

SUMMARY OF PROJECT – NAGDCA 2020 LEADERSHIP RECOGNITION AWARD
CATEGORY: PARTICIPANT EDUCATION & COMMUNICATION

**EMPLOYEES RETIREMENT SYSTEM OF TEXAS (ERS) –
SUMMER ENROLLMENT CAMPAIGN IMPROVES RETIREMENT READINESS
FOR ELIGIBLE AND PARTICIPATING EMPLOYEES**

Knowing State of Texas employees will only have about 50% of their pre-retirement income from their ERS retirement (defined benefit plan), Employees Retirement System of Texas (ERS) wanted to educate and inform eligible state employees and current participants about the benefits of the TexaSaverSM 401(k) / 457 Program during their summer enrollment period. To achieve this goal, they required a format for delivering critical messages in a way that was accessible, entertaining and easy to understand.

To meet these criteria, ERS partnered with Empower Retirement to create the *Level Up Your Retirement* campaign which utilized multifaceted, targeted and plan-wide campaign tactics created to support the idea that saving for retirement doesn't have to be intimidating because it's as simple as "leveling up" through the "stages" of saving on the TexaSaver program website. This cohesive eligible state employee and participant outreach initiative was launched during ERS's summer enrollment period (June 24 – July 26, 2019) and encouraged employees to maximize the use of investment resources available for retirement savings.

Goals included:

- Informing eligible employees about the benefits of enrolling in the TexaSaver program.
- Highlighting the benefits of increasing their contributions above the minimum amount.
- Reinforcing the advantages of setting up an automatic contribution increase over several years.
- Showing eligible employees and participants how the TexaSaver program could help close their retirement income gap.
- Reminding state employees about the resources available to them as a TexaSaver program participant.

Results

The *Level Up Your Retirement* campaign improved retirement readiness for eligible state employees and TexaSaver program contributing participants.

- **2,100** participants viewed the interactive campaign BrainShark presentation during the summer enrollment period – representing a **59%** increase over the custom campaign BrainShark views in 2018.
- **40%** of BrainShark viewers watched 70%-100% of the presentation.
- **135** group meetings and **609** one-on-one meetings with **3,053** current participants and/or eligible employees in attendance from throughout the state of Texas.
- The first *Level Up* targeted email, sent on June 25, experienced a **35%** open rate (14 percentage points above the 21% industry average).
- Of those who opened the first targeted email, **52%** clicked the "PRESS START" link that went to the TexaSaver program website to enroll or increase their contribution.
- On July 16, a *Level Up* reminder targeted email received an outstanding **31%** open rate and a **13%** click to open rate (12% industry average) – both over their perspective industry averages – and of those who opened the reminder email, **33%** clicked the "PRESS START" link to enroll or increase their contribution amount on the website.
- **2%** of targeted eligible employees who were not automatically enrolled in the TexaSaver 401(k) plan took action from the campaign email and postcard by enrolling in the program.
- **5%** of targeted email and postcard recipients increased their contribution amount above the minimum amount in either the 401(k) or 457 plan.
- **64%** of targeted email and postcard recipients set their maximum automatic contribution amount to **5% or more** and **36%** set their maximum automatic contribution amount to **\$50 or more**.
- Year over year increased actions from the 2019 summer enrollment period versus the same 2018 time period:
 - **618%** increase in 401(k) plan enrollments for eligible state employees
 - **249%** increase in combined 401(k) and 457 plan enrollments
 - **57%** increase in automatic contribution elections in either the 401(k) or 457 plan
 - **29%** increase in Managed Account service enrollments (401(k) and 457 plans combined)
 - **24%** increase in 401(k) plan participants and an outstanding **36%** increase in 457 plan participants who enrolled in the Managed Account service
 - Over **\$6.4M** in new assets under management – a **58%** increase

In their own words

"The purpose of the TexaSaver program is to provide State of Texas employees an opportunity to achieve financial independence in retirement by participating in the 401(k) and 457 plans where they can build and manage their investments through long-term planning and tax savings."

- **Nora Alvarado, Director of
Voluntary Income Plans, Group
Benefits Division, Employees
Retirement System of Texas**



WRITTEN JUSTIFICATION - NAGDCA 2020 LEADERSHIP RECOGNITION AWARD
EMPLOYEES RETIREMENT SYSTEM OF TEXAS (ERS) – SUMMER ENROLLMENT CAMPAIGN IMPROVES RETIREMENT READINESS AMONG ELIGIBLE AND PARTICIPATING EMPLOYEES

The *Level Up Your Retirement* summer enrollment campaign reached eligible state employees and TexaSaverSM 401(k) / 457 Program participants with information, calculations and education through the deployment of creative, compelling and multifaceted campaign tactics.

Project Description

Campaign: Level Up Your Retirement

Knowing State of Texas employees will only have about 50% of their pre-retirement income from their ERS retirement (defined benefit plan), Employees Retirement System of Texas (ERS) partnered with Empower Retirement to bring awareness to the summer enrollment period (June 24 – July 26, 2019) by launching a custom, educational, informative and unique campaign to encourage enrollments among early- and mid-career legacy state employees who were not automatically enrolled in the 401(k) plan and contribution increases and/or automatic contribution increase elections among participants who were still contributing the 1% or \$20 minimum in the TexaSaver program (deferred compensation plan).

The *Level Up Your Retirement* campaign taught legacy eligible state employees and TexaSaver minimum contributing participants that saving for retirement doesn't have to be intimidating because it's as simple as "leveling up" through the "stages" of saving on the TexaSaver program website. The *Level Up Your Retirement* campaign also motivated recipients by explaining that after the two easy retirement savings actions of enrolling in the TexaSaver program and/or increasing their contribution above the 1% or \$20 minimum through a one-time or automatic contribution increase was captured on their savings scoreboard, they'd be blasting off toward their retirement income goals. Campaign recipients learned saving for retirement through the TexaSaver program was something simple and enjoyable — something more like playing a video game.

In addition, to take the campaign a step further, multiple tactics also educated eligible employees and current participants that the Managed Account service in the TexaSaver Advisor Service (offered by Advised Assets Group, LLC) is always available to participants at no additional cost for the first 90 days and provides investment professionals who create and manage an investment portfolio for them based on their individual goals.

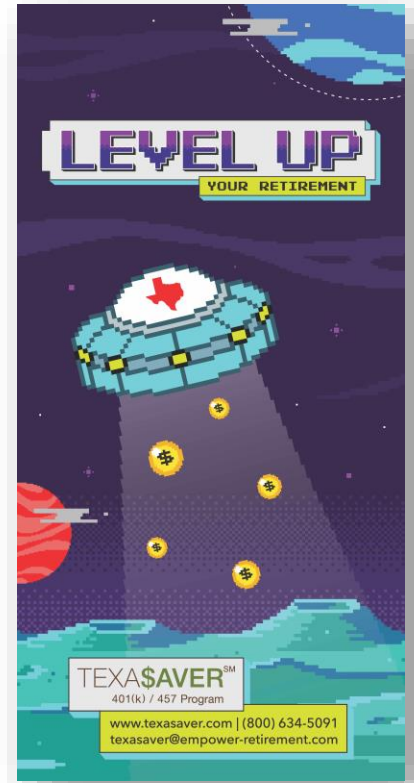
The *Level Up Your Retirement* campaign was created to:

- Educate eligible employees and participants that their ERS retirement (defined benefit plan) may only provide them with about 50% of their current income in retirement and that additional savings, such as the TexaSaver 401(k) and 457 plans, may be necessary to bridge the retirement savings gap.
- Encourage those not enrolled in the TexaSaver program to enroll in order to help close the income gap they may face in retirement.
- Remind participants in the program about the benefits of compound growth so they would decide to take action to increase their contribution above the minimum 1% or \$20 per paycheck.
- Inform and show participants in the program how setting up an automatic increase of their contribution is easy and could positively impact their retirement savings due to compound growth.
- Encourage participants to enroll in the Manage Account service (offered through the TexaSaver Advisor Service) to benefit from an investment professional at no additional cost for the first 90 days.
- Remind eligible employees and participants about the resources available as a participant; such as the ability to meet with their TexaSaver Education Counselor.

The *Level Up Your Retirement* campaign, launched on June 20, 2019, garnered substantial praise and was extremely well received with the rollout of the *Level Up* pre-login web tile on www.texasaver.com linking to the animated, educational and interactive campaign BrainShark, the first of several Facebook posts, the post-login web message and the first send of the targeted email linking to the TexaSaver program website and campaign BrainShark.

The *Level Up Your Retirement* BrainShark analytics showed **2,100** TexaSaver program participants and/or eligible employees viewed the interactive presentation during the campaign – representing a **59%** increase over the custom campaign BrainShark views in 2018. Additional analytics showed that **40%** of viewers watched **70% - 100%** of the educational, campaign presentation to learn how to level up their retirement savings.

In an effort to further encourage education and outreach of the benefits of the TexaSaver program during June and July, TexaSaver Education Counselors held **135** group meetings and **609** one-on-one meetings with **3,053** current participants and/or eligible employees in attendance from throughout the state of Texas. Additionally during the summer enrollment time frame, the *Level Up Your Retirement* campaign was represented by the campaign easel banner and specialty TexaSaver program branded promo items – containing the program's website and phone number – that were given away to attendees as a reminder of how they could get more information about "blasting off" to reach their retirement income goals with the program.



The first *Level Up* email was sent on June 25 to 16,714 eligible employees who were not enrolled in the program and to 15,919 program participants who were still contributing the minimum amount of 1% or \$20 per paycheck. The email received an impressive **35%** open rate (14 percentage points above the 21% industry average). Also, of those who opened the email, **52%** of them clicked “PRESS START” which directed recipients to the Texa\$aver program website to enroll and/or increase their contributions.

On July 16, a second *Level Up* email was sent as a follow-up reminder to participants who didn’t open the first email. The second email send received another outstanding **31%** open rate and a **13%** click to open rate (12% industry average) – both over their perspective industry averages. Of those recipients who opened the email, **33%** of them clicked “PRESS START” to enroll and/or increase their contribution on www.texasaver.com.

Level Up campaign-specific data from June 24 – August 31, 2019 showed **2%** of eligible employees who were not automatically enrolled passed “savings level one” by enrolling in the 401(k) or 457 plan after receiving the targeted campaign email or postcard. Further campaign-specific data proved that **5%** of email and postcard recipients advanced to “level two” in the retirement savings “game” by increasing their contribution amount above the 1% or \$20 minimum in the 401(k) or 457 plan. Deeper “level up” campaign-specific data provided a **57%** increase in the number of email recipients who set up an automatic contribution increase election in either the 401(k) or 457 plan when compared to the same 2018 timeframe. Additional targeted email or postcard automatic increase contribution election results showed that **64%** of those participants set their maximum contribution amount to **5% or more** and **36%** set their maximum contribution amount to **\$50 or more**.

In addition to the targeted email, targeted postcard mailing and educational meetings with the Texa\$aver Education Counselors, general population tactics of a pre-login web tile, a post-login web message and several Facebook posts (each of these digital tactics linked to the interactive campaign BrainShark) contributed to the successful 2019 *Level Up Your Retirement* summer enrollment campaign timeframe. Year over year summer enrollment campaign timeframe data pulled from June 24 – August 31, 2019 versus the same 2018 timeframe resulted in the following enrollment successes:

- an impressive **618%** increase in 401(k) plan enrollments for eligible state employees
- an outstanding **249%** increase in combined 401(k) and 457 plan enrollments

Texa\$aver Advisor Service data during the summer enrollment campaign timeframe comparing June 24 – August 31, 2019 to the same 2018 time period for both the 401(k) and 457 plans showed **909** participants enrolled in the Managed Account service versus **702** participants from the previous year – representing a fantastic **29%** increase. Additionally, Managed Account specific year over year data for the time period above versus the same in 2018 showed a **24%** increase in 401(k) plan participants and a **36%** increase in 457 plan participants who enrolled in the Managed Account service to take advantage of the first 90 days in the service being free to new enrollees. This outstanding increase in Managed Account enrollees represented over **\$6.4M** in new assets under management, which is a **58%** uptick compared to assets under management during the same time period in 2018. Due to the summer enrollment meetings with the Education Counselors and the campaign’s education and encouragement to take advantage of the Managed Account service, these participants are now provided with retirement planning information from investment professionals, personalized savings amount and investment selection recommendations, withdrawal distribution suggestions and periodic consultations with investment adviser representatives throughout their entire journey to retirement.

Relative Significance of Improvement/Perspective for the Change

The information presented in the campaign is significant as it addresses the larger issue of the retirement income gap. Participants have become more informed consumers of financial information, increasing the potential for higher returns on their investments, higher savings rates and a greater likelihood of meeting their retirement goals.

Benefits Realized by Service Recipients

Texa\$aver program participants benefit from educational resources that will raise overall financial knowledge and literacy. State of Texas employees are empowered with information to make them more informed and effective consumers of financial services.

There are several benefits to the state and its employees, including:

- The state meets its objective of providing a first-rate deferred compensation plan for its employees.
- The state empowers its employees to make more informed savings and investment decisions.
- The state sustains a commitment to address the larger issues of financial literacy and the retirement income gap – issues that impact not only its employees, but also future retirees nationwide.

Return on Investment

Long-term benefits for participants (and the state) include:

- Improved awareness and increased participant involvement in the voluntary program, due to a customized and creative education strategy.
- Increased utilization of the plan benefits and features (e.g., ongoing increases in contribution rates, use of catch-up provisions, informed retirement planning) due to the unbiased financial and educational support provided by plan communications.

Feasibility of Use by Other Governments

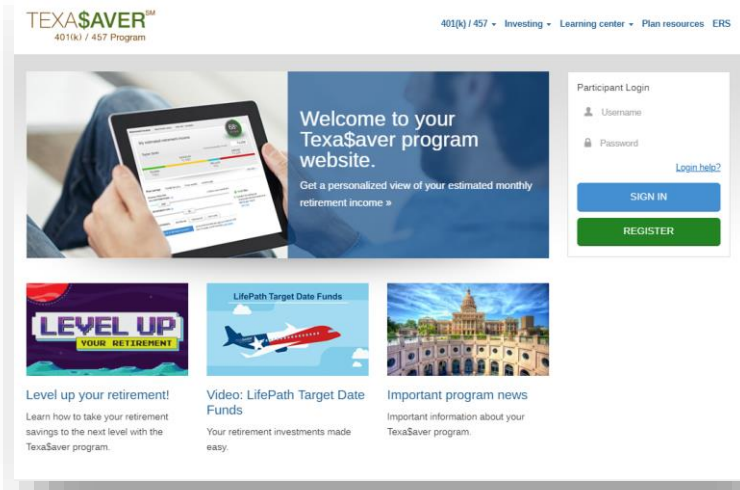
The approach taken by ERS is a model for state governments seeking to educate and inform participants regarding the benefits of deferred compensation savings.

TexaSaverSM 401(k) / 457 Program TexaSaver Level Up Your Retirement Campaign Tactics

TexaSaver Program Branded Promo Items (webcam covers and tech tacos)



Level Up Pre-login Website tile (linked to the [Level Up BrainShark](#))



Targeted Level Up Postcard

back



front

Level Up Post-login Website Message (linked to the [Level Up BrainShark](#))

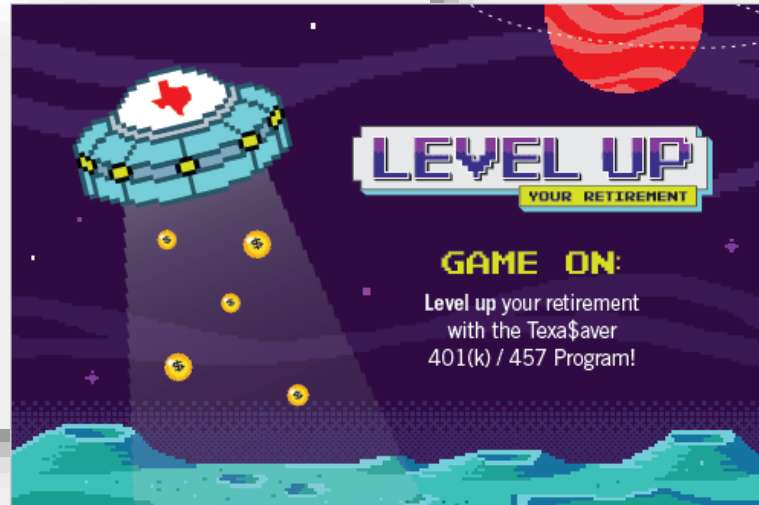
Plan Messaging

June 20, 2019

TexaSaver 401(k) Plan

Level up your retirement!

Learn how to take your retirement savings to the next level with the TexaSaver program. [Watch this brief presentation](#)



There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.
 * FOR ILLUSTRATIVE PURPOSES ONLY. This is a hypothetical illustration to show the value of an increase in contributions; it is not intended as a projection or prediction of future investment results, nor is it intended as financial planning or investment advice. It assumes a 6% average annual rate of return, 12 pay periods, \$40,800 annual salary with no increases invested over 30 years, reinvestment of earnings and that the payee lives 20 years in retirement. Rates of return may vary. This illustration does not include any charges, expenses or fees that may be associated with your Program. The tax-deferred accumulations shown above would be reduced if these fees had been deducted.
 ** The Managed Account service is part of the TexaSaver Advice or Service suite of services offered by Advised Assets Group, LLC, a registered investment adviser. After 90 days, monthly fees apply based on a percentage of your assets under management.
 Core securities, when offered, are offered by the TexaSaverSM program through GWFS Equities, Inc. GWFS is affiliated with Great-West Funds, Inc., Great-West Trust Company LLC, and registered investment advisers Advised Assets Group, LLC and Great-West Capital Management, LLC, marketed under the Great-West InvestmentsSM brand. This material has been prepared for informational and educational purposes only and is not intended to provide investment, legal or tax advice. 98960-01-02-CRO-26127-1906 R0809679-0619

TexaSaverSM 401(k) / 457 Program TexaSaver Level Up Your Retirement Campaign Tactics

Level Up Facebook Posts

#1 Posted July 17 (linked to the [Level Up BrainShark](#))



#2 Posted July 24 (linked to the [Level Up BrainShark](#))



#3 Posted July 29 (linked to the [Level Up BrainShark](#))



TexaSaver Level Up Campaign Email

(linked to [texasaver.com](#) and the [Level Up BrainShark](#))

Subject line: Mark, level up your retirement with the TexaSaver program

ERS EMPLOYEES RETIREMENT SYSTEM OF TEXAS | TEXAS\$AVERSM 401(k) / 457 Program

LEVEL UP
YOUR RETIREMENT

GAME ON:
Level up your retirement with the TexaSaver 401(k) / 457 Program!

On your mission to retirement, the TexaSaver program can help you take full control and know which savings buttons to push.

All you have to do is:

- Enroll in the TexaSaver program — you can't win (and save!) if you don't play.
- Boost your contribution rate to help move your retirement income score to the top of the leaderboard.
- Advance to the next level each year with automatic increases.

When you save a higher percentage of your salary, you can level up faster.*

High score: 1%	High score: 5%	High score: 10%
Total in retirement: \$245/month	Total in retirement: \$1,223/month	Total in retirement: \$2,447/month

Don't wait to begin — launch your financial future today!

PRESS START

See how you can blast off toward your retirement savings goals with the TexaSaver program.

*Want to elevate your investment strategy? Unlock a new level with the Managed Account service — available at no additional cost to you for 90 days!****

www.texasaver.com | (800) 634-5091

Level Up BrainShark



Level Up Easel Banner

