

BOARD REPORT

February 2021

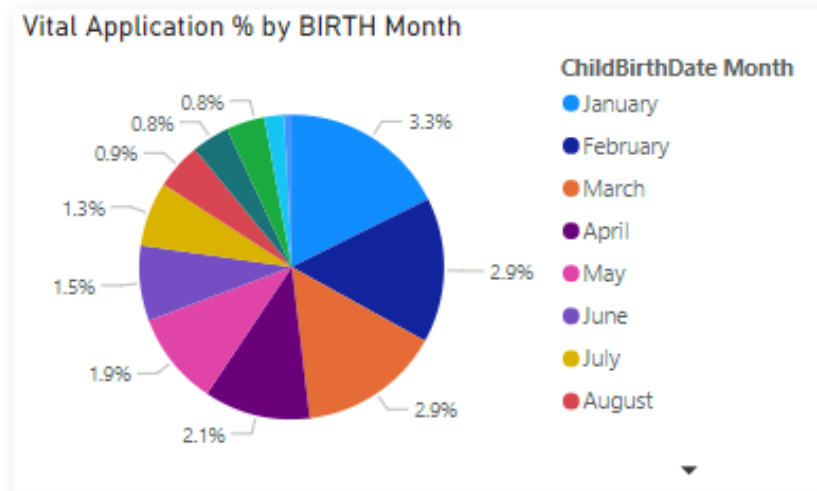
First Step by ColleeInvest

The Colorado legislature passed a Child Savings Account bill (HB19-1280) which provides \$100 to every child born or adopted in the State of Colorado on or after January 1, 2020.

Goal: Key deliverables include a new module for the PRISM system, a marketing/outreach plan, updates to the website and collateral materials.

Result: The online application module was launched on February 18, 2020. Almost a year later, we have now awarded the \$100 contribution to 1,009 families.

We've been monitoring the participation rates on a regular basis and it appears that parents are more likely to apply when their child is 6 months or older. For example, while the average participation rate over the first 12 months of the new program is 1.6%, the rate for January 2020 births and adoptions is 3.3%. February and March are already at 2.9% each.



These enrollment trends are in line with the launch of similar programs in other states, and actually appear to be on track to exceed them. In the Fiscal Note for the Kickstarter bill, the Legislative Council Staff used 2 states for their assumptions about a potential participation rate for Colorado. The lower bound estimate was Massachusetts (BabySteps) and the upper bound estimate was Rhode Island (CollegeBound Baby).

The full statewide program in Massachusetts actually started on January 1, 2020 (the same as Colorado's program) although there was a 3-year pilot program in several cities prior to that. They reported that 100 out of 4,000 eligible families signed up to participate (2.5%). In the first 4 years of Rhode Island's program, they had 400 families sign up out of about 40,000 births (1.0%). Both of those programs require the parents to open the account before the child's 1st birthday, while the ColleeInvest program gives them additional time, up to the child's 5th birthday. This additional time is a huge advantage to Colorado families; however, we do anticipate a slower adoption rate in year one without this sense of urgency.

To promote the First Step program and encourage new parents to enroll, we began testing several marketing tactics to learn how best to reach and inform this audience. The first test included a direct mail piece (either a letter or oversized postcard) to 1,000 Colorado parents in lower-income zip codes.

The second test in November and December targeted a broader audience of 5,000 new parents. Parents received a series of three consecutive pieces in the mail within a six-week window. The goal was to reinforce the message and raise awareness of the program. All of the materials are in both English and Spanish.



Both mailings under-performed to our expectations, with minimal response. As a further test to gauge overall interest in the program, in October we identified 900 of our account owners who had a beneficiary born in 2020. We sent them an e-blast with information on how to apply to receive a deposit of \$100 into their account. To date, only 16% of those account owners were interested in the program.

Based on these tests, we are now conducting consumer research to better understand the barriers for participation in the program. The results are expected in March 2021.

We also tested a hyper-targeted mobile and geo-fenced mobile campaign to help increase the effectiveness of the First Step program. An eight-week campaign launched on 11/9 and ran through 1/3/21 and aligned with the direct mail tactic to help increase message frequency and drive people to the CollegInvest website. A four-tiered targeting approach was implemented to reach new parents who had a baby in the last year.

1. Geo-fencing was used to create polygon geo-fences around hospitals, pediatricians' offices and OB/GYN offices in key zip codes to reach new and expecting parents in Colorado. Devices assumed to be employees were blacklisted from the targeting.
2. Utilizing the new parent list, we also geo-fenced homes of people who will be receiving the direct mail piece(s) and serve ads to them on their devices.
3. A custom audience segment was created using 3rd party data to reach people who are exhibiting behaviors that indicate they are new or expecting parents.
4. Finally, all targets who visited the site, but didn't convert, were retargeted to build message frequency.

The mobile ads were delivered in Spanish for known Spanish speakers. Overall, the campaign delivered 7.2MM impressions and over 16,000 visits to the CollegInvest website for a 0.22% CTR, far above our agency benchmark of 0.12%.