



## Board Report 20-31

Date: August 4, 2020

To: Board of Deferred Compensation Administration

From: Staff

Subject: 2020 National Retirement Security Month (NRSM) Campaign

### Board of Deferred Compensation Administration

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### Recommendation:

That the Board of Deferred Compensation Administration (Board): (a) approve the proposed 2020 NRSM campaign; and (b) authorize the expenditure of \$2,500 for gift cards to be awarded to participants engaging with the interactive quizzes.

### Discussion:

#### A. Background

The United States Senate passes a resolution annually for National Retirement Security Week (NSRW) to raise awareness about the importance of saving for retirement. NSRW is held during the month of October and involves retirement plan sponsors launching campaigns on topics such as educating participants on tax-advantaged retirement vehicles, increasing financial literacy, and helping participants plan and take active steps towards obtaining retirement income security. Established in 2006 after being advocated for by the National Association of Government Defined Contribution Administrators (NAGDCA), the NSRW has provided a valuable tool for retirement plan sponsors to educate and encourage participants to save for and achieve a secure retirement.

In recent years, NAGDCA has advocated for extending NSRW from a week-long campaign to a month-long campaign for the entire month of October, thus becoming National Retirement Security Month (NRSM). NAGDCA noted that NRSM allows retirement plan sponsors greater flexibility to execute promotions and events during the month of October on a schedule that works best for employers and participants. In 2020, NAGDCA adopted as part of its legislative priority encouraging the US House and Senate to introduce and pass a resolution declaring the month of October as NRSM. Although the event always takes place in October, Congressional action on the resolution historically has occurred in September. The timing of Congressional action is subject to other factors which may affect the legislative process.

## B. Campaign Objectives

Each year, staff proposes a campaign to coincide with that year's NRSW. This year, staff is proposing implementing a month-long event, or NRSW to engage with as many participants as possible over the full-month instead of a single week in October. The fundamental objective of this year's campaign is to promote engagement with the City's three distinct audiences (active participants, retired participants, and non-participating eligible employees) by utilizing a variety of communication tools, including postcards, emails, a dedicated resource hub, and social media to achieve greater participation, increased savings, and broader awareness of DCP services and features.

Each year's campaign strives to improve engagement in measurable ways. Typically, each year's campaign features an interactive exercise. As staff has executed and learned from prior campaigns, greater engagement arises from short, accessible, and enjoyable exercises which engage individuals with DCP information and resources.

## C. Campaign Elements

The 2020 proposed campaign consists of the following elements:

- **Content**

- **Interactive Quizzes** – Based on prior experience, staff has learned that the most effective campaigns engage the audience with simultaneously informative and interactive exercises. The theme of and branding for this year's campaign is, *LA DCP is the Place to Be!* The associated description will be, *Whether you're enrolling, contributing, or maintaining your assets as a retiree, there's no better place to be than right here with us!* The primary element of the campaign includes four web-based interactive quizzes revolving around this theme. Each quiz includes short, informative bits of information regarding features and services of the DCP and provides clear and direct "calls to action" targeted to each of the Plan's three distinct audiences (active participants, retired participants, and non-participating eligible employees). An overview of the components and calls to action for each quiz is provided below.

- 1) **Quiz 1** – Three to five questions on key facts about enrollment benefits (*Join us! or Thanks for being here at LA DCP!*), encouraging eligible employees to enroll, or if they are already a DCP participant, thanking them for their participation.
- 2) **Quiz 2** – Three to five questions about contribution options (*Make your place with us the biggest it can be by taking these steps to build your account!*), with emphasis on the percent-of-pay option to encourage participants to enroll and increase their contributions as their salary increases.
- 3) **Quiz 3** – Three to five questions about distribution options and rollovers (*Stay with us for the long haul – we never want to see you go!*), encouraging participants to maintain their assets in the Plan.
- 4) **Quiz 4** – Five to seven questions testing participants' knowledge of famous landmarks in Los Angeles while providing general information about DCP features

and services (*LA DCP is a special place - but LA has many special places to be - test your knowledge of some of them by taking our famous landmarks quiz!*).

Upon completion of any one of the four quizzes, participants will be entered into a random gift card drawing.

- **Dedicated NRSM Resource Hub** – All campaign materials will be hosted on a dedicated participant engagement page on the LA457.com website. This dedicated participant engagement page will serve as a resource hub for the 2020 campaign and include the following elements:

- 1) Access to all four quizzes
- 2) Specific information, including blog posts and informative videos regarding the DCP features and services which are the subject matter of each of the quizzes. While much of this information is accessible on other places on the website, the resource hub will consolidate all of this information in a single dedicated page on the LA457.com website.

The resource hub will be accessible for all individuals, but only DCP eligible employees and participants completing the quizzes may be entered into the random gift card drawing.

- **Communications**

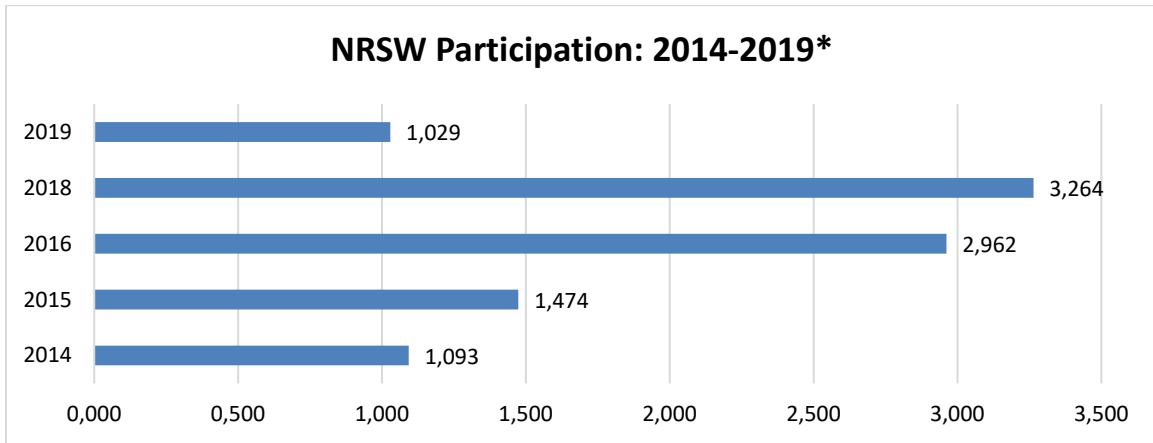
Staff will release the following communications informing the three distinct audiences (active participants, retired participants, and non-participating eligible employees) about the 2020 NRSM campaign and encouraging them to participate in the four quizzes.

- **Postcards** – Staff will prepare a NRSM postcard for mailing to the homes of all DCP participants who have not provided an email address to Voya. Additionally, the NRSM postcard will be mailed to employees who are eligible for the DCP but have not enrolled. The postcard will provide a broad overview of this year’s campaign and include a link to the campaign resource hub where recipients will be able to engage in the quizzes and be entered into the random gift card drawing.
- **Emails** – Staff will also prepare and disseminate information regarding this year’s campaign via email. As this year’s campaign is a month-long event, staff will release an email to kick-off the campaign and four subsequent engagement emails on a weekly basis highlighting the theme and call to action of each quiz. The engagement emails will also remind participants of the opportunity to enter the random gift card drawing by completing any of the four quizzes.
- **Other Communications Channels** – Staff will also advertise NRSM through a variety of other communication channels including InsideLA.org and the DCP’s social media accounts on Facebook and Instagram. Staff will also reach out to the City’s three pension systems and labor organizations to identify opportunities for promoting the event using their media channels.

#### **D. Measuring Campaign Effectiveness**

In 2014, staff began focusing on measuring and tracking NRSW campaign engagement. Each year, the goal of NRSW is to increase total engagement over prior years as measured by the number of individuals participating in that year’s engagement exercise. As indicated in the chart on page

4, engagement increased each year from 2014 through 2018, with engagement decreasing in 2019 (due primarily to the overly complicated tasks that participants had to complete for that year's campaign).



*\*Note that 2017 is not included because the campaign for that year differed substantively from other years, as it occurred at the same time as the DCP's TPA transition to Voya. The 2017 campaign focused on incentivizing participants to establish online account access with Voya (not a comparable metric).*

In addition to participation in the four interactive quizzes, staff will also track statistics related to LA457.com activity. Staff will also be able to measure activity related to new enrollments, contribution changes, video views, social media activity, and phone activity. Data for the 2020 campaign will be reported to the Board after the conclusion of the campaign.

#### E. Campaign Timeline

A development and implementation timeline for the 2020 campaign is provided as **Attachment A** to this report.

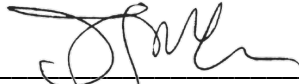
#### F. Incentives

For NRSW campaigns from 2017 to 2019, individuals who participated in the interactive exercise and who also had an account (or established an account with the DCP during the campaign) were able to enter themselves into a random gift card drawing. Staff proposes a similar strategy for 2020 whereby those participants who complete any of the four quizzes are eligible to be entered into a random gift card drawing. Consistent with the campaign years of 2017 to 2019, the value of the gift card will range in value from \$50 to a maximum of \$200, for an overall total of \$2,500. Staff recommends that the Board authorize the expenditure of \$2,500 in gift cards to be awarded to participants engaging with the interactive quizzes.

Submitted by:

Eric Lan, Management Assistant

Reviewed by:



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Jenny M. Yau, Senior Management Analyst II

Approved by:



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Steven Montagna, Chief Personnel Analyst

**2020 National Retirement Security Month  
Campaign Schedule  
(October 1 to 31, 2020)**

<b>Campaign Component</b>	<b>Release Date</b>
Postcard Mailing to Active/Retired Participants and Non-Participating Employees	Monday, September 28
Campaign Resources Hub Launch and Kick-Off Email	Thursday, October 1
Engagement Email 1 – Promote Quiz 1	Monday, October 5
Engagement Email 2 – Promote Quiz 2	Monday, October 12
Engagement Email 3 – Promote Quiz 3	Monday, October 19
Engagement Email 4 – Promote Quiz 4	Monday, October 26
Incentives Awarded/Announced on DCP Website	Monday, November 9