



# THE CREDIT INFORMATION MARKET STUDY

Technical Report

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# 1 PROJECT BACKGROUND

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## 1.1 BACKGROUND

The Financial Conduct Authority (FCA) regularly conducts market studies and has identified the credit information market as an area for investigation. In June 2019, the FCA launched the Credit Information Market Study to examine how the credit information market operates and the impact it has on consumers.

Credit information is used to help assess individuals' financial standing and plays a key role in enabling access to a range of financial and non-financial services. It is important in delivering public policy objectives such as responsible lending.

This consumer research for the FCA, conducted by Decidedly, forms part of the evidence base for the market study. The research focused on assessing consumer engagement with credit information, including through Credit Information Service (CIS) providers, and how this engagement and understanding affects the way consumers interact with CIS and credit products.

The insights from this research will be integrated and interpreted alongside other findings from the Credit Information Market Study.

## 1.2 RESEARCH OBJECTIVES

The main aim of the consumer research was to assess consumer engagement with credit information including through CIS providers.

The three specific areas for the research to address were: (1) consumers' use of credit information services; (2) consumers' understanding of credit information; (3) impact of consumer understanding on consumer behaviour in the CIS market.

To meet the research objectives, we focused on assessing consumer engagement with credit information alongside their broader financial behaviour, their attitudes towards credit and the way they use it, and the reasons why they use credit. This is because the use of credit information services is likely to be affected by a consumer's demand for credit. We also investigated consumers' views about ways in which the credit information market could better meet their needs

## 2 PROJECT APPROACH

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We ran the methodologies in the following order, so that each phase built on previous learnings.

**Immerse:** the objective of this phase was to gather information to refine and clarify our research objectives, and inform the next phases of the project.

The stages for this phase were:

- A kick-off meeting and hypothesis generating session with Decidedly and the FCA team.
- 8 semi structured qualitative telephone interviews with experts from 3 financial / debt advisories, 4 charities and one specific debt charity. Details of the companies can be found in section 3 Appendix.

**Explore:** the objective of this phase was to gain a deeper insight into how consumers navigate the credit landscape, their key needs, and the outcomes that they want to achieve by obtaining credit:

The stages for this phase were:

- A 3-day mobile ethnography pre-task (whereby participants upload video and photo tasks via mobile phone) with 56 participants to get to know the participants and contextualise their responses in the subsequent focus groups. The FCA team had access to the platform where the videos were stored and could track progress in real-time.
- 8 x two-hour focus groups (across 4 locations in the UK) with 48 participants in total, to explore overarching attitudes, challenges and concerns about accessing and using credit information. 6 groups in 3 locations were observed by the FCA team.
- An interim analysis session with the FCA team to provide an early read of the insights from the Immerse and Explore phases. This was also an opportunity to share a first draft of the quantitative survey with the FCA and review it together, whilst building on the insights from the first phases of the project.

**Measure:** the overall objective of this phase was to provide robust quantitative evidence to support understanding and decision-making, and a segmentation framework to identify key consumer groups.

The stages for this phase were:

- A 30-minute bespoke online quantitative survey with a nationally representative sample of 3,000 people across the UK to quantify current perceptions, experiences and behaviour around credit scoring.
- A Max Diff statistical technique to identify key consumer needs around credit information and produce an insight-led segmentation of consumers (see section 2.3.6.4 for more detail on the Max Diff technique).

### 2.1 IMMERSE

To develop our understanding of the role of credit information services, we spoke to 8 experts from financial and debt advice firms and financial charities. The FCA provided Decidedly with expert contacts from their network who represented a wide range of consumers (see Appendix 3.1 for the full list of organisations interviewed). The experts' roles included policy managers, research officers, debt advisers and public affair roles. We recruited the experts via the email contacts provided, and conducted the 45 minute semi structured, qualitative interviews via telephone. These discussions allowed us to focus on the issues consumers face when dealing with credit and credit information and the role that credit information services have for consumers.

Key topics that we covered included:

- The role of credit in their clients' lives more broadly.
- The role and importance of credit information for their clients.
- Usage of credit information.
- Gaps, concerns, issues that they think exist for their clients when using, accessing and understanding credit information.
- Client understanding of credit information, files and credit reference agencies (CRAs).
- Actions taken as a result of accessing credit information.
- Changes needed for the credit information market to better address the needs of their clients.

We collected insights from advisers supporting consumers from a range of backgrounds including vulnerable consumers (as per their organisations' definition) which allowed us to further understand consumers in specific sets of circumstances.

The advisers' feedback also helped to shape the topics and questions that we covered in the Explore stage (for example, ensuring we explored the understanding of different elements of a credit report).

## 2.2 EXPLORE

### 2.2.1 EXPLORE: QUALITATIVE SAMPLE

#### Sample Size

We recruited 56 participants to take part in the mobile ethnography pre-task, with the intention of taking 48 participants into focus groups. We deliberately over-recruited to 56 participants, anticipating that a small number of participants may not be able to take part in the focus groups due to their availability or unforeseen circumstances. It also allowed us to ensure that all people who attended the focus groups had been sufficiently engaged in the pre-task and would contribute well and be articulate in a group setting. By over-recruiting we were also able to ensure that participants fit the specification of the group they would take part in e.g. ensuring that all participants in the same focus group had a similar level of financial acumen.

Following the pre-task, we invited 48 out of the 56 participants to take part in the focus groups. The sample of 48 allowed us to conduct 8 focus groups, with 6 people in each. Conducting 8 focus groups allowed the group sample to be split by both credit information usage and financial acumen. We therefore ensured we had sufficient representation across the qualitative sample, whilst knowing that we would gather a broader view during the quantitative phase. Conducting 8 focus groups allowed us to explore each of the objectives in depth with a range of different people.

We chose to conduct focus groups with 6 participants in each so that participants had more chance to contribute (compared to a larger focus group) and for the deliberative discussion technique to work more effectively. In larger groups, it would have been more difficult to encourage and allow participants to share their own perceptions and experiences of credit and credit information services.

#### Locations

For the qualitative phases, we recruited participants from 4 locations (London, Manchester, Cardiff, and Glasgow) to cover different regions of the UK. We spoke to an expert from a charity based in Northern Ireland as part of the Immerse phase and we ensured we gathered a robust sample from Northern Ireland in the quantitative phase.

**We used three key factors to determine the qualitative sample: participants' use of credit; participants' use of credit information services; and their financial acumen.**

### Use of credit

When selecting the sample for the qualitative phases of our research, all participants were recruited on the basis that they currently held credit products or were actively looking for credit products.

### Use of credit information services

$\frac{3}{4}$  of the qualitative sample were recruited to be using credit information services, and  $\frac{1}{4}$  were not using them. This allowed us to distinguish consumer engagement with credit information depending on their use of credit information services. The sample allowed us to gain deeper insight into consumer engagement within the bounds of what is considered a good qualitative sample size. Non-users of credit information services were also included to understand any barriers to accessing credit information services.

The definitions of credit information usage we used are outlined in the table below

Classification	Recency of checking credit score / report	Frequency of checking credit score / report in last year
Non - user	I have never checked my credit report / score but I am open to doing so in future	N/A
Rare	I have not checked my credit report / score in the last 3 months, but have done at other times	Never in the last year
Moderate	I have checked my credit report / score in the last 3 months I have not checked my credit report / score in the last 3 months, but have done at other times	Once or twice in the last year
Heavy	I have checked my credit report / score in the last 3 months	4 or more times in the last year

### Financial acumen

Half of the groups were recruited to have higher financial acumen, and half were recruited to have lower financial acumen. Financial acumen was determined by four of the FCA's Consumer Understanding Test questions. These questions were selected to understand:

- Confidence in managing money
- Satisfaction with financial circumstances

- Knowledge of financial matters
- Confidence / savviness with financial products / services.

### Sample split across locations

For each location participants were assigned to one of two groups. The groups were determined by participants' financial acumen and how frequently and recently they have checked their credit score / report. We chose these factors in agreement with the FCA to sufficiently represent a broad range of consumers.

Separating the groups by financial acumen and credit information usage allowed participants to discuss financial and credit behaviours in an environment with similar people. It also allowed us to explore how consumers understand their finances, how and why they access and understand credit information services (along with frequency / recency of checking credit report), which would have been more difficult in mixed financial acumen / credit information usage groups.

Focus group	Location	Credit information usage	Financial acumen
Group 1	London	Heavy	High
Group 2	London	Moderate	Low
Group 3	Manchester	Rare	High
Group 4	Manchester	Non-users	Low
Group 5	Glasgow	Heavy	Low
Group 6	Glasgow	Moderate	High
Group 7	Cardiff	Rare	Low
Group 8	Cardiff	Non-users	High

### Other criteria

From the total sample of 56, at least 3 participants had challenged errors on their credit file and at least 2 had used credit improvement products, which allowed us to better understand some of the steps consumers take to improve their credit file.

We also used a set of agreed criteria from the FCA to capture potential vulnerability in our sample of interest. These criteria are used in the FCA Financial Lives Survey work and are described in more detail in section 2.3.2 of this technical report.

Across each location we recruited a mix of gender, ages, life stages and household incomes.

## 2.2.2 EXPLORE: QUALITATIVE APPROACH

### Mobile ethnography pre-task

Participants were required to take part in a mobile ethnography pre-task that engaged them in different questions over the course of 3 days. The aim of the mobile ethnography pre-task was to get to know the participants, their attitudes towards money and finance, and contextualise their responses in the focus groups.

Tasks included:

- An introduction to the participant, their home and work life, plans / aspirations for the next few years
- Perceptions of their own financial confidence and ability to manage money
- Perceptions of their own 'financial health'
- How they make financial decisions, including what and who influences this
- Understanding financial products that they currently hold
- Experiences of obtaining credit
- Future goals that may involve obtaining credit

Participants uploaded photo and video responses to questions, which were moderated by members of our team. Participants were not able to view other participants' responses, which allowed for more open and honest responses to a range of personal and emotive questions.

The pre-task did not mention credit scores or credit reports so participants were not pre-disposed to the topics before attending the focus groups, or prompted to check their credit report / score or research credit information. This meant the responses we gathered in the focus groups were not affected by the pre-task and were as natural and close to the participants' true understanding as possible. The pre-task responses were used to assign participants to specific focus groups.

## Focus groups

During the focus groups we explored different types of credit journey, and within those, we explored attitudes, challenges and concerns about accessing and using credit information.

Other activities covered in the focus group were:

- Testing consumer understanding of what impacts credit scores.
- Exploring consumer understanding of credit information and lending, including the factors that may or may not impact a person's credit score.
- Exploring understanding of different credit reports.

As part of these activities, and the discussion in general, Decidedly's moderators ensured that participants knew we were not financial experts, and anything heard or learned during the groups was not to be taken as financial advice or guidance of any kind. We clarified that the moderator was not there to advise or give them the 'right' answer about their own personal situation or choices, but to be an objective moderator. We ensured participants were clear that group discussions were based on participants' perceptions, views and personal understanding of credit and credit information services and therefore must not be assumed to be factual or true.

We used a deliberative discussion technique to encourage openness. The deliberative technique helped participants to learn throughout discussion, by capturing their 'raw' perceptions at the beginning of the sessions and supporting their learning on how the credit information market works. We understood that there may be times when participants would struggle with understanding, or have differences of opinion and understanding, and as moderators we needed to appropriately support them, whilst remaining impartial. This included needing to accurately explain terminology, clarifying how something works or explaining core elements to increase understanding. For example:

*Participant: I am not sure what this means?*

*Moderator: What do you think it means? Does anyone else know?*

*[Listen to participant responses and only explain if there isn't clarity]*

*Moderator: This means...*



We used a worksheet of key facts and information that we shared when necessary. This material was provided by the FCA team in advance of the focus groups. This allowed participants to come to more informed views about the working of the market in general, and credit information services in particular, whilst ensuring that the moderator remained neutral.

### 2.2.3 EXPLORE: QUALITATIVE STIMULUS

We left a one-day gap between the first fieldwork location (London) and subsequent locations. This allowed us to review the discussion guide between the first location and the remainder. However, the changes we made to the discussion guide were minimal, predominantly adding specific probes that had come up in the first location, meaning that all locations were asked the same questions and the results were unaffected.

**The stimulus that we used is as follows:**

#### **Behavioural statements to understand perceived impact the behaviour would have on a person's credit score**

We asked participants to read a selection of statements and discuss whether the action would have a positive, negative or no impact on a person's credit score. This activity helped us to understand the level of understanding that participants had regarding credit scores, how participants believe credit scores are calculated, and the things that may impact credit scores.

#### **Illustrative personas to explore likelihood to obtain credit based on the individual's behaviour and credit usage factors that may / may not impact credit score**

We created illustrative personas of individuals, each with different information about their circumstances and credit usage. These were signed off by the FCA ahead of the focus groups and enabled us to explore the factors that may or may not impact a person's credit score, and how participants perceive whether they will be given credit by a lender. It also allowed participants to talk about their own experiences without directly having to reference their own circumstances.

#### **Mock credit information reports**

We created de-branded mock credit information reports based on those from three of the major CIS providers to provide an example of credit information reports. These were used as stimulus in the focus groups to explore consumers' understanding of different information within different credit reports. To explore any differences between free and paid-for services, we shared a free version of a report from one CIS, and the paid-for report from another CIS.

In addition, we shared versions of the report with a 'higher' and a 'lower' credit score from each CRA. For the first set of groups in London, we shared the reports with the higher credit scores to the higher financial acumen group and the reports with the lower credit scores to the lower financial acumen group. In the first two focus groups, we received richer feedback from participants who were exploring the reports with 'lower' credit scores. This was likely to be because reports with lower scores contained more information, including possible reasons for the score and actions to be taken to improve it. So we agreed with the FCA to show all subsequent groups the 'lower' credit scores reports regardless of their current financial situation / acumen.

### 2.2.4 EXPLORE: QUALITATIVE DELIVERY & QUANTITATIVE DESIGN

Once we completed the focus groups, we had a working session with the FCA team to discuss findings. We used insights from the qualitative phase of the research to draft the quantitative survey, shape survey questions and structure. Insights included the language consumers had used to describe different aspects of credit information

services and reports, as well as consumer understanding of credit information outcomes and objectives. We collaboratively worked with the FCA to design the survey.

## 2.3 MEASURE

As part of the Measure phase, we carried out a 30-minute quantitative online survey with a nationally representative sample of more than 3,000 adults living in the UK.

### 2.3.1 MEASURE: THE APPROACH

We agreed on using an online survey methodology as it was the quickest and most cost-effective way of gathering views from a large sample of the UK population compared to telephone or postal survey methodologies.

We considered that by administering the survey online, we could be excluding some of the more vulnerable consumers from the survey coverage (e.g. those of very old age, those living in extremely deprived areas). However, given the fact that over 90% of the UK population are internet users<sup>1</sup>, we were confident that using an online methodology would enable us to achieve a sample which would be broadly representative of the UK population. We put measures in place (please see section 2.3.2) to ensure that the sample included a sufficient coverage of vulnerable consumers. We also relied on the expert interviews to provide us with a good overview of how the credit information market works for vulnerable consumers and across all age groups.

### 2.3.2 MEASURE: SAMPLE

We surveyed a nationally representative sample of more than 3,000 adults across the UK using a third-party sample supplier (Cobalt Sky) based in London. This was a different sample from consumers we spoke to in the qualitative phases.

To ensure the sample was nationally representative, quotas on key demographics such as gender, age and region/country were set.

Gender and age quotas were interlocked (i.e. we looked at gender by different age quotas) to ensure we had a spread of ages within each gender group that is representative of the UK population.

Region/country quotas were not interlocked with age or gender. Gender and age within each region/country were allowed to fall out naturally. We decided against interlocking region/country quotas with age and gender quotas as otherwise the feasibility of 3,000 survey completes was not guaranteed.

We allowed other important demographics such as marital status, household composition, income, and ethnicity, to fall out naturally, as setting quotas on these would also have not guaranteed 3,000 survey completes. We used our soft launch data to check that the final sample had captured those demographics

#### Sub group considerations

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<sup>1</sup> Office for National Statistics:

<https://www.ons.gov.uk/businessindustryandtrade/itandinternetindustry/bulletins/internetusers/2019>

We also selected in agreement with the FCA a number of survey questions which linked to the FCA characteristics of vulnerability described in their Financial Lives Survey work. To ensure vulnerable consumers were represented in our sample, we considered setting a minimum number of completes for consumers who showed the following characteristics:

- Consumers who are potentially **vulnerable due to low financial resilience** (i.e. people who have previously missed payments on any forms of financial credit in the past 6 years and do not have enough savings to cover an unexpected bill of £200).
- Consumers who are potentially **vulnerable due to low financial capability** (i.e. people who do not consider them confident managing their money or do not consider themselves savvy and confident when it comes to financial products and services).
- Consumers who are potentially **vulnerable based on their health** (i.e. people with long-term physical or mental illness, or long-term disability).
- Consumers who are potentially **vulnerable based on recent life events** (i.e. people who have experienced recent bereavement, unemployment or unstable employment, separation or divorce or caring responsibilities)

We also considered a minimum number of completes for consumers depending on how frequently they used credit information (i.e. heavy, frequent, moderate, rare, non-users).

Our assumption was that we would be able to achieve sufficient base sizes for these groups of interest with a natural fallout. So, before any measures were put in place to address sample issues, we monitored the numbers we were getting for each of these groups during the survey soft launch (i.e. initial launch of the survey to a small number of respondents, in this case 200).

The survey soft launch gave us confidence<sup>2</sup> **that additional measures to ensure sufficient base sizes for the above groups of interest were not necessary and that natural fallout was sufficient to achieve robust numbers in each subgroup.** The table below shows the number of respondents that was achieved in each of the subgroups of interest. We would consider anything over 50 people as a sufficient base for the cross-tabulation analysis and anything over 100 as a good, robust base for the cross-tabulation analysis (see section 2.3.6.2 for more detail on cross-tabulation).

Group of interest	Question	Unweighted base	Weighted base
Long-term physical or mental illness	Q103	519	516
Long-term disability	Q103	447	454
Recent bereavement	Q103	178	178
Unemployment or unstable employment	Q103	370	377
Separation or divorce	Q103	66	68
Caring responsibilities	Q103	224	224
Don't have enough savings to cover an unexpected bill of £200	Q12	986	980
Have missed payments on financial credit in the past 6 years	Q25	778	784

<sup>2</sup> By this we mean that the initial survey launch (otherwise known as soft launch) to a small, but nationally representative sample of 200 people showed that the proportions of the groups of interest (above) were high enough for us to be able to anticipate sufficient base sizes for these groups in the final sample of 3,000 respondents. We considered any base over 50 respondents to be a sufficient base size.

Would not consider themselves confident when it comes to managing money	Q8	494	494
Would not consider themselves confident or savvy when it comes to financial products and services	Q8	717	724

### 2.3.3 MEASURE: SURVEY STRUCTURE AND CONTENT

Decidedly worked collaboratively with the FCA to design the structure and content of the survey. We also called upon our learnings from the Immerse and Explore research phases to develop the wording of the questions and the lists of response options.

The final survey questionnaire included just over 100 questions which is relatively long in the context of online surveys. However, this length was necessary if we were to understand consumers' relationship with credit information in the context of their relationship with credit.

We also put measures in place to make respondents' survey experience as engaging and easy as possible. These were:

- **Mobile compatibility.** Given the high proportion of people using mobiles to complete online surveys, we ensured that the survey was optimised for a mobile screen.
- **Simple question wording.** We used simple and consumer-friendly language to maximise understanding and ability to answer the survey as quickly as possible. The survey was reviewed by the FCA's Editorial & Digital team.
- **Dynamic grids instead of static grids.** This meant that, where it was possible, grid questions appeared as a series of fly-in statements rather than one large grid. This provided a more dynamic and engaging experience for respondents, helping minimise flatliner behaviour (i.e. when the same answer is chosen for all, or almost all, statements in a grid question).

The quantitative survey covered eight key sections:

- 1)  **Screener and demographics.** The aim of this section was to capture the key demographics such as age, gender, region/country, social grade and employment status and to make sure only eligible respondents were allowed to go through the survey i.e. aged 18 or above and working in industries other than marketing, public relations and market research.
- 2)  **The role of credit.** This section explored consumer attitudes to and relationship with credit, including reliance on credit, and where credit is seen to fit within a consumer's wider financial health. Capturing this information was useful as it allowed us to contextualise people's understanding and behaviours around credit information.
- 3)  **Credit audit.** This section looked at consumers' past, present and considered future holding of credit. It included experience of credit refusals, missed payments, defaults, continuous difficulties repaying credit and seeking professional advice regarding debt management. The information allowed us to contextualise people's understanding and behaviours around credit information
- 4)  **Credit score awareness and usage.** In this section, we explored the level of consumer awareness of credit scoring, understanding of its purpose and extent of engagement with the credit scoring services. Here, we also looked at the most common triggers and barriers for checking the credit score.
- 5)  **Needs and outcomes assessment.** This section included a single question which aimed to understand the hierarchy of functional outcomes that consumers could be looking to achieve by using credit information

services. We used a technique called Max Diff to understand the hierarchy of the outcomes (see section 2.3.6.4 for more detail on the Max Diff technique).

- 6) **Understanding of credit score / report.** This section looked in more detail at consumers' interaction with credit scores/reports, including their understanding of what influences credit scores, what actions are taken as a result of reviewing the credit scores/reports (including steps to improve credit scores and querying errors), and how consumers interact with various providers of credit information.
- 7) **Credit report evaluation.** In this section, we gathered consumer views on a number of example credit reports, including the elements that they considered as most interesting and useful and the parts that were least understood. We utilised a hotspot tool which enabled respondents to click on pre-defined areas of the report to answer the questions. We used de-branded versions of real credit reports as stimuli for this section having obtained permission for this from the providers of the original reports (please see more details on the stimuli we used in Section 2.3.4).
- 8) **Additional profiling.** The aim of this section was to gather additional information about the respondents that would enable us to analyse the data by such categories as marital status, household composition, living arrangement, income, ethnicity, traditional vulnerability categories (such as health and adverse life events), previous experience of identity and credit card fraud.

## 2.3.4 MEASURE: STIMULI

As mentioned in Section 2.3.3 above, we used unbranded examples of real credit reports as stimulus for Section 7 of the survey.

We created three mock-up reports, two based on CRAs reports and one based on a CIS provider report. The reports were chosen to represent three different degrees of complexity / detail of information provided.

- Low level of complexity / detail of information provided
- Medium level of complexity / detail of information provided
- High level of complexity / detail of information provided

Permission to use the reports as stimuli in the survey was obtained by the FCA from the providers of the reports. It was agreed to de-brand the reports by removing any mentions of provider names and removing/re-naming the elements that are unique to them and hence could have allowed a respondent to identify the providers.

## 2.3.5 MEASURE: DATA PREPARATION

### 2.3.5.1 Data cleaning

In order to ensure high quality of the dataset, we carried out a number of data cleaning procedures which included:

- Duplicate IP removals
- Speeder removals
- Flatliner removals
- Bad verbatim removals

**Duplicate IP removals.** This procedure ensured that the survey could only be completed once using the same IP address and prevented people from completing the survey multiple times.

**Speeder removals.** After the survey soft launch, we analysed the average time taken to complete the survey and ensured anyone completing the survey faster than 50% of the average time taken was removed from the data set (a total of 328 responses removed).

**Flatliner removals.** We also checked respondents on flatlining i.e. providing the same response for all of the options/statements of the grid questions. We removed anyone who flatlined on multiple grid questions and those who showed flatliner behaviour on the Max Diff question (i.e. Q52) (a total of 73 responses removed).

**Bad verbatim removals.** This procedure involved removing anyone providing illogical, suspicious or gibberish responses to open ended questions (a total of 269 responses removed).

### 2.3.5.2 Data weighting

Once the dataset was cleaned and poor quality responses were removed (670 in total removed), we needed to make sure the sample was still representative of the UK population in terms of age, gender and region/country.

Having reviewed the sample breakdown post data cleaning, we noticed minor skews versus the nationally representative proportions. These minor skews were corrected by using weighting, a common technique used to correct for sample skews.

Weighting meant responses were given more or less weight depending on whether the demographic groups that people belonged to were under or over-represented in the final dataset. Each respondent was given a weight of between 0.66 (weighting down) to 2.00 (weighting up), which resulted in weighting efficiency<sup>3</sup> of 95.4% which is considered very high and means that only minor skew correction had been necessary.

## 2.3.6 MEASURE: DATA ANALYSIS

Once the dataset was cleaned, the data were analysed. The following types of analysis have been used:

- Frequency analysis
- Cross-tabulation
- Clustering / segmentation
- Max Diff analysis

The details of each analysis type are outlined below.

### 2.3.6.1 Frequency analysis

Frequency analysis is a part of descriptive statistics and measures the number of times an event occurs. We analysed the frequency each response option was selected by those answering the survey.

Below is an example of frequency analysis showing actions taken as a direct result of reviewing credit score:

Q53. What, if anything, have you done as a direct result of reviewing your credit score / report? Base: Those who have checked their credit score	Total sample
Unweighted Base	1753
Weighted Base	1730
Taken steps to improve my credit score	378
	22%
Read up online on credit scores	309

<sup>3</sup> Weighting efficiency is useful for understanding impact of weighting on your data. The closer the efficiency is to 100%, the more closely the weighted data resemble the actual data. Generally, 80% is recommended as a good benchmark, below 80% you may need to re-examine your data and/or weight approach.

	18%
Spoke to a friend and/or family member	210
	12%
Applied for financial products that were recommended to me in the credit report	168
	10%
Queried some of the information on the credit report	150
	9%
Spoke to a financial / debt advisor recommended in the credit report	100
	6%
Spoke to a financial / debt advisor not related to the credit report	97
	6%
Other	6
	0%
I haven't done anything	837
	48%

### 2.3.6.2 Cross-tabulation

We also used cross-tabulation to analyse results. Cross-tabulation analysis enabled us to compare the responses of multiple subgroups of interest by looking at them side by side in a table format.

An example of a cross-tabulation looking at differences in awareness of credit scores by self-reported knowledge of financial matters is shown below:

Q35. Have you ever heard of credit scores (also known as credit ratings)? Base: All respondents	Total sample	High financial acumen	Moderate financial acumen	Low financial acumen
Unweighted Base	3013	1358	987	668
Weighted Base	3013	1348	995	670
Yes, and I know what a credit score is	2168	1056	686	426
	72%	78%	69%	64%
Yes, but I don't know what a credit score is	669	236	242	190
	22%	18%	24%	28%
No, I've never heard of them	177	57	67	53
	6%	4%	7%	8%

The key subgroups of interests we looked at through cross-tabulation are the following:

- **Consumer segments** (please see details on how we defined these in Section 2.3.6.3)
- **Credit score user types** (defined based on the recency and frequency of accessing credit score):
  - **Heavy users** included anyone who has accessed their credit score more than 10 times in the last year

- **Frequent users** included anyone who has accessed their credit score between 5-10 times in the last year
- **Moderate users** included people who have accessed their credit score between 2-5 times in the last year
- **Active users** included anyone who has accessed their credit score once in the last year
- **Lapsed users** included anyone who last accessed their credit score over a year ago
- **Non-users** included people who have never accessed their credit score
- **Those who are potentially vulnerable due to low financial resilience** (i.e. people who have previously missed payments on any forms of financial credit in the past 6 years and do not have enough savings to cover an unexpected bill of £200)
- **Those who are potentially vulnerable due to low financial capability** (i.e. people who do not consider themselves confident managing their money or do not consider themselves savvy and confident when it comes to financial products and services)
- **Those who are potentially vulnerable based on their health** (i.e. people with long-term physical or mental illness, or long-term disability)
- **Those who are potentially vulnerable based on recent life events** (i.e. people who have experienced recent bereavement, unemployment or unstable employment, separation or divorce or caring responsibilities)
- **Protected characteristics** (age, gender, marital status, ethnicity, disability)

### 2.3.6.3 Clustering / segmentation

#### Summary

We aimed to create a number of segments which reflected consumers with some similar characteristics. Our aim was to help the FCA better understand how various consumer groups engage with credit and credit information, which would in turn help identify priorities and target potential intervention.

A segmentation was performed on the nine attitudinal statements in Q8 of the survey, in order to generate segments that described the different types of consumer with respect to their financial circumstances, behaviour and attitudes to credit. Having compared and contrasted a number of segmentation solutions, we identified a six-segment solution to be the optimal one.

#### Considered segmentation inputs

Any segmentation involves using survey metrics to identify distinct consumer groups, or segments, based on their mindset and attitudes towards the subject of interest. Any segmentation is entirely a function of what survey measures are used to drive it, so the choice of input variables is very important.

We had two main options in approaching the segmentation. We could use the outputs of the MaxDiff exercise which demonstrate various desired outcomes when it comes to credit information. Or we could use the attitudinal question (Q8) which pulls consumers apart on their general attitudes and disposition when it comes to money and to credit.

We ran a number of segmentation solutions using both types of inputs and determined that a segmentation based on more general attitudes (i.e. statements in Q8) was leading to more intuitive segments which better described different consumers on a wider range of mindsets. The segments based on Q8 also performed better on statistical diagnostic measures, such as the relative sizes of the segments, and also the distribution of profiles per segment was more differentiated.

#### Chosen input variables

The statements selected for driving the segmentation were the Q8 statements:

- I would not consider myself financially healthy vs I would consider myself very financially healthy



- I am not satisfied with my financial circumstances at all vs I am very satisfied with my financial circumstances
- I find getting financial credit a slippery slope into bigger debt problems vs I am confident that obtaining financial credit won't lead to bigger debt problems
- I would not consider myself creditworthy vs I would consider myself very creditworthy
- I have very limited knowledge about financial matters vs I am very knowledgeable about financial matters
- When it comes to financial services and products, I would not consider myself a confident and savvy person vs When it comes to financial services and products, I would consider myself a confident and savvy person
- I am not confident at all when it comes to managing my money vs I am very confident managing my money
- I avoid using financial credit as much as possible vs I use financial credit quite often
- I am always in control of my spending vs I often lose control of my spending

These were all asked on a five-point scale, with 1 meaning the left hand statement most reflected their views and 5 where the right hand statement best reflected their views.

### Statistical analysis – Factor analysis

The statements above were run through a factor analysis, designed to uncover any underlying themes behind these statements. **This process led to the identification of three factors which form the basis of the segmentation:**

1. **Self-reported financial health** (driven by the first four statements below)
2. **Self-reported financial acumen** (driven by the next three statements)
3. **Self-reported credit usage and attitudes** (driven by the final two statements)

The rotated factor matrix<sup>4</sup> is shown below:

	Factor		
	1	2	3
I would not consider myself financially healthy vs I would consider myself very financially healthy	<b>0.82</b>	0.24	-0.08
I am not satisfied with my financial circumstances at all vs I am very satisfied with my financial circumstances	<b>0.82</b>	0.22	-0.11
I find getting financial credit a slippery slope into bigger debt problems vs I am confident that obtaining financial credit won't lead to bigger debt problems	<b>0.68</b>	0.20	0.28
I would not consider myself creditworthy vs I would consider myself very creditworthy	<b>0.67</b>	0.34	-0.20
I have very limited knowledge about financial matters vs I am very knowledgeable about financial matters	0.20	<b>0.85</b>	0.12
When it comes to financial services and products, I would not consider myself a confident and savvy person vs When it comes to financial services and products, I would consider myself a confident and savvy person	0.31	<b>0.81</b>	-0.05
I am not confident at all when it comes to managing my money vs I am very confident managing my money	0.39	<b>0.64</b>	-0.33
I avoid using financial credit as much as possible vs I use financial credit quite often	0.14	0.13	<b>0.84</b>
I am always in control of my spending vs I often lose control of my spending	-0.25	-0.23	<b>0.72</b>

<sup>4</sup> This is a feature of Factor Analysis. More information can be found in statistical texts around Principle Components Analysis.

Our assessment of this factor solution showed that it is the optimal approach. This was because it explained 69% of the variation of the nine statements<sup>5</sup>. The three-factor solution also exhibits a characteristic 'kink' in terms of diminishing eigenvalues<sup>6</sup> when it reaches three factors. Most importantly, the factors had the most face validity<sup>7</sup> in our opinion and were the easiest to interpret.

### Statistical analysis – Clustering

These factors were run through a clustering algorithm which used an optimised k-means methodology. This means that several hundred solutions were run for an optimal solution. It means that we find a k-means solution<sup>8</sup> which is robust by trying many different starting points. K-means is a good methodology but very sensitive to 'starting points'. This method eliminates the risk that a sub-optimal solution is found. We limited the number of segments we examined to between 3 and 6 given the relatively small number of dimensions included.

The choice of the number of clusters is largely a subjective one, based on issues such as ease of interpretation and how many segments are digestible by stakeholders and end users. There are also statistical considerations such as efficiency and stability<sup>9</sup>, which are used to narrow down the potential list of solutions. We used an optimised k-means approach called Convergent Cluster Analysis, meaning the candidate solutions will be the most robust ones possible, given the set of inputs.

The segment efficiency ranges from 37% to 51%, being 37% for 3 clusters; 44% for 4 clusters; 47% for 5 clusters and 51% for 6 segments. Again, we normally look for a 'kink' or an 'elbow' in this as the number of segments increases. In this instance, there is not an obvious point which leads us to focus on a particular solution, meaning we are able to base our decision by focussing on the interpretation of the segments.

### Selection process

These solutions were then assessed for face validity and profiled against other variables from the survey to determine which provided the best balance between interpretability, simplicity and differentiation. On that basis, the six segment solution was selected.

### Segments overview

The table below provides an overview of the segments we identified and how they differ from each other across the three key dimensions (factors):

	Younger & Financially Stretched	Older & Wiser	Low Income But In Control	Comfortable & Unengaged	Working Their Way up	Struggling Borrowers
Segment size	22%	19%	10%	14%	24%	11%
Financial health	MEDIUM	GOOD	POOR	GOOD	MEDIUM	POOR
Financial acumen	LOW	HIGH	HIGH	LOW	MEDIUM	MEDIUM

<sup>5</sup> The purpose of Factor Analysis is to reduce data, but in a way that retains as much of the original data. A rule of thumb is to select a factor solution which retains 60-70% of the information in the original data.

<sup>6</sup> Eigenvalues can be thought of as the relative value of information in each additional factor / principle component.

<sup>7</sup> This means the interpretation of the factors, e.g. do they resonate / are there internal contradictions.

<sup>8</sup> More information about k-means can be found in Segmentation texts.

<sup>9</sup> Efficiency is the amount of variation in the data explained by grouping them into the specified number of segments. Stability is how similar the segments remain when small changes are made to the inputs or sample.

<b>Credit usage</b>	HIGH	LOW	LOW	MEDIUM	MEDIUM	HIGH
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For a more comprehensive description of the segments please see the FCA interim report.

### 2.3.6.4 Max Diff analysis

#### Why Max Diff

We used a Max Diff (maximum differential scaling) technique to understand the most important reasons why consumers use credit information. We opted for this technique over others because:

- When consumers are asked to rank items on a scale in order of importance, they typically claim that everything (or almost everything) is important or they tend to choose answers in the middle of the scale (i.e. central tendency bias). Both issues make it relatively difficult to establish a clear set of priorities.
- Max Diff is a trade-off exercise where participants have to choose the most and least important statement from a set of statements. This generally resembles better how people make decisions in real life, compared to for example rating different options on a scale.
- Max Diff is an easier exercise for consumers than ranking (particularly when there is a long list of items to rank) and allows to understand how much more or less important an item is versus other items (e.g. item 1 is 3 times more important than item 2).
- Max Diff does not use scales so it does not suffer from scale use bias (i.e. consumers can interpret the same scale quite differently).

#### Set Up

We showed survey respondents a set of reasons for using credit information and we asked them to select the most and least important ones. Respondents then repeated this exercise several times with different sets of reasons.

To determine which reasons / items each respondent saw in each set, we created a “design” using Lighthouse Studio. We wanted each item to be traded off against every other item. We ensured items were shown in different positions on the screen an equal number of times to remove any potential bias. As it would not be feasible to do this for each respondent, we created a design that was “balanced” across the sample which meant that each respondent was to see 15 screens with 5 items on each. After this, the software generated a large number of “versions” which included rules on (a) what items each participant would see on the screen and (b) what positions these items would be shown in.

We produced a design with 500 versions. Given that we were aiming for 3,000 respondents, each version was going to be shown to respondents around 6 times.

#### Analysis

There are several different statistical models that can be used to analyse the Max Diff data and identify the winning items.

We used the HB (Hierarchical Bayes) algorithm to create respondent level utility scores (preference score). A utility score is a measure of relative desirability or worth. The higher the utility, the more likely the item is to be chosen as best (and not chosen as worst). The score for the item scoring last is always fixed at 0. The other items' scores are estimated in relation to this final item having a fixed zero score. Because only the relative utility values have meaning, it does not matter which item is chosen as the fixed 0 point.

The utility scores coming directly out of the HB algorithm are called raw scores. These scores have logit scaling properties, usually involve both positive and negative values, and are on an interval scale. An item with a score of 2.0 is higher (more important or more preferred) than an item with a score of 1.0. But, when interpreting raw logit utility

scores, we cannot say that the item with a score of 2.0 is twice as preferred as an item with a score of 1.0. To do that, we must transform the utility scores to a positive probability scale that supports these comparisons.

We typically report these transformed probability scores as they are easier to interpret and present to others. As mentioned, these scores have ratio scaling, which means we can say, for example, that an item with a score of 20 is twice as important as one with a score of 10. These individual-level item scores are positive values summing to 100 which reflects the likelihood of items being chosen.

Each respondent has a utility / probability score for every item, which allows us to cut the data by different subgroups and understand how the importance of a specific item differs across them.

## Outputs

The table below includes the results of the Max Diff analysis which show “Being able to quickly identify fraudulent activity on my bank accounts”, “Being able to ensure that information lenders and / or other financial institutions hold about me is correct” and “Being able to access simple and clear information about my finances” are the top 3 most important outcomes consumers seek when using credit information:

Outcome	Outcome’s importance (expressed in probability of being chosen)
Being able to quickly identify fraudulent activity on my bank accounts	13%
Being able to ensure that information lenders and / or other financial institutions hold about me is correct	10%
Being able to access simple and clear information about my finances	9%
Knowing what information lenders or other financial institutions hold about me	8%
Knowing how likely I am to be accepted for credit other than mortgage (e.g. credit card, loan, car finance etc.)	7%
Knowing what I need to do to maintain / improve my creditworthiness	7%
Knowing the reasons for being refused financial credit	7%
Knowing the impact of my financial behaviour on my creditworthiness	7%
Being able to access information about financial credit available to me, from an impartial organisation	6%
Being able to see changes in my creditworthiness over time	6%
Being able to demonstrate that I am of good financial standing	6%
Being able to access professional advice to help me manage my finances, including debt	5%
Knowing how likely I am to be accepted for a mortgage	5%
Knowing how lenders decide on what interest rate to offer	4%

We also provided the FCA with the full raw data tables, and a final report which synthesized and analysed the findings of all the stages of consumer research.

## 3 APPENDIX

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### 3.1 LIST OF ORGANISATIONS INTERVIEWED FOR THE IMMERSE PHASE

The list of organisations we spoke to for the Immerse phase are as follows:

- Advice NI
- Advice UK
- Christians Against Poverty
- Money and Mental Health Policy Institute
- Money Advice Trust
- Money Advice Scotland
- Shelter Cymru Housing Advice & Legal Centre (Wales)
- StepChange

### 3.2 ONLINE SURVEY QUESTIONS

#### SURVEY INTRO

Thank you for taking part.

This survey is run on behalf of the Financial Conduct Authority (FCA) who are looking to understand more about how UK consumers engage with money and finances. The FCA will use the results to help identify where new policies and regulations may be required.

Given the topic, some questions deal with personal and potentially sensitive topics. We will treat your answers with the strictest confidence. We analyse responses in an aggregated form and never use the information you share to market products or services to you.

Please click "Next" to get started.

#### ASK ALL

**Q1.** We'd like to start with some questions about you.

Firstly, could you tell us your age?

1. Under 18 [CLOSE]
2. 18-24
3. 25-34
4. 35-44

5. 45-54
6. 55-64
7. 65-74
8. 75+
9. Prefer not to say

#### ASK ALL

**Q2.** Are you...?

1. Male
2. Female
3. Other
4. Prefer not to say

#### ASK ALL

**Q3.** Which region do you live in?

1. North East
2. North West
3. Yorkshire & Humberside
4. East Midlands
5. West Midlands
6. East of England
7. London
8. South East
9. South West
10. Wales
11. Scotland
12. Northern Ireland
13. I live outside the UK [CLOSE]

#### ASK ALL

**Q4.** Do you currently work in any of the following sectors?

1. Marketing [CLOSE]
2. Public relations [CLOSE]
3. Market research [CLOSE]
4. Advertising
5. Media
6. Journalism
7. Banking / Finance
8. Retail
9. Manufacturing
10. None of the above

**ASK ALL**

**Q5.** Which of the following best describes your employment status?

1. Employed full time
2. Employed part time
3. Self-employed
4. Student
5. Retired
6. Not in employment

**ASK ALL**

**Q6.** Which of the following best describes the occupation of the Chief Income Earner in your household?

*By Chief Income Earner, we mean the person in the household with the largest income, whether from employment, pensions, state benefits, investments, or any other source.*

*If the Chief Income Earner is retired and has an occupational pension, please answer for their most recent occupation.*

*If the Chief Income Earner is not in paid employment but has been out of work for less than 6 months, please answer for their most recent occupation.*

Single code

1. Higher managerial/ professional/ administrative (e.g. Established doctor, Solicitor, Board Director in a large organisation (200+ employees, top level civil servant/public service employee)
2. Intermediate managerial/ professional/ administrative (e.g. Newly qualified (under 3 years) doctor, Solicitor, Board director small organisation, middle manager in large organisation, principal officer in civil service/local government)
3. Supervisory or clerical/ junior managerial/ professional/ administrative (e.g. Office worker, Student Doctor, Foreman with 25+ employees, salesperson, etc.)
4. Student
5. Skilled manual worker (e.g. Skilled Bricklayer, Carpenter, Plumber, Painter, Bus/ Ambulance Driver, HGV driver, AA patrolman, pub/bar worker, etc.)
6. Semi or unskilled manual worker (e.g. Manual workers, all apprentices to be skilled trades, Caretaker, Park keeper, non-HGV driver, shop assistant)
7. Casual worker – not in permanent employment
8. Homemaker
9. Retired and living on state pension
10. Unemployed or not working due to long-term sickness
11. Full-time carer of other household member

**ASK ALL**

**Q7.** Are you the Chief Income Earner in your household?

By *Chief Income Earner*, we mean the person in the household with the largest income, whether from employment, pensions, state benefits, investments, or any other source.

Single code

1. Yes
2. No

## SURVEY TEXT

Thank you. We'd now like to find out a bit more about you and your personal finances, including financial credit.

By **financial credit** we mean receiving something of value now with the promise to pay for it later. The most common forms of financial credit are credit cards, loans such as personal loans, car finance, furniture/appliance finance, home improvement loans, payday loans, mortgages, mobile phone contracts where you pay for the device over the life of the contract, and so on.

## ASK ALL

**Q8.** These pairs of statements describe attitudes, behaviours and experiences around personal finances, including financial credit.

For each pair, please indicate where you would place yourself on the scale between them.

Some of these statements relate to **creditworthiness**, by this we mean the extent to which a person is considered suitable to receive financial credit.

1	I am always in control of my spending	1	2	3	4	5	I often lose control of my spending
2	I avoid using financial credit as much as possible	1	2	3	4	5	I use financial credit quite often
3	I find getting financial credit a slippery slope into bigger debt problems	1	2	3	4	5	I am confident that obtaining financial credit won't lead to bigger debt problems
4	I am not confident at all when it comes to managing my money	1	2	3	4	5	I am very confident managing my money
5	I am <u>not</u> satisfied with my financial circumstances at all	1	2	3	4	5	I am very satisfied with my financial circumstances
6	I have very limited knowledge about financial matters	1	2	3	4	5	I am very knowledgeable about financial matters
7	When it comes to financial services and products, I would <u>not</u> consider myself a confident and savvy person	1	2	3	4	5	When it comes to financial services and products, I would consider myself a confident and savvy person
8	I would <u>not</u> consider myself financially healthy	1	2	3	4	5	I would consider myself very financially healthy
9	I would <u>not</u> consider myself creditworthy	1	2	3	4	5	I would consider myself very creditworthy



**ASK ALL**

- Q9.** On average, what proportion of your gross monthly income (i.e. before your monthly expenses) are you able to save each month?
1. None of it
  2. Less than 25%
  3. 25-50%
  4. More than 50%

**ASK ALL**

- Q10.** How often do you run out of money between pay days?
1. Never
  2. Occasionally
  3. Often
  4. Very often

**ASK ALL**

- Q11.** How many times a year, if at all, do you use financial credit (e.g. credit cards, loans etc.) for unexpected expenses?

*By unexpected expenses, we mean anything beyond what you would normally be able to afford.*

1. I don't ever use financial credit for unexpected expenses
2. 1-2 times
3. 3-4 times
4. 5-10 times
5. More than 10 times

**ASK ALL**

- Q12.** If you faced an unexpected bill of £200, would you have enough savings to cover it?
1. Yes
  2. No

**ASK ALL**

- Q13.** Over the last year, how many months were you charged overdraft fees?
1. None
  2. 1-5 months
  3. 6-10 months
  4. More than 10 months
  5. I don't remember
  6. I don't have an overdraft

**SURVEY TEXT, SHOW TO ALL**

Thank you for your answers so far.

We are now asking questions about financial health, and by this we mean the state of someone's personal financial situation.

**ASK ALL**

**Q14.** We'd now like to understand what factors you consider most important in someone's level of financial health.

*Please rank the factors below in order of their influence on financial health, with 1 being 'The most important factor', 2 being 'Second most important factor' etc.*

1. Employment (e.g. type of employment and salary)
2. Amount of savings
3. Value of existing debt (e.g. mortgage, credit cards, loans, car finance)
4. Repayment behaviour on existing financial credit (e.g. loans, credit cards, etc.)
5. Value of assets (e.g. business, investments, property, car and other valuable belongings)
6. Existing relationships with financial institutions (e.g. lenders)
7. Credit history (i.e. whether or not someone has a history of bankruptcy, debt management plans, County Court Judgments, etc.)
8. Creditworthiness (i.e. perceived suitability to receive financial credit)

**ASK ALL**

**Q15.** If someone was trying to improve their financial health more generally, would you consider the following as good or bad financial behaviours?

*Please drag and drop each of the following into the relevant box below.*

**ROWS**

1. Not using financial credit at all (e.g. credit cards, loans, mortgages)
2. Using credit cards regularly
3. Using a low proportion of the total limit on credit cards
4. Using a high proportion of the total limit on credit cards
5. Frequently reviewing and switching current accounts
6. Having multiple credit cards which are hardly used
7. Increasing the limit on a credit card which is used a lot
8. Not making minimum payments on credit cards
9. Not making timely payments on other forms of credit [ALWAYS SHOW AFTER CODE 8]
10. Having a low limit on credit cards
11. Repaying more of the mortgage every month
12. Having money left in an account at the end of the month
13. Having a savings account even if saving little every month
14. Having multiple current accounts

## COLUMNS

1. Good behaviour
2. Bad behaviour
3. I'm not sure

## SURVEY TEXT

Thank you. We are now asking about your experience of using credit more generally.

## ASK ALL

**Q16.** What forms of financial credit have you held in the last 6 years, if any?

*Please hover over the options marked with \* to see the definitions.*

1. Mortgage
2. Motor finance (including personal contract purchases (PCP))
3. Personal loans
4. Credit cards
5. High-cost short-term credit (payday loans)<sup>10</sup>
6. Guarantor loans<sup>11</sup>
7. Rent-to-own<sup>12</sup>
8. Logbook loans<sup>13</sup>
9. Catalogue credit<sup>14</sup>
10. Store cards<sup>15</sup>
11. Other retail credit (e.g. furniture)<sup>16</sup> [ALWAYS SHOW AFTER CODE 10]
12. Home-collected credit (doorstep loans)<sup>17</sup>
13. Peer-to-peer lending<sup>18</sup>
14. Insurance paid monthly
15. Other (please specify)
16. None of these [EXCLUSIVE]

## ASK IF HAD CREDIT IN THE LAST 6 YEARS

**Q17.** And how many of these have you had in the last 6 years?

---

<sup>10</sup> This is a loan repayable by a single payment on your next payday or within a short period.

<sup>11</sup> This is where someone else, e.g. a family member or friend agrees to make payments on the loan if you can't.

<sup>12</sup> This is where you make **weekly payments** to buy household goods, e.g. appliances, electricals, furniture. Examples of retailers offering rent-to-own include BrightHouse and Perfect Home (but there are others).

<sup>13</sup> This is a loan secured against your vehicle, using a bill of sale.

<sup>14</sup> This is where you have a credit account you can use to buy goods (not a credit card or store card) – e.g. from a catalogue or mail order company or an online retailer.

<sup>15</sup> These are credit cards designed to be used at specific retailers.

<sup>16</sup> This is where you buy goods, e.g. furniture, outright and pay for them by instalments under a credit agreement.

<sup>17</sup> This is a loan where an agent comes to your home to collect your repayments.

<sup>18</sup> This is a practice of lending money to individuals or businesses through online platforms that match lenders with borrowers.

## ROWS

1. [INSERT PRODUCTS HELD IN THE LAST 6 YEARS FROM Q16]

## COLUMNS

1. One
2. Two
3. Three
4. Four
5. Five
6. More than five
7. I don't remember

**ASK IF HAD CREDIT IN THE LAST 6 YEARS 16=1-15**

**Q18.** Which of these forms of financial credit do you have at the moment, if any?

1. Mortgage
2. Motor finance (including personal contract purchases (PCP))
3. Personal loans
4. Credit cards
5. High-cost short-term credit (payday loans)
6. Guarantor loans
7. Rent-to-own
8. Logbook loans
9. Catalogue credit
10. Store cards
11. Other retail credit (e.g. furniture) [ALWAYS SHOW AFTER CODE 10]
12. Home-collected credit (doorstep loans)
13. Peer-to-peer lending
14. Insurance paid monthly
15. Other (please specify)
16. None of these [EXCLUSIVE]

**ASK IF HAVE CREDIT AT THE MOMENT Q18=1-15**

**Q19.** And how many of these do you have at the moment?

## ROWS

1. [INSERT PRODUCTS HELD at the moment FROM Q18]

## COLUMNS

1. One
2. Two

3. Three
4. Four
5. Five
6. More than five

#### ASK IF HAVE CREDIT AT THE MOMENT Q18=1-15

**Q20.** What form of financial credit have you taken out most recently?

1. Mortgage
2. Motor finance (including personal contract purchases (PCP))
3. Personal loan
4. Credit card
5. High-cost short-term credit (payday loan)
6. Guarantor loan
7. Rent-to-own
8. Logbook loan
9. Catalogue credit
10. Store card
11. Other retail credit (e.g. furniture)
12. Home-collected credit (doorstep loan)
13. Peer-to-peer lending
14. Insurance paid monthly
15. Other (please specify)

#### ASK IF HAVE CREDIT AT THE MOMENT Q18=1-15

**Q21.** When was the last time you took out this form of credit – [INSERT FORM OF CREDIT FROM taken out most recently FROM Q20]?

1. Less than a month ago
2. About a month ago
3. 2-3 months ago
4. 4-5 months ago
5. 6-11 months ago
6. 1-2 years ago
7. Over 2 years ago
8. I don't remember

#### ASK IF MOST RECENT FORMS OF CREDIT IS ONE OF Q20=3,4,5,6,7,8,9,10,11,12,13,14,15

**Q22.** What is the purpose of the [INSERT FORM OF CREDIT TAKEN OUT MOST RECENTLY] that you've taken out most recently?

1. Day-to-day expenses
2. Large one-off purchase (e.g. a holiday or other high value items)
3. Emergency safety net
4. Travelling abroad [ONLY SHOW FOR CREDIT CARDS]

5. Refinancing of existing debt, e.g. balance transfers [ONLY SHOW FOR CREDIT CARDS]
6. Building up my credit file/history
7. Card benefits (e.g. cashback, collecting points) [ONLY SHOW FOR CREDIT CARDS AND STORE CARDS]
8. Other purpose (please specify)
9. No particular purpose [EXCLUSIVE]

#### ASK IF THE MOST RECENT FORM OF CREDIT IS MORTGAGE Q20=1

**Q23.** What is the purpose of the mortgage that you've taken out most recently?

1. First property purchase [EXCLUSIVE]
2. Second, third etc. property purchase
3. Re-mortgaging my property
4. To release money for another purpose (e.g. home improvements, car, holiday etc.)
5. Other (please specify)

#### ASK ALL

**Q24.** What form(s) of financial credit, if any, would you be likely to take out in the next 6 months?

*Please hover over the options marked with \* to see the definitions.*

1. Mortgage
2. Motor finance (including personal contract purchases (PCP))
3. Personal loans
4. Credit cards
5. High-cost short-term credit (payday loans)<sup>19</sup>
6. Guarantor loans<sup>20</sup>
7. Rent-to-own<sup>21</sup>
8. Logbook loans<sup>22</sup>
9. Catalogue credit<sup>23</sup>
10. Store cards<sup>24</sup>
11. Other retail credit (e.g. furniture)<sup>25</sup> [ALWAYS SHOW AFTER CODE 10]
12. Home-collected credit (doorstep loans)<sup>26</sup>
13. Peer-to-peer lending<sup>27</sup>
14. Insurance paid monthly

<sup>19</sup> This is a loan repayable by a single payment on your next payday or within a short period.

<sup>20</sup> This is where someone else, e.g. a family member or friend agrees to make payments on the loan if you can't.

<sup>21</sup> This is where you make **weekly payments** to buy household goods, e.g. appliances, electricals, furniture. Examples of retailers offering rent-to-own include BrightHouse and Perfect Home (but there are others).

<sup>22</sup> This is a loan secured against your vehicle, using a bill of sale.

<sup>23</sup> This is where you have a credit account you can use to buy goods (not a credit card or store card) – e.g. from a catalogue or mail order company or an online retailer.

<sup>24</sup> These are credit cards designed to be used at specific retailers.

<sup>25</sup> This is where you buy goods, e.g. furniture, outright and pay for them by instalments under a credit agreement.

<sup>26</sup> This is a loan where an agent comes to your home to collect your repayments.

<sup>27</sup> This is a practice of lending money to individuals or businesses through online platforms that match lenders with borrowers.

15. Other (please specify)
16. None of these [EXCLUSIVE]

#### SURVEY TEXT, SHOW IF HAD CREDIT IN THE LAST 6 YEARS Q16=1-15

Thank you. We now have some questions about your experience of using credit more generally.

#### ASK IF HAD CREDIT IN THE LAST 6 YEARS Q16=1-15

**Q25.** Firstly, have you ever missed payments on any of the following in the last 6 years?

*By missing payments, we mean that you failed to make the payments on the date when they were due, irrespective of whether you eventually caught up on those payments or not.*

1. Mortgage
2. Motor finance (including personal contract purchases (PCP))
3. Personal loans
4. Credit cards
5. High-cost short-term credit (payday loans)
6. Guarantor loans
7. Rent-to-own
8. Logbook loans
9. Catalogue credit
10. Store cards
11. Other retail credit (e.g. furniture)
12. Home-collected credit (doorstep loans)
13. Peer-to-peer lending
14. Insurance paid monthly
15. [INSERT OTHER PRODUCTS HELD IN THE LAST 6 YEARS]
16. Rent [ALWAYS SHOW TO ALL]
17. Utility bills (e.g. gas, electricity, water, council tax) [ALWAYS SHOW TO ALL]
18. Other household bills (e.g. broadband, TV package, council tax etc.) [ALWAYS SHOW AFTER CODE 17]
19. None of these

#### ASK IF MISSED PAYMENTS ON ANY FORMS OF CREDIT Q25=1-18

**Q26.** When was the last time you missed a payment on each of these?

ROWS

1. [SHOW PRODUCTS MISSED PAYMENTS ON FROM Q25]

COLUMNS

1. In the last month
2. In the last 6 months
3. In the last year
4. In the last 2 years

5. More than 2 years ago
6. I don't remember

#### ASK IF HAD CREDIT IN THE LAST 6 YEARS Q16=1-15

**Q27.** And have you ever defaulted on any forms of financial credit you've had?

*By defaulting, we mean that your credit card, loan or other form of credit you held was considered a default (i.e. you did not repay the credit you received). Usually credit goes into default if a borrower hasn't been able to make any payments over a period of time, typically between 3-6 months depending on the type of credit.*

1. Yes, in the last 6 years
2. Yes, but more than 6 years ago
3. No, never
4. Prefer not to say

#### ASK ALL

**Q28.** Have you ever struggled with debt?

*By struggling with debt we mean having difficulties with keeping up with the payments on your credit products (e.g. credit cards, loans, mortgages etc.).*

Have you ever had difficulties repaying your debt?

*By this, we mean you have been unable to keep up with the payments on your credit products (e.g. credit cards, loans, mortgages etc.) for a continuous period of time.*

1. Yes, I am currently
2. Yes, I have in the last 6 years
3. Yes, I have but more than 6 years ago
4. No, never
5. Prefer not to say

#### ASK ALL WHO HAVE STRUGGLED WITH DEBT Q28=1-3

**Q29.** Have you ever sought professional help / advice regarding debt and debt management (including using a debt management plan)?

1. Yes
2. No
3. Prefer not to say

#### ASK ALL

**Q30.** Have you been refused financial credit in the last 2 years?

1. Yes
2. No
3. Prefer not to say

#### ASK IF HAVE BEEN REFUSED CREDIT Q30=1



**Q31.** Which of the following have you been refused financial credit for in the last 2 years?

*Please hover over the options marked with \* to see the definitions.*

1. Mortgage
2. Motor finance (including personal contract purchases (PCP))
3. Personal loans
4. Credit cards
5. High-cost short-term credit (payday loans)<sup>28</sup>
6. Guarantor loans<sup>29</sup>
7. Rent-to-own<sup>30</sup>
8. Logbook loans<sup>31</sup>
9. Catalogue credit<sup>32</sup>
10. Store cards<sup>33</sup>
11. Other retail credit (e.g. furniture)<sup>34</sup> [ALWAYS SHOW AFTER CODE 10]
12. Home-collected credit (doorstep loans)<sup>35</sup>
13. Peer-to-peer lending<sup>36</sup>
14. Insurance paid monthly
15. Other (please specify)

#### ASK IF HAVE BEEN REFUSED CREDIT Q30=1

**Q32.** On the most recent occasion that you were refused financial credit, did you understand why you were refused?

1. Yes
2. No

#### ASK IF HAVE BEEN REFUSED CREDIT Q30=1

**Q33.** What, if anything, happened after you were refused financial credit?

1. The lender explained to me why I was refused
2. I got in contact with the lender to find out why I was refused
3. I successfully applied for financial credit with similar terms from a different provider
4. I successfully applied for financial credit with different terms from a different provider ALWAYS SHOW AFTER CODE 3
5. Reviewed my credit report
6. Read up online on how to improve the chances of getting approved

<sup>28</sup> This is a loan repayable by a single payment on your next payday or within a short period.

<sup>29</sup> This is where someone else, e.g. a family member or friend agrees to make payments on the loan if you can't.

<sup>30</sup> This is where you make **weekly payments** to buy household goods, e.g. appliances, electricals, furniture. Examples of retailers offering rent-to-own include BrightHouse and Perfect Home (but there are others).

<sup>31</sup> This is a loan secured against your vehicle, using a bill of sale.

<sup>32</sup> This is where you have a credit account you can use to buy goods (not a credit card or store card) – e.g. from a catalogue or mail order company or an online retailer.

<sup>33</sup> These are credit cards designed to be used at specific retailers.

<sup>34</sup> This is where you buy goods, e.g. furniture, outright and pay for them by instalments under a credit agreement.

<sup>35</sup> This is a loan where an agent comes to your home to collect your repayments.

<sup>36</sup> This is a practice of lending money to individuals or businesses through online platforms that match lenders with borrowers.

7. Spoke to a friend or family member
8. Spoke to a financial advisor
9. Asked someone I knew to apply for financial credit for me
10. Other (please specify)
11. Nothing

#### ASK IF HAVE BEEN REFUSED CREDIT Q30=1

**Q34.** [SHOW IF Q32=1 AND Q33=1,2,5,6,7,8] Which of the following did you find most helpful in understanding why you were refused financial credit?

[SHOW IF Q32=2 OR DID NOT CODE ANY OF THE CODES 1,2,5,6,7,8 AT Q33] Which of the following would you find most helpful in understanding why you were refused financial credit?

1. The lender explaining to me why I was refused [SHOW ALL, EXCEPT IF Q32=1 – THEN SHOW TO THOSE CODING 1 OR 2 AT Q33]
2. Reviewing my credit report [SHOW ALL, EXCEPT IF Q32=1 – THEN SHOW TO THOSE CODING 5 AT Q33]
3. Reading up online on reasons for being refused financial credit [SHOW ALL, EXCEPT IF Q32=1 – THEN SHOW TO THOSE CODING 6 AT Q33]
4. Speaking to a friend or family member [SHOW ALL, EXCEPT IF Q32=1 – THEN SHOW TO THOSE CODING 7 AT Q33]
5. Speaking to a financial advisor [SHOW ALL, EXCEPT IF Q32=1 – THEN SHOW TO THOSE CODING 8 AT Q33]
6. [PULL THROUGH OTHER FROM Q33] Other (please specify) [SHOW TO ALL]
7. I didn't / wouldn't find anything helpful [exclusive] [SHOW didn't TO GROUP 1 i.e. Q32=1 AND Q33=1,2,5,6,7,8; SHOW wouldn't TO GROUP 2 I.E. Q32=2 OR DID NOT CODE ANY OF THE CODES 1,2,5,6,7,8 AT Q33]

#### SURVEY TEXT

We'd now like to ask you about credit scores (also known as credit ratings).

#### ASK ALL

**Q35.** Firstly, have you ever heard of credit scores (also known as credit ratings)?

1. Yes, and I know what a credit score is
2. Yes, but I don't know what a credit score is
3. No, I've never heard of them

#### ASK ALL

**Q36.** What do you think a credit score, or credit rating, tells you?

1. How likely someone is to get accepted for financial credit (for example a loan or credit card)
2. How healthy someone's finances are
3. How much credit someone has
4. How able someone is to repay financial credit
5. How much money someone has
6. Other (please specify) [ANCHOR]
7. Unsure [ANCHOR, EXCLUSIVE]

#### ASK ALL

**Q37.** A credit score is a number which indicates how likely someone is to repay financial credit and is mainly based on information in the individual's credit report. Credit scores may be used to decide whether to offer someone financial credit and what the terms of that credit should be.

Please tell us if you believe the following statements relating to credit scores to be true or false.

#### ROWS

1. Credit scores are the best way of telling someone's financial health
2. It's possible to be completely financially healthy and have a poor credit score
3. It's possible to have an excellent credit score and be refused financial credit
4. Credit scores are the only thing lenders use to decide on whether to lend to someone
5. I can access my credit score and credit report online
6. Credit reference agencies (also known as credit bureaux) calculate credit scores
7. Only credit reference agencies can give me my credit score and credit report
8. People can access their credit score and report for free
9. You must check your credit score regularly
10. My credit score has a direct impact on the credit products I can access
11. Credit reference agencies are state funded organisations
12. Credit reference agencies decide on who can access financial credit

#### COLUMNS

1. True
2. False

#### ASK ALL

**Q38.** Based on your knowledge and understanding, who uses your credit score?

1. Lenders (e.g. banks and other organisations lending money)
2. Employers
3. Insurance companies
4. The government
5. HMRC (i.e. Her Majesty's Revenue and Customs, a department of the government responsible for the collection of taxes)
6. Utility companies, e.g. gas, electric, water, etc.
7. Telephone companies
8. Marketing companies
9. Social media companies
10. Other (please specify)
11. I don't know

#### ASK ALL

**Q39.** And who do you think the credit scores are more important to – lenders or the general public?

1. It's only important to lenders

2. It's more important to lenders than the general public
3. It's equally important to both lenders and the general public
4. It's more important to the general public than lenders
5. It's only important to the general public

#### ASK ALL

**Q40.** How important do you think the following factors are in lenders' decisions on whether to provide financial credit to someone?

*Please rank the factors below based on their influence on creditworthiness, with 1 being 'The most important factor', 2 being 'Second most important factor' etc.*

1. Employment (e.g. type of employment and salary)
2. Amount of savings
3. Value of existing debt (e.g. mortgage, credit cards, loans, car finance)
4. Repayment behaviour on existing financial credit (e.g. loans, credit cards, etc.)
5. Value of assets (e.g. business, investments, property, car and other valuable belongings)
6. Whether the lender has an existing relationship with the individual
7. Credit history (i.e. whether or not someone has a history of bankruptcy, debt management plans, county court judgments, etc.)
8. Credit score

#### ASK ALL

**Q41.** Have you ever checked your credit score / report?

*By checking your credit score / report, we mean you accessed the website or app of a provider of credit information, e.g. a credit reference agency.*

1. Yes, just the score
2. Yes, both the score and the credit report
3. No

#### ASK IF CHECKED CREDIT SCORE Q41=1,2

**Q42.** When you first checked your credit score, was it what you expected?

1. Yes
2. No, it was better than I expected
3. No, it was worse than I expected

#### ASK ALL

**Q43.** [SHOW IF CHECKED SCORE Q41=1,2] What was your credit score when you last checked it?  
[SHOW IF NOT CHECKED SCORE Q41=3] What do you expect your credit score to be?

1. Very good
2. Quite good
3. Not very good
4. Not good at all

5. I don't know [ONLY SHOW IF NOT CHECKED THEIR SCORE Q41=3]

#### ASK ALL WHO KNOW WHAT THEIR SCORE IS / MIGHT BE Q43=1-4

**Q44.** [ASK IF Q42=1,2 AND Q43=1-4] Why do you think your score is [INSERT ANSWER FROM Q43, DECAPITALISED]?

[ASK IF Q41=3 AND Q43=1-4] Why would you expect your credit score to be [INSERT ANSWER FROM Q43, DECAPITALISED]?

1. I have a stable job / good salary [SHOW IF Q43=1-2]
2. I have an unstable job / low salary [SHOW IF Q43=3-4]
3. I have some / significant savings [SHOW IF Q43=1-2]
4. I don't have any / little savings [SHOW IF Q43=3-4]
5. I don't have any / little debt
6. I have some / significant debt [SHOW IF Q43=3-4]
7. I have previously missed repayments [SHOW IF Q43=3-4]
8. In most months I use very little of the financial credit available to me
9. In most months I use a large part of the financial credit available to me [ALWAYS SHOW NEXT TO CODE 8]
10. I have no / limited existing relationships with lenders [SHOW IF Q43=3-4]
11. I have some / extensive existing relationships with lenders [SHOW IF Q43=1-2]
12. I have a good credit history [SHOW IF Q43=1-2]
13. I have some adverse credit history [SHOW IF Q43=3-4]
14. I have made no / few applications for financial credit in the past 2 years
15. I have made several / many applications for financial credit in the past 2 years [ALWAYS SHOW NEXT TO CODE 14]
16. Other (please specify)
17. I don't know

#### ASK IF CHECKED CREDIT SCORE PREVIOUSLY Q41=1,2

**Q45.** What made you want to check your credit score / report initially?

1. I was looking to apply for a mortgage
2. I was looking to apply for another form of financial credit (please specify which) [ALWAYS SHOW AFTER CODE 1]
3. I was refused a mortgage
4. I was refused another form of financial credit (please specify which) [ALWAYS SHOW AFTER CODE 3]
5. I was applying for a job based on my credit history
6. I was unsuccessful in applying for a job based on my credit history [ALWAYS SHOW AFTER CODE 5]
7. I was worried about fraudulent activity or my identity being stolen
8. I wanted to check if the information held about me was correct
9. Someone I know recommended me to check it
10. I was just curious
11. Other (please specify) [ANCHOR]
12. I don't remember [ANCHOR, EXCLUSIVE]

#### ASK IF HAVE NOT CHECKED CREDIT SCORE Q41=3

**Q46.** Which of the following best describes why you haven't checked your credit score / report?

1. I didn't realise I could check it
2. I didn't think it would be helpful
3. I don't know how/where I can check it
4. I don't believe it would be accurate
5. I already knew what it was
6. I thought checking would reduce my score
7. I don't want to pay to check it
8. I tried checking it, but the process was too complicated, so I gave up
9. I haven't had the need to check it
10. I didn't want to share my personal details required to check the score
11. I was worried about how my information would be used (e.g. marketing purposes)
12. I'm just not interested
13. Other (please specify)

**ASK IF CHECKED CREDIT SCORE Q41=1,2**

**Q47.** When was the last time you checked your credit score / report?

1. In the last month
2. 2-5 months ago
3. 6-11 months ago
4. 1-2 years ago
5. Over 2 years ago
6. I don't remember

**ASK IF CHECKED CREDIT SCORE RECENTLY Q47=1-4**

**Q48.** And how many times in the last year have you checked your credit score / report?

*If you are not sure, please try to give us your best guess.*

1. Once
2. 2-5 times
3. 5-10 times
4. 11-20 times
5. More than 20 times

**ASK IF CHECKED CREDIT SCORE RECENTLY Q47=1-4**

**Q49.** Why have you checked your credit score / report [INSERT FREQUENCY FROM Q48] in the last year?

**ASK IF CHECKED CREDIT SCORE Q41=1,2**

**Q50.** How easy have you found the process of accessing your credit score / report in general?

1. Extremely easy
2. Quite easy
3. Not very easy

4. Not easy at all

#### ASK IF CHECKED CREDIT SCORE Q41=1,2

**Q51.** Why do you say that the process of accessing your credit score / report is [INSERT RATING]?

#### SURVEY TEXT

Thank you for your contribution so far.

Over the next few screens, we'll show you some statements which relate to different things that could be important to you when it comes to your finances in general and financial credit in particular.

Some of these statements relate to **creditworthiness**, by this we mean the extent to which a person is considered suitable to receive financial credit.

We'll show you these statements in groups of four. For each group, we'd like you to tell us which one is most important, and which is least important to you.

Please click "Next" when you are ready.

#### ASK ALL

**Q52.** When it comes to your finances in general and financial credit in particular, which of the following is most important to you, and which is least important?

*Where the statements refer to "creditworthy" or "creditworthiness", we mean the extent to which a person is considered suitable to receive financial credit.*

1. Knowing what I need to do to maintain / improve my creditworthiness
2. Knowing how likely I am to be accepted for a mortgage
3. Knowing how likely I am to be accepted for credit other than mortgage (e.g. credit card, loan, car finance etc.)
4. Knowing the impact of my financial behaviour on my creditworthiness
5. Knowing the reasons for being refused financial credit
6. Knowing how lenders decide on what interest rate to offer
7. Knowing what information lenders or other financial institutions hold about me
8. Being able to access information about financial credit available to me, from an impartial organisation
9. Being able to access simple and clear information about my finances
10. Being able to access free professional advice to help me manage my finances, including debt
11. Being able to quickly identify fraudulent activity on my bank accounts
12. Being able to ensure that information lenders and / or other financial institutions hold about me is correct
13. Being able to see changes in my creditworthiness over time
14. Being able to demonstrate my financial standing

#### SURVEY TEXT, SHOW TO ALL

Thank you. We'd now like you to think a bit more about credit scoring.

**ASK IF CHECKED CREDIT SCORE Q41=1,2**

**Q53.** You mentioned previously that you have checked your credit score / report.

What, if anything, have you done as a direct result of reviewing your credit score / report?

1. Taken steps to improve my credit score
2. Read up online on credit scores
3. Queried some of the information on the credit report
4. Applied for financial products that were recommended to me in the credit report
5. Spoke to a friend and/or family member
6. Spoke to a financial / debt advisor recommended in the credit report
7. Spoke to a financial / debt advisor not related to the credit report [ALWAYS SHOW NEXT TO CODE 6]
8. Other (please specify)
9. I haven't done anything [EXCLUSIVE]

**ASK ALL**

**Q54.** [ASK IF TAKEN STEPS TO IMPROVE THE SCORE Q53=1] What did you do to improve your credit score?  
 [ASK IF NOT TAKEN STEPS TO IMPROVE THE SCORE Q53=NOT 1] If you wanted to improve your credit score, what would you do?

	IF TAKEN ACTION TO IMPROVE CREDIT SCORE (Q53=1)	IF NOT TAKEN ACTION TO IMPROVE CREDIT SCORE (Q53=NOT 1)
1	I registered on the electoral roll	I would register on the electoral roll
2	I started to use my credit card more often	I would start to use my credit card more often
3	I reduced the number of financial credit applications I made	I would reduce the number of financial credit applications I made
4	I began to use more of the available credit on my credit card	I would begin to use more of the available credit on my credit card
5	I increased the limit on credit card(s) I used a lot	I would increase the limit on credit card(s) I used a lot
6	I stopped missing payments on my credit card or other forms of credit I have	I would make sure I don't miss payments on my credit card or other forms of credit I have
7	I made sure that household members didn't miss payments on their credit cards or other forms of credit	I would make sure that household members don't miss payments on their credit cards or other forms of credit
8	I arranged a repayment plan with my lender for loans I was struggling to repay	I would arrange a repayment plan with my lender for loans I was struggling to repay
9	I took out a credit card	I would take out a credit card
10	I took out another form of financial credit [ALWAYS SHOW AFTER CODE 9]	I would take out another form of financial credit [ALWAYS SHOW AFTER CODE 9]
11	I reduced the amount of debt I held	I would reduce the amount of debt I hold
12	I made sure that household members held less debt	I would make sure that household members hold less debt



13	I repaid more of my mortgage every month	I would repay more of my mortgage every month
14	I opened another current account even though I held one already	I would open another current account even if I held one already
15	I increased the limit on my credit card even though I hardly used it	I would increase the limit on my credit card even if hardly used it
16	Other (please specify)	Other (please specify)
17	[HIDE THIS CODE FROM THIS GROUP]	I don't know

**ASK IF TAKEN STEPS TO IMPROVE THE CREDIT SCORE Q53=1**

**Q55.** And what effect, if any, did this action / these actions have on...?

**ROWS**

1. Your credit score
2. Your financial health in general

**COLUMNS**

1. Made it a lot worse
2. Made it slightly worse
3. Had no effect
4. Improved it slightly
5. Improved it significantly
6. I am unable to tell (yet)

**ASK IF NOT TAKEN STEPS TO IMPROE THE CREDIT SCORE Q53=NOT 1**

**Q56.** Which of the following describe why you haven't taken steps to improve your credit score after reviewing it?

1. My score was the highest it can be
2. My score was good enough
3. It wasn't clear that improving my score is something I should be doing
4. It wasn't clear what I could do to improve my credit score
5. I didn't have the need to improve my credit score (e.g. I got credit another way)
6. I just couldn't be bothered
7. Other (please specify)

**ASK IF DIDN'T TAKE ACTIONS FOR REASONS OTHER THAN THE SCORE BEING THE MAXIMUM IT CAN BE Q56=NOT 1**

**Q57.** If you knew that a higher credit score would enable you to access better value products (e.g. better rates on credit cards or mortgages), would you then take steps to improve it?

1. Yes, definitely
2. Yes, probably
3. No, I still wouldn't

**ASK ALL**

**Q58.** Who do you think is responsible for ensuring the accuracy of the information on the credit report?

1. Me
2. Credit reference agencies/credit information services
3. Lenders
4. Other (please specify)
5. I don't know [EXCLUSIVE]

#### ASK IF CHECKED CREDIT REPORT Q41=1,2

**Q59.** Have you ever noticed any errors on your credit report?

1. Yes
2. No

#### ASK IF NOTICED ERRORS ON THE REPORT Q59=1

**Q60.** What kind of errors have you noticed on your credit report?

1. Incorrect personal details (e.g. name, date of birth)
2. Incorrect information on financial associations (joint applicants for credit)
3. Incorrect home address
4. Incorrect information on my credit products (e.g. credit cards, loans, mortgages, mobile contracts etc.)
5. Incorrect information on my non-credit financial products (e.g. current accounts)
6. Incorrect information on credit searches
7. Incorrect record of a County Court Judgment
8. Incorrect record of a default (i.e. a failure to repay credit received)
9. Incorrect record of insolvency (i.e. not having enough assets to be able to pay bills and/or debts)
10. Other (please specify)

#### ASK IF NOTICED ERRORS ON THE REPORT Q59=1

**Q61.** Did you do anything after noticing an error on your credit report?

1. Yes
2. No, but I will
3. No, and I'm not planning to

#### ASK ALL

**Q62.** [SHOW IF took action Q61=1] What did you do after noticing an error on your credit report?

[SHOW if haven't noticed errors Q59=2] What, if anything, would you do if you noticed an error on your credit report?

1. I queried / would query this with the provider of the credit report by contacting them directly (e.g. over the phone, email etc.) or by using the 'dispute / report an error' button on their website
2. I queried / would query this with other providers of credit reports
3. I queried / would query this with the provider of the service the error was / is related to (e.g. the bank providing the credit card, loan, mortgage etc.)
4. I queried / would query this with the relevant government body / financial regulator / Financial Ombudsman Service
5. Other (please specify) [ANCHOR]

6. I wouldn't do anything [ANCHOR, EXCLUSIVE] [ONLY SHOW IF HAVEN'T noticed errors Q59=2]
7. I don't know [ANCHOR, EXCLUSIVE] [ONLY SHOW IF HAVEN'T NOTICED ERRORS Q59=2]

#### ASK IF NOTICED ERRORS ON THE REPORT Q59=1

**Q63.** Was the error you noticed a mistake?

*By this we mean that the error on your credit report was due to the credit information provider making a mistake.*

1. Yes
2. No

#### ASK IF TOOK ACTION HAVING SEEN THE ERROR Q61=1

**Q64.** How long did it take to correct the error on your credit report?

1. It was removed immediately
2. Less than 1 month
3. 2-3 months
4. 4-6 months
5. More than 6 months
6. I was told it cannot be removed

#### SURVEY TEXT

Thank you. We now have some questions about what influences the credit score.

#### ASK ALL

**Q65.** Overall, how well do you understand what influences your credit score?

1. I understand this completely
2. I understand this somewhat
3. I don't really understand this
4. I don't understand this at all

#### ASK ALL

**Q67.** Below are some factors that other people said could have an impact on the credit score.

What impact, if any, do you think each of these would have on your credit score?

#### ROWS

1. Keeping your credit card balance below 30% limit
2. Keeping your credit card balance below £50
3. Not opening a new account for six months
4. Registering on the electoral roll
5. Successfully paying for car insurance monthly rather than annually
6. Being given a credit card limit of over £5,000
7. Having a credit card for at least five years

8. Having a credit card limit of £250 or less
9. Opening a new bank account with an overdraft in the last six months
10. More than £15,000 debt on credit cards
11. Borrowing more than 90% of limit on a credit card
12. Missing a repayment on a credit card or loan
13. Taking out a £10,000 personal contract purchase
14. Receiving a County Court Judgement
15. Defaulting on an account (e.g. failing to repay the money borrowed)

#### CATEGORIES FOR SORTING

1. Significant negative impact on the credit score
2. Minor negative impact on the credit score
3. No impact on the credit score
4. Minor positive impact on the credit score
5. Significant positive impact on the credit score

#### ASK ALL

**Q68.** When you hear about credit scores, you may have come across different providers of credit scores / reports.

What providers of credit scores and reports have you ever heard of, if any?

#### ASK ALL

**Q69.** Which of the following providers of credit scores and reports have you ever heard of, if any?

1. Experian
2. Equifax
3. TransUnion (formerly Callcredit)
4. Crediva
5. Clear Score
6. Credit Karma (formerly Noddle)
7. Totally Money
8. Money Saving Expert's Credit Club
9. CreditWise (Capital One)
10. Giffgaff
11. Check My File
12. Credit Angel
13. UK Credit Ratings
14. My Credit Monitor
15. Other (please specify)
16. None of these

#### ASK IF HEARD OF ANY CREDIT SCORE SERVICES Q69=1-15

**Q70.** Which of the following providers of credit scores and reports have you ever used, if any?

1. Experian
2. Equifax
3. TransUnion (formerly Callcredit)
4. Crediva
5. Clear Score
6. Credit Karma (formerly Noddle)
7. Totally Money
8. Money Saving Expert's Credit Club
9. CreditWise (Capital One)
10. Giffgaff
11. Check My File
12. Credit Angel
13. UK Credit Ratings
14. My Credit Monitor
15. [INSERT ANSWER FROM Q69]
16. None of these

#### ASK ABOUT EACH SERVICE USED BASED ON Q70 ON A LOOP

**Q71.** Why did you decide to use [INSERT SERVICE]?

1. It was recommended by a friend or relative
2. It was recommended by a financial advisor
3. It was recommended by my mortgage broker / advisor [SHOW IF EVER HAD A MORTGAGE Q16=1]
4. It came together with another service (e.g. bank account)
5. It had the best online reviews
6. It was recommended by a comparison website (e.g. Money Supermarket, Money Saving Expert)
7. I heard about it / saw it in an advert
8. It is the one I trust the most
9. It came up in the top search results on Google or other search engine
10. No particular reason
11. Other (please specify)
12. I don't remember

#### ASK IF USED ANY CREDIT SCORE SERVICES Q70=1-15

**Q72.** How would you rate your experience of using each of these services?

ROWS

1. [SHOW SERVICES EVER USED FROM Q70]

COLUMNS

1. Extremely poor
2. Poor
3. Fair

4. Good
5. Excellent

#### ASK IF AWARE OF ANY CREDIT SCORE SERVICES Q69=1-15

**Q73.** How much would you trust the information provided by each of these services?

ROWS

1. [SHOW SERVICES AWARE OF FROM Q69]

COLUMNS

1. Would not trust
2. Would trust partly
3. Would trust completely

#### ASK IF USED ANY CREDIT SCORE SERVICES Q70=1-15

**Q74.** Have the credit information services you've used previously been free or paid for?

1. I've only used free service(s)
2. I've only used paid for service(s)
3. I've used both

#### ASK IF USED PAID FOR SERVICES Q74=2,3

**Q75.** What providers have you used paid for services from?

1. Experian
2. Equifax
3. TransUnion (formerly Callcredit)
4. Crediva
5. Clear Score
6. Credit Karma (formerly Noddle) [HIDE FOR THIS QUESTION]
7. Totally Money
8. Money Saving Expert's Credit Club
9. CreditWise (Capital One)
10. Giffgaff
11. Check My File
12. Credit Angel
13. UK Credit Ratings
14. My Credit Monitor
15. Other (please specify)

#### ASK IF USED PAID FOR SERVICES Q74=2,3

**Q76.** Thinking about the paid for services you've used, have you made a one-off payment or have you taken out a subscription?

## ROWS

1. [INSERT PAID FOR SERVICES USED FROM Q75]

## COLUMNS

1. One-off payment
2. Subscription
3. I don't remember

**ASK IF USED PAID FOR SERVICES ON A ONE-OFF PAYMENT BASIS Q76=1, ASK FOR EACH PROVIDER CODED 1 AT Q76**

**Q77.** How much did a paid for service from [INSERT PROVIDER] cost?

*If you don't remember the exact amount, please try to give us your best guess.*

**ASK IF USED PAID FOR SERVICES ON A SUBSCRIPTION Q76=2, ASK FOR EACH PROVIDER CODED 2 AT Q76**

**Q78.** How much did a paid for service from [INSERT PROVIDER] cost per month?

*If you don't remember the exact amount, please try to give us your best guess.*

**ASK IF USED PAID FOR SERVICES ON A SUBSCRIPTION Q76=2**

**Q79.** Do you still have the subscription with...?

## ROWS

1. [SHOW PROVIDERS CODED 2 AT Q76]

## COLUMNS

1. Yes, I still have it
2. No, I cancelled it

**ASK Q80-Q81 ON A LOOP FOR EACH PROVIDER CANCELLED SUBSCRIPTION WITH (Q79=2)**

**ASK IF CANCELLED SUBSCRIPTION Q79=2**

**Q80.** Why did you cancel the subscription to [INSERT PROVIDER CODED 2 AT Q79]?

1. The reports didn't meet my expectations
2. I didn't like the reports (e.g. the information was not useful, the report was confusing etc.)
3. I didn't need the reports anymore
4. I was pushed credit products too much
5. I received too many emails from them
6. The subscription fee was too high
7. I could get the same or similar information elsewhere free of charge
8. The value I was getting out it wasn't worth the price I was paying
9. I never intended to use the service beyond the trial period
10. Other (please specify)

**ASK IF CANCELLED SUBSCRIPTION Q79=2**

**Q81.** How would you rate the process of cancelling the subscription to [INSERT PROVIDER CODED 2 AT Q79] in terms of its ease?

1. Very easy
2. Quite easy
3. Neither easy nor difficult
4. Quite difficult
5. Very difficult

**ASK ALL**

**Q82.** Below are some statements other people have made about free and paid for credit information services.

Please select the statements that you believe to be true.

1. Paid for credit information services include more comprehensive information
2. Paid for credit information services recommend better products based on your profile
3. Paid for credit information services update your credit score / report more often
4. You're more likely to get credit approved if you use paid for credit information services
5. All credit information services are only free for a limited time
6. Paid for and free credit information services provide the same information
7. I shouldn't be asked to pay to check my own credit data [ALWAYS SHOW AT THE BOTTOM]
8. I don't believe any of these to be true [EXCLUSIVE]

**ASK ALL**

**Q83.** Are you aware that anyone has the right to receive a free statutory credit report?

1. Yes, I am aware
2. No, I wasn't aware

**ASK ALL**

**Q84.** Below are some statements other people have made about credit scores and credit risk.

By credit risk, we mean the assessment of the likelihood that you would repay loans by providers of credit information, such as credit reference agencies.

Which of the following statements do you agree with most?

1. Both the credit score and the credit risk would be the same across all providers
2. The credit score would be the same, but the credit risk might be different depending on the provider
3. The credit score would be different, but the credit risk would be the same across all providers
4. Both the credit score and the credit risk would be different across all providers
5. I don't know

**ASK IF SELECTED AN ANSWER IN PREVIOUS QUESTION Q84=1-4**



**Q85.** You said that [INSERT OPTION SELECTED AT Q84, DECAPITALISED AND UNDERLINED]. How do you feel about this?

1. Positively
2. Negatively
3. I don't mind

#### ASK IF USED MULTIPLE SERVICES BEFORE I.E. CODE MULTIPLE CODES AT Q70

**Q86.** You mentioned that you've used several credit information providers.

Have you noticed any differences between them in terms of...?

ROWS

1. Your credit score
2. The information in the credit reports

COLUMNS

1. Yes
2. No

#### ASK IF NOTICED DIFFERENCES BETWEEN THE SERVICES Q86=1

**Q87.** You mentioned that you noticed differences between the credit information providers. Could you...?

ROWS

1. Understand the differences
2. Explain the differences

COLUMNS

1. Yes, completely
2. Yes, partly
3. No

#### SURVEY TEXT, SHOW TO ALL

In this penultimate section of the survey, we're asking about credit reports, i.e. the additional information about your credit file that supplements the credit score.

#### SURVEY TEXT, SHOW TO ALL IN THE FIRST LOOP

Please take a moment to review at an example report below.

[INSERT SCREENSHOTS OF THE REPORT]

You may or may not have seen a credit report like this before. Other providers produce similar credit reports, but they might be laid out slightly differently and have slightly different content.

Once you've had a read through, please click 'Next' to answer some questions.

Don't worry, you don't need to memorise anything – you will be able to see the report again.

#### SURVEY TEXT, SHOW FOR THE SECOND LOOP

Please take a moment to review another example report below.

Once you've had a read through, please click 'Next' to answer some questions.

Don't worry, you don't need to memorise anything – you will be able to see the report again.

[INSERT SCREENSHOTS OF THE REPORT]

#### ASK ALL

**Q88.** [SHOW FOR THE FIRST LOOP] Firstly, browse through the report and click on the information that interests you most / you find most useful.

[SHOW FOR THE SECOND LOOP] Please browse through the report and click on the information that interests you most / you find most useful.

**Please select all information that interest you most / you find most useful. If you don't find any information interesting or useful, please select the N/A option below. Please note that some of the elements cannot be selected.**

#### ASK ALL

**Q89.** Now click on the information that you don't understand.

**Please select all information that interest you don't understand. If you understand all the information, please select the N/A option below. Please note that some of the elements cannot be selected.**

#### ASK ALL

**Q90.** Is there any information that you think is missing in the report you've just seen?

#### ASK ALL

**Q91.** [SHOW IF CHECKED CREDIT REPORT Q41=1,2] To what extent does credit information, like that in the credit reports we've just showed you, help you achieve each of the below?

[SHOW IF NOT CHECKED CREDIT REPORT Q41=3] To what extent do you think credit information, like that in the credit reports we've just showed you, would help you achieve each of the below?

#### ROWS

1. Knowing what I need to do to maintain / improve my creditworthiness
2. Knowing how likely I am to be accepted for a mortgage
3. Knowing how likely I am to be accepted for credit other than mortgage (e.g. credit card, loan, car finance etc.)
4. Knowing the impact of my financial behaviour on my creditworthiness

5. Knowing the reasons for being refused financial credit
6. Knowing how lenders decide on what interest rate to offer
7. Knowing what information lenders or other financial institutions hold about me
8. Being able to access information about financial credit available to me, from an impartial organisation
9. Being able to access simple and clear information about my finances
10. Being able to access professional advice to help me manage my finances, including debt
11. Being able to quickly identify fraudulent activity on my bank accounts
12. Being able to ensure that information lenders and / or other financial institutions hold about me is correct
13. Being able to see changes in my creditworthiness over time
14. Being able to demonstrate my financial standing

COLUMNS, SHOW WORDING BASED ON WHETHER THEY CHECKED THE REPORT OR NOT

1. It helps / would help a lot
2. It helps / would help somewhat
3. It doesn't / wouldn't help

#### ASK IF CLAIM TO HAVE CHECKED CREDIT REPORT BEFORE Q41=1,2

**Q92.** You mentioned earlier that you had checked you credit score / report before.

Now that you've seen what credit reports look like, how do they compare to the one(s) you've seen before?

1. The same or very similar
2. Some things are the same, some things are different
3. Completely different
4. I actually haven't seen a credit report before

#### ASK IF USED CREDIT INFORMATION PROVIDERS Q70=1-15

**Q93.** Do you know your current credit score i.e. the exact number?

1. Yes, across all the credit information providers I've used [SHOW IF Q70=1-15]
2. Yes, but not across all the credit information providers I've used [SHOW IF Q70=1-15 AND MORE THAN ONE CODE IS SELECTED AT 70]
3. No

#### ASK IF CLAIM TO KNOW THE SCORE Q93=1 OR 2

**Q94.** What is your credit score?

[SHOW IF MORE THAN ONE CODE IS SELECTED AT Q70] *If you know your credit score with several providers, please tell us about the one you have checked most recently.*

*If you don't remember the exact number, please try to give us your best guess.*

#### ASK IF CLAIM TO KNOW THE SCORE Q93=1

**Q95.** And what provider gave you this score – [INSERT SCORE GIVEN AT Q94]?

1. Experian
2. Equifax
3. TransUnion (formerly Callcredit)
4. Crediva
5. Clear Score
6. Credit Karma (formerly Noddle)
7. Totally Money
8. Money Saving Expert's Credit Club
9. CreditWise (Capital One)
10. Giffgaff
11. Check My File
12. Credit Angel
13. UK Credit Ratings
14. My Credit Monitor
15. [PULL THROUGH OTHER FROM Q70]
16. I don't remember

#### SURVEY TEXT

Thank you, we're almost there. Our last few questions are about you and your household.

#### ASK ALL

**Q96.** Which of the following best describes your marital status?

1. Single
2. Married / in a relationship
3. Divorced / separated
4. Widowed
5. Prefer not to say

#### ASK ALL

**Q97.** Which of the following best describes your living arrangement?

1. I own the home I live in outright
2. I own the home I live in on a mortgage
3. I rent the home I live in
4. I live in social housing
5. Other (please specify)

#### ASK ALL

**Q98.** Who do you currently live with?

1. No one – I live alone [exclusive]
2. My partner / spouse
3. My child / children under 18
4. My child / children over 18
5. My parents

6. Other adult family members
7. Other adults who are not family members (e.g. friends, housemates)

**ASK ALL**

**Q99.** Which of the following best describes the area you live in?

1. Urban
2. Suburban
3. Rural

**ASK ALL**

**Q100.** Which of the following best describes your ethnicity?

**White**

1. English / Welsh / Scottish / Northern Irish / British
2. Irish
3. Gypsy or Irish Traveller
4. Any other White background

**Mixed / Multiple ethnic groups**

5. White and Black Caribbean
6. White and Black African
7. White and Asian
8. Any other Mixed / Multiple ethnic background

**Asian / Asian British**

9. Indian
10. Pakistani
11. Bangladeshi
12. Chinese
13. Any other Asian background

**Black / African / Caribbean / Black British**

14. African
15. Caribbean
16. Any other Black / African / Caribbean background

**Other ethnic group**

17. Arab
18. Any other ethnic group
19. Prefer not to say

**ASK ALL**

**Q101.** What is your annual household income before tax?

1. Less than £20,000
2. £20,000 to £39,999
3. £40,000 to £59,999
4. £60,000 to £79,999

5. £80,000 to £99,999
6. £100,000 or more
7. Prefer not to say

**ASK ALL**

**Q102.** Which of the following best describes the highest level of qualification you have attained?

1. No formal qualifications
2. GCSE
3. A-level
4. Degree level or above
5. Other qualifications (please specify)

**ASK ALL**

**Q103.** Are you currently experiencing any of the following?

1. Recent bereavement
2. Long-term physical or mental illness (of yourself or someone else in your household)
3. Long term disability (of yourself or someone else in your household)
4. Unemployment or unstable employment
5. Separation or divorce
6. Caring responsibilities
7. None of the above [EXCLUSIVE]

**ASK ALL**

**Q104.** Have you ever been a victim of the following?

1. Identify fraud
2. Credit card fraud
3. None of these [EXCLUSIVE]