

Struggling

UK

10.2m

UK

19.6%



The least financially resilient segment, typified by:

Low Household incomes
(although half are working)

High levels of over-indebtedness

High levels of benefits dependency

Budgets are tight, with little or no buffer

Lower levels of financial confidence

Half live in social rented accommodation

More likely to have a disability or impairment

Many live on a financial tightrope, with money a constant source of anxiety

Many are overwhelmed by debt – a belief they may be trapped in debt for some time

Circumstances often dictate a very short term and reactive approach to money

5 sub-segments

Over-Burdened

Younger Adults

Working Families

Pre-Retired

Retired

Struggling

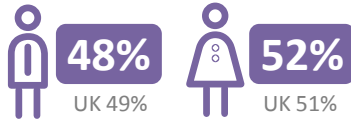
UK 10.2m UK 19.6%



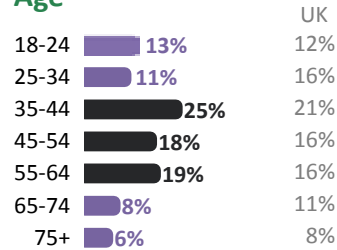
DEMOGRAPHICS

FINANCIAL CHARACTERISTICS

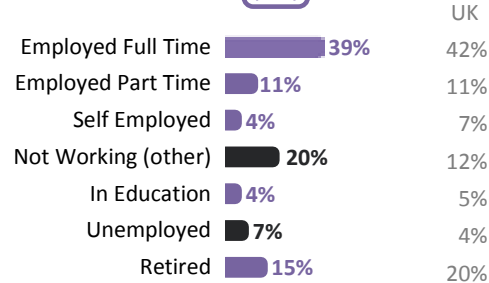
Gender



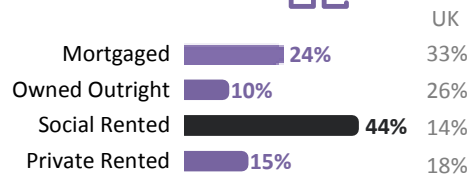
Age



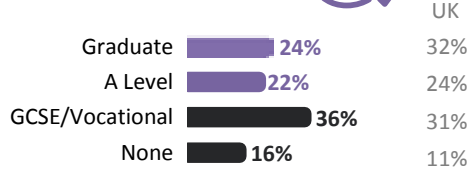
Working status



Housing tenure

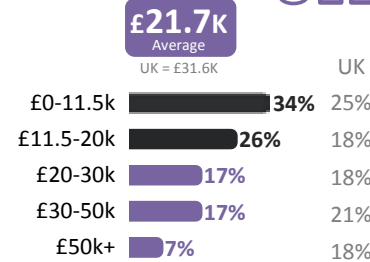


Highest education

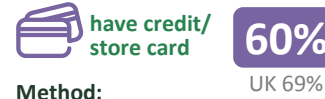


36% Have a long-standing physical or mental impairment, illness or **disability**
UK 26%

Household income



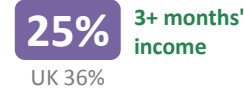
Credit



Method:

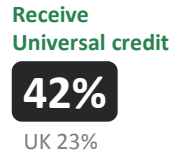


Have Savings



27% Do not often have money left over after paying for food and other regular bills
UK 19%

Benefits



Debt



Pensions (Working age people)



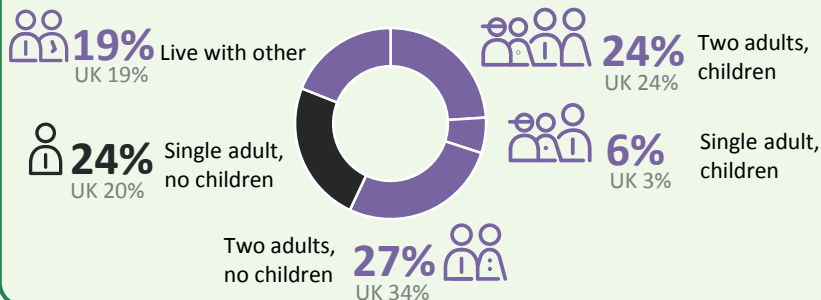
Do not feel that they understand enough about pensions to make decisions about saving for retirement



Need help to plan finances for retirement

FAMILIES

Household composition



30% UK 27%
Have children in household



53% UK 46%
Give regular pocket money to their children



42% UK 43%
Talk money with children

(those who have children 3-17 in household)

Struggling

UK

10.2m

UK

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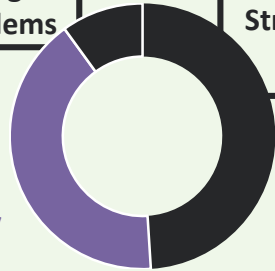
CURRENT WELL BEING

Keeping up with bills and commitments

10% Having problems
UK 7%

Struggle 49%
UK 41%

Without difficulty
41%
UK 52%



Financial Wellbeing

DAY TO DAY BEHAVIOURS

Active saving

30% Rarely or never save
UK 21%

Adjusting spending

56% Change spending as a result of keeping track
UK 53%

Keeping track

2 in 10 UK 18%
use a piece of paper



and...

72% UK 67%

Check current account balance weekly

Managing credit use

52% Have unsecured borrowing
UK 52%

Not borrowing for everyday spend

15% Have used high-cost short-term credit in the last year
UK 11%

71% UK 72%
Hate to borrow and would much rather save up in advance

18% UK 17%

Often use a credit card, overdraft or borrow money to buy food or pay bills because they have run short of money

Shopping around

60% UK 70%

Car or home insurance

54% UK 57%

Phone, Internet, TV packages

LONGER TERM SECURITY

35% Could not pay when faced with an expected £300 bill
UK 24%

35% Could last 3 months or more without borrowing if they lose their source of income
UK 49%

Types of loss protection held



60% Have home contents insurance
UK 72%



37% Have life insurance
UK 40%



26% Have a will
UK 38%

PLANNING AHEAD BEHAVIOURS

Working towards goals

42% Have a plan for financial goals for the next five years
UK 53%

Building resilience

33% Have less than £100 in savings and investments
UK 22%

Retirement Planning (Working age people)

34% Have taken actions over the last 12 months to engage with their pension
UK 44%

Planning for later life (65+)

57% Are not engaged with how they would manage financially if they need to go into long-term residential care
UK 43%

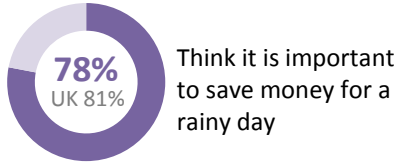
Struggling

UK 10.2m UK 19.6%

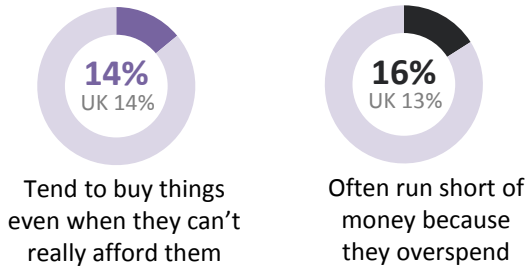


ENABLERS AND INHIBITORS

Savings mindset



Considered spending



Digital engagement

Do not feel confident about protecting themselves from financial scams

47%
UK 47%

75%
UK 77%

Online shopping

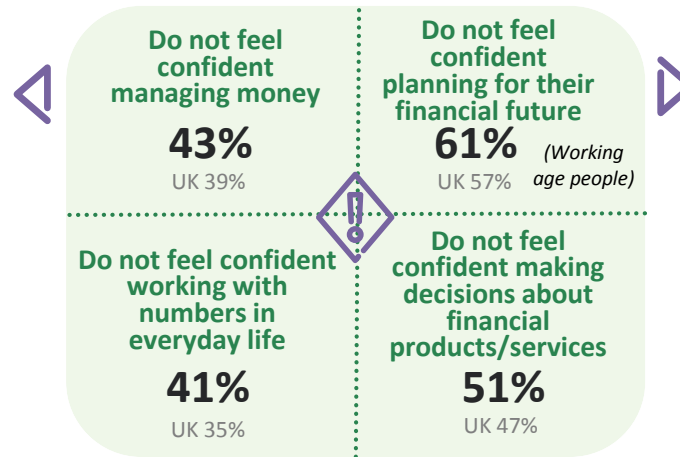
66%
UK 69%

Online/mobile banking

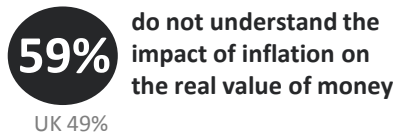
66%
UK 65%

Social networking

Financial confidence



Financial numeracy



Sense of control

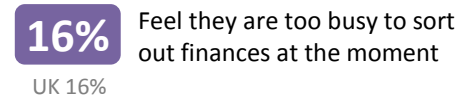


Do not focus on the long term with money

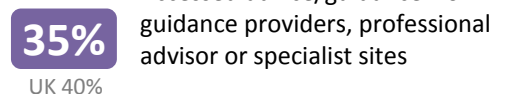
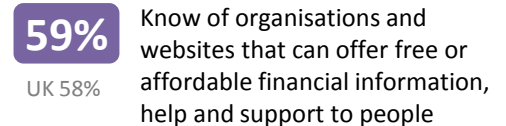


Do everything they can do to succeed when they make financial plans

Engagement with money



Engagement with advice/guidance



Squeezed

UK

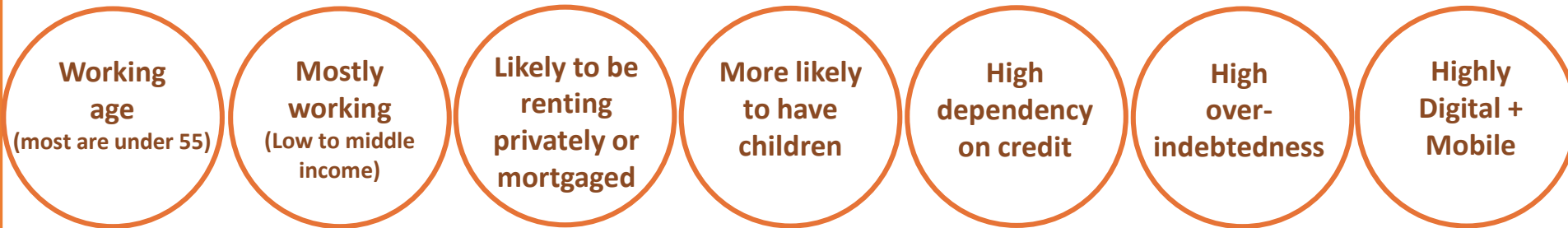
13.1m

UK

25.2%



Working-age families on average incomes with significant financial commitments, typified by:



They have busy lives with multiple financial, work and family pressures

A live for today attitude, resorting to credit to support their 'I want it now' lifestyle

Focussed on the here and now – many don't plan, and do not recognise the need for financial help

A lack of savings buffer leaves them vulnerable to income shocks

3 sub-segments

Younger Adults

Younger Families & Couples

Older

Squeezed

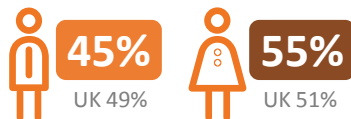
UK
13.1m 25.2%



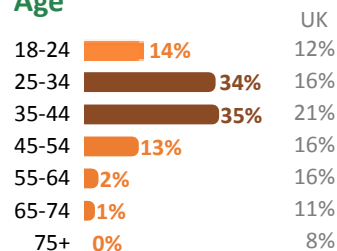
DEMOGRAPHICS

FINANCIAL CHARACTERISTICS

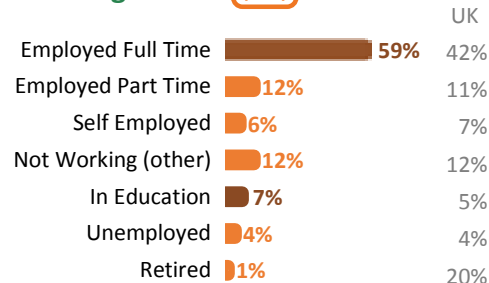
Gender



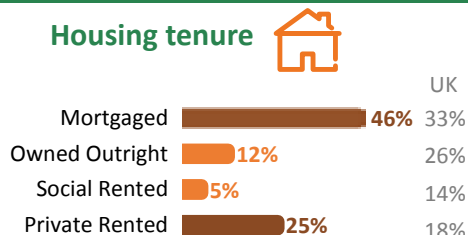
Age



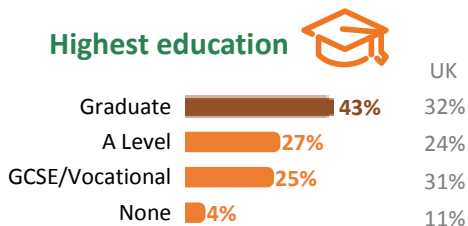
Working status



Housing tenure

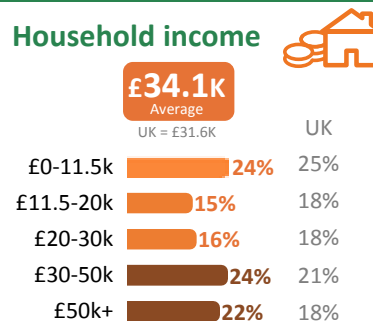


Highest education

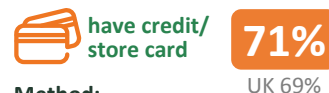


21% Have a long-standing physical or mental impairment, illness or **disability**
UK 26%

Household income



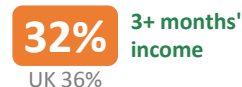
Credit



Method:



Have Savings



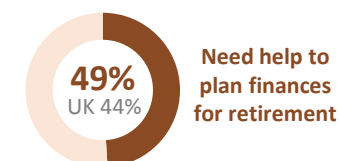
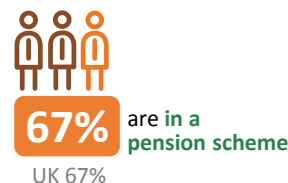
19% Do not often have money left over after paying for food and other regular bills
UK 19%

Debt



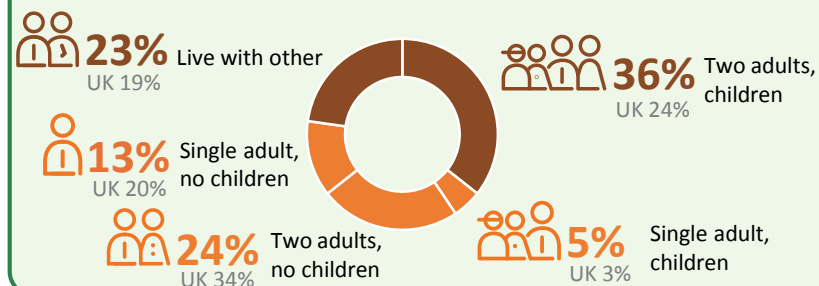
21% are over-indebted
UK 16%

Pensions (Working age people)



FAMILIES

Household composition



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Talk money with children

(those who have children 3-17 in household)



CURRENT WELL BEING

Keeping up with bills and commitments

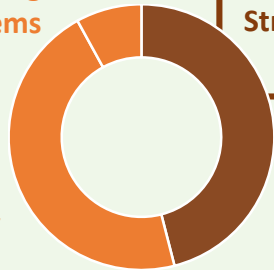
8% Having problems
UK 7%

Struggle 46%
UK 41%

Without difficulty

46%

UK 52%



Financial Wellbeing

DAY TO DAY BEHAVIOURS

Active saving

17% Rarely or never save
UK 21%

Adjusting spending

6 in 10 UK 53%
change spending as a result of keeping track

Keeping track

4 in 10 UK 29%
use mobile banking app from their bank



and... **72%** UK 67%

Check current account balance weekly

Managing credit use

64% Have unsecured borrowing
UK 52%

Not borrowing for everyday spend

19% Are often overdrawn on their current account
UK 15%

Shopping around

77% UK 70%

Car or home insurance

67% UK 57%

Phone, Internet, TV packages

69% UK 72%
Hate to borrow and would much rather save up in advance

21% UK 17%

Often use a credit card, overdraft or borrow money to buy food or pay bills because they have run short of money

LONGER TERM SECURITY

25% Could not pay when faced with an expected £300 bill
UK 24%

42% Could last 3 months or more without borrowing if they lose their source of income
UK 49%

Types of loss protection held



69% Have home contents insurance
UK 72%



41% Have life insurance
UK 40%



22% Have a will
UK 38%

PLANNING AHEAD BEHAVIOURS

Working towards goals

57% Have a plan for financial goals for the next five years
UK 53%

Building resilience

19% Have less than £100 in savings and investments
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Retirement planning (Working age people)

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UK 44%

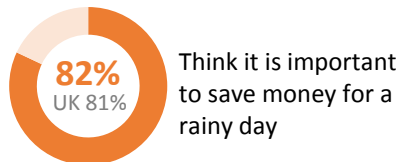
Planning for later life (65+)

65% Are not engaged with how they would manage financially if they need to go into long-term residential care
UK 43%



ENABLERS AND INHIBITORS

Savings mindset



Considered spending



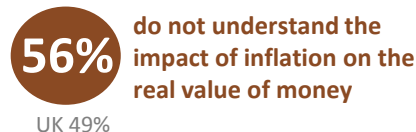
Digital engagement



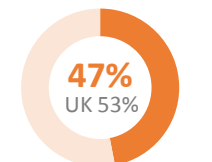
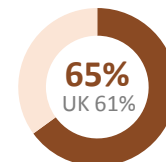
Financial confidence



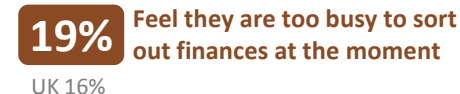
Financial numeracy



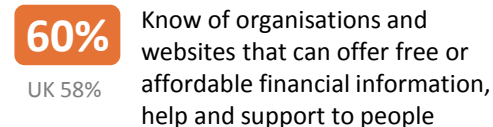
Sense of control



Engaged with money



Engagement with advice/guidance



Have used Internet for:



Cushioned

UK
28.8m

UK
55.2%



The most financially resilient segment, with the highest levels of income and savings. Comfortable or affluent households typified by:

Higher household incomes
(esp those working)

Likely to own their home or have a mortgage

Higher savings buffer

More confident managing money

Lowest level of over-indebtedness

More likely to have good financial foundations through education, family support, and higher expectations and aspirations

Higher financial resilience, through high incomes, a savings buffer, retirement provision and investments /property portfolios

However, they are not without risk given their high spending and borrowing

7 sub-segments

Young Adults in Affluent Homes Comfortable Younger Adults Affluent Couples & Families
Affluent Pre-Retired Comfortable Pre-Retired Comfortable Retired Affluent Retired

Cushioned

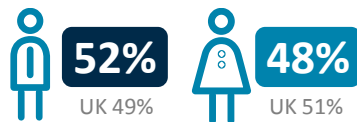
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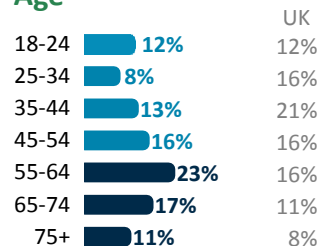


DEMOGRAPHICS

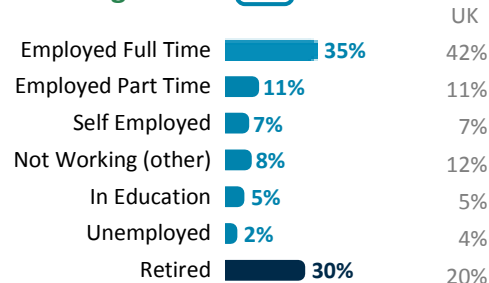
Gender



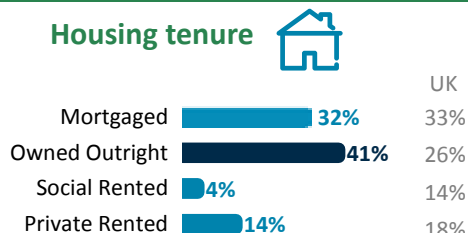
Age



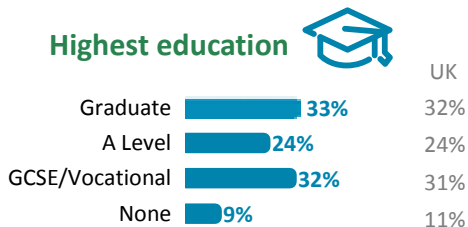
Working status



Housing tenure



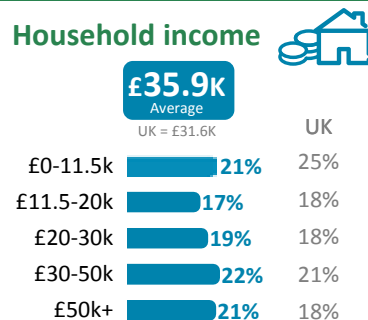
Highest education



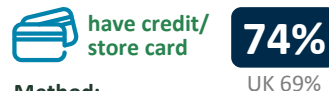
25% Have a long-standing physical or mental impairment, illness or **disability**
UK 26%

FINANCIAL CHARACTERISTICS

Household income

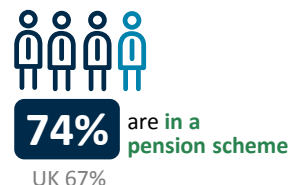


Credit



50% do not always pay in full
UK 60%

Pensions (Working age people)



Have Savings

45% 3+ months' income
UK 36%

15% Do not often have money left over after paying for food and other regular bills
UK 19%

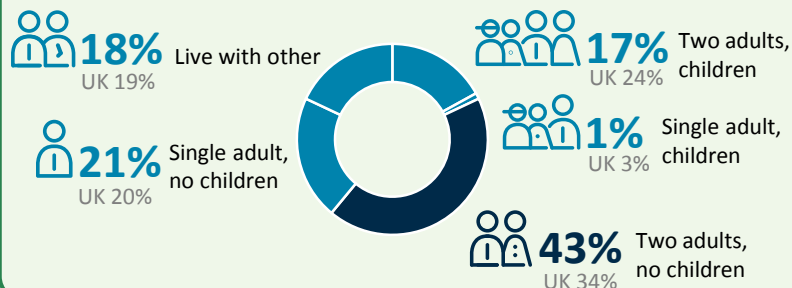
Debt

10% are over-indebted
UK 16%

49% Do not feel that they understand enough about pensions to make decisions about saving for retirement
UK 55%

42% Need help to plan finances for retirement
UK 44%

FAMILIES Household composition



18% UK 27%
Have children in household

53% UK 46%
Give regular pocket money to their children

48% UK 43%
Talk money with children

(those who have children 3-17 in household)

Cushioned

UK
28.8m

UK
55.2%



CURRENT WELL BEING

Keeping up with bills and commitments

6% Having problems

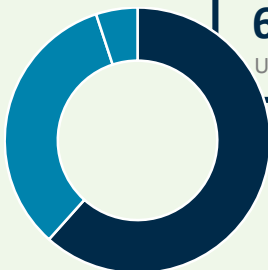
UK 7%

61% Without difficulty

UK 52%

33% Struggle

UK 41%



Financial Wellbeing

DAY TO DAY BEHAVIOURS

 **Active saving**

17% Rarely or never save

UK 21%

 **Adjusting spending**

47% Change spending as a result of keeping track

UK 53%

 **Keeping track**

46% review bank statements

UK 40%



 **Managing credit use**

47% Have unsecured borrowing

UK 52%

 **Not borrowing for everyday spend**

12% Are often overdrawn on their current account

UK 15%

and...

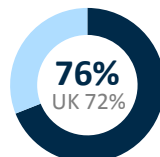
64% UK 67%

Check current account balance weekly

 **Shopping around**

73% UK 70%

Car or home insurance

 **76%** Hate to borrow and would much rather save up in advance

UK 72%

15% UK 17%

Often use a credit card, overdraft or borrow money to buy food or pay bills because they have run short of money

57% UK 55%

Utilities (gas, electricity)

LONGER TERM SECURITY

18% Could not pay when faced with an expected £300 bill

UK 24%

60% Could last 3 months or more without borrowing if they lose their source of income

UK 49%

Types of loss protection held



81% Have home contents insurance

UK 72%



52% Have a will

UK 38%



42% Have life insurance

UK 40%

PLANNING AHEAD BEHAVIOURS

Working towards goals

57% Have a plan for financial goals for the next five years

UK 53%

Building resilience

16% Have less than £100 in savings and investments

UK 22%

Retirement planning (Working age people)

52% Have taken actions over the last 12 months to engage with their pension

UK 44%

Planning for later life (65+)

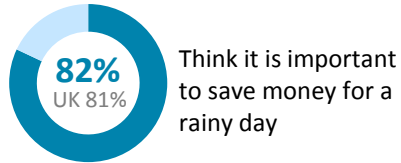
40% Are not engaged with how they would manage financially if they need to go into long-term residential care

UK 43%



ENABLERS AND INHIBITORS

Savings mindset



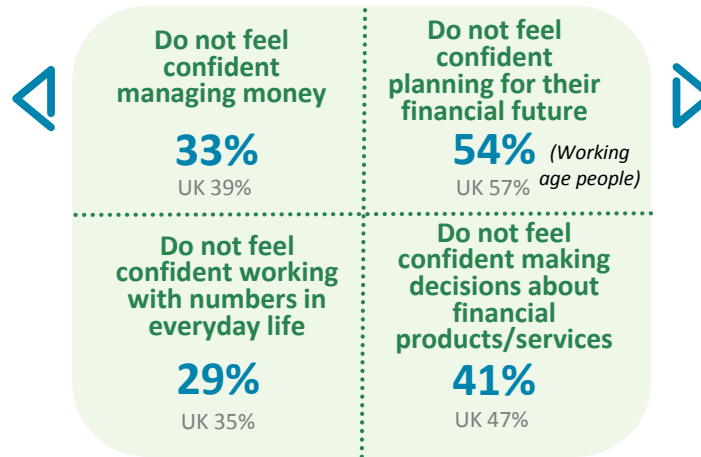
Considered spending



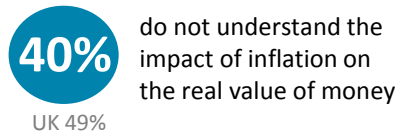
Digital engagement



Financial confidence



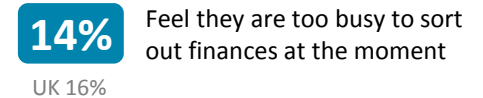
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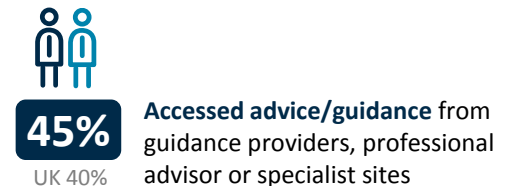
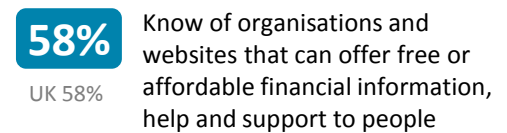
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Engaged with money



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