

Pension Wise service evaluation 2017/18

Experiences and outcomes of customers
using Pension Wise in 2017/18

October 2018

Pension Wise service evaluation 2017/18

DWP ad hoc research report no. 67

A report of research carried out by Ipsos MORI on behalf of the Department for Work and Pensions.

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Executive summary

This report details the findings from a series of quantitative surveys conducted by Ipsos MORI on behalf of Pension Wise.¹ Pension Wise is a Government-backed pensions guidance service, open to anyone aged 50 and over with an unaccessed defined contribution pension.

The surveys evaluate the Pension Wise service in 2017/18, looking at the experiences of people who book face-to-face or telephone appointments with the service (appointment bookers) and, within these, the 92 per cent who complete their appointments (appointment customers). For comparison, the evaluation also covers people who have not made appointments but would be eligible to do so. This includes both those who have visited the Pension Wise website (website users) and those who have not (non-users). The profiles of these groups have been weighted to match appointment customers on key demographics and on how soon they intend to access their pension.

This research follows a previous set of comparable surveys carried out in 2016/17.² The Pension Wise service has undergone some key changes since 2016/17. These include an increase in the number of appointments delivered, a drive for efficiency across the service, and the introduction of various digital elements in the appointment booking and delivery journey. These changes had the potential to impact customers' satisfaction with the service.

There is high satisfaction with the Pension Wise service

The overwhelming majority (92%) of appointment customers are satisfied with their Pension Wise experience overall, and seven in ten (69%) are *very* satisfied. Just three per cent are dissatisfied. The high level of satisfaction is similar across telephone and face-to-face customers, and is not significantly different from the 2016/17 figure (94%).

At least nine in ten customers are satisfied with various aspects of the timing, convenience and content of their appointments. This includes:

- the promptness of the call, for telephone customers (95%)
- the Pension Wise Guidance Specialist's knowledge (94%)

¹ A total of 1,976 appointment bookers were interviewed by telephone and online from October 2017 to January 2018, around one month after their Pension Wise appointment. From these, 856 were followed-up for a second interview around three months after their appointment. A total of 936 people who did not have a Pension Wise appointment but were eligible for the service were interviewed over the same period (encompassing 784 non-users and 152 website users). All data (including non-users and website users) are weighted to reflect the profile of Pension Wise appointment bookers.

² The report for the 2016/17 evaluation is available at:

<https://www.gov.uk/government/publications/pension-wise-service-evaluation-customer-experiences-and-outcomes>.

- the length of the appointment (93%)
- the waiting time on the day, for face-to-face customers (92%)
- the clarity of the discussion (92%)
- the convenience of the time and date (92%)
- how much it took on board personal circumstances (90%).

Advocacy levels for the service remain high

A quarter (23%) of Pension Wise customers have already recommended the service to others and a further seven in ten (72%) say they are likely to do so (95% already have/likely). The proportion who say they have already recommended Pension Wise has risen by seven percentage points since 2016/17.

Customers say that Pension Wise has improved their understanding of their pension options

Most customers say one of the main reasons they used Pension Wise was to find out more about their pension options. This suggests that people are using the service in line with its intended purpose, to gain an overview of their options.

Almost all Pension Wise customers (97%) feel that their understanding of their options has improved one month after their appointment. Amongst this 97 per cent, almost all (98%) attribute this improvement at least a fair amount to Pension Wise.

Nine in ten customers (89%) feel well informed of their pension options one month after their appointment, with close to half (47%) feeling *very* well informed. This is much higher among customers than among non-users (89% vs. 54% feeling well informed). Face-to-face and telephone customers feel equally well informed.

One month after their appointment, customers also have a better understanding of the facts around what they can do with their pension pots than non-users. This is measured through a series of eight true or false questions. The majority of customers give a “definitely true” or “definitely false” correct answer to each of the factual statements covered in the evaluation surveys, and there is at least a difference of 20 percentage points between customers and non-users answering correctly in each case. This difference is particularly notable when it comes to knowing they can:

- take cash in chunks from their pension (74% of customers vs. 37% of non-users say, correctly, that this is definitely possible)
- choose more than one option for the same pension pot (70% vs. 37%)
- take their entire pension pot out in one go (61% vs. 25%).

This evaluation cannot prove these differences between customers and non-users are all as a result of a Pension Wise appointment. Customers may consult other sources of pension guidance outside Pension Wise before or after their appointment. The findings do, however, demonstrate that customers’ knowledge of pensions

options is better than that of non-users, and they feel they are getting what they need out of the service.

Customers feel confident in their ability to avoid pension scams and prepared for discussions with their provider

Three months after their appointment, nine in ten Pension Wise customers (92%) feel confident in their ability to avoid scams. Half (50%) feel *very* confident in this. Customers are far more confident than non-users on this (92% vs. 78% confident). Face-to-face and telephone customers are equally confident.

Six in ten customers (58%) have spoken with their pension provider in the three months since their appointment, and of these, nine in ten (89%) report feeling well prepared for this. This compares favourably to seven in ten non-users (70%) feeling well prepared for such discussions.

Pension Wise appointments prompt customers to take positive steps to finalise their access arrangements

Customers are more likely than non-users to take a range of relevant steps to plan for retirement. In the three months since their appointment:

- seven in ten customers (72%) have calculated the income they will need in retirement (vs. 34% of non-users)
- seven in ten (71%) have read up about their preferred pension options (vs. 35% of non-users)
- three-fifths (63%) have spoken to their pension provider about their pension pot options (vs. 18% of non-users).

Customers who have not yet finalised their access arrangements are more likely than non-users to be considering a wider range of pension options. Seven in ten of these customers (70%) are considering at least one withdrawal option beyond the tax-free lump sum (i.e. an adjustable income, cash in chunks, an annuity, or full withdrawal), compared to just over half (55%) of non-users. These customers are also more certain about the options they will take (86% feel very or fairly certain, vs. 75% of non-users).

Within three months of their appointment, customers are more likely than non-users to have taken each of the following actions, when these have been relevant for their preferred pension option:

- looking at the tax implications (among those who have yet to finalise access arrangements, 61% of customers have done this, vs. 26% of non-users)
- researching how long they will need a retirement income for (57% of these customers vs. 28% of non-users)
- looking into charges incurred (40% of these customers, vs. 16% of non-users)

- checking if they can change their options later (36% of these customers, vs. 15% of non-users)
- shopping around for quotes from pension providers (19% of these customers, vs. 5% of non-users).

While higher customer volumes and operational efficiencies have affected some aspects of satisfaction, the majority of findings are consistent with 2016/17

Overall satisfaction and advocacy levels for Pension Wise in 2017/18 are consistent with the positive 2016/17 findings. Several other customer outcomes for 2017/18 are also consistent with 2016/17 results. This includes confidence in avoiding scams, overall sense of preparedness when talking to pension providers, factual knowledge of pension options, and the proportions taking various steps to progress their pension options. This consistency is against a backdrop of the various operational changes taking place since 2016/17.

Longer waiting times for appointments and, for face-to-face customers, some increased travel requirements were an impact of streamlining the service, and the higher customer volumes attracted in 2017/18. Reflecting these operational changes, face-to-face customers' satisfaction with their appointment location is down (from 93% to 86%), as is satisfaction with the venue (from 91% to 86%), compared with the 2016/17 evaluation.

The proportion of customers who are *very* satisfied with Pension Wise as a whole has decreased between 2016/17 and 2017/18 (from 79% to 69%), while the proportion who are *fairly* satisfied has increased (from 15% to 23%). This suggests that, while higher customer volumes and operational changes have led to slight reductions in the level of satisfaction experienced, they have not led to greater dissatisfaction with the service as a whole.

Pension Wise is taking steps to address the issues raised on waiting times in 2018/19, recruiting more Guidance Specialists and further developing the digital appointment service. These changes may help Pension Wise to further improve the already-positive customer experience.

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1 Introduction

This report evaluates the Pension Wise service in 2017/18. This includes:

- **customer satisfaction**
- **the impact of the service**, in terms of customers' understanding of their pension options, their confidence in avoiding scams, and the positive steps they are taking towards finalising their pension access arrangements.

As further context, the report also looks at customers' entry routes into Pension Wise and their experience of booking and undergoing appointments.

1.1 Background and aims

Pension Wise is a national pensions guidance service backed by Government and delivered in partnership with other organisations. The service provides free, impartial guidance to those who are aged 50 and over with defined contribution pensions that have not already been accessed. It provides information and guidance on the options available to people when accessing their pension money, which expanded following the introduction of new pension freedoms in April 2015.

The service offers face-to-face appointments, delivered through Citizens Advice, and telephone appointments, delivered through The Pensions Advisory Service (TPAS). It also offers online information and guidance via the Pension Wise website.

Appointments, delivered by either channel, last between 45 and 60 minutes, and give customers a full explanation of the six options available for accessing a defined contribution pension under the pension freedoms. The options are:

- leaving your whole pot untouched
- getting a guaranteed income (through an annuity)
- getting an adjustable income (through flexi-access drawdown)
- taking cash in chunks (Uncrystallised Funds Pension Lump Sum, or UFPLS)
- taking your whole pot in one go
- mixing the above options.

The service helps customers to understand the pros and cons of their options in an impartial way, raises awareness of the risk of pension scams, and explains the potential impact on taxes and benefits. The Guidance Specialists (Guiders) who facilitate the appointments help customers to clarify their next steps in the decision-making process, including key questions to ask their pension providers and information on shopping around. Customers receive a document summarising their appointment within 48 hours.

Appointments for the service can be booked online, over the telephone, or in person. Teleperformance provide the contact centre service for bookings.

Increased customer volumes

In the 2017/18 financial year, the Pension Wise website received over 2 million visits, which is similar to 2016/17. In 2017/18, the service handled almost 172,000 booking calls. It arranged over 63,000 face-to-face appointments (up 31% from 2016/17), and over 24,000 telephone appointments (up 37% from 2016/17).³

These increases in the numbers of contact calls and appointments arranged have been achieved against a challenging backdrop. Pension Wise's focus in 2017/18 was to grow appointment volumes while improving operational efficiency.

During 2017/18, Pension Wise has made improvements to the booking system. Customers can now book telephone appointments online and request face-to-face appointment times online.

A digital appointment service was also introduced in July 2017, but is not the focus of this 2017/18 service evaluation. This is because the customers completing digital appointments do not need to provide contact details, so were not able to be sampled in this evaluation. Pension Wise is looking at ways of including them in future waves.

This combination of operational efficiencies, greater flexibility in how people can book appointments, and a rise in the number of people contacting the service means that, in some channels and areas, waiting times between customers making contact and their eventual appointment date have increased. For some customers, the travel time required to get to a face-to-face appointment has also increased. Recognising this, Pension Wise has put measures in place to decrease these wait times across 2018/19, including recruiting more Guidance Specialists. For the 2017/18 evaluation, however, these issues are expected to have an impact on customer satisfaction, compared to 2016/17.

1.2 Methodology

This is a quantitative evaluation with findings taken from three surveys. The surveys were carried out by Ipsos MORI, on behalf of Pension Wise.

1. An initial survey of 1,976 people who booked telephone or face-to-face appointments with Pension Wise between September and November 2017. The survey took place roughly one month after their appointment, between October 2017 and January 2018. It focused on their experiences and satisfaction when using the service.
2. A follow-up outcomes survey of 856 customers who took part in the initial survey. This took place around three months after their appointment, between January 2018 and April 2018. This gap was intended to leave enough time for customers to explore their pension options further and take relevant actions.

³ Pension Wise performance data is published monthly on gov.uk:
<https://www.gov.uk/performance/pension-wise>.

The survey focused on customers' knowledge of their pension options, and steps taken against their preferred options.

3. A survey of 936 people who did not have a Pension Wise appointment but would have been eligible for the service in the last 12 months. That is, people aged 50 and over, who either had an unaccessed defined contribution pension, or one that they had only accessed in the past year. This encompasses both people who have visited the Pension Wise website (152 website users) and those who have not (784 non-users). This survey took place in February 2018, coinciding with the fieldwork period for the outcomes survey.

All three surveys were carried out through a mix of telephone and online interviewing. Further details on the sampling, fieldwork and response rates are in the appendix.

Weighting

The data for the experiences and outcomes surveys have been weighted to represent people who booked Pension Wise face-to-face and telephone appointments between September 2017 and November 2017.

Website users and non-users have also been weighted to match the same appointment booker profile. As such, the achieved non-user sample from this survey is not intended to represent the wider population of 50-70 year-olds with unaccessed defined contribution pensions in the UK. It is more simply intended to provide a comparison group who are demographically similar to Pension Wise appointment bookers, but who did not approach the service.

Further details on the weighting approach are included in the appendix.

Comparisons to previous 2016/17 surveys

This research follows a previous set of comparable surveys carried out in late 2016 and early 2017. These covered people booking appointments with Pension Wise between February 2016 and January 2017, as well as website users and non-users over the same period. The report for the earlier surveys is available at:

<https://www.gov.uk/government/publications/pension-wise-service-evaluation-customer-experiences-and-outcomes>.

The 2017/18 evaluation was conducted with a smaller sample than in 2016/17. The 2016/17 surveys included appointment bookers/customers sampled from each month, across the whole 12 months of the year. It therefore achieved a large sample that allowed Pension Wise to break down quarterly results, or look at differences by region or delivery partner. Since there was little variation of note in the results across quarters in 2016/17, sample sizes fit for quarterly tracking were no longer deemed necessary in 2017/18. The 2017/18 surveys sampled Pension Wise appointment bookers/customers over a three-month period only. Sample sizes for various groups are lower in this report than in the 2016/17 report but, largely remain sufficient to look at changes across years and key subgroup differences.

Questionnaire changes also mean a small number of questions are no longer comparable to the previous surveys. The report only makes year-on-year comparisons where questions have not materially changed across years.

Another methodology change was in the weighting. The 2017/18 results for website users and non-users are, for the first time, weighted based on how soon they intend to access their pension. This has been done to make them better match the profile of Pension Wise appointment bookers, who tend to be relatively close to accessing their pension when they attend their appointment. This is intended to make comparisons between appointment bookers and non-users more robust, since proximity to pension access is likely to drive many behaviours and attitudes.

The additional weighting around proximity to pension access was not applied to non-users in the 2016/17 evaluation report. The changed weighting approach this year is likely to reduce the size of the differences found between appointment bookers and non-users, compared to 2016/17, but the remaining difference is more likely to reflect the impact of the Pension Wise appointment, rather than a difference in profile between appointment bookers and non-users.

1.3 Reporting conventions

Surveyed groups

Across the chapters, four primary groups are referred to:

1. **Appointment bookers** are members of the public who book a telephone or face-to-face appointment with Pension Wise.
2. **Appointment customers** are the large majority (92%) of appointment bookers, who complete their appointment (as opposed to missing it, or leaving before the end). They are made up of telephone customers and face-to-face customers.
3. **Website users** are those who have visited the Pension Wise website. They would have been eligible for a Pension Wise appointment in the past year but have not had one.
4. **Non-users** are those who have not had an appointment nor visited the website, but would also have been eligible for an appointment in the past year.

The non-user group is intended to be a broad comparison group, to understand how Pension Wise appointment bookers differ from other defined contribution pension holders who are demographically similar to them, but have not used the appointment service. It is not meant to be a strict control group against which to measure the impact of Pension Wise. This is because Pension Wise appointment bookers may be more informed and engaged with their pension pots than the typical defined contribution pension holder, even before they come into contact with the service.

In Chapter 8, the report also uses difference-in-difference analysis between appointment customers and non-users, to give a deeper insight into how Pension Wise has prompted customers to take action on their pension arrangements.

Representation of percentage scores

Throughout the report, due to rounding of percentages, exclusion of a very small number of “refused” responses, or questions that allow more than one response, figures in charts do not always add to 100%.

Statistical significance

The report highlights relevant differences between the average and subgroup findings, or between 2017/18 and 2016/17 findings. This focuses on differences that are found to be statistically significant at the 95% level of confidence. Strictly speaking, statistical significance testing applies only to random probability samples. It is commonly carried out for quota surveys like this one, with the assumption being that the achieved sample behaves like a random probability sample. In such cases, the significance testing is intended to provide a rough guide to the margins of error governing the survey.

Not *all* statistically significant differences are noted as the report highlights differences that appear consistently across questions, which indicate important subgroups, or indicate important shifts since 2016/17.

- Significant differences between customers and non-users are highlighted, and shown in charts with a circle (●) next to the non-user findings.
- Among telephone and face-to-face appointment bookers/customers, significant differences are highlighted and shown in charts with a triangle (▲) next to the relevant findings.

2 Profiles of those surveyed

This chapter explores the characteristics and demographics of each of the groups covered in the evaluation surveys: appointment bookers, appointment customers, website users and non-users.

2.1 Appointment bookers

Demographics

Two-thirds (65%) of Pension Wise appointment bookers are men, and around a third (35%) are women. This gender balance is as expected as it reflects that, among those aged 50 or over, more men have defined contribution pensions than women.

Most appointment bookers are aged 55 to 64 (67%), with nine per cent aged 50 to 54, and the remaining 24 per cent aged 65 and over. Appointment bookers in 2017/18 are, on average, slightly older than those booking appointments in 2016/17, when three-fifths (61%) were aged 55 to 64 and a fifth (20%) were aged 50 to 54.

A sizable minority of appointment bookers, one in five (22%), identify as having a long-term illness, health problem or disability which they say may restrict how many years they can live comfortably in retirement.

Work status and proximity to accessing pension pots

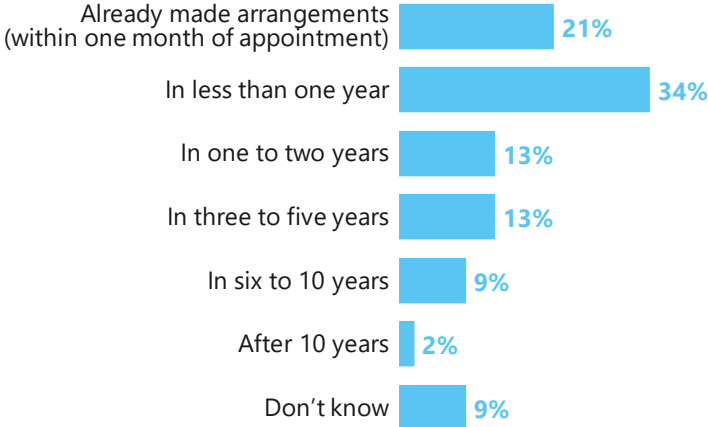
The majority of appointment bookers (59%) are still working, while three in ten (29%) are retired, and 12 per cent are unemployed or not looking for work.

At the point of the initial survey, one month after their appointment, over half of all appointment bookers (55%) say they have already made arrangements to withdraw their defined contribution pension pot, or intend to do this within the next year. A quarter (26%) expect to do this over one to five years from now, while around one in ten (11%) say they will only make arrangements six or more years from now. A full breakdown is shown in Figure 2.1. This suggests that most people are close to making a decision around what to do with their pension pots when they come to Pension Wise.

These findings are in line with 2016/17 customers (of whom 57% had already made their arrangements or planned to do so in the next year), despite the age profile this year being slightly older.

Figure 2.1: When appointment bookers expect to make arrangements to access their pension pots

Q. Which of these best represents when you intend to make formal arrangements for taking money from your defined contribution pension or pensions?



Base: 1,835 appointment bookers (excluding those who refuse to answer)

Internet usage

The majority of appointment bookers (84%) are internet users, with three-fifths (61%) using it on a daily basis. Just 15 per cent say they never use the internet.

Just over half (54%) of all appointment bookers visit the Pension Wise website before their appointment, including both the 36 per cent that booked their appointment through the website, and the remainder using it just for information. Fewer, three in ten (28%), look at it after their appointment. Nevertheless, the proportion visiting the website after their appointment is higher than it was in 2016/17 (when it was 23%).

Retirement provision

Most Pension Wise customers do not expect the majority of their retirement income to come from their defined contribution pension pots. Just three in ten (30%) expect this to be the case. A third (33%) expect the State Pension to be the most substantive part of their retirement income. Four per cent say their greatest source of income will be their spouse's pension.

More than two-fifths (44%) of appointment bookers also have a defined benefit pension, and of those, three in ten (31%, or 13% of all appointment bookers) expect this to be their biggest source of retirement income.

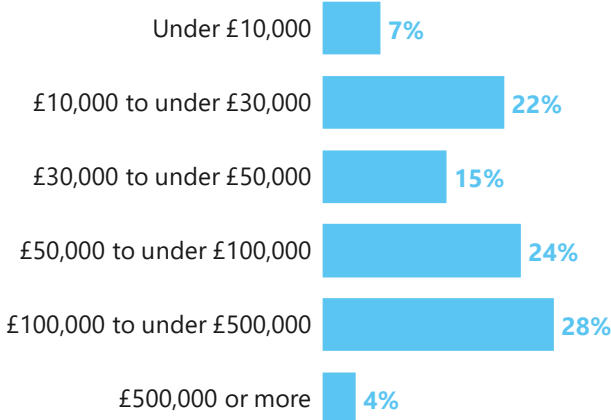
The remaining fifth of appointment bookers either do not know what their biggest source of income will be, or expect it to come from another source other than pensions (not specified in the survey).

There is a wide spread in the value of appointment bookers' defined contribution pension pots. Seven per cent say they do not know the value of their pots. When looking only at those who do give a value, three in ten (29%) have a total pension pot value of under £30,000, while a similar proportion (32%) have pension pots worth

£100,000 or more. Two-fifths (39%) have somewhere in the middle, with a pot size between £30,000 and under £99,999. The full breakdown is in Figure 2.2.

Figure 2.2: Defined contribution pension pot sizes

Q. Roughly speaking, which of these groups best describes the total value of all your defined contribution pension pots?



Base: 1,690 appointment bookers (excluding those who refuse to answer or do not know)

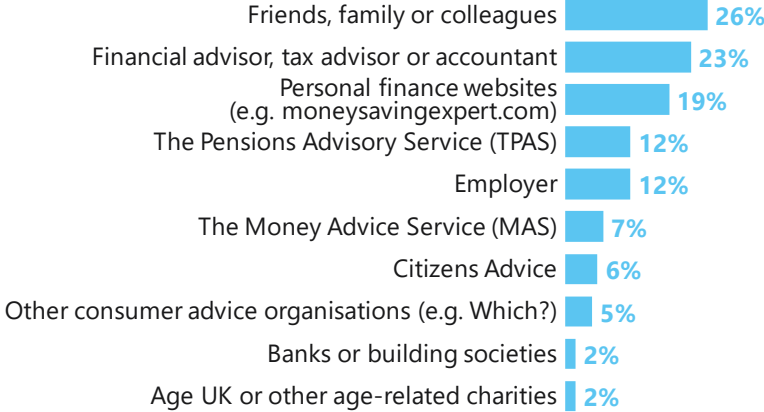
Defined contribution pension guidance

Most appointment bookers have consulted other sources of financial advice or guidance about their defined contribution pension, outside Pension Wise. In total, three-fifths (58%) have consulted any of the sources listed in Figure 2.3 in the 12 months before their appointment, leaving 42 per cent who have not been advised or guided by others, outside of Pension Wise (excluding non-advisory conversations with providers). The most common sources of advice and guidance include friends, family and colleagues (26%), professional paid advice from financial advisors, tax advisors or accountants (23%), and personal finance websites, such as MoneySavingExpert.com (19%).

Not including friends, family and colleagues, half (50%) of all appointment bookers have sought advice from organisations or individuals outside Pension Wise. Therefore, Pension Wise is often not the only source of guidance or advice consulted. As detailed in Chapter 8, people who attend a Pension Wise appointment are also considerably more likely, than those who do not, to consult other sources of guidance and advice afterwards, including professional advisers.

Figure 2.3: Sources of advice and guidance about defined contribution pensions, outside Pension Wise

Q. In the last 12 months before your Pension Wise appointment, did you receive any financial advice or guidance about your defined contribution pensions from any of the following sources?



Base: 1,958 appointment bookers (excluding those found to be ineligible for Pension Wise, i.e. aged under 50 or without an unaccessed defined contribution pension)

Attitudes towards financial management and pensions

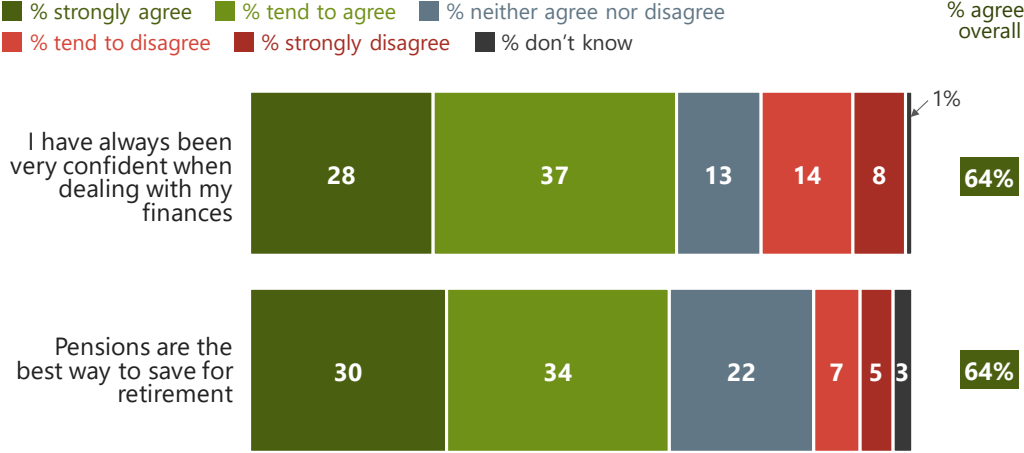
The survey includes a series of attitudinal questions to establish how those using Pension Wise approach finances and pensions generally. These questions are asked of appointment customers only, rather than all appointment bookers (i.e. excluding the 8% who do not finish their appointments or miss them altogether).

These questions highlight that the majority of customers feel confident in dealing with their finances and engaged with their pension before they attend their Pension Wise appointments. Two-thirds (64%) agree they have always been very confident dealing with their finances, and the same proportion agree that pensions are the best way to save for retirement. The full data are shown in Figure 2.4.

Of course, Pension Wise can still help to make customers more knowledgeable about their options, regardless of how confident they are. Actual knowledge among customers is covered in Chapter 4.

Figure 2.4: Attitudes towards financial management and pensions among appointment customers

Q. How much do you agree or disagree with the following statements?



Base: 1,790 appointment customers

Men are more likely than women to say they financially confident (67% vs. 59% confident). University-educated customers are also slightly more likely than average to feel financially confident (69%, vs. 64%).

2.2 Differences between appointment customers and non-completers

A very small proportion of appointment bookers either do not finish their appointment (7%) or miss it completely (1%). As such, the differences that can be pulled out between appointment customers, and those who do not complete or attend their appointments, are limited. Nevertheless, there are a small number of significant differences between those who miss or do not complete their appointments, and appointment customers:

- those who miss or do not complete their appointments tend to have smaller pension pots as they are less likely than appointment customers to have a defined contribution pension pot value of over £100,000 (18%, vs. 31% of appointment customers)
- are more likely to be women (46%, vs. 34% of appointment customers)
- are more likely to be younger (55% aged 50 to 59, vs. 42% of appointment customers), which ties in with their tendency to have smaller pension pots than customers.

2.3 Differences between face-to-face customers and telephone customers

At the time of booking, customers can choose to have their Pension Wise appointment either face-to-face, delivered by Citizens Advice, or by telephone, delivered by TPAS. Both appointments have the same guidance content and a similar duration. Digital appointment customers are not covered in this evaluation.

The two customer audiences covered in this evaluation have a similar profile in many respects, including with regards to how soon they intend to access their pension pots. They also have some notable differences between them, in that:

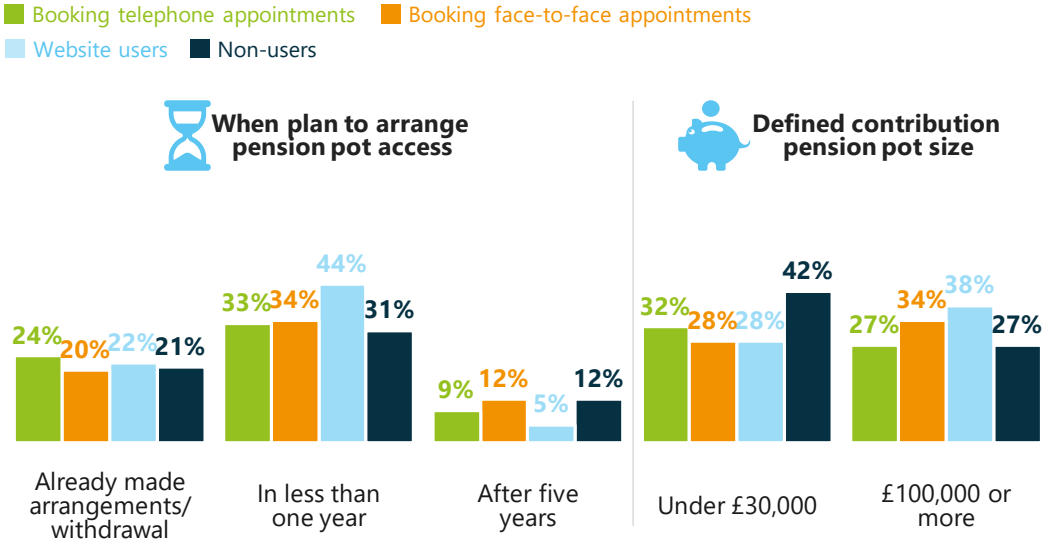
- face-to-face customers tend to have an older age profile than telephone customers (28% are aged 65 and over, vs. 16% of telephone customers)
- telephone customers are more likely to have a postgraduate qualification than face-to-face customers (11% vs. 7%)
- face-to-face customers are by contrast more likely than telephone customers to have vocational qualifications (12% vs. 6%)
- telephone customers are a little more likely than face-to-face customers to feel very confident in dealing with their finances, even before using Pension Wise (70% vs. 63%).

2.4 Website users and non-users

It is important to note that the website user and non-user combined profile has been weighted to match the demographic profile of appointment bookers. Therefore, when taken together, they are demographically identical to appointment bookers in terms of gender, age profile, work status, internet usage, and how soon they expect to access their pension pots.

Figure 2.5 shows that, even when split out, website users and non-users are broadly similar to the people who book face-to-face or telephone appointments, in terms of proximity to pension access and pension pot size. The minor differences across groups in this chart are not statistically significant differences.

Figure 2.5: Comparison of appointment booker, website user and non-user profiles on proximity to pension access and pension pot size



Bases: c.440 telephone appointment bookers; c.1,240 face-to-face appointment bookers; c.740 non-users; c.140 website users
 N.B. not all responses are shown, even if included in the base. For proximity to pension pot access, refusals are excluded from the base. For pension pot size, both "don't know" responses and refusals are excluded from the base.

Nevertheless, there are differences between the website user and non-user samples, which many influence their responses to other questions in the survey, in that:

- website users are more likely than non-users to be male (77%, vs. 62%)
- non-users are more likely than website users to have no school, college or university qualifications (12% vs. 1%)
- non-users are more likely than website users to say they do not know the value of their pension pots (22% vs. 6%). When excluding those who do not know, and those who refuse to say (as per Figure 2.5), non-users tend to have smaller pension pots than website users (42% vs. 28% with defined contribution pension pots valued below £30,000).

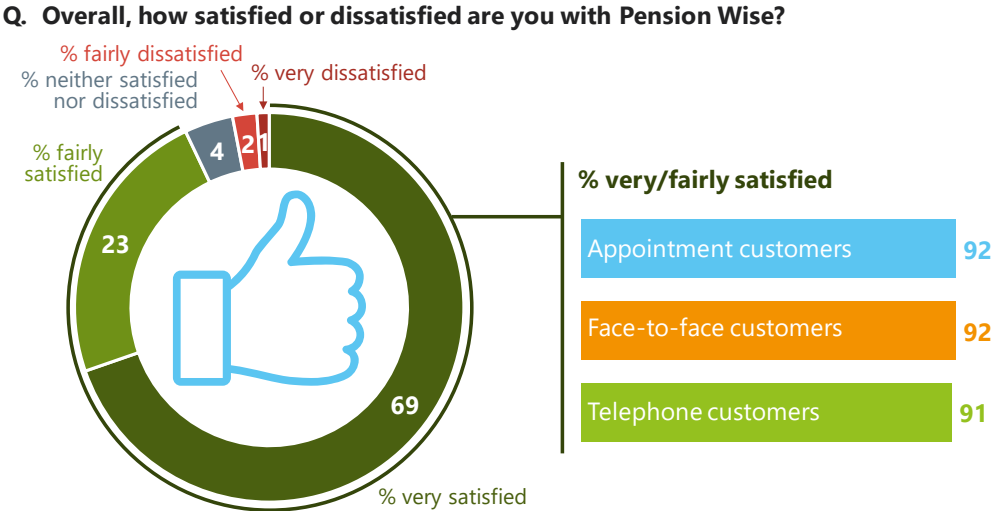
3 Customer satisfaction and advocacy

This chapter covers Pension Wise appointment customers' overall satisfaction with Pension Wise around one month after using the service, and whether they would recommend the service to others. Among the very small proportion of customers that suggest any kind of improvement to the service, it covers the feedback they give.

3.1 Overall satisfaction

The overwhelming majority (92%) of appointment customers are satisfied with the service, and most of this group is *very* satisfied (69% of all customers), as Figure 3.1 shows. Just three per cent are dissatisfied. These high satisfaction ratings are similar amongst telephone and face-to-face customers.

Figure 3.1: Overall satisfaction with Pension Wise one month after the appointment



Bases: 1,790 appointment customers; 1,375 face-to-face customers; 415 telephone customers

Who is most satisfied?

High satisfaction is evident across all age bands. Some customers such as women and those with small pot sizes are even more likely to be satisfied (73% of women very satisfied vs. 67% men). There is cross over of these two groups as female customers have smaller pension pots than male customers (38% of women have total pot sizes under £30,000, vs. 24% of men).

Customers with smaller pension pots tend to be more satisfied than the average (77% of those with pension pots under £30,000 are very satisfied, vs. 69% on average). This group of customers emerge across a range of survey questions as those who feel most satisfied with various aspects of the service, and feel they have benefitted most from their Pension Wise appointment in terms of knowledge and understanding. This pattern was also seen in the 2016/17 evaluation.

Satisfaction also tends to be higher than average among customers who had requested an appointment for a specific purpose, including to get help in avoiding pension scams (78% very satisfied, vs. 69% on average), or to discuss tax implications (75% very satisfied). This may indicate that Pension Wise is particularly successful at addressing these topics during the appointment, or more broadly at dealing with customers who arrive with specific questions in mind.

In 2017/18, the self-employed are slightly more likely to be dissatisfied than average, even though the vast majority remain satisfied (83% are satisfied and 8% are dissatisfied, vs. 92% and 3% on average, respectively). This difference was not present among 2016/17 customers. Besides this, there are no groups that stand out as being more dissatisfied than the average. The evaluation is limited in the extent to which it can delve into dissatisfaction. Only three per cent of all customers are dissatisfied, which provides a limited sample for analysis.

In this context, it is worth exploring who is more likely to be *fairly* satisfied than average, and therefore might be shifted towards being *very* satisfied. Again, these groups are not more dissatisfied than others. This includes:

- those furthest away from retirement (29% fairly satisfied among customers who say they will only make arrangements for accessing their pensions two years or more from now, vs. 23% on average)
- those with pension pots of £100,000 or more (27% fairly satisfied, vs. 23% on average)
- ethnic minorities (34% fairly satisfied, vs. 23% on average).

Changes since 2016/17

There is no significant difference in the level of overall satisfaction between 2016/17 and 2017/18 (94% vs. 92%). This is despite a higher volume of appointments compared with the previous year, and a drive to make the service more efficient.

The proportion that are *very* satisfied, while still the large majority, is lower this year compared to last year (69%, vs. 79% in 2016/17). This suggests that the impact of higher customer volumes and the service's efficiency improvements on satisfaction has been relatively limited, with a small group of customers being less strongly satisfied than before, but with no increase in the proportion feeling dissatisfied.

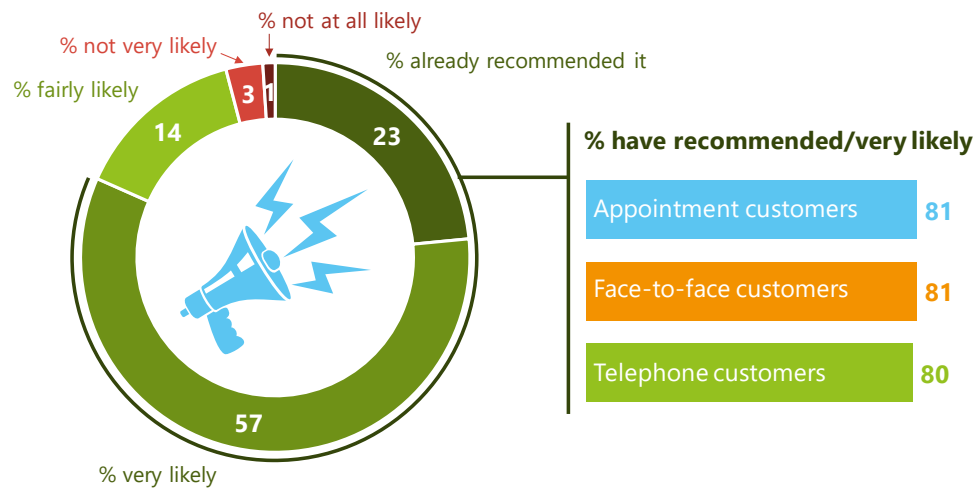
3.2 Advocacy for the service

Pension Wise customers are typically comfortable about promoting the service to others. A quarter (23%) have already recommended the service, and a further seven in ten (72%) say they are likely to do so (95% already have / likely to). These findings are consistent across telephone and face-to-face customers. The breakdown of results is in Figure 3.2.

The proportion who say they have already recommended Pension Wise has risen by seven percentage points since 2016/17.

Figure 3.2: Likelihood to recommend Pension Wise to others

Q. How likely is it, if at all, that you would recommend Pension Wise to others?



Bases: 1,790 appointment customers; 1,375 face-to-face customers; 415 telephone customers

As well as being more satisfied, women are also more likely than men to recommend Pension Wise (28% of women have already recommended Pension Wise, vs. 21% of men).

3.3 Potential improvements

Very few customers (3%) are dissatisfied with Pension Wise so, as previously mentioned, the extent to which this evaluation can explore reasons for dissatisfaction is inevitably limited. For the few who are dissatisfied, the top reasons are: feeling that the service was not personalised enough, that it told them nothing new, or that it did not give them a specific recommendation. It is worth noting that each of these top reasons represents just one per cent of customers overall, so these may be relatively isolated cases.⁴

The survey asks customers, unprompted, if anything about their Pension Wise experience could be improved. Just over eight in ten (82%) either say there are no improvements to be made, do not give an answer or say they don't know.

Among the minority suggesting any kind of improvement, the top response is around the time taken to arrange an appointment (mentioned by 24% of those giving a response, which represents 4% of all customers). This might be expected as the top answer, as this was one of the potential impacts of the streamlining of the Pension Wise service and higher customer volumes compared to 2016/17. Even among this four per cent of customers, overall satisfaction with Pension Wise is no different from

⁴ This is an unprompted question for telephone respondents, and a prompted list for online respondents, with the option to give an "other" answer. The potential implications of questions being asked in different ways depending on the data collection mode are noted in the appendix.

the average. This suggests that while the longer wait times are not going unnoticed by customers, they do not lead to overt dissatisfaction.

The next two most common responses only apply to two per cent of all customers, so might again be considered as relatively minor issues. These focus on wanting Pension Wise to provide recommendations or advice, and wanting a more individualised or tailored service. Put in context, however, the overwhelming majority of customers (90%) are satisfied that the Pension Wise Guidance Specialist took their personal circumstances on board (covered in Chapter 6), so may not feel any improvements are needed in this regard.

4 Knowledge and understanding of pension options

The evaluation measures improvements in Pension Wise appointment customers' knowledge and understanding of their pension options in two ways. Firstly, it covers self-reported measures: how much people feel their understanding has improved due to Pension Wise, how well informed they feel about their options, and their confidence in dealing with pension providers and avoiding scams. Secondly, it looks at customers' knowledge of the facts regarding what they can and cannot do with their defined contribution pensions. It covers findings from one month after the appointment, and from three months after the appointment, looking at whether the increased confidence among customers persists long after using the service.

Where possible, this chapter compares the results for Pension Wise customers to website users and non-users, to look at whether customers emerge as more knowledgeable than those who do not attend appointments.

4.1 Do customers feel their understanding has improved?

Around a month after their Pension Wise appointment, almost all customers (97%) feel that their understanding of their pension options has improved. Two-fifths (43%) think it has improved a great deal, the same proportion (43%) think it has improved a fair amount, and around one in ten (11%) say it has improved, but not very much.

This improvement in understanding could be due to other factors outside customers' interaction with Pension Wise. Nevertheless, of the 97 per cent who feel their understanding has improved, almost all (98%) attribute this at least a fair amount to their Pension Wise appointment experience.

Figure 4.1 combines these two questions. It shows that 85 per cent of customers feel that their understanding of their pension options has improved, and that Pension Wise is responsible for this, at least by a fair amount. Furthermore, 44 per cent think Pension Wise takes a great deal of responsibility for improving their understanding of their options.

Slightly more face-to-face customers than telephone customers think that Pension Wise has contributed to an improved understanding of pension options (46% vs. 40%).

Figure 4.1: Extent to which customers feel that Pension Wise has improved their understanding one month after their appointment



Bases: 1,790 appointment customers; 1,375 face-to-face customers; 415 telephone customers
 A triangle (▲) next to findings shows a statistically significant difference between telephone and face-to-face channels.

Subgroup differences at these questions tend to mirror the differences seen for overall satisfaction with Pension Wise (in Chapter 3). Women are more likely than men to feel that Pension Wise contributed a great deal to their improved understanding (50% vs. 41%).

By contrast, two groups are more likely than average to think that their understanding has not improved very much or at all: self-employed customers (18%, vs. 13% on average) and those with relatively large pension pots (17% among those with pension pots of £100,000 or more). These groups are generally more educated than average, with a higher proportion having a degree level qualification or above. Therefore, they may start from a more knowledgeable position before visiting Pension Wise. As covered in Chapter 3, self-employed customers are also more likely to be dissatisfied with Pension Wise than others, potentially for similar reasons.

The overall proportion who feel that their understanding has improved, and that Pension Wise is responsible at least by a fair amount for this (85%) is slightly lower than in 2016/17 (when it was 88%). This is a statistically significant shift, but not a major one. Again, this may reflect that the higher customer volumes and operational changes to Pension Wise since 2016/17 have had a relatively small impact on customers' perceptions of the service.

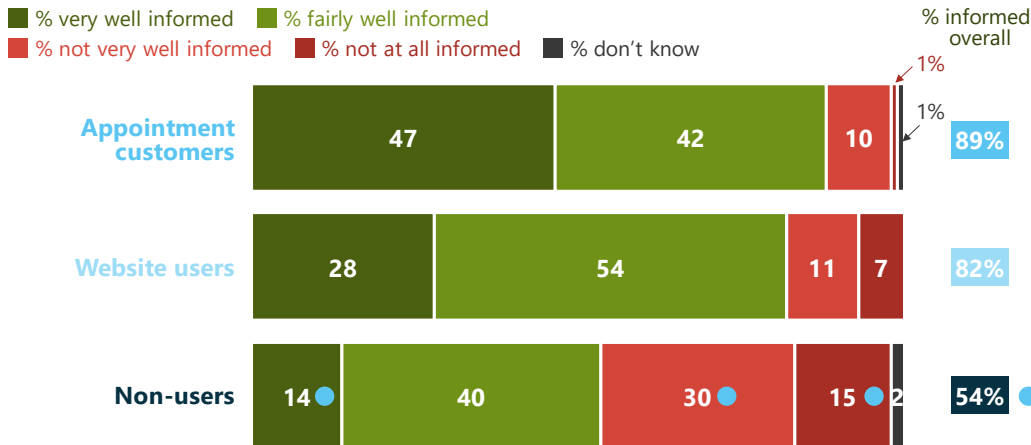
4.2 Feeling informed about pension options generally

Around three months after their Pension Wise appointment, nine in ten customers (89%) feel well informed of their pension options, with close to half (47%) feeling very well informed. Both telephone (90%) and face-to-face (88%) customers are similar to each other.

Customers feel better informed of their pension options than non-users. Just over half (54%) of non-users feel informed of their pension options and only 14 per cent feel very well informed. The full set of findings is in Figure 4.2.

Figure 4.2: Feeling informed about pension options three months after Pension Wise appointments (or the equivalent period for website users and non-users)

Q. How well informed, if at all, do you feel about the different options you can take with your pension pots?



Bases: 856 appointment customers; 152 website users; 784 non-users
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

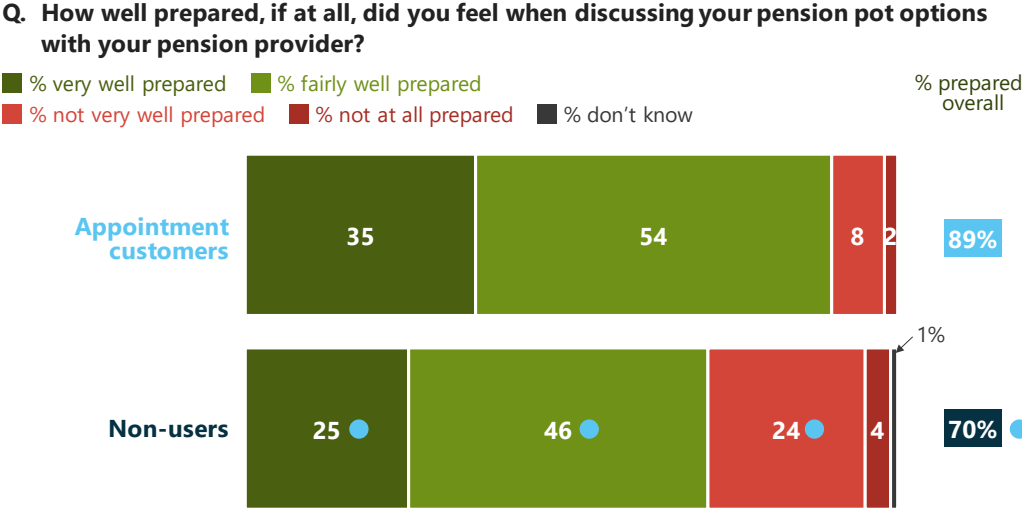
While the 2017/18 findings show that the overwhelming majority of customers feel well informed, this proportion is slightly lower than in 2016/17 (down 4 percentage points from 93%).

4.3 Feeling prepared to talk to providers

Customers who go on to have discussions with their pension provider after their Pension Wise appointment overwhelmingly go into these discussions feeling well prepared. Six in ten customers (58%) have spoken with their pension provider in the three months since their appointment, and of these, nine in ten (89%) report feeling well prepared for this. Over a third (35%) feel they are very well prepared for such discussions.

Customers tend to feel far more prepared for pension provider discussions than non-users, as shown in Figure 4.3.

Figure 4.3: Sense of preparedness for any provider discussions undertaken within three months of Pension Wise appointment (or the equivalent period for non-users)



Bases: 512 appointment customers speaking to their pension provider after their appointment; 153 non-users
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

Website users are also asked this question. Overall, eight in ten website users who have spoken to their providers (80%) feel they are prepared, and three in ten (31%) feel very well prepared. There are relatively few in the sample who have discussed their options with their pension provider (58 respondents). The higher margin of error associated with these findings means they are more indicative than definitive.

Compared to the 2016/17 evaluation, there is no change in 2017/18 in how prepared customers feel overall (i.e. combining those who feel very or fairly well prepared). There are slightly fewer customers this time, however, who say they feel very well prepared than in 2016/17 (down from 42% to 35%).

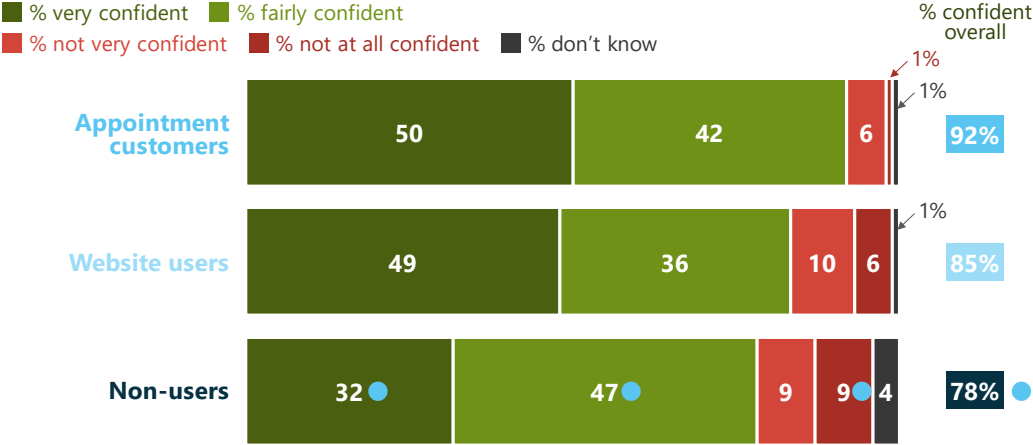
4.4 Avoiding scams

Three months after their Pension Wise appointment, more than nine in ten customers (92%) feel confident in their ability to avoid scams, which is a key objective of a Pension Wise appointment. Half (50%) of all customers feel very confident in this.

Customers are substantively more confident in their ability to avoid scams than non-users, amongst whom only a third (32%) feel very confident about this. The full set of results is shown in Figure 4.4.

Figure 4.4: Confidence in avoiding scams within three months of Pension Wise appointment or the equivalent period for non-users

Q. How confident, if at all, do you feel about being able to avoid any pension scams?



Bases: 856 appointment customers; 152 website users; 784 non-users
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

These results are consistent across customer subgroups, such as gender, age and pension pot size. Two groups that stand out as being less confident about avoiding scams than average are self-employed customers (81% confident, vs. 92% on average) and customers who never use the internet (84% confident). For self-employed customers, this is correlated with them being less likely to feel their understanding of their options as a whole improved following their appointment.

4.5 Factual knowledge of pension freedoms

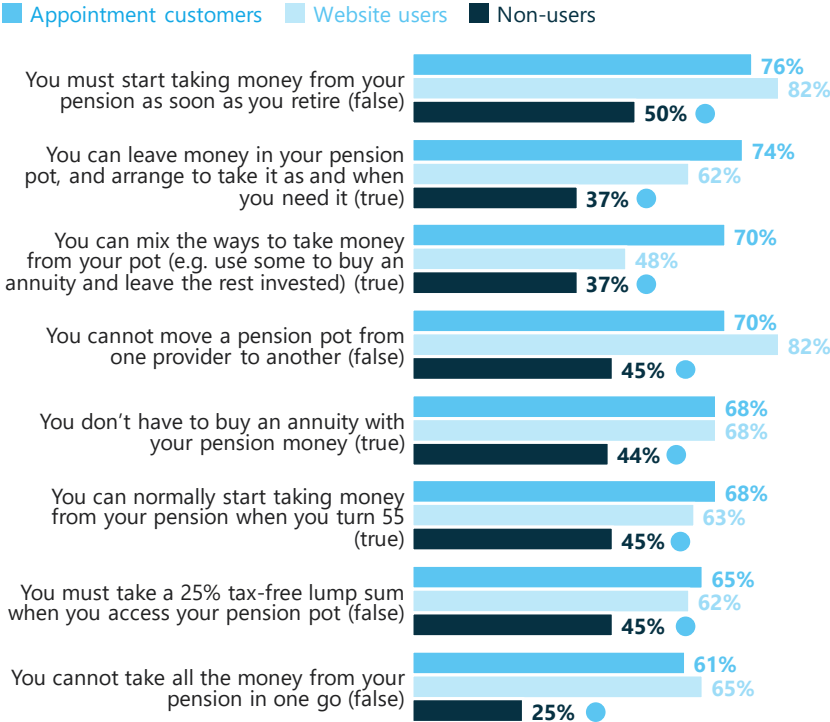
Customers tend to have a greater understanding of the facts around what they can do with their pension pots than non-users, as judged by a series of eight true or false statements in the evaluation surveys. This difference is particularly notable when it comes to knowing you can:

- take cash in chunks from your pension (74% of customers vs. 37% of non-users answer correctly about this fact)
- choose more than one option for the same pension pot (70% vs. 37%)
- take your entire pension pot out in one go (61% vs. 25%).

In fact, a majority of customers (six in ten or more) answer correctly about each of the factual statements covered in the evaluation surveys, while only half or fewer non-users do so. The full set of statements is shown in Figure 4.5.

Figure 4.5: Knowledge of specific facts about pension freedoms (one month after Pension Wise appointment, for customers)

Q. For each statement, please say whether you think it is definitely true, probably true, probably false or definitely false. % answering correctly (definitely only)



Bases (varies for each statement due to random allocation of questions): c.1,300 appointment customers; c.120 website users; c.590 non-users
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

There are two statements where customers’ knowledge has improved since 2016/17, with a larger proportion now answering correctly: not being forced to withdraw money as soon as you retire (up from 70% to 76%); and being able to mix your withdrawal options (up from 65% to 70%).

There are also two statements where both customers’ and non-users’ knowledge has declined since 2016/17: being able to start taking money at age 55 (down from 73% to 68% for customers); and taking all the money from your pension in one go (down from 67% to 61% for customers). The gap between customers and non-users is, however, consistent across both years.

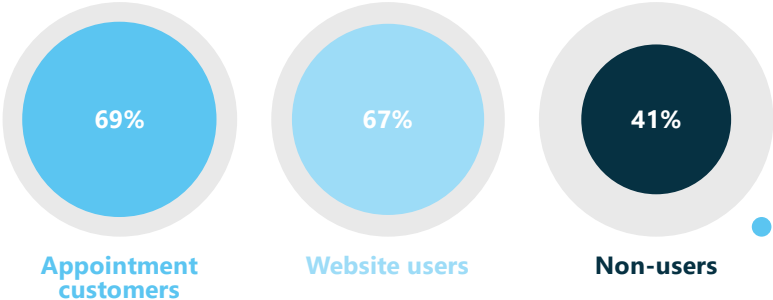
Figure 4.6 shows the average percentage of correct answers (either definitely true or definitely false), across all statements asked, for customers, website users and non-users.⁵ This demonstrates that, on average, customers are more knowledgeable

⁵ This is distinct from the proportion of respondents that answered *all* statements correctly which cannot be calculated, as each respondent was only asked six statements (chosen at random) out of the eight possible statements. As an example, if there were two statements, and 25% answered statement one correctly, and 75% answered statement two correctly, the average would be 50%.

about the facts around their pension options than non-users. When it comes to this average, there is no difference between face-to-face and telephone customers.

Figure 4.6: Relative factual knowledge of customers, website users and non-users (averaged across all eight factual knowledge measures in the survey)

Average % answering correctly (either definitely true or definitely false) across all eight true/false statements



Bases (varies for each statement due to random allocation): c.1,300 appointment customers; c.120 website users; c.590 non-users
A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

5 Booking a Pension Wise appointment

This chapter covers the motivations people have for booking an appointment with Pension Wise, where they hear about the service and the channels they use to arrange their appointment. As such, it focuses mainly on appointment bookers (incorporating customers who completed their appointment, those who did not complete it, and those who did not make their appointment). It also reports on any problems people have during the booking process, and why they choose a specific channel for their appointment (telephone or face-to-face).

This chapter also explores why website users and non-users do not make appointments with Pension Wise, even though they are eligible to do so.

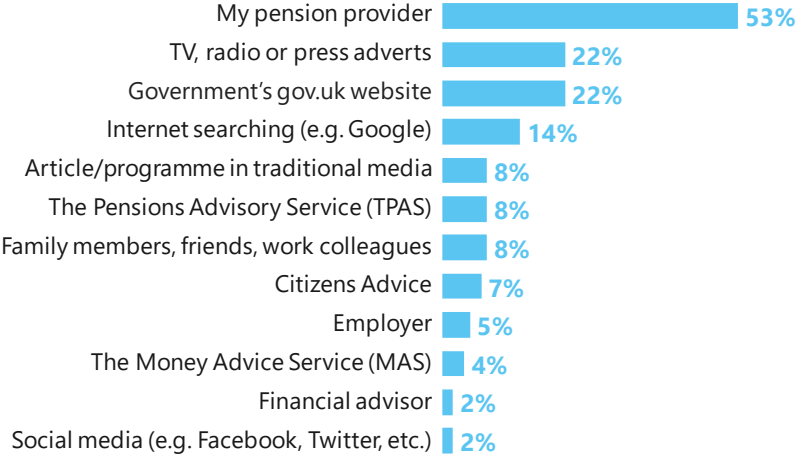
5.1 Where appointment bookers hear about Pension Wise

By far the most common way that appointment bookers hear about Pension Wise is via their pension provider (53%).⁶ The proportion of customers who have seen or heard about Pension Wise from various sources is shown in Figure 5.1. Just over a third of customers hear about Pension Wise from a combination of sources, with 36 per cent citing two or more of the sources from Figure 5.1.

⁶ This is an unprompted question for telephone respondents, and a prompted list for online respondents, with the option to give an “other” answer.

Figure 5.1: Where appointment bookers hear about Pension Wise

Q. Before your Pension Wise appointment, where had you seen or heard about the service? (Only responses at two per cent or higher shown.)



Base: 1,976 appointment bookers
This question was unprompted for telephone respondents and shown as a prompted list for online respondents.

Hearing about Pension Wise via a pension provider is slightly more common among those booking telephone appointments than those booking face-to-face appointments (58% vs. 51%).

Overall, the proportion of appointment bookers citing pension providers as somewhere where they heard about Pension Wise has increased since 2016/17 (from 43% to 53%). This is not because more appointment bookers are talking to their pension providers about their options before their appointment, as this proportion (42%) is unchanged from 2016/17. Instead, it may suggest that pension providers are mentioning Pension Wise more than in 2016/17, or that any Pension Wise marketing materials handed out by providers are having a bigger impact than before.

A separate question (covered in Chapter 2) asks appointment customers about the places where they have received any financial advice or guidance about their defined contribution pensions in the 12 months *before* they attend their Pension Wise appointment. Table 5.1 looks at this question together with where these customers hear about Pension Wise. It highlights that certain groups or organisations appear more likely to drive people to Pension Wise than others, with pension providers and Citizens Advice rating most highly, and financial advisors lowest. For example, around two-thirds (64%) of those that spoke to their pension provider before their Pension Wise appointment recall hearing about Pension Wise from them.

Table 5.1: Sources of financial guidance on pensions that drive individuals to use Pension Wise

	% that have consulted this financial guidance source about pensions within the last 12 months, before their Pension Wise appointment	Of those that have consulted this source before their Pension Wise appointment, % that heard of Pension Wise via them
Pension provider	42%	64%
Citizens Advice	6%	39%
Money Advice Service	7%	29%
TPAS	12%	15%
Financial advisor	23%	8%

5.2 Main reasons for using Pension Wise

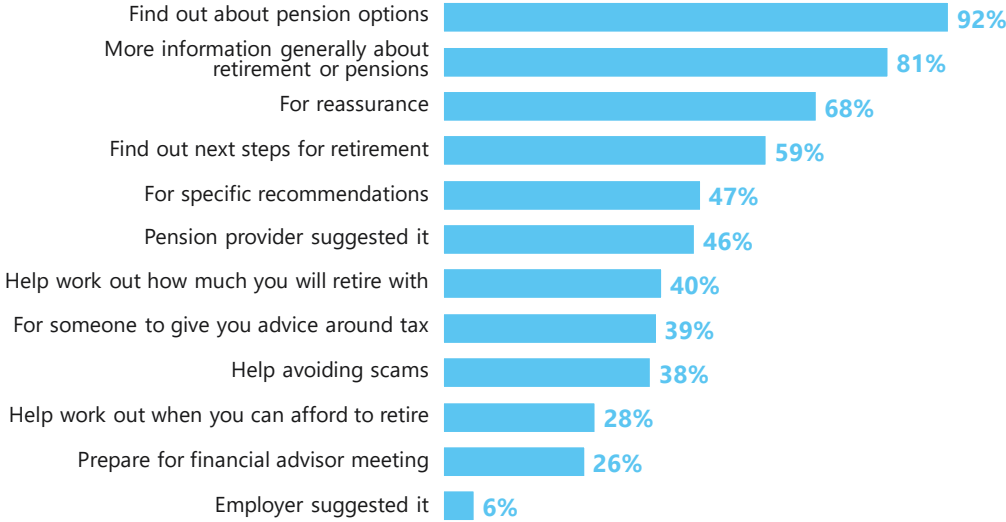
The overwhelming majority of appointment bookers (92%) say they used Pension Wise for the broad purpose of finding out about their pension options. This answer, chosen from a prompted list, suggests that people are using the service in line with its intended purpose; to give people an overview of their options.

At the same time, while Pension Wise does not provide specific recommendations or advice, around half (47%) say that getting a specific recommendation on what to do with their pension pot is a main reason for them approaching the service. This is consistent with the 2016/17 finding, and highlights the persistent challenge that Pension Wise faces in managing customer expectations about what the service does and does not provide, in terms of guidance versus advice.

Figure 5.2 shows the full prompted list of reasons. Pension Wise also plays an important role in general information provision and reassurance. Eight in ten (81%) say they use it to get more information generally about retirement and pensions, seven in ten (68%) use the service simply for reassurance, and six in ten (59%) use it to find out their next steps for retirement. By contrast, the proportion of customers using the service to help with specific issues is lower. This includes avoiding scams (38%), getting guidance on tax (39%), finding out when they can afford to retire (28%) or how much they will retire with (40%).

Figure 5.2: Main reasons for using Pension Wise

Q. Which of the following, if any, were your main reasons for arranging an appointment with Pension Wise?



Base: 1,976 appointment bookers

There has been a small but significant increase in the proportion saying they booked an appointment because their pension provider suggested it (from 41% in 2016/17 to 46% in 2017/18). This increase is consistent with more appointment bookers hearing about Pension Wise through their provider.

Subgroup differences

Those who book telephone appointments are slightly more likely than those who book face-to-face appointments to say a main reason for arranging their appointment was because their pension provider suggested it (51% vs. 44%). People booking face-to-face appointments tend to give a wide range of reasons for attending and they are more likely than telephone appointment bookers to select almost every reason listed in Figure 5.2, with the exception of: getting specific recommendations, getting advice around tax and preparing for a meeting with a financial advisor.

This may indicate a more passive use of the service by telephone customers, relative to face-to-face customers (if the former are mainly attending based on an external recommendation), or that telephone customers are more focused in their needs, and more likely to attend their appointment with one specific question in mind. This pattern is consistent with the 2016/17 findings.

Appointment bookers with pension pots valued at under £30,000 tend to have more focused reasons for using the service than average. They are more likely to mention arranging an appointment to seek a specific recommendation (58%, vs. 46% on average), seek help avoiding scams (47% vs. 38%), or to seek advice on tax (46% vs. 39%). They are less likely than average to say they wanted to find out more about retirement or pensions generally (76%, vs. 81% on average).

5.3 Arranging the appointment

In the survey sample, over half of all Pension Wise appointments (56%) are booked over the telephone, while over a third (36%) are arranged online, and seven per cent in-person at Citizens Advice centres. One per cent say they arranged their appointment via their employer, this relatively low figure reflects that this option is only available with one large employer.

Pension Wise introduced their online booking system in summer 2016, partway through the 2016/17 service evaluation period. This online booking option has consistently grown in popularity over time. In 2017/18, it accounts for 36 per cent of all appointment bookings. In comparison, the 2016/17 survey found that four per cent of appointments were arranged online from August to October 2016, while 18 per cent were arranged online from November 2016 to January 2017.

Problems booking appointments

Only a small proportion (10%) of appointment bookers recall encountering any issues during the booking process, and this is equally low across those who booked by telephone, face-to-face or online.

Among the 10 per cent encountering issues, the most common problems mentioned centre on appointment times.⁷ Three-fifths (62%) say either that it was a long time before the next available appointment (50%), or that the available appointment times were not convenient (22%). It should be remembered that these two responses represent just six per cent of all appointment bookers.

The next most common issue mentioned is to do with not being able to get through on the phone or having to wait a long time for the call to be answered (raised by 15% of those encountering a problem). This includes both those who book by phone (14% raise this issue) and those who book online (16%), with the latter group potentially being those who initially tried to book by phone but were not able to do so. Again, this represents a very small proportion (2%) of all appointment bookers.

The overall proportion of appointment bookers raising any problems has risen by five percentage points since 2016/17 (when it was at 5%), and this rise is largely accounted for by the greater proportion who mention long lead times for the next available appointment (50% of those who mention any problems in 2017/18, vs. 13% in 2016/17). This reflects the reality, in that lead times have been longer due to streamlining of the service and a higher volume of appointments overall in 2017/18, compared to 2016/17.

⁷ This is an unprompted question for telephone respondents, and a prompted list for online respondents, with the option to give an "other" answer.

5.4 Reasons for missing or not completing appointments

A small proportion of appointment bookers surveyed either did not finish their appointment according to the Pension Wise Guidance Specialist (7%) or missed it completely (1%). Given the low volume, the analysis that can be carried out among those with incomplete or missed appointments is limited. In a quarter (23%) of these cases, where the appointment was logged as incomplete by the Guidance Specialist, the appointment booker felt they did complete their appointment.⁸ This may be because they had got the information they required, and ended the appointment before the Guidance Specialist had covered the full appointment content. It may also be because they had another appointment at a later date that was completed.

Around one in ten (9%) say they were found to be ineligible for Pension Wise, and this is most commonly due to not having the right kind of pension (i.e. at least one unaccessed defined contribution pension). One in seven (14%) say that they do not complete or attend their appointment because something else came up.

Other reasons for not completing or attending appointments include: only having a few minor queries they wanted answered; feeling the Pension Wise Guidance Specialist was telling them nothing new; not understanding the information they were being given; or finding that the appointment was longer than expected. Each of these reasons is given by under one in ten of those who did not complete or attend their appointment (so by under 1% of all appointment bookers). The proportion with concerns is far outweighed, however, by the majority of customers who are satisfied with aspects of appointment such as the length and the clarity of the discussion.

5.5 Reasons for not booking an appointment

Two-fifths (38%) of non-users have heard of Pension Wise prior to being surveyed. The evaluation surveys ask both this group and the Pension Wise website user group about why, despite being aware of the service, they have not arranged a Pension Wise appointment before.⁹

The most common responses are shown in Figure 5.3. This highlights that there can be many reasons for people choosing not to use Pension Wise. These range from people thinking they will get the information or guidance they need elsewhere, particularly from financial advisors, or thinking that their pension arrangements are too simple or their pots are too small. Lack of trust in Government-backed guidance

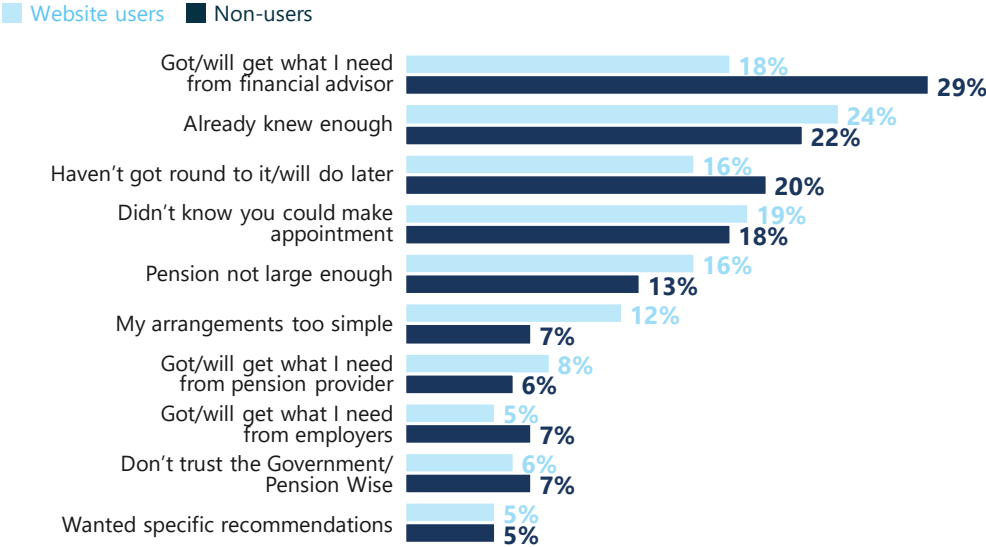
⁸ These percentages merge responses to two questions asking respondents, identified as those missing or not completing appointments, either why they missed them, or did not complete them. They are unprompted questions for telephone respondents, and asked as prompted lists for online respondents, with the option to give an “other” answer.

⁹ This is an unprompted question for telephone respondents, and a prompted list for online respondents, with the option to give an “other” answer.

is not a major issue, with just seven per cent of non-users and the same proportion of website users saying they do not trust Pension Wise or the Government.

Figure 5.3: Reasons for not arranging a Pension Wise appointment, among website users and non-users who have heard of Pension Wise

Q. Why haven't you made an appointment with a Pension Wise Guidance Specialist before? (Only responses at five per cent or higher across groups shown.)



Bases (among those who have heard of Pension Wise before): 152 website users; 311 non-users
 This question was unprompted for telephone respondents and shown as a prompted list for online respondents.

Just five per cent say that they have not made a Pension Wise appointment because they want a service that gives specific recommendations. Very few website users and non-users mention reasons that relate to the perceived usefulness of the Pension Wise service, including it being too basic, not personalised enough, not knowing enough about their specific pension, or not being able to tell them anything new. Taken together, these four reasons are mentioned by 12 per cent of website users and eight per cent of non-users.

One in five website users (19%) say they did not realise they could make an appointment. While this option to make an appointment was more prominently signposted on the website in 2017/18 than in previous years, the proportion who did not realise they could has increased since 2016/17, when seven per cent mentioned it.

6 The appointment experience

This chapter is about customers' experiences when attending their appointment and the follow-up they received afterwards. It covers how satisfied they are with specific aspects of their appointment, around one month after attending, building on the overall satisfaction score covered in Chapter 3. It also covers customers' views of the summary document they receive from Pension Wise following their appointment.

6.1 Explaining the impartiality of the service

Almost all appointment customers (98%) confirm that their Pension Wise Guidance Specialist had explained the impartial nature of the service to them during their appointment, and that the service does not provide specific recommendations. This is the same for both telephone and face-to-face customers.

As Chapter 5 noted, a substantive proportion of people (47%) book appointments with Pension Wise intending to get a specific recommendation. The fact that almost all customers recall being told about the scope of the service suggests that Pension Wise is succeeding in managing expectations on this front.

6.2 Satisfaction with specific aspects of the appointment

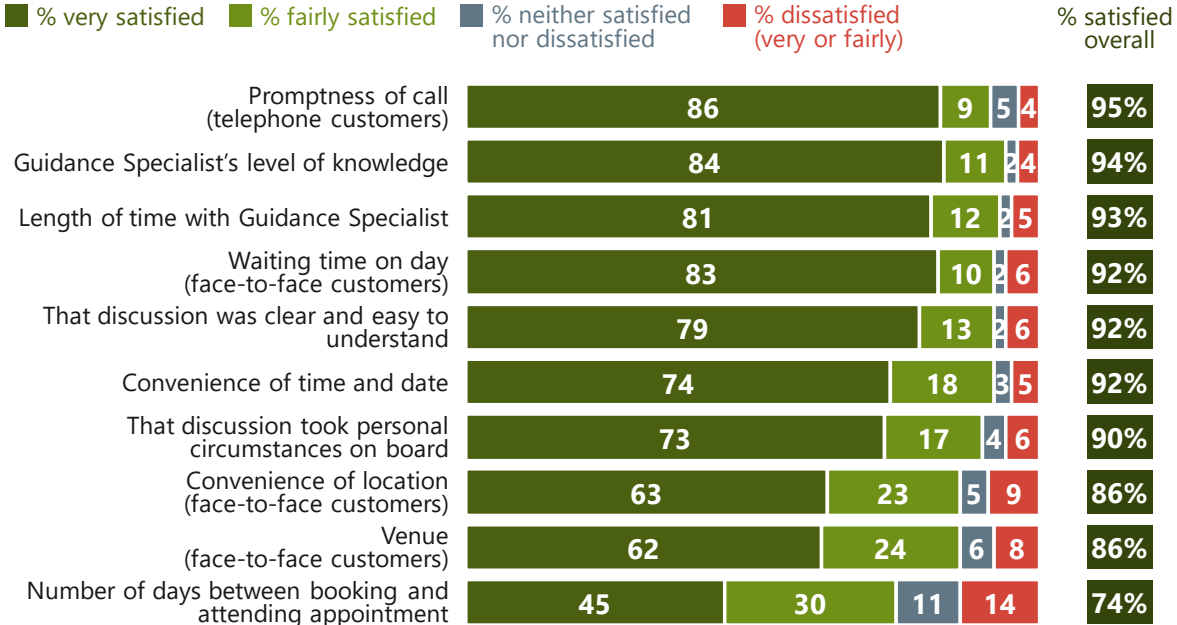
The overwhelming majority of customers are satisfied with various aspects of the timing, convenience and content of their Pension Wise appointment. At least nine in ten are satisfied with:

- the promptness of the call, for telephone customers (95%)
- the Pension Wise Guidance Specialist's knowledge (94%)
- the length of the appointment (93%)
- the waiting time on the day, for face-to-face customers (92%)
- the clarity of the discussion (92%)
- the convenience of the time and date (92%)
- how much it took on board personal circumstances (90%).

Figure 6.1 shows how these satisfaction ratings break down for each aspect covered. This highlights that the majority of customers are *very* satisfied with almost every aspect, except for the time between booking and attending.

Figure 6.1: Satisfaction with specific aspects of the appointment

Q. How satisfied or dissatisfied were you with the following aspects of the appointment?



Bases (from a random allocation of statements across respondents): c.1,100 appointment customers; 1,375 face-to-face customers; 415 telephone customers

Over eight in ten face-to-face customers are satisfied with the convenience of the location (86%) and the venue of their appointment (86%). Three-quarters (74%) of all customers are satisfied with the wait between booking and attending their appointment. These are areas where, while satisfaction levels are still high, there is potential to bring them into line with other aspects and thus improve satisfaction overall. The ratings for location, venue and waiting times are related to the streamlining of the service since 2016/17 (covered at the end of this section) and Pension Wise has taken measures to address waiting times and develop a digital delivery channel since this survey was undertaken.

Who is more or less satisfied than average?

Face-to-face customers are more satisfied than telephone customers about the time taken between booking and attending their appointment (77% vs. 66% satisfied).¹⁰ Otherwise, there are no significant differences in satisfaction levels between telephone and face-to-face customers across all the other aspects of the service.

Satisfaction ratings are largely consistent across gender and age groups, and there are no demographic groups that stand out as being particularly dissatisfied with any aspects of the appointment.

¹⁰ Pension Wise internal data suggests that, during the fieldwork period, there was a longer gap between booking and attending appointments for telephone customers compared to face-to-face customers.

Although still satisfied overall, those with larger pension pots (£100,000 or more), are less likely to be *very* satisfied than average with various aspects, including: the Guidance Specialist's apparent level of knowledge (79% very satisfied, vs. 84% on average), the location (57% vs. 63%), the venue (54% vs. 62%), and the number of days between booking and attending the appointment (36% vs. 45%).

Customers who book their appointments online are less likely to feel *very* satisfied than average with two aspects:

- the location (57% very satisfied, vs. 66% of those booking via telephone and 69% of those booking face-to-face, i.e. by visiting Citizens Advice)
- and the number of days between booking and attending the appointment (38%, vs. 47% via telephone and 55% face-to-face).

This may reflect that telephone and face-to-face booking contains an element of human interaction, where Pension Wise delivery partners might be able to offer more explanation or reassurance about these aspects of the appointment, compared to those booking via the website.

Changes since 2016/17

Overall satisfaction (the proportion feeling *very* or *fairly* satisfied) for most of the aspects covered in Figure 6.1 is typically as high as it was in 2016/17. On two aspects of the experience, overall satisfaction has declined: the convenience of the location (86% now, vs. 93% in 2016/17), and the venue (86% vs. 91%).

Although overall satisfaction with most aspects of the service has not significantly changed, the proportion of customers feeling *fairly* satisfied has increased and the proportion feeling *very* satisfied has decreased since 2016/17, across all aspects of the experience covered in Figure 6.1.

Again, these changes may be because of efficiencies made in the service, coupled with a higher volume of customers. Across most aspects of the service, this has not led to increased dissatisfaction, but instead a shift in the proportions that are *very* satisfied to *fairly* satisfied. The efficiencies and higher customer volumes appear to have had a bigger impact on people's perceptions of the appointment location and venue (for face-to-face customers) and the wait time between booking and attending an appointment (across all customers), compared to other aspects.

6.3 The summary document

Following their appointment, Pension Wise customers receive a summary document, which gives them an overview of the discussion they had with a Pension Wise Guidance Specialist, the key facts around what they can do with their pension pots, and the next steps they can take to progress their preferred options. This document can either be downloaded from the Pension Wise website or sent via post.

In total, four-fifths (80%) of customers recall receiving or downloading a summary document after their Pension Wise appointment. Broken down, two-fifths (40%) recall

getting the document in the post, just over a third (36%) say they downloaded it, and four per cent say they got both the postal and online version.

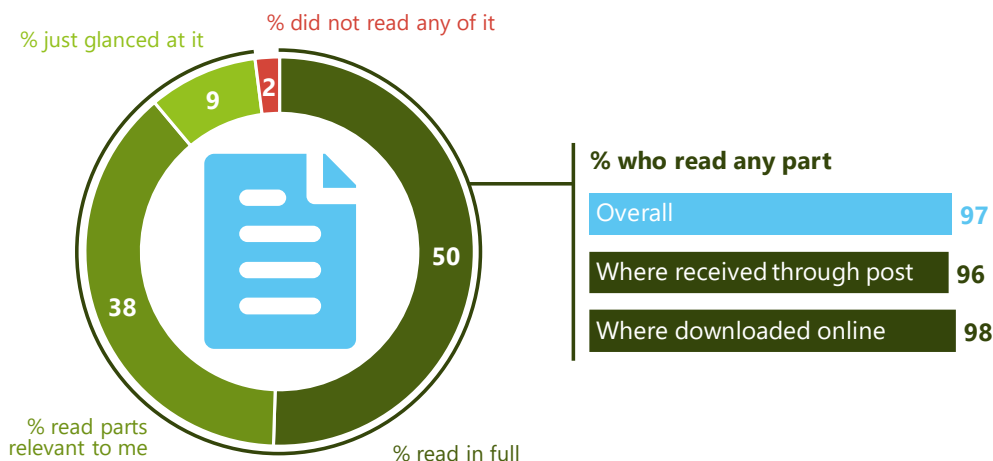
The downloadable version of the summary document was phased in partway through the 2016/17 financial year. In 2017/18, the proportion opting to download their summary document (or both download it and receive it by post) is 22 percentage points higher than in 2016/17 (when it was 18%).

Reading the summary document

Among the customers who recall receiving the summary document, the large majority (97%) read at least some of it, and half (50%) say they read it in full. These findings are similar regardless of whether people receive the document by post or online. These results are broken down in Figure 6.2.

Figure 6.2: Extent to which customers read their summary document

Q. Which of the following best describes the extent to which you read the summary document?



Bases: 732 appointment customers who recall receiving the summary document; 408 receiving document through post; 364 downloading document online

Compared to the 2016/17 evaluation, the proportion saying they read the parts of the document they feel are relevant to them has increased (from 31% to 38%). The proportion saying that they read it fully is consistent between the two years. Overall, this indicates that customers are paying closer attention to the document now than in 2016/17.

Understanding of the summary document

Of those who remember reading the document, nine in ten (90%) say that it is easy to understand, and four in ten (38%) say that they find it *very* easy to understand.

Just nine per cent of customers who recall reading the document say it is difficult to understand. This is somewhat higher than average among groups that may typically have greater accessibility needs. This includes people who do not use the internet (22% say it is difficult), those without any school, college or university qualifications (17%), disabled people (16%), and the oldest age groups (13% among those aged

70+). Nonetheless, within all these groups, a large majority still find the document easy to understand.

7 Making arrangements for withdrawing pension pots

Everyone completing a Pension Wise appointment has one or more unaccessed defined contribution pension at the time of their appointment. This chapter looks at any decisions appointment customers have made up to three months after their appointment, about what they will do with their defined contribution pension pot. This covers where they have already made arrangements to access their pension (since their appointment), and where they have yet to make arrangements but have an idea of what they might do with their pension pot.

The chapter compares the arrangements customers have made, or intend to make, with arrangements made by website users and non-users. Although the samples have been matched on certain key attributes there are likely to be other differences between these groups which means differences uncovered here between customers and non-users cannot be attributed solely to the Pension Wise appointment.

For customers, the evaluation does not cover any pension money withdrawn or arranged to be withdrawn *before* the Pension Wise appointment – it only covers these decisions when made after using the service.

7.1 Pension arrangements customers have already made since their appointment

Within three months after their Pension Wise appointment, half of all customers (50%) have either withdrawn money from a defined contribution pension pot or made arrangements to do so.

Just over one-third (36%) have withdrawn money from a defined contribution pot. A further one in six (18%) have made arrangements for doing so. This finding supports the view that decision-making around accessing defined contribution pensions can be a long process.

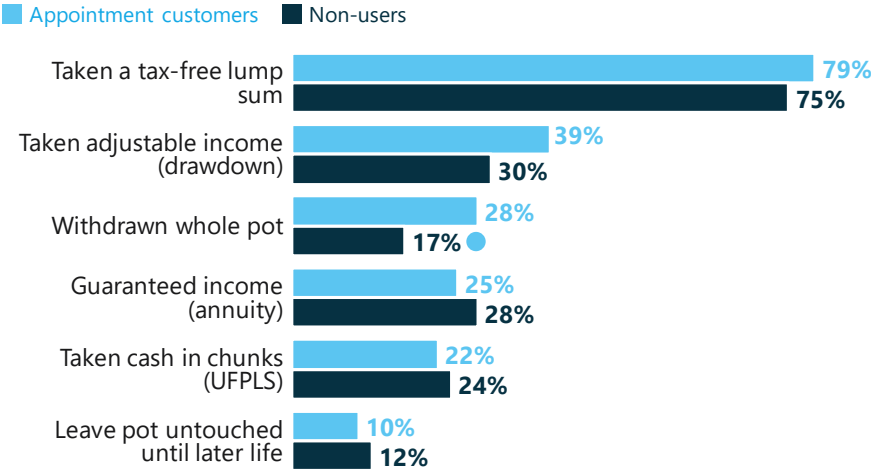
The evaluation also asks non-users whether they have done these things within the last 12 months and a fifth (20%) have either withdrawn from a pension pot (12%) or made arrangements to do so (9%) in this period. The longer 12-month period for non-users was used to capture a larger set of responses, essentially of those making arrangements across 2017/18, but not using Pension Wise before doing so.

Figure 7.1 shows the options that these appointment customers and non-users who have withdrawn cash or made arrangements say they took. For customers, this refers to cash withdrawn or arrangements made in the three months since their appointment, and for non-users it refers to things done in the previous 12 months.

It is possible for people to have chosen more than one of these options, for example, taking a cash-free lump sum alongside other options, or doing different things with multiple pension pots.

Figure 7.1: Decisions taken with pension pots within the three months after Pension Wise appointment, or in the last 12 months for non-users

Q. Which of the following things, if any, did you arrange with any of these pension pots?



Bases: 437 appointment customers who have withdrawn pension pots/arranged to do so since their appointment; 139 non-users who have done so in the last 12 months
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

By far the most popular choice is to take a tax-free cash lump sum, for both customers and non-users (79% and 75% respectively). Taking an adjustable income is the next most popular decision among both customers and non-users (39% and 30%). Around a quarter of customers (25%) and three in ten non-users (28%) have arranged to purchase an annuity, which was the most prevalent withdrawal option available to people before the introduction of the new pension freedoms in 2015.

Customers are more likely than non-users to decide to withdraw their whole pension pot in one go (28% vs. 17%).

The tax-free lump sum is frequently taken alongside other options. Among those who have withdrawn pension money or made arrangements to do so, two-thirds of customers (67%) have taken this alongside one of the other options listed in Figure 7.1. This is higher than the 55 per cent of non-users that have done so.

One in nine customers (11%) and one in five non-users (20%) take a tax-free lump sum without knowingly arranging any of the other withdrawal options. These customers are likely to have arranged a drawdown facility with but not drawn anything down as yet – so-called zero income drawdowns (or ZIDs).

As for mixing other options, 27 per cent of customers and 31 per cent of non-users take multiple options outside the tax-free lump sum, possibly across multiple pension pots. The most common combination was taking a drawdown income and taking cash in chunks. Among those who have made arrangements, 10 per cent of customers have taken both these options.

Compared with 2016/17, there has been an increase in 2017/18 in the proportion of customers taking a tax-free lump sum (up 15 percentage points from 64%).

Website users are also asked these questions, but there are too few website users who have already made such arrangements in the survey sample to analyse separately.

Use of financial advisors

A follow-up question asks customers who have withdrawn pension money, or arranged to do so, whether they arranged this independently, or through a financial advisor. A third of these customers (34%) have made their arrangements via a financial advisor, and the proportion among non-users is similar (41%).

- Customers are most likely to make arrangements via a financial advisor when taking an adjustable income (52% of those taking adjustable income do so).
- For customers who decide to take their cash in chunks, around two-fifths (38%) arrange this through an advisor.
- For customers arranging to leave their pot untouched, a similar proportion (39%) use a financial advisor for this.
- Around three in ten customers (30%) use a financial advisor when taking a tax-free lump sum.
- Similarly, three in ten (30%) of the customers buying an annuity use a financial advisor to arrange this.

7.2 Uses of withdrawn money

Among the 36 per cent of customers who have already withdrawn money in the three months since their Pension Wise appointment, this cash has most commonly been moved into other savings or investments (in 33% of cases). One in five of these customers (19%) have done nothing yet with their withdrawn money, potentially holding it in a current account or similar product. Taking these two responses together, over half (52%) of all customers that have withdrawn pension money have either moved it into other savings, investments or a current account, and done nothing else with it. This minority have potentially put their money into in a lower-yield, higher-tax environment than if they had left it untouched in their pension.

Three in ten of these customers (31%) spent at least some of their withdrawn pension money on things like home improvements, or property purchases or other discretionary purchases. And 15 per cent are spending *all* of their withdrawn money in this way.

Similarly, three in ten of these customers (30%) are spending some of their withdrawn pension money on either day-to-day expenses or debt reduction. And 15 per cent are spending *all* of their withdrawn money on these types of things.

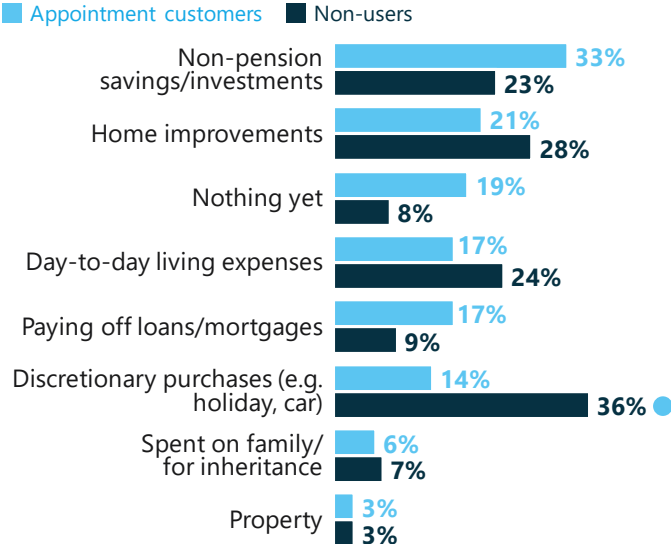
Among the 12 per cent of non-users who have withdrawn any pension money in the last 12 months, the most common uses of this money are discretionary purchases,

home improvement and day-to-day living expenses. These non-users are more likely than customers to make discretionary purchases (36% vs. 14%).

The full set of possibilities is summarised in Figure 7.2.¹¹

Figure 7.2: How withdrawn pension pot money has been used or spent

Q. What are the main things that you have done with the money that you have withdrawn so far? (Only responses at two per cent or higher across groups shown.)



Bases: 309 appointment customers who have withdrawn pension pots since their appointment; 81 non-users who have done so in the last 12 months. This question was unprompted for telephone respondents and shown as a prompted list for online respondents. A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

7.3 Pension arrangements customers intend to make in the future

Three months after their appointment, three-fifths (60%) of customers have not yet arranged how they will take all of their defined contribution pension pots. This includes the 54 per cent who have not withdrawn any of their pots yet, and a further six per cent who have made arrangements for some pots but not others.

Four-fifths of website users (79%) and of non-users (82%) have unaccessed pension pots, at the point of taking part in the evaluation surveys.

The customers in this situation are more likely than non-users to be considering a wider range of pension options, including leaving their pot untouched.

- Eight in ten customers (78%) have at least one withdrawal option in mind (i.e. any option other than leaving the pot untouched). Seven in ten non-users (68%) and nine in ten website users (88%) have one in mind.

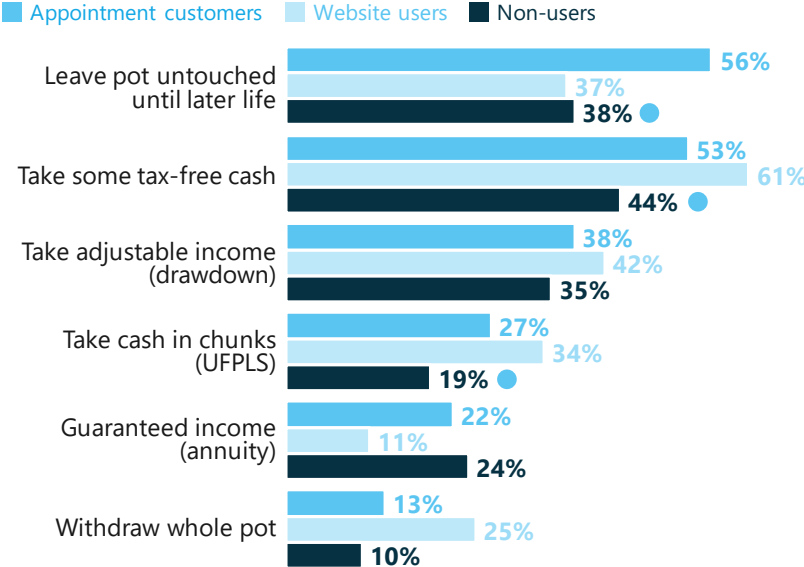
¹¹ This is an unprompted question for telephone respondents, and a prompted list for online respondents, with the option to give an “other” answer.

- Seven in ten customers (70%) are considering at least one withdrawal option beyond the tax-free lump sum (i.e. an adjustable income, cash in chunks, an annuity, or full withdrawal). Just over half (55%) of non-users and eight in ten website users (83%) are considering at least one of these options.
- Over eight in ten customers (83%) say they are likely to take one of the pension options *outside* of the tax-free lump sum and annuity – the two options that were already widely available before the new pension freedoms were introduced in April 2015. Around two-thirds (64%) of non-users and eight in ten website users (80%) say this. This includes leaving the pension pot untouched as an option.
- Over half of all customers (56%) are considering leaving their pot completely untouched, compared with just under two-fifths of non-users (38%) and website users (37%).
- Just four per cent of customers are only considering taking a tax-free lump sum, and no other options. By comparison, 11 per cent of non-users and five per cent of website users are exclusively considering this option.

Figure 7.3 shows the full list of options.

Figure 7.3: Intentions for unaccessed pension pots

Q. Are you likely to do any of the following things with your unaccessed pension pots?



Bases: 512 appointment customers with unaccessed pension pots three months after their appointment; 112 website users with unaccessed pension pots; 658 non-users with unaccessed pension pots
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

Among those yet to access their pension pots, there are some shifts since 2016/17, although there is no consistent pattern of change:

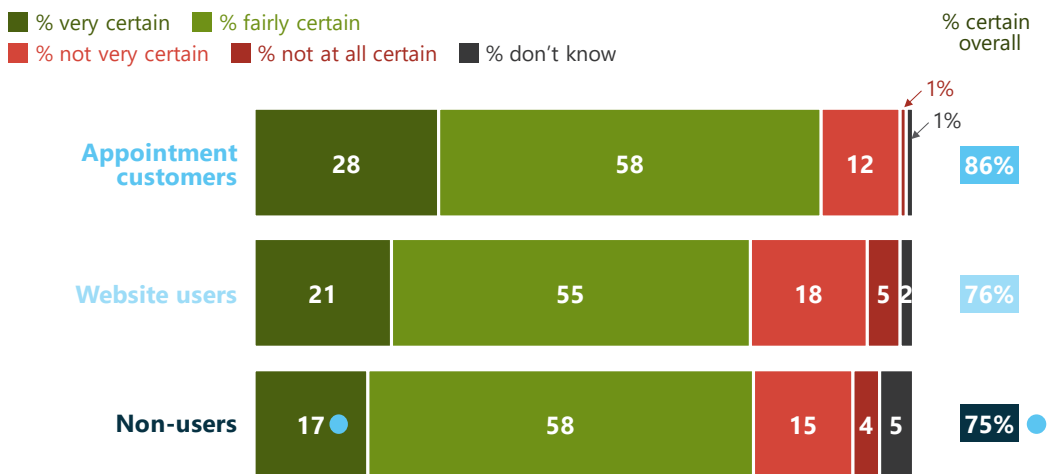
- More customers now say they are likely to leave their pot untouched (up from 46% to 56%), and fewer non-users say this (down from 46% to 38%).
- Fewer website users say they are likely to buy an annuity this time (down from 32% to 11%).
- More website users say they are likely to withdraw their pot in one go (up from 9% to 25%).

7.4 Certainty of intentions

Three months after their appointment, customers who have yet to access their pension pots feel more certain than non-users in a similar position about the options they are going to take (86% feel very or fairly certain, vs. 75% of non-users). Around three in ten (28%) customers feel *very* certain, compared to under two in ten non-users (17%). Website users are closer to non-users on this question, with the full data shown in Figure 7.4.

Figure 7.4: Certainty of taking preferred pension options

Q. How certain, if at all, would you say you are of taking that option or those options?



Bases: 410 appointment customers with unaccessed pension pots three months after their appointment; 97 website users with unaccessed pension pots; 435 non-users with unaccessed pension pots
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

Further to the data in Figure 7.4, over nine in ten (93%) of the customers who had withdrawn money, or made arrangements for this, say that their Pension Wise appointment helped give them the confidence to decide between their options, at least a fair amount. In fact, half (51%) of these customers say that Pension Wise helped them a great deal in this respect. Moreover, compared with 2016/17, the proportion saying that Pension Wise helped a great deal has increased by six percentage points (from 45%).

Reasons for being uncertain

Across all customers (both those who have already arranged to access their pension pots and those who have not), just seven per cent are not sure which options they will take for their unaccessed defined contribution pension pots three months after their Pension Wise appointment. When asked what makes them uncertain, the most common reasons given include wanting more information generally, or wanting to talk to a financial advisor first. Other reasons include waiting for a better deal in the future, the pension pot being too small to decide over, or retirement being too far away.¹²

¹² This is an unprompted question for telephone respondents, and asked as a prompted list for online respondents, with the option to give an “other” answer.

8 Steps taken

This chapter covers the steps that Pension Wise appointment customers, website users and non-users have taken to progress their preferred pension options. For customers, the survey asks which actions, if any, they took before their Pension Wise appointment, and which they have taken in the three months since their appointment. For website users and non-users, there are equivalent questions about actions taken over a similar period (i.e. in the three months prior to their interview, and longer ago).

By comparing customers' behaviour before, and after, their Pension Wise appointment, and comparing it with non-users over the same time period it gives an indication of the impact of the appointment.

8.1 Actions taken relating to planning for retirement

There are a number of actions that defined contribution pension holders can take, that help them plan for retirement. This survey measures how many people are calculating retirement income, talking to a financial advisor, tax advisor or accountant, or speaking to a pension provider, as behaviours indicative of planning for retirement.

Close to half of all Pension Wise customers have spoken to their pension provider (46%) and exactly half have calculated their retirement income before their appointment with Pension Wise (50%). Figure 8.1 shows that this is already significantly more than non-users in the same time period.

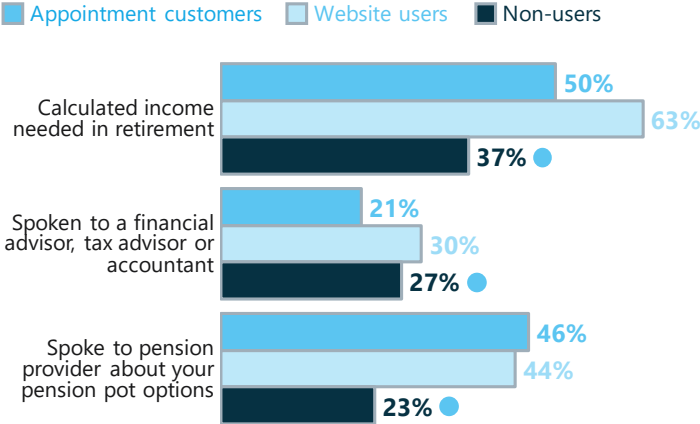
The first finding (on speaking to pension providers) probably reflects the fact that around half of all customers hear about Pension Wise from their pension provider, so may seek out the service after their provider alerts them to it. Speaking to pension providers and calculating retirement income are also things Pension Wise encourages people to do to help prepare themselves for their appointments.

Fewer customers than non-users have spoken to a financial advisor, tax advisor or accountant before the appointment period (21% vs 27%).

Figure 8.1 has grey lines round the bars to distinguish it from Figure 8.2, which deals with the time period after the Pension Wise appointment. This is a distinction to bear in mind when looking at Figures 8.3 and 8.7, which overlays the charts with and without grey bars.

Figure 8.1: Actions taken by customers before Pension Wise appointments, and by website users and non-users in the equivalent period

Q. More than three months ago/before your appointment with Pension Wise, had you done any of the following?



Bases: 856 appointment customers; 152 website users; 784 non-users
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

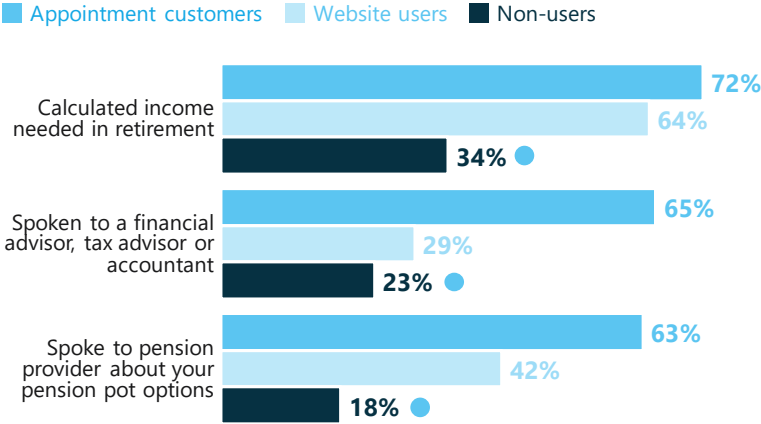
Figure 8.2 shows that, in the three months following their Pension Wise appointment, a noticeably larger proportion of customers take each of these three actions. Seven in ten customers (72%) calculate their income retirement, a 22 percentage point increase from the time period before their appointment. In comparison, amongst non-users the proportion remains around a third (34%).

Over six in ten customers speak to either a financial advisor, tax advisor or accountant (65%), or to their pension provider (63%) in the three months following their appointment. This is again significantly more than non-users do so, in the equivalent time period. Customers may be using the Pension Wise appointment to ready themselves for these conversations, or the appointment may act as a prompt to have these conversations.

Looking at the equivalent three-month period for non-users allows us to compare them to customers at the same point in time. This shows that, following their appointment, customers are more advanced in their preparations for retirement than demographically-similar non-users at the same time period.

Figure 8.2: Actions taken by customers within three months of Pension Wise appointments, and by website users and non-users in the equivalent period

Q. In the last three months/since your appointment with Pension Wise, have you done any of the following?



Bases: 856 appointment customers; 152 website users; 784 non-users
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

Do Pension Wise appointments prompt relevant action?

Figure 8.3 outlines the *distance travelled* by customers and non-users for these three broad actions, that is, how many more people take these actions after their appointment than before it, or an equivalent time period for non-users. It does this by overlapping the bar charts from Figure 8.1 and Figure 8.2.

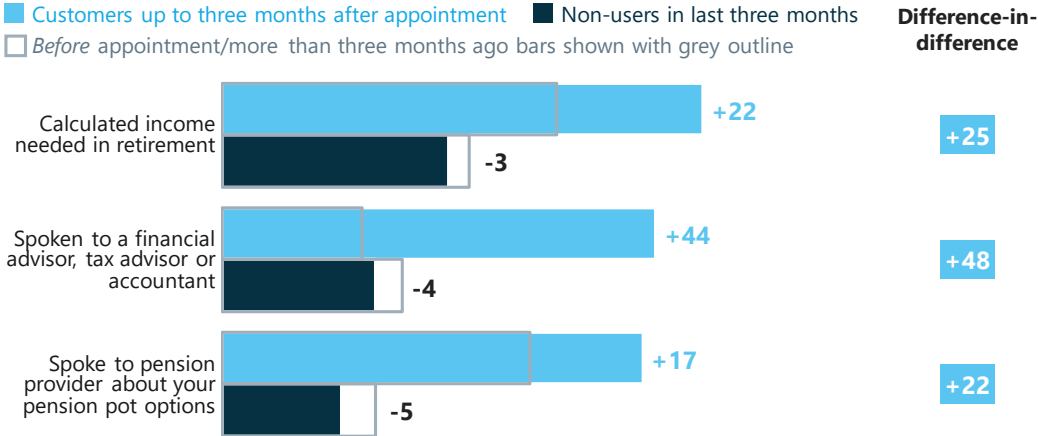
The proportions taking the action before the Pension Wise appointment period are shown via the grey outline bars and the proportion taking the action after the appointment period are shown via bars without an outline. The figures are only compared between customers and non-users for clarity, and to provide a single “difference-in-difference” score. This score is intended to show the extent to which the Pension Wise appointment has prompted customers to take relevant actions. It is intended to eliminate the effects of any external factors that might have led both customers and non-users to take these actions.

Prior to their appointment, 46 per cent of customers had spoken with their pension provider about their options. Following the appointment, that figure rose to 63 per cent, a total distance travelled of 17 percentage points. For non-users, 23 per cent had spoken with their provider before the time period when Pension Wise customers had their appointments, while 18 per cent had spoken to them in the three months after this, a distance travelled of minus five percentage points. In this case, the “difference-in-difference” between customers and non-users is 22 percentage points (17 minus -5).

There are similarly substantive differences for the other actions. These differences are evidence to suggest that it is the Pension Wise appointment specifically that has prompted customers to take each of these actions, rather than any outside factors (which would have also affected non-users). This is particularly the case in terms of seeking advice from a financial advisor, where the difference-in-difference is 48 percentage points.

A caveat to this conclusion is that the non-user group is not a perfect control group. It might be that customers are inherently more likely to take relevant actions than the sampled comparison group of non-users. The analysis aims to account for this as much as possible, within the constraints of the survey methodology, by weighting non-users to be demographically similar to customers, and similar in terms of when they intend to access their pensions.

Figure 8.3: Distance travelled by customers and non-users, in terms of actions taken to plan for retirement



Bases: 856 appointment customers; 784 non-users

Across these charts, the sizable differences between customers and non-users seen in 2016/17 are maintained in 2017/18. While there are various shifts across years, there is no discernible pattern to suggest that the impact of Pension Wise (in terms of how it prompts people’s actions) has significantly changed over time.

8.2 Steps taken by those who have made arrangements for accessing their pension

Half (50%) of all customers access some of their pension money, or make arrangements to do so, in the three months after their Pension Wise appointment. The survey asks whether they have taken any steps to inform themselves of their choices *prior* to making these arrangements.

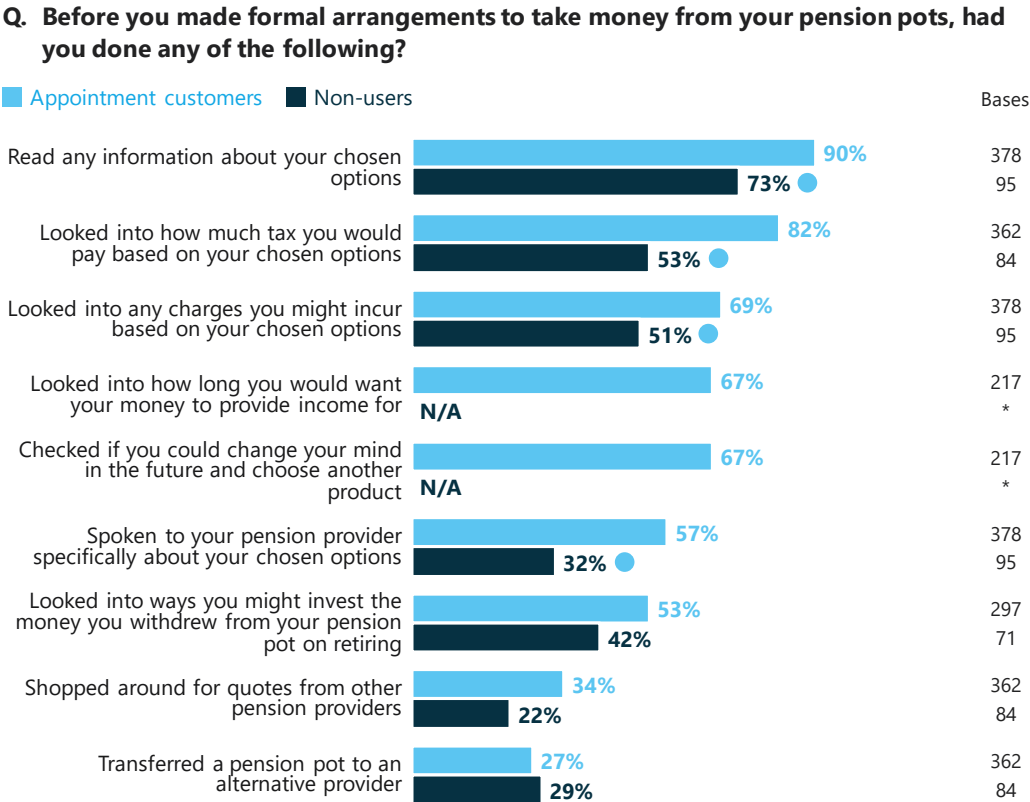
Customers are compared to non-users who have also withdrawn money or arranged to do so. As three months is a short period over which to cover non-users’ behaviour, the survey instead captures the steps they have taken over the last 12 months. A fifth (20%) of non-users have accessed their pension money or arranged to do so in this time period. Website users are also asked these questions, but there are too few website users who have already made such arrangements in the survey sample to analyse separately.

Customers are more likely than non-users to have taken several specific actions before making their arrangements, including reading up about their chosen options, looking into tax implications, looking into potential charges, and speaking to their

pension provider about these specific options. There are also differences between customers and non-users on the range of other actions asked about, except for transferring pension pots to other providers. These differences are not observed to be statistically significant, although this may be partly due to the small sample sizes for non-users at these questions.

Figure 8.4 has the full list of actions covered. Customers and non-users are only asked about actions that are relevant to the arrangements they have made, so the sample sizes differ for each action. For example, those opting to leave their pot untouched would not need to look into ways to invest withdrawn money.

Figure 8.4: Steps taken before making arrangements to access pension pots



Bases (listed on side of chart): those who have chosen an option where this is a potentially relevant next step
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.
 A * indicates an effective sample size lower than 30.

8.3 Steps taken by those with unaccessed pensions

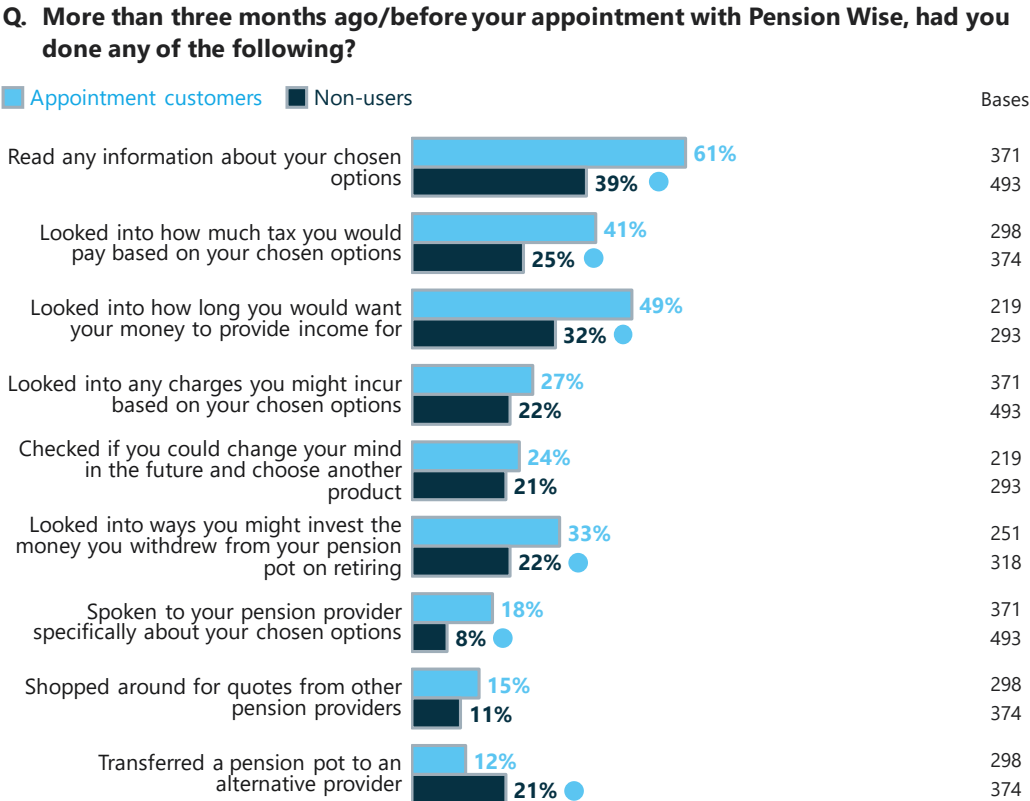
Three-fifths (60%) of customers and four-fifths (82%) of non-users still have unaccessed pension pots. The surveys ask these customers and non-users about the specific steps they have taken to progress their preferred pension options, and whether these have been taken before, or after their Pension Wise appointment, or in the equivalent time period for non-users. Once more, there are too few website users in the survey sample to analyse separately for these questions.

Figure 8.5 shows the proportion of customers that have taken each action before their appointment and the proportion of non-users that have taken the same actions in the same time period. For the majority of these actions, customers are more likely to have taken them than non-users. This suggests that customers are more engaged than non-users with planning their pension options at the point they have a Pension Wise appointment.

The exception to this pattern is that non-users are more likely than customers to have already transferred a pension pot to an alternative provider.

The chart in Figure 8.5 has grey lines round the bars to distinguish it from Figure 8.6, which deals with the time period after the Pension Wise appointment. Again, customers and non-users are only asked about actions that are relevant to their preferred pension options, so the sample sizes differ for each action.

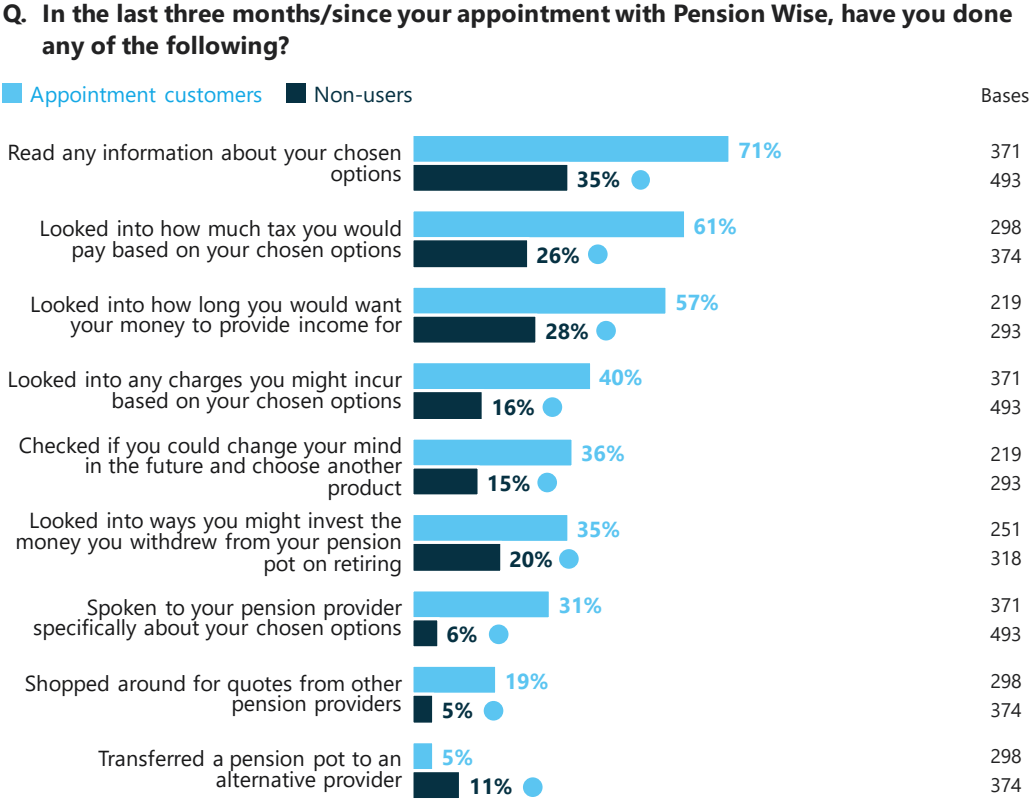
Figure 8.5: Steps taken by customers before Pension Wise appointment, and by non-users in the equivalent time period, among those who still have unaccessed pension pots



Bases (listed on side of chart): those who say they would choose an option where this is a potentially relevant next step
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

Following their appointment, a greater proportion of customers undertakes each of these activities than before, as shown in Figure 8.6. In contrast, the proportion of non-users doing each of these remains the same or decreases. This again reflects the fact that non-users are being asked here about the steps they have taken in the last three months, whereas in Figure 8.5 they are being asked if they have taken these steps *at any point* before this.

Figure 8.6: Steps taken by customers after their appointment, and by non-users in the equivalent time period, among those who still have unaccessed pension pots



Bases (listed on side of chart): those who say they would choose an option where this is a potentially relevant next step
 A circle (●) next to a non-user finding shows that this is statistically significantly different from appointment customers.

Do Pension Wise appointments prompt customers to take relevant next steps for their preferred options?

Once more, the relative *distance travelled* by customers and non-users can be used to help assess the specific impact that Pension Wise has had, beyond any external factors that would also affect non-users. These calculations are laid out in Figure 8.7, and summarised in the difference-in-difference score. The positive difference-in-difference scores show that the distance travelled on these actions by customers, before and after their appointments, is typically greater than that of non-users (over an equivalent time period).

This analysis suggests that Pension Wise customers are likely to have taken a wide range of relevant next steps *as a result of* their appointment, including: reading more about their chosen options, looking at the tax implications, researching how long they will need a retirement income for, looking into charges incurred, checking if they can still change to another option in the future, speaking to pension providers about their preferred options, and shopping around for quotes from pension providers.

Figure 8.7: Difference-in-difference analysis between customers and non-users on the specific steps taken to progress preferred pension options



The difference-in-difference score is lowest for transferring a pension pot to an alternative provider. Here, it should be noted that this is only a *potentially* relevant next step in certain cases. This question is asked of all those who are considering buying an annuity, investing their pension pot, taking cash in chunks or taking their entire pension out in one go. It may be that people’s existing pension provider already provides the best-value option for these choices, and they do not need to transfer their pot to another provider.

The relative increase in customers shopping around for better deals after their appointment is perhaps more important than the proportion transferring their pension pot. Shopping around, however, remains a minority activity, even among Pension Wise customers (19% do this after their appointment). This raises two issues that remain relatively hard for the service to combat: customer inertia, and people moving money out of a pension without investigating where it might be best invested.

8.4 Reasons for not taking relevant actions

Among the three-fifths (60%) of customers who have still not accessed all of their pension pots or made arrangements to do so, eight per cent have not taken any of the actions considered in this survey. This represents just five per cent of all Pension Wise customers.

Among this group, who have not yet taken any relevant actions, the most common reason given is around feeling too busy and having other priorities (41% of those who have not taken any next steps, which is 2% of all customers). One in four (26%) want to talk to their financial advisor first, one in five (18%) want to talk to their pension provider first, suggesting that some of this group at least do plan to take relevant actions at a later stage.

9 Conclusions

Pension Wise continues to generate high satisfaction and advocacy levels among customers

The overwhelming majority of Pension Wise customers are satisfied with their overall experience of Pension Wise, and close to seven in ten are *very* satisfied. At least nine in ten customers are satisfied with various specific aspects of the timing, convenience and content of their appointments. A quarter of Pension Wise customers have already recommended the service to others and a further seven in ten say they are likely to do so.

Overall satisfaction and advocacy ratings are equally high for face-to-face and telephone customers, and across demographic groups such as gender and age.

Customers overwhelmingly say that Pension Wise improved their understanding of their pension options

Almost all Pension Wise customers feel that their understanding of their pension options has improved three months after their appointment and amongst this group, almost all attribute this improvement to their Pension Wise appointment experience.

After this same period, nine in ten customers feel well informed of their pension options following their Pension Wise appointment, with close to half feeling *very* well informed. As with many performance indicators in the survey, these scores are higher for customers than for non-users.

As well as these self-reported measures of awareness and understanding, the evaluation also shows that customers have a better understanding of the facts around what they can do with their pension pots than non-users. Customers are more likely than non-users to give a “definitely true” or “definitely false” correct answer to each of the eight factual statements covered in the evaluation surveys.

This evaluation cannot prove these differences between customers and non-users are all as a result of a Pension Wise appointment. The findings do, however, demonstrate that customers feel they are getting what they need out of the service.

Customers feel confident in their ability to avoid pension scams and prepared for discussions with their provider

An aim of the Pension Wise appointment is to help customers feel able to avoid pension scams. The service is delivering on this, in that nine in ten report feeling confident in their ability to avoid scams.

Within three months of their appointment, three-fifths of Pension Wise customers speak with their pension provider. Of these, nine in ten feel prepared for this conversation.

On each of these customer outcomes, both telephone and face-to-face customers feel more confident and prepared than non-users.

Pension Wise appointments prompt customers to take positive steps to finalise their pension access arrangements

Within three months of their appointment, customers are more likely than non-users to take a range of relevant steps to plan for retirement, and to progress their chosen pension options. Moreover, the analysis in this evaluation indicates that customers take these actions as a result of their interaction with Pension Wise, not because of external factors outside the appointment.

Among those who have not yet finalised their pension access arrangements, customers are more likely than non-users to be considering a wider range of pension options beyond taking a tax-free lump sum, and are more certain than non-users about the options they will take.

Overall satisfaction levels and positive outcomes from using the service are in line with the 2016/17 findings, despite operational challenges

Pension Wise has undergone operational changes since 2016/17 with a higher volume of appointments and a drive to make the service more efficient. In some cases, this has led to longer wait times for appointments and further travel times for some face-to-face appointments. A small proportion of customers do highlight these issues, and satisfaction is lower for these aspects.

With this in mind, drops in the service's overall satisfaction levels might be expected. While overall satisfaction with the service as a whole has not changed significantly, the proportion of customers who are *very* satisfied has decreased between 2016/17 and 2017/18, while the proportion who are *fairly* satisfied has increased. This suggests that, while higher customer volumes and operational changes have not led to greater dissatisfaction with the service as a whole, they have led to slight reductions in the level of satisfaction experienced.

The service is already taking steps to address the issues raised, recruiting more Guidance Specialists and developing the digital delivery channel.

Furthermore, other findings paint a more positive picture than in 2016/17, with more customers in 2017/18 saying that Pension Wise helped them a great deal to decide between their options, more paying closer attention to their summary document, and more saying they have already recommended Pension Wise to others.

Appendix: survey technical details

Sampling

Pension Wise sent Ipsos MORI contact information for all of the September to November 2017 appointment bookers who agreed to be contacted for research in three batches – one per month – between October and December 2017. For September appointment bookers Ipsos MORI included all the leads supplied in the initial experiences survey, except in cases where there was no email address or telephone number available. For October and November appointment bookers, all leads with telephone numbers were sampled for telephone fieldwork, and a random sample of 2,000 leads with email addresses was loaded for the online survey. This reflected the relatively high volume of leads with email addresses for these months, and the fact that online interview targets would have been greatly exceeded if too many leads were released.

The following table shows the volume of leads received each month, as well as the number released for both the initial and follow-up telephone and online surveys.

Batch	Volume received	Initial experiences		Follow-up	
		Telephone	Online	Telephone	Online
September	4,080	768	3,141	194	408
October	4,286	562	2,000	149	300
November	4,992	667	2,000	157	288

For the follow-up customer survey, the appointment customers who agreed to be contacted again in the earlier experiences survey were sampled once more.

Website user and non-user telephone sample was purchased from the UK Changes database. Website user and non-user online sample was recruited from the Ipsos MORI online panel database. Screener questions in the questionnaire were used to screen out those who would not be eligible for the Pension Wise service in 2017/18, i.e. those who did not have an unaccessed defined contribution pension at any point in the last 12 months. An additional question identified which of the individuals sampled had previously used the Pension Wise website.

Data collection and quotas

Where the sample of appointment bookers/customers had email addresses, these leads were invited to fill in the online questionnaire. Over the course of fieldwork, each batch of sample received one email invite and two further email reminders to encourage them to complete the survey. Each email had varied text to emphasise different reasons for taking part each time, with a view to maximising the response.

Where no email addresses were available for appointment bookers/customers, these leads were invited to take part in a telephone survey with an Ipsos MORI interviewer.

This was undertaken as a quota survey, with interviewers instructed to meet a target of 200 achieved interviews for each monthly batch of customer sample.

There were no other demographic quotas for either the online surveys or the telephone surveys of appointment bookers/customers.

For the website user and non-user survey, demographic quotas were applied. These ensured that the achieved interview profile matched that of appointment bookers, in terms of gender, age band (50-59, 60-64 and 65-70), and geographic region.

For the appointment booker and customer surveys, c.66% of interviews were conducted online and c.33% were conducted by telephone (reflecting that around 66% of the sample received from Pension Wise had email addresses, and so could be surveyed online). For the non-user survey, c.55% were online and c.45% were by telephone, with the balance between online and telephone surveying reflecting the budget available for the survey. Weighting the survey results by survey mode corrected this disparity, to prevent any differences in data collection mode from biasing comparisons between appointment customers and non-users.

Questions asked in different ways depending on the data collection mode

Some questions, footnoted throughout in the report, are asked with a prompted list of response codes for online respondents, and unprompted for telephone respondents. This is consistent with how the questions were asked in 2016/17. It is a common approach taken in multi-mode surveys for these types of questions, and reflects that it is unfeasibly time-consuming for an interviewer to read out all the response options during a telephone interview.

It may be that people pick more responses when presented with a prompted list than if they have to respond spontaneously, without prompting. Having the question entirely unprompted online (where people have to write their answers in an open-text box), however, may also under-represent people's real answers. This is because people may find open-text boxes on surveys a burden to complete, and leave them blank. This means that it is neither better nor worse in terms of the accuracy of the data for the online survey to have a prompted list at these questions.

These questions may be subject to mode effects, where people are inclined to answer the same question differently online versus by telephone. At the same time, we cannot assume that all the differences between online and telephone responses are just because of the data collection mode. There may also be differences in the profile of online and telephone respondents that effect the way they answer.

Response rates and cooperation rates

The response rates¹³ and, for telephone interviewing, cooperation rates¹⁴ for the respective appointment booker/customer surveys are shown in the following table. These response rates are unadjusted, so do not take into account the proportions of the original Pension Wise appointment booker sample that had bad numbers or bad email addresses. For example, of the total 1,997 leads loaded for telephone surveying, 284 had telephone numbers that turned out to be wrong or disconnected. Adjusting for this gives a response rate, among usable leads, of 35 per cent.

When interpreting these response rates, the following should also be remembered:

- Fieldwork for each monthly batch of sample was relatively short, conducted over around three to four weeks. This time constraint also limits the maximum response rate that can be achieved.
- Fieldwork for the last two batches took place close to Christmas, when response rates for general public surveys are typically lower.
- For the telephone surveys, there was a fixed target of 200 achieved interviews per batch of sample, so the response rate simply reflects the ratio of available leads to this target. The cooperation rate indicates that very few respondents refused to take part in the survey when interviewers managed to contact them.

	Initial experiences		Follow-up	
	Telephone	Online	Telephone	Online
Response rate	30%	19%	60%	56%
Cooperation rate	89%	N/A	97%	N/A

Weighting

The data for the appointment booker and customer surveys have been weighted to represent all of those who booked Pension Wise face-to-face and telephone appointments across September to the end of November 2017. Weighting was applied for Pension Wise delivery partner (TPAS, Citizens Advice in England and Wales, Northern Ireland Citizens Advice Bureau and Citizens Advice Scotland), appointment status (whether they completed their appointment or not), gender, age, and mode of interview.

In order to act as a comparison group, Website users and non-users have also been weighted to match the appointment booker profile. The combined sample of website users and non-users is weighted on gender, age, mode of interview and proximity to

¹³ This is [total completed interviews] / [total number of customers contacted for the study] and can be used, in conjunction with other measures, to assess the quality and representativeness of a study.

¹⁴ This is [total completed interviews] / [completed interviews + refusals]. A cooperation rate gives an indication of the extent to which respondents who were approached were willing to take part in the research, and is a measure typically used to judge the quality of quota sample surveys such as this.

accessing pension pots (measured in terms of when people expect to make final arrangements to access their defined contribution pension pots).

Note on statistical significance

The final data from the survey are based on weighted samples, rather than the entire population of Pension Wise appointment bookers/customers (or website users and non-users). Percentage results are therefore subject to margins of error, which vary with the size of the sample and the percentage figure concerned.

The report only comments on differences between samples and subgroups that are found to be statistically significant. Strictly speaking, significance testing applies only to random probability samples. It is commonly carried out for quota surveys like this one, with the assumption being that the achieved sample behaves like a random probability sample. In such cases, the significance testing is intended to provide a rough guide to the margins of error governing the survey.