

RBA Dipstick Survey

- Prepared for: RBA
- Prepared by: Sandra Mututi
- Steadman-Synovate
- Date: April 2009

© 2008. Synovate Ltd. All rights reserved.

The concepts and ideas submitted to you herein are the intellectual property of Synovate Ltd. They are strictly of confidential nature and are submitted to you under the understanding that they are to be considered by you in the strictest of confidence and that no use shall be made of the said concepts and ideas, including communication to any third party without Synovate's express prior consent and/or payment of related professional services fees in full.

A large, stylized number '3' in a light blue color is positioned on the left side of the slide, partially overlapping the dark blue background. It has a thick, rounded stroke.

Research Overview

- Background
- Objectives
- Methodology

Research Overview

Background

- RBA is a regulatory body and as such does not manage retirement benefit schemes on behalf of any organization.
- However, as a regulatory body it is in a position to influence policy to the extent that, as far as this survey is concerned, findings can be incorporated into the management of retirement benefits schemes in a way that will see more and more people saving for their retirement
- Quite apart from that, RBA carries out media and publicity campaigns to educate the public on the benefits of saving now for their retirement which means that findings from the survey can inform vital components of their communication strategy.

Research Overview

Objectives

- To evaluate the RBA Brand – how it relates to the public
- Existing RBA brand perceptions (RBA Brand values, imagery, attitudes, behavior, uniqueness, relevance, appeal, consistency)
- Evaluate impact of new concepts on the proposed RBA advertising campaign
- Evaluate the extent to which the concepts enhance public positive perceptions, while minimizing/erase negative perceptions

Research Overview

Sample achieved

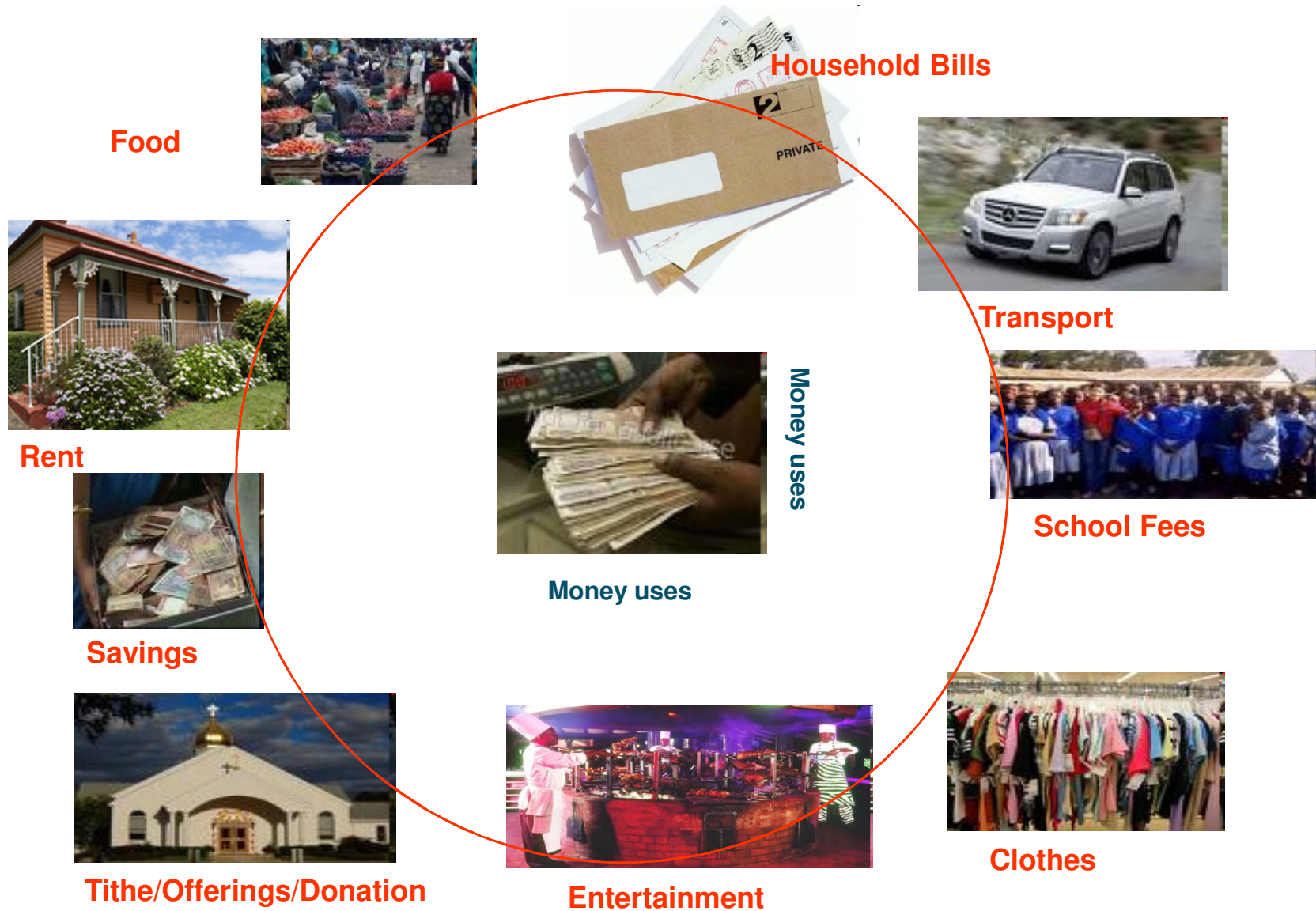
- Qualitative methodology was used where we conducted 4 Focus Group Discussions

No Of Groups	Usage	Gender	Age	Location	Profile of Respondent
1	Pensionable Employees: Both Voluntary and Mandatory	Mixed gender	18-34	Nairobi	<ul style="list-style-type: none"> ▪ Must be either employed or self employed with a disposable income. ▪ Must have an individual pension scheme
2	Pensionable Employees: Both Voluntary and Mandatory	Mixed gender	35-45	Nairobi	<ul style="list-style-type: none"> ▪ Must be either employed or self employed with a disposable income. ▪ Must have an individual pension scheme
3	Non-Pension contributors	Mixed gender	35-45	Nairobi	<ul style="list-style-type: none"> ▪ Must be employed and pensionable.
4	Non-Pension contributors	Mixed gender	18-34	Nairobi	<ul style="list-style-type: none"> ▪ Must be employed and pensionable.

The background is a solid teal color. On the left side, there are several abstract, overlapping shapes in a lighter shade of teal. These shapes include a large, curved form that resembles a stylized letter 'P' or a similar shape, and a smaller circle below it. The overall aesthetic is modern and minimalist.

RBA Ad Concept Test

What does the general public spend their income on?



Priority Items

- The top 4 most important items in any given month are
 - Rent
 - Food
 - Household Bills and
 - Transport
- While savings do appear on the list, they are not considered a priority and can be done without.

The public need to be educated on the importance of keeping money aside for the future. Even though they do have savings, they are not a priority and they can do without them.

What is Retirement?

- Physically and mentally not being active but life must go on. Therefore there is need for:
 - Income sustaining activity that does not require physical and mental energy
 - Need to have a business
 - Need to acquire assets

Is there a pension scheme that have the above characteristics?

Savings are for income generating activities

Saving for Pension is not top of mind!

Plans after Retirement

- Retirement is seen to be a stage in life when one stops formal employment.
“Retirement is when you are no longer active in your place of employment.”
- The general view is that when the time for retirement occurs one will start their own business to generate income for their older age. *“When you retire you go and do something else like starting your own business ”*
- Acquiring assets is a more of a priority than saving money. *“You have to prepare for it (retirement). You need to have a house, land and when you actually retire you keep things like cattle and chicken.”*
 - These assets will be used to generate income after “formal retirement”.

Drivers and barriers towards pension schemes

Drivers

- Access to steady income after retirement. *“We are assured that there is something that will be waiting for us at the end of the month even when we retire”*
- Ease of saving for future if deducted directly from salary. *“When you are paying a pension you don’t feel a pinch because your mind is set that you will give a certain amount every month ”*
- Family needs taken care of after bread winner passes on

Barriers

- Need to save for an income generating activity.
- Need to retire early than the stipulated retirement age
- Need to access savings when still young and energetic
- Need to maintain standards of living even after retirement – Pensions amount too little
 - *“People who have invested well do not have to wait for pension and can retire at any age”*
 - *“It is better to have the money at hand when you are young and energetic”*
 - *“A pension holder who is used to getting Ksh 20 000 after retirement may get Ksh 5 000, obviously cannot live the kind of lifestyle they are used to.”*

Analysis by age

- All are looking for financial independence in old age.
- Whereas the older seek reassurance of income, the younger seek quality life.
- All are keen on pension maturity time, where there is a need to access pension funds early and not necessarily after retirement

There were no major differences between age groups when defining and planning for retirement. Their pension emotional needs are the same

Existing RBA Perceptions

High awareness **BUT** low knowledge about what RBA really does....

High awareness is driven by **MEDIA** past adverts

- *"I have just seen some past advertisements but I don't really knew them."*

• **LITTLE** knowledge for RBA includes....

- Name (RBA)

- Role: I.e. watchdog that keeps the public's funds safe from unscrupulous insurance companies.

- *"They are starting at a time when there has been a lot of focus on the insurance companies. So it has come to save us."*

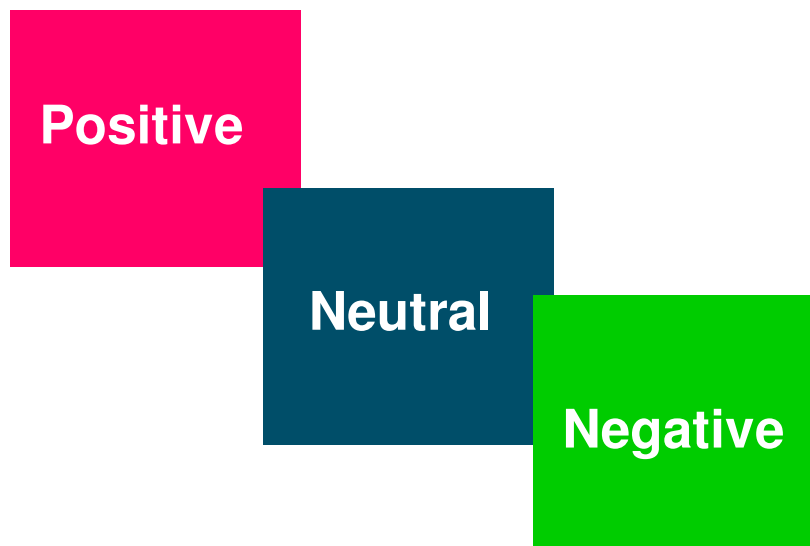
- Identity: Government body that watches over all the companies that have pension schemes

- *"I think it is an arm of the government. It has been given the mandate by the government to regulate pension funds "*

What do the advertisements say about the RBA brand?

- In order to find what the advertisement communicates about the RBA brand, the respondents watched, listened or viewed the new advertisement .
- They then wrote down on post it notes what the advertisement communicated to them.

They divided their thoughts into positive, negative and neutral thoughts.



The RBA TV advert Mind Cloud



Positive Attributes

- Safeguarding my investment: RBA acts as a watchdog over all pension investments.
“They (RBA) guarantee a a better life in the future”
- Arouses curiosity about the questions in the advertisement. This curiosity triggers the public to want to visit RBA to get the answers.
- Dependants future is safe and comfortable: Even if the person taking the pension scheme passes away, the dependants are still able to gain from it. *“My dependants interests will be taken care of when I stop working or I am no longer there ”*
- Encourages saving for the future: The advert creates a need for saving for the future.
“If you start saving immediately (as soon as you start working) you will have a plan for your future”
- The RBA gives advice about pensions and savings *“They create awareness that there is somewhere you can save your money and is safe”*
- Triggers curiosity about savings. The person watching the advert becomes curious and asks themselves “How can I save?” and “Where can I save?” *“All the adverts are making you curious but they are not giving the answers”*

Negative Attributes

- Uncertainty about the future leads to reluctance to have a pension fund. *“You are not sure you will live tomorrow to enjoy your pension so take everything today and enjoy”*
- Inflation may make the pension saved worth less than it actually is. *“Due to inflation your money might become worthless when the time comes to redeem your pension”*
- Saving for retirement may mean sacrificing now for the future. *“Do I have to stop enjoying to save for the future ”*
- The advertisement proposes starting early in ones career to save for future; but the emotional need to enjoy life is important for now. *“Why do I have to start saving for my retirement and I have just started working. ”*
- The money saved may not be safe even with RBA acting as a watchdog. *“They are asking how is safe is your money, so you are not even sure whether that’s the right place to save your money ”*

Neutral Attributes

- The RBA encourages saving a little at a time in order for you to have enough pension for the future. *“I don’t have to strain so much to save as I will save as per my ability”*
- Saving for the future introduces a sense of responsibility where you stop spending extravagantly.

What has the ad achieved/not achieved

- **Saving:** Aroused need to save for future but the emotional triggers negates against target audience emotional needs
 - Have fun/first job enjoyment & needs : Target are young people who at this stage of their life this is a core emotional need
- **RBA image:** Positions RBA as an expert, a watch dog and an advisor when it comes to pension related issues, however there is a slight negativity as far as RBA ability to protect saving funds
 - Being are still being conned even under the watchful eye of government regulatory bodies
 - Macro economic factors reducing the value of money e.g. inflations
- **Drive to action:** The need to act now to save is strongly communicated but negatively as a result...this ad is likely to
 - Inform, educate, advise, but not trigger the need to save via pension schemes as direct benefits accrued as a result of saving have not been communicated
- **Product:** The ad does not address the concept of saving from target audience point of view. i.e. an investment saving product with both long and short term benefits

The RBA Radio advert Mind Cloud



Negative

Neutral

Positive

Positive

- Security in old age is assured because the pension will always be available. *“You have peace of mind that when you retire they will take care of you”*
- Safeguarding your Investment: The public feels safer knowing that their investment is being watched over by an external body. *“They guarantee a better life in the future.”*
- RBA promises to answer all questions on retirement and savings for retirement. *“RBA creates awareness that they are available to assist you and answer all your questions ”*

Negative

- Uncertainty about what RBA is gaining from being a watchdog over the pension funds.

“How does RBA make money?”

- While a website and e-mail address are given, no telephone number and physical address of RBA is given leaving those without access to the internet no option of where to contact RBA.

- The Advert arouses a lot of curiosity but non of the questions seem to be answered.

“What is important is not the question but the answer which is down there but in very small print”

- Despite the fact that RBA have been around for a while, there is still a long wait and struggle to get retirement funds. *“My mother even died before she could enjoy her pension ”*

Neutral

- RBA encourages saving today so that you can be comfortable tomorrow. *“Saving for the future is not something you think about you should just do it”*
- Anyone can join a pension scheme irregardless of their profession *“It is open to anyone regardless of their employer”*

What has the ad achieved/not achieved

- **Saving:** Aroused need to save for future but this came out as a neutral point. The need to save for the future through a pension fund was not aroused.
 - While awareness has been raised about the need to save for the future, there is no immediate need for action raised. Curiosity has been aroused
- **RBA image:** RBA promises to look after your pension funds until retirement age BUT there is no way of knowing what RBA is gaining by doing this.
 - There is still along wait to get pension funds especially from NSSF despite the fact that RBA had been regulating funds for a long time.
- **Drive to action:** The advert communicates arouses a sense of curiosity and the need to have the curiosity answered immediately however.
 - Since only an e-mail address and a website is given, the public who feel want to deal face to face will be unable to go to RBA and will therefore not have their queries answered.
- **Product:** Same as the TV ad.

The RBA Print advert Mind Cloud



Negative

Neutral

Positive

Positive Attributes

- Safeguarding my investment: The RBA provides reassurance that any funds saved through a pension scheme are safe until the time comes to claim them. *“They are creating awareness that there is somewhere to save and your money will be safe”*
- Creates awareness about the need to save through the questions they ask in the advertisement. *“They are making you think there is a need to save your money and it is safe”*
- RBA provides security that my investment is safe and that I will be able to get it when I retire.
- The RBA provides information about retirement and retirement schemes.

Negative Attributes

- The advert does not show the end result if having invested in a pension scheme. They only show the people who are interested in investing in a pension scheme.
- There is fear that pensions may still take long to acquire despite having RBA manage the pensions. *“The employees wonder he will benefit and would the funds be available”*
- The advert has no information about the physical location of the RBA offices. *“They are saying that the doors are open but I do not know where the offices are”*
- The RBA advert arouses curiosity but non of the questions seem to be answered. *“It makes me curious about whether it better to save through a pension scheme”*

Neutral

- RBA is just another company. There is no distinct feature that separates RBA from other companies that advertise.

What has the ad achieved/not achieved

- **Saving:** Same as the TV and radio advertisement
- **RBA image:** Same as the radio advertisement
- **Drive to action:** The advert communicates need and urgency of starting to save for retirement immediately. However
 - The reader is left wondering what the benefits of early savings are. In fact they ask themselves the same questions in the advert “Do I have to stop enjoying now in order to save for tomorrow? ”
- **Product:** Same as the TV ad.

The background is a solid teal color. On the left side, there are several abstract, overlapping shapes in a lighter shade of teal. These shapes include a large, curved form that resembles a stylized letter 'P' or a similar character, and a smaller circle positioned below it.

Summary and Conclusion

Differences in Age after Advert View

18 – 34 years Old

- **Non Pension holders**: The need to save for the future is aroused but not the need to save through a pension fund. This age group is more inclined to save for an income generating activity than through a pension fund.
- **Non Pension holders**: Visible illustrations on key benefits for saving through pension scheme is vital for younger potential pensioners
- **Pension holders**: The pay check off systems deducted on monthly basis is preferred mode for pension payment. Its important to note, these age group is currently using pension to save for an investment with e.g. CFC life.
- Majority of those interviewed have pensions as it is mandatory and it was not a deliberated decision

35 – 45 Years old

- **Current Pension holders**: The core driver towards ads and consequently a pension scheme; is the assurance that their families will be financially well taken care of in an event of death
- **Non Pension holders** : The older non pensioners are sceptical on RBA current role and ability to safeguard pensioners against fraud. This perception is influenced by media reports on insurance fraud cases such as NSSF headline news on funds misappropriation
- All 35+ are keen on knowing the physical location of the RBA offices and want personalized face to face service to increase their trust in RBA.

Recommendations

- RBA communication strategy needs to address the following issues:
 - Role of RBA, how it safeguards pensioners funds, and achievements so far
 - Need to show visual and testimonial benefits for one having a pension
 - Need to market pension schemes as investment portfolios as opposed to pension benefits being accrued after retirement or in an event of death
 - Need to communicate RBA physical address and encourage pensioners to visit
 - Need to have a public education campaign through all media available including road shows, public booths, interactive sessions e.g. radio, television, seminars etc
 - Market RBA as a vibrant brand in sync with current financial services trends and consumer needs
 - Marketing activities should target niche market segments as each has special needs for pensions, including informational gaps