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ACE Conference 2016
Phil Goad



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Background

- Granada TV Rentals (boxclever)
- Telebank
- Homebuy 1
- MBO
- Homebuy2
- Secret loan club



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Moneywise in 2014

- **Initial Impressions -**
- A comfortable pair of shoes
- Public sector orientated
- Not growth/task focussed organised
- Highly regulated
- Not customer focussed
- Not target driven



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Initial impressions

- Driven by process and job scale defined boundaries
- Needing a change culture driven by action/KPIs/review
- **But**.....willing to listen....willing to try!
- Developing unique value enhancing back office IT systems to free time....but to do what with??



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Credit Union CUEP Conference 2014

- Controlled environment with a controlled message
- A private members club in the creation
- Non-engaging
- Not embracing the true scale of the problems
- Not action and changed focussed
- In excess of £30m funding



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CUEP

- In excess of £30m funding
- An expensive IT platform which will bring growth?
- Credit Unions still great secret
- Can ACE do more?
- How?
- When?
- Who?

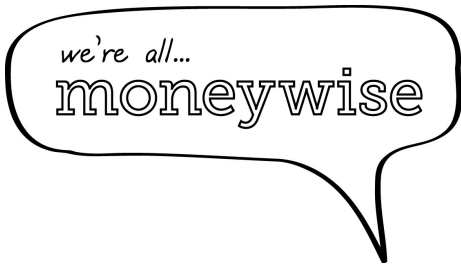


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Governance & legislation

- The consumer credit market within which Homebuy operates is a highly regulated environment. The business requires a consumer credit license and operates under the guidance of the Office of Fair Trading.
- The Company's activities are not included in the Regulated Activities Order therefore the Company does not fall under the FSA regulations.
- However, the Company operations comes under a number of other pieces of legislation for which Homebuy has in place a full operation manual and relevant training modules to ensure Compliance
 - Consumer Credit Act 2006
 - Consumer Directive 2010
 - OFT debt collection guidance
 - Responsible lending guidelines
 - Door Step Selling Regulations
 - Data Protection Act 1984
 - Money Laundering Regulations 2007
- The business is a member of the Consumer Credit Trade Association and has a clear complaint handling procedure in place in accordance with the Financial Ombudsman Services guidance.





But where are the Credit Unions

Provident	1,800,000	74%	Cash loans only
Cattles (Shopacheck)	200,000	8%	Cash loans only
BrightHouse	160,000	7%	High street model*
S & U	140,000	6%	Products and loans
Buy as you View	80,000	3%	Products only
Homebuy	39,000	2%	Products and loans
Perfecthome	45,000	2%	High street model*
Other Regional Independents	103,000	4%	A number of small businesses
Total	2,422,500	100%	

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Routes to Market

- **“Recommend a Friend”**
- Some 40% of new customers have been acquired through “Recommend a Friend”. Under this scheme, any customer recommending a friend or family member to Homebuy earns
- £20 if the introduction leads to a successful sale. Payments for the recommendation are made after the new customer has made two payments on time and in full.



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Routes to Market

- Where a customer had paid off their final agreement on time and not yet taken up another product.
- Re examine declines procedure
- Focussed on daily, weekly , monthly targets actuals and difference
- Be clear about your brand and it resultant values



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Challenges facing credit unions

Change

THE FUTURE: ("The Promised Land"):

If you knew that you are going to be really successful, what do you want to achieve in the future?

What do you want to be different?



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Challenges facing credit unions

Change

NEUTRAL ZONE: ("Egypt")

The in-between phase can be a period of confusion, rules are not clear but can be plenty of scope for creativity.

Help people by:

Identifying what they can CONTROL

UNDERSTANDING:

What is happening and clarifying the overall purpose.



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Challenges facing credit unions

Change

NOW (“Egypt”)

Transitions need to start with something ending in order for people to move on.

What needs to end and what do you need to do to make this happen?

What works now which you can build on?



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And so



Or .

