Data Strategies for Pension Innovation

INTRODUCTION

Pension systems across North America have realized the importance of member data collection to enable personalized member experiences for ongoing engagement. Due to the preponderance of legacy platforms throughout these organizations, digital transformation has become a necessity for most. Once platforms are modernized, pension systems can take advantage of the persona and journey map insights that data collection tools can provide. With innovative, data-driven public administration systems that use hyper-personalization, pension systems can ensure that members are better served to become more aware and better educated about their long-term retirement needs.

RAISING THE HYPER-PERSONALIZATION BAR

Public pension members are accustomed to the hyper-personalized customer services of their financial institutions, online shopping platforms, and media streaming services. Their preferences and tastes are recorded by sophisticated algorithms, which are then translated into data to drive personalized selections. They have come to expect this same level of service from their pension systems. For pension systems to keep pace with member expectations, they need to embrace personas to best represent the interests of the various member segments served. This is especially important to achieve long-term member engagement and to succeed in an ecosystem where most members prefer digital interaction for straightforward, expedited transactions. For many pension systems, the most significant touchpoints are during pension counseling and estimating, and the omnichannel personalization derived from personas can ensure superior results and overall member satisfaction.

The Power of Personas

Personas are semi-fictional representations grounded in market research and knowledge about existing members. The value of personas is that they bring personalization to life; instead of multiple, intangible, and generalized member characteristics, personas actualize member segments. Pension systems can use personas to collect essential data to deliver automated and individualized experiences to engage these segments, in particular their millennial, established employee, and retiree populations, who all have unique communication and engagement preferences. To build on the work of personas to truly understand each member segment, pension systems can cultivate member advisors to systemically leverage feedback while advocating for the organization.

Charting the Member Journey

Another benefit of using personas is that pension systems can extrapolate data to develop personalized journey maps for an individualized, step-by-step service flow, starting with contact and discovery throughout engagement, resulting in long-term member loyalty and advocacy. Crafting journey maps also often results in more successful pension campaigns. Journey maps can plot member goals, concerns, and preferred channels to best educate and retain members. With reinforced messaging, members are empowered with better system knowledge and expertise, and can gain the most from their pension system.

WINS FOR ALL

The advantages of data-driven, hyper-personalized interactions benefit pension systems' internal and external constituents. The "internal" constituents, namely the system staff and administrators, can implement persona member data to make better, more informed decisions that will ultimately reduce service costs and lead to more efficient operations while minimizing overhead. The "external" constituents, specifically the pension members, benefit through personalized self-service and tailored customer journeys to help them best understand their pension system for a more seamless and worry-free retirement.

CONCLUSION

With a data-driven strategy and hyper-personalized platform to power it, pension systems can establish what matters most to members for continuous improvement and tailored servicing. Ultimately, these data-driven insights can empower internal and external constituents with a more productive, successful, and innovative pension system.

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