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MEDIA INFORMATION

## **FSCS launches phase two consumer awareness drive**

*Campaign designed to reassure British public over safety of their savings has backing of trade organisations*

The [Financial Services Compensation Scheme](#) (FSCS) has today launched phase two of its consumer awareness programme aimed at reassuring people about the safety of their savings.

Although FSCS was in the spotlight following problems at Northern Rock and the failure of five banks in 2008, including Bradford & Bingley and Icesave, research suggests there is still a lack of awareness of the protection available to consumers. Only 51% of people are aware that compensation is available for those who lose money if an authorised firm goes bust.

The programme aims to reassure consumers and boost confidence, thereby aiding financial stability. It follows on from new regulations, which came into operation on 31 August 2012, which required banks, building societies and credit unions to display posters and stickers in branches, as well as information on their websites, to inform customers their savings are protected by FSCS.

[Mark Neale, Chief Executive of FSCS](#), said: “The Financial Services Compensation Scheme protects people when authorised financial services firms go bust. Our research showed a lack of understanding and knowledge about the protection that we provide. We want to reassure the majority that their money and savings are safe, and warn those who unwittingly put their money at risk.

“From our research, we also know that consumers who are aware of FSCS are more confident and likely to buy financial products. So FSCS plays a vital role in generating the consumer confidence, which benefits firms.

“We need to build awareness over time and cannot wait for the next crisis to try to engage people. By then it will be too late and queues will already be forming.”

The campaign features ‘Icons of Protection’, with visuals designed to be simple and clear but with a bold visual style to grab people’s attention. The campaign includes print, radio and digital display advertising, as well as an informative campaign microsite. Engagement with leading financial institutions, who engage with their customers on a day-to-day basis, also remains a key priority.

FSCS has allocated about £3m to the programme, which runs from 14 January 2013 to 31 March 2014. The costs of this phase of the programme, which are significantly less than in phase one, will be funded by the deposits funding class in 2013/14.

FSCS, which is free to consumers, has helped more than 4.5m people and paid out more than £26bn since 2001.

**-ENDS-**

## **Notes to Editors**

### **1. About the FSCS**

The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation scheme for customers of authorised financial services firms. This means that FSCS can pay compensation if a firm is unable, or likely to be unable, to pay claims against it. FSCS is an independent body, set up under the Financial Services and Markets Act 2000 (FSMA), and funded by a levy on authorised financial services firms. FSCS does not charge individual consumers for using its service. For more information visit [www.fscs.org.uk](http://www.fscs.org.uk)

FSCS aims to pay compensation in the majority of cases within seven days of a bank, building society or credit union failing. Any remaining claims, which are likely to be more complex, will be paid within 20 working days. This is the Europe-wide target for pay outs following the failure of all deposit takers within the EEA.

### **2. About phase two of the awareness campaign**

The first phase of FSCS's awareness campaign ran from 1 January 2011 to 31 March 2011. The second phase will run from 14 January 2013 to 31 March 2014 and features a mixture of print (newspaper and magazine), radio and online advertising. Engagement with leading financial institutions, as who engage with their customers on a day-to-day basis, remains a key priority.

Although awareness of FSCS increased significantly at the beginning of the financial crisis, research suggests that there is still a lack of awareness of the protection available to consumers and a high degree of confusion about who provides that protection. 51% of people think people would be compensated for the loss of their money if a financial services firm – such as a bank, building society, insurance company or independent financial adviser – went out of business. 48% say they have heard of FSCS.

All the main industry organisations support the programme and helped to develop the phase two strategy as part of the FSCS Consumer Awareness Advisory Panel. This also includes consumer organisations. The Panel was previously involved in developing the strategy and messaging for the first phase of the programme. It has been heavily involved in developing phase two.

### **3. About the research**

GfK NOP interviewed 1,000 adults aged 16+ by telephone between 7 and 9 December 2012. Data has been weighted to bring it in line with national profiles. GfK NOP is a Company Partner of the Market Research Society (MRS). All work was carried out in accordance with the MRS Code of Conduct and the ISO 20252 international standard for market, opinion and social research.