

Aligning Consumer & Marketing Outcomes in Pensions

5 February 2020



Life Moments
PLAY LIFE, BETTER

Backed by
HM Treasury



Allia Serious Impact
Incubator (2019 cohort)

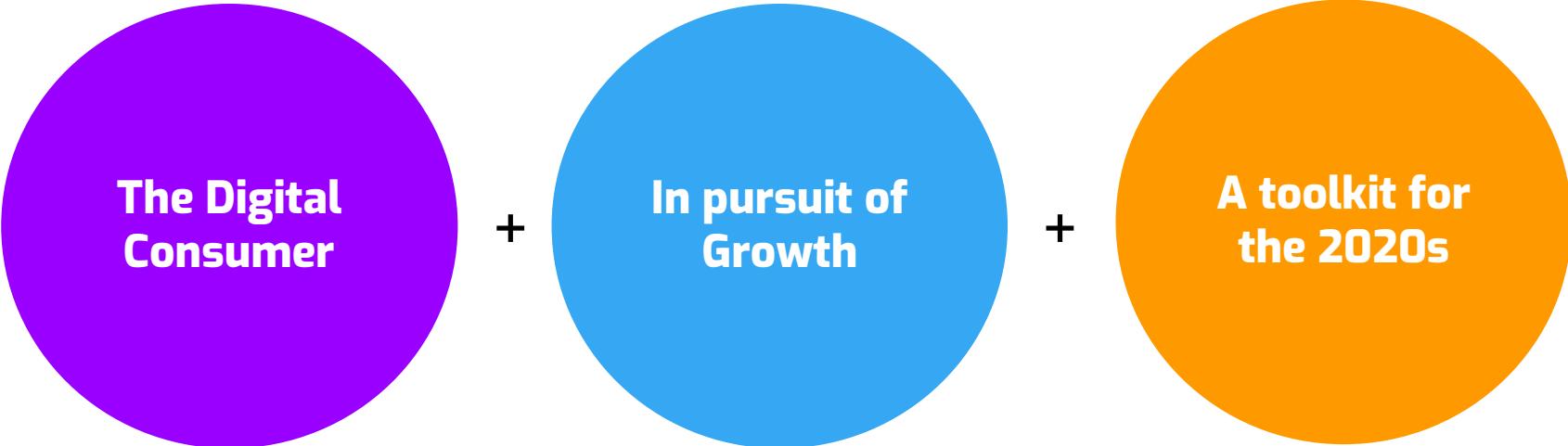


Creators of
FirstHomeCoach

Do you really understand your customer base?

Does your customer acquisition & retention strategy align with your company's intended customer outcomes?

What role should Technology & Data play in this?



The Digital Consumer

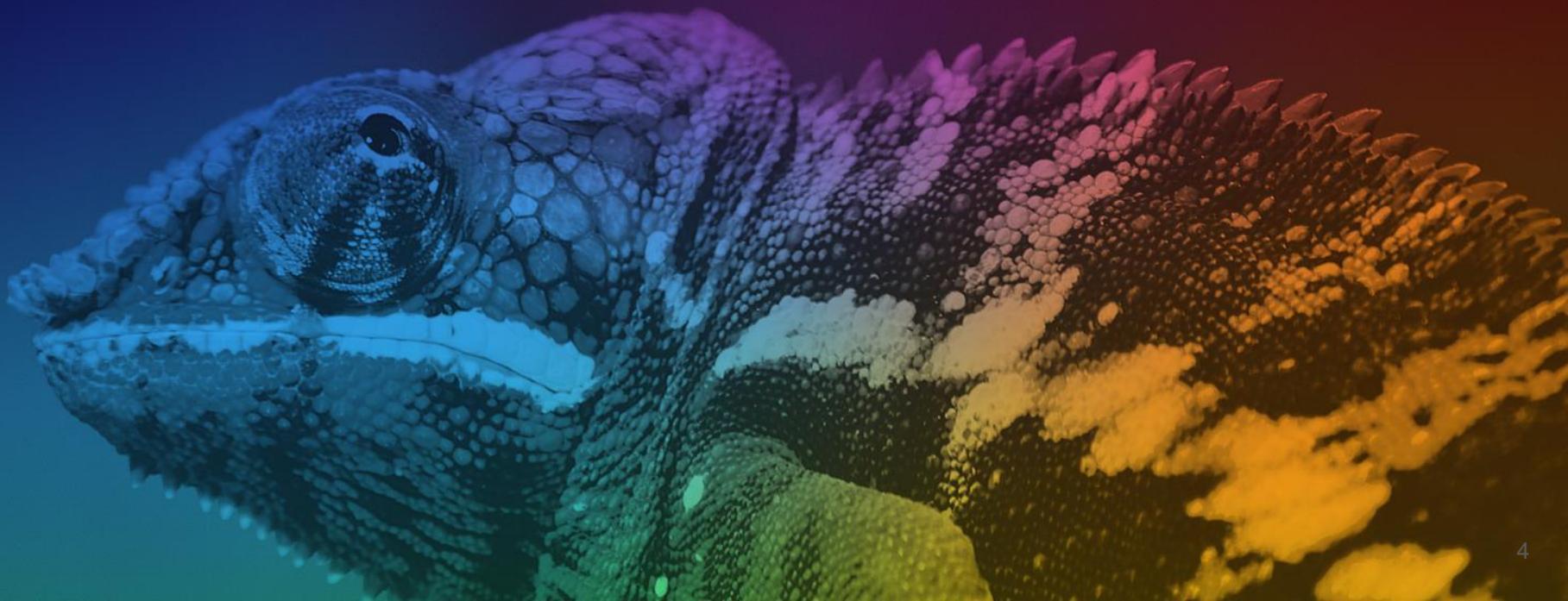
**In pursuit of
Growth**

**A toolkit for
the 2020s**

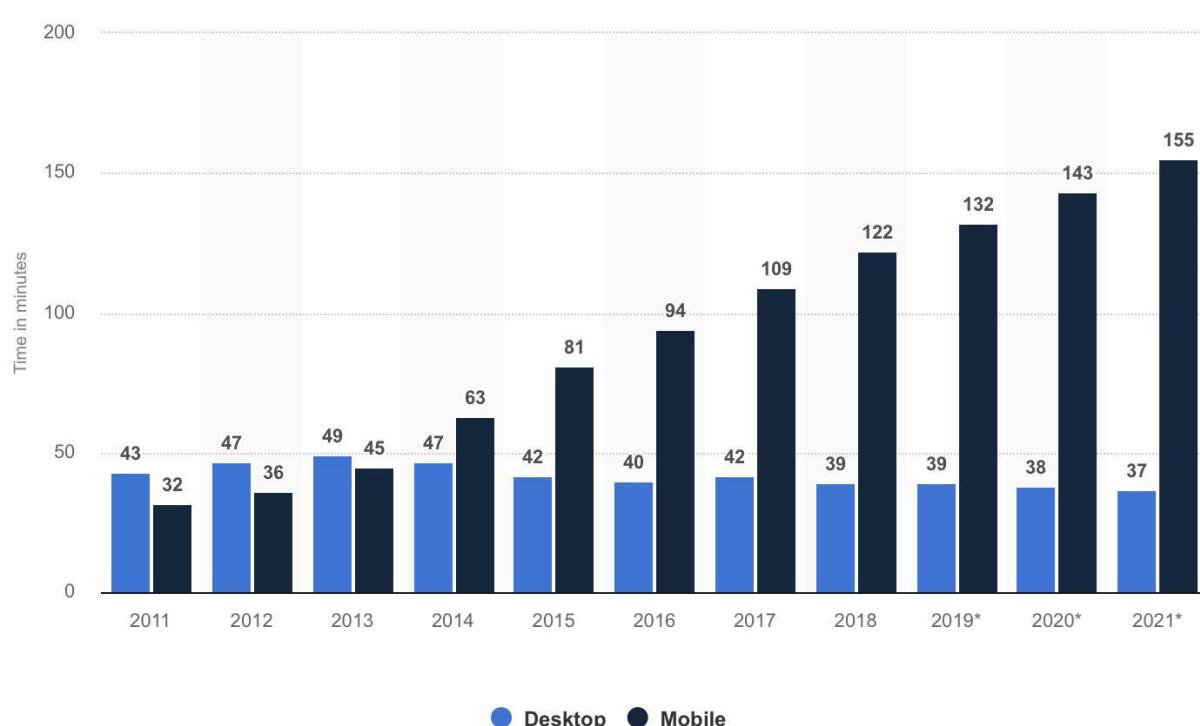


Reimagining Pensions engagement

The Digital Consumer



Consumers increasingly addicted to online....

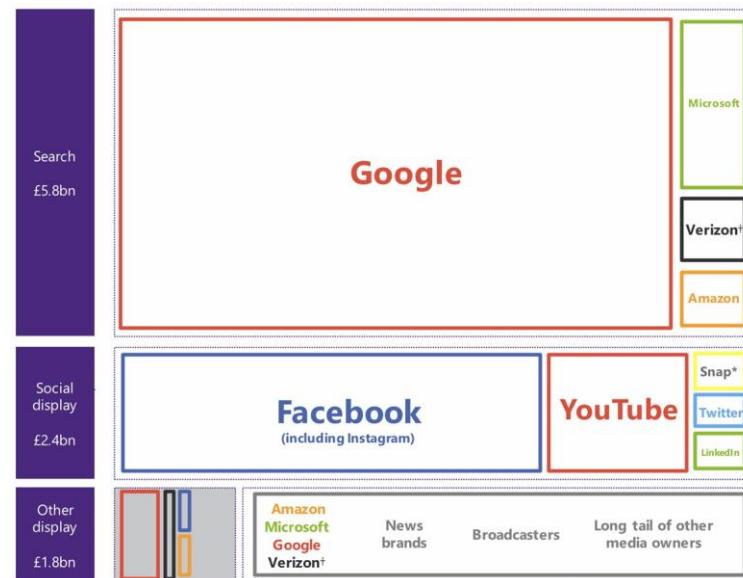
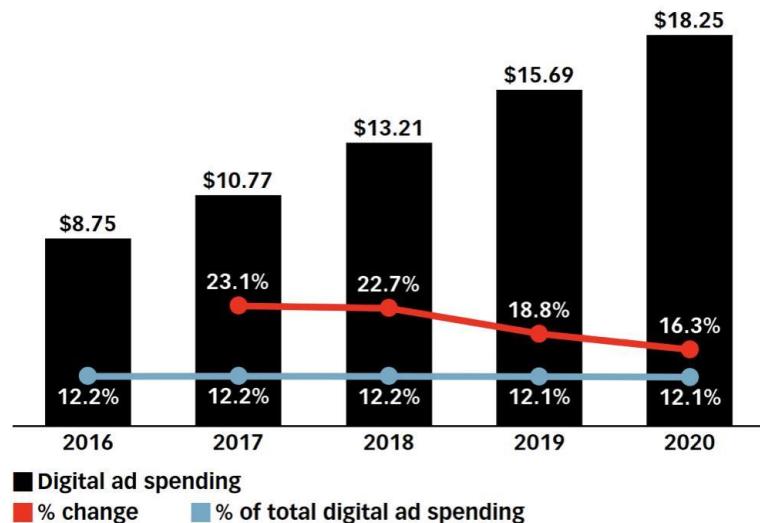


Daily time spent with the internet per capita worldwide from 2011 to 2021

...driving growth in Digital Advertising

Financial Services Industry Digital Ad Spending in the US,
2016-2020

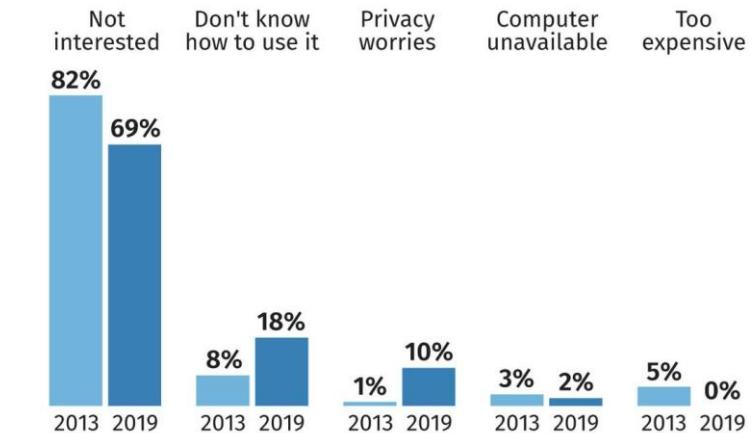
billions, % change and % of total digital ad spending



2017 UK Online Survey

We are entering the Privacy age

Reasons non-users are not online

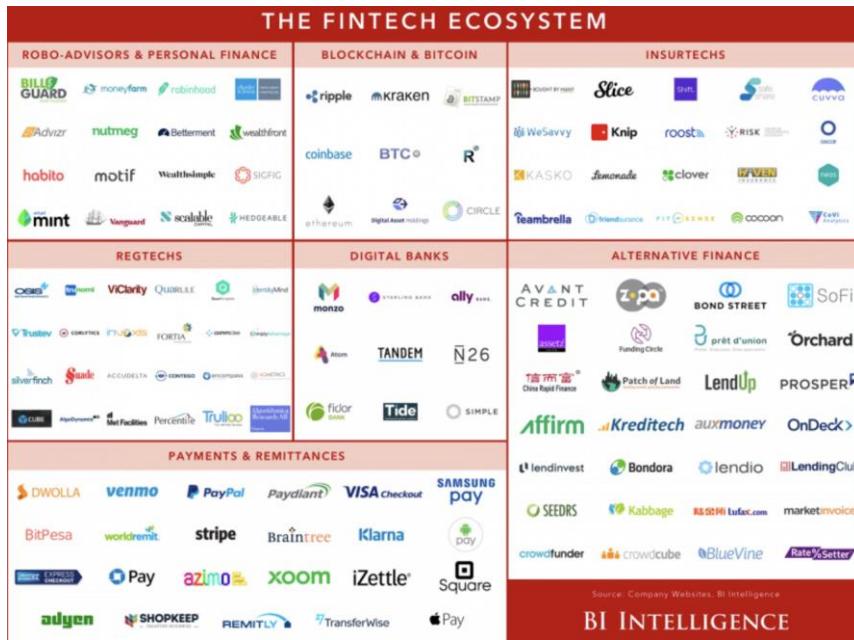


PA graphic. Source: Oxford Internet Survey 2019



"Almost 70pc of active internet users said they were uncomfortable with targeted advertising and tracking data used by tech giants"

FinTech has consumed a lot of capital



B2C business models are far from proven.

Nutmeg losses widen to £18.6 million

Nutmeg remains some way off turning a profit, with losses widening by 50% in 2018, but CEO Martin Stead is confident his firm can be in the black by 2022.

by JOHN SCHAFFER
Posted 7 OCTOBER,
2019



Tiller shuts shop as another robo bites the dust

A robo-adviser backed by big industry names has closed its digital wealth management business and started to hand money back to investors.

by JACK GILBERT
Posted 21 OCTOBER,
2019



Investec W&I profits slump 50% after robo writedown and costs spike

Investec Wealth & Investment took a 50% hit to its pre-tax profits, after canned its Click & Invest platform in May.

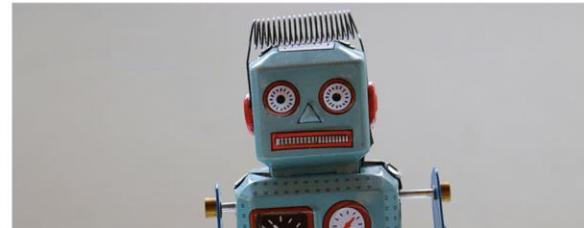
by JOHN SCHAFFER
Posted 23 DECEMBER,
2019

Moola to close 18 months after sale by founder Gemma Godfrey

Gemma Godfrey's old firm Moola is set to close at the end of February, 18 months after she sold it.

by JOHN SCHAFFER
Posted 14 JANUARY,
2020

News sponsored by:
T.RowePrice



In Pursuit of Growth



FS outlook for the 2020s

CBI PwC Financial Services Survey
Q4 2019



Growth

Turning the tide

Participants expect business volumes and profitability to head upwards over the next three months. Yet, it should be noted that financial services sentiment is coming up from a low base.

Growth from a Low Base



Investment

Rising investment

Hiring is up and this trend is expected to accelerate in the coming quarter. As digital transformation gathers pace, the survey also highlights increasing investment in upskilling and systems modernisation.

Digital Transformation continues to "eat" resource & money



Competition

Competing for customers

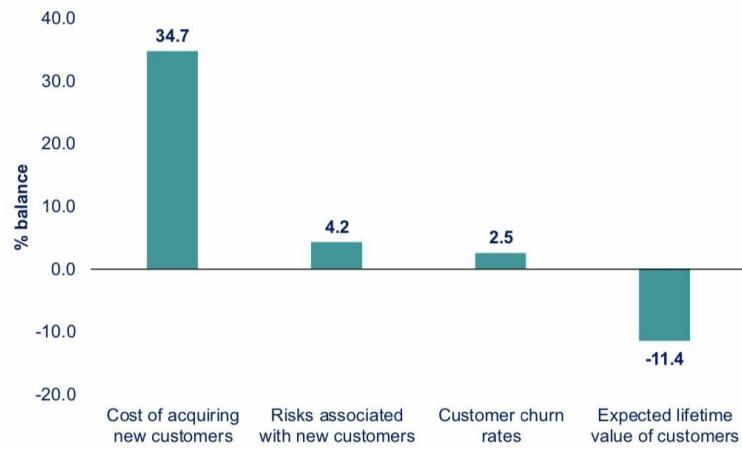
More than a third of participants report that the cost of customer acquisition has risen in the past 12 months and will continue to increase in the coming year. Participants see the main barrier to acquisition and retention as customer switching behaviour, closely followed by technology.

Acquisition Cost & Loyalty centre stage

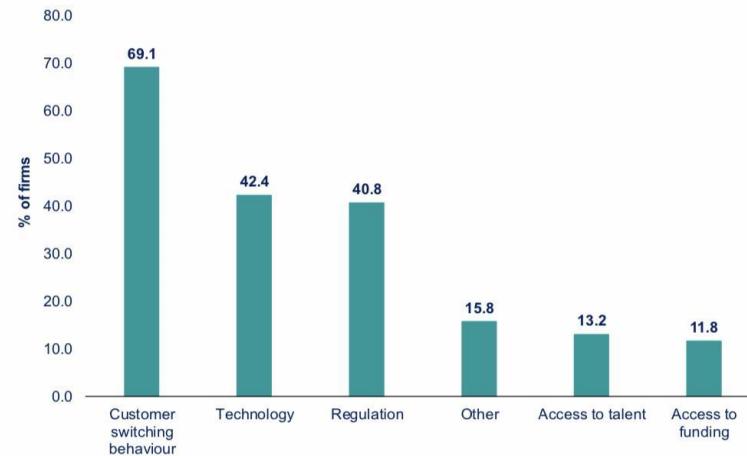


Rising cost of customer acquisition

Trend in aspects of customer base: past 12 months



Constraints on customer acquisition or retention

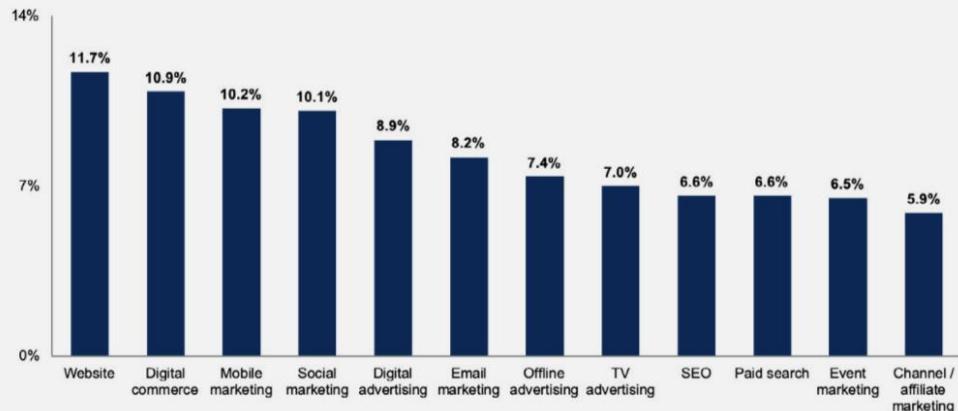


Customers are becoming more expensive to acquire and to keep

Prioritising marketing budgets

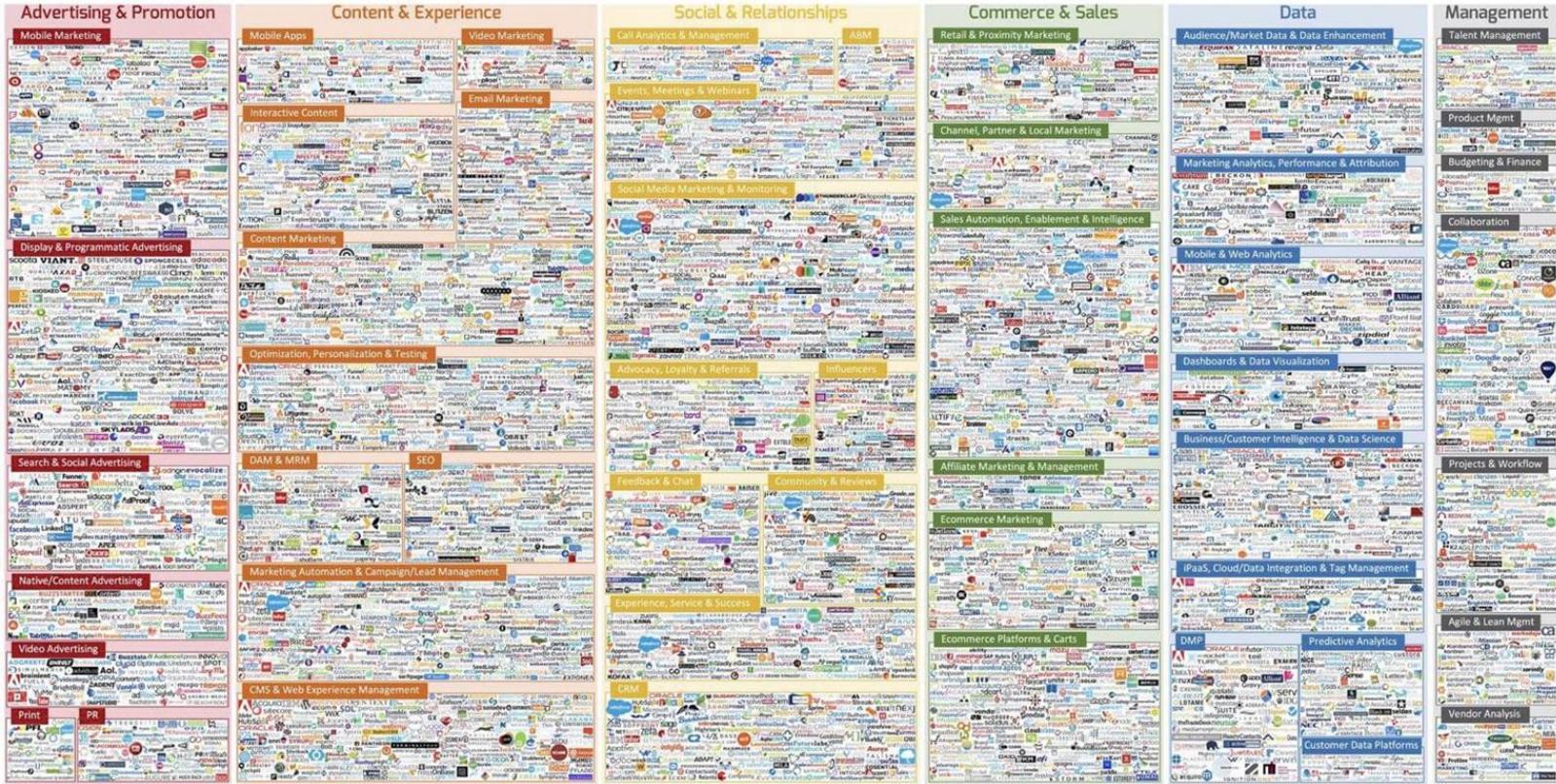
Percentage of marketing budget

Mean summary



A 2018 Gartner study reported that marketing leaders planned to spend 29% of their marketing budget on marketing technology (up from 22% in 2017), making it the single largest area of investment for marketers, followed by labor, agencies and paid media.

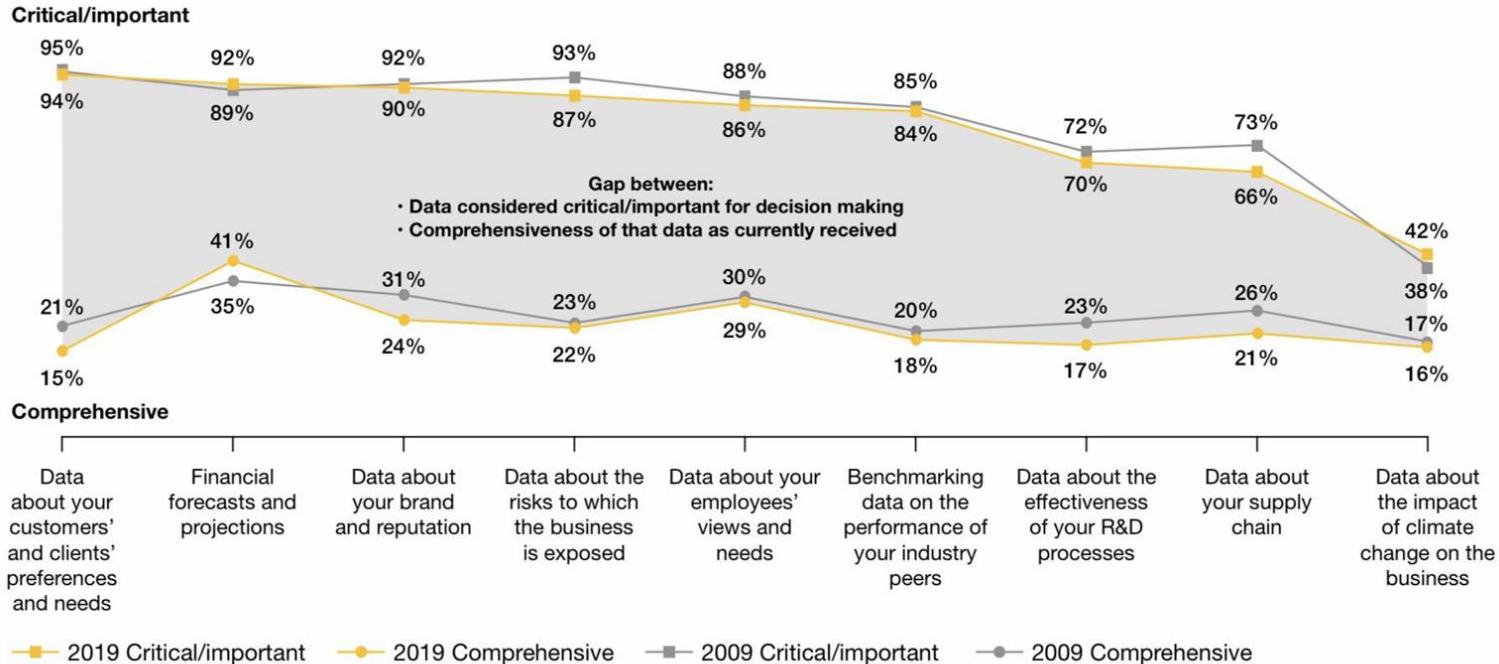
An explosion in MarTech



Sources: CabinetM, Capterra, G2 Crowd, Google, LUMA Partners, Siftery, TrustRadius — see <http://chiefmartec.com/2017/05/marketing-technology-landscape-supergraphic-2017/> for details.

Produced by Scott Brinker (@chiefmartec) and Anand Thaker (@anandthaker).

Data Gap continues to grow



Source: PwC, 22nd Annual Global CEO Survey
Base: All respondents (2019=1,378; 2009=1,124)

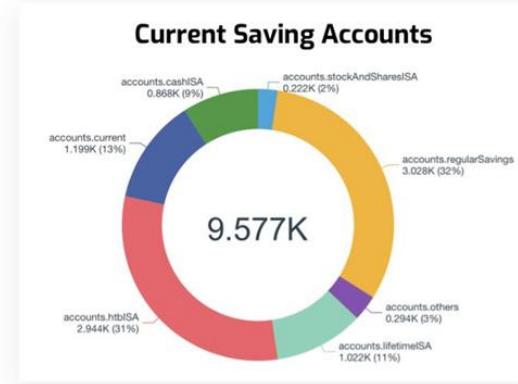
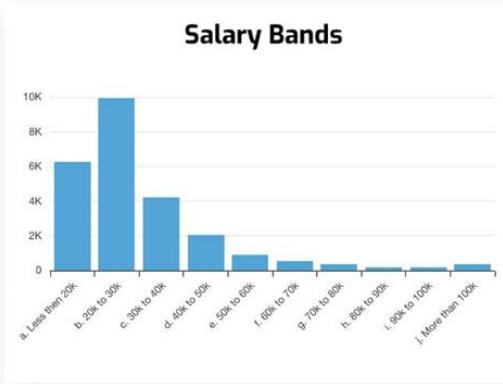
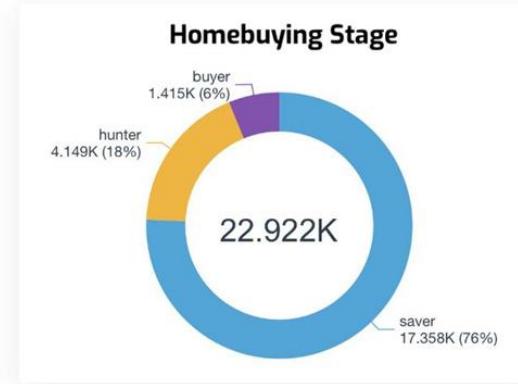
A 79% Gap between Desire for Data and view that have comprehensive insights



4 Digital Marketing Principles for the 2020s



1) Understand your customers better



2) Prioritise (Life) Context over (Product) Content



Your Life Your Money

Calculate now

Should you move to a smaller property in retirement?

Virgin Money Living >

Smart suggestions and inspirational ideas from experts to help you plan the big decisions in your life

- Being better with money
- Looking after your loved ones
- Saving for the future
- Enjoying retirement
- Travel and adventure
- Giving something back
- Buying a home

Bagging a Equity release
Real-life equity release stories: for
Understanding the far Millions of

Fidelity INTERNATIONAL
Services Guidance & tools Funds Shares Pensions & retirement Markets & insights

Life events



Having a baby later in life

There are many joys to having children later in life but there's no doubt it can disrupt even the best-laid financial plans. We look at some of the financial considerations.

Find out more →



Setting up a business

Working for yourself can be an amazing opportunity to spend your time doing what you want. But it can mean new challenges as well. Here are some ideas to help.

Find out more →



Getting a new job

Changing your job can change your life for the better, as long as it's the right decision for your situation. We have some ideas to help you assess the opportunities.

Find out more →



Finances for married life

You're back home after the honeymoon and ready for a life together. Here's what to think about so you can make the most of it.



Preparing for children

Having a child is amazing, fulfilling – and challenging. We have some ideas to help you prepare your finances for the biggest (and best) change in your life.



Planning for your child's university

University can help your children achieve their dreams, but it may come with a significant cost attached. We look at some of the ways you can prepare for the opportunity.

3) Try Coaching rather than Capturing

Looking for a New Year's Resolution? Try Coaching over Capturing in 2020

4 January 2020



As we re-connect with people at the start of 2020, conversations will likely turn to what we hope to achieve and perhaps what we need to change this year at work and at home. Common among these discussions is the need to live better...eat better, sleep better and do more exercise.

Doing more exercise is the most common New Year's Resolution and stats from the US show 12% of all gym members sign up in January. It's also something we struggle to keep up with and "Fall of the Wagon Day" fell on Feb 9th in 2019. It coincides with a rise in fast food being eaten.

5 Reasons why Coaching beats Capturing

Better Engagement, More Insights

Cross-selling not Mis-selling

Building Brand value

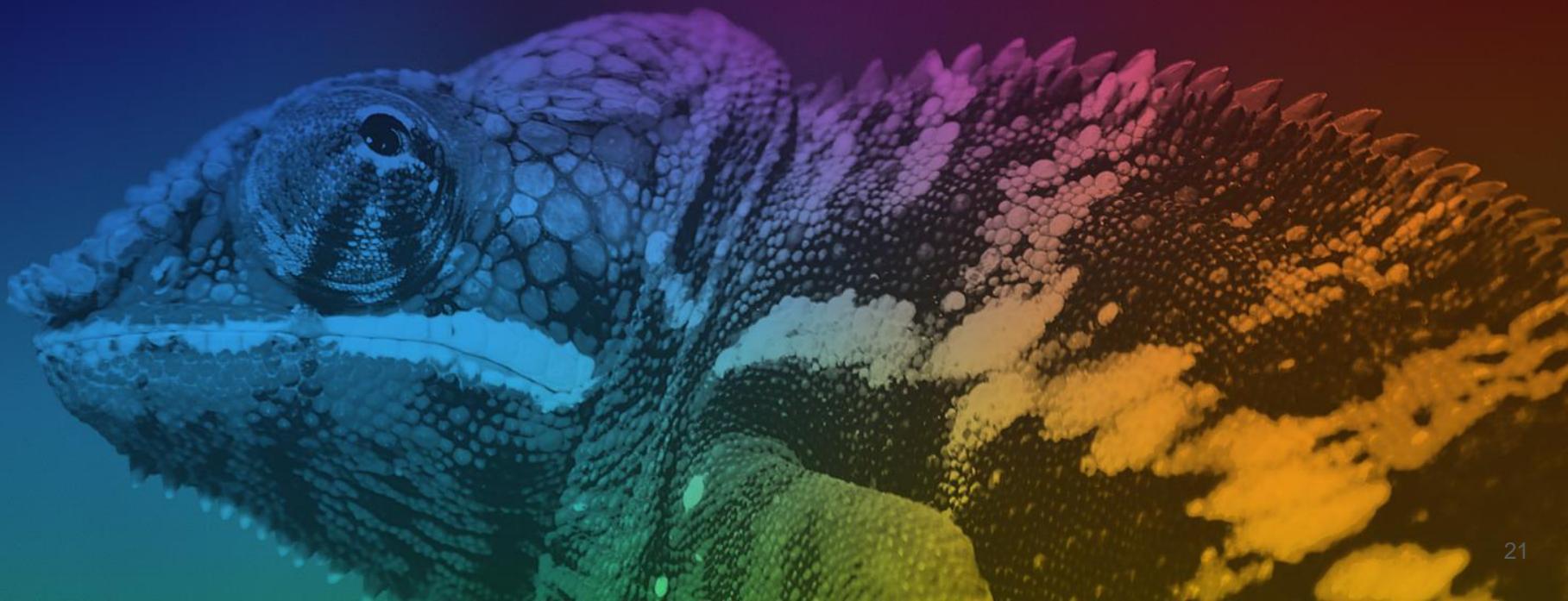
Smarter Onboarding

Data Minimisation

4) Make it Easy to Use



Reimagining Pension engagement



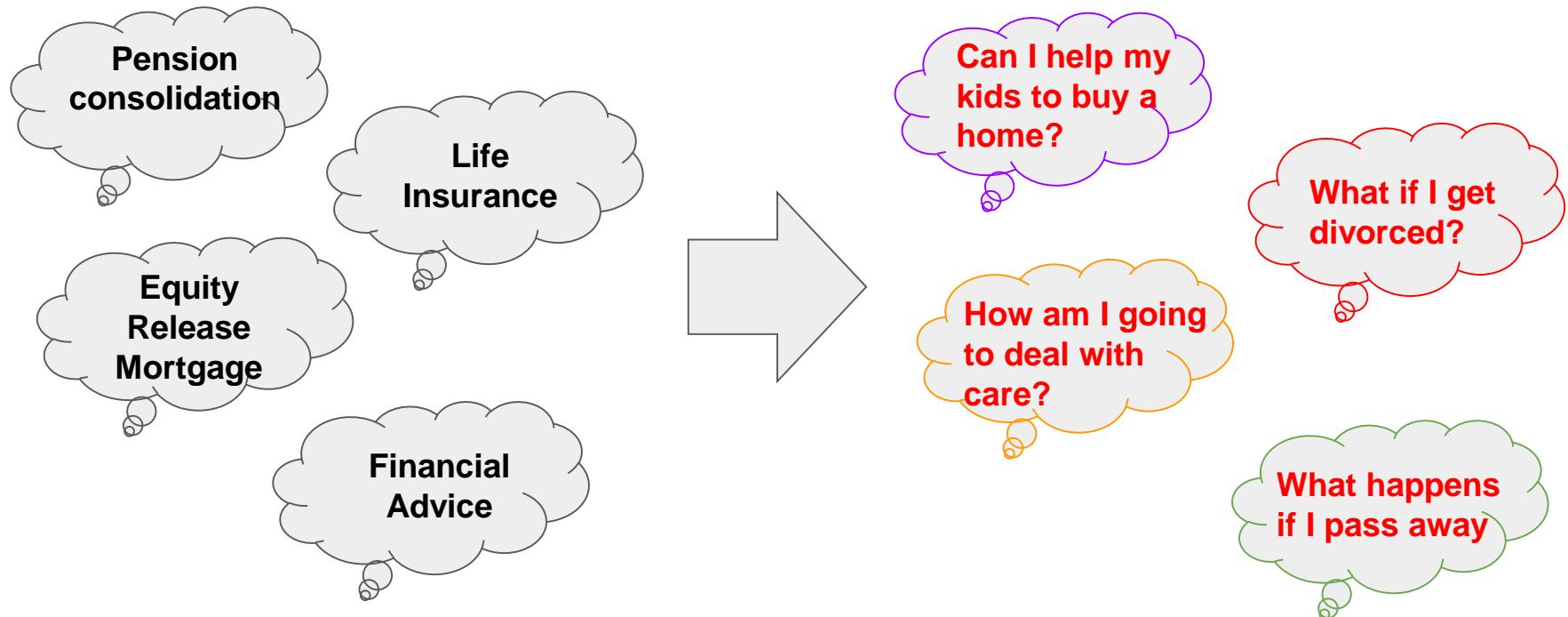
The Pension challenge (opportunity)

Generation X and their children and their children's children will have to take personal responsibility for their own retirement income.

Only 6% of UK adults use regulated advice and only 39% of UK adults trust financial advisers to act in the best interest of their clients.

We need to find a new way to engage people & support better retirement planning.

Using life moments to engage & nurture customers

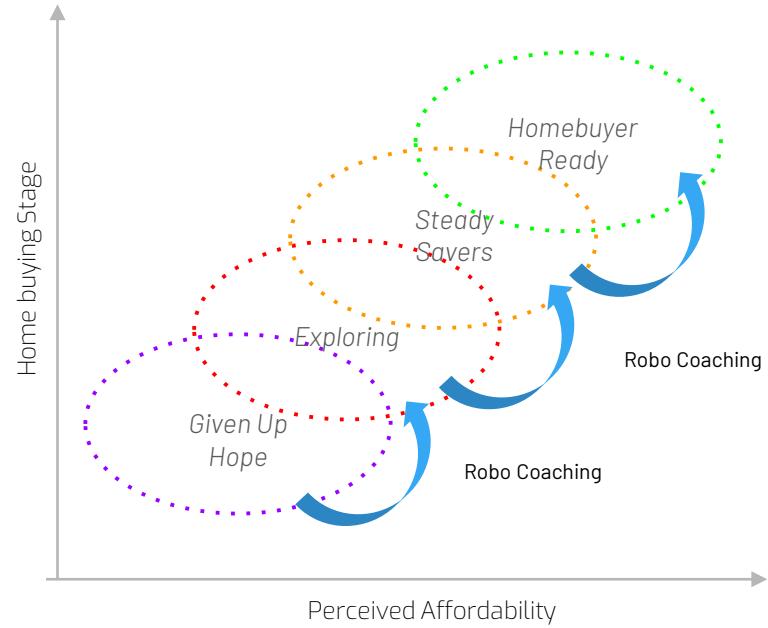


FirstHomeCoach has helped over 90,000 first time buyers



Making home ownership
faster, cheaper, smarter

FHC theory of change - helping people move on in life



Reimagining retirement engagement

Which life moment can our digital coaches help you with?



I want to help my children move out

I am thinking of getting divorced

Our digital coaches empower you to take control of your financial situation. They are anonymous so you can work at a pace that suits you

Not Relevant to you. Tell us how we can help

Engage at the life moment level



Robo Coaching offering

Seamless customer journey

Personalised content, tools & tips

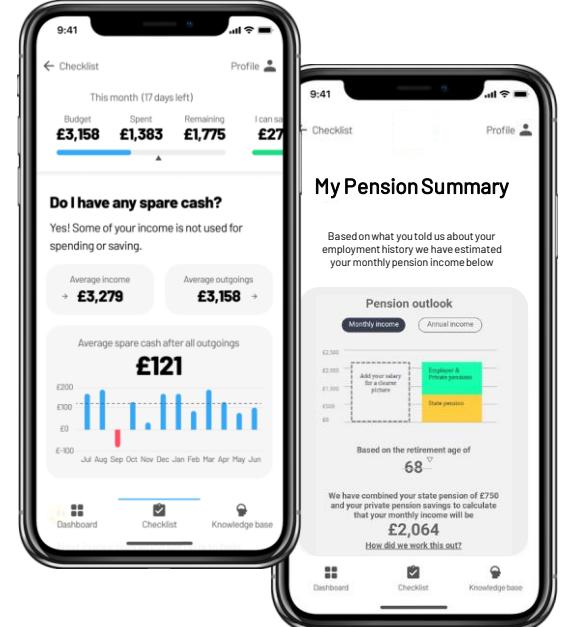
Harnessing Open Data



Better customer outcomes

Dynamic data insights

Marketplace opportunity



Life Moments vision and client proposition



Play life better

We empower people with
their data to help them
navigate key life moments.



A Robo-Coaching platform driving
better customer outcomes, providing
deep customer insights and
improving business efficiency