

Monzo's high customer-service ranking is much-needed good news

Article

The news: Monzo tied for the second-highest customer score among UK banks in the [new report](#) “Best and Worst Banks” from the customer-focused publication Which?

More on this: Monzo scored 83%, as did Triodos Bank, while Starling got the top spot at 85%. The 20-bank list for the report—banks with at least 50 survey respondents—includes both challengers and high-street incumbents.

- All three banking players scored five out of five stars in the customer service, communications, and transparency of charges categories.
- Monzo and Starling each scored five out of five stars in the mobile banking category.

Room to improve: Monzo's product score—composed of analysis of fees and rewards—was in the middle, coming in at 64%.

- **First Direct** topped banks in this category, at 93%; while **Barclays** was second (81%) and **Lloyds Bank** was third (80%).

But Monzo missed out on becoming a Which? Recommended Provider (WRP), which is for banks that are strong in both the customer and product categories.

- Starling, First Direct, and **Nationwide** were the three banks that made it.
- The publication said the designation wasn't extended to Monzo because it hasn't signed on to [a code](#) for authorized push-payment scams.

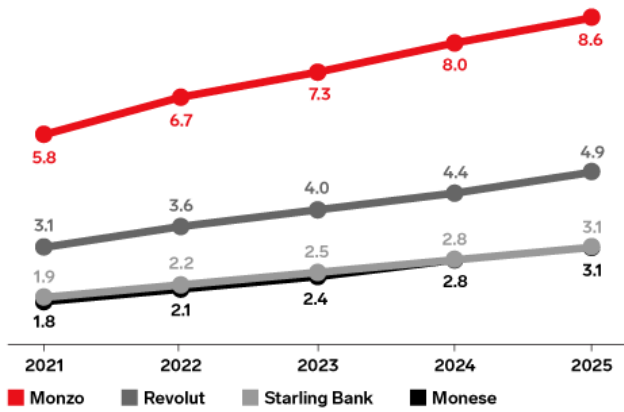
The big takeaway: Monzo's good consumer rating follows [the \\$475 million funding round](#) that it closed in December 2021 with a \$4.5 billion valuation. The neobank has an opportunity to use both to jumpstart a virtuous cycle for its capital structure. That would contrast with [the uncertainty it expressed](#) in its most recent annual report about whether it could remain a going-concern.

The customer-side findings within its home market mark a show of confidence in Monzo from both its users and a prominent consumer-focused publication.

- The neobank could promote its ranking to customers and investors.
- Monzo could capitalize on its favorable ranking by strengthening its engagement with satisfied customers. It could also enhance its favorable publicity by working to improve its Which? ranking on the product side and sign on to the code for handling authorized push-payment scams.

UK Neobank Account Holders, by Company, 2021-2025

millions



Note: Individuals who have at least one account at an FSCS-backed, digital-only, full-service bank open to all consumers that includes transactional and savings options but does not operate physical branches, and where all account management is carried out via web browsers, mobile apps, or over the phone
 Source: Insider Intelligence, May 2021

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