

A person is pushing a large, smooth, grey rock up a grassy hill. The person is wearing a dark shirt and pants, and is leaning forward with their arms extended against the rock. The background is a bright blue sky with some clouds. The entire image has a green tint.

Customer communications that drive action

Joe Bishop
General Manager - Customer, Product & Innovation



Kiwi Wealth
KiwiSaver Scheme.

Incorporate behavioural insights



Insight

Engagement can be encouraged by using behavioural insights. Collaboration with Financial Markets Authority



Lesson

‘EAST’ model helped encourage engagement:

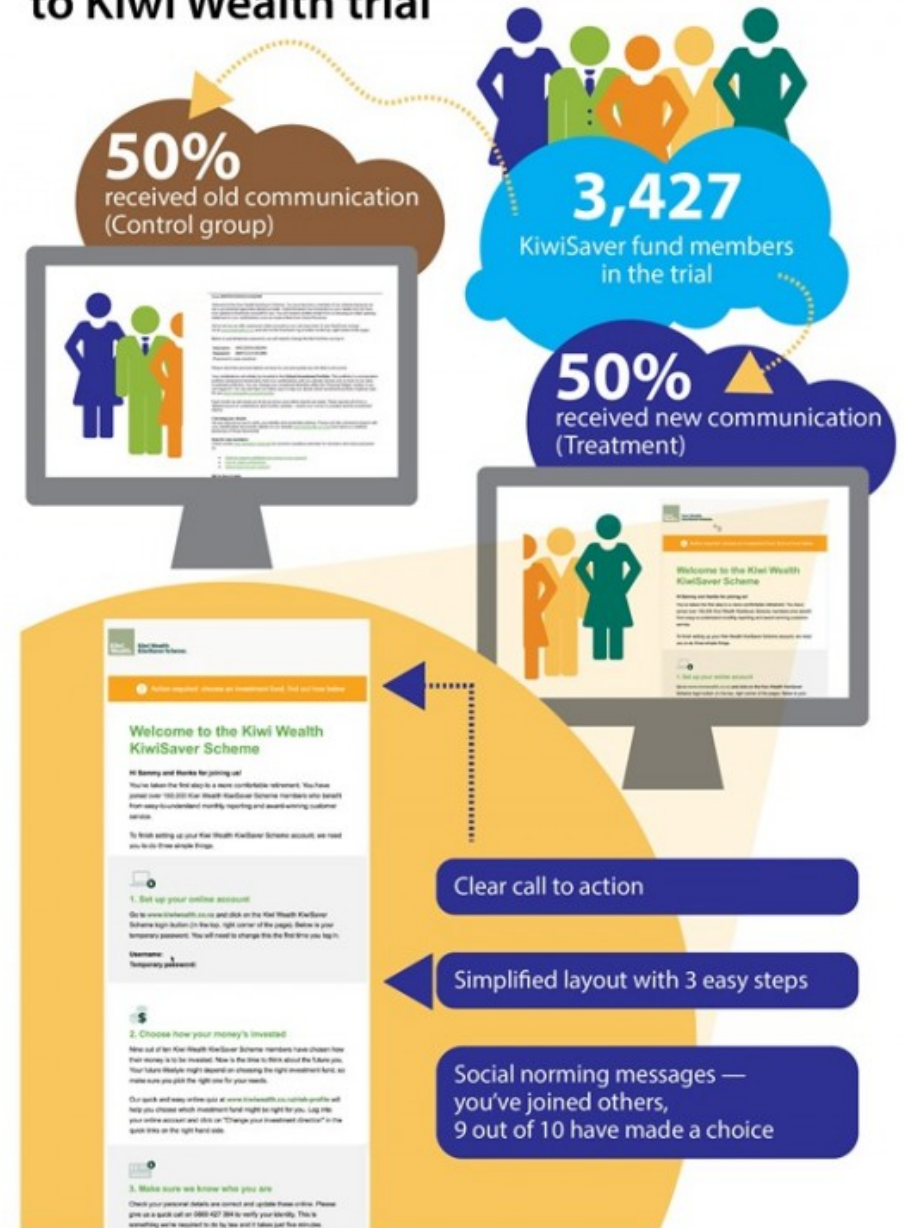
- Easy
- Attractive
- Social
- Timely



Results

- **Greater engagement:** a 47% higher switch rate out of default funds into an active choice
- **Greater retention:** 20% fewer members switching to another provider

Summary of our approach to Kiwi Wealth trial



Members previously received a very plain, legalistic welcome letter (or email). It is dense with no clear message or call to action.



Dear

Kiwi Wealth KiwiSaver Scheme

Welcome to the Kiwi Wealth KiwiSaver Scheme. You have become a member of our scheme because we are a government appointed default provider. Inland Revenue has forwarded us your details and we have now opened a KiwiSaver account for you. You will receive an initial opening statement of your contributions once we receive them from Inland Revenue.

Your funds will initially be invested in the **Default Investment Fund**. This fund is a conservative fund designed to temporarily hold your contributions until you actively choose one or more of our other investment funds.

Please check the details we have for you:

Name	
Date of birth	
Prescribed Investor Rate (the rate we tax your investment income on)	
Email address	
Mobile number	

You can log in to your account on our website www.kiwiwealth.co.nz to check and update your personal details, as well as change the investment fund your contributions are invested in. It's important you make a decision about where your KiwiSaver savings are invested. To help you with this, you can complete the 'Choosing your investment direction' questionnaire and find out details about our investment fund options on our website. You can also find this information in the Kiwi Wealth KiwiSaver Scheme Product Disclosure Statement that you received from Inland Revenue.

Below is your temporary password, you will need to change this the first time you log in.

Username	
Password	

We'll keep you updated every month with online reports. These reports show you how your KiwiSaver savings are tracking. If you do not have internet access we will send you a paper statement of your KiwiSaver account balance once a year.

Verifying your identity

We are required by law to verify your identity and residential address. Please call into a Kibibank branch with your identification documents (details on our website www.kiwiwealth.co.nz/id) or send us a certified photocopy of those documents in the enclosed envelope.

If you have any questions or would like more information, please contact our Member Services team on 0800 427 384.

Kind regards

Matt Beach
Customer Services Manager

Level 4 | 109 Featherston Street | FreePost 210729 | PO Box 10068 | Wellington 6143
Ph: 0800 427 384 • Fax: +64 4 473 0643 • www.kiwiwealth.co.nz



The redesigned letter is easier to follow having been broken up into to 3 straightforward steps. There is a clear call to action and the use of social norming language.



<member name>
<member address>
<suburb>
<city> <postcode>

Dear <member name>

Welcome to the Kiwi Wealth KiwiSaver Scheme

Thanks for joining us! You've taken the first step to a more comfortable retirement. You have joined over 150,000 Kiwi Wealth KiwiSaver Scheme members who benefit from easy-to-understand monthly reporting and award-winning customer service.

To finish setting up your Kiwi Wealth KiwiSaver Scheme account, we need you to do three simple things.

1. Set up your online account

Go to www.kiwiwealth.co.nz and click on the Kiwi Wealth KiwiSaver Scheme login button (in the top, right corner of the page). Below is your temporary password. You will need to change this the first time you log in.

Username: <username>
Temporary password: <temporary password>

2. Choose how your money's invested

Nine out of ten Kiwi Wealth KiwiSaver Scheme members have chosen how their money is to be invested.

Now is the time to think about the future you. Your future lifestyle might depend on choosing the right investment fund, so make sure you pick the right one for your needs. Our quick and easy online quiz at www.kiwiwealth.co.nz/risk-profile will help you choose which investment fund might be right for you.

Log into your online account and click on "Change your investment direction" in the quick links.

3. Make sure we know who you are

Check your personal details are correct and make getting in touch even easier by letting us know your email address. You can update all of this information online.

Please give us a quick call on 0800 427 384 to verify your identity. This is something we're required to do by law and it takes just five minutes.

We're here for you

If you need any assistance call our friendly Customer Services Team on 0800 427 384.

Kind regards

Matt Beach
Customer Services Manager

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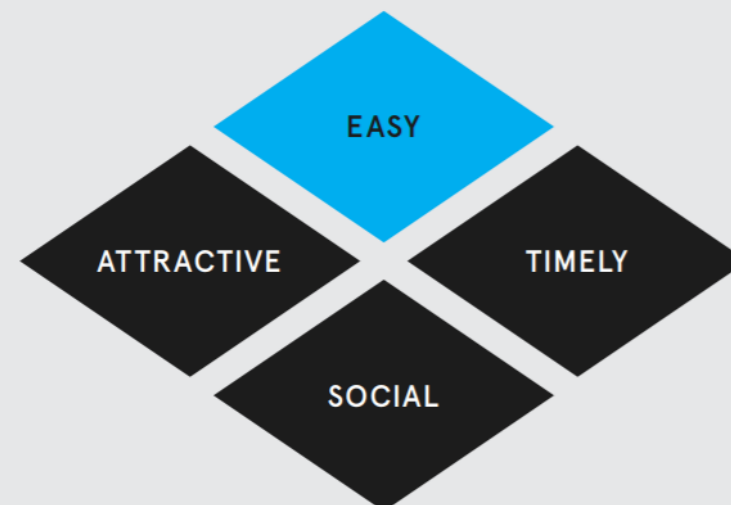


8 June 2017

Encouraging fund choice in KiwiSaver

This report is for KiwiSaver providers and
for providers of any Managed Investment Scheme.
It will also be of interest to behavioural insight researchers.

This report describes the results of a
behavioural insights randomised control trial.



EAST

Four simple ways to apply behavioural insights

Owain Service, Michael Hallsworth, David Halpern,
Felicity Algate, Rory Gallagher, Sam Nguyen, Simon Ruda, Michael Sanders
with Marcos Pelenur, Alex Gyani, Hugo Harper, Joanne Reinhard & Elspeth Kirkman.

Use A/B testing to drive your comms



Insight

Messages that have more of a personal focus drive better results than broadcasts about winning awards



Lesson

Members are looking for something that adds value to them as an individual not something that may seem important to us as a business



Results

- **Greater engagement:** the text message at the top drove a response rate 5 times higher than the one below

What's your retirement going to look like? Get an idea by using our Future You tool - kiwiwealth.co.nz/mobile-login
To unsubscribe send STOP to 8030.

Our Future You tool was awarded 'Best Overall KiwiSaver Member Experience', try it today - kiwiwealth.co.nz/mobile-login
To unsubscribe send STOP to 8030.

Continually iterate your customer experience based on feedback



Insight

Roll out changes to customer experience to small selected groups who understand they're part of a trial and then monitor the feedback data



Lesson

UX designers can fall in love with their designs! Customer feedback, through both quantitative and qualitative methods, is essential to ensuring you have got it right



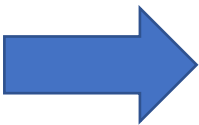
Results

- **Greater engagement:** the even when the concepts are right some times the format or layout can be a barrier to usage



Members did not understand the distinction between annual income and lump sum, simply showing a range was not very useful, and truncating with a 'K' was disliked.

Design was changed based on member feedback: 1) projections no longer truncated, 2) display mid point of the projections with ranges, 3) relationship between the lump sum and annual income made clearer, 4) easy navigation to historical account data.



Kiwi Wealth.

Kiwi Wealth
KiwiSaver Scheme.

Getting Started

Estimated retirement
income from your
KiwiSaver account

Your KiwiSaver account could be worth:

\$20–25K

Each year from age 65 to 89

\$400–500K

Total balance at age 65

[HOW ARE THESE ESTIMATES CALCULATED?](#)

Account summaryContributionsWhere it is investedCommentaryAccount movementPerformance

Step 1: Investment direction

Estimated retirement income from your
KiwiSaver account

Keeping your existing fund and level of risk hasn't changed your estimated retirement income:

Account balance at age 65

\$466,100

Possible range: \$335,200 – \$597,100

→

Each year from age 65 to 89

\$23,200

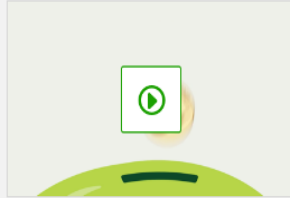
Possible range: \$16,700 – \$29,700

[HOW ARE THE ESTIMATES CALCULATED?](#)

Understand your tolerance for investment risk

Your risk tolerance relates to how comfortable you are seeing a reduction in your KiwiSaver account balance. Generally the longer you have before you start making withdrawals from your KiwiSaver account, the more risk you can consider taking on.

- **Lower levels of investment risk** usually mean you should expect lower returns that are more consistent.
- **Higher levels of investment risk** usually mean you should expect higher returns that are more variable, including possible negative returns.



Choose your risk tolerance

☐ Low ☒ Medium ☐ High

In the next year, your KiwiSaver account balance could:

REDUCE BY
-\$1,900

INCREASE BY
+\$4,000

Estimate balance you could have at 65

\$277,500

or \$312 per week

It's \$56 more to spend each week

[See my recommended fund](#)

Members don't understand percentages but **EVERYONE** understands \$\$

People learn by doing so make all options 'clickable' (we tend to use radial buttons) and the information dynamic updating so they see the impact of changes immediately

All changes have to happen immediately via 'Straight Through Processing

Step 2: Your Contributions

What could you afford to contribute?

You currently contribute 4% - which is \$138 each fortnight

3%

4%

8%

Estimated retirement income from your KiwiSaver account each year from age 68 to 89:

\$12,200

Possible range: \$11,600 – \$12,800

[HOW ARE THESE ESTIMATES CALCULATED?](#)

[Back](#)

[Continue contributing 4%](#)

Planning your retirement doesn't have to be a mystery

If retirement is racing up on you, it's time to take a look at the Kiwi Wealth KiwiSaver Scheme.

Our innovative online service helps you see how much someone like you might need, how much you could have and how making changes could make a difference. We give you the information you need to make decisions.

Thank you

Joe Bishop

joe.bishop@kiwiwealth.co.nz

Select a retirement lifestyle goal

Pick a goal for your retirement and find out how much it might cost - or create your own retirement goal.

See your estimated retirement income

We tell you how much your Kiwi Wealth KiwiSaver Scheme account could give you at retirement every time you login to your member account.

Track and make changes on the spot

Review how you're tracking towards achieving your retirement goal - and make any changes to your KiwiSaver investment.



Kiwi Wealth is the issuer and manager of the Kiwi Wealth KiwiSaver Scheme. The Product Disclosure Statement for the Kiwi Wealth KiwiSaver Scheme is available at www.kiwiwealth.co.nz.