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# SAC Student Engagement

March 24, 2015



# **CHANNEL AND COMMUNICATION MANAGEMENT**

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## **PURPOSE**

Hear about our vision for engagement; provoke conversations regarding future engagement opportunities while achieving our business objectives.



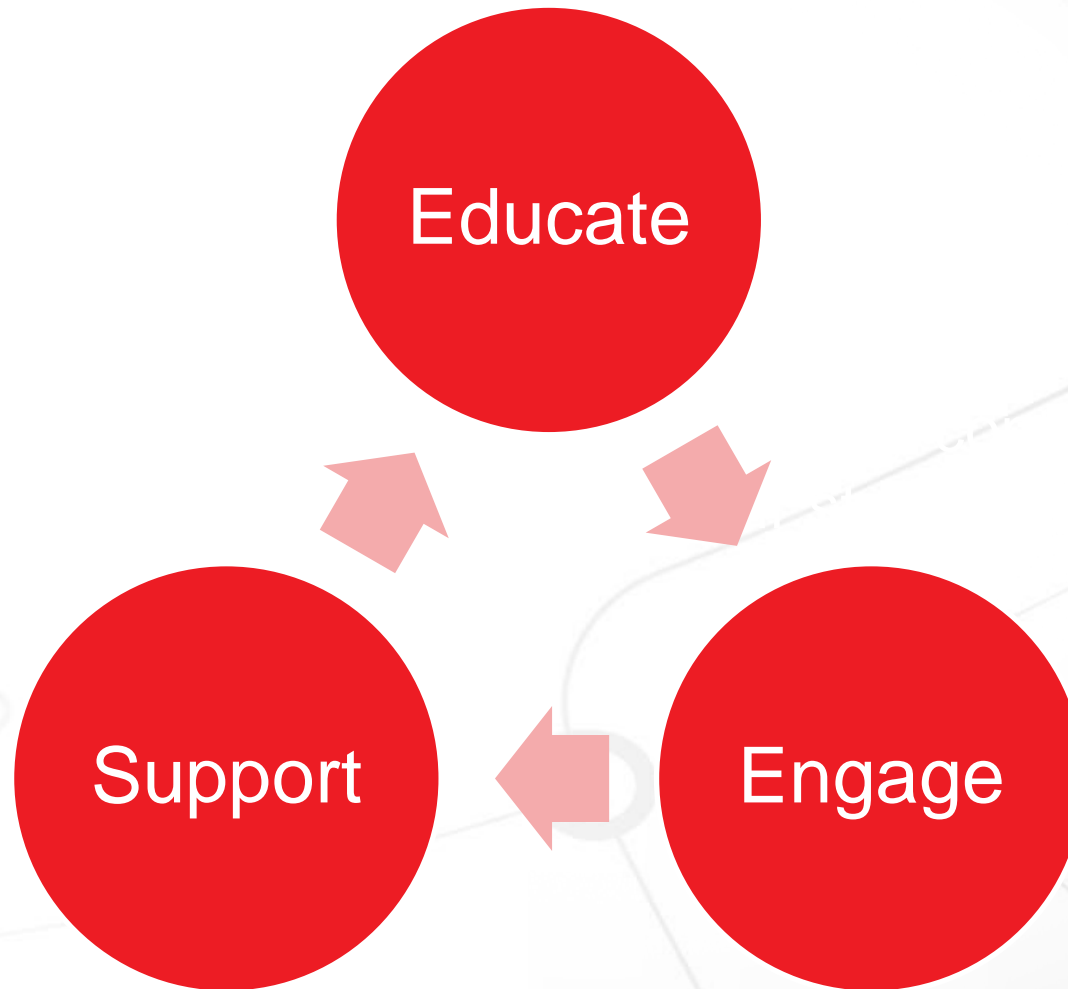


## **VISION**

**Proactively engage students in an ongoing conversation using their preferred communication channel (with an emphasis on digital, web-based channels) with relevant and timely content throughout the lifecycle of their student loan.**

# Strategic Approach – Three Strategic Pillars

In response, D+H has developed a client-centric engagement model and contact channel management strategy that is predicated on the following three pillars:



# Overall Strategic Approach

1.

- Expand digital communication channel options, increase communication touch points, and customized outbound communications through clients' channel of choice.

2.

- Segment communications based on student profiles and the stage of the loan lifecycle including using predictive modelling which can be used to customize the approach based on risk levels, preferred channels and cost to serve.

3.

- Deliver personalized information proactively at key transition moments (i.e. end of study, entering repayment) throughout the lifecycle in an effort to drive engagement.

4.

- Drive clients to use, on an ongoing basis, NSLSC/CALSC online services to perform account-specific activities and to access relevant information, tools, and assistance.

5.

- Optimize and adapt program performance and services. Ongoing client engagement, monitoring and measurement. Feedback mechanisms like online surveys, web trends and general feedback.

# 1. Expand Digital Communication Channel

- Today, we're seeing a very positive e-mail response rate. For example, the unique open rate (open rate is representative of the number of unique individuals that open an email) for a sample "NSLSC Welcome E-mail" from September, 2014 had a **65% unique open rate**, much higher than the financial industry benchmark of 45%.
- Note students still require access to the Contact Centre (agents) to address more complex questions particularly around debt management programs.





# 1. Expand Digital Communication Channel

- Social media represents a growing and recognized vehicle to drive two-way communication, engagement, awareness and education – particularly Twitter (communication, engagement and awareness) and YouTube (awareness and education).
- Live Chat provides a “digital” alternative to the call centre and provides real-time access to information and/or advice that FAQ’s or other guidelines don’t cover. Students would rather not call into a call centre.



# 1. Expand Digital Communication Channel



# 1. Expand Digital Communication Channel

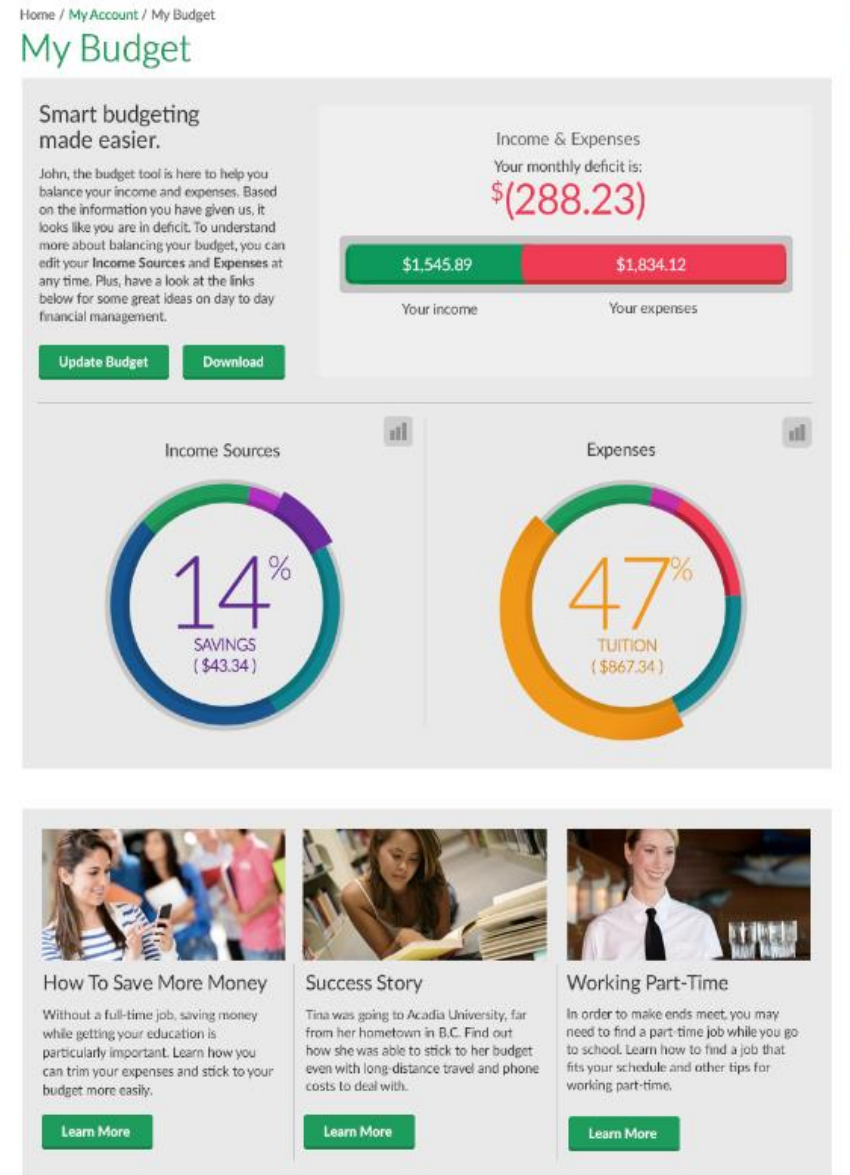
- SMS/MMS represents a very effective communication channel that can combine personalization with a sense of urgency to drive action on the part of students.
- Given the high penetration and usage of mobile devices with Gen Y (born between 1975-91 and Z (born between 1992-2010), SMS/MMS is effective for delivering alerts and reminders which ultimately could drive students to the NSLSC/CALSC website to access a secure in-box and/or trigger important actions.
- For example, in July, 2014, we achieved a decrease in the delinquency rate among eligible borrowers between those who responded to an SMS prompt versus those that did not (4.0% vs. 4.2%).

## 2. Segment Communications Based on Profiles

- Student engagement begins with *Proactive Communications* throughout the loan lifecycle to establish a baseline level of awareness regarding loan repayment obligations and options.
- Opportunity for a *Risk Scoring Model* that would facilitate preventative, personalized client contact to be made for those at higher risk of becoming delinquent. Moreover, once a student is in delinquency or in a state of financial distress, rehabilitative style communications could take place to help bring a student into good standing.
- *Trained Repayment Counsellors* and *Interactive Online Tools* represent further segmented opportunities.

# 3. Deliver Personalized Information Proactively

- Opportunity to embed targeted financial literacy programs and tools and proactively make them accessible to students at the right time and via their channel of choice.
- Opportunity for online tools and information to develop financial literacy and help students understand their loan and repayment obligations and options.
- Key is to disseminate financial literacy information early in the lending life cycle and *integrated in the overall student loan lifecycle.*





## 4. Drive to NSLSC/CALSC Online

- Opportunity to augment the non-secure area of the NSLSC website with a section targeting the needs of parents of students, providing resources and tools to assist parents in providing guidance and support to students.
- To further increase client engagement - *position* the NSLSC as a trusted source of information to help students successfully repay their loans.

# 4. Drive to NSLSC/CALSC Online

Government of Canada / Gouvernement du Canada

Canada.gc.ca | Services | Departments | Français

national student loans service centre

Canada

What are you looking for? Search

Plan for education & career ▾ Pay for school ▾ Learn about loans ▾ Manage your money ▾ Blog News Register Login

**The freedom to focus on your education.**

Your studies should take top priority. That's why it's our goal to help you manage your Canada Student Loan, so you can spend more time getting the most out of your educational experience.

→ Learn how to get started

1 of 5 Pause

**Financial Literacy**

Going to college or university means newfound freedom, but it also brings new responsibilities. Learn some important financial terms and get comfortable with managing money.

→ Learn how

**Budgeting**

To make sure you make smart use of your student loan, it's important to have a realistic budget. Use our handy budget calculator to stay on track.

→ Learn how

**About Loans**

Have questions about applying for a student loan? And what happens after you get one? We'll walk you through the process so you can get a better understanding of what's ahead.

→ Learn more

**Register Now**

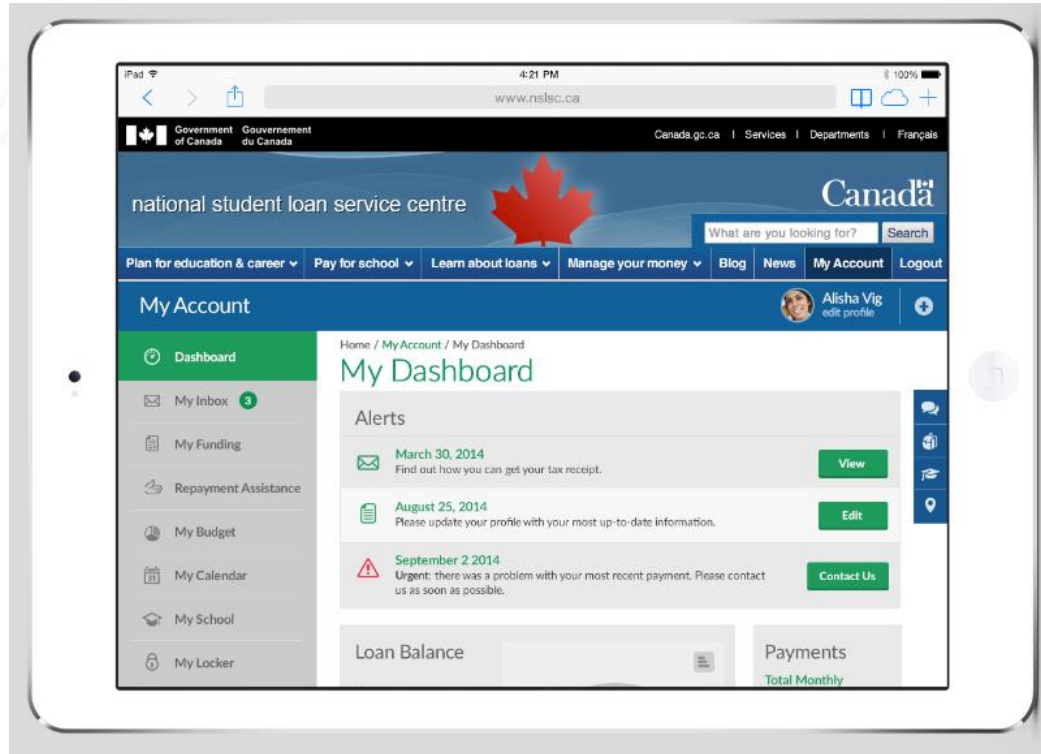
Once you have been approved for funding, make sure you create a profile to get access to all the important information on this site.

→ Start the process today

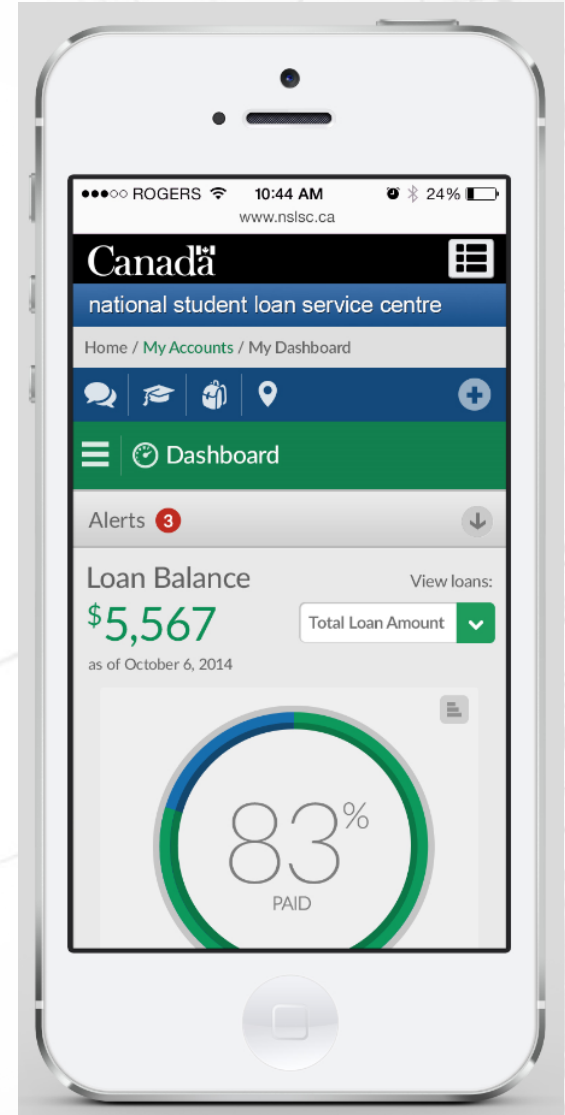
Date modified: 2014-08-27

Terms and Conditions Transparency

## 4. Drive to NSLSC/CALSC Online



Responsive design given the high penetration and usage of mobile & tablet devices.



# 5. Optimize Program Performance and Services

- Opportunity to introduce advance data analytics and modeling. For example, implement an **Early Risk Default Model**.
  - High risk clients would receive proactive attention *through targeted, personalized and timely information* which is intended to “anticipate” the needs of potentially vulnerable clients before they become delinquent.
  - Collect data across the available channels by way of our analytics model and modeling tools and gauge actual channel and service performance by comparing it to expected performance.

**Future Analytics Model could form the basis for future communication channel direction, recommendations and discussions with CSLP and respective PT's.**



# APPENDIX

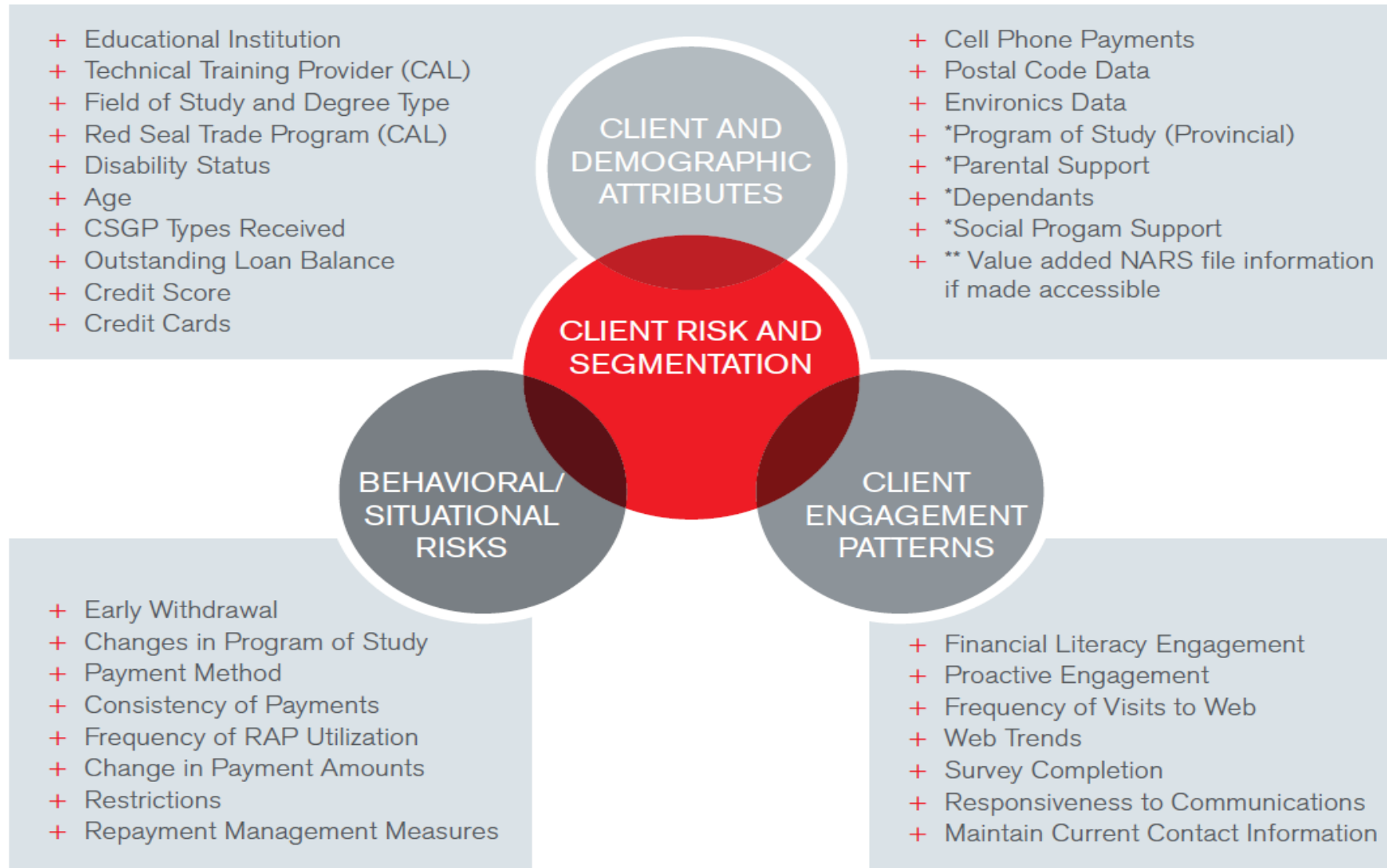


# Multivariate Testing Variables & Examples

Table 1. Multivariate Testing Variables and Examples.

Variable	Examples
Target Audience Segment	<p>Model Score:</p> <ul style="list-style-type: none"><li>• Tombstone data – name, address, gender</li><li>• Engagement date – e-mail open and click thru rates, time spent on website</li><li>• Loan data – loan amount, lending pattern</li><li>• Repayment data - Number of missed payments and late payments</li><li>• Other financial data – credit score</li><li>• Type of education institution</li><li>• Degree/faculty type</li><li>• Geography</li></ul>
Offer	Financial literacy information and tools, dedicated (tier 1) service representative, information on RAP
Creative Message	The copy and positioning in the letter or e-mail
Creative Format	Short copy vs. long copy; self-mailer vs. traditional letter and envelope
Channels	Regular Mail, SMS, e-mail, Outbound Telemarketing, Social Media
Frequency of communications	Weekly, monthly, quarterly, annually
Timing of communications	After 1 <sup>st</sup> loan disbursement, after second loan disbursement, after last semester, after 1 <sup>st</sup> payment

# Client Risk and Segmentation Model



# Questions & Discussions