

## Rebranding

# BEHAVING LIKE A MUTUAL THAT MEANS BUSINESS

David Radford, Group Marketing Director at LV= offers an insight into what went on behind the scenes at the radical rebranding of the well known but old fashioned Liverpool Victoria.

In March this year LV= (formerly Liverpool Victoria Friendly Society) underwent a bold and radical rebrand. The aim was not to create a new company or introduce a new, flashy, advertising campaign, but to deliver a brand that reflected the changing face and ambition of the organisation.

The brand was not the catalyst for change - more; change was the catalyst for a new brand. This is an important distinction and defines the approach to the rebrand taken by the business, led by new Group Chief Executive Mike Rogers, recruited from Barclays in May 2006.

previous media description of Liverpool Victoria as 'the best kept secret in financial services'. The re-brand campaign was therefore a key part of the journey to reinvigorate LV= as an organisation fit to compete in the 21st century.

### **Strategic hires and acquisitions**

The resurgence of LV= begins with the Board's desire to rethink the purpose and strategy of the business, and the appointment of a new Group Chief Executive. Since then there have been a number of other strategic hires and acquisitions that have significantly expanded the strength of the business and the experience of its senior management.

The acquisition of ABC Insurance in September 2006 brought in John O'Roarke and the team who had co-founded Churchill Insurance, Rodney Cook was brought in from Prudential to head up Life and Pensions business, Richard Rowney joined from Barclays as Group Chief Operating Officer and Keith Abercromby, formerly at Aviva and HBOS, joined as Group Finance Director.

In addition, in May 2007 we acquired Britannia Rescue and in the same month we announced the option agreement to acquire the specialist retirement business of Tomorrow (formerly GE Life) from Swiss Re at the end of this year. In June 2007 we launched a

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The thinking behind the brand was therefore driven from the inside out – how could we reawaken the organisation and project the rapid organisational change we were undergoing, whilst at the same time holding onto and reflecting the positive values from our past? An additional motivation was to overturn a

new insurance broker business under the ABC brand, and in October we announced ambitious expansion plans for our asset management business led by Steven Daniels, with a view to growing the business and expanding into retail investments.

### Realising the LV= difference

At the same time as engineering this radical organisation change and making key acquisitions, we worked with innovation consultancy, Whatif!, to help realise the competitive advantage in the LV= difference. As part of the research undertaken with them, we focused on the external marketplace and what our customers are most concerned about.

It became clear that somewhere between high net worth individuals and state dependency, there is a large audience that is increasingly concerned about financial issues: spending too much, saving too little, not understanding financial products, not trusting financial providers, constantly facing new challenges from house price income ratios, to educational funding, from starting a family to retirement provision.

We characterised this group of people as the 'Anxious Majority' and developed a new purpose and vision for the organisation around relieving such anxieties and helping people to find the 'true wealth' of freedom from financial worry. The positive reaction of our customers to recent product and service innovations designed with this purpose in mind, such as our 'Healthy Steps' well-being initiative, suggest LV= has found a new, contemporary relevance.

### Brand identity research

Having developed the brand strategy work with Whatif!, we then asked brand design agency The Partners to help us take this forward, and propose how we should express our vision in terms of our brand identity. As a first step, they undertook external and internal audits to assess views among customers and employees towards the existing Liverpool Victoria name, branding and culture.

The response to the Liverpool Victoria and Frizzell names was consistent throughout – the brands were viewed as old-fashioned and lacking presence in the marketplace. In both cases, where the brands were known, there was fondness of the values and service provided. However, almost all customer respondents acknowledged the need to update the brand identity.

Also, unlike some more product-led providers, it was crucial for our new brand to project the values embodied within the organisation and bring these to life. LV= has evolved around its mutual heritage and values. These values, such as equality, fairness and trust are important to us and this is embodied in our commitment to having service promises such as UK-based call centres, and our 100% endowment

mortgage guarantee. While mutuals may not be as fashionable as PLCs, that doesn't mean their performance has to be any less attractive or competitive.

As the UK's largest friendly society, we were keen to maintain the well trusted behaviours of a mutual but, critically, combine these with the competitive performance you would expect from a successful PLC. Internally we call this being 'Sharp with a Heart'. Delivering this 'LV= difference' to our 2.5 million

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customers has generated increasing recognition that the former "best kept secret" has finally refocused, repurposed and rebranded. We're behaving like a mutual that means business!

We also needed a brand that matched where the business was going. We have a stated aim to achieve a top five position within our chosen general Insurance markets in five years. The name Liverpool Victoria was not ideal for that market, being old-fashioned and long-winded and therefore making it harder to compete with the likes of Direct Line. Also in life insurance, where the majority of business is channelled through IFAs, there was a need to change. Our research showed that some IFAs perceived the Liverpool Victoria brand as old-fashioned and low-tech. They prefer to work with brand names that their customers recognise and regard as modern.

### Keeping it short

We needed a new name that was shorter, more memorable and worked well in marketing materials whilst maintaining some links back to the past. The Liverpool Victoria brand also presented practical difficulties. For example, try fitting 'Liverpool Victoria' at the end of an SMS message or onto cricket sponsorship stump logos!

It was also important to have a brand that didn't estrange existing members and customers, that reflected our business goals, our products and services, our true values and personality. For us, building a brand in the new Treating Customers Fairly (TCF) environment is not about clever commercials or flashy logos, it's about people taking the customers' perspective, treating them as equals – in fact one of our core values

is 'Treat people like family'. Whatever the external 'get-up' of the brand and logo, the underlying principles are what matters and what customers judge us on.

The clear favourite to emerge from all our stakeholder groups for a new brand identity was LV=. The new brand is consistent with the organisational name it derives from, and with the message of fairness and equality attached to our mutual heritage. We were already called LV by many people internally and externally, and the = sign was added as a modern expression of mutuality and equality.

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#### Implementation

Alongside the externally facing launch activities with the media and other audiences, and new advertising, the most important part of the launch was an internal programme to present our new strategic direction and brand to our employees and secure their engagement.

This featured a programme of events ahead of the launch that saw staff experience an interactive presentation of the organisation, its past, its future and its new brand. Post-event analysis showed that employee engagement was hugely successful. It is our employees who helped us refocus and develop our vibrant new business. The brand has harnessed their enthusiasm and provides a visual stimulus for their customer-focussed behaviours such as being 'Sharp with a Heart'.

This has been assisted through the relaunch of our intranet 'Heartbeat' to mark the greater level of involvement of our people with the brand and its values.

Much of this internal focus has been on closing the gap between our employees and our customers and members. We have dramatically increased the level of both employee and customer engagement in the business. We have a significant online member research community, regular member events around the UK and frequent member updates.

#### Effectiveness

The success of the rebrand can be seen through an increase in sales figures and has been influential in attracting new business. New car insurance sales are up considerably, and our enhanced Internet presence has seen web-based sales of car and home insurance soar. Our car insurance TV advertising campaign has also proved popular and driven up brand recognition and, interestingly, a desire by many people to download the soundtrack!

The success in terms of sales is complemented by an increase in brand awareness and perception. Analysis of our press coverage has also been encouraging and shows the new brand was well received. At an internal level, our employees have positively responded to the new brand and the underlying strategic changes in the organisation.

Already our distinctive green heart brand icon has become associated with a different service standard, characterised by initiatives such as providing our endowment guarantee and offering insurance customers our 'live chat' facility, that allows them to 'chat' to our advisers online. It has found resonance among employees who have been helping customers in need.

A resurgent LV= is enjoying dynamic growth and now has a brand that is attracting new customers and employees in the face of bigger international rivals. Such early signs of success perhaps evidence the strength of a brand based upon the reality of customer experience, rather than marketing spin. □

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