

UK spotlight

Bridging the gap: From saving to investing



Investing is gaining momentum in the UK, but much of the potential remains untapped.

Our 2024 *People & Money* study shows that the UK has seen the largest increase in investor numbers across 14 European markets since 2022 – up 21%, adding 3.5 million new investors.*

This rapid expansion has been fuelled by greater digital access, shifting consumer attitudes toward financial independence and growing awareness of investment opportunities. Despite this momentum, a significant share of the population remains on the sidelines – representing substantial untapped potential.

To better understand this group, we commissioned a dedicated survey to identify non-investors most likely to become the next wave of investors and to uncover the barriers keeping them from getting started. Based on these insights, this report explores how the right support can help them make the shift from saving to investing.

This report refers to ‘current investors’ and ‘regular cash savers’. For more information on these definitions and research methodology, please refer to page 12.

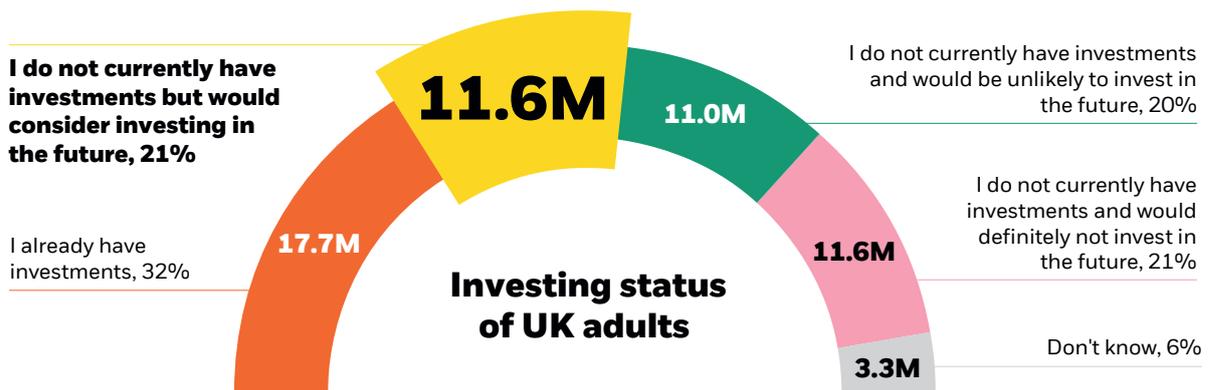
*BlackRock People & Money/YouGov Plc, October 2024.

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

Unlocking the potential of non-investors

In the UK today, 62% of adults, around 34 million people, do not invest.

While this points to a vast opportunity, the real near-term potential lies within the 11.6 million people (21% of adults) who say they are open to investing in the future.



Why converting them matters

With 43% of working-age adults under-saving for retirement compared with the levels needed for an adequate income*, encouraging even a fraction of this group to shift from saving to investing can deliver benefits far beyond market growth. Helping people to start investing earlier can reduce pension shortfalls, strengthen long-term financial security and improve overall well-being.

Investors vs. non-investors

Investors are



93%

more likely than non-investors to feel confident about their long-term security.

Investors are



94%

more likely than non-investors to believe they'll have enough to retire comfortably.



To unlock this potential, it's essential to look more closely at who these future investors are.

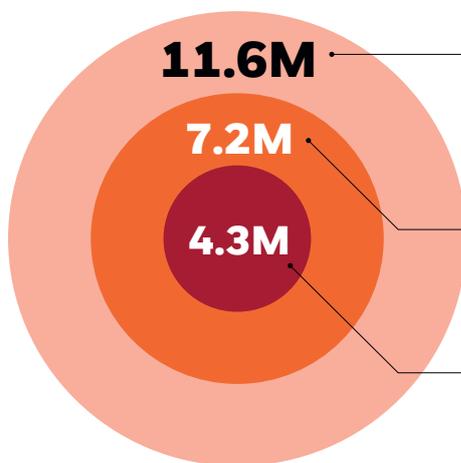
*Source: UK Department for Work and Pensions, Analysis of Future Pension Incomes 2025.

Future investor opportunity

Inside the 11.6M adults open to investing

When we look more closely at the 11.6 million non-investors who are open to investing, our research shows that six in ten – around 7 million – already hold cash savings products such as Individual Savings Accounts (ISAs) or fixed-term bonds, despite not yet owning investments.

Among them, nearly two-thirds – around 4.3 million – make regular, typically monthly, contributions. These disciplined habits suggest they are already well on the path from saving cash to investing, with the potential to build stronger long-term financial futures.



Open to investing

Do not currently have investments but are open to investing in the future (21% of UK adults)

Open to investing and have cash savings

As above and have a cash savings account (13% of UK adults)

Regular cash savers

As above and regularly contribute to a cash savings account (8% of UK adults)

The real opportunity lies with regular cash savers

This group of regular cash savers represents a significant opportunity for investment providers to help more people start their investment journey. They are already demonstrating behaviours that closely resemble those of existing investors – setting money aside consistently and showing strong motivation to understand how investing works, with over half recognising that they should take the first step.

Consistent regular contributions



Recognise they should probably invest



of regular cash savers say they 'should probably invest more of their money'.

Motivated to learn more about investing



of regular cash savers say they would 'like to understand investments and how they work'.

Key themes

Closing the confidence gap

Although this group appears primed to invest, a confidence gap holds many back. Our research reveals this gap may stem from both practical and emotional barriers: some feel they lack knowledge; others fear risk and losing money.

37%

of regular cash savers say **'I feel confident in my long-term financial security'** (vs. 58% of investors).

18%

of regular cash savers say **'I am confident about investing my money'** (vs. 51% among investors).

To support more savers in making the transition to investing, it's essential to understand and address these barriers head on. This report identifies five key factors that hold regular cash savers back and outlines targeted actions to help overcome them.

Why regular cash savers believe they can't invest



Question: Now thinking specifically about investing, which, if any, of the following currently stops you from investing some or more of your money? (Please select all that apply).

1. Education

Knowledge: Giving regular cash savers the confidence to get started

Regular cash savers are already behaving like investors – even if they don't see themselves that way. Their disciplined habit of setting money aside put them on the path to investing, yet uncertainty and a lack of confidence about how investing works deter them from taking the next step.

58%

of regular cash savers say they 'like to understand investments and how they work'.

56%

of regular cash savers say they 'don't really know what they are doing when it comes to investing their money'.

What would make regular cash savers more likely to invest?

When asked what would help them take the next step, regular cash savers pointed to practical features that make investing feel as simple and reassuring as saving. Their focus is less on market gains and more on lowering barriers, building confidence and keeping control.

Top five preferences for an ideal investment experience

- 1 Low costs and minimum requirements
- 2 Flexibility to withdraw funds without penalties or hassle
- 3 Transparency and simplicity
- 4 A step-by-step guide to investing
- 5 A straightforward platform with clear guidance

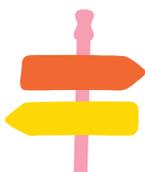
Regular cash savers

50%
45%
44%
43%
38%



ISAs hold untapped potential as a gateway to investing.

Question: If you were looking to invest some of your money, what would your ideal investment experience look like? Please select all the options that would make you more likely to invest.



Better education and clearer communication can help regular cash savers feel more confident about their investment journey.

In the 2022/23 tax year, more than twice as many cash ISAs were opened as stocks & shares ISAs. Deposits into cash ISAs were also 48% higher.* While cash savings may be sensible for some, this highlights an opportunity to take people on a journey from saving to investing by **reframing ISAs as a familiar and flexible entry point.**

*HM Revenue and Customs (HMRC) (2024) Commentary for Annual savings statistics: September 2024.

2. Risk & Reward

Understanding risk: Turning uncertainty into opportunity

Reward is the goal – but risk is part of the journey. When understood, risk becomes a tool for growth, not a barrier.

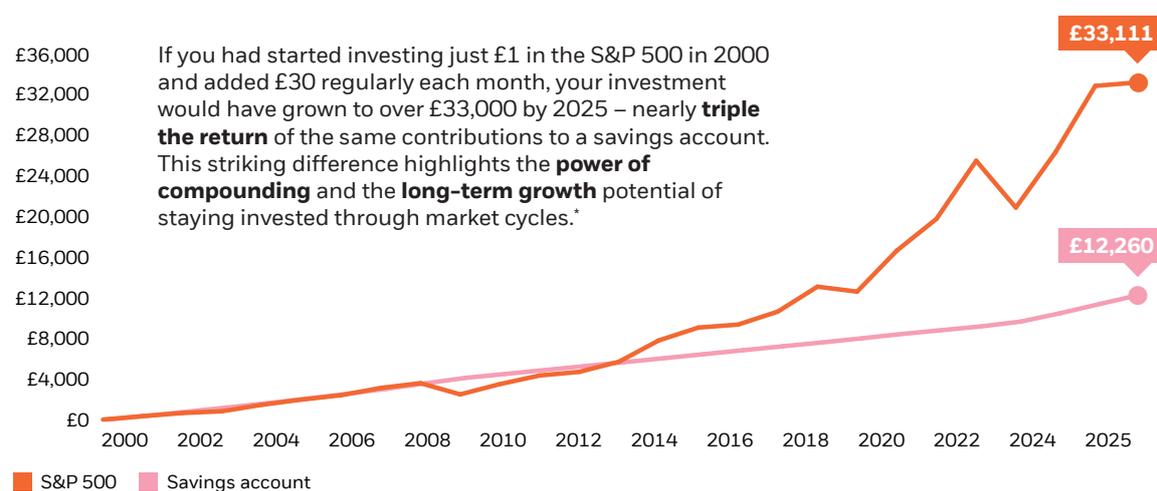


These figures highlight a common perception of investing as unpredictable or loss-prone – a view shaped by how risk is often understood outside of financial contexts.

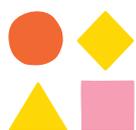
While it's important to acknowledge investment risks, it's equally vital to consider potential rewards. Greater risk can mean greater potential for reward, though this is never

guaranteed. Too much focus on warnings can overshadow the fact that taking some risk is often necessary for long-term growth. Weighing risk and reward together – while remembering that not investing also carries risks, like inflation – can support more informed choices. As the chart below illustrates, inflation steadily erodes the value of cash over time.

The risk of not investing



Risk: Diversification and asset allocation may not fully protect you from market risk.



Providing clear, relatable explanations – supported by tools like risk-profiling questionnaires and investment calculators – can help savers see risk as a manageable part of long-term financial resilience.

*Savings account performance based on annual geometric average of the Bank of England (BoE) Bank Rate, nominal values only. Index performance excludes ETF fees and tracking error. Rate of interest based on BoE interest rate for each year. S&P 500 growth rate based on Bloomberg year-on-year index growth figure. Inflation not accounted for. Source: Bloomberg as at 31 May 2025, Bank of England Database – Bank Rate history and data (May 2025).

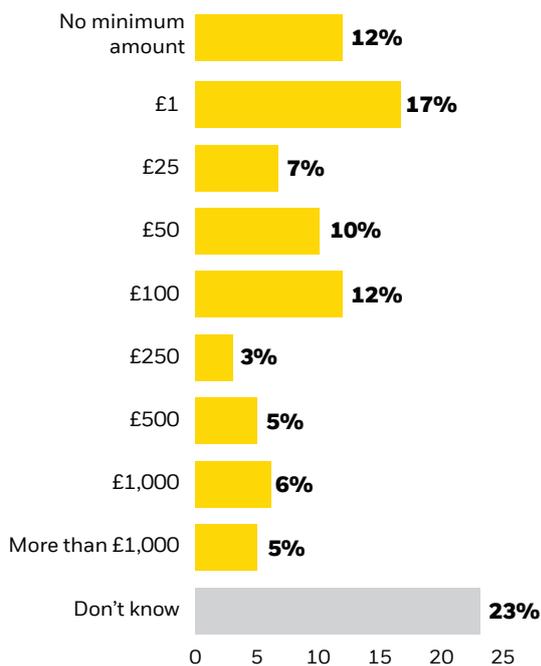
3. Affordability

Getting started: Demystifying affordability

Affordability is a barrier for one in four regular cash savers. However, required minimum investment amounts are often overestimated or unknown.



Perceived minimum amounts to start investing



Question: What is the minimum amount that you think you would need to be able to invest in a stocks and shares ISA or general investment account (GIA)?

While affordability remains a genuine barrier for many savers, there's a clear opportunity to demonstrate that investing doesn't require large sums to get started – or to stay invested over time.

Today, many platforms offer entry points from as little as £1, with features like auto-investing spare change and low-cost regular investment plans making it easier than ever to get started. These tools act as powerful nudges – helping savers realise that starting small is not only possible but can be a highly effective way to build long-term financial habits.

The idea of making small regular contributions resonated strongly with regular cash savers when asked what would encourage them to invest:

83%
say that being able to invest small amounts regularly (£1-£50/month) would increase their likelihood of starting.



To make investing more accessible, there's a clear opportunity for targeted support* and clarification that investing doesn't require large sums. Starting small and early and being consistent are what really matters.

*As outlined by the Financial Conduct Authority's new framework to support consumers better navigate their financial lives. Further information can be found on page 12.

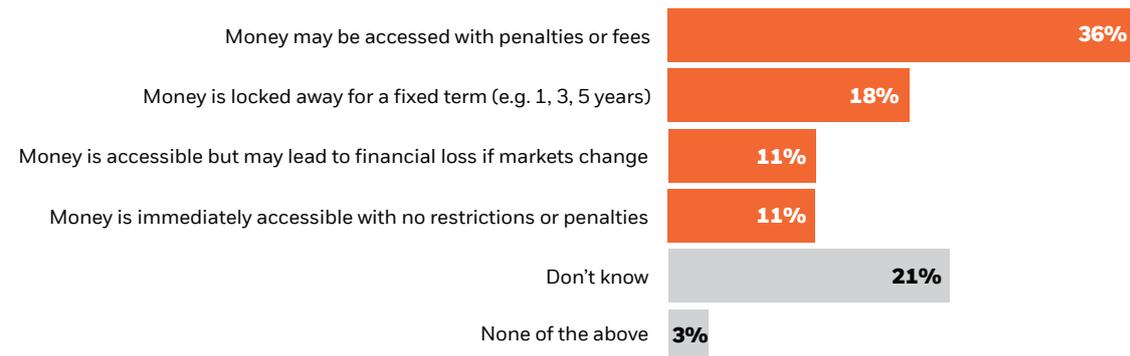
4. Access

Access to assets: Unlocking flexibility

Many regular cash savers worry about whether they could access funds in investments due to uncertainty about rules or incorrect assumptions. These views may come from comparing investing to fixed-term savings or from advice that emphasises timelines. This makes investing seem less flexible than it really is.



Accessing money held in investments



Question: When it comes to accessing money held in ISAs and GIAs, which of these statements is true?

With nearly **£600 billion** in UK cash savings earning below-inflation returns,* clear communication about how and when money can be accessed from investments is essential to building confidence among

potential new investors. Improving how flexibility is conveyed – particularly in product-comparison tables, fund-selection screens and ISA/investment help guides – can make a meaningful difference.



Even small changes, when clearly presented, can help more people feel informed, reassured and ready to take their first steps into investing.

*Research conducted by Censuswide, among a sample of 2000 nationally representative respondents, 4-6 June 2025.

5. Mindset

Planning ahead: Helping cash savers to think more long term

Investors tend to look beyond the present, focusing on growth-oriented outcomes that build future security. In contrast, regular cash savers are more likely to prioritise meeting immediate needs. These differing mindsets reflect both distinct financial goals and varying levels of confidence with investing. Importantly, this pattern remains consistent across income levels, suggesting that investors tend to take a more future-oriented view regardless of income or wealth.

Top three financial priorities

| Current investors | | Regular cash savers | |
|---|-----|---|-----|
| 1 Managing my money so that it lasts through my retirement years | 46% | 1 Saving enough money to cope with a financial emergency | 47% |
| 2 Growing my money by getting the best possible returns on my savings or investments | 45% | 2 Being more financially comfortable | 44% |
| 3 Being more financially comfortable | 38% | 3 Saving for something specific e.g. holiday, new car | 34% |

Question: Which, if any, of the following are your current financial priorities? (Please select all that apply).

To help cash savers take the next step, they need support in reassessing their financial priorities to balance short-term security with long-term wealth building.

Three ways to help guide savers toward long-term investing

| | | |
|--|--|--|
| 1 Demonstrate the power of long-term growth Use clear tools such as savings or retirement calculators to illustrate how small, regular contributions compound over time. Making future outcomes visible helps savers see the benefits of thinking long-term. | 2 Help define the right rainy-day buffer Provide simple calculators to help people set aside enough for emergencies. Once that safety net is in place, encourage them to put surplus cash into long-term investments while reassuring them that money can still be accessed if needed. | 3 Build wealth one step at a time Encourage savers to add small, regular investments once their rainy-day fund is in place. Positioning investing as incremental makes long-term goals feel achievable without sacrificing security. |
|--|--|--|



More savers will be able to achieve lasting success if they are given the right tools, timely nudges, educational resources and products that balance short-term discipline with long-term potential for growth.

Bridging the gap

This report reveals a clear opportunity to bridge the gap between saving and investing among UK adults. Regular cash savers already demonstrate many of the behaviours needed to become successful investors – they are

consistent, motivated and open to guidance.

Yet many are held back by persistent misconceptions like overestimating the amount needed to start, underestimating how accessible their money would be and viewing investing as inherently high risk. Gaps in confidence and understanding further reinforce this hesitation, even among disciplined savers. To address this, the FCA released proposals for a targeted support regime in June 2025. This new form of guidance aims to close the gap between general information and personalised advice, helping consumers make better financial decisions. Improving education, simplifying communication, and offering accessible, user-friendly solutions can help more savers begin their investment journey.

BlackRock's approach to growing investor confidence

BlackRock is supporting brokers, banks, platforms, regulators and governments in bridging the gap between saving and investing by offering insights and tools that help foster greater engagement and confidence in investing. Reports such as Bridging the gap and the annual People & Money research series highlight the trends shaping investor behaviour across the UK.

We also empower individuals directly through accessible education and practical tools, including the BlackRock Investment Education Hub, BlackRock's YouTube channel tailored for UK audiences with market updates and explainers, and iShares' Beginners Guide to ETF Investing and ETF Savings Calculator.



Together, these resources help more people make informed choices and take confident steps toward investing in their financial future.

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

Methodology

Sample: A nationally representative online survey conducted by YouGov among 14,352 UK adults. Fieldwork conducted: 10-27 January 2025. Any population figures used are based on United Nations 2024 Revisions of World Population Prospects report (18+ adults in UK).

Definitions

For the purposes of this report, we define investors, non-investors and regular cash savers based on responses to the following survey question: "Which of the following statements best matches your own position when it comes to investing some of your money? By investing, we mean putting money into financial products such as stocks, bonds, mutual funds, or cryptocurrencies with the expectation of achieving a profit."

Current investor

Respondents who selected "I already have investments."

Non-investor

Respondents who selected any of the following:

- "I do not currently have investments but would consider investing in the future."
- "I do not currently have investments and would be unlikely to invest in the future."
- "I do not currently have investments and would definitely not invest in the future." Respondents who selected this response were removed from the survey after this question.

Regular cash saver

Respondents who selected the following:

- "I do not currently have investments but would consider investing in the future" and hold one or more of the following products: cash savings account, junior cash savings account, fixed-term savings bond, cash ISA, Lifetime ISA, junior cash ISA (on behalf of a child), AND contribute regularly (e.g., monthly) to a savings account or ISA – either through a fixed standing order or flexible deposits.

Additional contributor: Boring Money

Targeted support: Financial Conduct Authority are proposing a new approach called targeted support (CP25/17: Supporting consumers' pensions and investment decisions: proposals for targeted support), to help narrow the gap between advice and guidance. This allows authorised firms to use limited information to offer appropriate suggestions to consumers who share similar high-level characteristics.

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