

## **Virgin Money UK – Public Commitments**

### **Run UK-wide marketing campaigns between August – December 2021**

Digital trading activity went live in August. The product focus was our existing BCA the key hook was our 25-month fee free offering. In September we turned on social and display advertising. We now have enough volume to start display retargeting. The next significant step is our TV ad launch (9:30pm ITV Sunday 17th October). This will be supported by OOH and Radio activity throughout October and November.

Our campaign is built around a full funnel approach. At the top of the funnel, we are promoting the Brand (a new entrant in the Business Current Account space) so that we become a viable switching option. As we move further down the funnel the message includes key product and service features, showcasing an attractive switching proposition. For now, this is our existing product, but this will move to our new account (the M Account - details below) when it launches.

The brand campaign is built around the idea of 'Upstarts'. It champions new and existing business owners and the common characteristics they share – innovation, a desire to break the mould and start out on their own. We believe our own brand shares these entrepreneurial characteristics. The idea was researched with a number of focus groups which included existing NatWest customers. This concept was well received, particularly in our NatWest focus group who identify with more modern, British banks that champion SMEs.

We have been very targeted in our media approach. Our OOH activity, carrying a strong switching message, has been geo-targeted in areas with a higher weighting of NatWest customers. We have used similar targeting with radio, focusing on channels in these same regions. We are also able to display retargeting to existing NatWest customers via our media and social activity.

Changes to workstream scope - Elements in the marketing bundle outlined in the business case have been rolled out in phases rather than all from September. The final elements to roll out (rewards from other Virgin enterprises with B2B offerings and the Digital BCA proposition features) will be used for marketing purposes from the Digital BCA go live. The reward from another Virgin enterprise has now been agreed with Virgin Media, offering a 3-month free business broadband for any 2-year contract. We are no longer funding the evolution of a 'rewards' section for the Virgin Money banking app - the rewards will be accessible to customers via other means.

### **Reach out directly to NatWest customers with additional, targeted marketing initiatives**

We plan to target ISS applicants we have consent to re-contact with a series of emails in order to encourage them to complete the switching journey. Since rebranding we have a lot to tell them about. As well as a new BCA, we will showcase our Virgin Start-Up partnership (support material for SMEs and discounted access to masterclasses and events), our Sustainable Business Coach (an app to help make and reach ESG targets) and our soon to be launched M-Track service which will help manage and track all the key areas of businesses. We're building towards Brighter Business Banking and now is a better time than ever for these customers to switch.

Changes to workstream scope – we have rescoped our direct marketing activity, primarily due to delays in timelines. The original work we had intended to complete would not have delivered a list of prospects in time for us to act on the outputs in an effective way. This was exacerbated by the fact that it wasn't possible to pre-empt the marketing consent that the prospects would have provided, making it difficult to plan a direct marketing campaign for the prospects. Therefore, concerns were

raised about the ability to drive value for this work as any activity undertaken on the outputs would have not had adequate planning time.

### **Launch of a brand-new Digital BCA proposition in October 2021**

Since business case submission, our new BCA proposition has been renamed for customer launch as 'M-Account'. M-Account has been progressing towards launch, including the ISS-funded onboarding enhancements. The product launch has been delayed until November 2021 due to our desire to align with various other initiatives. All of the ISS-funded onboarding enhancements are on track to be delivered as part of the M-Account product launch.

### **Improve NatWest switcher completion rates**

#### **Onboarding Optimisation**

NB – E-gain is the internal name for the 'complex journey' discussed in the business case. The e-gain automation workstream is on track to provide a tactical solution which will help the business to handle a spike in volume of applications as well as improve the customer journey. It is planned that the journey will go live in line with the M-Account launch. The e-gain journey is being optimised by partially automating downstream processes to reduce manual work. Since mobilisation, the workstream has progressed with the tactical automation of:

- Data capture – Building an optimised web-form to capture customer information more efficiently, establishing integrations with Companies House & QAS to minimise the onus on the customer
- Risk assessment – The team are using robotics to partially automate KYC/KYB/Black Box checks, extracting information for the back-office teams to review
- Documentation – Robotics is being used to automate the creation of documents before they are passed to DocuSign, which will be used to obtain digital signatures from customers
- Opening the account – Robotics is being used to automate the account opening process, streamlining administration efforts
- Changes to workstream scope – We have descope automatic notifications to customers with updates on progress and confirmation of completion. We are still confident that the tactical automation of this journey will deliver a much-improved customer experience.

#### **Onboarding Optimisation - DocuSign**

DocuSign build in the test environment and will go-live as part of the complex onboarding journey automation work. In line with the business case submission, DocuSign is still due to be deployed on both the complex onboarding journey and Business Internet Banking (BIB) Amendments journeys. There has been a change in timelines from the business case, with deployment on the e-gain journey now being prioritised ahead of BIB amendments. This is due to the consolidation of these teams during the mobilisation phase which has meant prioritising the work of team members.

Deployment of DocuSign on the e-gain journey has been prioritised to help efficiently service the expected increases in demand for BCAs as ISS-funded marketing campaign efforts ramp up and the new M-Account is launched. The BIB amendments journey does not have the same interdependencies on other business areas, which is why it has been deprioritised in the short term.

Onboarding optimisation – Additional resources

Virgin Money are currently on-track to hire and train all additional FTE required to service the forecasted increase in demand due to the marketing campaigns. We are predicting the main uplift in demand to start from the end of October.

Since August we have simplified training with a view to expedite the route to full competency for temporary colleagues down to 10 weeks. Work is still ongoing with operational leadership and training leads to further simplify and expedite the route to competency for these colleagues, including the use of bespoke training guides and consideration of modifying roles and responsibilities.

Our simplified and agile training programme will mean that Virgin Money is well-positioned to realise the full benefit of these new FTE at the moment increased account opening applications are expected. This will allow business operations to adhere to business service level agreements and deliver a seamless customer experience which will support switchers through the full process.

### **Serve switchers better**

#### **Servicing Enhancements – Automation**

The workstream has mobilised and proceeded with discovery phases for both iCAM and Robotic Process Automation (RPA) of customer servicing journeys as planned. iCAM product backlogs have been identified, resources onboarded, sprint planning completed, and sprint 1 development work is underway. RPA discovery phase is still ongoing due to a delay in getting access to the resource required to complete this. Technical deployment of these efforts will take the form of a phased release. However, operational deployment will be planned depends on "operational readiness". Servicing automation efforts are still expected to remove manual effort within servicing journeys and enable customer requests to be processed faster.

#### **Governance**

The governance workstream consists of a Programme Manager and supporting resources to ensure that this work has the correct governance mechanisms, approval processes and financial management oversight in place. We have Project Managers supporting at this level who oversee the different workstreams to track their progress against plan and support with RAID management. More resources have been needed to mobilise and support the programme of the work than anticipated