



# Inside Benefits Communication Survey Report

## August 2012

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## INTRODUCTION

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The benefits world is changing quickly.

Is benefits communication keeping up?

With a decade of health insurance and retirement reforms ahead, a still-turbulent economy, and a largely unhealthy and financially unstable workforce, companies are refining their benefits strategy and tactics to keep pace. Employers should be looking to strategic benefits communication to help manage costs while motivating critical behavior change among employees and families.

We recently surveyed hundreds of HR professionals about how they're communicating benefits in this rapidly changing landscape. The results are compelling.

**Many employers are missing key opportunities to use their benefits communications to meet larger strategic goals, the survey discovered. In many cases, they are also failing to implement simple, industry-proven best practices that could help them get the most value from their investment in benefits.**

With this survey, we set out to discover:

- The obstacles benefits professionals encounter as they work to improve their communications—and how they are overcoming them
- How companies use year-round communication and other strategies to get the most from their investment in employee benefits
- The role technology plays in organizations

This report details our findings and outlines the best practices that can be deployed by all organizations—regardless of size, resources or budget. It provides insight into what all organizations can do to get the most value from their benefits and their benefits communication efforts.

This survey is the first to document these details. We hope you use the insights to improve your own communications and create a path for success.

Please send your reactions, questions, feedback and insights to: [survey@benzcommunications.com](mailto:survey@benzcommunications.com).

*Thank you to Ron Leopold and Pi Wen Looi for their input on this survey report.*



## CONNECTING BENEFITS COMMUNICATION AND BUSINESS GOALS

While respondents share clear and ambitious goals, few are meeting them all. And few document their communications strategy, a key step in connecting communications efforts with key benefits and business goals.

### Predictable goals

Across industry and company size, organizations share the same overall goals for their benefits programs. Companies listed their top goals.

#### Top goals



figure 1

#### Goals for increasing employee health plan and wellness outcomes

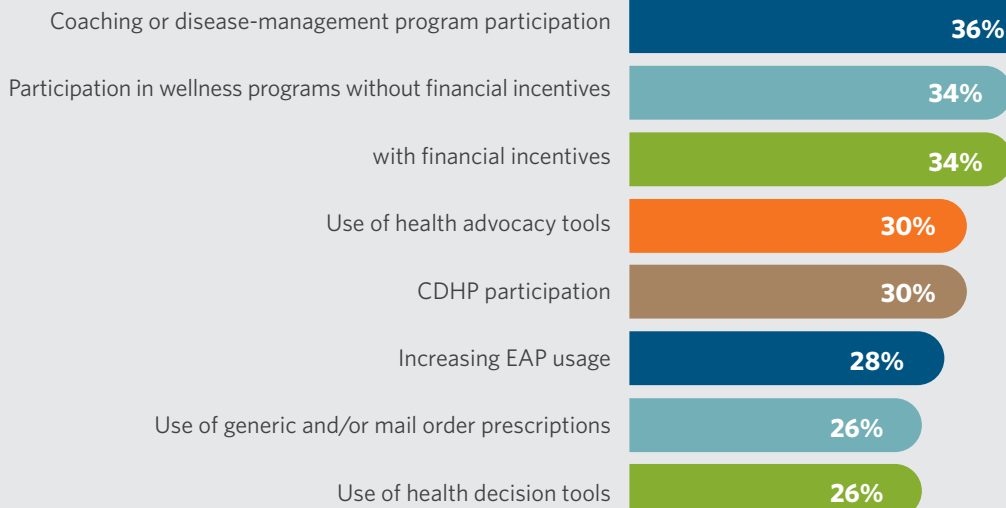


figure 2

### Struggling to meet the mark

While objectives are clear, few are meeting all their goals. Only about a quarter (24%) of those surveyed said they met all their goals last year, with an additional 19% admitting they weren't sure.

Respondents reported using a variety of methods to measure their success, with most relying on benefits plan enrollment and participation (72%) and anecdotal feedback (54%). Nearly half (49%) reported using employee surveys.





### Methods for measuring success

Using benefits plan enrollment and participation data is the best way to measure the success of communications efforts, and the survey showed 72% of respondents are doing so.

### Did you meet your goals last year?

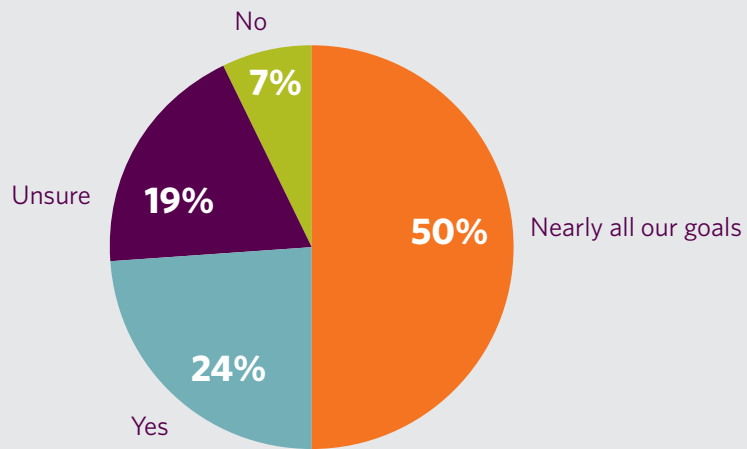


figure 3

### Are your benefits communication efforts helping you meet these goals?

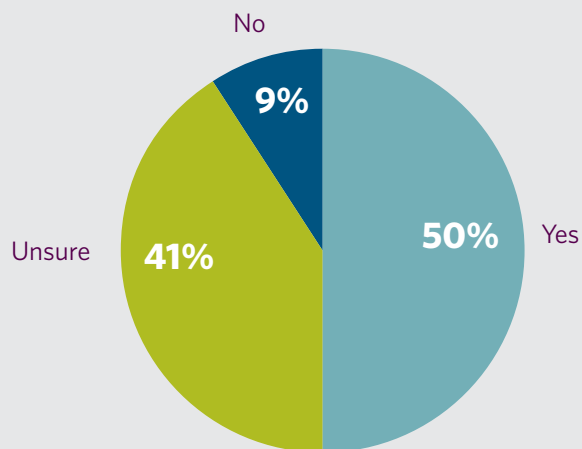


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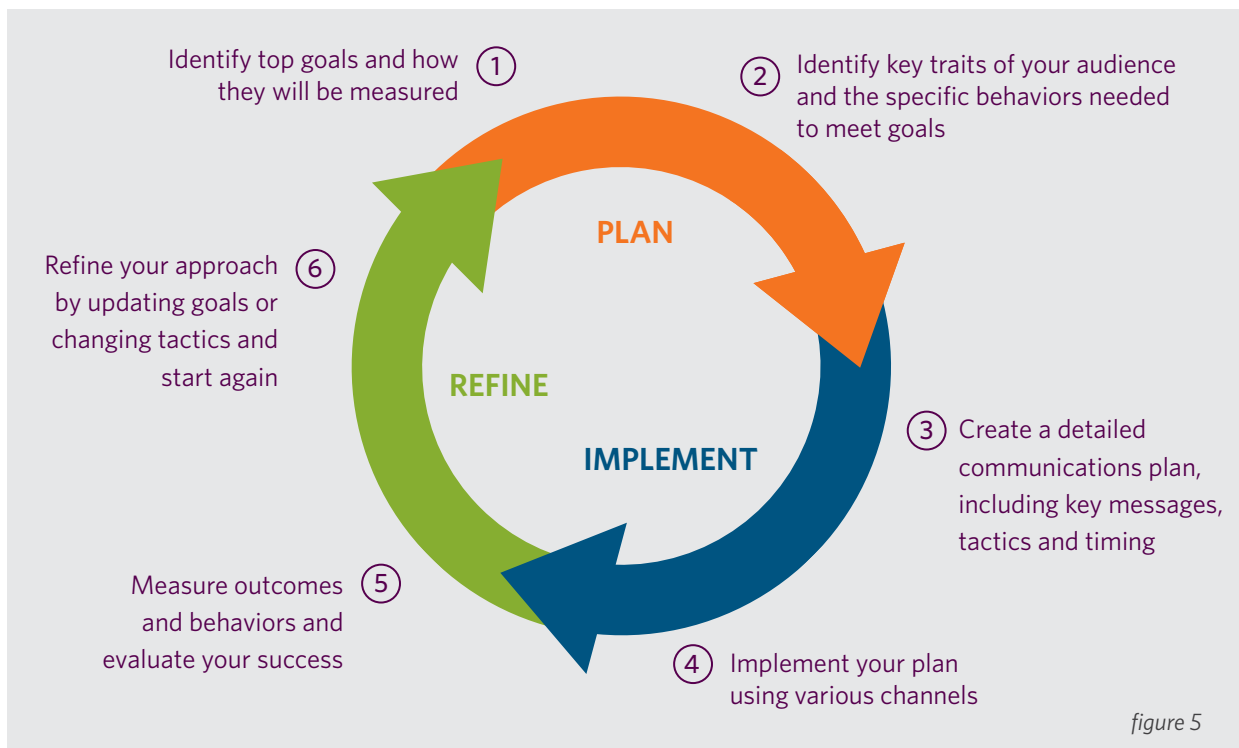
### Connecting the dots and reinforcing value

While more than half (56%) of respondents reported that communications improved in the past year, nearly half (45%) said they weren't satisfied with their current communications strategy; an additional 28% said they are ambivalent.

At the same time, half of respondents (50%) said their benefits communication efforts are helping them meet their goals, but nearly as many (41%) reported they weren't sure.

This could be because only 22% percent of respondents reported that they currently document their communications strategy, a crucial step in connecting benefits communication with overall benefits program and business goals.

### Communication strategy process



## TIP

**Document your benefits communication strategy.** This can be as simple as identifying the top 3 to 5 goals each year, how they will be measured and what efforts will be focused on them. Communications efforts cannot reach their full potential without documented goals. This is also critical to making the case for a dedicated communications budget.

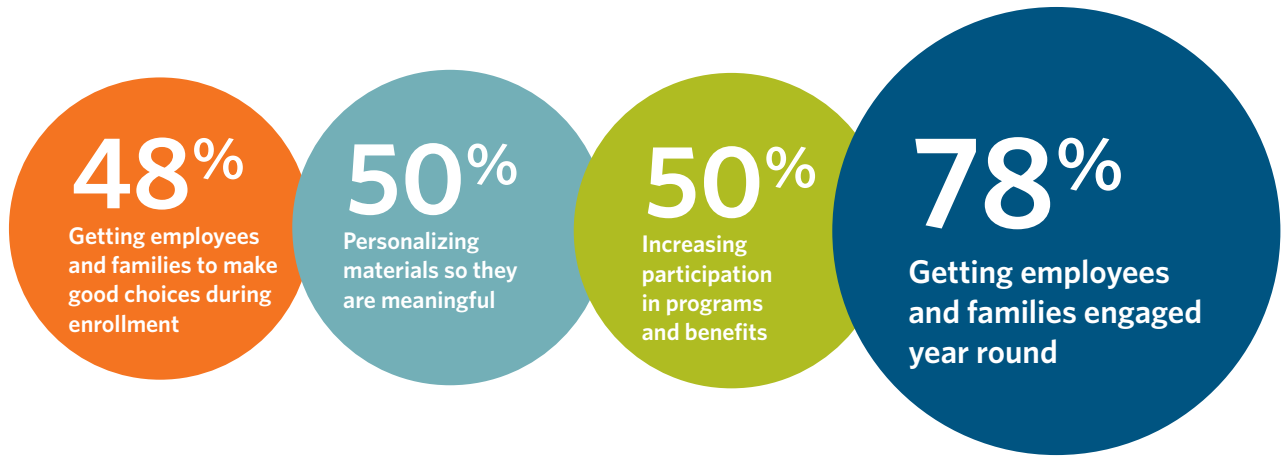


## FACING BIG CHALLENGES WITH LIMITED RESOURCES

Benefits professionals are tasked with addressing serious challenges and meeting goals critical to organizational and individual success. But they aren't getting access to the level of resources needed to support the changes on the horizon or to get employees engaged in making decisions about their benefits.

### Big challenges

Survey respondents cite these as their biggest challenges:



### What are your biggest benefits communication challenges?

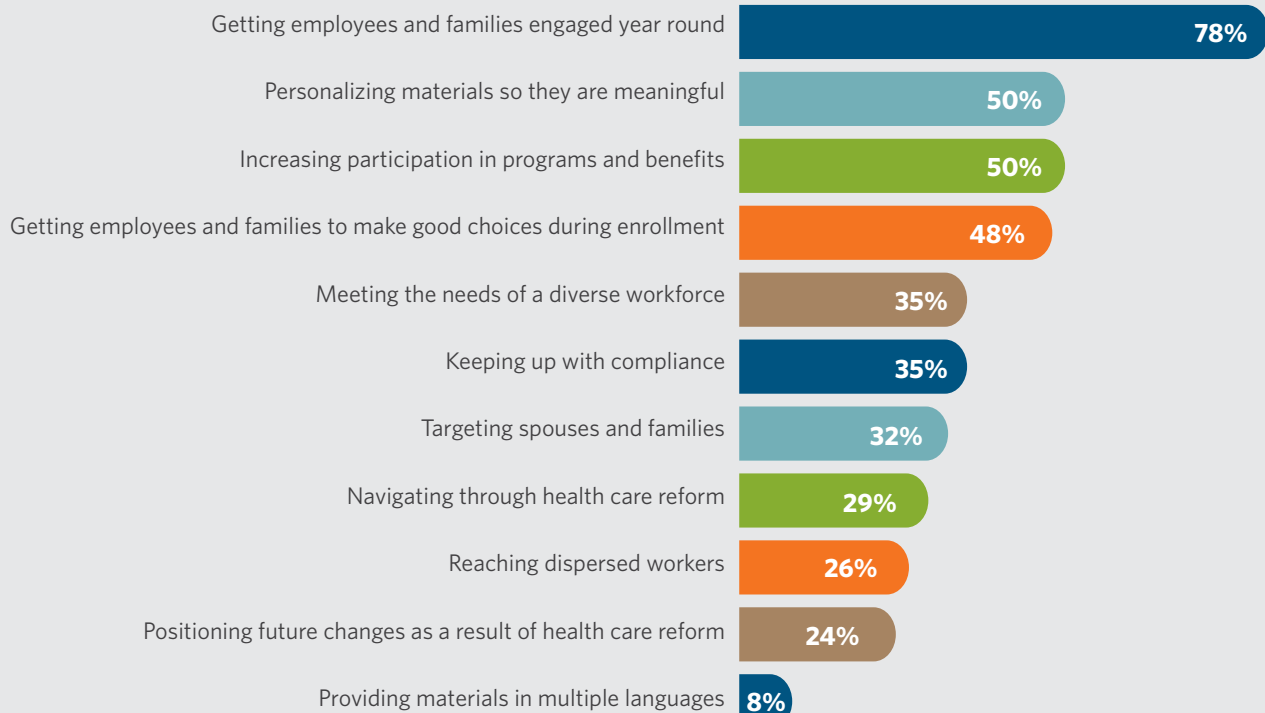


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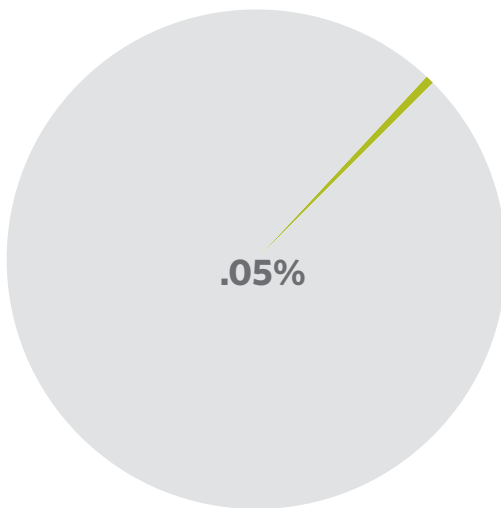
### Insufficient budgets

A significant majority (68%) of respondents reported annual budgets of less than \$25,000 for benefits communication, including printing and fulfillment costs. Ten percent reported budgets between \$25,000 and \$75,000. Only about 5% reported spending more than \$300,000.

In many cases, those funds are not being invested strategically. Two-thirds (66%) of respondents cited print and postage costs (a one-time non-renewable expense) as consuming most of their budget. Two of the most strategic resources, external consultants and web, were only cited by 14% and 11%, with content rounding out the list at 10%.

### Bringing in help

The majority of benefits professionals surveyed say they receive help meeting their goals from a mix of internal and external sources. The most popular resources are free resources or services from carriers and administrators (61%), broker or health management consultants (55%), and communications consultants (19%).



#### Current budgets will not get desired results

Such limited budgets are insufficient to meet basic communication needs and will prevent companies from getting the most value from their benefits programs. Even in organizations with the largest communications budgets, the investment in benefits communication is insignificant when compared with their total benefits spending. Based on our experience with a variety of companies by size and industry, it often takes less than 1% of total benefits spending to see remarkable results from communication efforts.

**TIP**

#### ***Making the case for a bigger budget and not sure where to invest first?***

*Start with a benefits website—and put it outside your company's firewall. A benefits website provides employees with a single go-to resource for all their benefits information, dramatically simplifying and improving communications. Because the resource is accessible to all employees and family members, it will reduce the need for lengthy print materials, in many cases, paying for itself in just a few years.*





## ENGAGING YEAR ROUND

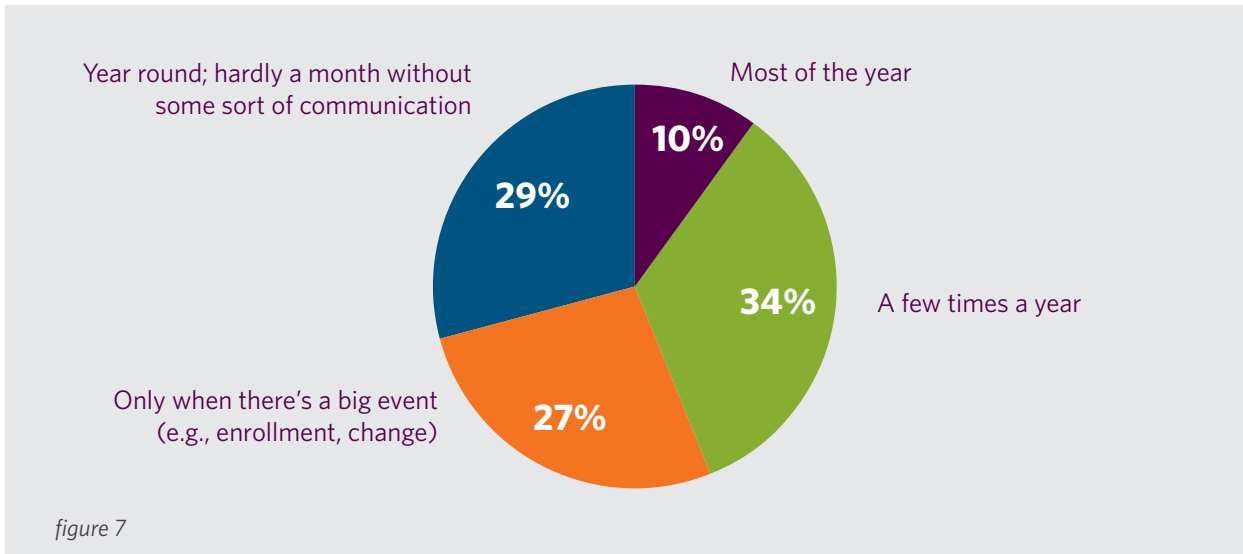
Benefits professionals want to get employees actively engaged in decisions about their health and finances. But few companies reported that they brand and target materials, two proven methods for improving engagement. Additionally, few said they communicate year round, and adoption of the tools that ease year-round communication, including external benefits websites and social media, remains low.

### *Frequency of communication*

Getting employees and families engaged year round led the top benefits communication challenges—78% identified it as a concern. Despite this goal, more than a quarter (27%) of employers admitted they only communicate with workers about benefits when there's a big event, such as open enrollment or a change in benefits plans.

It's no surprise that companies that communicate year round are more successful, and the survey respondents proved that. Of the companies that communicate year round, 84% met all or nearly all their goals.

### How frequently do you communicate benefits?



### *Personalizing and targeting communication*

Personalizing materials so they are meaningful was one of the top challenges cited by the benefits professionals surveyed, with 50% noting it as an issue. When asked if they differentiate their communication by audience, the majority (66%) of respondents reported they are still relying on a one-size-fits-all approach. Few are embracing the tools and tactics that enable a more personalized and tailored benefits experience.



### Branding materials

Branding benefits communication (creating materials consistent with the company's "look and feel") is an important part of reinforcing value and engaging employees and families. In most cases, employees are more likely to look at company-branded versus vendor-branded information. Yet only a third (32%) of respondents said they brand their communications. Half (50%) said their materials are a mix of the employer brand and vendors' brand.

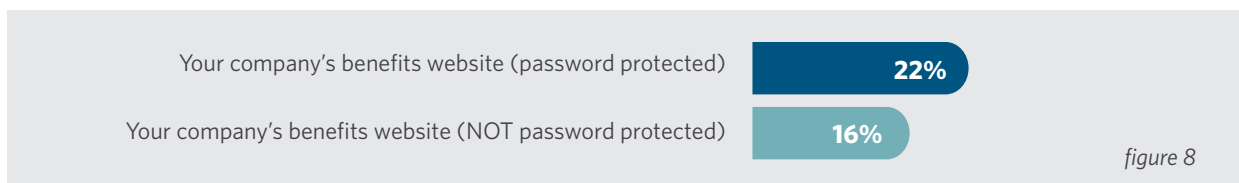
### Reaching families online and at home

Only 38% of respondents stated that they give employees access to their benefits information on a website outside the company firewall. Others are missing this important channel for communicating with workers and families throughout the year.

More than half (53%) of respondents indicated that they do not communicate to spouses and families at all. These companies reported that they communicate benefits using employee-only channels, such as email and a company intranet, compared with 42% who reported that they mail materials to homes.



### What Internet resources (outside your company's firewall) do employees have available to them?



## TIP

**Use your employer brand for benefits communication materials.** While it seems easy and cost-effective to just use your vendor's materials off the shelf, it creates a more cohesive experience if you communicate key benefits information under the employer brand. You don't always have to spend a lot of money on design and production. Investing in a set of simple templates to use for emails, postcards and print materials can make ongoing communication more effective and less expensive.



## COMBINING TRADITIONAL AND NEW MEDIA

Traditional print and in-person channels retain a strong position in the benefits communication arsenal; adoption of new media and mobile channels is slow.

### *Using traditional channels*

In-person meetings (51%), email (54%) and print materials—distributed on-site (45%) and mailed to homes (40%)—are all key communication channels for survey respondents.

The most effective communication campaigns combine various channels to reach a diverse workforce.

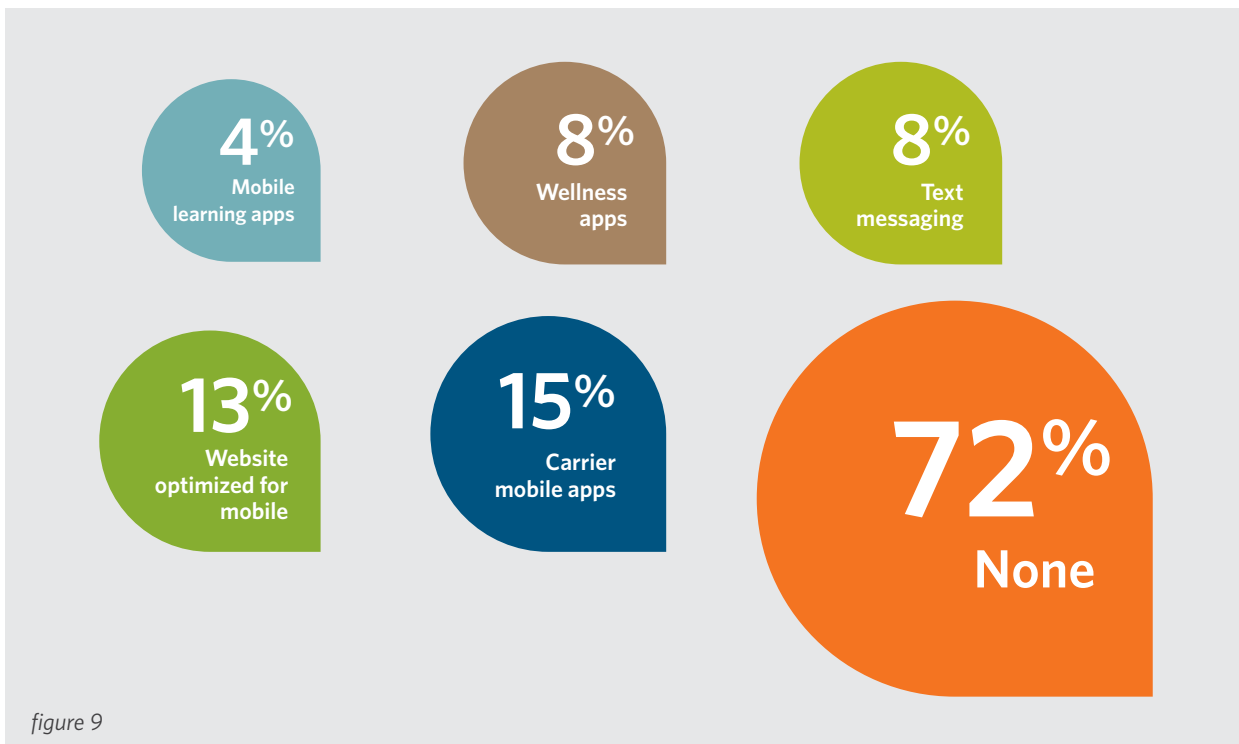
### *Mobile adoption low*

When asked if any of their Internet sites were optimized for mobile phones, 67% of respondents said they are not, and their company does not have plans to optimize them in the future.

Only 13% said they have mobile-optimized sites, and just 19% reported plans to optimize for mobile access soon.

Additionally, while mobile tools have proven effective for wellness and overall benefits education, few are using them. Only 8% are using wellness apps, and just 15% are using carrier-provided mobile apps.

### What mobile tools are you using?

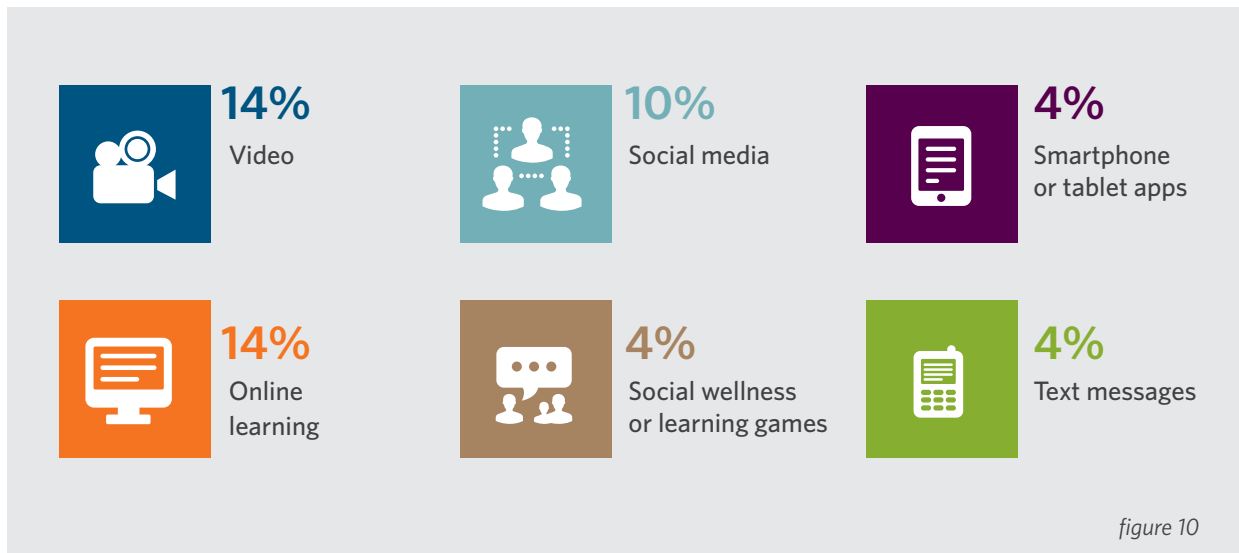




## New media

Innovative tools—from online video to targeted text messages—can enrich benefits communication efforts and give employees and families new ways to receive and engage with information. Yet few are using the variety of tools available. Few respondents use video and online learning. Fewer still are using games, apps or text messaging.

### Which new media channels do you use?



## Decision support tools

Decision support tools, which have been in the market for more than 10 years, are used by 34% of respondents. These include online cost comparisons, cost modelers, plan selection tools and others.

Very few companies (3%) reported that they are using new interactive decision-support tools like Trustnode and JellyVision.\*

\*Trustnode and JellyVision are two new interactive support tools. You can find more online at [www.Trustnode.com](http://www.Trustnode.com) and [www.Jellyvision.com](http://www.Jellyvision.com)

## Multi-channel for multiple generations and learning styles

Diverse employees mean diverse adult learning styles—visual, auditory, kinesthetic, to name a few. Fortunately, you have access to multiple communication channels—print, Internet, video, in person, social media, mobile devices, infographics—to deliver information in all the ways your employees consume and actually learn. By using the various channels available, you can let individuals self-select the types of information that work best for them.

# TIP

**Optimize your benefits website for mobile devices.** This creates a better user experience on mobile devices and will help keep people engaged and using the site, especially as more and more people access the Internet through mobile devices. According to International Data Corporation (IDC), by 2015, more individuals will access the Internet via mobile devices than through PCs or other wired devices.



## AVOIDING SOCIAL MEDIA

Despite social media's ubiquitous presence and use by all ages, few employers reported that they are adopting it for use in benefits communication. Common concerns about its use are based on old assumptions, not real-world experience.

### *Use of social media*

The vast majority of those surveyed (83%) said they're not using social media to communicate about benefits. And they aren't looking to try it this year either. About two-thirds (67%) said 2012 would not be the year they give it a try.

### *Common concerns prevent adoption*

The most common concern of those who haven't adopted social media is the challenge of keeping up with the content (63%). Only 8% said they aren't using social media because they don't believe it is an effective tool.

Other concerns included worries about privacy and sharing personal information (49%) and monitoring employee/family posts (48%)—all of which can be alleviated with technology safeguards like commenting moderation.

### What are your concerns about using social media?

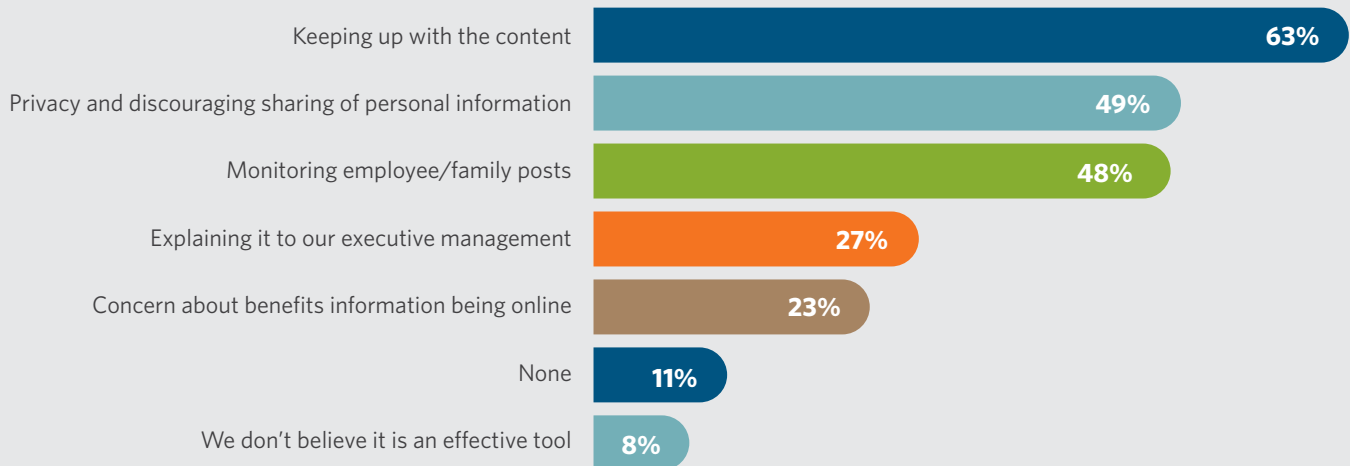
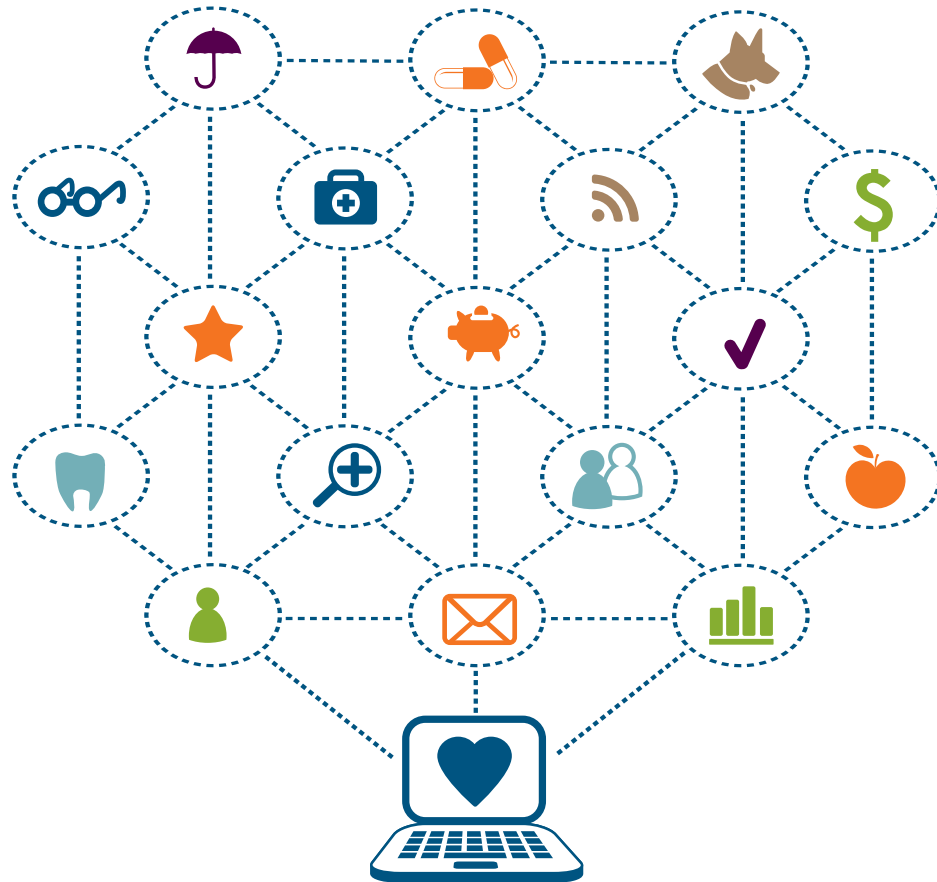


figure 11



## Understanding social media

Social media isn't a single tool or platform. The term includes a variety of channels, such as blogs, microblogs, podcasts and videos, social networks and user forums. Many can be integrated into existing online resources and fully controlled and monitored, thereby alleviating concerns about privacy.

Organizations that have embraced social media use it as a tool for simple, low-cost and ongoing communication. Rather than another channel to maintain, and a drain on resources, social tools become a way to improve the effectiveness and efficiency of communication. They allow real-time updates, an ongoing dialog with employees and families, and a simple and inexpensive way to keep online resources fresh.

### TIP

**Use online tools to build a year-round conversation.** *Creating and maintaining robust online channels lets companies communicate more frequently at a lower cost. A benefits website is the best channel for year-round communication, and companies that have their benefits on the Internet are much more likely to communicate year round in all channels. Social media can be integrated into the benefits website, making it easy to deliver short and inviting reminders and tips, while keeping full control. Organizations that make this investment often are able to lower their cost of communication over time.*

## CONCLUSION

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As more and more responsibility shifts to employees, companies need to help them make good short-term decisions and see the longer-term picture of their health and financial security. This requires changing individual behaviors—behaviors that have been ingrained through decades of habits and learning. Companies need aggressive, year-round, multi-channel communication efforts to impact these behaviors—from improving health to saving more for the future.

To succeed, they need to invest in communication over the long term. Companies that do will see meaningful improvements in engagement and participation, and they will be able to clearly measure results and prove that their efforts are worthwhile.

This is a huge opportunity for HR and benefits managers to make a tremendous impact on their company's employees and their company—and, in the process, help improve our country's future.

**But we need to act.**

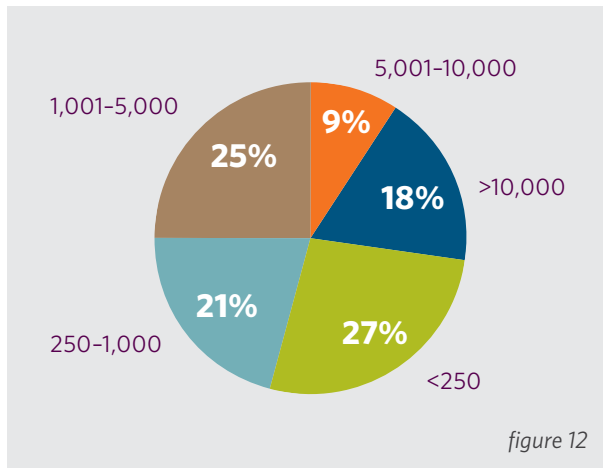


### About the survey

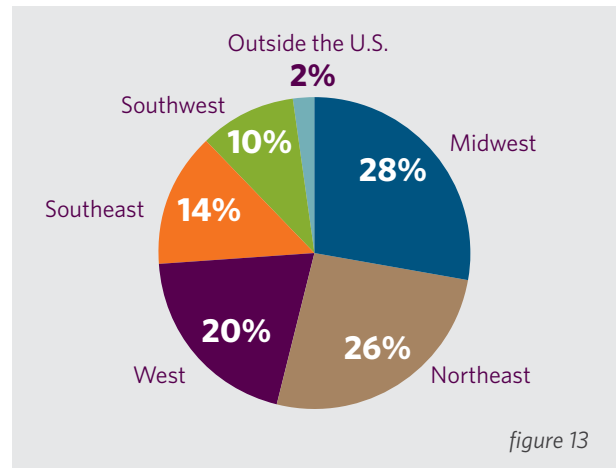
The 2012 Inside Benefits Communication report is based on a survey of 298 benefits professionals conducted in May 2012. The survey included 36 multiple choice and three optional fill-in-the-blanks questions.

Participants included HR professionals in a variety of roles from companies of all sizes and regions across a wide range of industries.

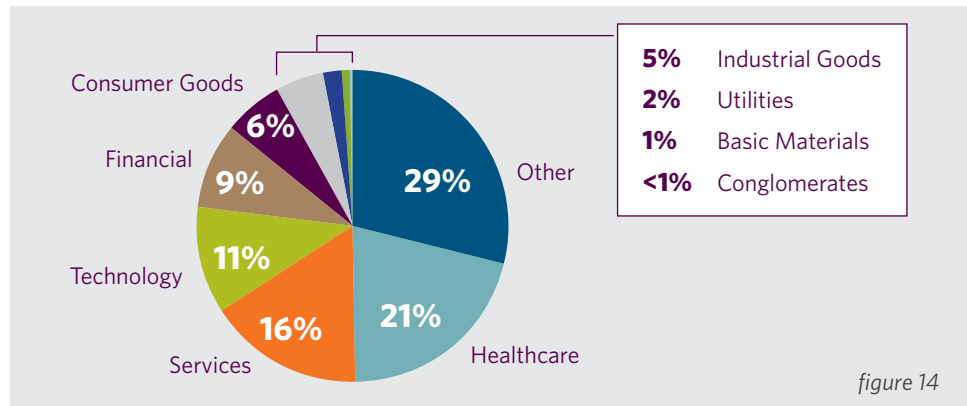
#### Number of employees in the U.S.



#### Headquarters location



#### Industry type



### About Benz Communications

Benz Communications is an HR communications strategy boutique that creates integrated employee benefits campaigns for employers committed to nurturing employees. Benz Communications' clients include Fortune 500 companies and Fortune 100 Best Companies to Work For.

#### Contact

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