

2018 Consumer Markets Scoreboard:

Consumers remain positive about key markets but trust in services still lacking

Factsheet • October 2018

Věra Jourová
Commissioner for Justice,
Consumers and Gender Equality

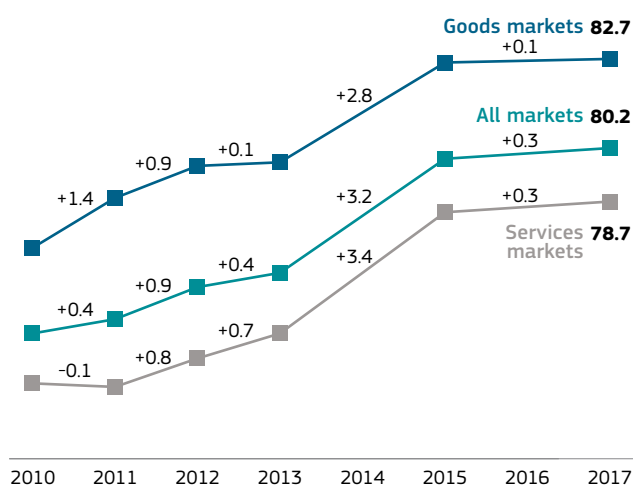


Justice and Consumers
Directorate General



The most recent data gathered by the Commission (40 markets surveyed) shows that consumers' assessment of markets in 2017 continues the positive trend since 2010. However, the report also reveals that only 53% of consumers trust that businesses in the services sectors comply with consumer rules.

Market Performance Indicator, 2010-2017



Source: GfK — Market Monitoring Survey 2017

Consumers assess markets positively when they trust providers to respect their rights, suffer little detriment from problems encountered, find offers on the market easy to compare, are happy with the choice available and generally consider their expectations met.

Markets improve most in eastern Europe

Since 2015, on average the biggest improvements in performance have been reported in eastern Europe, in line with the strong increases observed in previous scoreboard editions. This suggests that the east-west gap in how markets work for consumers may be subsiding. Markets in western Europe systematically perform better for consumers, while the south lags behind, particularly for telecoms, utilities and banking services.

Nonetheless, compared to 2010, for most markets the performance across countries is not converging, in particular for electronic products, postal services and internet services.

Services markets

Top 3 performing



84.9

Personal care services
(e.g. hairdressers,
nail studios, etc.)



84.1

Holiday
accommodation
(e.g. hotels)



82.6

Packaged holiday and
travel tours

Bottom 3 performing



73.1

Real estate



75.0

Investment products,
private personal
pensions and securities



75.8

Mortgages

Goods markets

Top 3 performing



85.3

Spectacles and lenses



85.1

Small household
appliances



84.6

Dairy products

Bottom 3 performing



75.5

Second hand cars



80.4

New cars



81.3

Meat and
meat products



Consumers remain unsatisfied with choice and comparability in utility markets

Choice and comparability of offers continue to dissatisfy consumers in utility markets overall. The markets for electricity services and water supply are among the worst-performing services markets, despite some improvements. The performance of electricity services is also very uneven across countries, with consumers in southern Europe being most dissatisfied.



Banking services overall continue to improve but remain the lowest-performing sector

Despite further improvements in performance since 2015, banking services are still the lowest performing sector. While consumers appear relatively satisfied with the choice available and fewer report problems (7.6% on average), trust and comparability remain issues of concern and the markets fall short of consumers' expectations. The market for mortgages, while performing poorly, improved most of all markets surveyed in 2017.



Persisting problems in telecommunication markets

The high incidence of problems remains by far the weak point of this sector. The share of consumers reporting problems (16.9%

on average) in these markets is the highest among all services markets surveyed, notably so for internet services (20.3%). This results in the highest consumer overall detriment across all sectors. The performance of the telecom markets varies widely across EU countries, with consumers in the southern region being generally less satisfied.



Fewer consumers switch provider in most of the services markets surveyed

Compared to 2015, across the 13 services markets where switching was surveyed, the share of consumers who switched provider dropped by 1.1 percentage points (to 9.4%). The main reason for not switching provider is lack of interest (69%) or concerns about expected difficulties (9%). Only 5% tried but gave up because of encountering obstacles. Still, 11% of those switching provider found it was difficult. Switching remains particularly difficult in telecoms and banking services.



The personal financial situation of consumers most influences their assessment of markets

Consumers struggling to make ends meet are more negative in their judgment of markets than other consumer groups. They also find it more difficult to switch provider. This is consistent with the findings in the previous scoreboard edition.

ON THE CONSUMER MARKETS SCOREBOARD

The findings of the 2018 Consumer Markets Scoreboard are based on the sixth wave (2017) of the **Market Monitoring Survey**, a large-scale survey on consumers' experiences and perceptions regarding the functioning of key goods and services markets in the 28 EU Member States, Iceland and Norway. The 2018 Scoreboard screened 40 markets (25 for services and 15 for goods), accounting for 43% of consumer expenditure.

Market Performance is measured by the **Market Performance Indicator (MPI)**, a composite index made of 5 components: comparability of offers, trust in businesses to respect consumer protection rules, the extent to which markets live up to what consumers expect, choice of retailers/suppliers and the degree to which problems experienced in the market cause detriment.