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**SEPTEMBER 29, 2016**

**AGENDA ITEM 9  
INFORMATION ITEM**

**SCHOLARSHARE INVESTMENT BOARD**

*Marketing Update for the ScholarShare College Savings Plan*

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***Background***

TIAA-CREF Tuition Financing, Inc. has provided its “Marketing Update” for the ScholarShare College Savings Plan. This update outlines marketing results for the second quarter of 2016 and the marketing activities planned for the remainder of the year. The update includes an overview of the account and asset results, 2016 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***

Don Wolf, Senior Director, TIAA-CREF Tuition Financing, Inc.



**Start small.**

2016 Marketing Update  
ScholarShare College Savings Plan

September 29, 2016



**SCHOLARSHARE**

.....  
CALIFORNIA'S 529 COLLEGE SAVINGS PLAN  
.....

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# Marketing Objectives - 2016



- Generate new ScholarShare 529 College Savings Accounts
- Encourage contributions to existing Scholar Share Accounts
- Build upon image of ScholarShare as trusted college savings resource/advocate

# Marketing Update – Executive Summary



## **KEY BUSINESS RESULTS:**

- Total New Accounts opened up 9.0% YOY.
- Total Open Accounts up 4.2% YOY.
- Contributions to New Accounts up 2.7% YOY - marked change over flat growth for 2015 over 2014.
- Contributions to Existing Accounts up 3.0% YOY.

## **KEY INITIATIVES:**

- Strong mix of digital and traditional marketing channels continues as planned.
- Match programs leveraged to stimulate new account holder interest.
- Employer outreach continues to expand.

## **KEY INSIGHTS:**

- The ScholarShare client experience continues to move toward digital interactions, with 72% of contributions YTD being submitted by digital means.
- Prospect Email/Direct Mail delivering strong lift over 2015 levels.
- Banner/Search transaction results not as strong as prior periods, though spending, impressions, clicks and CTRs have increased. Investigation mounted to validate tracking methods and inform strategy.

# ScholarShare Business Results



## MARKETING PERFORMANCE CRITERIA

Accounts and Contributions	June 30 2015	June 30 2016	% Change
<b>Total New Accounts Opened</b>	11,551	12,595	9.0%
<b>Total New Contributions Collected</b>	\$318.3	\$326.9	2.7%
Growth Rate	ScholarShare	Industry	% Difference
<b>Annual Asset Growth Rate</b>	3.3 %	3.7 % *	-0.4%
Rollovers	Performance Criteria	2015	2016
<b>% of Plan Accounts closed due to Rollovers</b>	< 2.0%	0.17% **	0.15% **

## ACCOUNTS AND ASSETS

Accounts and Assets	June 30 2015	June 30 2016	% Change
<b>Total Open Accounts</b>	265,941	277,135	4.2%
<b>Total Assets</b>	\$6.4 billion	\$6.8 billion	6.3%
<b>Market Share*</b>	5.2%	5.1%	-0.1%

• Source: Strategic Insights –direct sold 529 plans

\*\* 416 Accounts \$9.2M Assets

All results in this report are for the period ending June 30, 2016 unless noted.

# ScholarShare Business Results



## NEW ACCOUNTS

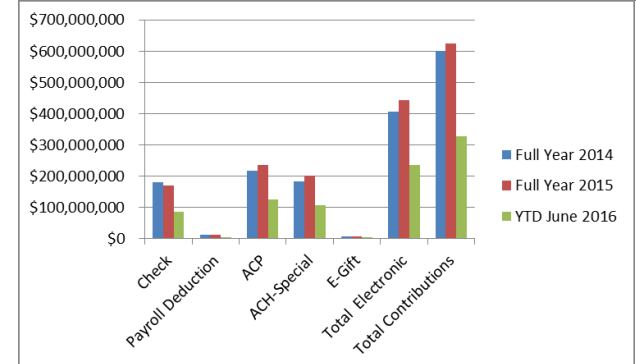
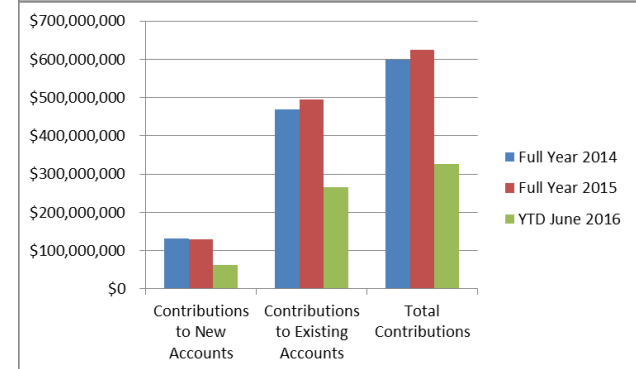
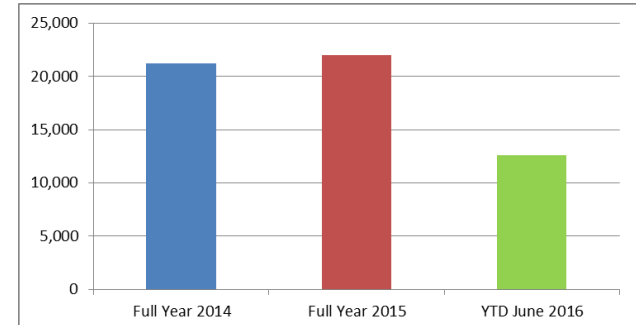
- New Accounts up YOY by 9.04%.
- New Accounts FY 2015 vs. FY 2014 up 3.78%.

## CONTRIBUTION TRENDS

- Total Contribution growth up 2.7% for YTD June 2016 vs. YTD June 2015.
  - Contributions to New Accounts up 1.7%.
  - Contributions to Existing Accounts up 3.0%.

## FUNDING SOURCES

- Electronic funding sources continue to replace more traditional means.
  - Electronic sources represented 72% of \$ for YTD June 2016, vs. 68% for FY 2014.
- E-Gifting growth for YTD June 2016 is up 34% over YTD June 2015.



# Marketing Plan Framework



AWARENESS



CONSIDERATION



EVALUATION



CONVERSION



ENROLLMENT



PURCHASE



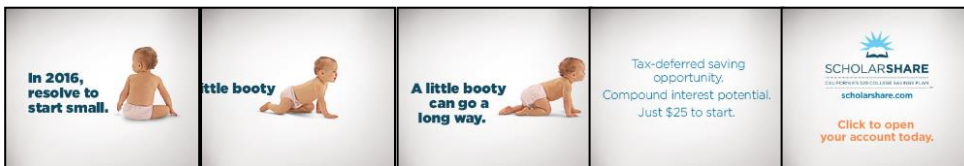
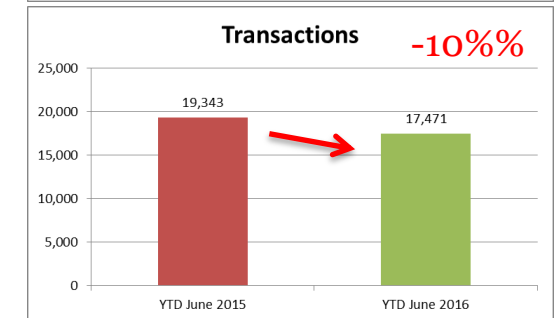
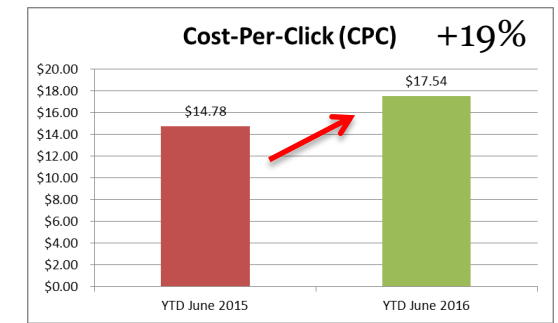
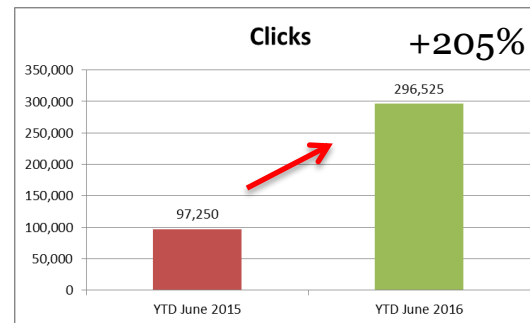
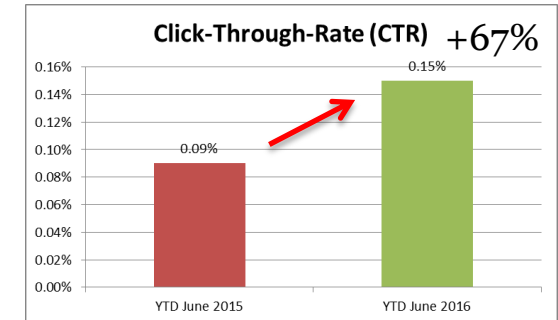
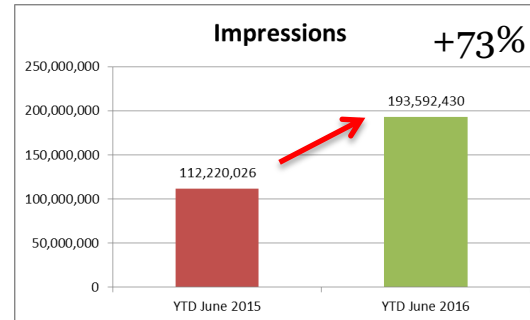
WORD OF MOUTH

# Advertising Overview – Banner/Search



## Highlights:

- Washington Post and CNN Money were among the Top 5 banner sites by CTR for both Q1 and Q2.
- Top keyword remains “ScholarShare.”
- YTD Spend: \$1,690,834, which is up 18% versus YTD June 2015.
- Transaction results prompted an analysis, which indicated some tracking issues (under resolution) were at play as well as a change in account opening complete patterns since moving to the new website earlier this year.





# Advertising Overview – Email/Direct Mail



## EMAIL

- Q2 Prospect Email campaigns include May Post Tax Time and May New Parent Triggers. Campaigns are 16% complete.
- Q2 Account Owner Email campaigns include May Post Tax Time and monthly eNewsletters.

PROSPECTS			
237,045 Emails Delivered	7,491 Emails Opened	3.16% Open Rate	21 New Account Owners
ACCOUNT OWNERS			
350,266 Emails Delivered (116,652 emails, 233,614 eNewsletters)	103,779 Emails Opened	29.63% Open Rate	\$243K Additional Contributions

## DIRECT MAIL

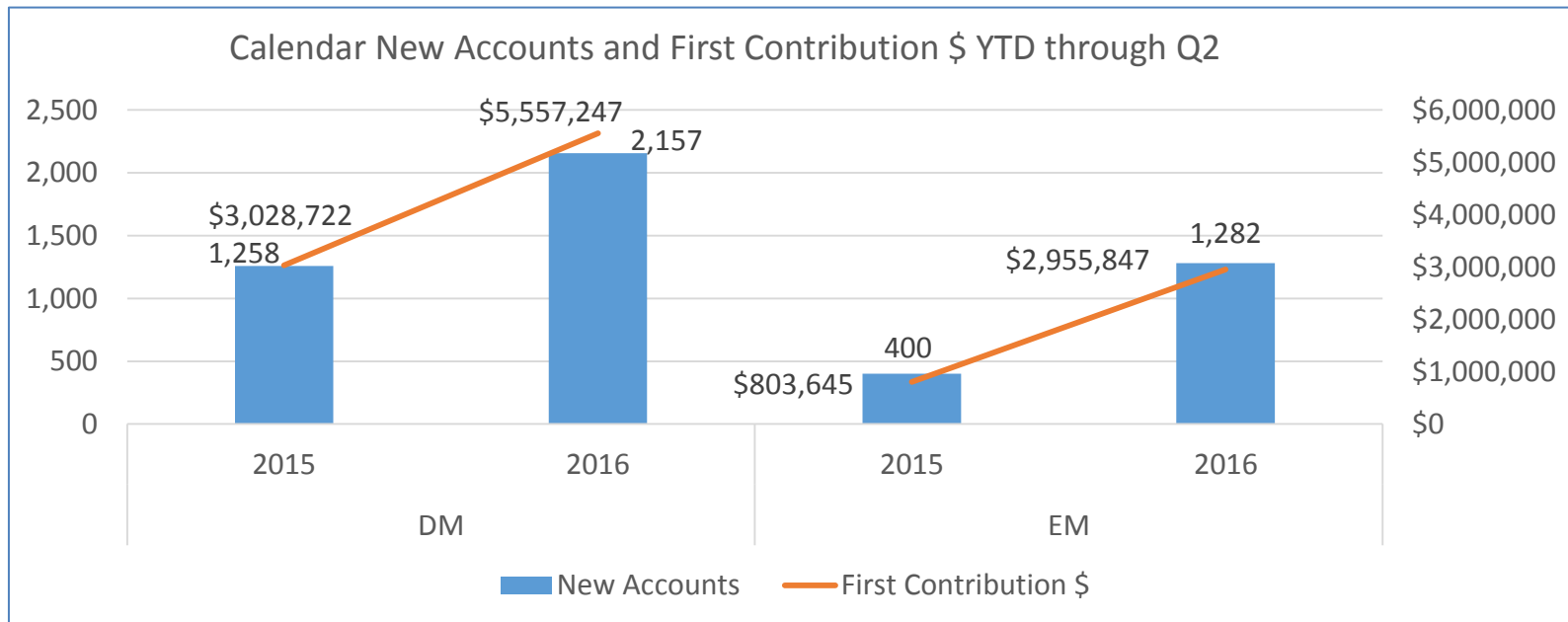
- Q2 Prospect Direct Mail campaigns include May Post Tax Time (dropped 05/10/2016 – 17% complete) and May New Parent Triggers.
- Q1 Account Owner Direct Mail campaigns include May Post Tax Time.

PROSPECTS			
668,398 DM Pieces Delivered	222 Website Visits 165 Inbound Calls	441 New Account Owners	\$170,292 First Contribution \$
ACCOUNT OWNERS			
17,736 DM Pieces Delivered	6 Website Visits 250 Inbound Calls		\$0 Additional Contributions

# Advertising Overview – Prospect Email/ Direct Mail



- New accounts are up 107% and first contributions are up 122% for YOY.
  - Direct mail new accounts are up 71% in first half of 2016 compared to first half of 2015, with first contribution dollars up 83% in 2016.
  - Email new accounts are up 221% in first half of 2016 compared to first half of 2015 with first contribution dollars being up 268% in 2016.
  - Prospect Email/Direct Mail Spending for the first half of 2016 was \$632,672, down slightly versus the first half of 2015 (1.7%).



Calendar level results are based upon account open date and are not tied to a campaign. All Merkle marketing efforts are accounted for in this view. Results are for Q1 and Q2 2015 and 2016 only.

# Radio & Print Advertising



- Our print and radio advertising initiatives target unique audiences.
- NPR provides good reach across the state and supplements our digital spend.
- Comstock's and San Diego Family support our Field Consultants in Northern California and the San Diego area, respectively.
- Roll Call distributes newsletters with our advertising directly to parents.

	January	February	March	April	May	June	July	August	September	October	November	December
<b>California Capitol Network</b> (statewide NPR) :15-Sec. announcements												

**16.2 million – Q1 2016**

Publication	Frequency	Audience per Issue
<b>Comstock's</b>	12 months	88,000
<b>San Diego Family</b>	6x per year	180,000
<b>Roll Call</b>	varies	392,000

# Social Media



- Twitter and Facebook activity continues to build including impressions, engagements and mentions. Integration of social media into our promotions/sponsorships is critical to campaigns moving forward.
- Instagram added to program in February - 252 follows.

Twitter	Facebook	Bloggers
<ul style="list-style-type: none"> <li>• 2,937 follows (352 new)</li> <li>• 151 Brand Tweets</li> <li>• 688 Mentions</li> <li>• 2,187 Engagements (Retweets, Replies, Favorites)</li> <li>• 1,772,000 Impressions</li> <li>• <b>Highlights:</b> <ul style="list-style-type: none"> <li>• Live activation at Start Small, Dream Big events</li> <li>• Live activation at We All Grow, Mom 2.0 Summit</li> <li>• Recirculation of partner/blogger content</li> <li>• Support for College Savings Madness</li> <li>• 529 Day promotion</li> <li>• Branded content incl. photos and videos</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 65,616 fans</li> <li>• 95 Page Posts</li> <li>• 11,766 Engagements (Shares, Comments, Reactions)</li> <li>• 524 Link Clicks</li> <li>• 21,657 View Video Completions</li> <li>• 2,806,146 Reach</li> <li>• 3,994,769 Impressions</li> <li>• <b>Highlights:</b> <ul style="list-style-type: none"> <li>• Content series to support Start Small campaign launch</li> <li>• Paid pre-promotion of Start Small, Dream Big events</li> <li>• Primary driver for College Savings Madness promotion</li> <li>• 529 Day promotion</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• In Q2, the Blogger Ambassador Program generated 20 blog posts, with a reach of 500,000+.</li> <li>• National 529 Day – bloggers developed blog posts and social media posts highlighting ScholarShare and the matching promotion. Secured 10 blog posts and reached 240,000+ monthly unique visitors.</li> <li>• <b>Bloggers Include:</b> <ul style="list-style-type: none"> <li>• The College Investor</li> <li>• The Chic</li> <li>• Simply Real Moms</li> <li>• Busy Mommy Media</li> <li>• Hapa Mama</li> <li>• Daddy Doin’ Work</li> <li>• Organized Island</li> </ul> </li> </ul>

# Public Relations Initiatives – Q2



- PR initiatives continue to align with our brand awareness strategy – maintaining positive coverage of ScholarShare in the news and supporting media relations.
- Five PR releases garnered full content exposure to 38 million+, another 269 million consumers were exposed to the headlines, and 11,787 clicked through to view.
- Results met our expectations for Press Releases and Search Engine Optimizations.

Program	Description	Audience – Full Release	Audience – Headline Only
• ScholarShare Wants Your Pre-K Grad to Become a College Grad	June SEO Release	• 7,383,612	• 39,572,423 • Page views: 2,226
• ScholarShare 529 Plan Reduces Fees for Investors by 20%	June Press Release	• 7,840,827	• 45,805,567 • Page views: 2,301
• ScholarShare Offers Matching Promotion to Celebrate National 529 Day	May SEO Release	• 7,217,304	• 54,644,347 • Page views: 2,427
• Sacramento Families: Solve the College Savings Puzzle With ScholarShare	May SEO Release	• 7,304,155	• 69,470,852 • Page views: 3,127
• Spring Into Action and Save for College With ScholarShare	April SEO Release	• 8,559,980	• 59,221,697 • Page views: 1,706

# Outreach Initiatives – Q2 Highlights



## Employer Outreach

- New to payroll: Google, Aurora World, Inc. & Point Loma Nazarene University - 3
- Benefits/Wellness Fair - 13
- Presentations - 21
- Other employer activities: Meeting with HR, Onsite 1-on-1 Counseling, Co-Branding, link on Employer/organization Intranet site - 17

## Other Outreach Initiatives

Program	Launch	Audience	Deliverables	Results
<b>Ethnic Outreach</b>	All Year	Spanish speaking: Parents Grandparents Employers	Spanish language website Print materials Online webinar Univision	9 Spanish presentations 14 Lunar/Chinese New Year Events
<b>Free School Supplies</b>	May	Elementary School: Principals/Teachers Parents	Microsite Direct mail Collateral materials	7,850 Schools Invited to Participate 515 orders, total of 129,229 folders
<b>Summer Reading Program</b>	June	Libraries Student Readers Families	Microsite Collateral Kits Sweepstakes PR promotion	1,162 Libraries
<b>529 Day Promotion</b>	May	Account Owners Employers Sponsorship Partners CAPTA Television   Radio CA Legislature Social Media	Website Email   Direct Mail Rack Cards   Flyers   Videos Social Media posts   Images Legislative Resolution Onsite Events at Sacramento Capitol and Los Angeles Treasurer's office building	1,576 New Accounts \$545,375 New Deposits

# 2016 ScholarShare Outreach Events Summary



## Partnerships/Sponsorships

- Enhanced partnerships included: Los Angeles Zoo, Fairytale Town, Kidspace Children’s Museum, Fresno Chaffee Zoo, The New Children’s Museum, and Univision.

## Outreach Events

Timing	Number of Events	Number of Attendees	Events
Q 1	78	74,600	Napa Moms Preschool and Kindergarten Expo, Pathways to College Workshop, CalPERS Benefits Education Event, Steps to College - Pasos a la Universidad 2016, Contra Costa Camp & School Fair, CA Federation of Teachers Annual Conference, Silicon Valley Financial Planners Association Presentation, L.A. Zoo’s Big Bunny’s Spring Fling, CA Charter School Conference, USC Women’s Conference, Sierra Moms 10th Annual Children’s Activity & Preschool Expo.
Q 2	70	159,875	College: Making It Happen at Sac State, Dia de los Ninos at Fresno Chaffee Zoo, Tehama Children’s Fair, 8th Annual Babies & Bumps, Telemundo Cuenta Conmigo, CA PTA Statewide Conference, Start Small Event at Roseville Galleria, Irvine Junior Games, Chapman University Health and Resource Fair

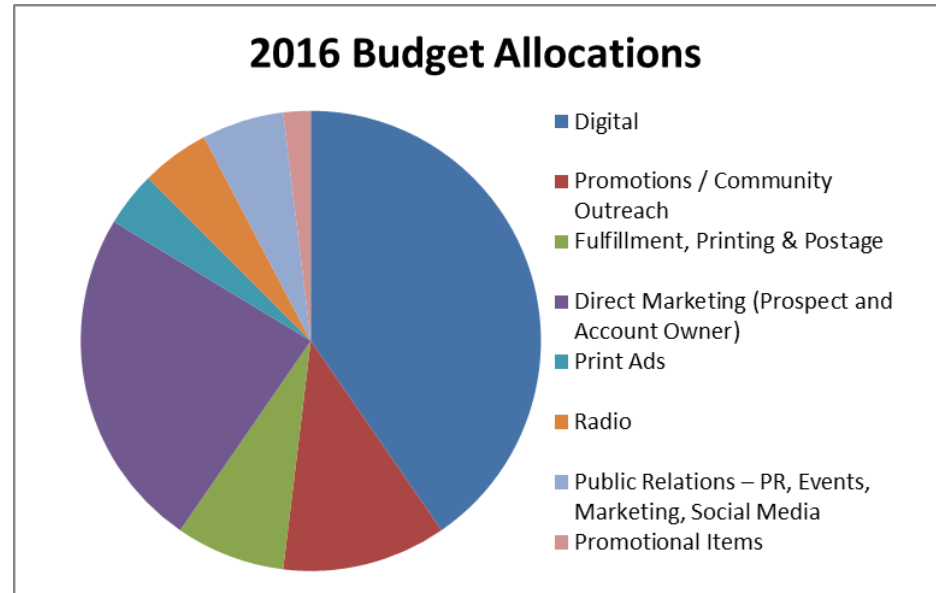
# Appendix



# 2016 Marketing Budget



- No budget changes to date.
- Figures reflect prepaid postage and some larger promotions/sponsorships which were paid early in the year and are expected in later quarters.
- We will continue to monitor and adjust spending as necessary.



Activity	Allocations	Spend	%
Digital	\$4,200,000	\$ 2,482,924	59%
Promotions / Community Outreach	\$1,200,000	\$ 946,031	79%
Fulfillment, Printing & Postage	\$800,000	\$ 698,116	87%
Direct Marketing (Prospect and Account Owner)	\$2,500,000	\$ 1,067,632	43%
Print Ads	\$400,000	\$ 263,988	66%
Radio	\$500,000	\$ 180,485	36%
Public Relations – PR, Events, Marketing, Social Media	\$600,000	\$ 600,527	100%
Promotional Items	\$200,000	\$ 105,214	53%
<b>Total</b>	<b>\$10,000,000</b>	<b>\$6,344,917</b>	<b>63%</b>