



Co-creative research: developing ways to increase take up of Pension Credit discount

Final report - September 2020

The Pension Credit discount...the story so far.



Wessex Water
YTL GROUP

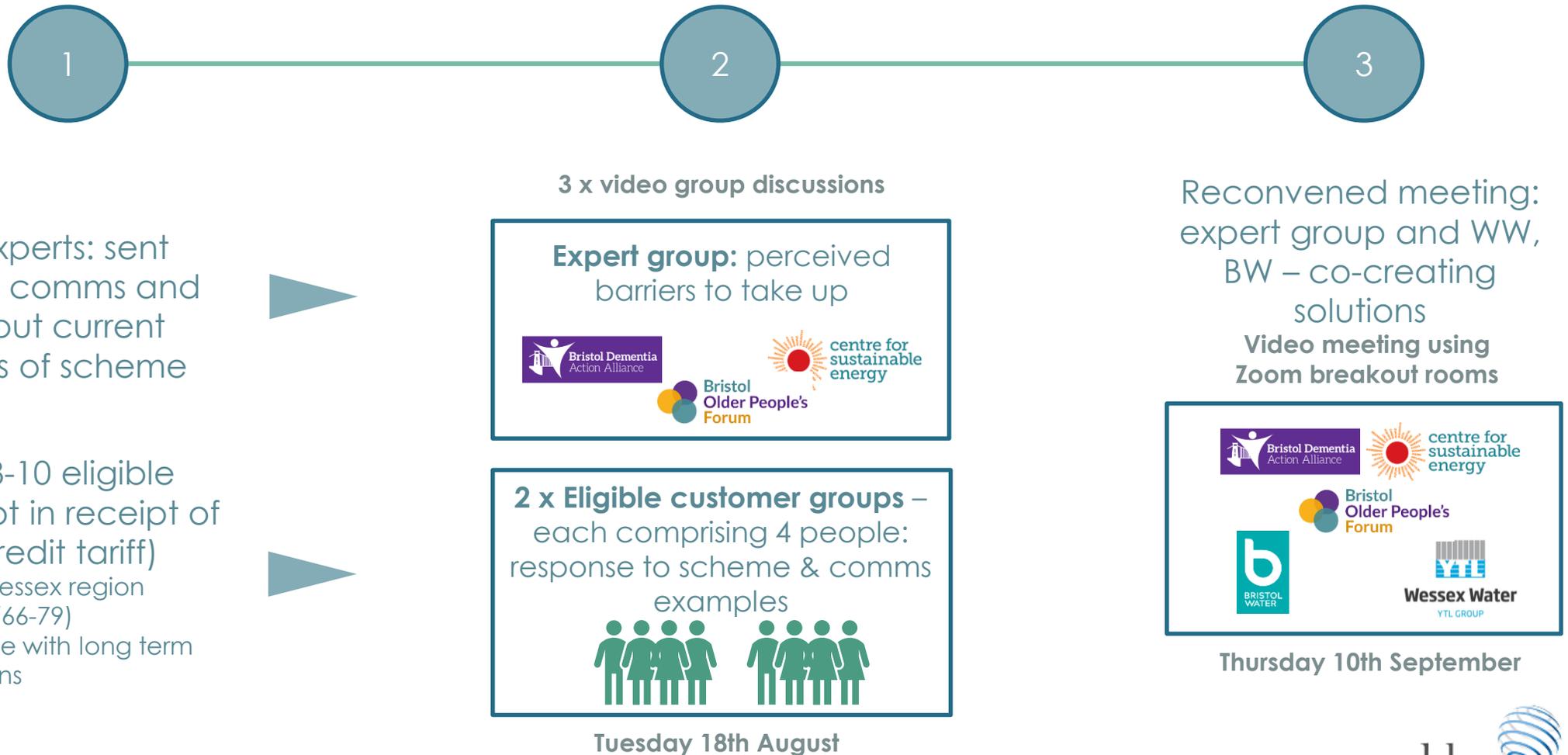


- The Pension Credit discount launched in April 2016
 - 20% discount for those on Pension Credit/state pension only
 - Promoted via bills, leaflets, posters, online, social media, magazines, community events, news articles, radio adverts and working with third parties.
- Currently **22,000** customers have taken up the offer.
- There are, however, at least **86,000** customers in the region who are eligible.

Research commissioned to understand how Bristol Water and Wessex Water can increase take-up and explore new messaging that could be used across customer communications.

Research approach (adapted to be Covid-secure)

- Iterative approach
- Involving providers (the water companies), charity partner experts and eligible customers
- Designed to identify barriers then co-create solutions





Insight from the initial group discussions

Eligible pensioners: wider context about life and budgeting

- All rely on the state pension
- Retirement is worrying financially: major milestone triggering need to budget very carefully. Dread big bills such as a car or boiler repair
- Do take up discounts when they know about them:
 - Free prescriptions, bus pass
 - Senior railcard
 - Company offers e.g. Brewers Fayre – cheaper if eat earlier
 - English Heritage – age related discount
 - ...but minimal mention of benefits e.g. Attendance Allowance, Council Tax Support or Pension Credit
- Younger/more recently retired do not feel old: they are often busy, volunteering and supporting family members...don't identify with pensioner stereotype (NB target audience is very diverse from younger retirees to very elderly)
- Few appear to have the time or strong inclination to find out about possible discounts
- Nevertheless, all motivated by reduced water bills when introduced to the Pension Credit discount

"At first budgeting was difficult. I'm getting better now."

"I'm always concerned about money. You never have enough...we don't spend much and we use budget brands."

"A new boiler wiped us out."

"We make meals stretch. We think twice."

The research has identified barriers relating to:

People

- The wider context and how **people** think and behave

Process

- What people need to do to receive the benefit - the **process**

Promotion

- The way the tariff is currently **promoted**





Potential barriers: the wider context – how people think/behave

Low awareness and uptake of financial discounts and benefits

- Older people and carers find it difficult to access information on discounts and benefits
- There are some well known discounts (bus pass, Warm Home Discount) – often discovered via WOM.
- NB water sector appears less associated with discounts/support
- They don't know of a single place to find out what's available
- Perception that organisations are not forthcoming in promoting discounts

"Where is the site where you can see what you are entitled to? It should be in one place, not for each company where you might have to look at half a dozen sites."

"The information is not given out willingly. You have to dig and you have to make it your job."

Emotional resistance to benefit-related discounts

- Belief that others are worse off and therefore more deserving
- Stigma or pride (perceived stronger in older, 75+ generation)
- Acknowledging that shame about income related benefits is real, there is strong rejection that people should feel embarrassed or reticent about taking 'what's entitled'

"If you are entitled to it you should have it. We shouldn't be embarrassed about it. We are too slow to come forward in this country."

"The older feel embarrassed. Feel people are worse off than them."

When prompted, low awareness of Pension Credit benefit

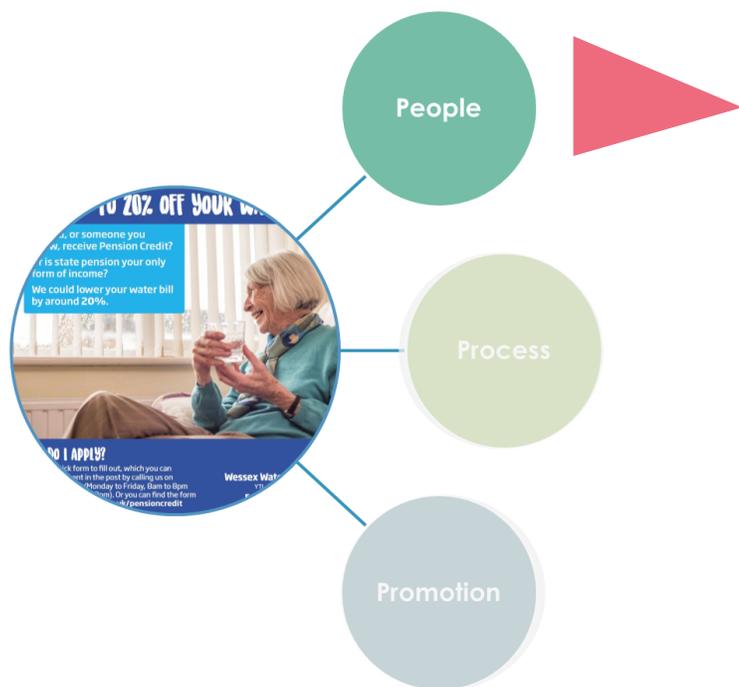
- Many pensioners don't know about Pension Credit – and therefore don't claim it
- Additionally, many of those who are on Pension Credit are unaware of this

[Re Pension Credit] "... how long has that been going?"

"So many people don't realise they are on Pension Credit."
Charity Partner

Implications for the tariff

People



Implications for building awareness and relevance

- People are not actively looking and often find out about discounts in haphazard ways: strategy needs to identify touchpoints/opportunities for discounted tariff to be seen or heard
- People more attuned to different energy tariffs and discounts – water much less so: how are these being promoted?
- Important to detract from ideas of shame via tone, visuals and language
- Using 'Pension Credit' is not a shorthand to describe eligibility
- Additional confusion: eligibility encompasses both Pension Credit and state pension only

Potential barriers: What people need to do to receive the benefit - the process

Process

Channel and accessibility

- Online channels can be a barrier: not necessarily lack of access but the pressure of keeping up/not getting it wrong
- Dislike of automation
- Security concerns: scams; personal information breaches
 - Scamming a very big issue currently
- Nervousness about supplying documents: bank statements, even NI number

"I won't do internet banking. I feel inadequate."

"I feel like a dodderly old fool – it can be humiliating."

"You only have to click on the wrong thing."

Application process

- Benefits applications perceived as difficult/stressful/a hassle e.g. Blue Badge; posting documents as proof
- Cost-sensitive e.g. to premium numbers (but don't necessarily know which ones are)
- Language or capability issues: non English speaking; dementia; low literacy
- Application form: short – but looks longer with PSR element

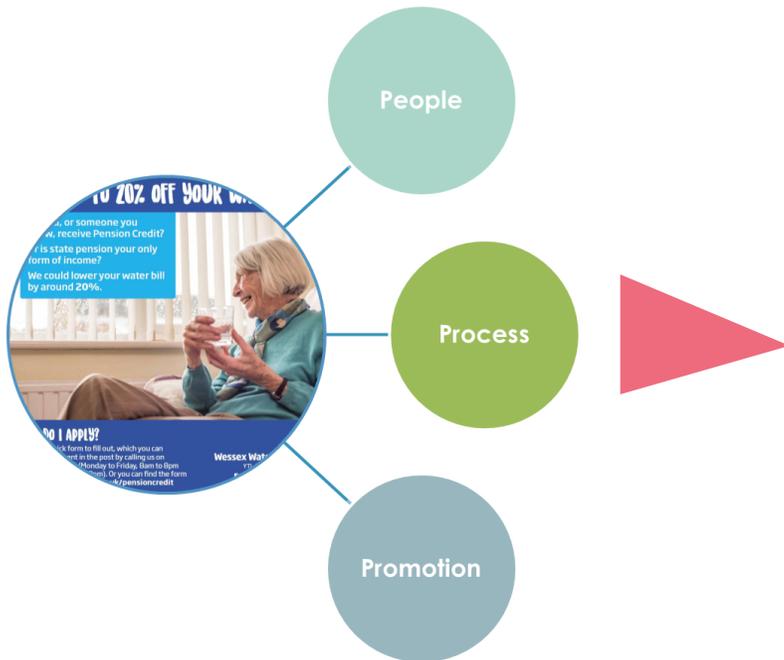
"Even if you have a computer you can go round in circles."

"You go onto .Gov sites, then you need an ID number, then you find that, then it's asking all sorts of questions."

Digital exclusion: 2018 – 10% population classified as digitally excluded, mainly in 65+ age cohort
<https://www.ons.gov.uk/peoplepopulationandcommunity/householdcharacteristics/homeinternetandsocialmediausage/articles/exploringtheuksdigitaldivide/2019-03-04#the-scale-of-digital-exclusion-in-the-uk>

Implications for the tariff

Process



Implications for improving access to the tariff

- Lack of confidence generally – esp. dealing online
- Trust: audience need to feel secure
 - Role of human interaction
 - Brand/source of discount
 - Security (of information/documents)
- The application process needs to signal simplicity, trust, no cost
- Role of charity partnerships; family and carers to overcome confidence and security concerns

Potential barriers: The way the tariff is currently promoted

Promotion

Lack of perceived relevance reinforced by existing communications

- Tone: sometimes negatively framed, tapping into feelings of shame
- Imagery that reflects target audience is criticised: middle class; stereotypical; white; not 'me'
- Positioning and language: 'Pension Credit'
- Hook to overcome hassle: 20% is not always motivating (average savings more eye-catching)
- Online channel can be off-putting

"It's a bit negative – it shouldn't be about feeling the pinch. It should be more positive about what you are entitled to."

"I wouldn't want to pursue it online – I'm cynical about things online."

"Is 0345 a free number?"

"It might be a drop in the ocean and not worth the rigmarole."

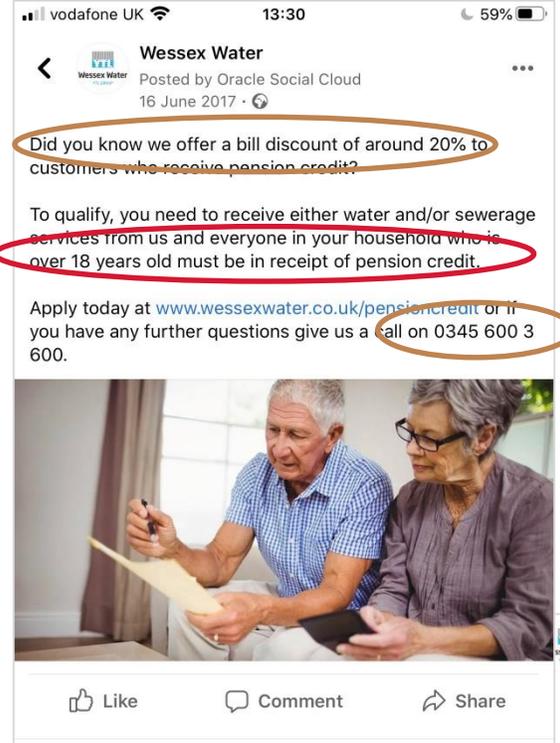
"I like the headline: 'you could benefit from lower bills.'"

"Instead of 20% say you can save up to £100: everyone understands that and some people are not good at percentages."

Response to current comms



- Suggests crisis, not coping, negative (shame, guilt)
- Online access only?
- Imagery too middle class



- More positive framing
- But relies on appreciation of Pension Credit
- Addition of telephone number is good – but does it cost?

- Similarly, suggests crisis, not coping, (shame, guilt)
- How much is 20%...? Is it worth the hassle
- Pension Credit - unfamiliar



- Online access only?
- Or phone (but no number?)



Response to current comms

SAVE UP TO 20% OFF YOUR WATER BILL

Do you, or someone you know, receive Pension Credit?
Or is state pension your only form of income?
We could lower your water bill by around 20%.

HOW DO I APPLY?
There's a quick form to fill out, which you can request to be sent in the post by calling us on **0345 600 3 600** (Monday to Friday, 8am to 8pm and Saturday, 8am to 2pm). Or you can find the form online at wessexwater.co.uk/pensioncredit

Wessex Water
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- Headline attention-grabbing (if 20% sounds motivating)
- Form offered but not personal service (raising the hassle factor but not offering reassurance)
- Online access only?
- Imagery too middle class: 'she's got her gin and tonic!'

- Stereotypical imagery 'they are obsessed with moustaches aren't they?'
- Only mentions Pension Credit (not state pension only)
- Friendlier call to action 'call us on...'

discount for customers receiving Pension Credit

Did you know if you receive Pension Credit you could be entitled to around a **20% discount** on your water bill?

To find out more:

- Pick up a leaflet here today or call us on **0345 600 3 600** (Monday to Friday, 8am to 6pm) or email
- customer.services@bwbsl.co.uk

BRISTOL WATER
www.bristolwater.co.uk

Wessex Water
a YTL company
www.wessexwater.co.uk/tap

Response to current comms



PENSION CREDIT DISCOUNT

Every customer matters, so whatever your circumstances, we want to help.

We want to make sure water bills are affordable for all and to provide customers with a tailored solution that meets individual financial circumstances. We have a range of schemes and low rate tariffs that can really make a difference. One of these is a discount of around 20% on your bill if you receive Pension Credit or your sole income is state pension. More than 15,000 customers are already claiming this discount. You may be eligible for this if you provide us with water and/or sewerage services, and if everyone in your household who is over 18 years old receives Pension Credit, or the state pension is their only income. To apply you'll need to complete a quick form and return it to us together with a copy of your Pension Credit entitlement statement or notification, or you can provide a bank statement covering a month's period which shows the state pension is your only form of income. These must be dated within the last 12 months and show your name and address. You can apply online by visiting wesssexwater.co.uk/pensioncredit or you can call 0345 600 6 600 (automated service, 24 hours).

PENSION CREDIT HELP
If you're not sure whether you receive Pension Credit or you need a letter as proof of your entitlement, contact the Pension Service on 0345 606 0 265. Or visit www.gov.uk/find-pension-centre to look up your nearest branch. Your local Age UK may also be able to check whether you're entitled.

- Directed to Pension Credit claimants only
- Visual depicts human voice call centre but text says automated service (which is off-putting)



You could benefit from lower water bills

Do you, or someone you know, receive Pension Credit? Or is state pension your only form of income? We could be able to lower your water bill by around 20 per cent.

More than 18,000 of our customers in these circumstances are now receiving lower bills. We know that every little helps to spread your pension that extra bit further, so don't miss out and see if you're eligible.

How do I find out?
You'll be pleased to hear that it's really simple. You could be eligible if:

- Wesssex Water provides your water and/or sewerage services
- everyone in your household who is over 18 years old receives Pension Credit, or state pension is their only income.

How do I apply?
There's a quick form to fill out which you can request to be sent in the post by calling us on 0345 600 3 600 (Monday to Friday, 8am to 8pm or Saturday, 8am to 2pm). Or you can find the form online by visiting wesssexwater.co.uk/pensioncredit

Not sure if you're on Pension Credit?
If you're not sure whether you receive Pension Credit or you need a letter as proof of your entitlement, contact the Pension Service on 0345 606 0 265. Alternatively you can visit gov.uk/find-pension-centre to look up your nearest branch. Your local Age UK may also be able to check whether you're entitled. If you're an organisation that would like to work with us to support our customers living with dementia, please email us at communitypartners@wesssexwater.co.uk

Did you know?...
We have more than 1,000 members of our work force trained as Dementia Friends. This means they are able to confidently identify and support customers who are affected by dementia and their families. The Dementia Friends initiative is run by the Alzheimer's Society. Visit dementiafriends.org.uk for more information.

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- Headline motivating, relevant
- Long – doubts about reading an article
- Text relevant to carers/relatives
- Depicts phone access: though text is phone to request a form

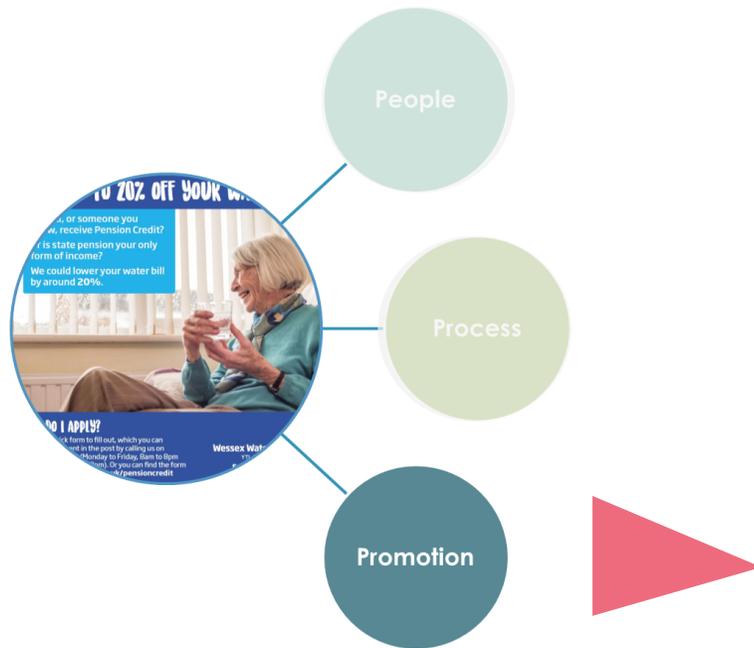


If you receive Pension Credit, or State Pension is your only income...

- Animation appeals: could see working in Post Offices and GP surgery screens

Implications for the tariff

Promotion



Implications for a refreshed campaign

- The scheme does not have a name – and ‘Pension Credit’ is not a hook
- Targeting unclear: is campaign audience eligible pensioners or others?
- Tone of voice, imagery & language: lacking consistency; and sometimes exacerbates rather than overcomes barriers
 - Shame/embarrassment
 - Hassle factor
- Channel issues
 - Online emphasis for the scheme – lack of human access/reassurance
 - For the campaign – media choices appear to be targeted more at others rather than eligible (magazine, social media etc.)

Charity partner perceptions

Awareness of the tariff

- Fairly low – considering these organisations are stakeholders
- See other organisations (e.g. TV Licensing) coming out to events to promote benefits – but not the water companies

Promotion

- Feel 20% hook is not as strong as saying 'up to £100/year': CSE tell people it saves on average £92
- Keen that it is positioned as an entitlement/allowance
- Freepost envelopes make a big difference to this audience
- Older people want human interaction
- Sensitive to imagery: diversity important esp. in Bristol region

Third party involvement

- Keen to be involved in promotion e.g. via their newsletters etc.
- Wider activity ongoing to promote Pension Credit – and take up of benefits generally. Could Bristol Water and Wessex Water be supporting these initiatives?

"WW & BW could do worse than go to community groups and tell people, more likely to be heard and listened to. It might not be a wide audience but you will certainly get results."
Charity partner

"I only became aware of it at CSE. I did a similar role somewhere else but hadn't heard of it there and it could have been relevant."
Charity partner



Recommendations

Ideas from the co-creation session

People

- Raise awareness in general population
 - Target carers and younger family members
- Target communications at eligible pensioners
 - Postcode mapping
 - Actively promote via charity stakeholders
- Promote following events that might heighten need
- (Pensioners recommend TV ads to promote to them)

Process

- Promote wider use of channels for sign up
- Enable charity partners to assist on the call (CSE)
- Remove proof issue: partner with DWP
- Ensure application process is free
- Offer human reassurance e.g. call backs, confirmation

Promotion

- Use positive tone and imagery
- Frame as an entitlement – not a safety net for the struggling
- Give it a name that sits alongside other (better known) benefits e.g. Winter Fuel Allowance/Payment; Warm Home Discount
- Promote Pension Credit to promote scheme (as TV Licensing)
- Design comms for a range of people/ages/ethnicity (language & imagery)

Research highlights need for a fresh approach to promoting the tariff

Reposition

- Name tariff to follow other similar schemes (name does not need to communicate eligibility criteria)
- Recommend testing *Water Bill Discount* or *Pensioner Water Allowance*
- Not '*Payment*' as in Winter Fuel Payment (sounds like a hand out)
- Hook: Saving money on your water bill – and test options for describing this (% vs average bill)
- Tone: positive, adult to adult, news to share (not help for the needy)
- Imagery: focus more on saving money and positive service rather than depicting the target audience (which is fraught with potential to offend – or fails to resonate)

"It's a bonus you get as you get older which makes you feel appreciated."

Adopt a dual strategy: wider population and eligible customers

Targeting

Wider population

- WOM strategy...*if you know someone* or position for your loved ones
- Signposting to more (online) information
- Broadcast promotion: Social media; magazine etc.



Eligible customers

- Step up the role of local charity partners and community groups
 - Reassurance
 - Effective networks
- Focus on simplicity of applying and trust
 - All channels, free
 - Customer support

Research highlights need for a fresh approach to promoting the tariff

Application process

- Retain very short form (but re-designed so that PSR element is more clearly separate)
- Provide reassurances
 - Access to customer services
 - Free to do
 - Safe (personal information; proof documents)
- Ideally work with DWP to identify eligibility (and negate proof documents from those on Pension Credit)
- Indicate how supporters/third parties can help

Principle barriers checklist

- PENSION CREDIT NOT A BYWORD FOR ELIGIBILITY: make relevant to target audience
- APPLYING MEANS HASSLE: make it very easy to find out more/to apply
- RETISCENCE/SHAME: positively frame as an entitlement
- CHANNEL EXCLUSION: telephone (warm voice) is as important as online
- FEAR: build in reassurance – and reduce need to provide proof documents
- COST: assure that applying is free

- Potential for wider role for BW/WW to help promote discounts and pensioner benefits more widely (Social value)



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