

Competition and Markets Authority Service Quality Design Testing

Presentation of qualitative research findings

18th November 2016

Background

- ❑ **The Competition and Markets Authority (CMA) has conducted an investigation into the retail banking market.** The investigation covered both personal current accounts (PCAs) for individuals and banking for small and medium enterprises (SMEs) including business current accounts (BCAs) and loans
- ❑ **The final report was published on 9th August 2016 [1].** The report describes a 'remedies package' which includes a measure to enable PCA customers and SMEs to make comparisons between providers on the basis of their service quality
- ❑ **CMA wish to ensure that the service quality core metrics are communicated clearly and succinctly** and therefore commissioned an initial stage of qualitative research [2] to inform the development of a service quality communication
- ❑ **Subsequently, CMA commissioned additional qualitative research to support the refinement of the service quality communication designs under consideration**

[1] <https://assets.publishing.service.gov.uk/media/57ac9667e5274a0f6c00007a/retail-banking-market-investigation-full-final-report.pdf>

[2] <https://assets.publishing.service.gov.uk/media/5800de6ced915d4b75000000/research-works-presentation-of-qualitative-research-findings.pdf>

Research objectives

- The research objectives were to build on stage one [2] research by:
 - **Refining the content and presentation of the service quality metrics** which were specified in the final report
 - **Assessing the clarity and comprehension of formats** in aiding customers to understand how their bank has performed vis a vis other banks on these metrics
 - **Assessing the relative interest generated by these formats** in further exploration of their bank's performance
 - **Providing customer feedback on aspects of this remedy which have been raised during informal consultation**

Method and sample – focus groups

- ❑ **4 focus group discussions (1.5 hours duration, 5-8 respondents in each) [3]**
 - ❑ Mixed male and female, aged 20-40 years old, BC1
 - ❑ Mixed male and female, aged 20-40 years old, C2D
 - ❑ Mixed male and female, aged 40-60 years old, C2D
 - ❑ Mixed male and female, aged 40-60 years old, BC1

- ❑ **All PCA customers**
- ❑ **A spread of banking customers were included in each group**
 - ❑ No more than 4 respondents per group were banking with one of the top 5 banks
 - ❑ The remainder in each group were customers of banks outside of the top 5
- ❑ **A mix of ways of using banks was included in each group (i.e. mainly branch, online/mobile and telephone)**

- ❑ **Interviews were conducted w/c 7th November 2016 in St Albans and Chipping Sodbury (near Bristol)**

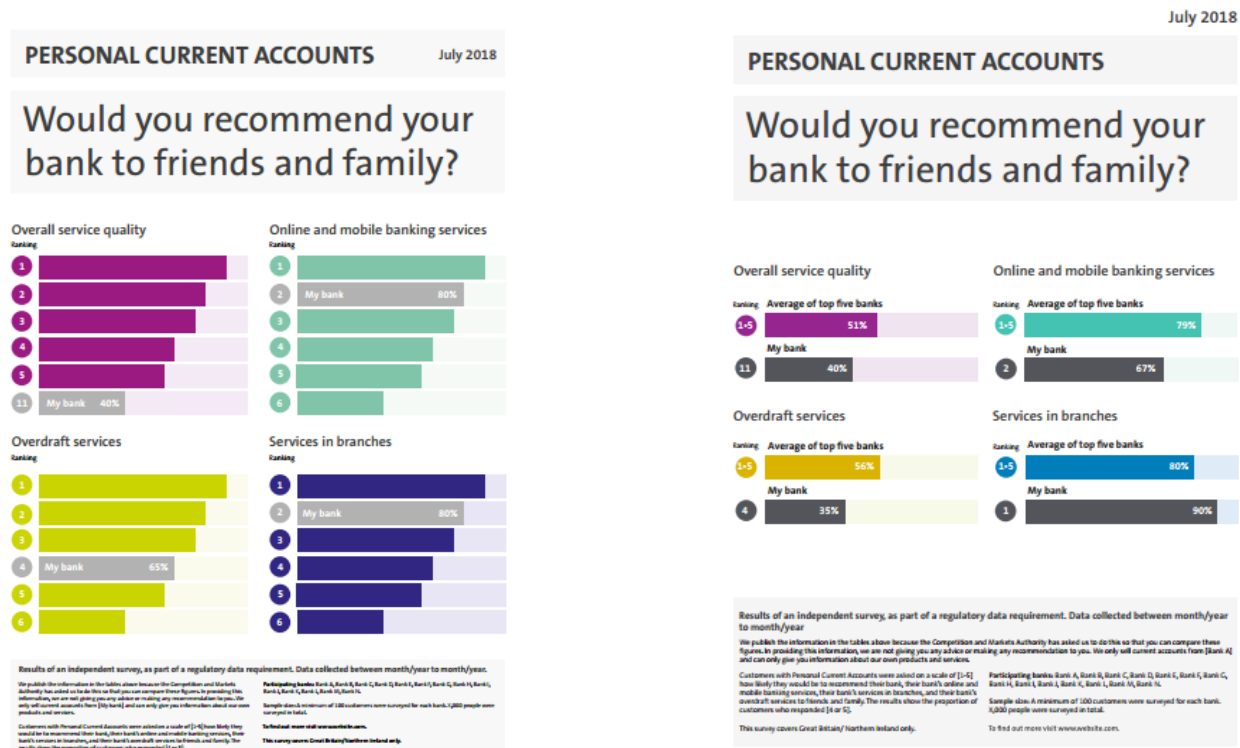
- ❑ **Any differences in responses according to demographic are noted in the findings**

Main findings – information hierarchy



Presentation of stimulus

- ❑ The order of presentation was rotated across groups
 - ❑ Half the sample saw the example of a ranking, as illustrated below
 - ❑ Half the sample saw the example of an average first, as illustrated below



Initial reactions

- ❑ **When presented with either a ranking execution or an execution presenting an average, respondents either looked at the data (i.e. the coloured bars) or the title, but felt that neither clearly communicated what the information was about**
 - ❑ The title *“Would you recommend your bank to friends and family?”* was not felt to indicate what the data was about
 - ❑ A minority of respondents even felt that they were being asked the question
 - ❑ Respondents could not identify what information the series of bars was presenting

- ❑ **Initial reactions demonstrate that respondents need to know what they are looking at, before they look at it**

➔ **Although respondents were able to find information that explained what the data was in the small print, they had to search for it**

Examples of initial reactions

*"I guess they asked customers some general feedback, but I am not sure if it's relevant to Lloyds, who have twice as many customers as any other bank."
(20-40 years old, BC1)*

*"If you read the bottom part it's about whether a customer would recommend this bank to friends or relatives. So what comes to me is what questions did they ask?"
(40-60 years old, C2D)*

*"You have to read the small print to get the idea of what it says. If you didn't understand that's how it works, you could be totally bamboozled by the rankings and percentages and take a different conclusion."
(20-40 years old, BC1)*

→ Initial reactions to the executions demonstrate that the information hierarchy therefore needs to be adjusted to 'frame' the data

Suggested information hierarchy (1)

- The suggested alternative title, *“Independent Service Quality Survey”* was preferred, since it *describes* the data

“It makes it more believable, more official.” (20-40 years old, BC1)

“I think this is better. You could think at first glance that this was coming from your bank, but here it’s clear that it’s independent.” (40-60 years old, C2D)

“The other one asked if I would recommend my bank. This one is made up of people who would recommend their bank. I didn’t get that from the other ones, but I get it from this one.” (40-60 years old, C2D)

→ At the top of the information hierarchy is a description of what this is (the title)

Suggested information hierarchy (2)

- The other questions respondents asked included:
 - ***Who has produced this data – and why?*** Respondents regularly queried why banks would be presenting information that might not show themselves in a positive light
 - Independence needs to be re-emphasised to demonstrate that this is not information from the bank itself
 - There was an expectation that information shared in a banking context (whether in branch or online) would be from the bank itself
 - The fact that this is a regulatory requirement explains why banks are providing this information

“If it was in my bank, I wouldn’t trust its independence. They will only publish good stuff.” (20-40 years old, C2D)

*“If it says ‘independent survey’ it shows that they have gone out to ask for independent feedback.”
(20-40 years old, BC1)*

→ After the description of what this is (the title) there then needs to be an explanation of where it has come from - and why

Suggested information hierarchy (3)

→ The other questions respondents asked focussed on the survey itself. They wanted to understand this information before engaging with the survey results

- **How many banks were included in the survey?** Individuals in all groups counted the number of banks quoted in the small print at the bottom of the execution, clearly indicating that this was information they wanted to know. This information therefore needs to be presented at the top of the information hierarchy, rather than in the small print
- **Who was interviewed?** Having understood that they were being presented with survey results, respondents were keen to understand who had completed the survey. As in the previous research project, respondents wanted to identify any potential bias, before looking at the survey data
- **What question were they asked?** Respondents also wanted to understand what question the survey sample had been asked. However, they felt that the question should form part of the information about the survey, rather than becoming a title

Main findings – average vs ranking

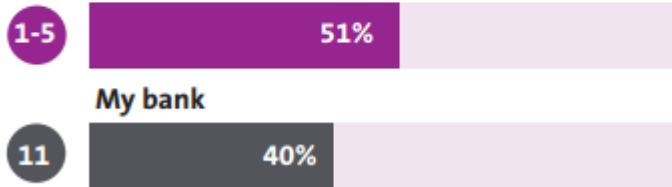


Content – three expressions of ‘the average’



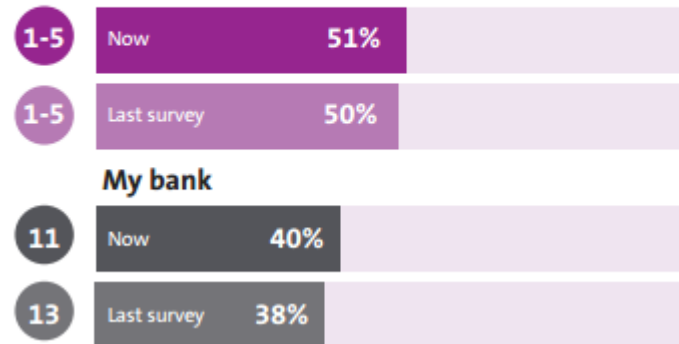
Overall service quality

Ranking **Average of top five banks**



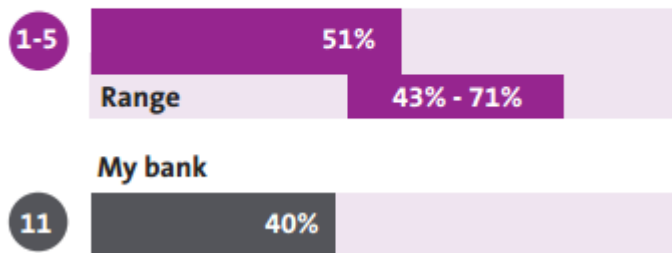
Overall service quality

Ranking **Average of top five banks**



Overall service quality

Ranking **Average of top five banks**



- Respondents discussed three expressions of an average
- The individual metric for overall service quality is illustrated here

Content – weaknesses of the average (1)

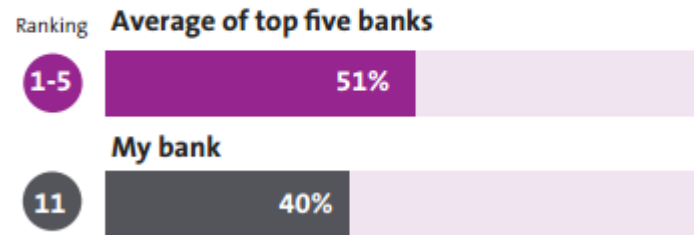


- ❑ The initial average execution proved difficult to understand ‘at-a-glance’

“I don’t like it. It’s talking about averages and I’m not very good at maths.” (20-40 years old, BC1)

“It’s quite confusing. It took me a minute to work out what was going on and what was what.” (20-40 years old, BC1)

Overall service quality



“With this one you have to look deeper. It does not tell you anything about where your banks are.” (40-60 years old, BC1)

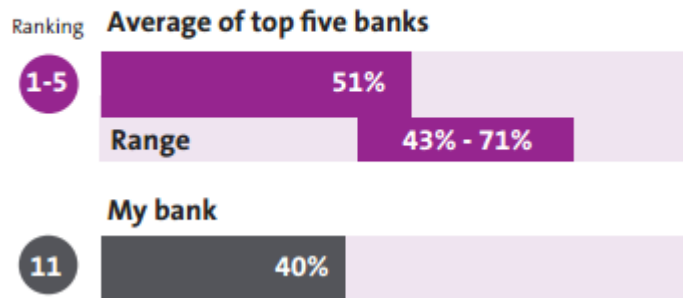
→ As found in previous research, responses demonstrated that it is extremely challenging to communicate complex information in an eye-catching visual format

Content – weaknesses of the average (2)



- The addition of a range of average scores provided more information to the overall average of the top five banks – but not enough information overall

Overall service quality



“You know that the top bank is 71%, whereas my bank is around 40%, so you know that there’s a big difference, so it’s worth thinking about.” (20-40 years old, BC1)

“It took a while to get this. I didn’t get the range and I looked at it for quite a while.” (41-60 years old, C2D)

“When they give you an average on the top, you don’t know what those five banks are called, where they sit in that range, so you would not get that true comparison.” (20-40 years old, BC1)

→ Although this execution provided more information than the average, it was typically perceived as ‘too busy’

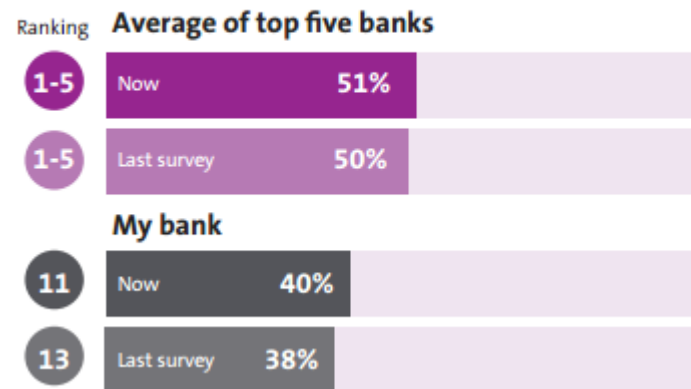
Content – strengths of the average

- ▣ **Some BC1 respondents felt that providing information about past performance was useful information – *if* one was sufficiently interested to engage with it**
 - ▣ One group of BC1 respondents clearly engaged with this information and started to interpret the findings in a more sophisticated way

“It works for me. It shows that they are taking steps to improve.” (20-40 years old, C2D)

“There’s quite a lot of information to consume. It’s not at-a-glance.” (41-60 years old, BC1)

Overall service quality



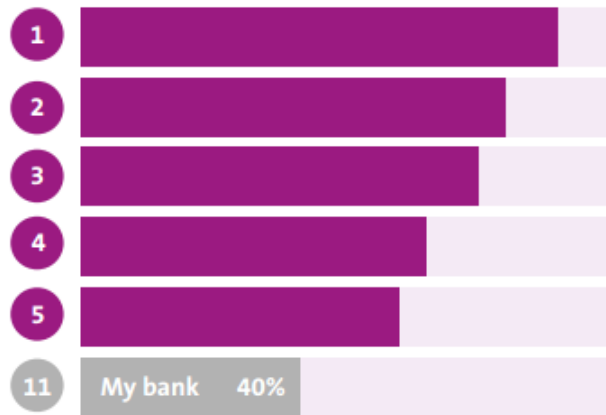
→ Overall, respondents decided that it was appropriate to provide more detailed information, but that this would need to be provided in a different format e.g. written information rather than a poster or if sign posted to a website for further information

Content – three expressions of ‘a ranking’



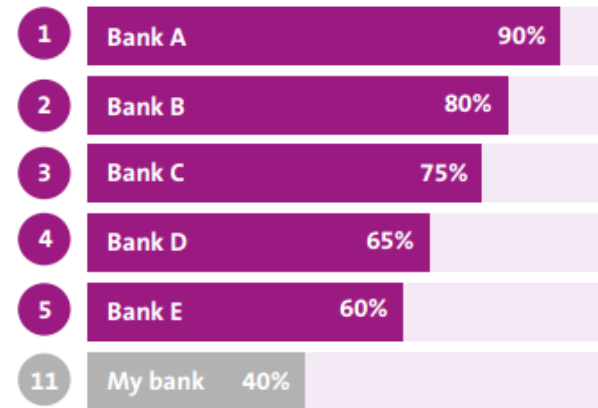
Overall service quality

Ranking



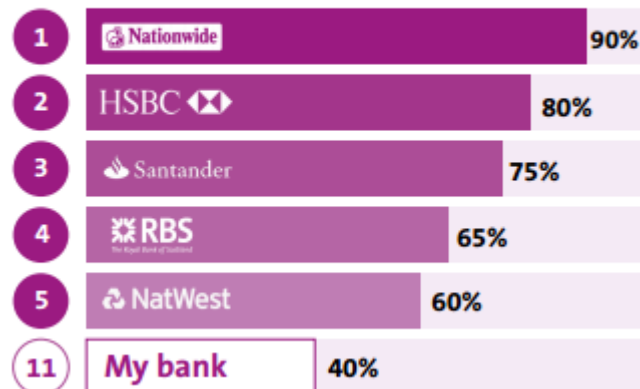
Overall service quality

Ranking



Overall service quality

Ranking



- Respondents discussed three expressions of a ranking
- The individual metric for overall service quality is illustrated here

Content – strengths of a ranking (1)

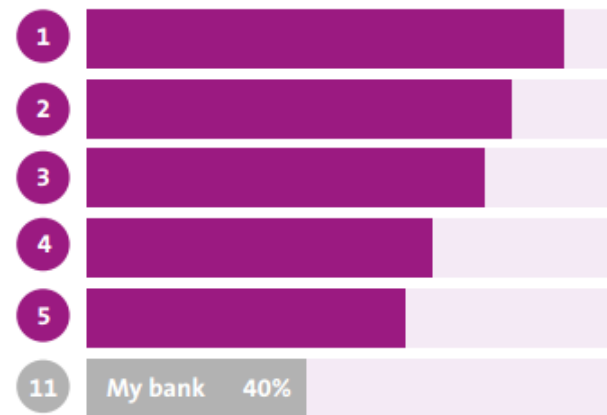
- A ranking clearly presented information about ‘my bank’ at-a-glance

“It’s clear where your bank sits. That’s key to this one.” (20-40 years old, C2D)

“It gives you more of a picture, like if one bank is streets ahead of the others, or if they’re all much of a muchness.” (41-60 years old, C2D)

Overall service quality

Ranking



“It’s still high level, but it gives you more information.” (40-60 years old, BC1)

→ Visually, the ranking was more engaging, providing more immediate ‘at-a-glance’ information

Content – strengths of a ranking (2)

→ Some respondents anticipated the execution with the names of the banks on the ranking, requesting the names of the banks, as well as their % result and ranking

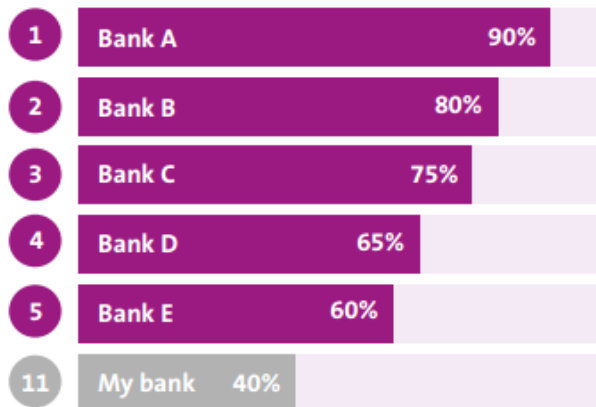
“If you knew the names of the other banks, it could almost be a conversation starter with your friends and family.” (20-40 years old, BC1)

“The name of the other banks should be there; it doesn’t mean anything otherwise.” (41-60 years old, C2D)

“Taking the names out devalues the information.” (20-40 years old, BC1)

Overall service quality

Ranking



“If the banks were named, that would be much better. You could see how your bank compares to others.” (20-40 years old, BC1)

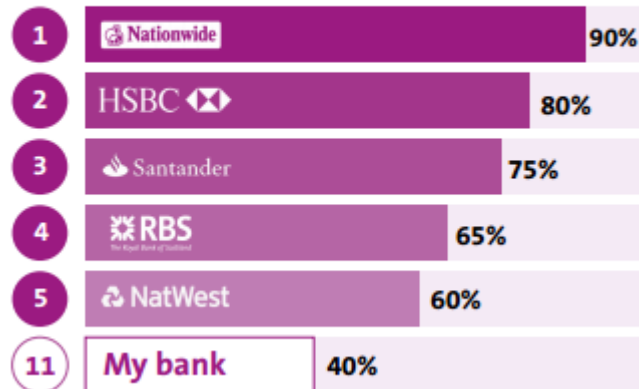
“With the names of the banks it would look even better.” (20-40 years old, C2D)

Content – strengths of a ranking (3)

→ A ranking, with the names of the banks, as well as their % was, therefore, respondents' preferred option

Overall service quality

Ranking



*"You want to know where your bank is."
(40-60 years old, BC1)*

"It brings it more to life." (40-60 years old, C2D)

"I like this. The name of the bank really helps." (40-60 years old, C2D)

"I just want to know how my bank is performing against the other banks." (40-60 years old, C2D)

"It tells you what percentage relates to the top ranked bank, so that becomes relevant instantly." (20-40 years old, C2D)

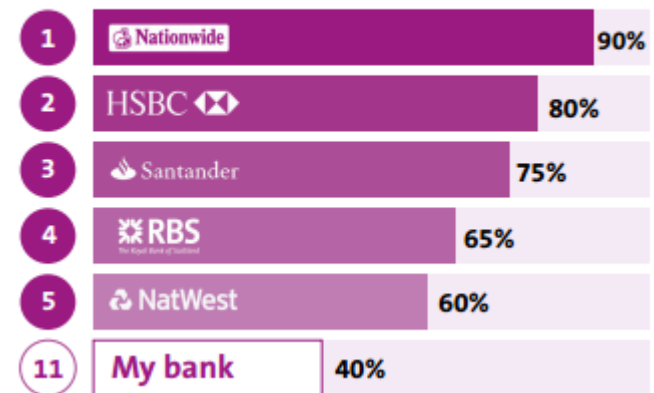
Design – ranking preferences (shading)

→ The preferred execution was therefore the version showing the bank names, as well as the percentages and ranking – but without shading

- Respondents did not favour the layout which presented the individual bars in different shades
- Although it was understood that the colour fade was a way of communicating decreasing scores, it was felt to add more visual complexity than was necessary

Overall service quality

Ranking



- The only colour considered problematic from the stimulus shown to respondents was black (used on some of the draft average executions). This was felt to indicate a negative value judgement

"I'm finding it harder to read with the shading. It's like the printer has run out of ink." (40-60 years old, C2D)

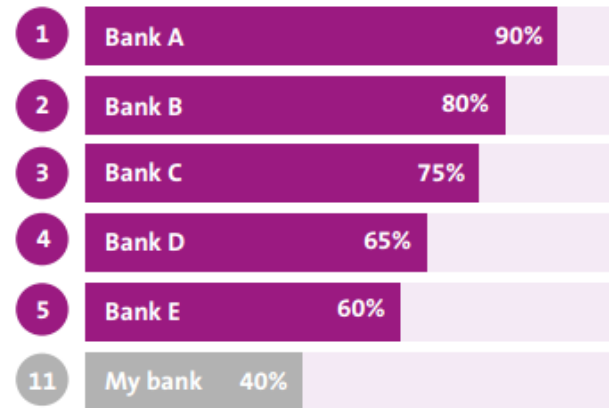
"It makes it more busy, more hard to focus." (20-40 years old, C2D)

Content – ranking weaknesses (1)

- Respondents identified one element of the ranking, as currently expressed, which they felt was potentially misleading
- If glanced at, respondents felt that the bank in 11th place looked as if it were in 6th place
- This was flagged as an issue for any banks placed outside of the top 5

Overall service quality

Ranking



“This one is more deceptive. It shows us top 6 so they can get the bank in there. It makes it look like it’s sixth rather than eleventh.” (20-40 years old, C2D)

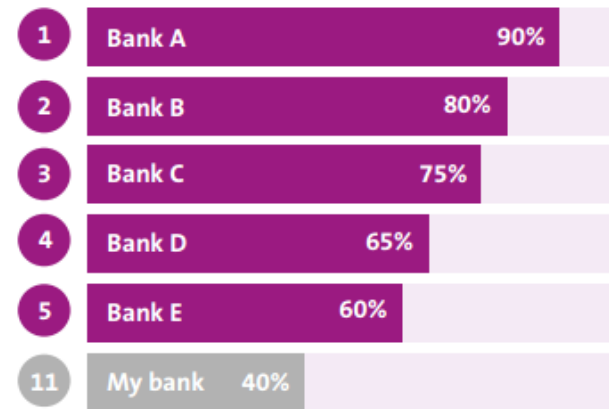
→ In future, respondents wanted the design to make it much clearer that there was a gap in information between the 5th place bank and any bank outside of the top 5

Content – ranking weaknesses (2)

- Respondents also felt that the data for each metric needed to be supported by more explanatory information, including:
 - The ranking is out of X number of banks i.e. *“Ranking out of 14”*
 - The percentage relates to the number of surveyed respondents who would recommend their bank to their friends and family i.e. *“% who would recommend to friends and family”*
 - The ‘overall’ metric is *“overall quality of staff and customer service”* (i.e. a separate metric, not an aggregate of the other metrics) – this was a focus on attention for many respondents

Overall service quality

Ranking

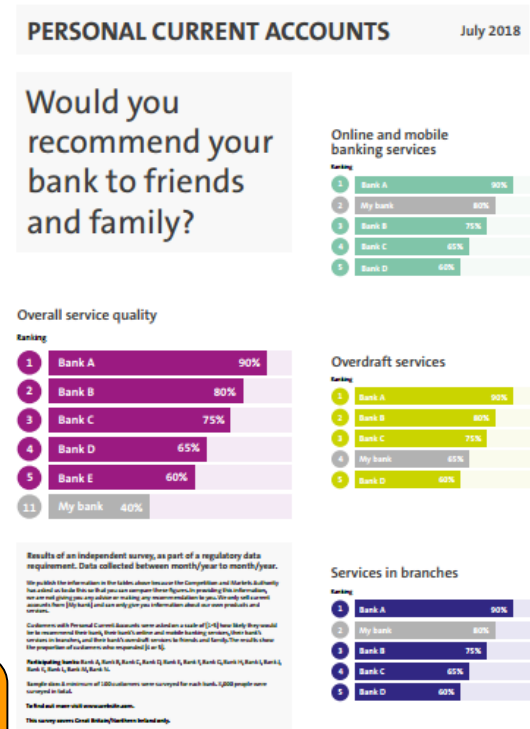


If a metric does not apply, respondents felt it would be appropriate to mark the bar ‘not applicable’.

→ To enhance clarity, respondents wanted the design to ‘frame’ the individual metrics with explanatory information, as well as the execution as a whole

Design – ranking preferences (layout)

- ❑ Respondents did not favour the layout which presented the ‘overall service quality’ metric in a larger size than the other metrics
- ❑ There were two views about the potential usefulness of the ‘overall service quality’ metric
 - ❑ Some felt that this metric provided ‘top line’ information which was a ‘way in’ to the rest of the data
 - ❑ Others felt that this metric was irrelevant, based on their interest in other metrics (typically online and mobile banking services)



“The metrics don’t have equal weight. Service in branches and overdraft services are not as important as overall service quality.” (20-40 years old, BC1)

➔ Whilst views on the usefulness of the ‘overall service quality’ metric differed, respondents agreed that the design should not place more visual emphasis on one metric over the metrics

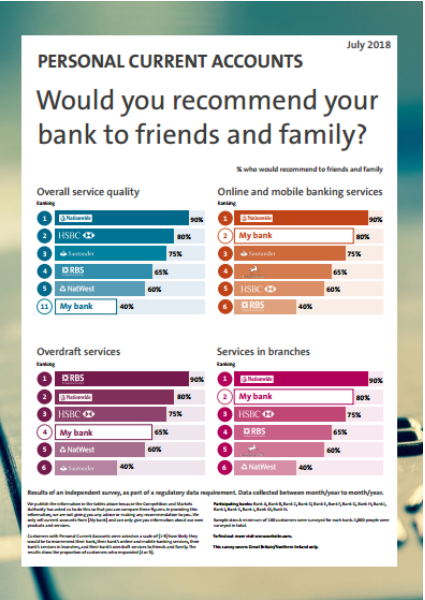
Design – ranking preferences (background)



- The addition of a coloured background, although appealing for some younger respondents, was potentially felt to distract from the key information

“Having the border makes it crowded.” (20-40 years old, BC1)

“I don’t like that, it’s a picture. It doesn’t look very professional.” (20-40 years old, C2D)



→ The preferred design style was therefore consistently coloured bars on a white background

Main findings – interpretation of the information



Interpretation of the information (1)

- Most respondents felt that the information provided was simply that, information that they were being offered, to use if they wished

"I don't think it's advice. Advice would say, 'choose because of this'. This is just giving information." (20-40 years old, C2D)

"This is not a specific piece of marketing information, it's an industry piece of awareness information." (40-60 years old, BC1)

"It's not steering you in a direction." (40-60 years old, C2D)

→ Ensuring that the information is clearly presented as 'independent survey findings' was identified as a way of emphasising that this is simply information, not advice

Interpretation of the information (2)

- Only one respondent felt that the information could be perceived as advice, based on the fact that it only provided the top five results. He felt that in order to be transparent, all of the data would need to be presented

“If you choose 14 banks, you have to show 14 banks. You mustn’t hide any of the data.” (20-40 years old, C2D)

- In this group, the remaining respondents felt that providing information for all 14 banks surveyed would
 - Provide too much information
 - And would not be visually engaging

“It’s fine to see the top five. There are so many banks. It would be far too much information if they were all on there. Less is best.” (40-60 years old, C2D)

“If I was thinking ‘my bank’ is not doing well here, I wouldn’t want to know who comes eighth or ninth, I’d want to know who is at one or two.” (40-60 years old, C2D)

→ The remainder of the sample prioritised making the information visually engaging

Interpretation of the information (3)

→ The research identified several ways of mitigating against perceptions of providing advice

- Clearly identifying that these are independent survey findings (in the title)
- Clearly indicating that the ranking is out of 14, therefore clearly flagging the limits of the information being presented (in the information framing each metric)
- As indicated in the previous research, poster and online executions need to act as signposts to further information. Each execution needs to clearly indicate that these are the headlines and there is more to find online
 - Respondents felt that it would be easy to ‘click through’ for more information online, and one suggested adding a QR code to the poster to facilitate access to further information

“If suddenly someone thinks ‘I want to look into this, but I don’t have time’, you need to have information about where you can find out more in your own time.” (40-60 years old, BC1)

Contextualising the potential impact of the information (1)

- **It was clear that respondents were interpreting the information about service quality within the context of their own views**
 - What 'good' looked like varied between individuals
 - Individuals valued a range of factors in addition to service quality e.g. financial benefits (interest rates, incentives to move banks), their own personal experience, as well as word-of-mouth recommendation

- **There was evidence to suggest that those actively considering switching might use this information as part of their thinking, alongside other factors**

“If I was looking to switch and I saw this and they were top three on all these things, that might persuade me.” (40-60 years old, C2D)

“As long as my service was good personally, I wouldn't care about ratings. If my experience was bad, maybe it might make a difference.” (40-60 years old, C2D)

→ Respondents felt that those actively considering switching were more likely to consider this information than those currently satisfied with their bank

Contextualising the potential impact of the information (2)

→ Amongst those not actively considering switching, information about service quality was perceived as 'nice-to-know' and 'interesting' and had the potential to raise the question of service quality amongst an audience who may not have considered it before

- Once again, it was very clear that there were many other factors that contributed to respondents' satisfaction with their bank, in addition to service quality
- As well as other influential sources of information about service quality

"If this is your bank already and you already have personal experience with that bank, you don't need to read the survey, because you know how good the bank is anyway." (40-60 years old, BC1)

"I've switched from one bank to the other because of the rates. It never even crossed my mind to look at service quality." (40-60 years old, C2D)

"It's not like you've read a forum where people tell you stuff." (20-40 years old, C2D)

Conclusions and recommendations



Conclusions and recommendations (1)

- ❑ Initial confusion demonstrated that the information hierarchy needs to be adjusted to ‘frame’ the data.
- ❑ **Title** – should contain the word ‘*independent*’ and ‘*survey*’
- ❑ **Information about the survey**
 - ❑ *These are the results of an independent survey*
 - ❑ *This data has been produced because it is a regulatory requirement*
 - ❑ *X number of banks were included in the survey*
 - ❑ *X number of randomly selected customers were surveyed for each bank (making a total of X customers)*
 - ❑ *Customers were asked “Would you recommend your **personal current account provider** to friends and family?”*
 - ❑ Personal current account provider was perceived to be more accurate than ‘bank’
- ❑ **Respondents felt that they would be puzzled if their bank did not appear in the survey.** The small print at the bottom of the poster would need to include an explanation of why not all banks are included in the survey

Conclusions and recommendations (2)

- ❑ Respondents wanted the information to be understandable ‘at-a-glance’. They felt that a ranking provided clearer information than the average
- ❑ Respondents also wanted information which identified how their bank was performing compared to other named banks. Once again, they felt that a ranking, with named banks and their percentage score fulfilled this brief
- ❑ In future, respondents wanted the design to make it much clearer that there was a gap in information between the 5th place bank and any bank outside of the top 5
- ❑ Respondents also felt that the data for each metric needed to be supported by more explanatory information
 - ❑ This is a ranking out of 14
 - ❑ The percentage relates to the “% who would recommend to friends and family”
 - ❑ The ‘overall’ metric is a rating of the overall quality of all aspects of customer service
- ❑ For clarity, respondents recommended presenting the metrics without shading, in equal sizes and without a coloured background

Conclusions and recommendations (3)

- **Most respondents felt that the information provided was simply that, information that they were being offered, to use if they wished, not advice**
- **The research identified ways of mitigating against perceptions of providing advice**
 - **Ensuring that the information is presented as ‘independent survey findings’**
 - **Clearly indicating that the ranking is out of 14**
 - **Clearly indicating that these are the headlines and there is more information online**
- **It was clear that respondents were interpreting the information about service quality within the context of their own views** and that they valued a range of factors in addition to service quality e.g. financial benefits, their own personal experience, word-of-mouth recommendation
- **However, respondents felt that those actively considering switching might use this information as part of their thinking. More generally, information about service quality was perceived as ‘nice-to-know’ and ‘interesting’ and had the potential to raise the question of service quality amongst an audience who may not have considered it before**