



**'THERE'S A REAL OPPORTUNITY
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TRADITIONAL BANKS.'**

It has a new, user-friendly image, complete with cute dachshund. But can the Post Office also be a major financial services provider with wide appeal? Chief Marketing Officer and The Financial Services Forum's current Marketer of the Year PETE MARKEY sees real opportunity, as Arthur Allan reports.

CHANGING PERCEPTIONS

Doobie the dog has found love. The dachshund, who stars with comedy actor Robert Webb in the Post Office TV ads, found a match after a Valentine's Day campaign that saw customers submit photos of their own pets for Doobie's consideration.

"We have permission to be a bit playful with our marketing," says Pete Markey, describing the Post Office tone of voice.

Alongside the cute canines, however, Markey is leading some very serious changes – notably a drive to become a leading UK financial services provider.

Other retailers would value the penetration achieved by the Post Office.

Every week, 17m people walk through the doors of a branch. Some 95% of us use it in any given year.

MAKING ITS MARK

It's a safe bet, though, that a large majority see it as a place to post a parcel or pick up a driving licence application. They wouldn't think of taking out a savings account or a mortgage with the Post Office; they simply don't see it as a financial services provider.

As Chief Marketing Officer, Markey must promote a 350-year-old national institution as a credible financial brand, without compromising its heritage. ►

Photography: Paul Stuart

‘WE CAN’T FORGET THE CORE MAILS BUSINESS. IT WILL ALWAYS BE AT THE HEART OF WHAT THE POST OFFICE DOES.’

► “There’s a real opportunity for the Post Office to make a mark in the finance space, especially as there’s so little trust for core traditional banks,” he says.

Its unique strength, he believes, lies in the 11,500 branches in operation, working in partnership with the major banks to provide services to their customers as well as its own.

NEW INNOVATIONS

In becoming a challenger brand, and broadening its customer base, innovative new products have been added to the existing suite under the ‘Post Office Money’ label. This includes the recent introduction of a new cash ISA and current account app.

Financial advisers and mortgage specialists have been introduced in 300 branches. “That’s definitely a growth lever: you can’t beat meeting someone and discussing a mortgage,” says Markey.

But that’s just part of a wider transformation – one that Markey has been handed enviable scope and investment to deliver.

His customer experience team has developed a set of standards for the network to follow. “Any change that affects the customer comes through my team, which is great,” he says.

What’s exciting is that the look and feel of 4,000 branches have already been transformed. One of the key differences is that staff are now very much out front and customer facing.

Markey says this reflects a wider trend. “Some banks still separate employees and customers with a glass screen, but many now have no counters at all and staff are very much out front, helping people at self-service kiosks,” he says. “It’s been really well received by colleagues as well as customers.”

Other changes have been trialled in a university-based ‘test lab’ and are now being explored in the real world through our ‘concept branch’ at Kennington Park. At Oxford, we are piloting day to day operational changes to improve customer experience.

All this is done with a commercial end in mind: “If the in-branch experience gets better, we know that has a direct correlation with people’s attitude to taking out financial products with us.”

EMBRACING ITS ROOTS

But Markey is acutely aware that the more traditional functions of the Post Office can’t be neglected in the pursuit of financial services status.

“It’s got to be an equal balance,” he says. “We can’t forget the core mails business. It will always be at the heart of what the Post Office does.”

“It has always been a destination point, where you bring important things that need to be done. People come with a to-do list; our role is to help them fulfil it as effortlessly as possible. If we can do that, they’ll be more disposed to considering taking out a mortgage.”

Adding muscle to digital services is another priority for Markey in the drive to enhance the relevance of the brand. Current initiatives, like the ability to order foreign exchange currency online, allow the Post Office to gather valuable data on customers.

Markey has appointed an analytics head in a bid to improve the way the Post Office tracks and uses customer information.

“I’m looking at how we can capture everyday interactions at a series of trigger points,” he says. “If you’re a small business that regularly posts parcels, for example, there’s clearly a value in giving us your details in return for better services and incentives.”

THE PERSONAL TOUCH

The Post Office also devotes a team of people to customer service management on social media.





SPEED READ

- Becoming a leading financial services provider
- Adding to its innovative suite of products
- Look and feel of 4,000 branches transformed
- Financial advisers introduced in 300 branches



HOW LOVE SHAPED A CAREER

When he passed up his first big break, Pete Markey's career seemed to be over before it had properly begun.

PR agency Cohn & Wolfe offered him a place on its graduate scheme. "I turned it down because my girlfriend was in Southampton, and I wanted to make that work," he recalls.

"I took a job in the call centre at British Gas instead. Friends told me I was mad, that I'd thrown it all away."

He clearly has no regrets: the relationship prospered, and he's now married with two children. And in the event, he didn't spend too long answering phones.

Markey was selected for an internal training job and then led a sales team. Within a year, he had taken a role reporting on campaign performance.

He then worked on a strategy project which recommended that British Gas branch out into telephony and roadside breakdown services. As a result, the company bought OneTel and the AA – and Markey spent periods working with both of them.

OneTel was clearly a favourite: "It was a kind of Australian backpacker company. It wasn't corporate or stuffy. Head office left us alone. Every month you got a free head massage at your desk."

He moved on to MORE TH>N as head of marketing, acquiring an MBA in the middle of his three-year stint.

"Then the mothership of RSA came calling," he recounts. He worked all over the globe for the insurance firm.

When the Post Office role came up, Markey considered his own experience of the network.

"Like many people, I viewed it as a staple of the high street, a great British brand," he says. "I certainly saw its good intent and its social purpose. The question marks I had were, is there investment behind improving the customer experience? And, what's in it for me?"

"Finally I thought, what a fun challenge, to work in a 300-plus-year-old business that's going through all these changes. In many ways, it's re-energised me."

'ONE OF THE KEY DIFFERENCES IS THAT STAFF ARE NOW VERY MUCH OUT FRONT AND CUSTOMER FACING.'

The recent announcement that over 2,000 branches would open on Sundays was very well received and supported with a live campaign: "We had creatives making vines in the moment," Markey enthuses. "It was brilliant – you could see things coming in real time."

But the engagement effort isn't limited to quirky online campaigns. Last year's campaign on the modernisation programme promoted the 100,000 extra opening hours and Sunday opening, with a simple 'We're changing' message featured in press and posters as well as digital.

Then, at Christmas, the Post Office ran a major TV ad for the first time in five years, introducing Robert Webb and that dachshund. Markey thought it struck a good balance: "It felt really modern and of the moment, but also still like the Post Office. The result of running this campaign over Christmas saw growth in mail, which is a really hard business to grow."

He is brimming with enthusiasm for the next ad, devoted to Post Office Money, which he promises will be "hugely shareable". "Again, it's a very modern, fresh take on the Post Office. We're doing some stuff that's never been done before."

Markey says he is hoping for strong improvements in key metrics on customer loyalty. "People need to see us as more relevant as a brand for them," he says. "And I want to see data analytics becoming much more centre-stage in the organisation than it is today."

"If these things come together at the end of the year, it will have been a good year for me and for the business." ■