

Using research to enhance FSRA's understanding of consumers and education outreach

FSRA releases its 2024 cross-sectoral survey report

The Financial Services Regulatory Authority of Ontario's (FSRA's) biennial cross-sectoral consumer research report ('Report') offers a pulse check on consumer experiences, engagement with and attitudes towards FSRA's regulated sectors. The results from this study help inform FSRA's regulatory and supervisory efforts aimed at improving outcomes for consumers.¹

This study surveyed over 4,000 respondents in Spring 2024 using a sample representative of adults in Ontario. The regulated sectors covered were home and tenant's insurance, life and health insurance, mortgage brokering, credit unions² and pensions.

Key takeaways

Consumer trust, satisfaction and confidence increased from 2022 levels, but results are not distributed evenly for all consumers.

- Consumer satisfaction, trust and confidence generally increased in all the regulated sectors covered by the survey.
- Similar to results from the 2022 Report, highly vulnerable consumers (defined below) were less trusting of financial service providers, including many regulated sectors, and were less likely to be satisfied with the products and services they received, particularly in home and tenant's insurance and credit unions. The gap in satisfaction closed significantly in life insurance, health insurance and mortgage brokering.
- Vulnerable consumers were more likely not to have confidence in their knowledge of products and services, with gaps varying by regulated sector.

¹ The term 'consumers' includes the public, credit union members and pension plan beneficiaries.

² The term 'credit union' includes caisses populaires for the purposes of this document.

Vulnerability increased across all the sectors.

- Between 2022 and 2024, the share of highly and moderately vulnerable consumers increased from 20% to 33%.
- FSRA measures vulnerability across four drivers: health events (e.g., a physical injury); financial capabilities (e.g., level of financial literacy); life events and lived experiences (e.g., an impactful event like a divorce); and financial resilience (e.g., whether a household has a sufficient level of savings to withstand financial shocks). Variations to these factors could heighten a consumer's risk of experiencing financial mistreatment, hardship or harm. Health events or factors, financial capabilities, as well as life events and lived experiences drove vulnerability between 2022 and 2024.
- The persistence of higher-than-historical interest rates impacts consumers across Ontario. For example, 3 in 10 respondents reported that they worked with a mortgage broker to obtain a mortgage from a non-traditional lender (however, 6 in 10 received an explanation on how to return to a mortgage with a traditional lender).

Consumer confidence continued to be correlated with awareness of the regulator.

- Consumers who were confident in their knowledge of their sector's products and services were more likely to believe there was a regulator for the sector, whereas the majority of consumers who were not confident were less likely to know about the regulator.
- Awareness of the regulator (both general awareness and unaided ability to name FSRA as the regulator) increased significantly between 2022 and 2024.

Putting our research to work

Looking back

The Report builds on past consumer research completed by FSRA (please see FSRA's [consumer research page](#) for past research reports). By reviewing the Report against those past results, FSRA has been able to identify trends in consumer experiences that relate to its past commitments and priorities, such as:

- **Increasing consumer awareness of the regulator.** The 2022 Report found that unaided awareness of FSRA was low, with many respondents not being aware that there is a financial regulator at all. Over the past two years, FSRA has strengthened its consumer education efforts through various initiatives aimed at enhancing consumer awareness, understanding and engagement in the financial services sectors it regulates. The 2024 Report found that FSRA awareness had improved and a majority of respondents across all sectors believed that there was a regulator for their sector.

- **Private mortgages – increasing consideration of exit strategies.** FSRA's [2023 Mortgage Brokering](#) study found that 43% of those who borrowed using a private lending company or an individual private lender did not have an exit strategy in place to help them go back to a more traditional mortgage. Financially vulnerable consumers may be more impacted by the potential risks associated with a private mortgage. Consequently, FSRA has made private mortgages, including adequate consideration of exit strategies to enable consumers to transition back to a traditional lender, a key focus of its mortgage brokering sector supervision plan in recent years to help protect vulnerable consumers. Findings from the 2024 Report indicate that vulnerable consumers are more likely to report having discussed an exit strategy with their mortgage broker, a positive development that is consistent with the outcomes FSRA is seeking to drive through its supervision plan and consumer education activities.

Looking forward

FSRA will use the results to inform the development of future conduct supervision plans as well as future education programs. Specific areas of interest that FSRA will explore based on the results include:

- **Home and tenant's insurance claims.** The Report found that claims by survey respondents in home insurance nearly tripled since 2022. The Report also identified that, consistent with previous survey research conducted by FSRA in other sectors, vulnerable consumers were the most likely to experience challenges. FSRA will consider the Report's findings within the context of the Market Conduct P&C Supervisory Framework, planned for publication in 2025, to ensure its future work targets areas with the greatest risk for consumer harm.
- **Pension awareness campaign.** FSRA will continue to explore how pension plan members can better engage with their plans during various stages of their life, up to retirement. FSRA will use the Report's findings related to pension plan members' experience to help bridge gaps in knowledge and participation.
- **Growing risk of fraud.** Rising financial fraud is another concern under consideration at FSRA, which has taken steps to address this concern for the mortgage brokering sector, including [Guidance on Detecting and Preventing Mortgage Fraud](#) published in September 2023. FSRA will use survey insights on vulnerable consumers to inform supervisory planning, including those related to the financial risks and harms of fraud.
- **Private mortgages.** FSRA's 2024-25 mortgage brokering sector supervision plan calls for a continued supervision focus on mortgage brokering practices with respect to private mortgages. FSRA will use the Report's findings related to consumer experiences with private mortgages (such as whether or not consumers reported being presented with options, being provided with an explanation of product suitability, or discussing an exit strategy) to support its current supervisory activities and its 2025-26 mortgage brokering sector supervision plan.

Survey research is one of many inputs FSRA considers in its planning process. Regulated entities, industry associations and consumer advocates should review the Report to identify their own insights.