

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

StatePlus

- SP12QW:** Details of costs for advertising campaigns for the past five years, including:
- a) The companies invited to tender for all or parts of any advertising campaign.
 - b) The companies awarded campaigns.
 - c) The total cost of each campaign.
 - d) The cost of the campaign's development.
 - e) Broadcasting (television, radio and internet) and publishing costs.
 - f) Assessment reports of the efficacy of campaigns in either retaining or gaining new members.

(Three years provided as agreed.)

Answer: **(a) The companies invited to tender for all or parts of any advertising campaigns**
In August 2018, the following agencies were invited to tender for the StatePlus digital account:

- Reef Digital Agency
- Resolution Media (Incumbent)
- SwitchedOn

Resolution Media was the incumbent agency prior to August 2018 tender process. No other tenders for StatePlus' creative or media accounts were undertaken in the past five years.

(b) The companies awarded the campaigns

Creative:

303MullenLowe has been StatePlus' creative agency since 2015, responsible for creative development and offline media buying.

Content strategy:

Lexicon Agency has been StatePlus' content agency since 2015, responsible for content strategy and development for offline and online channels.

Digital Media:

As a result of the tender process held in August 2018, Reef Digital Media was awarded the StatePlus digital account, responsible for SEO, SEM and all other digital media buying.

(c) The total cost of each campaign

StatePlus runs always-on above-the-line and below-the-line campaigns with the objective of building brand awareness and consideration and generate new members to the fund.

The costs of running these campaigns are set out in the table below.

TOTAL cost by year – production & broadcast	Total Spend (net of any GST credits)
FY17	\$1,969,699
FY18	\$1,557,535
FY19	\$594,030

(d) The cost of the campaign’s development

The costs for campaign development include creative development, content production, design and artwork.

Production costs by year	Spend (net of any GST credits)
FY17	\$393,986
FY18	\$512,266
FY19	\$80,600

(e) Broadcasting (television, radio and internet) and publishing costs

Over the reported period, StatePlus has purchased media through 303MullenLowe, Resolution Media, Reef Digital Agency and directly with publishers. The media expenditure reported below includes all purchase channels.

Broadcast costs by year	Spend (net of any GST credits)
FY17	\$1,575,713
FY18	\$1,045,269
FY19	\$513,430

(f) Assessment reports of the efficacy of campaigns in either retaining or gaining new members

StatePlus campaigns are designed to deliver one or more of the following objectives:

1. Improve brand awareness and consideration
2. Improve member engagement and retention
3. Drive new member acquisition.

Brand awareness and consideration is measured through independent market research commissioned to AMR Research Australia. As per report produced by AMR in August 2017:

- Prompted awareness increased between pre/benchmark survey and post campaign survey by 44%,
- Informed awareness¹ increased by 58%, and
- Consideration increased by 60%.

Campaigns aiming to drive member and prospect engagement are measured by

- Relevance: email open rates, click through and unsubscribe rates,
- Engagement: Time on landing page, page bounces and
- Conversion: Seminar registrations, appointment with a financial planner.

¹ Informed awareness: Aware of StatePlus and recognizes that they offer financial planning advice and investment services.

For the period of March 2018 to July 2019, the campaigns have delivered:

- Above industry average results on relevance.
 - Average email open rate of 46%
 - Average click through rate of 25%
 - Unsubscribes less than 1%
- Measure of engagement on the online education hub:
 - Average 2 pages per visit
 - Average 146 sec time on page
- Measure of conversion into first appointment:
 - 26% of prospects in the campaign pool converted into a first time planner appointment during the campaign period.