

## Results for customer satisfaction survey, August 2006.

### Who we interviewed.

Customer satisfaction research is integral to our commitment to continuous improvements to the quality of the CPP customer experience. So we interviewed 485 customers in August, distributed across our product range (Card Protection, Identity Protection and Phonesafe) to get feedback on their service experiences. Customers interviewed had contacted CPP with a service query within 7 days prior to the interview.

The research was conducted using computer-aided telephone interviewing, and each interview lasted for around 20 minutes. Here are the results of this latest round of interviews.

### Likelihood of renewal.

Over four-fifths of respondents were 'very' or 'quite' likely to renew their policies with CPP. 96% of Card Protection customers interviewed stated that they were 'quite' or 'very' likely to renew their policies. Over two-thirds of Identity Protection and Phonesafe customers said that they were likely to renew.

### Overall Satisfaction.

On average, over three-quarters of customers gave CPP a top rating of 8-10 in terms of their overall satisfaction with CPP (where 1 = extremely dissatisfied and 10 = extremely satisfied). Over four-fifths of Identity Protection customers gave an 8-10 rating in terms of their overall satisfaction with CPP. Card Protection customers are even more satisfied with their relationship with CPP, with 86% rating their overall satisfaction with CPP as 8-10.

### Customer Advocacy.

We also track how likely our customers are to recommend CPP to other people. 67% of customers strongly agreed that they are likely to recommend CPP. The results for Card Protection were again the most positive, with over three-quarters of respondents strongly agreeing that they are likely to recommend CPP to other people.

## Debit Cards: an untapped opportunity.



In the last few years, consumers have made debit cards their number-one choice when making purchases.

### The facts are:

- In the first half of 2006, 70 percent of all plastic card purchases made in the UK were made by debit cards.\*
- From January to June 2005, £81.1 billion was spent on debit card transactions.\*
- Debit card transactions increased to £92.5 billion from January 2006 to June 2006.\*

Debit cards are no longer used just to withdraw cash. They've evolved to offer customers additional functionality and value, including loyalty programmes, overdraft facilities and e-commerce capabilities. Neither are they still considered to be a loss-leader proposition. They have the potential to earn revenue themselves.

### Increased revenue for Business Partners.

CPP has developed a range of debit-card-based propositions that enable you to earn annuity-based revenue from the sale of our assistance products to your customers. Just a few examples include:

- Debit Card Activation service, where CPP manages the card activation programme and cross-sells relevant products, such as Card Protection or Identity Protection Alert to debit card users.
- CPP's change of address and lost and stolen service. We manage these expensive business processes on your behalf free of charge, and cross-sell relevant products to your customers.

In both of the scenarios above, you would earn an attractive commission on an annuity basis. Furthermore, CPP can deploy either of these propositions into your existing call centre operations. We have a specialised field-based Business Partner training and support team that can work with your call centre teams and train them on how to sell our products to your customer at relevant service interventions.

For further information on our exciting new debit card propositions, please contact your Account Director or Imran Sadiq on 01904 544716 (Imran.sadiq@cpp.co.uk).

\* Source: APACS

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# Talk



## Autumn 2006

### Welcome

As we move into the final quarter of 2006, our thoughts and actions move towards plans for 2007. It's the season of annual sales forecasts, costs and profitability planning. More importantly it's also about the plans and strategies to deliver these financial forecasts.

The coming year is an exciting time for CPP because our ability to help our business partners is better than ever before. New product development has resulted in a broader range of services with deep consumer appeal and excellent new revenue potential.

These products and services include:

- Enhanced Card Protection versions (V2 Plus and V3).
- Money Protection Plan.
- Income Protection Plan.
- Identity Theft for Sole Trader, SMEs and large corporates.
- Safe Abroad - travel package.

Furthermore our Call Centres are better equipped with technology and training to help our Business Partners to maximise each customer contact with programmes such as:

- Card activation.
- OBTM campaigns.
- Inbound service call cross selling are efficient, cost effective, profitable and loyalty building.

It is our intention to be easy to do business with and supportive of your business goals. To this end we are conducting extensive research with our Business Partners to find out what you value most, and why and how you want it delivered. In the next edition of Talk we'll share this work with you and our plans on how we can improve.

Tim Haig  
Sales Director

## CPP announces winner of £50,000 cash prize.

Last quarters' Talk saw the call for entries for the Trailblazers Awards, a competition in conjunction with the Daily Telegraph aimed at entrepreneurs working in the emerging life assistance market. Six businesses made the final cut from the overwhelming response. They were then invited to present their companies to the judges at the Ritz Hotel in London in July 2006.

cpp  
**TRAILBLAZERS**  
The Daily Telegraph

### The Trailblazers' panel of judges:

**Hamish Ogston**  
CPP's Non Executive Chairman

**Sir John Bond**  
Chairman of Vodafone

**Eric Woolley**  
CPP Group Chief Executive

**Michael Hulme**  
Professor and associate fellow of the Institute for Advanced Studies at Lancaster University

**Stephen Kennedy**  
CPP Managing Director

**Damien Reece**  
City Editor at Daily Telegraph

### The judges' choice.

Following six outstanding presentations, the judges awarded the £50,000 cash prize to Groupcall, an Essex husband and wife team. Groupcall is run by a small group of people who work from home using a networked phone system, delivering technology-based services to schools that, simply put, make peoples' lives easier to manage.

### Their current business.

Right now, Groupcalls' market sector is primary and secondary schools, where they offer a text and voice messaging business for contacting parents. Whilst secondary schools may use it to monitor truancy, primary schools are always keen to keep parents informed on what's going on at the school, such as news about trips and children's safety. Groupcall's text service is proving a great way to inform parents of these and other issues quickly.

continued inside...



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**Their vision.**

The founders of Groupcall were inspired by their son, who has special learning needs. Subsequently, they've been working on the idea of building an independent not-for-profit school for children with such needs in east London for some time.

When the Trailblazers competition came along they knew that it would be the way that they could realise their vision, which was entirely separate from their current business.

**How the judges saw the winner.**

Although the firm was young, it was already making money. The overheads were cheap and they offered a worthy and effective technology. Added to that, the customers loved the service. It clearly showed global potential, plus it provided real social benefits in terms of safety for kids. It saved schools money in the long term and created easily accessible communities of parents.



There were also other potential uses, such as allowing banks to tell their customers when they were overdrawn.

Overall, Groupcall ticked all the boxes; it was already succeeding but had clear potential.

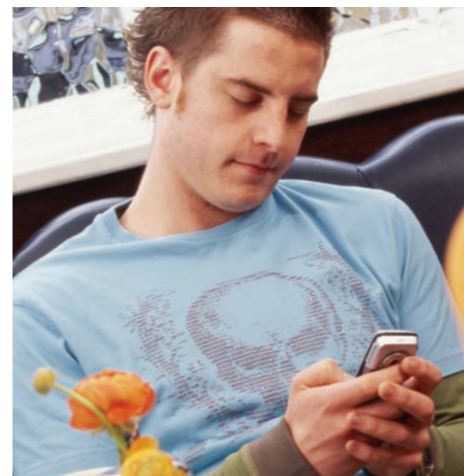
Eric Woolley, CPP's Group Executive, commented, "The intention to use the award to support the establishment of a secondary school for autistic children embraces the fundamental values of the life assistance community."

CPP understands the opportunities that SMS presents for helping people manage everyday life. It's a potential channel that can allow business partners to achieve their goals.

In fact, CPP is currently developing Money Protection Plan, which takes advantage of the possibilities SMS can offer. For details, see page 3.

**CPP launches Money Protection**

Mobile phones have become integral to our busy lives. Now consider that plastic card expenditure is four times greater than 10 years ago.\*



These changes in today's society present opportunities for business partners to help their customers manage their daily lives. CPP has harnessed the growth in SMS technology in a way that can help people keep track of their spending. It's called Money Protection and will launch in 2007.

Money Protection allows customers to receive real-time alerts on their mobile phones whenever transactions are made on their credit or debit cards, or current accounts. All transactions are alerted, including electronic point of sale, online, card-not-present and even sales made abroad. Furthermore, customers are able to tailor the type of alerts they wish to receive.

In the event that a transaction alert looks suspicious, customers simply reply with the word "no" to their text message. CPP's extensive and experienced customer service centre then calls the policy holder to help determine whether the transaction is potentially fraudulent.

Following this phone call, if the customer still believes the transaction to be suspicious, CPP will inform the customer's bank or card issuer to investigate the query.

**The benefits for partners' customers**

- Helps customers manage their finances
- Alerts customers to potential fraudulent activity
- Customers can request other services from their mobile phones, including account balances, payment reminders and bill payments.

Money Protection has received strong interest amongst Business Partners. The reasons:

- The service helps our partners' customers deal with a potentially distressing situation.
- The technology is simple to install.
- Helps to develop our business partners' SMS channel strategies.

Money Protection is now being rolled into action. Contact your Account Director if you would like further details.

\*Source: APACS, 2006

**Report from Identity Protection Forum 2006.**

The fear of identity theft has seeped into our everyday lives. In 2006, CPP conducted a study which revealed that people leave themselves open to identity fraud 35 times a week. The question is, what can be done about it?



CPP provided the answers at the identity theft seminar on Wednesday, 13th September at the Naval and Military Club, London. Hosted by CPP, the seminar was attended by around 60 delegates who came to hear the latest insight on identity theft, from the victims' and criminals' perspective to leading industry commentators.

Delegates learned that rising sales of shredders have not shown a reduction in identity theft. Fraudsters are finding new ways of stealing identities, including sinister new techniques such as buying false identity documents off the internet and card cloning. However, CPP's expertise provided useful insight into helping to prevent and manage identity theft.

Speakers included Professor Martin Gill from Leicester University, who spoke about what motivates identity theft criminals and how it impacts victims. Also at the podium, Philip Cullum, Deputy Chief Executive Officer, National Consumer Council, called for identity theft resolution services to be made available to all. Owen Roberts, Head of Identity Protection at CPP, introduced some key insights into company identity theft, while CPP Sales Director, Tim Haig, explained how selling Identity Protection through various sales channels can increase profits and customer loyalty.

Guest speaker, Nick Leeson, the rogue trader who brought down Barings Bank, spoke at length about losing £900 million on the Nikkei index and his life after serving six years in a Singapore prison.

**Why delegates attended.**

Some of the reasons that the delegates gave for attending were:

- To gain valuable insight in identity theft and market trends.
- Wanted market overview.
- Networking.
- To learn more about industry trends, consumer research and proven sales channels and techniques.
- Relevant to selling product.
- Nick Leeson.
- CPP Identity Protection Alert and main products in organisation.
- Interested in identity theft products.
- To look at additional revenue streams and enhance relationship with CPP.
- To learn more about CPP Identity Protection Alert and take back observations for customer and company benefits.
- Interested in market developments.
- To understand why delegates' companies seem to be missing out in the identity theft market and which product details are what their customers would want.

**CPP's next step.**

Institute of Directors' identity fraud research is being compiled, with a focus on business identity theft and will be out shortly. CPP has already conducted research with members of the Institute of Directors to gauge awareness of:

- Company identity theft.
- Level of concern.
- Preventative measures being taken.
- Understanding of the serious consequences.

To date, there has been little research on businesses' perceptions of company identity theft, as studies usually focus on the consumer. CPP's findings will no doubt provide valuable insight, which will be shared with Business Partners in Talk newsletter at a later date.

**CPP's new travel package gets ready to take off. Offering customers real value is not a nicety. In today's business climate, it's a necessity to not only survive, but to succeed. Which is why CPP has developed a travel package called Safe Abroad.**

The fee-based current accounts market is becoming increasingly competitive in the UK as more players throw their hats in the ring. Already, the market is estimated to be worth £1 billion.\* Businesses are constantly updating or changing their offerings in an attempt to attract new high-value customers or simply to demonstrate greater value to existing customers in order to retain them.

Our business partners have voiced their three greatest challenges in offering added-value benefits with core products such as bank accounts or credit cards. They are:

- Creating sufficient differentiation and enhanced value.
- Communicating all the benefits clearly and succinctly to the customer.
- Abiding with FSA regulation when insurance based products/services are included.

**Introducing Safe Abroad.**

Travel insurance tends to be the lead product for packaged accounts due to its mass market appeal and high perceived value. Which is why it's an area where differentiation can be hard to achieve.

CPP, however, has created a unique new travel package of products and services specifically designed for this market, called Safe Abroad. Safe Abroad is designed to provide comprehensive and valuable assistance with each aspect of a customer's travel in one neat package. Here's a look at the benefits:

**Personal travel advisor and booking service.**

Travelling can be expensive. But you can give your customers excellent discounts off all aspects of their trip, including airport car parking, flights, hotels, car rental, and so much more. You can also add a touch of luxury by offering free airport lounge passes.

**Security advisory service.**

Your customers have professional support and advice on their personal safety and security prior to travelling. They can also access this service whilst abroad.

**Dogtag Travel Insurance.**

This unique product equips the customer with a high quality stainless steel dogtag that they can wear or carry with them, providing 100% proof that they're covered. Customers also have:

- A personal online page to store essential personal medical information that a doctor can access in case of an emergency.
- Cover for a greater breadth of sports and activities beyond the 'norm', ensuring they are covered even when they decide to do something different on the spur of the moment!

**Safe Abroad Lost & Found Service.**

To compliment the insurance aspects, each customer is also provided with free access to an international lost and found service. Each customer receives a pack which contains a number of uniquely coded tags and stickers that can be used to attach to personal items which customers want returned if lost. The service ensures that found items are returned to their owners wherever they are in the world.

**Emergency Cash.**

If a customer's credit and/or debit cards go missing whilst abroad, what will they do for money? They're covered for an emergency cash advance to make their situation a lot easier.

**Enhanced Value.**

In addition, to help keep the messaging to the consumer simple we can provide one telephone number from which the whole Safe Abroad package can be accessed by the customer and all the insurance elements are provided by the same insurer – Homecare Insurance Limited. This means there is less to communicate to the customer, shortening such documents as the Terms and Conditions, but it keeps the important information as far as the customer is concerned very clear, i.e., one number to use for any of the services.

Whilst Safe Abroad can be provided on an individual policy basis for each customer, we can also provide the Dogtag Travel Insurance as a policy covering our business partner, under which the customers become beneficiaries of that policy.

If you'd like more information on Safe Abroad, don't hesitate to speak to your Account Director.

**What can Safe Abroad do for you?**

- Gives unique benefits that stand out in the added-value benefit market of current accounts and credit cards.
- Provides a clear, simple message to communicate to the end consumer – travel safe with Safe Abroad.
- Represents a tangible product with the travel insurance dogtag and the lost and found service pack, which can provide excellent visual opportunities for brand promotion.
- Drives new acquisition in a competitive market.
- Delivers enhanced value to existing customers.
- Offers flexibility in design, allowing bespoke targeting of customer segments if required.

\*Mintel Report: Premium, Packaged and Aggregate Account Banking, Finance Intelligence, June 2004.