

TIAA's segmentation approach

Engaging employees on the path toward financial well-being

Understanding who your employees are and what matters to them is essential to helping them along the path toward financial well-being. Reaching them with the information they need, when they need it, increases engagement and seeks to help improve outcomes for your employees and your plan.

The more precise the segments, the more effective the targeting

Through our research, we know that targeting by age or demographics alone—a typical approach—cannot adequately speak to an employee's needs. You can be 63 and struggling, or 30 and well established in your career but not saving for the future. Our approach to segmentation is multidimensional, taking a wide range of qualitative and quantitative data from our research into account.

Segmentation drives our end-to-end engagement strategy

Our segmentation approach is the foundation for understanding employee needs and mindsets. This knowledge helps us:

- Create relevant content that addresses specific needs
- Set realistic and achievable goals for employees
- Drive communication and education for improved financial well-being
- Evaluate the success of our programs and campaigns
- Identify opportunities to improve your plan design and communications plan

Segments are continuously refined

Segmentation continues to evolve through additional data, analytics and research. This helps us improve understanding and further refine our strategy and targeting.



Dollar stretchers



Life builders



Accumulators

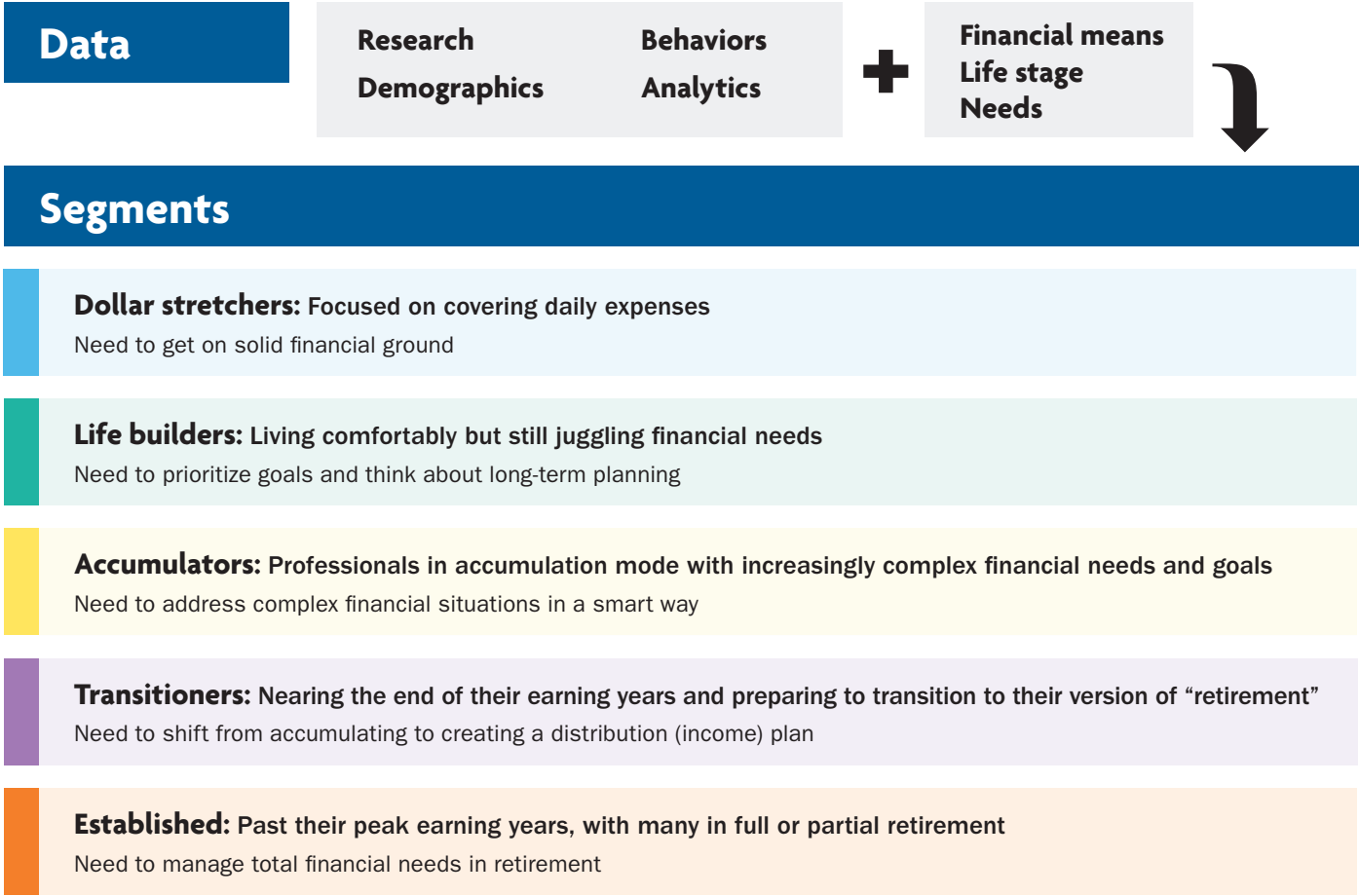


Transitioners



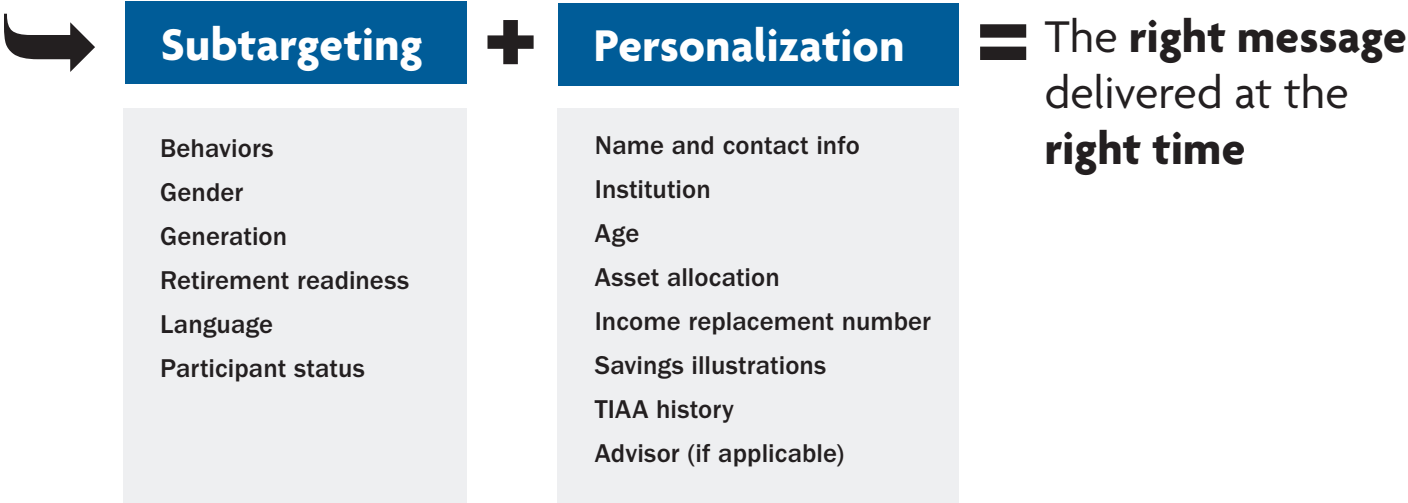
Established

TIAA's approach to segmentation



We uncover common needs and priorities while treating each employee as a distinct individual

With strong segments as a basis, we can further pinpoint specific needs through subtargeting based on additional factors. We can then add personalization to address each individual by name or with personal information. This allows us to address the diverse array of employees within segments with the needs they share in common.

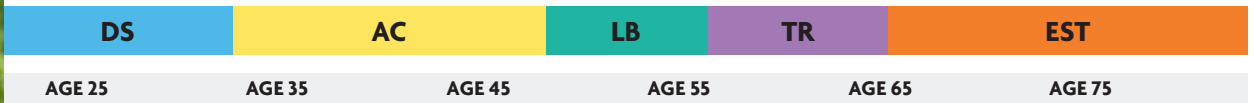


There are many paths to retirement, and no two will be the same

Employees move across the segments in different ways. We target their needs based on their experience at any particular stage of life.

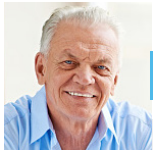
Mary

Mary experienced a divorce and a career change on her road to retirement, and she maintained good investing habits throughout.



Jim

Jim's paycheck stayed fairly steady throughout his working life. He prides himself on knowing that although there was never excess, there was always enough.



Same age, different segments

Three 46-year-old employees can all have different needs. We address each of them differently based on their segment and individual goals.



Amy, age 46
Lives paycheck to paycheck



Frank, age 46
Financially sound but needs to prioritize goals



Dana, age 46
Lives comfortably but wonders if she's making the right financial choices

	DS	LB	AC
Average salary	\$44K	\$61K	\$96K
Average TIAA assets	\$15K	\$52K	\$181K
Average EE contribution %	2.48%	4.89%	7.2%

Source: Plan Outcome Assessment data, 12/31/17. Summary level based on active 46-year-old TIAA participants with salary on file.

A road map of priorities guides the communications plan

We have created a financial road map that details important steps along the lifelong financial journey—from the fundamentals of saving for the future to living in retirement (see back). The priority of each can differ by segment, from top of mind to less of a concern. This helps us better target each employee throughout life with the information that is most desirable at a given moment in time.

Priorities by segment



Dollar stretchers

- Enroll in the plan
- Learn the basics
- Make a budget
- Pay down debt
- Make an income plan for retirement (for some)



Life builders

- Save to the match
- Diversify investments
- Save for emergencies
- Insure for basic protection



Accumulators

- Save to the max
- Save for a home
- Plan for college
- Save for discretionary goals
- Address complex needs



Transitioners

- Make catch-up contributions
- Save beyond the plan
- Make an income plan for retirement
- Save for health expenses



Established

- Make/review an income plan for retirement
- Manage and track income/withdrawals
- Plan for the next generation



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