

Bridging the gap between saving and income in retirement

How message framing can impact
participant engagement with
installment withdrawal features

Research by Voya's Behavioral Finance
Institute for Innovation

Summary

Research by Voya's Behavioral Finance Institute for Innovation (BeFi) explored how behaviorally informed messaging can enhance the awareness and adoption of installment withdrawal features in defined contribution retirement plans and help older investors with the transition from saving to generating sustainable income in retirement. Installment withdrawals are retiree-friendly features that allow retirement participants to schedule regular payouts from their retirement portfolios.

Background

The U.S. retirement system has shifted from defined benefit pensions to defined contribution plans, placing the responsibility for saving for retirement, investing, and generating sustainable income during retirement on individuals. Investors often struggle with converting their accumulated savings into sustainable income.

Advantages of installment withdrawal features

Installment withdrawal features offer several benefits including automating regular, scheduled payments from retirement accounts, reducing cognitive load¹, reducing biases that are common among older investors such as long-standing accumulation habits and heightened loss aversion², and managing risks like sequence-of-returns risk.³

These features are often underutilized despite their benefits and broad availability in defined contribution plans.⁴ Limited awareness and understanding of installment-based withdrawals and how they work, combined with poor visibility in digital experiences, further constrain their adoption.

A field experiment on messaging effectiveness

In a study with over 2,600 participants in Voya-administered retirement plans aged 55+, Voya's BeFi team tested the impact of messaging frames on engagement with installment withdrawal features. Participants were shown one of three messaging frames describing the features, each delivered at the top of a page on the digital experience where participants aged 55+ frequently visited in preparation for upcoming retirement decisions, while considering full lump sum withdrawals, and/or to satisfy general curiosities. The messaging frames included the following.

Education-focused messaging



Did you know that your plan offers installments? You can convert your savings into regular income in retirement deposited directly to your bank account. [Learn more.](#)

Education-focused messaging explained what installment-based withdrawals are and how they work.

Benefits-focused messaging



Reduce your risk of outliving your savings by setting up regular retirement paychecks with safe withdrawal rates. You have access to installment features. [Learn more.](#)

Benefits-focused messaging highlighted the benefits of installment-based withdrawals such as reducing the risk of outliving one's savings.

Ownership-focused messaging



You have active retirement plan benefits. Take advantage of your plan's automatic retirement income features. [Learn more.](#)

Ownership-focused messaging applied the endowment effect by framing installment withdrawal features as a benefit that participants already have access to.

When a participant clicks “Learn more” in each of the messaging examples, they see the following pop-up message

What are installments?

X

Think about them as a personalized way to pay yourself in retirement. You set the dollar amount or percentage of the withdrawal as well as the frequency of payment. And, you can change or cancel them at any time. Installments can be used to help you comply with IRS Required Minimum Distribution rules.

Check out our [resource center](#) to learn more about creating a retirement income plan.

Results

- Presenting installment withdrawal features as an active benefit that participants already had access to (e.g., Ownership-focused messaging) significantly increased participant interest and adoption compared to Education- or Benefits-focused messaging, doubling adoption rates from 2% to 4%.⁵
- About half (45%) of participants in the Ownership-focused messaging condition who clicked on the “Learn more” call-to-action (CTA) also engaged with additional resources about retirement income planning.⁵
- Gender differences were also observed in responses to messaging; women responded more to Benefits-focused messaging while men engaged more with Ownership-focused messaging.

Implications and practical insights for retirement plans

The findings from this research suggest that messaging framing may increase engagement with installment withdrawal features among plan participants approaching retirement. Based on these findings, Voya has updated the participant experience for select plans to highlight eligible participants’ active access to built-in retirement income features.

This research offers several practical insights for benefits leaders and organizations seeking to support older investors and pre-retirees in their journey both to and through retirement. Employers can make retirement plans more retiree-friendly by helping workers engage with features that allow them to easily generate income in retirement. While comprehensive retirement income solutions that automatically translate savings into sustainable and/or guaranteed income streams are most ideal, such advanced features are not always available within employer-sponsored plans. Nevertheless, employers can still make their retirement plans more retiree-friendly by improving how existing features are presented and communicated.



A deeper dive into the results

	Interest in installments (Message CTA click-through rates)	Adoption of installments (Enrollment rates)	Engagement with Retirement Income Resources (link in pop-up click-through rates)
Ownership-focused messaging	5.5%	4.1%	45%
Benefits-focused messaging	2.9%	2.0%	32%
Education-focused messaging	3.3%	2.0%	59%

Key takeaways

Highlighting available installment-based withdrawal options through clearer information architecture, simple educational materials, and targeted messaging can guide decision-making in retirement and help bridge a critical gap between accumulation and decumulation.

1 Embed messaging in relevant decision paths

Placing information about installment withdrawal features where participants are known to explore their retirement options or make withdrawal decisions is most effective.

2 Simple educational materials

Providing clear, easy-to-understand retirement income planning resources alongside installment withdrawal features can play a crucial role in overcoming financial literacy and help retirees understand how to use the options to generate income sustainably.

3 Use targeting and personalization

The use of behavioral and demographic signals — such as male vs. female participants who are 55 years and older and have recently visited a withdrawal-related page — can be used to deliver timely and relevant digital nudges or email campaigns that meet people exactly where they are in their decision-making process.

1. Keane, M. P., & Thorp, S. (2016). Complex decision making: The roles of cognitive limitations, cognitive decline, and aging. In Handbook of the Economics of Population Aging (Vol. 1, pp. 661-709). North-Holland https://www.nuff.ox.ac.uk/economics/papers/2016/Keane_Thorp_Revised_Final_1.pdf

2. Shu, S. B., & Shu, S. D. (2018). The psychology of decumulation decisions during retirement. Policy Insights from the Behavioral and Brain Sciences, 5(2), 216-223. <https://doi.org/10.1177/2372732218790034>

3. Clare, A., Seaton, J., Smith, P. N., & Thomas, S. (2025). Saving to decumulate: A lifetime journey based on the Perfect Contribution Rate. Journal of Retirement, 13(1), 28-45. <https://doi.org/10.3905/jor.2025.1180>

4. Institutional Retirement Income Council. (2024). Retirement income reimagined: How systematic withdrawals are reshaping DC plans. IRIC White Paper. <https://iricouncil.org/wp-content/uploads/2024/11/Retirement-Income-Reimagined-How-Systematic-Withdrawals-are-Reshaping-DC-Plans.pdf>

5. Voya internal data from commercial experiment, August 2024 – December 2024

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