



## **TEN-14-148**

# **Research into experiences of customers who are victims of unauthorised transactions in pursuing their claims with payment providers**

### **Technical Report from Strictly Financial**

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## 1. INTRODUCTION AND RESEARCH OBJECTIVES

This report details the methodological approach taken to this project, as well as the thinking behind the methodological choices made. It also includes copies of the key research documents used: the group discussion and depth interview topic guides, and the structured screening questionnaire.

The key objectives and findings of the research are contained in the main report. The purpose of this document is to provide the technical detail whose inclusion in the main report would distract from the discussion of the key findings of the research.

The wide-ranging combination of objectives fell into three broad areas of exploration:

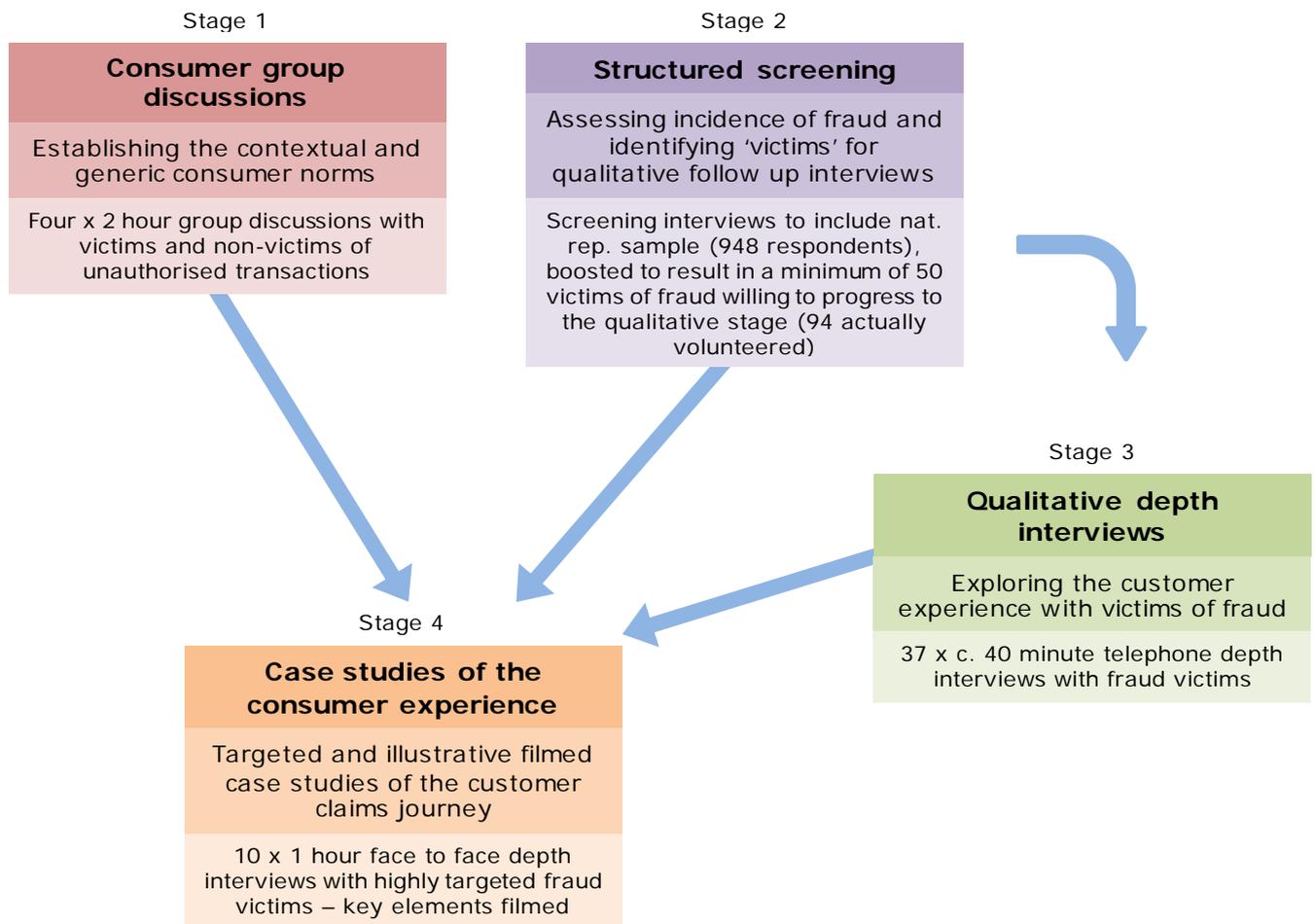
- The consumer context and perception of their own and provider responsibilities
- The customer experience and claims journey, in order to identify good and poor practices
- Understanding and identifying why discrepancies may exist in the statistics available from different sources as to the value of unauthorised transactions occurring on people's accounts and the scale of consumer detriment associated with this

To meet this wide range of objectives we adopted a mixed methodological approach, with each stage designed to inform specific areas of the project requirements.



## 2. METHODOLOGICAL APPROACH

The research approach was designed to meet the disparate needs of the project, and this involved using a mix of methodologies as shown in the diagram below:



There was a requirement to understand what consumers knew and thought about their rights and obligations with regard to maintaining account security and what they would expect from a provider in the event of an unauthorised transaction on their account. In this we wanted to obtain feedback from people with no direct experience as well as that of people with experience, in order to compare the two. So as to maintain a clear distinction between those with and without experience of unauthorised transactions on their accounts, we did not mix these participants in the same groups.



However, we also needed to talk to consumers who had been victims of unauthorised transactions within the past year, so that they could take us through the detail of their experience and its impact on them. Achieving this required the use in combination of a range of different techniques. The main focus of the project was qualitative, and so this was reflected in the methodology.

In order to gain consumers' impressions of their rights, obligations and expectations, a group discussion approach was used. This involved 7-8 people in each group, who were encouraged to discuss and debate the issues as they saw them.

In the group environment participants were able to take their thinking further through building on the thoughts and comments of others. The discussion they had around the issues as they tested their own thinking made it easy to clarify where there was general consensus and where opinions (and assumed knowledge) varied, as well as why this was the case. Groups also allowed us to 'challenge' underlying assumptions and 'knee jerk' reactions in a non-confrontational way – e.g. asking the group to justify its position on sharing PINs or passwords in view of its previously stated consensus on their obligation not to do so, etc.

Participants were recruited by a specialist qualitative recruitment agency. This agency's field recruiters were given the brief of what type of respondents to find for the groups, and they used a combination of networking and approaching strangers directly to find qualifying respondents. A screening questionnaire was used to ensure that respondents met the qualifying criteria for attending a group, and these criteria varied by group. Eight participants were recruited to attend each of the four two hour groups in London and Manchester, and, as is normal practice in market research, the participants were paid cash for giving up their evenings to attend the sessions. In the event each group was attended by 7-8 participants.

Before coming to the group, the participants who had been victims of unauthorised transactions were asked to complete a 'pre-task'. This involved writing down a brief description of what happened, how they found out about it, how much money was involved, what interaction they had with their provider, and what the outcome was. The purpose of this was to start people thinking about the subject and their own specific experience, so that they would be in the right frame of mind from the outset,

with the result that they did not need to spend much time in the session remembering what had happened.

Those with no direct experience were not asked to do anything in preparation for the group session, as we wanted to explore their knowledge and perceptions untainted by knowledge-boosting 'homework' they might have done before attending the group.

The discussion flow during the groups was developed by Strictly Financial in conjunction with the FCA team. Broadly it began with a general discussion of account security, focusing on PINs and passwords, and how the participants managed them. The discussion then moved on to consumer rights and obligations, before turning to the experience of an unauthorised transaction. For those with no experience, this was an entirely hypothetical discussion, while for those who had been victims of an unauthorised transaction it was a mixture of real and hypothetical: in both discussions the participants were asked to consider a number of different scenarios, while the people with experience were also able to draw on their own recollections. The focus of this part of the discussion was on what they would/ did do, and again on what obligations they and the provider had to each other, as well as what their realistic expectations of the provider would be.

In order to explore the customer journey following an unauthorised transaction – what happened, how it felt, how the provider responded, etc. – we needed to conduct individual depth interviews with recent victims of unauthorised transactions.

The expectation was that sample would be difficult to free-find and so it was decided to use a nationally representative online consumer panel, and ask its members if any had been victim to an unauthorised transaction in the last year. Those who had were taken through a series of further questions, and asked if they were willing to be interviewed on the telephone at a later date. Telephone was chosen as the interview method because the expectation was that the sample generated in this way would be geographically disparate, and it would be impractical to interview them all face to face. However, the telephone interview was fully qualitative and conducted by senior moderators.

As a by-product of this recruitment approach we were able to generate some limited quantitative research findings in addition to the qualitative output from the group

discussions and telephone depth interviews. The analysis of this quantitative output enabled us to develop some hypotheses as to why some of the other figures available relating to unauthorised transactions do not present a mutually consistent picture of what is happening.

Finally, in order to bring the consumer experience to life in a more vivid way than can be achieved by reporting research findings, we recruited people with recent experience of an unauthorised transaction to describe aspects of their experience directly to camera in filmed interviews. Some of these were people we had already interviewed on the phone, and some were recruited specifically for the filmed interviews (the latter were free-found by the same specialist qualitative research recruiters who had recruited the group discussions).



### 3. SAMPLING CONSIDERATIONS

For the group discussions the key sampling considerations taken into account were that we wanted to separate those with and without experience of an unauthorised transaction on their account, and to limit the age range within each group, so we separated the groups into 25-40 year olds and 41-60 year olds.

In each group we wanted an even mix of men and women, and at least half of each group to have credit cards (as well as all having bank accounts), with a range of providers.

Among the unauthorised transaction victims, we aimed for this experience to have occurred within the last five years, ensured that all had made a claim or had a refund offered to them, and that some had sought outside help, either from the Citizens' Advice Bureau or Financial Ombudsman service.

Beyond that the key recruitment criteria were as set out in the section below.

The thinking behind this design was that we wanted to understand the position of people with no experience of an unauthorised transaction, and separately that of people who had had this experience. For the latter, the timing of the experience was less important than the fact of it.

For the telephone depth interviews and filmed 'vox pop' interviews, it was important to understand the customer journey of people with a more recent experience of an unauthorised transaction on their account, because we needed them to be able to recall the detail of this journey. For these people we set the limit at one year, although we found that some of these participants had had the experience longer ago, despite answering a specific question on this point at recruitment.

#### 3.1 Recruitment specification: Groups

The general recruitment specification for all people attending the group discussions was as set out below:

- An even mix of men and women within the groups
- A split between younger (aged 25-40) and older groups (aged 41-65)
- All respondents had to have bank accounts
- At least half of each group had to have credit cards

Additional criteria were set according to the respondents' experience of an unauthorised transaction.

**3.2 Recruitment specification: Experienced an unauthorised transaction**

- All respondents must agree with this statement: *I have had money taken without my prior permission or knowledge from a bank, building society or credit card account or pre-paid card*
- Refer anyone who experienced it within the last year to the project manager to confirm validity/accuracy
- Aim for the majority of respondents to have experienced this within the last 5 years
- Aim for a spread of amounts taken across each group
- Aim for a spread of provider types from where money was taken (i.e. Banks, Building societies, credit card or pre-paid card companies)
- All respondents must have tried to claim the funds back
- Aim for the majority to have experienced a successful claim
- Aim for a spread, in each group, of those who went to the Citizens' Advice Bureau or the Financial Ombudsman for help, and those who did not

**3.3 Recruitment specification: Not experienced an unauthorised transaction**

- All respondents must agree with this statement: *I have never had money taken without my prior permission or knowledge from a bank, building society or credit card account or pre-paid card*

**3.4 Sample framework**

The four group discussions were structured as follows:

<i>Group 1</i>	<i>Had unauthorised transaction</i>	<i>Older</i>	<i>London</i>
<i>Group 2</i>	<i>Had unauthorised transaction</i>	<i>Younger</i>	<i>Manchester</i>
<i>Group 3</i>	<i>Not had unauthorised transaction</i>	<i>Younger</i>	<i>London</i>
<i>Group 4</i>	<i>Not had unauthorised transaction</i>	<i>Older</i>	<i>Manchester</i>



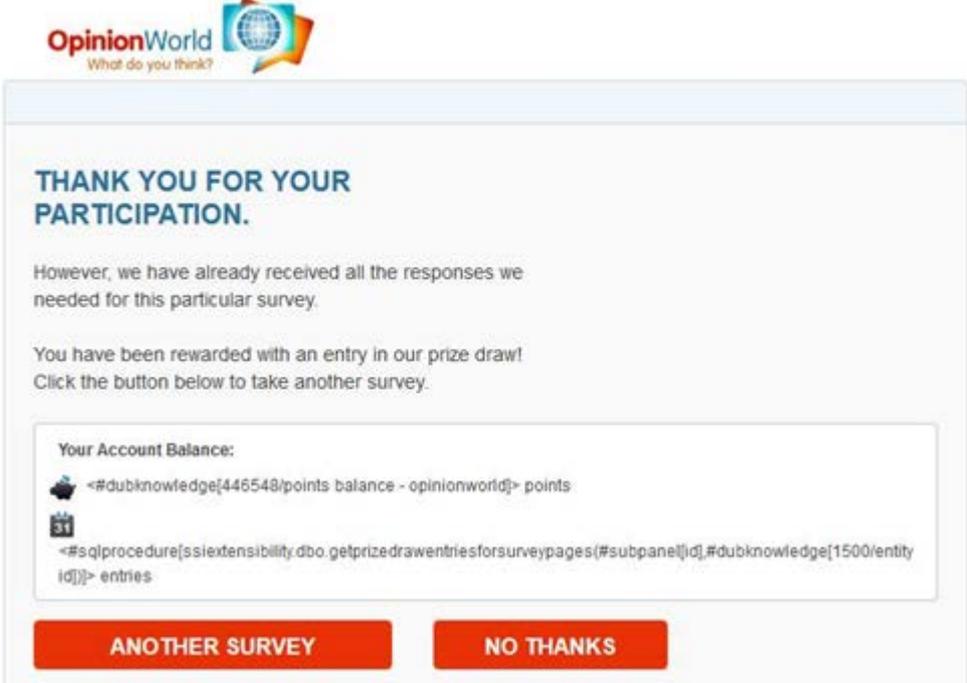
#### 4. STRUCTURED SCREENING EXERCISE

The structured screening exercise yielded a range of providers and account types which the participants said had suffered an unauthorised transaction. These included current or savings accounts at 17 banks and three building societies, as well as credit card accounts at 10 of them, and accounts at 10 other credit card providers.

The online questionnaire used in the structured screening exercise is set out below:

Purpose	Question area
Introduction wording	Thank you for agreeing to take our survey, please note that all your answers are strictly confidential and no answers will be viewed at an individual level
Non qualification wording (used when respondent becomes ineligible)	



<p>Quota full</p>	
<p>Demographics</p>	<ul style="list-style-type: none"> <li>- Gender</li> <li>- Age</li> <li>- Region</li> <li>- Household Income</li> <li>- SEG grade (A,B,C1,C2,D,E)</li> <li>- Family situation (Single, married/ living with partner)</li> <li>- Highest level of education?</li> </ul>

<p>Qualification</p>	<p>Q8 "Have you had any money taken <u>without your prior permission</u> or knowledge from a bank, building society or credit card account in the last 12 months?"</p> <ul style="list-style-type: none"> <li>- Yes, once (Go to account type Q)</li> <li>- Yes – more than once (Go to how many times Q)</li> <li>- No (close)</li> </ul> <hr/> <p>Q9 How many times has this happened to you in the last year?</p> <ul style="list-style-type: none"> <li>- Twice</li> <li>- Three times</li> <li>- Four times</li> <li>- Five or more times</li> <li>- Don't know (continue)</li> </ul>
<p>Account type</p>	<p>Q10 In this survey we are interested in instances where money has been taken <b>without your prior permission or knowledge</b> from a bank, building society or credit card account <b>by an individual or organisation other than you.</b></p> <p>This might include things like someone taking money out of an ATM that you didn't know about (for example if they have stolen your card/ PIN, cloned your card or just managed to hack into your account), internet, telephone or shop purchases that you didn't make, a lump sum money transfer or direct debit that you didn't authorise or other fraud that you were a victim of (for example phishing or identity theft).</p> <p>Please confirm that this is the sort of thing that happened in your case</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> </ul> <hr/> <p>Q11 Thinking about the most recent time that this happened, what type of account was the money taken from? If more than one account was affected on this last occasion, please choose the <b>one</b> account which is easiest to recall in terms of what happened (the loss, what happened next, any contact with the account provider, etc.)</p> <ul style="list-style-type: none"> <li>- Current account – one used for your day to day banking (Go to provider Q)</li> <li>- Savings account (go to provider Q)</li> <li>- Credit card account (go to provider Q)</li> <li>- Store card account – a card that you can only use in that particular shop (go to value Q)</li> <li>- Prepaid card account – a card which is pre-loaded with your own money and which you can then use wherever the card is accepted (Go to provider Q)</li> <li>- Other, please specify</li> </ul> <hr/> <p>Q12 And who was the account held with – please write in the name of the bank, building society, credit card company etc.</p>

	Write in
Value	<p>Q13 How much money was taken without your prior permission or knowledge?</p> <p>Please be as precise as you can about this figure, and type in the amount in pounds only using only numbers (no spaces, commas etc)</p> <p>For those that have a store card account close – note, these people should not count towards our total for the qual</p>
Identification of event	<p>Q14 Who first noticed that money had been taken from the account without your authorisation?</p> <ul style="list-style-type: none"> <li>- You, your spouse or partner'</li> <li>- The bank or credit card company</li> <li>- Someone else (who? Write in)</li> </ul>
	<p>Q15 How long after the money was taken out was this transaction noticed?</p> <ul style="list-style-type: none"> <li>- Almost immediately (within a day or so)</li> <li>- Not immediately but within a month</li> <li>- Between 1 – 3 months</li> <li>- Over 3 months (write in time)</li> </ul>
Transaction type	<p>Q16 What was the nature of the transaction (transactions) that resulted in money being taken out without your permission? Tick all that apply</p> <ul style="list-style-type: none"> <li>- Cash withdrawal (e.g. at an ATM)</li> <li>- Purchase in a shop (either with/ without added cashback)</li> <li>- Internet or telephone purchase</li> <li>- A cheque was cashed that I had not written/ for a different amount</li> <li>- A lump sum money transfer from my bank account</li> <li>- A regular payment, e.g. direct debit, went through on my account that I hadn't authorised/ had cancelled</li> <li>- Something else (write in)</li> <li>- Don't know (route to 'please describe' question)</li> </ul>
	<p>Q17 Ask if cash withdrawal/ shop purchase/ internet or telephone</p> <p>Thinking about this transaction specifically, at the time that the money was taken/ spent without your authorisation, did you still have the card in your possession?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> <li>- Don't remember</li> <li>- Prefer not to say</li> </ul>

	<p>Q18 Ask if internet or telephone purchase/ direct debit/ money transfer</p> <p>And did you already have a relationship with the shop or company or person who received the money before this incident – had you purchased something or subscribed to a service which meant that you had provided them with your bank or card details in the past?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> <li>- Don't remember</li> <li>- I don't know where the money went (route to please describe in as much detail as possible...)</li> </ul> <p>Q19 Ask if 'lump sum transfer', 'regular payment' or 'something else'</p> <p>Again, thinking only of the latest incident, were you the victim of one of the following sorts of scam?</p> <ul style="list-style-type: none"> <li>- 'Phishing' – I received an email which looked like it was from a genuine company that asked for personal details, but I subsequently found out that it was bogus</li> <li>- 'Vishing' – My account provider called me on the phone and told me that my account had been compromised and asked me to confirm my account details, but I subsequently found out that this call was bogus</li> <li>- No, not one of these</li> </ul> <p>Q20 Please describe in as much detail as possible what the transaction was and what exactly happened – e.g. how was the money taken out, how did they use your card/ account, how did they know your details etc.</p> <p>Write in</p>
<p>Journey type</p>	<p>Q21 Once it became clear that money had been taken without your authorisation, did you request the money back or did the provider say they would give you the money back? NB for the rest of this questionnaire, we refer to this process as 'the claim'</p> <ul style="list-style-type: none"> <li>- Yes, I asked the provider for the money back</li> <li>- Yes, the provider said they would deal with it and give me the money back</li> <li>- No, neither of these</li> <li>- Something else (write in) – treat as if 'yes' answer</li> </ul> <p>Q22 IF NO: Why didn't you claim the money back?</p> <p>Write in</p>

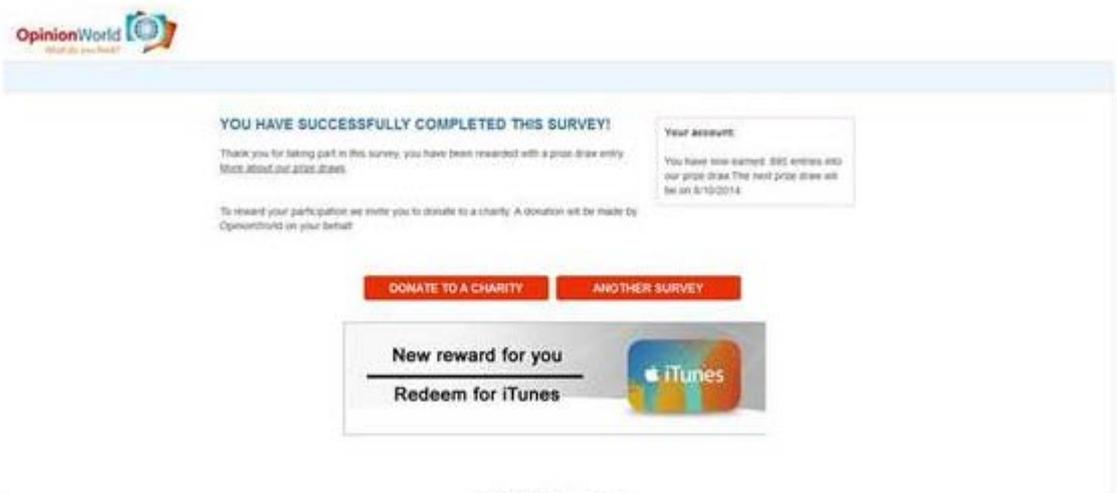


	<p>Q23 IF NO: At what point did you decide not to claim your money back?</p> <ul style="list-style-type: none"> <li>- At outset</li> <li>- Part of the way through the process</li> </ul>
	<p>Q24 IF YES: During the process, which of the following organisations did you have contact with? Tick all that apply</p> <ul style="list-style-type: none"> <li>- Your account provider</li> <li>- The police</li> <li>- The merchant involved in the transaction who took the money</li> <li>- The Financial Ombudsman Service</li> <li>- Citizens' Advice Bureau or other consumer group (e.g. Which, Money Advice Service)</li> <li>- Other [write]</li> </ul>
	<p>Q25 IF YES: During the process, were you asked to provide any documents, information or evidence to the bank or credit card company, or were you required to fill in any paperwork?</p> <ul style="list-style-type: none"> <li>- Yes (if yes, go to next Q)</li> <li>- No</li> <li>- Don't remember</li> </ul>
	<p>Q26 IF YES: How easy was it to get this information together/ complete the documents</p> <ul style="list-style-type: none"> <li>- 5 point Likert scale – very easy to not at all easy</li> </ul>
	<p>Q27 IF YES: How long were you given to return the required information to the company?</p> <ul style="list-style-type: none"> <li>- A week</li> <li>- Up to two weeks</li> <li>- Up to a month</li> <li>- More than a month</li> <li>- Don't remember</li> </ul>
	<p>Q28 IF YES: What were you told would happen if you failed to provide the information/ return the documents within the required time? (write in)</p>
Outcome	<p>Q29 Did you receive back all or some of the money you claimed?</p> <ul style="list-style-type: none"> <li>- Yes, received all of it with no quibbles (go to who gave money back Q)</li> <li>- Yes, I received all of it but only after a bit of toing and froing (go to who gave money back Q)</li> <li>- Don't yet know – case is ongoing (go to start date Q)</li> <li>- No, the company refused to refund <b>any</b> of the money (go to length of time Q)</li> <li>- No, the company only agreed to refund some of the money or make a good will payment (go to who gave money back Q)</li> </ul>
	<p>Q30 IF YES: Did you receive the money back from your account provider, or the retailer/ shop where the goods or services had been purchased?</p> <ul style="list-style-type: none"> <li>- Card/ account provider only</li> <li>- Merchant only</li> </ul>

	<ul style="list-style-type: none"> <li>- Mix of the two</li> <li>- Other agencies were involved (write in)</li> </ul>
	<p>Q31 How long did it take from when you made the claim until you received the money back/ got a decision from the provider?</p> <ul style="list-style-type: none"> <li>- It was almost immediate (same day/next day)</li> <li>- It took a week or so</li> <li>- It took between two weeks and three months</li> <li>- It took more than three months</li> </ul>
	<p>Q32 ASK ALL ONGOING CASES: how long ago did you start the claim?</p> <ul style="list-style-type: none"> <li>- In the last couple of days</li> <li>- In the last two weeks</li> <li>- Two weeks to three months ago</li> <li>- More than three months ago</li> </ul>
	<p>Q33 IF NO: Why what reason was given to you for the decision not to refund the money or only refund part of it?</p> <ul style="list-style-type: none"> <li>- Write in</li> </ul>
	<p>Q34 IF NO: Did you understand the reasons that were given?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> <li>- Don't remember</li> </ul>
	<p>Q35 If NO: Even though you did not get a full refund, did you feel that the decision was fair?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> </ul>
	<p>Q36 IF NO: Did the bank or credit card provider tell you what your options were now? For example, making a formal complaint, approaching the merchant or going to the Financial Ombudsman Service?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> <li>- Don't remember</li> </ul>
	<p>Q37 IF NO: Did you query or challenge this decision?</p> <ul style="list-style-type: none"> <li>- Yes (go to complaint Q)</li> <li>- No (go to further action Q)</li> <li>- Don't remember</li> </ul>
	<p>Q38 IF NO: Did you make a formal complaint about the decision?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> <li>- Don't remember</li> </ul>
	<p>Q39 IF NO: Are you considering taking any further action?</p> <ul style="list-style-type: none"> <li>- Yes</li> <li>- No</li> </ul>
Qualitative	<p>Q40 Overall how easy was it to deal with the bank or credit card provider?</p>

assessment of the experience	- 5 point Likert scale - 'very easy to not at all easy'
	Q41 How satisfied are you with how the bank or credit card provider dealt with your situation? - 5 point Likert scale – very to not at all
	Q42 And to what extent do you feel that the way you were treated was fair? - 5 point Likert scale – very to not at all fair
	Q43 How clear was the process of making the claim - 5 point Likert scale – very to not at all clear
	Q44 During the process, how well informed did you feel about what was happening/ the status of the claim? - 5 point Likert scale – very informed to not at all informed
	Q45 To what extent did your actual experience match with what you expected to happen? - 5 point Likert scale – very much what I expected to not at all what I expected
Security (NB: we need to be aware that the answers to this section may not be totally honest)	Q46 Have you <b>ever</b> shared your secure personal banking details (e.g. PIN number, online account password, security number) with anyone else - Yes, a carer - Yes, family member or close friend - Yes, another company – this might be an aggregator site, your solicitor or executor, or a password store company - Yes, someone else (write in) - No, never
	Q47 ANSWER IF YES AND IF NO/ PARTIAL REFUND  Was the fact that you have shared your secure personal banking details given by your account provider as a reason for not providing a full refund? - Yes No
Post code	What is your post code?  Please enter your post code, e.g. "L5 2PL", "B24 3DV" or "SW1A 8TF". Your answer will only be used for the geographical grouping of answers and will not be used for communication purposes
Sign off	Thank you very much for your time.  We might want to ask you some follow-up questions via a telephone interview of around 30 minutes and are willing to offer you £40 for your time. If you are happy for us to contact you, please provide your telephone number including area code below. Please provide a landline wherever possible for the purposes of call quality although if you prefer, feel free to give your mobile. If you do not want to participate in the follow up telephone interviews please just enter "1" in the box



	below and click "Done". The survey will then be complete
End screen	 <p>OpinionWorld What do you think?</p> <p><b>YOU HAVE SUCCESSFULLY COMPLETED THIS SURVEY!</b></p> <p>Thank you for taking part in this survey, you have been rewarded with a prize-draw entry. Watch out! our prize draw!</p> <p>To reward your participation we invite you to donate to a charity. A donation will be made by OpinionsWorld on your behalf.</p> <p><b>Your account:</b> You have now earned 895 entries and our prize draw. The next prize draw will be on 8/19/2014.</p> <p><a href="#">DONATE TO A CHARITY</a> <a href="#">ANOTHER SURVEY</a></p> <p><b>New reward for you</b> <b>Redeem for iTunes</b></p> <p>©2014 Survey Sampling International</p>



## 5. GROUP DISCUSSION TOPIC GUIDES

The group discussion topic guides were as set out below. The first is for the participants who had experienced an unauthorised transaction on their account, and the second is the one used with participants who had had no such experience.

### 5.1 Unauthorised transactions (Experienced): Consumer group discussions (2 hours)

#### Introductions and scene setting

- Confirm purpose of research – to help the FCA to understand what people think and know about what happens if there is a transaction on their account which wasn't authorised by them
- Remind re MRS code of conduct, reassure re confidentiality, taping, etc.
- Introductions - first name, what you do, what accounts you have (current, credit, charge, savings, etc.); how used – online, telephone, etc.
- Check that everyone in the group has been the victim of an unauthorised transaction

#### Account security

- How many accounts do you have?
- How many passwords/ PINs/ passcodes do you have?
  - How do you remember which passwords/ PINs/ passcodes go with which accounts?
  - How do you 'manage' your passwords/ PINs/ passcodes?
- What do you do if you forget the password to an account?
- Do you have a back-up anywhere?
  - E.g. do you write them down/ keep them somewhere 'safe'?
  - Where?
  - How safe?
- How many different passwords is it reasonable to be expected to remember?
- Have you ever shared your security details with anyone else?
  - Husband, wife, kids, etc.
  - Other companies – loan companies, password safes, aggregator sites etc.

#### Unauthorised transaction

*You have all had some money taken from your accounts without your authorisation...*

- What was your immediate reaction when it happened?
  - Who did you contact straight away/ by what means?
- How quickly did you get in touch with your account provider?

- Why is that?
- Did you think you had any obligations to the provider about how quickly you got in touch with them? What obligations?
- What did you expect to happen next?
  - How easy/ difficult did you think it would be?
  - What information did you think you would need to provide?
  - Did you think you would get your money back – why/ why not?
- Describe the process that you went through next?
  - What did the provider do?
  - What did you do?
  - Did you talk to anyone else about it/ seek advice or more information – who from, why, how helpful was this?
- How sympathetic was the provider?
  - Why did they take this attitude?
  - How did you feel?
- How easy/ difficult was the process?
  - How much hassle did you go through?
  - How long did it take to sort out?
- Ultimately, what happened in the end?
- Thinking through your experience, how did it compare to what you thought might happen?
  - Was it easier or more difficult – why?

### Consumer rights and obligations

- So overall, if money is taken from your account without your permission, do you know what your rights are?
  - Explore variations by type of account – current/ deposit, credit card, top-up card, bank, building society, etc. – how aware of this?
  - Would you try and find out - where would you go to find out?
- How much protection do you have?
  - What are you protected/ not protected against?
- What obligations does the account provider have to you, if any?
- What obligations do you have, if any?
  - E.g. re account security
- How do the protection and the obligations you have fit together?

### Scenarios

- How much would any of this vary depending on the amount of money involved or how the money was taken?



- Your obligations
- The provider's obligations
- What the provider actually would do
- Your own attitude
- The provider's attitude - how sympathetic they would be
- How much hassle you would have
- How long the whole process of resolving it would take

*Discussion of scenarios, dividing the group into sub-groups representing the legitimate concerns of both parties – explain why they are legitimate; discussion of the issues raised with the group as a whole*

- Your PIN number/ passcode was used to authorise a fraudulent transaction
  - What if: You have written your PIN/ passcode down somewhere (e.g. in a diary, on the phone)
  - What if: the phone is lost or stolen, home is burgled and bag stolen?
  - What if: PIN not written down anywhere?
  - What if: You have told someone else your PIN (explore family member, loan company, aggregator or pin safe company)? Explore reactions when that person has used PIN fraudulently and/ or it was someone else unrelated
  - What if: One account has been hacked, but you use the same PIN/ passcode for many accounts and these other accounts are then targeted?
  - What if: PIN/ password has been given to a fraudster as a result of phishing/ vishing
- The company gave you advice about keeping your card/ account secure (or put these into your terms and conditions)
  - Covering your PIN at an ATM/ point of sale?
  - Never telling anyone else your PIN/ password?
  - Regularly changing your PIN/ password (as part of your T&Cs)?
- The amount was (for example) £100 or £10,000
  - What would change about your attitude?
  - What would you expect to change about the provider's attitude?
- Discussion of the broad areas of consensus and reasons/ justification for the views expressed
  - What do you think should happen in these circumstances?
  - Who bears the most responsibility for this? Why?
  - What would you expect to happen in terms of getting your money back? Why?
  - What questions/ evidence would you expect to be asked/ provide?
  - From the customer's point of view, what is fair?
  - What is fair for the provider (bank or credit card company?)

## Sum up

- What are the consumer rights and obligations that you are sure of relating to account fraud?
  - What rights and obligations do you think there might be, but you are less sure?
- What about the provider obligations?
  - That you are sure of
  - That you think might apply
- How fair is all of this to both parties?
- What would be fairer?
- What do you think the FCA should focus on in talking to providers about how to deal with customers who have had money taken from their accounts?

*Thank and close*



## 5.2 Unauthorised transactions (no experience): Consumer group discussions (2 hours)

### Introductions and scene setting

- Confirm purpose of research – to help the FCA to understand what people think and know about what happens if there is a transaction on their account which wasn't authorised by them
- Remind re MRS code of conduct, reassure re confidentiality, taping, etc.
- Introductions - first name, what you do, what accounts you have (current, credit, charge, savings, etc.); how used – online, telephone, etc.
- Check that everyone in the group has not been the victim of an unauthorised transaction

### Account security

- How many accounts do you have?
- How many passwords/ PINs/ passcodes do you have?
  - How do you remember which passwords/ PINs/ passcodes go with which accounts?
  - How do you 'manage' your passwords/ PINs/ passcodes?
- What do you do if you forget the password to an account?
- Do you have a back-up anywhere?
  - E.g. do you write them down/ keep them somewhere 'safe'?
  - Where?
  - How safe?
- How many different passwords is it reasonable to be expected to remember?
- Have you ever shared your security details with anyone else?
  - Husband, wife, kids, etc.
  - Other companies – loan companies, password safes, aggregator sites etc.

### Consumer rights and obligations

- If money is taken from your account without your permission, do you know what your rights are?
  - Explore variations by type of account – current/ deposit, credit card, top-up card, bank, building society, etc.
  - Would you try and find out - where would you go to find out?
- How much protection do you have?
  - What are you protected/ not protected against?
- What obligations does the account provider have to you, if any?
- What obligations do you have, if any?

- E.g. re account security
- How do the protection and the obligations you have fit together?

### Unauthorised transaction

*Let's say some money is taken from your account...*

- Do you know what you would do?
  - Who would you contact/ by what means?
- How quickly would you get in touch with your account provider?
  - Why is that?
- Do you think you have any obligations to the provider about how quickly you get in touch with them?
  - What obligations?
  - What difference would it make if you didn't meet those obligations?
- What do you think would happen next? And next ... go through all the steps you expect would happen, from your side and the provider's side (what you would do, what they would do)
  - What would you be expected to do by the provider?
  - What would you want the provider to do?
  - What information did you think you would need to provide?
  - Did you think you would get your money back – why/ why not?
- What do you think the provider *actually would do*?
  - Why is that?
- How sympathetic do you think the provider would be?
  - What effect do you think that would have on your own attitude?
- How easy/ difficult do you think it would be?
  - How much hassle do you think you would have to go through?
  - How long do you think it would all take to sort out?
  - Why is that?
- How much would any of this vary depending on the amount of money involved or how the money was taken?
  - Your obligations
  - The provider's obligations
  - What the provider actually would do
  - Your own attitude
  - The provider's attitude - how sympathetic they would be
  - How much hassle you would have
  - How long the whole process of resolving it would take

### Scenarios

*Discussion of scenarios, dividing the group into sub-groups representing the legitimate concerns of both parties – explain why they are legitimate; discussion of the issues raised with the group as a whole*

- Your PIN number/ passcode was used to authorise a fraudulent transaction
  - What if: You have written your PIN/ passcode down somewhere (e.g. in a diary, on the phone)
  - What if: the phone is lost or stolen, home is burgled and bag stolen?
  - What if: PIN not written down anywhere?
  - What if: You have told someone else your PIN (explore family member, loan company, aggregator or pin safe company)? Explore reactions when that person has used PIN fraudulently and/ or it was someone else unrelated
  - What if: One account has been hacked, but you use the same PIN/ passcode for many accounts and these other accounts are then targeted?
  - What if: PIN/ password has been given to a fraudster as a result of phishing/ vishing
- The company gave you advice about keeping your card/ account secure (or put these into your terms and conditions)
  - Covering your PIN at an ATM/ point of sale?
  - Never telling anyone else your PIN/ password?
  - Regularly changing your PIN/ password (as part of your T&Cs)?
- The amount was (for example) £100 or £10,000
  - What would change about your attitude?
  - What would you expect to change about the provider's attitude?
- Discussion of the broad areas of consensus and reasons/ justification for the views expressed
  - What do you think should happen in these circumstances?
  - Who bears the most responsibility for this? Why?
  - What would you expect to happen in terms of getting your money back? Why?
  - What questions/ evidence would you expect to be asked/ provide?
  - From the customer's point of view, what is fair?
  - What is fair for the provider (bank or credit card company?)

## Sum up

- What are the consumer rights and obligations that you are sure of relating to account fraud?
  - What rights and obligations do you think there might be, but you are less sure?
- What about the provider obligations?
  - That you are sure of
  - That you think might apply
- How fair is all of this to both parties?
- What would be fairer?

- What do you think the FCA should focus on in talking to providers about how to deal with customers who have had money taken from their accounts?

***Thank and close***



## 6. DEPTH INTERVIEW TOPIC GUIDE

The topic guide used for the telephone depth interviews is below. This guide was also used for the filmed 'vox pop' interviews. The telephone interviews lasted around 30-40 minutes, and we adapted our approach according to the experience of each individual

### Introductions and scene setting

- Confirm purpose of research – to help the FCA to understand what people think and know about what happens if there is a transaction on their account which wasn't authorised by them
- Remind re MRS code of conduct, reassure re confidentiality, taping, etc.
- Introductions - first name, what you do, what accounts you have (current, credit, charge, savings, etc.); how used – online, telephone, etc.

### The transaction

*Explain want to talk about the experience they had with the unauthorised transaction – we will let them describe it in their own words, and then probe to ensure we gather all the detail*

- In your own words, explain what happened?
- Probe as appropriate
  - What account/product/card was affected by the unauthorised transaction? Probe whether this was more than one account/ card – if so, bear this in mind and probe whether there were different approaches by different providers
  - Who held the account?
  - How much money was taken?
  - Has this happened to you ever before – again, probe for differences in approach as the interview progresses
- How did you find out that the money had been taken?
  - Who noticed that the money had gone? As appropriate, discuss whether noticed online or paper statement
  - How soon after the transaction was it noticed?
  - How did you feel when you realised that money had been taken?
- What do you know about the transaction(s) itself?
  - Probe for detail of where/ when the transaction occurred
  - Was the card still in your possession?
  - Was a PIN/ password used?
  - Did you know the person/ retailer to whom the money was paid?
  - Was it as a result of a fraud – phishing/ vishing – what exactly happened?
- How did you go about keeping your details secure/ safe?

- How did you organise/ remember your PIN numbers/ passcodes?
- Do you share your codes with anyone – who/ why?

### **The claim journey**

*Explain what you want to talk about the process then went through to get the money back – we will let them describe it in their own words, and then probe to ensure we gather all the detail*

- Once you realised that the money was missing, what did you do?
  - Who did you contact?
  - Did you go anywhere else for help/ advice – why?
- Did you try to get the money back – why/ why not?
  - What factors influence your decision whether to claim/ persevere – value, initial communication from the provider, your confidence
- At this point, what did you expect to happen?
  - How easy/ difficult did you think it would be?
  - Did they think they would have to speak to multiple people e.g. police, retailer or would provider do it all?
  - What information did you think you would need to provide?
  - How did you expect the provider to behave
  - What about the person/ retail involved?
  - Did you expect to get your money back – why/ why not?
- In reality, what did happen? Describe the process that you went through
  - What conversations did you have with the card/ account provider?
  - What channel was most of the contact and what was the preferred channel e.g. phone, email, ftf
  - What were you told about the process of getting your money back?
  - Who was involved in the process?
- How easy was the claims process?
  - Was it clear what the process was/ what would happen at each stage?
  - Were you asked to complete any documents/ provide any evidence – if yes, what, how, channel?
  - How easy was it to provide these details/ what timescale were you given?
  - How reasonable were the requests made by your bank/ credit card provider?
  - What would happen if you didn't provide the details – were you aware of the consequences?
  - How well did the provider communicate what was going on with you?
- How did you feel during the claims process?
  - Probe for level of comfort and how well treated by the provider
  - How well informed did they feel?

## The outcome

- So what happened in the end?
  - Did you get all/ some/ none of your money back?
  - How long did it take to get this decision from the provider?
- If yes:
  - Who gave you the money back (retailer, provider, someone else)?
- If no or partial:
  - What happened?
  - What reason were you given? How clear were the reasons?
  - Did you challenge or query this decision?
  - Were you told what your options were now?
- Thinking through your experience, how did it compare to what you thought might happen?
  - Was it easier or more difficult – why?

## Sum up

- How has the experience changed how you:
  - Go about keeping your details secure?
  - Think about providers?
- Having had the experience, what do you think your responsibilities are when it comes to security?
- And what do you think about the provider's responsibilities?
- Thinking about your experience, what was 'good' about it?
- And what was poor/ where there is room for improvement?
- What do you think the FCA should focus on in talking to providers about how to deal with customers who have had money taken from their accounts?

***Thank and close***