



Foreword

Joanna Causon Chief Executive

The latest UK Customer Satisfaction Index results present a sobering, if perhaps unsurprising picture. Average customer satisfaction in the UK has fallen compared to last year and is at its lowest level since 2015. While the overall index has declined by 1.8 points, several findings give cause for concern. Every sector has lower customer satisfaction than a year ago, with the biggest downturn in Utilities and Transport. More than half of the 275 organisations that appear in the UKCSI have received a lower customer satisfaction rating than they did a year ago. The adverse impact of a poor customer experience appears to have got worse, with customers more likely to experience a negative reaction when they report a problem and wait longer for their problem to be resolved. The consequences of organisations failing to understand and respond to a customer's personal situation are especially apparent for people who are experiencing low levels of financial well-being.

There are of course significant ongoing challenges that affect organisations: rising costs; supply chain disruption; skills shortages; recruitment and retention. But we should reflect honestly on the causes of the decline in customer satisfaction, what this means for our organisations and the wider economy, and how, as leaders, we need to respond. This is not all about price - in hard times we all want to see greater value from organisations. That value is linked to how we serve and support customers and how we demonstrate our purpose, relevance and long-term impact.

Organisations have not always invested sufficiently in developing skills, capabilities, long-term workforce planning, or in enabling career pathways to retain employees. The number of problems experienced by customers is similar to last year but remains stubbornly high. The drop in satisfaction with complaint handling suggests a need to refocus on the essentials of customer service. Deployment of technology can be a great enabler of service, to speed up and improve handling of routine customer issues and interactions. But many organisations may be overestimating their capacity to integrate data, systems and processes to deliver seamless, satisfying customer experiences.

This matters because customer service is at the heart of a successful economy and society. In the UK we are a service nation: 60% of employees work in customer-facing roles and 80% of our GDP is generated from services. In sectors like manufacturing and construction, service is key to revenue growth and reputation. In public services and the third sector, the quality of the customer experience is central to well-being and social cohesion.

I believe that there are four pillars that underpin the service nation and need to shape our thinking.

Customer service is a business asset.

Organisations that consistently earn higher levels of customer satisfaction than peers in their sector achieve better financial results, greater productivity by reducing costs associated with problems, and higher levels of trust and reputation – key sources of long-term value. Our next set of data looking at the links between customer satisfaction and financial results, to be published in September, will provide new evidence about this.

Customer service needs to be recognised as a valued profession.

The convergence of digitisation, greater use of technology and analytics, and changing customer needs and behaviours means that diverse roles, skills, knowledge and behaviours are required to deliver an organisation's customer service and business objectives. Almost every organisation I talk to is experiencing real challenges in recruitment and retention. There is a need to address this by developing and building recognition for skills and career pathways and focusing seriously on future resource and workforce planning.

Customer service can play an important role in enabling a fairer and more cohesive society.

The UKCSI shows evidence of a growing polarisation in financial well-being. 18% of customers feel their financial well-being is poor or very poor, up from 12% a year ago. The number of customers who rate their financial well-being as very good or good has dropped. There is a growing expectation that organisations demonstrate fairness and a social purpose in relationships with all their stakeholders, including customers, employees, suppliers, shareholders and the wider community.

Customer service is key to our nation's long-term growth and prosperity.

This is why The Institute continues to work with the All Party Parliamentary Group on Customer Service, government departments and regulators, to raise awareness of the role of customer service in enabling productivity and economic performance and ensure that this is reflected in policymaking on skills, training, and apprenticeships.

This UKCSI highlights immediate and long-term challenges for organisations, but I believe it also shows the opportunity for sustainable improvement in productivity, customer satisfaction and business performance. We need to take the latest UKCSI results seriously as customer satisfaction is a predictive indicator of performance: when we see a drop in customer satisfaction, we will, in time, see an impact on customer loyalty, financial performance and productivity. Smart companies understand and are addressing these issues and they will be best placed to weather economic shocks and uncertainty.

This is a time to drive the service agenda so that we build a service nation that delivers a better future for all. As always, if you would like to know more about The Institute, or the UKCSI, please do get in touch.

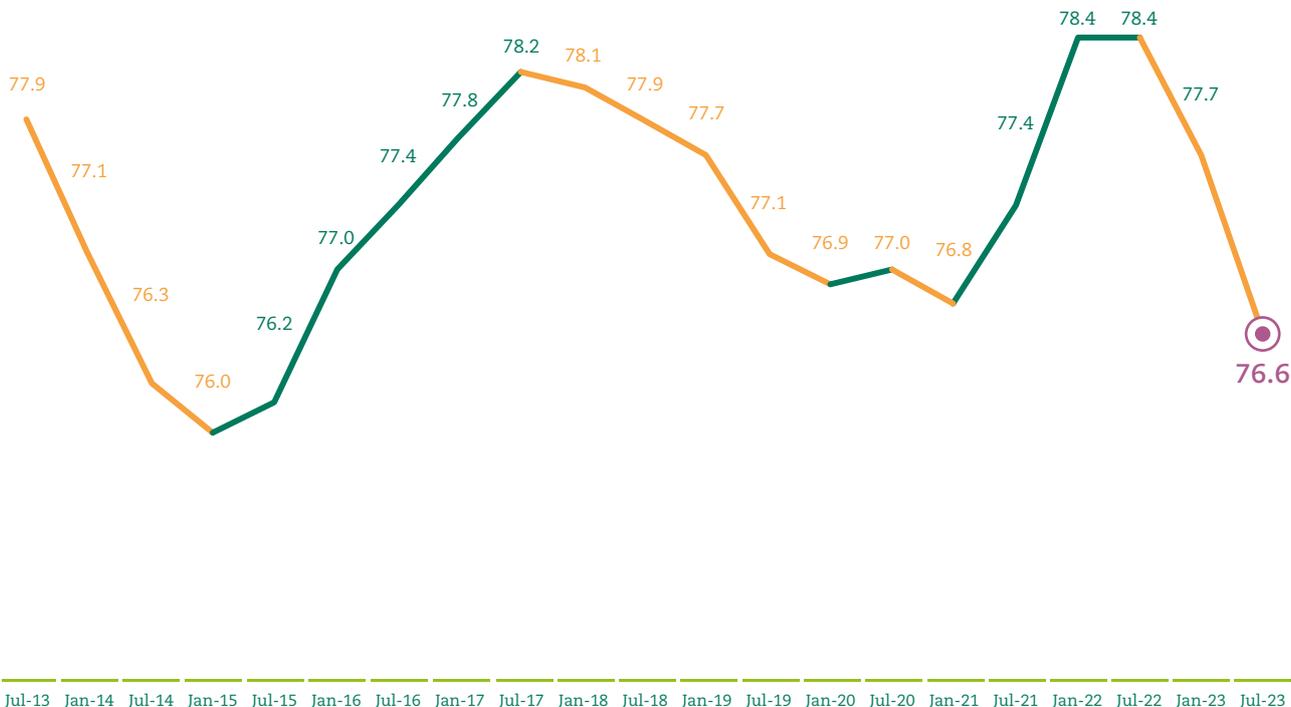


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Executive Summary

The July 2023 UKCSI is 76.6 (out of 100), a drop of 1.8 points compared to July 2022 and the lowest score for 8 years (76.2 in July 2015)



Index scores out of 100

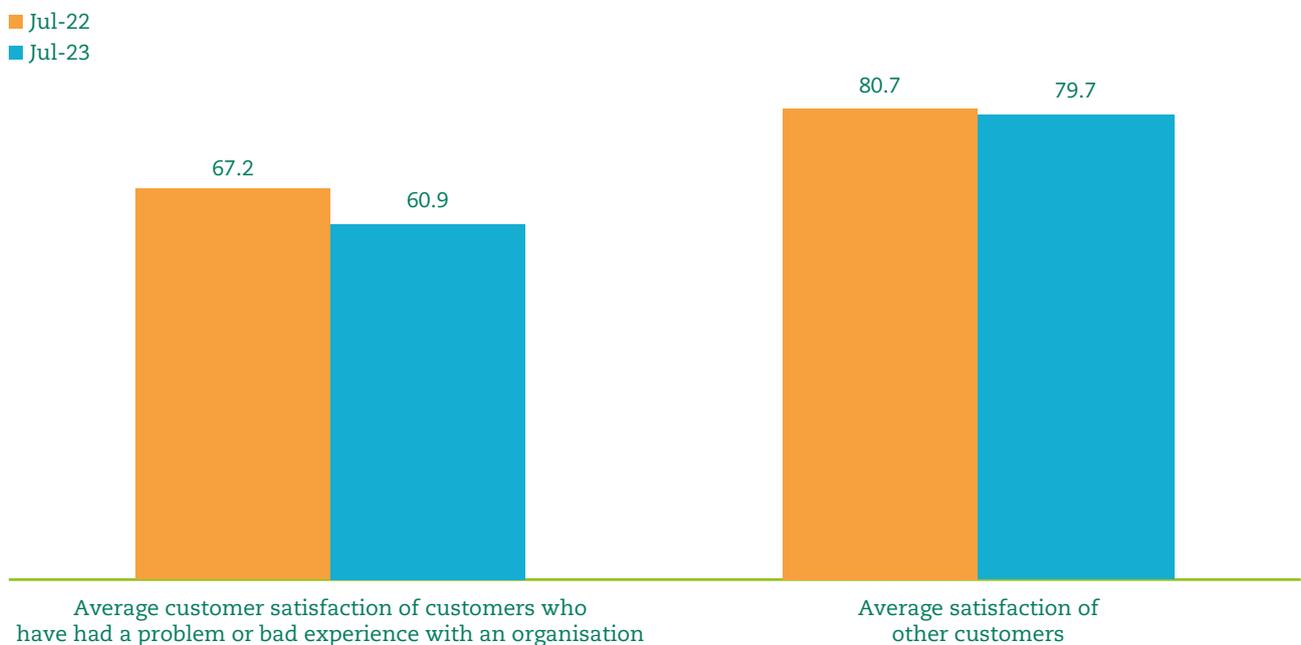
The UKCSI score is based on how customers rate organisations across 26 measures which are summarised in 5 dimensions of customer satisfaction¹. The Complaint Handling dimension has fallen by 7.2 points compared to a year ago and the Emotional Connection and Ethics dimensions have each declined by at least 2 points.

	Dimension (score out of 100)	July 2023	July 2022	Year-on-year change
	Experience Measures the quality of customers' experiences and interactions with organisations	77.6	79.4	-1.8
	Complaint Handling How organisations respond and deal with problems and complaints	59.2	66.4	-7.2
	Customer Ethos Extent to which customers perceive that organisations genuinely care about customers and build the experience around their customers' needs	75.8	77.7	-1.9
	Emotional Connection The extent to which an organisation engenders feelings of trust and reassurance	75.5	77.6	-2.1
	Ethics Reputation, openness and transparency and the extent to which an organisation is deemed to "do the right thing"	74.6	76.6	-2.0

¹ See About the UKCSI at the back of this report.

The adverse impact of bad customer experiences with organisations appears to have increased compared to a year ago

The average satisfaction of a customer who had a problem or bad experience with an organisation is 60.9 (out of 100), a drop of 6.3 points compared to July 2022. Amongst customers who did not have a problem or bad experience, average satisfaction with organisations is 79.7, a smaller decline, of 1 point compared to a year ago.



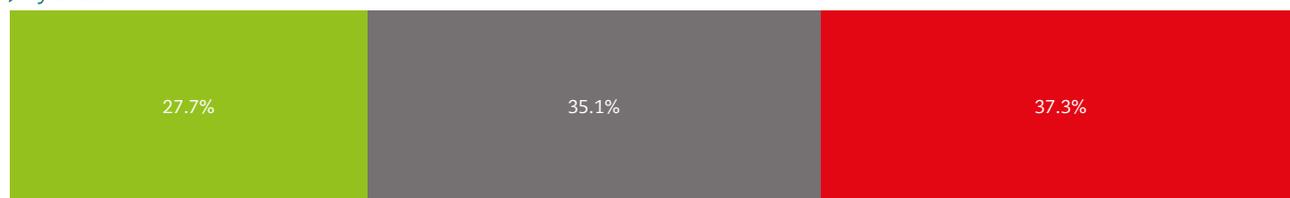
Index scores out of 100

Organisations have taken longer to resolve complaints and more problems remain unresolved

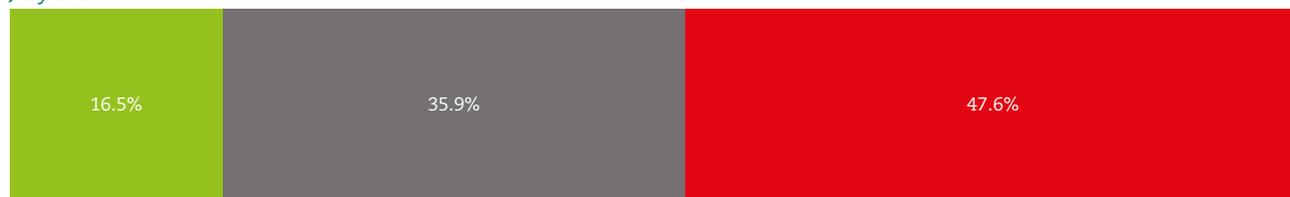
48% of customers who experienced a problem said that it took longer than they expected for the problem to be resolved, compared to 37% in July 2022. Just 17% of problems were resolved quicker than expected: in July 2022 it was 28%. As a result, average satisfaction with speed of resolving a complaint fell by 0.8 points to 5.8 (out of 10).

How long did it take to resolve your problem?

July 2022



July 2023



■ Quicker than expected ■ As expected ■ Longer than expected

When making a complaint, customers are more likely than a year ago to have experienced negative behaviours

In most cases, organisations react positively when customers report a problem, but there were fewer positive reactions and more negative ones compared to a year ago. 57% of customers making a complaint said the organisation responded positively, (for example, by listening to the problem, taking responsibility, explaining next steps), down from 63% in July 2022. 27% said they experienced a negative behaviour when reporting a problem, up by 5 percentage points compared to a year ago. Negative behaviours include making excuses, passing the problem to someone else, or seeming uninterested in the problem.

How did the organisation react when you made a complaint?

July 2022



July 2023



■ % positive behaviours experienced ■ % negative behaviours experienced ■ % mixed behaviours experienced

Each of the 13 UKCSI sectors has lower customer satisfaction than a year ago

Customer satisfaction by sector July 2022 – July 2023

	Jul-22	Jan-23	Jul-23	Change from Jul-22 to Jul-23	Change from Jan-23 to Jul-23
Retail (Non-food)	81.9	81.7	80.8	-1.1	-0.9
Tourism	80.7	80.9	80.4	-0.3	-0.5
Banks & Building Societies	80.3	80.3	80.0	-0.3	-0.3
Leisure	81.8	80.8	80.0	-1.8	-0.8
Retail (Food)	81.7	80.5	79.5	-2.2	-1.0
Automotive	81.0	80.1	79.4	-1.6	-0.7
Insurance	80.8	80.0	78.7	-2.1	-1.3
Telecommunications & Media	76.6	75.8	75.4	-1.2	-0.4
Services	76.7	76.3	74.4	-2.3	-1.9
Public Services (National)	75.3	75.1	74.3	-1.0	-0.8
Transport	75.8	74.1	71.9	-3.9	-2.2
Public Services (Local)	72.3	72.2	71.3	-1.0	-0.9
Utilities	74.1	71.7	69.5	-4.6	-2.2

▼ Fall in UKCSI score by at least one point

▼ Fall in UKCSI score by more than 2 points

The biggest decline in customer satisfaction compared to July 2022 is in the Utilities and Transport sectors

Average satisfaction with Utilities organisations is down by 4.6 points (out of 100) compared to July 2022. Customer satisfaction in the Energy sector has fallen by 5.3 points to 67.9. Average satisfaction with price / cost fell by 1 point to 5.6 (out of 10) and the perception that Energy companies do the right thing in their business practices slipped 0.8 points to 6.4 (out of 10): in both cases this is the lowest score of any sector. Average satisfaction with Water companies has declined by 3.5 points to 72.6.

The Transport sector has an average UKCSI score of 71.9, down by 3.9 points compared to July 2022. Customer satisfaction with Rail companies fell by 4.3 points to 71.2: average satisfaction with Airlines is 73.7, a drop of 4.6 points compared to a year ago.

Average satisfaction with Utilities organisations is down by 4.6 points compared to July 2022. Customer satisfaction in the Energy sector has fallen by 5.3 points to 67.9



Just 15 organisations (5% of those receiving a UKCSI score) have improved by at least 2 points compared to July 2022: 7 of these are from the Tourism sector



132 organisations (48% of those receiving a UKCSI score) have declined by at least 2 points compared to a year ago. More than 80% of organisations in the Utilities and Transport sectors and over half of Retail (Non-food) organisations have received a UKCSI score that is at least 2 points lower than in July 2022.

10 highest rated organisations

Jul-23 Rank	Organisation	Sector	Jul-23 Score	Jul-22 Score	Jul-22 Rank	Change in score Jul-22 to Jul-23
1	first direct	Banks & Building Societies	86.7	85.3	10	1.4
2	Starling Bank	Banks & Building Societies	86.1	NO DATA	NO DATA	NO DATA
3	M & S (food)	Retail (Food)	84.8	85.1	11	-0.3
4=	Hotels.com	Tourism	84.7	82.1	57	2.6
4=	John Lewis	Retail (Non-food)	84.7	86.3	3	-1.6
4=	Ocado	Retail (Food)	84.7	85.8	7	-1.1
7=	Jet2holidays.com	Tourism	84.5	83.7	22	0.8
7=	Tesco Mobile	Telecommunications & Media	84.5	86.1	4	-1.6
9	Amazon.co.uk	Retail (Non-food)	84.4	83.7	22	0.7
10	Nationwide	Banks & Building Societies	84.3	83.0	37	1.3

▲ Increase in UKCSI score of less than one point ▼ Fall in UKCSI score ▲ Increase in UKCSI score of one point or more

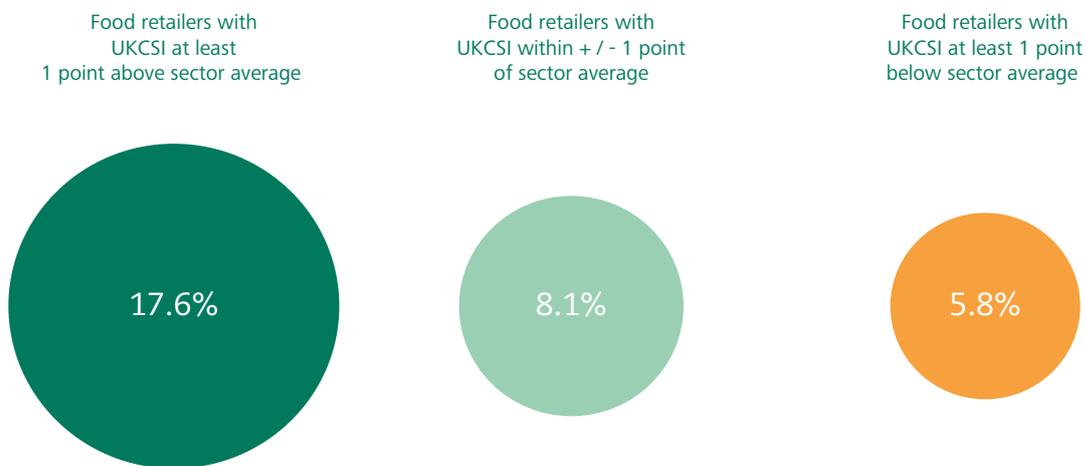
The biggest differences between the top 50 organisations and the rest relate to: satisfaction with complaint handling; price / cost; and a range of emotional and perception measures including an organisation caring about its customers, designing experiences around its customers, trust, reputation, openness and transparency, providing reassurance and keeping promises.

Biggest differences between the top 50 and other organisations in the UKCSI

	Top 50 Organisations	Remaining Organisations	Difference
UKCSI (out of 100)	82.5	75.4	7.1
Proportion of customers giving a 9 or 10 out of 10	35.2%	23.7%	11.5% points
Speed of resolving your complaint	6.9	5.6	1.3
The handling of the complaint	7.0	5.8	1.2
The attitude of staff (complaints)	7.2	6.1	1.1
Price/cost	8.1	7.2	0.9
XX cares about their customers	8.1	7.3	0.8
XX designs the experience around its customers	8.1	7.3	0.8
XX is open and transparent	8.1	7.3	0.8
Reputation of the organisation	8.2	7.4	0.8
XX keeps their promises	8.2	7.4	0.8
XX makes you feel reassured	8.2	7.4	0.8
You trust XX	8.2	7.4	0.8
% experiencing a problem	10.6%	16.9%	-6.3% points
% experiences right first time	87.3%	78.9%	8.4% points

In the Retail (Food) sector, organisations with a UKCSI score at least 1 point above sector average have grown sales by an average of 17.6%, compared to the market average of 10.8%².

Annual sales growth for the 12 weeks to 14 May 2023

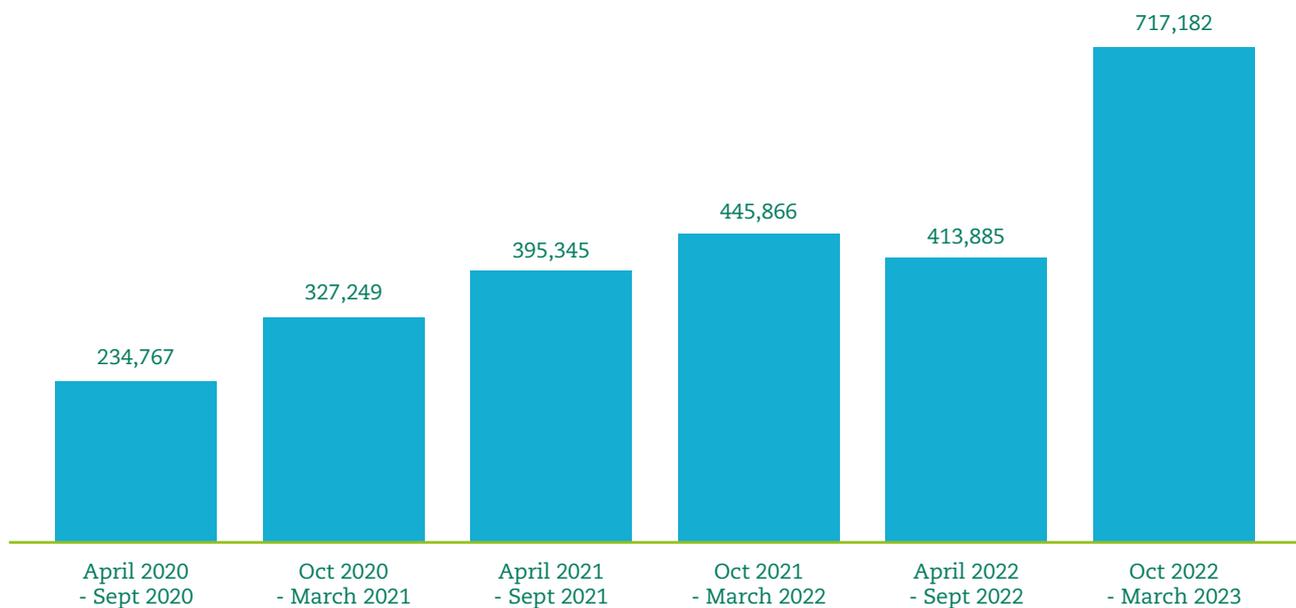


Against a backdrop of rising costs and prices, average customer satisfaction in the Retail (Food) sector has declined by 2.2 points, from 81.7 in July 2022 to 79.5 (out of 100). All 11 Retail (Food) organisations that appear in the UKCSI have lower customer satisfaction than they did a year ago. Organisations that have suffered the biggest decreases in overall satisfaction compared to a year ago have generally received lower ratings across a range of measures relating to price / cost, transactional experiences, trust and doing the right thing in business practices.

² UKCSI scores are mapped alongside Kantar's data on annual sales growth for the 12 weeks to 14 May 2023, see www.kantar.com/uki/inspiration/fmcg/2023-wp-uk-grocery-sees-218-million-royal-sales-bump-as-inflation-inches-down

In the Banks and Building Societies sector, a rise in switching activity³ is likely to have been influenced by an increase in competitive switching incentives, consumers' desire to maximise their income, and quality of customer service

Volume of current account switching 2020 - 2023



In this UKCSI we have reviewed data from the latest Current Account Switch Service (CASS) dashboard, covering switches between organisations completing between October and December 2022, alongside the corresponding UKCSI period (January 2023).

Nationwide was the biggest beneficiary of current account switching: between October and December 2022 it achieved over 111,000 net current account gains, the strongest ever quarterly performance recorded by the Current Account Switching Service. In the January 2023 UKCSI, average customer satisfaction with Nationwide was 82.6 (out of 100), more than 2 points above the sector average. (In the July 2023 UKCSI, Nationwide's average customer satisfaction is rated at 84.3, over 4 points above the sector average).

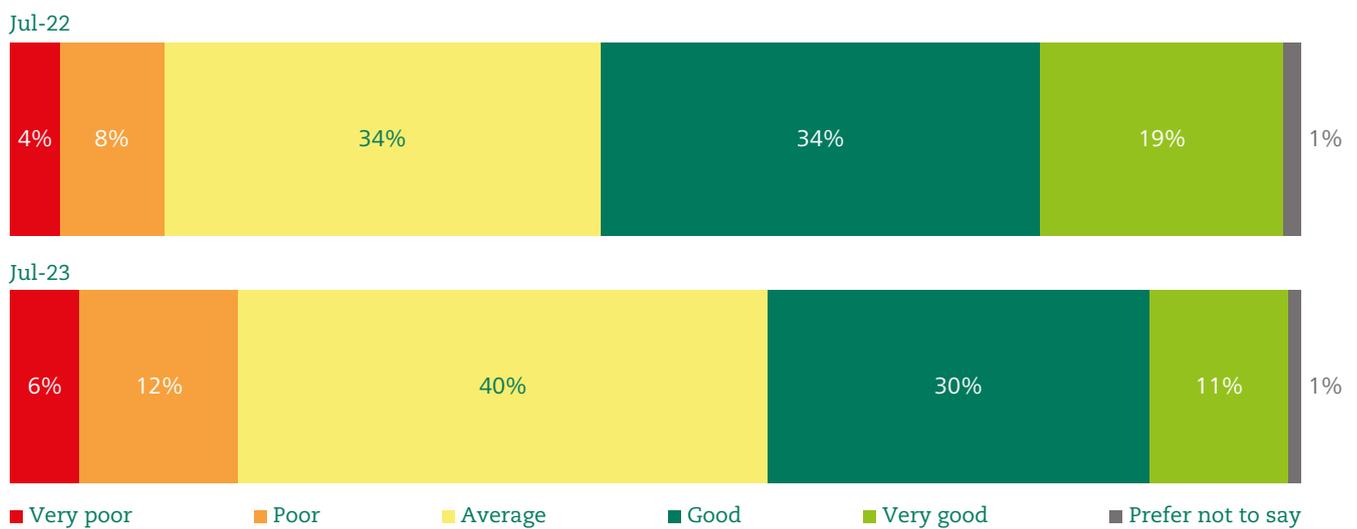
Service benefits remain the core reasons that customers prefer their new current account to their old one, with online or mobile app banking (41%) and customer service (29%) listed as the top two reasons for people preferring their new current account.

⁸ See Current Account Switching Service Dashboard Issue 38

This UKCSI shows that the impact of bad customer experiences is often most acute for customers with low levels of financial well-being

The number of customers who feel their financial well-being is poor or very poor has increased from 12% in July 2022, to 18%. 41% customers claimed that their financial well-being is either good or very good, down from 53% a year ago. As a result, the number of customers describing their financial well-being as average has grown from 34% to 40% of respondents.

How would you describe your financial well-being?



Customers who feel an organisation responded to their personal situation and needs have relatively high and similar levels of satisfaction, whatever their claimed state of financial well-being. For customers who suffer from poor or very poor financial well-being, the impact of an organisation failing to respond to personal needs and context is stark. These customers' average satisfaction of 44.1 (out of 100) is 37 points lower than that of similar customers who dealt with an organisation that understood and responded to their personal needs.

When dealing with XX, did you feel that they responded to your personal situation and needs?

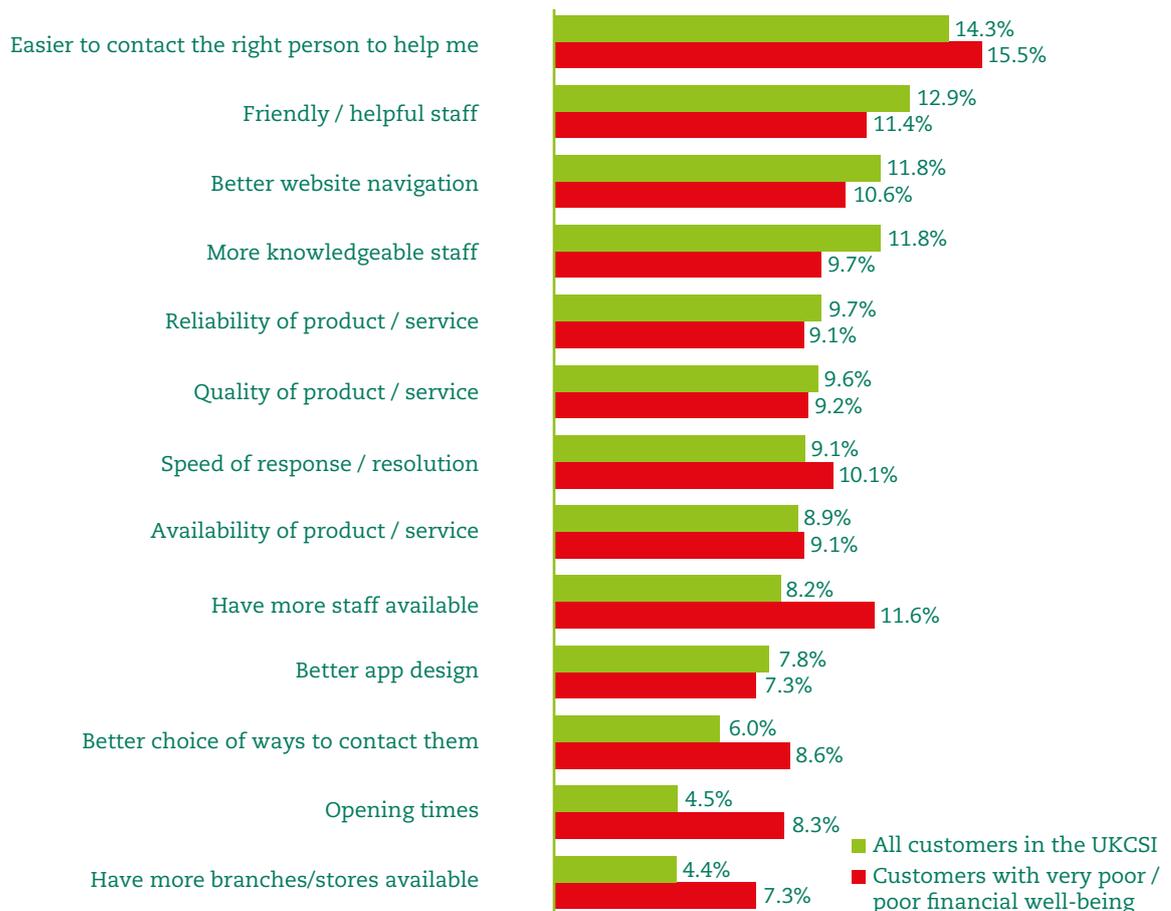


Average customer satisfaction index scores out of 100

From the perspective of customers, the leading priorities for organisations to improve are making it easy to contact the right person to help, employee behaviours and competence, and website navigation

In the UKCSI customers are asked to select the top 3 things the organisation they dealt with should focus on, in order to improve customer service. Customers with poor or very poor financial well-being are more likely than other customers to feel that organisations need to make it easier to contact the right person to help, have more staff, branches or stores and greater availability of opening times.

What should the organisation you dealt with do to improve its customer service?



How and why customers use social media to learn about and engage with organisations

In the UKCSI, most recorded customer experiences with organisations⁴ are conducted in person, over the phone, on an organisation's website or via email. But social media has become a significant and highly visible feature of the customer service landscape. Alongside this UKCSI, we conducted an additional survey of 1,000 customers in May 2023 exploring how and why customers learn about or engage with organisations through social channels and how this engagement influences buying behaviour.



On average, 25% of customers regularly (either most days, or 2 – 4 times a month) follow specific companies or brands on social media

How often do you follow specific companies or brands on social media, to learn about them and their products and services?



⁴ The breakdown of customer experiences by channel is available in the 13 sector reports available at www.instituteofcustomerservice.com/ukcsi

Several factors prompt customers to use a social channel or platform for information about an organisation rather than use the organisation's website. These include the desire to get another opinion (cited by 42% of customers), difficulty in navigating the organisation's website (40%), or seeking feedback from others who have experienced the brand or product (36%). In addition, over 30% of customers consulted an alternative source because they didn't trust the organisation, or because the information available on the organisation's website was too complex.

Our research found evidence that customers' engagement and experiences with organisations on social channels has influenced their buying behaviour and likelihood to recommend the organisation

15% of respondents often recommend an organisation they follow on social media (and 39% do so occasionally). 54% of customers often (9%) or occasionally (45%) buy from an organisation for the first time as a result of following them on social media. On the other hand, 9% say that their experiences following an organisation on social media have created a negative impression and 7% have switched supplier of a product or service they purchase regularly.

Recommendations for organisations

Based on the insight and findings in the UKCSI we have highlighted 5 areas that organisations should address to improve customer satisfaction and business performance. Key actions and recommendations for each of these areas are included in the full report, *July 2023 UK Customer Satisfaction Index: the state of customer satisfaction in the UK*⁵.



1 Preventing problems and improving complaint handling



2 Making it easier for customers to access help and expertise



3 Responding to customers' personal situations and needs



4 Professionalising customer service



5 Doing the right thing in business practice: balancing the needs of shareholder, customer, employee and wider society

1) Preventing problems and improving complaint handling

A drop in satisfaction with complaint handling across most sectors is a feature of this UKCSI. Problems and complaints are costly for organisations: they consume time and resources that could be deployed more productively for improving service, developing products or winning new business. In regulated sectors, poor customer service and complaint handling can lead to increased regulatory scrutiny, resulting in financial penalties and reputational damage. Consistently high levels of complaints make it harder to recruit and retain employees, as well as customers.

Reducing the number of problems experienced by customers and effective complaint handling are fundamental to customer service and business performance. Evidence from this UKCSI suggests there is an urgent need for many organisations to renew their focus on complaint handling.

⁵ The full report is available at www.instituteofcustomerservice.com/ukcsi



2) Making it easier for customers to access help and expertise

Many organisations have invested in technology to speed up and improve handling of routine customer issues and interactions. At its most effective, deployment of technology in customer service generates a win-win scenario for customer and organisation: cost to serve and failure rates are reduced; customers get rapid access to key information; employees are freed up to focus on helping customers with complex or sensitive issues.

However, evidence from this UKCSI suggests that many organisations may be overestimating their capacity to integrate data, systems and processes to deliver seamless, efficient and satisfying customer experiences. Improving customer satisfaction requires that organisations review how effectively they enable customers to get access to the help, advice and expertise they need.



3) Responding to customers' personal situations and needs

The consequences of high inflation and Covid-19 have exposed a polarisation in levels of financial and mental well-being and heightened the importance of understanding and responding to a customer's unique situation and needs.

For customers who suffer from poor or very poor financial well-being, the impact of an organisation failing to respond to personal needs and context is stark. But indicators of a customer's status of well-being, or personal circumstances may not always be obvious. Sometimes organisations and employees need to look beyond segmentation and data and act in the moment to deliver genuine personalisation.



4) Professionalising customer service

A convergence of digitisation, greater use of technology and analytics, and changing customer needs and behaviours mean that diverse roles, skills, knowledge and behaviours are required to deliver an organisation's customer service and business objectives. But many potential employees⁶ are more likely to think of working in customer service roles as a foundation for other careers rather than as a respected and valued profession. Action is needed to promote professional development and career pathways and improve the perception and recognition of roles and careers in customer service.



5) Doing the right thing in business practice: balancing the needs of shareholders, customers, employees, suppliers or partners and wider society

A growing range of issues - environmental sustainability, working conditions, voice and engagement, diversity and inclusion, data security and transparency, the application of artificial intelligence, risk management and resilience - have become more prominent considerations in corporate governance. High levels of inflation and the rise in the cost of living have often required organisations to make difficult decisions affecting the interests of customers, employees and shareholders.

Doing the right thing in business practice – beyond meeting legal and regulatory obligations – has become more complex and exposed to greater scrutiny. It is therefore critical that organisations and leaders are guided by consistent values in making decisions that balance short and long-term objectives and satisfy the needs of shareholders, regulators, customers and employees.

⁶ See Building the Service Nation: changing perceptions about the profession of customer service, Institute of Customer Service, 2023

1

The state of
customer
satisfaction
in the UK

The UKCSI has recorded its lowest score since July 2015

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Jul-13 Jan-14 Jul-14 Jan-15 Jul-15 Jan-16 Jul-16 Jan-17 Jul-17 Jan-18 Jul-18 Jan-19 Jul-19 Jan-20 Jul-20 Jan-21 Jul-21 Jan-22 Jul-22 Jan-23 Jul-23

Index scores out of 100

The UKCSI score is based on how customers rate organisations across 26 measures which are summarised in 5 dimensions of customer satisfaction. The Complaint Handling dimension has fallen by 7.2 points compared to a year ago and the Emotional Connection and Ethics dimensions have each declined by at least 2 points.

	Dimension (score out of 100)	July 2023	July 2022	Year-on-year change
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	Emotional Connection The extent to which an organisation engenders feelings of trust and reassurance	75.5	77.6	-2.1
	Ethics Reputation, openness and transparency and the extent to which an organisation is deemed to "do the right thing"	74.6	76.6	-2.0

79.6% of customer experiences were rated as being right first time, practically the same level as in July 2022 (79.7%). The number of customers who experienced a problem with an organisation fell slightly compared to a year ago, by 0.9 percentage points, to 16.4%.

% customers experiencing a problem or bad experience

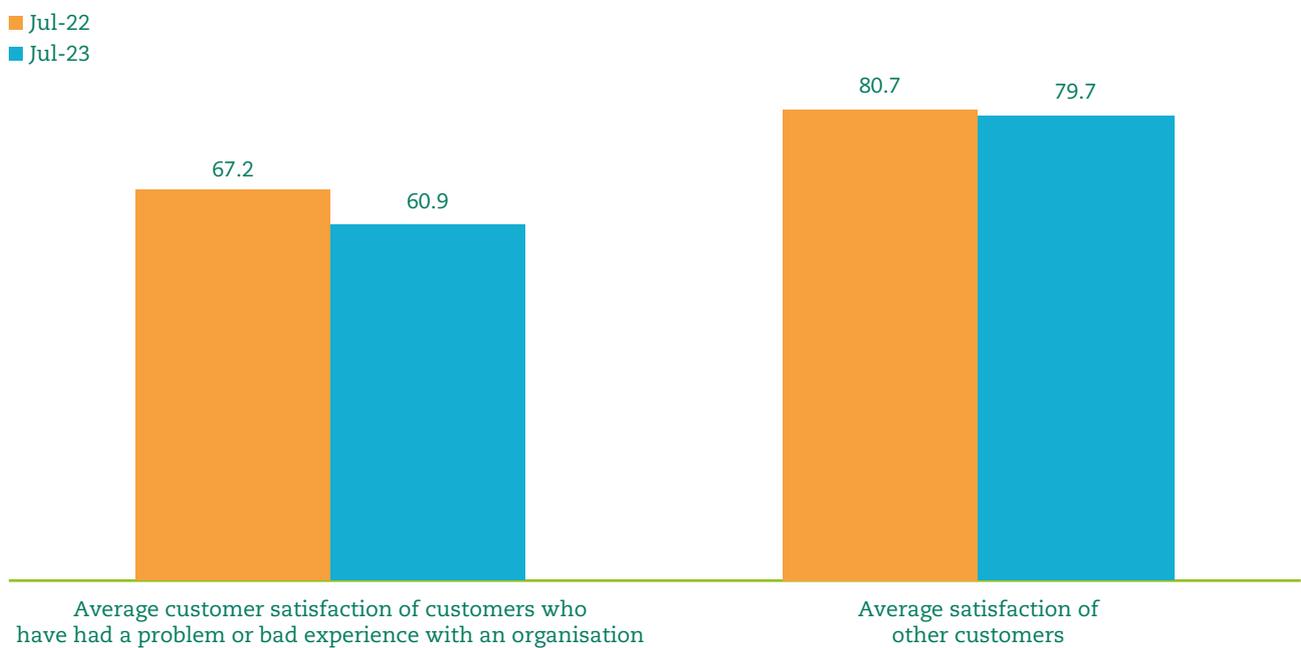


% customer experiences rated as being right first time



The adverse impact of bad customer experiences with organisations appears to have increased

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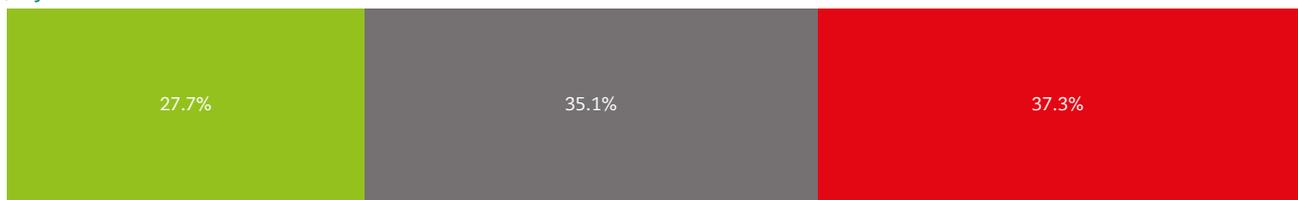
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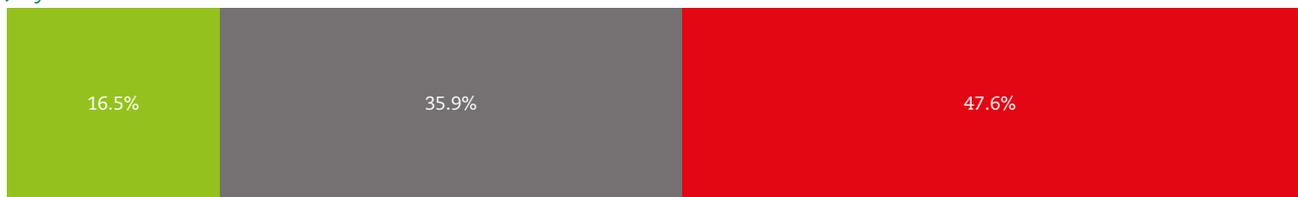
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How long did it take to resolve your problem?

July 2022



July 2023



■ Quicker than expected ■ As expected ■ Longer than expected

When making a complaint, customers are more likely to have experienced a negative reaction than a year ago

In most cases, organisations react positively when customers report a problem, but there were fewer positive reactions and more negative ones compared to a year ago. 57% of customers making a complaint said the organisation responded positively, (for example, by listening to the problem, taking responsibility, explaining next steps), down from 63% in July 2022.

27% of customers reporting a problem to an organisation said they experienced a negative behaviour(s), up by 5 percentage points compared to a year ago. Negative behaviours include making excuses, passing the problem to someone else, or seeming uninterested in the problem.

How did the organisation react when you made a complaint?

July 2022



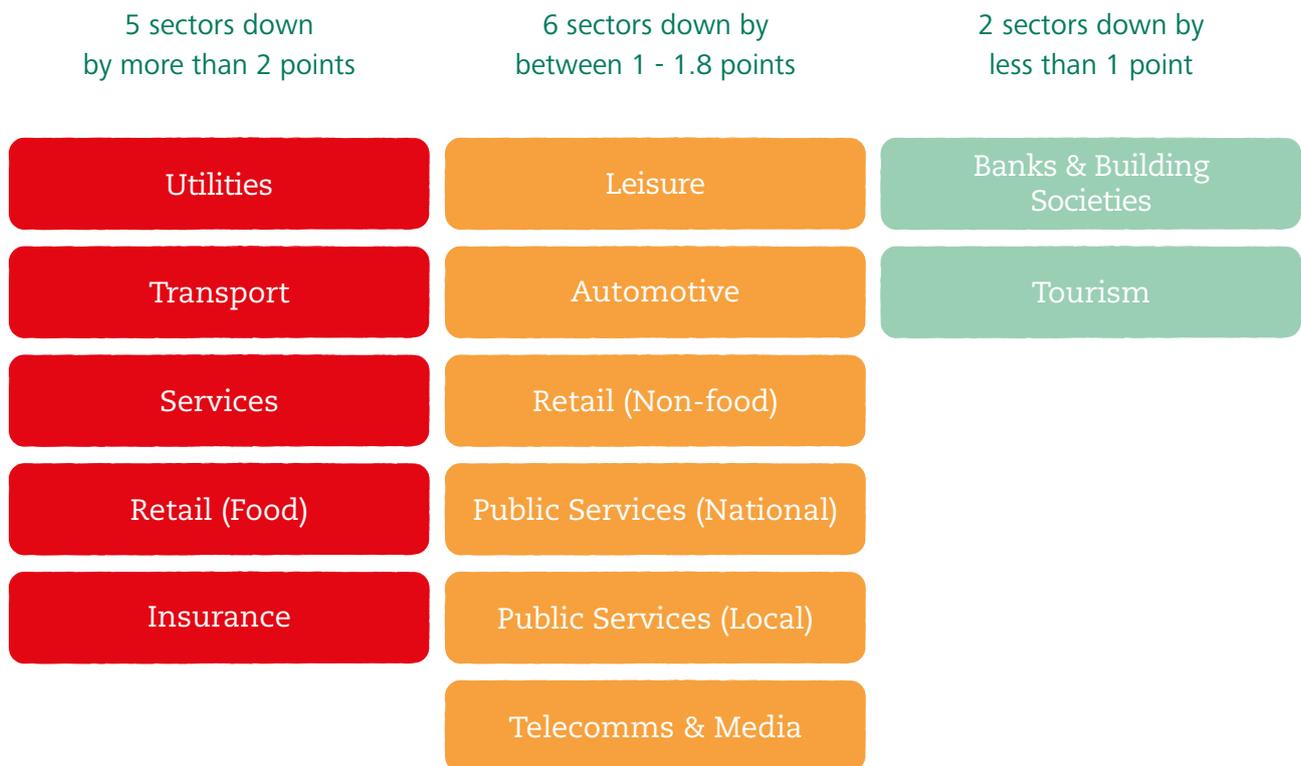
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■ % positive behaviours experienced ■ % negative behaviours experienced ■ % mixed behaviours experienced

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Change in customer satisfaction compared to July 2022, by sector



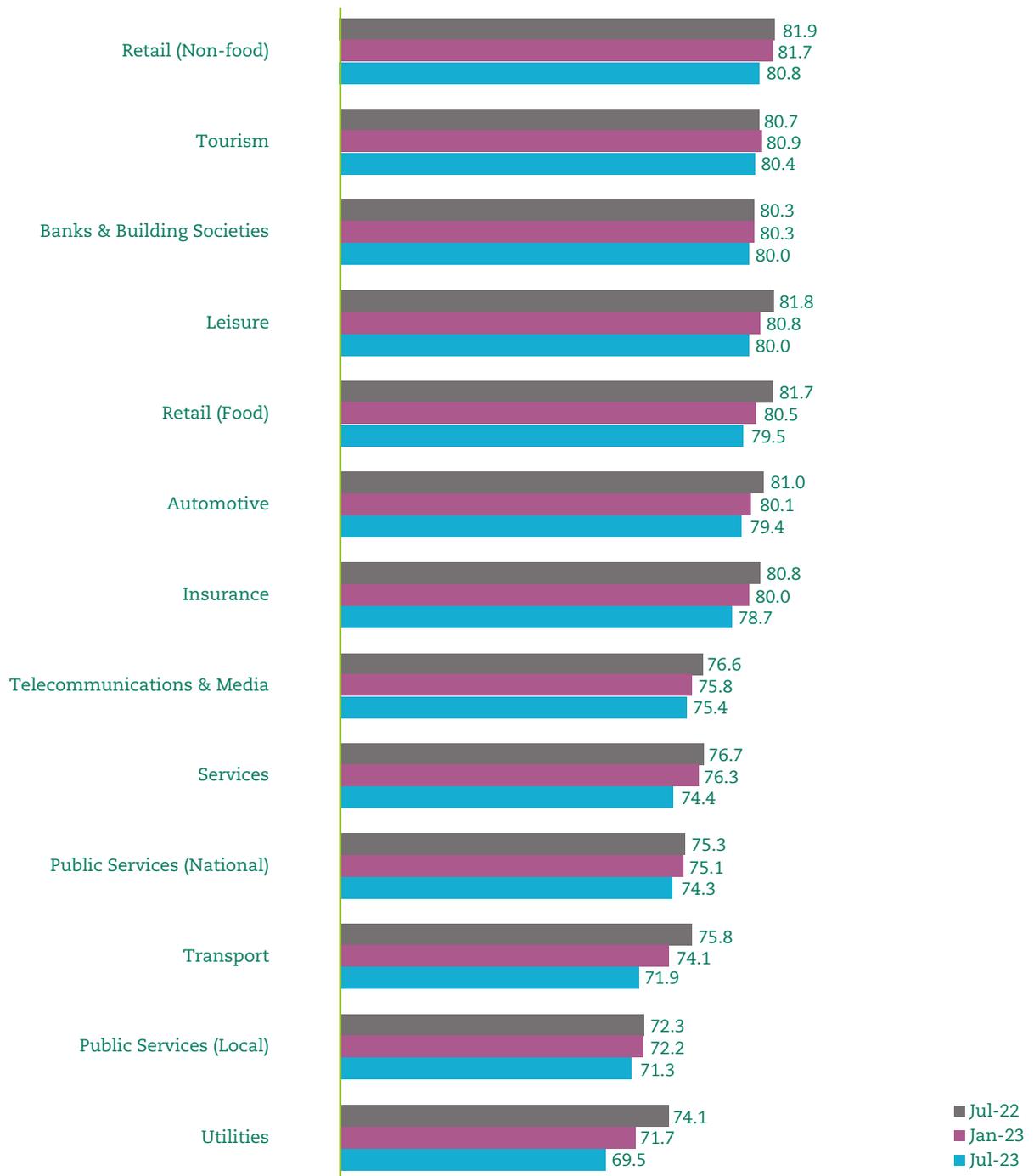
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▼ Fall in UKCSI score by more than 2 points

Customer satisfaction by sector July 2022 – July 2023



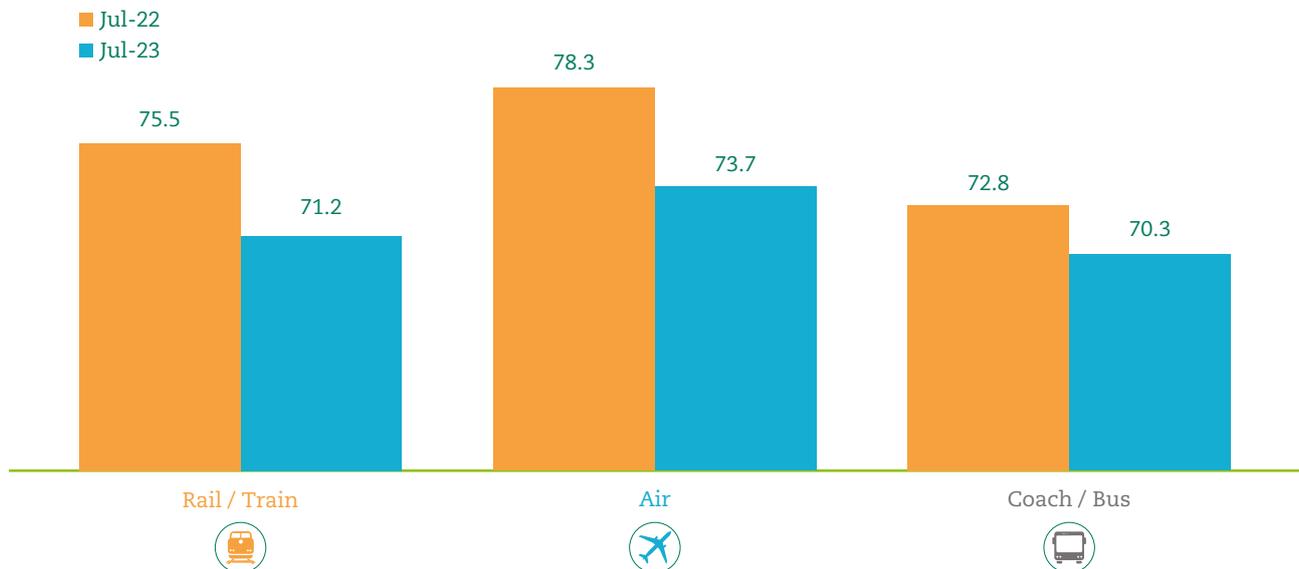
Index scores out of 100

Average satisfaction with Rail Companies and Airlines is more than 4 points lower than a year ago

Customer satisfaction with Rail companies is 71.2 (out of 100), a drop of 4.3 points compared to July 2022. Each of the 4 complaint handling measures is rated at least 1 point (out of 10) lower than a year ago. The number of experiences rated as being right first time fell by 2.7 percentage points to 75.8%. Satisfaction with price / cost, xx makes you feel reassured and trust in organisations has declined by 0.6 points (out of 10) compared to July 2022.

Average satisfaction with Airlines fell by 4.6 points to 73.7 and 3 of the 4 complaint handling measures (handling of the complaint, staff attitude and speed of resolving your complaint) have dropped by at least 2 points (out of 10) compared to July 2022. Average satisfaction with xx makes it easy to contact the right person to help, providing reassurance, being open and transparent and doing the right thing in business practices has declined by 0.6 points, compared to a year ago.

Customer satisfaction in the Transport sector



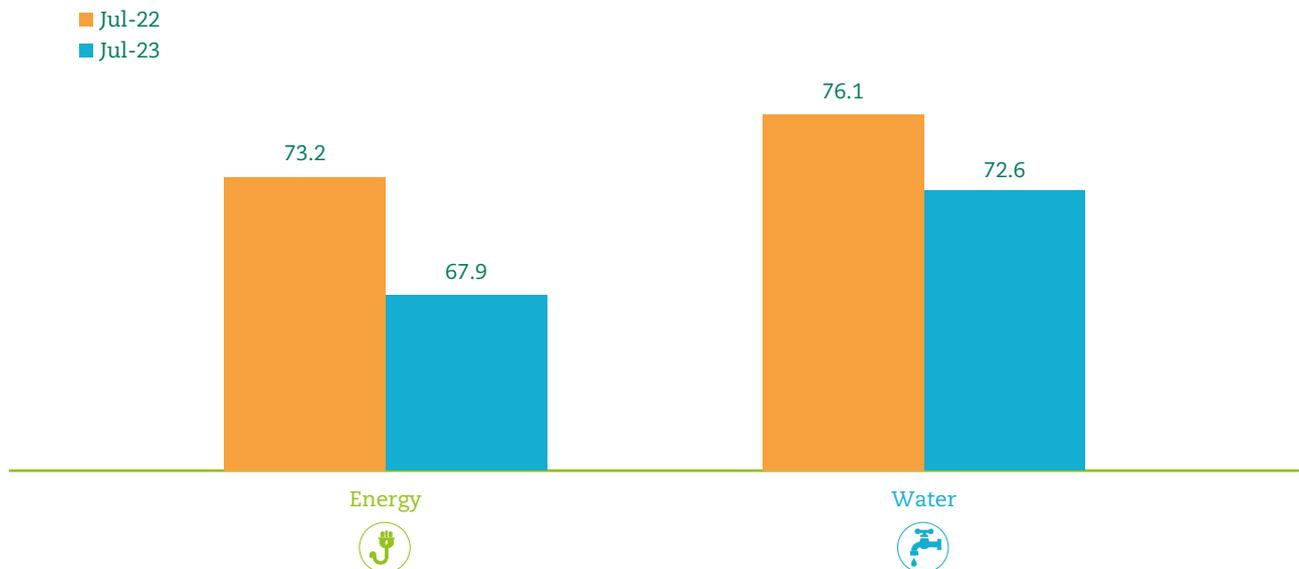
Index scores out of 100

Average satisfaction with Utilities organisations is down by 4.6 points compared to July 2022

Customer satisfaction in the Energy sector has fallen by 5.3 points to (67.9) out of 100. Just 66.7% of experiences were rated as being right first time, a decrease of 4.5 percentage points compared to July 2022. Average satisfaction for each of the 4 complaint handling measures is at least 1 point (out of 10) lower than a year ago. Average satisfaction with price / cost fell by 1 point to 5.6 (out of 10) and the perception that Energy companies do the right thing in their business practices slipped by 0.8 points to 6.4 (out of 10): in both cases this is the lowest score of any sector.

Average satisfaction with Water companies has declined by 3.5 points to 72.6. The number of customer experiences rated as being right first time slipped by 2.7 percentage points to 73%. Average satisfaction with speed of resolving a complaint dropped by 1 point to 6.4 (out of 10), though this is 0.6 points above the UK all-sector average.

Customer satisfaction in the Utilities sector

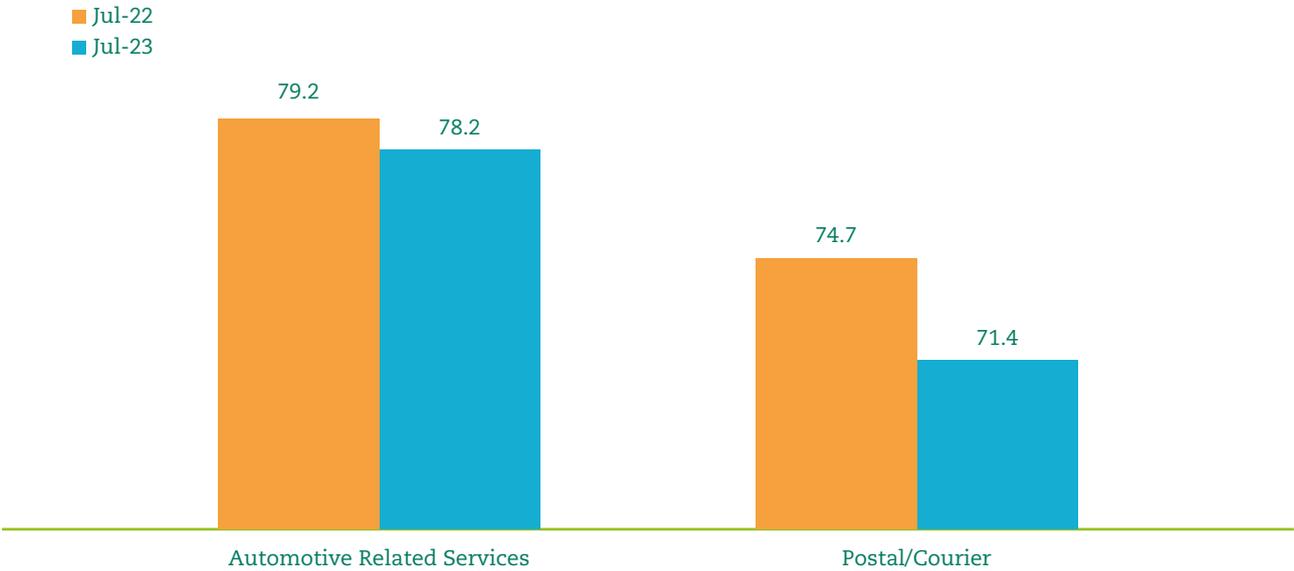


Index scores out of 100

The Services Sector has received its lowest ever UKCSI score, down 2.3 points to 74.4

Within the Services sector, average satisfaction with Postal / Courier organisations is 71.4, a drop of 3.3 points compared to July 2022. Average satisfaction with Automotive related services declined by 1 point to 78.2.

Customer satisfaction in the Services sector



Index scores out of 100

In the Retail (Food) sector, the average customer satisfaction index score declined by 2.2 points to 79.5. Every Retail (Food) organisation receiving a UKCSI score has lower customer satisfaction than in July 2022, especially Waitrose (down by 5.6 points to 80.0), Iceland (down by 5.3 points to 77.4) and Morrisons (down by 4.3 points to 74.4).

Customer satisfaction with Insurance organisations is 78.7, a fall of 2.1 points compared to a year ago. 7 of the 26 Insurance organisations that received a UKCSI score are at least 3 points below their July 2022 level. The biggest drop in customer satisfaction is for complaint handling: each of the 4 complaint handling measures fell by at least 0.6 points (out of 10).

Elsewhere, 6 sectors – Automotive, Leisure, Public Services (Local), Public Services (National), Retail (Non-food) and Telecommunications and Media - have received an average UKCSI score between 1 and 1.8 points below their July 2022 level.

Average satisfaction in the Banks and Building Societies sector is 80.0, a slight fall, of 0.3 points, compared to July 2022. Average customer satisfaction in the banking sector appears to be relatively stable: only 3 organisations have moved, up or down, by 2 points or more compared to a year ago.

In the Tourism sector, average customer satisfaction is 80.4, slightly lower, by 0.3 points than a year ago. However, the small movement in the overall score conceals a wide range of organisational scores. 7 organisations have improved by at least 2 points compared to July 2022, whereas 5 organisations have declined by 2 points or more compared to a year ago. The gap between the highest and lowest rated organisations in this sector has increased by 8.7 points to 17.5 points.

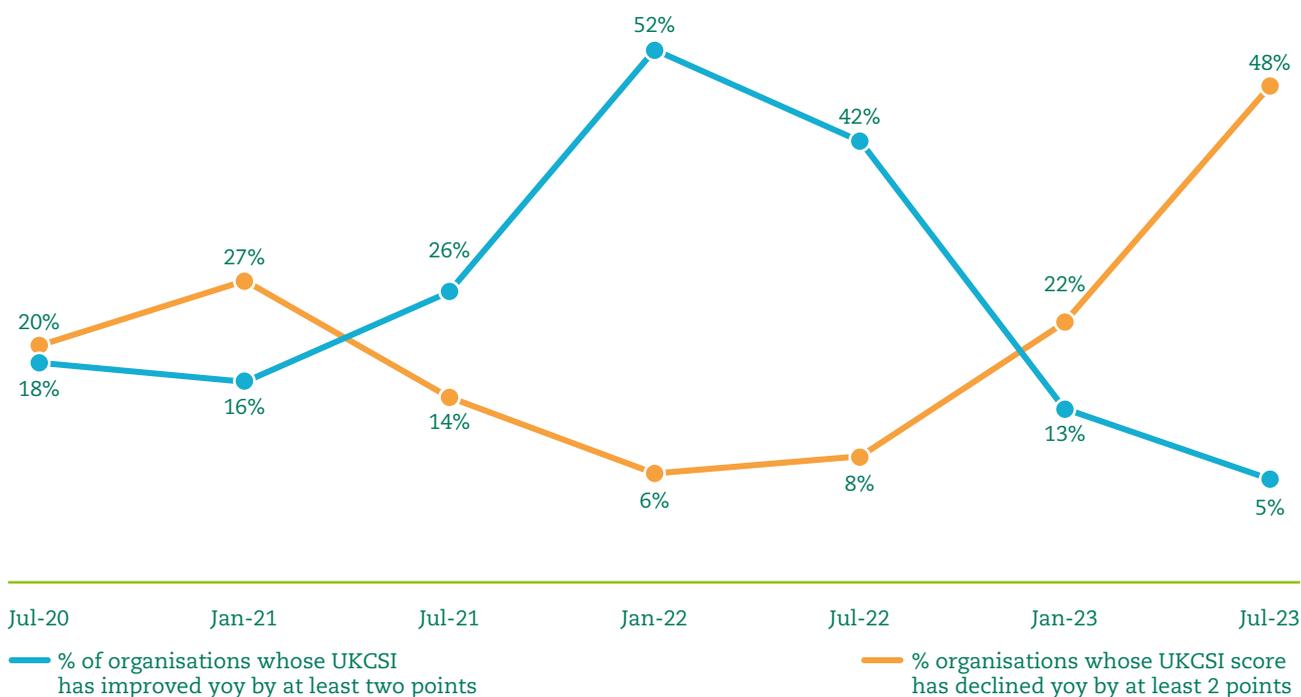
Just 15 organisations (5% of those receiving a UKCSI score) have improved by at least 2 points compared to July 2022: 7 of these are from the Tourism sector

275
Organisations and organisation types in the UKCSI

15↑
Organisations have improved yoy by at least 2 points, compared to July 2022

132↓
Organisations have experienced a yoy drop of at least 2 points, compared to July 2022

% of organisations that have improved or fallen by at least 2 points compared to the previous year



Extent of change in organisations' customer satisfaction scores in each sector, July 2022 – July 2023

Sector	Total number of organisations	Number of organisations that have improved by 2 points or more	Number of organisations that have moved by less than 2 points	Number of organisations that have dropped by 2 points or more	Gap between highest and lowest organisation	Change in the gap between the highest and lowest organisation, compared to July 2022
Automotive	26	1	13	12	6.4	-5.1
Banks & Building Societies	18	1	13	2	10.1	-1.8
Insurance	26	0	14	10	8.6	0.8
Leisure	27	1	15	8	15.8	4.5
Public Services (Local)	9	0	3	4	17.4	-2.3
Public Services (National)	13	1	5	6	16.9	1.0
Retail (Food)	11	0	6	5	10.4	2.6
Retail (Non-food)	26	2	7	14	13.5	5.3
Services	18	1	8	8	20.1	1.2
Telecomms & Media	13	1	8	4	16.4	0.4
Tourism	22	7	10	5	17.5	8.7
Transport	36	0	7	29	19.4	4.0
Utilities	30	0	5	25	21.7	0.9

The top 50 organisations

Jul-23 Rank	Organisation	Sector	Jul-23 Score	Jul-22 Score	Jul-22 Rank	Change in score Jul-22 to Jul-23
1	first direct	Banks & Building Societies	86.7	85.3	10	1.4
2	Starling Bank	Banks & Building Societies	86.1	NO DATA	NO DATA	NO DATA
3	M & S (food)	Retail (Food)	84.8	85.1	11	-0.3
4=	Hotels.com	Tourism	84.7	82.1	57	2.6
4=	John Lewis	Retail (Non-food)	84.7	86.3	3	-1.6
4=	Ocado	Retail (Food)	84.7	85.8	7	-1.1
7=	Jet2holidays.com	Tourism	84.5	83.7	22	0.8
7=	Tesco Mobile	Telecommunications & Media	84.5	86.1	4	-1.6
9	Amazon.co.uk	Retail (Non-food)	84.4	83.7	22	0.7
10	Nationwide	Banks & Building Societies	84.3	83.0	37	1.3
11	UK Power Networks	Utilities	84.1	86.5	1	-2.4
12	Hoseasons	Tourism	83.8	76.4	203	7.4
13=	Costco	Retail (Non-food)	83.6	84.7	14	-1.1
13=	Timpson	Services	83.6	86.4	2	-2.8
15	Greggs	Leisure	83.5	84.0	19	-0.5
16	Sky Mobile	Telecommunications & Media	83.4	82.1	57	1.3
17	Green Flag	Services	83.1	84.6	15	-1.5
18	booking.com	Tourism	83.0	82.7	42	0.3
19	Monzo Bank	Banks & Building Societies	82.9	NO DATA	NO DATA	NO DATA
20	Next	Retail (Non-food)	82.7	83.5	30	-0.8
21	Premier Inn	Tourism	82.5	82.4	49	0.1
22=	Jet2	Transport	82.3	83.2	34	-0.9
22=	Suzuki	Automotive	82.3	85.9	5	-3.6
24	Toby Carvery	Leisure	82.2	83.3	32	-1.1
25	Argos	Retail (Non-food)	82.1	79.2	148	2.9
25	Western Union	Services	82.1	80.5	113	1.6
27=	Expedia	Tourism	82.0	79.6	136	2.4

▲ Increase in UKCSI score of less than one point ▼ Fall in UKCSI score ▲ Increase in UKCSI score of one point or more

Jul-23 Rank	Organisation	Sector	Jul-23 Score	Jul-22 Score	Jul-22 Rank	Change in score Jul-22 to Jul-23
27=	Hyundai	Automotive	82.0	81.3	82	0.7
27=	M & S	Retail (Non-food)	82.0	85.9	5	-3.9
30=	1st Central	Insurance	81.9	NO DATA	NO DATA	NO DATA
30=	Holiday Inn	Tourism	81.9	78.9	154	3.0
32=	eBay	Retail (Non-food)	81.8	79.3	143	2.5
32=	Home Bargains	Retail (Non-food)	81.8	81.2	90	0.6
34=	Amazon Prime Video	Leisure	81.7	84.0	19	-2.3
34=	Apple	Retail (Non-food)	81.7	85.4	9	-3.7
34=	giffgaff	Telecommunications & Media	81.7	81.9	67	-0.2
34=	Hilton	Tourism	81.7	78.4	170	3.3
38=	Kia	Automotive	81.5	82.8	39	-1.3
38=	Specsavers	Retail (Non-food)	81.5	82.6	47	-1.1
40	P&O Cruises	Tourism	81.4	79.3	143	2.1
41=	Domino's Pizza	Leisure	81.3	80.9	102	0.4
41=	LV=	Insurance	81.3	82.8	39	-1.5
43	Trivago	Tourism	81.2	82.7	42	-1.5
44	Caffe Nero	Leisure	81.1	83.6	25	-2.5
45=	Halifax	Banks & Building Societies	81.0	81.6	76	-0.6
45=	SAGA Insurance	Insurance	81.0	84.6	15	-3.6
47	Starbucks	Leisure	80.9	78.0	177	2.9
48=	NatWest	Banks & Building Societies	80.8	82.0	62	-1.2
48=	Superdrug	Retail (Non-food)	80.8	82.8	39	-2.0
50=	Aldi	Retail (Food)	80.7	83.3	32	-2.6
50=	Audi	Automotive	80.7	82.4	49	-1.7
50=	Lidl	Retail (Food)	80.7	81.3	82	-0.6
50=	Pets at Home	Retail (Non-food)	80.7	85.1	11	-4.4

▲ Increase in UKCSI score of less than one point ▼ Fall in UKCSI score ▲ Increase in UKCSI score of one point or more

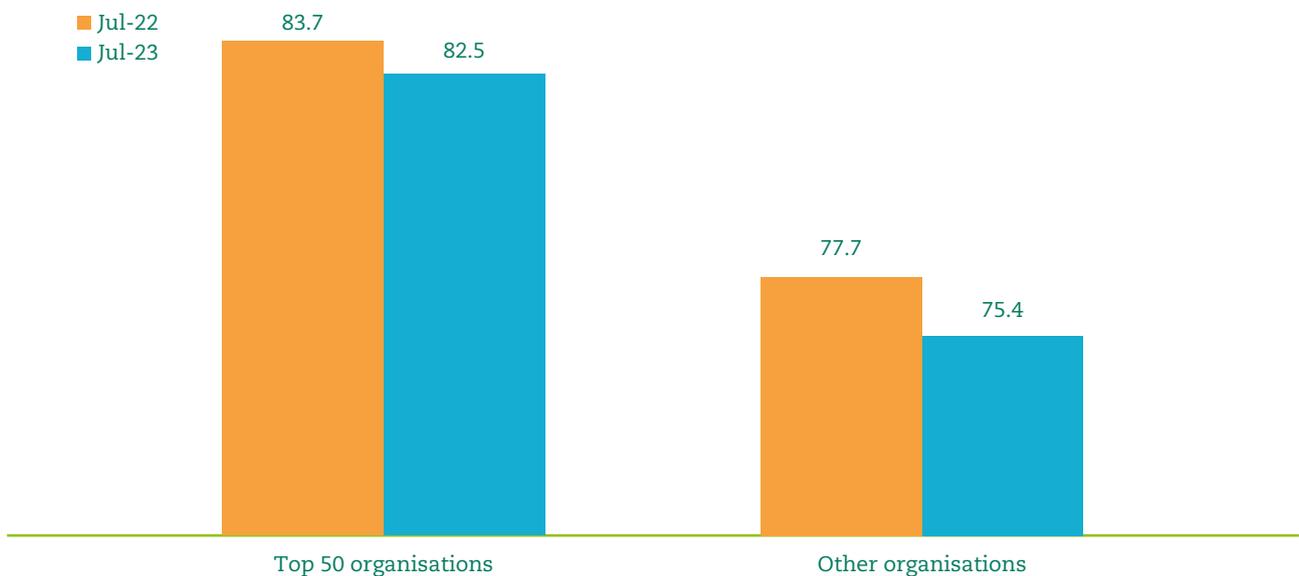
The top 50 organisations in the UKCSI include 6 banks or building societies, 3 of whom – first direct, Starling Bank and Nationwide - are amongst the 10 highest rated organisations.

16 of the 50 highest rated organisations are from the Retail (Non-food or Food) sectors: M & S (Food), John Lewis, Ocado and Amazon.co.uk are the highest rated retailers for customer satisfaction. Argos and eBay have each improved by more than 2 points compared to July 2022.

10 Tourism organisations feature in the UKCSI top 50, compared to just 6 a year ago. Jet2holidays.com continues to be one of the UK's highest rated organisations for customer satisfaction. Hotels.com, Hoseasons and Expedia have received their highest ever UKCSI scores.

The average UKCSI score of the top 50 organisations is 82.5 (out of 100), a drop of 1.2 points compared to July 2022 but 7.1 points higher than the average of other organisations in the UKCSI.

Average UKCSI scores of top 50 and other organisations



The biggest differences between the top 50 organisations and the rest are concerned with satisfaction with complaint handling; price / cost; and a range of emotional and perception measures including an organisation caring about its customers, designing experiences around its customers, trust, reputation, openness and transparency, providing reassurance and keeping promises.

Biggest differences between the top 50 and other organisations in the UKCSI

	Top 50 Organisations	Remaining Organisations	Difference (out of 10 unless stated)
UKCSI (out of 100)	82.5	75.4	7.1
Proportion of customers giving a 9 or 10 out of 10	35.2%	23.7%	11.5% points
Speed of resolving your complaint	6.9	5.6	1.3
The handling of the complaint	7.0	5.8	1.2
The attitude of staff	7.2	6.1	1.1
Price/cost	8.1	7.2	0.9
XX cares about their customers	8.1	7.3	0.8
XX designs the experience around its customers	8.1	7.3	0.8
XX is open and transparent	8.1	7.3	0.8
Reputation of the organisation	8.2	7.4	0.8
XX keeps their promises	8.2	7.4	0.8
XX makes you feel reassured	8.2	7.4	0.8
You trust XX	8.2	7.4	0.8
% experiencing a problem	10.6%	16.9%	-6.3% points
% experiences right first time	87.3%	78.9%	8.4% points

20 most improved organisations

20 most improved organisations over one year	UKCSI score July 2022	UKCSI score July 2023	YOY Change	Sector	Compared to sector average
Hoseasons	76.4	83.8	7.4	Tourism	3.4
Plusnet	73.4	77.1	3.7	Telecommunications & Media	1.7
Land Rover	74.4	78.0	3.6	Automotive	-1.4
DVLA	70.4	73.8	3.4	Public Services (National)	-0.5
Haven Holidays	76.1	79.4	3.3	Tourism	-1.0
Hilton	78.4	81.7	3.3	Tourism	1.3
M & S (Bank)	73.4	76.6	3.2	Banks & Building Societies	-3.4
Holiday Inn	78.9	81.9	3.0	Tourism	1.5
Starbucks	78.0	80.9	2.9	Leisure	0.9
Argos	79.2	82.1	2.9	Retail (Non-food)	1.3
Hotels.com	82.1	84.7	2.6	Tourism	4.3
eBay	79.3	81.8	2.5	Retail (Non-food)	1.0
Expedia	79.6	82.0	2.4	Tourism	1.6
P&O Cruises	79.3	81.4	2.1	Tourism	1.0
P&O Ferries	71.8	73.6	1.8	Transport	1.7
Manchester Metrolink	75.0	76.7	1.7	Transport	4.8
DHL	76.9	78.6	1.7	Services	4.2
Western Union	80.5	82.1	1.6	Services	7.7
AA	77.3	78.8	1.5	Services	4.4
first direct	85.3	86.7	1.4	Banks & Building Societies	6.7

■ Organisation is at least 1 point higher than the sector average

■ Organisation is at least 1 point lower than the sector average

7 of the most improved organisations compared to July 2022 are from the Tourism sector. Each of these organisations, except for Haven Holidays, has a UKCSI score that is at least 1 point above the Tourism sector average.

Across the UKCSI, only 1 organisation (Hoseasons) has improved by more than 5 points compared to a year ago: an additional 7 organisations (Plusnet, Land Rover, DVLA, Haven Holidays, Hilton, M & S (Bank) and Holiday Inn) have improved by at least 3 points. The average year on year UKCSI score increase of the 20 most improved organisations is just 2.8 points, a smaller improvement than in recent UKCSI reports.

Average yoy increase in UKCSI score of the 20 most improved organisations	
Jul-23	2.8
Jan-23	4.1
Jul-22	8.3
Jan-22	9.3
Jul-21	5.8
Jan-21	4.7
Jul-20	4.8
Jan-20	3.8

2

Customer satisfaction and business performance

In this section we examine evidence of the relationship between customer satisfaction and business performance in the Retail (Food) and Banks and Building Societies sectors.

Rising inflation and falling customer satisfaction in the Retail (Food) sector

The impact of rising inflation has been especially severe in the Retail (Food) sector: the rate of food inflation rose from 5.9% in March 2022 to 19.1% in April 2023. Rising costs have created significant challenges for organisations and customers and exposed a polarisation in customer needs and behaviours.

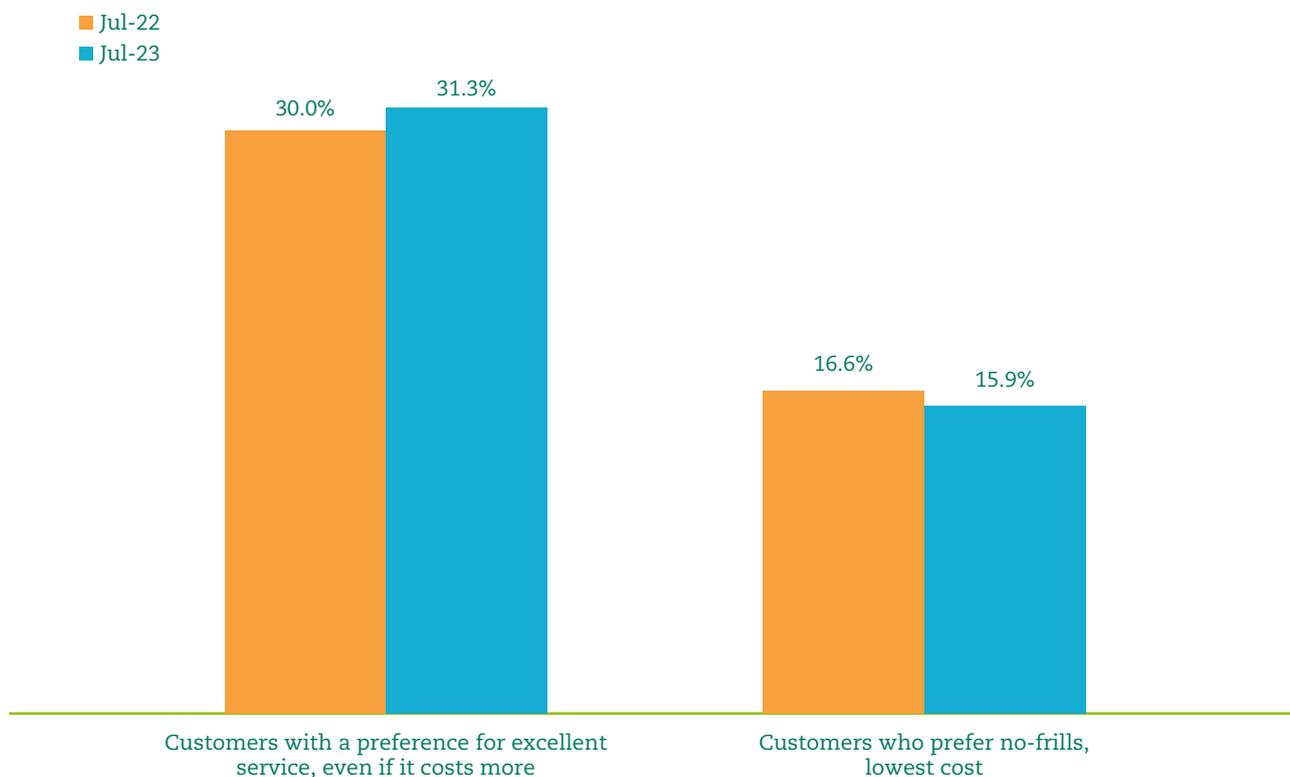
Rate of food inflation in the UK



Source: ONS

ONS has reported that during March, April and May 2023, around 50% of adults said they were buying less food than in the previous two weeks⁷. Meanwhile the UKCSI shows that 31% of customers in the Retail (Food) sector would prefer to receive excellent service, even if it costs more, while only 16% would prefer the lowest cost option, even it means sacrificing quality of service⁸.

Contrasting buying and service preferences in the Retail (Food) sector



⁷ ONS: <https://www.ons.gov.uk/economy/inflationandpriceindices/articles/costoflivinginsights/food>

⁸ Customers were asked, to score the balance of price and service they would prefer to accept. A score of 8 - 10 implies a preference for excellent service, even if it costs more. A score of 1 - 3 is interpreted as a preference for low-cost, no-frills service.

All 11 Retail (Food) organisations that appear in the UKCSI have lower customer satisfaction than they did a year ago

Against a backdrop of rising costs and prices, average customer satisfaction in the Retail (Food) sector has declined by 2.2 points, from 81.7 in July 2022 to 79.5 (out of 100).

All 11 Retail (Food) organisations that appear in the UKCSI have lower customer satisfaction than they did a year ago: 4 organisations – Waitrose, Co-op Food, Iceland and Morrisons – have a UKCSI score that is at least 3 points lower than in July 2022.

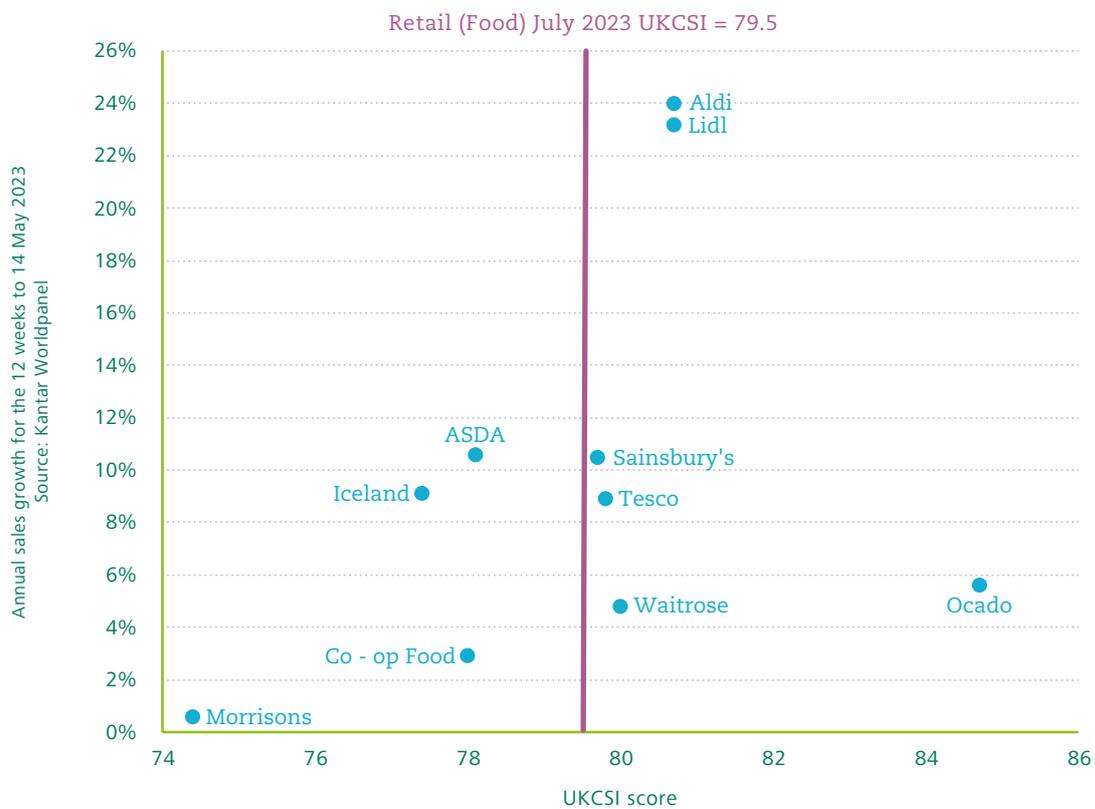
Across the sector as whole, the biggest fall in customer satisfaction is for price / cost. Organisations that have suffered the biggest decreases in overall satisfaction have generally received lower ratings than a year ago for a range of measures relating to price / cost, transactional experiences, trust and doing the right thing in business practices.

Customer satisfaction measures (scale of 1 - 10)	Retail (Food) average	Retail (Food) yoy change	Average yoy change of organisations whose UKCSI score has fallen by at least 3 points
Price / cost	7.7	-0.4	-0.6
Ease of dealing with xx	8.3	-0.2	-0.6
Handling of the complaint	6.7	-0.1	-0.2
You trust xx	7.9	-0.3	-0.6
xx does the right thing in business practices	7.7	-0.3	-0.7
% experiences right first time	86%	+1.0% points	-2.1% points

In a context of rising prices and intense competition, organisations with the highest customer satisfaction have generally achieved the strongest sales growth

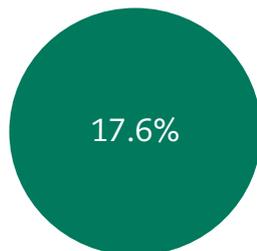
Organisations with a UKCSI score at least 1 point above sector average have grown sales by an average of 17.6%⁹. Organisations that are within 1 point of the sector average have grown by 8.1%. Food retailers with a UKCSI score that is at least 1 point below the sector average grew by an average of 5.8%.

Customer satisfaction and sales growth: the Retail (Food) sector

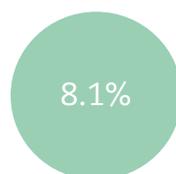


Annual sales growth for the 12 weeks to 14 May 2023

Food retailers with UKCSI at least 1 point above sector average



Food retailers with UKCSI within +/- 1 point of sector average



Food retailers with UKCSI at least 1 point below sector average



⁹ UKCSI scores are mapped alongside Kantar' data on sales growth, see: www.kantar.com/uki/inspiration/fmcg/2023-wp-uk-grocery-sees-218-million-royal-sales-bump-as-inflation-inches-down

M & S is the highest rated Retail (Food) organisation and is the third highest rated organisation in the UKCSI overall, behind first direct and Starling Bank. M & S food's UKCSI score of 84.8 is 5.3 points above the sector average and slightly lower, by 0.3 points, than it was in July 2022. M & S is not included in Kantar's analysis of sales growth in the supermarket sector but the company reported that food sales were up 8.7% in the 52 weeks up to 1 April 2023¹⁰. Sales of its Remarksable budget food range increased by 40% during the year as M & S tried to reduce the impact of rising inflation on basics such as milk, butter and bread¹¹.

Ocado has a UKCSI score of 84.7, down by 1.1 points compared to July 2022 but just 0.1 points below M & S and 5.2 points above the sector average. Although Ocado's sales have continued to grow (by 5.6% in Kantar's research for the 12 weeks preceding 5 May 2023), the joint venture with M & S reported a loss of £29.5 million. However, M & S has signalled that it plans to deepen the collaboration with Ocado, by improving the customer experience, introducing cost-cutting measures and leveraging the potential of the M&S customer base¹².

Average satisfaction of Aldi's customers in the July 2023 UKCSI fell by 2.6 points to 80.7 but is 1.2 points above sector average. In Kantar's analysis, Aldi was the fastest growing grocer in the 12 weeks preceding 5 May 2023: its sales increased by 24% compared to the same period in 2022, giving a market share of 10.1%.

Average customer satisfaction with Lidl fell slightly, by 0.6 points, to 80.7, the same level as Aldi. Lidl's sales increased by 23.2%: its market share is reported as 7.7%.

Waitrose's UKCSI score fell by 5.6 points to 80.0, its lowest score since January 2021 and just above the sector average, 79.5. Kantar reports that Waitrose grew sales by 4.8% in the 12 weeks preceding 14 May 2023.

Customer satisfaction with Tesco (79.8), Sainsbury's (79.7) and Asda (78.1) fell by more than 1 point compared to July 2022. However, each of these organisations grew sales by more than the grocery market average.

Morrisons has the lowest average customer satisfaction in the sector, with a UKCSI score of 74.4. In Kantar's analysis, Morrisons registered 0.6% sales growth in the 12 weeks to 14 May 2023, the lowest rate of any supermarket. A key focus for Morrisons is converting former McColl's store to its Morrisons Daily fascia, which could provide opportunities for future growth¹³.

¹⁰ www.corporate.marksandspencer.com/media/press-releases/marks-and-spencer-group-plc-full-year-results-52-weeks-ended-1-april-2023

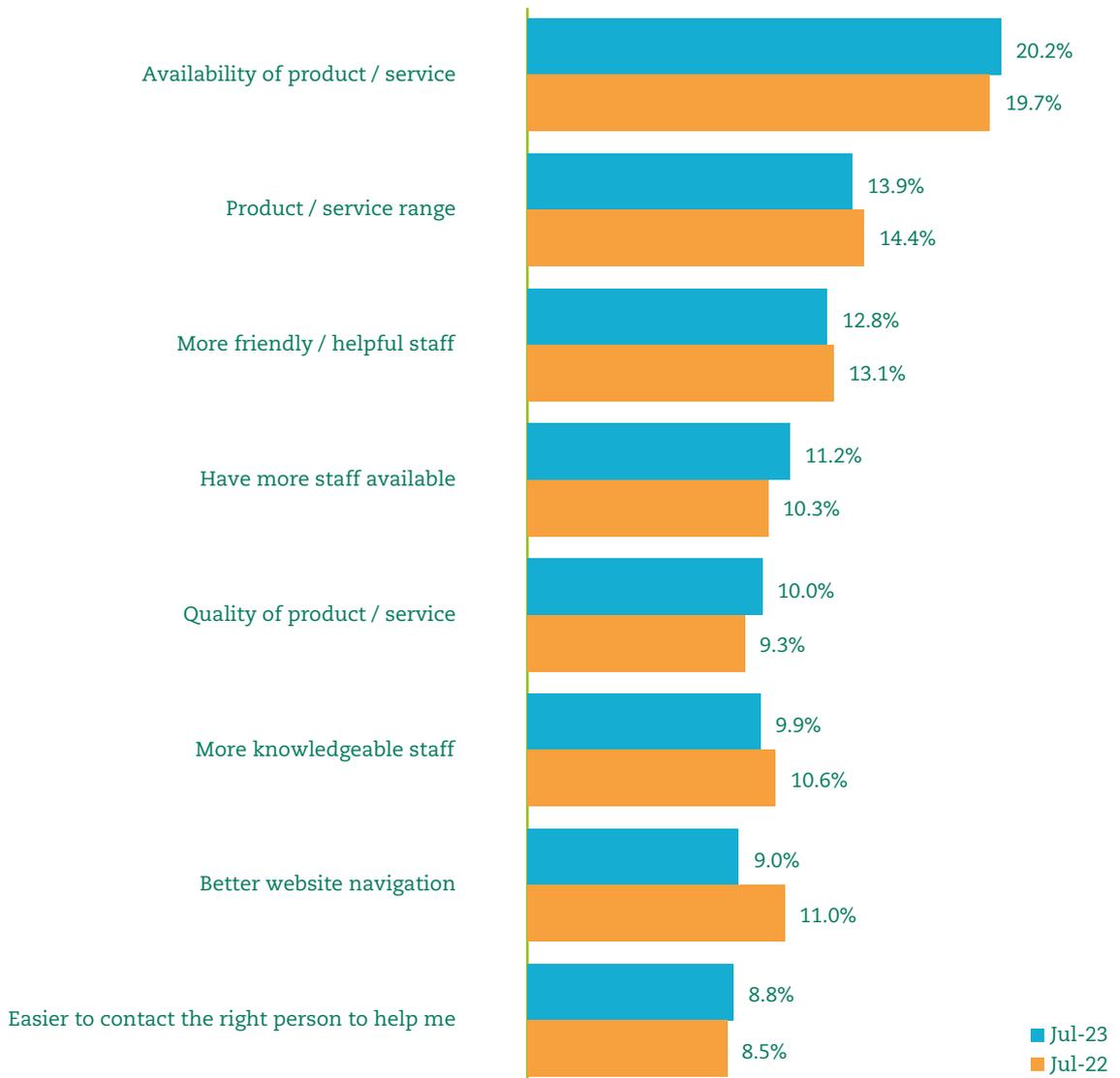
¹¹ www.theguardian.com/business/2023/may/24/marks-and-spencer-puts-profit-jump-down-to-better-clothing-styles-and-more-affordable-food

¹² www.proactiveinvestors.co.uk/companies/news/1015951/marks-and-spencer-might-own-ocado-retail-one-day-as-it-doubles-down-on-the-joint-venture-1015951.html

¹³ The Times, 3 June 2023

Evidence from the UKCSI, ONS and other market data suggests that Retail (Food) organisations will need to maintain their focus on competitive pricing, employee skills, engagement and retention, quality of products and transactional experiences and supply chain management.

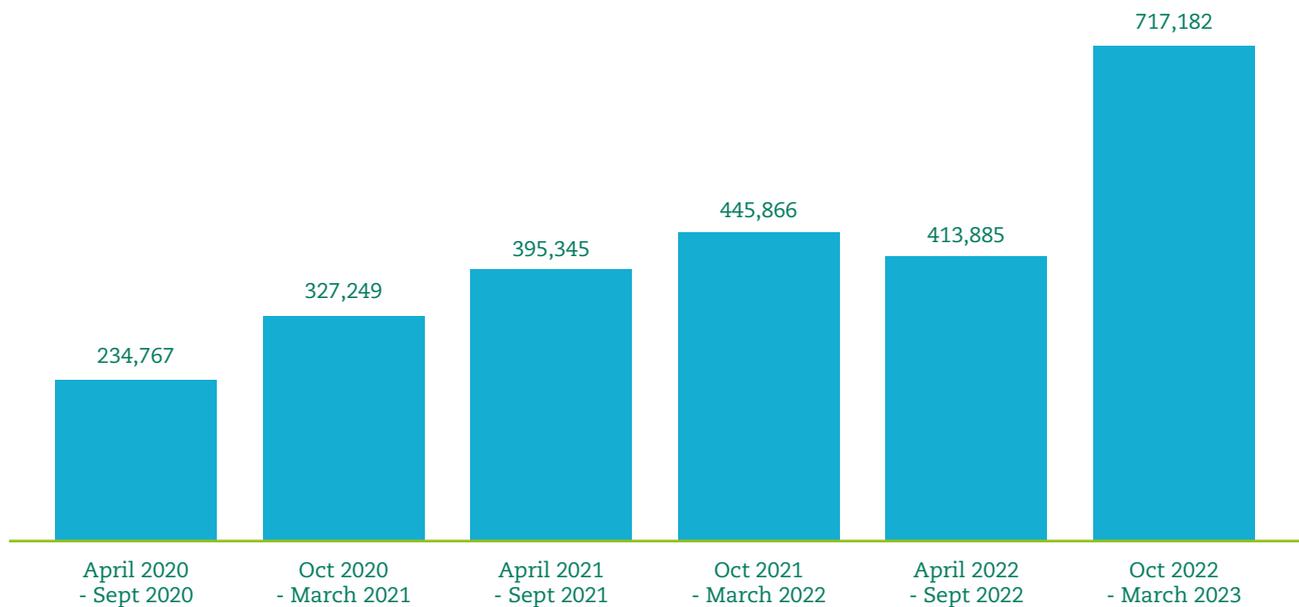
Retail (Food): Customers' key priorities for organisations to improve



The Current Account Switching Dashboard has reported that the volume of customer account switching is at its highest ever recorded level¹⁴

The rise in switching activity is likely to have been influenced by an increase in competitive switching incentives, consumers' desire to maximise their income (switching bonuses and cashbacks offered by providers do not count towards the £1,000 annual tax-free personal savings allowance), and quality of customer service.

Volume of current account switching 2020 - 2023



Service benefits remain the core reasons that customers prefer their new current account to their old one, with online or mobile app banking (41%) and customer service (29%) listed as the top two reasons for people preferring their new current account. Financial benefits including interest earned (29%) and spending benefits (25%) are also rated as important advantages of an account switch.

¹⁴ See Current Account Switching Service Dashboard Issue 38

Just 3 organisations that appear in the UKCSI gained more current accounts than they lost

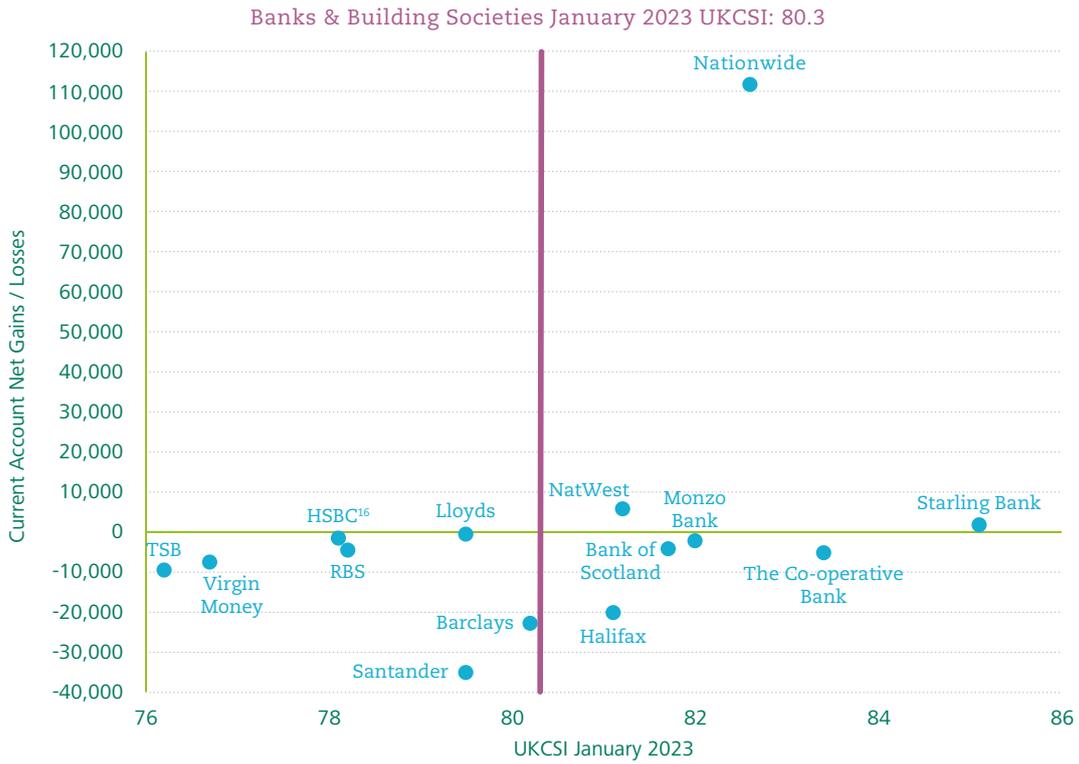
In this UKCSI we have reviewed data from the latest Current Account Switch Service (CASS) dashboard, covering switches between organisations completing between October and December 2022, alongside the corresponding UKCSI period (January 2023). In the context of increased levels of account switching just 3 organisations that appear in the UKCSI gained more current accounts than they lost – Nationwide, Starling Bank and Natwest.

Nationwide was by the far the biggest beneficiary of current account switching: between October and December 2022 it achieved over 111,000 net current account gains, the strongest ever quarterly performance recorded by the Current Account Switching Service. During October and November 2022, Nationwide offered new account joiners a £200 cash incentive to be paid within 10 days, considered to be the biggest cash incentive offered by any provider up to that point¹⁵. In the January 2023 UKCSI, average customer satisfaction with Nationwide was 82.6 (out of 100), more than 2 points above the sector average. (In the July 2023 UKCSI, Nationwide's average customer satisfaction is rated at 84.3, over 4 points above the sector average).

Santander, Barclays and Halifax – all of whom received a UKCSI score within 1 point of the sector average in January 2023 – suffered the biggest net current account losses. Every organisation that received a UKCSI score at least 2 points below the sector average sustained more current account losses than gains between October and December 2022.

¹⁵ See This is Money, 27 April, 2023: www.thisismoney.co.uk/money/saving/article-12016865/Nationwide-spent-29m-gobbling-147-000-new-customers.html

Customer satisfaction and current account net gains and losses



Average current account quarterly net gains

Banks & Building Societies with a UKCSI at least 1 point above sector average

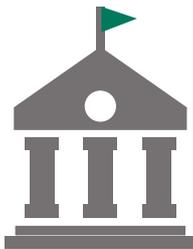
20,460



■ Net current account gains

Banks & Building Societies with UKCSI within 1 point (+/-) of sector average

-14,607



■ Net current account gains

Banks & Building Societies with a UKCSI at least 1 point below sector average

-5,788



■ Net current account losses

¹⁶ HSBC includes switching figures for first direct and M & S Bank

There is growing scrutiny of the interest rates offered by banks and building societies to savers

Alongside the upsurge in current account switching activity, there is a growing scrutiny of the interest rates offered by banks to savers. The Bank of England has reported that the average interest rate available on instant access savings accounts rose by just 1.42 percentage points between November 2021 and March 2023, despite its base rate rising from 0.1 per cent to 4.25 per cent in that period. Meanwhile the interest rate on a two-year fixed mortgage with a 25 per cent deposit had increased by 3.22 percentage points. MPs and campaigners have called on banks to be more proactive in passing on higher interest rates to savers. In May 2023 the Commons Treasury committee wrote to a number of leading retail banks, asking them to explain why savings rates are below the current interest rate and whether they inform loyal customers that higher savings rates are available¹⁷.

The FCA's chief executive, Nikhil Rathi, said in a letter to the Treasury Select Committee: "We have made clear that firms should be able to justify and explain the rationale for the speed and degree to which they make changes to their various savings rates." The FCA has also indicated that the Consumer Duty will give it greater flexibility to react to market developments, without needing to introduce additional detailed and prescriptive rules. The FCA has previously consulted on whether to introduce a single "easy-access" rate on cash savings to prevent a "loyalty penalty" in cash savings markets: the regulator has indicated that it could revisit the idea of single easy-access rate, or other interventions, if there is persistent evidence that existing savers receive unfair savings rates compared to those offered in new accounts¹⁸.

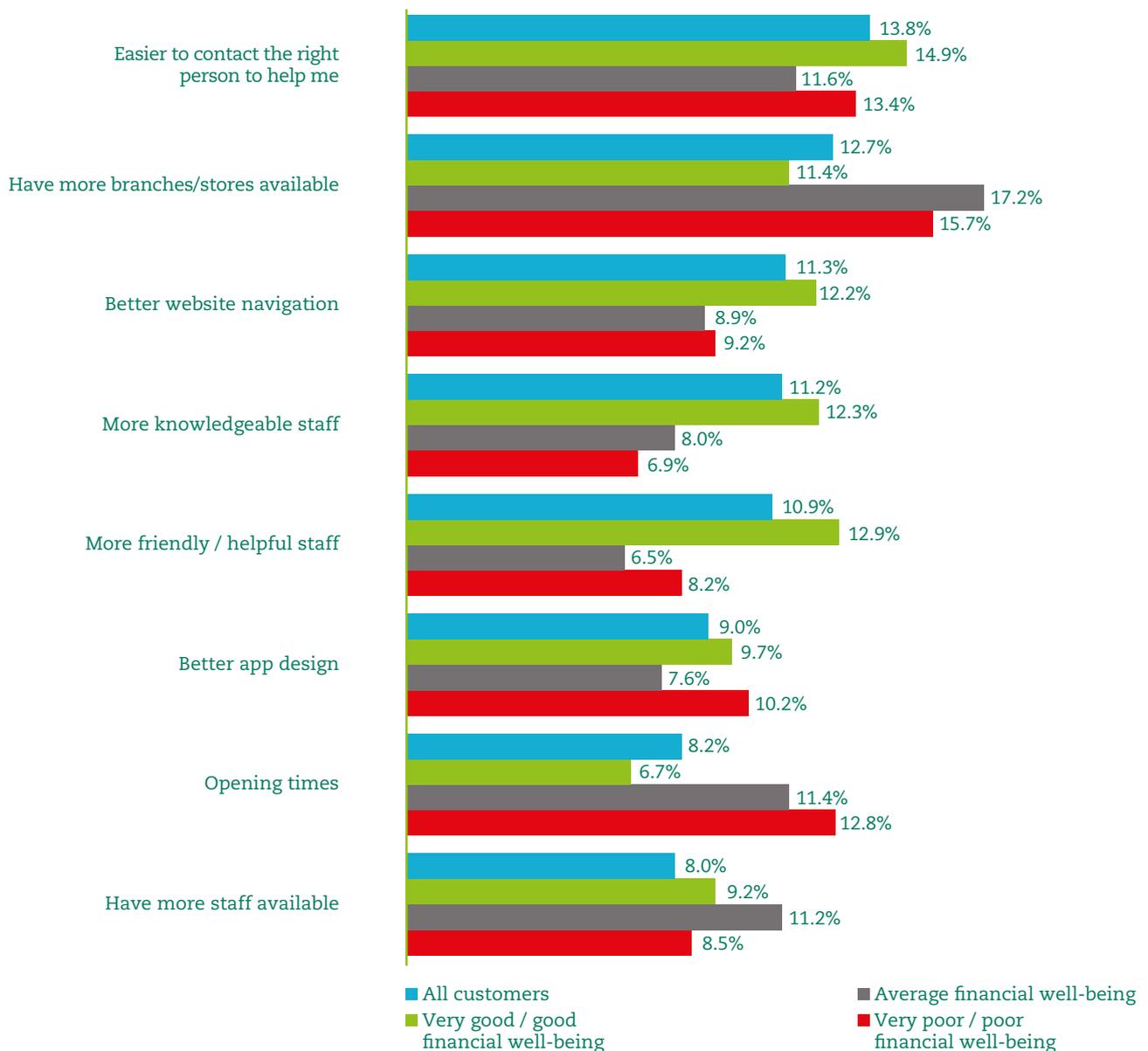
¹⁷ See inews 11 May 2023 <https://inews.co.uk/news/politics/high-street-banks-told-to-pass-latest-bank-of-england-interest-rate-rise-on-to-savers-2335474>

¹⁸ See This is Money 20 April 2023 www.thisismoney.co.uk/money/saving/article-11994691/Banks-FORCED-pay-savers-new-rules.html

Concerns about availability of bank branches, especially amongst customers with poor or very poor financial well-being

Evidence from the UKCSI suggests that customers' leading priority for organisations in the banks and building societies sector is the same as the average of the 13 UKCSI sectors: making it easier to contact the right person to help. In addition, almost 13% of customers highlighted availability of bank branches as a leading priority for banks and building societies to improve: this is the top priority for customers who describe their financial well-being as "average", "poor" or "very poor".

Customers' key priorities for banks and building societies to improve



3

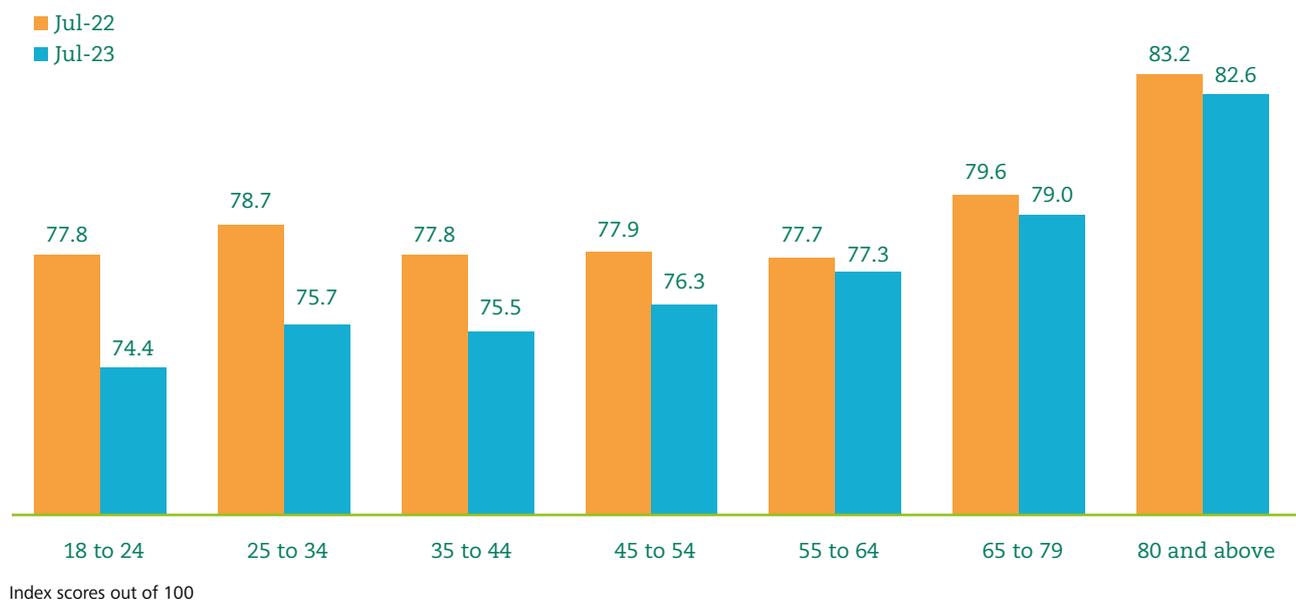
Understanding and responding to customers' personal situation and needs

In this section we review changes and differences in customer satisfaction by age group and for customers with a disability or long-term health condition. We examine the extent to which organisations understand and respond to customers' personal needs and situation and how this affects customer satisfaction. We also highlight the priorities which customers believe organisations should focus on to improve customer service.

Customer satisfaction has fallen across all age groups compared to a year ago

Whilst the average satisfaction with organisations of customers aged over 55 has fallen slightly (by between 0.4 and 0.6 points), there has been a larger drop in customer satisfaction, of at least 3 points, amongst 18 – 34 year olds.

Customer satisfaction by age group



In the 18 – 34 year old age cohort the biggest decline in customer satisfaction compared to a year ago is for complaint handling, followed by satisfaction with price / cost, ease of contacting the right person to help, trust, and an organisation doing the right thing in its business practices. Younger customers are more likely than others to have experienced a problem with an organisation but despite the overall fall in customer satisfaction, these customers were less likely to have experienced a problem with organisations than a year ago.

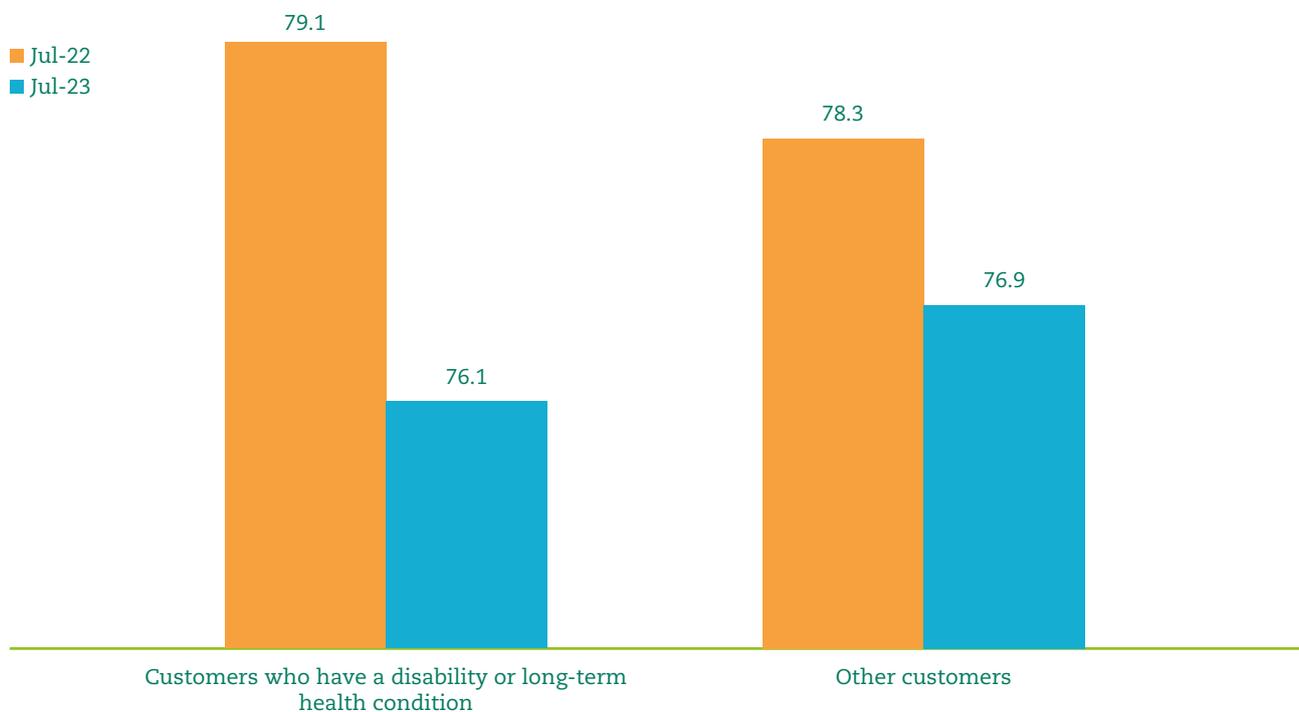
Customers aged 18 – 34: year on year changes in average satisfaction with organisations

	Jul-23	Jul-22	yoy change
UKCSI	75.3	78.5	- 3.2
Price/cost	7.3	7.7	-0.4
XX makes it easy to contact the right person to help	7.4	7.8	-0.4
The handling of the complaint	6.9	7.7	-0.8
Speed of resolving your complaint	6.8	7.7	-0.9
You trust XX	7.5	7.9	-0.4
XX does the right thing in business practices (e.g. for employees/for society)	7.4	7.8	-0.4
% of customers experiencing a problem with the organisation in the previous three months	21.3%	24.8%	-3.5% points

Average customer satisfaction of customers with a disability or long-term health condition has fallen by 3 points

Average satisfaction of customers who have a disability or long-term health condition is 76.1, a decrease of 3 points compared to July 2022: average satisfaction of other customers in the UKCSI fell by 1.4 points to 76.9.

Year on year changes in customer satisfaction



Index scores out of 100

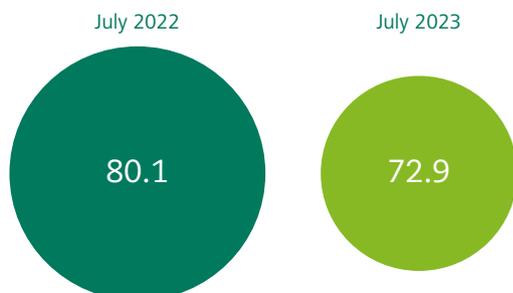
Amongst customers with a disability or long-term health condition, the most conspicuous fall in satisfaction is for complaint handling, followed by xx does the right thing in its business practices. 25.3% of customers with a disability or health condition experienced a problem with an organisation, a 7.4 percentage point drop compared to July 2022, but 11.5 percentage points more than other customers in the UKCSI.

Customer satisfaction of people with a disability or long-term health condition: selected measures

Customer satisfaction measures (out of 10 unless stated)	Jul-23	Change compared to July 2022	Compared to other customers in the UKCSI
The handling of the complaint	6.2	-1.1	+0.5
Speed of resolving your complaint	6.1	-1.2	+0.6
You trust XX	7.5	-0.4	-0.2
XX does the right thing in business practices (e.g. for employees/for society)	7.3	-0.5	-0.2
% of customers experiencing a problem with the organisation in the previous three months	25.3%	-7.4%	+11.5% points

Average customer satisfaction of the youngest customers (aged 18 – 34) who have a disability or long-term health condition has fallen by 7.2 points to 72.9: this level of satisfaction is lower than that of other customers in the same age group of older customers who have a disability or long-term health condition.

Average satisfaction of customers, aged 18-34 with a disability or long-term health condition



Average satisfaction of other customers, aged 18-34

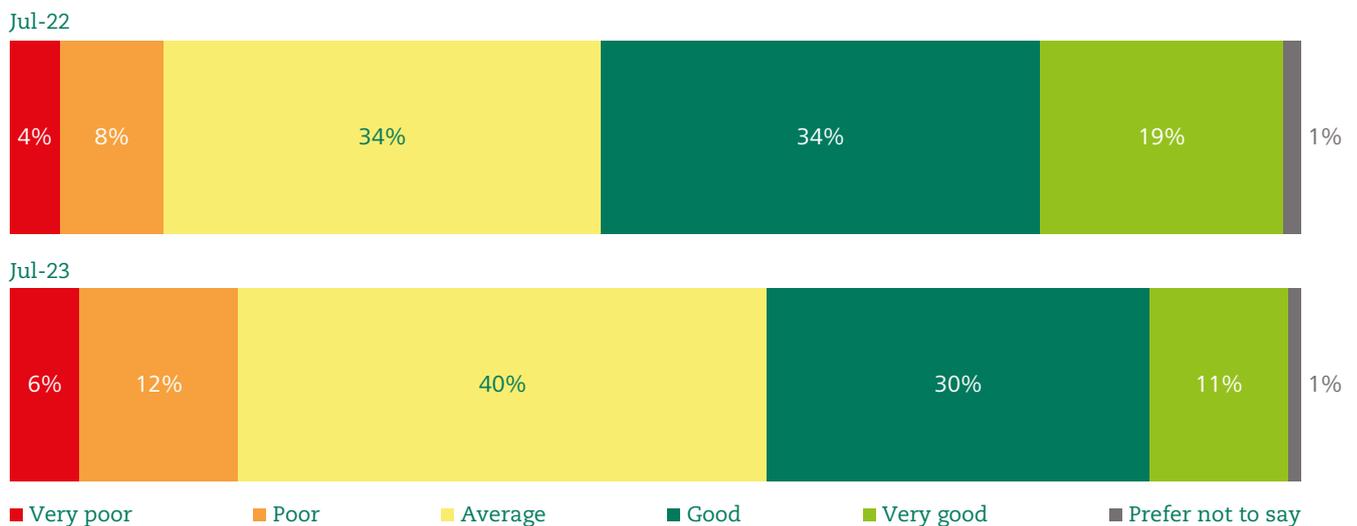


Index scores out of 100

The number of customers who feel their financial well-being is poor or very poor has increased from 12% in July 2022, to 18%

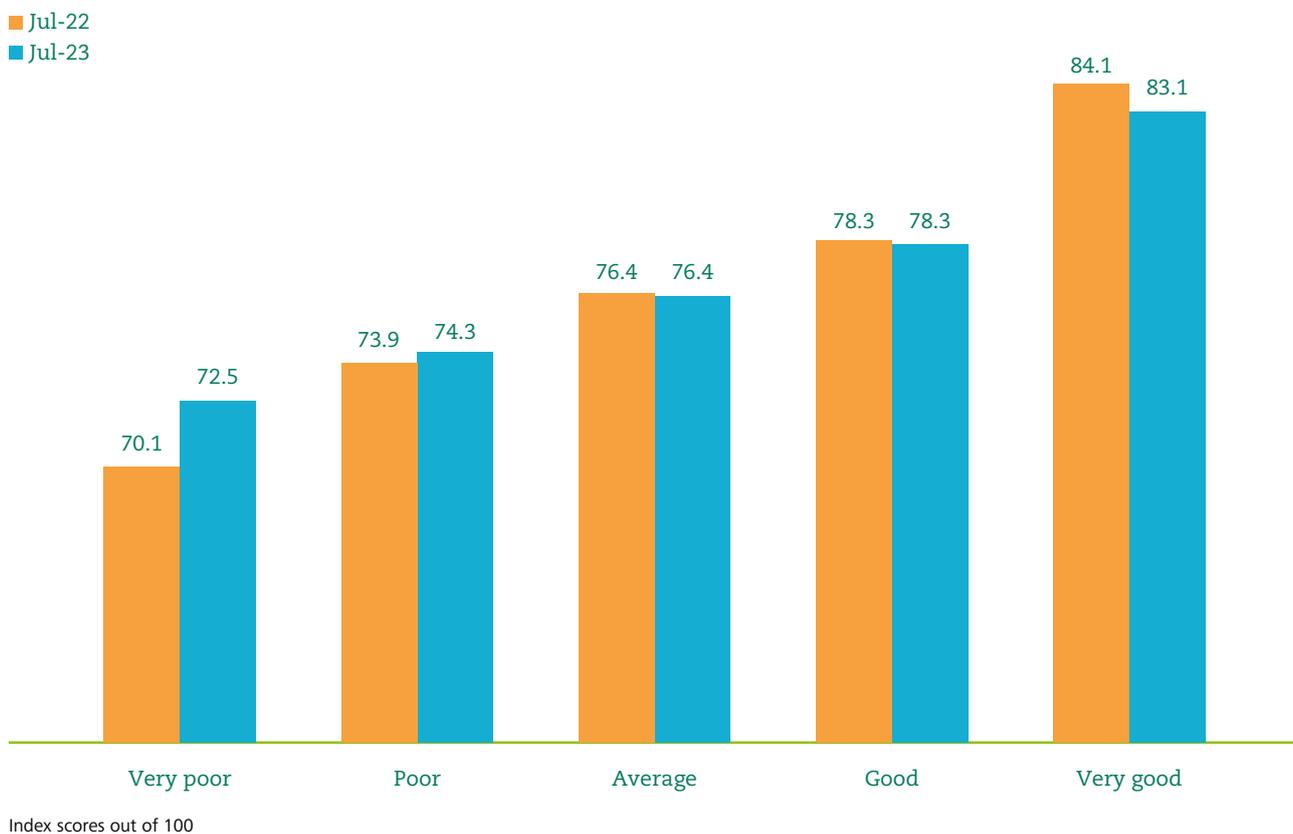
In the July 2023 UKCSI, 12% of people described their financial well-being as poor and 6% said they feel it is very poor. 41% customers claimed that their financial well-being is either good or very good, down from 53% a year ago. As a result, the number of customers describing their financial well-being as average has grown from 34% to 40% of respondents.

How would you describe your financial well-being?



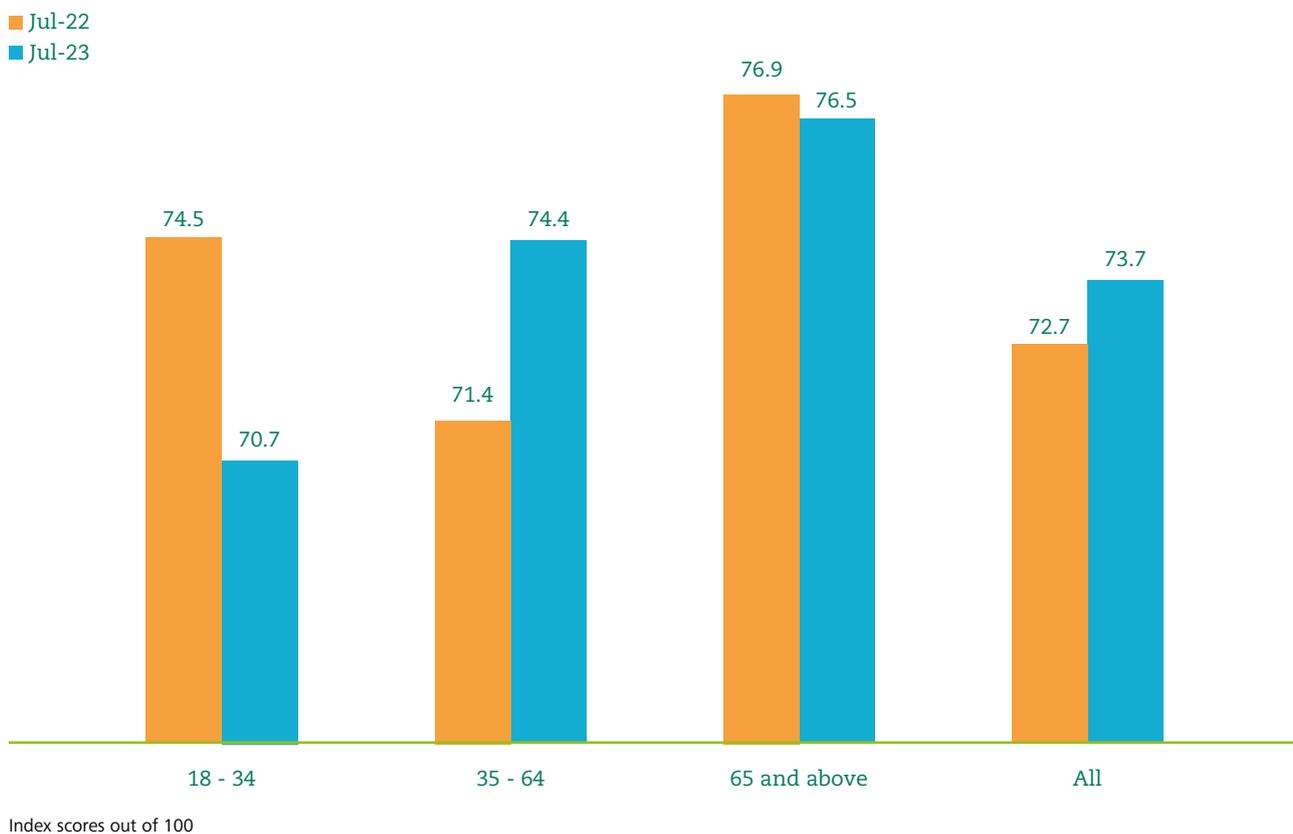
Customers with poor or very poor financial well-being tend in general to be less satisfied with organisations than customers who are more affluent or financially secure. But the average satisfaction of customers with very poor financial well-being is 72.5 (out of 100), up by 2.4 points compared to a year ago.

Average customer satisfaction by financial well-being status



However, there are differences in the average customer satisfaction of people with poor or very poor satisfaction depending on age group. Customer satisfaction of younger customers (aged 18 – 34) who have poor or very poor financial well-being is 70.7, a drop of 3.8 points compared to July 2022 and more than 3 points below the average satisfaction of older customers who also suffer from poor financial well-being.

Average customer satisfaction of people with poor or very poor financial well-being, by age group



The impact on customer satisfaction of organisations failing to respond to personal needs and context appears to more keenly felt than in July 2022

Just over 60% of customers felt that the organisation they dealt with responded appropriately to their personal needs and situation, around the same level as a year ago. 10.9% of customers believe that the organisation they dealt with failed to address their personal needs and situation.

Customers who feel an organisation responded to their personal situation and needs have relatively high and similar levels of satisfaction, whatever their claimed state of financial well-being. But in cases where customers feel an organisation did not respond to their personal situation and needs, average satisfaction is just 49.8 (out of 100), a drop of 4.1 points compared to July 2022. This suggests that the adverse impact on customer satisfaction of an organisation failing to respond to a customer's personal situation and needs has increased.

When dealing with XX, did you feel that they responded to your personal situation and needs?

	% customers July 2023	CSI July 2023 (out of 100)	CSI July 2022 (out of 100)	yoy change in CSI score
Yes, they responded to my personal needs and situation	60.0%	82.0	83.7	- 1.7
No, they did not respond to my personal situation and needs	10.9%	49.8	53.9	- 4.1
Didn't need them to respond to my personal situation and needs	24.4%	76.0	76.4	0.4
Don't know	4.7%	67.4	70.2	- 2.8

For customers who suffer from poor or very poor financial well-being, the impact of an organisation failing to respond to personal needs and context is stark

These customers' average satisfaction of 44.1 (out of 100) is 37 points lower than that of similar customers who dealt with an organisation that understood and responded to their personal needs.

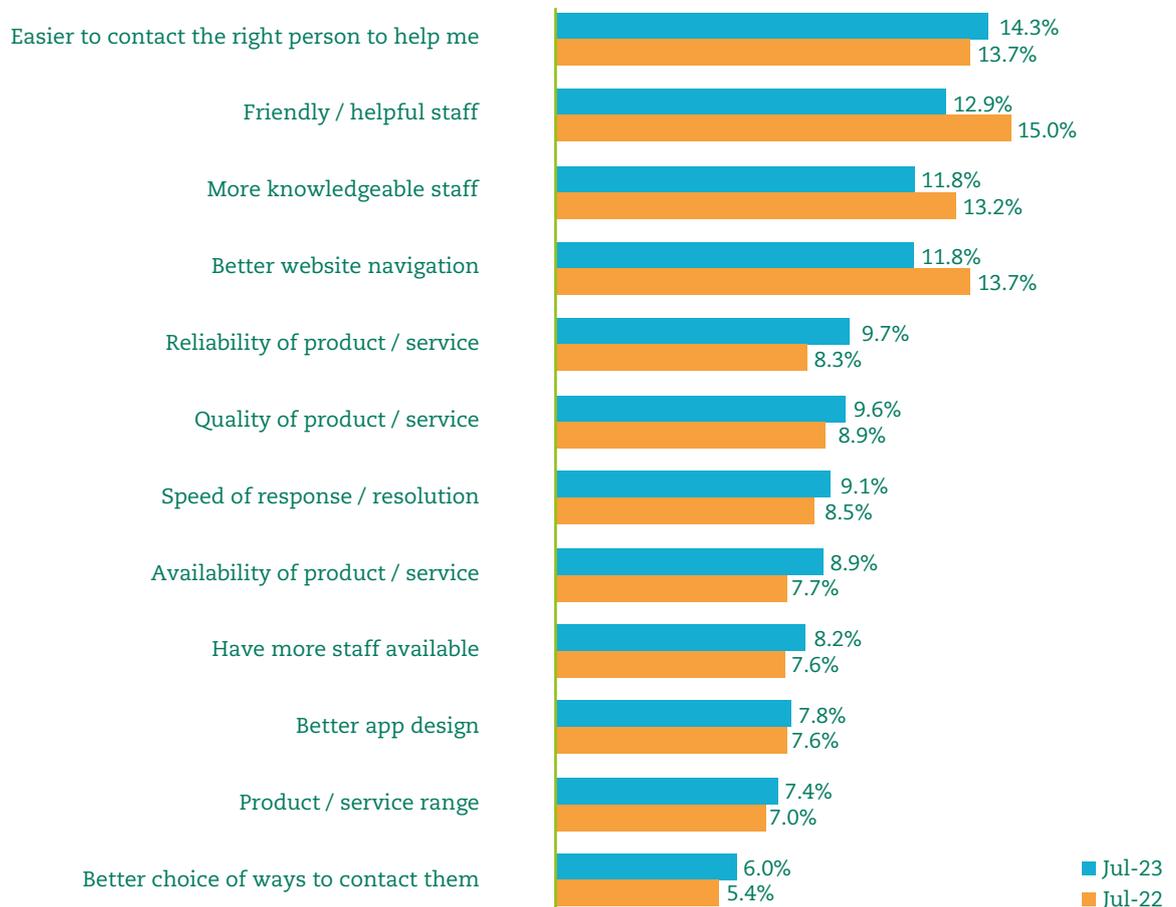


Average customer satisfaction index scores out of 100

Leading priorities for organisations to improve are making it easy to contact the right person to help, employee behaviours and competence, and website navigation

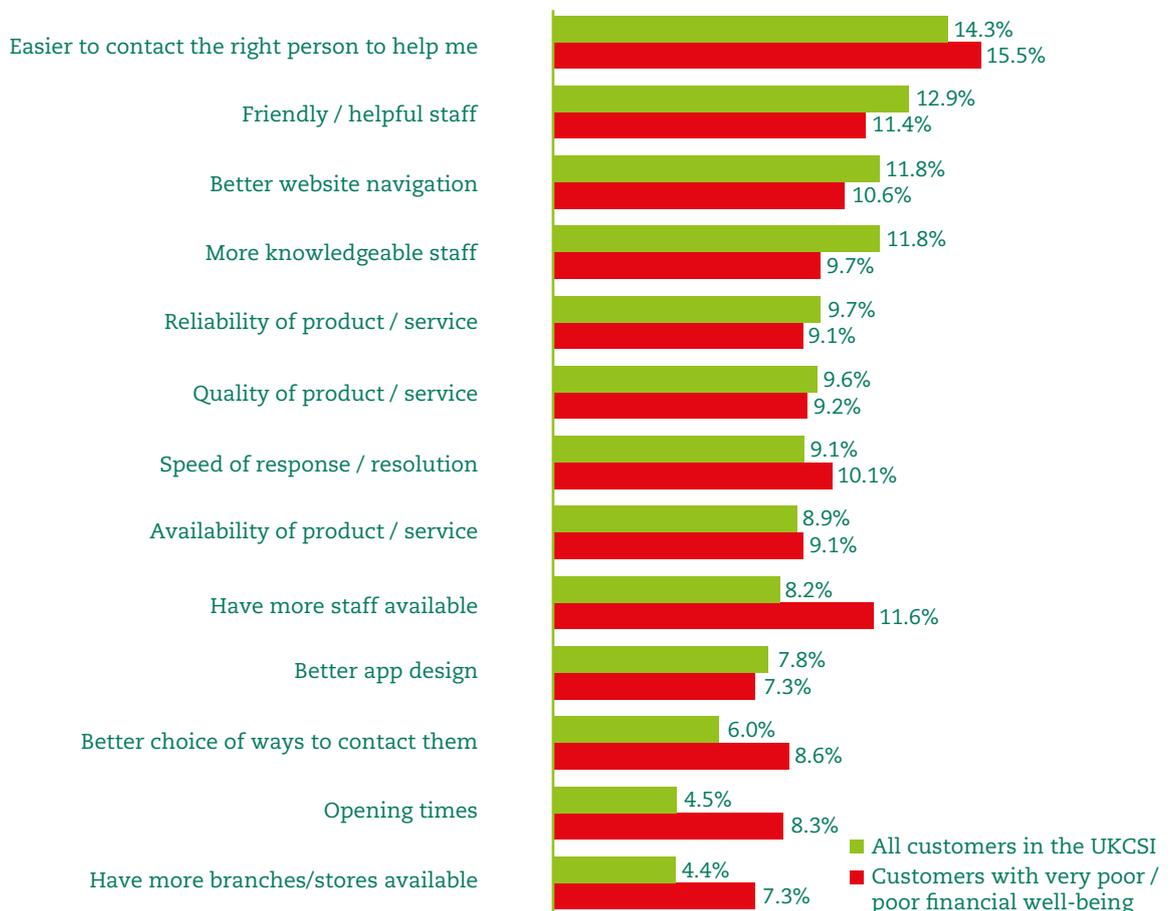
In the UKCSI customers are asked to select the top 3 things the organisation they dealt with should focus on, in order to improve customer service. As in July 2022, customers' priorities for improvement are making it easier to contact the right person to help, developing friendly, helpful and knowledgeable staff, and better website navigation. In addition, the number of customers citing the need to improve reliability or availability of a product or service has increased compared to last year.

What should the organisation you dealt with do to improve its customer service?



Customers with poor or very poor financial well-being are more likely than other customers to feel that organisations need to make it easier to contact the right person to help, have more staff, branches or stores and greater availability of opening times

What should the organisation you dealt with do to improve its customer service?



From the perspective of customers with poor or very poor financial well-being, the key aspects of customer experience organisations should improve are making it easier to contact the right person to help, more availability of staff, friendly / helpful staff and website navigation. In addition, these customers are more likely than others to highlight a need for organisations to improve staff availability, a better choice of ways for organisations to contact customers, opening times and greater availability of branches or stores.

Key takeouts: the personal context and impact of customer satisfaction

- Customer satisfaction has fallen across all age groups, but the largest drop is amongst 18 – 34 year olds, from an average of 78.5 in July 2022 to 75.3 (out of 100)
- Average customer satisfaction of customers with a disability or long-term health condition has fallen by 3 points, to 76.1
- Average customer satisfaction of the youngest disabled customers (aged 18 – 34) has fallen by 7.2 points to 72.9
- The number of customers who feel their financial well-being is poor or very poor has increased from 12% in July 2022, to 18%
- Customer satisfaction of younger customers (aged 18 – 34) who have poor or very poor financial well-being is 70.7, a drop of 3.8 points compared to July 2022 and more than 3 points below the average satisfaction of older customers who also suffer from poor financial well-being
- For customers who suffer from poor wellbeing, average satisfaction with organisations is 81.1 (out of 100), when an organisation responds to their personal needs and situation. When an organisation fails to do so, average satisfaction is just 44.1
- From the perspective of customers, leading priorities for organisations to improve are making it easy to contact the right person to help, employee behaviours and competence, and website navigation
- Customers with poor or very poor financial well-being are more likely than other customers to feel that organisations need to make it easier to contact the right person to help, have more staff, branches or stores and greater availability of opening times.

4

How and why
customers use
social media to
learn about and
engage with
organisations

In the UKCSI, most recorded customer experiences with organisations¹⁹ are conducted in person, over the phone, on an organisation's website or via email. But social media has become a significant and highly visible feature of the customer service landscape. In this section, we explore how and why customers get information or engage with organisations through social channels, how this engagement influences buying behaviour, and key considerations for organisations as they evolve social media deployment in the context of customer experience strategy. The findings are based on research conducted separately from the UKCSI, in May 2023, with a sample of 1,000 consumers.

¹⁹ The breakdown of customer experiences by channel is available in the 13 sector reports available at www.instituteofcustomerservice.com/ukcsi

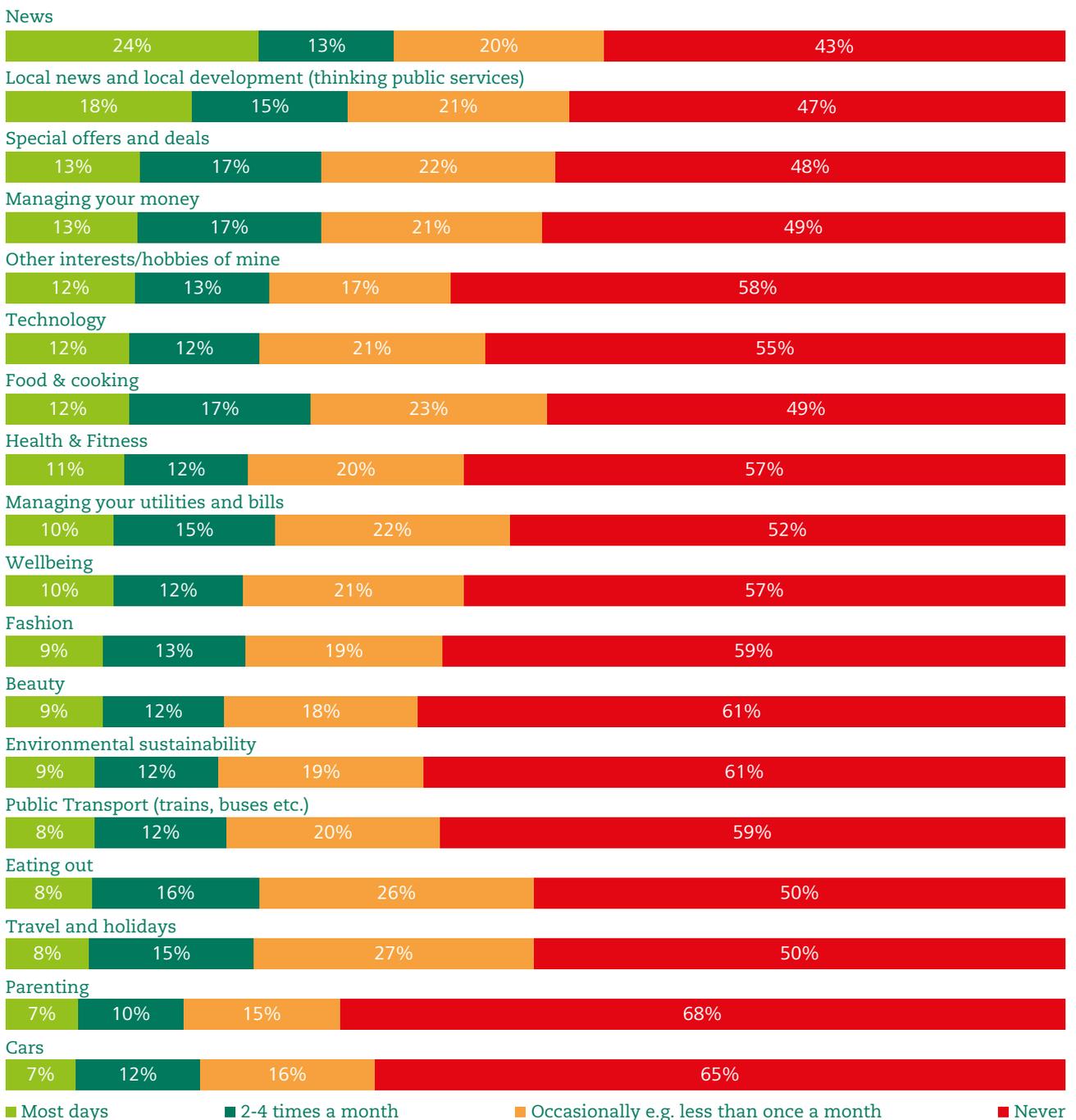
On average, 25% of customers regularly (either most days, or 2 – 4 times a month) follow specific companies or brands on social media

The main reasons for following organisations on social media are to get news, in some cases on local news or development, access special offers and deals and manage personal finances. 37% of customers follow at least 1 company regularly (at least 2 – 4 times a month) for news; 33% for local news and development issues; 30% for special offers or deals, or to manage personal finances.

How often do you follow specific companies or brands on social media, to learn about them and their products and services?

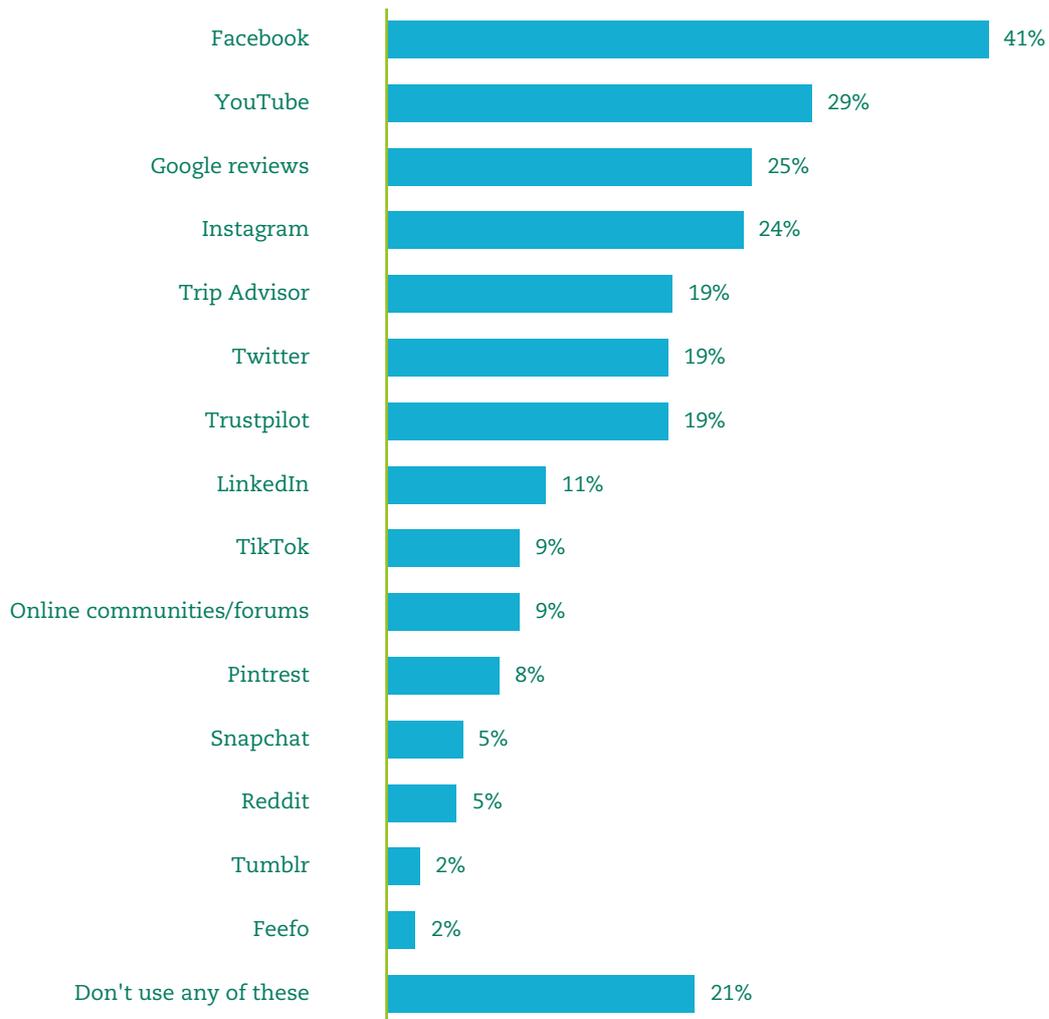


How often do you follow specific companies or brands on social media, to learn about the following?



The most popular sites or platforms for engaging with companies are Facebook (used by 41% of customers), YouTube (29%), Google reviews (25%) and Instagram (24%)

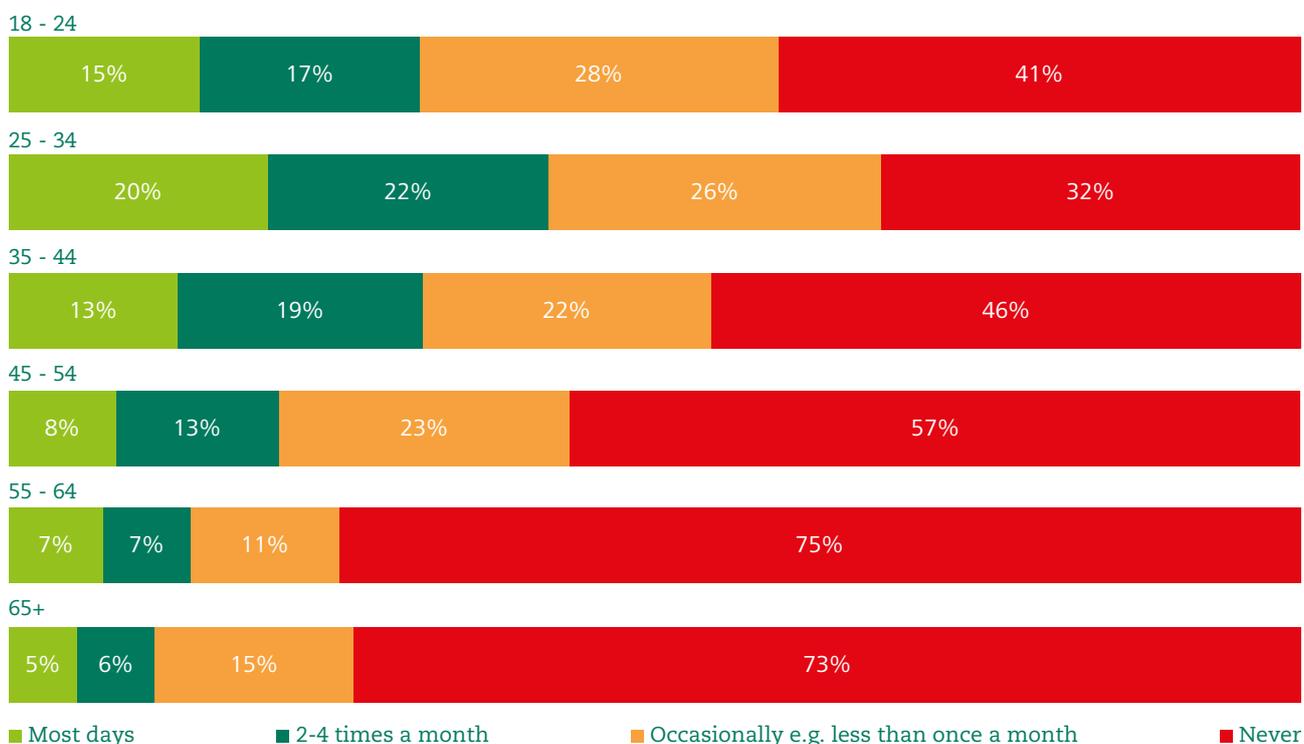
% of customers using these channels or sites to learn about or engage with organisations



Active social media users are present in every age group but customers aged 18 – 24 appear to be the most likely to be regular followers of an organisation or brand on social media

More than 40% of people in this age group engage with organisations regularly (either every day or at least 2 – 4 times a month) on a wide range of topics including news, special offers and deals, personal finances, technology, food and cooking, health and fitness, managing utility bills, fashion, eating out, travel and holidays.

How often do you follow specific companies or brands on social media to learn about the following? A breakdown of customer responses by age group

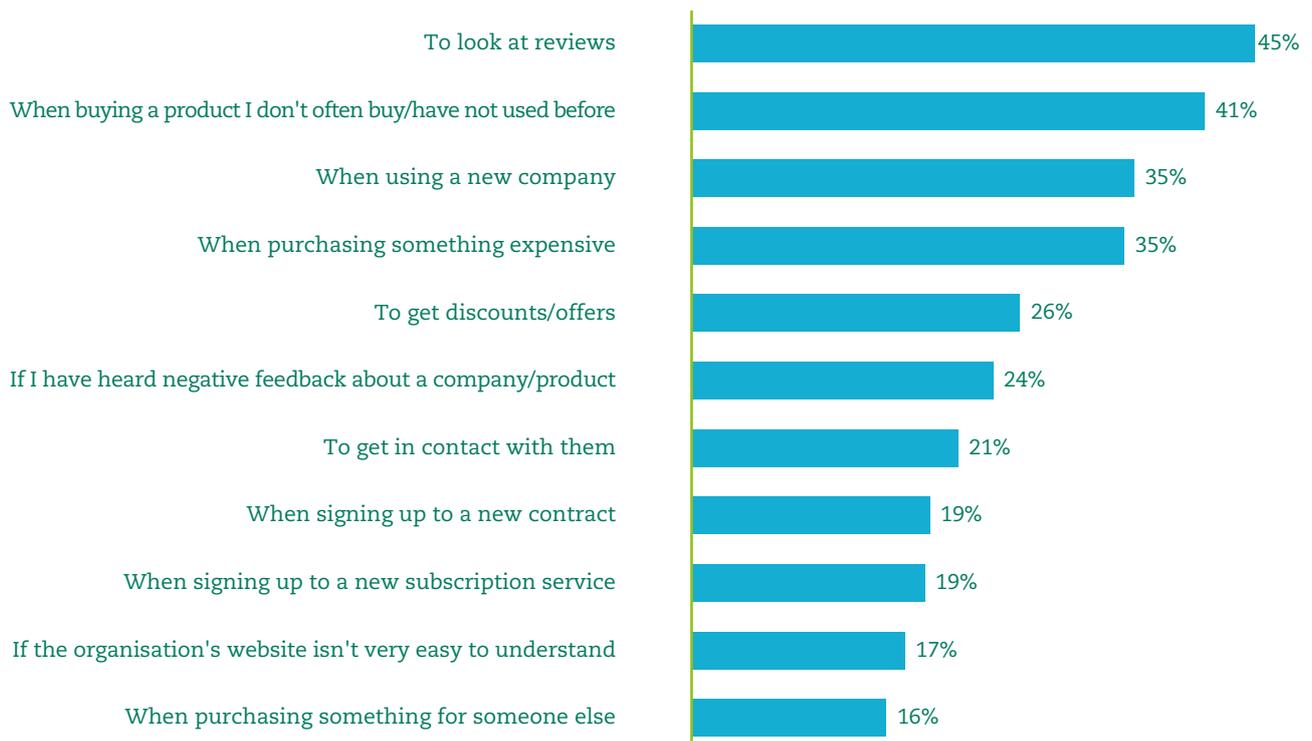


There are, however, noticeable differences in the likelihood of customers in different age groups to use social channels to engage with companies. On average, over 50% of people aged 18 – 44 have used Facebook to engage directly with an organisation, compared to around 25% of people aged 55 and over. 41% of people aged 55 – 64, and 32% of those aged 65 and over have never used a social channel to engage with an organisation. While Facebook is the most popular option amongst customers aged 18 – 24 for engaging with organisations, these customers are more likely than others to use Instagram, Tiktok, Pinterest and Snapchat.

Looking at reviews and seeking information about an organisation, product or service a customer has not used before, are key reasons to learn about organisations through social channels

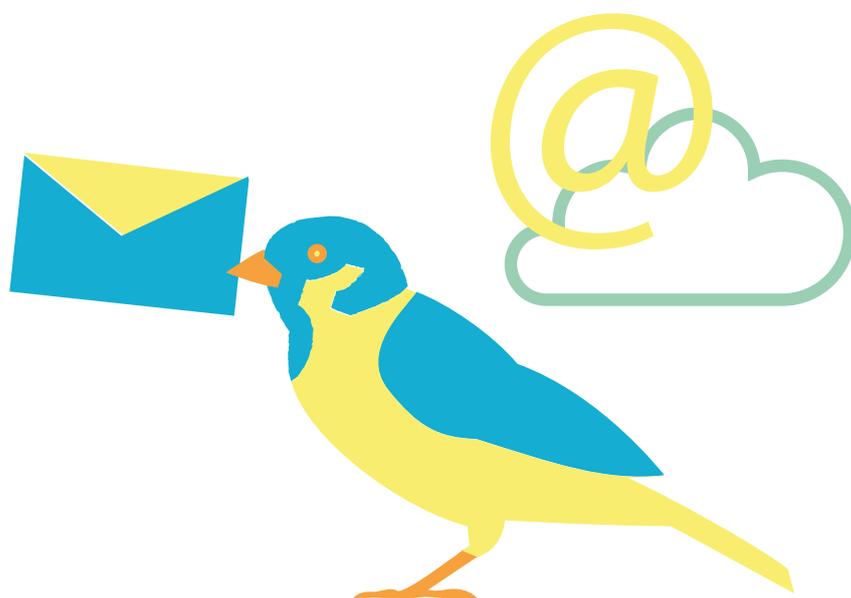
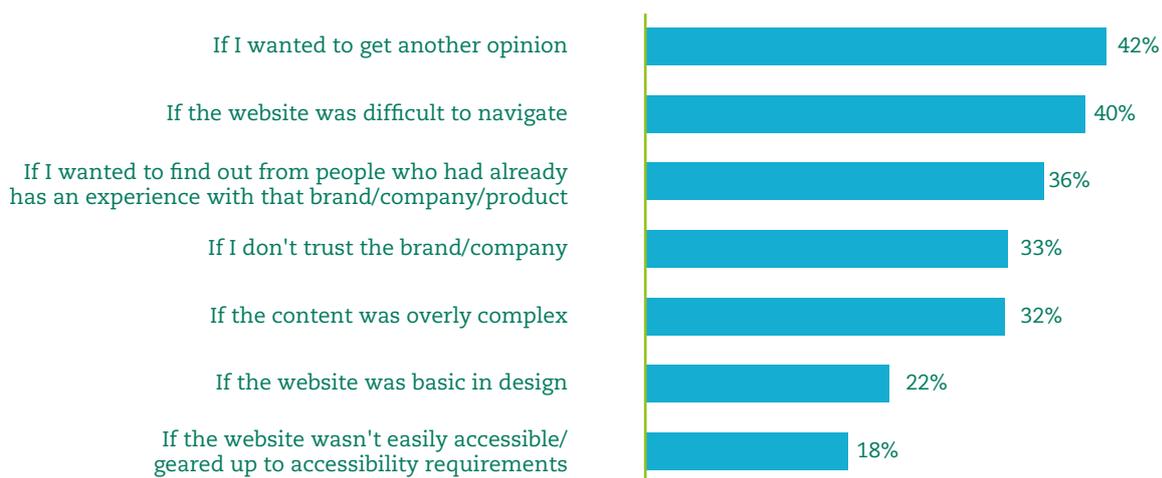
The leading motivations for engaging with companies through social channels are to look at reviews (cited by 45% of respondents, seeking information when buying a product the customer has never or seldom previously purchased (41%), using a company for the first time (35%), or making an expensive purchase (35%).

What is your motivation for using social channels to learn about or engage with organisations?



Several factors have prompted customers to use a social channel for information about an organisation rather than use the organisation's website. These include the desire to get another opinion (cited by 42% of customers), difficulty in navigating the organisation's website (40%), or seeking feedback from others who have experienced the brand or product (36%). In addition, over 30% of customers consulted an alternative source because they didn't trust the organisation, or because the information available on the organisation's website was too complex.

Why would you seek information through sites or platforms other than an organisation's website?



Our research found evidence that customers' engagement and experiences with organisations on social channels has influenced their buying behaviour and likelihood to recommend the organisation

15% of respondents confirmed that they often recommend an organisation they follow on social media (and 39% do so occasionally). 54% of customers often (9%) or occasionally (45%) buy from an organisation for the first time as a result of following them on social media. On the other hand, 9% say that their experiences following an organisation on social media have created a negative impression and 7% have switched supplier of a product or service they purchase regularly.

As a result of following organisations on social media have you done any of the following?

Recommended to friends or family



Purchased something new/recommended



Stopped using a company



Purchased from a company you've never used before



Changed your opinion about a company to be positive



Changed your opinion about a company to be negative



Switched supplier for a regular purchase



■ Yes, often

■ Yes, occasionally

■ No

Social media can be a compelling and cost-effective opportunity for organisations to build customer relationships, make a personal connection and increase an organisation's reach. But unlike other channels, customers' engagement with organisations through social media can be highly visible: the potential impact and risk to reputation is heightened. Organisations therefore need to consider carefully how they present on social media and how they resource and integrate customer service strategy across all relevant channels.

Engaging with customers through social media: key considerations for organisations

- Understand your audience: who is engaging with you on social media; their interests, challenges, aspirations; which social media channels or platforms they prefer; and how they are using your products and services
- Create a quality of content that reflects your customer proposition and is relevant, timely and based on insight on how customers are using and engaging with your products and services
- Ensure that you resource appropriately to monitor and deal promptly with customer engagement across channels. Set expectations about response times outside standard business hours or at the weekend
- Develop rules of engagement for communicating with customers that empower employees to be responsive and authentic, in the context of consistent brand, tone of voice and service guidelines
- Ensure that customer data systems are accessible to colleagues working in all channels, including social media
- Monitor customer feedback and sentiment about the organisation and use it to inform customer service and engagement strategy
- Measure social media engagement alongside broader measures of overall customer engagement and experience.

Recruit and develop employees with key knowledge, skills and behaviours

- Judgement about when responses or escalations are required, or when monitoring or no direct response is appropriate, when to transfer a social media conversation with a customer to a private channel
- Ability to communicate with clarity, brevity and emotional intelligence, creating personalised responses that are consistent with brand tone of voice and the organisation's customer service proposition
- Time management and effective prioritisation of tasks
- Cross-organisation relationships, and knowledge of relevant products and services, customer service operations, standards and current service issues
- Creativity and collaboration to enable continuous development of content that engages customers
- Agility to manage different types of customer conversations, explore different types of content and keep up to date with changes in customer behaviours and developments in social media.

5

Recommendations for organisations

The UKCSI measures 5 dimensions of satisfaction that reflect customers' priorities in their experiences and relationships with organisations, as well as emotional and factors that influence customer attitudes and behaviours.

In the January 2023 UKCSI²⁰, we highlighted recommendations to enable organisations to develop a culture of service excellence. In this section we focus in particular on 5 areas that address the issues and findings in the July 2023 UKCSI.



1 Preventing problems and improving complaint handling



2 Making it easier for customers to access help and expertise



3 Responding to customers' personal situations and needs



4 Professionalising customer service



5 Doing the right thing in business practice: balancing the needs of shareholder, customer, employee and wider society

²⁰ See January 2023 UK Customer Satisfaction: the state of the nation, available at www.instituteofcustomerservice.com/ukcsi

1) Preventing problems and improving complaint handling

A drop in satisfaction with complaint handling across most sectors is a feature of this UKCSI. 16.4% of customers experienced a problem with an organisation: this incidence of problems is slightly lower than a year ago, when it was 17.3%, but is noticeably more than in January 2020, the last pre-Covid 19 UKCSI, when 13.6% of customers said they had experienced a problem with an organisation.

Problems and complaints are costly for organisations: they consume time and resources that could be deployed more productively for improving service, developing products or winning new business. In regulated sectors, poor customer service and complaint handling can lead to increased regulatory scrutiny, resulting in financial penalties and reputational damage. Consistently high levels of complaints make it harder to recruit and retain employees, as well as customers.

Reducing the number of problems experienced by customers, and effective complaint handling, are fundamental to customer service and business performance. Evidence from this UKCSI suggests there is an urgent need for many organisations to renew their focus on complaint handling. The Institute's research has highlighted factors that are essential to managing problems and complaints effectively:

Key recommendations for organisations

- Provide straightforward ways for customers to complain through all available channels
- Benchmark complaint volumes: if complaint volumes appear to be low, proactively invite feedback and complaints from customers
- Focus on employee behaviours when customers report a problem or complaint
- Resolve complaints as quickly as possible: set realistic expectations about when a problem will be resolved
- Keep customers informed and make sure agreed commitments are honoured
- Deal with complaints in a fair and consistent way
- Make sure there is an escalation point / process if customers do not accept the outcome of the complaint
- Follow-up complaints that have been resolved to ensure there are no outstanding issues
- Identify root causes of problems
- Develop actions to prevent customers experiencing problems that result in complaints.

2) Making it easier for customers to access help and expertise

Evidence in the UKCSI indicates that making it easier to contact the right person to help is the leading issue customers want organisations to improve. Other recent research from The Institute confirmed that, when organisations launch new technologies, the most important factors they should consider from a customer service context are the option to speak to a person and the quality of customer support.

Many organisations have invested in technology to speed up and improve handling of routine customer issues and interactions. Familiar examples include self-service through digital channels, queries handled by artificial-intelligence chatbots, and equipping employees with data and prompts to give better advice to customers. At its most effective, deployment of technology in customer service generates a win-win scenario for customer and organisation: cost to serve and failure rates are reduced; customers get rapid access to key information; employees are freed up to focus on helping customers with complex or sensitive issues.

However, evidence from this UKCSI suggests that many organisations may be overestimating their capacity to integrate data, systems and processes to deliver seamless, efficient and satisfying customer experiences. Improving customer satisfaction requires that organisations review how effectively they enable customers to get access to the help, advice and expertise they need.

Key recommendations for organisations

- Map customer journeys for key experiences, how customers will access information, services or help, and assess factors that are critical to success at each point
- Map the hand-offs or transfers between channels, especially between digital channels and direct employee intervention
- Ensure all channels through which customers can engage with the organisation are appropriately resourced so that customers can access help in a reasonable timeframe
- Develop knowledge and CRM systems to give employees access to relevant, timely information
- Test technology deployment with customers to identify critical points which may require intervention by an employee
- Test and learn: continuously review customer journey design and decision trees to identify issues or opportunities to simplify and improve experiences.

3) Responding to customers' personal situations and needs

The most satisfied customers are typically those who feel that an organisation has understood and responded to their personal needs and situation.

The consequences of high inflation and Covid-19 have exposed a polarisation in levels of financial and mental well-being and heightened the importance of understanding and responding to a customer's unique situation and needs. Our latest evidence indicates that the number of customers suffering from poor or very poor financial well-being has grown; but indicators of a customer's status of well-being, or personal circumstances, may not always be obvious. Sometimes organisations and employees need to look beyond segmentation and data and act in the moment to deliver genuine personalisation:

Key recommendations for organisations

- Encourage employees to show empathy, emotional intelligence and reassurance in interactions with customers and colleagues
- Enable customers to speak to an employee when it is needed
- Give relevant, practical advice and recommendations to help customers get the most from products and services, or about different pricing options
- Proactively communicate practical and relevant information and advice to support customers' well-being
- Encourage customers to make contact if they are experiencing financial difficulties or a change in personal circumstances
- Demonstrate flexibility in policies or processes to respond appropriately to changes in a customer's personal circumstances
- Provide offers that recognise and reward customer commitment and loyalty
- Ensure that robust processes are in place to identify and give appropriate support to vulnerable customers.

4) Professionalising customer service

A convergence of digitisation, greater use of technology and analytics, and changing customer needs and behaviours mean that diverse roles, skills, knowledge and behaviours are required to deliver an organisation's customer service and business objectives. Professionalising customer service is therefore concerned both with embedding a culture across an organisation to deliver commercial and customer experience objectives, as well as developing specific skills and capabilities.

Our research²¹ has found that many potential employees are more likely to think of working in customer service roles as a foundation for other careers, rather than as a respected and valued profession. There is also a mixed picture in terms of how organisations measure competence and performance and promote professional development and career pathways. This suggests that action is needed to improve the perception and recognition of roles and careers in customer service.

Key recommendations for organisations

- Build a workforce plan setting out the capabilities and resource your organisation requires, in both the short and long-term
- Ensure there is customer service experience and ownership in the boardroom
- Customer service people should upskill in data analytics, commercial awareness and presentation, so that they can make a compelling business case for investing in customer service
- Encourage employees to gain professional qualifications in customer service
- Give greater definition and visibility to career pathways
- Benchmark levels of pay, taking into account the range and level of skills required and the importance of the role in delivering customer service and business objectives
- Engage with education providers, education business partnerships, careers services and recruitment companies to ensure that potential employees have access to relevant information about customer service-orientated careers.

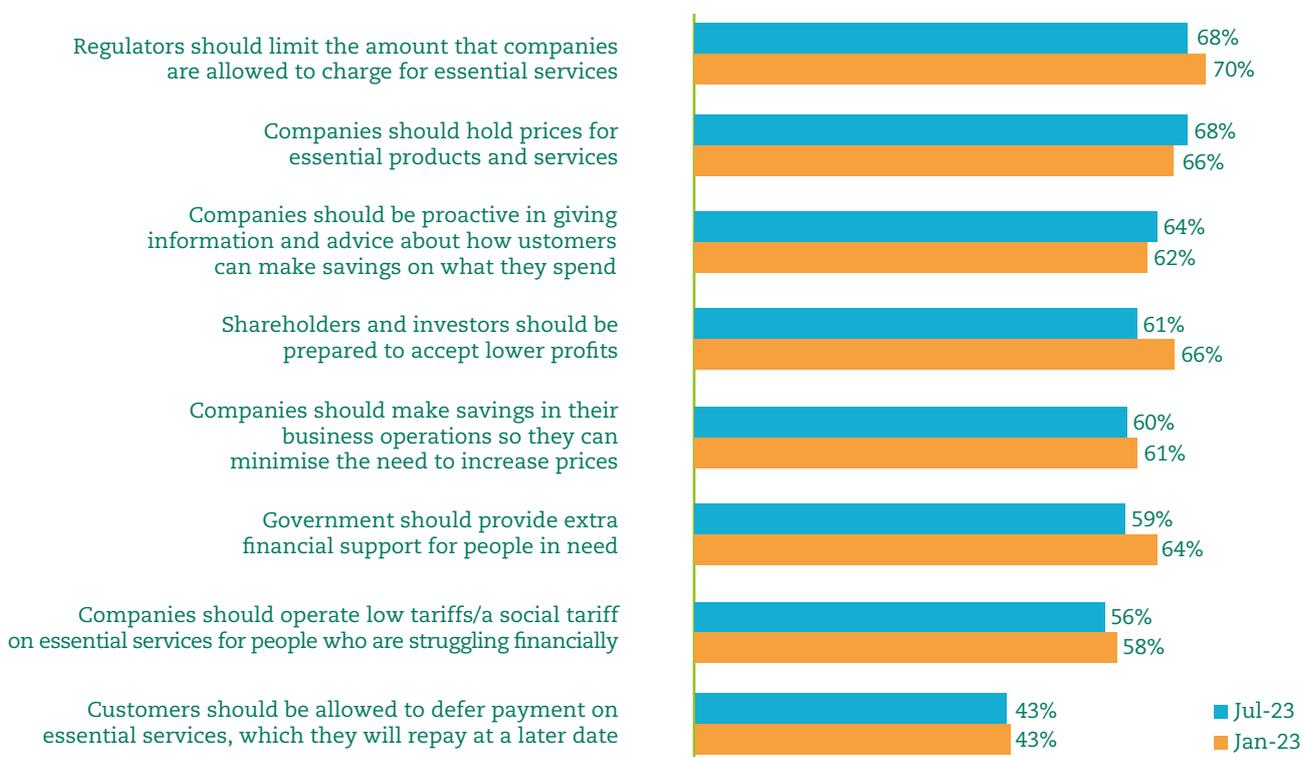
²¹ See Building the Service Nation: changing perceptions about the profession of customer service, Institute of Customer Service, 2023

5) Doing the right thing in business practice: balancing the needs of shareholders, customers, employees, partners and suppliers and wider society

In UK company law, directors are responsible for acting in a way that is “most likely to promote the success of the company for the benefit of its members as a whole²².” This has often been interpreted as reaffirming the primacy of shareholder interests in the way companies are managed and governed. Company directors must also have regard to the long-term consequences of decisions, environmental impact and the interests of customers, employees, the community, and report on how these have been addressed.

In recent years a growing range of issues - environmental sustainability, working conditions, employee voice and engagement, diversity and inclusion, data security and transparency, the application of artificial intelligence, risk management and resilience - have become more prominent considerations in corporate governance. High levels of inflation and the rise in the cost of living have often required organisations to make difficult decisions affecting the interests of customers, employees and shareholders. Our latest research, from a survey conducted in March 23, suggests that at least 60% of customers believe companies should hold prices for essential products and services, regulators should limit the price companies can charge for essential service, and shareholders and investors should be prepared to accept lower profits.

Customers' perspectives about how organisations should support customers during the cost of living crisis: % of customers strongly agreeing with each statement (those scoring 8 – 10 when asked to indicate their strength of agreement, on a scale of 1 – 10)



²² Companies Act 2006, see <https://www.legislation.gov.uk/ukpga/2006/46/section/172>

In this context, doing the right thing in business practice – beyond meeting legal and regulatory obligations – has become more complex and exposed to greater scrutiny. It is therefore critical that organisations and leaders are guided by consistent values in making decisions that balance short and long-term objectives and satisfy the needs of shareholders, regulators, customers and employees.



Key recommendations for organisations

- Focus on both short and long-term measures of business and customer service performance
- Review how the organisation balances the requirements of key stakeholders including shareholders, customers and employees
- Develop understanding and build expertise in the evolving range of factors impacting governance including environmental sustainability, employee engagement, changing customer needs, diversity and inclusion, data security and transparency, artificial intelligence, risk management and resilience
- Ensure the board is informed about latest customer insights and key customer experience measures
- Be transparent about changes to prices and terms and conditions
- Proactively engage with customers, offering practical, relevant advice to help manage rising costs
- Consider how your organisation will assess the ethical and reputation implications and risks of artificial intelligence and broader technology deployment
- Recruit and promote leaders who consistently demonstrate ethics and values as well as business acumen and performance.

UKCSI

Key facts

15

Number of years UKCSI has run.
The UKCSI is published twice a year, normally in January and July.

13

Number of sectors the UKCSI covers.
11 in the private sector as well as the local and national public sectors. The Institute also publishes sector reports with a detailed breakdown of scores by sector and organisation.

52,000

Number of unique responses included in July 2023, from over 10,000 customers. Customers are geographically and demographically representative of the UK population and participate in the survey through an online panel. Customers are asked to provide a score for organisations based on their most recent interaction.

3,500

Number of responses per sector, except for Transport and Utilities which have 6,750 responses.

275

Number of individual organisations and organisation types which received a UKCSI rating. 259 named organisations which have exceeded a minimum sample size are scored in the 13 sector reports. In addition, scores are given for 16 generic providers including "your local Council", "your local restaurant/takeaway" etc.

Organisations included in the July 2023 UKCSI

Automotive

Audi
BMW
Citroen
Dacia
Fiat
Ford
Honda
Hyundai
Jaguar
Kia
Land Rover
Lexus
Mazda
Mercedes-Benz
Mini
Nissan
Peugeot
Renault
Seat
Škoda UK
Suzuki
Tesla
Toyota
Vauxhall
Volkswagen
Volvo

Banks & Building Societies

Bank of Scotland
Barclays
first direct
Halifax
HSBC
Lloyds
M & S
Monzo Bank
Nationwide
NatWest
RBS
Sainsbury's
Santander
Starling Bank
Tesco
The Co-operative Bank
TSB
Virgin Money

Insurance

1st Central
AA Insurance
Admiral
Aviva
AXA
BUPA
Churchill
Co-op Insurance
Direct Line
Esure
Halifax
Hastings Direct Insurance

Legal and General
Lloyds
LV=
M & S (insurance)
More Than
Nationwide Insurance
Petplan
Prudential
RAC
SAGA Insurance
Sainsbury's
Tesco
Virgin Money
Zurich

Leisure

Amazon Prime Video
Burger King
Caffe Nero
Cineworld
Costa Coffee
Deliveroo
Domino's Pizza
Greggs
Harvester
JD Wetherspoon
Just Eat
KFC
McDonald's
Nando's
Netflix
Now TV
Odeon
Pizza Express
Pizza Hut
Pret A Manger
Spotify
Starbucks
Subway
Toby Carvery
Vue Cinema
your local independent coffee shop
your local restaurant/takeaway

Public Services (Local)

GP surgery / health centre
Library
your Housing Association
your local Ambulance Service
your local Council
your local Council via a recycling centre
your local Council via waste collection
your local Fire Service
your local Police Service

Public Services (National)

Companies House
Department for Work and Pensions (DWP)
Disclosure and Barring Service
DVLA

HM Land Registry
HM Passport Office
HMRC (Inland Revenue)
National Highways
NHS / hospital service
NS&I (National Savings and Investments)
Post Office
The Environment Agency
The university I attend

Retail (Food)

Aldi
ASDA
Co-op Food
Iceland
Lidl
M & S (food)
Morrisons
Ocado
Sainsbury's
Tesco
Waitrose

Retail (Non-food)

Amazon.co.uk
Apple
Argos
ASOS.com
B&Q
Boots UK
Costco
Currys
eBay
H&M
Holland & Barrett
Home Bargains
Ikea
John Lewis
Lloyds Pharmacy
M & S
Matalan
Next
Pets at Home
Poundland
Primark
Specsavers
Sports Direct
Superdrug
TK Maxx
Wilko

Services

AA
British Gas Home Services
DHL
DPD
Green Flag
Halfords Autocentre
Hermes / Evri
Homeserve

Kwik Fit
My private landlord
RAC
Royal Mail / Parcelforce
Timpson
Uber
Western Union
Yodel
your local solicitor
your local tradesman

Telecommunications & Media

BT
EE (including T-Mobile or Orange)
giffgaff
O2
Plusnet
Sky
Sky Mobile
TalkTalk
Tesco Mobile
Three
Virgin Media
Virgin Mobile
Vodafone

Tourism

Airbnb
booking.com
British Airways Holidays
Butlins
Center Parcs
easyJet Holidays
Expedia
Haven Holidays
Hilton
Holiday Inn
Hoseasons
Hotels.com
Jet2holidays.com
Lastminute.com
Marriott
On the Beach
P&O Cruises
Premier Inn
Travelodge
Trivago
TUI
Virgin Holidays

Transport

Arriva - Bus group
Avanti West Coast
British Airways
C2C
CrossCountry
East Midlands Railway
easyJet
Eurotunnel
First Group - bus companies
Grand Central

Great Northern
Great Western Railway
Greater Anglia
Heathrow Express
Jet2
London North Eastern Railway
London Northwestern Railway
London Underground
Manchester Metrolink
Merseyrail
National Express
Northern / Northern Trains
P&O Ferries
Ryanair
ScotRail / ScotRail Trains
South Western Railway
Southeastern (train operating company)
Southern
Stagecoach (Bus)
Thameslink
The Trainline.com
TransPennine Express
Transport for Wales
TUI Airways
Virgin Atlantic
West Midlands Railway

Utilities

Affinity Water
Anglian Water
Bristol Water
British Gas
Bulb
Dwr Cymru (Welsh Water)
E.ON (energy)
EDF Energy
Northumbrian Water
npower
Octopus Energy
OVO Energy
Power NI
Scottish and Southern Electricity Networks
Scottish and Southern Energy (SSE)
Scottish Gas
Scottish Power
Scottish Water
Severn Trent Water
Shell Energy
South East Water
South West Water
Southern Water
Thames Water
UK Power Networks
United Utilities (water)
Utilita
Utility Warehouse
Wessex Water
Yorkshire Water

About the UKCSI

A barometer of customer satisfaction in the UK since 2008

The UKCSI (UK Customer Satisfaction Index) provides insight into the state of customer satisfaction in the UK for 13 key sectors. The UKCSI is published twice a year, in January and July. Each UKCSI incorporates two sets of data to create a rolling measure of customer satisfaction. The July 2023 UKCSI includes responses from surveys conducted between 5 September to 3 October 2022 and 6 March to 11 April 2023.

52,000 customer responses

The UKCSI is based on an online survey of over 10,000 consumers, who are representative of the UK adult population by region, age and gender. The July 2023 UKCSI comprises 52,000 responses, 3,500 from each sector except for Transport and Utilities which include 6,750 responses each. Customers are asked to rate their experience of dealing with a specific organisation in the previous three months. Customers rate only one organisation per sector. Each customer can complete the survey for up to five different sectors.

Over 25 metrics of the quality of customers’ interactions and relationship with organisations

Customers rate the quality of their experiences and relationship with organisations on over 25 metrics including employee professionalism, product / service quality, ease of dealing with an organisation, timeliness, complaint handling and attitudes towards trust, reputation, an organisation’s customer ethos and ethical behaviour.

Metrics reflect the priorities identified by customers, as well as attributes that show a strong relationship with overall customer satisfaction. The UKCSI also includes measures of customer effort and a Net Promoter Score (NPS). Customers rate organisations on a scale of 1 – 10 except for the question “how likely would you be to recommend xx to friends and family”, which is a scale of 0 – 10.

275 organisations received a UKCSI rating

These include 259 named organisations and 16 generic providers including “your local Council”, “your local restaurant/takeaway” etc. Customers select an organisation to rate from a randomised list of leading and emerging players in each sector which is reviewed before each UKCSI. Customers can also select an organisation to rate that is not on the list. Organisations which exceed a minimum sample size are given a score and are named within one of the 13 sector reports.

How the UKCSI is calculated

Index scores are expressed as a number out of 100. The UKCSI score for each organisation is the average of all of its customers’ satisfaction scores, multiplied by ten, with a weighting applied reflecting the priority score for each measure. The sector score is the mean average of all responses for that sector, multiplied by ten. The overall UKCSI is based on the mean average of each sector’s score.

UKCSI sector reports*

13 reports are available with sector-specific insight and recommendations

- Customer satisfaction performance of leading organisations on over 25 customer experience metrics
- Channel use and satisfaction
- Drivers of complaints and satisfaction with complaint handling
- Links between satisfaction and future buying behaviours
- Recommendations and opportunities to improve



Sector resource packs

- Key sector and organisational measures in spreadsheet format
- Sector satisfaction by age, region, gender
- Key issues organisations should improve
- Satisfaction by product type in the Banking, Insurance and Telecommunications & Media sectors

Sub-sector customer experience measures

- Leisure (Quick Service Restaurants; Entertainment)
- Transport (Air; Rail; Coach / Bus)
- Retail Non-food (Fashion retailers)
- Utilities (Energy; Water)

Automotive

Banks & Building Societies

Insurance

Leisure

Public Services (Local)

Public Services (National)

Retail (Food)

Retail (Non-food)

Services

Telecommunications & Media

Tourism

Transport

Utilities

* Two sector reports are available as a membership benefit to The Institute's Trusted Advisory Network members; one report for Discovery Roadmap and Council members. For Corporate and Pathway members, discounts apply.

Sector reports are available for purchase by non members at www.instituteofcustomerservice.com

Breakthrough research from The Institute



Building the Service Nation: Changing Perceptions about The Profession of Customer Service

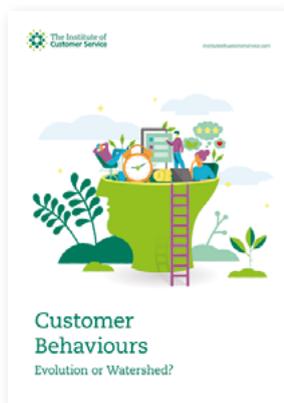
- Examines the extent to which customer service is seen as a profession with defined skills and standards
- Identifies potential career pathways and reviews how professional development in a customer service context is supported and evaluated
- Highlights key actions to build recognition of service as a valued career and profession, with a significant voice and position in the board room.



A Connected World? Ensuring the right blend of people and technology for customer service

- Investigates customer perspectives on using technology to interact with organisations, potential applications to improve service, the risk of digital exclusion and how organisations should address it
- Examines how organisations are combining human and technology-based experiences in the context of customer service
- Highlights 10 key enablers to deploy technology and achieve business performance and customer service objectives.

To find out more about The Institute's research programme, contact us at:
T: 0207 260 2620



Customer Behaviours: Evolution or Watershed?

- Examines how customer expectations and behaviours have evolved in the last 2 years and how they will change in the future
- Assesses if there are customer segments that can be defined around key behaviours
- Identifies key actions and recommendations to help organisations respond effectively to evolving customer expectations and behaviours.



Work with a Purpose: Building a shared vision of the future

- Examines impact and learnings from Covid-19
- Identifies skills and capabilities organisations will need to achieve sustainable customer experience and business performance
- Assesses what employees want from work and how organisations will need to engage with and support their employees
- Highlights key factors that will influence work culture and practice and implications for job design, skills and training, organisational culture, structures and measurement.

About The Institute of Customer Service

The Institute of Customer Service is the UK's independent, professional body for customer service.

Our purpose is to enable organisations to achieve tangible business benefits through excellent customer service aligned to their business goals and to help individuals maximise their career potential and employability by developing their customer service skills.

We provide tools and services to support continuous customer service improvement and a framework for our members to share and learn from each other.

We are independent – setting standards so that our customers can improve their customers' experiences and their business performance.

The Institute is the secretariat for the All Party Parliamentary Group on Customer Service.

Key Activities

- Research and reports on the latest customer service trends and thinking
- Publication of the UK Customer Satisfaction Index (UKCSI) twice a year
- Benchmarking customer experience to identify areas for improvement, drawing on the views of both customers and employees
- Bespoke customer insight and research
- Training and accreditation programmes for customer service professionals
- Professional qualifications for individuals at all stages of their career
- Public policy development.

For further information please visit
www.instituteofcustomerservice.com

T: 020 7260 2620

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