



Study on European consumers' over-indebtedness and its implications

Focus group research findings: Hungary

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1. Introduction

This report presents the findings of focus group research conducted in Hungary as part of a study of European consumers' over-indebtedness and its implications. The aim of the focus group research was to gather improved knowledge of the perspectives, perceptions and wider challenges of consumers as regards over-indebtedness, with a particular focus on identifying how they would respond (or have responded) to finding themselves in this situation.

1.1. Methodology

Online focus groups (each comprising 5-6 participants) were conducted in 18 EU Member States: Bulgaria, Croatia, Czechia, Denmark, Estonia, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, the Netherlands, Poland, Romania, Slovakia, Spain and Sweden. Two groups were conducted in each country, one among consumers who had experienced over-indebtedness and the other among consumers who had not¹. Quotas were set with the aim of ensuring that both groups included a mixture of consumers based on gender, age, income, working status, household composition, area type (urban/rural) and self-assessed level of financial education² and financial literacy³. While every effort was made to meet the quotas, this was not always possible: Some last minute drop-outs from the focus groups necessitated additional, late stage recruitment, during which it proved challenging to identify substitute participants who met all of the relevant criteria. Table 1.1 (overleaf) shows the target and achieved sample profile for each of the focus groups in Hungary.

The focus groups were conducted by experienced qualitative researchers in the main national languages of the countries concerned. To ensure a consistent approach across the countries, the moderators used a discussion guide designed by the core research team in discussion with the Contracting Authority. All fieldwork took place between 28 July and 11 August 2022.

1.2. Interpreting the data

Qualitative research aims to identify and explore themes and issues relating to the subject being researched. The assumption is that themes and issues raised by participants reflect themes and issues in the wider population(s) concerned. The precise extent to which they apply to those wider population(s), or specific sub-groups, cannot be quantified – for example, in terms of percentages – or generalised beyond participants in the study (as is possible with representative survey research). The value of qualitative research rather lies in identifying the range of relevant perspectives and experiences that exist, the considerations underpinning these, the ways in which people construct meanings and understand specific issues, and the potential impact or implications of all of this. With regard to focus group research specifically, the dynamics of the discussions can reveal a rich tapestry of viewpoints and understandings

¹ Experience of over-indebtedness was assessed using the following question: *In the last 5 years, have there been any periods lasting more than one month when you have been unable to afford all of your payments or financial commitments, resulting in you getting into debt? Payments or financial commitments" might include things like your mortgage or rent payments, utilities bills, credit repayments, insurance payments or other outgoings.*

² Financial education was assessed using the question: *People have different attitudes and behaviours in relation to personal finances. How much importance would you say you place on things like budgeting and saving? A great deal, a fair amount, not very much none at all, or is it not something you think about?*

³ Financial literacy was assessed using the question: *How would you rate your overall knowledge on financial matters? Would you say it is very high, fairly high, about average, quite low or very low?*

among group participants, while at the same time disclosing group social norms and consensus.

Table 1.1: Target and achieved sample profile for the focus groups in Hungary

Variable	Target composition per group	Group 1: consumers who had experienced over-indebtedness	Group 2: consumers who had not experienced over-indebtedness
Gender			
Male	At least 2	3	3
Female	At least 2	3	3
Age Category			
Under 55 years old	At least 4	4	3
Over 55 years old	At least 2	2	3
Household Structure (Under 55s only)			
Single person household	At least 2	2	2
Household with children under 12 years	At least 2	2	1
Income			
Middle income	At least 2	2	3
Lower income	At least 3	4	3
Working Status			
Full-time or part-time (on a stable basis)	At least 2	3	3
Not working / working only occasionally	At least 3	3	3
Urbanity/Rurality			
Large town/city	At least 3	4	4
Small to middle-sized town or rural	At least 2	2	2
Financial education			
Higher	At least 3	3	3
Lower	At least 2	3	3
Financial literacy			
Good	At least 2	2	3
Poor	At least 3	4	3

2. Focus group findings for Hungary

Key Insights

- The focus group participants believed that debt was common in Hungary and likely affected around seven in ten people. Over-indebtedness also tended to be seen as quite prevalent, especially by those with past experience of the problem.
- Perspectives on the causes of over-indebtedness generally differed depending on whether or not participants had personally experienced it. Those who had tended to regard the problem as a product of external factors, such as general cost of living increases, rising interest rates, low wages and unemployment. Those who had not experienced over-indebtedness tended to regard it as resulting more from individual-level factors such as greed and a desire to live an extravagant lifestyle.
- While some participants thought that over-indebtedness was on the rise due to longer-term economic impacts of the COVID-19 pandemic, as well as general cost of living increases, others argued that these developments were in fact making people delay major purchases and thus *reducing* their likelihood of becoming over-indebted.
- Suggested coping strategies in the face of over-indebtedness were maximising one's income through employment (including by retraining to qualify for better-paying jobs), minimising non-essential expenditure, selling assets, drawing up a household budget, borrowing from friends and family instead of banks, and consolidating one's debt on more favourable repayment terms.
- There was very little mention of formal external sources of support for over-indebtedness. While some participants mentioned the possibility of potentially approaching the local municipality for advice, the only other specific organisation identified as being active in this field was the Chamber of Finance.
- Among participants with experience of over-indebtedness, preferred types of measure for tackling over-indebtedness were making legal advice available to bank customers on site, financial education programmes and the idea of state-provided no- to low-interest loans. Among those with no experience of over-indebtedness, more preferred types of measures were debt advice services incorporating education and work opportunities, along with increased government action to improve wages and reduce prices.

2.1. Awareness and perceptions of the problem of over-indebtedness

Asked what came to mind on hearing the term **debt**, participants in Hungary mentioned a range of different associations. To begin with, most mentioned the word “loan”, along with more explicitly negative words like “burden” and “usury” – this reflecting their view that debt often signified dependency and obligation. As the discussion progressed, more positive associations also emerged, such as “trust”, which was described as a prerequisite to loans taking place between friends, family, or colleagues. Some participants also pointed out that certain types of secured debt were “a necessary evil,” or even a good thing, because these enabled people (especially younger people) to own a home or achieve other important life goals. Problematic

debt, in contrast, was generally seen as arising from unplanned circumstances, such as an unexpected job loss.

"Young people can't [...] manage without taking out a loan for housing [...]. Debt in itself is not a problem; in fact, it often helps you get ahead. The problem here is only when you get too much in debt."

(Male, over 55 years old, experience of over-indebtedness)

Overall participants with experience of over-indebtedness tended to discuss debt in more negative terms than those without such experience, providing associations such as "garnishment", "debt collections", "a series of debts" and "circular debts." Notably, they were also unique in listing "unpaid utility bills" and "credit cards" as forms of debt. These group differences notwithstanding, participants generally agreed that having debt was common – there were estimates that around seven in ten people were likely affected – and especially so among younger generations in the form of mortgages.

Participants understood **over-indebtedness** as a problem linked to excessive borrowing, where the borrower was either unable, or found it very difficult, to repay their loans. They went on to discuss what they saw as the main causes and extent of over-indebtedness, with their views differing depending on whether or not they had themselves experienced the problem. Those who had experienced it typically regarded it mainly as a product of external factors, including rising prices and rates of interest, low wages, and unemployment. In contrast, participants who had not experienced over-indebtedness tended to view the problem more as a consequence of personal irresponsibility manifest in greed, extravagance, and excessive spending.

"[Over-indebtedness] is not always the debtor's fault. Interest rates go up, financial circumstances change and tomorrow I won't have to pay the same amount of money I borrowed today, but much more."

(Male, over 55 years old, experience of over-indebtedness)

"People live so lavishly and they accumulate so much stuff in their homes and they need new TVs, new phones, new anything, and they take out loans. [That] puts people in debt."

(Female, over 55 years old, no experience of over-indebtedness)

While everyone thought that over-indebtedness was fairly common, those with personal experience of the problem tended to think it was more common than those without such experience. Indeed, the former group felt that over-indebtedness was on the increase, which they explained with reference to the rising cost of living and, to a lesser extent, the longer-term consequences of the COVID-19 pandemic, including ripple effects of pandemic-related job losses on the wider economy. Participants with no experience of over-indebtedness, in contrast, did not always feel that over-indebtedness was increasing. They commented that obtaining credit had become more difficult over recent years, with the effect that many people were delaying purchase decisions until the economy improved and borrowing less as a result. They also felt that, in the current economic context, people were more likely to simply stop paying for certain services, like utilities, rather than taking out additional loans to cover these.

"It's getting harder and harder to make ends meet, so we're forced, I think, to borrow, especially if someone's family can't support them on a sustainable basis."

(Female, over 55 years old, experience of over-indebtedness)

"I don't think everyone will start taking out loans now. In my environment, I see that they prefer not to take out loans, they prefer to stay in rentals for another year or two, to see if anything will change in the housing market or even in the bank offers."

(Female, under 55 years old, no experience of over-indebtedness)

2.2. Coping strategies for over-indebtedness

To stimulate discussion of, and gauge participants' perspectives on, possible coping strategies in the face of over-indebtedness, they were presented with two different vignettes, each describing people who were over-indebted, then asked what they felt these people could do to improve their situations. The vignettes are presented in Table 2.1 below.

Table 2.1: Over-indebtedness vignettes presented in the focus groups

Vignette 1	Vignette 2
<p>Péter and Mária are a married couple who live with their two school-age children in a house that they rent from their local commune. Mária works in a call centre part-time. She is reluctant to work more hours because she previously suffered from a stress-related mental health problem that left her unable to work for an extended period. Péter does not work because the couple believe that if he did, they would be worse off financially due to a loss of benefits. The couple regularly struggles to afford the combined cost of their rent, utilities bills and food bills. They also regularly use credit cards and other short-term loans to afford things like new clothes, household items, leisure activities and holidays. As a result, they have accumulated a high level of debt and struggle to see how they will ever pay this off.</p>	<p>Béla is 59 years old and lives alone in a small house which he owns. He works full-time in a care home, where he earns a low wage. He has looked for another job with better wages but has been unable to find one for which he is qualified. Over the last year, he has been finding it increasingly difficult to afford the rising costs of his usual bills and payments and has sometimes had to draw on his savings to do so. However, he recently had a problem with his roof and had to spend all of his remaining savings to have it fixed. As a result, he has had to start drawing on credit to afford his monthly outgoings, and his debt is mounting. He worries about facing another major unexpected expense as he would not be able to afford to repay a further loan</p>

2.2.1. Vignette 1

Participants' initial reactions to Vignette 1 were characterised by a sense of judgement towards Péter for 'failing' his family by not working, especially given his wife was unwell. That said, they also doubted that such a scenario would arise in Hungary because, in their understanding, unemployment benefits lasted for only three months, and parents could still receive means-tested support while working in any case. Still, participants shared a view that the family's problems had been amplified by the fact that they were spending unnecessarily (for example, on holidays and clothes) and using credit cards in the process.

"I believe that I, as a man, should support my family. If my wife were to fall sick or something, I will still be there to help her or be the one to support the family, not my wife having to go to work."

(Male, under 55 years old, experience of over-indebtedness)

"Nowadays, you can't live on such benefits without a job. I don't know what kind of benefits you get, but for sure, if you work, you earn more than the benefits."

(Male, over 55 years old, experience of over-indebtedness)

The most commonly suggested coping strategies for the couple was for Péter to **find a job**. Given he was healthy, participants felt he should not only **work full-time but also take on overtime or night shifts**, even if only temporarily, to maximise the family's income. Some also suggested that, if he were to start working, Mária could stay at home and start her own business, such as making home-made foods for sale, which may also be less stressful than her current job. Participants with no experience of over-indebtedness suggested, in addition, that the couple could **consider retraining**, presumably to improve their employment options in the longer-term. Meanwhile, those with experience of over-indebtedness suggested that the couple **could supplement any new income from work by selling** some of their furniture or used clothing, or by **pawning** their jewellery if pressed. Some of these participants had themselves pursued such strategies during difficult times.

"Péter should go to work and not send Mária. And then even Mária might be able to get another job at home. There are a lot of people who make homemade pasta for sale or something [like that]."

(Female, over 55 years old, experience of over-indebtedness)

"I took my own jewellery [to a pawnshop], which I know has a three-month term, and we'll pay it off when we're a bit better."

(Male, over 55 years old, experience of over-indebtedness)

Alongside the aforementioned suggestions, participants agreed that the couple should **change their consumption habits** and **spend less on non-essentials**, to further free up money to repay their debt. In particular, there was suggestion that the couple should cut spending on clothes and holidays, and also **look for cheaper places to buy their food**. One person went further, suggesting that the couple could **move in with family** to eliminate their housing costs.

There was also repeated suggestion that the couple should **stop using credit cards** to avoid high interest rates and go to a bank as soon as Péter found a job to see if they could **get a consolidated loan** that could be repaid over a longer timeframe. Participants with no experience of over-indebtedness commented that **borrowing money** from family, would be another possible way of avoiding high interest rates. They also emphasised the importance of **budgeting** and suggested that the couple could **seek professional advice** from someone at the bank or at the local municipality to draw up a monthly, annual and even a five-year debt repayment plan. In similar vein, they underlined the indispensability of financial education, especially for children, to ensure that future generations did not end up in a situation like the couple in Vignette 1.

"If Péter had started working as a full-time employee in a secure job with a permanent contract, he could have taken out a loan that would have gotten rid of all debts together."

(Male, under 55 years old, experience of over-indebtedness)

"The extent of holidays can also be cut back. Especially Christmas because that's [the holiday for which we spend a lot]."

(Male, under 55 years old, no experience of over-indebtedness)

2.2.2. Vignette 2

Participants' responses to this vignette tended to differ depending on whether or not they had personally experienced over-indebtedness. Those who had saw Béla as a victim of unfortunate circumstances, elaborating that his age limited his career options and his physical ability to take on extra work. They also recognised that the kind of repairs he had faced were often very expensive nowadays. Those with no experience of over-indebtedness, on the other hand, placed more emphasis on what they saw as Béla's lack of pro-activity that contributed to his predicament. Specifically, they thought Béla had been too content to live on a low salary earlier in life and had been remiss in failing to retrain for a better-paying career. As far as the roof was concerned, they felt that he could have maybe made an effort to fix it himself (if his health allowed) or tried reaching out for help from his family (to borrow money or to ask for assistance in actually making the repair).

"Age is actually the biggest problem here. If Béla were only 39 years old, he would have much more opportunity to educate himself."

(Male, under 55 years old, no experience of over-indebtedness)

"It was not revealed whether he had any family members. If he had a family member, they could have helped him get the roof done."

(Female, over 55 years old, experience of over-indebtedness)

Participants' suggestions on possible solutions for Béla similarly tended to vary depending on whether or not they had personally experienced over-indebtedness. While everyone agreed that **seeking help from others** would be a sensible option, those with experience of over-indebtedness said they would ask *anyone* they could think of for this help, including both formal and informal sources, whereas those with no experience of over-indebtedness mainly mentioned turning to family.

"There is a solution for everything. There's no shame in taking out a loan or not having money, but you have to look for the person who will stand by you with help big or small. It doesn't matter if it's one person or ten, a foundation or a municipality."

(Female, under 55 years old, experience of over-indebtedness)

Those with experience of over-indebtedness further suggested that Béla may be still able to **get a second job**, at least part-time, or **apply for social assistance**, or **sublet a room** in his house. Some of these participants had previously found themselves in circumstances similar to Béla and described having coped mainly by **being extra prudent when it came to spending**. For example, one participant shared that when his income has become so low that he no longer qualified for credit anywhere, he had taken a variety of small jobs and **set money aside over time** to buy a washing machine. Another woman shared that she had bought a second-hand stove for a fraction of the cost of a new one. Participants with no experience of over-indebtedness similarly suggested that Béla should **reduce his expenses**. They also suggested that he **consider selling his house and buying a smaller one**.

"[He] should sell the house. At this age, many people can no longer afford to maintain a [...] house on their own. They have to sell it."

(Female, over 55 years old, no experience of over-indebtedness)

2.3. Measures to tackle over-indebtedness

Following on from the discussion described above, participants were presented with some measures that could be put in place to try to prevent people from becoming over-indebted, then asked for their views on these. The measures fell into three main types: measures to change people's attitudes and behaviours; measures aimed at improving the types of credit services available; and measures to help people get out of debt when they experience it (Table 2.2 below).

Table 2.2: Measures presented to participants in the focus groups

Measures to change people's attitudes and behaviours

- Financial education programmes – for example, in the workplace and in schools - on the importance of budgeting and saving
- Advertising campaigns to raise awareness of the risks linked with poor credit choices
- Policies that encourage people to save more for the future or for short term or unforeseen needs (e.g., tax relief on investments or pensions savings, tax-free savings accounts)

Measures aimed at improving the types of credit services available

- Measures to encourage responsible lending practices (e.g., checking and ensuring loan levels reflect borrowers' financial status and ability to repay the loan with their income; limiting interest rates on credit to a reasonable level; and limiting fees for early repayment)
- The introduction of state-provided low- or no-interest loans

Measures to help people get out of debt when they experience it

- Increased availability of debt advice services
- Digital tools provided by public authorities to help people budget and keep track of their spending

2.3.1. Measures to change attitudes and behaviours

Participants' reactions to this sub-set of measures were mixed. While they commonly remarked that financial education programmes could potentially have a beneficial impact, they were more sceptical about the other two measures – advertising campaigns to raise awareness of the risks of poor credit choices and policies to encourage saving.

"People need to be educated and prepared so that, whatever the sudden situation, [...] they have some idea of how to deal with it."

(Male, under 55 years old, experience of over-indebtedness)

As noted in an earlier section, there was a view that **financial education programmes could be especially impactful if targeted at young people**, as this might result in future generations making fewer financial mistakes. Reflecting this, participants felt that such programmes would best be delivered in the school setting, with both secondary and elementary schools mentioned. Much less popular was the idea of delivering financial education

programmes in the workplace, based on a perception that work-based programmes would result in people having to disclose their salary in front of colleagues, potentially creating tension. Local municipalities and banks were identified as possible alternative settings for any programmes aimed at an adult audience.

"I'm not going to discuss with a professional how much I earn and how I could save in front of my colleagues. So, I think I would rule out the workplace, but [offering these programmes] in the local government, it could be feasible."

(Female, under 55 years old, no experience of over-indebtedness)

In terms of specific topics that financial education programmes might cover, participants were in favour of a focus on how to plan spending, save, avoid debt, and cope with various financial situations that may arise in life. They also remarked that it would be important to teach such topics in an applied way. For example, one participant suggested that school pupils could be issued with savings stamps that could be redeemed later in a lump sum. The same participant was in favour of banks offering special savings accounts for children, into which they could invest their pocket money.

In terms of **advertising campaigns aimed at raising awareness of the risks associated with poor credit choices**, participants commented that, while in theory these could be educational, in practice they would likely be drowned out by the abundance of existing advertising encouraging people to borrow more money. They also felt that the campaigns would effectively clash with the interests of banks, and therefore would be unlikely to be implemented.

The idea of **policies encouraging people to save** tended to evoke more negative feelings still, especially among participants with experience of over-indebtedness. This group felt frustrated by the implication that saving might be an option for them, as they did not have any money left after meeting their regular payments. Equally, they inferred that the measure involved some form of requirement or obligation to save, which clashed with their desire to manage their money in their own way. Participants with no experience of over-indebtedness were also sceptical of this measure, as, for them, it was reminiscent of policies they associated with insurance companies and perceived negatively. More specifically, they assumed that the savings policies would mirror savings insurance policies and thus that if they were to fail to make regular savings contributions due to financial difficulties, this could result in a cancellation of the previously accrued savings amount. Yet, all these negative feelings aside, some participants still thought that the savings policies could work as a complementary measure to the others discussed in this section.

"Why should I be obliged to save and think about the future when I am a responsible person anyway? And if they oblige me, they should give me a wage, a European minimum wage, to do that. As long as I have to figure out every month, or even every day, how I am going to make the money that we need to live on, why am I obliged to do so? "

(Female, under 55 years old, experience of over-indebtedness)

Now jobs are so precarious [...] if I don't make [such savings premiums], honestly, I will lose the money I paid before, so I think that here in Hungary it will be quite difficult [for this measure] to work. "

(Female, over 55 years old, no experience of over-indebtedness)

2.3.2. Measures aimed at improving the types of credit services available

Views on this set of measures were also somewhat mixed. **While participants were generally in favour of measures to encourage responsible lending practices, their views on the idea of state-provided low- or no-interest loans varied** depending on whether or not they had personally experienced of over-indebtedness.

With regard to responsible lending practices, participants were in agreement on the importance of ensuring that credit checks were carried out by lenders and that interest rates on credit were kept to a reasonable level. At the same time, many of them felt that credit checks in particular were not so new, and, in fact, more or less standard already. Others took a somewhat different perspective, however, contending that existing checks did not properly consider borrowers' abilities to repay the loan.

"It's not so bad that the rules have been tightened up in recent years, which means that not everyone can get credit, or not as much credit, as they would like."

(Female, under 55 years old, experience of over-indebtedness)

On the idea of state-provided low- to no-interest loans, participants with no experience of over-indebtedness were against this for several reasons. Firstly, they felt that, far from achieving its intended purpose, the measure would in fact merely serve as an incentive to borrow. Secondly, they feared that introducing the loans may carry negative economic consequences in the form of tax and price increases. Here they drew specific parallels with available interest-free credit for construction, which they perceived as having raised prices in the industry. Participants with experience of over-indebtedness, tended to show more enthusiasm for state-provided loans, however, seeing these as a tangible way of helping those in difficulty. Nevertheless, even among this group concerns were expressed about the *no-interest* option, with references again made to the impact of such loans in the construction industry.

"[Low- or no-interest financing] is deceptive because it encourages you to take out a loan without thinking. It's a self-exacerbating process."

(Male, over 55 years old, no experience of over-indebtedness)

"The introduction of interest-free credit immediately raised prices in the construction industry, for example. If you take out an interest-free loan because you want to build, the prices go up."

(Male, over 55 years old, experience of over-indebtedness)

2.3.3. Measures to help people get out of debt

Mixed views were evident for this set of measures too. With regard to the specific idea of increasing the availability of debt advice services, support varied depending on whether or not participants had experienced over-indebtedness. Those with such experience tended to reject the utility of **debt advice services** for those already in debt – though they saw potential in making such services available at the point of loan issuance as more of a preventative measure. Participants with no experience of over-indebtedness in contrast tended to feel debt advice could be useful as a recovery tool, especially in enabling debtors to identify root causes of their problems and receive valuable advice accordingly. However, they also feared that

some people who might benefit most from the services may be too mistrusting of others to use them, or too inclined to procrastinate.

"I think [debt advice] would be a huge help because they didn't get into debt for no reason and if you have someone to share it with and whose good advice you can take, you can get ahead."

(Female, under 55 years old, no experience of over-indebtedness)

"People are so reluctant to move out of their comfort zone and they don't like to go to a counsellor. It's the Hungarian mentality of 'Oh, we've got time [to do that later]'. The most important thing would be for people to decide that they want to get out of debt. I think this is the hardest thing for Hungarian people."

(Male, over 55 years old, no experience of over-indebtedness)

Asked whether they themselves would make use of debt advice services if they were experiencing difficulties some said they may consider it but only out of curiosity or for some very general orientation. Others dismissed this possibility on the grounds that they already knew what their situation was and because they thought advisory services would ultimately represent the interests of banks, not borrowers. As is implicit in this, awareness of existing debt advice organisations in Hungary was low. On prompting, participants could name only one organisation that they felt fitted this description, which was the Chamber of Finance.

"There are advertisements for advice, but I have never specifically sought such help because I am aware of what I can currently prioritise or what I can't yet resolve."

(Female, under 55 years old, experience of over-indebtedness)

"The Financial Chamber, they generally help people who want information on debt or credit issues. They also have a reception day when you can come in person or call them on the phone."

(Male, under 55 years old, experience of over-indebtedness)

The idea of **digital tools** to help people manage their finances was criticised for several reasons. To begin with, participants thought that such tools could serve only as a preventative measure and so would not change anything for those who were already over-indebted. They also pointed out that people would be reluctant to keep an accurate record of their income in tools, in case this information came to the attention of the National Tax and Customs office. Finally, they commented that such tools were not new and already available via banking applications for example.

"The fact that I can track my credit or all my income and expenses on a digital device doesn't change my expenses or my income."

(Male, under 55 years old, experience of over-indebtedness)

2.3.4. Other measures suggested

In addition to the measures discussed above, participants suggested other types of provision that they felt would help prevent people becoming over-indebted. Among those with experience of over-indebtedness, these measures included:

- Specialist counsellors or other types of support workers who would accompany prospective borrowers to the bank and assist them in understanding terms and conditions, as well as legal aspects

- The direct employment of such 'borrowers advocates' by banks themselves
"You should put a counsellor or a specialist with the borrower, whose aim [...] would be to explain [to the borrower] the legal details that the ordinary person doesn't understand."
(Female, under 55 years old, experience of over-indebtedness)

Among those with no experience of over-indebtedness, other suggested measures included:

- Debt advice services that incorporated employment and training opportunities
"I would combine counselling with education or offer some kind of job to people who are in debt but have potential. They would be enrolled somewhere for some kind of support, but the job centre would pay them anyway while they are learning."
(Female, under 55 years old, no experience of over-indebtedness)
- Efforts to change people's mindsets when it came to talking about debt and finances, encouraging them to see that there was no shame in having debt or asking for help
- Increased government action to reduce prices and increase wages (on a par with wider European wages)

2.3.5. Summing up: Perceived most and least efficacious measures for preventing over-indebtedness

Of all the individual measures considered over the course of the focus groups, those that participants felt were most likely to be efficacious were the ones that the participants came up with themselves. Among those with experience of over-indebtedness, the most preferred such measure was **making legal advice available to bank customers on site**. This group also particularly favoured the idea of **state-provided no- to low-interest loans** and **financial education programmes**. Among those with no experience of over-indebtedness, the idea of debt advice services incorporating education and work opportunities emerged as the most preferred solution, along with increased government action to improve wages and reduce prices.

Among both groups of participants, the measure that was viewed least positively was **publicly-provided digital tools to help people manage their finances**.

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- via the following form: european-union.europa.eu/contact-eu/write-us_en.

FINDING INFORMATION ABOUT THE EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website (european-union.europa.eu).

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EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex (eur-lex.europa.eu).

EU open data

The portal data.europa.eu provides access to open datasets from the EU institutions, bodies and agencies. These can be downloaded and reused for free, for both commercial and non-commercial purposes. The portal also provides access to a wealth of datasets from European countries.

