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Re-engineering the communication complex of group retirement benefit to enhance engagement (Campaign)

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Rethink the approach. And engage your members now.

This report builds upon the recent work of Proteus Advisory Services to address the needs and gaps in financial education and pension communication. These gaps have been identified through extensive research including the Canadian plan sponsors we work directly with and through market intelligence we have acquired and analyzed.

Education and *communication campaigns* should be developed to explain pension arrangements clearly, particularly where mandatory contributions are involved. This includes plan design, the pension environment, individual and sponsor responsibilities, and demographic realities that require individuals to save more.

Well-designed communication campaigns will help to maintain confidence and transparency in the pension benefit plan sponsor offer and thereby motivate individuals who are saving for retirement to engage in the process.

The present report focuses on the pre-campaign planning, design, delivery, monitoring and evaluation of Plan Sponsor Communication Campaigns.

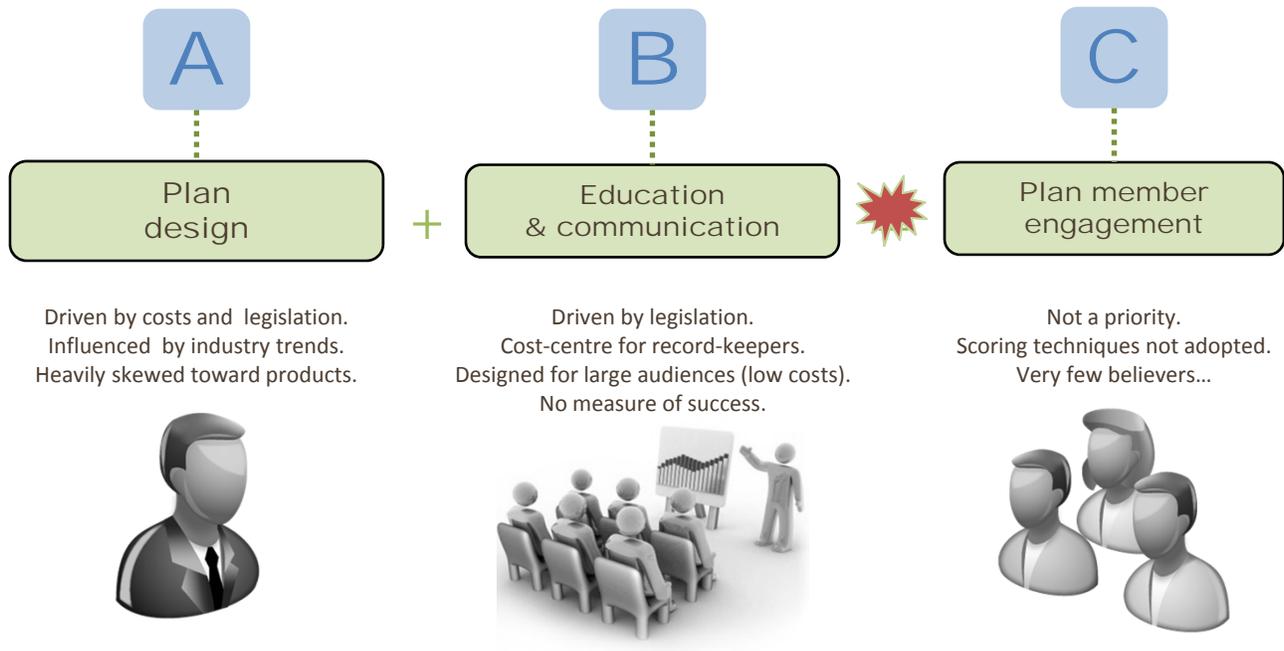
Our research identifies the best practices in effective communications and proposes an *approach to help plan sponsors* design campaigns that are both more successful in terms of impact and more efficient in the way they use resources.

The objectives of a campaign vary but generally involve a set of purposes: to raise awareness, to increase confidence and understanding, and to encourage individuals to make appropriate decisions.

The success of an engaging campaign will depend on its ability to set realistic and measurable goals that can be delivered in a timely, cost-effective and innovative manner to achieve maximum impact. It will also depend on its ability and willingness to learn from the lessons of the past.

Status quo is no longer an option for most plan sponsors. Communication needs are real and the search for solutions can no longer be escaped.

The traditional pension delivery model fails to engage.



Best-in-class education & communication campaigns know this:

1 Financial crises require increased communications about DC investment

Events such as the recent financial crisis should prompt plan sponsors either to launch a dedicated campaign or to increase communications as part of an on-going program in order to address individuals' concern about investment volatility, to remind them about the long-term nature of their pension plan, and to make them aware of any helplines established for members with specific questions.

2 Clear and measurable objectives drive successful campaigns.

Such goals may include the following: to raise awareness about changes in pension design; to explain the individual's choices and the potential implications these choices have for their financial well-being in retirement; to strengthen trust and confidence in the institutions in charge of retirement income provision, especially during financial crises; to facilitate the individual's active and informed decisions; and to encourage specific behaviour, such as voluntarily joining a new plan, increasing contributions or postponing retirement.

3 The need for robust evaluation processes

Evaluation should form an essential element of the campaign budget, even where resources are limited. Incorporating evaluation into campaign planning will enable the organisers to analyse the effectiveness (impact) of the campaign and its efficiency (cost-benefit analysis, value for money) in order to ensure appropriate allocation of future resources. It will also enable organizers to test their objectives at an early planning stage to ensure that these are practical and can be measured in a meaningful way. The evaluation process should include pre-campaign research and regular monitoring and evaluation of the campaign via both quantitative and qualitative tools.

4 Target communications

In order to be efficient and effective, communication campaigns need to be targeted to specific groups, whereby the population is divided according to perceived levels of awareness, interest and willingness to engage and take action. Targeted communication is also critical where different messages apply to different sections of the population.

5 Avoid confusion between sponsor initiatives and private provider campaigns

Working in partnership with private providers is important where these providers will deliver the products and services. Moreover, the involvement of private providers can be very beneficial to achieve the communication goal of a plan sponsor, taking into account any risk that the sponsor's independent messages might be compromised or interpreted by the members as an endorsement of a provider's products. The problem identified here is that while the distinctions between service providers and plan sponsor are well understood by most, frequently they are confused in the mind of the less engaged plan member.

6 Use innovative communication channels

In addition to the common use of a dedicated website, campaign organisers should consider innovative approaches in relation to specific target audiences. For instance, younger cohorts of the population may be best approached via social media, while mobile phones can be an effective and relatively low-cost way to reach a large number of individuals.

7 Develop outreach programs to increase engagement

Traditional outreach programs, such as road shows, seminars, and one-on-one workshops engage the target audience in ways that passive communications and advertising does not.

8 Use phased campaigns to avoid multiple messages

The more focused the campaign, the more likely it is to achieve its goals. Messages need to be short and simple, and complex topics should be broken down into appropriate and thematic component parts, which can then be delivered in a series of communication phases.

9 Use the budget for the most effective and cost-efficient channels

A formal analysis of the relative impact of different channels in relation to their cost will ensure that limited budget is spent wisely and in a way that is accountable, thus enhancing transparency. If the budget is not sufficient to meet all desired communications objectives, then it is essential to consider the priorities at the outset.

There's a disciplined approach behind every successful campaign.