

Employers' awareness, understanding and activity relating to automatic enrolment and evaluation of communications campaign

Autumn 2014 - A Summary Research Report
March 2015



Contents

1.	Executive Summary	1
1.1.	Introduction	1
1.2.	Key Findings	2
1.2.1.	Awareness of automatic enrolment remained high however levels of understanding of the reforms fallen to Autumn 2013 levels	2
1.2.2.	Most employers said they had seen or heard advertising about automatic enrolment, with television dominating spontaneous recall. Recall of the Department for Work and Pensions (DWP) as sponsor of advertising higher than the regulator, but significantly lower than 6 months ago	3
1.2.3.	The radio adverts had the highest level of recall and message cut-through across all employer sizes	4
1.2.4.	Employer attitudes towards automatic enrolment remained generally positive, although there is some evidence that small employers are less positive than previously	4
1.2.5.	Eight in ten employers staging between June and November 2015 have commenced preparation to meet their automatic enrolment duties	5
1.2.6.	Eight in ten smaller medium and small employers have consulted an adviser or will do so, and two thirds (65%) of micros, with IFAs and accountants the main adviser types used	5
2.	Background and Methodology	6
2.1.	Background to automatic enrolment	6
2.2.	Communications campaign aimed at employers	7
2.3.	Research Objectives	9
2.4.	Survey methodology	10
2.4.1.	Presentation of survey data	10
2.4.2.	Statistically significant differences	11
2.4.3.	Technical Report	11
3.	Key Findings	12
3.1.	Awareness and understanding of automatic enrolment	12
3.2.	Sources of information about automatic enrolment	16
3.3.	Spontaneous and prompted recall of advertising	17
3.3.1.	Spontaneous (top-of-mind) advertising recall	17
3.3.2.	Prompted advertising recall	18
3.4.	Attitudes towards automatic enrolment	21
3.5.	Preparedness for automatic enrolment	22
3.6.	Use of external advisers	24
3.7.	Awareness of the regulator and use of its website	26
3.7.1.	Awareness of the regulator	26
3.7.2.	Use of the regulator's website	27

1. Executive Summary

1.1. Introduction

This report summarises the results from the Autumn 2014 survey wave carried out by Jigsaw Research, an independent market research agency, on behalf of The Pensions Regulator (the regulator). It follows a series of previous biannual survey waves conducted since 2011.

The main objectives of the research were:

- To identify and track employers' awareness, understanding, knowledge, attitudes and intended actions in relation to the 2012 pension reforms; and
- To determine the impact of the recent employer advertising activity carried out on behalf of the regulator.

The survey wave comprised 608 interviews conducted in November 2014, among smaller medium employers (with between 50 and 60 employees)¹, small employers (with between 5 and 49 employees) and micro employers (i.e. between 1 and 4 employees).

With all large employers (i.e. with 250 or more employees) and most medium employers having gone through staging, the regulator's attention in the run-up to this survey wave, like its latest advertising campaign, had switched to focus on employers who will be staging from March 2015 onwards i.e. employers with fewer than 60 employees, with most having fewer than 30.

This report is accompanied by a Technical Report, also prepared by Jigsaw Research, which details the responses to all of the questions asked in the survey, broken down by the employer sub-groups.

¹ Reference to 'smaller medium' employers is made throughout the report. In this survey wave we included only the smaller medium employers (with 50 to 60 employees) on the basis that larger employers (i.e. those with 61 to 249 employees) were too close to their staging date, no more than four months away, for it to be appropriate to include them.

1.2. Overview of findings

1.2.1. Awareness² of automatic enrolment remained high however levels of understanding³ of the reforms fell to Autumn 2013 levels, largely due to the regulator renaming “registration” as “declaration of compliance”⁴

Levels of awareness of automatic enrolment were largely unchanged across all three employer sizes compared to the spring 2014 survey wave. Awareness remained very high among smaller medium employers (97%), high among small employers (86%) and lowest amongst micro employers (65%).

From June 2015 to April 2017 onwards all employers due to stage are small or micro employers. For employers in this cohort an employer’s staging date is clearly a key determinant of awareness of, understanding of and engagement with automatic enrolment.

Awareness increased significantly among those staging between June and November 2015 from 85% to 95%. A main cause of this is likely to be that all employers with these staging dates would have received at least one direct written communication from the regulator since the last survey wave informing them of their automatic enrolment duties.

In contrast, levels of understanding fell among all employer sizes, although this seems mainly to be due to a survey question wording change in relation to awareness of the need to complete the declaration of compliance. This in turn seems to show that the change in terminology from “registration” to “declaration of compliance” is still being assimilated by employers.

Understanding levels among smaller medium employers stood at 75% (from 85% in Spring 2014), falling to 50% of small employers (from 63%) and 34% of micro employers (from 49%).

The other aspect of understanding that fell compared to the previous wave was the requirement to communicate to employees on an individual basis which fell among micro employers, from 76% in Spring 2014 to 66%.

² See page 12 for full definition of awareness

³ See page 13 for full definition of understanding

⁴ In June 2014, the term ‘registration’ was renamed as a ‘declaration of compliance’ following research the regulator carried with smaller employers which identified that the latter term was clearer to them.

Within the measure of understanding, among employers due to stage between June and November 2015 awareness of the need to provide a pension scheme increased to being almost universal (99%), compared to 89% in Spring 2014.

1.2.2. A high and greater proportion of employers due to stage in 2015 knew their staging date

Nearly all (94%) of those staging in March/April 2015 (i.e. smaller medium employers) knew their staging date, an increase from 83% in the Spring 2014 survey. Among those staging between June and November 2015, over two thirds (69%) knew their staging date, an improvement from 43% in Spring 2014). Employers with a staging date in 2016 or 2017 were much less likely to know their staging date.

1.2.3. Most employers said they had seen or heard advertising about automatic enrolment, with television continuing to dominate spontaneous recall, and salience of the regulator's advertising highest among smaller medium employers

Most employers said they were aware of advertising about automatic enrolment, ranging from four fifths (81%) of smaller medium employers to two thirds (63%) of micro employers. Among small employers staging in 2016, almost two thirds (61%) recalled advertising compared to 79% of those staging in 2017.

Recall of the Department for Work and Pensions (DWP) as sponsor of advertising was higher than the regulator, but significantly lower than six months earlier.

When prompted with a list of government organisations, smaller medium employers in particular were more likely to recall the regulator as the sponsor of the advertising (69%) than small (27%) or micro employers (20%). This difference is most likely due to smaller medium employers having already received a direct communication (letter) from the regulator. These levels of attribution to the regulator were similar to in the Spring 2014 survey wave. HMRC and the DWP remained, like last wave, more likely than the regulator to be named as the sponsor of advertising among small and micro employers, though the DWP was named by significantly fewer this wave.

1.2.4. The regulator's radio adverts had higher recall and message cut-through across all employer sizes than the press and online advertising. The compliance message in the adverts achieved a high level of cut-through

Employers were shown examples of the regulator's press and digital advertising and also listened to the radio advert. As was the case in the Spring 2014 survey, across employer sizes, the radio advert was recalled the most, ranging from 26% of small and micro employers to 19% of smaller medium employers.

The press and digital advertising was recalled by fewer employers than the radio advertising: between 6% and 14% of the various employer size groups.

All adverts were seen to convey a stronger 'compliance' ("there is a new law") message than the previous campaign evaluated in the Spring 2014 wave, as well as a "need to act now". Among small employers recognising the radio advert, 35% recalled the message that 'all employers need to comply', compared to 14% last wave. A third (29%) of those staging between June and November 2015 had acted, or planned to act, as a result of the advertising. This was lower among 2016 staggers, 22%, but higher among those staging between January and April 2017 (32%).

1.2.5. Employer attitudes towards automatic enrolment remained generally positive, although there is some evidence that small employers are less positive than previously

As found in previous waves, the majority of employers were likely to believe that automatic enrolment was a "good idea": 86% of smaller medium employers, 74% of small and 71% of micro employers. The proportion of small employers who said it was a good idea (74%) was lower than the 86% who reported this in Spring 2014.

Half (48%) of small employers felt it would be difficult to financially contribute to a pension, an increase from 39% six months ago and now at a very similar level to micro employers (47%).

A significant minority of micro employers (18%) believe that they do not need to do anything to comply with automatic enrolment.

1.2.6. Eight in ten employers staging between June and November 2015 have commenced preparation to meet their automatic enrolment duties

Among employers with a staging date between June and November 2015 three quarters (78%) had begun to draw up plans in preparation to meet their automatic enrolment duties. This proportion was much lower among employers with later staging dates (who therefore will not have received any direct communication from the regulator yet): 37% among employers with a staging date between January and November 2016, and 28% among those staging between January and April 2017.

Among the June - November 2015 stagers a significant proportion had not yet started key tasks: 41% had not begun investigating which pension scheme to use, 39% had not worked out how many employees to enrol and 31% had not contacted their payroll provider to see if the software will work for automatic enrolment.

1.2.7. Eight in ten smaller medium and small employers have consulted an adviser or will do so, and two thirds (65%) of micros, with IFAs and accountants the main adviser types used

Four fifths of smaller medium and small employers (80% and 81% respectively) had either already consulted an adviser regarding automatic enrolment or planned to do so. Fewer (65%) of micro employers reported this.

Smaller medium employers were most likely to use/plan to use a financial adviser (41%) or accountant/auditor (24%). Small employers were most likely to use these two types also (34% and 28% respectively). Micro employers were most likely to use an accountant (46%), followed by a financial adviser (25%).

2. Background and Methodology

2.1. Background to automatic enrolment

The workplace pension reforms⁵ are set out in the Pensions Act 2008 and were introduced in October 2012 with large employers being subject to the duties first. Large employers became subject to the duties (i.e. had their staging date) between October 2012 and February 2014, medium employers between April 2014 to April 2015 and small/micro employers from June 2015. Large employers are those with 250 or more employees; medium: 50 to 249 employees; small: 5 to 49 employees; micro: 1 to 4 employees.

Under the reforms, employers are required to automatically enrol certain members of their workforce (eligible jobholders, who are aged between 22 and State Pension age, working or ordinarily working in the UK and earning more than £10,000⁶ per annum) into a qualifying workplace pension scheme, unless the worker is already a member of a qualifying pension scheme. Eligible jobholders can, however, choose to opt out of pension scheme membership. Depending on their level of earnings and age, other members of an employer's workforce will be able to choose to join or opt in to a pension scheme and, if they do, the employer is required to enrol them into a workplace pension scheme⁷. The type of pension scheme into which they must be enrolled depends upon the status of the worker.

Employers may choose to enrol eligible jobholders into an existing pension scheme provided it meets or exceeds the minimum requirements set out in the reforms.

Alternatively employers can set up a new scheme which meets these requirements or amend their existing pension arrangements to meet or exceed the minimum requirements set out in the reforms.

⁵ The reforms are also referred to as 'automatic enrolment' in this report.

⁶ This amount is in 2013 / 14 terms and will be reviewed annually.

⁷ Where 'pension scheme' is referred to in this report this always relates to a workplace pension scheme unless otherwise stated.

Employers must also complete a declaration of compliance (registration) with the regulator to say they have complied with their duties.

2.2. Communicating reforms to employers

The regulator supports employer compliance by prompting them to achieve specific milestones during their preparations and by raising awareness and understanding of their responsibilities, through direct and indirect engagement. It does this via multiple channels and adapts its communication activities to make it as easy as possible for employers to understand how to comply with their duties.

In alignment with the Government's 'digital by default' strategy, the regulator's primary communications channel is its website. It contains focused areas dedicated to employers, intermediaries, pensions professionals, trustees and individuals to help employers comply with their obligations. It provides information and web tools to address all main activities required, including informing when the new duties come into force for an employer ('staging date tool'), supporting their planning ('online planning tool'), how to select a pension scheme and declaring their compliance through the online portal. It also provides detailed guidance.

The regulator sends letters to employers to ensure they are aware of what they need to do, and by when to comply with their duties. As well as key communications via post, employers receive a number of regular email communications highlighting key activities during their compliance journey, with signposting given to the regulator's website. First contact with employers is made at least 12 months prior to their staging date.

2.3. Advertising campaign aimed at employers

An important additional purpose of the tracking survey since the Spring 2014 wave is to evaluate the impact and effectiveness of advertising by the regulator.

Employer-targeted advertising bursts took place during 2013, followed by a continuous campaign from January to May 2014. A further campaign took place during October and November 2014, using a new advertising creative.

The main target audience for the advertising was employers who will be staging from March 2015 onwards i.e. employers with fewer than 60 employees, with most having fewer than 30.

The main aims of the communications campaign during October and November 2014 were:

- for employers to be aware that the regulator is the authority on automatic enrolment and that its website is the place to go for information
- for employers not already engaged with automatic enrolment to visit the regulator's website to find out their staging date and familiarise themselves with the online tools available
- for the target audiences to understand there are specific actions they need to take to ensure compliance with the law, including declaring their compliance with the regulator

The advertising campaign comprised the following:

- radio (including an end message that the regulator is the UK government body that regulates workplace pensions)
- trade press and national press
- digital advertising (including mobile)
- social media activity on Twitter and LinkedIn
- dedicated landing pages on the regulator's website for both employer and intermediary advertising activity

An Intermediary advertising campaign ran alongside the Employer campaign, following the same creative direction, but tailored to the Intermediary

audience (i.e. accountants, bookkeepers, IFAs, payroll administrators). The intermediary campaign ran across specialist trade titles and on digital channels. The principle message was “You can’t ignore it. Act now”. A parallel survey took place among intermediaries who support employers with automatic enrolment, which evaluated the impact of the campaign targeted at them⁸.

2.4. Research Objectives

The objectives of the research were:

1. To identify and track employers’ awareness, understanding, knowledge, attitudes, actions and intended actions in relation to automatic enrolment
2. To determine sources of awareness of and information about automatic enrolment
3. To determine the impact of the employer advertising campaign and understand employers’ perceptions of it
4. To understand what information and support employers have sought regarding automatic enrolment and from which sources
5. To identify any issues that prevent employers from preparing for automatic enrolment
6. To measure awareness, knowledge and associations of the regulator
7. To gain findings in relation to all of the research objectives above among the three different employer size bands and staging date bands from March 2015 to April 2017.

The employer contact data was sourced from HMRC with staging date appended, as was the case in the Spring 2014 wave. Prior to Spring 2014, the research comprised a nationally representative telephone survey of employers operating in the UK, using contacts sourced from the Experian business database

Given the need to analyse the findings among staging dates, it was necessary to sample based on staging date.

⁸ You can see the intermediary report at www.tpr.gov.uk/research

Medium employers with more than 60 employees were excluded from the survey on the basis that they were already close to their staging date (no more than four months).

2.5. Survey methodology

The survey took the form of a telephone survey, comprising 608 interviews, conducted in November 2014. The survey sample included smaller medium employers (with between 50 and 60 employees)⁹, small employers (with between 5 and 49 employees) and micro employers (with between 1 and 4 employees). All of these employers had a staging date from 1 March 2015 onwards. Quotas were set on employer size bands and staging date bands. The breakdown of interviews achieved is shown in Table 1, below:

Table 1: Interview breakdown in Autumn 2014 survey

	Size of employer			Staging date			
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	March to April 15 (50-60 employees)	June to November 15 (1-49 employees)	January to November 16 (<30 employees)	January to April 17 (<30 employees)
Number of interviews achieved	64	264	280	64	87	365	92

When answering questions in the survey about the advertising, respondents accessed copies of the press and digital adverts on a dedicated website for the purposes of the survey. Stills of the DWP television advert (targeted at individuals) were also shown to respondents on this website. The radio advert was played to respondents down the telephone. This is the same approach as was used for the Spring 2014 wave.

2.5.1. Presentation of survey data

Results have been rounded to the nearest percentage point, which may mean that in the reporting some percentages may not add up to exactly 100%. For example, if there are 48.5% answering 'agree' and 51.5% answering

⁹ Reference to smaller medium employers is made throughout the report. In this survey wave we included only the smaller of these medium employers, with 50 to 60 employees, on the basis that larger employers were too close to their staging date (no more than four months away) for it to be appropriate to include them.

'disagree', these figures would be rounded up to 49% and 52%, totalling 101%. This explains the instances where summary text does not match a graph or table to which it is referring.

2.5.2. Statistically significant differences

The survey data are based on a sample, rather than the entire population of the employer groups. Therefore, results are subject to sampling tolerances, and not all differences are statistically significant. Throughout this report, where differences are noted (between sub-groups or over time) they are statistically significant at the 95% level of confidence¹⁰.

2.5.3. Technical Report

This report is accompanied by a Technical Report, also prepared by Jigsaw Research, which details the responses to all of the questions asked in the survey, broken down by the employer sub-groups.

¹⁰ Strictly speaking, calculations of statistical significance apply only to samples that have been selected using probability sampling methods. However, in practice it is reasonable to assume that these calculations provide a good indication of significant differences in quota surveys like this one.

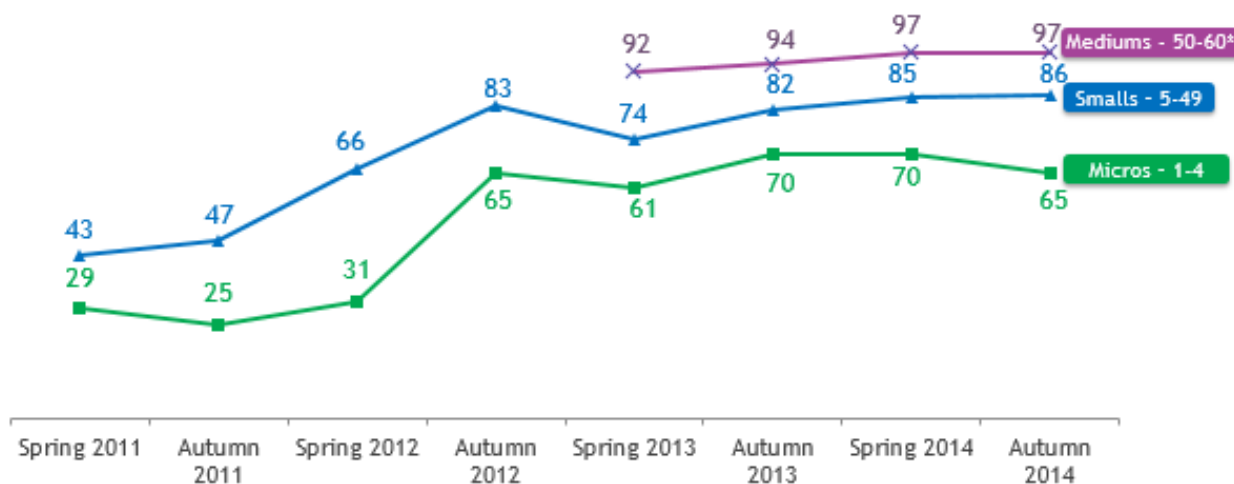
3. Key Findings

3.1. Awareness and understanding of automatic enrolment

Awareness of automatic enrolment remained high among all employer sizes compared to Spring 2014¹¹. Awareness was highest among smaller medium employers (97%) and lowest amongst micro employers (65%). Consistent with this, levels of awareness were highest among those whose staging date was closest to when fieldwork took place. Those employers staging between June to November 2015 had awareness levels of 95%, falling to 73% for January to November 2016 stagers¹² and 67% among January to April 2017 stagers.

As shown in Figure 1, levels of awareness have remained largely unchanged since Autumn 2013, with no statistically significant differences since Spring 2014.

Figure 1: Awareness of automatic enrolment by employer size, over time



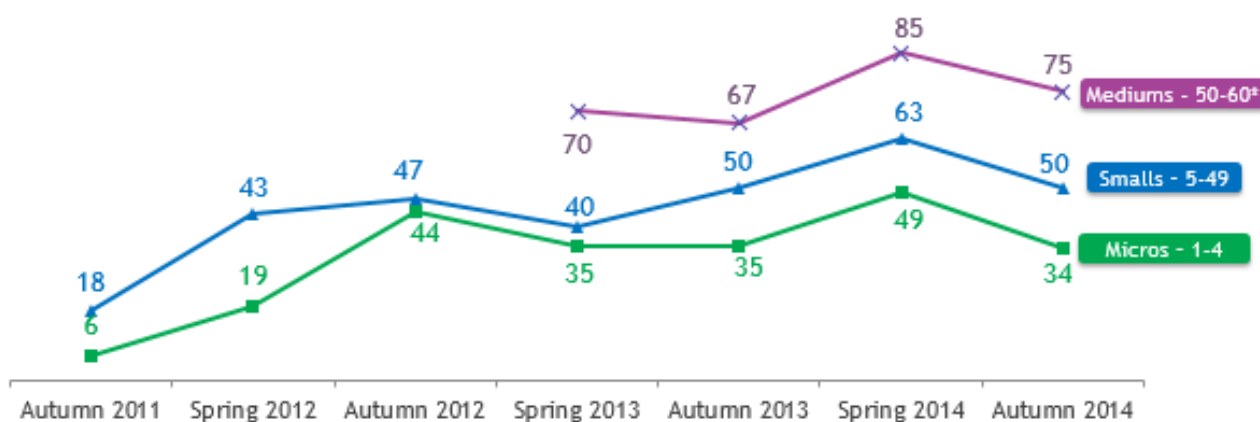
¹¹ The regulator classes employers as having awareness of the workplace pension reforms if they have sufficient knowledge to know what the main requirements and implications are for them when prompted, namely they know all of: employers will have to automatically enrol UK workers; employers will have to provide a pension scheme for automatic enrolment; and, employers will have to contribute to their employees' pensions.

¹² In this report we sometimes refer to employers with a certain staging date as "stagers".

When looking at understanding levels of the reforms¹³, it is important to note that the wording of the ‘declaration of compliance’ statement was changed in the survey so that it now reads “Employers will have to complete a declaration of compliance (registration) with the appropriate government body to confirm they have met their duties”¹⁴. This change has undoubtedly contributed to the falls in understanding that we see in Figure 2. It does not, however, entirely account for these falls.

Smaller medium employers had the greatest level of understanding (75%), while half of small employers understood the five key features of the reforms (50%), compared to just over a third (34%) of micro employers.

Figure 2: Understanding of automatic enrolment by employer size, over time



¹³ The regulator classes employers as understanding how to discharge their duties if they know enough about their legal requirement to proceed to plan for, and take action towards, compliance. Specifically, understanding is defined as an employer knowing all of the three elements of the awareness definition (as set above) plus knowing two additional features when prompted. Therefore an employer is classed as having understanding if they know all of the following: employers will have to automatically enrol UK workers; employers will have to provide a pension scheme for automatic enrolment; employers will have to contribute to their employees’ pensions; employers will have to complete a declaration of compliance (registration) with the appropriate government body to confirm they have met their duties; and, employers will need to communicate to UK workers on an individual basis.

¹⁴ In June 2014, the term ‘registration’ was renamed as a ‘declaration of compliance’ following research the regulator carried with smaller employers which identified that the latter term was clearer to them.

As with awareness, levels of understanding were highest among those with staging dates between June to November 2015 (57%) but lower among those with staging dates between January and April 2017 (33%).

When comparing small/micro employers who are eight months from staging with medium employers who were eight months from staging, we see that awareness levels are comparable (95% for small/micro employers vs. 97% for medium employers). Understanding levels for small/micro employers eight months from staging are, however, significantly lower than medium employers at the same distance from their staging date: 57% vs. 85% respectively.

Table 2, below, shows the aspect of automatic enrolment which continued to be least known among all employer size groups was the employer's requirement to complete a declaration of compliance (registration) with the appropriate government body. In addition, awareness of the requirement to communicate with workers on an individual basis had fallen significantly among micro employers from 76% to 66%. Awareness of this aspect had also fallen significantly among those staging in 2016, from 79% to 71%.

Table 2: Awareness of automatic enrolment

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Employers will have to automatically enrol UK workers into a pension scheme	97	93	81	97	85	85
Employers will have to provide a pension scheme for automatic enrolment	98	91	72	99 (89)	80	71 (79)
Employers will have to contribute to their workers' pensions	100	92	81	98	84	86
Employers will need to communicate to UK workers on an	95	78	66 (76)	84	71	66

individual basis	Size of employer			Staging date		
Employers will have to complete a declaration of compliance (registration) with the appropriate government body to confirm they have met their duties	81	58	41	62	48	41
Base (all employers)	64	264	280	87	365	92

Numbers in bold in tables are significantly different from the corresponding finding in the previous wave (Spring 2014) at the 95% level of confidence. The corresponding finding in the previous wave is shown in parentheses.

Employers were also asked about two other important aspects of automatic enrolment. The findings showed that smaller medium employers had a much better understanding of both aspects than small and micro employers. Understanding of the need to identify workers eligible for automatic enrolment fell significantly this wave versus Spring 2014 among both small and micro employers.

Table 3: Awareness of other aspects of automatic enrolment

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Workers eligible for automatic enrolment will need to be identified	92	79	64	85	71	61
Employers will need to keep records of their workers and the scheme(s) used for automatic enrolment	100	88	74	91	79	74
Base (all employers)	64	264	280	87	365	92

3.2. Employers' awareness of their staging date

Almost all smaller medium employers (97%) and 70% of small employers said they were aware of their staging date, compared with just over a third of micro employers (36%).

When we compared employers' actual staging date with what they believed it to be, we found that nearly all (94%) of those staging in March/April 2015 (i.e. smaller medium employers) gave a date which matched the one in the regulator's records. Accuracy fell away sharply after that. Among those staging between June and November 2015, 69% matched the regulator's records (though this was an increase on 43% when the same staging group were asked this question in Spring 2014). Among those staging between January and November 2016 the accuracy level was one in five (20%), lower than the 28% who accurately knew their date when asked this question in Spring 2014.

3.3. Sources of information about automatic enrolment

Consistent with previous waves of the survey, employers had become aware of automatic enrolment via a variety of sources, with mainstream media (including TV advertising and press/media) continuing to be particularly important. See Table 4. Professional advisers and the internet were other key sources of information.

This survey question identified - as one would expect - that letters from the regulator to employers were cited almost exclusively by those employers staging in 2015 (i.e. mainly smaller medium and some small employers), since these employers would have been sent from the regulator a letter twelve months in advance of their staging date.

Table 4: Sources of information (top mentions)

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Press/Newspaper/Magazine adverts	31	25	27	18	29	22
Professional adviser	23	23	19	17	22	24
TV adverts	27	31	25	31	29	21
Email (other)	19	15	13	17	13	15
Letter from the regulator	19	6	0	16	0	1
Website	13	18	15	19	18	10
Payroll company	15	20	5	26	9	10
Pension provider	12	8	1	8	4	4
Emails from the regulator	27	5	1	6	2	3
Events/Seminars	12	5	7	5	7	4
Base (all employers aware of recent changes to workplace pension reforms)	52	222	227	77	300	72

3.4. Spontaneous and prompted recall of advertising

3.4.1. Spontaneous (top-of-mind) advertising recall

Employers were asked if they had seen or heard any advertising in the last six months about workplace pensions or automatic enrolment. The majority of employers said they were aware of advertising, though levels were lower than in the Spring 2014 wave among small employers: Two-thirds (67%) of small employers recalled advertising compared to 83% in the Spring 2014.

As can be seen in the Table 5 below, television was mentioned by the majority of employers as the source consistently across all employer size groups. A significant minority mentioned hearing the advertising on the radio, particularly small (16%) and micro (20%) employers.

Table 5: Spontaneous advertising recall

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Recall any advertising about automatic enrolment in last the six months	81	67	63	72	62	68
Base (all employers)	64	264	280	87	365	92
Television	79	71	67	68	72	62
National Press	21	15	11	11	12	22
Local Press	6	3	-	2	1	3
Radio	6	16	20	14	19	19
Online	10	7	11	10	11	3
Base (all employers seen or heard advertising in the last six months)	52	177	175	63	226	63

Despite the levels of advertising recall displayed, relatively few employers were able to say without prompting for whom or on behalf of which government department the advertising had been carried out. Around 20% of those aware of advertising named a specific organisation, while 43% said it was on behalf of the government generally and more than a third (37%) did not know.

3.4.2. Prompted advertising recall

Once prompted with a list of government organisations, smaller medium employers, in particular, were more likely to recall the regulator as the sponsor of the advertising (69%) than small (27%) or micro employers (20%). Those staging between January and November 2016 were more likely to say they could not recall advertising by any of the three government organisations mentioned. Forty four per cent of this staging group responded to this question with 'none of the above', compared to around a third (32%) of June

and November 2015 stagers and a similar proportion (33%) of January and April 2017 stagers.

Table 6: Prompted sponsor of advertising

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
The regulator	69	27	20	41	19	26
The DWP	55	42	32	45	32	41
HMRC	52	41	39	39	38	47
None of the above	17	38	43	32	44	33
Base (all employers)	64	264	280	87	365	92

Respondents were shown the regulator's press and digital advertising and were also played the radio advert. Table 7 shows that the radio advert was the most recalled among all sizes of employers. Around a quarter of small employers (26%), the same proportion of micro employers (26%) and 19% of smaller medium employers said they had heard the regulator's radio advertisement before.

The press and digital advertising had lower recall levels across all sizes of business. Press advertising was recalled by a consistent 7-8% regardless of business size or staging date.

Digital advertising was recalled by 14% of smaller medium employers but just 7% of small employers and 6% of medium employers, reflecting the greater likelihood of larger businesses to be online.

Table 7: Prompted recall of the regulator's advertising

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%

	Size of employer			Staging date		
Recall any of the regulator's advertising	36	34	34	37	31	42
Press	8	8	7	8	7	8
Radio	19	26	26	25	24	35
Online	14	7	6	10	6	3
Base (all employers)	64	264	280	87	365	92

Levels of message recall were quite high among those who recognised the adverts. It was notable in this wave that messages relating to compliance and the new law had high recall levels. Among small employers recognising the radio advert, 35% recalled the message that ‘all employers need to comply’, compared to 14% last wave. And among micro employers recognising the radio advert 22% recalled the message that there is a new pensions law, compared to 8% last wave.

Those staging between June and November 2015 and those staging between January and April 2017 were most likely to say they had acted, or planned to act, as a result of seeing the adverts. Twenty nine per cent and 32% respectively said the adverts had impacted them in this way. This number fell to 22% among those staging in January and November 2016.

Around one in four of both micro (24%) and small (25%) employers said they had acted, or planned to act as a result of the adverts.

At the end of the interview, respondents were shown stills from the DWP's television advert aimed at individuals and asked if they recognised it. Recognition was high across all sizes of employer, ranging from 75% among smaller medium employers to 61% among micro employers. Two thirds (67%) of small employers recalled the advert which was lower than in Spring 2014 (78%).

Table 8: Prompted recall of the DWP television advertising

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Recall the DWP TV advertising	75	67	61	70	62	62
Base (all employers)	64	264	280	87	365	92

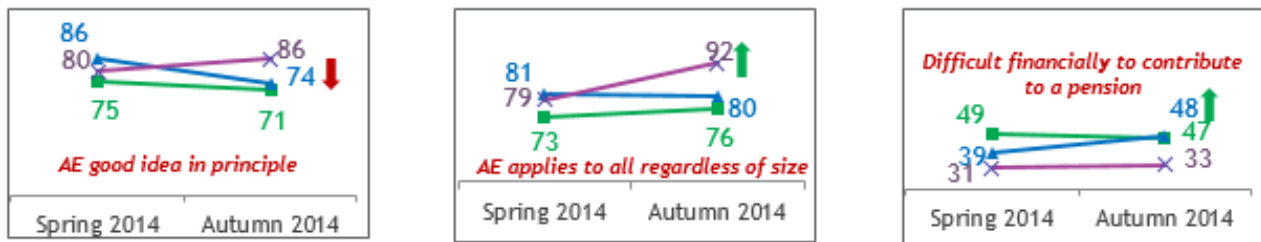
3.5. Attitudes towards automatic enrolment

As found in previous waves, most employers were likely to believe that automatic enrolment was a “good idea” for their workers. Smaller medium employers (86%) were more likely to believe this than micro employers (75%) or small employers (74%). The latter figure represents a significant fall among small employers from the previous level of 86%.

Half (48%) of small employers this wave felt they would find it difficult financially to contribute to a pension - a significant increase on 39% saying this last wave and now at a level similar to micro employers (47%). The vast majority of employers spoken to were aware they needed to do something to comply with automatic enrolment, while 18% of micro employers thought they did not have to do anything.

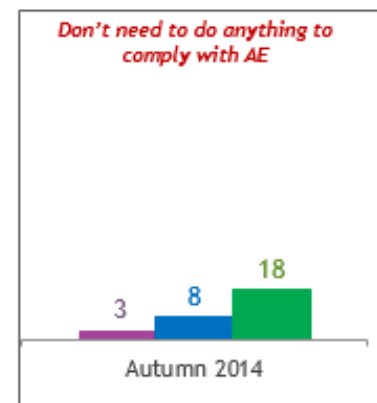
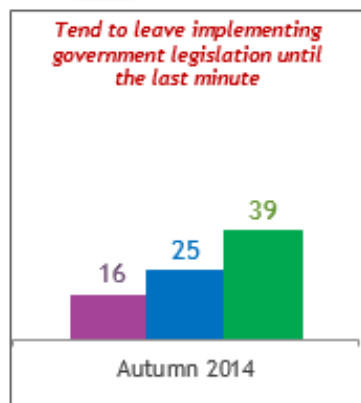
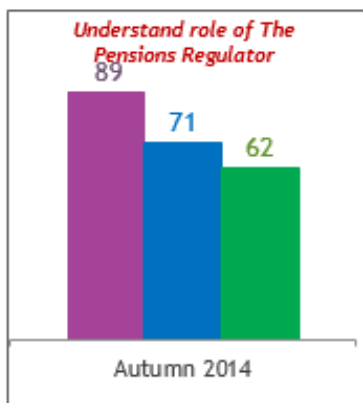
One in six (16%) smaller medium employers reported that they tend to leave implementing legislation until the last minute, while a quarter (25%) of small and two fifths (39%) of micro employers reported this. This question was asked in the previous survey wave, with similar proportions of small and micro employers providing this response (20% and 44% respectively).

Figure 3: Attitudes towards automatic enrolment



All figures - % agreeing with each statement

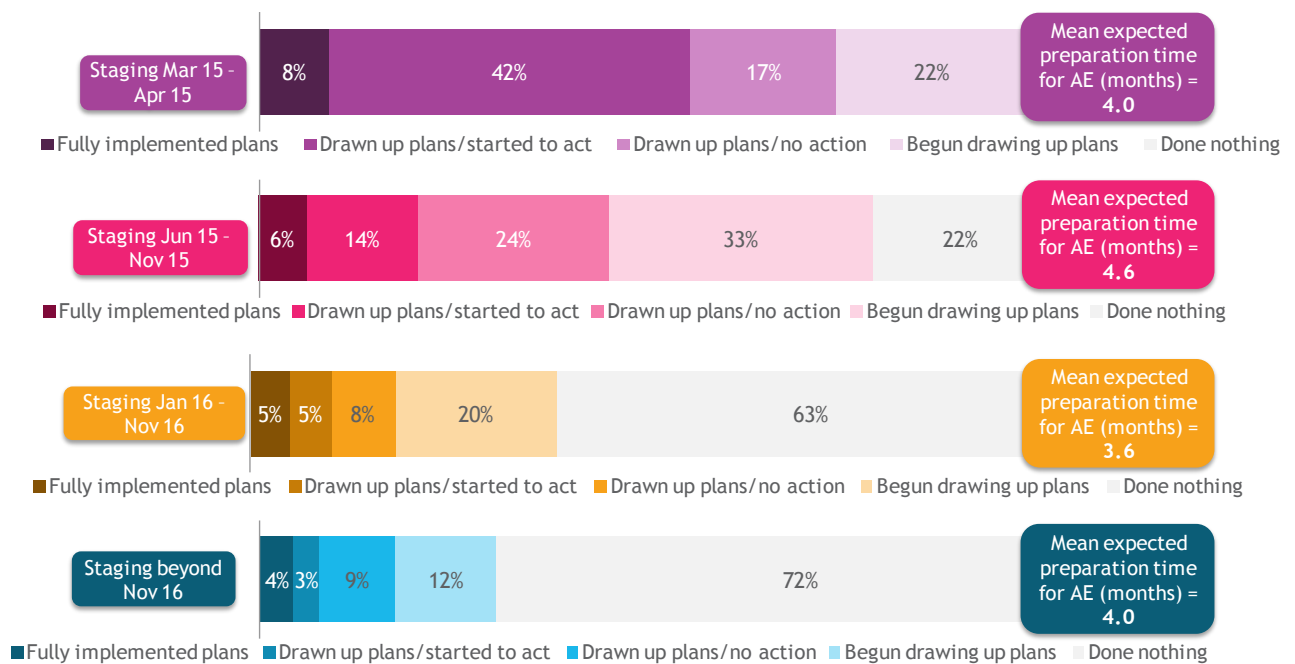
Mediums
Smalls
Micros



3.6. Preparedness for automatic enrolment

Preparedness for automatic enrolment has consistently been linked to an employer's proximity to their staging date. Those staging in March to April 2015 had all at least begun drawing up plans, while 78% of those staging between June and November 2015 had done so. This dropped off sharply to 37% among January to November 2016 employers and 28% among January to April 2017 employers, none of whom will have received a direct communications from the regulator yet.

Figure 4: Preparedness for automatic enrolment



Those staging between January and November 2016 expected total preparation time for automatic enrolment to be, on average, three and a half months. More specifically, those in this staging tranche who had yet to do anything expected total preparation time to be two and a half months, while those who had at least begun drawing up plans thought it would take an average of four and a half months.

Across all employer sizes, most employers were confident that their organisation would have done everything it needed to by their staging date.

Table 9: Employer confidence in readiness for staging

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Not at all confident	-	3	5	1	4	3
Not very confident	3	2	5	-	4	5
Fairly confident	31	26	25	34	23	27
Very confident	64	66	56	61	62	54
Depends when the deadline is	0	3	4	2	4	2
Don't know	2	1	2	1	1	3
Respondent does not think it applies to their organisation	-	*	3	-	1	4
Base (all employers)	64	264	280	87	365	92

3.7. Use of external advisers

Consistent with previous waves of the survey, most employers had consulted or planned to consult with an external adviser, ranging from 80% of smaller medium employers to 65% of micro employers. Smaller medium employers were more likely to have already consulted an adviser (73%) than small (52%) or micro employers (24%).

As found in previous waves of research, the main types of advisers' employers had consulted or were planning to consult, included financial advisers/IFAs, pension providers and accountants. Micro employers were more likely to state that they will use the services of an accountant.¹⁵

¹⁵ In previous waves of the research a list was read out to respondents. In this wave, respondents gave their answers spontaneously i.e. without being prompted with a list.

Table 10: Current/planned use of an adviser

	Size of employer			Staging date		
	'Smaller' medium employers (50-60 employees)	Small employers (5-49 employees)	Micro employers (1-4 employees)	June to November 2015	January to November 2016	January to April 2017
	%	%	%	%	%	%
Currently use	73	52	65	60	34	30
Currently or plan to use	80	81	65	85	71	70
Base (all employers)	64	264	280	87	365	92
Financial adviser (IFA)	41	34	25	19	32	33
Pension provider	16	21	10	25	15	11
Accountant/auditor	24	28	46	22	37	50
Payroll software company	12	6	3	5	5	-
Payroll bureau	14	10	8	9	11	3
Bank	2	3	1	1	3	-
Trade body	2	4	6	8	4	3
Base (all employers who have consulted/planned to consult)	51	215	181	77	258	64

Most small employers (89%) expected to rely on their advisers to help with automatic enrolment. Among small and micro employers this wave, 25% said they would rely completely on their advisers, a significant increase from Spring 2014 when 15% of small employers said they would do so and 10% of micro employers.

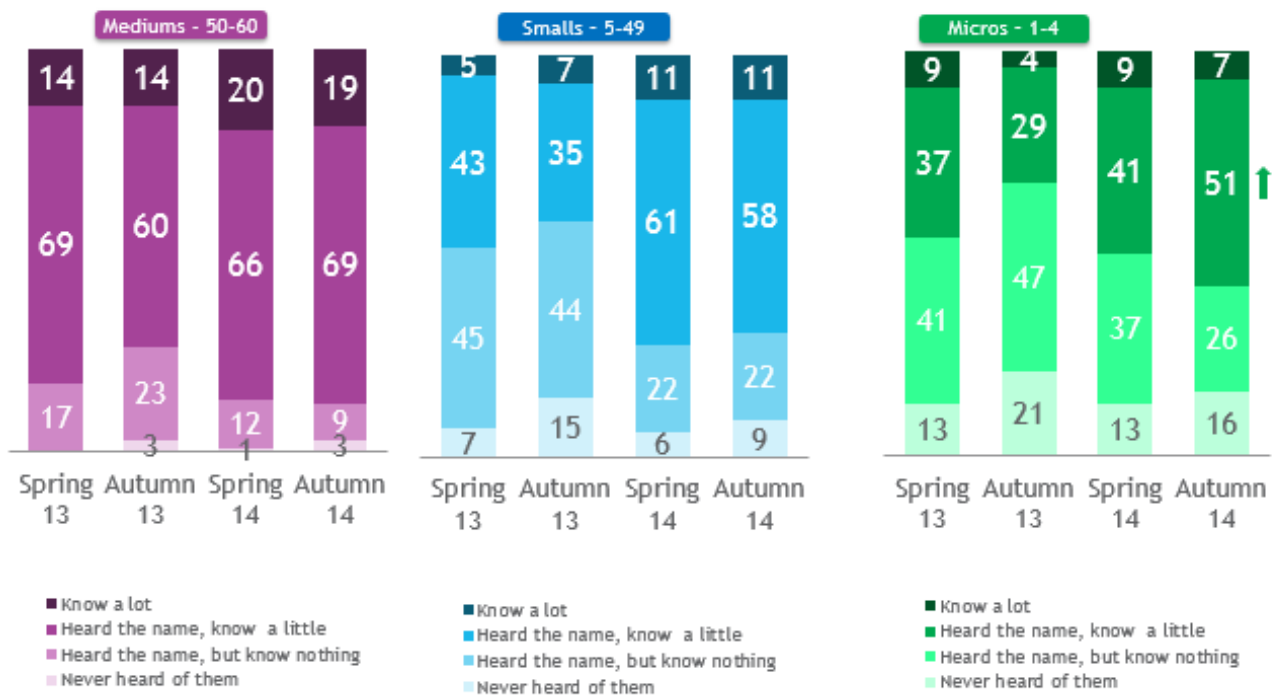
3.8. Awareness of the regulator and use of its website

3.8.1. Awareness of the regulator

Consistent with the findings from the last two waves of research the majority of employers had heard of the regulator, with awareness highest among smaller medium employers (97%) and lowest among micro employers (84%).

Across all employer sizes, the increase from August 2013 in the proportion who stated that they know at least a little about the regulator was maintained this wave.

Figure 5: Level of knowledge of the regulator, over time

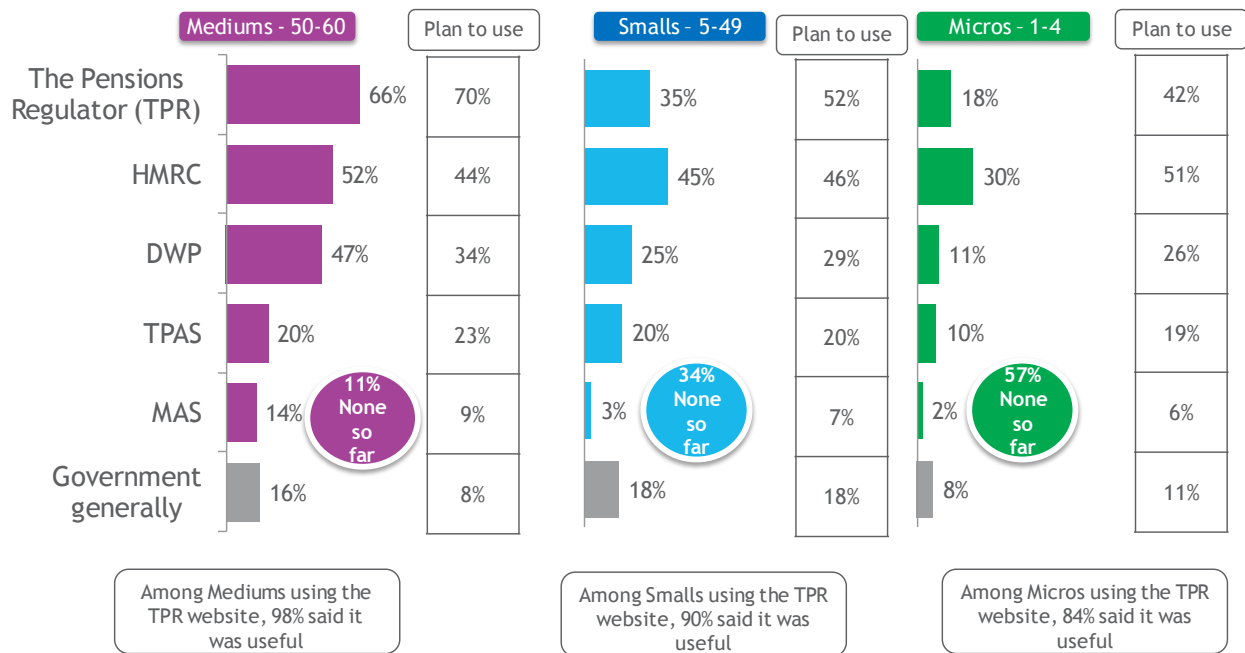


3.8.2. Use of the regulator’s website

Figure 6 shows that two in three smaller medium employers (66%) had visited the regulator’s website to find out about automatic enrolment; with about the same proportion (70%) likely to (re)visit the website in the future. Current and future use was lower among small and micro employers, with the HMRC website more likely to be visited by these sizes of employers.

Among those who had used the website, most found it useful, ranging from 98% of smaller medium employers to 84% of micro employers.¹⁶

Figure 6: Websites visited to find out about automatic enrolment



¹⁶ Refer to Question 34 in the Technical Report for more information



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