



Mutual Funds Company Turns Bullish on Social Values-Based Marketing

COMPANY PROFILE

Fair Winds Investments, a national investment management company with over \$3 billion in assets under management, offers a dozen bond equity funds through a network of Investment Advisors (IAs). When it decided to launch a new socially responsible mutual fund called the Global Village Fund, it needed to identify investors interested in businesses that promoted environmental and social causes and IAs likely to serve these clients.

THE CHALLENGE

The company believed that knowing the social values of consumers would help identify the best prospects and IAs, but Fair Winds and its advisor network had little psychographic data on their current customers. The firm needed help selecting the best markets for launching the product, identifying the IAs who best serve those markets and choosing the right media and messages to encourage investors.

THE SOLUTION

- PRIZM_{CE} linked to Canadian Financial Monitor and Social Values
- List of markets ranked by presence of ethically conscious consumers
- Custom maps, reports and analyses of target groups
- Differentiated copy for telemarketing scripts, direct-mail pieces and billboards based on target group lifestyles
- Hands-on consulting to help design the marketing campaign

BOTTOM-LINE BENEFITS

- More effective advertising spending
- Lower cost per acquired customer
- Improved media planning
- Reduced marketing costs by identifying the IAs most likely to reach qualified leads
- Better understanding of customer needs using demographics, social values and lifestyles for IAs
- Improved messaging relevant to the target audience

CLIENTS USING SIMILAR METHODS

MasterCard International, Bell Canada

RECOGNIZING THE GROWING INTEREST in socially responsible investing, Fair Winds decided to launch its Global Village Mutual Fund, which seeks to provide capital growth by investing in companies committed to an ethical approach to business and a sustainable future. To promote the new fund, Fair Winds planned to use a two-tiered marketing campaign to reach both prospects looking for a socially responsible fund and Investment Advisors (IAs) within its wholesale network who are most likely to serve those consumers.

But ethically conscious investors don't always wear their values on their sleeves. And investment companies have little psychographic information on their customers. To get a handle on their target market, Fair Winds officials wanted to first profile consumers with a high level of social consciousness, detailing their financial behaviour, lifestyles and media preferences. Then they planned to identify the markets that were home to these consumers and pinpoint the IAs who serviced their communities. Ultimately, Fair Winds settled on a two-pronged marketing effort: First, it would supply tools to IAs, such as maps, postal codes of qualified leads, telemarketing scripts to reach the prospects and financial support to host informational seminars promoting the new fund. Second, it would aid that local effort with a national advertising campaign featuring outdoor billboards, TV and radio commercials, print ads and event sponsorships all geared to ethically conscious consumers.

The Value of Values-Based Profiling

To create a target group of ethically minded investors, Fair Winds contacted Environics Analytics (EA). Tapping its PRIZM_{CE} segmentation system linked to the Canadian Financial Monitor (CFM), EA ran two profiles of Canadian consumers: those who invest heavily in mutual funds and those who rank high for ethical consumerism, according to the Social Values data also linked to PRIZM_{CE}. PRIZM_{CE} classifies all Canadian neighbourhoods—and the residents within them—into one of 66 lifestyle types based on the demographics, lifestyles and social values of residents. The CFM, an annual survey of more than 25,000 respondents, provides a rich source of consumer information on investments, banking, credit, insurance and channel preferences.

Environics Analytics merged the two profiles into a single target group of ethically minded consumers with a high propensity for owning mutual funds. The top-ranked PRIZM_{CE} segments for this target group included Urbane Villagers (wealthy, middle-aged city families), Pets & PCs (younger, upscale, multi-ethnic families) and God's Country (upscale, middle-aged, small-town couples and families). Demographic data showed that they tended to be



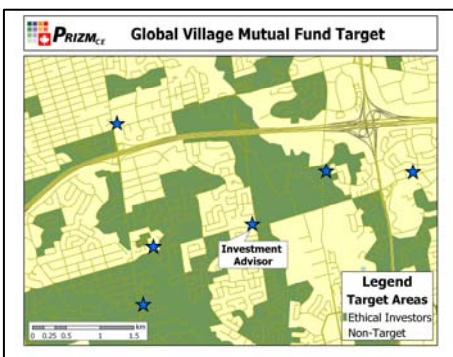
Score high on Ethical Consumerism

between 25 and 44, married and college-educated. Other PRIZM_{CE}-coded lifestyle surveys from the Print Measurement Bureau (PMB) and BBM Canada revealed that they liked to spend their leisure time golfing, gardening, working out at fitness clubs, entertaining at home and frequenting the theatre. Knowing which consumers were classified in these geodemographic clusters, EA analysts then ranked cities in the Fair Winds regional network according to target group potential and created maps highlighting areas with high concentrations of ethical investors at the neighbourhood level in the top 15 metro areas. Finally, they ranked the postal codes by sales potential, pinpointing neighbourhoods—and the 100 IAs who serve them—for the new fund’s marketing campaign.

Targeting Investment Advisors and Their Customers

Using target group rankings and maps, lifestyle reports and media preferences, Environics Analytics developed a national media strategy to promote the Global Village Fund. Its market potential analysis indicated the fund’s prospects tended to live in upscale neighborhoods like the Beach and Bloor West Village in Toronto, Mount Royal and Beaconsfield in Montreal and West Vancouver and Kitsilano in Vancouver. Accordingly, EA identified locations where Fair Winds should purchase billboards in the high-traffic areas serving these communities. With PRIZM_{CE}-coded survey data of media preferences, EA then recommended a direct-to-consumer advertising campaign, suggesting commercial buys on TV programs preferred by these consumers: “60 Minutes,” “Law & Order” and “That 70s Show.” Similarly, it recommended ad placement in the group’s preferred magazines: Macleans, Time, Chatelaine and Canadian Living. Lifestyle information also suggested which events drew ethical consumers, and Fair Winds earmarked part of its ad budget to sponsor select golf championships, ice skating competitions and live theatre performances in the target markets.

To promote the new fund through Fair Winds’ IA network, Environics Analytics used its target group maps and reports to identify the 100 advisors with the greatest potential to reach



the Global Village Fund’s target investors. EA analysts then produced maps of their predominant markets, indicating where ethical investors tended to live and convenient locations where sales seminars

should occur. Fair Winds focused its marketing efforts on those advisors, offering research, co-op ads and financial support to develop qualified leads through direct-marketing programs and informational seminars.

Although the ethically targeted investors looked similar to other investors in demographic and behavioural terms, the key differences involved their social values and mindset. Armed with the attitudinal data used to create PRIZM_{CE}, Environics Analytics staffers found that these consumers also were concerned about gender equality, belonging to the global village, enthusiasm for technology and early adoption of new ideas. To reach them, EA advised Fair Winds to develop mailers and scripts that emphasized the fund’s philosophy of investing in companies with progressive workforce practices, a commitment to reduce pollution and pursue alternative energy sources and a dedication to improving their local communities. Lifestyle information suggested using images in ads that linked the fresh produce from an organic grocer to a casual dinner party hosted by a professional couple in their well-appointed home. The ad’s messages:

Go for the green in more ways than one. With the new Global Village Fund, you get the best of both worlds: socially responsible investing and trusted money management.

Our analysts search the globe for companies sensitive to local communities and the environment, so your nest egg grows in balance with nature.

The Global Village Fund: Protecting Mother Earth—and your money—for future generations.

Growing Portfolios and Serving the Greater Good

By choosing Environics Analytics as its partner, Fair Winds benefited from strengths unmatched by other marketing services companies. No other firm offers a consumer segmentation system based on the values and geodemographics of consumers—critical characteristics when marketing and cross-selling new financial products. No other company in Canada offers as much experience and innovative marketing know-how to target investment opportunities to customers and prospects. And EA guarantees hands-on consulting services to help clients find meaning in every report and map to effectively execute a multi-tiered marketing campaign.

The new fund debuted with twice the number of unit holders and a 30% increase in assets under management for a new mutual fund. At the same time, it reduced its marketing costs by targeting ad dollars to fewer advisors who had a greater potential to make a sale. In the end, Fair Winds gained an in-depth understanding of ethical investors and is now better able to track sales of the new fund and cross-sell other socially responsible financial products in the future.

To learn how Environics Analytics can improve your direct marketing campaign, contact:

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