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#changethestory

People & Money 2020

The BlackRock People & Money report is about discovery, truth and opportunity. As the world changes, so does people’s thinking about money. That’s why we traveled the globe to talk to them about this complicated relationship. This is their story. And the more we listen, the better we can act.

The following outcomes within this material are based on Switzerland only. This survey was fielded between November 2019 and January 2020, with 26,814 respondents in 18 nations, of which 1,020 came from Switzerland.

BlackRock®

Insights from Europe/Switzerland

66%

of Swiss respondents do not feel addressed in advertisements, as they don't see people similar to themselves in them.



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What we heard



Sustainability

Swiss employees are interested in learning more about ESG-related options



Sentiments and Expectations

Many of the respondents do not feel addressed by the advertising



Retirement

Swiss pensioners are often scared of not knowing how much money they will need in the future



Advice and tech

One-click investment services are attractive

What we heard

52%

are interested in learning more about ESG-related options

66%

do not recognise themselves in advertisements from investment institutions

23%

of respondents who have started saving for retirement still feel negative about the future

50%

of Swiss respondents would be (very) interested in one-click investment services

We set out to understand the relationship people have with money. We identified 4 key trends.

- **Sustainable investing:** More than half of Swiss employees are interested in learning more about ESG related options, and one in five would contribute more if the company pension plan increased its allocation for ESG investment
- **Sentiments and expectation:** Most of the Swiss do not feel addressed and say that they don't see "people like them" in advertisements from investment institutions and especially women don't see themselves as investors
- **Retirement:** Among all generations and investors as well as non-investors, the main motivation regarding retirement plans is "not running out of money in retirement" (the percentages for this answer vary between 61% and 63%)
- **Advice and tech:** Half of Swiss investors find it convenient to have investments linked to their bank account

Sustainability

Swiss employees are interested in learning more about ESG-related options

Perception of sustainability

Human rights and environmental sustainability are key issues for the Swiss.

57%

of respondents claim human rights and environment sustainability (55%) as the most frequent issues

52%

of respondents rate climate change as extremely important

63%

of respondents feel most responsibility to act sustainably lies with governments followed by corporations or companies (48%), 45% feel this responsibility lies with the individual

Importance of Sustainability

The majority of the Swiss think investments should have a positive impact.

44%

of Swiss respondents claim that they would be most likely to invest in climate change followed by technological advancement (16%)

48%

would invest in a trend because it best aligns with their personal values, followed by the estimation that the trend has the most potential for good financial returns (30%)

79%

of investors state that it is important that investments have a positive impact

84%

of respondents are aware of sustainable investing

The Swiss would pay additional fees for sustainable investments.

47%

of investors agree with the statement that they would pay additional fees for sustainable investments

Sustainable investment fees

A significant number of Swiss respondents would agree to pay additional fees for sustainable investments.

47%

of investors agree with the statement that they would pay additional fees for sustainable investments

77%

of investors would be willing to switch to sustainable investments if all other factors remained unchanged (e.g. fees, return on investment)

36%

of companies' retirement/pension investment plans don't include Environmental, Social or Governance (ESG) investment options

22%

would contribute more if their company pension plan increased its allocations to ESG investments

Social responsibility

Social responsibility influences how people spend money.

Swiss respondents more likely consider social responsibility when shopping for groceries than when making investments.

49%

of respondents feel the need to behave socially responsibly when making investments. The need to behave socially responsibly is felt more strongly when shopping for groceries (91%) or buying clothes (82%)

63%

of investors state they consider socially responsible factors when making investments

Sustainability encourages to invest

A significant number of the Swiss would invest for the first time or would invest more in sustainable investments.

37%

of non-investors agree with the statement that sustainable investment options would encourage them to invest for the first time (GenY/Millennials 40%, GenX 34%, GenBB 39%)

52%

of Swiss employees (52%) are interested in learning more about ESG-related options and 22% would contribute more if their company pension plan increased its allocations to ESG investments

Sentiments and Expectations

Many of the respondents do not feel addressed by the advertising

Well-being

Investors usually have greater peace of mind and feeling of financial security.

Men are more likely to feel positive about their financial future than women.

62%

feel positive about their financial future

35%

rate their financial health as somewhat positive or even very positive, the majority are investors

26%

rate their financial health as somewhat negative or even very negative, the majority are non-investors

35%

of investors are stressed by money, while 50% of non-investors feel that money is a stress factor

Financial stress

Money is the most frequent stressor overall and across all income levels.

Even people with a high income are financially stressed.

40%

see money as an important stressor in their lives followed by work (33%) and their own health (26%)

34%

of respondents with a high income still rate money as stress factor

42%

GenY/Millennials (42%) rate money as a stress factor, compared to 41% of GenX and 36% of GenBB

Advertisement

Most of the Swiss do not feel addressed in advertisements, as they don't see people similar to themselves in them.

66%

of respondents say that they don't see "people like myself" in advertisements from investment institutions

61%

of respondents say that they don't feel that investment institutions care about "people like me"

49%

of men say that investing is for "people like me" whereas only 35% of women agree with this statement

Investments

Non-investors think that investing is not for them because they don't have enough money.

Investors advise that investing can start with small amounts.

49%

of investors advise you to be sure that you are not investing more than you can afford

41%

of non-investors who are holding investible assets state that they don't have enough money to buy investments. 44% of investors advise initially investing with a small amount of money

Swiss women don't see themselves as investors.

82%

of women don't see themselves as investors

Women and investing

Women don't see themselves as investors.

82%

of women don't see themselves as investors

26%

of women are more reluctant to take higher risks to achieve higher returns than men (37%)

Service portfolio

Growing and retaining wealth is one of the major financial goals among the Swiss.

Millennials in particular see this as one of their major goals.

67%

of respondents claim saving followed by growing/retaining wealth (49%) and paying off debts (28%) as main financial goal

43%

plan to save or invest money for retirement

56%

of respondents who are confident in investments plan to increase or retain their wealth

40%

of Millennials are primarily interested in growing their wealth, compared to only 32% of GenX and 19% of GenBB

**Investing is associated
with the risk of loosing
money.**

48%

of Swiss associate the word "risk" with
the potential to lose money and 13%
with the potential to gain money

Risk-aversity

The majority of respondents would describe themselves as risk-averse.

68%

of respondents say that they are not willing to take on higher risks to achieve higher returns

48%

of respondents associate the word "risk" with the potential to lose money and 13% with the potential to gain money

Customization

Some Swiss investors show certain interest in a custom portfolio created specifically for them, for which they might pay a premium.

Customization is particularly attractive for GenY/Millennials.

33%

of traditional investors would prefer a custom portfolio that is created specifically for them, for which they might pay a premium

31%

of investors would prefer to invest in specific products, funds or companies based on their preferences

40%

of GenY or Millennials would prefer a custom portfolio that is created specifically for them, for which they might pay a premium. This is less attractive for GenX (31%) and GenBB (29%)

Retirement

Swiss pensioners are often scared of not knowing how much money they will need in the future

Retirement fears

Being prepared for retirement, especially in financial terms, positively impacts peace of mind.

63%

among all generations and investors as well as non-investors, the main motivation regarding retirement plans is "not running out of money in retirement". The percentages for this answer vary between 61% and 63%

61%

of respondents who are confident in investing fear running out of money in retirement

70%

of respondents who have started saving for retirement are positive about the future, whereas only 27% are negative about their financial future

Retirement readiness

Retirement readiness continues to be a problem – Swiss pensioners are often scared of not knowing how much money they will need in the future.

37%

of women have not yet started to save for retirement

51%

of the Swiss respondents agree that they are confident of having the income they need for their retirement.

36%

of retired people are not knowing how much money they will need in the future. This is the biggest financial fear among Swiss retired people, followed by not being able to provide for (health) care in later life (29%)

Company pension

Knowledge regarding companies' retirement/pension plans distributed unevenly among Swiss employees.

16%

of Swiss employees know exactly what their company's retirement/pension plan invests in

51%

of Swiss employees are familiar with their company's retirement/pension plan

36%

of companies' retirement/pension investment plans don't include Environmental, Social or Governance (ESG) investment options, while 52% of Swiss employees are interested in learning more about ESG-related options and 22% would contribute more if their company pension plan increased its allocations to ESG investments.

Advice and Tech

One-click investment services are attractive

Advice

People find investing difficult to understand and might need advice.

57%

think that information about investing is difficult to understand.

40%

of Swiss respondents who feel they have too little information to make financial decisions think that the biggest concern regarding access to information is determining information trustworthiness.

40%

source their information from family and friends besides their financial advisor

Uncertainty and lack of confidence in investing

Women are more likely to need help with investing and balancing paying bills today.

Some say they would feel better about their financial decisions if they could talk to knowledgeable people.

75%

of women find it difficult to balance paying bills with saving/investing for retirement compared to 66% of male respondents

29%

of women state that they would feel better about making a financial decision if they had a knowledgeable person to talk to

20%

of women felt nervous while making their last major financial decision compared to 13% men

Source of advice

The opinion of family and friends plays an especially important role in investment decisions.

40%

of respondents ask friends and family for advice when making investment decisions

21%

of women use digital investment tools on their own when making investment decisions compared to 16% men

51%

of non-investors ask friends and family for advice when making investment decisions, as opposed to investors who read current events that are related to finances and investments (43%) and research investment information online (40%).

Technology

One-click investment services are attractive.

43%

of Swiss respondents would be interested in one-click investment services and 7% of them would even be very interested.

55%

of Swiss investors find it convenient to have investments linked to their bank account and 45% of all respondents say this is because they can see how all their savings and investments are performing in one place.

42%

of Swiss non-investors could be encouraged to use one-click investment, as opposed to taking no action.

Costs of advice

A number of people think that financial advisors are expensive.

Men are most likely to think that they have enough knowledge to make investment decisions on their own and have therefore stopped using financial advisors.

40%

of men stopped using the service of a professional financial advisor because they prefer to make their own financial decisions. This applies to 27% of women who no longer use the service.

41%

of GenX say they have never used the service of a financial advisor as it is too expensive. 29% of GenY and 18% of GenBB agree with this sentiment.

32%

of respondents who never have used the services of a financial advisor say that they know enough about investments to make decisions without an advisor and 31% say that the fees are too expensive.

Financial advisor

69% of investors have used financial advisory services but only 33% of investors are using such services today.

69%

of investors have used or currently use the service of a professional financial advisor

33%

of investors are currently using the service of a professional financial advisor.

82%

agree to the statement about financial advisors that they explain the risks associated with the investments in the portfolio.

Technology

Swiss pensioners are at ease with using technology for financial decisions. Overall, they feel safe about saving and spending their money.

37%

of retired people use online source when making monetary decisions compared to 38% non-retired people

41%

of Swiss pensioners feel safe about the idea of having money in a savings account, compared to only 26% of non-retired people

29%

of the retired people are extremely confident spending their money compared to 18% non-retired people

Disclosure

This survey was fielded between November 2019 and January 2020, with 26,814 respondents in 18 nations, of which 1,020 came from Switzerland.*

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