

# » Innovating to win – in a digital world

Automotive Retail Congress  
21<sup>st</sup> May 2019

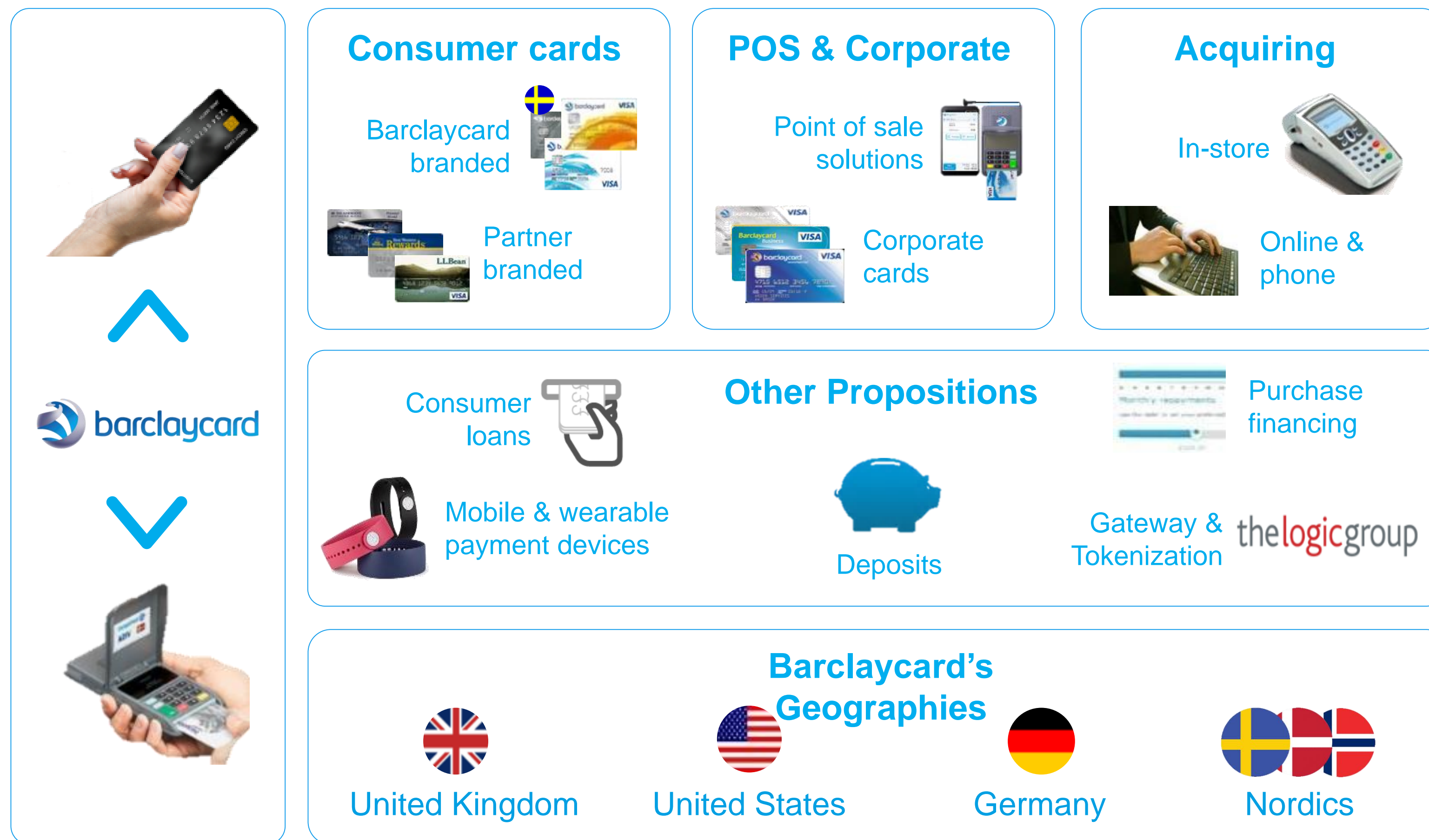


» Nick Kerigan  
MD - Future Payments,  
Cards & Payments





# Cards & Payments covers a broad range of products and geographies and is a key growth engine for Barclays



## Diverse acquisition channels



**#100+ million** contactless transactions made with Barclaycard issued cards



Processed over **£250 billion** globally



We process **one third of all payments** made in the UK through customer spending and our merchant acquiring network

**1 in 3**





“Cars are special”...



...but motor retailing is one part of Retail – and subject to the same key trends



So how is Retail being transformed?





# 1) Experience shapes expectations – and expectations shape experience

## Consumer Expectations



Convenient

Fast

Digital

Personalised

Relevant

## Retailer Responses

Argos

John Lewis

amazon



## Service Solutions

barclaycard

stripe

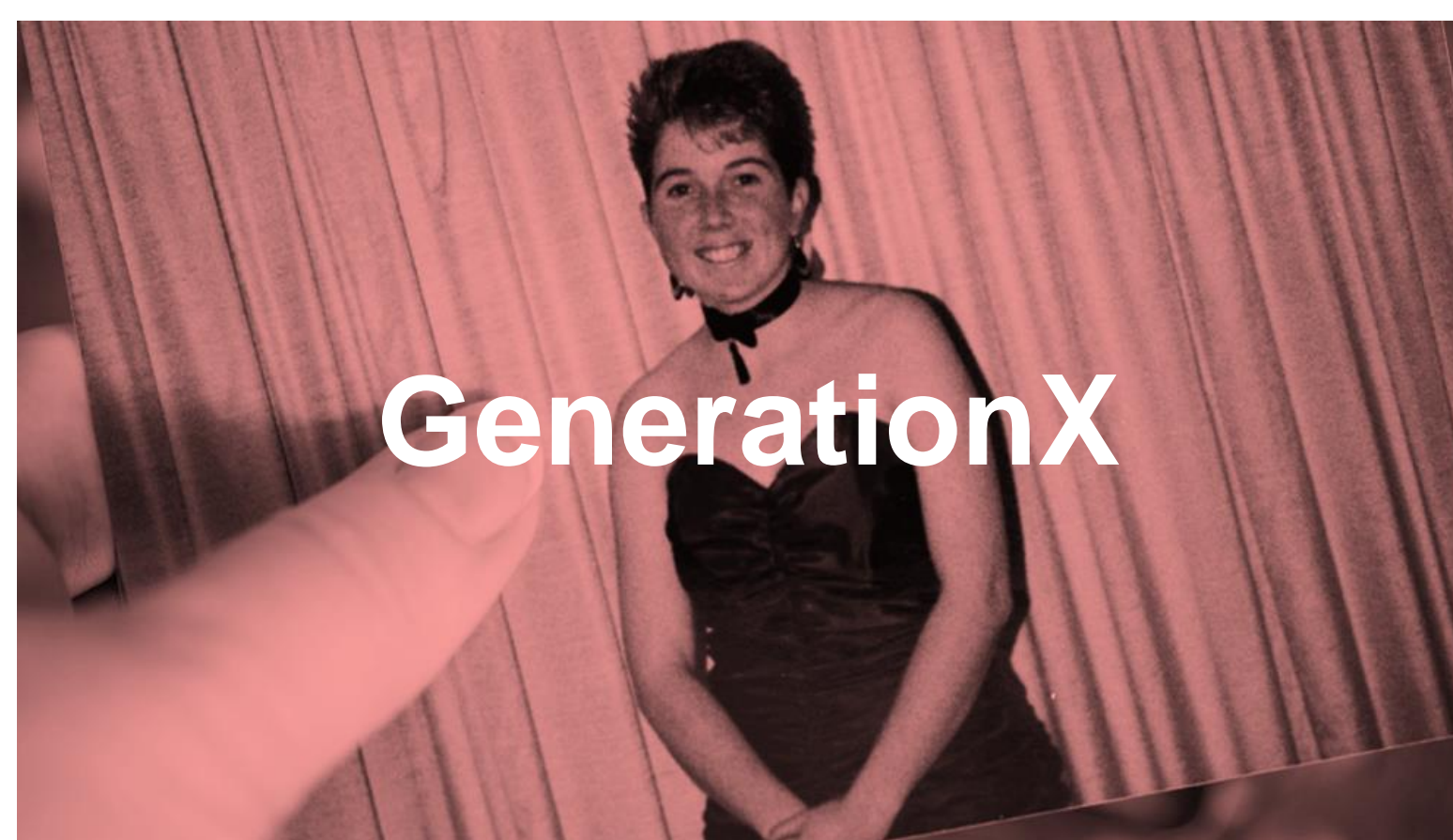
worldpay



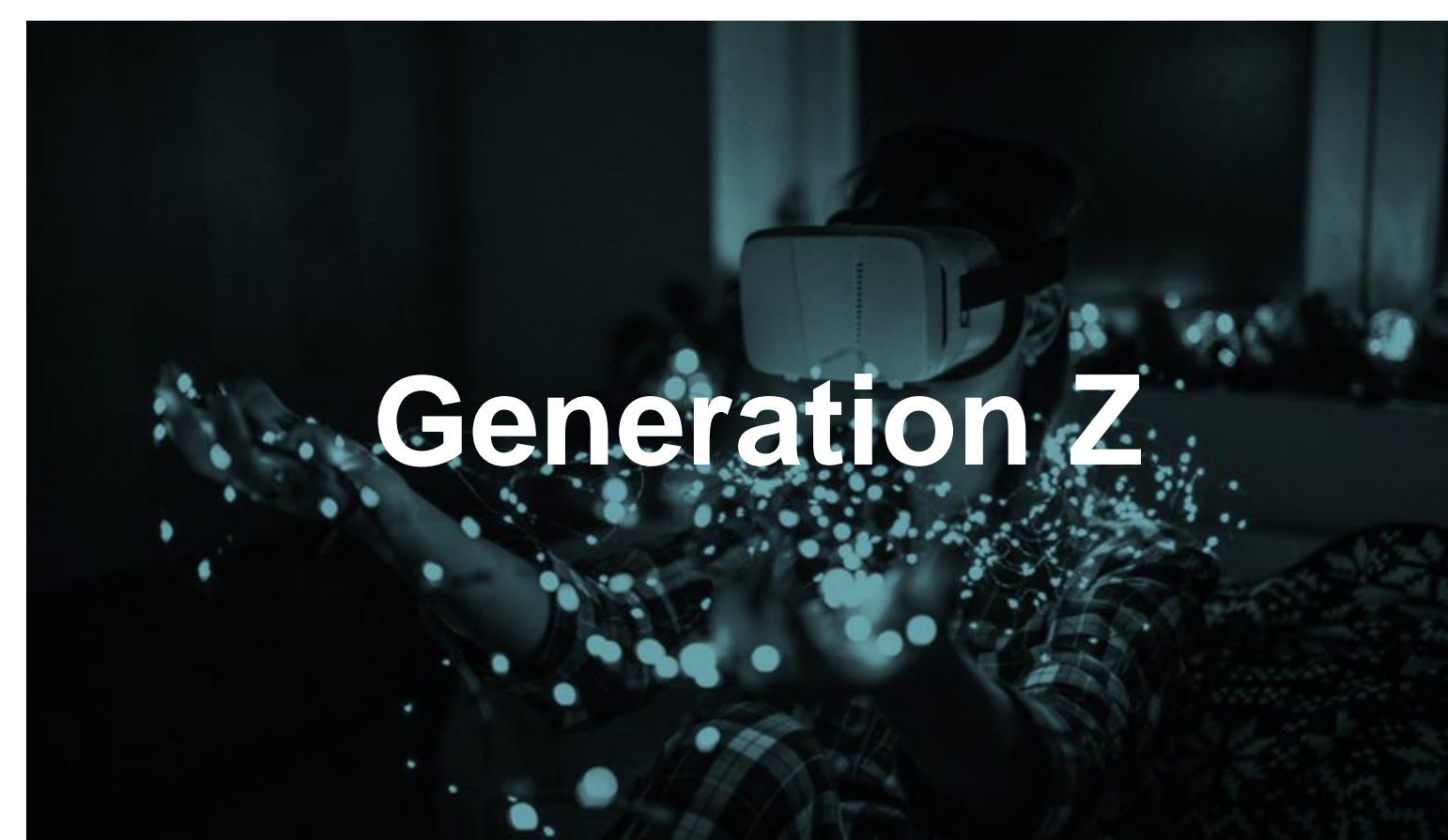
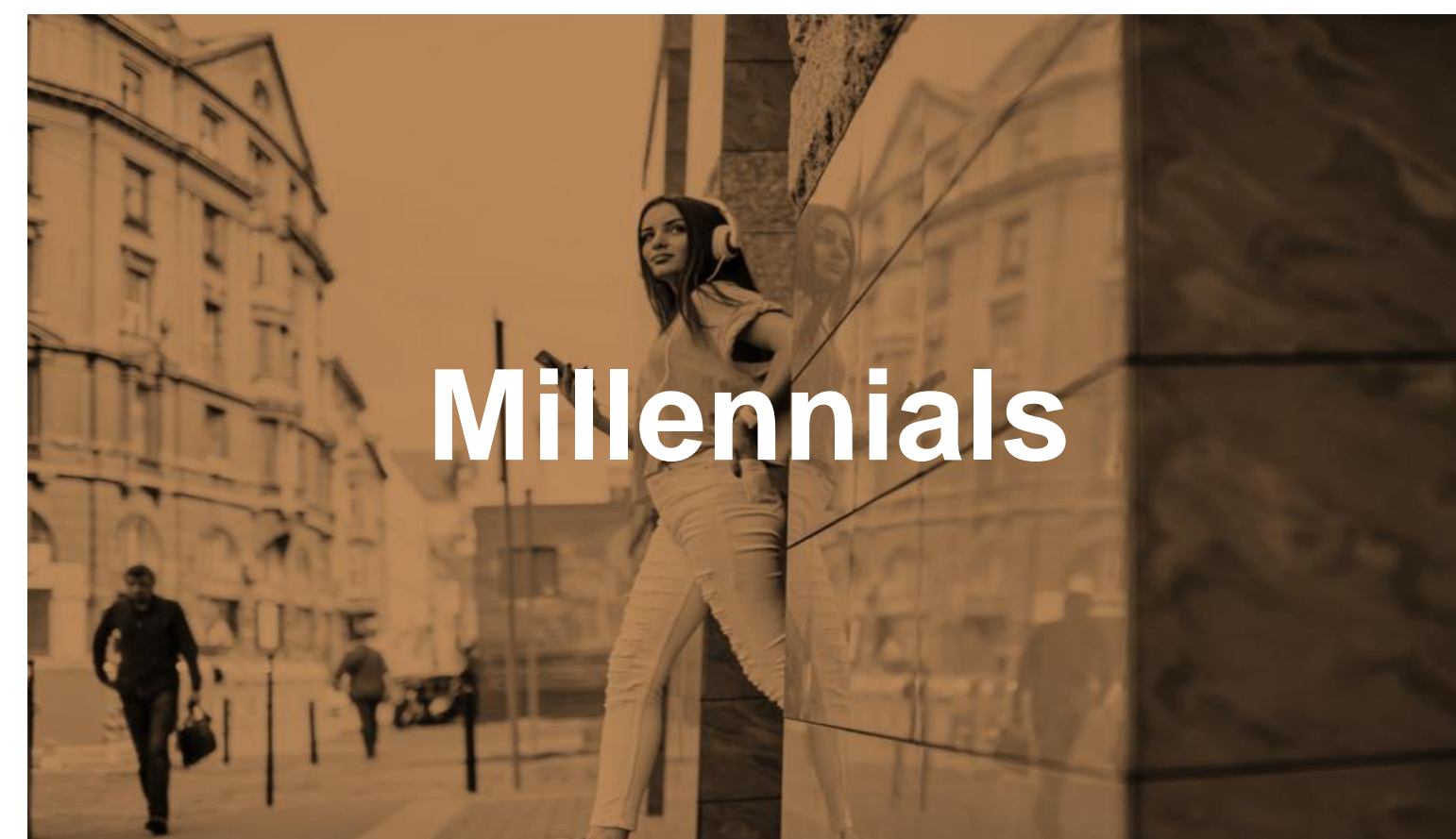


## 2) Changing attitudes to assets

*Asset Accumulators*



*Pay to Use*





### 3) Rise of digital...



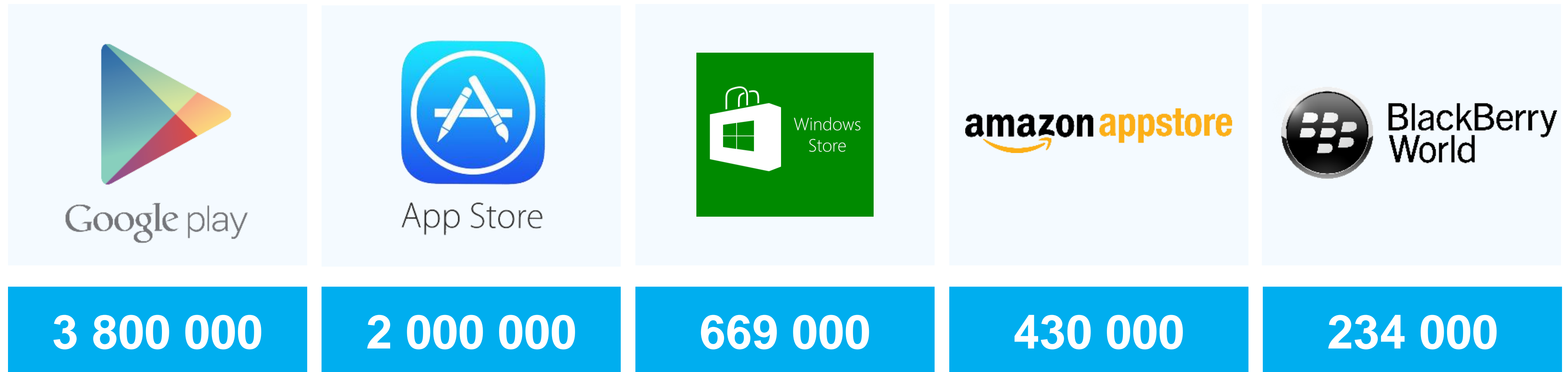


## Disrupted a whole range of industries





And created the app economy: >8 million apps available

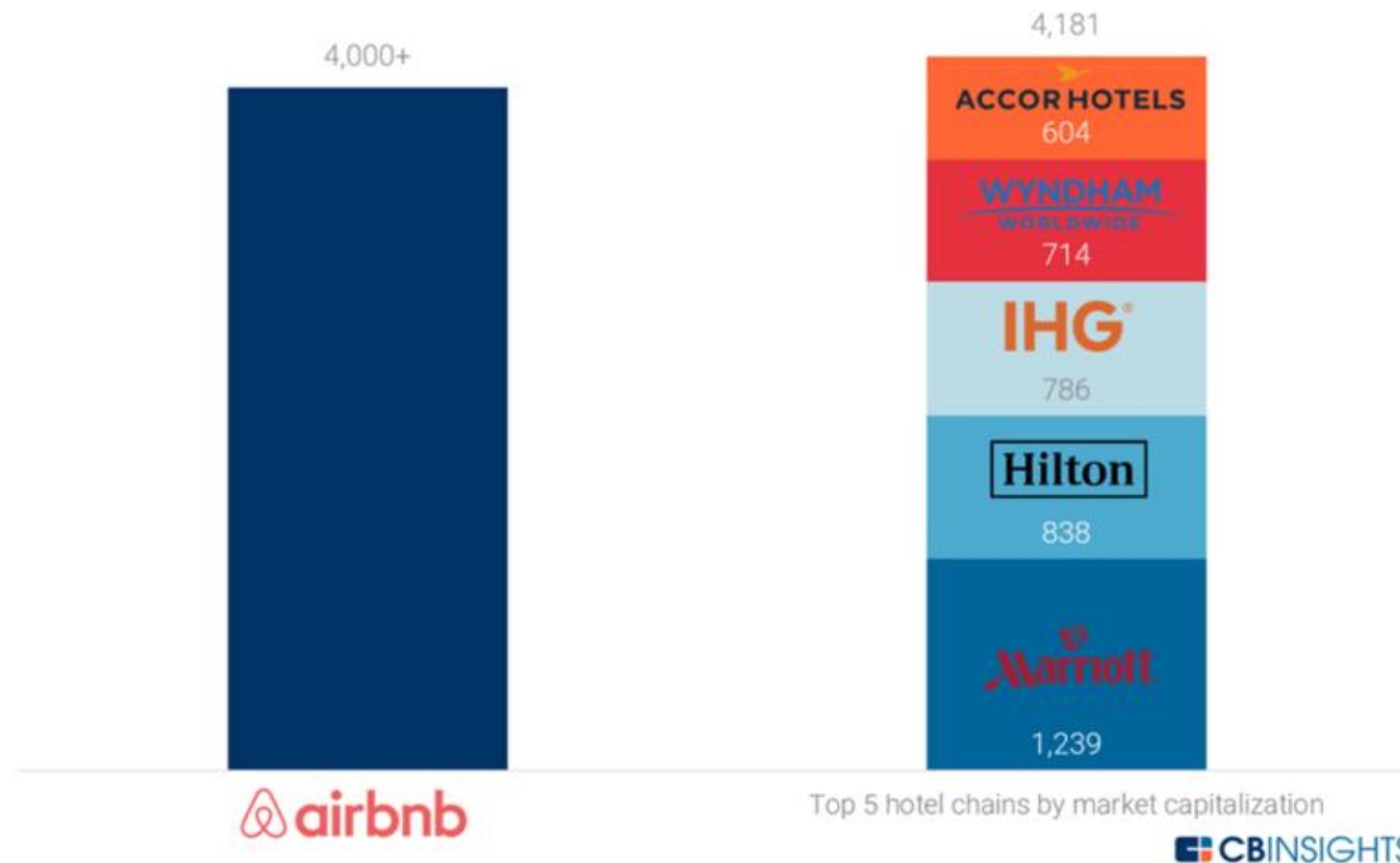


Generating over \$100 Bn revenue for developers alone!



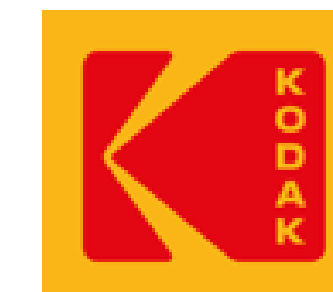
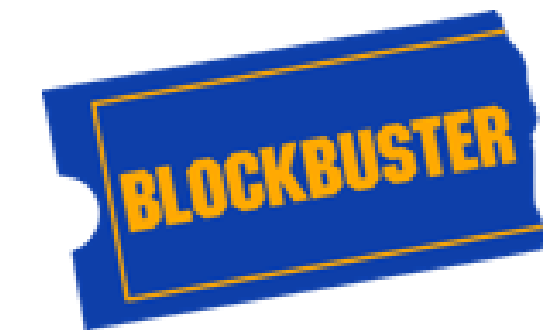
# How digital is disrupting business models

**Top 5 hotel chains vs. Airbnb**  
By number of rooms or listings (k) in 2017



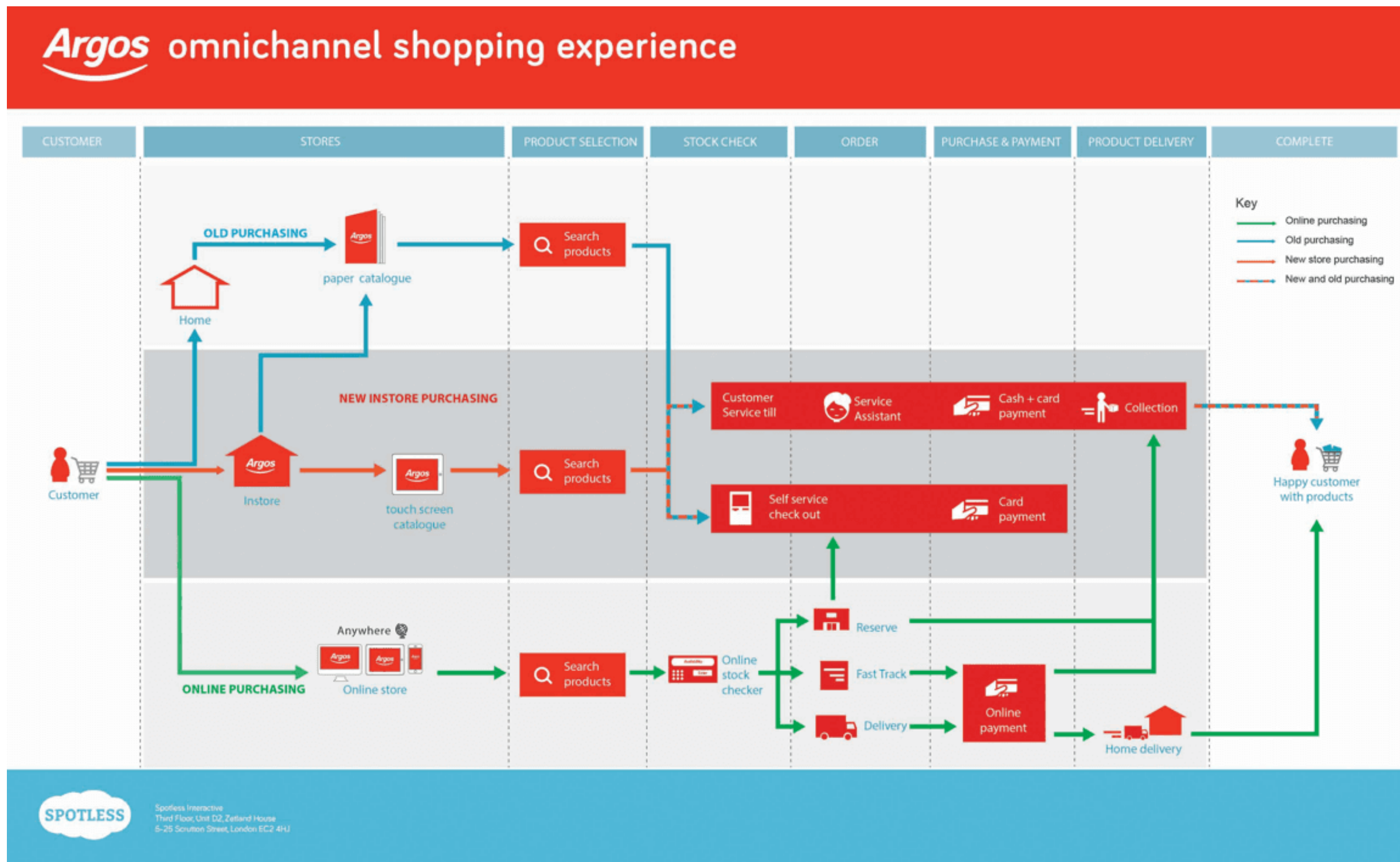
Airbnb reports number of listings while hotels chains report number of rooms

Trying not to be the next...





# Winning in the new environment: Argos



*From: traditional catalogue retailer*

*To: first multi-channel retailer to £1bn mobile commerce revenue...in 2015!*

*How?*

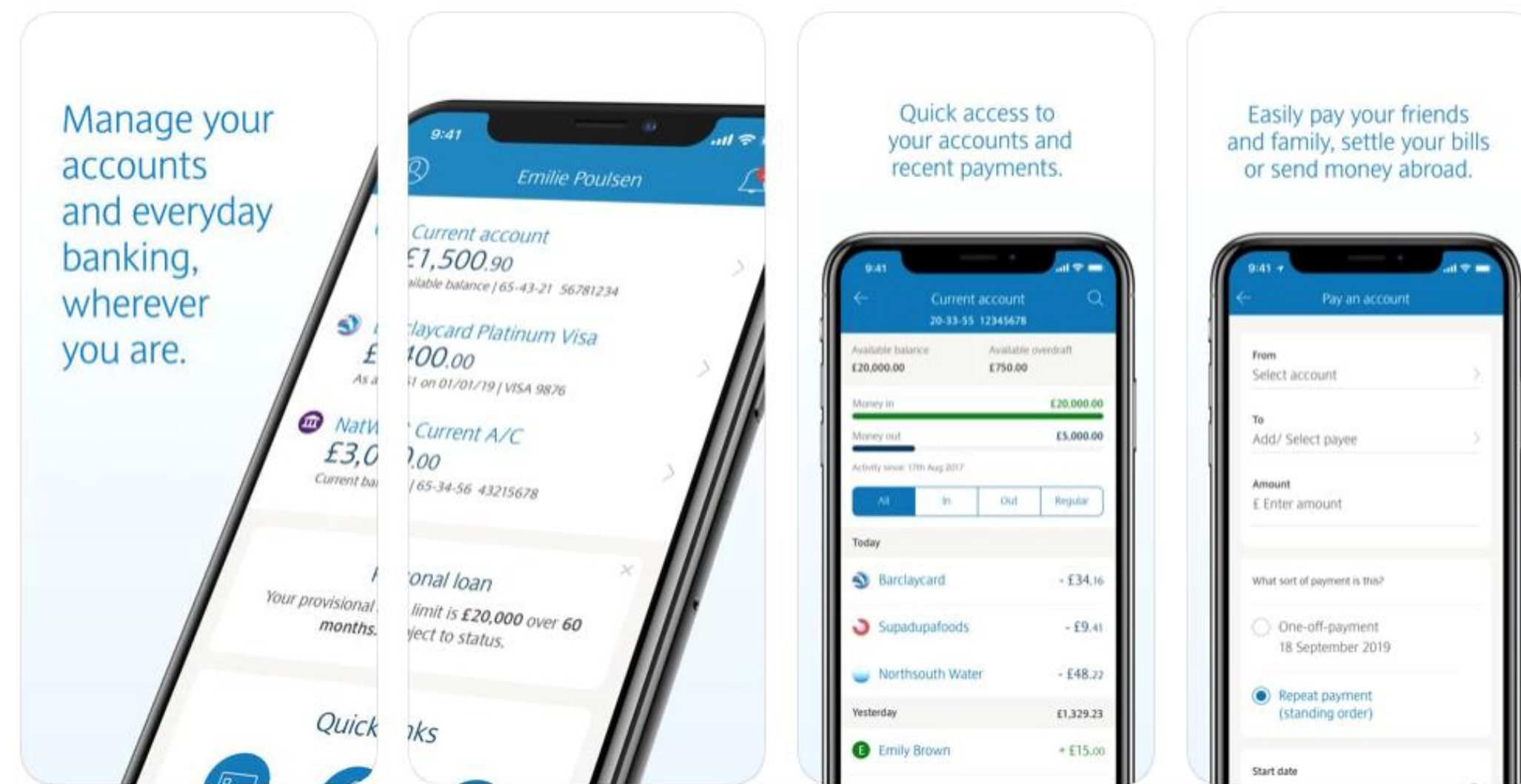
- Omnichannel experience with multiple browse / reserve / buy options online e.g. >70% customers use click and collect when available
- Fast Track same day delivery
- Partnering with eBay offering click & collect and drop-off via Argos (to buyers & sellers)
- Rolling out into Sainsburys stores

*Through...*

- Multi-year journey to digitise experience, supported by hub and spoke distribution model



# Winning in the new environment: Barclays



*From: >320 year old bank*

*To: 11m digitally active customers in the UK, with 7.6m active Mobile Banking users*

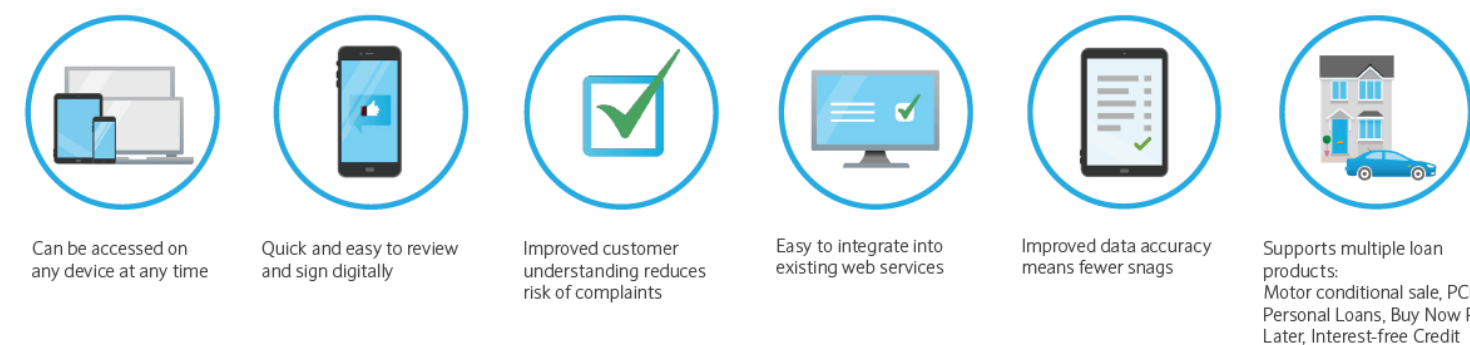
*How?*

- #1 ranked Mobile Banking App in UK [Forrester]
- First bank to launch account aggregation in our main app using open banking APIs
- APIs and experience for digital origination: 57% of Barclays UK products digitally fulfilled
- Digitising our experiences across Partner Finance to support our partners

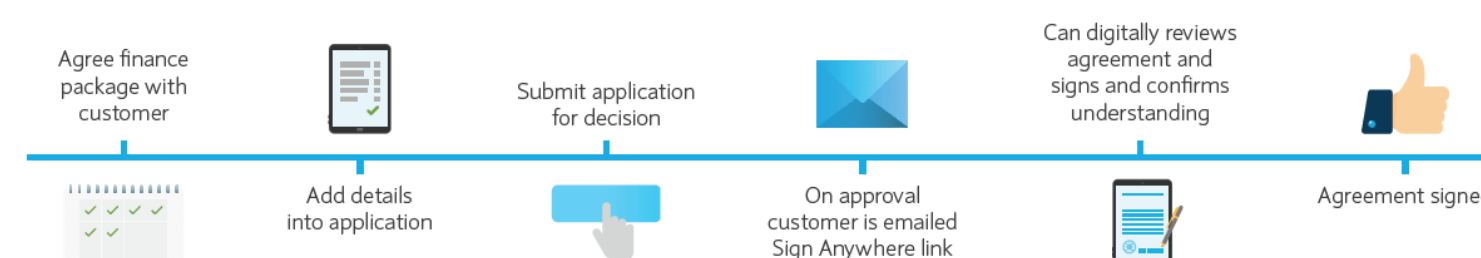
*Through...*

- Multi-year digital change agenda (+6 years)
- Testing through our Launchpad app
- Partnering with Fintechs to create better solutions

Sign Anywhere, from Barclays Partner Finance



A seamless digital journey from start to finish:





## Some learnings...



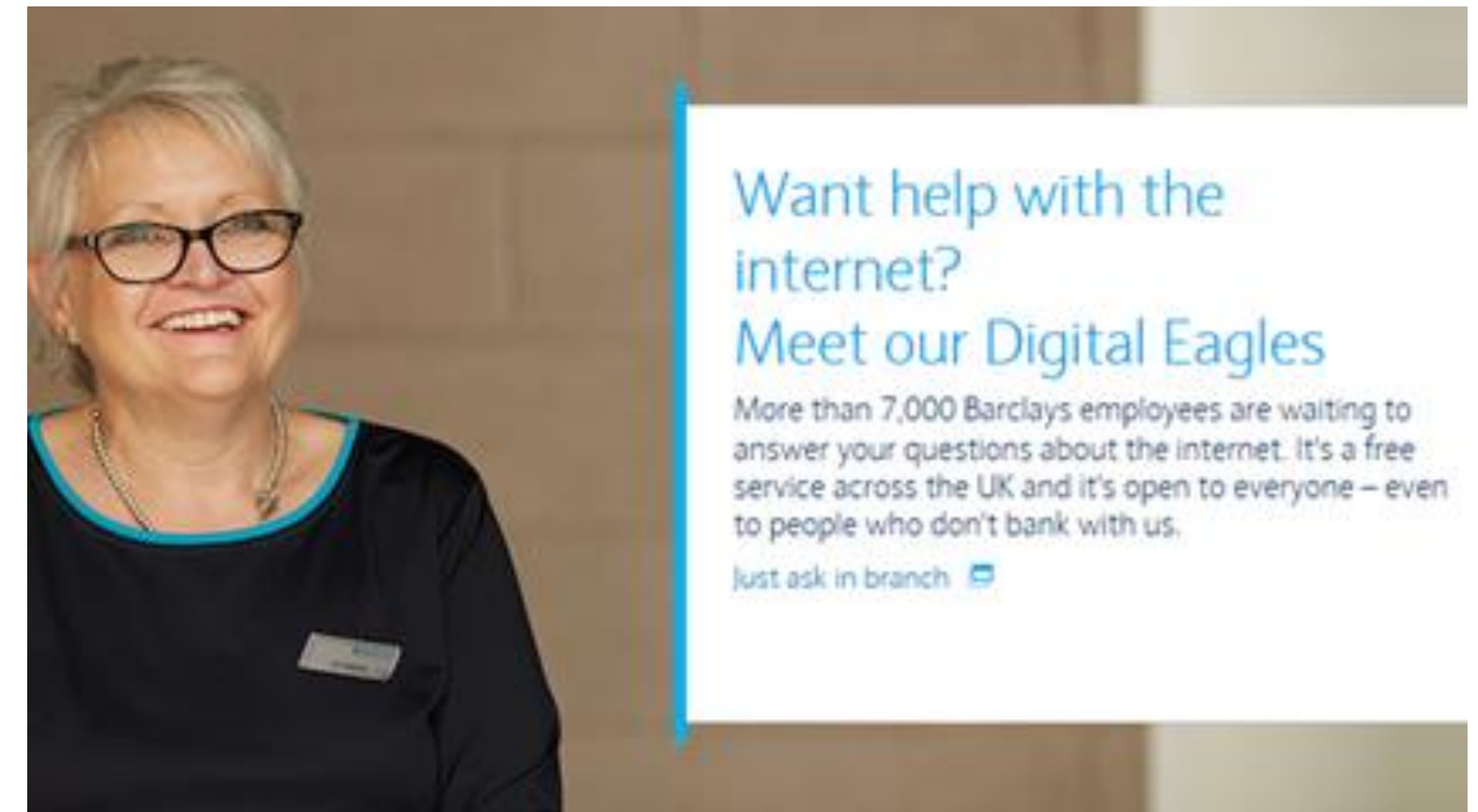
From being Product-Centric to Customer-Centric



Combining Digital and Physical channels



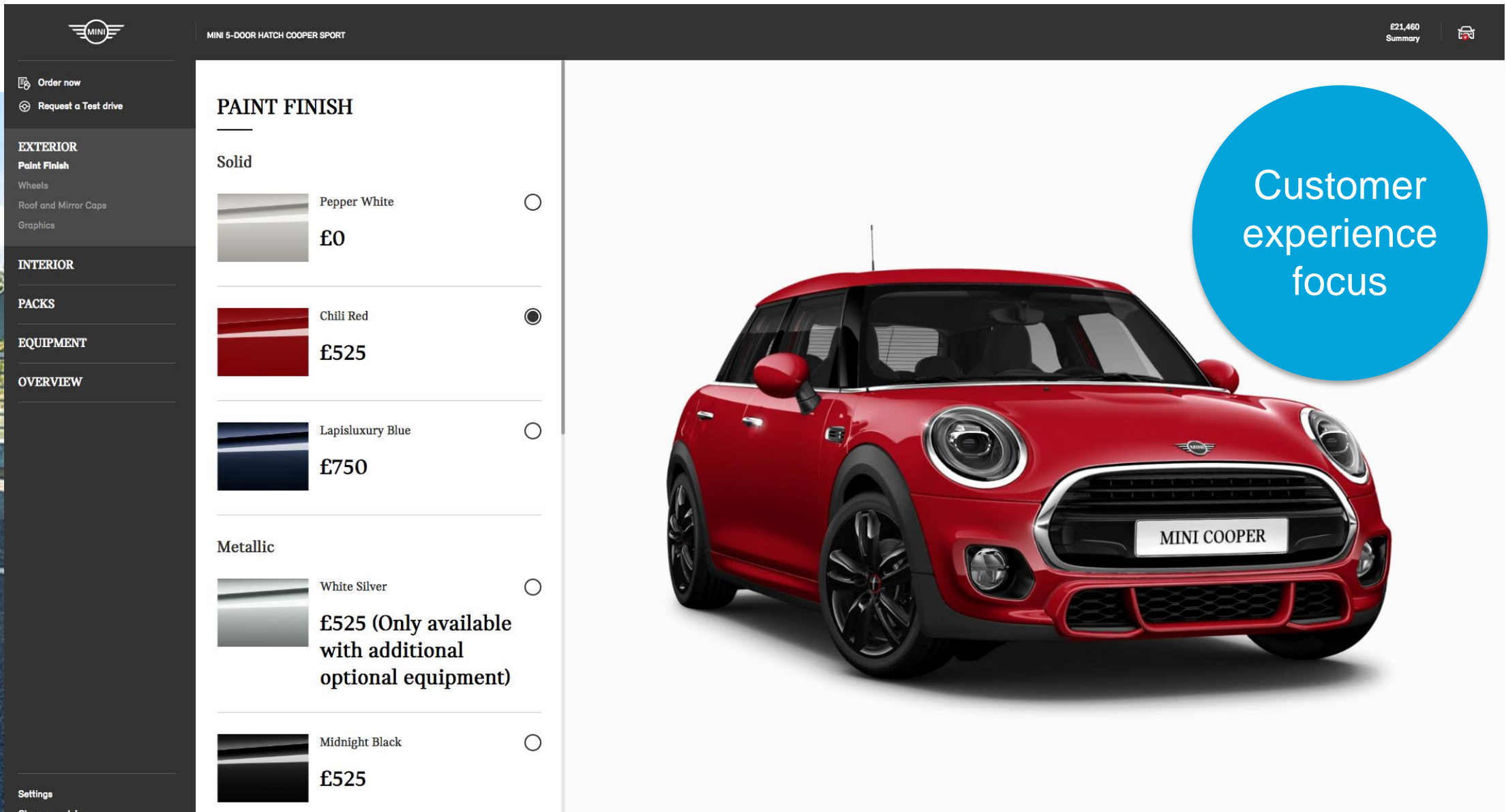
Changing the role of your people



Taking everyone on the journey



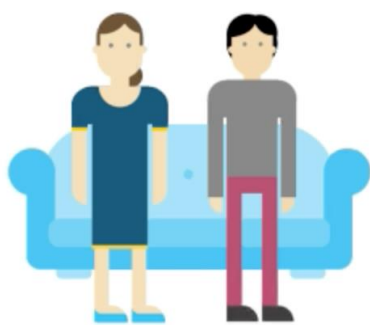
# How to future proof motor retail



BARCLAYS



Personal Contract Purchase



No Interest Loans

Role of Car Finance

We can provide a range of products to suit your customers' needs

Partner Finance



Personal Loans



Buy Now, Pay Later

Bricks and Clicks strategies





“We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten.

Don't let yourself be lulled into inaction.”

Bill Gates





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