

It is a common frustration for many employers that the considerable time and cost they put into their workplace pension offering is not sufficiently understood and appreciated by their staff.

Wrigley UK is no exception to this. While primarily known for its chewing gum varieties, the company also produces a number of lozenge brands and well-known confectionary, Skittles and Starburst.

Those outside the company may not know all about Wrigley – such as its manufacturing of sweets as well as chewing gum – but those working within the company also did not seem aware of all it offered, judging by the low interest from the staff in the company pension schemes.

The vast majority of Wrigley's 545 UK staff are members of its DB scheme. It currently has 400 active members of the scheme, with 761 deferred members and 468 pensioners. The contracted-out DB scheme offers a 60th accrual rate, with 2 per cent member contributions and a normal pension age of 65. The company matches 50 per cent of any additional voluntary contributions, up to 3 per cent of salary.

#### Focus on DB

As the DB scheme closed to new members in September 2008, Wrigley also has a DC scheme with 139 members. Due to the greater member engagement generally required with DC schemes to generate sufficient retirement outcomes, the focus of pension scheme communications is usually to increase awareness and understanding of a company's DC offering. Yet when Wrigley decided



## Fresh interest

Wrigley UK has taken the somewhat unusual decision to overhaul its DB scheme communications in order to increase member understanding and awareness. Laura Blows finds out how this was achieved, and why video had an important role to play

to overhaul its pension communications, its first focus was to highlight its DB scheme.

“A substantial proportion of our workforce remains in the DB plan and it represents a significant financial commitment by the company,” Wrigley rewards adviser Paul Martin explains. “Getting value from this is important. Retirement planning by members is just as crucial within a DB environment as in a DC environment, and often the complexity of pay definitions and formulae make it hard to understand.”

Martin describes the company's DB communication prior to this project as undertaking “the usual, disclosure-compliant

communication”.

This included the booklet and summary funding statements, which were plain text documents. However, Wrigley did also provide an annual benefit statement for members within its broader total reward statement.

So the Wrigley Pension Plan trustees looked to partner with a communications specialist to help improve its communications. The brief it sent out stated: “The Wrigley Company and Wrigley Pension Plan trustees wish to partner with a pensions communications specialist who will bring alive essential legislative communications, while at the same time developing educational communications that will bring greater understanding and





ownership and appreciation from members.”

Answering this call, and deemed most suitable as a partner, was employee communications firm Like Minds. Together with Wrigley they decided that the nature of the communications project should be determined by member research.

#### Lack of interest

However, this was where the lack of interest in the company schemes became apparent. Ideally the communication strategy would have been led by member research, Martin explains. “This would have helped identify the media to use and the most appropriate messages. But attempts to get members to volunteer for this failed.”

Yet the response (or lack of it) did in itself give Wrigley and Like Minds a starting point. As Martin says, “the level of engagement can be measured by the absence of any volunteers to take part in suggested focus groups on pension communications”.

So rather than develop a plan

that was shaped by research from the outset, as was their intention, Wrigley and Like Minds changed tack. They decided to begin the project by providing members with a range of communications, and then elicit feedback that could be used to review and adapt the plan.

This revised plan actually worked out better than expected.

Martin explains: “Members find it easier to comment on actual items they have seen, rather than talk theoretically about the type of communication they would find helpful.

“For example, it is easier to get views on whether a specific newsletter is easy to understand and covers issues that are of use, than it is to arrange a discussion on what could go into a newsletter when members only have a hazy idea of what one actually looks like.”

As well as showing how little interest members had in their pen-

sion scheme, the lack of volunteers also emphasised the need to grab attention with the communication from the start, Martin adds. “Members needed some help in order to be convinced this is important and worth reading.”

#### Teaser campaign

In order to catch members’ attention,

a teaser campaign was implemented. This consisted of a teaser mailer, sent either by email or post, which compared the value of a company pension to the value of luxury items such as a six-month stay at the Ritz, a Rolls Royce, or the cost of a house.

The mailer was followed up by an initial newsletter

that picked up on the theme of the teaser. This included a request for feedback sent alongside the newsletter. These were introduced over a six month period, along with an updated, user-friendly booklet and

**“Retirement planning by members is just as crucial within a DB environment as in a DC environment, and often the complexity of pay definitions and formulae make it hard to understand”**

an easy to navigate website that hosted relevant materials and 'bite size' educational – yet entertaining – videos.

**Video messages**

The idea for videos to convey information to members came from Like Minds, due to its view that there is no need for pension material to be boring or overly serious, as humour can play an important part in creating something memorable.

An ostrich was considered the ideal character for the videos, due to pensions being a subject where so many people 'bury their heads in the sand'.

Following this, the process for creating videos was quite simple. Once an overall subject was decided and the key messages to convey determined, a specialist was used to find a way of saying the message in around 90 seconds, in a humorous way. A storyboard was created,

and once this was agreed, the actual animation was produced. So far, the three pension topics explained to members in the medium of video are financial planning, AVCs and state pensions.

**Impact**

The impact of the videos has been striking. When the first ostrich video went online, 124 people visited the site for the first time. Once the second ostrich video went online and was announced through the newsletter, unique visits doubled to 228. According to Martin, the analytics show that most people who visited the site at this time repeated the experience twice or more.

The videos also generated a noticeable difference in engagement. After the initial video, 53 members gave feedback on future topics, compared to the zero response from members at the beginning of the campaign.

According to Martin, this feedback has been universally positive, and suggestions from members is being used to determine future subjects for videos.

As for the next stages of this project, Martin describes it as a process of "evolution, not revolution".

"We want to build on the media channels we have developed such as the newsletter and website, but also introduce some new initiatives such as sending members birthday cards with a call to action on pensions when they reach key ages such as 40 and 50," he explains.

"Now that members have a flavour for what is available, we will be seeking greater feedback on the direction in which future communication should go in order to be most helpful."

**Written by Laura Blows**



**Wrigley's pension schemes**

Wrigley UK currently has 400 active members of its DB scheme. It also has 761 deferred members and 468 pensioners. It offers a 1/60th accrual rate and members pay 2 per cent contributions. The scheme is contracted out, with a normal pension age of 65. Additional voluntary contributions are 50 per cent matched up to a contribution of 3 per cent salary. Wrigley UK also has a DC scheme, currently with 139 members.

**Wrigley**

- Wrigley is a recognised leader in confections, making a wide range of gum, mints and hard and chewy sweets for people worldwide. Headquartered in Chicago and with operations in more than 40 countries, Wrigley distributes brands such as Skittles, Extra, Starburst, Orbit and Airwaves to over 180 countries across the globe.
- Although it has its origins in the USA, The Wrigley Company has a long UK history. Wrigley's Spearmint gum was first launched in the UK in 1911 and Wrigley's first UK factory opened in 1927 in Wembley, North London. In 1970 the factory and UK head office were relocated to Plymouth. Today, over 500 people are employed in the UK and Ireland. With around 25 per cent of chewing gum produced in Plymouth exported overseas, the UK factory plays a key role in Wrigley's business development across Europe.
- Wrigley operates as a subsidiary of Mars, a private, family-owned company that operates in six business segments: chocolate, petcare, Wrigley, food, drinks, and symbioscience, and generates global revenues of more than \$30 billion annually.