

# The Legal & General 2009 Customer Experience Report

## A message from the Group Chief Executive

Welcome to our 2009 Customer Experience report. We publish this report annually as part of our commitment to the Association of British Insurers' Customer Impact Scheme.

Our third report contains details of our Customer Impact Survey results. In reporting our survey results, we have included our scores for each of the three commitments. So that you can compare our 2009 results with our 2008 performance, we have included the results from the same questions we published in last year's report. These continue to be important areas for us, and we believe that this is the most transparent way of demonstrating our progress.

Tim Breedon  
Group Chief Executive

## Feedback

We hope you find our 2009 report clear and informative. If you have any comments or feedback on the report, please send your requests or comments to us. Please let us know if you need this report in another format such as Braille or audiotape.

Our 2007 and 2008 reports are still available at:

[http://www.legalandgeneralgroup.com/cer\\_2008/servicepages/welcome.html](http://www.legalandgeneralgroup.com/cer_2008/servicepages/welcome.html) (2008)

<http://www.legalandgeneral.com/customer-experience-report/index.html> (2007)

Our Customer Experience Report has been verified through our Group Internal Audit processes and procedures.

## Our continuing commitment to the Customer Impact Scheme

Customers are at the heart of our business. We continually strive to meet the demands and challenges of delivering the products and services they need.

Our customers buy pensions, protection and investment products for many reasons. One of the most important reasons is to provide peace of mind through financial security for themselves and their families. Real peace of mind comes with confidence. Confidence they are dealing with a company that is committed to placing customers at the centre of its corporate culture.

This is why Legal & General was at the leading edge of the design and launch of the ABI's Customer Impact Scheme in 2006; why we are proud to be associated with it; and why as a company we are committed to the scheme.

Our Group Board has made a formal commitment to put customers' interests at the heart of the way we run our business. We were one of the first companies to adopt the Customer Commitments, and take part in the Customer Impact Survey.

## Our 2008 Customer Impact Survey Results

In our report we have included a number of our overall scores. Where these scores have sub questions, we have indicated how we are doing on the two sub questions that customers rated as the most important to them. However, this is only applicable where sub questions have been rated as important by customers.

### How to understand our results

For each of our scores you will be shown

- The percentage of customers who have rated Legal & General excellent or very good, or for advocacy extremely likely or very likely to recommend
- A comparison of our percentage rating between 2008 and 2009
- The industry percentage rating and comparison between 2008 and 2009 (nb the industry rating is based on the 34 companies in the ABI Customer Impact Scheme, not the whole industry)

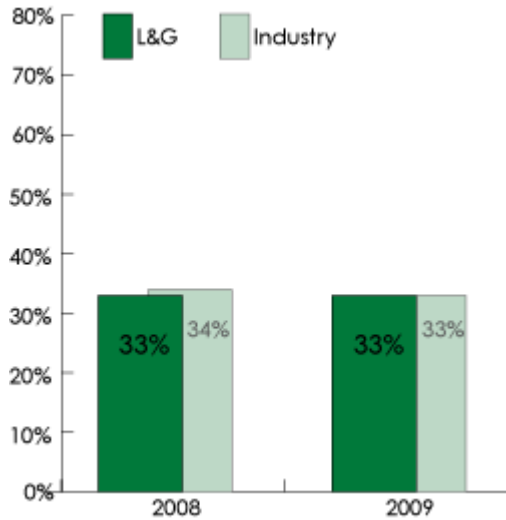
The source of the graphs in the report is ORC International.

Please note that the results we have published may be subject to small differences in rounding.

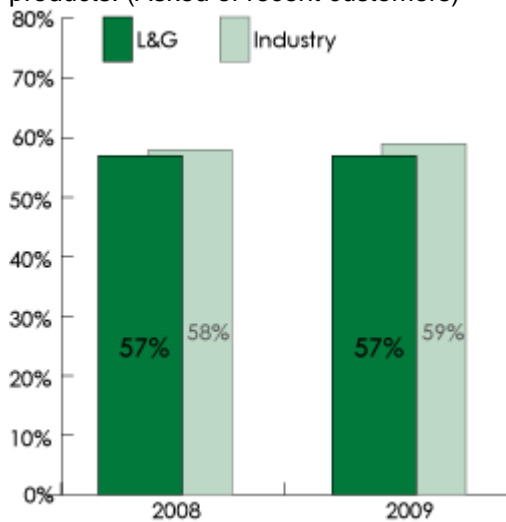
## Our commitment scores

Our overall commitment scores have remained largely unchanged since the survey started, and we are broadly in line with the industry. We believe that this reflects the work we are doing to improve customer experience through a broad range of activities. As we stated in our 2008 report, improving customer experience is a long-term commitment that will take some time to have a positive impact on our overall commitment scores.

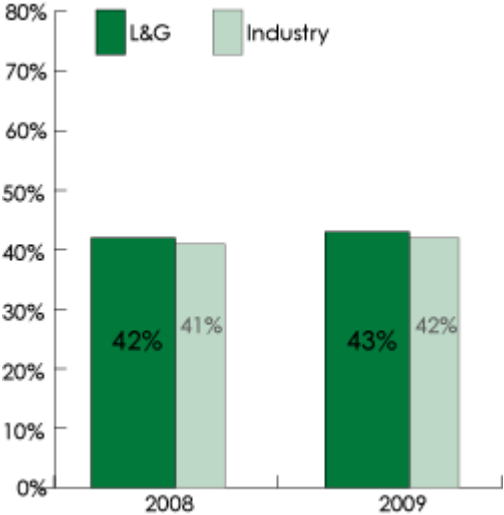
### Commitment 1. Developing and promoting products and services, which meet the needs of customers



### Commitment 2. Providing consumers with clear information and good service when they buy products. (Asked of recent customers)



**Commitment 3.** Maintaining appropriate and effective relationships with customers. Providing them with a good service after they have bought a product



Rating Excellent/Very Good  
Base = All respondents (mentions - excludes those who answered 'don't know')  
Some scores may be subject to rounding  
Source: ORC International

### Progress since our 2008 Customer Experience Report

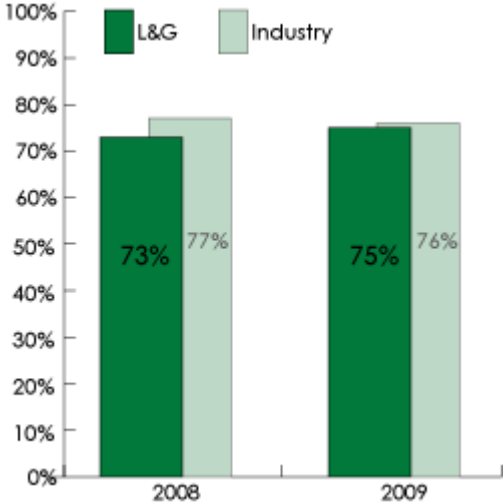
We are following the same structure as our 2008 report so that you can compare our performance as accurately as possible. Our scores reflect the areas where we have made progress, and where we still have further work to do. We have again included some examples of the type of work we have been doing to improve customer experience.

#### Creating the right culture

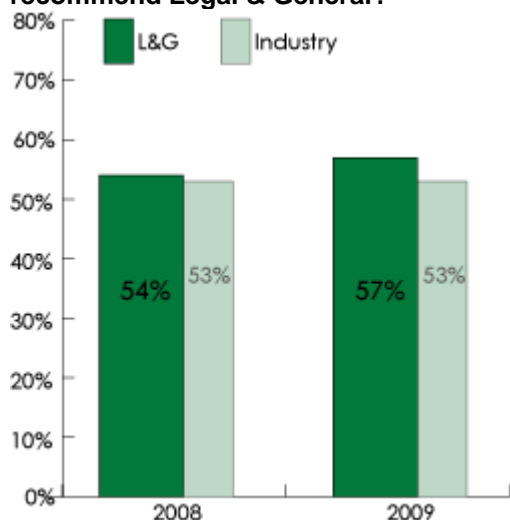
Our results show that the majority of our customers rate us positively for caring about them. We are pleased to see that this has improved, with our score increasing 2 percentage points.

We have also seen an increase in the number of customers willing to recommend us. Here we have overtaken the industry average, with our score increasing by 3 percentage points.

#### Level of agreement with the statement 'Legal & General really cares about its customers'



## If someone asked you to recommend an insurance company, how likely would you be to recommend Legal & General?



Rating Excellent/Very Good

Base = All respondents (mentions - excludes Don't know)

Source: ORC International

## Managing and developing our products

This year, our overall product rating mirrors that of the industry.

The recent economic climate has presented us with many challenges. As part of our work in this area, we are committed to continuing to improve customer understanding of products, particularly by managing expectations when it comes to the return on their investment.

### Managing expectations on return on investments

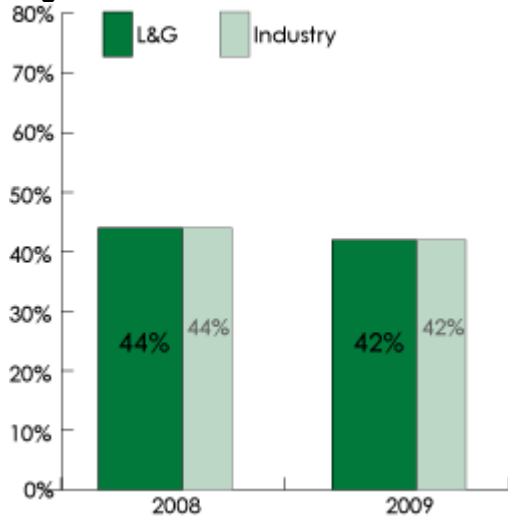
By far the biggest driver of customers' satisfaction with their product is our ability to manage their expectations. We have seen an increase in managing expectations of returns on investments. This is up 1 point to 25 percentage points.

One example of the work we carried out last year to help customers understand the return on their investments was a major review of our Portfolio Bond literature. As part of this process we conducted consumer research to test understanding of our literature. In general, response to the documents was highly positive and consumers felt that the documents helped them to understand these complex products. They also said that they felt that the risks involved with the product were well communicated.

On our rating for our ability to offer tailored solutions to our customers, we have seen a decrease of 2 points to 31 percentage points.

### Overall product rating

### Overall how would you rate the life, pensions or savings product that you purchased from Legal & General?



% Rating Excellent/Very Good  
Base = All respondents  
Some scores may be subject to rounding  
Source: ORC International

### Helping customers choose the right products

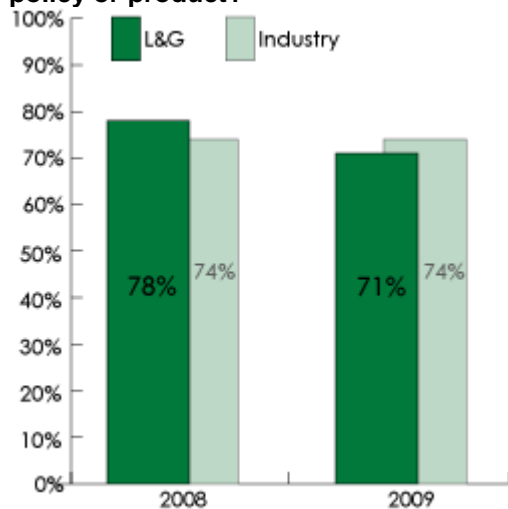
The questions in the survey that show how we are helping customers choose the right products are those that are about our sales people, and our sales process.

Around half of our customers rate us positively for our sales process. There have been improvements in the clarity of written information and ease of completing paper work, with both increasing by 2 percentage points.

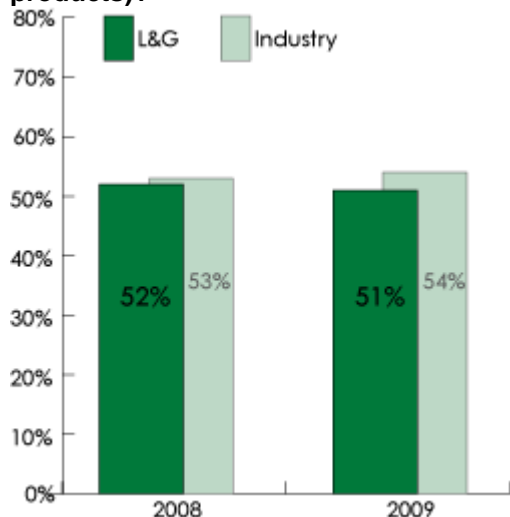
However, we are disappointed that our scores for our sales people and advisers have fallen this year, and are now below the industry average. Understanding the needs of our customers has fallen from 72 percentage points to 67 percentage points. On a positive note, following up after completion of the sale increased by 2 percentage points.

### Rating of our sales people and the sales process

#### How would you rate the overall performance of the salesperson or adviser who sold you the policy or product?



**How would you rate the sales process overall (by that I mean the way in which you bought the products)?**



% Rating Excellent/Very Good

Base = Those who bought a product in the last 9 months

Some scores may be subject to rounding

Source: ORC International

**The role of the Adviser**

Last year we introduced principles for our Employed Sales Force. Our Adviser principles are:

- Put customers' interests first;
- Use customer friendly language;
- Be open and fair;
- Develop a lifetime relationship.

Throughout 2008 we continued to work towards improving the experience our Advisers deliver to our customers. We now undertake regular independent customer surveys that provide valuable views on the performance of the Adviser and the sales process. These results give 'real-time' continuous feedback and will help us to ensure that appropriate training and development is provided to our Advisers to help to improve customer experience in 2009.

## Delivering the right service to our customers

### Satisfaction with customer service

Just over half of the customers surveyed rated us positively for our customer service, slightly above the industry average.

Half of our customers rate the Customer Service Centre positively. This is down on last year, and we will continue our work to improve in this area. On a positive note, we are pleased that our rating for being easy to do business with has continued improving to 87 percentage points.

Our scores relating to our ability to resolve issues in a single call, and for ease of getting through to the right person, have also continued to improve, up 4 and 3 percentage points respectively.

### Just thinking about the customer service you receive from Legal & General, how satisfied or dissatisfied are you with them?



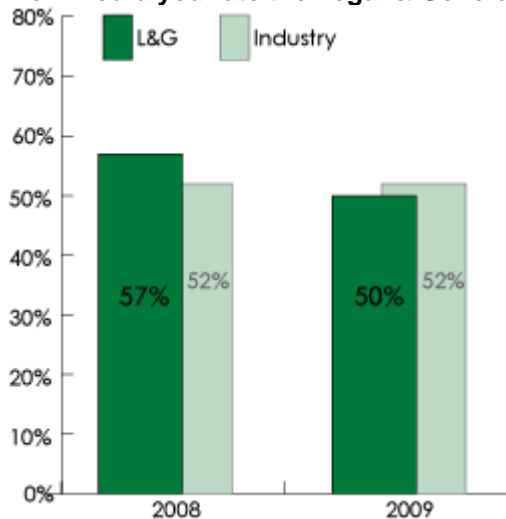
% Rating Excellent/Very Good

Base = All who called service centre in last six months

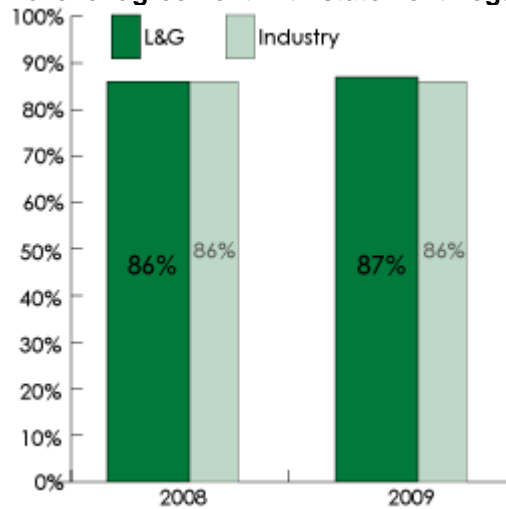
Some scores may be subject to rounding

Source: ORC International

### How would you rate the Legal & General Customer Service Centre?

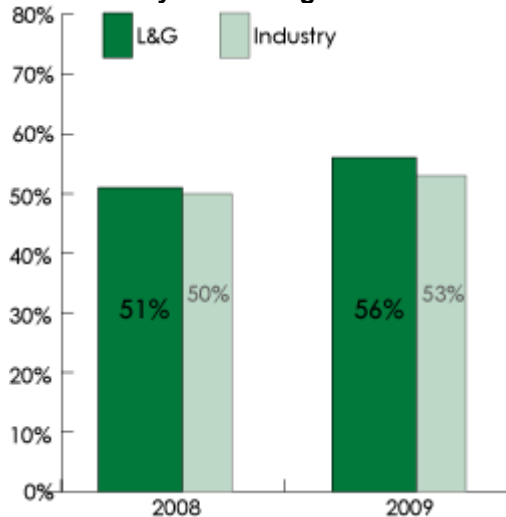


### Level of agreement with statement Legal & General is easy to do business with



### Claims and Payments

#### How would you rate Legal & General's claims and payments process overall?



% Rating Excellent/Very Good

Some scores may be subject to rounding

Base = All claims or payments in last 9 months

Source: ORC International

Over half of our customers rate us positively for our claims and payments process, our score this year has improved by 5 percentage points and is still above the industry average.

We are very proud of the work we have done to improve the claims and payments process. It's vital that we are there when customers need us and that we deliver on our promises. We've seen an increase of 8 percentage points in the rating of the speed with which a claim was settled to 63 percentage points. Our rating for how we communicate with customers during the claim process has improved from 46 to 49 percentage points.

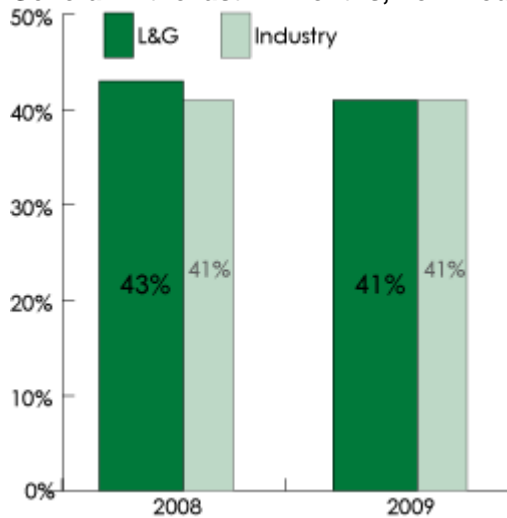
For our protection products, we understand that making a claim often occurs at a difficult and stressful time for customers. We have introduced new procedures to improve the claims process and so help ensure a more positive experience for our customers. We train our assessors to be sympathetic and professional, and to help customers through every step of the claim process.

## Talking to our customers

This is an area that we continue to focus on as we recognise its importance to our customers. For clarity and making it easy for our customers to understand our communications, we remain in line with the industry, even though there has been a slight drop in our scores overall. We have seen an improvement of 3 percentage points in the relevance of our communications to our customers to 35 percentage points. We have also seen a small increase of 1 percentage point in prompting customers to take action, up to 29 points. Across the industry, ratings for written communications have remained fairly static since the survey started. Our scores reflect this, and we are currently in line with the industry average

### Rating of written communications

**Thinking about the statements and personalised letters you might have received from Legal & General in the last 12 months, how would you rate them?**



% Rating Excellent/Very Good

Base = All respondents rating written communications in the past 12 months

Some scores may be subject to rounding

Source: ORC International

### Customer Communications

As we highlighted in our 2008 report, our goal remains to make our communications clear and easy to understand, and to build a good relationship with our customers.

Customer communication has again been a major activity over the last 12 months. In our 2007 report we confirmed that we were introducing a style of language that we believe makes it easier for customers to understand us when we talk to them. As part of our activity to measure how well we are embedding our new style across the organisation we commissioned an independent review. This told us that we have made good progress, and achieved visible results in our written communications, with far more evidence of customer-friendly language. This is part of our long-term commitment to improving communications.

One example of the customer communications work we have done over the last year was a major programme to review the way we talk to our customers when they are about to retire. Here, we looked at how we make sure that customers understand their options, and the importance of taking advice at this stage in their lives. Customer research on our new retirement communications showed that customers clearly understood that:

- They need to take action
- They can shop around
- The importance of taking advice

As part of our ongoing commitment focus on customer communications, we will continue to use consumer feedback to drive further improvements.

## Looking forward

The outlook for the economy and for markets remains difficult. In common with others, we expect to see negative growth in the UK for the remainder of 2009, with continued uncertainty across most investment markets and asset classes. However, we believe Legal & General is well diversified and able to take advantage of opportunities as they arise, even in these more difficult conditions. We also recognise the importance of continuing our efforts to improve the experience we give our customers against this difficult background.

Overall, our Customer Impact score has continued to improve. We are pleased with this result as it indicates we are moving in the right direction. However, we recognise that there are areas in which we still need to make further progress. Changes may take time to impact all of our customers. Therefore we remain committed to focusing on the areas we highlighted in last year's report to improve customer experience

## Contact us

Thank you for taking the time to read our Customer Experience Report.

Please let us know if you need the report in another format such as Braille or audiotape. We would also like to hear from you if you have any comments or feedback on our report. Please email any requests or comments to us at [websitefeedback@landg.com](mailto:websitefeedback@landg.com)