

Deferred Compensation Plan BOARD REPORT 17-30

Date: August 22, 2017
To: Board of Deferred Compensation Administration
From: Staff
Subject: 2017 National Retirement Security Week Campaign

*Board of Deferred
Compensation Administration
John R. Mumma, Chairperson
Michael Amerian, Vice-Chairperson
Cliff Cannon, First Provisional Chair
Raymond Ciranna, Second Provisional Chair
Wendy G. Macy, Third Provisional Chair
Linda P. Le
Thomas Moutes
Robert Schoonover
Don Thomas*

Recommendation:

That the Board of Deferred Compensation Administration approve staff's proposed promotional strategy for the 2017 National Retirement Security Week campaign, including the provision of \$2,500 for gift card incentives for participants establishing online account access during the month of October.

Discussion:

A. Background

Each year the United States Senate ("Senate") passes a resolution for National Retirement Security Week (NRSW) to help American workers focus on the importance of saving for and maintaining a secure retirement. In keeping with the Plan's annual practice, staff has created a marketing proposal and strategy to coincide with the NRSW event to leverage the opportunity to promote engagement, awareness, and successful outcomes for Plan participants. Although the Senate has not yet acted, NSRW is scheduled to take place from October 15-21, 2017.

B. Campaign Objectives

This year's NRSW will take place shortly after the Plan's transition to its new Third-Party-Administrator (TPA), providing an opportunity to utilize NRSW to promote new Plan features and their benefits to employees and current participants. Staff's objectives for this year's campaign include:

- Increasing participant engagement with three distinct audiences: Active Employee Plan Participants, Retired Plan Participants, and Active Employee Non-Participants
- Promoting online account registration with the Plan's new TPA
- Promoting voluntary enrollment, specifically in reference to the new simplified on-line enrollment process
- Promoting new Plan features and tools to help participants meet their retirement goals

C. Campaign Elements

Consistent with prior years, this year's approach will be multi-faceted and feature the following events:

Campaign Elements

1. **Campaign Content** – The campaign will focus on engaging the Plan’s core audiences regarding their retirement journeys. It will incorporate to some degree content created for NRSW by the National Association of Government Defined Contribution Administrators (“NAGDCA”), which NAGDCA has entitled “Your Whole Story.” NAGDCA has developed these materials for NAGDCA members to utilize as a benefit of membership.
2. **Campaign Engagement** – Staff will create a microsite providing the City’s audiences with retirement security information specific to their age and employment status. As participants click through the information, they will be provided with examples of how new Plan features will help them build or maintain retirement security. At the conclusion of the exercise, the participant will be encouraged to enroll in the Plan (if not participating in the Plan) or to set up online access (if already participating).
3. **Mayoral Endorsement** – As in past years, the Plan will seek a statement from the Mayor encouraging City employees to participate in the Deferred Compensation Plan and promoting its value toward the objectives of achieving a successful retirement.
4. **Citywide Communication** – Consistent with prior years, staff will distribute two citywide emails informing active employee participants about National Retirement Security Week and encouraging them to visit the campaign microsite. Retirees will receive postcard notifications.
5. **Promotional Video** –NAGDCA created a NRSW promotional video for its “Your Whole Story” campaign featuring first-person participant testimonials regarding the value and significance of preparing for retirement. Staff member Daniel Powell participated on NAGDCA’s Participant Engagement Committee, which developed the campaign. As part of its development efforts, certain member plans were invited to film participant testimonials and submit them to be included in the video. Mr. Powell filmed and submitted interviews involving several Employee Benefits Division employees who were included, along with participants from three other plans, in the final version of the video.

D. Promotion Metric

With each year’s NRSW campaign, staff looks for measurable ways of assessing the success of the Plan’s outreach efforts as they relate to tangible strategic objectives. This year’s focus is on encouraging participants to create online account access. The change in the Plan’s Third-Party-Administrator will require participants to set up new accounts with Voya. Fully accessing the Plan’s new features and services requires that participants establish these accounts. As a result, the key metric for this campaign will be the number of Plan participants who create online account access.

In prior years, participants in National Retirement Security Week engagement campaigns were entered into a gift card drawing. This year staff proposes establishing a similar drawing for all participants who establish on-line access during the month of October, including those who enroll for the first time. Consistent with prior years, staff recommends approval of \$2,500 for these gift cards.

E. Campaign Component Timeline

Following is a summary of the various campaign components and target development, completion and roll-out dates. Please note that with respect to the “video content” component, even though NAGDCA’s video has already been created, additional customization may be made by staff to make it specific to the City’s campaign.

Campaign Component	Target Development Launch Date	Target Completion Date	Target Roll-Out Date
Interactive Exercise	8/22/17	9/23/17	10/16/17
Mayoral Statement	8/22/17	9/16/17	10/16/17
Video Content	9/7/17	10/7/17	10/16/17
Microsite	8/22/17	9/30/17	10/14/17
Retiree Postcard	8/22/17	9/30/17	10/12/17
Citywide and Plan Participant Email	8/22/17	9/30/17	10/16/17
InsideLA and Plan website banners	8/22/17	9/30/17	10/16/17

F. Conclusion

This proposed promotional campaign for National Retirement Security Week provides an opportunity for the City’s Plan to engage participants with retirement objectives and promote the utilization of new Plan features. Staff recommends that the Board adopt the proposed promotional strategy for the 2017 National Retirement Security Week campaign.

Submitted by: _____
Daniel Powell

Reviewed by: _____
Steven Montagna