

Retirement Planning - UK - January 2016

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“It is too early to judge whether pension freedoms has had a generally positive or negative impact on consumers. However, there is no doubt as to the scale of the impact they have already had on the retirement industry. Product providers and advisors are developing new offerings, while regulators are watching closely for warning signs.”
– Deborah Osguthorpe, Head of UK Financial Services Research

This report looks at the following areas:

- Rise of the robo-advisers
- Are people making the most of increased choice?
- More awareness, less understanding?

The retirement industry has been in a state of vast and rapid change since the pension freedoms reforms were announced in April 2014. Since they took effect in April 2015, consumers have faced a much greater level of choice about how to fund their retirement. The most obvious result seen in the industry has been the near-collapse of the annuities market as consumers have deferred making retirement decisions or taken advantage of the other options newly open to them.

Other areas of financial services have been affected too. In particular, financial advisers have been prompted to develop more accessible services in order to serve a generation of retirees who may have never used advice but suddenly find themselves in need of it. Elsewhere in the advice sector, high street banks have been tempted to return with retirement-specific propositions, having all-but-deserted advice in the wake of the Retail Distribution Review (RDR).

This report examines how people plan for retirement. The retirement planning environment is examined, including the main products used by consumers to save for retirement, as well as those that provide a retirement income. The report also discusses recent developments in advice and guidance. Mintel's exclusive consumer research looks at consumers' saving and investment holdings, the use and expected use of different sources of financial advice and guidance, and interest in various channels for receiving these services. Understanding of the retirement income options is examined, as well as consumer attitudes towards retirement planning, such as whether people pay enough attention to retirement and how confident they are about their retirement prospects.

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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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