

Workplace Pensions - UK - June 2018

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“The challenge of auto-enrolment has just begun as increases to minimum contributions help consumers build up more meaningful funds. The opt-out rate will almost certainly rise, as workers find that they cannot afford the higher deductions taken from their salary. Minimising this rise will be key, while also extolling the benefits of voluntarily increasing pension contributions.”
- **Sam Marks, Financial Services Analyst**

This report looks at the following areas:

- **The need for better education**
- **Increased engagement is key to higher contributions**

The number of people with a workplace pension has risen significantly since the launch of auto-enrolment in 2012. Consumers see the need to save for their retirement, but need to be nudged towards making higher contributions. Raising the minimum employee contribution will help with this.

However, increasing the amount that people have to pay in to their pension runs the risk of a spike in people opting out if they feel they cannot afford it. Improving pension engagement and highlighting the need to contribute as much as possible to maximise retirement prospects will be important to keep as many people enrolled in workplace pensions as possible.

This Report looks at the UK workplace pension market. This includes discussion of the size of the market, including a five-year forecast for new contracts, and a look at the key market drivers and regulatory changes. The Report also considers the main market players and their competitive strategies. Finally, Mintel's exclusive consumer research explores workplace pension ownership, the type or scheme people are enrolled in, satisfaction with pensions, and consumer attitudes towards workplace pensions.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Table of Contents

Overview

What you need to know
Scope of this Report
Trust-based pensions
Contract-based pensions

Executive Summary

The market
New premiums fell by 15% in 2017...
Figure 1: Value of new insurer-administered trust-based and group-based pension business* 2013-17
...and are expected to continue to decline
Figure 2: Forecast of the value of new insurer-administered trust-based and group-based pension contracts, 2013-23
1.2 million employers have met their auto-enrolment duties
Minimum contribution rises begin
Companies and brands
Top five represent two thirds of the trust-based market
Focus on engagement to improve satisfaction and increase contributions
Fintech challengers focus on technology innovation
The consumer
Three quarters of employees are enrolled in a workplace pension
Figure 3: Workplace pension enrolment, April 2018
35% say they are in a DC scheme, but many are confused
Figure 4: Type of workplace pension enrolled in, April 2018
63% support increasing contributions
Figure 5: Attitudes towards workplace pensions, April 2018
Most are satisfied with their workplace pension
Figure 6: Satisfaction with workplace pension, April 2018
Two thirds know exactly what they are contributing
Figure 7: Engagement with workplace pensions, April 2018
What we think

Issues and Insights

The need for better education
The facts
The implications
Increased engagement is key to higher contributions
The facts
The implications

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The Market – What You Need to Know

- New premiums fell by 15% in 2017
- Workplace pension ownership continues to rise
- 1.2 million employers have met their auto-enrolment duties
- Minimum contribution rises begin

Market Size and Forecast

- New contracts recover whilst premiums stall...
 - Figure 8: New insurer-administered trust-based and group-based pension business (volume and value) 2013-17
- ...with further decline expected
 - Figure 9: Forecast of the value of new insurer-administered trust-based and group-based pension contracts, 2013-23
 - Figure 10: Forecast of the value of new insurer-administered trust-based and group-based pension contracts, at current and constant prices, 2013-23
- Forecast methodology

Trends in Workplace Pension Ownership

- Workplace pension ownership continues to climb
 - Figure 11: Proportion of employees with workplace pensions, 1997-2017
- Private sector growth confined to contributions below 2% or earnings
 - Figure 12: Percentage of salary personally contributed by employees with workplace pensions, by sector, 2016 and 2017

Market Drivers

- Employer pensions are the most trusted way of saving for retirement...
 - Figure 13: Financial products that consumers consider the safest way to save for retirement, July 2010-June 2012, July 2012-June 2014, July 2014-June 2016 and July 2016-June 2017
- ...but property is seen as the most lucrative option
 - Figure 14: Financial products for saving for retirement that consumers consider make the most money, July 2010-June 2012, July 2012-June 2014, July 2014-June 2016 and July 2016-June 2017
- House prices continued to rise in 2017, but the market has slowed
 - Figure 15: Average house prices in the UK, by country, January 2005-January 2018
- 97% of auto-enrolment schemes are defined contribution
 - Figure 16: Pension scheme types and number of auto-enrolled eligible jobholders declared by employers, as at 31 March 2017
- 1.2 million employers have met their auto-enrolment duties
 - Figure 17: Declarations of compliance, March 2018

Regulatory and Legislative Changes

- Minimum contribution rises begin
 - Figure 18: Minimum employer and staff contributions to be paid to workplace pensions
- The State Pension has increased
- Automatic enrolment review 2017
- A lack of clarity over plans for the Pensions Dashboard

Companies and Brands – What You Need to Know

- Top five represent two thirds of the trust-based market
- Aviva is the biggest provider of contract-based schemes

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Focus on engagement to improve satisfaction and increase contributions
Fintech challengers focus on technology innovation
Adspend declined significantly in the last year

Provider Rankings and Market Share

Top five represent two thirds of the trust-based market

Figure 19: Rankings of top 20 providers of insurance-administered trust-based occupational pension business, by gross premiums, 2016

Aviva maintains its prime position

Figure 20: Rankings of top 20 providers of insurance-administered individual and group contract-based pension business, by gross premiums, 2016

Competitive Strategies

Regulation hampers innovation
Focus on engagement to improve satisfaction and increase contributions
Fintech challengers focus on technology innovation
Consolidation in the market

Advertising and Marketing Activity

Adspend declined significantly in the last year

Figure 21: Total above-the-line, online display and direct mail advertising expenditure on pension products and advice, 2015/16-2017/18

TV attracts over a third of total spend

Figure 22: Distribution of above-the-line, online display and direct mail advertising expenditure on pension products and advice, by media type, April 2017-March 2018

GOV UK becomes highest spender

Figure 23: Top 15 above-the-line, online display and direct mail advertisers of pension products and advice, 2016/17-2017/18

Nielsen Ad Intel coverage

The Consumer – What You Need to Know

Private sector workers comprise 73% of the workforce
Three quarters of employees are enrolled in a workplace pension
35% say they are in a DC scheme, but many are confused
63% support increasing contributions
Most are satisfied with their workplace pension
Two thirds know exactly what they are contributing

Size and Sector of Employer

Private sector workers comprise 73% of the workforce

Figure 24: Size and sector of employer worked for, April 2018

Public sector workers are feeling the squeeze

Figure 25: Changes in financial situation, by type of employer, April 2018

Pension Enrolment

Three quarters of employees are enrolled in a workplace pension

Figure 26: Workplace pension enrolment, April 2018

Public sector workers still more likely to be enrolled in a pension

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Figure 27: Consumers enrolled in a workplace pension, by type of employer, April 2018

Short-term concerns, long-term repercussions?

Figure 28: Consumers who have opted out of a workplace pension, by financial confidence, April 2018

Type of Workplace Pension

Growth in DC schemes masked by rising confusion

Figure 29: Type of workplace pension enrolled in, April 2017 vs April 2018

More help is needed to educate certain groups

Figure 30: Type of workplace pension enrolled in, by gender and gross household income, April 2018

Final-salary schemes in decline

Figure 31: Type of workplace pension enrolled in, by type of employer, April 2018

Attitudes towards Workplace Pensions

63% support increasing contributions...

Figure 32: Attitudes towards workplace pensions, April 2018

...but many could face tough choices in the coming years

Figure 33: Agreement with selected attitudes towards workplace pensions, by type of workplace pension held, April 2018

More than half worry about a their standard of living in retirement

It's never too soon to prioritise pensions

Figure 34: Agreement with selected attitudes towards workplace pensions, by generation, April 2018

Satisfaction of Workplace Pension

Most are satisfied with their workplace pension...

Figure 35: Satisfaction with workplace pension, by age, April 2018

...but DC scheme members aren't as happy

Figure 36: Satisfaction with workplace pension, by type of workplace pension held, April 2018

Engagement with Workplace Pensions

Two thirds know exactly what they are contributing

Figure 37: Engagement with Workplace Pensions, April 2018

42% regularly check the value of their pensions...

...but vulnerable savers are less engaged

Figure 38: Agreement with the statement "I regularly check the value of my pension", by current financial situation, April 2018

The case for advice needs to be made more convincingly

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

Appendix – Market Size and Forecast

Figure 39: Best- and worst-case forecast of the value of new workplace pension contracts, 2018-23

Forecast methodology

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