

ASSA RECOGNITION AWARD 2019

PROJECT PROPONENT:

Pag-IBIG Fund (Home Development Mutual Fund) - Philippines

CATEGORY: Strategic Communication Recognition Award

1. NAME OF THE PROJECT: Modified Pag-IBIG 2 Savings Program

2. OBJECTIVES OF THE PROJECT:

The project has the following objectives:

- a. To promote a savings culture among Pag-IBIG members, whether they work in the Philippines or overseas, as a means of empowering them to provide a better future for themselves and their families through an additional savings mechanism in addition to the savings program mandated by their membership with Pag-IBIG Fund
- b. To effectively communicate the competitive advantages of the Modified Pag-IBIG 2 (MP2) Savings Program as an easy to access, high-yield, government-guaranteed savings program to its target markets
- c. To offer a savings program for retirees and government pensioners
- d. To encourage members to save Php 3 billion (US\$58.56 million) through the project as part of Pag-IBIG Fund's overall efforts for its members to save a total of Php39 billion (US\$761.23 million, at an exchange rate of US41.00 = Php51.233, as of July 1, 2019) in 2018

3. NATURE OF THE PROJECT:

The Modified Pag-IBIG 2 (MP2) Savings Program of Pag-IBIG Fund is a voluntary high-yield savings program for regular and former Pag-IBIG Fund members with a maturity period of five years. It promotes savings among Filipino workers by providing active Pag-IBIG Fund members and retirees and pensioners who were former Pag-IBIG Fund members with a savings facility that is government-guaranteed and provides high returns. MP2 savers have the option to either compound their dividend earnings, or avail of an annual dividend payout.

The ongoing campaign on MP2 Savings Program is anchored on Pag-IBIG Fund's recognition of the opportunity that there is an increasing number of Filipinos who are aware of the importance of saving. The Fund also recognized the need of Filipino workers for a savings product that can be easily availed of, is secure, and provides a decent yield. It further recognized the competitive landscape.

With attractive features unmatched by most savings products in the market, the Pag-IBIG Fund recognized that it can achieve more and encourage a higher number of members to save. In 2017, it collected Php1.304 billion (US\$25.45 million) from 75,041 members. In 2018, it collected Php4.47 billion (US\$87.25 million). From January to May 2019, Pag-IBIG Fund has already collected Php3.69 billion (US\$72.02 million) worth of MP2 savings. Annual dividend rates were 8.11% and 7.41% in 2017 and 2018, respectively.

4. WHY IT SHOULD BE RECOGNIZED:

Pag-IBIG Fund communicated the MP2 Savings based on its key features that made it stand out against other products to specific and targeted markets.

The MP2 Savings Program positioned itself based on its three unparalleled features. First, its dividend-earnings are unmatched, being five to six times higher than most savings products and are tax-free. Secondly, the entire savings is secure and government-guaranteed, unlike products such as time deposits which are guaranteed up to Php500,000 (US\$9,759) only per depositor. And lastly, one can save in the MP2 Savings Program easily, as the required savings is only Php500 (US\$9.76) with one allowed to add to his/her savings at any time. Using data and research, it targeted individuals who have higher incomes, are financially literate and have ready access to the program. The campaign utilized ads communicating the unmatched selling propositions of the program, which were validated by testimonies of well-known and reputable individuals and news personalities. It utilized social media to further expand information and trigger discussions, thus allowing the Fund to elucidate the features of the program. Lastly, the campaign included partnering with targeted companies and employers in conducting activation (registration) events for their workforce to drive home all the information and enable access and registration in the program.

Pag-IBIG Fund executed and implemented the strategy through the following activities in 2018:

1. Development of advertisements and promotional materials which emphasized the unmatched features of the MP2 Savings Program
2. Engagement of tri-media news channels in promoting MP2 Savings through testimonies and news reports citing and validating the features of the program
 - a. Three interviews in highly-rated television news programs
 - b. Twenty-one radio interviews
 - c. Publication of news on the MP2 Savings Program in four (4) broadsheets, four (4) tabloids and one regional publication

3. Social media strategy to promote awareness
 - a. Endorsement of the program by a financial experts and reputable celebrities; and
 - b. Two posts on the official Facebook Page of the Pag-IBIG Fund which reached 816,908 people, generated 4,878 comments, 4,490 shares, and 88,107 post clicks. These also elicited 13,129 reactions, including 12,184 likes, 298 wows, and 527 love clicks
4. Targeted executions via partnerships with private and government employers allowing Pag-IBIG Fund to impart the MP2 Savings to their employees and facilitate the registration and collection of their MP2 Savings.

Pag-IBIG Fund achieved the following:

1. Communicated the competitive advantages of the MP2 Savings Program.

Through effective communication of the competitive advantages of the MP2 Savings Program over other similar products, MP2 Savings Accounts tallied 138,154 by yearend 2018. This is an increase of 63,113 – 84% or nearly double the number of 75,041 - from 2017 figures.

2. Collected Php4.47 billion (US\$87.25 million) worth of MP2 savings in 2018, the highest in Pag-IBIG Fund's history and marks the first time that it surpassed the Php4-billion (US\$78.07 million) level. This was a 242% increase from 2017 figures of Php1.304 billion (US\$25.45).

To further illustrate the effectiveness of the communications strategy and the MP2 Savings market positioning, competitive advantage, and branding in year 2018, the MP2 Savings collections during the said year greatly surpassed all MP2 Savings collections combined from the past eight years. From 2010 to 2017, MP2 Savings collections totalled Php3.54 billion (US\$69.10 million).

In 2018 alone, MP2 Savings collections reached Php4.47 billion (US\$87.25 million). With the phenomenal achievement in the MP2 Savings Program, Pag-IBIG Fund was also able to breach the Php40-billion (US\$780.75 million) level for overall collections in Members Savings. Through the additional Php4.47 billion (US\$87.25 million)

generated from the MP2 Savings Program, Pag-IBIG Fund collected a total of Php40.27 billion (US\$786.02 million) in Members Savings, the highest in its history.

- 3. Collected Php3.69 billion (US\$72.02 million) worth of MP2 savings from January to May 2019. This is 223% higher, or Php2.55 billion (US\$49.77 million), than the Php1.14 billion (US\$22.25 million) collected from January to May 2018.**