

# Customer In Focus

16 October 2024



# Disclaimer & important information

## Cautionary statements

This document should be read in conjunction with the documents distributed by Aviva plc (the 'Company' or 'Aviva') through The Regulatory News Service (RNS). This announcement contains (and we may make other verbal or written) 'forward-looking statements' with respect to certain of Aviva's plans and current goals and expectations relating to future financial condition, performance, results, strategic initiatives and objectives. Statements containing the words 'believes', 'intends', 'expects', 'projects', 'plans', 'will', 'seeks', 'aims', 'may', 'could', 'outlook', 'likely', 'target', 'goal', 'guidance', 'trends', 'future', 'estimates', 'potential', 'objective', 'predicts', 'ambition' and 'anticipates', and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in these statements. Aviva believes factors that could cause actual results to differ materially from those indicated in forward-looking statements in the announcement include, but are not limited to: the impact of ongoing uncertain conditions in the global financial markets and the national and international political and economic situation generally (including those arising from the escalation of Russia-Ukraine and Israel-Palestine conflicts into wider regional conflicts); market developments and government actions; the effect of credit spread volatility on the net unrealised value of the investment portfolio; the effect of losses due to defaults by counterparties, including potential sovereign debt defaults or restructurings, on the value of our investments; the impact of changes in short or long-term interest rates and inflation reduce the value or yield of our investment portfolio and impact our asset and liability matching; the impact of changes in equity or property prices on our investment portfolio; fluctuations in currency exchange rates; the effect of market fluctuations on the value of options and guarantees embedded in some of our life insurance products and the value of the assets backing their reserves; the amount of allowances and impairments taken on our investments; the effect of adverse capital and credit market conditions on our ability to meet liquidity needs and our access to capital; changes in, or restrictions on, our ability to initiate capital management initiatives; changes in or inaccuracy of assumptions in pricing and reserving for insurance business (particularly with regard to mortality and morbidity trends, lapse rates and policy renewal rates), longevity and endowments; a cyclical downturn of the insurance industry; the impact of natural and man-made catastrophic events (including pandemics) on our business activities and results of operations; the transitional, litigation and physical risks associated with climate change; failure to understand and respond effectively to the risks associated with sustainability; our reliance on information and technology and third-party service providers for our operations and systems; the impact of the Group's risk mitigation strategies proving less effective than anticipated, including the inability of reinsurers to meet obligations or unavailability of reinsurance coverage; poor investment performance of the Group's asset management business; the withdrawal by customers at short notice of assets under the Group's management; failure to manage risks in operating securities lending of Group and third-party client assets; increased competition in the UK and in other countries where we have significant operations; regulatory approval of changes to the Group's internal model for calculation of regulatory capital under the UK's version of Solvency II rules; the impact of recognising an impairment of our goodwill or intangibles with indefinite lives; changes in valuation methodologies, estimates and assumptions used in the valuation of investment securities; the effect of legal proceedings and regulatory investigations; the impact of operational risks, including inadequate or failed internal and external processes, systems and human error or from external events and malicious acts (including cyber attack and theft, loss or misuse of customer data); risks associated with arrangements with third parties, including joint ventures; our reliance on third-party distribution channels to deliver our products; funding risks associated with our participation in defined benefit staff pension schemes; the failure to attract or retain the necessary key personnel, including quality financial advisers; the failure to act in good faith, resulting in customers not achieving good outcomes and avoiding foreseeable harm; the effect of systems errors or regulatory changes on the calculation of unit prices or deduction of charges for our unit-linked products that may require retrospective compensation to our customers; the effect of a decline in any of our ratings by rating agencies on our standing among customers, broker-dealers, agents, wholesalers and other distributors of our products and services; changes to our brand and reputation; changes in tax laws and interpretation of existing tax laws in jurisdictions where we conduct business; changes to International Financial Reporting Standards relevant to insurance companies and their interpretation; the inability to protect our intellectual property; the effect of undisclosed liabilities and other risks associated with our business disposals; and other uncertainties, such as diversion of management attention and other resources, relating to recent and future acquisitions, combinations or disposals within relevant industries; the impact of exposure to Lloyd's related risks following the acquisition of Probitas, including dependence on Lloyd's credit rating, solvency position and the maintenance of Lloyd's own licence and approvals to underwrite business, and commitment to certain financial and operational obligations, including to make contributions to funds at Lloyd's; the policies, decisions and actions of government or regulatory authorities in the UK, the EU, the US, Canada or elsewhere, including changes to and the implementation of key legislation and regulation (for example, FCA Consumer Duty and Solvency II). Please see Aviva's most recent Annual Report and Accounts for further details of risks, uncertainties and other factors relevant to the business and its securities.

Aviva undertakes no obligation to update the forward-looking statements in this announcement or any other forward-looking statements we may make. Forward-looking statements in this report are current only as of the date on which such statements are made.

This report has been prepared for, and only for, the members of the Company, as a body, and no other persons. The Company, its directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come, and any such responsibility or liability is expressly disclaimed.

## As a reminder

In this presentation, we use the measure MPH (multi-product holding customers) or the number of customers with 2+ Aviva policies. This is the number of UK customers who hold more than one policy with the Aviva Group (i.e. all brands), including customers holding a single policy meeting multiple needs. The Aviva plc Reporting Criteria 2023 sets out the principles and definitions used to report the Group's key customer performance indicators and selected data points. Unless otherwise stated, customer numbers shown in this presentation are as at end of August 2024, and do not include customers from the AIG UK Protection transaction, which completed in April 2024; these AIG customers are included in the 2026 customer ambition. In this presentation we use some financial metrics which include Alternative Performance Measures (APMs), which are non-GAAP measures that are not bound by the requirements of IFRS and Solvency II. A complete list and further guidance in respect of the APMs used by the Group can be found in the 'Other information' section of the 2024 Half Year Report. All references to 'Operating profit' represent 'Group adjusted operating profit'.

# Agenda

**Welcome &  
introduction**

**Customer  
In Focus**



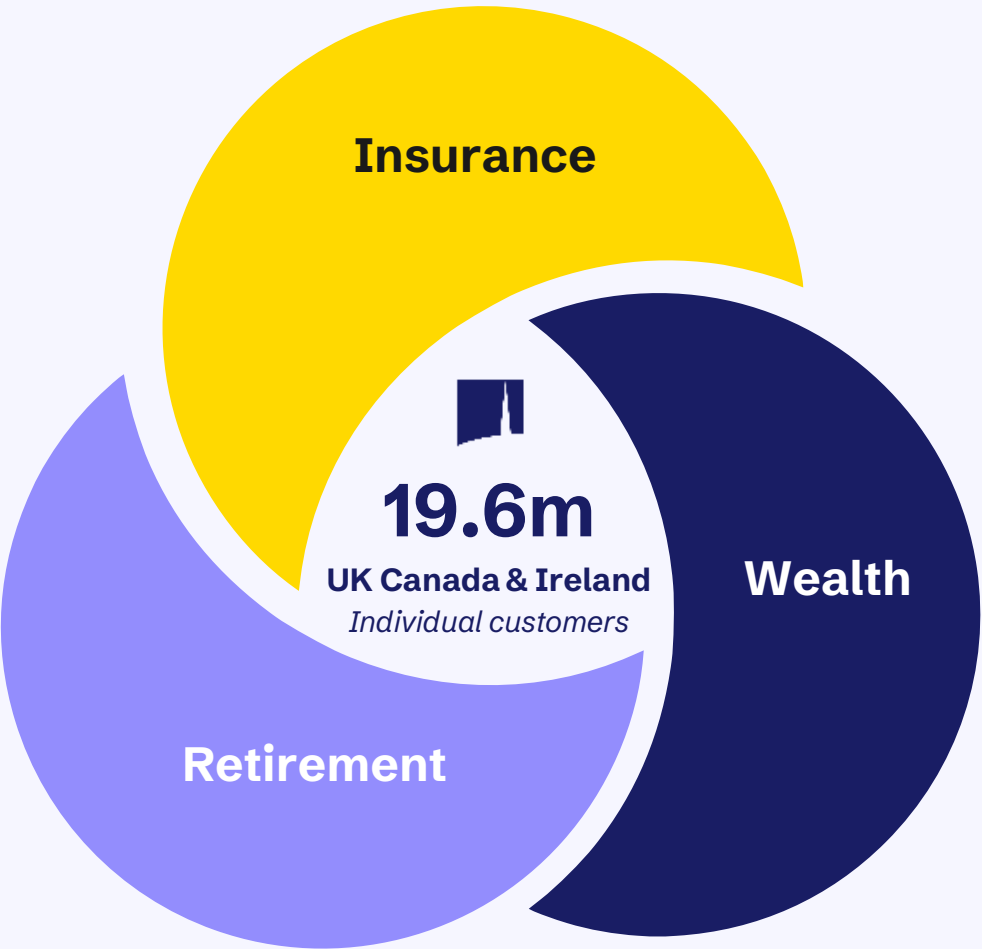
**Amanda Blanc**  
*Group CEO*



**Cheryl Toner**  
*Chief Customer & Marketing Officer*

**Q&A**

# In focus today - unlocking customer advantage



Unique advantages of our model

Diversification

Customer

Scale

# Key messages

**19.6m customer franchise central to Aviva's strategy & unique competitive advantage**

---

**Making significant progress growing our customer base, serving more needs & transforming customer experience**

---

**Ambition for >21m customers & 5.7m UK customers with 2+ Aviva policies by 2026**

---

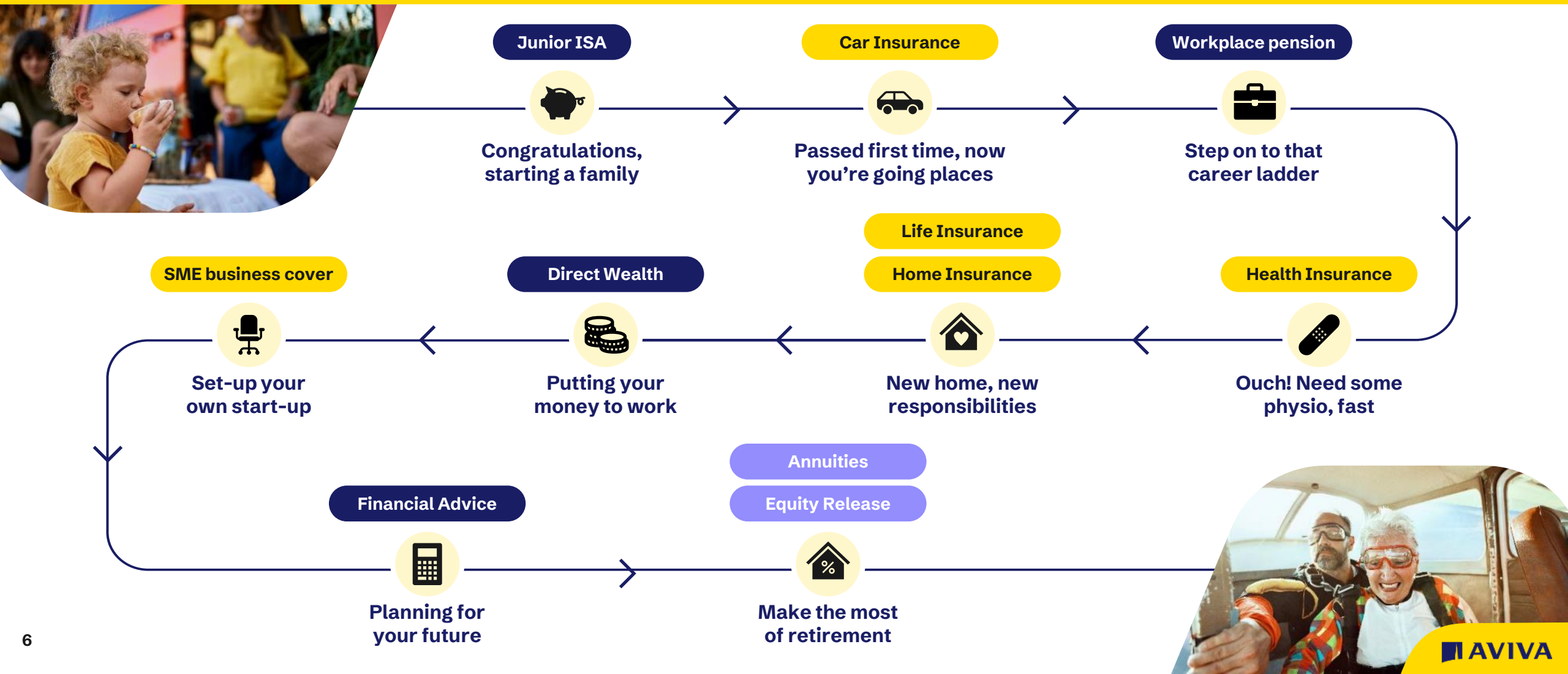
**Unlocking customer advantage underpins confidence in 2026 Group targets, and sustained profitable growth beyond**





# Customer central to our strategy & growth story

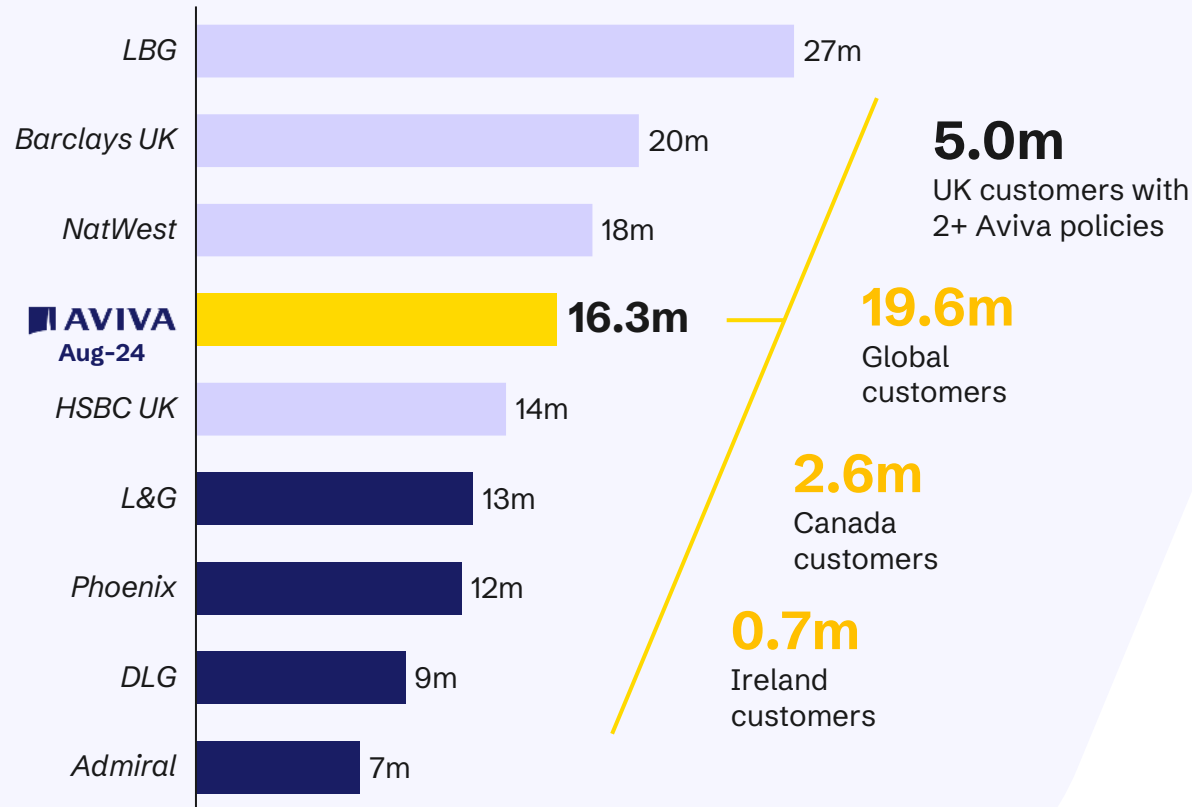
## The UK's go-to brand across Insurance, Wealth and Retirement



# Unique growth opportunity within our customer base

## Unrivalled UK insurance customer franchise

Number of UK customers, FY23<sup>1</sup>



## Huge untapped potential with our UK customers

**11.3m** | Customers with just 1 Aviva policy











**8.8m** | Customers we can market to

**3.5m** | Affluent customers with more complex needs

**>£1tn** | Investible assets & cash with affluent customers

# Aviva's brand is a core customer acquisition & retention asset

## Leading insurance brand in the UK...

UK FS rank <sup>1</sup> Brand Finance®	Company	Brand value £bn	Brand strength /100
#1	 HSBC	16.1	72.1
#2	 BARCLAYS	10.7	71.8
#3	 standard chartered	6.4	70.2
#4	 NatWest	5.8	69.3
#5	 LLOYDS BANK	5.4	80.3
<b>#6</b> #1 UK insurer	 AVIVA	<b>4.4</b>	<b>79.3</b>
#7	 nationwide	2.8	79.9
#8	 AON	2.5	73.0
#9	 Legal & General	2.4	76.9
#10	 HALIFAX	2.3	76.0

## ... with clear advantages

#1

Trust<sup>2</sup>

»

**66%**  
+8pp vs. #2

#1

Consideration<sup>2</sup>

»

**59%**  
+13pp vs. #2

#1

Intermediaries


»

corporate adviser  
Best Group Pensions Provider

#1

Insurance provider

»

 INSURANCE POST  
THE BRITISH INSURANCE AWARDS 2024  
General Insurer of the Year & Decade



# Building loyalty by delivering on our customer promises

## Product & service excellence...



### Stronger innovative propositions

Master Trust, Find & Combine, Direct Wealth, Aviva Zero



### Digital-first experience

MyAviva, customer data, marketing tech



### Engagement solutions

Wellbeing, hybrid advice, Aviva Score



## ... with focus on value for money

### Robust product governance

~700 fair value assessments in 12 months



### More affordable insurance

>£100m QMH Essentials premiums YTD



### Discounts for safer driving

10% average renewal discount on MyDrive



**£300m+** investment for Customer & Growth over the last 3 years

# Unlocking customer advantage

## Significant progress on customer priorities



**Growing our  
customer base in the  
UK, Canada & Ireland**

**+1.2m**

Global customers  
since 2020



**Serving more  
customer needs**

**+220k**

UK customers with 2+  
Aviva policies since 2020



**Constantly improving  
experience**

**46.9**

Transactional Net  
Promoter Score



**Finding new  
ways to engage**

**+50%**

Registered MyAviva  
users since 2020

## Customer ambitions underpin confidence in Group targets

**>21m**

Global  
customers  
by 2026



**5.7m**

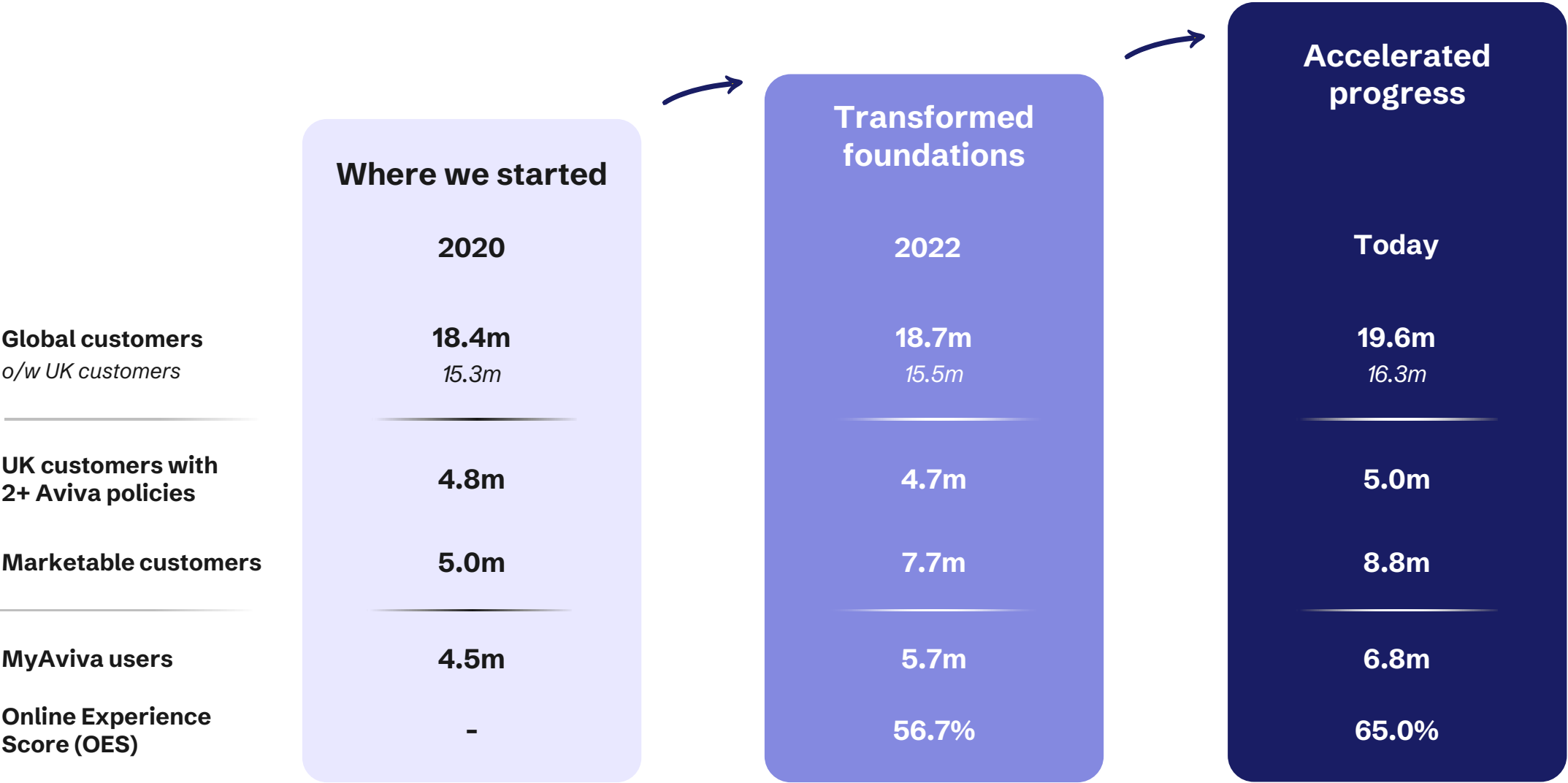
UK customers  
with 2+ Aviva  
policies by 2026

**£2bn** operating profit by 2026  
with sustained profitable growth thereafter

# Unlocking customer advantage



# On the journey to transform our capabilities



# Clear priorities to drive further growth



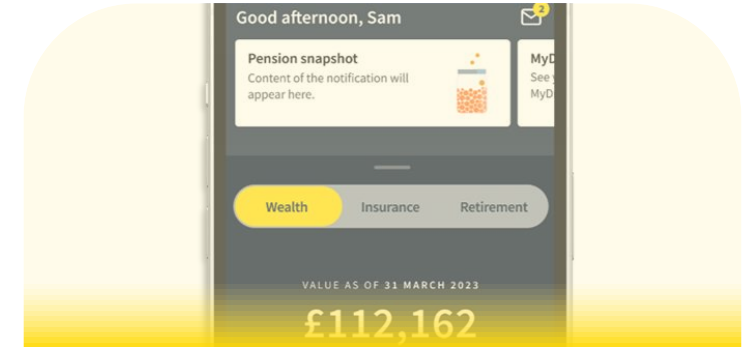
**Growing our  
customer base**

**1**



**Serving more  
customer needs**

**2**



**Transforming  
experience &  
engagement**

**3**

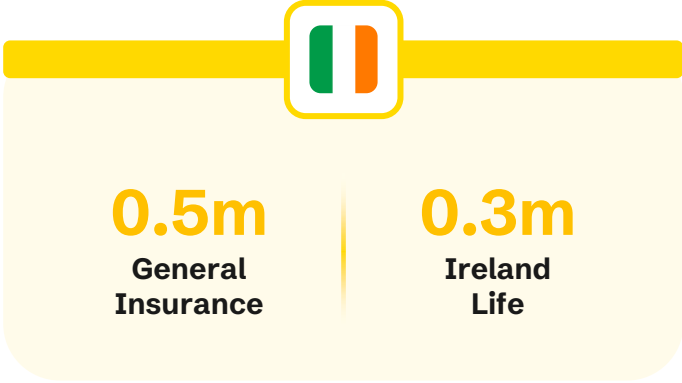
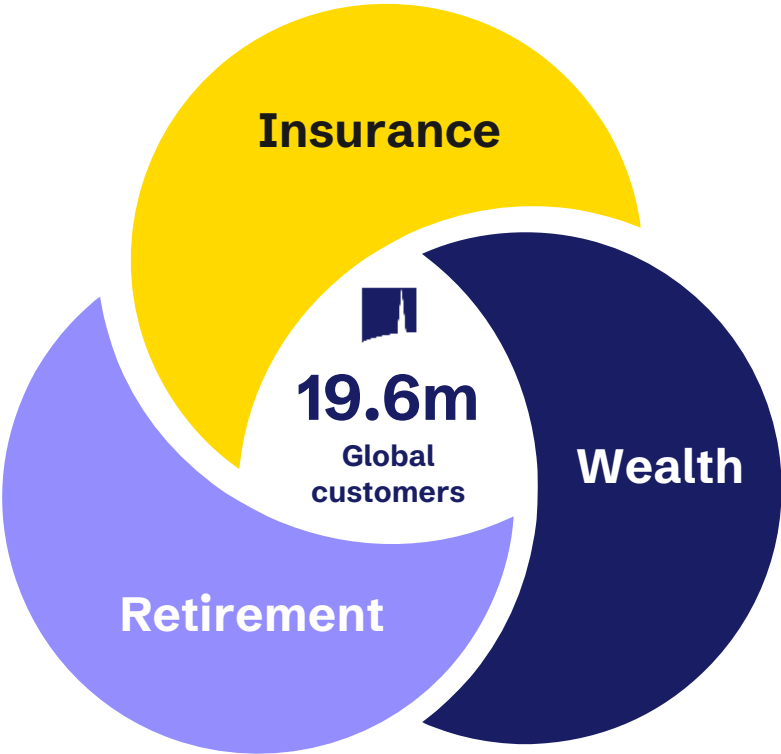


1

# Growing customer base



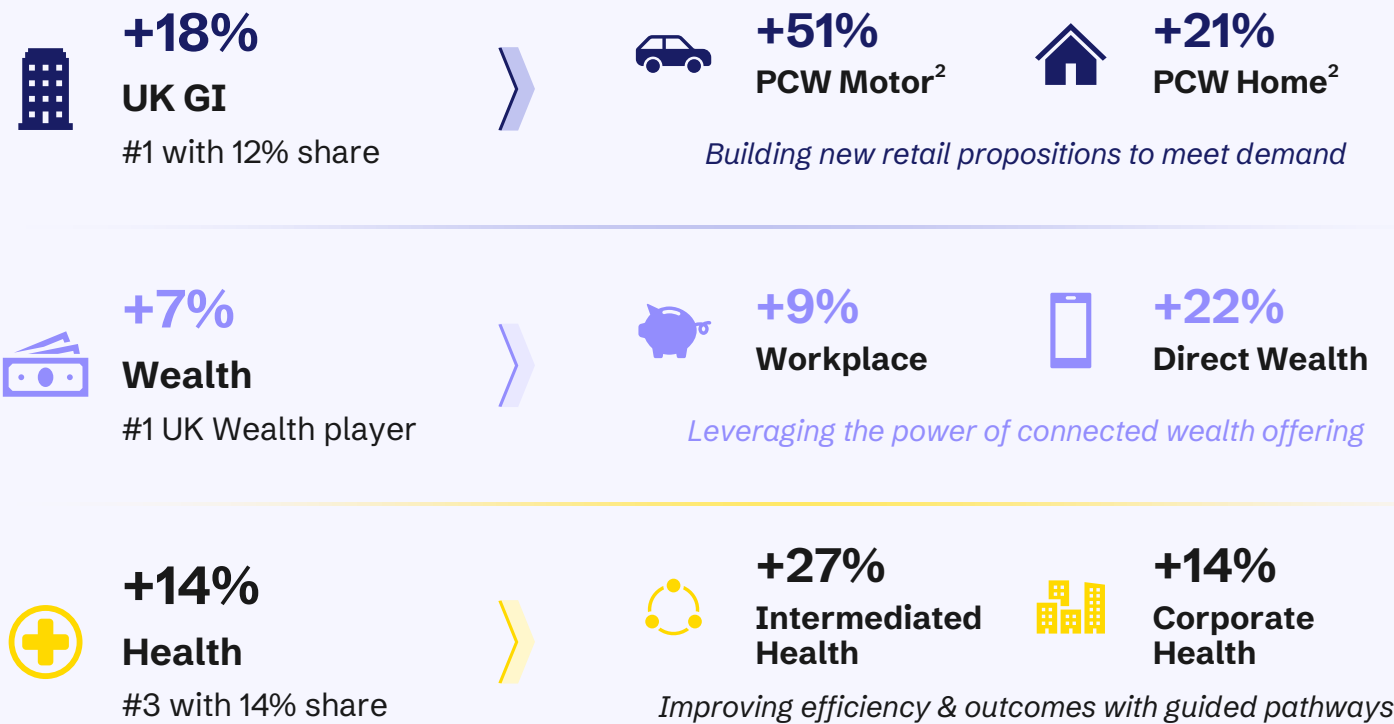
# Building on unique advantage of rich customer base



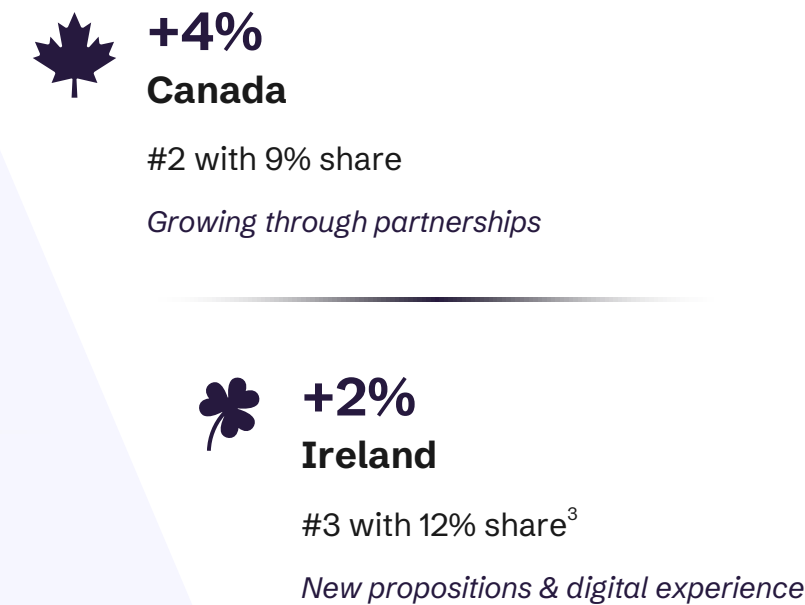
# Growing with our customers, across all businesses

## Delivering customer growth across the UK franchise<sup>1</sup>

Growth in customers vs. 2022



## Growing in Canada & Ireland<sup>1</sup>



Capitalising on growth to drive towards ambition for >21m customers by 2026

# Investment behind innovative propositions to support growth



## Leading growth in UKGI retail with Aviva Zero

Next-generation motor proposition on leading tech stack

Fast-growing PCW proposition

**>900k**

Policies sold since launch in March 2022



## Extending #1 Workplace position with Master Trust

Leading Master Trust proposition

Launching Guided Retirement for member flexibility & security

**+47%**

Aviva Master Trust scheme members over 3 years



## Growing Canada with flagship RBC partnership

*#1 Canadian brand*

Launched new digital quote & buy journey

Expanding into SME segment

**>560k**

Policies in force

2

## Serving more customer needs





# Already serving customers across multiple needs

## Deepening relationships with our customers



## Clear benefits of MPH customers

**Lower cost of acquisition**

**20%**  
Lower CPA for Direct sales<sup>2</sup>

**Staying with Aviva longer**

**+2.7pp**  
Higher retention in General Insurance

**Buying more from Aviva**

**2.2x**  
Greater sum assured in Protection

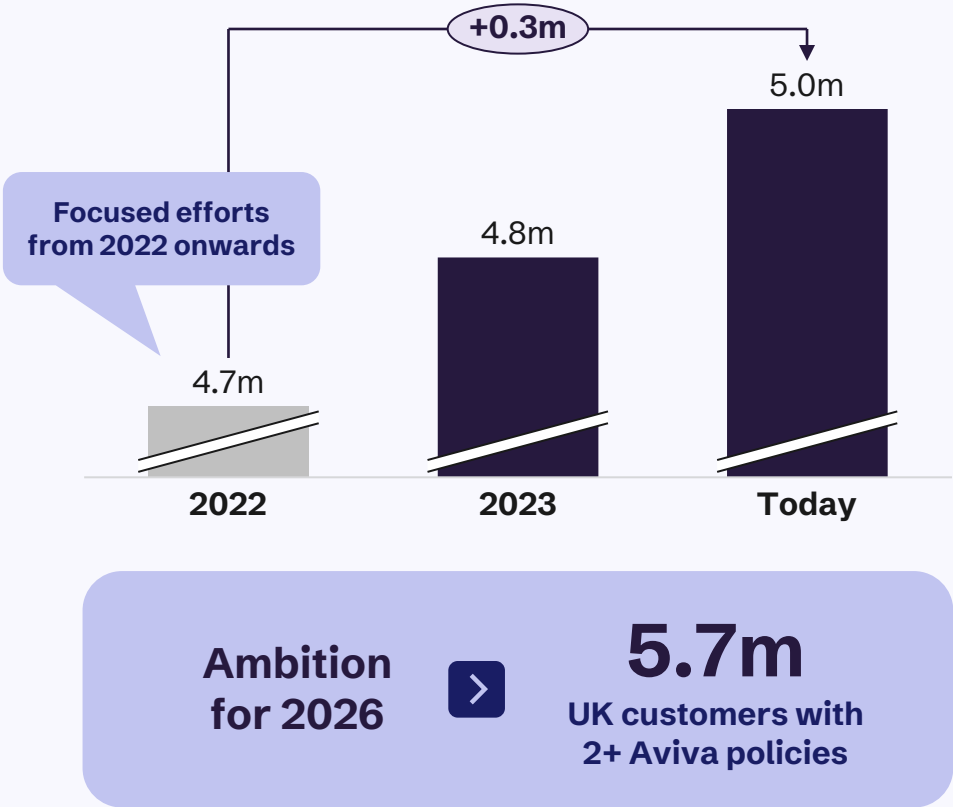
**Engaging more with Aviva**

**2.8x**  
More MyAviva app users

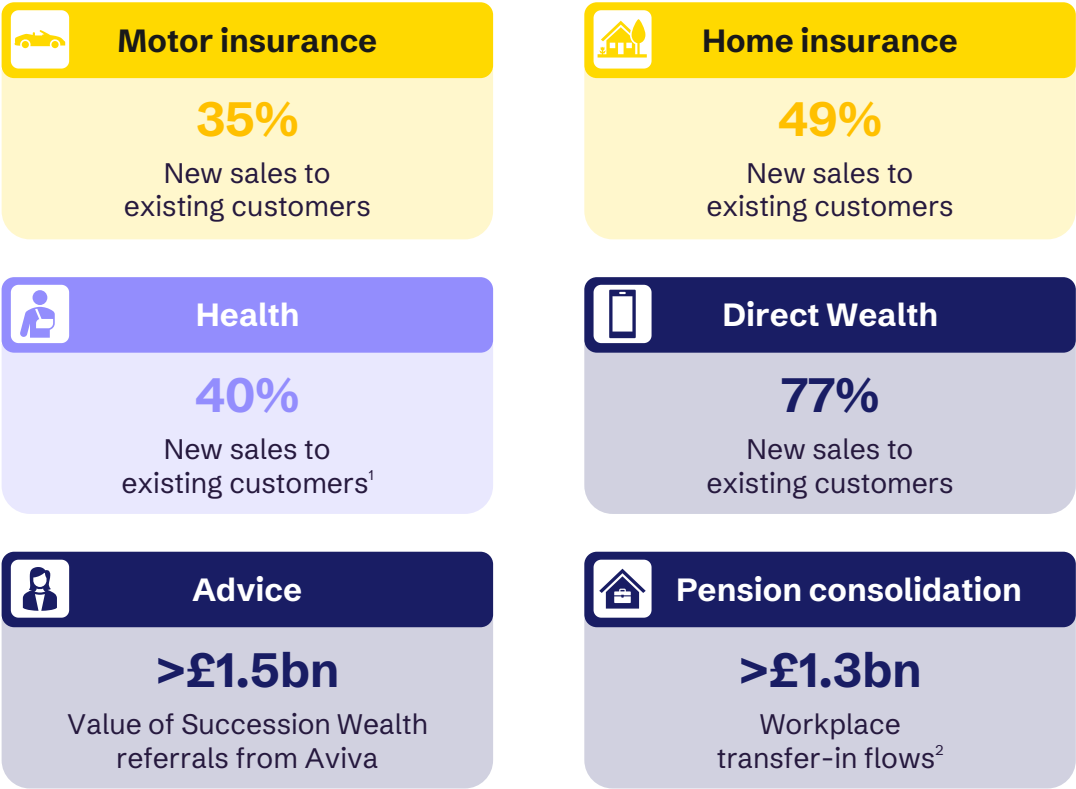
# Accelerating progress with focused effort

## Clear results over the last two years

Number of UK customers with 2+ Aviva policies



## Targeting six high-value focus areas



41% overall new sales to existing customers

# Advice & Direct Wealth for Workplace customers



**At-scale advice lead generation to Succession Wealth**, with AI-led Customer Engagement Engine driving higher quality referrals



Refreshed **Direct Wealth proposition**, including new **mobile-led experience & hybrid advice offering** “Aviva Simple Wealth”



**Innovating to better support our customers** – AI-driven pension-tracing service Find & Combine, powered by  **Fabric**.

**>5,300**

Succession Wealth referrals  
from Aviva, ~£310k avg. pot size

**+90%**

Direct Wealth  
net flows YoY

**3X more likely to drawdown with Aviva<sup>1</sup>**



# Accelerating Direct Health business



Launched **Health Quote & Buy** direct customer journey, generating increased sales & customer engagement



Delivering **“switch to Aviva” journey** & promoting **PMI proposition on MyAviva**



Deployed **targeted campaigns & incentives** with a focus on existing Aviva customers

**57%**

**New Direct sales to existing customers**  
*vs. 40% for total Health<sup>1</sup>*

**>30%**

**Lower CPA for Direct Health sales**

**1.6x higher sales to existing customers in Direct channel<sup>2</sup>**





# Meeting GI needs of Aviva customers



**On PCWs, identifying existing Aviva customers & can apply beneficial pricing, driving improved conversion**



**On Direct, expanding multi-product discounts for home insurance to include Aviva Zero customers**



**In Workplace, employer endorsements & direct marketing reach-out across ~40 Workplace schemes**

**~13m**

Customers in scope for  
Motor offer on PCWs

**42%**

Aviva Online Motor on PCWs -  
new sales to existing customers  
*vs. 35% for total Motor insurance*

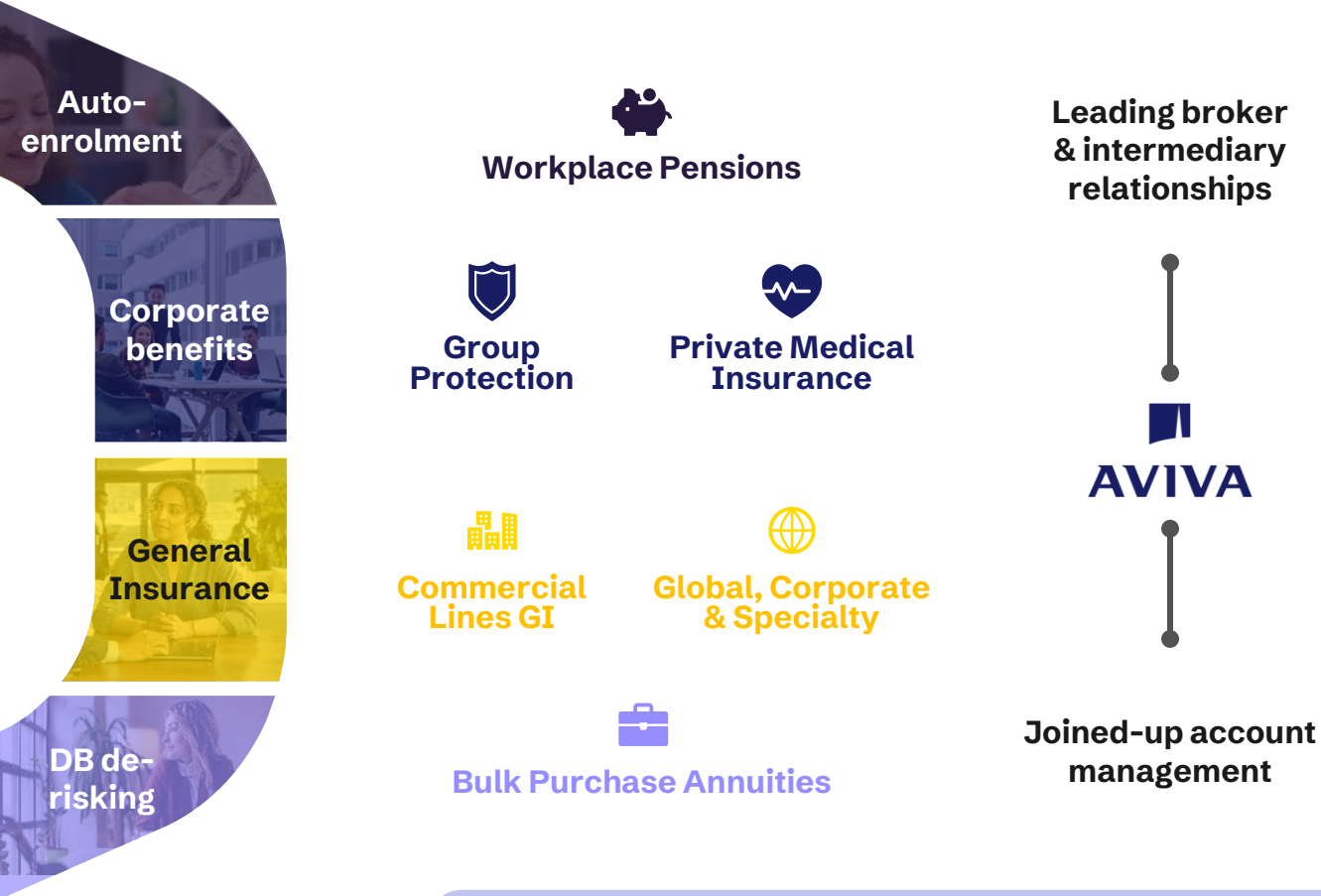
**Up to +8pp higher retention in Aviva PCW Motor<sup>1</sup>**



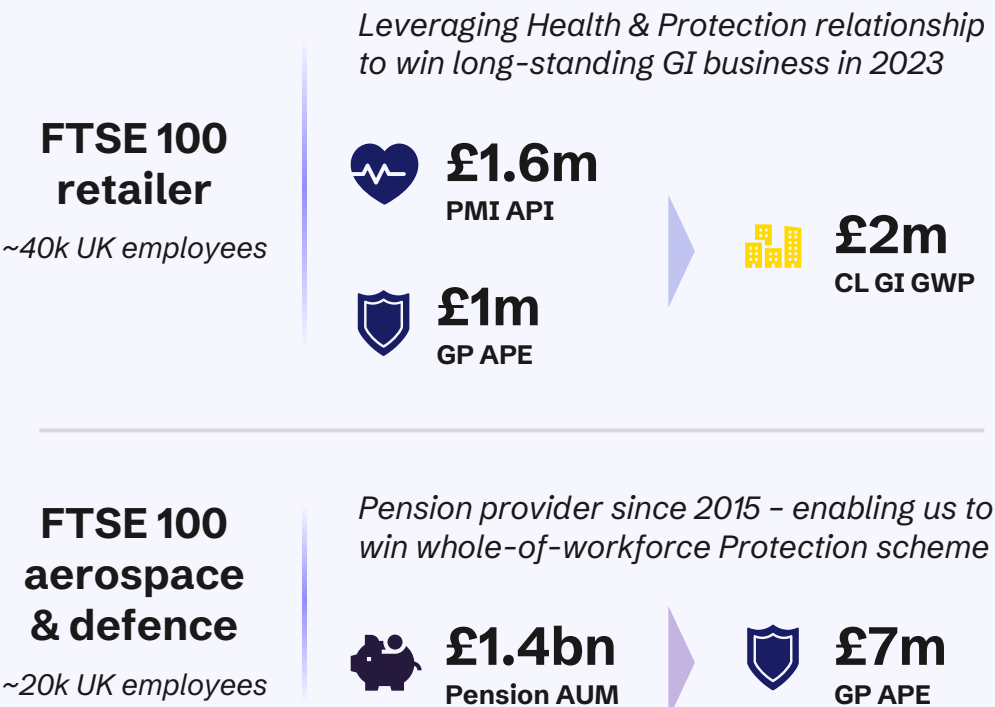


# Catering to all needs of corporates & intermediaries

## Unique waterfront proposition



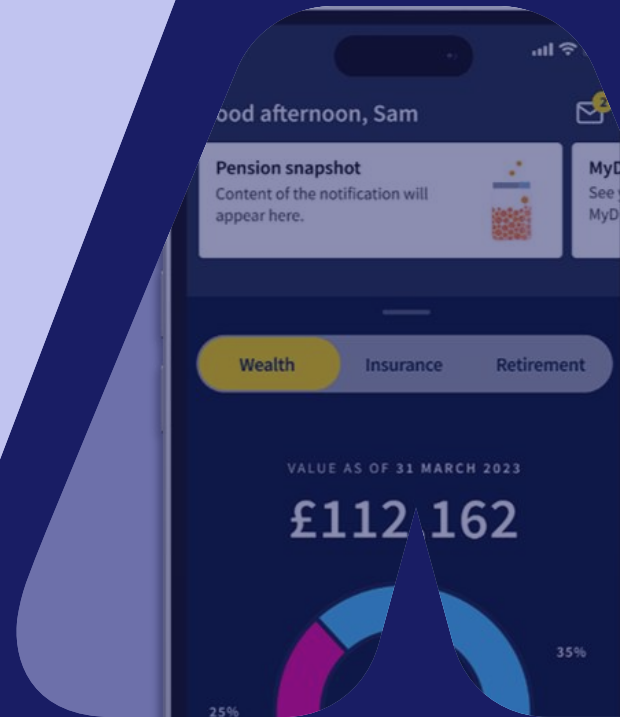
## Serving more needs for corporates



37% UK Corporates have 2+ Aviva business lines<sup>1</sup>

3

# Transforming experience & engagement



# Transforming experience to power the next wave of growth



**Customer experience improvements**



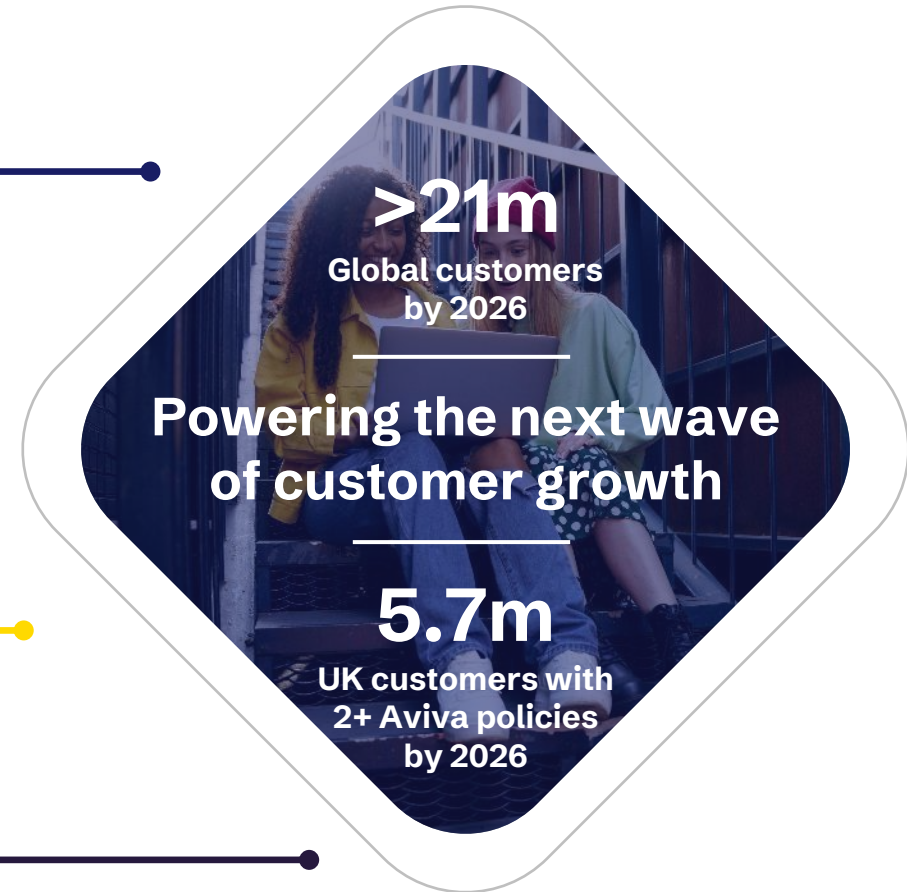
**MyAviva - a single digital front door to Aviva**



**Personalisation underpinned by data & marketing**



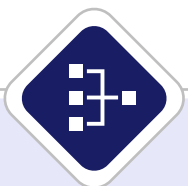
**New ways to engage customers**



# Constantly improving customer experience



**>8,000 digital enhancements since 2022**



**Optimised customer experience end-to-end**



**New quote & buy and switch journeys on MyAviva**



**Digital self-serve & Virtual Assistant capabilities**

## Delivering a step-change in servicing for our UKGI PL customers



**Enhanced Virtual Assistant with higher response success**

**>70%**

Increase in VA interactions YoY



**Claims transformation & repair capability with Solus**

**+41pt**

Claims TNPS vs. 2022



**Additional telephone support for Aviva Online & Aviva Zero**

**+7pt**

UKGI TNPS YTD

# Re-launching MyAviva - a single front-door to Aviva

## Navigation that knows you

Insurance

Wealth

Retirement

Built on future-proof, **native app technology**

Accessible  
to all

Seamlessly  
manage  
policies

Driving improved **experience & personalisation**

Easier **app development & integration** of 3<sup>rd</sup> parties

Consolidating to enable **single-point access** to Aviva

Design  
level up

**6.8m**

MyAviva  
registered users

**>50%**

MyAviva logins on  
App instead of Web

**+15pp**

Higher OES for new  
MyAviva app vs. old



# Personalised experience underpinned by data & marketing

## Single source of customer data

## Step-change in marketing effectiveness



**Single source of data** for consolidated view of customers



Supporting **bespoke digital experience** for customers & prospects



Modern **data & technology architecture**, driving resilience



**Platform & tools** to optimise marketing across channels



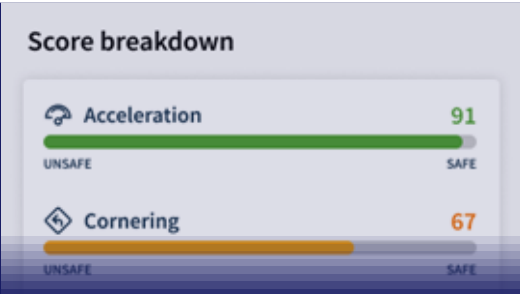
**Always-on** personalised journey-based communications



**Real-time responses** to behavioural triggers & life events



# Finding new ways to engage



## MyDrive

*Promoting safer driving with MyDrive in-app feature*

**+7pp**

Higher retention vs. non-MyDrive customers

**85%**

Customers expected to receive discount<sup>1</sup>



Adding crash detection & auto-claim functionality in 2025



## Aviva Score

*Engaging customers on their “Money” & “Health” needs*

**>20**

Avg. new data items per customer

**59%**

Engaging across multiple needs



Launching new “Car & Home” element on Aviva Score in 2025



## Wellbeing

*Building a comprehensive wellbeing proposition*

**85k**

Lives covered by pilot solution

**>100%**

Higher utilisation for first client post-launch



Building out on MyAviva to deploy to all customers

# Our new MyAviva app experience



# Key takeaways

**19.6m customer franchise central to Aviva's strategy & unique competitive advantage**

---

**Making significant progress growing our customer base, serving more needs & transforming customer experience**

---

**Ambition for >21m customers & 5.7m UK customers with 2+ Aviva policies by 2026**

---

**Unlocking customer advantage underpins confidence in 2026 Group targets, and sustained profitable growth beyond**



# Q&A



**Amanda Blanc**  
*Group CEO*



**Cheryl Toner**  
*CCMO*



**Doug Brown**  
*CEO IWR*



**Jason Storah**  
*CEO UK&I GI*



# Footnotes

Slide	Reference	Footnote
7	1	Based on latest data publicly available.
8	1	From Brand Finance report. Ranking and associated data relates to start of 2024, based on research conducted in Q3 & Q4 2023.
	2	Based on Kantar, Aviva UK Brand & Advertising Tracker – comparison vs. peer set of FS providers.
15	1	Excludes SME customers.
16	1	Aviva analysis of market shares and positions based on market volumes, not customer numbers. Using latest available data, which varies by business – including company reporting, ABI, Insurance Ireland, MSA.
	2	Price comparison websites (PCW). Includes Aviva Online and Quotemehappy for Motor and Home – Aviva Zero and General Accident for Motor only.
	3	Market rank & share relates to Ireland GI.
19	1	Companies with 250+ employees.
	2	Cost per acquisition across below-the-line marketing spend – for Direct Motor, Home and Protection.
20	1	Consumer Health sales.
	2	Individual member transfers into Workplace pension schemes.
21	1	3x more likely to drawdown with Aviva relates to customers that have consolidated into an Aviva workplace pension.
22	1	Consumer Health sales.
	2	Based on % sales to existing customers rather than number of sales – versus intermediated channel for Consumer Health.
23	1	For PCW customers with an active Pension policy receiving beneficial pricing.
24	1	Companies with 250+ employees.
30	1	Based on eligible customers.