

Marketing financial services case

[Business](#), [Marketing](#)



Marks will be deducted for spelling or grammar errors, so please check your work carefully! Please ensure all pages are numbered. Use the sources suggested to estimate media costs (and/or any other sources you find). If you can't get find a good source for cost estimates, just put down numbers you think are reasonable. Detail any assumptions made in your calculations. Presentation (Worth 10% of final grade) Teams will present (in Powering) on Friday, April 4th. You can use slides from your written presentation if you wish.

But remember, some of the slides may have to be adjusted from your written presentation to ensure the presentation can be clearly seen from the back of the class. Do not read from the slides. If you have notes, refer to them, but don't read them. The goal of your presentation is to sell your plan. So ensure that your presentation is engaging and convincing. Use any supporting visual devices that help sell your plan. Each member of the team must have an equal share in presenting. Each team is allotted 15 minutes to present their campaign to the class (not including Q&A - maximum of 5 minutes).

Please hand in a copy of your presentation before you present. Presentations begin immediately at the start of class in random order. Teams that are not ready to present when asked will not receive a grade. Presentation and report grades reflect achievement in the following areas: 1. Quality of planning (relevance, completeness, accuracy, creativity) 2. Rapport (ability to relate to the audience and gain their interest) 3. Credibility (ability to "sell" ideas and defend business decisions). 4. Ability to make full use of the presentation time without going over the limit. 5. Persuasiveness of presentation 6. Attendance. Individuals that do not attend all presentations

sessions earn a " zero" read on the presentation portion of their project.

CASE BOOM Supervene Credit Card NOTE: This product and most facts in this case are fictitious and are for learning purposes only BACKGROUND (a) Canadian Credit Card Market Canada is the one of the world's largest and most rapidly evolving credit card 1 OFF circulation (up about 6% from a year earlier), and the market itself has consistently recorded growth in the number of cards in circulation.

In addition, purchase transactions and purchase value on Canadian credit cards have shown steady, strong growth. The credit card market in Canada has long been the focus of intense intention among the " Big Five" Canadian banks who have leadership positions in this market. In addition, the " Big Five" continue to be challenged by second tier domestic financial firms, by the Canadian subsidiaries of major foreign banks, and by card market entrants from the retail sector, (e. G. - Walter). With consumer debt capacity reaching its limits, the battle for market share has further intensified.

The numbers of different kinds of rewards cards is evidence of how heated the battle has become. (b) BOOM Established in 1817 as Bank of Montreal, BOOM Financial Group is a highly diversified financial services organization. With total assets of \$549 billion as of July 31, 2013, and more than 46, 500 employees, BOOM provides a broad range of retail banking, wealth management and investment banking products and solutions. BOOM serves Canadian clients through BOOM Bank of Montreal (personal and commercial banking), BOOM Newsiest Burns (wealth management), and BOOM Capital Markets (investment and corporate banking).

Bomb's brand strategy is to " help customers make money make sense" by making financial matters easier tom understand and to deal with. BOOM Bank of Montreal, the smallest of Canada's big 5 banks, has had a history of looking or opportunities to " punch above its weight" (I. E. - focus on sectors where it can capture more than 9% market share). BOOM believes that the credit card market offers such an opportunity. Figure 1 % Share of Canadian Assets ROB 20 CIVIC 15 Scotia 12 BOOM 9 Ames 16 Other 7 Students' costs have soared over the past 20 years. Tuitions and living costs keep increasing.

Most post-secondary students now hold Jobs throughout their four years of study, not just in the summer, in order to try to make ends meet. But despite working more than any post-secondary students in Canadian history, levels of dent debt upon graduation are now the highest they've ever been. The federal government sees high student debt as a drag on the economy, forcing graduates to delay big-ticket " life-starter" decisions like buying a condo, house or vehicle, or investing in Rasps, for at least a decade later than their parents' generation.

On top of the effect on the Canadian economy as a whole, this could also have a severe impact on current students' ability to save enough for retirement. There's no specific program to help students save. Many post-secondary institutions offer benefits that come from showing your student card, such as 10% off selected looting at the college bookstore, savings on monthly transit passes, and so on - but while they're nice to have, these savings don't have much impact on students' real lives or saving levels.

BOOM Bank of Montreal, recognizing this issue, approached the federal government with an ambitious, innovative idea Bomb's idea was to create a new student credit card called the Supervene Card. It would be a Mastered with a different twist. It would help students save money while they are in school, and at the same time enabling them to kick-start their long-term savings. The federal government endorsed the idea. Here are the details: II Supervene Card (a) How it works Registration Fee The student pays an annual fee of \$50 to get the card.

Instant Savings By using the card at participating retail partners, students receive an instant 10% instant savings on their purchase (subsidized by the retailer). Retail partners also have the opportunity to provide special offers and incentives to the students throughout the year. To help fund the discounts, the federal government agreed to offer participating retailers tax breaks Cash Back In addition, students would also receive an annual 10% cash-back on their total expenditures which would go into a special registered tax free savings plan that could be applied towards paying down their student loan or put into an RASP.

Students receive the annual cash-back only if they complete their year of study (maximum cash-back of \$K/year). Half of the cash back would be funded by BOOM For those who graduate, the federal government would provide a one-time bonus top up, equal to the total amount in the student's registered account - up to \$5, 000 (b) Competition Because Supervene is a credit card, it will compete for share of wallet with credit cards that are affiliated with loyalty programs. About a third of Canadian students enter

their first year owning a credit card, and by the time they graduate that number will rise to almost 80%.

About 38% of students own an Air Miles or Shoppers Optimum card, and less than 10% are European members.

Grading Framework Item Mark # pages

Context-Give a brief overview of the company and their situation. What is the business problem/opportunity? 5 h- 1 page

SOOT: Given the business problem/opportunity, complete a SOOT analysis (follow the framework from class - the " what" as well as the " so what? " Go beyond info provided to add your own insights about problems, opportunities and analyses of the suasion industry. 10 1-2 pages

Business objectives (SMART) - What are the quantified goals you are trying to achieve?

Demonstrate your understanding of what you are trying to accomplish. 5 h page

Segmentation and Targeting

Segmentation: How will you segment the market? Target: Identify your primary target audience (& secondary target if you have one). Target Insight: What is important to understand about them (e. G. - what motivates them, what is important/not important to them, etc. 10

Selling Proposition (The " promise") A succinct statement that describes the value that Supervene Card offers that sets them apart from the competition? Support Why should the target group believe what you are promising? 0 h to 1 page

Marketing Strategies What are the 3-5 strategies you will follow to achieve your objectives? The strategies you select will determine the tactics you implement in the next section 10 1 page

Tactics and Implementation - For each strategy, describe your marketing campaign components and costs. Explain how they relate to your targeted audiences.

25 2- 5 pages Calendar - Include a summary 1-year tactical calendar to show when your marketing Budget - Provide a summary of your costs for the activities recommended in your plan.