

# Marketer's Dilemma Brand or Direct?



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HomeEquity Bank<sup>TM</sup> 

# Introduction

**Yvonne Ziomecki, EVP & CMO HomeEquity Bank**

- Leading provider of reverse mortgages in Canada since 1986
- Product structure similar to US, minimum age 55
- Tremendous growth over last 10 years (B2C & B2B)
- Persistent myths & misconceptions
- Funding model different – balance sheet



# Why We Did Brand

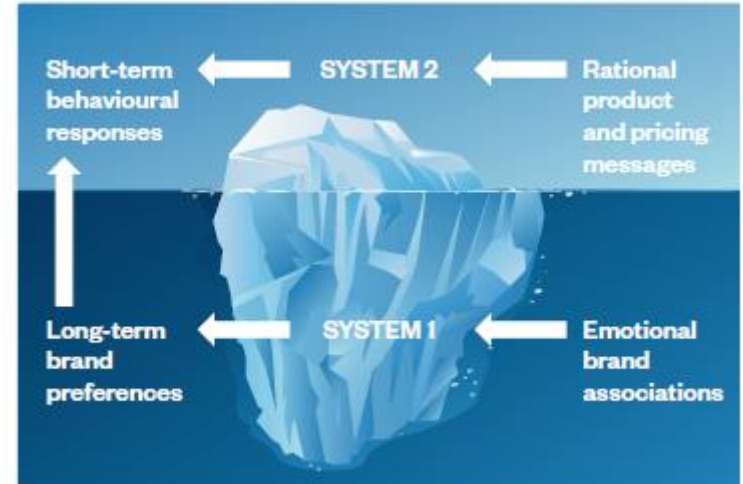
Although awareness levels for both the product and product category are high, improvements were needed on Consideration and Overall Impression. In addition research and interviews conducted showed assessments of the product were mixed:

1. Some reported positive and favourable impressions, while others saw it negatively, describing it as, a niche product or a “last resort product”
2. Mixed responses for financial services professionals’ likelihood of recommending product
3. Strongest concerns about product cost and associated high rates of interest charged



# Shift Required in Strategy

- We have used **rational** product messaging by way of DRTV and digital channels to continuously drive behavioural responses – inquiries
- In order to drive shifts in sentiment a more emotional approach is required
- This led to the need to develop a new brand campaign



# Elements needed to make a brand campaign work

CREATIVE

INVESTMENT

TIME

VALUE

# Creative

CREATIVE

INVESTMENT

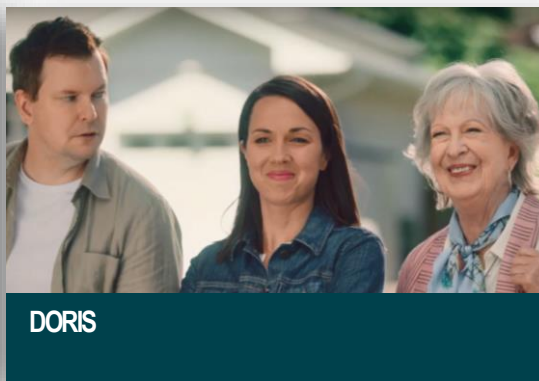
TIME

VALUE

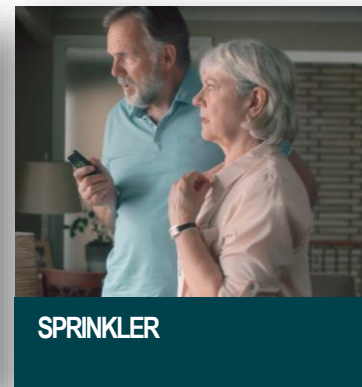
Zulu's (AOR) process was followed which included qualitative, quantitative, primary and secondary research of both existing customers and prospects leading to an updated brand positioning and identity, culminating in the development in a refreshed brand and campaign



MOVE-IN



DORIS






SPRINKLER



## Brand Ads Creative Research Results Showed All Ads Did Well Above Benchmark

- When tested in our demographic using Brainsights' EEG technology to measure the unconscious reactions to a reel of various ads and editorial content, our brand ads all tested **well above benchmark**
- The cheeky and mischievous tone of each spot runs counter to 'typical' 55+ communications, and proves effective in engaging our demographic

Dimensions vs. Boomer Benchmark	Sprinkler	Move-In	Doris
Attention 	+ 12%	+ 7%	+ 5%
Connection 	+ 27%	+ 12%	+ 9%
Encoding 	+ 16%	+ 8%	+ 17%



# Investment

CREATIVE

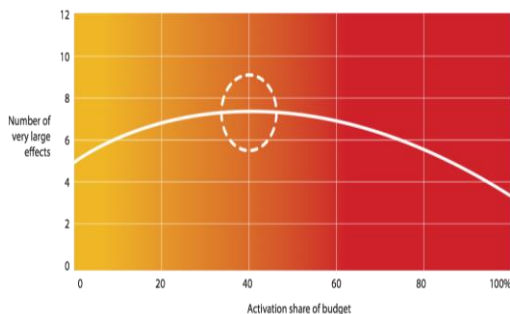
INVESTMENT

TIME

VALUE

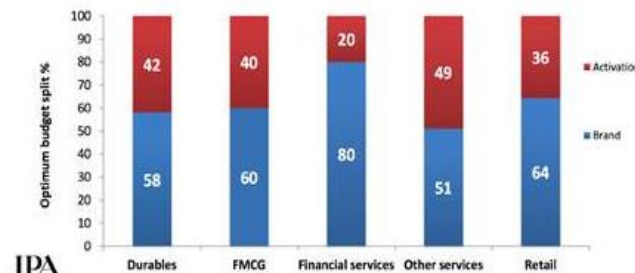
- Data suggests that adding brand building TV tends to have a negative short term impact on sales if budget is diverted from activation channels. To get the most out of TV brand building, it needs to be backed up with activation activity - which can be response focused TV.<sup>1</sup>
- A 60 / 40 split between brand and sales activation coincides with **peak efficiency** for campaigns in the IPA Databank
- Given short term and long term dynamics, getting to that optimal split requires time and incremental investment

**Databank analysis shows a 60:40 split delivers maximum effectiveness**



Source: Les Binet and Peter Field, *The Long and the Short of It*, IPA, (Figure 38)

**It also shows brand spend is even more important in financial services**



Source: IPA Databank, 1998-2016 for-profit cases





# Time

CREATIVE

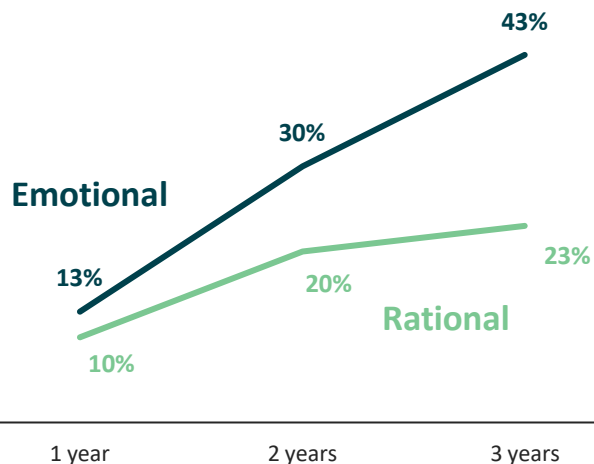
INVESTMENT

TIME

VALUE

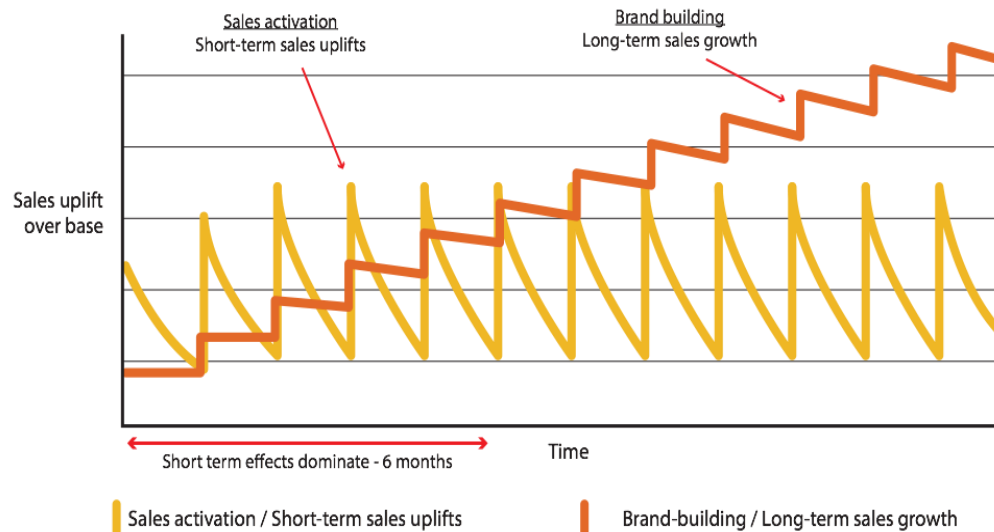
Campaigns judged over time periods of less than 6 months find rational campaigns more profitable. However, over the longer term, emotional campaigns are almost twice as likely to result in top-box profit growth.

% Reporting Very Large Profit Growth



Source: Binet, Les and Field, Peter. "The Long and Short of It: Balancing Long and Short Term Strategies", IPA

Brand-building and sales activation work over different timescales



Source: Les Binet and Peter Field, *Media in Focus: Marketing Effectiveness in the Digital Era*, IPA, (Figure 02)



# Company Level Value

CREATIVE

INVESTMENT

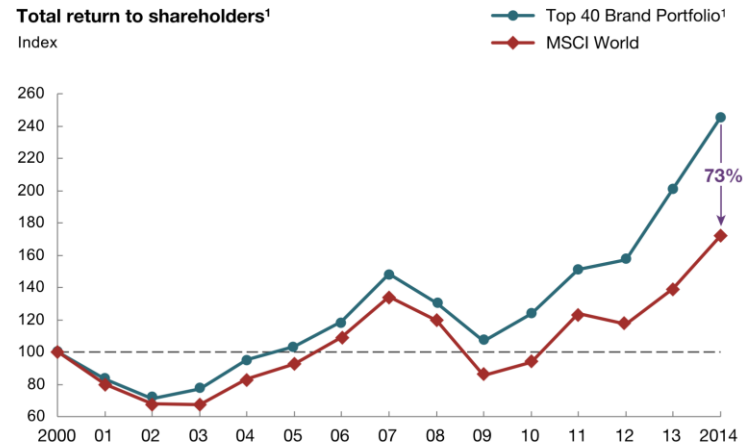
TIME

VALUE

- On average, brand value accounts for about 20% of the total market capitalization of businesses.<sup>1</sup>
- Strong brands consistently outperform the average on global financial markets <sup>2</sup>
- Brands contribute to the market value of companies by increasing not only current earnings, but the price-to-earnings (P/E) multiples.<sup>3</sup>

Strong brands increasingly outperform financial markets index.

**Total return to shareholders<sup>1</sup>**  
Index



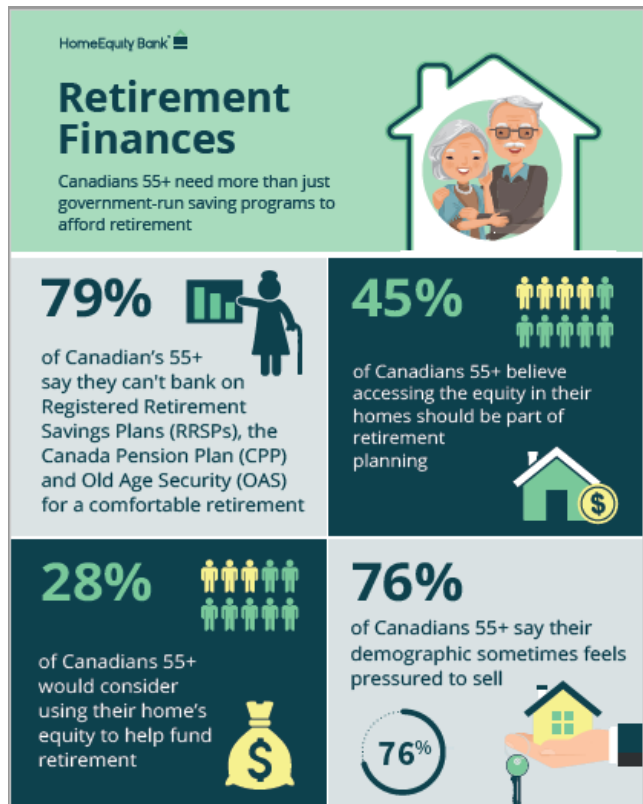
<sup>1</sup>Portfolio consisting of the 40 top-ranked, listed companies, picked from Interbrand's "Best Global Brands" report, published each summer since 2000. Stocks in local currency, equally weighted and adjusted every July.

McKinsey&Company | Source: Datastream; Interbrand; McKinsey Analysis

POWER  
BRANDS



# 2021 Brand Continuation



## Tried & true approach

- Reputable research
- Press release
- PR / media strategy
- Breakthrough creative based on insights
- Significant media spend
- 360 marketing focus



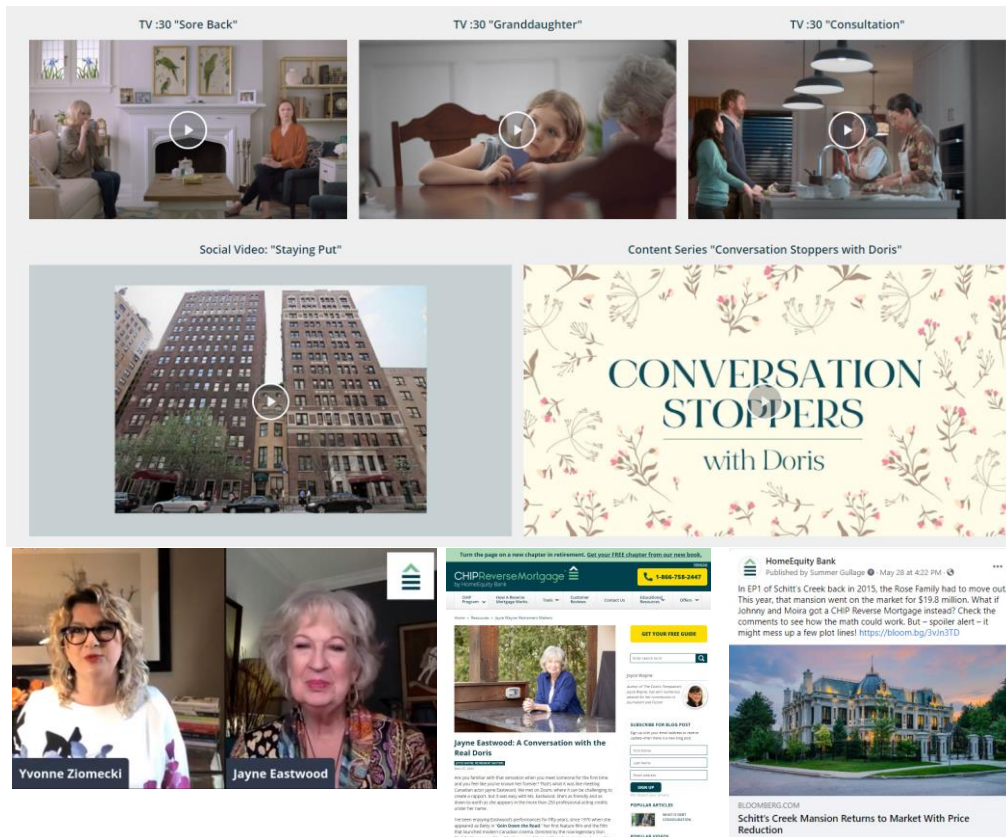
# Brand Re-Launch

- TV Assets
- Digital Assets
- Social Media Posts
- Blog Posts
- Facebook Live with Jayne Eastwood

*"I have to comment on one of the best television ads I have seen in a really long time. Little girl playing cards with her grandma and their conversation. Good job to whoever came up with this one!"*

***"Just want to say I love your commercial with the woman from Riverdale and the little girl. Love it!"***

*"I wanted to say how much I enjoy the ad you have currently running for reverse mortgages. Attention getting and well acted. I laugh every time I see it. Thank you! It speaks to many of us. I hope it does well for you."*

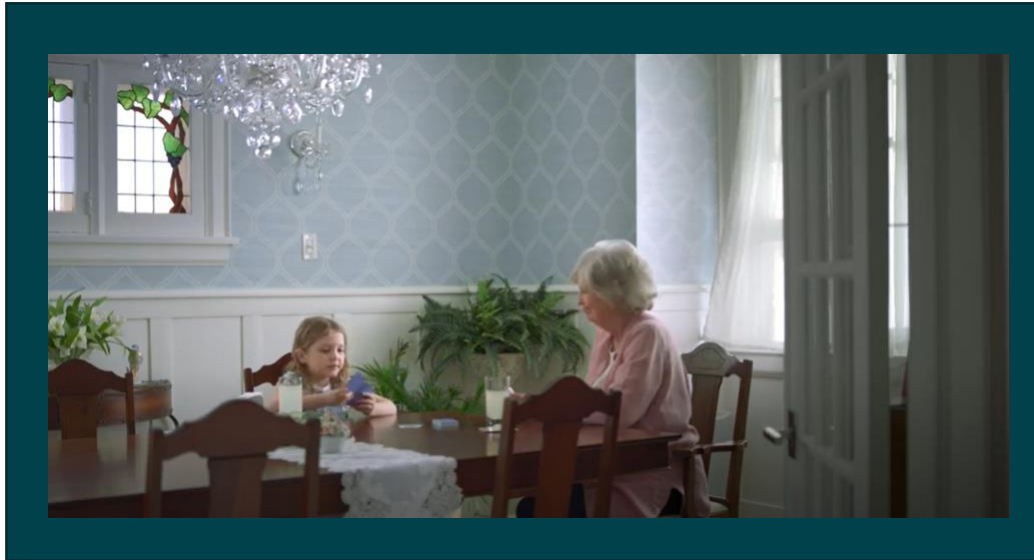


# New Brand Campaign

Development of new TV ads – industry stats continue to show that TV is still #1 with our demo

**3 new TV ads – Granddaughter, Sore back, Consultation – coming over 12 months**

[https://www.youtube.com/watch?v=JyLQesDuo1I&ab\\_channel=HomeEquityBank](https://www.youtube.com/watch?v=JyLQesDuo1I&ab_channel=HomeEquityBank)



# New Brand Campaign

Social media is a key element of any campaign, light & engaging content

**Stay Put** video [https://www.youtube.com/watch?v=Gqxxq3YqkpCk&ab\\_channel=HomeEquityBank](https://www.youtube.com/watch?v=Gqxxq3YqkpCk&ab_channel=HomeEquityBank)

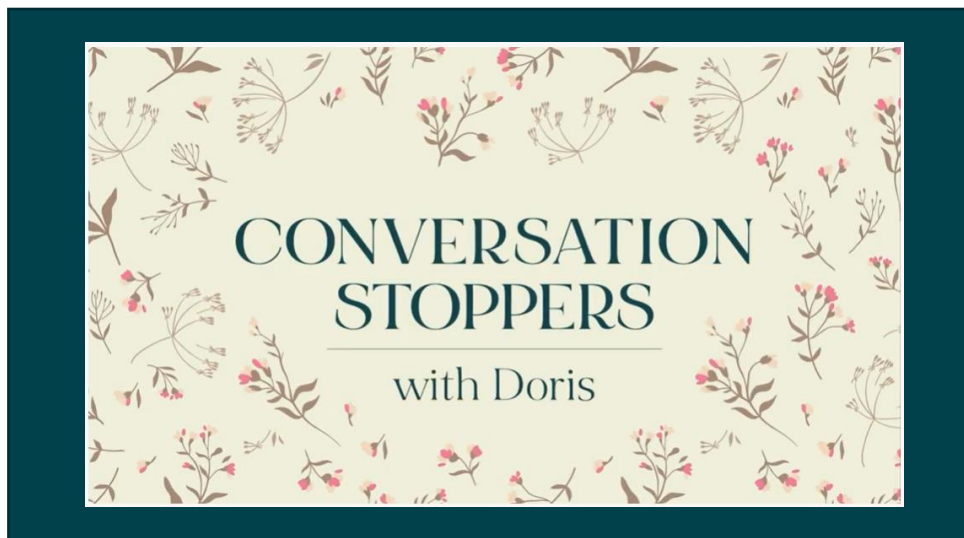


# New Brand Campaign

Leveraging a celebrity to further extend our messaging

**Conversation Stoppers with Doris** where she dishes out expert advice on how to respond to those who think they know best when it comes to the homeowner's happiness and well-being in retirement.

[https://www.youtube.com/watch?v=v6Kz7id674I&t=2s&ab\\_channel=HomeEquityBank](https://www.youtube.com/watch?v=v6Kz7id674I&t=2s&ab_channel=HomeEquityBank)





# Summary

Investment in the brand is a long-term commitment

There is an optimum split of brand building and activation media spend

Strong brands underpin business success and deliver added value to shareholders

