

# Segmenting the over-indebted population of the UK

August 2013

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### Introduction

In 2012, the Money Advice Service identified a population of approximately 8.8 million people within the UK who were classed as over-indebted. These were individuals who meet either of the following criteria:

- They feel that their debt is a heavy burden
  Or
- They missed out on or fallen behind on credit payments or bill for 3 out of the last 6 months

Within this large group (18% of the population), there will be people with vastly different needs in terms of level of financial difficulty, family situation, knowledge and access to advice, and propensity to take advice. In addition, we recognise that there will also be a varying level of advice required, from self-help to advisor driven, or from generic budgeting advice to reactive crisis debt management.

With this in mind, the Money Advice Service has conducted a segmentation analysis of the over-indebted population to provide a clear indication of the different needs and attitudes of these distinct groups.

The foundation of the segmentation was a large scale (5,000 interviews) quantitative survey conducted by Public Knowledge which asked a number of attitudinal and behavioural questions to determine specific differences between each group. The data was then used by Experian in conjunction with existing segmentation and demographics to design a segmentation based on eight distinct groups of people. A full technical report is included at the back of this report.

The process of identifying the number within the indebted population is currently being re-evaluated. However, the segmentation has been designed to hold true should the population size change.

The 8 key segments are listed below. This report contains a pen portrait for each segment, highlighting who they are, how they feel, what their attitudes are, what their needs are and their channel preference. Each segment also has an appendix with a more detailed analysis of their behaviour and attitudes towards debt.

Segment	Name	Number of people	% of over-indebted population
1	Struggling Students	1m	11.3%
2	First Time Workers	0.9m	9.8%
3	Optimistic Young Workers	1.1m	12.5%
4	Low Wage Families	0.8m	9.3%
5	Stretched Families	1.4m	16.3%
6	Worried Working Families	1.7m	19.4%
7	Benefit Dependent Families	1.8m	20.2%
8	Uncomfortable Retirees	0.1m	1.1%
	TOTAL OVER INDEBTED POPULATION	8.8m	

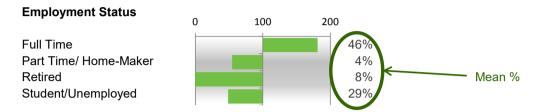
# Segment Pen portraits



# **Understanding the Mean % and Index**

Charts are provided for each of the variables within this pen portrait. The variables are grouped together by category. For each segment, the charts show the mean % and index for each variable.

The mean % shows the percentage of the segment with this characteristic, and is shown as a percentage next to the chart. For example, consider the following example for social grade:



This shows that:

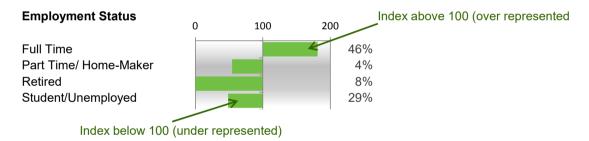
46% of this segment are in fulltime employment.

4% of this segment are in part time employment or a home-maker.

8% of this segment are Retired.

29% of this segment are students or unemployed

The index shows how the variable compares with all survey respondents. An index of 100 is the average. An index greater than 100 shows that this variable is over represented when compared with all survey respondents. An index less than 100 shows that this variable is under represented when compared with all survey respondents. The index is shown on the chart as a bar:



The chart shows the index value from 0 to 200. If the index value is greater than 200, the bar is shown as 200 along with the exact index value written within the bar.





### Who are they?

- 75% are aged 54 and under
- 50% have a household income of under £20,000
- 41% are in fulltime employment
- 48% are owner occupiers with 27% renting from private landlords

### What makes them over indebted?

66% find keeping up with bills is a HEAVY burden

64% HAVE fallen behind with credit commitments in the last 3 months.

### Where are they located?

Top 10 Local Authorities

- City of Kingston Upon Hull
- Nottingham
- Manchester
- Knowslev
- LiverpoolDerry
- South Tyneside
- Belfast
- Wolverhampton
- Hartlepool

### What is their current financial situation like?

76% would describe themselves as being in debt

42% have received calls or letters from creditors in the last 12 months

44% are finding it a constant struggle to keep up with bills

In the last 12 months 36% have found it difficult to get credit

17% are currently accessing debt advice

12% are thinking about accessing debt advice soon

36% have accessed debt advice previously

47% would like to pay of their debts as soon as possible

### Key attitudes towards debt

"It is important to me that I am debt free"

"Debt means I can't afford to buy luxuries and treats for myself and/or my family"

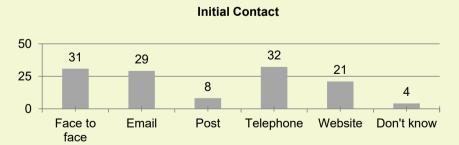
"Debt means I can't do lots of the things I want to in life"

### What are their needs?

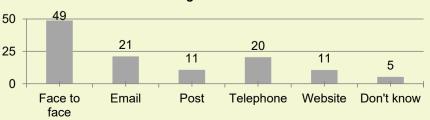


Lesser needs include help with improving their personal relationships, debt prioritisation and receiving fewer letters and calls from creditors

### What is their preferred channel?



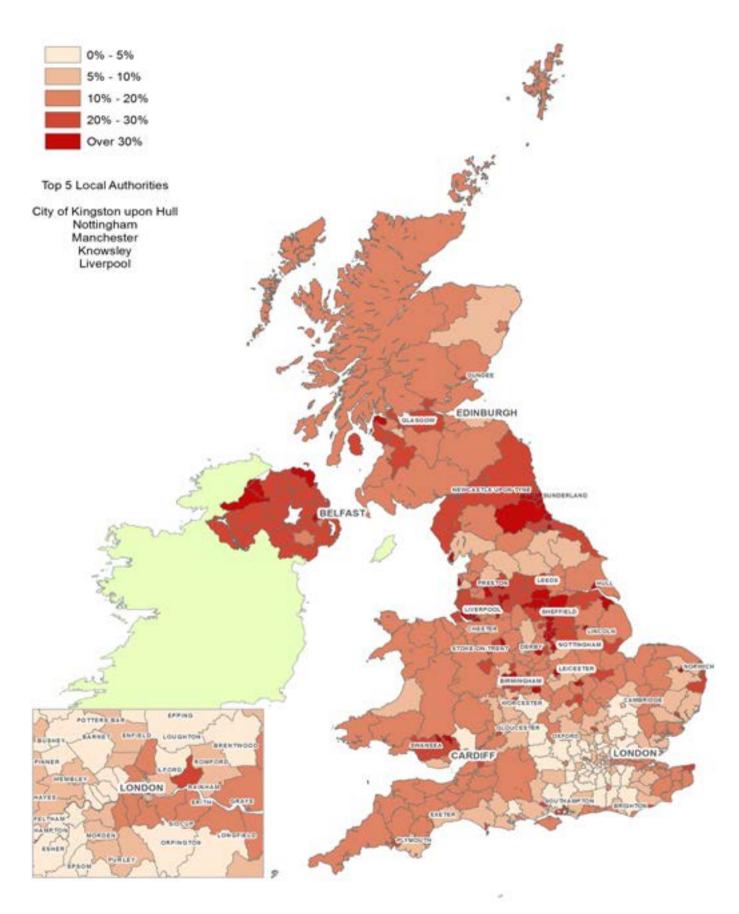
### **Disclosing Financial Information**







This map shows the proportion of the resident population the over-indebted population represents within a local authority. This has been calculated using Experian's population counts for the over-indebted population and local authorities.

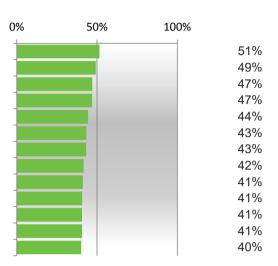






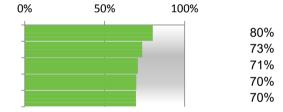
### They are likely to need help with?

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



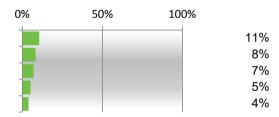
### They are most likely to be responsible for paying the following?

Gas or Electricity bills
TV Licence bills
Water bills
Telephone, Mobile or Subscription TV bills
Council Tax payment



### They are less likely to be responsible for paying the following?

Hire purchase agreement Home collected credit or Pay day loan DSS Social Fund Emergency loan Child Support Maintenance Credit Union Loan



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market

### MAS Target Market 0% **Top 5 FSS Segments** 0% 50% 100% 50% 100% H29 - Squeezed Families 11% All Target Types 133 - Low Cost Living 10% Starting Out 130 - Pooled Kitty 10% Struggling Families C09 - Cash Stretchers 8% Surviving Families C08 - Entry-level Workers 7%



41%

13%

20%

8%

# Segment 1 - Struggling Students

11.3% of the Over-Indebted Population



### Who are they?

- They are aged 18-24
- Their household income is under £15,000
- They will be renting mainly from private landlords.
- They are in full time education
- The majority of their income comes from benefits and entitlements with some part time income.

### What makes them over indebted?

53% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 42% feel that is somewhat of a burden.

73% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 71% would describe themselves as being in debt

This compares to 76% of all survey respondents and is 7th when compared to all segments.

### Almost half (41%) of them are finding it an occasional struggle to keep up with bills.

This compares to 27% of all survey respondents. A third are also finding it a constant struggle compared to an average of 44%

### In the last 12 months 34% have found it difficult to get credit.

This is compared to the survey average of 36% and puts them 6th out of the 8 segments.

### Only 9% are currently accessing debt advice.

However this group is more likely to be either thinking about accessing debt advice soon or would consider it if their situation worsened.

### Key attitudes towards debt

"In the current economic climate living in debt is inevitable for people like me'

"I expected to have this much debt"

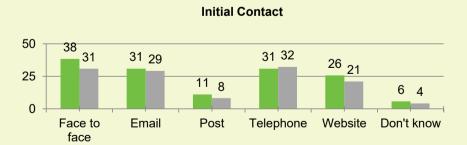
"Debt doesn't mean I can't do lots of the things I want to in life"

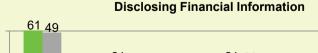
### What are their needs?

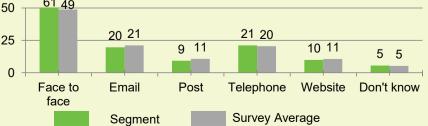


This segment is more likely to need help with all aspects of financial advice when compared to the other segments especially in regards to debt prioritisation and understanding fees in relation to debt management.

### What is their preferred channel?

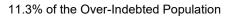






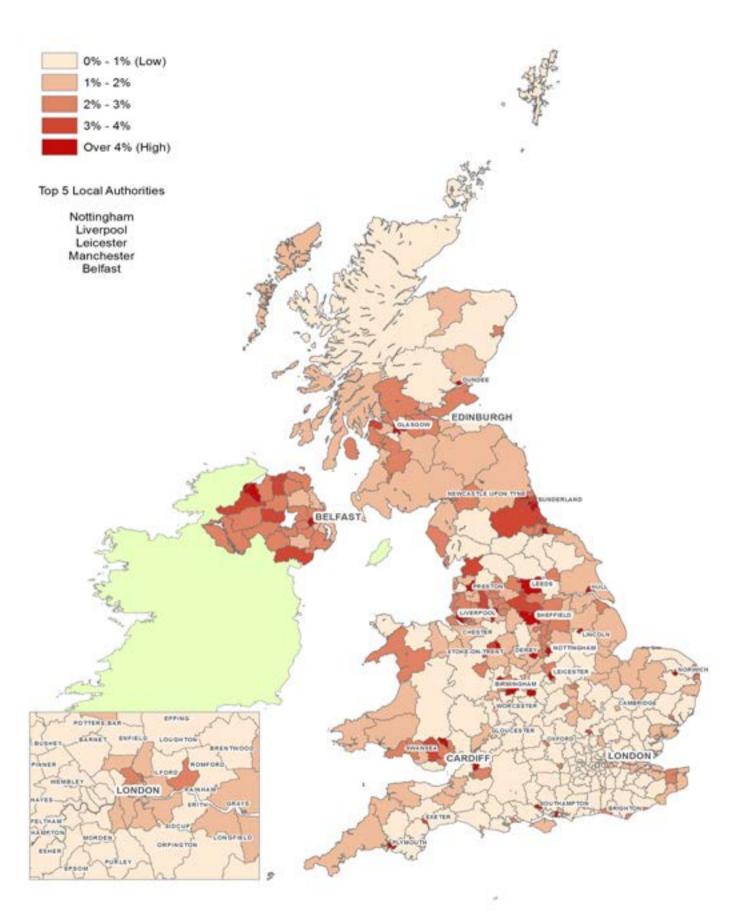


# **Segment 1 - Struggling Students**





This map shows what proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authorities.



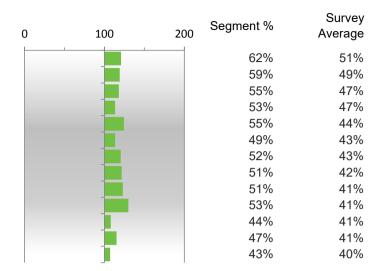
# **Segment 1 - Struggling Students**

11.3% of the Over-Indebted Population



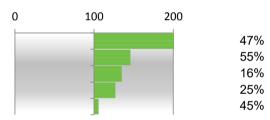
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



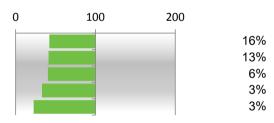
### This segment is most likely to be responsible for paying the following

Student loan Rent payment VAT Informal loan from family friends Bank overdraft (used)

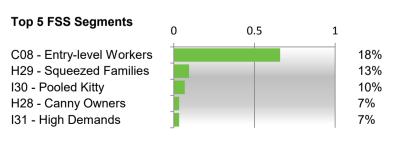


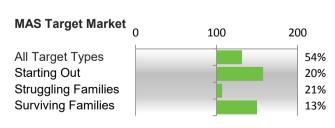
### This segment is less likely to be responsible for paying the following

Instalments or payment plan for insurance Any secured loans, including a mortgage Store card (not paid off in full every month) Hire purchase agreement Debt management/consolidation plan



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 2 - First Time Workers**

9.8% of the Over-Indebted Population



### Who are they?

- They are aged 18-24
- Their household income is less than £20,000
- Half will rent privately whilst a third have taken the first steps in regards to home ownership.
- They are in full time employment
- They are unlikely to be receiving benefits and have no dependents

### What makes them over indebted?

50% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 46% feel that it is somewhat of a burden.

79% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 74% would describe themselves as being in debt

This compares to 76% of all survey respondents and is the 5th when compared to all 8 segments.

### 43% are finding it an occasional struggle to keep up with bills.

This compares to 27% of all survey respondents. A third of are finding it a constant struggle whilst 19% have missed payments. Over half have found this to be an issue in the last 12 months.

### In the last 12 months 39% have found it difficult to get credit.

This is compared to the survey average of 36%. In comparison 36% have not found it an issue which is the highest proportion of all segments.

### 12% are planning to access debt advice soon.

This is compared to the survey average of 10% and are the 5th most likely to be considering accessing debt advice soon.

### Key attitudes towards debt

"I would prefer to have luxuries and treats than be debt free"

"In the current economic climate living in debt is not inevitable for people like me"

"Being in debt does not worry me"

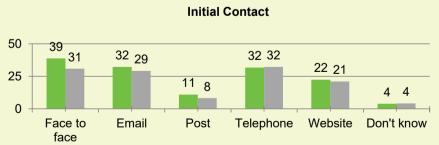
### What are their needs?



Compared to the other segments they are more likely to feel they need help in all aspects of their financial situation.

They are more likely than the other segments to need help with putting together a weekly budget, understanding debt prioritisation and making regular affordable payments.

### What is their preferred channel?





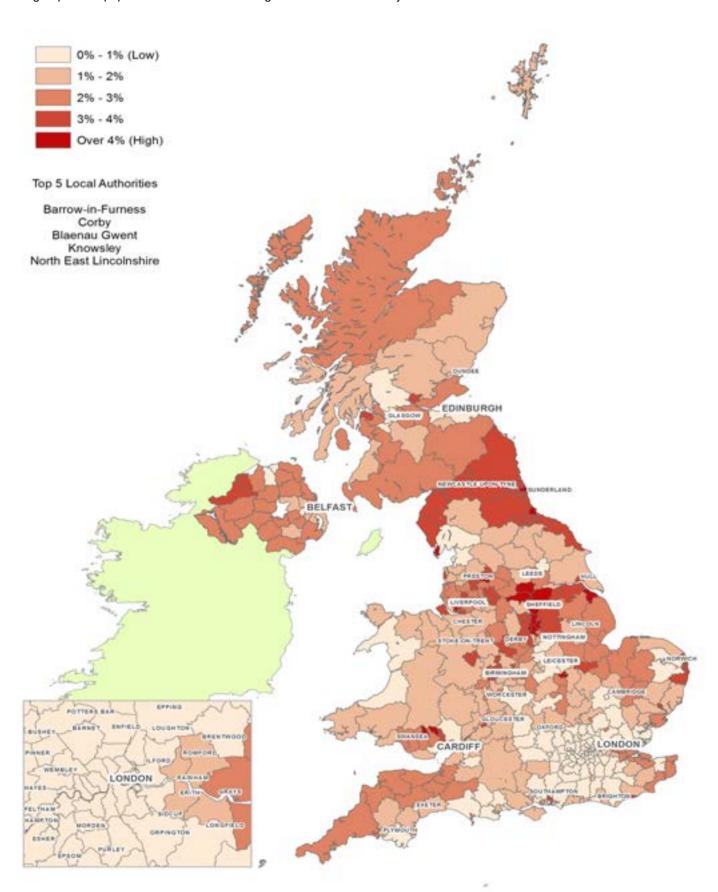


# **Segment 2 - First Time Workers**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.





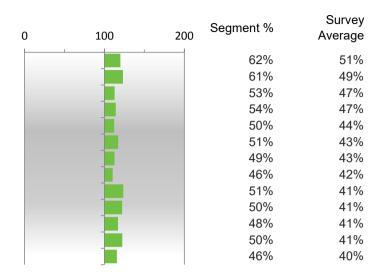
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9.8% of the Over-Indebted Population



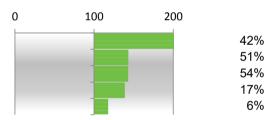
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



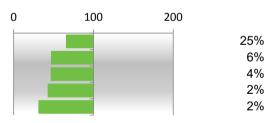
### This segment is most likely to be responsible for paying the following

Student loan
National Insurance
Rent payment
VAT
Child Support Maintenance

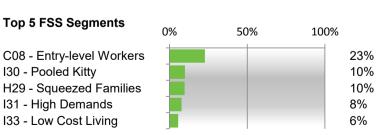


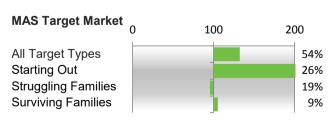
### This segment is less likely to be responsible for paying the following

Instalments or payment plan for insurance
Debt management/consolidation plan
Home collected credit or Pay day loan
Credit Union Loan
DSS Social Fund Emergency loan



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 3 - Optimistic Young Workers**

12.5% of the Over-Indebted Population



### Who are they?

- They are aged 25-34
- Their household income is between £20,000 £40,000
- Almost half may have bought a house but they are also likely to rent privately.
- They are in full time Employment
- They receive no benefits and are likely to have no dependents

### What makes them over indebted?

56% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 39% feel that is somewhat of a burden

72% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 78% would describe themselves as being in debt

This compares to 76% of all survey respondents and is the 4th highest of all 8 segments

# Over a third (37%) of them are finding it an occasional struggle to keep up with bills.

This compares to 27% of all survey respondents. Whilst only 5% of this segment are keeping up with bills, they are one of the most likely to be doing so.

### In the last 12 months they have found it difficult to get credit.

44% Have found it difficult to get credit in the last 12 months compared to the survey average of 36%. This is the 3rd highest of all 8 segments.

### 15% are planning on accessing debt advice soon.

This is compared to the survey average of 10% and places them as the second most likely group to be thinking about accessing debt advice

### Key attitudes towards debt

"I feel in control of my debt"

"I would be willing to take on new credit commitment to pay off my debts"

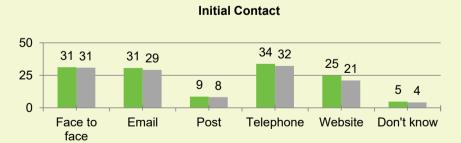
"I would prefer to have luxuries and treats than be debt free"

### What are their needs?

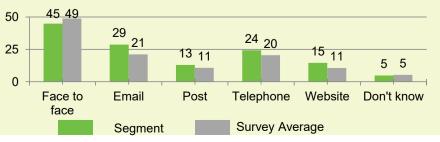


A majority feel that they don't need help with their current financial situation. However compared to the other segments they are more likely to need help with improving their personal relationships and understanding debt prioritisation.

### What is their preferred channel?



### **Disclosing Financial Information**



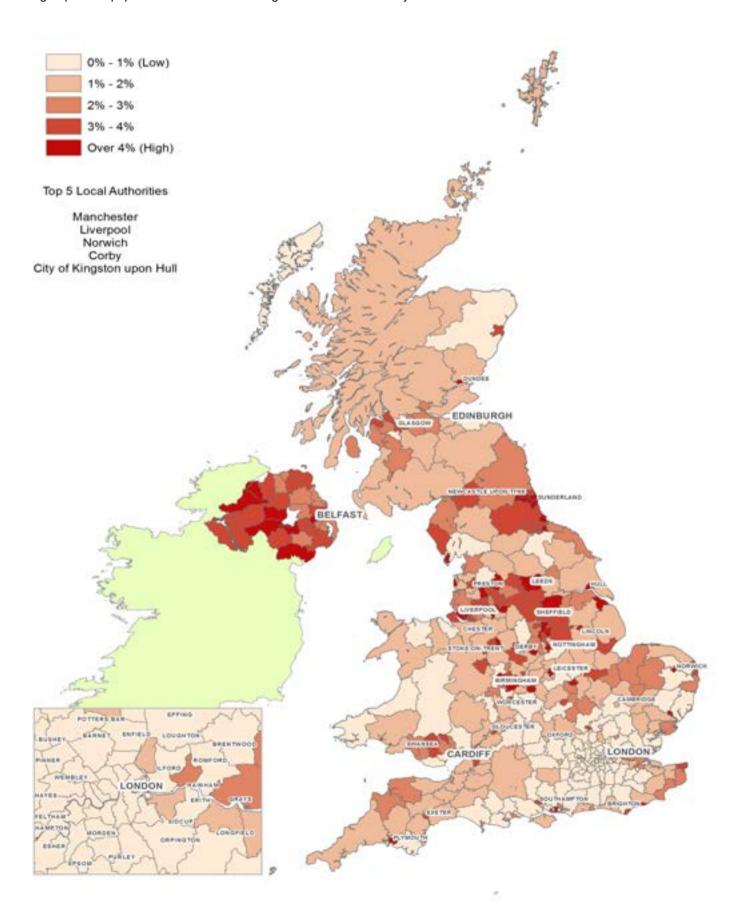


# **Segment 3 - Optimistic Young Workers**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.



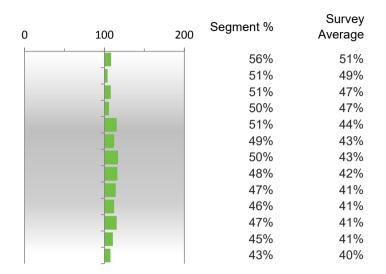
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12.5% of the Over-Indebted Population



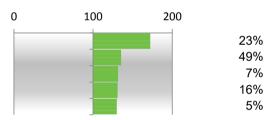
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



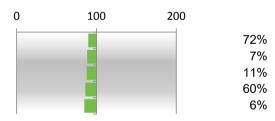
### This segment is most likely to be responsible for paying the following

Student Ioan
National Insurance
Child Support Maintenance
VAT
Credit Union Loan

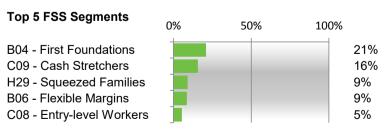


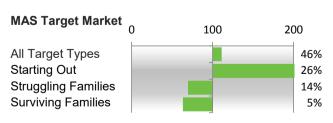
### This segment is less likely to be responsible for paying the following

Gas or Electricity bills
Home collected credit or Pay day loan
Debt management/consolidation plan
Telephone, Mobile or Subscription TV bills
DSS Social Fund Emergency loan



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 4 - Low Wage Families**

9.3% of the Over-Indebted Population



### Who are they?

- They are aged 25-34
- Their household income is likely to be under £20,000
- They will all be renters with the majority renting from private landlords.
- Two thirds are either part time or a home maker with a third in education or unemployed.
- Income is from a mixture of benefits and part time employment

### What makes them over indebted?

61% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 34% feel that it is somewhat of a burden.

80% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 78% would describe themselves as being in debt

This compares to 76% of all survey respondents and is the joint 3rd highest of all 8 segments

# Only 2% are keeping up with bills without any difficulty whilst 40% have missed payments.

This compares to 3% and 25% respectively of all survey respondents. Compared to all segments this group is the joint most likely to be in real financial difficulty and have missed some payments.

### In the last 12 months they have found it difficult to get credit.

57% have found it difficult to get credit in the last 12 months compared to the survey average of 36%. This is the highest of all 8 segments.

### 17% are planning to access debt advice soon.

This is compared to the survey average of 10% and places them as the most likely group to be thinking about accessing debt advice. 15% are already seeking debt advice which is just below the survey average of 17%

### Key attitudes towards debt

"Being in debt does not worry me"

"I would be willing to take on new credit commitment to pay off my debts"

"Living in debt is something I am used to"

### What are their needs?



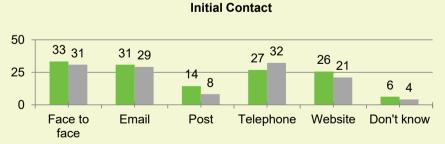
with...

Fewer letters and calls from creditors

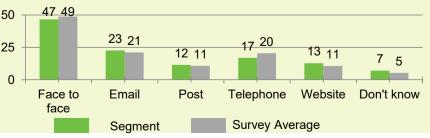
Debt solutions

This segment are more likely to feel that they need help with all aspects of their financial situation. In addition to the areas listed above they also need help with information on benefits they could receive and being able to avoid future financial problems.

### What is their preferred channel?



# **Disclosing Financial Information**



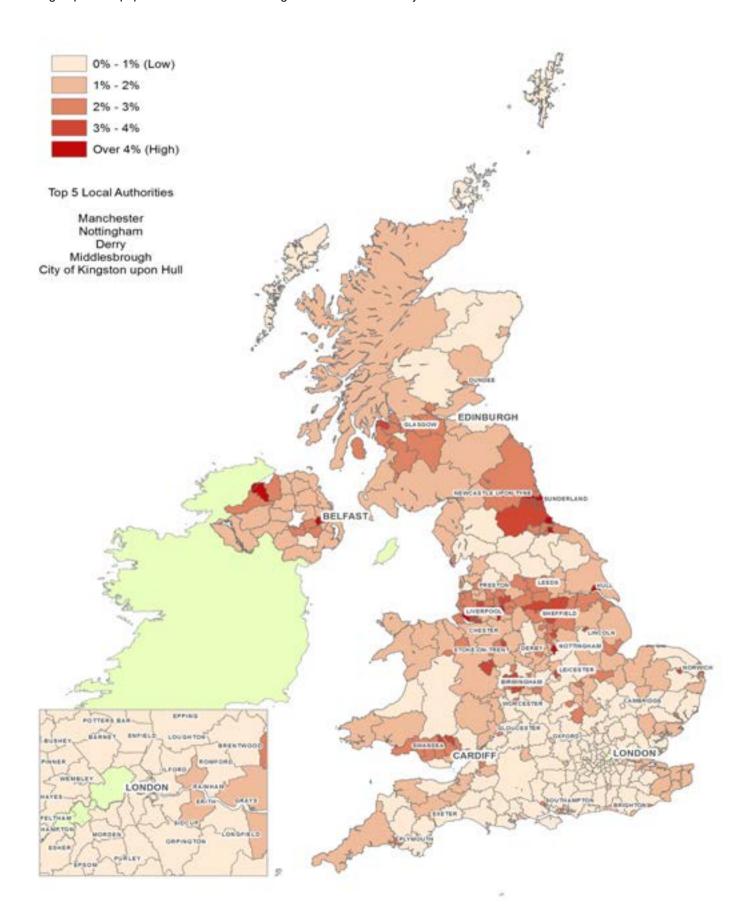


# **Segment 4 - Low Wage Families**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.



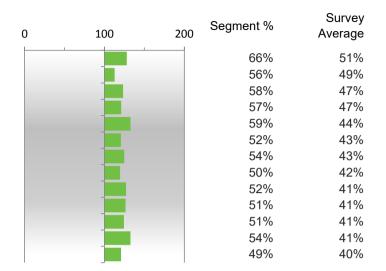
# **Segment 4 - Low Wage Families**





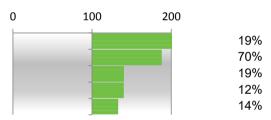
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
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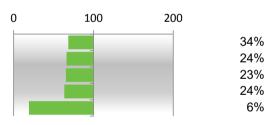
### This segment is most likely to be responsible for paying the following

DSS Social Fund Emergency loan Rent payment Student loan Home collected credit or Pay day loan Hire purchase agreement

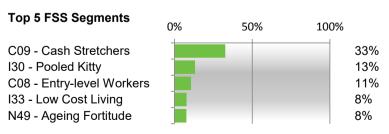


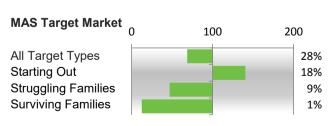
### This segment is less likely to be responsible for paying the following

Credit card (not paid off in full every month) Income Tax National Insurance Instalments or payment plan for insurance Any secured loans, including a mortgage



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 5 - Stretched Families**

16.3% of the Over-Indebted Population



### Who are they?

- They are aged 35-44
- Their household income less than £30.000
- Some will own their own homes but the majority will be renting.
- The majority will be in fulltime employment.
- Their income will be mainly from work although some may be receiving some benefits

### What makes them over indebted?

61% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 36% feel that it is somewhat of a burden.

76% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 84% would describe themselves as being in debt

This compares to 76% of all survey respondents and is the highest of all 8 segments

# 30% are in real financial difficulties and have missed payments or fallen behind with commitments.

This compares to 25% of all survey respondents. Almost 50% of these have been having these issues for the last 12 months.

### In the last 12 months they have found it difficult to get credit.

50% Have found it difficult to get credit in the last 12 months compared to the survey average of 36%. This is the 2nd highest of all 8 segments.

### 18% are currently accessing debt advice.

This is compared to the survey average of 17%. They are also the most likely to be either planning to, or considering, accessing advice soon.

### Key attitudes towards debt

"Being in debt has negatively affected my family life"

"Living in debt is something I am used to"

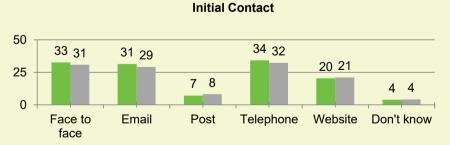
"I don't feel in control of my debt"

### What are their needs?

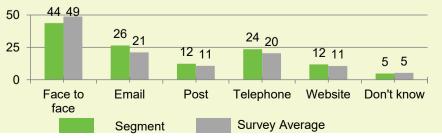


This segment are also more likely to feel the need for help with putting a personalised debt solution in place, being able to make regular repayments, improving their personal relationships and being confident that their debt solution is solvable.

### What is their preferred channel?



### **Disclosing Financial Information**



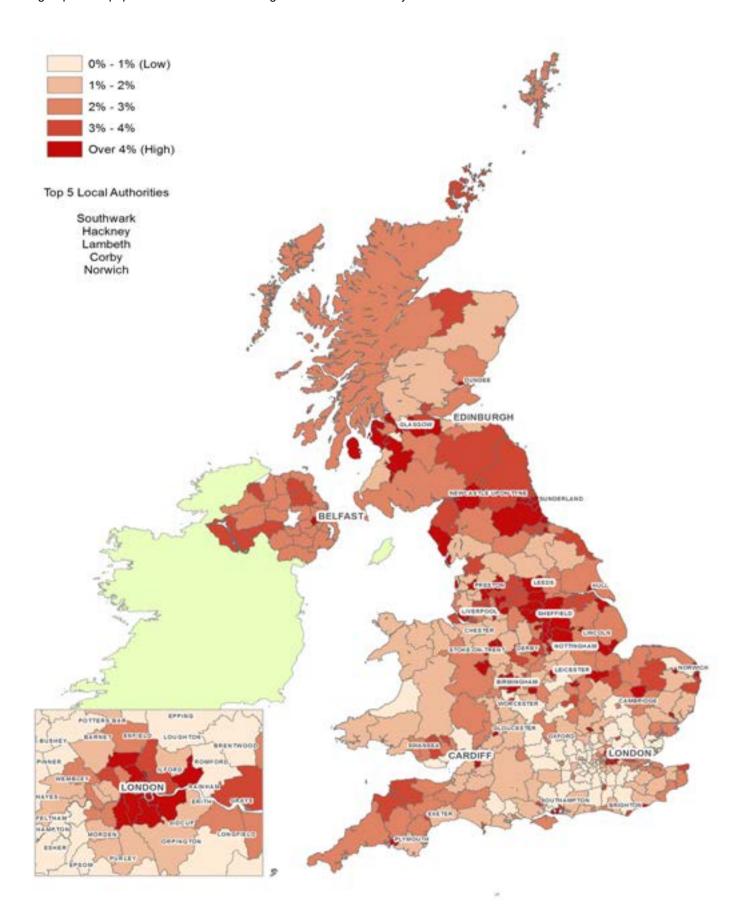


# **Segment 5 - Stretched Families**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.



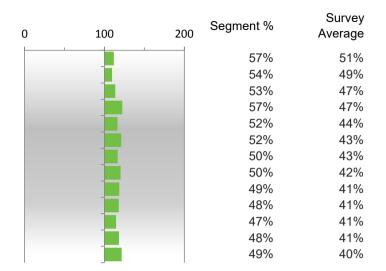
# **Segment 5 - Stretched Families**

16.3% of the Over-Indebted Population



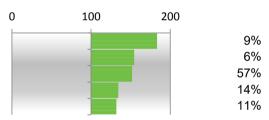
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



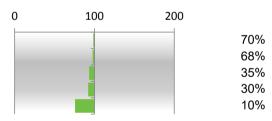
### This segment is most likely to be responsible for paying the following

Child Support Maintenance
Credit Union Loan
Rent payment
Hire purchase agreement
Home collected credit or Pay day loan

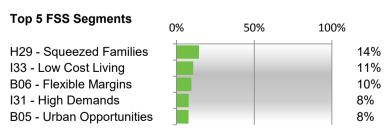


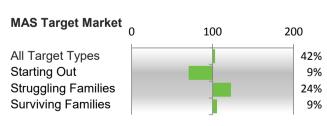
### This segment is less likely to be responsible for paying the following

Water bills
Telephone, Mobile or Subscription TV bills
Instalments or payment plan for insurance
Any secured loans, including a mortgage
Student loan



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 6 - Worried Working Families**

19.4% of the Over-Indebted Population



### Who are they?

- They are aged 35-54
- Their household income is between £30,000 £49,999
- They will own their own homes
- They are in full time employment and which provides almost of all of their income.
- They are likely to have dependent children over the age of 16

### What makes them over indebted?

75% find keeping up with bills is a **HEAVY** burden

This compares to 66% of all survey respondents whilst 24% feel that it is somewhat of a burden.

54% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 80% would describe themselves as being in debt

This compares to 76% of all survey respondents and is the 2nd highest of all 8 segments

# Over half (52%) of them are finding it a constant struggle to keep up with bills.

This compares to 44% of all survey respondents. 32% have had an issue with falling behind with credit commitments for between 1-3 years.

### In the last 12 months they have not found it difficult to get credit.

31% Have found it difficult to get credit in the last 12 months compared to the survey average of 36%. This is the 2nd lowest of all 8 segments.

### 20% are already accessing debt advice.

This is compared to the survey average of 17% and is the highest percentage of all 8 segments. 27% would also consider accessing debt advice if their situation worsened which is the second highest.

### Key attitudes towards debt

"Being in debt does worry me"

"Debt means I can't afford to buy luxuries and treats for myself and/or my family"

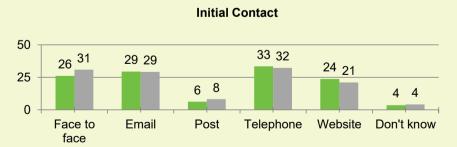
"I never expected to have this much debt"

### What are their needs?

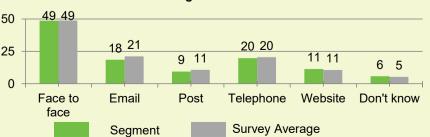


This segment very similar to the average response given in the survey. Their are however less likely to require help with debt prioritisation and weekly budget planning.

### What is their preferred channel?



### **Disclosing Financial Information**



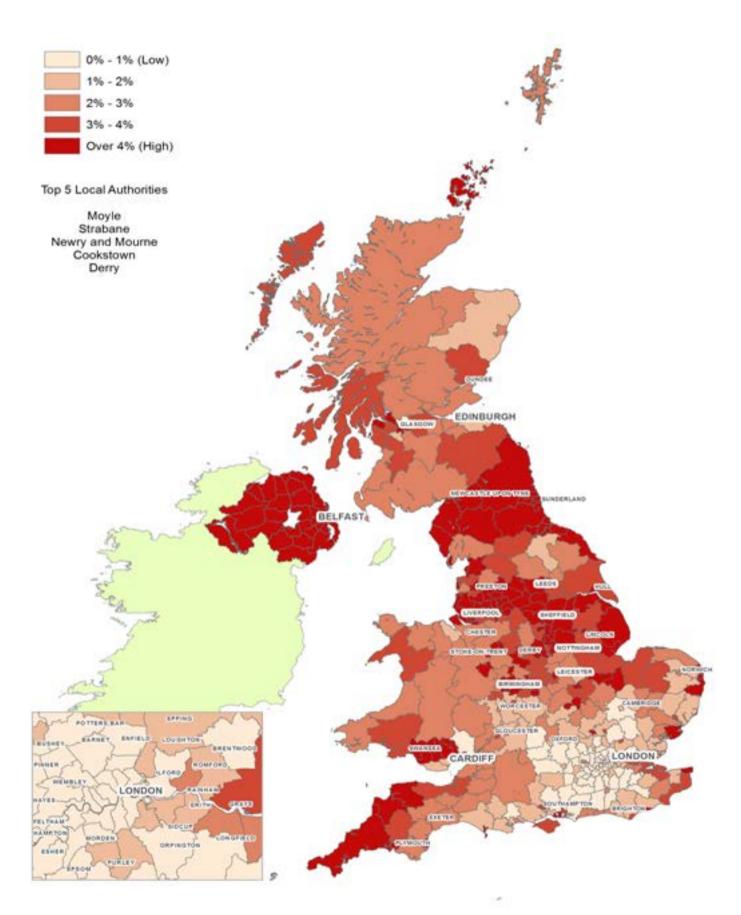


# **Segment 6 - Worried Working Families**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.



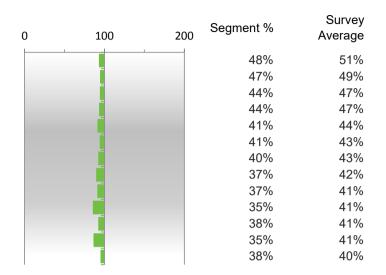
# **Segment 6 - Worried Working Families**

19.4% of the Over-Indebted Population



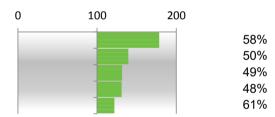
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



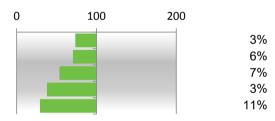
### This segment is most likely to be responsible for paying the following

Any secured loans, including a mortgage National Insurance Instalments or payment plan for insurance Income Tax
Credit card (not paid off in full every month)

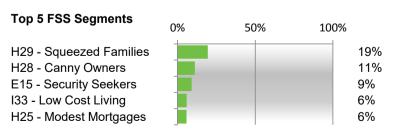


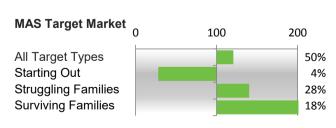
### This segment is less likely to be responsible for paying the following

Credit Union Loan Home collected credit or Pay day loan Student loan DSS Social Fund Emergency loan Rent payment



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 7 - Benefit Dependent Families**

20.2% of the Over-Indebted Population



### Who are they?

- They are aged 35-64
- Their household income is less than £15,000
- They will rent their house with no home owners within this segment.
- They are either in part time employment or unemployed
- Their income is almost entirely made up of state benefits.

### What makes them over indebted?

73% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 25% feel that it is somewhat of a burden.

70% HAVE fallen behind with credit commitments in the last 3 months.

### What is their current financial situation like?

### 76% would describe themselves as being in debt

This matches the survey average of 76%.

### 41% are finding it a constant struggle to keep up with bills.

This compares to 44% of all survey respondents. A further 40% have serious financial difficulties and have missed some payments compared to an average of 25%. This places them as the group most likely to have missed some payments.

### In the last 12 months they have found it difficult to get credit.

40% have found it difficult to get credit in the last 12 months compared to the survey average of 36%.

### 28% will consider accessing debt advice if their situation got worse.

This is compared to the survey average of 23% and places them as the most likely group to do so.

### Key attitudes towards debt

"In the current economic climate living in debt is inevitable for people like me"

"I don't feel in control of my debt"

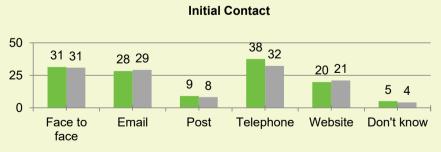
"My debt makes me unhappy"

### What are their needs?

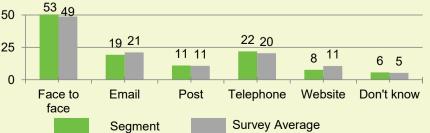


This segment are more likely, when compared to the others, to feel they need help with being able to make regular repayments and receiving fewer letters or calls from creditors. They are also more likely to feel the need for help with improving their health.

### What is their preferred channel?



# Disclosing Financial Information



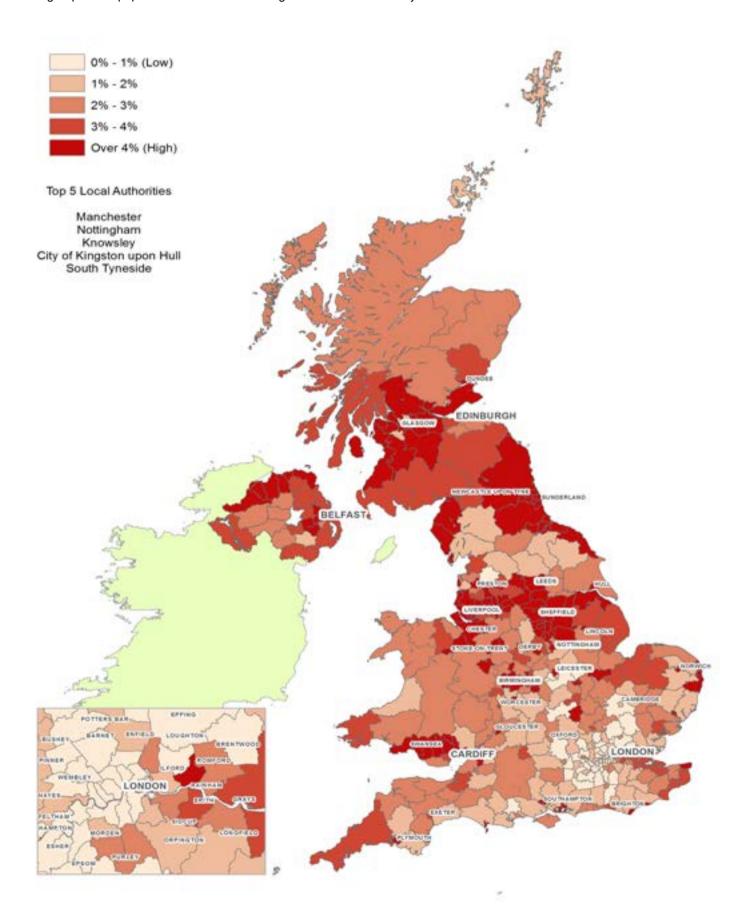


# **Segment 7 - Benefit Dependent Families**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.



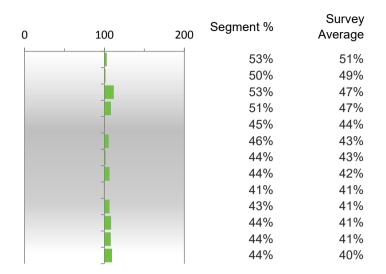
# **Segment 7 - Benefit Dependent Families**

20.2% of the Over-Indebted Population



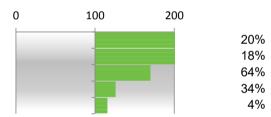
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



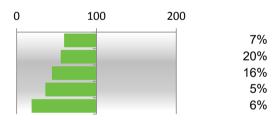
### This segment is most likely to be responsible for paying the following

DSS Social Fund Emergency loan Home collected credit or Pay day loan Rent payment Mail order catalogue payments Credit Union Loan

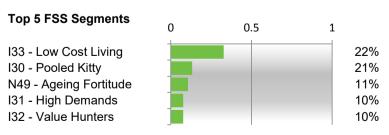


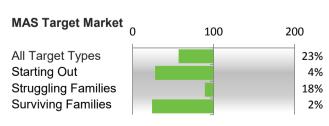
### This segment is less likely to be responsible for paying the following

VAT
National Insurance
Income Tax
Student Ioan
Any secured Ioans, including a mortgage



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







# **Segment 8 - Uncomfortable Retirees**

1.1% of the Over-Indebted Population



### Who are they?

- Aged 55+
- Their household income is less than £15,000 per annum
- Almost two thirds will own their own homes.
- 89% are retired
- Their income is derived from a mixture of personal income and state benefits

### What makes them over indebted?

73% find keeping up with bills is a HEAVY burden

This compares to 66% of all survey respondents whilst 25% feel that it is somewhat of a burden.

46% HAVE fallen behind with credit commitments in the last 3 months.

### What is my current financial situation like?

### 62% would describe themselves as being in debt

This compares to 76% of all survey respondents and they are the group least likely to describe themselves as being in debt.

# Over half (55%) of them are finding it a constant struggle to keep up with bills.

This compares to 44% of all survey respondents. Whilst they are finding it a struggle to keep up with bills, this group are the least likely to be falling behind with payments with 3% compared to an average of 8%.

### Accessing credit has not been an issue in the last 12 months.

Only 17% have found it difficult to get credit in the last 12 months with 33% having no issues.

# 20% are already consulting a debt advice agency but 30% cannot see themselves doing this.

This is compared to the survey averages of 17% and 16% respectively. This segment are the least likely to be thinking about accessing debt advice

### Key attitudes towards debt

"I would not be willing to take on a new credit commitment to pay off my debts"

"In the current economic climate living in debt is not inevitable for people like me"

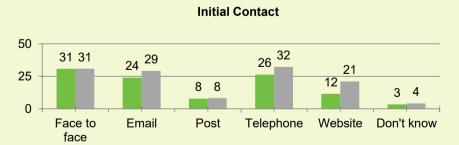
"I would not prefer to have luxuries and treats than be debt free"

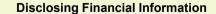
### What are their needs?

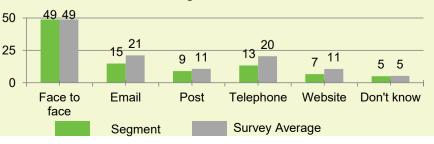


When compared to the other segments this segment are less likely to feel the need for help with improving their financial situation. This is primarily due to them either already having the knowledge or feeling that these options are not relevant to their situation.

### What is their preferred channel?







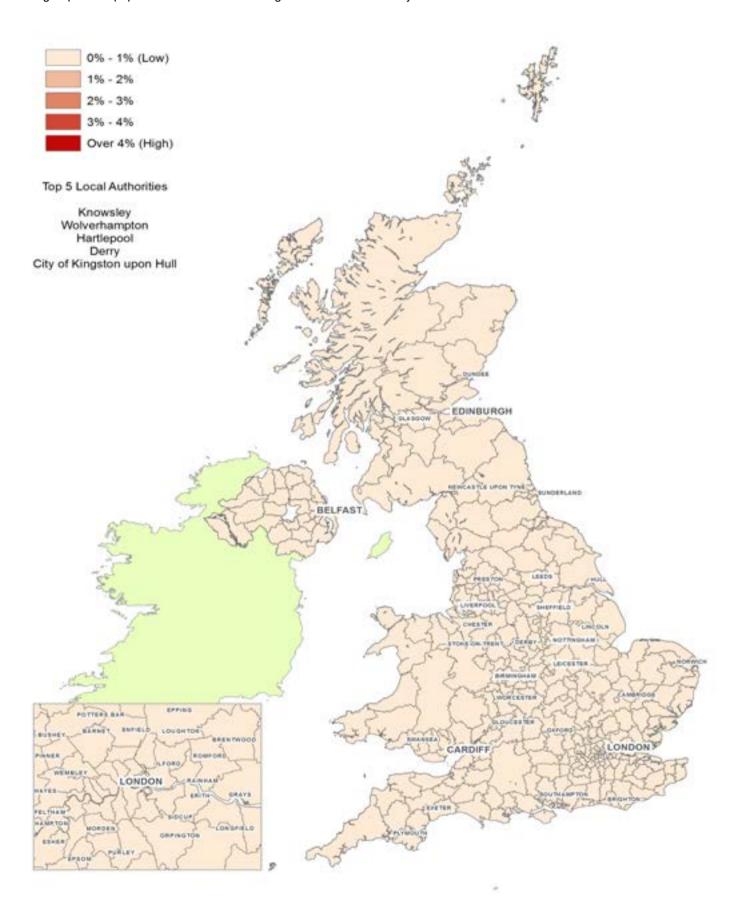


# **Segment 8 - Uncomfortable Retirees**





This map shows the proportion of the resident population this segment represents within a local authority. This has been calculated using Experian's population counts for each segment and local authority.



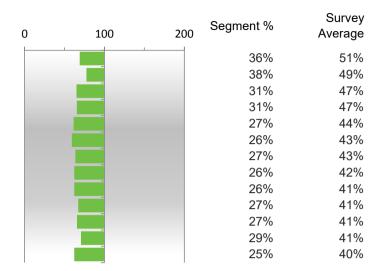
# **Segment 8 - Uncomfortable Retirees**

1.1% of the Over-Indebted Population



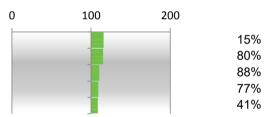
### This segment identified that they need help with

Being aware of your legal rights and obligations
Information on what benefits and credits you are entitled to
Feeling less anxious about dealing with your financial situation
Being able to start again / have a clean slate
Being aware of the different debt solutions available to you
Having a date when your debt will be cleared
Knowing how to make your money go further
Being in control of your finances
Being able to avoid future financial problems
Understanding the fees for debt management
Getting someone to understand your individual financial situation
Acquiring the skills and confidence to deal with creditors
Being confident that your debt situation is solvable



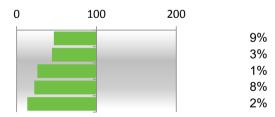
### This segment is most likely to be responsible for paying the following

Debt management/consolidation plan Telephone, Mobile or Subscription TV bills Gas or Electricity bills Water bills Instalments or payment plan for insurance

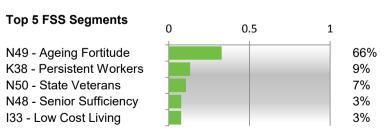


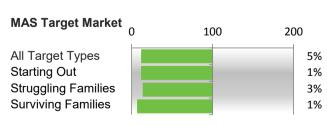
### This segment is less likely to be responsible for paying the following

Informal loan from family friends DSS Social Fund Emergency loan Child Support Maintenance National Insurance Student loan



### Comparison with Financial Strategy Segments and the Money Advice Service Target Market







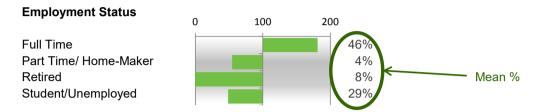
# Appendix



# **Understanding the Mean % and Index**

Charts are provided for each of the variables within this pen portrait. The variables are grouped together by category. For each segment, the charts show the mean % and index for each variable.

The mean % shows the percentage of the segment with this characteristic, and is shown as a percentage next to the chart. For example, consider the following example for social grade:



This shows that:

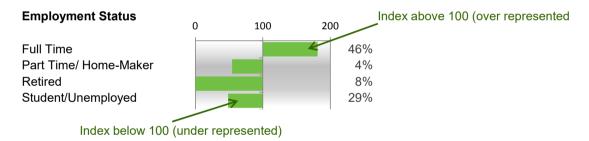
46% of this segment are in fulltime employment.

4% of this segment are in part time employment or a home-maker.

8% of this segment are Retired.

29% of this segment are students or unemployed

The index shows how the variable compares with all survey respondents. An index of 100 is the average. An index greater than 100 shows that this variable is over represented when compared with all survey respondents. An index less than 100 shows that this variable is under represented when compared with all survey respondents. The index is shown on the chart as a bar:



The chart shows the index value from 0 to 200. If the index value is greater than 200, the bar is shown as 200 along with the exact index value written within the bar.





# Total Over Indebted Population Data Appendix





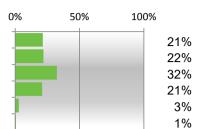
## **Demographics**

# Age

18-24 25-34 35-44 45-54

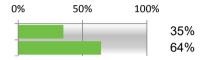
55-64

65+



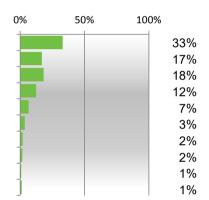
### Gender

Male Female



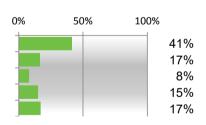
### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £70,000 - £69,999 £100,000 - £149,999 £150,000+



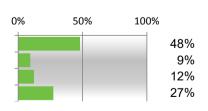
### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



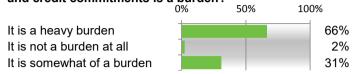
### **Tenure**

Privately Owned HA Rented Local Authority Rented Private Rented

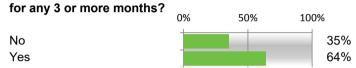


### Over-indebtedness indicators

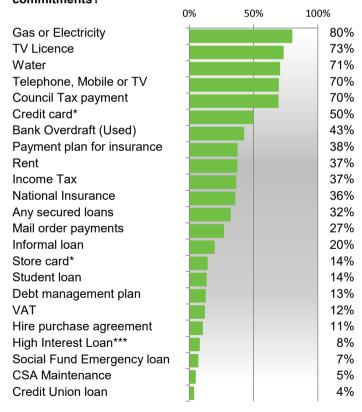
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



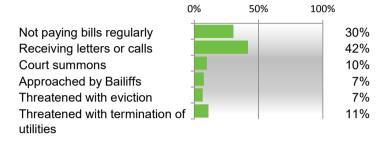
<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker



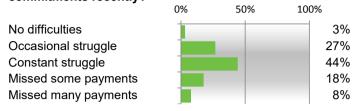
# **Assessment of Current Financial Situation**



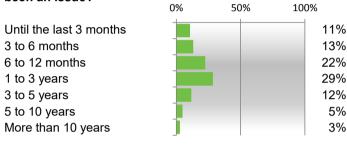
### In the last 3 months they have experienced the following



Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



How long has falling behind with credit commitments been an issue?



### Do you strongly agree or disagree with the following statements?

### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

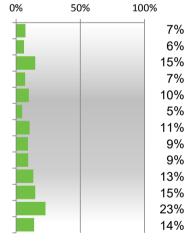
I would be too embarrassed to discuss my financial situation

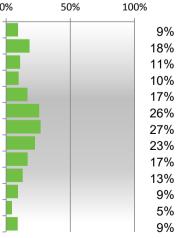
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items









# Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

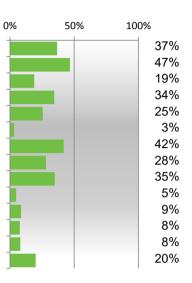
I feel in control of my debt

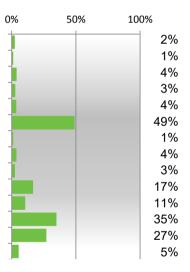
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life









# **Use of Credit**

### In the last 12 months have you found it difficult to get credit?



### Do you Strongly agree or disagree with the following statements?

### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe

### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

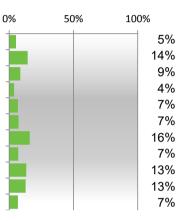
I have more than one credit card with outstanding debt

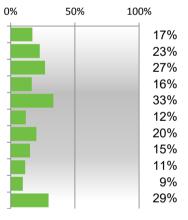
Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe









# Needs

Which of the following items do you feel you need help with to resolve your financial situation?

50% 100% 38% Having a personalised debt solution in place Being able to make regular, affordable repayments 35% Not receiving, or receiving fewer letters or phone calls from creditors 33% Acquiring the skills and confidence to deal with creditors 41% Being aware of your legal rights and obligations 51% Knowing that your debt will gradually reduce 34% 43% Having a date when your debt will be cleared Understanding the fees for debt management 41% Getting someone to understand your individual financial situation 41% Being aware of the different debt solutions available to you 44% Being in control of your finances 42% 41% Being able to avoid future financial problems Feeling less anxious about dealing with your financial situation 47% Being able to come to terms with and face up to your financial situation 34% Being confident that your debt situation is solvable 40% Improvement of your health 38% Improvement of your personal relationships 29% 47% Being able to start again / have a clean slate Information on what benefits and credits you are entitled to 49% Putting together a weekly or monthly budget to ensure that you make ends meet 34% Understanding which bills to prioritise when you don't have enough money to pay all of them 31%

### If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

### **Very Important**

That the service was confidential

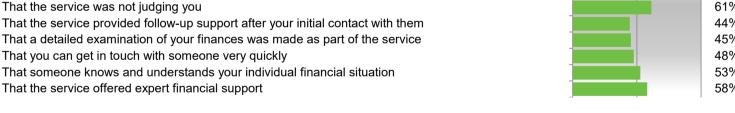
Knowing how to make your money go further

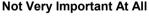
That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

That you can get in touch with someone very quickly





That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

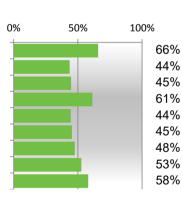
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

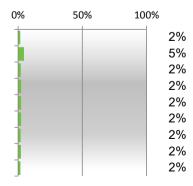
That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



43%

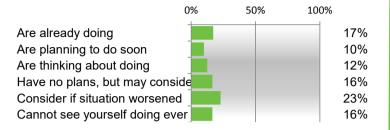






# **Needs**

Is consulting an external debt advice organisation about your money situation something you....?



# **Use of Debt Advice**

### Have you ever accessed advice about debt before?

0% 50% 100%

No
Yes 60%
36%

The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

Once or Twice
Three to Five Times
More than five times

0% 50% 100%

27%
5%
5%
27%

Thinking about when you last accessed advice about debt, how did you do this?

0% 50% 100%

By post 1%
In person 13%
Online 10%
Over the telephone 17%





# Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service
Disclosing information on your
financial situation
Finding out what options are
available to you
Working out which solution is best
for you
Putting a solution in place
Updates on progress - how your

Follow-up to find out how you are

debt is reducing

felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
31%	29%	8%	32%	21%	4%	6%
49%	21%	11%	20%	11%	5%	7%
44%	30%	14%	27%	21%	4%	5%
51%	23%	10%	25%	14%	4%	5%
52%	24%	12%	23%	12%	5%	5%
27%	48%	21%	28%	14%	5%	6%
35%	27%	9%	32%	8%	6%	12%

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Email	Post	Telephone	Website	Don't Know	No other methods
35%	17%	42%	15%	3%	15%
28%	18%	35%	10%	6%	25%
42%	22%	42%	21%	3%	12%
37%	18%	44%	15%	3%	15%
37%	21%	43%	12%	4%	16%
37%	17%	40%	9%	4%	16%
33%	14%	46%	7%	4%	18%



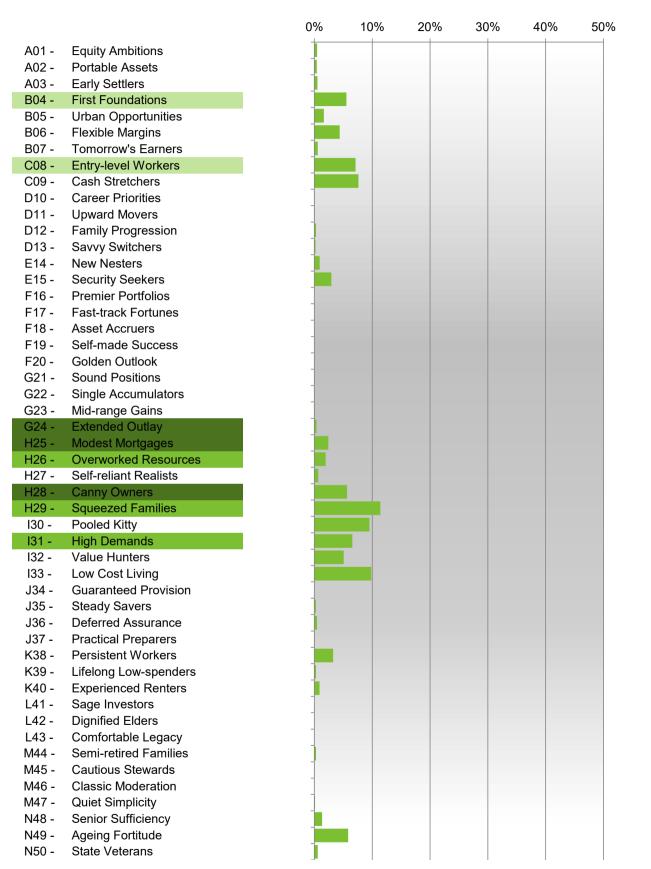


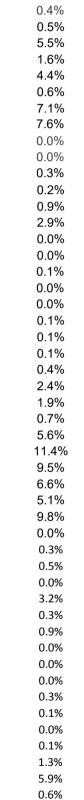
Over Indebted

Population

0.5%

# **Financial Strategy Segments**









100.0%



Proportion of the Over-indebted Population Within Each Local Authority

Rank	Local Authority	%	Rank	Local Authority	%	Rank	Local Authority	%
1	City of Kingston upon Hull	43.1%	55	Bassetlaw	28.5%	109	Erewash	23.4%
2	Nottingham	41.2%	56	Telford and Wrekin	28.3%	110	Bristol, City of	23.4%
3	Manchester	41.1%	57	Rhondda, Cynon, Taff	28.3%	111	Allerdale	23.4%
4	Knowsley	40.7%	58	Stockton-on-Tees	28.2%	112	Down	23.3%
5	Liverpool	40.6%	59	Limavady	28.0%	113	Larne	23.3%
6	Derry	39.9%	60	Hastings	27.9%	114	Antrim	23.2%
7	South Tyneside	39.4%	61	Copeland	27.8%	115	Gloucester	23.0%
8	Belfast	37.3%	62	North Tyneside	27.8%	116	Calderdale	23.0%
9	Wolverhampton	37.1%	63	Oldham	27.7%	117	Northampton	23.0%
10	Hartlepool	36.8%	64	Craigavon	27.7%	118	Barking and Dagenham	22.9%
11	Leicester	36.8%	65	Fermanagh	27.6%	119	Scarborough	22.8%
12	Sandwell	36.6%	66	East Ayrshire	27.6%	120	Neath Port Talbot	22.6%
13	Blaenau Gwent	36.5%	67	Great Yarmouth	27.6%	121	Omagh	22.6%
14	Middlesbrough	36.3%	68	Newry and Mourne	27.2%	122	Thanet	22.6%
	Salford	36.1%	69	Pendle	27.1%	123	Waveney	22.5%
	Corby	36.1%	70	Preston	27.0%	124	Clackmannanshire	22.5%
	Sunderland	35.9%	71	Leeds	27.0%	125	Redditch	22.4%
	Stoke-on-Trent	35.7%	72	Dungannon	26.9%	126	Falkirk	22.4%
_	Doncaster	34.8%	73	West Dunbartonshire	26.9%	127	Sefton	22.4%
	Gateshead	33.9%	74	Lisburn	26.8%	128	West Lothian	22.4%
	Strabane	33.9%	75	Redcar and Cleveland	26.8%	129	Ards	22.2%
	Barnsley	33.3%	76	Hyndburn	26.7%	130	Bridgend	21.8%
	Mansfield	32.9%	77	North Lanarkshire	26.5%	131	West Lancashire	21.3%
	Newcastle upon Tyne	32.9%	78	Peterborough	26.4%	132	Weymouth and Portland	21.2%
	Norwich	32.8%	79	Cookstown	26.3%	133	Bury	21.0%
	Bolsover	32.6%	80	Portsmouth	26.2%	134	Gosport	20.9%
	Halton	32.6%	81	Darlington	25.5%	135	Havant	20.9%
28	Merthyr Tydfil	32.4%	82	Magherafelt	25.5%	136	Wellingborough	20.8%
29	Rotherham	32.4%	83	North Ayrshire	25.5%	137	Torbay	20.5%
30	Barrow-in-Furness	32.4%	84	Ipswich	25.4%	138	East Staffordshire	20.5%
	North East Lincolnshire	32.2%	85	Wirral	25.4%	139	Lancaster	20.4%
	County Durham	31.6%	86	North Lincolnshire	25.4%	140	Amber Valley	20.4%
	Lincoln	31.5%	87	Rossendale	25.2%	141	North East Derbyshire	20.2%
	Ashfield	31.1%	88	Bradford	25.1%	142	Castlereagh	20.2%
	Walsall	31.1%	89		25.1%		Eastbourne	20.1%
	Burnley	31.0%	90	Carrickfergus Dudley	25.1%	143 144		20.1%
	Blackburn with Darwen	30.9%	91	Newcastle-under-Lyme	24.9%	144	Banbridge Fenland	19.1%
				,				
	Inverclyde Rochdale	30.9%	92	Caerphilly Nuneaton and Bedworth	24.9%	146	Torridge Fife	19.1%
		30.5%	93		24.8%	147		19.0%
	Derby	30.5%	94	Ballymoney	24.7%	148	Swansea	18.6%
	Wakefield	30.5%	95	Newark and Sherwood	24.7%	149	Renfrewshire	18.6%
	Coventry	30.3%	96	Kirklees	24.5%	150	Warrington	18.6%
	Moyle	30.1%	97	Northumberland	24.4%	151	South Lanarkshire	18.3%
	Blackpool	30.0%	98	Tamworth	24.4%	152	Exeter	18.3%
	Birmingham	29.8%	99	Newtownabbey	24.3%	153	North Down	18.3%
	Tameside	29.6%	100	Carlisle	24.1%	154	Newport	18.3%
	Sheffield	29.4%	101	Ballymena	24.0%	155	Wyre Forest	18.2%
	Plymouth	29.3%	102	Coleraine	23.9%	156	Thurrock	18.2%
	St. Helens	29.2%	103	Cannock Chase	23.6%	157	King's Lynn and West Norfoll	
	Glasgow, City of	29.0%	104	Southampton	23.6%	158	North Devon	18.1%
	Chesterfield	29.0%	105	Torfaen	23.6%	159	Basildon	18.0%
	Dundee City	28.8%	106	Luton	23.5%	160	Breckland	17.8%
53	Bolton	28.8%	107	Armagh	23.5%	161	Milton Keynes	17.8%
54	Wigan	28.7%	108	Boston	23.5%	162	Scottish Borders	17.4%





Proportion of the Over-indebted Population Within Each Local Authority

Rank	Local Authority	%	Rank	Local Authority	%	Rank	Local Authority	%
	North Warwickshire	17.41%	217	Solihull	13.7%	271	South Gloucestershire	10.6%
	Dover	17.39%	218	St. Edmundsbury	13.5%	272	Daventry	10.6%
	East Lindsey	17.31%	219	West Somerset	13.5%	273	Slough	10.6%
	Cornwall	17.16%	220	Staffordshire Moorlands	13.5%	274	Conwy	10.6%
	West Lindsey	17.11%	221	Forest of Dean	13.5%	275	Bexley	10.5%
	Aberdeen City	17.06%	222	Taunton Deane	13.4%	276	Powys	10.5%
	Worcester	17.06%	223	Denbighshire	13.4%	277	Wiltshire	10.4%
	Forest Heath	17.04%	224	Isle of Wight	13.4%	278	Flintshire	10.3%
	Orkney Islands	16.91%	225	Rugby	13.4%	279	Cambridge	10.0%
	Medway	16.89%	226	Eilean Siar (Western Isles)	13.4%	280	Babergh	10.0%
	Shepway	16.87%	227	Worthing	13.3%	281	Aberdeenshire	9.9%
	Chorley	16.86%	227		13.3%	282	Craven	9.8%
	·	16.84%	228	East Northamptonshire Richmondshire		283	East Devon	
	Kettering				13.2%			9.7%
	Broxtowe	16.31%	230	Shropshire	13.2%	284	Tewkesbury	9.7%
	Southend-on-Sea	16.12%	231	Herefordshire	13.0%	285	Rushmoor	9.6%
	Sedgemoor	16.03%	232	South Somerset	13.0%	286	Rother	9.5%
	Harlow	16.03%	233	Highland	12.9%	287	East Cambridgeshire	9.5%
	Wrexham	15.98%	234	Charnwood	12.7%	288	Newham	9.4%
	Swale	15.96%	235	Stafford	12.6%	289	Basingstoke and Deane	9.3%
	Cheshire West and Chester	15.90%	236	North Norfolk	12.5%	290	Ryedale	9.1%
	Angus	15.89%	237	South Ribble	12.4%	291	Malvern Hills	9.1%
	Tendring	15.73%	238	Edinburgh, City of	12.3%	292	Wychavon	9.1%
185	South Holland	15.66%	239	Midlothian	12.3%	293	South Staffordshire	9.1%
186	Gedling	15.64%	240	Perth and Kinross	12.3%	294	Tower Hamlets	9.0%
187	Gravesham	15.62%	241	Eden	12.2%	295	Fylde	8.9%
188	Southwark	15.45%	242	Oadby and Wigston	12.2%	296	Suffolk Coastal	8.9%
189	Dumfries and Galloway	15.43%	243	Reading	12.2%	297	Harrogate	8.8%
190	North West Leicestershire	15.41%	244	North Kesteven	12.1%	298	Ceredigion	8.6%
191	High Peak	15.32%	245	Lewisham	12.1%	299	East Lothian	8.6%
192	Crawley	14.92%	246	Canterbury	12.0%	300	Lewes	8.5%
193	Swindon	14.91%	247	Teignbridge	12.0%	301	Aylesbury Vale	8.5%
194	Moray	14.90%	248	Cheshire East	11.9%	302	Maidstone	8.5%
195	Brighton and Hove	14.87%	249	Hinckley and Bosworth	11.8%	303	Central Bedfordshire	8.4%
196	Cheltenham	14.83%	250	Ashford	11.8%	304	The Vale of Glamorgan	8.3%
197	South Kesteven	14.78%	251	Pembrokeshire	11.6%	305	Warwick	8.3%
	Selby	14.72%	252	Anglesey, Isle of	11.5%	306	Blaby	8.3%
199	South Ayrshire	14.66%	253	Dartford	11.4%	307	Croydon	8.2%
	Trafford	14.63%	254	Cherwell	11.4%	308	Poole	8.1%
	Greenwich	14.57%	255	North Somerset	11.4%	309	Hambleton	8.1%
	York	14.53%	256	Lambeth	11.3%	310	South Hams	8.0%
	Argyll and Bute	14.52%	257	Oxford	11.3%	311	North Hertfordshire	7.8%
	Stockport	14.47%	258	Bath and North East Somers	11.2%	312	Eastleigh	7.8%
	Colchester	14.46%	259	Adur	11.1%	313	New Forest	7.8%
	Hackney	14.45%	260	Braintree	11.1%	314	Enfield	7.6%
	Gwynedd	14.33%	261	Waltham Forest	11.0%	315	Rushcliffe	7.6%
	Stevenage	14.25%	262	Arun	11.0%	316	Test Valley	7.6%
	Stirling	14.23%	263	Shetland Islands	10.9%	317	Mid Suffolk	7.5%
	East Riding of Yorkshire	14.25%	264	Mendip	10.9%	318	Haringey	7.5%
	South Derbyshire	14.14%		Cardiff	10.9%	319	Welwyn Hatfield	7.5%
			265				· ·	
	Carmarthenshire	14.04%	266	Lichfield	10.8%	320	Havering	7.3%
	Bournemouth	13.96%	267	Melton	10.7%	321	Bracknell Forest	7.3%
	Mid Devon	13.95%	268	West Devon	10.7%	322	South Lakeland	7.2%
	Bedford	13.84%	269	Huntingdonshire	10.7%	323	Ribble Valley	7.2%
216	Wyre	13.74%	270	Stroud	10.6%	324	Cotswold	7.2%





### Proportion of the Over-indebted Population Within Each Local Authority

%

3.6%

3.5%

3.4%

3.1%

3.1%

3.1%

3.0%

3.0%

2.8%

2.7%

2.7%

2.6%

2.5%

2.4%

2.3%

2.3%

2.3%

2.3%

2.2%

2.2%

2.0%

1.9%

1.9%

1.7%

1.6%

1.6%

1.3%

1.2%

Local Authority

East Hertfordshire

Surrey Heath

Mid Sussex

Brentwood

Uttlesford

Westminster

Wokingham

Spelthorne

Runnymede

Mole Valley

St. Albans

Tandridge

Elmbridge

South Bucks

Hart

City of London

Epsom and Ewell

Waverley

Chiltern

Harrow

Reigate and Banstead

Windsor and Maidenhead

Kingston upon Thames

Kensington and Chelsea

Richmond upon Thames

East Dorset

Barnet

Guildford

Rank 379

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		Proport	io
Rank	Local Authority	%	
325	East Renfrewshire	7.18%	Г
326	Sutton	7.08%	
327	Bromsgrove	6.84%	
	South Norfolk	6.79%	
329	Derbyshire Dales	6.62%	
	Christchurch	6.50%	
331	West Dorset	6.45%	
	Rutland	6.43%	
	Hounslow	6.35%	
	Chichester	6.33%	
	Chelmsford	6.16%	
	Harborough	6.13%	
	Broadland	6.03%	
	Fareham	5.95%	
	Merton	5.91%	
	Dacorum	5.88%	
	Maldon	5.79%	
	North Dorset	5.64%	
		5.64%	
	Castle Point	5.63%	
	Tunbridge Wells Purbeck		
		5.45%	
	Tonbridge and Malling	5.44%	
	Hillingdon	5.25%	
	Watford	5.24%	
	South Northamptonshire	5.18%	
	Ealing	5.06%	
	Wandsworth	5.06%	
	Brent	5.04%	L
	Broxbourne	4.97%	
	East Dunbartonshire	4.81%	
	Winchester	4.77%	
	Isles of Scilly	4.76%	
	Epping Forest	4.74%	
	Stratford-on-Avon	4.72%	
359	Sevenoaks	4.71%	
	East Hampshire	4.67%	
361	Bromley	4.66%	
362	Wycombe	4.66%	
363	Camden	4.58%	
364	Monmouthshire	4.56%	
365	Three Rivers	4.49%	
366	West Oxfordshire	4.44%	
367	Wealden	4.42%	
368	West Berkshire	4.33%	
369	Vale of White Horse	4.30%	
370	Hammersmith and Fulham	4.25%	
371	Hertsmere	4.19%	
372	Rochford	3.99%	
373	Redbridge	3.98%	
374	Islington	3.80%	
375	South Oxfordshire	3.79%	
376	Horsham	3.76%	
377	Woking	3.72%	
279	South Cambridgeshire	3 62%	

Experian <sup>e</sup>

378 South Cambridgeshire

3.62%



# Segment 1 - Struggling Students Data Appendix



11.3% of the Over-Indebted Population

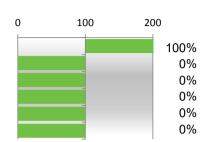


### **Demographics**

### Age

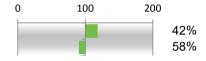
18-24 25-34 35-44 45-54 55-64

65+



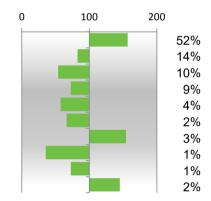
### Gender

Male Female



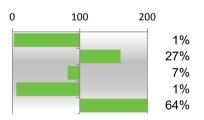
### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £70,000 - £69,999 £100,000 - £149,999 £150,000+



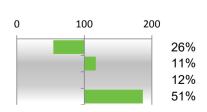
### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



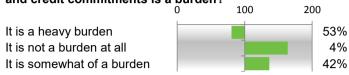
### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

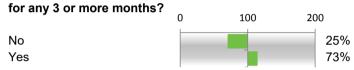


### Over-indebtedness indicators

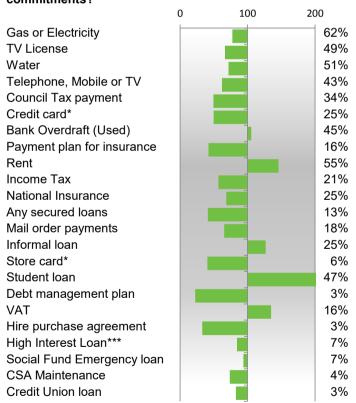
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker

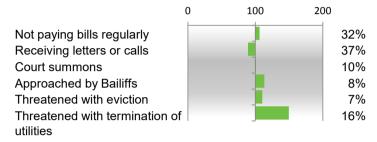
11.3% of the Over-Indebted Population



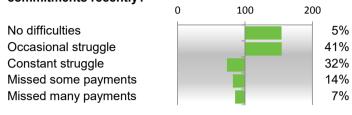
# **Assessment of Current Financial Situation**



### In the last 3 months they have experienced the following

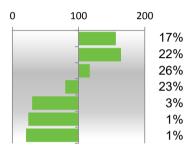


Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



# How long has falling behind with credit commitments been an issue?





### Do you strongly agree or disagree with the following statements?

### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

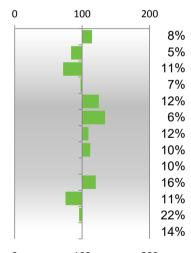
I would be too embarrassed to discuss my financial situation

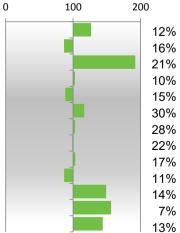
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







11.3% of the Over-Indebted Population



# Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

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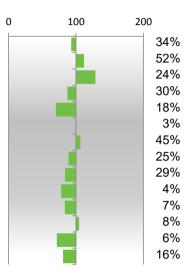
I feel in control of my debt

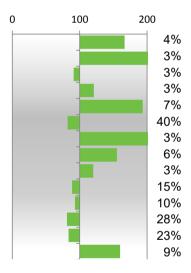
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







11.3% of the Over-Indebted Population



# **Use of Credit**

In the last 12 months have you found it difficult to get credit?



### Do you Strongly agree or disagree with the following statements?

### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

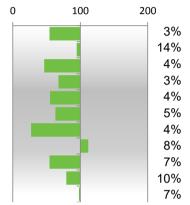
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

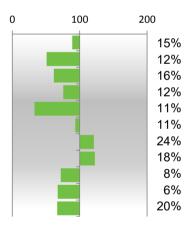
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I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe





11.3% of the Over-Indebted Population



# **Needs**

### Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place
Being able to make regular, affordable repayments
Not receiving, or receiving fewer letters or phone calls from creditors
Acquiring the skills and confidence to deal with creditors

Being aware of your legal rights and obligations

Knowing that your debt will gradually reduce

Having a date when your debt will be cleared

Understanding the fees for debt management

Getting someone to understand your individual financial situation

Being aware of the different debt solutions available to you

Being in control of your finances

Being able to avoid future financial problems

Feeling less anxious about dealing with your financial situation

Being able to come to terms with and face up to your financial situation

Being confident that your debt situation is solvable

Improvement of your health

Improvement of your personal relationships

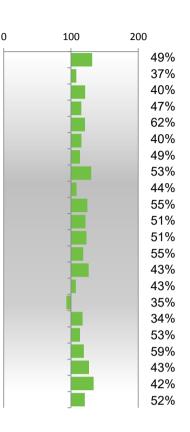
Being able to start again / have a clean slate

Information on what benefits and credits you are entitled to

Putting together a weekly or monthly budget to ensure that you make ends meet

Understanding which bills to prioritise when you don't have enough money to pay all of them

Knowing how to make your money go further



# If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

### **Very Important**

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

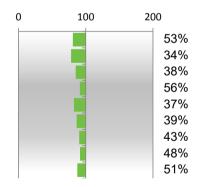
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

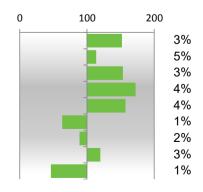
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



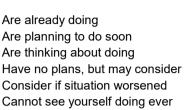


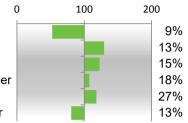




# **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

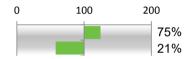




# **Use of Debt Advice**

### Have you ever accessed advice about debt before?

No Yes



The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

in the last three years?

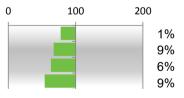
Once or Twice Three to Five Times More than five times



Thinking about when you last accessed advice about debt,

how did you do this?

By post In person Online Over the telephone





11.3% of the Over-Indebted Population



# Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

	f
First Contact with the service	
Disclosing information on your financial situation	
Finding out what options are available to you	
Working out which solution is best for you	
Putting a solution in place	

Updates on progress - how your

Follow-up to find out how you are

debt is reducing

felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
125	106	135	96	122	138	45
126	93	86	103	93	103	40
129	106	123	107	118	131	29
128	89	74	111	102	136	38
130	76	82	111	89	132	27
136	105	126	127	104	101	47
138	104	113	110	98	103	52

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

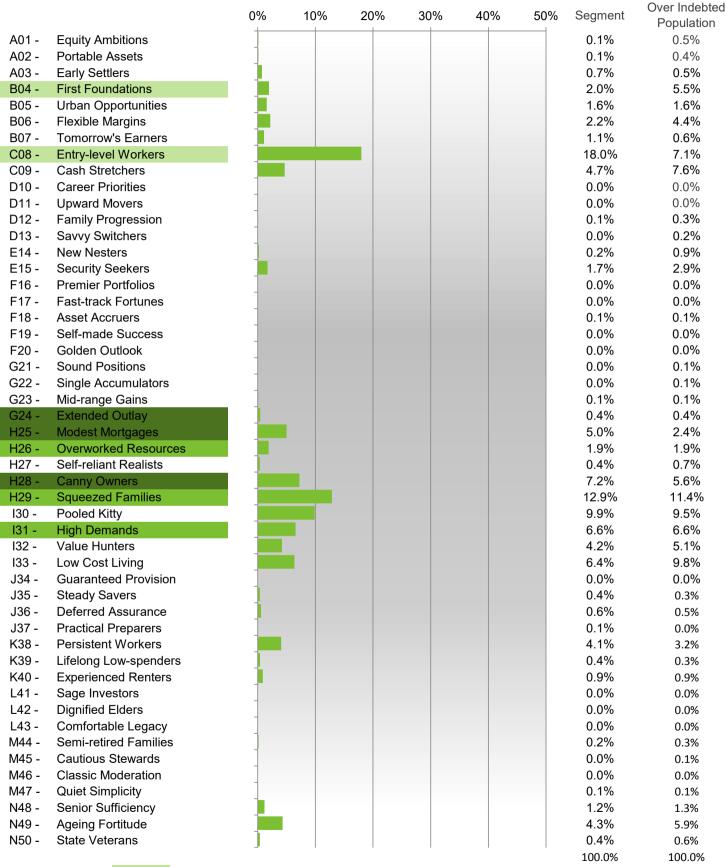
First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you
Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Email	Post	Telephone	Website	Don't Know	No other methods
135	83	96	97	41	70
111	97	75	92	81	123
119	99	74	125	32	130
117	91	82	110	38	124
103	90	104	105	44	109
131	90	104	113	46	81
125	75	101	108	52	105

11.3% of the Over-Indebted Population



# **Financial Strategy Segments**







# Segment 2 - First Time Workers Data Appendix



9.8% of the Over-Indebted Population

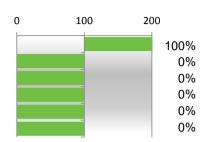


# **Demographics**

### Age

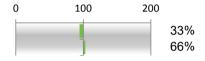
18-24 25-34 35-44 45-54 55-64

65+



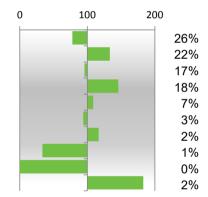
### Gender

Male Female



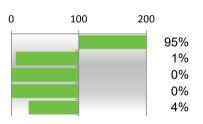
### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £70,000 - £69,999 £100,000 - £149,999 £150,000+



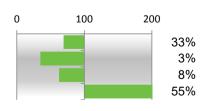
### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



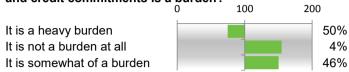
### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

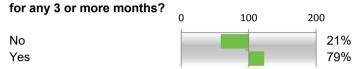


### Over-indebtedness indicators

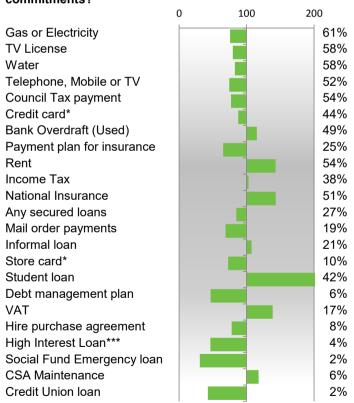
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month

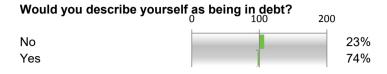


<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker

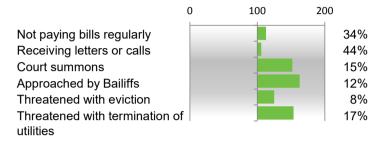
9.8% of the Over-Indebted Population



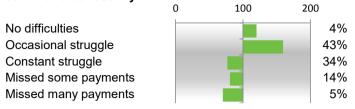
# **Assessment of Current Financial Situation**



### In the last 3 months they have experienced the following

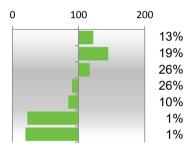


Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



# How long has falling behind with credit commitments been an issue?





### Do you strongly agree or disagree with the following statements?

### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

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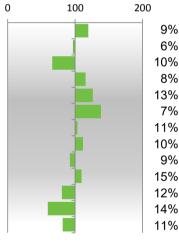
I would be too embarrassed to discuss my financial situation

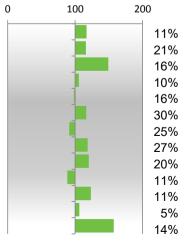
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







9.8% of the Over-Indebted Population



# Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

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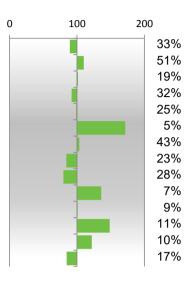
I feel in control of my debt

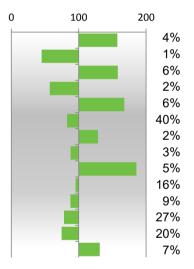
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







9.8% of the Over-Indebted Population



# **Use of Credit**

In the last 12 months have you found it difficult to get credit?



### Do you Strongly agree or disagree with the following statements?

### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

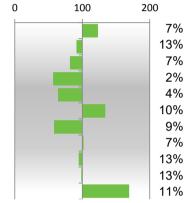
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



# 17% 19% 22% 16% 25% 13% 27% 14% 12% 9% 30%

100

200

0

### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

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I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



9.8% of the Over-Indebted Population



# **Needs**

### Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place

Being able to make regular, affordable repayments

Not receiving, or receiving fewer letters or phone calls from creditors

Acquiring the skills and confidence to deal with creditors

Being aware of your legal rights and obligations

Knowing that your debt will gradually reduce

Having a date when your debt will be cleared

Understanding the fees for debt management

Getting someone to understand your individual financial situation

Being aware of the different debt solutions available to you

Being in control of your finances

Being able to avoid future financial problems

Feeling less anxious about dealing with your financial situation

Being able to come to terms with and face up to your financial situation

Being confident that your debt situation is solvable

Improvement of your health

Improvement of your personal relationships

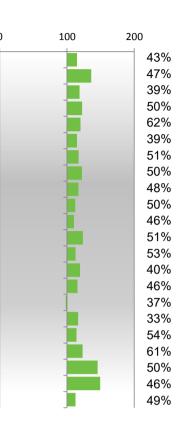
Being able to start again / have a clean slate

Information on what benefits and credits you are entitled to

Putting together a weekly or monthly budget to ensure that you make ends meet

Understanding which bills to prioritise when you don't have enough money to pay all of them

Knowing how to make your money go further



# If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

### **Very Important**

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

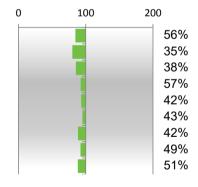
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

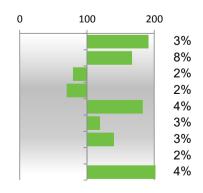
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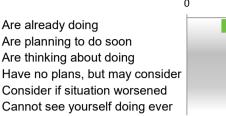


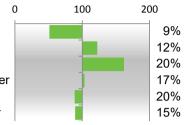




# **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

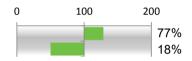




# **Use of Debt Advice**

### Have you ever accessed advice about debt before?

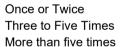
No Yes

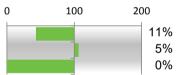


The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt

in the last three years?





200

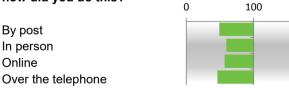
1%

8% 5%

8%

Thinking about when you last accessed advice about debt, how did you do this?

By post In person





9.8% of the Over-Indebted Population



# Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service
Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you

Putting a solution in place
Updates on progress - how your
debt is reducing
Follow-up to find out how you are
felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
126	110	134	98	107	91	19
113	114	127	136	83	72	38
106	124	149	122	108	87	32
117	101	118	116	83	95	62
124	99	97	119	86	91	31
103	101	123	131	91	84	49
128	135	98	111	83	62	53

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

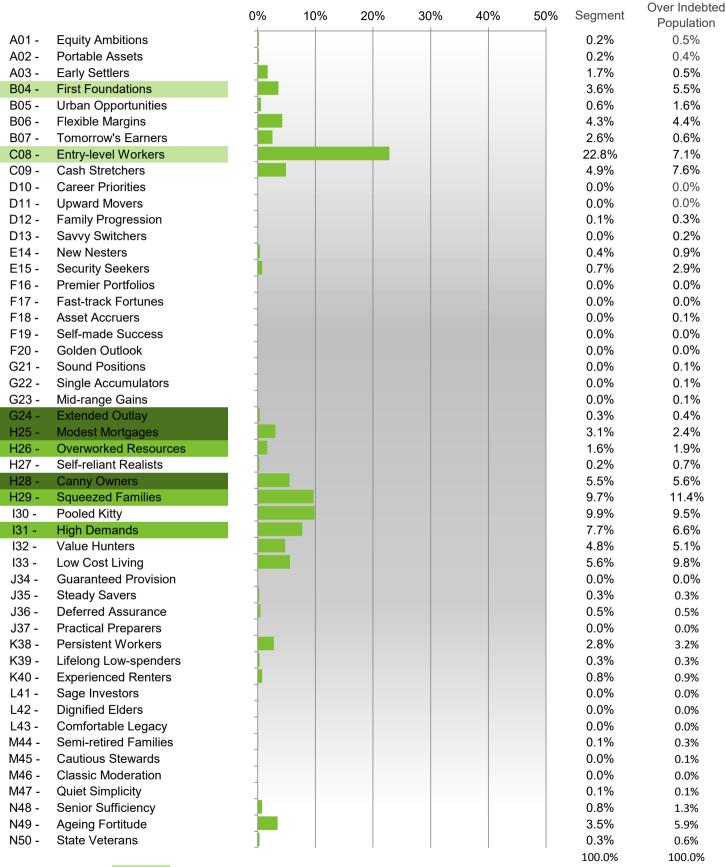
	Email	Post	Telephone	Website	Don't Know	No other methods
	123	105	92	129	0	104
	89	80	106	166	65	109
	136	68	81	139	0	69
t	115	71	88	142	39	69
	118	92	94	145	29	75
	140	144	95	312	95	21
	104	110	112	161	55	85



9.8% of the Over-Indebted Population



# **Financial Strategy Segments**







# Segment 3 - Optimistic Young Workers Data Appendix



12.5% of the Over-Indebted Population

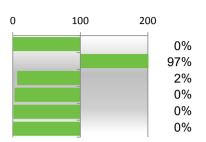


### **Demographics**

### Age

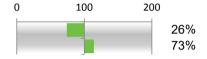
18-24 25-34 35-44 45-54 55-64

65+



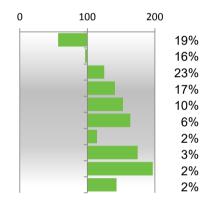
### Gender

Male Female



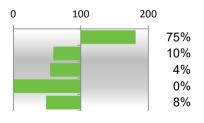
### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £70,000 - £69,999 £100,000 - £149,999 £150,000+



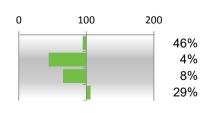
### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



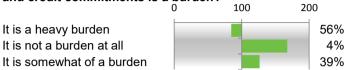
### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

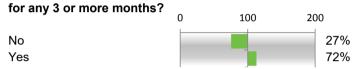


### Over-indebtedness indicators

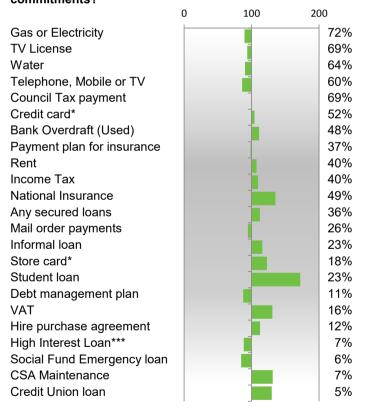
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker

12.5% of the Over-Indebted Population



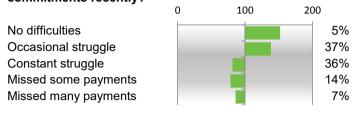
# **Assessment of Current Financial Situation**



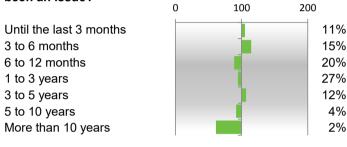
### In the last 3 months they have experienced the following



Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



# How long has falling behind with credit commitments been an issue?



### Do you strongly agree or disagree with the following statements?

### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

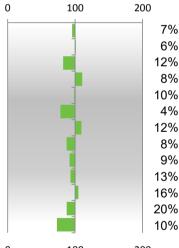
I would be too embarrassed to discuss my financial situation

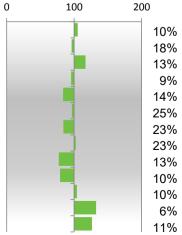
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







12.5% of the Over-Indebted Population



# Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

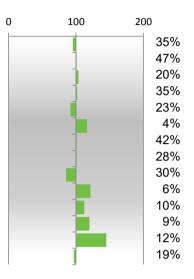
I feel in control of my debt

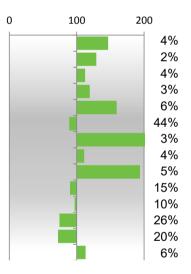
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







12.5% of the Over-Indebted Population



# **Use of Credit**

In the last 12 months have you found it difficult to get credit?



### Do you Strongly agree or disagree with the following statements?

### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

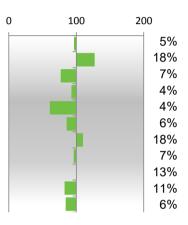
I have more than one credit card with outstanding debt

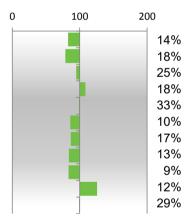
Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe







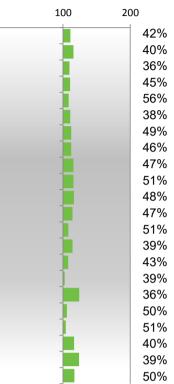
12.5% of the Over-Indebted Population



# **Needs**

Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place Being able to make regular, affordable repayments Not receiving, or receiving fewer letters or phone calls from creditors Acquiring the skills and confidence to deal with creditors Being aware of your legal rights and obligations Knowing that your debt will gradually reduce Having a date when your debt will be cleared Understanding the fees for debt management Getting someone to understand your individual financial situation Being aware of the different debt solutions available to you Being in control of your finances Being able to avoid future financial problems Feeling less anxious about dealing with your financial situation Being able to come to terms with and face up to your financial situation Being confident that your debt situation is solvable Improvement of your health Improvement of your personal relationships Being able to start again / have a clean slate Information on what benefits and credits you are entitled to Putting together a weekly or monthly budget to ensure that you make ends meet Understanding which bills to prioritise when you don't have enough money to pay all of them



# If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

### **Very Important**

That the service was confidential

Knowing how to make your money go further

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

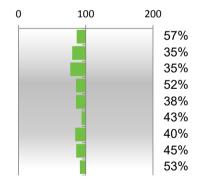
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

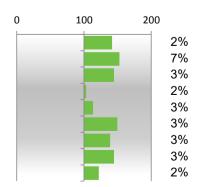
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



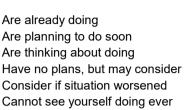


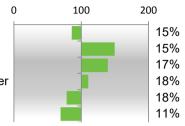




# **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

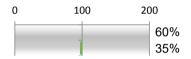




# **Use of Debt Advice**

### Have you ever accessed advice about debt before?

No Yes

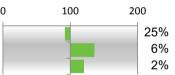


The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

Once or Twice

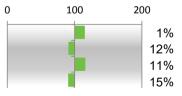
Three to Five Times
More than five times



Thinking about when you last accessed advice about debt,

how did you do this?

By post In person Online Over the telephone





12.5% of the Over-Indebted Population



# Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you
<b>5</b>

Putting a solution in place
Updates on progress - how your
debt is reducing
Follow-up to find out how you are
felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
101	105	105	105	118	113	88
92	136	121	119	138	91	86
95	117	128	115	125	125	101
92	119	136	121	131	110	102
93	126	125	119	135	107	95
98	109	107	111	131	125	95
95	115	136	110	124	107	83

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

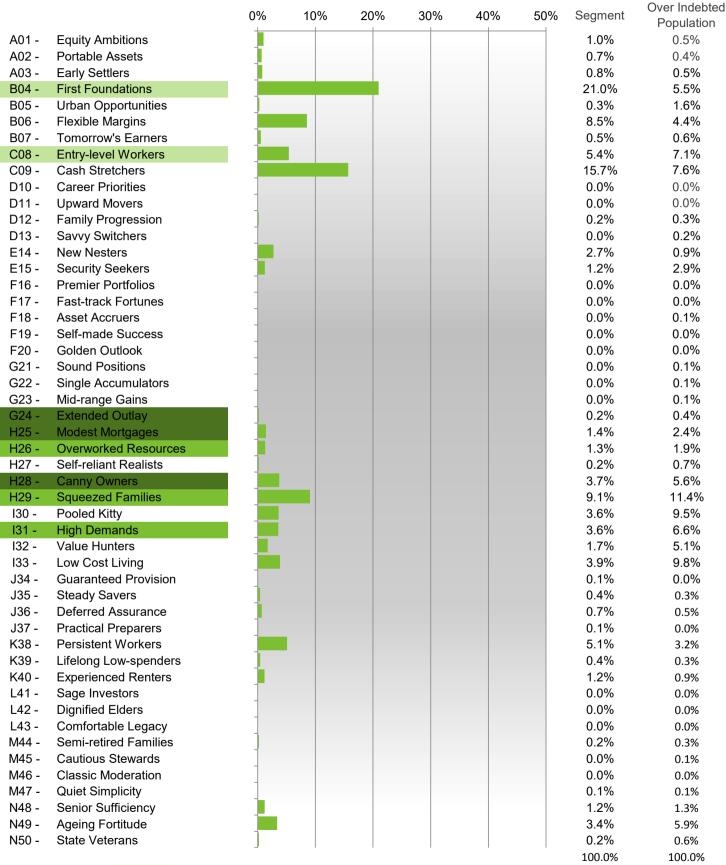
First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Email	Post	Telephone	Website	Don't Know	No other methods
110	114	100	101	25	52
118	91	111	121	36	83
101	99	109	102	47	86
110	73	117	115	43	89
105	88	119	109	46	90
113	121	104	89	62	76
119	115	100	129	60	75

12.5% of the Over-Indebted Population



# **Financial Strategy Segments**







# Segment 4 - Low Wage Families Data Appendix



9.3% of the Over-Indebted Population

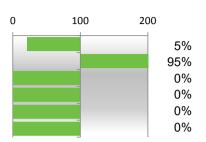


## **Demographics**

#### Age

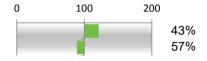
18-24 25-34 35-44 45-54 55-64

65+



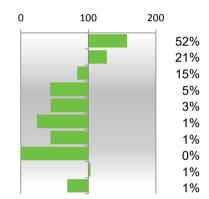
#### Gender

Male Female



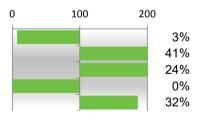
#### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £60,000 - £69,999 £70,000 - £99,999 £100,000 - £149,999 £150,000+



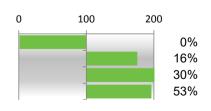
#### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



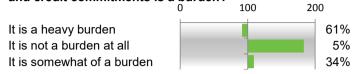
#### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

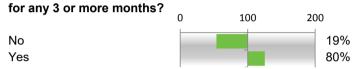


#### Over-indebtedness indicators

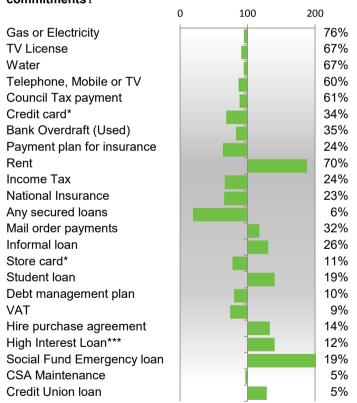
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month

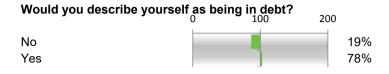


<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker

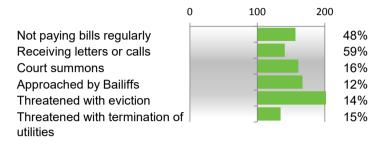
9.3% of the Over-Indebted Population



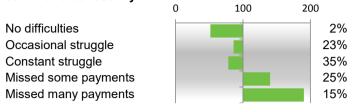
## **Assessment of Current Financial Situation**



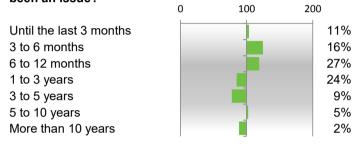
#### In the last 3 months they have experienced the following



Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



## How long has falling behind with credit commitments been an issue?



#### Do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

#### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

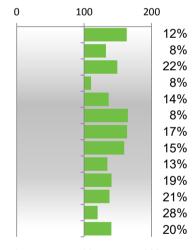
I would be too embarrassed to discuss my financial situation

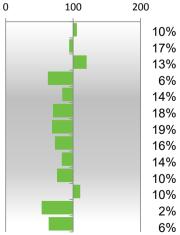
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







9.3% of the Over-Indebted Population



## Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

#### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

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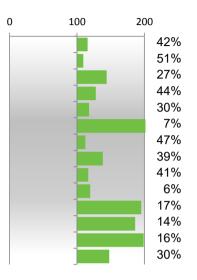
I feel in control of my debt

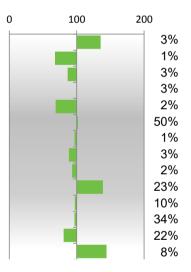
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







9.3% of the Over-Indebted Population



## **Use of Credit**

In the last 12 months have you found it difficult to get credit?



#### Do you Strongly agree or disagree with the following statements?

#### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

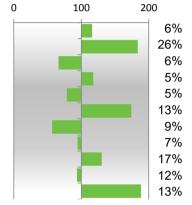
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



#### 16% 9% 37% 21% 29% 7% 19% 12% 6% 7%

100

200

21%

0

#### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

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I only use my credit cards if it's essential

I don't know how much I owe



9.3% of the Over-Indebted Population



## **Needs**

Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place
Being able to make regular, affordable repayments
Not receiving, or receiving fewer letters or phone calls from creditors
Acquiring the skills and confidence to deal with creditors

Being aware of your legal rights and obligations

Knowing that your debt will gradually reduce

Having a date when your debt will be cleared

Understanding the fees for debt management

Getting someone to understand your individual financial situation

Being aware of the different debt solutions available to you

Being in control of your finances

Being able to avoid future financial problems

Feeling less anxious about dealing with your financial situation

Being able to come to terms with and face up to your financial situation

Being confident that your debt situation is solvable

Improvement of your health

Improvement of your personal relationships

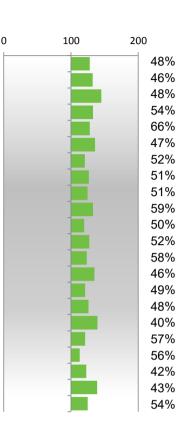
Being able to start again / have a clean slate

Information on what benefits and credits you are entitled to

Putting together a weekly or monthly budget to ensure that you make ends meet

Understanding which bills to prioritise when you don't have enough money to pay all of them

Knowing how to make your money go further



# If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

#### **Very Important**

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

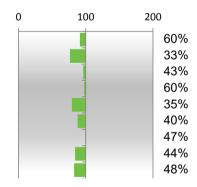
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



#### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

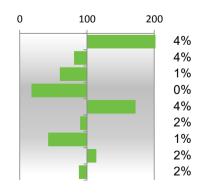
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



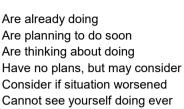


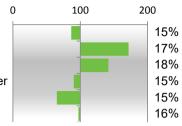




## **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

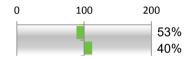




## **Use of Debt Advice**

#### Have you ever accessed advice about debt before?

No Yes

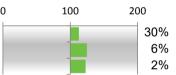


The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

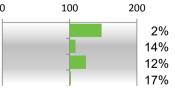
Once or Twice

Three to Five Times More than five times



Thinking about when you last accessed advice about debt, how did you do this?

By post In person Online Over the telephone





9.3% of the Over-Indebted Population



## Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you
B

Putting a solution in place
Updates on progress - how your
debt is reducing
Follow-up to find out how you are
felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
108	106	177	83	121	148	99
95	107	107	83	121	132	75
94	103	118	88	109	153	98
92	88	182	83	113	133	85
96	93	126	88	116	120	94
116	87	132	94	125	144	66
96	100	170	95	166	114	70

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

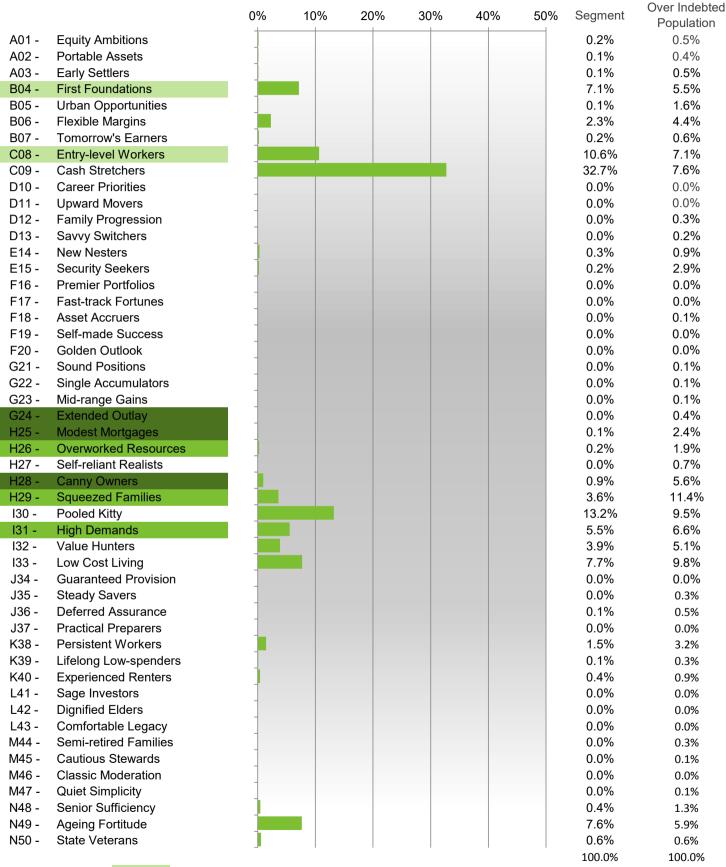
First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

E	mail	Post	Telephone	Website	Don't Know	No other methods
	94	123	87	146	67	114
	119	60	109	136	106	89
	97	89	108	113	171	74
	102	92	104	85	200	97
	94	103	102	83	180	100
	103	85	125	135	65	73
	96	145	108	89	100	90

9.3% of the Over-Indebted Population



## **Financial Strategy Segments**







# Segment 5 - Stretched Families Data Appendix



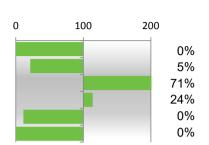
16.3% of the Over-Indebted Population



### **Demographics**

#### Age

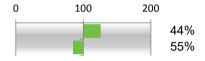
18-24 25-34 35-44 45-54 55-64



#### Gender

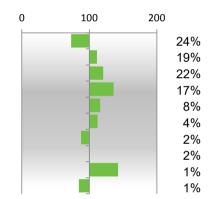
65+

Male Female



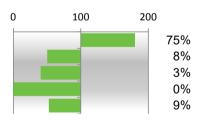
#### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £70,000 - £69,999 £100,000 - £149,999 £150,000+



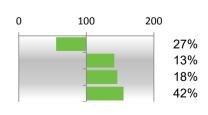
#### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



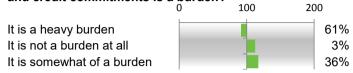
#### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

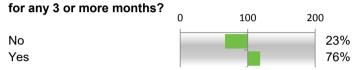


#### Over-indebtedness indicators

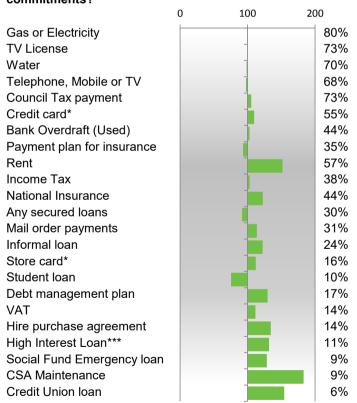
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



# As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car
\*\*\* Home collected doorstep lender, pay day loan or pawnbroker

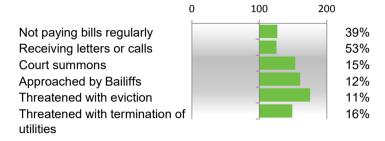
16.3% of the Over-Indebted Population



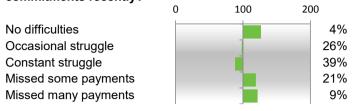
## **Assessment of Current Financial Situation**



#### In the last 3 months they have experienced the following

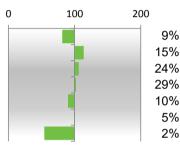


Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



## How long has falling behind with credit commitments been an issue?





#### Do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items



I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

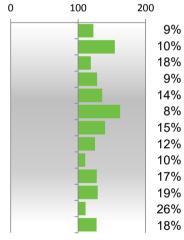
I would be too embarrassed to discuss my financial situation

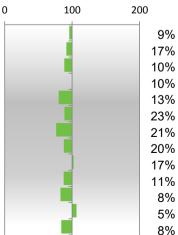
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







16.3% of the Over-Indebted Population



## Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

#### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

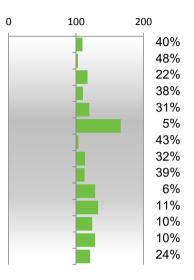
I feel in control of my debt

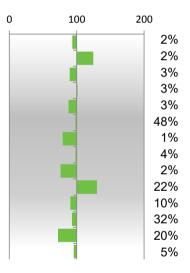
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







16.3% of the Over-Indebted Population



## **Use of Credit**

In the last 12 months have you found it difficult to get credit?



#### Do you Strongly agree or disagree with the following statements?

#### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

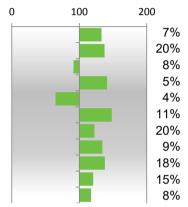
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



#### 16% 16% 33% 18% 40% 10% 17% 12% 8%

100

200

10%

28%

0

#### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



16.3% of the Over-Indebted Population



## **Needs**

Which of the following items do you feel you need help with to resolve your financial situation?

100 200 45% Having a personalised debt solution in place Being able to make regular, affordable repayments 42% Not receiving, or receiving fewer letters or phone calls from creditors 41% Acquiring the skills and confidence to deal with creditors 48% Being aware of your legal rights and obligations 57% Knowing that your debt will gradually reduce 41% 52% Having a date when your debt will be cleared Understanding the fees for debt management 48% Getting someone to understand your individual financial situation 47% Being aware of the different debt solutions available to you 52% Being in control of your finances 50% 49% Being able to avoid future financial problems Feeling less anxious about dealing with your financial situation 53% Being able to come to terms with and face up to your financial situation 40% Being confident that your debt situation is solvable 49% Improvement of your health 43% Improvement of your personal relationships 36% 57% Being able to start again / have a clean slate Information on what benefits and credits you are entitled to 54% Putting together a weekly or monthly budget to ensure that you make ends meet 40% 37% Understanding which bills to prioritise when you don't have enough money to pay all of them

## If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

# Very Important 0 100

That the service was confidential

Knowing how to make your money go further

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

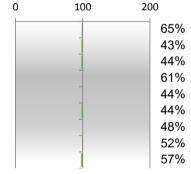
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



50%

#### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

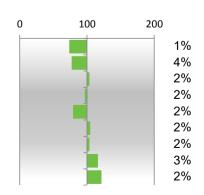
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



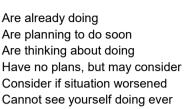


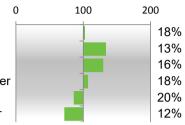
16.3% of the Over-Indebted Population



## **Needs**

Is consulting an external debt advice organisation about your money situation something you....?





## **Use of Debt Advice**

#### Have you ever accessed advice about debt before?

No Yes

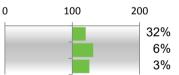


The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

Once or Twice

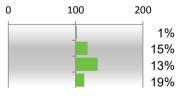
Three to Five Times
More than five times



Thinking about when you last accessed advice about debt,

how did you do this?

By post In person Online Over the telephone





16.3% of the Over-Indebted Population



## Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you

Putting a solution in place
Updates on progress - how your
debt is reducing
Follow-up to find out how you are
felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
106	107	87	106	97	94	78
89	125	115	116	112	90	83
92	107	105	108	109	80	77
90	118	113	113	105	82	74
92	111	104	110	122	89	74
90	105	97	104	111	100	68
91	106	106	106	121	78	93

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

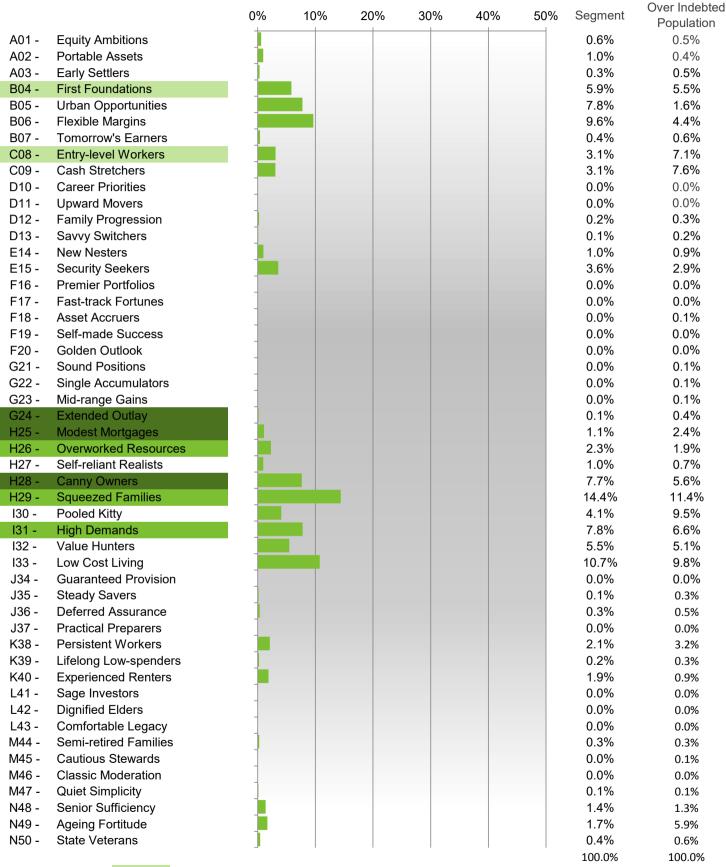
First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Email	Post	Telephone	Website	Don't Know	No other methods
98	96	114	128	106	96
109	102	119	127	90	75
104	113	124	111	90	78
108	102	116	138	87	61
108	86	113	114	141	69
87	87	126	132	133	83
105	94	120	182	81	58

16.3% of the Over-Indebted Population



## **Financial Strategy Segments**







# Segment 6 - Worried Working Families Data Appendix



19.4% of the Over-Indebted Population

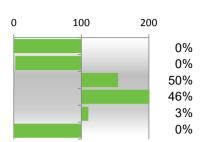


### **Demographics**



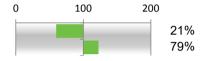
18-24 25-34 35-44 45-54 55-64

65+



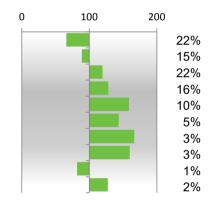
#### Gender

Male Female



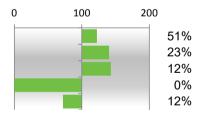
#### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £70,000 - £69,999 £100,000 - £149,999 £150,000+



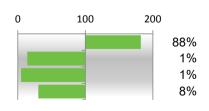
#### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



#### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

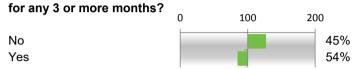


#### Over-indebtedness indicators

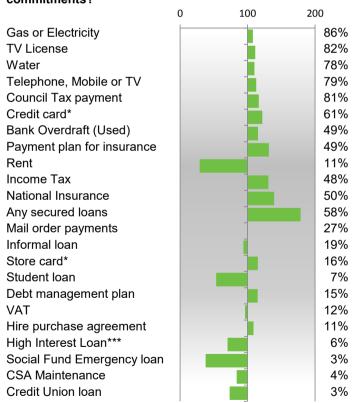
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car
\*\*\* Home collected doorstep lender, pay day loan or pawnbroker

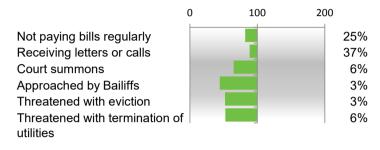
19.4% of the Over-Indebted Population



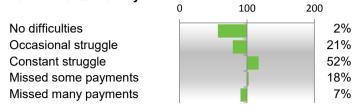
## **Assessment of Current Financial Situation**



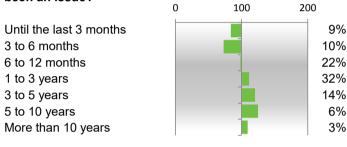
#### In the last 3 months they have experienced the following



Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



## How long has falling behind with credit commitments been an issue?



#### Do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

#### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

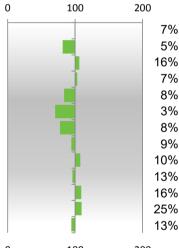
I would be too embarrassed to discuss my financial situation

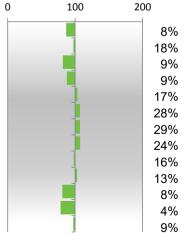
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







19.4% of the Over-Indebted Population



## Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

#### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

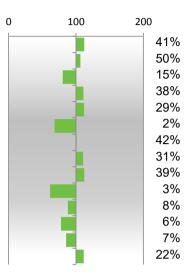
I feel in control of my debt

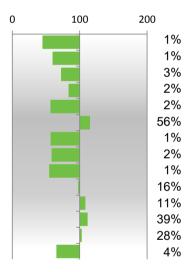
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







19.4% of the Over-Indebted Population



## **Use of Credit**

In the last 12 months have you found it difficult to get credit?



#### Do you Strongly agree or disagree with the following statements?

#### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

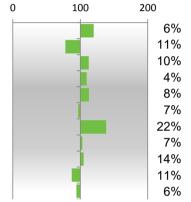
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



#### 0 100 200 17% 28% 27% 17% 42% 12% 18% 15% 12% 11% 33%

#### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe

19.4% of the Over-Indebted Population



### Needs

Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place Being able to make regular, affordable repayments Not receiving, or receiving fewer letters or phone calls from creditors

Acquiring the skills and confidence to deal with creditors

Being aware of your legal rights and obligations

Knowing that your debt will gradually reduce

Having a date when your debt will be cleared

Understanding the fees for debt management

Getting someone to understand your individual financial situation

Being aware of the different debt solutions available to you

Being in control of your finances

Being able to avoid future financial problems

Feeling less anxious about dealing with your financial situation

Being able to come to terms with and face up to your financial situation

Being confident that your debt situation is solvable

Improvement of your health

Improvement of your personal relationships

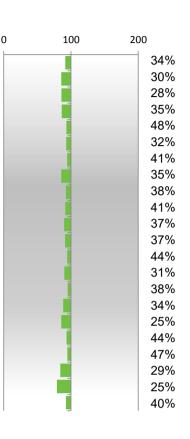
Being able to start again / have a clean slate

Information on what benefits and credits you are entitled to

Putting together a weekly or monthly budget to ensure that you make ends meet

Understanding which bills to prioritise when you don't have enough money to pay all of them

Knowing how to make your money go further



#### If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

#### **Very Important**

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

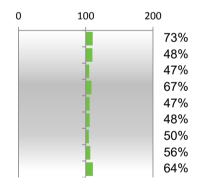
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



#### **Not Very Important At All**

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

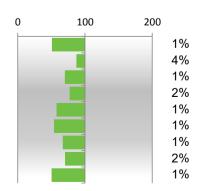
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support





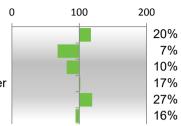




## **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

Are already doing Are planning to do soon Are thinking about doing Have no plans, but may consider Consider if situation worsened Cannot see yourself doing ever



## **Use of Debt Advice**

#### Have you ever accessed advice about debt before?

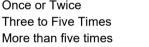
No Yes



The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

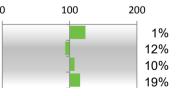
Once or Twice





Thinking about when you last accessed advice about debt, how did you do this?

By post In person Online Over the telephone





19.4% of the Over-Indebted Population



## Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you
Putting a solution in place

Putting a solution in place Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
85	101	76	104	113	85	96
100	88	87	97	108	108	90
100	97	74	101	99	91	87
100	101	71	100	103	92	86
98	105	87	103	102	93	88
92	107	84	92	105	92	88
91	100	66	101	91	105	111

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

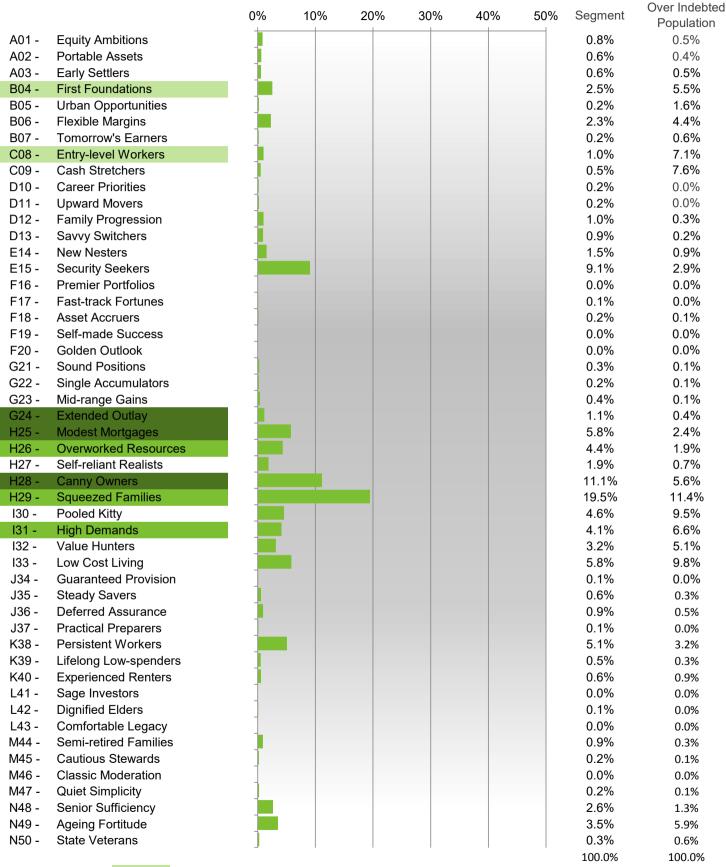
First Contact with the service
Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are
felling emotionally

Email	Post	Telephone	Website	Don't Know	No other methods
109	104	94	120	118	97
106	110	95	108	101	106
109	104	94	108	120	100
106	106	99	93	110	106
109	103	92	113	102	108
112	100	85	87	84	118
107	92	89	75	109	120

19.4% of the Over-Indebted Population



## **Financial Strategy Segments**







# Segment 7 - Benefit Dependent Families Data Appendix



20.2% of the Over-Indebted Population

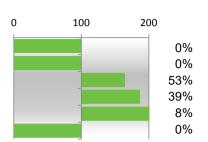


### **Demographics**



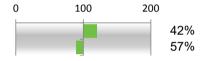
18-24 25-34 35-44 45-54 55-64

65+



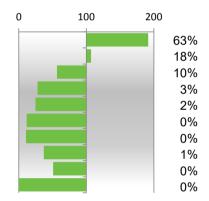
#### Gender

Male Female



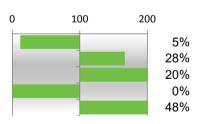
#### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £60,000 - £69,999 £70,000 - £99,999 £100,000 - £149,999 £150,000+



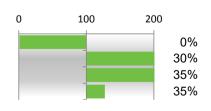
#### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



#### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

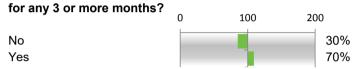


#### Over-indebtedness indicators

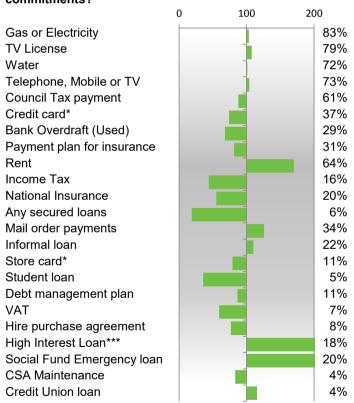
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker

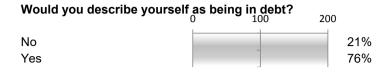
20.2% of the Over-Indebted Population



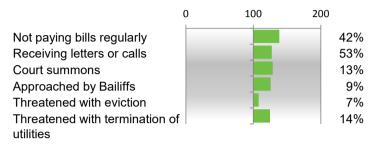
6%

3%

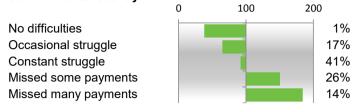
## Assessment of Current Financial Situation



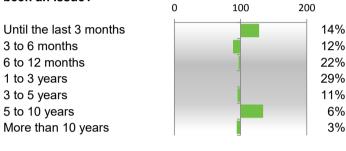
#### In the last 3 months they have experienced the following



Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



#### How long has falling behind with credit commitments been an issue?



#### Do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

#### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

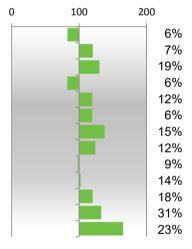
I would be too embarrassed to discuss my financial situation

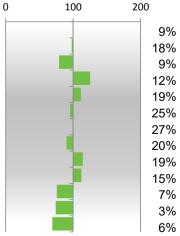
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







20.2% of the Over-Indebted Population



## Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

#### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

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It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

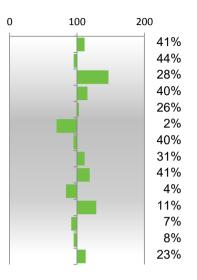
I feel in control of my debt

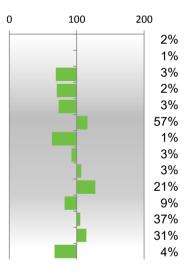
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







20.2% of the Over-Indebted Population



## **Use of Credit**

In the last 12 months have you found it difficult to get credit?



#### Do you Strongly agree or disagree with the following statements?

#### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

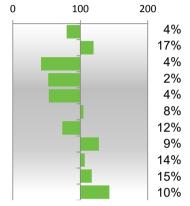
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



#### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

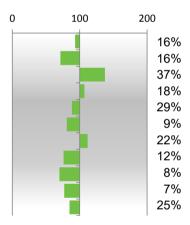
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I only use my credit cards if it's essential

I don't know how much I owe





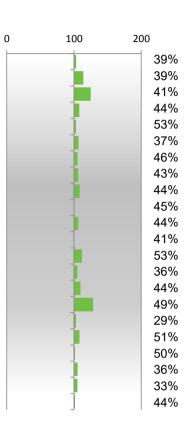
20.2% of the Over-Indebted Population



## **Needs**

Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place Being able to make regular, affordable repayments Not receiving, or receiving fewer letters or phone calls from creditors Acquiring the skills and confidence to deal with creditors Being aware of your legal rights and obligations Knowing that your debt will gradually reduce Having a date when your debt will be cleared Understanding the fees for debt management Getting someone to understand your individual financial situation Being aware of the different debt solutions available to you Being in control of your finances Being able to avoid future financial problems Feeling less anxious about dealing with your financial situation Being able to come to terms with and face up to your financial situation Being confident that your debt situation is solvable Improvement of your health Improvement of your personal relationships Being able to start again / have a clean slate Information on what benefits and credits you are entitled to Putting together a weekly or monthly budget to ensure that you make ends meet Understanding which bills to prioritise when you don't have enough money to pay all of them



# If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

#### **Very Important**

That the service was confidential

Knowing how to make your money go further

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

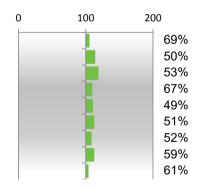
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



#### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

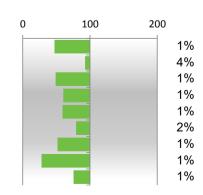
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

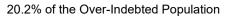
That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support





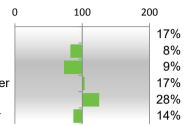




## **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

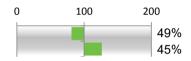
Are already doing
Are planning to do soon
Are thinking about doing
Have no plans, but may consider
Consider if situation worsened
Cannot see yourself doing ever



## **Use of Debt Advice**

#### Have you ever accessed advice about debt before?

No Yes

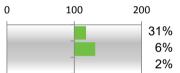


The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

in the last timee years

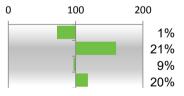
Once or Twice Three to Five Times More than five times



Thinking about when you last accessed advice about debt,

how did you do this?

By post In person Online Over the telephone





20.2% of the Over-Indebted Population



## Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service Disclosing information on your financial situation
Finding out what options are available to you
Working out which solution is best for you
<b>5</b>

Putting a solution in place
Updates on progress - how your
debt is reducing
Follow-up to find out how you are
felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
101	97	112	116	94	121	90
108	91	101	107	73	106	96
108	99	113	108	107	97	88
108	101	114	103	101	95	88
108	96	106	100	95	92	96
106	103	120	118	96	93	91
118	102	124	113	109	95	87

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

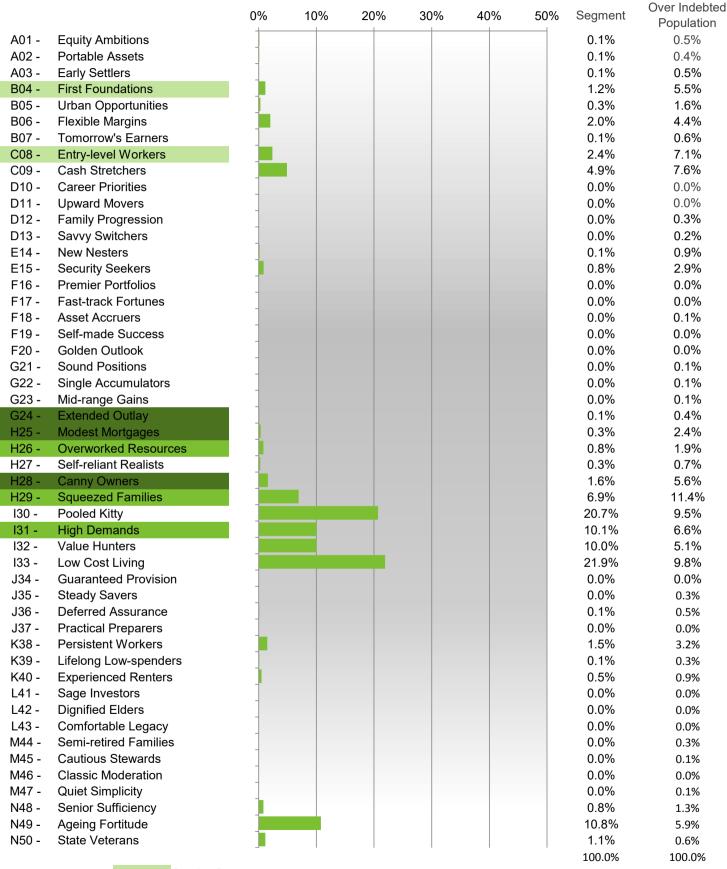
First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is bes for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Email	Post	Telephone	Website	Don't Know	No other methods
78	107	118	65	176	80
78	119	116	102	119	88
83	102	129	114	125	75
86	123	113	127	104	83
93	116	122	100	85	69
85	112	119	71	103	107
73	104	120	75	106	104

20.2% of the Over-Indebted Population



## **Financial Strategy Segments**







# Segment 8 - Uncomfortable Retirees Data Appendix





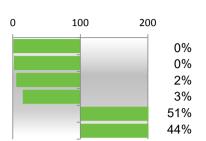


## **Demographics**

#### Age

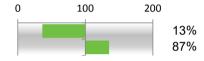
18-24 25-34 35-44 45-54 55-64

65+



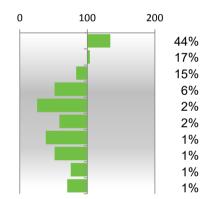
#### Gender

Male Female



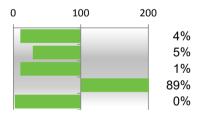
#### **HH Income**

£0 - £14,999 £15,000 - £19,999 £20,000 - £29,999 £30,000 - £39,999 £40,000 - £49,999 £50,000 - £59,999 £60,000 - £69,999 £70,000 - £99,999 £100,000 - £149,999 £150,000+



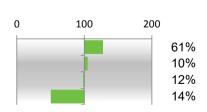
#### **Employment Status**

Full Time
Part Time
Home-Maker
Retired
Student/Unemployed



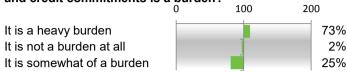
#### Tenure

Privately Owned HA Rented Local Authority Rented Private Rented

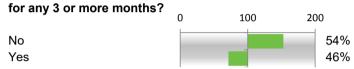


#### Over-indebtedness indicators

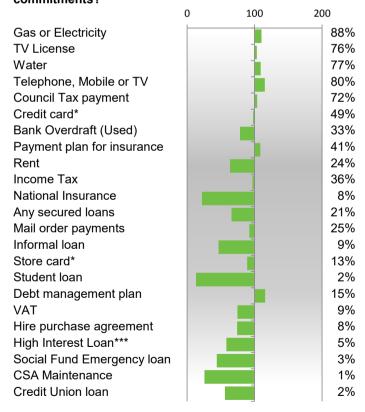
To what extent do you feel that keeping up with your bills and credit commitments is a burden?



In the last 6 months, have you fallen behind on, or missed, any payments for credit commitments or domestic bills



As a household, do you currently have, or are responsible for, paying any of the following bills or credit commitments?



<sup>\*</sup> Not paid off in full each month



<sup>\*\*</sup> including a mortgage, a personal loan secured against your house, or a car loan secured against your car \*\*\* Home collected doorstep lender, pay day loan or pawnbroker

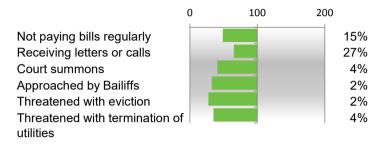
1.1% of the Over-Indebted Population

# the Money Advice Service

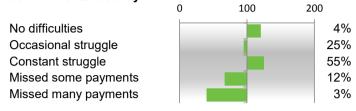
# **Assessment of Current Financial Situation**



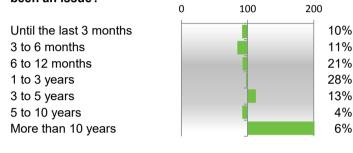
#### In the last 3 months they have experienced the following



Which one of the following statements best describes how well you are keeping up with your bills and credit commitments recently?



# How long has falling behind with credit commitments been an issue?



#### Do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

Sometimes I don't open letters or answer phone calls in case they are to tell me that I owe money

I haven't really added up how much I owe because I can't face finding out the total sum

I would be too embarrassed to discuss my financial situation

I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items

#### **Strongly Disagree**

I need reassurance that I'm managing my money in the best way possible

I don't feel that I'm capable of getting my money in order by myself

I can't see that I'm ever going to be in a situation where I am free of debt

I need encouragement that I'm getting my finances more under control

I don't have the confidence to negotiate with the people I owe money to

If I try to sort out my money problems I'll probably just make matters worse

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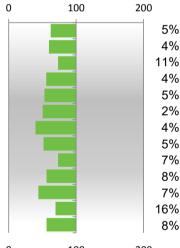
I would be too embarrassed to discuss my financial situation

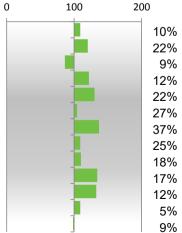
I'm worried that other people think that my money difficulties are all my own fault

Sometimes I feel like I'm drowning in debt

Paying off my debt is going to be difficult

My debt means I can't always afford to buy basic household items







1.1% of the Over-Indebted Population



# Attitudes and experience in relation to debt

To what extent do you strongly agree or disagree with the following statements?

#### **Strongly Agree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

I never expected to have this much debt

Being in debt does not worry me

It is important to me that I am debt-free

I often feel anxious or stressed because of my debt

Debt means I can't afford to buy luxuries and treats for myself and/or my family

I feel in control of my debt

Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life

#### **Strongly Disagree**

Debt means I can't do lots of the things I want to in life

I would like to pay off my debt as soon as possible

In the current economic climate living in debt is inevitable for people like me

My debt makes me unhappy

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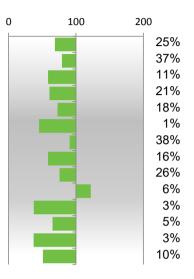
I feel in control of my debt

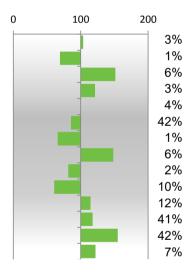
Living in debt is something I am used to

I would prefer to have luxuries and treats than be debt free

I would be willing to take on a new credit commitment to pay off my debts

Being in debt has negatively affected my family life







1.1% of the Over-Indebted Population



## **Use of Credit**

In the last 12 months have you found it difficult to get credit?



#### Do you Strongly agree or disagree with the following statements?

#### **Strongly Agree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

I cannot afford to pay for items that I have purchased on credit

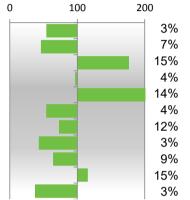
I have more than one credit card with outstanding debt

Paying for things using money I have loaned is the only way I can manage

I am only ever able to pay off the minimum amount from my credit card every month

I only use my credit cards if it's essential

I don't know how much I owe



#### **Strongly Disagree**

I can only manage my monthly finances by paying for things on credit card

I have been declined credit in the last 6 months

I have a good credit score/rating

I am getting a good deal on my credit cards and/or loans

I usually pay my credit card off in full every month

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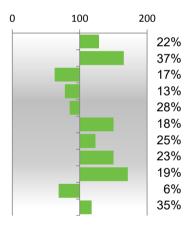
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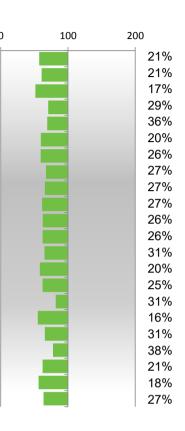
1.1% of the Over-Indebted Population



## **Needs**

Which of the following items do you feel you need help with to resolve your financial situation?

Having a personalised debt solution in place Being able to make regular, affordable repayments Not receiving, or receiving fewer letters or phone calls from creditors Acquiring the skills and confidence to deal with creditors Being aware of your legal rights and obligations Knowing that your debt will gradually reduce Having a date when your debt will be cleared Understanding the fees for debt management Getting someone to understand your individual financial situation Being aware of the different debt solutions available to you Being in control of your finances Being able to avoid future financial problems Feeling less anxious about dealing with your financial situation Being able to come to terms with and face up to your financial situation Being confident that your debt situation is solvable Improvement of your health Improvement of your personal relationships Being able to start again / have a clean slate Information on what benefits and credits you are entitled to Putting together a weekly or monthly budget to ensure that you make ends meet Understanding which bills to prioritise when you don't have enough money to pay all of them



# If you were approaching an advice organisation for help with money issues which of these factors would be very or not important?

#### **Very Important**

That the service was confidential

Knowing how to make your money go further

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

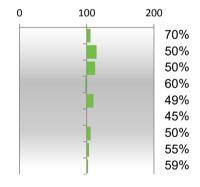
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support



#### Not Very Important At All

That the service was confidential

That the service was anonymous

That you dealt with the same person on each occasion

That the service was not judging you

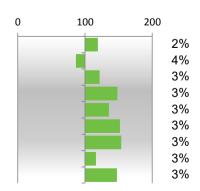
That the service provided follow-up support after your initial contact with them

That a detailed examination of your finances was made as part of the service

That you can get in touch with someone very quickly

That someone knows and understands your individual financial situation

That the service offered expert financial support





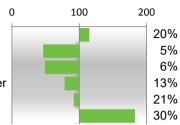




## **Needs**

Is consulting an external debt advice organisation about your money situation something you....?

Are already doing
Are planning to do soon
Are thinking about doing
Have no plans, but may consider
Consider if situation worsened
Cannot see yourself doing ever



# **Use of Debt Advice**

#### Have you ever accessed advice about debt before?

No Yes

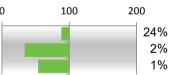


The charts below are calculated based on the proportion of the segment that have accessed debt advice before.

And how many times have you accessed advice about debt in the last three years?

Once or Twice

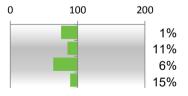
Three to Five Times
More than five times



Thinking about when you last accessed advice about debt,

how did you do this?

By post In person Online Over the telephone





1.1% of the Over-Indebted Population



# Channel

To manage your money better or manage your debts, there are different ways a service can offer support with at different stages of the process. Which would you ideally like to access each one?

First Contact with the service
Disclosing information on your
financial situation
Finding out what options are available to you
Working out which solution is best
for you
Putting a solution in place

Putting a solution in place Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

Face-to- face	Email	Post	Telephone	Website	Don't Know	I would not want this
100	82	96	81	55	80	186
100	70	84	65	62	95	195
96	77	79	69	59	89	195
99	72	80	63	63	101	193
95	74	91	61	56	102	200
101	76	86	73	52	87	204
97	72	81	71	57	115	151

If you only considered face to face for any of these services, are their any other ways you would consider using to access this service?

First Contact with the service
Disclosing information on your financial situation Finding out what options are available to you Working out which solution is bes for you
Putting a solution in place
Updates on progress - how your debt is reducing Follow-up to find out how you are felling emotionally

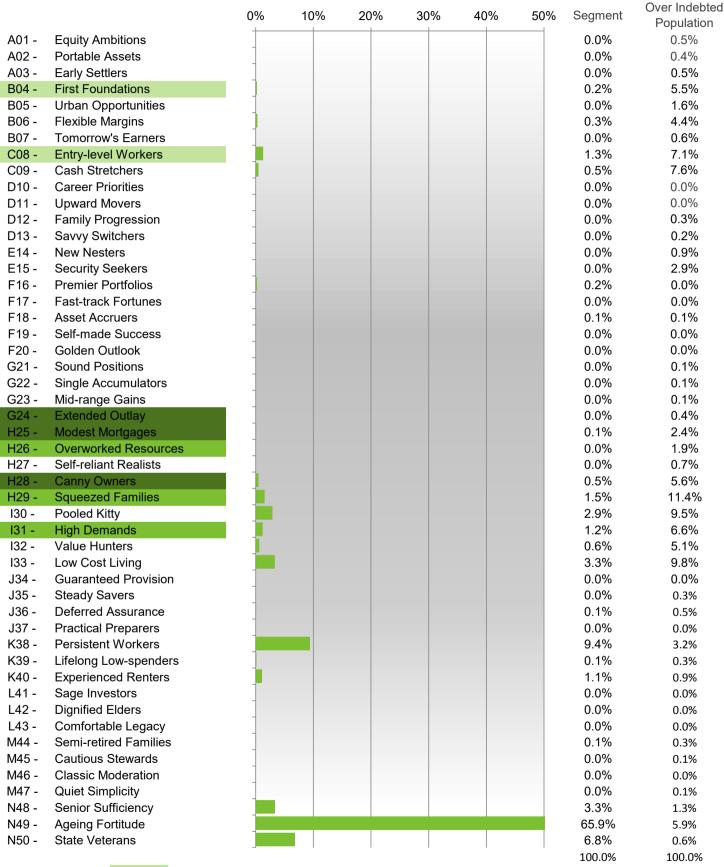
Email	Post	Telephone	Website	Don't Know	No other methods
77	86	94	53	128	159
82	93	84	39	153	115
81	90	83	49	127	140
78	104	81	49	142	133
79	110	78	52	131	138
74	94	83	62	150	130
83	108	85	52	154	120



1.1% of the Over-Indebted Population



# **Financial Strategy Segments**





# Technical Report

# Money Advice Service Sub-Segmentation Project Technical Report

July 2013





#### **Contact Details**

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# 1 Project Overview

## 1.1 Project Outline

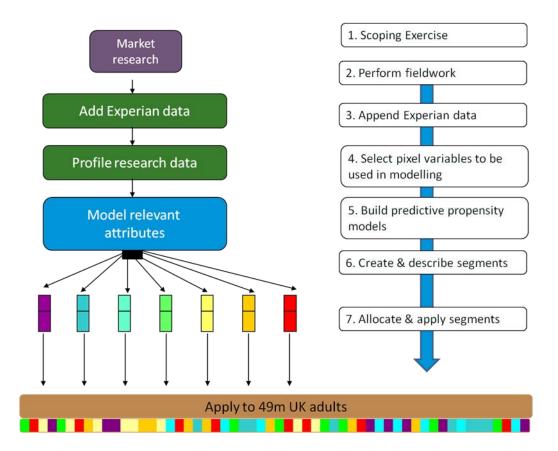
Experian were commissioned by the Money Advice Service to build a segmentation of the over-indebted population which had been identified by the previous research. This sub-segmentation needed to provide information on the demographics, attitudes and financial behaviours of the 8.8 million individuals within the over-indebted population.

The number of individuals classified as over-indebted was calculated from the research completed by IFF Research in 2012. The figure of 8.8 million was derived from the results of a survey which utilised quantitative and qualitative research methods and is outlined within the "A better deal for everyone: A new approach to debt advice from the Money Advice Service" report. The sub segmentation project is not focused on checking the size of the over-indebted population but instead utilises these estimates to further understand the target population.

This report outlines the methods and outputs of the sub segmentation project.

## 1.2 Overview of process

The process used by Experian to build the segmentation has been utilised for a number of years in the development and construction of many bespoke segmentations. The diagram below shows the process flow which Experian followed to create the sub segmentation for the Money Advice Service.



# 2 Segmentation Build Process

## 2.1 Survey Data

The initial survey was carried out and completed by Public Knowledge between the 1<sup>st</sup> February and the 17<sup>th</sup> April 2012. The survey was completed using online, telephone and face to face channels. Intial feedback ffound that it was difficult to achieve the response rates required via face to face and telephone interviews. It was therefore decided that the majority of the responses would be captured online.

Once completed there were 5,020 individual respondents who were classified as over-indebted. To achieve this, each individual responding to the survey was asked two key questions

- 1) Is debt a heavy burden?
- 2) In the last 6 months have you had arrears of 3 months or more?

To be classed as over-indebted an individual needed to respond yes to either of these two questions. No surveys were completed by individuals who did not meet

these criteria. Therefore all survey respondents were over-indebted which provided a detailed picture of the target population from which to build the subsegmentation.

### 2.2 Data matching

Once the survey had been completed, Public Knowledge provided the final data to Experian. Upon receipt the initial phase was to append any required Experian data variables to the survey. This is a standard process and the range of variables applied is dependent upon on the geographic information contained within the survey.

As only postcode information was guaranteed for all respondents to the survey, this has limited the range of Experian variables to just those available at postcode level. Therefore the only variable appended to the survey data was Financial Strategy Segments (FSS).

This issue was identified during the design of the survey and so a range of demographic questions were written to replicate the bandings and responses used within Experian variables. This allows for the survey data to be compared with the wider Experian datasets which cover the adult population of the UK. Therefore the lack of full address was addressed early enough for it not to cause an issue within the segmentation build.

#### 2.3 Question Selection

Upon completion of the coding the survey results were analysed to determine which questions and variables provided the best profiles to be used within the segmentation build. To do this Experian utilised a 10% rule whereby any question which had less than 10% or over 90% of the total respondents was removed from the segmentation build. These were not discarded completely as they are used to describe the segments once they had been completed.

#### 2.4 Pixel Selection

The next stage following the agreement of the variables and question weighting was to identify the pixel combination which will form the basis of the segmentation. This was accomplished by assessing the relationship between the survey questions and the Experian data variables appended during the coding process. The aim was to identify which combination of Experian variables accounted for the most variance in the survey variables.

From this list, 5 variables were selected.

- Financial Strategy Segment (FSS) Type
- Employment Status
- Gender
- Tenure
- Age

These 5 variables provide a total of 14,400 different combinations and all respondents to the survey were appended with this pixel. This forms the basis of the propensity modelling which creates the resulting segmentation.

The next step in creating the segmentation was to create a series of propensity models that predict the likelihood of each FSS-Pixel code/cell to exhibit a certain behaviour or attitude. A model was created for each of the survey questions retained within the variable selection process. The models were created using a logistic regression technique, with all individuals with the same FSS and pixel codes being given the same likelihood to display that characteristic within the modelling process.

Once all the models had been created, a summarised dataset was compiled detailing the FSS code, the pixel code and the propensity scores for every selected characteristic / behaviour / attitude, and the count of individuals within each FSS-pixel code. The cells that form this "grid" were then clustered using the propensity scores as inputs to the segmentation, to find groups of individuals that are likely to behave in the same way.

#### 2.5 Cluster Creation

Upon completion of the propensity models, Experian utilised two further techniques to create the final segmentation. These techniques were a variant of K-means and hierarchical clustering with the purpose to ensure that the total number of individuals within each of the segments was neither too high nor too low.

20 initial clusters were identified using K-means. K-means is preferred for this stage as it quickly generates clusters around well-defined centroids. It can be sensitive to initial centroid selection and small groups of outliers can form their own clusters. This is fine normally, but the volume of descriptive data was too low in this instance to allow for very small clusters, so we then hierarchically clustered the initial clusters using a centroid-related linkage method (Ward's). The final number of segments was determined through analysis of relationship between the minimum cluster size at each stage of agglomeration and the reduction in the total

proportion of variance accounted for by the initial clusters. There were two logical stopping points seven and eight clusters.

Following further analysis of the two solutions, it was decided that the eight segment version was the best option as it separated the younger cluster into students and workers.

#### 2.6 Universe Creation

Standard segmentation builds look to separate an entire population into a set number of segments based on their propensity to display certain attitudes, characteristics or behaviours. If the segmentation is only looking at a certain part of the population then a "universe" needs to be created. This could be based on age, gender, income, tenure etc. For this project the aim is to segment the 8.8 million over-indebted individuals within the UK and so this universe firstly needs to be created.

To identify the 8.8 million over indebted individuals Experian utilised a range of propensity models. These propensity models have been created by Experian using a range of first and third party data and are applied to every adult or household within the UK. These propensity models provide a score between 0 and 1 which indicates the likelihood for an individual to display a certain characteristic. For the over indebted universe we have used a range of propensity scores which reflect the over-indebted characteristic questions within the survey, including;

- Keep up with bills without any difficulty
- Have fallen behind with many bills / credit commitments

These propensity models were combined to create a total score for each adult within the UK. This score was then used to rank all adults to identify those who are most likely to be over-indebted. Once this ranking had been completed a natural break was identified in the scores as close to the target of 8.8 million. A natural break was used instead of an exact cut of 8.8 million so as not to discount any individual who had similar scores. This break resulted in a total of 8,808,045 unique individuals which form the sub segmentation universe. The clusters outlined in section 2.5 are then applied to this to provide the total number of each of the 8 segments.

If future research identifies that the number of over-indebted individuals has either increased or decreased the universe creation process outlined above can be repeated to reflect the number target number.

### 2.7 Segmentation Survey Profiling

Once the segments have been created, all survey responses were profiled to bring each segment to life. To show the key characteristics and behaviours both percentages and indices were created. Percentages highlight the proportion of each segment displaying a characteristic whilst indices show how each segment compares to the others. These form a key part of the outputs.

# 3 Outputs

#### 3.1 Pen Portraits

For each of the 8 segments, and for the over-indebted population as a whole, a 3 page pen portrait has been created to provide an overview of the key characteristics of each segment. The first page contains a summary of all aspects of the segment including their demographics, finances, needs, communication channels and current use of debt advice.

The second page contains a map showing the penetration of each segment at local authority level. Page three provides more detail on the segments needs and payment responsibilities.

In addition each segment also has a detailed appendix which includes index charts and percentages for all of the questions within the survey.

#### 3.2 Grand index

A Grand Index has been constructed to contain all of the indices and percentages created in the segmentation build process. This is provided as an excel spread sheet and is designed to allow for comparisons across the segments.



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