

Think Forward





Five point creative is derived from the five points of the star motif of our school, Hardin-Simmons University. Five points also celebrates the evolution of our student/faculty team, which begins year five with the 2011 NSAC. Our five faculty advisors will begin year five with a class dedicated to the NSAC competition.



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Your Company

- ➔ George Jacob Mecherle founded State Farm in 1922 in Bloomington, IL. ("State Farm Story")
- ➔ State Farm was founded with the purpose to provide farmers with lower automobile insurance rates. ("State Farm Story")
- ➔ State Farm has grown to be the largest insurer of cars in North America.
- ➔ State Farm is a leading home insurer in the United States.
- ➔ Although State Farm started as an automobile insurance company, it has grown to provide many other services including:
 - Home Insurance
 - Health Insurance
 - Life Insurance
 - Business Insurance
 - Mutual Funds
 - Banking
- ➔ State Farm has a group net worth of \$53.3M for 2008. ("Annual Reports")

State Farm's Mission Statement

State Farm's Shared Vision

State Farm's vision for the future is to be the customer's first and best choice in the products and services provided. State Farm will continue to be the leader in the insurance industry, and will become a leader in the financial services arena. Customers' needs determine State Farm's path.

concept. State Farm built a premier company by selling and keeping promises through marketing partnerships; bringing diverse talents and experiences to serving the State Farm customer. "Our success is built on a foundation of shared values -- quality service and relationships, mutual trust, integrity and financial strength."

State Farm's Mission

"Our mission is to help people manage the risks of everyday life, recover from the unexpected and realize their dreams."

State Farm's Values

State Farm was built on the good neighbor

Your Consumers



State Farm wants to reach the 18–25 individuals who are beginning to acknowledge the need for risk management in terms of obtaining auto and renters insurance policies. Generation Y is the second largest generation, and most of these have parents from the largest generation of Baby Boomers. This generational phenomenon opens the door to many legacy policy holders (children of current State Farm policy holders) as well as to State Farm's ability to capture a new, large market. This generation defines its individuals as living with their parents longer while enjoying the benefits provided by their parents during the transitional stage from high school to college to independence. Therefore, this transition is a natural progression for children of current State Farm policy holders. Those individuals who identify with Generation Y are technologically savvy and search for the easiest and most convenient way to satisfy their consumer needs. In order to reach this generation, State Farm must speak to them through various social media because traditional advertising is limited in reach and considered untrustworthy (Grewal & Levey, 2010; Huntley, 2006). A primary behavioral characteristic of Generation Y is that they do not plan any further than their next birthday (Huntley, 2006). Individuals in Generation Y do not see stability in their future and therefore remain flexible. This generation takes extra precautions in protecting expensive technology they have purchased but perceive that catastrophic events will "never happen to them" (Clow & Baack, 2007; Grewal & Levey, 2010; Huntley, 2006). Therefore, if State Farm wishes to capitalize on this generation, they need to appeal to Generation Y by showing them how their future would be without risk management and how State Farm Insurance could meet those needs.

Market Segmentation Strategy



State Farm must change the dynamics of its policy-holders in order to sustain growth. With the age of the current policy holder being 55, the company will be unable to sustain itself for long, unless it is able to capture Generation Y. Therefore, the company needs to adapt their current marketing strategy to capture the next viable generation for sustainability. The primary target market for State Farm includes those in the 15-17-year-old range. The secondary market should be focused on those in high school approaching the legal driving age. By reaching this secondary market at an earlier age, they will become brand aware, and when the need arises, will have unaided recall of the State Farm brand.

Campaign Strategy



Think Forward

Advertising Strategy

State Farms mission is to help people manage the risks of everyday life, recover from the unexpected, and realize their dreams.

The goal of the Think Forward campaign is to “achieve growth through new young adult auto policies and through new young adult renters policies” while retaining existing auto and renters policies and to facilitate this by continuing to change young adults perceptions of the State Farm brand.

Since a key aspect of the State Farm brand is that it is “surprisingly forward thinking” we incorporated the Think Forward proposition into the campaign strategy. To Think Forward is to gain awareness of the possibilities for your life while minimizing the risk, worry, and loss of your dream. State Farm is positioned as the friend who is “always there” to assist you with those unexpected developments which might disrupt the dreams you have for your life.

The advertising message is designed to increase the targets involvement with the State Farm brand in a variety of ways, while building awareness of the brand. Key aspects of the “Forward” motif are reprised with action verbs such as Think, Step, Move, and Glide which imply that State Farm is active and able to help you.

Your Competition



To obtain competitive intelligence of State Farm's direct competitors, a content analysis was performed including competitor websites and YouTube commercials. State Farm's major competitors demonstrated they are reaching their audience through the use of the following methods:

						 *
TV and (or) Radio	✓	✓	✓	✓		
Celebrity or Direct Source	✓					✓
24/7 Service		✓	✓			
Catastrophic Events	✓			✓		
Social Networking and iPhone Apps.	✓				✓	
Online Gaming and Entertainment	✓					
Humor (futuristic or time relative)		✓	✓	✓		
Low Cost						✓
Athletic Event Sponsorships	✓	✓	✓			

* Fred Loya was analyzed due to an attraction to the Hispanic population. Fred Loya provided reliable insurance from Texas to California and with the growing Hispanic demographic could prove to be a major competitor for State Farm.

Primary Research

A total of 47 people between the ages of 18 and 25 took an online survey using SurveyMonkey between October 2009 and January 2010. Each respondent was asked to answer the survey and forward it to others that fall within the target age group. While students and non-students were encouraged to answer the survey, only 15 who responded classified themselves as non-students. Also, due to the nature of insurance and its perceptions by this young market, many were uninterested in answering as shown by a larger number who opened the survey but never submitted.

Respondent Percentages

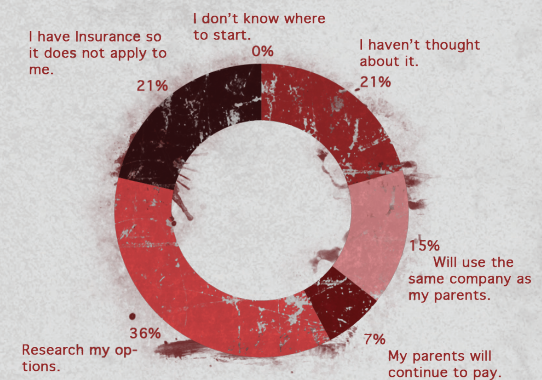
- ➔ 68% of those surveyed say that their parents pay for their vehicle insurance
- ➔ 36% plan to research their options for vehicle insurance in the near future
- ➔ 45% report that their parents use State Farm as their primary insurance company
- ➔ 63% surveyed rent a house or an apartment, but only half of those who rent have renter's insurance
- ➔ 58% of those who stated they have renter's insurance use State Farm.

Only half however, selected State Farm because of their parents.

- ➔ 71% of those who own their own home or condo do not have homeowner's insurance
- ➔ 15% say they will use the same insurance company as their parents


The target groups TOP TEN LIST of the "must haves" for insurance: (least to most important)

- | | |
|-----------------------------------------|-------------------------|
| 10 Life Insurance Policy Inclusion | 5 Personalized Service |
| 9 Social Networking Sites | 4 Online Quotes |
| 8 Bundled Pricing for Multiple Policies | 3 Available 24/7 |
| 7 Financial Risk Management Counseling | 2 One-On-One Counseling |
| 6 Credit Score Consideration | 1 Safe Driver Discounts |




SWOT Analysis


Strengths

- 
- ➔ Number one in Auto and Life Insurance
 - ➔ Number thirty-one on the Fortune 500 Company List
 - ➔ Offer sixteen different types of insurance
 - ➔ "State Farm Cares" website
 - ➔ State Farm Canada
 - ➔ Student Loans
 - ➔ Agents are actual financial advisors under the Mutual Funds segment
 - ➔ Has a bank which includes:
 - ➔ Mortgage loans
 - Vehicle loans
 - Home equity loans
 - Debt and credit cards
 -


Weaknesses

- 
- ➔ From 2007 to 2008 Net Income dropped from \$3,664,000,000 to \$1,036,000,000
 - ➔ 50,000 customers will not renew their policies due to State Farm withdrawing from offering property insurance in Florida
 - ➔ Market not grabbing the attention of Target (18-25 year olds)
 - ➔ Website is information overloaded and could be seen as overwhelming to potential customers
 - ➔

Opportunities

- 
- ➔ Many insurance companies dropped on Fortune 500's income performance list from 2008 to 2009 including:
 - Allstate from 64 to 81
 - Nationwide from 108 to 124
 - Progressive from 175 to 209
 - ➔ Getting parents involved in teen driving can lead to informing children about importance of insurance.
 - ➔ Second most followed Facebook page
 - ➔ Fred Loya only holds policies of those living in the states from Texas to California but holds a large Hispanic market that can be penetrated.

Threats

- 
- ➔ GEICO and Progressive offer online 24-hour service
 - ➔ USAA has high youth and college banking program
 - ➔ Allstate, GEICO, and Progressive are all sponsors of college football and other sporting events
 - ➔ Nationwide and GEICO use humorous commercials to reach some potential customers
 - ➔ Fred Loya offers low cost vehicle insurance
 - ➔ President Obama's health care plans would place many restrictions on insurance companies like State Farm

Creative Brief

The Primary Objective

The objective of this campaign is to achieve growth through new young adult auto policies and the secondary goal is to increase new young adult renter and legacy policies.

Advertising Role

State Farm is losing position and market share to online insurance providers with more apparent visibility and more contemporary appeal to the target audience. By solving the problem State Farm will benefit through growth of sales, increased awareness in the young adult market, and improved perception of the State Farm brand. The consumer will benefit through a long-term relationship with a stable company, which always holds their welfare and financial concerns as the top priority.

Key Observations and Insight

State Farm has potential to continue to grow and take the lead in other insurance services they provide. State Farm's outstanding reputation is a very important intangible asset. It has taken 87 years to develop and cannot be easily copied by other insurance companies. Therefore, the key concept of "think forward" shown in the following pages provides the target audience an opportunity to discover the importance of risk management, knowing that State Farm will "always be there". The target audience is the starting point of making decisions that will create their future.



State Farm is available now and will be here in the future to provide support, service, and guidance to help shape the target's quality of life.

Support

Unlike online companies, State Farm has real people, with real relationships, in real time. The State Farm personal agent is there to help build futures not just create an online account.

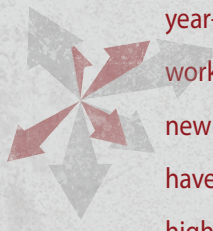


Benefit

Certainty, personal accessibility, and knowledgeable assistance for young adults as they begin to experience life.



Target Audience



The target audience (primary and secondary) includes more than 70 million Americans born between 1977 and 2002. The primary market is 18-25-year-old males and females, who are at prime for obtaining insurance. The primary market is attending college, getting married, and/or going into the workforce. These individuals are getting their first taste of independence. This generation is very diverse and tech-savvy. State Farm is actively introducing new technologies, i.e. the pocket agent, and is still the current leader in auto and homeowners insurance in the U.S. This generation expects companies to have good online capabilities to fit their active lifestyles. The secondary market is those 15-17 who are obtaining learning permits and are near completion of high school. These individuals will soon begin to transition into independence and adulthood. Therefore, State Farm's "think forward" concept will impact the future behavior of the secondary target through early branding.



Glide Forward with
State Farm Insurance®.
Always there.



State Farm Insurance® is a proud sponsor of X-Games 14.

Glide forward



Whether it's skiing, skating, or shredding, a secure future starts with a push in the right direction. As a major sponsor of the X Games, State Farm demonstrates that no matter how Xtreme the event, they are always there.





Think forward



Be known around town! Graphically demonstrate your think forward moment. Submit your train tagging artwork online. One lucky winner will have a forward moving adventure to developing a graffiti train wrap for State Farm's cross country and major metropolitan campaign.

Not an artist? Go online and vote for your favorite. Keep thinking forward and know that State Farm is always there.

Step Forward

State Farm supports Tom's One-for-One movement by donating a pair of step forward shoes to children in need. For every new insurance policy written, State Farm provides footwear and "think forward" inspiration to those that follow. The world is at your feet and State Farm is always there.



Take the first step to support the soles of people in need. Every step is an inspiration and every purchase is a gift.

State Farm. **Always There.**



State Farm Radio



Radio spot to remind the target audience that State Farm is "always there: to help them step forward into their future and to drive them to the website thinkforward.com. Frequency of play will depend on the market, but the idea is to promote State Farm as socially aware and to register the target online.

Client: State Farm / Toms Shoes

Date: May 3, 2010

Spot Tag: Step Forward

Run Time: 30

Run Frequency: Drive time - morning and evening

Market: Major Mero U.S.



Male Voice: Being in control of your own life is responsible.

Female Voice: Being in control of what you can do to help others is respectable.

Narrator: Combining both is impressive. When you step forward to do both, State Farm is always there.

Male Voice: When you purchase a new auto policy...

Female Voice: Or a new renters policy...

Narrator: State Farm will step forward to purchase new shoes for a child in partnership with Toms Shoes.

Narrator: Thinkforward.com

Billboard

Let State Farm step into the role of helicopter parent. Billboards strategically placed and seen high around town remind the target audience to think forward. Each visual cue adds to the impression that like the helicopter, State Farm is "always there."



Sporting Venues & Promotional Items



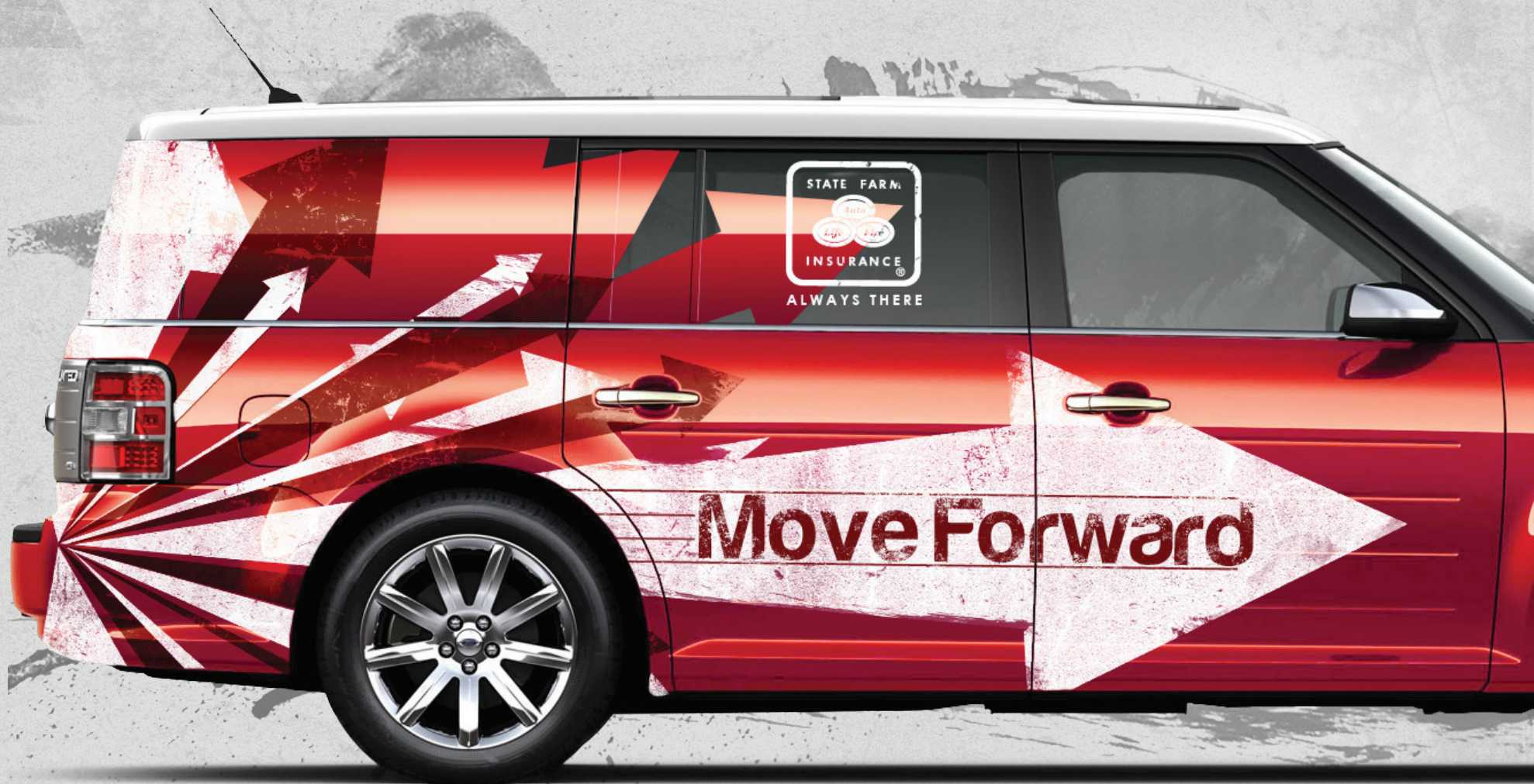
State Farm is a huge supporter of college and professional sports each year. This year, State Farm will set up a large promotional tent to accommodate fans and tailgaters at sponsored sports venues.

This target group loves anything FREE. Give out think forward promotional items such as pens, koozies, mini clings, and air fresheners at sporting that will remind them that State Farm is “always there.”



Move Forward

Think you've got what it takes to move your generation forward? Enter at www.moveforward.com for a chance to be 1 of 100 lucky people to get paid for moving forward. Tell State Farm where you live and write about your best move forward moment. Each winner will receive \$1000 and one year of State Farm auto insurance on their custom wrapped vehicle simply for reminding people that State Farm is always there.






Don't move back – Move Forward! State Farm air fresheners and mini clings are a great way to remind you that no matter where life takes you, State Farm is always there.

Hang it in your car, your closet, your office – Does your friend need one?

Makeover Promotion



As a major sponsor of Extreme Makeover Home Edition, State Farm will provide a full year of home and auto policies to the family selected for the makeover by the show's producer. State Farm will place ads around the promotion of the show as well as throughout the show during airtime.

On a smaller scale, State Farm wants to get the target audience to "think forward" by offering them a chance to have their crib revamped. State Farm will partner with HGTV for the crib makeover campaign. The target market can go online to www.thinkforward.com and register for a chance to have their home or apartment updated and be featured on one of several makeover shows on HGTV.

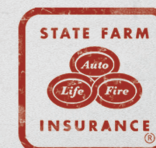




Don't Stop

Life doesn't stop. It moves forward.
When you're ready, we're always there.
For everything in your life, State Farm.

Thinkforward.com





Don't Worry

Life is unexpected. It happens.
We're always there when it happens.
For everything in your life, State Farm.

Thinkforward.com



1



4



2



5



3



6



Voice Over:

**"For everything
in your life,
we're
Always There."**

1



2



3



4



5



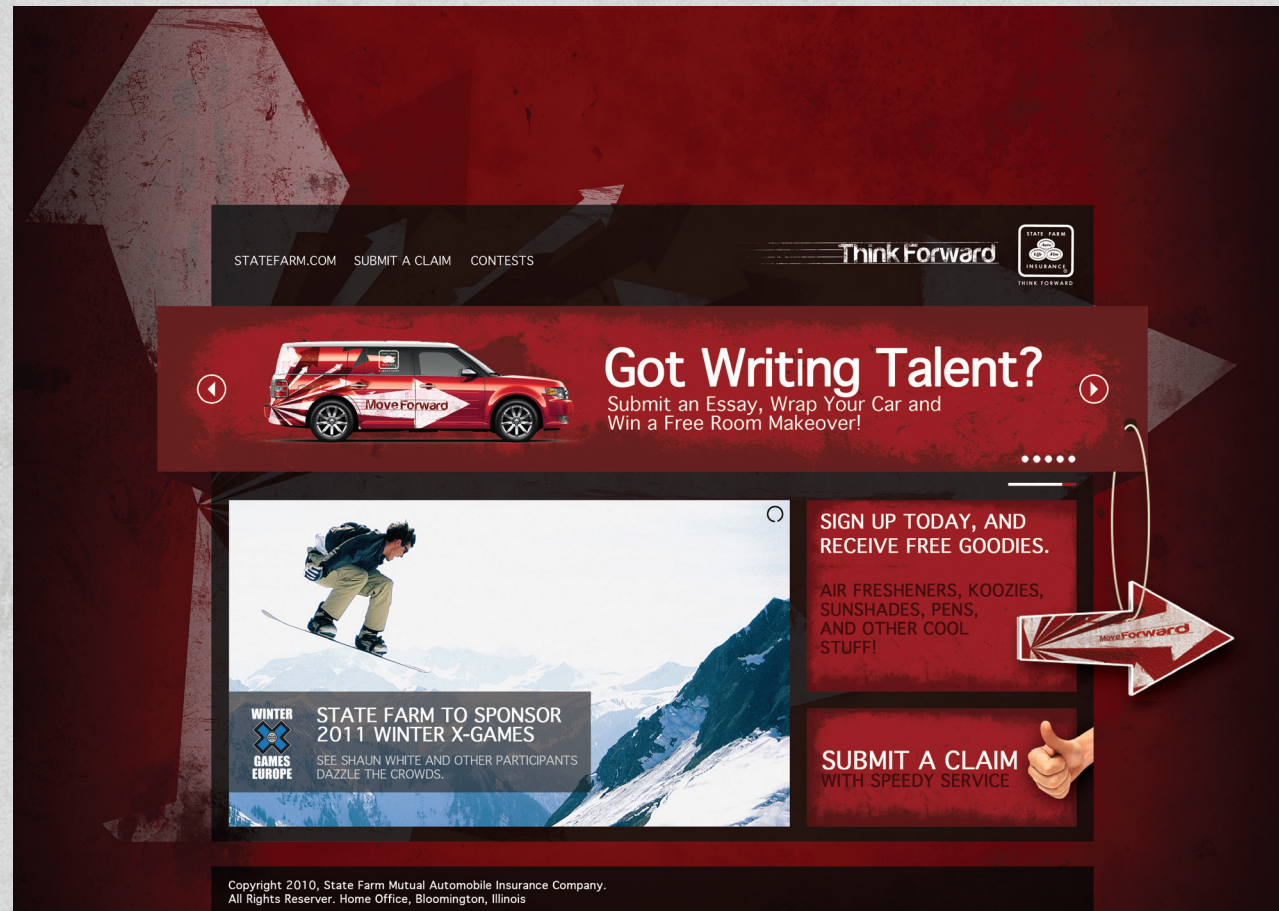
6



Voice Over:

**"For everything
in your life,
we're
Always There."**

Website



State farm is bringing the world to you. All you have to do is move it forward. Visit State Farm's "think forward" website and compete with other forward thinking people by ~

- ➡ Showing off your graffiti voodoo
- ➡ Get paid to sport around in a wrapped vehicle
- ➡ Register to get a crib makeover

Media Vehicle	May	June	July	August	September	October	November	December	January	February	March	April	Cost
Magazines													\$3,970,200
<i>Cosmopolitan</i>													
<i>Style</i>													
<i>People</i>													
<i>Essence</i>													
<i>Wedding</i>													
<i>Time</i>													
<i>Sports Illustrated</i>													
Recommendation: 1, 4-Color full page magazine ad in each color block month.													
College Newspapers													\$220,000
Recommendation: 1, 1/2 page 1-Color ad in select college market for each color block month.													
Billboards													\$1,900,000
Recommendation: Place 2 billboards in each select market to rotate monthly. Utilize digital billboards where available.													
Bus Wraps													\$4,200,000
Recommendation: Place 2 bus wraps on city buses in each major metropolitan area													
Car Wraps													\$1,370,000
Recommendation: Based on competition and location of person, 100 people will register to have their car wrapped													
Subway Print Ads													\$1,300,000
Recommendation: Place 3, 4-Color oversized poster in subway stations													
Television													\$6,700,800
Network: ABC, CBS, FOX, NBC													
Cable: E! Entertainment, Comedy Central, ESPN, FX, HGTV, MTV, TBS, Nick at Night, TNT, USA, VH1													
Recommendation: For network place ads around specific shows during sweeps; For cable, rotate 3x per day per channel.													
Radio													\$1,000,700
Recommendation: 2x during drive time each day during color block months													
Promotional Items													\$1,180,000
Logo Tent for sporting events													
Recommendation: Setting up at major sporting events to hand out State Farm information													
Air Fresheners													
Koozies													
Sunshades													
Pens													
Mini clings													
Recommendation: Handing out to people at sporting events and on campuses. Give to new policy holders.													
Train Graffiti Competition													\$5,550,000
Competition													
Production													
Campaign													
Recommendation: Placing graffiti skin on 2 trains in major metropolitan areas and 2 cross country Amtrak trains													
Website Production and Maintenance													\$750,000
Recommendation: Creating an interactive website													
Social Media Ads (Twitter, Facebook, Google)													\$95,000
Recommendation: Hiring a person who is charge of all Social Media													
Youtube Room Makeover													\$3,600,000
Recommendation: Competition built around social media to makeover a winner's room and provide with one full year of renter's insurance.													
Cause Marketing													\$2,500,000
TOMS													
Recommendation: Every new policy by the targeted audience provides a pair of Tom's shoes to someone in need.													
Additional Expenses													\$5,663,300
Agency Fee 10%													
Production Fee 10%													
Total Cost													\$40,000,000

Traditional / Non -Traditional

Magazines

1 4-color, full-page ad per month for each:
Cosmopolitan, Style, People, Essence, and Time.
1 4-color, full-page ad per month for heavy event
months for Wedding and Sports Illustrated.
Cost = \$3, 970,200

College Newspapers

1 1-color, ½ page ad to run 2x per week in select
college markets where available.
Cost = \$220,000

Billboards

2 billboards in each market to rotate monthly
Utilize digital billboards where available.
Cost = \$1,900,000

Television

For network channels, place ads around specific
shows on ABC, CBS, FOX, NBC during months of
sweeps
For network, concentrate ads around one time
sponsorship of Extreme Makeover Home Edition.
For cable, rotate ads 3x per day for specific cable
channels.
Increase flighting around home makeover shows
on HGTV.
Cost = \$6,700,800

Radio

Place :30 second radio commercial 2x during
AM and PM drive times during months of May,
August, September, January, February, and April

in select all major markets
Cost = \$1,000,700

Bus Wraps

Place 2 bus wraps on City Buses in each major
metropolitan area
Cost = \$4,200,000

Car Wraps

Based on competition and location of person, 100
people will register online to have their vehicle
wrapped
The cost includes vehicle wrap and \$1,000 per
person incentive
Cost = \$1,370,000

Train Graffiti Wrap

A competition will be held online for customer
submissions of artwork and customer voting to
determine train wrap.
Wrap 2 trains in major metropolitan areas and
two cross country Amtrak trains
Cost = \$5,550,000

Subway Print Ads

Place 3, 4-color oversized posters in subway
stations
Cost = \$1,300,000

Website

Production and maintenance
Must be interactive
Cost = \$750,000

Social Media

Employ a full-time social media expert
Cost = \$95,000

YouTube

Competition built social media to makeover
a crib
Provide one full year of renter's insurance
Cost = \$3,600,000

Cause Marketing

Partner with Tom's shoes
For every new policy written throughout the
year, State Farm will donate a pair of shoes for
Tom's cause.
Cost = \$2,500,000

Promotional Events

Logo tents for setting up at college sporting
venues
Give out logo merchandise at these events
and to new policyholders.
Cost = \$1,180,000

Our Campaign

About the campaign:

The campaign for State Farm Insurance is designed to give the target audience a glimpse of how not being prepared for certain catastrophic events could impact them. With State Farm Insurance naturally progressing from "being there like a good neighbor," this audience is reassured that State Farm Insurance is "always there."

Summary of "Think Forward":

The think forward campaign is based on psychographics realized through secondary research on the targeted audience for State Farm. This target audience (primary, 18-25 and secondary, 15-17) are members of Generation Y and have distinct purchase behaviors. The think forward concept looks at how the target audience needs to be placed into or exposed to a catastrophic event in order to recognize their need. Think forward represents a positive look into how the target's future is secure because State Farm is there today, there tomorrow, always there.



Main Strategies:

- The big idea: "Think forward" provides security in the uncertain world of Generation Y in thinking ahead while transitioning from high school to independence.
- The tagline: State Farm, Always There
- Mix of traditional and non-traditional media to include social networking.
- Incorporate cause marketing by partnering with other companies.
- Develop interactive and fun promotional campaigns and competitions which
- allow the target audience to relate to and become part of the State Farm family.



Reach and Frequency

In order to achieve the goals of reaching the 18-25-year old target with spillover to the secondary market, we have set a reach of 70% and a frequency of 3.0. This reach was determined from State Farm's already established brand. It can also be generalized to the population that legacy children will continue to use State Farm Insurance once they have transitioned into adulthood. Generation Y's inability to plan for their future brings about the need to set the frequency at 3.0. The creative and widely used media vehicles will assist with successful delivery of the "think forward" message.



Measurement and Evaluation

- ➡ State Farm can measure the campaign's effectiveness simply through the number of policies bought by this age group throughout the campaign year.
- ➡ Competition submissions for the car wrap and the YouTube room makeover can be used as a tool to measure market reach.
- ➡ Research done through phone, email, and personal surveys and focus groups can assist in measuring the change in brand awareness for State Farm.

Marketing

- ➡ Clow, K. & Baack, D. (2007). Integrated Advertising, Promotion, and Marketing Communication. 3rd ed. New Jersey: Pearson.
- ➡ Grewal, D. & Levy, M. (2010). Marketing. 2nd ed. New York: McGraw Hill.
- ➡ Huntkey, R. (2006). The World According to Y. Sydney: McPherson Publishing Company.
- ➡ Simmons National Consumer Study
- ➡ State Farm Insurance – <http://www.statefarm.com>
- ➡ World Advertising Research Center (WARC)
- ➡ YouTube: Insurance commercials

Media / Promotions

- Arbitron
- Bus, Car, Train Wraps: Fast Signs, Abilene TX
- Clings, pens, etc.: <http://www.4imprint.com>
- Facebook
- Flickr
- Google
- Logo tent: <http://www.tentnology.com/logo-tents.aspx>
- Nielsen
- Tom's Shoes: <http://www.toms.com/?gclid=Clz9wOnesaACFdpe2goddi1JSw>
- Twitter



Think Forward

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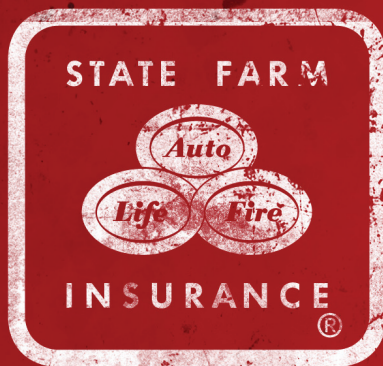
HSU 2010 NSAC Team

Faculty Advisors

Kyle Carter



FIVE-POINT CREATIVE



ALWAYS THERE



National **AAF** Student
Advertising Competition