

# 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

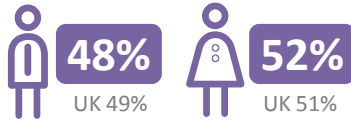
UK 10.2m UK 19.6%



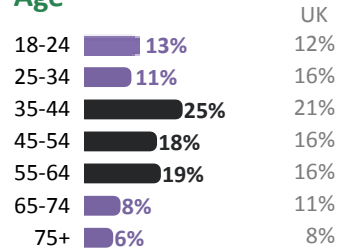
## DEMOGRAPHICS

## FINANCIAL CHARACTERISTICS

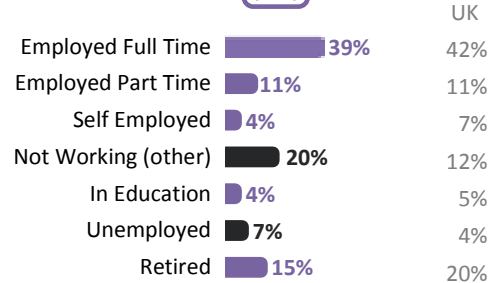
### Gender



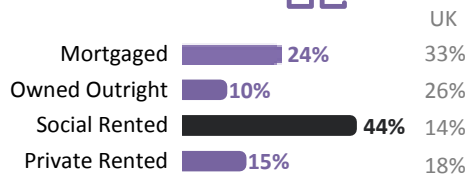
### Age



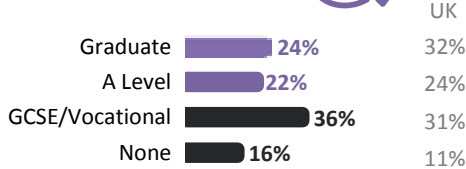
### Working status



### Housing tenure

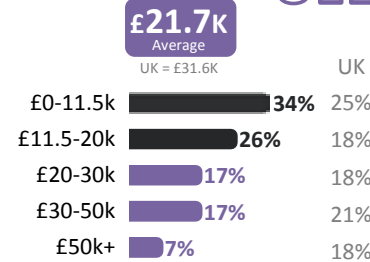


### Highest education

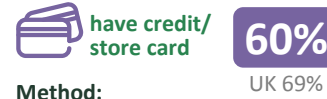


**36%** Have a long-standing physical or mental impairment, illness or **disability**  
UK 26%

### Household income



### Credit



Method:

**74%** do not always pay in full  
UK 60%



### Debt



**27%** are over-indebted  
UK 16%

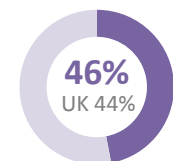
### Pensions (Working age people)



**58%** are in a pension scheme  
UK 67%



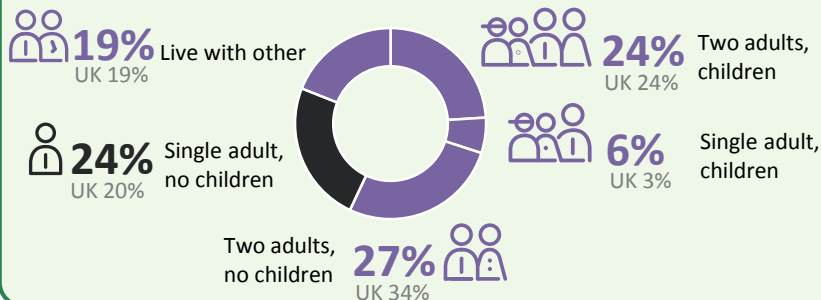
Do not feel that they understand enough about pensions to make decisions about saving for retirement



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

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## CURRENT WELL BEING

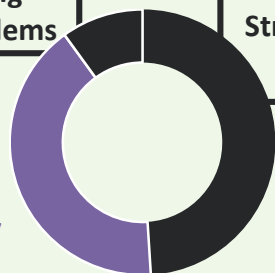
### Keeping up with bills and commitments

**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%


 **Shopping around**

**60%** UK 70%

Car or home insurance

**54%** UK 57%

Phone, Internet, TV packages

**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

## 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%

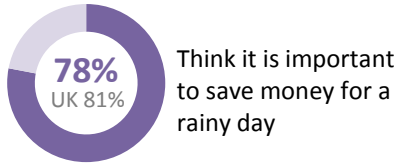
# Struggling

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

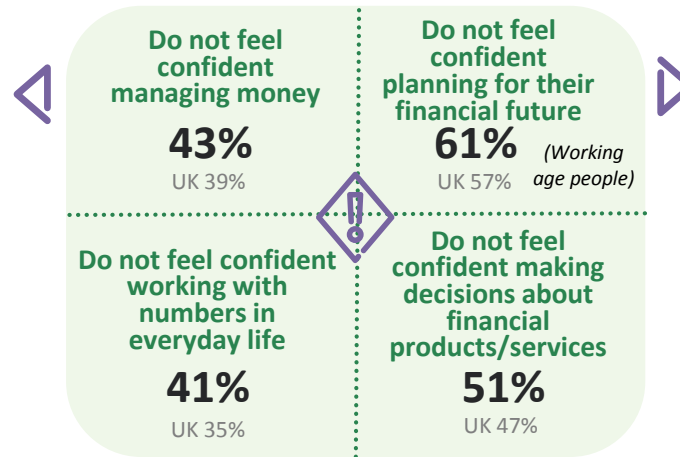
47%  
UK 47%

75%  
UK 77%  
Online shopping

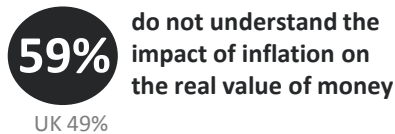
66%  
UK 69%  
Online/mobile banking

66%  
UK 65%  
Social networking

### Financial confidence



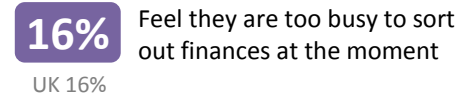
### Financial numeracy



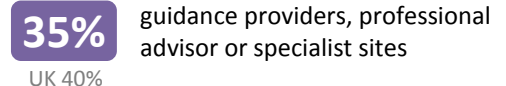
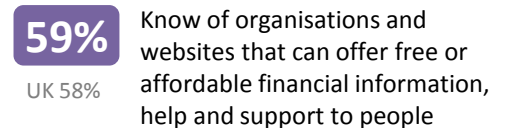
### Sense of control



### 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:**

**Working age**  
(most are under 55)

**Mostly working**  
(Low to middle income)

**Likely to be renting privately or mortgaged**

**More likely to have children**

**High dependency on credit**

**High over-indebtedness**

**Highly Digital + Mobile**

**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

UK

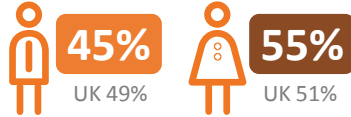
13.1m 25.2%



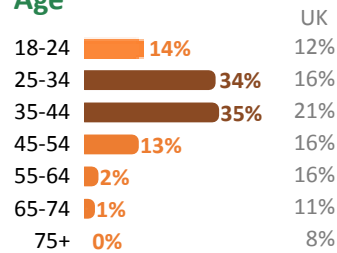
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## FINANCIAL CHARACTERISTICS

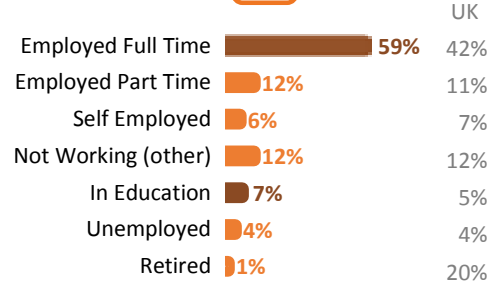
### Gender



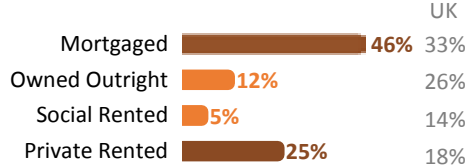
### Age



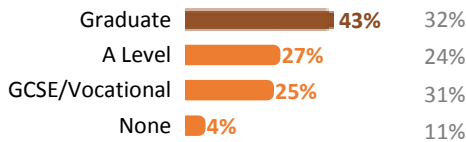
### Working status



### Housing tenure

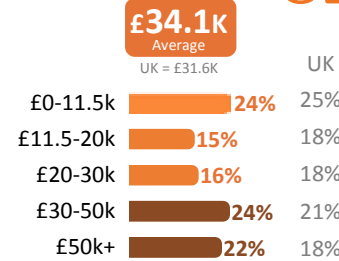


### Highest education

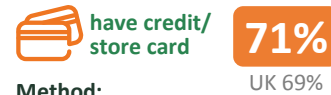


**21%** Have a long-standing physical or mental impairment, illness or **disability**  
UK 26%

### Household income



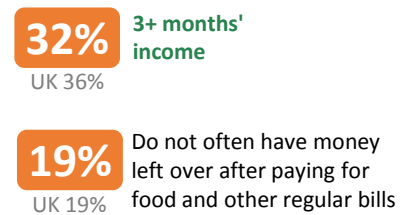
### Credit



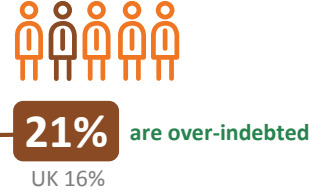
### Method:



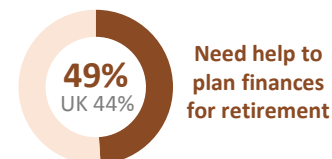
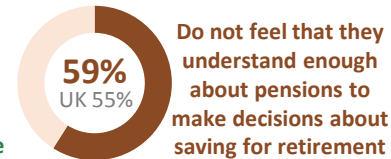
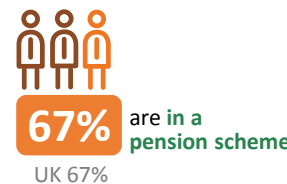
### Have Savings



### Debt

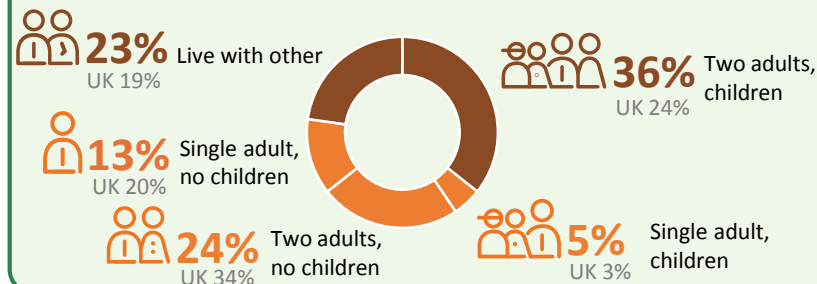


### Pensions (Working age people)



## FAMILIES

### Household composition



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Have children in household



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## CURRENT WELL BEING

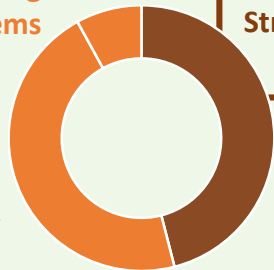
### Keeping up with bills and commitments

**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**

 **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

**77%** UK 70%

Car or home insurance

**67%** UK 57%

Phone, Internet, TV packages

## 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  
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**41%** Have life insurance  
UK 40%



**22%** Have a will  
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## 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)

**42%** Have taken actions over the last 12 months to engage with their pension  
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### Planning for later life (65+)

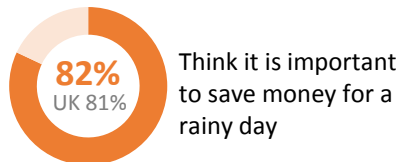
**65%** Are not engaged with how they would manage financially if they need to go into long-term residential care  
UK 43%



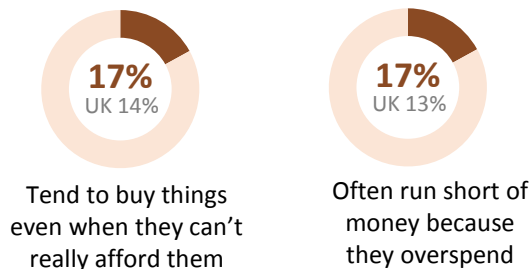


## ENABLERS AND INHIBITORS

### Savings mindset



### Considered spending



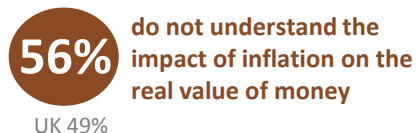
### Digital engagement



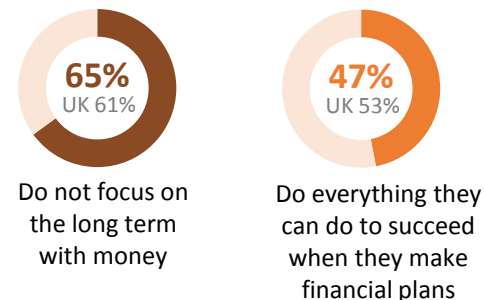
### Financial confidence



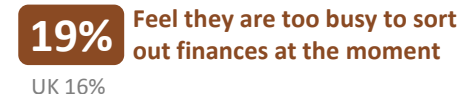
### Financial numeracy



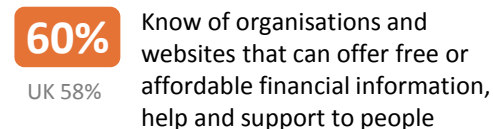
### Sense of control



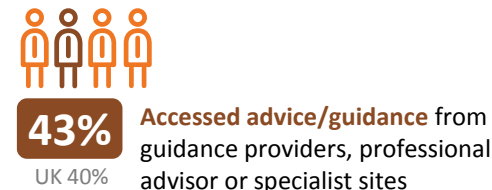
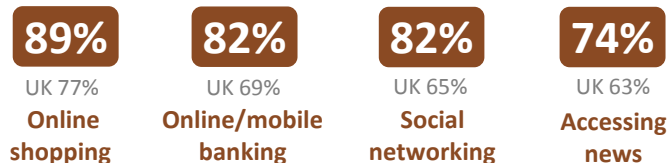
### Engaged with money



### 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

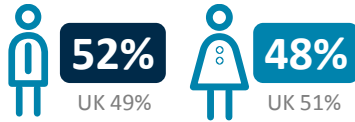
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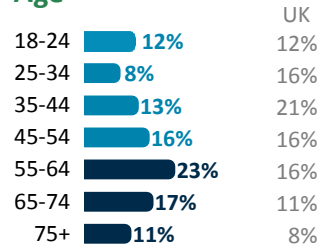


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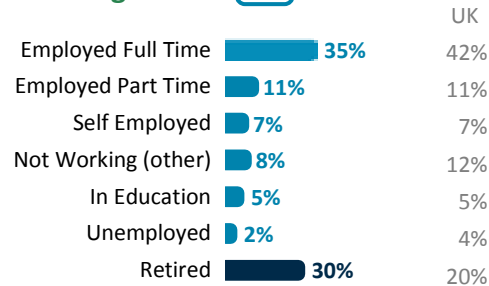
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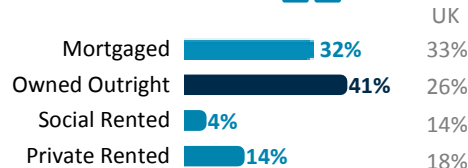
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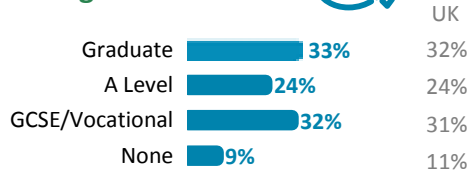
### Working status



### Housing tenure



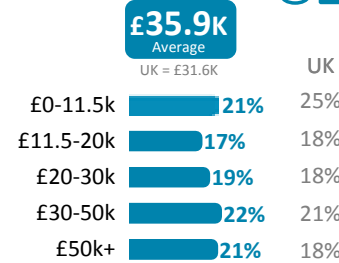
### Highest education



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

## FINANCIAL CHARACTERISTICS

### Household income



### 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%

### Credit



have credit/store card **74%**  
UK 69%

### Method:

**50%** do not always pay in full  
UK 60%

### Debt



**10%** are over-indebted  
UK 16%

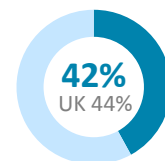
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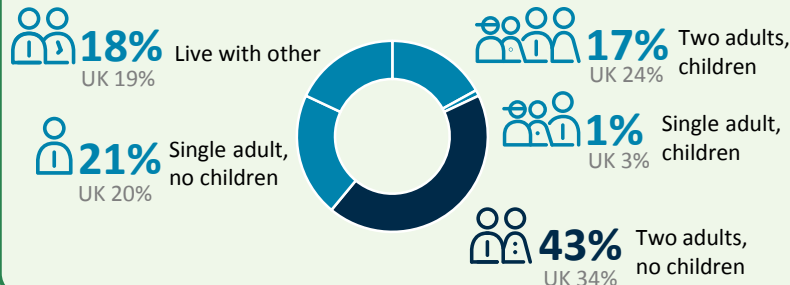
Do not feel that they understand enough about pensions to make decisions about saving for retirement



Need help to plan finances for retirement

## FAMILIES

### Household composition



**18%** UK 27%  
Have children in household



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Give regular pocket money to their children



**48%** UK 43%  
Talk money with children

(those who have children 3-17 in household)

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UK  
55.2%



## CURRENT WELL BEING

### Keeping up with bills and commitments

**6%** Having problems

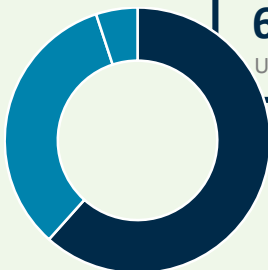
UK 7%

**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%



and...


**64%** UK 67%

Check current account balance weekly

 **Managing credit use**

**47%** Have unsecured borrowing

UK 52%

 **Not borrowing for everyday spend**

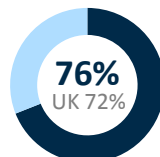
**12%** Are often overdrawn on their current account

UK 15%

 **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+)

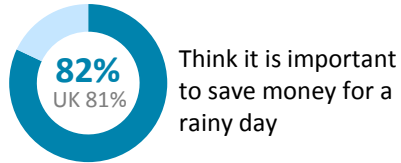
**40%** Are not engaged with how they would manage financially if they need to go into long-term residential care

UK 43%



## ENABLERS AND INHIBITORS

### Savings mindset



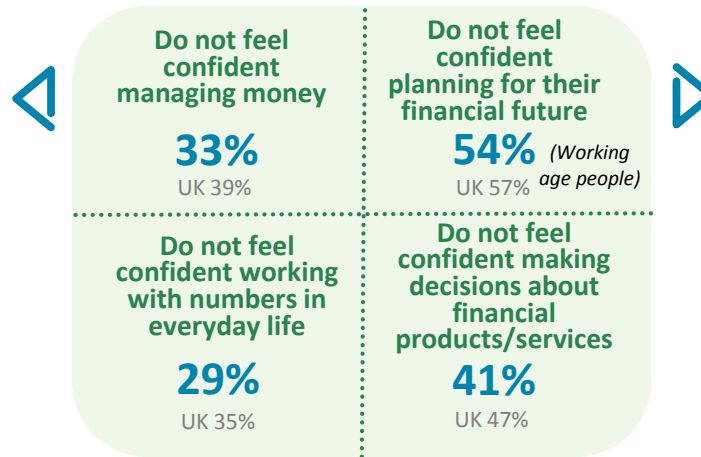
### Considered spending



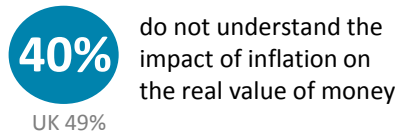
### Digital engagement



### Financial confidence



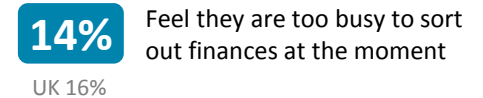
### Financial numeracy



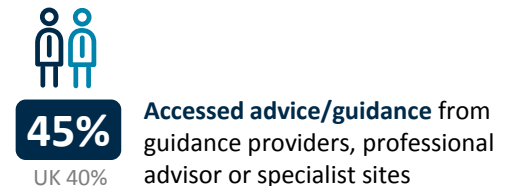
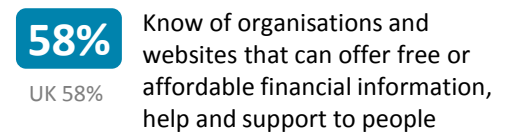
### Sense of control



### Engaged with money



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### Have used Internet for:

