

# Opening speech 19 September 2019

## TFI-CEPR event



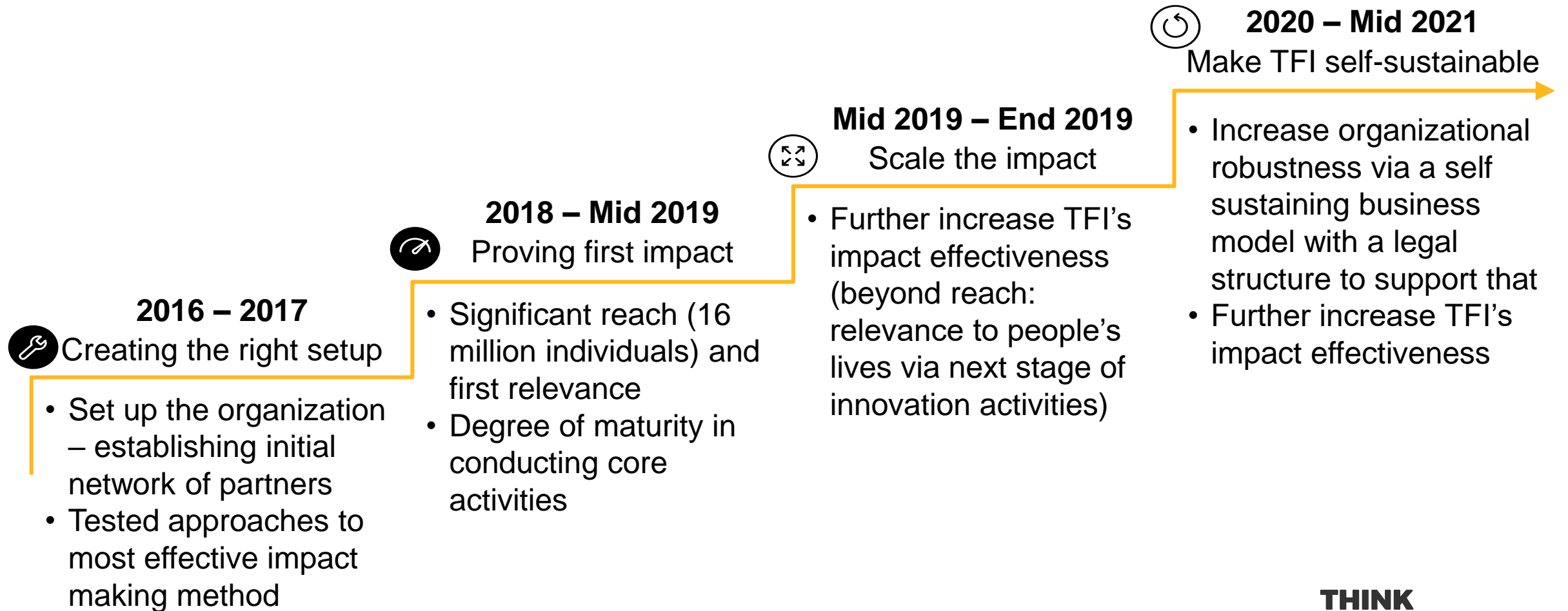
Mark Cliffe, ING Group Chief Economist  
8-10 Moorgate, London, EC2R 6DA

## RECENT MILESTONES REACHED WITH TFI

### Major accomplishments creating value in period 2018 – August 2019

- PUBLICATIONS AND EVENTS  
~90 TFI-related articles published and presented at 24 external and ING internal events.
- REACH  
Reached **16.6 million** consumers in **8 European countries** with TFI research insights.
- COMMUNITY  
Expanded our **external research community worldwide** from 240 to **900 members**. Positive reputation for TFI in consumer research field.
- COLLABORATIONS TO EMPOWER PEOPLE, ALSO BY USING DATA  
**Expanded research collaborations** with institutions from 8 to **39**, of which 8 use customers data as approved by ING Data Protection Board NL.
- FROM RESEARCH TO LOCAL INNOVATION  
Making **research relevant to innovation e.g.** via 12 fintech start-ups participating in Growth track programme of TFI.
- “A FORMULA THAT WORKS”  
Our main activities are about **insights leading to innovation & thought leadership** (PR).

# TFI'S PLANNED JOURNEY TOWARDS SELF-SUSTAINABILITY



## TFI CALL FOR RESEARCH PROPOSALS

Funding for **short-term** and **long-term** research projects.

Empirical (interdisciplinary) research encouraged. Especially those providing new insights into economic, social, technical or behavioural factors.

The research insights should inspire effective interventions or solutions to the **1) day-to-day money stress problems** and **2) financial future challenges** faced by the not financially empowered population in developed countries.

## PRIORITY THEMES 2019

1. Negative life events, financial shocks, problematic debt, insurance.
2. Social networks, moral and social norms, small groups/local communities, peer effects on spending and borrowing.
3. Digital technologies, digital identity, data privacy, opportunities & risks for people's money management.
4. Dynamics in (financial) decision-making between or across generations.
5. Human financial behaviours across space and time.
6. The sharing and circular economy.

### *Wildcard submission*

As long as proposal is original & relevant for people's (financial) decision-making, financial health and well-being.

## SPECIFICATIONS FOR SUBMISSIONS

### SHORT-TERM RESEARCH TRACK

Project duration  
max. 6 months  
and funding up to  
EUR 10,000.

### LONG-TERM RESEARCH TRACK

Project duration  
max. 2 years and  
funding up to  
EUR 100,000.

- ✓ Proposals by research teams or individual researchers affiliated to institutions. Not from private individuals.
- ✓ Survey data from the ING International Survey can be made available. Access to ING Netherlands anonymised client data for research-only purposes, subject to approval from Data Protection Board.

### How to apply?

[www.thinkforwardinitiative.com/  
research/news/](http://www.thinkforwardinitiative.com/research/news/)

**SUBMIT YOUR PROPOSAL  
BEFORE  
6 OCTOBER 2019**



# TFI HEAT MAP

		Spending (and Budgeting)			Borrowing			Saving	Investing	Pensions	Planning and Ensuring
Frequency/Time Scale		High frequency / Habitual	Discretionary	Low Frequency “Big Ticket”	Overdrafts, short term loans	Consumer credit, including auto loans	Long term loans, mortgages	Short term	Long term	Retirement	Short and long term
Transactions/Life Moments		Groceries, transport, utilities	Leisure, durables, trips	Holidays Cars, weddings, homes	Temporary/ recurrent income shortfalls	Purchases of cars or other consumer durables	Home purchase	Buffers, spending goals	Wealth accumulation, transfers, buying big ticket items	Retirement, inheritance	Insurances (home or rental, vehicle, life insurance, and others)
Macro	Income										
	Inflation										
	Jobs / wages										
	Interest rates										
	Asset Prices										
	Taxes/Benefits										
	Pensions										
	Regulations										
	Demographics										
Meso	Peers										
	Social Networks										
	Advisers-firms										
	Friends										
	Families										
	Partners										
	Geo-spatial mobility/localisation										
	Communication										
	Technology										
Micro	Age										
	Gender / Family composition										
	Education										
	SE background										
	Financial Literacy										
	Personality (traits)										
	Economic preferences & identity										
	Subjective expectations/perceptions										
	Values and Emotions										
	Intuition and Experience										

5

4

3

2

1

# FROM ING RESEARCH REPORT: ING INTERNATIONAL SURVEY

## Tech in banking: in strong demand but adopted with care (May 2019)

**90%**

use whichever device is more accessible

90% of those using different money management devices to check their account balance, simply use whichever is most accessible

66% think fingerprint log-in is secure; just 35% think voice recognition is secure

**66%**

trust log-in fingerprint recognition

**61%**

don't want programs making decisions

61% say they wouldn't want a computer program making investment decisions on their behalf; just 35% say the same about having their spending habits analysed

73% agree that banks should deliver the latest technologies to their customers; 36% think their bank is over-ambitious in delivering more digital ways to interact

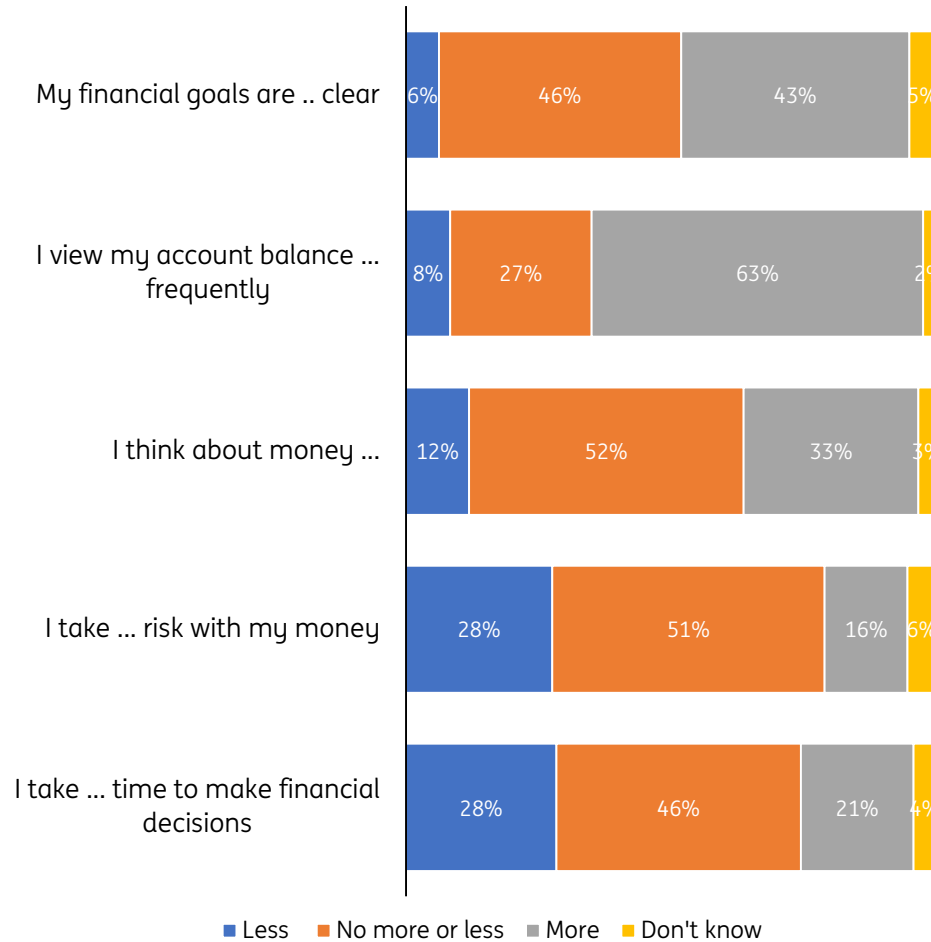
**73%**

agree banks deliver latest technologies

Source: <https://think.ing.com/reports/iis-report-tech-in-banking-in-strong-demand-but-adopted-with-care/>

# FROM SAME 'TECH IN BANKING REPORT'

## Keeping closer track of finances with devices



Sample size: 11,902

Source: <https://think.ing.com/reports/iis-report-tech-in-banking-in-strong-demand-but-adopted-with-care/>

# HOW CAN BANKS COMPETE WITH BIG TECH PLATFORMS?

Reimagining banks as 'decision-making services' companies





# CAN BANKS FIGHT BACK AGAINST BIG TECH?

1. Capital and **regulatory requirements** (including KYC)
  - Tech companies focus more on retail payments than lending
  - Amazon, Alibaba are partial exceptions
2. Expertise in **risk management** (maturity transformation) - lending as the banks' 'moat'
3. Data advantages - **transactional data** (esp. off-line), income, housing...
4. Data **regulation of tech** may help to level the playing field
5. **Trust** - an opportunity to become data guardians in a new world of 'data democracy'



