

Lack of awareness carries risk of financial exclusion for entire generation

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Industry expert blames a lack of "relevant financial guidance" for the trend

(Thursday 1st May): Young people across the UK risk becoming financially excluded in later life, an industry expert said today.

Their desire for instant gratification, lack of relevant financial education and ignorance of the cost of retirement are all factors that could lead to a financially excluded generation, claims Nicky Spicer, director of market research company Andrew Irving Associates (AIA).

Speaking in the aftermath of a panel event on financial exclusion, Spicer said: "In the current climate of instant gratification, today's 18-30 year olds are becoming increasingly adept at making ends meet in order to get the things they want now. The concept of pensions or long-term saving is completely at odds with this attitude.

"Our past research showed a general lack of awareness of the workings and benefits of a private pension plan, even amongst those who were signed up to these schemes at work. As a result, many weren't putting enough into the scheme to sustain them for the future, or had an unrealistic perception of how much it would cost to see them through retirement.

"Unless we can provide access to comprehensive and relevant financial guidance," Spicer commented, "this generation is in serious danger of becoming financially excluded in the future."

Spicer's comments arose after a briefing entitled 'Including the Financially Excluded: Who is responsible?' was held at the Royal Automobile Club earlier this month. Chaired by Simon Dannatt (CEO of AIA's parent company Optimisa plc), the panel included George Hodgson (Director of Consumer Strategy at Association of British Insurers), Jenna Eastlake (Senior Financial Inclusion Manager for Barclays Corporate Affairs Team) and David Sinclair (Head of Policy at Help The Aged).

The event highlighted research completed by AIA over the last five years, including one qualitative study on young people's attitudes to saving for the Association of British Insurers, available to the public on the ABI's website:

<http://www.abi.org.uk/BookShop/ResearchReports/30%20Young%20People%20and%20Pensions%20Research.pdf>

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With over 30 years of experience, Andrew Irving Associates (<http://www.aiaresearch.co.uk>) is an established market research agency with a long history of providing high quality research to hundreds of clients. AIA specialises in well-designed qualitative and quantitative market research to clients across

both public and commercial sectors. It is part of Optimisa plc (<http://www.optimisapl.com>) – an AIM listed company in the marketing services sector.