

# CASE STUDY

## RED WING SHOE COMPANY

### THE BACKGROUND

Based in Minnesota, Red Wing Shoe Company is a leading manufacturer of premium safety and heritage footwear. Established in 1905, Red Wing Shoes is an enduring brand that strives to make a difference in people's lives — a mission that applies to its employees. The company wanted to provide more value for its highly compensated employees (HCEs) by encouraging them to enroll in the nonqualified deferred compensation (NQDC) plan. Due to IRS limits, HCEs are often restricted from contributing enough through their defined contribution plan to meet their income needs in retirement. The NQDC plan offers an opportunity to save more for the future and improve their chances of a healthier, more secure retirement.

### THE GOAL

Through education and strategic communications, we strive to help Red Wing Shoes achieve increases in enrollment and contribution elections in the NQDC plan each year.

### THE CHALLENGES

Rolled out during the 2019 open enrollment period, the campaign was time-sensitive and carried a sense of urgency for eligible employees to take action. NQDC plan features can be complex, particularly regarding distribution options, so it was critical to create a simple, straightforward communications campaign that would educate HCEs about the benefits of the NQDC plan and prompt them to enroll.

### THE SOLUTION

The award-winning campaign consisted of a series of emails, a condensed plan highlights brochure, and a presentation given by a Transamerica retirement planning consultant.

**Email 1 announcement** – Sent at the start of open enrollment, the email invited employees to attend a live presentation to learn more about the NQDC plan. The email provided a link to the plan highlights brochure as well as instructions and a link to enroll in the plan. This email was resent one week and two weeks after the initial contact.

**Email 2 reminder** – Sent one week before the conclusion of open enrollment, this email created a sense of urgency for those who had not taken action. It included the same links as the first email, along with a link to a recording of the webinar so employees could watch at their convenience.

**NQDC plan highlights brochure** – Each email included a link to a comprehensive, eye-catching guide to the benefits and features of the NQDC plan.

**NQDC plan webinar** – Designed to explain how the NQDC plan works in an easy-to-understand way, this webinar discussed eligibility, contribution limits, and distribution options. A link to register for the live webinar was included in the first email, and the final email contained a link to the recording so employees could watch anytime.

### THE CLIENT

**SPONSOR:** Red Wing Shoe Company

**GROUP:** Highly compensated employees

**PLAN:** Nonqualified deferred compensation plan

**FOCUS:** Increase participation and deferrals



### AWARD-WINNING CAMPAIGN



1st Place, Special Projects, 2021 Pensions & Investments Eddy Awards

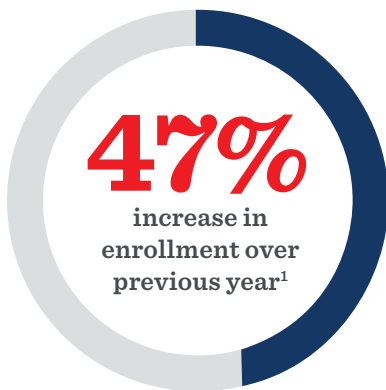


3rd Place, Plan Promotion, 2020 Plan Sponsor Council of America Signature Awards

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This successful campaign strategy led to an increase in enrollments and higher contributions from the previous year, indicating that this group of select Red Wing Shoe Company employees are now better prepared for retirement.

## THE RESULTS



Average annual contributions to the plan amounted to nearly



**\$12,000<sup>1</sup>**

**42%**

year-over-year increase in base-salary elections<sup>1</sup>

**102%**

year-over-year increase in bonus elections<sup>1</sup>

## ABOUT TRANSAMERICA

**TOP 10**  
PROVIDER IN THE U.S.<sup>2</sup>

**4.1 MILLION**  
PARTICIPANTS<sup>3</sup>

**85+ YEARS**  
EXPERIENCE

<sup>1</sup> Internal client data

<sup>2</sup> As measured by DC participants. "2022 Recordkeeping Survey," PLANSPONSOR, July 2022

<sup>3</sup> As of December 31, 2021

Note: Case studies are illustrative and do not imply an endorsement of any particular product or service. Each employer's situation is unique, and results may vary.

