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**JUNE 23, 2016**

**AGENDA ITEM 4  
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 first 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 Marketing Manager, TIAA-CREF Tuition Financing, Inc.



**Start small.**

**2016 Marketing Update**  
**ScholarShare College Savings Plan**  
June 23, 2016



**SCHOLARSHARE**

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

# ScholarShare Business Results



## MARKETING PERFORMANCE CRITERIA

| Accounts and Contributions                        | March 31 2015        | March 31 2016   | % Change     |
|---|----------------------|-----------------|--------------|
| <b>Total New Accounts Opened</b>                  | 5,694                | 5,860           | +2.8%        |
| <b>Total New Contributions Collected</b>          | \$174.1 million      | \$173.1 million | -0.6%        |
| Growth Rate                                       | ScholarShare         | Industry        | % Difference |
| <b>Annual Asset Growth Rate</b>                   | 2.5 %                | 3.1 % *         | -0.6%        |
| Rollovers   | Performance Criteria | 2015            | 2016         |
| <b>% of Plan Accounts closed due to Rollovers</b> | < 2.0%               | 0.17% **        | 0.17% **     |

## ACCOUNTS AND ASSETS

| Accounts and Assets        | March 31 2015 | March 31 2016  | % Change |
|----------------------------|---------------|----------------|----------|
| <b>Total Open Accounts</b> | 262,375       | 273,024        | +4.1%    |
| <b>Total Assets</b>        | \$6.4 billion | \$ 6.5 billion | +2.5%    |
| <b>Market Share*</b>       | 5.2%          | 5.1%           | -.01%    |

• Source: Strategic Insights –direct sold 529 plans

\*\* 483 Accounts \$9.6M Assets

All results in this report are for the period ending March 31, 2016 unless noted.

# Advertising Results: Online Media Overview

## Advertising Results: ScholarShare Banner and Search



| Metrics                         | 2015       | 2016        | % Change |
|---------------------------------|------------|-------------|----------|
| <b>Spend</b>                    | \$787,000  | \$1,038,334 | +32%     |
| <b>Impressions</b>              | 62,444,015 | 132,916,389 | +113%    |
| <b>Clicks</b>                   | 55,323     | 200,687     | +263%    |
| <b>Click-Through-Rate (CTR)</b> | 0.09%      | 0.15%       | +67%     |
| <b>Cost-Per-Click (CPC)</b>     | \$14.23    | \$5.17      | -64%     |
| <b>Transactions</b>             | 10,461     | 8,822       | -16%     |
| <b>Cost-Per-Transaction*</b>    | 72.36      | \$114.30    | +58%     |

The 8,822 transactions resulted in 1,212 new accounts, 4,549 signed up for ACP, and 3,061 made additional contributions into existing accounts. The start small campaign resulted in increased impressions and clicks but declining transactions. We have followed the conversion trail and are making appropriate adjustments where needed and expect the conversion % to increase in the next quarter.

\*Excludes all mobile/facebook results

# Advertising Results: Online Display Media



## Banner (Top 5 Performing Sites by CTR)

| Placement           | Impressions | Clicks | CTR   | CPC      |
|---------------------|-------------|--------|-------|----------|
| Washington Post     | 5,470,523   | 29,796 | 0.54% | \$ 6.72  |
| CNN Money           | 1,933,341   | 9,312  | 0.48% | \$ 14.30 |
| Site Retargeting    | 3,306,037   | 11,989 | 0.36% | \$ 58.14 |
| GDN College Savings | 8,607,728   | 13,326 | 0.15% | \$ 23.42 |
| Saving for College  | 698,288     | 1,057  | 0.15% | \$ 21.52 |

## Mobile

| Metrics                  | 2015      | 2016      | % Change |
|--------------------------|-----------|-----------|----------|
| Spend                    | \$15,000  | \$15,000  | 0%       |
| Impressions              | 2,315,241 | 1,962,415 | -15%     |
| Clicks                   | 7,895     | 3,992     | -49%     |
| Click-Through-Rate (CTR) | 0.34%     | 0.20%     | -41%     |
| Cost-Per-Click (CPC)     | \$3.80    | \$3.76    | -1%      |

## Banner

▪Google-Retargeting program allows you the chance to recapture potential customers after they leave your site. It has generated an additional 1,601 transactions which included 141 new accounts and 693 additional contributions.

▪All banners generated the following results of 7,715 total transactions of which 1,050 new accounts, 3,930 signed up for ACP and 2,735 made contributions to existing accounts.

## Mobile

▪We are seeing decreased impressions as the cost of mobile advertising continues to increase. We will continue to monitor and likely increase mobile in Q2.

# Advertising Results: Online Search Media



## Search Engine Performance

| Metrics                  | 2015    | 2016      | % Change |
|--------------------------|---------|-----------|----------|
| Spend                    | 164,000 | \$270,000 | +65%     |
| Impressions              | 458,332 | 803,407   | +75%     |
| Clicks                   | 19,250  | 16,513    | -14%     |
| Click-Through-Rate (CTR) | 4.20%   | 2.06%     | -51%     |
| Cost-Per-Click (CPC)     | 8.52    | \$16.35   | +92%     |
| Transactions             | 2,190   | 1,107     | -49%     |

## Top 5 Keywords

| Keywords              | Clicks | Impressions |
|-----------------------|--------|-------------|
| [scholarshare]        | 4,445  | 18,195      |
| [529 plan california] | 581    | 3,625       |
| [529 plan]            | 881    | 10,245      |
| +529 +plan            | 849    | 30,842      |
| +college +fund        | 988    | 37,475      |

## CTR Benchmarks

Google: 0.05%  
 MSN/Yahoo/Bing: 0.04%

## Observations

- Maximized search presence across the engines and optimize to drive results. Resulted in generating 1,107 transactions made up of 162 new accounts, 619 signed up for ACP and 326 made contributions to existing accounts.
- Continued to monitor search bids to ensure efficiencies. Search activity is often driven by our direct marketing activities and timing.
- Media releases continued to place ScholarShare in the number 1 or 2 top spot for non-paid search
- Keywords remain relatively the same with ScholarShare being in the #1 spot.

# 2016 Q1 Highlights - Email



## PROSPECTS

- 245,951 Emails Delivered

- 2,522 Emails Opened
- 1.03% Open Rate
- 89 Email Clicks
- 0.04% Click Rate
- Inbound Calls: 13
- Website Visits: 3
- Inquiry Rate: 0.01%
- 6 New Account Owners

## ACCOUNT OWNERS

- 225,154 Emails Delivered
- 341,654 eNewsletters Delivered
- 566,808 Total Quantity

- 149,707 Emails Opened
- 26.41% Open Rate
- 8,489 Email Clicks
- 1.50% Click Rate
- \$199K Additional Contributions

Q1 Prospect Email campaigns include February Tax Time and February Dream Big – *campaigns are 16% complete*

Q1 Account Owner Email campaigns include February Tax Time, March Madness and monthly eNewsletters – *campaigns are 16% complete*

Strategic decision to move resourcing out of Q1 resulted in fewer emails for 2016 VS. 2015. January email that was discontinued will be used in our July and August “Come to California” campaign to drive larger account volume. Current analysis indicates the long accumulation period of our direct marketing programs, the campaigns from 2015 are still showing results.

# 2016 Q1 Highlights – Direct Mail



## PROSPECTS

- 729,864 DM Pieces Delivered

- 147 Website Visits
- 131 Inbound Calls
- 72 BRC Responses
- Inquiry Rate 0.05%
- 166 New Account Owners
- \$122,369 First Contribution

## ACCOUNT OWNERS

- 18,980 DM Pieces Delivered

- 24 Website Visits
- 11 Inbound Calls
- \$0 Additional Contributions

Q1 Prospect Direct Mail campaigns include February Tax Time (dropped 02/28/2016 – 17% complete) and February New Parent Triggers

Q1 Account Owner Direct Mail campaigns include February Tax Time –campaign is 17% complete

Volume of direct mail comparable to last year Q1 2015 with better conversion results in 2016: 166 new accounts in 2016 vs. 133 new accounts in 2015. Current analysis indicates the long accumulation period of our direct marketing programs, the campaigns from 2015 are still showing results.

# Local Marketing Update



## 2016 Strategy

### Evaluate & Restructure

- Continued to review all prior events/sponsorships to ensure they are meeting ScholarShare objectives
- Focused on parents with children 0-9 years, grandparents/seniors for gifting, and employers to encourage payroll deduction
- Enhanced existing partnerships
  - Bay Area Discovery Museum, The New Children's Museum, Univision (Bay Area and Fresno), Minor League Baseball Teams
- Improved utilization of sponsorship benefits by utilizing our PR firm Rogers Finn Partners
- Social Media component required in all partnerships

### ScholarShare Speaks

- Hosted 1 event on the following subject:
  - Internet and Tech Safety Seminar for Parents
- Over 300+ attendees

### Employer Outreach

- 12 New Payroll Deduction Employers
- 42 Workshops, Seminars, Webinars
- 60 Corporate Benefit Fairs, Expos, Association Meetings
- Campbell Hall Episcopal, Palantir Technologies, Tradeshift, PCFF, KQED, Summer Search, USF, SB Architects, Ariat, NVIDIA, Aurora World, Inc., PLNU

# 2016 Sponsorship and Event Strategy



- Focus on sponsorships targeting families with children in the 0-9 years age range where parents are a captive audience and focus on what is beneficial to their children
- Utilize PR firm to promote ScholarShare's participation in special events and activities through sponsorships of various venues including museums, science centers, zoo, etc.
- Assign Field Consultants to manage sponsorships in their respective geographic area and participate in and attend events with ScholarShare staff to answer questions and provide information
- Focus on unique and engaging activities with our sponsorship partners, including Diploma Dog, to draw families to the resource table to gather more information about ScholarShare. Diploma Dog brings the children to our table which results in the parent coming to the table as well.
- Develop branding elements throughout the sponsor venues, and utilize newsletters, website and email campaigns
- Approach top employers in CA to encourage participation and promote payroll deduction to ScholarShare accounts

# Statewide Initiatives



| Program                       | Launch   | Audience   | Deliverables   | Results   |
|-------------------------------|----------|--|--|---|
| <b>Employer Outreach</b>      | All Year | CA-based Employers   | Microsite<br>Webinars to public/private employers<br>Workshops to employees<br>Booth – Benefits fair<br>Collateral materials   | <ul style="list-style-type: none"> <li>12 New Payroll Deduction Employers</li> <li>42 Workshops, Seminars, Webinars</li> <li>60 Corporate Benefit Fairs, Expos, Association Meetings</li> </ul> |
| <b>Ethnic Outreach</b>        | All Year | Spanish speaking:<br>Parents<br>Grandparents<br>Employers  | Spanish language website<br>Print materials<br>Online webinar<br>Univision   | 9 Spanish presentations<br>14 Lunar/Chinese New Year Events   |
| <b>Free School Supplies</b>   | May      | Elementary School:<br>Principals/Teachers<br>Parents   | Microsite<br>Direct mail<br>Collateral materials   | 7,850 Schools Invited to Participate<br>TBD Participating (to date)   |
| <b>Summer Reading Program</b> | June     | Libraries<br>Student Readers<br>Families   | Microsite<br>Collateral Kits<br>Sweepstakes<br>PR promotion  | 1,162 Libraries   |
| <b>529 Day Promotion</b>      | May      | Account Owners<br>Employers<br>Sponsorship Partners<br>CAPTA<br>Television   Radio<br>CA Legislature<br>Social Media | Website<br>Email   Direct Mail<br>Rack Cards   Flyers   Videos<br>Social Media posts   Images<br>Legislative Resolution<br>Onsite Events at Sacramento Capitol<br>and Los Angeles Treasurer's office<br>building | 1,576 New Accounts<br>\$545,375 New Deposits  |

# Public Relations Initiatives



| Program  | Month    | Description   | Results  |
|--|----------|---------------|--|
| <ul style="list-style-type: none"> <li>A New Year's Resolution You Can Keep: Start Small and Save for College</li> </ul>                       | January  | SEO Release   | <ul style="list-style-type: none"> <li>145 media outlets posted the full press release, reaching an audience of 7,271,274</li> <li>35 media outlets posted <i>only</i> the headline, reaching an audience of 45,813,833                             <ul style="list-style-type: none"> <li>Total page views: 3,958</li> </ul> </li> </ul>  |
| <ul style="list-style-type: none"> <li>A Heartfelt Valentine's Day Gift Idea: College Savings for a Brighter Future</li> </ul>                 | February | SEO Release   | <ul style="list-style-type: none"> <li>142 media outlets posted the full press release, reaching an audience of 12,294,685</li> <li>35 media outlets posted <i>only</i> the headline, reaching an audience of 58,630,683                             <ul style="list-style-type: none"> <li>Total page views: 3,686</li> </ul> </li> </ul> |
| <ul style="list-style-type: none"> <li>ScholarShare Launches "Start Small" Campaign With Statewide "Start Small. Dream Big." Events</li> </ul> | February | Press Release | <ul style="list-style-type: none"> <li>142 media outlets posted the full press release, reaching an audience of 7,258,102</li> <li>30 media outlets posted <i>only</i> the headline, reaching an audience of 37,865,449                             <ul style="list-style-type: none"> <li>Total page views: 4,073</li> </ul> </li> </ul>  |
| <ul style="list-style-type: none"> <li>Score Big With ScholarShare's College Savings Madness Sweepstakes</li> </ul>                            | March    | SEO Release   | <ul style="list-style-type: none"> <li>126 media outlets posted the full press release, reaching an audience of 7,252,903</li> <li>43 media outlets posted <i>only</i> the headline, reaching an audience of 58,682,799                             <ul style="list-style-type: none"> <li>Total page views: 2,167</li> </ul> </li> </ul>  |
| <ul style="list-style-type: none"> <li>ScholarShare Makes It Easy to Deposit Tax Refund Into 529 Account</li> </ul>                            | March    | SEO Release   | <ul style="list-style-type: none"> <li>136 media outlets posted the full press release, reaching an audience of 12,292,208</li> <li>37 media outlets posted <i>only</i> the headline, reaching an audience of 51,756,953                             <ul style="list-style-type: none"> <li>Total page views: 2,167</li> </ul> </li> </ul> |

Results met our expectations for Press Releases and Search Engine Optimizations

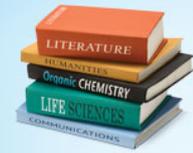
# Social Media



| Twitter  | Facebook   | Bloggers   |
|--|--|--|
| <ul style="list-style-type: none"> <li>•2,745 followers (160 new)</li> <li>•121 Tweets</li> <li>•450 Engagements (Retweets, Replies, Favorites)</li> <li>•358 Mentions</li> <li>•680,326 Impressions</li> <li>•Pre-promotion and live activation during Start Small, Dream Big event</li> <li>• Live tweeting from We All Grow, Mom 2.0 Summit</li> <li>• College Savings Madness Sweepstakes                             <ul style="list-style-type: none"> <li>• Ongoing financial, parenting and educational content</li> <li>•Branded Video</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• 65,685 Fans (2 new)</li> <li>•57 Page Posts</li> <li>•8,169 Engagements (Shares, Comments, Reactions)</li> <li>•310 Link Clicks</li> <li>•1,385,380 Reach</li> <li>•2,133,770 Impressions</li> <li>•Pre-promotion or Start Small, Dream Big</li> <li>•College Savings Madness Sweepstakes</li> <li>•AO Targeted Programs (eNewsletter Prompts)                             <ul style="list-style-type: none"> <li>•Ongoing lifestyle, parenting and educational content series</li> <li>•Branded video</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• 2 blog Posts</li> <li>• The College Investor</li> <li>• The Chic</li> <li>• General blogger Engagement</li> <li>• Blogger Ambassador Program</li> <li>• #WeAllGrowSummit (Latina Bloggers)</li> <li>• Quarterly Information Drip</li> </ul> |

We continue to see our engagements on both Twitter and Facebook increase exponentially in activity including impressions, engagements and mentions. Integration of social media into our promotions and sponsorships continues to increase our engagements and is critical to any campaign moving forward.

# Radio & Print Advertising



|  | January | February | March | April | May | June | July | August | September | October | November | December |
|--|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| <b>California Capitol Network</b><br>(statewide NPR)<br>:15-Sec. announcements |         |          |       |       |     |      |      |        |           |         |          |          |
| <b>16.2 million – Q1 2016</b>  |         |          |       |       |     |      |      |        |           |         |          |          |

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

Our print and radio advertising is targeted towards unique audiences. We continue our brand advertising on NPR throughout the state and in print publications. NPR provides good reach across the state and supplements our digital spend. Engagement with San Diego Family due to lighter engagement through Field Consultant. Roll Call is unique opportunity to provide newsletters with our advertising directly into parents hands. Comstock’s provides business contacts and networking opportunities to our Field Consultants in the northern California area.



# 2016 Marketing Budget



| Activity   | Allocations         | Spend              | %          |
|--|---------------------|--------------------|------------|
| Digital  | \$4,200,000         | \$1,184,962        | 28%        |
| Promotions / Community Outreach                        | \$1,200,000         | \$672,363          | 56%        |
| Fulfillment, Printing & Postage                        | \$800,000           | \$371,190          | 46%        |
| Direct Marketing (Prospect and Account Owner)          | \$2,500,000         | \$466,391          | 19%        |
| Print Ads  | \$400,000           | \$64,331           | 16%        |
| Radio  | \$500,000           | \$98,541           | 20%        |
| Public Relations – PR, Events, Marketing, Social Media | \$600,000           | \$262,546          | 44%        |
| Promotional Items                                      | \$200,000           | \$55,900           | 28%        |
| <b>Total</b>   | <b>\$10,000,000</b> | <b>\$3,176,224</b> | <b>32%</b> |

No changes to date regarding budget as we are tracking similar to 2015. We have prepaid postage and some larger promotions/sponsorships were paid at the beginning of the year and won't be expected in later quarters. We will continue to monitor and adjust spending as necessary.

# 2016 ScholarShare Outreach Events Summary



| Timing | Number of Events | Number of Attendees | Events  |
|--------|------------------|---------------------|---|
| Q 1    | 78               | 74,600              | <p>Napa Moms Preschool and Kindergaten Expo, Assemblymember Kevin McCarty's Pathways to College Workshop, CalPERS Benefits Education Event, Steps to College - Pasos a la Universidad 2016, 4th Annual Contra Costa Camp &amp; School Fair, California Federation of Teachers Annual Conference, Warriors PTA Presentation at Redwood Heights Elementary, Silicon Valley Financial Planners Association Presentation, Gabriel Valley Youth Summit, Los Angeles Zoo's Big Bunny's Spring Fling, 23rd Annual California Charter School Conference, USC Women's Conference, Sierra Moms 10th Annual Children's Activity &amp; Preschool Expo, CalHR Saving for College Workshop.</p> |