

26th November 2018

Building a buffer : helping more UK consumers to save

Presentation to FCAC Research Symposium

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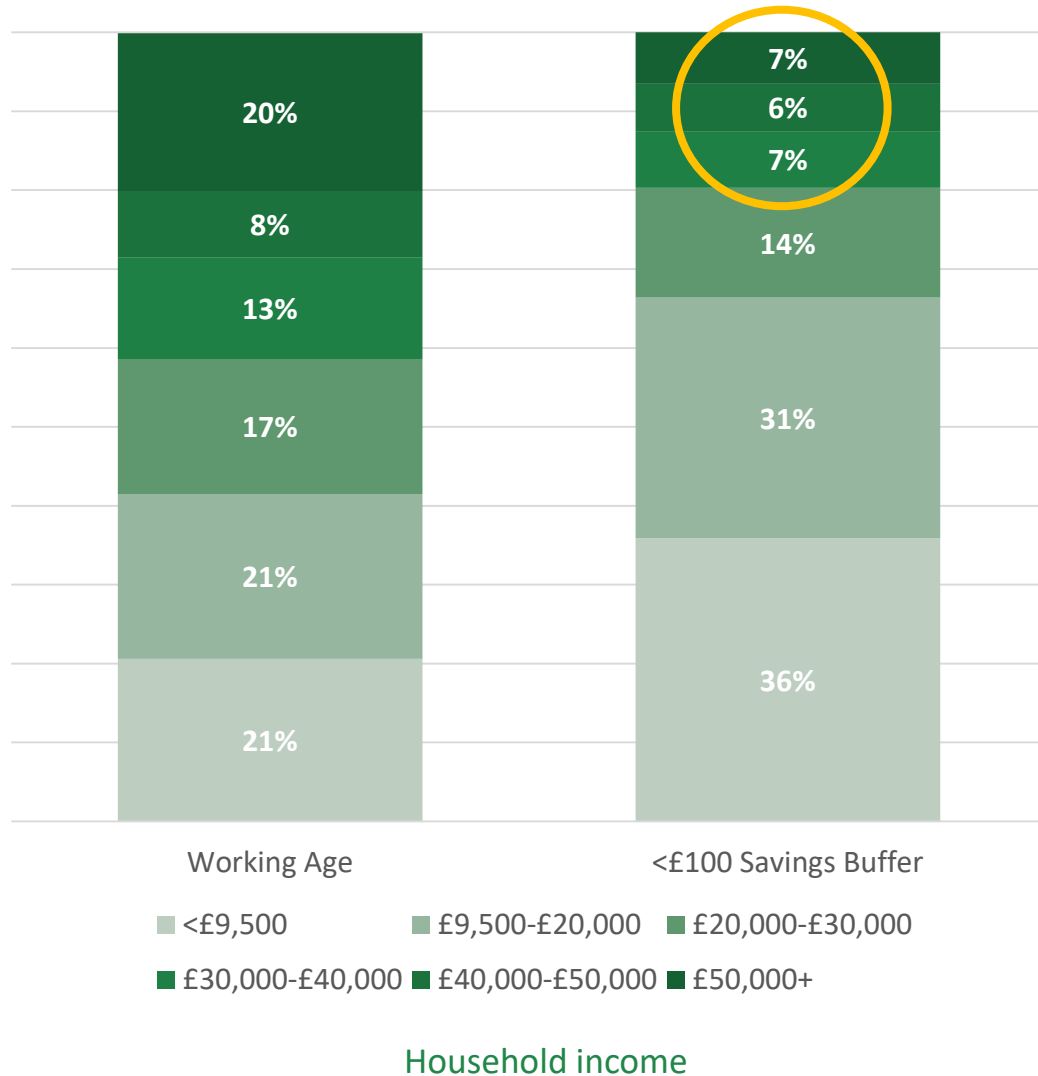
The need for a savings buffer

11.5m UK adults (22%) have less than £100 in savings

BUT

71% will experience an unexpected bill in a year (typical value £250-500)

Not just about income



20% of working-age adults with <£100 in savings have household income > £30k

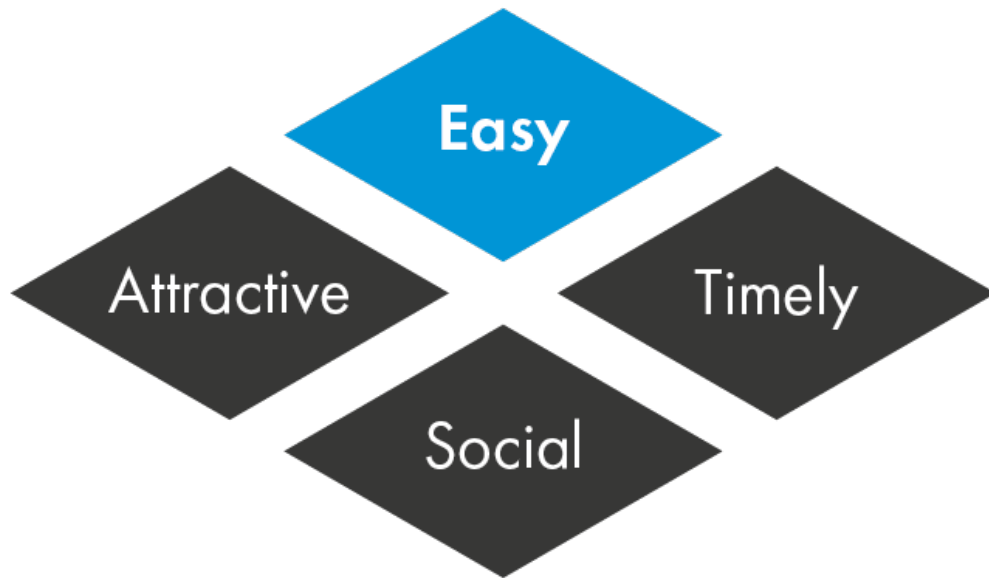


Enablers of saving

- Locus of control
- Engagement with money
- Savings mindset



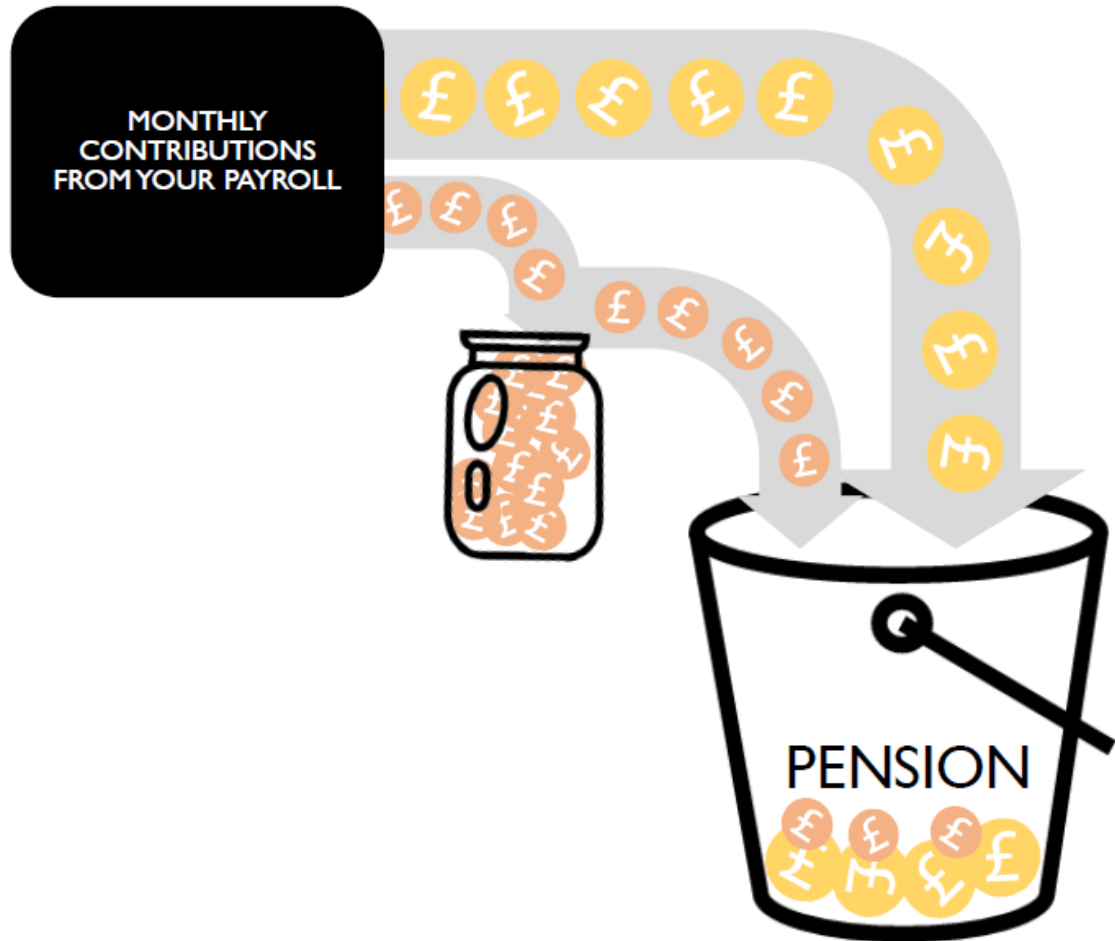
THE
BEHAVIOURAL
INSIGHTS
TEAM



How to help people save?

EAST model

Behavioural change model
from BIT (Behavioural Insights
Team)



Make it EASY

Sidecar savings

Savings 'buffer' alongside auto-enrolled pension



Make it ATTRACTIVE

Goal-based savings

**Encourage saving by
focusing on a goal**



Make it SOCIAL

A challenge

- 1. Online community**
- 2. People-like-you**
- 3. Savings 'buddy'**



Make it TIMELY

Repay 'n' Save

**Default half of monthly
loan repayments into a
savings account at the end
of the loan**

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Thank you



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