



# **Marketing approach and building a superior client experience**

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# RBC Banking Canadian distribution



## BRANCH NETWORK

- 1,111 branches
- 65 Business Banking Centres
- 2,900 Indirect lending Car Dealers
- 7,030 Personal Financial Service Representatives / Managers and Account Managers - Personal Banking
- 1,335 Business Account Managers
- 190 Commercial Account Managers
- 13,820 Customer Service Reps



## TELEPHONE BANKING

- 1.5MM Inbound representative handled calls/ month
- 365M Outbound representative handled calls/month
- 2,400 telephone representatives



## ON-LINE BANKING

- 2.1MM Internet clients



## FINANCIAL ADVISORS

- 990 in-branch Financial Planners
- 550 Investment Retirement Planners
- 790 Mortgage Specialists



## ATM

- 2,510 on-site ATMs
- 1,620 off-site ATMs





# RBC Banking Canadian distribution



BRANCH NETWORK



ON-LINE BANKING



FINANCIAL ADVISORS



TELEPHONE BANKING



ATM



# Aligning distribution channel capabilities

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- **Relationship Value Pricing across all channels**
- **Handoffs between channels**
- **Appointment booking capability – Royal Direct books 7,000 a week**
- **Full capability to stop, pend and resume in all channels under development to enable multi-channel usage**



## **Marketing and sales leads**

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- **Focused multi-channel, integrated marketing campaigns for increased sales**
- **Leverage CRM to identify life stage needs**
- **Proactive sales leads to employee desktops tailored to type of sales force (personal banker, business banker, Financial Planning, Private Banking, etc.)**
- **Maximizing every opportunity (inbound and outbound) with reactive offers using CRM models**



# Marketing annual client leads

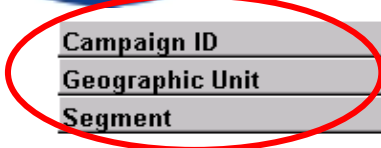


	Total generated leads
Direct marketing	34,500,000
Proactive leads	
Branch	3,600,000
Royal Direct	800,000
Investment Retirement Planners	270,000
Mortgage Specialists	30,000
Opportunities (responsive)	60,000,000
E-mail solicitations and e-offers	960,000
<b>TOTAL</b>	<b>100,160,000</b>



# Campaign Management

## Royal Credit Line pre-approved offer



Campaign ID	2002195RCL
Geographic Unit	(All)
Segment	(All)

	Base Month	Jul-02	Aug-02	Sep-02	May-03	Jun-03
Total Actioned	61,326	61,326	61,326	61,326	61,326	61,326
Total no-action (control)	14,819	14,819	14,819	14,819	14,819	14,819
<i>Total Audience</i>	76,145	76,145	76,145	76,145	76,145	76,145
Total Responders (Actioned - cumulative)		633	6,204	7,634	7,948	7,922
Total Responders (No-action - cumulative)		63	162	221	289	288
<i>Total Responders</i>		696	6,366	7,855	8,237	8,210
Response Rate (Actioned)		1.03%	10.12%	12.45%	12.96%	12.92%
Response Rate (no-action)		0.43%	1.09%	1.49%	1.95%	1.94%
<i>Total Response Rate</i>		0.91%	8.36%	10.32%	10.82%	10.78%
Marketing Lift (bps)		<b>0.61%</b>	<b>9.02%</b>	<b>10.96%</b>	<b>11.01%</b>	<b>10.97%</b>
Total Accounts (Actioned - cumulative)		630	6,217	7,642	7,938	7,909
Total Accounts (No-Action - cumulative)		59	151	209	278	277
<i>Total Accounts</i>		<b>689</b>	<b>6,367</b>	<b>7,851</b>	<b>8,215</b>	<b>8,185</b>



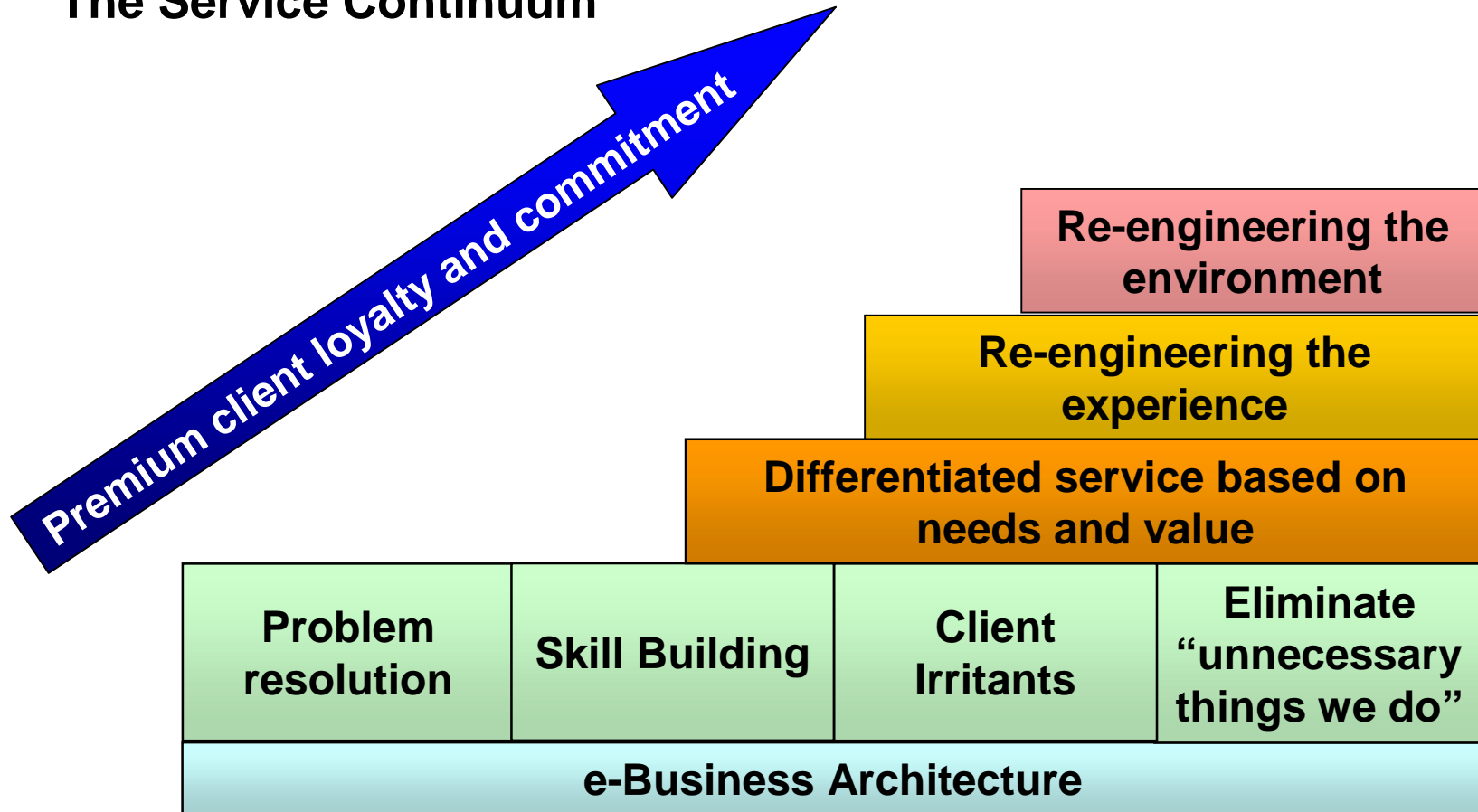
<b>Marketing Lift over no-action</b>						
<b>Product Balance (cumulative)</b>						
Actioned		\$203,596	\$2,866,544	\$10,160,317	\$28,481,672	\$29,151,049
Responders		\$203,596	\$2,866,544	\$10,160,317	\$28,481,672	\$29,151,049
<b>Product Revenue (cumulative)</b>						
Actioned		\$667	\$10,420	\$42,357	\$673,771	\$772,566
Responders		\$667	\$10,420	\$42,357	\$673,771	\$772,566
<b>Client Revenue (cumulative)</b>						
Actioned						
Responders						



# Superior client experience



## The Service Continuum







# **Superior client experience** **Defection and loyalty facts**

## **Personal**

- **20% of personal clients drive 90% of NIBT**
- **client defection (partial and total) costs \$140MM in NIBT per annum**

## **Business**

- **loss of business clients costs us \$30mm in NIBT per year**
- **72% of clients have a personal relationship with RBC**
  - **30% are top decile clients**



# All clients are important



## “All Client” Strategy

- Competitive baseline
- Service standards
- Problem Resolution
- Product cross-sell
- Price products and services for profit



**Consistent and valued  
RBC experience for  
all clients**



## Priority Client Strategy

- Clear value propositions
- Priority access – all channels
- Highly skilled employees
- Advice – investments, credit and day-to-day banking
- Referrals



**Superior service and  
experience  
for High Value clients**



# RBC Banking overall\* 2003 lead over North American financial services norm \*\*

Lead vs. ISR's Global Financial Services Norm



*Difference versus ISR's North American High Performance Norm*

+36 - "How do you rate your last performance review on helping you in your career development & planning?"

+31 - "This company makes adequate use of recognition & rewards other than money to encourage good performance."

\* (N=35,553) \*\* (N=150,000)



## **Client experience objectives: Focus for 2004**

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- 1. Minimize defection of High Value clients**
- 2. Growth through increased penetration of anchoring products**
- 3. Create a superior RBC experience and add value for priority clients**
- 4. Establish more client-focused measures & management practices**

**Targeting incremental revenue of  
\$100mm in 2004**