

Personal Pensions - UK - April 2016

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“The pension freedoms brought renewed interest to the personal pensions market in 2015. However, the pace of legislative and regulatory change is undermining confidence in pension savings, with consumers looking towards alternative investments to fund retirement.”
– Jessica Galletley, Financial Services Analyst

This report looks at the following areas:

- Reliance on familial advice offers a route to pension conversations
- Workplace pensions scheme moves responsibility for saving enough away from consumers
- Affordability will still inhibit take-up of robo-advice

The personal pensions market has seen a rapid decline in new premium business over the past few years. However, the implementation of new pension freedoms in 2015 has renewed interest in pension savings.

However, the full impact of the new rules is yet to be seen, with the prospect of further change continuing to pose a challenge for the future of the personal pensions market. The announcement of the new Lifetime ISA and speculation about further change to pension tax relief could also limit demand going forward. In addition, providers face widespread disengagement among consumers about saving for the long term and confusion about pensions and benefits of saving in one.

This Report explores the regulatory environment for the personal pensions market, including analysis on the potential threats and opportunities facing the market. It presents Mintel's exclusive consumer research, which explores the attitudes of both those with and without personal pensions. It analyses the ongoing challenges consumers face in saving towards retirement, and presents recommendations for how providers and advisers can encourage consumers to become more active in considering their retirement income plans.

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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
 Products covered in this Report
 Personal pensions
 Individual stakeholder pensions
 Products not covered in this Report

Executive Summary

The market
 Regular premiums grew by 20% in 2015
 Figure 1: New personal pension and individual stakeholder pension business, 2011-15

But regulatory change inhibits personal pension contributions
 Personal pensions compete with ISAs...
 ...and SIPPs grow in popularity
 Majority of personal pensions sold via independent advisers
 Companies and brands
 Lloyds Banking Group retains biggest market share
 Figure 2: Ranking of individual pension providers – UK, by GWP relating to total individual pension business*, 2013 and 2014

Investment in digital
 Scrapping early exit fees
 The consumer
 15% of non-retirees have a personal pension
 Figure 3: Pension product ownership, December 2015

Affordability is the biggest barrier to personal pension savings
 Figure 4: Barriers to owning or contributing to a personal pension, December 2015

Nearly a fifth of personal pension holders prefer to save or invest elsewhere
 Figure 5: Attitudes towards personal pensions and saving for retirement, December 2015

Online information most commonly used source
 Figure 6: Expected sources of information about personal pensions, December 2015

Changing pension rules is undermining saving for retirement
 Figure 7: Attitudes towards pensions and saving for retirement, December 2015

What we think

Issues and Insights

Reliance on familial advice offers a route to pension conversations
 The facts
 The implications
 Workplace pensions scheme moves responsibility for saving enough away from consumers

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The facts

The implications

Affordability will still inhibit take-up of robo-advice

The facts

The implications

The Market – What You Need to Know

Regular personal pension premiums increase by 20%

Pension freedoms reverse downward trend in premium contributions

Lifetime ISA will provide competition to personal pensions

SIPP volumes grow

Majority of personal pensions sold via independent advisers

Market Size and Forecast

Significant increase in regular and premium business

Figure 8: New personal pension and individual stakeholder pension business, 2011-15

Over two thirds of new business are transfers

Figure 9: Transfers as a share of new personal and individual stakeholder business, 2011-15

Market forecast

Figure 10: Forecast for new regular personal pension and individual stakeholder pension premiums, 2015-20

Figure 11: Forecast for new regular personal pension and individual stakeholder pension premiums, 2015-20

Forecast methodology

Market Drivers

Auto-enrolment brings focus to pensions...

...but pensions compete with ISAs for contributions

Spenders rather than savers

Earnings growth increases ability to save

Figure 12: Consumer price index and average weekly earnings growth, 2011-16

SIPPs appeal to a wider audience

Regulatory and Legislative Developments

Pension freedoms reverse downward trend

New Lifetime ISA will compete with personal pensions...

...but many would be better off continuing to save in a pension

Pension tax relief reform on hold – for now

Financial Advice Market Review

Making advice more affordable

Improving communications with consumers

Early exit charge limits

Wider regulatory changes on the horizon

Channels to Market

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Regulation has affected the availability of advice...

...but the FAMR outlines plans to tackle the issue

Majority of personal pensions sold via independent advisers

Figure 13: New personal pension business, by sales channel, 2014-15

Figure 14: New individual stakeholder pension business, by sales channel, 2014-15

Key Players – What You Need to Know

Lloyds retains biggest market share

Investing in digital services

Scrapping exit fees

Adspend increases dramatically due to government activity

Market Share

Top five represent two thirds of all pension business

Lloyds Banking Group maintains top position

Consolidation yet to be reflected in the rankings

Figure 15: Ranking of individual pension providers – UK, by GWP relating to total individual pension business*, 2013 and 2014

Competitive Strategies

Investment in digital

Robo-advice platforms

At-retirement advice

Scrapping early exit fees

Minimum contribution amounts

Figure 16: Minimum contribution amounts, for selected providers, March 2016

Busy period for mergers and acquisitions

Aviva buys Friends Life

L&G sells Suffolk Life

Swiss RE buys Guardian Financial Services

Old Mutual splitting business into four areas

Advertising and Marketing Activity

Overall pension adspend nearly doubles in 2015...

Figure 17: Total above-the line, online display and direct mail advertising expenditure on pensions, 2011-15

...but personal pension adspend remains a small proportion of overall total

Figure 18: Total advertising expenditure on pension and retirement income products, by sub-category, 2011-15

DWP tops list of advertisers

Figure 19: Top 10 advertisers of pension products (excluding retirement income products), 2013-15

Nielsen Media Research coverage

The Consumer – What You Need to Know

57% of non-retirees own a pension

Affordability inhibits personal pension ownership

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Over-45s prefer a conservative approach to pensions
 Younger consumers prefer informal sources of information
 Pensions seen as difficult to understand

Pension Ownership

57% of non-retirees own a pension...
 ...but two in five have no pension savings
 Personal pension ownership is falling
 Interest in SIPPs is rising
 Figure 20: Pension product ownership, December 2015

Self-employed are more likely to own a personal pension
 Figure 21: Pension product ownership, by employment type, December 2015

Traditional gender roles affect personal pension ownership
 59% of personal pension holders are regular contributors
 Figure 22: Regular contribution to personal pension, December 2015

Barriers to Personal Pension Ownership

Workplace pensions biggest barrier to personal pension contributions
 Self-employed are less likely to be able to afford to save
 More people seeing the benefits of property development
 Millennials need access to education on pensions
 Figure 23: Barriers to personal pension ownership, December 2015

18-24s are more likely to be in a position to save
 Figure 24: Age, by financial situation, December 2015

Personal pension contributions inhibited by lack of earnings
 Figure 25: Agreement with the statement 'I don't earn enough to contribute to a personal pension', by pension ownership, December 2015

Attitudes of Personal Pension Holders

Personal pension holders prefer a conservative approach
 Figure 26: Attitudes towards personal pensions and saving for retirement, December 2015

Nearly a fifth prefer to save or invest elsewhere
 A fifth are interested in managing their own investments
 Figure 27: Attitudes towards personal pensions and saving for retirement, December 2015

Expected Sources of Information for Personal Pensions

Online sources and IFAs rank highly
 Figure 28: Expected source of information for personal pensions, December 2015

Wealthier households value the advice given by IFAs
 Figure 29: Expected source of information for personal pensions, by household income, December 2015

Younger people prefer more informal advice
 Figure 30: Expected use of family and friends as a source of information, by age, December 2015

Partner with employers to offer professional advice

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Using one source of information is enough

Figure 31: Expected source of information for personal pensions – Repertoire – December 2015

Attitudes towards Pensions and Saving for Retirement

Confusion around pensions needs to be addressed

Education and tracking tools could boost engagement

Frequent changes disrupt retirement planning

Figure 32: Attitudes towards pensions and saving for retirement, December 2015

Online offers an alternative to professional F2F advice

Figure 33: Expected source of information for personal pensions, by agreement with the statement 'It is worth paying for professional advice about pensions', December 2015

Parents see the worth in professional advice

Figure 34: Attitudes to pensions and saving for retirement – CHAID – Tree output, December 2015

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

CHAID Methodology

Appendix – Market Size and Forecast

Market forecast

Figure 35: Forecast for new regular personal pension and individual stakeholder pension premiums, 2015-20

Forecast methodology

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