



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

Autumn 2015 Employers Survey

Summary Report

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1 Executive Summary

1.1 Introduction

This report summarises the results from the Autumn 2015 research carried out by Quadrangle, an independent market research agency, on behalf of The Pensions Regulator. It follows a series of previous biannual survey waves conducted since 2011.

The objectives of the research were:

- To identify and track employers' awareness, understanding, knowledge and attitudes in relation to automatic enrolment;
- To determine reactions to and the impact of the recent employer advertising activity carried out by the regulator;
- To understand employers' actions and intended actions in relation to automatic enrolment.

The survey was carried out among small employers (with between 5 and 29 employees¹) and micro employers (1 to 4 employees) between November and December 2015. All employers were between four months and two years from their staging date². A total of 601 telephone interviews were conducted. This report is a summary of findings.

There is a Technical Report to support this document, also produced by Quadrangle, that includes a full list of survey questions and responses³.

1.2 Key findings

1.2.1 Unprompted recall of workplace pensions advertising reflected the campaign's key messages.

Around a quarter (24%) spontaneously recalled "the big furry creature" with the same proportion recalling that "all employers need to comply". A total of 14% spontaneously recalled that "employers have to put staff on a workplace pension" whilst a similar proportion (13%) recalled the slogan of the advertising, "Don't ignore the workplace pension".

1.2.2 A higher proportion than in Spring 2015 thought the regulator was the sponsor of the advertising that employers had seen or heard. Employers were most likely to think the government was the sponsor of the advertising.

¹ Throughout the report, references are made to changes since Spring 2015. Small employers in Spring 2015 were defined as having 5-49 employees, while in Autumn 2015 they have 5-29 employees, since future employer stages had a maximum of 29 employees.

² An employer's staging date is when their automatic enrolment duties first come into force for the employer.

³ www.tpr.gov.uk/doc-library/research-analysis.aspx#s16192



One in eight (13%) believed the regulator was the sponsor of the advertising they spontaneously recalled, an increase from 6% in Spring 2015. The increase in recognition of the regulator applied to both small and micro employers. Half (49%) of employers believed the government was responsible for the advertising they recalled.

1.2.3 Most employers remembered seeing or hearing at least one part of the advertising campaign, with recall of the radio advert higher than the television and digital advertising.

A majority (79%) of employers remembered seeing or hearing at least one of the campaign advertisements. Recall of the radio advertising was highest with 57% remembering it after being prompted. Almost half (48%) recalled seeing at least one of the television adverts and a minority (13%) remembered seeing the digital advertising. There were no differences in recognition by size of employer or staging date.

Of those who recalled one or more television adverts, a third (35%) spontaneously recalled the advertising's slogan "Don't ignore the workplace pension". Almost a quarter (23%) of those who recalled the radio advert spontaneously recalled this slogan.

1.2.4 The majority of those who recognised the advertising thought it was relevant and clear. The television advertising was seen as memorable and fun but less effective at telling employers where to get help. The radio advert was perceived as helpful by the majority but less memorable.

The television advertising scored relatively highly on memorability (62% agreed it was memorable), clarity of message (66%) and relevance (72%). Employers felt the advertising stood out from other government adverts (77%) and that it was also a fun way to get across a serious message (72%). However, a much smaller proportion (38%) agreed that the advertising made it clear where employers can get help.

The radio advert scored higher than the television advertising on clarity (91%), signposting where to get help (75%) and relevance (90%). However, it was less likely to be seen as memorable (48%).

The digital advertising was seen by the majority as a fun way to get across a serious message (80%), while over half (54%) felt motivated to find out more information.

1.2.5 Awareness⁴ of automatic enrolment remained similar to the level in Spring 2015 among small and micro employers, while understanding⁵ increased significantly among both small and micro employers.

Awareness of automatic enrolment stood at 78% among micro employers, virtually

⁴ See page 21-22 for full definition.

⁵ See page 24 for full definition.



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unchanged from 77% six months earlier. Among small employers, awareness was 90%, also virtually unchanged from 88% in Spring 2015.

Understanding levels increased among micro employers from 48% in Spring 2015 to 56%, while among small employers they increased from 59% to 68%. Increased knowledge of the need to complete a declaration of compliance was the main contributor to higher understanding levels. A total of 76% of small employers understood that they need to submit a declaration (increased from 67% in Spring 2015) and 70% of micro employers (increased from 59% in Spring 2015).

Awareness levels of automatic enrolment were similar regardless of staging date, ranging between 82% and 83%. Understanding levels were significantly lower among employers staging in 2017, standing at 54%, compared to 67% among those with a staging date of April to July 2016 and 65% among those with a staging date of August to November 2016.

1.2.6 The majority of employers staging in 2016 knew the date that automatic enrolment applied to their organisation, with knowledge increasing among those closest to staging.

When employers' actual staging date was compared with what they believed it to be, 71% of those with a staging date between April and July 2016 accurately recalled their date. This was similar to employers who were a similar distance from their staging date in the Spring 2015 survey⁶ (79%). Accurate knowledge was much higher among August to November 2016 stagers⁷ than employers a similar distance from their staging date in Spring 2015: 56% vs. 29% among their equivalent staging group in Spring 2015, while it remained similar among 2017 stagers (34% vs. 30% in Spring 2015).

1.2.7 The vast majority were confident of their future compliance and this was largely due to similarly high levels of engagement in early information-seeking tasks.

The vast majority (93%) of employers continued to express confidence in future compliance with automatic enrolment. Engagement with early information seeking behaviours contributed to this confidence: 93% had engaged to some extent with automatic enrolment preparations. Specifically, 81% had found out their staging date, 57% had visited the regulator's website and 52% had contacted an external adviser.

Small employers were more likely to have been active than micro employers and engagement increased the closer employers were to their staging date. Almost all (97%) employers staging in April to July 2016 had carried out at least one information seeking activity compared with 90% of those who stage in 2017.

1.2.8 Direct communications from the regulator appeared to significantly impact levels of understanding about automatic enrolment.

⁶ Among those with a staging date of August to November 2015 in the Spring 2015 survey.

⁷ In this report we sometimes refer to employers with a certain staging date as "stagers".



Among 2017 stagers, 75% of those who recalled receiving a letter from the regulator were aware that they had to complete a declaration of compliance, compared with 43% of those who did not recall receiving a letter.

1.2.9 Correspondence from the regulator was reported as the main trigger to take action to prepare for automatic enrolment, followed by contact with an adviser and then seeing or hearing advertising.

Three quarters (76%) of employers said receiving a letter or email from the regulator made them start preparatory action for automatic enrolment. The second most frequently cited trigger for action was receiving information from an adviser (43%), followed by seeing or hearing advertising (28%).

1.2.10 Reliance on external advisers remained similar to Spring 2015, with accountants and financial advisers most likely to be called upon for support.

Similar to the level in Spring 2015, 57% of small employers had already consulted external advisers about automatic enrolment (similar to the level in Spring 2015). Whilst fewer micro employers had engaged with external advisers, this increased to 42% from 30% in Spring 2015.

The most likely adviser to be used remained accountants: 43% of small employers used accountants, increasing to 60% of micro employers. The second most used advisers remained financial advisers (45% of small and 41% of micro employers), followed by pensions providers (28% of small and 18% of micro employers).

Of those who planned to consult an adviser about automatic enrolment, two thirds (66% small and 65% micro employers) expected to rely on them to provide practical assistance, as opposed to only receiving advice. This was similar to the last survey wave when 68% of small employers and 64% of micro employers expected to rely on advisers for practical support.

1.2.11 Awareness of, and familiarity with, the regulator increased significantly since Spring 2015.

Those claiming to know at least a little about the regulator increased from 67% in Spring 2015 to 78% in Autumn 2015. Micro employers in particular had higher knowledge of the regulator, rising from at least 59% claiming to know at least a little about the regulator in Spring 2015 to 73% in Autumn 2015.

1.2.12 There remained high levels of support for workplace pensions.

Similar to Spring 2015, a majority of employers agreed that automatic enrolment is a good thing in principle for their employees: 77% of small and 65% of micro employers agreed compared with 79% and 67% respectively in Spring 2015.

Micro employers were more likely to perceive challenges than small employers. Whilst 43% of micro employers agreed that it would be difficult financially to contribute to a workplace pension scheme, this reduced to 34% among small employers. These levels of agreement were largely unchanged from Spring 2015.



2 Introduction

2.1 Workplace pension reforms

The workplace pension reforms, set out in the Pensions Act 2008, require employers in the United Kingdom to automatically enrol certain members of their staff into a workplace pension scheme and contribute towards it, unless the worker is already a member of a qualifying pension scheme. These reforms are also referred to as automatic enrolment.

To be eligible for automatic enrolment (and be classified as an 'eligible jobholder'), staff must be:

- aged at least 22 but under State Pension Age;
- working or ordinarily working in the UK; and
- earning more than £10,000 a year.

Eligible jobholders can 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 opt in to an automatic enrolment pension scheme and, if they do, they will also receive employer contributions. Other workers can join a pension scheme but the employer is not required to contribute towards it.

The reforms were introduced in October 2012 and are being rolled out in a phased approach so that larger employers have had their staging date – which is the date from which an employer's legal duties begin – before smaller employers.

Businesses with over 250 employees (large employers) staged between 1 October 2012 and 1 February 2014. Those with 50 to 249 employees (medium employers) staged between 1 April 2014 and 1 April 2015, and small and micro employers began to be subject to their duties from June 2015. New businesses that started up after October 2012 were given a staging date from 1 May 2017.

Employers must submit a declaration of compliance to the regulator within five months of their staging date to confirm that they have complied with their duties.

This research encompassed employers classified as small (5-29 employees) and micro (1-4 employees) that have a staging date between April 2016 and April 2017.

2.2 Communications activities

The regulator supports employer compliance through an integrated communications strategy based on engagement with employers and through their intermediaries. The regulator seeks to inform employers about their duties, encourage them to prepare for automatic enrolment and maximise compliance with the reforms.

The communications approach consists of writing to employers to inform them what to do at key intervals on the approach to their staging date and to their declaration of compliance deadline.



Awareness messaging is re-enforced through an integrated multi-channel advertising campaign, which aims to maintain and to raise levels of awareness of the workplace pensions reforms among the small and micro employer audience, in order to drive action.

This advertising and the direct communications encourages employers to use The Pensions Regulator website which, in alignment with the Government's Digital by Default strategy, provides an online platform through which they can find information and make use of web tools to help them meet their duties. In autumn 2015 the website was re-launched to include a 'Duties Checker tool', which allows employers to identify what their specific duties are through answering a number of triage questions. The employer is then informed of their specific duties according to their circumstances and is taken through an online step by step guide of what they need to do and by when.

The Duties Checker identifies if an employer is likely to have staff to put into a pension scheme, or if they don't need to have a pension scheme but still have other duties. Additionally, it also allows the employers of domestic workers in the home and employers of personal care assistants the opportunity to access guidance tailored to their needs.

The regulator writes to employers 12 months before their staging date (the date when their legal duties start). This initial 'getting started' letter encourages them to use the Duties Checker and also includes The essential guide to automatic enrolment which provides a top-level introductory overview of what is involved.

The information that an employer provides in the duties checker is then used by the regulator to send employers a series of letters and emails at regular intervals in order to inform them what they need to do to prepare to meet their duties and is tailored to their circumstances. Language and terminology used in these communications has also been simplified to clearly explain what an employer needs to do, by when, and to signpost relevant guidance within the online step by step guide. Employers also have the opportunity to nominate a contact to receive additional guidance emails.

2.3 Advertising campaign

To support direct communications activities, a key component of the regulator's communications strategy was an employer-targeted integrated multi-channel advertising campaign. Run with The Department for Work and Pensions, the overarching aim of the advertising campaign was to generate awareness of the workplace pension reforms and encourage action among employers.

Previously, advertising campaigns on workplace pensions reform targeted employers and employees separately. However, in October 2015, the regulator and the DWP integrated their advertising to create a unified campaign aimed at both



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employers and individuals, reflecting the changing demographics of employer yet to meet their duties.⁸

Previous waves of advertising had been aimed at a varied audience of employer sizes reflecting the profile of employers still to meet their duties. However, as the majority of large and medium sized employers had now gone through automatic enrolment, the focus of the campaign now turned to small employers with fewer than 30 members of staff and micro employers with fewer than 9 members of staff. This required a new approach due to some of the specific challenges raised by a wide and diverse range of employers who attitudinally often share the same characteristics and behaviours as their staff.

The campaign included advertising across a range of channels: Television (targeting employers for the first time), radio, press adverts, digital channels and social media.

A new 'disruptive' creative approach was used featuring a creature embodying the workplace pension across all visual elements of the campaign. This was accompanied by the slogan '*Don't ignore the workplace pension*'. The call to action was for the viewer to search for workplace pensions. A campaign micro site was developed for both employers and individuals containing links to route them to the most relevant content.

Television advertising ran nationally in October and November 2015 and targeted both employees and employers. Three different adverts were developed: a 40 second advert 'park' which launched the campaign and targeted employers and employees, a 20 second and a 10 second advert ('mechanic' and 'hairdresser' respectively) which aired later in the campaign to extend the reach of the messaging.

The campaign also included radio; a 30 second radio advert, targeted solely at employers was a refreshed version of an advert used in the previous campaign. The radio adverts ran from October to December 2015. Both used the same slogan 'don't ignore the workplace pension' but rather than asking the listener to search workplace pensions, gave listeners the web address of the microsite.

Digital advertising initially targeted employers, employees and intermediaries all together and included a number of adverts based on the visual creative of the television adverts. The digital campaign ran from October to December 2015.

These three key areas of the campaign were also complemented by some press advertising and social media activity; Facebook, Linked-in and Twitter posts.

⁸ The Department for Work and Pensions had been running advertising campaigns, which were separate from the regulator campaigns and targeted employees only.



2.4 Research objectives

The objectives of the research were:






- To identify and track employers' awareness, understanding, knowledge and attitudes in relation to automatic enrolment;
- To determine reactions to and the impact of the recent employer advertising activity carried out by the regulator;
- To understand employers' actions and intended actions in relation to automatic enrolment.

2.5 Survey methodology

The survey population was defined as employers with 1-29 staff who had an automatic enrolment staging date between April 2016 and April 2017 (inclusive). Employers with 1-4 members of staff were defined as Micro employers and those with 5-29 staff were defined as Small employers. All employer contact details for the survey were provided by the regulator.

Quota sampling was used with quotas set for the following sub-groups: number of staff, staff eligibility and staging date. Quadrangle interviewed 601 employers by telephone, using Computer Assisted Telephone Interviewing (CATI). All interviews took place in November and December 2015. The average interview length was 26 minutes. Figure 1 presents an overview of the methodology.

Figure 1: Survey methodology

EMPLOYERS	
 How we interviewed	Telephone
 When we interviewed	November to December 2015
 Questionnaire length	26 minutes
 Who we talked to	601 employers
 Quotas	Number of staff Whether have eligible jobholders Staging date



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During the interview, within the campaign evaluation section, participants were emailed unbranded images of stills from each of the three television adverts and an unbranded image of one of the digital adverts. These were used in the survey to establish whether employers remembered seeing them before the interview. Stills from the television adverts are presented in Figure 2.

Figure 2: Television advertising stills shown in survey

'The park'



'The mechanic'



'The hairdresser'



The example digital advert shown in the survey to measure prompted recall is shown in Figure 3.

Figure 3: Digital advertising shown in survey



The thirty second radio advert was played to all survey participants.



The data was weighted to the population profile. Table 1 presents the unweighted (number of interviews achieved) and weighted data (number of interviews reported).

Table 1: Achieved interviews and weighted sample

Quotas	Unweighted data		Weighted data	
	<u>Interviews achieved</u>	%	<u>Interviews reported</u>	%
Number of staff (size)				
1-4 (micro employers)	384	64%	372	62%
1-2	209	35%	264	44%
3-4	175	29%	108	18%
5-29 (small employers)	217	36%	229	38%
Whether have eligible jobholders				
Eligible job holders present	444	74%	398	66%
No eligible job holders	157	26%	203	34%
Staging date				
April 2016 to July 2016	132	22%	129	22%
August 2016 to November 2016	198	33%	193	32%
January 2017 to July 2017	271	45%	278	46%
Total	601	100%	601	100%

2.6 Reporting conventions

When interpreting the data presented in this report, please note that:

- Results may not sum to 100% due to rounding and/or due to participants being able to select more than one answer to a question.
- Data presented in this report are from a sample of employers rather than the total population. This means the results are subject to sampling error. Differences between sub-groups and between different waves of the research are only commented on in the text if they are statistically significant at the 95 per cent confidence level. This means there is no more than a 5 per cent chance that any reported differences are not real but a consequence of sampling error.⁹

⁹ 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.



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- Results in each section of this report are presented for Autumn 2015 in the first instance and then comparisons are made with Spring 2015 to establish what has/has not changed over time.

2.7 Technical report

This report is a summary of findings; it does not provide responses to all questions for all sub-groups. It is, therefore, accompanied by a Technical Report¹⁰, which details all the questions asked in the survey and all the responses at a total and sub-group level. The Technical Report was also produced by Quadrangle.

¹⁰ www.tpr.gov.uk/doc-library/research-analysis.aspx#s16192



3 Response to the advertising campaign

3.1 Introduction

The campaign, which is described in section 2.3, was assessed on the following measures:

- Unprompted recall
- Prompted recall (by channel: TV, radio and digital)
- Campaign evaluation (by channel: TV, radio and digital)
 - Recall – has it been seen?
 - Clarity – has it been understood?
 - Comprehension – was it clear what the advertising was calling for?
 - Relevance – was it clear the advertising was aimed at them?
- Campaign diagnostics (by channel: TV and radio)
- Campaign message take-out (by channel: TV and radio)

Comparisons between Spring 2015 and Autumn 2015 cannot be drawn for television advertising. The Autumn 2015 campaign was the first to include television advertising directly aimed at employers, as well as individuals, whereas previous television advertising was part of the Department for Work and Pension's advertising campaign that was aimed at individuals.

3.2 Unprompted recall of advertising

A majority spontaneously recalled seeing or hearing some form of advertising about workplace pensions in the previous three months

Three-quarters (76%) recalled seeing or hearing any advertising about workplace pensions in the previous three months. The level of recall was the same irrespective of employer size, staging date group and whether employers had eligible staff or not.

Figure 4: Spontaneous awareness of advertising in the previous three months



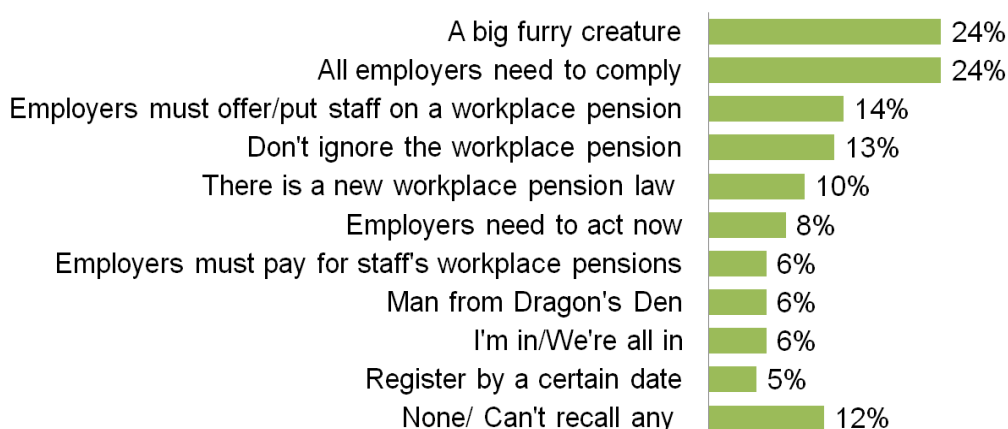


For the first time in this survey wave, employers that recalled advertising were asked what specifically they remembered; this offered a means of determining whether they were spontaneously recalling the new campaign rather than an earlier or alternative campaign, and whether the 'right' messages were being recalled.

The main mention, by 24% of employers, was seeing "a big furry creature" and 13% recalled the slogan "Don't forget the workplace pension" and so were correctly recalling the recent campaign. Figure 5 presents the most frequently recalled features/messages by employers.

A minority mentioned previous campaigns, with 6% mentioning the "man from Dragon's Den" and 6% recalling the "We're all in" campaign.

Figure 5: Spontaneous recall of advertising content/messages



(All employers remembering advertising, Autumn 2015)

Television advertising was the most frequently cited channel for having seen this advertising: 79% mentioned television compared with 20% for radio, 7% for digital and 11% for printed press. These levels were broadly the same as those reported in Spring 2015.

One aspect that had increased significantly since Spring 2015 was recognition of the regulator as sponsor. Employers were more likely to have (correctly) cited "the government" as the advertising sponsor (previously 48% of small employers and 40% of micro employers, compared with 52% of small employers and 46% of micro employers in Autumn 2015). However, awareness of the regulator increased from 6% of small employers and 7% of micro employers in Spring 2015 to 13% of small employers and 12% of micro employers in Autumn 2015. The increase in recognition of the regulator was also higher in Autumn 2015 amongst those closest to staging (18% vs. 10% among those furthest from staging).



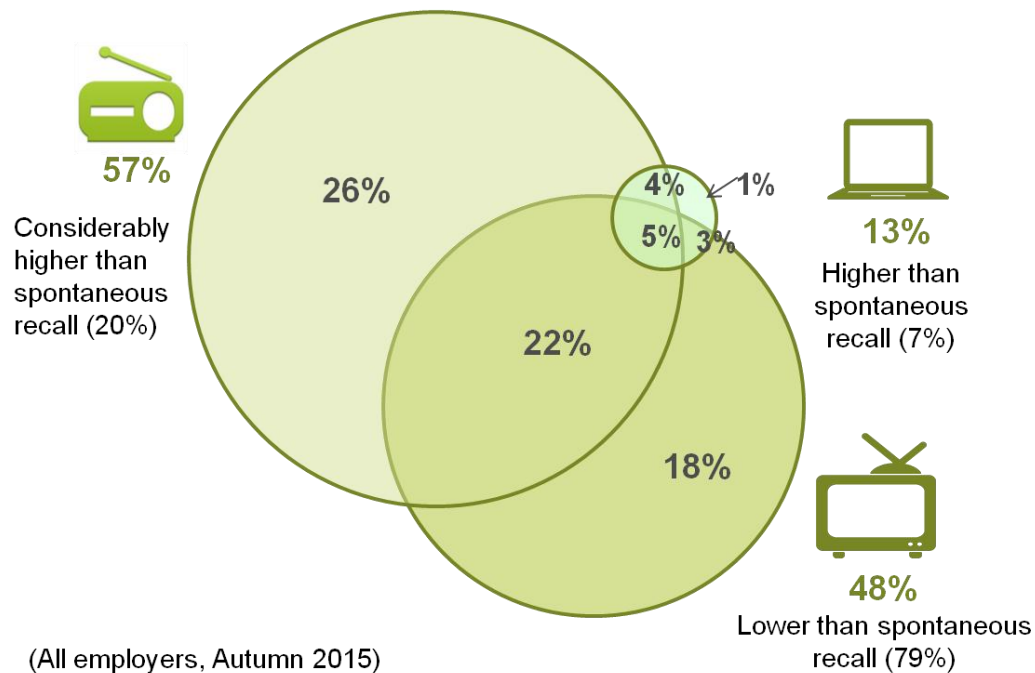
3.3 Prompted recall of advertising

When shown advertising material, most employers recalled seeing or hearing at least one of the campaign adverts

When shown stills from the television advertising, played the radio advert and shown an example of a digital advert, four fifths (79%) of employers remembered seeing or hearing at least one of the adverts. Considerably more employers remembered the radio and digital adverts, when prompted, than had recalled either of them spontaneously (radio: 57% when prompted vs. 20% spontaneous recall; digital 13% when prompted vs. 7% spontaneous recall). Conversely, fewer employers remembered the TV adverts after being prompted (48% when prompted vs. 79% spontaneous recall).

Figure 6 shows the level of prompted recall of the advertising campaign by channels and the relationship between recall of the three channels. It can be seen that the proportion who saw either a television advert or heard the radio advert adds up to 78%, with digital advertising increasing reach by one percentage point to 79%. A fifth (22%) both saw a television advert and heard the radio advert.

Figure 6: Prompted recall of advertising by channel



Prompted recall of radio advertising had increased significantly from Spring 2015. A total of 57% recalled the radio advert in Autumn 2015, comprising 59% of small employers and 56% of micro employers compared with 32% of small employers and 24% of micro employers in Spring 2015. There were no significant differences in recall on the basis of size or proximity to staging in either Spring or Autumn 2015.



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There were no differences in prompted recall of digital advertising overall, or on the basis of size and proximity to staging in either Spring or Autumn 2015.

3.4 Television advertising: evaluation, diagnostics and message take-out

The television advertising was seen as memorable and fun but less effective at telling employers where to get help

Overall, employers responded positively to the television advertising, with a majority agreeing that it was memorable (62%), clear (66%) and relevant to their organisation (72%). Employers were least likely to agree that the advertising told them where to go for help (38%), see Figure 7. There were no differences in response on the basis of size, distance from staging or eligibility of staff.

Figure 7: Television advertising evaluation



(All employers who recalled at least one television advert, Autumn 2015)

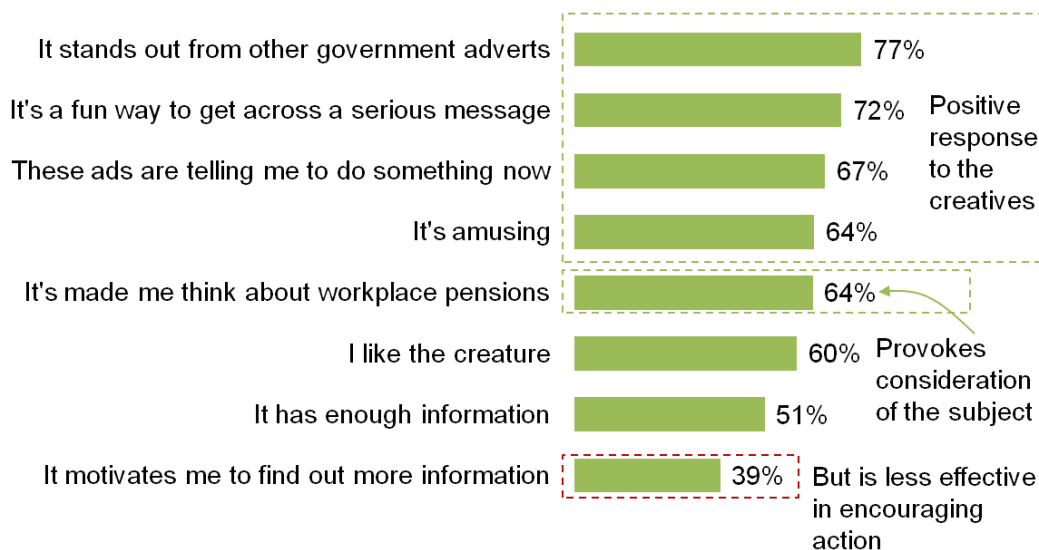
There was a generally positive emotional response to the television advertising. It was recognised as having a light hearted tone; 72% felt it was a 'fun way to get across a serious message' and 64% found it 'amusing'. The advertising also performed relatively strongly on 'telling me to do something now' (67%).

It was rated lower on 'it has enough information' (51% agreed) and for the majority of employers, the television advertising was less effective at encouraging action, with 39% agreeing it motivated them to find out more information.

Figure 8 presents the responses that generated the most frequent agreement.



Figure 8: Television advertising diagnostics



(All employers who recalled at least one television advert, Autumn 2015)

Of those who recalled one or more television adverts, employers took the adverts at face value: the most frequent take-out was the advertising slogan 'Don't ignore the workplace pension' (35%). Other take-outs were that all employers need to comply (16%), there is a new law in relation to workplace pensions (14%) and employers have to put their staff into a workplace pension (12%). A fifth (20%) could not recall anything about the adverts they saw. There were no differences in perception by different groups of employer.

Among those who recalled seeing a television advert, employers believed that the adverts were sponsored by the government (49%). Almost a fifth (17%) recalled the regulator as the sponsor, although this increased significantly to a quarter (25%) among those closest to staging (April to July 2016 stagers). A total of 11% thought the advert they recalled was sponsored by the Department for Work and Pensions, whilst 20% did not know who sponsored it.

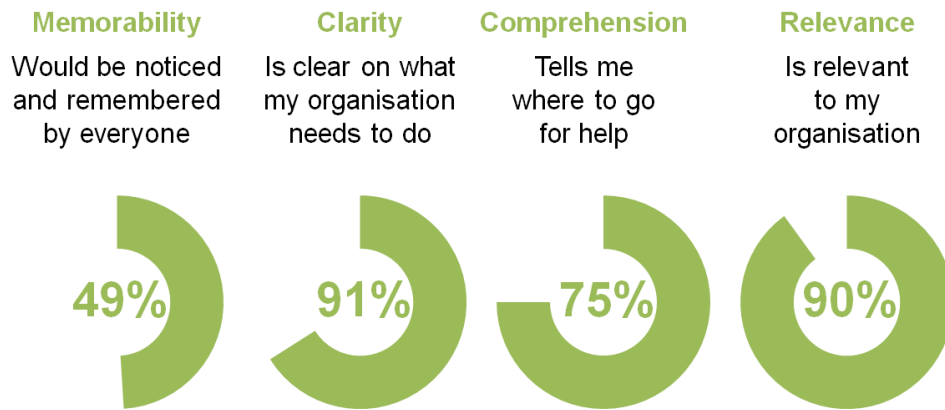
3.5 Radio advertising: evaluation, diagnostics and message take-out

The radio advertising was seen by the majority as being clear on what its message was and where to get help but relatively weak on stand-out

Employers responded generally positively to the radio advertising, with the vast majority agreeing that it offered clear instruction on what to do (91%) and was relevant to their organisation (90%), see Figure 9. There were no notable differences in response by size, proximity to staging or eligibility of staff.



Figure 9: Radio advertising evaluation



(All employers who recalled the radio advert, Autumn 2015)

Whilst there were no significant differences in *total* agreement¹¹ on clarity, comprehension and relevance since Spring 2015, the level of *strong* agreement¹² had increased significantly. Strong agreement increased as follows:

- Clarity increased from 46% of small employers and 49% of micro employers in Spring 2015 to 61% of small employers and 63% of micro employers in Autumn 2015.
- Comprehension increased from 37% of small employers and 35% of micro employers in Spring 2015 to 44% of small employers and 46% of micro employers in Autumn 2015.
- Relevance had increased from 53% of small employers and 52% of micro employers in Spring 2015 to 76% of small employers and 65% of micro employers in Autumn 2015.

The wording of the question about memorability changed slightly between waves (from 'the advertising stands out from other government ads aimed at me' to 'everyone would notice and remember this advert') but even so, the memorability of the radio adverts improved from 34% of small employers and 35% of micro employers in Spring 2015 to 47% of small employers and 50% of micro employers in Autumn 2015.

The radio advert made a majority (76%) of employers think about workplace pensions and a similarly high proportion said it was 'telling me to do something now' and 'it has enough information' (74%). The radio advert lacked stand-out quality,

¹¹ Consisting of respondents who said they either "agreed strongly" or "agreed" with the statement in question.

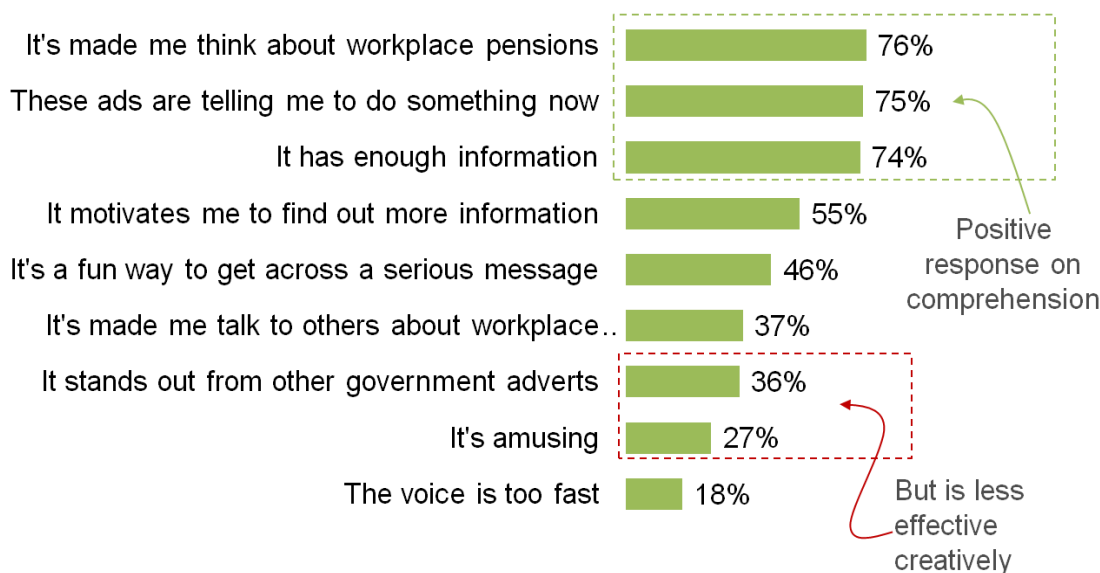
¹² Those respondents who said they "agreed strongly"



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with 36% of employers feeling it stood out from other government advertising. Figure 10 presents the responses that generated the most frequent agreement.

Figure 10: Radio advertising diagnostics



(All employers who recalled the radio advert, Autumn 2015)

As in Spring 2015, the most frequent take-out from the radio advert was that 'all employers need to comply' (47% of small employers and 42% of micro employers in Spring 2015, 48% of small employers and 52% of micro employers in Autumn 2015). After this, the most common take-outs were 'Don't ignore the workplace pension' and 'I have to offer my staff/put my staff into a workplace pension' (both 23%).

In Spring 2015, employers were asked explicitly if it was clear that the regulator was the sponsor (81% of small employers and 83% of micro employers agreed that it was). In Autumn 2015, recognition of the sponsor was approached differently; it was unprompted and 43% named the regulator (with no significant differences between small and micro employers). Recognition increased to 50% amongst those closest to staging (April-July 2016 stagers). Similar to the television advertising, half (49%) thought the sponsor was the government and 13% named the Department for Work and Pensions.

3.6 Digital advertising: diagnostics and message take-out

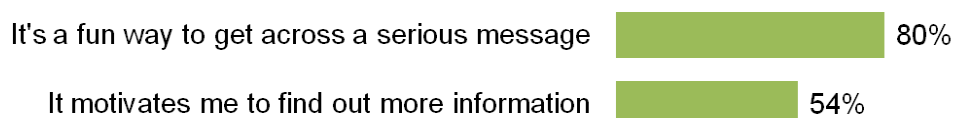
The digital advertising was perceived to offer a balance between creativity and call to action

Overall, employers responded positively to the digital advertising; it generated the same level of agreement as the radio advert in terms of its motivation to find out more (radio 55% vs. 54% for the digital advertising) but also generated a positive



response regarding being a fun way to get across a serious message (80% agreed), as shown in Figure 11.

Figure 11: Digital advertising diagnostics



(All employers who recalled the digital advert, Autumn 2015)

As with the radio advert, in Spring 2015, employers were asked explicitly if it was clear that the regulator was the sponsor (76% of small employers and 70% of micro employers agreed that it was). In this Autumn 2015 wave, recognition of the sponsor was unprompted and 24% named the regulator. A quarter (28%) named the government (lower than the television and radio adverts, which were both 49%) and 15% thought it was the Department for Work and Pensions (similar to the television and radio adverts). A third (31%) of those who had remembered seeing the digital advert did not know who had sponsored it.



4 Awareness and understanding of automatic enrolment

4.1 Introduction

Awareness and understanding of automatic enrolment have been measured since this research began in 2011. These key measures collectively establish whether employers have knowledge of the requirements that automatic enrolment places on them.

Employers' awareness and understanding of automatic enrolment was assessed at three levels:

- Spontaneous awareness of changes to workplace pensions;
- Knowledge of the key requirements of automatic enrolment; and
- Knowledge of staging date (i.e. when automatic enrolment applies to them).

4.2 Spontaneous awareness of changes to workplace pensions

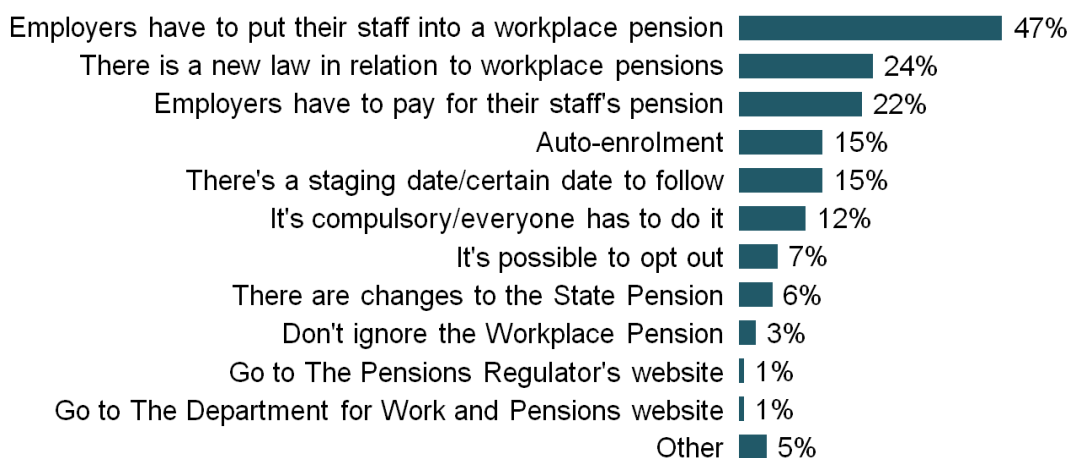
Spontaneous awareness of recent changes to workplace pensions remained almost universal

Consistent with levels reported in Spring 2015, the vast majority (91%) of employers were aware of recent changes to workplace pensions. This high level of knowledge applied to employers regardless of their size, staging date or whether they had any employees that were eligible to be automatically enrolled.

For the first time in this survey wave, employers were asked what recent changes to workplace pensions they were aware of. Almost half (47%) of employers spontaneously referred to employers having to put their staff into a workplace pension and a quarter (24%) stated awareness of a new law in relation to workplace pensions. Figure 12 presents all responses from all employers. There were no significant differences between employers on the basis of size, staging date or whether they had staff that were eligible for automatic enrolment.



Figure 12: Spontaneous knowledge of what the recent changes involve



(All employers, Autumn 2015)

Consistent with previous waves of the survey, employers had become aware of these recent changes through a wide range of sources. Employers were most likely to have heard about the recent changes through television advertising; 40% cited this source, which was broadly the same as Spring 2015 (41% of small employers and 37% of micro employers).

There was a change, however, in the number of employers citing letter(s) they received from the regulator as their source. In Spring 2015, it was highlighted that there was a notable increase in respondents citing letters from the regulator and in this wave, the increase was greater still. A quarter (24%) now cited a letter from the regulator as their source; an increase from 10% of small employers and 20% of micro employers 16% in Spring 2015.

4.3 Awareness of automatic enrolment

Awareness of automatic enrolment remained similarly high to Spring 2015 levels

Awareness of the detailed requirements of automatic enrolment was determined by measuring whether employers knew about three specific changes to workplace pensions law.

The regulator classes employers as having awareness of the workplace pension reforms if they have sufficient knowledge to know what the main requirements and duties are for them when prompted. To have 'awareness', employers had to have knowledge of all three requirements, namely, they know that:

- Employers will have to automatically enrol UK members of staff into a pension scheme
- Employers will have to provide a pension scheme that can be used for automatic enrolment

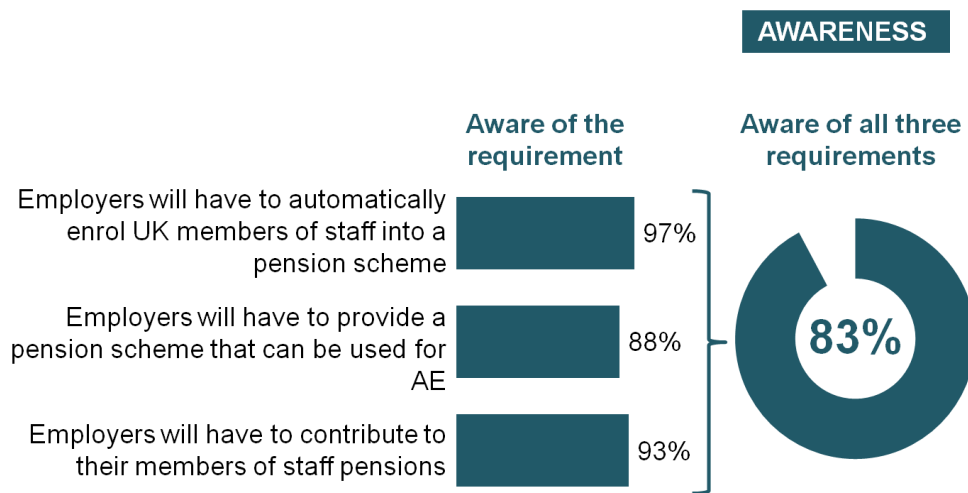


Employers' awareness, understanding and activity relating to automatic enrolment and evaluation of communications campaign

- Employers will have to contribute to their members of staff pensions

Four fifths (83%) of employers were aware of automatic enrolment, i.e. knew all three requirements which make up this measure. Figure 13 presents the level of awareness for each requirement and shows that more than 88% of employers were aware of each individual requirement.

Figure 13: Awareness of automatic enrolment requirements



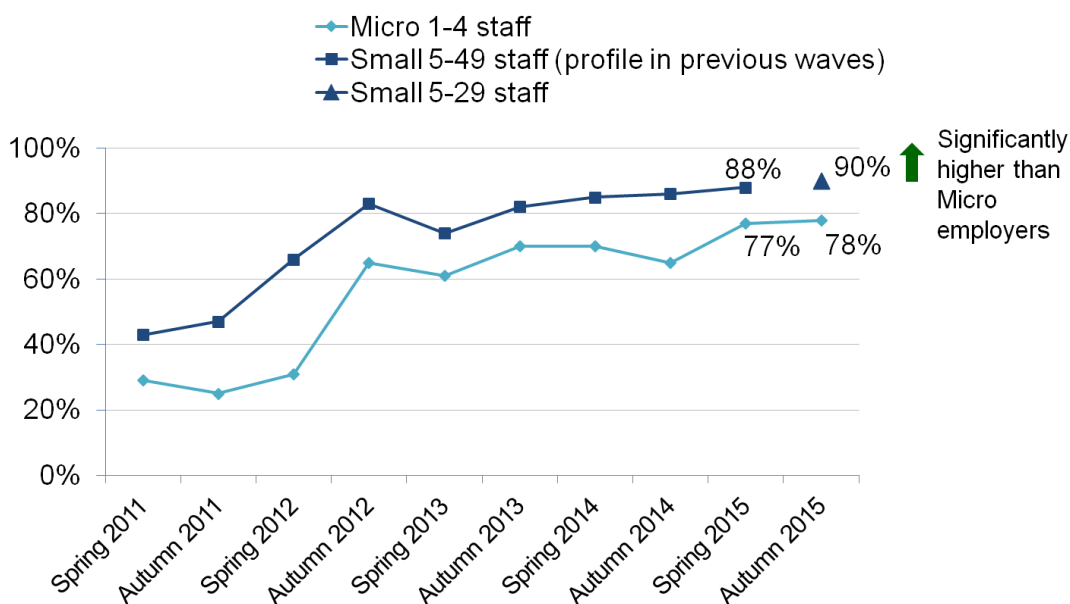
(All employers, Autumn 2015)

Figure 14 shows that 90% of small employers were aware of each of the three individual requirements that make up the awareness measure, compared with 78% of micro employers. Neither small nor micro employers showed significant change since Spring 2015 but the difference between the two groups was statistically significant. Since the research survey began in Spring 2011 small employers have consistently had higher levels of awareness than micro employers.



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

Figure 14: Awareness of automatic enrolment by size, over time



Small employers had higher knowledge than micro employers on the following requirement: 'Employers will have to provide a pension scheme that can be used for automatic enrolment'. Almost all small employers (95%) were aware of this requirement compared to 84% of micro employers.

Employers with eligible jobholders¹³ had higher levels of awareness than those with no eligible job holders: the overall awareness levels for these groups were 87% and 74% respectively. These differences are due to the levels of knowledge for two specific requirements, as shown in Table 2 (both differences are significant).

Table 2: Awareness of automatic enrolment requirements, significant differences by whether employers had eligible jobholders

	With eligible job holders	No eligible job holders
Employers will have to provide a pension scheme that can be used for automatic enrolment	91% ↑	82%
Employers will have to contribute to their members of staff pensions	96% ↑	88%

↑ Significantly higher than 'no eligible job holders'

¹³ Refer to page 5 for definition.



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

There were no differences in awareness levels by staging date group with all groups reporting similar levels of awareness for each requirement and at an overall level (ranging between 82% and 83%). This reflects a change since Spring 2015 where those closest to their staging date had significantly higher levels of awareness than those furthest from their staging date.

4.4 Understanding of automatic enrolment

Levels of understanding increased significantly among both micro and small employers compared to Spring 2015

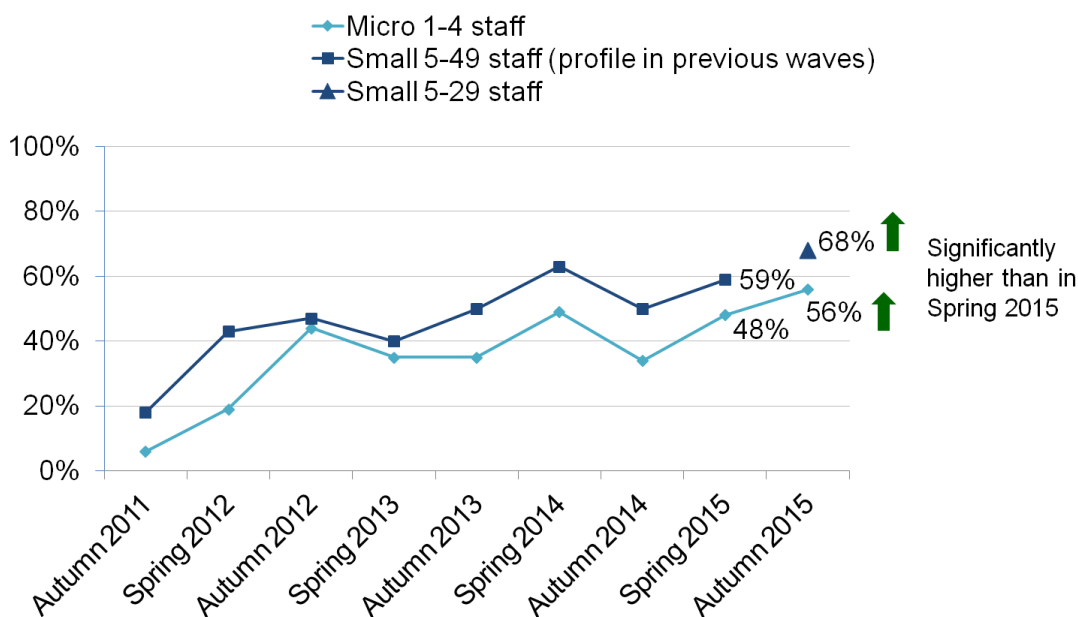
Understanding of the detailed requirements of automatic enrolment was determined by assessing whether employers were aware of five specific changes to the pensions law; the three awareness requirements reported above (section 3.3) plus two additional requirements. To have 'understanding', employers had to have knowledge of *all five* requirements.

The two additional requirements contributing to understanding are that:

- Employers will need to communicate to UK workers on an individual basis
- Employers will have to complete a declaration of compliance with the appropriate government body to confirm they have met their duties

In this survey, levels of understanding among both small and micro employers were significantly higher than in Spring 2015. Understanding levels stood at 68% among small employers, a rise from 59%. Among micro employers, understanding rose from 48% to 56% (see Figure 15).

Figure 15: Understanding of automatic enrolment by size, over time





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

There were also significant differences in understanding based on eligibility of staff. Employers with eligible job holders were more likely to have overall understanding (i.e. agreeing with all five requirements) than those with no eligible job holders (62% vs. 57% respectively).¹⁴

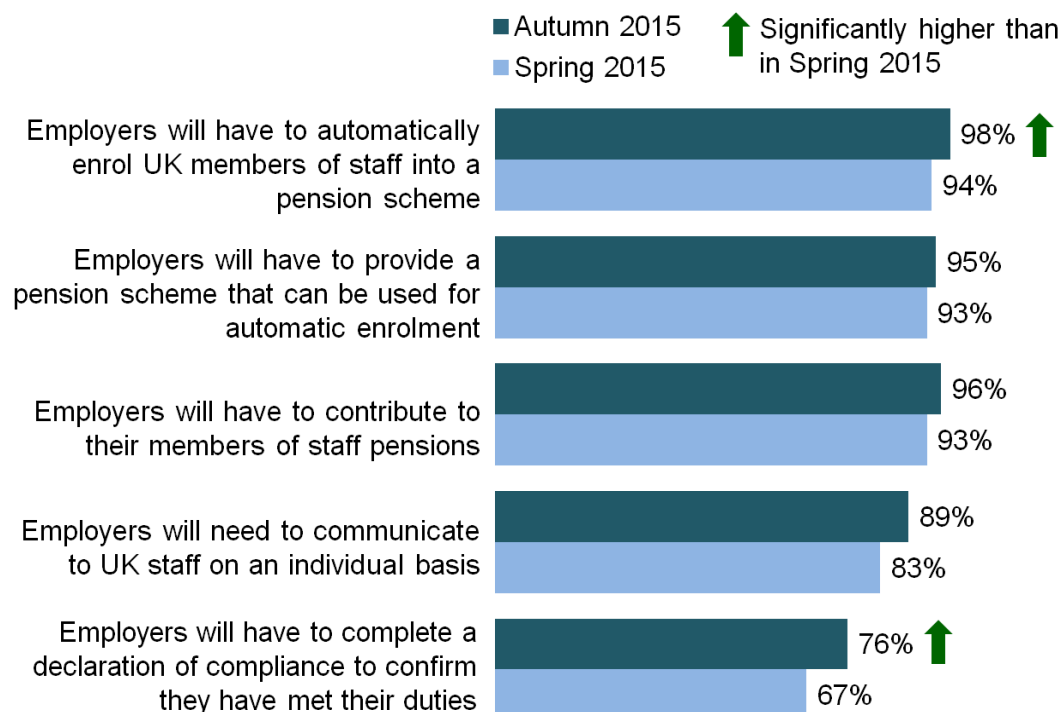
There were significant increases in knowledge of some of the specific automatic enrolment requirements compared to Spring 2015, as illustrated in Figure 16 (small employers) and Figure 17 (micro employers).

Knowledge of the need to automatically enrol workers was significantly higher among small and micro employers, rising to 98% and 96% respectively (compared with 94% and 90% in Spring 2015).

Awareness of the requirement to complete a declaration of compliance also increased among both groups, to 76% and 70% respectively (compared with 67% and 59% in Spring 2015). Knowledge among micro employers of the need to communicate to workers on an individual basis increased to 84% from 72% in Spring.

While awareness of the need to complete a declaration of compliance increased compared to the last survey wave, as in previous survey waves, awareness of it remained lowest of all five requirements among both size groups.

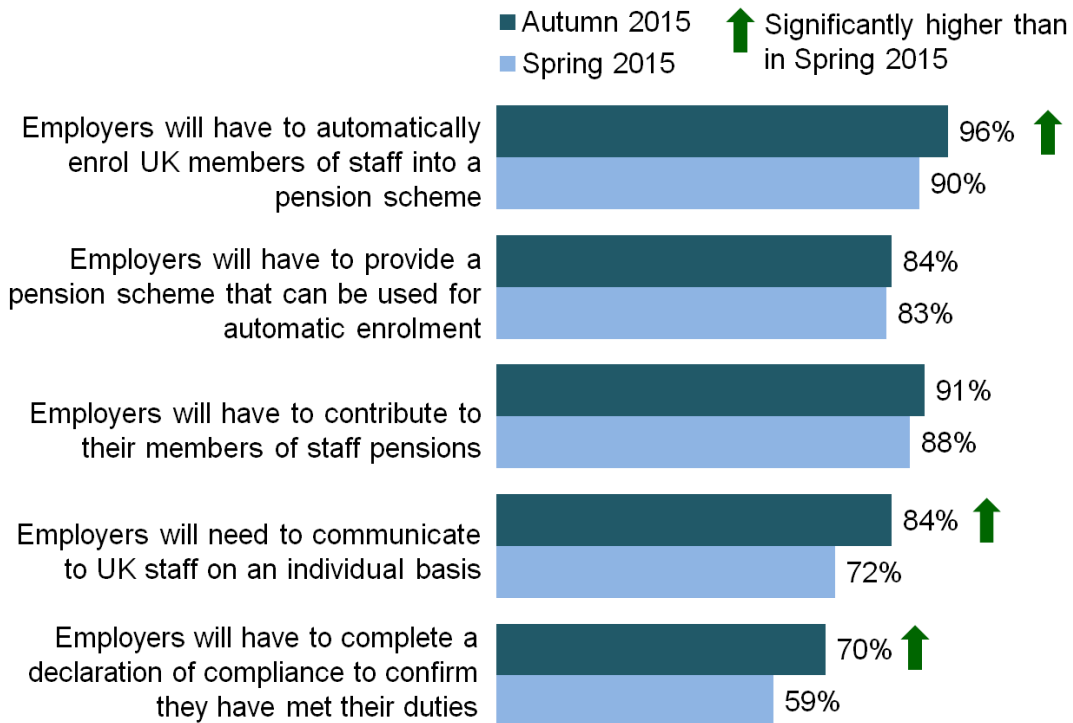
Figure 16: Understanding of automatic enrolment among small employers



¹⁴ Note that employers without eligible jobholders are not required to set up a pension scheme and are therefore less likely to be aware of this requirement which is one of the five asked about.



Figure 17: Understanding of automatic enrolment among micro employers

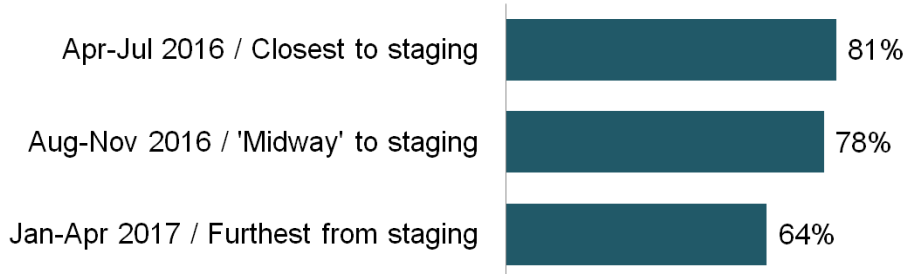


Understanding levels differed by proximity of staging date. Similar to the Spring 2015 survey wave, those closest to staging had higher levels of understanding than those furthest from staging. Specifically, those staging in 2016 had significantly higher levels of overall understanding than those staging in 2017 (67% of April to July 2016 stagers and 65% of August to November 2016 stagers vs. 54% of January to April 2017 stagers).

Underpinning these differences, employers staging in 2016 had higher knowledge of the requirement to 'complete a declaration of compliance to confirm they have met their duties'. Whilst 81% of employers closest to staging (April to July 2016 stagers) and 78% of those with a staging date of August to November 2016 were aware of this requirement, this reduced to 64% among those furthest from staging (2017 stagers), as shown in Figure 18.



Figure 18: Understanding of need to complete declaration of compliance by staging date groups



There were no other differences between staging date groups in relation to knowledge of the other four elements making up understanding of automatic enrolment.

The relatively lower level of knowledge about completing a declaration of compliance among 2017 stagers was influenced by whether or not those employers recalled receiving direct communication (a letter or email) from the regulator. During Spring 2015 the regulator sent a letter to all employers with a staging date between January and April 2017 (among others), telling them about their automatic enrolment duties. Analysis by recall of the letter illustrates the importance this letter had in increasing employers' understanding of their declaration duties, as illustrated in Table 3.

Table 3: Influence of letters from the regulator on understanding automatic enrolment declaration duties

	January - April 2017 stagers aware of the need to complete a declaration of compliance
Recalls receiving a letter from the regulator	75%
Does not recall receiving a letter from the regulator	43%

4.5 Knowledge of staging date

Employer size and proximity to staging impact on staging date accuracy, as was the case in Spring 2015

Approximately half of employers (49%) were able to correctly identify their staging



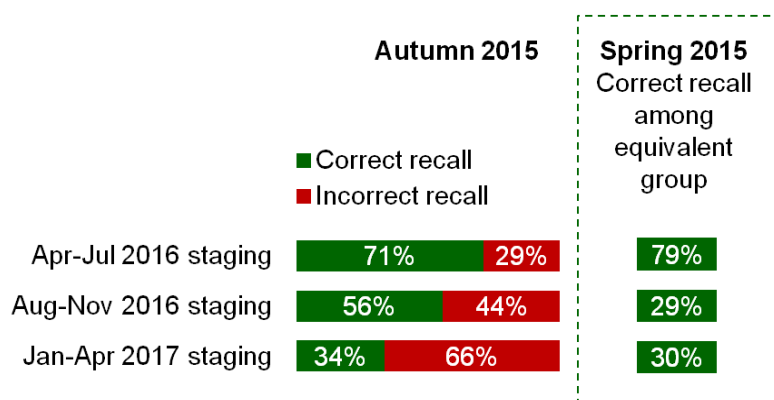
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date.¹⁵ Differences in accuracy levels were found between employers of different sizes and depending on employers' proximity to staging.

More small employers knew their staging date than micro employers (56% vs. 44% respectively), a similar pattern to the Spring 2015 survey findings. There was a significant improvement in accuracy among micro employers, increasing from 25% in Spring 2015 to 44% in Autumn 2015.

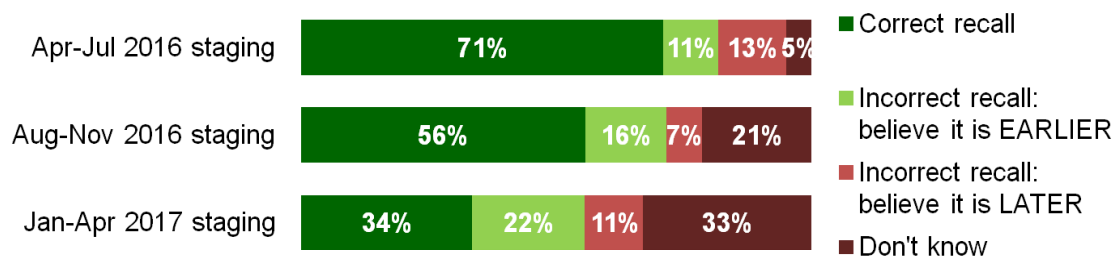
Figure 19 shows that those closest to staging were approximately twice as likely to know their staging date than those furthest from staging, reflecting a pattern reported in Spring 2015.

Figure 19: Correct recall of staging date by staging date band



A sizeable minority among each staging date group believed their staging date to be earlier than it actually is (see Figure 20).

Figure 20: Detailed recall of staging date by proximity to staging



¹⁵ Employers were asked to state their staging date and this was checked post fieldwork with the accurate date provided by the regulator.



5 Preparing for automatic enrolment

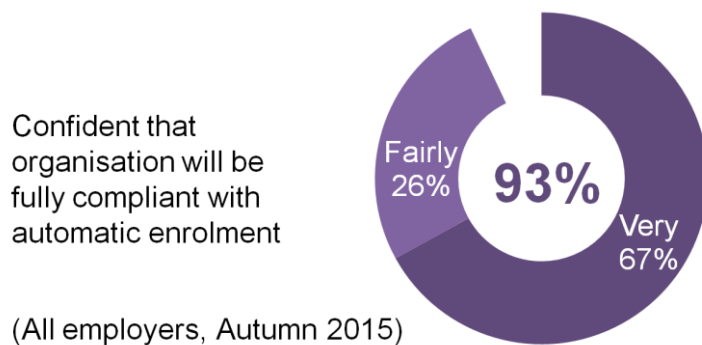
5.1 Confidence in future compliance

The vast majority of employers were confident in their future compliance with automatic enrolment requirements

The vast majority (93%) of employers were confident that their organisation would be fully compliant with the new workplace pensions reforms. Of these, 67% of employers were very confident.

Overall, confidence was comparable across Spring and Autumn 2015. In addition, in Autumn (unlike earlier waves), there were no significant differences in confidence on the basis of size, proximity to staging or eligibility of staff.

Figure 21: Confidence in compliance



Levels of confidence were largely borne out by accurate staging date recall (see section 4.5, Figure 19) but also by the extent to which employers have started to prepare for automatic enrolment.

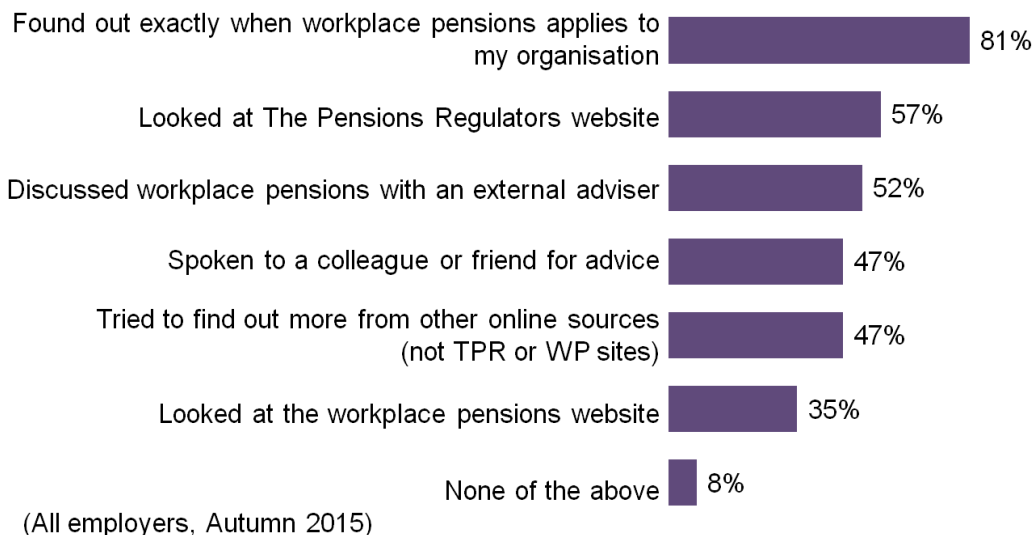
5.2 Actions taken to prepare for automatic enrolment

Nearly all employers had taken some action to prepare for automatic enrolment, with those closest to staging being the most active

A total of 92% of employers had engaged in at least one of the actions (see Figure 22). These findings are from a new question in the Autumn 2015 survey so no direct comparisons can be drawn to previous waves.



Figure 22: Information seeking actions already carried out



Small employers were more likely to have taken action than micro employers. For each of the key actions, small employers were typically between 15-20 percentage points higher than micro employers. There were also higher levels of activity among employers with eligible jobholders than employers with no eligible jobholders (a difference of around 10 percentage points). The exception was visiting the regulator's website, which saw no differences between the groups based on size or eligibility of workers.

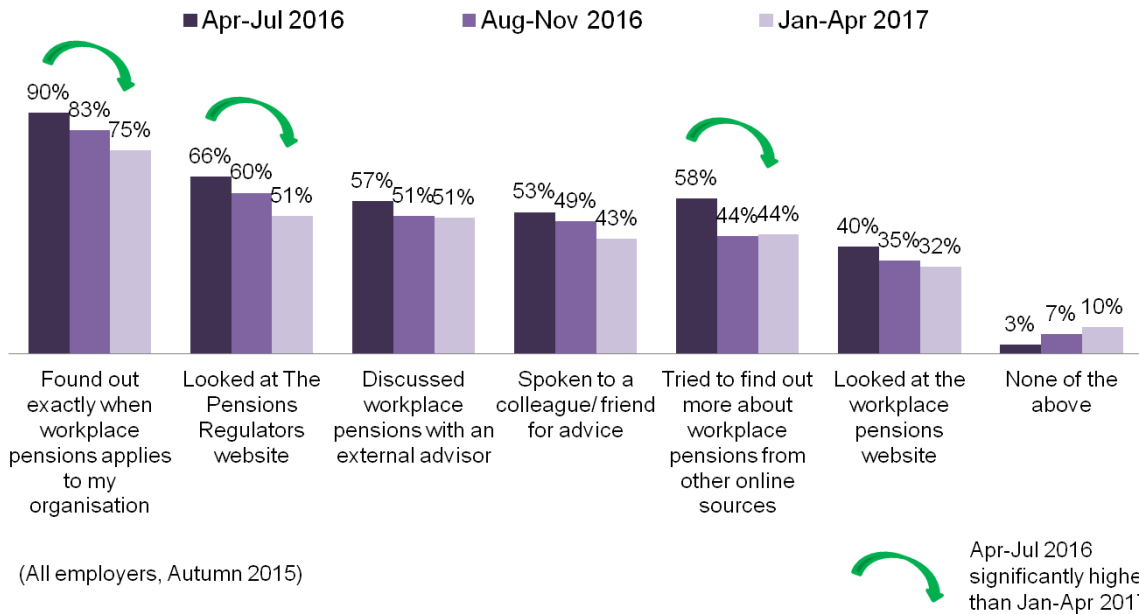
Key differences were found on the basis of staging date, with those closest to staging reporting the highest levels of information seeking behaviour. As seen in previous survey waves, preparedness for automatic enrolment was linked to proximity to staging date. Almost all (97%) employers closest to staging have carried out at least one action compared with those furthest from staging (90%).

Figure 23 presents the information seeking actions by staging date. For each activity, the statistically significant differences between April to July 2016 stagers and January to April 2017 stagers are shown with an arrow.



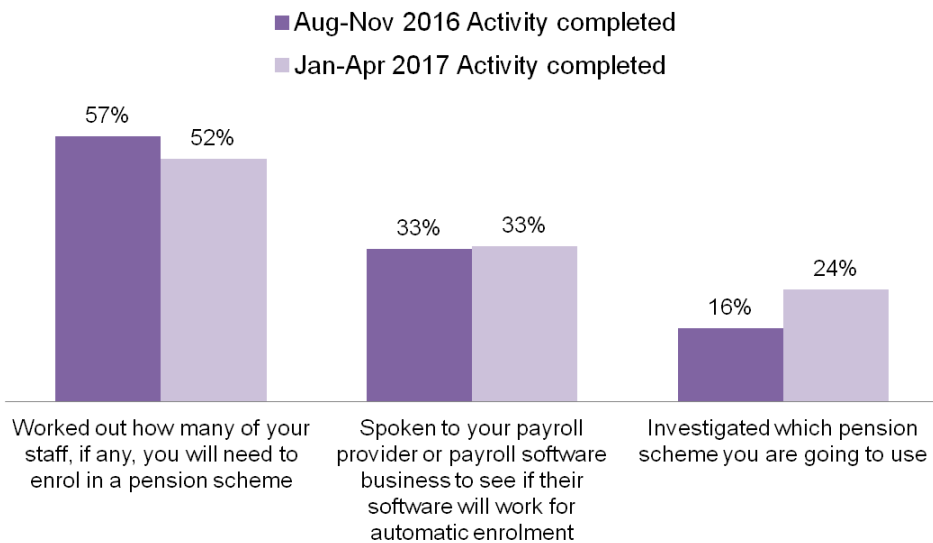
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Figure 23: Information seeking behaviours already carried out by staging date group



There were lower levels of engagement with specific preparatory automatic enrolment activities as opposed to information seeking activities. Figure 24 presents each activity that had been completed for employers staging *after* July 2016 and it shows that those furthest from staging have had more limited engagement beyond preliminary information gathering.

Figure 24: Specific preparatory actions completed by later stagers



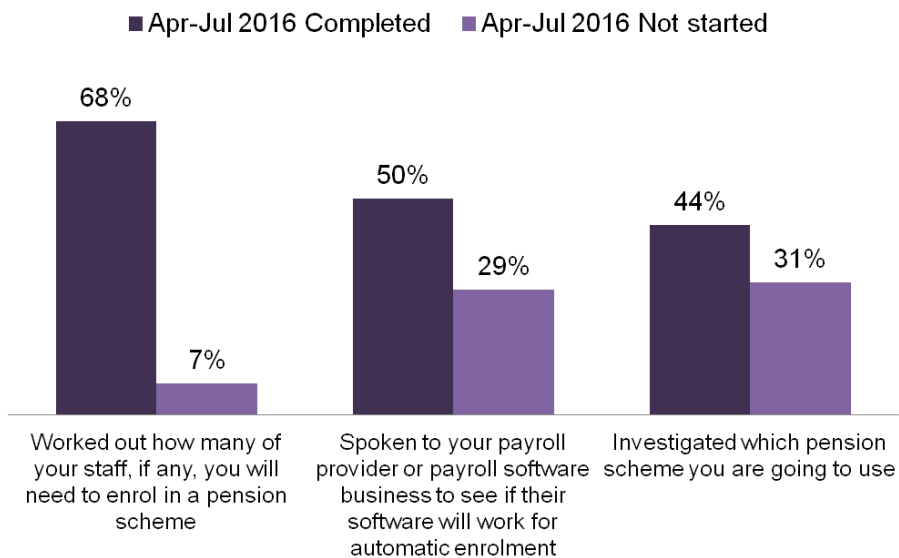
(All employers staging after July 2016, Autumn 2015)



Despite relatively lower levels of engagement with these specific behaviours, the levels seen reflect a significant increase in completed activities when compared with Spring 2015. With reference to the findings in Figure 24 for employers with a staging date of 2017, 52% had worked out how many of their staff would need to be enrolled in a pension scheme, an increase from 37% in Spring 2015. A third (33%) had spoken to their payroll provider to see if their software would work for automatic enrolment, an increase from 20% in Spring 2015. A quarter (24%) had investigated which pension scheme they would use, an increase from 8% in Spring 2015.

Patterns were less clear among those closest to staging. Activities among employers staging April to July 2016 are presented in Figure 25.

Figure 25: Specific preparatory behaviours completed by employers closest to their staging date



(All employers staging Apr-Jul 2016, Autumn 2015)

In relation to working out how many staff needed to be enrolled, activity had increased significantly since Spring 2015, from 52% in Spring 2015 to 68% in Autumn 2015. Half (47%) had investigated which pension scheme they would use compared with 44% in this survey, although this did not represent a significant change. However, the proportion of employers who reported speaking with their payroll provider to see if their software would work for automatic enrolment fell significantly from 71% in Spring 2015 to 50% in Autumn 2015.



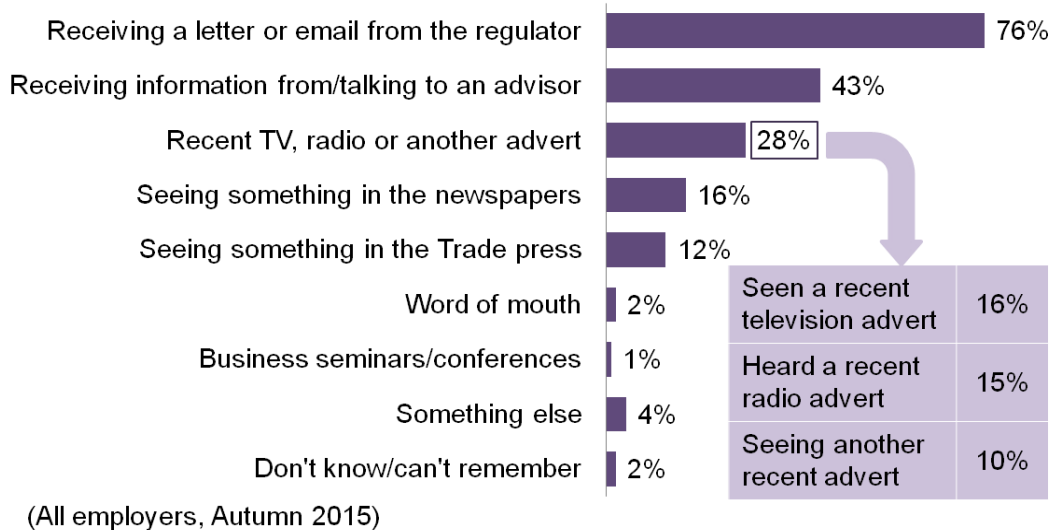
5.3 Influences and triggers for preparation activities

Letters from the regulator were the main reported trigger for action, followed by contact with an adviser, and then advertising

Employers were asked to explicitly state what had triggered the actions they had taken to help prepare for automatic enrolment. The list of triggers included a wide range of potential influencers and sources of information, ranging from advertising (the new campaign), to direct communications from the regulator and intermediaries, and informal discussions with colleagues and friends. These were all stated triggers but the findings indicate which influences are perceived to have the greatest impact on taking action.

Three quarters (76%) of employers stated that receiving a letter or email from the regulator made them start preparatory action for automatic enrolment. The second most frequently cited trigger for action was receiving information from or talking to an adviser (43%), followed by seeing or hearing advertising (28%). Other mentions included reading something in a newspaper (16%) and in the trade press (13%). Figure 26 presents the full list of responses.

Figure 26: Triggers for information seeking behaviours



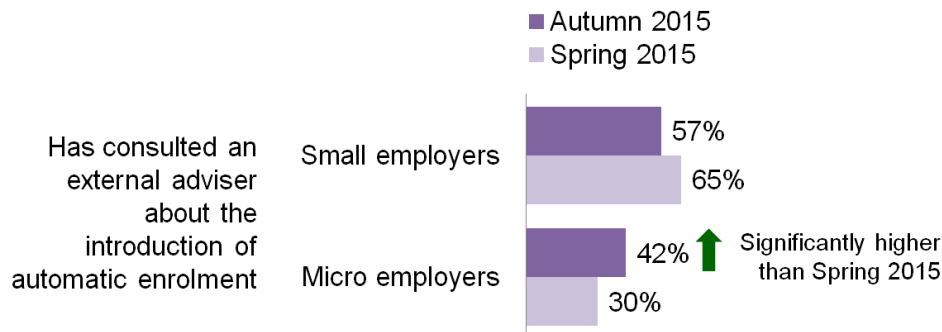


5.4 Use of external advisers

Reliance on external advisers remained similar to Spring 2015, with accountants and financial advisers most likely to be called upon for support

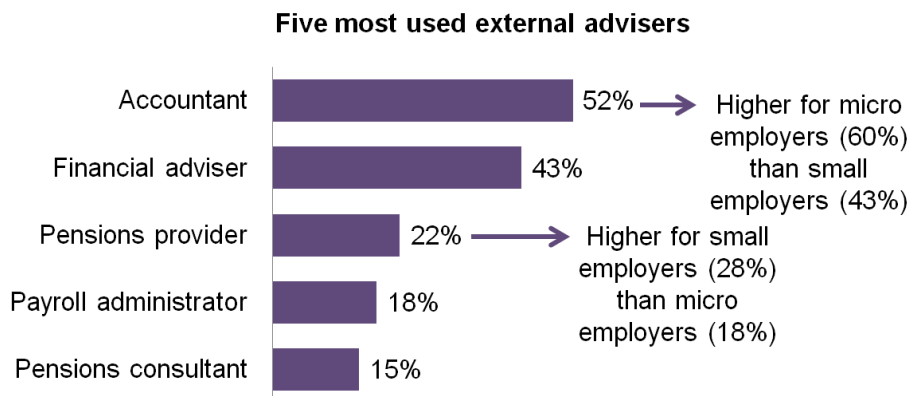
In keeping with previous waves, small employers (57%) were more likely than micro employers (42%) to have already consulted an external adviser about the introduction of automatic enrolment. The figure among micro employers (42%) represented a significant increase since Spring 2015 (from 30%), as illustrated in Figure 27. Differences between small employers from Spring to Autumn 2015 were not significant.

Figure 27: Use of an external adviser



When asked which type of adviser(s) they had consulted, around half (52%) of employers who had consulted an adviser had spoken to an accountant about automatic enrolment, the adviser type most likely to be used. Figure 28 shows that micro employers were significantly more likely to have consulted an accountant than small employers (60% vs. 43%). Findings were similar to Spring 2015. Figure 28 presents the most used adviser types in this survey wave.

Figure 28: Types of external advisers used

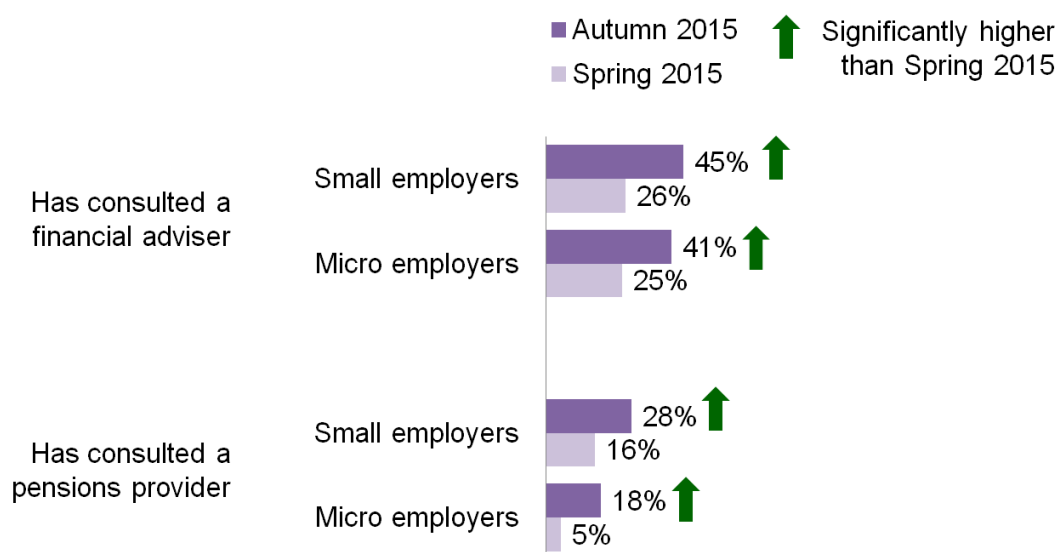


(All employers who have consulted advisers, Autumn 2015)



The second most used type of external adviser remained financial advisers (43%), whilst around a fifth (22%) had consulted a pensions provider. For both types of adviser, employers were significantly more likely to have used the adviser in Autumn compared with Spring 2015, as shown in Figure 29.

Figure 29: Financial advisers and pensions providers consulted, by size over time



Looking to the future, around a third of employers (35%) planned to use an external adviser for the introduction of automatic enrolment. This would most likely be an accountant (50%), financial adviser (28%) and/or pensions provider (24%). Micro employers were more likely to have planned to consult an accountant than small employers (56% vs. 41%).

Amongst employers who had either already consulted or who planned to consult an external adviser, the level of future reliance were broadly the same between small and micro employers this wave (94% and 92% respectively). These figures represented significant increases from Spring 2015 when 87% of small and 80% of micro employers expected to rely on their advisers to help with automatic enrolment.

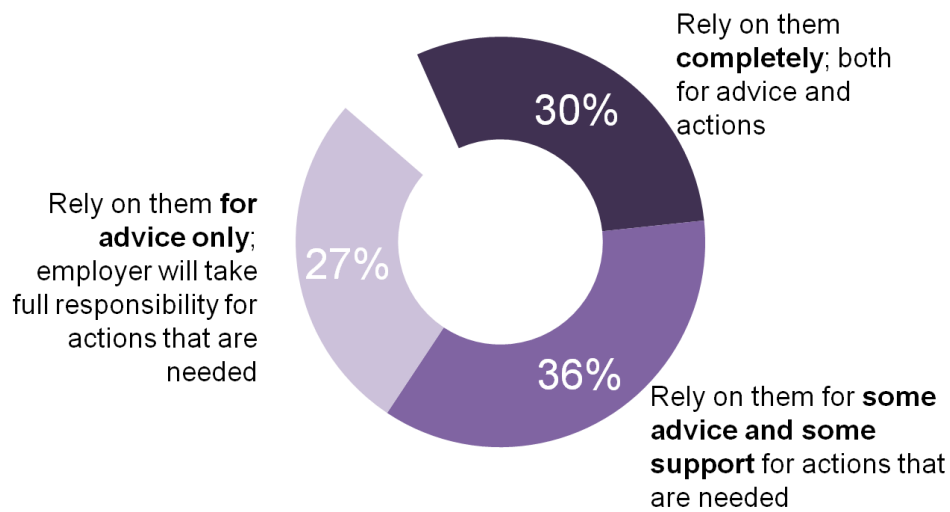
The extent to which employers were expecting to rely on their advisers was fairly evenly distributed between relying on them completely (30%), relying on them for some advice and some support (36%) and relying on them only for advice (27%), see Figure 30.

Two thirds (66% small and 65% micro employers) expected to rely on them to provide practical assistance, as opposed to only receiving advice. This was similar to last wave when 68% of small employers and 64% of micro employers expected



to rely on advisers for practical support. (There were no significant differences between small and micro employers in the Autumn 2015 findings).

Figure 30: The extent to which employers will rely on their external adviser(s)





6 Familiarity with The Pensions Regulator

Awareness of, and familiarity with the regulator has increased significantly since Spring 2015

Almost all (95%) employers had some level of familiarity with the regulator i.e. had at least heard of the name, an increase from 91% in Spring 2015.

Overall, those claiming to know at least a little about the regulator increased from 67% in Spring 2015 to 78% in this survey (see Table 4).

Table 4: Familiarity with the regulator

	Spring 2015	Autumn 2015
Only know the name or nothing about the regulator	32%	22% ↓
Know at least a little about the regulator	67%	78% ↑

↓ Significantly lower than Spring 2015

↑ Significantly higher than Spring 2015

More specifically, one in five employers (20%) claimed to know a lot about the regulator, increasing from 10% in Spring 2015. Micro employers in particular had higher knowledge of the regulator. In Spring 2015, 59% claimed to know at least a little about the regulator. By Autumn 2015, this figure increased to 73%.

Increased awareness of direct communications from the regulator contributed to this overall increase in familiarity. A total of 72% of employers recalled receiving a letter about automatic enrolment from the regulator, 31% recalled an email and 2% recalled a telephone call. Whilst recall of these communications was not recorded in this way in Spring 2015, at that time, employers were presented with a specific letter and asked to recall whether they had received it. Half of employers (50% of small and 48% of micro) recalled the letter.



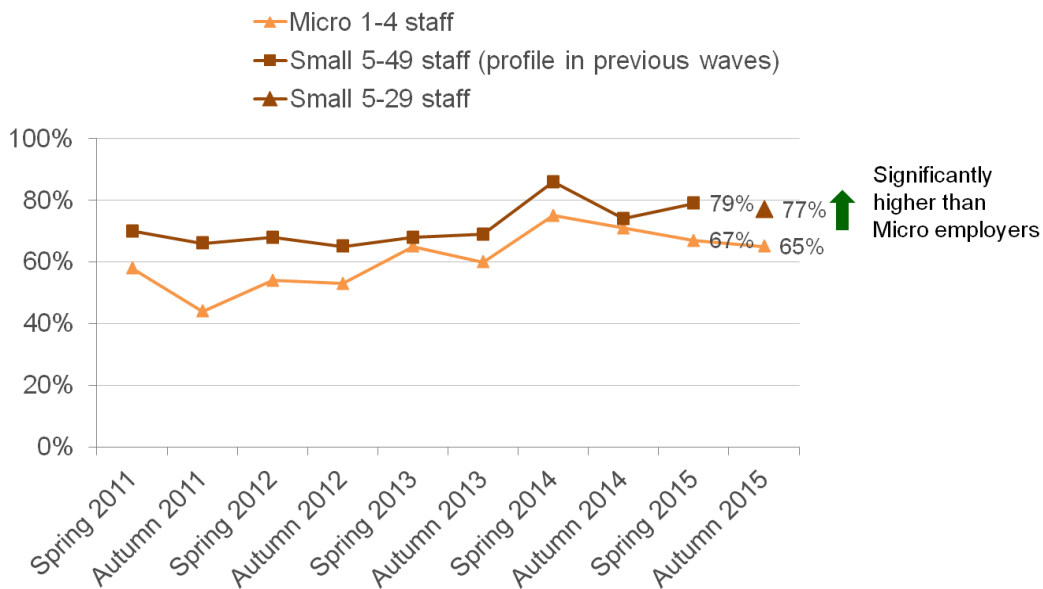
7 Attitudes towards automatic enrolment

7.1 Attitudes to the pensions reforms

The majority of employers continue to believe that automatic enrolment is good for their employees

As found in previous waves, a majority of employers agreed that 'the introduction of automatic enrolment is in principle a good thing for their employees'. Small employers were more likely than Micro employers to have agreed with this statement, and this has been the case since the research began in 2011.

Figure 31: Automatic enrolment is 'a good thing' by size, over time



There were also differences on the basis of eligibility. Employers with eligible staff were more likely than those with no eligible staff to consider it a good thing for their employees (73% vs. 64%). There were no differences by staging date.

A majority (69%) also agreed it was fair that automatic enrolment applied to all employers, regardless of their size. These views were constant for both small and micro employers, employers with and without eligible staff and for all staging dates.¹⁶

In terms of challenges and needs, over a third agreed that their organisation would find it difficult financially to contribute to a workplace pensions scheme (41%), that their organisation needs more information (39%) and that they tend to leave

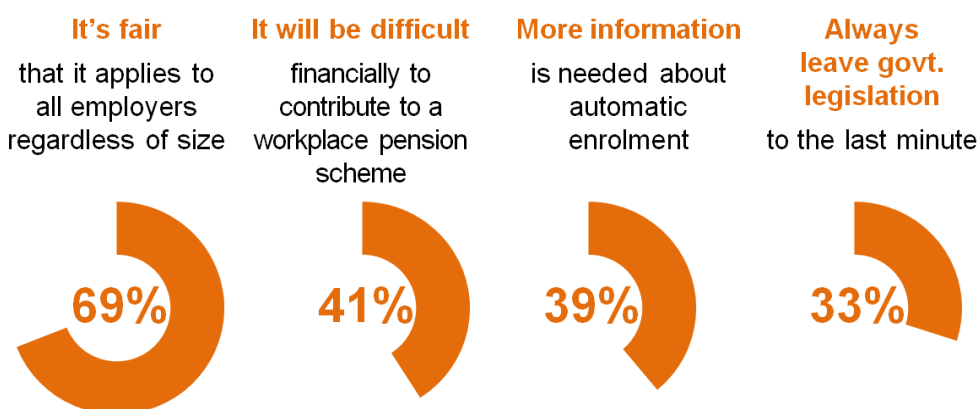
¹⁶ This was a new question in Autumn 2015.



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government legislation to the last minute (33%). Figure 32 presents these responses. These responses are all similar to the findings of the Spring 2015 survey.

Figure 32: Agreement with attitude statements



(All employers, Autumn 2015)

Micro employers were more likely than small employers to say they needed more information about automatic enrolment (43% vs. 34%) and always leave dealing with legislation to the last minute (37% vs. 28%). Employers furthest from staging were more likely to need more information than those closest to staging (45% of January to April 2017 stagers vs. 31% of April to July 2016 stagers).



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