

Summary

Gender Differences in Attitude towards Pension Communication for Generation X, How Framing Influences Attitude towards Pension Communication.

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What is pension communication? Pension communication is the study of how to motivate and activate people to think more about their private pension provision. As more and more old people take money from the public system and less young people are contributing to it pension fund gaps are growing. However, most people do not recognize that state pension pillars are about to shrink or often procrastinate about their pension. In order to reach more people and make them aware of this problem better communication strategies are required.

Yet, segmenting customers for pension communication is difficult since insurance companies often face large customer bases with heterogeneous needs. However, research shows that there is one factor where people differ with respect to pension decision-making: GENDER. According to several findings men and women differ in the way they think and invest in their pension. For instance, women are more risk-averse and therefore invest in lower risk-return products whereas men are more focused on personal accomplishments and tend to invest in higher risk-return products. In order to target men and women more selectively one could design pension information according to gender and use specific frames for each customer segment.

Since women prefer less risky financial products I developed insurance framings in pension communication. This framing implied a message where words related to insurance (insure, stable, guaranteed) were used. For men I developed investment framings where words such as invest, profit and capital return were used. However, both messages contained the same information. It was interesting to observe that indeed women tended to prefer the insurance-framed message whereas men preferred the investment-framed message. My findings also showed that high heterogeneity among gender groups was present. Though several men indicated a positive attitude towards investment framing, several also indicated a negative attitude. The same applies for the female cohort. Practically, this implies that segmenting customers by gender is not enough. Additional market research such as in-depth interviews needs to be done to collect more profound insights why and in what way people differ in their pension decision-making. However, I think it is important to stress that framing strategies have high potential for better customer communication strategies. Framing is not a tool for manipulation but the modality to present information. It is easily implemented in messages, images and other media tools thus implies little costs. Furthermore, although I found discrepancies among gender groups I found tendencies that show that men and women react differently to pension information.