

# Aligning Consumer & Marketing Outcomes in Pensions

5 February 2020



**Life Moments**  
PLAY LIFE. BETTER



Backed by  
HM Treasury



Allia Serious Impact  
Incubator (2019 cohort)

**First  
Home  
Coach**

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?*





+



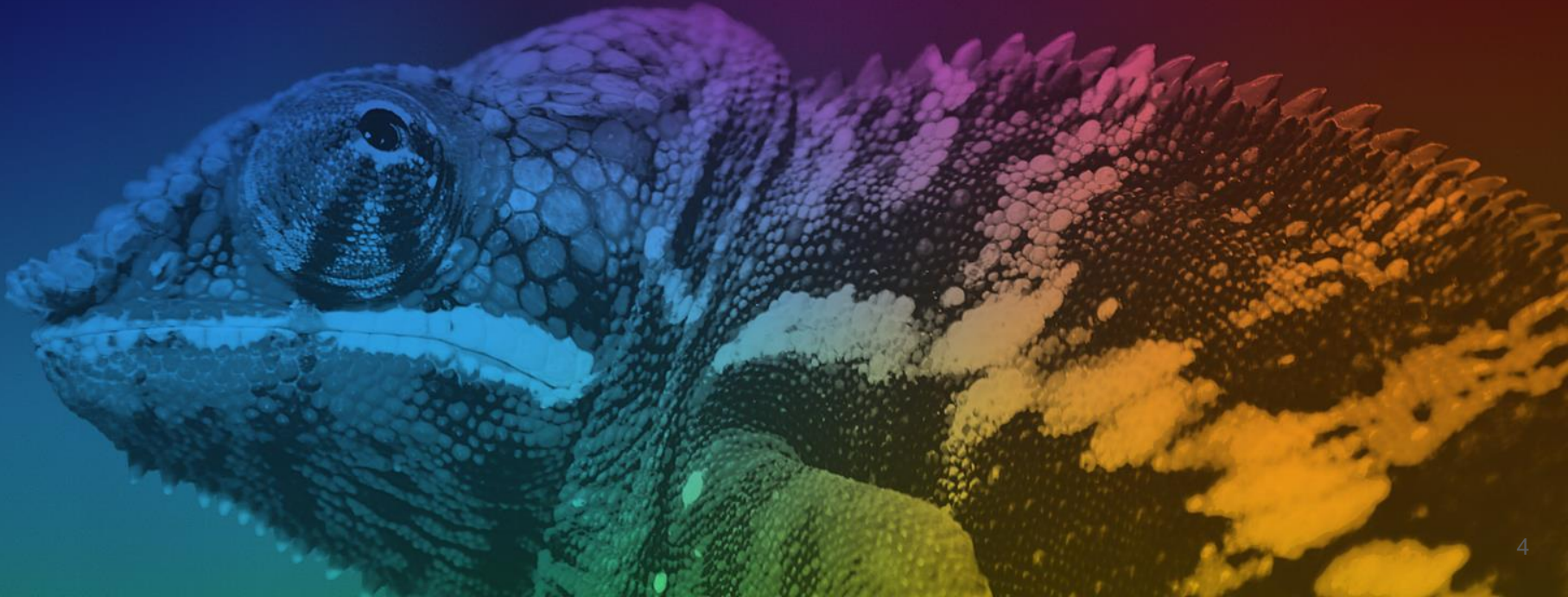
+



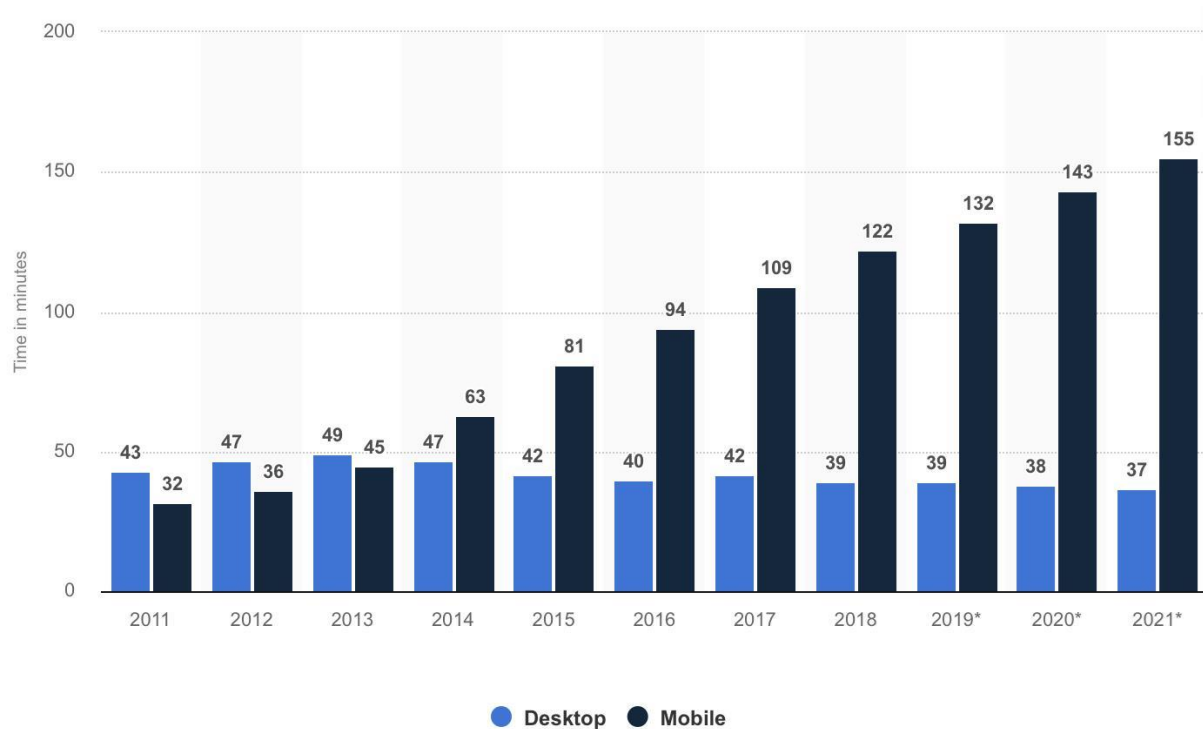
**Reimagining Pensions engagement**



# The Digital Consumer



# Consumers increasingly addicted to online....

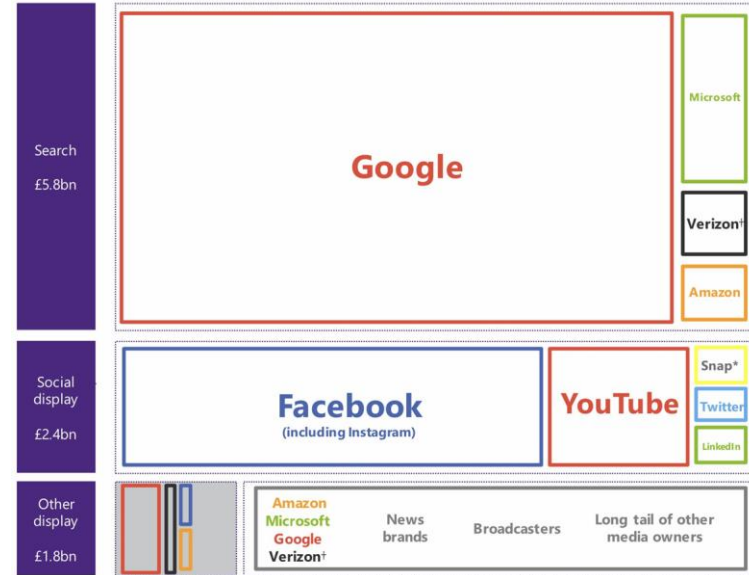
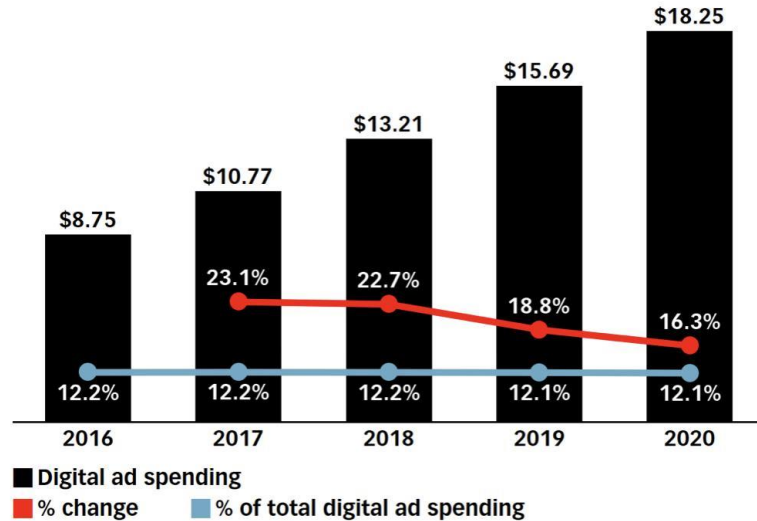


Daily time spent with the internet per capita worldwide from 2011 to 2021



# ...driving growth in Digital Advertising

**Financial Services Industry Digital Ad Spending in the US, 2016-2020**  
billions, % change and % of total digital ad spending



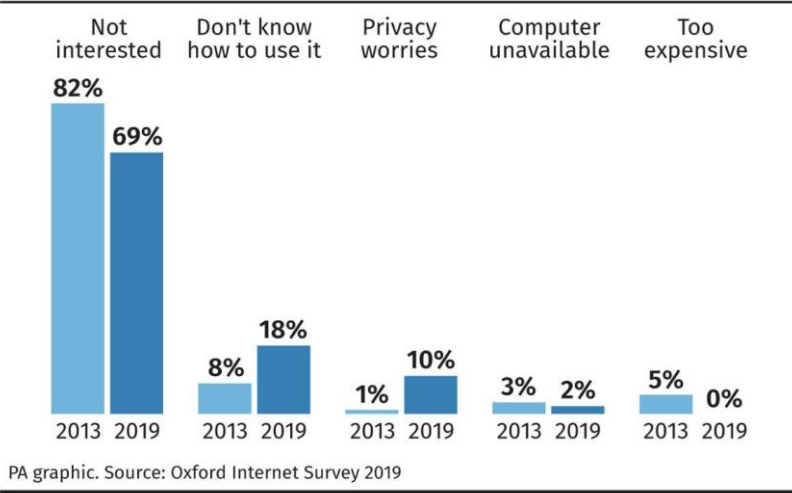
2017 UK Online Survey





# We are entering the Privacy age

## Reasons non-users are not online



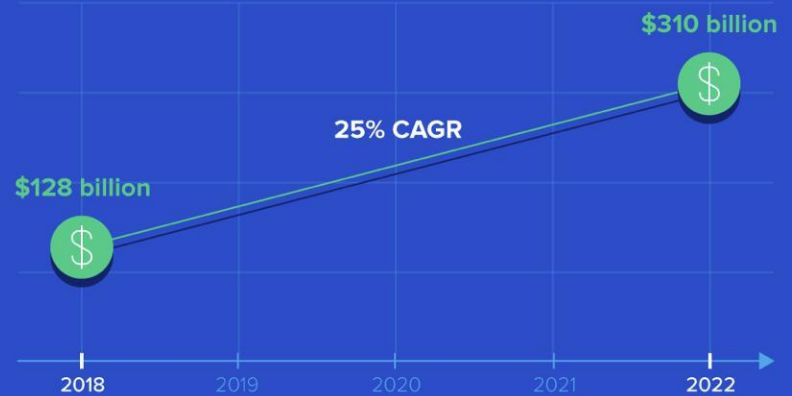
*“Almost 70pc of active internet users said they were uncomfortable with targeted advertising and tracking data used by tech giants”*



# FinTech has consumed a lot of capital



2018 saw \$128 billion invested globally into fintech. Investment in the sector is expected to grow to \$310 billion by 2022, a 25% annual growth rate.<sup>1</sup>





# 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 SCHAFER  
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.

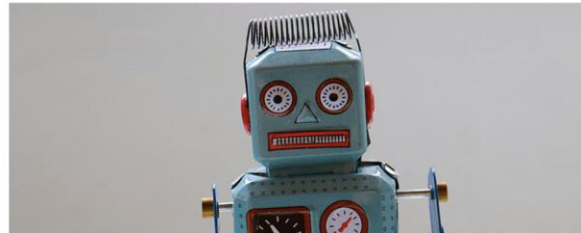
by JACK GILBERT  
Posted 21 OCTOBER,  
2019



## 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 canning its Click & Invest platform in May.

by JOHN SCHAFER  
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.

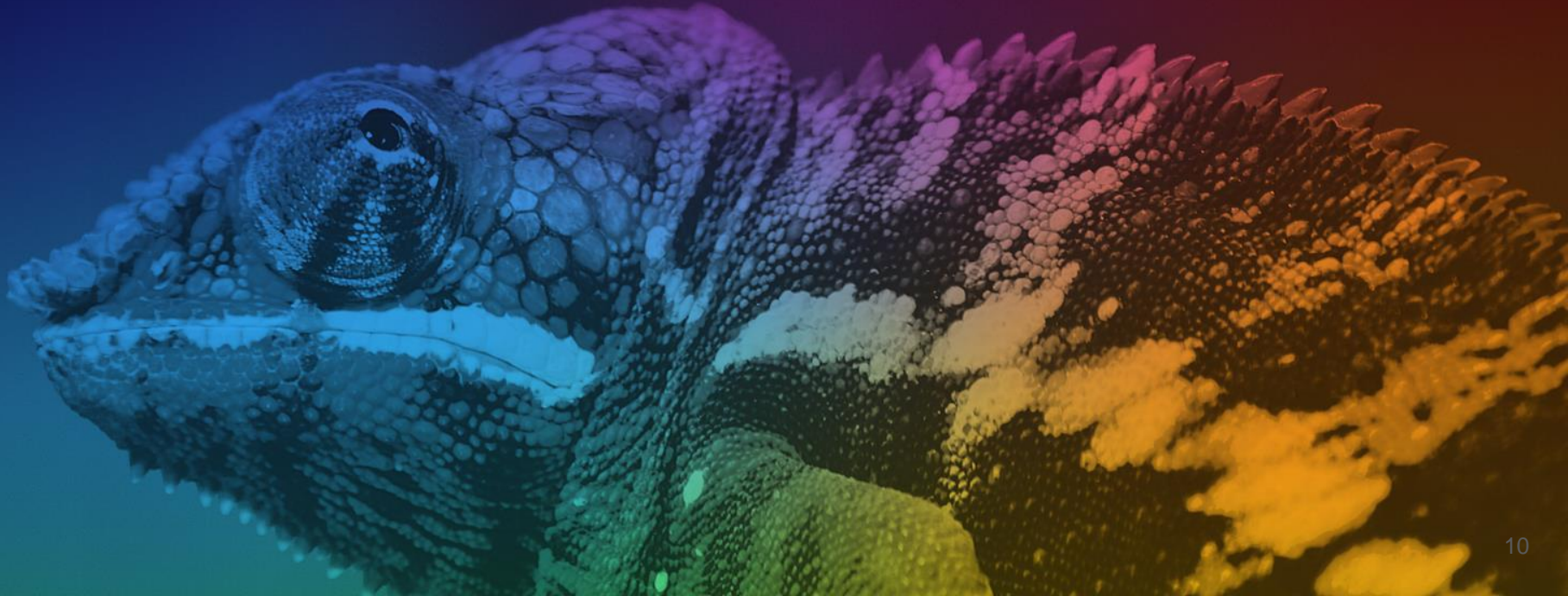
by JOHN SCHAFER  
Posted 14 JANUARY,  
2020

News sponsored by:

T.RowePrice



# In Pursuit of Growth



# FS outlook for the 2020s



## 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

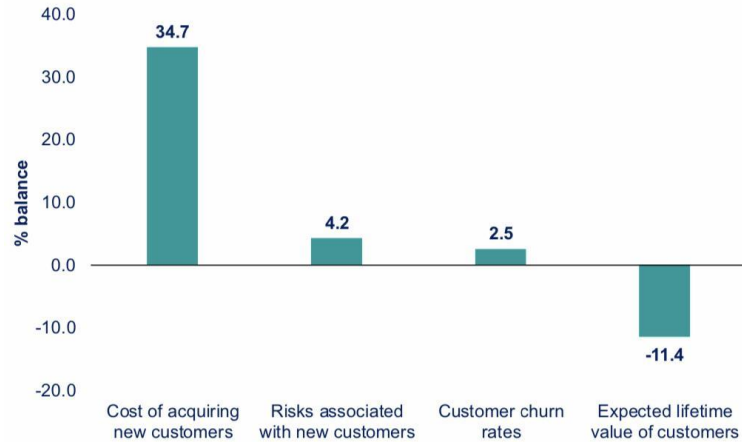
### Competing for customers

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.

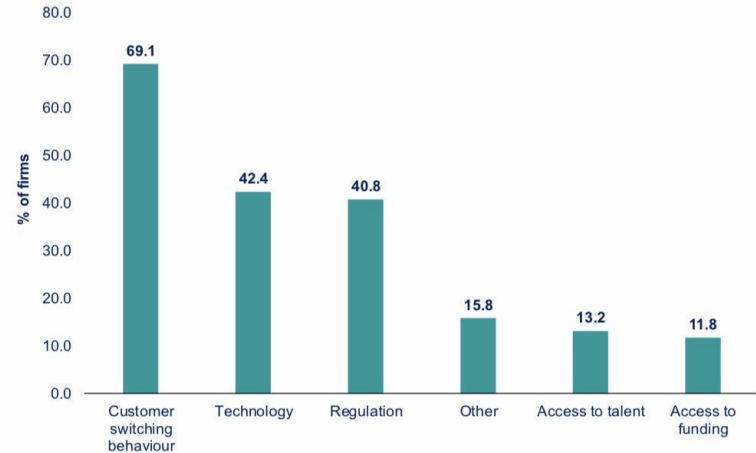
**Acquisition Cost & Loyalty centre stage**

# Rising cost of customer acquisition

## Trend in aspects of customer base: past 12 months



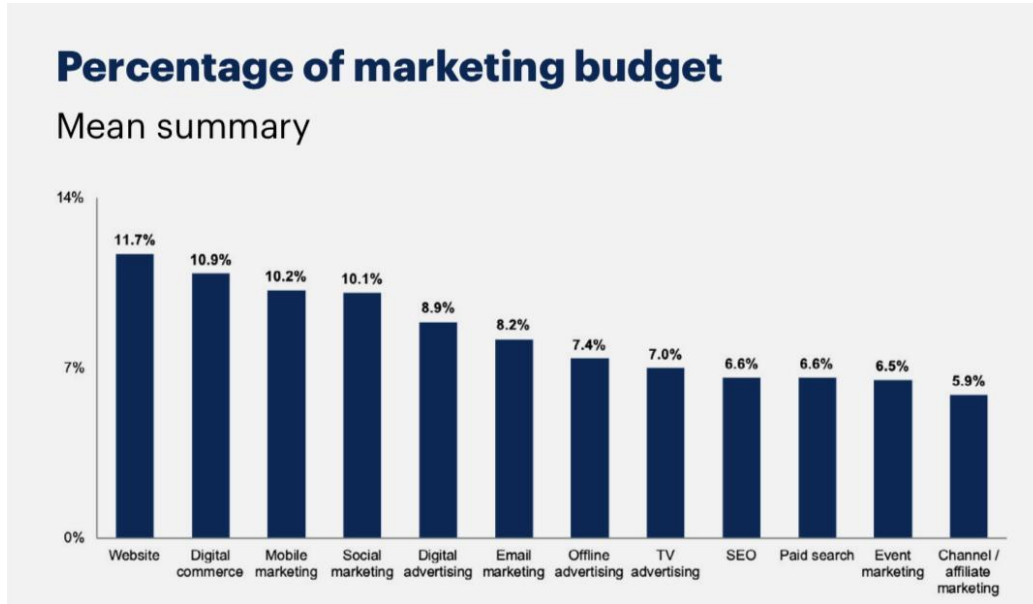
## Constraints on customer acquisition or retention



**Customers are becoming more expensive to acquire and to keep**



# Prioritising marketing budgets

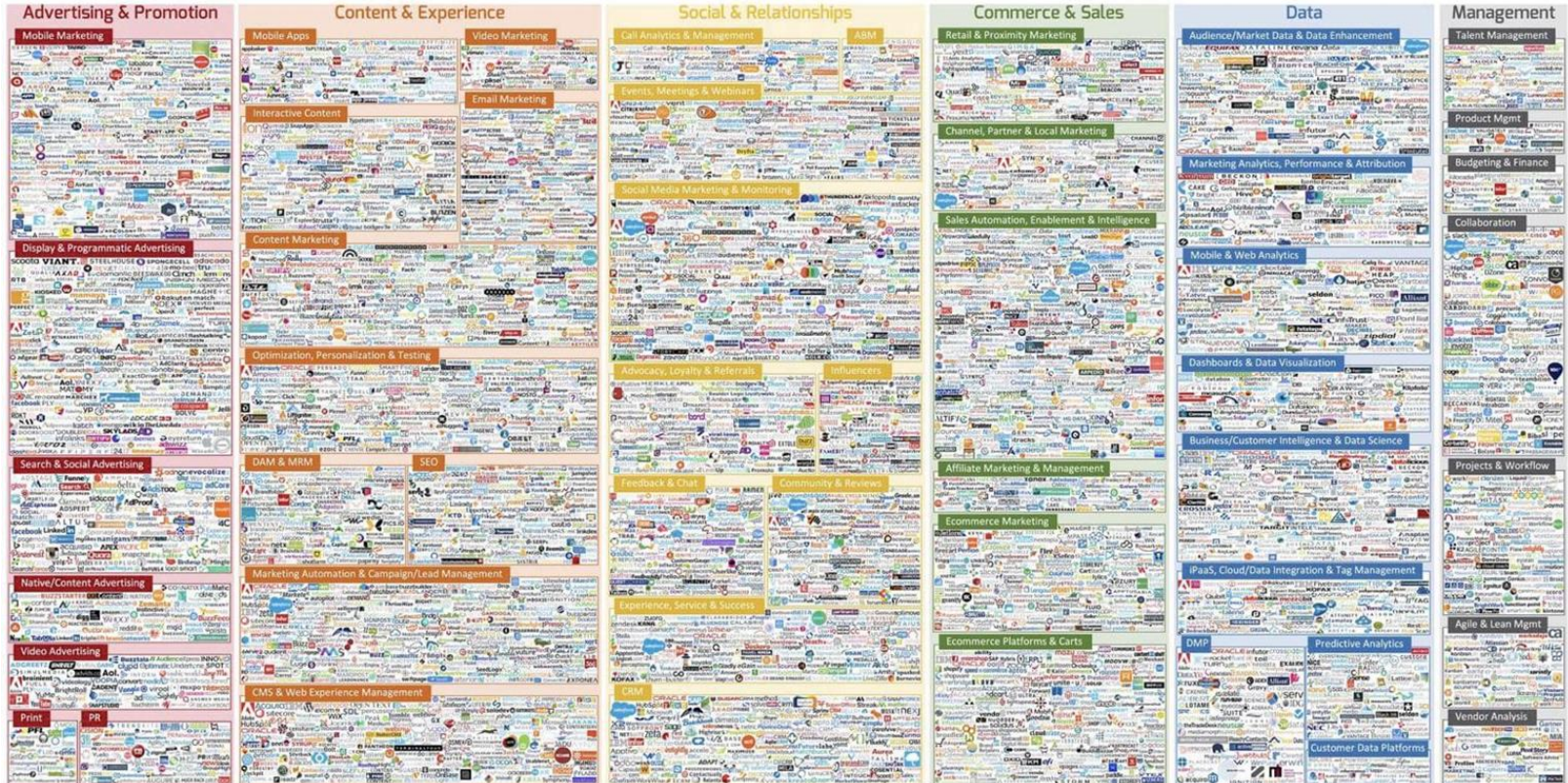


A 2018 Gartner study reported that marketing leaders planned to spend 29% of their marketing budget on marketing technology (up from 22% in 2017), making it the single largest area of investment for marketers, followed by labor, agencies and paid media.





# An explosion in MarTech



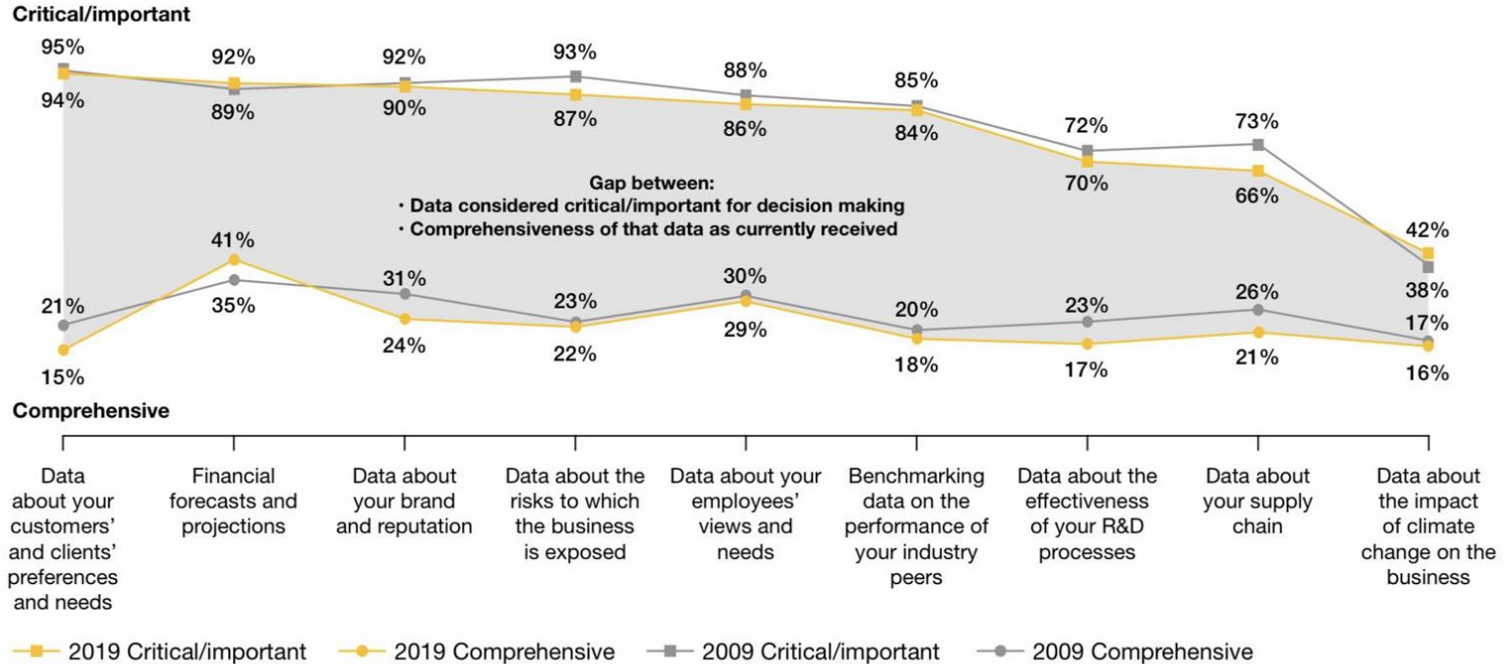
Sources: CabinetM, Capterra, G2 Crowd, Google, LUMA Partners, Siftly, TrustRadius — see <http://chiefmartec.com/2017/05/marketing-technology-landscape-supergraphic-2017/> for details.

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





# Data Gap continues to grow

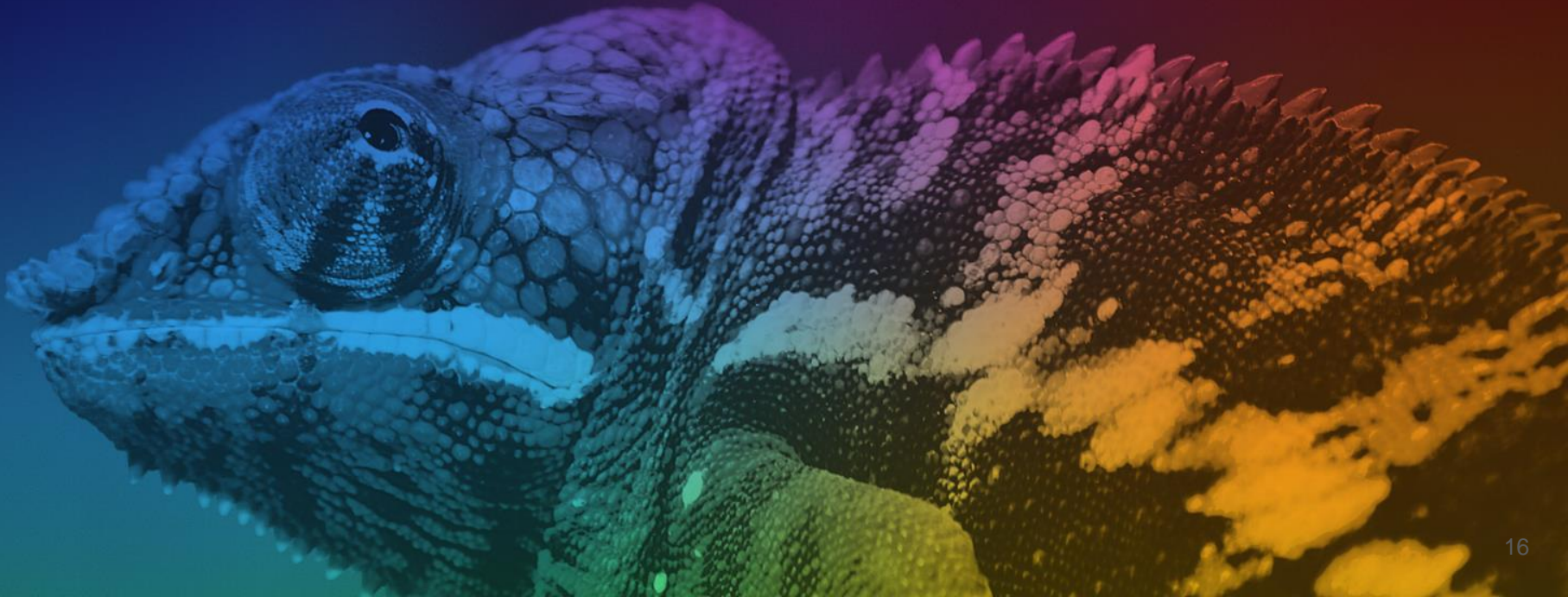


Source: PwC, 22nd Annual Global CEO Survey  
 Base: All respondents (2019=1,378; 2009=1,124)

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



# 4 Digital Marketing Principles for the 2020s

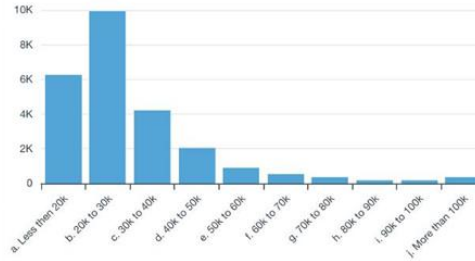


# 1) Understand your customers better

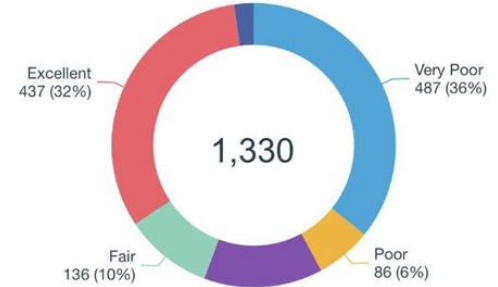
## Homebuying Stage



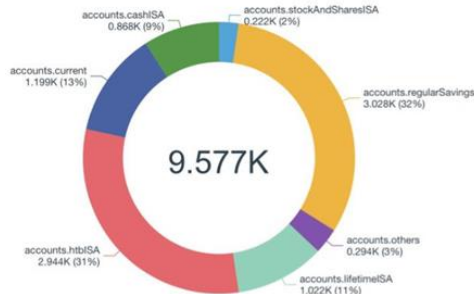
## Salary Bands



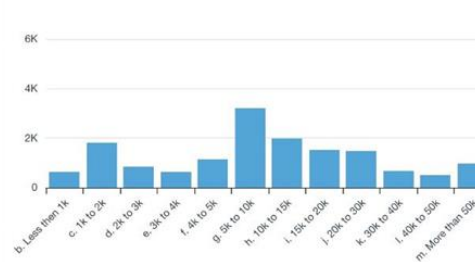
## Credit Score



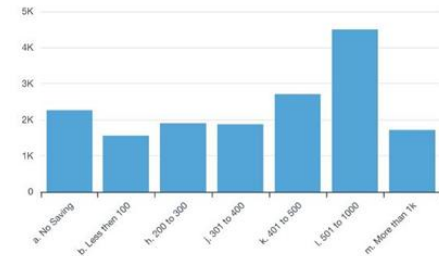
## Current Saving Accounts



## Current Deposit Savings



## Monthly Savings



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

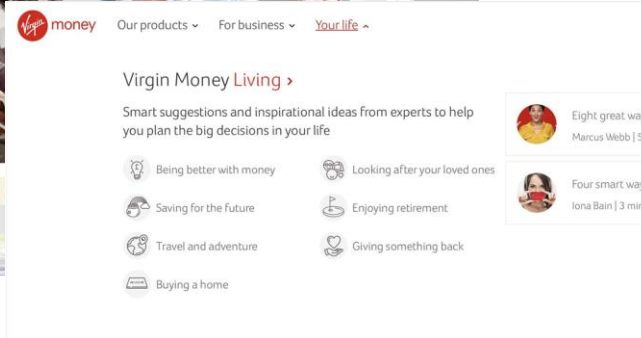
RetireWise with 

Your Life Your Money

Calculate now

Should you move to a smaller property in retirement?

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



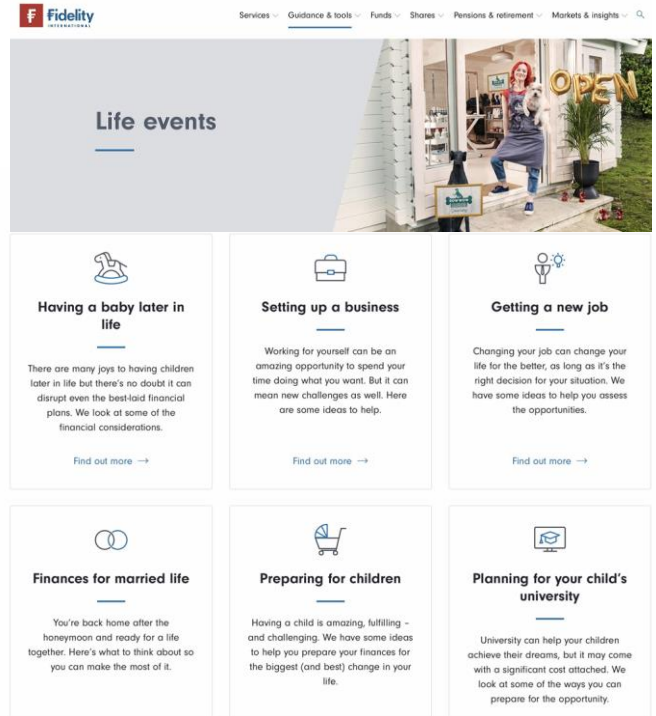
Virgin Money Living >

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

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

Eight great ways  
Marcus Webb | 5 min

Four smart ways  
Iona Bain | 3 min



Fidelity

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**

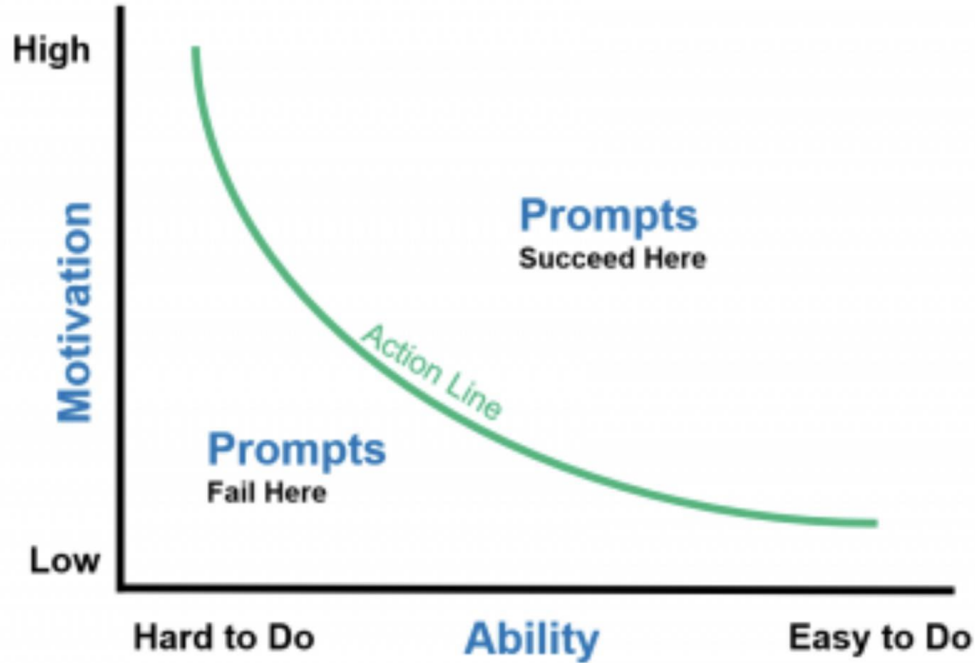
**Smarter Onboarding**

**Data Minimisation**



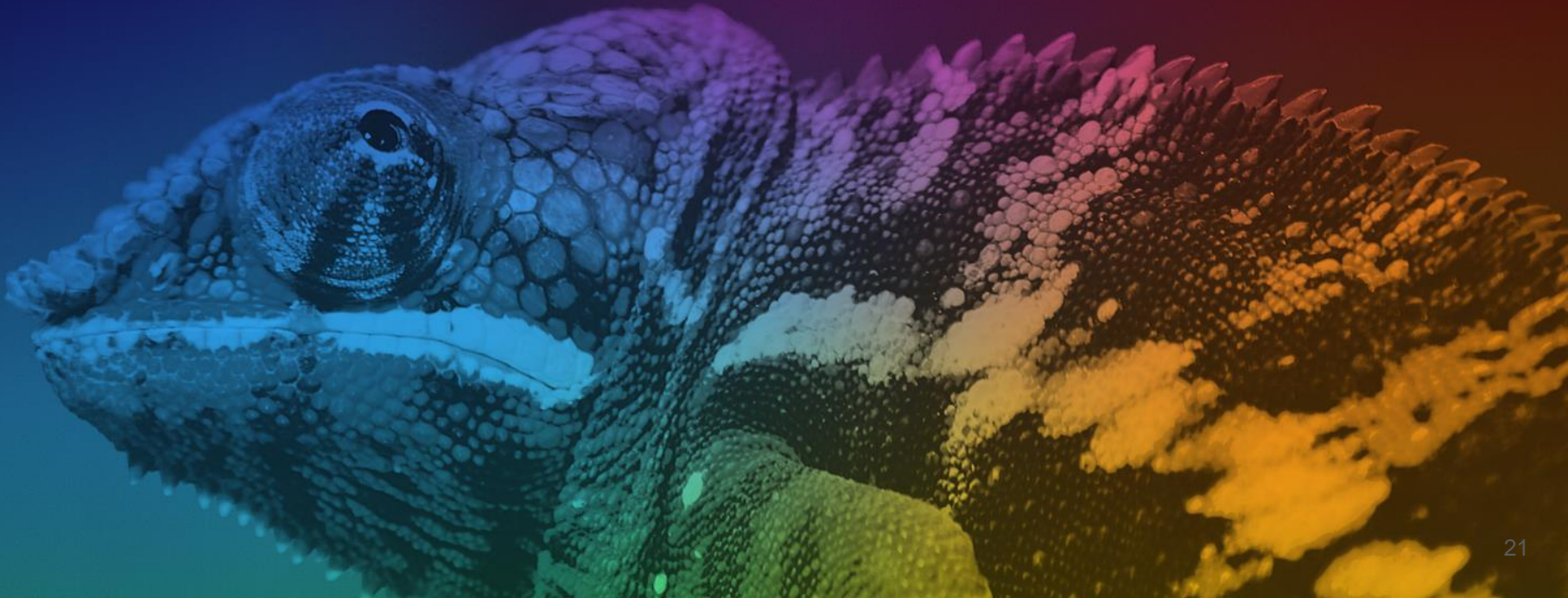


## 4) Make it Easy to Use





# Reimagining Pension engagement



# **The Pension challenge (opportunity)**

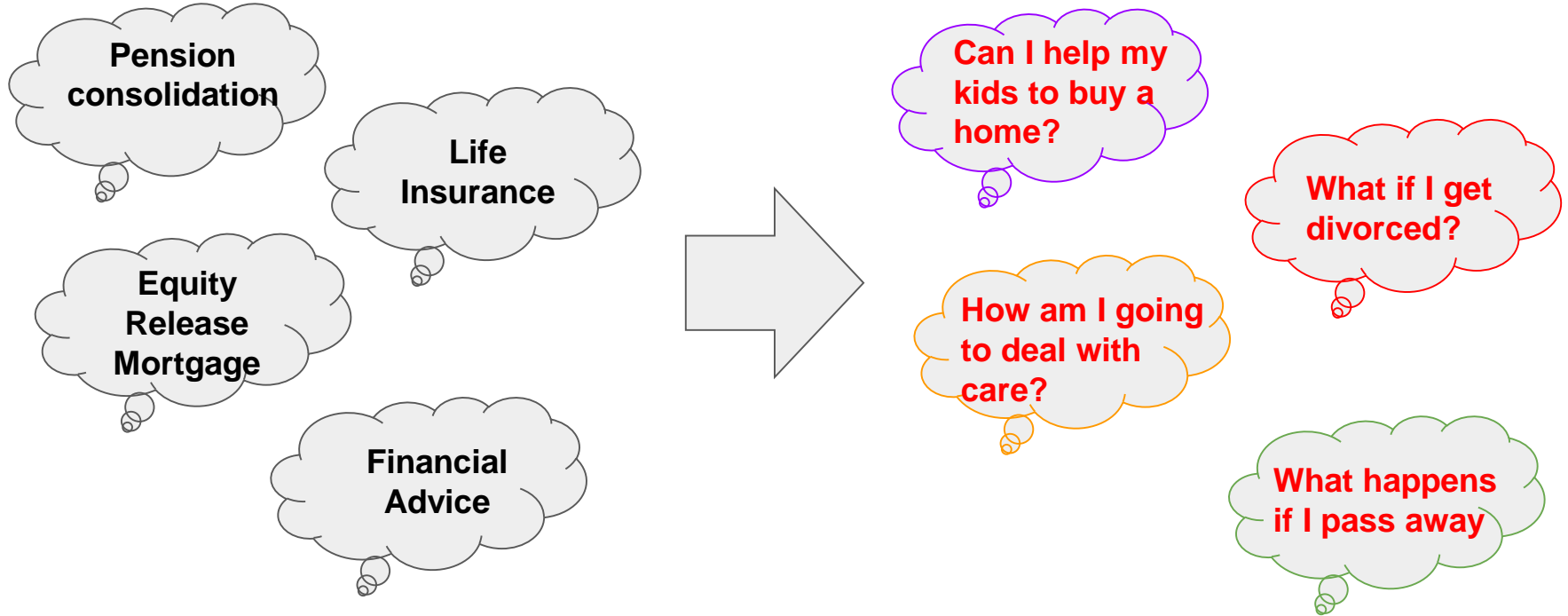
**Generation X and their children and their children's children will have to take personal responsibility for their own retirement income.**

**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.**



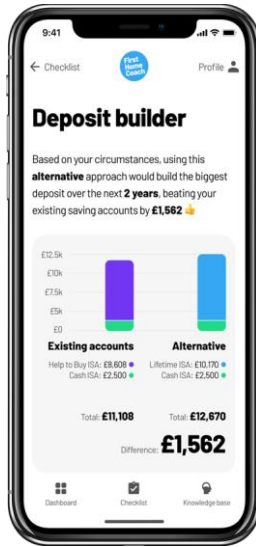
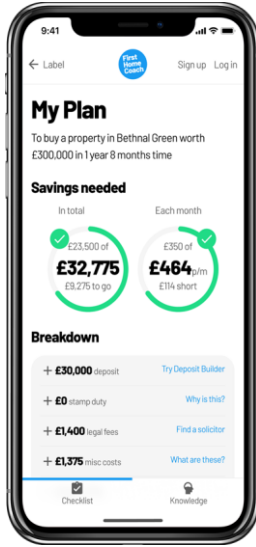
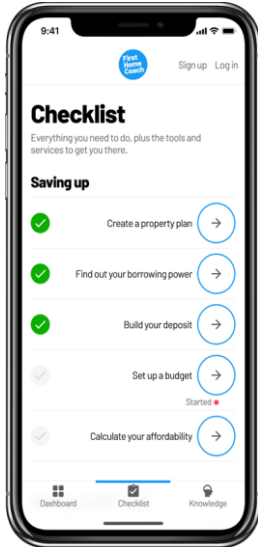
# Using life moments to engage & nurture customers



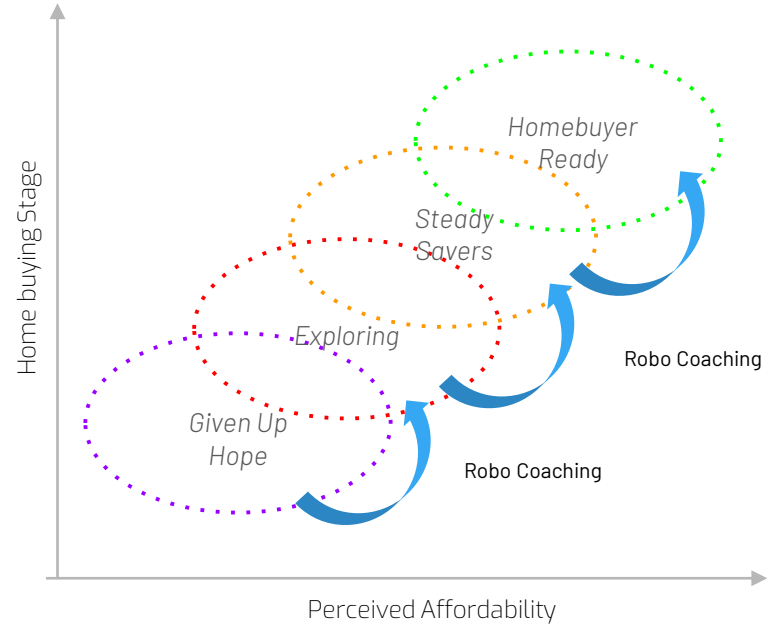
# FirstHomeCoach has helped over 90,000 first time buyers



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

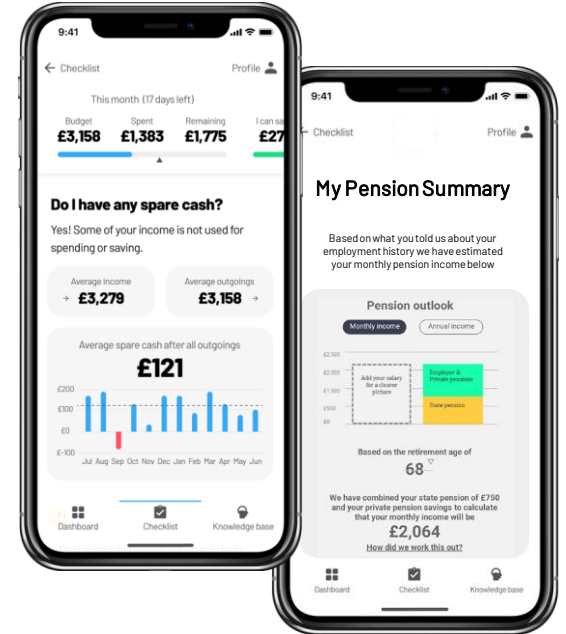
Harnessing Open Data



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

