

Customer Satisfaction at Banks Wanes

(Editor's Note: This is part of a series tracking the complaint records in various industries based on information in the BBB database and not available elsewhere. By using the BBB's dispute resolution services successfully, companies can satisfy and retain their customers.)

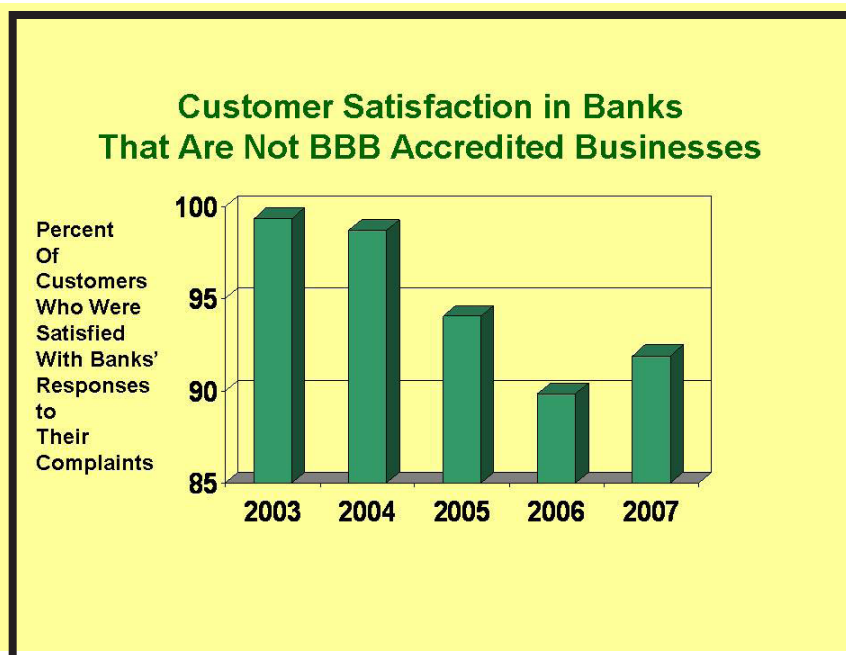
Two years ago there was a surprising newcomer to the annual list of the Top 10 industries with the most complaints—banks. That year wasn't a fluke, as 10th place on the 2007 list was again occupied by the banking industry. The gradual deterioration also is shown in statistics indicating whether customers are satisfied with company responses to their complaints.

Banks that are not BBB Accredited Businesses (members) never dropped below a 98% satisfaction rate from 1998 to 2002, and in 2002 had a 100% rating.

But except for one year, in the five years following that, the satisfaction rate continued to decline, to 99% in 2003, 98% in 2004, 94% in 2005, 89% in 2006 and an increase to 91% last year.

However, banks that are BBB Accredited Businesses maintained a 100% satisfaction rating throughout the 1998-2007 study period.

While the satisfaction rate in complaint handling was



decreasing for some banks, the industry only accounted for its share in the number of complaints.

Banks make up 1.87% of the total number of companies in the BBB database, and accounted for 1.89% of the complaints last year.

What pushed banks to the dubious position of a place on the Top 10? A look at 100 complaints reveals a surprising statistic. A total of 11.6% of customers cited rudeness on the part of bank personnel as a reason for their complaints.

However, the main causes of complaints were alleged bookkeeping errors cited by 41.7% of customers, and promises made by bank personnel that allegedly weren't followed up, cited by 14.3% of customers.

The latter involved such actions as waiving fees for insufficient funds or crediting an account for fees that a bank representative had promised would be done.

Customers also complained of overdraft fees along with the method used to compute them, with 18.4% citing these two causes of their complaints.

The method complained of worked thus: If several checks came into the bank to be paid, the bank would post the largest check first, thus assessing a fee for each of the smaller checks that couldn't be paid because of insufficient funds.

"We applaud our BBB Accredited Businesses for their fine record in resolving customer complaints," said Michelle L. Corey, president and CEO of the BBB, "and we urge other banks to review their efforts regarding customer satisfaction."