

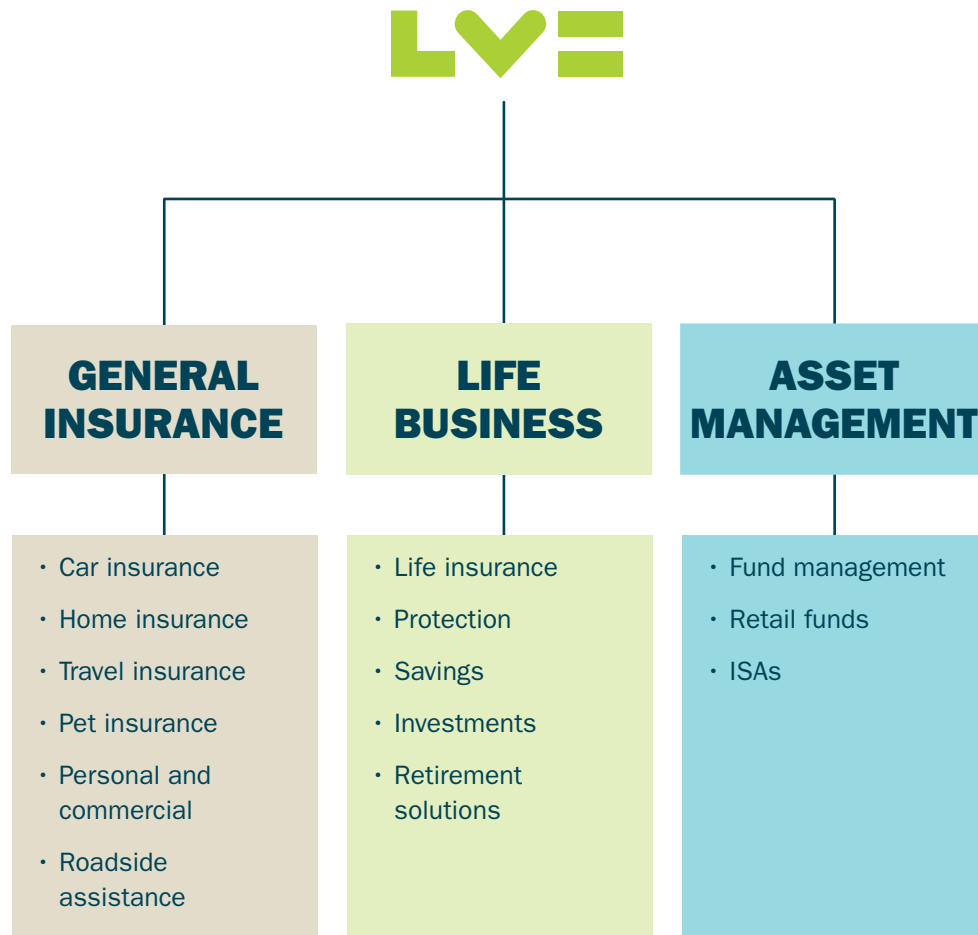
A large, vibrant green heart-shaped balloon is the central focus, floating on a sandy beach. The balloon is slightly tilted, and its shadow is cast onto the sand below it. In the background, the ocean waves are visible under a clear blue sky.

## **Listening to our customers – The Customer Impact Scheme**

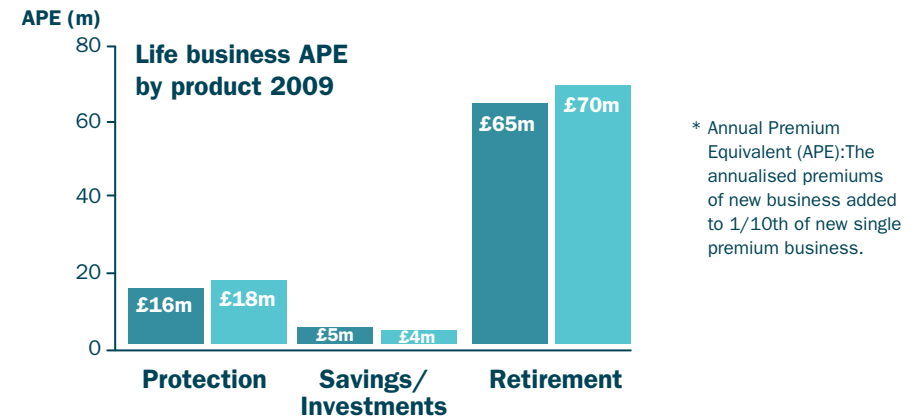
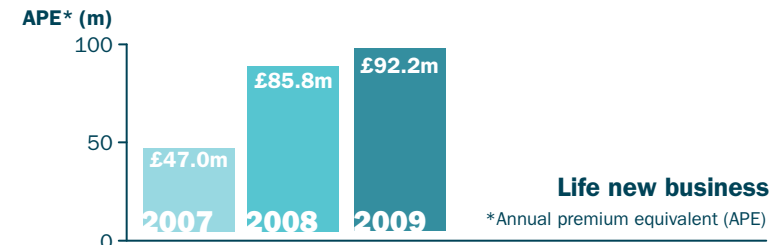
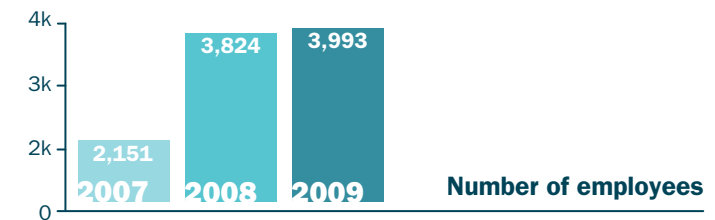
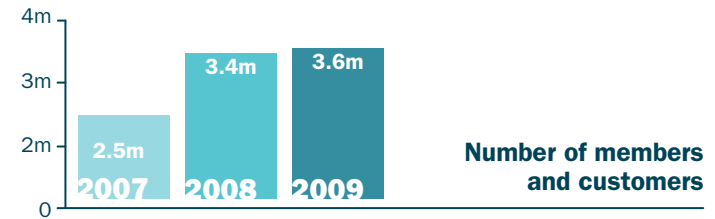
Covering views from our  
life insurance, pension  
and investment customers

**LVE** BETTER  
BUSINESS

# LV= business structure



# At a glance





**“Our members and customers are the best judges of our success”**

# We're listening

Welcome to the fourth yearly report showing how LV= did in the Customer Impact Scheme as part of our membership of the Association of British Insurers (ABI).

We're continuing to expand and grow the business for the benefit of our members. Whilst doing this it's crucial for us to maintain high levels of customer satisfaction. One of the ways we can do this is by listening to what our members and customers think of us and implement change where we need to make improvements. That's why we're part of the Customer Impact Scheme.

Broadly, we're extremely pleased with the results this year, but as always there are learnings to be had from the survey and things we can do better.

At LV= we're all about looking after what people love in life. We strive to do this in a way that combines the best of our mutual values with market leading expertise. Our members and customers are the best judges of our success so I'd like to thank all those who took part in the survey for their valuable comments.

Best wishes

**John Perks**  
Customer Solutions Director

## About the Customer Impact Scheme

The Customer Impact Scheme is a concerted commitment by the pensions, protection and investment industry to drive up customers' experiences and be openly held to account for how they deal with their customers.

Find out more about the ABI at [abi.org.uk](http://abi.org.uk) and specifically the Customer Impact Scheme at [customerimpact.org](http://customerimpact.org)



**The LV= board has fully committed to our involvement in the Customer Impact Scheme and ensure actions are taken forward to improve the results year-after-year.**

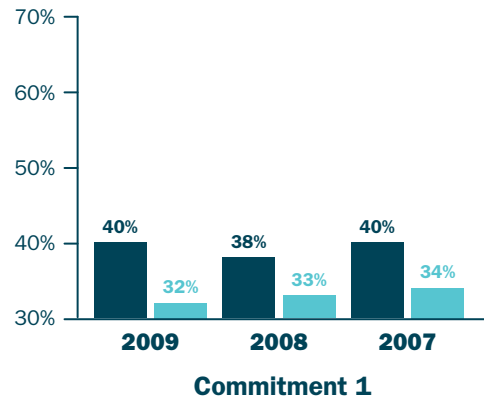
**QUICK FACT**  
The ABI represents the collective interests of the UK's insurance industry. It comments on issues of common interest and helps to inform and participate in debates on public policy issues. It also acts as an advocate for high standards of customer service in the insurance industry.

# The Top Line

## The three key customer commitments

These are the core customer commitments measured for all 35 firms who take part in the Customer Impact Scheme (CIS). We're pleased to see that we remain ahead of the industry on all three commitments.

**LV=** LV=  
INDUSTRY



\*LV= is in the top quartile position, being in the top quartile position means that LV= are performing in the top 25%.

**Note:** These percentages are based on the top two responses of 'Excellent' and 'Very Good' and do not include those customers who felt that we were 'Good'.

### Commitment 1

Developing and promoting products and services which meet the needs of customers.

### Commitment 2

Providing customers with clear information and good service when they buy products.

### Commitment 3

Maintaining appropriate and effective relationships with customers, providing them with a good service after they have bought a product.

### QUICK FACT

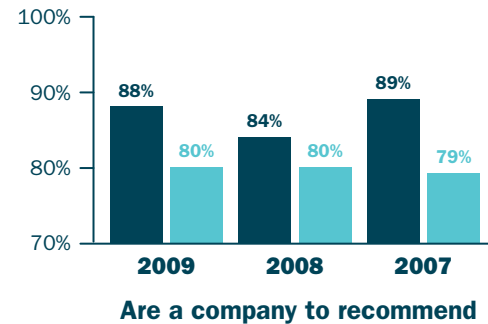
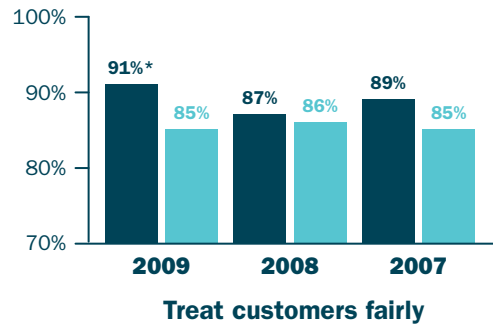
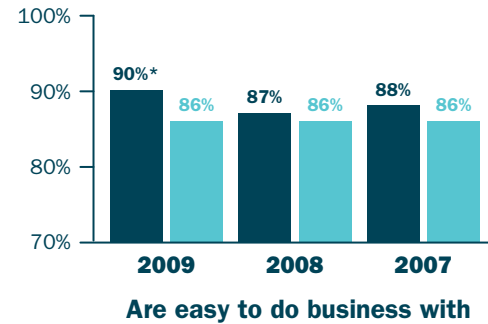
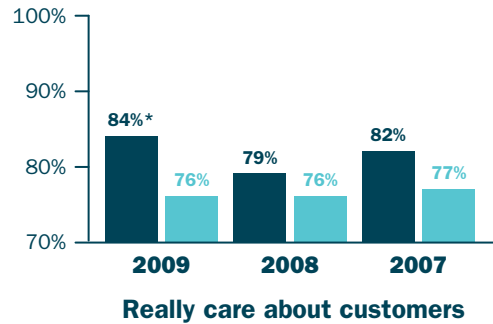
We also carry out regular research through our 'Voice of the Customer' (VOC) satisfaction survey, so this also gives us ideas on where we can do better. The quotes throughout this report are taken from both the CIS and VOC surveys.



# The Top Line *continued*

## Customers who agree that we...

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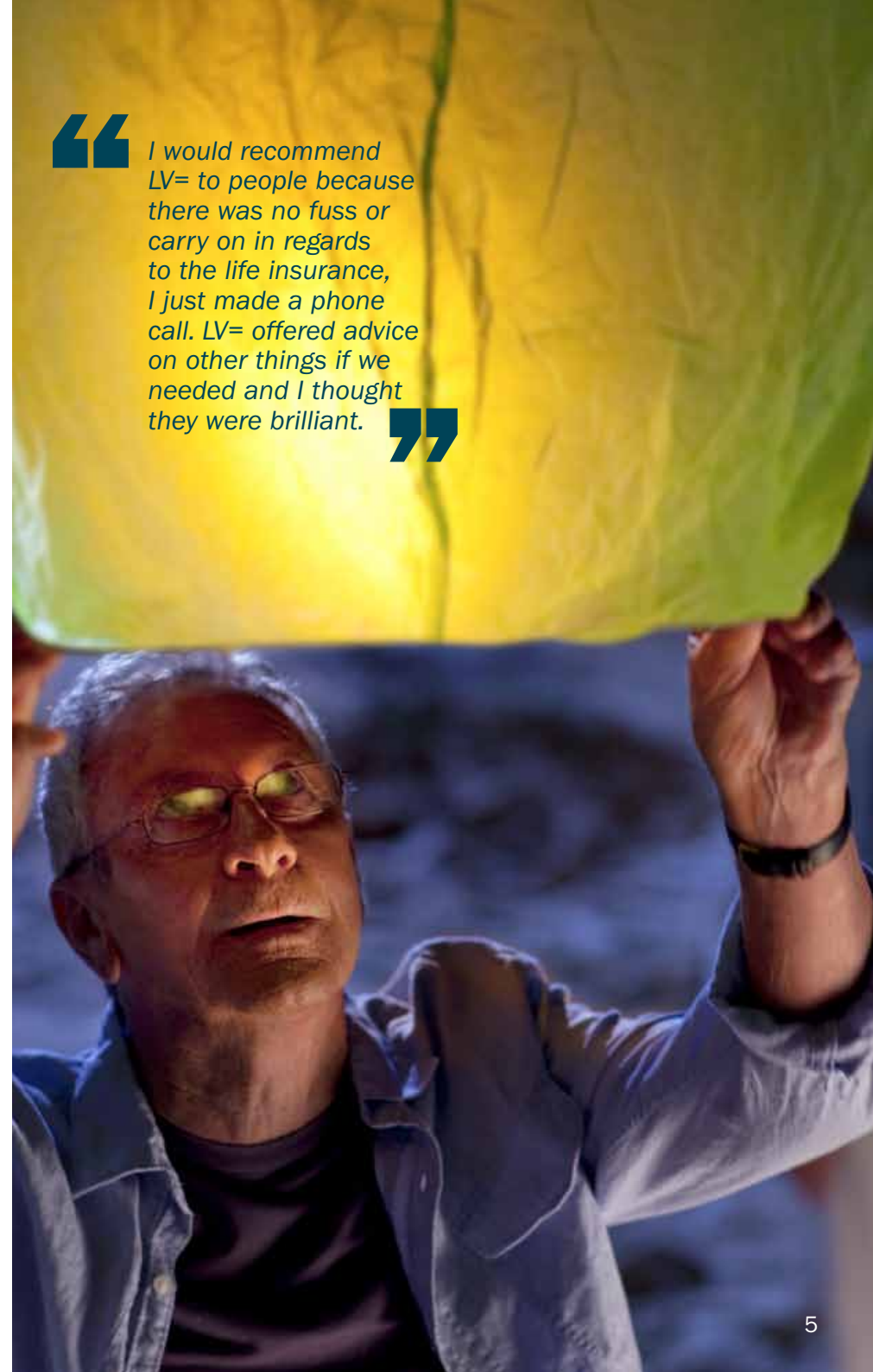
\*LV= is in the top quartile position, being in the top quartile position means that LV= are performing in the top 25%.

### QUICK FACT

35 organisations took part in the Customer Impact Scheme and over 21,000 customers were phoned and asked about their product and service experience with their financial provider.

We have worked hard to perform in the top quartile in three of these key areas and remain above the industry for all. We will be working towards improving our performance so we can include 'company to recommend' into the top quartile position.

“ I would recommend LV= to people because there was no fuss or carry on in regards to the life insurance, I just made a phone call. LV= offered advice on other things if we needed and I thought they were brilliant. ”



# What we did to improve things last year

Last year highlighted some key areas where we needed to devote more focus, These were the three core areas we chose to concentrate on;

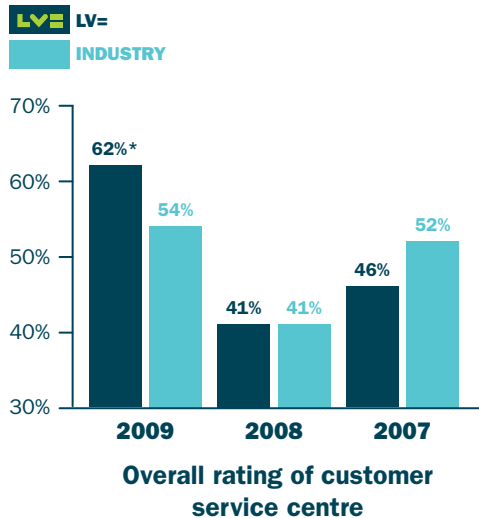
**1** The service given by our front-line people.

**2** Looking at how we communicate with our customers.

**3** Reducing complaints.

## 1 Front-line service

We're pleased that as a result of our efforts our overall service centre satisfaction score increased by 21% from 41% to 62%, 8% ahead of the industry average.



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“ Everything is done easily over the phone and clearly explained. I have never had any problems with them, they are so straightforward and are a very good company to deal with. ”

### QUICK FACT

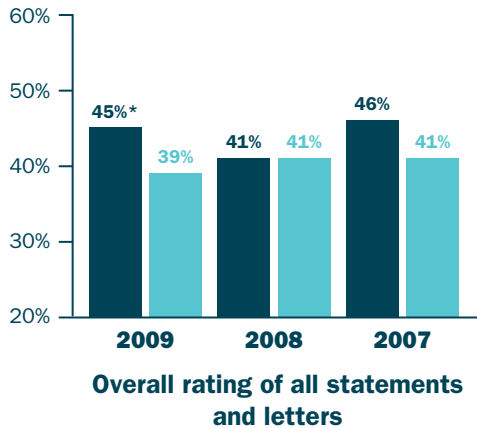
One of the initiatives we introduced last year allows us to scan customer paperwork into the computer so that when a customer calls with a query we can quickly recall the information, rather than having to call the customer back.

“ When you call up you are not kept waiting, you get through to someone and they deal with you. When they say that they will call you back they make sure they do. ”



## 2 How we communicate with our customers

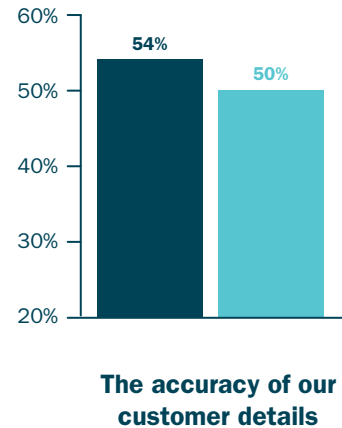
**LV=** LV=  
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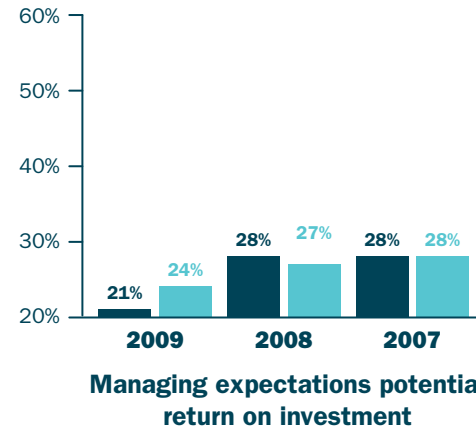
Our overall rating for 'statements and letters' increased from 41% to 45%, 6% ahead of the industry.

We have worked hard to improve our communications. Whilst we've seen a slight improvement since last year, we hope that the launch of the LV= 'tone of voice', which involves reviewing and re-writing all our letters and documents, will contribute to a marked improvement next year.



**Note:** The accuracy of customer details is a new measure for 2009 so there are no previous years to compare against.

We're just outside the top quartile here, but 4% ahead of the industry. It's crucial that our customers tell us when they move home and equally that we capture personal details correctly. We make vigorous efforts to trace our customers, but attention to detail and data accuracy is something we always place as a priority.



This is a priority area for us and we were disappointed in the results which were below our expectations. The main shift is in customers who previously rated us 'Good', now rating us 'Fair', however we did see fewer customers rating us as 'Poor' this year.

**We are continuing to focus in this area to give our customers more clarity around their investments with the following activities;**

### Annual bond performance updates being produced

- Simpler format, and customer friendly explanation of market and economic review and outlook
- Updates to be made available online together with a 'Frequently Asked Questions' section

### With-profits annual statements improved

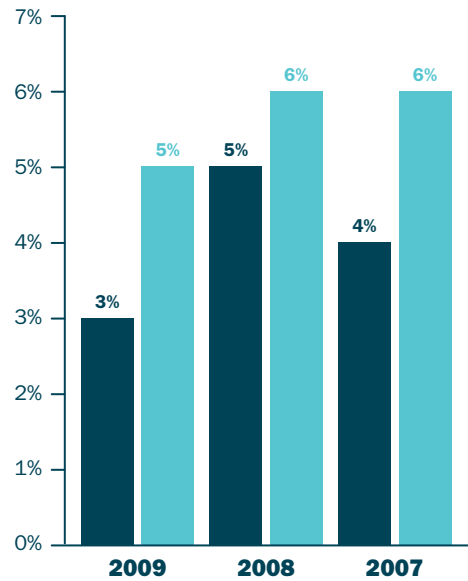
- Expanded section detailing current plan value
- Inclusion of explanation/reminder of key product benefits and options available during the lifetime of the product
- Clear helpline numbers provided

“ The clarity of the written product is improving enormously but there is still some jargon in parts. ”



### 3 Reducing complaints

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**In the past 12 months have you felt like making a complaint?**

**Note:** Customers responding 'yes'

#### QUICK FACT

Last year complaints from our customers allowed us to make 126 individual service improvements and 278 complaints led to additional training for both individuals and teams.

Reducing complaints is another area where we continue to focus our efforts. This year we've seen fewer customers feeling inclined to make a complaint and once again we're performing better than the industry average.

We partly achieved this by empowering our front line employees to deal with most complaints immediately. By doing this we've witnessed some success in the last 12 months with the majority of complaints being dealt with straight away. The option of providing the full complaints investigation service is still in place, in cases where it is necessary.

Two years ago we talked about our new service improvement team responsible for investigating the actual cause of complaints we receive. This structure continues to work well as the team work directly with the part of our business that is responsible for servicing the customer who has complained. This means the complaint can be investigated and resolved more efficiently and preventative actions put in place to avoid re-occurrences.

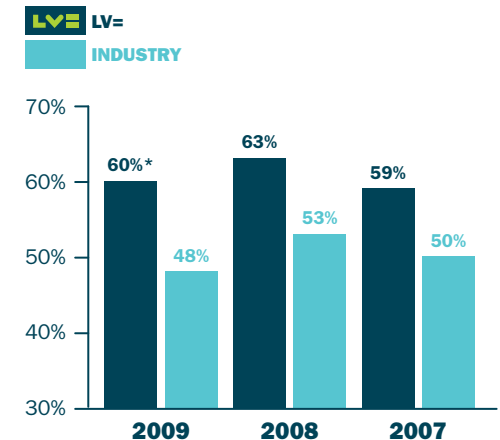


# Our priorities and focus for the next 12 months

## Handling claims and outgoing payments

We're still in the top quartile and well above the industry in this category but we're disappointed that our score dropped compared to the year before. Whilst the industry as a whole also declined we still wanted to look into this and found that some customers were unhappy with their investment returns. Unfortunately there isn't much we can do about stockmarket fluctuations but we are continuing to work hard to manage our customers' expectations and keep them informed on how their investment is doing, as well as clearly explaining the risks involved in individual products (see page 7 'managing expectations').

“ Performance of the product was not what I expected, the projection was better than it turned out to be which is why I withdrew my money. ”



How would you rate LV= claims and payment process overall

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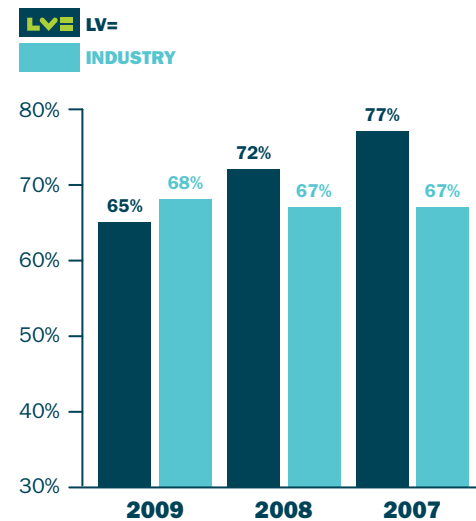
## Recent customers/buying process

Our scores in this area have decreased year-on-year and we have already taken action to address this and will continue to undertake activity over the next 12 months. This includes reorganising our sales team to make sure we are easier to get hold of and have the right people available to deal with customer and adviser queries.

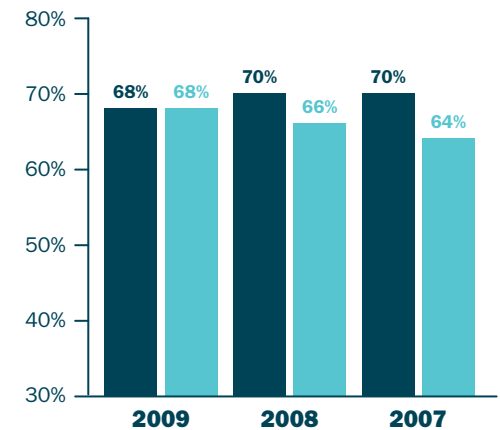
We are also expanding our 'tool-kits' for advisers; these provide details on our products, case studies, videos and marketing guides. They are designed to support our advisers in providing customers with the information and service they expect.

To address the low score in 'demonstrating an understanding of needs' we will be rolling out in-depth training amongst our protection telephone sales teams so they can better assess the customer's needs.

We will also closely monitor these two areas in our own VOC customer satisfaction survey.



Sales person demonstrating an understanding of customer needs



Sales person being easy to contact

# And finally

The most important measure of our commitment to true value and service excellence is the satisfaction of our customers. In addition to this we're encouraged by the industry awards and recognition we've achieved.



We hope you found this report useful and would welcome any comments or questions, you can email us at;

[customerimpact@LV.com](mailto:customerimpact@LV.com)