Phoenix

Driving Disclosure

Uncovering Hidden Barriers of Disclosing Vulnerabilities

In partnership with:

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Foreword

Previous research has told us that the prevalence of vulnerability in our customer base is higher than our customers disclose when they interact with us. So, we're focussed on breaking down barriers and helping our customers understand why telling us they need a little bit more help can be of benefit.

With such an important topic, we have a great opportunity to harness our collective resources and work together across the industry to break down some of these barriers. That's why we were delighted that some of our fellow Financial Services providers wanted to be part of this exciting research.

Whether circumstances are temporary, permanent, or changing, we want customers to know that we are here to listen and help them on their journey to and through retirement

Catherine Allen

Head of Customer Journey & Experience Management, Phoenix Group

Why is this research important?

This welcome and much-needed report is about disclosure – a critical moment where something often private and personal is shared about someone.

The report makes three timely contributions to our current thinking:

1. **First, it recognises that disclosures of vulnerability are first-and foremost human experiences:** they tell us about individual difficulties, problems, losses, fears, and even harm. They involve real people who can be upset, frustrated, or scared - and where each disclosure comes with the hope that an organisation can change and improve their situation.

2. **Second, it underlines the fact that disclosures are critical tests of consumer trust.** The decision to share information about a vulnerability is often accompanied by a hope this will lead to a positive change in circumstance, but where a real fear can exist that the disclosure may not be taken into account, not properly understood, or used against them.

3. **Third, it highlights the importance of organisations thinking ahead:** as customers may disclose a vulnerable situation just once, our staff and systems need to be trained and designed to respond in the right way the first time that a disclosure occurs, Without this vital insights may slip past us, needs may go unmet, and regulatory aims may be missed.

In bringing together often complex evidence and insight from the behavioural science and research literature, readers may feel initially daunted by the theoretical frameworks and concepts detailed in the report. However, as the psychologist Kurt Lewin observed there is often "nothing more practical than a good theory".

Our job therefore, as advocates for change, is to find that practice not just in the pages that follow, but also within our discussions and decisions about disclosure to come.

Chris Fitch, PhD, FRSPH

Vulnerability Lead, Money Advice Trust

The challenge

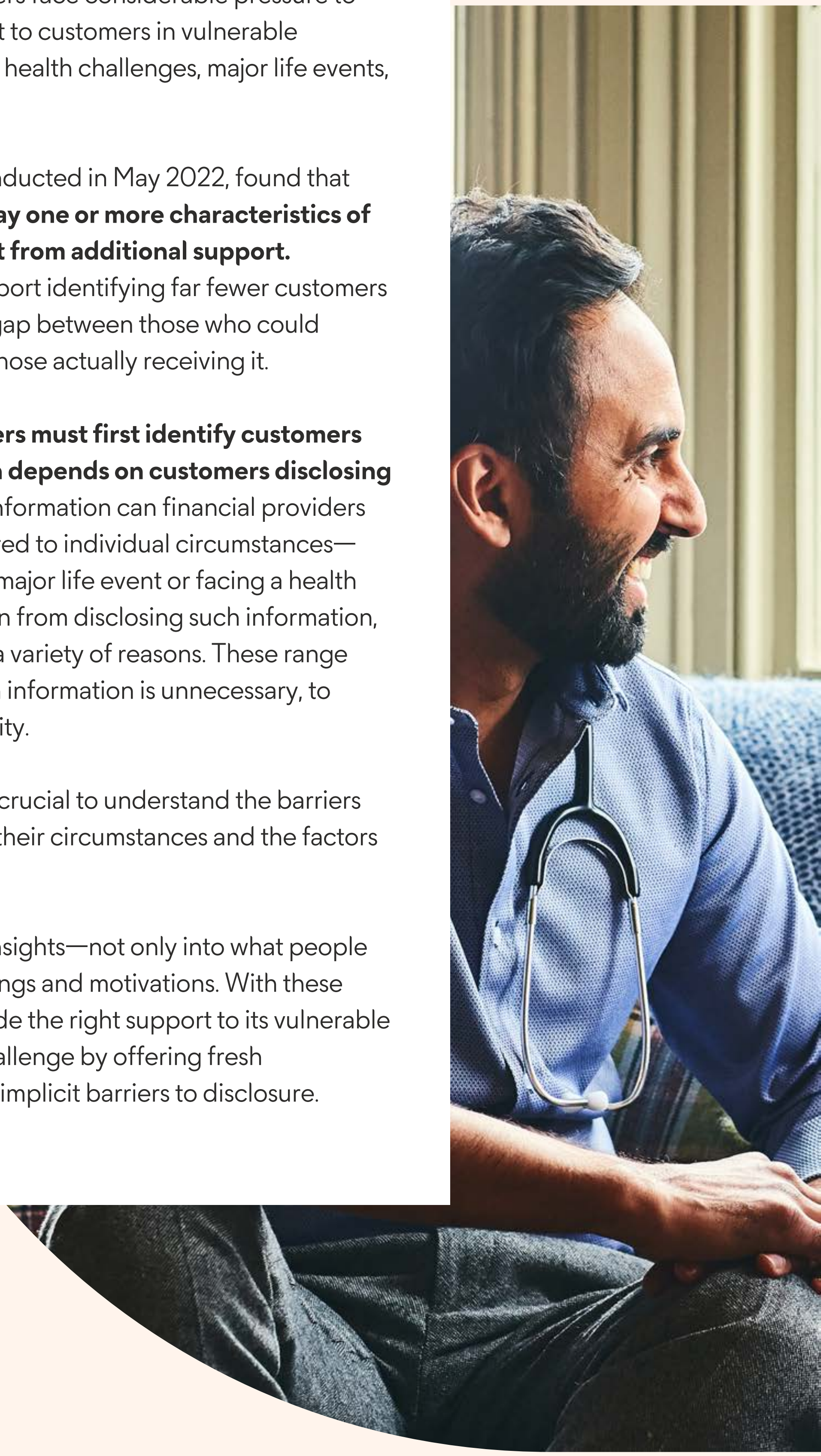
In today's landscape, financial providers face considerable pressure to provide appropriate care and support to customers in vulnerable situations, such as those experiencing health challenges, major life events, or financial difficulties, among others.

The FCA's Financial Lives Survey, conducted in May 2022, found that **nearly half (47%) of UK adults display one or more characteristics of vulnerability and hence may benefit from additional support.** However, financial providers often report identifying far fewer customers as vulnerable, revealing a significant gap between those who could benefit from additional support and those actually receiving it.

To bridge this gap, financial providers must first identify customers who need additional support, which depends on customers disclosing their circumstances. Only with this information can financial providers provide adequate levels of care, tailored to individual circumstances—whether the customer is navigating a major life event or facing a health challenge. Yet, many customers refrain from disclosing such information, with academic research highlighting a variety of reasons. These range from the perception that sharing such information is unnecessary, to concerns over data privacy and security.

To encourage greater disclosure, it is crucial to understand the barriers that prevent individuals from sharing their circumstances and the factors that may motivate them to do so.

Behavioural science offers valuable insights—not only into what people say but also into their underlying feelings and motivations. With these insights the financial sector can provide the right support to its vulnerable customers. This report tackles that challenge by offering fresh perspectives on both the explicit and implicit barriers to disclosure.



Our industry partners

"Life can take unexpected turns meaning that any of us could experience circumstances that lead us to become more vulnerable. It's important that customers feel able to tell us if they need a helping hand and that we respond in ways that support them. That's why I am leading this research so we get a deeper understanding of what gets in the way of customers informing us and how we can remove these barriers."

Karen Stewart

Vulnerable Customer Lead: Phoenix

"It's really important that people don't face barriers to financial products and services. Only a small number of customers who could benefit from additional support disclose their needs to us – so it's clear we need to do more to better understand our customers and their behaviours towards disclosure.

This research will help us all in the industry better understand how to encourage disclosure, and at Nationwide we look forward to learning more about how to best support our customers."

Sarah Liddon

Senior Manager Customer Vulnerability: nationwide

"As a customer-owned business, we're deeply committed to understanding and addressing the needs of our customers; however, we also recognise that disclosing sensitive details with a company can be a challenge. By identifying the barriers to disclosure, we're not only working to create a more inclusive and supportive environment but also fulfilling our Purpose of 'Protecting today, investing in tomorrow. Together we are mutually responsible'.

The findings of this research will allow us to tailor our services more effectively, helping all members receive the guidance and support they need. Through cross-industry collaboration, we aim to strengthen consumer trust, enhance financial well-being, and further reinforce our values as a mutual."

Andrew Burchell

Vulnerable Customer Manager: ROYAL LONDON

"We help people achieve a better later life – it's our purpose and why Just exists. We're very aware that many of our customers may need additional or different support at some point but, even when we open the conversation, they do not always feel comfortable sharing that information with us. This research plays an important role in helping us understand what it is that stops customers telling us they may need extra help and highlights the value of firms working together with a common purpose to improve customer outcomes."

Kelly Spier

Customer Inclusion and Vulnerability Manager: JUST. THE RETIREMENT SPECIALIST

"The Consumer Duty regulation has brought the industry a significant opportunity to focus on the needs of all clients, the depth and range of their needs, and to clearly demonstrate what we are doing to help them meet their financial goals.

We've welcomed the opportunity to work with advisers and their clients to not only better understand their financial needs, but also to identify and support clients in vulnerable circumstances, whether those needs are permanent or temporary.

We're working with Cowry Consulting as part of a wider group of committed industry partners, to better understand how we can support the identification of vulnerabilities and promote a culture that encourages proactive disclosure from clients. Enabling clients to be comfortable with disclosing their needs is the first step in enhancing their experience of working with businesses.

We believe that by working together we can develop a progressive focus on how we demonstrate positive client experiences and outcomes and feel that this research will contribute to improving o utcomes for all clients."

Dimpel Patel
Head of Client Complaints: RBC Brewin Dolphin

Executive summary

Introduction

This report investigates the factors that influence vulnerable customers' decision to disclose personal information to financial providers—an understanding of which is crucial for institutions to deliver effective support. Vulnerable customers may face health challenges, significant life events, or financial difficulties, yet many hesitate to share these details due to a range of explicit and implicit concerns. The report uses behavioural science frameworks, including the **COM-B model** (Capability, Opportunity, Motivation-Behavior) and the **Transtheoretical Model** (TTM), to unpack these barriers and suggest strategies to encourage disclosure.

Key Stages of the Disclosure Journey

The report identifies five stages in the disclosure journey and explores the unique barriers present in each phase:

1. **Precontemplation**
Customers are generally unaware of what disclosure involves and uncertain of its relevance to financial services. This lack of understanding acts as a significant initial barrier.

2. **Contemplation**
As awareness grows, many individuals struggle with the desire to maintain self-sufficiency, often fearing the negative consequences of disclosure.

3. **Preparation**
At this stage, customers may lack optimism about the benefits of disclosure. Doubts about the support they might receive lead many to delay reaching out.

4. **Action**
Customers who are ready to disclose may lack confidence in their ability to communicate their needs effectively. Additionally, a strong preference for human connection can make digital-only communication channels a challenge.

5. **Maintenance**
In the long term, customers need an ongoing, trust-based relationship with financial providers. Trust and transparency are essential to encourage continuous disclosure as circumstances evolve.

Research Methodology and Insights

To capture both explicit and implicit barriers to disclosure, the study employs advanced behavioural research methods, including:

- **Image Metaphors:** This technique uncovers subconscious associations related to disclosure by encouraging customers to express themselves through imagery, revealing hidden biases and beliefs. The image metaphors featured throughout the report were contributed by the research participants as personal representations of their own thoughts and feelings.
- **Implicit Response Testing (IRT):** IRT assesses instinctive reactions to disclosure, uncovering unconscious fears and attitudes that may not surface in traditional surveys.

The research reveals that likelihood of disclosure is influenced by a combination of implicit and explicit influences, underlying the need for nuanced communication strategies that address both stated beliefs and underlying reservations.

Recommendations

Based on the insights gathered, the report outlines actionable recommendations for financial providers. Some of these include:

- **Clear and Repeated Messaging:** Raise awareness about the benefits of disclosure through clear, consistent messaging across multiple channels, making information on disclosure both accessible and prominent.
- **Safe and Personalised Communication Channels:** Offer a variety of communication options, prioritising human interaction where possible, to help customers feel supported in sharing their needs.
- **Long-Term Trust-Building:** Financial providers should demonstrate a commitment to customer well-being by openly sharing the ways they support vulnerable customers. Operational transparency fosters trust, reassuring customers that their information will be handled ethically and sensitively.

Conclusion

This report calls for a sector-wide commitment to supporting vulnerable customers through transparent, empathetic communication. By understanding and addressing the barriers to disclosure at each stage of the journey, financial institutions can build trust and facilitate open communication. A proactive approach to customer vulnerability will ultimately enhance customer relationships and lead to improved outcomes for all parties involved.

Defining vulnerability

For the purposes of this research, we adopt the Financial Conduct Authority's (FCA) definition of a vulnerable customer. The FCA defines a vulnerable customer as:

> **"Someone who, due to their personal circumstances, is particularly at risk of harm—especially when a company fails to provide adequate levels of care."**
>
> - Financial Conduct Authority, 2021

This definition underscores the responsibility of financial service providers to offer appropriate care and attention to those who may be at a heightened risk.

According to the FCA there are 4 key drivers of vulnerability:

Health

Health conditions or illnesses that affect ability to carry out day-to-day tasks.

Life

Life events such as bereavement, job loss or relationship breakdown.

Resilience

Low ability to withstand financial or emotional shocks.

Capability

Low knowledge of financial matters or low confidence in managing money (financial capability). Low capability in other relevant areas such as literacy, or digital skills.

Characteristics associated with the four drivers of vulnerability

Health	Life Events	Resilience	Capability
Physical Disability	Retirement	Inadequate (outgoings exceed income) or eratic income	Low knowledge or confidence in managing finances
Severe or long-term illness	Bereavement	Over-indebtedness	Poor literacy or numeracy skills
Hearing or visual impairment	Income Shock	Low savings	Poor English language skills
Metal health condition or disability	Relationship Breakdown	Low emotional resilience	Poor or non-existent digital skills
Addiction	Domestic abuse (including economic control)		Learning difficulties
Low mental capacity or cognitive disability	Caring responsibilities		No or low access to help or support
	Other circumsatnces that affect people's experience or financial services e.g. leaving care, migration, or seeking asylum, human trafficking or modern slavery, convictions		

NB: Given the sensitive nature of the topic, there were no mentions of the terms 'vulnerability' or 'disclosure' during the research with participants. Alternative phrasing such as 'additional needs' and 'sharing information' were used to avoid bias in responses.

How is our research different?

Most research on disclosure to date relies on self-reported data, such as what people state in surveys. However, we know from behavioural science and customer behaviour at large that there is often a gap between what people say and how they actually behave in real-world situations.

To help bridge this gap, we carried out research that not only captures people's explicit responses but also delves into their deeper, often unspoken thoughts and feelings - which can offer a more holistic and accurate understanding of how customers behave in the real world. To this effect, the research used innovative methods, such as 'image metaphors' and 'implicit response testing' to uncover these subconscious perspectives. Additionally, to suitably capture a holistic understanding of disclosure, behavioural science frameworks and principles underpinned the overall approach and outputs of this research.

The research process:

1 Discovery

The first phase of our research was exploratory, concentrating on understanding the range of influences that might affect customers' decisions to disclose information. Our aim was to gather insights into their overarching needs and the contexts in which they operate.

Literature Review: First, we conducted a comprehensive review of academic literature to understand the current landscape of disclosure and identify gaps in existing research.

Behavioural Interviews and image metaphors: Next, we carried out behavioural interviews with 12 participants, using 'image metaphors' that brought out unconscious associations and emotions around disclosure. This phase highlighted implicit factors influencing people's willingness to share their situations with financial providers.

What are Image metaphors? Image metaphors are a visual technique crafted to uncover people's unconscious associations and emotions using images. Merging visual anthropology with social psychology, this method taps into hidden motivations and perceptions that traditional interviews or surveys can't reach. In each interview, participants bring an image that abstractly reflects their feelings about a topic, prompting deeper, less literal insights. For this research, we asked participants to bring two images. One representing how they feel about their relationship with their financial service provider overall and another image on their feelings about sharing information about support they might need from their financial provider.

During this Discover phase, we utilised the COM-B framework to systematically capture the influences on disclosure that we uncovered through the literature and behavioural interviews.

What is the COM-B model? The COM-B framework states that the likelihood of engaging in a behaviour is contingent upon one's capability, motivation and opportunity to do so:

Capability refers to an individual's psychological and physical ability to disclose (e.g., lack of knowledge about what disclosure is).

Opportunity refers to environmental factors. These include physical aspects such as time and resources, and social aspects like social norms or support systems. For example, customers may not feel comfortable to use the existing communication channels to disclose to their provider.

Motivation involves cognitive and emotional processes that drive disclosure, spanning both conscious evaluations and more intuitive, emotional responses. For example, customers may fear negative repercussions following disclosure.

Behaviour

2 Define

In this next phase, we quantified the insights from the Discovery phase by surveying over 2,000 participants with vulnerabilities.

Implicit Response Test (IRT): Using an implicit response test alongside explicit questions, we developed a holistic understanding of the factors influencing people's decisions to disclose.

What is Implicit Response Testing (IRT)? An IRT is a psychometric technique that captures quick, instinctive responses, bypassing more rationalised judgments. In this test, participants are given limited time to answer, tapping into their immediate impressions. We then follow up with more traditional, reflective questions, allowing us to see the contrast between instant reactions and considered responses. This dual approach gives a well-rounded view of the factors influencing people's decisions to disclose information.

Predictive Modelling: We analysed the data collected from the IRT using predictive modelling. This analysis helped us identify which factors most strongly increase or decrease the likelihood of disclosure.

What is predictive modelling? This is a statistical method designed to uncover patterns in the data and pinpoint the factors that have the greatest influence on this behaviour. We identified the overall predictors (based on implicit and explicit responses), as well as those specific to certain types of vulnerability and demographic characteristics (such as age and employment status, including those who are employed, self-employed, unemployed or retired).

3 Develop

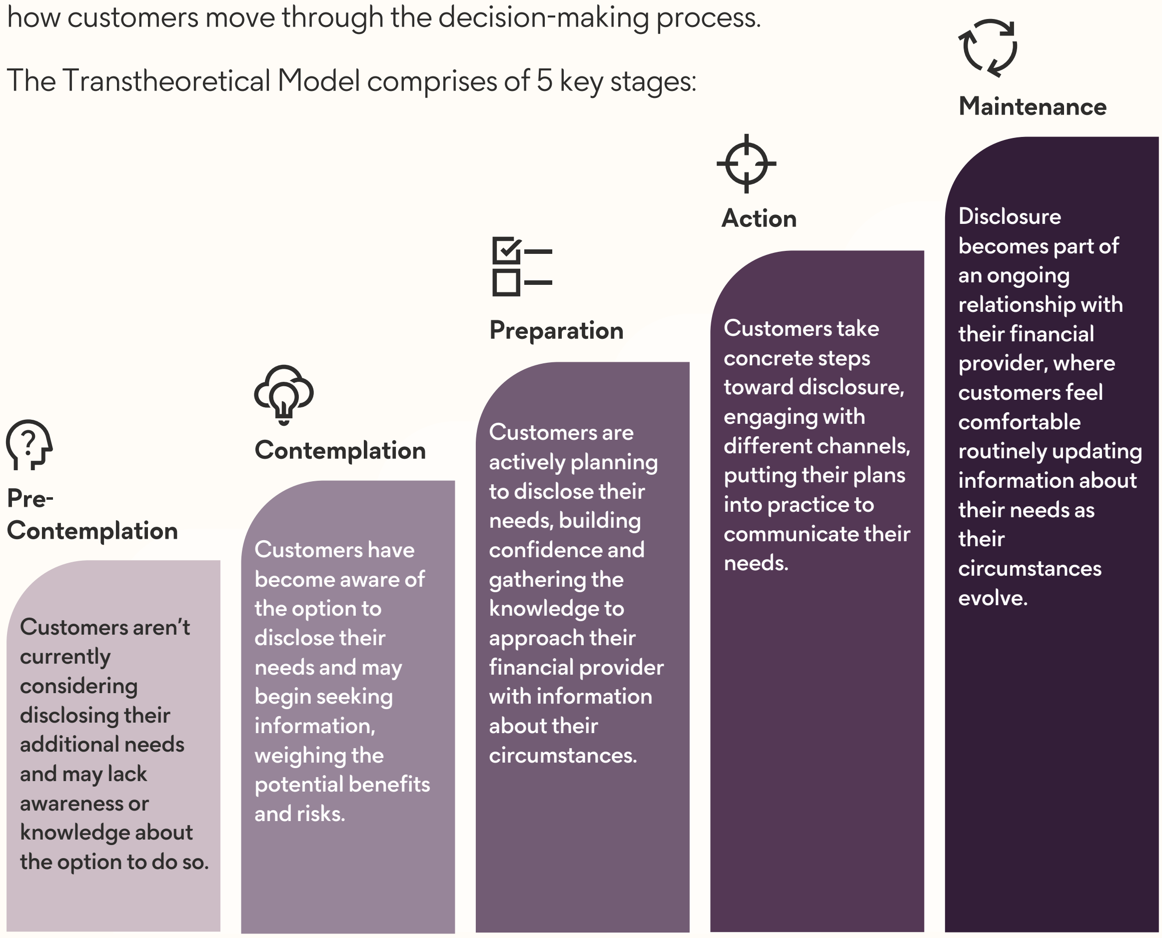
In the previous two phases, we systematically identified the range of factors influencing disclosure and highlighted those most critical in determining the likelihood of disclosure behaviour. However, we recognise that disclosure is not a one-time event but rather a journey that unfolds over time. With this understanding, we acknowledged that the factors impacting disclosure would vary in influence at different stages of a customer's journey of disclosure.

This phase, therefore, focused on prioritising and mapping the most significant implicit and explicit factors across each stage of this journey, enabling us to provide financial institutions with targeted, actionable insights. This approach allowed us to tailor our recommendations to the specific needs and influences present at each stage.

Mapping the disclosure journey through the Transtheoretical Model (TTM)

The TTM provides a framework to understand behaviour as a process, which aligns with the progressive stages of disclosure. Each factor identified in Phases 1 and 2 were mapped across the five key stages of the Transtheoretical Model, offering a clearer perspective on how customers move through the decision-making process.

The Transtheoretical Model comprises of 5 key stages:



The report is structured around these 5 key stages, highlighting the primary influences and barriers at each point in the customer journey towards disclosure.

Behaviourally informed recommendations: Based on mapping the key factors across stages of the Transtheoretical Model, we developed recommendations tailored to each stage of the customer disclosure journey, that were rooted in behavioural science and psychological principles. Where relevant, **neurodesign** fed into recommendations, ensuring both implicit and explicit factors of customers' decision making were considered.

What is neurodesign? In communication campaigns, it's essential to appeal to the brain's unconscious processing to grab attention, evoke positive emotions, and enhance visual appeal. This approach, known as neurodesign, is a specialised technique, where neuroscience principles are used to shape environments, communications, and interactions in a way that feels intuitive and impactful. Unlike traditional behavioural strategies relying on policy or nudge tactics, neurodesign integrates behavioural science directly into the design, guiding attention and decision-making through visual hierarchy, colour choices, and saliency, and engaging fast, intuitive (System 1) thinking.

How to read this report

Each chapter of this report is structured into sections that provide a comprehensive view of the customer's disclosure journey. These sections aim to capture and contextualise the factors that impact a customer's willingness to disclose information, offering insights grounded in both quantitative data and qualitative analysis. The sections are as follows:

Chapter Summary

Stage of Disclosure Journey

This section outlines the specific stage of the customer's disclosure journey, according to the Transtheoretical Model. It highlights key factors identified at this stage that influence the likelihood of disclosure, setting the foundation for the chapter's insights.

Key predictors for disclosure at this stage:

1. **Predictor 1**
2. **Predictor 2**

In this Chapter:

Key Theme(s)

Key findings from predictive analysis and interviews

Finding 1

Here, the report details factors that were found to significantly affect disclosure likelihood through quantitative analysis. These findings are enriched by quotes and observations from behavioural interviews, adding qualitative depth to the broader trends identified.

> **Direct quotes from participants during behavioural interviews**

Finding 2

> **Direct quotes from participants during behavioural interviews**

Details of additional insights that emerged through our research, including mental metaphors that provided a deeper understanding of subconscious attitudes around disclosure. Demographic differences and significant differences between implicit and explicit attitudes are also highlighted.

Mental metaphor spotlight

Mental Metaphor Image

Where relevant, this section explores the mental metaphor images that participants brought to the behavioural interviews, offering a window into deeper, subconscious associations with disclosure. These metaphors reveal underlying beliefs and attitudes that might not be fully expressed in explicit responses.

Images brought by participants revealing their deeper subconscious associations

Demographic differences

Demographic differences across vulnerability type, age and employment

This section highlights key demographic variations across vulnerability drivers, age, and employment status. Where specific factors are more influential for particular demographic groups, these insights are drawn out to better understand disclosure behaviours across diverse customer profiles.

Subconscious beliefs versus stated views

Key differences in implicit and explicit responses

Where applicable, significant discrepancies between participants' implicit and explicit responses, as identified in the implicit response test, are presented. This section sheds light on gaps between individuals' stated views and their subconscious beliefs, offering a nuanced understanding of disclosure attitudes.

Key takeaways for your business

What does this mean for customers who are at this stage?

At this stage, to increase the likelihood of disclosure, it is clear that customers need to:

1. Customer need 1
2. Customer need 2

What does this mean for your business?

Each chapter concludes with actionable takeaways, summarising the primary needs of customers at this stage and offering guidance on how businesses can apply psychological principles and behavioural science to address these needs. These insights help businesses meaningfully engage with factors influencing disclosure at each point in the customer journey.

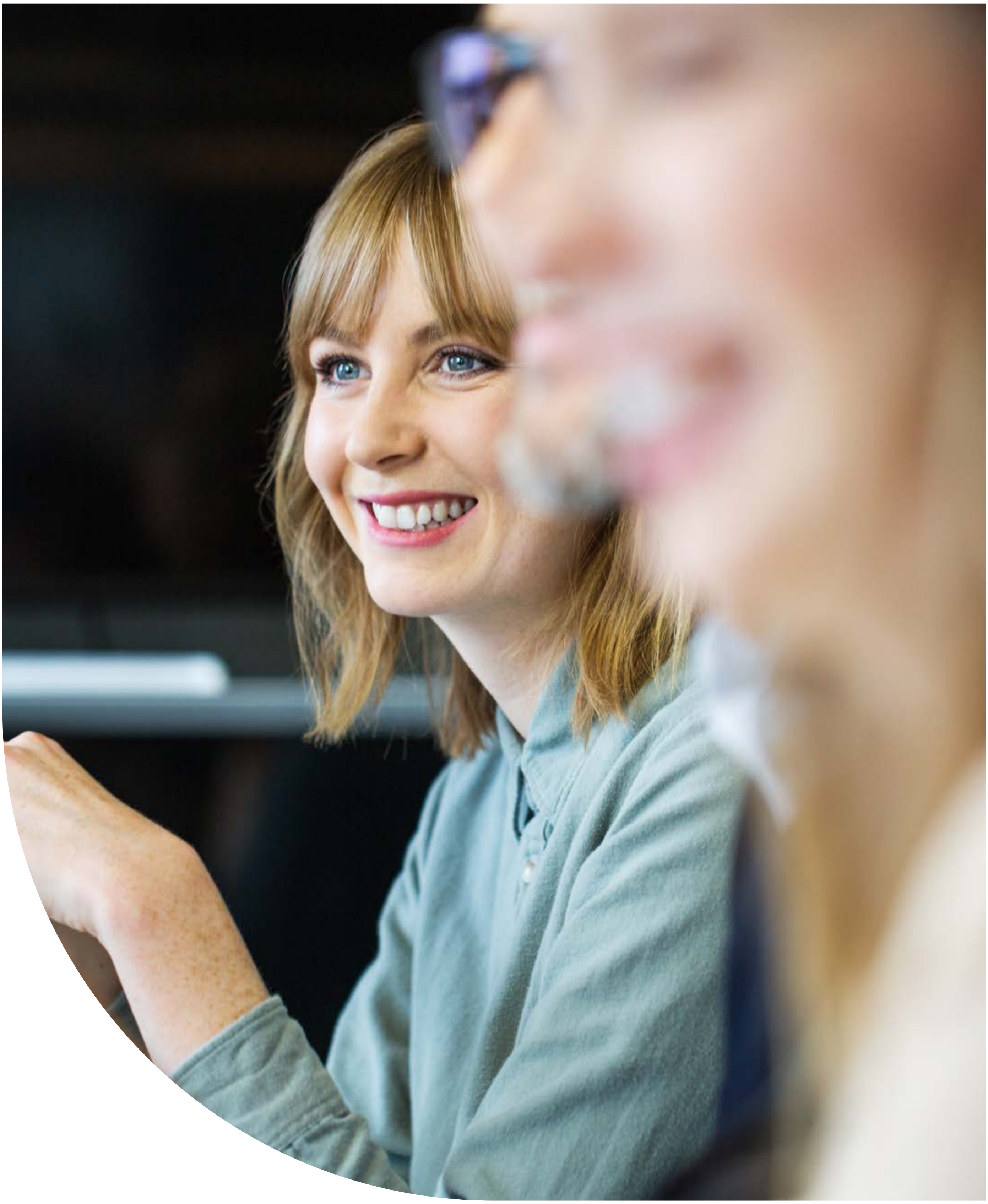
Some guiding psychological principles to consider at this stage include:

1. Psychological principle 1

Short paragraph(s) giving more detail and context about guiding psychological principle 1

2. Psychological principle 2

Short paragraph(s) giving more detail and context about guiding psychological principle 2



Pre-Contemplation

Customers in the pre-contemplation stage may be unaware that disclosure to financial providers is even an option. The insights highlight this lack of awareness, as customers often do not understand what disclosure entails within the financial industry or how they might approach their provider about their needs.

Key predictors for disclosure at the pre-contemplation stage:

1. **Awareness of disclosure within financial institutions**
2. **Understanding of the process of disclosure**

In this chapter:

The Knowledge Gap

Pre-contemplation

The knowledge gap

Customers lack an understanding of what disclosure means within the context of financial providers

Understanding the relevance of disclosure within the context of financial providers and why providers may want this information was a significant factor influencing disclosure amongst customers.

During the interviews, customers revealed a fundamental lack of understanding of disclosure or what support it can lead to, with many being unable to recall anyone ever reaching out via letters or email to ask them about their needs. This revealed a crucial knowledge gap around the very concept of disclosure within the context of financial providers.

"I didn't think that was a thing really. Like you can go to your bank and sort of say, 'I need help and things like that."

"I'd be curious to know, actually, just kind of why do they do that? What's the payoff? What's the benefit?"

Mental Metaphor Spotlight

"I guess I was confused as to what they can provide. Yeah, unless I've been like missing something. To me, they just don't really provide anything else other than, yeah, a place to store your money."

Interestingly, while customers didn't immediately connect disclosure and support with the financial industry context, they often mentioned feeling more comfortable sharing information with healthcare providers or charitable organisations. In these contexts, they better understood why such information might be sought and why sharing it could lead to beneficial outcomes.

"Like if this were a doctor, that'd be fine for them to be asking about physical and mental illness. But if it was your provider, you'd think, why are you asking about that? So I guess it depends on who it's coming from."

"But yeah, I've no thoughts of them supporting me either way. They are a bank, as good as banks as they are, they're not Samaritans. You wouldn't ring them if you were in trouble. You'd ring mental health teams or other places to get help."

The literature supports this finding, showing that customers are more likely to disclose additional needs when they clearly see the relevance of the need to the services offered by an institution (e.g., disclosing health concerns to a doctor or mental health concerns to organisations like Samaritans). When perceived relevance is low, disclosure is often hindered, as customers struggle to recognise the reason or benefit of disclosing. This aligns with our insight that customers more readily associate disclosure with services like healthcare or charities, where the perceived relevance is immediate—unlike disclosure to financial providers, where this connection feels less apparent.

Demographic Differences

Having a clear understanding of what disclosure within financial services is, and why it's important, was particularly influential in encouraging disclosure among customers with **health-related needs** or those experiencing significant **life events**.

For individuals facing health challenges, this primarily encouraged disclosure among those aged **34–44** and customers who were either employed or self-employed. For customers dealing with major life events, the effect was strongest for individuals aged **30–34** and those in employment.

Customers lack an understanding of how to disclose information

Understanding specifically how to disclose information to seek support within financial providers emerged as another major factor influencing likelihood of disclosure.

This theme surfaced consistently throughout the interviews. Customers who were hesitant about disclosing their needs often expressed uncertainty about how to navigate the process—unsure of which channels to use or even how to start the conversation with their provider.

> **“I wouldn't even know how to approach my financial provider about certain things”**
>
> **“I don't know if you'd have a conversation with your bank. I don't know how that'd work.”**
>
> **"I think it's probably just not, just kind of no confidence or just understanding of what I actually need to do. Like, I'm afraid it's just a bit of ignorance, really, like, I don't really know, I'd love to be able to speak to my pension provider and see what I can do in terms of starting up some contributions again, and, but I wouldn't really know where to start".**

This insight has been further supported in the literature which finds that customers lack an awareness around how to disclose or which channels to use when communicating with their financial providers, acting as a key barrier.

Demographic Differences

For customers with needs related to **financial resilience** it was especially important to understand the process of how to disclose information to their financial providers. Adults with adversities related to financial resilience between the ages of **30-34** and those in employment or retired were more likely to disclose if they felt like they had a good understanding of the process.

What does this mean for customers who are at the Pre-Contemplation stage?

At this stage, to increase the likelihood of disclosure, it is clear that customers need to:

1. Understand what disclosure means within the context of financial providers
2. Understand how to disclose information about their additional needs.

What does this mean for your business?

When pre-contemplating disclosure, customers may not yet recognise disclosure as an option within financial institutions. Raising general awareness in a clear, attention-grabbing way is therefore essential. Identifying key customer touch points, where customers are most engaged and receptive to new information, is crucial. For instance, emphasising disclosure at onboarding for new customers could be impactful, as well as incorporating messaging about disclosure on prominent customer interaction points, like the homepage of your website. Broader awareness campaigns could also be considered to initiate a strong push toward raising awareness around disclosure.

Some guiding psychological principles to consider at this stage include:

1. Increase saliency of information on disclosure

The more an item or piece of information stands out on a page, the more likely people are to notice and remember it.

Elements like size, contrast, colour, and layout can make key information especially eye-catching. When communicating details about disclosure to your customers, consider placing this information prominently at the top, where attention is typically drawn first. Similarly, use images, icons, or colour contrasts to distinguish information about disclosure from surrounding text, making sure it stands out clearly.

2. Provide a reason for why you want your customers to disclose

When people understand the purpose or intention behind a behaviour, they feel more motivated and are more likely to engage in that behaviour.

When providing information about disclosure, it is important for you to provide a compelling reason as to why you want this information and how it could benefit the customer.

3. Provide information about disclosure frequently and through multiple channels

People are more likely to feel positive emotions toward things that feel familiar. Repeated exposure to information increases both familiarity and openness to that information.

For customers in the precontemplation stage, it's especially important to communicate information about disclosure consistently and across multiple channels to build general awareness. This approach enhances familiarity and encourages receptiveness, laying the groundwork for the next stage in the customer journey.

4. Provide clarity around how disclosure would work for your customers

People are less likely to engage in a behaviour when they encounter ambiguity or lack clarity about the necessary steps.

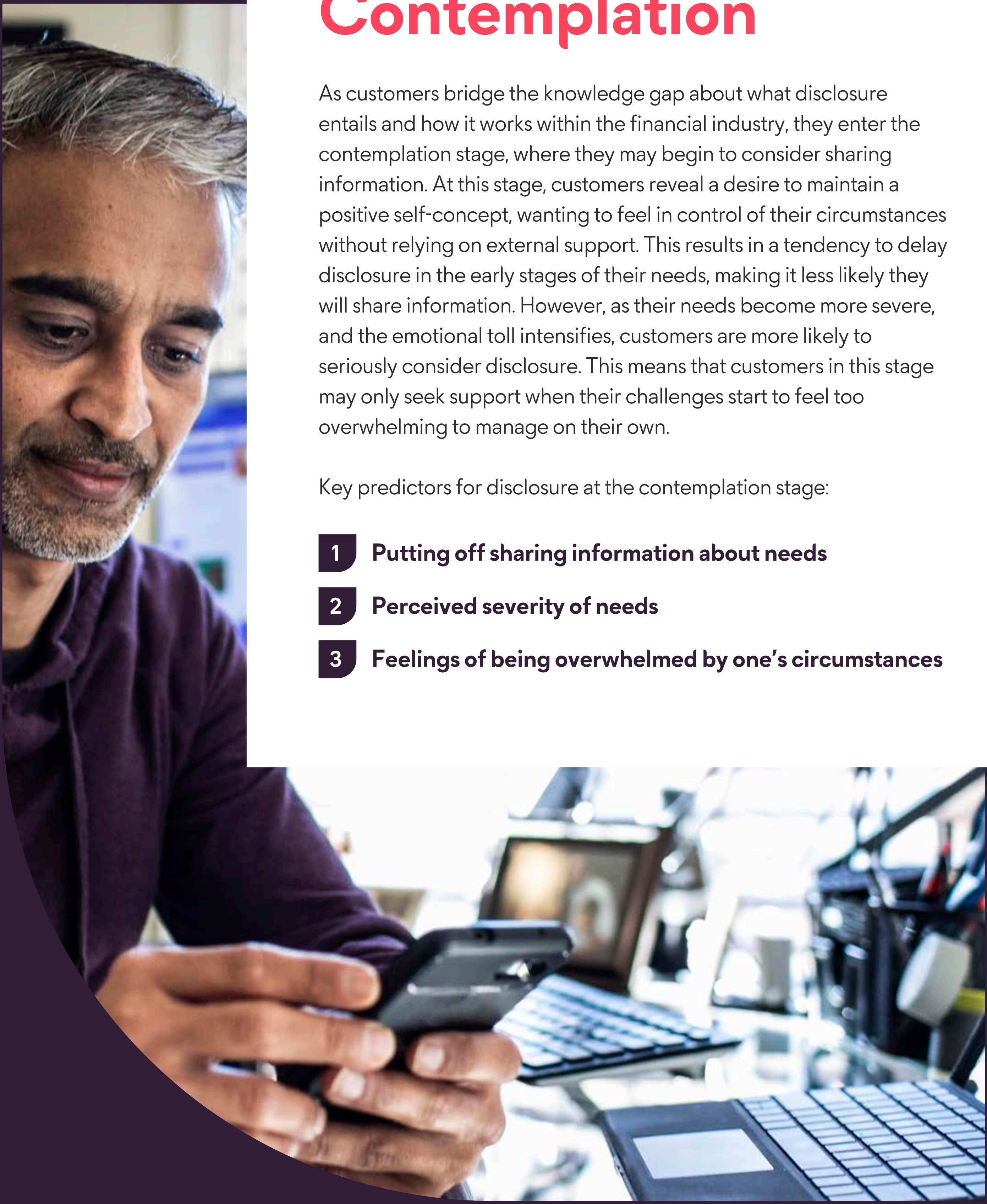
Therefore, when conveying information about disclosure, it's essential to clearly explain not only why it is important but also how your customers can communicate their needs and through which channels. Providing this information helps to remove uncertainty and encourages customers to take action.

Contemplation

As customers bridge the knowledge gap about what disclosure entails and how it works within the financial industry, they enter the contemplation stage, where they may begin to consider sharing information. At this stage, customers reveal a desire to maintain a positive self-concept, wanting to feel in control of their circumstances without relying on external support. This results in a tendency to delay disclosure in the early stages of their needs, making it less likely they will share information. However, as their needs become more severe, and the emotional toll intensifies, customers are more likely to seriously consider disclosure. This means that customers in this stage may only seek support when their challenges start to feel too overwhelming to manage on their own.

Key predictors for disclosure at the contemplation stage:

1. **Putting off sharing information about needs**
2. **Perceived severity of needs**
3. **Feelings of being overwhelmed by one's circumstances**



In this chapter:

- Wishing Problems Away
- Stretched Mental Capacity

Contemplation

Wishing problems away

Customers put off sharing information about needs

The research indicated that a significant barrier to customers' willingness to disclose information was a preference to delay or put off sharing details about their needs at early stages.

Our interviews shed further light on this finding, revealing that this reluctance to share stemmed from customers' desire to perceive themselves as self-sufficient and in control of their own challenges, without relying on external sources.

> **"I guess I almost don't want to recognise myself, the situation, you know, I mean debt and things like that. So I think as soon as you vocalise that to someone else, that means it's a bad situation. Yeah, I think that's kind of why I sort of stay silent about these sorts of things, until I really need help, because I feel like I can get myself out of the situation."**

Mental Metaphor Spotlight

"I feel a bit proud. Yeah. I don't want to, you know, at the moment, we're making ends meet, we're doing fine, but I don't want to start knocking on doors and asking for support."

We also know from behavioural science that humans have an optimism bias, where we overestimate our knowledge and ability to control events whilst underestimating potential risks. This further helps to explain why customers may prioritise self-sufficiency and delay disclosure early on.

Demographic Differences

Delaying the sharing of information was a key barrier to disclosure amongst customers experiencing significant **life events**.

Within this group, **30 - 34** year olds and self-employed individuals were more likely to put off sharing information.

Customers are motivated to disclose only when they perceive their situation to be severe

While customers are initially reluctant to share information during the early stages of their needs, perceiving their situation as serious and urgent is a major factor influencing likelihood of disclosure.

Quotes from the interviews below highlight this link between likelihood of disclosure and perceived severity of circumstance.

> **“But I think I would, I would reach out if it got to, you know, a really bad place...that would be quite a desperate situation where I'd have to ring them, you know, and see what we could do about that. But I think until that point, that's the only thing stopping me really, is just sort of the severity of the situation.”**
>
> **“I'd probably not reach out until it was like a really sort of, you know, desperate situation.”**

Such findings align with the human tendency to focus on the present, often overlooking longer-term risks and outcomes. People are more likely to overcome their reluctance to disclose information when the urgency or perceived threat of the situation feels immediate and pressing in the present moment.

Demographic Differences

Customers with needs related to their **health** were more likely to disclose when they truly felt like their circumstances were severe enough. Within this group, this affected mainly those aged **30-34.**

Stretched mental capacity

Customers wait to disclose until the emotional burden feels too heavy

Another important factor influencing the likelihood of disclosure is the extent to which customers feel emotionally overwhelmed by their circumstances. Those who experience higher levels of overwhelm are more inclined to share their needs with their provider.

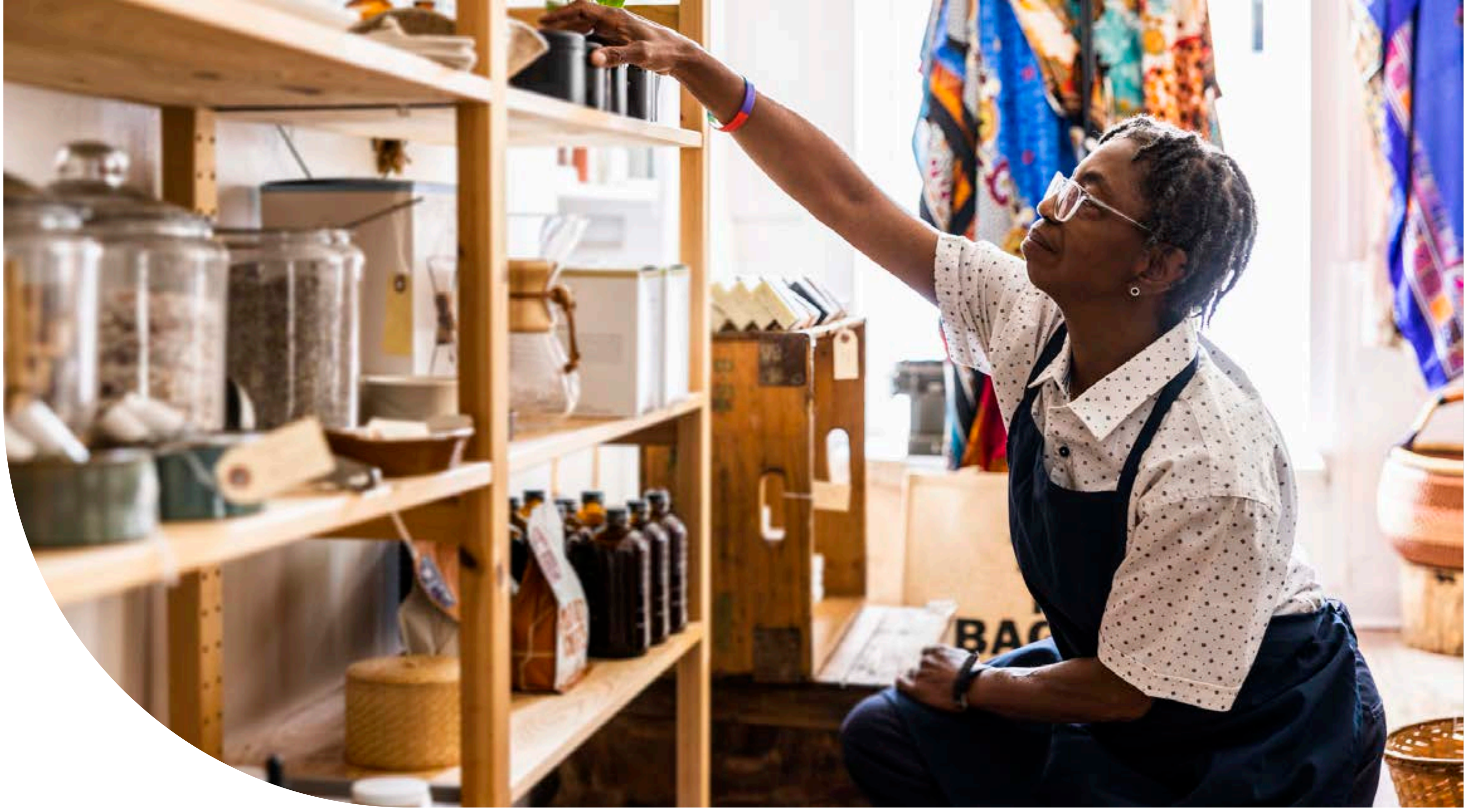
While customers strive to maintain control and self-sufficiency in the early stages of their challenges, they become increasingly aware of the emotional and cognitive burden as their challenges escalate. This heightened awareness compels them to acknowledge where they could use assistance, making them more likely to disclose information to their providers.

Our interviews shed light on the headspace that customers find themselves in when they are emotionally overwhelmed by their circumstances, prompting motivation to disclose.

> **"Honestly, like, I'm just constantly worried all the time [...] there's only so many hours in the day and I just feel like everything's sort of stacked against me, you know, in the prices of food and fuel and clothes and nursery fees and all of this, all of those go up. But my salary doesn't go up, my husband's salary doesn't go up. And so it just feels like a constant uphill struggle, really."**
>
> **"The feeling is really not good, in that it stresses you out, that you keep worrying about my rent payment, paying bills, and I haven't got any spare money left, and things like that"**

Mental Metaphor Spotlight

"Yes, they're withdrawing out some of the money that you're in arrears for, the debts you have to pay, and then again you still have to figure out how to pay the other person you took the money from, and all of them come with an interest, so I feel like that's the cycle I'm living now, and I feel like it's exhausting."



Demographic Differences

Customers with needs related to their **health** as well as **resilience** were more likely to feel like their mental capacity was stretched to the point where they needed additional support.

Within the health group, this significantly affected customers between **18-29** and **35-44** and those who are unemployed. Of customers with resilience needs this mainly applied to those aged **18-29**, as well as employed and self-employed individuals.

What does this mean for customers who are at the Contemplation stage?

At this stage, to increase the likelihood of disclosure, it is clear that customers need to:

1. Maintain a sense of control and self-sufficiency to encourage early disclosure of needs
2. Understand how disclosure can help them before they perceive their circumstances to be severe or the emotional burden becomes too heavy

What does this mean for your business?

At this stage, your customers may not yet be actively thinking about disclosure. Any momentum you've built in the previous stage needs to be kept up to encourage disclosure. So, it's important to keep communicating and raising awareness about disclosure in your regular interactions with customers—whether that's in branches, through posters, online, or in letters.

Some guiding psychological principles to consider at this stage include:

1. Frame communication around disclosure in a way that makes customers feel in control

The way information is framed has a significant impact on how it will be perceived.

Your customers want to feel like they're in the driver seat of their own fate. It's therefore important to frame things in a positive way that indicates that disclosure is an act of regaining control instead of an admittance that they need support. Here, you may want to emphasise that disclosure can be empowering and you're merely there to give them the tools to succeed and take control of their situation. Think about the language you use - for example, avoid terms like 'struggling' or any words that could be negatively charged.

2. Give customers an easy first step to kickstart the process of disclosure

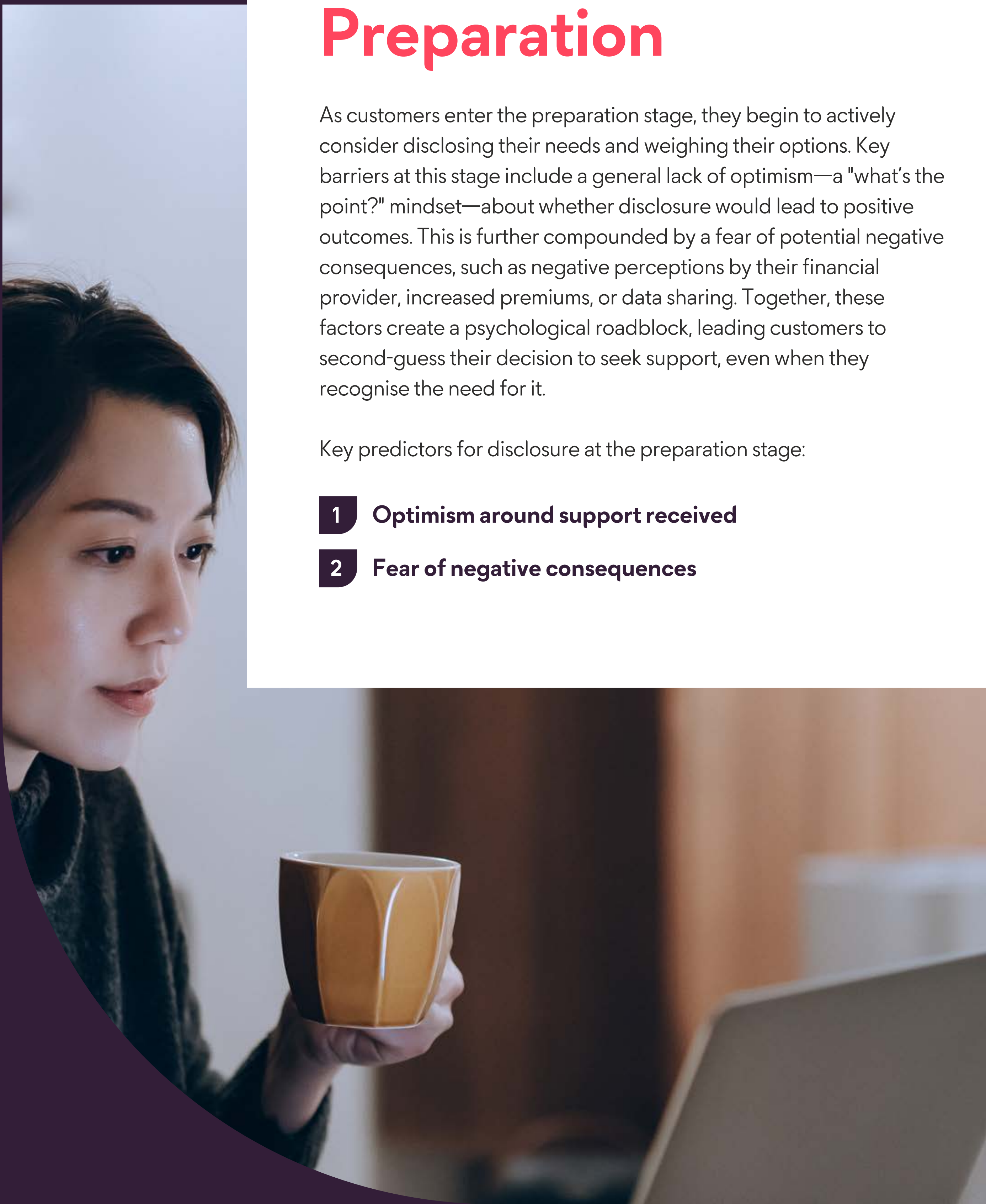
It's easier to get commitment to a bigger task when people have already begun their journey with an easy first step.

For some customers, the idea of disclosure may feel daunting, with negative associations or assumptions attached. To make it feel less overwhelming, a helpful approach is to offer a simple first step that encourages them to move from merely considering disclosure to actively preparing for it. This might involve directing them to a section of your website or another resource where they can learn more about the specific process within your organisation.

3. Help customers envision the positive outcomes they can achieve through your support

Stimulating 'future thinking' helps people visualise how their current behaviour will influence them in the long run.

Alongside showcasing positive outcomes for others, you can encourage action by prompting customers to consider their own future goals and how your support can help achieve them. Use action-oriented language and outline clear, practical steps they can take to move closer to their goals —whether that's a debt-free future or a smooth transition into a new phase of life, such as retirement.



Preparation

As customers enter the preparation stage, they begin to actively consider disclosing their needs and weighing their options. Key barriers at this stage include a general lack of optimism—a "what's the point?" mindset—about whether disclosure would lead to positive outcomes. This is further compounded by a fear of potential negative consequences, such as negative perceptions by their financial provider, increased premiums, or data sharing. Together, these factors create a psychological roadblock, leading customers to second-guess their decision to seek support, even when they recognise the need for it.

Key predictors for disclosure at the preparation stage:

1. **Optimism around support received**
2. **Fear of negative consequences**

In this chapter:

The Power of Optimism

The Benefit Disconnect

The power of optimism

Customers aren't optimistic about the support they'll receive

The perception of support that customers receive after disclosing information is a key factor influencing their decision to share information with their financial provider. The less optimistic customers feel about the support they'll receive, the less likely they are to disclose.

In interviews, participants frequently expressed doubts or a lack of confidence regarding the helpfulness of their provider's assistance. In some instances, this was underpinned by a general lack of optimism.

> **"I just feel like, what's the point? It's better if you just bottle it up and box it up, because there's no point really talking to someone."**
>
> **"I'd expect an empty sympathy letter or empty sympathy words, very much like what you get when someone dies and they've overpaid the pension. [...] So, it's a standard, 'oh, we're really sorry', and then followed by you owe us this much money. What are you going to do about it? That's what I expect."**

In other cases, a lack of optimism specifically stemmed from not having seen their provider deliver support to other customers, leading to doubts about any immediate or tangible benefits that would justify the effort of reaching out.

> **"I don't really know what they'd be able to do, to be honest, because I've never sort of seen them offer any help. So if I went to them discussing my situation, yeah, I'm not too sure what they could do."**
>
> **"So then it's like, well, is there any point in like telling them or anything like that? So it's kind of, no, it's kind of weighing up the benefits of even calling them really. If they were able to offer like instant support, then it'd be like, oh, you know, I'll let them know. But yeah, until it gets to, yeah, I just don't think there'd be any point right now."**

The few customers who did in fact express hope in the support they could receive were more likely to consider disclosing information. This belief acts as a bridge between considering action and taking concrete steps to engage with their provider.

> **“Um, yeah, I think I'd feel comfortable if I felt, because I do trust them, um, and if you feel like you're going to get some support or advice or something like that, then it's obviously really useful. So, yeah, I think I'd feel comfortable giving them any kind of information that could help them assist me better.”**

Mental Metaphor Spotlight

“The reason that I chose that was that, obviously, it is a nice blue sky at the top. It does look sunny and welcoming. So, in my head, I was thinking it's like a mountain to climb to get there, but once you're there, it's quite pretty. And, you know, if you ask for the help, then, you know, you do get to the other side and, you know, you'll feel better eventually.”

Demographic Differences

The research surfaced that in particular those facing **health challenges** were more inclined to disclose when they felt optimistic about the support their financial provider could offer them. This effect was strongest for customers between the age of **30-64** as well as those in employment .

Subconscious beliefs versus stated views

There was a significant difference between how optimistic people feel implicitly and explicitly. Instinctively, people tend to believe that support from their financial provider would be beneficial, as this gut reaction taps into a hopeful, emotional response focused on potential relief. However, when given time to think more carefully, this initial optimism often fades, replaced by a sense of scepticism. Reflecting on past experiences or doubts about the provider’s effectiveness, people become more cautious, questioning whether support would genuinely make a difference or simply add stress. This shift from hope to caution shows that, while people want to believe in support, practical concerns and memories of unmet expectations often lead them to hesitate when considering whether to disclose their situation.

The benefit disconnect

Customers fear negative consequences

Fear of negative consequences emerged as a significant factor in disclosing information to financial providers. The more that customers feared the potential for negative consequences, the less likely they were to disclose.

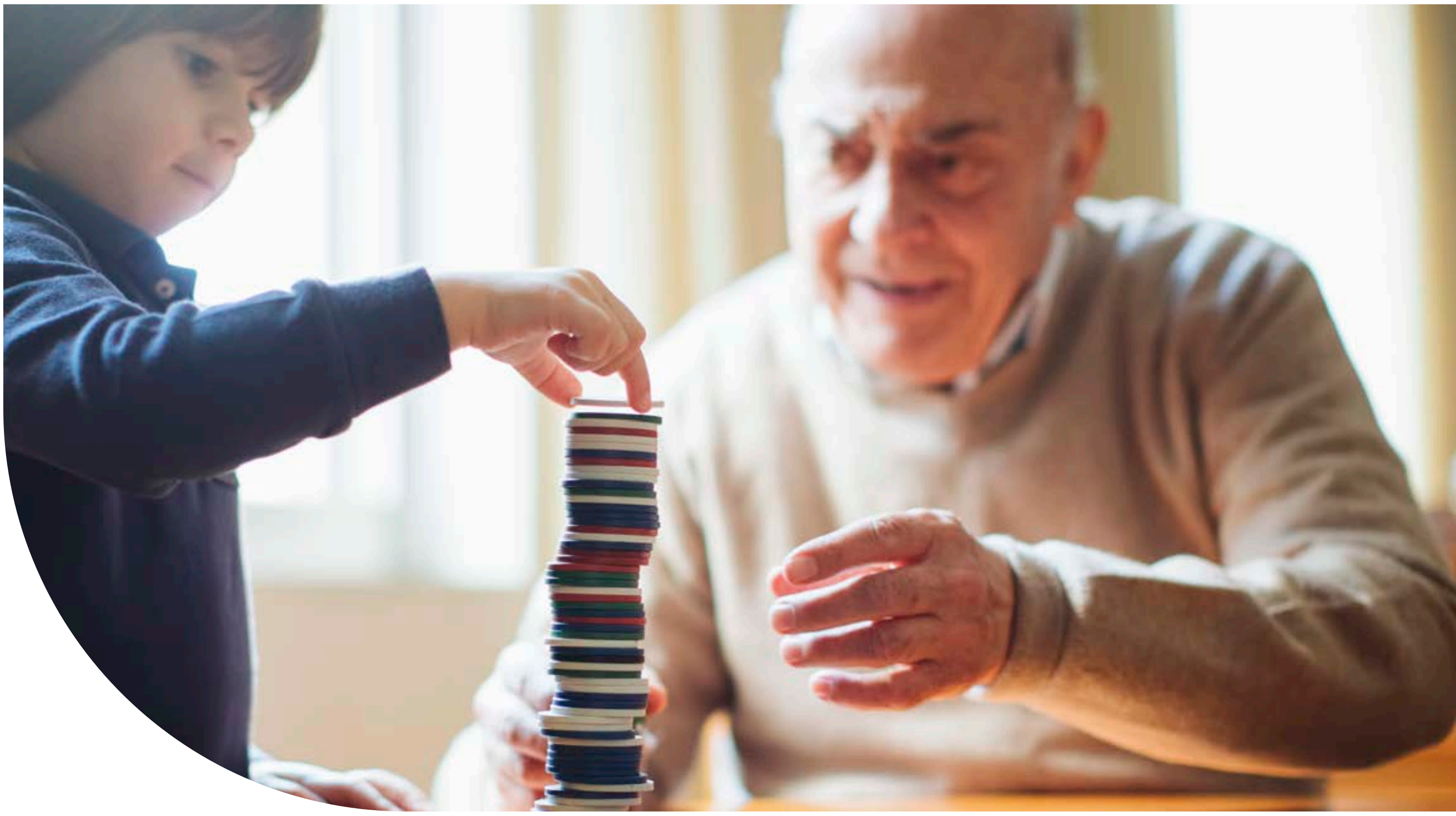
This finding was highlighted in the interviews where customers often spoke about their hesitancy that sharing information could lead to general negative outcomes for them.

> **"Yeah, and then [they] used to, sort of, levy something against you, or it's just, the vulnerability of personal information, then being used against you in a, sort of, negative way."**
>
> **"I feel like I have a good relationship with my bank and obviously don't want to tarnish that for anything else."**

For others, there were specific negative consequences associated with disclosure to financial providers including repossession of assets, increase in premiums and data being shared across organisations.

> **"You know, so if I miss three payments, are they going to [...] repossess my house? And that's a worry, wouldn't it? You know, so you've got nowhere to live."**
>
> **"Yeah, I guess, I've lost my job or I'm not well but suddenly would all my overdraft disappear? [...] Oh God, he can't afford stuff anymore."**
>
> **"Well, they'd share it with everybody. Everything's shared, isn't it? [...]If you get a loan from somewhere, then every other financial provider knows you've got that loan. But if you had some bad debt, everybody knows you've got some bad debt."**

The literature on disclosure reinforces this insight, indicating that customers not only anticipate potential negative outcomes but may also expect negative emotions following disclosure. Some fear their disclosure may not be believed, understood, or could even be used against them. Additionally, concerns about being met with pity or moral judgement from firms have also been identified. Together, these findings illustrate how the anticipation of negative responses can create significant barriers to disclosure.



Demographic Differences

The more customers with **health challenges** feel they may face negative consequences from disclosing their condition, the less likely they are to do so. This is particularly true for customers aged **18–29** and **35–54**, as well as for those who are unemployed or in employment compared to those that are in retirement or self-employed.

Subconscious beliefs versus stated views

Our research found important differences between people's automatic and reflective reactions to the fear of negative consequences when sharing personal information. While this gap isn't as large as in other areas, it shows that people have a steady, underlying worry that disclosing information might backfire. Interestingly, people are more likely to feel, on a gut level, that sharing information could lead to negative outcomes, even if they're less likely to say this openly after thinking it over. This instinctive caution is driven by a natural focus on avoiding harm rather than seeking benefits.

Additionally, people have strong concerns about how their personal data is used by financial providers. When reacting instinctively they have a higher need for clarity on how their data is handled and a desire to feel that it is secure. This means that, even if they don't always voice these worries when reflecting, a deep need for protection and control over their data remains in the background.

What does this mean for customers who are at the Preparation stage?

At this stage, to increase the likelihood of disclosure, it is clear that customers need to:

1. Believe that they can receive positive outcomes or support from disclosing their needs
2. Have an informed perspective on the consequences or outcomes they can expect after disclosing their needs

What does this mean for your business?

At this stage, customers are close to taking action and actively preparing to disclose. Bridging the gap between intention and action requires them to feel fully prepared in both understanding the benefits and potential drawbacks of disclosure. Customers should therefore have a clear understanding of how your support will benefit them or could potentially negatively impact them.

Furthermore, they need an understanding of how the process works within your organisation and know what information or materials they will need, so they feel prepared to disclose.

Research in this report also indicates that at this stage, customers' intuitive feelings outweigh their rational thinking. While providing clear information remains important, the way this information is presented will significantly shape their initial response to any materials.

Some guiding psychological principles to consider at this stage include:

1. Design materials around disclosure in a way that evokes an implicit positive response

Leveraging 'behavioural design' helps to create material that speaks to the more subconscious part of the brain, that is, their feelings and intuition.

To increase customers' perception of the positive outcomes of support use warm colours and soft tones to put customers at ease. You may want to consider using more rounded shapes that feel less threatening than sharp shapes. Icons are another powerful tool to convey the impact of the support as people tend to process images more quickly and fluently than words.

2. Show customers how disclosure has helped others

People are generally guided by social norms and always look to others to gauge whether they should be doing something or not.

Highlighting how businesses have supported similar customers in managing their needs —and showing how this led to positive outcomes or prevented situations from worsening—can be a powerful motivator, encouraging others to consider disclosure.

3. Provide clarity about the realistic outcomes (both benefits or potential downsides) a customer can expect through disclosure

Humans inherently dislike uncertainty and ambiguity and value clear information about the potential risks and benefits of a behaviour. This enables them to make an informed decision about the course of action that feels right for them rather than basing their decision on misperceptions or fears.

Clarity and transparency about outcomes is also essential to build trust in your relationship with your customers. Financial providers have a duty to treat customers fairly, ensuring that the outcomes of disclosure are both clear and realistic. Therefore, make sure you highlight the positive outcomes but be mindful to not hide any potential downsides. Transparency creates trust and trust is a vital element of customers feeling comfortable enough to disclose. This can alleviate any general sense of scepticism about negative outcomes but also let people make informed decisions based on an understanding of the risks and benefits, rather than decisions based on fears or assumptions.

Action

At this stage, customers are actively taking steps to disclose their circumstances to their financial provider. However, there is still an intention-action gap in some cased which can be explained by customers' fears around communication. Despite their intent to take action, many customers and especially those with capability challenges, aren't confident that they will be able to effectively communicate their circumstances and needs to their provider. These concerns are exacerbated when people don't feel connected to the person on the other end. People want to feel a 'human touch' when disclosing something as sensitive as their needs, with some therefore preferring to disclose in person rather than online.

Key predictors for disclosure at the action stage:

1. **Confidence in ability to communicate needs**
2. **Preference for human connection when disclosing needs**

In this chapter:

The Engagement Gap

The Empathy Equation

Action

The engagement gap

Customers with additional needs feel uncertain about their ability, or may face challenges, in communicating their circumstances effectively

The research showed that feeling confident in their ability to communicate and share information with their financial provider is a key factor in whether customers are willing to disclose or not. Often these customers face complex challenges that may be hard for themselves to comprehend, let alone communicating this to a financial institution.

This surfaced during the interviews where participants mentioned experiences of 'brain fog' that made it difficult for them to think clearly and express themselves. Feelings of anxiety also held people back from taking that final step towards disclosure where for some anxiety manifested itself in 'struggles to read' and to comprehend new information. The circumanstances in which vulnerable customers may be in needs to be strongly considered. It's important to remember that it takes a lot of mental strength and courage to discuss sensitive topics around vulnerabilities and needs, especially when there may be a lot going on in their lives.

> "Yeah, so up to 15 years ago, I was absolutely fine. Then I had my breakdown, and I suppose various things come into it, but the anxiety, I've got complex post-traumatic stress from what occurred. I can be sat reading something or writing something, and all of a sudden, I suppose it's a brain fog."
>
> "Yeah, I think online maybe is more anxious for me, but then the physical part, if the form comes physically and it's too big or too lengthy to read, I struggle to read. If the big paragraphs then you have to answer, I struggle to get that in, take that in now. Or I read it completely wrong."

Mental Metaphor Spotlight

"But I just sometimes feel like I'm having to constantly repeat or ask them to slow down, and it just really, really it causes a few issues, really. I think they think I'm sick, and I'm not by any means. I've just quite a good education, but I just struggle because I don't think they understand [...] the situation sometimes.

Mental Metaphor Spotlight

"And that is kind of how I felt at the time, a bit stranded. [...] I was disappointed, I was annoyed. I just got a letter saying that your accounts will cease and you've got, did they give me 90 days? And that was it."

These findings underscore the impact of a scarcity mindset on customers with additional needs, who often experience reduced mental capacity to address the issues they're facing. Managing a mental or physical illness can consume significant cognitive resources, leaving less mental bandwidth for thorough reasoning.

A scarcity mindset has been shown to substantially affect cognitive processes, such as working memory, with research indicating it can reduce cognitive capacity by the equivalent of 13-14 IQ points. This limited capacity influences decision-making around risk, probability, and everyday tasks, helping to explain why customers may feel less confident in their ability to engage effectively with their provider when considering disclosure.

Demographic Differences

The research revealed that primarily customers with challenges around **capability** were less likely to disclose when they felt that they lacked confidence in their communication skills. With the lack of capability potentially making it more difficult for them to accurately describe their situations.

This applied mainly to customers aged **30 to 34**, with the issue also evident among individuals who are retired, self-employed, or in employment.

Subconscious Beliefs versus Stated Views

Our findings showed that people felt more confident about asking for support and communicating their needs when they responded instinctively than when they had time to think it over. On an instinctive level, people might feel they have the skills to communicate, but when they reflect, this confidence often drops. This suggests that, while people want to believe they can handle these conversations, doubts come up when they think it through—perhaps due to worries about how well they can explain their situation or past struggles in doing so. This difference shows that people have a desire to feel capable, but their concerns become clearer when they have time to consider them more deeply.

The empathy equation

Missing the human touch

Prevalent in the Action stage is the desire to speak to financial providers in person - which is a key predictor increasing the likelihood of disclosure amongst customers.

Building on earlier findings about low confidence in communication skills, people in vulnerable situations often struggle to open up, even with close family or friends—let alone with a financial provider. When they manage to share their difficulties, they want to feel a real sense of connection with the person or provider they're speaking to.

Customers regularly highlighted in the interviews that the shift to digital platforms has made it challenging for them to keep up, particularly when it comes to discussing personal topics. Customers miss the opportunity to have personal interactions, where they feel they can confide more comfortably and connect on a human level with representatives. This preference for in-person communication reflects a deeper need for empathy and understanding and not wanting to 'feel like a number'.

"But when we're talking about health, when we're talking about money, I feel like you, you will go vastly wrong if you don't have a human interaction."

"You are a number. You're not a person anymore. I suppose that was a nice thing about going into a bank years ago, speaking to your bank manager. They knew you as a person and now they don't. You're just somebody who banks with them."

"I'd rather do it in person, but I feel comfortable enough, yeah. I find chats very unsatisfactory."

While the desire for in person communication was prevalent, many customers also indicated that they would be comfortable speaking to someone on the phone or receiving emails - the important element here being that the need for human connection and personal touch remains a necessity.

“I think over the phone would be fine because at least you can hear the person's voice and you can feel their tone of voice. So at least that way you get a personal touch as much as you're not seeing them face to face.”

“If it was dear Kelly, at least knew my name, you know, do like a bit of a mail merge. Put everybody's details on there. We're here to help you.”

“I think a lot of people would have issues disclosing things to just a random chatbot that popped up, especially when something has been causing them this much stress for a long period of time.”

Mental Metaphor Spotlight

“Yeah, and often it’s hard to get answers even when you do get through this kind of simple question. It seems to me like they have this, they’re looking at a sheet of answers and they’ll find an answer that fits but it’s not particular to your needs.”

Research on disclosure supports these findings, showing that staff kindness and authenticity are significant drivers of disclosure. Cues such as a warm tone of voice, sensitive probing, and genuine concern for the customer’s well-being can encourage customers to share their needs. Conversely, a perceived lack of interest of an employee can act as a barrier to disclosure.

What does this mean for customers who are at the Action stage?

At this stage, to increase the likelihood of disclosure, it is clear that customers need to:

1. Feel confident and reassured in their skills to communicate their needs
2. Feel a sense of human connection when disclosing their needs
3. Feel that communication is tailored to them

What does this mean for your business?

At this stage, customers are ready to take action, motivated to disclose their needs and equipped with a basic understanding of the process. However, as the research shows, it is essential to create an environment that offers safety and reassurance, as customers may still feel uncertain about their ability to communicate effectively. Providing a range of channels for disclosure is equally important. Ideally, in-person interactions can be offered, but where this isn't possible, other communication channels should convey a sense of personal attention and care. Through each channel, it's important to communicate, "We hear you, and we're here to support you," fostering trust and encouraging open disclosure.

Some guiding psychological principles to consider at this stage include:

1. Make the process of disclosure as easy as possible for your customers

When people perceive a process as difficult, they are less likely to engage with it or see it through. This is particularly true for those experiencing a 'scarcity mindset,' where much of their cognitive capacity is occupied by concerns about their additional needs.

Customers who are ready to disclose their needs often deal with challenges that consume significant mental and emotional energy. To support them effectively, it's crucial to make the disclosure process as straightforward as possible, minimising any additional cognitive load.

Use clear, jargon-free language, and keep communication simple. Avoid overwhelming them with too much information at once. Instead, follow the "power of three" principle: break down complex information into three simple steps or key points, as people are more likely to retain information in this format.

2. Employ active listening during in person or phone conversations about disclosure

When people feel heard and understood, they are more likely to experience a sense of 'psychological safety,' making them more willing to open up and share.

Due to customers' potential lack of confidence in their communication skills, it is essential to practise active listening when they disclose information. Reflect their statements back to them to demonstrate that you're listening closely and confirm that you've understood their needs accurately. If customers hesitate or pause, allow them the time they need to gather their thoughts, and consider asking thoughtful, open-ended questions to guide their thinking. Approach each customer with empathy, meeting them where they are at to create a safe and supportive environment for open communication.

3. For relevant channels, personalise communications around disclosure

Conveying a sense of personalisation enhances a person's sense of commitment, making them more likely to comply with a request.

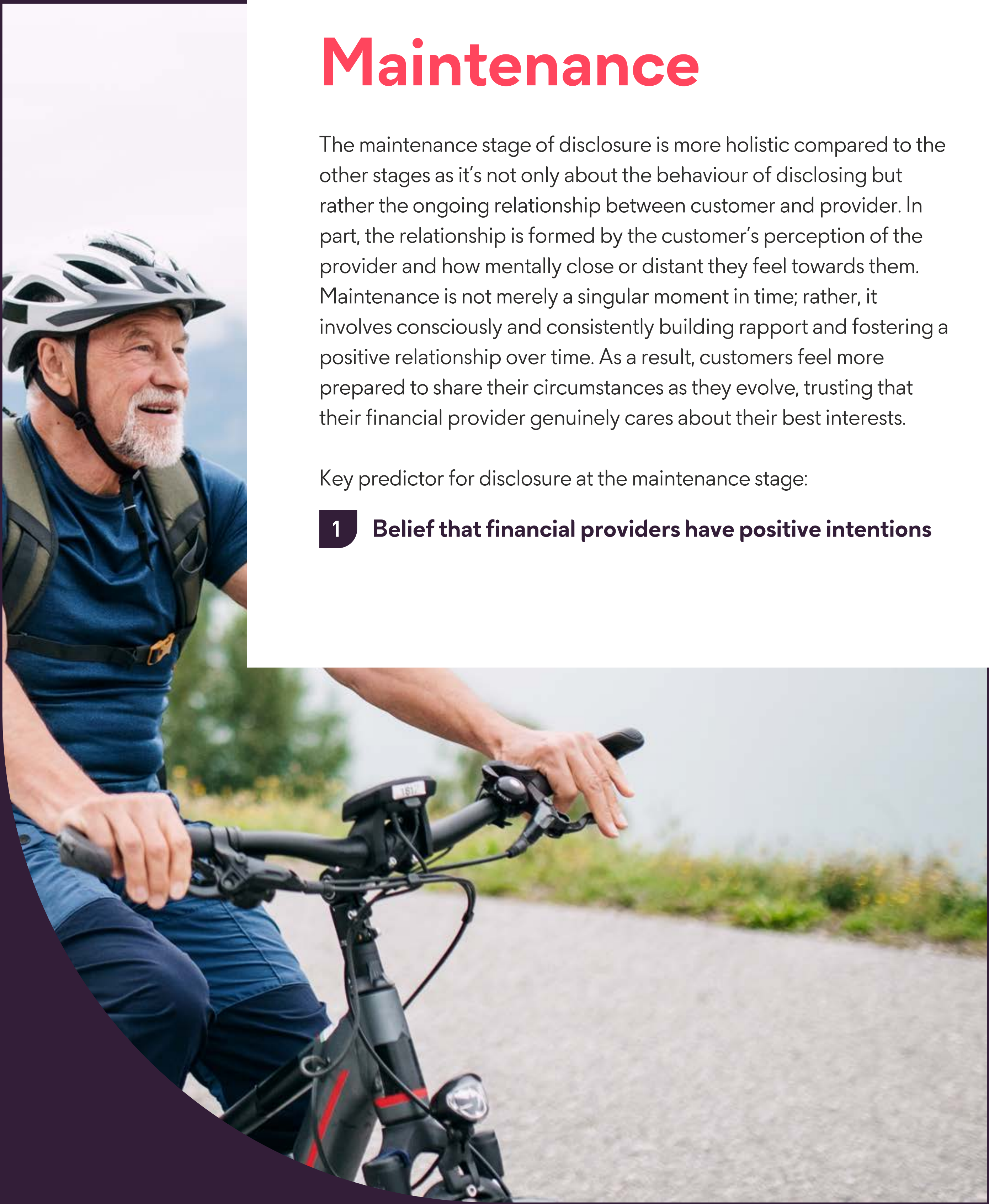
Wherever possible in communications, whether that's in person, on a call or written communication try to personalise and tailor the message to your customers and their specific needs and circumstances. Even small actions such as using a customer's name in communications can be a valuable way to increase receptiveness to disclose.

Maintenance

The maintenance stage of disclosure is more holistic compared to the other stages as it's not only about the behaviour of disclosing but rather the ongoing relationship between customer and provider. In part, the relationship is formed by the customer's perception of the provider and how mentally close or distant they feel towards them. Maintenance is not merely a singular moment in time; rather, it involves consciously and consistently building rapport and fostering a positive relationship over time. As a result, customers feel more prepared to share their circumstances as they evolve, trusting that their financial provider genuinely cares about their best interests.

Key predictor for disclosure at the maintenance stage:

1 Belief that financial providers have positive intentions



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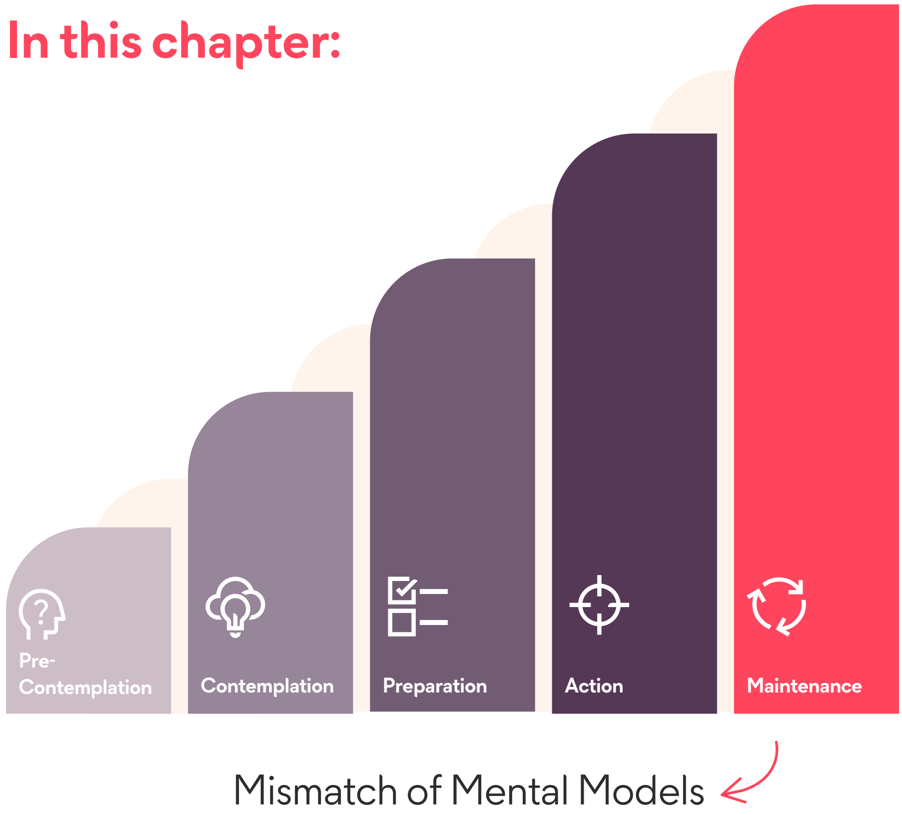

Mismatch of mental models

Customers don’t fully trust that their financial provider has their best interests at heart

Our research found that a key predictor in customers' willingness to share information is their genuine belief that their financial provider has good intentions when asking them to disclose.

This is highly related to the mental model that customers have about financial providers in general. In the interviews it emerged that for many customers a bank is simply a place to ‘store their money’, or a place they go for something positive, e.g. when wanting to buy a house and therefore needing to take out a loan. Many customers in the interviews struggled to see financial providers as supportive resources for their additional needs, instead perceiving them as cold and impersonal. This negativity bias creates a barrier to trusting the provider’s intentions.

“It's an account where obviously I just pay into it as and when I can and deposit what I can to buy a house in the future. So, I don't really have much dealings with it on a day-to-day basis until obviously we want to use that.”

“And I know it may seem a bit cynical, but you're thinking they're doing it to sell something, and what can it? What is it that they can sell?”

This is in line with existing literature whereby researchers found that customers who are in arrears, for example, feel that banks will only contact them for the money rather than to offer help and support.

Mental Metaphor Spotlight

“Yeah, so I think it’s sometimes with banks and things like that, I think it’s quite a cold relationship. I don’t think there's' much, you know, unless you need them for any reason, there’s no kind of rapport building there. You just ring them as and when you need them.”

Mental Metaphor Spotlight

"In terms of association I have with the bank, it was quite an honest one in terms of that because it's an agreement. It is like an agreement with them for needing them for the utilities, the house, the bills. That's what I looked to that bank for"

Mental Metaphor Spotlight

"I think, you know, banks essentially offer a safe haven for your money, and then they pay you no interest, and then they lend your money out to other people under different packages, mortgages, whatever, loans and charge them high interest. I think they could do a bit more to give back, if I'm honest."

What does this mean for customers who are at the Maintenance stage?

At this stage, to increase the likelihood of disclosure, it is clear that customers need to:

1. Fundamentally have a positive mental model of their financial provider and believe that the financial provider has their best interest at heart
2. Feel reassured and understood by their financial provider
3. Have an understanding that their financial provider is there to support them and how that support will help their individual situation

What does this mean for your business?

At this stage, customers are actively monitoring their circumstances and assessing their relationship with their financial provider. The focus here is on maintaining a positive and supportive customer-provider relationship over a longer period of time. Some customers may be more proactive in sharing updates, especially if they have disclosed information previously; for others, it's important to check in regularly to see if their circumstances or needs have shifted since their last interaction.

Throughout all customer interactions, it's essential to reinforce a positive perception of the provider, ensuring customers feel heard, reassured, and understood. This also includes emphasising the provider's ongoing commitment to supporting them as their needs and circumstances evolve over time.

Some guiding psychological principles to consider at this stage include:

1. Build a clear understanding of your customers' perceptions towards your organisation

A significant impact can only be achieved by understanding an organisation's standing with its customers. The 'mental model' customers hold of an organisation often varies greatly from that of other organisations, shaped largely by factors such as branding, tone of voice, and advertising—all of which influence how mentally close or distant customers feel to the organisation.

For instance, within building societies, members may feel more part of a community, potentially reducing this perceived distance. However, such nuances require in-depth research to fully grasp an organisation's position with its customers and to identify ways this perception might be shifted to transform the customer-provider relationship fundamentally.

2. Build a relationship that's based on reciprocity and reassurance.

When an effort to meet someone's needs is clearly demonstrated, the receiver is more likely to reciprocate this goodwill.

Financial providers must aim to enhance customer perceptions consistently and over the long term. When issuing communications or marketing materials, it is crucial to convey a subtle yet clear message: we are here to support you and genuinely prioritise your best interests. One effective approach is to leverage a principle called 'operational transparency', whereby organisations 'lift the curtain' on processes that usually take place behind the scenes. This approach demonstrates to customers the level of effort invested to support them. For example, a provider might say, "Our dedicated accessibility team is working diligently to ensure all communications are as accessible as possible for those with additional needs." This transparency not only reassures customers but also builds a sense of reciprocity by showing them how much work goes on in the background to meet their needs.

3. Collaborate with industry partners to develop a comprehensive understanding of disclosure

As customer needs and challenges around disclosure vary greatly, working closely with industry partners can help build a more well-rounded understanding of these complexities.

By sharing best practices, partners can strengthen support across a diverse range of customers, ensuring more robust and effective solutions.

Conclusion

The purpose of this report was to identify both implicit and explicit barriers that customers may face when disclosing information about their additional needs to their providers. Accordingly, the report identified ten key predictors—derived from both implicit and explicit insights—that influence the likelihood of disclosure at various stages.

As the research progressed, it became clear that disclosure is not a one-off decision made at a single moment; rather, it is a process shaped by a series of thoughts, emotions, and reflections that customers experience, which are closely tied to their personal circumstances and their relationship with their financial provider.

This complexity reveals that disclosure is a multifaceted behavioural challenge that cannot be effectively addressed through a single intervention or by one financial provider alone. Instead, it is an industry-wide issue that demands collaboration across organisations to achieve positive outcomes for customers throughout the sector.

Close collaboration with five industry partners, representing a diverse range of financial providers, emphasised the value of a 'coalition of those committed to driving positive change' and highlighted the nuances in customer-provider relationships across the industry.

Given the industry-wide nature of this challenge, we hope this report will be widely shared and prove beneficial to a broad range of organisations within the financial services sector.

Checklist for effective communication

Pre-Contemplation

Customers aren't currently considering disclosing their additional needs and may lack awareness or knowledge about the option to do so.

- [ ] Increase saliency of information on disclosure
- [ ] Provide a reason for why you want your customers to disclose
- [ ] Provide information about disclosure frequently and through multiple channels
- [ ] Provide clarity around how disclosure would work for your customers

Contemplation

Customers have become aware of the option to disclose their needs and may begin seeking information, weighing the potential benefits and risks.

- [ ] Frame communication around disclosure in a way that makes customers feel in control
- [ ] Give customers an easy first step to kickstart the process of disclosure
- [ ] Help customers envision the positive outcomes they can achieve through your support

Preparation

Customers are actively planning to disclose their needs, building confidence and gathering the knowledge to approach their financial provider with information about their circumstances.

- [ ] Design materials around disclosure in a way that evokes an implicit positive response
- [ ] Show customers how disclosure has helped others
- [ ] Provide clarity around the realistic outcomes (both benefits and potential downsides) that a customer can expect through disclosure.

Action

Customers take concrete steps toward disclosure, engaging with different channels, putting their plans into practice to communicate their needs.

- [ ] Make the process of disclosure as easy as possible for your customers.
- [ ] Employ active listening during in person or phone conversations about disclosure.
- [ ] For relevant channels, personalise communications around disclosure.

Maintenance

Disclosure becomes part of an ongoing relationship with their financial provider, where customers feel comfortable routinely updating information about their needs as their circumstances evolve.

- [ ] Build a clear understanding of your customers' perceptions towards your organisation.
- [ ] Build a relationship that's based on reciprocity and reassurance.
- [ ] Collaborate with partners to develop a comprehensive understanding of disclosure.

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