

Research report

Investigating the triggers into claiming Pension Credit

by Darren Bhattachary and Zoe Slade

Department for Work and Pensions

Research Report No 785

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Contents

Acknowledgements.....	v
The Authors.....	vi
Abbreviations and glossary of terms	vii
Summary	1
1 Introduction	4
1.1 Background	4
1.2 Research aims and study objectives	4
1.3 Research methodology	4
1.4 Findings overview	5
1.5 About qualitative research	6
1.6 Report outline	6
2 Segment 1 – ‘Keep it in the family’	7
2.1 Description of segment	7
2.2 Barriers towards claiming Pension Credit.....	8
2.3 Key triggers leading to eligibility	8
2.4 Key triggers to thinking about making a claim.....	8
2.5 Experience of journey	9
3 Segment 2 – ‘Falling through the net’	11
3.1 Description of segment	11
3.2 Barriers towards claiming Pension Credit.....	12
3.3 Key triggers leading to eligibility	12
3.4 Key triggers leading to claim	12
3.5 Experience of journey	12
4 Segment 3 – ‘They don’t mean me’	15
4.1 Description of pensioners	15
4.2 Barriers towards claiming Pension Credit.....	16
4.3 Key triggers leading to eligibility	17
4.4 Key triggers leading to claim	17
4.5 Experience of journey	17

5	Segment 4 – ‘Too proud for help’	19
5.1	Description of pensioners	19
5.2	Barriers towards claiming Pension Credit.....	20
5.3	Key triggers leading to eligibility	20
5.3.1	Key triggers leading to claim	20
5.4	Experience of journey	20
6	Conclusions and recommendations.....	22
6.1	Segment 1 – ‘Keep it in the family’	22
6.1.1	Overview.....	22
6.2	Segment 2 – ‘Falling through the net’	22
6.2.1	Overview.....	22
6.3	Segment 3 – ‘They don’t mean me’	23
6.3.1	Overview.....	23
6.4	Segment 4 – ‘Too proud for help’	23
6.4.1	Overview.....	23
Appendix A	Sample details.....	26
Appendix B	Topic guide	27

List of tables

Table 6.1	Key findings from each segment	24
Table A.1	Sample frame	26

List of figures

Figure 1.1	Pensioner segments.....	5
Figure 2.1	‘Keep it in the family’ segment.....	7
Figure 2.2	‘Keep it in the family’ customer journey.....	9
Figure 3.1	‘Falling through the net’ segment	11
Figure 3.2	‘Falling through the net’ customer journey	13
Figure 4.1	‘They don’t mean me’ segment	15
Figure 4.2	‘They don’t mean me’ customer journey.....	18
Figure 5.1	‘Too proud for help’ segment	19
Figure 5.2	‘Too proud for help’ customer journey.....	21

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Abbreviations and glossary of terms

AA	Attendance Allowance
CA	Carers Allowance
CAB	Citizen Advice Bureau
Customer segment	A way of dividing customers into groups that share similar characteristics.
DCS	Disability and Carers Service.
DLA	Disability Living Allowance
DWP	Department for Work and Pensions.
PDCS	The Pension, Disability and Carers Service.
Pension Credit	A means tested social security benefit consisting of two components: a guarantee credit – devised to provide those aged sixty and over a minimum level of income; and savings credit – providing additional money for those over the age of sixty five who are living on a modest income.
QSM	Quarterly Satisfaction Monitor. A customer satisfaction survey conducted by TNS-BMRB on behalf of The Pension, Disability and Carers Service.
TPS	The Pensions Service.

Summary

This research aimed to:

- investigate the events that act as a trigger to thinking about, making enquiries about or claiming Pension Credit for existing pensioners, who have no viable trigger;
- better understand the decision-making process an individual goes through in the build up to submitting a claim for Pension Credit;
- gain insight into the process of claiming Pension Credit for existing pensioners.

The research involved 55 qualitative depth interviews with pensioners in ten areas of the United Kingdom (UK). Interviews lasted for approximately 30 minutes and were audio recorded, transcribed and analysed.

Key findings

Pensioners' awareness of Pension Credit and their perceived need for Pension Credit had an impact upon the customer journey. Four distinct segments of pensioners emerged from the research based upon these two factors (Section 1.4).

Segment 1 – 'Keep it in the family'

- Had low awareness and low perceived need of Pension Credit (Section 2.1).
- Were not comfortable discussing financial matters, other than with close family members (Section 2.1).
- Did not seek out financial information and placed their trust in certain family members who they considered to be knowledgeable about financial issues (Section 2.1).
- Perceived that they were already receiving all that they were entitled to and were unaware of wider support and information that was available (Section 2.2).
- Were already entitled to make a claim but were not aware of their eligibility (Section 2.2).
- 'Stumbled' across rather than sought out information about finances and benefits, either by themselves or through third parties (Section 2.3).
- Had no significant trigger into eligibility, though family members were vital in influencing their decision to make a claim (Section 2.3).
- Needed a nudge to make a claim – this was often encouragement from close family members to contact the Pensions Service (TPS) and complete the form (Section 2.4).

Segment 2 – 'Falling through the net'

- Had low Pension Credit awareness but a high perceived need of Pension Credit/additional financial support (Section 3.1).
- Should have received an automatic trigger into Pension Credit – however, for various reasons, either missed or did not receive the appropriate information (Sections 3.1 and 3.2).
- Had a relatively open approach towards talking about their financial situation with individuals outside of their immediate family, such as friends and neighbours (Section 3.1).

- Found it difficult to manage their money and as a result did not find it easy to budget on a weekly basis (Section 3.1).
- Would contact trusted intermediaries, such as the Citizen Advice Bureau (CAB) or the local council, who were important in helping them to make a claim (Section 3.4).

Segment 3 – ‘They don’t mean me’

- Had high Pension Credit awareness and a low perceived need of Pension Credit (Section 4.1).
- Thought they had enough money to ‘survive on’ and thought they would be ineligible for Pension Credit (Section 4.1).
- Knew about Pension Credit for typically between two and four years before making a claim (Section 4.1).
- Had a relatively open attitude to the discussion of personal finances with friends, family and third parties (Section 4.1).
- Found out about Pension Credit from a variety of sources including the television, organisations such as Age UK and information packs from the Pension Service (Section 4.1).
- Held assumptions regarding eligibility criteria that prevented them taking up Pension Credit (Section 4.2).
- Were concerned applying for Pension Credit would reduce other benefits (Section 4.2).
- Read leaflets and information packs – highlighted through third parties – to help dispel the ‘myths’ around Pension Credit and encouraged them to make a claim (Section 4.4).

Segment 4 – ‘Too proud for help’

- Had high awareness of and high perceived need for Pension Credit (Section 5.1).
- Was the most financially vulnerable group of pensioners but were too proud to get additional support from government (Section 5.1).
- Viewed Pension Credit as a handout and felt embarrassed about making an application (Section 5.1).
- Were the most vulnerable group and had various health and mobility problems, which made certain pensioners housebound (Section 5.1).
- Did not actively seek out information but were open to discussing financial matters. Were heavily reliant on family for financial advice (Section 5.1).
- Held an attitude of coping on what money they had. Men in particular held the view that they should be able to provide for their families (Section 5.2).
- Were concerned about being asked to pay back Pension Credit (Section 5.2).
- Needed to be encouraged to make a claim. Home help, nurses as well as relatives were important in this regard. Emphasising that Pension Credit was not a hand out was very important (Section 5.3).

Conclusions and recommendations

- The conclusion and recommendations highlight the challenges and solutions to promote Pension Credit uptake among each segment. Detail is also provided in terms of communications, message content and channels to maximise success.

For Segment 1: ‘Keep it in the family’

- **Challenge:** Need overcome the low levels of awareness of Pension Credit. This is made difficult by two dominant barriers: reluctance to speak about personal finances with others outside of the immediate family; and a general low awareness of or interest in financial information more generally (Section 6.1).
- **Solution:** Communications may be better directed at other close family members who will be in a position to discuss Pension Credit with their relative. This is particularly important given the need for a final ‘nudge’ by family members to encourage them to make a claim (Section 6.1).

Segment 2 – ‘Falling through the net’

- **Challenge:** Automatic triggers into Pension Credit have either been missed or have failed. The principle barriers are that there is an expectation that government would tell them if more support was available – meaning pensioners were less likely to seek out additional information themselves (Section 6.2).
- **Solution:** Putting greater onus on local authorities and agencies to double check that pensioners are aware of Pension Credit is important. There was a willingness to discuss financial information with others, particularly professionals, meaning that intermediaries such as the third sector could also be a useful means of contacting this group (Section 6.2).

Segment 3 – ‘They don’t mean me’

- **Challenge:** The key issue for this group centred on misconceptions about their financial eligibility for Pension Credit – which they perceive as only being for the poorest in society. A key barrier is a perception that other entitlements may be reduced if they make a claim for Pension Credit. It is not awareness of Pension Credit per se that is the issue, but a detailed understanding of eligibility (Section 6.3).
- **Solution:** Develop simple messages to help dispel myths around Pension Credit. More detailed information should clearly highlight thresholds in simple to understand language – potentially using pen portraits to personalise the information (Section 6.3).

Segment 4 – ‘Too proud for help’

- **Challenge:** Pension Credit is viewed as a handout by this segment. Strong feelings of financial independence and a belief in personal responsibility to provide for their families mean this will be one of the toughest groups to communicate with (Section 6.4).
- **Solution:** It is not awareness but social norms that need to be changed. Key will be to communicate Pension Credit not as a benefit, but as part of the way the country respects its elderly – enabling those who have worked hard all their lives to grow old with dignity (Section 6.3).

1 Introduction

TNS-BMRB was commissioned by the Pension, Disability and Carers Service (PDCS) to conduct customer insight research into the triggers that initiate a claim for Pension Credit.

1.1 Background

PDCS is an external agency of the Department for Work and Pensions (DWP) and was formed on the 1 April 2008 following the merger of the Disability and Carers Service (DCS) and TPS. PDCS provide a range of services to current and future pensioners, people with disabilities and carers – including provision of the following benefits: Attendance Allowance (AA), Carers Allowance (CA), Disability Living Allowance (DLA), State Pension, Winter Fuel Payment and Pension Credit.

Pension Credit is a means tested social security benefit introduced in 2003 to replace the Minimum Income Guarantee. Pension Credit consists of two components:

- guarantee credit: devised to provide those aged sixty and over a minimum level of income;
- savings credit: providing additional money for those over the age of 65 who are living on a modest income.

Entitlement to both is calculated separately. Individuals can be receiving both or either one of the elements.

For most pensioners the process of claiming Pension Credit is well understood. Individuals are notified automatically when they start claiming their state pension, when a spouse passes away or when making a claim for another benefit. However, there are a group of pensioners who appear to have no apparent visible triggers into claiming Pension Credit.

PDCS is committed to tackling poverty and aims to help achieve this by increasing the awareness and uptake of Pension Credit for those who are eligible. The findings from this research will help to inform how to better communicate and encourage those who are eligible to take up Pension Credit.

1.2 Research aims and study objectives

The main objectives of the study were to:

- Investigate events that act as a trigger for eligibility to Pension Credit; specifically amongst those existing pensioners becoming eligible.
- Investigate the events that act as a trigger to thinking about, making enquiries about or claiming Pension Credit for existing pensioners (whether or not that trigger made them eligible).
- Better understand the decision-making process an individual goes through in the build up to submitting a claim for Pension Credit.
- Gain insight into the process of claiming Pension Credit for existing pensioners.

1.3 Research methodology

The research comprised 55 face-to-face depth interviews. Each interview lasted approximately 30 minutes. Interviews were conducted across ten areas of the UK. Respondents were recruited from

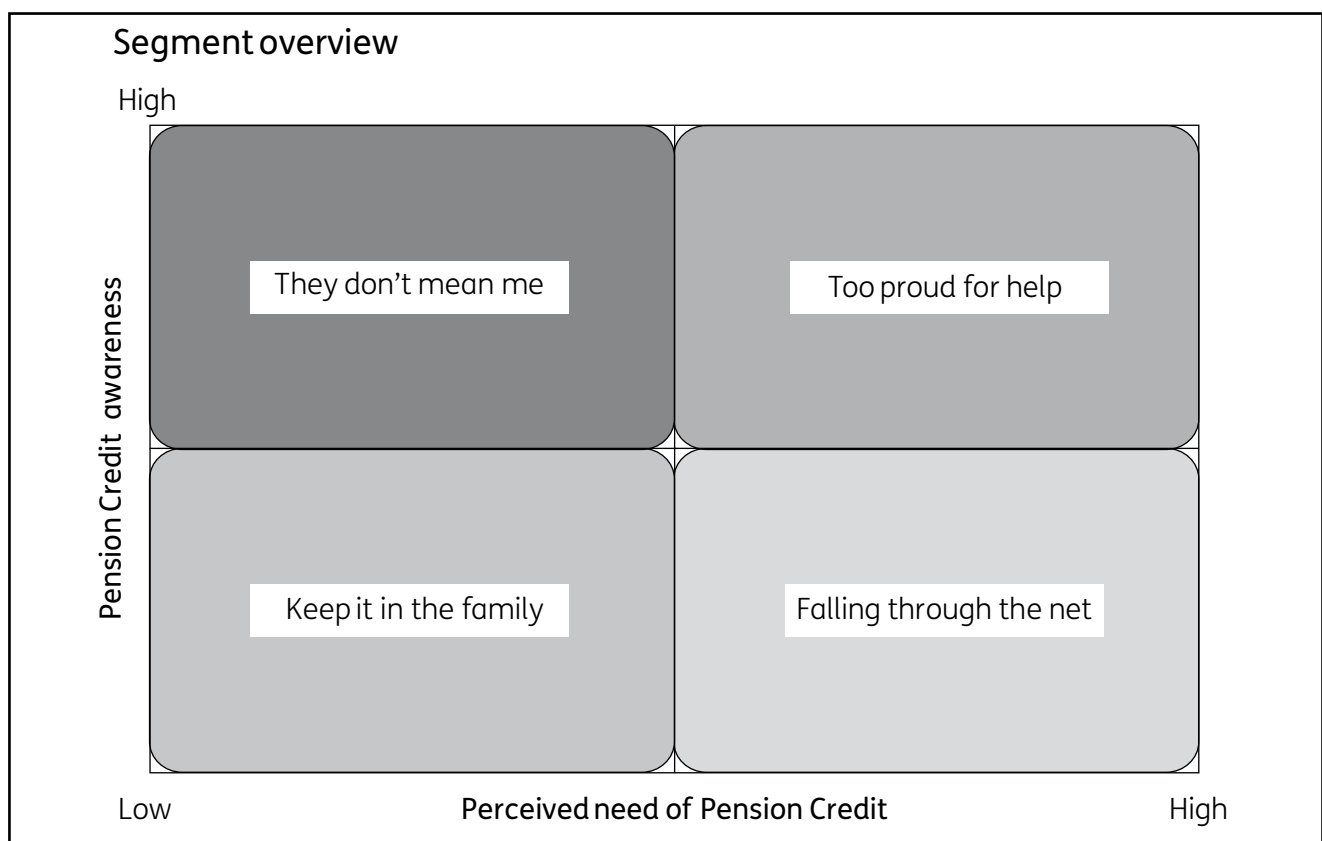
the Quarterly Satisfaction Monitor (QSM) Survey – a telephone survey conducted by TNS-BMRB which measures customer satisfaction and advocacy on a range of services provided by PDCS. The sample comprised customers that had made a new claim to Pension Credit between April 2009 and December 2009. Recruitment of respondents also ensured a spread of both male and female pensioners between the ages of 60 to 74 and over 75. A sample breakdown is given in Appendix A.

The interviews included the use of a topic guide, which enabled respondents to recall their experience of each stage of making a claim in chronological order (see Appendix B). Interviews were recorded and verbatim transcripts were developed for analytical purposes.

1.4 Findings overview

Findings revealed that both pensioners' awareness of Pension Credit and their perceived need for Pension Credit had an impact upon the customer journey. Four distinct segments of pensioners emerged from the research based upon these two factors.

Figure 1.1 Pensioner segments



A summary description of the segments illustrated in the grid above is as follows:

Segment 1 – ‘Keep it in the family’ – This segment were generally not comfortable discussing financial matters, other than with close family members. They had low awareness and low perceived need of Pension Credit.

Segment 2 – ‘Falling through the net’ – this segment had missed out on automatic triggers that should have notified them about Pension Credit. They had low Pension Credit awareness but a high perceived need of Pension Credit/additional financial support.

Segment 3 – ‘They don’t mean me’ – This segment thought they had enough money to ‘survive on’ and thought they would be ineligible for Pension Credit. They had high Pension Credit awareness and a low perceived need of Pension Credit.

Segment 4 – ‘Too proud for help’ – This segment was the most financially vulnerable group of pensioners but were too proud to get additional support from government – viewing Pension Credit as a handout. They had a high awareness of and a high perceived need for Pension Credit.

Each segment had a distinct set of barriers preventing individuals from taking up Pension Credit and triggers into making a claim, which are explored next.

1.5 About qualitative research

It is important to note that the methods employed in this research were qualitative in nature. This approach was adopted to allow for individuals’ views and experiences to be explored in detail. Qualitative methods neither seek, nor allow, data to be given on the numbers of people holding a particular view, nor having a particular set of experiences. The aim of qualitative research is to define and describe the range of emergent issues and explore linkages, rather than to measure their extent.

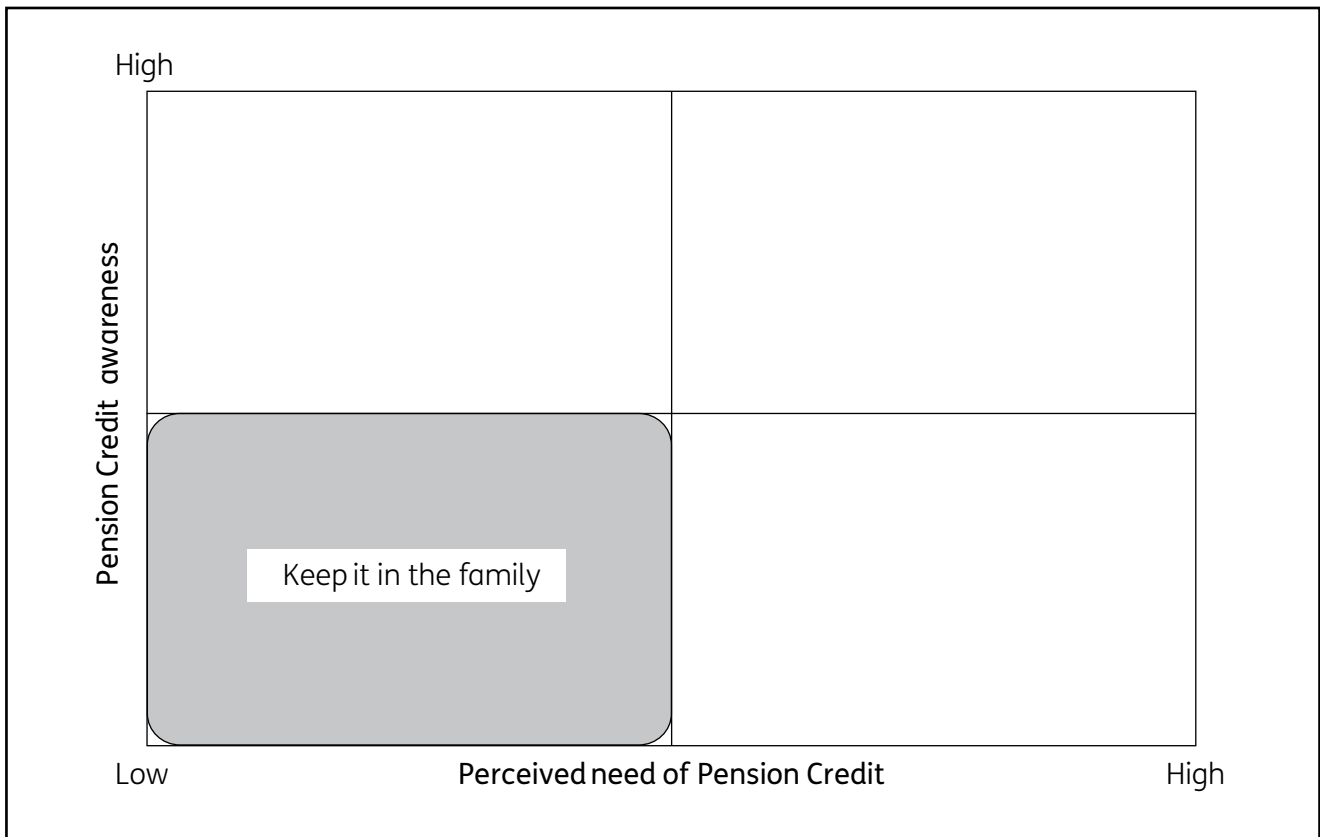
1.6 Report outline

Following this introduction, the experience of claiming Pension Credit will be explored for each of the four segments. Each section provides a detailed analysis of the barriers which prevent each group from claiming Pension Credit and discusses the triggers that lead to eligibility and encourage pensioners to consider making a claim. Analysis of how each segment found the process of making a claim is also explored.

The report **concludes with recommendations** of how to improve the uptake of Pension Credit for those who are entitled. Rather than summarise key findings, this section specifically focuses on insights from the research that may be used to develop communications messages and target audiences more effectively in the future.

2 Segment 1 – ‘Keep it in the family’

Figure 2.1 ‘Keep it in the family’ segment



2.1 Description of segment

The key factor which defined this group of pensioners was their attitudes towards discussing financial information. This segment was typified by individuals who only spoke to close family members about their finances. They did not discuss this subject with other people as it was not viewed as socially acceptable – regarding their income to be ‘sensitive information’ or ‘their own private business’. Rather, they placed their trust in certain family members who they considered to be knowledgeable about financial issues such as banking and investments: typically a son or daughter who was good with money.

For this group, conversations about money were relatively uncommon and characterised by a focus on general financial issues (anything from paying a bill to doing banking) – rather than specifically concerning pensions or the amount an individual had to live on.

Moreover, these pensioners were characterised by saying they did not seek out financial information and consequently had low levels of awareness of Pension Credit. Newspapers were their main source of general information and their internet usage was one of the lowest for all the segments – with most not using the internet or owning a computer at all. For those who did use the internet,

activities were limited to basic tasks such as email and internet searches. There was a reluctance to use internet banking, as they were concerned about data security and fraud.

This segment was good at keeping their weekly budget under control and ensured they spent money carefully. Pensioners often carried out cost cutting activities such as not buying clothes and opting for the cheaper versions of food. Such behaviours reinforced the belief that people had enough to live on.

2.2 Barriers towards claiming Pension Credit

A lack of Pension Credit awareness was the main barrier in claiming Pension Credit for this segment. Specifically, these pensioners were already entitled to make a claim but were not aware of their eligibility. Reluctance to speak about financial information with individuals outside of their immediate family – such as friends and neighbours who might be in a similar situation – exacerbated this issue.

A view that people could struggle through without any additional income also had an effect on finding out about Pension Credit. They felt they had no reason to contact specialised agencies such as TPS or the Jobcentre. Rather, this segment believed the government would contact them if they were eligible to receive any additional benefits.

Therefore, there was a perception that they were already receiving all that they were entitled to, with pensioners were simply unaware of wider support and information that was available.

2.3 Key triggers leading to eligibility

As highlighted previously, the lack of knowledge around Pension Credit and the absence of need for additional financial help contributed towards these pensioners initially not thinking about their eligibility.

This segment did not follow a direct path into becoming aware of their eligibility of Pension Credit. Individuals initially ‘stumbled’ across general information about finances and benefits, either by themselves or through a source such as the media or 3rd sector organisations, which then allowed pensioners to be directed towards Pension Credit.

For certain respondents, the television and newspapers were key in raising awareness about Pension Credit. For example one respondent was reading a newspaper and came across an article titled ‘are you claiming the right benefits?’ which provided a telephone number to call for further information.

For others in this segment, the trigger for eligibility came through contact with organisations such as the Local Authority or Age UK. Individuals who had contact with such agencies had initially discussed other benefits or public services: rather than directly seeking advice on pensions. For example, one respondent received a letter from the local authority asking for details of any changes in their circumstance in order to see if any council tax payments needed to be updated. Further contact with the Local Authority informed the pensioner that they could be eligible for Pension Credit.

2.4 Key triggers to thinking about making a claim

For this segment, after finding out about Pension Credit, it was curiosity rather than a perceived need for more money that made them consider claiming. Pensioners had a ‘might as well’ mindset – believing they had nothing to lose. **Most importantly, to make a claim, pensioners needed a little**

nudge. This was often encouragement from close family members to contact TPS and complete the form.

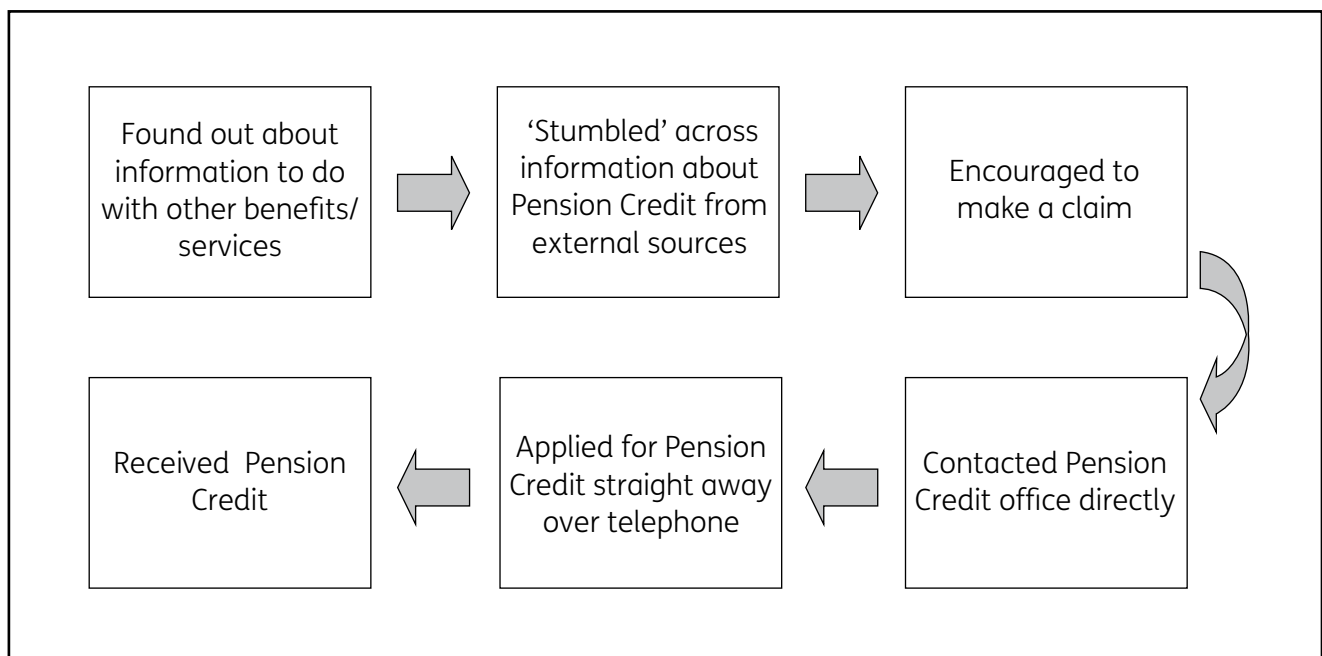
‘I saw this advert, you know and just out of curiosity, [I thought] was I getting the right amount?’

(Female, North East)

2.5 Experience of journey

This segment experienced a short journey from initially finding out about Pension Credit to actually making a claim. Generally, pensioners took between a few days and a couple weeks to make the decision to claim.

Figure 2.2 ‘Keep it in the family’ customer journey



Once respondents were informed about Pension Credit, the claim process was straightforward. The main method for applying was over the telephone with these pensioners contacting TPS directly. Satisfaction with the short length of the initial telephone call was high with between fifteen and twenty minutes considered appropriate for answering the necessary questions.

Overall, these pensioners were happy with the support they received when filling in the form and had a preference for someone else to fill in the application as forms were perceived as complicated.

The language used in the question wording, together with the structure and length of the form, were highlighted as particularly problematic aspects of the application process.

‘I think to be quite honest with you, I think the forms are so hard for pensioners to understand... well it is the way they are written. It is so official isn’t it?...they keep doubling back on everything...it is so, so hard...and the jargon they use.’

(Female, Yorkshire and the Humber)

'...and what they are asking for is sometimes annual figures, sometimes monthly figures and sometimes weekly figures or four weekly figures, and it's that complexity that you feel I hope they understand what I am saying here.'

(Male, South West)

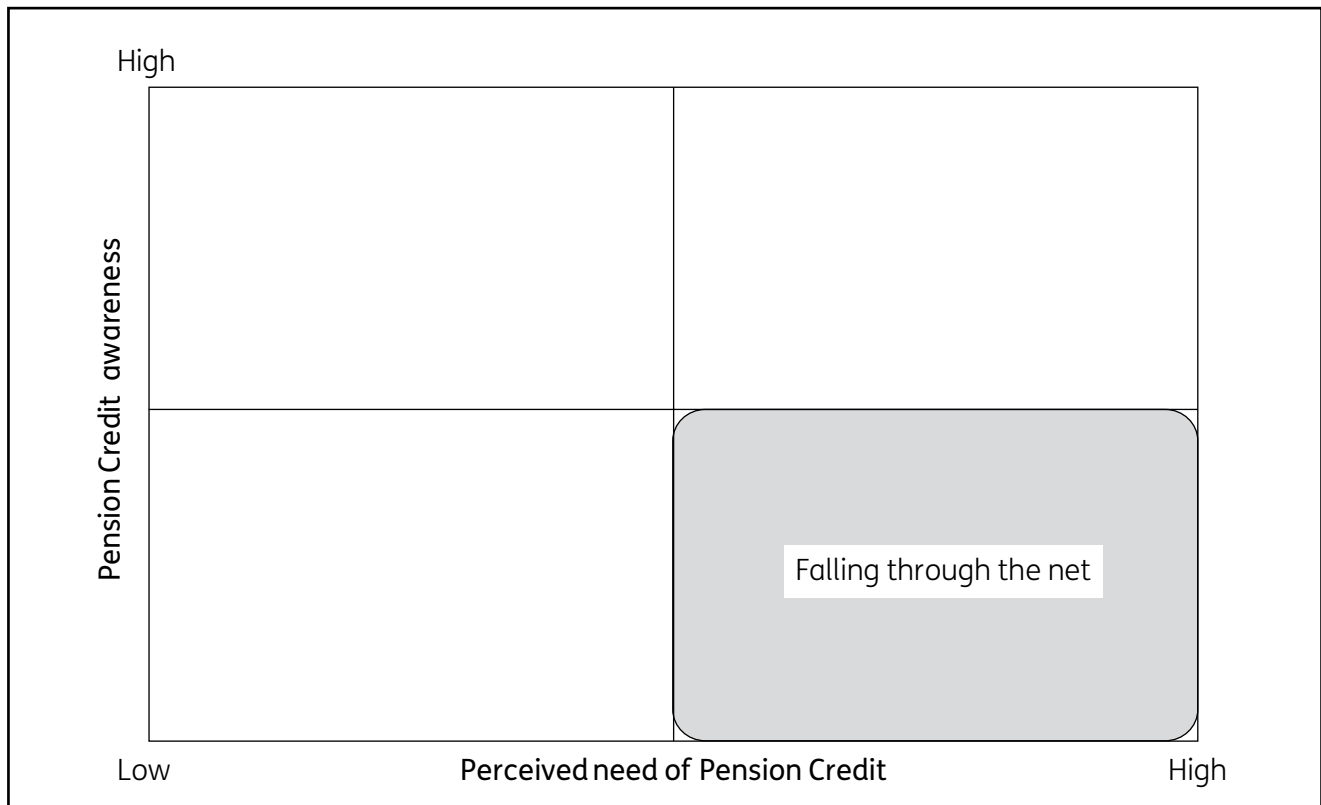
The aftercare provided by the service following the application process was satisfactory for this segment. The time frame from making a claim over the telephone to receiving an actual payment was felt to be appropriate. Respondents were particularly pleased that payments were backdated.

This segment was unlikely to fill in an application form online for any future claims. A lack of computer literacy underpinned this: these pensioners generally had limited exposure to computers which resulted in a lack of confidence at using the internet.

A fear of making mistakes online and being unable to change the information was influential in shaping attitudes towards future use of the internet. This was especially true for those individuals who had expressed concerns around the difficulty at filling in the paper forms. Worries around hacking and personal information being available online also acted as barriers.

3 Segment 2 – ‘Falling through the net’

Figure 3.1 ‘Falling through the net’ segment



3.1 Description of segment

This segment was characterised by those who were already identified as potentially eligible for Pension Credit and should have received an automatic trigger – however, for various reasons, either missed or did not receive the appropriate information. As such, perceived need for Pension Credit by this group was high, but awareness was low.

Overall, this group had a relatively open approach towards talking about their financial situation with individuals outside of their immediate family, such as friends and neighbours. In particular, these pensioners were more likely to consider using agencies such as Age Concern and CAB to find out information. Access to knowledge on the internet was also higher for this segment – particularly due to family members searching on their behalf.

This segment found it difficult to manage their money and as a result did not find it easy to budget on a weekly basis. These pensioners were more likely to struggle with financial difficulties such as paying off debts and were not likely to have any savings.

3.2 Barriers towards claiming Pension Credit

The principle barrier for this segment was the lack of Pension Credit awareness. Specifically, they could not recall receiving specific information about Pension Credit from TPS or other government agencies. Those in employment also did not recall getting information about what they could claim once they reached retirement age or if they were made redundant.

‘...well, it should come really in your pension shouldn’t it, pension leaflets that if your circumstances are different they should automatically say whether you can claim Pension Credit but they don’t do they?’

(Female, North West)

Indeed, many in this group had been working all their life and never been on any benefits so were not aware there were entitlements available to them.

3.3 Key triggers leading to eligibility

For this segment, a sudden change in circumstance was the distinct trigger into these pensioners becoming more likely to be eligible for Pension Credit. Specific events which occurred in these pensioners’ lives included the loss of a job, moving into retirement, a spouse passing away or a decline in health. A lack of money was a direct result of this sudden change in their circumstances and led to their eligibility.

3.4 Key triggers leading to claim

Informal sources such as family and friends were the initial trigger for this group – encouraging them to find out what other support was available. **Particularly important was contact with trusted intermediaries such as the CAB or the local council.**

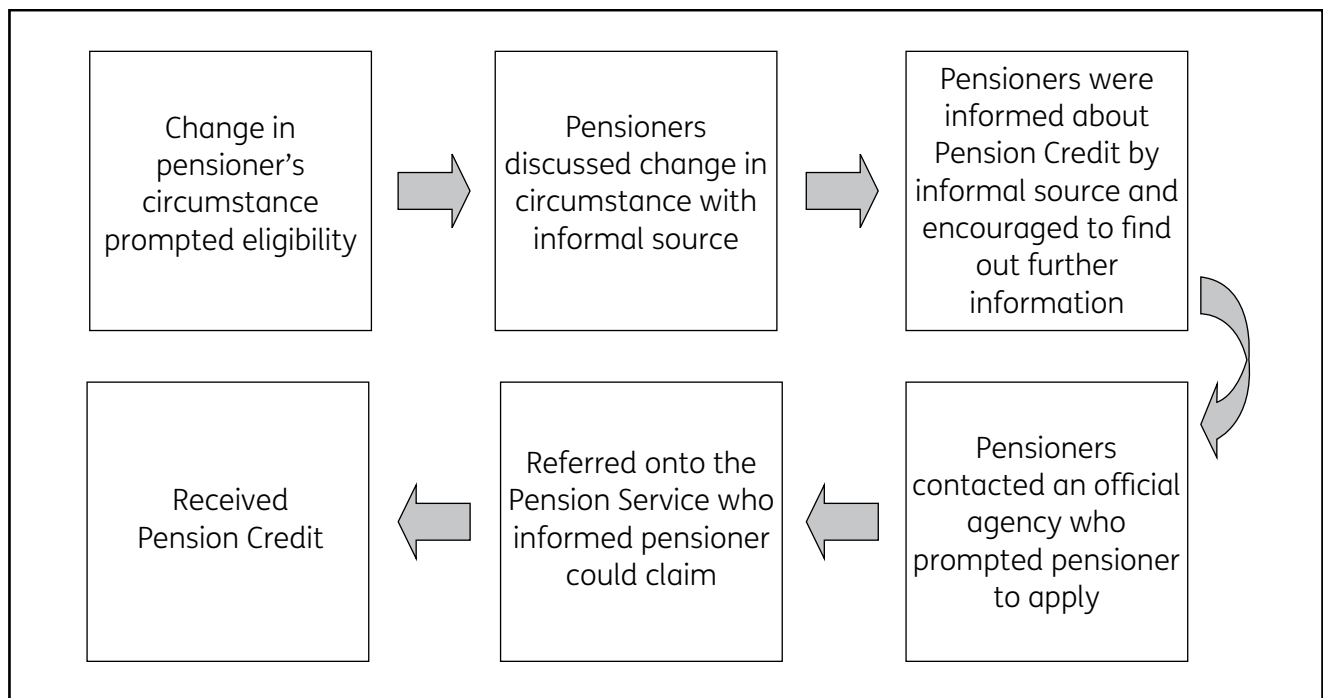
‘A friend said ‘you are entitled to Pension Credit’ I says ‘what’s Pension Credit’, I didn’t know anything about it. So I went to Citizen’s Advice Bureau.’

(Female, North East)

Like the previous segment, there was no specific event that prompted them to make a claim. These pensioners were already in a situation where they needed extra financial support; as soon as they found out where to go for further information and how to start the process, the decision to make a claim was automatic.

3.5 Experience of journey

Overall, pensioners in this segment experienced a very short journey from initially finding out about Pension Credit to making a claim. Once aware, generally, this segment took no longer than a couple of days to make the decision. The main reason underpinning this almost instant decision-making process was the need for extra financial support and the urgency for this additional income.

Figure 3.2 ‘Falling through the net’ customer journey

This segment also found the claim process easy and straightforward once they had initially found out about Pension Credit. This was especially the case for those pensioners who had directly gone to external agencies including the CAB and local authorities.

For this group, once contact had been made with an agency, pensioners were directly referred to TPS. In most of these instances this led to a home visit from TPS staff members which pensioners really liked – particularly in terms of reassurance that the form was being correctly filled in. Other pensioners rang the TPS and completed the form over the telephone – which again was a valued service.

‘...well I would have been able to fill it in but I find it’s always wise to have somebody else there in case you miss anything.’

(Female, South East)

‘I think the most positive thing about it was the claim process, not having to fill out any forms, doing it over the phone, and the questions just being I suppose nice questions, just general questions. There’s nothing in there to try and catch you out.’

(Male, North West)

Pensioners who completed the forms themselves at times found them to be difficult to understand, with the language being a key issue. Specifically questions not written clearly or in ‘plain English’ were concerns.

This segment had mixed views about future use of the internet when making a claim. For the limited number of respondents who had internet access, barriers included confusion over being able to navigate around the website effectively.

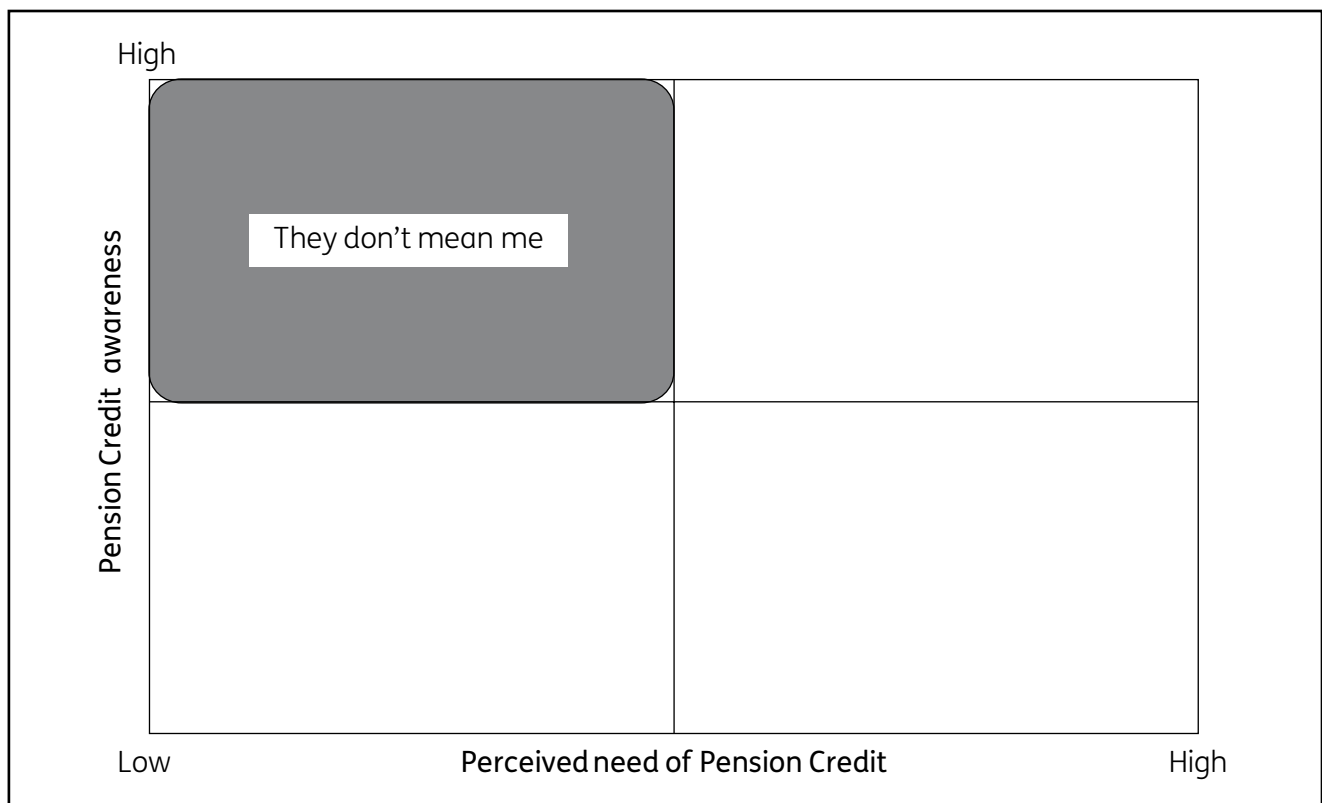
‘...you might go on to the site, but then you are not quite sure what questions you want to ask, and so you don’t know where to go, which page to go into, and things like that.’

(Female, South East)

For the minority of pensioners who held a more positive attitude towards future use of the internet, personal benefits were highlighted as the main reason. The process was perceived to be more effective and quicker to complete online which was a considered advantage. Feeling more at ease with filling in the form at home was also highlighted – particularly for those less comfortable talking about personal finances with officials.

4 Segment 3 – ‘They don’t mean me’

Figure 4.1 ‘They don’t mean me’ segment



4.1 Description of pensioners

This group of pensioners were distinct from the two previous segments because they were already aware of Pension Credit. However, for these pensioners the key reason preventing them from thinking about making a claim was that they did not think they were eligible. The length of time these pensioners knew about Pension Credit before making a claim varied but generally was a period of between two and four years.

This segment initially found out about Pension Credit from a variety of sources including the television, organisations such as Age UK and information packs from the Pension Service.

Within this segment, pensioners' attitudes towards finances varied. While certain pensioners considered themselves to be good at budgeting on a weekly basis, others found managing personal finances difficult. There was a relatively open attitude to the discussion of personal finances with friends and family in this group.

4.2 Barriers towards claiming Pension Credit

Assumptions regarding eligibility were the main barrier preventing this segment from taking up Pension Credit. In particular, assumptions around eligibility criteria were a key issue for pensioners – specifically in relation to other pensions, savings and income.

Assumptions over pensions centred on the number and type of pensions a person had. Receiving a small income from a state pension was considered by individuals to mean that they were not eligible because they were already getting some financial help. Having a work or private pension in addition to a state pension also made pensioners feel they had too much money to make a claim.

‘I really didn’t think I would be eligible for anything because I have got a works pension, but it is a very, very small works pension but that’s what put me off applying.’

(Female, London)

Assumptions over savings related to thresholds. A commonly held view was that having modest savings (a few hundred pounds) meant an individual had too much money to be eligible for Pension Credit. This issue was complicated as various benefits have different eligibility thresholds. For example, one respondent tried to claim Council Tax Relief and was not able to due to the amount of savings she had. This experience of already being informed their level of savings were too high when dealing with one government agency led them to believe they would be unsuccessful with Pension Credit. Other assets, including owning a house, were also believed impact on an individual’s eligibility for Pension Credit.

Assumptions around income also related to thresholds. A view of ‘not being poor enough’ was a strongly held by this segment – essentially if you could afford to eat and live, you were unlikely to be successful in making a claim.

‘I thought [Pension Credit] was for people that were really rock bottom.’

(Male, North West)

‘...well, I thought, I didn’t know if we would be able to get any...well, because I didn’t think we would...[] Well, I think you have to be really poor.’

(Female, North East)

Still being in paid employment was also a factor which prevented these pensioners from thinking about making a claim because they thought that they could only become eligible once they no longer had a job.

A final and significant barrier was a concern that in applying for Pension Credit, their other benefits may be reduced. Specifically, instead of receiving extra help, the process would make them worse off.

‘I was a bit apprehensive that somebody might say you’re getting too much and take some off me...because I had the two pensions; the state pension and the British Railways pension.’

(Male, North West)

A lack of engagement with Pension Credit information also had an influence on the level of understanding these pensioners had around eligibility criteria. For these pensioners, assumptions were based on information which they had heard through word of mouth from family, friends and neighbours. Consequently, these pensioners therefore never bothered to consult official information from TPS or other organisations.

For those that had read TPS literature, the clarity of Pension Credit information was the underlying reason for confusion about eligibility criteria – specifically that the guidelines were not written in a way that could be clearly understood.

‘We try and explain it to one another with the booklet, because sometimes with the words, some of the words they put in there, you think, I don’t understand whether you can claim for it.’

(Female, West Midlands)

4.3 Key triggers leading to eligibility

For pensioners in this segment, a key event occurred – often related to changes to employment or health – which made them take a more detailed look into their eligibility. For instance one pensioner explored Pension Credit after their business wasn’t doing well and they suffered a reduction in their earnings. For another pensioner it was not until they reached retirement and no longer had a stable income from their job which prompted them into looking into their eligibility.

‘Well, I was forced into it anyway because at the time I was at the point where I had to close the business down anyway, it was terrible.’

(Male, North East)

4.4 Key triggers leading to claim

Despite this segment having a sudden financial need to find out more about Pension Credit, they still required persuasion to actually make a claim due to their assumptions around eligibility and concerns around becoming worse off.

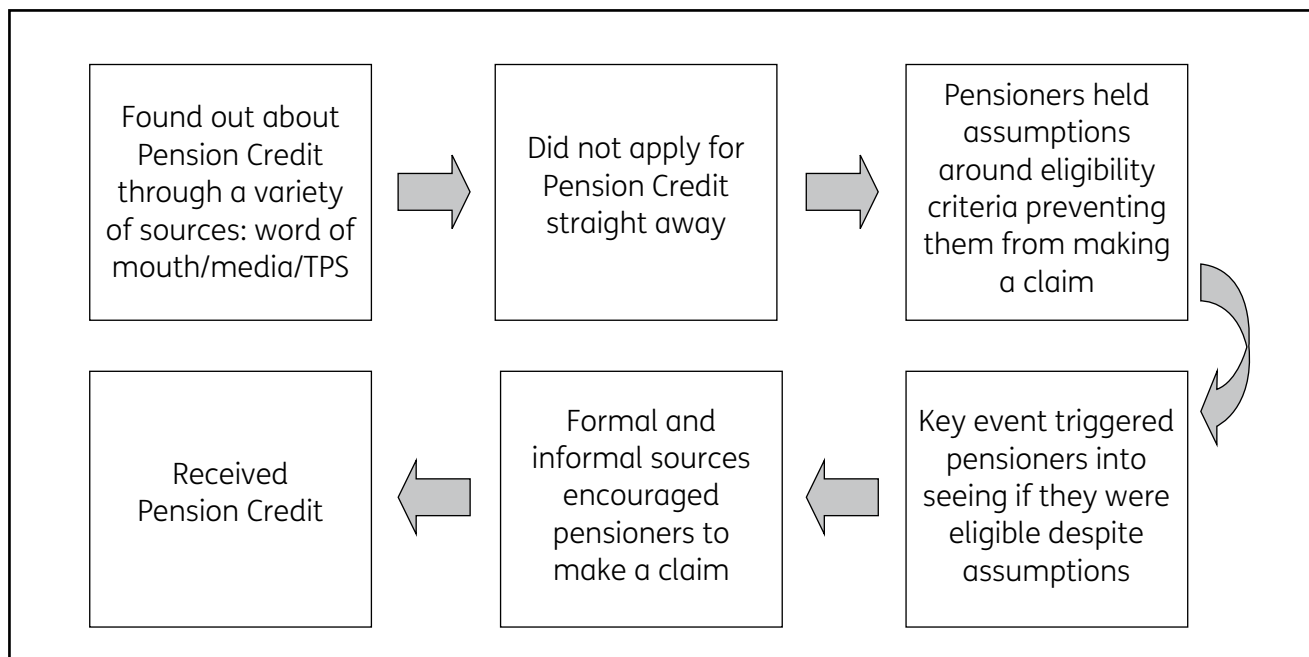
Both formal and informal sources were influential in encouraging these pensioners to think about making a claim. Formal sources included social services, the housing association, retirement home staff and council representatives; informal sources included family and friends.

Official information including leaflets and information packs were given to pensioners by these individuals which helped dispel the ‘myths’ around Pension Credit. For example a staff member from the housing association provided a pensioner with an information pack and explained that he could in fact be eligible and persuaded a claim to be made.

More informal sources such as family and friends played more of an encouraging role and tended to have seen adverts for Pension Credit or received a leaflet about it and prompted pensioners to make an application.

4.5 Experience of journey

This segment experienced a significantly longer journey, typically between two and four years to make a claim from first hearing about Pension Credit.

Figure 4.2 ‘They don’t mean me’ customer journey

For the majority of these pensioners, they did not fill in the form themselves but carried out the application process over the telephone – with the process viewed as straightforward and easy. Customer service representatives were also considered to be polite and helpful and also reassuring when pensioners had any concerns about making a claim, especially in cases where pensioners felt they would not be eligible.

As with previous segments, these pensioners highlighted their preference for carrying out the application process over the telephone and having an advisor fill in the questions on their behalf. Confusion over which questions would need to be answered was the main reason underpinning this view amongst these pensioners.

A knowledgeable advisor was considered to be able to prompt on the questions which needed to be answered and would also solve the problem of pensioners being concerned about not filling in the form properly. The representative was seen to be able to advise accordingly and make sure all the information which was needed was recorded on the form.

‘That’s why doing it on the phone instead of having to just fill in the form was helpful really because they can prompt you in the things that you need to know.’

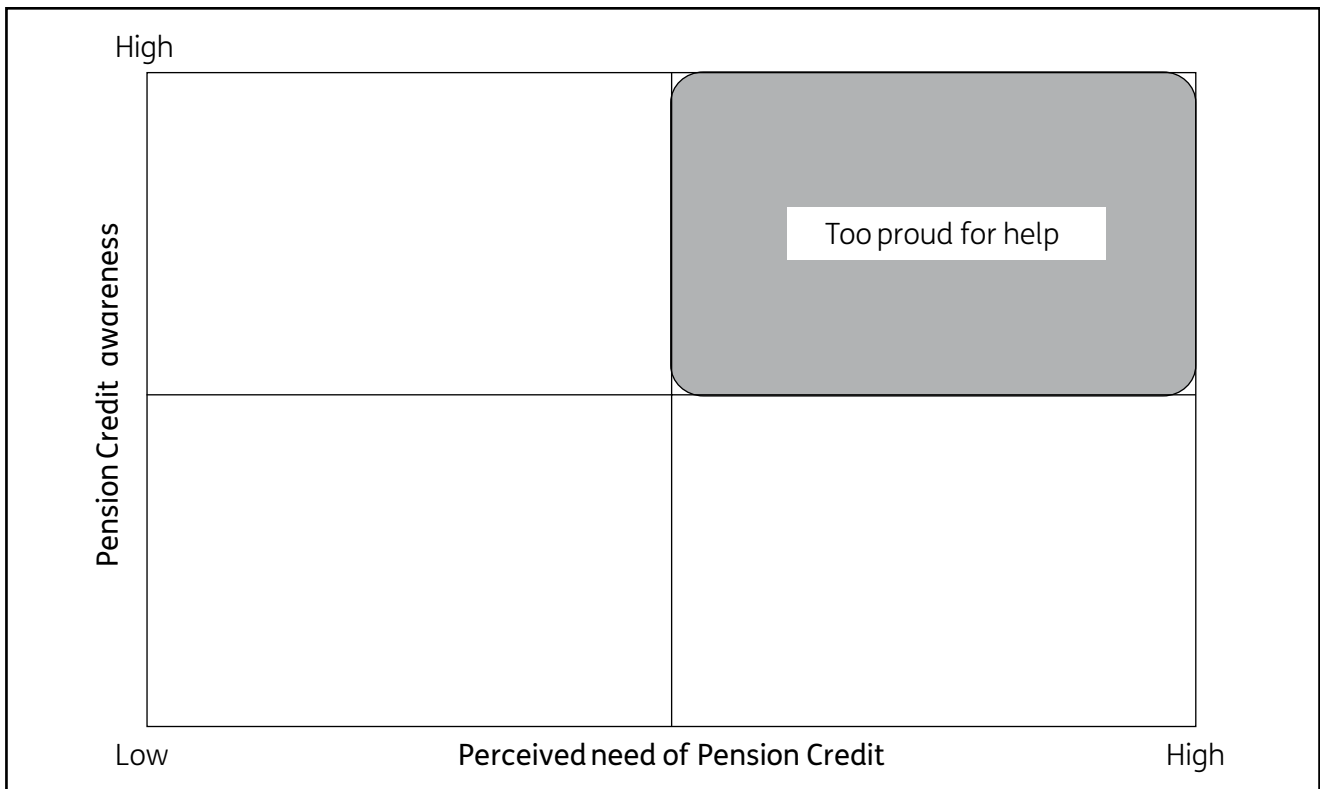
(Female, London)

Pensioners were surprised at the amount of Pension Credit they were entitled to after they had made the initial claim. This was especially the case as most of these pensioners felt they already had an adequate income. A lack of awareness around additional entitlements as a result of claiming Pension Credit, such as free dental care and council tax relief, was also evident amongst these pensioners and had a positive impact on how they viewed the process.

Finally, there were no distinctive issues for this group in relation to making a claim via the internet. There was a mix of online attitudes and behaviours – ranging from those who did not own or would not use a computer to complete an official form; to those happier to make a future claim providing the application process was simple.

5 Segment 4 – ‘Too proud for help’

Figure 5.1 ‘Too proud for help’ segment



5.1 Description of pensioners

This segment consisted of pensioners who were in their seventies and eighties. These pensioners were characterised by the belief that Pension Credit was a ‘hand out’ and felt embarrassed about making an application. They were the most vulnerable group and had various health and mobility problems, which made certain pensioners housebound. These conditions varied from being in a wheelchair to eyesight problems.

Generally, these pensioners did not actively seek out information but were open to discussing financial matters. There was a heavy reliance on family for financial advice.

These pensioners held the attitude of coping on what money they had. This viewpoint was underpinned by always having managed in this way and having the desire to continue to do the same.

5.2 Barriers towards claiming Pension Credit

The key barrier preventing this segment from making a claim was their attitude towards Pension Credit – being too proud to accept any financial assistance. Often partners, particularly men, were reluctant to ask for help – holding the view that they should be able to provide for their families. This not only hindered the potential to gain financial support for themselves but also for their partner.

‘I mean it’s a bit embarrassing because you’re on the take aren’t you I think.’

(Male, West Midlands)

‘I heard about it, and a long, long time ago, someone said, well a relation, I can’t remember which one it was, said, why don’t you apply for Pension Credit, I said I won’t get anything like that, and my hubby, said no we are not having that, you know, we’ll manage as we are...Oh cos he’s very proud, he was a very proud man, he said no.’

(Female, South West)

A fear of taking something that pensioners were not entitled to and then being required to pay back the Pension Credit was also a concern for this segment when thinking about making a claim.

5.3 Key triggers leading to eligibility

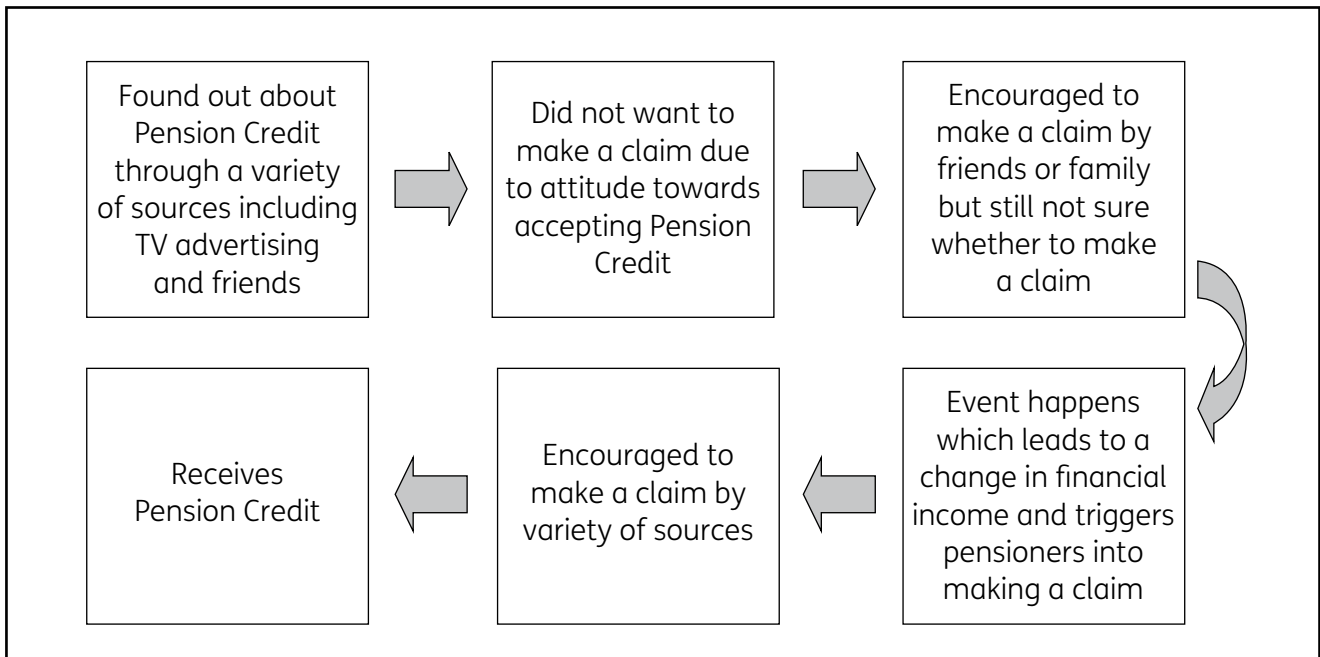
A pressing need for additional money into the household was the key trigger into these pensioners thinking about investigating their eligibility. Significant incidents prompting a decrease in income included a spouse dying, poor health of the individual or their spouse or simply a poor financial situation where pensioners had to start spending their savings in order to live.

5.3.1 Key triggers leading to claim

Home help, nurses as well as relatives encouraged these pensioners to make a claim. **Key was emphasising that Pension Credit was not a hand out, they did not have to be living in this way and help was available to them.** They also provided help with the application process. Without this support and encouragement, these pensioners would be much less likely to apply for Pension Credit.

5.4 Experience of journey

From finding out about their eligibility, it typically took up to two years before these pensioners made the decision to make a claim. This journey was typified by the need to overcome the ‘stigma’ which this segment associated with applying for Pension Credit.

Figure 5.2 ‘Too proud for help’ customer journey

Recollection of the process of making a claim after initial contact with TPS was low and overall this group found it difficult to remember the specific aspects of application process.

Overall, pensioners in this segment did not complete the forms themselves, these were completed by other individuals such as representatives from the third sector or those providing social care or domiciliary support. However, in the instances where the form was requested by the respondent, they were unable to recall how they obtained it.

This segment had the lowest internet use and respondents were generally unable or unwilling to fill in future applications online. Not feeling competent and concerns about not being able to understand how to navigate around the site and actually complete a form online were the main reasons.

6 Conclusions and recommendations

Below we provide a summary of the key communications issues for each segment. Potential communications messaging and content are also described, together with ideas on how to target key audiences.

6.1 Segment 1 – ‘Keep it in the family’

6.1.1 Overview

The principle issue for this segment is to overcome the low levels of awareness of Pension Credit. This is made difficult by two dominant barriers: reluctance to speak about personal finances with others outside of the immediate family; and a general low awareness of or interest in financial information more generally. Given this, communications may be better directed at other close family members who will be in a position to discuss Pension Credit with their relative. This is particularly important given the need for a final ‘nudge’ by family members to encourage them to make a claim.

Proposition: There’s nothing to lose.

Key message: Dad, have you thought about pension credit.

Target: Families and pensioners.

Communications: For families, it should note the barriers to pensioners finding out information on their own; that they place trust in family members to help them; and the need for them personally to take the lead in discussing Pension Credit. For pensioners, messages should not necessarily focus on financial hardship or the need for money – but rather pick up on the ideas of curiosity or having nothing to lose in making a claim.

Channel preference: Newspaper, television, local authorities.

6.2 Segment 2 – ‘Falling through the net’

6.2.1 Overview

The principle issue for this segment is that automatic triggers into Pension Credit have either been missed or have failed. The principle barriers are that there is an expectation that government would tell them if more support was available – meaning pensioners were less likely to seek out additional information themselves. All had recently undergone a significant life event, such as losing a job or the death of a spouse. Given this, putting greater onus on local authorities and agencies to double check that pensioners are aware of pension credit is important. There was a willingness to discuss financial information with others, particularly professionals, meaning that intermediaries such as the third sector could also be a useful means of contacting this group.

Proposition: Always better to ask twice.

Key message: Just checking that you're getting all the help you need.

Target: GPs, Registrars office; Jobcentres; 3rd sector agencies.

Communications: For intermediaries, to reinforce and habitualise the need to always check the person is aware of Pension Credit – and never to assume they have been informed elsewhere. For pensioners, it could be to ensure that any initial information sent out on Pensions Credit is distinctive (distinctive colour of paper or size of font) and does not get lost in the other information provided during the 'life event'.

Channel preference: Leaflets handed out and explained to pensioners by staff involved in the delivery of local services/advisors in 3rd sector agencies.

6.3 Segment 3 – 'They don't mean me'

6.3.1 Overview

The key issue for this group centres on misconceptions about their financial eligibility for Pension Credit – which they perceive as only being for the poorest in society. A key barrier is a perception that other entitlements may be reduced if they make a claim for Pension Credit. It is not awareness of Pension Credit per se that is the issue, rather a detailed understanding of eligibility tied to various myths about what may happen if they make a claim.

Proposition: People like me get Pension Credit.

Key message: You don't have to have nothing to have Pension Credit.

Target: Pensioners and their families.

Communications: For pensioners, it is key to overcome myths about Pension Credit. Simple messages could be developed to do this: 'I have a job and get Pension Credit'; 'I have a work pension and State Pension, and I get Pension Credit' and so on. More detailed information should clearly highlight thresholds in simple to understand language – potentially using pen portraits to personalise the information.

Channel preference: Adverts and posters. Leaflets distributed through local authorities or 3rd sector organisations.

6.4 Segment 4 – 'Too proud for help'

6.4.1 Overview

The principle issue for this segment is that Pension Credit is viewed as a handout. Strong feelings of financial independence and a belief in personal responsibility to provide for their families mean this will be one of the toughest groups to communicate with. Essentially is not awareness but social norms that need to be changed. There were also barriers relating to being asked to pay back money they were not entitled to.

Proposition: Take pride, take Credit.

Key message: Giving something back to those who have worked hard all their lives.

Target: Pensioners and their carers.

Communications: Key will be to communicate Pension Credit not as a benefit, but as part of the way the country respects its elderly – enabling those who have worked hard all their lives to grow old with dignity. Pensioners can take pride in receiving Pension Credit – it is recognition of their contribution to society.

Channel preference: Newspaper, postal leaflets, social care organisations.

Table 6.1 summarises the key findings for each of the segments.

Table 6.1 Key findings from each segment

Segment	Key barriers	Key triggers	Communication interventions
'Keep it in the family'	<p>Lack of awareness of Pension Credit</p> <p>No perceived need for Pension Credit</p> <p>They do not discuss financial issues with other outside of immediate family</p>	<p>Eligibility: Have no significant trigger</p> <p>Making a claim: Family members influence their decision to make a claim. They need a distinct nudge</p>	<p>Proposition: There's nothing to lose</p> <p>Key message: Dad, have you thought about Pension Credit.</p> <p>Need to target communications at other family members to bring up the subject of Pension Credit. They are critical in encouraging this segment to make a claim</p> <p>Need to highlight the role of family trust and responsibilities in discussing finances</p>
'Falling through the net'	<p>Lack of awareness of Pension Credit</p> <p>Missed information from official sources</p>	<p>Eligibility: Distinct trigger – a life event which makes them initially aware of Pension Credit</p> <p>Making a claim: 3rd Sector and government agencies influence their decision to make a claim</p>	<p>Proposition: Always better to ask twice</p> <p>Key message: Just checking you're getting all the help you need</p> <p>Need to target communications at other official agencies to remind pensioners about Pension Credit, if dealing with other life events (death of spouse/ loss of job etc). They should not assume they would have heard about Pension Credit already. Need to make this routine</p>

Continued

Table 6.1 Continued

Segment	Key barriers	Key triggers	Communication interventions
'They don't mean me'	Lack of understanding around their own eligibility Concern that making a claim will make them worse off	Eligibility: Distinct trigger – start questioning their assumptions around eligibility due to an event that has happened in their lives Making a claim: Informal and formal sources influence their decision to make a claim	Proposition: People like me get Pension Credit Key message: You don't have to have nothing to have Pension Credit Need to reinforce that Pension Credit is not only for the worse off. Key is to highlight thresholds and reassure that other benefits will not be taken away
'Too proud for help'	Negative attitude towards Pension Credit	Eligibility: Someone encouraged them to change their attitude or reassure them that they are eligible Making a claim: Family and home help influence their decision to make a claim	Proposition: Take pride, Take Credit Key message: Giving something back to those who have worked hard all their lives Key is to not view Pension Credit as a handout but an entitlement – as part of the way we the government respects the contribution of the elderly to the country

Appendix A

Sample details

Table A.1 Sample frame

Sample category	Sub category	Number of respondents	Total
Area	East Midlands	3	55
	London	8	
	North East	8	
	North West	9	
	South East	9	
	South West	6	
	West Midlands	5	
	Yorkshire and The Humber	4	
	Scotland	2	
	Wales	1	
Sign post routes	Friends and family	16	55
	Government service	7	
	Other resources	32	
Gender	M	16	55
	F	39	
Age	60-74	47	55
	75+	8	

Appendix B

Topic guide

Approximate timing	Key questions	Notes
	1. Introduction	
5 minutes	<p>Introduction</p> <ul style="list-style-type: none"> • About TNS-BMRB – independent research agency. • Briefly describe aims of the research – Respondent has been selected because they have taken up Pension Credit. TPS would like to explore their experience of claiming Pension Credit with the aim to encourage others who maybe eligible but do not claim. • One of 60 face-to-face interviews being conducted with people across the country. • Confidentiality and anonymity – their views will be used, but not identifiable. • Ask respondent to be open around discussion – this chat will not affect any benefit they are receiving. Information is only for research purposes. Emphasise TNS-BMRB is totally independent of TPS. • Confirm able to complete interview. • Gain consent recording interviews – recordings only available to the research team. • Length of interview approximate 60 minutes. 	
	2. Background information – Personal finances	
5 minutes	<p>Personal circumstances</p> <p>Can you tell me a bit about yourself – who you live with, age, what you enjoy doing in spare time?</p> <p>How often do you use the internet? If so, what do you use the internet for? For any financial issues such as internet banking, finding out information on websites?</p> <p>How would you describe your approach to household finances?</p> <p>How do you deal with budgeting on a pension?</p> <p>How do you generally find out information about financial issues such as pensions?</p> <p>Do you talk to people; friend; family; 3rd parties/is this easy to do?</p> <p>Does this vary depending on the financial issue, reasons why?</p> <p>Do you pro-actively seek information? Reasons?</p>	

Continued

Approximate timing	Key questions	Notes
15 minutes	<p data-bbox="416 300 730 331">3. Pension credit eligibility</p> <p data-bbox="416 338 1075 405">We are really keen to understand the events that led to you becoming eligible to make a claim.</p> <p data-bbox="416 412 1098 539">Note down the key stages in the process (on customer journey map) and the order in which respondents experienced these stages (move from left to right across the page).</p> <p data-bbox="416 546 1075 645">Also note down overall assessment of experiences by drawing a line that links each key stage either above or below the neutral line.</p> <p data-bbox="416 651 1011 683">When did you start thinking about Pension Credit?</p> <p data-bbox="416 689 1034 757">Why did you think that you were eligible for Pension Credit?</p> <p data-bbox="416 763 922 795">Was there a specific event that happened?</p> <p data-bbox="416 801 1002 833">Can you talk me through the detail of that event?</p> <p data-bbox="416 840 699 871">Who else was involved?</p> <p data-bbox="416 878 1098 945">Why did you not think you were eligible for Pension Credit previously?</p> <p data-bbox="416 952 1034 1019">Probe for: Knowing for sure were not eligible (due to rejected applications).</p> <p data-bbox="416 1025 1054 1057">Had not thought about/been aware of Pension Credit.</p> <p data-bbox="416 1064 1086 1131">Had been aware of Pension Credit but thought could not claim due to owning own house/having savings.</p> <p data-bbox="416 1137 963 1205">What things encouraged you to find out more information?</p> <p data-bbox="416 1211 1082 1243">What type of information did you gather? Reasons why?</p> <p data-bbox="416 1249 1027 1317">Were you aware of advertising? Television, internet, leaflets.</p> <p data-bbox="416 1323 932 1355">Did you get information from others? Who?</p> <p data-bbox="416 1361 1007 1429">Did you seek information out yourself? If so, what information?</p> <p data-bbox="416 1435 783 1467">How did all this make you feel?</p> <p data-bbox="416 1473 1027 1541">DO NOT ASK STRAIGHT OUT BUT SEE IF ANY OF THE FOLLOWING THINGS COME OUT IN DISCUSSION...</p> <p data-bbox="416 1547 1086 1615">Before realising they were eligible for Pension Credit they were:</p> <p data-bbox="416 1621 533 1653">Widowed.</p> <p data-bbox="416 1659 815 1691">Claimed a disability/carers benefit.</p> <p data-bbox="416 1697 635 1729">Left JSA/IS/IB/ESA.</p> <p data-bbox="416 1736 751 1767">Reached Pension Credit age.</p> <p data-bbox="416 1774 1086 1841">Reached state pension age (or partner did) ‘retired’ from work (or partner did).</p> <p data-bbox="416 1848 1086 1915">What could have made finding out about pension credit in general easier?</p>	Guided recall and CJM (customer journey map)

Continued

Approximate timing	Key questions	Notes
4. Decision to make a claim		
10 minutes	<p>Can you describe to me in detail the process between realising you were eligible for Pension Credit and making a claim?</p> <p>Carry on noting down the key stages in this part of process (on existing customer journey map) and the order in which respondents experienced these stages (move from left to right across the page)</p> <p>Also note down overall assessment of experiences by drawing a line that links each key stage either above or below the neutral line.</p> <p>[Can you take me through a step at a time please]</p> <p>After realising you were able to claim for Pension Credit what did you do next?</p> <p>Who did you speak to about claiming? Why?</p> <p>Probe: TPS, friends/family, CAB, charities- age concern</p> <p>Did you consider how much money you might receive? How did you go about this? How much of an impact did this have on your decision to claim?</p> <p>How long did it take you to make the decision to claim?</p> <p>What finally convinced you to claim?</p> <p>What could have made this decision easier?</p> <p>Overall, what would you say the key factor was in deciding to make a claim?</p>	Guided recall and CJM (customer journey map)
5. Making a claim		
15 minutes	<p>Now I would like you to think back to when you made a claim:</p> <p>Carry on noting down the key stages in this part of process (on existing customer journey map) and the order in which respondents experienced these stages (move from left to right across the page).</p> <p>Also note down overall assessment of experiences by drawing a line that links each key stage either above or below the neutral line.</p> <p>How did you go about making a claim for Pension Credit?</p> <p>Can you take me through a step by step process of how you made the claim?</p> <p>What was the first step?</p> <p>What support did you have/who helped you?</p> <p>What happened next?</p> <p>How did this make you feel?</p> <p>In terms of the application process, what did you use – a telephone/written form/online form; what were the reasons for choice.</p> <p>Views on using the internet to obtain an application form/ or fill in the form online? Would they personally use the internet?</p>	Guided recall and CJM (customer journey map)

Continued

Approximate timing	Key questions	Notes
	<p>What would persuade them to claim online/find out information online?</p> <p>What would stop them from claiming online/finding out more information online?</p> <p>Did you use any guidance; get help? Where from?</p> <p>What was the role of TPS in assisting?</p> <p>What were the most effective ways of communicating with TPS, reasons why?</p> <p>What was your overall experience of claiming and receiving Pension Credit?</p> <p>Overall, what would make the Pension Credit application process easier/more effective?</p>	
	6. Final thoughts	
5 Minutes	<p>Is there any other thing that you would like to tell us?</p> <p>Finally, if you had to say one thing to a pensioner in your position thinking about making a claim for Pension Credit, what would it be?</p> <p>Thank and close.</p> <p>State how information will be used.</p> <p>Make payment.</p>	

THANK AND CLOSE

A number of Pension Credit claims come from existing State Pension customers; many of these are thought to have been eligible for some time before a claim is made. Research was commissioned to investigate the triggers that gave rise to claims in order to better understand how to target Pension Credit to the most vulnerable customers.

Pensioners' awareness of and their perceived need for Pension Credit had an impact upon the customer journey. Four distinct segments emerged based upon these two factors:

- **'Keep it in the family'**. Those not comfortable discussing financial matters, other than with close family. They had low awareness and low perceived need of Pension Credit.
- **'Falling through the net'**. Missed out on automatic triggers notifying them about PC. They had low awareness but a high perceived need of Pension Credit.
- **'They don't mean me'**. Thought they had enough money to 'survive on' and thought they would be ineligible. They had high awareness and a low perceived need of Pension Credit.
- **'Too proud for help'**. The most financially vulnerable group but were too proud to get additional support – viewing Pension Credit as a handout. They had a high awareness of and a high perceived need for Pension Credit.

The report concludes by identifying key communications issues relating to each segment together with ideas for how best to target these customers and what messages might have the greatest impact.

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