

# What comes to mind when considering looking into and/or adjusting one's pension: An empirical study among UK and US residents

“Positive emotions and feelings also drive pension decisions”

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Pension reforms often result in the responsibility for an adequate pension falling more on individual participants. It is then important that participants sufficiently understand their pension situation and adjust it where desired. Effective interventions to promote this require a better understanding of the motivations for looking at the pension situation. We investigated this with an online study, asking three hundred people in the UK and the US what came to mind when considering looking at their pension savings or adjusting their pension plans. Respondents provided self-generated answers to obviate any potential blind spots in previous research.

## Principal Findings

- This research confirmed previous insights into determinants of pension decisions, such as concern about the future and anxiety.
- New variables were also identified, such as positive emotions.
- The decision to look at one's pension was most strongly and positively related to people's evaluation of their current situation.
- The decision to adjust one's pension was negatively related to feelings of safety and security.

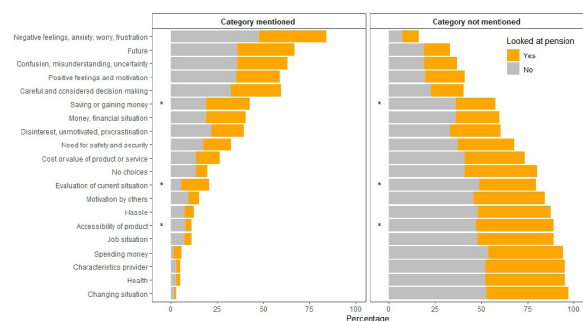


Figure 1. Percentage of participants who did (left column) or did not (right column) mention a specific category of associations with pension decisions. Each column further shows how many of these participants did or did not (see legend) look at their pension situation.

## Key Takeaways for the Industry

- Measures to promote involvement among pension participants could include new interventions based on appealing to positive emotions.
- Research on the effects of pension communication should make a clear distinction between the decision to look at your pension situation and the decision to actually making use of an option.



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