

Consumer products

Success story



The background

Headquartered in the United States, this Fortune 500 consumer products company is one of the world's most respected brands. With close to 10,000 employees in 49 U.S. locations, the company's diverse participant population spans age ranges and career stages. Communicating effectively with all employees is a high priority because the company understands the importance of helping them prepare for a financially secure future – a viewpoint largely responsible for the success of the company's 401(k) plan, which boasts a 96% participation rate.

The challenge

Looking to go beyond its impressive participation rate, the company decided to make significant enhancements to its 401(k) plan design. The enhancements included adding a Roth contribution option, increasing the plan's maximum contribution rate, increasing the default contribution rate for new hires, providing immediate 100% vesting of employer contributions, allowing separate contribution elections for bonuses, and removing the requirement to make a separate election for employee catch-up contributions.

Helping employees understand the advantages of Roth contributions was important, but the subject's complexity presented challenges. The message had to be presented in a way that would make sense to participants with varying degrees of financial sophistication.

The timing of the changes presented an additional challenge. The enhancements took effect in January, requiring communication during the holiday season when many employees have their minds on things other than the 401(k) plan.

The solution

Given the scope of the plan enhancements, Transamerica spent several months working closely with representatives from the client's core 401(k) benefits and strategy teams, internal communications, and public relations staff. The team decided on a two-phased approach with joint goals of educating participants about the plan enhancements and increasing their awareness of Transamerica's tools and services available in the 401(k) plan.



The client

Industry: Consumer products

Plan: 401(k) defined contribution plan

Focus: Enhanced plan design—new savings opportunities



Winner of the

PSCA

Signature Award for Plan Change communications



14.6%

actively contributing participants increased their total contribution percentage with an average Roth contribution rate of 9%

Phase 1 offered “coming soon” messaging delivered using a custom interactive landing page, flyers, video, a postcard mailer, and copy on the company’s internal website. The team developed personas, to show participants how people with circumstances similar to their own might take advantage of the changes ahead. Employees also were encouraged to meet one-on-one with a Transamerica retirement planning consultant using a scheduling link.

Phase 2 focused on a “take action” message, beginning with an email from Transamerica that included a calendar link to save the date to take advantage of the enhancements as soon as they became available. Through the custom landing page, participants could get more information and learn how to make changes when they logged in to their dedicated retirement account. They were also encouraged to sign up for a 401(k) Plan Essentials webinar to learn more about the enhancements and overall benefits of the 401(k) plan.

To reach employees who did not engage online or via the email, the company displayed posters at all plant locations highlighting the plan enhancements and providing a QR code to the custom landing page. Transamerica also sent a postcard to all eligible and active participants once the plan enhancements were available for participant action. The postcard included a QR code for direct access to the custom landing page.

In early January, the company posted an internal intranet reminder about the live webinars happening that month. Transamerica hosted 401(k) Plan Essentials webinars, and retirement planning consultants were available for one-on-one appointments throughout the 2½ month campaign.

The result

The campaign’s results illustrate the success of this robust communication and education strategy. Within the first few months, more than 700 participants took action toward securing a brighter retirement by electing to increase their contribution rate. Roth contributions also increased, with 9% of participants electing to defer, on average, 9%. About 19% of participants made a separate bonus contribution, and 356 individuals named or updated their beneficiaries – 187 of them for the first time.

The company’s dedicated participant website enjoyed vibrant traffic counts, with 7,413 unique visitors, or 95% of the targeted audience, inspired to visit the site for the first time. There were 5,343 account logins and 349 new online accounts created as a result of the campaign.



Participants elected Roth with an average contribution rate of

9%



7.9%

Average bonus contribution to Roth 401(k)



95%

of targeted audience visited the plan website for the first time

About Transamerica

Top 10

retirement plan recordkeeper¹

4 million

participants²

90 years

experience

¹ “2024 Recordkeeping Survey,” PLANSPONSOR, June 2024

² As of December 31, 2024

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.

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