Is retirement something for students?
A qualitative study on the students’ perception of pension savings

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ABSTRACT

The concept of pension saving is a well-known phenomenon, but the underlying meaning of what this concept really means is not as known. This explorative study is conducted to contribute to existing knowledge by better understanding consumers’ decision making in long-term pension investments. It was made with the purpose to find more variables that can add knowledge to previous research within the field of financial service buyer behavior.

In order to address this purpose, three focus groups were conducted where students from both Umeå University and Linköping University were involved. It was decided to conduct focus groups to create an atmosphere where the participants are encouraged to initiate discussions with each other instead of only asking questions that are answered by the interviewees.

To illustrate the findings from the focus groups a coding process was used to present the findings according to the theoretical framework. The four main theories that have been used are; the Stakeholder Theory, which is used to illustrate the role the student are having in the pension system. The Engel-Kollat-Blackwell model is used to examine the consumer-decision-making process when it comes to investment decisions. The information seeking behavior is used to figure out how students search for relevant information, while our final theory focuses on describing the social media habits of students.

The main result of this study is the identification of five underlying factors that are affecting the students when it comes to making pension investments. These five factors are: The student’s ability to recognize a problem that needs to be solved from internal motivation, external sources as motivators, the level of targeted marketing activity from pension companies, the trendiness of the investment opportunity and the experienced utility level of the investment opportunity.
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1. INTRODUCTION

1.1 Problem Background
Throughout each individual’s career, we are somehow saving to reach a sufficient pension that will finance a decent living standard during the years of retirement (Hagen, 2013, p.2). How much each one has saved, combined with how much money the system has in storage and how the pension system is shaped, determines the size of the payouts and for how many years each individual need to work to reach a satisfactory pension (Hagen, 2013, p.2).

Encyclopedia Britannica (2014) define pensions as: “pensions, a series of periodic money payments made to a person who retires from employment because of age, disability, or the completion of an agreed span of service.” To give people the ability to affect the size of their pension payouts, the premium pension program was introduced during the 1990s by the Swedish government. This provided every Swedish citizen with a possibility to invest a part of their pension by themselves (Nyqvist, 2008, p.69). In 2008, as many as 98% of the Swedish population was estimated of being financially “exposed” to the premium pension program and have the possibility to invest in and manage five mutual funds until retirement (Pettersson et al. 2009, p.6). In order to obtain a pension you need to have had some kind of income during the years when it is most common to have an individual income (Pensionsmyndigheten, 2015 f).

Despite this exposure, a report by TNS SIFO (2012), indicated that there is a knowledge gap in Sweden regarding knowledge about retirement and pensions, and the largest gap also appears to be among the generation between the ages of 20-30 that just entered or was about to enter the job market. That study from 2012 displayed that 84% of the people interviewed in the ages between 20-30 answered “no”, to the question regarding if they had acquired knowledge about the “Premiepensionssystemet”, [premium pension program] (TNS SIFO, 2012). This can be compared to the average of 65% among all age categories in the sample (TNS SIFO, 2012).

We chose to use the study, Consumer Decision Making in a Complex Environment, by Nilsson (2010) as the foundation for our study. In his study he explained what factors affects the consumer to make a financial service investment in SRI (Socially Responsible Investment) profiled mutual funds. In order to extend the study by Nilsson (2010), we aim to find more variables that affect the consumer decision making. To achieve this, we have chosen to approach this with a slightly different angle, and instead of focusing on SRI profiled mutual funds, we have chosen to focus on finding variables that can contribute to existing knowledge by better understanding consumers decision making in long-term investments. Also, to see what medias students are using to search for information and if that has an impact on their long-term investment behavior.

In compliance with the previously noted knowledge gap, only a tiny percentage of the young adult generations invest for their retirement. 0,2 percent of the population of men and women in the age of 19 and younger and 5,2 percentage of the men and women between 20-24 actively saves for their retirement (SCB, 2012 c). People today are according to Stattin (2013, p.9) forced to work more years until retirement compared to a couple of decades ago, logically then the general interest for pension savings should increase. However, as displayed in figure 1 the
interest for pension saving appear to be rather limited among people in the young adult generations. Therefore to better illustrate and to find variables describing what role of the students have towards the pension system and the pension companies, we are using the stakeholder theory. Throughout our study, we are assuming that the student’s future income will be of interest for the pensions companies and their importance for the pension companies will increase over time. We believe that this assumption should be an incentive for pension companies to attract students at an early phase, and therefore our study will be of interest for pension companies to benefit from. This is also the main the reason why we found it interesting to study the younger generation’s pension investment behavior.

Figure 1. Pension investment of different age groups in Sweden. SCB c, Statistiska Centralbyrån (2012)

Research has been made in this subject, but only to a limited extent. The limited comprehensiveness on previous research has left gaps for future research that needs to be filled (Adolphson, 2013). Adolphson (2013) declares that it is hard to find information displaying what schools and universities are doing to influence the level of knowledge about pensions, as it is today at least in the economic and human resource specialist programs there is no education that covers this topic at the universities, except for financial planning at Umeå University (Umeå University 2015). This article also states that it is also hard for students to find information that is of relevance, and which is making it possible for them to understand, without any prior knowledge of the pension saving subject (Adolphson, 2013). To display how complex the pension system in Sweden can be, the technical chapter 2.0 is describing how the system is structured. Adolphson (2013) also believes that if not even business students that graduate from universities have a sufficient level of knowledge regarding pensions; there is a small chance that students in general will care at all about pension savings until much later in life. Research has also shown that investing for retirement is not prioritized compared to consumption when it comes to the consumer’s asset management (Harrison et al., 2005, p.13). Instead people buy luxury goods, such as cars or houses in order to either display economic power or to maintain a
certain social status (Harrison et al., 2005, p.13) which could mean that retirement investments is not a priority for the consumer.

We will distinguish our study from Nilsson (2010) by using a different angle on finding more explanatory factors for consumer-decision making investments. Nilsson (2010, p.79) found that factors such as personal abilities, preferences and perceptions impact consumer decision making. We will instead focus on finding explanatory factors that can describe and explain what affects the student when it comes to pension investments.

While Nilsson’s (2010) study held a general approach on why people invest in socially responsible mutual funds, we will be including students instead of the general investor. We will also use general pension investments instead of socially responsible investments.

To find additional explanatory factors we have chosen to add four theories. This is mainly done to extend the study by Nilsson (2010) and at the same time use our own approach on consumer decision making. Initially we use the steps in the consumer decision making theory to describe how the students behave and reason during their investments decisions when it comes to financial services. The decision making model is used to describe and discuss what affects the consumers when they are deciding about how and also why to make an investment.

Then we have chosen to look at the students’ behavior from a search preference perspective. Because of the digitalization of our society where it has moved from searching for information through personal sources to a behavioral shift where it has become more common to search for information using electronic tools such as social media and using Google to find information (O’Connor & Lundstrom 2010, p.360).

To summarize; we have chosen to conduct an exploratory study with focus on students pension investment behavior. This is done to see if the students’ in our study can help us find more explanatory variables that can add knowledge to existing literature concerning the investment behavior of students when it comes to pensions. According to the problem background above, and to our best knowledge, not a lot of research has been done about what explanatory factors that lies behind the pension investment behavior of the students. Therefore, the aim of this study is to provide valuable insights about what factors influence the student’s when making a pension investment decision. Furthermore, the results of this study will be of interest for pension companies. It is in the pension companies’ to value the student’s interest for pension saving at an early stage. Thus, we aim to provide practical suggestions that can be of use for pension companies when it comes to attracting students to their business.
1.2 Problem Statement/research question

What factors influence the student’s decision making process in regard to pension investments?

1.3 Purpose

The purpose of our study is to extend previous research and find supplemental factors that influence students when it comes to making investment decisions for their pension/retirement. This study also aims to find factors that can help pension companies understand what tools to use when attracting students into pension saving. Furthermore, this study aims to add knowledge to existing literature regarding the investment behavior of students.

1.4 Limitations

We acknowledge that our research could have been more focused on a wider perspective in terms of investment possibilities. However we have chosen to focus on the pension funds as a funded saving for the individual student and does not include other types of private savings such as saving in a bank account, hiding money under the mattress, saving in the stock market etc.

1.5 Chapter guide

In the following chapter we are introducing the complexities of the pension system in a technical chapter. The technical chapter is used to give an understanding of the current pension system. The technical chapter is followed by the theoretical methodology that is used to explore the subject of our research. The theoretical methodology consists of the pre-understandings, epistemological and ontological views that were used to conduct this study. The research approach and the critique of sources are also evaluated in this section. Then follows the theoretical frame of reference where we have derived themes that are related to our research. This will bring an overview of prior research that has been made on topics that are related to our research. The theoretical frame of reference highlights the importance of students as a stakeholder for pension companies. Then will we evaluate the decision making behavior of students through a five-step model for when it comes to realizing that there is a need for a purchase to when the purchase is made. Our theoretical frame of reference also include the information seeking behavior of students, and what available medias the students are using to find the information they are looking for. The last part is an extension of part three, and is focusing on the social media habits of students which explains what the students are using and doing on the different social media platforms.

After the theoretical frame of reference we present the practical methodology that was used to in our data collection and the methods that were used to analyze our collected data. This is naturally followed by the findings from the data collection. The findings are presented in a logical order to make it easier for the reader to follow what was said during the sessions. The consecutive analysis is structured in the same logical order as our empirical findings and is linked back to earlier findings in our theoretical framework. The final chapter presents the conclusion of our study. In this chapter we will answer the research question and present factors that influence students when it comes to making pension investments.
2. TECHNICAL CHAPTER

To give the reader a better understanding concerning the complexity of the pension system a technical chapter was added to explain the differences between the different pension systems.

As mentioned in the problem background; Encyclopedia Britannica (2014) define pensions as; “pensions, a series of periodic money payments made to a person who retires from employment because of age, disability, or the completion of an agreed span of service.”

Despite the basic principle of paying fees in order to be able to receive these periodic money payments after retirement, the pension system can hold various designs; Public or private, mandatory or voluntary, funded or non-funded. Which are some of the notions that have to be taken into consideration when it comes to pensions.

Žamac et al., (2012) discussed and examined these questions in a report regarding the new Swedish pension system in terms of how it affects the redistribution of pensions. We will use this report to briefly focus onto these questions that was discussed but our focus will be put on the last question; about how the pension system is being funded. First, according to Žamac et al. (2012, p.8) there is no significant difference in whether the pension system is either public or private when it comes to the function of the pension system. It will still hold the same basic fundamentals of periodic money payments to the part of the population that is retired. On the other hand, the difference between a mandatory pension system and a voluntary pension system is more significant. While using a mandatory pension system it is possible to avoid a number of possible disadvantages that comes with the use of a voluntary pension system. For example it will be possible to avoid stowaways by making it mandatory to participate in the pension system (Žamac et al., 2012, p.8). As the problem with stowaways is that they voluntarily avoid partaking in the funding for their own retirement and instead rely on the system to support them when they reach the age of retirement (Žamac et al., 2012, p.8). Another problem that is being avoided with a mandatory pension system is the short-term thinking. Since, according to Žamac et al. (2012, p.8) a lot of people tends to overestimate their ability of saving with a long-term perspective. In a mandatory pension system, these disadvantages will be avoided. However, by having a mandatory pension system the freedom of choice will be lost for the individual.

Out of all of these notions, the question of design when it comes to if the system is funded or non-funded is the most distinct differentiator in the function of a pension system (Žamac et al., 2012, p.8). There are two different ways a pension system is financed, either with a funded system or with a non-funded system. It could also be a combination of them both, with the common denominator that both of these systems must generate income in order to pay yield (Žamac et al., 2012, p.8).
2.1 The funded pension system
A funded system means that the money that is being distributed to people when they retire is money that has once been invested by either themselves or by other people from the same generation. Hence, the invested money represents a saving for the individual and will be distributed to the very same individual at the retirement from employment (Žamac et al., 2012, p.8).
An example of a funded system is the premium pension that currently in use in Sweden (Hagen, 2013, p.4). The premium pension provides the possibility for people to make their own individual decisions for where to invest their money. The premium pension consists of 2.5 percentage of the yearly salary, and the size of the disbursements will depend on how much money that has been invested throughout the years, as for the economic development of the selected fund (s) (Pensionsmyndigheten, 2014 e).

2.2 The non-funded pension system
The non-funded system on the other hand is a system that is based on equally distributing the combined assets to the senior citizens that has retired. More easily explained, the non-funded system is being financed by the employment tax and the employer contribution in order to provide the retired citizens with a pension (Žamac et al., 2012, p.8). Hence the name “non-funded pension system” as there is no funds available, only the employers’ contributions are being directly transferred to the retired citizens (Žamac et al., 2012, p.8). The income based pension is the part of the Swedish pension system that is non-funded. It means that even though the “orange letter” is being sent out every year with information about how much pension an individual have saved up for their retirement, it is only fictional. It is fictional as the funds are not being saved in an account to generate revenue from the capital market, but only displayed with a fictional value, and instead being directly distributed to the retired generation from the tax paying workers (Žamac et al., 2012, p.16).

To summarize; the most significant difference between a funded and a non-funded system concerns to how output is produced. The funded system generates output through the capital market, while the non-funded system generates its output through human capital.
3. THEORETICAL METHODOLOGY

This section concerns the choices and the reasoning behind the theoretical parts in our method.

3.1 Pre-understandings
We have both been studying the International Business Program (IBP) at Umeå University since 2011. During these years we have, among other classes, studied business administration, economics, international business and statistics. During the third year Jimmy focused his studies on accounting and finance, while Jonas focused on ethical and sustainability perspectives within the marketing and organizational area. We believe that these two different orientations and experiences will help us put an interesting angle to our selected research topic.

From the financial sector we both have practical and theoretical knowledge that we assume will complement and strengthen our report.

We also have experience of pensions and savings before our business studies started. For example; Jimmy’s first practical (and theoretical) encounter with financial issues occurred when he founded a company in 2007. While running a business, accounting and bookkeeping is a task that cannot be avoided. That is the main reason why Jimmy decided to focus on finance and accounting, as it will provide Jimmy with basic knowledge in order to understand what is happening within his and other businesses.

Jonas on the other hand, has been working as a sales representative for three years. His main responsibility was in the field of finance and sales.

In relation to our introduction where there is little to none pension saving until the average person reaches the age of 25, we also assume that there is a knowledge gap among students concerning pension savings.

3.2 Research Philosophy
Initially, we will determine what theoretical perspectives we have in the area of theory; a description over how we perceive knowledge, the epistemology; an explanation of what we perceive as reality, ontology. Secondly, in the theoretical chapter we describe our research approach. Finally we need to fulfill the quality criterions in order to make this study reliable and valid.

3.3 Epistemology
According to Grønmo (2006, p.26) epistemology concerns the nature of knowledge, how we as authors perceive and add knowledge to our already existing knowledge. Interpretivism describes the belief that reality is based on each and everyone's own opinions and perceptions of the social phenomena (Trochim 2006 b). Interpretivism is argued to comprehend the human uniqueness in its study and not being limited to only accepting what can be observed and measured, and see that as the only reality (Trochim 2006 b).
Further is Saunders et al. (2012, p.137) describing that it is important for a researcher to understand that every human has their own subjective opinion. Consequently, are the opinions deriving from both researchers and the research subjects holding a subjective nature and it is important to find a way to enter each research subject’s socially experienced world. We will have to interpret the information that we receive from our focus groups and discuss if it corresponds to our research question in order to be able to produce a valid study. Therefore, according to our interpretation of Saunders et al. (2012, p.137) and (Trochim 2006 b) and to our best of knowledge, we believe that an interpretivist perspective is most closely related to our research as we are looking to derive in-depth information from our focus groups. Simultaneously do we need to be aware that the social reality we are getting a glimpse of is biased because of its subjectiveness (Saunders et al 2012, p. 135).

3.4 Ontology
Ontology describes how humans perceive the reality (Saunders et al 2012, p. 131). There is two main aspects of ontology, namely objectivism and subjectivism. According to Saunders et al (2012, p. 131) is the objective aspect describing that social reality is existing independent of social actors. In the second aspect, subjectivism is the social reality created by interactions between social actors (Saunders et al 2012, p. 132).

In our study we are trying to understand what factors influence students when it comes to making pension investment decisions. To understand this, we need to understand what the students perceive as their social reality (Saunders et al. 2012, p. 132). To our best knowledge, their current reality is constantly changing and holds a subjective nature. This implies that it is their own opinions at the time of their participation in our focus group that construct their social reality. This corresponds to how Saunders et al (2012, p. 132) describe constructionism as the social reality constructed by subjective opinions from social actors. Further, as the described social reality is constantly changing and subjective, we understand that this might be a limitation of generalization of this study (Saunders et al 2012, p. 132). To our best of knowledge, we are therefore conducting this study with a constructivist approach.

3.5 Research approach
According to Saunders et al. (2012, p.143-148) there are two primary approaches of research, deduction and induction. A deductive approach tests if the new data is consistent with past assumptions, also referred to hypothesis testing or theory testing (Thomas, 2006. P.238). This means a top-down approach, where the research is based on what is already known.

Furthermore, when having an inductive approach, you start with a question or an observation and work your way to a theory by exploring related issues to a particular phenomenon. The aim with this approach is to create or build new theory based on the collected data (May, 2011, p.44). This means a bottom-up approach, where the research is based on what is observed.

However, according to Thomas, (2006, p.238) it is not uncommon that it is hard to categorize your study in either approach. Therefore a third research approach have been issued, also called the abductive approach, which is a mixture of the deductive and the inductive approach.
In our study we are using the deductive approach as we will use existing theories to find supplemental factors that influence the students in Umeå and Linköping when it comes to pension investments. Simultaneously we are trying to find new factors provided by the students in our focus groups, about how they want to be approached by pension companies.

Initially we start our study by examining what previous research has shown and use that as a foundation for how we build our study in accordance to what is needed for additional studies. After the literature review, data is collected and with help from the observed opinions of the participants in our focus groups, the data is then analyzed with existing theories. From this we both want to create an understanding of this phenomenon and be able to draw new conclusions.

3.6 The nature and characteristics of the research design
As we are conducting an exploratory study where we have an indicated knowledge gap of the concerned population that was going to be studied, we felt that we needed to have open-ended and engaging questions to explore the topic of research. These questions were created from an extensive literature review, hence the inclusion of the deductive element to our research.

Our aim was to explore the topic more in-depth to get a deeper understanding of the pension investment behavior of students. We also hoped to find factors that can help pension companies understand what tools to use when attracting students into pension saving. By having an interpretive data collection technique and using focus groups, it was possible to carry out this exploratory study. We chose focus groups as our data-collection technique because of our pre-understandings that students had little knowledge about the research topic and we wanted to encourage them to discuss and creating a vivid conversation to find new factors that was not found in the literature review. The collected material was then analyzed through a template analysis (see Template analysis, section 5.6.1) that allowed us to have a flexible, yet structured approach.

3.7 Quality Criterions
To make research reliable, there are quality criterions that need to be fulfilled (Grønmo 2006, p.220). The secondary and primary sources are evaluated below.

3.7.1 Critique of sources
To be able to use a source in thesis writing there are four criteria’s that need to be fulfilled (Grønmo, 2006, p.125). The four criteria’s are availability, relevance, authentic and credibility. We will review and analyze our primary and secondary sources based on the four established criteria’s by (Grønmo, 2006, p.125):

- Availability of the sources,
- Relevance of the sources
- Authenticity of the material
- Credibility

A primary source of new data has been created during a study, e.g. an interview, while a secondary source is taken from an analysis of primary sources and is at least one step away from the primary source (Princeton, 2014).
3.7.2 Primary sources
The first criterion regarding our primary sources concerns the data collection in our study. In this primary data collection we have approached students from Umeå University and Linköping University. The students were initially selected because of their geographical choice of study, and because of our previous experience of them. The majority of the participants in the focus groups was talkative, liked to discuss, and at the same time had the willingness to contribute to our study. Therefore, the students, or the sources that were selected to participate in this study, are perceived as available and relevant.

According to Grønmo’s (2006, p.127) third criticality criteria it is important to make sure that all sources are authentic. We are following this criterion by asking every participant in our study about their involvement in University studies. The students have either showed us their student-id or their expired student-id.

Lastly, the comments from the participants in the discussion need be evaluated with a critical point of view, called credibility (Grønmo. 2006, p.127). Grønmo (2006, p.127) further implies that anything in the discussion could be said, to impress or mislead the interviewers. Therefore, we tried to pay attention to any deviant or suspicious behavior in the discussion. When we evaluate the responses, we also have to assume that what they say is their own personal opinions.

3.7.3 Secondary sources
To fulfill the four criteria’s of source criticism; we have only used peer-reviewed scientific articles, a dissertation and reliable and well-recognized websites.

To find the scientific articles in the field of finance and marketing, we have used the databases provided by Umeå University, such as ERIC and EBSCOHost. The dissertation was found through the online library that also is provided by Umeå University. The websites we have used have been mainly provided by the government. To further strengthen the credibility of our thesis, we have also used other credible sources that have been of relevance.

Grønmo (2006, p.127) is recommending researchers to use sources with a high level of availability, which we have followed by only using easily accessible secondary sources.

To obtain high relevance in secondary sources, the sources need to be selected and follow the problem statement (Grønmo. 2006, p.127). As we have only used peer-reviewed scientific articles and reliable sources, we have thereby followed Grønmo’s (2006, p.127) criteria number three and four.

When searching for articles, we used keywords such as; engel-kollat-blackwell, stakeholder theory, consumer decision making, focus group, marketing strategies for pension companies, students behavior in social media, knowledge gap pension, student’s pension saving.
4. THEORETICAL FRAMEWORK

In this section we will present an overview over the theories that are relevant to our research. We will start with a brief introduction of each theory, and then we will go more in depth and present the theories more thoroughly.

4.1 Theories

Our theoretical part consists of four components. The first part will describe how important students are and can be as a stakeholder for the pension companies. The stakeholder theory is used to better illustrate and to find variables describing what role the students have towards the pension system and the pension companies. The second part is focusing on what factors are affecting the students, especially before an investment. Further, the focus will be on what happens during and after an investment decision has been made, from a consumer’s point of view. The Engel-Kollat-Blackwell model for consumer decision making is used to describe this process. The third part covers the information seeking behavior of students, and what available medias the students are using to find the information they are looking for. The fourth part is an extension of part three, and is focusing on the social media habits of students which explains what the students are using and doing on the different social media platforms.

4.2 Stakeholder theory

To understand the behavior behind the students investments it is important to clarify what roles the students and the pension companies have towards one another we use the stakeholder theory.

Milton Friedman published an article in 1970 where he expresses his thoughts about stakeholder theory. In that article, Friedman argues that a company only exists to make profit. Friedman also describes how the company always should work and customize the design to increase its profits. The authors to “Stakeholder theory - The state of the art” are having a different opinion than Friedman and instead emphasizes that companies in order to maximize their profit, and in order to get satisfied customers need to focus on delivering great services and products (Freeman et al., 2010, p.10). “Stakeholder theory is fundamentally a theory about how business works at its best, and how it could work” (Freeman et al., 2010, p.9). Stakeholder theory is about creating value and how to manage a business. We chose to take this theory into consideration in our thesis to describe the relationship between the pension companies and the students in Umeå and Linköping. We assume that the student’s future income will be of substantial interest for the pensions companies and their role will differ from the perspective of the stakeholders in the future.
In our study, “the organization” in this figure is a general pension company, while the students could be several different stakeholders.

This figure is an illustration of stakeholders that can affect and can be affected by an organization in general. The students in Umeå are our target population, therefore are we using the stakeholder theory to display what organizations are doing today to create value for the student as a stakeholder.

As mentioned earlier, a company should have their main focus on how to make the best possible profit, as the existence of a company is to increase the main stakeholders profit (Freeman et al., 2010, p.10). The majority of companies that operates in a market economy are doing business according to Friedman’s point of view (Freeman et al., 2010, p.10). In order to get the highest return on pension investments, most investors choose to invest in a traditional mutual fund (Margolis et al., 2007). However, when it comes to some investments the focus is not only on return and profit, it also comes with personal values and interest from both the stakeholder and the companies point of view, also addressed as shared value. Shared value is by Porter & Kramer (2011, p.64) described as a way to create sustainable value for more than one stakeholder. Porter & Kramer’s article about shared value is important for us to consider as they describe how important it is for an organization, e.g. a pension company, to reflect upon other stakeholders’ opinions and values. One of the cornerstones in creating shared value and to understand other stakeholders is to have great communication. To demonstrate how the communication between different stakeholders works in practice, we are below illustrating an example where shared value is created between a pension company and stakeholders with sustainable interests; Pension companies are according to Eurosif (2010) responsible for up to 90% of the responsible investments in European countries. This trend with sustainable investments has brought positive effects for the companies and their investors. For example, stakeholders with interests in sustainability will most likely be happy if the pension companies besides from the goal of producing highest possible return, also considered sustainability in their goals (Sievänen et al.,
Meanwhile, in order for companies that are receiving investments from socially responsible mutual funds to keep receiving further investments, they may have to meet certain sustainability criterion. This means that the companies that receive investments from socially responsible mutual funds are being forced to fulfill and maintain sustainability criterions set by the fund. Hence, can the investment receiving companies reach their eventual sustainable goals at the same time as they are helping their investor to reach theirs. Therefore it can be of mutual interest for both parties to work together to reach sustainability (Sievänen et al., 2012, p.140).

A problem many pension companies are facing is that many potential and existing pension investors, such as students, find that the pension system is too complex for them to understand in order to make rational investment decisions (Hagtorn & Jonsson, 2009, p.32). This issue, combined with student’s inferior level of knowledge is aspects that logically should lead to an increased demand for pension advising services (Hagtorn & Jonsson, 2009, p.32). However, the communication between the pension advisor and the pension investor has shortcomings. One example of a shortcoming is when the pension investor has an issue that they need help with regarding their pension, but have no idea how to approach or describe it to their pension investor (Hagtorn & Jonsson, 2009, p.33).

4.3 Engel-Kollat-Blackwell Model (The Consumer Decision Process)

It exists a vast amount of empirical collections and conceptual frameworks within the consumer decision-making. However most of the studies belong to the decision making when it comes to goods, not services. This has left the field of financial service buyer behavior less explored (Harrison et al., 2005, p.7).

This second theory consists of elements that affect the consumer’s (students) before, during and after an investment decision from a consumer's point of view. We introduce this model to describe and discuss what affects the consumers when they are deciding about how to make an investment. We will mainly use the first step in this model, Problem recognition, but we will also make use of the remaining steps of the model as well. Our inspiration source to use this model was a dissertation published by Nilsson (2010). In his dissertation he makes it clear that it is relevant to understand how the consumer reason during an investment decision. Another use of this model was made in 2005 by Harrison et al where they used a qualitative approach to comprehend the pension purchase process among occupational pension scheme members. The focus was put to examine attitudes, perceptions and behaviors of individuals at the pre-purchase, purchase and post purchase stages in the decision making process.

The Engel-Kollat-Blackwell model is divided into five steps in order to describe the consumer-behavior in terms of decision making when making an investment or purchase. The steps are; Problem recognition, Search for alternatives, Evaluation of alternatives, Purchase and the Post purchase use and reevaluation (Grunert & Ramus 2008, p.395). Following comes an explanation of the model, where each step is presented.
The main reason to study the consumer’s behavior is to make predictions about the future, as the mapped out behavior will be used to plan and to improve future marketing strategies (Abdallat & Emam, 2008, p.1). The study conducted by Abdallat & Emam (2008) is important for our thesis as they have conducted a study about the behavior of the consumer that is not passing through every step in the consumer decision making model. This study is important to present, as it important for the validity of our conclusion and for our focus on stage number one in the consumer decision making model. The Abdallat & Emam’s study portrays that not every consumer follow the same decision making pattern, and every step in the Engel-Kollat-Blackwell model have some limitations.
4.3.1 Step 1: Problem Recognition
The basic fundamental for investing in pension funds for retirement is that the revenues from the fund is received in the future, and in most cases it is a long lasting process as the pension can initially be applied for when you reach the age of 60 (Pensionsmyndigheten 2014 d). Our focus is put to the general student, and according to Universitetskanslerämbetet (2013, p.27), the average registered university student in Sweden was in the ages of 21-23 in 2012. This implies that the average student in Sweden have approximately 37-39 years until they can apply for their pension and it is therefore a future oriented process. This future-oriented process describes one of the main challenges for the consumer when it comes to investing in pension funds, namely the gap between the purchase and the benefits of the purchase (Nilsson 2010, p.40). Enjoying the benefits of our purchase is a fundamental part when it comes to investing, but when it comes to the investment in pension funds, the benefits (revenue) is postponed for several years.

In terms of retirement investments, Harrison et al. (2005, p.13) express that there are barriers to start saving. The first barrier to start pension saving is that the consumers feel that their wages are too low. This reason also coincides with the second barrier to retirement saving, which is conspicuous consumption. Harrison et al. (2005, p.13) mentioned that people in general are conspicuous consumers, which means that they are purchasing luxury goods in order to display economic power, or to maintain a certain social status. A quote from the study of Harrison et al. (2005, p.13) displays this in an understandable way: “...Unfortunately everybody else has got a DVD, you’re the odd one if you don’t, your kids need all the latest designer gear…”

4.3.2 Step 2: Search for alternatives
We believed before this study, that this step in the process was the most relevant for our research as it comes with a vast amount of challenges. The first challenge is the information overload, which occurs when there is too much and too difficult information available (Nilsson, 2010, p.19). A common example of difficult information in terms of pension investments is a phenomenon called “expert type” terminology (Nilsson, 2010, p.19). “Expert type” terminology is an expression of words that can be difficult for laymen to understand. For example, the common concept of “risk” is often misinterpreted, which is a word that can be interpreted differently depending on your previous knowledge in the subject (Nilsson, 2010, p.30). This is something that is also confirmed by Harrison et al., (2005, p.15) when it comes to investing for retirement purposes. Harrison et al., (2005, p.15) states that people express a desire to have all the necessary information gathered and thereafter receive guidance in order to make an informed decision. Another dimension of information overload that can be seen as a challenge is that the comprehensive amount of available information might be rejected by the consumer and therefore not evaluated (Harrison et al., 2005, p.14). It also becomes a threat when the consumer evaluates a vast amount of information, as some sources might contradict the other and therefore confuses the consumer and causes a degraded belief in herself or himself (Harrison et al., 2005, p.17).
4.3.3 Step 3: Evaluation of alternatives
This step in the decision making process concerns to where the consumer evaluates existing alternatives. The consumer will most likely choose the alternative that will bring them the highest utility level (Nilsson, 2010, p.37). Therefore we see a need to evaluate what the consumer desires when making an active decision, and what characteristic of the student that is most highly valued in the decision-making process. As noted by Nilsson (2010, p.45) a common problem is the rather limited evaluation of alternatives by the consumer. This happens because the consumer is convenient in his or her search for a solution, and most of the time the first available option, or the most user-friendly option becomes the selected option (Nilsson, 2010, p.37). For example Ozaki & Sevastyanova (2010) are in an article examining and analyzing consumers’ purchase motivations. According to Olshavsky and Granbois (1979) is the consumer limiting themselves in their pre-purchase search for the product that brings them the most utility. The consumer appears to be searching for the first alternative that meets their needs, and do not engage in a comprehensive search for other, more appealing alternatives (Olshavsky and Granbois, 1979, p.98).

There are a few limitations to this stage in the decision-making process, and the first one covers the fact that humans in general are impulsive in their decision-making, which could be the reason for the lack of interest to evaluate the available alternatives (Nilsson, 2010, p.37). The second limitation could be previous experience of the product, in this case investing for your retirement. For example, consumers that have performed previous investments for their retirement knows and understands what it would mean for them with another investment (Ozaki & Sevastyanova 2010, p.2224).

4.3.4 Step 4: Purchase
The purchase or the actual decision-making most naturally follows the previous steps. Not necessarily in consecutive order, but when the purchase is done, the consumer have usually followed the steps of problem recognition, information search and the evaluation of alternatives (Nilsson, 2010, p.45-46).

In the case of investing for your pension it is hard for the consumer to evaluate available alternatives to make the best purchase-decision. To make the best decision, you need to have certain expectations of the investment. When investing for retirement purposes in a pension fund the expectations would for example be to retrieve high financial output (Nilsson, 2010, p.3). To predict the exact financial output of a fund is basically impossible (Nilsson, 2010, p.19).

However, when it comes to evaluating the fund in order to slightly predict economic performance, it is common to look at past performance as it signals how well the fund is performing (Nilsson, 2010, p.19). Moreover, consumers also have to be aware of the fact that funds are often tied to a certain level of risk. The level of risk indicates that the funds will perform differently regarding the market stability. For example, low risk funds will perform better when stock prices fall (a bear market), and the high risk funds might perform better during a bull market (when stock prices rise) (Nilsson, 2010, p.19). These are the most common examples that can be taken into consideration when trying to analyze the fund for future economic performance (Nilsson, 2010, p.19). Taking these conditions into account when evaluating several different funds requires a lot of work, and therefore is the future financial output hard to predict when evaluating the available options (Nilsson, 2010, p.19). Therefore is this a complex purchase-decision that has to be made by the consumer.
Moreover, the consumers are in most cases in a need of a pension advisor in order to make an investment-decision for their retirement. However, according to Harrison et al., (2005, p.16) it is not unusual for the consumer to consult personal sources in their decision making process, all from relatives to people they spend their spare time with instead of a professional salesman. The reason in some cases that people do not consult a professional salesman is that there is a lack of trust in the consultation (Harrison et al. 2005, p.16). Mainly because of what people in their surrounding tell them “that’s not worth the paper that it’s written on”. This attitude reflects what is found by Harrison et al. (2005, p.16).

Nilsson (2010, p.46) confirms that people in the case of investing for their retirement are extra vulnerable for hard-selling. Hard-selling refers to when the potential investor is put in front of a salesperson that in most cases has more knowledge about the available investment options. According to Nilsson (2010, p.46) is the investor in most cases extra vulnerable to hard-selling, as the salesperson will be aware that the consumer lack necessary knowledge about their retirement investment. This knowledge deficit is used to make the consumer to invest in whatever pension fund that the salesperson finds the most appropriate (Nilsson, 2010, p.46).

4.3.5 Step 5: Post Purchase use and reevaluation

The final step in the consumer-decision making process is the post purchase use and reevaluation. This step is of importance, as it is in most cases after the purchase that the consumer can evaluate if the purchase has met their pre-purchase expectations or not (Nilsson, 2010, p.47: Harrison et al., 2005, p.16). However, in the case of pension investment it is more complex as the consumer is forced to evaluate the product before it has been consumed (Harrison et al., 2005, p.16). This can also be a barrier for investments. Further is Nilsson (2010, p.47-48) stating two aspects that makes the evaluation process even more complex. The first aspect is that the investment in a pension fund has credence qualities. Harrison et al., (2005, p.16) also highlights the credence qualities in the process of investing for retirement purposes. People experience that their future retirement is in the hands of someone else, and that the supplied documents post-purchase is experienced as too complex to understand. One respondent in Harrison et al. (2005, p.16) study answered that he would rather do crosswords than reading the supplied pension documents. Credence qualities mean that it is difficult to evaluate whether the investment actually provided any positive effects or negative effects (Nilsson, 2010, p.47-48).

For example; a credence good is a type of good that cannot be evaluated by the consumer post purchase. Credence goods may in some aspects display a direct relationship between price and demand, as the price is the only indicator of quality. This could for example be a restaurant customer that actively avoids the cheapest products in the wine menu to avoid poor quality. However, after the purchase is done, the relative value of the wine compared to all the other available wines on the menu, will be impossible for the customer to determine. The same goes for investing in pension funds; as it will be impossible to perceive and know what the relative value of the investment is. Compared to if the investment would have been made in another fund (Nilsson, 2010 p.48).

The second aspect that makes the evaluation process of the investment hard to derive was, according to Nilsson (2010, p.48-49), that the customer most of the time lack both the needs and expectations to make an investment for their retirement. In the absence of these characteristics Nilsson (p.48-49) states that the consumers are limited in their evaluation of the investment.
To summarize; Nilsson (2010, p.49) and Harrison et al. (2005, p.16-17) argues for the fact that this step is missing the required qualities to make a valid post purchase evaluation. It does neither have the results from the purchase as the consumer will experience difficulties in deriving the real relative value of the investment, nor does the investment come with the expectations that are needed to match if the investment is perceived as positive or negative for the consumer according to the pre-purchase expectations.

4.3.6 Example of the Engel-Kollat-Blackwell model
Finally, an illustration of how the process could look like if the decision making process concerned a student who felt uncertain about his/her future financial situation; **Step one**, the first thing to do while following the Engel-Kollat-Blackwell model is to recognize a need or a want for the student, which in this case concerns the future financial situation of a student. A problem could be that there is too much uncertainty about the future and people instead want to secure a stable financial situation for the future, especially before retiring. Concerning students it can be hard to find a problem regarding the retirement and therefore hard to identify a need. However, when a problem is recognized in terms of a need and want for a stable financial situation in the future, the search for a solution begins. **Step two**, in the search for a solution, the student might find out that the line of action to secure their financial future is to start saving in pension funds to finance their years in retirement. This search will then extend into finding different alternative pension funds, which will bring us to **Step three** in the decision making process, the evaluation process. In the evaluation process the student wants to find the best possible solution that supposedly matches the need or want that is recognized in the first step, for example maybe a fund that have a history of producing a high financial revenue to the investor. In **Step four** comes the investment, here should the student be able to evaluate if the investment does or does not match the expectations to solve the need or want that was recognized in the initial problem recognition of the decision-making-model, and therefore make an investment. Finally, **Step five** is hard to use until the actual results have been produced and evaluated, which in this case comes after retirement.

4.4 Information search behavior of students
This third section presents previous research investigating information seeking behavior patterns of youths. This is of relevance in this study because it displays what available medias the students are using to find the information they are looking for.

This information seeking behavior is according to O’Connor & Lundstrom (2010, p.352) a consistent phenomenon, and in general there is no deviation from this behavioral pattern. This pattern concerns how students identify, select, evaluate and use information. According to O’Connor & Lundstrom (2010, p.352), the majority of students do not use multiple and diversified sources during these four stages. This phenomenon is also consistent for the student if it concerns search for information or to fulfill everyday needs (O’Connor & Lundstrom, 2010, p.352). Information seeking research has in general found that people prefer personal meetings, either formal or informal, to retrieve information about their topic of interest, which has also been found to be true for students. However, the research conducted by O’Connor & Lundstrom (2010, p.360) found that the information seeking behavior of especially undergraduate/college students using electronic tools has approached the same level of search preference and even
passed the personal meeting for information exchange. This behavioral change is something that is explained and confirmed by several sources. Nikolopoulou & Gialamas (2011, p.29) investigated information search practices of 250 undergraduate students. They found that the primary information search tool was to use the Web, and then in particular the search engine Google, which they used in the search for either university assignments or personal purposes. Google was the students’ primary choice among search engines like Yahoo, AltaVista and other sources. The selection criterions for the students were for example concerning if the search engines held relevant of information and that the sources was easy to understand and derive information from (Nikolopoulou & Gialamas 2011, p.27).

O’Connor & Lundstrom performed an experimental study where social marketing was the main content that was evaluated (O’Connor & Lundstrom 2010, p.353). The purpose of their study was to identify how students acts when they are faced with an assignment in school and how they would approach the problem. The results of their study confirmed that students in general prefer to use electronic sources such as Google during the initial phase of their research to shape a foundation and to grasp what the subject is about (O’Connor & Lundstrom, 2010, p.360). Thereafter, to confirm if their findings were correct, O’Connor & Lundstrom revealed that, or at least pointed in the right direction, the students performed on average in 58% of the cases a consultation with either friends or family (O’Connor & Lundstrom, 2010, p.359). Even though the fact that it was encouraged to seek assistance from professionals such as librarians in their search to find appropriate information (O’Connor & Lundstrom, 2010, p.351).

4.5 Social media marketing directed to students
To illustrate the social media usage among students in general, we looked at a study conducted by re:fuel-agency, which is a marketing company from USA. The study was conducted in 2014, and displays the social media habits of college students in the USA. The study included a survey where 1 528 college students was interviewed. To be interesting for that study, the student had to be enrolled at a college in the USA and between the ages of 18-34 to be of interest for the study (College Explorer survey, 2014). The mix of students in the sample is according to the authors representable for the entire student population in the USA (College Explorer survey 2014). For our study we assume that the college students in the USA have similar purchase and social media habits as the students in Sweden. This is assumed because of a study from SCB (SCB 2013 a) that indicates the same high usage of social media but not in as much detail as provided by re:fuel-agency.

The study from SCB indicates that 89% of the students have been using social media to chat, blog and/or publish comments.

The study conducted by re:fuel-agency displays some numbers that is of relevance for our study. Initially, the study displays how the students are using their available social medias and their spending habits (College Explorer survey, 2014).

Another purchase habit that is displayed is that 75% of the owners to a smartphone conduct research before they make purchases by using their smartphones. Of those who perform research, 74% later on makes a decision to invest. These spending habits have been rather constant which throughout the last five years (College Explorer survey, 2014).

The use of social media among the students is significant, and Facebook is the common social media that 86% of the students are using on a regular basis. The reasons to use social media are
many, but the most common use is to stay up to date what others are posting about themselves (College Explorer survey, 2014). However, most relevant for our study is that 34% of the students believe that the most important use of social media is to stay up to date with different brands (College Explorer survey, 2014).

The pension companies could by using social medias enable real-time and a personal approach to their marketing campaigns. They could also improve their relationship with an ever growing social media population as well as increase the commitment from their consumers (Barry et al. 2011, p.8). Customers that engage with a company over social media are on average spending 20-40 percent more than a regular customer (Barry et al., 2011, p.1). The customer engaged in social media is also rating companies they engage in on average 33 percent higher than they would if they would not engage in that company on social media (Barry et al., 2011, p.1). According to a study about how the companies are using social media, companies should use the social medias to create awareness from the consumer about their company as well as build up a relationship (Barry et al., 2011, p.3). In their study they declared that the companies on social media need to make sure that the consumers are getting more involved, and not only “liking” the company once. The companies need to make sure that the consumers involve themselves on a continuous basis (Barry et al. 2011., p.5). For instance, the average user of Facebook will only “like” seven brands or companies (Barry et al., 2011, p.5). Therefore is it essential for the pension companies to know what kind of social media their targeted audiences, namely the students, are using and “liking”. In order to become successful on social media, companies need to make a serious investment (Barry et al., 2011, p.1). The most successful social media companies are according to Barry et al. those that have a team or an assigned group working only with the company’s social media. The team need to be innovative, flexible and adaptive (Barry et al., 2011 p.8).

The use of social media differs from other marketing tools in that the marketing is happening right now. Therefore is there a need that the information and messages is both remarkable and up to date. The companies need to adapt fast to new trends and keep on making it interesting for the customer (Barry et al. 2011 p.8). The companies that are leading companies on the social medias today do not have any guarantees they will be the leaders of tomorrow, due to the very fast changing social media market (Barry et al., 2011 p.8).
5. PRACTICAL METHODOLOGY

This part of our thesis concerns the methods that we used to collect our data that we later will use in our analysis.

5.1 Research Strategy

The selection of research strategy depends on how we want to realize the deductive approach that we have decided to use. We have comprehensively used one dissertation as a foundation to our theoretical framework. The Doctoral dissertation: *Consumer Decision Making in a Complex Environment: Examining the Decision Making Process of Socially Responsible Mutual Funds* by Nilsson (2010). In this dissertation Nilsson (2010) used a quantitative approach to conduct the appropriate research. However, according to Bryman & Bell (2011, p.27) there is a significant difference between the use of a qualitative and a quantitative approach. The goal of the quantitative approach is to test and reject theories, while the goal with a qualitative approach is to bring forth new theories and ideas (Bryman & Bell, 2011, p.27). Therefore, as we want to obtain ideas from students in Umeå and Linköping, and make it as creative as possible we have chosen a qualitative approach with focus groups as our research method. As a result, according to Ruane (2005, p.185), is the selection of a focus group preferred when research is conducted to answer the questions regarding “what” people think, and also “why” people think the way they do.

5.2 Qualitative Study

Flink et al. (1998, p.5) describes qualitative research as a deeper study of a dilemma from the participant’s point of view. The investigation will provide us with a deeper understanding of how the participants perceive the particular area of interest.

5.3 Qualitative approach

In a qualitative study, the researchers are trying to understand someone else's perspective. Flink et al. (1998, p.7) highlights some main characteristics that qualitative studies have, and call them the “basic theoretical assumptions of qualitative research”. The first assumption is that social reality is made up from everyone’s shared subjective opinions. What we together see as reality becomes the reality, earlier mentioned in the theoretical part of the methodology chapter, as epistemology. The second assumption is that our social reality is assumed and made up from ourselves, what we want to be true becomes true. The third assumption is objectivism, which is made up by a collection of subjective thoughts and opinions, where nothing is truly objective. The final characteristic is that social reality can be the starting point for research. These assumptions are necessary to understand why research can start with the intention to gather subjective opinions. No matter how objective we are in our study, this research will be affected by us and by the participating students. From these four characteristics we are most interested in the first one; what the students together see as reality. However, we should not forget that all four of the assumptions require consideration while conducting a qualitative study. Flink et al. (1998, p.8) further describes that a qualitative study is starting as subjective. Subsequently, the gathered opinions from the participants are used to draw conclusions regarding the entire population. Qualitative research needs to be adapted to the situation, and the content
needs to be tailored to each study. Therefore is it important that our study is conducted at a university, with students that are appropriate representatives of university students.

5.4 Focus groups
A well-conducted focus group displays how individuals act in a group and how a group’s opinion affects the individual (May 2011, p.166). Ruane, (2006, p.186) explains that a focus group has the advantage to encourage the participants to interact. This approach will also help the researcher to draw conclusions regarding what people think regarding a certain topic. Since we also want to know why the students are not investing, a focus group discussion could help us to understand the attitudes of the individual. The reasons why we chose to conduct focus groups are the following. First, we want to create a better understanding of the pension market. Second, with a focus on students; we want to conduct a valid study that has the potential, according to previous research, to help us understand what is affecting the students when it comes to making a long term investment for their retirement.

Instead of choosing a semi-structured interview for data collection, we chose to use focus groups as it encourages the participants to elaborate around the research subject. Because if we would have used semi-structured interviews we would have received more straight answers from the participants. However, using semi-structured interviews does not provide the same advantage that is provided by focus groups by encouraging participants to interact and discuss to find answers (Ruane, 2006, p.186).

5.4.1 The focus group design
There are some criteria that a researcher should consider before conducting the focus groups: The role of the leader, the number of focus groups, the number of participants, the demographics of the focus groups, the session’s length, other important aspects when conducting focus groups and the advantages of using focus groups.

5.4.2 The role of the leader
Eliot & Associates (2005, p.2) portray the role of the discussion leader as vital for the result of the discussion. The leader needs to keep the discussion well structured around already predetermined questions. Ruane (2006, p.186) further points out one challenge for the leader: namely, to balance the thin line of leading, rather than steering the discussions in a desired direction. By leading, it is meant that the leader simply eases the discussion among the participants, while steering is indicates the leader is forcing the discussions in a certain direction (Ruane, 2006, p.186). While leading the discussions, the leader should be ready to play two different roles - an expressive and an instrumental role (Ruane, 2006, p.186). In the expressive role the leader fulfills the socio-emotional needs and is attentive to the content of the on-going discussions. All participants will be treated as equals and the conversation is supposed to be positive and engaging. In the instrumental role, the leader makes sure that all of the participants are aware of the rules engaging during the focus group, but also that the rules are being followed (Ruane, 2006, p.186).

Another instrumental task for the leader is to deploy the participants in a certain way, so it will be easy for them to engage in conversation with the rest of the participants. Moreover, making sure that there is an agenda for the forum and that it is being followed is also part of the instrumental role of the leader (Ruane, 2006, p.186).
We selected one leader responsible for leading the discussions, and one assistant responsible for transcribing the recorded sessions and taking notes. As a leader, the focus was to listen in order to add and provide help so that discussions progressed in the right direction (Ruane, 2006, p.186). The assistant seldom said anything and was instead taking notes and recorded what was said during the focus groups (Eliot & Associates, 2005, p.7). The assistant was also responsible to ensure that every participant was enrolled at a University by checking the participant’s student ID. The students that had recently graduated showed their expired student ID.

5.4.3 Number of focus groups
Eliot & Associates (2005, p.2) states that it is necessary to conduct three to four focus groups for the study to be valid, or until the leader finds that no new information is being added.

In our study we conducted three focus groups. The two first focus groups were conducted in Umeå, while the third included five students from Linköping University. We undertook this action as the answers from the first two groups in Umeå appeared to be repetitive, and therefore a change was necessary, either by ending the data collection, or by adding another group with different demographics (Eliot & Associates 2005, p.2). Further is Saunders et al. (2012, p.402) stating that if a group interview no longer are giving any new information, all potential ideas from that demographic group of participants have been displayed. To prevent this to happen, we chose to add a focus group from another University in Sweden. To add another group and making a fair selection we did a simple random sample by writing down all the names of the 16 universities in Sweden Studeravidare.se (2015) on notes and put them in a bowl. This simple random sample then provided an equal probability for each University in the bowl to become chosen (Investopedia, 2015). The random selection fell on Linköping University.

5.4.4 Number of participants
The groups need to hold an adequate size so that a discussion can be held and observed, and at the same time not being too large to make sure any participant becomes excluded from the discussion (May, 2011, p.166). As displayed in Table 7, we had 4-5 participants in our three focus groups. This was motivated by the observation from May (2011, p.166) that it would possibly become too large-scaled if more participants than we had were included. As mentioned below in the sampling section 3.4.2, we also chose the participants ourselves according to the stated issue with quota sampling that people might had answered differently if they were put in another focus group (Ruane, 2006, p.105).

5.4.5 Our Sample
The method we used to select our sample, in other words our students, was through quota sampling. The reason that we chose quota sampling is that it is a strategic sampling method that allows us to adjust the participants of our focus group while we are collecting our empirical data. Hence, when conducting focus groups there is a possibility that the data from the groups becomes repetitive and a change will therefore be necessary. While we conducted our focus groups, we received repetitive answers from the students in Umeå and had to adjust our search for empirical data to other regions in order to gain a wider perspective.
Grønmo (2006, p.103) states that sampling in qualitative studies in terms of strategic sampling differs from the quantitative sampling. The sampling process is different because in advance it is hard to determine what sample or group is the most appropriate to involve in a study. Instead, there should be an ongoing selection process that evolves during the research (Grønmo, 2006, p.103). This ongoing selection process involves provisional analysis of the empirical data that has been collected to figure out if the data and the selected participants are of relevance for the study. Therefore, if additional empirical data is required, it is possible to change how to collect the data or from whom the data is collected. This kind of selection process that involves change in direction is called sampling that is based on both theoretical and strategic decisions.

One of the sampling methods that involve strategic sampling is quota sampling. The quota sampling model of procedure is to divide the relevant entities into categories and then select a certain number of entities within that category that represents the sample.

However, a limitation with quota sampling is that it is hard to know if the participants would answer differently if they had been placed in another group. Humans are social creatures, and therefore they adjust their behavior according to the situation (May, 2011, p.167). An employee would, for example, have an easier time criticizing the manager if he was part of a group that all held negative feelings against the manager instead of being alone with that opinion. This limitation can be reduced if the researcher himself selects the participants, as the researcher probably then knows if the participant deviates from his normal behavior (Grønmo, 2006, p.105).

<table>
<thead>
<tr>
<th>Method of Selection</th>
<th>Mode of procedure</th>
<th>Qualifications</th>
<th>Possibilities</th>
<th>Limitations</th>
</tr>
</thead>
</table>
| Quota Sampling      | The entities are divided into categories | Strategic assessment of the category | Studies of certain features within categories | Quotas are not based on theoretical saturation  
Poor overview of variations among each quota. |

Table 1: Features of quota sampling (Grønmo, 2006, p.104)

In order to find appropriate representatives for our study, we decided to use the quota sampling method to approach the students we found suitable for the data collection in our study. The students should be enrolled or recently graduated at a University. We also chose to include students with different educational backgrounds and recently graduated students in order to obtain a wider perspective concerning their opinions as they all are/or have recently been students. We do not see any problem in involving recently graduated students as they up until recently have been exposed to the same circumstances as the students still studying. As already noted, in order to reduce the limitation of a biased behavior from our participants, we chose the participants ourselves.
5.4.6 Demographics focus groups

The first focus group had four participants, all male, in the ages of 23-25. The first participant was a 25-year-old male that recently graduated from engineering studies. The second participant was also a 25 year old male, also a previous student but within the field of economics. The third participant was a 23-year-old male with four years of completed engineering studies behind him. The final and fourth participant was a 25-year-old male that also recently graduated from engineering studies.

<table>
<thead>
<tr>
<th>Focus Group</th>
<th>Participant</th>
<th>Gender</th>
<th>Education</th>
<th>Age</th>
<th>Status</th>
<th>University</th>
<th>Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A</td>
<td>Male</td>
<td>Engineering Student</td>
<td>25</td>
<td>Recent Graduate</td>
<td>Umeå University</td>
<td>37 min</td>
</tr>
<tr>
<td>1</td>
<td>B</td>
<td>Male</td>
<td>Business Student</td>
<td>25</td>
<td>Recent Graduate</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>C</td>
<td>Male</td>
<td>Engineering Student</td>
<td>23</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>D</td>
<td>Male</td>
<td>Engineering Student</td>
<td>25</td>
<td>Recent Graduate</td>
<td>Umeå University</td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Demographics of focus group 1

The second focus group also had four participants, two male and two female participants in the ages of 21-25. The first participant was a 25-year-old female studying business. The second participant was a female, 21 years old and a police academy student. The third participant is a 22 year old male and a police academy student. The final and fourth participant was a 24-year-old male that studies business.

<table>
<thead>
<tr>
<th>Focus Group</th>
<th>Participant</th>
<th>Gender</th>
<th>Education</th>
<th>Age</th>
<th>Status</th>
<th>University</th>
<th>Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>E</td>
<td>Female</td>
<td>Business Student</td>
<td>25</td>
<td>Student</td>
<td>Umeå University</td>
<td>52 min</td>
</tr>
<tr>
<td>2</td>
<td>F</td>
<td>Female</td>
<td>Police Academy Student</td>
<td>21</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>G</td>
<td>Male</td>
<td>Police Academy Student</td>
<td>22</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>H</td>
<td>Male</td>
<td>Business Student</td>
<td>24</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Demographics of focus group 2

The third focus group had five participants, and held a mixture of both males and females. The first participant was a 25-year-old, male engineering student. The second participant was a 24-year-old male, and also an engineering student. The third participant was a 24-year-old female, studying medicine. The fourth participant was a 24-year-old female, studying biology. The final and fifth participant was a 25-year-old female that also studies biology.

<table>
<thead>
<tr>
<th>Focus Group</th>
<th>Participant</th>
<th>Gender</th>
<th>Education</th>
<th>Age</th>
<th>Status</th>
<th>University</th>
<th>Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>I</td>
<td>Male</td>
<td>Engineering Student</td>
<td>25</td>
<td>Student</td>
<td>Linköping University</td>
<td>1h 08 min</td>
</tr>
<tr>
<td>3</td>
<td>J</td>
<td>Male</td>
<td>Engineering Student</td>
<td>24</td>
<td>Student</td>
<td>Linköping University</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>K</td>
<td>Female</td>
<td>Medical Student</td>
<td>24</td>
<td>Student</td>
<td>Linköping University</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>L</td>
<td>Female</td>
<td>Biology Student</td>
<td>28</td>
<td>Student</td>
<td>Linköping University</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>M</td>
<td>Female</td>
<td>Biology Student</td>
<td>25</td>
<td>Student</td>
<td>Linköping University</td>
<td></td>
</tr>
</tbody>
</table>

Table 4: Demographics of focus group 3
5.4.6 Session length
During the conduction of the focus groups, we tried to follow what Eliot and Associates (2005, p.2) suggested; that the ideal focus group should be 45 to 90 minutes in length. The first focus group only lasted for 37 minutes, while the two subsequent focus groups were 52 minutes and 68 minutes long. Despite that we had one focus group that only lasted for 37 minutes, we still believe that we managed to collect a sufficient amount of data for our study. Since the participants of that group had very straightforward answers and opinions compared to the other groups.

<table>
<thead>
<tr>
<th>Focus Group</th>
<th>Session Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>37 min</td>
</tr>
<tr>
<td>2</td>
<td>52 min</td>
</tr>
<tr>
<td>3</td>
<td>1h 08 min</td>
</tr>
</tbody>
</table>

Table 5: The length of the focus group sessions

5.4.7 Important aspects when conducting focus groups
Other important facts to consider while conducting a focus group, according to Eliot & Associates (2005, p.3) is that the best focus group member formation is a group where no one knows each other from before, but are comfortable with one and other.

The time aspect is also important to take into consideration (Grønmo 2006, p.165). If, for example, interviews that are too long, the quality of the answers from the respondents will most likely decrease. Similar quality problems will occur in interviews that are too short, as they will lose their relevance due to discussions that have not been extended sufficiently. The group discussions should all aim to hold a similar time schedule, so a valid comparison can be made.

5.4.8 Advantages of using focus groups
Apart from the advantage of creating an interactive climate in the focus group, a focus group discussion is a tool used to understand what a population thinks about a certain topic. Other advantages; a focus group is rather cheap to conduct (Flick et al., 1998, p.215); a focus group study can create a uniqueness in our study. These two latter mentioned advantages are helping us to conduct a valid study with a potential for unique results with a small budget.

5.5 The content in the focus guide
According to Eliot & Associates (2005, p.3) the focus guide questions should be divided into three parts; initially a few engagement questions (A); secondly the explorative questions (B), supposed to be the main part of the questions; finally the exit questions (C), where the answers are open-ended.

The questions that were used during the focus group sessions were designed as mainly open questions to give the respondents a possibility to drive the discussion into a more exploratory direction. Since we wish to create a better understanding for the subject by using our theories, we used the theories as the base when we created the questions. This was done as we wanted to create a great explanatory foundation which we could later organize with coding.
5.6 Analytic Approach
We have used an analytical approach that is called template analysis. A template analysis allows us to hold a flexible approach when analyzing the results by using codes. From the use of template analysis, the researcher will identify and explore primary compositions, patterns and coherent relationships that will be translated into codes (Saunders et al., 2012, p. 572-574).

5.6.1 The analytical process by using a three component activity flow
According to Miles & Huberman (1994, p. 10-11) dividing the analytical process into three components is a way of simplifying the analytical process. Accordingly, the three components are; data reduction, data display and conclusion drawing and verification. Data reduction accounts to the first component and it includes the simplification and focuses on the notes the researchers compiled from the focus groups. The second activity, data display is the part of the analysis where the researcher displays the essential findings in a table or any other visual instrument that helps the readers and the researchers to more easily grasp the findings of the research. The third activity, conclusion drawing and verification is the activity where the goal is to use the data reductions and the data displays in order to draw conclusions and verify what the conclusions showed.

Figure 4. Our own interpretation of “Miles and Hubermans, Components of data analysis” (1994, p.10-11)

5.6.2 Data reduction
After the conduction of our focus group, we prepared and gathered the collected material from the sessions to analyze it. As some sections was not of relevance for our study, such as information about their educational background and other topics it was discarded from the transcribed material. These reduced summaries from our transcriptions were used as the foundation of our analysis and can be seen as the first activity of the analytical process.
5.6.3 Data display
Before analyzing the focus group summaries after data reduction, we looked over the theories that we have used in the theoretical section of our study. From there we were able to excerpt a few keywords from each theory which were then used to structure our empirical findings and analysis. These pre-set codes were also used to help us put essential findings into categories and thus create a logical and relevant storyline for the reader when we presented our empirical data and analysis.
Table 6 displays the topics that we decided to use as codes for our empirical and analytical part. The table also shows what theoretical background each code has to further justify its use as a code in our study.

5.6.4 Conclusion drawing and verification
For our data analysis we have used one of the most typical approaches when it comes to the data analysis of qualitative studies within social science, coding (Grønmo, 2006, p.245). Coding is an essential tool when it comes to developing an overview by simplifying and summarizing the content of the material. Coding is based on finding one or a few keywords that have the possibility to describe and characterize sections, meanings and larger episodes of the text (Grønmo, 2006, p.245). These keywords are called codes. A code for a certain episode may, for example, address a theme that the episode is about. The codes can be referred to as descriptive, interpretive or explanatory (Grønmo, 2006, p.246).
Initially, the descriptive coding is an expositive explanation of the material and reveals the actual content of the text (Grønmo, 2006, p.246).
Secondly, the interpretive coding provides the researcher with the possibility to express his interpretation and understanding of the content according to the collected material (Grønmo, 2006, p.244).
Finally, the explanatory coding expresses the researcher’s explanations of the circumstances that are mentioned in the material. We chose to use the interpretive coding of our empirical data as we believe that the interpretive approach most appropriate in our research.
In order to derive the codes the authors had to discuss and conclude whether or not the material relates to the theories that we have decided to use in our research. This to make sure relevant codes is used in our analysis of data.
Data analysis means that certain or general patterns are derived from the collected material (Grønmo, 2006, p.244). This statement applies to our research, and to make it clear for the reader about how we have derived our results, we chose to make a table that displays what codes we used to structure the empirical data. This way of displaying our results is the third component, conclusion drawing and verification, of our analytical process.
Table 6: Codes used for the data analysis

<table>
<thead>
<tr>
<th>Code</th>
<th>Theoretical Background</th>
<th>Code</th>
<th>Theoretical Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluating the relationship</td>
<td>Stakeholder Theory</td>
<td>Time Consuming</td>
<td>Engel-Kollat-Blackwell Step 2 Search for Alternatives</td>
</tr>
<tr>
<td>Shared Values/Interests</td>
<td>Stakeholder Theory</td>
<td>Most Utility</td>
<td>Engel-Kollat-Blackwell Step 3 Evaluation of alternatives</td>
</tr>
<tr>
<td>How the Student and the Pension Company can help each other</td>
<td>Stakeholder Theory</td>
<td>Convenient</td>
<td>Engel-Kollat-Blackwell Step 3 Evaluation of alternatives</td>
</tr>
<tr>
<td>Future Orientation</td>
<td>Engel-Kollat-Blackwell Step 1 Problem Recognition</td>
<td>Impulsive</td>
<td>Engel-Kollat-Blackwell Step 3 Evaluation of alternatives</td>
</tr>
<tr>
<td>Finds no Benefits by starting saving for Retirement right now</td>
<td>Engel-Kollat-Blackwell Step 1 Problem Recognition</td>
<td>Expectations of Investment</td>
<td>Engel-Kollat-Blackwell Step 4 Purchase</td>
</tr>
<tr>
<td>Low Income</td>
<td>Engel-Kollat-Blackwell Step 1 Problem Recognition</td>
<td>No Expectations to Measure Results</td>
<td>Engel-Kollat-Blackwell Step 5 Post Purchase use and Reevaluation</td>
</tr>
<tr>
<td>Conspicuous Consumption</td>
<td>Engel-Kollat-Blackwell Step 1 Problem Recognition</td>
<td>Uses Internet Instead of Personal Sources</td>
<td>Information seeking behavior among students</td>
</tr>
<tr>
<td>Information Overload</td>
<td>Engel-Kollat-Blackwell Step 2 Search for Alternatives</td>
<td>Selection Criteria - Easy to Understand</td>
<td>Information seeking behavior among students</td>
</tr>
<tr>
<td>Expert Type Terminology</td>
<td>Engel-Kollat-Blackwell Step 2 Search for Alternatives</td>
<td>More Activity</td>
<td>Social Media</td>
</tr>
<tr>
<td>Lack of Confidence</td>
<td>Engel-Kollat-Blackwell Step 2 Search for Alternatives</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5.7 Ethical Principles

According to Bryman & Bell (2011, p.128-129) there are four ethical principles to take into consideration when making business research. These principles are: harm to participants, lack of informed consent, invasion of privacy and deception.

The “harm to participants” concerns different levels of harm. First it concerns the physical harm, the researchers need to ensure that the participants in the study experience no physical harm. The next concern is the mental harm, where the researchers have to make sure that the participants are not experiencing any mental harm by participating in the study (Bryman & Bell, 2011, p.128-129).

The “lack of informed consent” denotes that the researchers have to make sure that the participants know that they have the right to not participate in the data collection. This will provide the participant with a fair decision-making process concerning whether or not they want to participate (Bryman & Bell, 2011, p.132-134).

“Invasion of privacy” is according to Bryman & Bell, (2011, p.136) concerning the individual’s right to privacy. The researchers need to consider where to draw the line and how much violation of integrity that can be tolerated by the participant. The last consideration is about the possibility of deception of the participant. Deception happens if the participant is misled to believe that the research is being conducted for a purpose that it is not its real purpose. To prevent deception of
the participant, the researchers should try to influence the participant as little as possible (Bryman & Bell, 2011, p.136-137).

5.8 Our Ethical Considerations
The focus group leader mentioned in the beginning of each focus group session that the identities of all respondents would be anonymous as well as the collected data. In this way we avoided the invasion of privacy by not collecting the participants’ identities. Furthermore when transcribing, we only named each participant with numbers in order to be able to separate the answers. We further made sure that we had the informed consent in our study, by informing the participants that the results was only meant to be used for research purposes.

We avoided the issue of harm to participants almost by default as we did not collect any personal information of significance that could mentally do harm. We also made clear that the participants did not have to answer a question if they felt harm or offense. The physical harm was also avoided, as we did not perform any kind of physical activity or experiment on the participant. The final consideration deception was also avoided as we revealed the purpose of our study for the participants. We also informed the participants that we were more than willing to answer any questions regarding our research.
In this chapter we will present the findings from our focus groups. The theories are divided into different segments, and every code has its own subchapter. The coding has been used to structure the answers from the focus groups.

Focus group findings

Throughout this study we will call the participants according to the letter given in table 7. Their gender and age is also added in the quotes so the reader will be able to quickly distinguish who said what during the sessions. Participant A, will be called AM, 25 (A from participant number, M from gender, male and 25 from age). The quotes have been translated to English as the original quotes, and the focus group sessions were held in Swedish.

<table>
<thead>
<tr>
<th>Focus Group</th>
<th>Participant</th>
<th>Gender</th>
<th>Education</th>
<th>Age</th>
<th>Status</th>
<th>University</th>
<th>Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>A</td>
<td>Male</td>
<td>Engineering Student</td>
<td>25</td>
<td>Recent Graduate</td>
<td>Umeå University</td>
<td>37 min</td>
</tr>
<tr>
<td>1</td>
<td>B</td>
<td>Male</td>
<td>Business Student</td>
<td>25</td>
<td>Recent Graduate</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>C</td>
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<td>Engineering Student</td>
<td>23</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>D</td>
<td>Male</td>
<td>Engineering Student</td>
<td>25</td>
<td>Recent Graduate</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>E</td>
<td>Female</td>
<td>Business Student</td>
<td>25</td>
<td>Student</td>
<td>Umeå University</td>
<td>52 min</td>
</tr>
<tr>
<td>2</td>
<td>F</td>
<td>Female</td>
<td>Police Academy Student</td>
<td>21</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>G</td>
<td>Male</td>
<td>Police Academy Student</td>
<td>22</td>
<td>Student</td>
<td>Umeå University</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>H</td>
<td>Male</td>
<td>Business Student</td>
<td>24</td>
<td>Student</td>
<td>Umeå University</td>
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</tr>
<tr>
<td>3</td>
<td>I</td>
<td>Male</td>
<td>Engineering Student</td>
<td>25</td>
<td>Student</td>
<td>Linköping University</td>
<td>1h 08 min</td>
</tr>
<tr>
<td>3</td>
<td>J</td>
<td>Male</td>
<td>Engineering Student</td>
<td>24</td>
<td>Student</td>
<td>Linköping University</td>
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</tr>
<tr>
<td>3</td>
<td>K</td>
<td>Female</td>
<td>Medical Student</td>
<td>24</td>
<td>Student</td>
<td>Linköping University</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>L</td>
<td>Female</td>
<td>Biology Student</td>
<td>28</td>
<td>Student</td>
<td>Linköping University</td>
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<tr>
<td>3</td>
<td>M</td>
<td>Female</td>
<td>Biology Student</td>
<td>25</td>
<td>Student</td>
<td>Linköping University</td>
<td></td>
</tr>
</tbody>
</table>

Table 7: Focus Group Demographics

From the interpretations of the focus groups we were able to summarize the interviews accordingly;

6.1 Stakeholder Theory

The stakeholder theory is used to illustrate the relationship between the students and organizations involved in pensions. Therefore, in this part, all codes that are related to the stakeholder theory are presented; Evaluating the relationship, Shared Values/Interests and How the Student and the Pension Company can help each other.

6.1.1 Evaluating the relationship

The students had scattered opinions about how important the students were as a stakeholder for the pension companies and what relationship they had. Some, such as MF 25 was not sure if the students even should be considered as a stakeholder at all. “Why should I care about pensions, I do not know if I, as a student, want to put my last money on pension savings” (MF, 25).

The participants all shared the opinion that pensions are equivalent to the money you receive after your retirement. The discussions also declared that every Swedish adult has the possibility to acknowledge the balance from accumulated pension via the annual statement, which is
presented in the orange envelope. “I think I can read about the pensions in the orange envelope” (MF, 25).

During the discussions certain notions became apparent to us. First of all, the participants agreed that pensions are an important topic. However, the perception regarding when pension savings becomes important differed between the participants. According to group three, the reason for this was the students’ different level of knowledge. Some participants even felt bad about their lack of knowledge about pension saving. “I should know this, but I don’t, and I feel bad that I don’t care more about it” (EF, 25)

The students’ insufficient knowledge about pensions did not seem to encourage them to obtain sufficient knowledge. “I always throw away papers I receive from the pension companies” (MF, 25).

The main opinion from many students within group two was that the pension companies should not put too much emphasis on approaching them. Especially not by using social media, unless they created something extraordinarily cool and appealing for the students. Group three’s considered the pension companies to be obsolete and uninteresting. “The pension companies are so boring, and their commercials only approach old people. Their commercials are like; ‘be free when your old, save in our firm’” (EF, 25).

One student went the opposite direction the rest of the group. He thought the pension companies should act now. Then they would be the first company the students will consider when it is time to start the pension saving. He suggested that the pension companies should change their focus, and focus more on the great potential there is in the prospected future incomes for the students. ”I think that the pension companies that are interested in our investments should care more about us now. As I know in the future that we would be of significant importance for them (IM, 25).

6.1.2 Shared Values/Interests
The participants within group two suggested that the pension companies should demonstrate their interest in students. The following statement displays focus group three’s suggestion on how to create shared value. “I think that the pension companies that are interested in our investments should care more about us now. As I know in the future that we would be of significant importance to them. (IM, 25)

The students had many ideas on how they preferred to be approached, and came up with many different ideas: “There are so many things to look at on Twitter and Facebook, there are so many companies, organizations and people posting and writing about all kinds of stuff on social media platforms. I don’t think I would care to look at things from a pension company! ” (MF, 25)

The students from group one discussed why the pension companies did not put more effort in marketing towards students. They thought the lack of positive responses from the students in general could be a reason. Group one’s discussion declared that the pension companies should put a greater emphasis in understanding what the students want. When they know what the
students want, they could change their approach and maybe reach the students in a more efficient way. Group three further said that students that start saving somewhere will not so easily move their savings to another company, though the switching cost, by changing supplier will not be worth the effort. “Students that start pension saving in one company surely would not change even when they start to earn real wages” (CM, 23).

6.1.3 How the Student and the Pension Company can help each other

According to the majority of the students, if the pension companies should be able to reach the students, they need to change their approach. As it is today, no one wants to “like” their events or participate in their social activities. One expression that would explain the pension companies’ dilemma: “If the pension companies want our attention, they must think and act like the cool ones of us” (GM, 22).

The finding from the discussion concerning this matter was that the pension companies should not try to influence the students by using social media. The discussions within group two and three concerned what other means there are for the pension companies to use. In both discussions the creation of trust was more important than usage of marketing tools, e.g. to use social media to raise awareness from the students. “I’d rather speak with someone in an organization I trust, instead of reading about it on the web, as it is my financial future we are talking about”. (LF, 28). This statement also reflects upon group one’s opinion, that social media and the web is a way to communicate and find information, not a tool you used to find the best way to allocate your assets.

The notion of trust was further discussed in group two, and as mentioned earlier, the majority of the participants considered trust as an important aspect if they would save for pensions in a company. The concept of trust was however a diverse topic as the opinions were scattered among the genders in group two. The women valued “humanity” and relationships highest when it came to trust, while the men seemed to value potential return on investment (ROI) the highest: “I trust my bank; therefore I would probably start my pension saving there. But I don’t know if I dare to ask them, as it feels embarrassing to not know this” (FF, 21).

6.2 Engel-Kollat-Blackwell Problem Recognition

The Engel-Kollat-Blackwell model step 1, is used to illustrate how much awareness there is amongst the students in question regarding pension. To evaluate the answers from the focus groups, we are using four codes, namely Future orientation, Finds no benefits in pension saving, low income and conspicuous consumption.

6.2.1 Future Orientation

The interest for the student’s future in pension saving appeared to be rather limited, as the only mutual opinion was that working accumulates pension. How much of the income earnings that are pension entitled and contributed to the accumulated pension are unknown for the majority of the participants. “I think my employer will pay for my pension when I start to work” (KF, 24)

Other participants rather felt like it was not necessary for them to know, at least for now “Why should I care, pension is just for older people” (FF, 21).
Focus group number two and three were discussing why they should save for retirement. The majority were considering pension saving to start later in life. Almost everyone is this study agreed upon that individual pension saving had to be done somehow. A few were even concerned if we would get any pension at all. “I don’t trust that there will be enough funds available in the future to pay for my retirement, as I believe that there will be more older people than working people which will make it hard to finance all the pensions” (LF, 28).

The discussions was less about pension savings; the students instead discussed whether students, need to care about pension during their studies. The majority of the students held the opinion that they were not yet raising any salaries, which made pension saving a matter for the future. The majority of the students also considered that the income from CSN and a potential extra job did not create enough income to consider pension investment decisions; “Why should I care now?! I work a little extra and I don’t think it is worth starting to save for pension yet” (CM, 23).

6.2.2 Finds no benefits in pension saving

“I will not waste my time to learn how to invest my limited income, as I cannot see that it will generate any additional return for me” (GM, 22) “Yes, I’m still studying” (MF, 25) These short quotes describes the discussion in all three focus groups. The majority of the students in our study are not considering to start saving for their pension. According to them, the pension is not something they need to care about for the moment. “I’m 22, when I’ve been working for some years and reach the age of 30. Then I might start!” (CM, 23)

In our study only two students cared about their pensions and did monthly investments. Then there were three more that had considered to start saving, but never really started.

6.2.3 Low Income

In order to make an investment, the students need to recognize a problem or a need. They also need to see that they have an income. This code was added to see if the level of income is a barrier for pension saving. “I barely have enough to pay for my daily expenses, how could I afford to save for retirement!” (CM, 23)

The general student in this study neither save much nor frequently. As the interest for pension saving are as earlier mentioned, rather low. There are, however, some of the students that are concerned about how much and where they save their money, while others are spending what they earn on other personal requirements, which we will elaborate in the next subchapter. Next follows two statements that display this diversification of opinions; “I can’t afford to save at present. I can barely pay my rent and food”. (MF, 25); “For me, money is freedom. I want to be able to travel and do stuff whenever I want. I do not want to stay at home, just because I cannot afford my own apartment. This lifestyle is something I want to maintain even when I retire, therefore am I saving a little for pension as well.” (LF, 28)
6.2.4 Conspicuous Consumption
One of the students was saving for future expenses, for example, a trip. “I save for a trip or a new computer, which means that I will be short of money after the purchase (EF, 25).

The general student in this study apparently wanted to reach economic stability by saving. In the focus group discussions a pattern also emerged, as the general student do not consider himself or herself to have the sufficient economic possibility to save any money. They all wanted to save, but they consider that a too small amount of their disposable income remains after all the fixed costs have been paid. To be able to keep what the student call “quality of life”, the majority of the students are spending their remaining income on partying and personal pleasures. Two of the students in our study were saving for a future purchase of an apartment or house. “I save for an apartment; because that is something I know I want in the future” (KF, 24).

6.3 Engel-Kollat-Blackwell Search for alternatives
This second part of Engel-Kollat-Blackwell is divided into four codes: Information Overload, Expert Type Terminology, Lack of Confidence and Time Consuming.

6.3.1 Information Overload
In neither of the focus groups it was discussed if there is a problem that too much information is available. The students did discuss where they should start to look for useful information, not how they were supposed to choose among all available information.

6.3.2 Expert Type Terminology
Noted in the answers are a wide spread of opinions and contradictions about the complexity of and the availability of pension services. A particular notion here is that it appeared as if the students came up with their opinions during the sessions, they made assumptions and had long discussions which lead to at least two groups making incorrect conclusions, which can be seen in the statement by GM, (22) below. It is worth noticing from the discussion around the complexity, the groups asked the focus group leader questions regarding what was right.

“Why should CSN be pensionable, when what we get is a grant and a loan, not a salary?” (GM, 22) This statement can describe the overall opinion within group one and two. It tells us that, according to the students, the income from CSN logically cannot be pensionable. The discussions led back and forth to whether the only income that was pensionable was from extra and summer jobs.

Group three considered pension savings as a complex process, as they believed that their own ignorance about pension investments was a barrier preventing them to invest for their retirement. “I should invest in pension saving, if I knew what to invest in!” (GM, 22) Group three further discussed how each individual’s level of knowledge would affect their choice of investment. The group also concluded that it was strange that they were not aware if there is a problem that they did not save for pensions already. They also discussed where to find the information. “I do not even know where to start looking for relevant information!” (KF, 24)
As mentioned earlier, the insufficient level of knowledge seemed to be a barrier for the students to search for alternatives. Since, neither of the discussions touched the question of which alternative to choose, the discussions rather circled around where find information in the first place. The discussions in two of the focus groups moved away from the topic in one of the questions regarding the given level of information at the university. Instead, the students were debating whether Google was a better option than to ask university lectors.

“The university is not doing much to improve the individual student’s economy. Therefore, I do not think we get any help to enhance our knowledge about pension saving and alternatives at all” (EF, 21). Group three wanted more accessible information. Everyone in this group had some saving, and those that did not save for the pension already, was thinking of starting if they received correct and trustworthy information.

6.3.3 Lack of Confidence

In two out of three focus groups someone was actively saving for their pension and was sure they had pension entitled income. The degree of activity during these discussions differed from group to group, and at least one in every group did not say anything about their opinions regarding pension entitled income. The focus group leader therefore asked them in the end of the discussion what they felt about this topic. The responses were repetitive. An example taken from group one: “No, I do not work” (CM, 23)

Overall there was a wide dissemination of the students’ pre-knowledge about pensions. "I have been working on multiple locations over the years so I know I have had pensionable income. But I do not know how much in percentage of my income that was pensionable” (LF, 28). “Oh, I like the accommodation supplement benefit but I had no idea that it existed” (MF, 25). At least one student in each focus group did not believe that they would dare to ask for information about pensions. “Should I Google it? It is too embarrassing to ask my parents” (EF, 25).

6.3.4 Time Consuming

The main opinion in this matter was that the students did not seem to want to spend enough time on collecting enough information about how to invest their money so their funds will generate satisfactory output in the future. In group three’s discussion this topic was considered to be a stress factor, and to ease the stress, the students hesitated to ask others for help. “I’d rather consult with my friends and family instead of consulting a pension advisor” (IM, 25). “Consulting with a pension advisor is something I will do, but not now” (CM, 23).

Group one discussed a scenario where they already would have obtained enough knowledge, and therefore would not need to spend additional time looking for information about pension. Further circled their discussion around where this knowledge should come from. They also discussed what level of responsibility the pension companies, parents and governmental authorities should have. This discussion further lead to that the participants were unsure whether they had received information and ignored it, or if they had never been informed. In order to be able to compare these three focus groups, the focus group leader also had to ask group two and three what they considered around the information they had been given in the past. The other two groups
concluded that they had not received enough information in the past: “I can't remember receiving any information targeted to me about how to save for my retirement. I know what it is, but I don't know how to do it” (MF, 25). “I have seen commercials for pension saving, but not any further information regarding where, how and why I should invest” (KF, 24). The majority of students do not consider that their level of knowledge has increased or will increase during their studies. The discussions circled around what information they should have been offered. “I haven't received any information regarding Pensions at this University”! (AM, 25)

The students in general do not seem to have the interest in searching for the information. The students had disjoint opinions about whether they would accept and read information that was given to them, or just ignore and throw it away.

6.4 Engel-Kollat-Blackwell Evaluation of alternatives
This third part of Engel-Kollat-Blackwell is divided into three codes: Most Utility, Convenient and Impulsive.

6.4.1 Most Utility
LF, (28) was the only one in her focus group that was actively trying to learn more and was actively investing for her pension. Another student, BM, (25) that was actively investing for his pension did it only because he received a lower interest rate on his housing loan if he saved some for his pension each month in the same bank.

6.4.2 Convenient
The students in this study were uniformed in their opinion that the internet was where to find necessary information. When the discussion led to different sources, most of the students still considered the internet to be the most accessible and convenient source. “I always find the information I need online.” (EF, 21)

6.4.3 Impulsive
None of the students in our study mentioned that they had made any impulsive pension saving investments.

6.5 Engel-Kollat-Blackwell Purchase
This fourth part of Engel-Kollat-Blackwell is compiled into one code: Expectations of Investment.

6.5.1 Expectations of Investment
The discussion in group one started to circle around whether the size of the pension was depending on the interest and the effort of each individual “What is interesting about pension saving is that I get money when I retire” (HM, 24). When it came to the start of pension saving, the discussions mainly concerned money and potential returns from the saving.
6.6 Engel-Kollat-Blackwell Post Purchase use and Reevaluation

This fifth part of Engel-Kollat-Blackwell is compiled into one code: No Expectations to Measure Results.

6.6.1 No Expectations to Measure Results

As mentioned before, the students in this study wanted to maintain their standard of living when they retire. The students want to get a great pension, but neither of the students has a plan of how to achieve this.

6.7 Information seeking behavior among students

Group two suggested that the government should take on more responsibility, to produce and distribute more general information about pensions. Information that could later also be targeted to students, and perhaps be used in classes in school. “Pension saving should be compulsory information provided in high school” (EF, 25).

The students are as mentioned earlier, considering the internet as their main source for information. It is also worth noting from all three focus groups that the students want to get more information from the governmental institutions. Group one suggested that the parents should be more informed, and through the parents students in different ages should learn about how to save for retirement.

6.7.1 Use Internet instead of personal sources

As mentioned earlier, the main part of the students are considering internet to be the most convenient and integrity protecting alternative. “I always use internet to search for information. I prefer that source since I can choose on my own how much information I will get” (FF, 21).

Some students considered the opposite, which will further be developed in 6.9 crazy ideas, and found personal sources as the most reliable ones.

6.7.2 Selection Criteria- Easy to Understand

In all three focus groups there was a discussion in what level of knowledge the students needed to have before they would consider an investment. “I need to understand what I invest in. The organization that can explain how and what I should invest in would also most likely get the responsibility to invest my future earnings” (EF, 25).

Group three discussed whether the information given from all involved organizations was too difficult to understand, and the entire information seeking process was too complex. Some students suggested that either the information directed towards them need to become more understandable, or if they simply should pay someone else to organize everything. “A company that I can trust and would surely make eventual future pension saving placements for me. I do not think I have the patience to learn everything I want to be able trust my own capabilities for active investments” (MF, 25).
6.8 Social media

6.8.1 More activity
The students want the pension companies to be more active and more outgoing towards students. The majority of the students also expressed their desire to be encouraged to get involved in questions concerning pensions: “Every organization should work more actively on the social media” (GM, 22).

The overall attitude from the students regarding social media was positive. But when the students was discussing around pension companies usage of social media the overall meaning was negative “I would not follow a pension company if they would be publishing on social medias” (MF, 25).

The organizations that want the student’s attention should focus more on activities that are appealing for the students; this subject will be further developed in Crazy ideas.

6.9 Crazy ideas
The students in all three focus groups were debating about their remarkably low level of knowledge regarding pension related questions. The role of the parents also came up, and an idea from group three was regarding parents involvement in the students pensions saving. “I got help from my parents: when I opened my first bank account; When I went the first time to my new school; when I signed up for driving school. Therefore i wonder why they haven’t helped me to start pension saving”? (FF, 21)

The discussions also touched on what needs to be done to make pension saving trendy. As the majority of the students thought that more students would invest in pensions saving if it was a trend. “If others would care about pension, so would I!” (JM, 24)

Group two’s discussion landed on a better and more aggressive marketing campaign. Targeted on students, with customized and appealing activities.

The shortage of relevant information regarding pensions is according to the students a significant problem. Further lead these discussions to many suggestions in how to give the students more information. Group two believed that social studies in school should have more focus on the private economy for the individual, including pension savings. “There should be a course, explained thoroughly by teachers, what people’s daily expenses and savings. For instance down payment for an apartment or how much you need to save for retirement to keep same standard of living”. (GM, 22)

Then group two came up with a more practical solution for the pension companies, to simplify their approach towards the students. “There should be an insurance or bank office at the campus area where the students can ask questions regarding pensions, and other future significant expenses. Even the banks should be interested in opening their own office on campus to attract already existing and potential customers” (GM, 22).
Here are some suggestions directed to help the organizations and then especially pension companies to become more active:

“The pension companies should attend more events. The pension company could market themselves during the week when employers are coming to Linköping to promote themselves.” (MF, 25)

“The pension company should continuously be active on campus to guide and inform the students” (GM, 22).

“The government or the pension company should launch a website only focusing on attracting and informing students” (JM, 24).

Then the focus groups got a question that was directly connected to this subject, the discussions turn from arguing around pros and cons, to a more brainstorming character. The students came up with many different ideas. The ideas had two main characteristics; the first characteristic concerned how pension companies and governmental institutions should attract the attention from the students.

Suggestions:

“Rent a Viking Line Ferry and arrange a party!” (DM, 25)

“Arrange more events and be more outgoing” (CM, 23)

“Create Cool brands, more adapted to youths, like AMF-youth!” (MF, 25)

“Make saving trendy” (IM, 25)

“Make TV and entertainment aimed to increase youth’s interest in pensions” (IM, 25)

The second characteristic concerns how students want to make information more available.

Suggestions:

“Universities should include information about pensions and retirement as a mandatory part of the educational system” (LF, 28).

“Publish targeted and easy accessible information on places the students often visits, for example on the university website” (IM, 25).

“Launch a free book that includes information about pensions and other important information for high school and university students” (FF, 21).
In this chapter we will present the analysis of our focus groups based on our coding process, to be able to answer our research question: *What factors influence the student's decision making process in regard to pension investments?* The codes are presented according to the structure that is presented in the methodology and empirical chapter.

### 7.1 Stakeholder Theory

The analysis of the Stakeholder theory is divided into three categories, *Evaluating the relationship*, *Shared Values/Interests* and *How the Student and the Pension Company can help each other*.

#### 7.1.1 Evaluating the relationship

All the participants in our study agreed on that pension is an important topic, but neither focus group found that the relationship between the two has evolved enough for the students to feel important for the pension companies. The students perceive the low interest from the pension companies to be a reason why the interest from the students is so low.

When evaluating the relationship between the students and the pension companies according to the Stakeholder Theory, two different notions became apparent to us. Both notions included the opinion about how a company should act to maximize their profitability.

The first notion is in line with Friedman’s (1984) argumentation about the Stakeholder Theory where he argues that a company only exists to make a profit. The profitability was also what most students were suggesting that pension companies should mainly focus on.

Focus group two further implied that pension companies should not invest too much in approaching the students, as they do not have any particular funds to invest. Instead the students suggested that pension companies should focus more on the employee/employer segments in order to maximize their profit.

Group three considered pension companies to be uninteresting and in line with the just mentioned theory, implying that they already are focusing on the right segment. Therefore to conclude the opinions in notion one, the pension companies should focus on profitability.

Notion number two was in line with Freeman et al., (2010, p.11), that emphasizes with companies that in order to maximize their profit, they need to obtain satisfied customers by delivering great services and products over time. At least one student in each group believed that pension companies could increase their chances of delivering great service by approaching the students in an early stage of their lives, e.g. during their studies. This opinion was most elaborated by student IM, 25, which believed that pension companies that initially approached the student with the intention to get the students interested in their services, also would be the first company that the students would consider when it is time to start pension saving. Further are IM, 25 suggesting that pension companies should care more about how important and income generating the students have the potential to be in the future.

To summarize, the students in our study were aligned with both what Friedman (1984) and
Freeman et al., (2010, p.11) stated. The main opinion of the students directed to the pension companies was that the students are unsure to what role they have, and if they are any economic benefits for a pension company to approach them. From the study of the students, we also found some explanatory factors. Initially, should the pension companies focus on their own profitability, and not approaching the students to much, because if they do choose to focus on students, they need to find a more interesting and appealing way to approach them.

7.1.2 Shared Values/Interests
The students in focus group two was aligned with Porter & Kramer’s (2011, p.64) description about shared value. Porter & Kramer consider it to be important for a company, e.g. a pension company, to build perdurable value for more than one stakeholder. One of the cornerstones when creating shared value and to understand other stakeholders is to have a functional communication between all involved stakeholders. This communication related issue was discussed by all focus groups, but it was only participants in group two that suggested that pension companies should further demonstrate their interest in the students by developing and enhancing their external communication. Another idea to increase the shared value could be created if pension companies simply exhibited more interest to improve their relationship with the students.

The main opinion from the other two groups was that pension companies should focus on someone else and not waste money on a segment without funds. The students are in this case referring to themselves and that their own perception is that their low level of funds are of no interest for the pension companies, as the return on investment appears to be too small to make a difference.

7.1.3 How the Student and the Pension Company can help each other
The students were in this question in line with the presented study by Hagtorn & Jonsson, (2009, p.33), which stated that there is an insufficient information flow between the pension advisor and the pension investor.
During our focus group sessions, the discussions provided several suggestions on how pension companies could approach students in order to get more involved and interested students. The theories we have used are aligned with what the students were discussing, namely shortcomings in their direct communication. According to the students in our focus groups, their existing knowledge is too inferior when it comes to their retirement and is therefore in need of more information. Later, if the students reach a significant level of interest in pensions they should logically, increase their demand for pension advising services (Hagtorn & Jonsson, 2009, p.32). However, as the communication between the pension advisor and the pension investor has shortcomings, the flow of information between these parties do not, for neither party, reach up to a satisfactory level.
According to the majority of the student's, pension companies would increase their probability to create a functional relationship if they changed their approach. The students further suggested that pension companies need to increase their knowledge about the students to be able to better reach them.
One example of a shortcoming in the communication is when the pension investor, in this case the students, have an issue that they need help with regarding their pension, but have no idea how to approach or describe it to the pension advisor (Hagtorn & Jonsson, 2009, p.33). The
students in our study believed that this problem could be resolved with better information from the pension companies. The students in our study consider that it is the pension companies’ responsibility to approach the students, not vice versa.

Another potential solution to this communication problem is according to Hagtorn & Jonsson’s (2009, p.33) that the pension advisor should try to find a way to understand and be more pedagogic, especially in their direct communication with the investor. This was in line with the main opinion of the student’s in this study. If pension companies would change their way of approaching the students, the students in our study believed that there is a good chance that the students can start trusting the pension advisor. With improved trust, the communication will be easier and the relationship between the two will improve (Hagtorn & Jonsson, 2009, p.33). The discussion in group two circled around that trust is of highest importance when making financial investments. The notion of trust was even more important than the usage of marketing tools, e.g. to use social media to raise an awareness from the students.

To summarize; the students in our study are not trusting the pension companies, which is believed to derive from an insufficient information flow from pension companies regarding their services. The students therefore suggested that a more frequent communication is necessary to improve the interactional relationship and to create trust between students and pension companies.

The final analysis of Stakeholder theory can be summarized as follows. The students in this study were focusing on the pension companies lack of involvement in their personal pension saving. The student's main explanation to their own low interest in pension saving was that pension companies are missing to approach the students. Even though the student’s declared that they are not the main segment to focus on, they consider an approach on the students should be made simpler, more entertaining and more informative. An improvement of their two-way communication could easily be done. However, the students expressed that the initial contact should be done by the pension companies.

7.2 Engel-Kollat-Blackwell Problem Recognition

In the analysis of the first step of the Engel-Kollat-Blackwell model, Problem Recognition we are using four codes, namely Future Orientation, Finds no benefits in pension saving, Low Income and Conspicuous Consumption.

7.2.1 Future Orientation

This future-oriented process describes one of the main challenges for the consumer when it comes to investing in pension funds, namely the gap between the purchase and the benefits of the purchase (Nilsson, 2010, p.40). This gap was also indirectly expressed by the majority of the students in our focus groups, as they could not see the benefits of a pension investment today.

Nilsson (2010, p.40) further describes that to being able to enjoy the benefits of a purchase is a fundamental part when it comes to investing, but when it comes to the investment in pension funds, the benefits is postponed for several years. The discussion in our focus groups were circling around whether students already during their studies need to care about pension, to obtain a satisfying level of pension payout. For mainly the first reason, and to enjoy the future
benefit, were the students' opinions align with Nilsson, (2010, p.40) as they cannot see the benefits in the far future, by pension saving investments made today. Harrison et al. (2005, p.13) express that another initial barrier to start pension saving is that the consumers may experience that their wages today are too low. The majority of the students held the opinion that they were not yet raising any salaries, which made pension saving a matter for the future. The majority of the students also found that their income from CSN and a potential extra job did not generate enough income to start pension saving.

7.2.2 Finds no benefits in pension saving
The students in our study were well aligned with Nilsson’s (2010, p.40) study, as the majority of the students did not see the benefits of a pension investment during their studies. There were two students that saved for their retirement, but they were a minority and are more an exception than an indicator of the student’s behavior. A combined opinion from the students was that pension is being accumulated by work, and as most students are either working part time or only during the summer, to plan for their retirement was considered as way too early. The students perceive they have too low level of knowledge and therefore a low level of interest for pension. They did not consider their future pension as a present problem. Therefore are the results in this code aligned with Nilsson (2010, p.40) study, as he states that the students need to see the benefits of the pension to be able to invest. The benefits are postponed for several years and therefore are the pension not a problem for the students today. The students in our study want more knowledge about pensions, and to get that they provided a few suggestions. For instance do they want more presence from the pension companies at the Swedish universities and also more classes where it is lectured about pension. More of this can be read under 6.9 Empirical findings.

7.2.3 Low Income
As earlier mentioned, the low level of income seems to be a barrier to make a pension saving investment for the students in our study. Their opinion is aligned with the theory as previously mentioned by Harrison et al. (2005, p.13), which displays that a low salary can be a barrier to start pension saving. The unified opinion from the students in this study was that they do not earn enough to save for their pension.

7.2.4 Conspicuous Consumption
Throughout our study the students made clear that their consuming behavior is similar to what Harrison et al. (2005, p.13) declared. People, in general, are conspicuous consumers. Further Harrison et al. (2005, p.13) describes that the general person are purchasing luxury goods in order to display economic power, or to maintain a certain social status. The students in our study states they are not purchasing luxury goods, they are rather consuming to keep what they call “quality of life”. The majority of the students in our study stated that they often spend their disposable income on partying and other goodies. Therefore are the students in our study spending habits, according Harrison et al. (2005, p.13), consequent to the general patterns to maintain a certain social status and quality of life.

The students in this study are however not considering themselves buying goods to display economic power. This behavior deviates from the study of Harrison et al. (2005, p.13). As previously mentioned, the study by Harrison et al. (2005, p.13) displays that the general person is
purchasing to display their economic power or to maintain a certain social status. Therefore cannot this last part of Harrison et al. (2005, p.13) theory be used to describe the students in our study’s consumption pattern.

7.3 Engel-Kollat-Blackwell Search for alternatives
The analysis of the second part in the Engel-Kollat-Blackwell model is divided into four codes: Information Overload, Expert Type Terminology, Lack of Confidence and Time Consuming.

7.3.1 Information Overload
When the students in our study experience the amount of available information as too comprehensive and too complex to understand, information overload occurs (Nilsson 2010, p.19). In our study the students were not discussing if there was too much information available. Their concern was more towards where they were supposed to look for the available information. The information overload, as described by Nilsson is therefore not aligned to the students in our study’s information search dilemma.

7.3.2 Expert Type Terminology
The students overall opinions were similar to what Harrison et al. (2005, p.15) and Nilsson (2010, p.30) refer to as “Expert type” terminology, which is an expression of words that can be difficult and not easily understood by laymen. Group three mentioned that the complexity of understanding the pension savings is a significant barrier for investment. These students also discussed if each individual's level of knowledge would affect their choice of different investments or not. They concluded that they had insufficient knowledge about the pension process, as they did not know if they should be saving for their pension already.

7.3.3 Lack of Confidence
Lack of confidence is a good description of how the students in our study feel about how and where to assemble adequate knowledge. That goes hand in hand with what Harrison et al. (2005, p.15) states. Namely, people express a desire to have all the necessary information gathered and thereafter receive guidance in order to make an informed decision. The students in our study were missing the guidance to obtain more information. Also, they neither knew where to look for it, nor how to use it. The students also implied that they are not confident enough to search for information by themselves, or to ask for help. Due to the low perceived level of confidence people are normally just disengaging from the entire process and avoiding taking decisions regarding their pension (Harrison et al. 2005, p.17). The studies by Harrison et al. (2005) are therefore aligned with the lack of confidence the students in our study have when it comes to pension related questions.

7.3.4 Time Consuming
The students perception about how time consuming it is to obtain a sufficient amount of knowledge in this question can be explained by Harrison et al. (2005, p.20). Harrison et al. (2005, p.20) states that the information overload may become time-consuming when it comes to processing all the available data. As stated, this partly goes in line with the students in our study, as the students were considering the gathering of information as too time consuming. The majority of the students wants the knowledge, but is not willing to do it for the single purpose of start investing for their retirement during their studies.
7.4 Engel-Kollat-Blackwell Evaluation of alternatives

In the analysis of the third part of Engel-Kollat-Blackwell model we have used three codes; Most Utility, Convenient and Impulsive.

7.4.1 Most Utility
The students in general perceived that the highest utility comes from the first available and most convenient option. This corresponds to Nilsson (2010, p.37) theory that the consumers most likely will choose the alternative that they perceive will provide the highest utility level, which is most often the first available option or the most user-friendly option (Nilsson, 2010, p.37). All students except for two were more willing to spend their money on short term investments and daily expenses rather than pension savings. Excluding these two students, the general student more or less did their investments considering what that would bring them the highest utility level, which in most cases were the same as a short term investments. Therefore we can conclude that an important barrier for the student’s pension saving investment is that the perceived utility by a pension investment is too low.

7.4.2 Convenient
As mentioned in the previous paragraph, the students in our study value the convenient options over the non-convenient options. This behavior is in line with Olshavsky and Granbois (1979) study that explores how customer’s convenience affects their decision making. The study by Olshavsky and Granbois (1979) explains how the consumer is limiting themselves in their pre-purchase search for the product that brings them the most utility. The consumer appears to be searching for the first alternative that meets their needs, and does not engage in a comprehensive search for other, more appealing alternatives (Olshavsky and Granbois, 1979, p.98). Most students in our study were searching for most convenient alternative. However, the students were reflecting on other options but are most often choosing the most convenient option.

In summary; the students are searching for the most convenient alternative with the highest utility, this should make the pension companies eager to become the first available alternative for the students. Saying that the students are not searching any for any further alternative if they start to trust a bank or a pension company.

7.4.3 Impulsive
Impulsive investment decisions, presented by Nilsson (2010, p.37) could not be used to describe the behavior of the students in our study. As Nilsson (2010, p.37) implies that humans in general are impulsive in their decision-making when it comes to consuming, which could be the reason for the lack of interest to evaluate the available alternatives and why the first available options often is chosen (Nilsson, 2010, p.37). Even though the majority of the students in our study implied that they did impulsive investment decisions, the majority did not have enough interest to evaluate different pension alternatives. For example, not a single student mentioned that they ever have made an impulsive pension saving investment.
7.5 Engel-Kollat-Blackwell Purchase
In the analysis of the fourth stage of Engel-Kollat-Blackwell theory the code *Expectations of Investment* is being used.

7.5.1 Expectations of Investment
What expectations the students in our study have of an pension investment goes in line with Nilsson (2010, p.3) description of fund investments, that people in general have expectations of the return on the pension investments. The students in our study are expecting to retrieve a high financial return. Student HM, 24 states; “*What is interesting about pension is that I get money when I retire*”. Even the students with low interest in pension investments did have high expectations on the potential investments.

The students in our study want a high return on investment, but no focus group dealt with the fact that pension investments might include risk. As the students did not include risk in the discussion, we assume that they did not observe any potential threats to their pension investment. Nilsson (2010, p.19) states that consumers need to be aware that funds are often tied to a certain level of risk. Taking the risk conditions into account requires a lot of work and evaluation of available options (Nilsson, 2010, p.19). According to Nilsson (2010, p.19) are the students in our study therefore not possessing the sufficient amount of knowledge about fund investments to make a valid research about their pension.

7.6 Engel-Kollat-Blackwell Post-Purchase
In our analysis of the fifth stage of Engel-Kollat-Blackwell theory, the code called *No Expectations to Measure Results* is being used.

7.6.1 No Expectations to Measure results
The students in our study had no expectations prior to the investment, and therefore no expectations to measure against the final outcome. This is align with the study conducted by Harrison et al. (2005, p.16), which stated that it is very hard to execute a valid post-evaluation of a pension investment as there is nothing to measure against. Harrison (2005, p.16) further states that a pension investment is very complex as the consumer is forced to evaluate the return on the funds before it has been purchased. This dilemma seems to be a recurring problem for all fund investors (Harrison, 2005, p.16).

7.7 Information seeking behavior among students
In the analysis of the information seeking behavior among students two codes were used; *Use Internet instead of personal sources, Selection criteria- Easy to understand*.

7.7.1 Use Internet instead of personal sources
The students in our study considered internet sources to be the most convenient search tool when it comes to searching for information. As FF, 21 states; “*I always use internet to search for information. I prefer that source since I can choose on my own how much information I will get*”. Previous research reveals similar searching patterns. For example, the research conducted by O’Connor & Lundstrom (2010, p.360) and Nikolopoulou & Gialamas (2011, p.29) found that the information seeking behavior by using electronic tools has reached the same level of search preference and even passed the personal meeting for information exchange.
The students in our study used several different sources to search for information. Most students preferred to use one source, but on occasion, some students used several different if they could. This contradicts the study conducted by O’Connor & Lundstrom (2010, p.352) which states that the majority of students do not use multiple and diversified sources.

This finding combined with the research from O’Connor & Lundstrom (2010, p.360) and Nikolopoulou & Gialamas (2011, p.29) tells us that the students are convenient in their search for information. Also, the shift from using personal sources to using internet sources could therefore be an indicator of where pension companies should put their primary marketing efforts as the internet most probably will act as the first source where students look for information.

7.7.2 Selection criteria- Easy to understand
In the initial phase of information search the students in our study would use similar sources to what the study conducted by O’Connor & Lundstrom (2010, p.360) suggests. O’Connor & Lundstrom (2010, p.360) demonstrates in their study that students prefer to use mainly electronic sources such as Google during the initial phase of their research to shape a foundation and to understand what the subject is about.

The students in group three did deviate from the others and the research by O’Connor & Lundstrom (2010, p.360) as they suggested that students should consult someone else to organize their investments and make the information search for them. These students trusted personal sources more than internet sources. On the other hand did the students in group three reason in a similar way as the students in the study conducted by Nikolopoulou & Gialamas, (2011, p.27). The study by Nikolopoulou & Gialamas, (2011, p.27) states that students’ selection criteria are concerned to if the search engines displayed results contains relevant and trustworthy information. Putting trustworthiness in perspective, the trustworthiness of the information regarding pension saving lies in the complexity of understanding the information from pension companies concerning their pension investment products.

As the participants in our focus groups were not aligned with either O’Connor & Lundstrom (2010) or Nikolopoulou & Gialamas (2011), we therefore assume that information seeking is an individual feature and that it is hard to cluster information seeking behavior.
7.8 Social media

7.8.1 Invest if updated about the company
The majority of the students in our study were more willing to invest in a company if they had some kind of relationship with the company in question. They further stated that a way to reach a closer relationship was through social medias. However no student stated that regular updates on social media would make the pension companies more attractive and interesting from an investment perspective.

7.8.2 More Activity
The opinions from the students were uniformed in previous research as well as in our study, saying that pension companies need to be more active when they are approaching the students. Barry et al. (2011, p.8) are stating that the relationship between students and pension companies could be significantly improved if pension companies would use the social media more extensively in order to approach the students. This can increase the commitment from their consumers (Barry et al., 2011, p.8). The majority of the students also expressed their desire for being encouraged to get involved in questions concerning pensions, an example stated by GM, 22 “Every organization should work more actively on the social media”. But according to the students in our study, pension companies need to be more active and more outgoing towards students and use other marketing means.

The overall attitude from the students regarding social media was positive, but when the students discussed about whether pension companies should use social media, the overall opinion was negative. Therefore we imply that the students in our study want more activity from pension companies but not through social media.
8. CONCLUSION

In this chapter, we present the conclusions to our findings of this study. We aim to give the reader a well-defined understanding of the discussion we have had throughout this paper. In our study, we aimed to answer the following research question: What factors influence the student’s decision making process in regard to pension investments? We believe that we were able to answer this research question, or at least made it possible to bring up a diversity of reasons describing the pension investment behavior of the students.

Here below are our five key factors, followed by some factors that keep students from investing for their retirement.

1. The student’s ability to recognize a problem that needs to be solved from internal motivation

The first factor we found was that students in general were for the time being not considering pension saving as a problem. Nilsson (2010, p.40) states in his analysis of the Engel-Kollat-Blackwell model that people first need to believe that there are benefits in saving for their pension, to later be able to recognize that there is a problem by not saving. As the Engel-Kollat-Blackwell model for decision-making argues for that there is a “need” or problem for the consumer to solve, e.g. that one's clothes are too old and you wish to update your closet, you buy new clothes to solve this problem. As for when it comes to financial services such as pension saving, there is no need because of its future orientation when it comes to enjoying the benefits of the purchase. The enjoyment of the benefits occurs first at a later stage in life.

Today, the students need to do the search for information and create the interest all by themselves which require internal motivation that the students do not have. Nilsson (2010, p.40) describes that people need to acknowledge that pension saving is of concern and beneficial in the long-run for them. To start the process to potential make an investment, which would be to embrace pension saving as a problem, the students in our study agreed to this problem and that the retirement is too future oriented for them to care about. This brings us to the conclusion that the retirement is seen as a future oriented problem for which the students lack the required internal motivation to deal with during their studies.

2. External sources as motivators

A pension investment is a sensitive topic because it is experienced as a complex process where the information is hard to interpret and find for laymen. Therefore a lot of discussions concerned the most preferred ways of conveying information. Our focus groups suggested that it was preferred if parents in general was more informed about the general student’s inferior knowledge about pension and retirement. By informing the parents, the students further believed that parents then would educate and learn their children the basics about pension saving. It was also suggested that the parents should be more involved and help their children build a foundation of basic knowledge of pension saving as done in other important life events, such as opening a bank account or signing up for driving school.

Further, the students were implying that they trust personal sources more than internet sources when it comes to pension investment. The students also implied that they would find it hard to
disobey anything the pensions companies are saying because of their inferior knowledge in the subject and especially if the information is expressed by a person.

However, it was only focus group two that suggested that pension companies should further demonstrate their interest in the students by developing and embracing a new strategy, and approach the students solely from personal meetings.

An additional source for trustworthy information according to our focus groups was the Universities. As the Universities portray in the students eyes as a trustworthy mediator of necessary information that is of use to learn. So the students suggested that pension/retirement education would be of proper use to include within the field of social science.

To conclude; personal sources is preferred over internet sources when it comes to pension investments, where parents would be the first preferred option, followed by University lecturers. However, as of today it is experienced that there is a lack of available trustworthy information.

3. **The level of targeted marketing activity from pension companies**

What level of activity and what kinds of activities that are used in marketing were important for the students in our focus groups. Since, the students want to be courted by the pension companies with information regarding their retirement and pension, but their experience are only ignorance. The students’ suggestions in how to be approached spanned from continuous presence at the University campuses to the arrangements of parties with marketing intentions.

Social media was not seen as an appropriate marketing tool for pension companies as there was no indication that showed an interest from the students to follow a pension company on a social media platform.

The conclusion of this is that students want to be approached by pension companies but are not experiencing any interest from pension companies to do so.

4. **The trendiness of the investment opportunity**

To make pension saving a popular alternative as a short-term investment would be to make pension saving trendy. As the majority of the students in this study believed that more students would invest in pensions saving if it was more of a trend. “If others would care about pension, so would I” (JM, 24). According to the students, to pursue this trend, pension companies need to adapt to changes in the market faster and make their pension saving products more appealing for the customer. One way for the pension companies to become trendier, is according to the focus groups, to launch more aggressive marketing campaigns, targeted on students, with customized and appealing activities. The students further suggested that the marketing campaigns should be designed to disclose the opportunities with pension saving.

The conclusion from this is that students care about what other students do, and then partly since the pension saving is not a trend among students, they are not creating a funded saving for their retirement.
5. The experienced utility level of the investment opportunity

The students in our study appeared to have similar consumption patterns that are more or less equivalent to the general person, and therefore also choose the alternative that will bring them the highest utility (Olshavsky and Granbois, 1979, p.98).

Our students are stating that short-term investments most often bring them the highest utility. Pension companies are therefore facing a major challenge if they want to convince students to invest in pension funds, which accounts for a long-term investment. According to the students in our study, the pension saving need to be made more accessible and more convenient for them to think of it as a feasible investment. Two suggestion from the students, are declaring in how to make pension saving more convenient and accessible, first from student (GM, 22) is how to make it more convenient: “There should be an insurance or bank office at the campus area where the students can ask questions regarding pensions, and other future significant expenses. Even the banks should be interested in opening their own office on campus to attract already existing and potential customers”. Then JM, 24 provided us with an example about how to make the pension savings more available: “The government or the pension company should launch a website only focusing on attracting and informing students”.

To make the pension saving more convenient is a challenge for pension companies, since our students saw this as a barrier for investment.

Factors that keep students from investing for their retirement

The student’s low income

Harrison et al. (2005, p.13), displays that a low salary could be a barrier to start pension saving. This is aligned with what many students in this study were considering. For example CM, 23 said: “I barely have enough to pay for my daily expenses, how could I afford to save for retirement”. In this scenario where the students are considering their salary to be too insignificant to even care, it is of highest importance that they learn how to save for their pension, since initially a late pension saving start can decrease the overall pension payouts. Second as a low salary in general are giving a lower pension payout in the end. Thirdly, since an experienced low salary from the students will decrease their willingness to learn about pensions, as in the spirit of the statement above.

The experienced complexity that comes with the investment

Group three mentioned that the complexity of understanding the pension savings is a major barrier for investment. This opinion is expressed by the student (GM, 22) “I should invest in pension saving, if I knew what to invest in” (GM, 22). The students in general were in need of a simplification of the pension system, or that someone is explaining it by breaking down the content of what an investment really would mean for them.

The student’s lack of confidence when it comes to retirement questions

Harrison et al’s (2005, p.17) study are aligned with the lack of confidence the students in our study had when it came to pension related questions. One student: “Should I google it? It is too embarrassing to ask my parents” (EF, 25). The students in our study were saying that they do not have the confidence, either to start saving on their own or to ask for help. This leaves the
students exposed to aggressive salespersons and future special offers from pension companies. The students want to obtain more knowledge concerning their future retirement, but to get that they need more information. The desired information could be distributed to them by the pension companies, as the pension companies have a chance to provide the students with their own selected information.

**Suggestions for future research**

The research field regarding the buyers’ behavior in regard to financial services is rather unexplored. We would therefore recommend future researchers’ to approach this area because of the difficulties of presenting the benefits of a credence quality product where price is the only indicator of quality. Especially because of the difficulties of evaluating a purchase after it has been made whether if it meets the buyers’ expectations or not. Because of this difficulty we believe that this area is something that should be more explored within all service areas and not only within the financial sector.

It would also be interesting if pension companies used our factors such as “The level of targeted marketing activity from pension companies” and actually increased their targeted marketing activity toward students. If pension companies acted on our factors we would also like to see that it would be followed with a scientific evaluation after the activity to see if it yielded any results or not.

**Ethical/Social Implications**

Our conclusions lead to an improved insight for pension companies about what factors affect the students’ decision making process in regard to pension investments. These factors may, if applied correctly lead to shift where students will hopefully lead towards a more long-term thinking and long-term pension investment behavior. Further can the pension companies learn from our findings and establish new ways to approach the students.

Our study may also have an impact on pension companies as they might realize that students as an important stakeholder. Because the students will most probably be the ones that provide the pension companies with income in the future. Also, if the pension system will remain mostly a non-funded system, it will be the students that provide the senior citizens with their pension. Therefore, this study can both help pension companies to design their marketing campaign, as well as put a focus on the students’ pension investments.

**Quality Criteria**

To assess the quality of our research, we have used three primary criteria of validity according to Whittemore et al. (2001 p.534). These criteria are: credibility, authenticity and criticality. We decided to focus on these three as the credibility reflects if the results of the research mirror the experience or context of the participants in a realistic and truthful way. Authenticity is closely related credibility and is used to represent awareness if the tone, body language etc. of the participants was seen as believable. Finally criticality was used to demonstrate the critical appraisal from the researchers throughout the research process.

**Credibility**

Establishing credibility can be reached by actively reaching to establish an accurate interpretation of the collected data (Whittemore et al. 2001, p.530). To establish and ensure our
participants trust and confidence, we started off by validating the results from our research according to two steps; *Competence validity* and *Communicative validity*. The expression “Competence validity” refers to the competency level of the researcher. It involves the experiences, prerequisites and qualifications of the researchers (Grønmo 2006, p.233). In other words, the higher level of competence, the higher is the possibility of achieving satisfactory results from the collection of the empirical material (Grønmo 2006, p.233).

In competence validity, the researcher’s’ ability to understand the sources of the collected material is important. It is also essential to understand the theoretical foundations of the research in order to draw valid conclusions (Grønmo 2006, p.234).

Thus, in the end the theoretical interpretation from the researcher’s will create a foundation that future research can be built upon (Grønmo 2006, p.234). However it has to be mentioned that the competency level of the researcher does not completely guarantee that the data collection will hold a high validity, it is necessary, but not a sufficient prerequisite to attain high validity (Grønmo 2006, p.234).

Communicative validity is a quality criterion that is built on the dialogue between the researcher and the research subjects. Namely, the participants are asked to evaluate if the obtained material holds a sufficient level of quality, and if it is relevant in terms of the research question (Grønmo 2006, p.234). These communicational efforts may be effective when it comes to revealing eventual flaws and weaknesses of the collected material (Grønmo 2006, p.234). When the focus group discussions ended up with a unanimous opinion about the content, and the results did not deviate too much from the research question, presumably a sufficient level of validity is reached (Grønmo 2006, p.234). We believe that we obtained communicative validity to our research when we engaged in conversation with the people in our focus groups to determine if the collected material was relevant to our research question. Thereafter we believe that we reached a satisfactory level of communicative validity.

We also believe that these two validation criterias have helped us to establish a credible quality of our data. First of all is the competence validity reached by our understanding of the theoretical framework that have allowed us obtain satisfactory knowledge about the research topic. Our knowledge about the research topic have helped us in the discussions between the participants. It has allowed us to understand when to steer the discussions in the right direction and keeping it relevant to the research subject in case the discussions went off topic.

**Authenticity**

Authenticity is closely related to credibility and is about creating research that in a truthful way reflects the true meanings and expressions from our participants (Whittemore et al. 2001, p.530). As our empirical data collection was made from focus groups, we had a chance to observe and analyze the body language, tone and volume during the conversations between the participants. This made it possible for us to see if the expressions reflected what was said. In order to add additional authenticity to our research, we decided to put an emphasis on adding quotations from the participants that would further reflect the discussions between the participants. Moreover, several participants in the focus group expressed to if they could take part of the end results to
see if it was reflected in a correct way in our thesis. This particular interest from the participants to see the results can be seen as another proof of authenticity of the empirical material.

**Criticality**
As stated by Whittemore et al. (2001, p.531), the different backgrounds of the researcher’s as well as different assumptions and interpretations of all the processed data throughout the research process might influence the research process. Moreover, additional validity can be obtained by critical analysis of the different sections that is added in the thesis.

Therefore we continuously revised and criticized our work during the different stages throughout the research progress to reduce the chance of a possible bias in our research. As we were two authors, we could always revise one and another to discuss the progress and making sure that our backgrounds did not affect our opinions. By doing this we further increase the quality of our research, we believe that this also will provide the research with further validity.
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(II) Focus group guide:
A. 1 What do you know about pensions?
A. 2. Do you think you have pensionable income?
B. 3. What pension services do you consider to be interesting?
B. 4. What services the pension companies are providing do you like or dislike?
B. 5. How can Pension services be more interesting?
B. 6. How can the pension companies use the social media?
B. 7. What are you consider to be interesting about pensions?
B. 8. What can make you start saving for your pension?
B. 9. Do you favor any company? Why?
B. 10. Do you save money for the future?
Follow up question: If yes, why are you/why are you not saving for pension as well?
B. 11. Do the pension companies need to be more at the university presenting themselves?
C. 12. Is the retirement too far away in the future?
C. 13. Do you have any crazy ideas how the pension companies can make pension savings more interesting?