



# Claims Management Companies (CMC) Fee Rules Research - Financial Services Claims

**February 2020**

## Contents

1	Executive Summary	3
2	Introduction	6
	Background	6
	Methodology	7
3	Initial contact with CMC	8
	First Contact with CMC	8
	Consideration of alternatives	10
4	Decision to use a CMC	18
5	The claims process	29
	Paperwork involved in the claim	29
	Success of claims	31
	Payment for CMC services	36
	Value for money	40
6	Conclusion	41
7	Technical annex	42

# 1 Executive Summary



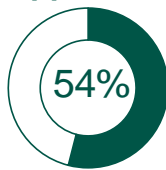
The FCA recently became the regulator for CMCs and has collected data on customers' experience to inform its work in this area.



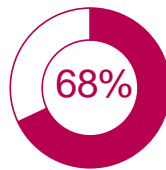
**599 interviews** conducted with customers with a financial services claim

Packaged bank accounts      Pensions  
Savings or other investments      Loans

## Approaching a CMC



Were approached by CMC



Did not consider any alternatives (30% did consider alternatives)

## Consideration of alternatives

**14%** Of **all claimants** considered using another CMC to the one they used



**54%** Of those **who approached a CMC** would have considered alternative options

**20%:** Progress through another compensation scheme  
**13%:** Complain directly to firm  
**12%:** Progress claim through Financial Ombudsman Service



**Loans claims** more likely to:

- Approach CMC themselves
- To consider alternatives

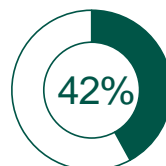
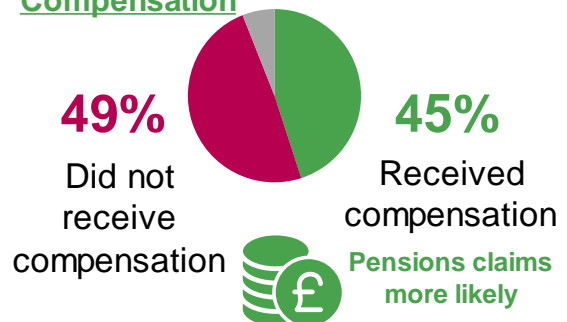


## Why use a CMC?

Reduce effort involved **27%**  
Lack of confidence to deal with claim themselves **26%**  
Better chance of winning with CMC **21%**  
CMC contacted me **18%**

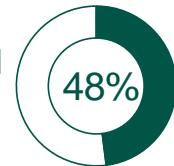
Most important factor when choosing CMC:  
**Quality of service (73%)**

## Compensation



Outcome of claim

- Those who **received compensation** more likely to be satisfied
- **Pension claims** more satisfied, **loans claims** less so



Claims process

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- 1.1 The Financial Conduct Authority (FCA) recently became the regulator for claims management companies (CMCs) in six sectors. These are financial services, personal injury, employment, criminal injury, housing and industrial injury benefits. The services that CMCs provide differ substantially between these sectors. For some sectors, the CMC will handle the entire claim; usually where it can be progressed through an alternative dispute resolution body (such as the Financial Ombudsman Service). In other sectors where claims ultimately need to be pursued through the courts, CMCs will typically act as 'lead generators' who deal with the initial enquiry from the customer and then refer them on to a solicitor.
  - 1.2 Under the Financial Guidance and Claims Act 2018, the FCA must make rules which provide an appropriate degree of protection from excessive charges, in relation to the fees charged by CMCs for the provision of regulated claims management services in relation to financial products and financial services claims<sup>1</sup>. In order to inform this work, the FCA commissioned a quantitative survey with customers of CMCs who had provided regulated claims management services in relation to financial services or financial products claims. Financial services claims include, for example, savings or investments, pensions, mortgages, packaged bank accounts and loans. The FCA commissioned the survey to gain a greater understanding of why some consumers may accept being charged higher levels of fees by CMCs, how consumers shop around for claims management and what factors influence their decisions on using a CMC, of customers' experiences of using CMCs and what consumers would do if CMCs would no longer accept their claims. A total of 599 interviews were conducted over the phone or online with customers who progressed a financial services claim (excluding Payment Protection Insurance (PPI)) with a CMC.
  - 1.3 In terms of the initial contact with CMCs, over half (54%) of customers were contacted by the CMC in the first instance and 39% of customers contacted the CMC themselves. Over two-thirds (68%) did not consider alternatives to progressing a claim with a CMC. Those who did consider alternatives (30%) were unsurprisingly more likely to be those who contacted the CMC themselves (39% compared with 20% of those that were approached by the CMC). For those who considered alternatives, this included complaining to the firm directly (16%), considering not making a claim (9%), or hiring a solicitor (2%). There were differences with regards to claim types, those progressing a loans claim were more likely to have contacted the CMC themselves (69%) and consider other alternatives (40%). All other financial service claim types were more likely to have been approached by the CMC, and those making a savings and investment claim were more likely to have given no consideration to other alternatives (75%).
  - 1.4 A small proportion (14%) of consumers considered using an alternative CMC to the one they went on to use, again this was less likely to be the case with those making a savings and investment claim (5%). Respondents generally considered one other CMC (36%) or 2 to 4 others (56%), rather than 5 or more (1%). In addition, those who considered other CMCs did not spend too long searching other CMCs, with the majority spending less than an hour on this (79%) and most commonly, they spent less than 10 minutes (44%).
  - 1.5 For those who approached a CMC, over half (54%) stated that they would have considered alternative options if CMCs had declined to progress their claim. Other routes that would be considered were progressing a claim through another compensation scheme (20%), complaining directly to the firm (13%) or through the Financial Ombudsman Service (12%).

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<sup>1</sup> References to "financial services" in this document are intended to cover both financial products and financial services.

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Having said this, there were a proportion (38%) who would not have done anything and who did not know what they would have done (8%) if CMCs had denied their claim. In line with previous findings, those with savings and investment claims were more likely to say they would not have done anything (52%).

- 1.6 Various reasons were given by respondents for using a CMC: around a quarter (27%) stated the main reason was to reduce their own effort involved, a similar proportion (26%) stated that they did not feel confident to deal with the claim themselves. Around a fifth (21%) thought they would have a better chance of winning if they used a CMC, and a further 18% stated they used a CMC as they were contacted by them. Reduction of own effort appears to have translated to respondent experience, with 28% having to complete much less paperwork than expected and 27% having about the same amount of paperwork as expected. Having said this, 19% did report having more paperwork than they expected.
- 1.7 Quality of service was the most important factor to respondents who approached a CMC in their decision of choosing a CMC (73%). Track record of success in winning compensation (61%), total costs (58%) and reputation or a recommendation (57%) were also important to respondents.
- 1.8 Focusing on the outcome of the claim, less than half (45%) reported that their claim was successful and they received compensation, and 49% did not receive any compensation (the rest did not know). Among those successful, the amount received varied, three-quarters (73%) received less than £5,000, though there was still a proportion of respondents who received more (13% received between £10,000 and £100,000). Those who did receive compensation received more than or the same as they expected (40% and 27% respectively).
- 1.9 Satisfaction with the claims process and outcome were both mixed, around half (48%) were satisfied with the claims process and the slightly fewer (42%) were satisfied with the outcome. Unsurprisingly, satisfaction was higher amongst those who received compensation (76% and 71% respectively).
- 1.10 In terms of payment and value for money, over seven in ten of all respondents (71%) paid a percentage of the redress, and a quarter (25%) paid nothing. Those not paying anything increased amongst those who did not receive compensation (49%) though just over half (51%) of those that did not receive compensation still paid something for the CMC service. Generally, respondents paid the same as they expected (46%), however there was a significant proportion who paid more than they expected (26%). Satisfaction with value for money varied, around four in ten (41%) were satisfied with the value for money, whereas 28% were dissatisfied.

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## 2 Introduction

### Background

- 2.1 The Financial and Conduct Authority (FCA) recently became the regulator for claims management companies (CMCs). Under the Financial Guidance and Claims Act 2018 the FCA must make rules which provide an appropriate degree of protection from excessive charges, in relation to the fees charged by CMCs for the provision of regulated claims management services in relation to financial products and financial services claims to ensure an appropriate degree of protection for CMC customers from excessive fees for financial services claims. They also have broader powers to set the rules for the fees charged on other types of CMC claims, e.g. claim types such as personal injury, industrial injury, criminal injury, employment and housing disrepair.
- 2.2 This report focuses specifically on financial services claims which cover a variety of areas including savings or other investments, pensions, mortgages, packaged bank accounts and loans. These claims vary largely in complexity, for example, claims relating to bank accounts typically appear to be straightforward, whereas those relating to pension appear to be more complex. It is important to note that we have excluded PPI claims from this research<sup>2</sup>. This is because the PPI deadline of 29<sup>th</sup> August 2019 means it is generally no longer possible for CMCs to make a complaint relating to the sale of PPI to a firm or to the Financial Ombudsman Service (FOS).
- 2.3 In order to inform analysis of the CMC market, which will be used to inform the fees rules for CMCs, the FCA commissioned IFF Research, an independent market research agency, to conduct a quantitative survey with customers of CMCs. The key goal of this survey is to explore the potential market failures and potential effects of fee rules on CMCs and their customers.
- 2.4 In order to meet these objectives, a mixed method quantitative approach was taken. A total of 599 interviews were conducted with customers who had submitted a financial services claim; 431 over the telephone and 168 online. Fieldwork took place between 12<sup>th</sup> August and 5<sup>th</sup> September 2019; all participants had made a claim that had closed between October 2018 and March 2019. Table 2.1 breaks down interviews achieved by type of financial services claim.
- 2.5 Respondents who were invited to take part in the survey online were contacted by email with an initial invite, followed by initial reminder emails sent a week later, and a final reminder another week later.

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<sup>2</sup> PPI claims may still be brought through the courts, but this route may give rise to different costs (and, in some cases, redress) compared to FOS complaints or complaints to firms, and so we are not surveying these court claims either.

**Table 2.1 Interviews achieved by claim type**

Claim type	Number of interviews
Savings or other investments	205
Pensions	159
Mortgages	21
Packaged bank accounts	139
Loans	75
<b>TOTAL</b>	<b>599</b>

- 2.6 Prior to the mainstage of the research, a cognitive testing phase and pilot interviews were conducted to ensure the questionnaire was working as effectively as it could be. Further detail can be found on this and the sampling approach in the technical appendix at the end of this report.
- 2.7 The data was weighted to the sample population based on claim type; this is also detailed further in the technical appendix.
- 2.8 Throughout the report, subgroup differences are only reported where the difference is statistically significant at the 95% confidence level. When a group is referred to as 'more' or 'less' likely, this indicates they are 'more' or 'less' likely compared to the overall average, minus their own sub-group. Charts break down responses to questions by claim type, and where differences between claim types are significant, the percentage is circled. Due to the mortgages claim type having a low base size, this group is not included in the charts throughout this report.

### 3 Initial contact with CMC

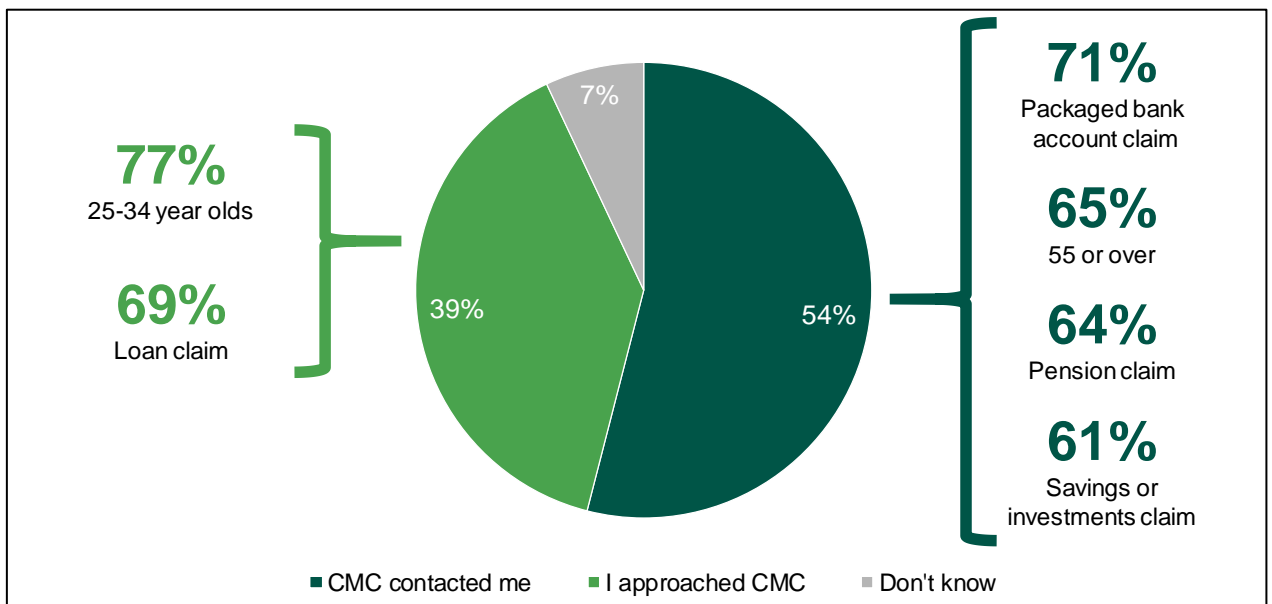
3.1 This section explores respondents' first contact with their chosen CMC and any other alternatives they may have considered when choosing a CMC.

#### First Contact with CMC

3.2 More than half (54%) of financial services claims respondents were contacted by the CMC in the first instance, with around two-fifths (39%) approaching the CMC initially. As shown in Figure 3.1, it was more common for those with a packaged bank account claim (71%), a pension claim (64%), or a savings and investment claim (61%) to have been approached by the CMC initially, while this was also the case for those respondents who were 65 or older (65%).

3.3 On the other hand, younger respondents aged 25 to 34 were significantly more likely to get in touch with the CMC initially (77%) as were those respondents with a loan claim (69%).

**Figure 3.1 Overview of first contact with CMC**

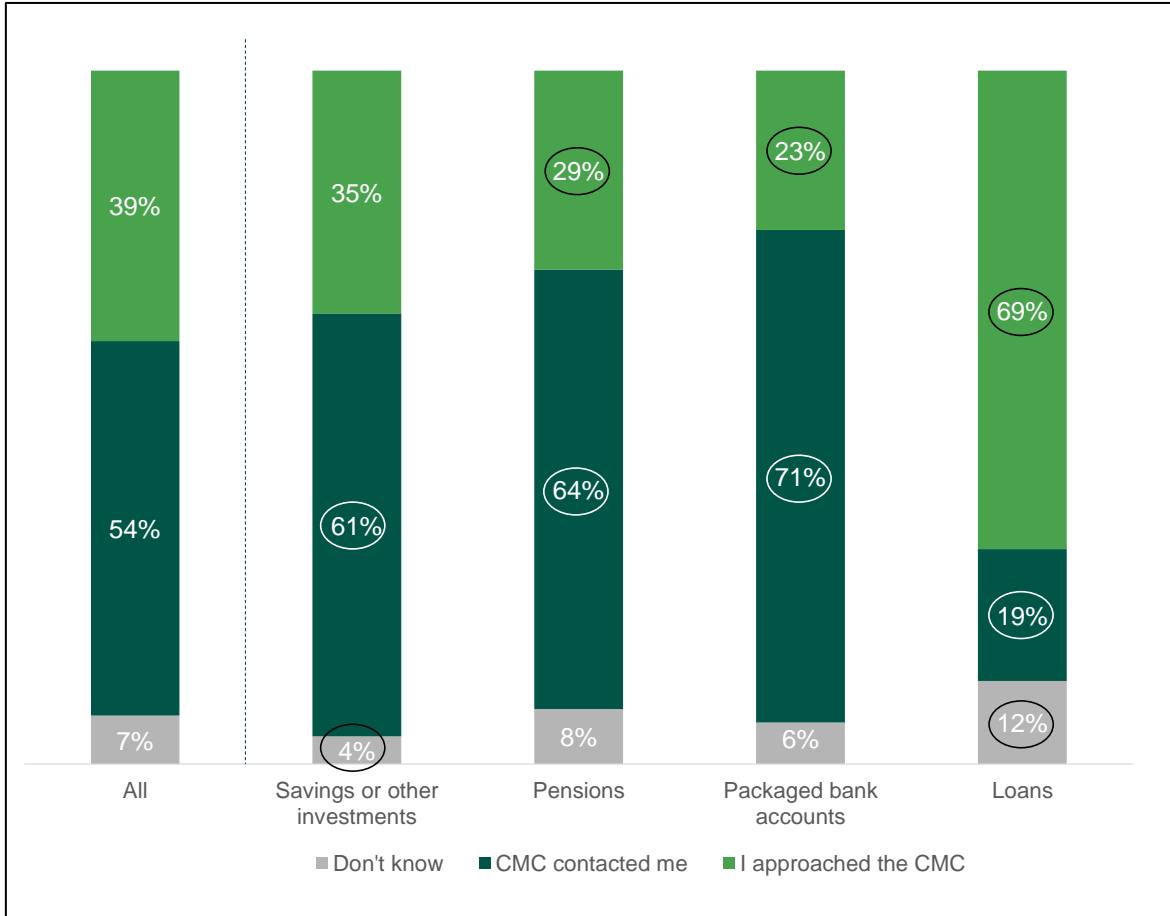


Base: B1a: All financials services claims (599)



3.4 Figure 3.2 details the nature of first contact with CMC by claim type, illustrating whether the respondents were more likely to be approached by CMC or to approach the CMC themselves.

**Figure 3.2 First contact with CMC by claim type**



Base: B1a: All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

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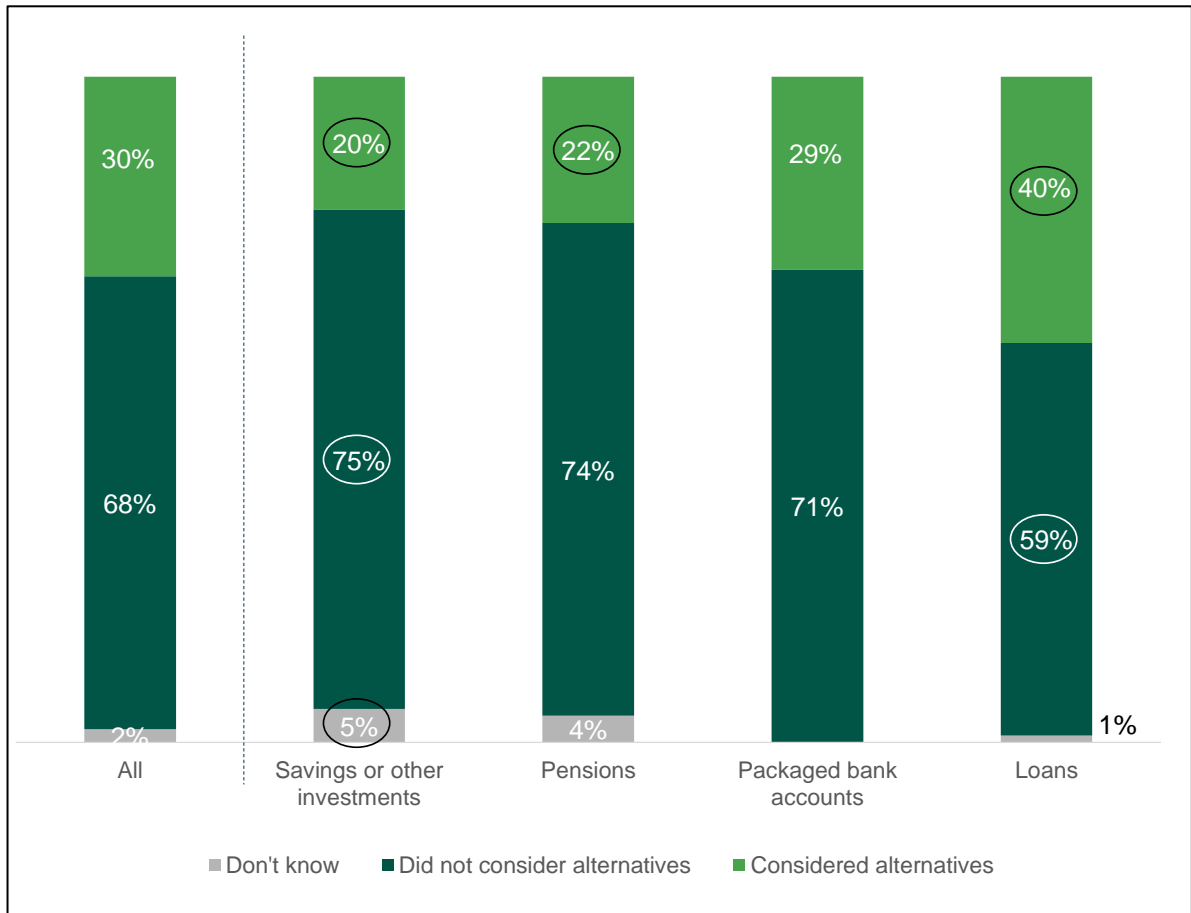
## Consideration of alternatives

- 3.5 As shown in Figure 3.3, the majority of respondents did not consider any alternatives to progressing their claim through a CMC (68%), with only three in ten (30%) respondents looking at alternatives.
- 3.6 Those respondents with loans claims<sup>3</sup> were more likely to consider alternatives (40%) while the opposite is true of respondents with savings or investments claims who are more likely than average to have given no consideration to any alternatives (75%). Unsurprisingly, those who contacted the CMC first were more likely to have considered alternatives (39%), as were those aged 35 to 54 (37%).
- 3.7 Of those that did consider alternatives, it was most common for the respondent to think about complaining to the firm directly (16%), to consider not making a claim (9%), or to hire a solicitor (2%). It was more likely for those with a loan claim to consider complaining directly to the firm (27%).

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<sup>3</sup> In the data used for sampling, ca 89% of customers with a loan claim had a payday loan claim. In addition, 9% had a claim on other types of high-cost short-term credit (HCSTC) and for 2% of customers with loan claims the type of loan claim is unknown.

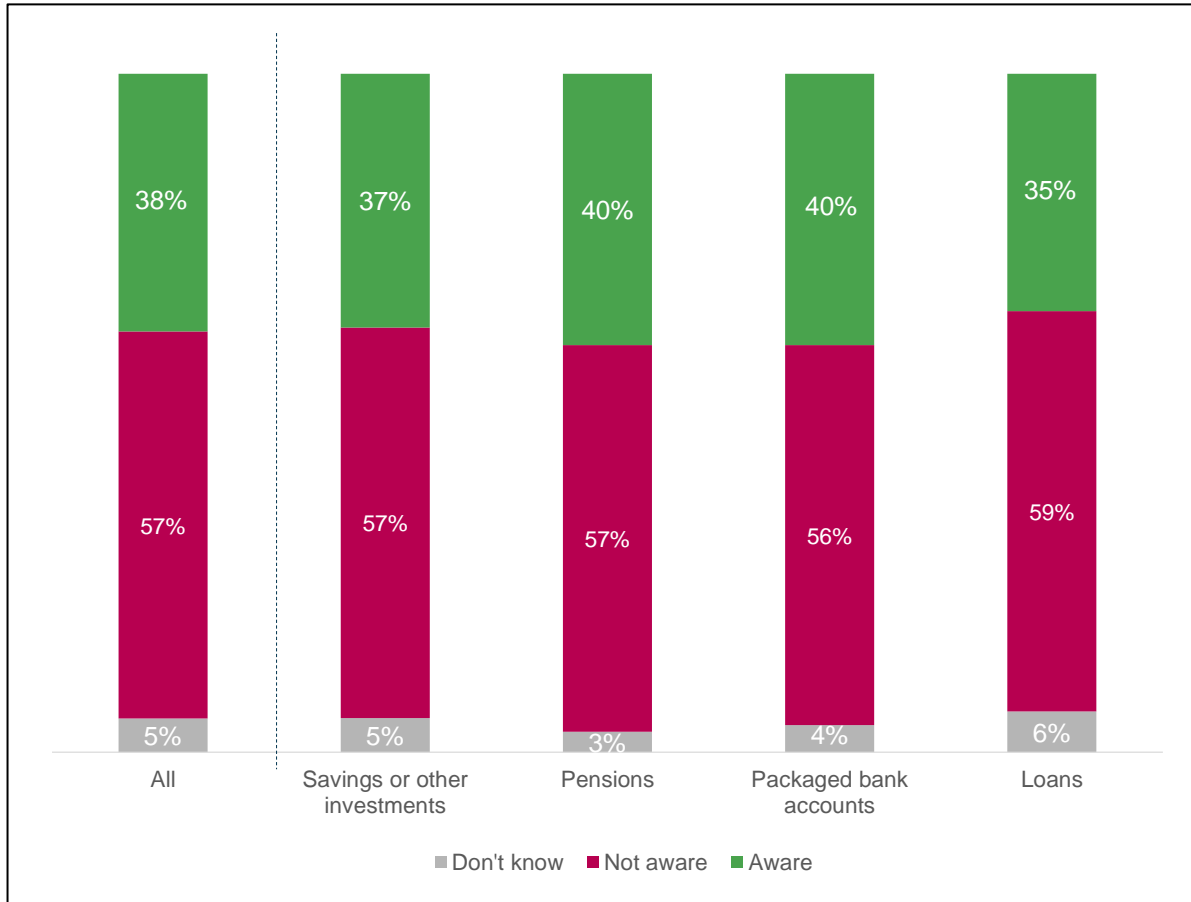
**Figure 3.3 Consideration of alternatives**



Base: C1: All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

3.8 Despite not considering any alternatives, respondents did show an awareness of the other methods they could have pursued (Figure 3.4). Around two-fifths (38%) of those with financial services claims were aware at the time they made their claim that they could have made it to another complaint service they could complain directly to the firm involved. This was consistent across all claim types.

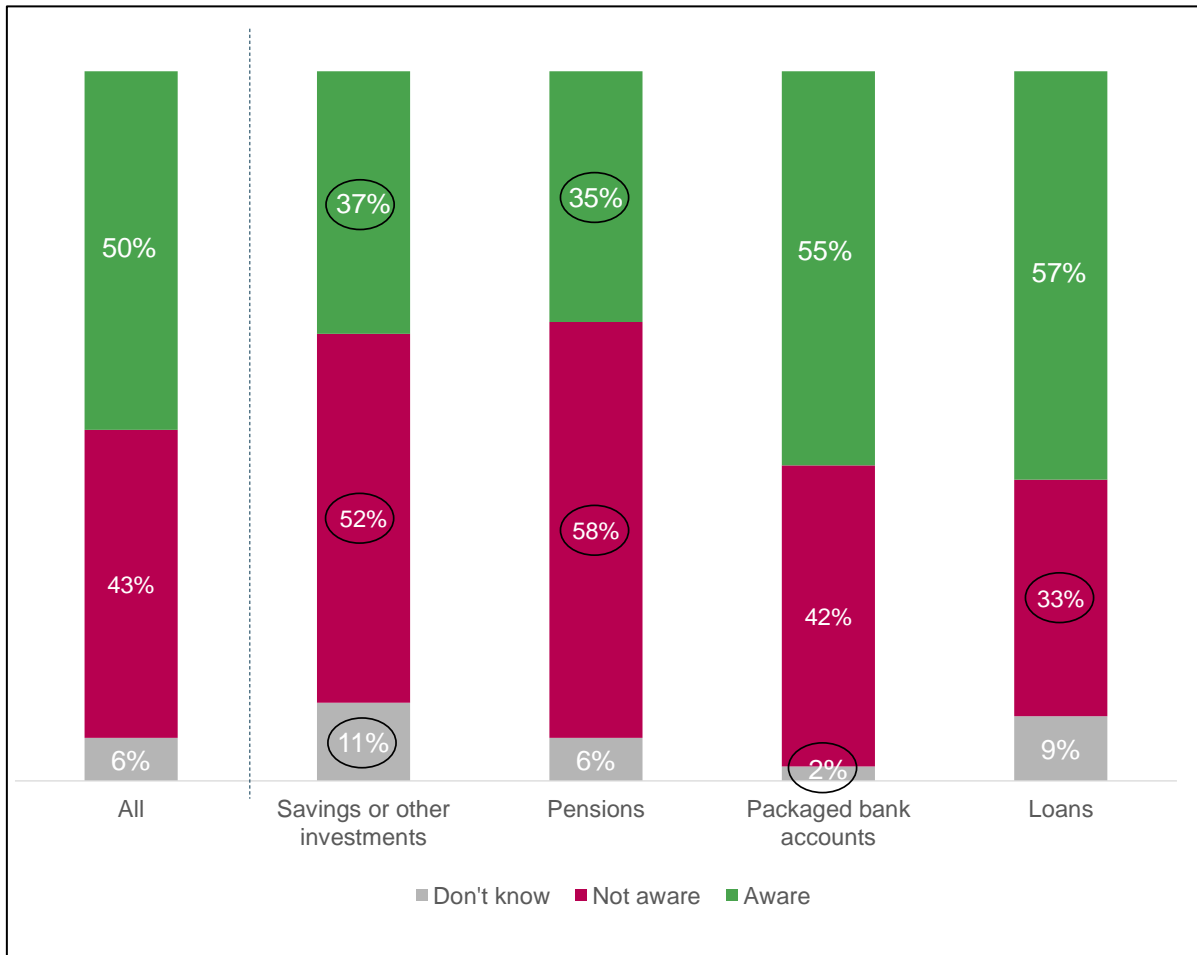
**Figure 3.4 Awareness of making the claim to another complaint service**



Base: C4\_1: All financial services claims answering (594), Savings or other investments (204), Pensions (159), Packaged bank accounts (139), Loans (71)

3.9 As shown in Figure 3.5, half (50%) of those making financial services claims were aware that they could have made a claim directly to the firm involved. Those making a savings or investments claim, or a pensions claim were less likely to be aware that they could have made a claim to the firm directly (37% and 35%, respectively). Those aged 35 to 54 years old were more likely to have been aware of the option to complain directly to the firm in question (60%).

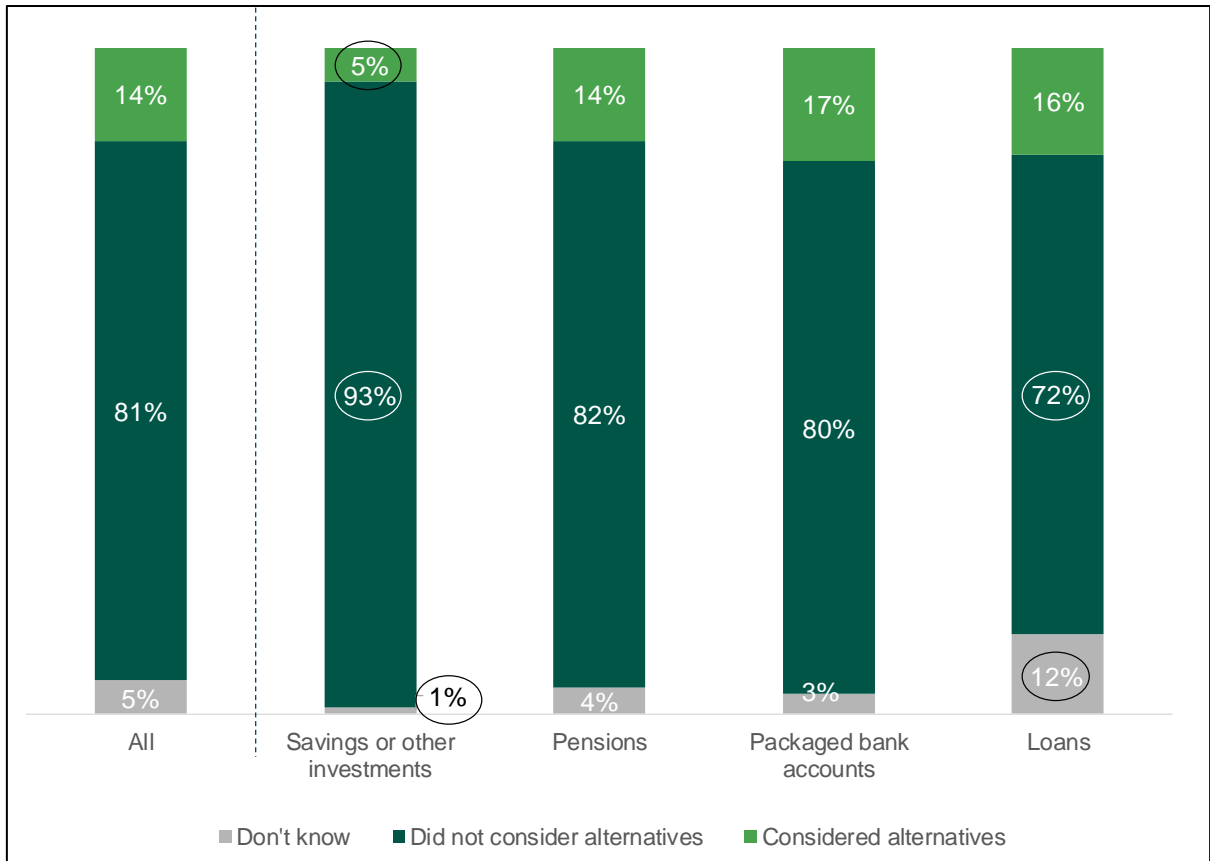
**Figure 3.5 Awareness of making the claim directly to the firm**



Base: C4\_2: All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

3.10 While three in ten (30%) of all respondents considered alternatives to progressing their claim through a CMC, 14% considered using a different CMC to the one used, as highlighted in Figure 3.66. This drops significantly to 5% for respondents with a savings or investments claim, while 72% of those making a loans claim did not consider an alternative CMC to the one they used and 12% did not know whether they considered an alternative CMC. Those aged 35 to 54 were significantly more likely to consider another CMC (22%), continuing the trend that they appear to be more informed and considered around their claims.

**Figure 3.6 Consideration of other CMCs**

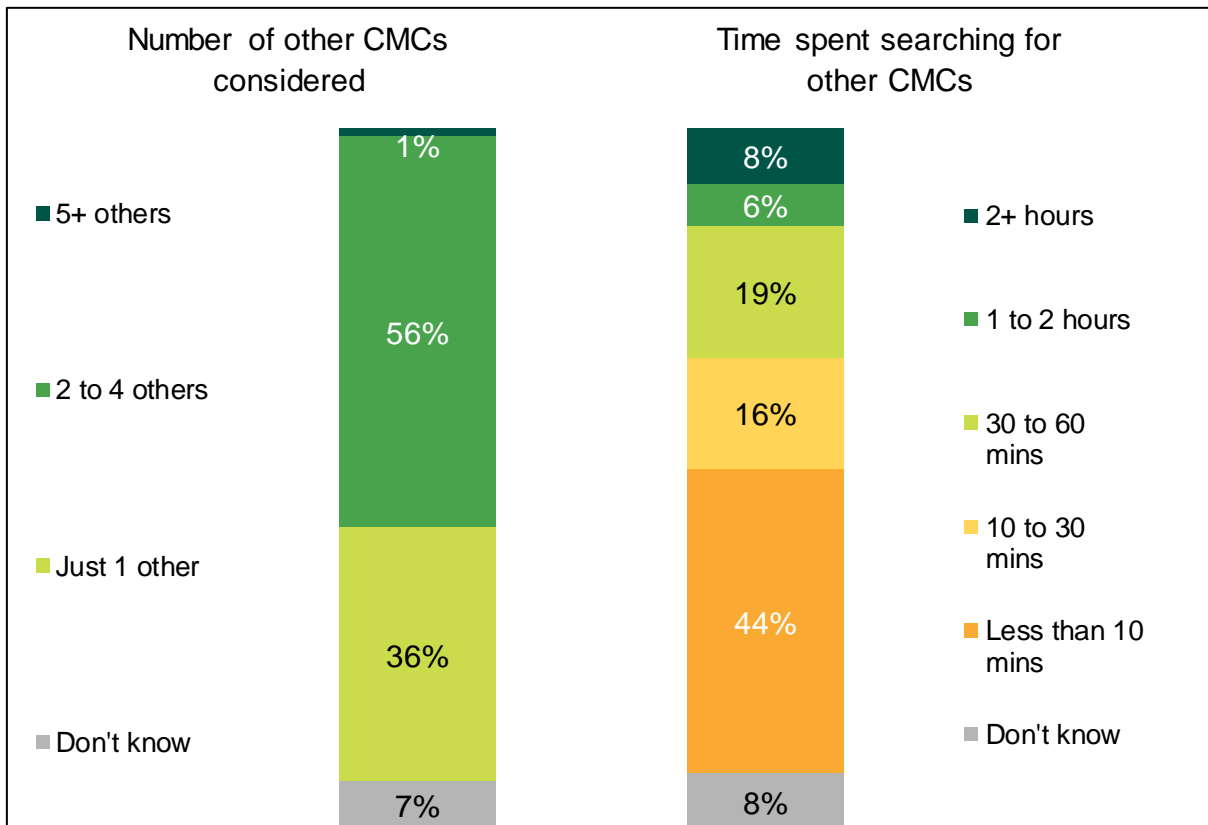


Base: D1: All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

3.11 Those that did consider another CMC did not spend much time searching for alternatives with the majority (79%) spending less than an hour searching for other CMCs, and it being most common for them to spend less than 10 minutes searching (44%).

3.12 When considering other CMCs, it was common for respondents to look at just 1 other CMC (36%) or 2 to 4 others (56%), with very few (1%) considering any more than that. There was one same large firm most commonly cited by around one in ten (9%) respondents as a CMC they considered as an alternative, while most that considered other CMCs were not sure which others they looked at (64%), and other firms were only mentioned by 3% or fewer.

**Figure 3.7 Number of other CMCs considered and time spent searching for other CMCs**



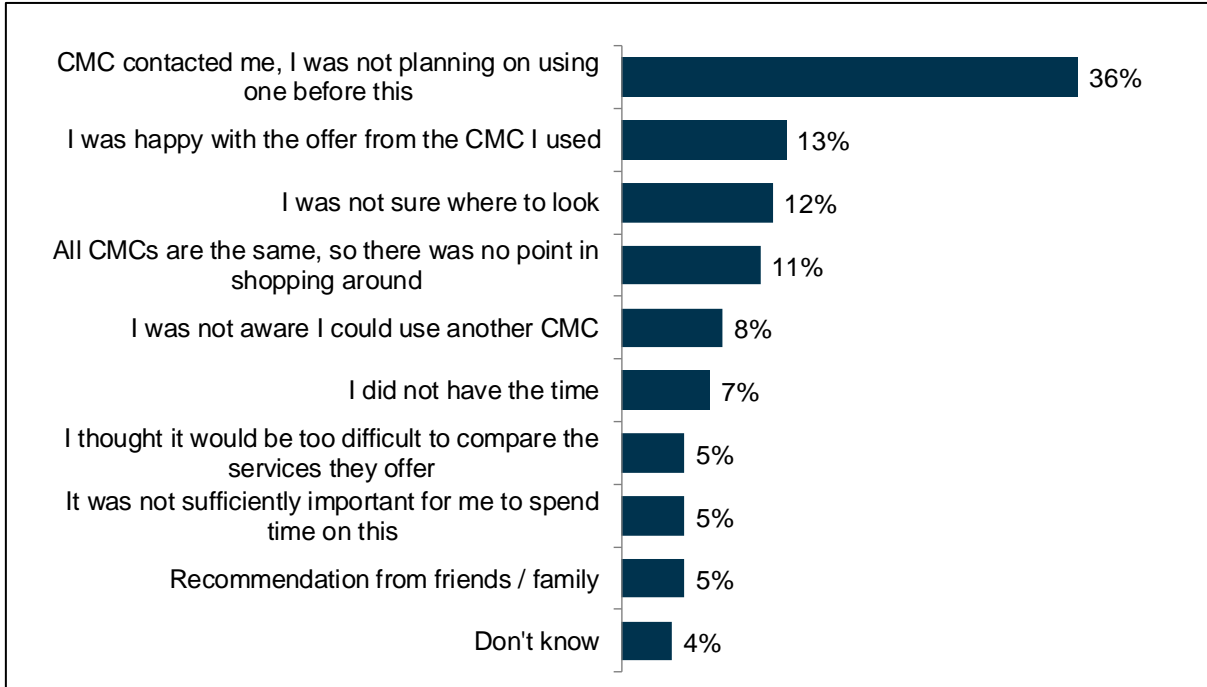
Base: D2, D5: All financial services claims that considered other CMCs (71)

3.13 The main reason cited by respondents that did not consider any other CMCs was that they were contacted by the CMC in the first instance and therefore were not planning on using one before, mentioned by 36% of respondents. This was more likely to be given as the reason for not considering other CMCs by those with a packaged bank account claim (47%) and less likely to be the case for those with a loans claim (11%). This is in line with the findings presented earlier in this chapter; that those with a packaged bank accounts claim were more likely to have the CMC approach them, and the opposite for those with loans claims who were more likely to have approached the CMC themselves. A similar proportion offered the reasons that they were happy with the CMC used (13%), they were not sure where else to look (12%), and that all CMCs are the same in their opinion and saw no reason to look around (11%).

3.14 Slightly fewer respondents were unaware they could have used another CMC (8%) or did not have the time (7%), while 5% of respondents each said they felt it would be too difficult to

compare CMCs, it wasn't important enough for them, or that their chosen CMC was recommended by family or friends, so didn't need to consider others.

**Figure 3.8 Overview of reasons for not considering other CMCs**

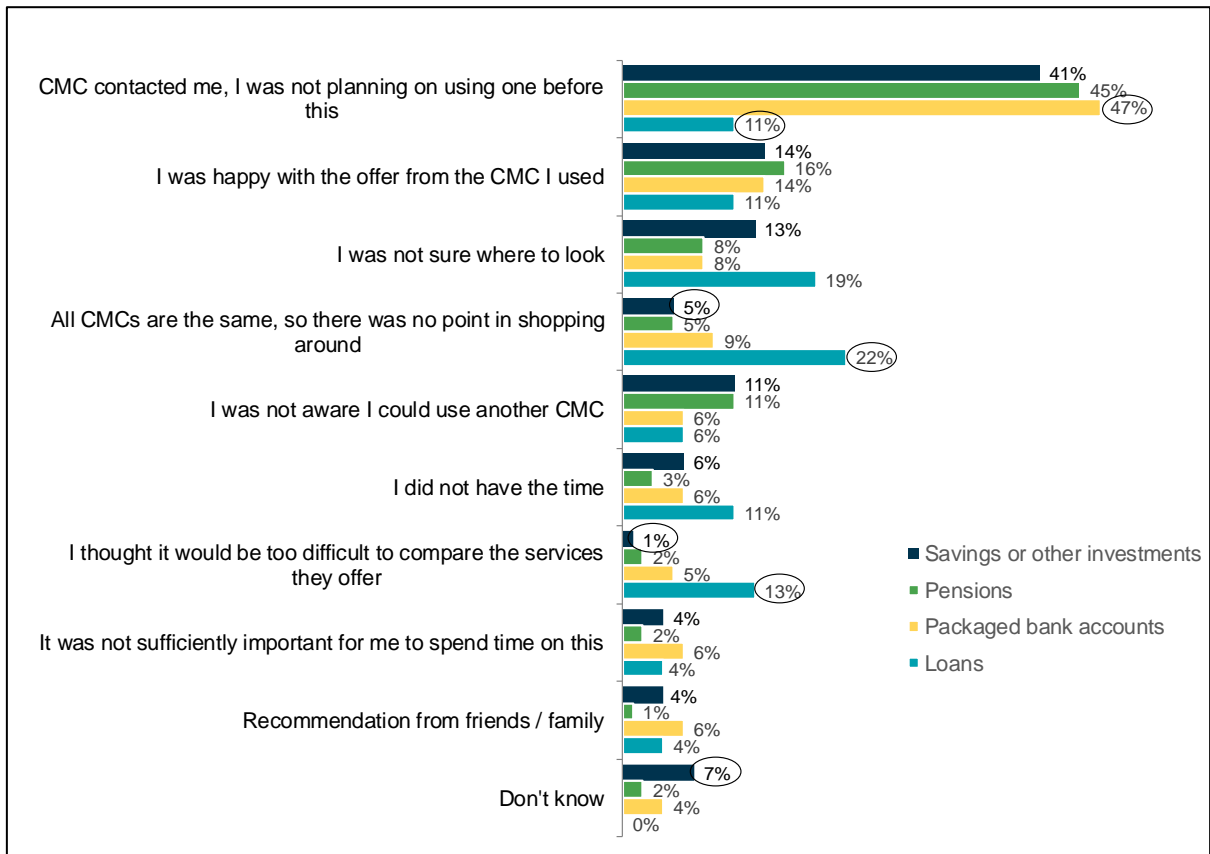


Base: D4: All financial services claims that did not consider other CMCs (503)



3.15 There were a few differences by claim type, which are detailed in figure 3.9. Those with a loans claim were more likely to give the reason that all CMCs are the same so there was no point in shopping around (22%), conversely, those with savings or other investment claims were less likely to give this reason (5%). The same pattern was prevalent in those giving the reason that they thought it would be too difficult to compare the services they offer (13% loans, 1% savings and investments).

**Figure 3.9 Reasons for not considering other CMCs by claim type**



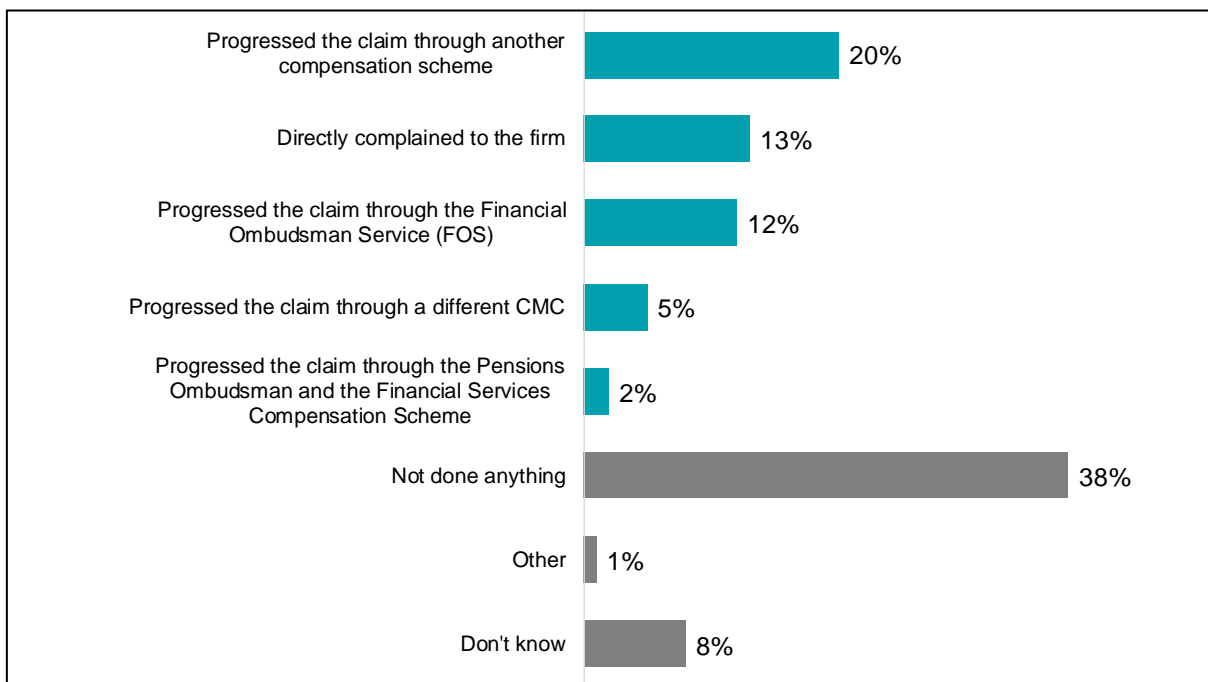
Base: D4: All financial services claims that did not consider other CMCs (503), savings and other investments (191), pensions (130), packaged bank accounts (111), loans (54)

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## 4 Decision to use a CMC

4.1 As shown in Figure 4.1, around half of financial services claimants would have considered an alternative option if their claim had been denied by the CMC they approached (54%) and one in four (38%) would not have done anything. Those who would consider an alternative route were most likely to progress the claim through another compensation scheme (20%), complain directly to the firm (13%) or through the Financial Ombudsman Service (FOS) (12%). Nearly one in ten (8%) said they didn't know what they would have done, indicating they had not thought about alternatives if the CMC had denied their claim. A small number (5%) stated that they would have progressed the claim through a different CMC.<sup>4</sup>

**Figure 4.1 Consideration of alternatives had CMCs declined to progress the claim**



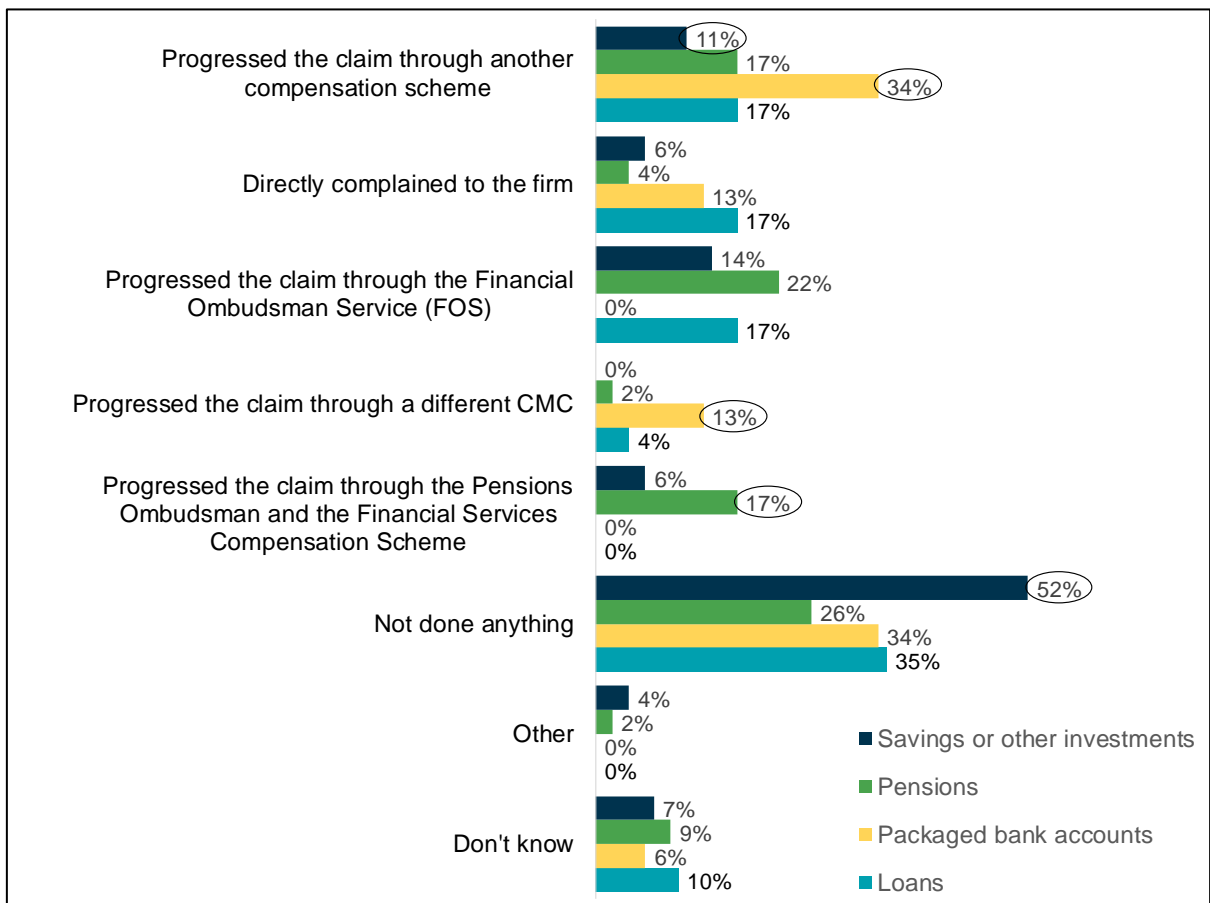
Base: B1: All who approached the CMC (212)

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<sup>4</sup> The question specifically asked if all CMCs approached had declined to progress their claim, so those who gave this response unfortunately misunderstood the question.

4.2 There were a handful of differences by case type; those with savings or investments claims were the most likely to say they would not have done anything if their claim had been denied (52%) and less likely to have progressed the claim through another compensation scheme (11%) and less likely to have progressed the claim through another compensation scheme (11%). Respondents with packaged bank accounts claims were most likely to say they would have progressed the claim through another compensation scheme (34%), and to state that they would have progressed the claim through a different CMC (13%). Those with pensions claims were more likely to state that they would have progressed the claim through the Pensions Ombudsman and the Financial Services Compensation Scheme (17%). This is detailed in Figure 4.2.

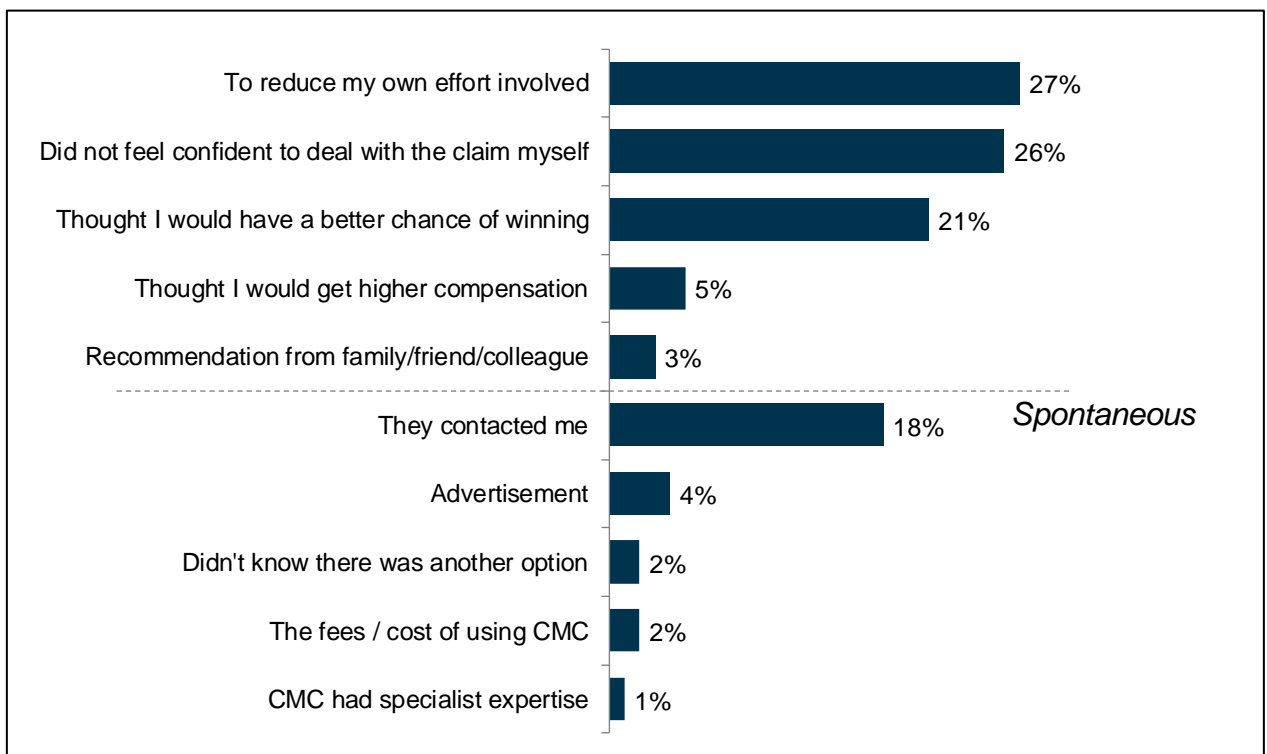
**Figure 4.2 Consideration of alternatives had CMCs declined to progress the claim by claim type**



Base: B1: All who approached the CMC (212), savings or investments (71), pensions (46), packaged bank accounts (32), loans (52)

4.3 In line with other findings that claimants are generally quite reactive in terms of the CMC claims process, a quarter (27%) said that one of the reasons they chose to progress their claim through a CMC was to reduce their own effort involved. In addition to this, one in five (18%) said they chose to use the CMC because they had been contacted by them. Other key reasons given were a lack of confidence in dealing with the claim themselves (26%) and thinking they would have a better chance of winning (21%). A number of other reasons were given by small numbers of respondents, including some spontaneous reasons for choosing to progress their claim through a CMC such as potentially receiving higher compensation (5%) or an advertisement (4%) as shown in Figure 4.3.

**Figure 4.3 Reason for choosing to progress claim through a CMC <sup>5</sup>**

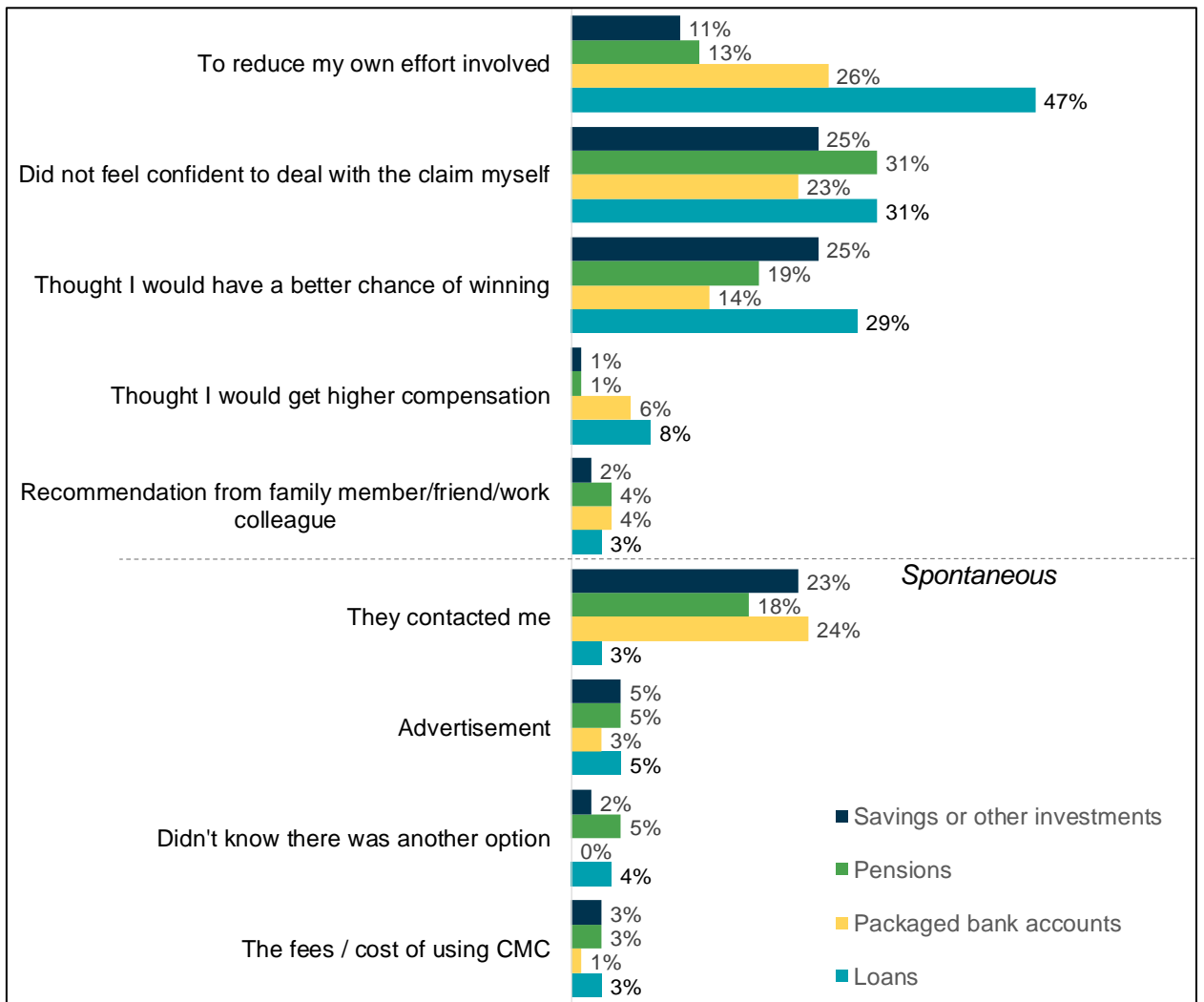


Base: C2: All respondents (599)

4.4 As Figure 4.4 details, those with savings or investment claims were more likely to state that they chose to progress a claim through a CMC because the CMC contacted them (23%). While the most common reason this group stated was because they thought they would have a better chance of winning (25%). Those with packaged bank accounts claims were also more likely to state that they chose their CMC because the CMC contacted them (24%), however, they were less likely to have chosen the CMC because they had a better chance of winning (14%). Those with loans claims (47%) were particularly likely to say that reducing their own effort was the key reason for using a CMC. Other groups who gave this as a reason were younger claimants (43% of those aged 25-34 and 36% of those aged 35-54) and employed people (34%).

<sup>5</sup> The responses below the dotted line and 'spontaneous' header indicate where responses were not presented to respondents but mentioned unprompted by them.

**Figure 4.4 Reason for choosing to progress claim through a CMC by claim type<sup>6</sup>**

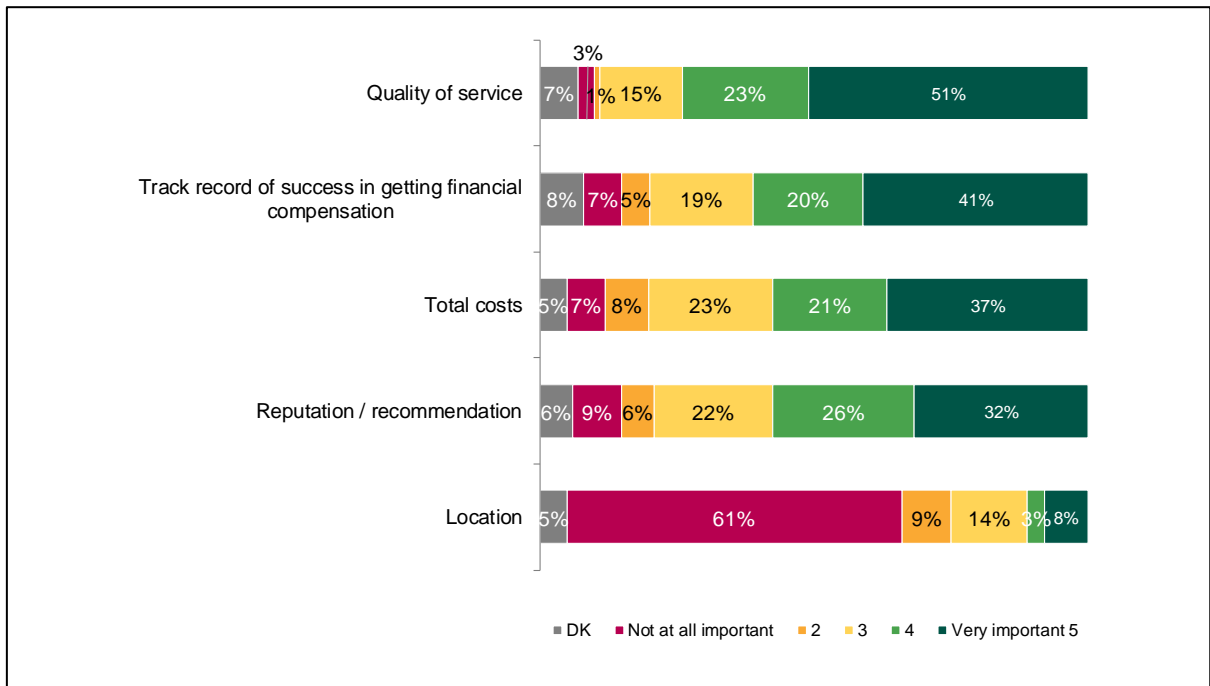


Base: C2/C3: All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

<sup>6</sup> Figures calculated using single response of those that gave one reason at question C2 'Why did you choose to progress the claim through a CMC?' and, for those that gave more than one response at C2, using their response to C3 'Which of these would you say was the main reason you chose to progress the claim through a CMC?'

4.5 As shown in Figure 4.5, quality of service was the most important factor to respondents when choosing a CMC. Three quarters (73%) of respondents who had contacted the CMC first said this was important to them. Other factors respondents were asked to rate for their importance was a track record of success in winning compensation (61%), total costs (58%) and reputation or a recommendation (57%). When asked about the importance of location as a factor, only one in ten respondents reported this as being important to them (11%).

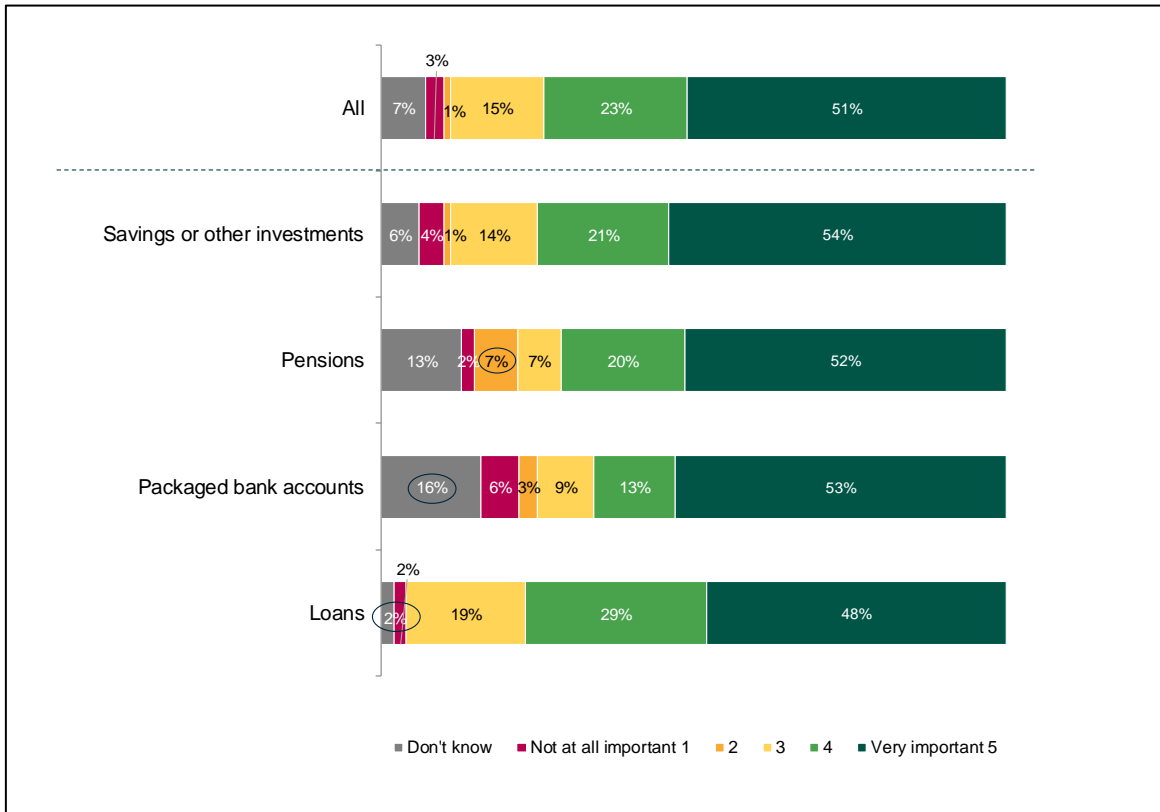
**Figure 4.5 Overview of importance of factors considered when choosing a CMC**



Base: D7 All who contacted CMC first (212)

4.6 There were very few differences by claim type with regards to importance of quality of service. Those with packaged bank accounts claims were more likely to not know how important they perceived quality of service (16%). Quality of service was particularly important to those aged 65 or over (81%) and those who feel financial issues are best left to the experts (89%).

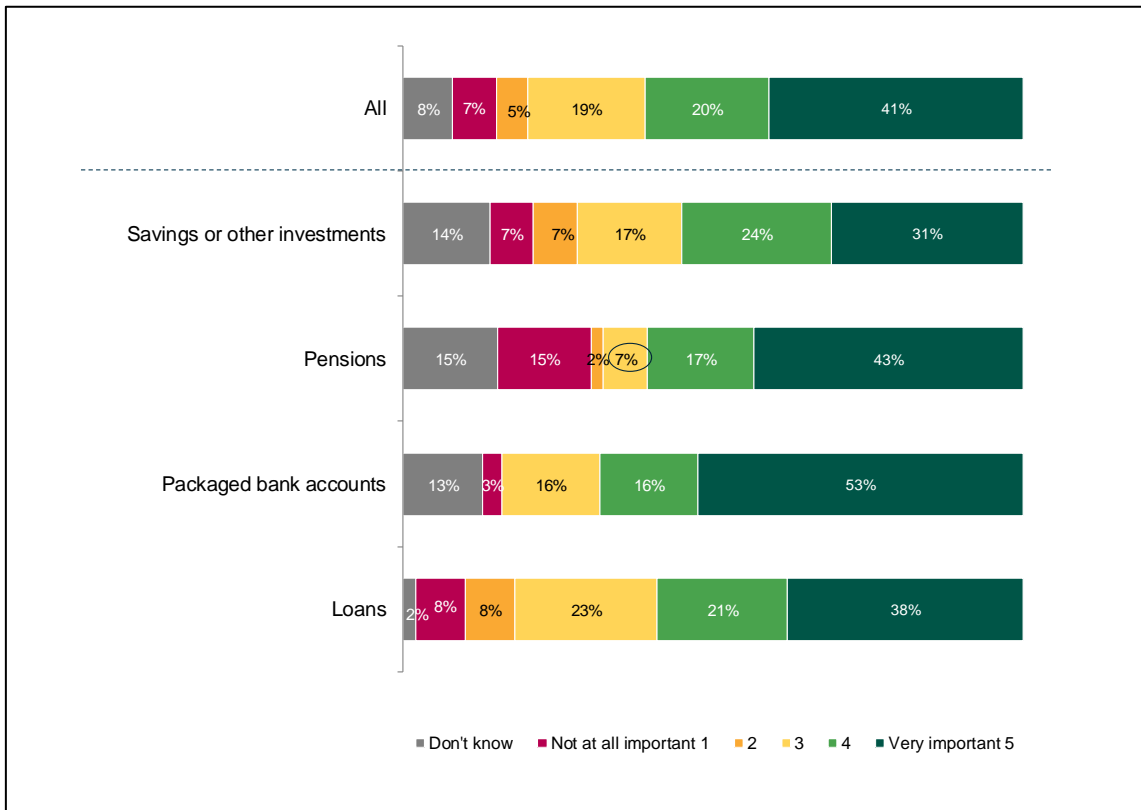
**Figure 4.6 Factors considered when choosing a CMC: Quality of service**



Base: D7 All who contacted CMC first (212), Savings or other investments (71), Pensions (46), Packaged bank accounts (32), Loans (52)

4.7 Similarly, importance of track record of success in getting financial compensation was consistent factor across claim types.

**Figure 4.7 Factors when choosing a CMC: Track record of success in getting financial compensation**

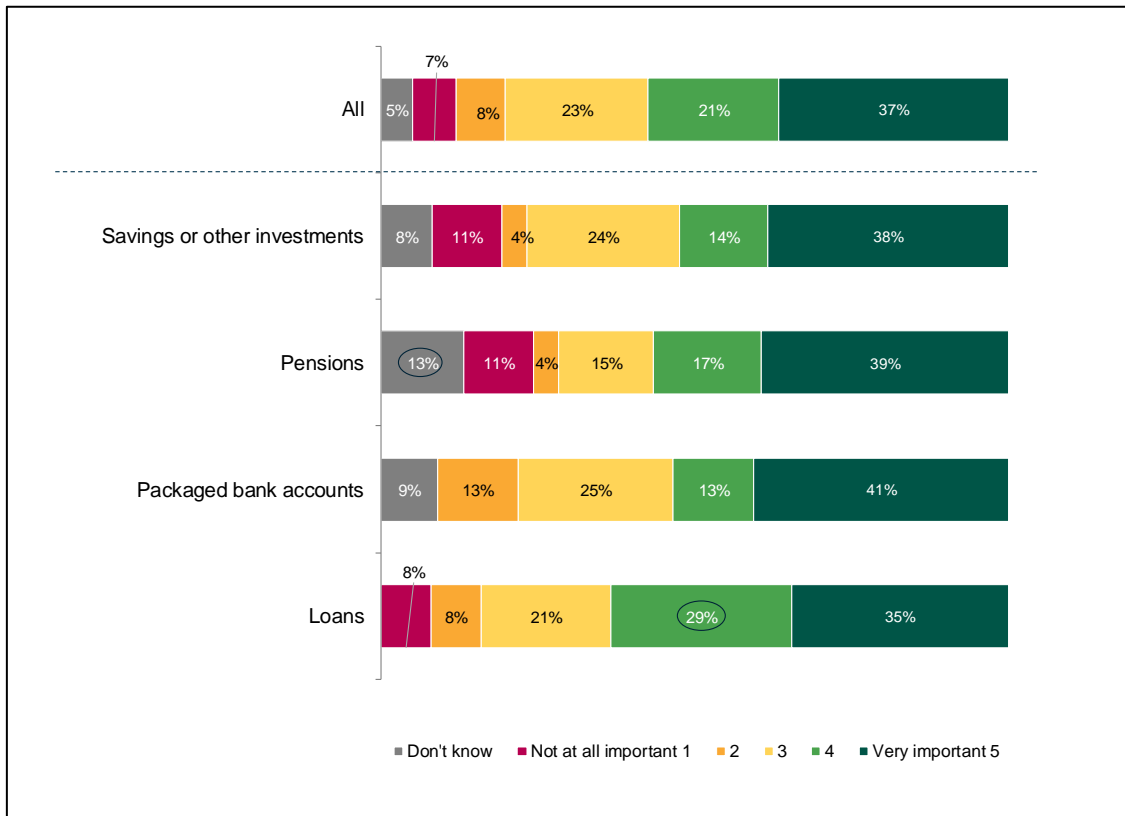


Base: D7 All who contacted CMC first (212), Savings or other investments (71), Pensions (46), Packaged bank accounts (32), Loans (52)



4.8 Total cost was ranked the third most important of the factors considered when choosing a CMC, and again, this varied very little by claim type. Customers with pension claims were more unsure about how important they perceived total cost to be, with 13% saying they didn't know.

**Figure 4.8 Factors when choosing a CMC: Total costs**



Base: D7 All who contacted CMC first (212), Savings or other investments (71), Pensions (46), Packaged bank accounts (32), Loans (52)

4.9 Over half (57%) of all respondents perceived reputation / recommendation as important when choosing a CMC. This was fairly consistent across claim types, though those with pensions claims were more likely to feel that this was not at all important (20%).

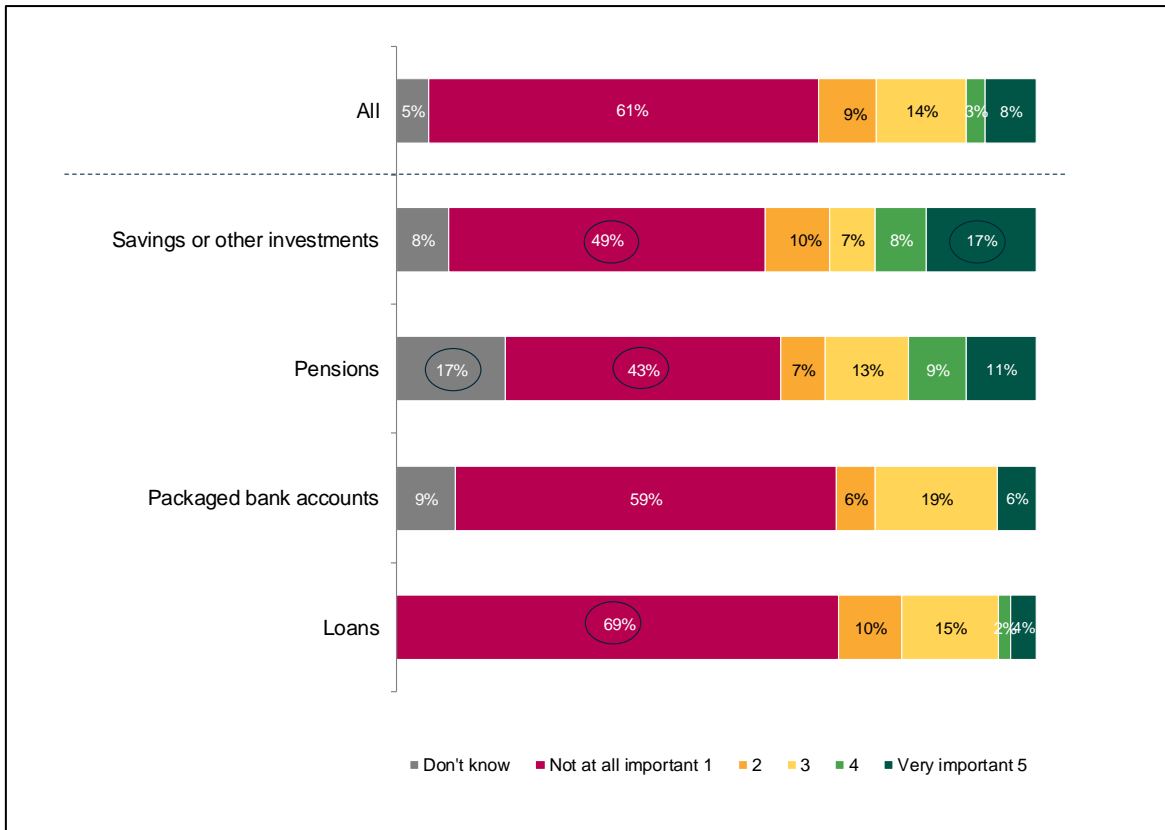
**Figure 4.9 Factors when choosing a CMC: Reputation / recommendation**



Base: D7 All who contacted CMC first (212), Savings or other investments (71), Pensions (46), Packaged bank accounts (32), Loans (52)

4.10 Location of CMC was the least important factor considered with only one in ten (11%) perceiving it to be important, however this increased among savings or other investments (25%) and pensions related claims (20%). Both of these claims types were less likely to perceive that location was not at all important (49% and 43% respectively). Those with loans claims were most likely to feel that location was not at all important (69%).

**Figure 4.10 Factors when choosing a CMC: Location**



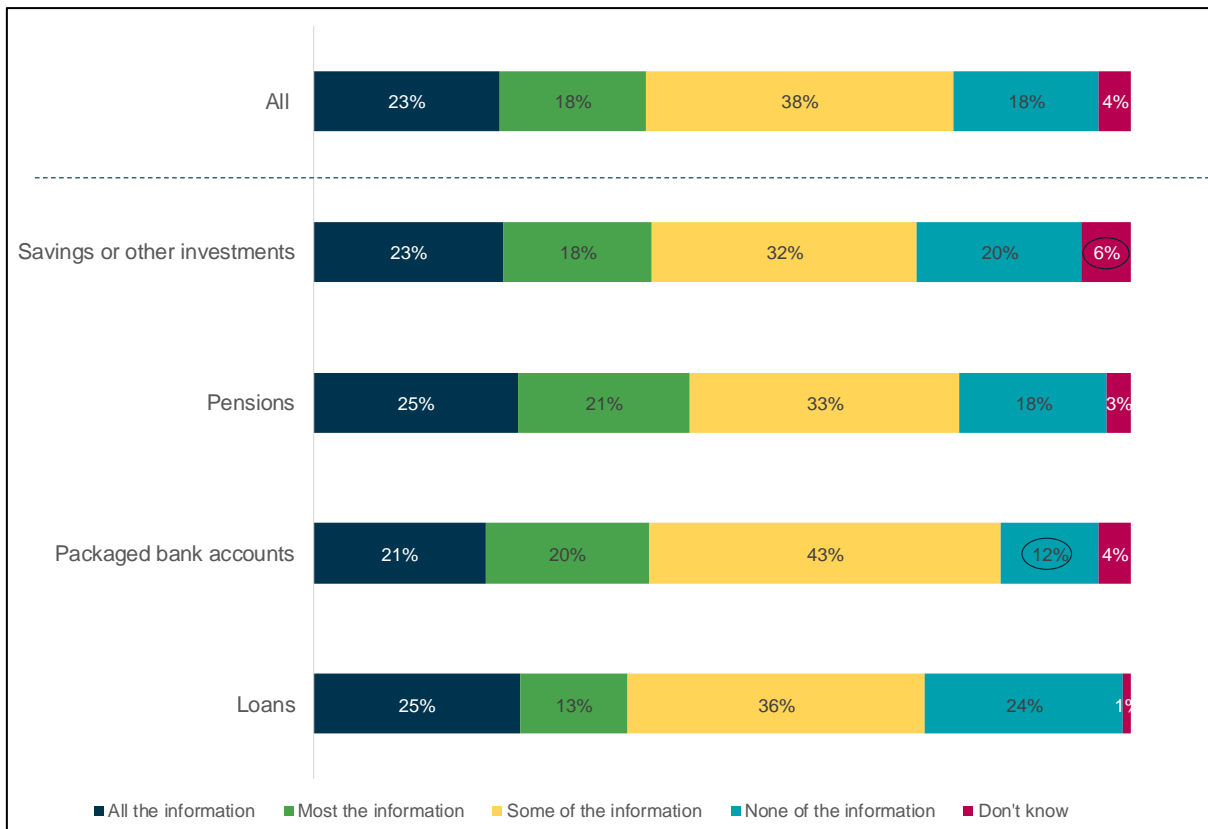
Base: D7 All who contacted CMC first (212), Savings or other investments (71), Pensions (46), Packaged bank accounts (32), Loans (52)

4.11 Whether respondents felt they had enough information to inform their decision to use a CMC is an important factor to consider when looking at the overall experience of the claims process. As shown in Figure 4.11, over half of financial services claimants (56%) felt they only had some or none of the information they needed and four in ten (41%) felt they had most or all of the information they needed. There were very few differences by claim type, with the exception that those with packaged bank accounts claims were less likely to feel they had none of the information (12%).

4.12 Some groups were more likely to feel that they only had some or none of the information they needed to inform their decision:

- Those who did not consider other CMCs (56%)
- Employed respondents (60%)
- Those who rely on advice of financial advisers (66%)

**Figure 4.11 Whether had enough information to inform decision to use a CMC**



Base: C5 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

## 5 The claims process

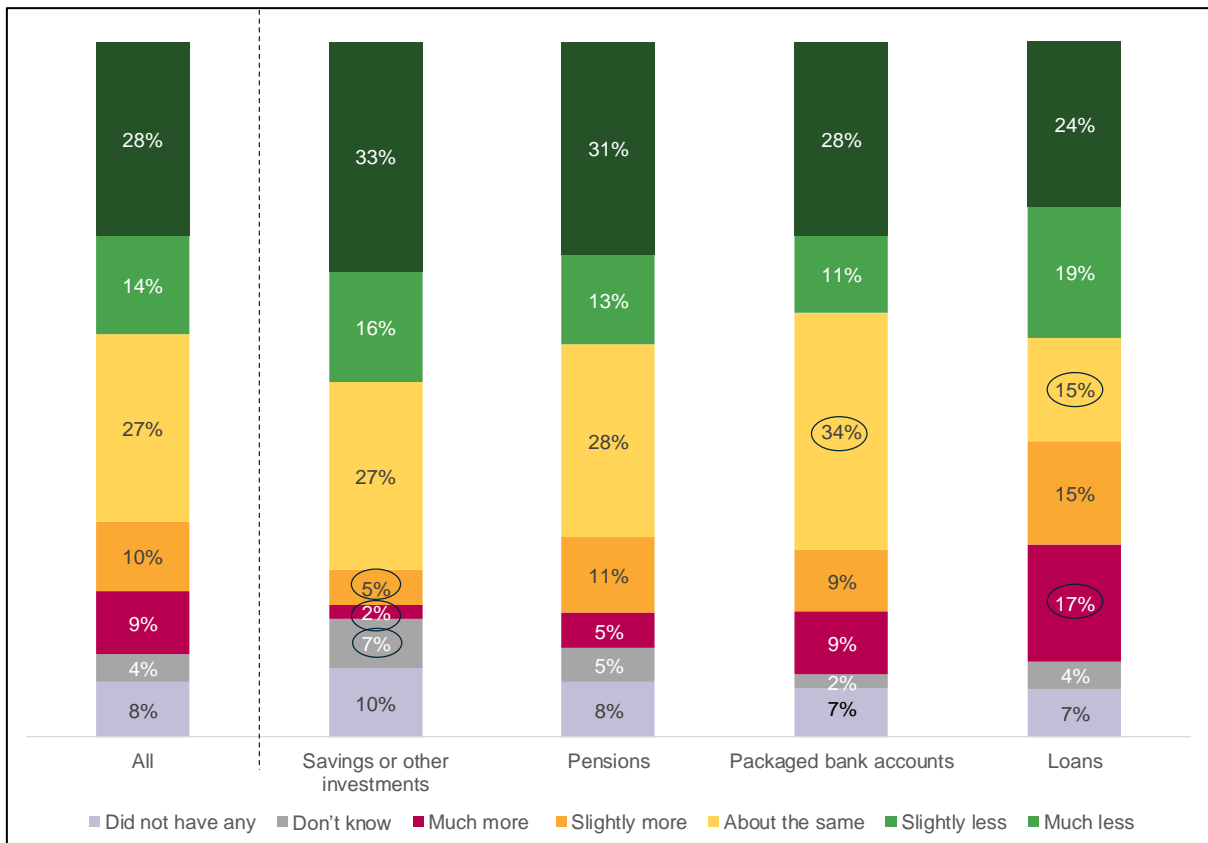
5.1 It was important to understand how claimants perceive the claims process and whether there are any steps of the process which are a burden or a deterrent to pursuing alternative claim options.

### Paperwork involved in the claim

5.2 One aspect of the claims process is completing paperwork relating to the claim. Respondents were asked to think about the paperwork involved with their claim and whether they had to do more or less of the paperwork themselves than they had expected. As shown in Figure 5.1, a quarter (27%) felt the level of paperwork they had to do was as expected and a similar proportion (28%) felt it was much less.

5.3 There were a couple of differences by claim type; those with packaged bank accounts claims were more likely to have had to do the same amount of paperwork as expected (34%), but the opposite was true of those with loans claims (15%). Those with loans claims were more likely to have done more paperwork than expected (32%; 17% much more and 15% slightly more).

**Figure 5.1 Amount of paperwork completed by claimant**

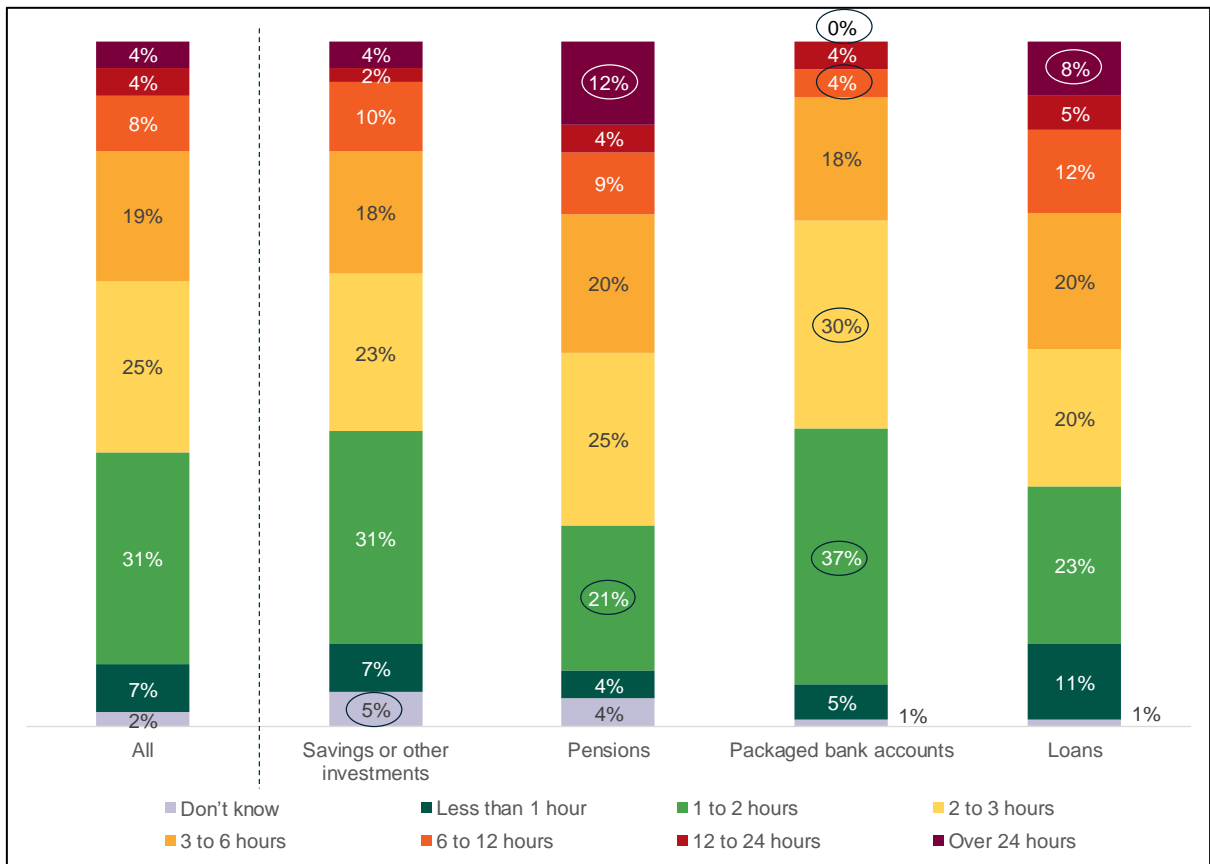


Base: B2 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

5.4 Most commonly, respondents spent between 2 and 6 hours dealing with their CMC (44%), with a similar proportion spending less than 2 hours dealing with their CMC. Only a minority (4%) spent more than 24 hours dealing with their CMC.

5.5 Generally, time spent dealing with CMC was consistent by claim type, with a couple of exceptions. Those with a pensions claim were more likely to spend over 24 hours dealing with their CMC (12%), as were those with loans claims (8%). Those with packaged bank account claims were more likely to spend less time dealing with their CMC (37% 1-2 hours and 30% 2 to 3 hours).

**Figure 5.2 Amount of time spent dealing with claim and CMC**

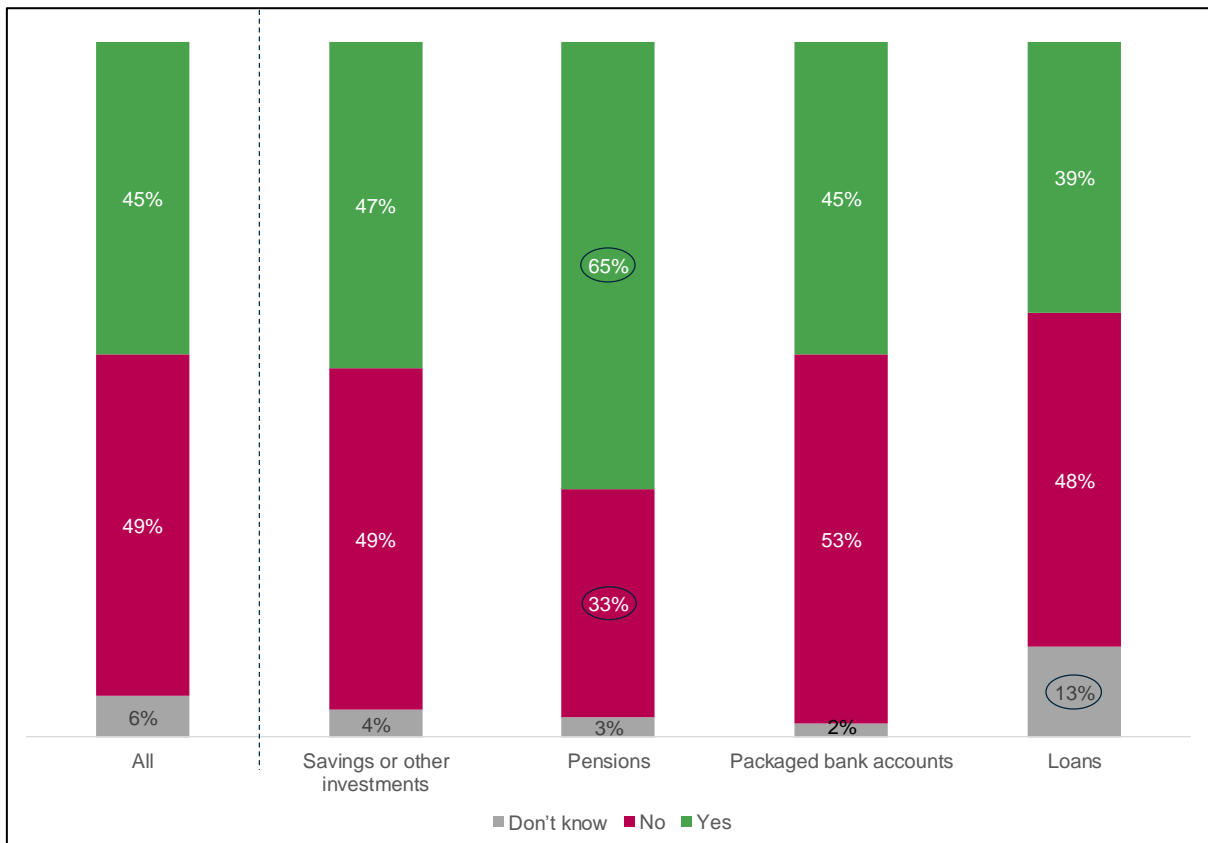


Base: C6 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

## Success of claims

5.6 Less than half of those who complained were successful and received compensation (45%), whereas around half (49%) said they did not receive any compensation. A small minority of respondents (6%) said they didn't know if they had received any compensation. Those with a pensions claim were most likely to have received compensation (65%) and those with loans claims were less likely to know whether they had received any (13%).

**Figure 5.3 Whether received any compensation for the issue complained about**



Base: B4 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

5.7 As shown in Figure 5.4, among those who were successful, three quarters (73%) received less than £5,000. Receiving less than £500 rose to a third (32%) among claims related to packaged bank accounts. Pensions related claims were more prevalent among those receiving larger amounts of compensation (61% of pensions claims received compensation between £10,000 and £100,000).

**Figure 5.4 Amount of compensation received**

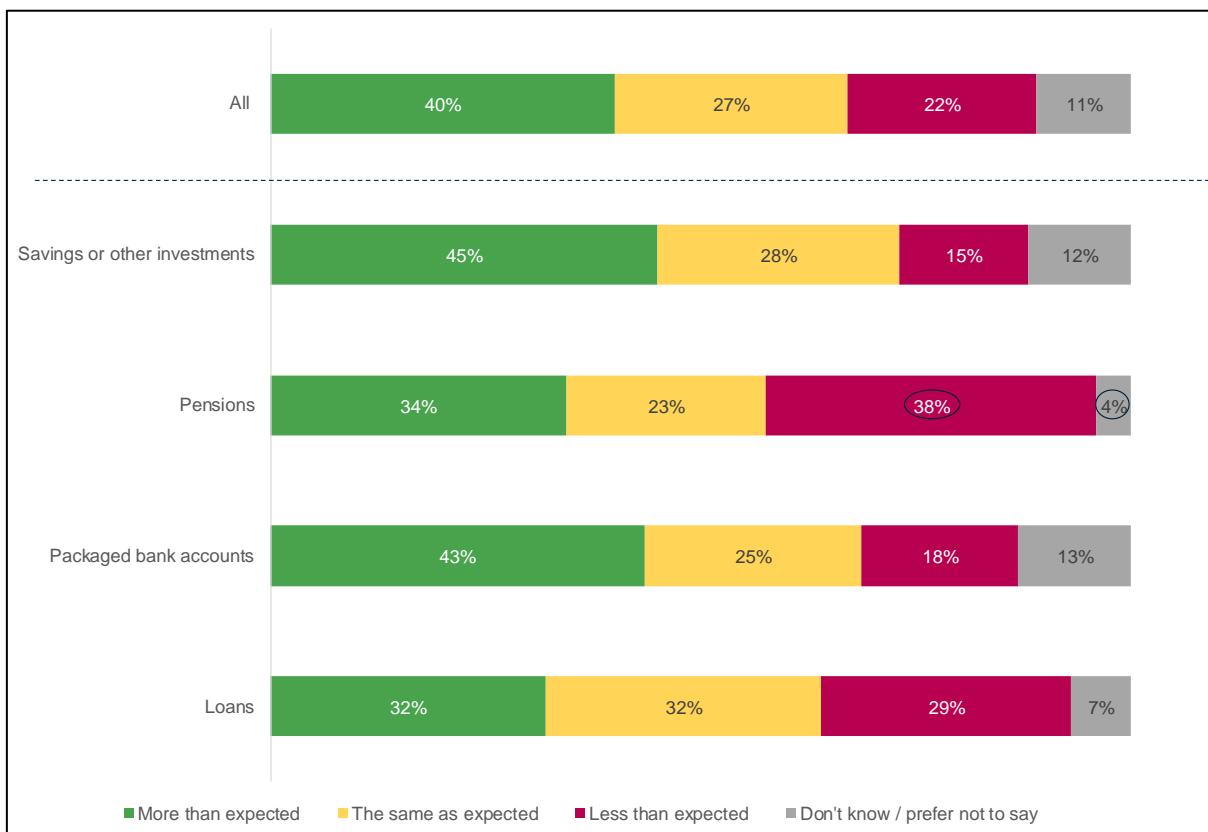


Base: B5 All who received compensation (306), Savings or other investments (97), Pensions (103), Packaged bank accounts (62), Loans (29)



- 5.8 Among those who knew how much compensation they had received, four in ten (40%) reported that this was more than they had expected. A quarter of respondents (27%) felt that the amount of compensation they received was in line with their expectations, however over a fifth (22%) said they received less compensation than they would have expected.
- 5.9 Although, as previously mentioned, pensions claims received the most compensation, expectations were also highest among pensions claimants and nearly four in ten (38%) of these felt that they received less compensation than they had expected.
- 5.10 Financial confidence was also a factor in whether achieved compensation was in line with expectations. Around half of both those who feel that financial issues are best left to the experts (48%) and those who rely on the advice of financial advisers (48%) reported that they received more compensation than they had expected, compared to less than a third of those who feel they have a good level of financial understanding (32%). Similarly, only one in ten (12%) of those who have very low levels of financial confidence said they received less than expected, significantly lower than those with greater confidence and understanding of financial issues.

**Figure 5.5 Whether amount of compensation received was as expected**

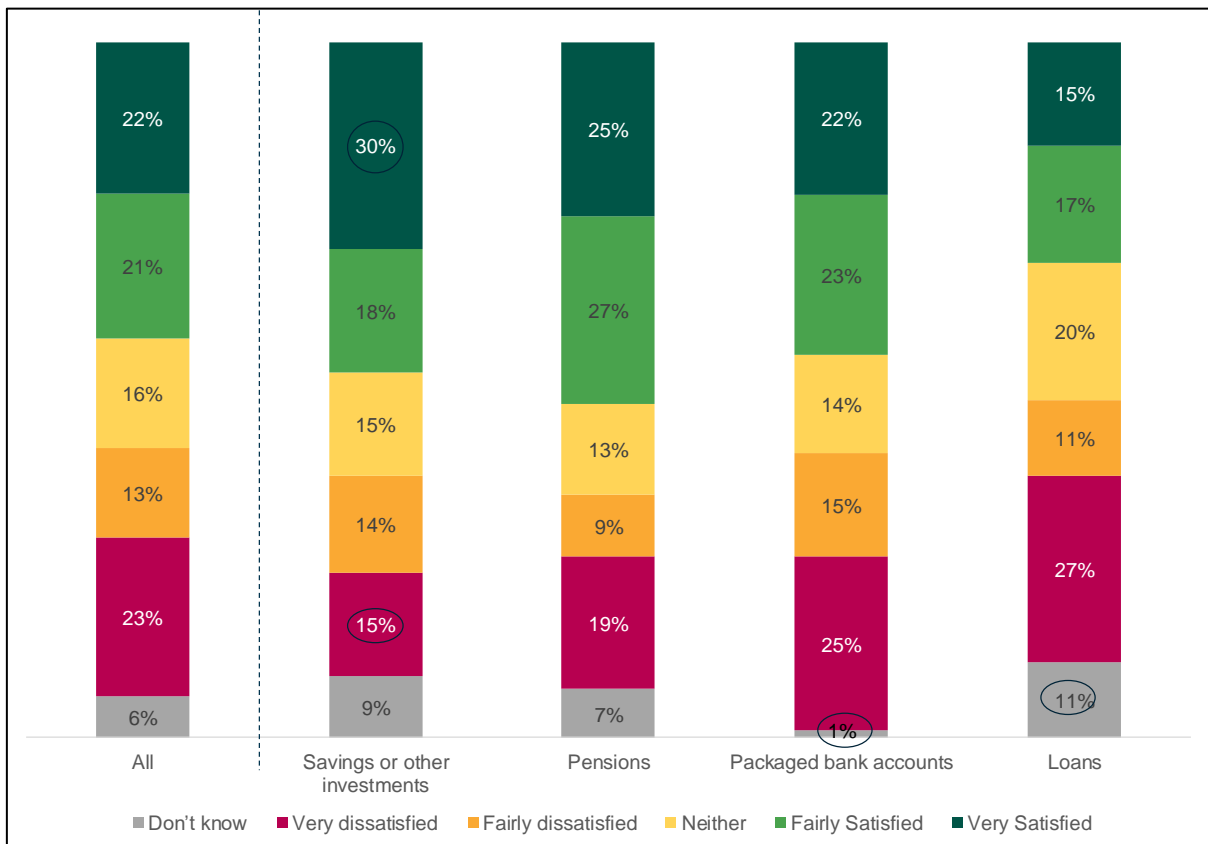


Base: B6 All who received compensation and knew the amount (292), Savings or other investments (92), Pensions (99), Packaged bank accounts (60), Loans (28)

5.11 As shown in figure 5.6, more than four in ten (42%) were satisfied with the outcome of their claim compared to around a third (36%) who were dissatisfied. It is worth noting that satisfaction was linked closely to the claim outcome with satisfaction increasing to 76% among those who received compensation and among those who did not receive compensation, around two thirds (59%) said they were dissatisfied.

5.12 Respondents with pensions claims were more likely to be satisfied with the outcome (52%), and those with loans claims were less likely to be satisfied (32%). At a more granular level, as shown in figure 5.6, those with a savings or other investment claim were more likely to be very satisfied with the outcome of their claim (30%).

**Figure 5.6 Satisfaction with outcome of claim**

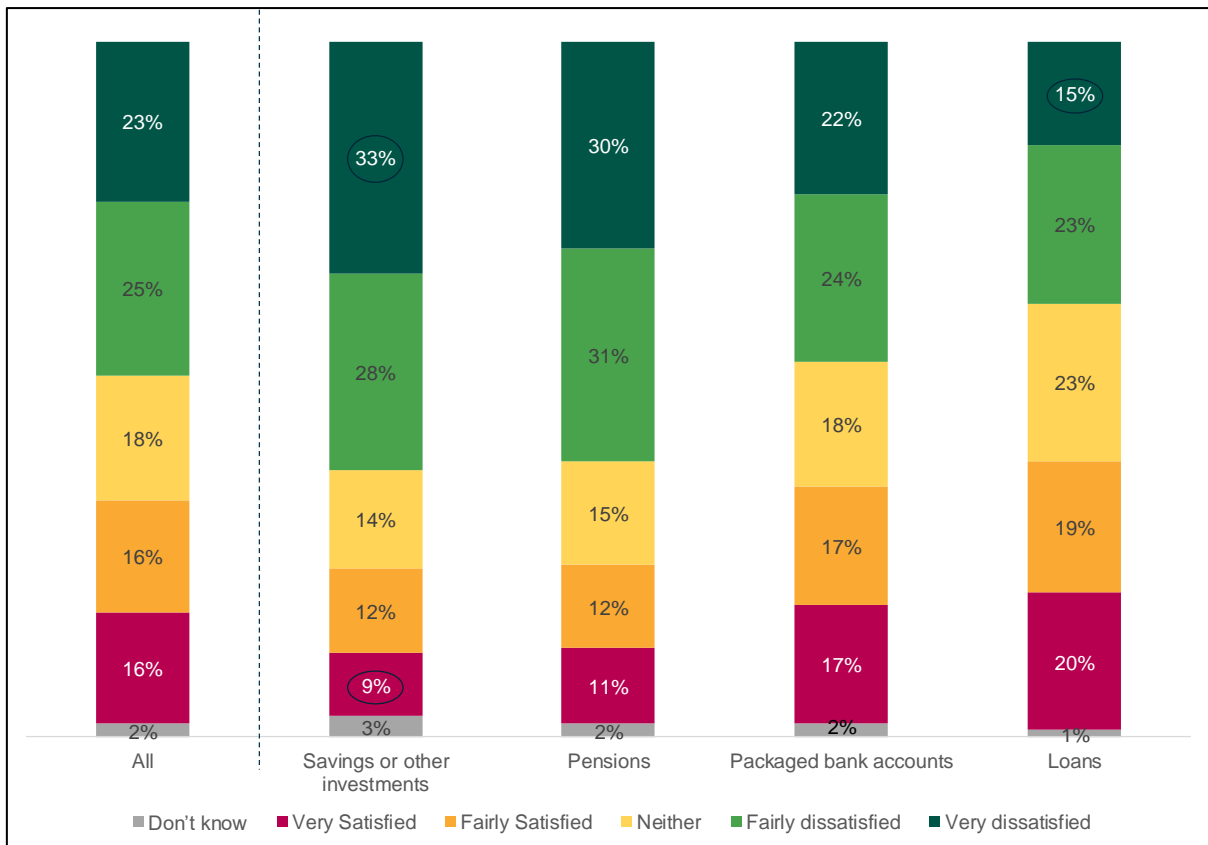


Base: B7 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

5.13 Half of those who made a claim were satisfied with the process (48%) and a third (31%) were dissatisfied, as shown in figure 5.7. As with satisfaction with the outcome of a claim, this was closely linked to whether a claim was successful or not, satisfaction rose to 71% among those who received compensation and among those who did not receive compensation, nearly half (45%) were dissatisfied. Older claimants were also more likely to be satisfied with the claims process (61% of those 65 years old and above) than younger respondents (45% of 18 to 64 year olds), as were those who are less confident with financial issues and feel that issues are best left to the experts (58%).

5.14 With regards to claim type, patterns of satisfaction with the process were similar to satisfaction with outcome. Those with savings or other investment claims or pensions claims were more likely to be satisfied (61% and 60% respectively). Whereas, those with loans claims were less likely to be satisfied (37%). Further detail is shown in figure 5.7.

**Figure 5.7 Satisfaction with the claims process**



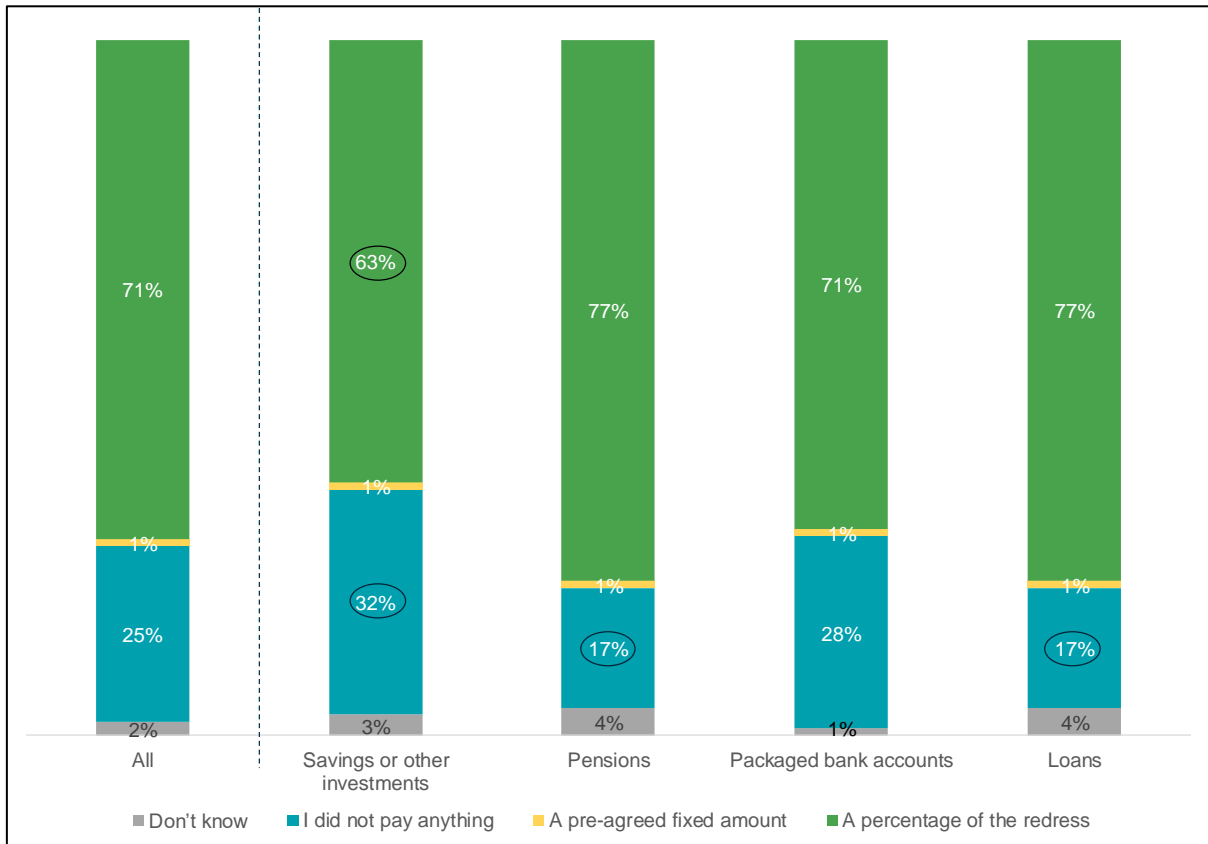
Base: B3 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

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## Payment for CMC services

- 5.15 The most common method of payment for CMC services was through a percentage of the redress (71%) which when looking solely at those who recall having paid, increases to nearly all (98%) of claimants. A very small number (1%) reported they had paid a pre-agreed amount and a quarter (25%) said they hadn't paid anything. Among those who did not receive any compensation, those who did not pay anything increased to around half of respondents (49%). It is also worth considering that due to an overall low level of engagement with the process, there may be some respondents who had in fact paid a percentage of the redress but were not aware that this payment had been taken by the CMC from the compensation they were awarded. In particular, those who were retired were the most likely to say they had not paid anything (33%), and those who were employed were the most likely to say that they had paid a fee (76%).
- 5.16 However, half (50%) of claimants who did not receive compensation stated they paid a percentage of the redress, demonstrating a level of misunderstanding. There appears to be an overall low level of engagement with the process. There may also be some respondents who had paid a percentage of the redress but were not aware that this payment had been taken by the CMC from the compensation they were awarded.
- 5.17 Those with savings and other investment claims were less likely to pay a percentage of the redress (63%) and more likely to have not paid anything (32%). Contrastingly, those with pension claims and loans claims were less likely to have paid nothing (both 17%). This could be linked to the outcome of their claim, as those with pensions claims were more likely to have received compensation and those with loans claims were more likely to not know whether or not they received compensation.

**Figure 5.8 Figure 5.1 Payment method for CMC service**

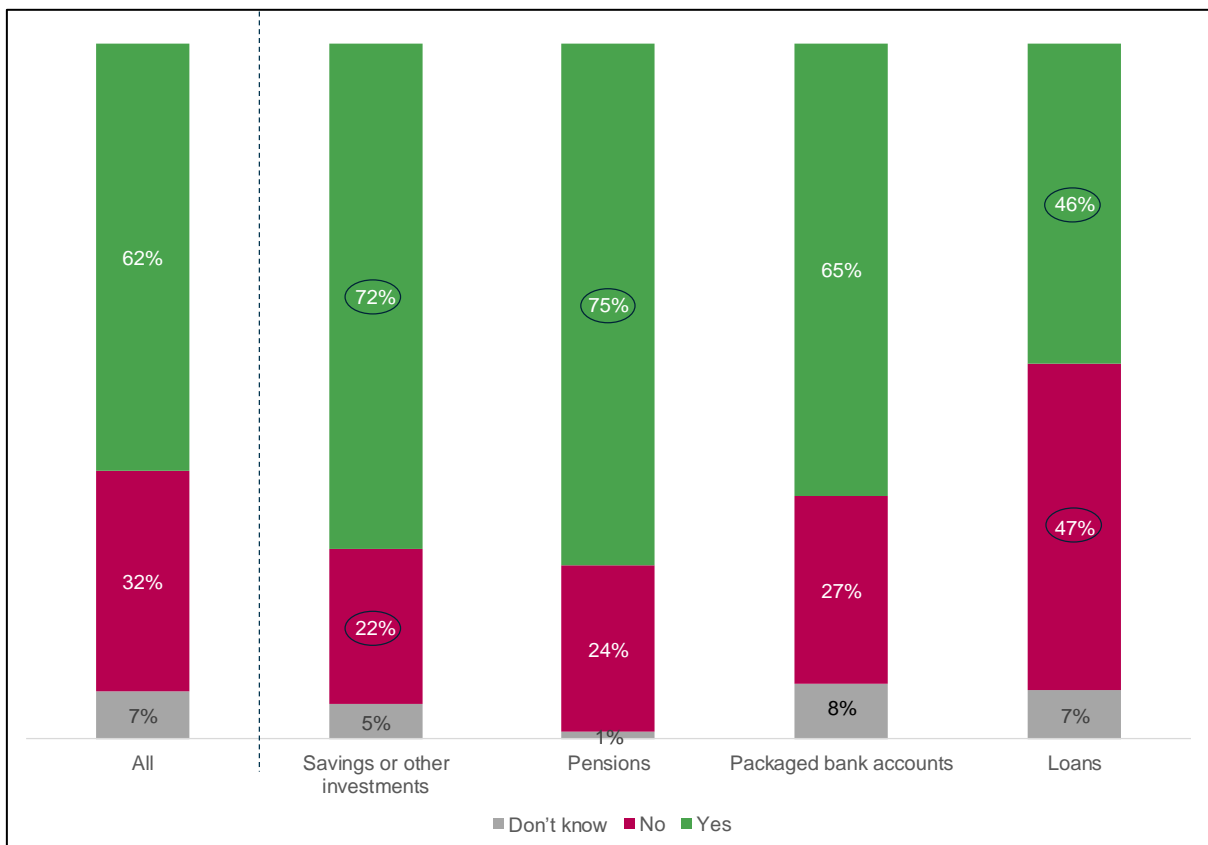


Base: D8a All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)

5.18 Just over six in ten (62%) claimants stated that they knew outright what fee they would be charged, with a further three in ten (32%) stating that they did not know outright what fee they would be charged. Those with savings or other investments and pensions claims were more likely to know what they would be charged outright (72% and 75% respectively), whereas those with loans claims were less likely (46%).

5.19 Claimants aged 65 and over were also more likely to know what they would be charged outright (71%) and so were retired claimants (also 71%). Those who received compensation were more likely to know outright what fee they would be charged as well (66%).

**Figure 5.9 Whether claimants knew what fee they would be charged**



Base: D8 All who paid (435), Savings or other investments (134), Pensions (126), Packaged bank accounts (99), Loans (59)

5.20 Nearly half of respondents who paid for their CMC service (46%) said they paid the same as expected. Around a quarter said they paid more than expected (26%) and a small proportion (6%) said they paid less than expected. Notably, a further quarter (22%) said they didn't know if they had paid more or less than they had expected, indicating that they hadn't necessarily engaged with the process far enough to consider what they would pay in the event of a successful outcome. This was particularly prevalent among loans claims (32%), those who had initially contacted the CMC (26%) and those who did not receive compensation (45%).

**Figure 5.10 Whether payment for CMC service was as expected**



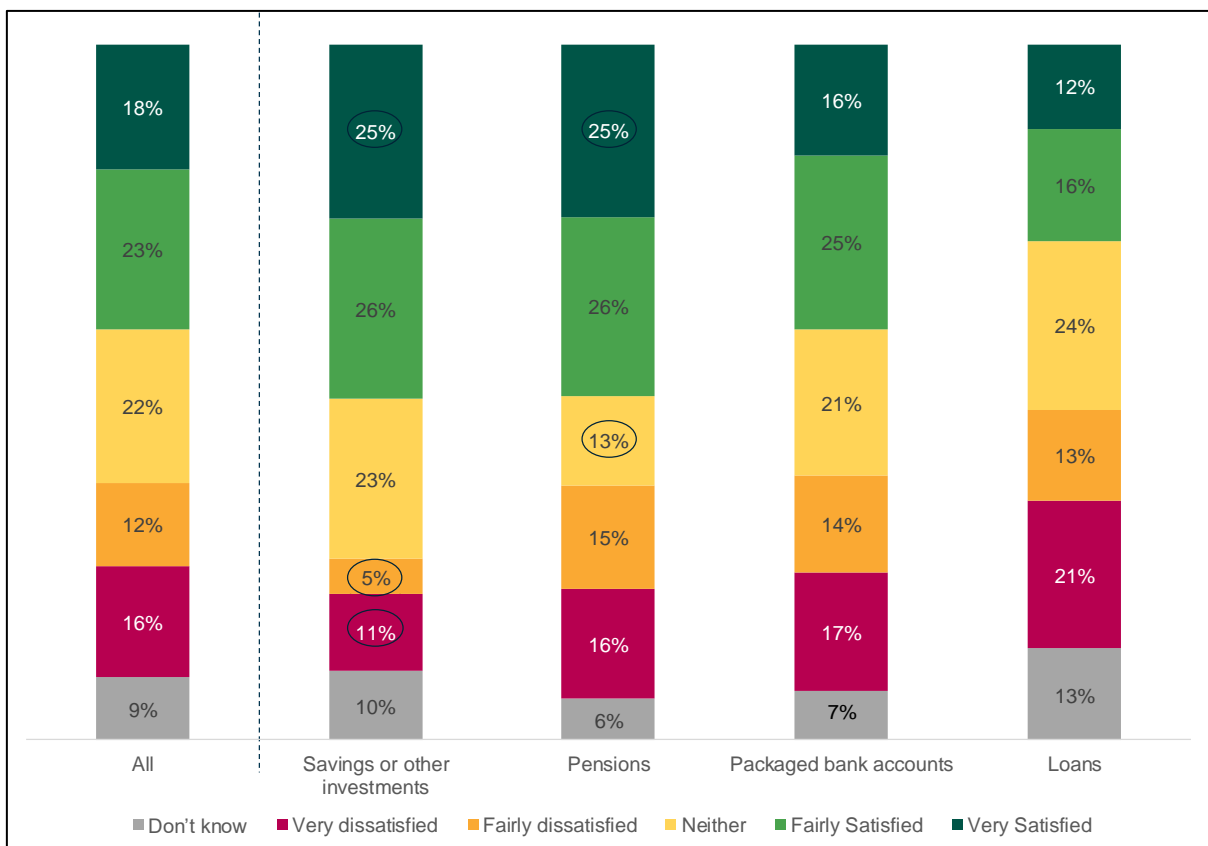
Base: D9 All who paid (441), Savings or other investments (136), Pensions (129), Packaged bank accounts (100), Loans (59)

## Value for money

5.21 As shown in figure 5.11, around four in ten (41%) respondents were satisfied that the CMC offered value for money and a third (28%) were dissatisfied. One in ten (9%), gave a 'Don't know' response, again indicating a lack of engagement with the claims process. Claimants with savings or investments or pensions claims were more likely to be satisfied (51% and 50% respectively).

5.22 Satisfaction levels with the value for money offered by a CMC was significantly higher among those aged 65 or over (56%), those who received compensation (60%), who received more or the same amount of compensation as they expected (69% and 77% respectively) and those with lower levels of financial confidence (51%). Some groups were more likely to be dissatisfied that their CMC offered value for money including those who are employed (32%) and those who considered other CMCs (47%).

**Figure 5.11 Satisfaction with value for money offered by CMC**



Base: D10 All financial services claims (599), Savings or other investments (205), Pensions (159), Packaged bank accounts (139), Loans (75)



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## 6 Conclusion

- 6.1 Over half (54%) of those progressing financial services claims were contacted by their CMC, rather than proactively seeking out the service. This suggests that CMCs are prompting claimants to progress claims that they otherwise may not have made. This is the case with the majority of financial services claim types. Amongst those progressing packaged bank accounts claims, the proportion of claimants who were contacted was as high as 71%, and 64% for pensions claims and savings and investment claims. The exception to this is those progressing loans claims, as 69% of these approached the CMC themselves.
- 6.2 Very few respondents shopped around CMCs or considered alternatives: of those who approached CMCs themselves, there was a reasonable proportion who said they would not have done anything if their claim had been denied by the CMC (38%); some said they would have progressed their claim through another compensation scheme (20%), directly complained to the firm (13%) or progressed their claim through the Financial Ombudsman Service (12%). However, even those who would not have done anything (38%) still had some awareness of alternatives out there. Four in ten (40%) of those who would not have done anything were aware they could have made their claim to another complaint service and over half (53%) were aware they could have complained directly to the firm.
- 6.3 Almost four in ten (38% of all) respondents were aware they could have made a claim to another complaint service and 50% were aware they could have made the claim directly to the firm. However, this still leaves a substantial proportion of those progressing financial services claims not fully understanding their options, potentially due to CMCs approaching them first and them assuming this is the best or only option.
- 6.4 Key reasons given for progressing a claim through a CMC were driven by the claimants themselves, such as reducing their own effort involved (23%) and not feeling confident to progress the claim themselves (18%). Another key reason given is in line with other findings throughout the report, that the CMC approached them (18%).
- 6.5 Just under half (45%) had a successful claim which then resulted in compensation, and this unsurprisingly appears to be linked to satisfaction with outcome of claim and claims process. More generally, satisfaction with outcome of claim and claims process was mixed, with just under half satisfied with each (43% and 48% respectively).
- 6.6 Findings were mixed with regards to payments and value for money cited by claimants; the majority paid for the service from their CMC as a percentage of a redress (71%). Of those who paid for their service, just over a quarter (26%) stated they paid more than they expected. Similarly, a significant proportion were dissatisfied with the value for money offered by their CMC (28%). Having said this, there were other claimants who had positive experiences, with 41% of all respondents satisfied with the value for money - this was more often the case with those who had received compensation (60%).

## 7 Demographic profile

7.1 Respondents rated their own financial knowledge and understanding, and this varied across respondents. Almost a third (31%) felt that they had a reasonable knowledge and understanding of financial products/savings, though a similar proportion felt that financial issues are best left to the experts (29%). Further breakdown is shown by claim type in table 7.1.

**Table 7.1 Knowledge and understanding of financial products and services**

	Total	Savings or investments	Pensions	Packaged bank accounts	Loans
<b>Base</b>	<b>599</b>	<b>205</b>	<b>159</b>	<b>139</b>	<b>75</b>
Financial issues are best left to the experts	<b>29%</b>	32%	*39%	24%	31%
I generally rely on the advice of financial advisors, friends or relatives about which	<b>26%</b>	24%	*38%	29%	20%
I have a reasonable knowledge and understanding of financial products/services	<b>31%</b>	35%	*17%	32%	29%
I have a very good knowledge and understanding of financial products/services	<b>9%</b>	*5%	*1%	6%	*19%
Don't know	<b>5%</b>	3%	5%	*9%	1%

\*Asterisk denotes the finding is significantly different from the total

7.2 Just over half (52%) of respondents were employed, either full or part time, with a further 11% self-employed. Around a quarter (27%) were retired and a small proportion had other employment statuses, these are broken down in table 7.2.

**Table 7.2 Employment status**

	Total	Savings or investments	Pensions	Packaged bank accounts	Loans
<b>Base</b>	<b>599</b>	<b>205</b>	<b>159</b>	<b>139</b>	<b>75</b>
Full-time employed (30 hours or more per week)	<b>44%</b>	*11%	52%	46%	*71%
Part-time employed (less than 30 hours per week)	<b>8%</b>	10%	8%	7%	8%
Self-employed	<b>11%</b>	7%	11%	*15%	7%
Retired	<b>27%</b>	*69%	*16%	*19%	*4%
Unemployed and looking for work	<b>2%</b>	*0%	3%	1%	*5%
Unable to work due to ill health or disability	<b>3%</b>	*0%	*6%	4%	3%
Caring for someone full time	<b>3%</b>	1%	2%	*4%	1%
Other	<b>*0%</b>	0%	*2%	0%	0%
Rather not say	<b>2%</b>	0%	0%	3%	1%

*\*Asterisk denotes the finding is significantly different from the total*

7.3 Respondents were a variety of ages, this is detailed in table 7.3.

**Table 7.3 Age**

	<b>Total</b>	<b>Savings or investments</b>	<b>Pensions</b>	<b>Packaged bank accounts</b>	<b>Loans</b>
<b>Base</b>	<b>599</b>	<b>205</b>	<b>159</b>	<b>139</b>	<b>75</b>
18-24	<b>0%</b>	0%	0%	1%	0%
25-34	<b>13%</b>	0%	*0%	*4%	*43%
35-44	<b>9%</b>	*1%	*3%	9%	*20%
45-54	<b>22%</b>	*9%	*31%	*29%	21%
55-64	<b>24%</b>	21%	*51%	*32%	*8%
65-74	<b>19%</b>	*40%	13%	18%	*5%
75+	<b>8%</b>	*26%	*2%	*4%	*0%
Rather not say	<b>3%</b>	3%	*0%	4%	3%

*\*Asterisk denotes the finding is significantly different from the total*

7.4 More males took part in the survey than females, with over two-thirds of the respondents male (68%) and just under a third (29%) female, this is broken down by claim type in table 7.4.

**Table 7.4 Gender**

	Total	Savings or investments	Pensions	Packaged bank accounts	Loans
<b>Base</b>	<b>599</b>	<b>205</b>	<b>159</b>	<b>139</b>	<b>75</b>
Male	<b>68%</b>	66%	75%	68%	69%
Female	<b>29%</b>	33%	25%	28%	29%
Other	<b>0%</b>	0%	0%	1%	0%
Rather not say	<b>2%</b>	0%	0%	*4%	1%

*\*Asterisk denotes the finding is significantly different from the total*

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## 8 Technical annex

### Background

- 8.1 In April 2019, the Financial Conduct Authority (FCA) became the regulator for claims management companies (CMCs).
- 8.2 Under the Financial Guidance and Claims Act 2018, the FCA must make rules which provide an appropriate degree of protection from excessive charges, in relation to the fees charged by CMCs for the provision of regulated claims management services in relation to financial products and financial services claims.<sup>7</sup> The FCA has commissioned IFF to conduct this research into customer experience in the CMC market to help inform their work in this area.

### Objectives

- 8.3 The key objective this research sets out to achieve is to explore the potential market failures and potential effects of fee rules on CMCs and their customers.

### Scope

#### Claim type

- 8.4 The claim types which were in scope to be included in the research were specified by the FCA and are listed below:
- Savings or other investment
  - Pensions
  - Mortgages
  - Packaged bank accounts
  - Loans
- 8.5 For this report, only financial services claim types are included, though non-financial services claim types were in scope for the research.

## Methodology

### Overview

- 8.6 The research method used was a dual-approach survey comprising online and telephone quantitative interviews among customers of CMCs who had a claim which had closed between H2/2018. The design of survey materials and the final survey approach was agreed between IFF and FCA through a comprehensive cognitive testing and pilot process.

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<sup>7</sup> S137 FD of the Financial Services and Markets Act 2000

## Sampling

### Overview

- 8.7 Sample was provided by 61 CMCs to the FCA and a total of 52,997 records were submitted. The total number of useable sample records for financial services claims was 34,157.
- 8.8 Originally, it was hoped that the research would achieve 100 interviews in each category type (split equally between online and telephone), requiring a minimum of 1,350 sample records per category to achieve this. Table 8.1 shows the breakdown of the useable sample received against what was required in order to achieve the target number of interviews. Please note, this was based on all sample being in scope for the research, which as discussed later in this report, was not the case due to the high number of screen outs for PPI claims. Although in certain categories, there was sufficient sample to achieve the target number of interviews, mortgages for example fell short due to a lack of available sample. Loans was the other financial services category which did not hit the 100 interview target (75 interviews were achieved), however a further 95 loans related claims screened out during the survey due to reporting that their claim was PPI related. Comparison of required vs received useable sample

**Table 8.1 Comparison of required vs received useable sample**

Category	Initial target	Sample required to meet target	Final useable sample
Savings or other investment	100	1,350	8,286
Pensions	100	1,350	2,031
Mortgages	100	1,350	145
Packaged bank accounts	100	1,350	14,379
Loans	100	1,350	9,316
<b>Total</b>	<b>500</b>	<b>6,750</b>	<b>34,157</b>

- 8.9 The sample files received were combined and deduped to give a total number of unique, useable records. Records from some specific CMCs were later excluded at FCA's request due to not being in the scope of the research. This left a total of 37,547 records.
- 8.10 As the research was run both as online and telephone surveys, the sample was split between these two groups. Whether a record was allocated as online or phone sample depended on a couple of factors. If a respondent had only an email address or only a phone number, it would be automatically allocated to this contact method. Where records had both a phone number and an email address, they were randomly allocated to either group. Where there was limited sample for a claim category, all sample would be allocated to either the phone or online groups. Due to the lower online response rate, once this overall number of records needed had been calculated, one third were allocated to the phone sample and two thirds to the online sample. Where there were a surplus of records for a claim type, the required number of records was

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calculated from the assumed response rate to achieve the target number of interviews, ensuring that there were sufficient records in each group to maximise the number of interviews.

- 8.11 One of the key factors used for defining whether respondents were in scope was whether claims were PPI related. PPI related claims were not included in the research and therefore any claims relating to PPI were excluded either at the sampling stage or at a screening question (A5) in the questionnaire.

## Fieldwork

### Cognitive interviews

- 8.12 Once the initial questionnaire had been designed and agreed with the FCA, cognitive interviews were carried out by one of IFF's researchers. The purpose of these interviews was to check that respondents understood and were able to answer the questions, that the question order flowed smoothly and to ensure that the questionnaire would provide the information required to meet the research objectives.
- 8.13 Cognitive interviews were conducted over the phone with respondents which had been randomly drawn from the sample provided by CMCs, however it was decided that it was sensible to only draw sample from categories where there was sufficient sample to achieve the target number of interviews in the main stage of the survey (savings or other investments, pensions, packaged bank accounts). Four cognitive interviews were achieved overall and following these, amends were made to the questionnaire which was used for the pilot.

### Pilot fieldwork

- 8.14 After the completion of the cognitive interviews, IFF and FCA agreed the amends required following respondent feedback ahead of the pilot survey. The pilot survey was carried out in both of the interview formats (online and telephone) in order to get as accurate a picture of possible as to how the questionnaire and sampling approach would work once scaled up in the main survey.
- 8.15 Overall, 12 telephone and six online interviews were completed over the two days that the pilot was run. This was a lower than expected response rate among these survey types and so analysis was carried out into the call outcomes, along with collecting interviewer feedback to understand the reasons for this.
- 8.16 The key finding of the pilot interviews was that a very high and unexpected proportion of respondents screened out towards the beginning of the survey due to having an ineligible PPI claim type. Although the sample provided by CMCs was specified to exclude any PPI related claims, around 60% of respondents had selected that their claim was PPI related, therefore making them ineligible to complete the survey. As a result of this finding, the sampling strategy was updated to account for a much lower eligibility and response rate, this resulted in much lower numbers of possible interviews in most categories due to limited available sample.

### Mainstage fieldwork

- 8.17 The main survey was carried out between 12<sup>th</sup> August and 5<sup>th</sup> September 2019. Overall, 553 telephone interviews were achieved, along with 176 online to give a combined total of 729 interviews.



8.18 Over the course of fieldwork, online respondents were sent an initial email invitation to take part, along with two reminder emails to attempt to boost the response rate. This is a standard approach to maximising online response. However, the final number who took part was lower than expected. There are a number of factors which could have contributed to this, e.g. perhaps a high level of scepticism among respondents about being contacted by email about a recent claim they had made and disregarding the email as a scam.

## Quotas and weighting

### Quotas

8.19 In order to ensure a reasonable spread across categories, quotas were set up to establish target number of interviews. These were set partially based on the available sample and also to ensure that it was possible to carry out analysis between categories.

8.20 The target number of interviews was updated following the pilot in line with updated response rates and the final quotas set are listed below in table 8.2.

**Table 8.2 Assumed response rates and quota targets**

Category	Pilot		Mainstage		Overall quota target
	Phone response rate	Online response rate	Phone response rate	Online response rate	
<b>Savings or other investment</b>	10%	5%	4%	2%	189
<b>Pensions</b>	10%	5%	4%	2%	63
<b>Mortgages</b>	10%	5%	4%	2%	4
<b>Packaged bank accounts</b>	10%	5%	4%	2%	291
<b>Loans</b>	10%	5%	4%	2%	236

### Weighting

8.21 To be able to draw conclusions from the survey about the overall underlying claimant population required the data to be weighted. There were three possible options for weighting which were discussed with FCA:

1. The method used was to weight the survey data to the profile of the total sample received from the CMCs, not accounting for those that screened out as a PPI claim. This approach ensures that the survey data reflects the profile by claim type of the sample originally provided. Whilst this may contain some PPI claims this approach is perhaps the safest option as there was potential for respondents to incorrectly report

that they had a PPI claim when it was in fact a claim that fits into the population we are interested in. This method allows us to use the survey findings to make inferences to the wider underlying population of claims.

2. An alternative weighting method considered but not used was to use the PPI screenout information to recalculate the population profile in order to base the population on those in scope. Knowing that some respondents had screened out of the survey because they had a PPI claim, this approach would derive a population by excluding a proportion of the profile on the assumption that a number would likely have been PPI claims. In theory this would be a good method to use for weighting, but the high level of screen outs suggests that there was some confusion amongst claimants regarding their claim type. That being the case there is a risk that we would derive a population profile that is spurious.
3. Finally, there was the option to leave the data as unweighted, if neither of the above approaches was deemed appropriate. This would have resulted in the dataset not being representative of the underlying population and therefore, reporting could only be based on the respondents in the survey and would prevent any wider inferences about the behaviour of the population.

8.22 It was decided that due to the uncertainty regarding the accuracy of the PPI related claims, the most effective way to weight the data was to base the population on the overall sample received from CMCs which was used for the survey, i.e. not accounting for PPI screen outs (approach 1). Due to inconsistencies in the data received, it was not possible to weight the data by any demographics.

8.23 The achieved interviews are shown below with the weighted totals in table 8.3.

**Table 8.3 Weighting approach**

Category	Achieved interviews	Population	Weighted population
<b>Savings or other investment</b>	205	8,286	145
<b>Pensions</b>	159	2,031	36
<b>Mortgages</b>	21	145	3
<b>Packaged bank accounts</b>	139	14,379	252
<b>Loans</b>	75	9,316	163
<b>Total</b>	<b>599</b>	<b>34,157</b>	<b>599</b>

### Margin of error

8.24 The weighting of the survey data produces a design effect as a result of adjusting the dataset to be representative of the population. This effect reduces the effective base size of the overall

total from 729 to 453. When looking at financial services claims, this has an impact of reducing the effective base size from 599 to 388 and therefore increasing the margin of error.

- 8.25 An effective sample base size of 453 means that, as a worst-case scenario, findings are accurate to within +/- 4.6 percentage points at the 95% confidence level (as shown in Figure 8.4). By this, we mean that if 50% of our sample of 453 agreed with a statement in the questionnaire, we can be 95% confident (i.e. in 19 times out of 20) that the response from all respondents would lie between 45.4% and 54.6%. When considering the financial services claims only, the margin of error increases to +/- 5.0%, indicating that we can be 95% confident that the response would lie between 45% and 50%.
- 8.26 Measuring a margin of error at 50% is referred to as a 'worst case scenario', as the margin of error decreases the closer results approach 0% or 100%. Table 8.4 shows the margin of error calculations of an un-weighted sample of respondents (based on a total population size of 34,157 for financial services and 3,390 for non-financial services), to demonstrate how it can change by response and sub-group size. It also demonstrates how the margin of error decreases as opinion converges.

**Table 8.4 Margins of error at the 95% confidence level**

	<b>Number of interviews</b>	<b>Margin of error at 50%</b>	<b>Margin of error at 70%/30%</b>	<b>Margin of error at 90%/10%</b>
<b>Total interviews</b>	729	+/- 3.6%	+/- 3.3%	+/- 2.2%
<b>Effective total sample</b>	453	+/- 4.6%	+/- 4.2%	+/- 2.8%
<b>FS claims</b>	599	+/- 4.0%	+/- 4.4%	+/- 2.9%
<b>FS claims effective sample</b>	388	+/- 5.0%	+/- 4.6%	+/- 3.0%

### Significance testing

- 8.27 The data tables indicate whether a finding within a given column is significantly different from the findings in other columns in that cross break. Such differences are tested by standard statistical formulae at the 95% confidence level. Where a finding in a given column is significantly higher than the finding for all other respondents (i.e. the total column minus the given column), this is indicated by a "\*" next to the finding in the given column.
- 8.28 Where differences are statistically significant, we can be 95% confident that the differences are real and did not occur by chance. The maximum differences needed to be statistically significant are shown below in table 8.5.

**Table 8.5 Maximum differences needed to be statistically significant**

<b>Base size</b>	<b>Total (729)</b>	<b>Financial services (599)</b>
<b>Total (729)</b>	+/- 6%	+/- 6%
<b>Financial services (599)</b>	+/- 6%	+/- 6%

### Outcome of calls

8.29 Call outcomes were recorded for the sample. As previously discussed, one of the key reasons for the low number of interviews was due to a high number of records screening out after agreeing to take part in the survey. This proportion was particularly high among financial services and specifically among those with claims relating to packaged bank accounts.

8.30 A small amount of sample was not contacted due to quotas being hit within that category.

**Table 8.6 Interview outcomes**

<b>Category</b>	<b>Completed</b>	<b>Screen out</b>	<b>Refusal</b>	<b>Unobtainable / unusable</b>
<b>Savings or other investment</b>	205	734	215	5,117
<b>Pensions</b>	159	388	104	1,368
<b>Mortgages</b>	21	11	12	104
<b>Packaged bank accounts</b>	139	1,219	262	10,138
<b>Loans</b>	75	541	97	8,568
<b>Total</b>	<b>599</b>	<b>2,893</b>	<b>690</b>	<b>25,295</b>

---

## 9 Email invitation

Ref: «id»

Dear «contact»

### **Financial Conduct Authority: Claims Management Companies (CMC) Research**

You are invited to take part in a short online survey in order to capture your views and experiences of using a Claims Management Company (CMC)- **the term used to refer to businesses that progress complaints to firms on behalf of consumers**. Taking part in this survey is important in helping the Financial Conduct Authority (FCA) **understand the CMC market better and** making future decisions about the regulation of CMCs.

The FCA have commissioned IFF Research, an independent market research agency, to conduct this survey on their behalf. Your details have been passed to the FCA by [PROVIDER NAME] on a confidential basis, as you are a current or previous customer of [PROVIDER NAME].

To provide your views, please click on the link below to access the online survey:

**[INSERT SURVEY LINK – make bold and a different colour – do not show button]**

The survey will take 10 to 15 minutes to complete.

In accordance with Market Research Society guidelines, all information provided will be treated in the strictest confidence and reported on an aggregated and anonymous basis. For more information on FCA's privacy policy you can visit: <https://www.fca.org.uk/privacy/personal-data-and-surveys-consultations-and-market-research>

All names and contact details are deleted at the earliest opportunity – and no more than 12 months from now. You also have the right to have a copy of your data, change your data or request for it to be deleted. For more information on IFF's GDPR policy you can visit: [www.iffresearch.com/gdpr/](http://www.iffresearch.com/gdpr/)

If you have any questions about this research or about IFF Research, please email [CMCResearch@iffresearch.com](mailto:CMCResearch@iffresearch.com) or call our free phonenumber on 0808 169 9380. Alternatively, you can contact FCA by emailing [marketresearch@fca.org.uk](mailto:marketresearch@fca.org.uk).

We would like to thank you in advance for your support.

Yours faithfully,

Helen Rossiter  
Research Manager  
IFF Research

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## 10 Questionnaire

CMC Fee Cap

19/7/19

J10158

Date

Telephone

---

## Screenener

SHOW ON SCREEN FOR ONLINE SURVEY:

**The Financial Conduct Authority (FCA) have recently taken over the regulation of claims management companies (CMCs). CMC is the term used to refer to businesses that progress complaints to firms on behalf of consumers. The FCA are undertaking research to help inform their analysis of the CMC market for them to make important regulatory decisions.**

**They have commissioned IFF Research, an independent market research agency, to conduct this survey on their behalf and your details have been passed to the FCA by [PROVIDER NAME] on a confidential basis. We understand you are one of their current or previous customers and we are inviting you to take part in this short online survey in order to understand your experiences with the CMC to help the FCA with future decisions.**

**Taking part in this survey won't have any impact on your dealings with any CMCs or the FCA. It should take around 15 minutes to complete and you can pause the survey at any time to then return where you left off by clicking on the link in your email again. All information collected will be treated in the strictest confidence, in accordance with the Market Research Society Code of Conduct. For more information on FCA's privacy policy, you can visit: <https://www.fca.org.uk/privacy/personal-data-and-surveys-consultations-and-market-research>**

**Results will be reported in the form of statistics and your responses will not be linked back to you. All names and contact details are deleted at the earliest opportunity – and no more than 12 months from now. You also have the right to have a copy of your data, change your data or request for it to be deleted. For more information on IFF's GDPR policy you can visit: [www.iffresearch.com/gdpr/](http://www.iffresearch.com/gdpr/)**

**When completing the survey, please only use the 'next' button on the page rather than the 'back' and 'forward' buttons in your browser.**

**To begin, please click on the 'next' button below.**

Your views are important to us and we are very grateful for your help.

NEXT	1	CONTINUE
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ASK CATI TELEPHONE RESPONDENTS ONLY

S1 **Good morning / afternoon / evening. My name is NAME and I'm calling from IFF Research. Please can I speak to NAME?**

Respondent answers phone	1	CONTINUE
Transferred to respondent	2	
Hard appointment	3	MAKE APPOINTMENT
Soft Appointment	4	
Engaged	5	CALL BACK
Refusal	6	CLOSE
Not available in deadline	7	
Fax Line	8	
No reply / Answer phone	9	
Business Number	10	
Dead line	11	
Request reassurance email		COLLECT EMAIL ADDRESS THEN CONTINUE OR MAKE APPOINTMENT  (SEE APPENDIX FOR EMAIL TEXT)

ASK CATI RESPONDENTS

S2 **Good morning / afternoon, my name is NAME, calling from IFF Research, an independent market research company. We're conducting a survey on behalf of the Financial Conduct Authority (FCA) who are undertaking research to help inform their analysis of the Claims Management Company market for them to make important regulatory decisions. Claims Management Companies (or CMCs) are businesses that progress complaints to firms on behalf of consumers.**

Your details have been passed to the FCA by [PROVIDER NAME] on a confidential basis. We understand you are one of their current or previous customers and you're being contacted as we'd really like to ask you some questions about this. We want to ask about how you found this experience and some things about your decision to use a CMC to widen the understanding the FCA have to progress and inform future decisions related to these companies.

Taking part in this survey won't have any impact on your dealings with any CMCs or the FCA. It should take no longer than 15 minutes to complete and all information collected will be treated in the strictest confidence, in accordance with the Market Research Society Code of Conduct. Results will be reported in the form of statistics and your responses will not be linked back to you. For more information on FCA's privacy policy, I can let you know the web address to visit: <https://www.fca.org.uk/privacy/personal-data-and-surveys-consultations-and-market-research>

Are you happy to go through the survey now?

Continue	1	CONTINUE
Referred to someone else in household NAME _____	2	TRANSFER AND RE-INTRODUCE
Hard appointment	3	MAKE APPOINTMENT
Soft appointment	4	
Refusal	5	THANK AND CLOSE
Don't recall using CMC	6	
<b>PPI claim</b>	7	
Refusal – taken part in recent survey	8	
Not available in deadline	9	
Request reassurance email	10	COLLECT EMAIL ADDRESS THEN CONTINUE OR MAKE APPOINTMENT  (SEE APPENDIX FOR EMAIL TEXT)

READ OUT TO ALL

**S2a** Before we begin, please be assured that all names and contact details are deleted at the earliest opportunity – and no more than 12 months from now. You have a right to request a copy of your data, change your data or request for it to be deleted. For further information on IFF's GDPR policy, you can visit the webpage at [iffresearch.com/GDPR](http://iffresearch.com/GDPR).



CONTINUE	1	
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ASK CATI RESPONDENT BUT WOULD NOT LIKE TO GO THROUGH IT OVER THE PHONE  
(S2=3-8)

**S3 If you would prefer, we can send you a link to the survey and you can complete this in your own time?**

Yes [INSERT EMAIL ADDRESS]	1	
No	2	
Don't know	3	

DS: SEND EMAIL DIRECTLY FROM THE SCRIPT

**S4 This call may be recorded for quality and training purposes only.**

**REASSURANCES TO USE IF NECESSARY**

The interview will take around 15 minutes to complete.

Please note that all data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you to be identified.

If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call:

**MRS: Market Research Society on 0500396999**

**IFF: Poppy Curd or Nicky Mitchell: 0207 250 3035 / [Poppy.Curd@iffresearch.com](mailto:Poppy.Curd@iffresearch.com) or**

**[Nicholas.Mitchell@iffresearch.com](mailto:Nicholas.Mitchell@iffresearch.com)**

**FCA: Gergana Tomova: 020 7066 0045**

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## A Background to CMC experience

ASK ALL

- A1 **The first few questions aim to find out a little bit more about your experience of using Claims Management Companies (CMCs), according to our records you used [INSERT CMC FROM SAMPLE] in order to progress a claim?**

ADD IF NEC: **This case will have closed at some point between October 2018 and March 2019.**

*SINGLECODE.*

Yes	1	
No	2	
Don't know	3	

ASK IF THEY HAD NOT USED CMC ON SAMPLE (A1=2-3)

- A2 **Which CMC did you use?**

*WRITE IN.*

WRITE IN		
Don't know	1	CLOSE
Have not used a CMC	2	CLOSE

ASK IF HAVE CATEGORY ON SAMPLE (CATEGORY =1-9 FROM SAMPLE)

- A3 **In terms of the nature of this claim, according to our records this was a claim regarding [INSERT CATEGORY FROM SAMPLE], is this correct?**

*SINGLECODE.*

Yes	1	
No	2	
Don't know	3	

ASK IF CMC TYPE NOT THE ONE ON SAMPLE OR CATEGORY ON SAMPLE IS OTHER (A3=2-3 OR CATEGORY FROM SAMPLE=10)

- A4 **Which of the following best describes the claim type you made to [INSERT CMC FROM SAMPLE OR A2]...?**

---

**If you have made multiple claims, please choose the most recent.**  
*READ OUT. SINGLECODE.*

DS: ROTATE LIST FOR ONLINE

Personal injury	1	
Criminal injury	2	
Industrial injury	13	
Employment / redundancy	3	
Housing disrepair	4	
Savings or other investments	5	
Pensions	6	
Mortgages	7	
Packaged bank accounts	8	
Loans	9	
Other (please specify)	10	
Don't know	11	CLOSE
None of these	12	CLOSE

A4Dum **DUMMY VARIABLE, DO NOT ASK**

Personal injury	1	CATEGORY FROM SAMPLE=1 OR A4=1
Criminal injury	2	CATEGORY FROM SAMPLE=2 OR A4=2
Industrial injury	11	CATEGORY FROM SAMPLE=11 OR A4=13
Employment / redundancy	3	CATEGORY FROM SAMPLE=3 OR A4=3
Housing disrepair	4	CATEGORY FROM SAMPLE=4 OR A4=4
Savings or other investments	5	CATEGORY FROM SAMPLE=5 OR A4=5
Pensions	6	CATEGORY FROM SAMPLE=6 OR A4=6
Mortgages	7	CATEGORY FROM SAMPLE=7 OR A4=7
Packaged bank accounts	8	CATEGORY FROM SAMPLE=8 OR A4=8
Loans	9	CATEGORY FROM SAMPLE=9 OR A4=9
Other	10	IF A4=10

ASK IF FINANCIAL SERVICES CLAIM (A4DUM=5-9) OR IF ONLINE AND OTHER CLAIM (ROUTE=ONLINE AND A4DUM=10)

A5 **And was this claim related to PPI (Payment Protection Insurance)?**

**Payment protection insurance (PPI) is the insurance sold alongside credit cards, loans and other finance agreements to insure payments are made if the borrower is unable to make them due to sickness or unemployment.**

*SINGLECODE.*

Yes	1	CLOSE
No	2	
Don't know	3	CLOSE

SHOW IF PPI CLAIM (A5=1 OR 3)

A6 **Thank you for your interest in the survey, unfortunately claims relating to PPI are out of the remit of the FCA's work, their rules on CMC fees will come into force after the deadline for PPI claims on 29 August 2019. The way in which claims are progressed will significantly change after that.**

## B Using the CMC

B1a **Thinking about your first contact with the CMC, did you approach them or were you contacted by them?**

*DO NOT READ OUT. SINGLECODE.*

The CMC contacted me in the first instance	1	
I approached the CMC in the first instance	2	
Don't know	3	

ASK ALL WHO APPROACHED THE CMC (B1A = 2)

B1 **And thinking about when you enquired about making a claim, if the CMCs you approached had declined to progress your claim, what would you have done instead?**

*READ OUT. SINGLECODE.*

ONLY SHOW IF CRIMINAL INJURY CLAIM(A4DUM=2): Progressed the claim through Criminal Injuries Compensation Authority	1	
--	---	--

ONLY SHOW IF HOUSING DISREPAIR CLAIM AND ENGLAND FROM SAMPLE (A4DUM=4 AND COUNTRY FROM SAMPLE=): Progressed the claim through the Housing Ombudsman Service	2	
ONLY SHOW IF HOUSING DISREPAIR CLAIM AND WALES FROM SAMPLE (A4DUM=4 AND COUNTRY FROM SAMPLE=12): Progressed the claim through the Public Service Ombudsman Service	3	
ONLY SHOW IF HOUSING DISREPAIR CLAIM AND SCOTLAND FROM SAMPLE (A4DUM=4 AND COUNTRY FROM SAMPLE=11): Progressed the claim through the Scottish Public Service Ombudsman	4	
ONLY SHOW IF HOUSING DISREPAIR CLAIM AND SCOTLAND FROM SAMPLE(A4DUM=4 AND COUNTRY FROM SAMPLE=11): Progressed the claim through the Scottish Housing Regulator	5	
ONLY SHOW IF HOUSING DISREPAIR CLAIM AND SCOTLAND FROM SAMPLE (A4DUM=4 AND COUNTRY FROM SAMPLE=11): Progressed the claim through the Housing and Property Chamber of the First-tier Tribunal for Scotland	6	
ONLY SHOW IF HOUSING DISREPAIR CLAIM (A4DUM=4): Progressed the claim through another housing complaint service	7	
ONLY SHOW IF FS CLAIM (A4DUM=5-9): Progressed the claim through the Financial Ombudsman Service (FOS)	8	
ONLY SHOW IF FS CLAIM (A4DUM=5-9): Progressed the claim through the Pensions Ombudsman and the Financial Services Compensation Scheme (FSCS)	9	
ONLY SHOW IF FS CLAIM (A4DUM=5-9): Progressed the claim through another compensation scheme	10	
Directly complained to the firm	11	
Not done anything	12	
Other (specify)	13	
Don't know	14	

ASK ALL

**B2 Thinking about the paperwork involved with your claim and how much of this the CMC dealt with, did you have to do more or less of this paperwork yourself than you expected?**

*READ OUT. SINGLECODE.*

I had to do much more than expected	1	
-------------------------------------	---	--

I had to do slightly more than expected	2	
I had to do about the same as I expected	3	
I had to do slightly less than expected	4	
I had to do much less than expected	5	
Don't know	6	
DO NOT READ OUT: I did not have any paperwork to submit	7	

ASK ALL

**B3 Thinking overall, how satisfied were you with the claims management process?**  
*READ OUT. SINGLECODE.*

Very dissatisfied	1	
Fairly dissatisfied	2	
Neither satisfied or dissatisfied	3	
Fairly satisfied	4	
Very satisfied	5	
Don't know	6	

ASK IF GAVE SATISFACTION RATING WITH CLAIMS MANAGEMENT PROCESS (B3=1-5)

**B3a Why do you say this?**

*WRITE IN.*

WRITE IN		
Don't know	1	

ASK ALL

**B4 Did you receive any compensation for the issue you complained about?**  
*SINGLECODE.*

Yes	1	
No	2	
Don't know	3	

ASK IF RECEIVED COMPENSATION (B4=1)

**B5 How much compensation did you receive?**

*WRITE IN.*

WRITE IN		
Don't know	1	

IF DON'T KNOW EXACT NUMBER – PROMPT WITH RANGES

Less than £500	1
£500 to £999	2
£1,000 to £2,499	3
£2,500 to £4,999	4
£5,000 to £9,999	5
£10,000 to £24,999	6
£25,000 to £49,999	7
£50,000 to £99,999	8
£100,000 or more	9
Don't know	10
DO NOT READ OUT: Refused	11

ASK IF RECEIVED COMPENSATION AND KNOW AMOUNT (B4=1 AND B5 = INTEGER OR 1-9)

**B6 And was this...**

*SINGLECODE.*



More than you expected	1	
About the same as you expected	2	
Less than you expected	3	
Don't know	4	

ASK ALL

B7 **And how satisfied are you with the outcome of your claim?**  
*SINGLECODE.*

Very dissatisfied	1	
Fairly dissatisfied	2	
Neither satisfied or dissatisfied	3	
Fairly satisfied	4	
Very satisfied	5	
Don't know	6	

## C Decision making process around CMCs

ASK ALL

**C1 What other alternatives, if any, did you consider before deciding to progress the claim through a CMC?**

*DO NOT READ OUT. MULTICODE.*

DS: ROTATE LIST FOR ONLINE

Getting informal help from friends	1	
Complaining directly to the firm	2	
Hiring a solicitor	3	
Not making a claim	4	
Other (specify)	5	
DO NOT MULTICODE: I did not consider any alternatives	6	
DO NOT MULTICODE: Don't know	7	

ASK ALL

**C2 Why did you choose to progress the claim through a CMC?**

*DO NOT READ OUT. MULTICODE.*

DS: ROTATE LIST FOR ONLINE

Thought I would have a better chance of winning	1	
Thought I would get higher compensation	2	
Did not feel confident to deal with the claim myself	3	
To reduce my own effort involved	4	
Recommendation from family member/friend/work colleague	5	
Other (specify)	6	
Don't know	7	

ASK IF GIVE MORE THAN ONE REASON (MORE THAN ONE RESPONSE AT C2)

**C3 Which of these would you say was the main reason you chose to progress the claim through a CMC?**

*READ OUT. SINGLECODE.*

DS: ONLY SHOW CODES SELECTED AT C2

Thought I would have a better chance of winning	1	
Thought I would get higher compensation	2	
Did not feel confident to deal with the claim myself	3	
To reduce my own effort involved	4	
Recommendation from family member/friend/work colleague	5	
Other (specify)	6	
Don't know	7	

ASK ALL

**C4 At the time you made the claim, were you aware that...**

*READ OUT. SINGLECODE FOR EACH.*

	YES	NO	Don't Know
<b>_1 IF CRIMINAL INJURY, FINANCIAL SERVICES OR HOUSING DISREPAIR CLAIM (A4DUM=2 OR 4-9): You could have made your claim to another complaint service, such as [IF CRIMINAL INJURY (A4DUM=2): the Criminal Injuries compensation authority; IF FINANCIAL SERVICES (A4DUM=5-9): the Financial Ombudsman; IF HOUSING DISREPAIR CLAIM (A4DUM=4): a housing complaint service</b>	1	2	3
<b>_2 You could have made the claim directly to the firm concerned</b>	1	2	3

ASK ALL

**C5 In hindsight, how much of the information you needed to progress the claim did you have when you decided to do use a CMC?**

*READ OUT. SINGLECODE.*

<b>I had <u>all</u> the information I needed</b>	1	
<b>I had <u>most of</u> the information I needed</b>	2	

I had <u>some</u> of the information I needed	3	
I had <u>none</u> of the information I needed	4	
Don't know	5	

ASK ALL

- C6 Overall, how much time in total did you spend dealing with the claim and CMC? This may have been time spent writing letters or emails, filling in forms or making telephone calls.

WRITE IN.

ENTER HOURS		
Don't know	1	

IF DON'T KNOW EXACT NUMBER – PROMPT WITH RANGES

Less than 1 hour	1
Over 1 hour but less than 2 hours	2
Over 2 hours but less than 3 hours	3
Over 3 hours but less than 6 hours	4
Over 6 hours but less than 12 hours	5
Over 12 hours but less than 24 hours	6
Over 24 hours	7
Don't know	8

---

## D Choosing a CMC

ASK ALL

- D1 **You stated earlier than you used [INSERT CMC], did you consider any other CMCs?**  
*SINGLECODE. PROMPT IF NECESSARY.*

Yes	1	
No	2	
Don't know	3	

ASK IF CONSIDERED OTHER CMCS (D1=1)

- D2 **How many other CMCs did you consider?**

Just one other	1	
2 to 4 others	2	
5 or more others	3	
Don't know	4	

ASK IF CONSIDERED OTHER CMCS (D1=1)

- D3 **Which other CMCs did you consider?**

*WRITE IN.*

Don't know	1	

ASK IF DID NOT CONSIDER ANY OTHER CMCS (D1=2)

- D4 **Why did you not consider any other CMCs?**  
*DO NOT READ OUT. MULTICODE.*

DS: ROTATE LIST FOR ONLINE

I did not have the time	1	
-------------------------	---	--

It was not sufficiently important for me to spend time on this	2	
I was happy with the offer from the CMC I used	3	
I was not sure where to look	4	
I thought it would be too difficult to compare the services they offer	5	
All CMCs are the same, so there was no point in shopping around	6	
I was not aware I could use another CMC	7	
I thought I had to make a decision right away	8	
I had used this CMC before	9	
Recommendation from friends / family	10	
Recommendation from professionals (e.g. solicitor)	11	
CMC contacted me, I was not planning on using one before this	12	
I have shopped around for CMCs before, so did not need to do so this time	13	
Other (specify)	14	
Don't know	15	

ASK IF CONSIDERED OTHER CMCS (D1=1)

D5 **How much time did you spend shopping around for a CMC once you actively started searching?**  
SINGLECODE.

<b>Less than 10 minutes</b>	1	
<b>10-30 minutes</b>	2	
<b>30-60 minutes</b>	3	
<b>1-2 hours</b>	4	
<b>More than 2 hours</b>	5	
Don't know	6	

ASK IF CONSIDERED OTHER CMCS (D1=1)

D6 **Why did you choose the CMC you ended up using?**  
*DO NOT READ OUT. MULTICODE.*

DS: ROTATE LIST FOR ONLINE

They contacted me	1	
Recommendation from friends / family	2	
Recommendation from professionals (e.g. solicitor or insurance company)	3	
I had used this CMC before	4	
Online search	5	
Advertisement	6	
The fees / cost of using CMC	7	
The CMC brand / reputation	8	
Close to home / work	9	
Other (specify)	10	
Don't know	11	

ASK ALL WHO CONTACTED THE CMC (B1A = 2)

D7 **How important, if at all, were each of the following factors to you when you were choosing a CMC?**

**Please answer on a scale of 1 to 5 where 1 means 'Not at all important' and 5 means 'Very important'.**

*READ OUT. SINGLECODE FOR EACH.*

DS: ROTATE LIST

	Not at all important					Very important	Don't Know
<b>_1 Track record of success in getting financial compensation</b>	1	2	3	4	5	6	
<b>_2 Quality of service</b>	1	2	3	4	5	6	
<b>_3 Location</b>	1	2	3	4	5	6	
<b>_4 Total costs (including all fees and charges)</b>	1	2	3	4	5	6	

	Not at all important					Very important	Don't Know
	1	2	3	4	5	6	
<b>_5 Reputation / recommendation</b>							

ASK ALL

**D8a Did you pay...**

*READ OUT. SINGLECODE.*

<b>An upfront fee</b>	1	
<b>A fee per hour</b>	2	
<b>A pre-agreed fixed amount (e.g. £500 regardless of outcome)</b>	3	
<b>A percentage of the redress / compensation you got from the firm you complained about (ADD IF NECESSARY: The CMC may have deducted a percentage from the redress / compensation you received)</b>	4	
Other (specify)	5	
Don't know	6	
DO NOT READ OUT: I did not pay anything	7	

ASK ALL WHO PAID (D8A = 1-5)

**D8 Did you know outright what fee you would be charged?**

*SINGLECODE.*

Yes	1	
No	2	
Don't know	3	

ASK ALL WHO PAID (D8A=1-5)

**D9 And thinking about what you expected to pay, did you end up paying more or less than this?**

*SINGLECODE.*



<b>I paid more than I expected</b>	1	
<b>I paid the same as what I expected to pay</b>	2	
<b>I paid less than I expected</b>	3	
Don't know	4	

ASK ALL WHO DID NOT PAY (D8A=6 OR 7)

D9b **And did you expect to have to pay for the service of your CMC?**

*SINGLECODE.*

Yes	1	
No	2	
Don't know	3	

ASK ALL

D10 **Overall, how satisfied were you with the value for money offered by the CMC you used?**

*READ OUT. SINGLECODE.*

Very dissatisfied	1	
Fairly dissatisfied	2	
Neither satisfied or dissatisfied	3	
Fairly satisfied	4	
Very satisfied	5	
Don't know	6	

## E Demographics

ASK ALL

E1 **The final few questions will help put your answers into context, please note that your answers will be kept confidential and you can decline to answer any of these questions if you wish by selecting the 'prefer not to say' option.**

---

**Which of the following statements best applies to you?**

*READ OUT. SINGLECODE.*

<b>Financial issues are best left to the experts</b>	1	
<b>I generally rely on the advice of financial advisors, friends or relatives about which products/services are best for me</b>	2	
<b>I have a reasonable knowledge and understanding of financial products/services</b>	3	
<b>I have a very good knowledge and understanding of financial products/services</b>	4	
Don't know	5	

ASK ALL

**E2 What is your current employment status?**

*SINGLECODE*

Full-time employed (30 hours or more per week)	1	
Part-time employed (less than 30 hours per week)	2	
Self-employed	3	
Retired	4	
Unemployed and looking for work	5	
Unable to work due to ill health or disability	6	
Caring for someone full time	7	
Other	8	
Rather not say	9	

ASK ALL

**E3 What age band do you fall into?**

*SINGLECODE.*

18-24	1
25-34	2

35-44	3
45-54	4
55-64	5
65-74	6
75 or over	8
Rather not say	9

ASK ALL

E4 **What gender are you?**  
*SINGLECODE.*

Male	1	
Female	2	
Other	3	
Rather not say	4	

ASK ALL

E5 **Do you have any long-term physical or mental health condition or disability which limits your daily activities or the work you can do, including problems due to old age? By long-term we mean anything that has lasted at least 12 months or that is likely to last at least 12 months.**  
*SINGLECODE.*

Yes	1	
No	2	
Rather not say	3	

ASK ALL

E6 **What is your ethnic group?**  
*SINGLECODE. PROMPT IF NEC.*

White British / Irish	1	
Other White background	2	
Mixed White and Black Caribbean	3	
Mixed White and Black African	4	
Mixed White and Asian	5	
Any other mixed-ethnicity background	6	
Indian	7	
Pakistani	8	
Any other Asian or Asian British background	9	
Caribbean	10	
African	11	
Another other Black or Black British background	12	
Chinese	13	
Any other ethnic group (please specify)	14	
Prefer not to say	15	

## F Thank and close

ASK ALL

- F1 Thank you very much for your time, that is now the end of the survey. Would you be willing for us to contact you again regarding this study, if we need to clarify any of the information you have given today? If you say 'yes', we may re-contact you at some point in the next 12 months.**

Yes	1	
No	2	
Don't know	3	

ASK ALL

- F2 The FCA would also be interested in using data linking to match your responses to your postcode, this may then make your responses identifiable and attributable to you. This**

---

**will only be used for research purposes. Are you happy for this data linking to take place?**

Yes	1	
No	2	
Don't know	3	

ASK ALL

**F3 And would you be willing for IFF Research to re-contact you, if The FCA decides to do further research into your experiences? If you say 'yes', we may re-contact you at some point in the next 12 months.**

Yes	1	
No	2	
Don't know	3	

**F4 DELETED**

ASK IF HAPPY TO BE RECONTACTED (F1=1 OR F2=1 OR F3=1 OR F4=1)

**F5 Please can you [IF CATI: tell me; IF ONLINE: write in] the best telephone number and email address to contact you on...**

RECORD TELEPHONE NUMBER	1	
RECORD EMAIL ADDRESS	2	

SHOW TO ALL ONLINE RESPONDENTS

**That is now the end of the survey – on behalf of IFF Research and the Financial Conduct Authority, thank you very much for your invaluable feedback, your time and input is much appreciated. I would just like to confirm, your responses to this survey are anonymised: all names and contact details are deleted at the earliest opportunity – and no more than 12 months from now. At that point it becomes impossible for us to know who responses come from.**

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If you would like more information about the legal basis for you taking part, what we do with your data, and the rights that you have, you can visit our IFF GDPR policy page: <http://www.iffresearch.com/iff-research-gdpr-policy/>

ASK ALL CATI RESPONDENTS

THANK RESPONDENT AND CLOSE INTERVIEW

Finally I would just like to confirm that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct. Thank you very much for your help today.

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# 11 Reassurance email

## FCA CMC Fee Cap Research

Thank you for considering participating in this research study, which we (IFF Research) are conducting on behalf of the Financial Conduct Authority (FCA).

The FCA have recently taken over the regulation of claims management companies (CMCs). CMC is the term used to refer to businesses that progress complaints to firms on behalf of consumers. The FCA are undertaking research to help inform their analysis of the CMC market for them to make important regulatory decisions.

They have commissioned IFF Research, an independent market research agency, to conduct this survey on their behalf and your details have been passed to the FCA on a confidential basis as we understand you are a current or previous customer of a CMC. We are inviting you to take part in this short survey in order to understand your experiences with the CMC to help the FCA with future decisions.

Taking part in this survey won't have any impact on your dealings with any CMCs or the FCA. It should take around 15 minutes to complete. All information collected will be treated in the strictest confidence, in accordance with the Market Research Society Code of Conduct. For more information on FCA's privacy policy, you can visit: <https://www.fca.org.uk/privacy/personal-data-and-surveys-consultations-and-market-research>

Results will be reported in the form of statistics and your responses will not be linked back to you. All names and contact details are deleted at the earliest opportunity – and no more than 12 months from now. You also have the right to have a copy of your data, change your data or request for it to be deleted. For more information on IFF's GDPR policy you can visit: [www.iffresearch.com/gdpr/](http://www.iffresearch.com/gdpr/). If you wish to check IFF's credentials, you can call the MRS, free of charge, on 0800 975 9596.

If you have any queries concerning the format or content of the interview, please contact Nicholas Mitchell at IFF Research, on 020 7250 3035 or at [Nicholas.Mitchell@iffresearch.com](mailto:Nicholas.Mitchell@iffresearch.com).

Thank you for your assistance.

Yours faithfully,

Helen Rossiter  
Research Manager  
IFF

“

IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

### 1. Being human first:

Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual's way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

### 2. Impartiality and independence:

IFF is a research-led organisation which believes in letting the evidence do the talking. We don't undertake projects with a preconception of what "the answer" is, and we don't hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

### 3. Making a difference:

At IFF, we want to make a difference to the clients we work with, and we work with clients who share our ambition for positive change. We expect all IFF staff to take personal responsibility for everything they do at work, which should always be the best they can deliver.



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