
JUNE 22, 2022

**AGENDA ITEM 11
INFORMATION ITEM**

SCHOLARSHARE INVESTMENT BOARD

Marketing Update for ScholarShare 529

Background

TIAA-CREF Tuition Financing, Inc. (TFI), the program manager for ScholarShare 529 (Plan), has provided its “Q1 2022 Marketing Results” for the Plan. It includes an overview of the account and asset results for first quarter 2022 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 the first quarter of 2022, which include:

- Q1 2022 Achievements
- ScholarShare 529 Business Results
- Recent Purchaser Research
- 2022 Matching Grant Program
- Campaigns – Made in California and CalKIDS
- New Account Growth Campaigns and Creative
- 529 Day 2022 Campaign
- Public Relations and Media Relations
- Social Media
- Employer Outreach
- Outreach Events
- 2022 Marketing Budget

Presenters

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



Q1 2022 Marketing Results

June 22, 2022

Q1 Executive Summary



Q1 2022 results were mixed with a modest increase in contributions, but a decrease in new accounts year-over-year. These outcomes are consistent with industry trends reported.



Successfully launched new **Lower-Cost Portfolios and ESG investing options** resulting in high media exposure of the plan.



2022 **Matching Grant Program** launched.



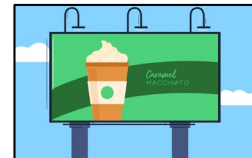
Workplace Savings Program continued to grow in employer participation. Introductions from the Treasurer's External Affairs Staff are proving to be very valuable.



College Countdown enhancements are helping to draw more visitors. Total visits: 69,000.



Recent Purchasers research delivered actionable insights. Thirty 1-on-1 interviews with new AO's conducted.



New campaign creative developed for "Made In California" and CalKIDS.



Streaming video media buy for 2022 targets a **more diverse audience** than in previous years. Video ads in English and Spanish produced.

Marketing Plan—Q1 2022 Achievements

	Goal	Strategy	Achievements
1	Gain New Accounts/AUM	Strategically use marketing resources to grow the plan by 39,270 new accounts and \$1.0158 billion in contributions.	<ul style="list-style-type: none"> 20% of the 2022 new accounts target has been reached and 32% of the contributions target has been reached. Tax Time campaign did not perform as well as in prior years in generating new accounts, a reflection of economic uncertainty fueled by war, high inflation, and market volatility.
2	Launch 2022 Plan Enhancements	Communicate plan enhancements that include Lower-Cost Portfolios and new ESG investing options to demonstrate industry leadership and strong fiduciary management.	<ul style="list-style-type: none"> Marketing materials were created to support February investment changes including articles and explainer videos. Press coverage of the changes were positive.
3	Increase Account Owner Diversity	Leverage the Matching Grant Program, CalKIDS, Local CSAs, strategic partnerships, and targeted media to increase the diversity of ScholarShare 529 account owners.	<ul style="list-style-type: none"> The 2022 Matching Grant Program launched 2/1/22. A new series of "Made in California" streaming video ads were created in English and Spanish. The broadcast media buy for 2022 targets a more diverse audience than in previous years.
4	Champion College Access	Implement new public relations strategy to further establish ScholarShare 529 and CalKIDS as champions of College Access.	<ul style="list-style-type: none"> Recent Purchaser research provided insight into the information needs and barriers to higher ed. within minority communities. Casting of new "Made In California" videos helps all families see that ScholarShare 529 is for them.
5	Grow plan via Employers/RIAs	Continue to build relationships with employers (public and private) and registered investment advisors to attract new account owners.	<ul style="list-style-type: none"> Supported TIAA Field Consultants and SIB Staff in gaining employer partnerships. Introductions from the Treasurer's External Affairs Staff are proving to be very valuable.
6	Enhance College Countdown	Manage the College Countdown program to serve the needs of mature account owners on the cusp of using their 529 savings.	<ul style="list-style-type: none"> Targeting 100,000 total visits by year-end – currently at 69,000. Brought on 529 Expert & Author, Patricia Roberts, as Distinguished Contributor for 2022. New welcome video hosted by Yvette Haring. Program to be featured at 2022 NAST Conference in June.
7	Launch CalKIDS	Promote the CalKIDS program to consumers and other stakeholders to increase awareness of this important stepping stone for families.	<ul style="list-style-type: none"> Public website and Parent Portal are in final stages of design and targeted for a July launch. Advertising and PR plan in place for second half of 2022.

ScholarShare 529 Business Results

Results

Q1 2022 results were mixed with a modest increase in contributions, but a decrease in new accounts. These outcomes are consistent with industry trends reported.

Accounts and Contributions	March 31, 2021	March 31, 2022	% Change
Total New Accounts Opened	9,166	7,981	-12.92%
Total New Contributions Collected	\$313.3 million	\$322.2 million	2.8%

Growth Rate	ScholarShare 529	Industry	% Difference
Annual Asset Growth Rate	7.07%	7.65%*	-0.58%

Rollovers	YTD 2022		
% of Plan Accounts Closed Due to Rollovers	< 2.0%	0.14%**	-0.08%**

Accounts and Assets	March 31, 2021	March 31, 2022	% Change
Total Open Accounts	357,542	377,531	5.6%
Total Assets	\$11.8 billion	\$12.6 billion	7.1%
Market Share*	4.84%	4.82%	-0.02%

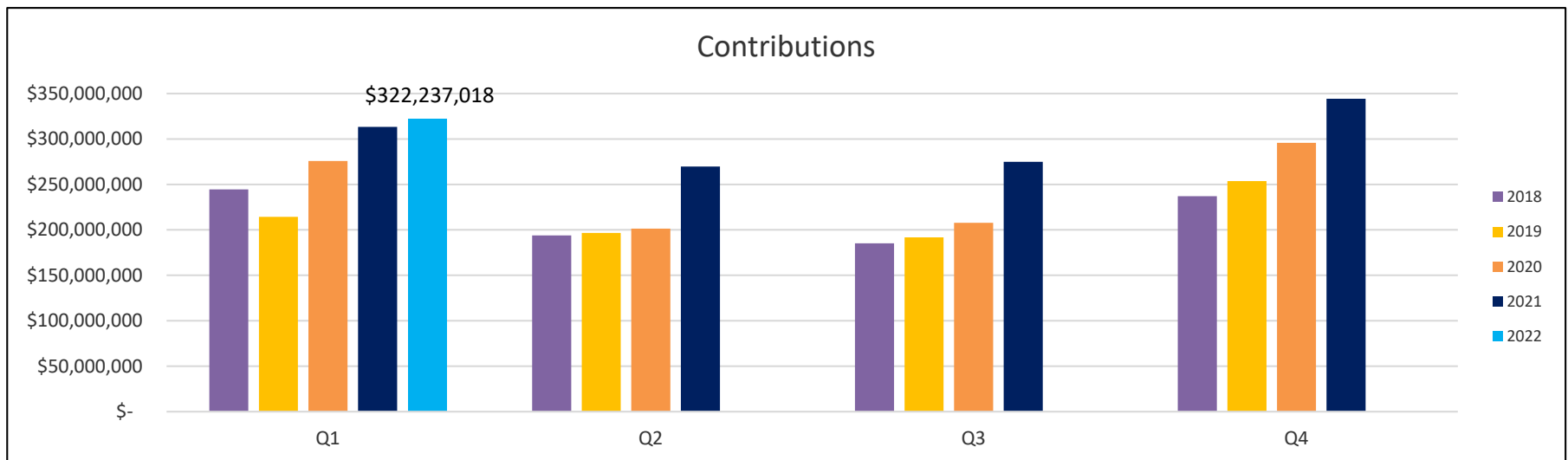
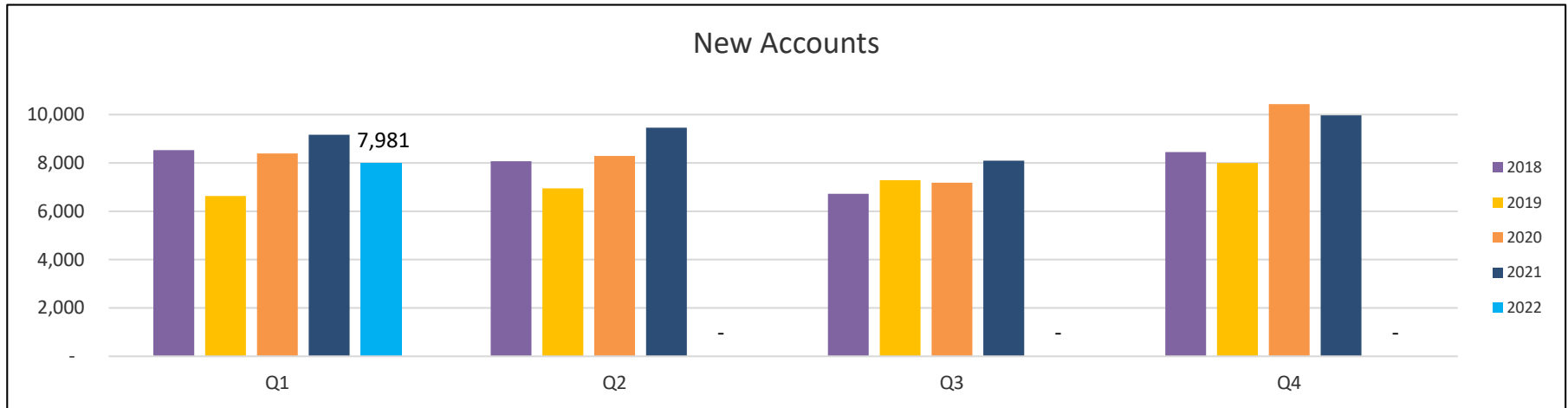
* Source: ISS Market Intelligence—Direct Sold 529 Plans—Q2 2022. Q2 Quarterly Growth Rate for ScholarShare 529 was -3.42%, versus -3.66% for all Direct Sold Plans.

** YTD 2022 (as of 3/31/22) versus Q1 2021.

All results in this report are for the period ending March 31, 2022.

Gross New Accounts & Contributions

Results



Objective

- Gain a richer understanding of audience attitudes and behaviors at / near the time of initial purchase

Methodology

- Spoke with recent account openers to help draw insights about them and our audience in general

Email outreach to past year
new AOs

Feb 2022



1,007 completed online
prescreening survey

Feb 2022

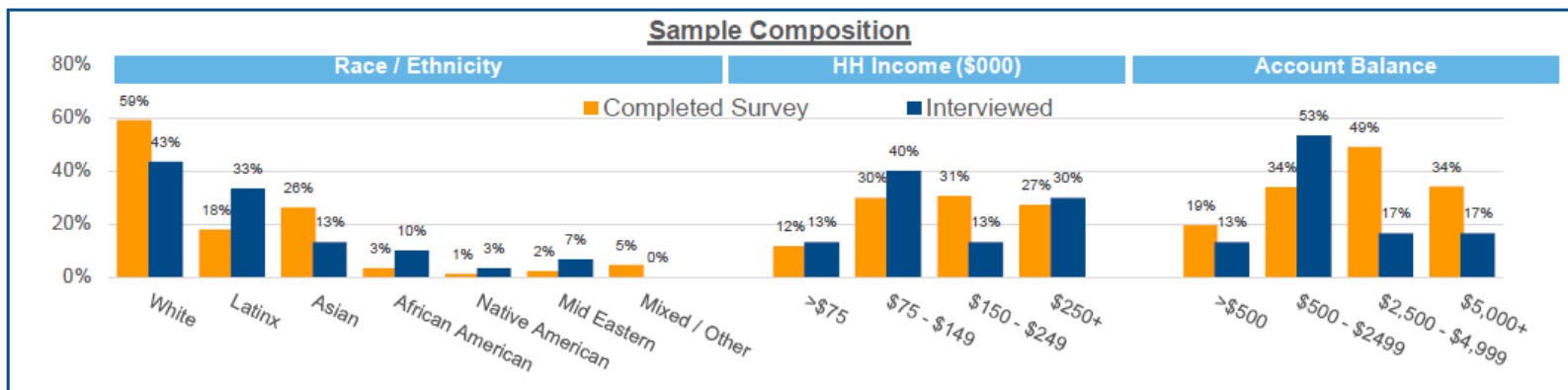


30 selected for pre-work plus one
hour 1:1 online video interview

March 2022

Sample Composition

- Mix of race, ethnicity, incomes and account balances
- Mostly parents, college+. Some MGP, WPS and promo participants
- Screened for comfort discussing personal information, technology access, and role in HH decision making



A new generation of savers:

Strongly motivated to save for college

- Multi-generation tradition
- Their parents struggled to help them
- They self-funded their own education and know how difficult that is
- Peer pressure / FOMO

Urgency to start young

- "I'm starting so early because I'm so terrified of how much it's going to cost"
- "She already turned one and I just was like, oh my God, we're falling behind"

Many saving despite competing financial needs

- "I make <my student> loan payments as I can, if I'm paying on this thing when I die, it'll be what it is"

View saving as something everyone does / should do

- "My peers who have kids around the same age, they're all like talking about this"
- "It's one of those things like doing your will and your estate plan"

Not struggling with "if" their children can attend college

- College is not "affordable" but they attended themselves often under very trying circumstances and will manage for their children

The shopping process:

The shopping process varied significantly based on inter-related factors

- Investment knowledge / relationships, family / friends, affluence

A sense of financial breathing room was a prerequisite to taking action

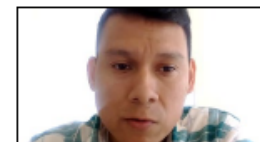
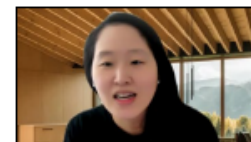
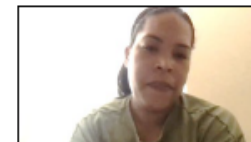
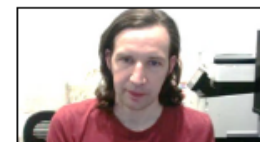
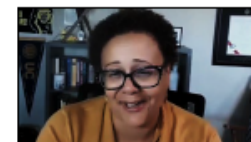
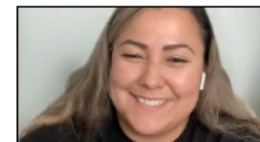
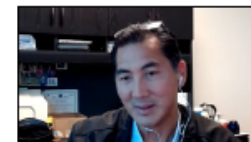
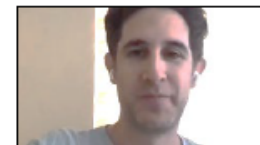
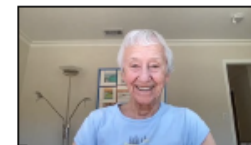
- "Another monthly bill"

Shopping triggered by life or financial event

- Promos helped across the finish line (deadline)

Initial interest in 529s sparked by the tax benefits or by a non-specific desire to have a college savings plan

- Desire for an emotionally "untouchable" account
- Desire to be doing something to prepare for college expenses



Matching Grant Program

Engage
Underserved
Families

Program's fifth year was successfully launched on February 1, 2022. Local nonprofits and community-based organizations continue to partner with us, and we promote the program through social media and PR.

Offer: \$200 dollar-for-dollar match for qualifying accounts opened in 2022. \$25 bonus for ACP set-up.

Target Audience: Low- to moderate-income California families.

Results as of 3/31/22:

- 285 applications received
- 201 new accounts
- \$232,330 in contributions
- \$22,416 in projected Matching Grants

Results as of 6/1/22:

- 408 applications received
- 282 new accounts
- \$325,915 in contributions
- \$33,065 in projected Matching Grants

Note: These are total figures. Eligibility has not been fully determined at this point.

Qualifications:



To be eligible, you must be a resident of California.



Open an account for a beneficiary who will be 14 years or younger on 12/31/2022. The beneficiary cannot have an existing ScholarShare 529 account.



Be the parent or legal guardian of the beneficiary.



Have a household annual adjusted gross income of \$75,000 or less.



Have a Social Security Number or a federal tax identification number. Your beneficiary must as well.

Campaigns – Made In California

Gain New
Accounts/
AUM

- Custom Video & Photography developed to extend the “Made In California” campaign.
- English and Spanish 30-second and 15-second formats.



Meet the Aquino Family

English 30-second

Spanish 30-second



Meet the Sawyer Family

English 30-second

Spanish 30-second



Meet the Cortez Family

English 30-second

Spanish 30-second

Campaigns – CalKIDS

- Integrated campaign from advertising to public website to parent portal.



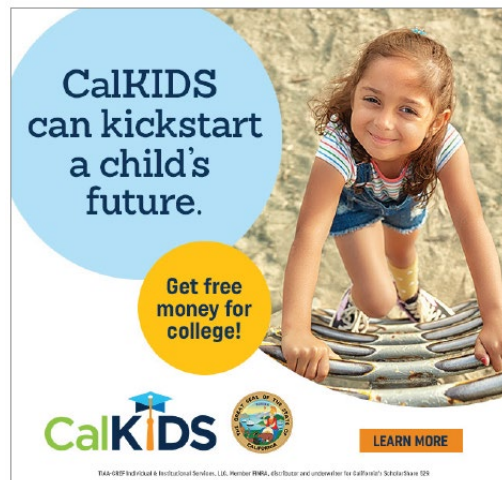
CalKIDS can kickstart a child's future.

Get free money for college!

CalKIDS

LEARN MORE

TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter for California's ScholarShare 529



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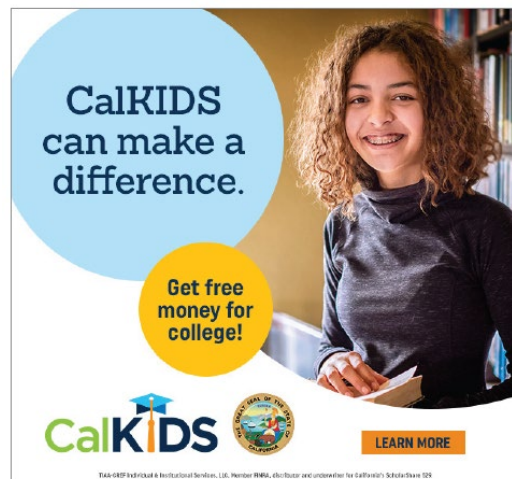
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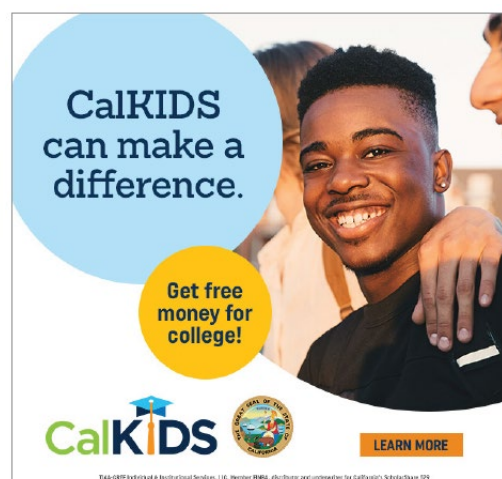
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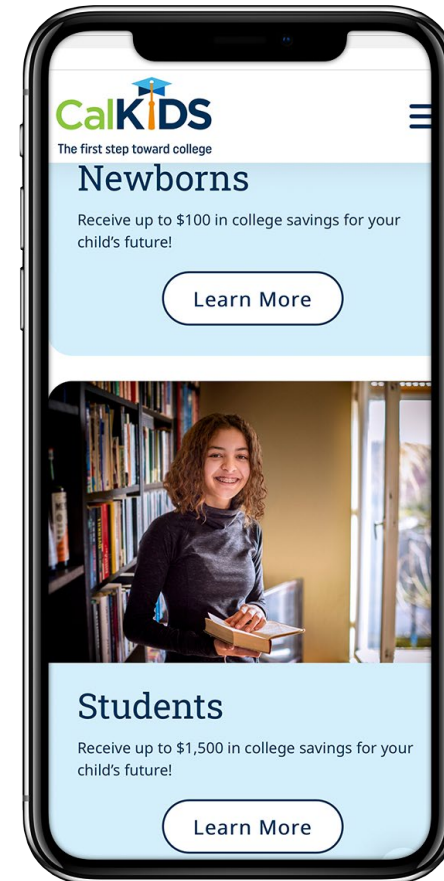
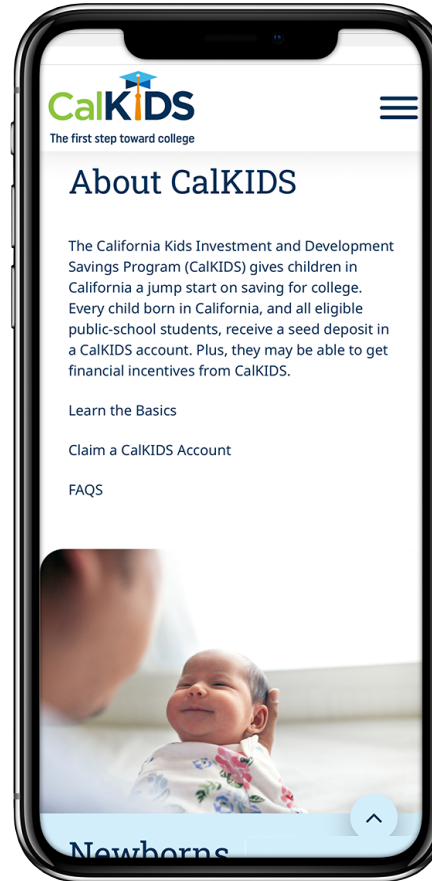
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Driving New Account Growth

Gain New
Accounts/
AUM

Audience	Objective	Tactics and Channels	Cadence
Prospect	<ul style="list-style-type: none"> • Awareness • Interest • Open new accounts 	<ul style="list-style-type: none"> • Search engine marketing • Web advertising • Email (EM) • Direct Mail (DM) 	<ul style="list-style-type: none"> • Seasonal and evergreen
Inquirers	<ul style="list-style-type: none"> • Open new accounts 	<ul style="list-style-type: none"> • Search engine marketing • Web advertising • Email • Direct Mail 	<ul style="list-style-type: none"> • Seasonal and evergreen
New AO's	<ul style="list-style-type: none"> • Fund and engage with account 	<ul style="list-style-type: none"> • Email 	<ul style="list-style-type: none"> • Evergreen
Account Owners	<ul style="list-style-type: none"> • Continued engagement and support • Fund accounts • Open additional accounts • New product engagement features 	<ul style="list-style-type: none"> • Primarily email and display • Limited direct mail • Limited web advertising 	<ul style="list-style-type: none"> • Seasonal and evergreen

Tactical Results

Gain New
Accounts/
AUM

Leverage data-driven marketing techniques to efficiently attract and convert prospect leads.

Audience	Campaigns Measured	Audience Reach Highlights	Engagement and Conversion Highlights
Prospect	<ul style="list-style-type: none"> March Tax Time DM/EM Episodic Programmatic Display Search 	<ul style="list-style-type: none"> ~500K Prospects reached via DM Over 436K Prospects reached via EM Over 65MM Digital Impressions served 	<ul style="list-style-type: none"> Tax Time DM/EM campaign generated 130 recurring contribution sign-ups as of 3/31/22
Inquirers	<ul style="list-style-type: none"> Monthly DM and EM Inquirer Content Drip Stream for new leads since April 2021 	<ul style="list-style-type: none"> Over 3.2K unique individuals reached 	<ul style="list-style-type: none"> 29% e-mail unique open rate 8.4% conversion rate with 274 new accounts generated
New AO's	<ul style="list-style-type: none"> New Account Onboarding program since April 2021 	<ul style="list-style-type: none"> Over 26K unique new AOs reached 	<ul style="list-style-type: none"> 46% email open rate 0.9% account upsell rate with 298 new accounts and 39% recurring contribution sign-up
Account Owners	<ul style="list-style-type: none"> March Tax Time EM Content Drip EM, College Countdown Content Drip EM Episodic/Evergreen Targeted Online Display (DLA) 	<ul style="list-style-type: none"> Over 641K e-mails delivered Over 8.6MM Digital Impressions served 	<ul style="list-style-type: none"> Tax Time EM campaign had a contribution rate of 17.2% and average contribution of \$723 as of 3/31/22

Tactical Results

Gain New
Accounts/
AUM

Economic implications of war and inflation on customer behavior are seen in our Q1 2022 results compared to Q1 2021.

Audience	2022 Engagement and Conversion Highlights	2021 Engagement and Conversion Highlights	Year Over Year Q1 Comparison
Prospect	<ul style="list-style-type: none"> Tax Time DM/EM campaign generated 130 recurring contribution sign-ups as of 3/31/22 	<ul style="list-style-type: none"> Tax Time DM/EM campaign generated 231 recurring contribution sign-ups <i>to 3/31/21</i> 42% sign up rate 	<ul style="list-style-type: none"> Recurring contribution sign-up decreased 43% YoY.
Inquirers	<ul style="list-style-type: none"> 29% e-mail unique open rate 8.4% conversion rate with 274 new accounts generated 	<ul style="list-style-type: none"> 34% email unique open rate 9.9% conversion rate with 301 new accounts generated 	<ul style="list-style-type: none"> Email engagement dropped in 2022. 2022 saw a decrease in conversion rate from 2021.
New AO's	<ul style="list-style-type: none"> 46% email open rate 0.9% account upsell rate with 298 new accounts and 39% recurring contribution sign-up 	<ul style="list-style-type: none"> 51% email open rate 0.8% account upsell rate with 264 new accounts and 40% recurring contribution sign-up 	<ul style="list-style-type: none"> Email engagement dropped in 2022. Account upsell rate remained about the same versus 2022.
Account Owners	<ul style="list-style-type: none"> Tax Time EM campaign had a contribution rate of 17.2% and average contribution of \$723 as of 3/31/22 	<ul style="list-style-type: none"> Tax Time EM campaign had a contribution rate of 17.1% and average contribution of \$825 as of 3/31/21 	<ul style="list-style-type: none"> AO contribution rate remained constant year over year, however, the average contributions decreased by about \$100.

Creative Samples

Gain New Accounts/ AUM

Evergreen Creative

Prospect & Account Owner
• Banners

Tax Time (3/2/22 to 4/18/22)

Episodic:
Prospect & Account Owner
• Direct Mail
• Landing Page
• Banners
• Search
• Emails

GET STARTED

With a ScholarShare 529 account, you can feel good about getting your child's college savings going, and enjoy 100% tax-free growth.¹

100% tax-free growth means your earnings are free from federal and state taxes.

Withdraw funds tax free: Use your 529 savings for college, university, vocational school, graduate programs, apprenticeships and more.

ScholarShare 529 portfolios change less than half the national average for 529 plans.²

Open a ScholarShare 529 account for 100% tax-free growth.¹

GET STARTED

Questions? Call 800-644-5248

Emails
• New Account Owner Onboarding
• Inquirer Content Drip
• Account Owner Content Drip

529 Day 2022 Campaign

Gain New
Accounts/
AUM

This year's 529 Day Campaign resulted in 1,682 new accounts, down 34% versus 2021, but up 2% versus 2020. Initial deposits of \$2.46 million were down 10% versus 2021. These lower results are reflective of current environmental factors.

Strategy	Drive account openings and contributions with popular incentive offer.
Target Audiences	Prospects and Existing AOs.
Offer	\$50 match for new accounts opened 5/24– 5/31 with an initial deposit of \$50 and \$25 recurring contributions for 6 months+.
Timing	Offer available 5/24 to 5/31.
Media	Press Interviews, Email, Direct Mail, Display, Search, Social Media, Streaming Service Video Ads, State Employee Payroll Stuffer, and Partner Outreach.



Postcard

Media relations initiatives through our PR agency drive coverage in print, online, and in broadcast. These mentions help prospects become familiar with our brand name and brand attributes.



Category	Q4 2021	Q1 2022	Insights
Mentions among top 10 direct-sold 529 plans	ScholarShare 529 was mentioned 170 times (19%) in the media reaching over 177 million readers/viewers.	ScholarShare 529 was mentioned 188 times (34%) in the media reaching over 388 million readers/viewers.	Coverage of our investment line-up enhancements and reduction in fees fueled the increase in mentions. English and Spanish media outlets are covering the brand regularly.
Competition	ScholarShare 529 was mentioned second most frequently in the media. The most frequently mentioned plan was the T. Rowe Price College Savings Plan with 222 mentions (25%).	ScholarShare 529 was mentioned the most frequently in the media. The second most frequently mentioned plan was Georgia's Path 2 College plan with 156 mentions (28%).	Announcements from competing plans often trigger media coverage. Topics include investment line-up changes, fee changes, and consumer-focused promotions and sweepstakes.

Press Releases Distributed:

- Patricia Roberts Series on College Countdown – January 11
- Matching Grant Program Launch – February 1
- New Investment Line-Up & Fee Reduction – February 14
- Mott Foundation grant for CalKIDS – March 1

Interviews Secured:

- Audacy Sacramento
- Salem LA Radio
- Alpha Media Palm Springs
- Mt. Wilson
- Cumulus Stockton/Modesto
- LA Times



Social Media



Q1 social media posts focused College Countdown, ESG/Social Responsibility portfolio options, Workplace Savings Program, and the Matching Grant Program.

Goals & Objectives	<ul style="list-style-type: none"> • Build awareness and positive opinion of ScholarShare 529 • Showcase the Matching Grant Program • Promote webinars • Provide social care to current and prospective customers 	
Key Strategies	<ul style="list-style-type: none"> • Utilize Facebook to promote the Matching Grant Program, Holiday Promotion, and webinars. • Utilize themed calendar and social media as platforms to engage parents and influencers. • Tailor messages and hashtags across social platforms. 	
Total Results	<ul style="list-style-type: none"> • Total Followers – 77,630 <ul style="list-style-type: none"> • Twitter: 2,929 • Facebook: 73,731 • Instagram: 779 • LinkedIn: 191 • Post Link Clicks – 371 • Impressions – 35,534 <ul style="list-style-type: none"> • Twitter: 10,548 • Facebook: 20,753 • Instagram: 1,409 • LinkedIn: 2,824 	<ul style="list-style-type: none"> • Engagements – 649 <ul style="list-style-type: none"> • Twitter: 234 • Facebook: 141 • Instagram: 52 • LinkedIn: 222 • Messages Received: 126 <ul style="list-style-type: none"> • Twitter: 77 • Facebook: 21 • Instagram: 24 • LinkedIn: 4

Employer Outreach – Q4 2021

Field Consultant Activity

New WPS Partners	13
WPS Introductory Meetings	30
WPS Employee Webinars	12
HR Conferences/Events	1
One-on-One Consumer Consultations	245
ScholarShare Consumer Webinars	4
ScholarShare HR Webinar	2

New WPS Partners:

1. Town of Portola Valley
2. Chino Basin Water Conservation District
3. Bayshore Elementary School District
4. San Mateo County
5. Climate Policy Initiative
6. City of Inglewood
7. Placer County Water Agency
8. Colusa County Office of Education
9. City of Fillmore
10. St. Francis Winery
11. FORSTA
12. Key Code Media
13. City of Redlands



Welcome To The TFI
529 Field Team:



Julianna Gobin
Inland Empire



Marzena Nelson
San Diego
Hablamos Español



Pavan Ravilisetty
Palo Alto

Outreach Events Summary

SIB Staff attended the following events in Q1 to promote ScholarShare 529 to California families.

Timing	Number of Events	Estimated Number of Attendees	List of Select Events
First Quarter 2022	26	3,472	Presentations and online webinars with Moreno Valley STEAM Expo, California Student Opportunity and Access Program, Youth and Families Commission, Youth Roundtable, Natomas Unified School District, Central Valley Immigrant Integration Collaborative, San Mateo County, San Francisco Planning Association, Campbell Hall Episcopal, City of Fillmore, City of Inglewood, County of Sacramento, Chino Basin Water Conservation District, FORSTA



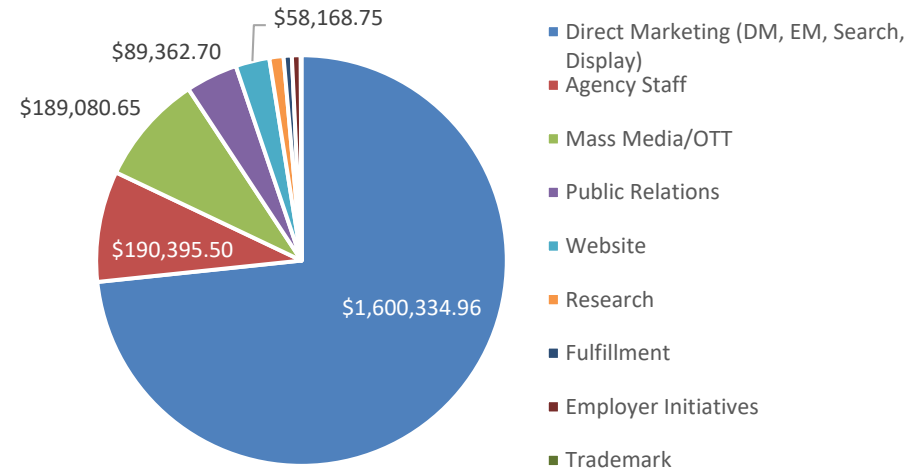
Appendix

2022 Marketing Budgets

Category	2022 Budget	Spending thru 3/31/22
ScholarShare 529	\$10,000,000	\$2,182,213
CaLKIDS	\$1,000,000	\$82,661
CaLKIDS/MGP Incentives	\$450,000	\$174,448
Total	\$11,450,000	\$2,439,322

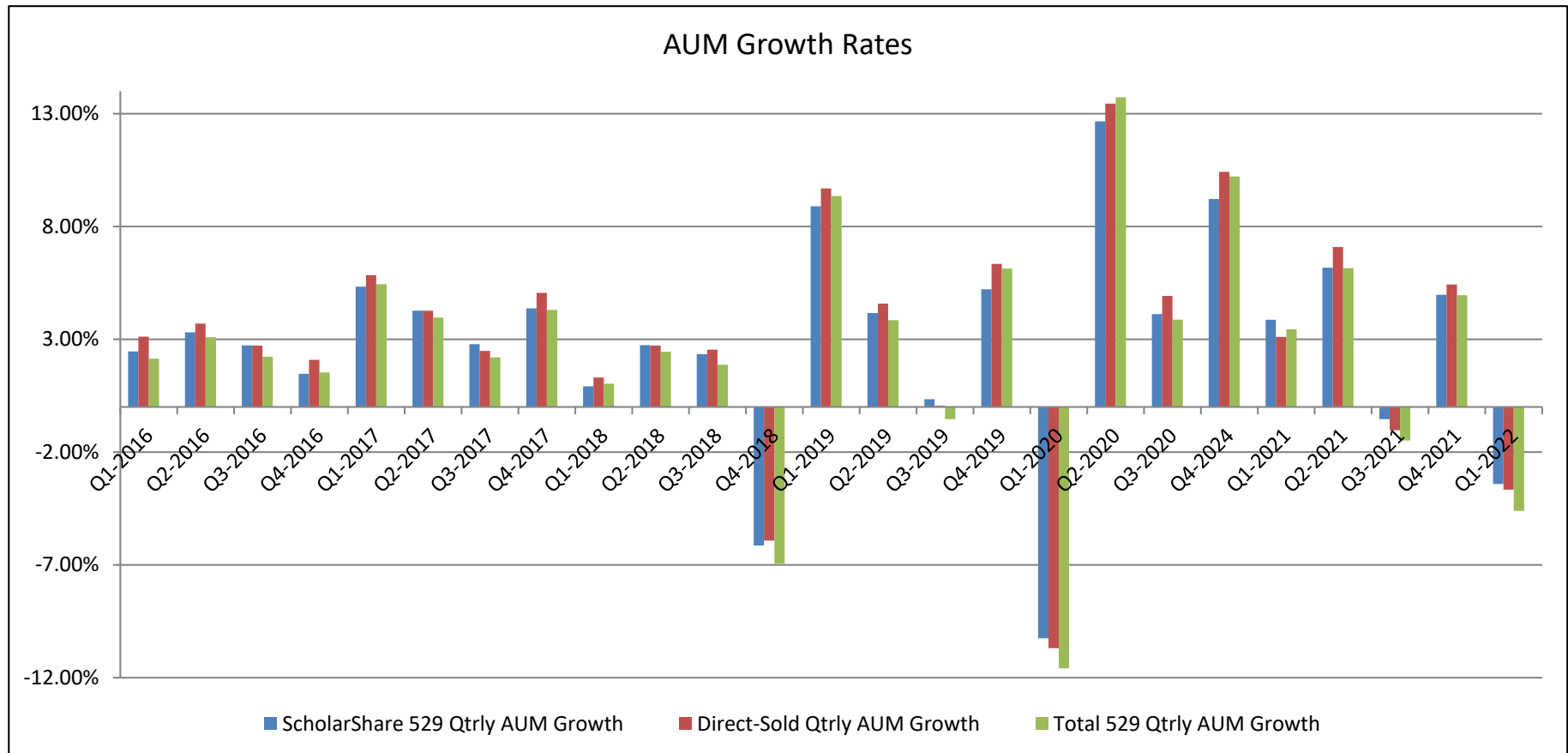
ScholarShare 529:

Category	Spending thru 3/31/22	%
Direct Marketing (DM, EM, Search, Display)	\$ 1,600,335	73%
Agency Staff	\$ 190,396	9%
Mass Media/OTT	\$ 189,081	9%
Public Relations	\$ 89,363	4%
Website	\$ 58,169	3%
Research	\$ 24,401	1%
Fulfillment	\$ 14,072	1%
Employer Initiatives	\$ 15,185	1%
Trademark	\$ 1,212	0%
TOTAL	\$ 2,182,213	100%



AUM Growth vs. Industry Benchmarks

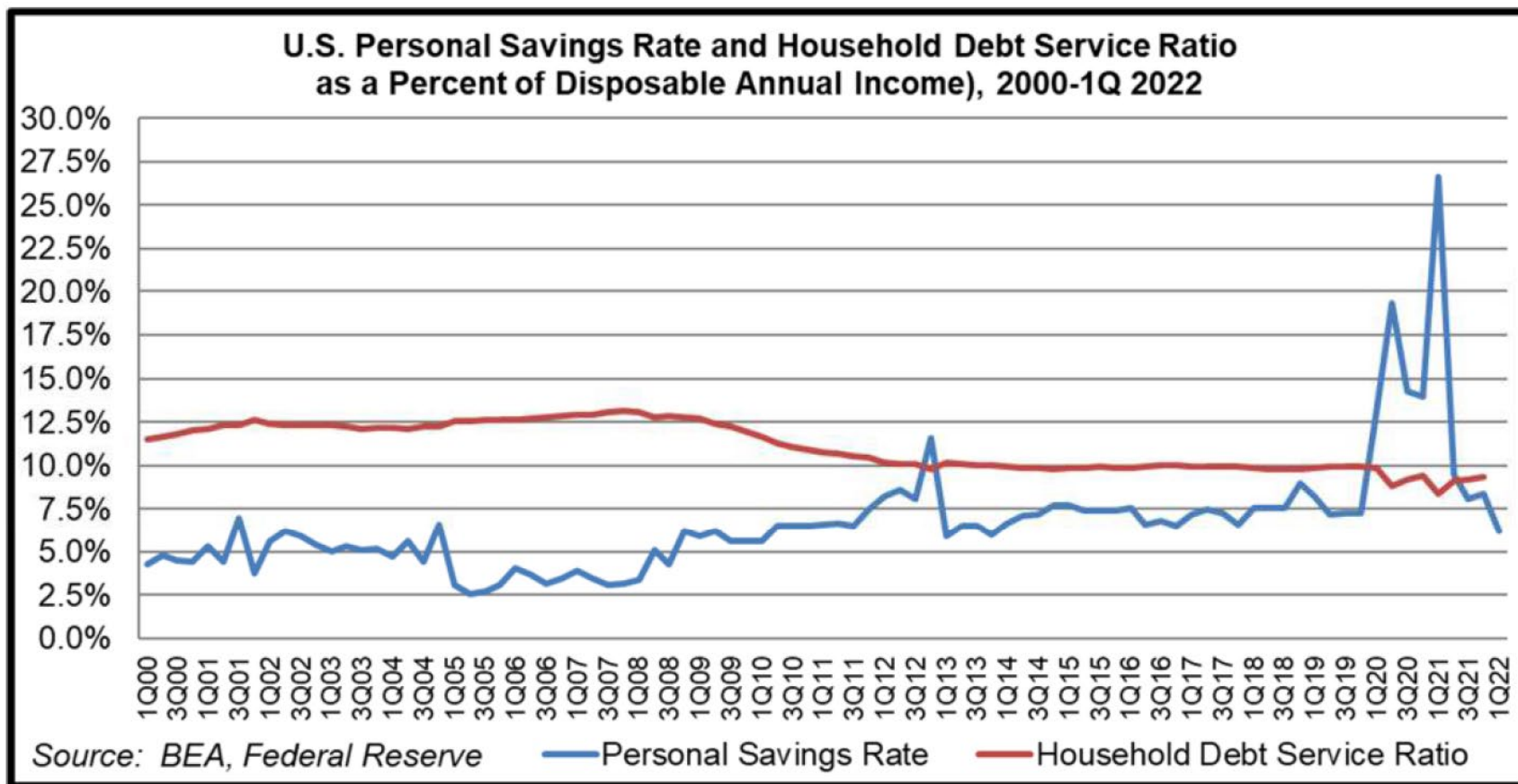
ScholarShare 529 AUM¹ growth tracks closely to Direct-Sold and Total 529 Industry growth despite market conditions.



¹ AUM = Assets Under Management

Softening of New Account Openings reflects national decline in Personal Savings Rate

Current economic and world conditions create hesitancy among prospects in our sales pipeline.



Source: ISS 529 Quarterly Update 1Q 2022

Social Media – Q1 Samples



Twitter Post

@ScholarShare529
Mon 2/28/2022 8:50 am PST

Don't miss out on your chance to save up to \$225 for opening a #ScholarShare 529 college saving account through the Matchin...



Total Engagements ⓘ	49
Likes	0
Comments	1
Shares	1
Post Link Clicks	40
Other Post Clicks	7

Facebook Post

ScholarShare California's 529 ...
Wed 2/23/2022 9:55 am PST

ScholarShare 529 is taking another step forward in socially responsible investing by adding 12 new portfolio options to its ESG...



Impressions	1,204
Reach	1,131
Engagements ⓘ	5
Engagement Rate (per Impression)	0.4%

LinkedIn Post

S5 ScholarShare 529
Tue 3/22/2022 10:53 am PDT

Join us for a webinar tomorrow to gain expertise on different ways to save and learn how ScholarShare 529 can help you meet...



Impressions	63
Engagements ⓘ	4
Engagement Rate (per Impression)	6.3%

LinkedIn Post

S5 ScholarShare 529
Thu 3/10/2022 12:53 pm PST

Please join us in welcoming Colusa County Office of Education, to the ScholarShare 529 Workplace Savings Program! CCOE, you hav...



Impressions	161
Engagements ⓘ	10
Engagement Rate (per Impression)	6.2%