



BOARD REPORT 18-25

Date: May 15, 2018

To: Board of Deferred Compensation Administration

From: Staff

Subject: Social Media Pilot Program

Board of Deferred Compensation Administration

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Recommendation:

That the Board of Deferred Compensation Administration (a) approve a six-month social media pilot program for the Deferred Compensation Plan and instruct staff to periodically report back on its progress and any necessary refinements and (b) adopt proposed Deferred Compensation Plan Social Media and Comment Policy.

Discussion:

At its April 17, 2018 meeting, the Board reviewed Board Report 18-17 regarding Plan service enhancements and customizations. Included within this report was a discussion indicating that staff was in the process of researching the potential benefits of establishing a social media presence for the Plan. Staff indicated that the Plan already implements an effective communications strategy utilizing email, postage mail, and in-person messaging, but that more effective communications strategies often involve going to where an audience already is, rather than trying to bring the audience to where it is not. Staff further indicated that a portion but not all of the City's participant population is fully engaged on the Plan's existing web platform and email distribution channels, but an untapped resource may lie in social media platforms which are widely used and have become, for many, a central means of communicating and acquiring information. While social media platforms have often been thought of as associated primarily with younger audiences, they have over time become ubiquitous among audiences of almost all age groups. This observation is supported by empirical data detailed in [Section A](#) of this report.

The desired outcomes of a successful social media strategy include:

- a) increased engagement among all participant demographics;
- b) an additional avenue for sharing Plan communications; and
- c) a convenient resource for participants to contact the Plan.

A. Industry Research

To determine the effectiveness of a potential social media strategy, staff sought to gauge what type of audience it could expect on each platform. In January 2018, the Pew Research Center conducted a survey of Americans regarding their social media consumption¹. *Figure 1* below provides a brief description of the social networks evaluated by the Pew Research Center as well as their utilization within the United States.

According to their research, 68% of U.S. adults indicated that they are Facebook users with approximately three-quarters of those users reporting that they access Facebook on a daily basis. YouTube had a similarly high engagement level with 73% of all Americans. However, YouTube is a video platform primarily and a social media platform secondarily. The next most utilized platform was Instagram with significantly lower overall engagement at 35%. While Americans as a whole utilize Instagram with less frequency, it has an engagement rate of 71% in the 18-24 age range. Snapchat and Twitter were also less utilized by the population as a whole but are used with greater frequency by younger audiences.

Figure 1

Network	Description	Utilization
<i>YouTube</i>	A free video sharing service that allows users to view and upload videos. There is also a social component that allows users to comment on videos. Owned by Alphabet (parent company of Google).	73%
<i>Facebook</i>	Currently the largest social networking platform. Provides users with the ability to share their content with friends and family members who are also on the platform.	68%
<i>Instagram</i>	A social media site solely dedicated to sharing photos and videos. Owned by Facebook.	35%
<i>Snapchat</i>	A photo and video messaging platform that is unique in that the media messages disappear after no more than 10 seconds.	27%
<i>LinkedIn</i>	A social network designed specifically for business professionals to connect with one another.	25%
<i>Twitter</i>	A social network that only allows users to communicate in short messages called "Tweets."	24%

B. Public Agencies and Use of Social Media

Defined Contribution Plan Sponsors:

Staff reached out to defined contribution plan sponsors from other public agencies to gather feedback on their experience with social media platforms. The agencies listed in *Figure 2* have adopted social media strategies and advised Plan staff on their experiences, including successes and challenges. *Figure 2* also indicates which social media platforms each agency has elected to utilize.

¹ Smith, Aaron, and Monica Anderson. "Social Media Use in 2018." Pew Research Center: Internet, Science & Tech, Pew Research Center, 1 Mar. 2018, www.pewinternet.org/2018/03/01/social-media-use-in-2018/.

Figure 2

Plan Sponsor	YouTube	Facebook	Instagram	Snapchat	LinkedIn	Twitter
<i>New Mexico Public Employees Retirement Association (PERA) SmartSave Deferred Compensation Plan</i>		X	X			X
<i>Hoosier S.T.A.R.T.: Indiana Deferred Compensation Plan</i>		X				X
<i>Wyoming Retirement System</i>		X				
<i>Indiana Public Retirement System</i>	X	X	X			X
<i>Alaska Public Employees' and Teachers' Defined Contribution Retirement Plan</i>	X	X				X
<i>Wayne County Employees' Retirement System</i>		X				X
<i>Ohio Deferred Compensation</i>		X			X	
<i>State of Missouri Deferred Compensation Plan</i>	X	X	X		X	X
<i>Savings Plus (State of California Defined Contribution Plan)</i>	X	X				X
<i>Florida Retirement System Investment Plan</i>	X					

Staff received feedback from eight plan sponsors, including eight state plans, one county plan, and one school district. Their feedback was overwhelmingly positive with respect to seeing social media as an effective engagement tool, with all but one recommending that other plan sponsors consider establishing social media communications venues. The most common social media platform used by plan sponsors is Facebook, which aligns with data reported by the Pew Research Center. Several Plan sponsors contacted by staff indicated that social media posting was now utilized by their plans more frequently than mass emails because they had been more effective in reaching participants and the communications were better received by participants. Some sponsors further indicated that it has become expected by their populations that they have a way to connect with their plans via social media. The one plan sponsor contacted by staff which indicated to staff that it would not recommend establishing a social media presence stated that they weren't sure whether a retirement program can produce and share enough content to warrant a social media presence. Staff doesn't consider this to be a concern for the City's Plan given its commitment to ongoing production of communication and engagement materials, including video.

Social Media Comment Policy:

Some, but not all, plan sponsors have developed social media comment policies that are made available publicly to participants. The purpose of the social media comment policy is to make clear to participants what kind of interactions are appropriate for the platform and which are not acceptable and will be removed. Staff recommends adopting a social media comment policy. A proposed policy is provided as **Attachment A**.

City Agencies:

Staff also reached out to other City agencies that leverage social media. Staff found that the following departments have established social media presences: Fire and Police Pensions, Personnel, Animal Services, Public Works, Transportation, Water and Power, Recreation and Parks, and Aging. In researching this report, staff interviewed staff from Personnel regarding their social media utilization. The City's Personnel Department uses all the above referenced social media platforms to promote job opportunities with the City. Personnel staff responsible for the department's social media accounts noted that Facebook, Twitter, and LinkedIn have been the most effective since they began their social media outreach in 2016.

C. Proposed Pilot Program

Staff proposes that the Plan establish the following social media pilot program to be implemented in June 2018 on a pilot basis with periodic reports. After six months, staff will recommend to the Board whether the pilot program be made permanent.

Platform:

Staff proposes that the Plan begin its social media strategy by establishing a Facebook page and building out its existing YouTube channel. Facebook is the most versatile platform regarding the types of content that can be posted, and it is by far the most utilized across all demographics. Several years ago the Plan established a YouTube channel to post special National Retirement Security Week campaign videos. However, it has been used on only a few occasions. Going forward this channel will be updated more frequently with new video content from the Plan. Other social media platforms such as Instagram, Twitter, and Snapchat can be considered at a future time.

Content:

In partnership with the Plan's Senior Communications Consultant from Voya, staff is developing a communications calendar that focuses on a unique retirement or financial wellness topic each month. These communications are already planned to be shared via Citywide and Plan-wide emails, but the addition of a new Facebook page would provide another avenue by which to share this content and support expanded engagement. Staff has already prepared its first engagement video with plans for ongoing production and building a video library. The first video explains why employees should enroll in the Plan and can be showcased prominently on the Facebook page. The video will be presented to the Board during this meeting.

Timeline:

Week of June 4, 2018

- Launch Plan Facebook page
- Update YouTube page to feature new "Welcome to the Deferred Compensation Plan" video
- Update LA457.com and Personnel Benefits website to include links to Plan Facebook and YouTube accounts

Summer 2018

- Produce and release three new Plan videos on the topics identified as key decision points for participants in the welcome video:
 - How much to save
 - How to save (pre-tax vs. Roth)
 - Investment choices overview

September 2018

- Produce and release a Plan video on the benefits of staying in the Plan in retirement

October 2018

- Promote Plan social media accounts (and thereby videos) during National Retirement Security Week

Conclusion:

In conclusion, staff recommends that the Plan attempt to expand and enhance its communications efforts by engaging with participants via social media platforms. Staff recommends that the Board of Deferred Compensation Administration (a) approve a six-month social media pilot program for the Deferred Compensation Plan and instruct staff to periodically report back on its progress and any necessary refinements and (b) adopt proposed Deferred Compensation Plan Social Media and Comment Policy.

Submitted by:

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