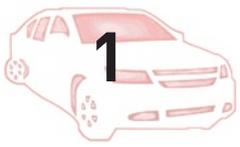




*State Farm*

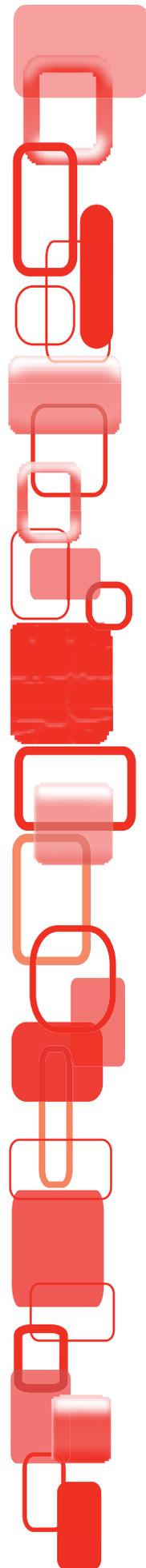


Augustana College  
Rock Island, IL



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## EXECUTIVE SUMMARY

State Farm has been in business since 1922, and is a strong and established name in the insurance industry. In a very competitive industry and marketplace, State Farm tops the charts in market share by 6% over its next closest competitor. State Farm prides itself on the “agent-based” model, placing value in personal connections with knowledgeable insurance agents. Recently, the younger age demographic, 18-24, has been a market State Farm has sought to capture. This age demographic has been enticed with online and less expensive automobile insurers. They have been sacrificing the value of an agent and the completeness of their coverage to keep their costs down. This campaign will demonstrate and prove the value of an agent, while showing the necessity in having a good neighbor like State Farm.

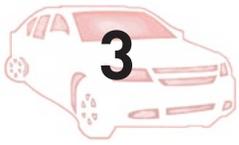


# *State Farm*

The communication strategy of Velocity Communications will connect with our target audiences through a variety of creative and useful tactics achieving the goals and objectives set by State Farm. Velocity Communication’s strategy is a comprehensive one, geared to reach and connect with all segments within our target audience. The strategy clearly demonstrates the value and needs for full coverage, and highlights the necessity for an agent to walk them through the process.

Additionally, Velocity Communications’ campaign respects and follows the State Farm business model, while adding dimensions to further enhance and expand State Farm’s existing success.





## The “Value” Strategy

With there being such a strong emphasis on the added value that State Farm provides, Velocity Communications decided to build on this very idea. “Value a Neighbor, Value an Agent, Value State Farm” is the tagline we feel gets the point across the best to our target audience. Building on this proposed tagline, we feel each phrase can be broken down into a main heading for specific tactics to relate to. “Value a Neighbor” is a section of tactics devoted to showing the benefits of having a good neighbor, and thus, the benefits of having State Farm insurance. “Value an Agent” consists of the tactics specifically geared toward depicting the rationale and benefits of having someone knowledgeable and available, there to help you throughout the process. Finally, “Value State Farm” tactics are “all inclusive tactics” that show the overall good in choosing State Farm as an individual’s insurance provider. Velocity Communications will show you each of these individual tactics that deliver a cohesive and clear message from State Farm to the target audiences.

State Farm **Agent**



# SITUATIONAL ANALYSIS

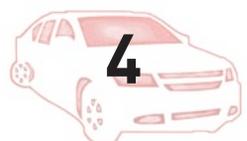
## INTERNAL ANALYSIS

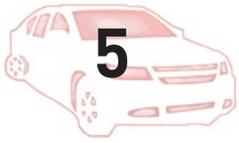
Since its foundations in 1922, State Farm has been the national company that helps people manage their risks of everyday life by providing families and individuals with property and casualty insurance. The property and casualty insurance includes auto, homeowners, boat, motorcycle, renters, and personal liability insurance. In 2000, State Farm opened the State Farm Bank and now provides a wide array of financial products and services. With the direct insurer model, State Farm insures more cars than any other insurer in North America and is the leading U.S. home insurer.



## MARKET ANALYSIS

Because of our current struggling economy, it is even more difficult to engage our target audiences to engage in discussions about spending money to prepare for the unexpected. Young adults are especially budget conscious. Insurance is a topic they have little interest in and avoid situations that make them feel exposed about what they do not know. Because of these preconceptions about the insurance process, there is an opportunity to provide young adults with a company that is trustworthy and responds quickly to their insurance issues.





# SWOT ANALYSIS

- Brand recognition
- Financial backing
- Celebrity sponsors
- Established history
- Successful previous campaign for young adults
- Largest market share in the industry
- Personal agents 24/7
- Importance to stay true to being a good neighbor
- Easily navigated website

## STRENGTHS

- Perception that it is an insurance company for an older generation
- Individuals lack of knowledge about the importance of insurance
- Young adults are uninterested in insurance
- Individuals want a fast quote, not a sit down conversation
- More of a serious undertone to advertising campaigns
- Not connecting with the transforming demographic

## WEAKNESSES

## OPPORTUNITIES

- Redefine a good neighbor in today's culture
- Use technology to relate to young adults
- Reach a broader more diverse group
- Teach young adults about insurance
- Legacy young adults may remain loyal
- 30% of this age demographic switch insurance agencies

- Strong competitors
- Downturn in the economy
- Policies may be more expensive up front
- The instant gratification culture
- Technology is a necessity to this demographic

## THREATS



# MARKET COMPARISON/ANALYSIS

## Competitors

### Allstate

Target Market: Consumers of all ages and particularly a multi-cultural community

Business Model: Agent Based

Strengths:

- Has local agents
- Name recognition
- 2nd largest market share

Weakness:

- An agent may not appeal to younger generations
- Higher rates

### Progressive

Target Market: Tech-savvy, and younger generation looking to streamline process

Business Model: Direct Insurer

Strengths:

- Streamline Process
- Cheaper perception
- "New-Age" feel

Weakness:

- No personal agent
- Consumer on their own for coverage

### Nationwide

Target Market: Wide range of markets from teens to adults to families

Business Model: Agent Based

Strengths:

- Wide market range
- Personal agents
- Competitive quotes

Weakness:

- Not a strong competitor in advertising

### Geico

Target Market: Younger demographic and any age capable of online purchases

Business Model: Direct Insurer

Strengths:

- Streamline Process
- Cheaper perception
- Name recognition

Weakness:

- No personal agent
- Consumer on their own for coverage

### Farmers

Target Market: Middle aged individuals and also families

Business Model: Agent Based

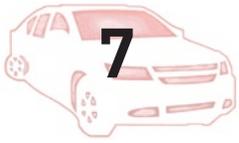
Strengths:

- Has local agents
- Name recognition
- Values personal connections

Weakness:

- Only appeals to an older generation
- Not a strong competitor in advertising





## PRIMARY RESEARCH

Velocity Communications felt it important to collect primary research in the most unbiased manner. We devised a survey comprised of 12 questions and allowed for it to be anonymous. We decided on an individual, personal survey for each person to take in confidentiality because hearing the opinions of peers greatly affects our audience's verbal responses.

We surveyed an equal number of males and females and found similar results as well as differentiating factors. 100% of those surveyed owned or had a car but only 30% of them knew who their insurance provider was, and an even smaller amount paid their own insurance. Who was responsible for paying it? Mom and Dad. This provided us with key information about who our secondary audience should be: The parents.

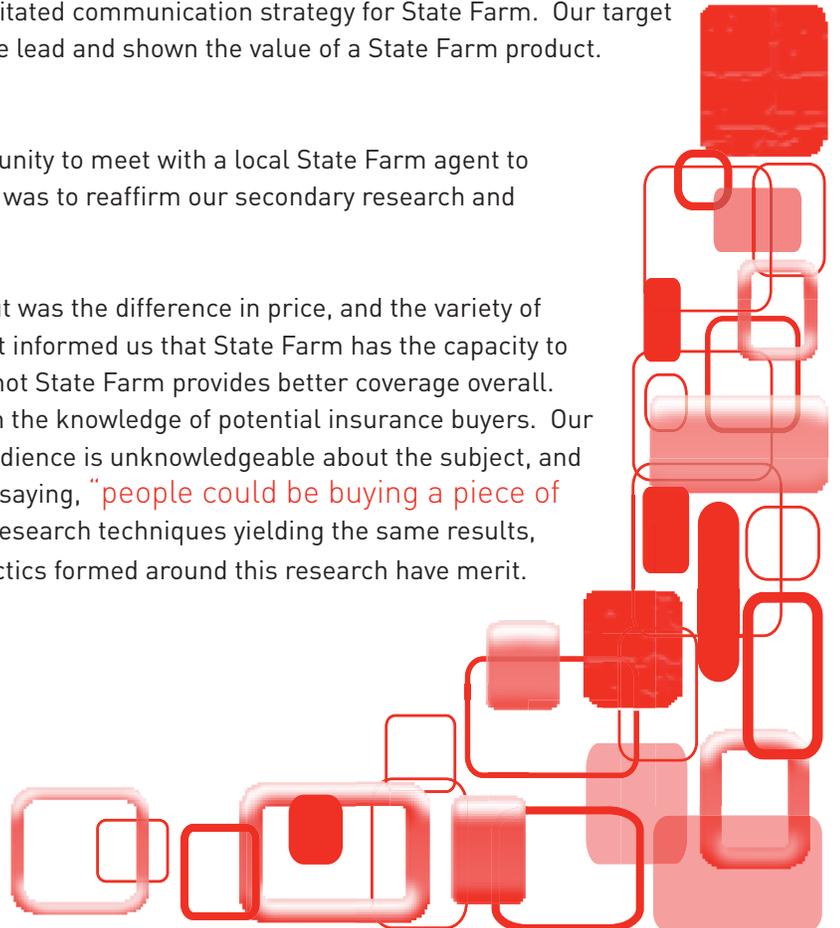
Going along with this, the number one answer to the question, "Who would you talk to in order to find out information about the type of coverage you have?" was: "My mom and dad." Very few participants answered with their insurance agent. This tells us that we need to not only be targeting and informing the youth, but the older generations as well. Young adults trust their parent's opinions and we need to try and be a part of that valued "go-to" person for advice.

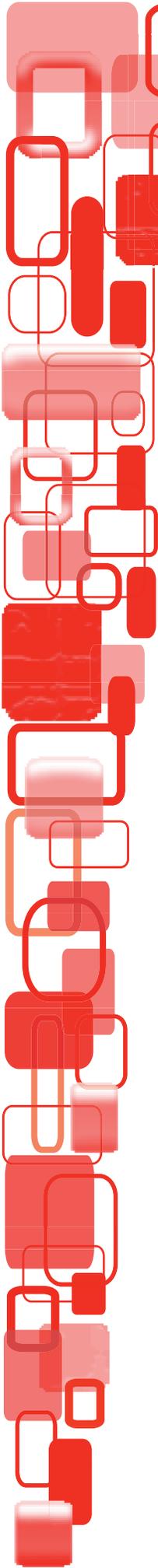
In a ranking exercise, the most important aspects to our age bracket when shopping for car insurance was having legal coverage and price. This group is looking for appropriate coverage without getting taken advantage of price-wise. They are young and they are new to this field, which makes them vulnerable. They seek someone with their best interest in mind, willing to work with them to set up appropriate coverage plans.

Our primary research confirmed our secondary research. The target audiences and the secondary audiences both put value in personal connections. While "Mom and Dad" was the popular answer to whom the segments would talk to, we can supplement this with a direct and well-facilitated communication strategy for State Farm. Our target market is a group of potential buyers, but they must be lead and shown the value of a State Farm product. This is the goal of Velocity Communications.

Velocity Communications was also granted the opportunity to meet with a local State Farm agent to discuss auto insurance and the process. The purpose was to reaffirm our secondary research and supplement our primary research.

The first issue Velocity Communications inquired about was the difference in price, and the variety of coverage types from competing companies. The agent informed us that State Farm has the capacity to match the prices of competitors, yet more often than not State Farm provides better coverage overall. Secondly, Velocity Communication was concerned with the knowledge of potential insurance buyers. Our additional primary research showed that the target audience is unknowledgeable about the subject, and the agent confirmed these results. He was quoted as saying, "people could be buying a piece of string for all they know." With both our primary research techniques yielding the same results, Velocity Communications knows the strategies and tactics formed around this research have merit.





## SECONDARY RESEARCH

### Why Have Auto Insurance?

With auto insurance being mandatory in almost all states, it is an unavoidable purchase for the vast majority of consumers across the board. According to an article written by Insure.com, New Hampshire and Wisconsin are the only states not mandating some form of auto insurance coverage, and with Wisconsin recently passing a law requiring liability insurance, going into effect in June of 2010, we see the clear reality that auto insurance is a must purchase for virtually all Americans. Additionally, auto insurance provides financial protection in the event of an accident, vandalism, or theft. While these vary by policy, they can prove to save an individual or family from financial hardship, and provide protection and safety for those driving. Taking auto insurance a step further, we also see the social benefit and responsibility drivers have to own auto insurance. Failure to possess proper coverage puts others at financial risk in the case of hurting them or their property and being able to help compensate them, this in from an article posted in Insure.com. Through asking this question, Velocity Communications sees the value and important reasons for having auto insurance.

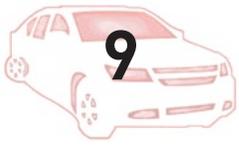
### Why Have Renters Insurance?

In addition to automobile insurance, renters insurance also protects and guards the individual from excess financial burden. Renters insurance is often not a required form of insurance, but is one that can be highly beneficial. Renters insurance, depending on the policy, can provide protection on things like an attorney if sued by someone injured on your property, or medical expenses if someone is hurt on your premises. Additionally, renters insurance can provide protection of your personal assets. The correct coverage for a renter proves extremely important, and varies from renter to renter. It is this point that brings the value of a State Farm agent back into the picture, and makes them a valuable tool for those seeking coverage. While renters insurance is usually not mandatory by law or bank, it provides valuable protection on priceless items.

### Why Have an Insurance Agent?

With the insurance industry being one of complex wording, and a variety of choices, finding the best policy or plan for you can be a daunting task. Trying to sort through the facts and fictions can frustrate even the most patient of individuals. While online purchasing may seem like the quick and efficient way to buy insurance, do you really know what you're purchasing? Do you really know who's going to be there when you need them most? An insurance agent knows the industry, and can customize a policy to your needs. They can walk you through the particulars of different options, and recommend what may be best for you. Possibly the best benefit of an agent is the personal connection, and peace of mind that comes with knowing who will be there for you.





# TARGET MARKET



## Market Segmentation

Our research lead us to break the target market down into three constituent parts based primarily on where they are on a professional working basis. Our research and objectives have guided Velocity Communications to further understand the large variety of individuals included in the specified target market. Within this market includes: high school graduates entering the workforce, soon graduating college seniors, and college graduates emerging in the workforce. Throughout this market is a wide range or habits, characteristics, likes, and dislikes. While each segment has their individual characteristics, they have key similarities that allow communication and advertising initiatives to efficiently and effectively reach them.

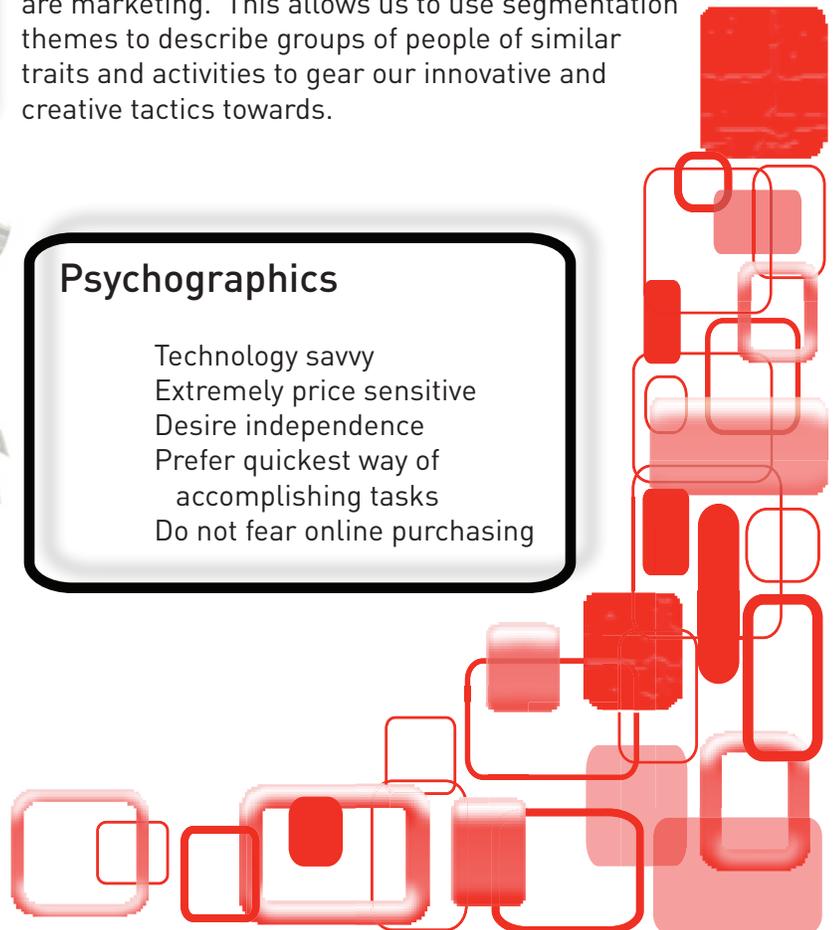
We have created our segments around a driving theme, and labeled them as different "types" of drivers, that reflects where they are in the professional world, compared to others of comparable age. We feel that by breaking them down into "driver-like" themes we can make a unique connection between our target market and the product we are marketing. This allows us to use segmentation themes to describe groups of people of similar traits and activities to gear our innovative and creative tactics towards.

### Demographics

- 18-24 years of age
- Culturally diverse in nature
- Financially independent from parents
- Wide variety of education

### Psychographics

- Technology savvy
- Extremely price sensitive
- Desire independence
- Prefer quickest way of accomplishing tasks
- Do not fear online purchasing



# SEGMENTATION

## The Cautious 'Drivers'

### Exiting College

Hey, I'm Phil! I'm working on finishing my senior inquiry for my Latin American Studies major. I'm so excited to get out into the real world after college. I don't have a career or place in mind, so I plan on moving around a lot for a year or two before I find a place that I like. I love spending time on Facebook and going out with my friends. They are the most influential people in my life. I know that I need to buy a car when I graduate, but I have no idea what to choose for car insurance. All I know is that I need to get it. I'm looking for cheap and affordable. Anything to help save with my student loans!



## The Skilled 'Drivers'

### Emerging Businessman

What's up, I'm Aakash. I just finished my MBA and I could not be more excited for my first job! I have my own office and everything! I just moved into my first apartment with a buddy of mine. I love hanging out with my friends in my free time, but I'm trying to focus more on my career. I like to keep up with emerging technology so I can stay in the loop for my job and with my friends. I've been with Progressive for about a year now, mainly because they're cheap and I like their commercials. Car insurance isn't really a concern to me, since I have it already. Plus, the chances of me getting into an accident are unlikely.



## The Speed 'Drivers'

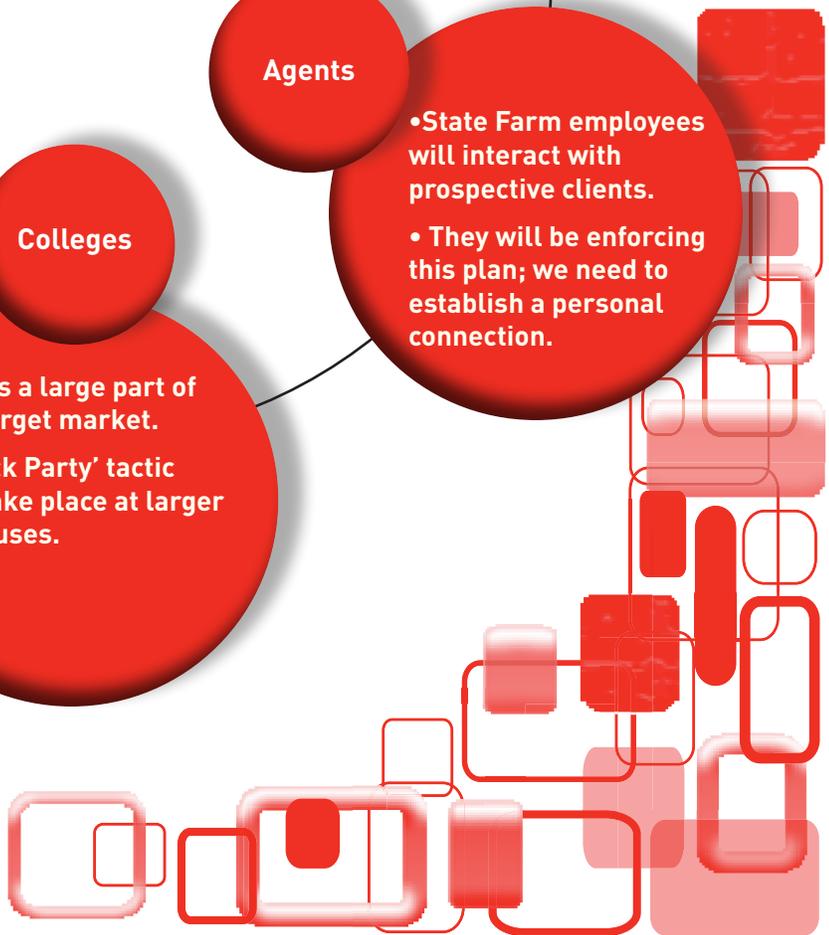
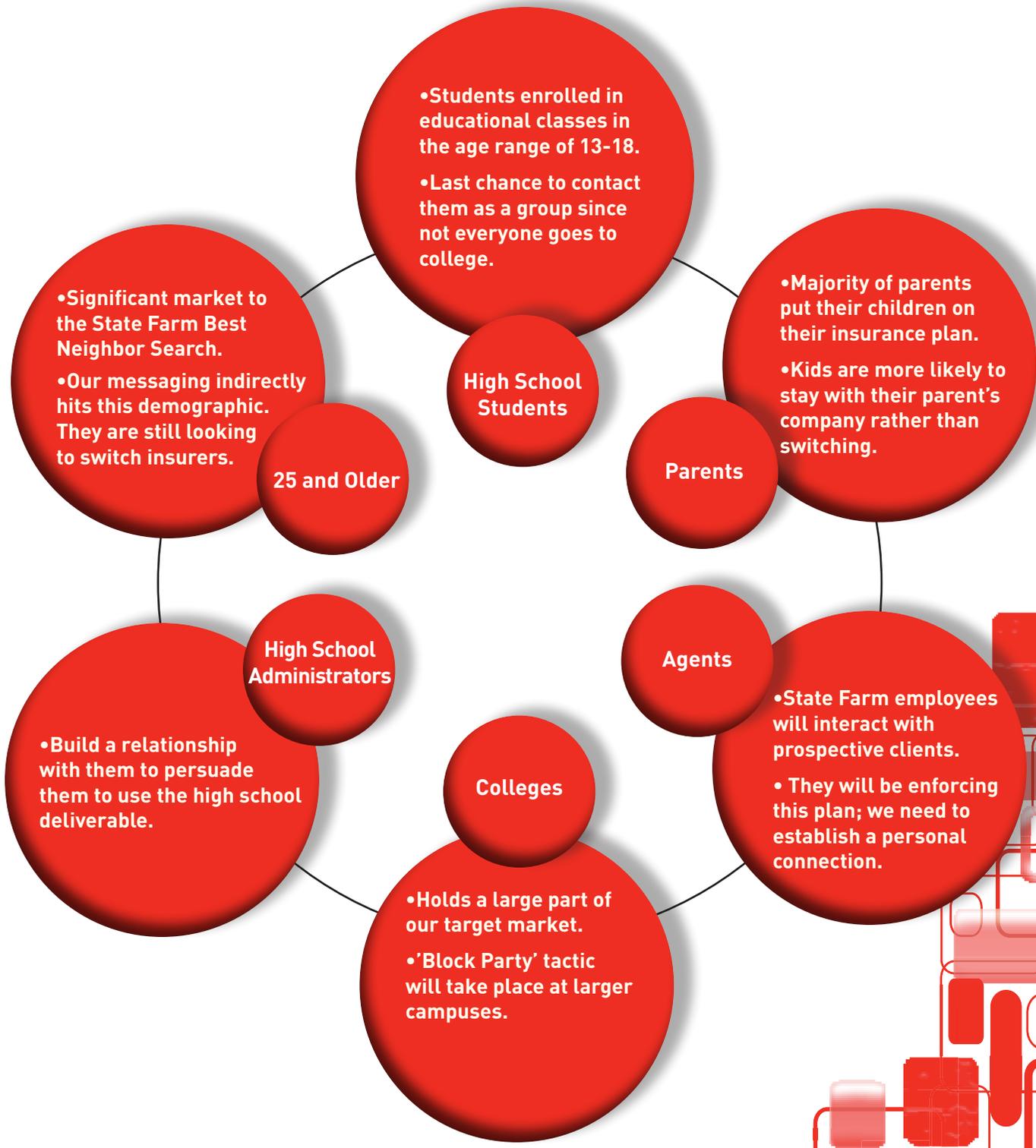
### High School Graduate

My name is Carolyn. I just finished up high school, and the college route isn't really for me. I am planning on going to trade school to become a nurse. I still plan to live with my family, but since I am not a full-time student, I will have to get my own car insurance. With an extremely limited budget I am very price sensitive. I want to find the best price, but I also don't want to leave myself exposed by not having full coverage. I don't really like interacting on a personal basis with insurance stuff, and would rather set it up online or over the phone. It's just easier. The last thing I want is my parents involved and treating me like a kid. I want to be independent and I want to figure this out on my own.





# SECONDARY AUDIENCES





# CAMPAIGN STRATEGY

Providing excellent service with a hand shake has become a statement for State Farm Insurance. They have become a household name since being founded in 1922. State Farm has the leading market share by 6% over all other competing insurance agencies. Building on an agent-based approach has helped State Farm gain loyal customers. While they have the lead in customers, the service that they supply does not appeal to the growing younger generations that they will depend on for helping their business maintain its excellent record. The 18-24 year old demographic has been difficult for State Farm to reach because of their dependence on technology and their concern with instant gratification. They achieve this through using the internet for everything from chatting with friends to purchasing clothing. They have lost the value of interacting with others in making decisions. We have decided to emphasize the importance of dealing with an agent.

## OUR THEME

Velocity Communications has developed a comprehensive campaign for State Farm consisting of a three step message:

**“Value a Neighbor, Value an Agent, Value State Farm.”**

This message gradually connects the meaning of a State farm agent and relates it to the value someone would put in their own neighbor. Even though this group is progressively moving towards web-based interactions, they still understand the value of having a neighbor or a friend to add a personal touch when they are in a tight squeeze.

## OUR AIM

Velocity Communications has created tactics that appeal to the idea of a neighbor, an agent and State Farm. Each tactic falls under one of the categories and resonates with the audience to make them relate the feeling of a good neighbor to the feeling of a State Farm agent. We aim to stay consistent with the current business model, while enhancing current strategies and created new ones to strike a chord with and grab the target segmentation.

Value a Neighbor, Value an Agent, Value State Farm.

# STRATEGIC PARTNERSHIPS

We are partnering with the following companies in conjunction with our campus tour promotion. We chose these companies because our primary audience is familiar with and trusts all of these companies. We will be bringing these companies on our campus tours across the nation to get in touch with this younger target market. The partnerships are: **MTV, HP, Verizon, Kia Motors, Teach for America Remax, Chase, Military, Peace Corps, Remax, Monster.com, College's career centers, The band, OK Go**



Each of these partnerships contains value for both parties involved. These companies have been chosen based on their appeal to our target market, and expertise in their respective industry they represent. Through our numerous tactics each partnership will be activated and utilized at least once, and will not only strengthen the message State Farm has to offer, but the partnered organization will gain additional exposure to a target demographic, increased brand awareness, and the opportunity to directly interact with potential consumers interested and able to purchase what they have to offer. Velocity Communications makes a strong effort to assure that the partnerships recommended provide something of value for both parties to ensure each organization gains maximum benefit from the relationship.



# 'VALUE A NEIGHBOR' TACTICS

## State Farm's Best Neighbor Search

### GOALS

This tactic will reach an audience that is looking to switch insurance providers. It is a way for State Farm and its clients to show their values by supporting their neighbors and causes. Our target market places value in "cause marketing" strategies, and as such will resonate with them. We also believe this is a valuable tactic because it will create positive name awareness for State Farm.

### COMPETITION

The competition will be based around the premise of recognizing "America's Best Neighbor." The competition is searching for individuals who have exceeded the expectations of a neighbor, and made their community a better place. Individuals will submit a 1000 word essay outlining and explaining why the nominee should be selected as "America's Best Neighbor."

Velocity Communications has set guidelines for the competition, to ensure the greatest success. There is no age limit or restriction on the nominees, anyone is eligible to enter and to win. Competitions will be held in the 12 zones that State Farm currently recognizes (California, Central, Florida, Great Lakes, Great Western, Heartland, Mid-American, Mid-Atlantic, Northeast, Pacific Northwest, Southern, and Texas). Each zone will select a winner, and the winner will receive a \$25,000 prize, and their nominator will receive \$2,000.





# 'VALUE A NEIGHBOR' TACTICS

## COMPETITION CONT.

The twelve zone winners will then be re-evaluated, and a grand-prize winner will be chosen. The grand-prize winner will receive \$50,000 and a Kia brand car of their choice. Additionally, the nominator of the grand prize winner will receive a Kia brand car of their choice. Adding to the value of State Farm's involvement in the competition, State Farm will match the winner's prize and make a \$50,000 charitable contribution to the organization of the winner's choice. This places further goodwill in the company, and depicts an increasingly positive image of State Farm.

With Kia being a selected partner with State Farm, their logo and images of their cars will be used in conjunction with the State Farm logo. This provides value in the partnership, and allows both companies to benefit.

## AWARENESS

Velocity Communications has also planned for adequate public relations and advertisements to increase and maximize awareness of the competition. During the time period of the competition, State Farm commercials will end with a short plug introducing the competition, and directing viewers to the State Farm website. This provides dual value to State Farm, in that; it increases the awareness of the competition tactic, and increases website traffic and exposure. Additionally, local State Farm agents will complete a press release and submit it to the local newspaper to increase awareness of a national tactic at a local level. The final method of promotion will be the adjustments to internet advertising to include a short plug to encourage participation in the competition.



**State Farm** Press Release

**State Farm® to Begin Accepting Entries for "Best Neighbor Search" Competition.**

January 6, 2011 - State Farm, in a series of motions filed today in United States of America of Court and Merril Rigby v State Farm Insurance, has asked the Court to grant the Court's Motion to Dismiss the lawsuit brought by Merril Rigby because it has no merit. The lawsuit is based primarily on the allegation that State Farm manipulated a policyholder's claim to shift responsibility from its home owner policies to the National Flood Insurance Program ("NFIP"). State Farm asks the Court to reject the suit for a number of reasons:

- The Rigbys have failed to identify any specific facts that support their allegations. The Rigbys have had an opportunity to provide sworn testimony to support the allegations made in their False Claims Act suit and contradicted their claims and demonstrated State Farm's proper payment of flood claims.
- The Rigbys provided the Court with any facts to establish that State Farm submitted any government. They do not have standing to pursue any claims on behalf of the insured in proceeding with a False Claims Act suit. The only other policyholder even have a flood policy. Published reports by the General Accounting Office or Homeland Security found no evidence that insur as manipulated claims to the NFIP.
- The Rigbys' counsel have engaged in improper and unethical conduct, ranging from wrongful lawsuit to violation of federal criminal laws regarding protection of computer data and fraud.
- The Rigbys' counsel have engaged in improper and unethical conduct, ranging from wrongful lawsuit to violation of federal criminal laws regarding protection of computer data and fraud.

any judgment and counterclaim outlines actions undertaken by Court and Merril Rigby to obtain confidential policyholder information from State Farm to advance their suit and agendas.

and may be as early as October 2009, the Rigbys, together with the Ensigns, Dicks, Cutler, and Ensigns, filed a lawsuit against State Farm and its subsidiaries. State Farm has filed a counterclaim against the Rigbys seeking damages for their information from State Farm, in violation of the federal Computer Fraud and

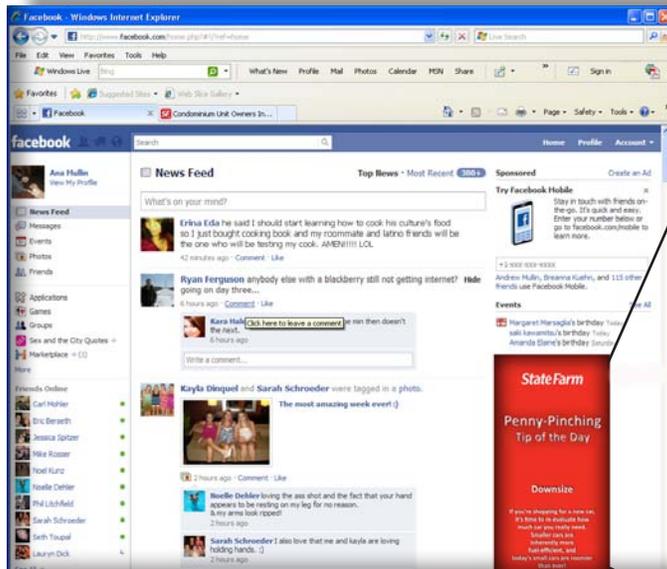


# 'VALUE A NEIGHBOR' TACTICS

## State Farm's Facebook

Social networking is unavoidable. From MySpace to Facebook to Twitter, virtual worlds of socializing are visible in all aspects of life. State Farm Insurance acknowledges that social networking is a standard in today's culture. State Farm has an impressive Facebook page with over 10,000 fans that broadcast company updates and promotions. It is also an important communication channel to be in contact with current customers as well as reach new markets. At the risk of investing too much into social networks, our campaign devotes an appropriate allocation of the budget and time towards maintaining and improving State Farm's Facebook page. Simply put, we want to utilize the power of social media, yet, with a number of unknowns about how to harness this power, we do not want the success of the communication strategy to rely solely on favorable social media outcomes.

Our idea is to utilize sidebar advertisements on Facebook, especially on their page, to offer consumer tips to avoid risky situations in life. Updates may include car maintenance tips, dealing with unruly landlords, and ways to save on energy bills. These status updates will draw Facebook users to return to the site daily to view the "penny-pincher tip of the day" and in return keep our customers loyal and satisfied.



**State Farm**

**Penny-Pinching  
Tip of the Day**

**Downsize**

If you're shopping for a new car,  
it's time to re-evaluate how  
much car you really need.  
Smaller cars are  
inherently more  
fuel-efficient, and  
today's small cars are roomier  
than ever!

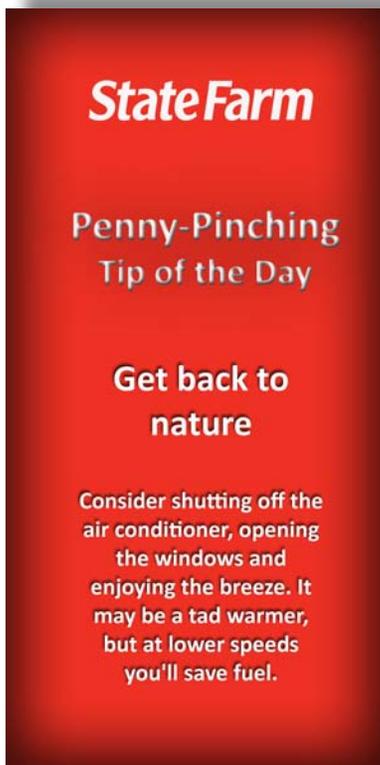
*"Stop by your good neighbor, and get your tip of the day!"*



# 'VALUE A NEIGHBOR' TACTICS

## Sidebar Advertisements

Internet sidebar advertising continues to be one of the most cost efficient ways of achieving maximum gross touches per dollar. With the given demographic, Velocity Communications found it crucial to connect a sidebar's content to its viewer's personal experiences. The premise of these sidebar advertisements is to depict individuals of our target market in situations where they could truly use a "good neighbor." These situations range from being locked out of your apartment after a shower, discovering you are out of toilet paper too late, and a variety of other similar situations. While these situations are minor in nature, and do not come with financial burden or worry, the target market will be able to extrapolate the message of a personal connection, and relate it to other aspects of their life.



With Velocity Communications' tagline, "Value a Neighbor, Value an Agent, Value State Farm," and the prevalence of the State Farm logo, the tactic fuses the concepts of needing a "good neighbor" and offers State Farm as the solution for both auto and renters insurance.



# 'VALUE AN AGENT' TACTICS

## 'Kidney' Commercial



Helen is sitting in her apartment filling out online forms to start up her own reptile farm. We only see the computer screen and the forms that she is carelessly clicking through without understanding what she is signing up for.



Helen's roommate Anna enters:  
Anna: What are you doing?  
Helen: You're looking at Chicago's newest reptile farm owner!  
Anna: That easy?  
Helen: I guess, I didn't really look at the forms, but it sent me confirmation



Anna: Hmm. I never read that fine print. Congrats though!



Later in the kitchen Helen and Anna discuss the business at the kitchen table in their apartment.  
Helen: Yeah I can't believe it was that easy!



They hear a knock at the door. The two look at each other quizzically and go answer the door together.



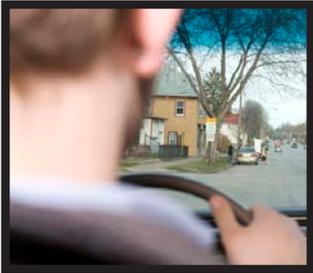
A professionally dressed man is at the door with a large stack of papers.  
Man: I'm here to collect your kidney.  
Helen: Excuse me?  
Man: you signed these forms?  
Helen: Well yes, but..  
Man: Section 34 B states that one kidney of all store owners must be pardoned by the second business week.

State Farm plug: Know what you're getting into and trust an agent. "Value a Neighbor, Value an Agent, Value State Farm."

The "Kidney" commercial uses a much more humorous connotation to further depict the value of an agent. The "Kidney" commercial uses a relatable event with an un-relatable outcome. With our target market enjoying this type of humor, a contrasting commercial from the serious connotation, will further resonate with them. The main goal of this commercial remains to further the concept of value in an agent. The commercial is storyboarded above.

# 'VALUE AN AGENT' TACTICS

## 'Irreplacable' Commercial



A man in his twenties is driving down the street. We can not see his face. We have a view from directly behind his head.



We go with him down his route as he turns a corner.



As he drives down the street, he is rear-ended by another car. The screen goes black.



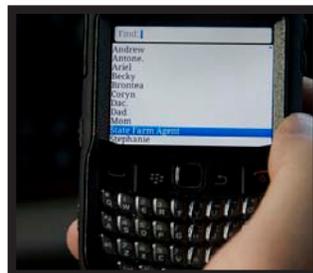
As he realizes what happend, he is frantically trying to recollect himself.



After a few seconds, he realizes that he needs to call someone for help.



He finds his phone.



We see him scroll through his numbers past his Dad and Mom to get to his State Farm agent.

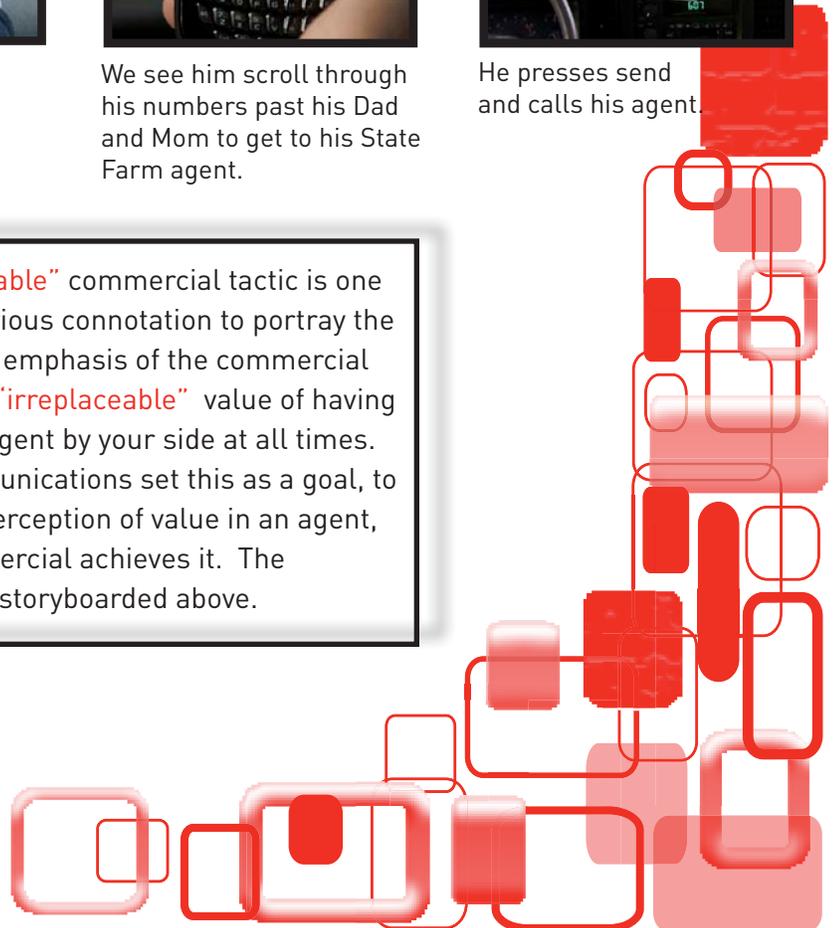


He presses send and calls his agent.

Value a Neighbor,  
Value an Agent,  
Value State Farm

State Farm background dialogue: "Value a neighbor, value a agent, value State Farm."

The "Irreplaceable" commercial tactic is one that uses a serious connotation to portray the message. The emphasis of the commercial is to show the "irreplaceable" value of having a State Farm agent by your side at all times. Velocity Communications set this as a goal, to increase the perception of value in an agent, and this commercial achieves it. The commercial is storyboarded above.



# 'VALUE STATE FARM' TACTICS

## CAMPUS TOUR

### GOALS

Create a campus tour where each stop will have a theme of a "Neighborhood Block Party" for college students to learn about life beyond college. The purpose is to get them thinking about the future in a fun and non-threatening way. Because State Farm is launching this campaign, it is a great way to introduce the ideals that State Farm has as a company in a way that will appeal to our target audiences.

### OBJECTIVES

- Host 50 tour dates on campuses across the nation in one year.
- Have 11 partners that will be represented at each of the tour stops.
- Have at least 2,000 students attend each of the campus block parties.
- Increase State Farm awareness to our college age demographic by 25% throughout the year long campaign.

**THE REAL WORLD WELCOME TO IT**

**Campus Block Party**

**September 15, 2011**

Brought to you by your neighbors at State Farm.

**KIA MOTORS** **CHASE** **TEACHFORAMERICA** **monster** **PEACE OUTS** **RE/MAX**

**verizon** **STATE FARM INSURANCE** **gk** **hp invent** **Marines** **U.S. ARMY**





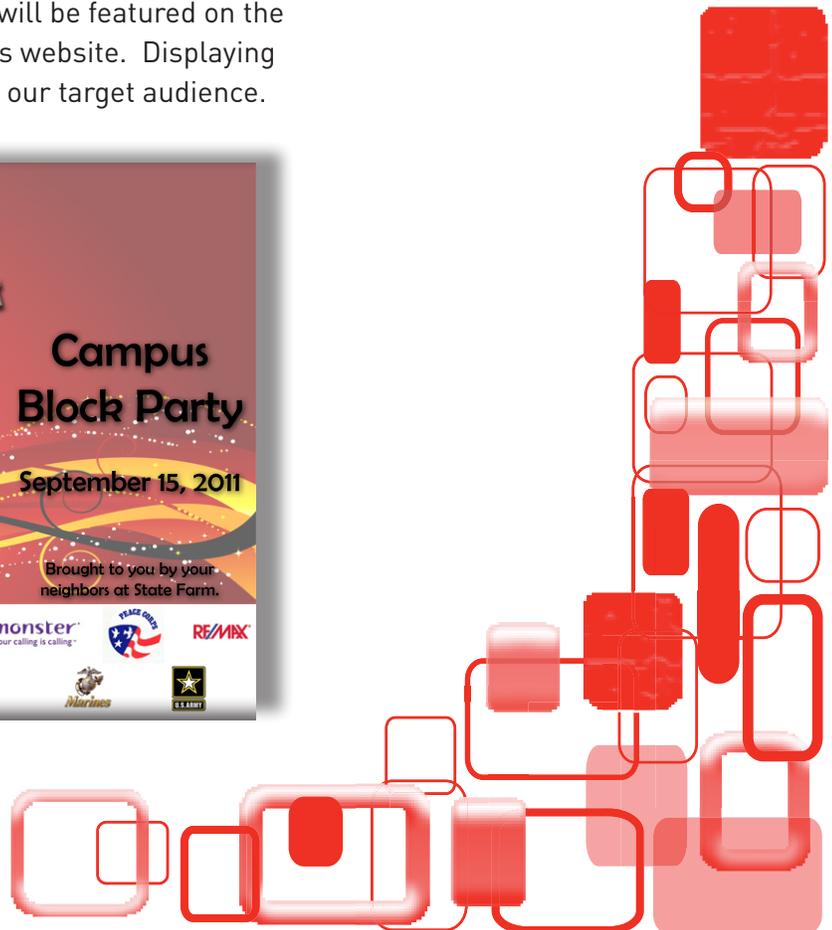
# 'VALUE STATE FARM' TACTICS

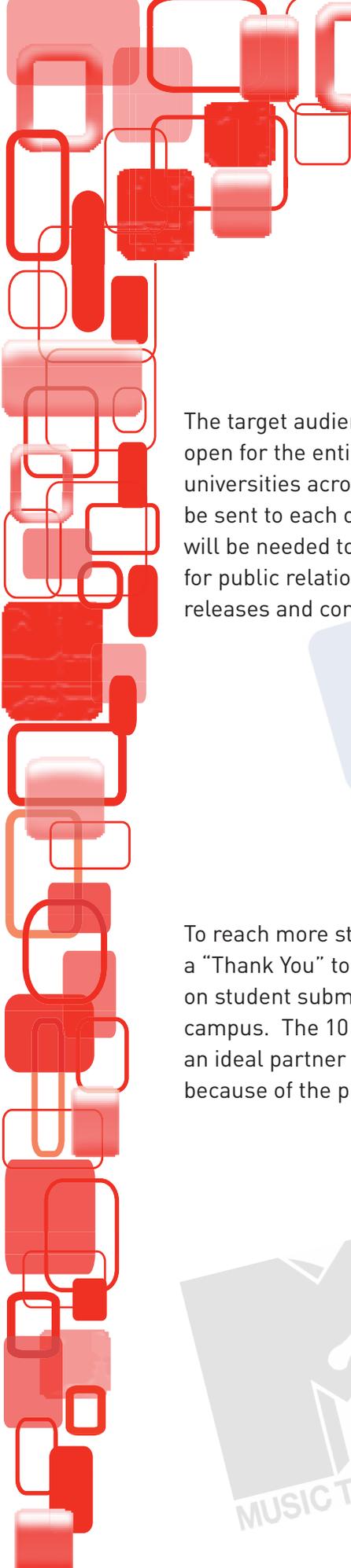
## CAMPUS TOUR

### OVERVIEW

*"This is the story. Of eleven organizations. Picked to reach campuses across the country. And have their representatives provide you with important information. To find out what happens when you start growing up and you're no longer a student. The Real World: Welcome to it."*

The plan for this yearlong campus tour is to partner with MTV to promote and execute the tour, due to their expertise of coordinating such large scale events. A marketing group comprised of State Farm employees will also be created to direct the campus tour to ensure that the year-long campaign is a success. Together, both companies will be in charge of every aspect of the campaign, from orchestrating the company representatives at each tour stop, to creating press releases for schools to send out. Dates and other information about the Real World tour will be featured on the State Farm website, MTV U's website, and OK Go's website. Displaying the campaign on these sites will effectively reach our target audience.





# 'VALUE STATE FARM' TACTICS

## CAMPUS TOUR

The target audience for the campus tour is college seniors, but will be open for the entire campus community. The tour will stop at fifty major universities across the nation. To prepare for each event, information will be sent to each of these schools to inform faculty about the tour and what will be needed to run a smooth and successful block party. Suggestions for public relation tools will also be included, such as sending out press releases and contacting local news stations for coverage of the event.

The companies involved with this tour will be State Farm, HP, Verizon, Kia Motors, REMAX, Chase, Campus Career Center, the Military, the Peace Corps, Teach for America, and Monster Jobs. At each block party event, representatives of these companies will be available at tables with information and free publicity merchandise (i.e. pens, notepads, and t-shirts, etc.). State Farm will kick things off by providing a "Block Party T-Shirt" to each student who comes to the event. These reputable companies are fitting for the campaign because they reach a similar market that State Farm is looking to focus on.

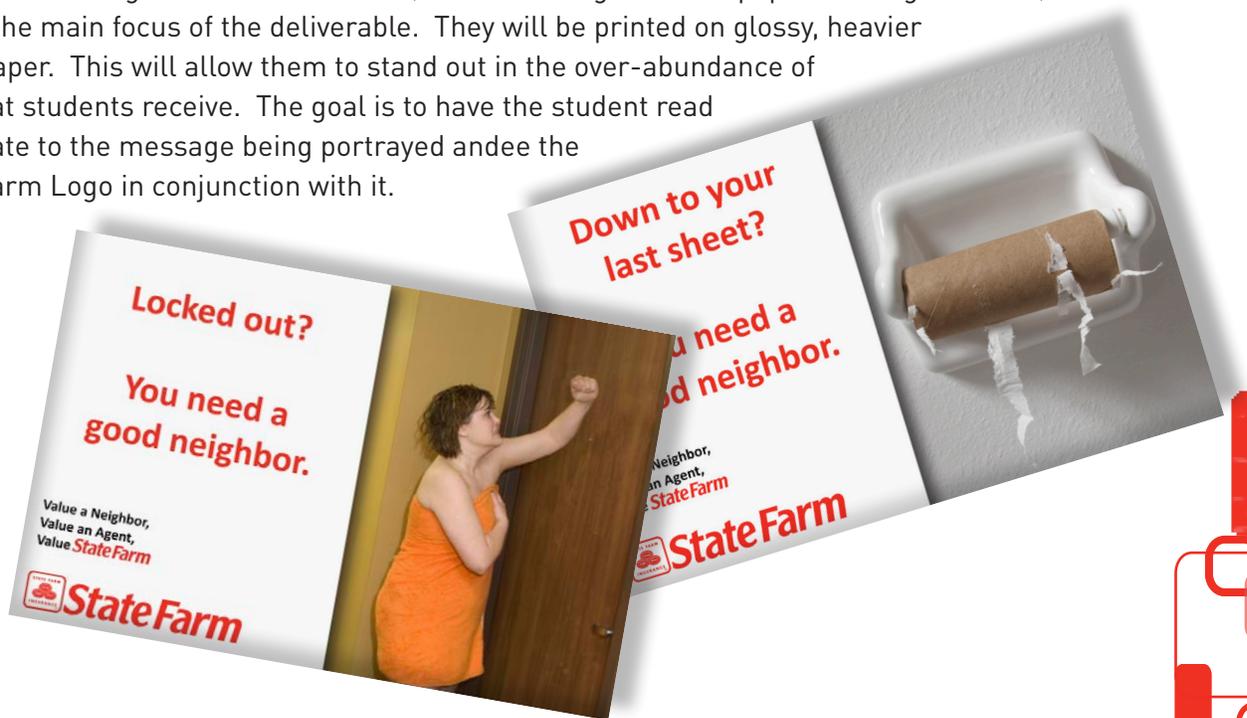
To reach more students, the band OK Go will give a performance at the end of 10 events as a "Thank You" to those who attended the block party. The 10 schools will be selected based on student submissions of a viral video depicting an "MTV Cribs" episode featuring their campus. The 10 schools with the best submission will earn the OK Go concert. OK Go is an ideal partner because of the creativity the band has, the appeal to main audience, and because of the previous relationship that State farm has with them.

By meeting with the agents in person, students gain a better understanding of the resources available to them through State Farm. The tour also relates to the main theme and slogan of, "Value a Neighbor, Value an Agent, Value State Farm" because the representatives are coming onto the campuses to connect with students, and are therefore reaching out on a personal level that students can relate to. It shows the vested interest State Farm and other companies have in their potential customers.

# 'VALUE STATE FARM' TACTICS

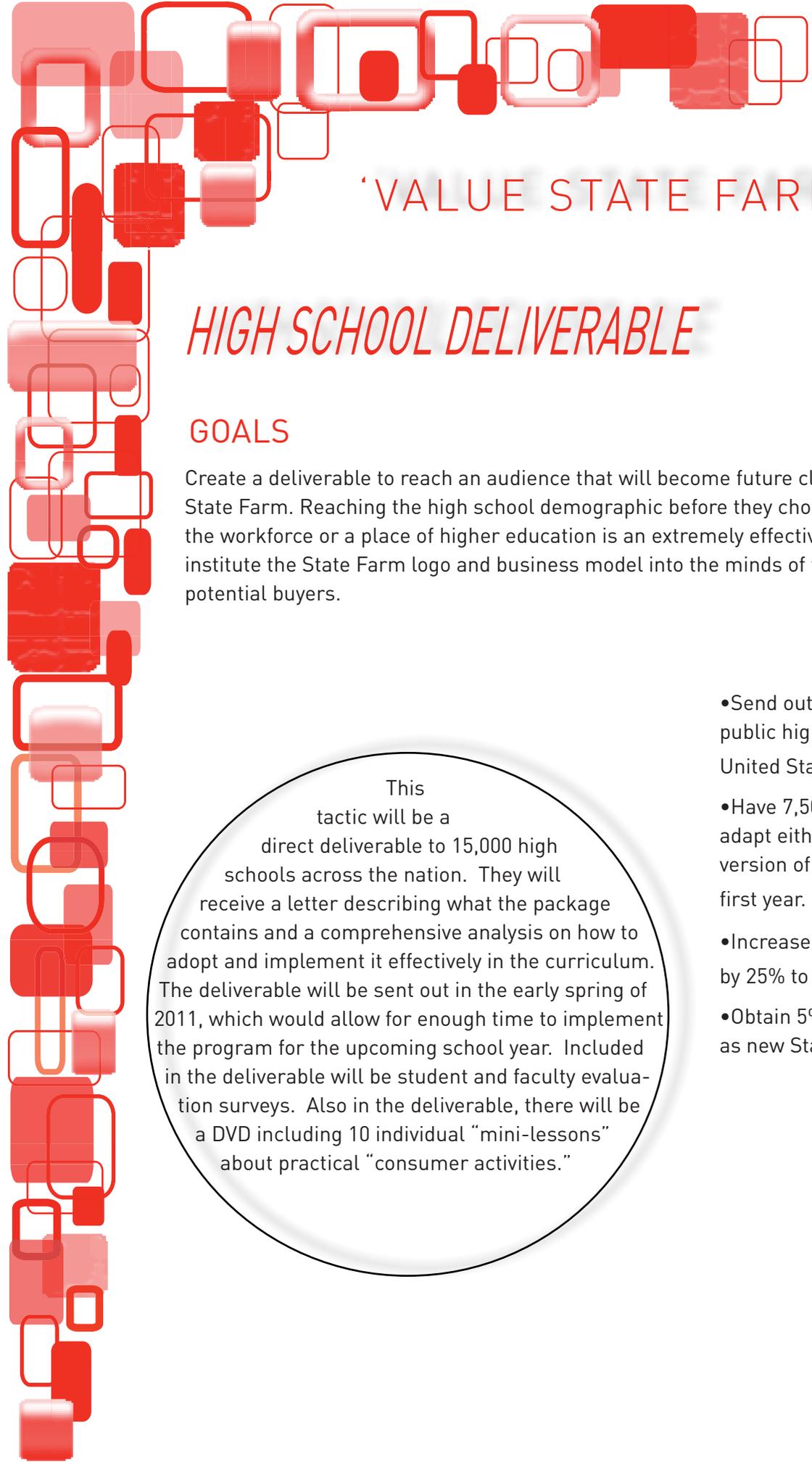
## COLLEGE DIRECT MAILING

While college seniors are preparing for life after graduation, many are unaware of the importance of having auto or renters insurance. In order to inform them of the necessity of being fully insured, a direct mailing will be sent to their campus mailboxes. The goal of the mailing is to have a simple deliverable that seniors are going to notice. The concept is to modify the previously mentioned internet sidebar advertisements, into a unique and tangible item that will build awareness in the minds of college seniors. The same messages of being locked out in a towel, or discovering the toilet paper shortage too late, will be the main focus of the deliverable. They will be printed on glossy, heavier stock paper. This will allow them to stand out in the over-abundance of mail that students receive. The goal is to have the student read and relate to the message being portrayed and see the State Farm Logo in conjunction with it.



Velocity Communications believes that this tactic provides measurable gross impressions directly to one of the main target segmentations. These young adults will soon have to make important decisions about auto insurance, their living arrangements, and other steps towards their futures. By creating a unique, humorous, and effective deliverable that presents the State Farm name as a solution to their problems, this tactic will be effective in increasing the awareness of State Farm while increasing overall awareness of the need for auto and renters insurance.





## 'VALUE STATE FARM' TACTICS

### *HIGH SCHOOL DELIVERABLE*

#### GOALS

Create a deliverable to reach an audience that will become future clients of State Farm. Reaching the high school demographic before they choose either the workforce or a place of higher education is an extremely effective tactic to institute the State Farm logo and business model into the minds of future and potential buyers.

#### OBJECTIVES

- Send out the deliverable to 15,000 public high schools throughout the United States.
- Have 7,500 public high schools adapt either the full or abbreviated version of the program within the first year.
- Increase awareness of State Farm by 25% to high school students.
- Obtain 5% of high school graduates as new State Farm users.

This tactic will be a direct deliverable to 15,000 high schools across the nation. They will receive a letter describing what the package contains and a comprehensive analysis on how to adopt and implement it effectively in the curriculum. The deliverable will be sent out in the early spring of 2011, which would allow for enough time to implement the program for the upcoming school year. Included in the deliverable will be student and faculty evaluation surveys. Also in the deliverable, there will be a DVD including 10 individual "mini-lessons" about practical "consumer activities."

# 'VALUE STATE FARM' TACTICS

## HIGH SCHOOL DELIVERABLE

*These activities would include but are not limited to*

CHECK BOOK MANAGEMENT

DEBIT V. CREDIT CARDS

AUTOMOBILE INSURANCE

BUDGETING (PURCHASE DECISIONS)

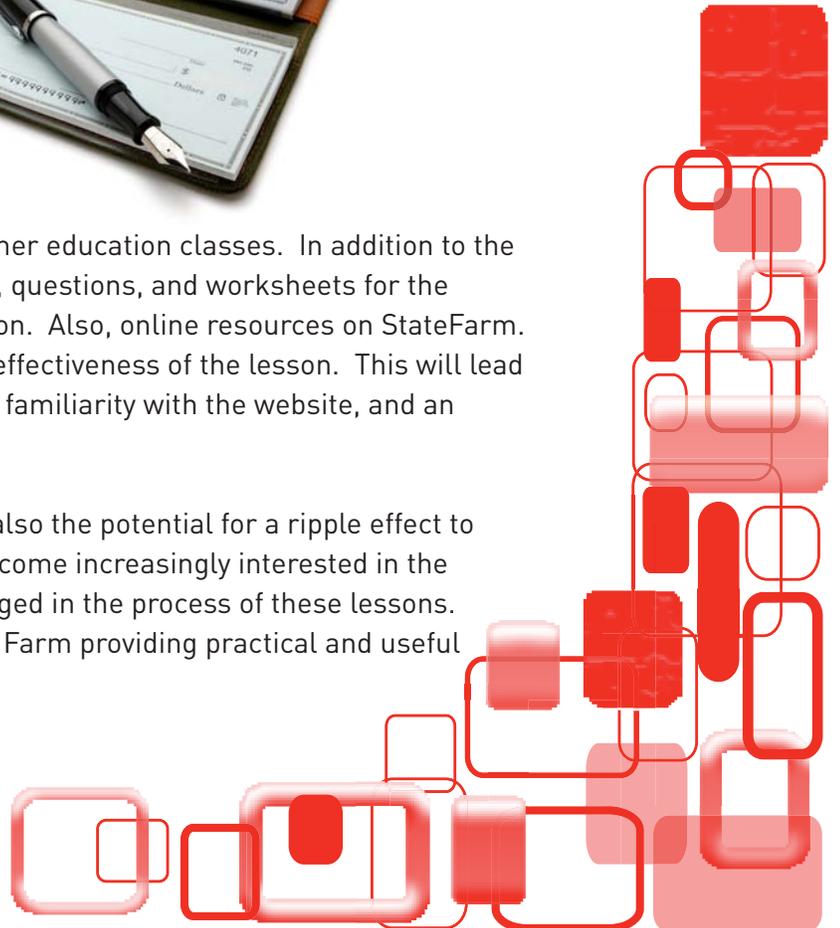
ONLINE PURCHASING SAFETY

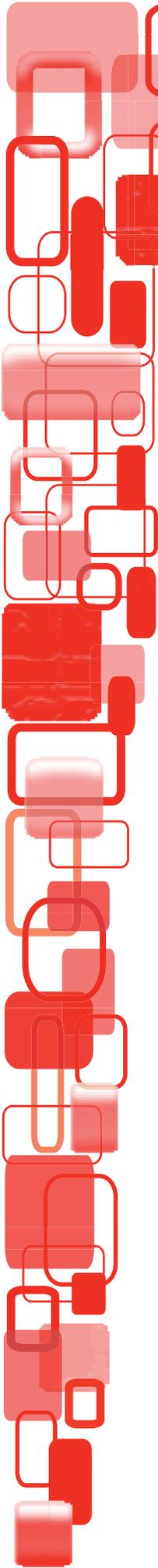
INTERVIEW AND RESUME INTRODUCTION



These "mini-lessons" will be intended for consumer education classes. In addition to the DVD, the school will be provided with class notes, questions, and worksheets for the students to complete during each particular lesson. Also, online resources on StateFarm.com will serve as additional aids to enhance the effectiveness of the lesson. This will lead to increased awareness of State Farm, additional familiarity with the website, and an increase in website traffic.

Besides targeting high school students, there is also the potential for a ripple effect to reach the student's parents. The parents may become increasingly interested in the students activities and may become further engaged in the process of these lessons. They may put added value in the attempt of State Farm providing practical and useful knowledge for the student's future.





## CONCLUSION

Velocity Communications has compiled comprehensive research along with personal experiences to gain a complete idea of the target market. We have presented a communication strategy that utilizes a wide variety of tactics and resonates with the target market. The contrast of serious and humorous techniques, mixed with personal interactions furthers what State Farm stands for, and thus, magnifies the quality of our campaign.

State Farm has prided themselves with their personal connections and a handshake since 1922. Their business model has proved to be one that can withstand the cyclical and volatile nature of economics. With this being said, Velocity Communications sought to take extra efforts when creating tactics, to assure they were still in line, and still promoted the business model that has given State Farm the success they possess today.

This yearlong campaign strategy is a cohesive group of tactics seeking to raise awareness and increase the value of an agent. This campaign is fit to sustain for greater than one year to continue promoting the value of State Farm. Velocity Communications has utilized unique partnerships that resonate with the target market, and have had previous relationships with the company. Velocity Communications' attention to detail and respect for State Farm's current business model makes this campaign special and the best solution.

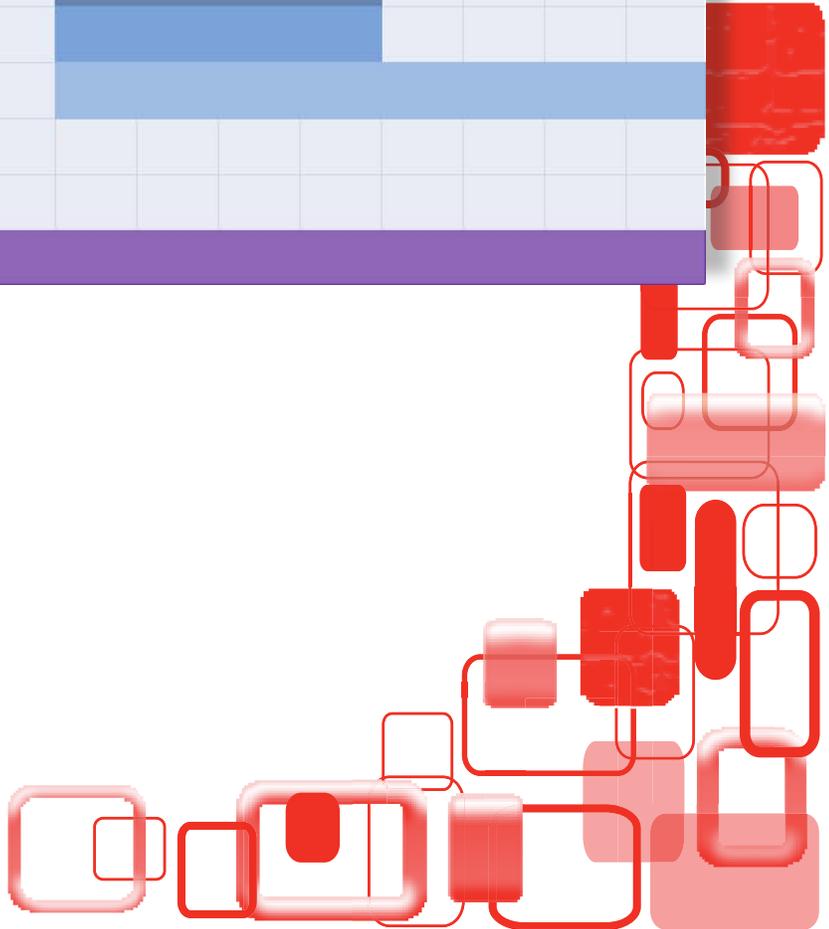
## EVALUATION

- Based on the essay submissions, determine the number new clients resulting from the competition.
- Surveys will be distributed to all of our partners to determine if their relationship with State Farm has been satisfactory.
- The number of students at each campus tour event will be monitored to determine if the objective of 2000 students has been met.
- The State Farm marketing team will send survey cards to the participating campuses that will be distributed to students to get feedback about the campus tour.
- Assess the surveys sent back from the high school students and faculty involved in the program to determine their awareness of State Farm at the end of the school year.
- Record the number of high schools that implemented the high school deliverable into the curriculum.
- Agents will be asked to keep statistics of new clients to determine the number of high school graduates that become State Farm users.



# TIMELINE

|                                | May             | June | July      | Aug. | Sept.           | Oct. | Nov.      | Dec. | Jan.      | Feb. | Mar.            | Apr. |  |
|--------------------------------|-----------------|------|-----------|------|-----------------|------|-----------|------|-----------|------|-----------------|------|--|
| <b>"Value A Neighbor"</b>      |                 |      |           |      |                 |      |           |      |           |      |                 |      |  |
| Side Bar Ads                   | [Green bar]     |      |           |      |                 |      |           |      |           |      |                 |      |  |
| Best Neighbor Search           | [Green bar]     |      |           |      |                 |      |           |      |           |      |                 |      |  |
| Facebook "Penny Pinching Tips" | [Green bar]     |      |           |      |                 |      |           |      |           |      |                 |      |  |
| <b>"Value An Agent"</b>        |                 |      |           |      |                 |      |           |      |           |      |                 |      |  |
| "Irreplaceable" Commercial     | [Red bar]       |      |           |      | [Red bar]       |      |           |      | [Red bar] |      |                 |      |  |
| "Kidney" Commercial            |                 |      | [Red bar] |      |                 |      | [Red bar] |      |           |      | [Red bar]       |      |  |
| <b>"Value State Farm"</b>      |                 |      |           |      |                 |      |           |      |           |      |                 |      |  |
| Direct Mailing                 | [Dark Blue bar] |      |           |      |                 |      |           |      |           |      | [Dark Blue bar] |      |  |
| Campus Tour                    | [Dark Blue bar] |      |           |      | [Dark Blue bar] |      |           |      |           |      |                 |      |  |
| Posters                        | [Blue bar]      |      |           |      | [Blue bar]      |      |           |      |           |      |                 |      |  |
| High School Deliverables       | [Blue bar]      |      |           |      | [Blue bar]      |      |           |      |           |      |                 |      |  |
| <b>Other</b>                   |                 |      |           |      |                 |      |           |      |           |      |                 |      |  |
| Partnerships                   | [Purple bar]    |      |           |      |                 |      |           |      |           |      |                 |      |  |



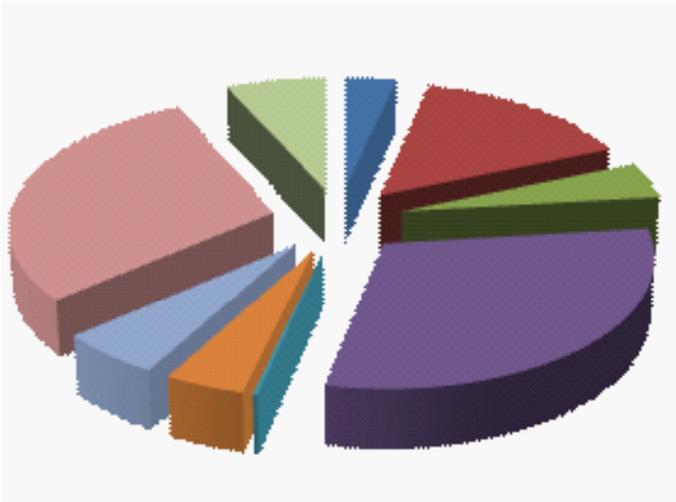
# BUDGET

|                                  | BASE PRICE | UNITS      | TOTAL               |
|----------------------------------|------------|------------|---------------------|
| <b>Best Neighbor Search</b>      |            |            |                     |
| Judges                           | 1000       | 96         | \$96,000            |
| Prize                            | 25,000     | 12         | \$300,000           |
| Grand Prize Winner               | 110,000    | 1          | \$110,000           |
| Donation                         | 50,000     | 1          | \$50,000            |
| T-shirts                         | 5          | 75,000     | \$375,000           |
| Facebook Ads                     | 0.10       | 40,000,000 | \$4,000,000         |
| Side Bar Ads                     | 0.03       | 40,000,000 | \$1,200,000         |
| Google Disply Ads                | 0.40       | 20,000,000 | \$8,000,000         |
| College Direct Mailing           |            |            | \$30,000            |
| Stamps and Envelopes             | 1          | 30,000     | \$30,000            |
| Glossy Ad's                      | 0.25       | 30,000     | \$7,500             |
| <b>Block Party</b>               |            |            |                     |
| Promotional Posters              | 0.78       | 5,000      | \$3,900             |
| Tent                             | 1,000      | 1          | \$1,000             |
| Additional Supleis "Block Party" |            |            | \$5,000             |
| T-Shirts                         | 5          | 125,000    | \$625,000           |
| Ok Go (10 Performances)          | 52,000     | 10         | \$520,000           |
| <b>Media Prmotions</b>           |            |            |                     |
| TV Commercials                   |            |            | \$15,000,000        |
| <b>High School Delivables</b>    |            |            |                     |
| Letters                          | 1          | 7,500,000  | \$7,500,000         |
| DVDs                             | 1          | 300,000    | \$300,000           |
| Postage Expense                  |            |            |                     |
| <b>Extra and Miscelaneous</b>    |            |            |                     |
| Contingency Cost                 |            |            | \$1,800,000         |
| Evaluation Costs                 |            |            |                     |
| Public Relations Cost            |            |            |                     |
|                                  |            |            | <b>\$39,953,400</b> |

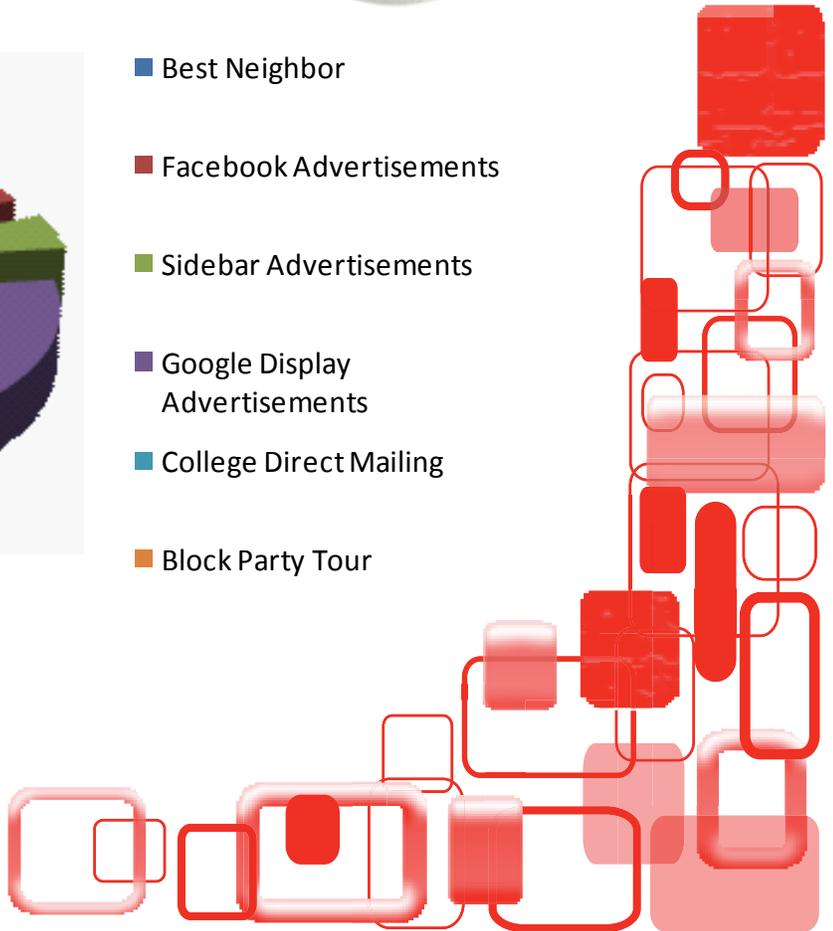


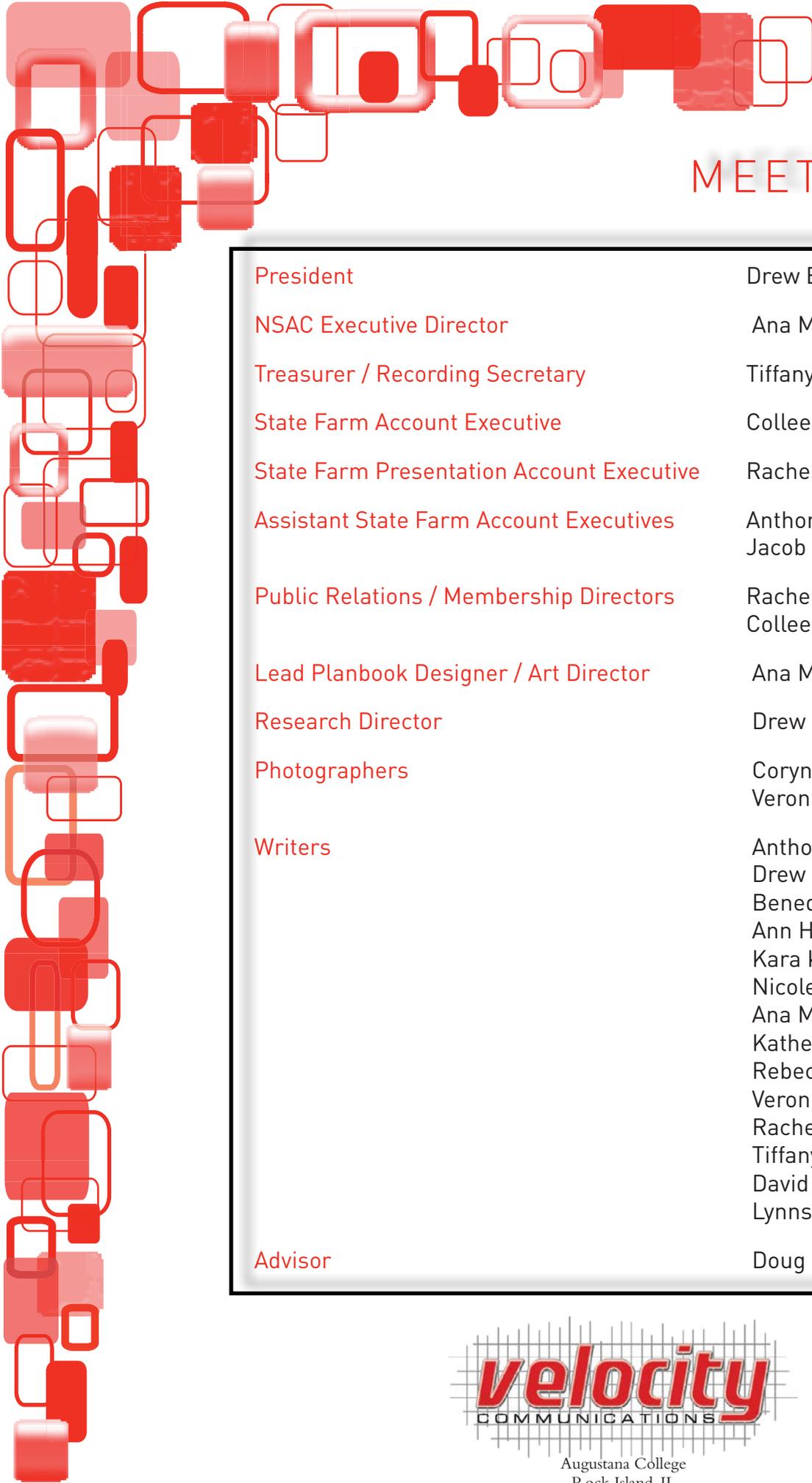
# BUDGET

|                               |                     |
|-------------------------------|---------------------|
| Best Neighbor Search          | \$931,000           |
| Facebook Advertisements       | \$4,000,000         |
| Sidebar Advertisements        | \$1,200,000         |
| Google Display Advertisements | \$8,000,000         |
| College Direct Mailing        | \$67,500            |
| Block Party Tour              | \$1,154,900         |
| Media Promotions              | \$1,500,000         |
| High School Deliverable       | \$7,800,000         |
| Extra & Miscelaneous          | \$1,800,000         |
| <b>Total:</b>                 | <b>\$39,953,400</b> |



- Best Neighbor
- Facebook Advertisements
- Sidebar Advertisements
- Google Display Advertisements
- College Direct Mailing
- Block Party Tour





## MEET THE TEAM

|   |  |
|---|--|
| President                                 | Drew Bogren  |
| NSAC Executive Director                   | Ana Mullin   |
| Treasurer / Recording Secretary           | Tiffany Stott  |
| State Farm Account Executive              | Colleen LeMaire  |
| State Farm Presentation Account Executive | Rachel Stearns   |
| Assistant State Farm Account Executives   | Anthony Ash and<br>Jacob Seguino   |
| Public Relations / Membership Directors   | Rachel Stearns and<br>Colleen LeMaire  |
| Lead Planbook Designer / Art Director     | Ana Mullin   |
| Research Director                         | Drew Bogren  |
| Photographers                             | Corynn Hanson and<br>Veronica Smith  |
| Writers                                   | Anthony Ash,<br>Drew Bogren,<br>Benedict Fischer,<br>Ann Hasse,<br>Kara Kressin,<br>Nicole Molina<br>Ana Mullin,<br>Katherine Nern,<br>Rebecca Noffsinger,<br>Veronica Smith,<br>Rachel Stearns,<br>Tiffany Stott,<br>David Venegoni,<br>Lynnsey Zimmerman |
| Advisor                                   | Doug Tschopp   |



Augustana College  
Rock Island, IL

