

People & Money 2020

Barriers to access

Most people feel insecure about their financial well-being.

61% of respondents rate their current state of financial health and well-being as neutral or negative, and nearly half say their financial health is behind where they thought it would be.

The #1 word people selected to describe how they feel about their financial future is “concerned.”

Most people do not feel confident about making financial decisions.

- 49% don't feel confident making decisions about investing money.

They view investing as risky, as compared to cash, which they view as safe.

- 37% of people view investing as risky
- 41% view cash as safe
- 39% see cash as secure

What we can do

Current investors advise starting small and automating the process – this helps build confidence and a sense of control around investing.

52%

believe that finding ways to invest small amounts would encourage first-time investors

40%

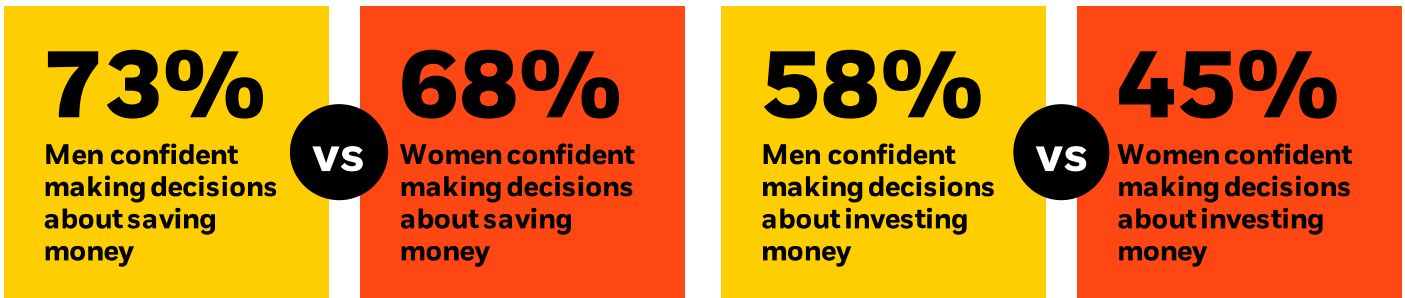
believe investing in small amounts would help start the habit of regular contributions

Clear information is important as well – and needed to clear misconceptions. For example:

- “Time in the market” rather than “timing the market”
- Understanding the role of cash and investing to meet short and long-term goals

In particular, women are not experiencing financial well-being

Overall, women feel less confident about making financial decisions than men.



Women are less likely to be prepared for retirement

- Only 59% of women have started saving for retirement, compared to 67% of men.
- Only 18% of women are on track to achieve the necessary retirement income, compared to 26% of men.

In spite of that, there are fewer women on average that use a professional advisor.

- 27% of men report using an advisor, compared to 24% of women.

In addition, women are 17% more likely to cite friends and family as having a big impact on financial decisions.

Women do not relate to the identity of “investor” – only 50% agree with the statement “investing is for people like me,” and only 31% consider themselves an investor.

For men, the numbers are 61% and 43%, respectively.

This means women are less likely to have investments of any type, and more likely to only have cash.

- Globally, only 59% of women have investments, compared to 71% of men.

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