



brightpeak Marketing Plan

Team Gravity

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1 brightpeak's Internal Environment

1.1 Executive Summary

Brightpeak, a division of Thrivent financial, seeks to help young families become both financially literate and stable. They position themselves as a socially conscious company seeking to educate and help an un-served demographic. In order to accomplish this goal, brightpeak employs guides who host "gatherings," which are casual events that set the stage for learning about finances. Although brightpeak is a financial services company, their guides operate under a direct sales model, placing brightpeak in competition with companies in both industries.

brightpeak's strengths lie in a strong social media campaign and low pressure "gatherings" focused on education rather than sales. They currently lack brand awareness as well as in-depth information for potential guides. The personal nature of direct selling as well as focusing on a younger target demographic provides potential opportunities for brightpeak. They should be concerned about the impersonality of social media and the fact that "gatherings" can be difficult for those who are time-poor.

Because brightpeak identifies itself as a company with social values, they can effectively target members of Generation Y who are socially conscious. This is a specific group with values that align with brightpeak's, making it an appealing target for financial guides. Further, because members of Generation Y seek flexibility and control in the workplace, brightpeak's part-time guide position would attract this group.

In order to target this group, brightpeak should focus on social media content that reflects a community activism message. They should sponsor community improvement events that would attract young volunteers to further associate brightpeak's name with social change. These and other improvements would draw socially conscious members of Generation Y and would increase the number of financial guides.

1.2 Introduction to brightpeak

- brightpeak is a faith-based, non-profit division of Thrivent Financial. It is built off the idea that "actions speak louder than words" and strives to help young, financially inactive Christian families gain knowledge in order to reach financial stability.¹
- 70% of American families live paycheck-to-paycheck, meaning that their financial security is completely dependent upon their job.
 - 40% of American adults have no life insurance.
 - 90,000,000 Americans have no disability insurance.
 - 30% of 55 year olds have less than \$10,000 saved up for retirement²
- brightpeak believes that without financial planning, families position themselves "on the edge of poverty."
- Offers easy and understandable tools centered on a trained financial guide who hosts "gatherings," fun and informal outings designed to answer any and all financial questions.

¹*brightpeak* Financial Handout

² "*brightpeak* Financial." *brightpeak* financial, n.d. Web. 24 Apr. 2013.

1.2.1 Mission

- brightpeak's mission is to educate and empower families to become financially stable with simple solutions that lead to good decision
 - In order to differentiate themselves from other companies, brightpeak emphasizes the fact that they want to help young families to become financially stable.

1.2.2 Solutions and Application

- disability insurance to “help your bank account stay strong when your body breaks,”
- flexible life insurance
- guaranteed retirement plan.

To carry out their mission and apply the solutions, brightpeak needs friendly and capable financial guides to connect with prospective customers. The following research identifies the kind of people who can help brightpeak to succeed in both a financial and direct sales industry.

1.3 Current Target Market

brightpeak is currently looking for financial guides to work part-time, host gatherings, and meet with potential clients who want to learn more about brightpeak's opportunities.

They want people who:

- Are willing to learn
- Have an entrepreneurial drive
- Have passion for teaching
- Are in their middle to late 20s
- Are able to converse with the target client (young adults and families)

Essentially, they want driven individuals who want to earn a little extra cash on top of their current job.

Although brightpeak advertises this as a part-time position, they also make it clear that with drive and persistence, it can be transformed into a full-time job. In order to do this, the financial guide would have to not only educate and meet with potential customers, but also discover and create a network of financial guides. By creating a team of financial guides, their job then becomes training other guides, which is a full-time job in itself.

1.3.1 brightpeak's Current Marketing Strategy

brightpeak provide three main services:

- Disability insurance
 - This insurance offers a paycheck during recovery and provides coverage until age 67
- Life insurance
 - Allows one to choose between a 10, 20, or 30 year term, and guarantees a 3% increase in one's benefit every year
- Guaranteed retirement plan
 - 1. Money that is invested in retirement plan is secured

- 2. One can be assured to receive lifetime income

Brightpeak focuses on making these services as easy and simplified as possible

Currently brightpeak relies on their website, some social media, and word of mouth to market towards potential financial guides. Many of their Facebook, Twitter, and blog posts have information about financial services and debt management tips. In addition, they also provide advice for giving back to the community, “living purposefully,” and managing a young family.

- brightpeak’s website has a portal called “become a financial guide.” Curious individuals can click on this link and watch a short video on what it means to be a financial guide, what exactly a “gathering” is, and how they can get started.
 - brightpeak attracts people searching the website by advertising “Want \$100 to help throw a party? And a chance to learn a thing or two about money? Host a gathering!”
- brightpeak has a Facebook page in which they post various blogs and interesting ideas concerning finances.
 - Currently has 1,142 likes³
 - Includes posts from brightpeak employees and financial guides about how great it is to work there as well as projects they are currently working on.

Facebook Content:

The following data represent the average amount of fan activity generated by recent brightpeak Facebook posts with different qualitative categories of content:

Original Content	6.37	2.64	Shared Content
Specifically financial Content	5.40	4.60	Other content
Mentions family	12.67	3.08	No family mention
Pop culture references	6.63	4.41	No pop culture
Religious	6.40	4.72	Not religious
Serious	3.50	6.31	Entertaining
Promotional	3.50	5.75	Other
Less produced	4.17	6.25	More produced

³ brightpeak Facebook

- brightpeak has a YouTube channel, featuring eight informative and educational videos with 4,044 views.⁴
- brightpeak’s Twitter handle is “brightpeakspeak,” and they have 1,412 tweets with 323 followers.
- The blog is also titled “brightpeakspeak,” and has articles such as “Developing Your Inner Frugalista,” “Generosity is not JUST for Rich People,” “3 Tips for Traveling Around the World on a Budget,” and other posts that reach out to a young, Christian audience interested in improving their communities.
- Additionally, brightpeak relies on word of mouth. This is the idea that current financial guides will talk about it not only to their friends, but also to customers.
 - Through the gatherings, people can not only work towards becoming financially literate, but also become interested in becoming a guide themselves.
 - As such, the “gatherings” are important not only for attracting customers but also for current guides to recruit new guides.

1.4 Competition

brightpeak seeks to fulfill a fairly unique position within the industries in which it participates. brightpeak’s target customers, as well as people to recruit for financial guides, both represent a much younger population that has traditionally not been targeted by these industries. Because brightpeak is a fairly new brand, most data available on competitors is related through Thrivent:

- From the brightpeak website: *“brightpeak financial is a new, missional distributing division and a chapter of Thrivent Financial for Lutherans, ...which is the issuer and underwriter for brightpeak financial products.”*
- Thrivent Financial is a unique company in that it is a faith-based fraternal benefit society, which greatly reduces the number of competitors that share such specific attributes.
- Thrivent is #332 on the overall Fortune 500 list.
- Thrivent is #6 on Fortune’s list of top life insurers.⁵
- Primary national competitor’s include:
 - TIAA-CREF
 - Massachusetts Mutual Life Insurance
 - New York Life Insurance Company
 - The Northwestern Mutual Life Insurance Company
 - Teachers Insurance and Annuity Association - College Retirement Equities Fund
 - Guardian Life Insurance Co. of America
 - Western & Southern Financial Group
- Thrivent has lower profits than companies with similar revenues.
- Many of these other competitors have sections on their website devoted to younger customers, or to different “life stages.”

⁴ brightpeak YouTube channel

⁵ "Fortune 500 list, Life Insurance Industry." . CNN Money, 21 May 2012. Web. 4 Apr 2013. <<http://money.cnn.com/magazines/fortune/fortune500/2012/industries/185/>>.

- Most of these competitors have information available via web resources that seek to educate customers under headings such as “learning center,” and give information specific to different customers’ needs.
- Overall, Thrivent’s competitors do not have a complete branch dedicated to a younger demographic, making brightpeak uniquely positioned.

brightpeak’s additional direct competition includes all companies that provide life insurance and other financial services. The top three life insurance companies in terms of revenue are New York Life Insurance, TIAA-CREF, and Northwestern Mutual Insurance Company. brightpeak also competes with direct sales companies for recruits because they seek potential guides. Direct sales are companies that sell goods and services person to person, away from a fixed retail location. The top direct sales companies in terms of sales, are Avon Products, Inc. Amway, and Herbalife, Ltd.

- **New York Life Insurance:** New York Life Insurance earned 34,393.5 million dollars in revenue last year and was ranked 86 on the fortune 500. New York Life offers life insurance and long-term care Insurance as well as a variety of investment products that include retirement income, investment annuities, and mutual funds⁶.
- **TIAA-CREF:** TIAA-CREF was ranked 88 on the fortune 500 list and recorded 34,079 million dollars in revenues last year. TIAA-CREF believes the fact that they’ve worked for over 40 years with portfolio companies on social responsibility issues sets them apart from other Life Insurance companies⁷.
- **Avon Products, Inc:** Avon Products is the world’s leading direct seller and has nearly 11 billion dollars in annual revenue. Avon specializes in beauty products, and there are two ways to earn money as an Avon representative: by selling products or through the Sales Leadership Program⁸.

1.5 Industry Considerations

1.5.1 Direct Sales

- The direct sales industry is relatively well known for products like Mary Kay, Avon, and other household products. Profits within direct sales companies come from two sources: one-on-one interactions between the salesman and customer, and/or sales parties hosted by the company. One-on-one selling generates roughly 81% of sales for a company whereas sales parties only generate about 18%. 1% of customers will buy directly from the company, having had no interaction with the sales person or company employee.⁹

⁶ "New York Life Insurance." *Company*. N.p., n.d. Web. 24 Apr. 2013

⁷ "TIAA-CREF - Retirement Plans, IRAs, Mutual Funds, Life Insurance,." TIAA-CREF - Retirement Plans, IRAs, Mutual Funds, Life Insurance,. N.p., n.d. Web. 23 Apr. 2013.

⁸ "Avon Products Inc." Avon Products Inc. N.p., n.d. Web. 23 Apr. 2013.

⁹ Kurtz, D. & Raymond M. 1994). Maintaining customer relationships in direct sales: stimulating repeat purchase behavior. *Journal of Personal Selling & Sales Management*. 67-76

- While most direct sales efforts are not services (including financial services), they represent a growing percent of the direct sales industry, increasing from 18.4% to 20.7% from 2009 to 2011.
- While most sales representatives work part-time, the proportion working full-time is increasing. In 2008, the ratio was 91.1% full-time to 8.9% part-time whereas by 2011 it had shifted to 88.8% and 11.2% respectively.¹⁰
- With this increase in work time, people have less time for leisure activities and convenience or ease of access becomes a huge drive for many. 63.8% of consumers in Raymond and Tanner's (1994) experiment reported convenience as a major advantage to the direct sales industry.¹¹

1.5.2 Financial Services

Since the Gramm-Leach-Bliley Act (1999) and subsequent recession, financial services companies have consolidated, joining with other financial services to create large conglomerates. These companies are equated to "financial supermarkets" that offer a long list of services but ultimately end up as economies of scale.¹²

- A current trend amongst life insurance and financial service companies is a much greater focus on the education of customers, rather than merely pushing sales.
 - This is prominently seen in the resources available on their websites and printed marketing materials.

1.5.3 Life Insurance

- Life insurance is the most widely used form of insurance, accounting for 57% of insurance policies in 2011. The total protection of life insurers in the United States was \$11 trillion at the end of 2011, and it grows at a rate of approximately 1.6% annually.¹³
 - 75% of Americans have confidence in life insurance companies.¹⁴
 - 90% of those with life insurance have confidence in life insurance companies.
 - 85% believe most should have life insurance, while only 65% believe they should have life insurance.¹⁵
 - 20% of consumers would buy life insurance from a retail outlet.¹⁶
 - Since the 1970s, the number of life insurance agents has decreased by nearly one-third.¹⁷

¹⁰ The Direct Selling Association 2011 Factsheet

¹¹ Raymond, Mary A., and John F. Tanner. "Maintaining Customer Relationships in Direct Sales: Stimulating Repeat Purchase Behavior." *Selling and Sales Management in Action* (1994)

¹² Wilmarth, Arthur E., Jr. "The Transformation of the U.S. Financial Services Industry, 1975-2000: Competition, Consolidation, and Increased Risks." *University of Illinois Law Review* (2002)

¹³ 2012 American Council of Life Insurers Factbook

¹⁴ "Three-quarters of Americans Have Confidence in Life Insurance Companies." Life Insurance Marketing and Research Association, 24 Apr. 2012. Web. 23 Apr. 2013.

¹⁵ Theroux, Catherine. "Nearly 20% of Consumers Willing to Purchase Life Insurance from a Retail Outlet."

Life Insurance and Market Research Association, 16 Apr. 2013. Web. 22 Apr. 2013

¹⁶ Ibid.

- 2010 saw a decline in life insurance agents targeting middle class (making between \$35,000 and \$100,000 a year) customers.¹⁸
- 7/10 of those who met with a life insurance provider face-to-face bought a policy.¹⁹
- Most people buy life insurance when someone or a life event brings it to their attention.²⁰
 - Over the past two years 22% of people “seriously shopped for life insurance.”
 - 41% said an important life event triggered their shopping.
- In 2010, almost 1/3 of Americans have no life insurance policy, perhaps due to the economic downturn.²¹
 - However, life insurance sales steadily improving and grew 12% in 2012 fourth quarter.²²
 - Term life insurance (offered by brightpeak) increased 4%.
 - 47% of small businesses offer benefits such as life insurance.
 - 98% of businesses in the U.S. are considered “small” (have less than 100 employees).
 - Small business employees account for 35% of the workforce.

¹⁷ Scism, Leslie. "More Go Without Life Insurance." Wsj.com. The Wall Street Journal, 29 Aug. 2010. Web. 23 Apr. 2013.

¹⁸ Ibid.


¹⁹ "Americans Know They Need Life Insurance – the Trick Is Getting Them to Buy." Life Insurance Marketing and Research Association, 2013. Web. 24 Apr. 2013.

²⁰ "Americans Know They Need Life Insurance – the Trick Is Getting Them to Buy." Life Insurance Marketing and Research Association, 2013. Web. 24 Apr. 2013.

²¹ Scism, Leslie. "More Go Without Life Insurance." Wsj.com. The Wall Street Journal, 29 Aug. 2010. Web. 23 Apr. 2013.

²² Theroux, Catherine. "Individual Life Insurance Sales Improve For Third Consecutive Year." Life Insurance and Market Research Association, 7 Mar. 2013. Web. 22 Apr. 2013.

Insurance Benefits Offered by Size of Firm					
	Total	2-9 Employees	10-24 Employees	25-49 Employees	50-99 Employees
Medical	44%	32%	72%	81%	84%
Prescription drug	40	28	68	73	78
Dental	25	14	44	67	72
Life	25	16	41	61	71
Vision	21	11	39	61	59
Long-term disability	17	10	28	48	53
AD&D	16	7	35	45	63
Short-term disability	16	8	27	49	58
Accident insurance	11	4	28	35	30
Cancer insurance	10	4	21	35	32
Critical illness	9	5	13	29	26
Supplemental medical	7	2	22	22	14
Limited benefit medical	3	1	9	6	7
Base = all small employers					



Source: *Small World: Trends in the U.S. Small Business Market*, LIMRA 2013

1.5.4 Disability Insurance²³

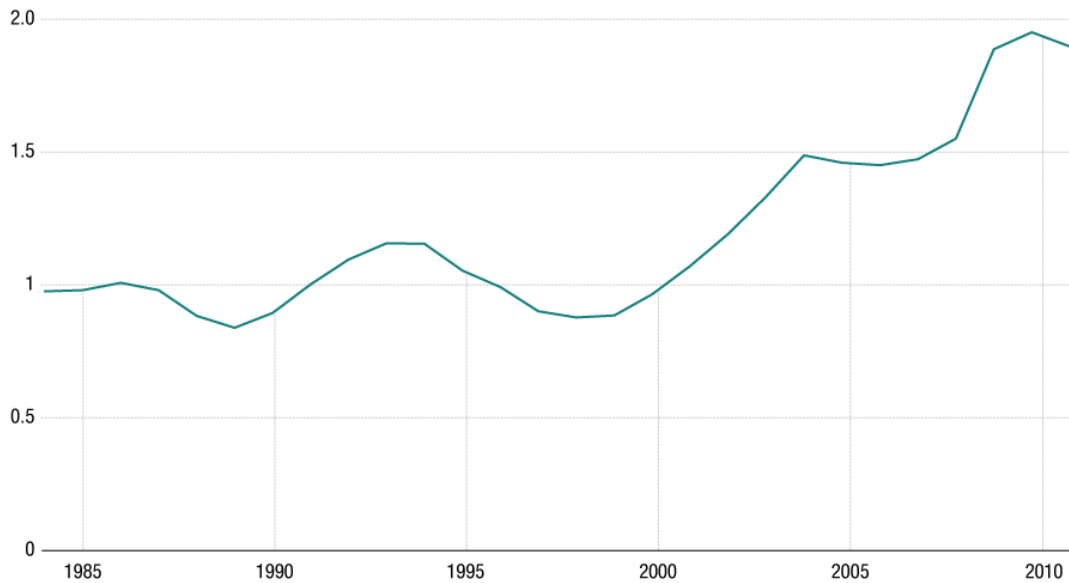
- 91% of workers in jobs with benefits between ages 21-64 have some type of disability coverage.
- 69% of private sector employees have no disability insurance.
- Over 25% of today's 20 year olds will be disabled before turning 67.
 - The number of applications for disability benefits is correlated to the unemployment rate.²⁴
 - i.e. a high unemployment rate correlates to a high application rate for disability benefits.

²³ "Social Security Administration: Basic Facts." Social Security Administration, 7 Feb. 2013. Web. 24 Apr. 2013.

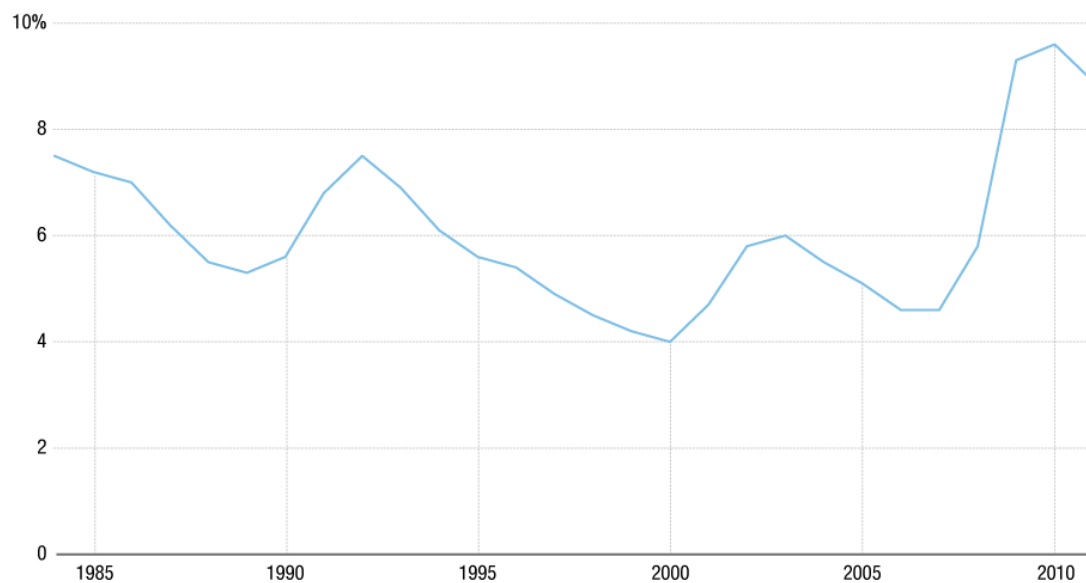
²⁴ Joffe-Walt, Chana. "Unfit for Work." Planet Money. National Public Radio, Mar. 2013. Web. 23 Apr. 2013.

Applications For Disability Rise And Fall With the Unemployment Rate

Disability Applications Per 100 Eligible Workers



Unemployment Rate



Graph Source: Bureau of Labor Statistics, Social Security Administration, created by Lam Thuy Vo / NPR

1.5.5 Employment/Recruiting

- In a recent report from AfterCollege, Inc., most students graduating in the spring of 2012 will not have a job waiting for them once they graduate college. More than 85% of respondents said that as of April 2012, they did not have a job lined up.²⁵ Furthermore, any entry level jobs are now unpaid or underpaid internships and/or are training

²⁵ "2012 Entry-Level Career Trends." AfterCollege, Inc., June 2012. Web. 13 May 2013.

positions, therefore young employees just entering the workforce may have incentive to seek out augmented income.

- According to the U.S. Bureau of Labor Statistics, released on March 2013, employment in financial services/activities has continued to trend up; in February, this industry has added 7,000 jobs.²⁶
- A LIMRA study found that employment in the financial service industry aligns with the values of Generations X and Y, such as working in a “stable industry with lots of growth potential and opportunities to make a difference in people’s lives.” However, many members of those cohorts discount financial services for being too “traditional.”²⁷
 - 66% of the financial consultants surveyed would recommend their job to a young person.
 - The study, which surveyed young job seekers, found that they were interested in working with “a team that they feel will make a difference in their world” and a company that effectively uses new Internet technology.

²⁶ "About the Finance and Insurance Sector." *U.S. Bureau of Labor Statistics*. U.S. Bureau of Labor Statistics, 2013. Web. 24 Apr. 2013.

²⁷ "LIMRA Finds Gen X & Y Job Seekers Have Values That Align With a Financial Services Profession." *Life Insurance Marketing and Research Association*, 5 Apr. 2011. Web. 24 Apr. 2013.

2 External Environment (CDSTEP)

2.1 Culture

- In the direct sales industry, there is a certain culture associated with it:
 - During direct sales events, groups of men and women gather together to enjoy each other's company, learn about a new product, and make potential purchases.
 - For example, the church community lends itself to this culture fairly easily. Congregations often offer potlucks, reading clubs, running groups, and/or social events for people to get involved.
 - Furthermore, in an experiment performed by Raymond and Tanner (1994), they found that out of their 306 survey respondents, 40% reported their willingness to try a variety of products found via a church sales party.²⁸
 - People who work in direct sales industries want to be a part of something important. They want to make a difference in other people's lives. In direct sales, it is in their culture to create an environment that is based on people businesses first and then product business.²⁹

2.2 Customer Profile Information (Demographics and Economics)

- Generational Cohorts
 - brightpeak targets young families in the X and Y generational cohorts.³⁰
 - Members of this cohort increasingly reject a typical work schedule and prefer more flexible hours.³¹
 - They prefer to work in teams.³²
 - 70% of Generation Y individuals cite "giving back and being civically engaged" as a priority.³³
 - Studies suggest that Generation Y engages in volunteering and other activities that promote social good.

²⁸ Raymond, Mary A., and John F. Tanner. "Maintaining Customer Relationships in Direct Sales: Stimulating Repeat Purchase Behavior." *Selling and Sales Management in Action* (1994)

²⁹ "Understanding Culture In A Direct Sales Company." *Direct Selling Today Knowledge Library*. Sound Concepts, 2013. Web. 26 Apr. 2013.

³⁰ brightpeak presentation

³¹ Shapira, Ian. "Millennials Accused of Lax Work Ethic." *Washington Post*. The Washington Post, 03 Apr. 2010. Web. 05 Apr. 2013.

³² Gilbert, Jay. "The Millennials." *Ivey Business Journal*. Ivey Business School, Oct. 2011. Web. 05 Apr. 2013.

³³ Ibid.

The percentage of Generation Y (age 18–34) who have done each of these activities to engage in positive social change in the past 12 months:

81%	Donated money, goods or services
70%	Educated others about a cause or issue
68%	Participated in volunteer work or service
60%	Signed an online or written petition
56%	Fundraised for a cause
52%	Expressed an opinion on positive social change issue by posting a comment on a blog or other Web site
49%	Joined or created a group on a social networking site that was dedicated to a positive social change issue
45%	Organized or united friends or neighbors to work together for a particular cause or issue
43%	Provided leadership skills to a cause or organization related to positive social change
41%	Wrote to or called a politician
36%	Attended a political rally, speech or protest of any kind
35%	Texted to make donations, voted, organized a demonstration, etc., related to a specific cause or issue
33%	Expressed an opinion on positive social change by writing to the editor of a newspaper/magazine or calling a radio/TV show

Sources: Walden University, Harris Interactive 34

- They believe “sharing,” “reblogging,” and other methods of communicating on social media can cause social change.³⁵
- Believe they are “most capable of making a difference in the world.”³⁶
- They often expect creative freedom and possibility for leadership in the workplace³⁷
 - The majority of Generation X and Generation Y cohorts do not know about financial services³⁸
 - Most simply rely on savings to plan for retirement and do not consider other options.
 - Only 20% work with a financial professional to plan finances

³⁴ "Gen Y Engages in Social Change." *Marketing Charts*. Walden University, 22 Sept. 2011. Web. 12 May 2013.

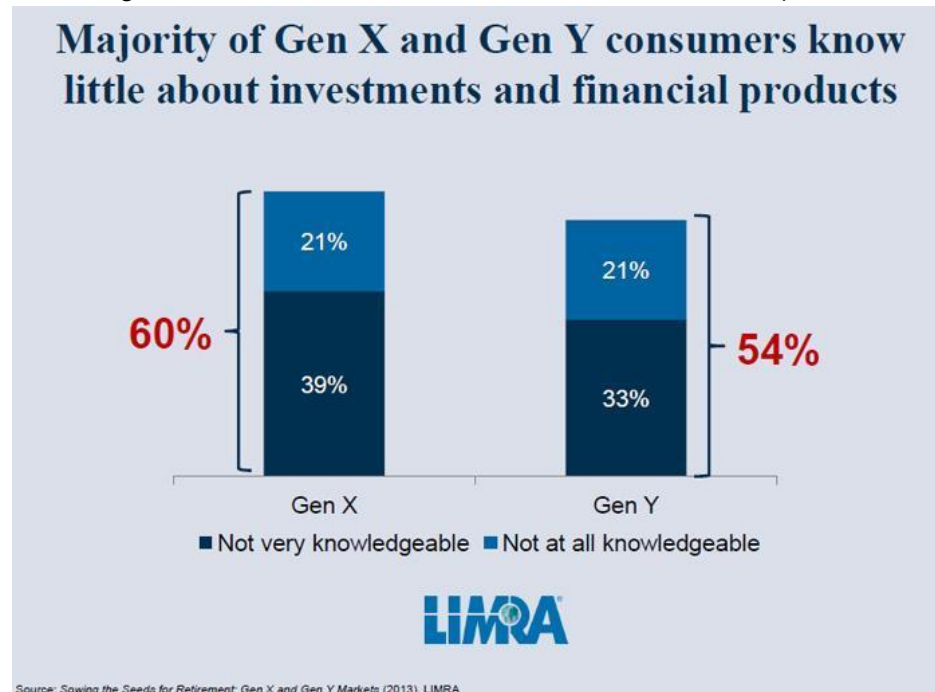
³⁵ "Generation Y: Slacktivist or Socially Conscious?" *Cassandra Solutions*. The Intelligence Group, 3 July 2012. Web. 12 May 2013.

³⁶ Ibid.

³⁷ Erickson, Tamara. "Gen Y in the Workforce." *Harvard Business Review*. N.p., Feb. 2009. Web. 05 Apr. 2013.

³⁸ Theroux, Catherine. "Majority of Gen X and Y Americans Are Uninformed About Investments and Financial Products." *Life Insurance and Market Research Association*, 14 Feb. 2013. Web. 22 Apr. 2013.

Those who do with a financial professional are more likely to be very knowledgeable about their finances than those who do not (14% versus 6%).



- Gender
 - In couples, women tend to make more financial decisions than men, making them an important target customer for financial guides.³⁹
 - The unemployment rates between men and women are relatively even at 7.0% and 7.1%, respectively.⁴⁰
- Economics

In order to recruit potential guides, one must assess and understand the economic/income situations that target customers/guides are in and how these situations affect their decision making.

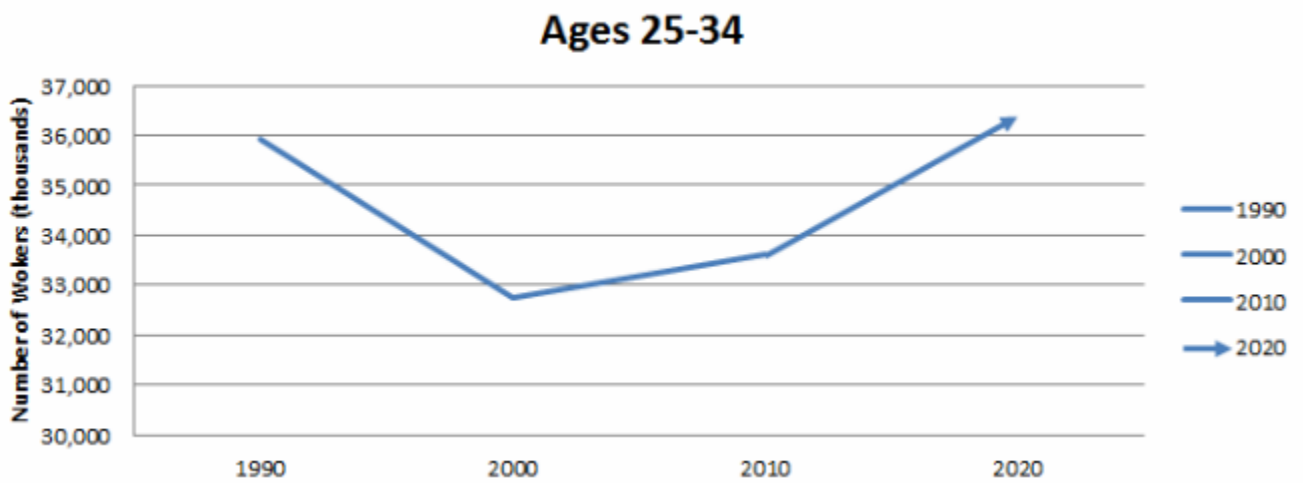
 - 885,000 “discouraged workers,” in the United States. These are people who have stopped looking for jobs because they do not believe there are traditional jobs available for them.⁴¹
 - According to the US. Census: Report of Personal Income in 2011: Majority of individuals who has attained some college education (no degree), or an Associate Degree makes about \$10,000-\$27,499 a year. Most people with a Bachelor’s Degree earns about \$27,500-\$44,999, and those with a Master’s Degree earns about \$45,000-\$62,499 in 2011.

³⁹ "Women Call the Shots at Home." Pewsocialtrends.org. Pew Research Center, 25 Sept. 2008. Web. 05 Apr. 2013.

⁴⁰ "Employment Situation Summary." Bls.gov. U.S. Bureau of Labor Statistics, 8 Mar. 2013. Web. 05 Apr. 2013.

⁴¹ "Employment Situation Summary." Bls.gov. U.S. Bureau of Labor Statistics, 8 Mar. 2013. Web. 05 Apr. 2013.

- The important trend to note here is that the higher education attained by an individual, the more money they are likely to make.⁴²
- The current US unemployment rate is 7.7%. This is a 3.3% increase since 2007, when it was at 4.4%. Thus, establishing a high demand for jobs in the US, especially those who have just recently graduated from college and is in need for a job.
 - According to the *Journal of Consumer Affairs*: Since 2007, wealth for most families has declined substantially (due to unemployment). Because of this economic downturn, many families are seeking ways to save rather than spend.⁴³
- The number of Generation Y workers is projected to rise by 8.4% by 2020⁴⁴



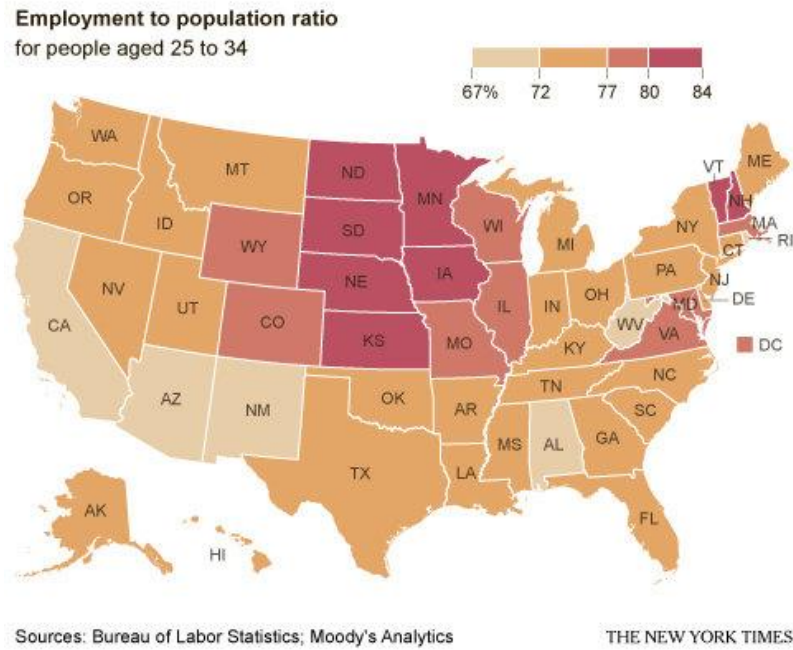
Graph source: Bureau of Labor Statistics

⁴² "Person Income." *US Census Bureau: Person Income*. US Census Bureau, 2012. Web. 24 Apr. 2013.

⁴³ Bricker, J. (2012). The Financial Crisis from the Family's Perspective: Evidence from the 2007-2009 SCF Panel. [Scholarly Journal]. *The Journal of Consumer Affairs*, 46(3), 537-555.

⁴⁴ "Employment Status by Age, Sex, and Race." U.S. Bureau of Labor Statistics, 5 Feb. 2013. Web. 12 May 2013.

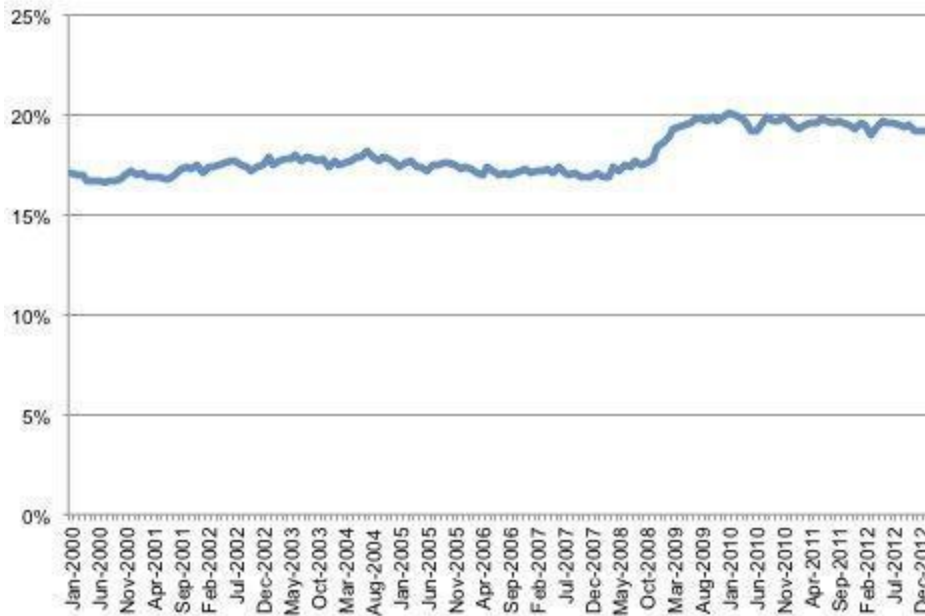
- Minnesota and surrounding states have high employment ratios for ages 25-34



- Many Americans are working part-time jobs “for economic reasons” (e.g., involuntary part-time because regular work hours are cut)
 - Grown by 3.4 million since the start of the economic downturn.⁴⁵

⁴⁵ Rampell, Catherine. "The Rise of Part-Time Work." The New York Times, 8 Mar. 2013. Web. 23 Apr. 2013.

Percent of Workers Usually Working Part-Time (Under 35 Hours)

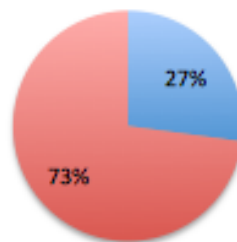


Graph Source: U.S. Bureau of Labor Statistics, created by Haver Analytics/ The New York Times

- However, the percentage of Americans working part-time for non-economic reasons remains higher.

Part-time Workers by Reason

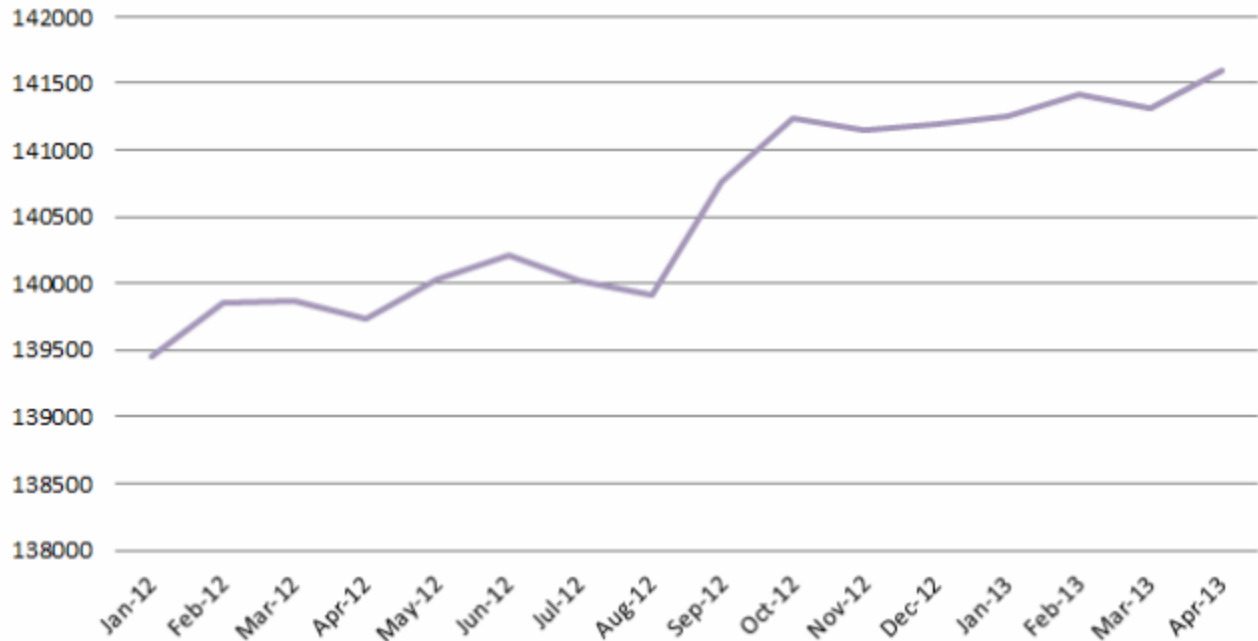
■ Part-time workers for economic reasons
 ■ Part-time workers for non economic reasons



Graph Source: U.S. Bureau of Labor Statistics

- The number of part-time workers for noneconomic reasons is increasing as the recession ends.

Number of Workers for Noneconomic Reasons (thousands)



Graph Source: U.S. Bureau of Labor Statistics

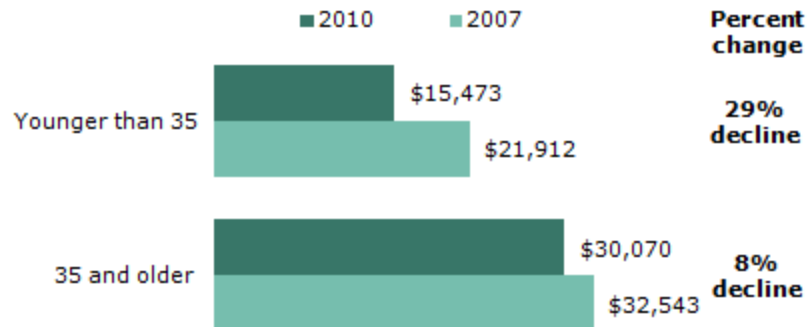
- For many new young married couples, or couples with children under the age of 5, there is a continual demand for protecting one's own family. These events directly encourage buying insurance. According to the MN Department of Commerce, having children serves as a catalyst for buying life insurance.⁴⁶
- Young adults are more debt-conscious, and have accumulated less debt than older cohorts.⁴⁷
 - Attributed to less credit card debt, later marriage, smaller houses, fewer cars, and other socio-economic trends.
 - Suggests that this generation is interested in their finances.

⁴⁶ "Young Families." *MN Department of Commerce: Insurance*. MN Department of Commerce, 2012. Web. 05 Apr. 2013.

⁴⁷ Fry, Richard. "Young Adults After the Recession: Fewer Homes, Fewer Cars, Less Debt." *Pew Social Demographic Trends*. Pew Research Center, 21 Feb. 2013. Web. 22 Apr. 2013.

Median Total Debt of Households, by Age of Head, 2007 and 2010

in 2011 dollars

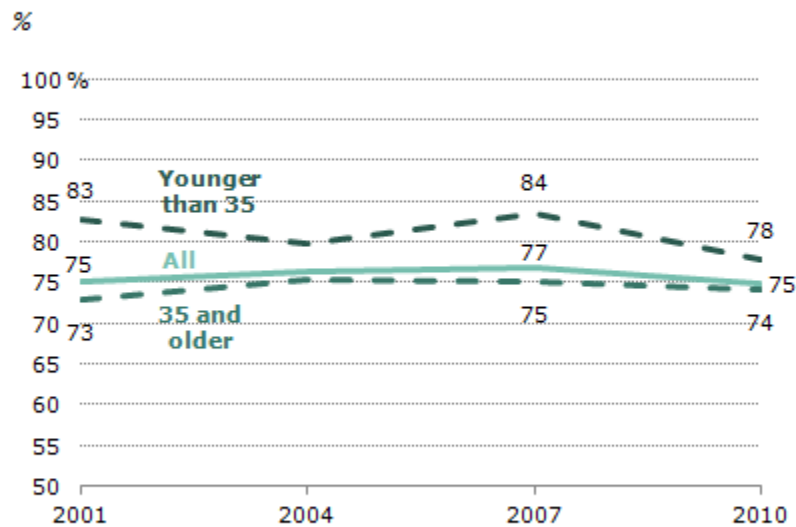


Note: The median is calculated among all households, including those without any debt.

Source: Pew Research Center tabulations of Survey of Consumer Finances data

PEW RESEARCH CENTER

Share of Households with Any Debt, by Age of Head, 2001-2010



Source: Pew Research Center tabulations of Survey of Consumer Finances data

PEW RESEARCH CENTER

2.3 Technology

- Nowadays, users of technology spend 20% of their time on social networking sites using a PC and 30% of their time on social networking sites using a mobile device.⁴⁸

⁴⁸ "Social Media Report 2012." Nielsen.com. The Nielsen Company, 3 Dec. 2012. Web. 05 Apr. 2013.

- Total time spent on social media websites increased 63% in 2012.⁴⁹
- 90% of consumers trust online recommendations (e.g. social media) written by people they know.⁵⁰
- Social media technologies are most effective in promoting events and services; however it cannot replace real interactions with people.⁵¹
- 68% of direct service companies have a presence on Facebook and/or YouTube⁵²
- YouTube is the most effective social media technology to recruit distributors.
 - It reaches a wide audience of individuals who does not need a YouTube account to access the content.
 - Furthermore, many companies now divide its videos into different categories to train potential salespeople (i.e. brightpeak's Financial Guides).⁵³
- Using Facebook for reaching customers is one of the leading trends in social media technology today:
 - There is a high popularity and wide array of options.
 - Many companies now monitor social media presence via Facebook insights and create personalized apps with which customers can interact.⁵⁴

2.4 Social Trends

- Millennials prefer flexible work hours
 - The typical "9-to-5" workday has been replaced by flexible schedules and working from home.⁵⁵
- The average hours in a workweek are increasing.⁵⁶
- Social media continues to grow rapidly as the number of close friends drops.⁵⁷
- The public seems to have the perception that the financial services sector is more unethical than other areas of business.⁵⁸

⁴⁹ "Social Media Report 2012." Nielsen.com. The Nielsen Company, 3 Dec. 2012. Web. 05 Apr. 2013.

⁵⁰ Ferrell, Linda, and O. C. Ferrell. "Redirecting Direct Selling: High-Touch Embraces High-Tech." *Business Horizons* 55.3 (2012): 273-81. Science Direct. Web. 20 Mar. 2013.

⁵¹ Ferrell, Linda, Tracy Gonzales-Padron, and O. C. Ferrell. "An Assessment of the Use of Technology In The Direct Selling Industry." *Journal of Personal Selling & Sales Management* 30.2 (2010): 157-65. JSTOR. Web. 20 Mar. 2013.

⁵² Ferrell, Linda, and O. C. Ferrell. "Redirecting Direct Selling: High-Touch Embraces High-Tech." *Business Horizons* 55.3 (2012): 273-81. Science Direct. Web. 20 Mar. 2013.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ Shapira, Ian. "Millennials Accused of Lax Work Ethic." *Washington Post*. The Washington Post, 03 Apr. 2010. Web. 05 Apr. 2013.

⁵⁶ "Employment Situation Summary." *Bls.gov*. U.S. Bureau of Labor Statistics, 8 Mar. 2013. Web. 05 Apr. 2013.

⁵⁷ Augenstein, Erica. "In Internet Age, People Have Fewer Confidantes." *Cornellsun.com*. Cornell University, 11 Nov. 2011. Web. 05 Apr. 2013.

⁵⁸ Federwisch, Anne. "Ethical Issues in the Financial Services Industry." *Ethical Issues in the Financial Services Industry*. Santa Clara University: Markkula Center for Applied Ethics, Oct. 2006. Web. 26 Apr. 2013.

2.5 SWOT Analysis

Strengths

- Compared to industry competitors, Thrivent Financial already has a strong social media presence. brightpeak has already started to harness this asset and should continue emphasizing its importance.
- brightpeak has already emphasized the importance of current guides recruiting new guides (section 1.3.1), which corresponds with included survey findings that direct contact with friends & family was still one of the strongest ways for the target profile of Financial Guides to seek out employment information.
- brightpeak gatherings are already far less high-pressure than many traditional direct selling tactics in that the compensation is provided to the host regardless of the outcome.
- brightpeak holds a unique status amongst competitors for using direct sales. No other financial services company has combined their services with the concept of hosting sales events.
- People will feel more comfortable as both a brightpeak customer and as a Financial Guide due to the fact that they are connected to the trusted brand image of Thrivent

Weaknesses

- Due to its recent entry into the market, brightpeak does not benefit from the sense of trustworthiness and brand loyalty that more established insurance provides offer.
- Current specific promotion about the Financial Guides program available on the brightpeak website is lacking in-depth information.
- brightpeak's main strategy for spreading brand awareness is the original face-to-face contact of their Gatherings. While this method has a high level of social engagement, it is also an inherently slow method of communication, decreasing the rate of informational spread.
- The assertive social skills required for direct selling significantly narrows the field as it provides a potential desirability obstacle to be overcome before becoming a guide.

Opportunities

- 90% of consumers trust online recommendations written by people they know, making social media an effective way to recommend brightpeak's services.⁵⁹
- Most of brightpeak's competitors do not have a complete branch dedicated to younger demographics. Utilizing this opportunity makes brightpeak uniquely positioned relative to its competitors.
- Potential target market for guides (millennials) prefer flexible work schedules congruent with what brightpeak offers.
- As shown in the previous generational analysis, Millennials prefer having creative control and having the opportunity to advance into leadership positions.
- The personal nature of direct selling captures a higher percentage of sales than media-based communications strategies.

⁵⁹ Ferrell, Linda, and O. C. Ferrell. "Redirecting Direct Selling: High-Touch Embraces High-Tech." *Business Horizons* 55.3 (2012): 273-81. Science Direct. Web. 20 Mar. 2013.

- brightpeak’s target market is explicitly chosen to be social, which offers an available channel for sharing communications.

Threats

- Social media technologies cannot replace real interactions with known people--it is only effective to promote events and services.⁶⁰
- Direct selling requires more financial and human resources to implement than media-based communications
- Trend towards people having fewer close friends.
- Due to the widespread trend of consumers being increasingly time-poor, scheduling Gatherings poses a small inconvenience.
- Potential for the “Christian” label to deter potential non-Christian financial guides.⁶¹

2.6 Competitive Advantage

- brightpeak attempts to target the reachable “Millennial” generation for their guides and to purchase their services. They focus on younger families with less financial stability, a market that has an un-served need for financial services.
 - This market presents risks to brightpeak because they engage more frequently with social networking sites, which typically cannot be used to conduct sales.
 - Average number of friends each person has is declining, which leads to smaller social networks and less opportunity for brightpeak’s direct sales.
 - Although their market has potential risks, because brightpeak focuses on a previously unreached market in the financial service industry, they have an advantage over competitors. These events uniquely combine social gatherings with learning financial responsibility.
- Their direct service model makes learning about financial services less intimidating and more accessible than taking time to go to a traditional financial service company.
 - Combining direct sales with financial services allows brightpeak to use the best parts of each industry: they can offer financial services in a laid-back, social environment by using a direct sales approach.
 - can eliminate the “seedy door-to-door salesman” stigma by encouraging potential customers to learn more during a secondary meeting with a financial counselor instead of pressuring them to purchase at the meeting.
- They also have an advantage over competitors because they target young people for their guides.
 - Millennials tend to look for jobs that offer creative control over their projects, and brightpeak’s guide position offers such freedom. The guide position also allows

⁶⁰ Ferrell, Linda, Tracy Gonzales-Padron, and O. C. Ferrell. "An Assessment of the Use of Technology In The Direct Selling Industry." *Journal of Personal Selling & Sales Management* 30.2 (2010): 157-65. JSTOR. Web. 20 Mar. 2013.

⁶¹ See footnote 1.

for growth within the company because guides can transition into full-time financial counselors.

- Young workers prefer jobs that lead into leadership positions, making the guide position an attractive option. If brightpeak taps into these opportunities, they will effectively secure a sustainable competitive advantage over other companies in the financial service industry.

3 Marketing Strategy

3.1 Market Segmentation

The following market segments are based on the demographic, economic, and psychographic groups identified in the industry analysis. Under demographics, we focused on the generational cohorts, specifically the X and Y cohorts, which are less likely to understand financial services and are more likely to want certain job characteristics. For economics, we identified full-time and part-time worker trends. We identified the psychographic trait of “those who want to give back.” These market segments align with Brightpeak’s current focus, and the industry analysis data identifies these groups as worth pursuing.

3.1.1 Potential Guide Segmentation

- **Part-time workers for noneconomic reasons:** people who are working part-time because of time, inability to find childcare for full-time work, or other reasons.
 - There are more Americans working for noneconomic reasons, and brightpeak could reach a large market by focusing on those who work part-time “voluntarily.”
 - brightpeak does not have a traditional salary or hourly wage, so it is less likely to attract “involuntary” part-time workers who need the job for economic necessity.
 - It has noneconomic perks like hosting fun events and the prestige of financial planning.
 - The activities of a financial guide are an appealing intermediate step between more informal unpaid positions and full-time business careers.
- **Generation Y workers:** prefer control over their schedules and work activities
 - brightpeak offers work flexibility and creative control over events, which many members of Generation Y look for in their careers.
 - brightpeak offers opportunity for advancement within the larger company.
- **Social Justice Oriented Members of Generation Y:** young people who want to “give back” to their communities
 - brightpeak can be marketed as a “service” that benefits friends that attend the meetings, and the guides serve as the primary educators. A large majority of Generation Y identifies “giving back” or being “civically engaged” as important, and brightpeak can offer this benefit while providing the financial incentive that volunteer positions lack.
 - Generation Y believes they can make a change in the world.
 - Because their peers are uninformed or under-informed about financial services, this presents a problem they can solve.
 - Out of 312 respondents to our survey, 89.4% were 18-25
 - 78.2% identified as "Self Motivating"
 - 62.5% as "Likely to Volunteer"
 - Both of these characteristics suggest a predisposition for social activism.

3.2 Target Market

We selected social justice oriented members of Generation Y for our target market. Because one in four Americans is a member of Generation Y, this is a large portion of the

population.⁶² However, in order to reach a specific target that brightpeak could easily attract, we limited our target to socially conscious members of this generation. The other potential market segments have characteristics that would attract them to brightpeak. However, they are too broad to target effectively. For example, although part-time works for noneconomic reasons could work for brightpeak for its noneconomic benefits, because it includes all generational cohorts, it is not an attractive target.

By focusing on socially conscious members of Generation Y, brightpeak can capitalize on a target that aligns with its social justice messaging. brightpeak already markets itself as a company that can improve the community by increasing financial literacy and providing insurance. Our survey results reflected larger social trends suggesting that members of Generation Y are likely to try to work for social change, which aligns this group's values with brightpeak's business model.

Studies suggest that many members of Generation Y do not completely understand their finances or the need for insurance, and they are interested in learning more. Despite being debt-conscious, most members of Generation X and Y are not financially literate and have not met with a financial consultant. Further, most do not have life or disability insurance unless it is provided through their employer, despite the fact that many believe that most people should have it. The lack of financial literacy among their peers presents a potential problem that socially conscious young people can address. Because they tend to be confident in their abilities to affect social change, brightpeak can make them aware of this lack of information and encourage them to become guides to help their peers.

In terms of employment, members of Generation Y prefer flexible schedules and creative control. brightpeak's work schedule has these characteristics because guides can decide how they plan events. The financial guide position also offers the possibility for advancement into a leadership position, something that members of Generation Y also seek in a new job. The prestigious financial guide position can also act as a stepping-stone for other business careers.

This target aligns with brightpeak's values and workplace characteristics, and is easily reachable through social media, a communication form that members of this group use proficiently.

3.3 Positioning

In order to effectively target Generations X and Y, typically a technology-savvy group, brightpeak should promote their financial service offerings on the Internet and position themselves as a technologically competent company. They should also promote themselves as a company that helps individuals and communities because many members of both generational cohorts want to give back to society. By emphasizing their flexibility and possibility for advancement, they can attract more financial guides. They should also promote their financial services to debt-conscious young people to foster word of mouth.

3.4 Evaluating Media Strategies

Engagement with a community of fans via social media is an important factor in how effectively a company can build brand awareness and loyalty. The table below compares

⁶² "America's Gen Y." Metropolitan Life Insurance Company, 2013. Web. 12 May 2013.

brightpeak with several of its competitors in both the life insurance and direct sales industries. Each company's score represents the average proportion of their Facebook fans that interact with a given post.

The data show that brightpeak's social media presence is already an asset for community expansion and involvement. brightpeak's Facebook community is considerably more engaged than any of brightpeak's top competitors in the life insurance industry. Leading direct sales companies are shown to be more adept at managing their online presence, but still no more so than brightpeak. Based on the fact that brightpeak's own parent company, Thrivent, ranks second it seems that their media strategy is based in a proven precedent. It will be very important to continue meeting these standards of consumer interest as brightpeak increases the number of its followers.

Social media engagement scores of brightpeak and competitors*

brightpeak	53	Herbalife	28
Thrivent	48	Northwestern Mutual	17
Mary Kay	47	New York Life	11
Avon	34	TIAA-CREF	3

*scores represent the mean proportion of fans interacting with 20 recent posts from each company's Facebook page represented in hundredths of a percent.

4 Marketing Mix

4.1 Guide Program Offering (Product)

The purpose of this marketing effort is to recruit Financial Guides for brightpeak. The system of using Financial Guides is central to brightpeak's business model. Financial Guides host brightpeak gatherings to educate potential customers in a fun, social environment. The factors that make being a Financial Guide attractive include, as listed on the brightpeak website:

- The mission of protecting families
- The passion for educating others
- Additional income
- The ability to help others plan for retirement
- The chance to start and build your own business, which appeals to the target profile's preferences (demonstrated in section 2) for creative control, control over work schedule and environment, and a more broad sense of increased financial literacy.

4.2 Perceived Value

- Price (income in this case) is unlikely to be the lone motivator for potential guides, but must be high enough to be worth their time.
- There is a notable cost and time commitment to initially becoming a guide. This is likely to discourage some portion of potential guides and it is thus important to address that fact in a way that makes the position attractive regardless.
- Most people who work part-time do so voluntarily (for non-economic reasons).⁶³
- As referenced in section 2.2, our target guides are motivated by the opportunity for doing work that benefits society, rather than work chosen just for their own financial gain.

4.3 Community Presence (Place)

- Brightpeak uses their blog and Facebook page to reach out to their community to build awareness and involvement. The target segment for financial guides is a regular user of these internet sources, making it an efficient and effective strategy.
- Articles in their blog such as "5 Ways to Save Money on a New Baby" and "4 Tricks to Sticking to your Wedding Budget" provide practical and relevant financial advice.

4.3.1 Financial Guides Recruiting More Financial Guides

brightpeak relies heavily on other financial guides to attract more guides. Word of mouth is one of the best ways to spread the word about what brightpeak does and how one becomes a financial guide. Since brightpeak is not as established as many of its' competitors, one of brightpeak's biggest obstacles when recruiting financial guides is that many people don't know what brightpeak is. This is why it is crucial that financial guides spread the word.

4.3.2 Online Presence and Social Media

Of the people responding to our survey, the following percentages of respondents indicated that they use each of these channels respectively to find information about potential

⁶³ See section 2.2

jobs. Based on these data, career-focused channels such as employment websites and LinkedIn are a reliable way to reach guides. It is also important to point out that personal contacts are also one of the most valuable sources of employment information, which further supports and emphasizes brightpeak’s focus on building a community of guides through personal interactions and word of mouth.

Employment Websites	Friends & Family	LinkedIn	Temp Agencies	Facebook
82.4%	72.8%	31.4%	21.8%	4.5%

*Survey sample size n=312

4.4 Communications Tactics

brightpeak should maintain its image as a financial service company that focuses on young, middle class families for its customers because this is a segment of the population that is currently undereducated and under-reached by other insurance and financial service companies.

In order to reach potential guides, they should market themselves as community-conscious, creative, and flexible because Generation X and Y workers tend to look for these traits in employers. Further, because more people work part-time voluntarily instead of involuntarily, they should focus on marketing the financial gatherings as an “activity” that can help friends and communities to attract new guides.

Segmented Communications Based on Gender

37.8% of those responding to our survey were male. Within the selection of the quarter of respondents who best fit our criteria for a financial guide, 42.3% were male. Within the quarter that least fit our criteria, 35.1% were male. These data suggest that, as a rule of thumb, between 1/2 and 2/3 of marketing messages should be tailored for a male audience.

- Social media shown to be of strong importance
- The core of brightpeak’s promotional strategy is the face-to-face contact via word of mouth and previous guides.

5 Potential Media and In-Person Marketing Strategy Improvements

- Brightpeak needs to be actively involved and conscious of concerns that fans care about such as debt avoidance and concern for social issues. Addressing these more difficult but interesting topics on the blog and social media channels will increase the level of engagement of brightpeak's fans.
- To position themselves in relation to members of Generation Y in Minnesota, they should send financial guides to host fun and informational booths at community and cultural events including outdoor concerts, running races, and street festivals. Some examples of these are music festivals such as "The Basilica Block Party," "Rock the Garden," the "Lynlake festival" or the "Uptown Art Fair" which all occur annually. This presents an advantage in that these events are most typically attended by a population that very closely matches the target profile for Financial Guides, and is a setting where social interaction is readily welcomed.
 - Participating in these events would build awareness.
 - brightpeak could demonstrate some of the activities their guides use at events to point out a need for financial services and provide information.
 - These events allow for a face-to-face interaction between guides and potential customers, which typically leads to more purchases than other communication methods.
 - In-person interactions are a simple and effective way to funnel potential fans, customers and guides to social media pages, the website, and other media sources that can provide more in-depth information.
- Online "quiz game" or other simple, engaging, educational activities with a social element to build awareness and interest in brightpeak.
 - People playing this game, or interacting with other useful resources on the website may only use it for fun or a quick reference, and that will build brand awareness; and for those who find the content more intriguing, there will be a simple channel of links for them to begin the process of becoming a financial guide.
 - Improve website and social media presence.
- Improve the brightpeak website by fixing broken links and increasing the depth of written information.
- Produce a concise page with information about the importance of financial services and life and disability insurance. The page should provide a clear way to get more information if interested.
- Hire a talented software development team or agency to produce a finance app that provides useful tools and insightful daily tips. This will be available to the general public and be worth downloading just for its own convenience. Because of its utility, the app will turn awareness of brightpeak into trust and loyalty for brightpeak, a crucial step in the process of communicating value to the consumers.
- The following adjustments are suggested for social media content, based on the results discussed earlier:
 - More socially conscious content.

- Try to make more of the content original - produced in-house - rather than shared content from other surfaces.
- More posts that specifically refer to family and religious matters.
- Even with plenty of serious content, it is still important to have some content that is entertaining or refers to current events of popular culture.

6 Expected Results and Evaluation Metrics

6.1 Implementation Timeline

- In person marketing strategies can be implemented on a short-term timeline of between 1 and 5 months. This will primarily include slight modifications to Guide training programs. This stage of implementation will also be well coordinated with increased community and cultural activities during the summer months.
- Media-based marketing efforts should be implemented over a longer period. The production of the mobile app will require the services of a third-party agency that specializes in such design. This is additional cost is justified by the significant increase in quality that it will allow. This development process, as well as the processes for other production-heavy media elements will have an expected distribution of one year ahead at the earliest.

6.2 Expected Results

- Assuming current Financial Guides are able to recruit at minimum 3 new Financial Guides over 6 months, it can be roughly estimated that this strategy could multiply the number and reach of Financial Guides by a factor of 10. *However these will need to be further adjusted based on pending financial data provided by brightpeak.*

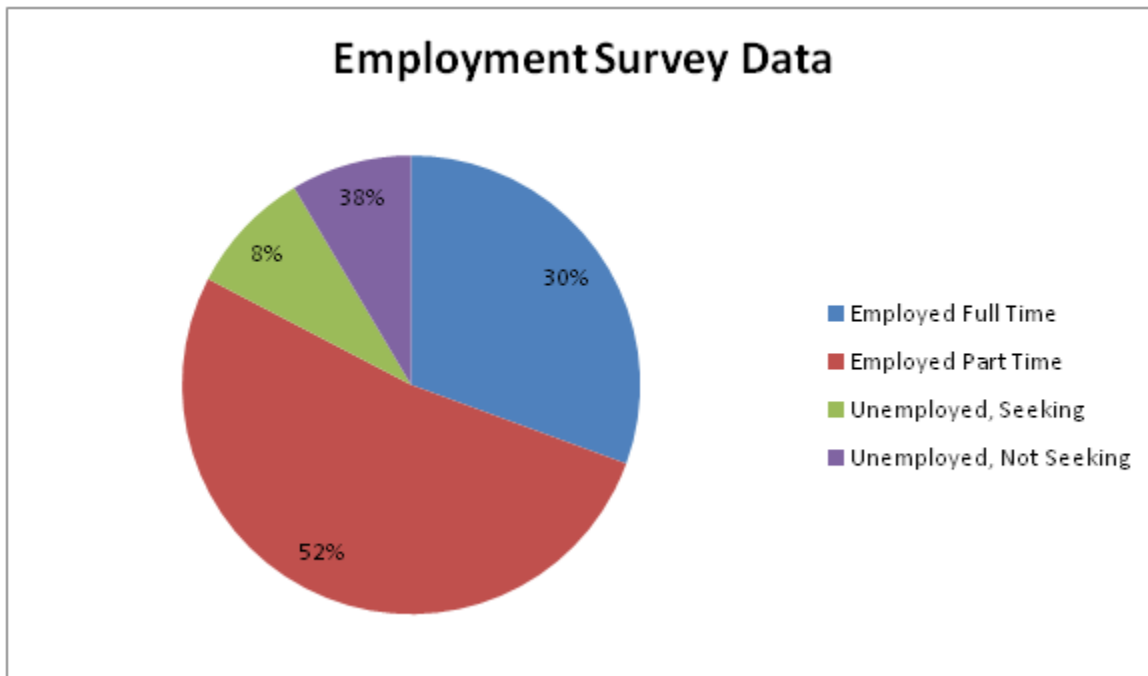
6.3 Measuring Success

- The following metrics should be measured as a representation of success
 - An increase in followers of social media.
 - An increased level of engagement among social media followers
 - A substantial increase in the number and reach of Financial Guides
- *As with section 6.2, these conclusions will be further refined with the inclusion of new data from brightpeak.*

Appendices

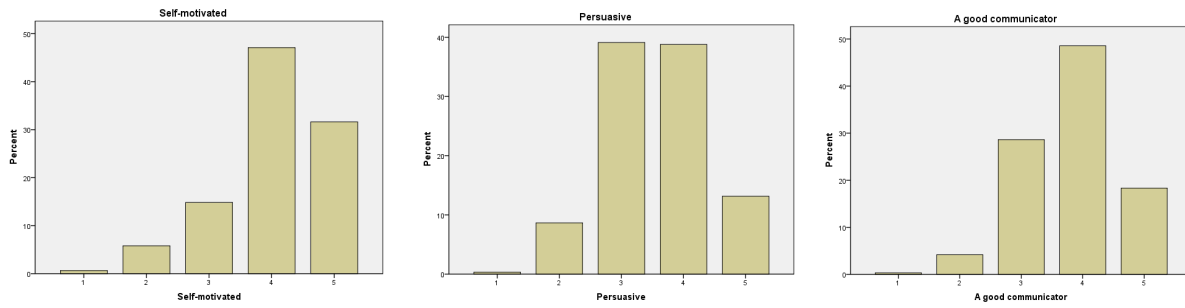
Appendix 1 Survey Results:

- Sample size: 312 participants
- Survey research method: Crafted a survey that takes only 30 seconds to complete. Surveys were sent via personalized messages through Facebook and E-mail.
- Demographics:
 - Age
 - 89.4% are 18-25 years
 - 7.4% are 25-35 years
 - 2.2% are 35-50 years
 - Gender
 - 194 Females
 - 116 Males
 - 1 Did not answer
 - Employment Status: Majority is employed part-time (green), full-time (yellow), or unemployed and seeking (white).



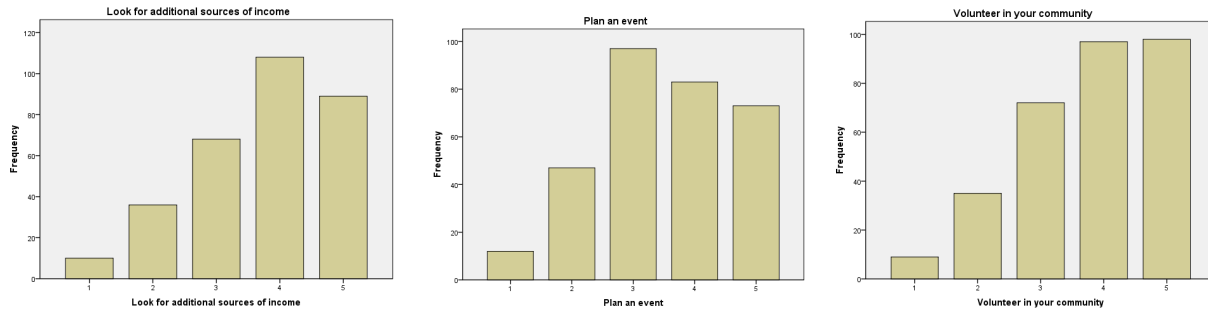
- The survey sought to identify relevant characteristics and tendencies of potential financial guides as well as discovering exactly where potential guides would search for information on part-time positions.
- Characteristics:
 - SELF MOTIVATING: 78.2% rated themselves as a 4 or above (5 being the highest)
 - PERSUASIVE: 51.9% rated themselves as a 4 or above

- GOOD COMMUNICATOR: 66.7 rated themselves as a 4 or above



- Tendencies:

- 63.1% indicated that they would definitely look for additional sources of income.
- 50% indicated that they would be likely to plan or host an event.
- 62.5% indicated that they are likely to volunteer in the community.



- Most likely to look for potential job opportunities via:

Employment Websites	Friends & Family	LinkedIn	Temp Agencies	Facebook	Online Company Website
82.4%	72.8%	31.4%	21.8%	4.5%	0.6%