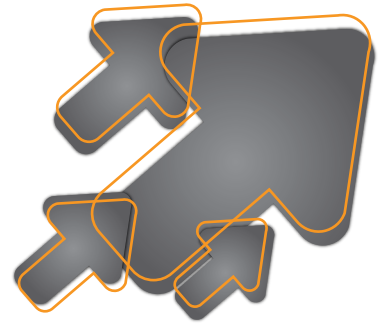


Employee Benefits Communications Report



Communicating Employee Benefits with Video: Enrollment Solutions & Employer Case Studies

SUMMARY ABSTRACT

This Flimp Communications Whitepaper Report reviews how online video is being used for employee benefits communications and annual benefits open enrollment. The Report provides six employer case studies related to video postcard email campaigns used for employee benefits education and enrollment. Topics covered include; leveraging video to improve employee communications, video content options to consider, and the use of interactive video postcards for employee benefits communications.



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Communicating Employee Benefits with Video

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How Communications Impact Employee Benefits Satisfaction

The connection between employer benefits communications and employee benefits satisfaction ratings is well documented. Employees who consider themselves well informed with respect to available employee benefits consistently give higher favorable ratings to their employer sponsored benefits packages. However, according to recent studies, more than half the employees working in US companies today feel that their available benefits are poorly communicated to them.

This negative impression of benefits communications is due in part to continued reliance on traditional, unengaging types of content like print brochures, PDFs, Word documents, PowerPoint presentations, photocopies, text emails and heavy text web pages. Static, unengaging benefits communications can lead to a host of adverse consequences such as uncertainty in the decision making process, more questions and phone calls to HR counselors about benefits plan options, last minute enrollments, lower participation in high deductible plans, low voluntary product enrollment rates, and poor satisfaction ratings. Overall this results in less productivity, higher benefits costs and a lost opportunity to generate goodwill with employees.

Industry Changes that are Influencing Benefits Communications

Benefits plan communications and enrollments have been migrating to the web at rapid pace during the past two years. The reasons are lower costs, more efficient data collection and data management, and the fact that more employees are web connected than ever before. From a communications perspective, moving from static print communications to static web communications may be cheaper, but is not more effective in terms of engaging employees and motivating them into taking action. Static text and graphics communications do not engage and motivate employees in ways that improve the decision making and enrollment process for employers. As a result, an increasing number of employers, carriers, and brokers are using video and interactive multimedia content with new video communications technologies to improve employee benefits education, decision making and enrollments in ways that lower costs and improve overall satisfaction ratings.

- Employee are being asked to pay a larger share of their health benefits costs by employers, and they are being offered more voluntary benefits products to fill gaps in employer-sponsored coverage.
- Our health care system is changing from a curative approach to medicine to a preventative or "wellness" approach. Since most companies over 500 employees are self-insured, it has become critical to bend the health care cost curve by actively managing employee health conditions rather than funding expensive treatments and surgeries
- Benefits choices for employees have expanded significantly with tax favorable plans like HSAs, HRAs, and FSAs, and legislation encouraging more health care options.

The impacts of these trends on employee benefits communications are summarized below:

Trends Impacting Employee Benefits Communications

Employees Share Costs VS. Employer Covers All Costs

- Benefits Communications are more relevant for employees
- More differentiation and tailored benefits product offerings
- Communicate through multiple channels and devices

Health and Wellness Focus VS. Sickness Treatment Focus

- More educational healthcare communications are needed
- More direct incentives to influence behavior/decisions
- More year round communications-not just annual

Expanded Plan Choices VS. Limited Plan Choices

- Engaging content needed: video, animations, etc.
- Digital/web approach instead of print mail & brochures
- Create an online shopping experience for employees

Using Online Video for Employee Benefits Education and Enrollment

Video is now being used throughout the benefits education and enrollment process. In the pre enrollment phase, video is used to announce and introduce annual benefits enrollment with details on when and how to enroll, as well as annual plan changes and announcements. Introductory videos announcing open enrollment are a valuable opportunity for HR departments and senior management to reinforce a commitment to providing quality health and retirement benefits to employees and to convey a personal interest in the health and well being of employees and their families.

During the enrollment period, video is best used to increase enrollment participation and educate employees about complex benefits plan offerings such as HSAs, HRAs, HDHPs, Wellness Programs, and other HR benefits topics such as Cobra and voluntary

“During the enrollment period, video is best used to increase enrollment participation and educate employees about complex benefits plan offerings.”

product offerings. The emotional appeal that video affords employers cannot be overstated. A video that includes a friendly and concerned person acting as host and educator can have a positive impact and ultimately does a much better job communicating benefits plans and options. During the post enrollment phase, a personalized video featuring a Benefits Manager or HR representative supporting employees' benefits choices and thanking them for their participation can help ensure higher satisfaction ratings for the benefits plans and products being offered.

Video Style Options for Benefits Enrollment Videos

Over the last few years, the cost of producing professional video has dropped considerably. This is largely due to a dynamic market of talented designers and videographers utilizing inexpensive, cutting edge technology to produce professional results. Employers don't have to use expensive marketing agencies to produce professional video. The three types of video styles

most commonly used for employee benefits enrollment and introductions are motion graphics, spokesperson and executive message videos. All three formats are relatively easy to produce, once a good script is developed and approved. Generally enrollment introduction videos should not be longer than 2-3 minutes in order to keep employees' attention. Audio slideshow presentations and webinars are acceptable for explaining details of benefits plans but they should be chaptered and broken into smaller parts to be effective. Spokesperson videos featuring professional actors, together with animated text over graphics to highlight specific information and details are cost effective for employer communications.

"Audio powerpoint presentations and webinars are generally too long and not engaging enough to be effective. "

"The three types of video styles most commonly used for enrollment are motion graphics, spokesperson and executive message videos. "

Benefits product videos tend to require more animated graphics to highlight features and benefits in an engaging way. Younger audiences generally favor more animation while older audiences prefer a spokesperson or executive message. Conveying an appreciation for workplace diversity is also an important consideration.

To explain benefits related terms to employees, several companies offer a library of generic benefits and HR educational videos that can be licensed by employers. These videos typically define and explain specific types of health plans and terms. Employers and brokers can license existing benefits education videos from video producers such as Flimp Media that have developed a library of generic benefits education videos that can be customized to include add-on plan messaging and employer branding. Animated motion graphic videos require more creative design and time to produce so they are more expensive.

Interactive Video Postcards: A New Video Communications Solution

Interactive Video Postcards delivered by email are a new online communications option that combine video with employer branding and interactive calls to action. Video Postcards have many advantages for employee benefits communications. They require no programming to create and edit; they can be distributed via email or embedded into intranet sites and websites, and they track and report detailed viewer engagement, response, and sharing activity. The interactive features enable instant feedback to HR communications and sharing of information with spouses and partners.

The leading Interactive Video Postcard solution being used by carriers, brokers and employers for employee benefits communications is called FLIMP, which stands for Flexible Interactive Marketing Platform. Employers that want to use video for their benefits communications and enrollments typically face one or more of the following challenges:

“Interactive video postcards are a new online communications option that combine video with employer branding and interactive calls to action.”

- Developing cost effective video content
- Limited knowledge of video hosting and delivery
- Lack of IT support or technical capability for deployment
- Limited design staff and or campaign resources
- Lack of web tracking and reporting

Flimp Media provides a comprehensive solution to all of these challenges with a simple, easy to use, web based video communications platform, low cost video production capabilities, a highly experienced Professional Services Team, and a customizable off—the—shelf library of benefits education videos that can be licensed by employers and brokers.

Video Postcard Case Study: **EMC Annual Enrollment**

About EMC:

EMC Corporation (NYSE: EMC) is a global leader in enabling business and service providers to transform their operations and deliver information technology as a service (ITaaS). With corporate headquarters in Hopkinton, Massachusetts, EMC employees 53,500 worldwide in more than 400 sales offices and partners in more than 85 countries. A leader in transformation cloud computing, EMC works with organizations around the world in every industry, in the public and private sectors, and from start-ups to Fortune Global 500. EMC's customers include leading financial services firms, manufacturers, healthcare and life sciences organizations, Internet service and telecommunications providers, airlines and transportation companies, educational institutions, and public-sector agencies.

Communications Objectives:

EMC's domestic employees are dispersed throughout the United States. As a technology leader, EMC was looking for an employee benefits communication solution to initiate its benefits annual enrollment process that utilized video. They wanted a solution that would be engaging, measurable, inexpensive and easy to deploy without internal IT resources for approximately 33,000 EMC employees located in the US. EMC was recommended to work with Flimp Media by their benefits consultant, Willis Human Capital Practice.



EMC Video Postcard

The Video Postcard Benefits Campaign:

Through Willis, EMC contracted with Flimp Media to create, deliver and track a multimedia “video postcard” campaign for employees. Using a video message produced internally from their HR Director, the video postcard was used to introduce EMC’s 2013 annual benefits enrollment to employees. Using the FLIMP video marketing platform, the EMC video was combined with branding, graphics and interactive buttons linking to benefits information, enrollment software and calls to action. The video postcard was then delivered by internal email and intranet to eligible employees. Built-in Flimp tracking and reporting measured employee viewer engagement, response, and sharing activity on computers and mobile devices.

EMC Video Postcard Campaign Results

Employee Engagement Rates	Viewers	Viewer Response Rate
Video Postcard Views (Flimp Views)	28,074	85.1 % of Employee Recipients
Video View Success (Video Plays)	27,498	98 % of Employee Recipients
Response Links Clicked (Response Rate)	38137	136 % of Video Postcard Views
Mobile Device Video Views	415	1.5 % of Video Postcard Views
Average Video Duration	2 minutes, 10 seconds	
Average Viewing Time	3 minutes, 30 seconds	
Total Viewing Time	1,650 Hours	

Campaign Results:

The EMC video postcard received a total of 28,074 views from the 33,000 employees who had access to it. Successful video plays totaled 27,498, or 98 % of total views, indicating that internal access to the video content was not an issue. The average time spent on the video postcard per view was 3 minutes 30 seconds and the total aggregate viewing time was 1,650 hours or nearly 70 days.

The total number of viewer responses to available “calls to action” was 38,137, a response rate of 139% of video view sessions. Mobile device viewing activity was negligible for this campaign with only 415 mobile device views equating to 1.5% of total video views.

Video Postcard Case Study: **Cognizant Annual Enrollment**

About Cognizant:

Cognizant Technology Solutions Corporation (NASDAQ: CTSI) is a leading global provider of information technology services. Its consultants possess expertise in a wide range of industries including financial services, healthcare, manufacturing, retail, communications and media and entertainment services. Originally, “born global” as an India-based branch of Dunn and Bradstreet, and with offices spanning four continents, the company values their “richly diverse workforce”.

Communications Objectives:

Adapting to globalization, virtualization and evolving cloud technologies have become key facets of Cognizant’s global model. As an information technology leader, Cognizant HR department was interested in using a web based communications solution to initiate online benefits annual enrollment that would utilize video and could be easily distributed to its 20,000 US based employees. They wanted a solution that could be deployed with very little expense and could be used to reach all of their geographically dispersed employees online. Cognizant chose to work with Flimp Media to develop an interactive video postcard campaign to make employees aware of the benefits open enrollment process.



Cognizant Video Postcard

The Video Postcard Campaign:

Cognizant had Flimp Media develop a branded, trackable, interactive “video postcard” to announce their 2013 benefits open enrollment to employees. The communications campaign was delivered internally to employees by email and intranet. A professional graphic spokesperson video was developed for the campaign in addition to the video postcard creative design. Using the Flimp technology, the Cognizant benefits video was combined with branding, web graphics and copy to create a custom multimedia communication with real time tracking and reporting of employee engagement and response activity.

Cognizant Video Postcard Campaign Results

Employee Engagement Rates	Viewers	Viewer Response Rate
Video Postcard Views (Flimp Views)	20,278	101 % of Employee Recipients
Video View Success (Video Plays)	19,692	97 % of Employee Recipients
Response Links Clicked (Response Rate)	19,907	98 % of Video Postcard Views
Mobile Device Video Views	342	1.7 % of Video Postcard Views
Average Video Duration	1 minutes, 30 seconds	
Average Viewing Time	2 minutes, 31 seconds	
Total Viewing Time	1,197 Hours	

Campaign Results:

The Cognizant video postcard benefits campaign generated a total of 20,278 views from just over 20,000 US based employees. Successful video plays totaled 19,692, representing 98% of total views, indicating that there were no problems accessing the video content, which was delivered simultaneously in Flash and HTML5. Upon delivery, the Flimp video postcard detects the user device and then serves the best content format available for that device.

The average viewing time was 2 minutes 31 seconds and the total aggregate viewing time was 1,197 hours (50 days). The total number of employee responses was 19,907, a response rate of 98% of total views. Mobile device viewing activity was negligible for this campaign with only 342 mobile device views equating to only 1.7% of total postcard views.

Video Postcard Case Study: **BCBS Annual Enrollment**

About Regional Blue Cross Blue Shield

Blue Cross Blue Shield is one of the largest healthcare associations in the United States, with a history of providing leading-edge health services dating back to 1929. Together, the Blue Cross and Blue Shield associations provide health care services to over 100 million Americans. The Regional BCBS client profiled in this case study has 3,700 employees serving 2.7 million members and is the largest health care provider in the state where it conducts business.

Communications Objectives:

BCBS wanted to implement a proof of concept project using the Flimp Video Postcard technology for its own employee benefits open enrollment program. The primary campaign objective was to engage employees in the benefits enrollment process using video, and then to track and measure employee engagement and response activity. Apart from improving employee engagement, other goals of the project were to reduce reliance on printed materials, improve measurement capabilities and to streamline the benefits enrollment and communications process.



The Video Postcard Campaign:

Using the FLIMP video communications software, three (3) custom video postcards were created for the annual enrollment campaign with calls to action and detailed viewer tracking and reporting. The interactive video postcards were distributed each time via email to 3,700 BCBS employees leading up to and during the fall open enrollment period. Flimp Media provided design, managed campaign services and technical support to the BCBS communications staff.

Employee Engagement Rates		Viewers	Viewer Response Rate
Video Postcard Views (Flimp Views)		7,209	65 % of Employee Recipients
Video View Success (Video Plays)		7,156	99 % of Employee Recipients
Response Links Clicked (Response Rate)		10,963	152 % of Video Postcard Views
Mobile Device Video Views		97	1.34 % of Video Postcard Views
Video Postcard #1	Average Video Duration	2 minutes, 10 seconds	
	Average Viewing Time	3 minutes, 24 seconds	
	Total Viewing Time	190.2 Hours	
Video Postcard #2	Average Video Duration	4 minutes, 8 seconds	
	Average Viewing Time	7 minutes, 18 seconds	
	Total Viewing Time	315.5 Hours	
Video Postcard #3	Average Video Duration	57 seconds	
	Average Viewing Time	4 minutes	
	Total Viewing Time	85.5 Hours	

Campaign Results:

Across all three email campaigns, the total video postcard viewing time was 591.2 hours and the average time employees spent on the video postcards was 4 minutes and 46 seconds. The video postcards were viewed a total of 7,209 times, representing 65% of total email recipients. There was a 99% successful video play rate and 42% of viewers watched the videos to completion. There were 10,963 total responses, representing a response rate of 152% of video postcard views. On average, viewers responded 1.52 times per viewing session. The most actively viewed campaigns were #1 and #2 toward the beginning of the enrollment period. Engagement fell considerably for the third campaign since many of the employees had already completed enrollment.

Video Postcard Case Study: **Ruby Tuesday Annual Enrollment**

About Ruby Tuesday

Ruby Tuesday is an internationally recognized restaurant franchise company traded on the New York Stock Exchange. Ruby Tuesday offers a variety of competitive worksite benefits to employees who are responsible for running the restaurant's daily operations.

Communications Objectives:

The primary objectives of the video postcard campaign were to educate employees about Health Savings Plans, to reduce reliance on printed materials, and to drive employees to the Ruby Tuesday online benefits portal website to enroll for health and insurance benefits.



The Video Postcard Campaign:

Ruby Tuesday wanted a better way to introduce their benefits sign up program to employees, and to educate them on a new Health Savings Account plan being offered. They decided to use Flimp to create two separate video postcards with branding and several calls to action. The video postcards were delivered to employees using email. The first campaign launched in early November announcing open enrollment and the second campaign launched in mid November with educational information about Health Savings Plans. Flimp Media scripted and developed the HSA educational video as part of the project. Flimp video postcards were distributed directly to Ruby Tuesday salaried employees, who then had a certain period of time to familiarize themselves with the benefits material, and sign up online. To support the campaign, Flimp Benefits provided needed managed services and technical support to Ruby Tuesday for the benefits enrollment education campaign including creative design, delivery, tracking and reporting services.

Ruby Tuesday Blue Shield Video Postcard Campaign Results

Employee Engagement Rates	Viewers	Viewer Response Rate
Video Postcard Views (Flimp Views)	980	38 % of Employee Recipients
Video View Success (Video Plays)	972	99 % of Employee Recipients
Response Links Clicked (Response Rate)	772	79 % of Video Postcard Views
Mobile Device Video Views	261	27 % of Video Postcard Views
Average Video Duration	1 minutes,	
Average Viewing Time	2 minutes, 30 seconds	
Total Viewing Time	40.5 Hours	

Campaign Results:

In total, video postcards were sent to 2,547 Ruby Tuesday salaried employees by email, mostly managers and corporate employees. There were a total of 980 video postcard views, including viral views, representing 38.5% of recipients. The average engagement time was 2 minutes 30 seconds. Over 99% of viewers were successfully able to play the video content. The response rate was 79%, with the majority of responses going to the enrollment website. Of particular note, 27% of viewers viewed the video postcard from a mobile device, either a Smartphone or a tablet using HTML5 video format.

"The flimp employee benefits campaign approach is great. This was an effective way to push out video information as part of the open enrollment introduction process. The flimps were easier to use and more successful than other open enrollment communications tactics we have experimented with in the past such as using CD's. They were also more cost effective. It was nice to select from existing video content while also creating a branded, personalized Ruby Tuesday video postcard. Also, the fact that not a lot of lead time is needed to create a flimp campaign is a big plus. The value of the flimp video campaigns was tremendous."

Christina Harmon
Director, Benefits Administration

Video Postcard Case Study: **TBR Voluntary Vision Care Enrollment**



Background

Flimp Media was engaged by the Voluntary Employee Benefits Advisors (VEBA) to develop and execute an interactive video postcard email campaign to introduce and market a voluntary VSP Vision Care plan to employees of the Tennessee Board of Regents (TBR), a higher education network of 46 institutions, 15,000 employees and combined annual enrollment of over 200,000 students. The TBR is the nation's sixth largest system of public higher education. TBR's six state universities, 13 community colleges, and 27 technology centers offer classes in 90 of Tennessee's 95 counties. The TBR system is a \$2.2 billion per year enterprise.

Flimp Media was given ten days to develop and execute a video marketing campaign to make employees aware of the VSP Vision Care offering and drive them to the VEBA online enrollment platform. The project included the production of a two-minute scripted video, the design and creation of the video postcard, email delivery to target audiences, and detailed tracking of the campaign results. Delivery was particularly difficult since the video postcard campaign had to be emailed to employees through the 46 TBR institutions involved in the enrollment process. As a result, it is estimated that between 8,000 and 10,000 of the 15,000 eligible TBR employees actually received the video postcard email campaign.

Campaign Results:

The TBR Voluntary Vision Care Plan video postcard marketing campaign was initiated on October 10 and was successfully launched to employees on October 20 following production, testing and various approvals. Over 4,000 employees signed up for the VSP voluntary vision care plan through VEBA's online enrollment system. The Flimp video postcard marketing costs for the campaign were less than \$1.00 per policy sold. There was no budget or time available for onsite enrollment advisors. The campaign was executed using a combination of outbound video email marketing, call center support and the online enrollment system.

TBR Voluntary Vision Care Video Postcard Campaign Results

Employee Engagement Rates	Viewers	Viewer Response Rate
Video Postcard Views (Flimp Views)	4,254	40-50 % of Employee Recipients
Video View Success (Video Plays)	4,163	98 % of Employee Recipients
Response Links Clicked (Response Rate)	4,275	100 % of Video Postcard Views
Mobile Device Video Views	236	5.5 % of Video Postcard Views

¹ We estimate that 8,000-10,000 employees recieved the video email.

Letter to VEBA from TBR Vice Chancellor

"I want to let you know how pleased I was with my personal enrollment. I have enrolled in many benefits over the years and purchased many different products or services on the internet. Not all those experiences have been simple or positive. In contrast, the process of enrolling in this Vision insurance benefit was simple, intuitive, and a pleasant experience."

Dale Sims
Vice Chancellor for Business and Finance
Tennessee Board of Regents

Video Postcard Case Study:

School District of Philadelphia Voluntary Benefits Enrollment

Background:

When Stephanie Federoff, Director of Benefits for the School District of Philadelphia, wanted an alternative communication solution to help roll out their voluntary benefits program to 6,500 administrative, maintenance, and supervisory employees she asked her broker for help. "Our broker [...] told us about Flimp. He said it would be very useful. I admit I was skeptical, but I took a wait and see approach." Flimp was presented as a cost effective way to communicate and measure the impact of complex information using video. SDP could deliver interactive Flimp Video Postcards about voluntary benefits products directly to employees using email. Employees could watch the Video Postcards at their convenience and easily share them with family. The School District decided to use Flimp Video Postcards instead of holding local onsite meetings.

Project Overview:

The SDP voluntary open enrollment was conducted from December 1-9. Voluntary benefits products offered to SDP employees included a flexible spending plan, disability insurance and whole life insurance. Information about the enrollment process and products was communicated to employees using traditional mail and Flimp Video Postcards. Benefits enrollment was completed via telephone through a third party enrollment center.



Campaign Results:

The SDP flimp video postcard was sent by email to the 6,500 employees during a two week period prior to open enrollment. 2,532 or 39% of eligible employees engaged with the SDP video postcard for an average of 1 minute and 16 seconds. Over 93% were able to successfully view the video messages. After watching the introductory video message, a total of 1,645 viewers clicked a response link for a response rate of 65%, a very favorable figure given the nature of the communications. According to Grady Ford, broker for the SDP voluntary enrollment process, the video postcard campaign was a success:

“Our goal this year was to educate employees on the benefits of Flexible Spending Accounts, and increase participation by 10%. Flimp more than doubled that objective by increasing enrollment by 22%. I made my client look good, Flimp Media made me look good and the employees were the real beneficiaries”

SDP Video Postcard Campaign Results

Employee Engagement Rates	Viewers	Viewer Response Rate
Video Postcard Views (Flimp Views)	2,532	39 % of Employee Recipients
Video View Success (Video Plays)	2,353	93 % of Employee Recipients
Response Links Clicked (Response Rate)	1,645	65 % of Video Postcard Views
Average Viewing Time	1 minute, 16 seconds	

“One of the most important points I stressed was that the visual communications needed to reflect our diverse employee population. The staff at Flimp Media understood exactly what we needed and tailored our Flimp communications accordingly.”

Stephanie Federoff
SDP Benefits Director

About Flimp Media and Flimp Communications

Flimp Media, Inc. is a video marketing and communications solutions company with offices in Boston, MA, New York, NY, Denver, CO and Manchester, UK. Our FLIMP® 5 video solutions platform enables users to create, distribute, and track interactive video postcards, video landing pages, and video microsites called flimps® without programming or IT resources for online direct marketing, sales and communications. Our Flimp Agency division provides creative video production and design services to our clients. Our Flimp Benefits division provides HR-benefits video communications solutions to employers, carriers and intermediaries. For more information about Flimp products and services please visit www.flimp.net and www.flimpbenefits.com.

