

AXA

Big Money Index Report / Q3 2011



redefining / standards



Introduction

This is AXA's **Big Money Index Report** for Q3 of 2011. This quarterly report aims to provide a snapshot of consumer spending trends in the UK and reveal consumers' attitudes to money, examining how spending and financial behaviour are changing over time.

Each quarter, the report examines the following key areas:

- Consumers' optimism about their personal finances
- Consumer spending patterns
- Financial products held by each demographic group
- Sources of information on financial advice
- Consumers views on topical issues

Population demographics

AXA has created a unique view of the UK population by breaking it down into eight groups, each displaying distinct financial behaviour, aspirations, priorities and needs.

The Stretched: 20s-30s, low income, with few financial assets.

Young Professionals: mid 20s and 30s, no children, average income, likely to be taking out a first mortgage, low disposable income.

Nest Builders: young families in their 30s-40s, large mortgages.

Successful Security: 40s-50s, married, above average income, many with second homes.

Exclusive Lifestyles: mid 50s-60s, married with grown-up children, mortgage-free, high disposable income with considerable assets.

Modest Middle Years: late 40s-mid 60s; older families with financial dependants (grown-up children or an elderly relative), average income.

Prosperous Later Years: Empty nesters over 60 gearing towards retirement. No mortgage, with average income but high net worth.

Under-funded Seniors: retired people living in sheltered accommodation, low income and no savings, so dependent on the state.

KEY FINDINGS

1. The third quarter of 2011 saw financial optimism fall for most groups, with an average of just 16 per cent of consumers feeling optimistic about their financial situation.

2. Consumers have re-tightened their belts. The number 'going out less' in Q3 rose by three percentage points to 38 per cent and cutbacks on 'spending on the family' rose by three percentage points.

3. One in 10 UK consumers said they cannot see a time when their earnings will cover their outgoings and 15 per cent said they simply could not survive without a large overdraft facility or credit card. This rose to 24 per cent for Nest Builders.

4. The borrowing picture remained gloomy for most, with The Stretched and the Young Professionals borrowing more than the average on overdrafts and on credit cards and loans in Q3.

5. The overall debt picture was similar to Q2, with five per cent of consumers owing £10-15K. Even the better-off groups have been choosing to live just beyond their means: five per cent of each of the Successful Security and Exclusive Wealth groups still had debts of £5-10K.

6. Financial products were back in favour as people sought to protect themselves. But over half were still not contributing to a pension. Thirty-five per cent said that trying to satisfy immediate financial needs means that they are not saving at all for retirement.

7. Worryingly, 44 per cent of consumers don't know where to invest or save money to get a decent return.

8. Consumers were seeking more professional advice. There was a four percentage point increase to 24 per cent of consumers saying they would be 'happy to pay for financial advice (just as with a solicitor, accountant or estate agents)'.

9. Despite the gloom, over half of consumers will spend the same as usual across ten key areas this year on Christmas. Where they are planning to make cutbacks, most will be made in buying decorations, 'going out' and travelling abroad.

10. Confidence in the Government's handling of the economy remained low, with only a third agreeing that they are confident. This fell to 21 per cent in Yorkshire and the Humber, in contrast to the South East's 44 per cent.

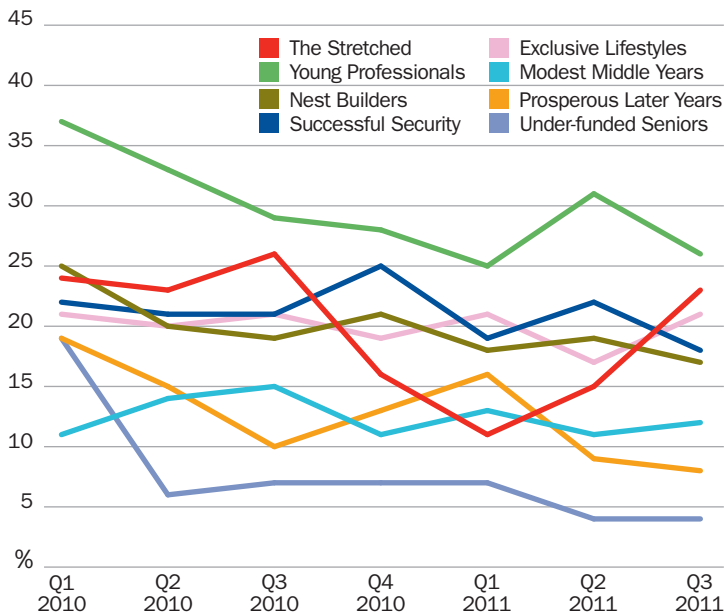
Section 1: Consumer confidence

Commenting on the overall report, Nick Turner, AXA's Director of Customer Partnerships, said:

“ The events of the last few months in the global economy, and particularly with the Euro, have clearly had an impact on consumers' confidence across all groups. People are again behaving more cautiously and making cutbacks in response to the seemingly unrelenting negative impact on their finances and an overwhelming feeling of uncertainty about what may happen next. ”

Consumers' financial outlook (levels of optimism about their personal finances)

I expect my financial situation to improve over the coming three months.



Please also see: Appendix – Table 1 (page 9)

The third quarter of 2011 saw the return of a gloomy and anxious outlook among most consumers. Financial optimism about the next three months remained at 16 per cent, having seen a slight increase in the previous quarter. Few found that their financial situation had improved in Q3, with the average falling one point to 14 per cent, and few were optimistic about the next quarter.

Among the older sections of the population, confidence has never been lower, with only four per cent of Under-funded Seniors believing that their financial outlook will improve in the next quarter – a drastic drop from 19 per cent back in Q1 of 2010. Enthusiasm was lowest in Wales, where only seven per cent were optimistic.

Only 33 per cent agreed that they were confident in the Government's handling of the economy, dropping right down to 19 per cent in Scotland and 21 per cent in Yorkshire and the Humber, in contrast to the South East's 46 per cent.

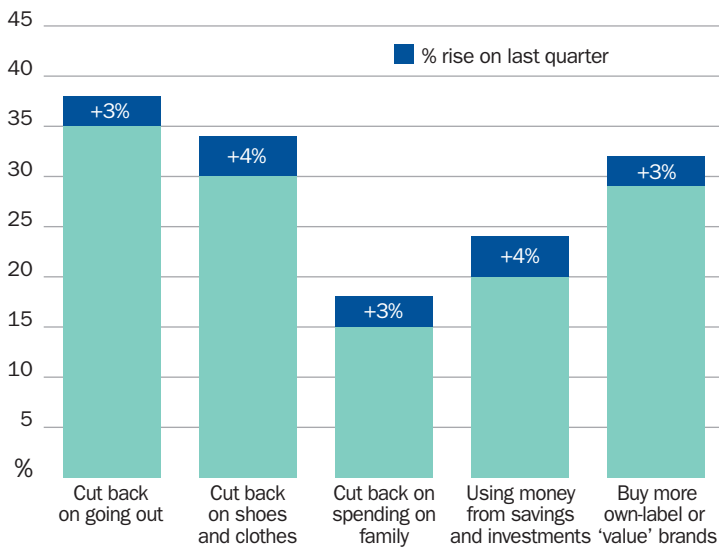
The fall in confidence is clearly linked to a downbeat Q3. The groups least likely to agree that their "financial situation has improved in the last three months" were the older groups, with only two per cent of Under-funded Seniors (a fall of three percentage points since the last quarter) and seven per cent of Prosperous Later Years (down from 10 per cent in the last quarter) agreeing.

The group most positive about the last quarter were the Young Professionals, where almost a third (31 per cent) agreed that their situation had improved, up four percentage points on Q2.

The situation was again bleakest in Wales (only seven per cent agreed that their situation had improved) and also the North East (nine per cent). London saw the largest decrease, from being most "improved" at 21 per cent last quarter, down to 16 per cent in Q3. Consumers in the South West were the most positive about their situation, with one in five (19 per cent) agreeing that things had improved.

Section 2: Consumer spending patterns

Consumer cutbacks



Full data available in Appendix – Table 5 (page 11)

Spending trends/cutbacks – re-tightening the belt

When asked “what have you had to do to make ends meet in the last quarter”, we saw a reverse trend in Q3. Following a more positive Q2 where fewer cutbacks were made almost across the board, consumers tightened their belts again.

The number of consumers ‘going out less’ in Q3 was back up by three percentage points to 38 per cent and cutbacks on spending on clothes and shoes rose again from 30 to 34 per cent. Cutbacks in ‘spending on the family’ were also back up from 15 to 18 per cent, ‘using money from savings and investments’ rose from 20 to 24 per cent and ‘spending more on own label or value buying’ was back up from 29 to 32 per cent.

Borrowing

Although, on average, borrowing more on credit cards or on overdraft saw no change at nine per cent and 11 per cent respectively, the picture was less positive in Q3 for certain groups, particularly The Stretched and the Young Professionals.

But although some consumers were borrowing more, they also paid off existing debt. In particular, there was a remarkable increase in the proportion of The Stretched group balancing their debt: although they were borrowing more, one in 10 were also paying off more, compared to just three per cent in Q2.

As for clearing credit cards or loans, the biggest rises were among The Stretched and The Under-funded Seniors.

But there was a two percentage point fall to nine per cent in those putting more money into savings (a downward trend that continued from the previous quarter).



Long-term gloom

One in 10 UK consumers agreed in Q3 that they ‘cannot see a time when their earnings will cover their outgoings (to fit their current lifestyle)’. This rose to a worrying 15 per cent for The Stretched, Nest Builders and Under-funded Seniors. Even some of the apparently better-off groups are living beyond their means, with seven per cent of the Exclusive Wealth group agreeing with this statement.

Furthermore, 15 per cent of all groups combined say they simply could not survive without a large overdraft facility or credit card. This rose to 24 per cent for Nest Builders but was still significant at nine per cent in the Successful Security group.

Seven per cent of UK consumers were not confident they can pay back their current loan(s) in the specified time period. This rose to 13 per cent for The Stretched.

Section 2: Consumer spending patterns continued

The debt picture

Overall debt levels were similar to Q2; five per cent still owed £10-15K. As before, 84 per cent owned a credit card. There was evidence that even the better-off groups were living just beyond their means or simply not managing money well: five per cent of each of the Successful Security and Exclusive Wealth groups still owed £5-10K, despite almost one in five of both groups having £50-100K available in liquid assets that can quickly be converted to cash.

Room for improvement

The Stretched were still the most likely to have £5-10K in outstanding debt – 14 per cent of this group owed this much. One in ten Young Professionals were £10-15K in debt.

Worryingly, seven per cent of Under-funded Seniors and four per cent of The Stretched did not know how much debt they had on cards and loans (not including mortgage).

The most popular monthly credit card repayment amount among those with debts for the Modest Middle Years was £201-300, with one in 10 paying off this amount each month. The Stretched were still most likely to be paying off just £76-100 (nine per cent) whereas eight per cent of Nest Builders were managing to pay off higher amounts of £501-700 per month.

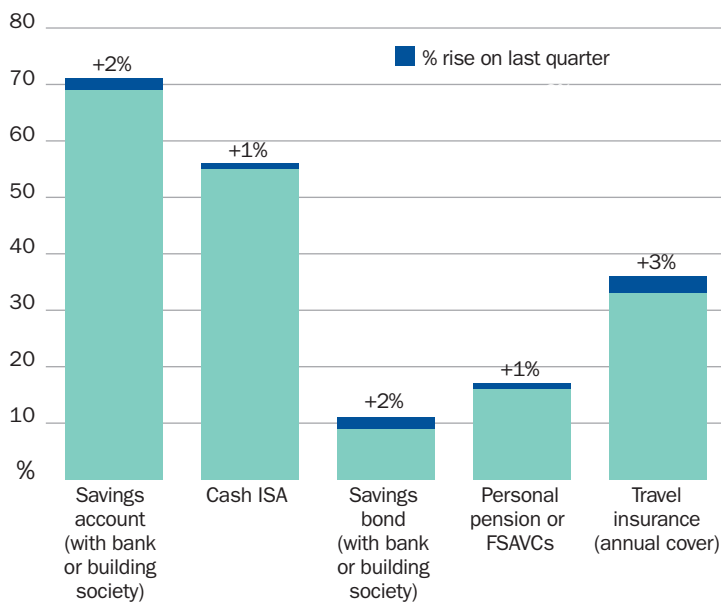
In the higher income groups, one in 10 in the Exclusive Wealth group were paying £1,001-1,250 a month off their credit card, and eight per cent of the Successful Security group were paying off £751 to £1,000 per month.

One in 10 were prioritising paying off debts other than mortgages (e.g. credit cards and loans). This rose to 17 per cent of both The Stretched and Young Professionals and was their biggest concern over and above paying the rent or mortgage.



Section 3: Financial products and investment

Ownership of financial products Q3 2011



Full data available in Appendix – Table 10 (page 14)

Financial products seemed to be back in favour. Although consumers were tightening their belts in general spending, they appeared keen to continue to spend money or at least not abandon existing plans to protect themselves from potential financial disaster. Ownership of most financial products rose in Q3. Sixty-one per cent owned investments.

However, there was confusion and concern around how and where to invest money. The number of consumers who 'don't know where to invest or save money to get a decent return' rose dramatically from 36 per cent back up to 44 per cent.

There was an about-turn in those who would look for unusual options other than shares – down from 18 per cent to only 11 per cent. And in another reverse trend: property became a more popular investment option again – from 31 up to 36 per cent.

Only 16 per cent agreed that they were confident investing in British shares – a drop of five (21%) percentage points since March this year. In fact, 42 per cent in Q3 agreed that the volatility of the stock market put them off investing in shares.

A high 40 per cent were concerned about losing the wealth they have accumulated already.

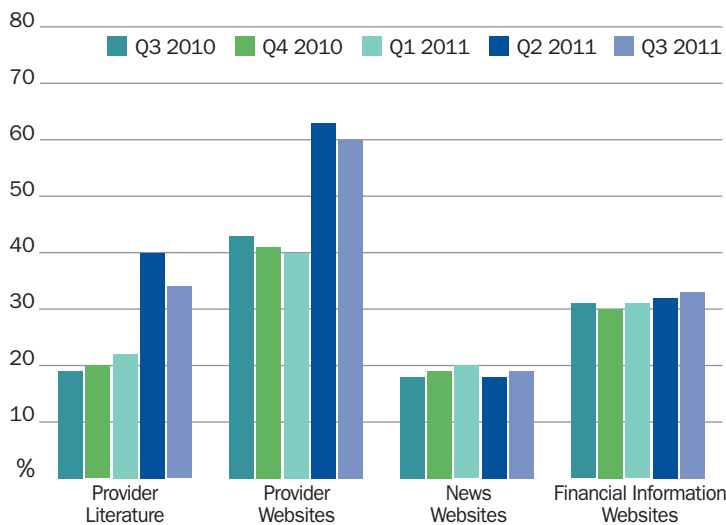
As for the future, 72 per cent believed that "all consumers must recognise the need to contribute more to their own pension pot", but 35 per cent agreed that trying to satisfy immediate financial needs means that they were currently not saving anything at all for retirement.

Q3 saw a three percentage point drop from 31 to 28 per cent in those who were "confident they know how much income they will need in retirement".



Section 4: Managing money and sources of financial advice

Sources of information and advice used



Full data available in Appendix – Table 14 (page 16)

It appears that most consumers became more aware in Q3 of the need to manage their finances more closely. An encouraging 82 per cent agreed they have a very clear picture of what they earn and what they pay out each month and that they monitored this regularly.

Yet a worrying eight per cent agreed they 'actively avoid' opening their bank statements or checking their balance online. This was worst for one of the very groups who should be keeping tabs: the Nest Builders (at 13 per cent).



Nick Turner, AXA's Director of Customer Partnerships, said:

“Despite overall spending cutbacks; consumers are keen to protect what finances they have left. The trend is shifting toward independent financial advice and away from specific provider information and relying on friends and family. It's a positive sign that most people are getting better at managing and keeping tabs on their finances at home.”

Seeking advice

Q3 saw an encouraging increase of four percentage points to 25 per cent agreeing they were 'more likely to seek financial advice now than two years ago', rising to 36 per cent of Young Professionals. But only four per cent said they had used the Government's Money Advice service. It rose to six per cent for Nest Builders and to six per cent in the East Midlands and the North West.

There was an encouraging drop of three percentage points to just nine per cent of consumers agreeing they have no idea where to go for support when dealing with financial matters.

It appears that professional and independent advice was in favour: There was a four percentage point increase to 24 per cent of people saying they would be 'happy to pay for financial advice (just as with a solicitor, accountant or estate agents)'. This was highest in London at 31 per cent and lowest in Wales at 18 per cent.

The apparent trend for seeking professional advice was supported by a fall of five percentage points to 23 per cent in those who would rather use friends or family for financial advice than an IFA.

Use of provider literature dropped by six percentage points to 34 per cent. Use of more independent news websites as a source rose by one point and use of financial information websites rose by one percentage point to 33 per cent.

Section 5: Topical issues

SPOTLIGHT ON: THE ROLE OF GOVERNMENT IN HELPING CONSUMERS

Consumers have high expectations of the Government's role in helping them manage their money. Seventy one per cent would like to see the Government do more to encourage a savings culture and 76 per cent agree that the Government should play a much stronger role in educating young people that material possessions need to be earned.

Almost half (47 per cent) believed that more should be done to allow flexibility in drawing down retirement savings and 32 per cent agreed that quick access to long term investments or savings would make them save more.

A quarter of UK consumers agreed that they felt less confident than six months ago in the security of UK Government Bonds.

And taxation remained a concern: 37 per cent agreed that tax rates in the UK act as a disincentive to wealth creation and 27 per cent believed the Government should abolish the 50p tax rate as soon as possible.

OTHER TOPICAL ISSUES

- Over two-thirds of UK consumers (69 per cent) agreed that higher university tuition fees (that have to be paid for by larger student loans) are contributing to a culture of accepting debt as 'the norm' in the UK.
- Almost one third (30 per cent) of consumers agreed that if they don't look after their health properly they deserve to be denied free treatment on the NHS. Just over a third (37 per cent) would be prepared to pay for some treatments/services to supplement the NHS.
- But perhaps there was a glimmer of a confidence in the NHS ...Q3 saw a nine percentage point fall in the number of consumers who expect that more health treatments will have to be funded privately in the next three years, down from 67 per cent in Q2 to 58 per cent in Q3.
- Almost half of UK consumers (48 per cent) said the Euro's days are numbered as a currency. This belief was highest in the North West at 57 per cent and lowest in London at only 41 per cent.

SPOTLIGHT ON: CHRISTMAS SPENDING 2011

Consumers were asked in Q3 whether they will be spending more or less in ten different areas this Christmas, including presents, food, drink, going out and decorations.

While on average, between 52 and 62 per cent said they will spend the same as usual on Christmas this year, just over a third will spend less on decorations (36 per cent) and going out (34 per cent), and just under a third will spend less on presents (30 per cent). Food was the least likely area of Christmas cutbacks, with only 24 per cent saying they will spend less.

By far the most likely to make cutbacks in all areas are the Under-funded Seniors, with as many as 54 per cent saying they will go out less and throw parties or entertain friends and family less. For The Stretched, the biggest cutbacks will be on going out (45 per cent will spend less). As many as 43 per cent of Modest Middle Years group will throw fewer parties or entertain family and friends.

The region most likely by far to make cutbacks in all ten subject areas is the North East, with 51 per cent planning to spend less on going out and 57 per cent planning to spend less on decorations. Consumers in London are by far the least likely to make cutbacks across every one of the ten subject areas.

About the research

The consumer research used for the AXA Big Money Index report was carried out by YouGov every quarter from 2010 to September 2011. Sample sizes were between 1,500 and 2,500 for each wave of research. In Q3, the research was conducted between 16 and 28 September with 1,985 UK adults. In Q2, the research was conducted with 2,012 UK adults and in Q1, the research was conducted with 1,856 UK adults. Findings are reported on a 95 per cent confidence level.

Appendix

TABLE 1: I expect my financial situation to improve over the coming three months
To what extent do you agree or disagree with the following statements?

POPULATION DEMOGRAPHIC/QUARTER	Q1 2010	Q2	Q3	Q4	Q1 2011	Q2	Q3
The Stretched	24%	23%	26%	16%	11%	15%	23%
Young Professionals	37%	33%	29%	28%	25%	31%	26%
Nest Builders	25%	20%	19%	21%	18%	19%	17%
Successful Security	22%	21%	21%	25%	19%	22%	18%
Exclusive Lifestyles	21%	20%	21%	19%	21%	17%	21%
Modest Middle Years	11%	14%	15%	11%	13%	11%	12%
Prosperous Later Years	19%	15%	10%	13%	16%	9%	8%
Under-funded Seniors	19%	6%	7%	7%	7%	4%	4%

TABLE 2: My financial situation has improved in the last three months – by segment
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Profes- sionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under- funded Seniors	Net Change from last quarter
Strongly agree	3%	5%	6%	4%	4%	4%	3%	2%	0%	0%
Agree somewhat	11%	10%	24%	13%	13%	12%	9%	5%	2%	-1%
Neither agree nor disagree	31%	31%	30%	29%	31%	39%	32%	32%	24%	-4%
Disagree somewhat	31%	26%	30%	31%	34%	24%	30%	41%	32%	+4%
Disagree strongly	23%	26%	9%	23%	18%	22%	27%	19%	42%	0%
Don't know	0%	3%	0%	0%	–	–	0%	–	–	0%

Appendix continued

TABLE 3: My financial situation has improved in the last three months – by region
To what extent do you agree or disagree with the following statements?

	Total	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East of England	London	South East	South West	Wales	Scotland	Northern Ireland	Net Change from last quarter
Strongly agree	3%	3%	4%	1%	3%	6%	4%	3%	3%	6%	1%	3%	-	0%
Agree somewhat	11%	6%	9%	14%	7%	9%	11%	13%	12%	13%	6%	11%	16%	-1%
Neither agree nor disagree	31%	38%	32%	29%	34%	34%	31%	34%	29%	27%	31%	28%	26%	-4%
Disagree somewhat	31%	28%	27%	34%	33%	32%	32%	33%	31%	29%	28%	32%	21%	+4%
Disagree strongly	23%	26%	27%	21%	21%	19%	21%	18%	24%	25%	34%	26%	32%	0%
Don't know	0%	-	-	1%	1%	1%	1%	-	0%	1%	-	-	5%	0%

TABLE 4: I am confident in this Government's handling of the economy
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Strongly agree	6%	1%	6%	8%	6%	16%	3%	7%	4%	-2%
Agree somewhat	27%	15%	26%	26%	31%	41%	24%	33%	17%	-1%
Neither agree nor disagree	15%	18%	12%	16%	16%	15%	13%	16%	16%	+1%
Disagree somewhat	20%	17%	21%	23%	16%	13%	21%	21%	24%	-1%
Strongly disagree	29%	35%	30%	25%	30%	15%	36%	22%	38%	+2%
Don't know	3%	14%	5%	3%	1%	1%	3%	1%	1%	+1%

TABLE 4a: I am confident in this Government's handling of the economy – by region
To what extent do you agree or disagree with the following statements?

	Total	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East of England	London	South East	South West	Wales	Scotland	Northern Ireland	Net Change from last quarter
Strongly agree	6%	4%	5%	6%	6%	5%	4%	6%	10%	9%	4%	4%	5%	-2%
Agree somewhat	27%	23%	23%	15%	28%	32%	29%	31%	36%	24%	24%	15%	21%	-1%
Neither agree nor disagree	15%	13%	14%	14%	19%	13%	19%	14%	16%	16%	9%	13%	16%	+1%
Disagree somewhat	20%	22%	19%	23%	21%	17%	24%	17%	13%	24%	19%	26%	26%	-1%
Strongly disagree	29%	32%	35%	38%	22%	30%	24%	27%	21%	24%	41%	38%	32%	+2%
Don't know	3%	6%	4%	4%	3%	3%	1%	4%	3%	2%	4%	4%	-	+1%

Appendix continued

TABLE 5: Consumer spending and saving activity
Impact on spending over the last three months

Spent less on	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Underfunded Seniors	Net Change from last quarter
Not taken a holiday	19%	26%	21%	16%	14%	10%	21%	12%	30%	+1%
Use the car less	24%	23%	8%	24%	17%	17%	28%	30%	39%	-1%
Go out less often	38%	50%	41%	48%	33%	23%	43%	26%	41%	+3%
Spend less on alcohol or 'takeaways'	28%	42%	34%	43%	27%	13%	25%	15%	28%	-2%
Spend less on shoes or clothes	34%	50%	37%	43%	28%	21%	36%	17%	43%	+4%
Cut back on spending on the family	18%	26%	6%	32%	17%	10%	21%	9%	21%	+3%
Cut back on presents at birthdays and Christmas	18%	27%	9%	25%	14%	9%	20%	10%	30%	0%
Use money from savings or investments	24%	20%	20%	28%	17%	18%	25%	29%	30%	+4%
Stop paying the premium on a life assurance policy	2%	2%	1%	2%	2%	1%	3%	0%	2%	+1%
Reduce/stop paying into a pension	3%	1%	2%	5%	6%	4%	3%	1%	2%	N/A
Stop paying premiums on other insurance policy/policies (besides life assurance)	1%	1%	1%	0%	2%	1%	2%	1%	1%	0%
Reduce cover on other insurance policy/policies (besides life assurance)	2%	3%	1%	1%	1%	1%	3%	2%	3%	0%
Borrow on my overdraft	11%	23%	19%	15%	8%	6%	11%	3%	6%	0%
Borrow more money on a credit card or loan	9%	16%	14%	13%	6%	3%	8%	3%	10%	0%
Not pay bills until the final demand arrives	6%	14%	7%	4%	5%	8%	5%	2%	6%	0%
Re-mortgaged my home	1%	1%	-	1%	2%	0%	-	0%	2%	0%
Ask friends and family for financial help	5%	13%	10%	7%	2%	2%	3%	-	2%	+1%
Cut back spending on food	25%	41%	25%	31%	18%	14%	27%	12%	35%	0%
Buy more own-label or 'value' brands	32%	44%	23%	39%	24%	18%	33%	21%	52%	+3%
Change the supermarket used for the main shop	12%	20%	6%	10%	13%	6%	12%	12%	20%	+1%
Cut back on the use of oil/gas/electricity	25%	25%	14%	20%	22%	16%	28%	24%	53%	+1%
Stopped putting money away into savings	18%	19%	17%	22%	13%	14%	20%	16%	22%	N/A
Switched insurance provider to a cheaper provider	13%	10%	6%	15%	12%	14%	18%	13%	16%	N/A
Cancelled private medical insurance policy	1%	0%	1%	1%	1%	1%	2%	3%	2%	N/A
Downgraded private medical insurance policy	1%	0%	-	-	-	2%	1%	1%	1%	N/A
None of these	34%	26%	30%	28%	44%	54%	34%	40%	16%	-3%

Appendix continued

TABLE 6: Consumer spending and saving activity
Impact on spending over the last three months

Spent more on	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Taken a holiday	20%	10%	19%	15%	25%	28%	21%	27%	13%	+4%
Go out more often	6%	4%	6%	4%	6%	11%	5%	6%	2%	+1%
Spend more alcohol or 'takeaways'	3%	6%	6%	3%	2%	5%	2%	1%	3%	0%
Spend more on shoes or clothes	4%	3%	7%	3%	4%	3%	2%	4%	3%	0%
Spend more on 'nice to have things' e.g. DVDs, CDs, jewellery	3%	2%	6%	3%	2%	1%	3%	2%	1%	+1%
Spent more on the family	7%	5%	3%	6%	10%	9%	5%	8%	6%	0%
Spent more on presents at birthdays and Christmas	2%	1%	3%	1%	2%	2%	–	3%	2%	0%
Subscribed to cable/satellite TV	3%	4%	3%	2%	2%	1%	4%	3%	4%	+1%
Put more money into savings or investments	9%	7%	10%	8%	13%	12%	11%	10%	3%	-2%
Paid off some/all of my overdraft	5%	10%	8%	5%	4%	4%	3%	3%	2%	+1%
Cleared some/all of the money on a credit card or loan	14%	16%	20%	16%	17%	10%	12%	10%	14%	+1%
Home improvements	15%	10%	11%	16%	19%	20%	14%	20%	6%	-1%
Spend more on food	7%	6%	6%	4%	6%	8%	8%	8%	11%	-2%
None of these	49%	59%	44%	52%	43%	44%	50%	46%	55%	0%

TABLE 7: I cannot see a time when my earnings will cover my outgoings (to fit my current lifestyle)

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	3%	5%	2%	3%	2%	2%	3%	1%	6%
Agree somewhat	7%	10%	8%	12%	2%	5%	7%	4%	9%
Neither agree nor disagree	15%	20%	15%	19%	13%	8%	15%	11%	21%
Disagree somewhat	19%	24%	21%	21%	19%	17%	19%	12%	17%
Strongly disagree	52%	27%	50%	43%	63%	68%	53%	69%	42%
Don't know	4%	13%	4%	3%	2%	1%	4%	3%	6%

Appendix continued

TABLE 8: I simply could not survive without a large overdraft facility or credit card
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	4%	4%	6%	5%	2%	3%	4%	3%	4%
Agree somewhat	11%	17%	14%	19%	7%	8%	8%	4%	8%
Neither agree nor disagree	9%	16%	11%	13%	10%	8%	8%	4%	6%
Disagree somewhat	13%	15%	17%	15%	14%	15%	12%	8%	11%
Strongly disagree	60%	36%	48%	46%	65%	67%	65%	80%	69%
Don't know	3%	12%	3%	2%	1%	0%	3%	1%	2%

TABLE 9: How much outstanding debt do you currently have?
This should include all cards and loans but not your mortgage

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Up to £500	46%	23%	37%	36%	55%	54%	51%	62%	50%	+1%
£501 – £1,000	6%	5%	6%	6%	4%	5%	4%	12%	8%	-1%
£1,001 to £2,500	7%	10%	4%	7%	8%	8%	6%	5%	6%	-1%
£2,501 to £5,000	8%	10%	12%	10%	8%	8%	7%	4%	6%	0%
£5,001 to £10,000	8%	14%	11%	11%	5%	5%	8%	2%	6%	0%
£10,001 to £15,000	5%	6%	10%	9%	2%	3%	3%	3%	3%	+1%
£15,000 to £20,000	4%	7%	6%	3%	4%	2%	6%	1%	1%	+1%
£20,001 to £25,000	1%	3%	2%	1%	2%	1%	3%	–	1%	-1%
£25,001 to £35,000	2%	3%	2%	2%	1%	2%	3%	–	0%	0%
£35,001 to £50,000	1%	0%	1%	2%	1%	2%	0%	0%	–	-1%
£50,000 plus	1%	1%	1%	1%	2%	2%	0%	0%	–	0%
Don't know	3%	4%	2%	2%	2%	0%	3%	3%	7%	0%
Prefer not to answer	9%	16%	7%	9%	8%	8%	6%	8%	14%	+2%

Appendix continued

TABLE 10: Financial products held and type of products by segment Q3 2011

Product	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Current account with a bank or building society for personal use (excluding business accounts)	95%	87%	97%	95%	97%	96%	95%	96%	91%	0%
Credit card	84%	60%	84%	83%	93%	97%	86%	95%	76%	0%
Mortgage	43%	50%	45%	81%	70%	42%	42%	8%	8%	+2%
Savings account with a bank or building society	71%	51%	71%	68%	80%	83%	70%	82%	58%	+2%
Cash ISA	56%	38%	60%	48%	62%	54%	58%	72%	49%	+1%
Stocks and Shares ISA	27%	7%	15%	19%	42%	54%	21%	50%	9%	+1%
Premium Bonds	42%	19%	23%	32%	55%	57%	49%	63%	35%	+1%
Unit trust, investment trust or OEIC	12%	2%	5%	6%	16%	27%	10%	26%	3%	+1%
Guaranteed Equity Bond	2%	1%	1%	0%	1%	3%	3%	4%	1%	0%
Savings bond (with a bank or building society)	13%	2%	5%	4%	17%	21%	13%	31%	6%	+2%
Investment bond	6%	1%	2%	1%	6%	9%	7%	19%	4%	0%
Gilts	1%	–	0%	0%	2%	5%	0%	3%	0%	0%
Stocks and shares	29%	7%	16%	22%	46%	60%	26%	47%	8%	+1%
National Savings Bonds or Certificates	11%	2%	8%	6%	21%	22%	9%	20%	4%	0%
Personal pension or FSAVCs	18%	9%	10%	17%	31%	31%	21%	18%	7%	+1%
Self invested personal pension (SIPP)	7%	1%	5%	2%	12%	23%	7%	8%	3%	+1%
Income drawdown	1%	–	0%	–	0%	4%	0%	4%	1%	0%
Pension annuity	8%	0%	1%	–	3%	8%	8%	26%	12%	+2%
Company pension	44%	30%	38%	46%	54%	51%	43%	58%	27%	+1%
Private medical insurance – own personal policy	9%	2%	4%	6%	10%	23%	10%	17%	4%	0%
Private medical insurance – provided by employer	14%	9%	16%	21%	30%	24%	8%	3%	–	+1%
Private dental Insurance	10%	3%	7%	7%	15%	18%	10%	13%	4%	0%
Motor insurance	68%	48%	42%	74%	77%	82%	72%	85%	57%	+1%
Only Buildings insurance	3%	4%	3%	2%	4%	6%	2%	3%	4%	-1%
Only Contents insurance	12%	13%	24%	5%	6%	8%	4%	6%	30%	+1%
Separate contents and building insurance	9%	4%	7%	7%	16%	14%	9%	12%	7%	0%
Joint building and contents insurance	57%	36%	25%	71%	72%	69%	70%	76%	38%	+1%
Travel insurance (single trip)	5%	4%	3%	6%	4%	4%	5%	8%	6%	0%
Travel insurance (annual cover)	36%	13%	30%	28%	53%	63%	37%	49%	12%	+3%
Pet insurance	14%	14%	9%	18%	18%	13%	19%	11%	6%	+1%
Mortgage payment protection	6%	9%	5%	10%	6%	4%	10%	1%	0%	-1%
Income protection	5%	5%	5%	10%	7%	8%	3%	–	–	+1%
Life assurance	32%	24%	16%	48%	46%	41%	33%	21%	27%	-1%
Critical illness	10%	10%	11%	23%	18%	12%	8%	1%	1%	-1%
PPI (payment protection insurance)	2%	3%	2%	3%	1%	2%	1%	–	2%	0%
Health Cash Plan	3%	0%	0%	3%	5%	3%	5%	2%	3%	0%
None of these	1%	7%	2%	1%	–	–	1%	–	1%	0%

Appendix continued

TABLE 11: I don't know where to invest or save money to get a decent return
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Strongly agree	13%	13%	15%	13%	11%	13%	11%	13%	14%	+2%
Agree somewhat	31%	30%	37%	35%	34%	24%	30%	29%	25%	+6%
Neither agree nor disagree	20%	23%	17%	22%	16%	16%	22%	21%	26%	-2%
Disagree somewhat	22%	14%	21%	22%	27%	31%	20%	23%	15%	-1%
Strongly disagree	9%	5%	5%	4%	12%	15%	12%	12%	7%	-4%
Don't know	6%	16%	5%	4%	1%	1%	5%	3%	14%	0%

TABLE 12: I would consider investing in property at the moment
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Strongly agree	7%	10%	7%	5%	10%	8%	7%	4%	2%	+1%
Agree somewhat	29%	24%	33%	29%	39%	42%	32%	16%	15%	+4%
Neither agree nor disagree	22%	21%	16%	24%	17%	22%	23%	26%	24%	0%
Disagree somewhat	20%	16%	18%	22%	18%	18%	19%	27%	18%	-1%
Strongly disagree	17%	11%	18%	15%	13%	7%	15%	23%	28%	-2%
Don't know	7%	18%	8%	5%	3%	2%	4%	4%	12%	0%

TABLE 13: I am concerned about losing the wealth I have accumulated already
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	11%	5%	6%	8%	15%	15%	12%	16%	14%
Agree somewhat	29%	14%	22%	25%	37%	38%	33%	39%	25%
Neither agree nor disagree	26%	30%	20%	28%	21%	23%	28%	23%	31%
Disagree somewhat	17%	17%	25%	25%	19%	16%	13%	15%	6%
Strongly disagree	9%	11%	16%	9%	8%	6%	8%	5%	11%
Don't know	8%	22%	11%	4%	1%	2%	5%	3%	14%

Appendix continued

TABLE 14: Sources of information and advice used (advisers, accountants, etc) Q3 2011

Product	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Provider literature	34%	23%	34%	28%	42%	42%	35%	42%	23%	-6%
Provider websites	60%	52%	67%	67%	75%	71%	60%	53%	39%	-3%
Price comparison websites	57%	54%	64%	68%	63%	59%	60%	46%	43%	-1%
Newspaper	44%	23%	33%	39%	60%	65%	41%	61%	25%	0%
News websites	19%	14%	29%	20%	27%	23%	20%	16%	6%	+1%
Insurance brokers	10%	5%	6%	7%	16%	19%	10%	9%	6%	-1%
Accountants	4%	1%	4%	2%	6%	14%	5%	3%	1%	-2%
Bank	24%	22%	28%	26%	22%	20%	29%	21%	25%	-4%
Independent financial adviser	27%	17%	22%	26%	42%	40%	28%	29%	1%	-3%
Mortgage broker	5%	4%	11%	7%	6%	4%	5%	2%	1%	-2%
Financial information/forum website (moneysavingexpert.com)	33%	27%	36%	38%	38%	35%	38%	33%	18%	+1%
Friends and family	35%	37%	59%	43%	33%	24%	33%	27%	26%	-2%
Stock brokers	3%	-	2%	1%	6%	11%	2%	5%	1%	-1%
Employer	3%	3%	9%	5%	4%	1%	3%	0%	0%	-1%
Other	2%	1%	2%	2%	1%	2%	4%	3%	2%	0%
None of these	9%	20%	5%	6%	4%	2%	7%	8%	20%	+1%

TABLE 15: I have a very clear picture of what I earn and what I pay out each month and I monitor this regularly

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	46%	32%	35%	42%	48%	47%	50%	62%	49%
Agree somewhat	36%	34%	44%	41%	35%	37%	35%	27%	34%
Neither agree nor disagree	10%	15%	10%	7%	11%	9%	8%	7%	11%
Disagree somewhat	5%	6%	8%	7%	5%	6%	3%	1%	2%
Strongly disagree	1%	1%	1%	0%	-	0%	1%	0%	0%
Don't know	3%	13%	3%	2%	1%	0%	3%	2%	3%

Appendix continued

TABLE 16: I am more likely to seek financial advice now than two years ago
To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Strongly agree	4%	5%	4%	4%	6%	4%	4%	2%	2%	+1%
Agree somewhat	21%	23%	32%	28%	21%	17%	22%	13%	11%	+3%
Neither agree nor disagree	32%	30%	28%	31%	30%	41%	34%	36%	28%	+1%
Disagree somewhat	21%	15%	22%	20%	23%	23%	18%	27%	22%	-3%
Strongly disagree	17%	10%	8%	13%	18%	15%	18%	19%	30%	-4%
Don't know	5%	17%	6%	3%	2%	0%	5%	2%	8%	+3%

TABLE 17: I am happy to pay for financial advice (just as I would with a solicitor, accountant or estate agent)

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Strongly agree	4%	3%	2%	1%	7%	10%	2%	6%	1%	+2%
Agree somewhat	20%	10%	21%	17%	32%	36%	20%	21%	6%	+2%
Neither agree nor disagree	22%	26%	20%	26%	24%	16%	22%	22%	22%	-1%
Disagree somewhat	26%	23%	35%	34%	20%	19%	28%	21%	23%	-2%
Strongly disagree	23%	24%	16%	20%	16%	17%	24%	27%	44%	-3%
Don't know	5%	13%	7%	2%	2%	1%	5%	4%	4%	+2%

TABLE 18: I'd rather get financial advice from family and friends than an IFA

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors	Net Change from last quarter
Strongly agree	5%	6%	6%	5%	4%	5%	5%	5%	7%	-3%
Agree somewhat	18%	23%	27%	23%	13%	11%	13%	18%	17%	-2%
Neither agree nor disagree	26%	30%	29%	26%	24%	21%	29%	19%	28%	-8%
Disagree somewhat	24%	15%	24%	30%	28%	25%	28%	19%	19%	+2%
Strongly disagree	20%	9%	6%	12%	27%	35%	20%	33%	21%	+8%
Don't know	7%	17%	8%	5%	4%	3%	5%	6%	8%	+3%

Appendix continued

TABLE 19: I would like to see the Government do more to encourage a savings culture in the UK

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	24%	16%	23%	16%	27%	32%	23%	37%	19%
Agree somewhat	47%	36%	49%	50%	45%	50%	50%	47%	44%
Neither agree nor disagree	20%	27%	16%	24%	19%	14%	20%	11%	28%
Disagree somewhat	3%	3%	2%	5%	5%	1%	2%	1%	2%
Strongly disagree	1%	1%	2%	1%	1%	0%	1%	1%	4%
Don't know	5%	16%	7%	5%	2%	2%	4%	2%	4%

TABLE 20: The Government should play a much stronger role in educating young people that material possessions need to be earned

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	41%	30%	37%	37%	37%	43%	43%	49%	52%
Agree somewhat	35%	37%	35%	43%	34%	35%	40%	33%	26%
Neither agree nor disagree	15%	17%	16%	14%	19%	13%	11%	13%	16%
Disagree somewhat	3%	1%	6%	3%	4%	6%	2%	3%	2%
Strongly disagree	2%	2%	2%	0%	5%	3%	1%	1%	2%
Don't know	3%	13%	4%	2%	1%	1%	3%	1%	2%

TABLE 21: I feel less confident now than six months ago in the security of UK Government Bonds

To what extent do you agree or disagree with the following statements?

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
Strongly agree	7%	9%	5%	3%	8%	3%	8%	7%	15%
Agree somewhat	18%	16%	12%	20%	17%	22%	18%	23%	20%
Neither agree nor disagree	37%	32%	36%	40%	37%	35%	40%	41%	31%
Disagree somewhat	15%	7%	19%	16%	22%	23%	14%	16%	5%
Strongly disagree	6%	3%	6%	6%	7%	12%	8%	5%	3%
Don't know	16%	32%	22%	15%	8%	7%	13%	7%	26%

Appendix continued

TABLE 22: Going out: Thinking about your spending at Christmas this year

Do you think you will be spending more, the same as last year, or less on:

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
More	4%	3%	10%	3%	3%	4%	3%	4%	2%
The same	57%	41%	62%	50%	67%	73%	57%	65%	39%
Less	34%	45%	24%	43%	28%	20%	37%	25%	54%
Don't know	4%	10%	4%	3%	2%	3%	4%	5%	4%

TABLE 23: Going out: Thinking about your spending at Christmas this year – by region

Do you think you will be spending more, the same as last year, or less on:

	Total	North East	North West	Yorkshire and the Humber	East Midlands	West Midlands	East of England	London	South East	South West	Wales	Scotland	Northern Ireland
More	4%	4%	2%	4%	3%	2%	3%	8%	4%	3%	1%	4%	5%
The same	57%	41%	54%	54%	58%	59%	53%	61%	60%	60%	56%	55%	58%
Less	34%	51%	39%	38%	36%	32%	39%	25%	31%	33%	38%	37%	32%
Don't know	4%	4%	4%	4%	3%	6%	4%	5%	4%	4%	5%	4%	5%

TABLE 24: Decorations: Thinking about your spending at Christmas this year

Do you think you will be spending more, the same as last year, or less on:

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
More	4%	3%	10%	3%	3%	4%	3%	4%	2%
The same	57%	41%	62%	50%	67%	73%	57%	65%	39%
Less	34%	45%	24%	43%	28%	20%	37%	25%	54%
Don't know	4%	10%	4%	3%	2%	3%	4%	5%	4%

TABLE 25: Food: Thinking about your spending at Christmas this year

Do you think you will be spending more, the same as last year, or less on:

	Total	The Stretched	Young Professionals	Nest Builders	Successful Security	Exclusive Lifestyles	Modest Middle Years	Prosperous Later Years	Under-funded Seniors
More	10%	7%	10%	8%	7%	12%	11%	12%	10%
The same	62%	51%	69%	57%	71%	71%	57%	71%	51%
Less	24%	33%	16%	32%	20%	15%	29%	14%	38%
Don't know	3%	9%	5%	3%	2%	3%	3%	3%	1%