



BRSA PRACTICE for FINANCIAL CONSUMER PROTECTION

**BANKING REGULATION AND SUPERVISION AGENCY
(BANKACILIK DÜZENLEME VE DENETLEME KURUMU)**

Recent Agenda on Financial Customer Protection



2012 –
September-
December

- **New Department To Enhance Financial Consumer Protection Practices**
- Literature and Practice Reviews

2013 Jan-2013
June

- **New Models To Deal With Customer Complaints Within BRSA and Turkish Banking Association**
 - Efficient and Rapid Resolution Mechanism
 - Electronic Complaint System
 - Attendance and Participation to Consumer Complaint Resolution Committee

2013 June-2014
June

- **New Models To Monitor and Rate Individual Banking Services Processes.**
 - **Regulation:** Simplifying and Making commissions and Fees more clear, comparable and understandable for customers
 - **Audit:** Developed Rating System (Customer Centric Audit) To Address International Practices and Principles

References: Literature and Practice Reviews

World Bank

- Financial Consumer Protection Practices in Developed and Developing Countries (44 Countries):
- Guidelines for Financial Consumer Protection (August, 2013)
- Financial Consumer Protection and Financial Literacy: Lessons from 9 Countries (2010)
- Best Practices on Financial Consumer Protection (June, 2012)

OECD

- G-20 High Level Principles on Financial Consumer Protection (November 2011) and follow ups

Country Experiences

- Good Experiences: USA, Brazil, Peru, Some EU Countries
- Problematic Practices of Banks: Italy, Check Republic, Portuguese

References: “Fair Ways for Profit”



References: “Financial Literacy Level”



Customer Centric Approach (Market Failures and CCA Responses)

- Asymmetric Information

Audit on
Transparency
and Customer
Awareness

- Aggressive Marketing,
Irresponsible Lending,
Unfair Pricing

Audit on
Pricing
Mechanism

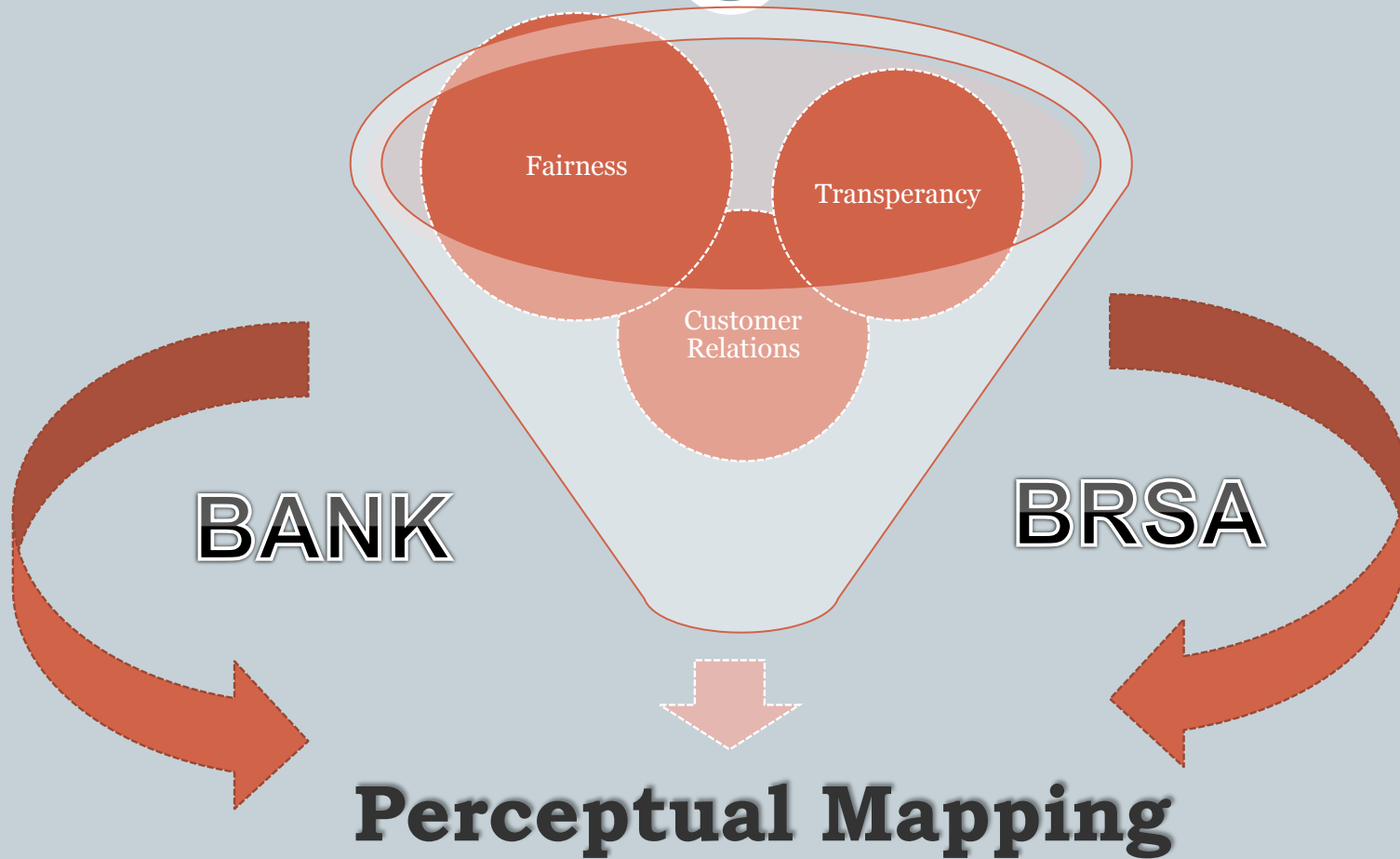
- Irresponsible
Attitudes after
Marketing

Audit on
Customer
Relations
Services

- Bad Practices That
Harm Credibility of
Market
- Unrealized Complaints

Market
Surveys and
Perceptual
Mapping

Customer Centric Degree: (Perceptual Mapping)



Customer Centric Audit (Content)

Criteria for Evaluation			Final Grade
			1<->100
Transperancy and Customer Awareness		1<->25	
1.1 Disclosure, Informative Channels and Advertisements	1<->10		
1.2 User Friend Web Services: Calculative Tools for Financial Customers	1<->10		
1.3 Timely informative mechanism: updates for financial services	1<->10		
1.4 Fair Contract (Content, Process, Etc)	1<->10		
Fair Pricing		1<->25	
2.1 Pricing Policies for Financial Products	1<->10		
2.2 Marketing Policies for Financial Products	1<->10		
2.3 Responsible Lending Mechanism	1<->10		
Customer Relations Management		1<->25	
3.1 Organizational Sufficiency for Customer Experinces	1<->10		
3.2 Organizational Sufficiency for Customer Experinces	1<->10		
3.3 Complaints Level for Financial Products	1<->10		
3.4 Complaint Resolution Metrics within Bank	1<->10		
3.5 Complaint Resolution Metrics within Turkish Banking Association	1<->10		
Perceptual Mapping		1<->25	
4.1 Evaluation of Surveys Made by Bank	1<->10		
4.2 Cross-market survey: Perceptual Mapping Results- BRSA	1<->10		