



# MONEY & YOU

THE PERCEPTION GAP

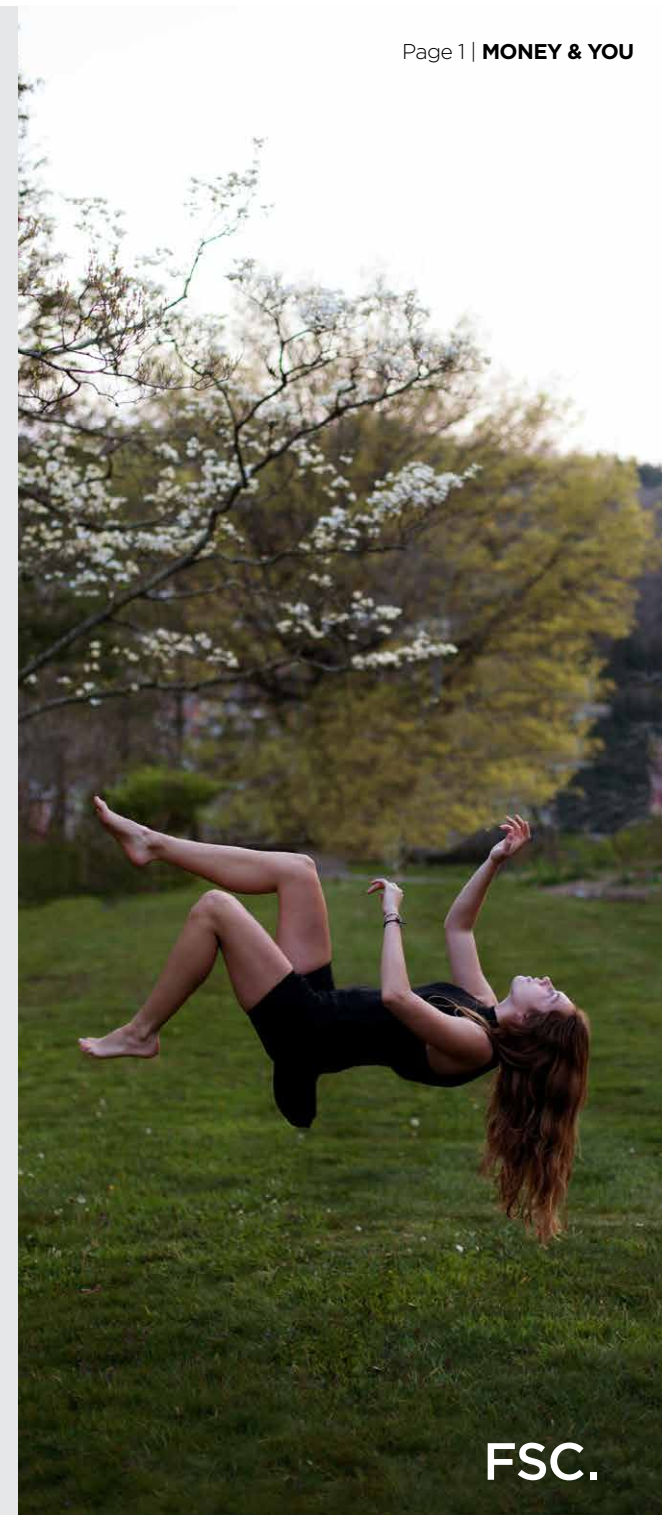
A woman with long brown hair, wearing a blue jacket and a grey fringed scarf, is reading a newspaper in a cafe. The background is blurred, showing other people and warm lighting. A camera is visible in the foreground on the right.

**GROW THE FINANCIAL  
CONFIDENCE AND  
WELLBEING OF  
NEW ZEALANDERS**

FSC.

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## 01

## INTRODUCTION

As we continue FSC's vision to grow the financial confidence and wellbeing of New Zealanders, we are proud to release the latest report in our research series, Money & You.

This edition focuses on New Zealanders' perceptions of financial confidence, following the 2022 report,

**Financial resilience trends in New Zealand:**

**Overconfidence and a perfect (savings) storm**

which highlighted a widening gap between financial confidence and financial literacy.

This year, we investigated the widening perception gap with respondents in more detail to begin to understand more about the impact of financial confidence and financial literacy.

In our last report, **Money & You: Young People and the Cost of Living**, we highlighted common traits found through the research that indicate financial confidence. Men, homeowners (where the likelihood of ownership increases with age) and those who are insured (where fewer than a third held policies) were the most common.

This research series intends to support the work with the new government, our regulators and together with industry to drive a Blueprint for Growth\*, outlined at the 2023 FSC Building Consumer Confidence Conference this August.

The Blueprint looks across four policy priorities and aspirations:

1. Kiwis better manage their finances and seek advice
2. Kiwis better manage and understand their risk
3. Kiwis have a dignified retirement
4. Kiwis have accessible and affordable healthcare

Focusing on these four areas is important as we are in unprecedented times. New Zealanders are facing higher levels of risks and unfortunately, we are not adequately protected. Whether it is insurance (of which New Zealanders are significantly underinsured, with one of the lowest levels of insurance in OECD countries), or an ageing population who don't have enough funds for a rainy day or retirement. Together, government, regulators and the financial services industry have both a responsibility and an opportunity to address these priorities and support New Zealanders.

As with all our research, the report may well drive more questions than answers at this stage, opening up debate to deliver change and keep growing the financial confidence and wellbeing of New Zealanders.



Trish Oakley  
FSC Strategic  
Research  
Committee Chair



Rob Flannagan  
Independent Chair



Richard Klipin  
CEO, FSC

\*Blueprint for Growth - <https://blog.fsc.org.nz/media-release-16-august-2023>

## 02

## KEY FINDINGS

- **There is a Perception Gap:** while 82% reported they were financially confident, just 62% demonstrated a 'good understanding' when asked about four financial concept trivia questions to measure literacy.
- **It's not just confidence:** There are other measures in play to ensure financial resilience including preparedness, wellbeing and job security, measures that are higher than pre-pandemic levels.
- **We need to tackle both over and under confidence:** Those who are financially confident tend to have support networks and time to research investments. Professional financial advice can support closing the Perception Gap for the overconfident and provide positive outcomes for those less financially confident that worry more.
- **Preparedness for retirement highlights a large Perception Gap:** Despite financial confidence being at 82%, just 44% of respondents felt financially prepared for retirement, which drops to 33% for females.
- **Impact of health on finances:** There is an overconfidence about the potential impact of health issues on day to day finances. Just under a third of respondents that have or have previously had health/ medical insurances (60%) had a good understanding of financial concepts, a perception gap of 22%.



A photograph of a person standing in a puddle on a paved surface. The person is wearing a brown jacket, dark pants, and a hat. Their reflection is visible in the water. Below the puddle, there is a reflection of a different person wearing a blue jacket and jeans. The background shows a paved area with some water puddles and a building in the distance.

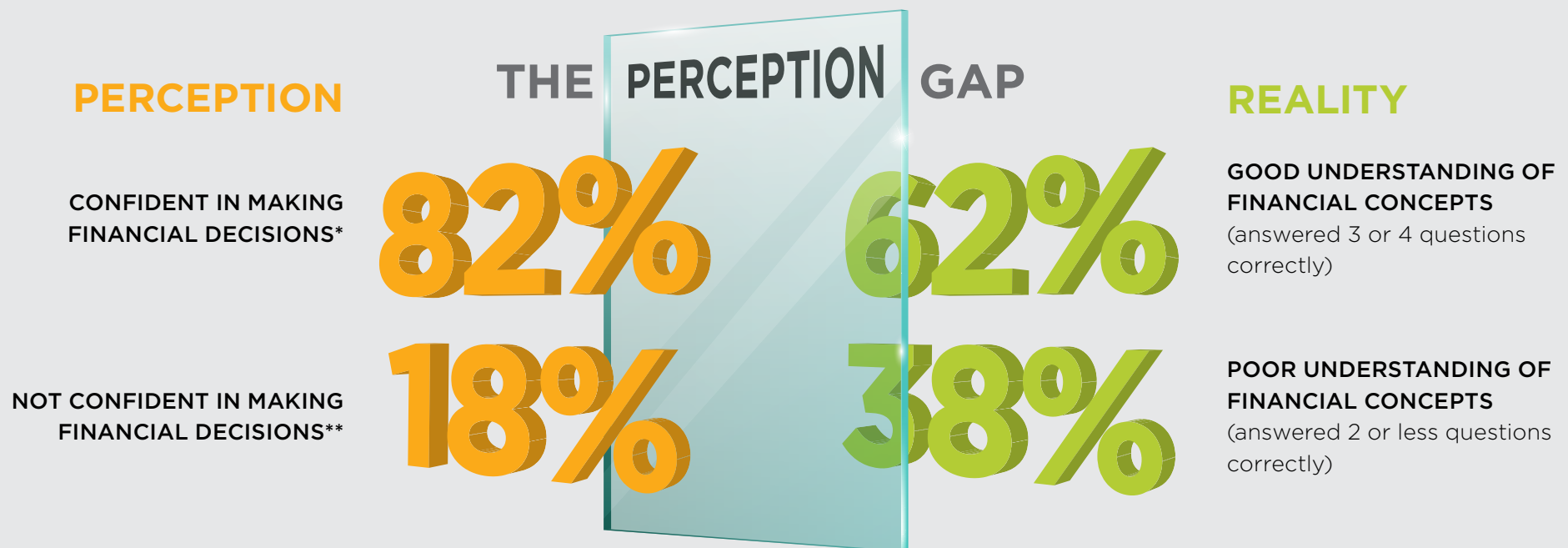
# SECTION 1: THE PERCEPTION GAP

## THE PERCEPTION GAP

In 2023 we looked to test the hypothesis that, in general, although New Zealanders are financially confident, the reality is that financial literacy remains poor. To investigate this, we asked an additional four financial concept trivia questions aligned to investment, diversification, the relationship between risk and return and KiwiSaver. Overall, the results supported that a Perception Gap does exist.

Perception of financial confidence is higher than the reality of financial literacy, with 82% on average responding as financially confident, and just 62% on average having a good understanding of the four financial concepts investigated.

We investigate the perception and reality question results in this section.



\*Very to Reasonably Confident respondents

\*\*Partially/Not Confident respondents

n = 2,030, Overall; 1,254, Good Understanding; 776, Poor Understanding

# THE PERCEPTION GAP

Many are confident in their ability to make decisions, despite poor financial literacy. The data showed that for those with extremely, very and reasonably confident perception, between 23% and 35% have a poor understanding of our financial concept trivia

questions with a widening Perception Gap the more confident the respondent became.

A breakdown of the four financial trivia concept questions follow.

Which of the following statements best describes your confidence in making financial decisions (e.g. making a change to KiwiSaver, taking out an insurance policy for my family)?



\*Good understanding covers respondents who got at least 3-4 answers right on our financial trivia questions, whereas Poor understanding covers respondents who only had 0-2 correct responses among the financial literacy questions. See pages 7-10 for the financial trivia questions.

n = 2,030, Overall; 1,254, Good Understanding; 776, Poor Understanding



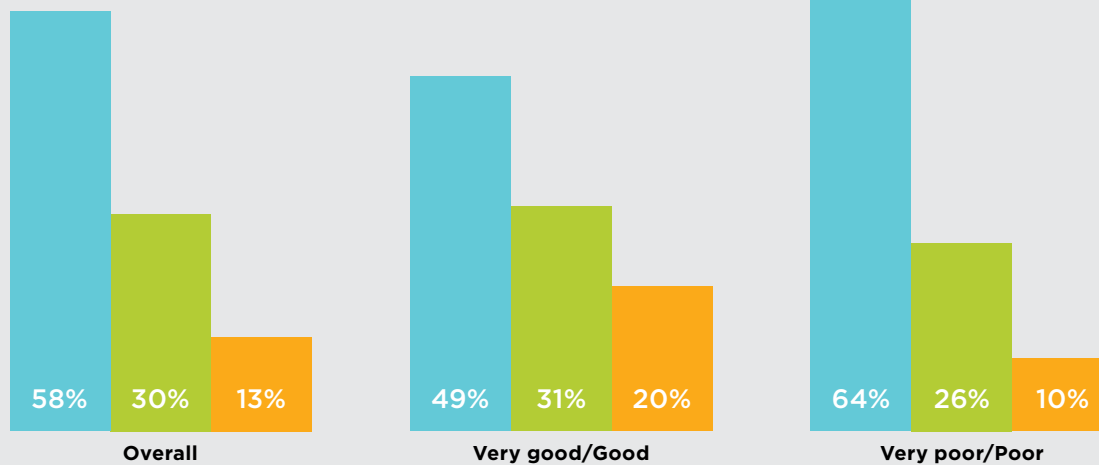
## FINANCIAL CONCEPT TRIVIA QUESTION 1

Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After one year, would you be able to buy more than today, exactly the same as today, or less than today with the money in this account?

Buy less than today

Buy exactly the same as today

Buy more than today



When asked to rate their understanding of current investment market themes, respondents that have a poor perception of their understanding of current investment market themes/trends scored better on question 1 of the trivia questions (64%) than those with a very good/good perception (49%)\*. Overall, 58% answered this question correctly.

\*Analysed against perception question: How would you rate your understanding of the following? - Current investment market themes/trends

n =2030; Overall; 743, Very good/Good; 614, Very poor/Poor

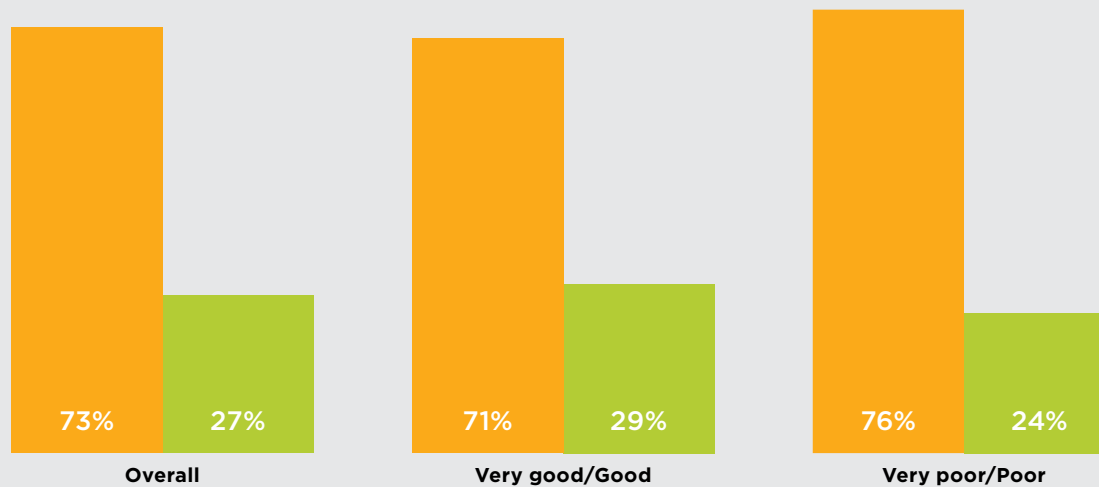


## FINANCIAL CONCEPT TRIVIA QUESTION 2

Do you think that the following statements are true or false? ***Buying shares in a single company usually provides a safer return than buying shares in a number of different companies.***

False

True



The question that tested the concept of diversification in an investment portfolio saw a much closer result, with respondents that have a poor perception scoring marginally higher (76%) than those with a very good/good perception (71%)\*. Overall, 73% answered this question correctly.

\*Analysed against perception question: How would you rate your understanding of the following? - The importance of investing in a variety of investments (diversification)

n = 2030, Overall; 1,079, Very good/Good; 367, Very poor/Poor

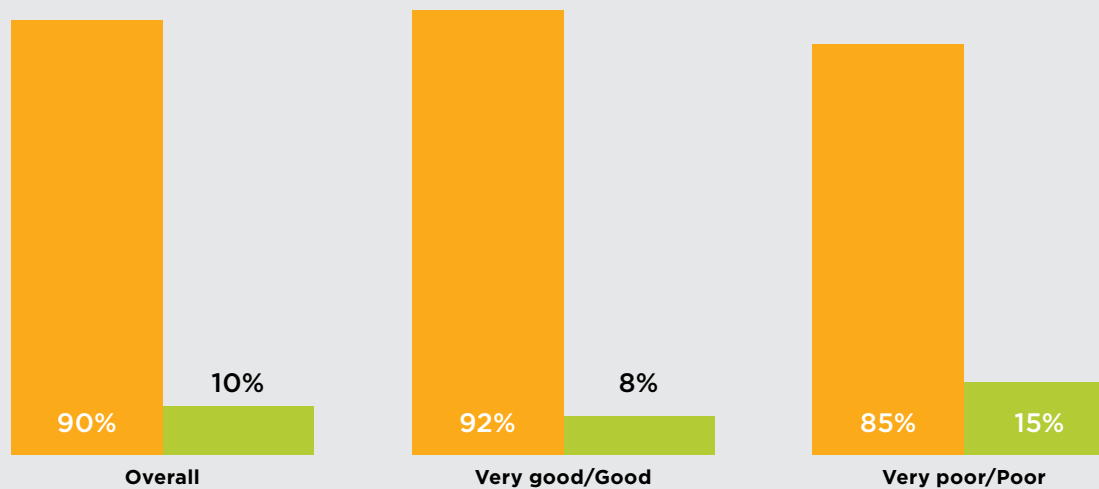


## FINANCIAL CONCEPT TRIVIA QUESTION 3

Do you think that the following statements are true or false? ***An investment with a high return is likely to be high risk.***

True

False



This question was designed to test the concept of the relationship between risk and return, and was correctly identified by the majority when compared with the relevant self-perception question\*.

\*Analysed against perception question: By how would you rate your understanding of the following? - The relationship between risk and return

n = 1,076, Very good/Good; 317, Very poor/Poor



## FINANCIAL CONCEPT TRIVIA QUESTION 4

If you switched from a balanced KiwiSaver fund to a growth KiwiSaver fund, would you be investing in more or less risky assets?

More risky

About the same

Less risky



From this question we can see that 57% of those that perceive that they have a very good/good understanding of investment profiles in KiwiSaver correctly identified the difference between a balanced and growth fund, when compared with the relevant self perception question\*.

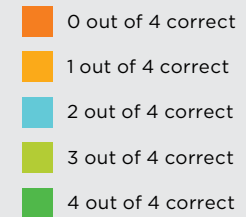


\*Analysed against perception question: By B5. How would you rate your understanding of the following? - The risk and return profile of the different types of investments

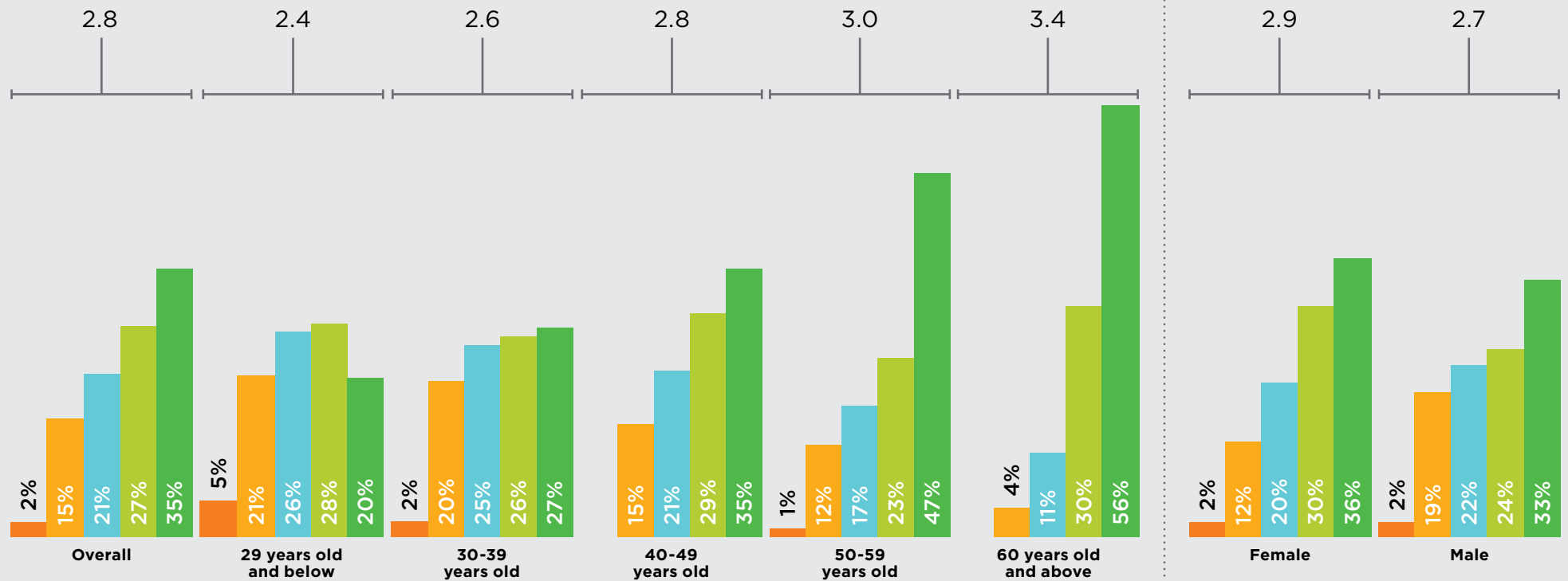
n = 2030, Overall; 906, Very good/Good; 472, Very poor/Poor

## FINANCIAL CONCEPT TRIVIA QUESTIONS TRENDS

The overall understanding of financial concepts that were tested through these four financial concept trivia questions supports previous research that overall financial literacy improves with age. 48% of 29 year-olds got 3 or 4 questions correct, rising to 86% of 60+ year olds. As we have previously seen in Money & You research, women outperformed men with 66% getting 3 or 4 questions correct\*.



Average scores

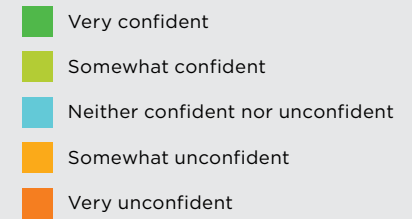


\*Scores are based on Financial Concept Trivia Questions 1, 2, 3 & 4

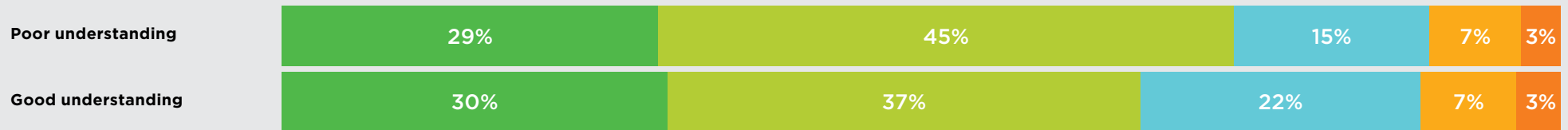
n = 2,030, Overall; 508, 29 years old and below; 536, 30-39 years old, 349, 40-49 years old; 260, 50-59 years old; 377, 60 years old and above; 1,113, Female, 906, Male

## DOES FINANCIAL LITERACY LEAD TO MORE CONFIDENCE?

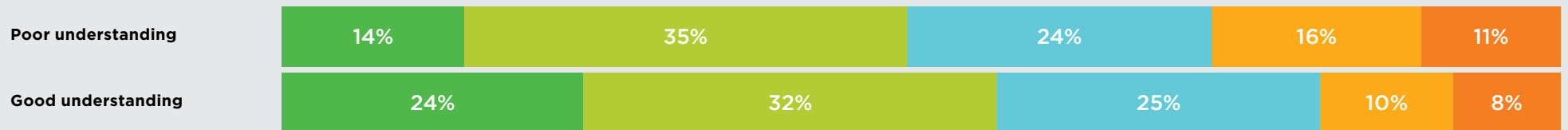
To test next steps, we also looked at the level of financial understanding data\* to test if Kiwis had better financial literacy, would it be the sole driver to more financial confidence. The outcome shows that better financial literacy does not necessarily lead to more financial confidence. As we saw in the 2023 Financial resilience trends in New Zealand\*\*, there are more drivers to financial confidence than literacy alone, and these include financial preparedness, wellbeing and job security.



### Choosing an insurance policy



### Selecting investments



### Putting aside a “rainy day fund” for emergencies



\*By level of financial understanding. Good understanding = 3 or 4 correct answers (out of 4) in the financial knowledge questions; Poor understanding = 2 or lower correct answers

\*\* Financial resilience trends in New Zealand: Overconfidence and a perfect (savings) storm

n = 2,030, Overall; 1,254, Good Understanding; 776, Poor Understanding

A hand holding a crystal ball in front of a large tent structure at sunset. The crystal ball reflects the tent's interior. The background shows the tent's framework and a bright sun setting behind it, creating a warm, golden glow. The overall scene is a metaphor for perception and reality.

## **SECTION 2: CLOSING THE PERCEPTION GAP**

## CLOSING THE PERCEPTION GAP

We all watch the news and appreciate the risks we face around our home and possessions. Unfortunately, despite increasing risk, the data shows we are not adequately insuring ourselves or saving enough for the future.

Whether it is insurance of which New Zealanders are significantly underinsured, or an ageing population who don't have enough funds for a rainy day or retirement, we all have a responsibility to address these gaps, be it as an industry or through effective regulation and policy. New Zealand has one of the lowest levels of insurance in an OECD country.

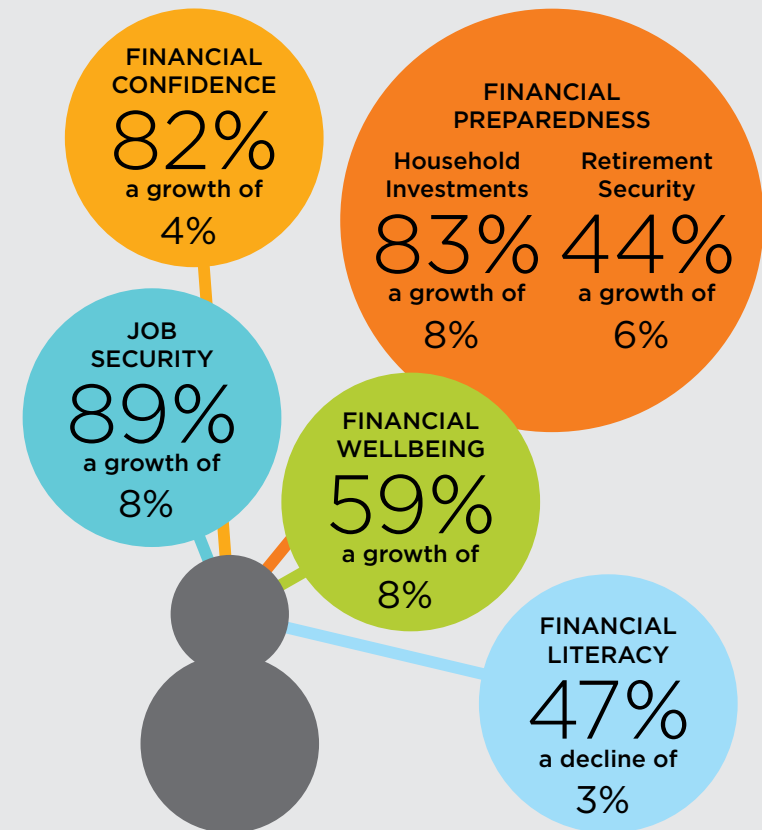
This perception versus reality research helps us to understand that literacy is important, but so are other key indicators of financial resilience including confidence, preparedness, wellbeing and job security as outlined in the FSC's 2022 Insights & Trends paper Financial

resilience trends in New Zealand: Overconfidence and a perfect (savings) storm and updated with figures from the 2023 Financial Resilience Index\*.

In this section we look deeper into the Perception Gap research to align with the new FSC Blueprint for Growth\* published in August 2023, to guide drive progress across four policy priorities and aspirations:

1. Kiwis better manage their finances and seek advice
2. Kiwis better manage and understand their risk
3. Kiwis have a dignified retirement
4. Kiwis have accessible and affordable healthcare

The challenge is clear – how do government, regulators and the industry work together to close the Perception Gap and grow New Zealanders financial confidence and wellbeing?



Overall Financial Resilience  
March 2020 – March 2023\*

\*Financial resilience trends in New Zealand: Overconfidence and a perfect (savings) storm AND Financial Resilience Index 2023 <https://blog.fsc.org.nz/cost-of-living-crisis-impacting-wellbeing>

\*\*Blueprint for Growth - <https://blog.fsc.org.nz/media-release-16-august-2023>



## TACKLING OVER AND UNDER FINANCIAL CONFIDENCE

# 1

**NEW ZEALANDERS  
AREN'T FINANCIALLY  
LITERATE**

**ASPIRATION**

**Kiwis better  
manage their  
finances and  
seek advice**

As we have seen in section 1, and previous FSC Money & You research, there is an over and under confidence in our financial capabilities with common driving traits.

This research shows that 82% of respondents that report they are confident in making financial decisions are more likely to:

1. Be Kiwis with strong support networks
2. Be able to find time to research finances
3. Be more naturally confident taking financial decisions
4. Be in a more stable financial position with more savings
5. Be happy with their current financial situation

This is not new. In 2020, FSC research\* highlighted that New Zealanders were in poor financial shape and think that they are in a financially better position than they really are.

Around 20% of New Zealanders take professional financial advice, and when they do, they are financially stronger, receive better investment returns, are more confident and understand the language of money which results in a positive impact on wellbeing.

In a tougher market, seeking help and advice is key to better managing finances for today and in the future. It may well help drive literacy by closing the Perception Gap for those that are overconfident and provide positive outcomes for those less financially confident New Zealanders that worry more.

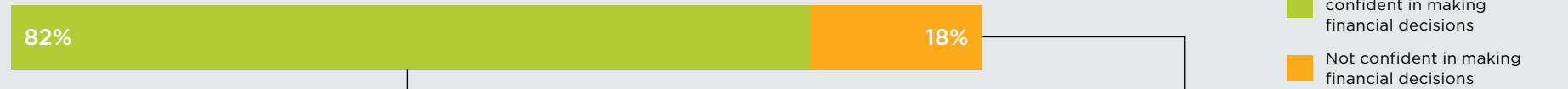
\*Money & you - Literacy, Insight & Advice <https://blog.fsc.org.nz/research-2020-literacy-insight-advice>

n = 2,030, Overall; 1,671, Confident in making financial decisions; 359, Not confident making financial decisions

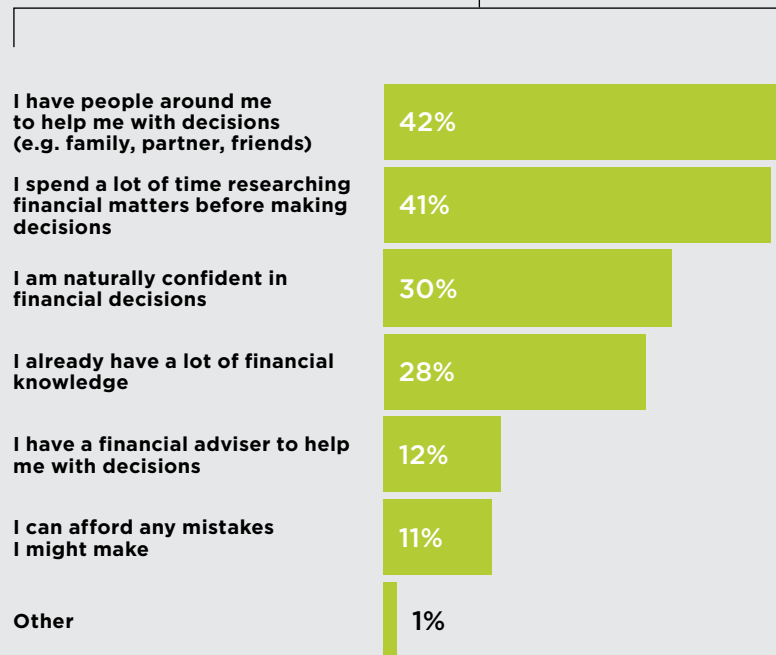
# FINANCIAL CONFIDENCE TRAITS

Which of the following statements best describes your confidence in making financial decisions (e.g. making a change to KiwiSaver, taking out an insurance policy for my family)?

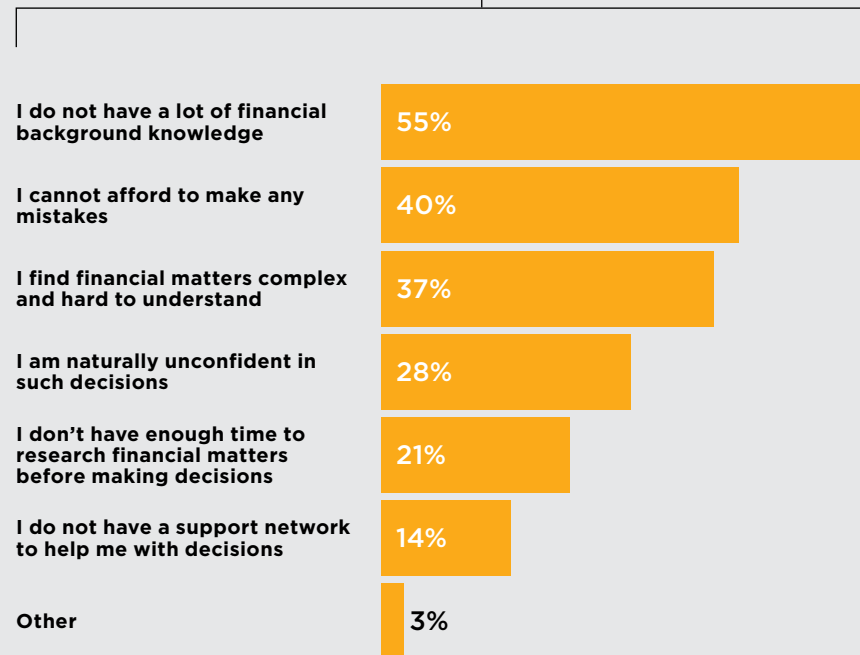
**Overall**



**82% breakdown to the question above**



**18% breakdown to the question above**



n = 2,030, Overall; 1,671, Confident in making financial decisions; 359, Not confident making financial decisions

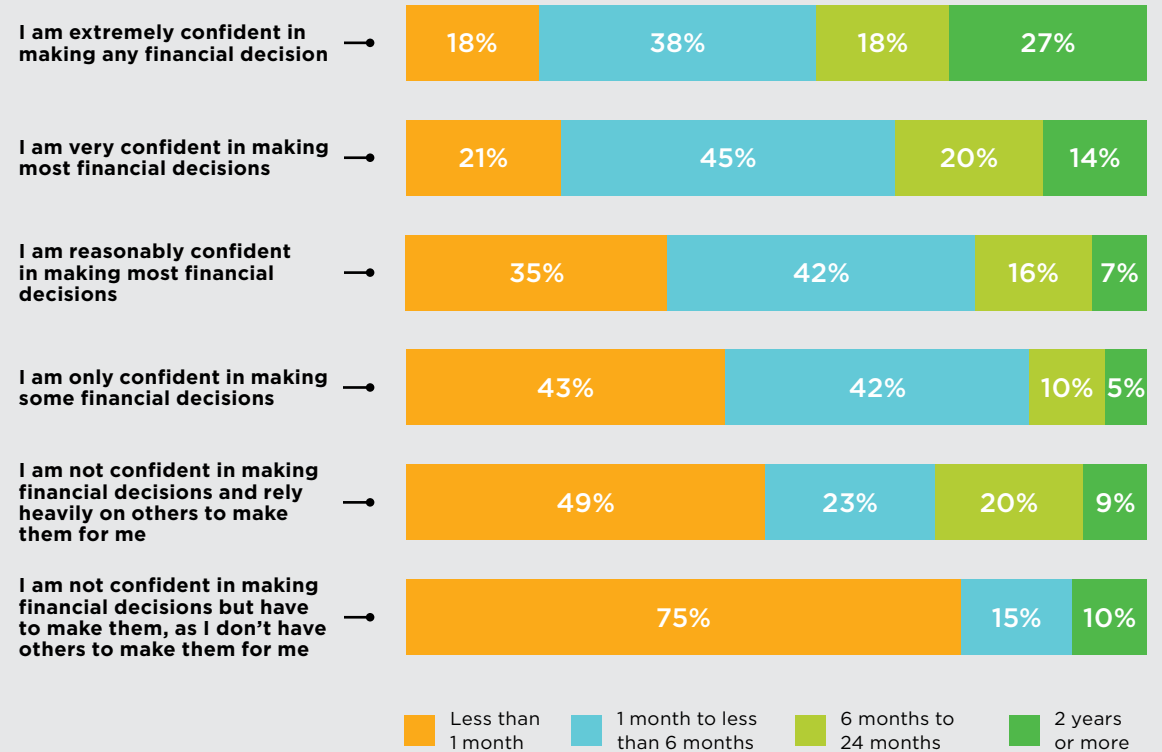
## FINANCIAL CONFIDENCE TRAITS

Cross-referencing the confidence data with key indicators of financial literacy, we see different trends such as 18% of even the most confident stating that they could survive just 1 month without an income.

The trends also show that women are much more likely to be able to continue their lifestyle for longer without earning an income compared with their male counterparts.

Which of the following statements best describes your confidence in making financial decisions (e.g. making a change to KiwiSaver, taking out an insurance policy for my family)?

By how long could you continue your current lifestyle without earning an income?

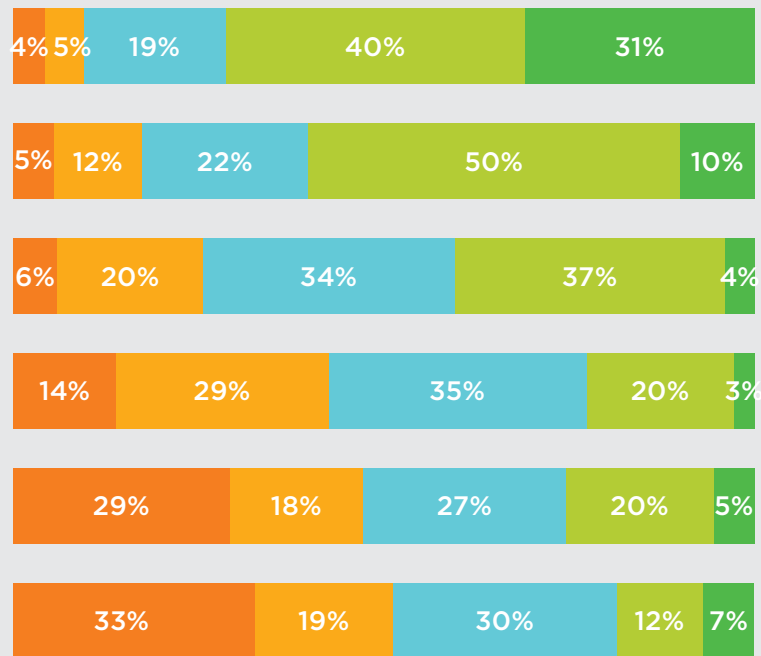


n = 2,030, Overall; 527, Extremely confident; 554, Very confident; 590, Reasonably confident; 261, Only confident; 55, Not confident - rely heavily; 43, Not confident - don't have others

# FINANCIAL CONFIDENCE TRAITS

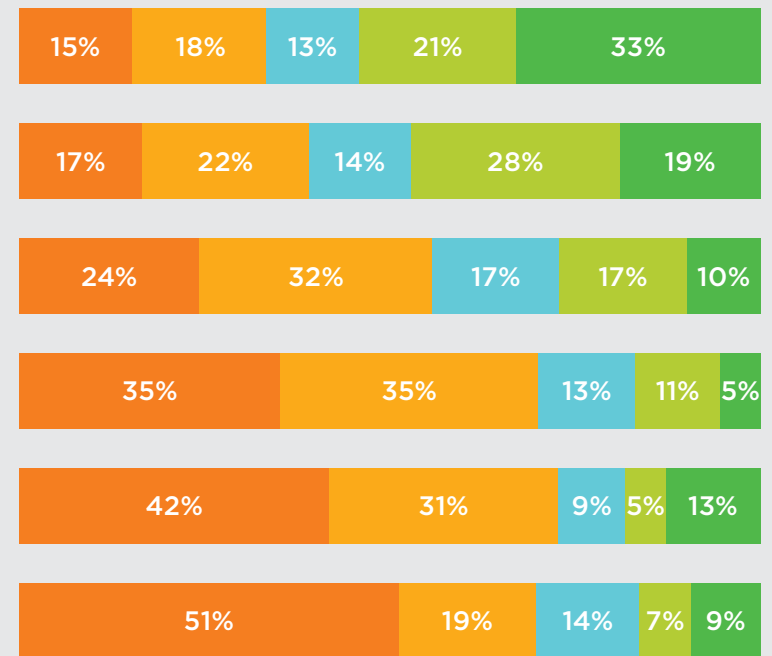
Which of the following statements best describes your confidence in making financial decisions (e.g. making a change to KiwiSaver, taking out an insurance policy for my family)?

By happiness with overall financial situation



Very unhappy    Somewhat unhappy    Neither happy nor unhappy  
 Somewhat happy    Very happy

By frequency of money worries



Daily    Weekly    Monthly  
 A few times a year    Rarely/never

n = 2,030, Overall; 527, Extremely confident; 554, Very confident; 590, Reasonably confident; 261, Only confident; 55, Not confident - rely heavily; 43, Not confident - don't have others

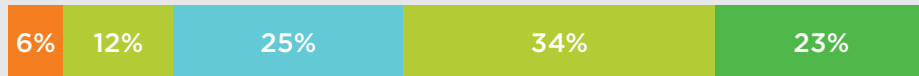
# FINANCIAL CONFIDENCE TRAITS

How would you rate your confidence in making financial decisions in relation to the following topics?

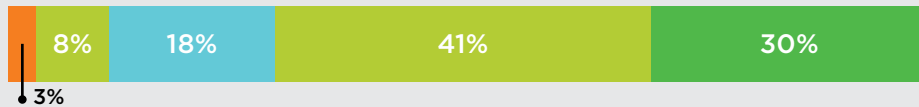
### Selecting investments



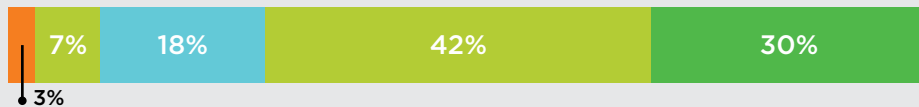
### Planning for my retirement



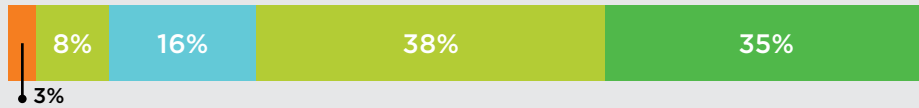
### Creating and sticking to a long-term budget



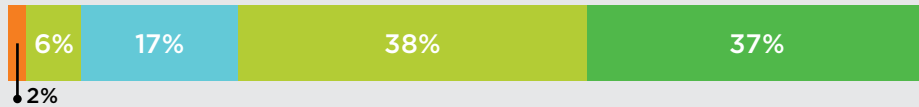
### Choosing an insurance policy



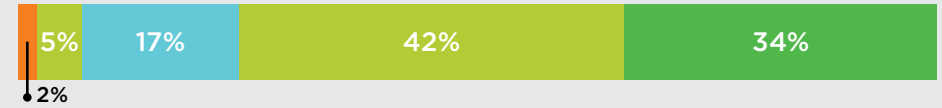
### Putting aside a "rainy day fund" for emergencies



### Creating and sticking to a day-to-day budget



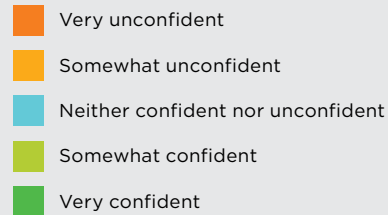
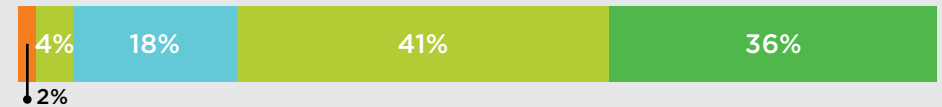
### Choosing banking products



### Making a large purchase (e.g. a car)



### Making decisions about my career



## MANAGING RISK

# 2

**NEW ZEALANDERS  
TAKE TOO  
MUCH RISK**

### ASPIRATION

**Kiwis better  
manage and  
understand  
their risk**

Managing risk comes in many forms. There was a 10% Perception Gap when it came to answering questions on investment risk, however the gap is much larger when considering insurances at 22%.

There are a number of risks in life, such as natural disasters, loss of income and sickness. Insurance policies can protect New Zealanders and dependents and reduce financial loss should these events occur. While 98% of home owners have insured their home, and 95% of car owners have insured their car, just 20% of New Zealanders have insured their income against sickness or disability\*.

This latest research shows that the top 5 circumstances that would see respondents take out an insurance policy to cover income are:

1. If I had more money
2. If my health started declining
3. If I started a family
4. If it was more simple to understand and apply
5. If any insurance company could better explain the benefits to me

With 39% having life insurance yet 82% indicating that they are financially confident, even considering the concept that some New Zealanders will self-insure, there appears to be a perception gap in knowledge around these insurances and managing life risk effectively.



*"I tended to save and as I am a healthy person that money was good in the bank. If I did need any for an emergency I had already had the savings."*

Male, 70

*"I am struggling to decide what the best insurance is."*

Female, 30



*"I don't really receive enough."*

Male, 45



*"Never really thought about it."*

Female, 24



*"I'm not 100% on what benefits I would get or how it works."*

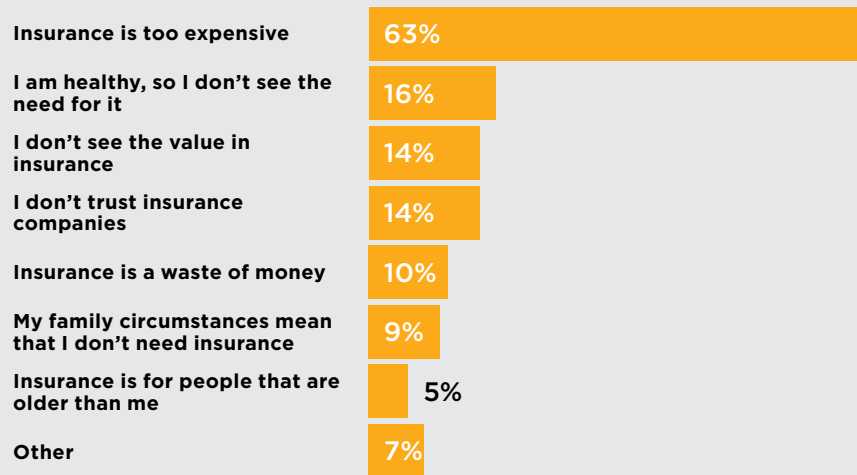
Female, 24



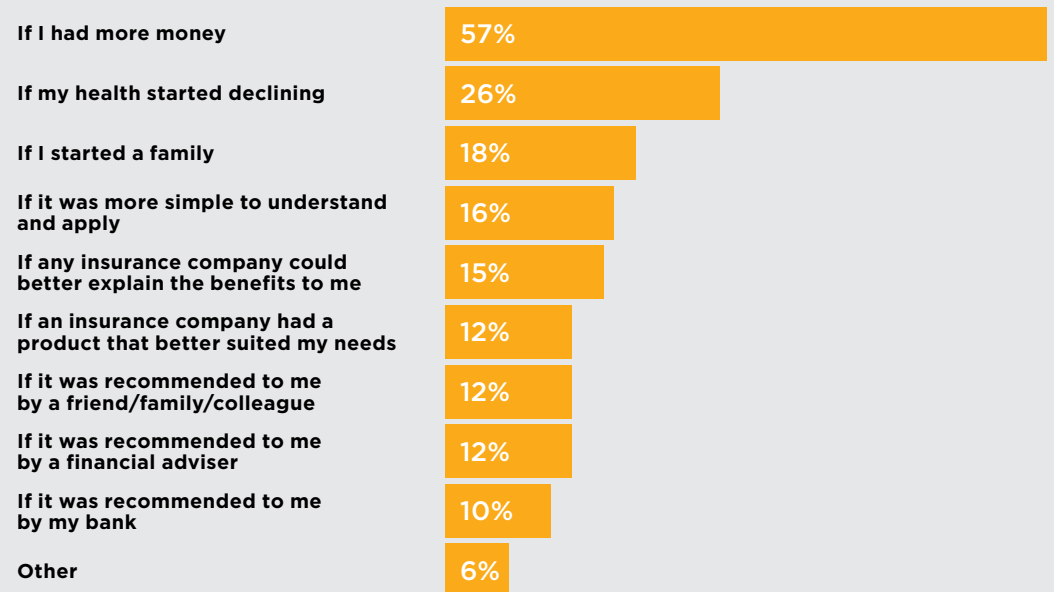
## MANAGING RISK THROUGH LIFE INSURANCES

The following charts highlight the responses for each of the four life insurances available in New Zealand.

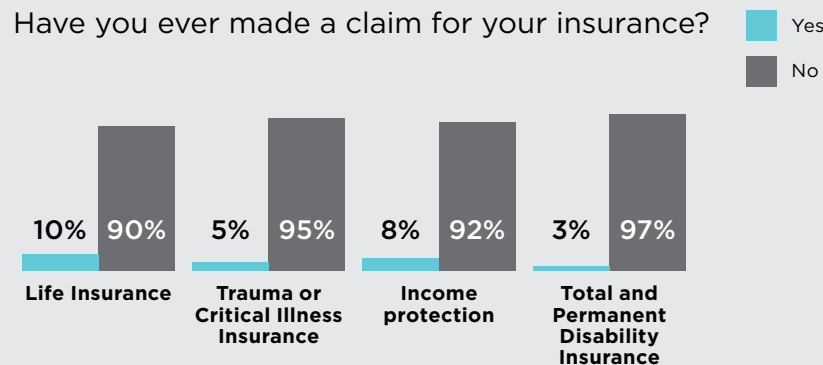
What is/are the reason(s) you don't have any insurance?



What circumstances would see you take out an insurance policy?

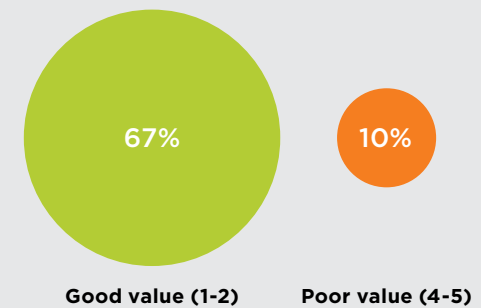


Have you ever made a claim for your insurance?



To what degree do you feel you get value for your money with your insurance?

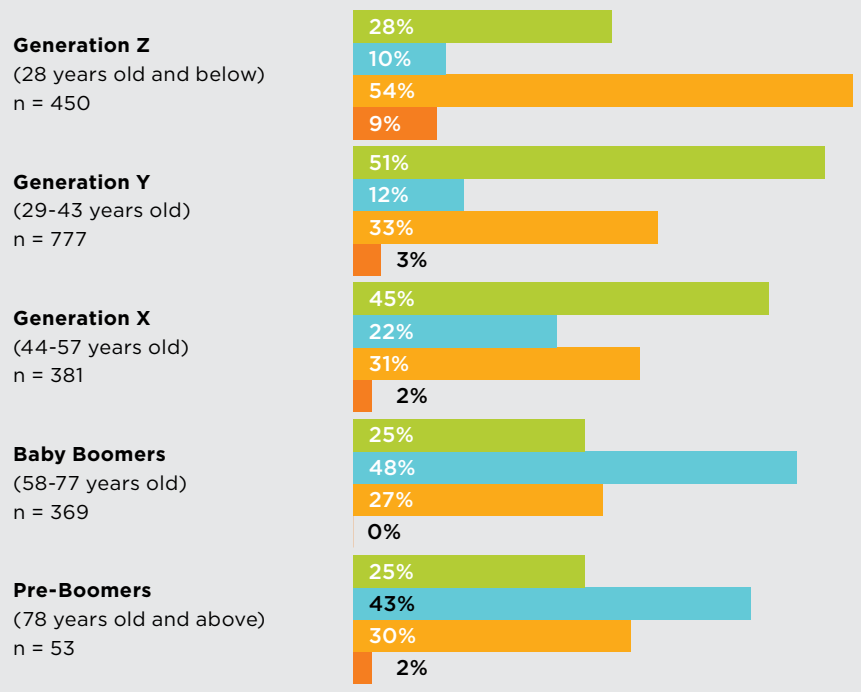
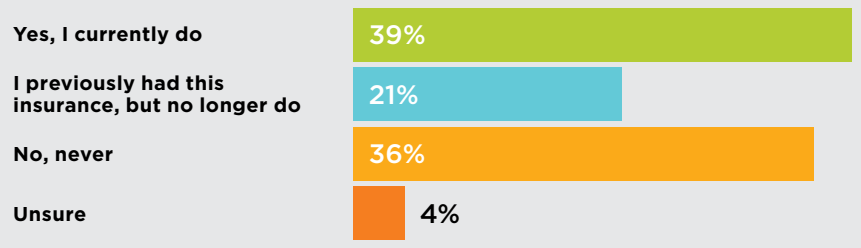
Total n = 1105



## TRAITS OF MANAGING RISK THROUGH ALL LIFE INSURANCES

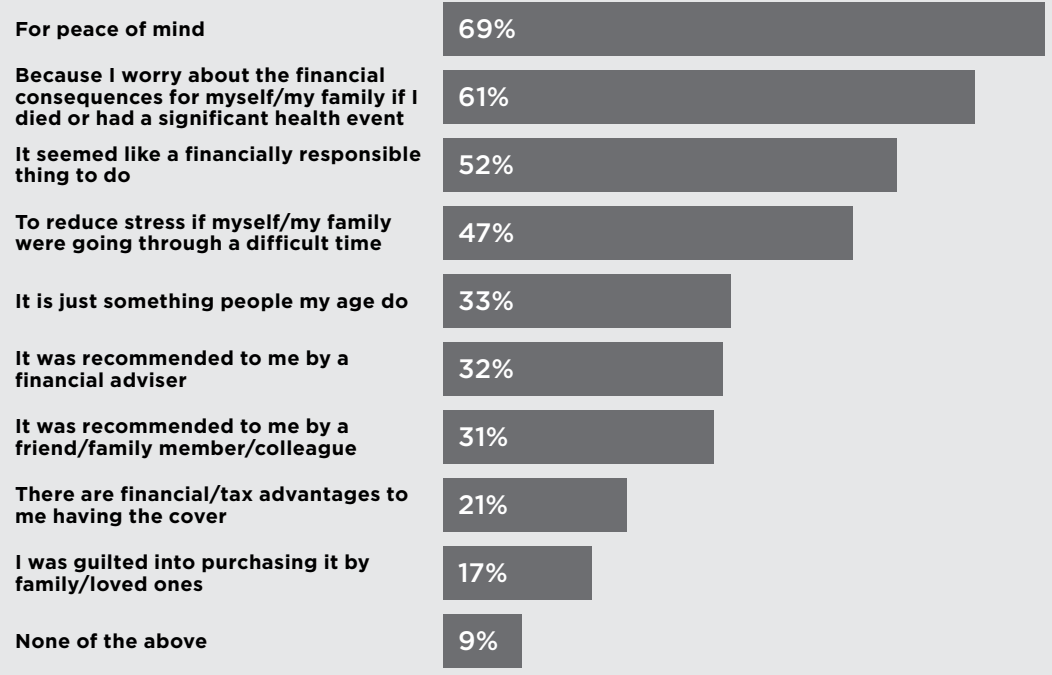
Have you ever had cover under the following personal insurance policy types?

Total n = 2030



What is/are the reason(s) you took out this cover?

Total n = 797

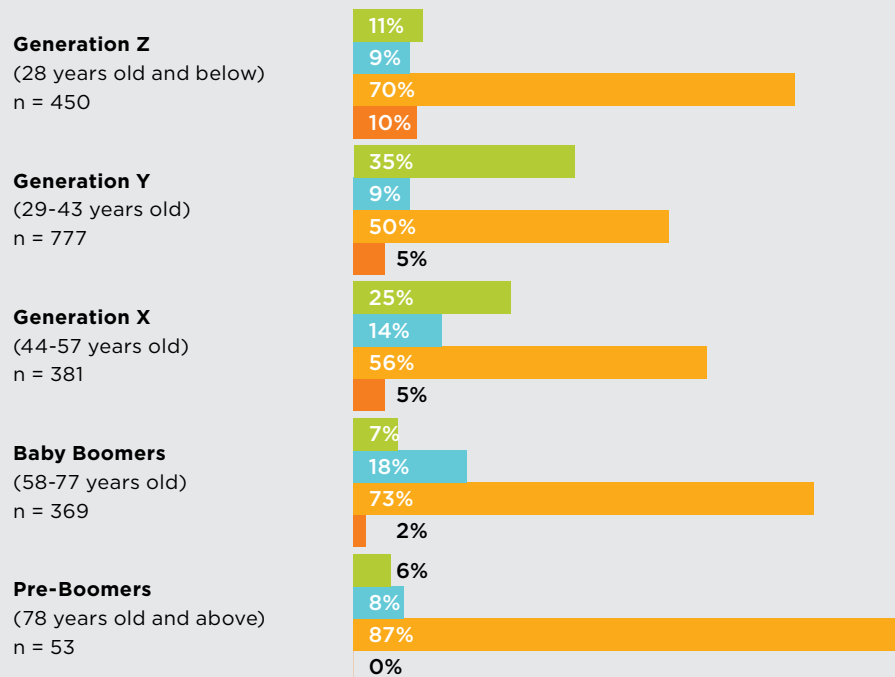
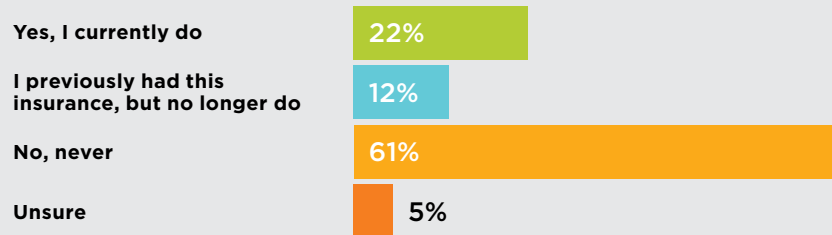




# TRAITS OF MANAGING RISK THROUGH TRAUMA OR CRITICAL ILLNESS INSURANCE

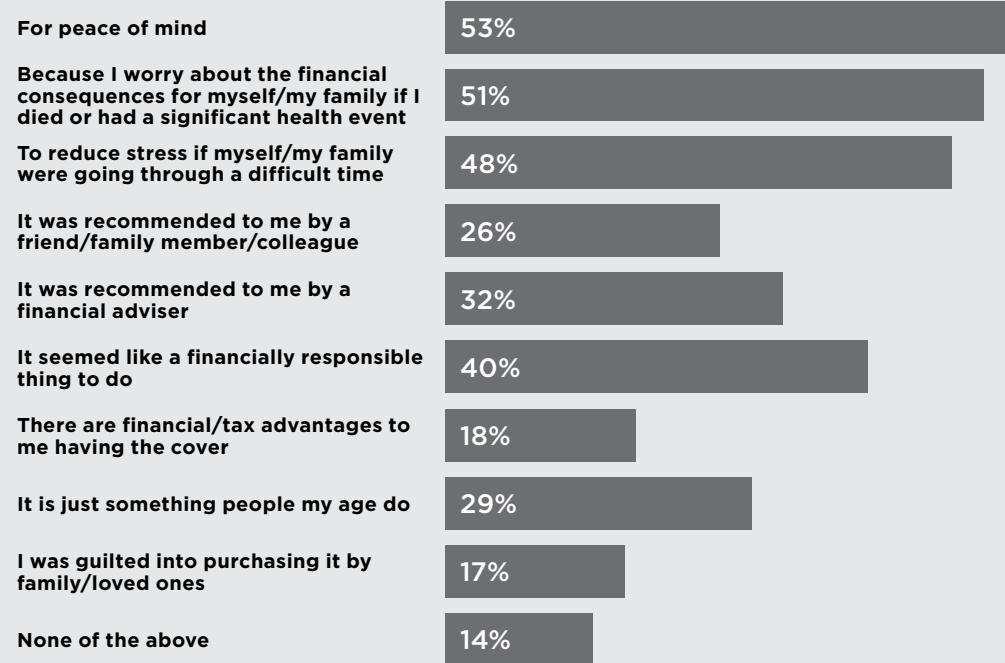
Have you ever had cover under the following personal insurance policy types?

Total n = 2030



What is/are the reason(s) you took out this cover?

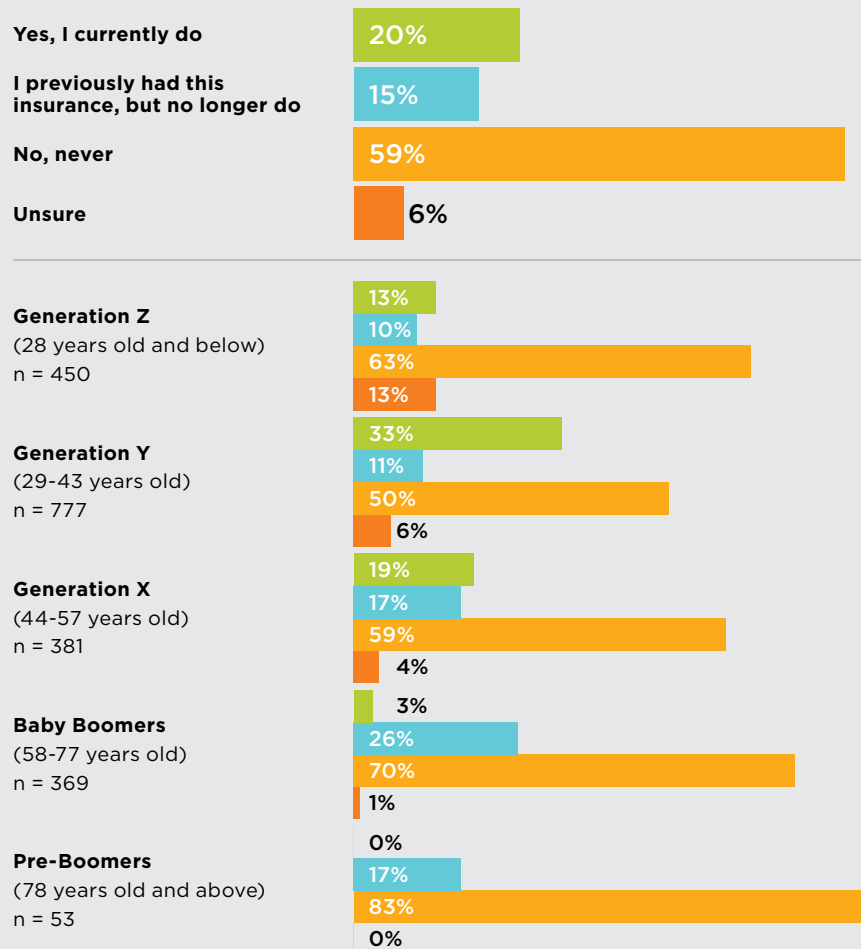
Total n = 451



## TRAITS OF MANAGING RISK THROUGH INCOME INSURANCE

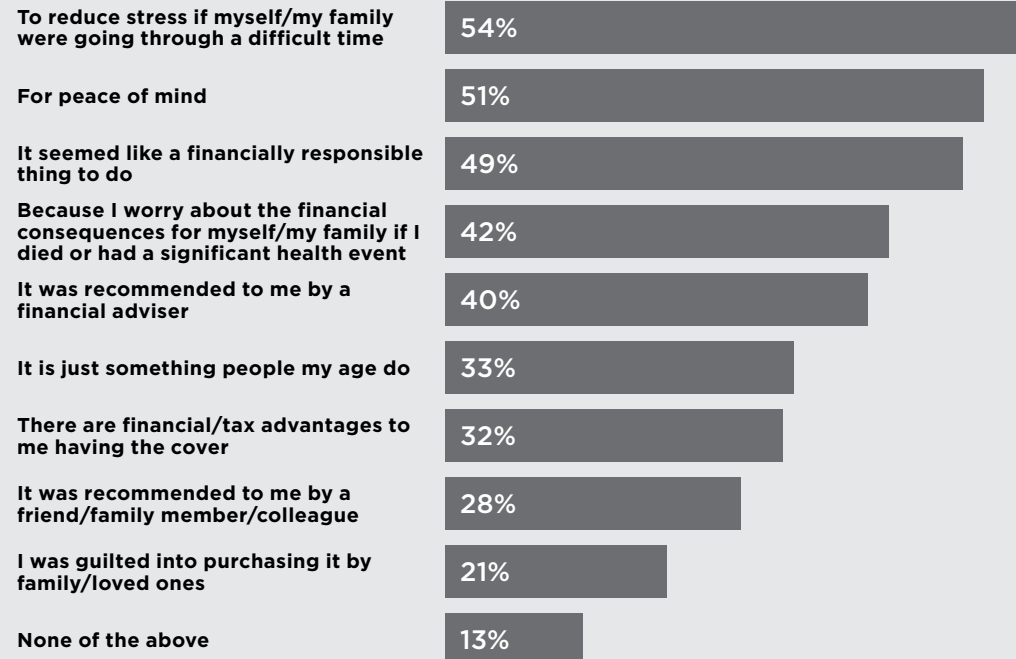
Have you ever had cover under the following personal insurance policy types?

Total n = 2030



What is/are the reason(s) you took out this cover?

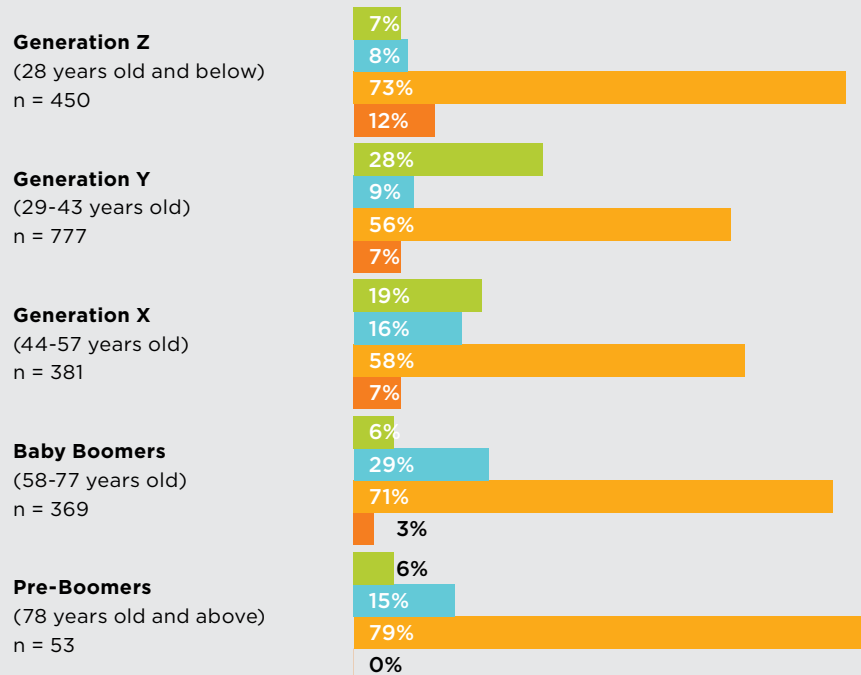
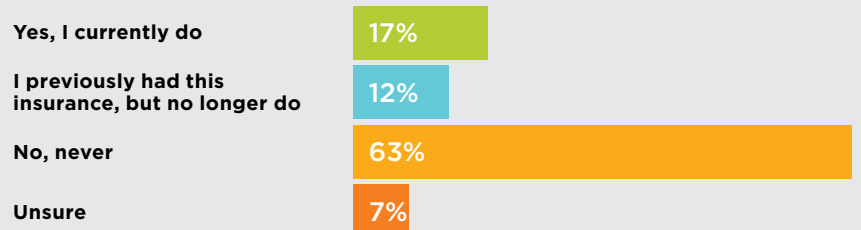
Total n = 400



# TRAITS OF MANAGING RISK THROUGH TOTAL AND PERMANENT DISABILITY INSURANCE

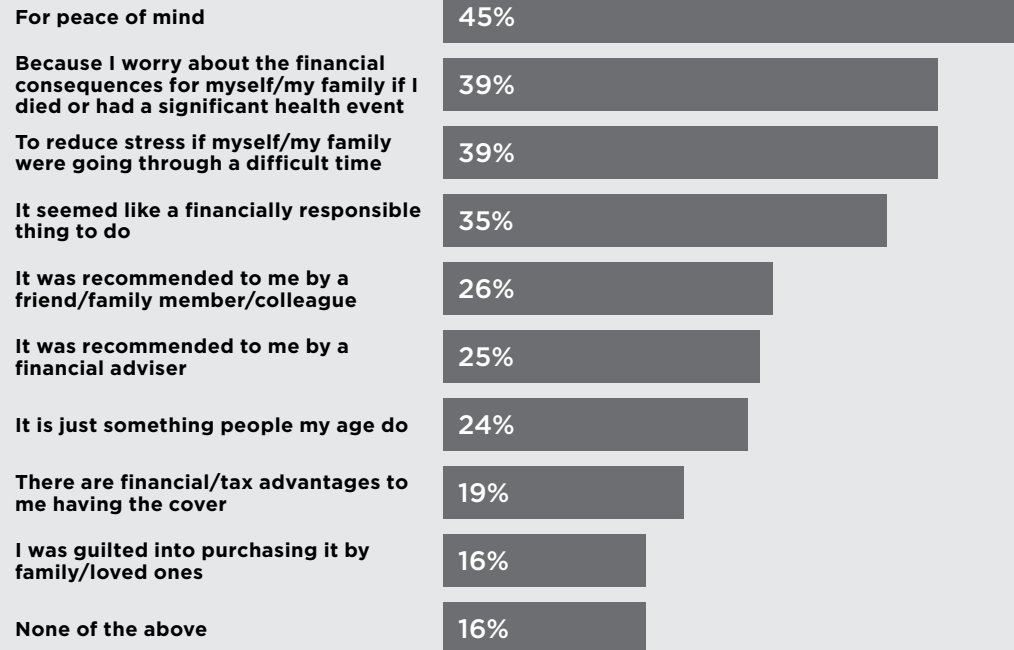
Have you ever had cover under the following personal insurance policy types?

Total n = 2030



What is/are the reason(s) you took out this cover?

Total n = 348



## PREPAREDNESS FOR RETIREMENT

# 3

**NEW ZEALANDERS  
AREN'T PREPARED  
FOR RETIREMENT**

**ASPIRATION**

**Kiwis have  
a dignified  
retirement**

Most Kiwis believe they won't have sufficient retirement funds\* and for many, they're right. Having financial security in retirement is critical. Without it, there is not only a poor quality of life, but also a lack of choices, from where to live to accessing healthcare. By 2050 the number of over 65's will have doubled affecting Kiwis' standard of living and insufficient spending in the economy\*\*.

There is a Perception Gap in how to best invest for retirement through KiwiSaver and other investments, which is amplified through the responses to this and previous FSC Money & You research.

Despite financial confidence being at 82%, just 44% of respondents felt financially prepared for retirement, which drops to 33% for females. Just 23% are 'very confident' in planning for retirement, second only to investment planning at 18% - which is closely linked in terms of financial literacy.

Just less than a quarter of those 'extremely confident' in making any financial decision (24%) have a specific figure in mind when it comes to retirement planning, which drops to 7% of those respondents who are 'not

confident'.

The majority, 60%, haven't thought about how much they will need in retirement, and those that have vary wildly in their assessments with a median value of \$200,000 (the value for which half of the observations are larger and half are smaller).

Research by Massey University\*\*\* details a lump sum from \$207,000 for 'no frills provincial one person households' to \$969,000 for 'choices metro two person households' excluding housing costs.

Of those in KiwiSaver, the majority of individuals (42%) and employers (64%) contribute the minimum contribution of 3% each into KiwiSaver. Just under 18% don't contribute, with 86% of respondents citing reasons other than unemployment.

\*Te Ara Ahunga Ora

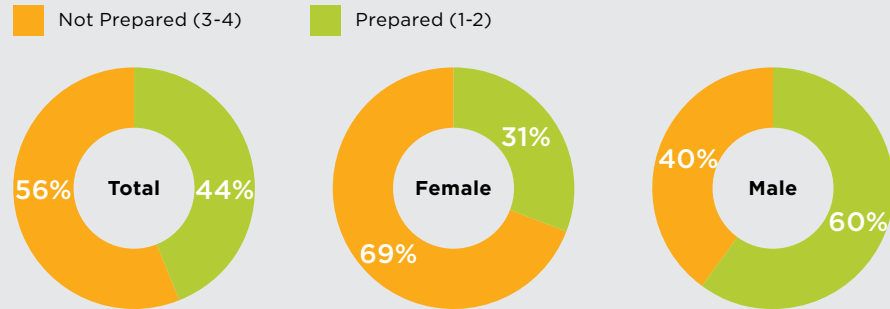
\*\* Mercer CFA Institute Global Pension Index 2022

\*\*\*<https://www.massey.ac.nz/documents/1554/new-zealand-retirement-expenditure-guidelines-2023.pdf>

# TRAITS OF RETIREMENT PREPAREDNESS

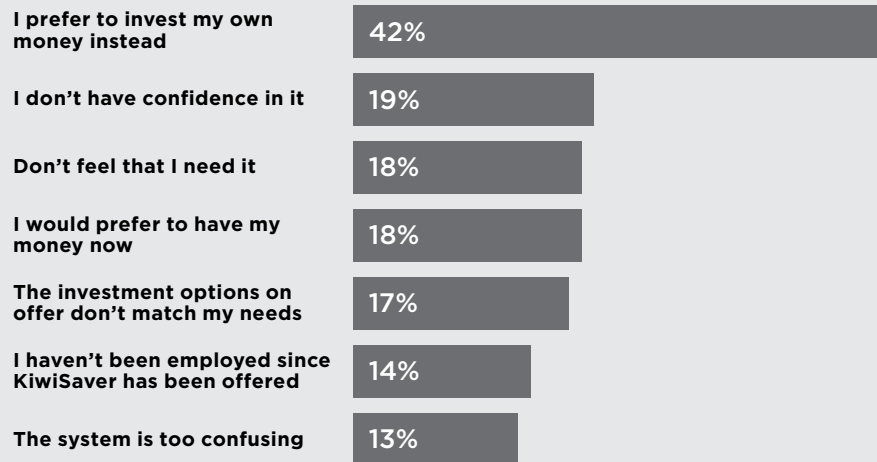
## How financially prepared do you feel you are for retirement?

Total n = 1805, Overall; 1025, Female; 769, Male



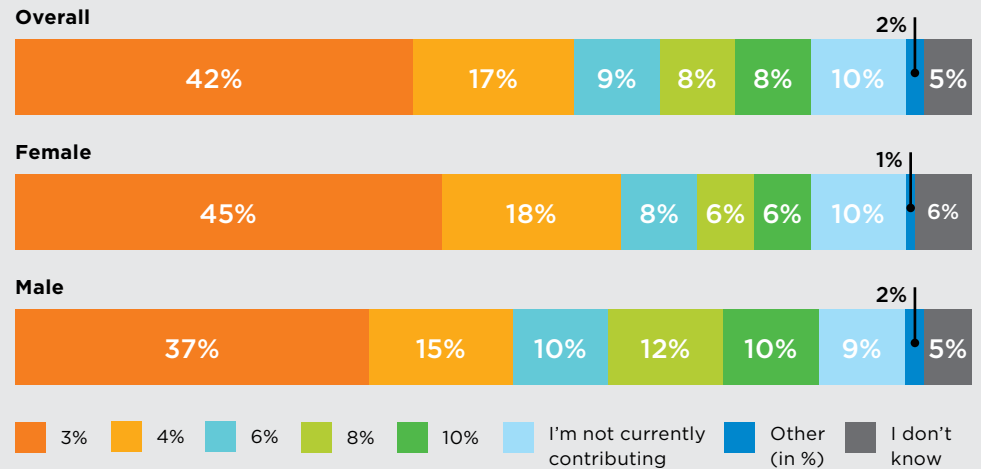
## What is/are the reason(s) that you don't have KiwiSaver?

Total n = 358



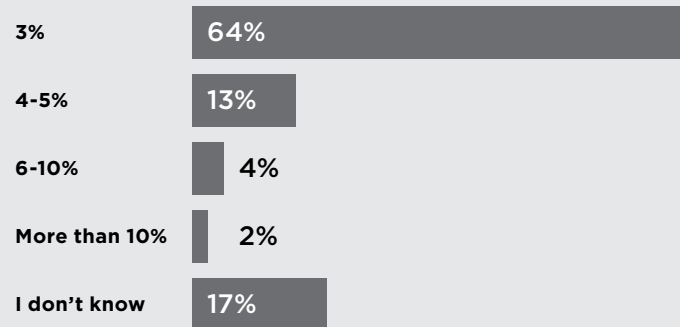
## How much are you contributing to your KiwiSaver?

Total n = 903, Overall; 574, Female; 325, Male



## How much does your employer contribute to your KiwiSaver?

Total n = 791

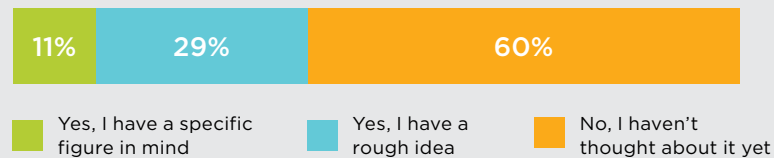


## TRAITS OF RETIREMENT PREPAREDNESS

When we cross-reference the confidence data with confidence in retirement planning, we see different trends. However, the majority of 60%, haven't thought about how much they will need in retirement, and those that have vary wildly in their assessments with a median value of \$200,000.

### Have you calculated how much money you will need in retirement?

n = 1,805; Not retired (Business owner/ Self-employed, Employed, Unemployed, Other)



### How much are you expecting to need in retirement?

\*Data presented is based on Average and Median of overall numeric responses n = 711; Have an idea of how much they need in retirement

#### Average expected amount

\$573,386

#### Median of expected amount

\$200,000

Which of the following statements best describes your confidence in making financial decisions (e.g. making a change to KiwiSaver, taking out an insurance policy for my family)?

### By retirement planning

#### I am extremely confident in making any financial decision



#### I am very confident in making most financial decisions



#### I am reasonably confident in making most financial decisions



#### I am only confident in making some financial decisions



#### I am not confident in making financial decisions and rely heavily on others to make them for me



#### I am not confident in making financial decisions but have to make them, as I don't have others to make them for me



- Yes, I have a specific figure in mind
- Yes, I have a rough idea
- No, I haven't thought about it yet

n = 2,030, Overall; 527, Extremely confident; 554, Very confident; 590, Reasonably confident; 261, Only confident; 55, Not confident - rely heavily; 43, Not confident - don't have others

## ACCESSIBLE AND AFFORDABLE HEALTHCARE

# 4

**NEW ZEALANDERS  
WORRY ABOUT  
HEALTHCARE  
ACCESSIBILITY AND  
AFFORDABILITY**

### **ASPIRATION**

**Kiwis have  
accessible and  
affordable  
healthcare**

By 2050, the number of New Zealanders over 65 will double, putting significant pressure on the health sector. The private sector can provide quicker access to services, and there is demand for employer based schemes to support productivity and manage health risks, whether it is through injury or sickness. It's important to New Zealanders to 'age well', and access to health prevention services have never been more important.

This research shows that mental health and wellbeing is the top health concern, something that is echoed in our Financial Resilience Index research\*.

There is an over confidence about the potential impact of health issues on day to day finances.

Just under a third of respondents that have or have previously had health/medical insurances (60%) had a good understanding of financial concepts, a perception gap of 22%.

Of the 37% of respondents that have health insurance, the top three reasons for doing so are for peace of mind, to reduce stress, and reduce worry about financial consequences if there was a significant health event.

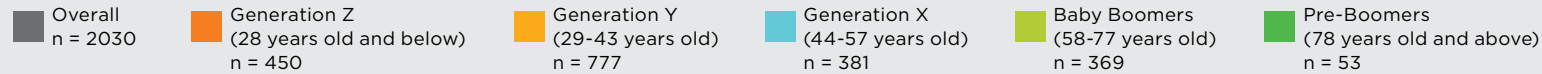
Of those that previously had health insurance, 55%, said that the 'cost of living is so high that I can no longer afford it.'



\* Financial Resilience Index March 2023 <https://blog.fsc.org.nz/cost-of-living-crisis-impacting-wellbeing>

# TRAITS OF MANAGING RISK THROUGH HEALTH AND MEDICAL INSURANCE

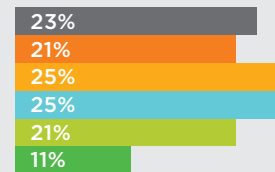
Which of the following represent your top health concerns at the moment?



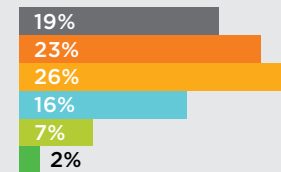
### Mental health and wellbeing



### Oral/dental health



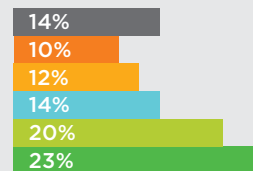
### Nutrition



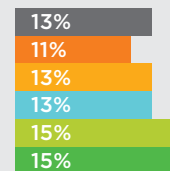
### Covid-19



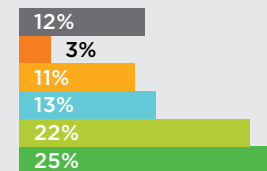
### Cancer



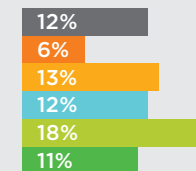
### Injury



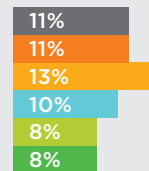
### Heart disease



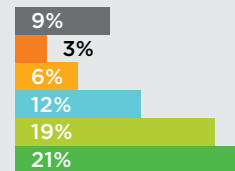
### Diabetes



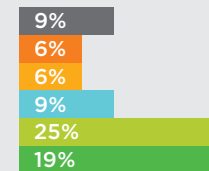
### Allergies/intolerances



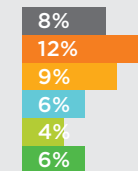
### Musculoskeletal conditions



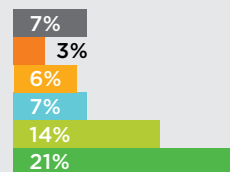
### Disability



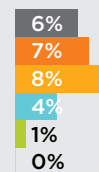
### Sexual and reproductive health



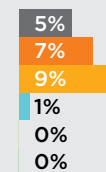
### Stroke



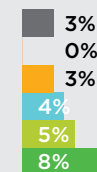
### Drug and alcohol use



### Maternity, prenatal or postnatal health



### Other

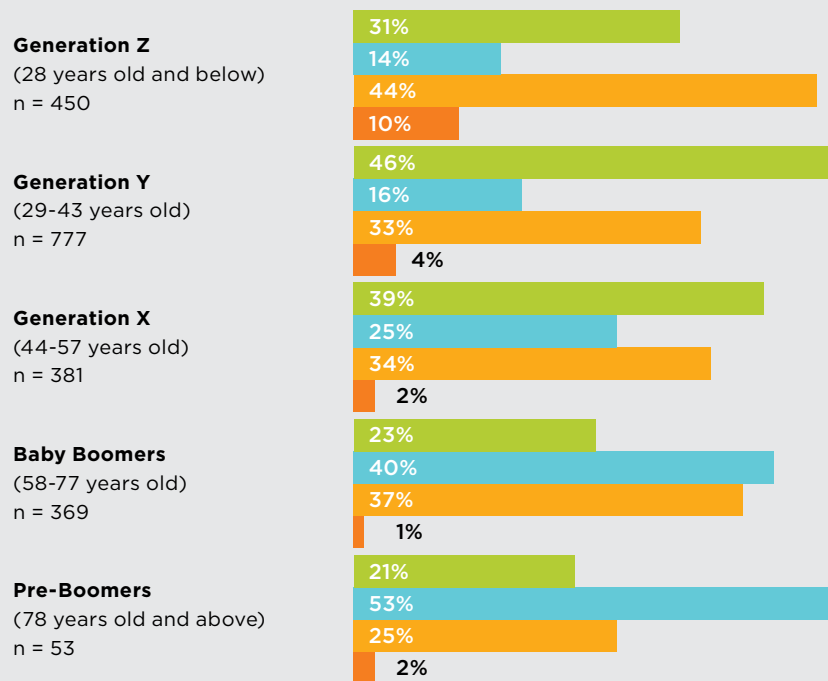
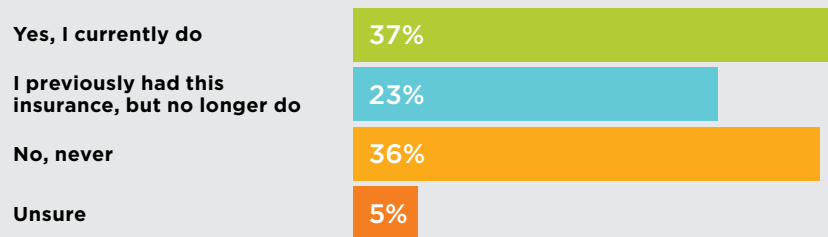




# TRAITS OF MANAGING RISK THROUGH HEALTH AND MEDICAL INSURANCE

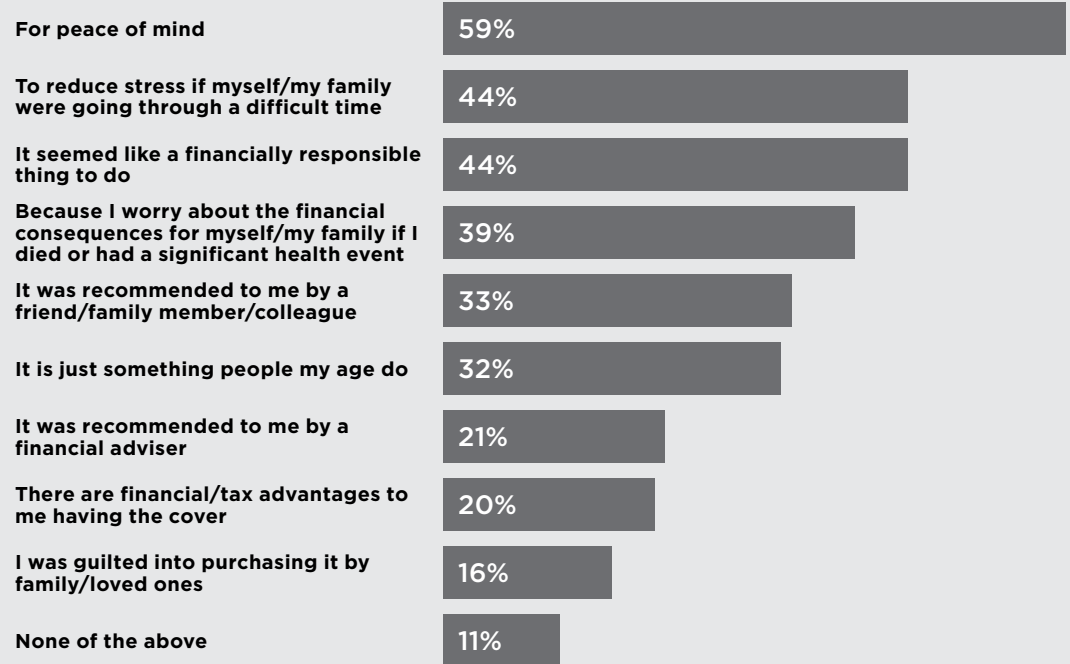
Have you ever had cover under the following personal insurance policy types?

Total n = 2030



What is/are the reason(s) you took out this cover?

Total n = 742



## 03

## ANNEX A: FINDING HELP AND ADVICE

### 1. Health and wellbeing support

**Need to talk?** Free call or text 1737 any time for support from a trained counsellor.

**Youthline** – 0800 376 633, free text 234 or email [talk@youthline.co.nz](mailto:talk@youthline.co.nz) or online chat.

**The Depression Helpline** – 0800 111 757 or free text 4202 (to talk to a trained counsellor about how you are feeling or to ask any questions).

**The Mental Health Foundation** has practical tips, stories, and resources to help you maintain your mental wellbeing.

### 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/our-members](http://www.fsc.org.nz/about/our-members).

### 3. Resources to support your financial wellbeing

**Money and You** – An initiative of the Financial Services Council that includes tips, conversations and resources to grow your financial confidence and wellbeing.

**Sorted** – tools, calculators and resources to help you manage your money.

**MoneyTalks** – provides resources for those just starting out on their personal finance journey, including a budget worksheet, a financial plan of action and handy tips for making cheap eats.

For more visit <https://www.moneyandyou.org.nz/blog/money-resources-for-kiwis>

### 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/](http://www.fma.govt.nz/investors/getting-financial-advice/).



## 04

ANNEX B:  
METHODOLOGY

The research was conducted via an online survey developed and hosted by CoreData.

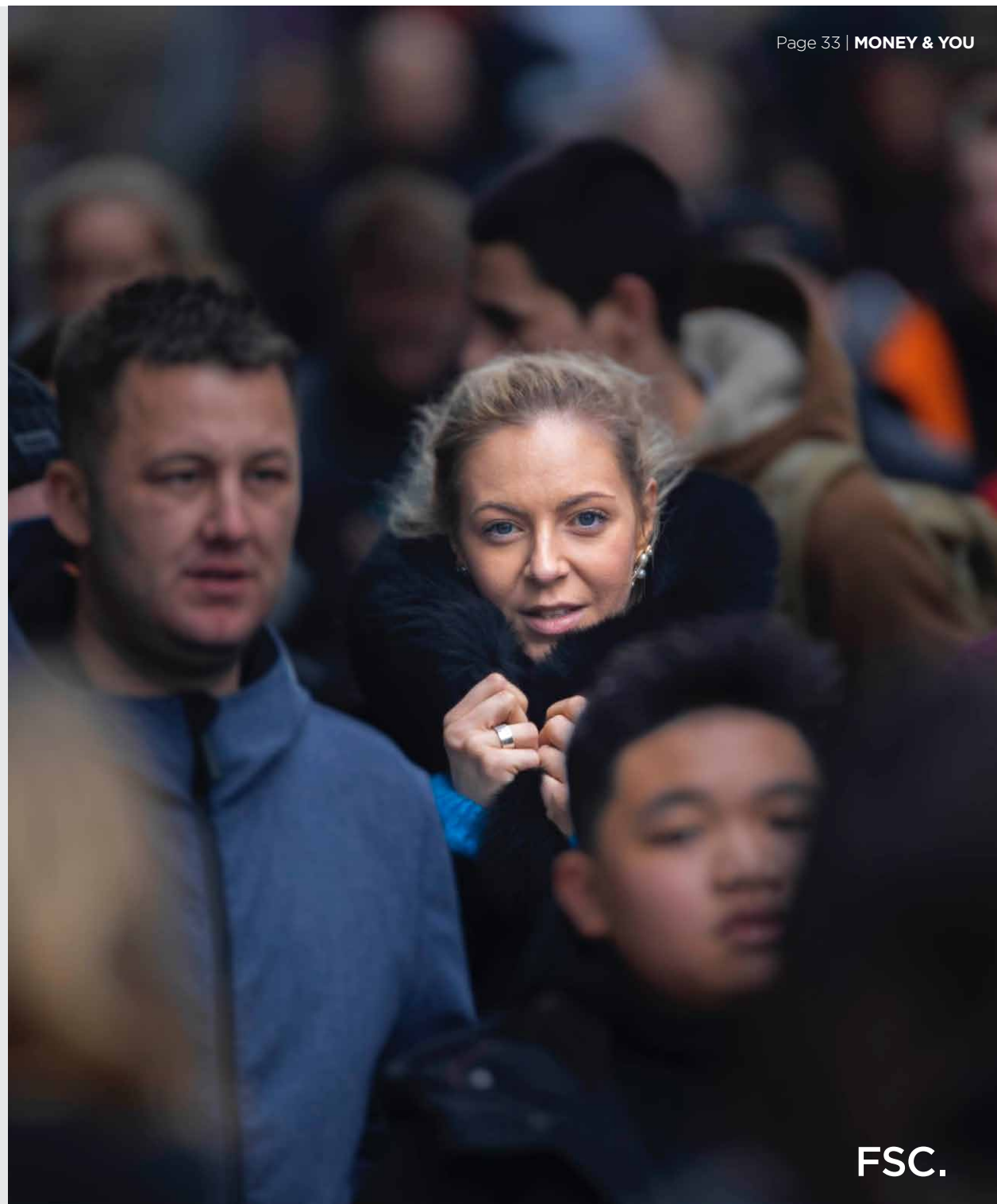
2023 data was collected between 7 March and 12 March. A total of 2,030 valid complete responses were collected in March 2023. 2022 data was collected between 25 January and 31 January 2022. A total of 2,000 valid complete responses were collected in January 2022. 2021 data was collected between 15 April and 26 April 2021. A total of 2,035 valid complete responses were collected in April 2021.

All samples are representative of the New Zealand consumer population in terms of age, gender and income based on the latest Stats NZ data. The data collected forms the basis of this report.

According to Stats NZ,\* in March 2023 there was an estimated resident population of 5,199,100. As this survey only included respondents aged 18 years old or over, the estimated resident population of the sample is 4,053,900.

**CORE** | **DATA**  
research

\*<https://www.stats.govt.nz/topics/population>



## 05

ANNEX C :  
DEMOGRAPHICS TABLES**Gender**

Female	55%
Male	45%
Other	0%
<b>Total</b>	<b>100%</b>

**Age Generation**

Gen Z (28 years old and below)	22%
Gen Y (29-43 years old)	38%
Generation X (44-57 years old)	19%
Baby Boomers (58-77 years old)	18%
Pre-Boomers (78 years old and above)	3%
<b>Total</b>	<b>100%</b>

**Marital Status**

Single	24%
Living with partner/married	66%
Separated/divorced/widowed	10%
Other	0%
<b>Total</b>	<b>100%</b>

**Ethnic Group**

European	65%
Maori	20%
Pacific People	10%
Asian	11%
MELAA (Middle Eastern, Latin American and African)	3%
Other	3%
Prefer not to say	1%
<b>Total</b>	<b>100%</b>

**Level of Education**

Primary	1%
Part of high school	10%
Completed high school	19%
Diploma or certificate qualification	28%
Degree qualification	25%
Postgraduate qualification	15%
Prefer not to say	1%
<b>Total</b>	<b>100%</b>

## Region Banded

Auckland	37%
Northland, Waikato, Bay of Plenty and Gisborne	18%
Wellington and Surrounding Regions	21%
Canterbury and the Northern Regions	17%
Otago, Southland and West Coast	7%
<b>Total</b>	<b>100%</b>

## Region

Auckland	37%
Bay of Plenty	6%
Canterbury	14%
Gisborne	0%
Hawke's Bay	3%
Manawatu-Wanganui	6%
Marlborough	1%
Nelson	1%
Northland	3%
Otago	4%
Southland	2%
Taranaki	3%
Tasman	1%
Waikato	9%
Wellington	10%
West Coast	1%
<b>Total</b>	<b>100%</b>

## Employment Status

Business owner	4%
Self-employed	6%
Full-time employee	48%
Part-time employee	12%
Casual employee	2%
Contractor/freelancer	1%
I am in full-time home duties	7%
Not employed at present	8%
Retired	11%
Other	2%
<b>Total</b>	<b>100%</b>

## Personal Income

\$20,000 or less	15%
\$20,001 to \$30,000	13%
\$30,001 to \$40,000	8%
\$40,001 to \$50,000	7%
\$50,001 to \$60,000	12%
\$60,001 to \$70,000	8%
\$70,001 to \$80,000	6%
\$80,001 to \$90,000	6%
\$90,001 to \$100,000	4%
\$100,001 to \$125,000	5%
\$125,001 to \$150,000	4%
\$150,001 to \$200,000	3%
More than \$200,000	2%
Prefer not to say	8%
<b>Total</b>	<b>100%</b>

### Household Income

\$20,000 or less	4%
\$20,001 to \$30,000	6%
\$30,001 to \$40,000	5%
\$40,001 to \$50,000	6%
\$50,001 to \$60,000	7%
\$60,001 to \$70,000	6%
\$70,001 to \$80,000	6%
\$80,001 to \$90,000	6%
\$90,001 to \$100,000	6%
\$100,001 to \$125,000	11%
\$125,001 to \$150,000	11%
\$150,001 to \$200,000	9%
More than \$200,000	7%
Prefer not to say	9%
<b>Total</b>	<b>100%</b>

### Household Debt

I have no debts	32%
\$50,000 or less	25%
\$50,001 to \$150,000	8%
\$150,001 to \$250,000	5%
\$250,001 to \$350,000	5%
\$350,001 to \$450,000	4%
\$450,001 to \$550,000	3%
\$550,001 to \$650,000	2%
\$650,001 to \$750,000	1%
\$750,001 to \$1 million	2%
More than \$1 million	2%
Prefer not to say	12%
<b>Total</b>	<b>100%</b>

### Household Investment Portfolio

My household has no investments	17%
\$50,000 or less	27%
\$50,001 to \$150,000	16%
\$150,001 to \$250,000	6%
\$250,001 to \$350,000	4%
\$350,001 to \$450,000	3%
\$450,001 to \$550,000	2%
\$550,001 to \$650,000	2%
\$650,001 to \$750,000	1%
\$750,001 to \$1 million	2%
More than \$1 million	4%
Prefer not to say	16%
<b>Total</b>	<b>100%</b>

06

## ABOUT THE FINANCIAL SERVICES COUNCIL

As the voice of the sector, the Financial Services Council is a non-profit member organisation with a vision to grow the financial confidence and wellbeing of New Zealanders. FSC members commit to delivering strong consumer outcomes from a professional and sustainable financial services sector. Our 117 members manage funds of more than

\$95bn and pay out claims of \$2.8bn per year (life and health insurance). Members include the major insurers in life, health, 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.

### FSC SECTOR RESEARCH



#### INDUSTRY WIDE:

Money & You: Young People and the Cost of Living (2023)  
 Financial Resilience Index (2023)  
 Insights & Trends: Financial Resilience Trends in New Zealand  
 Money & You: The Lost Generation? (2022)  
 Financial Resilience Index (2022)  
 Money and You: Women & Financial Wellbeing in NZ (2021)  
 Money & You: Generation Rent (2021)  
 Financial Resilience Index (2021)  
 Money and You: It's not about the money, it's about you (2020)  
 Financial Resilience Index (March + August 2020)



#### LIFE AND HEALTH INSURANCE:

Money & You: Taking Cover  
 Life Insurance Industry Data Spotlight (quarterly)  
 Health Insurance Industry Data Spotlight (quarterly)  
 Gambling on life: The problem of underinsurance (2020)  
 Moments of Truth: Key insights into the New Zealand life insurance industry (2019)  
 Risking Everything: An insight into how New Zealanders manage risk (2019)  
 Exploring underinsurance in New Zealand (2011)



#### INVESTMENT AND FUNDS:

Money & You: Investing in volatile times (2022)  
 Money and You: The rise of the digital investor (2021)



#### KIWISAVER AND RETIREMENT:

KiwiSaver Industry Data Spotlight (quarterly)  
 Money and You: KiwiSaver at a crossroads (2021)  
 KiwiSaver 2050: Pathways to the future (2019)  
 Shaping Futures: Closing the KiwiSaver Gap (2018)  
 Generation KiwiSaver (2018)  
 Great Expectations: Retirement realities for older New Zealanders (2017)  
 Growing the KiwiSaver Pie (2017)  
 KiwiSaver and the wealth of New Zealanders (2015)



#### PROFESSIONAL ADVICE:

Unlocking the potential of New Zealand's financial front line (2021)  
 Money and You: Breaking through the advice barrier (2020)  
 Money and You: Literacy, Insight & Advice (2020)



















































## FINANCIAL SERVICES COUNCIL MEMBERS

Accuro Health Insurance	AIA Insurance	ANZ Bank	AON	ASB	Asteron Life Ltd	BNZ Investments and Insurance
						
Chubb	Civic Financial Services	Clarity Funds Management	Consilium	Co-operative Life Limited	Craigs Investment Partners	Fidelity Life Assurance Co Ltd
						
Fisher Funds Management Ltd	FNZ	Foodstuffs Provident Fund	Forsyth Barr	Generate KiwiSaver	Implemented Investment Solutions	Kernel
						
Medical Assurance Society New Zealand Limited	Mercer (NZ) Ltd	Milford Asset Management Limited	Momentum Life	nib	New Zealand Post Superannuation Plan	Octagon Asset Management
						
Partners Life	Pie Funds	Pinnacle Life	Police Association	Resolution Life	SBS Insurance	Sharesies
						
SmartsharesNZ	Southern Cross	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 Staff Superannuation and Provident Fund  
 Retirement Income Group Ltd  
 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 November 2023

## FINANCIAL SERVICES COUNCIL ASSOCIATE MEMBERS

New Zealand Automobile Association	AlphaCert Labs Limited	Advanced Management Systems Ltd	Anthony Harper	Apex Group	Bell Gully	BNP Paribas
						
Bravura Solutions	Chapman Tripp	Chatswood Consulting Ltd	Compliance Refinery Limited	Cygnus Law	Davies Financial & Actuarial Ltd	Deloitte
						
Dentons Kensington Swan	DLA Piper	Ernst & Young	Farmers' Mutual Group	Guardian Trust	GenRe	Hannover Life Re
						
Healthcare Plus	KPMG	Lane Neave	Link Market Services	Lockton	Mahony Horner Lawyers	Melville Jessup Weaver
						
Merkle	Minter Ellison Rudd Watts	Morningstar	Mosaic	MunichRE	MyFiduciary Ltd.	NZX Wealth Technologies Ltd
						
Objective Corporation Limited	Partner Reinsurance Asia Pte Ltd	PwC New Zealand	Public Trust Corporate Trustee Services	RGA Reinsurance	Russell McVeagh	SCOR Global Life
						
Sheffield North Island	Shift Advisory Limited	Strategi Group	Swiss Re	The Compliance Company	Trustees Executors Limited	
						

New Zealand Home Loans Company Ltd

\* As at November 2023

# Financial Services Council NZ

Grow the financial  
confidence and wellbeing  
of New Zealanders

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 Financial Services Council New Zealand

NOVEMBER 2023