

Final

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M&S BANK ANNOUNCES NEXT STAGE OF ITS TRANSFORMATION PLANS AND OUTLINES FUTURE PRODUCT OFFERING AND EVOLUTION OF ACCOUNT SERVICING

- M&S Bank to transform its popular credit card and rewards programme
- Set to introduce new payment option to support M&S Sparks customers with a more integrated end-to-end shopping and payment experience
- Follows extension of travel money offer nationally with same-day click & collect service ready for when customer trips return
- As a result of refocused offering and acceleration of digital account servicing, M&S current accounts set to close along with the 29 in-store bank branches
- M&S Bank will also continue to offer its existing range of general insurance, savings and loan products

M&S Bank, alongside its partner M&S, is transforming its product and service offering to create a digitally enabled and uniquely rewarding shopping and payment experience for M&S customers. Due to launch in the summer, this will include a new reward credit card offering and a digital payment solution for M&S' growing Sparks customer base.

The new offering will support M&S' Never the Same Again transformation programme by enabling easy and rewarding ways to pay when shopping at M&S, for both M&S Bank and M&S Sparks customers, who are among the retailer's most loyal.

Expansion of credit & payment offerings for M&S customers

First launched in 2003 and currently enjoyed by millions of customers, the new reward card offering will enable customers to access a range of new and digitally-focussed benefits, specifically designed to support how customers are looking to shop today. As with the successful relaunch of Sparks by M&S in July 2020, which has since added over 2 million new customers, the new credit card offering has been built around customers' feedback, and will launch to existing and new customers in the summer.

In addition, M&S Bank will also launch a digital credit option later this year, creating an easy payment solution for Sparks customers. Set to be available on M&S.com or through the M&S App, the new cardless payment solution will expand the choice of ways to pay, unique to M&S.

The expansion of new ways to pay at M&S follows the recent extension of M&S Bank's popular travel money service, growing from over 100 to more than 450 M&S stores nationwide, ready to support customers as soon as they're able to resume international travel. The service is now also offering a faster click & collect service, so customers can order using their smartphone in store and collect in as little as 15 minutes.

M&S current accounts to close and M&S Bank service model develops

With the acceleration of online shopping, particularly since the start of the pandemic, customers are increasingly choosing to bank online including mobile, a trend which has been seen since the start of 2019 and has been accelerated as a result of the pandemic. In response to this, M&S Bank will move to online and telephony servicing, enabling customers to access their accounts at a time that suits them.

As a result of these service changes, and M&S Bank's focus on evolving its credit card and payment offering for customers, its current account offer and associated 29 in store branches are set to close from the summer. The in-store travel money bureaux, which are located in over 100 stores, are unaffected.

From today, M&S Bank will start contacting current account customers and those who use the bank branches to make them aware of the changes and to explain their options.

Alongside the M&S Credit Card, and its recently expanded travel money services, M&S Bank will also continue to offer its existing range of award-winning general insurance, savings and loan products.

Paul Spencer, CEO, M&S Bank, said “We have developed the next phase of our Transformation programme to enhance the M&S shopping experience, with an expanded range of payment solutions, which are increasingly integrated with M&S – both in-store and online - offering customers a more seamless shopping and payment experience. We look forward to sharing more details on these new products and services soon.

“As we adapt to meet the changing needs of our customers, and we deliver some new - more digitally-focused products and services – it does regrettably mean we will move away from branch-based servicing and the 29 in-store bank branches and associated current account will close this summer. We’re now firmly focused on supporting both our customers and colleagues through this change, and the delivery of our transformation plans, which will create new and rewarding payment solutions for M&S shoppers, both in-store and online.”

Kirsty Ward, Director of Bank and Services, M&S, said: “M&S was an early pioneer in retail financial services, and the rapid transformation in how we spend, borrow, save and protect has never been more exciting. We are striving to bring our customers the very best financial products that meet their needs today and in the future - and our priority, as set out today, is making it even easier and more rewarding to buy the things they love from us.”

ENDS

Notes to editors:

The M&S Current Account will continue to be available to existing customers until the summer but is now closed to new customers. All existing M&S Current Account customers are being contacted with support on switching their account over the coming weeks and months. The 29 M&S Bank branches will close in early July, with all product servicing moving to online, mobile and telephone channels. Regrettably this will mean a reduction in roles dedicated to in-branch servicing. However, there will be roles available supporting online and telephony servicing.

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About M&S Bank

M&S Bank (the trading name of Marks & Spencer Financial Services plc) launched in 2012 on the foundations of M&S Money, which was established in 1985 as the financial services division of Marks and Spencer plc. In November 2004, HSBC bought 100 per cent of the share capital of Marks and Spencer Retail Financial Services Holdings Limited.

Today, M&S Bank operates as a joint venture arrangement between HSBC and Marks & Spencer, however, M&S Bank has its own banking licence and its own Board.

M&S Bank offers a broad range of financial products, including the M&S Credit Card, and a range of loans, savings and general insurance products, while its travel money offering boasts one of the widest ranges of currencies available on the high street. M&S stopped offering mortgages to new customers in March 2020, as it focussed on supporting customers financially impacted by Covid-19, it continues to support existing mortgage customers, but has no plans to re-enter the mortgage market.

HSBC UK

HSBC UK serves around 14.5 million customers in the UK and employs approximately 32,000 people. HSBC UK offers a complete range of personal, premier and private banking services including bank accounts and mortgages. It also provides commercial banking for small to medium businesses and large corporates. HSBC UK is a wholly owned subsidiary of HSBC Holdings plc.