

Communicating with customers of retirement age

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Introduction

The Pension, Disability and Carers Service (PDCS), commissioned two phases of research to explore the attitudes and perceptions of people over retirement age¹. The research will enhance PDCS's customer segmentation of pensioners by identifying additional customer characteristics, informing the further development of communication strategies and service delivery design targeted to the attitudes and needs of customers over retirement age.

Methodology

Qualitative and quantitative methodologies were used in the research which was undertaken between November 2008 and March 2010. The qualitative stage looked at customers' attitudes and perceptions of their social and financial lifestyles, as well as health and well-being. The quantitative element built on these themes from the perspective of communicating with those of retirement age.

Key findings

The importance of family

Family, and to a lesser extent, friends fulfilled important roles in the lives of respondents; eight in ten reported that they met with family and friends at least once a week. Family was an important source of advice about finance and health, and the most important source of assistance for those with a long-term health condition. However, there is some evidence to suggest that some of the less affluent do not want to be a burden on their family.

Grandparents often played an important role for working parents by providing childcare.

Family were also found to be a key source of information on, and understanding about, Government services. Family performed an important function in helping to summarise and translate information for older people. However, as filters, they will also help interpret any messages and, as such, may dilute or alter the content of communications.

The influence of age

Age affected participants' outlook on society, finance and health. Older people were more socially isolated and took part in fewer activities than younger people. Older respondents felt their health was poorer compared to both younger participants and other people of their age and they were more likely to visit a doctor regularly.

Although income decreased with age, older people were more likely to agree that they had enough money to live comfortably. This finding may in part be explained by the different outgoings people have as they age. Older participants were also found to be more reliant on the State benefits including both the State Pension and a range of welfare benefits.

Overall, the survey showed that the attitudes of younger, more affluent retirees differed from older, less affluent people. Generally, those with higher incomes were more gregarious, and enjoyed a broader range of cultural, physical and social activities.

¹ Defined as aged 60 or over for women, 65 or over for men.

The influence of age on health

Participants often emphasised the importance of maintaining both physical and mental well-being. Younger and more affluent individuals were particularly concerned about retaining their mental and physical health so that they could enjoy their retirement.

Usage of communications media

Traditional media such as television and newspapers were used more often and more frequently than newer technology such as the internet and mobile phones. Overall, the research found that face-to-face communications were typically preferred, particularly when discussing topics relating to financial and health services. Nine in ten people indicated they preferred to speak to someone in person about health issues.

When considering the use of new media, age and income were critical factors. One in three of those aged 80 to 84 used a mobile phone regularly whilst one in ten was an internet user. In addition to older people, participants reliant on State benefits were less likely to use new media. The group who were the most prolific internet users tended to be confident although they did rely on help from younger family members.

Internet users were also more likely to be mobile phone users, which indicated respondents were **typically** adopters of new technology as a whole, as opposed to choosing one technology over another. However, as there were a greater number of regular mobile phone users than internet users, it appears that mobile phones are more popular among older people than the internet. Furthermore, many of those who did not use a mobile phone regularly did actually own one; a quarter of this group owned a phone for emergencies only. The overall preference in telephone communication for participants remains talk over text. Around two-thirds of mobile users said they received text messages, however, only a quarter were willing to receive information about Government services in this way.

The potential for online communications with Government

The internet was found to have limited potential as a method to communicate to **all** people of retirement age. Although three-quarters of internet users who took part in the survey said they buy goods and services online, two-thirds said they were not willing to pass on personal information over the internet. Many internet users of retirement age have had experience of conducting online financial transactions, such as booking holidays, and have realised the benefits of doing so using the internet. It appears that internet users do not equate 'financial' with 'personal' information.

Regarding the possible delivery of Government services through new media technology indifference was the key 'barrier'. Crucially, those indifferent to the internet were also those more dependent on Government services and benefits. A key issue with online communications is that this method is generally used by those who are more affluent and who tend to be less in need of support from Government.

Conclusions and implications

The influence of age and gender on communication methods

With respect to communications, the research suggests that PDCS has fewer opportunities to reach older people directly due to their relative isolation. Family are a potentially important channel of communication to many older age groups. The difficulties in communicating to those without close families are more acute. As people age, the frequency with which they visit a doctor's surgery increases, which may represent another communication channel for PDCS.

Women were less likely to drive and more likely to have a lower income as well as being more reliant on State benefits compared to men. This research suggests that isolation is an even greater problem for older women so there is a case for thinking about communications by gender.

Who to contact to find out about Government benefits

Seven in ten participants agreed with the statement, *'they know who to contact in order to find out about any Government benefits to which they are entitled.'* Tempering this is the finding that those who were less affluent and more reliant on State benefits were statistically more likely than others to disagree that they know who to contact.

It is worth noting that the use of indirect methods of communication (for example, through family members or doctors' surgeries) may not necessarily change this perception. In these cases, recipients frequently acquire information passively rather than proactively, and so they still would not know the primary source of that information.

The Odyssey segmentation is effective

The Odyssey segmentation model was built on the demographic data that existed on the retirement age population, including measures of income, age and health. It is clear from the research as a whole that the model does a good job of describing differences between types of individuals and would seem to be an effective tool for developing communication methods for different groups.

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You can download the full report free from: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

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