

NS&I saw online sales of over £3 billion in 2008–09



Our customers

The story of our year, from the customer perspective, has been that we have been open for business at all times. We provided a dependable home for our customers' money while maintaining our high-quality service with clearly explained products to help people make the right choice.

As our vision says: NS&I aims to secure 'a better financial future for our customers by providing the most valued and trusted savings experience'. At the end of 2008–09 we now have more savers' money invested with us – the total amount of investments we now hold (our stock) has risen from over £84 billion at the start of the year to over £97 billion.

Although this translates into a small percentage change in terms of our total share of stock of the UK deposit-based savings market (up to around 8%, from around 7% in 2007, according to the Office for National Statistics), the impact on our business has been considerable, particularly in the customer-facing parts such as our Contact Centres. So we are delighted to record that, despite these pressures, customer service standards – including our service delivery measures of timeliness, accuracy and customer satisfaction – have continued to meet the high levels we have targeted over the last few years.

We're also proud that in November 2008 we retained the Charter Mark – a public sector award which recognises our commitment to providing outstanding customer service. Our Contact Centres have also been successfully re-accredited by the Customer Contact Association; a prestigious accreditation that maintains their position as leading UK Contact Centres and ones that remain fully compliant with Sir David Varney's report to the Chancellor in 2006. At the Customer Contact Association (CCA) Convention the team received an award for utilising its CCA Certification.

As detailed in the 'Our partners' section (see pages 19 to 21), we are deeply grateful to the staff of Siemens and the Post Office® for helping us to achieve these service levels, which we maintained across all channels. For example, our website received record volumes of visits and transactions, and managed to remain in service at all times – an indication of the robustness of the technology, which we plan to build on this year as we increase the functionality and interactivity of the site.

Our customers continue to grow more confident in interacting with us electronically. We have seen online sales of over £3 billion and an increase in email traffic without a decline in service levels. This provides an excellent foundation on which to build as we diversify the number of ways in which our customers can deal with us.

Delivering fair rates

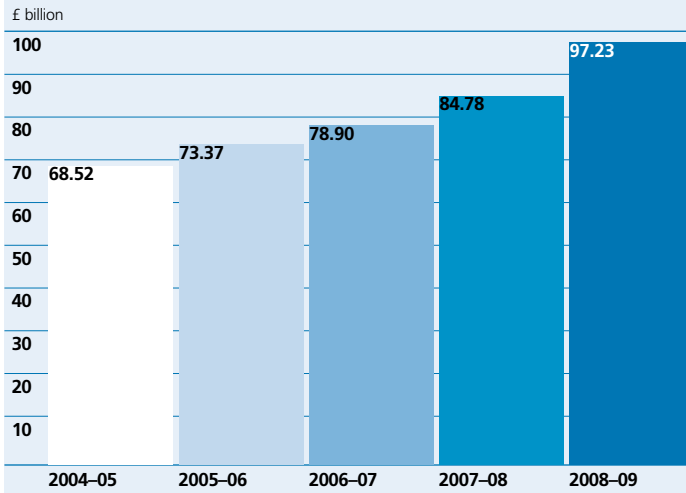
From the customer perspective, the challenge was not simply in maintaining service levels but also in delivering fair rates. Traditionally, the Bank of England base rate is a key factor we consider in pricing our variable rate products. As the base rate fell, we took action so that our customers would continue to receive an interest rate that – while reflecting overall market conditions – was fair to them.

Understanding and responding to customer needs

One of the key aspects of the **NS&I adding value** strategy during the last year was to improve our understanding of our customers. We already conduct a number of different surveys to assess satisfaction with services and to examine consumer saving habits at a national level. We also wanted to build our understanding particularly of how customers choose to invest with us – something that not only will enable us to improve our service, but also focus our investment on the channels that our customers most value.

We have continued our support of the Royal Horticultural Society's Grow Your Own campaign and sponsorships of Classic FM, the Classical BRIT Awards, BBC Proms in the Park, and the Science Museum. All five relationships help support our brand values, raise the profile of our direct channels and provide an efficient way to meet and engage with our customers. The volume of media coverage about NS&I remains high, particularly around our Quarterly Savings Survey which tracks Britain's savings habits.

Total amount invested by customers at the end of the year



Treating customers fairly

NS&I has always been committed to treating our customers fairly. So during 2008–09, we have continued our work to ensure we are closely aligned with the FSA’s principles of Treating Customers Fairly. In addition to improvements to our internal assurance processes, we have made further changes to our marketing and communications material so that our messages are straightforward and easy to understand.

We continue to listen to our customers to help improve our products and levels of service, seeking feedback on how well information is explained. While overall levels of understanding are high, we continue to develop brochures, leaflets and other sources of customer information – such as call centre scripts – in line with feedback we receive.

Customer satisfaction

92% of customers who transacted with NS&I in 2008–09 gave us a seven out of 10 or better rating for customer service (with 10 representing excellent service); this maintained the high scores recorded in the last two years.

Customers who scored us seven out of 10 or better this year cited the following key reasons for their choice: no problems, 35%; efficient staff and quick resolution of issues, 29%; knowledgeable and helpful staff, 15%. 24% of those who rated us below seven said they had not had many dealings with NS&I.

83% of respondents who had a ‘main other financial provider’ (other than NS&I) gave that other provider a seven out of 10 or better rating for customer service, which compares favourably to our 92%.

Customer feedback influences every aspect of our business – helping us make decisions about the kind of service that we offer, so that it not only meets but exceeds our customers’ expectations. We invest a lot of time in understanding both who our customers are and what they want from us. Based on this, our aim is that NS&I:

- **is easy to do business with:**

we are easy to contact and offer customers choice and flexibility in how they do business with us

- **makes it personal:**

we interact directly with our customers and actively seek their feedback

- **always delivers on our promises:**

we provide our customers with clear, realistic and accurate information on which they can make decisions and we deliver on commitments made to them

You and your money

Last year saw the full launch of You and your money, our website dedicated to increasing financial capability – which the FSA defines as ‘being able to manage money; keeping track of your finances; planning ahead; choosing financial products; and staying informed about financial matters’.* The site provides a range of practical, impartial financial information based around particular life events – from children and money to preparing for retirement – helping consumers understand their options and then identify what might be best for them.

Importantly, we not only concentrate on financial issues concerning major life events, but also on the challenge of dealing with complete changes in circumstances. In this context, we recently also added a section on dealing with bereavement. This was created in response to the high level of contact we receive from customers who have recently suffered a bereavement and are struggling to deal with different aspects of it – from financial issues to practical or emotional ones. The content draws on specialist advice from the likes of bereavement counsellors and lawyers, content from other specialists as well as our own insights based on the experiences and concerns of our own customers.

youandyourmoney.info

* Source: www.fsa.gov.uk/financial_capability

My Lost Account

One of the most popular and satisfying achievements of the year was our successful response to an increase in requests from www.mylostaccount.org.uk. The website, launched in January 2008, is a joint initiative between NS&I, the British Bankers' Association (BBA) and the Building Societies Association (BSA) and aims to help customers track down accounts and savings they have lost touch with. It brings together the three existing schemes from NS&I, the BBA and BSA into a one-stop-shop interface where information only needs to be entered once.

The award-winning initiative has now seen over a quarter of a million trace requests and reunited customers with millions of pounds of savings. In the financial year 2008–09 alone, NS&I helped reconnect customers to more than £100 million – a massive increase compared to the previous six years where NS&I's Tracing Service had found some £55 million since 2001.

As well as accessing the service online, customers can write to NS&I or contact us by phone to request a tracing form.

