

Saffron Building Society reveals attitudes to saving

Submitted by: Soup Ltd

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- 50% save less than £50 a month
- Lack of motivation main reason for not saving
- Low interest rates are top savings 'hate'
- Saffron BS offers help and encouragement to non-savers

Saffron Building Society (<http://www.saffronbs.co.uk>) reveals innovative research panel* findings that investigate why people are failing to save for their future. The research, panel, which operated with over 300 participants in a Facebook-style community, showed that half of the UK saves less than £50 a month, with 20% saving nothing at all. Of those that did save, 45% had less than £1000 in their accounts, far less than the average UK monthly salary**.

The majority (21%) stated that a lack of motivation was their number one reason for not saving, while one in four (20%) said that they needed any extra money for bills. In light of base rate decreases, 17% stated that low interest rates meant they weren't saving. 17% of respondents also stated low rates as their top savings 'hate'. This was followed by no access (11%) and concerns about 'safety' (9%).

Saffron also surveyed the attendees of their recent Annual General Meeting (AGM) on how they felt about their finances***. The attendees at the AGM stated that if the Bank of England base rate fell to 0%, almost a third (32%) would not add to their existing savings. One in four (21%) would continue to save as normal, while 30% would even consider withdrawing some of their hard earned savings.

Saffron Building Society has always stressed the importance of overcoming barriers to saving, and is taking steps to make saving easier, more engaging and more rewarding.

Andy Golding, Chief Executive, Saffron Building Society, said: "We commissioned the panel study to find out, in these hard times, how we could encourage saving. The results have been very insightful. For many, the reason for not saving is not a lack of funds, but a lack of knowledge and motivation to do so – even when there is a real need to save and think ahead.

"If you're not sure how to get started with saving or how best to go about it, there's lots of help out there. Saffron's 160 year heritage is based upon helping people to save, and we'll always give the benefit of our expertise to local people. Our branch staff are all friendly and knowledgeable and always happy to talk to anyone who drops in. Or if it's motivation you need, we can get you saving towards an attainable goal. Once you start saving, you're learning a good habit for life".

The results from Saffron's AGM survey reinforce some of the findings from the research panel, particularly into consumer resentment towards the current low interest savings environment.

Andy said: "We recognise that saving isn't generating the returns that it did in a higher rate environment and, now that rates are stabilising, are looking to boost some of our rates and offer our customers more rewarding investments.

“The most important thing is to start saving; whether that’s for a specific goal or simply for future security, we’re here to help you get more from your money”.

Ends

*Promise Research conducted between November 2008 and February 2009 surveying 300 UK adults. The study engaged in a dialogue with a community of panellists of varying age ranges and circumstances.

**ONS data for monthly salary after tax per month for UK adults- average UK monthly salary £1593 per month.

***AGM survey of 256 Saffron Building Society members

Media: For more information on Saffron Building Society contact Jennifer Comerford or Shellie Wells at Lansons Communications 0207 294 3678/ 0207 294 3627 or email saffronbs@lansons.com.

Note to newsdesk

About Saffron Building Society

Saffron Building Society has served the needs of the local community for 160 years and is committed to doing so in the future.

A mutual organisation, Saffron Building Society is owned by its 90,000 members and exists solely for their benefit.

The Society employs over 120 staff across Anglia who understand our local customers needs, providing genuinely outstanding service, backed up by a product range that offers real value for money.

Visit www.saffronbs.co.uk for current mortgage rates (<http://www.saffronbs.co.uk/mortgages/index.php>), UK savings accounts (<http://www.saffronbs.co.uk/savings/savings.rates.php>) and commercial building insurance (<http://www.saffronbs.co.uk/insurance/index.php>)