



# RACQ Digital Audit and Planning Portfolio

By Guy Raybould (n9720308)

Word count = 1645



## Contents

Introduction .....	2
Digital Audit .....	2
Product and competitor overview, target audience analysis and consumer insights.....	4
Product and competitor overview .....	4
Target Audience .....	4
Consumer insights.....	5
Recommendations .....	5
Recommendation 1: The Journey .....	5
Recommendation 2: Collaboration.....	5
Recommendation 3: VR future driver training .....	6
Reference List.....	7

## Introduction

With their membership base shifting to digital RACQ took a multi-channel approach to designing and implementing a new digital strategy; being one of the first insurance companies to introduce a suite of mobile applications (Booker, 2015; Connolly, 2017). The free2go program with a focus on a younger demographic has benefited from the refreshed digital strategy. Free2go targets young Queenslanders aged 16 to 19-years-old who are digital natives and provides support around key life events relating to driving (Price & McClelland, 2017). RACQ partnered with Deloitte to deliver an engaging and responsive website that gives members access across all platforms and the ability to join free2go online (Deloitte Digital, 2015). This portfolio assesses the programs current position and provides recommendations of branding extensions that will engage Generation Z's (16 to 19-year-olds) and position RACQ as a digital leader.

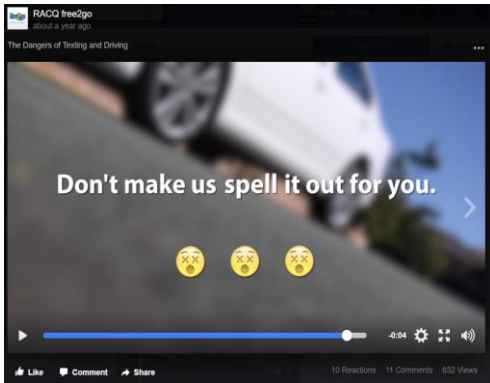
## Digital Audit

Criteria	Observations, comments and analysis	Rating 1 to 10*
<i>Digital strategy</i>	<p>RACQ's digital strategy is to provide consumers with touchpoints across multiple platforms to source relevant information about the company's range of products and services followed up by mechanisms, such as 'click to chat' and mobile ticketing, to increase sales through digital channels. The free2go program is a key acquisition for RACQ and the digital strategy applied to it is to provide an engaging and personalised experience targeted at young Queenslanders with greater access to the programs benefits, tools and information on any device.</p>	6/10
<i>Strategically consistent, company-created brand messages</i>	<p>The free2go branding uses several elements which maintain consistency with the RACQ brand. Brand colours, sentiment and messages are constant across the digital channels used by the free2go program. The free2go website does not have the RACQ or free2go logo on the landing page, however the Facebook page does. Aligned with the RACQ brand, the free2go website is informative whereas the Facebook page is less formal and more interactive to engage the target audience. In general, there is a lack of earned media on Facebook for the free2go program. Facebook messages are ineffective in fostering engagement from the community and promoting the benefits of the free2go program. Furthermore, content creation is infrequent with the Facebook page updated approximately every three days, with messages falling in the following categories:</p> <ul style="list-style-type: none"> <li>- Learner driver test/Quiz style posts</li> <li>- Travel news and alerts</li> <li>- Tips</li> <li>- Memes</li> <li>- Links to the RACQ Live blog</li> </ul> <p>Facebook posts are not free2go specific and content fails to communicate the value proposition of the program, limiting brand growth.</p>	5/10
<i>Digital tools and social media used by the company</i>	<p>RACQ and free2go related digital channels include:</p> <ul style="list-style-type: none"> <li>- The free2go website is easily navigable with an appealing landing page and relevant headings standing out. Mobile website is well structured and easy to use. <a href="https://www.free2go.com.au/">https://www.free2go.com.au/</a></li> <li>- 'RACQ free2go' Facebook page (29,000 page likes/28,700 followers) <a href="https://www.facebook.com/free2goRACQ/">https://www.facebook.com/free2goRACQ/</a> <ul style="list-style-type: none"> <li>o Engagement is low with on average between 5-10 likes and comments per post.</li> </ul> </li> <li>- Apps = Learn2Go, RACQ discounts, RACQ roadside assistance, RACQ bike safety game in VR. – not free2go specific</li> <li>- RACQ official Instagram page (3,002 followers) – not free2go specific</li> <li>- RACQ official Twitter (11,200 followers) – not free2go specific</li> </ul> <p>RACQ is using all the right digital channels to appeal to the 16 to 19-years-old target market however their tactics are failing to engage the target audience resulting in sub-optimal engagement and retention as students leave high school. The digital marketing strategy is complementary to traditional marketing tactics; particularly their school presentations.</p>	5/10

Examples of content shared

1. Facebook Video Advertisement – The dangers of texting and driving

5/10



**Targeted audience:**

The advertisement clearly targets Generation Yers and Zeds who are busy and are always connected to social media.

**Ideal action:**

Use of scare advertising to warn people about the dangers of texting and driving and to hopefully influence behaviour in young adults.

**Source:**

[https://www.facebook.com/free2goRACQ/?ref=br\\_tf](https://www.facebook.com/free2goRACQ/?ref=br_tf)

2. Facebook Quiz style posts



**Targeted audience:**

This is targeting young drivers from Learners to P platers.

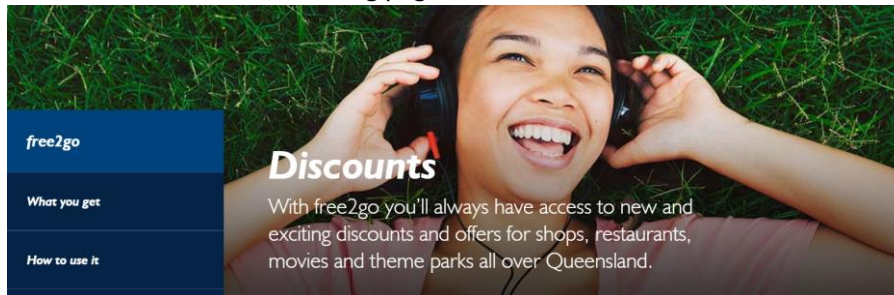
**Ideal action:**

These Facebook posts are educational and intended to engage inexperienced, young or unconfident drivers and remind them of common scenarios and the QLD road rules that should be followed.

**Source:**

[https://www.facebook.com/free2goRACQ/?ref=br\\_tf](https://www.facebook.com/free2goRACQ/?ref=br_tf)

3. Website's 'Discount' landing page



**Targeted audience:**

Targeted at Generation Yers who typically have low purchasing power and proactively seek discounts and benefits.

**Ideal action:**

To promote the benefits and create interest in the free2go program and ultimately encourage the target audience to sign up to the program to access the rewards.

**Source:** <https://www.free2go.com.au/free2go-membership/discounts>

Strategic user engagement

RACQ's free2go social media channels are relevant to the target audience being 16 to 19-year-olds, however, RACQ does not use Instagram, Snapchat and YouTube which are multimedia engagement platforms frequently used by this target audience. The Facebook posts are targeted towards the free2go audience through road rule quizzes and memes which are currently attracting a low level of positive response from the target audience. The brand lacks strong interaction with its audience on Facebook and following up on comments and creating conversation is general and not timely.

4/10

## Product and competitor overview, target audience analysis and consumer insights

### Product and competitor overview

RACQ is a market leader in roadside assistance and car insurance in Queensland due to their reach, brand recognition and strong reputation. Their main direct competitors in 24/7 roadside assistance are Youi, Gotu, Allianz, Suncorp and Budget Direct; with Gotu being the only competitor with a mobile application. Although RACQ has the largest membership base in Queensland and was the first in Queensland to introduce 24/7 roadside assistance, retaining young Queenslanders in their programs has been a challenge. The free2go program introduces young Queenslanders to the company and providing support aligned to key life events and access to exclusive offers (Price & McClelland, 2017). For RACQ's free2go program the key points of differentiation are the discounts and savings offerings and strong reputation.

Substitute services such as Translink, QLD rail and Uber are identified as competitors to the RACQ free2go program. Due to economic, cultural and social issues Australian youth are becoming less car loyal (Roberson, 2013; Delbosc, 2015). RACQ's free2go program faces increasing pressures to distinguish themselves as the preferred choice for young Queenslanders and in engaging this audience more effectively.

The RACQ brand is a century old and has built a reputation of being synonymous with reliability and trust for its motoring members however is not often thought of being innovative because of its age (Booker, 2015). Despite this, recently RACQ have been able to overcome this aided by their new digital strategy (Connolly, 2017; Deloitte Digital, 2015).

### Target Audience

The primary target audience for the free2go program is Queensland teens aged 16 to 19-years-old. These consumers are classified as Generation Z (born after 1995) and are among the first true 'digital natives', meaning that technology has seamlessly integrated into their lives. This segment is likely to be living at home, undertaking study and potentially working part time (Price & McClelland, 2017). They are content creators, technologically driven and have a strong community connection (Beall, 2016; Price & McClelland, 2017). These teens are mobile magnates with 75% going online via smartphone as often as a computer; using search engines and visiting apps such as YouTube, Facebook and Instagram (Consumer Barometer with Google, 2017; Roy Morgan, 2017).

As consumers they are increasingly taking a multi-device path to purchase, with 63% shopping on their smartphones every day (Hartjen, 2017). During this path to purchase these consumers will use multiple devices and channels and are even willing to extend their search to find the best deal (FITCH insights, N/A). Therefore, price is the most important attribute on deciding where to buy for these consumers (FITCH insights, N/A; Beall, 2016).

The digital world is the place to engage this audience and for RACQ's free2go program greater digital reach is required. By creating more brand touchpoints and allowing their audience to share experiences and tell their own digital story supported by improved marketing communications RACQ will increase awareness and engage this dynamic target market (Google Inc, 2012; FITCH insights, N/A).

## Consumer insights

Research shows that these consumers will become the largest global market and lead digital retail trends in the next 20 years (Shay, 2017). Therefore, it is vital to be aware of their needs and wants. For consumers aged 16 to 19-years-old the research corroborates the following consumer insights;

- They are strong multi-taskers and require accessibility on all devices
- As cash poor but savvy consumers, getting their value for money is crucial
- These digital natives want the latest technology experiences and value digital storytelling

## Recommendations

### Recommendation 1: The Journey

The Journey is a digital portfolio of the key rites of passage related to driving – it focuses on establishing a lifelong relationship between RACQ and its members. This digital journey is mobile application based and has the capabilities of the free2go website, progressing to a smarter system that recognises progression and shows relevant information to members along their driving life cycle. For example, the application would remind members of the changes between Red and Green provisional licenses, provide updates on traffic conditions and parking information based on their location.

The mobile application addresses the issue of discontinuity of student email accounts by allowing students to join by creating a personal profile directly with RACQ rather than the free2go program relying exclusively on the school email channel.

As young Australians are not brand loyal, RACQ must incentivise these members to stay engaged (McCrinkle, 2016). A gamification style rewards system and sending personalised notifications upon achieving 'key life events' (e.g. finishing high school, getting their Learners/Ps) to make them feel valued are possible ways to engage these members. The Journey will create greater accessibility for the target audience whilst enabling RACQ to target brand messages and establish a two-way communication platform.

### Recommendation 2: Collaboration

This recommendation suggests two types of collaboration to engage the target audience of the free2go program.

Firstly, RACQ could collaborate with Brisbane start-up Storyboard to allow free2go members to map their travel experiences through video and photo stories. This is targeted at car owners and those using the free2go travel tips and insurance. Australians love to travel, with young Australians spending \$11.3 billion on overseas travel in 2016, whilst 76% reported that a friends' recommendation is a key influencer in determining where to travel (Lane, 2016; Westpac Group, 2016). By partnering with Storyboard future free2go members who are big on collaboration, visual stories and sharing their experiences have a platform to create their own #free2go community to share their stories and travel tips (FITCH insights, N/A; McCrinkle, 2016).

Secondly, RACQ could collaborate with Carnextdoor, a peer-to-peer car sharing service platform in Australia allowing members of the community to hire or rent their vehicles for periods at a time. RACQ will gain value from this collaboration by growing awareness in the younger demographic of users and potentially providing road worthy certificates for the rent cars in Queensland. Carnextdoor would gain exposure to a wider audience and enhanced credibility through the RACQ association.

The potential renting audience would come from the group of young Queenslanders who don't own a car. There has been a shift in mindset of young Australians away from car ownership and research shows that young people are not buying and driving cars at nearly the rate that their parents did (Clay, 2014; Wynne, 2015; Delbosc, 2015). Having previously showed support for ride sharing services this collaboration could be an interesting differentiator for the free2go brand and would create greater value for its members, as the share economy continues to grow (RACQ, 2016; Rosenbaum, 2015; Stillman & Stillman, 2017).

### Recommendation 3: VR future driver training

Virtual Reality (VR) is the computer-generated simulation of a three-dimensional environment that can be interacted with using special electronic equipment. It is increasingly used as a training tool in various industries; such as pilot training (defence and commercial), mining and healthcare (Carson, 2015). This recommendation is that, given the increasing requirements to attain a licence (e.g. now 120 driving hours), RACQ partner with VR providers and research organisations to explore how VR training could contribute to driver training in a feasible way.

RACQ has a strong history in supporting the community and this opportunity would position them as a leading innovator in the application of Virtual Reality (RACQ, 2016). This technology will appeal to the free2go audience as they are truly digital natives with 41% of Generation Z's having already tried VR (Howell, 2017; DeYoung, 2017). Furthermore, its application will lighten the burden for driver trainers who are often busy parents.

## Reference List

- Beall, G. (2016, May 11). *8 Key Differences between Gen Z and Millennials*. Retrieved from Huffington post: [http://www.huffingtonpost.com/george-beall/8-key-differences-between\\_b\\_12814200.html](http://www.huffingtonpost.com/george-beall/8-key-differences-between_b_12814200.html)
- Booker, G. (2015, July 31). RACQ talks digital strategy. (C. Matson, Interviewer)
- Carson, E. (2015, March 10). *9 industries using virtual reality*. Retrieved from Tech Republic: <http://www.techrepublic.com/article/9-industries-using-virtual-reality/>
- Clay, M. (2014, November 2014). *How Millennials are driving the shift away from cars*. Retrieved from ABC News: <http://www.abc.net.au/news/2014-11-20/clay-millennials-are-driving-the-shift-away-from-cars/5906406>
- Connolly, B. (2017, August 9). *RACQ overhauls digital strategy following QT merger*. Retrieved from CIO: <https://www.cio.com.au/article/625793/racq-overhauls-digital-strategy-following-qt-merger/>
- Consumer Barometer with Google. (2017). *The Millennials*. Retrieved from Consumer Barometer: <https://www.consumerbarometer.com/en/stories/millennials>
- Delbosc, A. (2015, January 5). *Why are young Australians turning their back on the car?* Retrieved from The Conversation: <http://theconversation.com/why-are-young-australians-turning-their-back-on-the-car-35468>
- Deloitte Digital. (2015). *RACQ free2go*. Retrieved from Deloitte Digital: [http://www.deloittedigital.com/au/work/case\\_study/racq-free2go](http://www.deloittedigital.com/au/work/case_study/racq-free2go)
- DeYoung, R. (2017, June 27). *Why Digital-Native Gen Z'ers Will Crave VR Done Right*. Retrieved from PMX Agency: <https://www.pmxagency.com/blog/2017/06/digital-native-gen-zers-will-crave-vr-done-right/>
- FITCH insights. (N/A). *Gen Z and the future of retail*. Retrieved from FITCH: <http://www.fitch.com/think/gen-z-and-the-future-of-retail>
- Google Inc. (2012). *The New Multi-screen World: Understanding Cross-platform Consumer Behavior*. Google in partnership with Sterling Brands and Ipsos. Retrieved from [http://services.google.com/fh/files/misc/multiscreenworld\\_final.pdf](http://services.google.com/fh/files/misc/multiscreenworld_final.pdf)
- Hartjen, R. (2017, August 18). *Millennials & Their Path to Purchase*. Retrieved from Retail Next: <https://retailnext.net/en/blog/infographic-millennials-their-path-to-purchase/>
- Howell, H. (2017, January 10). *How Generation Z uses emerging technology*. Retrieved from Sabre Insights: <https://www.sabre.com/insights/how-generation-z-uses-emerging-technology/>
- Lane, L. (2016, January 15). *Are Millennial Travel Trends Shifting in 2016?* Retrieved from Forbes: <https://www.forbes.com/sites/lealane/2016/01/15/are-millennial-travel-trends-shifting-in-2016-youll-be-surprised/#5f25a59136a8>
- McCrinkle. (2016). *Consumers*. Retrieved from Generation Z : <http://generationz.com.au/>
- Price, J., & McClelland, S. (2017). RACQ Client Brief presented on 24 July 2017.



- RACQ. (2016). *RACQ Annual Report 2016*. The Royal Automotive Club of Queensland Limited. Retrieved from file:///C:/Users/Dell/Downloads/RACQ-Annual-Report-2016.pdf
- Roberson, B. (2013, September 1). *5 reasons young people are not buying cars or getting their drivers license*. Retrieved from Digital Trends: <https://www.digitaltrends.com/cars/5-reasons-young-people-are-not-buying-cars-or-getting-their-drivers-license/>
- Rosenbaum, M. (2015, December 31). *The 6 Key Trends for the Sharing Economy in Australia for 2016*. Retrieved from Spacer's Blog Space: <https://www.spacer.com.au/blog/the-6-key-trends-for-the-sharing-economy-in-australia-for-2016>
- Roy Morgan. (2017). Roy Morgan Workbook RACQ [Data File].
- Shay, M. (2017, January 12). *Move Over Millennials: Generation Z Is The Retail Industry's Next Big Buying Group*. Retrieved from Forbes: <https://www.forbes.com/sites/ibm/2017/01/12/move-over-millennials-generation-z-is-the-retail-industrys-next-big-buying-group/#3f2064952f0a>
- Stillman, D., & Stillman, J. (2017). *Gen Z Work: How the Next Generation Is Transforming the Workplace*. Harper Business.
- Westpac Group. (2016, August 4). *Millennial travellers spend \$11.3 billion overseas per year*. Retrieved from Westpac: <https://www.westpac.com.au/about-westpac/media/media-releases/2016/4-August/>
- Wynne, E. (2015, January 7). *Young people less interested than their parents in learning to drive*. Retrieved from ABC News: <http://www.abc.net.au/news/2015-01-06/young-people-less-likely-to-get-a-driver27s-license/6002600>