Research Article

Are Pension Plans Investments Popular? Evidence From Investors' Intention Survey In India

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Abstract: The real income of people in India has gained momentum after 1992 mainly because of pedestal provided by the government & changing demographic trends in the globe. The markets, institutions, products, and savings began to expand to earn a better return on their savings portfolios. Pension schemes play a seminal part in the flow of income after superannuation. There are two categories of pension plans in India the Defined Benefit and Defined Contribution plan. An evaluation of pension plans using secondary data revealed that average returns based on market stipulation is less than that of the returns from Defined Benefit plans. Pension schemes launched by LIC of India & other insurance companies were not attractive & hence did not take off. The pension plans with possible options did not yield returns as Mutual funds or market-based funds. A survey was carried out in order to understand intention of customers/investors towards savings and investment in pension plan also to know reasons for non acceptance of the same. The study collects primary data from 134 respondents / investors using Cue sampling method from a structured questionnaire. The results of the study highlight that pension are still considered as secondary preference as against savings for immediate liquidity and long term asset funds. While pension is a necessity at the core of the consumer adequacy of returns, long term size of savings, income adequacy, cost of pension schemes, low awareness, lack of perceived transparency and higher investment spending under exceptional and normal situation contribute to low level of acceptance of pension plans and schemes.

Keywords: Pension Plan, National Pension plan, Pension return adequacy, Demographic factors, Savings, Investments.

I Background of the study

India is undergoing unprecedented changes to its demography in terms of an increase in longevity and declining fertility rates in the population of adults aged 60 years both in absolute and relative terms (Bloom et al. 2016). As per WHO 2015 data, life expectancy at birth (global level) is 71.4 years and is 68.3 years in India. The formal sector share in total employment is 9.98% in 2017-18 (Annual Survey of Industries (ASI)). India is witnessing labour mobility and portability across sectors and occupations, necessitating flexible compensation packages and individual choice among various pension benefits (Chatterjee, 2004). Only 17% of the population has health insurance, and the majority of them claim family as a primary source of health care costs (Arokiasamy P et al. 2012, LASI pilot survey 2010). With an increasing population trend, the number of people closer to retirement is also increasing faster, which brings a challenge to income security. By 2030, the elderly 60 years and above will approach 200 million and 330 million in 2050 (Asher G, 2007). In total, less than 10% of the population currently receives a pension of any kind (Uppal and Sarma 2007). There is a definite need for a robust pension system framework and reforms, more evidently due to India's lack of social security measures. There is a gradual shift in household savings from traditional bank deposits to financial assets, insurance, and pension products. Though the trend shows an increase in the percentage of savings through provident and pension funds over the years, the proportion is negligible.

Pension framework in India

Pensions are long-term contracts designed for specific purposes to provide a fixed sum regularly by an employer to an employee following retirement from service, death, etc., or dependents of an employee. Pension fund is a special kind of long-term savings plan that requires an employer to contribute to a fund set aside for a worker's future benefit. India has two types of pension plans: Defined benefit plans and defined contribution plans, the Employees Provident (EPF), the Civil Service Pension, Pension plans for Public sector enterprises, Occupational pension plans, the Public Provident Fund (PPF) and Voluntary Provident Fund (VPF). The government has various schemes for the private sector and unorganized sector, the National Pension Scheme, Atal Pension Yojana (APY), Pradhan Mantri Vaya Vandana Yojana, the Senior citizen's savings scheme etc.

Need for the study

Pension is an essential source of income for an individual in post-retirement years. It helps maintain the standard of living of self and family dependents. Almost 90% of India's workforce is not eligible to participate in pension schemes. Employer-employee-based plans are not available to the large-sized informal staff. It does not include construction workers (about 45 m), migrant workers, workers on a contract basis [(about 46 million) (IHD, 2014)] under the benefits of provident fund, gratuity, and pension (Santhlal Arora (2015).

At present, there is a wide range of plans available to meet the target groups' needs with different contributions and return patterns. Previous studies show people lack understanding of old age's financial challenges and believe that the government or existing pension system can protect their financial security. However, the rise in the cost of living expenses, a fall in the interest rate on deposits make the retirement corpus insufficient and make them vulnerable and financially dependent. Thaler and Benartzi (2004) suggests a behavioural and prescriptive savings program to educate and enrol employees in pension plan. Individuals are passive, they procrastinate and avoid explicit investment choices and mainly prefer default plans. There is a need for financial planners to define plan features and help individuals' decision making (Kooreman and Prast (2010)). Pension participation and investment also depends on level of financial literacy and knowledge (Maarten van Rooij, Annamaria Lusardi, & Rob Alessie (2011). Kuivalainen, Nivalainen, Jarnefelt, & Kuitto (2018) analyze gender and socioeconomic differences of people in Finland during their working lives and their income as a pension and concludes there is a high level of association between the length of working life and pension income. M.G. Asher and Amarendu Nandy (2006) have worked on Provident and pension fund reforms and regulations in India. The paper finds that the present system does not provide any attractive returns and fails to meet social security challenges. Madhurima Das (2016) focuses on Atal Pension Yojana and suggests adopting pension reforms to bring in the concept of Individual Retirement Accounts (UK system), auto-enrolment, bringing in mandatory contribution practices that will increase savings. Mercer corporation and the Australian center publish the index for financial studies with funding from Victoria's state government on a nation's retirement system and marks out for India that though the National Pension System is gaining popularity, it is yet to gain popularity and acceptance by people and there is a need to extend a minimum level of support to the individuals mainly to the un-organised workforce.

Gaps in Research

Investors will vary by income, consumption, life style, vision/goals of life, job at the entry-level, career, continuity in employment, family-size & number of earners, culture, and social engineering. Though there are several pension plans offered under benefit and contribution plans, they have not yet gained acceptance. Investors mainly in the younger age group do not prefer investment or long term such as retirement plans. Examining investors' behaviour towards pension investment is essential to analyze the factors which are restricting individuals from accepting pension plan investments.

II. Research Methodology

The study relates to the city of Bengaluru that comes under Bruhat Bengaluru Mahanagara Palike (BBMP) limits. An investor's intention survey is carried out to assess the behavior of investor's attitudes. An investor further looks at the architecture of a pension plan devised by an institution. The expectation from a pension plan must meet his recursive needs and control level across time. The study has identified twenty-five variables to understand the reasons behind lack of popularity and non acceptance of pension plan investments:

The data is collected using multiple-scale questions based on the point of time answers to questions on demographics, income, consumption, savings, and investment behavior covered in the target group. . Likert scale is the chosen scale to capture factor reflections on a five-point scale. It is only in the demographics either actual or coded values are chosen to reflect the qualitative distinctions of variables. Interpretations are carefully made based on central tendency and standard error values. Skewness and kurtosis values indicate the degree of departure from normality. As such, those values will necessarily be computed.

Sample size and sampling method

Given the estimated population of Bengaluru Metro city of 123.27 lakhs (2020) and estimated number of households in Bengaluru city is 23.71 lakhs. The sample size arrived at is 120 households' (target group). The study uses Cue Sampling method and collects data from 134 respondents. The respondents are selected from a domain of 1000 households through cues provided by primary and secondary sources. Data on demographics and response variables of the respondent is checked for veracity to ensure correctness and then the respondent was given the questionnaire on income, consumption, savings and dimensional variables. The analysis is on data collected for 189 variables from 134 respondents.

Problem Statement

There are several opportunities for an employee to save. The allocation of savings of an employee across financial products is for optimum and continuous returns. An employee aims to build up wealth over time and intends to have a deferred part of savings into consistent and long-term returns in liquid terms. Individuals save and invest a part of savings in various investment avenues. Though government and institutions are offering pension plan/instruments to individuals, they are not penetrating into the minds of individual investors to a greater extent. Why?

Objectives of the study

1. To conduct an Investors' Intention Survey for capturing their savings and investment behavior, and
2. To analyze key dimensions or variables to understand the reasons behind lack of popularity and non acceptance of pension plan investments.

3. To recommend policies and strategies for organisations and individuals to make pension plan acceptance and savings better.

Hypotheses

H_{01}: There is no significant relationship between demographic variables and non-demographic variables and reasons for not investing in pension plans
H_{11}: There is a significant relationship between demographic and non-demographic variables and reasons for not investing in pension plans

H_{03}: There is no significant impact of demographic and non-demographic variables and reasons for not investing in pension plans
H_{13}: There is a significant impact of demographic and non-demographic variables and reasons for not investing in pension plans.

Statistical Measures for Analysis

Statistical tools used are central tendency & dispersion measures, relationship measures, Multiple Regression analysis and Step-wise regression. Demographics data is analyzed based on central tendency, dispersion, skewness and kurtosis, mean, median and standard deviation. Testing of whether there exist any statistically significant differences between the means is with ANOVA model. Step wise regression is conducted to identify the impact of individual variables.

Reliability analysis

The reliability of data collected by numbers is critical for further analysis. The data collected were represented by the 134x189 matrix and subjected to a reliability test. The value of alpha for standardized response items is 0.984 which indicates that the data collected are highly precise and can qualify for further statistical analysis.

Anova and Test for Non-Additivity of Data Set

Tukey's test of the non-additivity shows the level of capture of variation across all 189 variables. The Anova test results are reflected through Fischer's F test and the level of significance. The above table indicates that the Anova model is additive and is accepted. Further, non-additivity of data set is statistically significant at p = 0.000 level for all variables except for 189 variables, within items significant at 0.05% level. The above results of Anova suggest that data are ready for further use as the variations are covered very precisely for all the variables under consideration.

KMO and Bartlett's Test Results

Factor analysis helps examine the reduction of variables from 189 identified variables to facilitate further relationship analyses. Extraction of variables and factors considers an Eigen value of a minimum of 1.0. The Eigen Value is 17.336 with 69.343% of variance. The KMO statistics is 0.883 with a χ^2 value of 2895.243 with a degree of freedom of 300, p value of 0.000. It means that the data collected for 134 respondents meet sampling adequacy criteria, have captured all variables connected with income, consumption, savings, and investment. The table empowers the researcher to analyze further factors associated with each of these identified variables.

III. Data Analysis and Interpretation

TABLE 1 Regression Analysis- (Reasons for Not Investing In Pension Plan)- Model summary – Fixed Effects Model

Sl. No.	Variable	R	R SQR	ADJ R^2	F	SIGN	REMARKS
1	Age in years	.454	.207	.090	1.776	.039	Significant
2	Marital status	.437	.191	.039	1.257	.221	Not significant
3	Size of the family	.420	.177	.080	1.825	.042	Significant
4	Earning members in the family	.448	.201	.043	1.269	.209	Not significant
5	Domicile status	.388	.150	.050	1.504	.120	Not significant
6	Education status	.525	.276	.124	1.819	.021	Significant

7	Years of experience	.388	.150	.050	1.504	.020	Significant
8	Number of dependents	.496	.246	.128	2.088	.010	Significant
9	Gross Total Income of the family	.510	.260	.105	1.679	.040	Significant
10	Pension plan	.175	.031	.001	1.020	.099	Significant
11	Equity shares	.479	.230	.109	1.907	.022	Significant
12	PPF/VPF	.420	.176	.063	1.562	.090	Significant
13	NSC / post office savings plan	.266	.071	.003	1.046	.007	Significant
14	SCSS/PMVVY	.321	.103	.038	1.584	.027	Significant

Note: 25 variables included

TABLE 2 Results of Regression - Reasons for Not Investing In Pension Plan

SL NO.			Long term savings	Savings-Income adequacy	Lower returns	High maintenance fees	Low awareness	Lack of transparency	PF withdrawal restrictions	Faith on sponsor	Trust on voluntary Pension	PF-Future benefits unknown	PF-non guarantee	PF-Fraud	PF interest lower than market rates	PF-varied features	PF-private pensions low returns	Remarks
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1	AGE IN YEARS	t value	-1.902	-.537	-.530	-.318	2.177	-.242	-3.617	2.067	.507	1.526	-	-	-	-	-	
		significance	.060	.592	.597	.751	.031	.809	.000	.041	.613	.130	-	-	-	-	-	Sign.
2	MARITAL STATUS	t value	.191	.039	1.257	.221[b]	-.756	-.783	-1.031	.593	.772	-1.256	.160	.269	-2.001	-	-	
		significance	.567	.828	.145	.967	.451	.435	.305	.554	.442	.212	.873	.788	.048	-	-	Sign.
3	SIZE OF THE FAMILY	t value	-1.511	-.493	-.514	-.357	2.484	-1.000	-3.326	1.521	.410	-	-	-	-	-	-	
		significance	.134	.623	.608	.721	.014	.319	.001	.131	.683	-	-	-	-	-	-	Sign.
4	EARNING MEMBERS IN THE FAMILY	t value	1.504	-.505	-.677	-.532	1.395	-1.121	-.864	.259	.808	.786	-.928	.840	-.796	1.567	1.111	
		significance	.135	.614	.500	.596	.166	.265	.390	.796	.421	.434	.355	.403	.428	.120	.269	Sign.
5	DOMICILE STATUS	t value	-.153	1.181	-.315	.567	1.279	-.294	1.596	-1.224	-	-	-	-	-	-	-	
		significance	.878	.240	.753	.572	.203	.769	.113	.224	-	-	-	-	-	-	-	Sign.
6	EDUCATION STATUS	t value	-2.217	1.113	-.229	-.307	1.589	.065	-.440	-.202	-.905	1.581	-2.171	.471	-2.187	.149	1.829	
		significance	.029	.268	.819	.759	.115	.948	.661	.840	.367	.017	.032	.639	.031	.882	.070	Sign.

7	YEARS OF EXPERIENCE	t value	-.153	1.181	-.315	.567	1.279	-.294	1.596	-1.224	-	-	-	-	-	-	-	
		significance	.878	.240	.753	.572	.203	.769	.113	.224	-	-	-	-	-	-	-	Sign.
8	NUMBER OF DEPENDENTS	t value	-1.839	-1.559	.535	.742	1.406	-2.087	-.495	.621	1.214	3.574	-3.059	3.158	-	-	-	
		significance	.069	.122	.594	.460	.163	.039	.621	.536	.227	.001	.003	.002	-	-	-	Sign.
9	GROSS TOTAL INCOME	t value	1.095	-2.092	1.613	1.211	1.786	-1.198	-.950	-.799	.249	-.261	-1.724	1.223	-1.764	.464	-	
		significance	.276	.039	.110	.228	.077	.233	.344	.426	.804	.795	.088	.224	.081	.644	-	Sign.
10	PENSION PLANS, NATIONAL PENSION SCHEME ETC.	t value	-1.763	-.690	1.154	-	-	-	-	-	-	-	-	-	-	-	-	
		significance	.047	.492	.078	-	-	-	-	-	-	-	-	-	-	-	-	Sign.
11	EQUITY SHARES	t value	1.459	-1.773	.279	.622	1.076	-1.171	.762	.373	1.603	-.259	-2.390	-	-	-	-	
		significance	.147	.079	.781	.535	.284	.244	.448	.710	.112	.796	.018	-	-	-	-	Sign.
12	PPF/VPF	t value	-.585	-1.679	1.096	.783	1.193	-.296	-.902	-.781	.129	-	-	-	-	-	-	
		significance	.560	.096	.275	.435	.235	.768	.369	.437	.897	-	-	-	-	-	-	Sign.
13	NSC / POST OFFICE SAVINGS PLAN	t value	-.902	-.196	.258	-.173	2.100	-1.777	-	-	-	-	-	-	-	-	-	
		significance	.369	.845	.797	.863	.038	.078	-	-	-	-	-	-	-	-	-	Sign.

14	SCSS/PMVVY	t value	.735	.483	-.086	.979	-.280	-1.326	-	-	-	-	-	-	-	-	-		
		significance	.464	.630	.932	.329	.780	.187	-	-	-	-	-	-	-	-	-	Sign.

Note: t values and significance are presented Significance value = 0.10

IV. Findings of the study

I. Demographic statistics – Frequency distribution

1. The outliers' analysis here is to get a fair picture of the characteristics of the sample group of size 134. The composition of gender is 65 % male and 35% female. The mean age of the respondent is 38 years, as against the median age of 35 years. The standard deviation is 10.5. 96% of the samples are earners, followed by 3.8% senior citizens. 69.4% of respondents are married. 6.7% senior citizens and the remaining 24.9% of respondents fall in the other category. The average size of the family is 4.04, with a median size of 4.00. Against an average of four members in the family, at least 2 of them are working. The education level of the sample is that of graduates and postgraduates (83.6%). The domicile status consists of 80% urban and 20% rural.

II. Characteristics of Income, Savings, and Investment

1. The family's gross mean monthly total income is Rs. 58,582, and the median value is Rs. 52,500. The sample standard deviation of the Gross monthly mean total income of the family is Rs. 31,745. Pension plans include 1.6 % of the total net monthly income. Investment in mutual funds, equity shares, PPF and, NSC, etc., constitute 12.9 % of the monthly salary. The government has introduced PMVVY and SCSS to encourage senior citizens to invest in the recurring monthly income at a guaranteed interest rate. The investment made in these schemes is hardly 1.9 % of the total monthly net income. People would like to invest in market-based returns of mutual funds, equity shares, rather than saving for a pension.

III. Uni-variate analysis

Investors advocate some strong reasons for not investing in a pension plan. Data on five-point scale ratings examine each reason in detail.

1. At least 2/3rd (67.2%) of customers disagree or strongly disagree on monthly expenditure and savings thereafter. i.e., they are not happy with the returns they get after retirement mainly because of inadequacy in meeting their minimum comforts in life.
2. Given the average age of customers at 38 years, at least 70.1% consider savings for them as not a priority. They are not in agreement, i.e., there is a clear awareness of savings to begin now for longevity.
3. Price increase at the retail level of food and non-food items prevents at least 55.5% from saving to the extent they need to.
4. The customers are generally aware of the lower returns derived from pension schemes and plans floated in the market by public and private institutions. At least half of them (46.3%) agree on lower returns, and 54.6% disagree.
5. In general, the customers agree that the pension funds' maintenance cost is higher than the mutual funds. The question then comes whether reducing maintenance cost would improve the percentage of customers' savings (41.8%).
6. There is reasonable awareness of the availability of pension schemes amongst customers. The other segment that expresses their agreement on lower awareness (46.7%) shows that promotion efforts are essential for all pension plans floating in the market. The promotional efforts have not reached the savers in the target group.
7. The customers generally disagree on the lack of transparency in disclosure statements (68.3%). Personal inquiries have revealed that they don't understand the organizations' written disclosures and expect them to be in the right language of communications rather than technical accounting/financial revelations.
8. Customers disagree in general (68.3%) that current spending is more important than spending. This table reflects a generally positive attitude towards savings for the future to lead to a comfortable living**.** The current investment spending prevents them from investing in pension plans with guaranteed returns based on inflation caused by the consumer Price Index (CPI).
10. The general reflection is that withdrawal restrictions are not significant impediments (61.2%).
11. There is moderate faith in the sponsors or service providers of pension plans (41%) in a relative sense. There is a general reflection on the number of players in the market and more so on the primary player associated with pension plans.
12. 30.6% of customers cannot decide about the corpus fund's adequacy, which leads us to a generalized statement that pension plan providers are facilitating corpus needed for returns that are considered reasonable.
13. The customers are experiencing stability of risks on market-linked schemes. There is a sign of a reduction in the uncertainty experienced by investors (44.0 %).
14. A voluntary pension scheme with no minimum guarantee clause is not a threat to investors (52.3%). These schemes may induce relatively younger customers of age between 20-30 years.
15. Generally, all plans do not provide the size of future benefits, although rates of returns are specified (60.5%). The reality is no definite future benefits can be made known when the plans are market-linked. However, it is not an impediment or a block for a customer not investing in pension plans.
16. The tendency of no guarantee by the government is not a significant reason for not investing. 61.6% of customers feel some assurance needs to come from the government, and the government will solve all their problems.

17. There are no significant frauds in pension plans in India. As such, the absence of fraud has enabled customers to believe the present system is acceptable. However, this does not mean pension plans are working effectively. Assessment of a pension plan's effectiveness should is in the backdrop of no fraud and optimal returns in a guaranteed format. As much as 58.5% express that there are no visible frauds and as such system is acceptable. Those who disagree 23.9% have the same feeling of no fraud but still are not completely satisfied and invest in a pension plan.
18. Nearly half of the customers agree that pension funds' interest rate is lower than the market rate of interest (26.9 %). Even though there is no accepted mechanism to discover a lower or higher rate than the market rate of interest, several market forces provide this operationally.
19. The customers generally agree that there is some confusion because of umpteen number of pension plans in the market with varied features. Given the composition of features, any customer would get confused and not decide which one is better. The trichotomy suggests that 36.6% disagree or strongly disagree, 29.1% agree or strongly agree, and 33.6% in a state of no-decision. This result calls for clarity in enumerating features an exposition of plans with their advantages and disadvantages. Any market will not be efficient in capturing customers if clarity does not exist about its products, its features, and benefits that finally accrue to the investors.
20. No apprehension is expressed towards low returns by pensions declared by private players whose products are in the market. (45.5%). Given that there are seven fund managers in the public and private sectors, there are several product variants with differential returns rates. The more the pension plans are, the more confusion sets in. so agreement or disagreement has emerged out of confusion created by the players in the market who constitute two distinct sectors, public and private. A composite chart of several return parameters may help a customer decide which is better under what composition and a state of circumstance.

IV. Results of Step wise regression

The general tendency among investors is to save in various avenues. Still, it is not a short-term objective for many of them mainly because of strains created by prices, the inflationary tendency in the markets, etc. The step-wise regression carried out on fifteen factors influencing investors not to save/invest in pension plans with demographic and non -demographic factors reveal that:

1. A high degree of multiple correlation exists between factors for not investing against demographics and non-demographics, the highest multiple R being 0.525 for education status, and the least being R = 0.175 for pension plan.
2. The adjusted R square is quite powerful for education status (0.124), Number of dependents (0.128) under demographic factors and also for Equity shares (0.109) and Gross total income (0.105).
3. Marital status (p = 0.221), Earning members in the family (p = 0.209) and domicile status (p =0.120) are not influenced by factors for not investing in pension plans.
4. The reason for not investing in pension plans is significant at (p = 0.099) level, which means at least 9.9% of the investors have strong reasons for not investing because of strained conditions under which they earn, consume and save.
5. Given the average age of investors in the study, 38 years, saving for long-term investing is not a priority among the majority of investors (p = 0.06). Low or lack of awareness towards pension savings (p = 0.031), withdrawal restrictions (p = 0.000), low faith and trust on plan sponsors or pension service providers (p = 0.041) are also relevant.
6. Low returns offered by private pensions (p =0.048) influence marital status.
7. The size of the family influence withdrawal restrictions on pension plans (p = 0.001) and lack of awareness (p =0.014).
8. Lack of awareness (p = 0.014), withdrawal restrictions (p=0.001) associated with pension funds influences the family's size.
9. The more a person acquires experience, the more he thinks of the adequacy of returns and risk hence other factors are not significant to influence his decision on investing or not investing in pension plans.
10. The more the dependents are in the family, the less the priority for long-term savings (0.069). Factors such as lack of transparency (p =0.039), Future benefits unknown, Non-guarantee and risk of fraud (p =0.001, 0.003, 0.002 respectively) also makes investor not invest in pension plans.
11. The gross and net total income are also affected by saving inadequacy (p =0.039), coupled by lower returns by pension (p =0.081), less awareness of pension plans (p =0.077), and no clear assurance from the government (p=0.088).
12. Priority for long-term savings (p =0.047), low returns offered by pension plan compared to other investment avenues (p =0.078) influence investment in pension plans.
13. Most of the investors face an increase in consumption expenses leading to lower savings (p=0.011). Investors opine that current consumption is better than future savings (p =0.079). Also, equity investors opine that pension returns are also not backed by government guarantees (0.018).

14. Investors who prefer PPF/VPF agree that savings inadequacy (p=0.096) restricts them in further investment in pension plans.
24. NSC/ Post office savings are also not preferred along with pension because of lack of transparency (p =0.038) and less awareness (p =0.078) and that NSC and post office savings will not yield them more returns than that of the other plans.
21. Investing in SCSS/PMVVY is less priority to future savings among investors. This scheme caters to the needs of specific target group and hence not yet very popular among them.

V. Conclusion and Scope for further research

The prominent organizations providing pension plans to individuals are LIC of India, ICICI Pension Fund Prudential Life, SBI Life, HDFC Pension Fund, Kotak Mahindra, and UTI Pension Solutions. These organizations' primary function is to provide a cover for risks through insurance products and annuities. The pension has acquired the least importance in a scenario where we move towards the emergence of matured markets for all savings instruments. The pension coverage is less than one percent of the total estimated size of the market. As much as 99% of the pension market is yet to be captured in the private sector, while in the public sector, a pension is supplementary to other forms of savings such as EPF, PPF, VPF, and other savings instruments. The concentration of governmental authorities is in the regulation and promotion of organized pension. There is a claim against pension products regarding the adequacy of returns and investment policy. Individuals are conscious of saving, but the priority is saving for the immediate and medium-term rather than long-term. Concerted efforts are needed to optimize pension savings by making pension plans or schemes attractive.

VI. Implications of the study

The scope and coverage of contributory pensions should reach private and public sector institutions (baring government employees). An employee at the start of his career can be enrolled in a pension fund to ensure adequate contributions and the corpus size. A definite range of contributions should be between 30 and 40 years of continuous employment. The intention survey has suggested that consumers do not intend to save for pension initially to meet immediate and mid-term life challenges. While there are several savings instruments available to them, pension instruments/products should be made attractive on par with organizational returns on the investors' investment.
Every organization involved in pension products should develop more pension products leading to the adequacy of returns later. The organization should expand the scope of contributed pension funds to earn higher returns and transmit a part of it to individual investors. Sector-wise coverage of pensions can be introduced to mark out differential returns between agriculture, industry, and services. Phase-wise optimization ensures higher corpus and higher returns at the time of the start of pension delivery. Initiation of more pension products at the organizational level can ensure adequate periodical (monthly) delivery and corpus. A panel study of the Consumers' Intention Survey may be attempted to analyze the trend in consumers' intentions of savings for longevity. Lifestyle-oriented study on consumption & savings can be attempted to develop new products & plans for pensions with all frills expected by consumers.

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