



*By Jann Lee*

# Of **GAME** **PENSIONS**

**Can gamification  
engage plan members?**

**E**ach year, employees at Britain's Barclays Bank make decisions about their benefits and pension plan during the enrolment period.

To learn more about their plan, staff typically have an information booklet and financial tools, such as a pension calculator, at their disposal. But six years ago, Barclays decided to apply a game-based approach to its pension plan communications and hired creative agency Landscape to create an online game called Pension Jungle.

Employees receive a personalized code to access the game, according to Nicola Cull, director of communications strategy and change at Landscape. They then choose an avatar, provide information about their financial circumstances and start moving the figure in a canoe across a virtual jungle. Along the way, employees learn more about the company's pension plan as they navigate a river lined with rocks and crocodiles. If they crash into an obstacle, they can recuperate any lost points by answering questions about retirement. Throughout the journey, they



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can choose different paths that determine a specific retirement outcome.

Barclays requested the game for two main reasons, according to Cull. First, it wanted to engage members so they actively select contributions towards their pension plan. At the same time, it wanted to mitigate employees' negative reactions to the bank's decision to close its defined benefit plan and adopt a defined contribution model.

“In the U.K., we say DB is good, DC is bad. And that's not necessarily the case but that's the mindset people have got themselves into,” says Cull, noting the game's objective was to dispel employees' misconceptions about defined contribution plans.

“We were trying to sprinkle elements of gamification across the whole experience,” she adds, listing features such as short quizzes and a genie character that acts as a guide for players. According to Cull, 36 per cent of eligible employees played Pension Jungle within three weeks of its launch, while 45 per cent made active decisions regarding their benefits and pension plans during that year's enrolment period.

### Gamification options for plan sponsors

In Canada, the retirement industry has some catching up to do when it comes to introducing technological tools more generally, says Martin Leclair, vice-president at Toronto-based Proteus Performance Management. “I think that the industry in general is behind the curve on technology. . . . The focus, and rightly so, has been put on the older generations. But there's been a huge portion of the membership that's underserved. I think it's accepted within the industry that more needs to be done.”

Some Canadian plan sponsors are exploring gamification, however. The Bank of Montreal, for example, is using the concept to educate employees about financial planning, according to Kelly Harper, director of customer experience learning. It created a financial education program on its internal website for employees to learn about topics ranging from basic ones like budgeting to more complex areas like investing.

The bank uses gaming elements to package the content so it's easier for users to learn the financial concepts. In each category, there are a number of sequences to go through that are similar to a game, and users have to be proficient in one level before unlocking the next one, says Harper.

With debt management, for example, users have to complete several activities before they finish the category, including tracking their spending for a period of time, reviewing expenses and drafting a working budget, says Harper. Once users complete the activities, they receive badges and positive feedback on their progress, says Harper.

Packaging the program so that it's similar to a game made it easier to motivate users along the way, she adds. “That's the most challenging part: How do we create a flow of learning that makes sense for people to really understand the topic?”

And as the interest in gamification grows, some service providers are also offering games or online apps that help educate employees about retirement and their pension plans.

A few years ago, for example, Sun Life Financial created money UP, an online tool that incorporates gaming principles to teach plan members about retirement and savings. Users learn about topics at various stages and must pass knowledge quizzes in order to advance. They can also compare themselves with other players on leaderboards and share their progress through social media.

Sun Life created the game with millennials in mind, according to Mazen Shakeel, vice-president of market development for group retirement services. He notes that over the last year, almost one-third of the players were millennials and close to 40 per cent of members who increased their contributions to their plan were from that age group.

### Engaging millennials

There's a misperception that millennials aren't thinking about retirement, says Ofelia Isabel, global account director at Willis Towers Watson. But studies, she notes, show they're as concerned about the issue as people from other generations. In 2015, Willis Towers Watson conducted a survey about attitudes towards benefits that found millennials would be willing to allocate 27 per cent of their benefits to retirement. As for baby boomers, they said they'd allocate 36 per cent.

“It's not that different and it gets a little higher as you get older, but not that much,” says Isabel. “This matters to millennials, and they're worried about the future.”

Despite worrying about their finances, many plan members avoid making decisions about their pension



### 2016 CANADIAN GAMING TRENDS

**37%**  
of Canadians define themselves as gamers

**36**  
Average age of a Canadian gamer

**11 hours**  
Average amount of time gamers spend playing per week

**89%**  
of Canadian adults own a mobile device



**41%**  
of gamers play most often on a mobile device

**90%**  
of Canadian adults own a computer

Source: Entertainment Software Association of Canada





plans because they find the information complex and overwhelming, says Isabel. “We don’t make it easy for people to find the information and engage with it.”

As well, Canadians often cite their busy schedules as a reason for not paying attention to their pension plans, says Leclair. He notes that since baby boomers are closer to retirement, they’re more likely to take action than millennials, who see the issue as a long-term concern.

While millennials like the concept of saving, many of them don’t engage with their pension plan, says Leclair. “We still find that a lot of plan members out there are not even aware they have a pension plan.”

But gamification isn’t only about engaging millennials, as it can also reach other plan members with good access to technology, says Isabel. “I do see [games] becoming more popular because they’re fun and add that layer of competition, and the pension industry is recognizing that we need to start treating employees like consumers.”

Indeed, games can motivate people to deal with subjects they’d otherwise ignore, says Jan Kietzmann, an associate professor of innovation and entrepreneurship at the Beedie School of Business at Simon Fraser University. “If we can find a way to make [a subject] more fun and educational, then I think we’d have better outcomes.”

Kietzmann notes gamification is effective when it takes real-life circumstances and transforms them into a game-like experience. “In many of the games that exist, you get play money that you invest and through that investment, you learn. It would be much more interesting to take my real-world money and set up a game where I could actually compete with my friends . . .”

Some companies have successfully applied gaming principles to real-life circumstances, according to Kietzmann. For instance, a power company in the United States that wanted consumers to use less energy introduced smart meters that allowed people to compare their energy consumption to that of their neighbours. “They felt motivated to outdo their neighbours in terms of energy savings, rather than consumption. And it turned interesting. . . . People started talking to one another. They wanted to know what their neighbours did differently, and the whole neighbourhood benefited as a result.”

In addition, games can give employers insight on

## A WALK THROUGH THE PENSION JUNGLE

Pension Jungle is a game that informs Barclays Bank employees about the company’s two defined contribution pension plans and helps determine which option may suit them. Here’s a rundown of how the game works:

**1** Users **pick an avatar** and complete a profile with information about their pension savings and their salary expectations over the next five years.



**2** Users **navigate a river** lined with coins, rocks and crocodiles. Coins award 10 points, while rocks and crocodiles take away five and 10 points, respectively. To prevent the loss of points, users need to answer questions about the pension plans.



**3** After the obstacle course, users **watch an animated tutorial** about the benefits and drawbacks of each pension plan. The video teaches them about concepts such as bonds, equities and annuities and how each may affect their retirement incomes. Users then answer a questionnaire that measures their risk profile.



**4** Users **receive a personalized profile** that sums up their financial data, knowledge and attitude to risk. While they also receive a suggestion for which plan may suit them, the game encourages them to see a financial planner. Users make a choice and can find more information about their selection through a link to Barclays’ website or they can replay the game to learn more about the other option.





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the employees who play them, says Isabel. “If you have a game, you know who’s playing it. You know what employees responded to. You know if they’re sharing the game with other people, what elements were clear to them and what they struggled with. You can use that information to then target your communications.”

### Not for everyone

Some plans sponsors, however, may find online gaming irrelevant due to their employee demographics.

For example, while the Saskatchewan Indian Gaming Authority Inc. is interested in gaming principles and can see the merit of games from its own casino operations, an app would be ineffective for its employees, says benefits manager Kenzie Bergeron.

About 65 per cent of the casino’s employees are First Nations members and the average age is 40, she says. “The majority at the casino sites do not have computers at home, nor do they have an understanding of the technology.”

Instead of games, the company hosts educational sessions to teach employees about their pensions and finances, says Bergeron. She notes the sessions still aim to be interactive by including games and devices so that employees can conveniently make decisions about their pension plans.

Bergeron says the sessions typically teach employees about basic concepts, such as how their pension works, as fewer than 10 per cent of the organization’s staff members make active selections in their pension plan.

“A lot of them don’t understand how much they contribute and how [the company] matches those contributions,” says Bergeron. “So the sessions touch on very basic terms, and that’s kind of where [the company] has to start when we raise our financial literacy.”

### Using gamification principles to boost engagement

But for companies that have employees who are big on technology, gaming principles can help them engage plan members to learn about certain aspects of their pensions, says Isabel.

In its case, Desjardins Insurance provides an app that uses gamification principles to help plan members learn and plan for their retirement. Created in 2012, the app initially offered a virtual advisor that

educated plan members about their retirement. It has since introduced augmented reality to help users assess their retirement readiness.

Through the tool, members can scan parts of their financial statements and then watch live videos and tutorials about retirement and savings, according to Nadia Darwish, vice-president of development, marketing and investment strategy.

“The app brings to life my static statement . . . allowing me to look at it in 3D and try various scenarios to help set my retirement goals and see the impact of my contributions,” says Darwish. “What we’re doing is taking real-world experiences and enhancing them with game mechanics. So sound, video, graphics . . . bring to life an experience in a more dynamic and engaging way.”

### The need for a broader strategy

While the pension industry can use games to improve communications efforts, gaming alone won’t lead to member engagement, says Isabel. She says games should only be a component of a comprehensive strategy aimed at changing employee behaviour.

“At the end of the day, it’s not the game alone that’s going to make me interested in retirement planning, because if it’s just a game and I have the choice of playing the pension game or Candy Crush when I have a few minutes of downtime, I’m probably still going to pick Candy Crush,” says Isabel.

Leclair says financial technology apps are more effective than games at changing plan members’ behaviour, because they make the act of saving easy and automatic. For example, in the United States, an app called Acorns rounds up users’ expenses to the nearest dollar and invests their spare change, says Leclair. He notes that in Canada, another company is creating a similar app.

While financial literacy is important, what plan members really need to learn are the basics of their pension plan, such as how much they should contribute in order to attain a certain retirement age, says Leclair. He adds that financial technology can be particularly useful, because it automates tasks for people. “It’s easy, and you don’t even notice that you save or spend money. No friction. That’s where the industry needs to move.”

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### KEY GAMIFICATION PRINCIPLES



#### Mechanics

Rules that never change, such as the number of cards dealt in a poker game



#### Dynamics

Behaviours players demonstrate throughout the game in order to succeed, such as bluffing or cheating



#### Emotions

Feelings that emerge during the gaming experience

Source: Jan Kietzmann, Simon Fraser University