

January 2026

By Tamsin Palmer, Managing Director Customerwise Ltd - <https://www.customerwise.co.uk/>

## Compliance Gaps Cost More Than You Think: How Mystery Shopping Reveals Hidden Risks

Compliance isn't just about ticking boxes - it's about **protecting your business from the hidden risks that regulators, competitors, and customers are watching for**. As we move into 2026, regulatory changes are accelerating, and the cost of non-compliance has never been higher.

### The Regulatory Landscape is Shifting Fast



Recent developments show just how serious compliance has become. Just this month, the FCA issued a [fine of £44 million to Nationwide](#) for failings in financial crime controls, while last year [Volkswagen Finance was fined £5 million](#) and also agreed to pay £21.5 million in redress after failing to fulfil the FCA duty to treat customers fairly. Meanwhile, GDPR enforcement continues to bite, with ICO fines including [£90,000](#)

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[levied on AFK Letters Co Ltd](#) earlier this year for contacting people without consent. These aren't isolated incidents - they're part of a broader trend of tightening regulations that could impact your business.

But here's the problem: many businesses don't spot compliance gaps until it's too late. By then, the damage to your reputation, finances, and customer trust is already done.

## Mystery Shopping: Your Secret Weapon for Compliance



This is where mystery shopping becomes your most powerful ally. While traditional compliance monitoring focuses on documentation and processes, mystery shopping reveals what's actually happening on the ground - where the real risks lie.

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Think of it as having an independent set of eyes and ears in your operations. Mystery shoppers experience your services exactly as your customers do, uncovering those subtle compliance gaps that might otherwise go unnoticed. From FCA-regulated financial services to GDPR-compliant data handling, mystery shopping provides concrete evidence of where your processes are working, and where they're falling short.

## Real Risks, Real Solutions

Take the 2024 FCA fine against Volkswagen Finance. If they'd used mystery shopping to regularly test their vulnerable customer processes, they might have spotted those failures before they became a £27 million problem. Similarly, the AFK case highlights how crucial it is to understand your data handling processes in practice, not just on paper.

Mystery shopping helps you:

- Identify compliance gaps before they become problems
- Understand how your processes work in real-world scenarios
- Demonstrate to regulators that you're taking compliance seriously
- Build a culture of compliance across your organisation



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## Taking Action Now

The cost of inaction is higher than ever. With regulatory scrutiny intensifying and customer expectations rising, now is the time to strengthen your compliance position. A tailored mystery shopping programme can reveal the hidden risks in your business and help you build a more robust, compliant operation.

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