

ING survey: We're still suspicious about Open Banking

What we say and what we do when it comes to sharing personal data, notably around Open Banking, are two distinct things. While there are ever more tools to make our financial lives easier, saying we want them and then adopting them don't always coincide, according to findings from the ING International Survey



The attitude-behaviour gap

The latest ING International Survey – polling in 13 European countries -- finds an attitude-behaviour gap. What people say and what they do when it comes to their finances, doesn't necessarily align.

In particular, the survey looked at Open Banking -- the sharing of financial data between financial service providers with the user's permission -- and at attitudes towards the security of various login systems used with financial apps and websites.

The findings show that sharing personal data and interacting with technology in new ways are not developments that people unanimously support and there are significant differences in attitudes across countries. But many will use tools that rely on these capabilities if they provide them with

obvious value.

What we see is a balancing of risk vs reward, and likely a preference for convenience.

Thinking vs doing

These findings do not mean that people are lying or dissembling. They are learning and adapting to a world which is changing at breakneck speed. To paraphrase the American writer and philosopher Elbert Hubbard, some one hundred years ago: "*The world is moving so fast these days that the man who says it can't be done is generally interrupted by someone doing it.*" Of course, Hubbard, who died in 1915, didn't really know "fast".

It is not even 27 years since the first text message was sent; only 14 since the first touch screen (LG Prada); and 10 since the first investor money was taken by a robo-advisor (Betterment). The past decade alone has seen the widespread adoption of user-friendly tablets, crowdfunding, contactless payments by phone and wearable tech, voice-activated virtual assistants, and the Internet of Things.

Adoption of technology is often powerfully accelerated by network effects

Technology adoption is complex. As humans, we gravitate to the tools that work best, inherently a good thing. We judge how they work by the salient benefits we get from them compared with others. Adoption of technology is often powerfully accelerated by network effects, increased use after others have tried it out. Demonstrated social acceptance is also a strong influencer.

But none of these drivers, in themselves, is related to understanding how the tool works. It makes sense for people to say they are staying wary of tech security and of sharing personal information such as their financial data, just in case. But in reality, function is a salient driver of action. Hence people will say they don't like sharing data but may do so anyway.

This has a name -- "the privacy paradox phenomenon". As Spyros Kokolakis of the University of the Aegean on Samos has [said](#): privacy is a primary concern for citizens in the digital age, but individuals reveal personal information for relatively small rewards.

Fanfare for fintech

Among the newest financial services are apps that rely on data sharing via Open Banking, a function which enables a customer to share their personal financial information with multiple parties, for purposes such as payments, money management or investment.

To many people, sharing their finances with organisations other than their most trusted provider sounds scary. Our survey found that only 30% of respondents on average across Europe were comfortable for companies to share their data if they gave consent. That is despite Open Banking being regulated in Europe since 2016 through the EU's revised payment services directive, or PSD2.

Sharing our finances with organisations other than our most trusted provider sounds scary

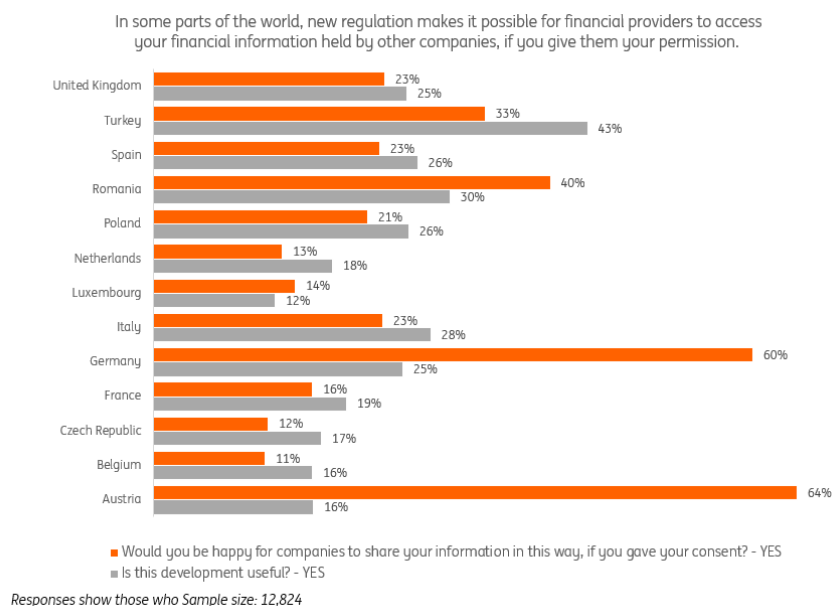
This was also roughly the same percentage as the 35% who said they had heard of the capability. It would have been neat to put the initial scepticism about Open Banking down to the "mere exposure effect" -- the psychological [concept](#) that simply exposing someone to something increases their positive reaction to it.

But we found that awareness wasn't driving openness to use or perceptions of value. Those who said they were aware of Open Banking weren't always the same people who said they thought it was useful.

This demonstrates that awareness of the technical capacity for sharing data isn't always required for use -- other factors are also at work. For example, there were distinct differences in attitudes towards data sharing across countries. In Austria and Germany around two-thirds of people (64% and 60% respectively) were happy for companies to share their information with their consent, while roughly just one in 10 agreed the same in Belgium (11%), the Czech Republic (12%) and the Netherlands (13%).

There was also no clear link between the number of people in a country who agreed developments in data sharing were useful and those who said they would be happy to use the service. Factors such as trust in local providers and cultural attitudes, therefore, are likely also playing a role.

Our findings on sharing information



When it comes to Open Banking, our survey also shows that attitudes haven't changed much since a year ago but reported usage has. For example, in January 2020 data suggests customer use of Open Banking in [Britain](#), the European leader, surpassed 1 million, doubling over the previous six months. This was despite only 23% of Britons in our survey saying they would be happy sharing

information this way.

Another reason for this may be opportunity and familiarity. There are 178 firms in Britain that are permitted to [provide](#) account information or payments via third parties. Germany comes in a distant second with 36, a number that is greater than that for France (18), Spain (9) and Italy (6) combined.

It is early days for the sector, of course, and some places may be gearing up for a big jump. Germans, for example, have a strong tradition of trust when it comes to banking and some 60% of our German respondents said they would be happy for their banks to share their account information.

"Open access to financial data using API technology is relatively new, but it has triggered considerable changes to the way financial service providers think about their banking ecosystem and the products within it. Open Banking may lead to increased partnerships and innovative products, empowering consumers to make decisions around how they use and share their personal data". - Maciej Kostro, Global Principle Product Owner, ING

In the end it may just come down to convenience and trust. The benefits of Open Banking, such as quickly tracking finances and moving assets around from one interface are quite easy to see. Trust, though, is more complicated, relating to attitudes towards both the institutions involved and the security of accessing data. And [calculating](#) the value of sharing one's individual data is complex.

□ Convenience is key

UK polling firm Ipsos has found strong evidence of a disparity between what people say they want and what they say they are prepared to do. One of the firm's [surveys](#) found 75% of people would like to have access to data on how they spend their money, but only 40% said they were comfortable providing the information that could lead to that.

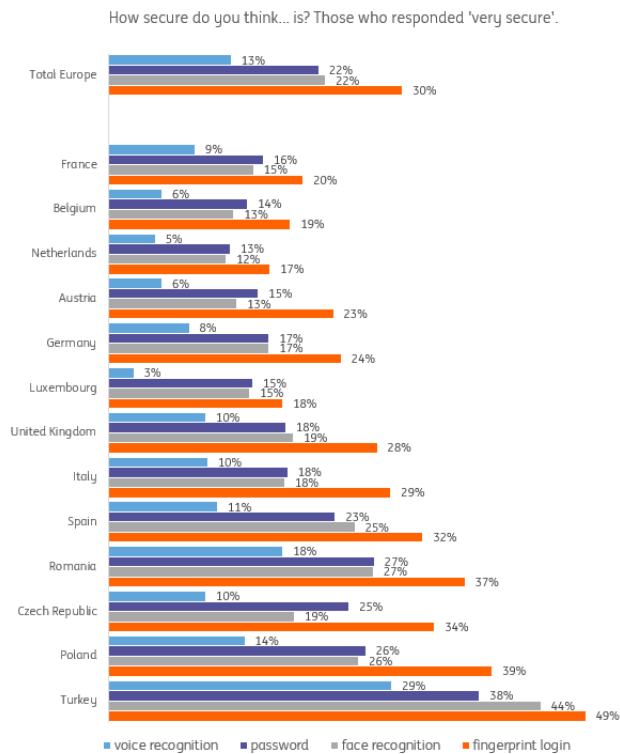
So, what do people consider secure? With pretty much everyone owning a smartphone these days, (26% of our survey respondents say they have an iPhone and an additional three quarters (73%) own an android smartphone), people have access to a plethora of security systems. These range from simple passwords to voice, face and fingerprint recognition or a combination of them.

The value of the global fingerprint-sensor [market](#), for example, is expected to rise to \$5.2 billion in 2026 from today's \$2.9 billion, partly as a result of the increasing numbers of smartphone, tablets and wearable devices taking on the security system.

Yet, only a third (30%) of Europeans in our survey said fingerprint logins are "very secure". And this was one of the top-rated systems for security: only 22% said face-recognition was "very secure" and just 13% said it of voice recognition.

And again, we saw clear country differences. The French, Belgians and Dutch were generally the least happy about security, while the Turks, Czechs, Poles and Romanians were somewhat more trusting. But even in those countries, fewer than half of respondents said the various security systems were "very secure".

Our findings on security



Responses show those who rated these means of interacting with technology as 'very secure'. Sample size: 12,824.

The behavioural implication

The percentages of people at the other end of the scale, those who said these systems were "not secure at all", were fairly small. But there was little change in attitudes between our findings on this issue in 2019 and now, despite rapid uptake.

The behavioural implication of all this is that there are people using this technology or expected to start using it who remain wary of it. This once again suggests that utility and/or reward is a driver of adoption, and will overcome concern in the right circumstances, for some users.

So there is hesitancy, yes. But trust in providers, rewards, short-term needs, familiarity and even what we see our friends doing, may all conquer suspicions. As technology continues to expand, however, the gap between what people say and what they do is unlikely to go away.

Author

Alissa Lefebvre

Economist

alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific

Deepali.Bhargava@ing.com

Ruben Dewitte

Economist

+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands

marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic

420 770 321 486

david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing

sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China

lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist

michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland

michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania

tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Jesse Norcross

Senior Sector Strategist, Real Estate

jesse.norcross@ing.com

Teise Stellema

Research Assistant, Energy Transition

teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare

diederik.stadig@ing.com

Diogo Gouveia

Sector Economist

diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT
jan.frederik.slijkerman@ing.com

Katinka Jongkind
Senior Economist, Services and Leisure
Katinka.Jongkind@ing.com

Marina Le Blanc
Sector Strategist, Financials
Marina.Le.Blanc@ing.com

Samuel Abettan
Junior Economist
samuel.abettan@ing.com

Franziska Biehl
Senior Economist, Germany
Franziska.Marie.Biehl@ing.de

Rebecca Byrne
Senior Editor and Supervisory Analyst
rebecca.byrne@ing.com

Mirjam Bani
Sector Economist, Commercial Real Estate & Public Sector (Netherlands)
mirjam.bani@ing.com

Timothy Rahill
Credit Strategist
timothy.rahill@ing.com

Leszek Kasek
Senior Economist, Poland
leszek.kasek@ing.pl

Oleksiy Soroka, CFA
Senior High Yield Credit Strategist
oleksiy.soroka@ing.com

Antoine Bouvet
Head of European Rates Strategy
antoine.bouvet@ing.com

Jeroen van den Broek
Global Head of Sector Research
jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare
edse.dantuma@ing.com

Francesco Pesole
FX Strategist
francesco.pesole@ing.com

Rico Luman
Senior Sector Economist, Transport and Logistics
Rico.Luman@ing.com

Jurjen Witteveen
Sector Economist
jurjen.witteveen@ing.com

Dmitry Dolgin
Chief Economist, CIS
dmitry.dolgin@ing.de

Nicholas Mapa
Senior Economist, Philippines
nicholas.antonio.mapa@asia.ing.com

Egor Fedorov
Senior Credit Analyst
egor.fedorov@ing.com

Sebastian Franke
Consumer Economist
sebastian.franke@ing.de

Gerben Hieminga
Senior Sector Economist, Energy
gerben.hieminga@ing.com

Nadège Tillier
Head of Corporates Sector Strategy
nadege.tillier@ing.com

Charlotte de Montpellier
Senior Economist, France and Switzerland
charlotte.de.montpellier@ing.com

Laura Straeter
Behavioural Scientist
+31(0)611172684
laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Suvi Platerink Kosonen

Senior Sector Strategist, Financials

suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri

thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors

maurice.van.sante@ing.com

Marcel Klok

Senior Economist, Netherlands

marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland

piotr.poplawski@ing.pl

Paolo Pizzoli

Senior Economist, Italy, Greece

paolo.pizzoli@ing.com

Marieke Blom

Chief Economist and Global Head of Research

marieke.blom@ing.com

Raoul Leering

Senior Macro Economist

raoul.leering@ing.com

Maarten Leen

Head of Global IFRS9 ME Scenarios

maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy

Maureen.Schuller@ing.com

Warren Patterson

Head of Commodities Strategy

Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland

rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg

philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade

inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands

Dimitry.Fleming@ing.com

Ciprian Dascalu

Chief Economist, Romania

+40 31 406 8990

ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China

iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research

+44 20 7767 6209

Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas

padhraic.garvey@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

Tim Condon

Asia Chief Economist
+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist
+31 20 563 8801
martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland
Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro
carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist
+44 20 7767 6405
viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content
+44 (0) 207 767 5331
owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands
bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone
peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist
benjamin.schroeder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE
chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM
+1 646 424 6464

gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance

+44 20 7767 5306

carlo.cocuzzo@ing.com