

## The Fairbanking Mark Regular Savings Specification



# Fairbanking Foundation

---

The Fairbanking Foundation is a charity dedicated to encouraging and helping financial providers to improve the financial well-being of their customers and as a result the UK public.

We do this through;

## Research and Ratings Reports

Industry wide, independent surveys of retail products in the market or along retail themes.

## Advice and Training

A programme of services to help financial services providers capitalise on Fairbanking research, coupled with the latest thinking in behavioural economics, to create products and processes that better serve customers.

## Fairbanking Marks

The Fairbanking Mark certification scheme is a market leading programme accredited by the UK Accreditation Service (UKAS) for financial products in the UK. Its certification procedure is similar to bodies such as the British Standards Institute (the "kitemark").

The methodology to analyse product features and their impact on financial well-being has been developed into 9 product specifications.

- ▶ Credit Card
- ▶ Current Account with overdraft
- ▶ Current Account without overdraft
- ▶ Personal Loan
- ▶ Personal Loan (High APR)
- ▶ Regular Savings
- ▶ Childrens' Savings Accounts
- ▶ Mortgages
- ▶ Student Current Accounts

Fairbanking research, combined with industry expert input, has identified drivers of financial well-being and identified money management practices that help customers positively change behaviour. These findings have generated benchmarks for products against which to measure the customer financial well-being that the product offers.



As part of a Fairbanking Mark assessment, we will work with you to identify, validate and confirm whether your products meet our functional standards and, if they do, the Fairbanking Mark will be granted in either a three, four or five star version. As part of our assessment process we survey, either via telephone or online, your customers' reactions to specific features.

In addition to the features outlined, we also consider a number of fairness factors to ensure that the product adheres to the Foundation's principle of fairness. These factors vary by product but will include a review of your product specific complaints, ensuring interest charges and fees are at an acceptable market level and that there are no restrictive practices relating to the product.

The product features outlined in this specification form the basis for our Regular Savings Fairbanking Mark assessment. To evaluate the potential for a Fairbanking Mark on your product, please either specify your answer by selecting Yes or No to the questions adding any relevant comments and submit the form. To contact our team to see how we can support you, please email us at [info@fairbanking.org.uk](mailto:info@fairbanking.org.uk) or call our Certification Director, Sureena Santos on **07951 130640**.

# Product Specification: Regular Savings

---

## 1. Enabling the customer to set a savings goal or "pot"

This section looks at features that are more likely to lead to savings action by making a commitment to a specific goal.

- |            |  |            |
|------------|--|------------|
| <b>1.1</b> | <b>The customer has the functionality to set up a savings goal or "pot".</b> | <b>Yes</b> |
|            |  | <b>No</b>  |

Comments:

- |            |  |            |
|------------|--|------------|
| <b>1.2</b> | <b>Different goals or "pots" can be set for different purposes (e.g. wedding, car, holiday).</b> | <b>Yes</b> |
|            |  | <b>No</b>  |

Comments:

- |            |   |            |
|------------|---|------------|
| <b>1.3</b> | <b>Goals or "pots" can be personalised e.g. not just a pre-set purpose but named by the customer.</b> | <b>Yes</b> |
|            |   | <b>No</b>  |

Comments:

- |            |  |            |
|------------|--|------------|
| <b>1.4</b> | <b>Tools are available to help the customer identify different combinations of amount and time periods to meet their regular savings objectives.</b> | <b>Yes</b> |
|            |  | <b>No</b>  |

Comments:

- |            |   |            |
|------------|---|------------|
| <b>1.5</b> | <b>The customer can produce or see different views of the savings goals (e.g. pictorial, tabular display, video).</b> | <b>Yes</b> |
|            |   | <b>No</b>  |

Comments:

- |            |   |            |
|------------|---|------------|
| <b>1.6</b> | <b>The customer is provided with "norms" for example average monthly savings amounts for other "similar" customers' or for similar "goals" for information.</b> | <b>Yes</b> |
|            |   | <b>No</b>  |

Comments:

## 2. Providing the customer with feedback

This sections looks at feedback that gives the customer information on the progress they are making in a way that motivates.

**2.1** Feedback is provided on how savings are building to reach a goal.

Yes

No

Comments:

---

## 3. Setting up a "rainy day" fund

This section looks at features that encourage people to have a contingency for unexpected expenditure.

**3.1** The customer is able to set up a "rainy day" fund for emergencies.

Yes

No

Comments:

**3.2** If a customer uses their 'rainy day' savings, encouragement is given to re-build the fund.

Yes

No

Comments:

---

## 4. Setting up a budget

This section looks at features that help people to be realistic about the amount they can save on a regular basis.

**4.1** There is an integrated tool that enables the customer to set a budget to determine a realistic amount for saving which is linked to their goals or 'pots'.

Yes

No

Comments:

**4.2** The product enables the customer to produce different views of the budget tool (e.g. pictorial or tabular display).

Yes

No

Comments:

## 5. Setting up payments

This section looks at how straightforward it is to set up a regular payment as a result of either having set a goal or creating a budget.

**5.1** The customer is prompted to set up payments as a result of the goal-setting and/or budget setting process.

Yes

No

Comments:

**5.2** There is an easy mechanism for setting up payments to the regular savings product.

Yes

No

Comments:

---

## 6. Providing motivation and incentives to continue with or re-align a goal

This section looks at features that provide customers with messages that encourage them to continue with or re-align goals and at financial incentives to encourage customers to continue with saving.

**6.1** Encouragement is given to the customer to keep on saving even if on-target.

Yes

No

Comments:

**6.2** Encouragement is given if the customer falls behind to get back on track without "beating the customer over the head" (e.g. the customer can switch-off or control messages).

Yes

No

Comments:

**6.3** Encouragement is given even if the customer falls behind and doesn't "recover" to keep on saving (e.g. the customer can re-align the goal to a more realistic target).

Yes

No

Comments:

**6.4** The customer can produce or see different views of the “encouragement” (e.g. pictorial, tabular display).

Yes

No

Comments:

**6.5** The customer is encouraged to establish a new goal when a goal has been achieved.

Yes

No

Comments:

**6.6** Are incentives provided to the customer that are designed to encourage commitment that is continuous; i.e. not just geared to achieving a specified objective.

Yes

No

Comments: