
APRIL 5, 2018

**AGENDA ITEM 6
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Review of 2017 Marketing Performance for the ScholarShare 529 College Savings Plan

Background

TIAA-CREF Tuition Financing, Inc. (TFI), the program manager for the ScholarShare 529 College Savings Plan (Plan), has provided its “2017 Marketing Results” for the Plan. It includes an overview of the account and asset results for 2017 and how they measure against the marketing performance criteria adopted by the ScholarShare Investment Board.

The overview also outlines the budget and results for marketing activities completed in 2017 which include:

- 2017 Achievements
- Display and Search, Messaging
- Seasonal Campaigns
- Account Owner-Focused Initiatives
- Employer Marketing
- Media Mix
- Social Media
- Outreach Events
- Budget

Presenter

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



2017 Marketing Results

April 5, 2018

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

Educate families about ScholarShare 529 and the importance of saving for college.

Ensure ScholarShare 529 brand is well known and understood among key target audiences.

Drive new account growth and increased AUM through initiatives that reflect the target market characteristics.

Harness employer endorsements and RIA partnerships to build business.

Drive Account Owner subsequent contributions through engagement initiatives and personalized communications.

1. Amplify ScholarShare 529's voice to strengthen families' understanding of effectively funding a child's education throughout their development (start-up through distribution).

1. Assess and monitor ScholarShare 529's brand health among key target audiences.

1. Target parents of newborns to establish accounts – potentially through healthcare/hospital partnerships and baby gift registries.

1. Leverage SIB staff contracts and associated outreach efforts to engage municipal employers/affinity groups.

1. Build on successes of ACP and jump-start programs to drive subsequent purchases.

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.

2. Through paid media, media/public relations and non-paid media, strengthen ScholarShare 529's brand identity to ensure tactical marketing initiatives deliver desired results.

2. Develop packaged offer leveraging defaults to lower purchase barriers (create mobile app for express account opening).

2. Support Field Consultants and SIB staff with a robust employer/ employee communications system.

2. Leverage content marketing techniques to further engage Account Owners and drive purchases/retention.

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.

3. Strategically leverage sponsorships and partnerships to drive brand awareness.

3. Develop offer tailored to consumers of greater affluence and financial knowledge.

3. Build richer connections with RIAs to ensure ScholarShare 529 program benefits are well understood.

3. Demonstrate how gifting can help families reach goals and feel satisfied by their collective impact.

4. Activate influencers, including friends and family, to advocate for the ScholarShare 529 brand.

4. Leverage multi-cultural marketing techniques to engage Asian and Hispanic communities.

ScholarShare 529 Business Results

Accounts and Contributions	December 31, 2016	December 31, 2017	% Change
Total New Accounts Opened	24,070	29,858	20.92%
Total New Contributions Collected	\$667.1 million	\$789.6 million	18.4%

Growth Rate	ScholarShare 529	Industry	% Difference
Annual Asset Growth Rate	17.8%	18.8% *	-1.0%

Rollovers	Performance Criteria	YTD 2017	
% of Plan Accounts Closed Due to Rollovers	< 2.0%	0.50% **	-0.02% **

Accounts and Assets	December 31, 2016	December 31, 2017	% Change
Total Open Accounts	282,562	299,900	6.1%
Total Assets	\$7.0 billion	\$8.3 billion	17.8%
Market Share*	5.1%	5.0%	-0.1%

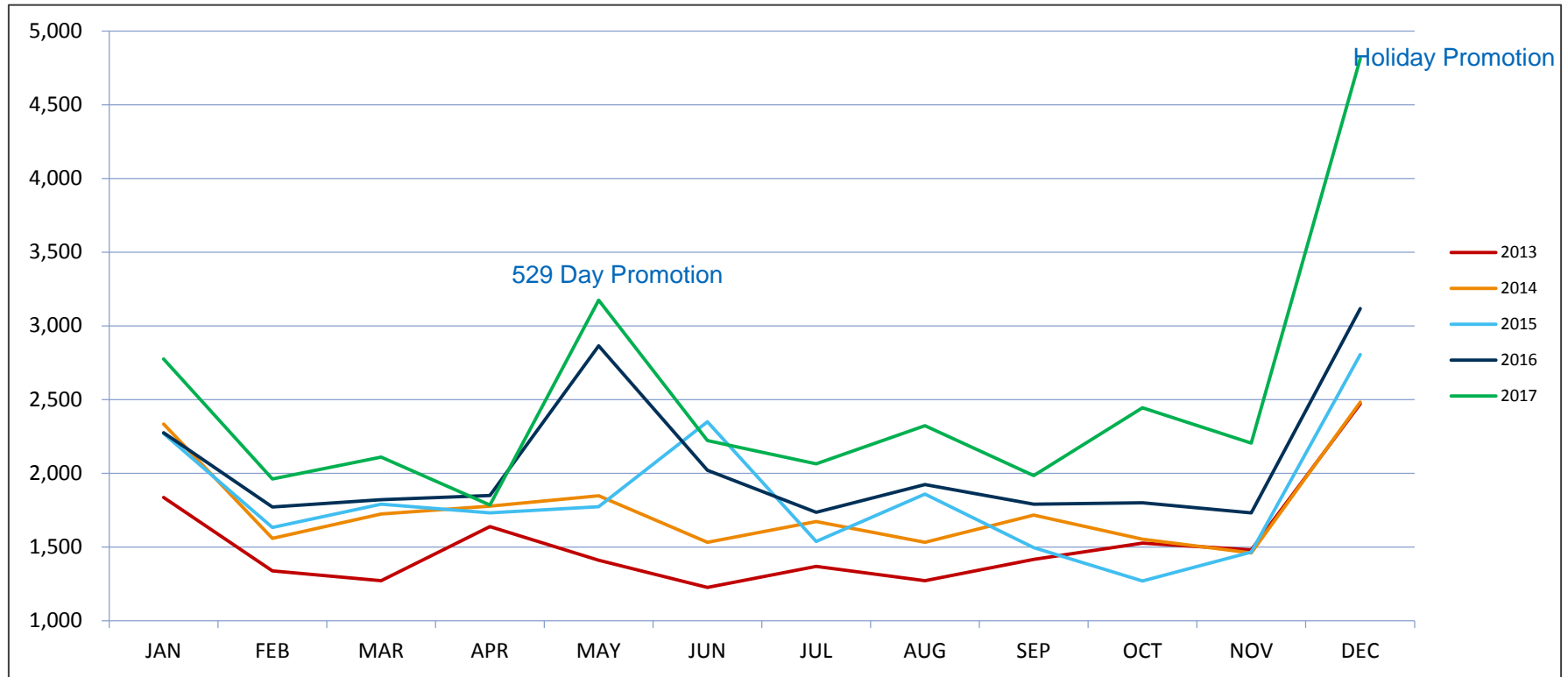
* Source: Strategic Insight –Direct Sold 529 Plans – Q4 2017.

** YTD 2017 (as of 12/31/17), 1,385 Accounts rolled out vs.1,294 Accounts valued in 2016.

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

Gross New Accounts

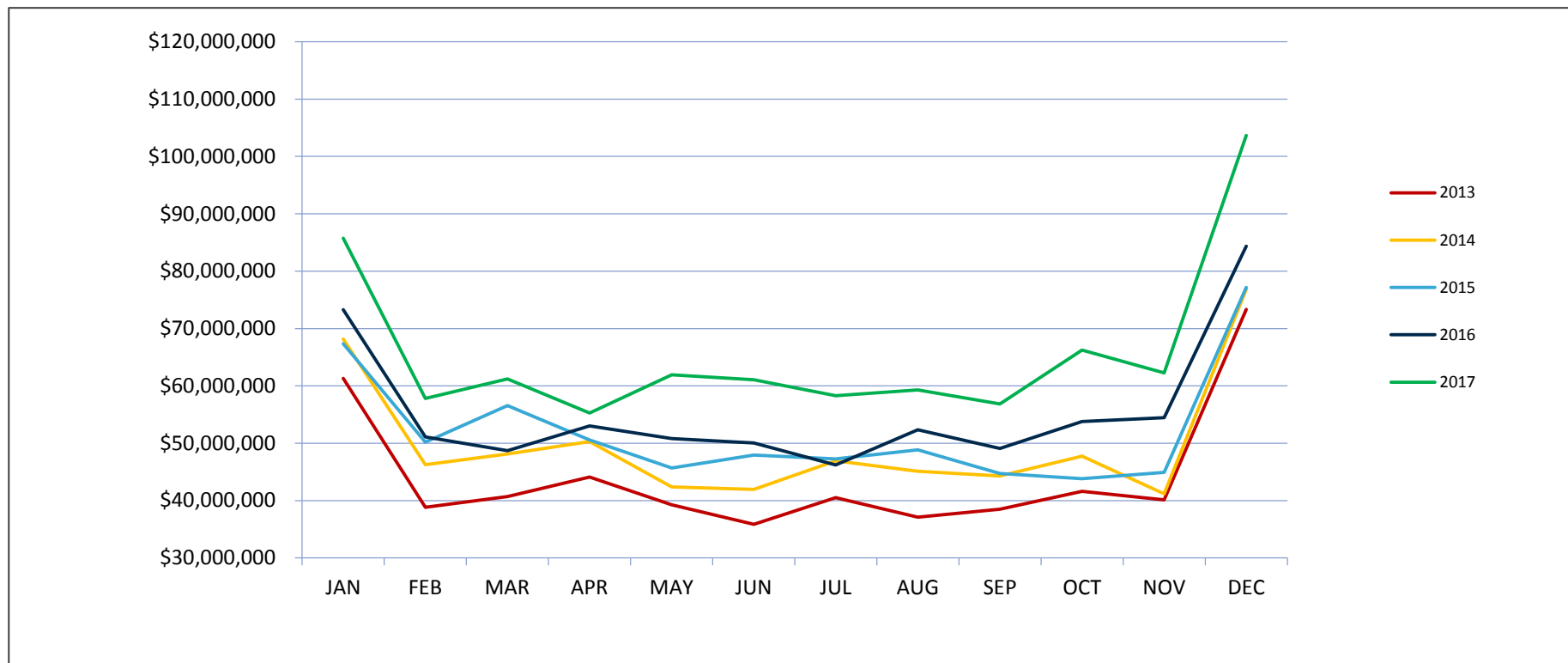
- 29,858 Gross New Accounts Opened in 2017, up 21% over 2016



	2013	2014	2015	2016	2017
TOTAL YTD	18,247	21,187	21,976	24,700	29,858

Contributions

- \$790 Million in Contributions in 2017, up 18% over 2016



	2013	2014	2015	2016	2017
TOTAL YTD	\$ 531,351,823	\$ 599,329,571	\$ 625,074,760	\$ 667,134,973	\$ 789,567,824

Marketing Plan – 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 529 and the importance of saving for college.</p>	<p>Ensure ScholarShare 529 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 (Registered Investment Advisors) partnerships to build business</p>	<p>Drive Account Owner subsequent contributions through engagement initiatives and personalized communications.</p>
<ul style="list-style-type: none"> • Matching Grant Program established • Scholar Dollars Grant Program established 	<ul style="list-style-type: none"> • Brand Health Research conducted • New brand roll-out implemented 	<ul style="list-style-type: none"> • Seasonal campaigns executed • Evergreen digital messaging established • Media optimization strategies implemented • Target audience models established and refreshed 	<ul style="list-style-type: none"> • Tested Employer-focused initiatives, with emphasis on state agencies 	<ul style="list-style-type: none"> • Onboarding program for new AOs (Account Owners) established. • Content drip communications implemented to keep AOs engaged • ACP Incentive pilot launched

Lay the Foundation

Educate families about ScholarShare 529 and the importance of saving for college.

	Scholar Dollars	Matching Grant	Research Informed Public Relations
Strategy	Heighten awareness of college savings and ScholarShare 529 through school grant program	Incentivize LMI (Low to Moderate Income) families to save for college through matching grant offer	Consumer research conducted on parental attitudes toward college savings to gain interest among media outlets and employers
Offer	20 grants totaling \$300,000 awarded to schools submitting grant applications and garnering the most community votes	\$200 matched for new LMI AOs, with \$25 incentive for ACP sign-up	Offered media and employers consumer insights to stimulate information sharing
Timing	January – April 2017	December 2017 – January 2019	Research – March 2017
Media	DM, EM, Social Media, Bloggers, Press Release, Award Ceremonies, Local media outreach	Press Conference in LA – 12/7/17 Partnerships with CBOs (Community Based Organizations); Bloggers; Liz Hernandez	Research used to engage press outlets and employer audiences
Results	400 Schools registered; 70,000 voters, 400,000 votes. At total of 100 new accounts opened from voters.	Press conference and press release garnered strong media coverage – 7 broadcast, print and online media outlets attended event; 25 pieces were published. Additionally, 97 media outlets picked up the press release.	Media outreach resulted in national coverage in U.S. News & World Report that included a link to the study’s infographic. Article was titled: “Don’t Fall for These 6 Myths About College Savings.”

Manage the Brand

ScholarShare 529 Brand

Strategy

- Study ScholarShare 529 brand health and adjust marketing approach to leverage brand strengths and optimize opportunities
- Develop and execute innovative media plan to reshape the brand's level of appeal to key audiences

Offers

- 100% Tax-Free Growth
- 25% More Money for College

Timing

Research – Q1
Rebranding Campaign in-market – Q4

Media

Streaming video on Hulu and YouTube, sponsored listening on Spotify

Results

Brand lift study confirmed brand was better known after video spots were viewed, and advertised claims were associated with the brand.

- Premium video placements yielded positive ad engagement among key prospect audiences
- 78% video completion rate across all tactics
- Above average post-view Click Thru Rates on display banners
- Brand Awareness +45% and Ad Recall +49% among people who completed a video



Evergreen Messaging

Display and search supported “always-on” messaging in-market throughout the year.

	Display	Search
Strategy	Utilize advanced targeting methods to establish awareness and build consideration among Prospect audiences and to drive additional account openings and contributions among Account Owners; display banners play a role throughout the Consumer Decision Journey.	Use paid media to intercept audiences performing online searches for information relevant to college saving; a variety of keywords and ad copy are used to increase relevance among audiences at different points in the Consumer Decision Journey.
Offer	No monetary incentive offered; 100% tax-free growth and 25% more money introduced in 4Q	No monetary incentive offered
Timing	Annual	Annual
Media	Digital display banners delivered to three audience segments: Prospects, Account Owners, and previous site visitors.	Text ads appearing on Google.
Results	Delivered 170 million impressions, 87k web clicks. Finalized conversion tracking implementation in August.	Delivered 2.7 million impressions, 116k web clicks. Finalized conversion tracking implementation in January 2018; conversions and revenue data to appear in forthcoming presentations.

Seasonal Campaigns

Data-Driven marketing campaigns in 2017 leveraged sophisticated list modeling, multi-media messaging, and incentives to impact new account results.

	New Year's	Tax Time	529 Day	Back to School	Holiday Promotion
Strategy	Drive account openings and contributions with seasonal, typically relevant communications that highlight the program's benefits. Programs targeted prospects and AOs.	Drive account openings and contributions with seasonal, typically relevant communications that highlight the program's benefits. Programs targeted prospects and AOs.	Drive immediate account openings and enrollment in in ACP through a Limited Time Offer promotional offer. Programs targeted prospects and AOs.	Drive account openings and contributions with seasonal, typically relevant communications that highlight the program's benefits. Programs targeted prospects and AOs.	Drive immediate account openings and enrollment in in ACP through an LTO promotional offer. In addition General Market prospects and AOs, deployed programs targeting CA state employees
Offer	No monetary incentive offered	No monetary incentive offered	\$50 match, restrictions apply	No monetary incentive offered	\$50 Target gift card, restrictions apply
Timing	January 2017	3/9 - 4/21	5/24 – 5/26	9/18 -9/30/17	State Employees: 12/1 – 12/8 General Market: 12/7- 12/8
Media	Email, display banners	Direct mail, display banners	Direct mail, email, digital display banners, streaming audio	Direct mail, email, digital display banners	Direct mail, email, digital display banners, state employee materials
Results	Total of 4,526 transactions valued at \$4.2 million	91 million impressions 37k web clicks / 0.04% CTR Direct channels drove 1,156 new accounts	16 million impressions 11k web clicks / 0.07% CTR 1,820 total accts opened; 1,188 eligible for incentive	29 million impressions 19k web clicks / 0.07% CTR Direct channels drove 1,081 new accounts	13 million impressions 9k web clicks / 0.07% CTR 1,439 accts eligible for the incentive; <ul style="list-style-type: none"> • 1,096 Public Offer • 343 State Employees

AO Focused Initiatives

Engage current AO's to deepen relationships and grow AUM and # of accounts.

	Onboarding	Content Drip	ACP Incentive Pilot
Strategy	Welcome new account owners and encourage early adoption of good saving behaviors such as enrolling in ACP, engaging family and friends in saving for a child's higher education, making one-time contributions throughout the year as funds are available, etc.	Enrich relationships with Account Owners through contextually relevant content; cadence	Strategically stimulate ACP registrations among account owners by offering a financial incentive tied to a customer milestone
Offer	No monetary incentive offered.	No monetary incentive offered.	Test \$0, \$25, \$50 incentives
Timing	Launched in July; ongoing.	August, October, December	9/15-10/15/17
Media	Direct mail, email	Email	Direct mail, email
Results	<ul style="list-style-type: none"> • 31k emails sent / 19k opens (61% Open Rate) • 1,300 website clicks (4.2% Click Thru Rate) • 165 additional accounts opened • 44.8% ACP participation 	<ul style="list-style-type: none"> • 310k emails sent / 101k opens (32.5% Open Rate) • 2,700 website clicks (0.87% Click Thru Rate) • 836 additional accounts opened 	<ul style="list-style-type: none"> • Campaign drove 155% lift in sign-up vs. control group • \$50 incentive outperformed the low- to-no offer • Email + Direct more effective when deployed together • Aligning with birthdays drives greater response than Account Tenure • Saw higher enrollment rates among younger beneficiaries with lower assets; business impact is higher among older beneficiaries with higher assets

Employer Marketing

College Savings Month

Strategy

Use College Savings Month to grow awareness of ScholarShare 529's employer program. Target: HR and benefits managers from Municipalities, Chamber of Commerce organizations, and private companies.

Offer

100% tax-free growth, payroll deduction, zero cost to employer

Timing

September 2017

Media

Broadcast, digital marketing, public relations, direct mail, webinar

Results

Broadcast "news-style" spot aired in SF, LA and Sacramento.
7.6M+ impressions
68k video views in social channels (85% video viewing completion rate in Facebook)
1,000+ clicks on search ads
58 webinar registrations, 29 attendees, and 13 immediate leads



Paid Media Mix

Areas of Focus in 2017

- Reduce use of platforms where impact is difficult to measure – print and NPR
- Increase use of platforms that allow for greater access to data – digital
- Explore new tactics that provide richer story-telling opportunities and deeper brand connections – video in premium digital environments and streaming audio
- Leverage the strength of digital media to test audience response to key messages in relatively short periods of time

What We Learned

- To date, elimination of offline tactics has had no negative impact on the business
- Formalized media RFP process inspires ideation and greater collaboration with media partners and allows for greater negotiating power
- Rich media placements such as those in Hulu and Spotify helped to increase brand awareness and brand recall by nearly 50% among parent prospects
- ACP test demonstrated the interconnected relationship between media channels; prospects who received both Email and Direct Mail were more likely to convert to ACP than audiences only receiving Email
- Prospect audiences and current AOs respond differently to key claims; inspired additional testing
 - “25% more money” yielded greater impact among Prospect audiences
 - “100% tax-free” yielded greater impact among AOs

Social Media

Positive social engagement – including increased click volume to ScholarShare529.com – indicates programs are connecting with parents of young children and inspiring additional learning about ScholarShare 529.

Twitter	Facebook	Instagram	LinkedIn
<ul style="list-style-type: none"> • 2,998 follows • 237 brand Tweets • 1,959 engagements • 16,500 link clicks • 167,202 video views • 2,288,800 impressions 	<ul style="list-style-type: none"> • 64,981 fans • 151 page posts • 18,753 engagements • 8,542 link clicks • 176,580 video views • 1,072,630 reach • 1,810,212 impressions 	<ul style="list-style-type: none"> • 400 follows • 20,072 engagements • 496 link clicks <p>Highlights:</p> <ul style="list-style-type: none"> • Platform continues to drive significant social engagement with published content • Instagram audiences are showing lower likelihood to click on action-oriented paid posts 	<ul style="list-style-type: none"> • Updated profile to establish greater relevance among B2B (Business to Business) influencers / HR and benefits managers • Launched first paid campaign during College Savings Month; used channel to create awareness of an upcoming webinar • Channel will play an integral in supporting Workplace Savings
<p>Highlights:</p> <ul style="list-style-type: none"> • Modified paid social program to become more action-oriented; content strategy tied closely to key promotions and includes stronger CTAs (Calls to Action) tied to specified • Applying segmented audience targeting providing greater understanding of key triggers 			

Social Media

Top Facebook Posts



322 Social Engagements



1,161 Social Engagements



336 Social Engagements



258 Social Engagements



579 Social Engagements



259 Social Engagements

Social Media

Top Tweets



318 Social Engagements



217 Social Engagements



127 Social Engagements



120 Social Engagements



62 Social Engagements



48 Social Engagements

Outreach Events – 2017 Summary

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
Q2	112	237,000	Kids Expo California 2017, 9th Annual Babies and Bumps, Oceanside Business Expo, 2017 OC Fair Imaginology, LA TIMES Festival of Books, Los Angeles Ultimate Women’s Expo, San Diego Kids Expo, Latino Business Expo, UC Irvine Benefits Fair, Whittier College Health Fair, Department of Business Oversight Financial Literacy Fair
Q3	111	57,765	Fairytale Town - International Celebration, Univision ScholarShare Festival de Ninos, Kids N Fun Festival Cupertino, Community Resource Fair Movie Night (Assembly member Kansan Chu), Santa Barbara County Office of Education, NCHRA Global Conference, PIHRA Annual Conference, SONY Employee Benefit Fair, Benefits/Wellness Fair for Yolo County/City of Woodlands/Superior Court, 2nd Annual Latino Community Festival, ” Sequoia Zoo 110th Birthday Bash, State Compensation Insurance Fund (SCIF) Employee Benefit Fairs
Q4	39	51,880	State Compensation Insurance Fund Employee Benefit Fairs, Univision’s Feria de Education, Bay Area Book Fair, TRU Hope Summit College and Career Fair 2017, Sacramento Women’s Expo, San Diego Kids Expo & Fair, County of Fresno’s Health Fest, Latino Business Expo, LA Baby Show, K-12 Professional Development Conference.

Employer Outreach

- **2017 Employer activates total: 301**
 - Employee Presentations, benefit/wellness fairs/on-site counseling sessions: 151
 - HR meetings/presentations: 150
- **HR Association meetings/Conferences: 20**
- **New employers that on boarded: ScholarShare 529 Workplace Savings Programs: 24**
 - Some of the wins:
 - Brown University
 - Dana Farber Cancer Institute
 - California Institute of Technology & Jet Propulsion Laboratory
 - Key Point Credit Union
 - Superior Court of California, County of Contra Costa

SD Regional Chamber of Commerce Memorable moments 2017.



- **Sony Interactive Entertainment (SIE):** Employer match resulted in 433 new accounts for ScholarShare 529. SIE will continue to match employee contributions in 2018.
- **Multilingual events/webinars/presentations: 19**
- **Community events (Presentations at Schools, non-profit organizations, Mom Clubs, partnerships such as PIQE and news interviews): 17**

Q1 2018 Initiatives

- New Year's Email Campaign
- Q1 Claims Test
- Scholar Dollars 2018 Launch
- Matching Grant Program Roll-Out
- Latino Readiness Assessment
- Employer Engagement Strategy
- AO Onboarding Communications Continues
- Preparation for 529 Day Campaign

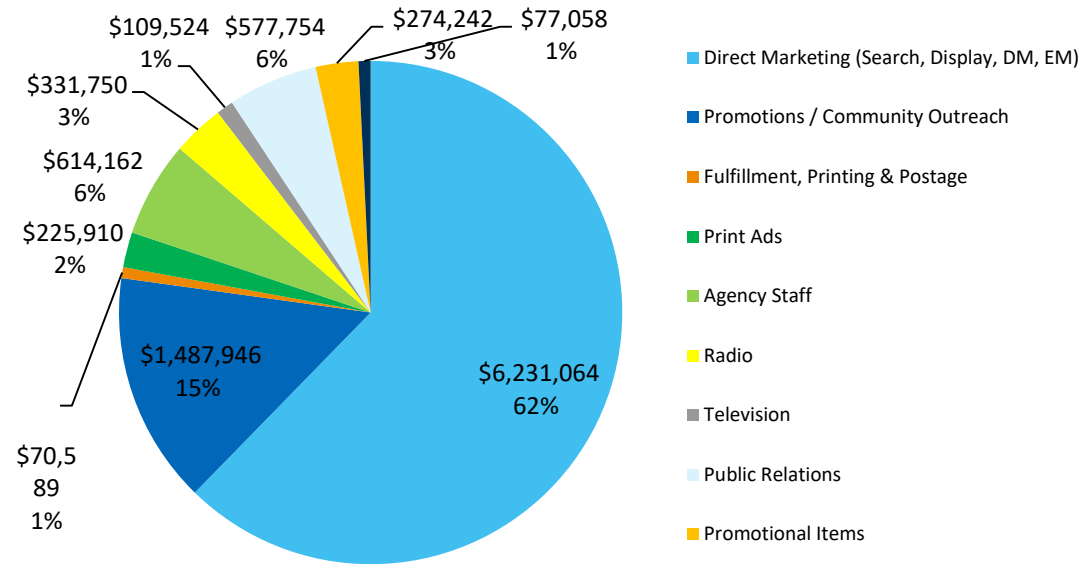




Appendix

2017 Marketing Budget

- 2017 Marketing Budget: \$10 million
- Promotions/Community Outreach category includes incentives paid to new Account Owners (Switch, Holiday Match 2016, and 529 Day 2016)



ACTUALS AS OF 12/31/17	Spending	%
Direct Marketing (Search, Display, DM, EM)	\$ 6,231,064	62%
Promotions / Community Outreach	\$ 1,487,946	15%
Fulfillment, Printing & Postage	\$ 70,589	1%
Print Ads	\$ 225,910	2%
Agency Staff	\$ 614,162	6%
Radio	\$ 331,750	3%
Television	\$ 109,524	1%
Public Relations	\$ 577,754	6%
Promotional Items	\$ 274,242	3%
Research	\$ 77,058	1%
TOTAL	\$ 10,000,000	100%