

MONEY & YOU

THE RISE OF THE
DIGITAL INVESTOR



In partnership  Trustees Executors

Powered by  CORE DATA
research

Financial Services Council.
Growing and protecting the wealth of New Zealanders

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INTRODUCTION

The Financial Services Council 2021 research continues the focus on money and you, and the report series looks to delve deeper into the key financial services trends of the day. The research was undertaken in April 2021 with just over 2,000 New Zealand respondents. We asked respondents to give us their views on a wide range of topics from investments to technology and wellbeing to financial resilience.

As part of the research, we continue to track views on five key indicators of resilience in New Zealand, the effect of finances on wellbeing, job security, financial literacy, confidence and preparedness through the Financial Services Council's 'Financial Resilience Index', and we were pleased to launch the new trends for 2021 in May.

In this first report of the 2021 series, we focus on the 'Rise of the Digital Investor' and examine how New Zealanders are adopting newer alternative investments such as through digital investment platforms and how this trend compares globally.

Across four sections we explore the investment landscape, the availability of new technology, how different age groups approach investments and the worries associated whilst investing digitally.

Although the report mentions KiwiSaver, we plan to explore the changes and the effects on KiwiSaver investing last year in more depth later in the 2021 report series.

We hope that this research supports those in the financial services industry by shining a light on consumer views of financial services and helps to develop its services by sharing knowledge and information, and through working together with stakeholders, government and regulators grow the financial confidence and wellbeing of New Zealanders.



Rob Flannagan
Independent
Chairman, FSC



Richard Klipin
CEO, FSC

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FOREWORD
TRUSTEES EXECUTORS

Trustees Executors is delighted to continue our support and participation in the Financial Services Council's "Money and You" 2021 consumer research series. Just as the data showed in the inaugural 2020 series, these results unveil a raft of challenges and opportunities for our industry and the community in general.

This year Trustees Executors celebrates 140 years in business and throughout our history we have helped our clients weather many financial storms. Today, our under 30's are facing a new storm of considerable challenges, which is not surprising but is nonetheless concerning.

The post Covid environment has seen a significant boom for all asset classes – perhaps none more so than property. The disparity between the "have's and have nots" has widened and the dream of home ownership for many of our younger generation is further away than ever.

This generation will bear much of the debt burden arising from the necessary response to the crisis, while contending with high barriers of entry to home ownership. The need to support our youth in building their wealth and a nest egg outside of property is glaringly apparent and I am supremely confident that our industry will rise to the occasion.

I am therefore pleased to see the emergence of new technologies and product solutions that make the investment universe more accessible for all Kiwis, particularly younger generations. This type of innovation is what we need in a marketplace to meet the needs of today's consumers. Complacency in product development can no longer be afforded in the digital age. However, I do feel very strongly that we should apply the same rigor and protection to these emerging products as we do for KiwiSaver and managed funds. There are gaps in our current regulation of micro-investing platforms and these gaps are a risk consumers should be cognisant of.

This should not become a handbrake to innovation of course, and a focus must also be to ensure investors' wellbeing and access to the right tools and information for making confident and informed financial decisions.



Ryan Bessemer
Chief Executive Officer
Trustees Executors

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KEY FINDINGS

1. The investment landscape is seeing the rise of the digital investor

Investing in New Zealand shares, international shares and cryptocurrency is rising in popularity, with a 6-7% increase in reported use since March 2020. Close to 40% of respondents currently or plan to use micro-investing platforms such as Sharesies, Hatch, Stake and organisations such as InvestNow who offer services including managed fund investments, with around 55% of Generation Y (39 years old or less) likely to use them.

2. There is a rapid rate of tech change, accelerated by Covid-19

Global rates of online adoption are three to four years ahead of expectations¹ and there is a 64% global consumer adoption rate for new tech. Here in New Zealand there is the potential for newer digital financial services to expand if Kiwis can be encouraged to try them, as less than half of respondents in this research are currently using or planning to use digital wallets (eg Apple Pay and Google Pay), buy now pay later, micro-investing, digital currency and robo-advice tools.

3. Traditional tech is well used in older generations; new not so much

Respondents indicated that age is less of a barrier for mainstream digital financial services with almost all aged 60+ using online digital financial services. However, there is less interest in adopting new technologies with only a few aged 60+ using them but with the plan to use higher for micro-investing and digital wallets. Around half have or plan to use a micro-investing platform compared with just under 40% of younger investors who are more likely to favour cryptocurrency than older generations.

4. Cybercrime: A national security challenge on a global scale

Confidence with technology is higher with younger Kiwis, though concern about personal information, security and fraud is universal. Cyber attacks such as malware and phishing are getting more frequent with the number of incidents in New Zealand rising 65% since 2017 to 7,809². Most respondents are concerned with the risk of online fraud, identity theft or scam that could result in financial loss with just over 20% either not concerned or not particularly concerned.

¹ McKinsey How Covid-19 has pushed companies over the technology tipping point—and transformed business forever 2020

² CertNZ 2020 Report Summary

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CHANGE TO THE INVESTMENT LANDSCAPE, THE RISE OF THE DIGITAL INVESTOR

Investments can go up and down, with 2020 and the Covid-19 crisis demonstrating not only how markets can plummet and regain ground in the light of a major global crisis but also how people react to a fall in investment returns ahead of market recovery.

A recent Global Retail Trends Report has seen trading volumes nearly double and twice as many retail investment accounts open per day compared with the last quarter in 2020, a rise of 42%, with many new investors using the convenience of digital financial services after work or at the weekends. Globally, investment assets have grown by a third in the past quarter and deposits have increased by over 50%, with 48% growth in digital wallet assets and 23% in traditional brokerage assets. Close to 80% of the rise in investments is reported to be by under 40 year olds, with the largest absolute number of new accounts opened by 20-29 year olds³.

This trend in digital financial investments is beginning to surface here in New Zealand, with more respondents identifying the

use of some digital financial products compared with last year. Investing in New Zealand shares, international shares and cryptocurrency is rising in popularity, with a 6-7% increase in reported use since March 2020. Close to 40% of respondents currently or plan to use micro-investing platforms such as Sharesies, Hatch and Stake, with around 55% of Generation Y (39 years old or less) the most likely to use them.

Sharesies reported 355,000 investors in April, up from a quarter of a million in December 2020 when they raised funds to expand into Australia⁴. Hatch report 85,000 investors⁵, while Stake, an Australian-based online brokerage that launched in New Zealand in April 2020, has a reported 40,000 investors holding \$100m of investments on the platform⁶.

Investing is becoming more popular in New Zealand through a mix of the rise of KiwiSaver and digital retail investment platforms, such as InvestNow, and this growing diversity in different investments is seen as healthy⁷.

However, despite investing becoming more mainstream, the industry still needs to support initiatives to improve financial confidence and literacy of New Zealanders⁸, including through advice⁹. As we saw with Gamestop in the US where retail investors allegedly and illegally manipulated the market for gain¹⁰, the action of KiwiSaver members locking in losses as they saw the market drops due to Covid-19 in March 2020¹¹, and with two-thirds of respondents highlighting some nervousness around 'micro-investing' platforms being fraught with risks, even for beginner investors, attention needs to be given to upskill New Zealanders in the language of money.

Whilst more traditional investments are still dominant investment choices in New Zealand, the global and national trend in the use of alternative digital financial services is starting to become apparent, likely fuelled by pessimism in the more traditional investment types such as property, low interest gains for cash and the growing availability and use of alternative investment platforms.

3 Global Retail Trends Report- Drive Wealth - First Quarter 2021

4 Sharesies raises \$25 million to expand across the ditch - New Zealand Herald - December 2020

5 KiwiWealth Website - <https://www.kiwiwealth.co.nz/invest/hatch> - May 2021

6 Under-45s not seeking 'classic' financial advice: Stake CEO - NBR - May 2021

7 Financial Services Council Event - Outlook 2021 with Rob Everett - February 2021

8 Financial Resilience Index - Financial Services Council - May 2021

9 Financial Services Council Money & You Research 2020 - Breaking Through The Advice Barrier

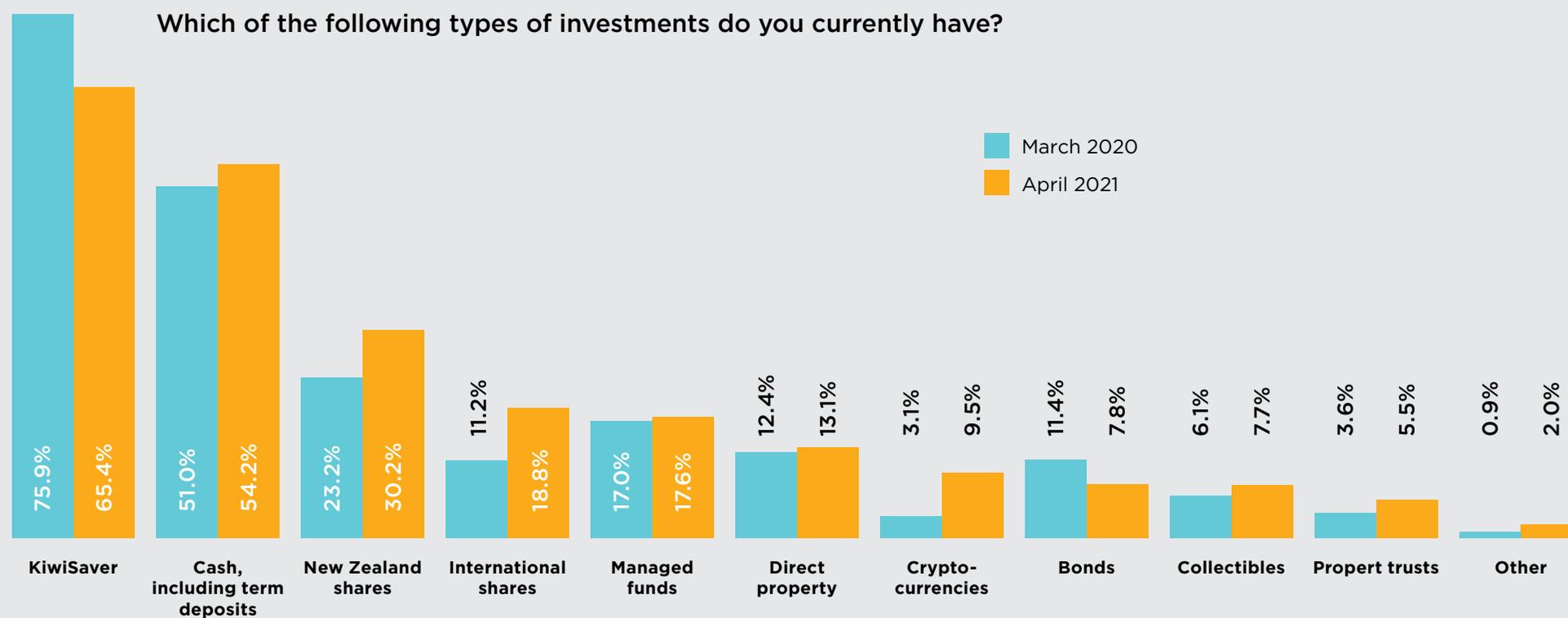
10 GameStop Mania Is Focus of Federal Probes Into Possible Manipulation - Wall Street Journal - February 2021

11 Thousands of young New Zealanders missing out on investment returns - FMA - May 2021

MORE KIWIS ARE INVESTING ELSEWHERE

Respondents of this survey indicated a drop in KiwiSaver and bond investment in comparison to 2020. Responses indicate other investment categories have seen a 6-7% increase, with New Zealand shares, international shares and cryptocurrency leading the pack between March 2020 and April 2021. Of interest is the growth in some categories during 2020, including property investment,

seeing a return to April 2020 levels in April 2021. It is worth noting that the drop in KiwiSaver investments indicated in this survey is not consistent with the Financial Services Council KiwiSaver statistics, which show a consistent increase of the number investing with KiwiSaver since the scheme began.



Multiple answers allowed

n =1,587 respondents who have investments, April 2021; 1,580, March 2020

THE RISE AND RISE OF DIGITAL FINANCE PLATFORMS


FAST FACTS

THERE'S A RAPID RATE OF TECH CHANGE, ACCELERATED BY COVID-19

The rate of online innovation since the invention of the internet in 1974 has been exponential, and most recently, Covid-19 has reportedly speeded up the adoption of digital technologies by several years. As customers globally moved dramatically to online channels, research has shown rates of adoption three to four years ahead of where they were expected to be, with executives being three times more likely to say that 80% of their customer interactions are now digital in nature compared with pre-Covid surveys¹.

In the latest EY Global FinTech Adoption Index, in which they describe FinTech organisations as those that enable, enhance, and disrupt financial services, there is a 64% global consumer adoption rate for new tech, with, for example 96% being aware and 75% using a money transfer and payments service

38%
MICRO-INVESTING

21%
INVESTING IN CRYPTOCURRENCY

34%
THINK ROBO-ADVICE SAFE

28%
MICRO-INVEST FOR FUN

and 56% of SMEs using a banking and payments FinTech service².

It is perhaps unsurprising then, that respondents in this research showed that the more established and 'traditional' online banking, money transfer and smartphone apps are well used in New Zealand, with a majority either having used, or planning to use them. In comparison, less than half of the survey respondents were using or planning to use newer technology like digital wallets (eg Apple Pay and Google Pay), buy now pay later, micro-investing, digital currency and robo-advice tools.

However, the research revealed that there is potential for these newer digital financial services to expand as they become the new normal, driven by earlier adopters who are more willing to take risks. Indeed, male respondents are more likely to take

investment risks compared with females, with Generation X less likely to accept low to moderate returns (34%) compared with Generation Y and Baby Boomers (43%). Pre-Boomers are the most likely to reduce investment risk as they look to decumulate their wealth (60%).

Of the respondents who have used, are using or considered using micro-investing platforms 40% found them easy to use, and over a third used them to improve their financial knowledge and capabilities. Despite many respondents seeing micro-investing platforms as a way to improve financial knowledge and capabilities (70%) and three quarters (75%) because the platforms make investing more accessible, respondents still think micro-investing is risky with two-thirds (67%) indicating they felt that micro-investments are not safe.

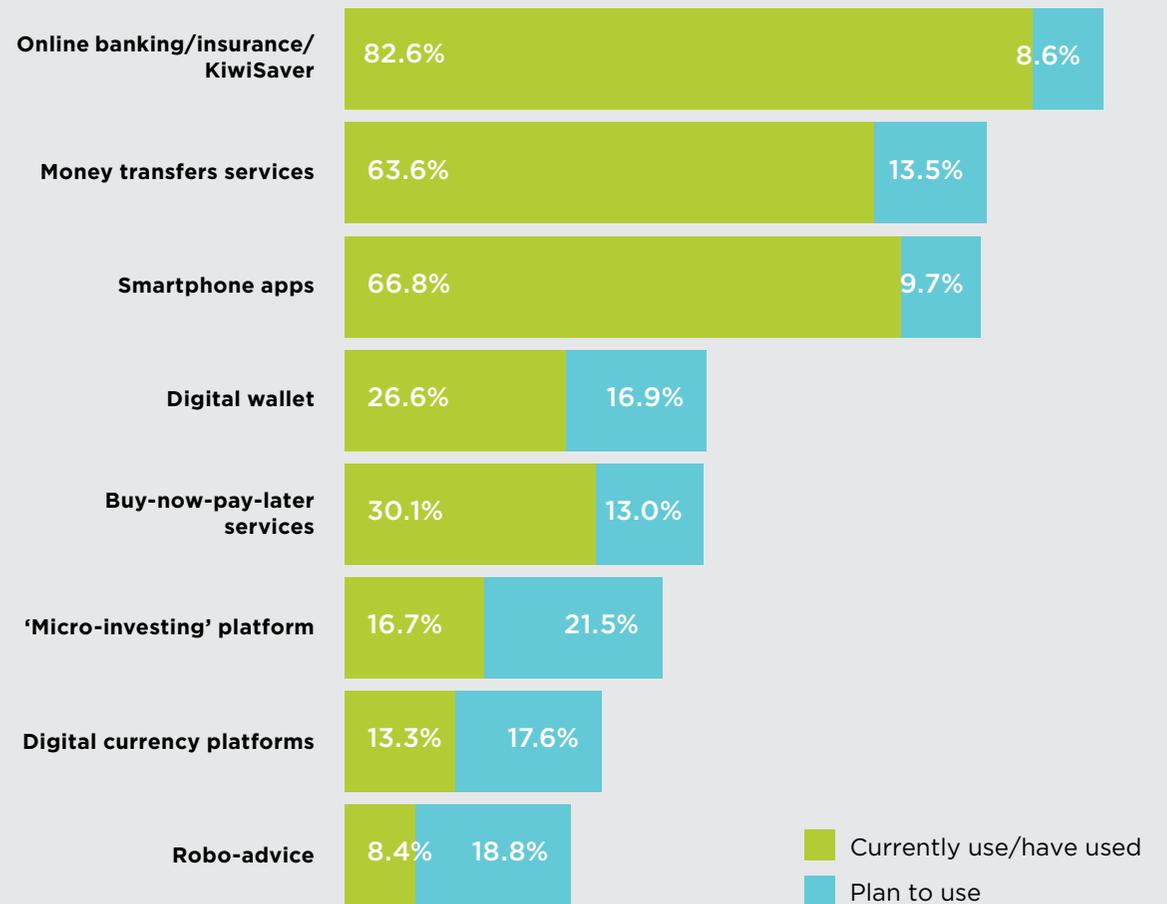
¹ McKinsey How Covid-19 has pushed companies over the technology tipping point—and transformed business forever 2020

² EY Global FinTech Adoption Index 2019

DIGITAL FINANCIAL SERVICES

Responses showed that online banking, money transfer and apps are well used in New Zealand, with the majority either using, have used or planning to use them. With less than half of respondents currently using or planning to use newer technology like digital wallets (eg Apple Pay and Google Pay), buy now pay later, micro-investing, digital currency and robo-advice, there is potential for these services to grow in popularity as they become the new normal.

Which of the following digital financial services do you use/ have you used?

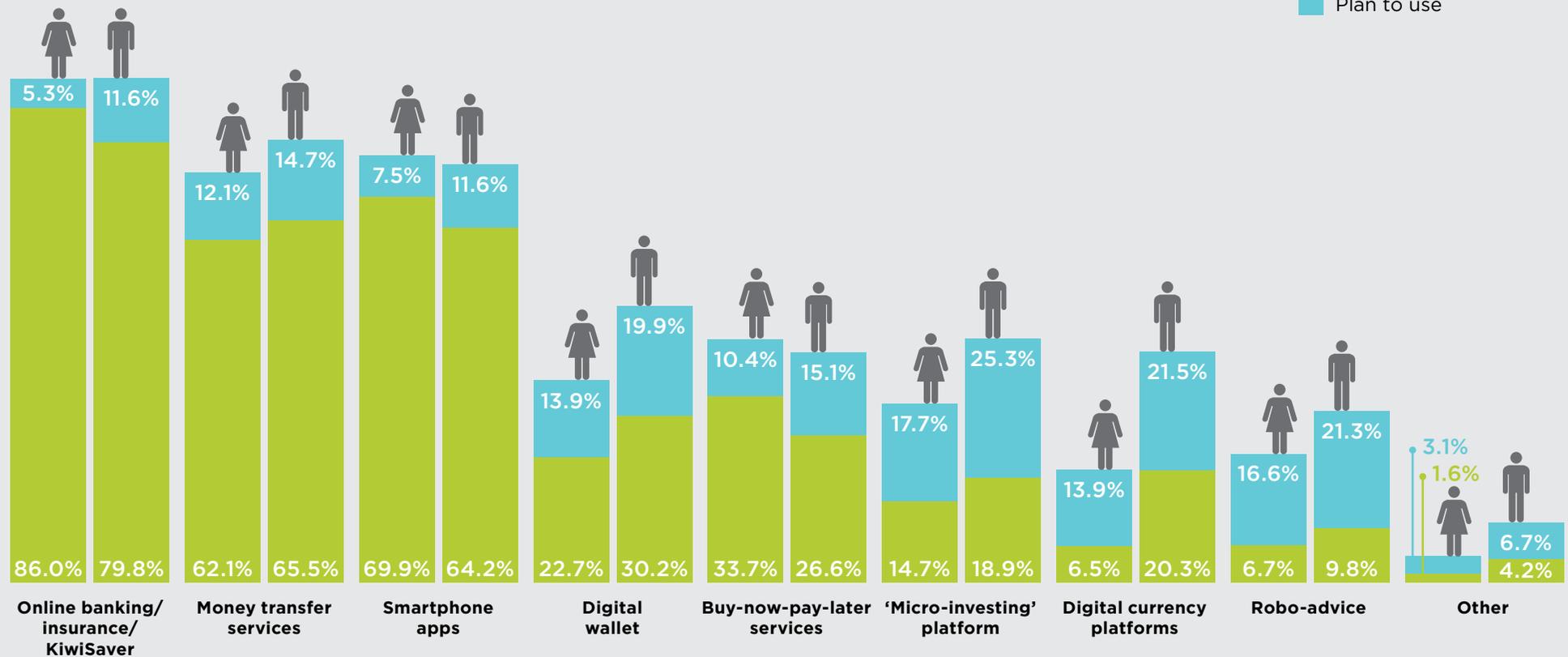


DIGITAL FINANCIAL SERVICES

When we look at these digital services through a gender lens, the newer technologies are more broadly accepted by males, with a higher percentage using and planning to use these newer financial services than females.

Which of the following digital financial services do you use/have you used? (By Gender)

■ Currently use/have used
■ Plan to use



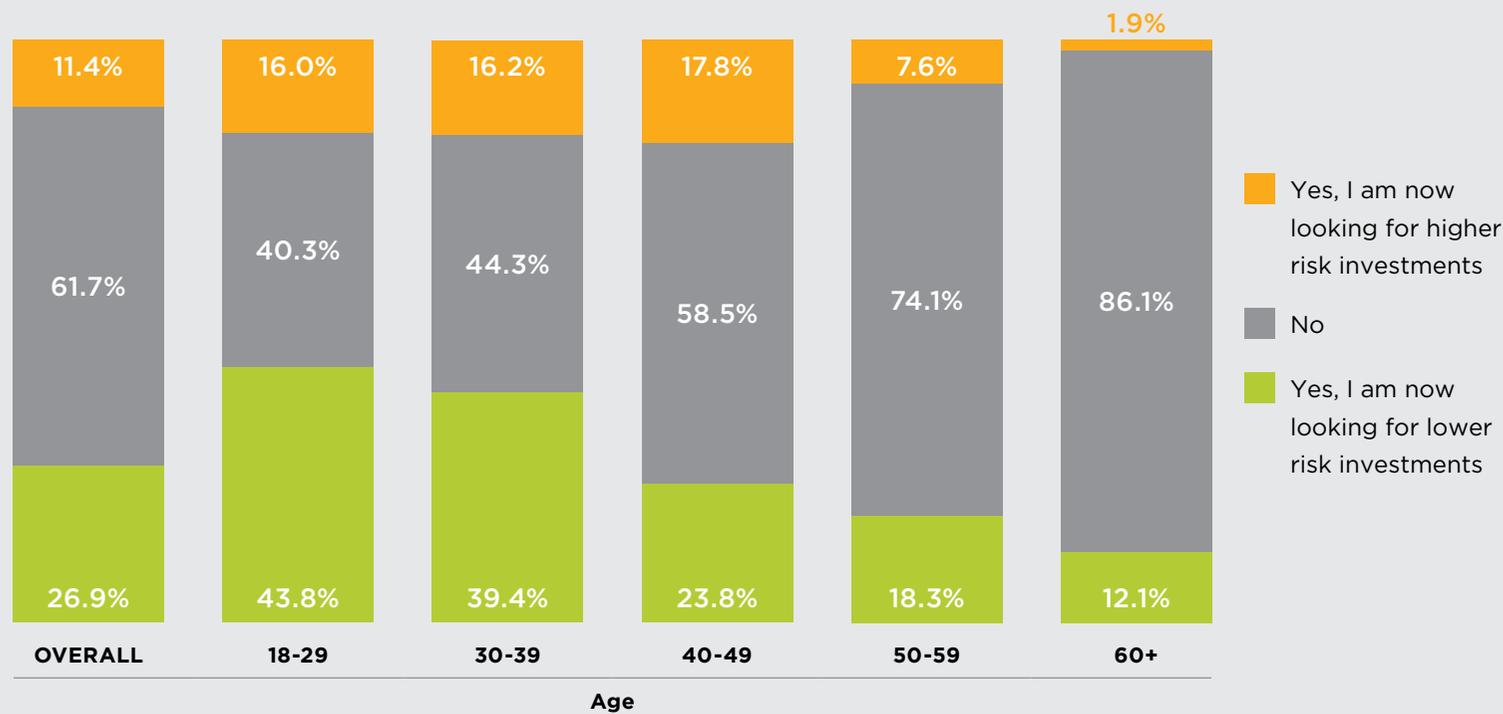
n = 2,035; 1,102 Female; 911, Male

THE RISK APPETITE OF NEW ZEALANDERS HAS GENERALLY LESSENNED

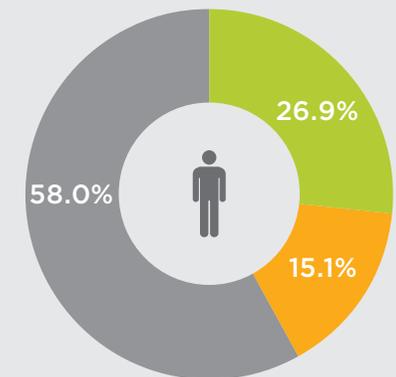
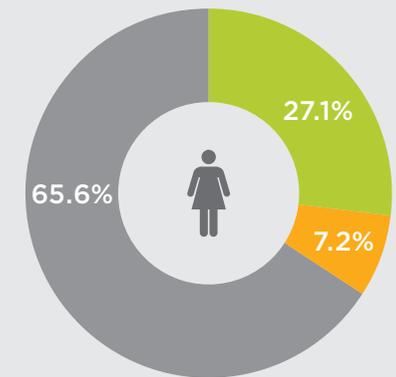
Looking at investment risk, males have a larger appetite for risk – around twice that of females, indicating a difference between genders in a willingness to take risk. And since the Covid pandemic, younger generations are more likely

to have their risk appetite affected, while older generations are less likely to change how they choose their investments. However, in all cases the bias is towards lower risk investments.

Has the Covid-19 pandemic impacted how you typically choose your investments?



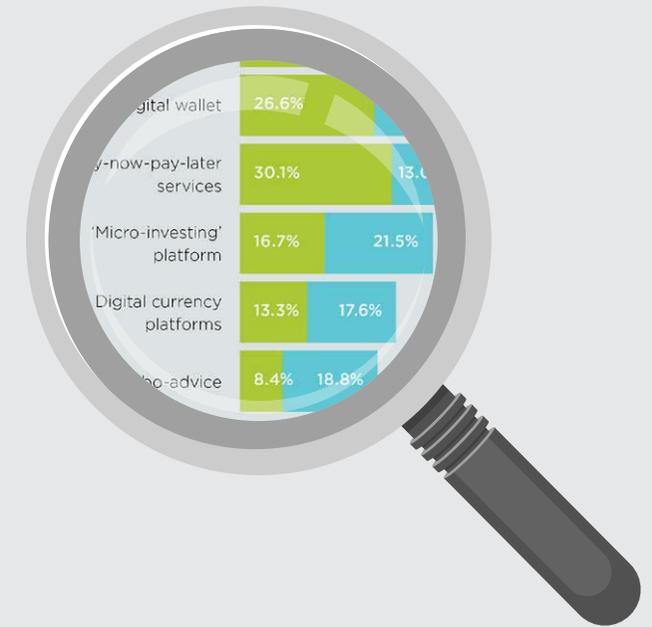
Twice as many men than women have a higher risk appetite now



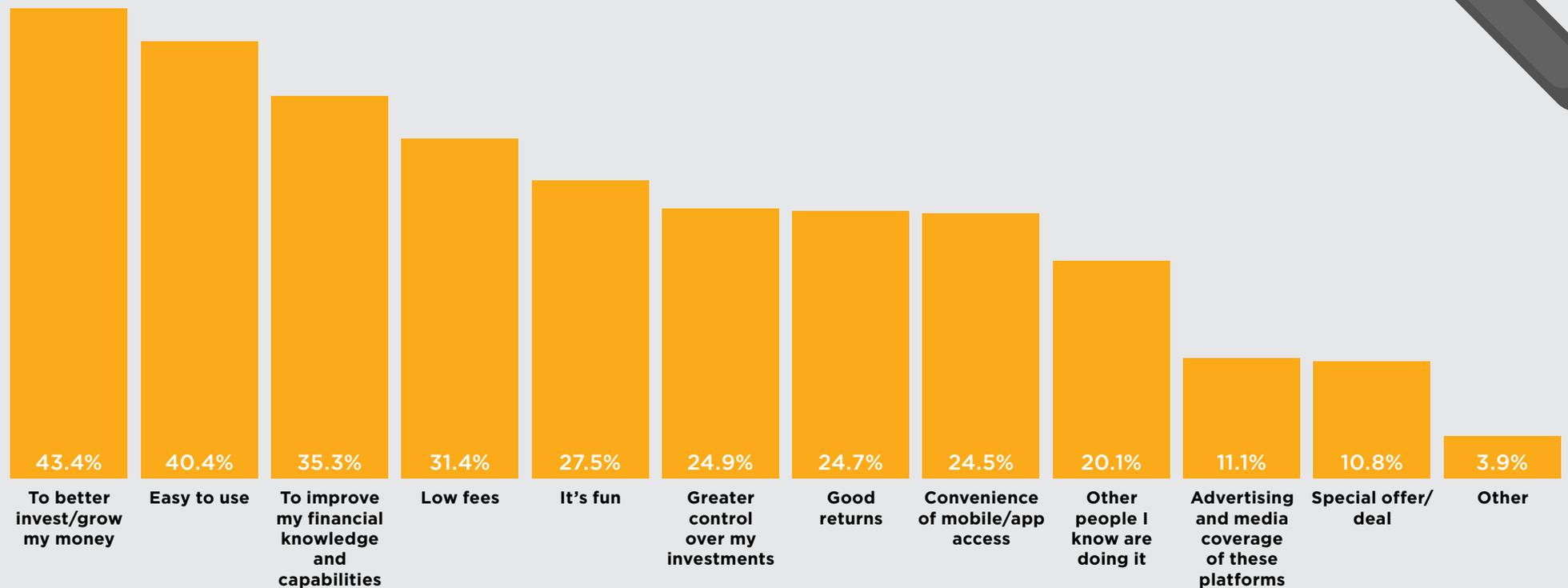
n = 1,587, respondents who have investments, n = 807, female respondents who have investments; 766, male respondents who have investments

MICRO-INVESTING

Of the respondents who have used, are using or plan to use micro-investing platforms (eg Sharesies, Hatch), 40% found them easy to use, and over a third used them to improve their financial knowledge and capabilities. Word of mouth generates more use than advertising and special deals, indicating that there are conversations taking place around micro-investing and individuals may be investing in the platforms on the basis of those conversations.



Why do you use/have you used or plan to use a 'micro-investing' platform (eg Sharesies and Hatch)?



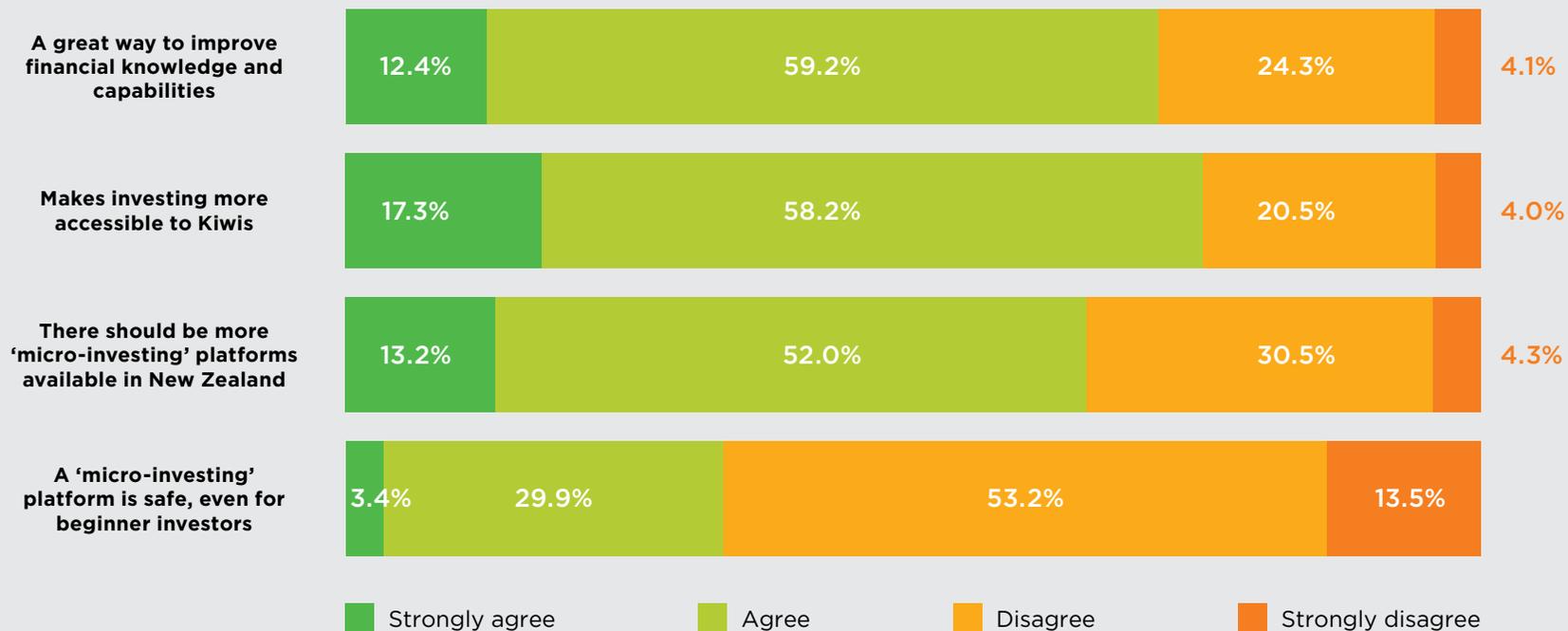
n = 860, respondents who are currently, planning, or have stopped using 'Micro-investing' platforms

MICRO-INVESTING

Despite many respondents seeing micro-investing platforms as a way to improve financial knowledge and capabilities (around 70%) and agreeing that the platforms make investing more accessible

(around 75%) because the platforms make investing more accessible, Kiwis still think micro-investing is risky with two-thirds (67%) responding that micro-investments are fraught with risks.

Regardless of whether or not you use, have used or plan to use them, how much do you agree or disagree with the following statements on a 'micro-investing' platform (eg Sharesies and Hatch)?

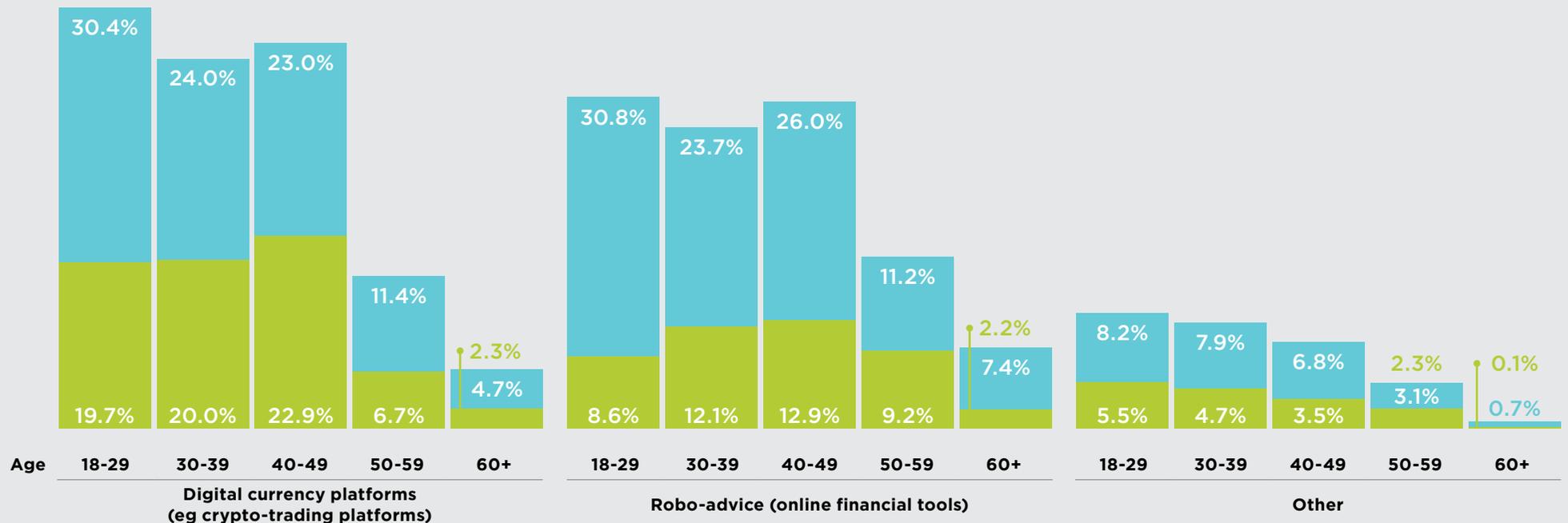


GROWTH POTENTIAL

The responses indicate that the potential growth areas in New Zealand are in digital currency (eg crypto-trading) and robo-advice, where more are planning to use than currently do.

Which of the following digital financial services do you use/have you used?
Digital currency platforms|Robo-advice|Other

■ Currently use/have used
 ■ Plan to use



n = 2,035. Overall;
 481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

ROBO-ADVICE

Respondents are less positive about robo-advice platforms, with similar concerns around safety as for micro-investing platforms.

Regardless of whether or not you use, have used or plan to use them, how much do you agree or disagree with the following statements on a robo-advice platform?

A great way to improve financial knowledge and capabilities



Makes investing more accessible to Kiwis



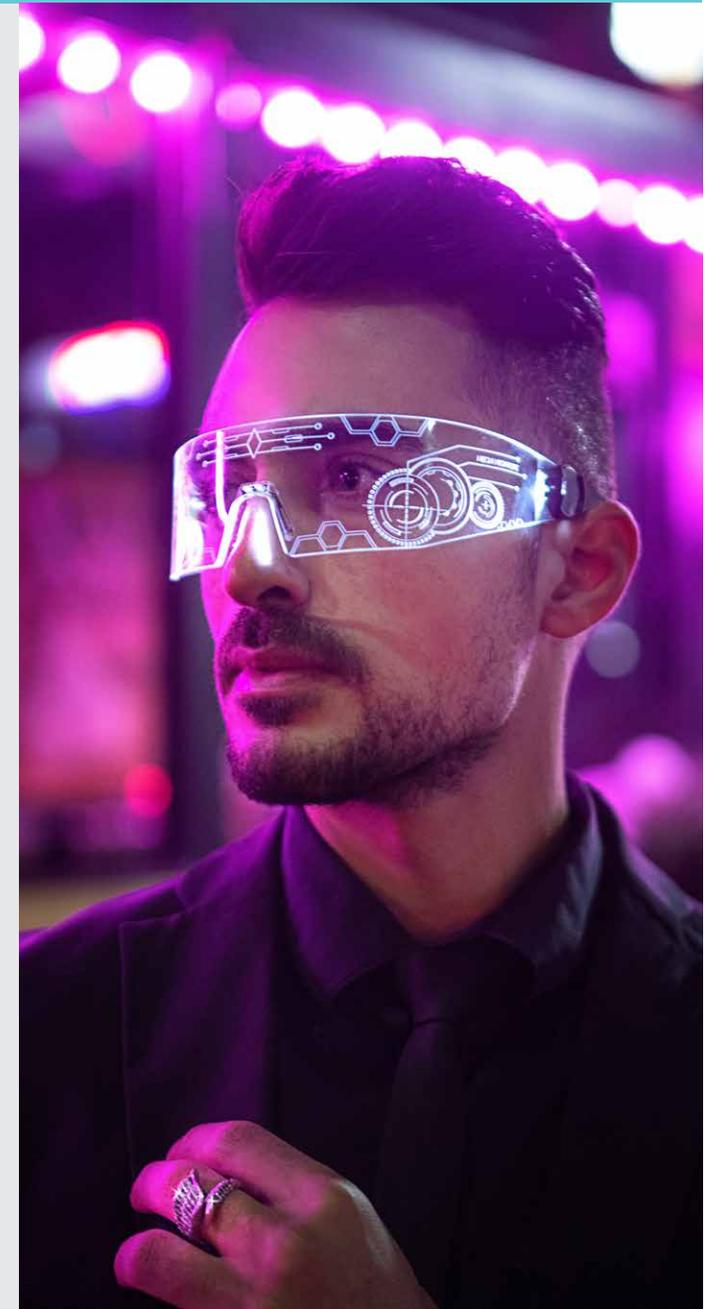
There should be more robo-advice platforms available in New Zealand



A robo-advice platform is safe, even for those with limited financial knowledge and capabilities



■ Strongly agree
 ■ Agree
 ■ Disagree
 ■ Strongly disagree



A man with grey hair and a beard is wearing a black VR headset. He is gesturing with his hands as if interacting with a virtual environment. He is wearing a dark blue sweater over a white collared shirt. The background is a blurred office setting with windows.

**NEW TECH ISN'T
JUST A YOUNG
KIWI'S GAME**



FAST FACTS

TRADITIONAL TECH IS WELL USED IN OLDER GENERATIONS, NEW NOT SO MUCH

According to US thinktank the Pew Research Center, millennials still lead older generations in the adoption of technology, but there has also been a significant increase in technology adoption by Generation X and Baby Boomers over recent years. For instance, the use of the internet is high, with 91% of Generation X and 85% of baby boomers reported as active users, a 59% increase of 65 year-olds and older adopting the use of the internet since 2000 and in the same timeframe 53% of that age bracket are now using smartphones¹.

A further study in the US also saw that, as older generations look to 'age in place' or live independently at home, technology such as the Internet of Things, robotics and artificial intelligence have great potential to support this desire rather than moving to assisted living². However, the same research found that for older adults, a combination of lack confidence

in their ability to understand digital products and a concern for data privacy together drives frustration and a lack of adoption.

The findings of the Financial Services Council's latest research similarly found that younger generations are more likely to adopt new technologies ahead of older generations, but there is potential growth across all age groups, especially as we see the adoption of technology increasing in older age groups which will further enable access to digital financial services.

Indeed, respondents indicate that age is less of a barrier for mainstream digital financial services for older generations. However, there is less interest in adopting new technologies with 18% of 60 year olds and older avoiding them completely and just 8% planning to explore new investment options in the next 5 years. This view changed when considering

micro-investing, where around 50% of 60 year olds and older have or plan to use a micro-investing platform compared with just under 40% of 29 year olds or younger.

However, we found that at just under 90%, almost all 60 year old and over respondents are already using online digital financial services such as banking and just over half are using smartphone apps, similar numbers to the findings of internet and smartphone usage in the US research highlighted earlier. In contrast, fewer of the younger generations are using more 'traditional' digital services like online banking, with just 74% of 29 year olds and younger saying they currently do or had used the service.

At the other end of the technology scale, cryptocurrencies are the realm of the younger male, with 16% currently having cryptocurrency investments.



¹ Pew Research Center

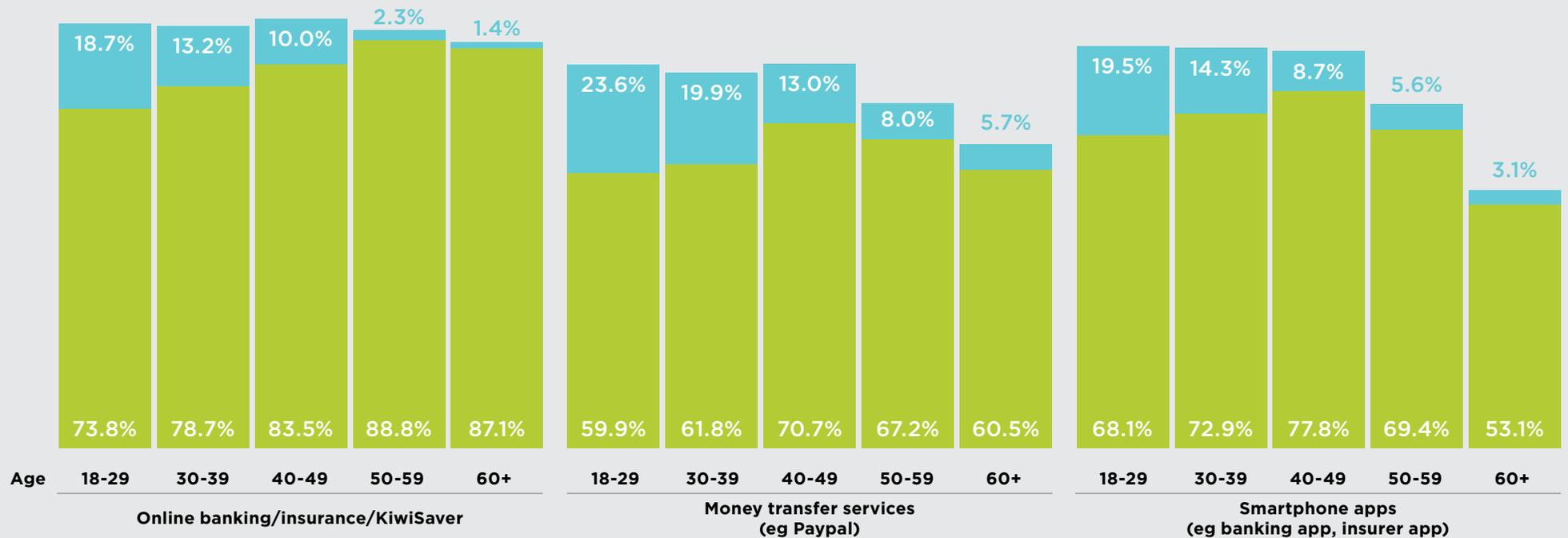
² Technology to Support Aging in Place: Older Adults' Perspectives, The Design Lab, University of California San Diego (UCSD)

AGE IS LESS OF A BARRIER FOR MAINSTREAM DIGITAL FINANCIAL SERVICES

At close to 90%, almost all 50+ year olds respondents that are going to use online banking or smartphone apps already are. In contrast, some of the younger generations are still planning to use them.

**Which of the following digital financial services do you use/have you used?
Online banking/insurance/KiwiSaver | Money transfer services | Smartphone apps**

■ Currently use/have used
■ Plan to use



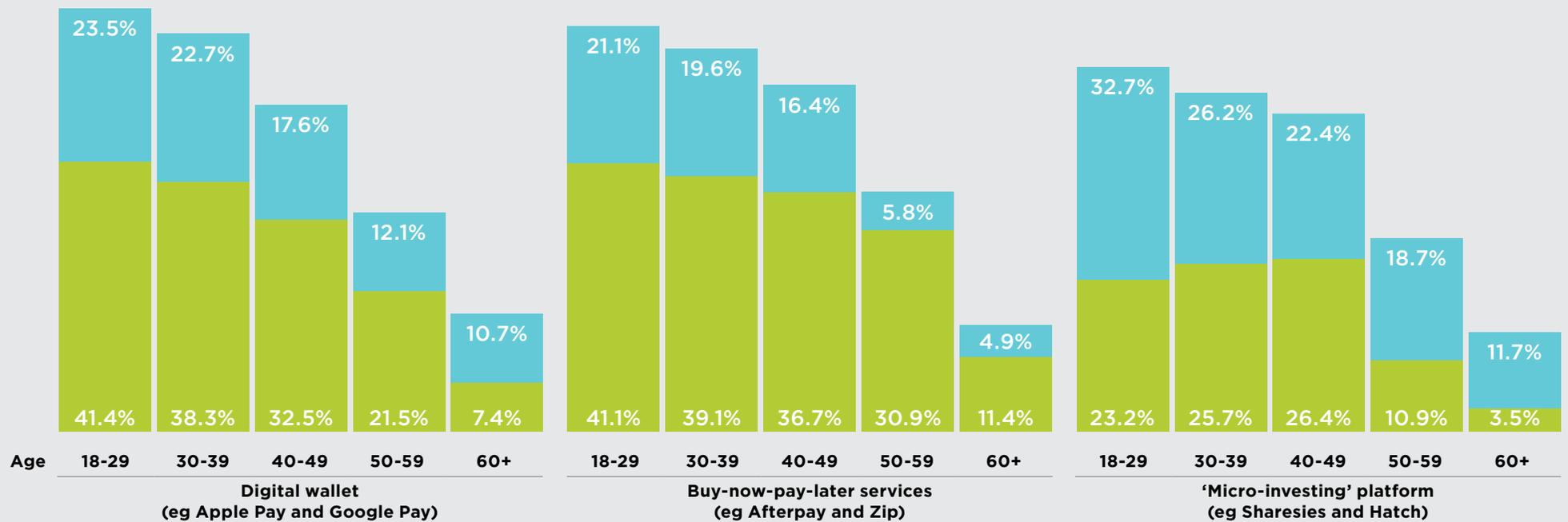
n = 2,035. Overall;
481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

OLDER GENERATIONS ARE LESS LIKELY TO USE NEWER DIGITAL FINANCIAL SERVICES

It is more likely that younger generations will adopt newer technologies like digital wallets, buy now pay later and micro-investing than older generations. Despite this, potential growth exists across all age groups.

Which of the following digital financial services do you use/have you used?
Digital wallet | Buy-now-pay-later services | 'Micro-investing' platform

■ Currently use/have used
 ■ Plan to use

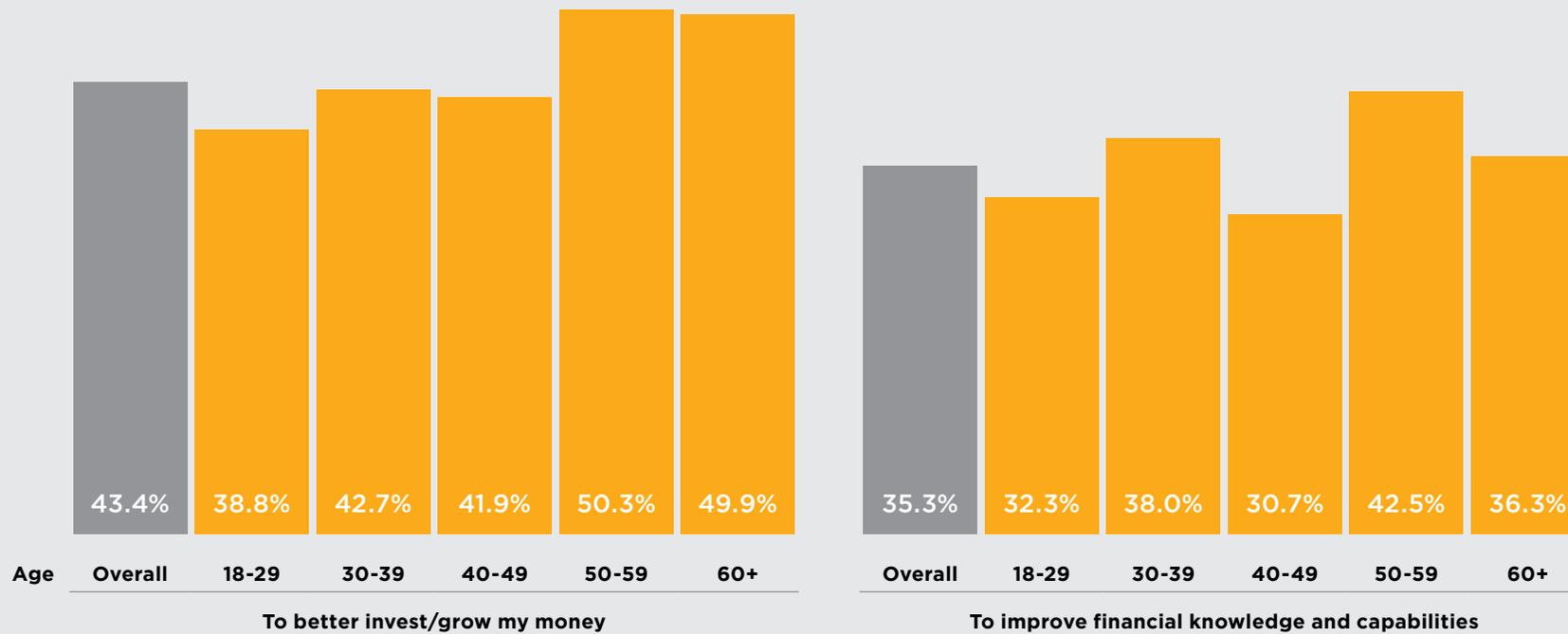


n = 2,035. Overall;
 481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

MICRO-INVESTING FOR OLDER GENERATIONS

However, respondents in older generations are more likely to see micro-investing as a way to invest money and improve their financial knowledge compared with younger generations.

Why do you use/have you used or plan to use a 'micro-investing' platform (eg Sharesies and Hatch)?



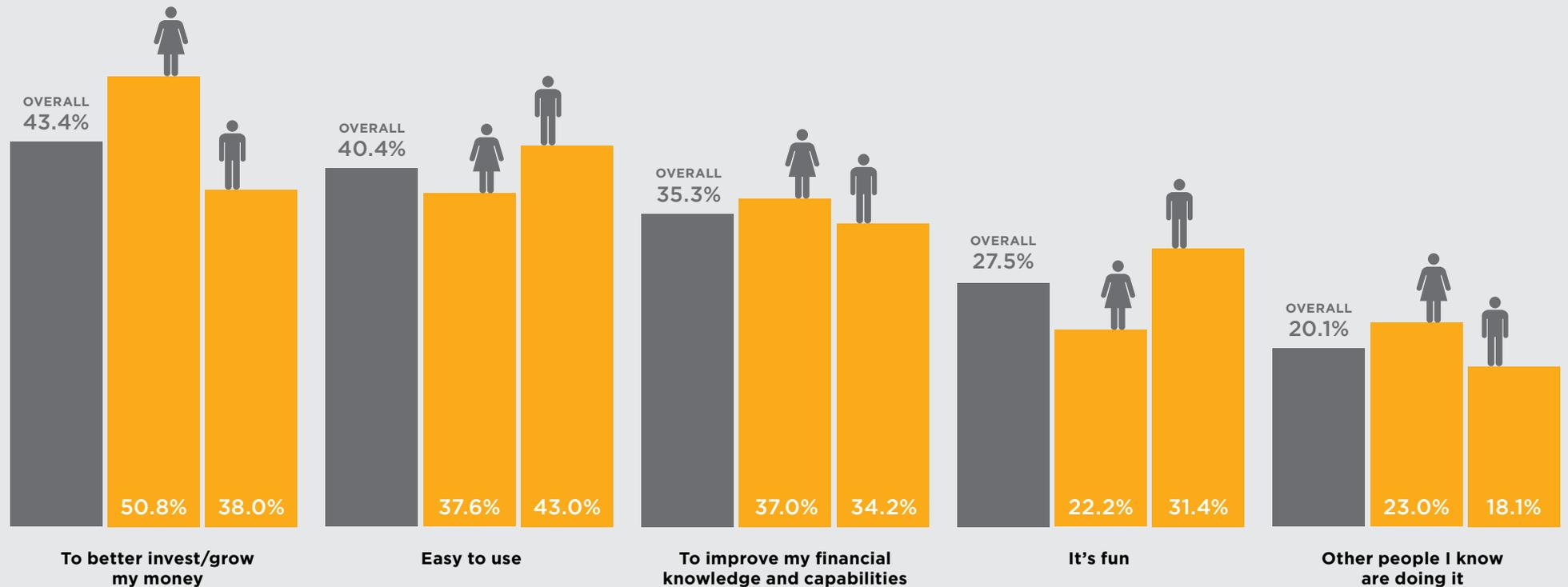
Multiple answers allowed

n = 2,035, Overall;
481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

REASONS TO MICRO-INVEST

Females are also more likely to see micro-investing as a way to invest money and improve their financial knowledge when compared with male respondents who like their ease of use and the fun factor. Female respondents are also more likely to start to use a micro-investing platform through word of mouth.

Why do you use/have you used or plan to use a 'micro-investing' platform (eg Sharesies and Hatch)?



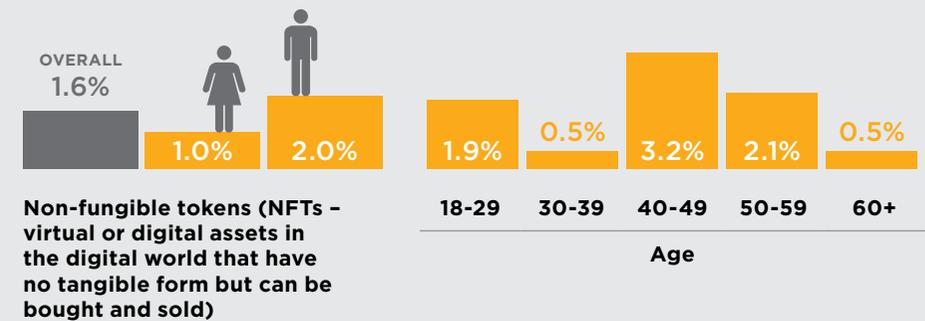
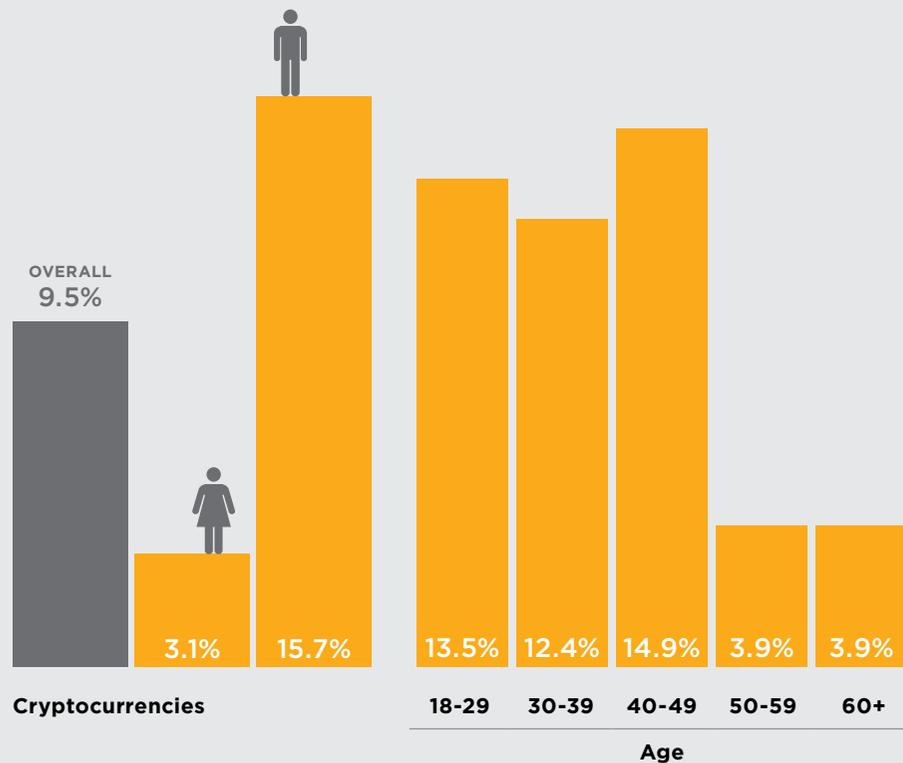
Multiple answers allowed

n = 860, respondents who are currently, planning, or have stopped using 'Micro-investing' platforms; 413, Female; 439, Male

YOUNGER GENERATIONS ARE MORE LIKELY TO HAVE CRYPTO INVESTMENTS

Current investment in cryptocurrencies and non-fungible tokens are more popular with young males.

Which of the following types of investments do you currently have?



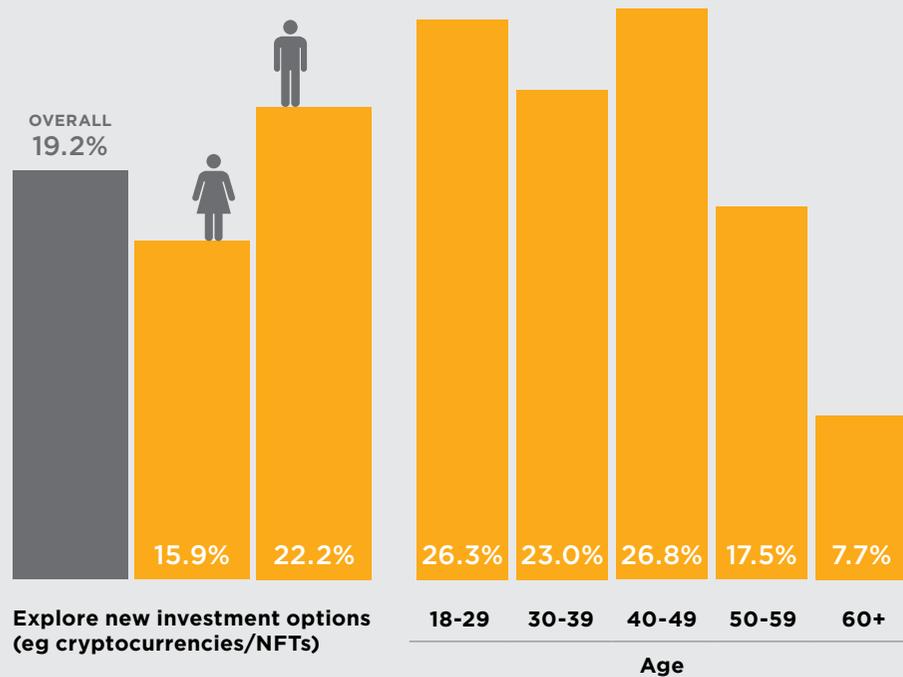
Multiple answers allowed

n = 1,587 who have investments; 807, Female; 766, Male; 364, 29 years old & below; 369, 30-39 years old; 250, 40-49 years old; 192, 50-59 years old; 412, 60 years old & above

THERE IS INTEREST IN NEW INVESTMENT OPTIONS

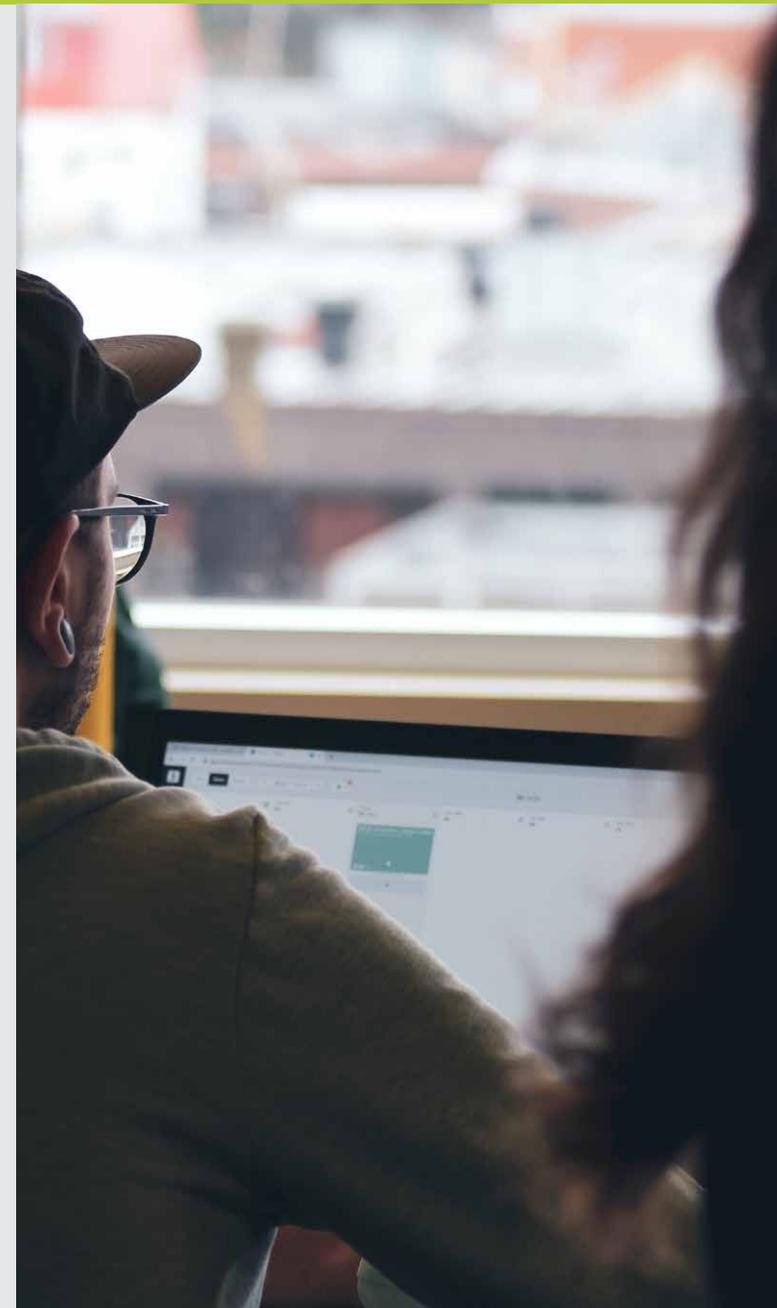
There is potential for growth for investment in cryptocurrencies and Non-fungible tokens, with an average of 20% of respondents exploring them as new investment options. The interest in these types of investments drop with age, particularly with 60 year old and above respondents.

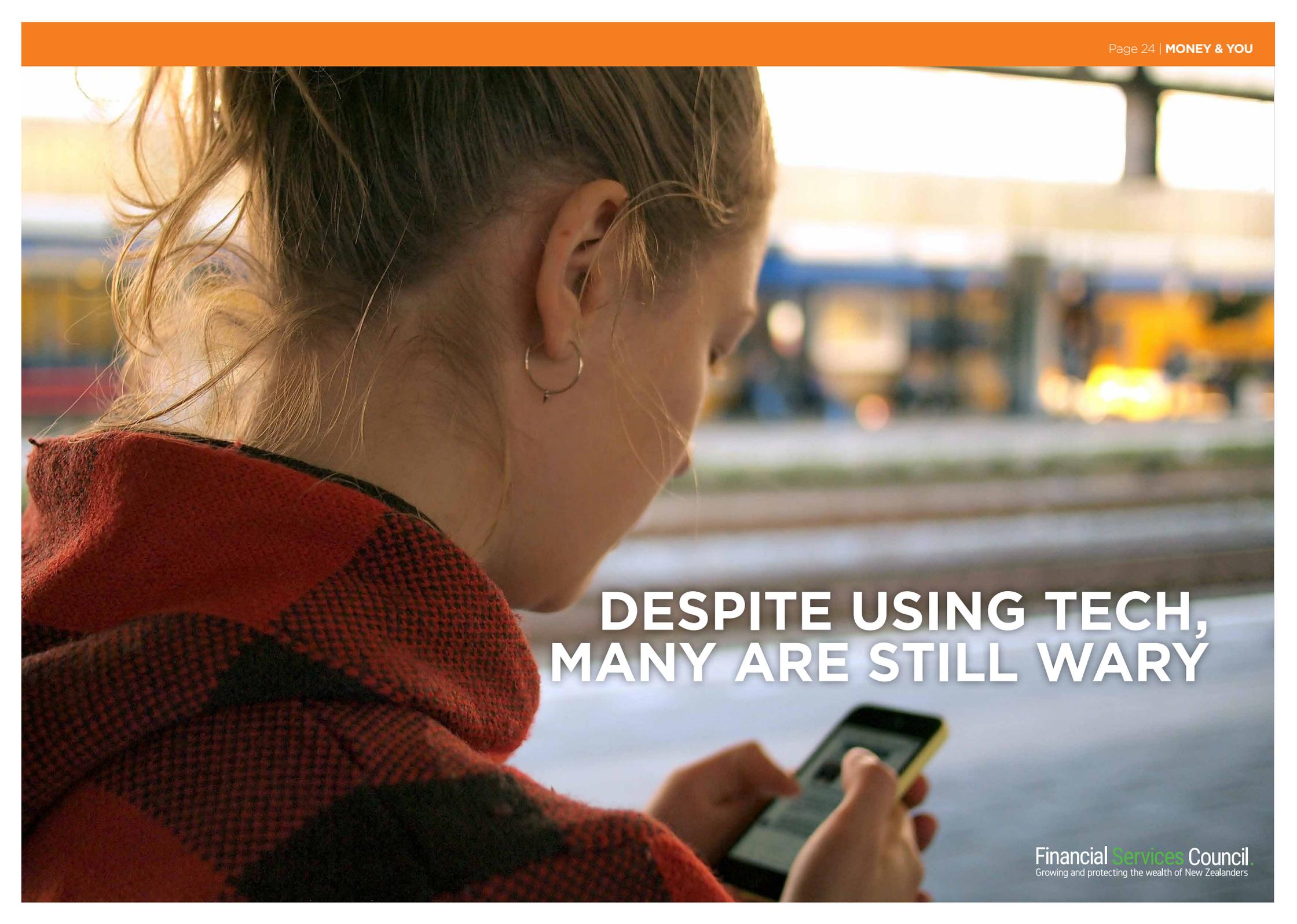
Which of the following financial goals are you actively working towards in the next five years?



Multiple answers allowed

n = 1,587 who have investments; 807, Female; 766, Male; 364, 29 years old & below; 369, 30-39 years old; 250, 40-49 years old; 192, 50-59 years old; 412, 60 years old & above





DESPITE USING TECH, MANY ARE STILL WARY


FAST FACTS

CYBERCRIME: A NATIONAL SECURITY CHALLENGE ON A GLOBAL SCALE

As technology adoption and access to digital platforms increase, so do the instances of cybercrime, with cyber attacks such as malware, phishing and denial of service attacks (DDOS) happening every 39 seconds¹ with reported malware incidents costing \$1 trillion globally in 2020, up from an estimated \$600 million in 2018².

According to the Government Communications Security Bureau there were 353 reported cyber security incidents from New Zealand's 250 most significant public and private sector organisations in 2020³. In recent months there have been high profile attempts on the New Zealand Stock Exchange, Reserve Bank of New Zealand and most recently the ransomware attack on Waikato District Health Board



in May 2021, where hackers were (at the time of writing) releasing sensitive personal information to media⁴.

However, it is not just large organisations that are in the sights of hackers. CertNZ, who receive and track New Zealand cyber incident reports from both individuals and businesses, reported the number of reported incidents has risen 65% between 2017 and 2020 to 7,809 with the top categories including phishing, scams and fraud and malware⁵.

These threats are in the consciousness of the respondents in this survey when considering digital financial services. Most respondents are concerned with the risk of online fraud, identity theft or scam that could result in financial loss with just over 20% either not concerned or not particularly concerned,

and 80% of respondents are either very concerned or somewhat concerned about the privacy and security of personal information when using digital technology for their finances.

However, most respondents had at least some confidence in using technology with older generations being less confident than their younger counterparts and less likely to adopt new technologies before others, likely as a result of cyber security concerns.

Overall, confidence with technology is higher with younger Kiwis, though concern about personally identifiable information, security and fraud is universal.

1 University of Maryland

2 McAfee

3 Government Communications Security Bureau Annual Report 2020 and National Cyber Security Centre

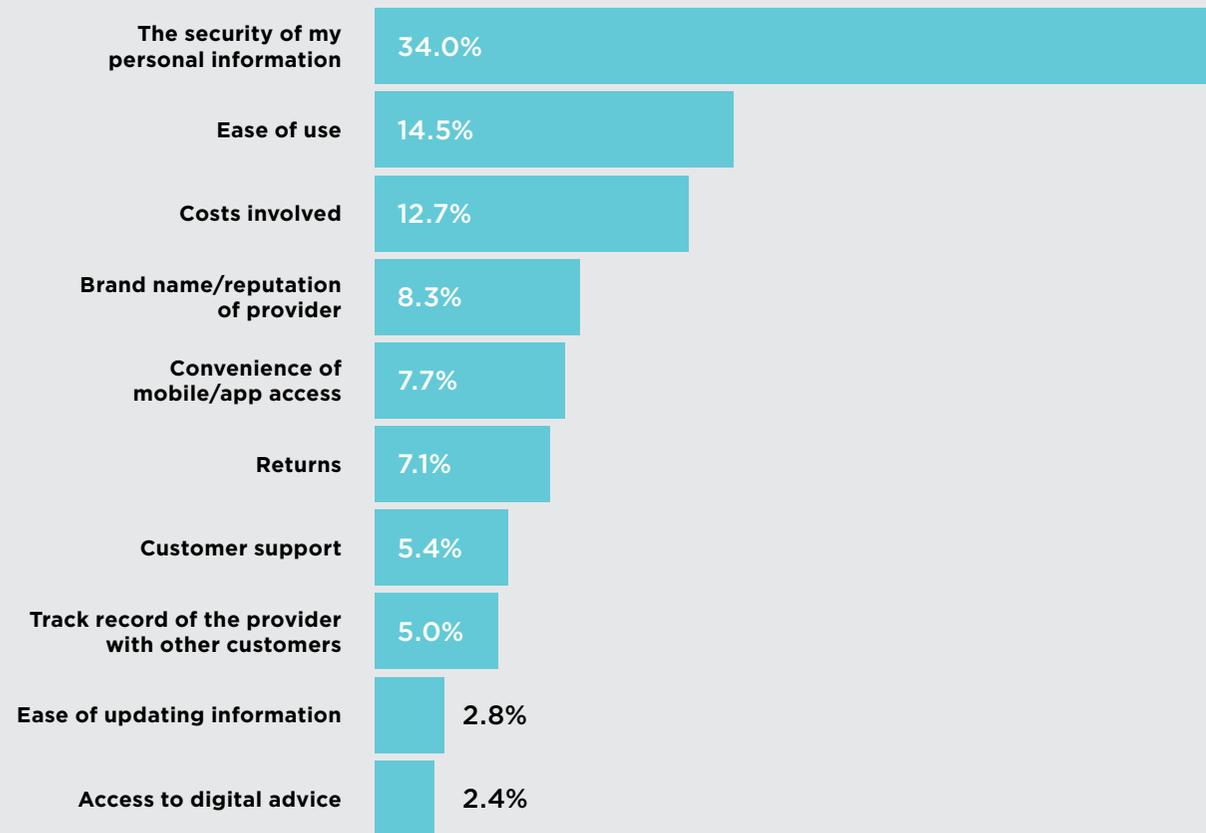
4 Radio New Zealand

5 CertNZ 2020 Report Summary

CYBER SECURITY IS A CONCERN

The number one consideration when using digital financial technology is security of personal information.

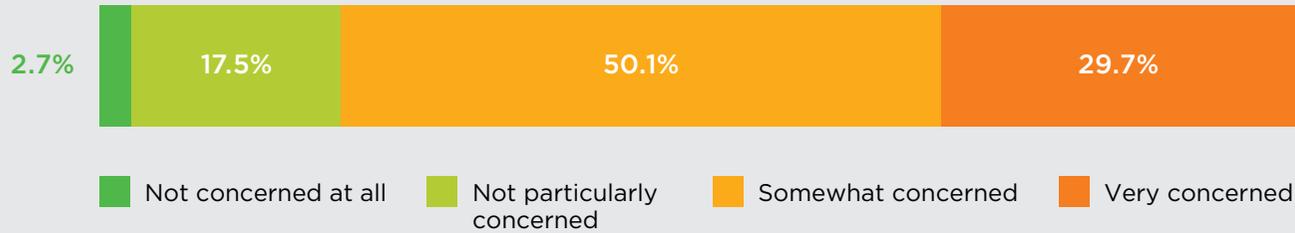
Which of the following are important considerations for you when using a technology solution for your finances?



PRIVACY IS A KEY CONCERN

Over 80% of respondents are either very concerned or somewhat concerned about the privacy and security of personal information when using digital technology for their finances.

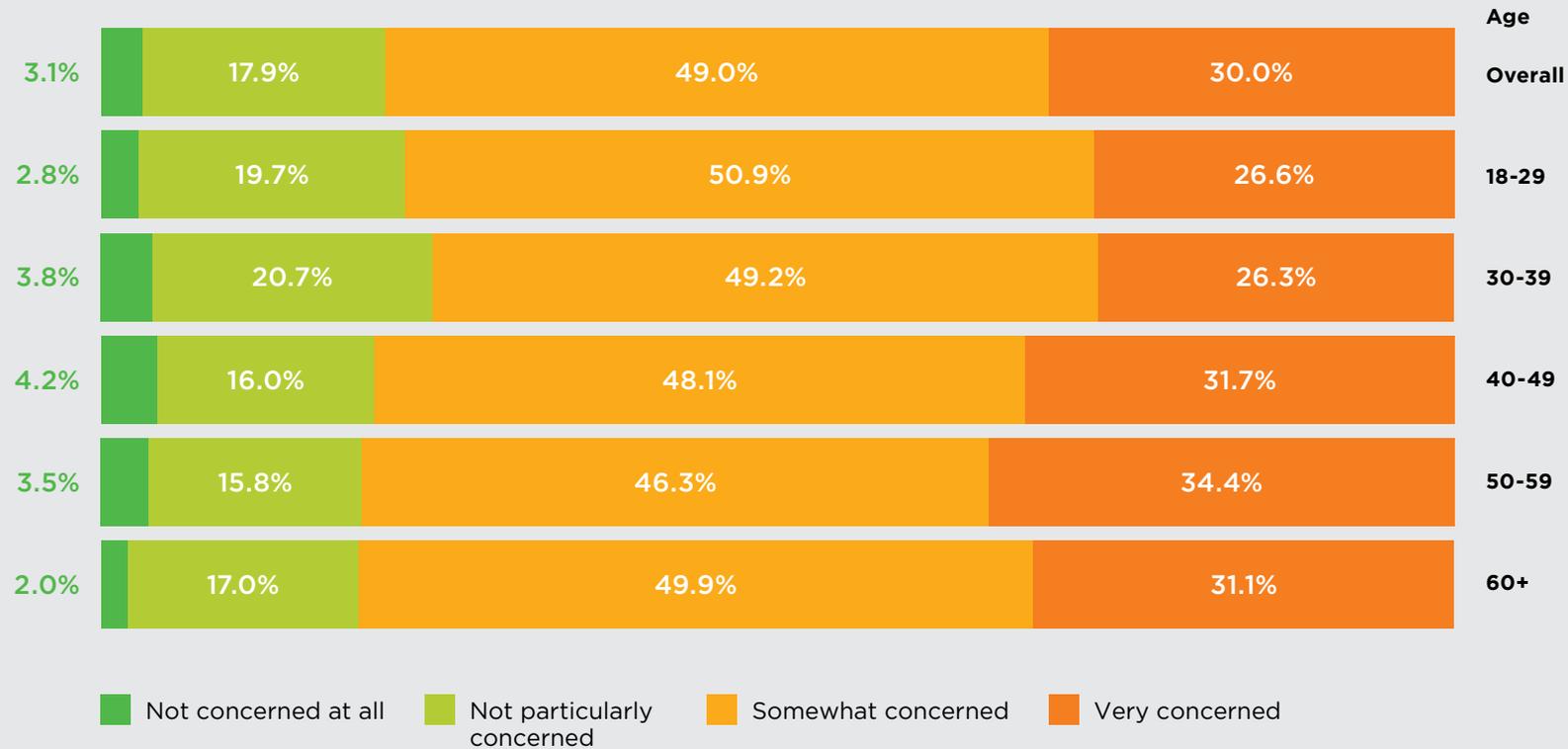
How concerned are you with the privacy and security of your personal information when using a technology solution for your finances?



UNIVERSAL CONCERN OF FRAUD, IDENTIFY THEFT AND SCAMS

The majority of respondents are concerned about online fraud, identity theft and scams that could result in financial loss, with a minority having little concern, irrespective of age or gender.

How concerned are you with the risk of online fraud, identity theft or scam that could result in financial losses to you?



n = 2,035, Overall; 481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

CONFIDENCE DROPS IN OLDER GENERATIONS

Overall, the majority of respondents had at least some confidence in using technology, with older generations being less confident than their younger counterparts.

Which of the following best describes your confidence in using technology?

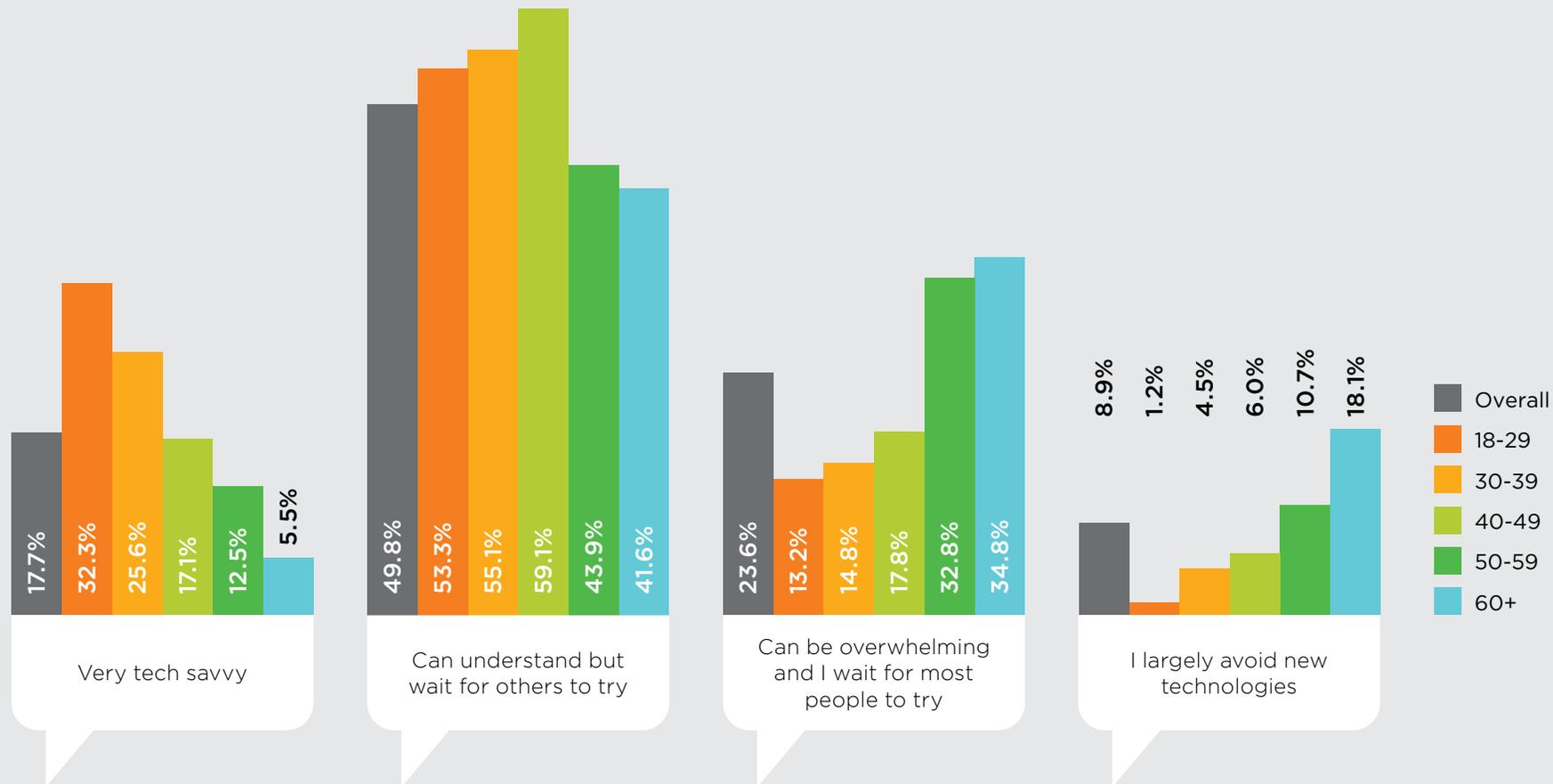


n = 2,035, Overall;
 481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

WAITING FOR EARLY ADOPTERS

Although confident in using technology, most will wait for others to try it out, with the youngest tech savvy respondents most likely to adopt new technologies first.

Which of the following best describes your attitude towards adopting new technologies?



n = 2,035, Overall;
481, 29 years old & below; 449, 30-39 years old; 323, 40-49 years old; 240, 50-59 years old; 542, 60 years old & above

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ANNEX A: FINDING HELP AND ADVICE

1. Government Advice

The Government continue to offer a wide range of help and advice including support to look after your emotional and mental wellbeing.

For more information go to [covid19.govt.nz/](https://www.covid19.govt.nz/)

2. Provider help and support

Your life or health insurance, KiwiSaver and investment provider will have support in place to help you. These will range from payment holidays to advice on accessing your investments or KiwiSaver should you be in difficulty.

They are also there for you if you have less urgent queries about your policies and investments, and now is a great time to check that you have the right levels of protection and are in the right type of KiwiSaver or investment funds.

Access our member websites by clicking on the member logo at www.fsc.org.nz/About/Members

3. Online resources to help you manage your finances

The Sorted website has a whole range of resources to help you in plain English. From tailored tools to help you decide how to best manage your money through to making decisions about KiwiSaver and insurance, the site has case studies, helpful articles and provides real, practical help.

Visit [sorted.org.nz](https://www.sorted.org.nz).

4. Getting help from a financial adviser

A financial adviser will help coach you through your financial situation and support you in getting the right financial plan to meet your needs. Advice is available and accessible for all and by getting advice, you are more likely to be confident about money and improve your wellbeing.

The Financial Markets Authority regulates advice in New Zealand, and more information about advice and where to find advisers can be found at www.fma.govt.nz/investors/getting-financial-advice/



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ANNEX B: METHODOLOGY

The research was conducted via an online survey developed and hosted by CoreData. Data was collected between 15 April and 26 April 2021.

A total of 2,035 valid complete responses were collected, which formed the basis of the analysis and the report.

The sample is representative of the New Zealand consumer population in terms of age, gender and income based on the latest Stats NZ data.

The purpose of this survey was to understand the financial confidence and wellbeing of New Zealanders.

CORE DATA
research



07

ANNEX C :
DEMOGRAPHICS TABLES**Gender**

Female	49.9%
Male	49.5%
Other/Non Binary	0.7%
Total	100.0%

Age Generation

Generation Y (37 years old & below)	34.4%
Generation X (38 - 52 years old)	26.3%
Baby Boomers (53 - 72 years old)	29.4%
Pre-Boomers (73 years old and above)	9.9%
Total	100.0%

Marital Status

Single	28.5%
Living with partner/married	58.7%
Separated/divorced/widowed	12.3%
Other	0.5%
Total	100.0%

Ethnic Group

European	68.4%
Maori	9.3%
Pacific People	3.6%
Asian	13.1%
MELAA (Middle Eastern, Latin American and African)	1.3%
Other	4.2%
Total	100.0%

Level of Education

Primary	0.4%
Part of high school	11.5%
Completed high school	18.3%
Diploma or certificate qualification	29.6%
Degree qualification	26.2%
Postgraduate qualification	14.0%
Total	100.0%

Current Living Arrangement

Living alone (never had children)	12.0%
Living with flatmate(s) (never had children)	7.4%
Living with parents/siblings (never had children)	7.5%
Living with partner only (never had children)	13.7%
Living with your children (under 18 years) at home	23.8%
Living with your children (over 18 years) at home	6.4%
Living with your children (both over and under 18 years) at home	2.5%
Children have all left home	22.6%
Other	4.1%
Total	100.0%

Region Banded

Auckland	32.2%
Northland, Waikato, Bay of Plenty and Gisborne	20.4%
Wellington and Surrounding Regions	23.5%
Canterbury and the Northern Regions	17.7%
Otago, Southland and West Coast	6.2%
Total	100.0%

Region

Auckland	32.2%
Bay of Plenty	7.1%
Canterbury	15.0%
Gisborne	0.4%
Hawke's Bay	3.1%
Manawatu-Wanganui	6.7%
Marlborough	0.7%
Nelson	1.5%
Northland	3.6%
Otago	4.0%
Southland	1.4%
Taranaki	2.3%
Tasman	0.5%
Waikato	9.2%
Wellington	11.4%
West Coast	0.9%
Total	100.0%

Employment Status

Business owner	3.7%
Self-employed	7.4%
Full-time employee	38.5%
Part-time employee	12.7%
Casual employee	2.8%
Contractor/freelancer	1.0%
Not employed at present	13.6%
Retired	17.3%
Homemaker	1.3%
Student	0.6%
Other	1.1%
Total	100.0%

Personal Income

\$20,000 or less	20.5%
\$20,001 to \$30,000	17.0%
\$30,001 to \$40,000	9.9%
\$40,001 to \$50,000	10.3%
\$50,001 to \$60,000	10.0%
\$60,001 to \$70,000	7.6%
\$70,001 to \$80,000	5.8%
\$80,001 to \$90,000	4.1%
\$90,001 to \$100,000	4.0%
\$100,001 to \$125,000	5.6%
\$125,001 to \$150,000	2.5%
\$150,001 to \$200,000	1.1%
More than \$200,000	1.5%
Total	100.0%

Household Income

\$20,000 or less	7.5%
\$20,001 to \$30,000	9.7%
\$30,001 to \$40,000	9.5%
\$40,001 to \$50,000	8.9%
\$50,001 to \$60,000	8.8%
\$60,001 to \$70,000	6.8%
\$70,001 to \$80,000	6.3%
\$80,001 to \$90,000	5.9%
\$90,001 to \$100,000	6.0%
\$100,001 to \$125,000	10.8%
\$125,001 to \$150,000	9.3%
\$150,001 to \$200,000	6.6%
More than \$200,000	3.8%
Total	100.0%

Household Debt

I have no debts	28.7%
\$50,000 or less	31.6%
\$50,001 to \$150,000	8.8%
\$150,001 to \$250,000	5.5%
\$250,001 to \$350,000	4.1%
\$350,001 to \$450,000	3.6%
\$450,001 to \$550,000	2.0%
\$550,001 to \$650,000	2.2%
\$650,001 to \$750,000	1.0%
\$750,001 to \$1 million	1.1%
More than \$1 million	1.3%
Prefer not to say	10.2%
Total	100.0%

Household Investment Portfolio

I have no investments	20.8%
\$50,000 or less	29.4%
\$50,001 to \$150,000	20.7%
\$150,001 to \$250,000	8.3%
\$250,001 to \$350,000	4.0%
\$350,001 to \$450,000	2.8%
\$450,001 to \$550,000	2.9%
\$550,001 to \$650,000	2.3%
\$650,001 to \$750,000	1.5%
\$750,001 to \$1 million	2.8%
More than \$1 million	4.4%
Total	100.0%

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ABOUT THE FINANCIAL SERVICES COUNCIL

The Financial Services Council is a non-profit member organisation and the voice of the financial services sector in New Zealand. Our 95 members comprise 95% of the life insurance market in New Zealand and manage funds of more than \$83bn. Members include the major insurers in life, disability and income insurance, fund managers, KiwiSaver and workplace savings schemes (including restricted schemes), professional service providers, and technology providers to the financial services sector.

Find out more at fsc.org.nz

Other Research

Life Insurance:

Gambling on Life

Moments of Truth

Risking Everything

KiwiSaver:

Generation KiwiSaver

Great Expectations

Growing the KiwiSaver Pie

KiwiSaver 2050 -

Pathways to the Future

Shaping Futures:

Closing the KiwiSaver Gap

Financial Services Industry:

Money and You - Parts 1-3

Unlocking the Potential of Professional Advice

Financial Resilience Index

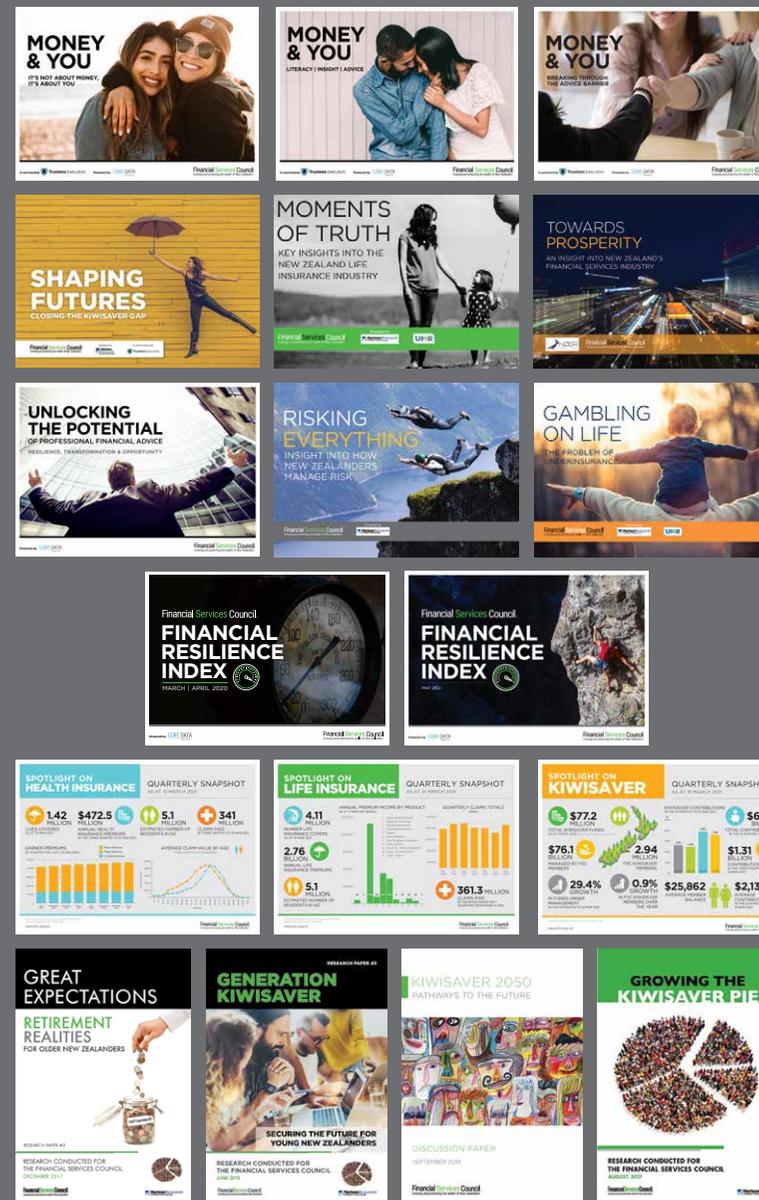
March 2020-April 2021

Spotlight on KiwiSaver

Spotlight on Life Insurance

Spotlight on Health Insurance

Towards Prosperity



To find out more visit fsc.org.nz

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BNZ Investments and Insurance	CIGNA Life Insurance NZ Ltd	Civic Financial Services	Consilium	Craigs Investment Partners	Fidelity Life Assurance Co Ltd	FNZ
						
Foodstuffs Provident Fund	Forsyth Barr	Generate KiwiSaver	Imperial New Zealand Superannuation Fund	KiwiWealth	Medical Assurance Society New Zealand Limited	Mercer (NZ) Ltd
						
Milford Asset Management Limited	Momentum Life	nib	New Zealand Post Superannuation Plan	Partners Life	Pinnacle Life	Police Association
						
Resolution Life	SmartsharesNZ	Southern Cross	Southsure Insurance	Te Rūnanga o Ngāi Tahu	The New Zealand Anglican Church Board	UniMed
						
Unisaver Limited	Westpac Bank					
						

3M Superannuation Scheme
 Baptist Union Superannuation Scheme
 BECA Super Scheme
 BOC NZ Retirement Plan
 BP New Zealand Retirement Plan
 Colgate-Palmolive Superannuation Plan
 Dairy Industry Superannuation Scheme
 DXC (New Zealand) Staff Superannuation Fund
 Government Superannuation Fund Authority
 Manchester Unity Friendly Society
 Maritime Retirement Scheme
 MISS Scheme
 MERBP Trustee Limited
 mysuper Superannuation Scheme
 Nestlé Pensions (New Zealand) Limited
 New Zealand Steel Pension Fund
 NZAS Retirement Fund
 NZ Fire Service Superannuation Scheme
 The Presbyterian Church of Aotearoa New Zealand Beneficiary Fund
 Police Superannuation Scheme
 Ports Retirement Plan
 Reserve Bank of New Zealand
 Sealed Air (New Zealand) Superannuation Fund
 Shell New Zealand Pensions Limited
 The Trustees of the Church of Jesus Christ of Latter-Day Saints Deseret Benefit Plan for New Zealand

* As at May 2021

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 Financial Services Council

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Growing and protecting the wealth of New Zealanders

JUNE 2021