Despite policies like auto-enrolment and exciting developments like the dashboard, pensions are still not a topic that seems to grab the attention of the general public. *Pensions Age* asks members of the industry for their thoughts on whether pensions need a makeover and the most effective way to rebrand saving for retirement

The rebrand conundrum

"We are all aware of the perception of 'pensions' as complex, difficult to understand and bound up in ever-changing rules and regulations. This is often seen to lead to confusion and therefore a lack of trust. Add to this an absence of tangibility and immediacy – people don't necessarily want to dedicate time and money today to something that is, for many, off in distant future – and you can see there are a few obstacles to overcome when it comes to pensions. In fact, our research emphasises that a customer's pension does not become one of their top three financial priorities before they reach the age of 50.

"There's often a sense that a total rebrand of pensions is required. However, a number of fundamentals need to be addressed in any reinvention, and as an industry we need to tackle the underlying barriers to saving for retirement.

"One step forward would be to help more people avoid viewing pensions in isolation and instead consider them as part of a holistic financial portfolio. Context is important. Bringing their retirement conversation alongside short- and medium-term finances can help people better understand the importance of their long-term savings among the other financial commitments.

"As a society we do need to start a new conversation regarding pension savings with the ultimate aim of fuelling future engagement levels. This may require a national above the line campaign, supported by all, to emphasise the importance of pension savings in the context of wider financial wellness, while also helping customers understand their own role in saving for their future and in the broader context of their everyday and short-term financial commitments.

"And let's not forgot that retirement for many is no longer a set point in time where people stop working, rather varies based on different needs and desires. So, supporting people to reimagine retirement and what this looks like for them, as part of the wider financial wellness conversation, can help as a first step towards supporting them prepare financially for this."

Standard Life head of workplace deployment, Donna Walsh

"The word pension doesn't have a great reputation so a 'rebrand' to long-term savings may be helpful. But it's not a panacea. Different policy initiatives are needed to raise pension saving rates and member engagement amongst different demographic groups.

"For example, younger people – for whom their financial priority is most likely buying first home – more intervention is required to make saving automatic and hassle-free. This might take the form of boosting auto-enrolment rates, or automatically escalating contributions over time. Showing the benefits of pensions savings in a digestible and accessible way will also be vital, for which the introduction of pensions dashboards will be a big step forward.

"For people in mid-life, member engagement has to recognise that these people are balancing a lot of financial demands amidst evolving careers. Mechanisms to boost engagement need to look at member's financial situations in a holistic manner, taking the form of a 'mid-life MOT' that looks at everything from finances to health to skills and career progression.

"And for those approaching retirement, much more needs to be done to make it easier for everyone to satisfy a basic goal of retirement – to have an income for life. Schemes need to be providing the tools and default solutions that make that easier to achieve.

"In short, there is no shortcut to boosting member engagement, as different people will need different prompts. Rebranding might help but schemes must also put in the hard yards to help pension savers achieve the standard of living that they want to have in retirement."

XPS Pensions Group head of DC, Sophia Singleton

"A wider adoption of modern technology across the industry would certainly be effective in changing the perception of pensions. Just as digital banking has made us more aware of our spending habits, allowing all savers to see their live pension balance with just a few clicks, would help keep pension saving at the forefront of people's minds.

"Arming savers with easily accessible, up to date information, would dispel the belief that pensions are too complex to engage with. Engagement comes from savers knowing what's actually in their pension, from ethical or asset allocation standpoints to how much they or their employer is contributing. Building this ownership over one's pension, leads to making more informed financial decisions, and could help with the chronic under-provisioning that currently exists in pensions.

"Greater and more visible campaigning and fighting for the rights of pension savers would also help place consumers back at the centre of the pensions industry. Cracking down on hidden fees, the use of excessive jargon and fighting for consumer switching guarantees would all be effective in rebranding pensions. As pension providers our role should be more than just facilitators. We need to go beyond this to actively encourage and support people in prioritising their pension savings, with experienced teams on hand to help when needed.

"Finally, pensions are for everyone, yet the industry doesn't reflect that. While it's slowly changing, most people working within the pensions sector are from the same socio-economic background. To drive real change, we need to make the sector more representative of society and who we serve, which ultimately reflects in providing a better product for a larger number of people."

PensionBee CEO, Romi Savova

"We believe that the rebranding of pensions starts with fixing what is broken, and the biggest problem facing our industry is financial education, of which pensions is a key component. Pension communications are (generally) archaic – it is understandable to be turned off by jargon, buzz words and communications that are too deep or long, often paper based, with information that isn't impactful, relevant or even attractive. The language surrounding pensions is extremely inconsistent with different terms, and meanings, depending on whether the content comes from employers, the media or in day-to-day informal conversations.

"We propose the first way to solve this is via content delivered within workforces, directly to communities, that is powered by pension experts and a united industry. This could be interactive, focus on specific stages in life and feature useful and relevant content, which is supported through the communities, and via influencers, showcasing pensions in an attractive, rewarding and easy to digest way."

Hymans Robertson head of DC engagement, Kirsty Moffat

"Pensions need to 'do what they say on the tin' far more. 'Defined contribution' needs defining, so does 'pension', and the Google definition of 'pension' doesn't even apply to most people saving for their retirement today!

"At LifeSight we have already adopted 'Saving Account' and 'Spending Account' terminology for our pre-retirement and post-retirement phases, to help de-jargonise, but having wholescale changes that can be adopted consistently across the industry would help reinforce clearer messaging – most individuals have multiple pension pots to navigate, and this would encourage member understanding and engagement.

"Leading master trusts like LifeSight have invested in technology to bring retirement saving in line with other consumer experiences, like offering a companion app members can access seamlessly, but we need this to become an industry norm so that members come to expect it. This would support a rebrand to appeal to a wide cohort of savers and compete for their attention."

LifeSight associate director, Harriet Hayward

Written by Duncan Ferris