

Colonial First State: 2008 Annual Super Top-up campaign

BACKGROUND

Colonial First State's annual Super Top-up campaign encourages existing super clients to contribute to their accounts before 30 June. The previous year's campaign was their most successful as it capitalised on the Government's one-off \$1m super opportunity. However the following year they were faced with the challenge of a volatile/declining investment market and an ever-increasing cost of living.

MARKETING OBJECTIVES

Three marketing objectives were set for the Super Top-up 2008 campaign:

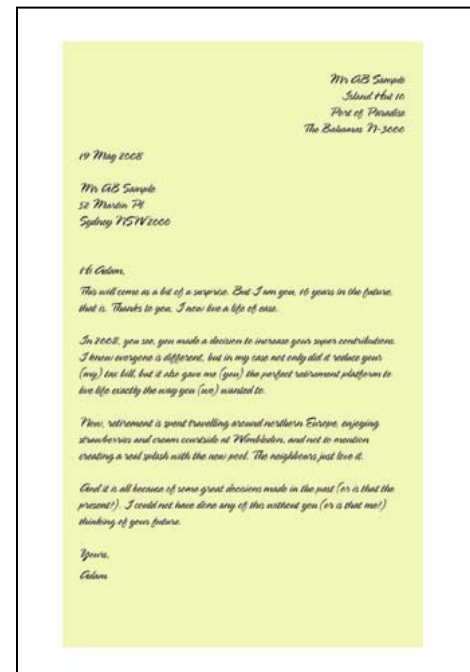
1. Generate \$150 million of pre-June 30 super contributions from existing superannuation clients
2. Increase the overall campaign response rate to 9% from the previous year's 7% benchmark
3. Increase the response rate of the least engaged/low value clients (those below 50 years) to above 4%.

STRATEGY

Colonial First State targeted their existing super account holders and segmented them as follows:

1. Those who are self employed with small to medium sized businesses (approx 7%)
2. Those employed and under the age of 50 (approx 52%)
3. Those employed and over the age of 50 (approx 41%).

The strategy was to focus on the great ways to use super to maximise tax savings before June 30. This was supported by a secondary message that highlighted the longer term benefits of super.



Colonial First State: 2008 Annual Super Top-up campaign

CREATIVE SOLUTION

The audience was sent a direct mail pack which contained a letter and 3 ways to top up by BPAY, EFT or cheque. This also included a "Smart strategies flyer" to highlight the ways customers could top up.

There were two creative executions. The over 50's received a tax message and the under 50's received a "look after yourself in the future" message, which was highly successful in lifting each age group's response rate by 50% in 2007. Emails and flyers were also sent to customers to remind them of the mail messages they had received to top up before 30 June.

RESULTS

"Traditional messages like top up your super and save on tax were not working for Colonial First State's younger clients. Therefore, they used a more emotional message in 2008 – here is a letter from yourself in the future. And it worked!"

Not only did they exceed all of their objectives, Colonial First State generated their highest ever response rate and return on investment. The campaign was a huge success achieving the following results:

1. Generation of \$215M of pre-June 30 contributions (143% over target).
2. Increased overall campaign response rate to a record breaking 12.3% (137% over target and 176% more than the previous year).
3. Increased response rate of least engaged clients to a massive 9.4% (235% over target).

The combination of direct mail, email and flyers enabled Colonial First State to implement a successful campaign - which during a time when clients were suffering the effects of a declining investment market and ever increasing costs of living - turned out to generate their highest ever response rate and ROI.

Open Up To Mail gratefully acknowledges Colonial First State and ADMA for allowing us to publish the details of this campaign.

OPEN UP TO MAIL™