

2009 Banking and Credit Card Survey

 **checkmyfile**

givemecredit

annualcreditreport
.co.uk

About Credit Reporting Agency

Credit Reporting Agency is the UK's first internet based credit reference agency, aimed firmly at serving consumers, rather than business users. It leads the UK market in the provision of online credit file based services and provides consumers with easy access to information on three websites:

checkmyfile was first in the UK:

- to provide consumers with online access to their credit files;
- to offer consumers the ability to check their own credit score for free and to give plain English explanations of how credit scoring works.

givemecredit was first in the UK:

- to match lenders to consumer credit ratings for free, using credit scores, to help consumers find the cheapest deals and to reduce the risks of being declined;
- to publish fully independent reviews of credit card and loan lenders based on expert evaluation and consumer feedback of customer service experience.

annualcreditreport.co.uk was first in the UK:

- to provide free annual credit reports to consumers to encourage more to check the quality of the information held about them, and to guard against the increasing threat of identity theft;
- to provide free identity theft prevention services.

About this survey

Each year, Credit Reporting Agency asks its customers to rate their bank or credit card company. Respondents are incentivised by an invitation to enter a prize draw. This year's randomly selected winner opted to receive the cash prize of £250.

Credit Reporting Agency uses the results to ensure that when suggesting financial institutions to its customers on any of its websites, it can give an independent assessment of the service levels likely to be provided. It also ensures that applicants are matched to lenders who are most likely to say yes, so the risks of being declined are minimised. By matching lender appetite to the consumer requirement, Credit Reporting Agency also checks that the APRs on offer are in line with the creditworthiness of the customer, so customers don't pay over the odds.

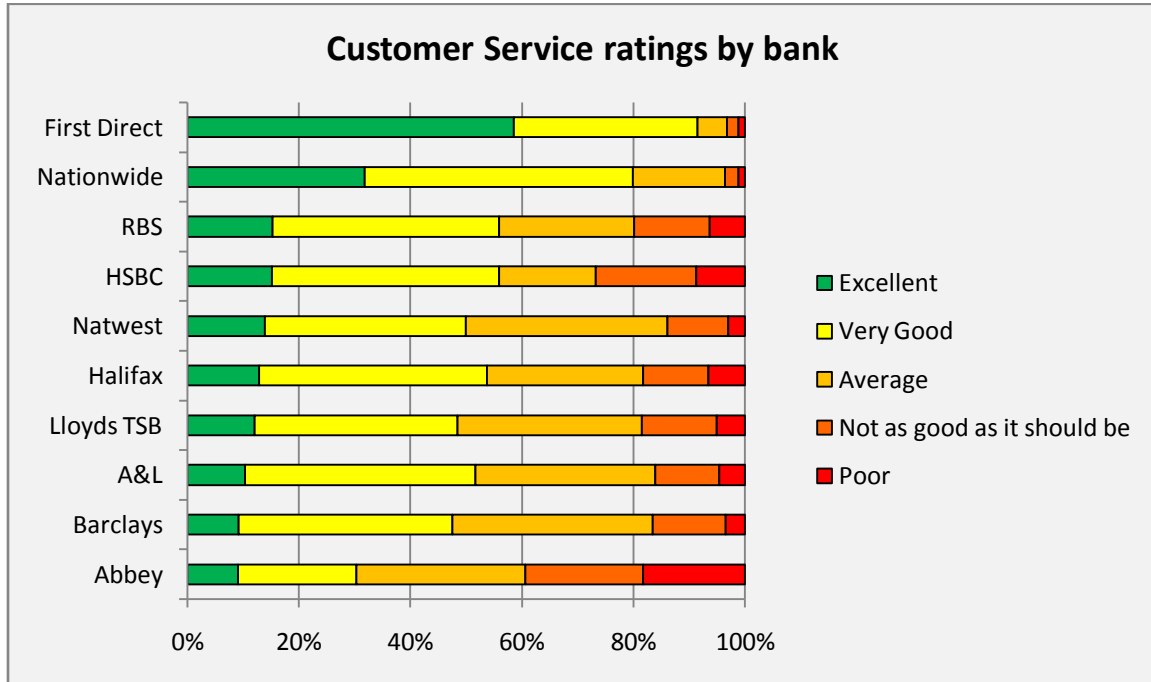
1,735 people took part in this survey. Responses were processed using surveymonkey.com and analysed by Credit Reporting Agency.

This analysis was published on 12th May 2009.

Summary of Survey Results

For the first time in 5 years, overall customer service levels from banks fell – with the proportion of respondents rating their bank as ‘Excellent’ or ‘Very Good’ falling from a peak of 62.3% last year to 55.3% in 2009.

Still **First Direct** continued its dominance as the top rated bank for the third year running, with a colossal 91.5% (up from 90.0% in 2008) of people rating its customer service as Excellent or Very Good. **Nationwide** also emerged with good overall ratings, improving by one place on last year’s showing. **Abbey** slipped down the list, from 7th to 10th place amongst the ‘top 10’ banks.



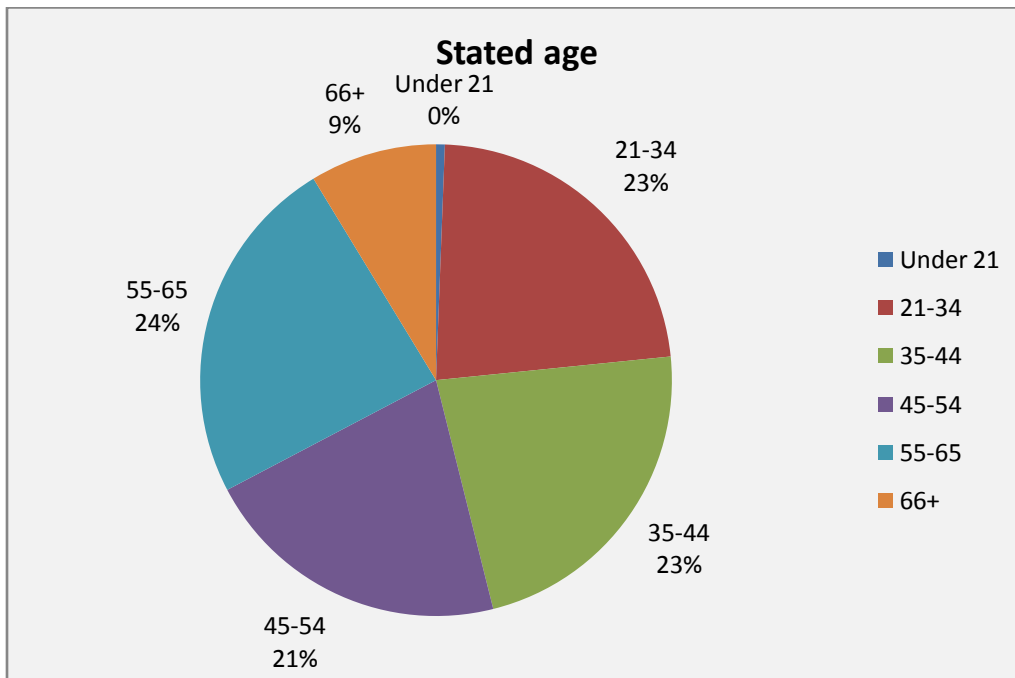
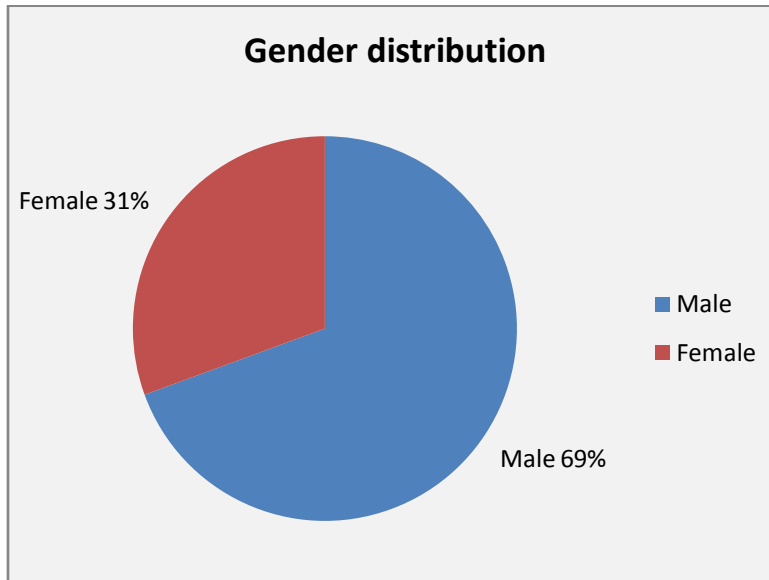
Despite the wide range in ratings, long-term customer loyalty is still apparent. 55% of respondents had been with their current bank for over 11 years, and when asked why they remained loyal, one in three people said it was simply that they “had always banked with them”.

The fall in customer service levels amongst banks was replicated amongst credit card providers, with overall ratings dropping from 63.1% (Excellent or Very Good) in 2008 to 55.7% this year. Whilst not to everyone’s taste, **American Express** customers gave the card issuer top ratings for the second year running, and First Direct (again) and Tesco fared very well. The same can’t be said of Barclaycard, who were left once again with the smallest proportion of respondents ranking their customer service as ‘Excellent’.

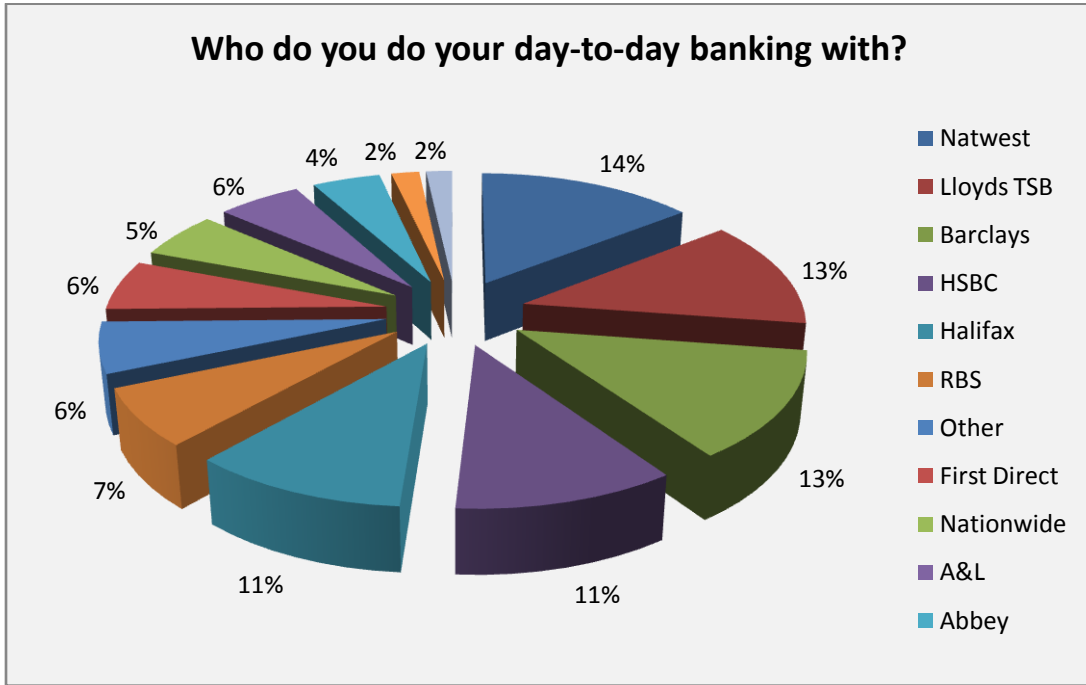
The number of people who bore a grudge to such an extent that they would **never recommend a particular lender** grew to 41% (from 32.6%), whilst the survey also revealed that the vast majority of people have been affected in some way by the recession. Optimism that it will end within 12 months was not forthcoming, with 2 in 3 people believing it will last longer.

Examination of detailed comments received within the survey revealed low consumer confidence in the recession ending soon, and general resentment towards banks and the suggestion of further bonuses being paid to under-performing staff.

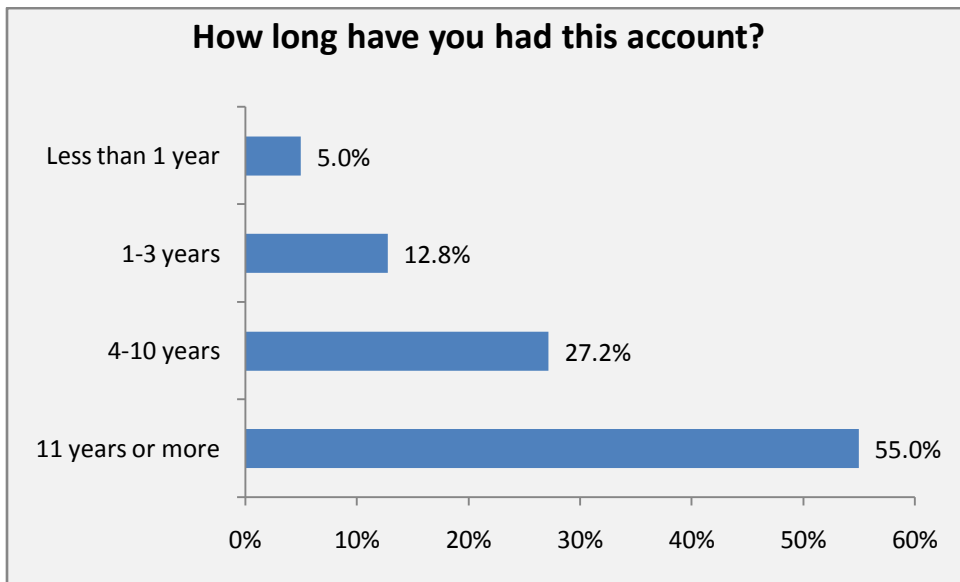
Age and Gender Distribution of Sample



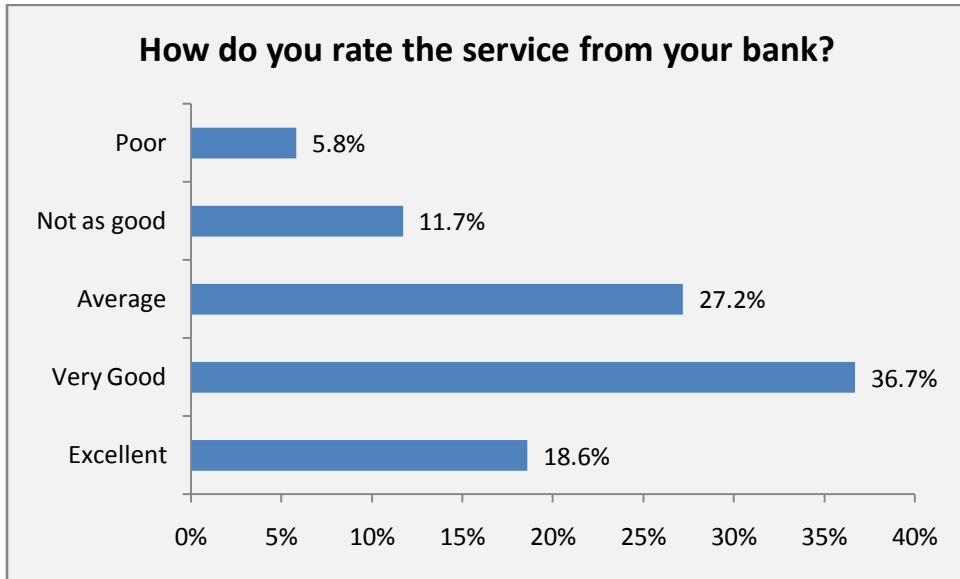
Distribution of Banking Relationship



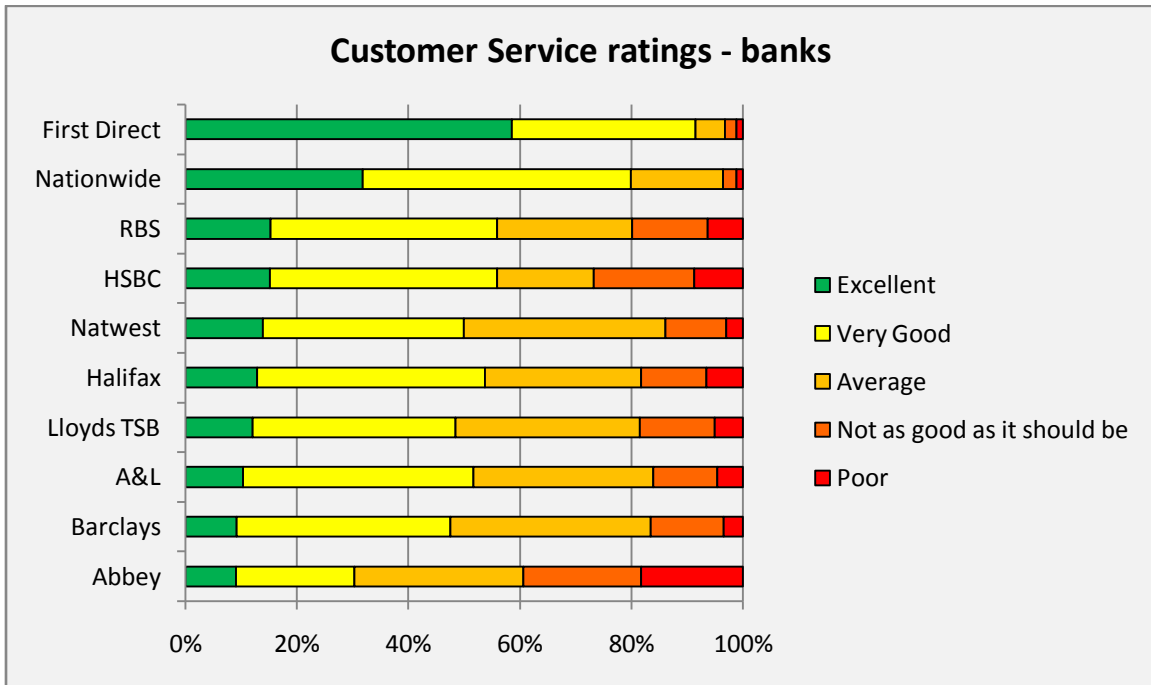
Even without the effect of recent mergers, the traditional 'Big Five' banks continue to dominate the market - despite their relative poor showing in customer service comparison.



Customer Service levels compared - banks

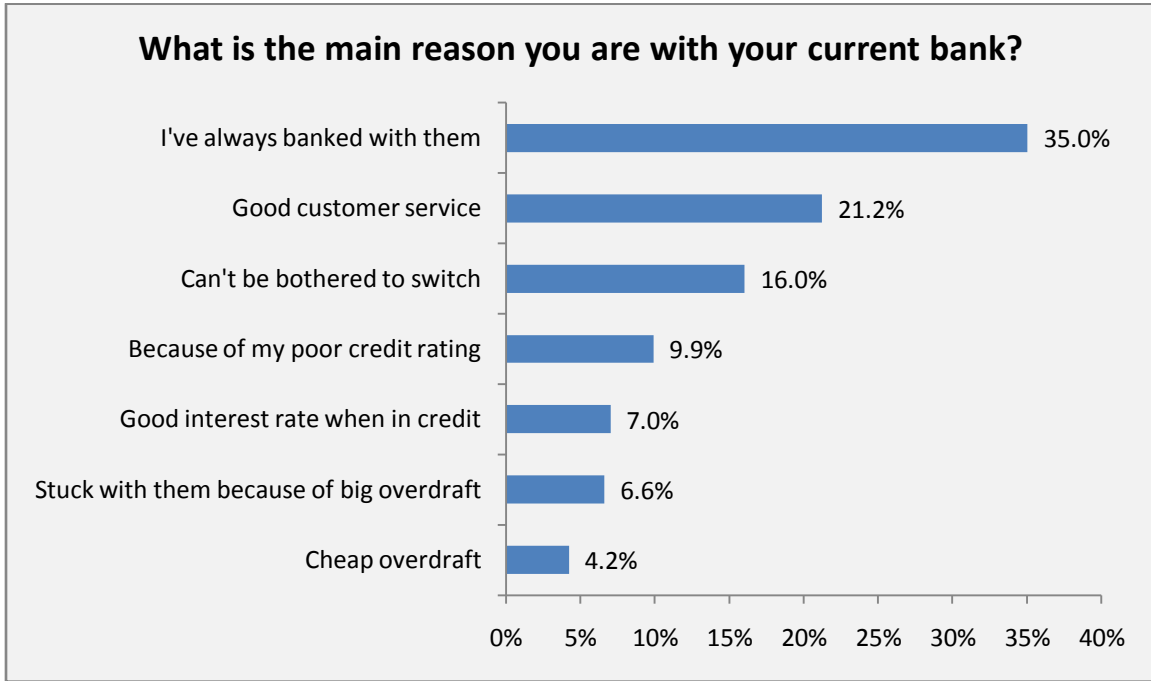


Overall, levels of customer satisfaction have fallen – for the first time in 5 years.

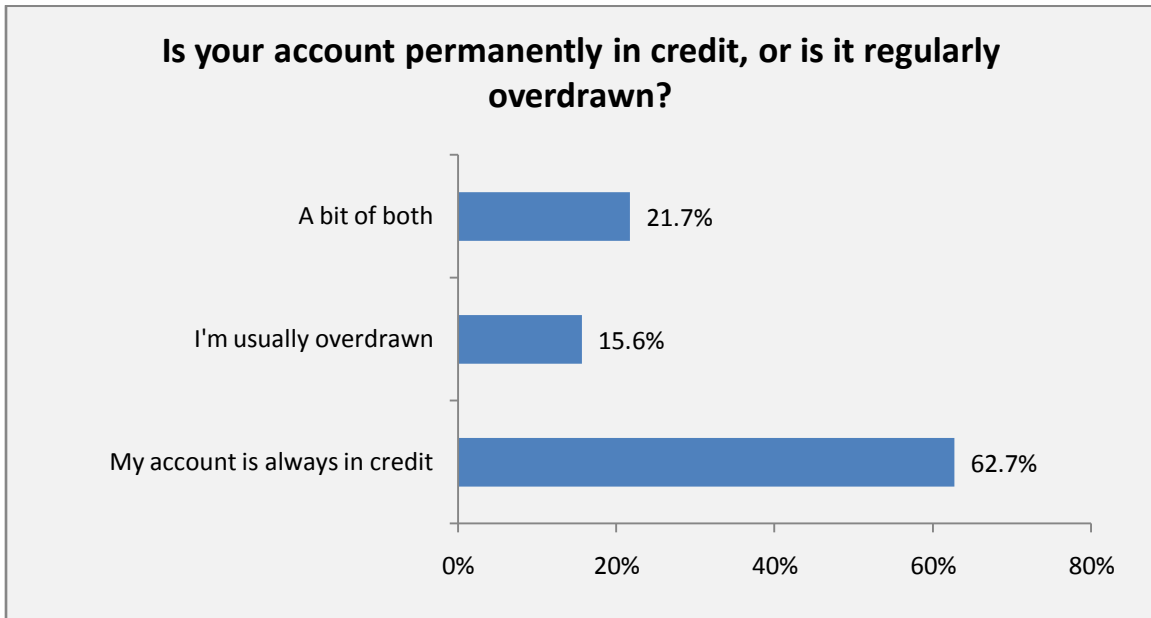


First Direct retains its place at the top of the customer service ratings for the third successive year.

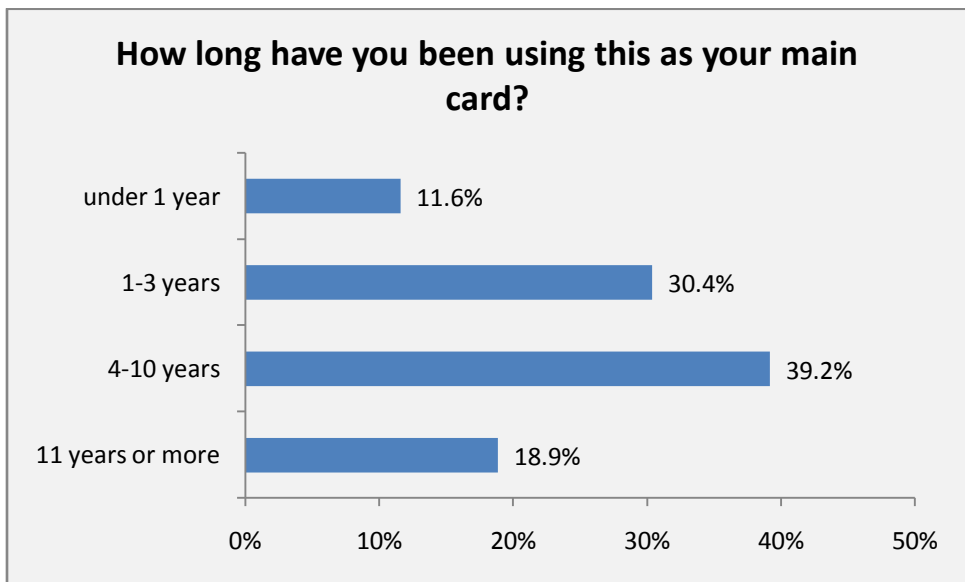
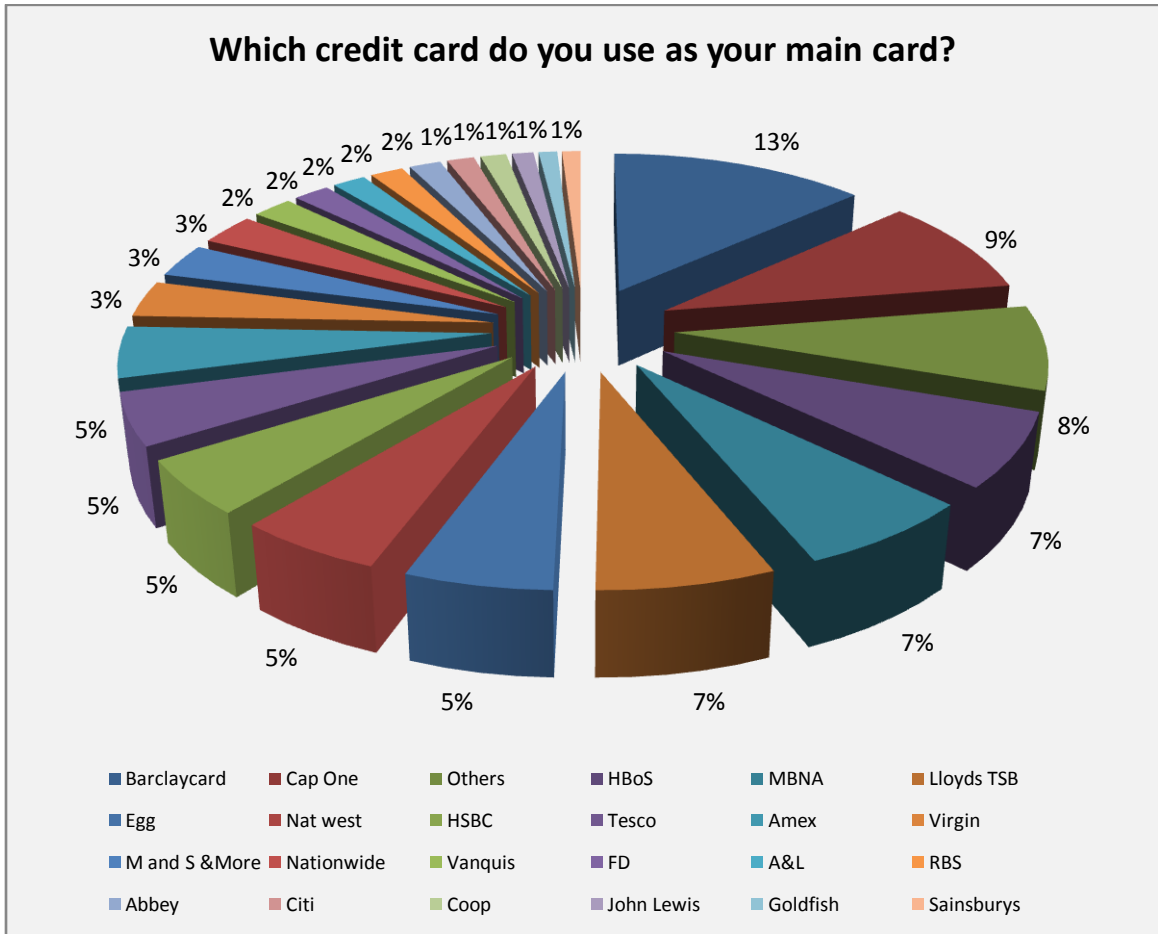
Why survey respondents are loyal to their current bank.



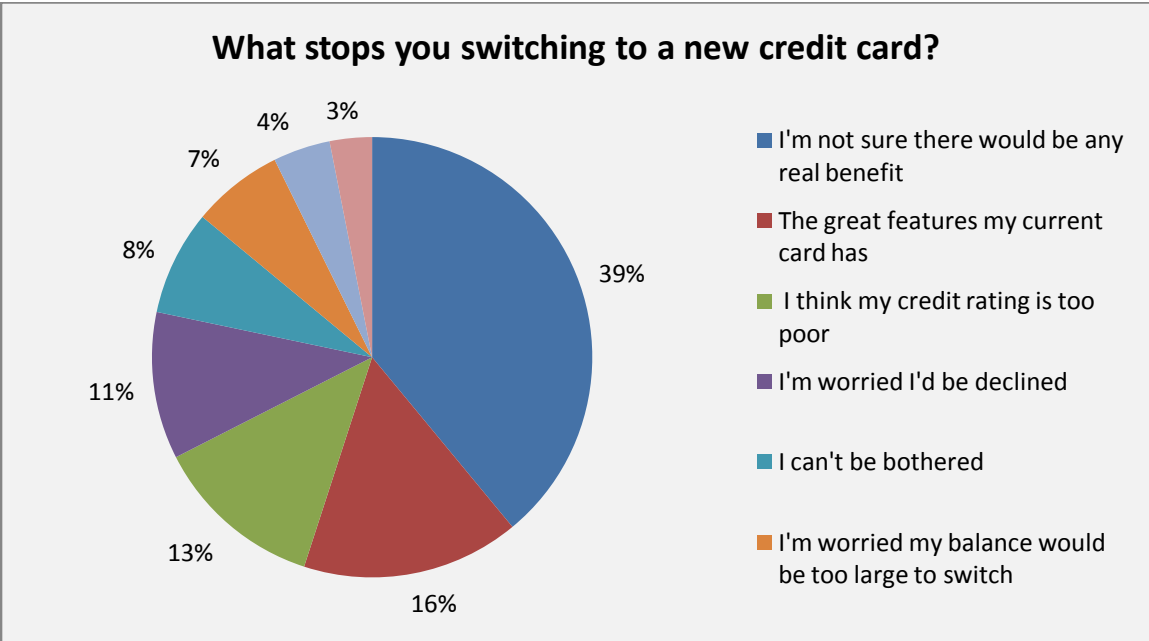
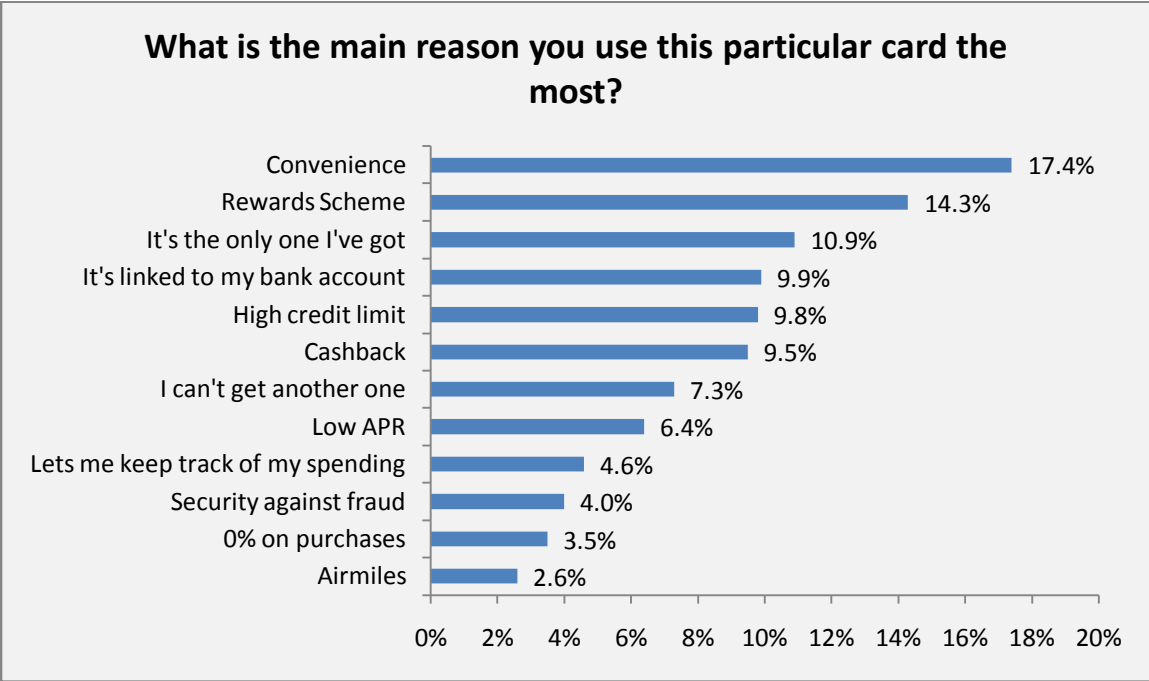
Apathy is one of the main reasons that consumers don't switch to a new current account provider.



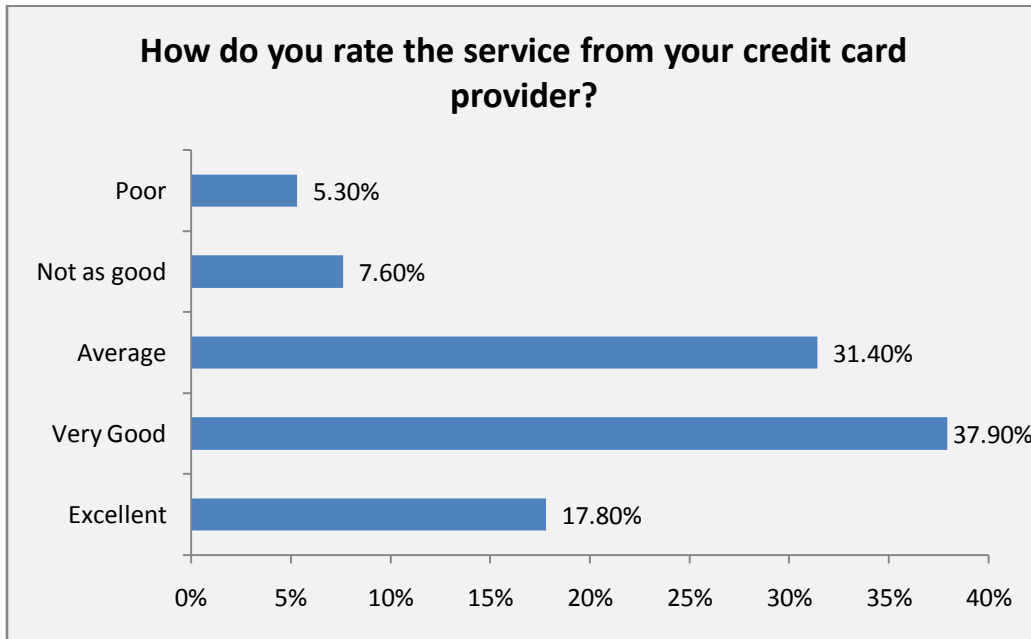
Distribution of Credit Card Relationship



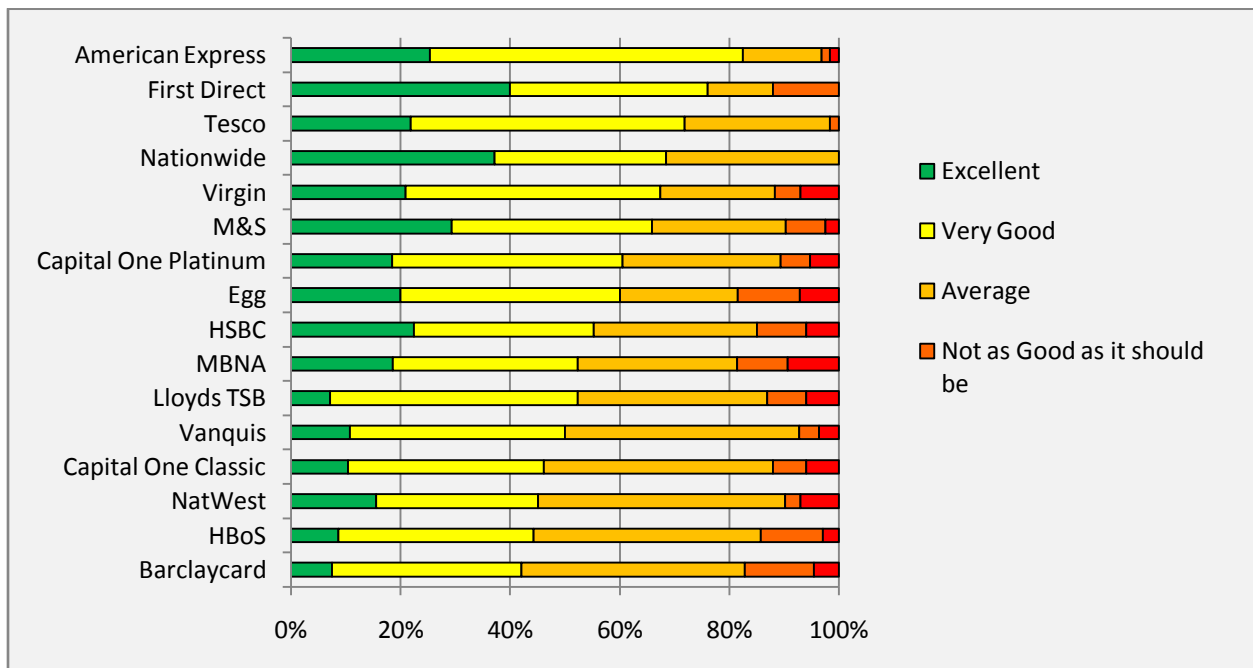
Main reasons for not switching away from current credit card provider.



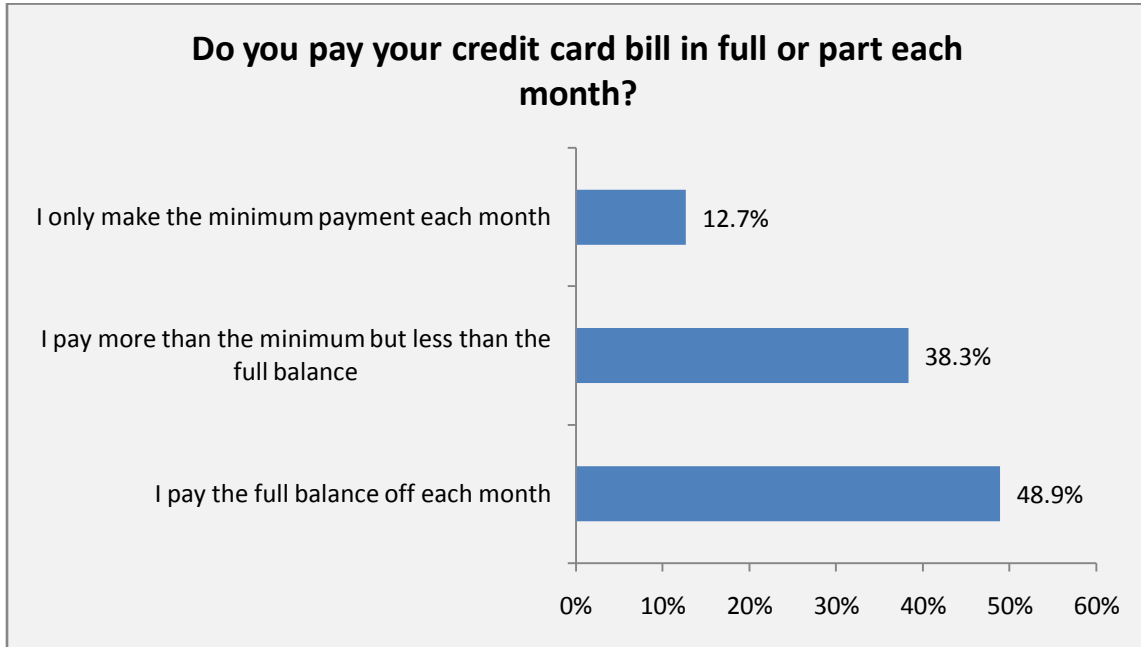
Customer service levels compared – credit card providers



Overall customer service levels amongst credit card providers have dropped since last year's survey.

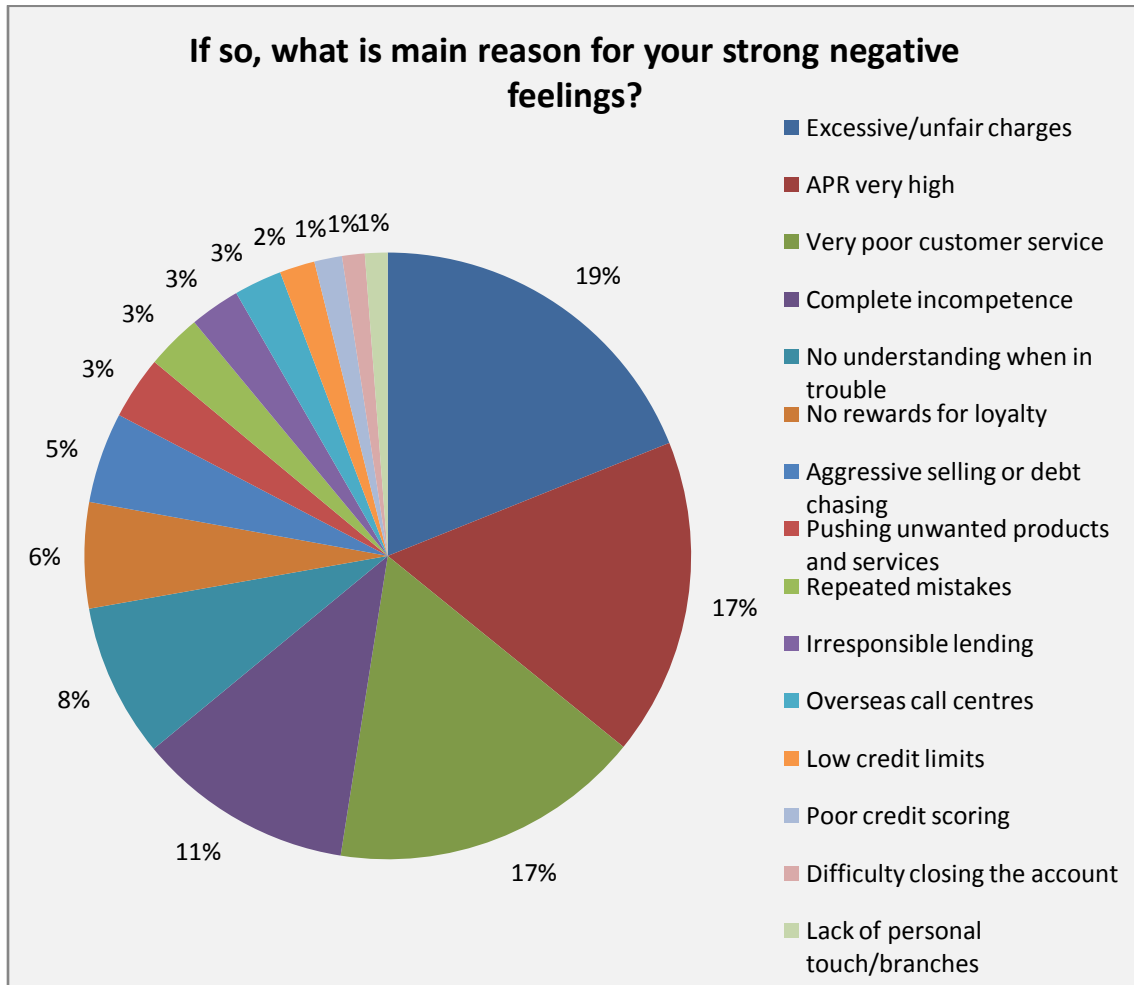
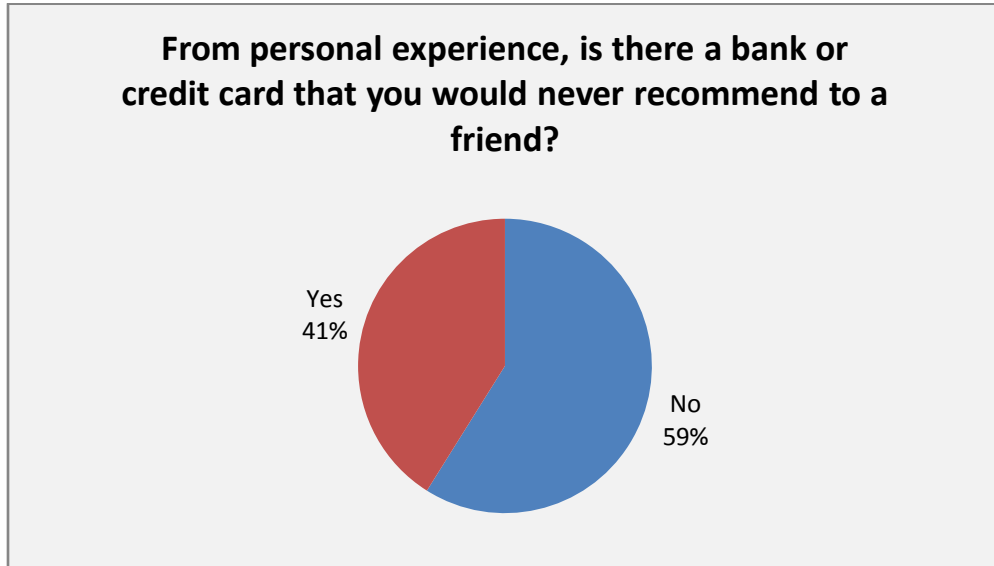


Typical account repayment habits.

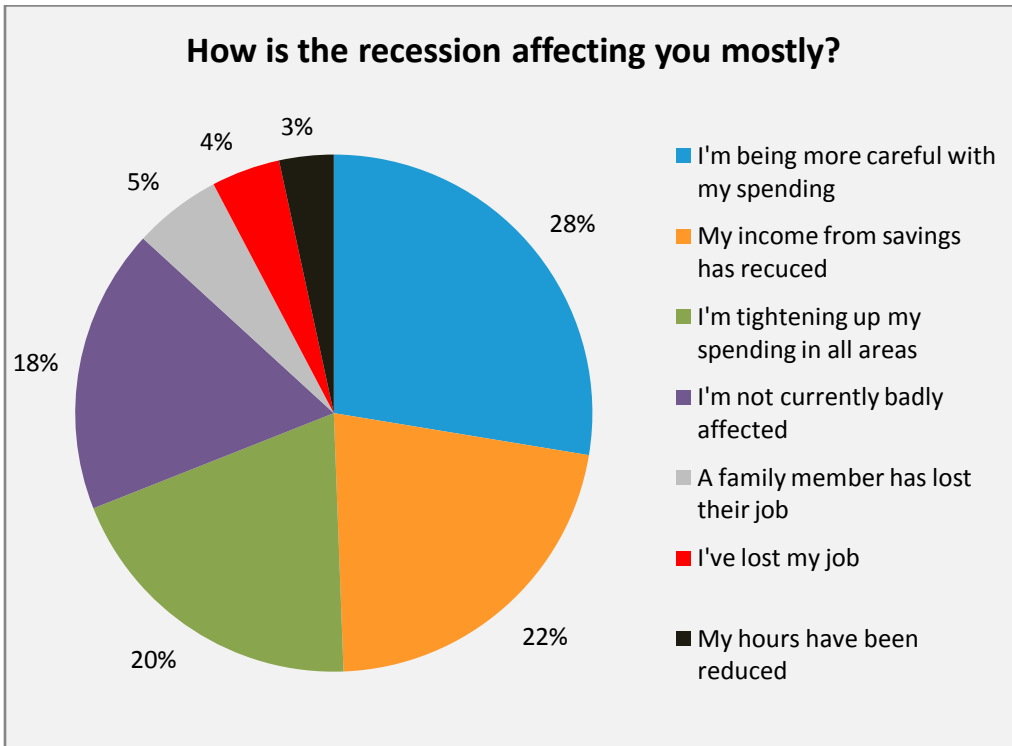
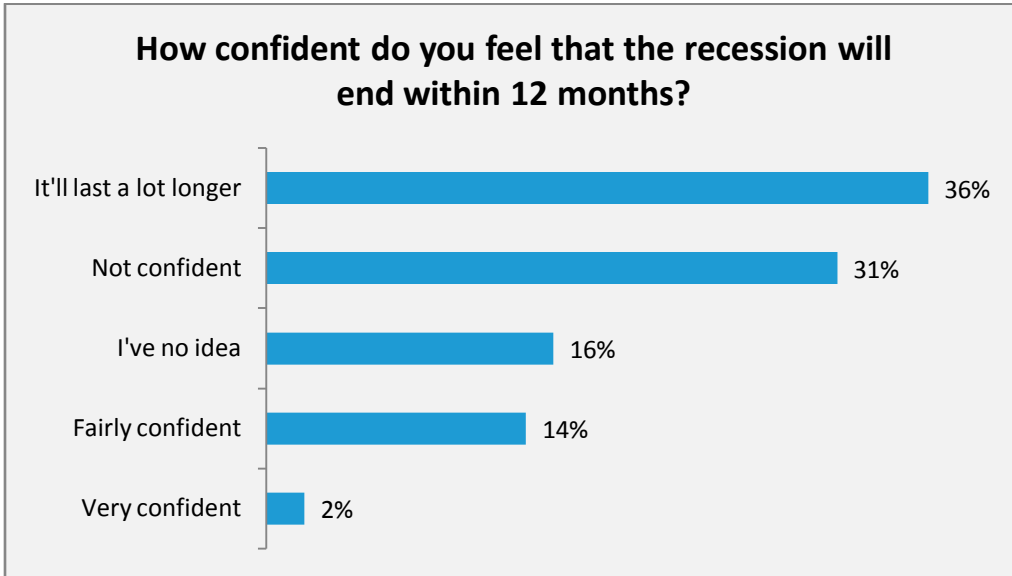


'Minimum payment makers' is consistent with the 2008 survey, but significantly more people are now paying off the full balance each month at 48.9% (41.1%).

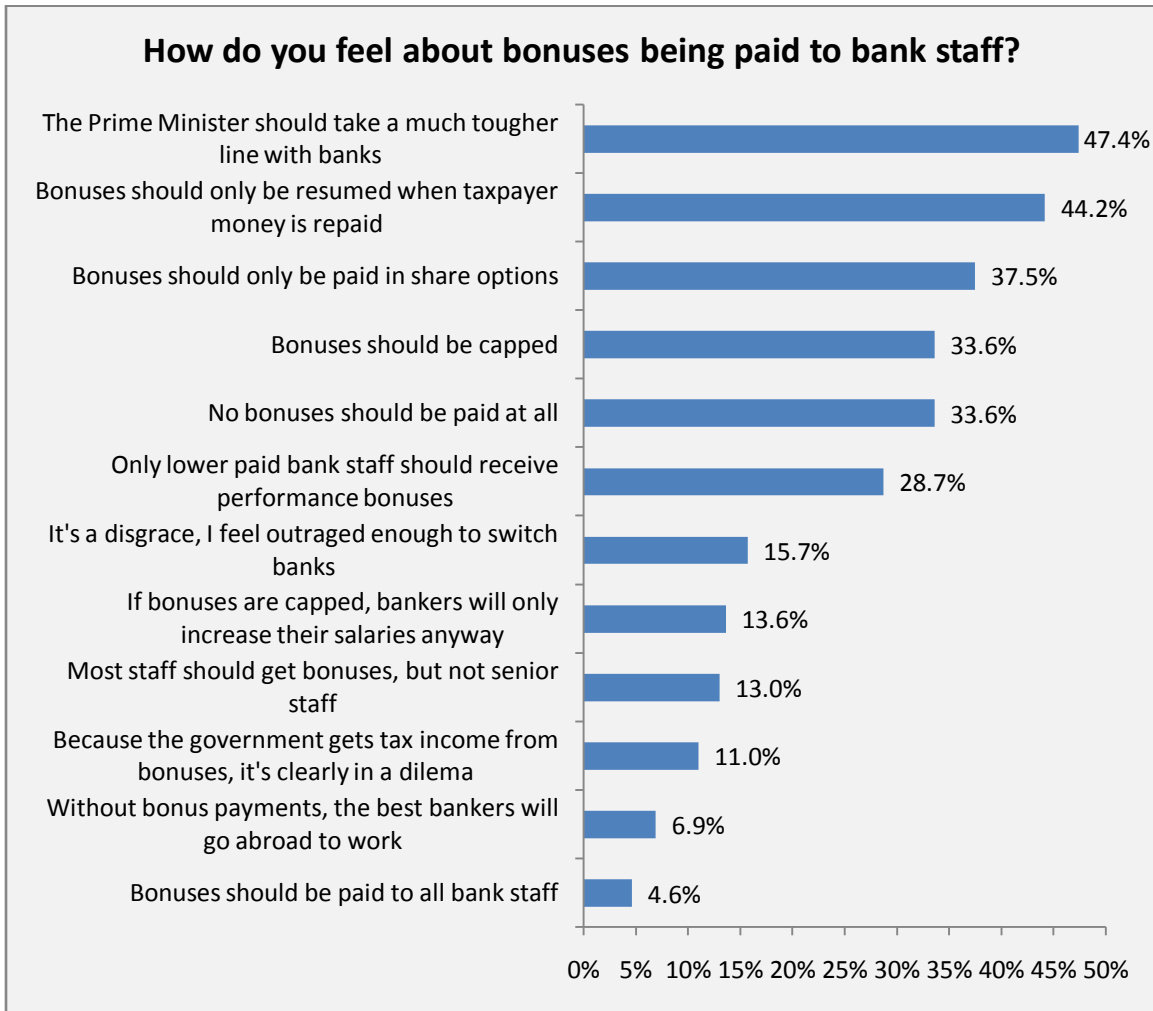
Consumers with strong negative feelings towards a particular lender.



Survey respondents' feelings towards the recession.



Consumer feelings towards bank staff being paid bonuses.



Are banks doing enough to help consumers and businesses?

