

# Pensions and later life: communications tracking research

## March 2011

DWP Communications

Research report 5

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# Executive summary

This report contains the findings of tracking research commissioned by the Department for Work and Pensions (DWP) Communications Directorate and carried out in March 2011. The research was designed to enable DWP to track attitudes and intended/actual behaviours in relation to pensions and later life and to evaluate the success of DWP Communications in influencing these.

Fieldwork was carried out by GfK NOP, using their face-to-face omnibus survey, amongst a sample of 1,304 GB adults between the age of 22 and the State Pension age.

The analysis was carried out at the total sample level, and for key audience sub-groups, including those aged 50+, carers, and two previously defined attitudinal segments ('daunted' and 'unprepared') who have been identified as core audiences for the communications.

Responses amongst working age people highlighted that measures are largely stable and changes were not statistically significant.

Key findings are:

- The proportion of respondents claiming to have seen, heard or read anything relating to planning and saving for later life was stable since the last wave (45%).
- Nearly two thirds of respondents agree that "I would always save in a work pension if one is available". Those in the 'daunted' segment are less likely to agree with this statement (59%).
- Around six in ten (59%) of the sample already have financial plans or savings in place for their retirement. This is lower amongst the 'daunted' segment (40%) and the 'unprepared' segment (36%).
- The main barrier to saving for retirement is that "it's a struggle to cope with just day to day expenses", with 35% of the sample selecting this option. This is higher amongst the 'daunted' segment (62%).
- There was some awareness and understanding of key communications messages, including the impact of greater life expectancy on retirement planning, and the fact that people can work beyond State Pension age and may need to do so.

# Acknowledgements

This research was commissioned by the Department for Work and Pensions Communications Directorate. GfK NOP were contracted to carry out the fieldwork, with analysis and reporting carried out in-house by the Communications Research and Evaluation team. DWP would like to thank all of those individuals who participated in or contributed to the development of the research.

# 1 Background

## 1.1 Communications strategy

Over the next decade, the Government's programme of reform to state and private pensions aims to get millions of people to change their behaviour in relation to planning and saving for later life. The challenge is large in scale, and part of the challenge will be to stimulate a change in attitudes and, ultimately, behaviours towards planning and saving for retirement and pensions.

The role of communications in contributing towards these aims is to:

- encourage better decisions about saving for retirement;
- meet 'duty of care' requirements to inform individuals about State Pension reform and other changes which materially affect them;
- support the success of workplace pension reforms; and
- increase awareness and understanding around retirement income options among various 'at risk' groups.

## 1.2 Target audience

DWP's pensions and working longer communications have three key target audiences. These are:

- people of working age
- employers, and
- people of pension age.

This report outlines the results of tracking research developed to evaluate the Department's success in communicating with the working age audience on this subject.

Pensions and retirement planning is perceived as being complex and many people choose not to think about it because they find the subject boring, confusing, frightening or not personally relevant. In particular, many of the audience groups who are most likely to be impacted by State Pension reforms are often the least engaged.

DWP Communications developed a segmentation model of the working age audience in order to get a better understanding of who the most hard-to-reach groups are, and to enable better targeting of communications around pensions and later life.

This model was developed in 2008 and has been used to identify key audience groups and to assist in the development of more effective communications.<sup>1</sup>

The model (see overview in Annex B) divides the working age population into five segments based on their attitudes and behaviours around retirement saving. Two of these segments have been identified as key audiences for communications, because they are least likely to be sufficiently prepared for their retirement and therefore require the highest level of support and persuasion. These segments are:

- **Daunted:** 21% of the working age population; typically older individuals with lower incomes. They lack confidence in personal finance and so have both practical and emotional barriers to saving.
- **Unprepared:** 28% of the working age population; younger people for whom retirement seems so far off that saving for it is not a priority.

Other key audiences for the communications include those aged 50+ and carers, who have been targeted with some specific communications messages in order to ensure that they are informed about how to maximise their State Pension and the options that exist around working longer.

## **1.3 Communications activity and context**

In the past, DWP has used a range of paid-for channels, including:

- radio
- press, and
- online.

DWP has also used low-cost and no-cost channels, such as:

- the Directgov website
- Jobcentre Plus advisors
- PR, and
- partnerships with stakeholder organisations.

During the period of June 2010 to March 2011, the communications approach moved away from paid-for activity to focus predominately on low-cost options, including partnerships, PR and media relations. The exception is paid for radio clinics activity, which took place in February to March 2011 and targeted people aged 50+ about specific changes to the State Pension that some need to act on.

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<sup>1</sup> <http://research.dwp.gov.uk/asd/asd5/WP72.pdf>

In addition to DWP communications activity, awareness of and attitudes to pensions and working longer messages are affected by a range of other sources of 'noise' about the subject and it is important to bear this in mind as context to the research. This includes coverage in the media about the State Pension and retirement age, as well as more general debate about general debates about pension changes and banking and investment pressures.

The economic climate is an additional factor which affects attitudes towards planning and saving for later life. Over the last few years, the difficult economic climate has resulted in lower levels of consumer certainty in wider perceptions of the economy. This is reflected in the fact that in March 2011, expectations for the general economic situation over the next twelve months were 29 points lower than March 2010.<sup>2</sup>

## **1.4 Research objectives**

This research was commissioned to enable DWP measure and track awareness of DWP pensions communications activity and messages, as well as performance against attitudinal and intended/actual behavioural measures.

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<sup>2</sup> Consumer Confidence Barometer, GfK NOP (April 2011).



## 2 Research approach

### 2.1 Survey methodology

The research was conducted using GfK NOP's face-to-face omnibus survey. The survey employs in-home face-to-face interviewing, using a 'random location sampling' approach, with boosts to provide robust samples of key sub-groups within the target audience.

### 2.2 Sampling

The research was conducted among a nationally representative sample of 1,304 GB adults between the age of 22 and the State Pension age. This reflects the intended audience for DWP's pensions and working longer communications.

### 2.3 Questionnaire

The questionnaire was based on the question set used for previous waves of the research (October 2010) and core questions remained unchanged to ensure comparability with existing data.

The questionnaire included a set of questions which enabled each research respondent to be allocated to one of the five attitudinal segments described in section 1.2. This enabled the research results to be analysed by segment in addition to other key variables such as age.

### 2.4 Analysis

The research agency provided a set of weighted data tables and raw survey data to DWP to allow the analysis to be conducted in-house. The data was weighted to reflect the national population profile of the target audience by:

- age
- gender
- employment status, and
- government region.

The data analysis was carried out in-house. This included significance testing, which was undertaken to determine any key changes between this wave of the research and the previous wave and to establish notable differences between different

audiences and segments. Statistical significance was tested at the 95% confidence level. Only differences which are statistically significant have been highlighted in section 3.

The analysis primarily focused on the overall sample and the two segments identified as a focal point of the communications (the 'daunted' and 'unprepared' segments). For some key questions, additional analysis was carried out for those aged 50+ and carers. This is reflected in the narrative for section 3, which summarises the main research findings at the total sample level, along with key results for these core communications audiences.

Where the report refers to scores for agreement with a statement, this is based on a score of 8 to 10, where respondents were asked how much they agreed with a particular statement on a scale of 1 to 10 (where 1=disagree strongly and 10=agree strongly). Where questions were not asked of the whole sample, this is indicated.

## 3 Main findings

### 3.1 Awareness of messages and sources

#### 3.1.1 Messages

The proportion of respondents claiming to have seen, heard or read anything relating to pensions and working longer was sustained at (45%). This is very similar to October 2010 (44%). Levels were also sustained for the 'unprepared' segment (from 38% to 40%) and the 'daunted' segment (the same at 34%), as well as for those aged 50+ (from 49% to 50%).

This suggests that external 'noise' and 'chatter' around this topic continued to influence public awareness and perceptions of these issues.

The messages that people were most likely to have heard were:

- the increase in the State Pension age (45%)
- people living longer (43%)
- that you can work beyond State Pension age (35%), and
- that you may need to build on a State Pension with a pension of your own (21%).

Awareness of 'people living longer' showed a statistically significant increase since the last wave (38-43%). Additionally, the proportion of those stating that they had heard 'none of these' messages has decreased from October 2010 (30%) to March 2011 (26%). This is slightly higher for the 'daunted' segment (34%) and the 'unprepared' segment (30%).

#### 3.1.2 Channels

The research indicates that TV is the primary channel driving awareness of key messages. Around a third of the overall sample (32%) recalled hearing these messages via this channel, with 22% hearing them through newspapers. Less than a tenth selected and online (8%).

The only significant difference since the last wave is in the proportion of people hearing these messages through radio, which decreased from 11% to 8%.

#### 3.1.3 Sources of information

The research also asked people which sources they would use if they were to actively seek out information about pensions.

Respondents were most likely to say that they would approach a financial advisor, with over a third of respondents (36%) selecting this option. Many would also go to their employer (25%) or friends/family/colleagues (19%).

The analysis also explored what proportion of respondents would use any of the 'communications sources'. These sources are:

- DWP/DSS
- The Pensions Service
- Directgov
- the Financial Services Authority
- Consumer Financial Education Body
- HM Revenue & Customs/Inland Revenue
- any government department, and
- The Pensions Advisory Service.

In total, 21% of the sample said that they would use any of these communications sources, a similar proportion to the previous wave.

## **3.2 Steps taken towards retirement planning**

The survey asked respondents about some basic steps that they could take towards planning for their retirement and whether they had done any of these in the past 12 months.

While over half of the sample had undertaken at least some of these steps towards retirement planning, respondents were most likely to have taken the informal step of talking to their friends and family, as opposed to more formal activities such as talking to their employer.

Just under a third of the sample (26%) said that they had had a conversation with friends, family or work colleagues in the last 12 months. In contrast, only 9% had spoken to their employer about pension schemes.

The other steps that people were most likely to have taken were:

- Looked into/at my company/personal pension (29%).
- Looked into their State Pension (11%).
- Looked at general pension information online (9%).

Less than half (46%) of the sample had not undertaken any of the steps outlined. This was slightly higher amongst the 'daunted' segment (62%) and the 'unprepared' segment (59%).

## 3.3 Financial plans and savings

### 3.3.1 Attitudes and intentions

Over a third (36%) of respondents agreed that they need to find out more about saving for retirement.<sup>3</sup> This has remained stable since the last in October 2010 (36%) and remains higher amongst the 'unprepared' segment (50%).

Over a third of the sample (37%) agreed that they would like to start saving in a pension.<sup>4</sup> This has remained stable since the previous wave, and is slightly higher for the 'unprepared' segment (42%).

One of the key measures of behavioural intent explored in the research was levels of agreement with the statement that "I would always save in a work pension if one is available". This remains relatively high – nearly two thirds (63%) of the sample agree with this, which has remained stable since the last wave. Those in the 'daunted' segment are less likely to agree with this statement (59%).

### 3.3.2 Existing plans and savings

Around six in ten (59%) of the sample said that they already have financial plans or savings in place for their retirement. This is lower amongst the 'daunted' segment (40%) and the 'unprepared' segment (36%).

When asked in more detail about the extent to which they have planned for retirement, one third (32%) said that they have started to save but know that they need to save more. Around one fifth (19%) said that they know they need to start thinking about it, but haven't got round to it, while a further fifth (22%) haven't thought about how they will manage financially at all. Around one in twelve (8%) say that they have found out information but haven't started to save yet.

Only 17% stated that they are saving for their retirement and confident that they will have enough to live on when they retire.

The 'daunted' and 'unprepared' segments are less likely to feel that they have sufficient measures in place for their retirement. 34% of the 'daunted' segment and 38% of the 'unprepared' segment agreed that they haven't thought at all about how they will manage financially when they retire. The 34% result for 'daunted' was a statistically significant increase when compared to the previous wave in October 2010 (26%).

These findings are reflected in the fact that many people were found to have low confidence levels when asked how they felt about the future. Only around a quarter (26%) said that, thinking about their current situation and retirement plans, they felt

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<sup>3</sup> All respondents except those who are retired and doing no work and do not expect to do any work in the future.

<sup>4</sup> All respondents except those who have retired.

confident about the future. This is much lower for the 'daunted' segment (8%) though not for the 'unprepared' segment (25%).

The survey also asked respondents about their perceptions of the extent to which people close to them are saving enough for retirement. This gives an indication of the social context of the communications, and whether perceived social norms are likely to work for or against DWP's objectives.

The findings indicate that most people do not believe that their friends and family are saving enough for retirement, with only 7% of the sample thinking that more than three quarters are regularly putting aside enough money for their retirement.

### **3.4 Barriers to saving**

The research indicates that many people face ongoing financial pressure which acts as a significant barrier to saving for retirement. 35% of the sample cited the fact that "it's a struggle to cope with just day to day expenses" as a key barrier to saving. Nearly two thirds of the 'daunted' segment (62%) cited this as a barrier, and this is the main barrier for this audience.

The other main barriers at the total sample level are that 'there always seems to be other things to spend money on' (16%), "I just haven't got round to it yet" (14%), "retirement is too far away to think about" (13%) and "I would rather enjoy a good lifestyle now" (10%). This indicates that many people take a short-term view of their financial situation, and that persuading people to think seriously about the future is a major challenge for DWP communications.

The main barriers for the 'unprepared' segment are that "I just haven't got round to it yet" (50%), "retirement is too far away to think about" (42%) and "I don't feel I know enough about what would be the best option for me" (25%).

At the total level, there has been a decrease in the proportion of people agreeing that "I am already putting away enough money for my retirement" (from 8% to 4%). This may be taken to indicate that people are saving less. However, October 2010 results were something of an anomaly and this result returns to previous wave results.

## **3.5 State Pension – knowledge and perceptions**

### **3.5.1 Existence and eligibility**

The proportion of people who believe that the State Pension will exist when they reach retirement age is relatively low (17%). Amongst those who are aged 50+, and therefore closer to retirement, this is higher (40%).

A similar proportion (15%) of the total sample agree that "almost everyone will get a basic State Pension". This is only the second wave this question has been present

and represents a significant increase at the total level when compared to October 2010 wave (12%). This seems to indicate that many people are uncertain about whether they will receive a State Pension when they retire.

These findings may be linked to awareness of the fact that the State Pension age is going up. Around six in ten (63%) people think it is definitely true that “the age at which people can receive the State Pension is going up”. Those aged 50+ are more likely to think this is definitely true (75%).

Just under half (49%) of the sample think it is definitely true that the age at which women receive the State Pension is increasing to match the age at which men receive it. This is a significant increase when compared to October 2010 (37%). Women aged 50+ were more likely to agree with this (64%) reflecting the fact that this is the group for whom this is likely to have the most immediate impact.

There is relatively low awareness of the eligibility rules relating to carers. Only 26% of the sample thought that it was definitely true that “if I take time out of work to raise children or look after someone, I’ll still qualify for a State Pension”. Even amongst carers, the proportion thinking this is true was low (34%).

### **3.5.2 Amount**

Half of the sample (50%) perceive that the amount of State Pension that people receive is enough to cover basic living costs but no more. Around a third (32%) think that it won’t cover basic living costs, while 14% think that it will cover a little more than basic living costs. The ‘daunted’ segment are more likely to agree that it will not cover basic living costs (35%), while the ‘unprepared’ segment are less likely to agree with this (28%).

These findings are reflected in the fact that many people believe that they will need to top up their State Pension with money from other pensions and savings. Around seven out of ten (69%) respondents agreed with this, a similar proportion to the previous wave. Levels of agreement with this statement were lower amongst the ‘daunted’ segment (56%) and the ‘unprepared’ segment (61%).

When asked for a specific figure that they thought was closest to the maximum weekly State Pension amount, a third of the sample selected ‘£100’ (the correct amount). Just over a quarter (27%) selected ‘£140’ while 14% selected ‘£60’. Only 8% selected either ‘£190’ or ‘£250’.

Many people feel that they lack the knowledge to even estimate the amount of the weekly State Pension, with 18% of the sample selecting ‘don’t know’ for this question. This indicates that there are low levels of awareness relating to the specific amount of money that people receive as part of the State Pension.

Those aged 50+ are more likely to know the correct amount, with 40% of this audience selecting ‘£100’, reflecting their closer proximity to the State Pension age. Those in the ‘daunted’ segment are more likely than average to select ‘don’t know’ (26%) and less likely to select ‘£100’ (31%).

28% of the sample believe that it is definitely true that there are things they can do to increase the amount of State Pension they will get. This is slightly higher amongst those age 50+ (35%).

## **3.6 Changes in life expectancy**

As highlighted in section 3.1, there is some awareness of messages relating to the fact that people are living longer and therefore facing longer retirements. The questionnaire also contained a number of attitudinal statements about this, exploring the extent to which people believed these messages to be true and the impact that this has on their attitudes towards saving for later life.

This shows that people are to some extent taking on board messages about increasing life expectancy. There is relatively strong agreement with the statement that 'on average, people live longer than they did compared to their parents' generation', with 51% of the overall sample agreeing that this is definitely true.

Additionally, many people appear to relate this awareness of increasing life expectancy to their beliefs about retirement planning. Around half of the sample (51%) think it is definitely true that because people in this country are living longer nowadays, it's more important to save in a pension. This is slightly lower amongst the 'unprepared' segment (43%).

## **3.7 Extending working lives**

A number of the attitudinal questions focused on the option of working beyond State Pension age, and people's attitudes to doing so. The results showed that awareness of the option of working past State Pension age was high, with around two thirds of the sample (63%) thinking it is definitely true that this option exists. 55% of respondents thought that it is definitely true that changes to the law will make it easier for people to do this.

The research also sought to establish people's attitudes towards actually working beyond State Pension age, by asking to what extent they agreed with the statement that 'if I have to work past the State Pension Age, I think I will have failed'. Only a small proportion of respondents agree with this statement, indicating that there is some willingness to consider the option of working beyond State Pension age and that there is no stigma attached to doing so. Only 18% of the overall sample agreed with this statement, a similar score to the previous wave.



# Appendix A: Questionnaire

## Planning and Saving for Later Life – Ticker 4

NOTE: ALL QUESTIONS SHOULD HAVE DON'T KNOW AND REFUSED OPTIONS UNLESS OTHERWISE STATED

INTRODUCTION ON RANDOM LOCATION OMNIBUS:

I have some questions about people's plans for the future on behalf of the government and would be interested in your views.

INTERVIEWER TO ADD IF NECESSARY:

- These questions are being asked on behalf of the Department for Work and Pensions
- Your name and individual details will remain confidential to the research company and will not be revealed to the Department for Work and Pensions (DWP)
- Your answers will be combined with other people's who complete the survey and will not be linked to your name or address.
- DWP was previously known as DSS (Department for Social Security) and DHSS (Department for Health and Social Security)

### Check eligibility for boost samples

I'd like to start by asking you a bit about you ...

CHECK DEMOGRAPHIC QUESTIONS ALREADY ASKED, IF RESPONDENT IS AGED UNDER 22 OR FEMALE AGED 60 OR MORE OR MALE 65 OR MORE, SKIP TO NEXT SECTION OF OMNIBUS, OTHERS CONTINUE

ASK IF RETIRED (CODE 7 FROM RLO WORKING STATUS QUESTION):

A5b Are you doing any kind of paid work?

Yes, retired from main job but doing some paid work

No, retired and doing no paid work

IF NOT CURRENTLY IN PAID WORK (STILL AT SCHOOL, IN FULL TIME HIGHER EDUCATION, NOT ABLE TO WORK, LOOKING AFTER HOME/FAMILY, RETIRED, UNEMPLOYED OR NOT WORKING FOR OTHER REASON), OTHERS GO TO A9 (CODE 5,6,8,9,10 FROM RLO WORKING STATUS QUESTION OR CODE 2 FROM A5B)

SHOW CARD 1

Do you personally expect to do paid work in the future? (analysis variables)

Definitely

Probably

Probably not

Definitely not

Can I just check do you look after, or give any unpaid help or support to family members, children under 12, friends, neighbours or others because they have long-term physical or mental ill-health or disability, or problems related to old age? (analysis variables)  
IF YES, PROBE FOR NUMBER OF HOURS SPENT GIVING HELP PER WEEK

No, not at all  
Up to 20 hours a week  
More than 20 hours a week  
I am a full time carer

## **Attitude to work and savings**

The first set of questions is about some of the things you are doing at the moment.

### **REITERATE REASSURANCES OF CONFIDENTIALITY**

ASK ALL  
SHOW CARD 2

Different people have different approaches to how they like to organise their lives.

For each of the things I read out, could you give me a score out of 10. 1 means that you are not that sort of person at all, and 10 means that you are definitely that sort of person. (Magic questions)

**RANDOMISE, READ OUT, SCORE FOR EACH STATEMENT**

Enter answer (1-10)

Remove DK and Ref codes

- I like to feel that I am in control of my life
- I just take each day as it comes
- I focus on my work and doing well (don't ask to those who are retired and doing no paid work at A6)
- I have so much going on at the moment that I can't really think about the future

Thinking about your current situation, which of the things on this card, if any, would you say is the MOST important to you at the moment? Please only tell me the 1 or 2 things which are really key priorities for you at the moment. (Magic questions and campaign indicators)

**CODE UP TO TWO RESPONSES**

Buying or moving house  
Clearing debts  
Starting a family  
Doing well at work or getting a new job  
Learning a new skill  
Building up some savings  
Having a good social life  
Paying off your mortgage  
Becoming or being your own boss  
Having more time to relax and enjoy myself  
Saving for later life  
Putting money somewhere to make it grow  
None of these  
Remove DK and Ref codes

**SHOW CARD 3**

Which of these things would you find really hard to give up or scale back on if your finances were stretched? (Magic questions and campaign indicator)

CODE ALL MENTIONED

Your social life

Running a car

Shoes or clothes

Going on holiday

Being able to treat family or friends

Spending on a hobby or interest

Spending on the house or garden

Being able to put money aside for a rainy day

None of these

Remove DK and Ref codes

ASK ALL

**SHOW CARD 4**

What score would you give yourself out of 10 for your overall knowledge of financial matters, where 1 means that you know nothing at all and 10 means that you know a lot about financial matters. (Magic questions)

Enter answer (1-10)

Remove DK and Ref codes

**SHOW CARD 5**

And could you give me another score out of 10 – this time for how confident you feel generally dealing with financial matters. 1 means that you don't feel at all confident and 10 means that you are very confident. (Magic questions)

Enter answer (1-10)

Remove DK and Ref codes

ASK ALL EXCEPT THOSE WHO SAY THEY HAVE RETIRED AND DOING NO PAID WORK (CODE 13 AT A6)

I'd now like you to think a bit about later life and not being in paid work and what that might be like. Which of these do you agree with? (magic questions) RANDOMISE, READ OUT, CODE ALL THAT APPLY

I will do all the things I don't have enough time to do now like hobbies or seeing friends

I expect to live in a very similar way to how I live now

I really don't want to think about it

I can't imagine what it will be like

I expect I will have to watch what I spend more closely

I'm really looking forward to being retired

None of these (DO NOT READ OUT)

Remove DK and Ref codes

ASK ALL:

**SHOW CARD 6**

Here are some things that other people have said about retirement and life expectancy. For each one, please tell me if you think it is true or false

Definitely true

Probably true

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Probably false  
Definitely false

B8a

On average, people live longer than they did compared to their parents generation

B8b

Because people in this country are living longer nowadays, it's more important for me to save in a pension

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### Knowledge about and general perceptions of the State Pension

The next few questions are about pensions, and to start with I would like you to think only about the State Pension – that is the pension that people may receive from the Government. We will come on to talk about other types of pensions a little later.

ALWAYS ASK in ORDER BELOW

ASK ALL:

SHOWCARD 3 AGAIN

For each thing I say, please say whether you think it is true or false.

IF NECESSARY: If you don't know, that's fine: just say so and we will skip to the next one. (Attitudes to Pensions) (campaign indicators) Don't rotate statements

Definitely true  
Probably true  
Probably false  
Definitely false

CAMPAIGN MEASURE

READ OUT

- Almost everyone will get a full basic State Pension (Added October 2010)
- There are things people can do to increase the amount of State Pension they will get (
- The State Pension will exist when I reach retirement age
- The age at which people can receive the State Pension is going up
- The age at which women receive the State Pension is increasing to match the age at which men can receive it
- If I take time out of work to raise children or look after someone, I'll still qualify for a State Pension
- People have the option of working past State Pension age
- The law is changing which will make it easier for people to work beyond age of 65

C1b

“Which of these is closest to the maximum weekly amount of Basic State Pension that people can get?”

£60   £100   £140   £190   £250   don't know

Many people choose to keep working past State Pension age. What might make you want to do that? (adapted from Attitudes to Pensions and Segmentation questionnaire) (campaign indicators)

DO NOT PROMPT, CODE ALL MENTIONED

Because I enjoy my work

Because I enjoy the social side of working/getting out/meeting people

Because work keeps me active/my mind active

Because I am making a contribution to society

Because I would pay less tax/NI if continue working after State Pension age

Because I couldn't afford to stop working/no choice but to carry on

Because I like to have more money to spend (*added March 2011*)

It's a good way to ease into retirement

Other (specify)

Nothing

SHOW CARD 7

READ OUT TO ALL:

The next few questions are about the State Pension. This is made up of the basic State Pension and, for some people, the Second State Pension, Additional Pension or SERPS.

ASK ALL:

SHOW CARD 8

Which of these statements best describes what the State pension will cover?

If necessary: By basic living costs, we mean things like housing, heating, and food.

CODE ONE ONLY

It will not cover basic living costs

It will cover basic living costs but no more

It will cover a little more than basic living costs

It will cover a lot more than basic living costs

Don't know

How much do you agree or disagree with the following statement about the State Pension?

Please take your answer from this card

READ OUT

I will need to top up my State Pension with money from other pensions, savings etc to make sure I have enough to live on in retirement

Answer scale (1-10) where 1=disagree strongly and 10=agree strongly

Saving for retirement

ASK ALL:

The next set of questions are about financial plans for retirement.

**Pensions and later life: communications tracking research, March 2011**

People plan for their retirement in different ways and at different stages in their life. Do you currently have any financial plans, savings, work or personal pensions specifically for your retirement? (Segmentation questionnaire) (campaign indicators)

Yes

No

**IF YES AT E1 ERROR! REFERENCE SOURCE NOT FOUND.**

SHOW CARD 9

Which of the following, if any, do you have specifically for your retirement? (Segmentation questionnaire) (campaign indicators)

CODE ALL THAT APPLY.

INTERVIEWER NOTE: IF ARMY PENSION, CODE AS COMPANY PENSION, PROBE FOR WHETHER BEING PAID INTO.

IF STAKEHOLDER PENSION, CODE AS PERSONAL PENSION, PROBE FOR WHETHER BEING PAID INTO.

A company/work pension in your name that is currently being paid into\*

A personal pension that you are currently paying into\*

A company or personal pension in your name that is no longer being paid into\*

An ISA\*

Premium Bonds

Other investments\*

Other savings\*

A main home you plan to sell or downsize or release money from

A second home or property you rent out

A business you plan to sell

Your partner has a pension

Expect to benefit from an inheritance

Plan to work for as long as you can

Plan to work for a few years past state pension age

State Pension

Other (specify)

SHOW CARD 10

CODES 1-3 DON'T ASK IF RETIRED AND DOING NO PAID WORK (CODE 2 AT A5B) AND DEFINITELY OR PROBABLY NOT DO ANY PAID WORK IN THE FUTURE (CODES 3-4 AT A8)

CODES 4-6 ASK ALL:

How much do you agree or disagree with the following statements about pensions? (campaign indicators). Please answer on a scale of 1-10 where 1 means you disagree strongly and 10 means you agree strongly (moved from B7) ROTATE STATEMENTS. READ OUT

- I would like to start saving in a pension (don't ask if E2 codes 1, 2 or 3)
- I need to find out more about saving for retirement
- I'm going to need some savings to cover me for later life

Ask All:

- Pensions are a good way to save for retirement
- I would always save in a work pension if one is available

SHOW CARD 11

E7a Looking at this card, which number best represents how much you have planned for your retirement?

**Pensions and later life: communications tracking research, March 2011**

INTERVIEWER: Respondent should answer on a scale of 1-5

- 1 I haven't thought at all about how I will manage financially when I retire
- 2 I know I need to start thinking about how I will manage financially when I retire, but haven't got round to it yet
- 3 I have found out information, but haven't started to save for retirement yet
- 4 I have started to save for my retirement, but I know I need to save more
- 5 I am saving for my retirement and am confident I will have enough to live comfortably when I retire

**SHOW CARD 12**

There are lots of reasons why people might not have money put aside for their retirement, or perhaps not as much as they could do. Are any of these KEY reasons in your case? (magic questions and campaign indicators)

CODE ALL THAT APPLY

- It's a struggle to cope with just basic day to day expenses
- I would rather enjoy a good lifestyle now
- I don't want to make the wrong decision
- I don't feel I know enough about what would be the best option for me
- Retirement is too far away to think about
- The state provides a financial safety net in retirement
- I just haven't got round to it yet
- There always seems to be other things to spend money on, like holidays or the family
- My partner has enough pension and/or savings for us both
- I expect my house to make me enough money
- If I have savings I might miss out on means tested benefits now
- If I have savings I might miss out on means tested benefits later
- I expect to carry on working
- I don't trust banks/financial advisors
- I am saving for other things
- I have never really thought about it
- I am too old to start planning for my retirement
- I don't think I will live that long (not in magic question – not to be shown on card)
- I am already putting away enough money for retirement (not shown on card)
- My employer doesn't offer a pension (not in magic question – not to be shown on card)
- None of these

Remove DK and Ref codes

**SHOW CARD 13**

Thinking about your friends and family, how many do you think are regularly putting aside enough money for their retirement? (It doesn't matter if you don't know, but I'm interested in your perceptions)

- None
- One in ten or fewer (10% or less)
- More than one in ten, up to a quarter (10%-25%)
- More than a quarter, up to a half (26%-50%)
- More than a half, up to three quarters (51% - 75%)
- More than three quarters (76% or more)

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All

ASK ALL:

SHOW CARD 14

Thinking about your current situation and retirement plans, would you say that you are worried or confident about the future? (Magic question with extended scale)

Answer scale (1-10) where 1=very worried and 10=very confident

Remove DK and Ref codes

SHOW CARD 15

And can I just check, have you done any of these things in the past 12 months in relation to pensions or saving for later life? (Segmentation questionnaire) (Campaign indicators)

CODE ALL THAT APPLY

Looked into my State Pension

Looked into/at my company/personal pension

Looked at general pension information online

Spoken to my employer about pension schemes

Spoken to my employer about working beyond age 65

Had a conversation with friends, family or work colleagues

Other (specify)

None of these

ASK ALL

SHOW CARD 16

I am going to read out some things that other people have said about later life and managing money. For each one, please tell me how much you agree or disagree by giving a score out of 10 where 1 means you strongly disagree, and 10 means that you strongly agree (Magic questions)

ROTATE ORDER OF PRESENTATION

Enter answer (1-10)

Remove DK and Ref codes

READ OUT

- If I have to work beyond State Pension Age, I think I will have failed (don't ask those retired, codes 13-14 at A6)
- Dealing with pensions scares me
- Anything I have for my retirement I have sorted out myself
- Pensions are the best way to save for retirement
- It is a good idea to have some savings in a pension so you cannot keep dipping into them
- It's not worth saving for retirement as I might not live that long (don't ask those retired, codes 13-14 at A6)

ASK ALL

SHOW CARD 17

Looking at this card, where would you go to find out more information about pensions, saving for later life or working past state pension age? Please choose up to three options (Campaign indicators)

CODE UP TO 3 MENTIONS



## Pensions and later life: communications tracking research, March 2011

Financial advisor  
Financial advice service  
Bank or building society  
Direct Gov  
Employer  
Accountant  
Friends/family/colleagues  
DWP/DSS/The Pension Service (code 6)  
FSA/CFEB (Consumer Financial Education Body)  
HM Revenue & Customs/Inland Revenue  
Government department – not sure which (code 6)  
The Pensions Advisory Service  
Insurance company  
Pension provider  
Trade union  
Citizens Advice Bureau  
Age UK (aka Help the Aged, Age Concern) or a similar organisation  
Other advice service  
Other TV/radio/newspapers  
Other (specify)  
None of these  
I don't know  
IF CODE 6 AT E23 IE DWP/DSS/The Pension Service or Government Department – not sure or Build a Better Future which ask

### Awareness of communications about saving for later life

#### ASK ALL

Next I'd like to ask you about what you may have seen or heard about pensions or saving for later life

Have you seen or heard or read anything about pensions, saving for later life or working past State Pension age recently? I don't want you to think about advertising from pensions or savings companies, but anything else that you might have seen or heard. (campaign indicator)

Yes  
No

#### SHOW CARD 18

Can I just check, have you seen, heard or read anything about pensions, saving for later life or working longer via any of the following recently? (Campaign indicator)  
IF NECESSARY: Once again I don't want you to think about advertising from pensions or savings companies, but anything else that you might have seen or heard.

#### CODE ALL MENTIONED: PROBE TO PRECODES: PROBE: WHERE ELSE?

Letter addressed to you in the post  
National newspaper  
Local newspaper  
Radio  
Magazine  
TV  
Poster/billboard/bus shelter  
Internet

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Leaflet  
JobCentre Plus  
Financial Advisor  
Friends, family or work colleagues have discussed it  
Other (specify)  
None of these

ASK IF YES AT F1 OR ANY AT F2, OTHERS GO TO F5

ASK ALL  
SHOW CARD 19

Can I just check, have you seen or heard or read any advertising, news or publicity about any of the subjects shown on this card recently? (campaign indicator)

CODE ALL MENTIONED

The increase in the State Pension Age  
That you can work beyond State Pension age  
People living longer  
State Pension is a foundation for retirement saving  
That you may need to build on the State Pension with a pension of your own  
Changes in the way people join work pension schemes  
Encouraging people to find out more information about saving for retirement/pensions  
The law will change which means employers will enrol workers into a pension  
How you can improve your State Pension  
How non-working carers/parents can qualify for a State Pension  
None of these

SHOW CARD 13 AGAIN

ASK ALL:  
PERMISSION TO RE-CONTACT:

That's the end of this section of the interview.

## Appendix B: Segmentation overview

DWP carried out research in conjunction with the Personal Accounts Delivery Authority (PADA) in 2008. This set out to explore individuals' attitudes to planning and saving for later life, and resulted in the development of an audience segmentation model of people of working age.

The overarching objectives of this research were to understand the potential population of working age people from a planning and saving for later life perspective and gain insights to help better understand motivations, attitudes and behaviours.

The research, conducted in the late summer and early autumn 2008, was carried out in two stages;

- An initial qualitative stage consisting of 90 depth interviews to generate hypotheses and typologies.
- A quantitative survey of 3,033 telephone interviews to challenge and test the qualitative findings and subsequently build a segmentation framework.

The key segments emerging from this research are as follows:

- **Daunted:** 21% of the working age population; typically older individuals with lower incomes. They lack confidence in personal finance and so have both practical and emotional barriers to saving.
- **Unprepared:** 28% of the working age population; younger people for whom retirement seems so far off that saving for it is not a priority.
- **Competing priorities:** 10% of the working age population; a relatively affluent and financially literate group whose ability to save for retirement is hampered by other demands on their money, such as a mortgage.
- **Maybe sorted:** 15% of the working age population; they have made some plans for retirement, but by and large these are not based on personal private pension saving and have no 'Plan B' should their home, business or partner's pension not provide the retirement income they expect from it.
- **Really sorted:** 26% of the working age population; individuals with good pension provision and generally credible retirement plans; typically older.