

LEADING ROBO-ADVISOR

finds winning messaging for millennials

BUSINESS SITUATION

- Robo-advisors were still in the early stages of popularity and were beginning to gain traction with younger investors.
- Company X was looking to accelerate growth by improving its acquisition messaging targeted towards millennials.
- As an online pure-play company, Company X relied mostly on digital marketing efforts and utilized banner ads to drive people to web landing pages for sign-ups.
- Company X was interested in using behavioral science to make their banner ads more effective, especially against the millennial customers, where the company had experienced low response rates.
- Company X constantly did A/B testing of banner ad messaging and had well established norms on click-through rates that could serve as benchmarks.

SOLUTION

- AiGILE identified a list of Top 20 dominant heuristics to apply to Company X banner ads. These heuristics were selected from the world's largest database of 660+ decision heuristics maintained by Newristics.
- Company X provided an inventory of banner ads that had been run in the past.
- AiGILE extracted the heuristics embedded in the language of each banner ad and generated multiple options of each ad using the same heuristic.
- AiGILE also applied many other missing heuristics to the messaging and created an inventory of 100s of heuristics-based alternatives.
- Messages were tested with consumers in a quant research study and optimal message bundles were generated from the research.
- The top 4 winning banner ads were tested against each other and against 2 historical benchmark ads provided by Company X in a second quant research study.
- Finally, the winning banner ads were launched in the market and the click-through rates were tracked over time and compared to benchmarks.

LEADING ROBO-ADVISOR

finds winning messaging for millennials

RESULTS

Insights from winning banner ads

Banner ads that performed the best in research contained messages written to 3 specific decision heuristics

- Ambiguity Aversion
- Customization Bias
- Positive Outcome Bias.

Customization Bias

Millenials like the ability to customize their investments and invest money “my way”. In reality, most of them probably lack the knowledge to create customized stock portfolios that can beat a simple index fund, but the ability to customize (even if I don’t need customization) was very appealing to millennials.

Ambiguity Aversion

Investing is full of uncertainties and while you can reduce some of them through research and disciplined investing, there is little any investor can do to eliminate unknowns and uncertainties from investing. Messages that make investors feel that the Company X’s technology platform provides more certainty over some aspects of the investing process were also appealing.

Market Research Performance

- ALL heuristics-based banner ads identified from research tested significantly better than the benchmarks.
- The Top performing heuristics-based banner ad had a 2-3X higher preference share against the benchmarks.
- Even the #4 heuristics-based banner ad was almost 50% better than the best benchmark ad.



In-market Performance

- The click-through rates for the Heuristics-based banner ads were also 2X higher than benchmarks, confirming findings from the research study.
- With help from the new heuristics-based messaging, Company X became the #1 robo-advisor among millennial investors.