

***How Well Are Poor People Served by Canadian Banks?
Testing Consumer Treatment Using Mystery Shopping***

by

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Research and Working Paper # 48

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How Well Are Poor People Served by Canadian Banks? **Testing Consumer Treatment Using Mystery Shopping**

Introduction

This study reports on results from a mystery shopping method that was designed to see how low-income people were treated by banks in a simple shopping event. Banks that were shopped include mainstream and fringe banks. By mainstream bank we refer to banks that are deposit-taking and government regulated including credit unions. By fringe bank we refer to financial service providers such as payday lenders, cheque-cashers and pawnbrokers that do not accept deposits and face minimal regulation. The report is interested to examine how low-income people are treated by financial service providers. It does this through a small-sample mixed method mystery shopping design that contains qualitative and quantitative elements. The method was implemented in three cities: Toronto, Vancouver, and Winnipeg.

Mystery shopping is a research method that seeks to measure the quality of service provided by a retailer. Mystery shopping is designed with a researcher portraying a shopper, engaging with a retailer, and noting down elements of the experience. It involves an element of deception but is generally judged to be of low risk to the research subjects. The mystery shopping for this component involved pairs of shoppers—one low-income and one middle-income—5-10 minutes apart, visiting mainstream and fringe banks, in inner-city and suburban neighbourhoods. Once the shop was completed, the shoppers answered a set of five questions about how they felt treated during the mystery shop. The purpose of this method was to obtain quantitative and qualitative insights on the behaviour of financial service staff toward low-income people.

Mystery shopping, a form of participant observation, is one of several research methods employed by the research project, 'Financial Exclusion and Poverty in Canada: Individual Coping, Community Action and Policy Reform.'¹ By seeking to understand how financial services are delivered in certain neighbourhoods the purpose of this method relates to both objectives of the project which are: (1) to examine the nature and causes of financial exclusion and, (2) to understand how community financial services and different government regulations affect financial exclusion.

Often when one thinks of a bank, one thinks of a large Canadian mainstream bank or a provincially-based credit union. But for many low-income people and neighbourhoods, mainstream banks are only one type of financial service provider. A basic premise of the research is that the financial service needs of low-income people and communities are met by three types of financial service providers: mainstream, fringe and informal. Mainstream banks such as Bank of Montreal and Assiniboine Credit Union offer a wide range of financial services but have limited services tailored for the financial service needs of low-income people. For instance, they generally do not offer small loans, they don't provide personal ID, and they frequently place holds on cheques. Fringe banks such as cheque-cashers and pawnshops offer financial services that are designed to meet the financial transactions' needs of low-income people but their fees are generally higher than fees for similar services at mainstream banks. Fringe banks are able to forgo cheque-cashing hold periods and facilitate personal ID requirements, but at a price. Informal financial services are loans, cheque-cashing, money wiring, etc. that are available

¹ More information on the overall project, and links to more reports, see: <http://financial-exclusion.uwinnipeg.ca>.

through familial-based organization. This includes a loan from a family member, cashing a cheque at a corner store, and sending money home through a friend. In this report, we do not examine the question of why mainstream banks are not the only—or even the main—financial service provider for low-income people and communities. We do not claim that mainstream banks have either (1) deliberately excluded certain people, or (2) through neglect of this population segment, have unintentionally opened themselves up to competition from fringe banks. Whatever has caused this situation the fact remains that low-income communities are characterized by the co-existence of mainstream and fringe banks.

Background

Studies of financial exclusion seek to understand the reasons why some people do not have a mainstream bank account and rely rather on fringe and informal financial services. A number of different factors have been identified and explored including: location of the branch, services offered by the bank, and the how bank staff treat low-income clientele. The impetus for this method was the results from other field research where low-income respondents articulated concerns about the last point, how they were treated by bank staff.

Certain studies have examined whether the physical location of mainstream and fringe banks is an obstacle to financial inclusion. The basic premise in these studies is that low-income people often live in neighbourhoods that have few mainstream banks and many fringe banks. These studies generally find that mainstream banks are less densely located and fringe banks are more densely located in low-income, often inner-city neighbourhoods (Leyshon and Thrift, 2007; Caskey, 1994; Graves, 2003; Temkin and Sawyer, undated). Since mainstream banks are less accessible and fringe banks more accessible in low-income neighbourhoods, these studies suggest that location may be a factor in financial exclusion.

Other studies have analyzed how the types of services different banks offer may be a factor in explaining financial exclusion. Canadian mainstream banks often place a hold on cheques submitted for cashing; cheque-cashers provide, for a premium fee, immediate cash. Mainstream banks do not offer small loans but fringe banks have rapidly increased their outlets and the number of payday loans (Buckland *et al* 2007). Payday lender numbers have rapidly grown in the US (Caskey 2005, Barr 2005, Barr 2004, Stegman 2007). Bias in the provision of mortgages has been the topic of considerable research in the US (Immergluck, 2004; Turner and Skidmore 1999). Some of these studies have found that low-income respondents claim that fringe bank services—even though they are often more expensive than mainstream bank services—are more relevant to their needs and are provided in a more satisfactory way than are mainstream bank services. Leyshon and Thrift conclude that a bifurcating banking system in the UK has led to the exclusion of certain population segments:

[T]he more affluent groups are experiencing a process of ‘superinclusion.’ Their money power results in them being offered higher levels of information and more service provision, which in turn provides them with more money. However the corollary of this process of inclusion is that poorer people are increasingly subject to financial exclusion (Leyshon and Thrift cited in Rogaly 1999, p.29).

A third factor commonly referred to in the literature is how the customer is treated by bank staff. How staff treat clients, by being polite or respectful, informative, and eager, can affect how

the client feels about the banking experience. Studies have found that this subjective feeling can affect which banks customers frequent. Squires and O'Connor, in reference to Milwaukee (US) fringe bank customers comment that they "are simply more comfortable in the check-cashing office" as compared to mainstream banks (1998, p.3). In his seminal study of fringe banking in the US Caskey interviewed pawnbrokers about the characteristics of their clients. He commented that:

In interviews, pawnbrokers provided fairly consistent explanations for why their customers, when they do need to borrow, turn to pawnshops. Some do because they are excluded from bank and finance company loans. Others use pawnshops for their discretion and convenience—cash loans are disbursed in a matter of minutes with very few questions asked. Across the nation, however, almost all pawnbrokers say that *the overwhelming majority of their customers belong to the first group* [italics added] (Caskey 1994, p.70).

The issue of customer treatment as a factor explaining financial exclusion has arisen in a series of neighbourhood studies in Canadian inner-cities beginning with Winnipeg and then in Toronto and Vancouver. A qualitative examination of 41 fringe bank clients in Winnipeg's North End found many respondents felt poorly treated by mainstream bank tellers. Respondents who relied on social assistance were particularly vocal about the sense of disrespect. Some respondents felt targeted by tellers because, even though they presented a debit card, they were required to provide personal ID.

I tried to open a bank account but I got *attitude* [emphasis added] — they wouldn't open an account for me. I had to go to [a cheque-cashing firm] to cash my cheque. I tried at [a bank] also, but they said they would do a credit check and then I was refused (Buckland and Martin 2005).

Conversely, results from the Buckland and Martin research did not find evidence that clients felt discriminated against at fringe banks. A follow-up survey used a mixed-method (quantitative and qualitative) design in the same Winnipeg neighbourhood and found that just under one-fifth of the 55 respondents commented that they felt mainstream banks were insensitive to their needs (Buckland and Guenther 2005). Some respondents noted that tellers can be rude and suspicious and one noted "[Banks] can be intimidating (Buckland and Guether 2005, p.18)."

Buckland and Fikkert (2008) replicated an expanded version of the Winnipeg mixed-method survey in inner-cities in three centres: Toronto, Vancouver and Winnipeg. The results from this survey corroborated and added detail to the Winnipeg surveys' results. The quantitative results found that two-thirds of the 83 respondents felt respected at mainstream and fringe banks but that a slightly higher share—22.4% vs. 15.6%—felt disrespected at mainstream banks as compared with fringe banks. Winnipeg respondents were more likely to feel respected at mainstream banks (79.3%) as compared with respondents in Toronto (47.8%), or Vancouver (73.3%). Women were more likely to feel respectfully treated at banks (74.2%) as compared with men (61.1%). In addition to quantitative results, this study also presented qualitative analysis of comments that respondents made. The qualitative comments made by respondents poignantly represent the

challenges that some low-income people feel at a mainstream bank as compared with a fringe bank. For instance, one Toronto respondent commented about his experiences with mainstream banks:

My experience was almost demeaning, the bank officials were aloof, and I felt like a number who didn't fit into their scheme. They asked me how come I don't have a bank account, stuff like that. I just want to open an account. It was like they felt they were doing you a favour... [The] security guard at the bank stares at you, they scrutinize you.

Other respondents commented that, as compared with treatment at mainstream banks, fringe bank staff are sometimes more respectful, as in the following quote from a Winnipeg respondent.

I don't know why this is. I have had the same bank account for seven or eight years and still do not get treated with any respect. You walk into a Money Mart and it is a totally different environment.

Results from neighbourhood surveys found that some low-income residents feel poorly treated at mainstream and fringe banks. In some cases, respondents preferred fringe banks over mainstream banks in part because they felt better treated by staff. Mystery shopping is another method, other than neighbourhood or customer surveys, to test the treatment by bank staff of shoppers from different income backgrounds. The purpose of this mystery shopping method is to triangulate, to use a different method to compare with results from neighbourhood surveys. The method is also intended to more clearly diagnose the problem.

A mystery shopping method was undertaken for a coalition of consumer groups participating in a Public Utility Board hearing in Manitoba to set a ceiling on payday loan fees. The method involved mystery shopping payday lending outlets in Winnipeg (Buckland *et al.* 2007). The method involved three shoppers engaging in 'enquiry' shops (i.e., not taking out a payday loan) with 12 payday lenders and then one shopper taking out a payday loan at four lenders from the original group of 12. The enquiry shops had two steps: (1) asking the teller an open-ended question about payday loans, and (2) specific questions about the payday loans including fees, criteria to qualify, references, etc. We limit our comments to results related to the enquiry shops (i.e., we do not refer to the shops in which a loan was taken out). In just under 60% of cases in the first step of the process, the teller said little-to-nothing about the payday loan fees. Even in the second phase when the shopper specifically asked about the fees, three-quarters of the tellers provided answers that were "unclear or not complete enough for the mystery shoppers to feel they fully understood (Buckland *et al.* 2007, p.53)." In only one occasion did the teller verbally state the interest rate on the loan. Shoppers were left with a general feeling of uncertainty about the criteria, rules and fees for payday loans:

When asked specific probing questions, usually the tellers were forthcoming with an answer, but rarely would they volunteer any additional details that would aid in clarification or understanding. They politely provided bare-bones answers, but not anything beyond that. Less frequently it happened that, no matter how many

different times and ways a question was asked, no clear answer was given to the mystery shopper at all (Buckland *et al.* 2007, p.53).

As a part of its mandate, the Financial Consumer Agency of Canada does mystery shops of mainstream banks in Canada (FCAC 2003, 2005). The 2005 mystery shopping involved shoppers testing account opening and cashing federal government cheques. Mainstream banks are required to open bank accounts and cash for free, and without a hold period, a federal government cheque up to \$1,500 for anyone with adequate personal ID. In 48 of the 292 attempts (16%) to open an account the shopper was declined. Twenty of the 212 attempts (9%) to cash a federal government cheque also failed.

The Mystery Shopping Method in General

Mystery shopping, also called mystery customer research (Jesson 2005), or an audit (Yinger 1998), is a method that was developed in the commercial sector but is increasingly popular in other sectors such as the social science research (Jesson 2005). It is a form of participant observation and a demonstrated way of gathering complex data. Besides the policy-based mystery shopping done by the FCAC (discussed above), industry surveys and academic studies have used mystery shopping to investigate a variety of issues. J.D. Power and Associates² and Synovate³ undertake regular surveys of customer satisfaction. There are a growing number of academic studies. For instance, Ayres (1991) used mystery shopping to test whether race and gender affect shopper treatment by car salespeople. Ayres found that Chicago car dealers systematically provided better prices to white customers as compared with black customers. Yinger (1998) surveyed US studies that used mystery shopping to test unfair treatment by retailers of minorities in the following markets: housing, car sales, fast food sales.

Much social science field research has a strict demarcation between the observer and research subject. This is not the case with participant observation, a common method in cultural anthropology. Like participant observation, the mystery shopping involves the observer playing two roles: that of researcher (collecting data) and that of shopper (interacting with the retailer) (Wilson 1998). In a way this linking of participant-observer (observer-shopper) complicates the research process and requires careful reflection on design and deliberate action on the part of the researcher.

The *mystery* aspect of the method is that the observer engages in the shop, undercover, portraying a regular customer. Because of the use of short-term deception of the teller, the method presents an ethical challenge (discussed further below). There are other methods in social science research that involve some level of covertness—e.g., ethnography, a psychological experiment—but more commonly the research method is overt. Jesson (2005) sums up the purpose of mystery shopping:

Here [with mystery shopping] the intention of the researcher is usually to make external judgements against some pre-set standards for performance management.

² The most recent results from the J.D. Power customer service satisfaction survey for Canadian mainstream banks found that TDCT ranked the highest. Results are available at: <http://www.jdpower.com/corporate/news/releases/pressrelease.aspx?ID=2009150>, accessed 7 January 2010.

³ See: Synovate 2010. Personal Banking Research – Canada, available: <http://www.synovate.com/whatwedo/financial-services/personal-banking.jsp>, (accessed 1 April 2010).

Central to this motive are normative assumptions about what can be measured and counted, with an implicit expectation of organizational or behavioural change as an outcome (Jesson 2005, p.6-7).

The complicated nature of the observer-shopper has made mystery shopping a controversial research method. Critiques of mystery shopping argue that, due to its weaknesses, mystery shopping should be used as a diagnostic tool only (Jesson 2004; Wilson 1998, p.161). Others have argued that a carefully designed mystery shopping method can be used for a broader set of purposes (Norris 2004; Finn and Kayande 1999). Finn and Kayande (1999, p.214) conclude that mystery shopping can be more reliable than customer surveys, particularly when the object of assessment is more stable and objective. Norris concludes. "I think that well-designed mystery shopper studies can provide useful data on service quality in a range of settings, and, subject to appropriate review, be ethically acceptable (Norris 2004, p.747).

Heckman [1998] has argued that audit pair tests are not able to control for all variables so that results may be influenced by variables other than those tested. However, Ayres [2001] has argued that a carefully designed mystery shop can minimize the problem: "Particularly in retail settings, it is possible for social scientists to control for the most plausible attributes that could credibly affect seller behaviour [Ayres 2001, p.8-9]." This mystery shopping method was designed to minimize the impact of these factors.

The Method for this Project

Mystery shopping is used to measure service quality. This is done by a researcher portraying a shopper, engaging with a retail service provider, and noting down elements of the experience. Our mystery shopping method involved three pairs—one for each city—of shoppers, 5-10 minutes apart, visiting mainstream and fringe banks, in both inner-city and suburban neighbourhoods. The shoppers would wait in the queue and then when it was their turn would proceed to the wicket, introduce their shopper persona to the teller, and ask about the services. At no time did they engage in a service. The services they asked about were: (1) in mainstream banks: bank account and overdraft protection on the bank account, (2) in fringe banks: cheque-cashing and payday loan. Mainstream banks generally require customers interested to open an account to make an appointment. The mystery shopping only involved talking with the teller about the basic requirements and fees for the account and the shoppers did not participate in a follow-up interview. Once the shop was completed, the shoppers answered a set of five questions about their shopping experience.

While the fringe and mainstream services are different, there are important similarities between cheque-cashing and having an account, on the one hand, and having overdraft protection and a payday loan, on the other hand. Cheque-cashing allows the recipient immediate access to his or her cash. This can be achieved at a mainstream bank if the person has an account with sufficient funds to cover the cheque (or wait out the hold period or use direct deposit). A payday loan is a two-week small-sum loan that could be approximated with an overdraft facility on the bank account.

The method was designed with the principal purpose of determining if low-income clients were treated less well than middle-income clients. That is why the pairs of shoppers included a low-income and a middle-income person. In order to include important factors that would affect the shopping experience, one-half of the shops were done with fringe banks and one-half were

done with mainstream banks. An additional three shops were done with community banking projects. Community banking projects are financial service projects that provide a select set of basic financial services targeting low-income people who often do not have a mainstream bank account.

Mystery shopping can be designed in different ways. For instance it is possible to use a large number of shoppers in order to represent a diverse population (e.g., FCAC mystery shopping). Alternatively, and the method used here, mystery shopping can use paired shoppers (Ayres 1991). By pairing, it is meant that the shoppers will appear to be roughly the same save for one dimension, in this case their income level. Thus, the shoppers for this study were of the same gender (all female), roughly the same age (between mid-twenties and late-forties) but one portrayed a low-income person and the second portrayed a middle-income person. The principal way by which the shoppers portrayed their income level was through their verbal introduction to the bank teller at the very beginning of the shop. Each shopper would describe key elements of their character, such as type of employer or relying on social assistance, that would provide the teller enough information to know if they were low- or middle-income. In addition to the verbal introductions, shoppers used other means to support their character including clothing, make-up, and jewellery.

This mystery shopping method is a small-scale mixed-method design. The banks were not randomly selected but were selected to represent the types of banks that low-income people often use. This was done by identifying bank branches in selected neighbourhoods and then choosing a sub-set of them from the different categories: mainstream bank, credit union, payday lender, and community banking projects. Mainstream bank branches were from one of the largest five banks.

In some cases there were only just enough branches in the selected neighbourhood; in other cases the first available branches were selected; in other cases, when needed, additional branches from similar neighbourhoods were selected. Since the banks were not randomly selected, we did not apply statistical tests to the quantitative data.

The selection method of branches had important consequences for the structure of the sample. Since mainstream banks (not credit unions) are very large, with branches across the country, the sample included 4 to 6 branches for each of the 'big five banks,' for a total of 25 branches. Since credit unions are relatively small, and provincially-based, the sample of credit unions was small and diverse, totalling 5 branches (this sample did not include several branches for any one credit union). There are some large payday loan companies, with outlets across the country, so that for two payday lenders there were between 6 and 10 outlets with a total of 30 payday loan outlets in the sample. There are few Community Banking Projects and 3 were included in the sample for this study.

By mixed method, we mean that it includes both quantitative and qualitative elements. Besides some basic data such as gender of teller, size of queue, and the duration of the shop, shoppers were asked to respond quantitatively and qualitatively to five questions. These questions were about the (1) accessibility and (2) understandability of information (especially fees) about the service, (3) the courtesy, (4) interest, and (5) eagerness of the teller (questionnaire is found in the appendix). Each of these questions had a quantitative (shoppers assigned a score of 1 to 5) and qualitative component (shoppers explained the reason[s] for their assigned score). The possibility of subjective scoring was reduced by training the shoppers about the questions, having the shoppers test the method before implementation, and having them do regular debriefs about their results.

Low- and middle-income designations are referred to here for both the shopper and the neighbourhood. Shoppers described key personal characteristics to indicate to the teller that they were either middle- or low-income. Middle-income shoppers used the same introduction in all banks: explaining that they had a job with a large local institution. For mainstream bank shops low-income shoppers explained that they were receiving social assistance and, in order to be eligible for a payday loan from a fringe bank, they explained that they worked at a minimum wage job.

Bank branches were selected from two different types of neighbourhoods: inner-city and suburban. By inner-city, we mean the residential ring around the downtown, where average income is low, unemployment rates are high, as compared with suburban neighbourhoods. In some cases, we selected branches for the inner-city category that were not located adjacent to the downtown, but in neighbourhoods close-by, with similar socio-economic features of the inner-city. These neighbourhoods were selected using a number of indicators including average household income data from the 2006 census. In order to minimize language and cultural variables from affecting the method, neighbourhoods were selected where English was the dominant language. Suburban neighbourhoods were ones with average incomes above the city average and inner-city neighbourhoods had average incomes well below the city average. In Toronto, inner-city neighbourhoods included poorer regions of Parkdale and suburban neighbourhoods included Port Credit. In Vancouver, inner-city neighbourhoods included the Commercial and Broadway region, while middle income neighbourhoods included Dunbar St., parts of Burnaby, and parts of New Westminister. In Winnipeg, inner-city neighbourhoods were located in the inner-city or core area, including the North End and Spence. Middle-income neighbourhoods were scattered around the suburbs including North Kildonan, Charleswood, and Ft. Garry.

There were a total of 63 mystery shops, 30 each in mainstream and fringe banks, and 3 in community banking projects (Table 1). Thirty-three mystery shops were completed in inner-city neighbourhoods and 30 in suburban neighbourhoods. There were five shops per city for both fringe and mainstream banks completed in suburban and inner-city neighbourhoods, totalling to 15 shops per bank type, for both suburban and inner-city neighbourhoods.

Table 1. Sample-size for Paired Mystery Shopping in each City, by Bank Type and Neighbourhood

Neighbourhood type	Bank type			Total
	Fringe	Mainstream	CBP*	
Suburban	5	5		10
Inner-city	5	5		10
<i>Total per city</i>	10	10		20
Suburban	15	15		30
Inner-city	15	15	3	33
<i>Grand total</i>	30	30	3	63

*Because of limited numbers of community banking projects only 3 shops were completed, one in Vancouver and two in Toronto. The mystery shop at Pigeon Park Savings in Vancouver was done by only the low-income shopper as it was felt implausible that a middle-income person would shop there.

To be effective, mystery shopping involves an element of deception: the tellers must believe that the shopper is a typical low- or middle-income consumer. This characteristic of the method introduces an element of risk. However, because the research subjects are retailers, i.e., banks, and the data being collected is about how retail bank staff treat their clients, the method is generally judged to be of low risk to the research subjects. Because we could not get informed consent before the mystery shopping we informed the business, in writing, after the visit. In this letter we informed the business that, if they requested, we would provide them with a copy of the relevant research report (7 bank managers requested copies). Since we could not get participant approval before the method was implemented, our ethics protocol required that we keep bank names anonymous. Thus, we do not report here on how particular banks rank.

The shop was designed to have three steps: the approach, the interview, and the documentation. The approach involved the mystery shoppers arriving at the branch together entering the branch 5 to 10 minutes apart, in no particular order. Each shopper entered the outlet observing signage to do with the relevant services and any staff response to their entry. Then the shopper moved to the queue to wait for the first available teller. The interview stage involved two parts as follows:

- Once at the wicket the shopper provided key information to describe her income category and ask about the first service they are seeking information about: for mainstream banks this was opening an account, and for fringe bank it was for cashing a cheque. Questions include the criteria for use and fees. The shopper observed the content and manner of the teller's response. If a follow-up appointment was needed, as with the case with many mainstream bank shops, the shopper recorded this.
- Once that phase is complete, the shopper then asked about the second service, the overdraft in the case of the mainstream bank, and the payday loan in the case of the fringe bank. Once again, the shopper would ask about how to obtain a loan and what the associated fees are. Once this phase was completed, the shopper thanked the teller for the information and left the branch.

The final stage of the mystery shopping also had two parts. First, once outside the outlet, the shopper immediately moved to a nearby location to write notes about the shop. Then at a convenient time later that day, the notes were transferred to a database. In addition to notes for each shop, each shopper kept a professional journal of her experience in which she commented on important findings and reflections on the mystery shopping method. Finally the coordinator for the shop in each city, following a debrief session with the other shopper, prepared a final report that included a summary of the key findings, and a comparison of the two shoppers' experiences.

The initial testing of the method was done by the principal investigator and two research assistants in Winnipeg in August 2008. After the method was finalized, field work was completed by the same two research assistants in Winnipeg in September 2008. Field work was done by two

other research assistants in Toronto in December 2008 and completed by one of the Toronto research assistants and a new research assistant in Vancouver in November 2009.⁴

Results

The analysis of the data began in March 2009 and then continued from November through December 2009. It involved analysing the qualitative and quantitative data. The analysis began with the quantitative data, and then proceeded to examine the qualitative data, and finally comparing these results. The quantitative analysis was done ‘by dimension,’ i.e., income, bank type, and location, and ‘by question,’ i.e., by individual questions one to five. Data for the dimension-based analysis were generated through average scores and then comparing these scores across the relevant dimension. For instance, to compare overall differences in income level, average scores were generated for all five questions for middle- and low-income shopper. The average score for each question and the total score for all questions were compared for both shoppers. For quantitative analysis by question, average scores were generated for middle- and low-income shoppers. Statistical tests were not applied to the data as the banks were purposively, not randomly, selected.

There were two types of qualitative data and analysis: (1) the comments shoppers provided to support their scoring of each bank for each question, and (2) summary comments of each shopper and coordinator. The comments were completed on the day of the shop and the summary comments were prepared by each shopper, and a separate one by the coordinator, after the completion of the process. Samples of question-based comments are included in the section that analyses the data by question. Analysis of the shoppers’ summaries is found in the final section of the results.

Preliminaries

Eighty percent of the tellers were female and 20% were male. The time spent for the shop was short, generally running between 4 and 5 minutes (Table 2). Slightly more time was spent in mainstream banks (4.8 minutes) as compared with fringe banks (4.1 minutes). For both types of banks, the average time spent was higher for the middle-income shopper than the low-income shopper. For mainstream banks, middle-income shoppers spent just over one-quarter more time as compared with low-income shoppers. Shops at inner-city banks took longer than shops at suburban banks.

Table 2. Duration of Shop by the Shopper with the Teller, minutes

Time (minutes)		middle	low	m-l	(m-l)/l	inner	suburb
all	4.5	4.9	4.1	0.8	18.6%	4.9	4.1
main	4.8	5.4	4.3	1.1	25.6%	5.3	4.4
fringe	4.1	4.4	3.9	0.5	12.8%	4.5	3.7

⁴ The time lag between the mystery shops in Toronto and Vancouver was because a set of mystery shops were completed in Vancouver that had to be discarded partly because the low-income neighbourhood shops, in Chinatown, introduced another unexpected variable (i.e., the first language used was Cantonese).

Mainstream banks had a longer queue than did fringe banks in both suburban and inner-city locations (Table 3). Mainstream bank queues were longer in inner-city vs. suburb and branches but fringe bank queues did not vary by location.

Table 3. Queue Size before Interview

Queue	all	inner	suburb
all	0.8	1	0.6
main	1.3	1.6	0.9
fringe	0.4	0.4	0.4

The greatest differences in the shops were across bank types, i.e., fringe versus mainstream banks (Table 4). This is followed by differences by income, and then differences by location. Differences within the *location* variable (suburb and inner-city) are the most modest. The interpretation of these data is that shopper income level is not the most important variable in shaping the shopper's experience. It may be as important as location but type of bank seems to be the most important determinant of the quantitative data. The differences across type were for all sites (all, Toronto, Vancouver and Winnipeg). In almost all cases (20 out of 22) the scores were higher for individual questions for mainstream over fringe banks, with the exception of one in Toronto and one in Vancouver. The difference of the sums was the greatest here as well, with the greatest difference across all comparisons for Winnipeg and all. Differences in Toronto and Vancouver data were also large.

Table 4. Question Counts and Total Quantity Comparisons by Shopper Income, Location, and Bank Type

		All	Winnipeg	Toronto	Vancouver
Income	# middle > low	4	5	4	4
	# low > middle	0	0	2	2
<i>Difference</i>	Total quantity	0.9	1.6	0.6	1.1
Location	# suburb > inner	3	1	3	3
	# inner > suburb	2	4	2	1
<i>Difference</i>	Total quantity	0.1	-0.8	1.8	1.6
Bank	# main > fringe	5	5	5	5
	# fringe > main	0	0	1	1
<i>Difference</i>	Total quantity	6.7	10.0	2.8	2.7

Analysis by Dimension

In examining the entire data set, quantitative analysis was done by comparing scores on the five questions (accessibility, understandability, courtesy, interest, and eagerness). Comparisons were made for each question, for an average of all questions, and for the total score. Differences between the two groups were highlighted (circled) in the table when (1) one group received the majority of higher responses or (2) the difference between the total score for all questions for one group as compared with the other group was greater or equal to approximately 20% of the score, or 0.9. Qualitative analysis was made for the dimensions –shopper income level, bank type, and neighbourhood type– by examining the shopper qualitative reports.

Income Comparison

Overall, the data lend support to the claim that middle-income shoppers had a more positive experience than low-income shoppers in the shop (Table 5). This is particularly demonstrated in the overall and the Winnipeg data, but data for all sites is supportive of this difference. Toronto data are closer but still demonstrating a slightly better experience for the middle-income shopper.

Table 5. Question Counts and Total Quantity Comparisons between Middle- and Low-income Shoppers

		Overall				Location				Inner-city				Bank				Fringe				
		A	W	T	V	A	W	T	V	A	W	T	V	A	W	T	V	A	W	T	V	
Income	Counts																					
	Middle-income	4	5	4	4	6	5	6	3	2	4	3	4	3	4	1	6	3	4	5	3	
	Low-income	0	0	2	2	0	0	0	2	3	1	2	2	1	0	3	0	1	1	1	3	
	Scores																					
	Middle-income	16.8	17.6	20.6	22.1	22.5	17.8	22.3	21.7	16.0	17.5	14.5	22.3	19.8	22.5	21.4	24.9	13.8	12.8	19.8	18.9	
	Low-income	15.9	16.0	20.0	21.0	19.9	15.1	20.4	22.0	16.1	16.9	15.3	19.9	19.6	21.1	22.0	20.4	12.2	10.9	17.9	21.1	
	Difference	0.9	1.6	0.6	1.1	2.6	2.7	1.9	-0.3	-0.1	0.6	-0.8	2.4	0.2	1.4	-0.6	4.5	1.6	1.9	1.9	-2.2	
A = Overall, W = Winnipeg, T = Toronto, V = Vancouver																						
Identify if: 1) counts >= (x-1)/x, 2) q >= 0.9																						

When these data are compared by the location dimension, the largest differences in the data appear under the suburb variable. This is associated with Winnipeg, Toronto and the overall data. The middle-income shopper always scored higher and the quantitative differences are medium-sized. The interpretation of these data is that the middle-income shopper as compared with the low-income shopper consistently scores the suburb bank shop higher. The differences for Vancouver were small and mixed. Finally, the differences under the inner-city variable are negligible and mixed.

When the data are compared by the bank type dimension, middle-income shoppers, as compared with low-income shoppers, scored mainstream and fringe bank shops higher. Middle-income shoppers in Vancouver and Winnipeg particularly favoured mainstream banks as compared with low-income shoppers. For fringe banks, data suggest that middle-income shoppers had a better shopping experience as compared with low-income shoppers for the overall data, Toronto, Winnipeg but not Vancouver.

The duration of shop for the middle-income shopper was often longer than for the low-income shopper, particularly in Winnipeg (Table 6). The data below support this result for the

overall data, for mainstream and fringe banks. This relationship also holds for Winnipeg and mainstream Toronto shops. It does not hold for suburban Toronto, or for Vancouver. In fact, particularly inner-city Vancouver locations, the time spent with the shopper favoured the low-income shopper.

Table 6. Duration of Interview by Shopper Income Level

	Overall	Middle-income	Low-income
Duration (minutes)	4.5	4.9	4.1
Toronto	4.6	4.7	4.4
Vancouver	5.3	4.3	6.4
Winnipeg	3.5	5.3	1.8

Bank Comparison

The largest differences between the shoppers' experiences were between mainstream and community banking projects on one hand and, fringe banks on the other hand (Table 7). Shoppers' experiences, on average, were of higher quality in mainstream banks and community banking projects as compared with fringe banks. Note below that these differences persist when broken down into income and location as well. The mainstream advantage was highest for Winnipeg, then for the combined data, then for Toronto and Vancouver. The gap in the Winnipeg data is the highest of any general category.

Both middle- and low-income shoppers show a strong preference towards the mainstream banks in both frequency and quantity. This is most pronounced for Winnipeg shoppers (especially the middle-income shopper, the highest difference), the Vancouver middle-income shopper, and the Toronto low-income shopper. The Toronto middle-income shopper and the Vancouver low-income shopper assigned a more mixed result to the bank types, mildly favouring mainstream banks and fringe banks, respectively. The interpretation of these data is that virtually all shoppers had better quality shopping experiences with mainstream over fringe banks and that this was most pronounced in Winnipeg.

Table 7. Question Counts and Total Quantity Comparisons between Mainstream and Fringe Banks

Bank	Counts	Income												Location							
		Overall				Middle-income				Low-income				Suburb				Inner-city			
		A	W	T	V	A	W	T	V	A	W	T	V	A	W	T	V	A	W	T	V
Mainstream	5	5	5	5	5	5	3	6	5	5	5	2	5	5	4	6	5	5	5	5	
Fringe	0	0	1	1	0	0	2	0	0	0	1	3	1	0	2	0	0	0	0	1	
Scores																					
Mainstream	19.7	21.8	21.7	22.8	24.5	27.5	21.4	24.9	19.6	21.1	22.0	20.4	24.2	21.5	22.4	20.0	19.6	22.1	17.1	21.4	
Fringe	13.0	11.8	18.9	20.1	13.8	12.8	19.8	18.9	12.2	10.9	17.9	21.1	18.2	11.4	20.3	16.4	12.5	12.3	12.7	19.4	
Difference	6.7	10.0	2.8	2.7	10.7	14.7	1.6	6.0	7.4	10.2	4.1	-0.7	6.0	10.1	2.1	3.6	7.1	9.8	4.4	2.0	
A = Overall, W = Winnipeg, T = Toronto, V = Vancouver																					
Identify if: 1) counts >= (x-1)/x, 2) q >= 0.9																					

When examined on the location dimension, once again, the mainstream bank shop was judged higher quality in both suburb and inner-city locations in virtually all scenarios. The greatest difference was in the Winnipeg suburbs between mainstream and fringe banks; the weakest difference was in the Toronto suburbs between mainstream and fringe banks.

Time spent with the teller differed between bank types. The differences were not large between mainstream (4.8 minutes) and fringe banks (4.1 minutes). The gap in time spent favoured mainstream banks in each location but was highest—in absolute amount—in Vancouver. The amount of time spent in community banking projects was longer at 9.1 minutes, influenced by a long time spent by the shopper in Vancouver. The amount of time spent with the teller in the community banking projects in Toronto was quite short.

Location Comparison

Differences within the location variable (suburb and inner-city) were more modest than for the type variable (mainstream and fringe) and about as large as for the income variable (middle- and low-income) (Table 8). The location factor—suburbs versus inner-city—affected the shopping experience but primarily for the middle-income shoppers who favoured suburban shops. This was particularly the case in Winnipeg and Toronto. The Winnipeg middle-income shopper’s qualitative report was particularly clear about the superiority of the suburban as compared with the inner-city shops. The middle-income Vancouver shopper’s experience was more mixed. Quantity and frequency favour the suburbs over the inner-city for the overall data and for each city.

Table 8. Question Counts and Total Quantity Comparisons between Suburb and Inner-city Location

		Income												Bank								
		Overall				Middle-income				Low-income				Mainstream				Fringe				
		A	W	T	V	A	W	T	V	A	W	T	V	A	W	T	V	A	W	T	V	
Location	Counts																					
	Suburbs	3	1	3	3	3	4	4	3	2	0	3	4	2	1	2	5	3	2	3	3	
	Inner-city	2	4	2	1	1	1	1	2	2	5	2	2	3	3	2	0	2	2	2	2	
	Scores																					
	Suburbs	16.1	16.4	16.7	18.4	17.5	17.8	22.3	21.7	15.6	15.1	20.4	22.0	19.7	21.5	17.9	24.0	13.4	11.4	15.5	19.7	
	Inner-city	16.0	17.2	14.9	16.8	16.0	15.1	14.5	22.3	16.1	16.9	15.3	19.9	19.6	22.1	17.1	25.0	12.5	12.3	12.7	22.7	
	Difference	0.1	-0.8	1.8	1.6	1.5	2.7	7.8	-0.6	-0.5	-1.8	5.1	2.1	0.1	-0.6	0.8	-1.0	0.9	-0.9	2.8	-3.0	
A = Overall, W = Winnipeg, T = Toronto, V = Vancouver																						
Identify if: 1) counts >= (x-1)/x, 2) q >= 0.9																						

In examining the data on the income dimension, some major differences were found for the middle-income shopper, who favoured the suburban shops over the inner-city shops by a ratio of 3:1 or 4:1. In fact, these differences are almost as high as the differences in the bank type. For the low-income shopper, the data demonstrate a mild preference for the suburban shops over the inner-city shops. But this varies by city: the Winnipeg low-income shopper favoured inner-city shops; the Toronto and Vancouver shoppers favoured suburban shops. The interpretation of these data is that the middle-income shoppers—Toronto especially—scored the suburban shops higher than the inner-city shops.

In examining the data on the bank type dimension the data show little difference on the basis of type, with the minor exception of the quantity for the overall data, Winnipeg and Toronto. At 2.8, Toronto's difference is quite high, meaning that for some indicators, the suburbs outperformed the inner-city fringe banks. Otherwise, the conclusion from these data is that the location did not significantly affect the shoppers experience in mainstream and fringe banks.

More time was spent by shoppers in inner-city shops (4.9 minutes) as compared with suburban shops (4.1 minutes).

Analysis by Question

Shoppers were asked to rate their shopping experience in each bank using five questions related to the information accessibility, information understandability, teller courtesy, teller interest, and teller eagerness. This section analyses the results for each question. Qualitative and quantitative data were examined. In the cases of larger banks for which there were sufficient responses, the responses were grouped by the bank. In other cases, smaller banks with a smaller number of samples, the responses were averaged by group. In each case, shoppers were asked to score their experience from one (lowest) to five (highest) and to explain the reason for the score. Bank groups included: banks, credit unions, banks and credit unions, small fringe banks⁵, and all fringe banks. Scores and ranks are also provided for banks for which there were multiple shops, at least four or five (except for the community banking projects for which the sample was limited to 3 shops). In these cases bank names have been removed in order to protect the anonymity of the research subject.

In addition to scoring, shoppers were also asked to provide details for each question to explain their scoring. These qualitative responses help to explain the differences that have been identified in the quantitative data. Shoppers' quotes are presented, by question, after the quantitative data is presented. Note that each quote is identified by the type of bank (mainstream bank, MB; credit union, CU; fringe bank, FB; or community banking project, CBP), city (Toronto, Vancouver or Winnipeg), location (suburb or inner-city) and shopper income level (low-income, LI; or middle-income, MI).

Responses to the five questions were examined for correlation. It was thought that shopper scoring might be correlated with the amount of time for the shop. But the results found that time for the shop did not show substantial correlation with any of the questions, ranging from 0.09 to 0.15 (Table 9). Shoppers' responses to information accessibility and understandability were correlated somewhat with a correlation coefficient of 0.50. Shoppers' responses regarding teller courtesy were correlated with teller interest (0.65) and teller eagerness (0.54), as were responses to interest and eagerness (0.78).

Table 9. Correlation Matrix of Question Average Scores

	Time	Access	Understandability	Courtesy	Interest	Eager	Average
time		0.09	0.10	0.14	0.12	0.14	0.15
access			0.50	0.45	0.48	0.49	0.73
understandability				0.28	0.37	0.44	0.66
courtesy					0.65	0.54	0.73
interest						0.78	0.85
eager							0.87
average							

The average score for each question, across all shoppers ranges from 2.99 for question #5 (teller eagerness) to 4.06 for question #3 (teller courtesy) (Table 10). Teller interest fell in

⁵ The small fringe bank group primarily included small firms with a few outlets. But it also included some medium and even large payday lenders for which only a few shops were completed.

between teller courtesy and teller eagerness. Information accessibility (3.25) scored slightly lower than information understandability (3.55).

Table 10. Average Score by Question

Question	Sample size	Score
1	63	3.25
2	63	3.55
3	63	4.06
4	63	3.25
5	63	2.99

The next section of the report works through the data by question. In each case, quantitative data are presented and this is followed with a selection of representative quotes from the qualitative comments made by shoppers for each question. In addition, on the topic of information, an additional section is presented that draws on the shoppers' qualitative summaries.

Information Accessibility

Shoppers were asked to evaluate how accessible was information about the financial services. For all shoppers as a group, the top ranked bank was mainstream bank #1, followed by the community banking projects, and then mainstream bank #3 (Table 11; Table 19 in Appendix). At the very bottom of the ranking were small fringe banks, mainstream bank #5, and all fringe banks. Two large fringe banks ranked 9th and 10th. Mainstream bank #2, credit unions, and mainstream bank #4 fell in the middle of the group. In terms of categories of banks: banks were at the top, followed by credit unions, and then fringe banks. When the data were ranked by the middle- and low-income shoppers, only minor changes occurred. The community banking project and several banks rank at the top, fringe banks and mainstream bank #5 fall near the bottom. Banks and credit unions vie for the top category between middle- and low-income shoppers but fringe banks stay at the bottom.

A surprising result is that the differences are as great within bank type (e.g., within mainstream banks) as between bank type (e.g., between mainstream and fringe banks). Mainstream bank #1 ranked at the top for all shoppers with an average value of 4.45 whereas mainstream bank #5 fell second to the bottom with a ranking of 2.60. This difference (4.45 – 2.60), 1.85, is greater than the difference between the top group, banks (3.71) and the bottom group, small fringe banks (2.32), equal to 1.39. Some banks, notably #1 and #3 did well on this question while other banks, #4 and #5 did poorly. Credit unions fell in the middle of the pack, and fringe banks ranked in the bottom-half of the group.

Comparing ranking between low- and middle-income shoppers showed some differences. Two banks and the community banking project ranked at the top for both types of shoppers. One bank, bank #4, ranked very low for low-income shoppers but ranked higher for middle-income shoppers. Conversely, fringe bank #2 ranked in the middle for low-income shoppers and near the bottom for middle-income shoppers.

Table 11. Ranking of Banks for Information Accessibility, Question #1, by Shopper income Level

	Low-income	Middle-income
1	MB #1	CBP all
2	CBP	MB #3
3	MB #3	MB #1
4	MB all	MB #4
5	MB #2	MB #2
6	MB and CU all	CU all
7	CU all	MB and CU all
8	FB #2	MB all
9	FB #1	FB #1
10	MB #4	FB all
11	MB #5	FB #2
12	FB all	FB small
13	FB small	MB #5

Information Understandability

Shoppers were asked to report on how understandable the financial service information that they received was. A complicating factor with this question is that shoppers' evaluation of how well they understand the service depends partly on how accurate the teller is. For instance, if the teller holds back explaining complicated information the shopper may conclude that she understands the information provided. But this ignores the information that was not shared. This was particularly an issue that arose with the payday loans.

The results for this question are similar to information accessibility, question one. The shoppers judged the most understandable information coming from community banking projects, followed by mainstream bank #2 and #1 (Table 12; Table 20 in Appendix). The least understandable information came from fringe bank #2, with somewhat better performance for the small fringe banks, and fringe bank #2. In the middle spots, the position of credit unions dropped a little, while the position of mainstream bank #4 and #5 increased slightly.

Mainstream banks scored quite highly in this category, with reference to account opening. In most cases tellers, or other officers the shoppers were referred to, were able to provide written information about the accounts and verbally explain the options. In some cases, the officer recommended one account and in other cases, they suggested a couple of options.

In the case of payday lenders, the situation was quite different in regards to how understandable the information was. All of the fringe banks fall to the bottom of this ranking with fringe bank #2 falling very last. Small fringe banks, as a group, were also rated poorly. Fringe bank #1's ranking was slightly better than these other fringe banks. Two issues arose in the shopper comments: (1) the ability of the shopper to understand the information that was provided, particularly regarding payday lending, and (2) the shopper's sense that she did not receive all the salient information. Often times fee information was not available in written form and the teller, when pressed, would write out the information on a piece of paper. In some cases, the teller herself was not sure about the service fees. In some cases, fringe banks provided clear and precise information, particularly about cheque-cashing.

In terms of low-middle income shopper comparison a couple of points stand out. Credit unions, as a group, were ranked higher by middle-income than low-income shoppers. Mainstream bank #1 was ranked higher for low-income than middle-income shoppers. Fringe bank #2 ranked last for both groups.

Table 12. Ranking of Banks for Information Understandability, Question #2, by Shopper Income Level

	Low-income	Middle-income
1	CBP	CBP
2	MB#2	MB#2
3	MB#1	MB#3
4	MB#3	CU All
5	MB All	MB and CU All
6	MB and CU All	MB All
7	MB#5	MB#1
8	MB#4	MB#4
9	CU All	MB#5
10	FB#1	FB#1
11	FB All	FB All
12	Fr Small	FB Small
13	FB#2	FB#2

Teller Courtesy

Shoppers were asked to score the tellers as to how courteous they were. The shopper was looking for the general behaviour of the teller including content of her responses, tone, and body language. As noted above scores on this variable were the highest among all the questions.

Rankings here show patterns similar to the rankings for questions #1 and #2 in the top ranks (Table 13; Table 21 in Appendix). Community banking projects and mainstream banks #1 and #3 are at the top for this question. The rank of credit unions drops from the very middle in questions #1 and #2 to closer to the bottom. Fringe bank #2 ranks slightly higher than fringe bank #1, both ranking higher than the average for the small payday lenders. Once again, mainstream bank #5 ranks near the bottom of the group.

Experience with mainstream bank tellers was generally evaluated quite highly by shoppers, often in the four to five (out of five) range. In some cases, tellers were polite and in other cases, they were quite friendly. However, in some cases, particularly for the low-income shopper, shoppers felt the courtesy was constrained by the teller's desire to end the conversation. There were a few cases for the low-income shopper after she introduced herself and explained her income situation, where the shopper felt the teller lost interest in her.

Shoppers scoring of the large fringe bank tellers was relatively consistent, if lower than most mainstream banks. Scoring for some of the small fringe banks were relatively high but others were ranked very low. The community banking projects were ranked by all the shoppers the highest, with an average score of five.

In terms of differences between low- and middle-income shopper experiences, some comments can be made. Among the mainstream banks, mainstream bank #2 ranks higher among low-income shoppers; mainstream bank #3 and #4 rank lower for low- versus middle-income

shoppers. Credit unions also rank higher among middle- versus low-income shoppers. Among fringe banks, fringe bank #1 ranks higher among low-income shoppers versus middle-income shoppers, the reverse is the case for fringe bank #2.

Table 13. Ranking of Banks for Teller Courtesy, Question #3, by Shopper Income Level

	Low-income	Middle-income
1	MB#1	CBP
2	CBP	MB#3
3	MB#2	MB#4
4	FB#1	CU All
5	MB All	MB#1
6	MB#3	FB#2
7	MB and CU All	MB and CU All
8	FB#2	MB All
9	MB#4	MB#2
10	FB All	FB#1
11	CU All	MB#5
12	FB Small	FB All
13	MB#5	FB Small

Teller Interest

Shoppers were asked to what extent they felt the teller was interested in them as a prospective client. For this question, shoppers were asked whether the teller probed them for salient information about their financial service needs during their interaction.

The same four banks are found at the top of this ranking as with the teller courtesy, question #3: community banking projects, mainstream banks #1, #3, and #2 (Table 14; Table 22 in Appendix). And a similar group of banks fall to the bottom, ascending from the bottom: small fringe banks, mainstream bank #5, fringe bank #2 and fringe bank #1.

Teller interest in the shoppers on the basis of income level did not vary substantially except in one dramatic case, that of mainstream bank #4, where the interest level was judged to be higher on the part of the middle-income shoppers as compared with the low-income shoppers (Table 14).

Table 14. Ranking of Banks for Teller Interest, Question #4, by Shopper Income Level

	Low-income	Middle-income
1	MB#1	MB#4
2	CBP	MB#1
3	MB#2	MB All
4	MB All	MB and CU All
5	MB#3	MB#2
6	MB and CU All	MB#5
7	FB#1	CU All
8	FB#2	CBP
9	CU All	MB#3
10	MB#5	FB#2
11	FB All	FB#1
12	MB#4	FB All
13	FB Small	FB Small

Teller Eagerness

Finally, shoppers were asked to comment on how eager the teller was for their business. Eagerness could be demonstrated by the content and tone of the tellers' responses and questions and by her body language. The shoppers were asked to what extent the teller demonstrated eagerness in getting their business.

A similar group sits at the top of this ranking including mainstream banks #1, #2, community banking projects, and mainstream bank #3 (Table 15; Table 23 in Appendix). The bottom ranked banks are the small fringe banks, the two large fringe banks and credit unions. Falling in the middle, mainstream bank #5 did a little better on this factor than it did on the other factors.

Eagerness or a lack of eagerness was demonstrated in a variety of ways by the tellers. Eagerness was often reflected in the teller doing something tangible to encourage the shopper to return. This was done by suggesting an appointment be made, providing a business card, and/or providing pamphlets on the financial service. The tone of the teller's comments influenced the sense of teller eagerness. When the teller's tone was inviting or encouraging this created a sense that the teller was eager for her business. Alternatively, when the teller's tone was neutral or negative then the shopper did not feel there was an eagerness for the business. Shoppers often found that fringe bank tellers were indifferent for their business. This was particularly the case with small fringe banks.

Once again, when comparing the low- and middle-income shoppers experience on teller eagerness, mainstream bank #4 stands out. Whereas low-income shoppers ranked it very low (second to the bottom), the middle-income shoppers ranked it the top of the group. Mainstream bank #5 demonstrated a similar relation between low- and middle-income shopper but not as large a jump. Low-income shoppers ranked mainstream bank #2 and #3 higher than did the middle-income shoppers. The community banking projects and the two large fringe banks also had higher rankings by low-income shopper as compared with the middle-income shopper.

Table 15. Ranking of Banks for Teller Eagerness, Question #5, by Shopper Income Level

	Low-income	Middle-income
1	MB#1	CBP
2	CBP	MB#1
3	MB#2	MB#3
4	MB#3	MB#4
5	MB All	MB#3
6	MB and CU All	MB All
7	FB#1	MB and CU All
8	CU All	CU All
9	FB#2	MB#5
10	MB#4	FB#1
11	MB#5	FB#2
12	FB All	FB All
13	FB Small	FB Small

Combined Ranking

When averages are generated across questions one through five, some differences surface between low- and middle-income shopper experiences (Table 16). The top ranked banks for both groups are the community banking projects, mainstream banks #1, #2, and #3. Mainstream bank #4 jumps from a low ranking for low-income clients to fourth ranking for the middle-income shoppers. Fringe bank #1 and fringe bank #2 do a little better among low-income shoppers than among middle-income shoppers. Small fringe banks, all fringe banks, mainstream bank #5, and fringe bank #2 rank near the bottom for both groups.

Table 16. Ranking of Banks for Average All Questions, by Shopper Income Level

	Low-income	Middle-income
1	MB#1	CBP
2	CBP	MB#1
3	MB#2	MB#3
4	MB#3	MB#4
5	MB All	MB#2
6	MB and CU All	MB All
7	FB#1	MB and CU All
8	CU All	CU All
9	FB #2	MB#5
10	MB#4	FB#1
11	MB#5	FB#2
12	FB All	FB All
13	FB Small	FB Small

In terms of the bank categories, for the average score across the questions (one through five), the ranking is the same for low- and middle-income shoppers: the top ranked are the community

banking projects, followed by the mainstream banks, then the credit unions, and finally the fringe banks (Table 17).

Table 17. Ranking of Bank Categories, by Shopper Income Level

Low-income	Middle-income
CBP	CBP
Banks	Banks
CU	CU
Fringe	Fringe

Analysis by Shopper's Qualitative Summaries

Summary

Once the shops and the individual shopping reports were completed, the two shoppers met to discuss the experience. Shoppers were then able to systematically compare and contrast their shopping experiences. Each shopper was asked to write a summary of key insights from the mystery shopping and to consider differences in the shopping experience based on income, bank type, and location. In addition to individual responses, the site coordinator wrote a summary of the two individual reports.

Shopper-income Level

All shoppers observed middle-income shoppers were treated more favourably than low-income shoppers at mainstream banks. Shoppers did not identify a difference in treatment at fringe banks. The mainstream bank differences were most pronounced for the shoppers in Toronto, followed by Winnipeg and then Vancouver. The most commonly noted ways in which the treatment differed by income level was: time spent for the shop, eagerness of the teller to win their business, tone of the conversation, body language of the staff, providing written information (e.g., pamphlets, business cards), and willingness to arrange a follow-up appointment.

The Toronto low-income shopper felt poorly treated: "It seemed that I was not considered a valuable asset to the bank because I was not given that much attention, my questions were brushed off, I did not receive any pamphlets to read, I was only given a business card when I asked for it and only a few branches told me what IDs I would need to bring in." Low-income shoppers in Toronto and Winnipeg felt that they received less time for the shop, less eagerness on the part of the teller, less written information, and sometimes not encouraged to arrange a follow-up meeting to open the account. In some cases low-income shoppers observed a shift in the teller's expression when they introduced themselves as receiving social assistance: "It seemed that when I mentioned that I was on Ontario Works [income assistance], there was an underlying effect like "I knew it!" and most of the teller's demeanour changed, their eyes would shift slightly."

The Winnipeg shoppers felt that both of them received courteous treatment by the tellers but they identified important ways in which their treatment was different. Tellers spent more time with the middle-income shopper as compared with the low-income shopper. In addition, the middle-income shopper felt her business was eagerly wanted, providing her with written information, business cards and encouraging her to make a follow-up appointment. The low-income shopper was treated differently:

I feel I was treated courteously and fair the majority of the time. I found as a customer going into the bank there was not a lot of time that was spent on me, maybe 30 seconds to 1 minute, and most tellers did not go out of their way to get me the extra information I had requested, like what types of bank accounts they offered. One teller wrote the phone number of a banking rep on the back of a card cover. I felt that I might have received better treatment if I had something more to offer like some saving to invest or collateral like a mortgage. Maybe they just assumed I would be on assistance forever. I was told by most tellers that I needed to set up an appointment first.

The Vancouver low-income shopper felt her mainstream shops more troublesome in the inner-city branches and more pleasant in the suburbs. She found that her treatment in mainstream banks ranged from quite good to very poor and this contrasted sharply for her experience with fringe banks: “I enjoyed the fringe shopping better than the bad experiences at mainstream banks in the low-income [inner-city] areas, but the best experiences happened at the mainstream banks in the middle-income [suburban] area.” The middle-income shopper felt well treated at all mainstream banks and was surprised at a level of special treatment she received at inner-city branches, as compared with suburban ones. In comparing their experiences, the Vancouver coordinator commented:

We believe that mainstream tellers were, on the whole, more eager for [the middle-income shopper’s] business than [the low-income shopper’s], that she was more often urged to make an appointment, and that she probably came away with more literature than I did. While we often liked and disliked the same branches, [the middle-income shopper] seemed on the whole to have a richer experience than I did (more information given to her, more friendly relations with tellers).

The different treatment received by shoppers at mainstream banks contrasted with the treatment at fringe banks where little difference was identified. The Toronto shoppers thought that, with the exception of fringe bank #1 and a few others, fringe bank tellers did not seek to make the shoppers feel welcome. Indeed, the Winnipeg middle-income shopper felt that such little effort was made on the part of the fringe bank teller, she concluded the tellers were trained to maintain customer anonymity as opposed to building a relationship. The low-income shopper in Vancouver felt that, in spite of the poor treatment by fringe bank tellers on average, she was more comfortable with their consistent mediocre behaviour as opposed to the more varied behaviour of mainstream bank staff.

Bank Type

The quantitative results found that the largest differences in the shoppers’ experiences were between types of banks, particularly between fringe and mainstream banks, and to a lesser extent with community banking project. One of the principal differences between fringe and mainstream banks had to do with accessibility and understandability of information about the financial services. This was such a major issue that it is addressed in a separate section (below). Other differences between the bank types, discussed here are: overall experience/courtesy of tellers, busyness of the branch, time required to complete the shop, and privacy of information. Other issues discussed in this section are: the unique features of community banking projects, and differences among types of fringe banks, i.e., differences noted between the large chains and most of the smaller firms.

Generally, most shoppers commented more positively on their shopping experience with mainstream banks as compared with fringe banks. This was often –but not always– related to the courtesy of the teller. Another important variable was the access and understandability of information. All middle-income shoppers felt more positive about their experience with the mainstream banks as compared with the fringe banks. The middle-income shoppers commented that the tellers at mainstream banks were professional, friendly, and often made the shoppers feel

welcomed. The Toronto middle-income shopper felt that mainstream bank staff were more friendly than fringe bank staff, particularly in the suburban branches. She noted that she experienced a similar level of staff friendliness at one large fringe bank chain and at smaller owner-operated fringe banks, but not at other fringe banks where she noted that “Staff at other fringe banks were usually unhelpful and did not attempt to be friendly, polite or welcoming.” The Vancouver middle-income shopper concurred with regard to the fringe bank staff courtesy. However, she noted a major difference between mainstream and fringe banks:

In the mainstream banks I was treated well overall although I definitely got better treatment in the low-income [inner-city] area. I found shopping the fringe banks to be very frustrating really. There was not one that I left (including the ones where I was particularly well treated) where I thought that I had been given the full picture.

The Winnipeg middle-income shopper evaluated the overall shopping experience at the mainstream banks favourably:

In summary, all (mainstream) bank branches regardless of location consistently applied standard processes carried out to serve the customer, identify new business opportunities and manage customer traffic accordingly. But for individual variations owing to personality and salesmanship, the consistency with which these processes were applied in my particular case was something I had not entirely expected. Inside of 4 to 6 minutes, I was made to feel welcome, that my business was valued and that I would be well looked after.

However, the same middle-income Winnipeg shopper was less impressed with the fringe bank shopping experience. She felt that the experience was in sharp contrast to the mainstream bank shops, particularly regarding information (discussed separately), and regarding the professionalism of the staff.

Low-income shoppers had a more mixed experience with the mainstream banks. The Vancouver low-income shopper found her experience at mainstream banks varied considerably and preferred suburban shops to inner-city shops. Her experience at fringe banks was more consistent and, overall, involved a better shopping experience than at mainstream banks. She raised an important point about how consistency across fringe banks, as compared with the variability across mainstream banks, may explain how some people are more comfortable with fringe banks:

Mainstream banks accounted for both my best and worst shopping experiences. They are where I noticed the most interest or active disinterest, the most friendliness or rudeness, and most and least eagerness for my business. My experiences in mainstream banks were very mixed, while fringe experiences were most consistent. Mainstream banks had the potential to be very welcoming or very unwelcoming, while fringe banks were consistently indifferent but not rude. I can see how a low-income person would choose the mediocre service of a fringe bank

over some of the service that I received at mainstream banks, especially if that person were shopping for banks in a low-income area.

The Winnipeg low-income shopper experienced courtesy at most banks but felt overall that mainstream bank staff were more professional and courteous. However, through the debriefing session, she became aware of how the middle-income shopper was treated differently than her at mainstream banks, and that she (the low-income shopper) received less time and less information from staff than did the middle-income shopper. For fringe banks, no difference in treatment between middle-income and low-income shopper was identified. So her evaluation of the fringe banks did not change after the debriefing session with the middle-income shopper. She commented that: “The staff at the fringe banks were mostly courteous and willing to help me to understand the process.”

Several shoppers noted that the fringe banks were less busy than the (particularly inner-city) mainstream banks. This is reinforced by data on the duration of the shop and the queue sizes. The Toronto middle-income shopper noted:

Fringe outlets were never very busy. While there may have been some other customers at wickets, there was almost never anyone else in the queue. I found that on average the service was much quicker than at mainstream banks.

Both Vancouver shoppers also noted the marked difference in completing their shop at mainstream banks as compared with fringe banks: “We both felt that the mainstream [bank] shops took much more time than the fringe [bank] shops, especially in the low-income neighbourhood, where they [mainstream banks] were a lot more busy than in the middle-income area.” The low-income shopper felt that this detracted from the experience, in that it took more of her time. However, the middle-income shopper felt that the fringe bank tellers intentionally cut the shop short by rushing the conversation, providing little information, and/or not being attentive to the questions:

The time given to me in most of the fringe banks was less than the mainstream banks. With only some exceptions, I felt rushed and got the impression that I was wasting their time.

Privacy was another issue that arose as a difference between fringe and mainstream banks. Several shoppers felt that fringe banks provided very little privacy. They were required to share personal information, sometimes separated from the teller by a security glass, and/or in close quarters with other clients. The Winnipeg middle-income shopper commented:

Lack of privacy was astonishing in my opinion. Conversations regarding highly personal financial matters were carried out in the open, in raised voices when speaking through the glass service window, or in an open-air, public office environment in the case of [one payday lender]. Customers could easily overhear other customers offering confidential information as applications were taken, cheques cashed or questions answered.

Shoppers commented that their experiences in community banking projects were different from experiences in the other types of banks. The shops at these projects were rated very highly by the shoppers. Quantitatively they were evaluated as the best shops. Information was accessible and understandable, tellers were courteous and interested in the shoppers. The one dimension of the shop that was not rated highly was the teller's eagerness for the shopper's business. One shopper noted: "Overall, I felt that [the community banking project] had the lowest fees, and friendliest and most trustworthy staff of the fringe banks that we shopped. However, they were also by far the busiest." The busyness of the community banking project branches was noted by all the shoppers. For the Toronto shoppers, one of the community banking projects had a very long line up: "we observed a queue that stretched out the door and down the street." So that the shoppers postponed their mystery shop to another day and time when there was no queue. The same is true for the low-income shopper at the community banking project in Vancouver (there was no middle-income shopper). The Vancouver low-income shopper rated the community banking project shop highly. The information was accessible and understandable, the teller was courteous, interested and eager. Like the Toronto project, the Vancouver community banking project had a long queue on the day of the shop. She had a particularly interesting experience that warrants an extended quote:

Using PPS takes a lot of time. I had heard complaints about long waiting times at PPS, but I had no idea how long people actually wait until I shopped there. I only waited 15 minutes, but only because I was lucky enough to be given a ticket that was 228 places ahead of the one that I had taken. There is no comparison between the time it takes to shop at any other bank. Shopping at PPS was a unique experience, something totally different from shopping at a mainstream or fringe bank. I found the staff to be extremely helpful and the information very accessible, but I can see that even with these advantages, the time required to shop would be a major drawback. The numbered ticket system seemed to be the source of a very interesting miniature economy going on in the waiting area. Tickets with upcoming numbers were described to me as 'like gold,' and worth money. I was offered \$15 for my ticket when it was about 20-30 numbers away from being served. This could be an indication of how valuable time is for PPS customers, and how time can be a very real factor in decision-making about banking.

Virtually all shoppers noted an important difference in the shopping experience between different types of fringe banks. One large fringe bank chain was evaluated across the board as providing a reasonably good experience. Shoppers felt another large fringe bank chain provided a good experience except with respect to information. Shoppers struggled to obtain information and then to understand it, from this large fringe bank chain. Some shoppers also identified a reasonably good shopping experience in small fringe banks staffed by the owners. However, most shoppers noted that the shopping was not positive with other fringe banks. The middle-income Toronto shopper commented:

The attitude of the staff at mainstream banks was generally very friendly toward me, especially in the suburban shops. Fringe bank #1 staff was also usually friendly, as was staff at fringe banks that appeared to be owned and operated by a

single family. Staff at other fringe banks were usually unhelpful and did not attempt to be friendly, polite or welcoming.

Another point raised by the shoppers was that some fringe banks were open, but did not seem to have any staff on hand to help clients. In one case the shopper had to wait 10 minutes before being served. One shopper felt that the smaller fringe banks with employed staff were not very professional: “Some of the other [fringe banks] did not exactly inspire confidence that they would be in business for a long time to come.” Shoppers also noted that the large chain fringe banks were brighter, cleaner, and better furnished than the small fringe banks. This gave one shopper the sense of greater professionalism as compared with the small fringe banks. This shopper also noted that staff were “more friendly, provided more information, and seemed more knowledgeable than tellers at the other stores.” The Toronto low-income shopper commented that “I found that the smaller shops were more exploitive than the bigger franchises, even though they were cozier and friendly.”

The Vancouver mystery shopper, in commenting about the differences among fringe banks commented:

[Fringe bank #1] tellers were very friendly and knowledgeable, and they inspired confidence in the process. The décor and surrounding of [fringe bank #1] made me think ‘official’, ‘established’ and ‘institutional’ when compared to the other fringe banks. The fringe banks that seemed to be owned by the staff provided service that was even more friendly and welcoming than that of [fringe bank #1], but they did not provide the surroundings that would have inspired trust in me (e.g., little information available, sparse interior, homemade posters).

Neighbourhood Differences

While differences on the basis of neighbourhood were not the source of the largest differences, some notable points arose. However, these differences related primarily to mainstream banks and not so much to fringe banks. One shopper stated “The neighbourhood made a significant difference in mainstream [bank] shopping, but not so much in fringe [banks].” Fringe bank differences were far more notable between the large chains (and even here there was a major issue that differentiated two of the big chains dealing with information, see below) and some of the smaller companies.

There were some neighbourhood differences across fringe banks noted by shoppers. Some shoppers noted that suburban branches were better furnished and appointed than the inner-city branches. There was also a difference in the use of safety glass among one large chain. The use of safety glass took away from the shopper’s experience (in terms of privacy and general experience). It was noted that one large chain used it and another did not. However, the Winnipeg mystery shoppers noted that the one chain that uses safety glass does not do so in all locations. In particular, they found that it was not used in a newer suburban branch. One Winnipeg mystery shopper had some very different experiences across inner-city and suburban shops at a large fringe bank chain:

One inner-city [fringe bank #1] was extremely chaotic at the time of my visit. Customers were shouting at a visibly distressed staff, the office was not air-

conditioned, and there was a line-up in a very cramped, disorganized lobby. Suburban locations often offered coffee, seating, toys for children and candy machines.

Winnipeg shoppers did not identify a general difference between their shops in mainstream banks located in the suburbs and inner-city, except to note that inner-city banks tended to be less well-appointed and older. In Toronto, the low-income shopper noted a preference for inner-city branches as she felt that the tellers there understood her particular needs better than did suburban tellers. The middle-income shopper in Toronto found that the treatment and the efficiency of the suburban branches was greater than with inner-city branches:

Generally I felt that suburban mainstream banks offered better customer service than those in the inner-city. They seemed less hurried and more welcoming. I felt that this difference was most jarring when we shopped [a mainstream bank] in Parkdale right after we finished our shopping in the suburbs at another [branch of the same mainstream bank] (shops #10 and #11). Directly moving between neighbourhoods but keeping at the same bank made the difference clear; I was much less comfortable (probably partly due to the behaviour of the clientele and the people around the bank, and partly due to the attitude of the staff), felt less welcome and spent much less time in the inner-city [branch].

The middle-income shopper in Winnipeg noted differences between suburban and inner-city branches regarding security. Inner-city branches had more security including guards, and buzzers to get inside the branch. She felt less comfortable with the inner-city branches, as compared with suburban branches, as a result. Other differences were noted:

Not surprisingly, the physical locations in the inner-city were older, less well-maintained and less professional than those located in the suburbs. Most of the suburban branches are newer and therefore have the benefit of better layouts and up-to-date furnishings which contribute to a more professional ambience. Accordingly, staff appearance in the form of business attire and professionalism (adherence to sales and service standards) was more evident in the suburbs than the inner-city.

The experiences of the Vancouver mystery shoppers were the reverse of the Toronto shoppers. Here the low-income shopper preferred the shops in the suburban branches and the middle-income shopper preferred the shops in the inner-city branches. The reasons for this are different than the reasons stated by the Toronto shoppers. The low-income shopper preferred the suburban shops because she was better treated whereas she sometimes felt mistreated at inner-city branches:

At other times, I felt very unwanted, and like the staff were trying to get rid of me. Staff sometimes indicated surprise that I was in the bank, and acted like their services were not suitable for me, especially in the Commercial area (the inner-city neighbourhood).

The low-income shopper in Vancouver also noted that inner-city mainstream banks were busier and thus she had to wait longer there than in the suburbs (Table 18). However, the middle-income shopper preferred the inner-city branches as she felt particularly well-treated, almost like she was a special client, as compared to the bank’s usual clientele.

Table 18. Shopper General Preference Regarding Mainstream Bank by Location

City	Low-income	Middle-income
Toronto	preferred inner-city branches	preferred suburban branches
Vancouver	preferred suburban branches	preferred inner-city branches
Winnipeg	No preference	No preference

Comments about Information

As discussed above shoppers completed a summary of their mystery shopping experience that was used for further qualitative analysis. While they were not asked to address particular issues (information, courtesy, etc.), they all, to varying degrees spoke about the information issue. In fact, the accessibility and understandability of information on banking services turned out to be a major area of comment by the mystery shoppers. The shoppers noted major differences between bank type (i.e., fringe vs. mainstream bank) and the attitude of the teller towards information (relevant or not). The service type (i.e., payday lending as compared with other fringe and mainstream bank services) also demonstrated major differences. Shoppers also found differences in the way in which information was conveyed (verbally or in written form; fees versus amount of cash back from a cashed cheque). Shoppers also found that different types of information were highlighted (requirements to obtain the services versus the fees for the service).

The biggest difference regarding information shoppers noted was between fringe and mainstream banks, and between information about payday loans versus information about all the other services (cheque-cashing, account opening, and overdraft protection). Shoppers identified different assumptions made by fringe bank staff as compared with mainstream bank tellers. The shoppers noted that the fringe bank tellers were often surprised with shoppers’ questions about the policies and fees for their services. Shoppers inferred from this that tellers were not encouraged, or well trained, to explain this information. This was reinforced by the lack of written material either posted or for take-away. Generally fringe banks did not have written materials available for the shoppers. One large fringe bank chain was an exception to this: it did have posters and pamphlets about its services. This was contrasted sharply with mainstream banks that had posters and pamphlets available about the different accounts on offer. The Winnipeg middle-income shopper commented like other shoppers that:

The process of opening an account and acquiring overdraft protection was very accessible, very easy to understand and very well supported in terms of printed material. Brochure stands were prominently displayed and well-stocked in the customer lobby areas, and in every case I was offered brochures and guides at the wicket by the teller to assist my decision-making.

The Vancouver middle-income shopper, like several other shoppers, felt that the fringe bank tellers were surprised that she wanted information about the services:

I found that in most of the fringe banks there was an element of surprise that I should be asking the questions that I was. It felt sort of like “well you would not have come in if you did not want to use our services.”

The shoppers noted important differences among fringe banks in terms of information. Some fringe banks, particularly one chain, provided information that was readily available including posters and pamphlets. This applied particularly to cheque-cashing and somewhat less so to payday lending. But many of the small fringe banks have virtually no information posted and no pamphlets. If the shopper wanted information about fees then sometimes the teller would write the information on a sheet of paper and give that to the shopper. One Winnipeg shopper noted:

With the exception of [fringe bank #1], printed material was scant and limited to photocopies of typed slip sheets, scribbled notes on tiny scraps of paper, or notices taped to the service window. These aids were not voluntarily produced and I had to ask for them; even then they were not easily located or available for customers.

However, shoppers offered a lot of commentary on the information provided by another fringe bank chain. Information from this chain seemed to be more available as compared with the small fringe banks. However, shoppers felt that the information was incomplete and confusing. One Vancouver shopper noted:

I did find that overall that the information was quite confusing. While the pamphlets I managed to extract from the tellers did explain some things the information was scant and there was definitely a feeling that there were a lot of hidden charges that I was not being told about.

One Winnipeg mystery shopper commented that with this particular fringe bank chain that, when pressed, tellers could not explain the fees:

The clerk was hesitant, explained that the fees are hard to explain and I had to ask her to help me draw a picture to break out all of the ancillary fees. At that point, she had to consult with a colleague to get it straight.

The concerns expressed by shoppers about fringe banks related primarily to payday lending. Although fringe banks often did not have written material about cheque-cashing either, when asked the tellers were generally able to explain the fees. For mainstream bank services, there was ample written material and generally, tellers were able to explain some of the different options. Low-income shoppers in particular noted that information about their eligibility for overdraft protection was not forthcoming. However, the shoppers were generally told that overdraft facilities would hinge on their credit record and that this would be determined in a subsequent meeting with the account opening clerk.

Information about payday lending at fringe banks was the most problematic. There was very little written information with the exception of one large fringe bank chain. Most fringe banks had no written information and in some cases, the teller was not very polite about providing the

information verbally. There were exceptions and some tellers, in small and large fringe banks, tried to explain the loans to the shopper's satisfaction. In fact, in a couple of cases the teller advised the client to not take a payday loan as they are very expensive. But in many cases the information provided about payday loans was done so only after a specific question from the shopper, and this information was incomplete and complicated. Even after completing several mystery shops one shopper still felt unclear about payday loan fees:

It was only after visits to 10 fringe banks (in addition to having some background knowledge regarding fee structures and interest rates) that I began to feel more secure in my understanding of the process, though not necessarily in my trust of the establishment. Information was not forthcoming, cloaked in a lot of "if...then" scenarios and varied not only from fringe bank to fringe bank, but location to location of the same fringe bank...In all 10 cases, I left the store feeling that I did not have enough information or confidence to proceed with a transaction.

The mystery shoppers also found differences in the way in which information was conveyed by the teller. In some cases information was available in both written and verbal form (many mainstream banks and one fringe bank chain) while in most fringe banks the information was only available through conversation with the teller. Some fringe banks provided the fee formula while smaller fringe banks instead gave the amount of cash they would receive for a cashed cheque: "The costs of cheque-cashing were much more simple to understand, although instead of telling me how they were calculated, many tellers preferred to calculate for me how much I would get back on a cheque of a certain amount." Another shopper noted: "This seemed to give them the ability to keep a positive spin on a fee, so that they would say, 'you would have \$483 dollars,' instead of 'it would cost you \$17 to cash your \$500 cheque.'"

Another point raised by shoppers was that fringe banks tended to be more forthcoming with information about requirements for obtaining the service and less forthcoming about the fees for that service. Fringe banks often stated the requirements to obtain a payday loan (ID, bank statement, etc.) but have limited information about fees. The reverse was true of mainstream banks. They would more readily provide fee information but were not as forthcoming about requirements (e.g., personal ID).

Conclusion

This study has presented an analysis of a mystery shopping method that tested if poor people are well treated by staff at Canadian banks. The mystery shopping scheme used was a mixed method in that there were quantitative and qualitative components to it. It involved sending pairs of shoppers into 63 mainstream bank branches, fringe bank outlets, and community banking projects in Toronto, Vancouver, and Winnipeg. In each pair of mystery shoppers, one person portrayed a middle-income person and another person portrayed a low-income person. The mystery shopping process involved the shopper meeting with the front-line staff (e.g., teller) to inquire about two financial services. No financial transaction was undertaken by the shoppers. The research was conducted between August 2008 and November 2009. The mixed method mystery shop was meant as an additional (to neighbourhood surveys) means to triangulate and diagnose one aspect of financial exclusion.

The purposes of the mystery shopping were three-fold. The first and most important purpose was to test the notion that low-income people are treated less well than middle-income people by staff at mainstream banks. A second purpose was to compare the shopping experience of shoppers at fringe banks with mainstream banks. In addition, the sample included some community banking projects that allow further comparison. Finally, the mystery shopping was intended to determine if there were significant differences in the shopping experience at branches located in the suburbs versus the inner-city.

The research took its cue from neighbourhood surveys that found that some low-income people find mainstream bank staff not respectful, polite, or courteous. However, the views expressed by low-income people in these studies about this issue varied. In some cases respondents felt mainstream bank staff were disrespectful and in some cases, it was felt they were respectful. The same is true of views expressed by people in neighbourhood surveys about fringe bank staff. The impetus for the mystery shopping was to understand more clearly if there is a relationship between the shopper's income level and bank staff treatment.

The mystery shopping was a mixed-method design with quantitative and qualitative components. Banks were purposively selected to include types and locations used by low-income people. The method is intended to provide further diagnosis about, and triangulate with, results from neighbourhood surveys about how the shopping experience affects financial service choice. Shoppers did not engage in any financial services during the shops, or in the case of mainstream banks, follow-up appointments about opening an account. This limits our understanding of the complete process.

As noted above, since the shoppers did not attend the account opening follow-up meeting at the mainstream bank, this may have limited our understanding of how ID requirements constrain account opening for some people.

There are four general conclusions drawn from the results: income-level did affect the shopping experience, particular banks provided a better shopping experience, information and privacy are important issues at fringe banks, and bank location plays a relatively smaller role in the shopping experience.

LOW-INCOME SHOPPERS LESS SATISFIED THAN MIDDLE-INCOME SHOPPERS WITH MAINSTREAM BANKS

A key result from the mystery shopping is that low-income shoppers had a less satisfactory experience with bank staff than did middle-income shoppers. This was most pronounced for mainstream bank shops and applied to many fringe bank shops as well. This was brought out most poignantly in the shopper's qualitative summaries and was supported by the quantitative data.

There were many reasons shoppers provided as to why middle-income shoppers had a more positive experience in the shop as compared with the low-income shopper. For one, the duration of shop was longer for the middle-income vs. the low-income shopper. This was a point particularly addressed by the Winnipeg shoppers in their qualitative summaries but applies to the overall data. Middle-income shoppers had a longer interview with the teller because they were provided with more verbal and written information, they were asked more questions by the teller, and there was more of an effort to ensure the middle-income shopper made a follow-up appointment.

The low-income shoppers received little written material, did not feel that the teller was eager for their business, and were often not encouraged to arrange a follow-up meeting. Differences by income were more pronounced in the suburbs where the middle-income shopper generally felt more positive about the shop than did the low-income shopper.

Mainstream banks, on average, did better than fringe banks, but just barely. The gap disappears when the data are divided by company. Here we find, relatively, some mainstream banks doing very poorly and some fringe banks performing reasonably well. The important exception to this result relates to information. Here fringe banks, particularly regarding payday loans, were ranked poorly.

SOME BANKS PROVIDED BETTER SERVICE THAN OTHERS

The largest differences in service ranking were associated with the type of the bank shopped (i.e., mainstream and fringe). The results found that on average, community banking projects and mainstream banks were ranked higher than fringe banks. This result held through the quantitative and qualitative analysis. In the quantitative analysis, this ranking held across income level and location, with only minor exceptions. When these data were examined by question, then some minor differences arose.

On average, mainstream banks and community banking projects were ranked at the top and fringe banks ranked at the bottom. But there was a large variation within the mainstream category: the best banks consistently did well and the worst banks consistently did poorly. There is a large gap between the best and worst mainstream banks. The spread between the best and worst performing mainstream banks was very high on all of the quantitative scores. The gap between the best and worst performing mainstream banks is an interesting result and helps to explain results from neighbourhood surveys.

This spread was mirrored within the fringe bank group, particularly between the large fringe banks and the small ones. But, on the information issue, virtually all fringe banks were scored poorly. One possible reason for the gap within the fringe banks is due to their scale and that the small shops are unable to offer the same level of service as the large fringe banks. This may or

may not be the case. But scale is less of an issue with the mainstream banks as they are all quite large.

Particularly at the level of differences within bank categories, the results have to be treated with particular care because of the small sample size (and because the sample was purposively, not randomly, selected). These results suggest some good news and some bad news regarding mainstream bank service delivery to low-income people. The good news is that there were a couple of mainstream banks that all shoppers consistently scored highly. This is evidence that some mainstream banks are doing a reasonably good job at service delivery for low-income people. Thus it cannot be argued that it is too costly for mainstream banks to deliver good service to low-income Canadians, because these data find that some banks, in some locations, are already doing a reasonable job at it. Precisely how these higher performers achieved these outcomes is unknown and could be a matter for further investigation. So the good news is that, based on our small-sample mixed method mystery shopping, some mainstream banks are doing a reasonably good job in delivering the limited number of services available for low-income Canadians.

The bad news is that two or three mainstream banks provided mediocre-to-poor service particularly for the low-income shoppers. One mainstream bank (#5) was ranked below the two large fringe bank chains, right next to the small fringe bank group. This outcome is difficult to explain but suggests some mainstream banks need to seriously address the challenge from fringe banks in the market for basic banking. But more alarming is mainstream bank #4 where shoppers' income level had a major affect on their experience. Low-income shoppers, relative to middle-income shoppers, had a poorer shopping experience. This suggests a mainstream bank strategy that discriminates on the basis of income-level of the shopper. Once again, these results must be treated with care because our sample was small and not randomly selected.

There were only three shops done with community banking projects but all three shops witnessed high scoring by all the shoppers involved. These projects did well overall and in virtually all of the questions except eagerness. Wait time was another factor that became an issue. One pair of shoppers postponed one of their shops because the line-up at the community banking project was very long. Another shopper waited 15 minutes at a community banking project that would have been much longer if, by chance, she did not get bumped up in the queue.

The community banking projects present another example of effective provision of banking services for low-income people. These projects demonstrate what can be done with banking services in terms of providing a set of simple services that are appropriate for low-income people. Some of these services and models may more relevant and some less (see Buckland 2008), but the results of the mystery shopping method were that they have achieved a high level of service provision.

INFORMATION AND PRIVACY AT FRINGE BANKS

Accessibility and understandability of information was an important issue identified by all shoppers with reference to fringe banks, particularly regarding payday loans. This issue related to all fringe banks, even the large fringe banks that had scored higher on other factors such as courtesy. The general result was that fringe banks scored poorly on information accessibility and understandability. Whereas shoppers scored large fringe banks close to mainstream banks on the issue of teller courtesy, a large gap appeared between these two groups on the issues of information accessibility and understandability. In fact, the information issue was identified as

such an important issue by the shoppers that they devoted considerable comment on it in their summaries. The information issue was often, but not always, tied to the payday loan service.

Another factor in which fringe banks ranked lower on was the eagerness of the staff. As compared with mainstream banks, fringe bank tellers were not very eager for the shopper's business. We do not know the reason for this result.⁶

Fringe bank staff were short on information and what information they did share, particularly about payday loans, was difficult to understand. Regulations affecting payday lending is currently changing. The federal government has created an exemption in the Criminal Code, Section 347 'Criminal Rate of Interest' to allow the lending of small amounts for short periods where the province or territory implements regulation. These regulations are starting to be implemented and a part of the regulations generally involves a requirement of 'fair disclosure' of fees. This requires the lender to provide the customer a clear indication of the cost of borrowing, usually in the form of an Annual Percentage Rate, APR. The results from this shopping method reinforce the need for this regulation. Note that the field work was undertaken (August 2009 through November 2009) before these regulations came into effect in the respective provinces.

A final concern arose regarding some—not all—fringe banks with respect to privacy of customer information. In some cases, clients shared personal information with staff within ear-shot of the mystery shoppers. In other cases, shoppers were seated in locations where they could read computer screens and forms on adjacent desks.

BANK LOCATION

Shopper experience was different in the suburbs as compared to the inner-city branches. However these differences were not as large as the differences associated with bank type or shopper income level. In Toronto and Winnipeg, middle-income shoppers preferred suburban shops for both fringe and mainstream banks; the Vancouver middle-income shopper preferred the inner-city over the suburban mainstream bank shops. The Vancouver low-income shopper felt substantially more accepted in the suburban mainstream banks than the inner-city mainstream banks.

One point that most shoppers agreed on was that the inner-city branches—both mainstream and fringe—were less well furnished and appointed as compared with the suburban banks. Shoppers also found that mainstream banks were busier in the inner-city as compared with the suburbs.

⁶ One way to explain this is that fringe bank staff do not have incentives to attract new customers. Another possibility is that fringe bank staff are trained to minimize their interaction with the customers, in order to value the customer's anonymity.

Recommendations

Recommendations from this research flow from the conclusions and include, document and support the delivery of basic banking, develop an expanded concept of basic banking, nationwide fair disclosure of fringe bank financial service fees, and privacy regulations.

DOCUMENT AND SUPPORT BASIC BANKING DELIVERY

There was considerable difference in shopper experience across bank type (mainstream, fringe and community banking projects) and within types. An important result of this method is that there are a couple of mainstream banks that all shoppers—middle- and low-income—consistently had positive experiences with. This demonstrates that it is possible for mainstream banks to provide a supportive atmosphere for clients from low-income backgrounds. The reasons for the large difference between certain mainstream banks are not clear. A recommendation flowing from this result is that the successful banks (mainstream and community banking projects in particular) collaborate to identify the characteristics of a supportive banking atmosphere and seek a way to share these results with other banks. For instance, this might be done by developing a best practices guide for serving low-income people.

Banking for low-income people often includes relying on fringe banks, and where available, community banking projects. The community banking projects have been specifically designed to meet certain financial service needs of low-income people. Our shoppers had some of their best shopping experiences at these projects. The sample size was very small, however. These projects have developed a supportive banking atmosphere that could inform other banks. Fringe banks are legion in inner-cities partly by addressing personal identification (ID), cheque-cashing hold restrictions, and offering payday loans. Our shoppers also found that some fringe banks offer a reasonably courteous, if somewhat anonymous, shopping experience. Mainstream banks could learn from fringe banks about these financial services, their service delivery, but not their fees.

Ideally, a best practices guide would be developed that draws on experiences from the best performing banks, including the community banking projects. The best practices could be implemented in banks through staff sensitivity training. We note that other research has found that, in addition to sensitivity training, bank staff would also benefit from a better understanding of low-income people's economic challenges, such as institutional obstacles to saving (Shillington 2003). Effectiveness of a best practices guide would need to be evaluated on a continuing basis.

Key actors in the process would include interested FIs, low-income people, and civil society organizations (e.g., SEDI). Other actors include FI associations, and related government organizations (e.g., FCAC).

EXPANDED BASIC BANKING CONCEPT

The results of the mystery shopping demonstrated that low-income shoppers had a poorer shopping experience than did middle-income shoppers in mainstream banks. This was reflected in data through such things as time for the shop, interest and eagerness of the teller, and the teller's tone. This result reinforces similar results from neighbourhood surveys.

The concept of basic banking, at present, addresses only account opening and cashing of certain federal government cheques. The mystery shopping results found a differential in the shopping experience by income level. And the shopping experience can be a very important consideration in choosing a service provider: people may avoid a service that is provided in an

unfriendly atmosphere. Thus a means needs to be established to ensure that, along with access to basic banking, low-income clients are provided with a supportive banking atmosphere.

A first step towards this goal is to develop a more holistic notion of basic banking. The banking service needs of low-income people include access to the type—not necessarily the size—of services other people access including savings and credit. As discussed above, these services need to be delivered in a supportive atmosphere.

Once the concept of holistic basic banking is developed, the next step is to implement it. Exactly how this would be done is unclear. One possibility is that FIs make internal changes in order to implement them. Another possibility is that, as with other basic banking regulations, that the FCAC be given the mandate to monitor and enforce them.

FAIR DISCLOSURE REGULATIONS FOR PAYDAY LOANS

Province-based regulation of payday lending is underway and new regulations may address the fair disclosure issue. Meanwhile, until regulations and enforcement are implemented many consumers continue to borrow from some payday lenders who do not transparently, and in a simple way, provide fee information. Provincial regulators in conjunction with the Consumer Measures Committee need to ensure that payday lenders are regulated right across the country and that the issue of fair disclosure of fees is implemented and enforced.

The shoppers found that information about payday loans was inaccessible and difficult to understand. It was unusual that shoppers were provided with fee information that was easily comparable with another provider (e.g., an APR). With one important exception, there were no posters or pamphlets with this information. More commonly, when directly asked by the shoppers, the fringe bank staff would have to write out the fee on a scrap piece of paper, or leave it to the shopper to write down. Consumers cannot be informed about a product when the price is not given and/or is too complicated to understand.

If province-based regulation is too laborious, an alternative is for the federal government to introduce new legislation requiring fair disclosure of payday loan fees and policies. Historically, regulating small loans was a federal jurisdiction (the 1906 Money Lenders Act was replaced by the 1939 Small Loans Act, which was replaced by the Criminal Rate of Interest). Also, the federal government directly regulates on other fringe bank service fee: i.e., regulation on fees charged by income tax refund advancers.

PRIVACY REGULATIONS ENFORCED FOR FRINGE BANKS

Shoppers in some fringe banks—but not all—found that these banks offer very little privacy to clients when talking with staff. Mainstream banks required shoppers to book an appointment with another staff member to discuss account opening issues. This would be held in a private office. Fringe banks, however, did their business either at a wicket or in a common office area. Even during the mystery shopping, in some cases shoppers were able to hear other staff-client conversations, or to read computer screens, or forms about other clients. Shoppers found that one fringe bank in particular had an open store design that shoppers found made maintaining client privacy very difficult.

All fringe banks need to observe privacy regulations. We recommend that fringe banks consult the Privacy Commissioner, reporting what service they offer and how the service is offered. Fringe banks should have office space that allows staff to privately meet with the client such that the information is not heard or read by others.

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Appendix
Shopper Questionnaire

Observations

For each service/issue answer the following questions:

1. Background information

a) Name of Bank:

b) Location of Branch:

c) General comments about the bank:

d) Date of Shop: _____

e) Time entered branch: _____

f) Time departed: _____

g) Length of interaction (in minutes): _____

h) Number of customers in line during interaction: _____

i) Gender of teller: _____

j) Type of Services Shopped for (CIRCLE ONE):

i) BANK = account opening and overdraft protection

ii) PDL = cheque-cashing and payday loan

2. Information regarding the financial service

a) How *accessible* was *information* about the financial services?

i) Complete this ranking:

Scale:	Very (5)	Somewhat (4)	Neither (3)	Somewhat (2)	Very (1)	
Accessible						Inaccessible

ii) Explain your ranking in as much detail as you can:

iii) Were there written materials (posters, pamphlets, info sheets) readily available about the financial services? EXPLAIN

b) How *simple to understand* was *information* about the financial service?

i) Complete the ranking:

Scale:	Very (5)	Somewhat (4)	Neither (3)	Somewhat (2)	Very (1)	
Simple						Complicated

ii) Explain your ranking in as much detail as you can:

3. Staff Courtesy

a) How *courteous* was the *teller*?

i) Complete the ranking:

Scale:	Very (5)	Somewhat (4)	Neither (3)	Somewhat (2)	Very (1)	
Polite						Impolite

ii) Explain your ranking in as much detail as you can:

b) How *courteous* was any *other staff* you interacted with?

i) Type of staff:

ii) Complete the ranking:

Scale:	Very (5)	Somewhat (4)	Neither (3)	Somewhat (2)	Very (1)	
Polite						Impolite

iii) Explain your ranking in as much detail as you can:

c) How engaged or *interested* did the *teller* appear to be (i.e.) did the teller probe for more information during your interaction?

i) Complete the ranking:

Scale:	Very (5)	Somewhat (4)	Neither (3)	Somewhat (2)	Very (1)	
Interested						Disinterested

ii) Explain your ranking in as much detail as you can:

d) Did the *teller* seem *eager* for your business?

i) Complete the ranking:

Scale:	Very (5)	Somewhat (4)	Neither (3)	Somewhat (2)	Very (1)	
Eager	X					Indifferent

ii) Explain your ranking in as much detail as you can:

Shoppers Descriptions and Scripts

The design of the paired shopping method requires that the two shoppers be similar in all characteristics except the characteristic that is being tested. In this case the characteristic to be tested was the client income level. For this reason, we recruited shoppers who had characteristics that were similar except for the income variable. In order to minimize other characteristics all the mystery shoppers were female, appeared European-origin ethnically, and ranged from mid-20s and late-40s in age. All three middle-income shoppers in fact had a middle-income background. Two of the three low-income shoppers had a low-income background and one, who also played the role of a middle-income shopper in another location, had a middle-income background. Income level was to be presented to the teller primarily through self-description, shared with the teller at the beginning of the conversation. This section provides a brief description of each shopper and explains the script each one used to identify their income position.

Toronto Shoppers

Middle-income shopper (also low-income shopper in Vancouver)

This shopper was a European-origin female and in her mid-twenties. She comes from a middle-income background, and during the field work, she was completing her graduate studies. She also coordinated the Toronto mystery shopping field work. This shopper deliberately ‘dressed-up’ for the role by wearing formal slacks, buttoned blouse, long pea coat, formal shoes, gold earrings, and makeup. Her script began by saying: “Hi, I recently moved to the city for work. I had an account at a credit union in Manitoba, so I’m looking at transferring some investments, and I’ll definitely have to open a new account. Can you tell me how I would go about that?” After garnering as much information as possible along that line of inquiry, she added, “I also have overdraft protection in my current account, could that be carried over?” Her script at the fringe banks started with “Hi, I am doing some contract work for a local college, and I was wondering if I could cash my cheque here.” At the end of that conversation, she would add, “Do you offer payday loans here? How do those work?”

Low-income shopper

The low-income shopper was a European-origin female in her early thirties who comes from a low-income background. Her script for mainstream banks began with, “Hi I am new to the area and I am thinking about transferring my account. I am receiving social assistance and I was wondering if I could keep the overdraft protection that I currently have?” Her script at fringe banks began, “Hello I am working at a dollar store and was receiving OW, what would I need to get a payday loan and/or cash a cheque?”

Vancouver Shoppers

Middle-income shopper

The middle-income shopper was in her mid-40's in age, and from a middle-income background. This shopper’s script involved stating that she recently moved to the area to take up a new position as an instructor at a nearby university, and that she had purchased a home in the neighbourhood. She then proceeded to ask about the account opening and overdraft protection at the mainstream bank or the cheque-cashing and payday lending at the fringe bank.

Low-income shopper (also the middle-income shopper in Toronto)

This shopper was a European-origin female, and in her mid-twenties. She comes from a middle-income background, and during the field work, she was completing her graduate studies. The low-income shopper coordinated the Vancouver mystery shopping field work. Her script with the mainstream banks in Vancouver began by saying: “Hi, I don’t have a bank account right now. I haven’t had one for a long time because I’m on income assistance. But, I’m thinking of opening one. Can you tell me about some of the account plans that you offer?” Once the teller responded, she added, “I was also wondering how overdraft protection works. Can you tell me a little about that?” At fringe banks this shopper began by saying “Hi, I just got off of income assistance and I’m working part-time at the dollar store. Would I be able to cash my paycheque here?” At the end of that conversation, she would add, “Do you offer payday loans here? How do those work?”

Winnipeg Shoppers

Middle-income shopper

This shopper was from a middle-income background and is in her mid-forties. She used visual cues about her income background including casual business attire, a good pen for note-taking and a portfolio. The shopper’s countenance during exchanges with bank staff was intended to convey confidence and small talk implied a busy agenda (i.e., on a break, on the way to the office, etc.). The script was delivered consistently at all locations, however depending on the questions posed by staff, the conversation varied. The shopper used opportunities during discussion to hint at outside assets held at her bank, a home in the suburbs, a new vehicle and two children busy with extracurricular activities. The verbal cues were modified in the case of payday lender shops, to convey an especially busy lifestyle, with little time to attend to routine banking. This shopper’s script in mainstream banks began with “I will soon be working in the area and I’m thinking about moving my account. Can you tell me what’s involved?” This was followed with “I have overdraft protection at my current bank, how would I acquire that on my new account?” With fringe banks, her script began with “I’ll soon be receiving cheques for some contract work I’m doing for a government agency. Can I cash those here? What’s the procedure?” After this exchange she added, “I see you also offer payday loans. How do those work?”

Low-income shopper

The low-income shopper was a female in her mid-forties, and from a low-income background. She used visual cues including very casual clothing and a backpack to reinforce the script she used. The shopper’s script contained information that she was on social assistance due to a disability. she would add more information that would reinforce her role as a person struggling financially, including, familiarity with social agencies, thrift shops, etc. The script she used began with “Hi I am thinking of switching banks. I am on social assistance and I would like to know if I would still be able to keep my overdraft.” Upon entering the fringe banks, she began with “I work at the dollar store and I was wondering if I could cash my cheque here. By the way, how do I go about getting a loan here if I need a little extra before payday?”

Table 19. Bank Ranks and Scores for Information Accessibility

Type	Name	Sample size	Overall		Middle-income		Low-income	
			Score	Rank	Score	Rank	Score	Rank
Mainstream Bank	1	6	4.45	1	4.20	3	4.70	1
Community Banking Project	all	3	4.25	2	4.50	1	4.00	2
Mainstream Bank	3	5	4.20	3	4.40	2	4.00	2
Mainstream Bank	all	25	3.71	4	3.77	6	3.66	3
Mainstream Bank	2	5	3.70	5	3.80	5	3.60	4
M. Banks and C. Unions	all	30	3.68	6	3.77	6	3.58	5
Credit Unions	all	5	3.50	7	3.80	5	3.20	6
Mainstream Bank	4	4	3.40	8	4.00	4	2.80	8
Fringe Bank	1	10	3.15	9	3.20	7	3.10	7
Fringe Bank	2	6	2.95	10	2.70	9	3.20	6
Fringe Bank	all	30	2.72	11	2.74	8	2.70	9
Mainstream Bank	5	5	2.60	12	2.40	11	2.80	8
Fringe Bank	small	14	2.32	13	2.43	10	2.21	10

Table 20. Bank Ranks and Scores for Information Understandability

		Sample size	Average		Middle-income		Low-income	
			Score	Rank	Score	Rank	Score	Rank
Community Banking Project	all	3	5.00	1	5.00	1	5.00	1
Mainstream Bank	#2	5	4.70	2	4.80	2	4.60	2
Mainstream Bank	#1	6	4.42	3	4.33	6	4.50	3
Mainstream Bank	#3	5	4.40	4	4.40	3	4.40	4
Mainstream Bank	all	25	4.32	5	4.36	5	4.28	5
M. Banks and C. Union	all	30	4.27	6	4.37	4	4.17	6
Mainstream Bank	#4	4	4.00	7	4.25	7	3.75	8
Mainstream Bank	#5	5	4.00	7	4.00	8	4.00	7
Credit Unions	all	5	4.00	7	4.40	3	3.60	9
Fringe Bank	#1	10	3.10	8	3.20	9	3.00	10
Fringe Bank	all	30	2.68	9	2.73	10	2.63	11
Fringe Bank	small	14	2.61	10	2.71	11	2.50	12
Fringe Bank	#2	6	2.17	11	2.00	12	2.33	13

Table 21. Bank Ranks and Scores for Teller Courtesy

		Sample size	Overall		Middle-income		Low-income	
			Score	Rank	Score	Rank	Score	Rank
Community Banking Projects		3	5.00	1	5.00	1	5.00	1
Mainstream Bank	#1	6	4.75	2	4.50	5	5.00	1
Mainstream Bank	#3	5	4.40	3	4.80	2	4.00	5
Mainstream Bank	#2	5	4.30	4	4.20	9	4.40	2
Mainstream Bank	all	25	4.26	5	4.44	8	4.08	4
Mainstream Bank	#4	4	4.25	6	4.75	3	3.75	6
Fringe Bank	#2	6	4.25	6	4.50	7	4.00	5
M. Bank and C. Union	all	30	4.23	7	4.47	6	4.00	5
Fringe Bank	#1	10	4.15	8	4.20	9	4.10	3
Credit Unions	all	5	4.10	9	4.60	4	3.60	8
Fringe Bank	all	30	3.78	10	3.93	11	3.63	7
Mainstream Bank	#5	5	3.50	11	4.00	10	3.00	10
Fringe Bank	small	14	3.32	12	3.50	12	3.14	9

Table 22. Bank Ranks and Scores for Teller Interest

Type	Name	Sample size	Overall		Middle-income		Low-income	
			Score	Rank	Score	Rank	Score	Rank
Mainstream Bank	#1	6	4.45	1	4.20	3	4.70	1
Community Banking Project	all	3	4.25	2	4.50	1	4.00	2
Mainstream Bank	#3	5	4.20	3	4.40	2	4.00	2
Mainstream Bank	all	25	3.71	4	3.77	6	3.66	3
Mainstream Bank	#2	5	3.70	5	3.80	5	3.60	4
M. Bank and C. Union	all	30	3.68	6	3.77	6	3.58	5
Credit Union	all	5	3.50	7	3.80	5	3.20	6
Mainstream Bank	#4	4	3.40	8	4.00	4	2.80	8
Fringe Bank	#1	10	3.15	9	3.20	7	3.10	7
Fringe Bank	#2	6	2.95	10	2.70	9	3.20	6
Fringe Bank	all	30	2.72	11	2.74	8	2.70	9
Mainstream Bank	#5	5	2.60	12	2.40	11	2.80	8
Fringe Bank	small	14	2.32	13	2.43	10	2.21	10

Table 23. Bank Ranks and Scores for Teller Eagerness

		Sample size	Overall		Middle-income		Low-income	
			Score	Rank	Score	Rank	Score	Rank
Mainstream Bank	#1	6	4.34	1	4.17	2	4.50	1
Mainstream Bank	#2	5	4.10	2	3.80	5	4.40	2
Community Banking Project	all	3	4.00	3	3.50	7	4.50	1
Mainstream Bank	all	25	3.68	4	3.88	3	3.48	3
M. Bank and C. Union	all	30	3.58	5	3.83	4	3.33	5
Mainstream Bank	#3	5	3.40	6	3.40	8	3.40	4
Mainstream Bank	#4	4	3.25	7	4.25	1	2.25	11
Mainstream Bank	#5	5	3.10	8	3.80	5	2.40	9
Credit Union	all	5	3.10	8	3.60	6	2.60	8
Fringe Bank	#1	10	2.75	9	2.40	10	3.10	6
Fringe Bank	#2	6	2.75	9	2.83	9	2.67	7
Fringe Bank	all	30	2.30	10	2.30	11	2.30	10
Fringe Bank	small	14	1.79	11	2.00	12	1.57	12