



COMPLAINTS HANDLING FOR VULNERABLE CUSTOMERS

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HUNTWOOD

INTRODUCTION

LAST YEAR, WE RELEASED OUR LATEST COMPLAINTS OUTLOOK REPORT, WHICH SHOWED WHAT FIRMS NEED TO DO TO DELIVER SUCCESSFUL COMPLAINTS JOURNEYS FOR THEIR CUSTOMERS.

We surveyed firms, Complaints Handlers and customers, and determined that there are three fundamental principles to ensuring customers feel valued.

But what about vulnerable customers? During the course of our Complaints Outlook 2022 research, we not only asked firms how they dealt with vulnerable customers, we also surveyed vulnerable customers themselves and explored how they felt about the firms with whom they were raising a complaint.

Given the rich insight provided within Complaints Outlook '22, we simply could not include all of our findings within the report - however there is a vast amount of data pertaining to vulnerable customers which is worthy of its own publication.

After the conclusions of Complaints Outlook 2022, we found ourselves asking:

DO VULNERABLE CUSTOMERS REACT DIFFERENTLY OVER THE COURSE OF A COMPLAINTS JOURNEY?

DO THEY FEEL THE SAME EMOTIONS (AND TO THE SAME EXTENT) AS PEOPLE WHO ARE NOT IN VULNERABLE CIRCUMSTANCES?

COMPLAINTS JOURNEY

Perhaps unsurprisingly, vulnerability does impact a customer's opinion of their complaint journey. In terms of Plutchik's wheel of emotions (which provided the framework for our original analysis), a vulnerable customer's complaint journey is filled with far more negative emotions, in particular, sadness; we ascertained that it is more difficult to complain as a vulnerable customer, and at the end of their journey, they are more likely to leave the firm they complained to.

One persistent theme was that most people who are in vulnerable circumstances don't even know it themselves, which has implications for firms and Complaint Handlers.

Since conducting our survey in 2022, some semblance of normality has returned post-pandemic, and when coupled with a combination of high inflation and general cost of living pressures, customer profiles have and will change for the foreseeable future.

With the additional financial pressures UK consumers are experiencing, we are seeing an increase in both the volume of customers in vulnerable positions, but also a change in the overall vulnerability profile in the customer base, meaning it has never been more important to understand the landscape in order to provide additional support to customers.

Due to this increase in vulnerable customers, along with the anticipated changes in vulnerabilities, it is essential that businesses adapt, and quickly.

REGULATION

Industry regulators are increasing their expectations on the level of support and customer service businesses offer customers in general, but in particular those who find themselves in vulnerable circumstances.

Within financial services, the new set of rules implemented as part of Consumer Duty carry a requirement for firms to ensure that products and services account for the needs of vulnerable consumers. This may include providing additional support, clearer / more accessible communication and more flexible terms and conditions.

A recent review on vulnerable customer treatment, published in

November 2022 by Ofgem, identified weaknesses in all of the participating energy companies, despite some clear good practises being established.

Many energy firms have also signed up to Energy UK's Vulnerability Commitment - this is a voluntary set of commitments from energy suppliers above and beyond their existing legislative requirements. It is based on three principles for firms and their approach to vulnerable customers - *accessibility, collaboration* and *innovation*.



I COULD NEVER GET THROUGH TO THE CORRECT DEPARTMENT - PASSED FROM PILLAR TO POST, GETTING SO FRUSTRATED YOU JUST GIVE UP.



Vulnerable customer, over the age of 80

THE DIFFERING VOICES...

EXAMPLES OF VULNERABLE CUSTOMERS
WHO FELT THAT IT WAS **DIFFICULT TO COMPLAIN**
AND WHY THEY FELT THAT WAY

"THEY DID NOT UNDERSTAND WHY I WAS COMPLAINING"

"THE PERSON DEALING WITH MY COMPLAINT WAS IN ANOTHER COUNTRY AND I DIDN'T UNDERSTAND HIM AND VICE VERSA"

"MY UTILITY FIRM THOUGHT THEY HAD DONE NOTHING WRONG? EXCEPT THEY WERE CHARGING ME FOR SUPPLY OF GAS AND ELECTRIC FOR THREE MONTHS YET THEY WERE NOT SUPPLYING ME WITH GAS, AND AFTER CONTACT THEY KEPT TRYING TO TAKE MORE MONEY AFTER I HAD TRANSFERRED GAS AND ELECTRIC TO A PROPER SUPPLIER"

"COULD NOT GET THROUGH TO CUSTOMER SERVICE, AND SUBSEQUENTLY COULD NOT MAKE A COMPLAINT AND THEREBY RESOLVE ISSUE UNTIL LONG AFTER IT WAS NECESSARY"

"GOT CUT OFF INITIALLY. THEN NO RESPONSE UNTIL NEXT MORNING. THEN TOOK 30 MINUTES TO BE ALLOWED TO BE PUT THROUGH/GIVEN NUMBER OF CORRECT DEPARTMENT. HAD A SLEEPLESS NIGHT IN MEANTIME"

"IT WAS HARD TO FIND HOW TO MAKE A COMPLAINT"

... OF THE CUSTOMERS

EXAMPLES OF VULNERABLE CUSTOMERS
WHO FELT THAT IT WAS **EASY TO COMPLAIN**
AND WHY THEY FELT THAT WAY

"THEY LISTENED TO MY COMPLAINT AND TRIED TO ASSIST"

"THEY WERE EASY TO CONTACT AND WERE QUICK TO REPLY"

"UK CALL CENTRE STAFF AND A PERSONAL CASE MANAGER WHO TOOK RESPONSIBILITY. PLEASANTLY SURPRISED ACTUALLY, IN THE END"

"SPEAKING TO A PERSON RATHER THAN A MACHINE"

"THEY ANSWERED THE PHONE RELATIVELY QUICKLY, LISTENED WELL AND WERE PREPARED TO CONSIDER A SOLUTION"

"THE PERSON THAT ANSWERED MY CALL WAS VERY HELPFUL ARRANGED FOR THE RETURN THERE AND THEN"

"ONLY HAD TO SPEAK TO ONE PERSON WHO DEALT WITH EVERYTHING REALLY WELL AND THE ISSUE WAS HAPPILY DEALT WITH"

"ONLINE FORM TO COMPLETE WHICH WAS EASY TO FIND"

IDENTIFICATION ISN'T ALWAYS EASY

THE FCA DEFINES
VULNERABILITY AS:

“CUSTOMERS WHO, DUE
TO THEIR PERSONAL
CIRCUMSTANCES, ARE
ESPECIALLY SUSCEPTIBLE TO
HARM, PARTICULARLY WHEN
A FIRM IS NOT ACTING WITH
APPROPRIATE LEVELS OF CARE.”

They make it clear that all customers
are at risk of becoming vulnerable,
and that firms should consider
vulnerability as a spectrum related to
four key drivers - health, life events,
resilience and capability.

There will always be a proportion of
customers who are further along that
spectrum, which makes them easy to
identify as vulnerable.

But what about everyone else? Many
customers may be on the cusp of
becoming vulnerable and may not
even know it themselves.

In our Complaints Outlook 2022 firm
and Complaint Handler surveys, we
asked about policies and interactions
with vulnerable customers.

IDENTIFYING VULNERABILITY

It is clear from our research, for the
most part, that firms provide - and
Complaint Handlers receive - training
in identifying vulnerable customers.

78% of handlers told us they felt
confident in identifying this group of
people, with less than 1% saying they
didn't feel confident.

However, when we surveyed customers
in our customer survey, we saw a very
different story.

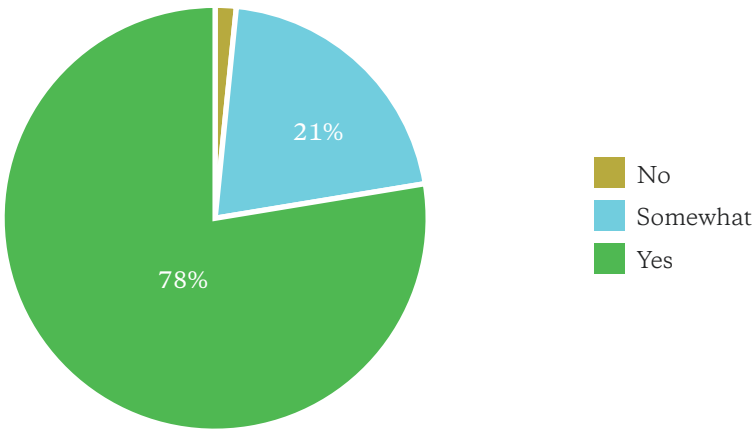
Over half (51%) of customers told us
that they didn't think the firm knew
they were vulnerable.

This clearly shows a disconnect
between how well firms think they are
doing and what their customers think.

NOW, MORE THAN EVER, IT'S SO IMPORTANT FOR
FIRMS TO GET THIS RIGHT, AS IT AFFECTS A LARGE
PORTION OF THE CUSTOMER BASE.

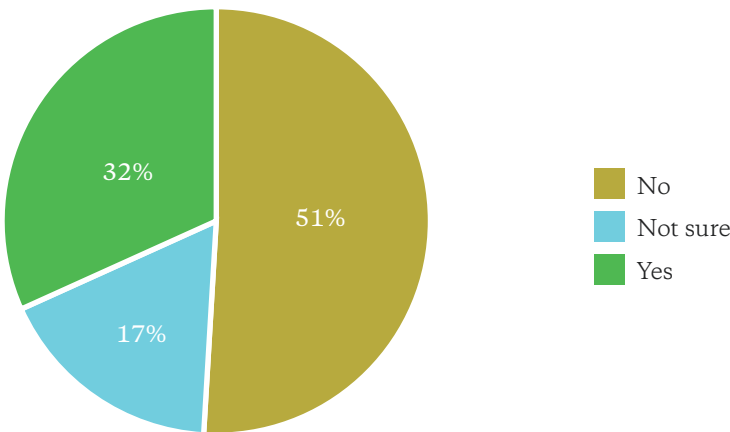
78% OF COMPLAINT HANDLERS TOLD US THEY FELT CONFIDENT IN IDENTIFYING VULNERABLE CUSTOMERS

Complaint Handlers - are you confident in identifying vulnerable customers?



ONLY 32% OF CUSTOMERS TOLD US THE PEOPLE THEY DEALT WITH KNEW THEY WERE VULNERABLE

Customers - do you think the firm knew you were in vulnerable circumstances?



OUR IDENTIFICATION CRITERIA

IN OUR COMPLAINTS OUTLOOK CUSTOMER SURVEY, WE IDENTIFIED VULNERABLE CUSTOMERS BY ASKING THEM A SERIES OF QUESTIONS. THE FIRST WAS:

“DO YOU THINK YOU WERE VULNERABLE AT THE TIME YOU MADE YOUR COMPLAINT?”

476, or 19% out of a total of 2,531, said yes, they were vulnerable. 81% said they were not.

We then showed everyone a comprehensive list of circumstances that are associated with being vulnerable, asking if they considered themselves to be in any of these.

At this stage, 1,115 (44%) of our respondents said they were vulnerable, well up from the 19% we initially saw.

We found that in many cases, people found themselves to be in multiple examples of vulnerable circumstances. Our data tallies well with the findings of the FCA, both in terms of the number of people who find themselves with some sort of vulnerability, but also that many people display more than one type.

However, there is more to our data. There were a small number, 108 (4%), who originally said they were vulnerable, who didn't identify with any of vulnerable circumstances we showed them. We might consider these people as false positives.

Most strikingly, the data shows that a massive 30% of our respondents who hadn't considered themselves to be vulnerable, were in fact vulnerable.

WHEN THESE PEOPLE ARE TAKEN AS PART OF OUR TOTAL 44% VULNERABLE CUSTOMER POPULATION – IT SHOWS THAT 67% OF OUR VULNERABLE CUSTOMER POPULATION DIDN'T EVEN KNOW THEY WERE VULNERABLE THEMSELVES.

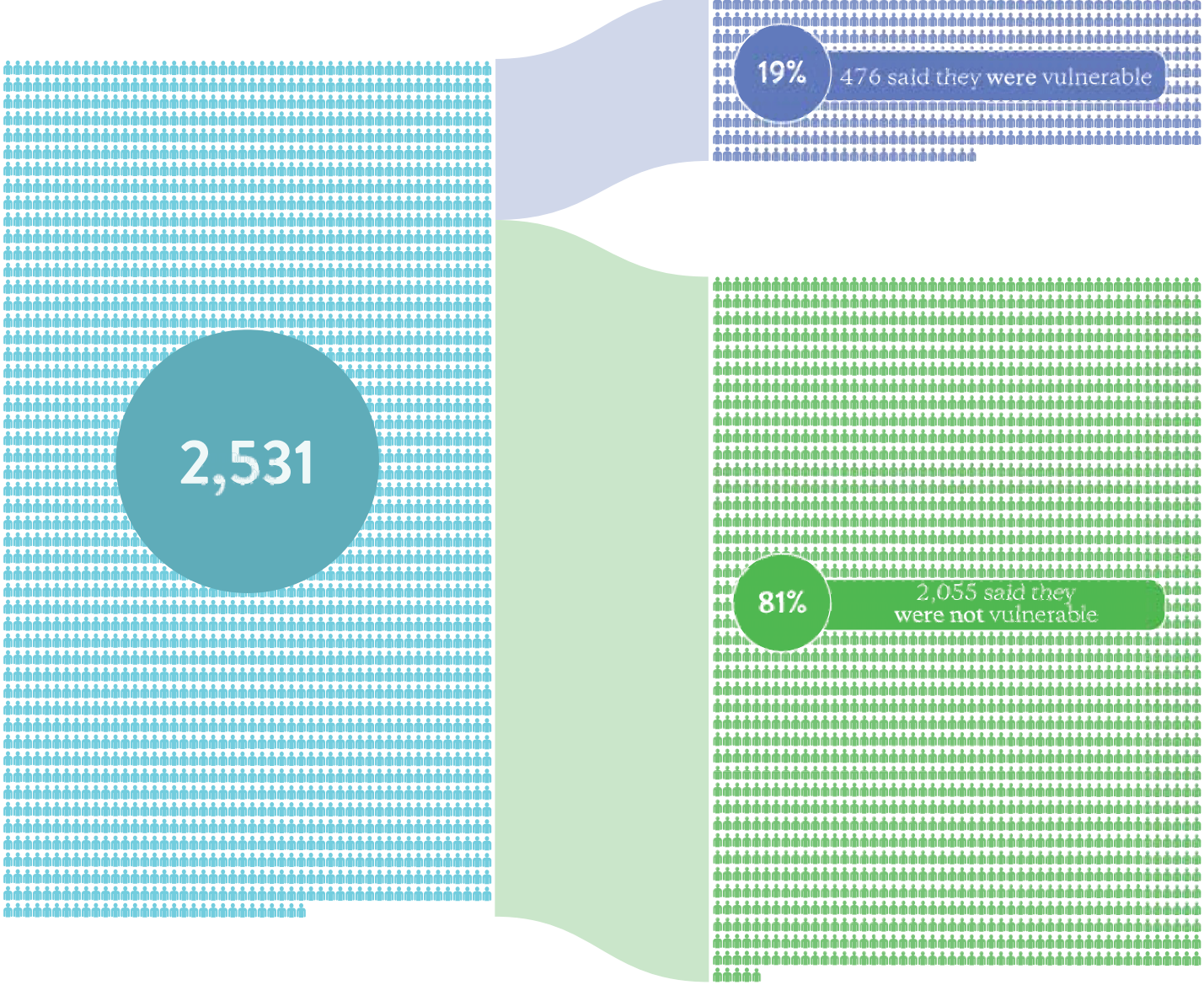
This obviously has implications for firms who have to identify and deal with vulnerable customers. When we asked firms 'what percentage of your customer base is in vulnerable circumstances?', they typically reported between 3-50%. Only a small minority of firms estimated on the higher side of this.

This indicates that many firms may be underestimating the true number of vulnerable customers, but given most people don't even know they are themselves, this is understandable.

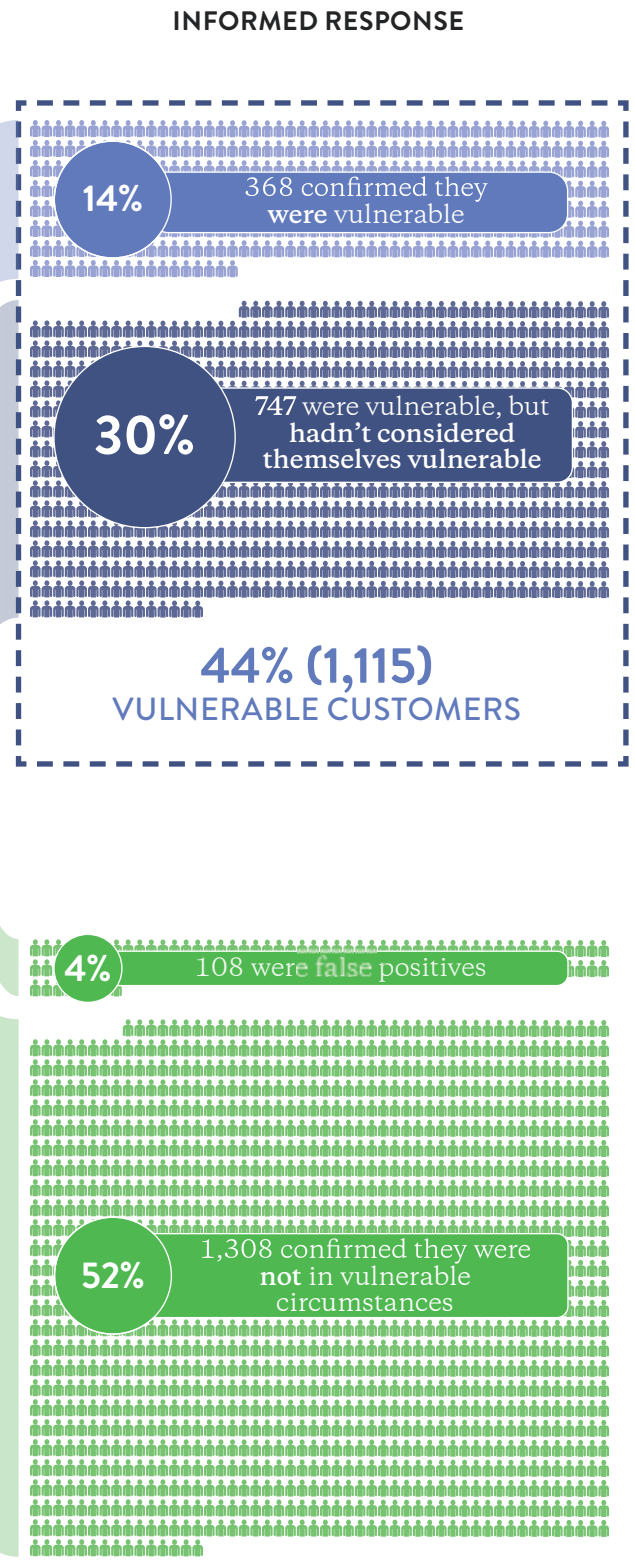
CONTACTING THE CUSTOMER SERVICE TEAM WAS A PROBLEM. THE TEAM DID NOT APPEAR TO BE PROFESSIONAL, THEY WERE QUITE RUDE WITH CERTAIN QUESTIONS THAT WERE BEING ASKED.

VULNERABILITY - SELF AWARENESS

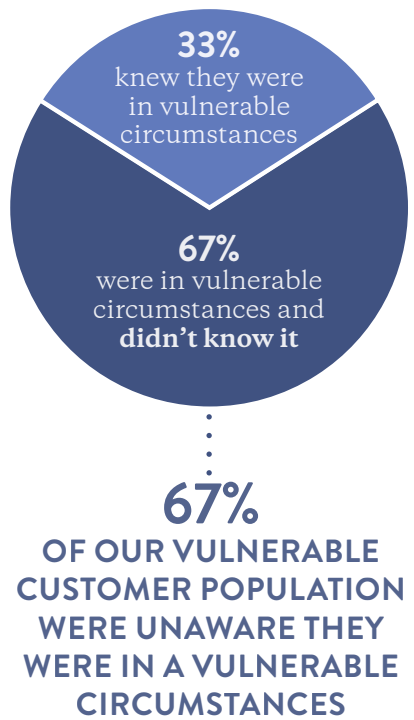
WE ASKED 2,531 PEOPLE IF THEY CONSIDERED THEMSELVES TO BE IN A VULNERABLE CIRCUMSTANCE?



WE THEN SHOWED EVERYONE A COMPREHENSIVE LIST OF VULNERABLE CIRCUMSTANCES, AND ASKED THE QUESTION AGAIN.



OF OUR POPULATION OF 1,115 VULNERABLE CUSTOMERS



We have included a wide range of vulnerable circumstances in our thinking when producing this paper. Some - for example, moving house and being recently retired - could be regarded as lifetime events in some sectors. However, our inclusion of all possible vulnerable circumstances shows the broader picture of the customers in our survey, and firms accounting for all circumstances (and getting it right) will likely see greater benefit in terms of advocacy.

The FCA makes it clear that firms should be aware of the ‘spectrum’ of harm that consumers can be exposed

to. This spectrum exists in a space where increasing vulnerability and risk of harm coincides with an increasing likelihood of differentiated needs.

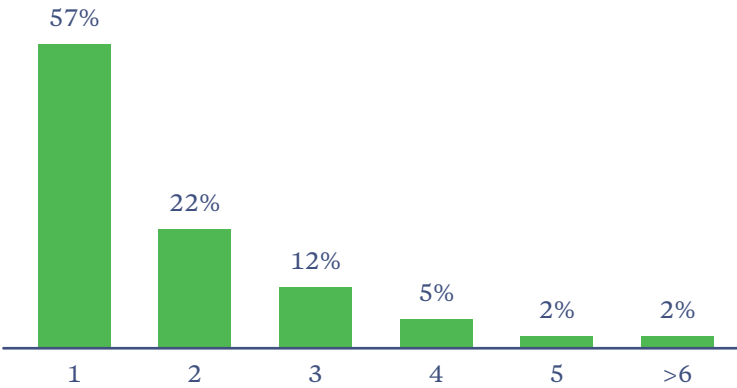
That spectrum of harm is clear when we look at the variety of vulnerabilities our respondents found themselves in, and in particular the count, or number, of vulnerabilities that they told us they had.

Most of our respondents (57%) reported only one vulnerability, while a further 22% reported having two. Beyond this, into three, four, five and more vulnerabilities, we start getting

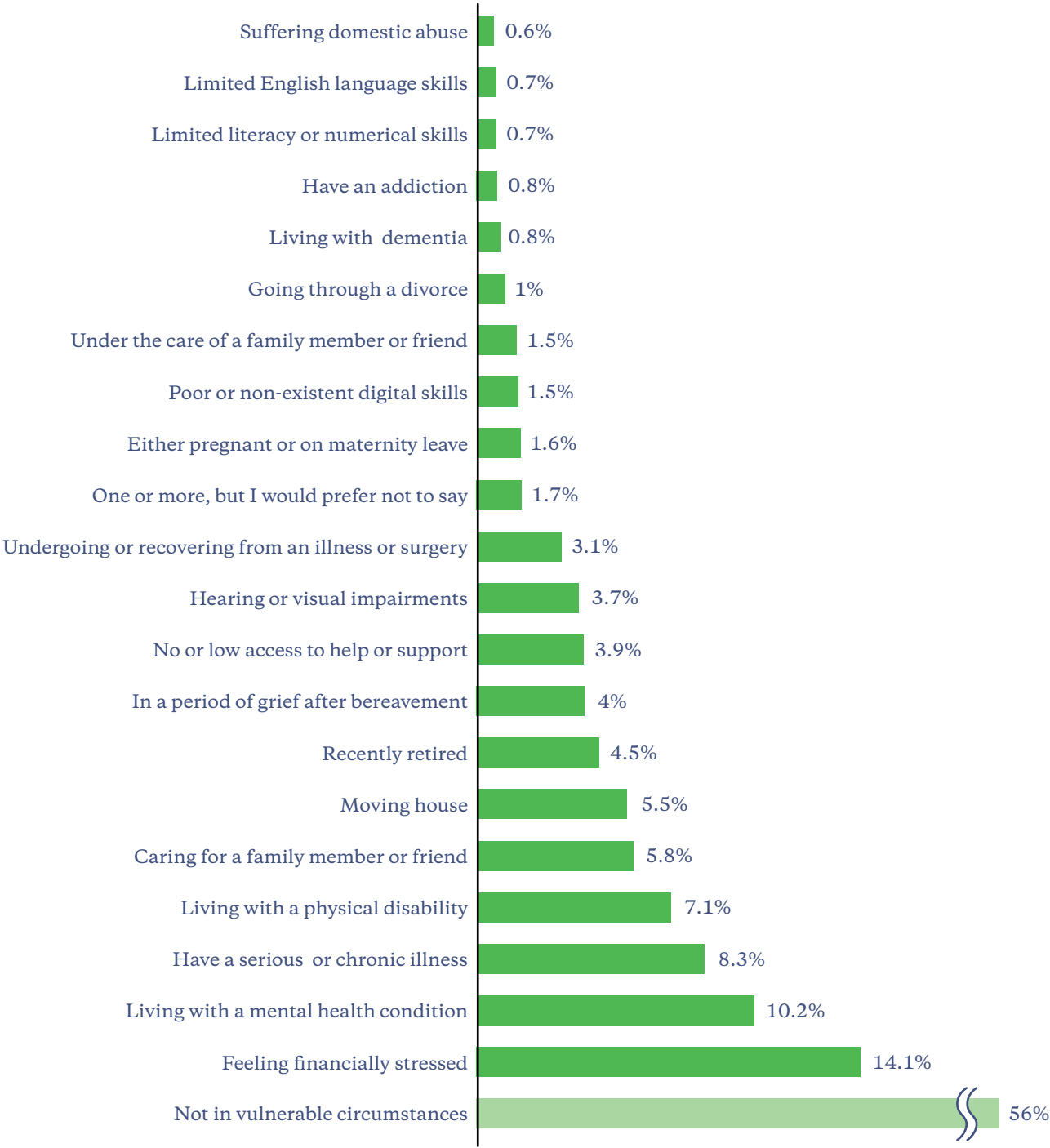
into single figure respondent groups, and into the territory of extreme risk of harm and vulnerability the FCA discusses.

People with one vulnerability might be difficult to identify. However, the data shows that there are many people with complex cases of multiple vulnerabilities, which shows why getting it right is so important. These most vulnerable customers in particular will be most at risk, and the consequences of getting it wrong can be dire.

HOW MANY CIRCUMSTANCES ARE THE VULNERABLE CUSTOMERS EXPERIENCING?



PERCENTAGE OF VULNERABLE RESPONDENTS IN EACH CIRCUMSTANCE



If we look at an example of emotions from our population of vulnerable customers at resolution, we see a more nuanced but nonetheless interesting result.

We asked our customers whether their complaint was resolved to their satisfaction, this is not the same as asking the firm if it was upheld. They mean two very different things and are not interchangeable.

Whether a complaint is upheld or not is how firms define the outcome of complaints. This is unlikely to translate to how satisfied the customer was at the end of their complaint journey, which will depend on many factors, including how easy that journey was, and of course whether they got the result they were hoping for.

To the right, we have displayed our customer emotions at resolution using a radar plot that we used widely in Complaints Outlook 2022. Again, please refer to the main report or appendices of this document, as it explains how these charts work.

It’s clear that there are significant discrepancies between whether the customer felt the complaint was resolved to their satisfaction or not. These can be seen in the two pairs of plots - one pair stretching towards trust (in the case that the resolution was to the customer’s satisfaction), and the other pair towards anger and disgust, (where complaints were not resolved to the customer’s satisfaction).

The subtle differences between each pair represent the difference between vulnerable customers and the rest of the survey population.

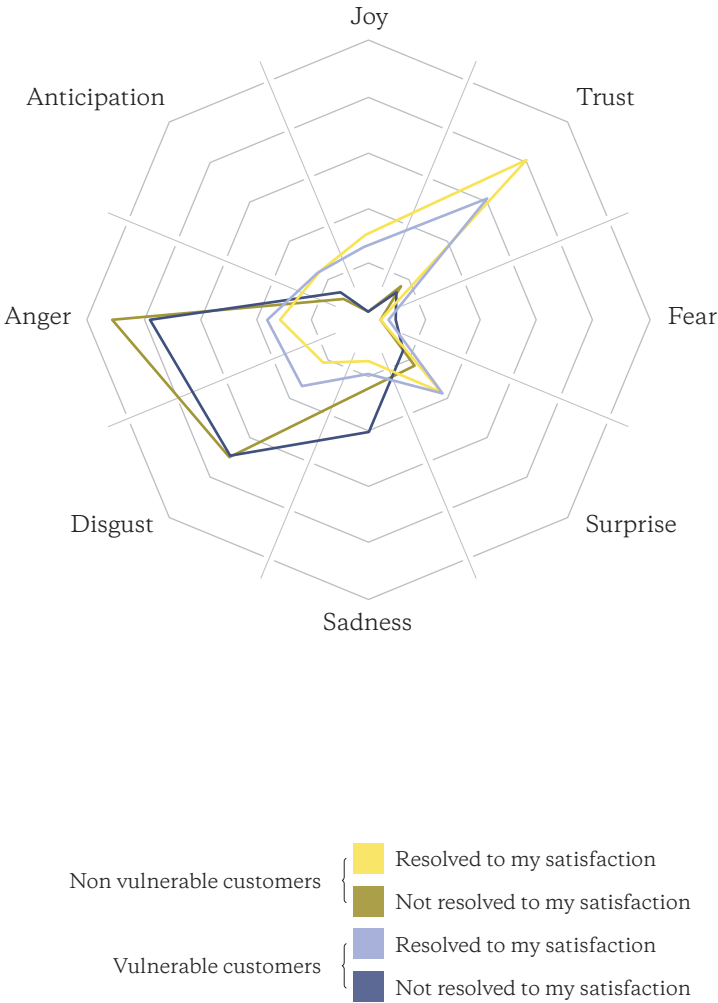
When we look at the pair that represent complaints that were resolved to the complainant’s satisfaction, we see, as we discussed previously, emotions from vulnerable customers are effectively shifted negatively. We see less trust; more anger, disgust and sadness.

However, in cases where complaints were not resolved the customer’s satisfaction, there is a more nuanced difference. Both groups see the same, minimal amounts of positive emotions. However, vulnerable customers report feeling less anger, but significantly higher levels of sadness than those who are not in vulnerable circumstances.

In Complaints Outlook 2022, we were used to seeing a tell-tale signature of unvalued customers - people who felt nothing but anger and disgust. We see that again here with our non-vulnerable customers, the ones who do not feel satisfied. What’s new is a significant increase of sadness in our population of vulnerable customers, which adds an element that is beyond what we have seen elsewhere.

IN SUMMARY, VULNERABLE CUSTOMERS FEEL MORE SADNESS WHEN THEIR COMPLAINTS ARE NOT RESOLVED IN A MANNER THAT IS SATISFACTORY TO THEM. AS WE WILL SEE IN THE COMING PAGES, THEIR BEHAVIOURS ARE AFFECTED BY THIS WHEN COMPARED TO THE GENERAL POPULATION.

EMOTIONS AT RESOLUTION FOR VULNERABLE AND NON-VULNERABLE CUSTOMERS WHEN THEIR COMPLAINT WAS RESOLVED TO THEIR SATISFACTION, AND WHEN IT WAS NOT



CUSTOMER IMPACTS

ONE OF THE CENTRAL CONCLUSIONS OF COMPLAINTS OUTLOOK 2022 WAS THAT FIRMS NEED TO MAKE THEIR COMPLAINT JOURNEYS EASIER FOR THEIR CUSTOMERS.

The report showed firms many of the ways they could make things easier for their customers. We also looked at and the consequences of getting it right, and what happens when things go wrong.

We laid out fundamental principles to get right to make the customer feel valued along their complaints journey, these are:

1. LET ME SPEAK TO THE RIGHT PERSON STRAIGHT AWAY

Resolve the complaint or issue at the first point of contact if it is possible to do so. If a complaint is too complex to resolve straight away, there is an opportunity to resolve it within one to two weeks, where the chances of retaining that customer are relatively high.

2. KEEP ME UPDATED

Send regular and informative updates to complainants. This goes beyond generic, templated updates - they should be informative for the customer in setting expectations on future contact and resolution timescales.

3. IF IT'S YOUR FAULT, SAY SORRY TO ME

Always say sorry to your customers - as well as admitting fault - when upholding their complaint. Even in the absence of fault, saying sorry for the situation that your customer finds themselves in shows empathy and goes a long way towards building trust and other positive emotions.

WHEN IT COMES TO VULNERABLE CUSTOMERS, THE RESULTS ARE STARK; THEY FIND IT MORE DIFFICULT TO COMPLAIN.

This is no doubt due to a variety of reasons, but it leads to a difficult complaints journey, which we know leads to unhappy customers that feel unvalued.

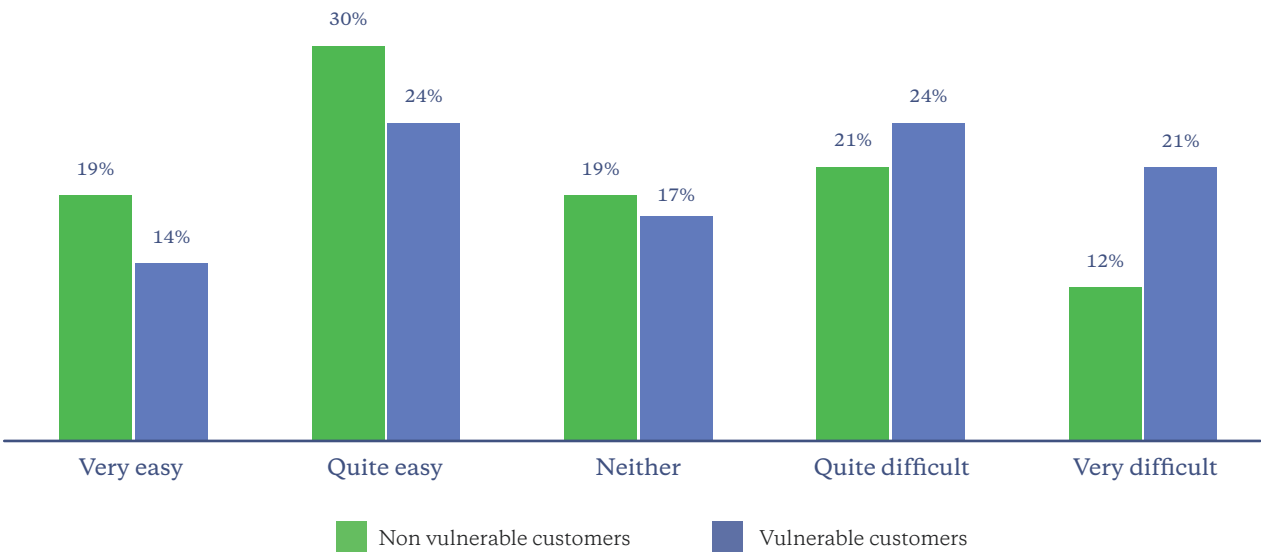
To the right, we have two examples where we asked, ‘overall, how easy was it to complain?’. The top chart shows in how easy it was for our two groups to complain. The data is clear - vulnerable customers find it difficult to complain more often than not (45% said it was difficult, 38% said it was easy).

The opposite is true of those who are not vulnerable, 49% said it was easy, and only 33% said it was difficult.

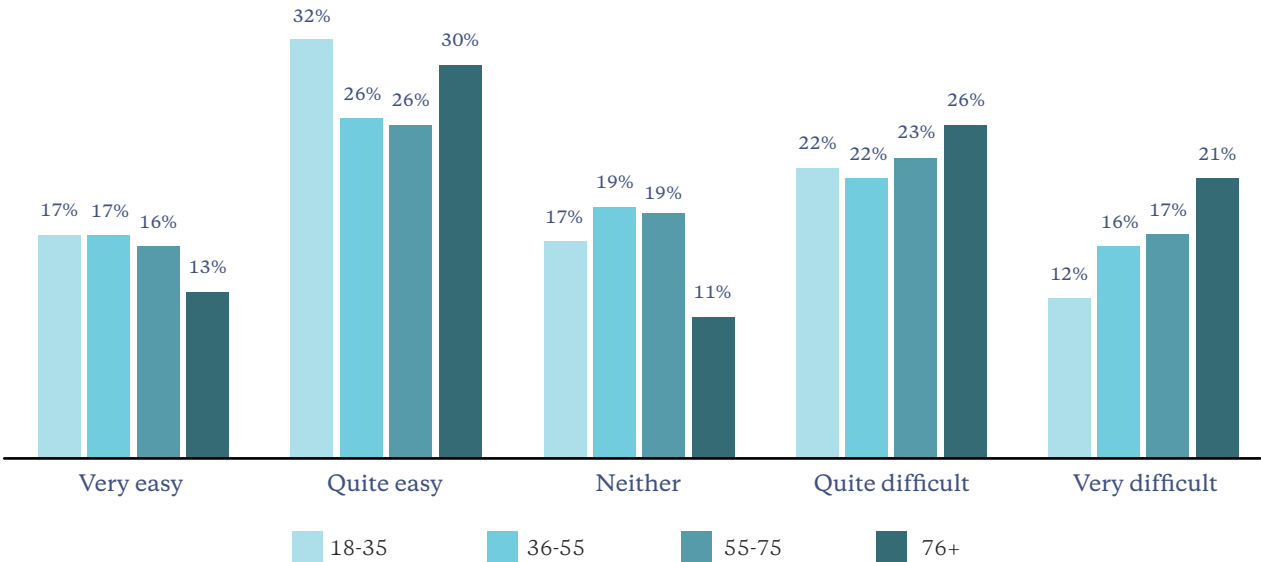
The chart at the bottom of the page shows how easy was it to complain by age group. This time, as a rule, younger groups report it easier to complain, compared to older groups who are more likely to report it to be more difficult. 47% of the oldest age bracket, (those aged over 76) found it difficult to complain.

It is quite clear, making a complaint is more difficult for vulnerable customers. From our Complaints Outlook research last year, we know how crucially important it is to make it easy for your customers to complain. When they find it difficult, the resulting effect is inevitable - emotion and retention is negatively affected.

OVERALL, HOW EASY WAS IT TO COMPLAIN?
VULNERABLE CUSTOMERS VS NON-VULNERABLE CUSTOMERS



OVERALL, HOW EASY WAS IT TO COMPLAIN?
GROUPS BY AGE



“
I HAD TO SPEAK TO FOUR
DIFFERENT PEOPLE, AND WAS
PROMISED CALL-BACKS THAT
NEVER CAME.”
”

CUSTOMER RETENTION

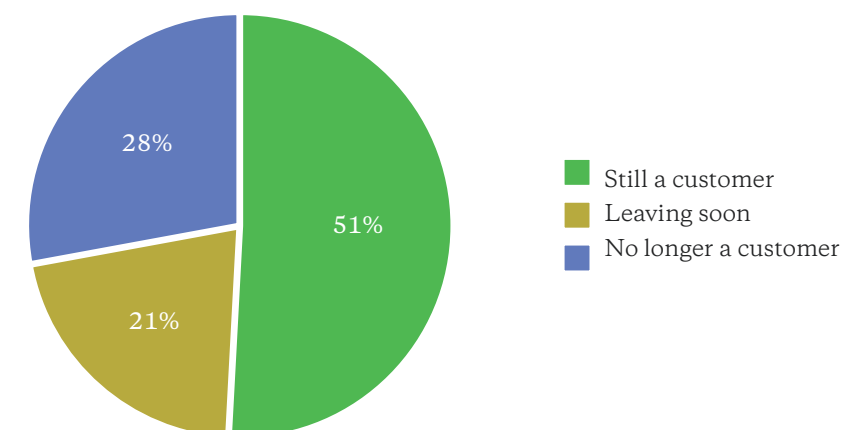
In Complaints Outlook 2022, one of the key metrics of a successful complaints journey we used was customer retention - that is whether customers stayed with their firms or not after their complaint was resolved. When we look at the difference between vulnerable customers and those that are not, there are some clear differences between the two groups.

Overall, 24% of non-vulnerable customers will leave their firms, 16% will be leaving soon, and 60% will stay after their complaint has concluded.

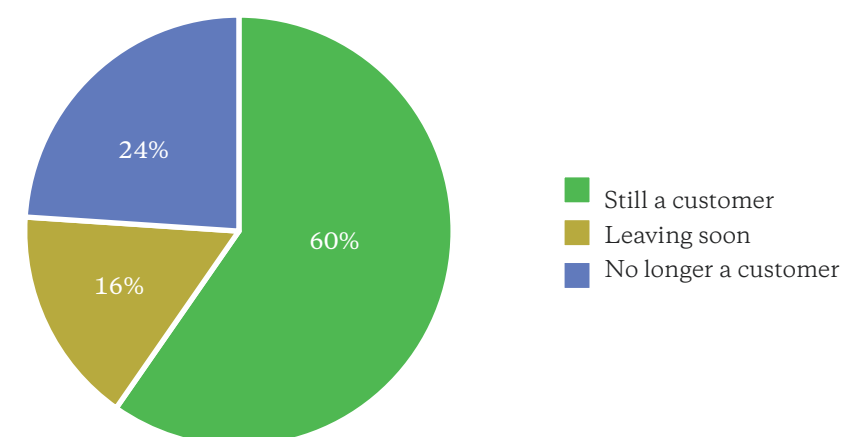
When we look at vulnerable customers, retention data shifts - this group is more likely to leave, with only 51% of them retained.

This tallies with what we see with the intensified emotions in vulnerable customers. More intensified negative emotions and a greater propensity to leave shows that vulnerable customers have a tougher complaints journey and are left feeling less valued once their complaint has concluded.

RETENTION – VULNERABLE CUSTOMERS



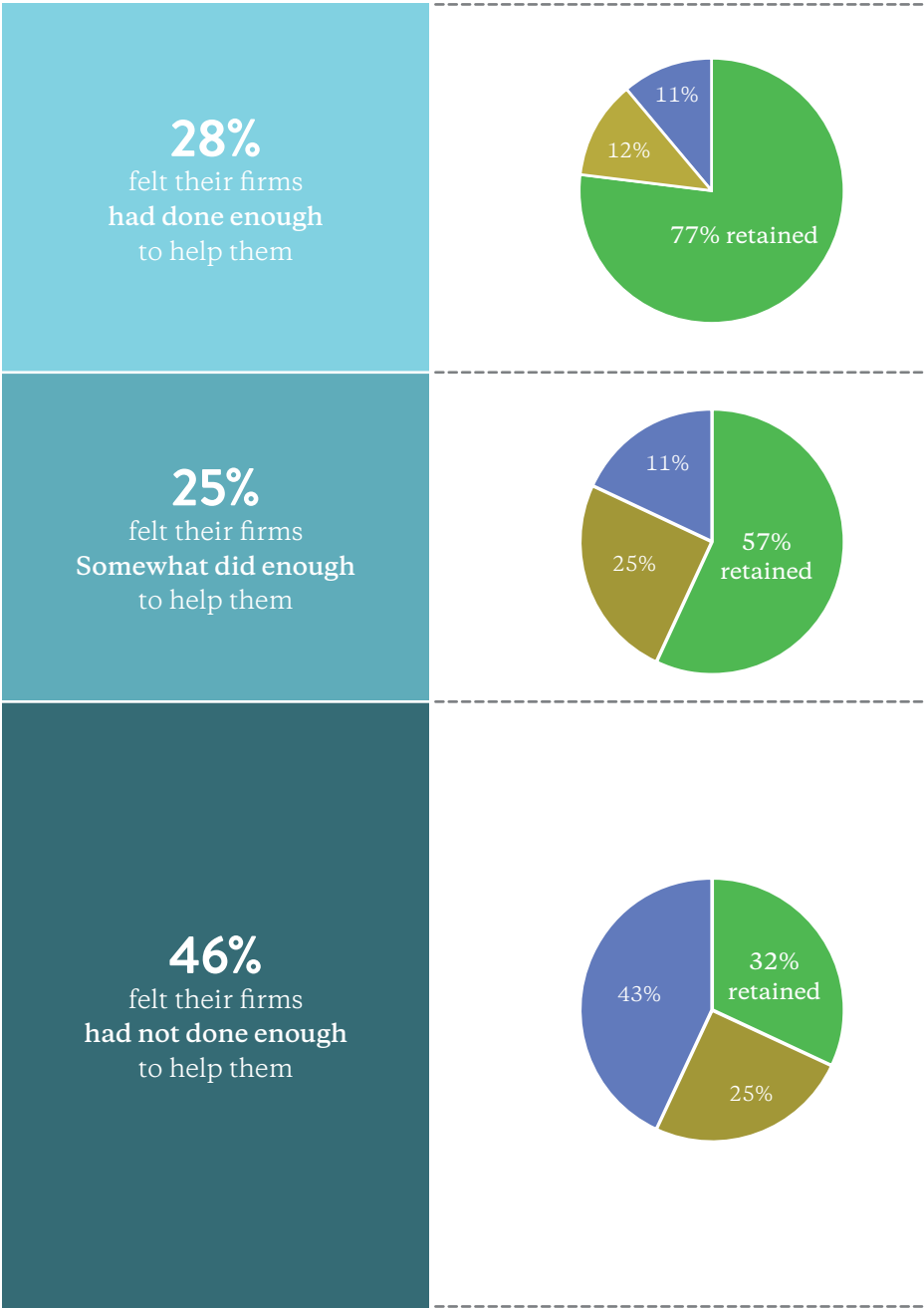
RETENTION – NON-VULNERABLE CUSTOMERS



DID THE FIRM DO ENOUGH TO HELP YOU GIVEN YOU WERE IN VULNERABLE CIRCUMSTANCES?

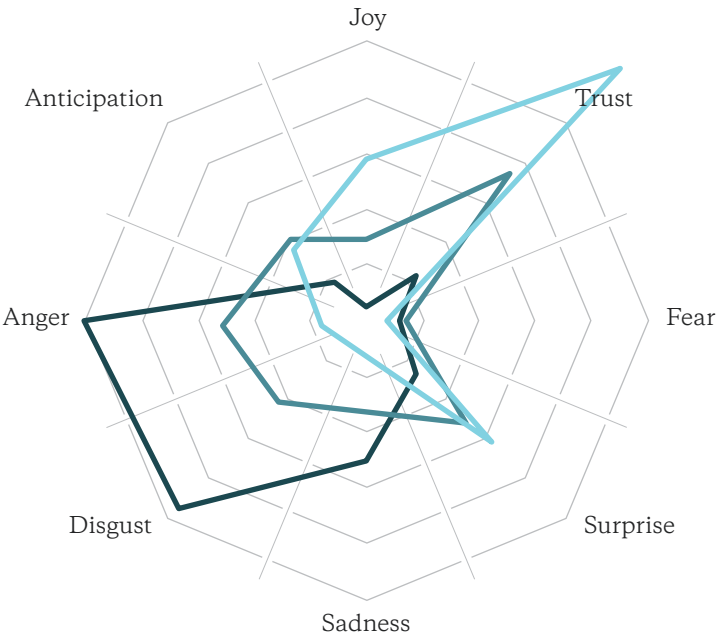
We asked our group of vulnerable customers whether they felt their firms did enough to help them given their circumstances. Only 28% of them said that the firm did enough to help. Retention in this group is relatively high, with 77% of those customers retained after their complaints journeys are finished.

However, 46% of our vulnerable customer base told us that they felt their firms hadn't done enough to help them, given their circumstances. Not only is this a surprisingly high number, but we also see that retention in this scenario plummets to only 32%. 43% of this group are no longer customers, and a further 25% will be leaving soon.



Still a customer
Leaving soon
No longer a customer

DID THE FIRM DO ENOUGH TO HELP YOU GIVEN YOU WERE IN VULNERABLE CIRCUMSTANCES? EMOTIONS FELT AT RESOLUTION



Felt their firm had done enough
Felt their firm had somewhat done enough
Felt their firm had not done enough

When we look at the emotions of these groups of customers, it's clear as to why we see this pattern of retention. We see the classic signature of valued and unvalued customers - if you are helped, you are more likely to feel valued, if not, you feel unvalued.

The message is simple, do what you can to help your vulnerable customers. Not only does it benefit their emotional wellbeing, but you retain customers who feel valued, they are far more likely to be retained.

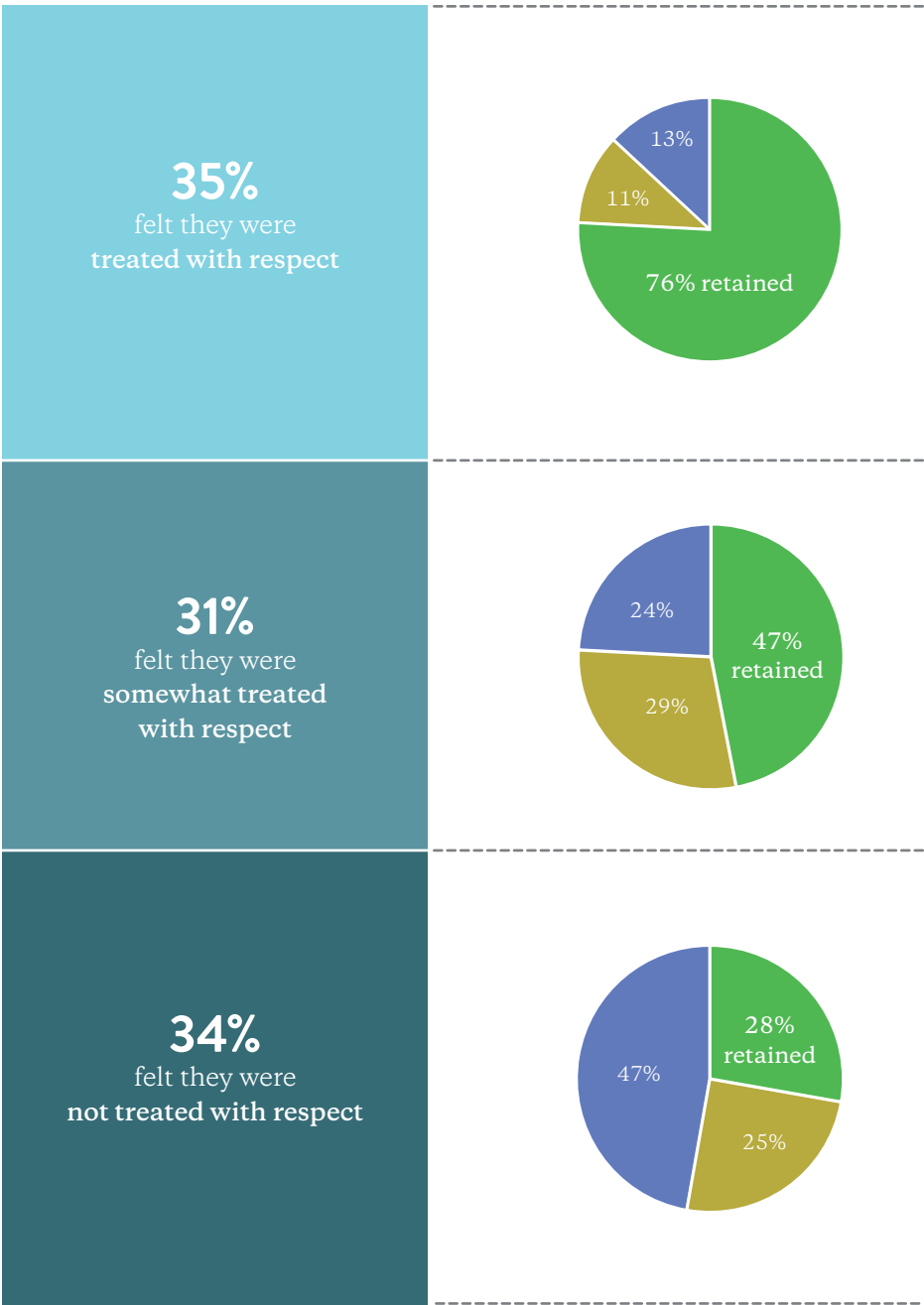
If your vulnerable customers do not feel sufficiently supported through their journey, they feel utterly unvalued, feel contempt towards your firm and will more than likely leave.

VULNERABLE CUSTOMERS,
WERE YOU TREATED WITH RESPECT?

Finally, we have looked at retention against whether our vulnerable customers felt like they had been treated with respect during their complaints journeys.

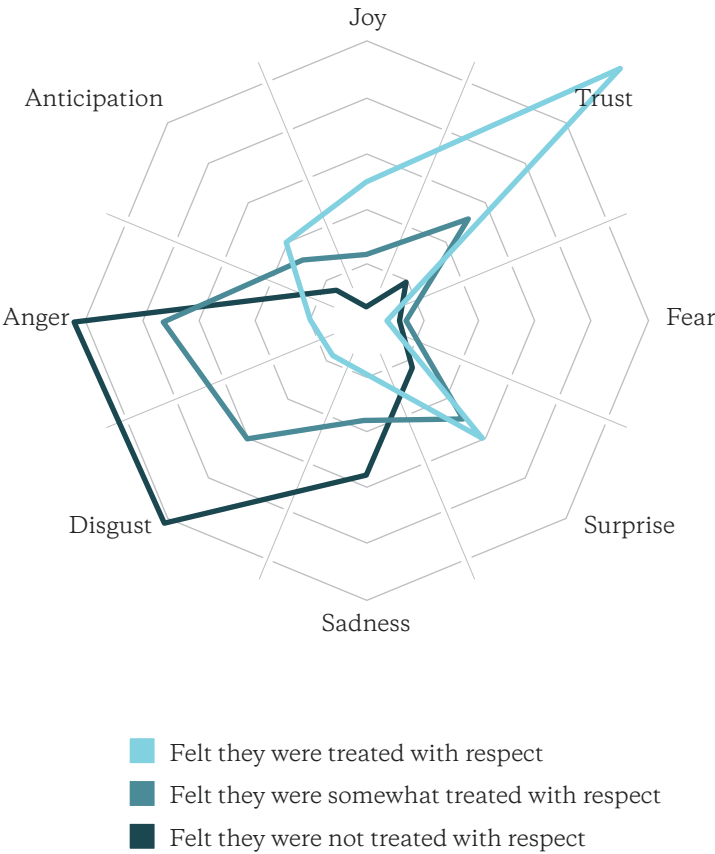
About a third, or 35%, of our vulnerable customer base told us they felt they were treated with respect. Perhaps not surprisingly retention is very high, at 76%.

However, retention is reduced to only 28% if the vulnerable customers felt they hadn't been treated with respect. 47% who felt they weren't treated with respect will leave, and another 25% will leave soon.



Still a customer
Leaving soon
No longer a customer

VULNERABLE CUSTOMERS, WERE YOU TREATED WITH RESPECT?
EMOTIONS FELT AT RESOLUTION



When we look at the emotions of the group that felt like they weren't treated with respect, we see that classic, deeply unvalued signature - pure anger, disgust and sadness.

Plutchik's wheel of emotion tells us that anger and disgust combine to form contempt.

However, this is inverted where customers felt they were treated with respect, where again we see nothing but positive emotions, trust and joy along with surprise and anticipation.

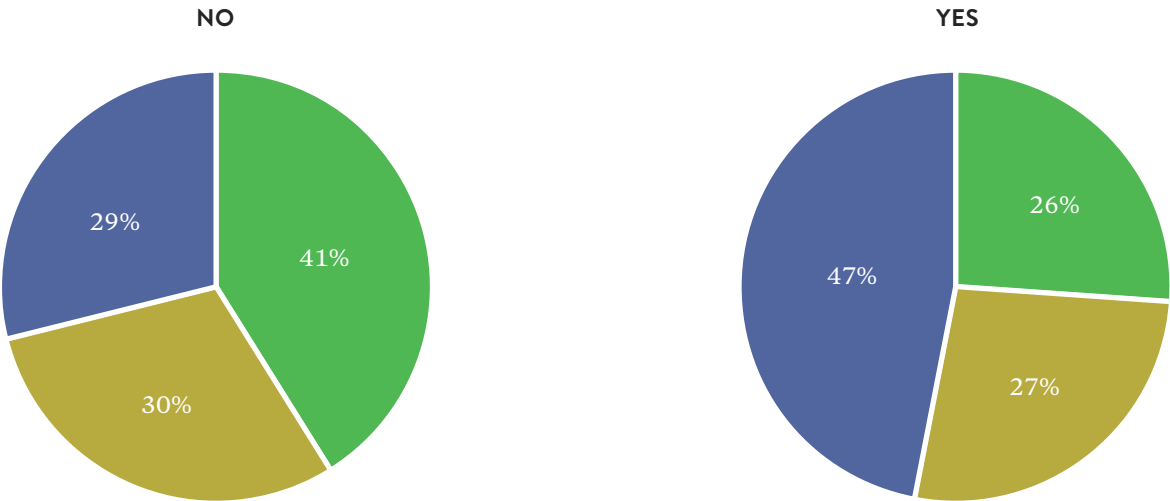
If we look a little deeper at respect, we see that this varies depending on whether the customer thought that the firm knew they were in vulnerable circumstances or not. One might assume that customers felt more respected if the firm knew they were vulnerable, however, we found the opposite to be true. Customers felt less respected when the firm knew they were in vulnerable circumstances.

Perhaps this comes down to firms not having processes and procedures in place to adequately deal with vulnerabilities, or frontline Agents not having the skills to display appropriate empathy.

It's amazing what such a simple concept such as respect can have on retention, in fact it's one of the biggest single factors we've seen throughout Complaints Outlook.

Being treated with respect almost certainly holds true across the entire population, but given the sensitive situations vulnerable customers find themselves in, it is particularly important that firms treat them as such.

DO YOU THINK YOUR FIRM KNEW YOU WERE IN VULNERABLE CIRCUMSTANCES?



- Felt they were treated with respect
- Felt they were somewhat treated with respect
- Felt they were not treated with respect

“IF YOU WENT ONLINE YOU COULD GET A CHEAPER OPTION, I WAS THINKING ABOUT ALL MY FRIENDS WHO DON’T HAVE ACCESS TO A COMPUTER. I AM 87, A LOT OF MY FRIENDS ARE NOT ONLINE.”

Vulnerable customer, over the age of 80

DISCUSSION

IDENTIFICATION OF A CUSTOMER’S VULNERABILITY IS JUST THE FIRST STEP IN BEING ABLE TO REACH AN APPROPRIATE OUTCOME.

We have seen throughout this paper that it is difficult to identify people in vulnerable circumstances, it turns out because most people don’t even know it themselves. Complaint handlers also appear to be overconfident in their identification abilities. Even when customers stated their firm knew they were vulnerable, they told us they were treated with respect less often compared to when the firm didn’t know they were vulnerable.

People in vulnerable circumstances, as a whole, feel more negative and less positive emotions along their complaints journeys. They find complaining more difficult and are more likely to leave at the end of their complaint journey compared to non-vulnerable people. The real difference firms can make is to ensure your customers know that you are aware of their circumstances while at the same time taking appropriate steps to support them and treat them with the respect that they deserve.

A simple acknowledgement, backed up with genuine empathy, will not only confirm that you have identified their vulnerability, but will also go a long way to helping them feel valued as a customer and supported as an individual; both of which can only be viewed as positives when determining levels of satisfaction with the outcome, and whether or not to remain as a customer.

BEST PRACTICE

To ensure the fair treatment of customers in vulnerable circumstances we recommend that firms follow these best practise guidelines:

RECOGNISE

Make sure that staff can identify vulnerability and how this may affect the customer. It is clear that many customers will not immediately identify themselves as vulnerable, so will not raise it directly. It is important to consider the full range of indicators when assessing potential vulnerability.

RESPOND

While it is important to acknowledge the customer’s vulnerability, it’s crucial to display the appropriate empathy with their circumstances. Make sure your customer knows you are aware of their vulnerable circumstances and that you will be considerate of these throughout the complaints handling process.

REASSURE

Ensure that the customer is supported, and knows they are, throughout the complaint process. Taking actions that clearly take account of the customer’s vulnerability will make a big difference to the customer’s perception of how they are valued and respected. It is very clear from the data that treating vulnerable customers with respect has the biggest impact on their complaints journey and leads to the highest retention rates.

RESOLVE

Make sure that the complaint is resolved in such a way that, regardless of whether or not it is upheld in the customer’s favour, the customer can feel satisfied by the way in which their complaint was handled.

RETAIN

Take steps throughout the complaint handling process to make it easy for the customer to decide to remain as a customer at the end. As we have said throughout, this may be as much about appealing to the customer’s emotions - treat them with respect, make the process easy for them - as it is about fundamental differences in process.

RECOMMENDATIONS

THROUGHOUT THIS PAPER WE HAVE SEEN HOW VULNERABLE CUSTOMERS CAN BE, OFTEN WITHOUT KNOWING IT. SO HOW BEST DO WE DELIVER GOOD OUTCOMES TO OUR VULNERABLE CUSTOMERS?

1 Identification is not always easy, so good quality vulnerability training is crucial to enabling customer-facing staff to pick up on cues that might suggest the customer has a vulnerability that needs further exploration. Understanding how to engage with customers sensitively is key to delivering a good customer experience.

2 It’s emotional - the emotions of the complaint handling process may be on top of an already emotional set of circumstances for the customer. It is important that firms make it easy for customers to complain. This means ensuring complaints can be made through multiple channels, keeping wait times low by ensuring you are able to flex resource to manage peaks and troughs of customer interaction across each channel. Also, firms need to ensure they have high quality front-line complaint handling training, so customer complaints can be resolved at first point of contact wherever possible.

3 Do more to support customers by making sure you have the right vulnerable customer policies and processes in place. Define what a good outcome looks like for different types of customers through the complaints handling process, for example if a customer seems to have memory trouble, they may find a Summary Resolution Letter which reminds them how the complaint has been resolved helpful, rather than standard resolution wording. It is also important to signpost support for the customer where there are third parties that could help, or talk to customers about other support that is available from your firm to make their lives easier.

4 Monitor customer outcomes by carrying out end-to-end outcomes testing and reviewing MI regularly, that not only looks at customer outcomes as a whole but hones in on vulnerable customers to ensure they are receiving the same good outcomes as other customers.

APPENDIX - PLUTCHIK’S WHEEL OF EMOTIONS

AN AIM OF THE COMPLAINTS OUTLOOK 2022 WAS TO EXPLORE EMOTIONS IN GREATER DETAIL TO UNDERSTAND THE DRIVERS OF SPECIFIC EMOTIONS THROUGHOUT THE JOURNEY, AND WHAT IMPLICATIONS THESE HAVE FOR THE RELATIONSHIP BETWEEN CUSTOMER AND ORGANISATION.

This was achieved by utilising American psychologist Robert Plutchik’s ‘Wheel of Emotions’, an industry standard model of emotions, which can be seen opposite.

Plutchik’s wheel has eight spokes. Each contains one of a set of eight primary emotions (see those capitalised) - anger, fear, sadness, joy, disgust, trust, anticipation and surprise. These are our basic emotions, linked to impulsive behaviours related to survival. For example; contact with an unfamiliar object would result in surprise; fear is related to a threat or danger which triggers the fight or flight response.

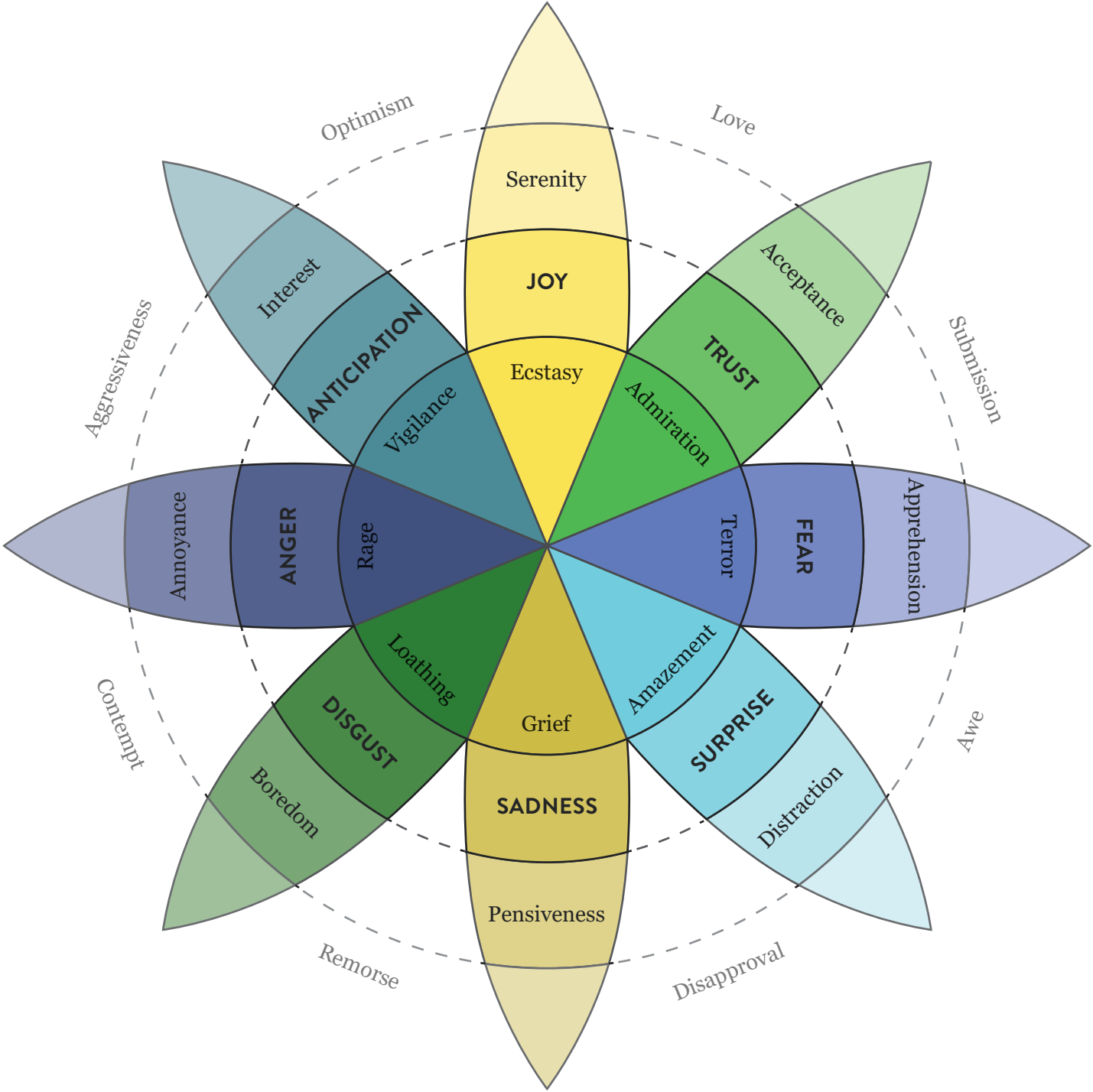
These eight groups of primary emotions are the basis for all other emotions experienced by people as a response to their environment. Each spoke represents an emotional group, which intensifies as it moves from the outer to inner part of the wheel. We refer to each emotional group by the name in the middle ring, i.e. joy, anger etc. The wheel also outlines ‘opposing’ emotional states, for example, joy is opposed by sadness, and trust is opposed by disgust.

In between the spokes we see mixing, where two emotions can combine to form more complex emotions. For example, a combination of joy and anticipation creates optimism, or joy and trust combines to form love.

Plutchik goes even further than we show here with his emotional combinations. Almost any two combinations that are not opposites are possible, leading to a wide variety of secondary and tertiary emotions. For example, sadness and anticipation combines to form pessimism, or joy and surprise produces delight.

When asking emotion-based questions in our surveys, we offered people the full range of 24 emotions. Our analysis used a weighted calculation which focused on the eight primary emotions in order to ensure the balance between deep insight and practical application.

Plutchik’s model helps to pare down the thousands of emotions that humans feel into channels which makes them easier to work with statistically. This allows a robust quantitative analysis that lets us interpret more meaningful insight surrounding a customer’s emotional state along their complaint journey, resulting in robust drivers and implications for firms.

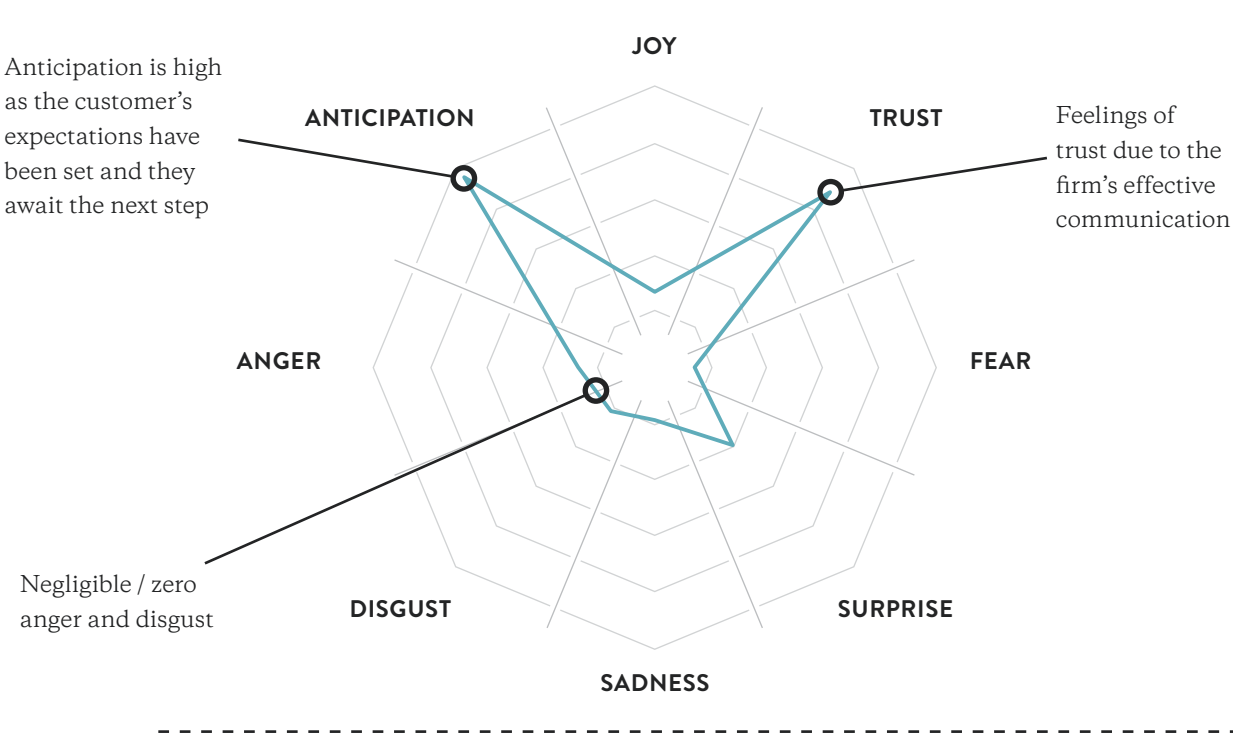


Plutchik’s Wheel of Emotions

PLUTCHIK’S MODEL ALLOWS US TO INTERPRET MORE MEANINGFUL INSIGHT SURROUNDING A CUSTOMER’S EMOTIONAL STATE ALONG THEIR COMPLAINT JOURNEY

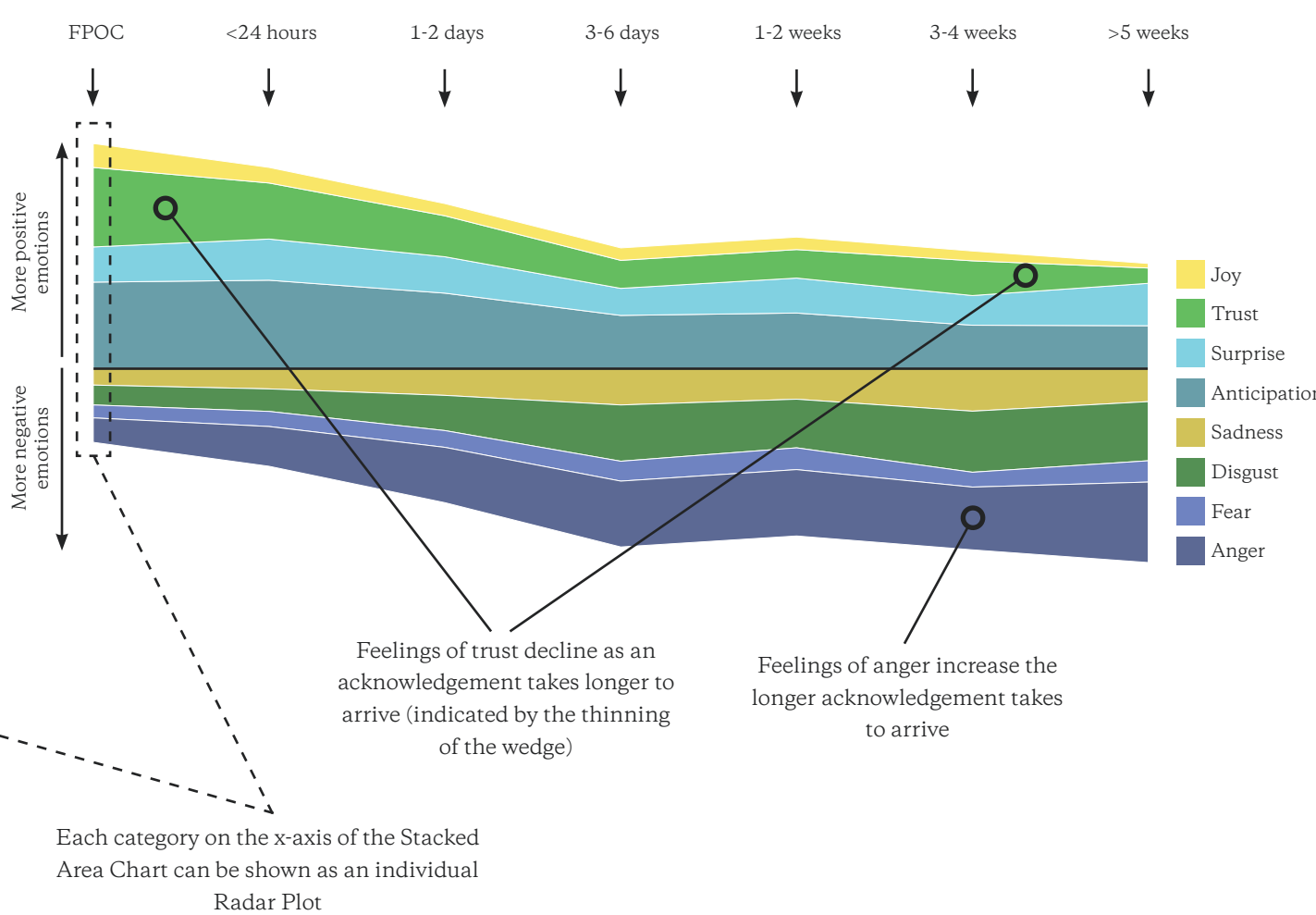
PLUTCHIK RADAR PLOT EXPLAINED

Below is a typical visual that shows the emotions measured in our respondents, and is used frequently in this study. The extent to which the plot extends outwards indicates the intensity of the emotion felt. The example below asks “how did you feel after receiving your complaint acknowledgment immediately?”.



PLUTCHIK STACKED AREA CHART EXPLAINED

The emotions shown on the radar plot are the same as those highlighted on the stacked area chart below. Here we can see how respondents' emotions change across different criteria. In this case, we show customer emotions depending on how long their complaint acknowledgment took to arrive. We show positive and neutral emotions above the x-axis, negative emotions below.



ABOUT HUNTSWOOD

WE ARE HUNTSWOOD. THE PEOPLE WHO PUT PARTNERSHIP FIRST. A TRUSTED TEAM WITH THE INSIGHT, EXPERTISE AND PACE TO CREATE BETTER OUTCOMES FOR OUR CLIENTS, THEIR CUSTOMERS AND THE COMMUNITIES THEY'RE PART OF.

We deliver resourcing, outsourcing and advisory services from complaints to customer service, remediation to resilience – bringing together the people, processes and knowledge businesses need to succeed. We’re built on the ambition to make a positive difference.

It’s what Huntswood has done since we opened our doors 25 years ago, and it’s what every single one of us strives for today. Over the years, we’ve grown from a two-person team to a nationwide service provider – accepting bigger challenges, exceeding clients’ expectations and empowering each other every day.

We put the right people in the right place at the right time – whether it’s our dedicated team of Associates or our Board. Together, we’ve got the outstanding track record of delivery, the depth of expertise and the flexibility of approach to be the trusted partner our clients deserve.

WE STAND WITH OUR CLIENTS WITHOUT QUESTION WORKING ON THEIR TERMS TO SHARE OUR INSIGHT WHENEVER AND WHEREVER THEY NEED IT.

The pressure for businesses to deliver higher quality services at lower costs is growing. Firms are reinventing how they operate, execute and communicate – adapting to new ways of working and responding to changing customer needs in different ways.

We’re here to help clients as the landscape evolves and new challenges arise. We advise and consult as a trusted partner in times of change – offering ultimate flexibility to help clients create value and meet demand with confidence.

We deliver insight for better outcomes, and that means being there to help clients navigate change, invest in the future and meet challenges head-on. It means helping them anticipate what’s next and solving problems before they even arise – with minimum risk every step of the way.

Together, we are a dependable, genuine team on a mission to provide insight, build the best relationships and create better outcomes – when and where it matters most.

WE ARE HUNTSWOOD. THE PEOPLE WHO PUT PARTNERSHIP FIRST

CONTRIBUTORS



CRAIG KOCH
HEAD OF INSIGHT

Craig works on a wide variety of internal and external projects, extracting meaningful insights from complex data sets, to provide compelling data, statistics and stories, on clients and the industries Huntswood operates in. This may be in the form of in depth research reports (such as the Complaints Outlook) to whitepapers, dashboards and infographics.

Before starting at Huntswood in 2021, Craig worked in the oil and gas industry as an exploration geologist for 15 years. This role required him to compile and analyse large amounts and types of data from many different sources, weaving it into coherent and compelling stories to assess the geological risk of basins from around the world.

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EMMA MITCHELL
DIRECTOR OF ADVISORY SERVICES

Emma joined Huntswood from a big four professional services firm in 2023, and brought with her a wealth of experience in financial services, particularly in the areas of business conduct, governance and controls, collections, complaints and customer outcomes.

Emma has extensive experience of mobilising and managing reviews of clients’ operating models aligned to the above areas, as well as recommending and / or delivering the actions required to remediate any gaps identified. She is versed in managing programmes of varying size and complexity, and understands the need for proportionality aligned to the specific risks firms face.

Recently, Emma has been actively involved in supporting clients to meet the customer outcome requirements presented by Consumer Duty.

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