Communicating automatic enrolment – a shared agenda

Tom Berry – DWP communications
24th January 2012

The challenge we face

• 7 million currently not saving enough to give them the retirement they want.
• Almost 13m jobs have no pension provision (increase of 2.5m since 1997)
• Only one in 3 in private sector have a workplace pension.
• Automatic enrolment is key to resolving these issues.
• 9-10 million people eligible for automatic enrolment
• Aspiration for five to eight million people newly saving or saving more in all forms of workplace pension scheme
What we’re seeking to achieve through communications

Individuals
• Provide support and information about automatic enrolment and explain what it means for people
• Help individuals understand the benefits of automatic enrolment and how it can help them

Employers
• Support employers in communicating the changes to their workers – by providing context to the reforms, essential information and materials for workers

Strategy

Individuals
• Inform people of the facts and benefits of having a workplace pension
• Help them understand what it means for them
• Remind them that saving for their future is important by making the issue real now
• Use engaging content, delivered through trusted and local channels
• Use simple steps to make the issues manageable

Employers
• Keep it factual
• Let them know about government information that will make their lives easier in communicating with their employees and provide context
• Practical tools to help them – employer toolkit for employees
• Provide an integrated journey with TPR comms
How we’ve segmented our audience

**Characteristics:** Medium to high earners, high pension provision

**Emotional:** Feel stretched, pensions not a priority

**Triggers:** Savvy consumers of financial services, want to know the benefits

**Information preferences:** Multiple, including employer and scheme sources

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**Characteristics:** High income, high pension provision

**Emotional:** Confident

**Triggers:** Minimal

**Information preferences:** Likely to use IFAs

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**Characteristics:** Likely to opt out

**Emotional:** Low faith in pensions and “the pensions system”

**Triggers:** Need for a fall-back position

**Information preferences:** Typical of wider population

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**Characteristics:** Low income, low confidence

**Emotional:** Don’t feel in control of their life or finances

**Triggers:** Value reassurance, respond well to clear explanations, feel empowered by taking small steps

**Information preferences:** Rely on social network/community; inclined to use telephony

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**Characteristics:** 20s/30s, early middle age – mean age 43

**Emotional:** Optimistic and complacent

**Triggers:** Like things to be quick and concise

**Information preferences:** Online/mobile; less likely to seek out information proactively

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**Competing priorities**

**Less confident**

10% 22% 26% 17% 25%

Unprepared

Really sorted

Maybe sorted

More confident

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Individuals: who are talking to?

**The ‘Unprepared’**

- c.9M people
- C1C2DE
- Young (90% are under 35, 70% are under 25)
- Many still live at home
- Financially reasonably confident
- Enjoy the latest gadgets and fashion

**The ‘Daunted’**

- c.7M
- C1C2DE
- Early middle age – mean age 43
- Generally un-confident, don’t feel in control
- Micro manage money, cash existence
- Locally orientated

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Source: Continental Research, 2008; GfK NOP 2009.
Employers: who are we talking to?

**A wide range of employers**

- Comms will resonate with all employers
- SMEs are a particular focus

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**Messages**

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<td>“If you put money in to a workplace pension, so will your employer and the Government”</td>
<td>“You could have 20 years in retirement – make sure you live it well”</td>
<td>“Don’t miss out”</td>
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<td>“The sooner you start, the more you get” (younger audiences)</td>
<td>“It’s never too late to start” (older audiences)</td>
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<td>“A workplace pension can help you maintain your lifestyle in retirement.”</td>
<td>“The law on workplace pensions is changing. You will need to take action to comply and communicate the changes to your workers - there’s government info available to help you”</td>
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### Overview – channels and methods

| Partnerships – paid for | national press partner with brand tie-in  
|                        | local press partners with real-life stories  
|                        | TV and radio  
|                        | online  
| Advertising:           | outdoor posters – high street and transport (good for unprepared)  
|                        | radio – Magic, Gold, Total LBC, TalkSport, Real, Smooth, Absolute (good for daunted)  
|                        | press  
| Digital:               | online advertising, digital search, behavioural targeting, blogs  
| Interactive tools:     | on Directgov and via partners, seeded broadly  
| Employer toolkit:      | materials for employers to use to workers: FAQs, poster, intranet copy etc  

### Information – examples

- Posters
- ‘Guide to pensions’ leaflet
- Web advertising creative
- Pension info widget / calculator
- ‘Money outlook test’ quiz
- ‘Future wallet’ tool
- Copy blocks
  - the facts
  - pension myths debunked
- Employer toolkit
Information

**Tier 1 What I need to know**
- What’s a workplace pension
- How it affects you
- Why, when
- Benefits of staying in a workplace pension

**Tier 2 What it means for me**
- Examples: age, earnings, existing pension, self-employed
- How much you/employer pay in
- Opting out/opting back in
- Info for doubters, eg: debt, too young/old, nearing retirement

**Tier 3 I want to know more**
- Why should I? Are pensions safe?
- Simple steps to saving
- What if I… eg, move jobs, become self-employed

**Tier 4 I have a further question**
- TPAS – pensions
- Money Advice Service – general finances
- TPR – whistle-blowing

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* advertising, social media, mobile

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Branding – campaign

- Partner brands and voices

- A strong creative approach for government voice
  - Warm and engaging
  - Simple steps, building blocks
  - Individual in control
  - Factual, benefit driven
  - Treats loss aversion and ‘norm’ messages with care

- Directgov and Business Link for information
Employers creative

Research approach

Tracking
- Outputs – awareness (channels, messages) – understanding – intended behaviour

Research programme
- Tracking individuals – now baselined automatic enrolment
- TPR’s employer tracking + DWP employer omnibus for specifics (baseline December)

Research shows*:
- No signs of improvement to longer term attitudes to retirement planning
- Self-reported behaviour (saving, or steps towards it) remains stable
- Low awareness of, though positive initial reaction towards automatic enrolment
  - Only one third had heard of it
  - But three quarters thought it was a good idea

*Individuals, November 2011
What you can do….

• Talk about automatic enrolment as a credible option for saving provision.
• Simplify the jargon – use our language guide as a starting point
• Signpost employers to our toolkit
• Send individuals to Directgov for more information.