

Financial Capability - UK - September 2016

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“Engaging consumers early and making it easy for them to develop good habits and pick up knowledge is key to raising financial capability.”

– Rich Shepherd, Senior Financial Services Analyst

This report looks at the following areas:

- Consumers see opportunities for advice, but need to be convinced
- Making finance fun can be hard, but interest is a key part of capability
- Compulsory education should produce a more capable population

Developments such as the introduction of compulsory financial education and the launch of the UK Financial Capability Strategy have put financial capability at the heart of strategy decisions in both the public and private spheres. As consumers are being forced to take more responsibility for their personal finances, financial services providers cannot afford to ignore financial capability issues as they seek to deliver more services directly to consumers.

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Financial Capability - UK - September 2016

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Executive Summary

The market

Financial capability is a priority for public and private institutions

The consumer

Consumers can deal with today, but future needs are trickier

Figure 1: Consumer confidence in managing personal finances, May 2016

Confidence is lowest in adviser-dominated markets

Figure 2: Consumer confidence in choosing financial services products, May 2016

Most people are not confident about evaluating financial advice

Figure 3: Consumer confidence in finding and evaluating advice and guidance services, May 2016

Money management isn't enjoyed by many, but only a few hate it

Figure 4: Approach to managing finances, May 2016

Informal sources have the most impact on people's approach to finance

Figure 5: Major influences on approach to personal finances, May 2016

Expert assistance is still needed in many markets

Figure 6: Confidence in arranging financial products without advice/guidance, May 2016

What we think

Issues and Insights

Consumers see opportunities for advice, but need to be convinced

The facts

The implications

Making finance fun can be hard, but interest is a key part of capability

The facts

The implications

Compulsory education should produce a more capable population

The facts

The implications

The Financial Capability Environment – What You Need to Know

Financial education for all

High street banks take responsibility with private initiatives

Mobile channels and the rise of PCWs

The Money Advice Service to be slimmed down

The Financial Capability Environment

Financial education on the National Curriculum

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Financial Capability - UK - September 2016

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Bank initiatives

Barclays

RBS

Lloyds

Santander

Digital tools

The rise of price comparison websites

Third-party account aggregators set for expansion

B targets a young customer base with budgeting assistance

Charities and official organisations

Money Advice Service to be slimmed down

The UK Financial Capability Strategy: a path to a more financially capable population?

Pension Wise

The Consumer – What You Need to Know

Consumers can deal with today, but future needs are trickier

Confidence is lowest in adviser-dominated markets

Most people are not confident about evaluating financial advice

Money management isn't enjoyed by many, but fewer hate it

Informal sources have the most impact on people's approach to finance

Expert assistance is still needed in many markets

Consumer Confidence in Money Management

Almost everyone is confident in keeping on top of bills

Figure 7: Consumer confidence in managing personal finances, May 2016

Student banking could improve young adults' financial capability

Vulnerable customers are the least likely to plan a budget

Confidence is lower when providing for future needs

Consumer Confidence in Choice of Products and Services

Most people are confident choosing day-to-day financial products

Figure 8: Consumer confidence in choosing financial services products, May 2016

Figure 9: Consumer confidence in choosing financial services products, Rebase, May 2016

The stock market is a mystery to many

The need for pension guidance is clear

Consumer Confidence in Finding and Evaluating Advice and Guidance Services

Most people feel they know where to look for help managing their money...

Figure 10: Consumer confidence in finding and evaluating advice and guidance services, May 2016

...but confidence in evaluating advice is much rarer

Approach to Managing Finances

A minority are enthusiastic about managing their finances

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Financial Capability - UK - September 2016

Report Price: £2195.00 | \$3554.69 | €2788.33

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Managing finances is a chore for most people...

Figure 11: Approach to managing finances, May 2016

...but only very few hate it

Figure 12: Approach to managing finances, by financial situation, May 2016

User-friendly apps can raise enjoyment and confidence levels

Figure 13: Confidence* in ability to stick to a household budget, by approach to managing finances, May 2016

Financial Influences

Could poor financial education be holding people back?

Figure 14: Major influences on approach to personal finances, May 2016

Family lessons are key for young consumers

Figure 15: Consumers who identified parents as having influenced their approach to managing their money, by age, May 2016

The media: a powerful tool, but ignored by many

Figure 16: Major influences on approach to personal finances, by approach to managing finances, May 2016

Banks can be more influential in helping vulnerable customers

Arranging Financial Products

Confidence abounds in everyday product purchases...

Figure 17: Confidence in arranging financial products without advice/guidance, May 2016

...but there is a clear demand for expert assistance

Identifying a need, or putting people off?

Suitable Strategies: How Confidence Can Impact Financial Capability

Suitable Strategies

The confidence/capability relationship

Confidence declines with age

Figure 18: Mean confidence score, by age, July 2015

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com