



BUREAU OF CONSUMER FINANCIAL PROTECTION

[Docket No. CFPB-2015-0013]

Request for Information Regarding the Consumer Complaint Database

AGENCY: Consumer Financial Protection Bureau.

ACTION: Notice and request for information.

SUMMARY: The Bureau of Consumer Financial Protection (the “Bureau”) is issuing a Notice and Request for Information (“RFI”) to solicit and collect input from the public on the potential collection and sharing of consumer compliments about providers of consumer financial products and services and more information about a company’s complaint handling.

DATES: Submit comments on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: You may submit responsive information and other comments, identified by Docket No. CFPB-2015-0013, by any of the following methods:

- *Electronic:* <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Mail:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1700 G Street NW, Washington, DC 20552.
- *Hand Delivery/Courier:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1275 First Street NE, Washington, DC 20002.

Instructions: The Bureau encourages the early submission of comments. All submissions must include the document title and docket number. Because paper mail in the Washington, DC area

and at the Bureau is subject to delay, commenters are encouraged to submit comments electronically. In general, all comments received will be posted without change to <http://www.regulations.gov>. In addition, comments will be available for public inspection and copying at 1275 First Street NE, Washington, DC 20002, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. You can make an appointment to inspect the documents by telephoning (202) 435-7275.

All submissions, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Sensitive personal information, such as account numbers or Social Security numbers, should not be included. Submissions will not be edited to remove any identifying or contact information.

FOR FURTHER INFORMATION CONTACT: For submission process questions please contact Monica Jackson, Office of the Executive Secretary, at (202) 435-7275. For inquiries related to the substance of this request, please contact Scott Pluta, at (202) 435-7306.

SUPPLEMENTARY INFORMATION:

Authority: 12 U.S.C. 5511(c).

Background: The Bureau, established under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”), hears directly from the American public about their experiences with the nation’s consumer financial marketplace. An important element of the Bureau’s mission is the handling of individual consumer complaints regarding consumer financial products and services. In June 2012, the Bureau began making certain de-identified individual-level complaint data available via its web-based, public facing database (the “Consumer Complaint Database”). Since launch, the Consumer Complaint Database has been expanded multiple times to include additional consumer financial products and data fields.

Concurrent with this RFI, the Bureau is publishing a final policy statement to provide guidance on how the Bureau plans to exercise its discretion to disclose publicly unstructured consumer complaint narrative data via the Consumer Complaint Database. As part of the public comment process associated with that policy, several trade associations and companies commented that the Consumer Complaint Database should include positive feedback in conjunction with complaint narratives. One commenter suggested that if the Database is to function as a marketplace of ideas, then it should reflect the entire market and not solely consumers submitting complaints. Several trade associations stated that if the database is to be likened to private web-based review sites, then positive feedback is necessary.

Current Bureau Operations: The Bureau currently collects and shares some positive feedback regarding company complaint handling. For example, the public Consumer Complaint Database currently shares information that can be used to highlight a company's positive complaint handling relative to its peers, *e.g.*, whether company responses are timely or disputed by the consumer.

Positive Consumer Feedback: Broadly speaking, the Bureau conceives of two potential avenues for sharing positive consumer feedback about companies: (1) By providing more information about a company's complaint handling, and (2) by collecting and providing consumer compliments (independent of the complaint process). Each will be discussed in turn.

1. Company Complaint Handling.

In 2014, the Bureau sent approximately 156,600 consumer complaints to companies for response. In 2013 and 2012, that figure was 113,200 and 75,400, respectively. When a company receives a complaint from the Bureau, it has 15 calendar days for its initial response and up to 60 calendar days to provide a final response. The company reviews the information, communicates

with the consumer as needed, and determines what action to take in response. Once the company responds, the Bureau alerts the consumer and invites him or her to review the response and provide feedback.

The data shared via the Consumer Complaint Database can reveal positive company behavior. The purposes of publishing the Consumer Complaint Database include providing consumers with timely and understandable information about consumer financial products and services, and improving the functioning, transparency, and efficiency of markets for such products and services. Consumer complaints are a natural part of doing business. Therefore, it is not the existence of a routine complaint, by itself, that draws the attention of the market, but instead it is factors such as the number of complaints relative to comparable companies, how a company handles its complaints, the patterns and categories that identify and show the frequency of certain complaints, and perhaps the occasional notable fact pattern. The Bureau believes there are opportunities to highlight positive company behavior within at least the first two of these characteristics – relative volume and quality of response to the consumer. With this RFI, the Bureau is specifically interested in responses that identify potential ways the Bureau could record, calculate, standardize, sort, share, and visualize the data associated with the consumer complaints the Bureau sends to companies in ways that reveal positive company behavior. The following represents a non-exhaustive list of potential metrics that the Bureau could share on its website:

- i. Total number of complaints, by product and issue.
- ii. Normalized number of complaints by company, by product and issue.
- iii. Company Final Responses. Controlling for other variables, *e.g.*, product and issue, comparison of how companies choose to close complaints.

- iv. Timeliness and speed:
 - a. Average time between complaint receipt and initial/final response.
 - b. Frequency of exceeding either the 15 or 60 day allowance.
- v. Consumer Sentiment Analysis. Refers to the use of automated textual analysis to identify and extract subjective information in source materials, *e.g.*, classifying the various complaint narratives fields across a spectrum of emotional states.

The Bureau also seeks comment on a potential adjustment of the consumer “dispute” function. Under one potential scenario, the dispute function would be replaced with a two-part consumer feedback process. The consumer would have the ability to rate the company’s handling of his or her complaint on a one to five scale of satisfaction and provide a description in support of the rating. Positive feedback about the company’s handling of the consumer’s complaint would be reflected by both high satisfaction scores and by the narrative in support of the score. The Bureau would consider whether and how these data elements could be disclosed to the public.

The Bureau is also seeking input on the most effective and user-friendly ways to make the above data available to the public. The ability to download the raw data may be an option. Other options may include comparison tools, dashboards, and visualizations. Lastly, the Bureau could release tables listing, *e.g.*, the “Top Ten” (and bottom) companies across some number of the above metrics. The Bureau is interested in hearing not only whether the public believes these to be good ideas, but mechanically how they could work. The following represents some of the issues to be considered:

- **Timing.** How often should the lists be updated, *e.g.*, daily, weekly, monthly, quarterly?

- **Normalization.** Should the lists include normalized results or just those metrics that do not require normalization, *e.g.*, time from receipt to final company response?
- **Size Threshold.** Should there be a minimum complaint volume threshold to be included on the list?
- **Metrics.** Which metric should be subject to listing, *e.g.*, volume of normalized complaints, types of resolutions, consumer satisfaction/dispute rates, consumer sentiment?

2. *Compliments*

Outside of the Bureau's current complaint handling operation, another possible avenue for highlighting positive company behavior would be to solicit, collect, and share consumer compliments. This could entail a new submission type, channel, and process for the Bureau as well as a new database to list such compliments. The Bureau is seeking input from the public on this idea generally, as well as focused comments across the following elements:

a. Channel

The Bureau maintains a feature on its website called Tell Your Story, which gives consumers the opportunity to share their experiences with consumer financial products and services. These submissions are reviewed by CFPB staff and help the Bureau understand current issues in the financial marketplace. This channel could operate as-is and instances of consumer compliments could be shared with the public (with the appropriate consumer consent). Alternatively, Tell Your Story could be altered to solicit consumer compliments more directly. Or a new channel could be launched that is specifically designed to intake only consumer compliments. The Bureau requests public comment on the possibility of expanding the Tell

Your Story channel, and/or specific suggestions for alternate channels to facilitate positive feedback.

b. Operations

As detailed previously, consumer complaints follow a specific process path, from the consumer to the Bureau to the company and back to the consumer. If the Bureau established a new database to intake and publish consumer compliments, should the same process apply? How should the Bureau confirm that a commercial relationship exists between the consumer submitting the compliment and the company? Specifically, should consumer compliments be sent to the relevant company for the company to confirm that a commercial relationship exists between the consumer and the company? Are there any other operational considerations that would benefit the public that the Bureau should consider when designing, developing, and implementing a system for collecting consumer compliments?

c. Disclosure

The Consumer Complaint Database does not disclose every complaint the Bureau receives. Examples of complaints that are withheld from disclosure include complaints where the commercial relationship could not be confirmed, complaints that are referred to other regulators, complaints where the information is incomplete, complaints involving ongoing litigation with the company, and anonymous complaints. As with complaints, the Bureau would have to determine (1) what elements of a consumer compliment to disclose publicly, and (2) which compliments should be excluded from disclosure, and (3) how scrubbing and consent should be applied. The Bureau is seeking input from the public on these questions.

Creative and Innovative Solutions. The above framework for considering positive company feedback should be considered as just that, a framework. The Bureau is seeking

innovative and creative input on the idea of highlighting positive consumer experiences and company performance. Therefore, while the above provides some focus for this solicitation, the Bureau is hopeful that it will receive a number of innovative ideas that it can evaluate and potentially implement.

Dated: March 12, 2015.

Richard Cordray,

Director, Bureau of Consumer Financial Protection.

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