

FiSCA Customer Satisfaction Research Final Report

FiSCA commissioned an independent research study by Eric Mower and Associates Market and Research Services to examine customer satisfaction levels. The survey was conducted nationwide during September in 11 cities and asked 928 customers to rank FiSCA member outlets on a variety of product and service issues. The survey had an overall potential sampling error of less than 4 percent at the .95 confidence level.

Some key findings included:

- 89% rated FiSCA members as "excellent" or "very good" in offering convenient locations.
- 88% rated the hours of operation of FiSCA member stores as "excellent" or "very good."
- 90% of consumers rated FiSCA members in the "excellent" or "very good" category when it came to treating customers with respect and courtesy.
- 89% of customers said FiSCA member employees' willingness to help was "excellent" or "very good."
- 85% of customers felt that the FiSCA member outlet was "excellent" or "very good" at getting them in and out quickly.
- 90% felt very strongly that FiSCA members offered products and services they needed.
- 89% rated the safety and the store environment offered by FiSCA members as "excellent" or "very good."
- 81% of consumers nationwide using check cashing locations ranked the overall quality of service received as "excellent" or "very good"
- 75% of customers said their outlet was "excellent" or "very good" in charging reasonable fees for services

OBJECTIVES

The overall objective of this research was to gain a strong understanding of how well the FiSCA network of financial services outlets is performing in the minds of their customers.

Specifically, this research was designed to . . .

- Measure overall value for the money of FiSCA member products / services
- Assess the overall quality of service provided by FiSCA member Employees
- Identify areas where the FiSCA member stores can improve

METHODOLOGY

A nationwide in-branch customer satisfaction survey was conducted in 11 markets around the country, as follows:

Markets Interviewed	Interview Goal	Interview Actual
New York City	100	100
Chicago	100	100
Dallas	50	50
Houston	50	50
Los Angeles	100	100
San Francisco	100	100
Miami	100	100
Seattle	100	100
Philadelphia	100	28
Raleigh / Durham	100	100
Minneapolis	<u>100</u>	<u>100</u>
Total	1000	928

The outlet in Philadelphia was a very new store, and suffered from a lack of customers at this point. Despite efforts, we were not able to identify an alternative location quickly enough to complete the quota

- Consequently, we were directed to compile the interviews that we did have
- Of note, the difference between a sample of 928 and 1000 is not statistically significant. This provide an overall sampling error of less than 4% at the .95 confidence level.

One field service was used to collect all interviews. In fact, one interviewer visited each of these cites to complete the interviewing process. This procedure assured quality and consistency of interviewing.

Customers of each outlet were stopped, after completing their business transaction(s), and asked to complete a survey. Generally, response was very good.

The question required approximately 7 – 10 minutes to complete

The question required approximately 7 to 10 minutes to complete.

A copy of the questionnaire utilized in the research is presented in the appendix.

Eric Mower and Associates has significant experience in conducting customer satisfaction surveys in the retail environment, including for financial service industry clients.

SUMMARY / CONCLUSIONS

Customers reported exceptionally strong ratings for overall satisfaction.

- Considering "overall value for the money," nearly two-thirds (64%) gave their outlet a "top 2 box" ("excellent" + "very good") rating.
- Forty-five percent (45%) considered the overall service they receive at their respective outlet to be "excellent," while an additional 36% felt it was "very good."

Ratings of all specific attributes were very high, as well:

- Nearly nine in ten (89%) rated their respective outlet "excellent" or "very good" on having "convenient locations."
- Eighty-eight percent (88%) felt the convenience of the hours of operation were "excellent" or "very good."
- Nine of ten (90%) assigned an "excellent" or "very good" rating to "treats customers with respect and courtesy," a critical component of customer satisfaction.
- Similarly, 89% rated employees' willingness to help "excellent" or "very good."
- Eighty-five percent (85%) felt their store was "excellent" or "very good" at getting them "in and out of the store quickly."
- Nine of ten (90%) felt very strongly that their store had the "products and services they need."
- Three-quarters (75%) scored their respective outlet "excellent" or "very good" at "charging reasonable fees," a surprisingly high score in a financial services category.
- Importantly, 89% rated the safety of the environment provided by their store "excellent" or "very good."

Customers were also asked to describe what they like best about their respective stores, in their own words. Responses were consistent with previously reported ratings of closed-end questions.

- Convenience surfaced as the primary attribute customers like best about their respective outlet.
 - Nearly four in ten (39%) cited convenience specifically. An additional 21% said they are in and out quickly.
- Twenty-one percent (21%) also mentioned the "good service" they receive.
- Eighteen percent (18%) pointed at the "friendly employees."

Conversely, when probed, six of ten customers (60%) were unable to identify a problem or dislike with their store.

- Of those who could, 15% indicated the cost of services seems to be increasing, while 11% stated that service can be slow at times.

As would be expected, given these findings, the limited number of suggested improvements focused on containing / lowering the costs / fees (14%), and adding more tellers (13%), particularly at peak day parts.

Customers report frequent, regular usage of the respective outlet.

- Roughly one-half (49%) said they visit their store about one or two times per month, while an additional 23% said they visit their store one or two times per week.
- A little less than two-thirds (63%) said their usage levels have remained the same over time.
- Nonetheless, it appears as though overall usage levels are increasing somewhat. Roughly one-quarter (26%) said they are using the products / services either "a little bit" or "a lot more" than in the past, while just 11% said they are using their outlet less than in the past.

A large percentage of customers report using other financial services outlets, such as banks.

- The majority of customers (58%) do, in fact, have a checking or saving account at a bank or credit union. In fact, 35% report having a checking account as well as a savings account.
 - Of those who do not currently have a checking or savings account, the majority (76%) never had one. The remaining 24% eliminated their bank account due to problems (50%), such as bounced checks and overdrawn accounts.
- Those with a checking account report writing about eight to nine checks per month, on average.

- Reasons for using a bank vary narrowly. Roughly one-quarter (26%) cited convenience, 22% said "to pay my bills," while 21% take advantage of the savings account. Other reasons include: direct deposit requirements (14%), the need to use other services (12%) as well as to take advantage of lower fees on particular products / services (15%).
- Usage of money orders was not cited as a reason for using a bank, and is not high (14%) among this audience. This is most likely due to the availability of money orders at FiSCA member locations.

Reasons for using a bank alternative for certain products and services focus heavily on cost savings / lower fees (71%).

- Roughly one-half (49%) said they would use a savings account if it were available from their respective Check Casher outlet.
- If a savings account were offered, it conceivably would be one of the most used services, along with check cashing (60%), and money orders (58%).
- Other services have much lower usage levels by comparison: cash advances (24%), electronic bill payment services (21%), money wire transfers (17%).

Satisfaction with the current offerings is strong.

- Nearly six in ten (58%) of customers rated the current set of product / service offerings "excellent." An additional 32% rated them "very good."
- When probed for products and services customers would like to see offered, nearly eight in ten (78%) were unable identify a product / service they would like to see introduced.

Nonetheless, as reported earlier, nearly one-half (49%) said they would use a savings account, if it were available.

Customers depend on their respective outlets to help them manage their finances. Customers seem to have adapted to demanding financial situations by developing creative ways of managing their money, and their FiSCA location is an important partner in this process.

- They utilize a relatively small number of financial services. This may be a function of limited resources, but it doesn't appear to be a matter of limited product / service offerings.
- It is unlikely customers will be able to define a product or service that they find useful or beneficial. Respondents were given an opportunity to suggest products / services that might want, and the overwhelming majority were unable to offer a suggestion.

Nonetheless, FiSCA has the opportunity, if possible, to expand their services.

- Nearly one-half (49%) indicated they would use a savings account, if it were available to them.
- Additionally, 35% of customers use a bank or credit union for its savings account (21%) or because their job requires a direct deposit account (14%).

FINDINGS

Customer Tenure

Respondents reported a strong distribution spread of tenure as a customer.

- One-quarter (25%) have been a customer for less than 6 months, while the same percentage (25%) said they have been using this outlet for 1 – 2 years.
- One in six (17%) reported 3 – 5 years as a customer.

How long have you been a customer of [INSERT NAME OF OUTLET]?	
	Total (n=928)
Less than 6 months	25%
6 – 12 months	15%
1 – 2 years	25%
3 – 5 years	17%
5 – 10 years	11%
10+ years	7%

Store Usage Frequency

Respondent report pretty regular usage.

- Roughly one-half (49%) visit their store about one to two times per month.

- A little less than one-quarter (23%) use store service once or twice per week.

How often do you visit this store?	
	Total (n=928)
More than 2 times per week	6%
Once or twice per week	23%
3 – 4 times per month	11%
1 – 2 times per month	49%
6 – 12 times per year	5%
Less than 6 times per year	5%

Checking or Savings Accounts

The majority of those interviewed (58%) have at least one type of account at a bank.

- Fourteen percent (14%) have a checking account, 9% have a savings account, and 35% have both a checking and savings account.
- Just over four in ten (42%) do not have a bank account.

Do you currently have a checking account or a savings account at a bank, savings and loan, or a credit union?	
	Total (n=928)
Checking account	14%
Savings account	9%
Both checking and savings account	35%
Neither a checking account nor a savings account	42%

Number of Checks Written per Month

Respondents reported writing just under nine checks per month (8.7) on average.

- Specifically, 32% stated that they write between six and ten checks per month, while 27% said they write between three and five checks per month.

On average, how many checks would you say you write per month?	
	Total (n=454)
Average	8.7
Less than three	15%
Three to five	27%
Six to ten	32%
Eleven to twenty	14%
Over twenty	3%
Unsure / don't know / no answer	15%

Reasons for Using Other Provider

Reasons for using a bank or other financial institution concentrate on a relatively few areas.

- Roughly one-quarter (26%) said they use another provider for "convenience."
- Twenty-two percent (22%) use another provider to "pay bills."
- Twenty-one percent (21%) have a savings account at a bank.
- Other reasons include: direct deposit requirements (14%), the need to use other services (12%) as well as for cost considerations (15%).

Why do you use this other institution / provider / bank	

	Total (n=534)
Savings account	21%
To pay my bills	22%
For direct deposit	14%
Convenience	26%
To take advantage of their services	12%
Cost savings (to save money / earn interest)	15%
Miscellaneous	15%

Usage of Money Orders

Customers report low usage of money orders from other providers.

- Just 14% use money orders from a bank or another financial services provider.
- This is most likely due to the availability and low cost of money orders from Check Casher locations.

Do you also use money orders from that institution / provider / bank?	
	Total (n=534)
Yes	14%
No	87%

Reasons for Using Money Orders

Cost surfaced as the primary reason for using money orders at a bank or another provider.

- Roughly four in ten (39%) said money orders are "free / cheaper."

- Eighteen percent (18%) use money orders to pay their bills.

About three in ten (29%) will acquire a money order while at the bank, provided they already have a need.

Why?	
	Total (n=72)
If I need one when I am there	29%
To pay my bills	18%
They are free / cheaper	39%
It is easier	6%
For mail order items	3%
I like the security	1%
I use them for large dollar amounts	1%
No answer	7%

Previous Ownership of Checking or Savings Account

Of those respondents who do not have a checking or savings account, the majority have never had an account of this type (76%).

Have you ever had a checking or savings account at a bank, savings and loan or a credit union?	
	Total (n=396)
Yes	24%
No	76%

Reasons for Closing Account

Those who did have a checking or savings account at one time, but closed it cited a relatively small number of reasons for closing this account.

- Thirty-eight percent (38%) said they had unspecified problems or lack of funds.
- One in six (17%) moved, requiring a change of banks.
- Seven percent (7%) pointed to specific problems involving lack of funds.
- An additional 7% said the fees and costs associated with their account became problematic.

Why did you close this account?	
	Total (n=95)
Had problems / lack of funds	38%
I moved	17%
Bad checks / was over drawn	7%
Fees / too expensive	7%
Bank changed hands / closed	6%
Personal reasons / no need	5%
No answer / refused	17%

Reasons for Usage

Clearly, cost savings is the primary reasons why customers use "bank alternatives" rather than banks.

- A little over seven out of ten (71%) cited cost as the main reason for usage.
- Eighteen percent (18%) said "better services," while 14% said "better hours." Eleven percent (11%) like the convenient locations of their outlet.

Can you tell me why you use the products and services of [INSERT OUTLET NAME] rather than other options, such as banks?

	Total (n=928)
Better hours	14%
Convenient location	11%
Lower fees	71%
Better services	18%
Other: Emergencies	3%
Other: Payday loans / cash advance	4%
Other: Miscellaneous	13%

Interest in Savings Account

A sizable market exists to support the introduction of a savings account product.

- Just about one-half (49%) said they would use a savings account if it were made available.

Would you use a savings account if it were available from [OUTLET NAME]?	
	Total (n=928)
Yes	49%
No	47%
No answer	4%

Services Used

Two services dominate usage of these outlets.

Of the respondents (60%) who did not use any services, 50% said they...

- Sixty percent (60%) use the check cashing services, while 58% purchase money orders from their respective location.
- Other services, such as cash advances (24%), electronic bill payment services and money wire transfers (17%) are used, but at a lower level by comparison. Also, 14% purchase tokens for use in public transportation.

What services of [OUTLET NAME] do you use?	
	Total (n=928)
Check cashing	60%
Money orders	58%
Money wire transfers	17%
ATM access	5%
Bank withdrawals / balance inquiries	2%
Cash advances	24%
Social security benefit payments	3%
Public assistance benefits	3%
Electronic bill payment services	21%
Electronic tax preparation and filing	1%
Public transportation fare and token sales	14%
Motor vehicle license plate and title distribution	4%

Overall Value for the Money

Overall, respondents gave strong ratings to their respective outlets regarding overall value for the money of the products and services offered.

- Approximately one-quarter (26%) rated their outlet "excellent," while 38% said "very good." Combined, this provides a "top 2 box" score of 64% - a very strong number.

How would you rate the overall value for the money of products and services offered at [OUTLET NAME]?

	Total (n=928)
Excellent	26%
Very good	38%
Good	24%
Fair	10%
Poor	3%
Don't know / no answer	---

Reasons for Rating

The cost savings realized at their outlets was the main reason for the strong value ratings.

- Other reasons for ratings demonstrate a number of positives for these outlets, as follows.
 - Twenty-two percent (22%) said they receive "good service."
 - Twelve percent (12%) said their outlet has "friendly people,"
 - One in ten (10%) said they receive "quick" service.
 - Nine percent (9%) said their location is "convenient."

Why do you say that?	
	Total (n=928)
Cheaper than banks / good rates / no fees	28%
Good service	22%
Friendly employees	12%

Convenient	9%
Quick	10%
No problems	6%
Safe environment	3%
More / too expensive	12%
Long lines / slow / poor service	3%
Same as everywhere else	7%
Miscellaneous	3%
No answer	4%

Frequency of Usage

The majority of respondents (63%) report no change in frequency they are using the services at their respective outlet.

- However, 26% indicated they were using these services more than in the past, while just 11% said they are using these services less than in the past.

Would you say you are using the services at [INSERT NAME] more or less than you have in the past?	
	Total (n=928)
A lot more	12%
A little bit more	14%
No change	63%
A little bit less	7%
A lot less	4%

Reasons for Usage Change

Customers cited a fairly wide array of reasons for using the services at their respective outlets more or less than in the past. Results focus on reasons for increasing usage levels.

- Roughly one-fifth (21%) cited convenience of location. Eight percent (8%) also cited a convenience issue – "easier / quicker for me."
- Thirteen percent (13%) indicated they use they use the services more because they need money, while an additional 9% offered that their usage increase stems from having more bills to pay.

Why do you say that?	
	Total (n=346)
Convenience (close to home / work)	21%
Need money	13%
More bills to pay	9%
More cash available	7%
Easier / quicker for me	8%
New to the area / traveling	4%
More services to use	9%
More checks to cash	6%
Miscellaneous	14%
No answer / refused	9%

Overall Quality of Service Rating

Overall quality of service received at these check-cashing outlets is very high.

- Forty-five percent (45%) rated the quality of service "excellent," and 36% rated it "very good." The "top 2 box" rating of 81% is very strong.

How would you rate the overall quality of service you receive at [INSERT NAME]?	
	Total

	(n=928)
Excellent	45%
Very good	36%
Good	14%
Fair	5%
Poor	1%
Don't know / no answer	1%

Reasons for Quality Rating

Clearly, these FiSCA outlets do an excellent job servicing their customers.

- Nearly six of ten (57%) said "friendly employees" drove their quality of service ratings.
- Over one-third (36%) cited "good service," while 27% indicated "quick service" was a key component to their rating.

Why do you say that?	
	Total (n=928)
Friendly employees	57%
Good service	36%
Quick service	27%
No problems	5%
Convenient	3%
Negative comments (net)	7%
No answer	3%

Ratings – Has Convenient Locations

Respondents believe the locations of their respective outlets are very convenient.

- Fifty percent (55%) felt the convenience of the locations was "excellent," while 34% said it was "very good."

- The "top 2 box" rating of 89% is extremely strong.

How would you rate [INSERT OUTLET NAME] on ... "has convenient locations?"	
	Total (n=928)
Excellent	55%
Very good	34%
Good	8%
Fair	2%
Poor	---
Don't know / no answer	1%

Ratings – Has Convenient Hours of Operation

Although hours of operation was suggested as a possible area of improvement, respondent nonetheless rated their store very highly on this criteria.

- Roughly one-half (49%) said "excellent," while 39% gave it a "very good" rating.

- The corresponding 88% "top 2 box" rating continues to show a trend of excellence.

How would you rate [INSERT OUTLET NAME] on ... "has convenient hours of operation?"	
	Total (n=928)
Excellent	49%
Very good	39%
Good	9%
Fair	2%

Poor	---
Don't know / no answer	1%

Ratings – Treats Customers with Respect and Courtes

In contrast to trends typical with customer satisfaction ratings, the FiSCA received their highest top box rating of 60% on the criteria "treats customers with respect and courtesy."

- It is clear from these results that this audience feels respected and valued by those who serve them at the window / counter.

How would you rate [INSERT OUTLET NAME] on ... "treats customers with respect and courtesy?"	
	Total (n=928)
Excellent	60%
Very good	30%
Good	6%
Fair	2%
Poor	1%
Don't know / no answer	---

Ratings – Has Employees Who Really Try to Help

Clearly, employees are well-trained and exhibit willingness to help their customers.

- Respondents again rated the personnel at their respective outlet very high on willingness to help – 89% "top 2 box" score.

How would you rate [INSERT OUTLET NAME] on ... "has employees who really try to help?"	
	Total (n=928)

Excellent	57%
Very good	32%
Good	7%
Fair	2%
Poor	1%
Don't know / no answer	1%

Ratings – Gets Me In and Out of the Store Quickly

Respondents rated the quick service they receive at their respective outlet very highly.

- Fifty-four percent (54%) rated their store "excellent," while 31% rated them "very good."

How would you rate [INSERT OUTLET NAME] on ... "gets me in and out of the store quickly?"	
	Total (n=928)
Excellent	54%
Very good	31%
Good	8%
Fair	4%
Poor	2%
Don't know / no answer	1%

Ratings – Has the Product and Services I Need

Clearly, respondents are satisfied with the current range of products offered by their store.

- Nearly six in ten (58%) felt the range of product offerings was "excellent." An additional one-third (32%) rated their store "very good" on this criteria.

How would you rate [INSERT OUTLET NAME] on ... "has the products and services I need?"	
	Total (n=928)
Excellent	58%
Very good	32%
Good	8%
Fair	2%
Poor	---
Don't know / no answer	---

Ratings – Charges Reasonable Fees for Products / Service

Not surprisingly, "charges reasonable fees for products / services" received the lowest rating of those tested.

- Nonetheless, a "top 2 box" rating 75% on this variable is still considered excellent.

How would you rate [INSERT OUTLET NAME] on ... "charges reasonable fees for products / services?"	
	Total (n=928)
Excellent	35%
Very good	40%
Good	12%
Fair	7%
Poor	5%
Don't know / no answer	1%

Ratings – Offers a Safe Environment

The environment offered to conduct financial business also scored extremely highly.

- The "top 2 box" rating of 89% is extremely strong.

How would you rate [INSERT OUTLET NAME] on ... "offers a safe environment?"	
	Total (n=928)
Excellent	56%
Very good	33%
Good	8%
Fair	2%
Poor	1%
Don't know / no answer	1%

Positive Attributes

Positive aspects of each outlet focus on the core elements of successful businesses.

- Nearly four in ten (38%) said "convenience."
- One in five (21%) cited quick service, getting in and out of the store in a timely manner.
- An additional 21% indicated they receive "good service" during their transaction time.
- Importantly, 18% continued to point to the friendly employees who service them at their outlet.

What is it you like best about [INSERT OUTLET NAME]	
	Total (n=928)
Convenience	38%

No lines / quick in and out	21%
Good service	21%
Friendly employees	18%
Late hours / good hours	6%
Miscellaneous	19%

Negative Attributes

The majority of respondents (60%) were unable to identify a negative about their experience with their respective outlet.

- Those who could identify problems / concerns, mentioned very typical areas of concern. These include:
 - Increasing costs (15%)
 - Slow service at times (11%)
 - The need for better hours (5%)

What is it you like least about [INSERT OUTLET NAME]	
	Total (n=928)
Fees – it's getting more expensive	15%
Lines / service can be slow	11%
Need better / longer hours	5%
Rude tellers	3%
Miscellaneous	7%
Don't know / no answer	60%

Suggested Improvements

Consistent with responses for dislikes of the individual outlets, a large percentage of respondents (51%) were unable to make a suggestion for how their outlet could get better. All suggestions came at low levels by comparison.

- Fourteen percent (14%) suggested the fees / costs be lowered.
- Thirteen percent (13%) would like more tellers added, presumably to reduce the waiting time

What can we do to get better?	
	Total (n=928)
Lower the fees	14%
Add more tellers	13%
Open earlier / stay open later	7%
Improve store conditions (cleanliness / security / etc...)	4%
More services	6%
Miscellaneous	7%
Don't know / no answer	51%

Suggested Offerings

Consistent with respondents rating for the variety of services offered, nearly eight in ten (78%) were unable to identify a product / service they would like to see introduced.

- Of those respondents who offered a suggestion, bank accounts (5%) topped the list.
- Other services were mentioned, which are listed below, but at such a low level they didn't record a percentage point.

What products or services would you like to see us offer that we don't have right now?	
	Total (n=928)
Already have what I need	4%
Ability to pay all bills	4%
Bank accounts	5%

BANK ACCOUNTS	37%
Lottery tickets	---
Wire transfers	1%
Direct deposit	---
Postage stamps	---
Bus passes	---
Home / car loans	---
Money grams	---
Miscellaneous	6%
Don't know / no answer	78%

Demographics

Gender

Gender	
	Total (n=928)
Male	53%
Female	47%

Marital Status

Are you...	
	Total (n=928)
Married	34%
Single (never married)	48%
Divorced / separated	15%
Widowed	2%

widowed	2%
Other	---

Employment Status

Are you employed ...	
	Total (n=928)
Full time	80%
Part time	9%
Stay at home spouse	1%
Student	1%
Retired	3%
Unemployed	5%
Other	1%

Employment

What type of work do you do?	
	Total (n=928)
Professional	2%
Managerial / administrative	9%
Medical / professional	4%
Engineer / scientist / mathematician	4%
Educational	2%
Clerical	8%
Service	24%
Sales / marketing	7%
Skilled craftsman	10%

Unskilled craftsman	11%
Transportation	4%
Journalism / entertainment	1%
Self-employed	2%
No answer	10%

Household Income

Gender	
	Total (n=928)
Less than \$20k	23%
\$20k - \$30k	27%
\$30k - \$40k	21%
\$40k - \$50k	12%
\$50k - \$75k	8%
Over \$75k	4%
No answer	5%

Racial Diversity

How would you describe yourself?	
	Total (n=928)
African American	38%
Hispanic	28%
Asian	2%
Caucasian	28%
Native American	2%
Other	---

No answer / refused	2%
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