FWD Consulting Shapes Principality's Vulnerability Strategy and Delivers Consistent Customer Outcomes Monitoring

Why Understanding Vulnerability Is Non-Negotiable

The Commercial Imperative

When a significant proportion of your customer base may be vulnerable, failing to identify and respond to their needs is not a minor oversight; it is a material business risk.

The consequences are tangible: reputational harm, preventable complaints, remediation expense, regulatory intervention and operational drag. By contrast, organisations that design products, communications, and journeys with vulnerable customers in mind create simpler, clearer, more resilient systems that elevate outcomes for all customers.

Understanding vulnerability is not an act of goodwill. It is a strategic imperative. It improves customer outcomes, strengthens trust, lowers cost-to-serve and underpins sustainable performance and growth.

Why Monitoring Outcomes for Vulnerable Customers Is Critical

Many firms claim to monitor outcomes for vulnerable customers. In reality, most rely on generic customer experience surveys or limited qualitative research.

The challenge:

- Vulnerable customer samples within standard CX programmes are often too small to deliver statistically reliable insights.
- Qualitative methods, while valuable, cannot quantify scale or track measurable change over time.
- These studies rarely use vulnerability frameworks that align to the FCA's definition of vulnerability.

The result is a material evidence gap. Firms cannot demonstrate with confidence whether vulnerable customers are receiving good outcomes, where disparities exist, or whether interventions are delivering impact.

The FCA's Vulnerability Review last March made this explicit and signalled that its 2026 supervisory agenda will focus sharply on whether firms can evidence robust, data-driven outcomes monitoring.

The direction of travel is clear: assertion will no longer suffice. Evidence will be required.

Regulatory Imperative (and common sense)

Under the requirements of the Financial Conduct Authority (FCA), firms must "understand the nature and scale of vulnerability within their target market and customer base." Yet too many organisations still rely on assumptions rather than evidence. Vulnerability characteristics vary by product, channel and customer segment and without robust data, firms are operating blind.

As FCA Director Graham Reynolds has stated: "The first, vital step is identifying vulnerability. You can't begin to meet clients' needs if you haven't first considered which clients might be vulnerable and why."

Without this foundation, investment is misdirected, which results in overserving in some areas while leaving genuine risk unaddressed elsewhere. In a regulatory environment that increasingly demands proof, that is not just inefficient; it is indefensible.

Our Solution

We worked directly with the Financial Conduct Authority to develop a survey methodology that meets the FCA's requirements and delivers two outcomes simultaneously:

1. Precisely quantifies vulnerability characteristics across a customer base.
2. Rigorously assesses whether customers, vulnerable and non-vulnerable, are receiving good outcomes.

By integrating both elements within a single, statistically robust framework, supported by inclusive representative sampling and disciplined data collection, we provide:

- A clear and defined view of vulnerability across your portfolio
- Reliable comparison of outcomes between vulnerable and non-vulnerable customers
- Actionable intelligence to prioritise intervention, redesign or innovation
- Evidence that withstands regulatory scrutiny

This is more than research. It is a strategic infrastructure that enables businesses to meet regulatory expectations, allocate capital with precision and build customer propositions that are commercially resilient and regulator ready.

In the following case study, Principality discuss how our approach has helped them shape their vulnerability strategy for Supported Customers: