

CFPB analytics update Expanded data now available about customer complaints



The Consumer Financial Protection Bureau (CFPB) customer complaint database continues to grow at a rapid pace, providing an ever-expanding window into the customer experience of many financial institutions. With over 113,000 consumer complaints as of May 31, 2013, the CFPB recently added two new product areas and two new complaint variables that increase the depth of the information within the database.

Latest data available in the CFPB

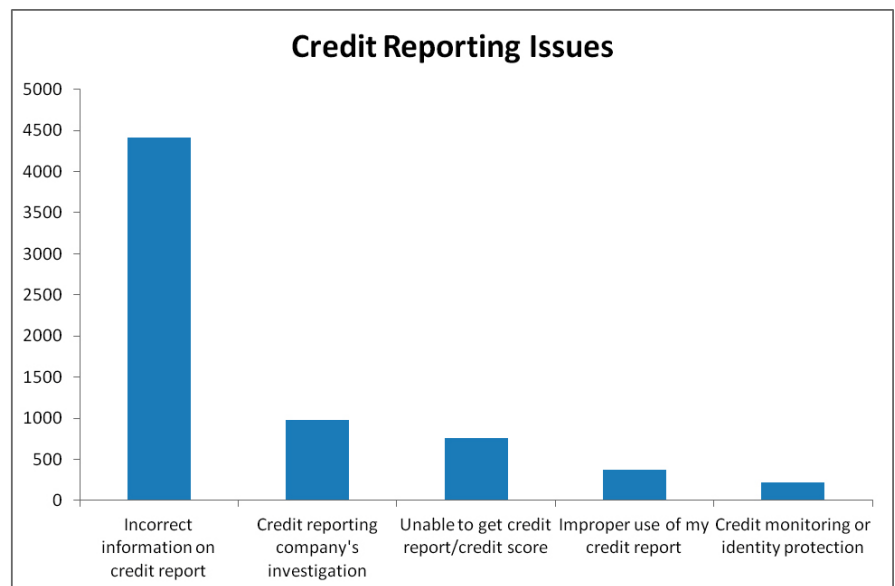
- **New products**—Credit Reporting complaints have now been added to the CFPB database, covering issues such as consumer credit reports, scores, and investigations conducted by consumer reporting agencies. Money Transfers were also recently added and include complaints about fraud, availability of money, and other transaction issues for both domestic and international transfers.
- **New variables**—The CFPB has also added two new variables for each complaint, the *sub-issue* of the complaint and a *state* field. The sub-issue provides more clarification about specific product issues, such as what information is incorrect in credit reports, specific problems in customer service and specific issues around a credit report investigation. The state field offers a slightly easier way to analyze and filter the geographic origins of complaints, rather than just by zip code.

Credit Reporting: Ranked #4 in total complaints

Among the seven financial product areas now being monitored by the CFPB, credit reporting comes in fourth in total number of complaints. With about 6,700 complaints, credit reporting follows mortgages, credit cards, and bank account or service products. The highest volume of complaints point to the three main consumer reporting agencies:

- Experian (2,596 complaints),
- Equifax (2,279 complaints)
- TransUnion (1,653 complaints)

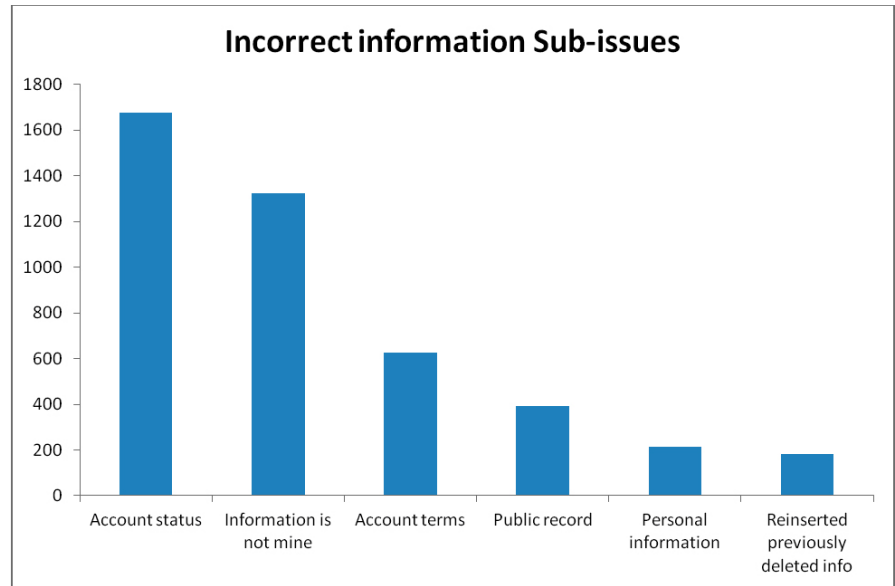
As we look into credit reporting, we find that nearly two-thirds (65%) of all complaints are about incorrect information appearing on consumer credit reports.



Sources: CFPB, Beyond the Arc



Using the new sub-issue field to explore further, we can see which types of information are being incorrectly added to credit reports. For example, nearly 38% of people complained their account status was incorrect, claiming that records of late fees and collections notifications were erroneous. Interestingly, 30% of people complained the information on the report was not even their own.



Sources: CFPB, Beyond the Arc

Key Takeaway

Material errors on credit reports result in a negative customer experience, especially if these errors affect the customers' credit score and their ability to get a loan. These errors also impact the credit reporting agencies themselves because they end up spending more time and effort researching and correcting these errors. Since these types of errors are under intense regulatory scrutiny, credit reporting agencies need to be especially diligent in making sure all customer account information is verified.

By adding new products and variables to its complaint database, the CFPB is providing more layers of information that can be analyzed to discover new trends and emerging issues. Continued exploration of this database can help financial institutions gain more insight into the customer experience, and potentially drive improvements to their products and services. Beyond the Arc will continue monitoring and analyzing the CFPB database to find compelling trends and issues occurring between financial institutions and their customers.

Let's Talk

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