



OUR JOURNEY TO INCREASING CUSTOMER RETENTION

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Lloyds Banking Group – General Insurance



WHAT WILL THESE NEXT 20 MINUTES HOLD?

- Parallels between Nominet Registrars and Insurance
- Our journey of increasing revenues through better retention
- Hopefully some ideas that might make a difference...



SO WHO ARE LLOYDS BANKING GROUP?



- **Lloyds TSB:** 10 years as Britain's most popular insurance provider



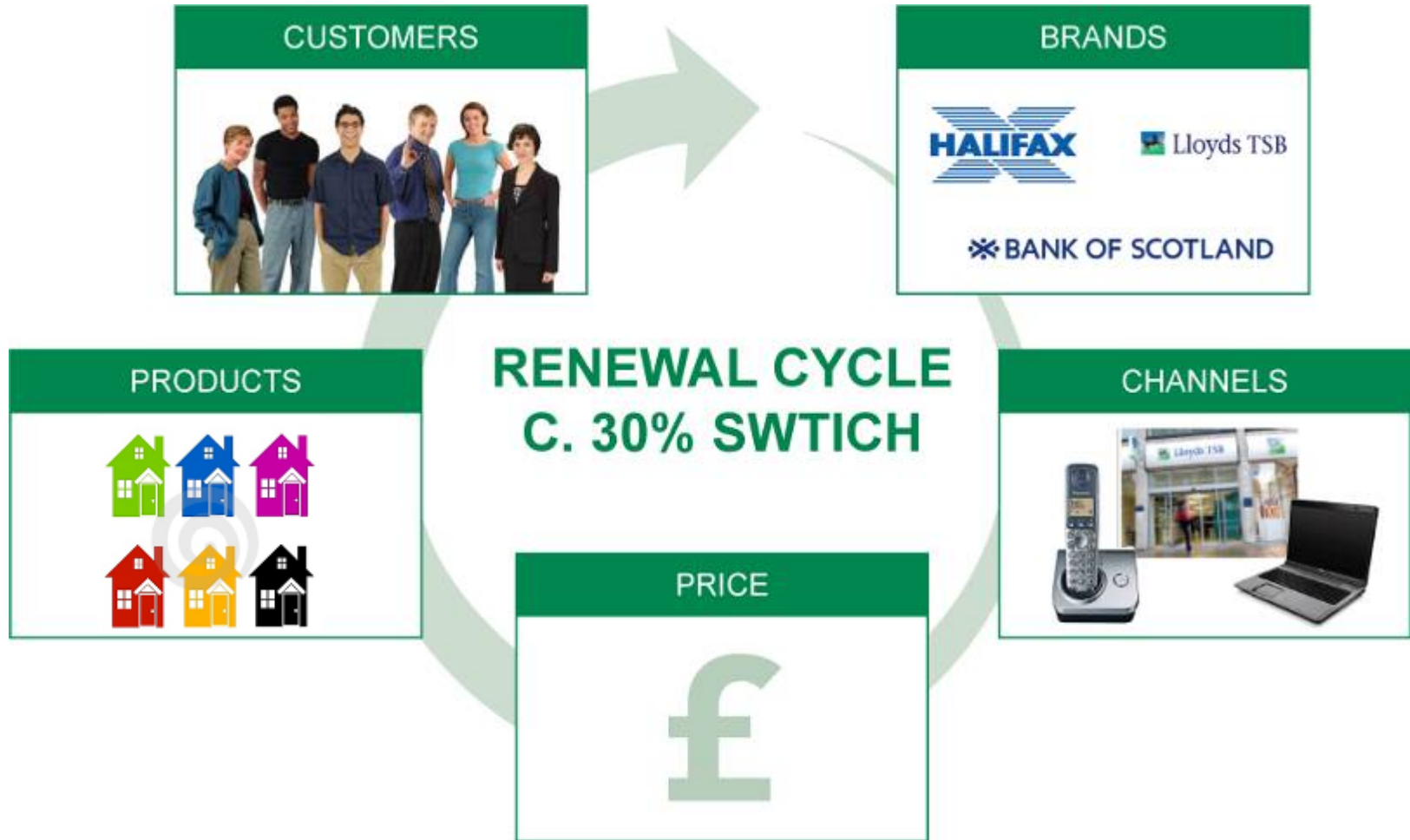
- **Halifax:** Number Two in the Home Insurance market



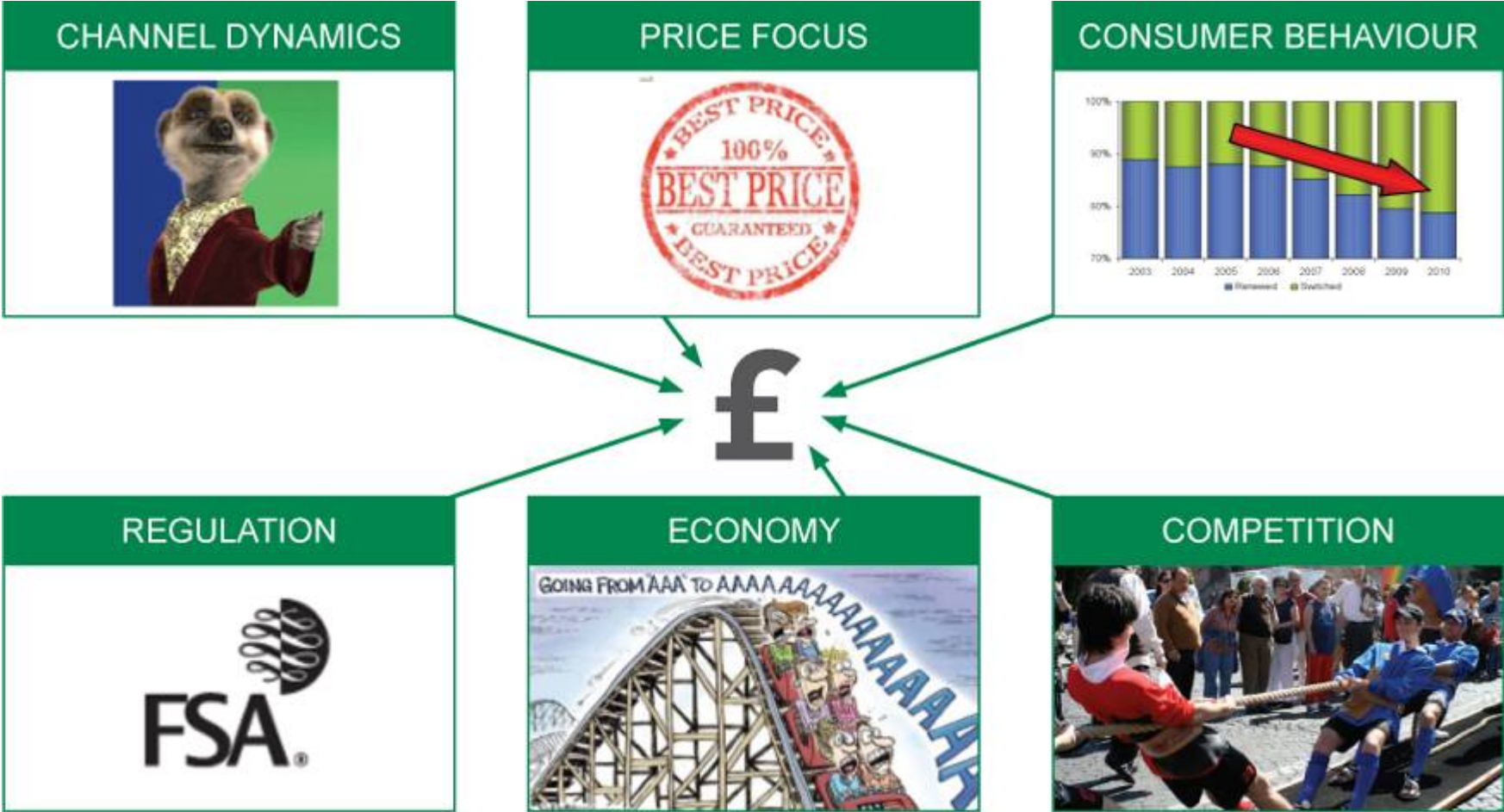
- **Bank of Scotland:** Our key retail brand in Scotland



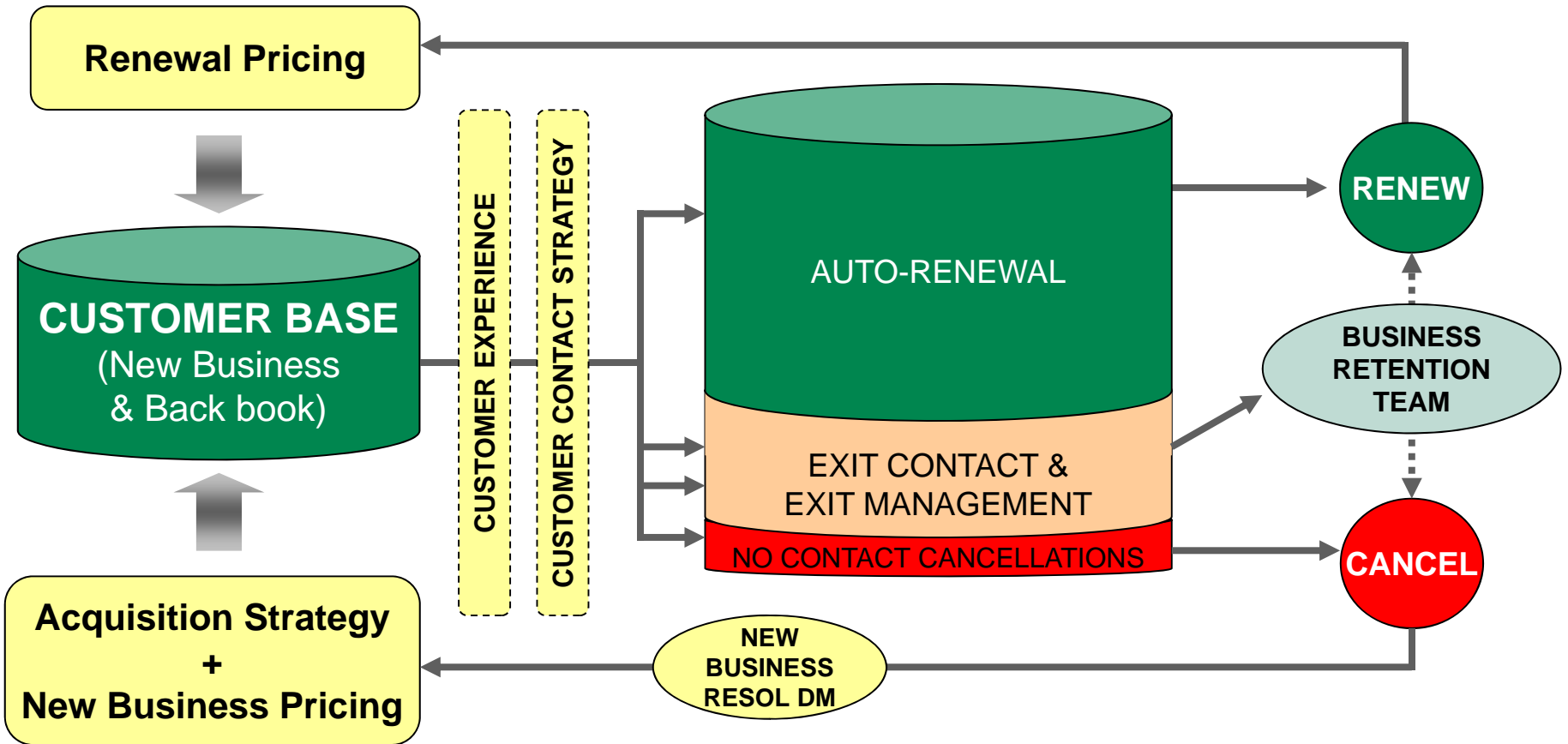
A PARALLEL BUSINESS MODEL?



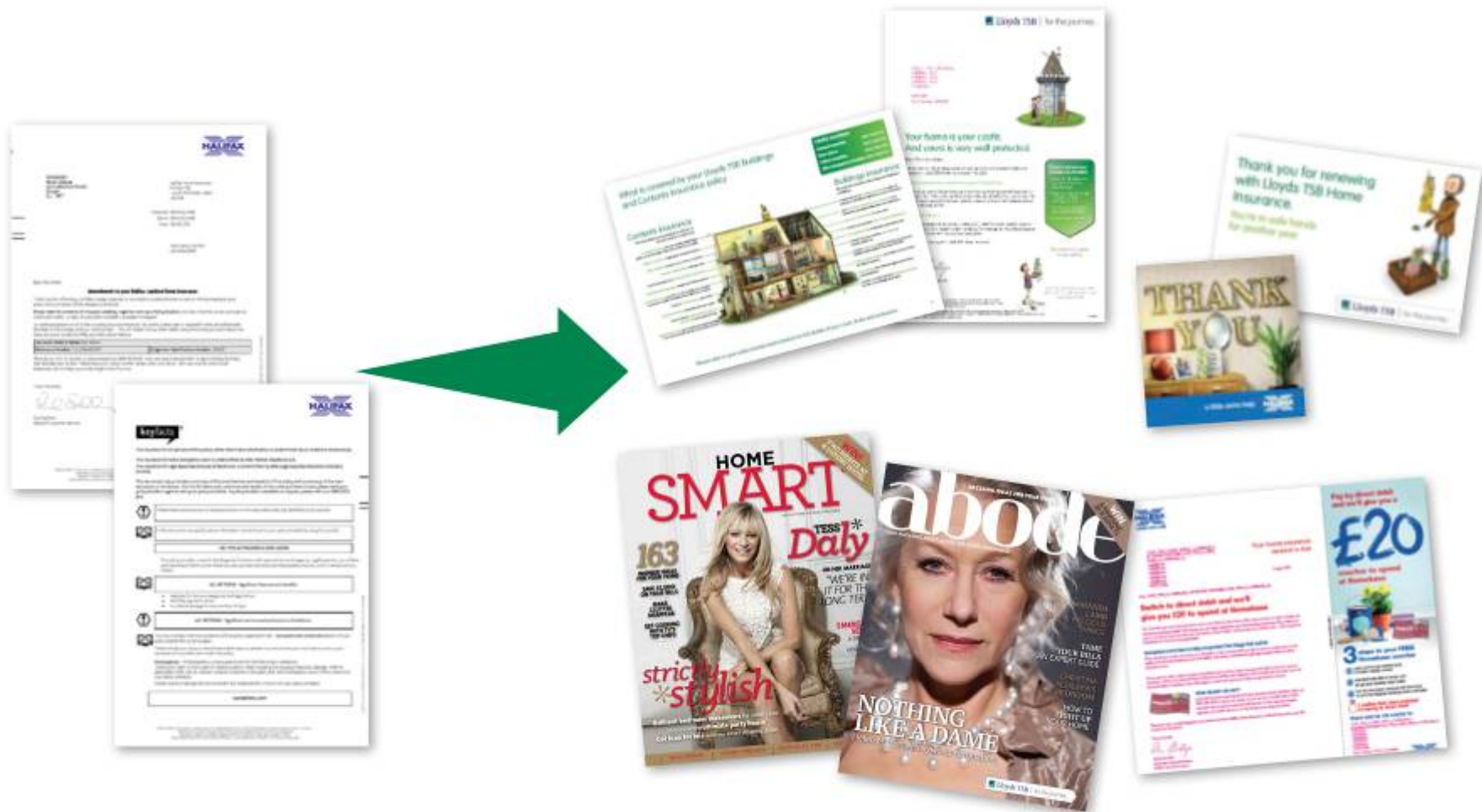
EXTERNAL MARKET CHALLENGES HAVE RESULTED IN A CHANGE OF FOCUS FROM ACQUISITION TO RETENTION



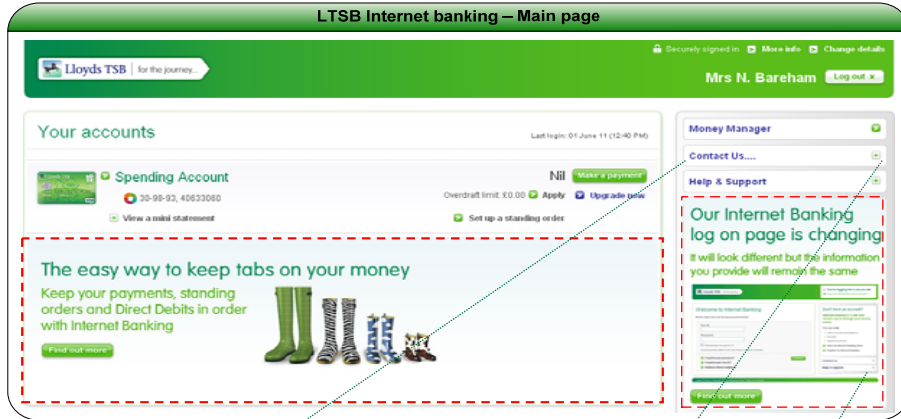
OUR STRATEGY HAS LED TO 3 KEY AREAS OF FOCUS



A NEW CUSTOMER CONTACT STRATEGY TO INCREASE “AUTOMATIC RENEWALS”



USING NEW CHANNELS TO INCREASE THE NUMBER OF CONTACTS WITH CUSTOMERS PLANNING TO LEAVE



Important information

We were unable to take your latest home insurance payment. Please call us on 08456 123 456



8am - 6pm Monday - Friday and 9am - 1pm Saturday



USE OF DATA TO TARGET THE RIGHT INCENTIVES, AT THE RIGHT TIME, TO MAKE SURE THE RIGHT CUSTOMERS STAY



Incentives

- Discounts based on value and stage of renewal cycle.
- Tailored offers based on proposition.

Proposition

- Alternative product to meet customer needs.

RETENTION ACTIVITY NOW CONTRIBUTES OVER TWICE AS MUCH BOTTOM LINE PROFIT AS FOUR YEARS AGO



YESTERDAY



TODAY



TO CONTINUE OUR JOURNEY, WE NEED TO LOOK AT MORE INNOVATIVE WAYS TO REWARD CUSTOMER LOYALTY





IF THERE WERE 3 THOUGHTS TO TAKE-AWAY?

- There is substantial value in focussing on existing customers
- A one size fits all approach to customer retention is unlikely to work
- External market challenges affect us all, but those companies that are ready to predict them, and react quickly, are likely to win



**THANK
YOU!**