



FINANCIAL SERVICES:
GOLD WINNER

Bank of America - Opportunities for All

I. INTRODUCTION

In August of 2008, Bank of America (BAC) piloted a new integrated approach designed to deepen relationships with its current customers and drive new acquisitions by offering a differentiated promise. The promise, “you get more just for being a Bank of America customer” required that Bank of America change its engagement with both consumers and employees of the bank. In this customer-centric approach, research drove not only the components of the offering and positioning, but also the language used to engage the consumer in a different way thus creating a customer driven experience whether it was in the banking center or online. The messaging developed to launch this effort focused on making Bank of America customers feel truly valued by their bank and demonstrated that BAC is the superior option for consumers’ financial needs. The integrated campaign included mass media, online, POS, and OOH advertising. It enhanced how BAC develops and executes integrated marketing programs beyond traditional mass advertising. If successful, the pilot was scheduled to be extended in 2009; however, the overwhelmingly positive results of the pilot, illustrated from a comprehensive measurement plan, along with the timeliness of the messaging, resulted in a national launch in Q408. The following details clearly show how a comprehensive research program helped BAC develop and extend a campaign that delivers our promise of giving our customers more just because they are our customers.

II. BUSINESS SITUATION AND CAMPAIGN OBJECTIVES

Up until recently, banks had become like a utility. People rarely had a reason to think of their bank until something went wrong. It’s no wonder that the main reasons for choosing a bank were convenience and reputation. It also shouldn’t be surprising that many customers of Bank of America didn’t think of us when they were shopping for additional financial products, like mortgages, credit cards, and IRAs, because most had no idea of how much we offer, much less that they would get discounts, special offers and exclusive products just for being a customer. That made it difficult to market the Bank as a financial destination beyond retail checking. And we were hard-pressed to discover a compelling way to market deposit accounts beyond ‘Free.’ Wasn’t there some way to give a wide swath of customers a simple reason to do more with BAC? In light of this, Bank of America developed a campaign that was designed to increase share of wallet by cross-selling and building balances. It also had a secondary goal of acquiring new relationship by offering a compelling “promise” to our customers. This campaign sought to make our customers feel valued and feel that BAC is the superior choice for financial relationships. Extensive research was conducted to develop a program to help consumers and associates see all the ways that Bank of America customers truly “get more just for being a customer.” The program was designed to be a sales tool as much as advertising campaign.

Given the extensive “voice of customer” data collected to develop this compelling campaign, we pursued a message that offered a brand-promise that could see us through

an unthinkable economic recession. Indeed, during the pilot, our research showed that offering more to customers just because they are customers is an effective messaging approach, but our research also showed that convenience and reputation were being trumped by safety and security as the key reasons that consumers do business with a bank. Thus, we expanded the opportunities offered to customers just for being customers to “safety and security,” and we fast-tracked the national-launch of the campaign to Q408 with the “Opportunities for All” (OFA) messaging expanded to include safety and security. This campaign is truly relevant to consumers, and the research conducted prior to and during the pilot allowed us to tweak the campaign to address the needs of consumers in this devastating economic crisis.

I II. RESEARCH STORY

The research conducted to inform the pilot and ultimately the national roll-out was extensive. It was conducted in three phases. The first phase was designed to assess the best positioning for Bank of America. The second phase was designed to determine the best location for launching the pilot, and the third phase examined the effectiveness of the messaging enabling revisions before a national roll-out.

Phase 1 (What Message?)

The first phase of research conducted by Luntz Maslansky Strategic Research, was designed to 1) understand how Bank of America customers and prospects heard the proposed positioning articulations, and 2) identify the words to use and words to lose when articulating the value proposition. This research aimed to find and build a new lexicon for Bank of America to use both internally and externally. In order to get the most accurate and reliable picture, the research approach included three sub-phases.

LISTENING SUB-PHASE: Allowed us to understand the language being used to talk about the Opportunity that Bank of America offers internally. By conducting hour-long individual interviews with six key stakeholders at BAC, we were able to hear the various articulations of the “Bank of Opportunity” as well as the specific words and language being used on an internal level at the time of the research.

QUALITATIVE SUB-PHASE: Allowed us to share the ideas and language of the “Opportunity for All” campaign with customers, and dive into their reactions and responses. We were able to speak with nearly 200 participants who had a variety of relationships with the Bank in three target markets. The qualitative phase consisted of both traditional focus groups and instant response dial sessions. Our instant response dial sessions were unique from traditional focus groups in that participants were asked to respond to recorded messages on a second by second basis. This allowed us to pinpoint the exact words, phrases, and ideas that resonate with the participants. Responses were recorded live, allowing us to discuss participant reactions as they were happening and probe to understand the reason behind each reaction. The results from this sub-phase were used to modify messaging to be tested in the quantitative sub-phase.

QUANTITATIVE SUB-PHASE: In order to further solidify the findings from the previous phases, we conducted a nationwide survey of nearly 1,600 respondents. Extensive analysis of this data indicated that the original value proposition (“As a Bank of America customer, the more products and services you access, the greater your benefits become”) had one major flaw: *the audience did not understand the language as it was intended.* What they heard in that proposition was that the bank is trying to get more of their money before they will see any benefits. More products and services from me = More money for the bank. Of course this is not what the message was intended to communicate, but, *it's not what you*

say, but what your audience hears that matters. Based on this important finding, an alternative positioning statement was recommended, tested, and found to be effective:

One of the things I like most about Bank of America is that I get the same preferred rates, special offers, and exclusive products as every other customer – no matter how much money I have in my account. They reward ME for MY business, each and every day because they believe that every one of their customers deserves the opportunity to save or make a little bit more.

The insights from the research helped inform the messaging for the “Opportunities for All” (OFA) pilot test.

Phase II (Where to Test?):

In the second phase, we identified two test markets and two control markets in which we would pilot the OFA campaign. The test markets were determined based on BAC performance on a variety of factors, including brand favorability, market share, demographics, and other messaging in the market. From this analysis, we identified Hartford and San Antonio as the test markets where the pilot would be launched. Interestingly, our market-level research and analytics also detected some of the very early signs of the now-national real estate and credit crisis in several markets, and they were de-selected from consideration given their “outlier” status on foreclosures and late payment history. Control markets were selected based on historical performance of a variety of metrics analyzed prior to the campaign launch. Products and services owned were identified for each household in all CBSA markets within the BAC footprint. Markets with other campaigns running were excluded as well as markets with a small banking center presence. The number and percentage for nine different metrics were accumulated. The metrics included single service DDA households, single service credit card households, DDA households with 1 other service, DDA households with 2 other services, DDA households with 3+ other services, credit card households with 1 other service, 2 other services and 3+ other services and last those with any other service than a DDA or Credit Card. The categorization of these households was hierarchical, meaning the household were placed in one and only one classification. The metrics were equally weighted and standardized to the same mean and standard deviation. Each of the possible control market candidates were paired up with the 2 test markets and the market with the standardized metric closest to that of the test markets was selected.

Phase III (Monitoring the Pilot)

Once the pilot launched, we assessed creative effectiveness (with IPSOS Understanding UnLimited), monitored the effectiveness of advertising through Advertising and Brand Tracking (with Harris Interactive), studied customer experience through branch intercepts (with GFK Brand and Communications), and examined the impact on the Business with Test/Control analysis (through Bank of America) and ROI modeling (with Ninah Consulting). We pursued this measurement strategy to assess the effectiveness of the campaign in order to determine if we should pursue a national launch, and to permit us to modify the campaign messaging to best resonate with customers before the national launch.

CREATIVE EFFECTIVENESS: Ipsos Understanding UnLimited helped gauge respondents' reactions to the pilot through individual in-depth interviews in the two test markets plus an additional market among Mass Market & Mass Affluent customers and prospects. The goals were to understand the overall campaign as well as the individual advertising components. Some consumers were exposed to the holistic campaign and other consumers were exposed to individual marketing elements to gain an understanding of the contribution of each campaign element and to also understand the effectiveness of the campaign as a whole. Through this research, the team was able to learn the key messages communicated by the campaign and its individual elements and how those

takeaways fit or do not fit with the intended message. The research also identified which of the campaign executions conveyed the messages in a meaningful and compelling manner and which did not. The learnings from this research were used to identify ineffective campaign elements to no longer pursue, as well as identify elements of the campaign that could be strengthened prior to launch. In addition to honing our message, we were also able to quickly realize the most-impactful executions and further were able to narrow our recommended messaging to the demonstrations that delivered. The allowed for more cost-effective execution at national rollout.

USABILITY: A usability test was conducted on the tool (located on the Bank of America web site) that corresponded to the advertising campaign. The participants provided valuable feedback while performing several task-based scenarios and the data helped refine the online user experience.

ADVERTISING BREAKTHROUGH: Harris Interactive conducted Advertising and Brand tracking to assess performance, including the perception that Bank of America values customers and gives them exclusive offers. The results indicated that the campaign was very successful at enhancing consumers' perceptions of BAC as a brand that values customers and gives them exclusive offers (with 13 and 16 percentage point increases, pre to post launch, respectively). We also learned that the campaign helped to enhance BAC's trustworthiness (with a 16 percentage point increase pre to post). This was one of the key learnings that led to fast-tracking the national launch of OFA to address the rapidly-changing needs of consumers in the recessing economy. Indeed, this research showed that trustworthiness and stability were becoming increasingly important to consumers. The results from the pilot illustrated that the campaign helped generate feelings of trust, and the framework of the campaign could easily be adapted to increasingly generate feelings of safety and stability. Thus, these results helped refine messaging for the national launch.

CUSTOMER EXPERIENCE: GFK Brand and Communications conducted a thorough evaluation of banking centers in which the program was executed. Given that associate training and adjustments to marketing collateral were incorporated into the pilot, it was necessary to understand whether dynamics in the banking center had changed. Specific aims of this component of the research program included gauging awareness of POS and Advertising, understanding overall impressions of POS, and characterizing perceptions of change in associate behavior or Bank of America more generally. A hybrid technique was employed to meet these aims. Ethnographic observations prior to and following the campaign provided rich descriptions of the banking center experience. Exit surveys provided first-hand customer feedback on these changes. Results of the initiative suggested the campaign was having a measurable impact. Indeed, POS creative was successful at persuading customers that BAC is a bank that values customers and gives them exclusive offers. In addition, over 80% of consumers noted that POS is now easier to find, and over 50% noted that the signs associated with OFA are more relevant to their needs. This research helped the marketing team better understand where to place POS for the Q4 national launch and how to tweak the interaction with customers in the banking center. At the same time, a complementary body of work to rethink the real estate of the bank branch and realign different types of engagement within the walls emerged, and the customer experience insights gleaned from the OFA pilot work described here augmented the findings of that effort.

ASSOCIATE EXPERIENCE: Focus groups with associates were conducted to assess their perception and experience with the pilot. Associates reported that the OFA campaign offered unique engagement opportunities with customers and encouraged associates to learn more about BAC's products. In addition, and somewhat surprisingly, associates communicated their excitement around marketing which focused on a consumer need, but was demonstrated by a range of solutions, products and services. Their level of

engagement and greater likelihood to have an open-ended sales or service conversation was a catalyst to a higher level of observed referrals for additional products in many of the pilot branches.

IV. CAMPAIGN DESCRIPTION

“Only Bank of America gives you more just for being a customer.” This message drove the OFA pilot, whose ultimate goal was to make Bank of America customers feel truly valued by their bank, and feel that BAC is the superior option for their financial needs. The creative developed for the program demonstrated the premise beautifully, and as the results show, had the desired effect on both customers’ perceptions and retention rates.

The OFA creative instilled a sense of intrigue in customers, as revealed by the qualitative research. By assigning numbers to each of the opportunities that customers receive for banking with BAC and leveraging these numbers as a graphic treatment across channels, customers were left wondering just how many opportunities their banking relationship was offering, creating a sense of implied value within the numbers.

Mass media was the main platform for the creative executions, driving awareness of the campaign. From print ads to bus covers, from radio to TV, all mass media channels set an optimistic tone about the breadth of opportunities available to BAC customers.

The online advertising followed the creative lead of the mass media, using the opportunity numbers (For example, “Opportunity #7 Keep the Change. You spend. We round. You save.”). The curiosity created by the single number within each frame prompted customers to click on the ad, which brought them to the Opportunities for All microsite. The microsite invited consumers to answer questions about their financial habits. Their answers determined which opportunities might be right for them – creating a personal, customized experience for the user.

Associate Engagement and in-store promotion (through point-of-sale and digital point-of-sale) were an important part of the Opportunities for All pilot, since a customer’s banking relationship often begins at a banking center with an Associate. An “Opportunities for All Pocket Passport” was made available to Associates, which served both to inform the Associates of opportunities to discuss with their customers and a sales tool for those conversations. By teaching them about the opportunities and encouraging them to share those opportunities with their customers, Associates were given increased confidence and empowered to have meaningful and productive conversations with their customers.

The key media strategy of the OFA pilot was to focus on environments when/where the customer was fresh-minded and open to considering banking opportunities relevant to them. This led to a strategic emphasis on the morning, when we felt consumers are looking forward and thinking about where the day might lead. In addition, we felt there was a need to “surprise” and “delight” to help bring relevant product opportunities to life. Offline tactics included morning TV, Radio, and Transit or OOH elements. Media mix and levels were driven by individual market nuances. Unique executions like coffee sleeves, Free Coffee sponsorships, and messaging on dry cleaner bags surprised consumers as they navigated their morning routine. To drive impact during the key morning timeframe, we net-blocked and day-parted digital media. We also aligned the online media with morning check points in environments such as email, sports scores, and weather.

V. BUSINESS RESULTS

Research results from the Pilot campaign demonstrated increased brand favorability and service perceptions. There was also a notable increase in household acquisition and new

types of services acquired by existing customers when compared to control markets. The measurement of the Opportunity for All pilot used a test vs. control type of analysis. Control or match markets that were similar in respect to the depth of products and services owned by households to our selected test markets were picked. We looked across 11 different products and services; consumer checking accounts, business checking accounts, traditional savings accounts, certificates of deposits, Retirement accounts, investment products, credit card, mortgages, home equity loans and lines of credit, *Keep the Change*, and mobile banking. We evaluated the households in these test and control markets for their ownership of these products and services before the OFA program ran. After the program completed, we then took a second snapshot in time of the households in our selected test and control markets and again evaluated these households for their ownership of the 11 products and services. We matched by household between the pre-media period and post-media period.

- If the number of products\services increased we classified the household as 'Deepened'
- if the household lost products\services we classified it as 'Diminished'
- if the household was no longer with the bank after the campaign completed we classified it as 'Attrited'
- if the household opened in the media period it was classified as 'New'
- if there was no change in the number of product\services from the pre-media point in time to the post-media point in time it was classified as 'No Change'.

The information collected was summarized to the Market and 'Test\Control' level. The goal of the pilot was to increase the percentage of households in the new or deepening group. Overall the final results for the pilot showed 3.36% of households deepened in the test group vs. 3.05% that deepened in the control group. 6.34% of households were new in the test group vs. 5.22% that were new in the control group. The differences were measured to be significantly different between test and control.

Given those results as well as the economic environment at the time, it was a strategic decision to continue to expand Opportunities for All nationally in Q408. During a time when banks were capsizing weekly, the market was plunging, and customers were finding themselves panicked about where to put their money; it was more important than ever for Bank of America to go to market with a campaign that was proven to enhance favorability and drive acquisition. The creative from the OFA Pilot was leveraged in Q4, with some improvements in light of the research findings. Rather than use only products as the demonstrated opportunities, the creative for Q4 used products, services, and experiences, strengthening the overall platform. To stay relevant given the state of the economy, the creative honed in on specific opportunities that allowed customers to reduce fees, save money, be secure, and rest easy (all of which were highlighted by the research).

The Q4 OFA campaign pursued similar strategy of reaching consumers in an optimistic – though now somewhat tempered - mindset with some unexpected placements. The campaign prioritized broadcast exposure in the mornings just as in the pilot effort. DJ endorsements were added in radio to provide a first-person account for how BAC provides opportunity to their customers, and online Holiday Gift Guides delivered our message to consumers to help bring individual product benefits to life as consumers navigated