

Market Segmentation

Segment Infographics

CACI

Revised July 2016 to reflect some slight changes in data on the Household Composition and Children sections

July 2016

Struggling

'STRUGGLING'

UK **11.6M** UK **22.7%**



CACI

The least financially resilient and the most vulnerable group

DEMOGRAPHICS

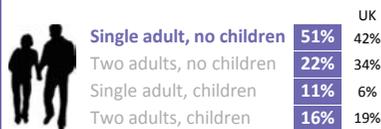
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION

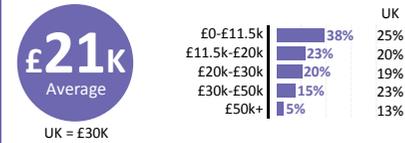


WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



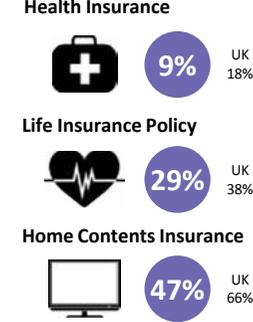
CREDIT



BENEFITS



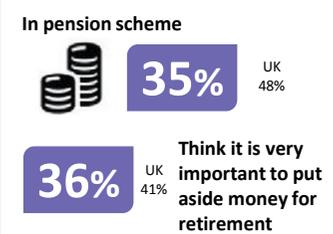
PROTECTION



LOANS



PENSIONS (Working age people)



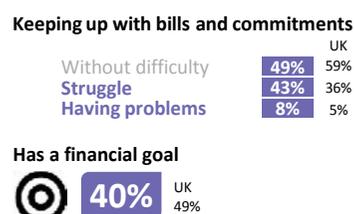
DEBT



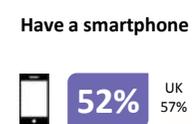
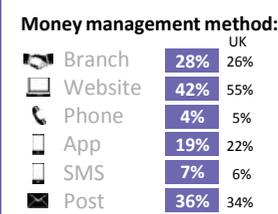
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Struggling - Over-Burdened

'STRUGGLING'

UK
4.1M

UK
8.0%

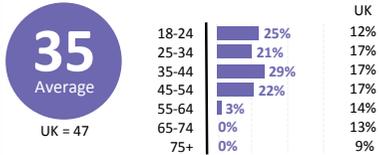


CACI

Highly vulnerable group, dependent on benefits and likely to be over-indebted

DEMOGRAPHICS

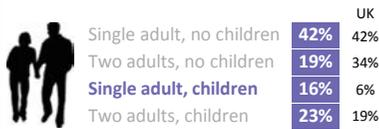
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



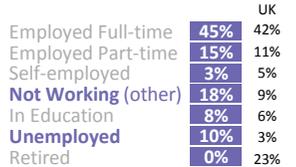
HOUSE TENURE



HIGHEST EDUCATION

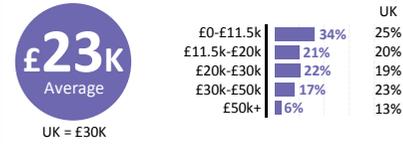


WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



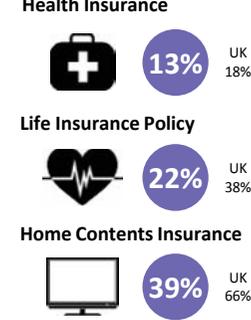
CREDIT



BENEFITS



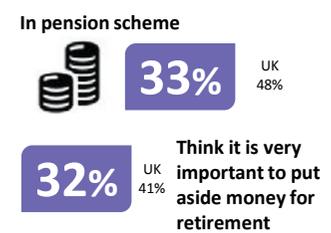
PROTECTION



LOANS



PENSIONS (Working age people)



DEBT



Debt : Income Ratio



ATTITUDES & BEHAVIOURS

43% UK 58%
Confident managing money

37% UK 47%
Confident choosing financial products

51% UK 61%
Think HH budgeting approach works well

39% UK 59%
Without difficulty

49% UK 36%
Struggle

12% UK 5%
Having problems

50% UK 49%
Has a financial goal

CHANNEL

Money management method:

Branch	29%	UK 26%
Website	49%	55%
Phone	6%	5%
App	33%	22%
SMS	9%	6%
Post	25%	34%

Internet usage in a week

<6 hours	48%	UK 46%
20+ hours	23%	UK 23%

73% UK 57%
Have a smartphone

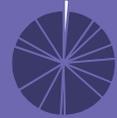
the Money Advice Service

Struggling - Younger Adults

'STRUGGLING'

UK
762K

UK
1.5%

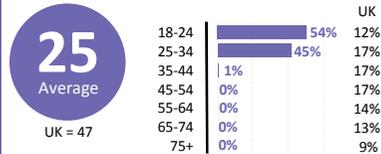


Struggling young adult group finding life difficult on low incomes. Likely to be living in social rented accommodation and have a high dependency on alternative credit. Most likely to be engaged with managing money via an app or online.



DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



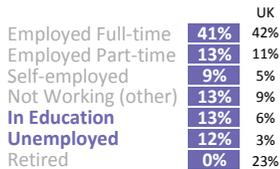
HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS

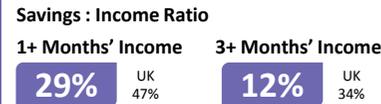


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



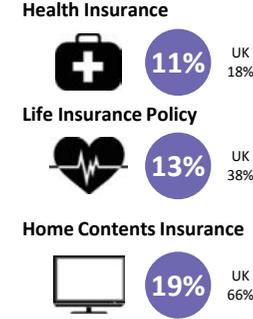
CREDIT



BENEFITS



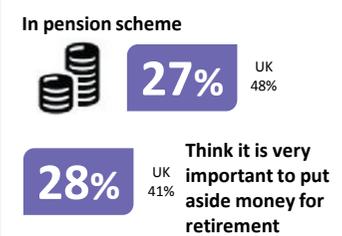
PROTECTION



LOANS



PENSIONS (Working age people)



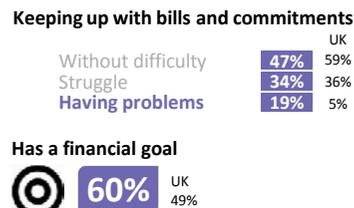
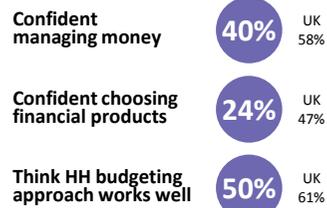
DEBT



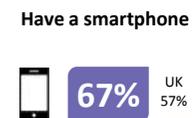
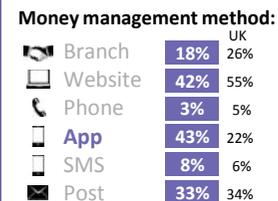
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Struggling - Working Families

'STRUGGLING'

UK
1.5M

UK
3.0%

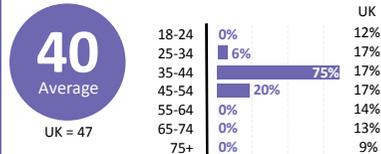


Struggling middle aged single adults and families (many of them single parents) who are finding life difficult. Little savings provision and likely to be over-indebted. Most are working, but also reliant of tax credits and child benefits.

CACI

DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS



FINANCIAL ATTRIBUTES

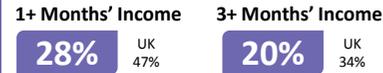
HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



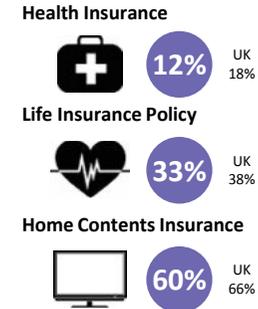
CREDIT



BENEFITS



PROTECTION



LOANS



PENSIONS (Working age people)



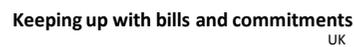
DEBT



Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL

Money management method:



Internet usage in a week



Have a smartphone



Struggling - Pre-Retired

'STRUGGLING'

UK
3.0M

UK
6.0%

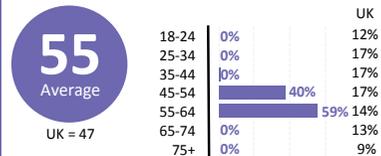


Mostly older individuals not working and on benefits, finding life difficult. Less likely to have access to credit, and less likely to be online so more reliance on branch and post channels.

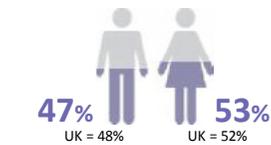


DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



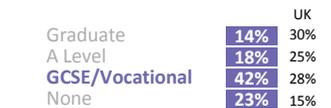
CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



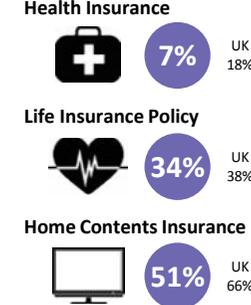
CREDIT



BENEFITS



PROTECTION



LOANS



PENSIONS (Working age people)



41% UK 41% Think it is very important to put aside money for retirement

14% UK 10% Debts are a heavy burden

17% UK 11% In arrears
Fallen behind on, or missed, any payments for credit commitments or domestic bills for 3 out of the last 6 months.

25% UK 17% Over indebted
(either of the above)

23% UK 30% 1+ Months' Income

12% UK 18% 3+ Months' Income

ATTITUDES & BEHAVIOURS

55% UK 58% Confident managing money

44% UK 47% Confident choosing financial products

63% UK 61% Think HH budgeting approach works well

Keeping up with bills and commitments

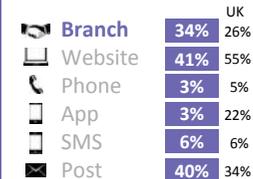
Without difficulty	48%	UK 59%
Struggle	49%	UK 36%
Having problems	3%	UK 5%

Has a financial goal

35% UK 49%

CHANNEL

Money management method:



Internet usage in a week



Have a smartphone



Struggling - Retired

'STRUGGLING'

UK
2.2M

UK
4.2%

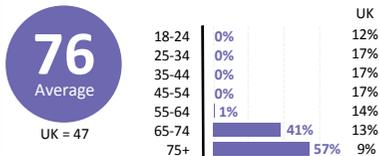


Older retirees in social rented accommodation. They are just about getting by but with very low levels of savings. However, they are not credit users and debt levels are low so are more confident about their ability to keep up without difficulty.



DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION

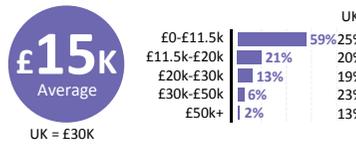


WORKING STATUS

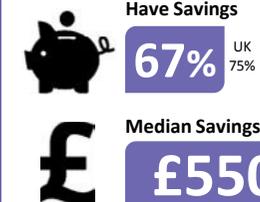


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



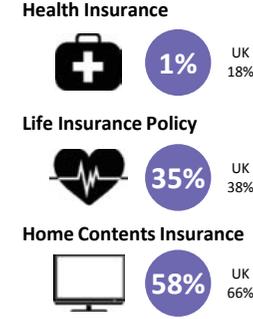
CREDIT



BENEFITS



PROTECTION



LOANS



PENSIONS (Working age people)



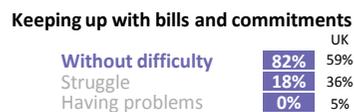
DEBT



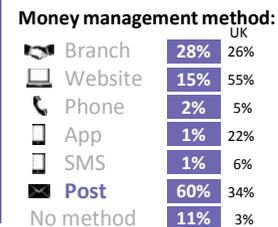
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Squeezed

'SQUEEZED'

UK
12.7M

UK
24.9%

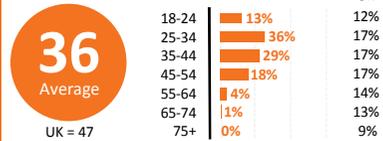


Have financial commitments and relatively low provision for coping with unexpected income shocks

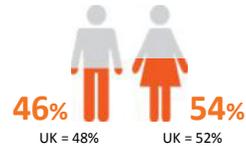
CACI

DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



CREDIT



BENEFITS



PROTECTION



LOANS



PENSIONS (Working age people)



DEBT



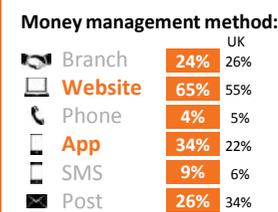
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Squeezed - Younger Adults

'SQUEEZED'

UK
3.6M

UK
7.1%

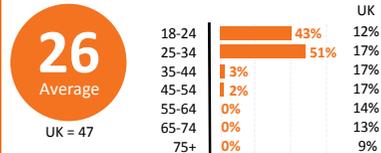


Singles and couples who are students and young workers. Credit dependent and use payday loans to fund their lifestyle – this leads to a high level of over-indebtedness. Likely to have some savings, but not enough to fund an income gap.

CACI

DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



CREDIT



BENEFITS



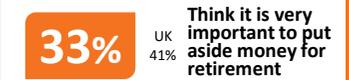
PROTECTION



LOANS



PENSIONS (Working age people)



DEBT



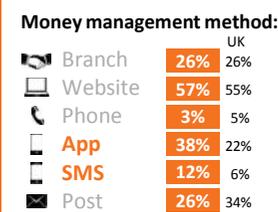
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Squeezed - Younger Families and Couples

'SQUEEZED'

UK
2.6M

UK
5.2%

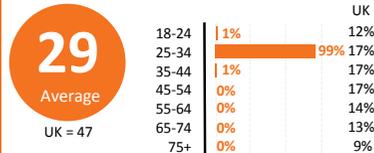


Young (25-34) singles and couples, many with young children – credit dependent and more likely to revolve balance and use payday loans, struggling with payments from time to time. Paying into a pension scheme, but have low levels of savings.

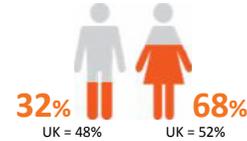


DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



Savings : Income Ratio



CREDIT



BENEFITS



PROTECTION



LOANS



PENSIONS (Working age people)



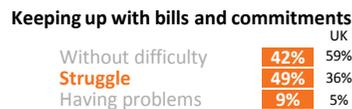
DEBT



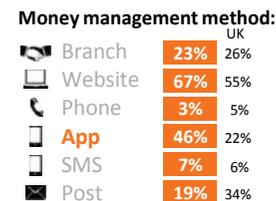
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Older Squeezed

'SQUEEZED'

UK
6.4M

UK
12.6%

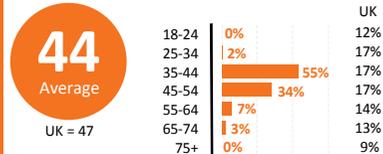


Established working families with higher than average earnings with a mortgage. Heavy use of revolving credit and struggle from time to time. However they are in control of the future with life assurance and pension ownership.

CACI

DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION

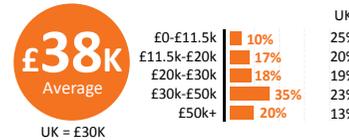


WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



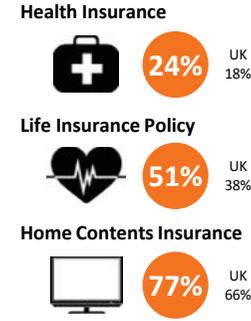
CREDIT



BENEFITS



PROTECTION



LOANS



PENSIONS (Working age people)



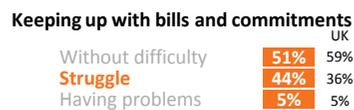
DEBT



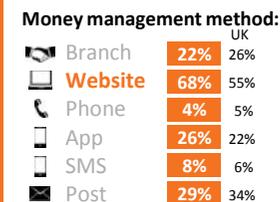
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Cushioned

'CUSHIONED'

UK 24.5M UK 48.2%

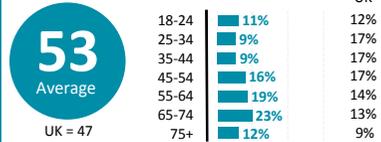


The most financially resilient group

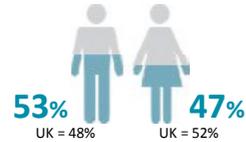
CACI

DEMOGRAPHICS

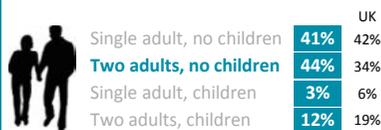
AGE



GENDER



HOUSEHOLD COMPOSITION



HIGHEST EDUCATION



CHILDREN



WORKING STATUS



HOUSE TENURE



FINANCIAL ATTRIBUTES

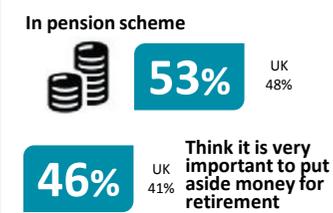
HOUSEHOLD INCOME



BENEFITS



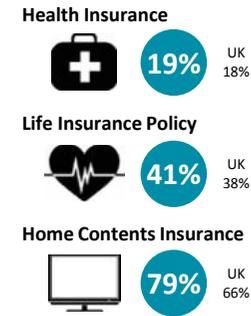
PENSIONS (Working age people)



HOUSEHOLD SAVINGS



PROTECTION



DEBT



Savings : Income Ratio



CREDIT



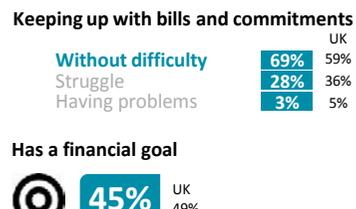
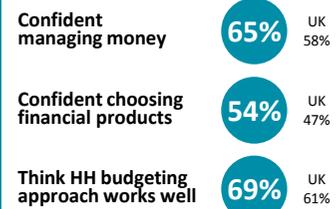
LOANS



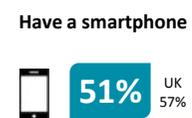
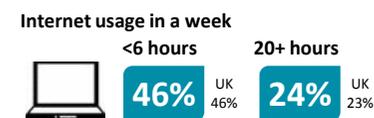
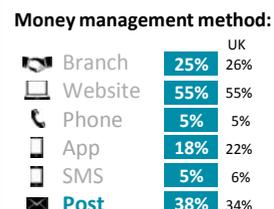
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Young Adults in Affluent Homes

'CUSHIONED'

UK
610K

UK
1.2%

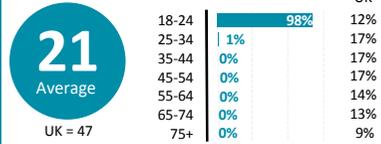


Young single students and workers living at home with well-off parents. Engaged with the 'here and now', but less so with the long term future. Most have savings of low value. Low access to mainstream credit so more tempted with payday lending. Heavy users of online and apps.



DEMOGRAPHICS

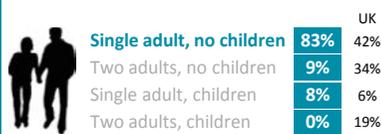
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



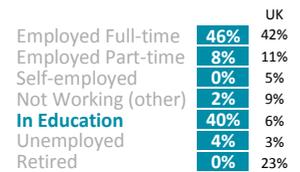
HOUSE TENURE



HIGHEST EDUCATION

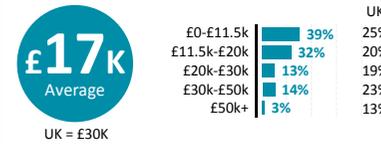


WORKING STATUS

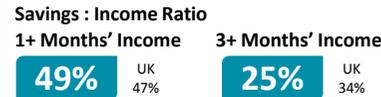


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



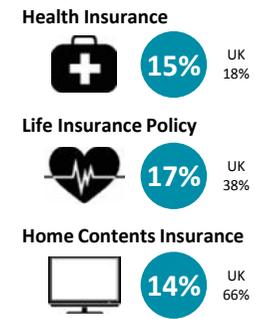
CREDIT



BENEFITS



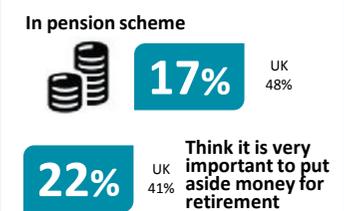
PROTECTION



LOANS



PENSIONS (Working age people)



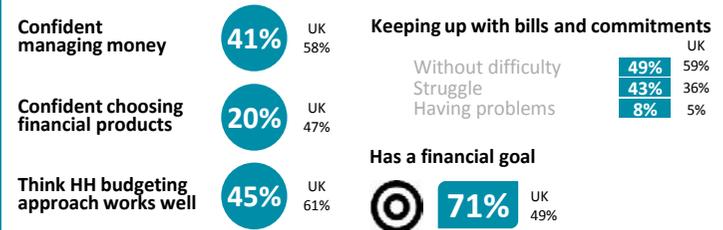
DEBT



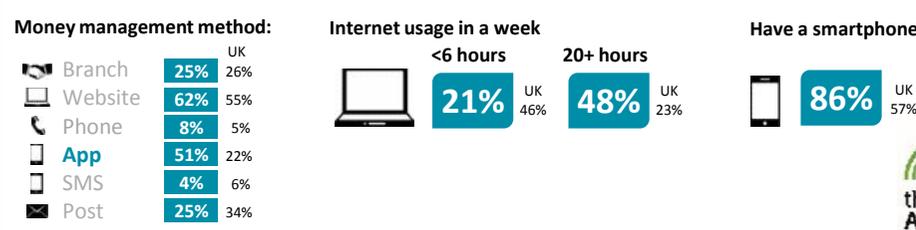
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Comfortable Younger Adults

'CUSHIONED'

UK
4.2M

UK
8.2%

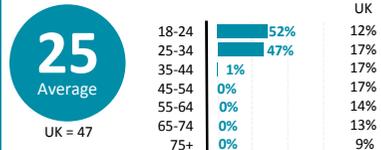


Singles and some couples under 35 years old living in privately rented accommodation. Most are employed or still in education with average earnings and savings levels. Some reliance on credit and more likely to use a payday loan. Very engaged with mobile.

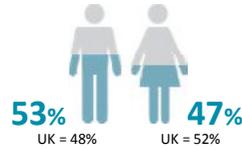


DEMOGRAPHICS

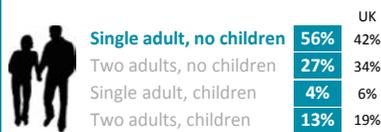
AGE



GENDER



HOUSEHOLD COMPOSITION



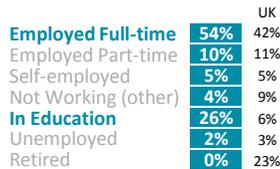
HIGHEST EDUCATION



CHILDREN



WORKING STATUS



HOUSE TENURE

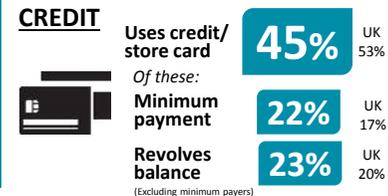
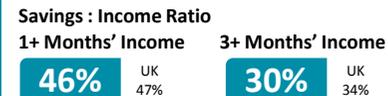


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



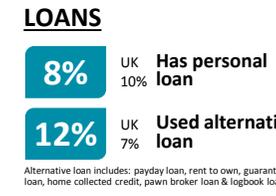
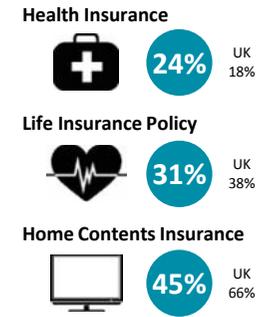
HOUSEHOLD SAVINGS



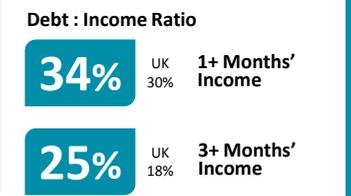
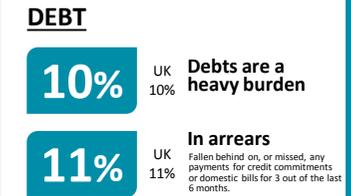
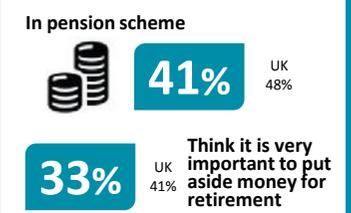
BENEFITS



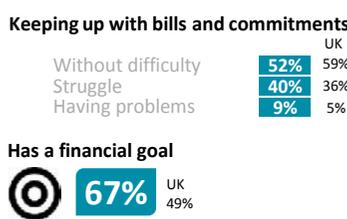
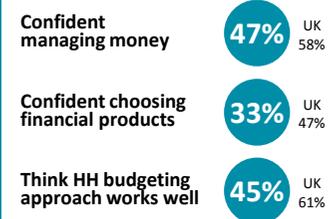
PROTECTION



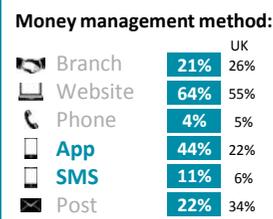
PENSIONS (Working age people)



ATTITUDES & BEHAVIOURS



CHANNEL



Affluent Couples and Families

'CUSHIONED'

UK
3.4M

UK
6.7%

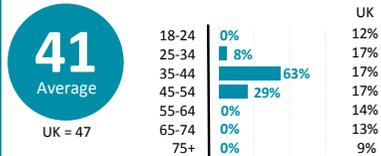


Financially sophisticated wealthy couples and families. Most use a credit card, but not to revolve. Well prepared for retirement and protection, and starting to build up a savings buffer.

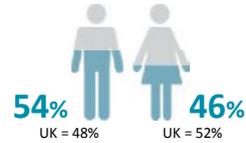


DEMOGRAPHICS

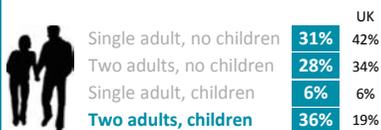
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



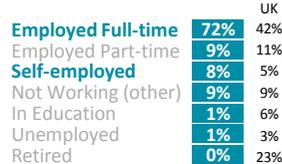
HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS

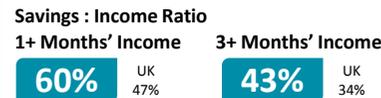


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



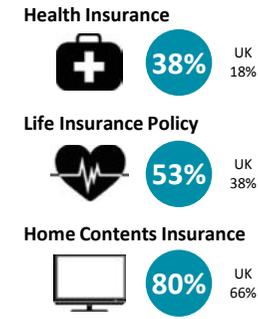
CREDIT



BENEFITS



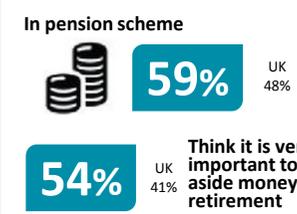
PROTECTION



LOANS



PENSIONS (Working age people)



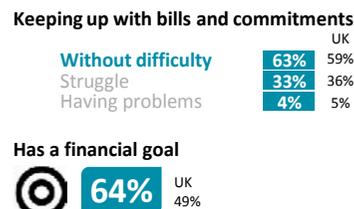
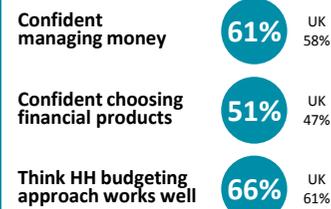
DEBT



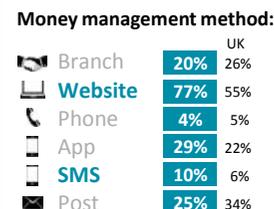
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Affluent Pre-Retired

'CUSHIONED'

UK
6.7M

UK
13.2%

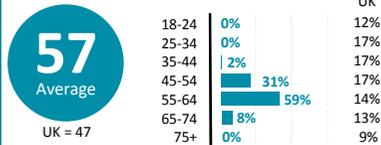


Wealthy pre-retirement empty nesters with mortgage or owned homes. Good provision for retirement and savings. Most are credit card transactors but are managing their debts and commitments well.



DEMOGRAPHICS

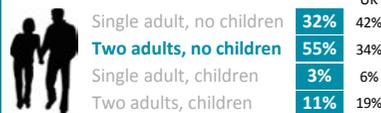
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS

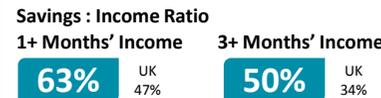


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



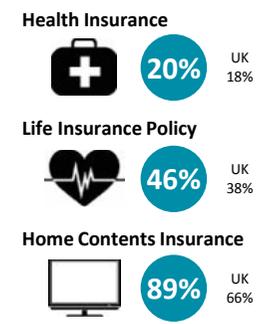
CREDIT



BENEFITS



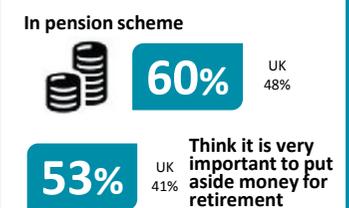
PROTECTION



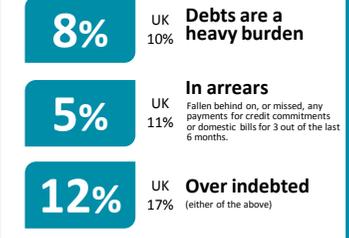
LOANS



PENSIONS (Working age people)



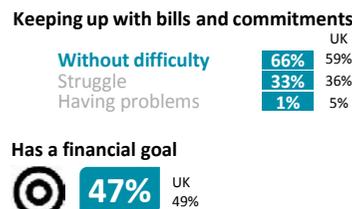
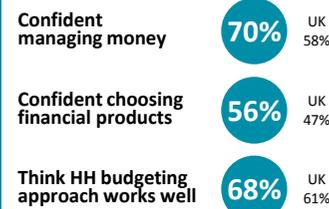
DEBT



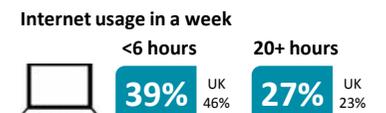
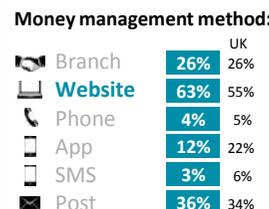
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Comfortable Pre-Retired

'CUSHIONED'

UK
1.4M

UK
2.8%

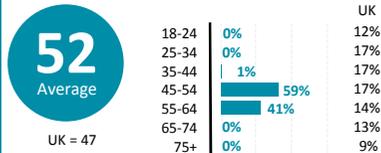


Pre-retirement singles and couples who are in employment and live in a mortgaged or privately rented home. Comfortable levels of income and savings. Heavy use of credit cards (likely to revolve) and personal loans, but no problems in keeping up with their commitments.

CACI

DEMOGRAPHICS

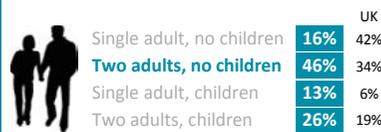
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS

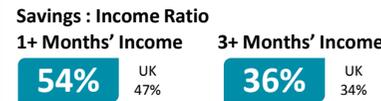


FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



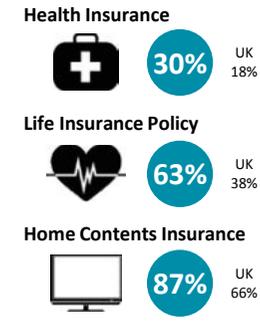
CREDIT



BENEFITS



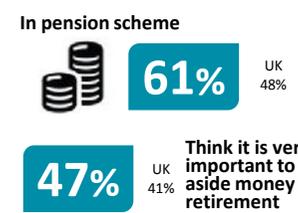
PROTECTION



LOANS



PENSIONS (Working age people)



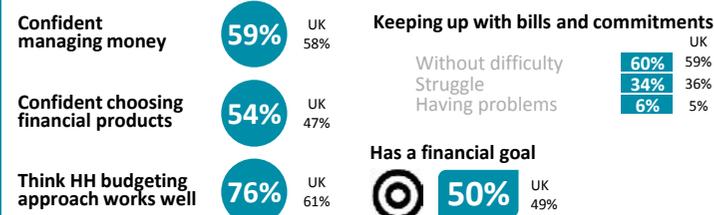
DEBT



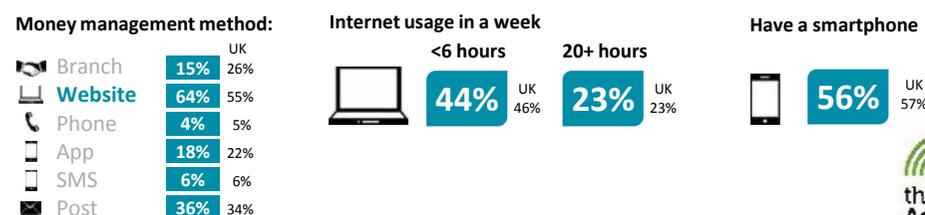
Debt : Income Ratio



ATTITUDES & BEHAVIOURS



CHANNEL



Comfortable Retired

'CUSHIONED'

UK
3.8M

UK
7.4%

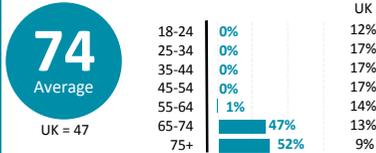


CACI

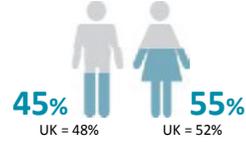
Downsized retirees living comfortably without the need for credit. Confident in managing their money and budgeting, but reliant on offline channels.

DEMOGRAPHICS

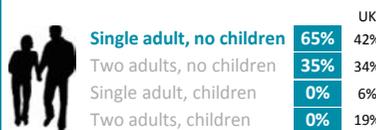
AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



HOUSE TENURE



HIGHEST EDUCATION



WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



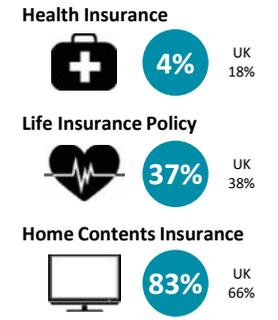
CREDIT



BENEFITS



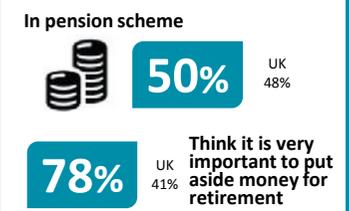
PROTECTION



LOANS



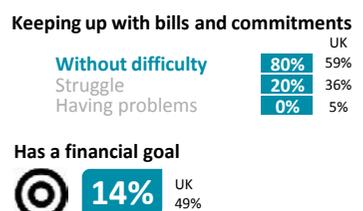
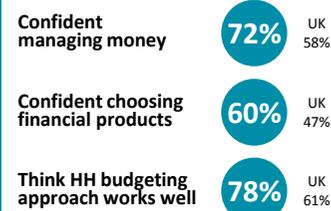
PENSIONS (Working age people)



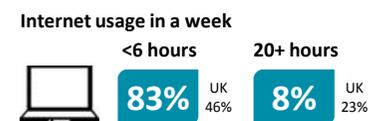
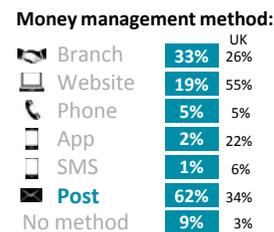
DEBT



ATTITUDES & BEHAVIOURS



CHANNEL



the Money Advice Service

Affluent Retired

'CUSHIONED'

UK 4.5M UK 8.8%

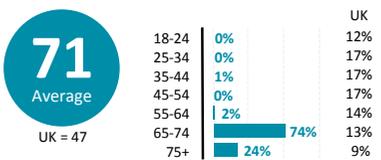


CACI

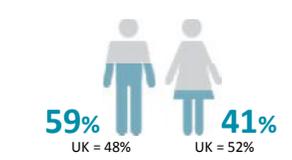
Affluent retirees with high levels savings and keeping up without difficulty

DEMOGRAPHICS

AGE



GENDER



HOUSEHOLD COMPOSITION



CHILDREN



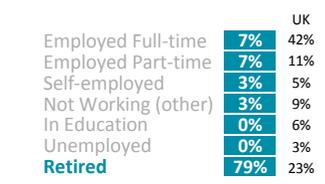
HOUSE TENURE



HIGHEST EDUCATION

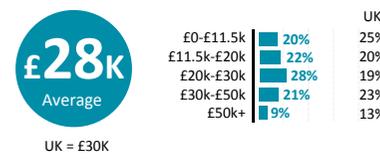


WORKING STATUS



FINANCIAL ATTRIBUTES

HOUSEHOLD INCOME



HOUSEHOLD SAVINGS



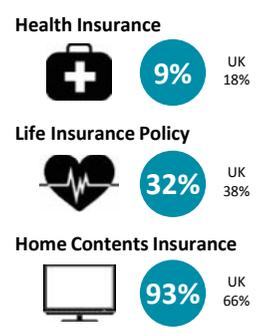
CREDIT



BENEFITS



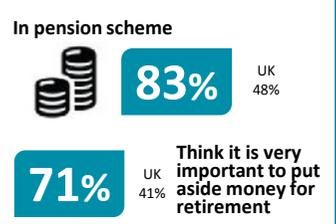
PROTECTION



LOANS



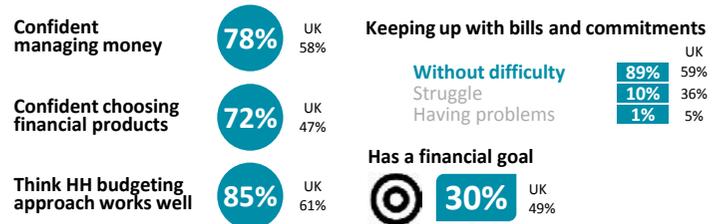
PENSIONS (Working age people)



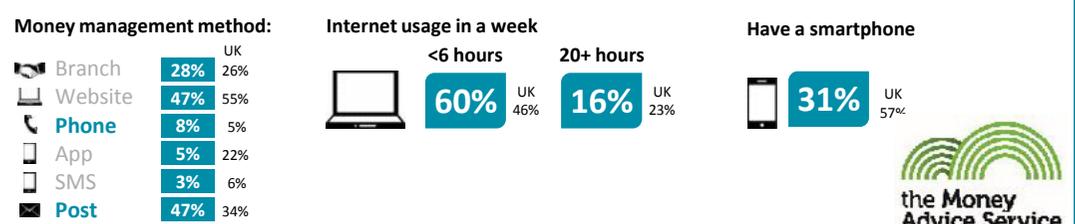
DEBT



ATTITUDES & BEHAVIOURS



CHANNEL





Money Advice Service
Holborn Centre
120 Holborn
London EC1N 2TD
July 2016

For more information on our
Insight and Evaluation work, go to:
[www.moneyadviceservice.org.uk/
en/corporate/research](http://www.moneyadviceservice.org.uk/en/corporate/research)