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Father. Grandfather. Uncle. Teacher. Pastor. Coach.

We all have a **Cool Old Guy** in our lives. He is our mentor, our partner, our trusted teammate in the proverbial game of life. He doesn't treat us as "kids" but as equals, and we don't treat him like an "old-timer" but as a friend.

Our **Cool Old Guy** is the first person we go to for help and the last person we call before making a decision. He knows how to give us the confidence we need. We trust our **Cool Old Guy**.

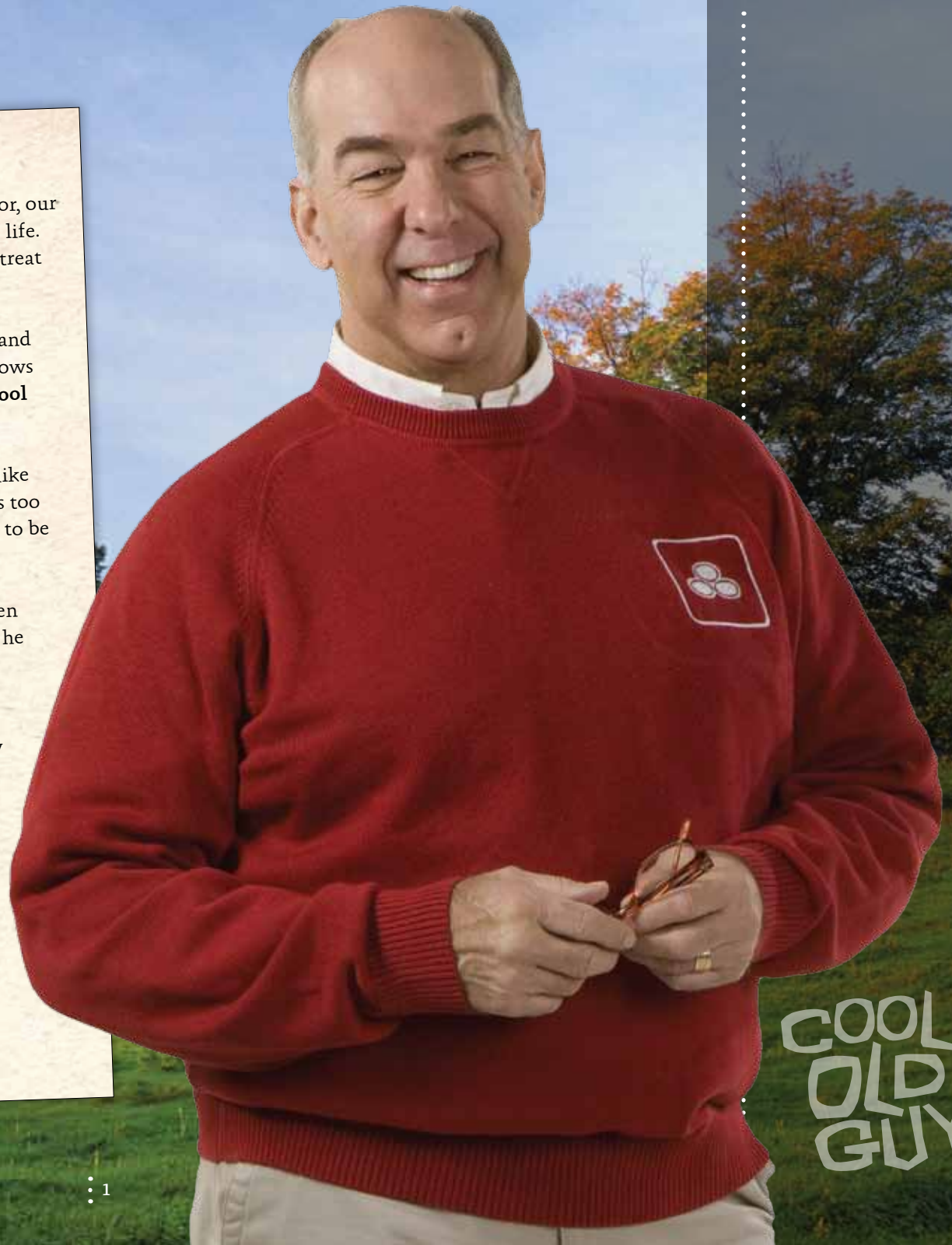
Our **Cool Old Guy** understands that we're young, just like he once was. He knows that we're stubborn, sometimes too stubborn to ask for help. He knows that while we hate to be told what to do, we want to know how to do it best.

He is never intrusive or condescending. He knows when to speak and when to listen. He knows when to admit he doesn't know but will still help us find the answer.

It doesn't matter that the red sweater he **always** wears is fading. It doesn't matter that his hair is now slightly more salt than pepper. It doesn't matter how many times he asks us, "Why did the chicken cross the road?"—even if it is the lamest joke ever.

What matters is that he's always there—always there to set us on the path to success—always there to remind us that, no matter what anyone says, being cool is as easy as being ourselves.

Thanks Cool Old Guy



COOL
OLD
GUY

My Cool Old Guy



ERIK'S COACH

Erik credits his success in soccer to Coach Elliot, his high school soccer coach. He's the coolest old guy Erik knows because, Erik says, "he came into my life as a coach, a father and a dear friend."

Coach Elliot expected the best from Erik, meaning things weren't always easy. He made Erik work harder to overcome his shortcomings on the field. "He taught me to play to my strengths instead of chasing everyone else's..." During Erik's senior year, all that hard work paid off when the team won the state championship. But Erik says the greatest moment was when Coach Elliot said, "I'm proud of you."

"That touched my life and from that day on I put everything I could on the field to make sure I deserved that compliment." Coach Elliot's legacy has stuck with Erik to this day. Erik says he will always remember his Coach's most powerful phrase, "Find a way to succeed."

"Although it may sound simple enough," Erik says "the way he said it and the times he chose to use it, made it very important to me."

My Cool Old Guy taught me how to drive... in his 1967 Mustang

COOL
OLD
GUY



ASHLEE'S TEAM DRIVER

Roger is my Softball team's charter bus driver. He is absolutely the coolest "cool old guy" that I know.

He isn't **just** a bus driver. He's our team's biggest fan. He covers his bus with hats, posters and other stuff that athletes have given him over the years.

Roger will always share a funny story or joke. He cheers for us at every game. He even brings us snacks to eat on the long drive. Sure, we have our own. But he takes care of us anyway.

No trip is "too long" when Roger drives! Win, lose, or draw, he is always waiting for us with a smile (and did I mention he gives us snacks?) Over the years Roger has become less of a bus driver and more of a grandpa to all the girls on the team.

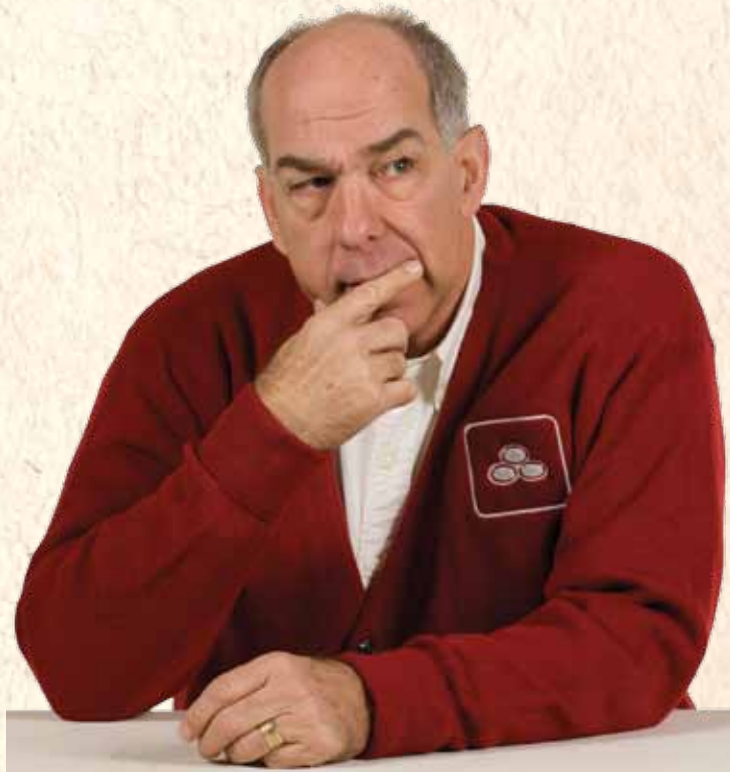
Roger is pretty much the coolest old guy out there and we wouldn't know what to do without him. Our road trips would not be as 'cool' without Roger as our driver. That's for sure!

Industry Analysis

Today's insurance industry is an extremely competitive marketplace. Sixty-four percent of the market share is concentrated with the top 10 insurance companies. Top insurers aggressively fight for every new customer while trying to retain current policyholders.

The landscape is divided into two types of companies: those that maintain an Independent Agent model and those that provide Direct-to-Consumer insurance.

The Independent Agent model includes companies like State Farm, Allstate, Nationwide, and Farmers. It stems from the belief that agents are essential to simplify the insurance purchasing process.



Direct-to-Consumer insurers include GEICO, Progressive and Esurance. They offer no company employed agents and conduct business primarily through call centers and the Internet. These competitors reflect an increasingly impersonal world. There's no face-to-face interaction, only phone-to-phone or screen-to-screen.

Price and affordability have become increasingly important factors for potential customers. This is especially true for young adults, who generally have limited financial resources.

Therefore, insurance providers are increasingly positioning themselves around cost. Insurance advertising is becoming indistinguishable from advertising that pitches other products and services: "Large one-topping pizza, just \$4.99," "Brand new car for \$10,999," "Save \$100 on your car insurance!" Brand messages quickly lose their effectiveness when price becomes the sole focus of advertising.

"Was it GEICO or Progressive that promised me savings of \$487 if you switch to their company?" "Did Esurance offer \$632 or \$538 in savings?" It is impossible for consumers to remember and differentiate between any of these price-driven insurance providers. This severely damages brand differentiation and top-of-mind consideration among potential clients.

My Cool Old Guy wore cardigans before they were cool again.

**COOL
OLD
GUY**

Competitive Analysis

State Farm is facing several competitors that have made significant inroads within the 18–25 demographic by means of their modern, often humorous advertising. We have identified that State Farm’s main competitors in this target market are Progressive, GEICO, and Allstate.

PROGRESSIVE

Founded in 1937, Progressive customers can purchase insurance for their car, boat, motorcycle, and home.

Progressive tries to be considerate of its customers who are busy, cost-conscious and savvy about insurance. This company is well known for its commercials featuring Flo, a sassy cashier at an “insurance” store. Flo informs potential clients about the benefits of Progressive, creating the impression that insurance is as simple as buying bread at a local grocery store.

Progressive advertises that consumers can receive rate quotes within six minutes, access 24-hour online phone service, and soft sells the option of working with an independent agent. The tagline is “Fast. Fair. Better. That’s what customers can expect from Progressive.”

GEICO

Short for Government Employees Insurance Company, GEICO began as an insurance provider for government workers and military personnel in the United States. Today GEICO offers a wide array of insurance coverage, including auto, motorcycle, boat, homeowners, life, and flood.

Synonymous with its brand, the GEICO Gecko has transcended the world of marketing to become a genuine pop culture icon. It was not surprisingly voted America’s favorite advertising mascot in 2005. The Gecko is always in a good mood, eagerly telling potential customers about all the money they will save with GEICO, a message that appears to be working. While still far from State Farm’s dominant position, GEICO now serves 9 million auto policyholders, insuring

more than 16 million vehicles. According to A.M. Best 2008, GEICO is also the third largest private passenger auto insurer in the United States.

GEICO is currently the fastest growing major auto insurer in the United States. Its policies-in-force grew by 8.9% in 2008, thus rendering GEICO the biggest long-term threat to State Farm’s dominance, especially among the desired target market.

ALLSTATE

Holding the second largest share of the auto insurance market, Allstate is another significant competitor for State Farm. Founded in 1931, Allstate sells 13 major lines of insurance, including auto, property, and life. It also offers retirement and investment products, banking services, and commercial insurance offerings. Overall, the company provides at least one line of insurance to approximately 17 million households. The Allstate tagline is “You’re In Good Hands with Allstate.”

Noteworthy within each competing company’s branding efforts is the lack of attention paid to quality, specifically Progressive and GEICO. Allstate does an adequate job of blending a quality message with a low-cost slant. Our research shows that while price is an important consideration among young consumers, reliability is a bigger one. All it takes is one bad experience with an auto insurance provider before a customer (young or old—this need is universal) takes his or her business to someone who can be trusted.

When trouble arises, no one is concerned with finding the cheapest solution; consumers look for the *best* solution.

State Farm is that solution.

This is the strength of the State Farm brand, what differentiates State Farm from its competitors, and what makes it better.

My Cool Old Guy always listens to and respects what I have to say.

COOL
OLD
GUY

Target Market Analysis

Our target market consists of young adults 18–25. **We are the target market.** There are approximately 33 million of us in the United States, or 10% of the American population. We are a part of the generation known as Millennials, those born between 1981 and 2000.

Millennials are an educated group. Over 40% hold a college degree, and 20% of us work as skilled blue-collar laborers. We're the first generation in which Facebook, Twitter, cellular phones, and the Internet are not new and convenient instruments but necessary, regular, active elements of our daily lives. 72% of us consider this a change for the better.

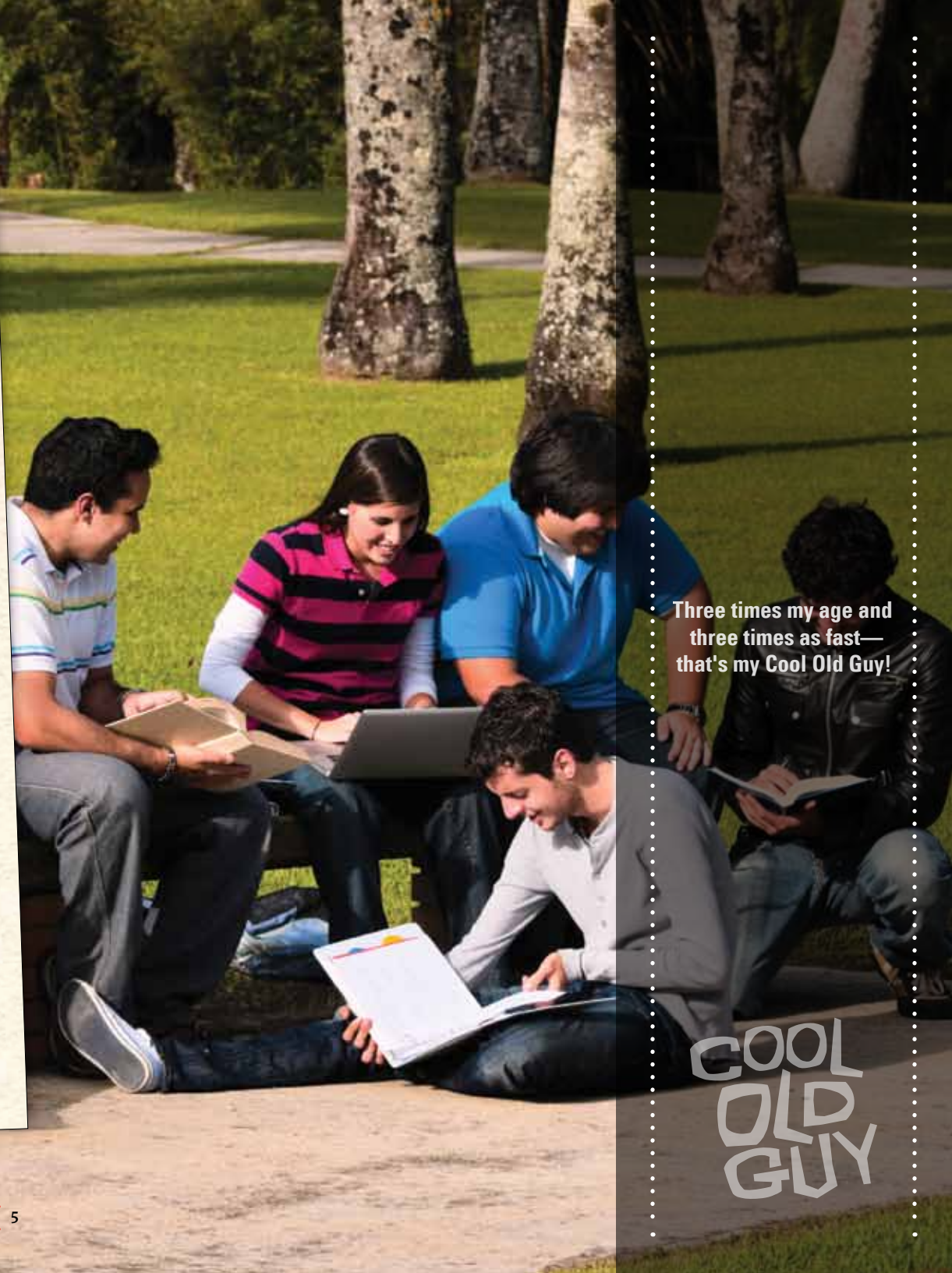
Racial diversity exists among this group, with about one-third identifying as non-Caucasian. But our favorite color is green. 77% of us say the move toward ecological responsibility has been a very good thing.

Despite the current recession, we remain optimistic. 76% of us are confident that our situation will improve by next year.

Though progressive in our beliefs, we are as pro-business as older demographics. We believe that markets should be free but that corporations should be ethically responsible.

We are a fiercely independent group. We want to make our own decisions and aren't afraid to be vocal about it, but we are still young and new to the "real world." Even if we are reluctant to admit it, we want the help and guidance offered by older generations. We don't want to be told what to do. We just want to know how to do it.

Whether in our purchasing decisions or our personal lives, young adults are looking for one thing: someone we can trust. Someone on whom we can rely. **Someone who is always there.**



Three times my age and
three times as fast—
that's my Cool Old Guy!

COOL
OLD
GUY

Research

Our research has shown that most individuals in this target market see State Farm as a trustworthy, family-oriented, honest, and reliable company. We reached these results through the distribution of 475 twelve-question surveys and the implementation of multiple focus groups.

While most respondents did not perceive State Farm to be the least expensive insurance provider, the company received high marks for customer service and satisfaction (especially among current State Farm policyholders). Respondents also praised State Farm's position as a highly stable company known for developing strong relationships.

Our research has demonstrated a correlation between these consumer perceptions and the State Farm service model. Since 1922, State Farm agents have offered remarkable customer service, working tirelessly to assist their clients in an effective and timely manner. Thus, nearly all survey respondents who already use the company favorably highlighted the success of the agent-based model.

However, we also discovered that a rather large segment of survey respondents view State Farm as an old company. They

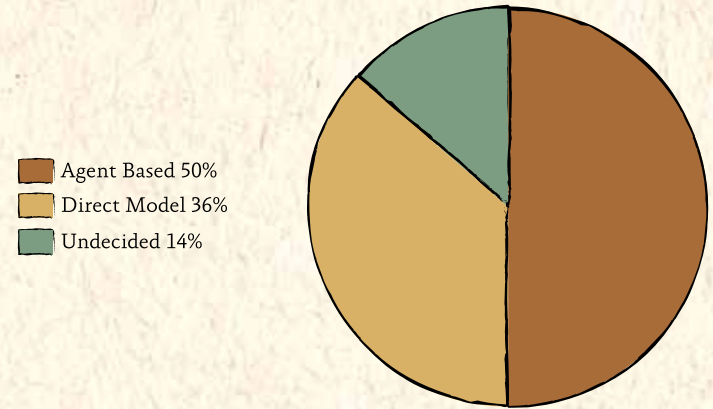


view it as potentially out-of-touch with young consumers. It is important to note that while some addressed the negative connotations of being old-fashioned in the 21st century, many survey respondents distinguished State Farm from competitors such as GEICO and Progressive. While these companies may be considered young and hip, they are also regarded as impersonal, unreliable, and obsessively concerned with price over quality of coverage.

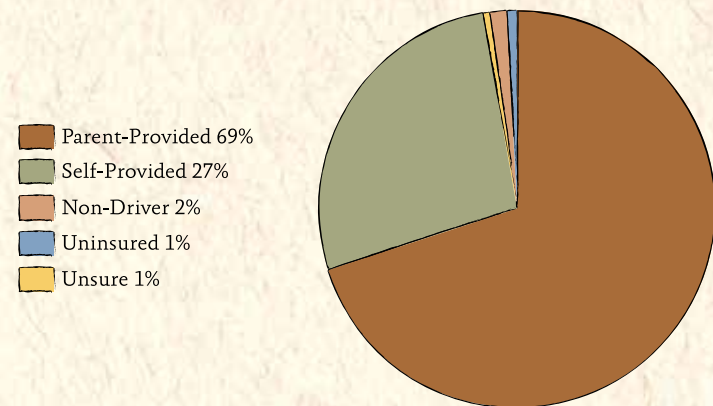
“Old is in, but only when it comes to some things.”

CURRENT PREFERENCE ON INSURANCE MODELS

(According to companies named for current top-of-mind consideration)



CURRENT SOURCE OF INSURANCE



My Cool Old Gal helped me grow tomatoes. Then how to deter raccoons...

COOL
OLD
GUY

Respondents were quick to praise the fun humor of Progressive and GEICO's advertising. But characters such as Flo and the Gecko were perceived by many to be distracting, insubstantial, and unreliable in times of crisis. This reflects the lack of accessibility offered by these online and "1-800-based" companies.

Our research findings have shaped the development of our campaign. In addition to those questions already mentioned, the surveys asked what would cause respondents to switch, how they are usually informed of insurance offerings, who provides their insurance, their top-of-mind considerations, and perceptions of four major insurance companies in addition to State Farm. From these surveys, we were able to allow exciting, highly informative discussions to take shape in the focus groups. The focus group participants established the necessity for this campaign to highlight the trustworthiness of State Farm while also embracing the seemingly negative "old-fashioned" status. These goals are to be accomplished through a unique spokesperson who will embody all of these characteristics in a unified manner while appealing to the young adult target market. Focus groups also helped shape the nature and identity of this spokesperson.

Our research shows that virtually every young adult has someone in his or her life whom he or she regularly goes to for advice—generally a parent, grandparent, friend, teacher, coach, or religious leader. When situations of uncertainty arise, these mentors give reliable advice but never look down upon the young adults seeking guidance. These individuals are notably older and wiser, and recognize the difference in age as an opportunity to share personal and useful insights with the young people in their lives. They are the **Cool Old Guys** to these young people because they are always there.

CURRENT PERCEPTIONS OF STATE FARM

*(Word size is proportional to
response frequency.)*



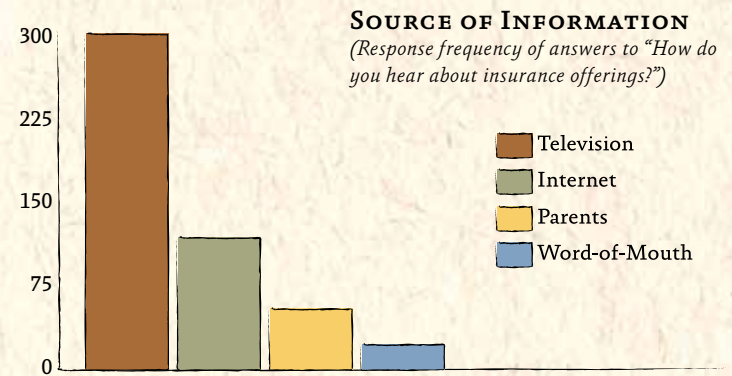
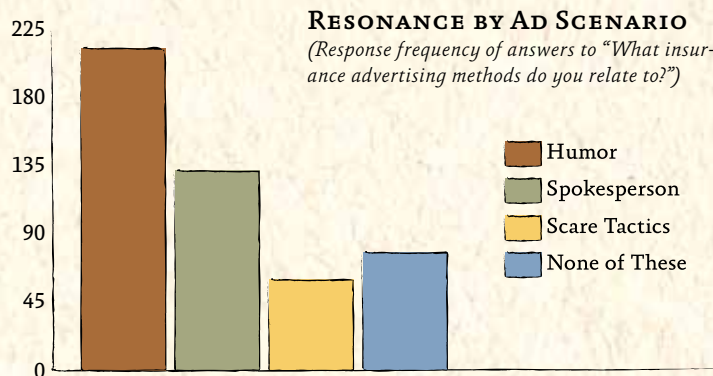
My Cool Old Guy stayed
up and drove for me on
my twenty-first birthday.

COOL
OLD
GUY

“I always go to Dad if I am in trouble or if I need advice.”

Like these trusted men and women who regularly influence the lives of young people with their strength, knowledge, and counsel, State Farm has the perfect opportunity to demonstrate their own strength, knowledge, and counsel by providing remarkable service and developing tight consumer relationships. It is this thinking which has led us to create the **Cool Old Guy** campaign. State Farm is, after all, the **Cool Old Guy** of insurance companies.

For one focus group, in addition to young adults, we included a group of middle-aged adults. The purpose of their presence was to ensure that the concept would not alienate an older demographic of potential customers or in any way discourage current policyholders. To our delight, they had a very positive response. As one parent explained, “Our daughter goes to school in Florida. She once called us locked out of her car because that’s what you do. But I’m in Oklahoma, there’s nothing I can do! If State Farm could be that savior when I can’t, then there is real promise to that!” Overall, they felt empowered; they were proud to be thought of as such a positive force in the life of young adults and to have an established company like State Farm embrace that **connection**. Even if it meant they would be labeled “old,” they took pride in being acknowledged as “cool.”



My Cool Old Guy never got tired of watching *The Jungle Book* with me.

COOL
OLD
GUY

An important point: a large number of survey respondents indicated that the level of interaction with the company must be limited to situations in which it

is needed. Men and women 18–25 fiercely value their independence, and nothing can be more off-putting for these young adults than being told what to do. These individuals want an agent who will be there to help when trouble arises but do not want a salesman bugging them all the time.

As one student put it, **“It’s the experience we’re looking for. If I don’t know much about insurance, how do I know if I’m getting a good deal or the right coverage? Whatever that is... But I really do not want to be dealing with a *salesman*.”**

Our research has identified the **Cool Old Guy** as the solution to all of these concerns. He is the perfect person to offer advice and assistance to these young adults without crowding their valued independence. He is the perfect person to show these new consumers that **there is nothing wrong with being old if you’re the best at what you do.**

“All of us call parents or mentors for advice. Sure, State Farm is old, but so are those people. That is the advantage. They know their stuff.”



TARGET MARKET'S EXPECTATIONS OF THEIR PROVIDERS

(Word size is proportional to response frequency.)

My Cool Old Guy tried to teach me to play Bridge once. That was weird.

**COOL
OLD
GUY**

Situation Analysis

Since its founding in 1922, State Farm has established itself as the premier property and casualty insurance company in the United States. State Farm has deservedly developed a sterling reputation throughout its illustrious 88-year history. A reputation built through hard work, dedication, and a business plan that unfailingly puts customer needs first.

State Farm treats each client with the same dignity and respect one expects from a trusted mentor, an old friend, or a good neighbor. This has been the essence of State Farm's branding for nearly a century.

In many ways, however, State Farm has become a victim of its own success. Despite the fact that "Like a good neighbor, State Farm is there" remains one of the most recognizable positioning statements, it has become so commonplace that we often fail to notice it. We understand that State Farm is a good neighbor, but what else can be said to distinguish the brand?

The situation is further complicated by the inconsistency of State Farm's recent advertising efforts. Multiple messages have been thinly spread across multiple media, and the resulting confusion has muddled brand identity, leaving the target market ambivalent to the message of reliable neighborliness.

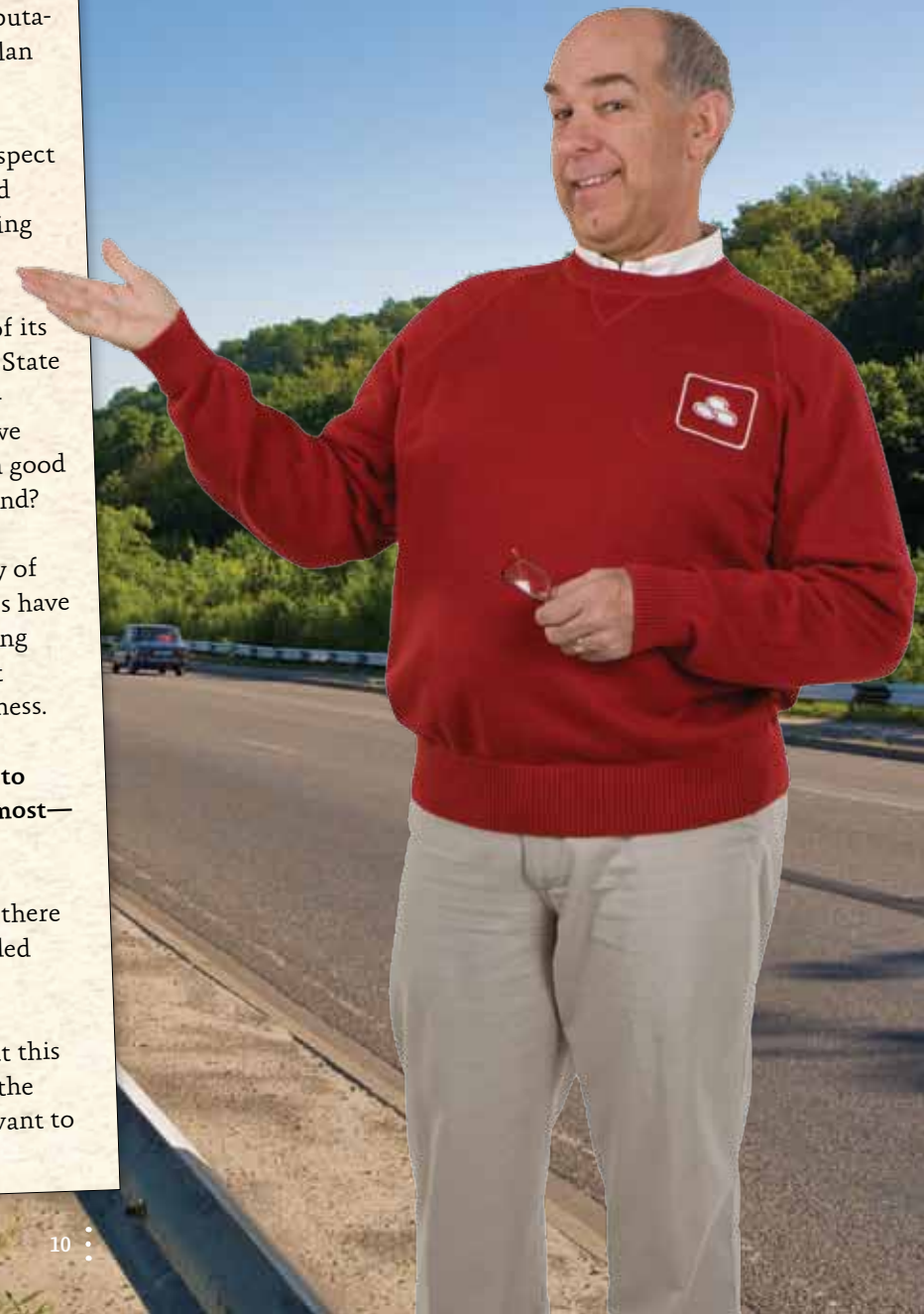
But the idea it represents—that there is someone there to provide you with guidance and help when you need it most—is as strong an idea as you can get.

This core message, a reminder that State Farm is always there to provide guidance and help when and where it is needed most, remains an indelible representation of the brand.

Herein lies our challenge: how do we effectively present this idea in order to communicate the nature and values of the State Farm brand in a manner both refreshing and relevant to our young adult target market?

My Cool Old Gal always gives me the best advice—and cookies!

COOL
OLD
GUY



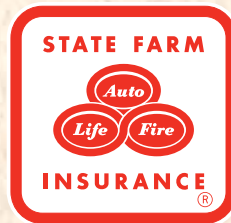
Cool Old S.W.O.T. Analysis

STRENGTHS

- Currently possesses strong brand recognition: “Like a good neighbor, State Farm is there.”
- Perception of State Farm as both trustworthy and reliable.
- Brand represents universal ideals and values: A good “neighbor” who can be counted on to help you in a time of need.

WEAKNESSES

- Lack of consistency in recent advertising efforts, which risks neutralizing the strength of the State Farm brand.
- Target audience views State Farm as strictly for adults, and offering products that seem unnecessary.
- State Farm is often viewed as an “old” company, “out-of-touch” with this target.



THREATS

- Current financial climate means young people may opt for an inferior product simply because it is cheaper.
- Other insurance companies (Progressive, GEICO) are starting to advertise availability of independent agents.
- Significant progress has already been made by other insurance providers into the target demographic.

OPPORTUNITIES

- To challenge the notion that insurance providers must be hip or trendy.
- To move the discussion away from price by focusing on reliability.
- To position State Farm as the solution to young people’s confusion about auto insurance.

Having taught for 44 years, my professor is the **Cooler Old Guy I know.**

**COOL
OLD
GUY**

Challenge & Strategy

State Farm takes its status as a good neighbor seriously—and why shouldn't they? To them, it's not just a catchy slogan, and it's more than a clever tagline. It's a declaration, an assurance, a reason for being. It is a statement that guides the company and its employees every single day.

This represents the undeniable strength of State Farm. This also poses a challenge for marketing the State Farm brand.

Our research has shown that this target market associates State Farm with their parents and grandparents rather than themselves. It is often perceived to be an established company for established people instead of a company for those just starting out on the journey of life.

Our challenge is to change this misguided perception of State Farm from "out of touch" to "exactly what I need."

To accomplish our goal, we must deliver an integrated marketing campaign focused on communicating the State Farm brand to a skeptical generation of insurance customers. We must take these perceptions of disconnected stodginess and turn them on their heads to communicate the essence of the State Farm brand.

Young adults think State Farm is an old-fashioned company, and there's nothing we can do about that. **We shouldn't change their minds because, frankly, we don't need to.**

So State Farm is old. What's wrong with that? Nothing! Not when you're the country's leading insurance provider. **We're not taking a negative and turning it into a positive. We're taking a positive and showing people why it is a positive.**

Our target market thinks State Farm is old-fashioned. This is a challenge, but our response is simple: **There's nothing wrong with being old if you're the best at what you do.**

Despite boundless knowledge, my Cool Old Guy never tells me what to do.

COOL
OLD
GUY



Objectives & Creative Strategies

- Reestablish the State Farm brand for our target market of young adults 18–25.
- Communicate the strengths of State Farm in a way that is accessible and believable to our target market.
- Use the perception of State Farm as old-fashioned to our advantage. Show our target market that it doesn't matter how reliable an insurance company is but how *reliable*.

Our market research has proven that the best way to reestablish the State Farm brand for young adults is to base our campaign around a single character.

That character is the Cool Old Guy.

The **Cool Old Guy** is someone we all know. He is the guy who wears that same red sweater because it's comfortable, not because it's trendy. He wears sensible specs, not contacts. He may be slightly silly at times, but he is always someone who can be trusted, no matter the circumstance or need.

The **Cool Old Guy** does not merely represent State Farm. **He is State Farm.** The ideals and values that have made this insurance company an American institution will come to life in the form of the **Cool Old Guy**.

In order to succeed we must face a hard truth: We're not going to change people's minds about State Farm. The brand has been around too long for our target not to see it as "traditional" and "old-fashioned."

By no means is this a bad thing. We're not going to change consumer perception; there's no need to. State Farm is a strong company with a strong message. We must simply communicate that message in a way young adults can appreciate and understand.

Cool Old Guy is the way.



I'm 45 years younger, but my Cool Old Guy always treats me like an equal.

COOL
OLD
GUY

The Constitution of the Cool Old Guy

1. The **Cool Old Guy** doesn't cuss, lie, smoke, or make offensive remarks.
2. The **Cool Old Guy** is strong but never physically or emotionally aggressive. He guides customers to effective solutions but never commands what must be done. He is confident but never arrogant.
3. The **Cool Old Guy** wears a red sweater with the State Farm logo in every advertisement. His outfit and accessories may change with the theme of each application, but the red sweater remains constant.
4. The **Cool Old Guy** is not "cool" in the way James Bond, Samuel L. Jackson, or Clint Eastwood are cool. He is cool because he is knowledgeable and experienced and readily shares his wisdom in ways that are helpful, not patronizing or demeaning.
5. The **Cool Old Guy** is 100% human, a regular guy who is sometimes clumsy. He may say corny things, but he is cool because he wholeheartedly believes in what he is saying. He is cool because he is always being himself and never attempting to be something he's not.
6. The **Cool Old Guy** is never given a name, background, or family. He just is. While the situations he finds himself in may be outrageous, the **Cool Old Guy** always stays the same: reliable, trustworthy, and competent.
7. All **Cool Old Guy** advertisements will feature the following elements:
 - A young adult is confronted with a problem.
 - The **Cool Old Guy** appears out of nowhere.
 - The **Cool Old Guy** compares the situation (however improbable) to auto or renter's insurance.
 - The **Cool Old Guy** solves the problem while discussing State Farm.
 - Young adult says, "Thanks, **Cool Old Guy!**" He responds, "Don't mention it. And remember, if you ever need me, I'm always there."
8. The **Cool Old Guy** solves problems. That's what makes him who he is. He doesn't tell young people what to do; he shows them how to do it. The young people still make the final decision, but the **Cool Old Guy** is always there to lend a helping hand.

My Cool Old Guy took me fishing and didn't mind that I only caught a tire.

COOL
OLD
GUY



Why Cool Old Guy?

You probably already know this, but young adults are a fiercely independent generation. Their mantra might as well be “Don’t patronize us, belittle us, or tell us what to do.” They are also a smart group and know when they’re in over their heads (even if they won’t admit it). When that happens, they want advice from someone they can trust, someone they know will be there.

“OKAY, SO WHAT?”

The young people we interviewed made their sources for guidance and advice very clear; they went first to trusted individuals such as their mother or father, their favorite uncle, or an influential teacher. Whether looking for guidance on insurance, relationships, or life in general, these young people knew that their cool, older person would have the answers and always be there.

“WHY THE COOL OLD GUY?”

The **Cool Old Guy** is an archetypical character found again and again in literature, movies, television, you name it. Think Obi-Wan Kenobi, Gandalf, Dumbledore, even Santa Claus. In every great story, he’s always there, no matter what. Whether offering sage advice or a friendly pat on the back, he’s there to help out the hero when trouble arises.

This is encouraging for young people. The **Cool Old Guy** imparts the advice, but the young adult listening still gets to be the hero. It is empowering for older people as well. Isn’t that what every older person wants to be—a mentor in the life of a young person?

The **Cool Old Guy** represents something deeply personal. He is our teacher who stayed after class to show us how to read; our coach who taught us how to swing a bat; the boss at our first job who took us under his wing when we couldn’t even find the bathroom. The **Cool Old Guy** has been there for us every step of the way, making us who we are today.

“OKAY, I GET IT, BUT WHAT DOES THIS HAVE TO DO WITH STATE FARM?”

We’re glad you asked. State Farm is the **Cool Old Guy**.

Yep, it’s true; just think about it. State Farm is the **Cool Old Guy** of auto and renters’ insurance. All of the other companies want to be new, hip, and trendy, but State Farm? State Farm wants to help people.

State Farm has been around the longest and has rightfully earned its reputation as the best. It’s always been there, just like the **Cool Old Guy**—giving advice and solving problems while still letting young people take the lead.



My Cool Old Guy taught me to cook—with pizza on speed dial, just in case.

COOL
OLD
GUY

Media Recommendation & Rationale

TELEVISION

There's no doubt the fastest way to brand a company is with television. While the standard thinking today is that young adults 18-25 are a tough sell with traditional media advertising and are not swayed by mass media messages, it's amazing how many in the target are keenly aware of State Farm's competition and their representative icons: GEICO's "Gecko," Progressive's "Flo," and Allstate's spokesperson Dennis Haysbert. These icons all enjoy incredible top-of-mind awareness, something that State Farm does not have within this 18-25 target group.

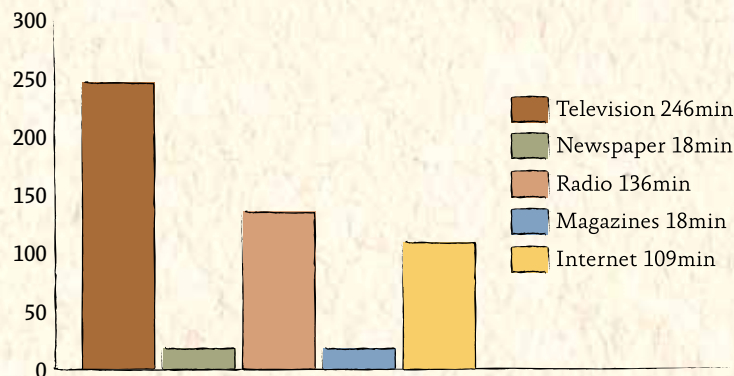
Recent cable television surveys (www.nationaltvspots.com) reveal that more people **in our target demo** (including Caucasians, Hispanics, African Americans) are watching TV today than five years ago, primarily specific cable offerings from **Comedy Central, ESPN, TBS, SPIKE, Lifetime, USA, BET, MTV, Nickelodeon, VH1, and Discovery**. Only certain broadcast shows like *Lost*, *Dancing with the Stars*, *American Idol* and some network sports beat cable television in terms of "most watched." However, even with the vast amount of reach broadcast programming might deliver, our budget does not allow for the selection of network programs.

We recommend using national cable television on a mostly alternating week schedule, primarily running our commercials during the late evening and over night time segments when the majority of our demographic is watching (according to www.nationaltvspots.com). These time segments are also less expensive. High visibility, prime time and weekend cable sports would also be utilized, specifically college football and basketball (ESPN), NFL Monday Night Football (ESPN) plus other sports as the budget allows. To increase market penetration, we will leverage our media buy (i.e. added value) via the use of "cross channel promotional :10 messages" that will be added at no charge to the purchased schedule (negotiated when schedule is made).

Cable television will dominate traditional media with \$35 million being allocated to the **Cool Old Guy** branding effort (see *Calendar & Budget Breakdown*). GEICO, Progressive, and Allstate have heavily used cable television with significant success over the past several years. The majority of this budget will be utilized for State Farm auto insurance promotion.

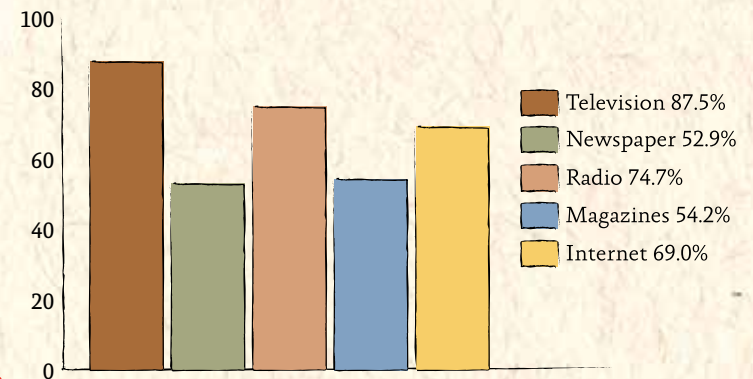
DAILY INDIVIDUAL TIME SPENT ENGAGED WITH MEDIA

(Source: TVB, Nielsen Media Research Custom Survey, 2008. Target Demo 18-34.)



MARKET REACH BY MEDIA TYPE

(Source: TVB, Nielsen Media Research Custom Survey, 2008. Target Demo 18-34.)



He's not old yet, but my brother is my Cool Old Guy. He's always there to show me the ropes.

COOL
OLD
GUY

RECOMMENDED NETWORKS AND 18-24 VIEWERSHIP

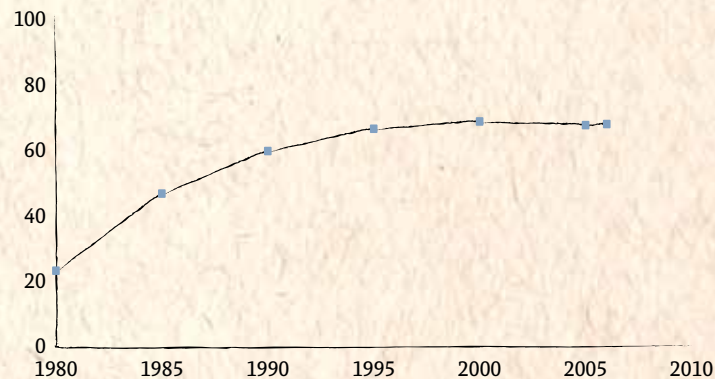
(As each network relates to total audience figures.

Source: Nielsen Media Research, 2008.)

1. MTV 60%
2. VH1 57%
3. Comedy Central 50%
4. BET 50%
5. Nickelodeon 48%
6. Spike 39%
7. TBS 35%
8. USA 33%
9. ESPN 32%
10. Lifetime 31%
11. Discovery 30%

PERCENTAGE OF HOUSEHOLDS WITH BASIC CABLE

(Source: Nielsen Media Research, 2008.)



MASS TRANSIT

In 2009, mass transit ridership was at its highest in two decades, as reported by the American Public Transportation Association. A record 9.5 billion trips (3.166 billion trips estimated in the 18-25 demographic) were made, 2% more than highway trips (planetizen.com) over the same time period.

In order to effectively communicate to a high concentration of “renters” in our target demographic as well as those who may not own a vehicle (or choose mass transit for cost and convenience reasons), we recommend the use of creative transit advertising in the following markets. Our transit messaging would be used primarily to promote State Farm renters’ insurance promotion.

URBANIZED AREA	UNLINKED TRIPS	PASSENGER MILES
1 New York–Newark	3,383,886	18,966,321
2 Los Angeles–Long Beach	606,842	2,790,328
3 Chicago	582,785	3,751,324
4 Philadelphia	350,517	1,589,177
5 Miami	151,222	756,782
6 Dallas–Fort Worth	85,764	436,101
7 Boston	396,087	1,888,774
8 Washington, DC	442,936	2,266,697
9 Detroit	45,393	242,781
10 Houston	95,881	565,113
11 Atlanta	147,582	802,673
12 San Francisco–Oakland	415,112	2,233,441
13 Phoenix–Mesa	55,334	224,274
14 Seattle	156,255	1,015,891
15 San Diego	88,604	512,939

I taught my Cool Old Guy
Photoshop tricks. He
taught me yo–yo tricks.

COOL
OLD
GUY

Concept Test Groups

We really liked the **Cool Old Guy** idea: there were a thousand ways to use it to sell State Farm in a new and innovative way. But even though we like it, we had to make sure our target would as well. In order to validate the **Cool Old Guy** campaign, we conducted a second round of focus groups to test the concept. Each was comprised of about 15 young adults; the purpose of these focus groups was to ask the big questions: **Is this resonating with our target? Are we selling the State Farm brand in a new way? Most importantly, does this make sense?**

The results were positive. Everyone in our focus groups understood the idea. The participants came into these focus groups knowing very little about State Farm other than their classic positioning statement. One person even said, "Home insurance, and storms and stuff; isn't that what they're doing now?"

But after the focus groups they had a clearer picture of State Farm. More importantly, they understood what makes State Farm better than the competition.

WHAT THEY HAD TO SAY ABOUT THE COOL OLD GUY:

"He came across as friendly; I wanted to pay attention to him."

"I think it's good to personify a company."

"The whole 'old' thing comes across as stability."

"Not only was he likable, he was believable."

"He reminds me of my dad."

This second round of focus groups showed us we were on the right track. It answered the most important questions: the **Cool Old Guy** *did* resonate with our target, it *did* sell the State Farm brand in a new way, and it *did* make sense.

So they liked the idea. Now, we had to produce it.



My Cool Old Guy was my landlord. He taught me how to care for my place.

COOL
OLD
GUY

Television

COOL OLD GUY DOES A POOL PARTY

The Cool Old Guy gives a socially-awkward square the confidence he needs by reminding him that talking to that beautiful girl across the pool is just like auto insurance—daunting at first but no big deal!



Music up. Party sounds.
Under for sync voices.



"...that your girlfriend, champ?"



"I wish! She won't even talk to me."



"You know, talking to girls is a lot like car insurance. It's all about confidence. State Farm gives drivers all the confidence they need."



Boy: "...does State Farm cover emotional wrecks?"
COG: "Just remember, confidence! Now go get 'em, killer!"



"Hey, thanks, Cool Old Guy!"



"Don't mention it. And remember, if you ever need me, I'm always there."



Music up.
Singer: "Like that Cool Old Guy, State Farm is there."

COOL
OLD
GUY

COOL OLD GUY MAKES A SANDWICH



Tenant: "...age? weight? astrological sign? This renter's insurance doesn't make any sense!"



COG (Entering): "Insurance, huh? You know—"



COG: "—renters' insurance is a lot like making a sandwich—"



COG: "—it starts with a lot of pieces that don't look like much—"



"—but when you put it all together with State Farm—"



"—you've got some tasty coverage!"



Tenant: "Hey, thanks Cool Old Guy!"
COG: "Don't mention it. And remember, if you ever need me, I'm always there."
(Exiting) "—and you're outta mayo."



Music up.
Singer: "Like that Cool Old Guy, State Farm is there."

COOL OLD GUY CLEANS A MESS



(Astonished Silence)



Man: "We've been robbed!"



COG: "Woah! Easy kids. It's just me."



"You know, a trashed apartment is a lot like renters' insurance. It's a shock at first, but with State Farm here to help—"



"—you can start piecing everything back together."



COG (Dusting off picture frame): "See? Good as new."
Woman: "Thanks, Cool Old Guy."



COG: "Don't mention it. And remember, if you ever need me, I'm always there."



Music up.
Singer: "Like that Cool Old Guy, State Farm is there."

COOL
OLD
GUY

COOL OLD GUY SHOTS HOOPS



Basketball gymnasium sfx... music up, under for sync voices. — Player misses his shot.



COG: "You know, basketball is a lot like car insurance. Scoring is important, but so is defense."



COG: "The best coverage often wins the game. And, like a great man-to-man defense, State Farm will always be there."



"We're the Cool Old Guys of car insurance. And there's nothing wrong with being old if you're the best at what you do."



COG: "This time, try it right handed."



"Hey, thanks, Cool Old Guy!"



"Don't mention it. And remember, if you ever need me, I'm always there."



Music up.
Singer: "Like that Cool Old Guy, State Farm is there."

COOL OLD GUY CATCHES A FISH



Music up, outside sfx (water, birds, etc...). Under for sync voices.



"...uughh!!"



COG: "You know, fishing is a lot like insurance. Everyone's trying to catch the biggest fish, or the best coverage, for the cheapest bait. But what they forget is—"



"—sometimes its best to stick with something trusted, tried, and true. Because there's nothing wrong with being old if you're the best at what you do."



COG: "Now give that a try!"



"Thanks, Cool Old Guy!"



"Don't mention it. Remember, if you ever need me, I'm always there."



Music up.
Singer: "Like that Cool Old Guy, State Farm is there."

COOL
OLD
GUY

**COOL OLD GUY
SAVES A BUCK**

Ready to share his knowledge of auto insurance and veterinary medicine, the **Cool Old Guy** is there when a run-in with a deer upsets a group of girls out for a leisurely drive.



"Oh no! We hit a deer!!"



"You know, hitting a deer is a lot like car insurance. Until now, you've been cruising through life on your parent's car insurance—"



"—until BOOM! You're on your own."



"Can you hand me your hairclip? Why thank you, my... deer. Anyway, State Farm is there to help you. We're the Cool Old Guys of car insurance—"



*(Buck exits, miraculously healed)
COG: "—because there's nothing wrong with being old if you're the best at what you do."*



Motorists: "Thanks, Cool Old Guy!"



"Don't mention it. And remember, if you need me, I'm always there."

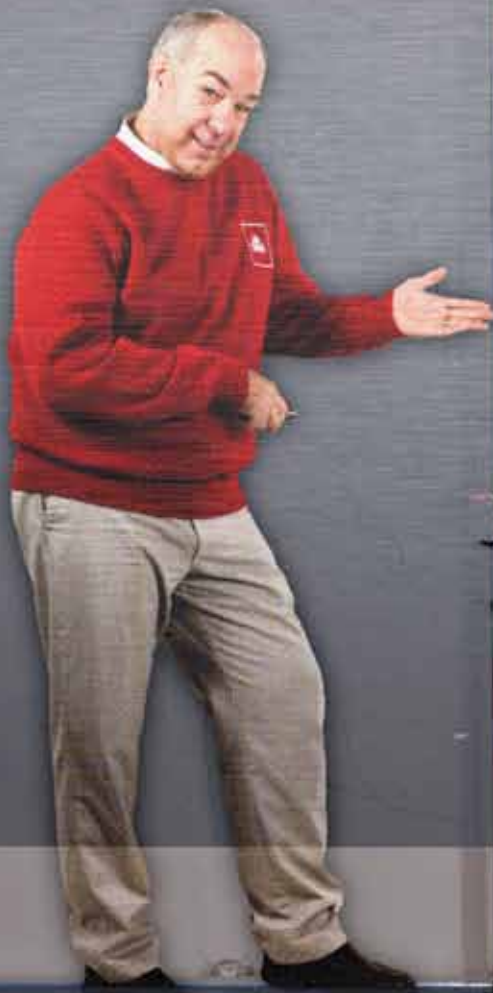


*Music up.
Singer: "Like that Cool Old Guy, State Farm is there."*

**COOL
OLD
GUY**

Transit

LET STATE FARM GET THE DOOR
(AND EVERYTHING INSIDE)



State Farm

COOL
OLD
GUY

SUBWAY/TRAIN/BUS WRAP

Outside wrap of a door with the **Cool Old Guy** as a doorman. Near the wrapped door, a portion of the interior will be redeco-
rated to mimic a furnished apartment. Interior signage will further introduce the **Cool Old Guy** and State Farm offerings.

Non-Traditional Executions

Our campaign will utilize nontraditional advertising to reinforce traditional efforts, foster conversation, and create lasting brand impressions.

COOL OLD RIDE

The Cool Old Guy travels in style in his 1976 vintage camper, making personal appearances at special events, tailgate parties, and agent meetings.



COOL
OLD
GUY



MACY'S THANKSGIVING DAY PARADE

Seen by over 47 million spectators each year, the Macy's Thanksgiving Day Parade is the perfect venue to showcase **Cool Old Guy** on the world stage. Who could miss a **Cool Old Guy** flying high over the city? A "miniature" giant inflatable **Cool Old Guy** will be available for agents' use as a promotional tool at events; when the "real" **Cool Old Guy** can't be there, the inflatables can.

COOL OLD COLLEGIATE DISCOUNT

Branded for each university and distributed by alumni offices, this discount package will use personalized slogans and school-spirit to encourage graduates to consider State Farm as they begin life after college. For example, "The University of Tulsa: Producing **Cool Old Guys & Gals** since 1894."

VEHICLE AIR FRESHENER

Even hanging from your rearview mirror, the **Cool Old Guy** is always there. Agents can personalize these kitschy hang-tags with name and contact information.

COOL OLD GUY

UNIVERSITY: AGENT KIT

This deluxe training kit is targeted toward the *agents* to teach them how to be a better **Cool Old Guy/Gal**. The kit features a life-size cutout of the **Cool Old Guy**, a framed copy of the Constitution, selected apparel, and more!

COOL OLD GUY CALENDAR

A tongue-in-cheek pinup calendar featuring the **Cool Old Guy** and his ubiquitous red sweater in 12 absurdly hilarious situations.



Front



Back

COOL
OLD
GUY

Public Relations

COOL OLD BOWLING CHARITY EVENT

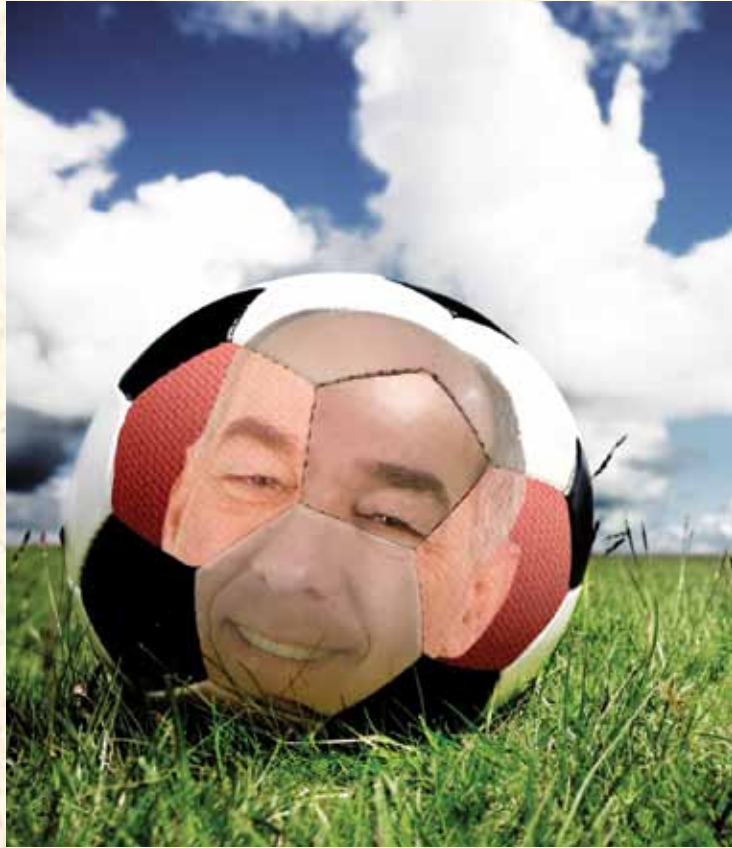
Spend quality time with your **Cool Old Guy** in this charity bowling tournament as part of the **Cool Old Guy's** Public Relations campaign. In addition to a donation matching program (to be determined at State Farm's discretion), if the pinsetter drops the **Cool Old Guy** in the headpin position and the bowler rolls a strike, State Farm makes an additional donation to the selected charity.

COOL OLD SERVICE DAY

Like a good neighbor, the **Cool Old Guy** will host a monthly Cool Old Service Day. This community-based volunteer event will strengthen pre-existing charitable connections and appeal to our service-savvy target.



COOL
OLD
GUY



COOL OLD SOCCER TOURNAMENT

Soccer is the single more popular sport in the Hispanic community, especially among those who are Mexican immigrants or of Mexican descent, for they constitute more than 50% of the Hispanic population of the United States. Additionally, Hispanic tradition heavily values familial connections; the **Cool Old Guy** concept will translate easily to this culture. The **Cool Old Guy** and local agent offices will sponsor soccer tournaments in major cities with large Hispanic communities to support local charities. These cities include Miami, Dallas, Houston, Phoenix, Denver, Los Angeles, Albuquerque, New York, Las Vegas, and Oklahoma City.



JOIN THE COOL OLD GUY TO SUPPORT
RACE FOR THE CURE
 WWW.KOMEN.COM

SATURDAY, SEPT. 18TH

STATE FARM
 Auto
 Life
 Fire
 INSURANCE

susan g.
Komen
 FOR THE **cure**

PINK SWEATER PSA

When the **Cool Old Guy** forgets to separate his laundry, his red sweater turns pink! His mistake inspires him to support (by endorsement) the Susan G. Komen Foundation in the fight against breast cancer and encourage participation in the Race for the Cure through timely televised PSAs.

COOL
 OLD
 GUY

Interactive, Digital, and Social Media

COOL OLD PHOTO BOOTH

What would you look like as a **Cool Old Guy**? Find out with our Age-Progression iPhone application! Post the results to your favorite social network to share with friends.



COOL ENOUGH FOR SOCIAL NETWORKING

The **Cool Old Guy** will maintain a fan page on Facebook and a Twitter account to allow consumers to stay connected with State Farm through his relevant and charming ramblings.

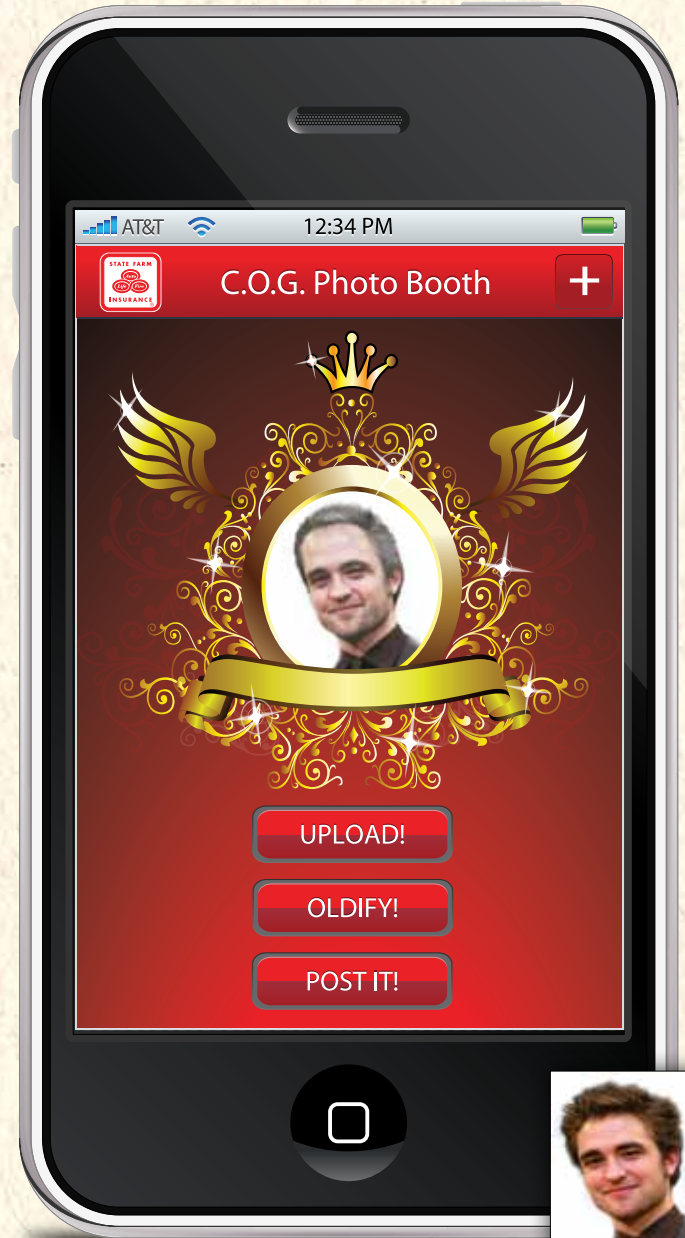


PANDORA RADIO

Advertisements will be played on the increasingly popular internet radio service Pandora. It currently reaches 370,000 unique users *every day*.

WHO'S YOUR COOL OLD GUY?

Reminding our demographic that everyone has a **Cool Old Guy**, this online contest allows visitors to share personal stories of influential mentors; selected entries will be featured in various advertisements and available on the Cool Old Website. Winning entries will receive a scholarship or one-time cash discount voucher on insurance premiums, to be offered at the discretion of State Farm.



Before

COOL
OLD
GUY

COOL OLD WEBSITE

A cohesive, interactive mini-website that brings together all things Cool and Old. Let the **Cool Old Guy** share his wisdom, teach you about insurance, direct you to get a quote from State Farm, or even see commercials and other non-traditional executions. It will open with a video of the **Cool Old Guy** welcoming new visitors and directing them throughout the site.



COOL OLD BLOG

Hosted through the Cool Old Website, this will be an appealing arena for the **Cool Old Guy's** musings of life, love, and the pursuit of great insurance.

Cool Old Website

Get a Quote

State Farm Home

Cool Old Blog

Charity Events

My Cool Old Guy

iPhone Photo Booth

Cool Old TV Commercials

Cool Old Guy on Facebook

COOL OLD GUY

STATE FARM INSURANCE

COOL
OLD
GUY

"Now You're Covered" Viral Video Contest

"Now You're Covered" is a series of viral videos which are distinct and separate from the "Cool Old Guy" branding effort. These videos are necessary to build awareness and enthusiasm within our target.

The videos feature a "clothing-deprived" man obliviously running around. The man is tackled by a State Farm agent, who covers him with a red t-shirt with "Now You're Covered" on the front.

These spots will be posted on web sites popular to our target, including "College Humor" and "Funny Or Die." To create a "viral" effect, viewers will have the chance to produce their own "Now You're Covered" spots. Winners will receive "Now You're Covered" t-shirts and a donation from State Farm to the charity or university of their choosing. Our research

shows that successful viral content must be as far away from the primary advertising effort as possible. This will not be a problem. For example, during Super Bowl XLIV, Bud Light introduced spots with the tagline "Here We Go." However, viral videos were also released which did not feature this tagline or related content.

Viral content must look and feel different. Otherwise it will be perceived as an online commercial, thus defeating the purpose. Viral content must also be edgy in order to build buzz and awareness. However, "Now You're Covered" will still maintain the integrity of the State Farm brand by featuring an Agent coming to the aid of an oblivious man and "covering" him. While not a part of the "Cool Old Guy" branding effort, "Now You're Covered" is a vital step towards reaching our target.



COOL
OLD
GUY

Budget & Calendar Breakdown

	MAY '10				JUN '10				JUL '10				AUG '10				SEP '10				OCT '10				NOV '10				DEC '10				JAN '11				FEB '11				MAR '11				APR '11				BUDGET				
	3	10	17	24	31	7	14	21	28	5	12	19	26	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10	17	24	31	7	14	21	28	7	14	21	29	4	11	18	25	
CABLE TV																																																	\$ 34,999,978				
MTV																																																					
VH1																																																					
Comedy																																																					
BET																																																					
NICK																																																					
SPIKE																																																					
TBS																																																					
ESPN																																																					
USA																																																					
Lifetime																																																					
Discovery																																																					
TRANSIT																																																	\$ 3,800,000				
NONTRAD																																																					
Cool Ride																																																	\$ 150,000				
Komen																																																	\$ 30,000				
Bowling																																																	\$ 75,000				
Soccer																																																	\$ 75,000				
Air Fresh.																																																	\$ 84,000				
COG Kit																																																	\$ 200,000				
Virals																																																	\$ 25,000				
iPhone App																																																	\$ 15,000				
Inflatables																																																	\$ 60,000				
Service Day																																																	\$ 20,000				
Calendar																																																	\$ 100,000				
Univ/Disc																																																					
COG story																																																					
Facebook																																																					
Twitter																																																					
COG Blog																																																					
Website																																																	\$ 50,000				
Macy's																																																	\$ 95,000				
Pandora																																																	\$ 130,000				
																																																	TOTAL				
																																																	\$ 39,908,978				

Conclusion

State Farm is the number one auto insurance provider for a simple reason. State Farm is the best and has been since 1922. It is not *like* a “Good Neighbor.” It is a “Good Neighbor.”

The inconsistency of State Farm’s branding efforts, however, has challenged this idea. State Farm has deviated from what works, diluting brand identity. Nevertheless, the idea behind State Farm remains as strong as ever. It does not and should not change. It simply needs to be communicated in a way that is relatable to young adult consumers.

This campaign will seek to:

1. Reestablish the State Farm Brand for our target market of young adults age 18–25.
2. Communicate the strengths of State Farm in a way that is accessible and believable to our target market.
3. Reclaim the perception of State Farm as old-fashioned and use it as an advantage; show our target that it doesn’t matter how *relatable* an insurance company is, but how *reliable*.

The **Cool Old Guy** accomplishes all of these goals.

He is a character that speaks to young adults’ desire for a mentor. Our research has shown that members of our target market immediately look to someone they can trust when confused or in trouble. They go to their **Cool Old Guy**.

The **Cool Old Guy** will be a well-established concept that resonates with our culture at large. It is who every young person looks for and who every older person looks to be—the mentor, the partner, the friend.

No matter the circumstance or the situation, the **Cool Old Guy** is always there—just like State Farm.

Thanks Cool Old Guy



COOL
OLD
GUY



THE UNIVERSITY OF TULSA NSAC TEAM 2010

Abby Allford, Hunter Cates, Alison Chapman, Stephanie Dudley, Lisa Grigone, BethAnn Harper, Justin Hobbs, Daniel Hrdlicka, Andrew Hunt, Kelli Kickham, Ashlee Lubniewski, Liza Mata, Alexandra Maun, Ryan Mayfield, Amanda Morton, Rob Nickels, Sophia Olsen, Nick Pangilinan, Danni Powell, Carolyn Siegerist, Sarah Smith, Taylor Smith, Ryan Thomas

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