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.

- 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

1. Pre-task experts: sent examples of comms and asked about current perceptions of scheme

2. 3 x video group discussions

   **Expert group:** perceived barriers to take up

   - Bristol Dementia Action Alliance
   - Bristol Older People’s Forum
   - Centre for Sustainable Energy

3. Reconvened meeting: expert group and WW, BW – co-creating solutions
   - Video meeting using Zoom breakout rooms

   **2 x Eligible customer groups – each comprising 4 people:** response to scheme & comms examples

   - Recruited 8-10 eligible pensioners (not in receipt of pension credit tariff)
     - Both Bristol & Wessex region
     - Age spectrum (66-79)
     - Included people with long term health conditions

   **Tuesday 18th August**

   **Thursday 10th September**
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.”

“A new boiler wiped us out.”

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

“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

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’

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

“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.”
“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.”
“The older feel embarrassed. Feel people are worse off than them.”
[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

**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

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

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

“I won’t do internet banking. I feel inadequate.”
“You only have to click on the wrong thing.”
“I feel like a dodderly old fool – it can be humiliating.”

“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
Implications for the tariff

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

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

“Promotion”

“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.”

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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

• 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...’

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Response to current comms

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

- 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

- Animation appeals: could see working in Post Offices and GP surgery screens
Implications for the tariff

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?
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)

**Targeting**

Adopt a dual strategy: wider population and eligible customers

**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

“It’s a bonus you get as you get older which makes you feel appreciated.”
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
- RETICENCE/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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