

BRONZE

Corporate, Finance & Services

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EBS, Educational Building Society
Young EURO RSCG

COMPANY PROFILE

Young EURO RSCG is one of Ireland's most successful advertising and communication companies and employs 50 professionals across a full service business platform.

We represent a long list of indigenous Irish brands and not only do we represent these brands in Ireland but in many cases our brand building efforts have been exported to create successful Irish brands on an international stage.

The result is an agency with unsurpassed experience in the Irish market and an ever growing reputation abroad.

Young EURO RSCG has won many communication awards throughout its long history including many ADFX awards since its inception in 1996.

INTRODUCTION AND BACKGROUND

EBS, Educational Building Society

EBS is an Irish building society with a network of offices and agents throughout the country, a uniquely mutual financial institution in the Irish republic. EBS is run for and on behalf of its members. They number 450,000 nationally attached to a network of EBS offices in every county in Ireland.

Importantly, EBS possesses a historical reputation as a home-loan provider and was in fact originally set up to provide mortgages for those in the education sector. The society also has a long heritage for customer savings. In the past building up a saving nest egg was somewhat of a necessity to secure home-loan.

In more recent times a savings accounts offering various interest rates over differing periods are part of the EBS product range along with longer-term stock market linked products.

However, short to mid-term rate driven lump sum investment products had not been an integral element of EBS's product portfolio in recent years and therefore played no part in above the line communication. In February 2008 that was to change with the introduction and promotion of a 12 month fixed rate account for sums of €25,000 plus.

How could EBS confidentially expect to secure significant 12 month lump sum investments?

Reputation is everything? Consumer inertia: can it be overcome?
Safety of personal funds is paramount? Rate is king?

This paper will show how these statements were challenged to the advantage of an advertiser who in turn reaped a considerable reward within the banking environment at an important point in time.

EBS members and crucially customers of other financial institutions were about to be prompted to consider EBS as a home for their very valued lump sum investment. Many of whom had significant matured SSIA account funds – therefore lump sums for the first time in their lives.

These facts along with persuading savers that EBS was and indeed is a very safe place for their savings investment, was critical.

MARKETING OBJECTIVES

EBS members naturally saved and continue to save with EBS in large numbers however no concerted effort to garner lump sum investment funds of a significant size from non EBS members via external communication had been undertaken.

The EBS marketing department were acutely aware of the hurdles involved to achieve the task of securing millions of new funds. The objectives which the agency and EBS marketing team needed to grapple with was:

1. How to ensure rather large inflows to EBS could be achieved in a short period of time.
2. How best to communicate the product to the public recognising that EBS did not have a big reputation in this lump sum segment.
3. How best to gain rapid awareness and message acceptance within a highly competitive market.
4. How to best to highlight the leading (not best) interest rate available.
5. How to communicate a strong retail message within the confines of an EBS communication format, member focussed organisation.

THE TASK

Planning commenced immediately on how to strategically secure a share of consumer funds from potential investors from both EBS members and most importantly from those with funds with other institutions whether BOI/AIB , Ptsb, Anglo Irish, Nationwide and the like.

Tackling customer nervousness as to the ‘best’ home for funds allied to consumer inertia and lack of prior knowledge of EBS investment rates were the key issues to be addressed in formulating a plan.

EBS business targets for savings inflows were set. It was critically important that new business in the form of savings inflows came primarily from new untapped sources, new customer funds.

Existing savers at EBS could roll over funds from one maturing account to a new account however the real success would be judged on new funds achieved hence new customers who in turn could become EBS members.

Once the generally static interest rates on mortgage home-loans increased (on the back of ECB rate rises) financial institutions commenced offering higher interest rates on a range of savings and investment products. This added to the impending banking ‘credit crunch’ saw lenders seeking additional inflows

which in turn stimulated an increase in deposit rates across the board.

Savers were targeted by all institutions with a range of regular long-term saving options with up to 7% pa/ aer rates of interest (generally €20 to €100 max. per month) and also promoted lump sum options for varying investment periods of between 6, 12 and 18 months, for consumers to ponder.

Investment accounts with notice periods were being offered with modestly higher interest rates however larger investments of €25,000 plus were attracting significantly higher interest rates approaching 5% aer/pa.

As the economy was still (just) in the throes of the ‘tiger boom’ consumer spending was also still thriving and so consumers had some thinking to do. Saving regularly in some respects continuing the SSIA habit of the previous five years seemed logical. Those with maturing or new lump sums to invest now had a wider choice of rates and terms than heretofore.

Traditional banking customer inertia had to be overcome as simply an ‘EBS market comparable’ investment interest rate would not be enough to secure the desired investment funds.

Additionally EBS was not high in consumers’ mindsets as a destination for 12 month lump sums particularly not for those who had no previous relationship with the society.

THE STRATEGY

The communication strategy agreed collaboratively between EBS and the project team at Young EURO RSCG was unequivocal - play to the inherent EBS positioning strengths.

EBS brand strengths lie in its ability to connect with all sections of society. EBS has, over time, developed a proud reputation as a mutual financial organisation working to the benefit of its members providing not just mortgages and savings products but real advice in an educational sense.

The new investment offering needed to bear this heavily in mind and play to the strengths of this positioning in communicating to the public. This would act as a positive lever to best present the investment product to those who may have been a little unsure.

Bronze Award - Corporate Finance & Services
EBS
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Gross P.A./A.E.R.
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of 5.1% Gross P.A. / A.E.R. for 12 months.

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For more information drop in to your local EBS office
or call 1850 77 55 99.

EBS
BUILDING SOCIETY

5.1% Gross P.A. / A.E.R. fixed for 12 months. Interest is subject to DIRT, currently 20%. Available for a limited time only. Terms and conditions apply. No withdrawals or lodgements allowed within the 12 month term. Minimum balance €25,000. Maximum balance €500,000. Information correct as at 7/02/2008. EBS Building Society is regulated by the Financial Regulator.

The society may not have possessed a historical reputation for fixed term investment accounts but was well regarded and recognised as a very well run financial building society with a friendly and secure image and a huge mortgage base. Therefore it was felt by all to be credible for EBS to ‘go to the market’ seeking investment funds, with a certain amount of confidence.

In some respects the newness of EBS ‘coming to the market’ with a fresh new product offering would add potency to the new product offering campaign once all the other project components were in tune.

The account team at Young EURO RSCG was briefed to develop a communication programme that would gain rapid awareness over a short period of time and play in the communication space that EBS had carefully nurtured with its members, that of a professional, caring and member driven organisation.

In order to reach the public in large numbers the media department at Young EURO namely MPG recommended the use of a two tier media approach over a 28 day communication period of which 20 actual EBS office open days applied.

Television and press advertising were selected to lead the campaign.

THE IDEA & COMMUNICATION ACTIVITY

A quarter one 2008 communication plan was devised with a target launch date of February 18th, 2008.

A limited media investment of €270,000 was allocated for EBS to achieve inflows of savings from EBS members and customers of other financials alike in above line media formats.

Additionally a limited production fund of €20,000 was available to fund the two tier media approach.

Therefore a total of €290,000 media and production budget with a huge task.

The communication idea? Play to the strengths of EBS’s educational expertise in finance.

Over the previous four years EBS had been positioned in the market place as an organisation that delivered long term financial benefits to its members across a wide range of product offerings. This mutual member focussed positioning mirrors the educational aspect of the EBS brand.

The creative route undertaken for this campaign played heavily on this positioning – helpful, advisory, friendly and secure. An excellent and secure location with a market leading rate for your lump sum investment for all.

The copy treatment of the advertisement was vital in alleviating any nervousness but more importantly stimulating consumers to choose EBS as the home for their investment over competitive products in the market at this time. Most banks were active with savings and investment products comparable to the EBS offering about to be launched.

Consumers are notoriously anxious in choosing a new financial home and the potential length of time monies are on deposit can add to the threat of inertia, leading to monies staying where they are in many cases.

The creative answer

An educational creative style to the creative task was devised whereby the leading investment rate of 5.1% aer/ gross pa was presented with strong EBS educational imagery. A blackboard format linked to the copy platform

‘The smart answer for your savings’.

The creative approach was developed into a television execution of 20 seconds in length and also a newspaper press advertisement in 25 cm x 4 column and 10 cm x 8 column strip advertisements.

The television commercial and press advertisement mirrored each other perfectly and communicated the new EBS investment product in an invitational manner, which consumers connected with in a big way.

The voice-over within the commercial was carefully considered along with the tone of delivery. Bosco Hogan was perfect and delivered a school teacher style voice-over that caused the on air TV break disruption with motivational panache.

In short the TV ad persuaded those with lump sums to invest to knock on EBS doors in previously unheard of numbers.

The TV campaign

The television commercial first aired on Monday February 18th 2008 and ran for 28 days on RTÉ, TV3, TG4, SKY, E4, Paramount, MTV, Living/Ch.6 and Setanta.

All adults 25 - 44 years, male and female nationally were target via 525 TVRS over the 28 day advertising period. This achieved a 1 + coverage level of 85% and a 3 + coverage level of 34%.

A total audience reach of cumulatively 5,995,000 persons was achieved.

Programmes with high ratings and an expected affinity to the desired ABC1C2 audiences were targeted such as: Desperate Housewives, Prison Break, Coronation Street, The Late Late Show, American Idol, CSI NY, Champions league and Capital D.

The press campaign

31 press advertisements in full colour appeared over the course of the three week press campaign.

These were made up of traditional full colour 25 cm x 4 column page killer formats plus frequency build strip advert formats of a 10 cm x 8 column size.

National and Sunday newspapers were selected with the following titles forming the schedule:

Irish Independent, Irish Times, Irish Examiner, Herald am, Metro, Sunday Times, Sunday Business Post. Additionally six special notices on the back page of *The Irish Times* added an extra press twist in an informative manner.

Additionally branch point of sale talking to existing EBS members was displayed internally and externally through the network allied to counter staff 'talking up' the investment opportunity.

Point of sale – the EBS branch network was primed and kitted out with window posters and traditional leafleting to promote the new investment product in all branches.

EBS counter staff were encouraged to 'talk up' the new product with existing members giving them the opportunity to invest their funds in a beneficial new account.

The EBS website also promoted the new investment product.

However it is important to note that all internal promotion would 'talk' to existing members. The real win would be the signing up of new customer accounts.

THE RESULTS

The campaign was highly successful coming in +220% versus target. In addition, 55% of monies was new business driving down the overall cost of funds for EBS, an ancillary benefit to the campaign.

'The funds secured on the back of our fixed rate investment advertising campaign was unprecedented at EBS, in bringing in new funds to the Society'
Aidan Power, Head of Marketing, EBS

A remarkable achievement was made by the communications programme. Four times the targets were achieved, allowing EBS to gain significant market share in the retail savings market in 2008.

'Money was walking in the door' *EBS Branch manager*

SUMMARY

The audience that were intended to see the communication did so – the campaign reach via the medium of television ensured massive take-up of the EBS message thereby stimulating interest in this product offering at this point in time.

They took the message as intended - The message could not have been clearer and delivered more succinctly and proved to be hugely motivational in securing new funds to the society.

This in turn made them think and crucially behave differently – without doubt the advertising programme in the tone delivered convinced many that EBS was a secure and 'best in class' location for their lump sum.

The shift in attitude and behaviour answered the marketing objectives. Consumers had no previous knowledge of 12 month fixed term investment accounts at EBS. The society had not advertised them in recent years.

Consumers voted with their feet and proved the motivational force of the EBS advertising campaign by bringing in an unbelievable level of funds over the 28 day period from members and non members alike.

PAYBACK / RETURN ON INVESTMENT

Marketing and business objective

Generate new business retail savings for EBS via the branch network.

New business generated as a result of the campaign

55% of monies generated was new revenue generated (excluding existing money already with EBS)

OVERALL RESULT

The campaign was highly successful outpacing by 220% the original target set.

In addition, the percentage of new business was in excess of 55% (vs. budget of 33%) driving down the overall cost of funds for EBS which was an ancillary benefit to the campaign. The advertising was particularly successful in that it continued to drive momentum with activity in the business a full two weeks after the campaign end date.

“The advertising campaign was a real success for EBS in re-establishing itself as a savings product provider and brand. This was done whilst also achieving and exceeding the ambitious overall targets as set out by the business. Being one of the first in the market to seize the opportunity with a high impact creative campaign and well thought through media strategy put EBS in a very strong position to get real cut through in this very competitive market’

Aidan Power – Head of Marketing, EBS

The statistics

Extremely impressive rate of return data applies

- An Advertising spend of 271,000 was invested over a 28 day period from February 18 to March 16, 2008 (€9,678.57 per day)
- Looking at new inflows separately, the spend of €271,000 on advertising represents an extremely modest .12318%.

Aside from very impressive ROI statistics

EBS acquired many hundred new customers and members with this campaign who in turn invested savings with the society.

This will allow EBS to commence business relationships with customers many of whom will, in time, become members of the EBS.

The campaign has since been repeated twice with significant success.