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**SEPTEMBER 17, 2020**

**AGENDA ITEM 5  
INFORMATION ITEM**

**SCHOLARSHARE INVESTMENT BOARD**

*Marketing Update for ScholarShare 529*

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***Background***

TIAA-CREF Tuition Financing, Inc. has provided its “Q2 2020 Marketing Results” for ScholarShare 529. This update outlines marketing results for the second quarter of 2020 and the marketing activities planned for the remainder of the year. The update includes an overview of 2020 marketing plan, account and asset results and other achievements, new brand campaign, COVID-19 messaging, Matching Grant Program, new account growth strategies and results, public relations, social media, employer outreach activities, outreach events, 2020 budget, and new audience map.

***Presenter***

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



## Q2 2020 Marketing Results

September 17, 2020

# 2020 Marketing Plan

(Revised from December 2019)



1. Brand Management	2. Gain New Accounts/AUM	3. Engage Underserved Families	4. Mature AO Relationships	5. Employers	6. Financial Professionals
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.	Educate families about ScholarShare 529 and the importance of saving for college.	Drive Account Owner subsequent contributions through engagement initiatives.	Harness employer endorsements to build business.	Engage RIAs and other financial professionals to endorse ScholarShare 529 as the program of choice.
<b>All Audiences</b> <span style="background-color: #003366; color: white; padding: 2px;">S</span> <span style="background-color: #FF9900; color: white; padding: 2px;">M</span> <span style="background-color: #996633; color: white; padding: 2px;">C</span>	<b>Middle/Affluent</b> <span style="border: 1px solid #ccc; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span> <span style="background-color: #FF9900; color: white; padding: 2px;">M</span> <span style="background-color: #996633; color: white; padding: 2px;">C</span>	<b>Struggling/Middle</b> <span style="background-color: #003366; color: white; padding: 2px;">S</span> <span style="background-color: #FF9900; color: white; padding: 2px;">M</span> <span style="border: 1px solid #ccc; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span>	<b>All Audiences</b> <span style="background-color: #003366; color: white; padding: 2px;">S</span> <span style="background-color: #FF9900; color: white; padding: 2px;">M</span> <span style="background-color: #996633; color: white; padding: 2px;">C</span>	<b>All Audiences</b> <span style="background-color: #003366; color: white; padding: 2px;">S</span> <span style="background-color: #FF9900; color: white; padding: 2px;">M</span> <span style="background-color: #996633; color: white; padding: 2px;">C</span>	<b>Financial Professionals</b> <span style="border: 1px solid #ccc; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span> <span style="border: 1px solid #ccc; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span> <span style="background-color: #996633; color: white; padding: 2px;">C</span>
A. Refresh brand campaign to support greater audience breadth, leveraging claims (like Morningstar Gold rating), California state sponsorship, and consumer research insights.	A. Leverage data-driven marketing techniques to efficiently attract and convert prospect leads.	A. Develop platform for Treasurer to speak to the challenges of less affluent families.	A. Leverage content marketing techniques to further engage Account Owners and drive subsequent purchases and retention.	A. Support TIAA Field Consultants and SIB Staff in gaining employer partnerships through public relations and HR Professional outreach initiatives.	A. Define engagement model and strengthen communications tailored for this audience.
B. Through paid media, public relations, and social media, strengthen ScholarShare 529's brand identity to ensure tactical marketing initiatives deliver desired results.	B. Strengthen our content to better engage prospects with varied mindsets and at different stages of the purchase journey to drive sales.	B. Support <b>Matching Grant Program</b> (Year 3) to instill the idea that a college education is attainable.	B. Continue to demonstrate how gifting can help families to reach college savings goals collectively.	B. Promote employee utilization via various engagement techniques.	
C. Continue to monitor ScholarShare 529's brand health.	C. Address prospect concerns related to COVID-19.	C. Deliver <b>Children's Savings Account (CSA)</b> programs—directly and through partners to engage underserved families.	C. Effectively communicate recordkeeping platform change and Enrollment Year Investment Portfolios launch in January 2020.  Address account owner concerns related to COVID-19.	C. Assure employers promote ScholarShare 529 as a benefit for all income tiers of employees.	

# ScholarShare 529 Business Results

## Results

Q2 2020 and YTD 2020 Business Results exceed all prior years.

Accounts and Contributions	June 30, 2019	June 30, 2020	% Change
Total New Accounts Opened	13,578	16,684	22.9%
Total New Contributions Collected	\$410.9 million	\$477.1 million	16.1%

Growth Rate	ScholarShare 529	Industry	% Difference
Annual Asset Growth Rate	6.75%	7.80%*	-1.05%

Rollovers	Performance Criteria	YTD 2020	% Change
% of Plan Accounts Closed Due to Rollovers	< 2.0%	0.21%**	0.00%**

Accounts and Assets	June 30, 2019	June 30, 2020	% Change
Total Open Accounts	325,060	342,079	5.2%
Total Assets	\$9.36 billion	\$9.99 billion	6.8%
Market Share*	4.947%	4.899%	-0.48%

\* Source: ISS Market Intelligence—Direct Sold 529 Plans—Q2 2020. Q2 Quarterly Growth Rate for ScholarShare 529 was 12.7%, versus 13.4% for Direct Sold Plans.

\*\* YTD 2020 (as of 6/30/20) versus YTD 2019.

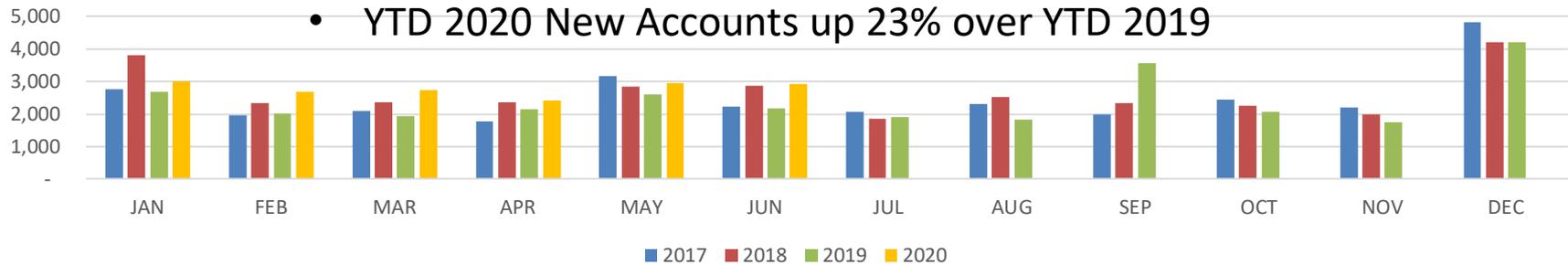
All results in this report are for the period ending June 30, 2020.

# Gross New Accounts & Contributions

Results

YTD Gross New Accounts

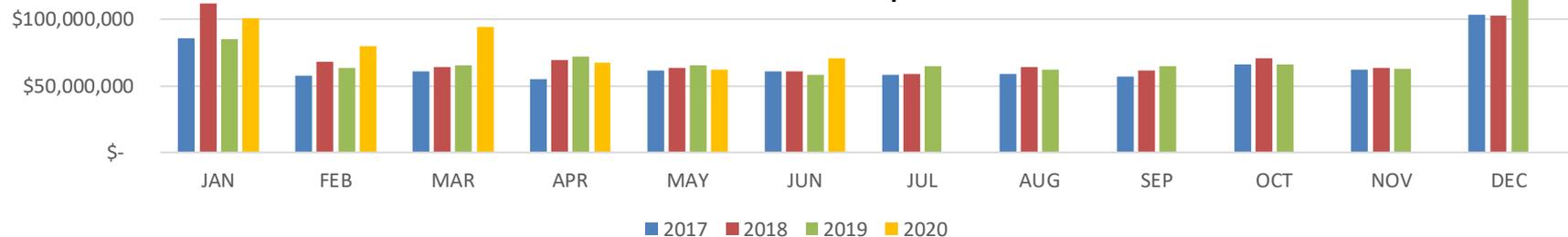
- YTD 2020 New Accounts up 23% over YTD 2019



2017	2018	2019	2020	2020 vs. 2019	2020 vs. 2018
14,025	16,603	13,578	16,684	23%	0%

YTD Gross Contributions

- YTD 2020 Contributions up 16% over YTD 2019



2017	2018	2019	2020	2020 vs. 2019	2020 vs. 2018
\$382,982,640	\$438,418,288	\$ 410,933,785	\$ 477,109,852	16%	9%

# Marketing Plan—Q2 2020 Achievements

## Results

Despite pandemic, solid progress was achieved on executing revised 2020 Marketing Plan. 529 Day promotion was successful in generating account growth, messaging on the pandemic's impacts was distributed to account owners and prospects, and groundwork was completed to launch new brand campaign.

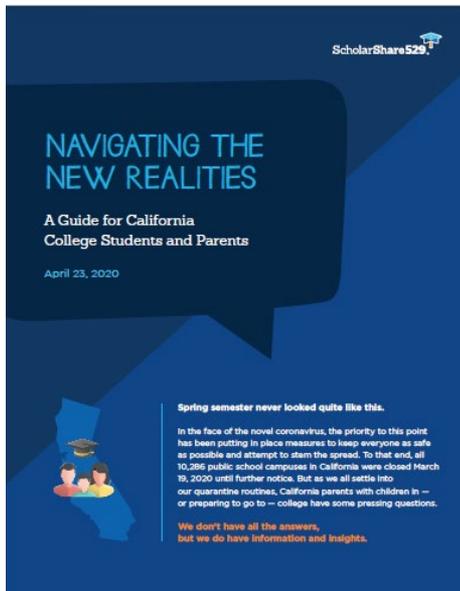
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<ul style="list-style-type: none"> <li>New “Made in California” brand campaign creative prepared for roll-out in September.</li> </ul>	<ul style="list-style-type: none"> <li>529 Day promotion yielded 1,650 new accounts, versus 1,867 in 2019 (down 11.6%). Considering the current environment, we are pleased with this outcome.</li> </ul>	<ul style="list-style-type: none"> <li>Determined characteristics of program to replace Scholar Dollars.</li> <li>Matching Grant Program in market.</li> </ul>	<ul style="list-style-type: none"> <li>Account Owners included in 529 Day campaign to drive subsequent purchases and new accounts.</li> <li>Development continued on College Countdown toward a September launch.</li> <li>Communicated to Account Owners on COVID-19 related issues.</li> </ul>	<ul style="list-style-type: none"> <li>Supported TIAA Field Consultants and SIB Staff in gaining employer partnerships through public relations and HR Professional outreach initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Designed new RIA web content for September implementation.</li> </ul>

- New “Made in California” campaign spotlights the powerful claims that drive business results:
  - Morningstar Gold
  - 100% Tax-Free Growth
  - Low Cost
  - Enrollment Year Investment Portfolios
- Harnesses our unique California lifestyle, and features a strong and authentic human element
- Campaign launched in early September, including website, advertising, literature.
  - New homepage video best represents the campaign’s core messaging:  
[www.scholarshare529.com](http://www.scholarshare529.com)
  - September’s College Savings Month promotion leverages new campaign style.

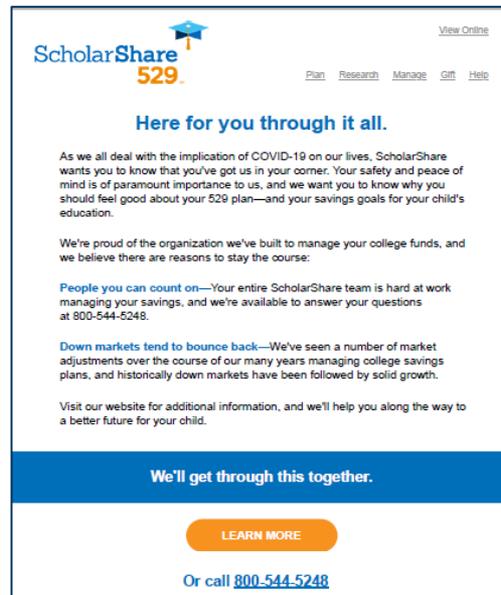


### Various media used to communicate to Account Owners and Prospects on COVID-19.

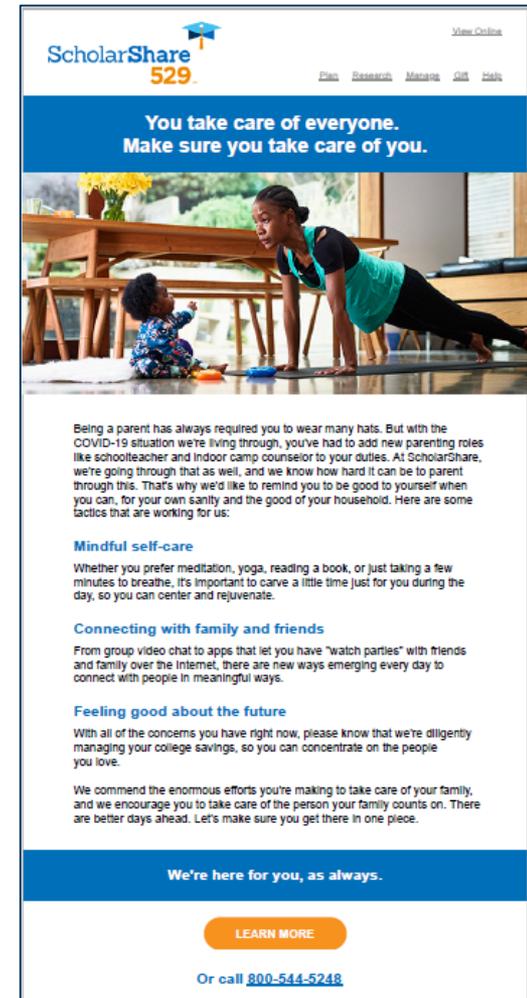
- Social media posts
- Emails
- Website e-book



e-book for Today's College Students and their Parents posted April – July.



April Email to Account Owners



May Email to Account Owners

# Matching Grant Program

Engage  
Underserved  
Families

Program was successfully launched on February 1, 2020 and will run the entire calendar year. 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 2020. \$25 bonus for ACP set-up.

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

## Results as of 6/30/20:

- 443 applications received
- 296 new accounts
- \$212,188 in contributions
- \$39,867 in projected Matching Grants

## Results as of 9/1/20:

- 624 applications received
- 422 new accounts
- \$382,753 in contributions
- \$58,71 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 December 31, 2020. 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.

# Driving New Account Growth

Gain New  
Accounts/  
AUM

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

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

# Q2 Activities by Audience Segment

Gain New  
Accounts/  
AUM

ScholarShare 529 appears to be a beneficiary of the time and money freed up by the pandemic. Response rates and conversions across channels are favorable compared to prior periods.

Audience	Campaigns Measured	Audience Reach Highlights	Engagement and Conversion Highlights
<b>Prospect</b>	<ul style="list-style-type: none"> <li>Feb. Tax Time direct mail/email; 529 Day DM/EM</li> <li>Tax Time &amp; 529 Day Display/Search</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 781K Prospects Reached via DM</li> <li>&gt;2.1mm Prospects Reached via EM</li> <li>&gt; 147mm Digital Impressions Served</li> </ul>	<ul style="list-style-type: none"> <li>Using last touch attribution, 1,072 new accounts attributed to May 529 Day(as of July 1)                             <ul style="list-style-type: none"> <li>23% improvement in acquisition cost versus 2019 529 Day</li> </ul> </li> </ul>
<b>Inquirers (Rolling 12 months)</b>	<ul style="list-style-type: none"> <li>Monthly DM and EM Inquirer Content Drip Stream for new leads</li> </ul>	<ul style="list-style-type: none"> <li>Over 3.8K unique individuals reached</li> </ul>	<p>Much greater efficiency in Q2 reporting period</p> <ul style="list-style-type: none"> <li>Conversion rate up dramatically from .87% to 8%</li> <li>However, new accounts down from 473 to 307</li> <li>Q1 period included large pool of lower quality event leads driving lower conversion rate and higher overall number of new accounts</li> </ul>
<b>New AO's (Rolling 12 months)</b>	<ul style="list-style-type: none"> <li>New Account Onboarding</li> </ul>	<ul style="list-style-type: none"> <li>Over 24K unique new Account Owners reached</li> </ul>	<p>Performance flat to slightly down quarter over quarter</p> <ul style="list-style-type: none"> <li>Q2 reporting period: 1.0% account upsell rate; 296 new accounts</li> <li>Q1 reporting period; upsell rate of 1.1% with 310 new accounts opened</li> </ul>
<b>Account Owners</b>	<ul style="list-style-type: none"> <li>February Tax Time EM, May 529 Day EM</li> <li>Content Drip</li> <li>Episodic/Evergreen Targeted Online Display</li> </ul>	<ul style="list-style-type: none"> <li>Over 1.0MM Emails delivered</li> <li>Over 21M Digital Impressions Served</li> </ul>	<ul style="list-style-type: none"> <li>529 Day campaign improved vs. 2019 (as of July 1)</li> <li>2020: 804 new accounts and \$45mm+ contribution</li> <li>2019: 620 new accounts and \$37mm+ in contributions</li> </ul>

# Creative Samples

# Gain New Accounts/AUM

## Evergreen Creative (4/1/2020 to 6/30/2020)

Prospect & Account Owner Banners

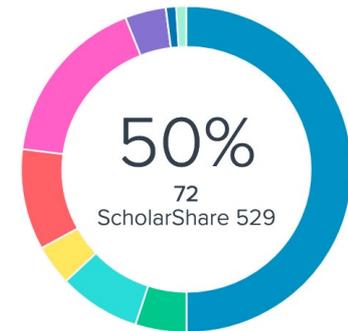
## 529 Day Creative (5/22/2020 to 5/31/2020)

Prospect Direct Mail, Prospect & Account Owner Banners, Emails, Flyers, Landing Page

Emails: New Account Owner Onboarding, Inquirer Content Drip, Account Owner Content Drip

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

- In Q2, ScholarShare 529 was mentioned 72 times in the media reaching an audience of 430 million.
- Among the nation's top 10 direct sold 529 plans by AUM, ScholarShare 529 was mentioned most frequently in the media, representing half of the Share of Voice. In Q1, we enjoyed just 29% Share of Voice.
- Our media outreach exposing college savings trends amid COVID-19 challenges helped us gain the additional Share of Voice. One CNBC article was syndicated in MSN and reached more than 180 million people.



ScholarShare 529	50%
MESP (Michigan)	17%
Utah's My529	10%
Maryland 529	8%
CollegeAdvantage 529 (Ohio)	5%
BrightStart 529 (Illinois)	4%
UNIQUE 529 (New Hampshire)	4%
Vanguard 529 (Nevada)	1%
MEFA U.FUND (Massachusetts)	1%
NY 529   Direct	< 1%

# Social Media



Throughout Q2, we adjusted our social media publishing strategy in consideration of COVID-19 trends and #BLM demonstrations and related boycotts of Facebook.

## Goals & Objectives

- Aligned PR and social media efforts and strategies.
- 529 Day Promotion
- Engage core audiences through sharing of helpful resources and information.

## Key Strategies

- Tailoring messages and hashtags across social platforms.
- Support STO/SIB activities by distributing and liking tagged messaging.
- Plan for social platform migration to “Made in California” brand.

## Total KPI Results

- 3,238,437 Impressions (272% increase from Q1)
- 8,248 Clicks (324% increase from Q1) / .25% CTR across channels.
- 988 Video views (\*6% decrease from Q1) \*Only 2 new videos published.
- 13,998 Social engagements (158% increase from Q1)

## Paid Promotion (Facebook)

- 2,839,457 Impressions
- 13,183 Clicks / .46% CTR
- 2,446 Social Engagements

# Social Media—Samples



## COVID-19

**ScholarShare California's 529 College Savings Plan**  
April 13 · 🌐

Did you receive a refund this spring on a 529 contribution due to Covid-19? Good news: the IRS just extended your deadline to 7/15 for recontributing that money to your 529 plan without tax penalties.



IRS.GOV  
**IRS extends more tax deadlines to cover individuals, trusts, estates corporations and others | Internal Revenue Service**  
IR-2020-66, April 9, 2020 — To help taxpayers, the Department of Treasury and the Internal Revenue Service announced today that Notice 2020-23 extends additional key tax deadlines for individuals and...

1,775 People Reached      50 Engagements

[Boost Post](#)

4

## 529 Day



**529 DAY**

**\$50 HEAD START**  
for opening  
an account  
May 26-31

from ScholarShare's 529 tiny financial guru, James.

**scholarshare529** · Follow

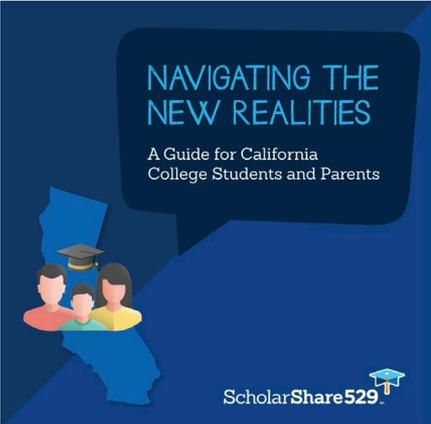
**scholarshare529** Open a new ScholarShare 529 account between May 26-31 with \$50, and we'll add \$50 to your account! Learn more about the terms and how to participate.

**scholarshare529** #529Day #529plan #529plans #savingforcollege #collegesound #collegesavings #collegesavingsaccount #scholarshare529 #CA529 #CA529Plan #California #CaliforniaLove #personalfinance #parenting

8 likes      63 views

May 20

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**scholarshare529** · Follow

**scholarshare529** California families have questions about today's new realities, and we have answers! Follow the link in our bio to learn more.

**scholarshare529** #COVID19 #CollegeSavings #CA529 #CA529Plan #CA529Day #529Plan #529Plans #529Day #529Planning #529PlanChanges #529PlanFacts

11 likes

APRIL 29

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**ScholarShare California's 529 College Savings Plan**  
May 26 · 🌐



**KPIX CBS San Francisco Bay Area**  
May 26 · 🌐

SAVING UP FOR COLLEGE 🎓👉  
CA State Treasurer **Fiona Ma** talks to CBSN Bay Area about [ScholarShare California's 529 College Savings Plan](#)



SANFRANCISCO.CBSLOCAL.COM  
**ScholarShare 529- CA Offers Incentive To Sign Up For College Savings Program**  
CA State Treasurer Fiona Ma talks to CBSN Bay Area about ScholarShare 529 and the extra incentive to sign up this month.

1,582 People Reached      36 Engagements

[Boost Unavailable](#)

10

Employer Outreach continued in Q2 despite COVID-19 distractions.



### Employer Activities:

- 8 Employee Webinars
- 3 HR Hero Webinars
- 1 HR Conference (Virtual)
- 7 Consumer Webinars
- 322 Virtual Client 1:1 Meetings

### Six New WPS Employers:

- Notre Dame Academy Schools of Los Angeles
- Mission Internal Medical Group, DBA Mission Heritage Medical Group
- Calcot Ltd.
- City of La Palma
- Children's Hospital of Philadelphia
- Film Musicians Secondary Markets Fund

# Outreach Events Summary

ScholarShare 529 participated in the following events in Q2 to promote the Plan to California families.

Timing	Number of Virtual Events	Estimated Number of Virtual Attendees	List of Select Virtual Events
Second Quarter 2020	16	1,102	2020 Employee Summit Presentation (2), ScholarShare 529 Consumer Webinars (6), The Jane Club, ScholarShare 529 "Be an HR Hero Webinar", Mount Saint Mary's University (2), ScholarShare 529 Day Promo Webinar (May), Film Musicians Secondary Markets Fund, TIAA Global Webinar "411 on 529 Plans", PIHRA HR Hero Presentation

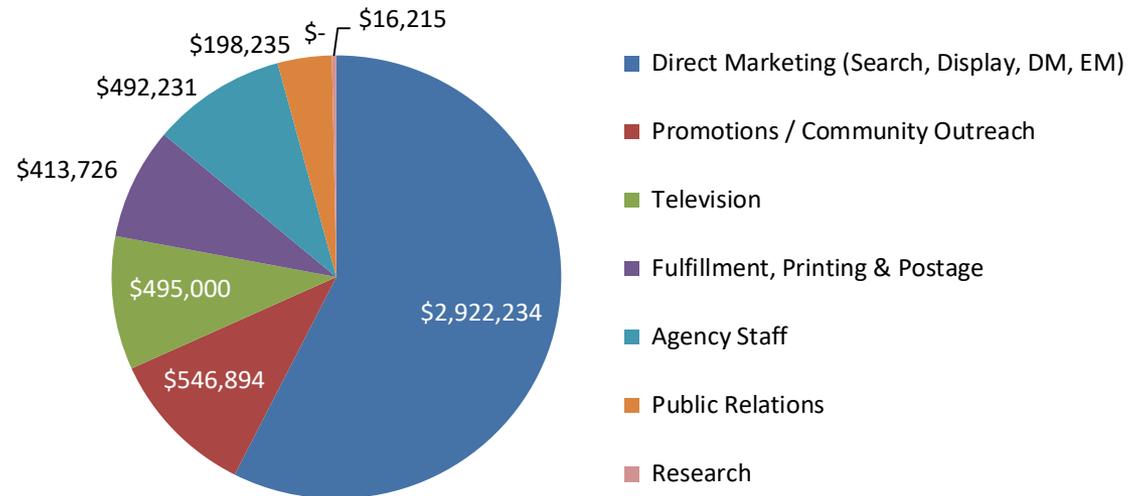


# Appendix

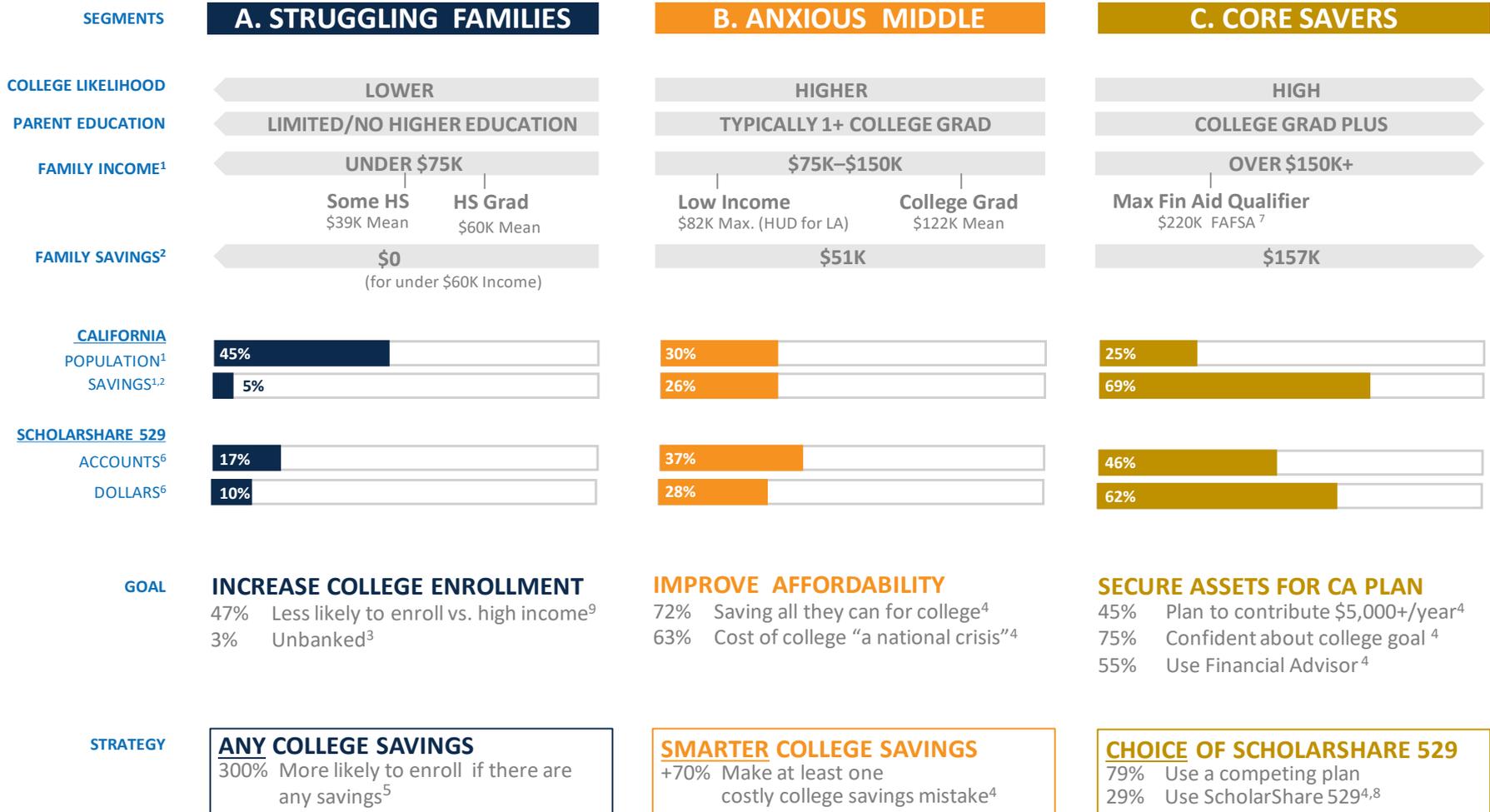
# 2020 Marketing Budget

- 2020 Marketing Budget: \$10 million
- YTD spending totaled \$5.08 million

ACTUALS AS OF 6/30/2020	Spending	%
Direct Marketing (Search, Display, DM, EM)	\$ 2,922,234	57%
Promotions / Community Outreach	\$ 546,894	11%
Television	\$ 495,000	10%
Fulfillment, Printing & Postage	\$ 413,726	8%
Agency Staff	\$ 492,231	10%
Public Relations	\$ 198,235	4%
Promotional Items	\$ -	0%
Research	\$ 16,215	0%
TOTAL	\$ 5,084,536	100%



## OVERALL CORE AUDIENCE: CA FAMILIES WITH YOUNGER CHILDREN



1. Census Bureau data and calculations based on Census Bureau data including calculations by DHYDJ. Family income based on family of four. HUD figures based on HUD data for LA. 2. Source: Federal Reserve, FDIC, and Magnify Money estimates, March 2019. All savings goals. Cohorts with median balance of \$0 indicate more than 50% of these households have no savings. 3. 2017 National Survey of Unbanked, (Oct 2018) FDIC. 4. ScholarShare 529 Parent Emotions Study, 2019 of over 1,000 CA FAMILIES. 5. The Center For Social Development, Brown School Of Social Work, Washington University in St. Louis, 2018. 6. TFI ScholarShare 529 sales data 2018. 7. Forbes/Troy Onink 2017, for 4-year private school. 8 Among those with a 529 Plan. 9. 78% vs. 46%. Includes non-H.S> grads. Pell Institute Indicators of Higher Education Equity 2018.