



## Case Study - Woolwich Open Plan Internet Banking

2002 IDM Business Performance Award

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## Background

- Less than 5% of customers making use of the Internet banking facility two and a half years post-launch
- Internet banking offers customers convenience and control
- The bank benefits from lower transaction costs

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## Communication Objectives

- To migrate existing Internet banking users to the new site and increase usage
- To increase trial of Internet banking among Open Plan customers
- To use Internet banking to recruit 'classic' Woolwich customers into Open Plan and new prospects to Woolwich customers
- To encourage branch and call centre staff to actively promote Internet banking

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## Three Phase Re-launch Plan

- Phase one** → engage customers by asking for their opinions
- Phase two** → launch and log-on
- Phase three** → follow-up to keep customers active

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## Phase One

- Integrated communication across a range of media to engage a disinterested audience
- Online questionnaire housed on a microsite
- Microsite included an online banking demo
- Call centre campaign to request e-mail addresses and permission to use them for future contact

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## Key Staff Communication

- Internet banking presented as an additional not an alternative branch
- Pack comprised a covering letter, staff briefing information, business cards for customers and a chocolate mouse

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## Key Staff Communication



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## Phase Two

- Direct mail added to the media mix
- Data collection from Phase One used to target e-mail and direct mail

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## Direct Marketing Communications (Phase Two)



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## Phase Three

- Welcome pack
- Ongoing communications planned to encourage activity

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## Results

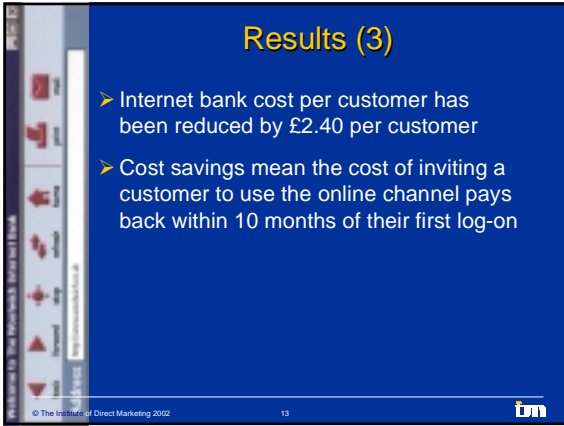
- Customers receiving direct mail were 90% more likely to log-on than people in the control group
- The Woolwich model produced better results than the CACI model in forecasting the likelihood of customers logging onto Open Plan

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## Results (2)


- E-mails achieved an average 10% response, compared with an industry average of 3%
- E-mail questionnaire received 17.5% response
- People logging on for the first time were more likely to progress to transacting than pre-campaign

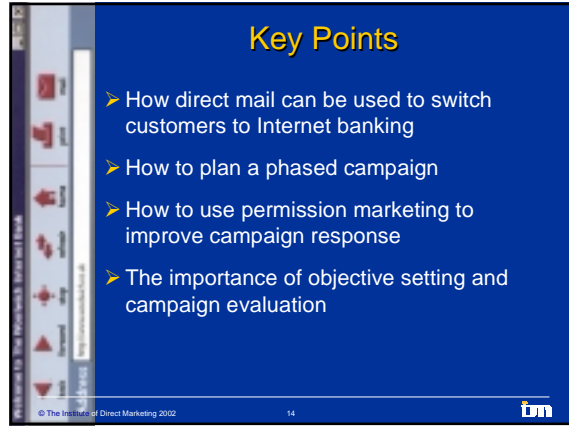
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### Results (3)

- Internet bank cost per customer has been reduced by £2.40 per customer
- Cost savings mean the cost of inviting a customer to use the online channel pays back within 10 months of their first log-on

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### Key Points

- How direct mail can be used to switch customers to Internet banking
- How to plan a phased campaign
- How to use permission marketing to improve campaign response
- The importance of objective setting and campaign evaluation

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