

Key lessons learned from the Payday loans campaign

April 2014

Build a strong evidence base to demonstrate the problem

The campaign developed due to the overwhelming evidence gathered by bureaux about the irresponsible behaviour of payday lenders. Over the past four years, the Citizens Advice service has seen a ten-fold increase in the proportion of clients receiving advice on debt that included a payday loan.

It was access to this key evidence, from analysis of our Petra statistics, bureau evidence forms, consumer service data and media willing clients that helped us to build a picture of the real problems with payday loans and be able to present it to the media and our key stakeholders.

One of the campaign's key strengths came from its ability to show the limited impact of the introduction of the payday loan industry's Good practice customer charter. Using real time statistics from our survey results and regular analysis of calls to our Consumer service, we were able to show that, despite the lenders' claims to have changed, the customer charter had no impact on their behaviour.

Tackle an issue the Citizens Advice service is passionate about

The overwhelming evidence base meant our bureau network was passionate about taking on the campaign and its actions – as well as the 5000 consumers who filled in our survey.

“It was really good. It felt as though we hadn't done anything 'big' as a network for a long time. Great to have such a positive outcome too. I find all of the social policy/campaign staff really positive and helpful.”

Flintshire CAB

Focus on the solutions

Our actions throughout the campaign were solution-focused. This made it easy for consumers, bureaux, supporters and our partners to engage with the campaign, but also meant it was possible to keep the story going and ensure the campaign consistently maintained a high profile.

The introduction of the payday loan industry's Good practice customer charter gave us the opportunity to use real time consumer insight, highlighting that self-regulation did not work, as well as demonstrate the key areas where change was needed. Our survey allowed consumers, bureaux and our key partners to see how they could contribute to the solution, and how the results of the survey could be used in ongoing work with the lenders, their trade

associations, the Office of Fair Trading (OFT), the Department for Business Innovation and Skills (BIS) to keep the story alive in the media.

“Loved this campaign. You could really get your teeth into the issue/problem. Loved all the activities that we could get involved in – some were quick and some took more time which was great as everyone who was involved had different interests and different amounts of time to offer.”

Derby CAB

The advertising action – a simple form to report irresponsible adverts to the Advertising Standards Authority (ASA) – also provided a solution-based focus to the campaign. Consumers could immediately take action and ask for an investigation after filling in the form. The ASA would then decide whether to investigate and whether it should be banned.

Work with partners to extend the campaign's reach

An important element of this campaign was the work done with key stakeholders. Stepchange, the Money Advice Trust (MAT), Toynbee Hall, Which? and moneysavingexpert.com were all key partners who helped to promote our survey throughout the campaign. This support, together with work from our network of bureaux, meant we received survey results about nearly 5000 payday loans.

We were also able to partner with the Local Government Information Unit (LGiU) on our series of guest blogs from councils allowing us to get our key messages to local authorities outside of our existing networks.

Work with partners to help achieve your goals

We also worked closely with MPs from the Debt and Personal Finance all party parliamentary group (APPG) and joined a number of other debt and advice agencies in developing and supporting Paul Blomfield MP's payday loan charter. This helped us to raise the profile of the issue in Parliament and led to the BIS select committee launching an inquiry into payday loan companies.

Make sure your communications are joined up

Coordinating our campaigns work with our advice website, adviceguide.org.uk, meant that one of our key mobilising activities –the survey– not only helped achieve great media coverage as well as influence, it also empowered consumers to take action themselves and encouraged them, through our work with the Financial Ombudsman Service (FOS), to make a complaint.

At the end of the survey, consumers are asked if they would like to make an official complaint with the FOS. They simply have to tick a box and the FOS will call them back to take them through the process. This has simplified what is usually a lengthy process of letter writing and searching for addresses, enabling consumers to take action directly to get redress.

“It’s important consumers know where to turn to for help when they need it. Working with Citizens Advice on this campaign meant that together we were able to help consumers (who might otherwise give up) take the simple step of contacting us to tell us about their problem.”

Caroline Wells,
Head of outreach and customer insight,
Financial Ombudsman Service

Give supporters a choice of ways to get involved

The campaign offered bureaux different ways to get involved as well as different levels of engagement. Most bureaux took part in promoting the survey, while some went further and took to the streets surveying their local residents.

During the summer campaign to raise awareness about consumer rights around payday loans, many bureaux shared our film, while some did even more by organising events in their town centres or arranging for their councils to show the film in their waiting rooms.

This variety of activities, and the ability to show and inspire others with different ideas through CABlink and blogs, worked really well.

