AN ANALYSIS OF CONSUMER FINANCIAL SERVICES COMPLAINTS

LEVERAGING THE CONSUMER FINANCIAL PROTECTION BUREAU (CFPB) DATABASE

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FINAL TERM CAPSTONE

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An official website of the United States government

THE Community TECH

BACKGROUND

The Consumer Financial Protection Bureau (CFPB):
- A U.S. government agency
- Purpose: Financial services consumer protection
- Over 10 Million complaints spanning over 14 years

Complaints database:
- Includes product type and customer issue details
- Records the actual consumer complaint
- And the company's response to resolve the issue

Insightful:
- A real-time snapshot of consumer complaints
- Trends
- Service provider resolution steps taken

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HOW IT WORKS
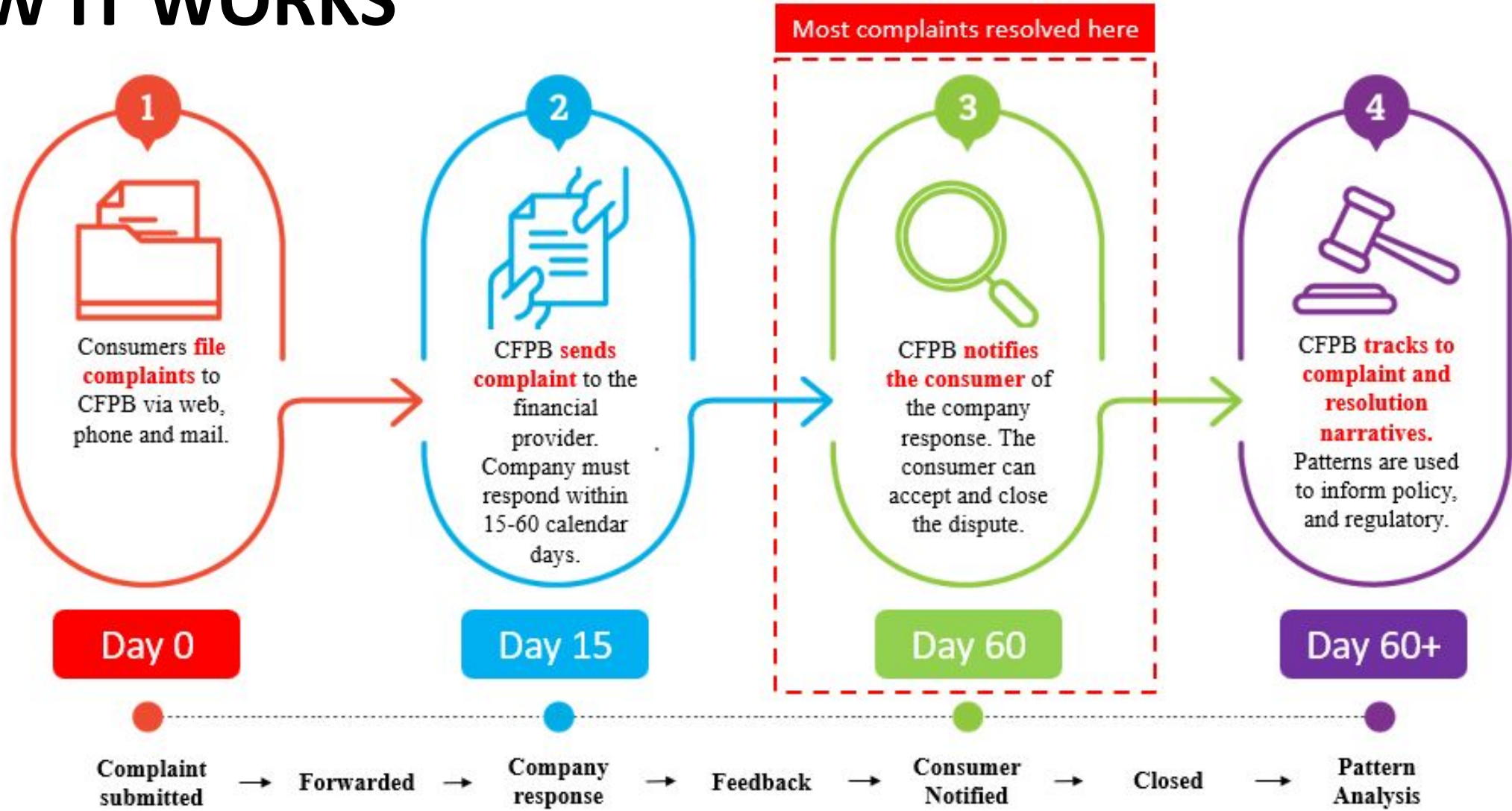
BEYOND COMPLIANCE, GOOD BUSINESS.

1	2	3	4	5
Reduce Regulatory Risk	**Lower Operating Costs**	**Improve Customer Retention**	**Gain a Competitive Advantage**	**Protect Your Brand**

EQUIFAX
Bank of America

$1B

A Brand is only as strong as its weakest customer experience.

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OBJECTIVE: LEVERAGE THE DATABASE TO IDENTIFY
OPERATIONAL EFFICIENCIES AND *CUSTOMER EXPERIENCE OPPORTUNITIES*

The Database containing years *2023 - 2025* includes:

12	34	52	113	46
Distinct Products with Complaints	Distinct Sub-Products	Distinct Issues Referenced	Different Financial Institutions	From all across the United States

Leverage Insights to deliver

1

Company Insights:
Pinpoint the optimal Financial Institution opportunity

2

Product Insights:
Identify product interactions ripe for automation.

3

Geographic Insights:
Categorize key States requiring strategic attention.

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BEFORE WE START…

Explain the dramatic Changepoint!

Questions: What happened?

Background: Blame it on COVID.
1. Identity theft
2. Student loan repayment program
3. CFPB crack down
4. CFPB openly criticizing

Answer: Credit reporting errors, illegal practices and intensified regulatory scrutiny.

Complaint Volumes for Top 5 Products Over Years

Product
- Credit reporting or other personal consumer reports
- Credit reporting, credit repair services, or other personal consumer reports
- Debt collection
- Mortgage
- Checking or savings account

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Power BI Dashboards

1

Company Insights:
Pinpoint the optimal Financial Institution opportunity

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Product Insights:
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Geographic Insights:
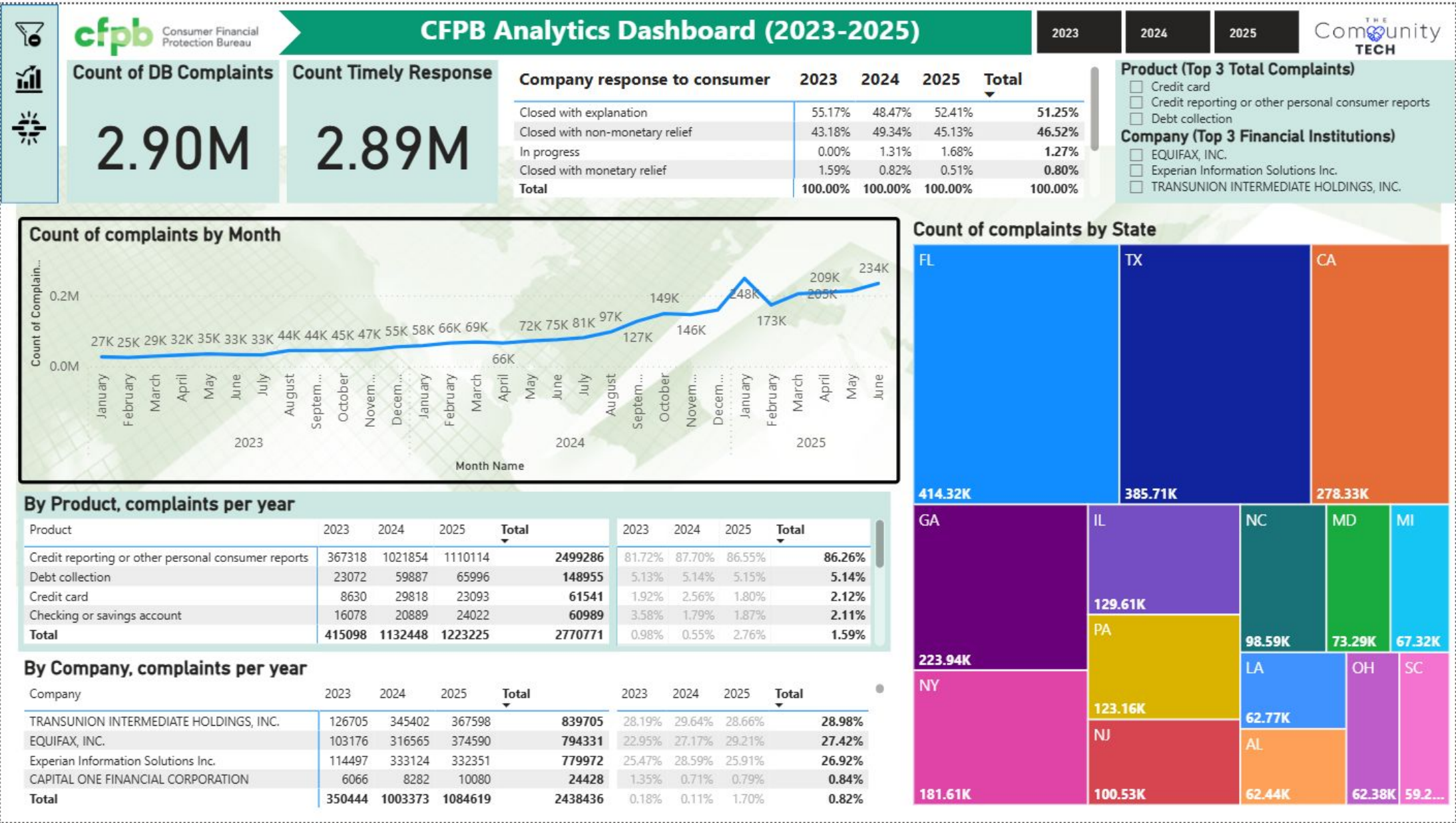*Categorize key States requiring strategic attention.*

>Go to Power BI

CFPB Analytics Dashboard (2023-2025)

Count of DB Complaints

2.90M

Count Timely Response

2.89M

Company response to consumer	2023	2024	2025	Total
Closed with explanation	55.17%	48.47%	52.41%	51.25%
Closed with non-monetary relief	43.18%	49.34%	45.13%	46.52%
In progress	0.00%	1.31%	1.68%	1.27%
Closed with monetary relief	1.59%	0.82%	0.51%	0.80%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Product (Top 3 Total Complaints)
- [ ] Credit card
- [ ] Credit reporting or other personal consumer reports
- [ ] Debt collection

Company (Top 3 Financial Institutions)
- [ ] EQUIFAX, INC.
- [ ] Experian Information Solutions Inc.
- [ ] TRANSUNION INTERMEDIATE HOLDINGS, INC.

Count of complaints by Month

Count of complaints by State

By Product, complaints per year

Product	2023	2024	2025	Total	2023	2024	2025	Total
Credit reporting or other personal consumer reports	367318	1021854	1110114	2499286	81.72%	87.70%	86.55%	86.26%
Debt collection	23072	59887	65996	148955	5.13%	5.14%	5.15%	5.14%
Credit card	8630	29818	23093	61541	1.92%	2.56%	1.80%	2.12%
Checking or savings account	16078	20889	24022	60989	3.58%	1.79%	1.87%	2.11%
Total	**415098**	**1132448**	**1223225**	**2770771**	0.98%	0.55%	2.76%	**1.59%**

By Company, complaints per year

Company	2023	2024	2025	Total	2023	2024	2025	Total
TRANSUNION INTERMEDIATE HOLDINGS, INC.	126705	345402	367598	839705	28.19%	29.64%	28.66%	28.98%
EQUIFAX, INC.	103176	316565	374590	794331	22.95%	27.17%	29.21%	27.42%
Experian Information Solutions Inc.	114497	333124	332351	779972	25.47%	28.59%	25.91%	26.92%
CAPITAL ONE FINANCIAL CORPORATION	6066	8282	10080	24428	1.35%	0.71%	0.79%	0.84%
Total	**350444**	**1003373**	**1084619**	**2438436**	0.18%	0.11%	1.70%	**0.82%**

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CFPB Company Insight (Page 2)

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Count of DB Complaints
1.11M

Count Timely Response
1.11M

Company response to consumer

Company response to consumer	2025	Total
Closed with non-monetary relief	49.83%	49.83%
Closed with explanation	48.24%	48.24%
In progress	1.82%	1.82%
Untimely response	0.08%	0.08%
Total	**100.00%**	**100.00%**

Credit Reporting Only
■ Credit reporting or other personal consumer reports

Big 3 US Credit Bureaus
(national footprint with regional focuses)
- **Experian**: Western states
- **Equifax**: Southern and Eastern states
- **TransUnion**: Central U.S.

Source: Grand View Research

By Sub-Product, % complaints per year

Sub-product	2025	Total
Credit reporting	99.58%	99.58%
Other personal consumer report	0.42%	0.42%
Total	**100.00%**	**100.00%**

By Company, complaints per year

29.29% — 32.93%
32.35%

Company
- ● EQUIFAX, INC.
- ● TRANSUNION INTER...
- ● Experian Information...

Market share
(based on US Revenue, FY2024)
- **Experian**: ~38.1% Investegate
- **Equifax**: ~35.4% Equifax Inc.
- **TransUnion**: ~26.5% SEC

(Share not published by the bureaus, can vary by product)

% of complaints by State

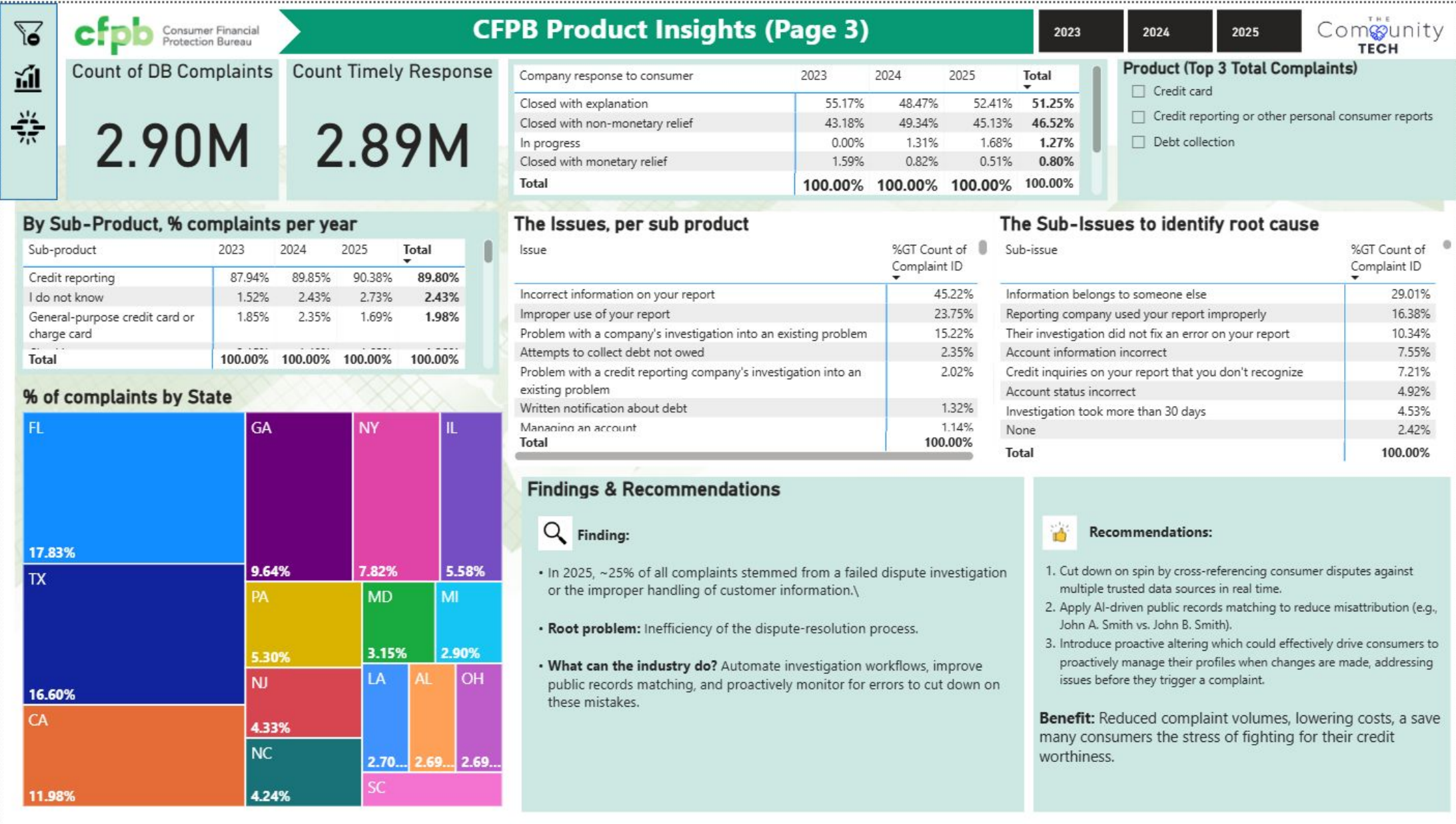| State	%
FL	18.86%
TX	16.97%
CA	11.16%
GA	9.99%
NY	7.34%
IL	5.31%
PA	4.59%
NC	4.43%
NJ	4.13%
AL	3.22%
MD	3.07%
LA	2.89%
MI	2.77%
SC	2.66%
OH	2.61%

Findings & Recommendations

Approach:
- **Calculate:** The Complaints-to-Market Share index for all 3 bureaus (based on 2025)
- **How:** Divide the company complaints total percentage by the market share.
- **If:** The Index is > 1.0, then company over indexes on disputes (relative to its size)

🔍 **Findings:**
- **Complaint-to-Market Share** Index (2025) for all 3 bureaus:
    - **Experian:** 0.80 → ~20% fewer complaints than expected (**Top Performer: Experian.**)
    - **Equifax:** 0.93 → ~7% fewer complaints than expected
    - **TransUnion: 1.22 → ~22% more complaints than expected**

👍 **Recommendations:**
- **TransUnion:** Despite being the smallest of the three by size, they have a higher percentage of complaints than their market share. The complaints to market share index is 1.22.
- They are receiving **22% more complaints** than their market share would predict (if complaints were evenly proportionate to market share).
- **OPPORTUNITY: TransUnion complaint reduction.**

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CFPB Product Insights (Page 3)

Count of DB Complaints
2.90M

Count Timely Response
2.89M

Company response to consumer	2023	2024	2025	Total
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Closed with non-monetary relief	43.18%	49.34%	45.13%	46.52%
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Product (Top 3 Total Complaints)
- ☐ Credit card
- ☐ Credit reporting or other personal consumer reports
- ☐ Debt collection

By Sub-Product, % complaints per year

Sub-product	2023	2024	2025	Total
Credit reporting	87.94%	89.85%	90.38%	**89.80%**
I do not know	1.52%	2.43%	2.73%	**2.43%**
General-purpose credit card or charge card	1.85%	2.35%	1.69%	**1.98%**
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

The Issues, per sub product

Issue	%GT Count of Complaint ID
Incorrect information on your report	45.22%
Improper use of your report	23.75%
Problem with a company's investigation into an existing problem	15.22%
Attempts to collect debt not owed	2.35%
Problem with a credit reporting company's investigation into an existing problem	2.02%
Written notification about debt	1.32%
Managing an account	1.14%
Total	**100.00%**

The Sub-Issues to identify root cause

Sub-issue	%GT Count of Complaint ID
Information belongs to someone else	29.01%
Reporting company used your report improperly	16.38%
Their investigation did not fix an error on your report	10.34%
Account information incorrect	7.55%
Credit inquiries on your report that you don't recognize	7.21%
Account status incorrect	4.92%
Investigation took more than 30 days	4.53%
None	2.42%
Total	**100.00%**

% of complaints by State

State	%
FL	17.83%
TX	16.60%
CA	11.98%
GA	9.64%
NY	7.82%
IL	5.58%
PA	5.30%
MD	3.15%
MI	2.90%
NJ	4.33%
NC	4.24%
LA	2.70...
AL	2.69...
OH	2.69...
SC	

Findings & Recommendations

🔍 **Finding:**

- In 2025, ~25% of all complaints stemmed from a failed dispute investigation or the improper handling of customer information.\

- **Root problem:** Inefficiency of the dispute-resolution process.

- **What can the industry do?** Automate investigation workflows, improve public records matching, and proactively monitor for errors to cut down on these mistakes.

Recommendations:

1. Cut down on spin by cross-referencing consumer disputes against multiple trusted data sources in real time.
2. Apply AI-driven public records matching to reduce misattribution (e.g., John A. Smith vs. John B. Smith).
3. Introduce proactive altering which could effectively drive consumers to proactively manage their profiles when changes are made, addressing issues before they trigger a complaint.

Benefit: Reduced complaint volumes, lowering costs, a save many consumers the stress of fighting for their credit worthiness.

CFPB Geographic Insights (Page 4)

2023 | 2024 | **2025**

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Count of DB Complaints	Count Timely Response	Population	Index (complains/population)
1.28M	1.28M	278M	0.82%

Count of complaints by State

Findings & Recommendations

Objective: Identify geographic problematic regions

👍 **Recommendation**

Calculate the national average of complaints:
- **Top 26 States:** 278M population, 2.4M complaints
- **Average:** .82% of the population complains
- **Represents:** The Complaints Index

Approach: Divide States into 3 categories and prioritize attention based on urgency:
- **Tier 1** - Top 10 States driving complaints
- **Tier 2** - Not a top 10 but where there are more per capita complaints than the national average
- **Tier 3** - No priority (not a top 10 & does not indexing)

Execute:
- **Tier 1 Top-10 high volume States** all warrant priority attention to tackle complaint intensity

- **Tier 2 States** have disproportionately high complaint volume relative to their population. May be an early indicator of a problem developing that can be proactively targeted.

🔍 **Finding (Complaints index):**

- **Top 10 States:**
  - California (.59%)
  - Florida (1.61%)
  - Texas (1.14%)
  - Georgia (1.83%)
  - New York (.76%)
  - Illinois (.89%)
  - Pennsylvania (.72%)
  - North Carolina (.84%)
  - New Jersey (.89%)
  - Alabama (1.25%)

- **Tier 2 (High Index, Not Top 10)**
  - Louisiana (1.29%)
  - Mississippi (1.21%)
  - Nevada (1.04%)
  - Maryland (1.02%)
  - South Carolina (1.02%)

Tier 1: Top 10 States with Complaints

FL	TX	CA	GA	NY	IL	PA	NC	NJ	AL
188K	178K	117K	102K	76K	57K	47K	46K	42K	32K

Tier 2: High Complaints Index

2				
LA 1	MD 1	MS 1	NV 1	SC 1

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Summarize Findings

1

Company Insights:
Pinpoint the optimal Financial Institution opportunity

⬇

TransUnion: Their complaints to market share index is 1.22 = **22% more complaints** than their market share would predict.

OPPORTUNITY: TransUnion complaint reduction

2

Product Insights:
Identify product interactions ripe for automation.

⬇

Cut down on spin with APIs:

1. **Share data, avoid mistakes**
2. **Use AI to automate matching**
3. **Introduce proactive alerting**

3

Geographic Insights:
Categorize key States requiring strategic attention.

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Focus!

1. **Tier 1 Top-10 high volume States**
2. **Tier 2 States with a disproportionately high complaint volume relative to their population.**

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