

Finaccord



Brand Metrics: Consumer Awareness of and Attitudes Towards Brands in UK Financial Services

Report Prospectus

April 2008

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What is the research?

Finaccord's updated report titled *Brand Metrics: Consumer Awareness of and Attitudes Towards Brands in UK Financial Services* is a research publication that offers unique insight into the way in which financial services brands are perceived by consumers in the UK.

For each of 90 financial brands that are used to promote banking or insurance products, *Brand Metrics* analyses their performance in terms of consumer perception according to nine key criteria: overall consumer awareness levels; strength; accessibility; modernity; ability to excite; trustworthiness; ability to offer value for money; commitment to ethical or socially responsible values; and likeability.

The study includes a series of tables that rank the brands in question from first to 90th position for each factor as well as providing further rankings both in terms of implied (theoretical) and actual reported brand effectiveness.

Moreover, a new feature of this updated publication relative to the previous edition of *Brand Metrics* issued in 2006 is the inclusion of scores and rankings for all 90 brands for both overall consumer awareness and reported brand effectiveness broken down by gender, age group and annual household income of respondents.

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What is the rationale?

Among the reasons for producing this publication are the following:

- first and foremost, branding is a key issue for all significant financial services institutions since it is a fundamental determinant of their ability to acquire and retain new customers, as evidenced by the results of the new *Brand Metrics* research;
- secondly, it is becoming more important over time as the range of means by which financial institutions can shape their brand is expanding;
- thirdly, recent years have seen the emergence of a number of important new brands in retail financial services in the UK, especially in the fast-growing and increasingly influential field of on-line aggregation and broking;
- finally, the development of a large and representative Internet-based consumer panel by Tpoll, Finaccord's partner for this project, has facilitated a form of research and analysis that would not have been possible using a conventional telephone-based market research technique or, indeed, a focus group.

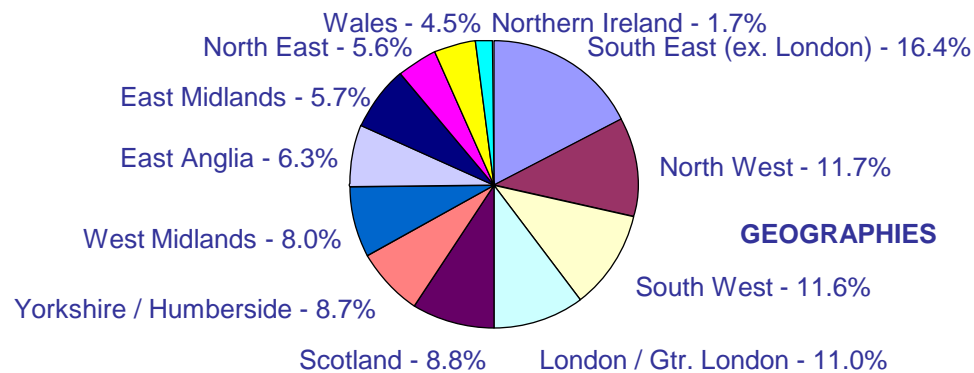
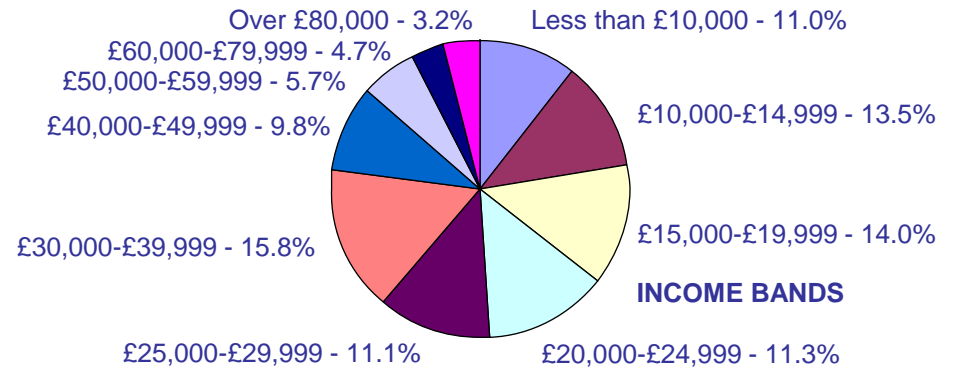
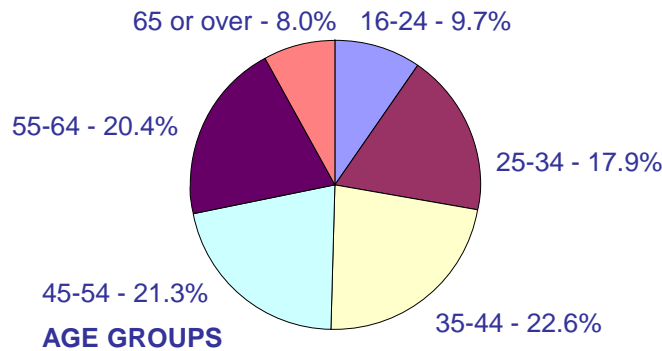
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What methodology has been used?

Brand Metrics: Consumer Awareness of and Attitudes Towards Brands in UK Financial Services is based on the results of an on-line survey of 4,520 consumers arranged by Tpoll Direct, the market research division of Interactive Prospect Targeting (IPT), during January and February 2008. The sample breaks down as shown on the following page. Given the impossibility of requesting consumers to evaluate all 90 brands simultaneously, the brands were divided up into nine essentially random groupings of ten brands, with each grouping submitted for evaluation separately to different constituencies of consumers with an average size of over 500 and with no significant variation from the overall breakdown by age group, income band and geographical location presented overleaf. Furthermore, the visual logos of each brand - listed from pages seven to ten of this prospectus - were built into the on-line survey in addition to the brand names themselves.

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How does the consumer sample break down?



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Which brands have been analysed? (1)



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Which brands have been analysed? (2)



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Which brands have been analysed? (3)



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Which brands have been analysed? (4)



blackhorse



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What is the report structure?

0. *Executive Summary*: providing a concise evaluation of the principal findings of the report.

1. *Introduction*: offering rationale and a detailed description of methodology.

2. *Brand Rankings*: scores and rankings for the 90 brands included in the research program for both implied and reported effectiveness and the nine key factors that determine brand effectiveness, namely: overall consumer awareness levels; strength; accessibility; modernity; ability to excite; trustworthiness; ability to offer value for money; commitment to ethical and socially responsible values; and likeability. This section also includes graphics plotting correlations between different brand criteria and analyses of the results by gender, age group and annual household income of respondents.

3. *Time Series Analysis*: for a variety of brands included in both the latest survey and the previous research program, an analysis of how scores have changed for each factor determining brand effectiveness in the intervening period.

4. *Brand Profiles*: easy-to-read snapshots for all 90 financial brands considered giving the full breakdown of consumer responses, resulting score and overall ranking for each of the aforementioned criteria.

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What are the key features of the research?

Key features of this report include:

- coverage of all major financial services brands in the UK in addition to a number of the most important secondary names in banking and insurance;
- clear rankings for the 90 brands for each of the nine key criteria that determine aggregate brand effectiveness;
- examination of the relationship between the variables driving brand effectiveness and identification of 'outlier' brands that diverge from the normal pattern;
- profiles of each of the 90 brands providing a detailed breakdown of consumer responses for each of the nine variables considered;
- inclusion, for the first time, of results for overall awareness and reported effectiveness broken down by gender, age group and annual household income of respondents.

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How can the research be used?

You may be able to use this report in one or more of the following ways:

- gain access to an analysis that allows you to understand consumer perception of brands for all significant names in the UK financial services market;
- benchmark the performance of your own organisation's brand(s) both against those of firms with which you compete directly and other comparable names;
- appreciate which brands punch above their weight for each of the criteria considered and which are falling short of the standards that might otherwise be expected;
- evaluate the relative strengths and weaknesses of all 90 brands and identify the areas in which your own organisation's brand(s) can improve;
- understand the extent to which certain brands resonate more with male or female customers, younger or older individuals, or consumers with lower or higher annual earnings.

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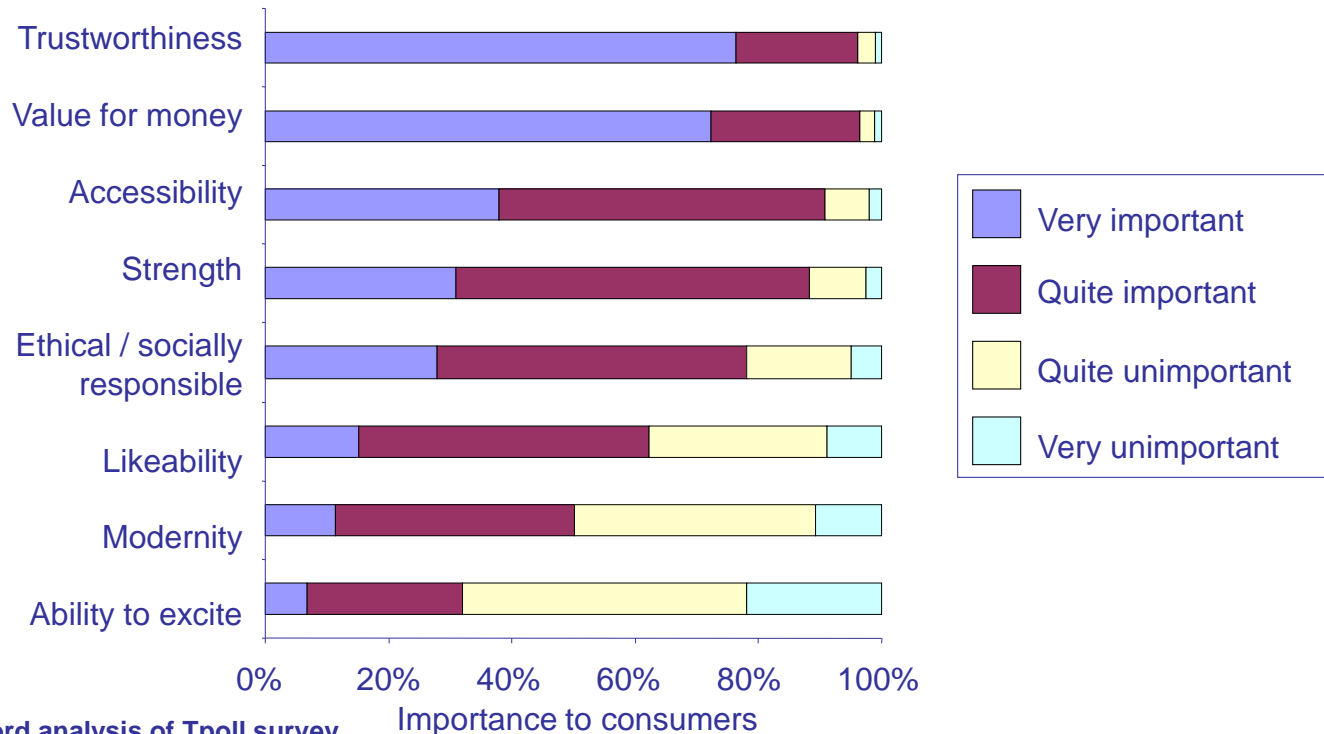
Who can use the research?

1. *Credit card issuers and banks*: the UK consumer banking market has seen an influx of new brands during the last decade but which are effective in the eyes of consumers and which are failing to add value for their owners?
2. *Insurance companies*: the research covers the brands of both leading life offices and non-life insurance firms, helping to show the way in which the brands belonging to the two sectors are often viewed in a differing light by consumers;
3. *On-line aggregators and brokers*: the research casts light upon the extent to which the emerging brands of the most prominent on-line aggregators and brokers pose a threat to traditional financial services brands as they fight to win the attention of consumers;
4. *Marketing services firms*: advertising, marketing communications, public relations and sponsorship are all fundamental in shaping the positive or negative perception of brands in the minds of consumers so this research can be used by companies working in these areas as well as by consultancies that are fully focused on branding strategy.

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What are some of the key findings?

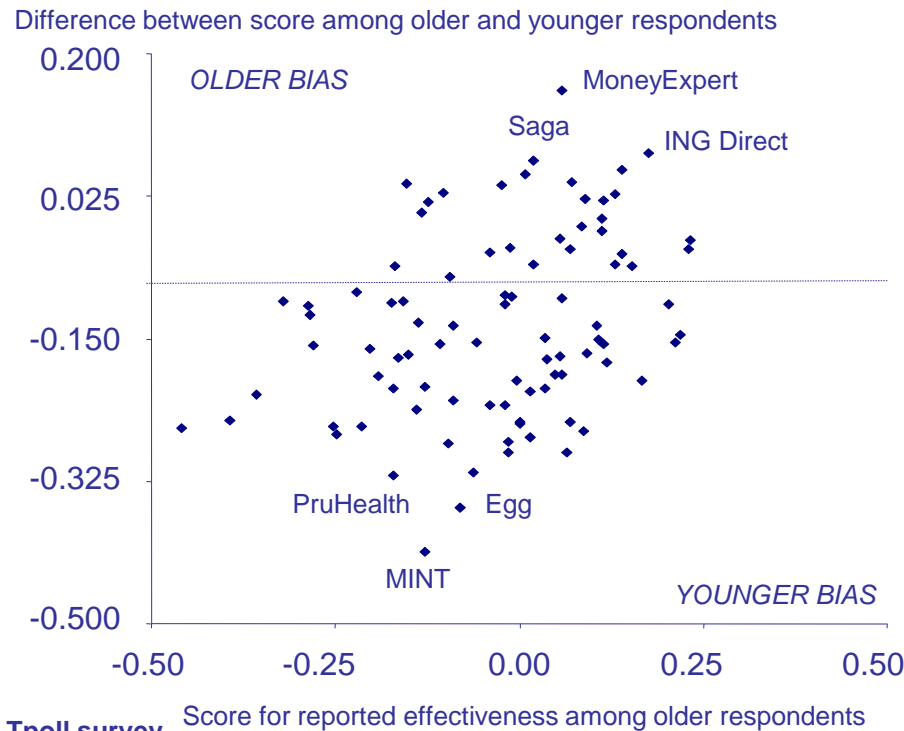
1. Trustworthiness and ability to offer value for money are the factors held by consumers to be most important when considering a financial services brand



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What are some of the key findings? (cont.)

- In terms of their reported effectiveness, a number of financial brands are heavily oriented towards either younger or older customers



Source: Finaccord analysis of Tpoll survey

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What are some of the key findings? (cont.)

3. Brand XYZ ranks highly for modernity, ability to excite and association with value for money but less highly for trustworthiness and commitment to ethics / social responsibility

Awareness	Very familiar	Quite familiar	Do not recognise		Factor score	Ranking	Value for money	Very good v-f-m.	Quite good v-f-m.	Quite poor v-f-m.	Very poor v-f-m.	Factor score	Ranking	
	overall	48.8%	45.8%	5.4%		0.717		27	28.7%	56.3%	11.6%	3.4%	0.476	6
male	43.2%	49.8%	7.0%		0.681	35	Ethics / social responsibility						Factor score	Ranking
female	53.0%	42.9%	4.2%		0.744	25							Very committed	Quite committed
younger (<45)	53.9%	40.9%	5.2%		0.744	27	Likeability						Factor score	Ranking
older (>45)	44.2%	50.2%	5.6%		0.693	30							Very likeable	Quite likeable
lower annual income (<£25K)	50.2%	43.4%	6.4%		0.719	25	Implied effectiveness						Overall score	Ranking
higher annual income (>£25K)	49.5%	46.2%	4.3%		0.726	31							0.552	18
Strength	Very strong	Quite strong	Quite weak	Very weak	Factor score	Ranking	Reported effectiveness						Factor score	Ranking
	29.8%	55.0%	12.1%	3.1%	0.482	34							Very effective	Quite effective
Accessibility	Very accessible	Quite accessible	Quite inaccessible	Very inaccessible	Factor score	Ranking	male	21.4%	48.0%	17.1%	13.6%	0.185	18	
	49.0%	44.4%	5.6%	1.0%	0.674	19	female	21.1%	50.9%	16.1%	11.9%	0.266	15	
Modernity	Very modern	Quite modern	Quite old-fashioned	Very old-fashioned	Factor score	Ranking	younger (<45)	24.1%	48.9%	17.2%	9.8%	0.302	15	
	52.7%	44.1%	2.7%	0.5%	0.729	3	older (>45)	18.6%	47.4%	17.0%	17.0%	0.168	19	
Ability to excite	Very exciting	Quite exciting	Quite dull	Very dull	Factor score	Ranking	lower annual income (<£25K)	23.2%	40.6%	18.1%	18.1%	0.165	30	
	15.7%	57.3%	21.7%	5.3%	0.282	4	higher annual income (>£25K)	21.3%	52.1%	17.2%	9.5%	0.293	8	
Trustworthiness	Very trustworthy	Quite trustworthy	Quite untrustworthy	Very untrustworthy	Factor score	Ranking							0.433	54
	19.2%	66.2%	11.4%	3.3%	0.433	54								

Note 1 - the identity of Brand XYZ is revealed in the research

Note 2 - similar data is provided for each of the other 89 brands included in the research

Source: Finaccord analysis of Tpoll survey

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What are some of the key findings? (cont.)

Key findings from the executive summary include:

- in terms of overall consumer awareness across all respondents participating in the survey, the most widely-recognised brands, in descending order of overall ranking, are Visa, Lloyds TSB, Barclaycard, the AA and Halifax;
- with regards to new brands, defined as those launched in the UK since 1998, MORE TH>N is the frontrunner in terms of its implied effectiveness which illustrates the extent to which it has made impressive progress since its introduction;
- while Direct Line achieves the highest rating for reported effectiveness among male respondents, younger consumers aged up to 44, and individuals with annual household income below £25,000, Nationwide scoops this accolade among older respondents aged 45 and individuals with annual household income in excess of £25,000;
- among financial brands in the UK, Northern Rock, for obvious reasons, occupies the unique position of having increased substantially its recognition rate among consumers while sliding to the bottom of the rankings for many of the brand effectiveness criteria considered.

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What is the cost and format?

Brand Metrics: Consumer Awareness of and Attitudes Towards Brands in UK Financial Services is available as a standard Adobe Acrobat PDF document and / or hard copy. Costs for this research and sister consumer titles are as follows:

REPORT	COST *	FORMAT
Brand Metrics: Consumer Awareness of and Attitudes Towards Brands in UK Financial Services	£1,495	c. 220 pages
Affinity Metrics: Consumer Usage of Affinity Distribution Channels in UK Financial and Other Services	£1,495	c. 120 pages
Channel Metrics: Trends in Consumer Distribution Channel Usage in UK Fin. Svs. (report / 25 briefings)	£2,995 / £395	c. 300 pages / 25 pages
Net Metrics: Consumer Usage of On-Line Aggs., Brokers and Other Ints. in UK Banking / Insurance	£1,495 / £1,495	c. 160 pages
Partner Metrics: Consumer Attitudes Towards and Willing. to Use Alternative Providers in UK Fin. Svs.	£1,795	c. 230 pages

VAT at 17.5% will be added to the basic price except for where the request is for hard copy only.

Costs quoted are for a single site user license only.

For corporate user licence options, please see the next slide for further details.

Printing and postage costs of £30 per title will be payable if hard copy is required.

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How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord web site available at www.finaccord.com/order_uk_cfsr.htm and fill in the online order form, clearly indicating:

- report required
- type of corporate user licence, if required *
- billing name
- address and e-mail address
- purchase order number, if applicable

Please allow up to one working day for the delivery of electronic copy by e-mail.

* For the **corporate user licence** please choose one of the following options:

1. One office, one country: no supplement over and above basic cost of reports ordered
2. Multiple offices, one country: additional 20% over and above basic cost of reports ordered
3. Multiple offices, two to ten countries: additional 50% over and above basic cost of reports ordered
4. Global (unlimited offices in unlimited countries): additional 100% over and above basic cost of reports ordered

VAT at the prevailing rate will be added to the price of any corporate user licence acquired by UK-based buyers.

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