



**USAID**  
FROM THE AMERICAN PEOPLE



**BAPEPAM-LK**



# Investing in the Future

**Workshop & Presentation**

**May 10<sup>th</sup>, 2012**

**SEADI RFP No .003**

***Support to Bapepam-LK on its Socialization Program***

# Objectives

PRISMA



2

- 1) Assess Bapepam-LK's socialization efforts to promote broader awareness of financial markets;
- 2) Examine the need and role of financial literacy.

Proprietary



*SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia*

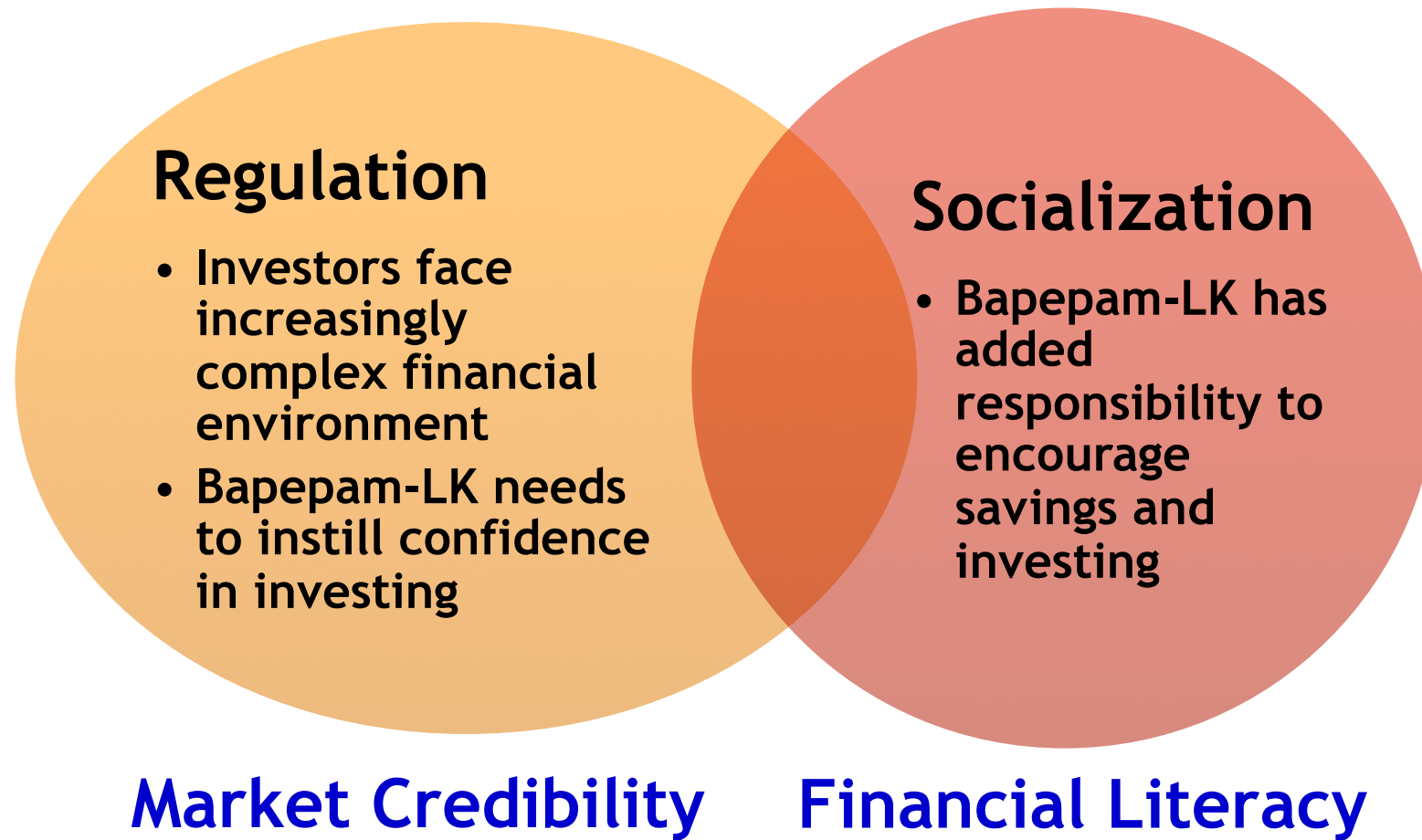


# Bapepam-LK's Communications Role

PRISMA



3



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



# Investigations Conducted

PRISMA



4

## RANDOM and INVESTORS

Survey results from 500+ ABC1 men and women in Surabaya and Jakarta

Three samples of respondents: Random Population; Investors; Potential Investors

Four focus group discussions with active and potential investors

## TRADITIONAL MEDIA

Interviews with journalists  
Observed media briefings  
Media coverage review

Medan mall survey

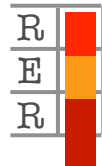
## SOCIAL/DIGITAL MEDIA

Interviews with financial planners  
Web metrics

Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



# Understanding Terminology

PRISMA



5

<b>Random</b>	Adults in the ABC1 SES expenditure group (46% of urban population)
<b>Potential</b>	People who intend on investing in a capital market product within 5 years
<b>Active</b>	People currently investing in NBFIs products

Proprietary

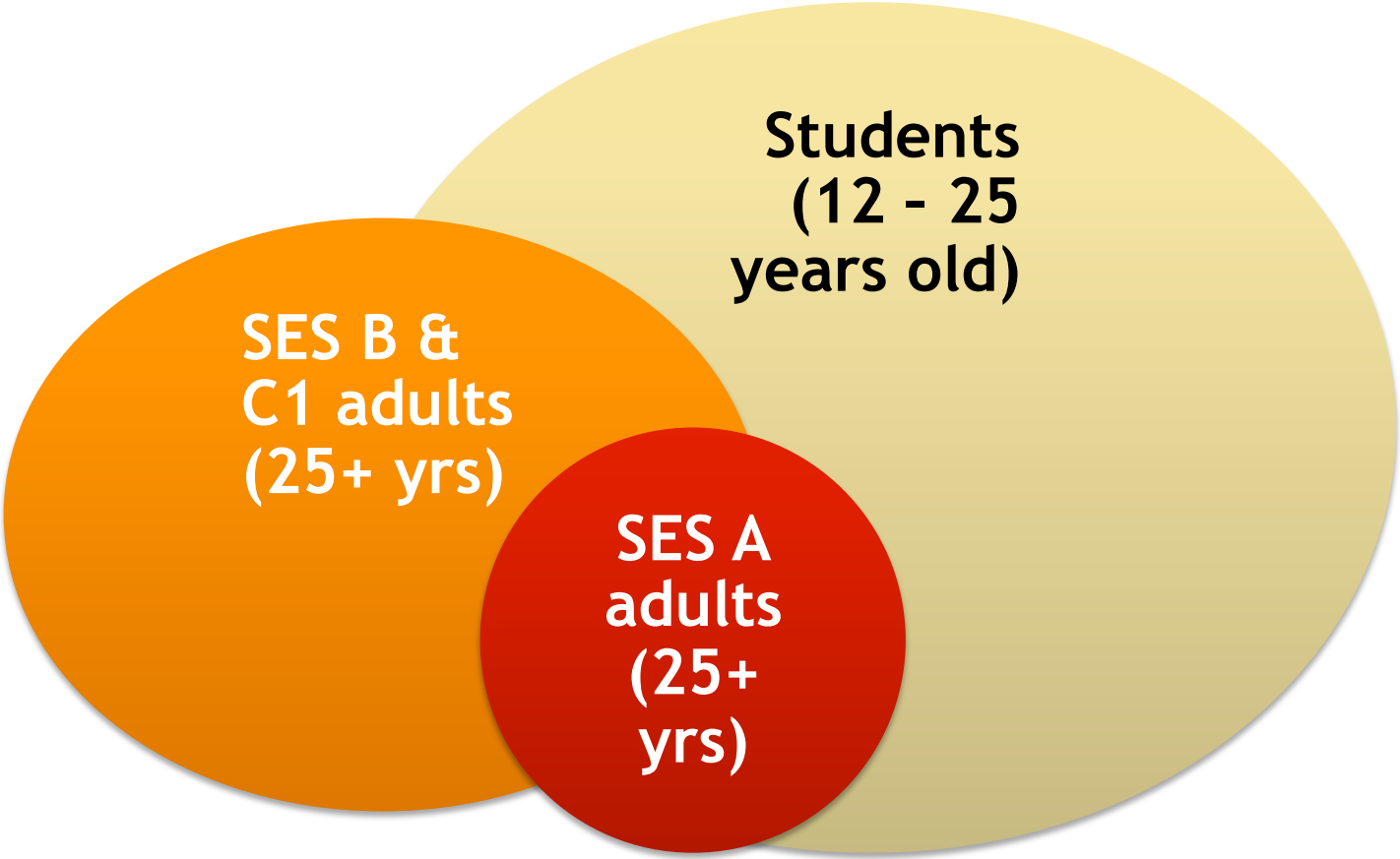


# Target Audience

PRISMA



6



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

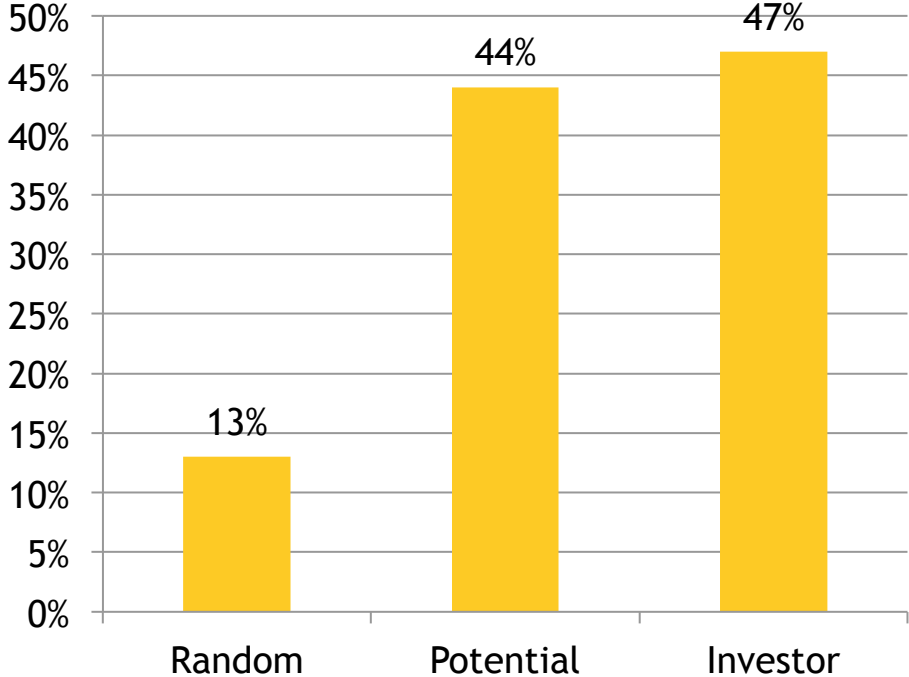


# Audience Attributes

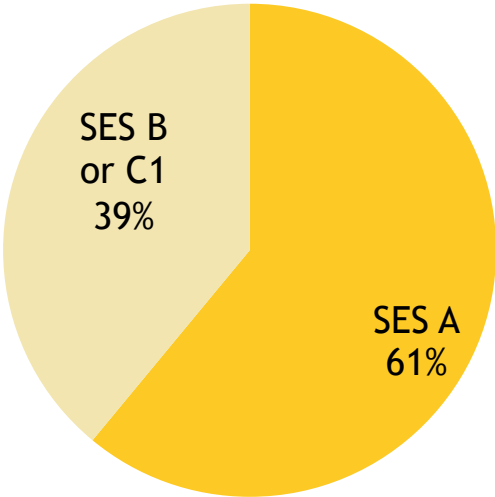
PRISMA



### Car Ownership



### Investors



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



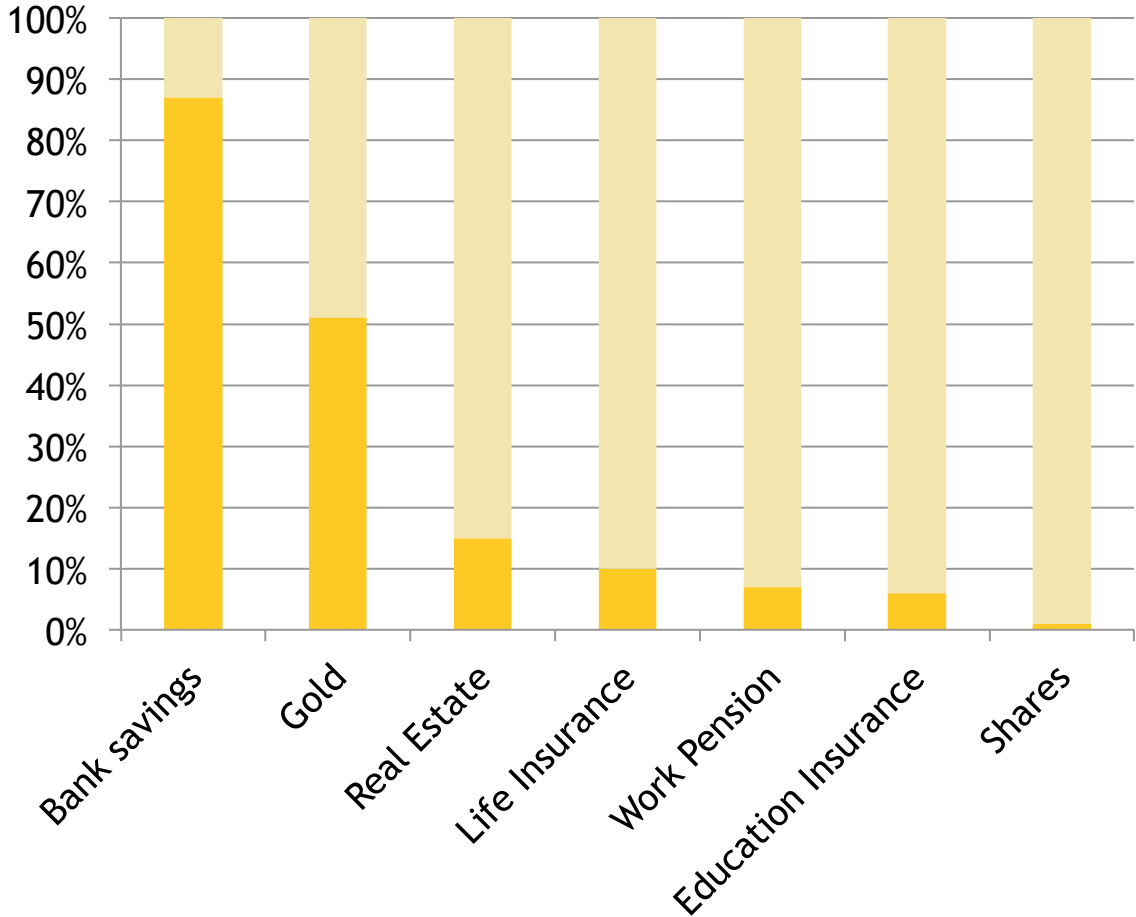
# Population's Ownership of Investments

PRISMA



8

Percent Ownership of Investments in Population



Excluded :

- Car insurance
- Unit insurance
- Home insurance
- Personal pension
- Mutual funds
- Syariah bonds

Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia





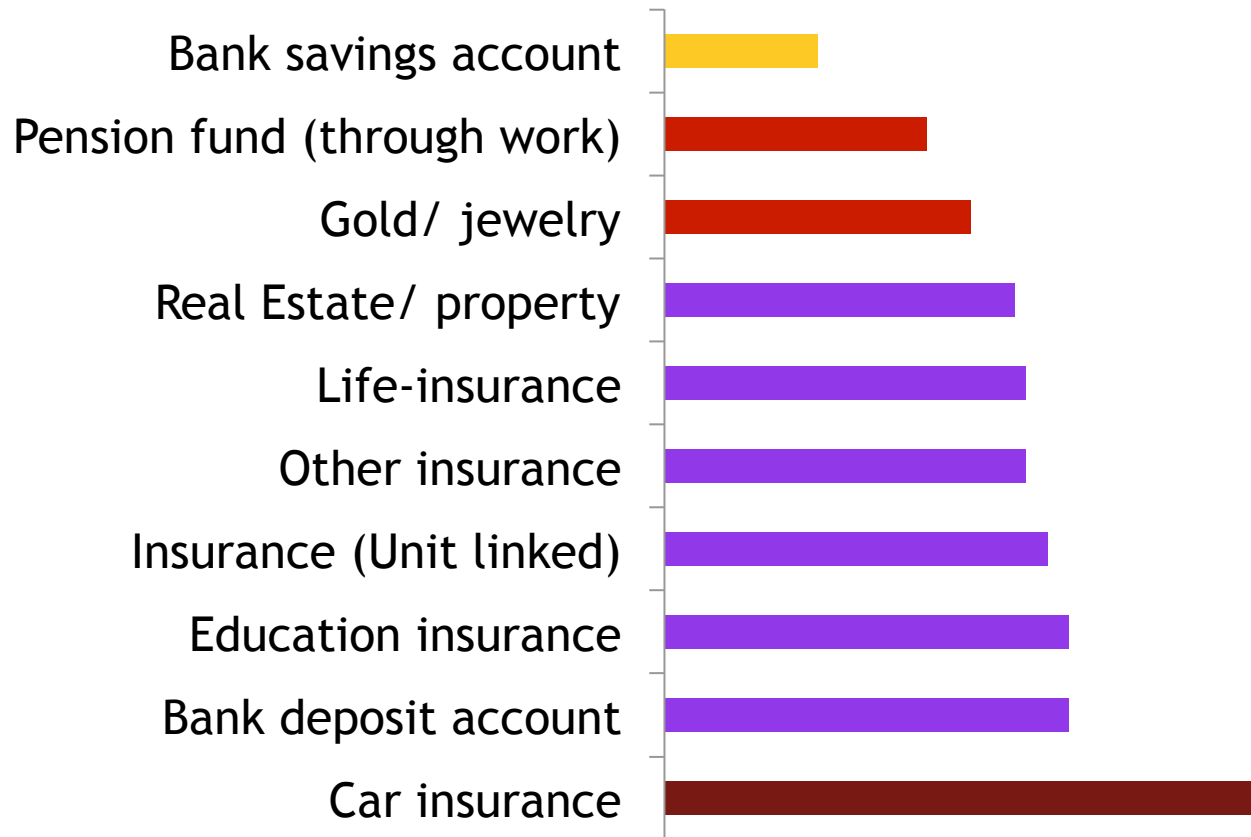
# Investment Ladder

PRISMA



9

## Progression of Investing (Investors)



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



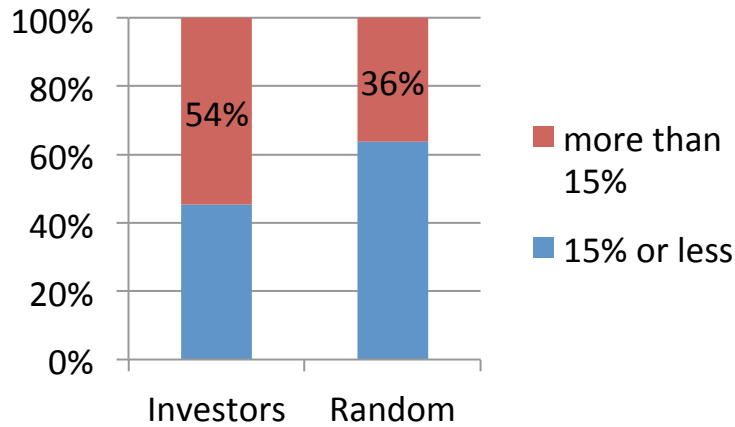
# Savings Behavior

PRISMA

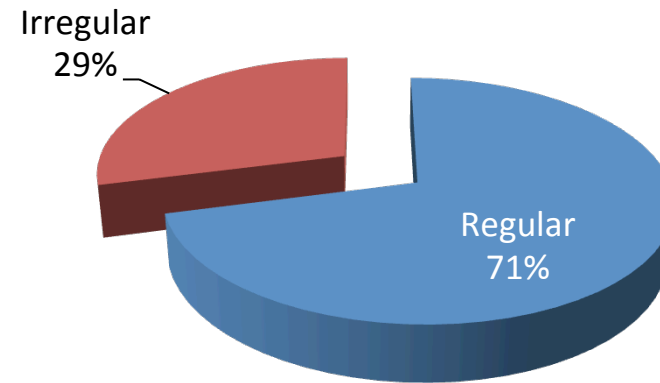


10

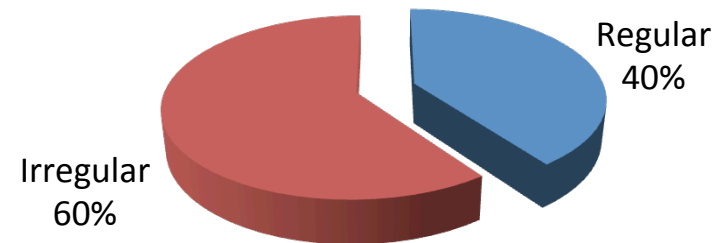
Percentage of Income Saved



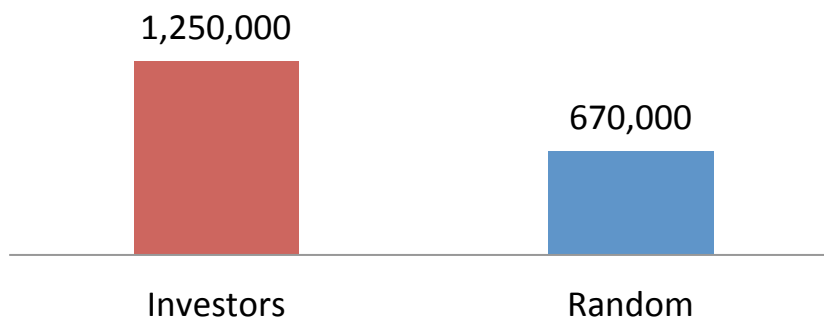
Saving Behavior of Investors



Saving Behavior of Population



Avg Monthly Savings (IDR)



Proprietary



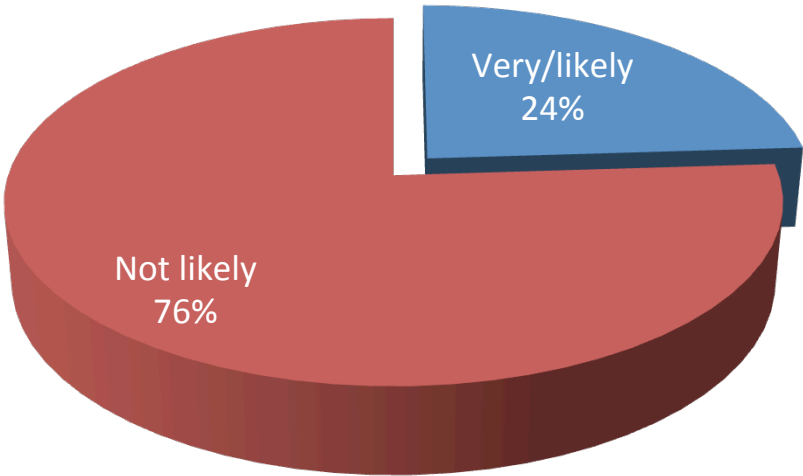
# SES A: Still Untapped Potential

PRISMA

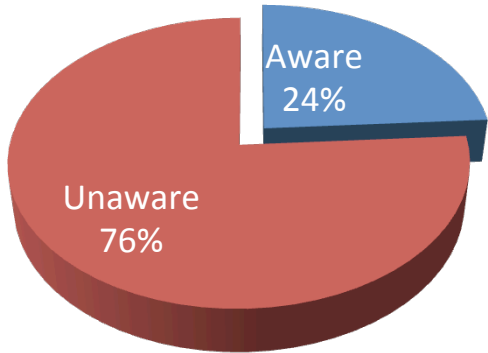


11

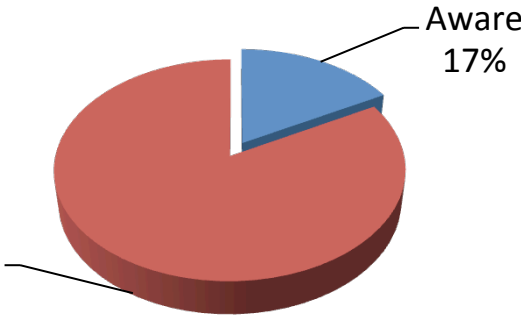
### Likelihood of Investing in Capital Market Products



### Unaided Awareness of Shares



### Unaided Awareness of Pension Funds



Proprietary

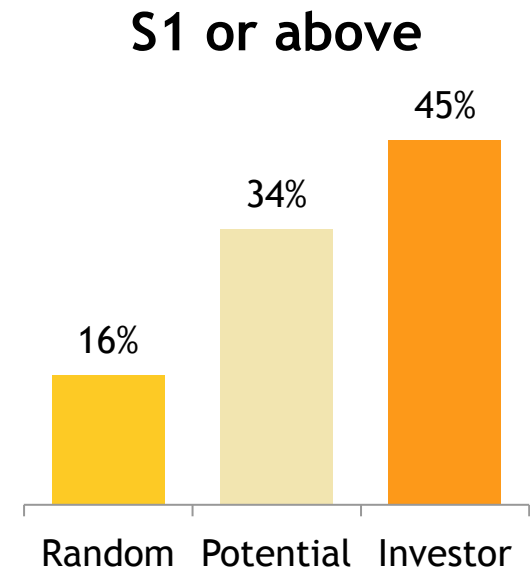
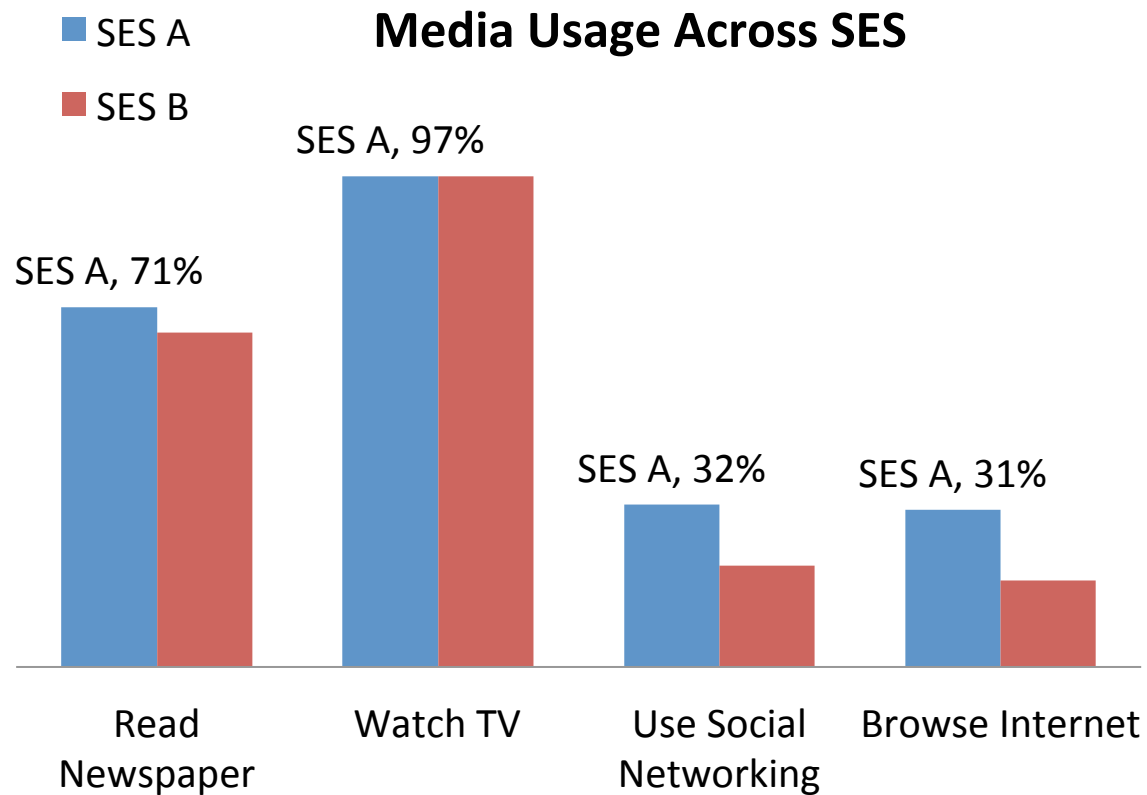


SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

R	A
E	
R	



# High Media Access & Education Levels



Proprietary



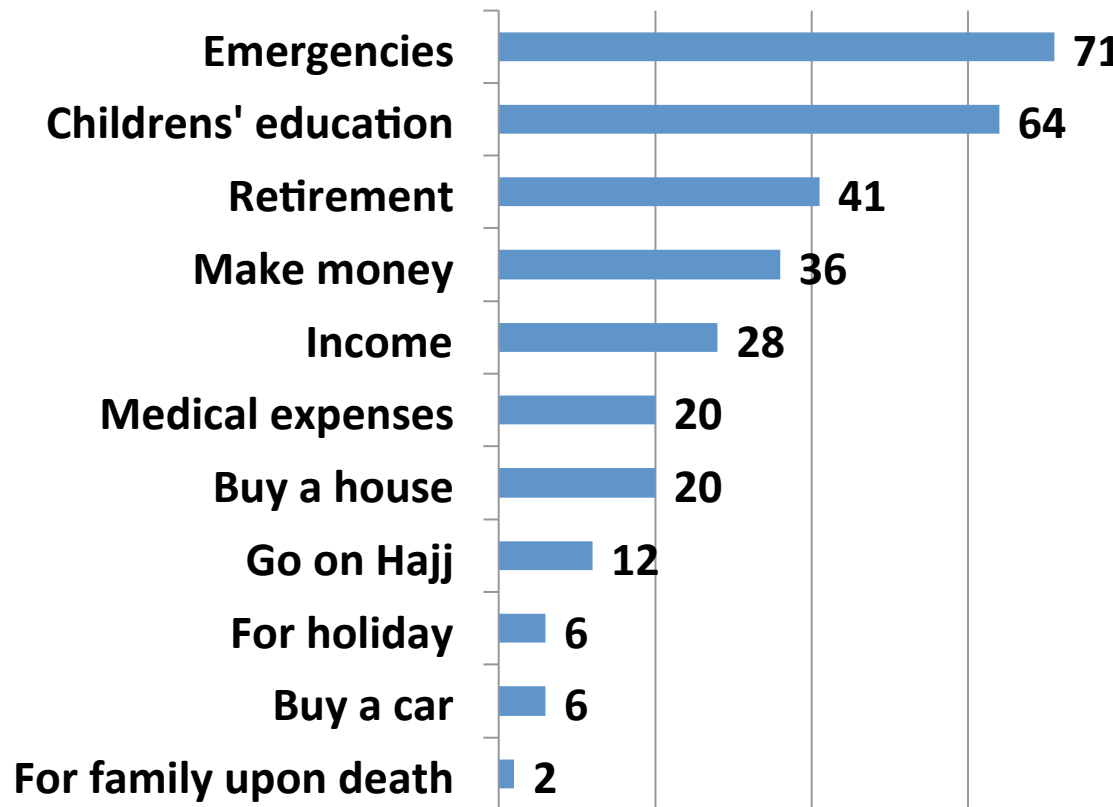
# Why the Audience Saves & Invests

PRISMA



13

## Reasons for Savings & Investing



Audience is not interested in “get rich” schemes

More concerned about protecting against the unexpected

Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



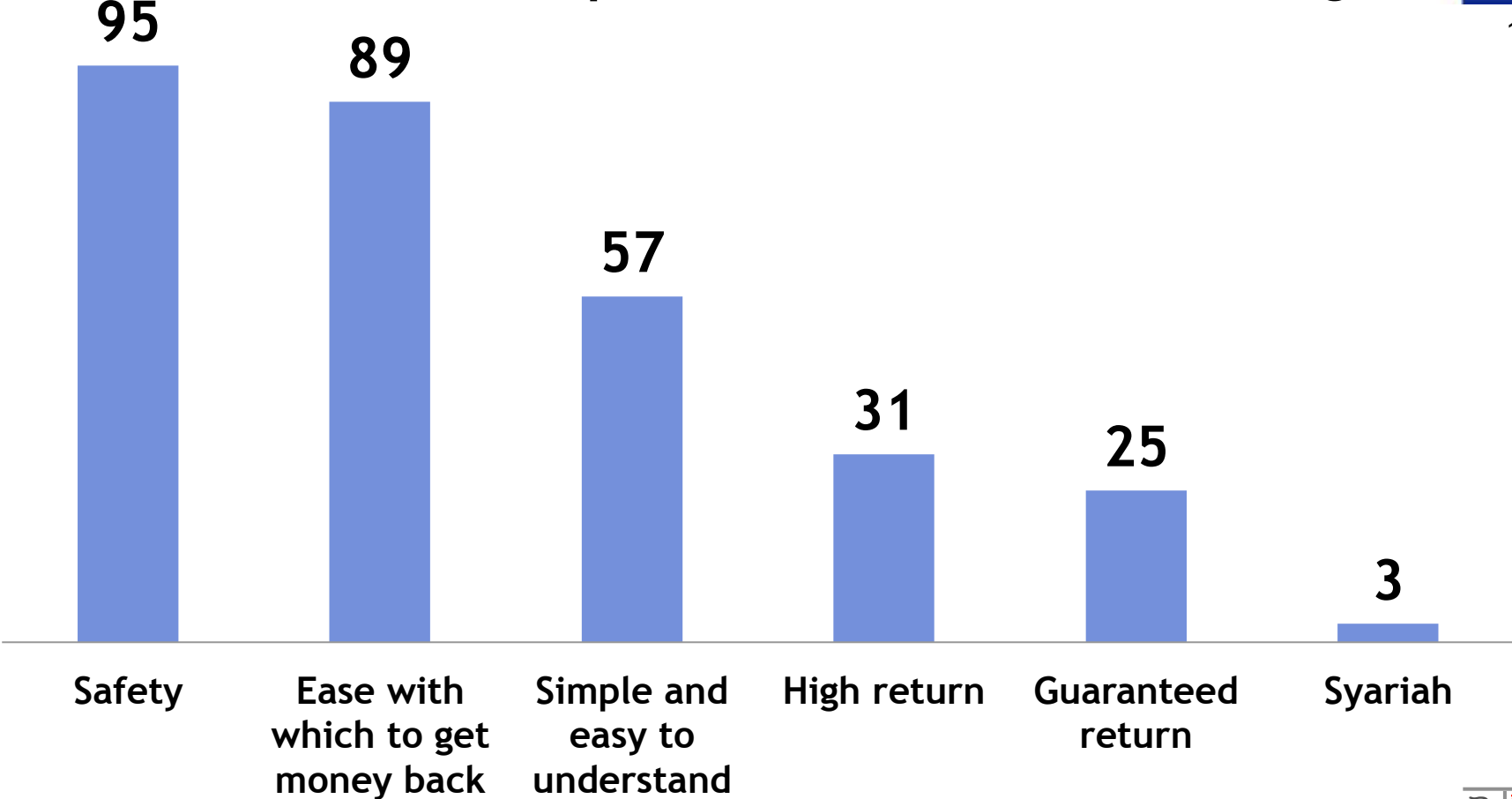
# What the Audience Wants

PRISMA



14

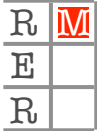
### Mentioned in Top Three Factors for Investing



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



# Perceptions of Financial Instruments

PRISMA



15

Gold	No need for paperwork	76%
	Easy to understand	69%
Real Estate	Good long-term investment	73%
	Make a lot of money	71%
Syariah Bank	Allowed by religion	63%
	Safe	26%
Bank Account	Safe	80%
	Convenient	77%

“NBFI destroys people’s hopes and lives”

“NBFIs are full of deceit.”

Capital Market	Too complicated	78%
	Risky/high potential for fraud	70%
Pension Funds	Don't know enough about it	46%
	Too complicated	35%
Mutual Funds	Don't know enough about it	78%
	Too complicated	65%
Insurance	Too complicated understand	34%
	High potential for scams	32%

“High potential for scams”

“High risk”

“Complex to invest in”

Proprietary



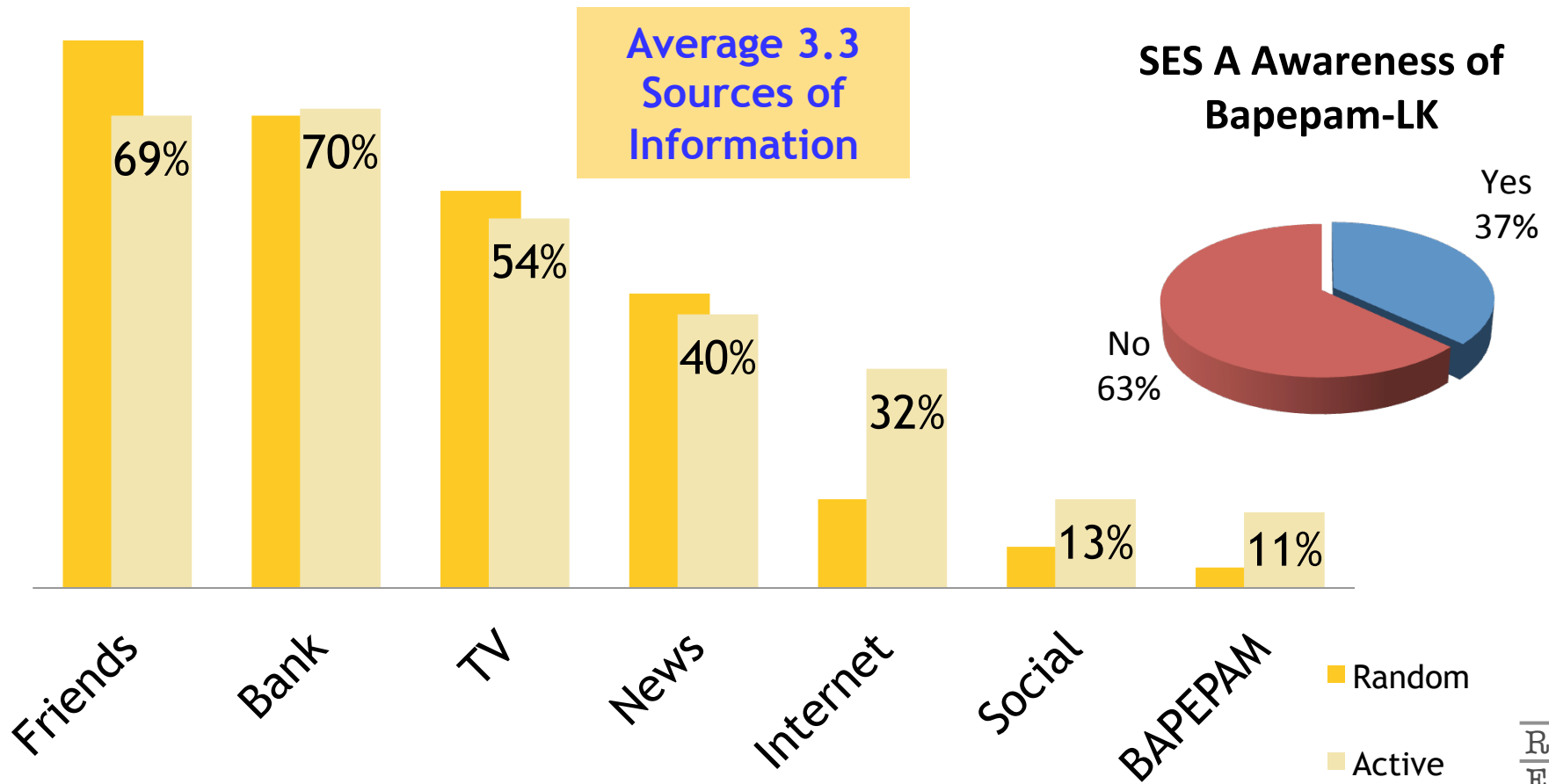
# Where Audience Gets Information

PRISMA



16

## Likelihood of Using as Source of Information



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia





# Financial Planners Recommend

PRISMA



17

*“The media should be used in conjunction with face-to-face interaction. Otherwise, the reliability of the information is questioned.”*

*“Combine seminars, trainings, and courses with social media.”*

*“Utilize all media, including seminars and exhibitions, to meet directly with the public .”*

Proprietary

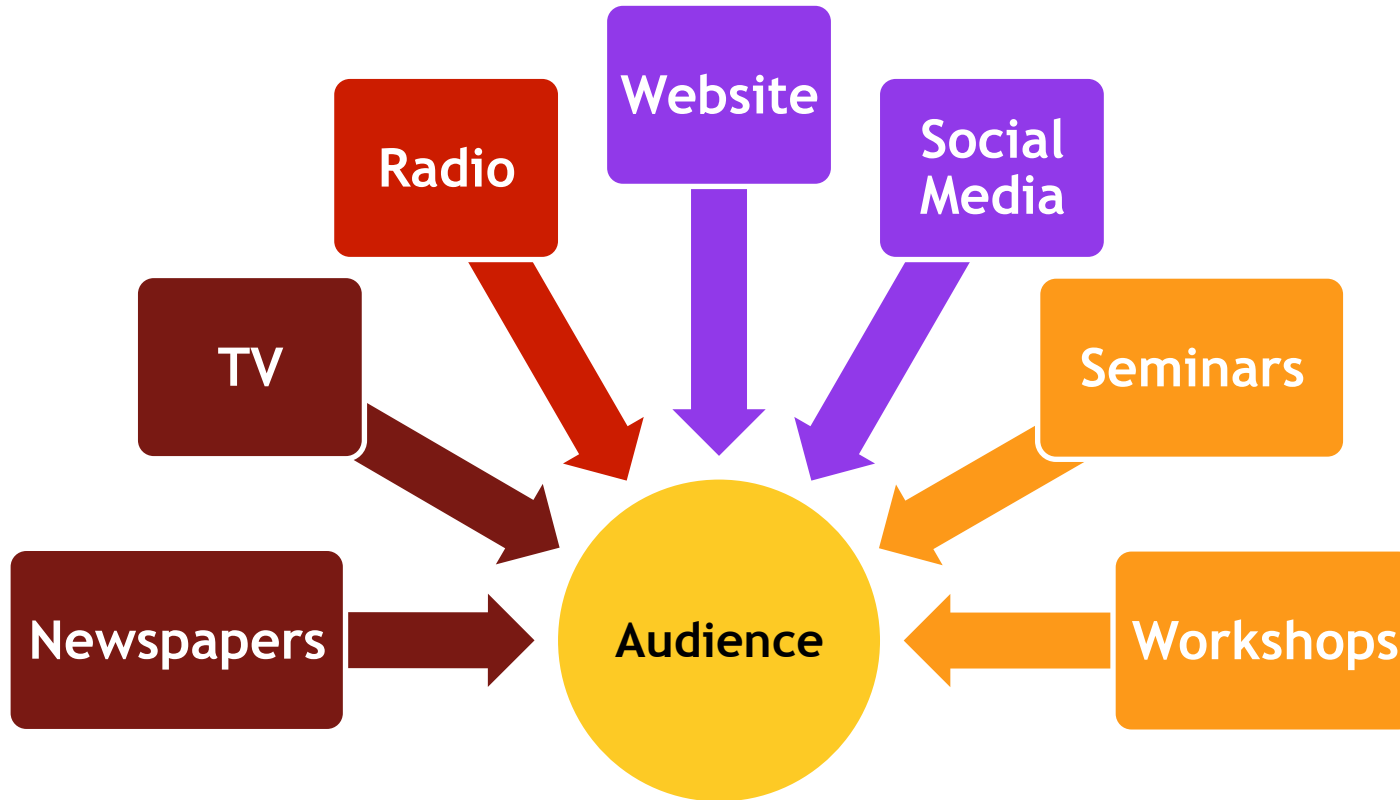


# Cross-Channel Communications

PRISMA



18



## Goals:

Update information  
Drive audiences to website  
Build awareness

Highlight expertise  
Address audience concerns  
Build credibility

▲ ▲ ▲ SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

Proprietary



# Channels: Workshop & Seminars



**“People often pay to gain information on investing through seminars.”**

**Financial Planners**

**Demonstrated interest in learning about investing through seminars.**

**Focus Group Discussion Results**

Proprietary



# Channels: Website & Social Media

PRISMA



20

21% of population use social media  
vs.  
49% of investors

Low web traffic (Alexa.com)

#184,624 ranked globally  
#3,020 ranked in Indonesia

Average visit duration: 4 minutes

Average duration per page: 55 seconds

Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

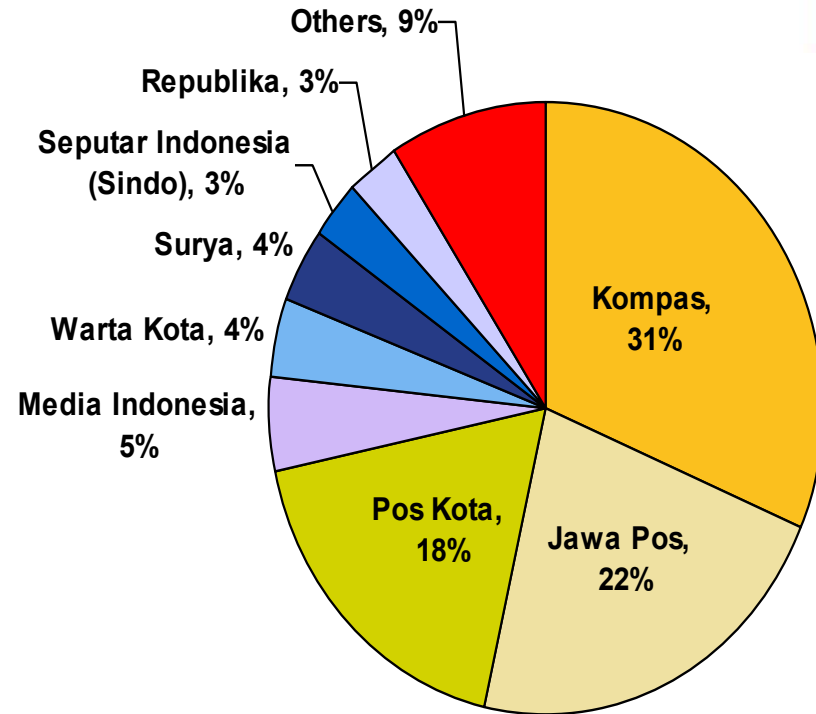
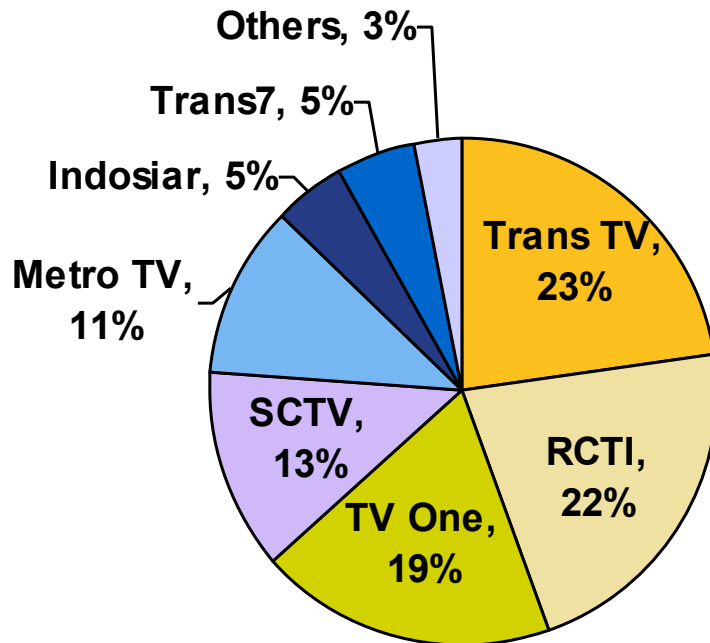


# Channels: TV & Newspapers

PRISMA



21



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

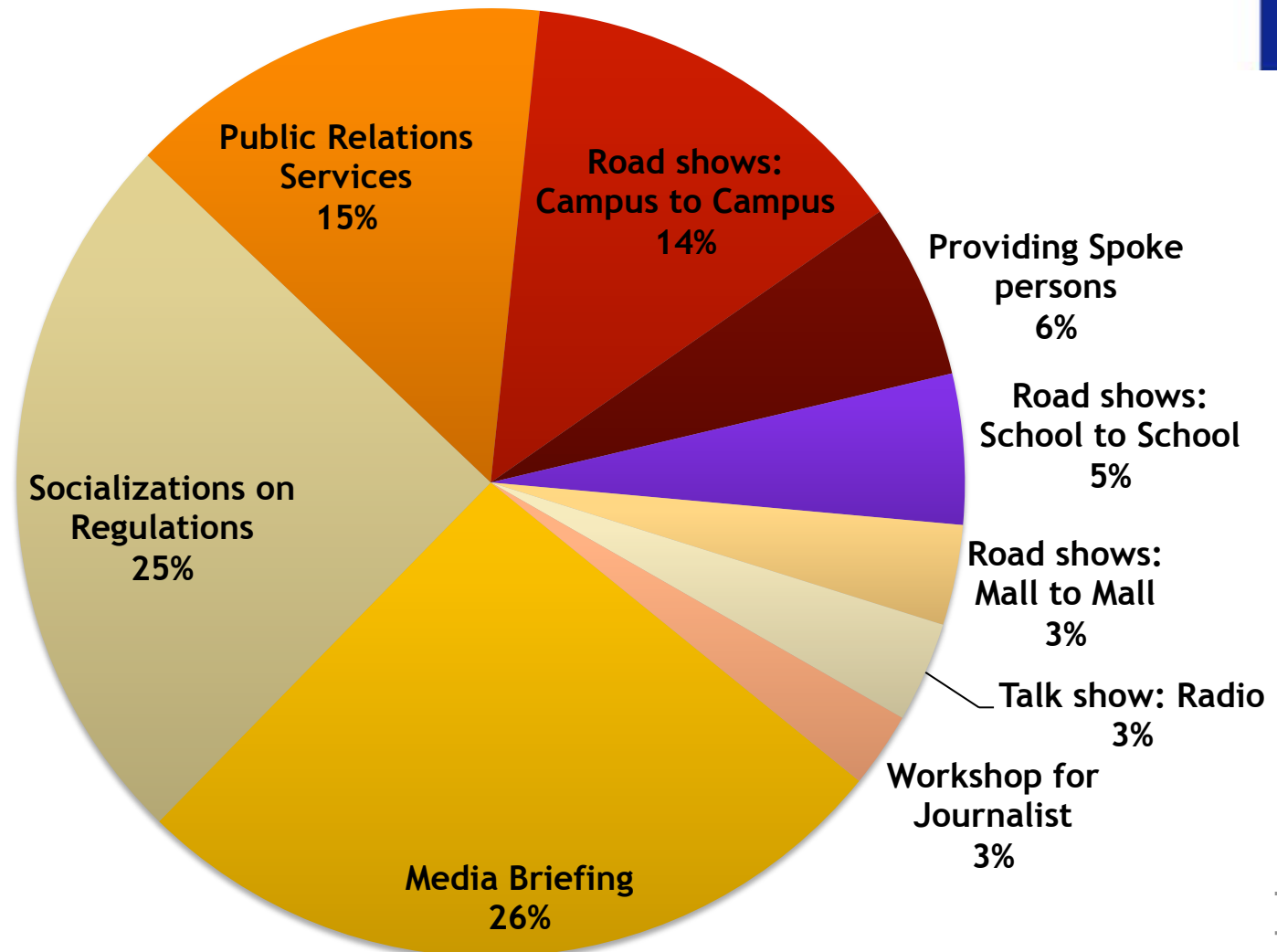


# Bapepam-LK's Socialization Initiatives

PRISMA



22



Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

R	
E	
R	

# Media Briefing



PRISMA



23

## Media sees value in briefings.

“As a representative from PR Division, the spokesperson doesn’t have the authority to confirm [issues] ... only serve as the liaison between the media and the appointed bureau.” Journalist

## Excellent relation-building tool.

Ensure match of spokesperson with message.

Press materials/kit need to be developed consistently.

- ▲ Add media to Invitation list (target)

SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia

Proprietary

R	
E	
R	

# Socialization of Regulations

PRISMA



24

**Regulator role should be strengthened and promoted before focusing on education programs**

**Website is a valuable resource for media and financial planners.**

“The website is the source of information for press release and regulations.” Journalist

“With many investment product sold online, Bapepam-LK’s website is a credible source of information to determine my choice of investment.” Financial Planner

**Address strongly audience’s misperceptions about investing.**



# Public Relations Services



PRISMA



25

**Bapepam-LK is obligated to host visitors.**

Seems to take up a lot of resources

**Variety of visitors underlines importance of easy-to-use materials.**

**Purpose of visit could be addressed on website.**

Establish permanent kiosk in lobby

Proprietary



*SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia*

R	
E	
R	

# Road shows: Campus to Campus



PRISMA



26

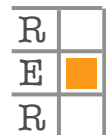
Results in an impressive level of knowledge, understanding, interest.

Students requesting interactive tools, digital tools, games.

“Make (socialization) more interactive - two way, instead of one way communication, and provide simulation” Student/FGD

Road shows enable transition into “higher-order” investing.

Proprietary



# Providing Expert Spokespersons

PRISMA



27

**Media does not utilize Humas as information source.**

**Topics seem very specialized rather than broad**

**“Once heard Bapepam-LK speaker, but material went over my head.” FGD**

**Tailor presentation material to audience knowledge.**

**Humas takes on non-technical spokesperson role.**

**Be more active at setting agenda/ messaging**

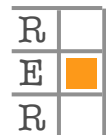
**FAQ/Key messages**

**Brief/Rehearse spokesperson**

Proprietary



*SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia*



# Road shows: School to School

PRISMA



28

**Important to include younger participants.**

## **Best Practices:**

Financial Driver's License (Austria)

102 out of 158 financial literacy programs in Europe are aimed at high school or university students

**Topics/materials must reflect age interest/ability to invest.**

Proprietary



*SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia*

R	
E	
R	

# Road shows: Mall to Mall



PRISMA



29

## Medan Survey Results (first trial):

### Demographic:

48% women, 52% men, mostly in their 20s (53%).

48% were students.

### Materials not conducive to investing knowledge.

“To improve the session, explain it more simply or in detail for people who don’t know that much about investing.” Visitor

### Effectiveness dependent on prior promotion of event.

No press/event release/advertisement.

Misperception on what Bapepam-LK does.

### Materials should explain core messages about investing.

### Consider redesigning event to ensure effectiveness.

Proprietary



# Talk show: Radio



PRISMA



30

**Only 4% consider radio a “source for investing information”**

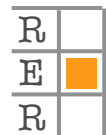
**Radio is second-tier in terms of Ratings (25% listen)**

“Radio could work, especially as we go to work in the car.”  
- Focus Group Discussion

**Can be effective tool for certain topics but need to evaluate against media habits.**

Sindo Radio vs top five stations (I-Radio, Ben FM, GenFM, Radio Kayu Manis, Suara Surabaya)

Proprietary



# Workshop for Journalists



PRISMA



31

## A worthwhile investment to counter frequent rotations of journalists

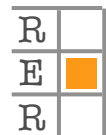
“Invite journalists for briefing/workshop to learn about regulations, terms, and current and future situation of the capital market.” Journalist

## Develop learning materials that “stick” with the journalists - basic to advanced

Proprietary



SEADI is a joint project of the U.S. Agency for International Development and the Republic of Indonesia



# Evaluation of Socialization Initiatives

PRISMA



Road show: Mall to Mall

Talk show: Radio

Providing Expert Spokespersons

Public Relations Services

Road show: School to School

Media Briefing

Socialization on Regulations

Workshop of Journalist

Road show: Campus to Campus

*at project of the U.S. Agency for International Development and the Republic of Indonesia*

Proprietary



# 1. Empower Bapepam-LK's Humas Division

PRISMA



*... to engage the media and the public on the non-technical aspects of investing, regulation, and Bapepam-LK's socialization efforts.*

33

## Rationale:

Organization must have consistent voice and message

PR Division should be the main source of information for journalists

Press releases should be easy to understand, accessible, and relevant

## Action Steps:

Use press releases and other media tools to publicize socialization efforts

Develop “Rules of Engagement”

Who says what to whom when

Coach spokespersons in key messages and FAQ

Differentiate between technical and non-technical topics

Proprietary



R	
E	
R	

## 2. Focus on Increasing Audience's Knowledge

PRISMA

*... through consistent and integrated socialization efforts.*

34

### Rationale:

Increase population's awareness of investing and reduce skepticism

Increase savings levels within population

Improve financial literacy

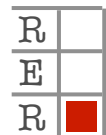
### Action Steps:

Promote financial literacy

Demystify investing while debunking common misperceptions

Encourage saving and financial planning, especially by explaining concept of diversified portfolio

Proprietary



### 3. Deliver Basic Financial Information

*... through social media, the website, and other online outlets.*

PRISMA



35

#### Rationale:

Games and videos engage younger audience

32% of investors use social media

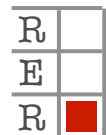
#### Action Steps:

Build interactivity into digital communications

Cross-promote game by driving audience to website (with tracking)

Use videos (talking heads) to talk about financial topics

Proprietary



## 4. Communicate Consistently Across Channels

PRISMA

*... through an integrated system of online, in-person, and traditional media outlets.*



36

### Rationale:

Financial planners recommend using multiple channels

Important to increase adults' knowledge of Bapepam-LK (22%)

### Action Steps:

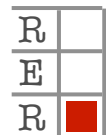
Establish Bapepam-LK's credibility

Encourage two-way communication

Increase consumer confidence

Utilize workshops, seminars, and exhibitions

Proprietary



## 5. Monitor Changes in Investor's Awareness

*... of Bapepam-LK and NBFIs products in order to better address messaging.*

PRISMA



37

### Rationale:

Annual tracking surveys are industry best practices

Group discussions aid development of resonating messages

Key Performance Indicators promote accountability

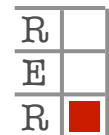
### Action Steps:

Utilize annual tracking surveys

Hold focus group discussions

Set and monitor Key Performance Indicators

Proprietary





**USAID**  
FROM THE AMERICAN PEOPLE



**BAPEPAM-LK**



**Thank you**

**from Prisma Public Relations  
and its project partners**