

# ADVICE & FINANCIAL EDUCATION

We asked questions that probed participant understanding of Sharesave and what influences their decision making.

We found that there was a high level of engagement and understanding of Sharesave communications with 74% of participants confirming they read all or most of the information with 85% of those confirming they understood all or most of the information.

## 85% UNDERSTAND THE INFORMATION



## 29%

say family are main SOURCE OF ADVICE

29% of participants say family members are the most important source of advice and information about Sharesave, with only 4% saying Financial Advisors are very important.

## + £30 MORE FINANCIAL EDUCATION

from those with

Those who say they've received Financial Education contribute on average £30 per month more than those who haven't.

This document is only a summary of the key findings and further details can be made available on request to your XXXXXXXXXXXXXXXXXXXX or by e mail to XXX XXXXXXX XXXX.

\*Data were obtained from a survey of Sharesave participants whose accounts are administered by YBS Share Plans. The survey was designed and distributed in conjunction Professor Andrew Robinson (Durham University Business School) and Professor Andrew Pendleton (Leeds University Business School).

Participants were invited to complete the survey between October and December 2015 by following a web link to an online survey that was publicised in their annual Sharesave statements. Around 3,300 participants entered the survey with approximately 2,800 completing it in full. Of these approximately a third of respondents were women and two thirds men.

All percentages quoted are rounded to the nearest whole number.

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# UNDERSTANDING YOUR AUDIENCE

Key findings to The 2016 Sharesave Participant Survey



**YBS Share Plans recently completed a major research study\* into Sharesave participation in conjunction with the University of Leeds and the University of Durham.**

The research was designed to find out what participants think about Sharesave and what influences their behaviour and decision making at invite through to maturity of the plan. This leaflet presents some of the initial key findings from this research.

# CONTRIBUTION LEVELS

We asked a few questions to understand the impact of the change to the upper savings limit in 2014.

Following the increase to the upper savings limit, 25% of participants are now saving more than £250 pcm.



WITH 10% SAVING AT THE NEW £500 pcm MAX

**60%** of contributions increases are **WITHIN PREVIOUS UPPER LIMIT**

60% of all contribution increases since 2014 have taken place within the previous upper savings limit.

25% of participants are saving £60 or less per month, with this pattern more pronounced among female workers at 32%.

DOUBLE THE CONTRIBUTIONS

**35-64**  
YEARS

**16-24**  
YEARS

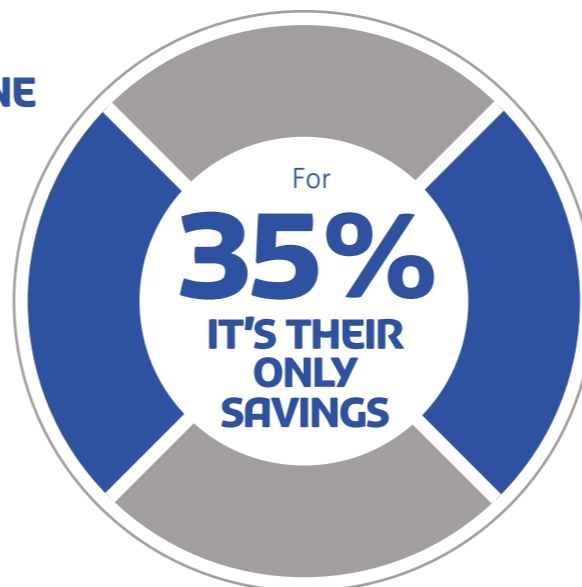
Age and income are the main influences on contribution levels with those aged 35-64 contributing on average twice as much as those aged 16-24.

# SAVINGS HABITS

We were interested to know how important Sharesave is as part of a wider savings strategy.

## SAVINGS LIFELINE

Sharesave appears to be a 'savings lifeline' for some, with 35% making regular savings contributions only into Sharesave - this figure is even more marked among the young (50%), women (42%) and those on lower income (57%).



Without Sharesave

**33%** MIGHT NOT SAVE AT ALL

For some the alternative to Sharesave is expenditure rather than alternative forms of savings with 33% of participants saying they might not save at all if Sharesave didn't exist.



65% of those saving only in Sharesave say they would spend most or all of their contribution if Sharesave didn't exist.



# MATURITY

We asked a number of questions to help understand participant decision making at maturity and how many went on to hold shares in their employer.



**68%** EXERCISED THEIR OPTION

68% of participants exercised their option during their most recent maturity, however 42% of those closing for cash own shares in their company.

**44%** retain them **HOPING SHARE PRICE WILL GO UP**

Of those exercising options 56% sold some or all of their shares (79% sold all) with 48% selling immediately upon exercise. The main reasons given for selling shares are; needing the proceeds for a 'big ticket' item or concern with the investment itself (i.e. minimise loss / maximise gain).

44% retained shares with strategic ownership behaviour (i.e. waiting for the share price to go up) being the biggest influence.

46% of all participants own shares in their employer, of whom 25% can be viewed as long term (5 years or more) shareholders.

