

Children's Mutual Winning the Hearts and Minds of Fledgling Family Investors

Situation

The Children's Mutual is the only UK company specialising exclusively in savings and investments for children and, when the Government launched the Child Trust Fund (CTF), it was faced with the challenge of launching a range of products that ensured that its position in the market was at least maintained and ideally further developed.

Our client knew from previous research that most families understand little or nothing about investing and that those attitudes that did exist were largely negative and would not motivate participation in the CTF. Therefore The Children's Mutual concluded that deep insight into the mindset of the young family investor was vital in order to understand how to *really* communicate with this audience.

Response

Faced with this business problem, BDRC used ZMET, a deep dive qualitative technique developed in the USA and used globally in a wide range of markets. The technique works on the premise that metaphor enables consumers to articulate their deeper thoughts and feelings which can then be mapped to show how these connect up. This in turn enables the development of a communications strategy that works in tune with the consumer.

In this project BDRC identified five mindset areas that are important for a would-be young family investor: self-worth; reward, risk; family and security; and complexity and confusion.

A key insight of the research was that 'rate of return' which is central to most investment literature has considerably less relevance to the young family investor. ZMET was able to identify this while other more conventional research techniques would have missed this and consequently resulted in the development of sub-optimal communications strategies.

Deliverable

The fundamental insights delivered by BDRC enabled The Children's Mutual to develop a communications strategy that taps into deeply held views of the target market. By focusing on a positioning as a friend and advisor to the would-be family investor, and by adopting a gradual, step by step approach, the returns on marketing investments have been maximised.

Indeed, as a result of this research The Children's Mutual has re-designed its literature and has seen response rates increase by a factor of ten as well as seeing positive financial returns.

In addition to this, such was the fundamental nature of the insight delivered by BDRC, The Children's Mutual shared the findings not only throughout its organisation but also with policy makers in the Treasury, the Financial Services Authority and Her Majesty's Revenue and Customs.