



# Simplifying retirement savings for self-employed people

A technical supplement



Department  
for Work &  
Pensions

---

## Authored by

Matthew Blakstad, Emma Stockdale and Josie Rodohan,  
Nest Insight, London

© 2025 National Employment Savings Trust Corporation

---

## Acknowledgements

We would like to thank the many industry and policy stakeholders who have assisted us with this research. They are credited in full in the annex.

---

## About this report

This report continues our programme of research and trials exploring way to promote retirement savings among self-employed workers. A full set of outputs from this programme can be found at: [nestinsight.org.uk/research-projects/self-employed-pension-saving/](https://nestinsight.org.uk/research-projects/self-employed-pension-saving/)

---

## About our programme partner



Department  
for Work &  
Pensions

The Department for Work and Pensions (DWP) is responsible for welfare, pensions and child maintenance policy. As the UK's biggest public service department, it administers the State Pension and a range of working age, disability and ill health benefits to around 20 million claimants and customers. For more information, visit: [gov.uk/government/organisations/department-for-work-pensions](https://gov.uk/government/organisations/department-for-work-pensions)

---

## About Nest Insight



Nest Insight is a public-benefit research and innovation centre. Our mission is to find ways to support people to be financially secure, both today and into retirement. We conduct rigorous, cutting-edge research, working collaboratively with industry and academic partners to understand the financial challenges facing low- and moderate-income households. We use these data-driven insights to identify and test practical, real-world solutions. Our findings are shared widely and freely so that people around the world can benefit from our work. For more information, visit: [nestinsight.org.uk](https://nestinsight.org.uk)

---

## About Nest Insight's strategic partners

### The **BlackRock** Foundation

BlackRock is a global investment manager serving the UK market for more than 30 years with a purpose to help more and more people experience financial well-being. BlackRock's Emergency Savings Initiative is made possible through philanthropic support from The BlackRock Foundation. The initiative brings together partner companies and non-profit financial health experts to make saving easier and more accessible for low- and moderate-income earners across the US and UK, ultimately helping more people to establish an important financial safety net. For more information, visit: [blackrock.com/corporate/about-us/social-impact](https://blackrock.com/corporate/about-us/social-impact)



Nest was set up by the Government to give every UK worker somewhere good to save, and it aims to provide members with a bigger pension in a better world. It's now the largest workplace pension scheme in the country, with 13.8 million members. One in three of the working population is expected to have a Nest pension pot by the late 2020s. Nest's members benefit from an award-winning responsible investment strategy and one of the most diversified DC portfolios in the industry. By the end of the next decade Nest will have close to £100bn assets under management. In 2016, Nest established Nest Insight as a public benefit research and innovation centre. Nest's purpose is financial peace of mind for all, and Nest is a proud supporter and the home of Nest Insight. For more information, visit: [nestpensions.org.uk](https://nestpensions.org.uk)

### JPMorganChase

With a legacy dating back more than 200 years, JPMorganChase has a track record of demonstrating leadership during times of both economic growth and financial instability. The firm employs approximately 22,000 employees throughout the U.K. and is committed to operating a healthy and vibrant company that plays a leading role in advancing a sustainable and inclusive economy. The firm provides £600 billion in credit and capital to nearly 4,500 medium and large companies and supports over two million retail customers. At the same time, together with its non-profit partners the firm has supported over 33,000 low income households reduce their debt and improve their financial health, helped over 10,800 small businesses to grow their activity and placed over 9,800 individuals into apprenticeships or full and part-time employment. For more information, visit: [jpmorganchase.com](https://jpmorganchase.com)

---

# Contents

<b>Introduction</b>	<b>2</b>
<b>Journey Development</b>	<b>3</b>
Objectives	3
Stakeholder roundtables	4
Qualitative testing	4
Deep dive: user profiles	5
User journeys	9
<b>Online Research</b>	<b>11</b>
Objectives	11
Research approach	11
User journey development	12
Stakeholder input	12
Qualitative testing	12
Pilot testing	12
Online study	13
Pre task	13
Task	13
Post task	19
Research participants	19
<b>Glossary of key terms</b>	<b>21</b>

---

## Section 1

# Introduction

This technical supplement is a companion to the main report, [Simplifying retirement savings for self-employed people](#).



### Why a technical supplement?

The technical supplement provides additional details that are not essential to understanding the research in [Simplifying retirement savings for self-employed people](#). However, the details are useful for:

- › **Transparency:** provision of greater detail into the research methodology and methods used.
- › **Future studies:** the additional information provided may be valuable for those wishing to run similar studies in the future.

The supplement includes:

- › **The design research:** A more detailed outline of the methods used for the user journey development of the autosave retirement saving journeys is provided. This includes the stakeholder roundtables and qualitative user testing as well as more detailed profiles on those that took part.
- › **The online research:** A comprehensive description of the study is provided including the screens shown to participants in the opt-in retirement saving journey, the opt-out autosave journey and the opt-out autosave journey with accessible savings account. We also provide further details on participants, including a summary of their characteristics and subjective measures, such as their confidence in managing their finances.
- › **A glossary of key terms:** An outline of technical or industry terms used throughout the main report.

## Section 2

# Journey Development

## Objectives

Through the research we aimed to explore whether an opt-out retirement saving account, where an individual was automatically signed up to save for retirement unless they opted out, resulted in greater levels of retirement saving than when individuals had to sign up to save.

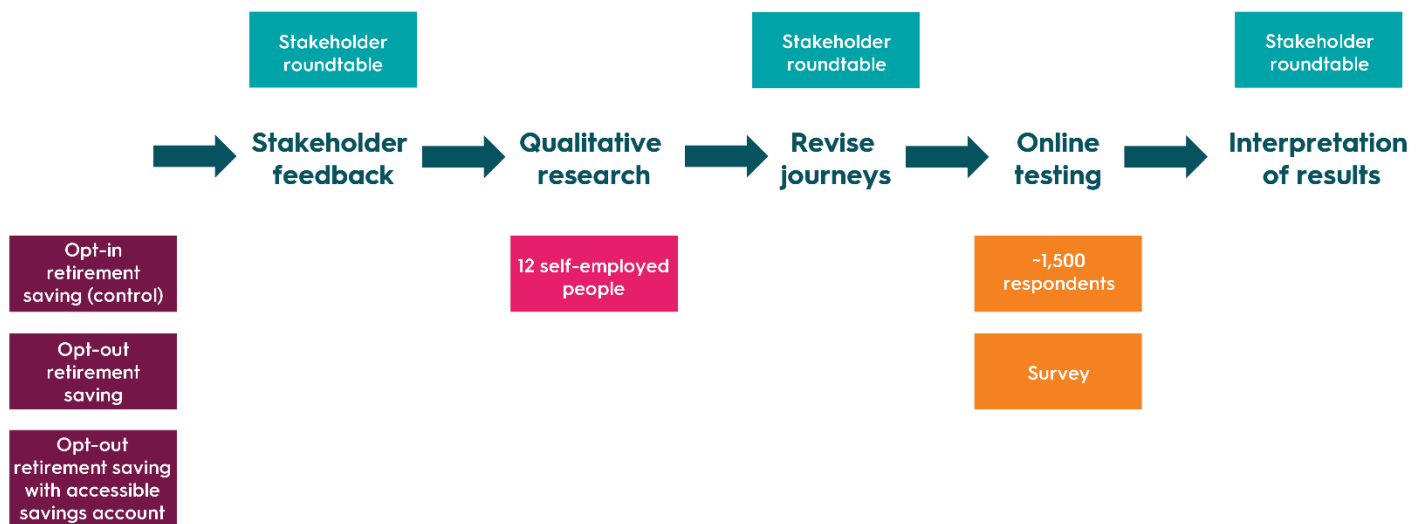
We were also interested in whether the same account with additional liquidity in the form of an accessible or 'feeder' account resulted in greater levels of saving.

In order to explore the effectiveness of an opt-out retirement saving mechanism on saving behaviour it was first necessary to design a plausible user journey (Figure 2.1).

To do this:

- › We gathered the thoughts and opinions of a group of industry stakeholders and experts in the self-employed to ensure the journeys are generalisable and relevant to the varied experiences of self-employed people.
- › We spoke to self-employed people about the journeys, including around the overarching structural components and more specific message framing, to ensure they would be appropriate.

Figure 2.1: Key steps from journey development to online journey testing



## Stakeholder roundtables

Between March and December 2024, Nest Insight hosted a number of roundtables with key stakeholders. Table 2.1 summarises the roundtable element of the research.

Table 2.1 Self-employed research roundtables

Who?	What?	Why?
› <b>Accountancy software providers</b>	Three roundtables at different stages in the programme of work:	› To gather insights from this wide group of stakeholders to better understand the challenges self-employed people face
› <b>Financial services providers</b>	March 2024	
› <b>Industry bodies</b>	July 2024	
› <b>Regulators</b>	December 2024.	› To explore how to design a saving journey that aligns with what the self-employed population needs and wants.

## Qualitative testing

We spoke to 12 self-employed people during the summer of 2024 (Table 2.2). These conversations informed the user journeys we sent out to a larger audience of self-employed people. The conversations were structured as follows:

- Understanding their background and approach to financial planning.
- Asking for their perceptions of either the opt-out retirement saving journey or the opt-out retirement saving journey with the accessible savings account:
  - what they did and didn't like,
  - what was clear and unclear,
  - more conceptual questions such as how the opt-out mechanism feels to them.

Table 2.2: qualitative interviewees

Pseudonym and occupation	Type of self-employment	Industry
<b>Leanne, gardener</b>	Sole trader	Agriculture
<b>Liz, children's book designer</b>	Sole trader	Creative
<b>Cerys, greetings card designer</b>	Sole trader	Creative
<b>Michelle, language teacher</b>	Sole trader	Education
<b>Beata, tutor</b>	Sole trader with 5 contractors	Education
<b>Elaine, accountancy examiner</b>	Sole trader	Education
<b>Iona, musician</b>	Freelancer	Creative
<b>Scott, musician and counsellor</b>	Freelancer and sole trader	Creative and health care
<b>Sorcha, careers coach</b>	Sole trader	Professional services
<b>Kevin, deliver driver with side hustles</b>	Gig worker	Transportation
<b>Gareth, delivery driver with full-time office job</b>	Gig worker	Transportation





## Deep dive: user profiles

### Iona, Singer

Iona is a self-employed singer, working gigs with different bands or solo gigs for weddings and other events. She has recently gotten back into work after having two children and does about three gigs a month. Within the household, Iona views her income as supplementary or “extra” and her partner works full-time, which comprises most of the household income. Previously, Iona worked in a hybrid way having a part-time administrative role alongside self-employment.

Anything I bring in is extra.

I'm not bringing in a steady income with my self-employed work.

Currently, Iona is on a low income, not earning enough as a sole trader to be VAT registered, does not have a money management plan, and expects the tax bill to be around a few hundred pounds which she can always “find from somewhere”. For retirement, Iona says she has a small pension of around £40 from previous employer contributions and describes her pension plans as “nothing. I have no plan, no money, and I’m just hoping for the best”. Iona goes on to express that long-term savings are something she will seek to explore once she earns more.

Iona was asked to give her opinion on the user journey for opt-out retirement saving with emergency saving. Overall, Iona was positive about the journey but related to it in the context of a different financial circumstance than the one she is currently experiencing. For instance, “if I was earning more, I’d definitely be looking at something like this”. Moreover, the option to save for a tax bill did not seem to resonate with Iona, as she has always been able to pay her tax bill without difficulty.

If I was earning more, I’d definitely be looking at something like this.

You can just be safe in the knowledge that there's money in the background, there if you need it.

The option to save into an accessible savings account first appealed to Iona who said that the £1,000 rollover amount seemed like the right amount and that the rollover mechanism is attractive because emergency savings “takes priority”. Iona liked the opt-out mechanism as “you’re not even consciously saving. Do you know what I mean? It’s just doing it for you. I like that”.

She went on to say that “you can just be safe in the knowledge that there’s money in the background”. However, Iona expressed that she was sceptical of the retirement savings account due to “the idea of money being locked away that I can never see again”. She much preferred an accessible savings account.

### Gareth, Delivery Driver

Gareth lives by himself, owns his house, and coparents three children. He is employed at a full-time office job and has an additional self-employed job as a delivery driver. His delivery work is found through online platforms such



---

as Deliveroo and UberEats and are used to “complement” his salary. Gareth said that this helps with the rising cost of living and to support his children.

**I do like delivery work sort of as a side hustle to help, cause, you know, cost of living is difficult. I've got three kids.**

Gareth’s access to cash is something he thinks about a lot. This is an appeal to the delivery work where he can ‘cash out’ earnings several times a day. This enables access to money much quicker than the lump-sum, monthly income from his salaried office job. Gareth reflects on the differences between his employed role and gig work: “they [employers] look after you. Taxes? They speak to HMRC. They’re so on top of it!” Whereas, for gig work: ‘I should probably submit tax return now, but I’ll leave it until the end of the year’.

**At the minute, [delivery work] just tops up my salary.**

For his money management, Gareth uses mobile banking and sometimes relies on credit to spread costs out over time to make “it a bit more manageable that month”. Gareth also says that the tax bill is “never a huge amount” so can “wing it” and pay it off in full, but he would like to start saving for it.

For retirement, Gareth differs from other participants who are full-time self-employed. He mentions that his house is paid off, he has a “good amount of a pension to live off”; and although he envisions himself working part time, thinks he will be able to “relax and enjoy” retirement. The funding of this pension is from a work and state pension accrued over seventeen and a half years, with the workplace pension being from full-time office work and says that “I’ve never thought of like pension contributions for self-employed work”.

**You kinda know all the time, like instantly what the potential tax bill is gonna be at the end of the year.**

Gareth uses mobile banking apps regularly and is shown screens for opt-out retirement saving with accessible saving. Going through the journeys, Gareth suggests that the early timing of the tax savings screen frames taxes as financial planning priority, which does not resonate with him. However, he does think that the app would help calculate the tax bill which could help save for the bill over time but has not had a problem leaving it to the last moment yet.

In terms of tax management, Gareth would rather that there was an option to track work expenses for tax relief as he finds it a “nightmare” to backtrack through spending to find expenses. For Gareth, the app would ideally “analyse what I earn, and then take a percentage of it into a savings account and into a pension pot” and “tell me how much tax I’m gonna have to pay at the end of the year”.

**I think it’s good to have like an emergency savings account ‘cause there’s always expenses.**

The rollover to retirement savings from emergency savings is attractive to Gareth. However, he would like a greater degree of personalisation. He finds that whilst it is helpful to change the threshold for rollover pension savings, he thinks that the £1,000 rollover is too high and may result in not contributing enough for retirement. Gareth suggests that it would be helpful to have a tracker to provide monthly recommendations based on current earnings and outgoings for what the threshold should be. For example, Gareth replaced his old phone and has entered a new payment plan to pay for a new one – this has increased living costs and would make him to decrease amount rolling over into retirement savings.

---

## Michelle, Language Teacher

Michelle is a full-time, self-employed language teacher for Spanish and English businesses. In her household, she has a partner who is employed and works full-time. Throughout the year, Michelle experiences fluctuations in income due to some seasonality. Her partner can help with covering some bills if needed.

**So, your salary, your job, you know your work goes down a lot.**

Most of her work is awarded through contracts at companies looking to provide their employees with language lessons. This year she has made a concentrated effort to compensate for the low season over summer by convincing some students to continue taking lessons over the summer. Michelle uses an accountant to help her manage her taxes. The accountant asks about tax deductibles which can help Michelle with bills from time-to-time when needed.

**I wouldn't really like to retire. I'd like to continue.**

Michelle's attitude towards retirement is that she will continue to work as she enjoys her work – “for me, because my job is extremely enjoyable, and it's easy. I've been doing it for so long, I wouldn't really like to retire. I'd like to continue, even if it's part time. And I enjoy my connection with Spain a lot”.

Furthermore, Michelle also says that she has thought about retirement savings a lot, however “I just don't think I could afford to put anything away at the moment”, viewing retirement savings as out of reach. She reflects on her friends who are at a similar age and says, “they're on it”, whereas “in my head, you know, I'm still 21”.

Michelle saw the user journey screens for opt-out retirement saving. She is sceptical of the unknown money management brand and the opt-out mechanism. Michelle queries if money will still be taken out of her account if she cannot afford to save that month – putting her into her overdraft.

**Does that mean they're gonna automatically take money?**

However, she also says that an app like this would provide a better idea of how much she should be saving – “it'd be good to have, like a you know, a kind of a roundabout idea to say that you know that you're a bit more organised in how much to save, how much to claw back”. Overall, Michelle is not against the mechanism and is “leaning towards being fairly interested in an app like this”, but says that “I'm suspicious of it”. This suspicion came from not knowing the provider of the savings accounts, something that would not be a factor in a real-world version of the user journey.

**It's really hard to save, depending on the month.**

Michelle also asks about the ability to opt-out from the savings account being set up for her: “being in control is really important for me”. She also mentions that it is easier to picture a pound amount than a percentage of her income and that makes it easier to plan what that amount will look like that month.

However, her concerns related to volatile income remain: “I get 5 more students and 3 go... My job is very up and down”. This means that it is hard to plan for even the near financial future as committing to regular savings could mean Michelle takes on more debt. This issue is further reiterated in relation to the tax savings arm where Michelle questions “how would we know what my expected earnings are?”

---

## Beata, Tutor

Beata tutors disabled students (for instance, dyslexic students) in higher education. She is a sole trader, has five contractors and has set up her business so she is “structurally, legally, financially, HMRC-wise, not their employer”. Beata hires a freelance personal assistant to help manage her outgoing costs to contractors. She also has several different bank accounts for financial management purposes. For example, within her personal account, she has two separate accounts “I don’t like to mix the two – [...] bills, and you know, fun and leisure”.

**I'm not a limited company. I've purposely tried not to do that.**

She also has an emergency savings account which she uses to cover incurred costs such as delayed invoice payments. This fund holds enough to cover expenses for three to six months as Beata explains: “I need to have this kind of cushion, so I kind of sacrifice quite ruthlessly to get those funds in place, so that I have a safety cushion so that I didn’t have to borrow and accrue like interest”.

**I am quite ferocious about it, you know, investing into my pension.**

For long-term savings plans, Beata has a Lifetime ISA (LISA), bought property outside of London and, a private pension. Beata stresses the importance for her to have a private pension as “you’ll have to be one hundred by the time you get the [State Pension]” and is worried that policies might “just keep on raising and raising the age” even though there are no indications that this is a government proposal.

Beata thinks positively about retirement and says that “it would be a really good blessed one, because I work my pants off now, and I have a private pension that I pay into regularly”. She regularly contributes to the LISA, usually ten percent every month, with flexibility to accommodate for income volatility. For instance, sometimes Beata will decrease the amount to be seven or eight percent for lower income months, whereas in higher income months, she will “double down” and put twenty percent into her LISA.

Beata is shown the user journey screens for opt-out retirement saving. She says that the tax savings screen is “not really helpful for me, because it fluctuates so much”. For instance, the monthly contributions may not be effective as not all invoices are paid at the end of the month which may make the automated aspect of opt-out problematic. Beata suggests that committing to a pound amount each month rather than a percentage amount seems more feasible. For tax savings, Beata does not want to be reminded of the tax bill “because we all hate doing that”. Moreover, she did not like the sign-up screens, stating that time is of the essence, there are too many steps.

Regarding financial priorities, Beata suggested a labelling of optional and mandatory financial liabilities – “what [the app] is missing is making things optional and given the choice”. She further expands on this point arguing that self-employed people want to be in control. Beata expresses that she already has financial planning in place and so would need a “sweetener” to use an app which automates savings processes which she is already doing.

**Flexibility is king.**

Furthermore, Beata stresses how important it is to find the best deal possible, there is a need for “preferential treatment by going through this app. Otherwise it doesn’t add value to me”. The notion of a three percent match by the government on top of the savings would be an adequate benefit for Beata. Although the app user journey is not adding anything new to Beata’s financial planning, she posits that she “would have benefited from that, early on in the [self-employed] journey”.

## User journeys

The following user journeys were explored in the interviews with self-employed people<sup>1</sup>:

### Screen 1: context setting

You've decided to start using a financial app that will help you manage the earnings you get from self-employment. One of the advantages of this app is it can be linked to the bank account where you receive payments and track spending. This means you can see what's happening with your finances in real time and manage your money depending on your income and expenses.

This app helps you automatically put money aside to cover future needs, like your tax bill and retirement income. You are using the app regularly, so it already has information on you and your business. When you open the app this time, you spot a new option that you choose to explore.

Have a look at the screens of the journey, thinking about your own self-employment. If you already use an app or software like this then imagine you've decided to switch to a new one.

You will then be asked some questions in a short survey.

This screen informs participants that they are using a financial app to help manage earnings from self-employment.

### Screen 2: tax centre

This screen is for self-employed people to enter their annual income and estimate NI and tax liabilities.

### Screen 3: retirement information

This screen explains how pensions work and outlines government incentives to saving and tax relief for higher earners.

### Screen 4: notified of auto-enrolment

This screen informs the user that they have been enrolled into a retirement savings account. They are advised that they are enrolled unless they say they don't want to be.

### Screen 5: tax savings settings

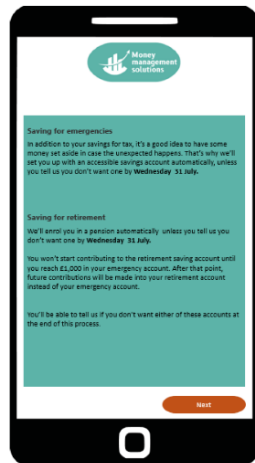
This screen uses individuals' expected earnings and expected tax rate to calculate how much the user should be saving for end of year tax savings.

### Screen 6: retirement savings settings

This screen asks for information such as age, expected age of retirement, selection of retirement account provider and monthly contribution percentage - set at a 5% default.

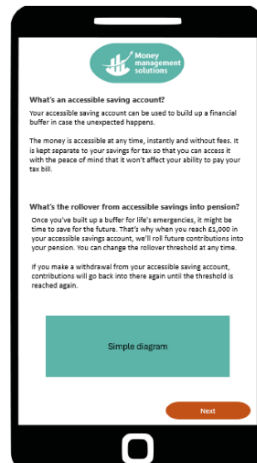
<sup>1</sup> These screens were not the same as those used in the final online research.

### Screen 7 (accessible savings account journey only): notified of rollover from accessible savings into retirement savings



This screen informs the user that they have been enrolled into an emergency savings AND it will rollover into a retirement savings account after £1000. They are advised that they are enrolled unless they say they don't want to be.

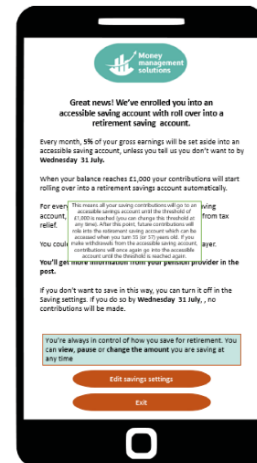
### Screen 8 (accessible savings account journey only): further information on rollover account



This screen expands on the previous, explaining that an accessible savings account is used to build a financial buffer.

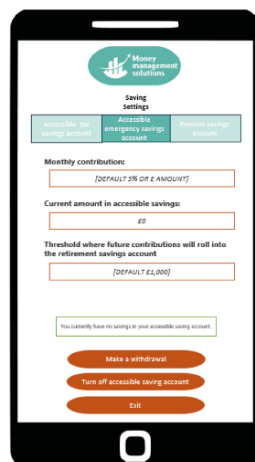
This screen also contains a description and diagram of the rollover mechanism.

### Screen 9 (accessible savings account journey only): account summary



This screen summarises how the account structure works and provides details on how individuals can change, pause or stop their contributions.

### Screen 10 (accessible savings account journey only): accessible emergency savings settings



This screen details the setting screens where users would be able to change their contribution and rollover threshold as well as pause contributions or close the account.

## Section 3

# Online Research

The opt-out autosave approach is evaluated with a lab-based randomised design comparing three models of retirement saving: opt-in retirement saving, opt-out retirement saving and opt-out retirement saving with a buffer for accessible savings.

## Objectives

There were two primary objectives of the research:

1. To understand if self-employed people save for retirement at greater levels when retirement saving accounts are offered on an opt-out (autosave) basis compared to an opt-in basis.
2. To understand if self-employed people save for retirement at higher rates when retirement saving accounts are offered with a liquid accessible savings account, as compared to a standalone retirement account.

We also sought to measure self-employed people's perceptions and behavioural responses to the autosave model of retirement saving, and whether these responses were different than those for opt-in models.

In this section, we provide more detail on the research approach to answering these questions and the participants who took part.

## Research approach

To address these objectives, we set out to test three research arms against each other:

1. Opt-in retirement saving
2. Opt-out retirement saving
3. Opt-out retirement saving with an accessible savings account.

Each of these was developed as a user journey through a fictional app. The three contrasting app journeys used in each arm are summarised in Table 3.1.

Table 3.1. the three arms of the study

Arm	App journey description
<b>Opt-in retirement saving</b>	<ul style="list-style-type: none"><li>› If an individual wants to save for retirement they have to follow the simple two-step sign-up process.</li><li>› If an individual does not want to save for retirement, they do nothing.</li></ul>
<b>Opt-out retirement saving</b>	<ul style="list-style-type: none"><li>› If an individual wants to save for retirement, they do nothing. A default of 5% of their income is automatically put aside into a retirement saving account.</li><li>› If an individual does not want to save for retirement, they can opt out in one step.</li></ul>
<b>Opt-out retirement saving with accessible savings account</b>	<ul style="list-style-type: none"><li>› If an individual wants to save for retirement, they do nothing. A default of 5% of their income is automatically put aside. Their contributions would initially go into an accessible account until a threshold (default of £1,000) is reached before the contributions roll into retirement saving. If an individual wants their</li></ul>

contributions to go straight into the retirement account, they can opt out of the accessible account in one step.

- › If an individual does not want to save for retirement, they can opt out in one step.

## User journey development

The user journeys developed to test the concept of opt-out retirement saving. These simulated the experience of using a digital financial platform, without specifying what type of platform or app was being used. It was important to make the user journeys as realistic and relevant to self-employed people as possible. To help ensure this, we took an iterative design approach, incorporating learnings from stakeholder input, qualitative testing, and piloting of the journeys. A detailed description of these processes is provided in the previous section of this technical report.

## Stakeholder input

We conducted stakeholder roundtables in March 2024, July 2024, and December 2024, attended by accountancy software providers, financial services providers, industry bodies, and regulators. These roundtables helped us gather expertise on user journey design, focusing on insights into the needs of different groups of self-employed people, the pros and cons of available self-employed financial products, and regulatory frameworks. Stakeholders also assisted in interpreting the research findings after the online research had concluded.

## Qualitative testing

The next round of our iterative design process was a series of in-depth conversations with 12 self-employed individuals to get their feedback on the user journeys. These discussions were held in the summer of 2024. They were structured to understand respondents' backgrounds and approached to financial planning, as well as their perceptions of the user journey screens. You can read more about this in Section 2.

The participants came from diverse range of types of self-employment, industries, and backgrounds, for example sole traders and gig workers, agriculture and transportation, and single parents and dual income households. This diversity ensured that the user journeys were universal and relevant to the varied experiences of self-employed people.

Participants provided feedback on what they liked and disliked, what was clear and unclear, and their thoughts on the opt-out mechanism for retirement saving. This feedback helped refine the design and messaging of the retirement saving journeys, making them more appropriate and effective for the target audience. For instance, the need for more information surrounding the accessible savings account meant we added 'pop-ups' to the design to find out more.

## Pilot testing

Prior to launching the study with a large sample of self-employed people, we ran two small pilots (of around 50 people each) to ensure that participants understood what was required of them in the research.



### Why use a pilot?

Pilot studies are a useful precursor to an online research study.

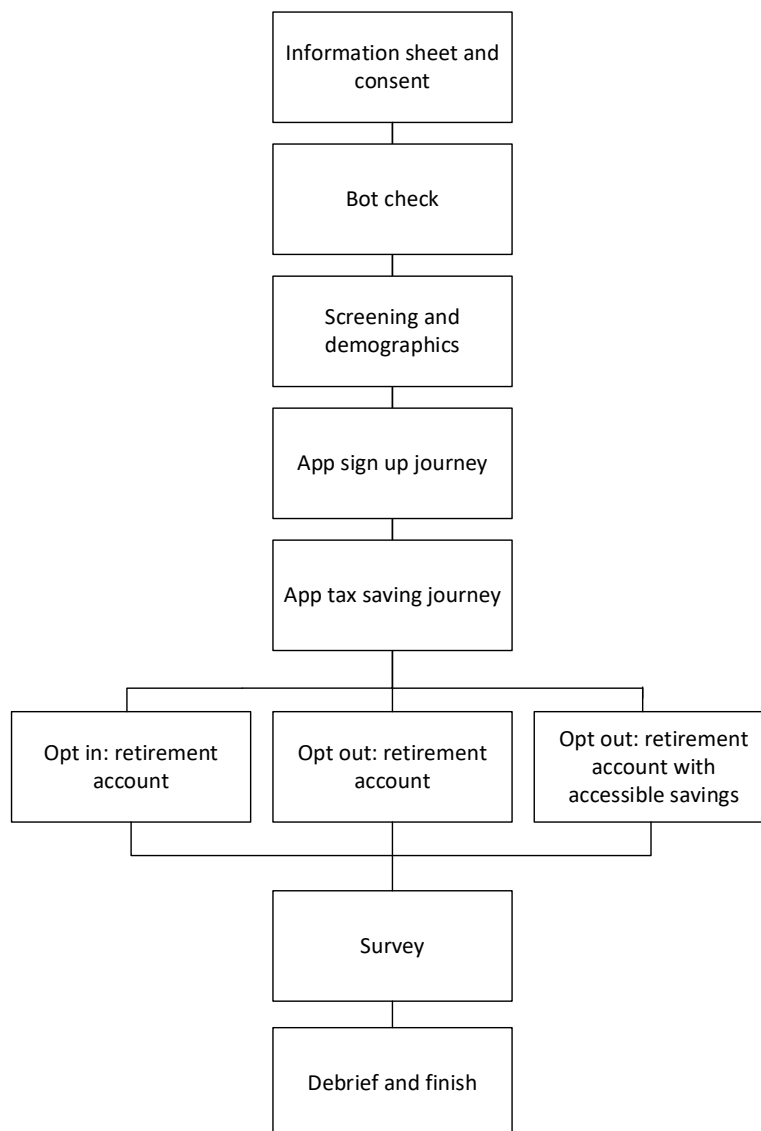
They help us refine the study design, confirm instructions shown to participants are clear and easy to understand and ensure the experience of completing the research is smooth.

Pilots can be useful when testing a complex online study or with lots of people to ensure that the data collected are useful for answering the research questions.



## Online study

The online task included three phases: pre-task, task and post task. All participants followed the same research flow:



### Pre-task

All participants completed onboarding and demographic questions prior to seeing the app screens. These included screening participants for eligibility as well as collecting basic social and demographic information including age, gender and self-employed status. Participants also completed a bot-check where participants were asked to identify the silhouette of an animal.

### Task

The app screens were low-fidelity examples of saving journeys and participants were instructed to navigate the screens. They could leave the app at any time. All participants went through three separate journey stages:

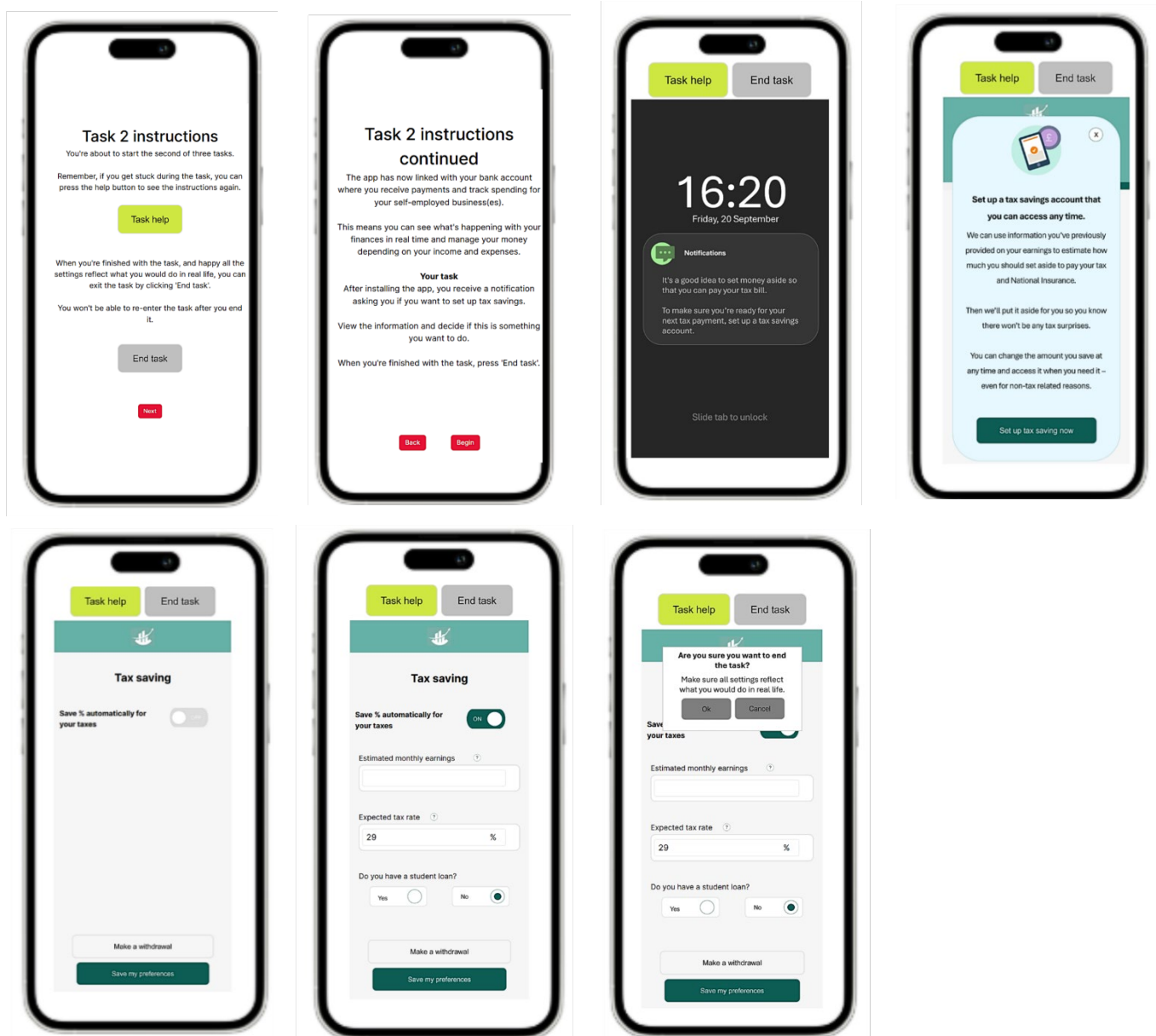
- › **Task 1, app sign-up journey** was a simple sign-up process for the app, including inputting basic information and setting a passcode. This task gave participants a chance to work out how the task worked, including that clicking 'End task' was how individuals indicated they were finished with the task. Participants also had an opportunity to play around with how the buttons worked on the account screens.

## Task 1. App sign-up journey



- › **Task 2, tax sign-up journey** was an opportunity to put some money aside for tax purposes. The primary purpose of this process was to act as a decoy for the main retirement task to reduce demand characteristics.<sup>2</sup>

## Task 2. Tax sign-up journey



<sup>2</sup> Demand characteristics are when signals in the research task or environment hint to participants about the expectations of the researcher and lead participants to behave in a certain way to match these expectations. A manipulation check suggests that participants did not think that the purpose of the study was to see if they enrolled (or stayed enrolled) in retirement saving.

- › In **Task 3, retirement saving journey**, participants were then randomised into one of the three saving journeys:
  - sign up to a retirement savings account (opt-in)
  - autosave into a retirement savings account (opt-out)
  - autosave into a retirement savings account and an accessible savings account where all contributions went into an accessible savings account before rolling into a retirement savings account when a threshold was reached (opt-out).

This journey was used measure participation in retirement saving.

### Task 3. sign up to a retirement savings account





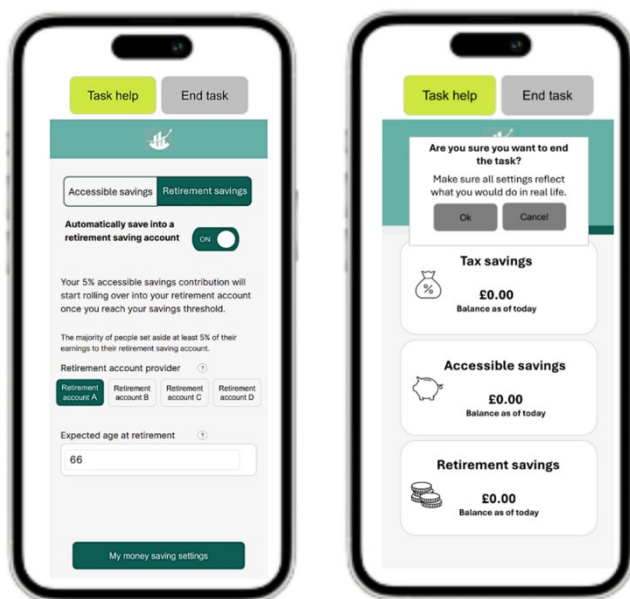
### Task 3. autosave into a retirement savings account



## Task 3. autosave into an accessible savings account with rollover into a retirement savings account







After each task, participants were asked to rate the app. This was done to ensure that the response to the retirement saving journey in Task 3 was not a result of differential preferences between the retirement saving journeys. All three retirement saving journeys were rated similarly by participants, with an average score of 3.9, 3.9 and 3.7 out of 5 for the opt-in, opt-out autosave and opt-out autosave with accessible saving account arms respectively.



### Why randomise participants?

Randomisation ensures a high level of robustness and validity of research findings as it minimises bias through random assignment, allowing for a clear comparison between different groups.

It helps isolate the effect of the intervention from other variables such as the motivation of participants, experience of using apps, and type of self-employment.

This rigorous approach ensures that our findings are both valid and impactful, offering valuable insights into how policy and design can better support financial security for this population.

### Post task

After the app task, participants completed a short survey about their experience of managing money, saving for retirement and financial attitudes.

### Research participants

Participants were identified and recruited by a third party. In total there were 1,526 people who completed the study and are included in the analysis.

- › Opt-in retirement saving (n = 499)
- › Opt-out retirement saving (n = 516)
- › Opt-out retirement saving with an accessible savings account (n = 511)



All participants:

1. Were self-employed or had been self-employed in the previous 18 months
2. If also in traditional employment, earned less than £50k from it
3. If also in traditional employment, received more than 20% of their income from self-employment
4. Were aged 18 or over and were younger than 67

A summary of participant characteristics can be found in Table 3.2. These characteristics were balanced across the groups.

**Table 3.2: characteristics of research participants in each group**

	Opt-in retirement saving	Opt-out retirement saving	Opt-out retirement saving with accessible saving account
<b>Age</b>			
18 to 30 years	28%	25%	28%
31 to 40 years	21%	26%	23%
41 to 50 years	23%	21%	22%
51 to 60 years	20%	18%	21%
61 to 66 years	8%	10%	6%
Over 66 years	0%	0%	0%
<b>Gender</b>			
Male	47%	45%	43%
Female	51%	53%	56%
Other	2%	1%	1%
<b>Ethnicity</b>			
White	75%	76%	77%
Black, Black British, Caribbean or African	11%	11%	10%
Asian or Asian British	10%	6%	6%
Mixed or multiple ethnic groups	4%	5%	4%
Other	1%	1%	2%
<b>Self-employed income volatility.</b>			
Income each month is the...			
Same	15%	17%	17%
Varies somewhat	57%	57%	55%
Varies a lot	26%	23%	25%
<b>Household income (per month) quintile*</b>			
Quintile 1 = <£900	17%	18%	19%
Quintile 2 = £900.01 to £1,550	21%	19%	20%
Quintile 3 = £1,550.01 to £2,250	23%	21%	20%
Quintile 4 = £2,250.01 to £3,284	17%	19%	19%
Quintile 5 = >£3,284.01	22%	23%	23%

*Note: percentages may not add to 100% due to rounding and the inclusion of a 'prefer not to say' category.*

*\*Household income is equivalised.*

At the end of the research, we asked participants to answer some questions about their financial resilience and confidence, managing self-employed income and their retirement plans. These were similar, on average, across the three research arms.

---

## Section 4

# Glossary of key terms

- › **Accessible savings account:** An account where contributions are initially paid and can be accessed easily at any time without penalty.
- › **Auto enrolment:** A UK policy where eligible employees are automatically enrolled into a pension scheme by their employer unless they opt out.
- › **Business and finance platforms:** Software and services used by self-employed individuals to manage their finances.
- › **Default savings rates:** Pre-set contribution rates that individuals are automatically enrolled at. They can be changed at any time.
- › **Defined Contribution (DC) pension:** A type of pension plan where contributions are defined, but the benefits received depend on investment performance.
- › **Embedded finance:** Solutions that allow business software providers to offer financial products without taking on a regulated role.
- › **Enrolment through an intermediary:** A process where an intermediary, such as an accountant, enrolls a self-employed person into a retirement savings solution.
- › **Hybrid account:** A savings account structure that includes multiple types of financial products. In the case of this research it combines liquid and retirement saving products.
- › **Feeder account:** A type of hybrid savings account structure where contributions are paid into an accessible savings account until a threshold is reached at which point future contributions are rolled into a retirement savings account.
- › **Sidecar account:** A type of hybrid savings account structure where contributions are paid simultaneously into an accessible savings account and retirement savings account. When the balance of the accessible savings account reaches a threshold, future contributions are rolled into the retirement savings account as additional contributions.
- › **Gig platform:** An online marketplace where individuals can access labour on a task-by-task basis, while in most cases retaining their self-employed status.
- › **Lifetime ISA (LISA):** A savings account with tax advantages, designed to help individuals save for retirement or buying their first home.
- › **Liquid savings:** Funds that are easily accessible and can be withdrawn at any time without penalty.
- › **Mental accounting:** The behavioural economics concept that describes how people mentally divide their money into separate accounts based on subjective criteria.
- › **Multiple default consolidator:** An approach to reduce the build-up of small pots by consolidating them into fewer accounts within a pre-selected panel of large providers.
- › **Opt-out savings:** A savings mechanism where individuals are automatically signed up to save unless they say they don't want to.
- › **Retirement savings account:** An account specifically for saving for retirement, this might include a pension or a LISA.
- › **Savings allocations and earmarking:** Assigning specific purposes to pots of money within a bank account.
- › **Self-assessment:** The process by which self-employed individuals report their tax liabilities to His Majesty's Revenue and Customs (HMRC).
- › **Self-employed autosave:** An opt-out retirement savings mechanism for self-employed individuals.
- › **Side hustle:** A secondary job or business that an individual engages in alongside their primary employment.
- › **Small pots:** Dormant pension pots that individuals have previously saved in but are not contributing to.
- › **User Interface (UI):** The means by which the user and a computer system interact, in particular the use of input devices and software.
- › **User Experience (UX):** the overall experience of a person using a product such as a website or computer application, especially in terms of how easy or pleasing it is to use.



## Contact us:

---

[insight@nestcorporation.org.uk](mailto:insight@nestcorporation.org.uk)

To find out more, visit our website:

**[nestinsight.org.uk](https://nestinsight.org.uk)**

---

© 2025 National Employment Savings Trust Corporation. All rights reserved. Reproduction of all or any part of the content, and use of the Nest trademarks and trade names, is not allowed without the written permission of Nest. Nest does not warrant nor accept any responsibility for any loss caused as a result of any error, inaccuracy or incompleteness herein. This content is provided for information purposes only and should not be construed as financial, investment or professional advice or recommendation by Nest. Data may be obtained from third-party weblinks, but these may not be error-free and cannot be verified.

Contact [insight@nestcorporation.org.uk](mailto:insight@nestcorporation.org.uk) for more details.

---

Image credits

Front cover: [Nina/peopleimages.com](https://peopleimages.com) / Adobe Stock

June 2025