
JUNE 15, 2017

**AGENDA ITEM 4
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Marketing Update for the ScholarShare College Savings Plan

Background

TIAA-CREF Tuition Financing, Inc. has provided its “Marketing Update” for the ScholarShare College Savings Plan. This update outlines marketing results for the first quarter of 2017 and the marketing activities planned for the remainder of the year. The update includes an overview of the account and asset results, 2017 budget, and marketing activities, such as online, print, radio, employer, and ethnic outreach advertising, customer direct marketing and communications, social media, public relations, and local marketing.

Presenter

Doug Harrison, Senior Director, TIAA-CREF Tuition Financing, Inc.



SCHOLARSHARE

CALIFORNIA'S 529 COLLEGE SAVINGS PLAN SM

Marketing Plan Update | June 15, 2017



2017 Marketing Plan

1. Lay the Foundation	2. Manage the brand to pave the way	3. Gain new accounts/AUM	4. Employers/RIAs	5. Mature Account Owner Relationships
<p>Educate families about ScholarShare and the importance of saving for college.</p>	<p>Ensure ScholarShare brand is well-known and understood among key target audiences.</p>	<p>Drive new account growth and increased AUM through initiatives that reflect the target market characteristics.</p>	<p>Harness employer endorsements and RIA partnerships to build business</p>	<p>Drive Account Owner subsequent contributions through engagement initiatives and personalized communications.</p>
<p>1. Amplify ScholarShare's voice to strengthen families' understanding of effectively funding a child's education throughout their development (start-up through distribution).</p>	<p>1. Assess and monitor ScholarShare's brand health among key target audiences.</p>	<p>1. Target parents of newborns to establish accounts – potentially through healthcare/hospital partnerships and baby gift registries.</p>	<p>1. Leverage SIB staff contracts and associated outreach efforts to engage municipal employers/affinity groups.</p>	<p>1. Build on successes of ACP and Jumpstart programs to drive subsequent purchases.</p>
<p>2. Activate community dialogue regarding the value of education by establishing a K-8 Grant Program to enrich student experiences and prepare college-bound students.</p>	<p>2. Through paid media, media/public relations and non-paid media, strengthen ScholarShare's brand identity to ensure tactical marketing initiatives deliver desired results.</p>	<p>2. Develop packaged offer leveraging defaults to lower purchase barriers (create mobile app for express account opening).</p>	<p>2. Support Field Consultants and SIB Staff with a robust employer/ employee communications system.</p>	<p>2. Leverage content marketing techniques to further engage Account Owners and drive purchases/retention.</p>
<p>3. Embrace diverse and underserved communities by establishing a Matching Grant Program targeting LMI households to instill the idea that a college education is attainable.</p>	<p>3. Strategically leverage sponsorships and partnerships to drive brand awareness.</p>	<p>3. Develop offer tailored to consumers of greater affluence and financial knowledge.</p>	<p>3. Build richer connections with RIAs to ensure ScholarShare program benefits are well understood.</p>	<p>3. Demonstrate how gifting can help families to reach goals and feel satisfied by their collective impact.</p>
	<p>4. Activate influencers, including friends and family, to advocate for the ScholarShare brand.</p>	<p>4. Leverage multi-cultural marketing techniques to engage Asian and Spanish speaking communities.</p>		



ScholarShare Business Results

Marketing Performance Criteria

Accounts and Contributions	March 31 2016	March 31, 2017	% Change
Total New Accounts Opened	5,867	6,845	16.7%
Total New Contributions Collected	\$173.1 mil	\$204.7 mil	18.3%
Growth Rate	ScholarShare	Industry	% Difference
Annual Asset Growth Rate	13.4%	15.1% *	-1.7%
Rollovers	Performance Criteria	Q1 2016	Q1 2017
% of Plan Accounts closed due to Rollovers	< 2.0%	0.52% **	0.10% **

Accounts and Assets

Accounts and Assets	March 31 2016	March 31, 2017	% Change
Total Open Accounts	273,024	286,488	4.9%
Total Assets	\$6.5 billion	\$7.4 billion	13.4%
Market Share*	5.1%	5.1%	-0.0%

* Source: Strategic Insights –Direct Sold 529 Plans

** 399 Accounts valued at \$11.6M for Q1 2017 vs. 348 Accounts valued at \$9.8M for Q1 2016.

All results in this report are for the period ending March 31, 2017.

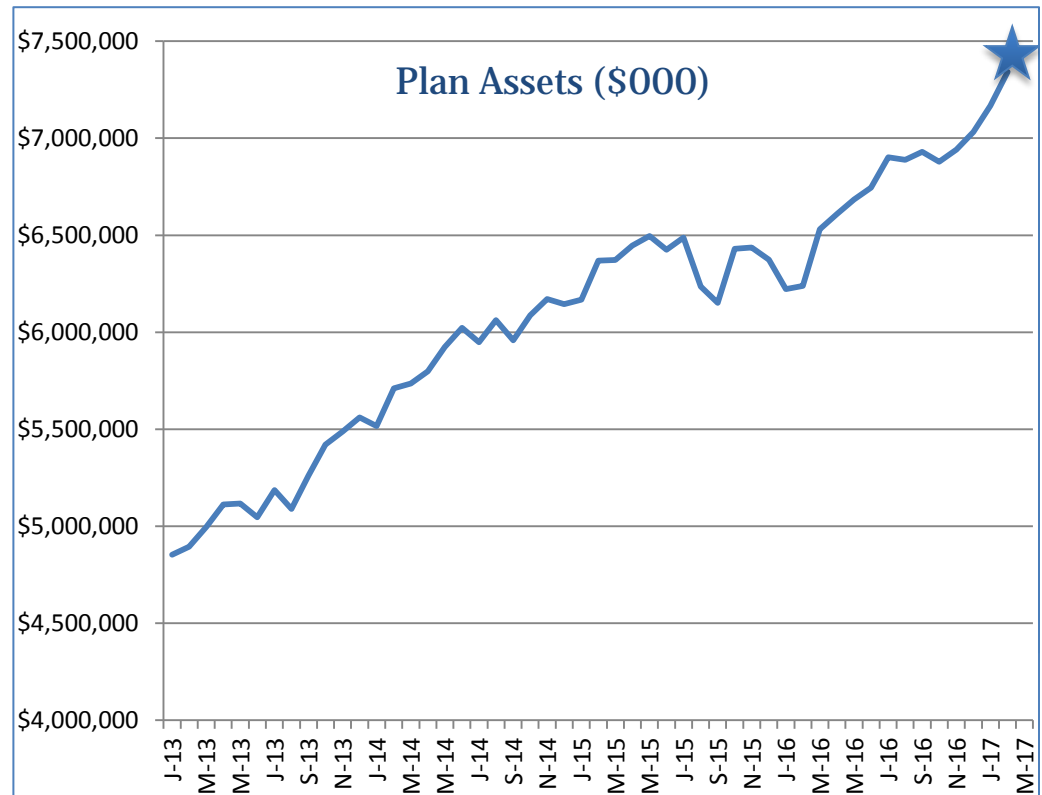


SCHOLARSHARE
CALIFORNIA'S 529 COLLEGE SAVINGS PLAN



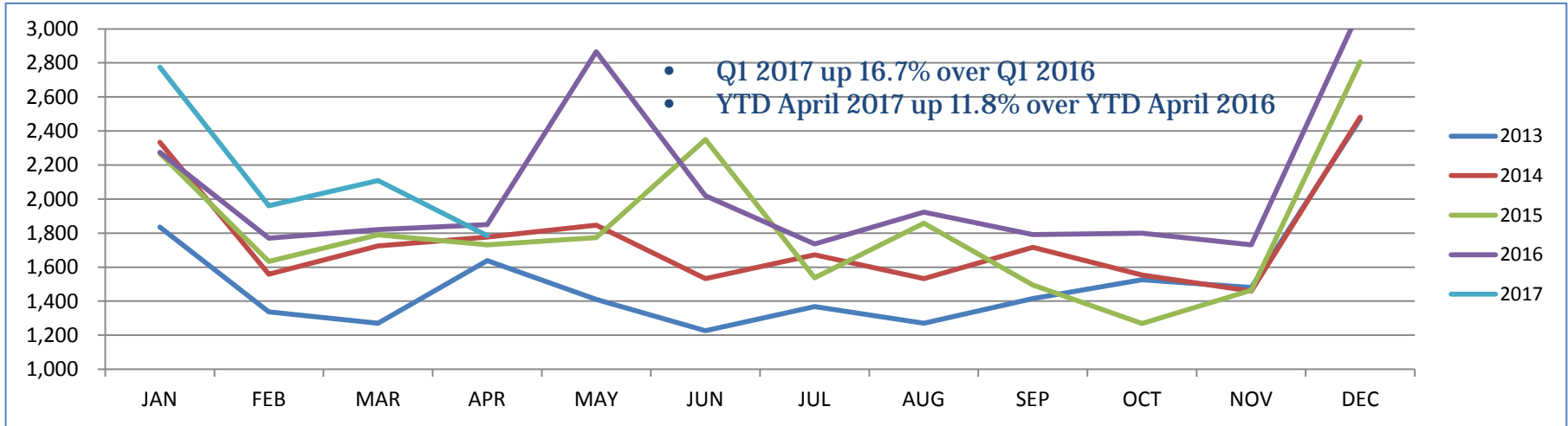
Q1 Business Results – Executive Summary

- Plan assets reached **\$7.4B**
- Total New Accounts opened **+16.7% YOY**
- Total Open Accounts **+4.9% YOY**
- At **\$204.7 million**, Total Contributions **+18.3%**

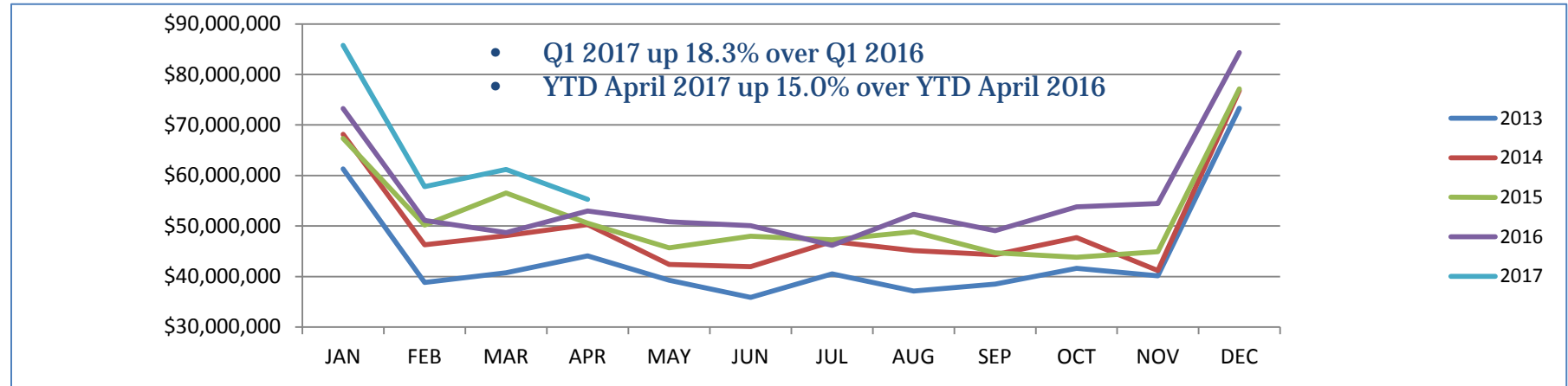


Detailed Business Results

Gross New Accounts



Contributions



Marketing Plan - Executive Summary

Q1 2017 Achievements:

1. Lay the Foundation	2. Manage the brand to pave the way	3. Gain new accounts/AUM	4. Employers/RIAs	5. Mature Account Owner Relationships
<p>Educate families about ScholarShare and the importance of saving for college.</p>	<p>Ensure ScholarShare brand is well-known and understood among key target audiences.</p>	<p>Drive new account growth and increased AUM through initiatives that reflect the target market characteristics.</p>	<p>Harness employer endorsements and RIA partnerships to build business</p>	<p>Drive Account Owner subsequent contributions through engagement initiatives and personalized communications.</p>
<ul style="list-style-type: none"> Scholar Dollars Grant Program executed, with nearly 400 schools participating, over 400,000 votes cast, and \$300,000 in grants awarded. Financial Literacy Month Social Media campaign developed for April implementation. 	<ul style="list-style-type: none"> Brand Health Research completed, revealing opportunities to connect ScholarShare brand to strong “529” awareness and tailor offers to a more tax-sensitive audience. Always-On display campaign planned and launched. 	<ul style="list-style-type: none"> Integration of new advertising agency began, and overhaul of core marketing program initiated. New Year’s and Tax-Time themed prospecting campaigns completed in Q1. Switch campaign in market through 6/30/17. 	<ul style="list-style-type: none"> New employer-focused literature series completed, and B-to-B print test began in Sacramento market. 	<ul style="list-style-type: none"> On-boarding program developed for new Account Owners, setting the stage for a more engaged client experience.



Scholar Dollars: The Details & Amplification

Lay the Foundation

- Designed to support under-funded extracurricular and after-school learning at 20 California K-8 public and charter schools.
 - Grants were available in varying amounts according to school size, which ranges from 300 students and less (\$5,000 each grant) to more than 1,500 students (\$25,000 each grant).
 - Eligible schools registered during the registration period (Feb. 1-22, 2017), then parents, relatives, boosters, and community supporters were encouraged to vote for their school during the voting period (March 1-24, 2017).
- Conducted **outreach to key media outlets and worked with key bloggers** on blog and social media posts about Scholar Dollars and registration and voting periods.

13

SECURED BLOG
POSTS

387,000+

MONTHLY UNIQUE
BLOG VISITORS
REACHED

322,460+

MONTHLY UNIQUE
ONLINE OUTLETS'
VISITORS REACHED

- Implemented a paid social media program to create awareness, encourage voting and drive traffic to MyScholarDollars.com.

206,640

POST/VIDEO
IMPRESSIONS & VIEWS

3,133

POST ENGAGEMENTS (LIKES,
COMMENTS, SHARES)

1,080

LINK CLICKS



Response overview:



396 schools participated

357 schools received at least one vote (91%)

7,322 schools in CA's K-8 public and charter school system were qualified to apply for the grant program



411,070

QUALIFIED VOTES

447,678 VOTES
PRIOR TO VOTE
VERIFICATION

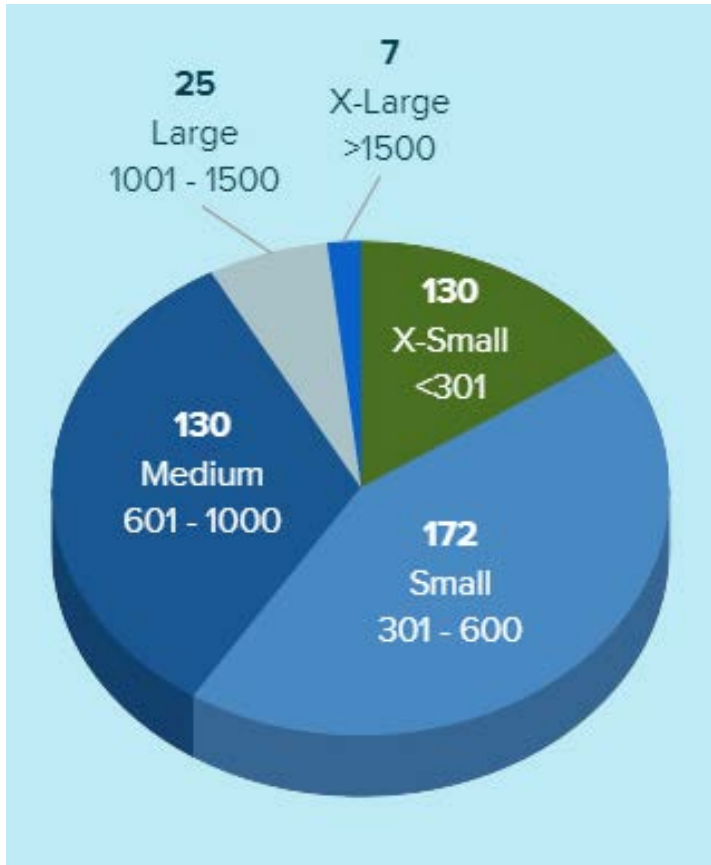


74,418

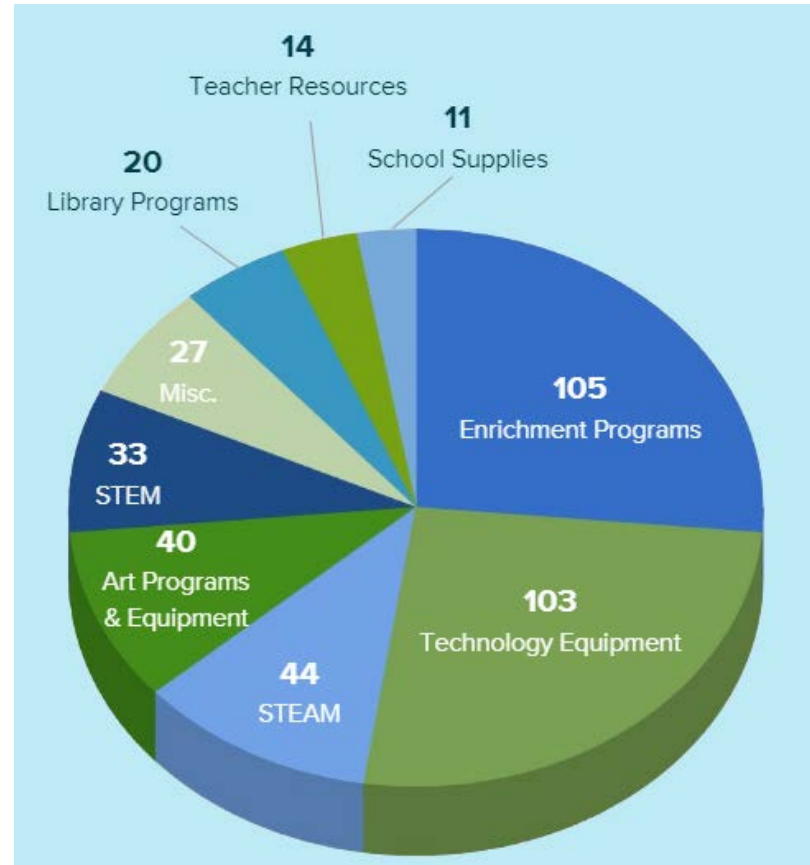
CONFIRMED
UNIQUE EMAILS

- Winning schools came from the following cities: Burbank, Camarillo, Campbell, Carson, Castro Valley, Los Angeles, Northridge, Oakland, Sacramento, Santa Ana, South Gate, Visalia, Westminster and Windsor.

Registrations by size & category:



Registrations by grant use category:



Scholar Dollars Cont'd: The Results

Lay the Foundation

The winners ...

School	City	Principal	Grant Amount
Francophone Charter School of Oakland	Oakland	Lori MacDonald	\$5,000
Golden Oak Montessori of Hayward	Castro Valley	Gena Engelfried	\$5,000
Village	Campbell	James Crawford	\$5,000
Magnolia Science Academy 7	Northridge	Fatih Metin	\$5,000
Multnomah Street Elementary	Los Angeles	Narajphan Asavasopon	\$10,000
Sequoia Elementary	Westminster	Michelle Watkins	\$10,000
William Land Elementary	Sacramento	Ellen Carlson	\$10,000
Willmore Elementary	Westminster	Nicole Jacobson	\$10,000
Leonardo Da Vinci	Sacramento	Devon Davis	\$15,000
Shannon Ranch Elementary	Visalia	Tara Sharp	\$15,000
Judith F. Baca Arts Academy	Los Angeles	Tracye McWhorter	\$15,000
Monte Vista Middle	Camarillo	Joseph Herzog	\$15,000
Santiago Elementary	Santa Ana	Norris Perez	\$20,000
Luther Burbank Middle	Burbank	Oscar Macias	\$20,000
Sutter Middle	Sacramento	Cristin Tahara-Martin	\$20,000
Cali Calmecac Language Academy	Windsor	Jeanne Acuna	\$20,000
Stephen M. White Middle	Carson	Adaina Brown	\$25,000
Thomas Starr King Middle School Film and Media Magnet	Los Angeles	Mark Naulls	\$25,000
Alfred B. Nobel Charter Middle	Northridge	Derek Horowitz	\$25,000
South Gate Middle	South Gate	Janet Mack	\$25,000

Scholar Dollars Cont'd: Award Presentations

Lay the Foundation



- In April and May, Treasurer Chiang visited four campuses across the state to present winning schools with their Scholar Dollars grant awards, in the form of school-wide assemblies.
 - Presentations featured remarks from Treasurer Chiang, school officials, local elected officials and students and performances by ScholarShare's mascot Diploma Dog.
- Provided Treasurer Chiang and ScholarShare with a platform to showcase their commitment to helping schools and helping families pay for college.
- Provided ScholarShare with an opportunity to invite the media to capture footage of the grant presentation ceremony, and interview Treasurer Chiang and ScholarShare representatives.
 - Results: **18 media placements** with TV, radio, print and online outlets **reached 2,810,900 people.**

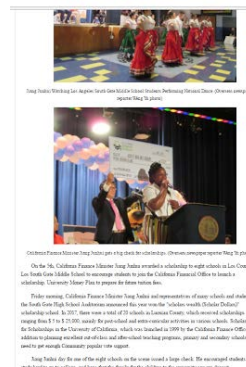
Scholar Dollars Cont'd: Award Presentations

Lay the Foundation

- Broadcast/Radio Coverage – 8 Segments



- Print/Online Coverage – 9 Articles



Pupils can bank on college, says Chiang



By Dan Friedman
 "Nothing is possible if you don't fund it," says the money provided both for Sequoia Elementary School principal Dr. Heather Padden and then Treasurer John Chiang on Tuesday afternoon.



By Dan Friedman
 "Nothing is possible if you don't fund it," says the money provided both for Sequoia Elementary School principal Dr. Heather Padden and then Treasurer John Chiang on Tuesday afternoon.



SCHOLARSHARE
 CALIFORNIA'S \$29 COLLEGE SAVINGS PLAN



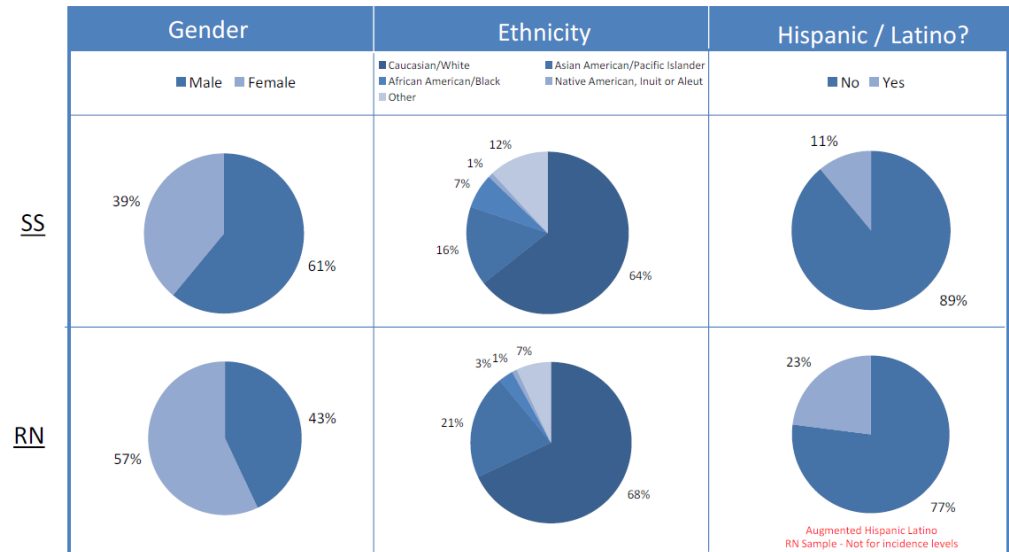
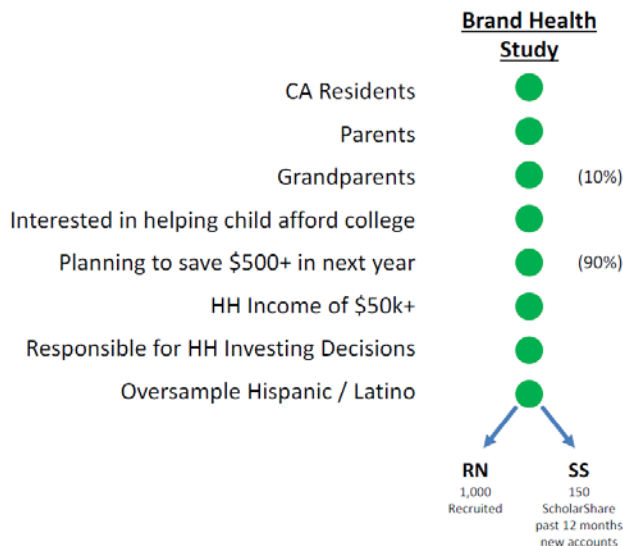
Scholar Dollars Cont'd: Award Presentations

Lay the Foundation



Research study commissioned in March 2017 to understand ScholarShare's position in the market place, brand awareness, and brand attributes to inform go-forward marketing strategy.

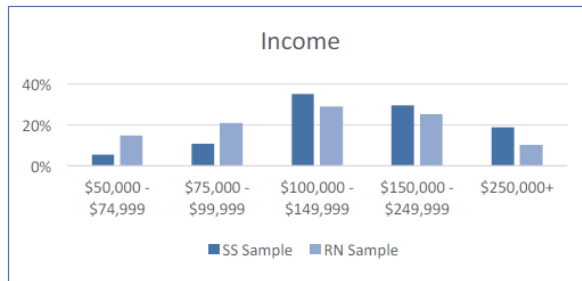
Who We Spoke To



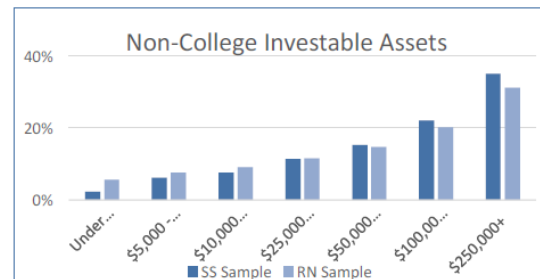
Those families that save for college are generally affluent and self-sufficient in their personal finance decisions.

529 Investors are Mass Affluent & Self-Directed

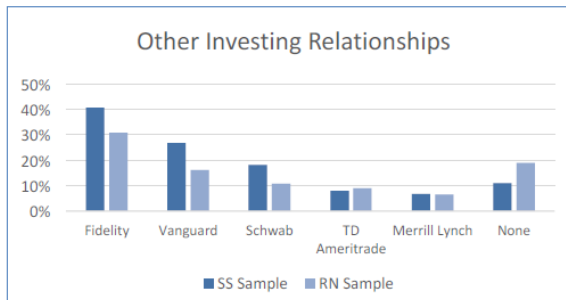
Mean HH Income of \$157k/\$133k



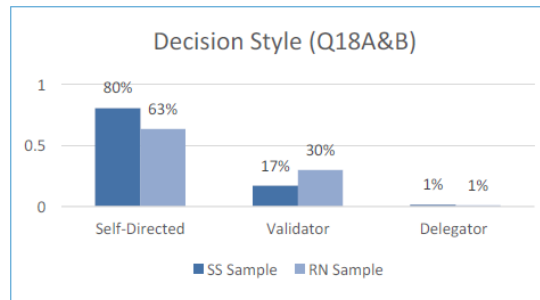
Mean Non-College Investments of \$143k / \$130k



Most have existing investing relationships



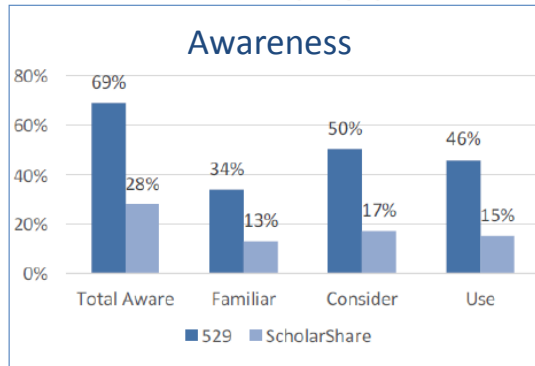
A majority are Self-Directed, with some Validators



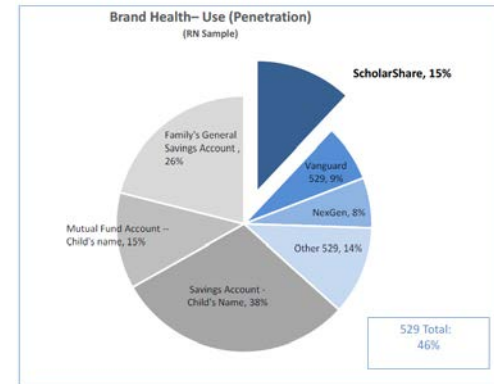
Brand Health

Manage the Brand

- Consumer awareness of the 529 category is strong, but ScholarShare's brand awareness is relatively weak – (69% vs 28%, respectively).



- ScholarShare competes with both other 529 Plans as well as other savings vehicles.



- ScholarShare was relatively strong on For Families Like Mine, Trustworthy, and Good Enough, yet weak on Smart and Leader.

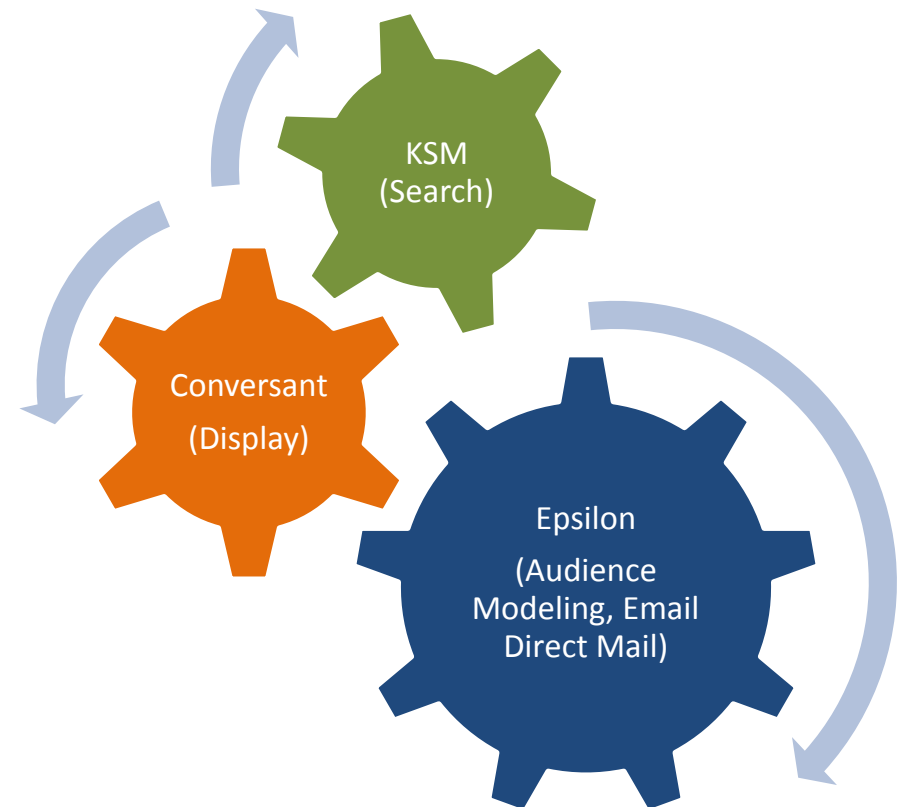
N=	Brand	Brand Attributes			Target Audience			Performance	
		Trustworthy	Leader	Smart	Elite	For Families Like Mine	For Everybody	Not Good Enough	Confusing
212	ScholarShare	70%	56%	55%	31%	69%	60%	20%	17%
103	CollegeAmerica	76%	60%	77%	52%	78%	70%	19%	17%
47	UNIQUE	70%	64%	70%	66%	77%	72%	38%	36%
199	Vanguard 529	78%	70%	66%	47%	74%	60%	14%	13%
264	Fidelity	70%	66%	62%	42%	65%	56%	9%	11%
12	Nuveen	67%	58%	58%	50%	58%	58%	42%	33%
94	TIAA	56%	41%	41%	18%	49%	40%	11%	13%
393	B of A	40%	40%	34%	29%	44%	46%	24%	19%
	Average	66%	57%	58%	42%	64%	58%	22%	20%

A strategic plan is in development to address brand shortcomings and amplify strengths.

Actions will likely include:

- Re-branding of ScholarShare to increase its association with the 529 category.
- Messaging that strengthens ScholarShare's superior product features versus competitive alternatives.
- Tailoring messaging to target audience interests – tax-benefit focused for more affluent families; ease of use for less affluent families
- Public relations initiatives to give attention to the leadership, trustworthiness and innovation characteristics of the ScholarShare brand and the plan's management

- **Epsilon selected as national agency in Q1**
 - Delivered initial AO profile
 - Building Core Programs
 - Deployed first Episodic programs (Mar)
 - Launched Always-On program (Apr)
 - Establishing measurement processes
- **Continuation of Merkle's Scripps' programs in January**
 - Display, SEM & Email



Core Program Elements

Gain Accounts/AUM

Core programming being stood up in early/mid-2017 in partnership with Epsilon.

Program	Strategy	Audience
Episodic	Drive account openings and contributions with seasonal, topically relevant communications that highlight the benefits of opening or contributing at market-defined times	AO, PRO, INQ
Always On - Digital	Support lead generation and capture low-hanging fruit through brand presence and targeted message/offer delivery online	AO, PRO
Lifestage Trigger Based	Drive account openings and contributions with topically relevant communications that highlight the benefits of opening or contributing at triggered times based on life stage events. Behavior driven, multi-touch. New baby strategy in development.	PRO
Inquirer Content Drip	Cultivate leads and drive engagement by informing, educating and driving online interaction.	INQ

Key: AO = Account Owners; PRO = Prospects; INQ = Inquirers



Introducing New Programs

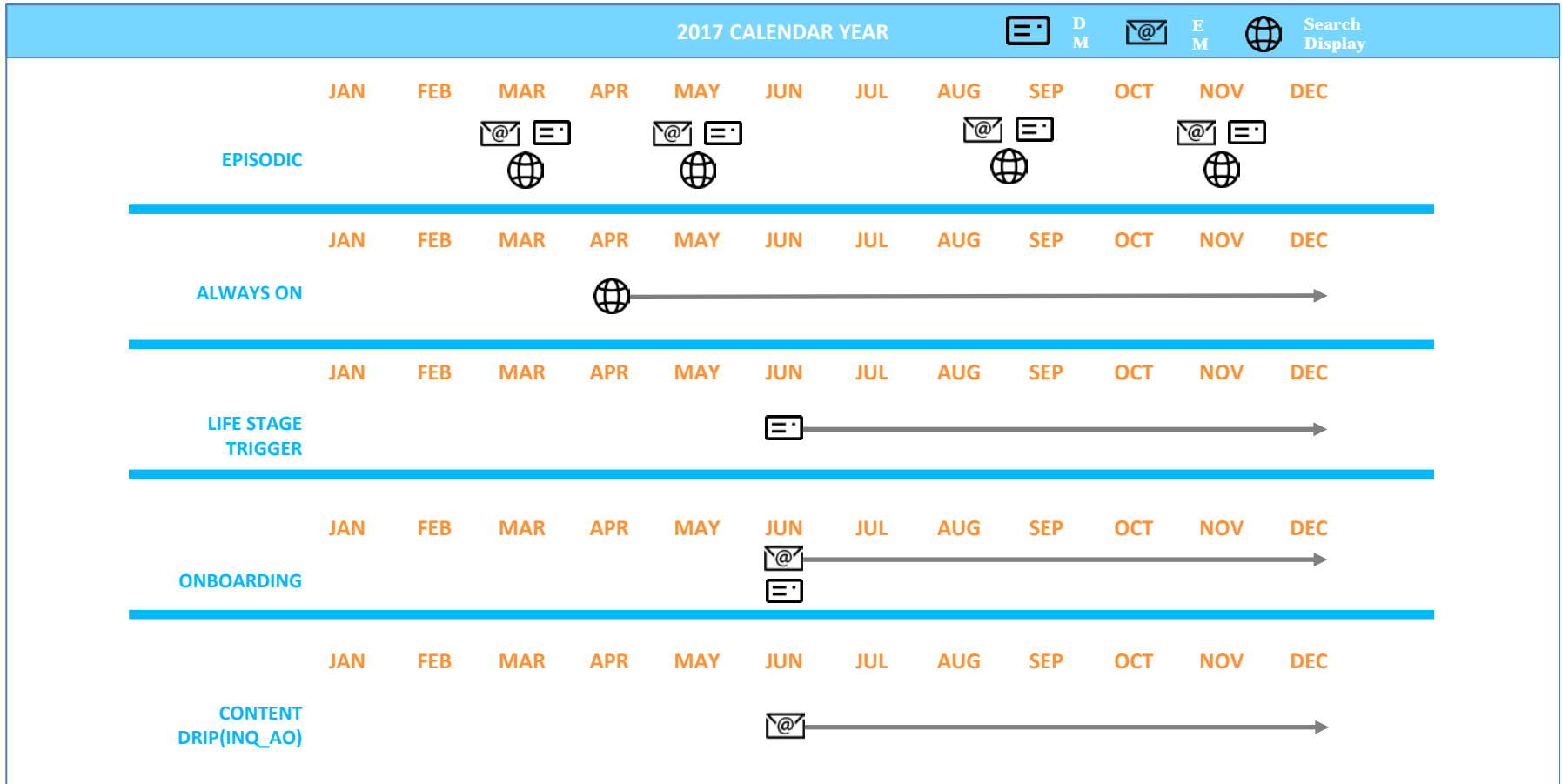
Gain Accounts/AUM

Core Program Type	Campaigns To Date	Audience Reach Highlights	Engagement and Conversion Highlights
<p>Prospecting: <i>Goal: Efficiently Acquiring New Account Owner HHs</i></p>	<ul style="list-style-type: none"> Tax Time DM Programmatic Display (February, March, April) 'Always On' Display and Search since February 	<ul style="list-style-type: none"> 298K + Prospect HHs Reached via DM Over 175MM Digital Impressions Served Since February Launch 	<ul style="list-style-type: none"> Over 125K clicks generated from search and banner activities Over 400 new accounts attributed to the Tax-Time DM; 45% of new accounts signed up for ACP; Over \$1.3MM in initial contributions
<p>Inquirers: <i>Goal: Educating and Converting Hand Raisers Into Account Owners</i></p>	<ul style="list-style-type: none"> Monthly DM and EM Inquirer Stream Communications Starting in February, 2017 	<ul style="list-style-type: none"> Over 2,900 unique inquirers reached since February launch 	<ul style="list-style-type: none"> ~11% e-mail open rate with 400 e-mail opens 1.05% conversion rate with 31 new accounts generated among recipients of the inquirer stream
<p>Account Owners: <i>Goal: Relationship Deepening Among Existing HHs</i></p>	<ul style="list-style-type: none"> Tax Time EM 'Always On' Targeted Online Display to Account Owners launched in April 	<ul style="list-style-type: none"> ~124K e-mails delivered to date Over 775K Digital Impressions Served 	<ul style="list-style-type: none"> ~22% e-mail open rate with 27K+ e-mail opens 430 clicks to date for 'Always on' Display 644 new accounts generated among recipients of the AO Tax Time emails; \$43MM+ in contributions in March among e-mail recipients



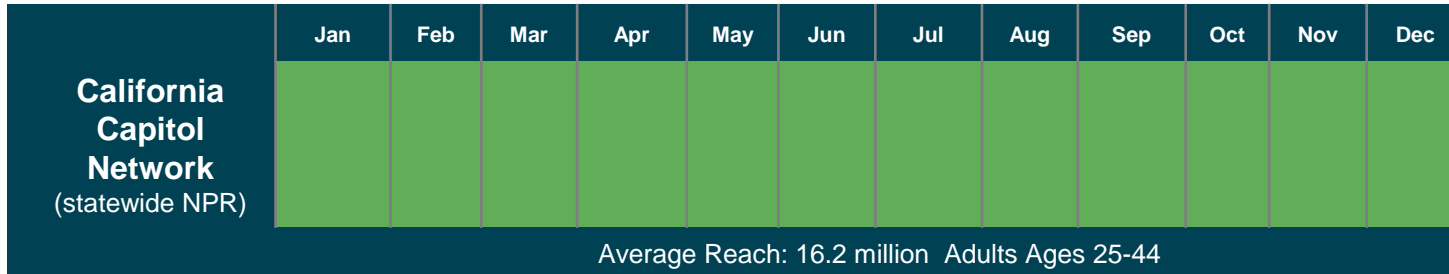
Looking Ahead...

Gain Accounts/AUM



Our print and radio advertising initiatives deliver both brand awareness and opportunities to promote specific offers.

- NPR provides good reach across the state and supplements our digital spend.
 - 52-weeks a year
 - Five :15-second units/week
 - AM/PM Drive Time



Publication	Frequency	Audience per Issue
Comstock's	6x/year	85,000
Roll Call	Monthly	457,150
Peachjar	6x/year	300,000

In Q1, the PR team focused on planning for Scholar Dollars and National 529 Day.

Program	Month	Description	Results
Scholar Dollars	Late 2016 – May	Grant Program, Events	<ul style="list-style-type: none">• 396 schools participated• 13 blog posts reached 387,000+ monthly unique visitors• Online news articles reached 322,460+ monthly unique visitors
National 529 Day	Jan. – May	Media Outreach/Activations, Consumer Events	<ul style="list-style-type: none">• In progress. Results to be shared in Q2 report.

Engagement with social media content indicate platforms are successfully positioning ScholarShare as a trusted resource for parents.

Twitter	Facebook	Instagram
<ul style="list-style-type: none"> • 2,974 follows • 32 Brand Tweets • 147 Mentions • 1,040 Engagements (Retweets, Replies, Favorites) • 431 Bitly Clicks • 638,503 Potential Reach • 1,639,130 Potential Imps <p>Highlights:</p> <ul style="list-style-type: none"> • Likes +267%, Retweets +47.5% • 4 out of 5 top-performing 1Q17 Tweets include human faces • Parenting and Holidays/Culture content consistently drives greatest engagement 	<ul style="list-style-type: none"> • 65,305 fans • 65 Page Posts • 7,760 Engagements (Likes, Comments, Shares) • 4,495 Link Clicks • 400 Video Plays • 475,432 Reach • 603,973 Impressions <p>Highlights:</p> <ul style="list-style-type: none"> • Engagements +5.4% • Published content yielded a 3.9% Engagement Rate • Unpublished content was used to drive clicks to deeper category content • Similar to Twitter, Parenting, Holidays, Culture and Promotional content outperforming Educational and Financial content 	<ul style="list-style-type: none"> • 316 follows • 3,278 Engagements • 41 Link Clicks <p>Highlights:</p> <ul style="list-style-type: none"> • Primarily using Instagram to extend reach of promoted Facebook content • Ads generated nearly 3,300 additional engagements on content published on Facebook

Social Media Most Engaging Tweets

Gain Accounts/AUM



76,915
potential
impressions
323 engagements



67,135
potential
impressions
216 engagements



63,040
potential
impressions
122 engagements



52,834
potential
impressions
60 engagements



27,624
potential
impressions
50 engagements

Social Media Most Engaging Facebook Posts

Gain Accounts/AUM

ScholarShare California's 529 College Savings Plan
Published by Rachel Jackson-Henderson [1] · March 6 · 0 · 48

Nearly 400 California schools registered for the ScholarDollars grant program. Visit myscholardollars.com to see which schools in your community signed up and vote for your favorites. Vote once daily now through March 24.



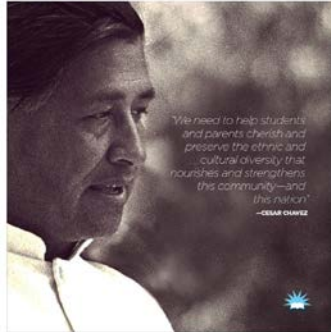
Vote for your school today!

ScholarShare California's 529 College Savings Plan
Organization [Learn More](#)

12,139 reach
17,206 impressions
485 engagements

ScholarShare California's 529 College Savings Plan
Published by Rachel Jackson-Henderson [1] · March 31 · 48

Today we honor the legacy of civil rights activist Cesar Chavez. #CesarChavezDay



ScholarShare California's 529 College Savings Plan
Organization [Learn More](#)

10,924 reach
15,064 impressions
522 engagements

ScholarShare California's 529 College Savings Plan
Published by Rachel Jackson-Henderson [1] · March 17 · 48

Help your local school receive a ScholarDollars Grant! Vote once per day through March 24 at myscholardollars.com.



ScholarShare California's 529 College Savings Plan
Organization [Learn More](#)

10,680 reach
16,471 impressions
538 engagements

ScholarShare California's 529 College Savings Plan
Published by Rachel Jackson-Henderson [1] · January 16 · 48

"The time is always right to do what is right."
Today, we honor the leader of the Civil Rights movement, Dr. Martin Luther King, Jr. #MLKDay



ScholarShare California's 529 College Savings Plan
Organization [Learn More](#)

9,952 reach
13,326 impressions
532 engagements

ScholarShare California's 529 College Savings Plan
Published by Rachel Jackson-Henderson [1] · February 22 · 48

"It is not what you do for your children, but what you have taught them to do for themselves that will make them successful human beings." - Ann Landers #Parenting



ScholarShare California's 529 College Savings Plan
Organization [Learn More](#)

7,386 reach
9,767 impressions
435 engagements



Outreach Events Summary

Gain Accounts/AUM

Timing	Number of Events	Number of Attendees	Events
Q1	70	287,000	Napa Moms Preschool Fair, CalPERS Benefits Education Event, San Gabriel Lunar New Year Festival, Steps to College (Pasos a la Universidad) 2017, Bay Area Discovery Museum Free First Wednesday, Fairytale Town Sutter Children's Center Wellness Festival, HR WEST, Pasadena Baby & Kids Experience, Chinese New Year Lantern & Fireworks Festival, Sierras Moms -11th Annual Children's Activity and Preschool Expo

Key Initiatives

1. Legislator Visits w/ Diploma Dog
2. Media Drops w/ Diploma Dog
3. Press Relations
4. Pop-Up Activations
5. Mom-Focused Webinar (529 Crib Notes)
6. DM/EM/Display/Social



A Day in The Life



TV Interview Channel 8
San Diego &
Lajaja Kids Live Mandarin
presentation/webinar



Sponsor at Financial
Planning Association
(FPA) Conference &
San Diego Kids Expo



Radio Interviews
Sound of Hope



Office days, follow up
on leads



Booth at a Employer
Benefits Fair



529 Day Promotion –
529 Crib Notes Webinar-
Live with Rosie Pope

Curating the AO Experience

Maturing AO Relationships

- On-boarding program developed for new Account Owners, setting the stage for a more engaged client experience.
- DM Thank You Card followed by email series highlighting capabilities and options like ACP.

Dear Sample A. Sample:

Thank you for choosing ScholarShare as your 529 College Savings Plan.

As you learn more about ScholarShare and all the ways we have to help you reach your college savings goals, we want you to know that we're here for you. We're ready to help answer any questions you may have about plan benefits, how it all works, and how to reap the tax advantages of your ScholarShare 529 account.

Thanks again for choosing ScholarShare. We're proud to be California's 529 College Savings Plan. And yours.

Sincerely,



Julio Martinez
Executive Director ScholarShare Investment Board

If you have any questions, please give us a call at (877) 237-2147, or visit us online at www.ScholarShare.com.

TIAA-CREF Tullion Financing, Inc., Plan Manager. 140253

Keep this information handy for easy access to the help you need:

Our website:
www.ScholarShare.com

FAQs about your plan:
www.ScholarShare.com/help/faq

Your account portal:
www.ScholarShare.com/login
Or save our contact information in your phone

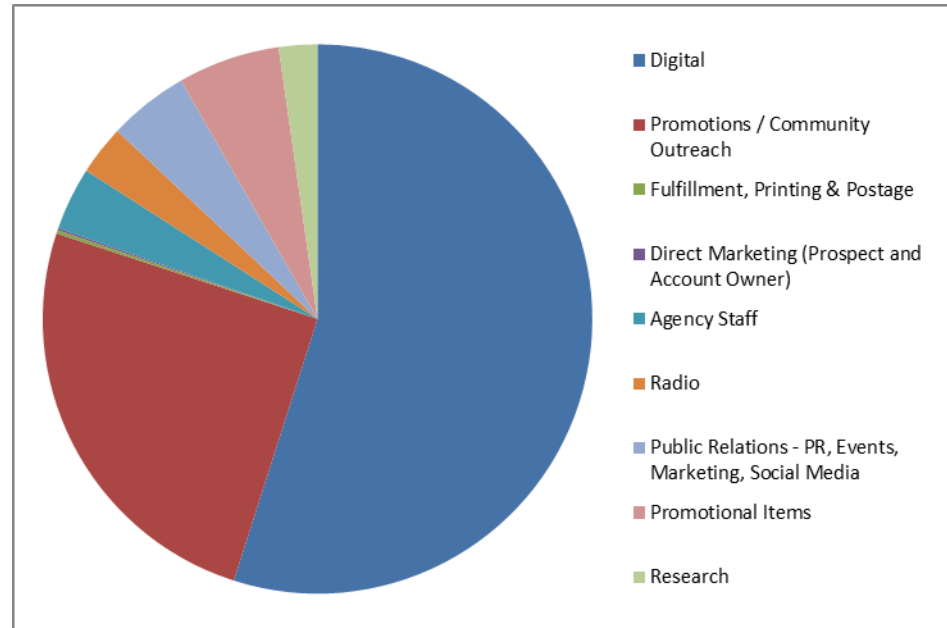
Customer service:
(877) 237-2147

 **SCHOLARSHARE**
CALIFORNIA'S 529 COLLEGE SAVINGS PLAN

Appendix

2016 Marketing Budget

- Total annual marketing budget for 2017: \$10 million.
- Q1 spending totaled \$2,534,848.



ACTUALS AS OF 3/31/17	Spending	%
Digital	\$ 1,392,428	55%
Promotions / Community Outreach	\$ 636,459	25%
Fulfillment, Printing & Postage	\$ 5,205	0%
Direct Marketing (Prospect and Account Owner)	\$ 3,184	0%
Agency Staff	\$ 93,914	4%
Radio	\$ 74,063	3%
Public Relations - PR, Events, Marketing, Social Media	\$ 119,781	5%
Promotional Items	\$ 152,334	6%
Research	\$ 57,481	2%
TOTAL	\$ 2,534,848	100%



SCHOLARSHARE
CALIFORNIA'S 529 COLLEGE SAVINGS PLAN

