GfK. Growth from Knowledge

At Retirement Consumer Research – exploring changes in the retirement landscape
Technical Report

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1. Methodology and sampling

1.1 Methodology

This survey was carried out among two sample groups: those five years or less from reaching retirement, classified as "*pre-retired*", and those who had reached retirement in the last year, classified as *"retired".*

Retirement for the purposes of this survey was defined as "people over 55 years old who have either started drawing down from/accessing their pension savings or have made a decision to 'defer' i.e. put off accessing such pension savings. This includes people who may still be in full-time or part-time employment".

In order to be eligible for this survey all respondents had to have a defined contribution (DC) pension. A decision was made to concentrate on those for whom the DC pension was their main, only, or joint pension, as these are the group most affected by any change in DC pensions. Those who were classified retired had to have made a decision about their pension i.e. they had either purchased an at-retirement product or deferred the decision. If they had deferred their decision, in order to be included, they had to have made their decision to defer in the last six months, and to be planning on making a decision about their pension pot within the next year. This stipulation was included to ensure that retirees could report on their at-retirement decision making.

This survey was conducted online using a consumer research panel sample. The final total achieved sample was of 1,000 interviews, comprising 318 "retired" respondents and 682 "pre-retired" respondents.

An Online research survey was considered to be the most appropriate methodology for this market study due to the access that it would provide to lower incidence groups in the population as a whole, and the fact that it would yield one dataset that could be weighted to known proportions to provide an overall representative picture.

A disadvantage of this methodology is that it excludes those without access to the internet, which can be a reasonably sizeable proportion in over 55s.

Using GfK's Financial Research Survey (or FRS) (for more details on this data source please see section 2.4 below) we conducted analysis on key metrics to assess the size of any bias being introduced by using an online only survey. The FRS uses a dual methodology for interviewing, with those who are heavy internet users (11 hours plus per week) interviewed online and all others interviewed face to face. This allows us to compare results for a heavy internet user group to moderate through to non-internet users.

When comparing the *"pre-retired"* sample with the FRS, we have used a base of all those over the age of 60+, who still work, who are not employed in the public sector, and who hold a pension, as proxy for this in the FRS. In the FRS,61% of these respondents use the internet less than 11 hours a week and 38% use the internet for 11 hours or more, which is how we would expect these proportions to be represented in the general population (i.e. in the general population we would expect 61% of these people to use the internet less than 11 hours a week and 38% to use the internet for 11 hours or more).

For the *"retired"* sample, we have used a base of all FRS respondents who describe themselves as retiring in the last year, and who have a pension, as a proxy. In the FRS 73% of these respondents use the internet less than 11 hours a week and 28% use the internet 11 hours or more. Again, this is how we would expect these proportions to be represented in the general population. This is because the FRS is a robust nationally representative survey.

The table below shows results from the FRS in response to a question on plans for retirement split by those who were interviewed face to face and those interviewed online (heavy internet users). The base is all of those over the age of 60, who have a pension, and who do not work in the public sector (so as to match the pre-retired sample as closely as possible).

Which of the following do you plan to provide for retirement? - ST Jan 2007 *Colour coded if difference from 'all' is greater or less than 5%*			
Base: All Pension Income Plan, aged 60+, working in the public sector	All	F2F (offline respondents)	Online
Will use state pension	69%	74%	61%

Which of the following do you plan to provide for retirement? - ST Jan 2007 *Colour coded if difference from 'all' is greater or less than 5%*			
Base: All Pension Income Plan, aged 60+, working in the public sector	All	F2F (offline respondents)	Online
Company pension - linked to salary/ years' service	53%	55%	48%
Company/ Personal Pension - buy an Annuity	31%	27%	36%
Existing Savings / Cash ISA's	28%	27%	30%
Company/ Personal Pension - arrange an Income Draw Down	15%	10%	22%
Earned Income from part-time work	14%	11%	19%
Existing stocks and shares	10%	8%	13%
The equity in your own home	10%	8%	12%
Existing Investment products	8%	3%	16%
Property bought to let or as an investment	8%	6%	10%
Existing National Savings and Investments	5%	3%	8%
Will rely on my partner / ex-partner / spouse	5%	7%	2%
Earned Income from full-time work	5%	5%	4%
Free standing additional Voluntary Pension contribution	4%	1%	9%
Will use inheritance	3%	2%	4%
Value of own business / share of business	3%	1%	5%
Will start savings / investments in future	3%	3%	2%
Will sell my property	2%	2%	3%
Other Plans	2%	2%	2%
Antiques / Art / Collectables	1%	0%	3%
None of these I do not have any other plans	6%	5%	7%
Don't Know	2%	3%	2%

"Online" respondents have slightly higher holdings of pensions, savings and investments than "offline" respondents and this is reflected in the survey results. However, the overall pattern of product holding is similar, and we would regard the results of an online survey of this nature to be broadly representative of the general population.

To reduce any bias, quotas and weights (see section 3) for this study were based on the pre-retired and retired groups as a whole, irrespective of internet usage levels.

1.2   Sampling

The online interviews were drawn by blending sample from six different panel providers on GfK's approved supplier list:

1. Ask GfK
2. Usamp
3. SSI
4. Cint
5. Branded Research
6. Research Now

The low incidence rate of the required target market in the population and the specific study characteristics (in terms of questionnaire complexity / length) made this a challenging research proposition in terms of achieving the required quality and quantity of response. The following figures indicate contacts made and dropout rates.

1) Total number of respondents who started the survey: 25287
2) Total number of dropouts: 4506
3) Total number of screen-outs: 13307
4) Total number of people removed as duplicates: 5423
5) Total number removed for speeding / straight-lining: 10[1]
6) Total number out of quota: 1041

Reasons for screen-out (being excluded from the sample) included the following:

1) 4196 had a main Defined Benefit (DB) pension
2) 463 did not know if they had a DB or DC pension
3) 445 did not know if their pension was arranged by their employer or was private
4) 133 did not know if they had a pension
5) 8070 were screened out for other reasons:

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[1]Respondents are excluded if they complete the survey in five minutes or less, or if they answer the questions in a pattern that suggests that they have not read the question e.g. always select the first option

a. Not being a financial decision maker
b. Being too far away from retirement

The results from the soft-exit (explained in more detail in section 2.1) show that, at least on these key questions, those who screened out did not differ from those who completed the survey.
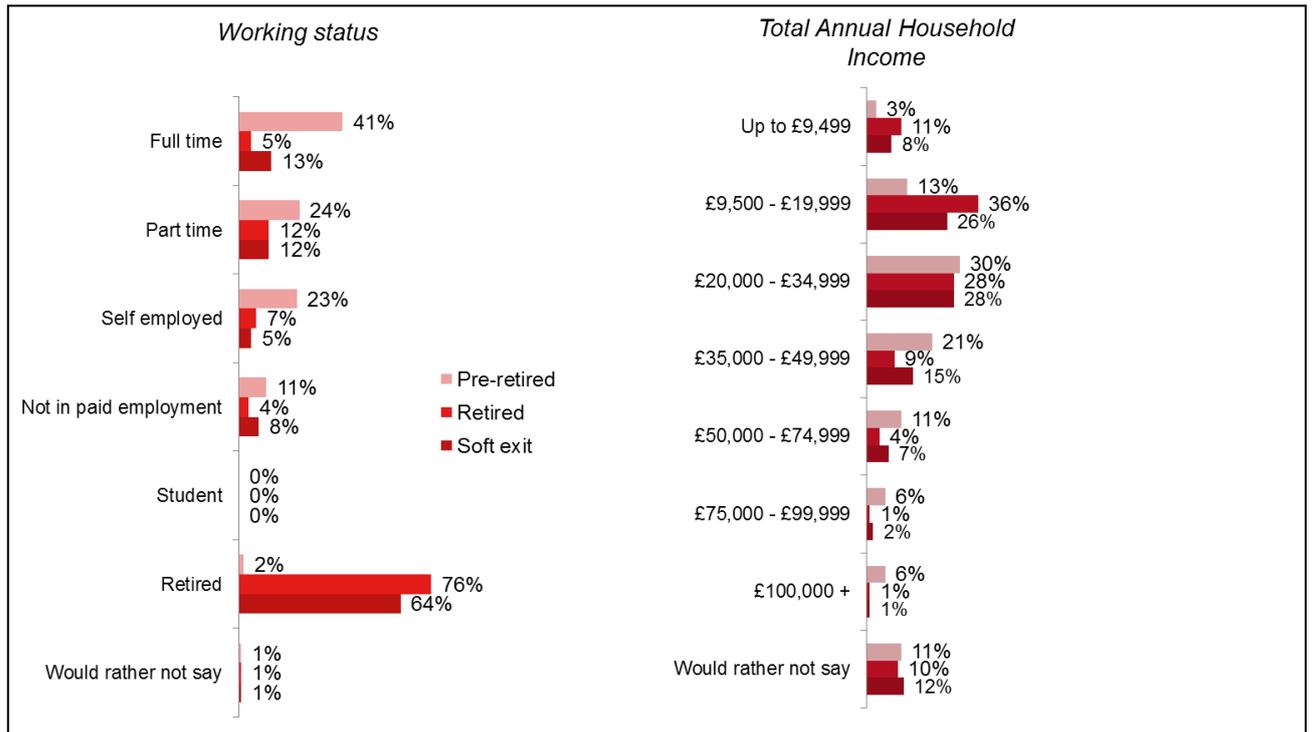
Chart 1: Working Status and Income Comparison
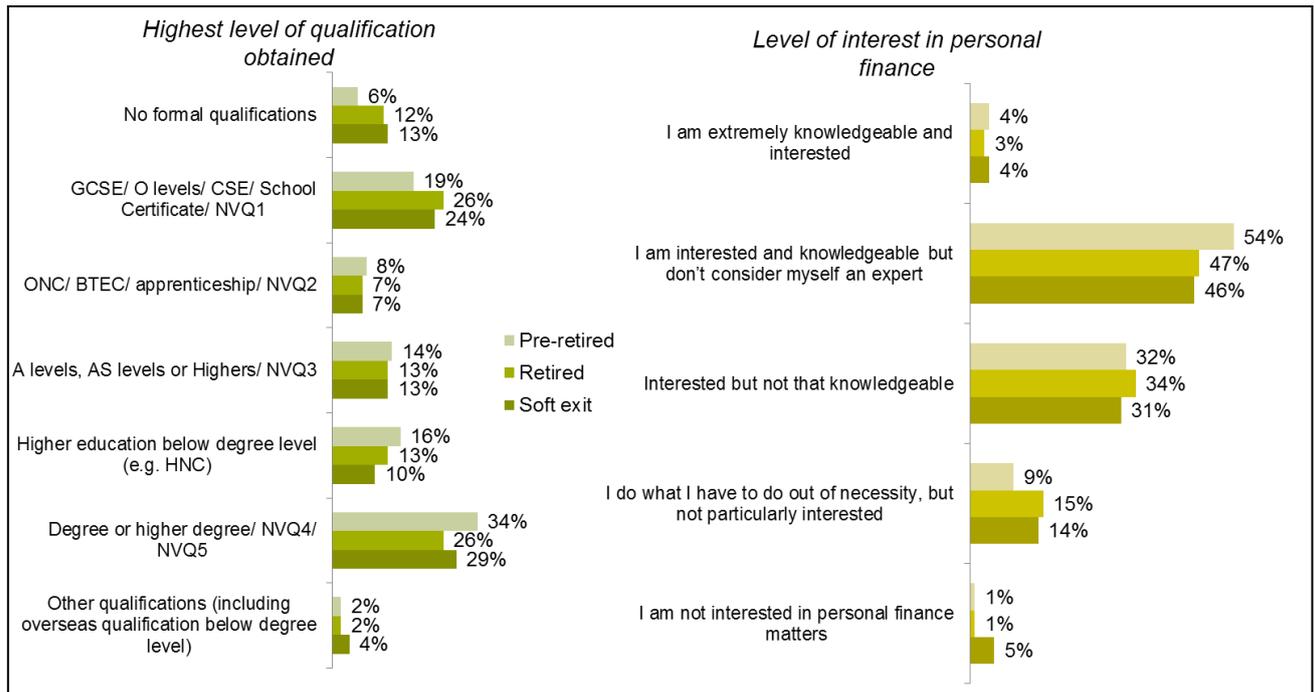
Chart 2: Qualification and Level of Interest in Personal Finance Comparison

Although the dropout rate may seem high, this is lower than found in comparable online surveys. The dropout rate in the FRS, for example, is 30%. The vast majority (3827) of the dropouts occurred during the introduction or during the screeners.

2. Questionnaire design

A draft questionnaire was developed based on a thematic structure provided by the FCA and this was then developed collaboratively into the final questionnaire.

2.1 Main stage questionnaire

The final questionnaire (see section 4) consisted of five sections:

A. Screening questions (to establish relevance and suitability)
B. Awareness and understanding of proposed changes
C. Retirement income choices
D. Factors influencing choices
E. Demographic questions

We also included a soft exit, which was asked to people who screened out at the following questions:

S8: Whether or not have a pension (screen out if don't have a pension)
S9: Whether pension is occupational or private (screen out if don't know)
S10: Whether main pension is DB, DC or split (screen out if DB)

These people were asked some demographic questions as well as a substantive question on knowledge and understanding. This allowed us to understand whether those who were screened out due to either not holding certain types of pensions, or not understanding definitions of types of pensions differed on any of these key metrics.

2.2   Survey checking

The survey script was fully checked before launch by the GfK and FCA teams. A 'soft launch' with a limited mail out was used to double check routing and to check for any questions that led to high levels of drop out.

The soft launch elicited 41 completes from 290 starts. Results were checked for routing, response rate, and any signs of difficulty with comprehension. Some slight changes were made to the routing around social grading. No further issues were found and so the survey full-launched.

2.3   Interviewing

Fieldwork took place between the 13th of August and 24th of September 2014.

3.   Quotas and Weighting

GfK used its Financial Research Survey (FRS) both for setting quotas and for weighting.

The FRS is the largest and longest running survey of its kind, interviewing 60,000 GB consumers in the home or online every year, and gathering information on financial product holding, plus demographic and attitudinal data.

The FRS does not distinguish between DC and DB pensions. Quotas and weighting was therefore based on the closest possible definitions:

Retired: FRS respondents who had retired in the last year, and who held a pension.
Pre-retired: FRS respondents aged between 55 and 70, still working, with a workplace pension and not employed in the public sector.

3.1 Quotas

Quotas were set on gender and age so as to ensure the sample was representative of those who hold DC pensions using the profiles from the FRS described above.

We also set minimum quotas on the following so as to ensure sufficient bases for analysis.

1. Time since retirement (retired only)
2. Time until retirement (pre-retired only)

A total of 1000 respondents completed the survey, in the following proportions:
3. 318 retired
    a. 129 since March 2014 (i.e. Following the Budget announcement)
    b. 189 before March 2014
4. 682 pre-retired
    a. 397 who expect to retire within the next two years
    b. 285 who expect to retire within three to five years

3.2 Weighting

The final sample was weighted to the FRS by gender, age, personal income, household income and region. No quotas were interlocking.

Table 1: Gender

	Actual		Targets	
	Pre-retired	Retired	Pre-retired	Retired
Male	435	213	495	203
Female	247	105	187	115

Table 2: Age

	Actual		Targets	
	Pre-retired	Retired	Pre-retired	Retired
55-59	261	192	293	152
60-64	344		259	
65-69	77	126	130	166
70+				

Table 3: Region

	Actual		Targets	
	Pre-retired	Retired	Pre-retired	Retired
North (inc. Scotland)	214	122	192	121
Central (inc. Northern Ireland)	191	86	172	90
South (inc.Wales)	277	108	318	111

Table 4: Household Income

	Actual		Targets	
	Pre-retired	Retired	Pre-retired	Retired
up to 19999	142	111	109	148
20000 to 34999	152	98	207	88
35000 to 49999	116	48	140	48
50,000+	198		152	
Refused	74	33	74	33

Table 5: Personal Income

	Actual		Targets	
	Pre-retired	Retired	Pre-retired	Retired
up to 19999	229	178	227	224
10000 to 34999	161	85	233	59
35000+	208		138	
Refused	84	35	84	35

Rim weighting was used for this survey. Rim weighting is designed to attempt to weight all of the characteristics (e.g. age gender etc…) at the same time. This is an iterative process, using a computer program. As the rim weighting process runs, it tries to distort each variable as little as possible while still trying to attain all of the desired proportions among the characteristics. To check how well this has been achieved, the program calculates an Efficiency score. While a perfect efficiency score (complete representativeness) would be 100%. A score of 77% achieved in this survey is within acceptable bounds and is fit for purpose. There is no 'industry standard' for weighting efficiency (as an acceptable efficiency varies with sample size), however 70% is generally seen as the recommended 'rule of thumb' lower limit.

The weighting used for this survey gives us the following report.

Rim Weighting Efficiency: 77 %

Maximum Respondent Rim Weight: 3.34

Minimum Respondent Rim Weight: 0.21

These weights are within the normal range used by GfK for surveys of this nature.

When combining retired and pre-retired study estimates into total (overall) level statistics in this paper the data is reported in the proportion these groups were sampled. Weighting total level statistics in proportions to reflect likely population sizes of retired and pre-retired when combined leads to some differences in the percentages reported. However, these differences are small where they occur and are within (95%) confidence intervals

UPDATED PARAGRAPH 9th June 2016

4. Questionnaire

This survey is about changes that are being made to how we save for retirement.

Your views will help ensure that consumers' views are taken into account.

A. SCREENING QUESTIONS

S1   When you are thinking about choosing financial products and services such as pensions and investments, which of the following statements best describes how you normally go about deciding which product to take out? *You may also be supported in decision making by a financial advisor*

I am the sole decision-maker 1
I discuss things with my partner/someone else, but I
tend to make the final decision...2
I discuss things with my partner/someone else and we
make a joint decision 3
I discuss things with my partner/someone else but they tend
to make the final decision...4
I leave it all up to my partner /someone else 5

ALL MUST CODE 1 OR 2 OR 3
ASK ALL
S2   What is your age?
Please type in

NUMBER

ASK ALL
S3   Are you male or female?

Male..1
Female...2

ASK ALL
S4a   Have you retired?

MULTICODE. READ OUT.
Yes 1
No...2
Don't know (DNRO) 3
Refused (DNRO) 4

ASK ALL CODING 1 (RETIRED) AT S4
S5a   Our definition of 'retirement' is:
This is people over 55 years old who have either started drawing down from/accessing their pension savings or have made a decision to 'defer' i.e. put off accessing such pension savings. This includes people who may still

be in full-time or part-time employment. Using this definition, would you say you are retired?

Yes 1
No...2

ASK ALL WHO HAVE RETIRED (S5A = 1)

S5b   And have you started drawing on your pension or did you take a decision to defer?

Drawing on pension 1
I am deferring...2

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1)

S6a   And, when did you start **[DELETE AS APPROPRIATE]** drawing on your pension/take the decision to defer?

September 2013 to February 2014 1
March 2014 to now 2
Longer ago than this ....3 CLOSE
DEFERRED AT S5B MUST CODE 2 @ S6a TO CONTINUE, ELSE PLEASE CLOSE

ASK ALL WHO HAVE DEFFERED (S5B =2)

S6b   And, when will you make the decision about your pension?

In the next year 1
In more than a year..2 CLOSE

ASK ALL WHO HAVE NOT RETIRED (S4 =2)

S7   When do you expect to retire?
Our definition of 'retirement' is:
This is people over 55 years old who have either started drawing down from/accessing their pension savings. This includes people who may still be in full-time or part-time employment.

In the next year (up to August 2015) 1
September 2015 to August 2016 (the year after next).....................2
September 2016 to August 2017 (two years' time)..........................3
September 2017 to August 2018 (three years' time) 4
September 2018 to August 2019 (four years' time) 5
September 2019 to 2024 (five to ten years' time)...........................6 CLOSE
After 2024 ....7 CLOSE

ASK ALL

S8   Do you have an occupational or personal pension into which you, your employer, or someone else is currently or has paid into? This is not the 'state' pension.

Yes 1
No..2 CLOSE
I am not sure ....3 CLOSE
CLOSE ALL CODING 3 BUT ASK C1, C4 TO C6 BEFORE CLOSING

IF PENSION CURRENTLY FUNDED, CODE 1 AT S8

S9   Which of the following is/was your **main** type of pension (that you have the most money in / will rely on most in retirement)? This may be spread across a number of pension pots"

Pension(s) arranged by employer 1 S10
Pension(s) I arranged privately 2 S12
I am not sure...3 CLOSE

IF EMPLOYER (1) AT S9

S10 There are three ways in which an employer's pension scheme works. Is your **main** pension (the one you have most money in / will rely most on in retirement) more like type A, B or C?

TYPE A – a 'money purchase' or defined contribution scheme. Your pension will depend on the value of contributions to the scheme and the rate of the return achieved on their investment. This will provide you with a pension 'pot' when you retire and you will need to make a decision about what you do with this.. 1 S11

TYPE B – a salary related scheme. Your pension will be related to your salary, and the number of years you have been in the scheme. This is also called 'final salary' or 'average salary' pension and is automatically paid to you at retirement) -...2 CLOSE

TYPE C – an equal combination of type A and type B – S12 3

Don't know...4 CLOSE

IF SELECT TYPE A (CODE 1 @ S10) ASK:

S11   Have you always been in this type of scheme or did you transfer into this from
       a salary related (TYPE B) scheme [PLEASE HOVER OVER DEFINITION
       FROM TYPE B]?

       Yes, have always been in this type of scheme
       No, transferred from a salary related scheme
       I don't know

       **SHOW TO ALL CODING 2 (PENSION ARRANGED PRIVATELY) @ S9 OR
       1 (TYPE A DB PENSION) @ S10.**
       From this point on we will be asking only about your main pension.
       **SHOW TO ALL CODING 3 @ S10 (EQUAL MIX OF TYPE A DB AND TYPE
       B DC PENSIONS)**
       From this point on we will be asking only about the defined contribution part
       of your pension (TYPE A) – the part of your pension that you need to make a
       decision about, and not your salary-Related scheme

S12   In which of these regions do you live?

       London
       South East
       South West
       East Midlands
       East England
       West Midlands
       North East
       North West
       Yorkshire & the Humber
       Wales
       Scotland
       Northern Ireland

S13   To help us get a representative sample, we would like to ask, how many
       hours a week do you use the internet on average? This could be at home or
       at work?

       SINGLE CODE
       Less than one hour
       1-2 hours
       3-5 hours
       6-7 hours
       8-10 hours
       11-14 hours
       15-19 hours
       20 hours or more
       Don't Know

AWARENESS AND UNDERSTANDING OF PROPOSED CHANGES

ASK ALL
We'd like to ask you about pensions and retirement more generally.
Q1   In March 2014 the Chancellor in his Budget statement announced changes to how defined contribution pensions are managed. Were you aware of this?

Yes ....
No..
Not sure ....

ASK ALL SAYING YES (CODE 1) @ Q1. EXCLUDE THOSE WHO SAY 1 AT S6A (TOOK PENSION OR DECISION TO DEFER SEPTEMBER 2013 TO FEBRUARY 2014)
Q3   To what extent do you think this has changed / will change any decisions about managing your pension?

Completely..
Somewhat...
A little...
Not at all ....
Don't know..

ASK CODING 1 OR 1 (COMPLETELY OR SOMEWHAT) @ Q3
Q4   Could you tell us in your own words what changes you have made / will make to your decision?
Please type in below

ASK ALL
Q5   As part of the changes, the Government has announced a "Guidance Guarantee"
"Ensuring that every individual with defined contribution pension savings would be able to access impartial, high quality guidance as they approached retirement; a commitment known as the guidance guarantee.
The objective of the guidance is to empower consumers to make informed and confident decisions about how they use their pension savings in retirement."

Have you heard about this "Guidance Guarantee" before today?

Yes
No

ASK ALL CODING 1 (YES) @ Q5
Q6   How positive or negative do you feel about the Guidance Guarantee?

Very positive
Fairly positive
Neutral, neither positive nor negative
Fairly negative
Very negative

RETIREMENT INCOME CHOICES

ASK ALL

Q7   [At the point when you retired] how well prepared did / do you feel to make a decision about what to do with your pension pot in order to fund your retirement?

Completely prepared
Very well prepared
Fairly well prepared
Not very well prepared
Totally unprepared

ASK ALL CODING 2 (NOT RETIRED) AT S4A

Q8   How much have you already considered your options for what you will do with your pension pot in order to fund your retirement?

Not at all
In a very limited way
You have some ideas about what you will do
You are fairly certain about what you will do
You know what you will do

ASK ALL

Q9   What is the total size of the pension 'pot' you had / you expect to have to the nearest £000 [IF RETIRED: before accessing it]? Please give the answer in total if you had more than one pension fund. We are talking only about your Defined Contribution pension(s)
Remember – this is entirely anonymous and confidential.
Please type in your answer. Your best estimate is fine
£ _____
Not sure

ASK ALL CODING NOT SURE AT Q9

Q10   If you are not sure of the total amount, which of the following bands do you think your total pension pots fall in?

Under £5,000
£5,001-10,000
£10,001 - £15,000
£15,001 - £20,000
£20,001 – £30,000
£30,001 - £50,000
£50,001 - £100,000
£100,001 - £250,000
£250,001+
No idea

ASK ALL

Q11 Thinking about how much you will need to live on in retirement, what **annual income, before tax**, do you think you would need to the nearest £000?
Please type in your answer. Your best estimate is fine
£ _____
Not sure

ASK ALL SAYING NOT SURE @ Q11

Q12 If you are not sure of the amount, which of the following bands would your annual income would need to fall in?

Under £5,000
£5,001 – 10,000
£10,001 - £15,000
£15,001 - £20,000
£20,001 – £30,000
£30,001 - £50,000
£50,001 - £100,000
£100,000+
No idea

ASK ALL

Q13 How much annual income before tax do you [expect to] have from your defined contribution pension during retirement?

Under £1,000
£1,001 to £5,000
£5,001 to £10,000
£10,001 - £15,000
£15,001 - £20,000
£20,001 – £30,000
£30,001 - £50,000
£50,001 - £100,000
£100,001 - £250,000
£250,001+
Don't' know / not sure

ASK ALL

Q14   In addition to income from your pension, [do you currently / will you in retirement] have income from any of these sources? Tick as many as are relevant to you.

MULTICODE
Investments
Savings
Defined benefits (final salary) scheme pension
Buy to let property
Earned income
Using the value of your home to provide an income
Inheritance
None of these
Other (type in)

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1) AND NOT DEFERRED (S5B=1)

Q15   And do you plan to use any of these for income in the future? Tick as many as are relevant to you.

MULTICODE
Investments
Savings
Defined benefits (final salary) scheme pension
Buy to let property
Earned income
Downsizing (selling your main home and buying a smaller home)
None of these
Other (type in)

ASK RETIRED SEPT 13-MARCH 14 (CODE 1 @ S6A)

Q16   You said you retired between September 2013 and March this year. Which of these did you decide to do with your pension?

Pease tick all that apply
I bought an annuity with all of my pension pot...................................1
I bought an annuity with some of my pension pot............................2
My pension pot is still invested and I am drawing an income determined by me (called income drawdown) 3
I took a cash lump sum 4
I get a monthly income from my pension but I am not sure
what I bought 5
Other (specify) 6
Not sure 7

**ASK RETIRED MARCH 14 – PRESENT (CODE 2 @ S6A) UNLESS
DEFERRED (CODE 2 @ S5B)**

Q17   You said you retired in the past 6 months, what did you decide to do with your
pension?
Pease tick all that apply

I bought an annuity with all of my pension pot....................................1
I bought an annuity with some of my pension pot............................2
I bought a one year annuity...3
My pension pot is still invested and I am drawing an income determined by
me (called income drawdown) 4
I get a monthly income from my pension but I am not sure
what I bought 5
I took a cash lump sum 6
I deferred the decision 7
Other (specify) 8
Not sure 9

ASK ALL WHO HAVE DEFFERED (CODE 2 @ S5B)

Q17a   You said you deferred your decision. So far, have you taken a cash lump
sum?

Yes
No

**ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1)
WHO TOOK A LUMP SUM (CODE 4 @ Q16 OR CODE 6 Q17 OR CODE 1
@ 17A)**

Q21   How much of your pension fund have you taken as a lump sum so far?
Please just tell us the total amount including both tax free and untaxed sums
to the nearest £000.
£___
Not sure

ALL PRE-RETIREMENT (CODE 2 AT S5A)

Q18   Which of the following do you think you will do with your pension when you
come to retire?
**ASK ALL WHO HAVE DEFFERED (CODE 2 @ S5B)
OR BOUGHT ONE YEAR ANNUITY (CODE AT 3 @ Q17)**

Q18B   Which of the following do you think you will do with your pension when you
come to make a decision?

Pease tick all that apply
Buy an annuity with all of my pension pot 1
Buy an annuity with some of my pension pot 2
Leave my pension invested and draw an income determined by me (called
income drawdown)..3
Take a cash lump sum...4
Other, please specify 5
Not sure 6
I didn't/ haven't considered any of these 7

ASK ALL NOT SURE @ Q21

Q22   If you are not sure of the amount, would you be able to choose which of these bands the lump sum would fall in?

£1,001 to £5,000
£5,001 to £10,000
£10,001 - £15,000
£15,001 - £20,000
£20,001 – £30,000
£30,001 - £50,000
£50,001 - £100,000
£100,001 - £250,000
£250,001+
Don't know / not sure

ASK ALL NOT YET RETIRED (CODE 2 @ S5A) OR DEFERRED (CODE 2 @ S5B OR CODE 2 @ S6B)
WHO PLAN TO TAKE A LUMP SUM (CODE 4 @ Q18 OR Q18B)

Q23   How much of your pension fund do you intend to take as a lump sum in the future? Your best guess is fine.
£___
Not sure

ASK ALL NOT SURE AT Q23

Q24   If you are not sure of the amount, would you be able to choose which of these would best describe how much of your fund you will take as a lump sum?

All of it
Most
About half
Less than half
Don't know

ASK ALL RETIRED CHOOSING A LUMP SUM AND THOSE NOT RETIRED WHO PLAN TO TAKE A LUMP SUM (CODE 4 @ Q16 OR CODE 6 @ Q17 OR CODE 5 @ Q18 RO A18B)

Q26   And what have you done / do you intend to do with this cash lump sum?
You can choose as many as apply to you.

Keep in a current account as a safety net / rainy day fund
Keep in a savings account as a safety net / rainy day fund
Put in savings to draw on for living expenses
Buy / bought investments
Home repair and improvements
Giving / gave money to children / grandchildren or other family
Paying / paid for a special occasion celebration
A holiday
Pay / paid off a loan or other debt
Pay / paid off a mortgage
Other (specify)

FACTORS INFLUENCING CHOICES

ASK ALL

Q27a If or when you were considering whether or not to take a lump sum, which of the following did you consider? Please tick all that apply

Q27b And which one is the most important?

The interest rate available on annuities
The interest rate available on savings
Whether you could increase the value by investing
How long you are likely to live
Whether you need a pension for a spouse
Tax implications of withdrawing a lump sum
None of the above
Did not consider taking a lump sum [UNLESS HAVE TAKEN A LUMP SUM]
Did not know I had had the option of taking a lump sum [UNLESS HAVE TAKEN A LUMP SUM]

ASK ALL DEFERRED (CODE 1 AT Q16 OR S6B)

Q28 Why did you decide to delay choices on your pension arrangements?

ONLY THOSE WITH £30K+ IN FUND I'm waiting for the option to take a larger cash lump sum in 2015
I'm waiting for everything to settle down before making a choice
I was advised to do so by a professional advisor
I was advised to do so by my pension provider
I don't need to start drawing a pension income yet
I don't intend to stop working yet
I'm waiting to see what products are available
Other reasons (please type in)
Not sure

ASK ALL DEFERRED (CODE 1 AT Q16 OR S6B)

Q30 How well prepared do you feel to make a decision about what to do with your pension next year?
Completely prepared
Very well prepared
Fairly well prepared
Not very well prepared
Totally unprepared

ASK ALL

Q19 Speaking honestly to what extent do you agree or disagree with the following statements:

RANDOMISE
PRE-RETIRE
I feel confident in making decisions about my options at retirement
I understand the options available to me at retirement
IF RETIRED
I felt confident in making decisions about my options at retirement
I understood the options available to me at retirement
Strongly agree
Slightly agree
Neither agree nor disagree
Slightly disagree
Strongly disagree

ASK ALL

Q20a Thinking about your decision making at retirement when it comes to your pension pot, which of the following, if any, did you honestly take into account / do you honestly think you will take into account?

Q20b Which one of these was / is the most important thing you took / will take into account?

RANDOMISE. MULTICODE
Being able to pay for long term care
How long you are likely to live
The risk of losing money placed in investments
The effect of inflation on the value of savings
What is likely to happen to the state pension
Tax implications of your choices
The monthly income you want to receive
Other sources of income you may have
The size of your pension pot
Other pension pots
Your own health
The effect of inflation on the value of your retirement.
I didn't / haven't considered any of these

ASK ALL

Q31   Which of the following, if any, have you received from your main pension provider (the provider you were saving with) in the last couple of years?

Information about your final pension 'pot'
Information about annuities available to you
Information about changes announced in the Budget about your options in retirement
Information about your option to shop around when buying an annuity or other retirement income product
Advice about which option (e.g. annuity, lump sum etc) is best for you
Other (type in)
None of the above

ASK ALL

Q32   And, thinking about the last couple of years, in which of the following ways have you received that information from your main pension provider?
Please choose all that apply

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1) EXCEPT THOSE WHO HAVE DEFFERED (CODE 2 @ S5B)

Q33   And which of these were most important in helping you make a decision?
ASK ALL CODING 2 (NOT RETIRED) AT S4A PLUS THOSE WHO DEFERRED (CODE 2)AT S6B

Q33   And which of these have been most important so far in helping you with the decision-making process?
You can choose more than one

By phone
Letters to you
Brochures, leaflets etc
Via email
Face to face
Other (specify)
(Q32 only) I have not had any contact.............................. Skip to Q34
(Q33 only) I have not started decision making yet

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1) CHOOSING AN ANNUITY (CODES 1 OR 2 AT Q16 OR Q17)

Q34   You told us earlier you have already taken out an annuity. From which provider have you taken that annuity?

The provider with whom you have saved for your pension 1
A different company 2
Don't know / not sure 3

ASK ALL RETIRED CHOOSING AN ANNUITY WITH SAME COMPANY (CODE 1 AT Q34). THIS MAY NEED TO BE ASKED MORE THAN ONCE

Q35 Why did you choose your existing pension provider for your annuity?
Tick all that apply

The annuity offered one of the best rates available
It's important to choose a brand I trust for such a long term product
I've always had good service from this provider
I didn't know I had the option to buy an annuity from another provider
I didn't have time to shop around
Other (type in)
None of these

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1) CHOOSING AN ANNUITY (CODES 1 OR 2 AT Q16 OR Q17) WHO CHOOSE EXISTING PROVIDER (CODE 1 @ Q34)

Q36 Which of these, if any, are reasons why you did not choose your existing pension provider for your annuity? You can choose as many as apply to you.

The annuity did not offer the best rate available
I found a provider with a much better rate
I found a provider with a better rate (although it was not much better)
It's important to choose a brand I trust for such a long term product
I've not had good service from my existing pension provider
The provider I saved my pension with didn't offer annuities
Other (type in)
None of these

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1)

Q41 How many annuity quotes did you receive? Please count price comparisons sites as one quote.

None
1 – from your pension provider
1 – from a different provider
2-3
4-5
6+

ASK ALL WHO CONFIRM THEY HAVE RETIRED (S5A = 1) CHOOSING AN ANNUITY AND CODING 1 AT Q34 – FROM YOUR PENSION PROVIDER

Q37 Were you aware at the time of your decision that you could buy your annuity from any provider?

Yes 1
No 2

ASK ALL SAYING YES (CODE 1) AT Q37

Q38   How did you become aware that you could move providers for your annuity?

Newspaper articles
Annuity tables in newspapers
Price comparison websites
Information from or conversation with the company you saved with
Information from or conversation with another provider
Independent information sources such as government websites, Money
Advice Service the Pension Advisory Service etc
Consumer information websites e.g. moneysavingexpert, motley fool, Which?
Family or friends
A professional advisor who is not linked to your pension provider (e.g. IFA)
Cold call from a pension provider or other company
Other (type in)
None of these

**ASK ALL RETIRED (CODE 1 AT S5A) CHOOSING INCOME DRAWDOWN
CODE 3 AT Q16 OR CODE 4 AT Q17_**

Q39   You told us earlier you have already taken out an income drawdown. From
which provider have you taken that income drawdown?

The provider who already held your pension fund
A different company
Don't know / not sure

ASK ALL

Q40   Which of the following, if any did you use/have you used so far for
information, guidance or advice in your decision making about what to do with
your pension fund?

Newspaper articles 1
Annuity tables in newspapers 2
Price comparison websites 3
Information from annuity providers...4
Information from other financial providers 5
Independent information sources such as government
websites, Money Advice Service the Pension Advisory Service etc .6
Consumer information websites e.g. moneysavingexpert,
motley fool, Which?...7
Family or friends 8
A professional advisor who is not linked to your pension
provider (e.g. IFA)..9
An advisor from your own pension provider 10
Open internet search 11
Other (type in)..12
None of these 13

ASK ALL

Q45   A number of different professions can provide general advice about what to
do with your pension decision making at retirement. We'd like to know if you
received **regulated financial advice about your pension** at retirement. This

is a personalised recommendation from a qualified individual based on a detailed discussion of your financial needs and objectives.

Have you received regulated financial advice (although you may have decided not to follow this advice)?

Yes
No
Don't know
Can't remember

ASK ALL USING PCWS FOR INFORMATION ETC. IN MAKING THEIR DECISION (CODE 2 @Q40)

Q42   If you entered your details into a price comparison site, or other website, did you receive calls, emails, or mail from companies you did not recognise?

Yes
No
Didn't enter details

ASK ALL

Q43   How much time and effort do you feel you [have] put into your research and decision making about what to do with your pension[so far]?

A great deal
A lot
A little
None at all
None yet, but I plan to (for those yet to retire)
None yet, and I don't plan to (for those yet to retire)

ASK ALL

Q47   Thinking about the level of income you will need in retirement, which of these is most likely to be the case for you?
The level of income I need…..

Will stay more or less the same over time
Will go down over time
Will go up over time
Will vary from time to time
No idea

The next questions are about things that some people consider when they are deciding what to do with their pension fund.

ASK ALL

Q48   How is your health in general?

Very good
Good
Fair
Bad
Very bad

ASK ALL

Q49   Were you aware that some groups, for example smokers or those in poor health, can get a higher income from an annuity?
Examples are: diabetes, high blood pressure, heart disease, cancer, kidney failure

Yes
No

ASK ALL

Q50   Have you heard of an annuity before today?

Yes 1
No...2

ASK ALL YES

Q51   And, honestly speaking, how well do you understand how annuities work?

Very well 1
Quite well..2
Not very well 3
Not at all well 4

ASK ALL

Q52   Have you heard of income drawdown before today?
Yes 1
No...2

ASK ALL YES (CODE 1) AT Q52

Q53   And, honestly speaking, how well do you understand how income drawdown works?

Very well 1
Quite well..2
Not very well 3
Not at all well 4

ALL AWARE OF ANNUITY (CODE 1 @ Q50) AND LEVEL OF UNDERSTANDING IS NOT 'NOT AT ALL' (NOT CODE 4 @ Q51) AND AWARE OF INCOME DRAWDOWN (CODE 1 @ Q52) AND LEVEL OF UNDERSTANDING IS NOT 'NOT AT ALL' (NOT CODE 4 @ Q53)

Q54   The next question is about retirement products and how they work. In each case please match the descriptions to the product. You can match a description to as many products as it matches;

SHOW ANNUITY AND INCOME DRAWDOWN IF AWARE
AWARE OF ANNUITY (CODE 1 @ Q50 Annuity
AWARE OF INCOME DRAWDOWN (CODE 1 @ Q52)
Income drawdown
Savings e.g. Cash ISA
None of these
Don't know

Can provide a guaranteed income for the rest of my life
The level of income this provides could go down
Can provide an income, but that income could run out
My pension fund is at risk – I could lose some or all of my money.
The level of income this provides could go up
Allows me to leave a lump sum to my dependants
My income could decrease because of inflation
My income can be linked to inflation

ASK ALL

Q55   How much do you agree with each of these statements about managing your finances?

I like to live for today and think about the present
I would rather be safe than sorry – I prefer not to take unnecessary risks
I keep putting off retirement planning because it is so complex [SHOW ONLY TO PRE-RETIRED]
I keep putting off retirement planning because I am afraid I will make the wrong decision [SHOW ONLY TO PRE-RETIRED]
I'd rather stick with a brand I know well for my retirement income
I am very organised when it comes to managing my money
I worry about having enough income to manage in the future
I am comfortable with taking some risk to grow my funds

SINGLE CODE
Strongly agree
Slightly agree
Neither agree nor disagree
Slightly disagree
Strongly disagree
Not applicable

ASK ALL

Q56   Which of the following statements best describes your attitude towards personal finance?

RANDOMISE

I am extremely knowledgeable and interested – something of an expert
I am interested and knowledgeable, but don't consider myself an expert
I am interested but not that knowledgeable
I do what I have to out of necessity, but am not particularly interested
I am not interested in personal finance matters

DEMOGRAPHIC QUESTIONS

Now, we have some questions to give us a profile of the kinds of people we interviewed for this survey

C1 Firstly, do you work?
Choose as many as apply to you

Employed full time
Employed part time
Self-employed
Not in paid employment
Student
Retired
Rather not say

C2 Are you…?
Choose one only

Married, in a civil partnership or living with your partner
Single
Widowed
Separated / divorced / dissolved civil partnership
Rather not say

C3a Do you have any children aged 15 or under living at home?
Choose one only

Yes
No
Would rather not say

C3b How many adults are there in your household, including yourself?

Enter number
Would rather not say

C4 What is your TOTAL ANNUAL **HOUSEHOLD** INCOME from all sources BEFORE TAX and other deductions?

C5 And what is your TOTAL ANNUAL **PERSONAL** INCOME from all sources BEFORE TAX and other deductions

SINGLE CODE
Up to £9,499
£9,500 - £19,999
£20,000 - £34,999
£35,000 - £49,999
£50,000 – £74,999
£75,000 - £99,999
£100,000+
Would rather not say

C6 **ASK ALL**
Please confirm whether or not you personally are you the chief income earner in your household (that is the person with the largest income, whether from employment, pensions, state benefits, investments or any other source)?

Yes
No

ASK IF NOT CHIEF INCOME EARNER IN HOUSEHOLD
C7 Is the Chief Income Earner regularly employed including self-employment? If you are (he/she is) employed both full-time and part-time please select 'full-time'

Employed full-time (30+ hours per week) 1
Employed part-time (8-30 hours per week) 2
Not employed (less than 8 hours per week) 3

ALL 'NOT EMPLOYED' (CODE 3) AT C7
C8 Is the Chief Income Earner…

Housewife/househusband..1
Student 2
Retired..3
Unemployed..4

ALL 'STUDENT' (CODE 2) AT C8
C9 Are they living at home, home with parents or away from home?

At home
At home with parents
Away from home

ASK ALL 'EMPLOYED' (CODES 1 OR 2 AT C7)
C10 In their work, how many staff are you/ is the chief income earner responsible for, if any?

[enter number]
None

C11   What is the highest level of qualification you have obtained?

SINGLE CODE
No formal qualifications 1
GCSE / O levels / CSE / School Certificate / NVQ 12
ONC / BTEC / apprenticeship / NVQ2 3
A levels, AS levels or Highers / NVQ3..4
Higher education below degree level (e.g. HNC) 5
Degree or higher degree / NVQ4 / NVQ5 6
Other qualifications (including overseas qualification below degree level)   7

C12   We need to know the geographical spread of the people who take part in this survey. Could you please provide us with your full post code.

___ ____
Prefer not to say

C13.   We would like to be able to undertake specific analysis for this research. To do this we need your full name and title (eg Mr, Mrs, MS, Miss, Dr etc). If you are happy to provide it please enter it below. If you do not wish to provide this, please tick 'would rather not say'

 Would rather not say

IF REFUSED PLEASE DO NOT ASK C14

C14. And finally, to do this analysis, we also need the first line of your address including house name or number and street name. If you do not wish to provide this, please tick 'would rather not say'

 Would rather not say

Thank and close