

**Hoot Credit Union Personal Loan
Fairbanking Mark Research**

The Fairbanking Foundation awards marks to products which can demonstrate that they act in customers' best interests, and improve customers' financial wellbeing.

In order to qualify for this award, Hoot Credit Union must be able to demonstrate that customers have experienced a tangible positive impact on their financial wellbeing from using their personal loan features. To demonstrate this, a survey was conducted to gauge feedback from customers holding the product.

A broad sample of customers were interviewed over the phone and were asked to complete a set of pre-defined questions.

The personal loan key features that were tested were

- The application process
- Making payments
- Experiencing a change in circumstances
- Connecting Loans and Savings

This document summarises the outputs from the research.

Technical note

- 135 completed interviews – 93 telephone and 42 online interviews (between 23rd March – 13th April)
- The survey was approximately 15 minutes in length
- All respondents were holders of a Hoot Credit Union loan.

SCREENER AND INTRODUCTION

S1. Please can you tell us, do you have or have you ever had a loan with Hoot Credit Union?

Single response question asked to everyone.

Yes	135	100%
No	-	-
Don't know	-	-
Prefer not to say	-	-
Total	N=135	100%

S1a. And which of the following best describes the loan you have with Hoot Credit Union?

Single response question asked to everyone.

I am currently paying back a loan	107	79%
I don't have a loan with them at present but I had a loan in the past which is now paid off	28	21%
Don't know	-	-
Prefer not to say	-	-
Total	N=135	100%

S2. Please can you tell us, approximately when will you finish paying off the loan. If you're unsure, please give your best guess.

Single response question asked to everyone currently paying back the loan.

In the next month	5	5%
In 1 to 3 months' time	21	20%
4 to 6 months' time	17	16%
7 to 12 months' time	35	33%
More than 12 months' time	28	26%
I have already paid off my loan	-	-
Don't know	1	1%
Prefer not to say	0	-
Total	N=107	100%

ABOUT THE LOAN AND THE APPLICATION PROCESS

Q1a. Please can you tell us, what was the purpose for taking the loan? If you have had more than one loan with Hoot Credit Union, please think about your most recent loan.

Multiple response question asked to everyone.

To make home improvements	36	27%
To pay for a holiday	24	18%
To pay for a special occasion (e.g. Wedding/ Christmas/Birthday, etc.)	19	14%
Purchasing household electrics (e.g. TV, Fridge, Freezer, etc.)	7	5%
Purchase a car/bike	15	11%
To pay for everyday living expenses (make up for a shortfall in my income)	6	4%
To pay for household repairs	8	6%
To help pay for a funeral	1	1%
To cover unexpected outgoings	11	8%
To consolidate my debts – so they are all in one place	11	8%
For my own education / further education	1	1%
To fund a career break	-	-
For my children's education	1	1%
To help my adult children	2	1%
For emergencies or backup in case I need more money	3	2%
To help tide me over whilst I was ill	-	-
To help pay for a funeral	-	-
Something else (specify)	18	13%
Don't know	2	1%
Prefer not to say	-	-
Total		N=135

Q1. Which of the following applies to your loan with Hoot Credit Union?

Multiple response question asked to everyone.

This is my first personal loan with them	19	14%
I had a loan before which has been completely paid off	81	60%
I have had a top-up to my existing loan	48	36%
None of the above	1	1%
Don't know	1	1%
Prefer not to say		-
Total		N=135

Q2. And do you have any other products with Hoot Credit Union?

Multiple response question asked to everyone.

I have a savings account	81	60%
I have another loan	-	-
Other (please specify)	3	2%
No, I don't have other products with Hoot Credit Union	52	39%
Don't know	-	-
Prefer not to say	-	-
Total		N=135

Q4. And please can you tell us which of the following applies to how you made the loan application?

Multiple response question asked to everyone.

I applied in branch	98	73%
I applied online	29	21%
I applied at a Collection Point	9	7%
Other (please specify)	2	1%
Can't remember	1	1%
Prefer not to say	-	-
Total		N=135

Q5. Thinking about the interest rate which applies to your loan, please can you tell us how does the rate you were offered compare to the rate you expected to be given when you decided to apply for the loan?

Single response question asked to everyone.

It was much higher than I thought it would be	4	3%
It was slightly higher than I thought it would be	11	8%
It was the same as I thought it would be	46	34%
It was slightly lower than I thought it would be	24	18%
It was much lower than I thought it would be	40	30%
Don't know	10	7%
Prefer not to say	-	-
Total	N=135	100%

Q8. During the application process, did you review your income and expenditure to help you decide how much you could afford to borrow?

1.2

Single response question asked to everyone.

Yes	127	94%
No	6	4%
Can't remember	2	1%
Prefer not to say	-	-
Total	N=135	100%

Q10. Please could you tell us in which ways, if any, did reviewing your income and expenditures help you decide on what you could afford to borrow?

1.2

Open ended question asked to everyone who said yes at Q8.

"I calculated all monthly out goings and seen the excess cash I had I wanted to make sure with the loan payment removed I still had enough cash to last the month, a loan is meant to help improve your lifestyle or I wouldn't of taken it out"

"I am so confident with HOOT Credit Union that I am honest with myself (and them.) I believe the credit union would have spoken to me if there had been any indication that I might have had difficulties if I had borrowed more than I could have comfortably repaid."

"It helped me plan ahead the repayments as well as how to meet my other commitments"

Q10b Do you recall now what you had submitted in the income and expenditure review?

Single response question asked to everyone who said yes at Q8.

Yes	59	46%
No	55	43%
Can't remember	10	8%
Prefer not to say	3	2%
Total	N=127	100%

Q10c Would keeping a copy of what you had completed in the income and expenditure review be helpful for you to refer to at a later stage?

Single response question asked to everyone who said yes at Q8.

Yes	75	59%
No	39	31%
Can't remember	12	9%
Prefer not to say	1	1%
Total	N=127	100%

Q11. Was the amount you could afford to borrow more or less than the amount you thought you could afford?

1.2

Single response question asked to everyone who said yes at Q8.

It was much higher than I thought it would be	7	6%
It was slightly higher than I thought it would be	19	15%
It was the same as I thought it would be	61	48%
It was slightly lower than I thought it would be	23	18%
It was much lower than I thought it would be	10	8%
Don't know	6	5%
Prefer not to say	1	1%
Total	N=127	100%

21% Higher
26% Lower

Q13. Which, if any, of the following did you do to work out how much your repayments would be, depending on how much you borrow and over what length of time?

1.2

Multi response question asked to everyone.

I had a discussion with a member of staff on the telephone where I was shown examples of different repayments lengths and amounts	97	72%
I was shown an online tool/calculator by the staff	14	10%
Other (please specify)	18	13%
Don't know	12	9%
Prefer not to say	-	-
Total		N=135

Q15. How helpful, if at all, has it been to calculate possible monthly repayments and repayment periods?

1.2

Single response question asked to all coding 1-3 at Q13.

Very helpful	96	78%
Fairly helpful	24	20%
Not very helpful	1	1%
Not at all helpful	1	1%
Don't know	1	1%
Prefer not to say	-	-
Total	N=123	100%

98% Helpful

Q15a. You said that it was [answer from Q15] to calculate possible monthly repayments and repayment periods. Please can you tell us why you say that?

1.1

Open ended question asked to all coding 1-4 at Q15.

Very helpful

“Because when they called me in they sat me down and asked if I was comfortable with the loan and asked if I was completely sure about it. They were really helpful to be honest.”

“Because us clients has so many monetary commitment these day. Considering all the cuts back and everything going on in every household. But they calculated your income and choose the right one for you and they consulted you to make sure you are happy with it. I am very happy with mine because this is not my first loan.”

“Because they are very understanding and helpful and explore every area and they show you as well. Rather than borrow they show you how can save up rather than get the next loan which I do now which is very good.”

Fairly helpful

“I worked out how much I had coming in, going out and then what was left. Then I added just a bit extra as you don't want to be tied to just that amount.”

“So that I could work out how much I'd then have left to spend.”

Q16. During the application process, to what extent, if at all, did you consider all debts, loans, credit cards and other borrowing including Brighthouse that you had to pay off?

1.3

Single response question asked to everyone.

I took all of my debts and borrowing into account when I applied	103	76%
I thought I had considered all of my debts and borrowing when I applied but realised during or after the process that there were debt(s) that I'd forgotten to consider	4	3%
I didn't really consider my debts and borrowing when I applied	15	11%
Don't know	12	9%
Prefer not to say	1	1%
Total	N=135	100%

Q17. How helpful was it to consider all debts and day-to-day bills and outgoings when making the application?

1.3

Single response question asked to everyone who considered debts (code 1 or 2 at Q16).

Very helpful	86	80%
Fairly helpful	18	17%
Not very helpful	-	-
Not at all helpful	1	1%
Don't know	2	2%
Prefer not to say	-	-
Total	N=107	100%

97% Helpful

Q18. Which of the following, if any, applied to you when you considered all of your borrowing as part of the application?

Multi response question asked to all who considered debts (code 1 or 2 at Q16).

I felt reassured that I could afford repayments on the debts I already had	63	59%
I felt reassured that I could afford the repayments on the loan I was applying for	52	49%
I re-considered whether I could take out the loan at all	5	5%
I decided to try to decrease my borrowing in the future	8	7%
I decided I needed more advice on how to reduce my debts	2	2%
Other	1	1%
It made no difference; I already had a full picture of my debts	12	11%
Don't know	1	1%
Prefer not to say	-	-
Total		N= 107

Q18a. In which ways, if at all, did you decide how much you could afford to borrow?

Open ended question asked to all who did not consider their debts (code 3 at Q16).

1.2

"I just went in and filled in an application form and said, I could afford to pay this much and they said, you can have this much, as a loan or a top up loan."

"Just with my recent income- it's very regular - I was able to know what I could afford."

"What I could afford, my outgoings and the repayments."

MAKING PAYMENTS

2.4

Q19. Which of the following methods of payment do you use to make your monthly personal loan repayments? If you use different methods, please tell us about the one you use most.

Single response question asked to everyone.

Via payroll deduction	31	23%
Via child benefit/or similar	6	4%
Using my Allpay/membership card at post office or store	19	14%
Via online banking transfer	9	7%
Via standing order	43	32%
In a branch	9	7%
On the telephone	3	2%
Other	15	11%
Don't know	-	-
Prefer not to say	-	-
Total	N=135	100%

2.4

Q20. And how convenient do you find it to make your repayments [answer chosen at Q19]?

Single response question asked to all who allocated a method of payment at Q19.

Very convenient	131	97%
Fairly convenient	3	2%
Not very convenient	-	-
Not at all convenient	-	-
Don't know	1	1%
Prefer not to say	-	-
Total	N=135	100%

99% Convenient

2.4

Q20a. Please can you tell us why you choose to make your repayments [answer chosen at Q19]

Open ended question asked to all [code 1-9 at Q19]

Via payroll deduction

“It is very easy and simple. I don't need to worry about anything. Money goes out at start of the month so I know what I have to spend for the duration of the month” (Very convenient)

“Don't need to think about it, it just happens. And even my salary, when it comes, is with the loan already taken out, so you don't even miss it.” (Very convenient)

Via standing order

"I can set it so the money leaves my a/c as soon as I'm paid on a date of my choosing" (Very convenient)

"Because I've made it with the standing order the money has just gone. So I don't panic and get reminders so it's easy." (Very convenient)

Using my Allpay/membership card at post office or store

"I'm generally in the Post office paying other bills so it's easy and having the card reminds me and I just sort of automatically pay." (Very convenient)

Via online banking transfer

"Just because I know they are not going to go into my account and take it out, in case my wages are late or something. I know I'm not going to get charged."

Q20b. Do you make your repayments on the day, or very soon after, you receive income?

Single response question asked to all who allocated a method of payment at Q19.

2.4

Yes	122	90%
No	9	7%
Don't know	4	3%
Prefer not to say	-	-
Total	N=135	100%

Q20c. And how helpful was it to be making your repayments soon after you receive your income?

Single response question asked to all who answered 'yes' at Q20b.

2.3

Very helpful	115	94%
Fairly helpful	6	5%
Not very helpful	1	1%
Not at all helpful	-	-
Don't know	-	-
Prefer not to say	-	-
Total	N=122	100%

99% Helpful

Q20d. You said that making your payments soon after you receive income [answer chosen at Q20c]. Please can you tell us more about why you say that?

Open ended question asked to all [code 1-4 at Q20c]

Very helpful

"I know how much income is left for living expenses once all expenses have been paid, so it is easier to have all payments deducted as soon as I have received income"

"It's just that you don't even notice it- it just goes and I know it's sorted so I know what I have remaining for the month."

"It's just convenient, I know exactly what I've got to budget with till the end of the month, I know my salary deduction's gone straight to Hoot Credit Union and I don't have to worry about it."

Fairly helpful

"It's less trouble and less hassle if it's direct to them, it saves time."

Q20e. Did your lender at any point suggest making repayments soon after receiving income?

Single response question asked to all

Yes	31	23%
No	88	65%
Don't know	16	12%
Prefer not to say	-	-
Total	N=135	100%

Q21. Were you aware that you can make additional payments on your loan without charge, over and above your normal repayments?

Single response question asked to all

Yes	110	81%
No	23	17%
Don't know	2	1%
Prefer not to say	-	-
Total	N=135	100%

Q22. Over and above your normal repayments, have you ever made an additional payment on your loan?

Single response question asked to all who answered 'yes' at Q21

Yes	50	45%
No	57	52%
Don't know	3	3%
Prefer not to say	-	-
Total	N=110	100%

Q23. Which of the following methods did you use to make the additional payment? If you have made more than one additional payment, please tell us about the most recent one that you made.

2.1

Single response question asked to all who have made additional payments.

Via payroll deduction	1	2%
Via online banking transfer	4	8%
Via direct debit	5	10%
Online on a mobile phone	-	-
On the telephone	9	18%
Using my Allpay/membership card at post office or store	14	28%
Other	15	30%
Don't Know	1	2%
Refused	1	2%
Total		N=50

Q23a. In which ways, if any, did you decide how much you could afford to overpay your loan by?

Open ended question asked to all have made additional payments [code 1 at Q22]

"I've worked all the time, I recently did the elections, additional income, so I just used the money to pay the loan off."

"I had a bill that didn't need to be paid for a couple of months and the money was used to pay more on the loan."

"A decision was reached having considered all my expenses."

2.2

Q24. Do you recall your provider reminding you to consider repaying your loan early or overpaying if you could? This could have been in person in branch, in marketing materials, on the telephone, a letter, an email, as part of your application and statement, or via some other method.

Single response question asked to all

Yes	53	39%
No	72	53%
Don't know	10	7%
Prefer not to say	-	-
Total	N=135	100%

2.2

Q24aa. Please can you tell us what, if anything, did you do as a result of receiving that reminder from your provider about being able to repay early (and save interest)?

Open ended question asked to all had received encouragement to repay early [code 1 at Q24]

"I didn't do anything at the time but I have put bits in extra now and again when I can."

"Nothing, I'm aware that I can, if circumstances change, I would make higher payments voluntarily."

"Yes they told me that in branch. In fact my first loan was paid before the end time. So I know that if I have extra incomes I will prefer to pay off before my due time."

2.2

Q24a. Please can you tell us, which of the following best applies to how often you have been able to make additional payments on your loan?

Single response question asked to all who have made additional payments.

I once made an additional payment	11	22%
I have occasionally made an additional payment	28	56%
I regularly make additional payments	5	10%
I always make additional payments	6	12%
Don't know	-	-
Refused	-	-
Total	N=50	100%

2.2

Q25. For what reasons were you motivated to make an additional payment on your loan?

Open ended question asked to all were motivated to make an additional payment [code 1 at Q22]

"Because I like to clear it off because I might need it for an emergency. I never get a top-up, ever."

“Because I had enough in my savings to finish paying the loan and another time was just to speed up the re payments to finish the loan”

“Just to get it paid off quicker. It's one less worry.”

“It is always more important for me to pay off a loan as quickly as I can - I have this in the forefront of my mind. However, this is always MY OWN CHOICE, there is nor ever has been any pressure whatsoever from Hoot Credit UNION-BOLTON”

Q26a. Please can you tell us how helpful it is to be able to make additional/early payments on your loan?

Single response question asked to all who have made additional payments

Very helpful	39	78%
Fairly helpful	9	18%
Not very helpful	1	2%
Not at all helpful	-	-
Don't know	1	2%
Prefer not to say	-	-
Total	N=50	100%

Q26b. You said that being able to make additional payments is [insert answer from Q26a]. Please can you tell us what makes you say that?

2.2

Open ended question asked to all who have made additional payments

Very helpful

“It's good having this option there no stress or worries eg you got 12 months or more and if you got the opportunity to pay a bit more the you can without the pressure.”

“Because if it doesn't come off my loan it will go into my savings account. It looks good for me the more I have in my savings.”

Fairly helpful

“If you can pay your loan off quicker and decrease your interest rates you're in a better position long-term.”

“Just in case I don't have enough money one month. I can make an additional payment.”

CHANGE IN CIRCUMSTANCES

Q32. Were you aware that Hoot Credit Union offers the ability to discuss your personal financial circumstances, including ways to help you manage your finances and meet your repayment obligations?

3.3

Single response question asked to everyone.

Yes	95	70%
No	39	29%
Don't know	1	1%
Prefer not to say	-	-
Total	N=135	100%

Q32a. Please tell us which of the following best applies to what you think about the assistance Hoot Credit Union offers to customers who wish to manage their finances better.

3.3

Single response question asked to everyone.

I feel better knowing that the help is available should I require it	115	85%
It doesn't matter at all to me whether it's there or not	14	10%
I think the assistance offered has a negative impact on customers	1	1%
Other (specify)	2	1%
Don't know	3	2%
Prefer not to say	-	-
Total	N=135	100%

Q32b. How likely would you be to get in touch with NHS Credit Union if you thought you might miss a payment due to a financial problem?

3.3

Single response question asked to everyone.

Very likely	104	77%
Fairly likely	15	11%
Fairly unlikely	3	2%
Very unlikely	8	6%
Don't know	4	3%
Prefer not to say	1	1%
Total	N=135	100%

88% Likely

Q32c. You said that you are [answer from Q27b] to get in touch with Hoot Credit Union about your personal financial circumstances if you ever think you are going to miss a payment. Please can you tell us what makes you say that?

Open ended question asked to everyone who coded 1-4 at Q32b.

Very likely

“Just because obviously you don't want to leave the situation in case you get charged interest. I'd rather explain the situation to them.”

“I know that they will not judge me and will be helpful in sorting it out”

“Well, I feel if I miss a payment, it's better to be honest with them. Because if you are honest with them it will help you get a loan in the future.”

Fairly likely

“I know it's better sometimes to speak to lenders and they can advise you on sort of what to do.”

Fairly unlikely

“My loan is paid back 17 pounds a week, I'm paying back 20 pounds a week, so even if I miss, I'm still ahead.”

Very unlikely

“If it's only the one payment I usually catch up the following week they are usually good about it.”

Intro screen: We would like to understand the service offered by your provider if you experienced a change in circumstances. Please be assured that your answers are completely confidential.

Q33. Please can you tell us, which of the following applies to you?

Single response question asked to everyone.

I have missed a payment on more than one occasion	21	16%
I have missed a payment only once	13	10%
I have always made my payments on time but have come close to missing a payment at least once	5	4%
I have always been able to make my payments on time and have never come close to missing a payment	95	70%
Don't know	-	-
Prefer not to say	1	1%
Total	N=135	100%

Q34a. Please can you tell us what actions, if any, did you take when you nearly missed the payment(s)?

3.1

Open ended question asked to all coming close to missing payments (code 3 at Q33).

“I went in and spoke to them and told them the reason why I could possibly miss the payment and explained the reasons why.”

“I just paid it the day after it was due.”

Q35a. Please can you tell us which, if any, of the following did you experience with Hoot?

3.1

Multi response question asked to all who missed a payment (code 1 or 2 at Q33).

They contacted me by letter	10	29%
They contacted me by telephone	6	18%
They contacted me by text message	6	18%
They contacted me by email	3	9%
A branch put me in touch with someone to talk about my financial situation	-	-
Other (please specify)	3	9%
I contacted them after the payment was missed but before they contacted me	-	-
I had no contact with my provider about missing the payment	5	15%
I contacted them to alert them before the payment was missed	7	21%
Don't know	1	3%
Prefer not to say	-	-
Total		N=34

Q36a. Please can you tell us which of the following best applies to the contact you had with Hoot credit union after you missed a payment.

3.1

Single response question asked to all who coded 1-6 at Q35a.

My provider contacted me straight away, within a day or two of me missing the payment	4	19%
My provider contacted me fairly soon afterwards, within a week of missing the payment	9	43%
My provider contacted me more than a week after missing the payment	4	19%
My provider never contacted me about missing the payment	2	10%
Don't know	2	10%
Prefer not to say	-	-
Total	N=21	100%

Q36b. You said that you had contact with Hoot Credit Union recently about missing a loan repayment. Please can you tell us what happened as a result of that communication?

3.1

Open ended question asked to all who coded 1-6 at Q35a.

“They helped me sort it out by going through the arrangement we had. We then worked out a new plan which was great.”

“Well I explained why I'd missed it but they said that was fine but I still owed that amount the payment amount, they were very good.”

“We arranged a lower payment on a couple of occasions as a result of emergencies.”

“They had to bear with me but had an effect on my next loan taken”

Q37. Please can you tell us which of the following applies to what happened as a result of your contact with Hoot Credit Union?

3.2

Multi response question asked to all who coded 1-6 at Q35a.

Given a repayment break	2	6%
Given amended repayment dates so the loan term was extended	5	15%
Negotiated a new repayment plan	2	6%
Interest was frozen	-	-
Referred to a third party such as a Debt Advice Charity	-	-
Provided further information and advice	4	12%
Other	14	42%
No solution provided	6	18%
Don't know	-	-
Prefer not to say	-	-
Total	N= 33	

Q38. And thinking about the outcome of your contact with Hoot Credit Union, how helpful would you say you found each of the following?

3.2

Single response question asked to all who coded 1-7 at Q37.

	Very helpful	Fairly helpful	Fairly unhelpful	Very unhelpful	Don't know
Given a repayment break	2 100%	-	-	-	-
Given amended repayment dates so the loan term was extended	4 80%	1 20%	-	-	-
Negotiated a new repayment plan	2 100%	-	-	-	-
Provided further information and advice	3 75%	-	-	1 100%	-

3.2

Q39a. You said that you were [answer from Q37] and that this was [rating from Q38]. Please can you tell us more about what makes you say that?

Open ended question asked to all who gave a rating at Q38 and repeated for each statement selected at Q37.

Given a repayment break

“Because I'm classed as disabled - they are re-assessing my benefits. When I spoke to the adviser, I told them that I was waiting for my benefits to be reassessed.”

Given amended repayment dates so the loan term was extended

“Because it takes the pressure off, while you try to get yourself sorted out.”

“They just understood my circumstances. It was very easy to do.”

Negotiated a new repayment plan

“It's good to have that little safety barrier. I was ill so I couldn't pay them.”

Provided further information and advice

“Because they were understanding when I told them I couldn't make a payment.”

Q40. Please can you tell us for how long have you been on your revised repayment plan? If you're unsure, please give your best guess.

3.2

Single response question asked to all who coded 3 at Q37.

Less than 3 months	2	100%
Between 3 and 6 months	-	-
Between 6 and 9 months	-	-
Between 9 and 12 months	-	-
Between 1 and 2 years	-	-
More than 2 years	-	-
Don't know	-	-
Prefer not to say	-	-
Total	N=2	100%

Q41. Still thinking about your revised repayment plan, please can you tell us how affordable this was for you at the time it was set up?

3.2

Single response question asked to all who coded 3 at Q37.

Very affordable	1	50%
Fairly affordable	1	50%
Fairly unaffordable	-	-
Very unaffordable	-	-
Don't know	-	-
Total	N=2	100%

Q42. Please can you tell us to what extent you have been able to keep up your repayments?

3.2

Single response question asked to all who coded 1 at Q37.

I have always kept up with repayments	1	50%
I have mostly kept up with repayments	1	50%
I have mostly not kept up with repayments	-	-
I have never kept up with repayments	-	-
Don't know	-	-
Prefer not to say	-	-
Total	N=2	100%

Q43. Please can you tell us, overall, how effective you feel Hoot Credit Union has been in helping you to reduce your debt?

3.2

Single response question asked to all who missed or nearly missed a payment (code 1, 2 or 3 at Q33).

Very effective	27	69%
Fairly effective	6	15%
Not very effective	3	8%
Not at all effective	2	5%
Don't know	1	3%
Prefer not to say	-	-
Total	N=39	100%

84% Effective

Q43a. You said that Hoot Credit Union was [answer given at Q43]. Please can you tell us why you say that?

3.2

Open ended question asked to all who coded 1-4 at Q43.

Very effective

“They are very helpful, they listen to you and tell you what is better for you”

“Because they are very helpful and they tell you the pros and the cons of borrowing and try to give you a better plan than getting a loan. Such as getting a bed which is not much interest rather than getting a big loan with a lot of interest.”

Fairly effective

“They were very understanding about me missing a payment and I paid them next month”

Not very effective

“I felt I was not given a fair dealing.”

Not at all effective

“It’s up to the individual to reduce their debt”

CONNECTING LOANS AND SAVINGS

Q44. Was a regular payment into a savings account with your Credit Union set up alongside your loan repayment?

Single response question asked to everyone.

Yes	117	87%
No	11	8%
Don't know	7	5%
Prefer not to say	-	-
Total	N=135	100%

Q46a. How helpful is/was it to be saving at the same time as paying off your loan?

Single response question asked to all who have been saving whilst paying back their loan (code 1 at Q44).

4.1

Very helpful	97	83%
Fairly helpful	17	15%
Not very helpful	-	-
Not at all helpful	1	1%
Don't know	2	2%
Prefer not to say	-	-
Total	N=117	100%

98% Helpful

Q46b. You said that saving alongside making your loan repayments is [answer from Q46a]. Please can you tell us what makes you say that?

Open ended question asked to all who coded 1-4 at Q46a.

4.1

Very helpful

"Because it builds up slowly and personally I don't touch it. It's a very handy system."

"It's very good when you are saving and paying your loan. Because the first time I had my loan I completely paid my loan with the help of the savings I had there. And I was so surprised when I learnt the amount I had in my savings. That was the smartest idea Hoots has ever made."

"Well, I was - I found myself in a position where the balance in my savings enabled me to pay off the loan in a lump sum to my great relief."

Fairly helpful

"It's sort of something I know is there for emergency if I need it so I sort of try not to touch it unless I have to."

Q47. Which of the following statements best applies to your savings habits, before you took out the loan?

4.1

By saving, we mean putting money into savings products such as a savings account or ISA
Single response question asked to everyone.

4.2

I saved regularly throughout the year	29	21%
I saved whenever I could	41	30%
I sometimes saved a one-off lump sum	10	7%
I was never able to save at all	50	37%
Don't know	5	4%
Prefer not to say	-	-
Total	N=135	100%

Q48a. Which of the following statements best applies to your savings habits, since you finished paying off your loan?

4.2

By saving, we mean putting money into savings products such as a savings account with Hoot Credit Union.

Single response question asked to customers who paid off their loan.

I save regularly throughout the year	17	61%
I save whenever I can	5	18%
I sometimes save a one-off lump sum	2	7%
I am never able to save at all	4	14%
Don't know	-	-
Prefer not to say	-	-
Total	N=28	100%

Q49. Please can you tell us which of the following statements best applies to your future savings plans after your loan has been paid off?

4.1

Single response question asked to all customers currently paying their loan (code 1 at S1a).

I will save regularly throughout the year	67	63%
I save whenever I can	26	24%
I will sometimes save a one-off lump sum	4	4%
I will not be able to save at all	5	5%
Don't know	4	4%
Prefer not to say	1	1%
Total	N=107	100%

Q50a. In what ways, if any, has taking out your loan with Hoot Credit Union, helped you with your savings habits?

Open ended question asked to everyone.

“Hoot has helped massively with my saving habits and I now save money with hoot on a weekly basis meaning I don’t need to take out loans as I know I have my savings available in Hoot when I need them.”

“It’s helped me put money aside, because it’s coming straight out my payroll - I’m used to it not being there so I don’t miss it. I’ve got money available for a holiday or something.”

“Well, I think the fact that you’ve got to save alongside it doesn’t give you any choice - because it’s mandatory, you’ve got to do it, and then you’ve got a little pot of money. And the Christmas Pot is really good - a hundred pounds a month and then at Christmas you’ve got a thousand and that’s good. I’ll continue to save, ordinarily and in the Christmas one so I’ll do both. It’s all about setting up good habits.”

“It’s not helped with my savings habits but it’s the best lender I have come across.”

Q51. By agreeing to save with Hoot Credit Union at the same time as paying off your loan, you will pay more back to the Hoot Credit Union as the loan will take longer to pay off. E.g. A loan of £200 over 52 weeks would be repayable at £4.60 per week, with £1 per week saving you would have saved £52 by the end of the loan; with your £1 savings ADDED to the repayment instead, you could have paid the loan back in 42 weeks, paid £8.23 less interest, but have no savings. Do you feel it is worth the extra time and money it takes to repay your loan, to have an amount in savings available when your loan is paid off?

Single response question asked to everyone who coded 1 at Q44.

Yes	100	85%
No	10	9%
Don’t know	7	6%
Prefer not to say	-	-
Total	N=117	100%

Q52a. And please can you tell us why you say that?

Open ended question asked to everyone who coded 1-2 at Q51.

“Because of you leave the savings you’ll have a lump sum when you have finished paying the loan of which may help you in the end with not having to get another loan one day”

“Because while I am paying the loan I am carrying on with my life so there are unexpected expenses. I am a mother and a caretaker, so I like to know that I have something to pay the unexpected expenses.”

“Because that could then replace having to have a top up loan, it could reduce getting in more debt as well as paying back your loan at the same time.”

Q53. Which of the following applies to your savings account?

Single response question asked to everyone who said yes at Q44.

You can withdraw all your savings at any time, provided you maintain the regular loan payment	42	36%
You can withdraw any savings that exceed your loan balance at any time	31	26%
You can approach your Credit Union to withdraw all your savings while you have a loan out-standing and they are likely to agree.	20	17%
Don't Know	23	20%
Prefer not to say	1	1%
Total	N=117	100%