Financial Strategy Segments (FSS 4)

Data Profile

FSS 4 is a person and household level segmentation which provides an unrivalled depth of insight into the financial behaviours of UK consumers.

FSS 4 classifies all UK adults, households and postcodes into:

- 15 household and postcode level groups (A-O).
- 55 household and postcode level types (A01-O55).
- 135 person level types (A01a-O55b)

These are distinct financial lifestyle types which comprehensively describe the underlying factors which influence consumer behaviour, such as typical financial product holdings, behaviour and future intentions, as well as summarising their key socio-economic and demographic characteristics.

The financial landscape has changed and FSS 4 has been developed to reflect the unprecedented changes to the UK economy and the impact this has had on the way consumers utilise financial products and services. Since the global financial crisis, demand and availability of financial products has changed significantly. Consumers that previously relied on credit to maintain lifestyles have changed their behaviour, not always through choice, and those with significant financial assets have been looking at ways to mitigate risk to protect their financial future.

FSS 4 has been built with the latest available data to reflect these changes in behaviour supporting the targeting of products and services that are relevant to the consumer's needs.

Level	
Postal Sector	✗
Postcode	✓
Output Area	✗
Person	✓
Household	✓

Coverage	
England	✓
Scotland	✓
Wales	✓
Northern Ireland	✓

Products	*Update*
Local Area Data	*Annually*
ConsumerView	*Annually*
Household Directory	*Annually*
Postcode Directory	*Annually*
iCoder	*Annually*

Methodology

FSS 4 was constructed using an array of data reduction and clustering techniques:

- Principal component analysis of sparse data sets to reduce the massive amount of survey data.
- DBScan – To identify and remove outliers and find the optimum number of clusters.
- K-Medoids – To find a robust solution and reinforce that the number of cluster is optimum.
- K-Means – To test for stability and apply to all 25 million households.

Clustering Variables

2,344 variables were used for the clustering from YouGov survey data, ConsumerView and census data:

YouGov survey data

- 227,457 respondents and 84,363 questions. With responses, this equates to 172,133 variables covering a wide range of financially related subjects, such as attitudes, brand use & perception, consumer & lifestyle and product ratings.
- The 172,133 variables were reduced to 1,000 principal components whilst retaining over 50% of the information.
- Non-linear models were built for each principal component using demographic and socio-economic data from ConsumerView and scored out to 51 million UK adults and aggregated to 25 million UK households, resulting in 25 million by 1,000 fully populated data matrix.

ConsumerView

- 365 demographic and socio-economic variables from ConsumerView. These consisted of 86 person level and 279 household level variables representing 51 million UK adults and 25 million UK households. The variables were also aggregated to postcode level and included in the clustering to give a more robust solution, help identify local trends and offset individual outliers.

Census data

- 602 Census variables were included to reinforce, add extra dimension and stabilize the trends found during clustering.

Weightings of variables and variable sections

Since this is primarily a household level solution the YouGov principal components and person/household level variables carried more weight than the Census and postcode level variables. Also, the weights within a section are varied which gives more importance to particular variables so as to optimise the solution.

Segmentation validation, interpretation, performance and optimisation

3977 variables were profiled against each of the segments. Each of these variables was then used to interpret and describe the segments.

The performance was tested by analysing the discriminatory power of the segments against a vast and wide ranging client base which work within finance and financial services. Emphasis was put on the optimisation of the overall uplift across the client base so as not to over-fit the solution to just one client or sector.

Qualitative research

We worked very closely with a Financial Services consultancy during and after the clustering process to help us verify, validate, interpret and describe themes which have emerged from the segmentation.

Groups and Types

Group, Type and Person Names

Group		Type		Person	
A	Earning Potential	A01	Domestic Startups	A01a	Jamie
				A01b	Laura
		A02	Trending Renters	A02a	Sebastian
				A02b	Jessica
		A03	Intellectual Capital	A03a	Joshua
				A03b	Alice
		A04	Living Wage Youth	A04a	Rhys
				A04b	Danielle
B	Money Makers	B05	Family Gains	B05a	Christopher
				B05b	Joanna
		B06	Springboard Parents	B06a	Rajesh
				B06b	Manjit
				B06c	Nikhil
				B06d	Nisha
		B07	City Buzz	B07a	Gregory
				B07b	Charlotte
		B08	Liberal Affluence	B08a	Tim
				B08b	Sara
		B09	Astute New-estaters	B09a	Iain
				B09b	Nicola
C	Growth Phase	C10	Mid-way Mortgages	C10a	Jason
				C10b	Paula
		C11	Home to Roost	C11a	Colin
				C11b	Diane
				C11c	Bradley
				C11d	Shannon
		C12	Sharing Economy	C12a	Tomasz
				C12b	Agata
		C13	Maximum Outlay	C13a	Gareth
				C13b	Hayley

Group		Type		Person	
D	Deal Seekers	D14	Cost Optimisers	D14a	Lewis
				D14b	Sarah
		D15	Full Nesters	D15a	Charlie
				D15b	Amanda
				D15c	Kieran
				D15d	Bethany
		D16	Best-buy Budgets	D16a	Gavin
				D16b	Kirsty
E	Family Pressures	E17	Discount Hunters	E17a	Naveed
				E17b	Fatima
		E18	Collective Bargains	E18a	Phil
				E18b	Angela
				E18c	Callum
				E18d	Natasha
		E19	Budget Deficit	E19a	Grant
				E19b	Louise
F	Established Investors	F20	Prime Capital	F20a	Robert
				F20b	Julia
		F21	First-class Families	F21a	Nicholas
				F21b	Helen
				F21c	Henry
				F21d	Isabel
		F22	Executive Dividends	F22a	Michael
				F22b	Anne
				F22c	Guy
				F22d	Lydia
		F23	Affluent View	F23a	Duncan
				F23b	Jill
				F23c	Toby
				F23d	Amelia
		F24	Career Accumulators	F24a	Martin
				F24b	Janet
G	Career Experience	G25	Professional Identity	G25a	Paul
				G25b	Rachel
		G26	Metro Vocation	G26a	George
				G26b	Josephine
		G27	Mid-life Motivation	G27a	Anthony
				G27b	Wendy
H	Small-scale Savers	H28	Economical Owners	H28a	Leslie
				H28b	Elaine
		H29	Lifetime Workers	H29a	Gordon
				H29b	Yvonne

Group		Type		Person	
I	Mutual Resources	I30	Family Networks	I30a	Khalid
				I30b	Rashida
				I30c	Majid
				I30d	Hamida
		I31	Local Trade	I31a	Doug
				I31b	Heather
				I31c	Brendan
				I31d	Rebecca
		I32	Combined Income	I32a	Derek
				I32b	Pauline
				I32c	Owen
				I32d	Stephanie
J	Single Earners	J33	Solo Nurturing	J33a	Stuart
				J33b	Jenny
		J34	Convenience Lifestyles	J34a	James
				J34b	Ruth
		J35	Stepping-stone Singles	J35a	William
				J35b	Georgina
		J36	Freewheeling Renters	J36a	John
				J36b	Marie
K	Respectable Reserves	K37	Sceptical Pre-retirees	K37a	Vincent
				K37b	Lynne
				K37c	Gerard
				K37d	Vicky
		K38	Later-life Returns	K38a	David
				K38b	Margaret
		K39	Conventional Elders	K39a	Roy
				K39b	Sylvia
L	Cash Economy	L40	Workaday Families	L40a	Victor
				L40b	June
				L40c	Glyn
				L40d	Samantha
		L41	Ageing Basics	L41a	Frank
				L41b	Jean
		L42	Subsidised Living	L42a	Hugh
				L42b	Elizabeth
		L43	Day-to-day Effort	L43a	Eric
				L43b	Irene

Group		Type		Person	
M	Golden Age	M44	Privileged Pensioners	M44a	Bernard
				M44b	Rose
		M45	Senior Well-being	M45a	Lawrence
				M45b	Sheila
		M46	Single Custodians	M46a	Edwin
				M46b	Eileen
		M47	Tranquil Times	M47a	Norman
				M47b	Pam
N	Home-equity Elders	N48	Dual-pension Freedom	N48a	Neville
				N48b	Valerie
		N49	Vintage Vigilance	N49a	Pete
				N49b	Audrey
		N50	Old-school Owners	N50a	Allan
				N50b	Doreen
		N51	Cautious Retirees	N51a	Sidney
				N51b	Joan
O	Declining Years	O52	Penny-saving Seniors	O52a	Jeffrey
				O52b	Brenda
		O53	Lone Downsizers	O53a	Thomas
				O53b	Vera
		O54	Pension Shortfall	O54a	Herbert
				O54b	Mary
		O55	Elderly Assistance	O55a	Clifford
				O55b	Joyce

Group Descriptions

Group A Earning Potential

Aspiring young adults who live online and are taking the first steps in building their prospects

Earning Potential are young people starting out on what they hope to be a successful career path. They have had varying degrees of success so far but are looking to the future with optimism. The internet is second nature to them, and they embrace new ways of interacting with companies.

Financial position

These career-minded young people are still on the lower rungs of the earnings ladder and have the potential to earn much more than they do now. Their income varies depending on their employment status. Some are students with no income, some are earning good starting salaries in graduate jobs, and some are in sales and service positions as they wait for the right opportunity to open up.

They haven't saved any assets yet and are likely to be in debt from student loans and overdrafts. Establishing themselves financially, getting on top of student debts and saving for a home deposit are major issues for this group.

The future is promising, though, and they expect their situation to improve.

Financial product holdings

They have current accounts for day-to-day banking and like features such as cashback on spending, text alerts and mobile apps for monitoring accounts. They use online banking and have an overdraft facility with fees. Many within this group are still setting up their financial accounts and can be swayed by offers and freebies.

Most are concentrating on paying off debt, and savings are therefore generally low. Some are saving up for a house deposit. Modest sums are held in instant-access, cash-based savings products with the best interest rate they can find. They have few investments; some may have a few shares through an employee scheme.

They think of pensions as something for the distant future and aren't particularly concerned about them yet. Those employed are enrolled into their employers' schemes, but their accrued benefits are minimal. Many haven't looked closely at the type of scheme or its rules – at the moment they see it as just another deduction, along with tax and student loan repayments, that leaves them with less to spend.

Debts usually take the form of student loans. Some have a loan from friends or family, whether to help them with university costs or towards a deposit on a house. Many are likely to use an authorised overdraft facility. Not all actively use a credit card, but many do; some may carry over a balance each month.

Those who have started on the property ladder have a mortgage with a big loan-to-value ratio and choose fixed rate mortgages for certainty around payments in the short to medium term.

Insurance consists of stand-alone contents for renters, or joint building and contents for owners. Some need car insurance, while others take advantage of mobile phone insurance.

Behaviour & attitudes

Earning Potential love new technology, are open to new brands and like to share their product knowledge with friends. This makes them open to new apps and tools that help them address their financial challenges in engaging, digital ways.

Their lifestyles lead them to notice advertising on public transport.

They are reasonably comfortable with risk and can sometimes be impulsive and splash out on something expensive.

They are motivated by career progression and increasing their salaries but aren’t especially interested in personal finance yet.

Channel usage & media

They are very big users of the internet and wouldn’t be able to manage without it. It represents their first port of call for news and information, and they use it for entertainment and communicating with friends. They are happy to shop, apply for accounts and access their finances online. In most instances they prefer email as a method of communication with companies.

They use Facebook and Twitter and are very dependent on their mobile phones, often using a smartphone as their main device. They see many offers on social media.

Aside from an occasional Sunday paper, they seldom read physical newspapers.

Demographics

Most of this type are in their twenties, with a few in their early thirties. They are single or cohabiting with a partner, and a few have started families and have pre-school children.

The majority are university-educated. Of those in work, some have graduate jobs in industries such as financial services, law, IT and communications, media and marketing. Some may have reached junior manager or team-leader level already. Others are still waiting for a better opportunity and may work in industries such as retail. They work in a mix of private and public sectors, often for large organisations.

Most rent from private landlords, but some have managed to get their first mortgage. They live in small homes, mostly flats and terraces, and have only lived there for a short time.

Future trajectory

Members of this group have many possible future paths. Whilst they are most likely to move into G Career Experience after spending time in C Growth Phase or as J Single Earners, some may find their chosen careers don't pay as well as they had hoped and find themselves in L Cash Economy.

Group B Money Makers

High income households who are in the process of accruing assets, despite high expenditure, to give financial security

Money Makers are professional households earning good money and establishing themselves in careers. Most haven't yet saved significant amounts, but this is likely to change over time. Time-saving online processes and succinct advice to increase their financial knowledge are appreciated.

Financial position

This group earns good salaries in professional and technical jobs and has money to spare for spending or saving. Despite high salaries, most have only saved a moderate amount so far in their careers – there have been many other demands on their income.

Housing costs are significant for these people. They live in desirable properties that are likely to have risen in value in recent years to be worth well above the national average. Most own their houses with a large mortgage, and monthly payments represent a significant outgoing. Some are renting from private landlords and pay high rents.

They are highly motivated to continue developing their careers and are optimistic about their future prospects. Savings and assets will grow as they continue to progress.

Financial product holdings

Most have a standard current account to deal with the many payments, direct debits and standing orders that occur in their monthly finances. They are keen to have access to online banking, a fee-free overdraft and interest if they are in credit. Some have a premium current account.

They have a range of cash-based savings accounts for their moderate savings – predominantly bank or building society savings accounts and cash ISAs.

Some are beginning to open investments and may have shares, perhaps in an ISA or as part of an employee scheme. A few of the more established families might have additional property investments or unit trusts.

They are likely to consider new accounts and further financial products in the near future.

Many have made some progress with pension savings and may have a reasonable level of assets or benefits accrued. They tend towards standard personal pensions or defined contribution pensions, but other employer pensions schemes occur.

Most have no debts, but some make student loan repayments. They are likely to have several credit cards. Those with a mortgage choose repayment products and tend to be on a fixed rate deal.

Those with dependants are likely to have life insurance. A few have income protection insurance. Annual travel insurance is popular.

The legal service most needed is conveyancing when they purchase a property.

Behaviour & attitudes

Money Makers aren't the best at switching, as their busy lifestyles leave them little time. However, many use price comparison sites and look at bank and suppliers' websites.

They notice advertising on transport, particularly at train stations, and are most responsive to online ads.

They like new brands and sometimes buy without looking at the price. They are happy to pay for quality, are confident users of technology and like having the latest devices.

Mostly comfortable with risk, they have an interest in personal finance but don't have much time to devote to it. They would prefer taxes to be lower.

Channel usage & media

They are highly reliant on the internet, which is their primary source of information – particularly with regard to news and sport. They frequently purchase online, as it saves them time. They like to check product reviews and look for advice before buying big items.

Financial products are also mostly purchased online. They prefer companies to communicate via email and are responsive to branded messages.

They use Twitter and LinkedIn heavily for networking and keeping in touch with professional contacts. They prefer to read newspapers online and aren't big viewers of TV.

Demographics

Money Makers are in their thirties and forties. The majority live as couples. Half of these households have children under eighteen, and some have older children still living at home.

They work in professional, managerial and technical jobs, mostly for large companies in the private sector. A number are directors, and some have reached middle-management level. They are highly educated and work in industries such as financial services, technology services, media and communications.

Future trajectory

Members of this group are most likely to move to F Established Investors as their assets grow.

Group C Growth Phase

Households with good incomes but high costs, focussing on progressing careers and establishing families

Growth Phase represents families making progress. They earn above-average salaries, and many households have two incomes. However, their outgoings have left them little to spare for saving so far. Expert advice and positive reviews online encourage them to buy.

Financial position

The people in this group have been working in their careers for a number of years. They have achieved some recognition, earning salaries that reflect the responsibilities they have taken on.

However, their costs can be high. Most own an average-value home with a mortgage, but the outstanding balance is often still a considerable amount. Others continue to pay rent in locations with high housing costs.

Many are raising families at different stages. Childcare costs for young children, the expense of demanding teenagers and providing support for adult children can all take their toll on the family budget.

Many work full-time and need two incomes to keep on top of mortgage payments, with a few taking time out or working part-time to look after the family. Some are eligible for child benefit payments.

With much of their money going towards housing and family expenses, they haven't been able to accrue significant savings. Their low levels of reserves mean they need loans to finance large purchases. But they attempt to keep their overall costs down by looking for good deals and switching when necessary.

Financial product holdings

They have a standard current account for everyday transactions, with access to online banking, a mobile app to monitor their account and probably an overdraft facility that incurs fees.

They don't have large amounts of savings, and investable assets are also quite low. Savings accounts tend to be instant-access accounts or perhaps cash ISAs. They aren't often in the market for new accounts.

Those who own property have a repayment mortgage with a fixed rate deal to avoid uncertainty.

Most have a credit card, and they are the group most likely to carry a balance over from month to month. They may also have a loan to finance their car, or an unsecured personal loan. Some are still paying for student loans.

Pensions tend to be via employers and are a variety of types, though most are defined contribution. Despite being unsure of the details, Growth Phase feel quite confident in their pension provision, as retirement is still a long way off.

They make sensible use of insurance. Many have life, pet and home insurance, as well as vehicle insurance for their second-hand car.

Behaviour & attitudes

Growth Phase are good at switching – whether for balance transfers, insurance or utility supplies – and as a group are the biggest users of price comparison websites for financial products and utilities.

They notice advertising when travelling and are reasonably positive towards it.

They like trying new brands and have an affinity with supermarket-branded financial products. They have a mid-range attitude to risk.

Online shopping is important for convenience and choice. They frequently check reviews before buying, like to find expert advice and notice online advertising.

Channel usage & media

This is a digitally savvy group. They are heavily reliant on the internet for information, social networking and downloading entertainment. They tend to buy financial products online and are likely to go direct to a bank's website for savings products. They are quite responsive to branded emails but also like their bank to communicate by post.

They only occasionally read newspapers and prefer to get their news online.

They like using Facebook and Twitter for news and entertainment and to keep in touch with close and distant friends.

Demographics

Growth Phase are often in their thirties and forties, and most are married or cohabiting. The majority of households include children under eighteen; some have older children still at home.

Most received a further education. They work in professional, technical and administrative jobs in both the private and public sectors.

Future trajectory

With age, the most likely moves for members of this group are G Career Experience and K Respectable Reserves.

Group D Deal Seekers

Price-comparing families in affordable homes, often needing to use credit instead of savings

Deal Seekers are families with limited incomes who need to make skilful use of their resources. They take advantage of various forms of credit and look for money-saving ideas. Cost-cutting offers via social media and online are likely to appeal.

Financial position

Earning below-average salaries, these families don't have much money left over after bills and expenses. Many receive child benefits and child tax credits.

Some have bought their reasonably priced home, and mortgage payments take a good proportion of their income. Others are renting and have to cover this payment before they can start building their own financial position. As a result, they haven't established many reserves of their own and often turn to various forms of credit to finance the expenditure that their family requires.

Deal Seekers are particularly proficient at cutting costs – juggling credit cards and finding interest-free purchase deals to minimise debt costs, switching to keep down insurance and energy bills and finding online bargains and discount codes for everyday items. They do all they can to make their income stretch as far as possible to maximise their enjoyment of family life.

Financial product holdings

They have a current account for everyday banking, usually with online banking facilities and sometimes with cashback on spending.

Their low-value savings are held in an instant-access savings account. They have very few investable assets.

They often find themselves needing credit. Many use credit cards for this purpose rather than just for convenience. They have the highest use of personal loans, both secured and unsecured, and a high use of authorised overdrafts. They may also have used a loan to buy their car.

Pension provision tends to be through their employers, but the benefits accrued are relatively low.

Those with a mortgage usually have a repayment product on a fixed rate deal to help long-term budgeting.

They also have pet, life and home insurance, as well as cover for their second-hand car.

Behaviour & attitudes

As a group, Deal Seekers are the most active switchers, making sure the credit they use is at the most reasonable rate. They may search for credit card balance transfers to reduce their interest rate for a period of time via online aggregators. They make use of price comparison sites to keep their insurance costs down and may also check their credit rating online.

They find a variety of other ways to reduce costs, such as sourcing free items on Freecycle and using discount codes and vouchers.

They like advertising to be entertaining and can find it useful in helping them choose products. They are happy to be encouraged to buy new brands.

They really enjoy new technology and like to keep up with the latest gadgets.

They are particularly open to radio and online advertising.

Channel usage & media

The internet is a key source of information for this group. They prefer to get their news online and couldn't get through the day without their mobile phone. They often use their smartphone as their main device.

They make very high use of Facebook, checking it several times a day, usually on their phone. They also check Twitter a lot and are the group most responsive to social media offers, sharing particularly good ones with friends.

They hardly ever read newspapers but often watch television, noticing the advertisements and possibly checking out featured products online.

Demographics

Many are under forty and are married or cohabiting. Most have children under eighteen in the household, and some have adult children still living in the family home – possibly while studying at university. Most parents work full-time. They have been established in their homes for a number of years.

Some went to university; others left school after their A-levels. They work in sales, service, skilled or skilled-manual jobs and other lower-level occupations.

Their homes are usually three-bedroom semis or terraces.

Future trajectory

Members of this group might move into C Growth Phase or I Mutual Resources.

Group E Family Pressures

Low income families struggling to balance income with spending and turning to a range of credit alternatives

Family Pressures are households that have children and whose incomes are often insufficient for their needs. They use a variety of forms of credit to make ends meet and look for advice on managing debt and money-saving tips. They are open to advertising if it is entertaining.

Financial position

The families in this group have very low incomes, and money is tight. Many aren't in full-time employment. Some are unemployed and looking for work, many are looking after family, and others work part-time. Jobs are usually low-skill and low-wage. Many receive a range of benefits.

Most rent their low-cost homes from a social landlord. Others rent privately, and a few own their homes.

Some households find they have nothing to spare after essentials and must carefully budget all spending to make sure they don't run out of money by the end of the week. Others have a small amount left over. Multi-wage households who pool resources are better off.

They often find themselves in need of some kind of credit to get by and to fund essential, larger purchases.

While they aren't happy with their standard of living, they may lack the confidence or financial knowledge necessary to improve their situation. However, many are optimistic about their future finances, feeling that they can't get any worse; and some are studying to further their skills with vocational or technical qualifications.

Financial product holdings

Most have a standard bank account, but a proportion only have a basic bank account after experiencing financial difficulties in the past. They have the lowest levels of savings of any group. Many have no savings at all; others have an instant-access account for small savings, often barely enough to cover a minor emergency.

Some have a credit card and may carry an outstanding balance over from month to month. Others have a credit card designed for those with poor credit records. Mail-order catalogues, overdrafts and home-collected loans are also used.

Some may struggle and fall behind with bills. In an emergency they may apply for a Social Fund budgeting loan.

Pension savings aren't good. Those in work are part of compulsory schemes, but many others have nothing. They try not to spend too much on insurance.

They make little use of legal services but may seek advice on benefits, tax credits or family matters.

Behaviour & attitudes

Family Pressures are the group most open to advertising – noticing it on public transport, billboards, in newspapers and magazines and on the radio, internet and television. It can help them with purchasing choices, but they expect it to be entertaining. Many actively enjoy the ads on TV and search the internet for products they have seen advertised.

They are more likely to switch financial products than utility suppliers – they may feel less confident changing energy suppliers, and reducing credit charges might seem a greater priority. They ask friends and family for advice, and some use comparison websites.

They like trying new brands and having new gadgets, though they aren't good at saving up for them.

They would like the minimum wage to be higher to better reward them for the work they do.

Channel usage & media

They rely on the internet and use it a lot for social networking and entertainment, as well as for browsing and news. They also use it as a source of information – for instance, researching benefit entitlement. Many use PayPal for purchasing online.

They are the most frequent visitors to Facebook, with most checking the latest posts from friends and uploading their own news several times a day.

They prefer face-to-face advice for taking out a mortgage but are happy to get an unsecured personal loan from a bank website or aggregator site.

Some prefer companies to phone or text. They like utilities to communicate by post.

They don't read newspapers much but watch quite a lot of television.

Demographics

Family Pressures tend to be younger, with many in their twenties and thirties. They are usually single or cohabiting. Most have children, and a number are lone parents. Some households have non-traditional family structures, and many have extra adults living in the household.

Those with jobs work in areas such as sales, services and distribution at a semi-skilled or unskilled level. They tend to have low levels of education.

Their home is usually a two/three-bedroom terraced or semi-detached property.

Future trajectory

People in this group are most likely to move to L Cash Economy or I Mutual Resources.

Group F Established Investors

Wealthy households who have accumulated substantial assets and are confident in financial management

Established Investors are older families who enjoy an excellent financial position. They have achieved professional success and have been rewarded accordingly. Their considerable holdings are carefully managed, and they value expert insight into the latest investment options.

Financial position

These people earn high-level salaries in senior jobs, giving them sizeable disposable incomes. They have accrued many assets and continue to add to their portfolio.

They own upmarket homes either outright or with a mortgage. They bought them some years ago and have seen very satisfying growth in property valuations, contributing significantly to their overall worth.

They take a great interest in business and personal finance and appreciate expert opinion. They are open to new accounts and are always searching for better ways to invest their money.

Financial product holdings

Many in this group have a premium current account for day-to-day transactions.

They have large amounts of savings in multiple instant-access savings accounts for easy access. They also have further cash-based savings accounts, including cash ISAs, premium bonds and fixed rate savings bonds.

They have multiple credit cards, but these simply provide a convenient way to manage payments and gain additional benefits. They have no need for credit.

Established Investors have sizeable investments and are always on the look-out for profit-making funds. They hold many different types of investment accounts, and some also have property and physical assets. Many use the services of financial advisors or wealth managers; others like to manage at least some of their money themselves through online platform providers.

If they have a mortgage then the outstanding balance may be quite high. Many have a repayment mortgage, but some have an interest-only mortgage.

Their pension funds are sizeable. Many have a personal pension or a SIPP; some have final salary schemes.

They are well insured, with all the standard policies. Many also have private medical and dental insurance, as well as annual travel insurance. Some need specialist insurance for expensive purchases.

Legal services are used for conveyancing and probate. They may need expert advice on inheritance tax matters.

Behaviour & attitudes

Should they decide to change an account or provider, they research their options thoroughly, using the websites of individual companies, discussions with family and friends and other financial websites. They may use price comparison sites for utility providers.

They choose premium products and services, and buy the best-quality brands, purchasing some items without even looking at the price.

Before investing they consider the latest financial news and the wider economic outlook. They are happy to take calculated risks for greater returns.

Channel usage & media

They see the internet as a useful tool and like to access accounts and manage their finances online. The convenience and extensive choice offered by online shopping mean they frequently purchase this way. They are responsive to branded emails, online newsletters and direct mail from trusted companies.

They read broadsheet newspapers and financial magazines, both in printed form and online, and notice adverts through these channels.

They aren’t prolific social networkers, but some use LinkedIn for professional networking.

They watch very little television.

Demographics

Most are married and in their forties or over. Some have children under eighteen, some have adult children at home, and others have none.

They are well-educated and work in high-status jobs as directors, professionals and senior managers. Some are self-employed or own their own business; others are already retired. Industries include financial services, legal services, media and communications and real estate.

Their exclusive homes are mostly properties with four or five bedrooms.

Future trajectory

This is the most stable group. Once people reach these levels of wealth they are highly likely to stay within this group.

Group G Career Experience

Confident older owners in comfortable homes with above average incomes that reflect their responsibility and experience

Career Experience are in the second half of their working life. They often rely on their own single salary and are working towards paying off their mortgage while building their savings. They may respond to relevant product offers via email and often read online newsletters.

Financial position

These mature employees have achieved some success in their careers and are earning good salaries. This leaves them with an acceptable level of disposable income, with some money to enjoy and some to save.

They often live alone in pleasant homes worth a little more than the national average. Some still have a way to go in paying off their mortgage.

They are making steady progress with their savings. While they don't have large amounts put away, they continue to increase their reserves when they can. These modest amounts add up over time and, along with the home they own, will eventually give them a good level of financial security.

Financial product holdings

They have a standard current account and like to earn interest when in credit. An overdraft facility is welcome – just in case – and access to online banking is important.

Most have a moderate level of savings in cash-based savings accounts, and they may have more than one instant-access account as well as cash ISAs and premium bonds. Some have investments as well – in shares and perhaps additional property.

They probably have more than one credit card and may make use of extended credit at times. Sometimes they use loans to finance a car or other larger purchases.

Their pension fund is growing gradually. Most have an employer's pension; some have a final salary scheme, but more have a contributory scheme.

They have an above-average level of insurance, taking out home and contents insurance, car insurance and often travel insurance. Some have pet insurance and life insurance, as well as private medical insurance through work.

The legal services most commonly used are conveyancing and the writing of wills.

Behaviour & attitudes

They tend to choose purchases based on both quality and price. They aren't particularly positive towards advertising and don't feel it influences their choices. However, they are quite responsive to branded emails and online newsletters and prefer email as a way for companies to contact them.

They are relatively comfortable with risk and take some interest in personal finance generally.

Channel usage & media

Career Experience rely on the internet, using it for online banking and for news and sport. They tend to buy their financial products online and like online shopping generally, making use of product reviews and other advice. They tend to go direct to a bank's website to apply for credit cards, mortgages or loans but research more widely first, perhaps on consumer financial advice sites.

They have a moderate readership of printed newspapers, tending towards broadsheets, but they may be more likely to visit newspaper websites. They make average use of social media.

They watch some television, preferring BBC channels and Channel 4.

Demographics

Often in their forties and fifties, these people are less likely to be married. Many live alone. They tend to have lived at their current home for less than ten years, and most don't have children living in the household.

They are well-educated and have above-average jobs. Most work full-time. Many are in professional, middle-managerial and technical roles.

Future trajectory

If savings don't materialise, members of this group may move into H Small-scale Savers. But some will work towards K Respectable Reserves and a fair number will achieve great success as F Established Investors.

Group H Small-scale Savers

Mature workers with the advantage of home ownership but with nominal savings to sustain their future income

Small-scale Savers are older employees who have worked solidly for many years but not saved significant amounts. They own their home, which provides some certainty in the years ahead. They may be interested in no-frills offers that provide good value.

Financial position

After many years in employment, these people continue to work in intermediate and lower-level jobs, earning below-average wages. Their disposable income isn't high, but they have an acceptable standard of living.

Their home is modestly priced and stable in value. They have a relatively small amount to pay off on their mortgage, and some now own outright. Their home is their most significant asset and provides security for the future.

Their other reserves aren't high, however, and they haven't managed to save a great deal over the years. Those with benefits accrued in final salary pension schemes can probably look forward to a reasonable retirement. Those with personal pensions may not have saved enough yet to provide for their later years, and some may need to continue working for as long as they can.

Financial product holdings

Most have a current account, which usually has online banking facilities. They have an instant-access savings account and maybe other cash accounts, such as a cash ISA.

Most have few investments, but some have a higher level of investable assets. These people may have an endowment mortgage and therefore have an endowment or unit-linked policy to pay off the mortgage at the end of the term. The majority of those with a mortgage have a repayment product on a variable rate.

They usually have one credit card. They aren't great users of credit, perhaps using their card as a way of spreading costs. A few take out unsecured personal loans when necessary.

Their pensions are sometimes through employer schemes, and a reasonable number have a final salary pension. Alternatively, they have a standard personal pension, which is probably modest in value. Some may view their home as part of their retirement income strategy, imagining they can downsize or release capital when needs must.

They need insurance for their home and contents and their second-hand car and may also have life insurance and pet insurance. Some take out additional cover for home emergencies and boilers.

Behaviour & attitudes

Small-scale Savers are quite active switchers, particularly for their home and motor insurance. They use price comparison websites, consumer financial advice sites and the websites of insurers to research alternatives.

They aren't fans of advertising and aren't particularly brand-conscious. They prefer to buy something that seems good value without paying a premium for a brand name or the latest technology.

They don't like taking risks and aren't ambitious. Time is important to them, though, and they don't like to waste it unnecessarily. They aren't especially interested in opening new accounts.

Channel usage & media

Though they aren't the most confident online, they make use of the internet. They probably have a laptop computer and use it to search for information, for online shopping and sometimes for online banking.

If they need a loan they are likely to go direct to a bank's website to make an application, though they might ask for information in a branch first. They prefer contact from their bank via the post or a landline telephone.

The main advertising they notice is on TV, which, along with radio, is their main source of news. They watch a reasonable amount of television, particularly ITV channels. Many don't read a newspaper, but those who do tend to buy the Daily Mail. They are relatively low users of social media.

Demographics

Most of this group is between forty-five and sixty-five. Many live alone; others are married and living as a couple. Any children from these families have grown up and left home.

They usually live in a three-bedroom terraced or semi-detached house and are long-term residents of their homes.

They work in intermediate and lower-level jobs, often doing clerical or manual work.

Future trajectory

People in this group may move to G Career Experience or K Respectable Reserves if their financial position improves, alternatively they could go to I Mutual Resources or O Declining Years.

Group I Mutual Resources

Mid-range families whose financial position is enhanced by the support of extended family or wider community

Mutual Resources are older families whose incomes don't provide for many extras. However, a collective approach within extended families or communities ensures some success. Television advertising is the most effective channel for this group.

Financial position

Mutual Resources rely on family or community for their continued financial progress.

They are mature families whose individual salaries tend to be below average and whose disposable incomes aren't high. Some work in intermediate or manual jobs, while others own small businesses. Not all of those who are employed work full-time.

Many households have young adults still living at home. Often in these cases the younger generation can contribute to the household income, making finances more comfortable, though some are still studying and unable to pay their way.

Other households live in locations where business success or employment can depend on the local community.

Most own their home. This is usually outright or with only a small mortgage left to pay, which is a significant advantage for the family. Property values vary depending on location.

Financial product holdings

On average, individuals in this group have fewer financial accounts than others. Many of the younger generation haven't established their financial footprint yet, and not all members of larger families see a need for individual accounts. However, most have the usual standard current account for everyday banking and are likely to have an instant-access account for savings. Young people are more likely to open accounts in the near future.

Many have a credit card, some may have a store card, and others have student loans. Overall, this group's level of credit use is unexceptional.

A number have a small mortgage outstanding.

A higher than usual proportion don't have any pension provision. Those who do have a mix of personal pensions and employer schemes.

They make standard use of insurance, ensuring that the essentials of home, contents and car are covered, and sometimes use travel insurance as well.

Behaviour & attitudes

Not all are good at switching. Some may turn to friends and family for advice on the best deals and for information on other products and services.

Some family members have a tendency to be brand-conscious and so buy based on name rather than price.

University tuition fees are an issue for the younger generation, many of whom think the government should fund these.

Channel usage & media

Internet use is split by the generations, with younger people using it more heavily for watching films, playing games, downloading music and engaging in social media. Those online in the household tend to notice internet advertising. Social media use also varies by generation, with the youngest most prolific, although some older members have been encouraged to join Facebook.

The younger generation often prefer companies to contact them by mobile or text. Many members of the older generation would rather receive an email or letter.

Television advertising is most likely to be noticed.

Demographics

The older generation are often in their fifties and early sixties and married; the younger generation are under thirty. A minority of households contain children aged under eighteen.

Mutual Resources usually live in three-bedroom houses.

Future trajectory

Members of this group may become K Respectable Reserves if saving goes well.

Group J Single Earners

Individuals in low-cost housing working hard to make their way on their own resources

Single Earners are individuals who live in small, low-cost homes and depend on their own resources. People in this group move quite regularly – this may be an interim situation that suits current needs but isn't part of a long-term plan. Application processes that are straightforward and clearly explain any benefits are more likely to encourage a response.

Financial position

These individuals live alone and earn below-average wages. They must rely on their own efforts to cover living expenses and hope to have some money left to enjoy at the end of the week. Most work full-time, but a few find themselves unemployed for periods of time. A few are striving to raise children alone.

They live in small homes in urban locations. Many rent privately, some rent from a social landlord, and some own their property with a mortgage. Even though their housing costs are low, many have little left to spend after essentials. Some receive benefits such as housing benefit and council tax reductions, but most are working hard to be self-sufficient.

They have little in the way of savings, with minimal levels of reserves. Sometimes those closest to the edge can get behind with bills. In general, they don't have well-established finances, which makes budgeting a challenge.

Financial product holdings

They usually have a standard current account with features such as mobile apps to monitor their account and keep a close eye on their balance. They might have an overdraft facility, but it incurs fees when their balance heads into the red so they try not to use it. Some have a basic bank account because of previous financial difficulties.

Although some have an instant-access savings account, most have few savings accounts and are unlikely to have investment products. Those who own their home – a minority – have a repayment mortgage, usually on a fixed rate deal.

They use unsecured personal loans when they need credit, and those with credit cards may have an ongoing balance. A few look for short-term credit.

Some have a pension through their work, but some have no pension provision at all.

They try not to spend too much on insurance and may only have a stand-alone contents policy. Those who own property need home insurance, and some need vehicle insurance for a second-hand car.

If they ask for legal advice it is likely to be for help with benefits, tax credits or family matters.

Behaviour & attitudes

They may try to switch providers by using price comparison sites, among other methods, to find alternative offers. Many aren't confident in their financial skills, and some are quite distrustful of banks and building societies.

They are relatively open to advertising and particularly notice it on public transport.

They would like the minimum wage to be higher, as for some this could make a significant difference to their income.

Channel usage & media

Single Earners like using the internet. It is their main source of information, and they use it for browsing, buying, online banking, social networking and entertainment. Online advertising is often the type most noticed. They may use an online aggregator to find financial products online. They don't worry about privacy issues.

Some are keen users of Facebook and may "like" company pages in return for offers or promotions.

They don't read newspapers much, preferring to get news online, via social media or from the television. TV advertising is often noticed.

Demographics

These people are of working age, with many in their thirties and forties. Most aren't married and live alone; some are lone parents. They have lower lengths of residence, with many moving within the past five years.

They live in small properties. These are often flats and sometimes terraces, usually with only one or two bedrooms.

They work in intermediate and lower-level jobs.

Future trajectory

Members of this group are most likely to move to L Cash Economy, G Career Experience or H Small-scale Savers depending on their specific career and relationship outcomes.

Group K Respectable Reserves

Older couples and singles whose home ownership and savings will give them a margin of comfort in their post-working life

Respectable Reserves are older homeowners in their pre-retirement and early retirement years. They have a reasonable level of assets saved and with careful planning can look to a positive future. They appreciate traditional communications that contain sound financial advice.

Financial position

These mature people are either in the last years of their working life or enjoying the early years of retirement. Some have cut down to part-time work as a step towards retirement. Their individual incomes are often below average, but couples enjoying joint incomes can achieve a comfortable standard of living. As their mortgage has been paid off, their disposable income is quite good.

They have reasonable levels of savings and investments and look out for accounts with good rates of return. They don't want anything too risky, though – it has taken a lifetime of work to reach this position, and they want safe returns. Financial advisors and bank staff may help them with less straightforward investments.

Those at the point of retirement need to take decisions on how to use their pension savings to fund their later years. They are likely to look for support and advice on how best to achieve this.

Most are content with their standard of living. They can afford to go on holiday and run a decent car, and they are looking forward to their retirement years.

Financial product holdings

Many accounts are held jointly. They have a standard current account and at least one savings account – often more – with a bank or building society.

Many have a healthy amount of savings. These are held in a range of cash savings accounts, including cash ISAs, premium bonds and fixed rate savings bonds. They aren't particularly happy with the rate of return on these but know their capital is safe.

Some also have a moderate level of investable assets and may hold shares, unit trusts or other investment funds.

They like using credit cards and often have several, paying off the balance in full each month. They don't generally need credit and don't like to be in debt.

Of those not yet retired, those with a personal pension often have a reasonable fund accrued; others look forward to a final salary pension.

They like to be prepared and have good levels of insurance. Their policies include home and contents insurance, fully comprehensive car insurance with breakdown cover and often travel insurance. They also like additional cover for boilers, plumbing, appliances and other home emergencies. They use legal services to write their wills.

Behaviour & attitudes

Alternative insurance policies are researched via insurers' websites, and they may look at consumer financial advice sites for information and ideas.

They aren't keen on advertising and are unlikely to take notice of outdoor advertisements. Promotions on television and in newspapers are more likely to be seen and noted.

They manage their finances carefully and are generally risk-averse.

Channel usage & media

Respectable Reserves use the internet but aren't overly confident and sometimes worry about privacy. Financial products tend to be purchased offline, and for investments in particular they prefer a face-to-face discussion with someone who can explain the details and answer their questions.

They regularly read newspapers and like a variety of titles, especially the Daily Mail.

They watch a reasonable amount of television, often choosing the main channels. Some are members of Facebook and check it occasionally, probably to keep up with younger family members' news.

Demographics

These people are mostly in their fifties and sixties. Many are married couples; a few live alone. They have lived in the same place for a long time, and their children have grown up and left home.

Their jobs are – or were – in managerial and administrative roles.

Their homes are mid-range bungalows, semis and detached properties.

Future trajectory

Members of this group might move to I Mutual Resources or N Home-equity Elders.

Group L Cash Economy

Mature households with low wages when in work, leaving little to spare and a need for support

Cash Economy are mature households struggling to get by on minimal incomes. They have few accounts and often prefer to use cash for payment. Television advertisements and discount offers through the door are more likely to gain a response.

Financial position

These are older people with such low incomes that most pay nothing in tax. Many are dependent on state support and receive a range of benefits, including housing, disability or other health benefits.

Those who live alone have a particularly low amount to spend from week to week, and many are at risk of being unable to afford essentials such as fuel. They are concerned for their future and fear their financial situation might get worse.

Those who share homes with family or others can make money go further by combining their resources and dividing up bills and expenses.

They live in the lowest-value homes, and most rent from a council or housing association.

The number in work can be low, sometimes because health prevents them from working and sometimes because they cannot find jobs. Others are already retired.

Most have no savings to fall back on, and when necessary may use debt that they can access without needing a good credit history. They have low numbers of financial products and prefer to keep things simple, often using cash when shopping.

Financial product holdings

Some have a standard current account, but many only have a basic account.

They have very low levels of savings, and many have nothing put by at all. Some have a bank or building society savings account to keep their modest savings separate from day-to-day cash. A few have a credit card. They are unlikely to consider new accounts.

Pension provision is low. Those who do have a pension fund have little in it.

Credit is accessed via mail-order catalogues, home-collected loans and, to a small extent, credit cards. Sometimes they may need to apply for a Social Fund budgeting loan to see them through an emergency. Those with bank accounts may use an overdraft facility.

They have low levels of insurance, most often just a stand-alone contents policy. Many don’t have a car. A few have loan payment protection insurance.

Behaviour & attitudes

They are most influenced by TV adverts and especially enjoy those that are entertaining and feature favoured celebrities. They may also be influenced by direct mail.

They are very cost-conscious when out shopping, with many preferring to use cash as a way to track spending. They like to be able to tell what they can afford by how much money they have in their purse or wallet.

They would like benefits and the minimum wage to be higher to give them a better standard of living.

Channel usage & media

Although some can be slightly overwhelmed by technology, many use the internet for browsing or accessing social media, and they notice online ads. They are unlikely to buy any financial products, but if they do then the purchase is more likely to be offline. They aren't confident about using price comparison websites.

They make moderate use of Facebook and may "like" company pages relevant to their needs for something in return.

When communicating with companies they tend to prefer the phone or a branch visit and a face-to-face chat.

Cash Economy like to listen to local radio stations. Some read tabloid newspapers, but others don't read any papers at all.

They often rely on the television to keep them informed and may even admit to being addicted to it. TV advertising is by far the most noticed type.

Demographics

These people are most often in their fifties and sixties and may be married or live alone. Some households have adult children. They don't have children aged under eighteen.

Those in work are usually employed in low-skill jobs, perhaps in manufacturing, construction or retail. Most left education by the age of 16.

Future trajectory

Members of this group are most likely to become O Declining Years.

Group M Golden Age

Fortunate elders on gold-standard pensions with money to enjoy now and choices in the future

Golden Age are retired people who are able to make the most of the opportunities that life after work can bring. They have generous pension income to enjoy, and manage their considerable assets with care. They are likely to read editorials and newsletters that give investment advice and address retirement issues.

Financial position

These elderly households enjoy a comfortable retirement lifestyle, having accrued substantial assets and pension benefits during their successful careers. Their retirement incomes are worth more than many people's salaries, meaning they have high levels of disposable income to enjoy.

They have very high amounts of savings and investments, which are held in a wide variety of accounts and funds. They are always on the look-out for profitable ways to invest their money. Many have obtained a tax-free lump sum from their pension savings at retirement, boosting their assets but demanding thoughtful management.

They own their desirable home outright.

While they appreciate their good fortune, they are aware that no amount of money guarantees security, and that care needs requiring significant funding may arise in the future. They invest their money with these possibilities in mind, ensuring they leave their options open.

Financial product holdings

These people often have a premium current account with extras such as travel insurance and a fee-free overdraft facility.

They have a wide range of savings products, including multiple instant-access accounts and other cash-based savings accounts such as cash ISAs and fixed rate savings bonds. They spread their cash assets across different organisations, ensuring none goes over the compensation limit.

Investments include many types of product, including investment trusts, bonds, unit trusts and OEICs. They are likely to have sought advice about how best to invest their assets and may have consulted a financial advisor.

They use multiple credit cards, including upmarket store cards for convenience and added benefits.

They are sensibly insured for their car, home and contents and also often have medical, dental and annual travel insurance. They often choose extra insurance for the home and home emergency cover, ensuring there is someone reliable to call if things go wrong.

They use legal services to write wills, and powers of attorney to ensure the smooth handling of their affairs in all eventualities.

Behaviour & attitudes

Golden Age are generally quite negative towards advertising, which they view as a waste of time. They stick with brands they like, which are usually well-known, and don't mind paying extra for quality.

They manage their finances well, reading articles about investment ideas, looking for advice, researching options carefully and monitoring the financial news. They want to invest their money profitably but don't want to take excessive risk.

They are quite responsive to direct mail from recognisable and trusted companies.

Channel usage & media

Golden Age are quite savvy digitally and rely on the internet a lot for information, communication and shopping. Some use online banking, and they may buy some financial products online; at other times they research online first and then apply face-to-face or by phone. They often prefer phone and letter for communication from companies. They don't use social networks.

Advertising in printed newspapers and magazines is most likely to grab their attention. They are heavy readers of printed newspapers, preferring broadsheets.

On television they tend to watch the BBC and various news channels.

Demographics

These people are sixty-five and over. Many are still married; some now live alone. They have lived in their quality home – whether detached, semi-detached or bungalow – for a long time.

They had good careers in professional and managerial jobs and have high levels of professional qualifications.

Future trajectory

These people are highly likely to stay within this group.

Group N Home-equity Elders

Pensioner households whose financial security in retirement is boosted by outright home ownership

Home-equity Elders are seniors living stable retired lives, with modest incomes matched to modest spending. They own their home outright, which provides them with security and, if necessary, an asset. They aren't easily influenced but might respond to printed advertisements in newspapers or in the post.

Financial position

These retired couples and singles have modest pension incomes, but they also have low outgoings and don't lead extravagant lifestyles. This means their budgets are quite manageable and they have some spare for economical cars, holidays and pleasure. Most don't receive any benefits, but a few get council tax reductions.

They are outright owners of their pleasant homes, which are of modest to average value, and have some savings, which are mostly held in cash savings accounts.

They are conservative spenders and don't like uncertainty, so they plan their finances carefully and take out extra insurance to avoid unexpected bills.

Financial product holdings

Most have a standard current account without extra features and are very satisfied with it. They aren't looking for new accounts or financial products.

They have a respectable amount of money in cash-based accounts. Many have one or two instant-access accounts, cash ISAs and premium bonds and might have a fixed rate savings bond.

Some have modest additional investments, such as an investment bond with a life insurance company. But they don't want products that might be considered risky.

They have one or two credit cards and might have a card from their favourite store. They don't use credit.

Being well insured is important to them. They have insurance for home, contents and car and are keen to have breakdown cover. Travel insurance is also used. They are also the group most likely to take out additional home insurance – for example, home emergency, central heating, plumbing, electrics and water supply cover – to give easy access to help and avoid unpredictable costs in the event of a problem.

They are likely to have made their will with a solicitor.

Behaviour & attitudes

Home-equity Elders manage their finances well and are good at budgeting and saving for more expensive items. They also avoid unnecessary expense by only buying new things when the old is worn out.

They aren't great at changing providers but might phone around insurance companies to check prices. Their natural inclination is to trust financial organisations, which may lead them not to question their insurance premiums.

They are the group most negative towards advertising and tend to feel bombarded. They prefer to stick to brands they know and like and are seldom swayed by new products.

Channel usage & media

They are slightly overwhelmed by technology and aren't comfortable online. Some use the internet for email and browsing to look for information. They buy any financial products offline. They don't use Facebook.

They much prefer dealing with companies face-to-face or on the phone, and if an organisation needs to contact them then they like it to be done by letter. They are quite likely to notice direct mail communications.

Home-equity Elders are keen readers of printed newspapers, especially the Daily Mail and the Mail on Sunday. They notice advertisements in these publications and in magazines.

They also rely on television to stay informed. They choose to watch the main channels and notice the advertisements on commercial channels.

Demographics

This is the oldest group, with most people in their seventies or above. Many live alone, but some are still living with their spouse.

These are very stable households and have lived in the same three-bedroom family home for many years.

Future trajectory

These people are likely to remain in this group, but a few may move into M Golden Age.

Group O Declining Years

State pension elderly in low value homes who must economise when money doesn't stretch beyond essentials

Declining Years are pensioners who have low incomes and few savings. They have established a budget and know what they can afford and when – a routine that mostly allows them to buy the things they need and to pay bills. They may notice traditional advertisements and look for familiar brands at low prices.

Financial position

This group represents elderly people who are in their seventies and above and who mostly live alone. They have low incomes and rely on the state pension, topped up with a small occupational pension or income from a personal pension fund in some cases. Some qualify for benefits such as pension credits and disability benefits.

They don't have much money left over once bills have been paid and essentials have been bought. A few have a small amount of savings in a cash-based savings account, but others have none. Some have the advantage of owning their low value-home, but others still pay rent.

However, they are experienced in managing on a budget and don't have expensive tastes, so they spend within their means. They know the brands they like and can afford, and they stick with them. They also don't like debt, so they don't spend more than they have, preferring to go without if necessary.

There is concern within this group over the future. Maintaining their independence will inevitably get harder over time, and they will need to depend on others to provide care and support.

Financial product holdings

They have a current account and are perfectly satisfied with it. They may hold modest savings in instant-access savings accounts. A few might have low amounts in a cash ISA or premium bonds. They are unlikely to have any investment accounts, preferring cash-based products for their modest savings, despite low rates of return.

Basic insurance is important to them. Renters have stand-alone contents insurance, while owners have joint home and contents insurance. But most choose not to spend money on additional insurance products.

They usually have one credit card but manage its use carefully, as they don't like being in debt. Some buy from mail-order catalogues and may spread payments this way.

They may have used a solicitor to help them write their will.

Behaviour & attitudes

Declining Years aren't active switchers. They rarely buy financial products, and if they do then these might be arranged locally.

They tend not to look for expert opinion before buying and aren't positive towards advertising in helping them to make purchasing decisions.

They tend to prefer using cash when out shopping.

Channel usage & media

They often find technology overwhelming and have concerns about security on the internet, so they don’t go online much. They also make little use of mobiles.

They much prefer to speak to someone face-to-face about financial products and to visit a branch if they have questions or concerns. If a company needs to contact them then a phone call or a letter is preferred. They might respond to direct mail offers.

They are most likely to notice advertising on TV or in newspapers. They like reading the Daily Mail and the Daily Express. They also rely on television to stay informed and for entertainment.

Demographics

These elderly residents live in low-value properties. Some are owners, while others rent from social or private landlords.

They had a low-level education and were employed in administrative and manual jobs during their working days.

Future trajectory

These people are likely to stay in the same group. A few may move to N Home-equity Elders.

Type Descriptions

Group A Earning Potential

Type A01 Domestic Startups

Well-educated millennials whose finances are dominated by their desire to afford a home

Domestic Startups are young people progressing in graduate careers, making their way on to the property ladder and beginning to start families of their own. Their focus on the goal of home ownership means they don't have much money to spare so they look for money-saving deals that can be researched and accessed quickly online.

Financial position

These forward-looking young people earn graduate-level and higher salaries, are working towards promotions and expect their financial position to improve as they progress in their careers.

Their biggest financial challenge is the purchase of a home and their budgets are dominated either by big mortgage payments or by saving for a house deposit while still paying rent. Currently over half have achieved home ownership and one third rent privately.

Couples have the advantage of double income. Those who already have young children have the additional cost of childcare or may decide that one partner should take time off work.

Financial product holdings

Those who have bought a house have mortgage payments that take a significant proportion of their income. Though their homes are worth less than the national average, the cost of buying them represents a substantial outlay for these people. They have a repayment mortgage, mostly with a fixed interest deal to give certainty in their outgoings.

Domestic Startups have a current account, like mobile app features and text alerts and often have cashback on spending. Those who have managed to buy a house have particularly low savings – just enough towards the next big purchase – but would like to add to this when they have the money. Renters are building a savings pot for a deposit and prefer the reliable returns of instant-access cash ISAs to equity ISAs. A credit card gives them some purchasing flexibility.

Although their pension savings are so far negligible, they have an employer pension scheme that they haven't yet taken the time to fully understand as it's not a current priority.

Many are paying for student loans from within their salary. Many have an authorised overdraft and also a high likelihood of a loan from family – quite possibly towards the deposit on their mortgage.

Home and contents insurance and car insurance are essentials – they usually have one second-hand car, which they are likely to use for commuting to work. They don't choose home insurance extras such as boiler insurance.

Behaviour & attitudes

Domestic Startups can't afford to be complacent about their monthly outgoings and are some of the most active switchers – particularly on car insurance, which feels a big expense. They almost always use price comparison sites for switching.

They have a mid-range risk profile but have few long-term savings to invest.

This is the type most likely to have used conveyancing legal services. Getting married often hasn't reached the top of the priority list.

Now they have paid tuition fees themselves, they would find it unfair if the system reverted, and they think individuals should pay rather than the state.

Channel usage & media

They are completely dependent on the internet; their main device is a smartphone. They manage their accounts online and the internet is their main source of information. They use PayPal for shopping and are some of the highest users of sites such as Gumtree. The advertising they notice most is online.

They couldn't survive without mobile communication and are the biggest Facebook users, frequently posting and checking their newsfeed, though not necessarily "liking" company pages.

Radio advertising can be effective – certainly more than adverts in printed newspapers, which they rarely read.

They don't watch TV that much but like channels that offer light relief such as E4 and Comedy Central, tending to multi-task on the internet at the same time.

Demographics

This type consists of singles and couples, in their twenties and early thirties. A third or more of these households have young children.

Most are employed full-time, working in both the private and public sectors, and over time progress from graduate-entry jobs to be team leaders or supervisors.

They haven't lived for many years in their current home, which is likely to be a small semi or terrace.

Future trajectory

Many people in this type are set on a course of mortgage payments and family life that will keep them busy for some time. Some may eventually become D15 Full Nesters as their children grow, but a few will spend a time as J35 Stepping-stone Singles before they get there.

Group A Earning Potential

Type A02 Trending Renters

Graduates in city lets, enjoying independence and the immediacy of the latest financial technologies

Trending Renters are young singles privately renting flats in central locations, with graduate-level salaries and money to enjoy. They don't want to waste time on finances, so instant applications and alerts are popular. They receive many branded emails and social media offers, so companies need to stand out to win their attention.

Financial position

These independent young people are making the most of a commitment-free time of life and have graduate salaries that give them spare cash to spend on themselves. Their good disposable incomes and few responsibilities mean they don't dwell on finances and are optimistic that their position will continue improving.

They rent flats located centrally to shops and amenities, from private landlords.

This type hasn't had much time to put money aside and is more focused on enjoying their new-found income. Consequently, they have low levels of savings and investments. They may have a combination of student loan debts, which are repaid through salary, and overdrafts and loans, which they are attempting to make some inroads into reducing.

Financial product holdings

Trending Renters will have opened a graduate current account – the one with the best offers – when they started work. They like having mobile apps and text alerts to help them manage their accounts, so they can spend the minimum time dealing with day-to-day financial tasks.

They are likely to use their authorised overdraft facility and also probably have a credit card with some outstanding debt on it.

They are not particularly active in looking for new accounts.

They have very low-value pension savings, with contributions made through their employer. Retirement is so far in the future that most are confident that by the time they get there things will have worked themselves out.

They are likely to have stand-alone contents insurance for their personal possessions and possibly mobile phone insurance but little in the way of other insurance. They don't need legal services and are unlikely to have a car.

Behaviour & attitudes

Personal finance just does not interest this type. They want to get any essential financial jobs out of the way as quickly and easily as possible, so they embrace any new methods of payment or time-saving technologies.

They are not averse to taking risk but don't have savings to invest.

They are quite poor at switching – it doesn't feel like a priority for them. They are most likely to ask friends and family for advice before purchasing.

They are the biggest responders to cinema advertising and also have a high likelihood of responding to online ads. They see many branded emails and social media offers but don't necessarily respond.

Channel usage & media

Highly dependent on the internet for everything, Trending Renters use smartphones and laptops and are constantly online. They are amongst the largest users of Twitter and get much of their news from social media.

They are likely to buy financial products online.

They are big downloaders of games, movies and TV shows, particularly from BBC3 and E4.

Those who read printed newspapers tend to read the Guardian and the Metro. However, they are more likely to read the Guardian or Independent online or get their news from other online news sites.

Demographics

This type is mostly under thirty-five and living alone or sharing a privately rented one/two-bedroom flat in a central location. They don't have children.

Lengths of residence are short and people move in and out regularly as jobs change.

They work full-time in junior and intermediate professional roles, and are employees of large organisations in both the private and public sectors.

Future trajectory

As their salaries increase some members of this type may move to the B07 City Buzz type of high-status city workers or they may opt to return to uni as A03 Intellectual Capital. Eventually, if they embrace city living long-term, they could become G26 Metro Vocation.

Group A Earning Potential

Type A03 Intellectual Capital

Current students and recent graduates, with student loans but an otherwise low financial footprint

Intellectual Capital are young people who have invested in developing their skills and employability by studying at university. They enter the workplace with qualifications and potential but also with debts. Discount offers and freebie incentives to open accounts will be attractive to them, but they can be difficult to reach with traditional advertising.

Financial position

These young people rely on parental support, part-time casual jobs, student loans or a combination of these for income while studying. They have very little money and are acutely aware that everything they spend over and above their income will need to be paid back at a later date. This makes them extremely cost-conscious.

Of those who have graduated some are working in low-paid, non-graduate jobs while they apply for career opportunities. As a result, they have very low disposable incomes after the deduction of necessary expenses.

Others may have landed their ideal job and have the graduate level salary to match. They are enjoying what seem to be riches in comparison to their previous situation.

All these people have very few assets behind them and are likely to be considerably in debt. As the title suggests, their intellect is their capital.

Financial product holdings

These people currently have a very small financial footprint. Although they have little or no money at this point, they need to start opening accounts, and financial relationships established with companies now could last for many years.

They have a student account while at university and then look for the best graduate account once they leave.

Debts are with the Student Loans Company but also potentially in authorised overdrafts with their bank.

Those who have savings would consider opening an instant access savings account or even a peer-to-peer savings account.

They have low levels of insurance; current students consider specifically-designed student insurance sufficient to cover their essential technology.

International students in this type have additional needs in transferring and exchanging money.

Behaviour & attitudes

Intellectual Capital are keen users of personal banking apps and online banking so that they can keep a constant track of how much money they have spent and how much they have left.

They can be hard to reach with advertising as they see it as a waste of their time. They are particularly dismissive of direct mail and may not even see it given their frequent changes of address. They are most likely to respond to branded emails from companies where they are already customers.

They can be distrustful of banks and building societies generally, and companies need to work hard to prove they aren't out to rip them off.

This type is strongly motivated by the prospect of career progression.

Channel usage & media

Very internet-dependent for any information, Intellectual Capital use Facebook and Twitter and also embrace the most up-to-date apps for keeping in touch with friends and their community.

They are most likely to read the i newspaper, the Metro or the Guardian or visit the Guardian or Independent websites.

They like watching BBC channels and Channel 4.

Demographics

These are young students and recent graduates, renting from the private sector in close proximity to universities and higher education institutes.

They share flats and terraces and are a transient population, moving quickly when job opportunities arise elsewhere.

Future trajectory

In the short term these people are most likely to move into graduate jobs and become A02 Trending Renters or C12 Sharing Economy.

Group A Earning Potential

Type A04 Living Wage Youth

Young people renting basic homes, currently on low wages, who need determination to prove themselves in the job market

Living Wage Youth haven't yet established themselves in a good job and are making ends meet for the time being. Their biggest asset is their young age, and if they can find opportunities for development or training in work then they have the potential to make progress. Online and TV adverts that are entertaining will get their attention.

Financial position

These inexperienced young people are currently earning very low incomes. They rent a very low-value property, mostly from the private sector. Some receive housing benefits to help them pay their rent and some receive means-tested benefits.

They can struggle to find work and may find themselves in temporary or short-term jobs that require low levels of skill and offer low wages. Some are, for the moment, unemployed. They have very few assets and a very low disposable income.

However, they are at a very early stage in their working life. While they haven't yet managed to make headway into steady and fruitful work, there is the potential for opportunities to arise that will allow them to build on their skills and experience.

Financial product holdings

Because of their low income they have a tendency to accumulate debts from a range of sources. They may borrow from friends and family, and they use mail-order catalogues to pay in instalments; payday loans can be attractive and those with current accounts may use an overdraft facility.

They can sometimes fall behind with utility bills, and in emergencies they may be able to apply to the Social Fund for a budgeting loan.

Some have current accounts and they like to have cashback on spending and a mobile app to monitor their account. A proportion have only a basic account and some have no bank account at all. They have few savings and so are unlikely to have a savings account.

Many don't have a credit card and they are unlikely to have any pension savings unless they are in a compulsory scheme with their employer.

Stand-alone contents and mobile phone insurance may be the only insurance they have, but they will still try to find the best deal and ask friends and family for advice.

Behaviour & attitudes

They are very aware of levels set for the minimum wage, particularly as at their age most will only qualify for lower levels. Changes to these rates have a direct impact on their income and they believe they should be higher.

If they have sought legal advice, it is most likely to be about benefits or debt issues.

They are most likely to notice TV adverts and often quite enjoy these. They also see online advertising and billboards; some will notice direct mail.

They may look up their credit score online for free in an effort to understand and improve their financial standing.

Channel usage & media

Living Wage Youth use the internet for browsing, accessing social networks and downloading games, movies and TV shows. They often use PayPal for purchasing online but have a tendency to purchase any financial products they have offline.

They have a high use of social networks, particularly Facebook, which they visit multiple times a day via their smartphone or laptop. They get news from social networks or television and don't read printed newspapers.

Highly dependent on their mobiles for communication, many don't have a landline.

Demographics

These are young people, many under twenty-five, who are living alone or sharing with others. They rent a small flat or terrace, usually with two bedrooms. These properties have very low value and are often found in less attractive locations. They have moved in recently.

Few of this type are university-educated and most will have left school or college after studying GCSEs or A-levels. Some may be trying to improve this situation with part-time study at college for vocational qualifications.

They work in industries such as retail or restaurant services and jobs tend to be low-skilled and insecure.

Future trajectory

Some in this type may make a transition to student life in A03 Intellectual Capital. Others may find the financial burden of living independently too great and move back in with their parents in E18 Collective Bargains or L40 Workaday Families, or split the bills with others as C12 Sharing Economy.

Group B Money Makers

Type B05 Family Gains

High-salary parents with children in detached homes who are forging ahead with big mortgages and busy lifestyles

Family Gains are professional families where parents in their late thirties and forties earning good salaries live with their school-age children. They want to research financial products efficiently online and look for low-risk returns and the security of insurance.

Financial position

These high-earning couples are in middle and senior management positions, often within large companies. They balance their drive for career advancement with their desire to cater for their growing children's needs and have often made the choice for one partner to work part-time. Their salaries are sufficiently high for them to absorb this income reduction comfortably.

Owning a good-quality family home is a financial priority. Their house comes at a price that is considerably above average and is highly mortgaged. This means their disposable income, while good, is not as high as might be expected given their salaries. However, their property has generally been a good investment decision and its value has risen since they moved in.

Because of the costs of their mortgage and of raising a family, these couples have only been able to put aside modest amounts of savings and investable assets so far.

Financial product holdings

Mortgage payments represent a significant expense for these families, so they take care to ensure they have a sensible deal with a good interest rate. It is highly likely to be a repayment mortgage and they usually have a fixed rate deal.

For day-to-day banking they have a current account that ideally earns interest when in credit. They have one or two credit cards, one of which may be a supermarket brand.

Given their life-stage and high fixed outgoings, it is no surprise that they are the people most likely to be covered by life insurance. Some have private medical insurance through their employer.

They need a car for family use and for commuting; those without a company car are likely to use a car finance loan to buy a respectable model.

They are saving towards a pension via their employer and put money into cash ISAs whenever possible. They may have the opportunity to benefit from an employee share scheme.

Behaviour & attitudes

This type is active in searching for better deals, particularly for their car insurance, and often change supplier by using price comparison websites and direct-to-insurer websites.

They have a good general understanding of financial products and so appreciate clear information on the benefits of a particular product rather than basic explanations. They like to check reviews and research a product thoroughly before buying.

When choosing where to put their savings, they tend to prefer options at the lower end of the risk scale.

Channel usage & media

Family Gains are confident online and appreciate the convenience of the internet for managing their finances. Sourcing and purchasing financial products this way means they can research their options and complete the job quickly and efficiently.

They are more likely to respond to a branded email than other forms of communication.

Printed newspapers are less likely to be read than the Guardian or the Mail online. They also tend to get news from the BBC News website.

They use social networks and have a high use of LinkedIn to keep them in touch professionally. Online shopping makes their lives easier.

Demographics

These parents are well-educated and work in professional jobs. Some work in technology and financial services, and others in the public sector – particularly in education. A few are company directors.

They are highly likely to have at least one child of primary school age; other children may be pre-school, and the oldest may have moved on to secondary education.

They live in detached houses in city suburbs or within a commutable distance to a location where they can find good jobs. They have lived there a few years now and may have moved specifically for schools or when they outgrew their initial family home.

Future trajectory

Some of these families may move to F21 First-class Families if their careers continue to go from strength to strength, or to F23 Affluent View if they choose a move to somewhere more rural. In the long term members of this type are likely to become F24 Career Accumulators.

Group B Money Makers

Type B06 Springboard Parents

Well-off suburban families providing homes and support to adult children while they study or start work

Springboard Parents are professional couples living with at least one adult child in the family home; as students or first-time employees, they are enjoying the financial security of living in their childhood home without having to pay market rent or their own bills. Expert opinion is valued and they seek out authoritative answers to their financial questions.

Financial position

Parents in these active households are in professional and managerial jobs with good salaries and are therefore well positioned to shoulder the financial burden of supporting their older children.

Where the younger generation is in employment, any contribution made to household expenses ensures the overall disposable income of the household is very comfortable. However, parents may prefer their children to save any spare income towards future independence, sacrificing their own saving potential in the process.

A major concern for these families is how the children will gain financial security and achieve the same eventual level of comfort – debt-free and owning a home – that the parents enjoy. Tuition fees are part of this concern as students take on debts that were unknown to earlier generations. In the future the parents may consider whether they can afford to help their children with a house deposit. In the meantime they continue to put aside savings when they can for their own security.

Financial product holdings

Some are fortunate enough to have paid off the mortgage on their good-sized family home; others still have some left to pay, but the loan-to-value ratio is generally low.

The parents have good levels of savings and investments and will have a range of savings accounts, including cash ISAs. They are also quite likely to hold shares and are open to investment options such as unit trusts.

Pension provision is either via their employer or in a personal pension, and they have been contributing to it for some years now.

Where the younger generation is in full-time education they are likely to have student accounts. Those finishing their studies and starting work are on the lookout for the best graduate accounts. Most have a student loan for tuition fees, but their parents' support may have protected them from the need to build up a large overdraft.

Behaviour & attitudes

The parents are fairly comfortable with risk when it comes to investing their assets. However, their current saving potential is affected by their continued support of their children. This creates a level of uncertainty over their own financial and pension planning for the future.

Generally speaking, they find the idea of being in debt stressful, which adds to their concern for their children's financial situation.

Springboard Parents are quite active switchers and often research alternative prices online.

They value advice before buying, particularly opinion from experts – so communications that give clear advice on their situation strike a chord.

Account features such as interest-free overdrafts and free extras attract the adult children.

Channel usage & media

The internet is a much-used resource and the different generations use it in different ways. Parents read newspaper websites such as the Independent, the Telegraph and the Guardian and may buy printed newspapers as well. On TV they tend to watch BBC channels. For the younger generation the internet and social media are important links to their peers and social lives – even more important while they live under the umbrella of their parents. The internet is also their go-to place for information and a source of entertainment via games, music and movies.

Demographics

Parents are in their late forties and fifties and adult children tend to be aged eighteen to twenty-five. Some of these families have younger children at secondary school as well.

Their home is typically a good-sized four-bedroom, detached or semi-detached house. Its value is considerably more than the national average. They have been living there some time, probably most of the children’s lives.

Future trajectory

Once the adult children have found their independence, members of this type tend to become F24 Career Accumulators and K37 Sceptical Pre-retirees with the hope that one day they will become M44 Privileged Pensioners.

Group B Money Makers

Type B07 City Buzz

Career-driven singles in high-stress, high-reward jobs who thrive on living in the heart of the action

City Buzz are singles working in high-income professional city jobs. They rent expensive apartments in central locations where amenities and entertainment are on hand. Living fast-paced lives, they are impatient for immediate access to their accounts and look for interesting investments.

Financial position

These ambitious professionals are earning high salaries and have a good disposable income once the rent is paid on their high-end apartment. As they have few other commitments, they are then free to finance their brand-conscious lifestyle.

They are confident their financial position will continue to improve as they progress in their careers and are optimistic for their future prospects. If they choose they have spare money to save for a future home deposit. The properties they live in have seen some of the highest price rises in recent years, so they are aware of the costs of home ownership. Many check their credit rating online to ensure they are building a good financial history.

They are in the process of building up savings and investments and are well positioned to continue.

Financial product holdings

These are the biggest users of online banking and appreciate having a current account with interest while in credit, fee-free overdrafts and text alerts. They may use authorised overdraft facilities and credit cards to manage their cash flow. Many are paying for student loans through their employer.

They put spare money into cash ISAs or a savings account. A few like to use their high salary to buy a physical investment, which gives them kudos among their peers. They are very comfortable taking risks to gain returns on their savings.

They haven’t saved much towards a pension yet; some may have final salary pension schemes, but most will have a standard pension, stakeholder pension or SIPP.

They have contents insurance and annual travel insurance and may have private medical insurance through work. Some have mobile phone insurance for their high-spec phones. Car ownership isn’t a feature of their city lives – if they need a vehicle they can hire one or join a car-sharing membership organisation.

Behaviour & attitudes

Experience can be valued over ownership, and they choose to spend money on living their lives to the full and buying convenience and immediate results for their fast-paced lifestyles.

They are interested in opening new accounts and like to purchase financial products online.

They are highly motivated by career progression, working long hours in city offices. Time and inclination are limited for shopping around for better insurance and other deals.

The main advertising they see and respond to is online; they are also quite likely to respond to branded emails. Their daily lives take them past billboards and advertising on public transport and they regularly see cinema advertising.

Channel usage & media

City Buzz are very internet-savvy and have the latest smartphone to access news, sport and their finances wherever they are. They are open to the latest mobile finance apps that allow innovative ways for them to engage with their money and that they can use to impress their peers. They sponsor friends and colleagues through giving sites.

They are high users of Twitter and LinkedIn to boost their social and professional profiles.

They are only occasional readers of printed newspapers – perhaps reading the Guardian, the London Evening Standard and the Metro – and are more likely to go online to read the Guardian and the Independent. When their hectic timetable allows them room for TV they favour Channel4 and E4.

Demographics

These career-builders are often in their late twenties and thirties and many live and work in central London. Some live alone; others share the rent with a flatmate. They have a degree-level education, may have reached middle management already, and their sights are set even higher. They work in areas such as media and communications, the arts, business services and finance, and enjoy working in growth industries that give them the potential to progress quickly.

They have recently moved into their high-end one/two-bedroom apartments, which are well-specified and maintained to a high standard. Location and peer approval will have been driving factors in their choice of home. A few of these flats are owned, but the vast majority are rented from the private sector.

Future trajectory

Their most likely next move for these people is to B08 Liberal Affluence when they decide to settle and buy a city house.

Group B Money Makers

Type B08 Liberal Affluence

Educated city households in expensive urban homes, enjoying access to culture and like-minded peers

Liberal Affluence are city residents who have the advantage of good salaries but pay the higher costs of urban living to benefit from city life. Savings therefore aren't high and time is limited. Informative communications with efficient ways to respond may interest them.

Financial position

These cosmopolitan residents have cultivated successful careers and earn high salaries in occupations that often converge around large cities.

The majority own their home and may have taken on considerable mortgages to achieve this, but a significant proportion rent from the private market. Some can afford to live alone, but most are living as couples and some are sharing, which significantly increases the money available for the mortgage or rent.

Homes are costly but tend not to be large. General living expenses also tend to be high, with costs of getting to work, entertainment and leisure activities adding up. A lot of their money goes on day-to-day expenses, but for most the advantages of city life – music, theatre, exhibitions, job opportunities and earning potential – more than offset the costs at this stage of life.

A good number have young children and will continue to weigh up the positives and negatives of their current location for their evolving needs. The relative costs of living space, commuting, schooling options and leisure activities will all be considered as they make future choices.

Financial product holdings

Although their incomes are good, they only have an average level of savings and don't tend to have a wide range of savings products – mostly instant-access accounts and perhaps cash and some equity ISAs. The actual amount they have put away depends on whether they have invested their savings in buying a property yet.

They like current accounts with mobile and online banking and some are happy to have accounts with an internet bank that has no branches.

Mortgages are repayment and likely to be on a fixed rate deal.

While they have started to make some provisions towards retirement, pensions aren't yet a priority.

They may have mobile phone insurance and annual travel insurance along with their home insurance. With good access to transport, car ownership is less necessary but some need insurance for their second-hand cars.

Behaviour & attitudes

Liberal Affluence are relatively comfortable with taking some risk for return on their savings.

Not the best switchers, they begin researching options online but often find it too much hassle and give up. They receive a lot of branded emails and online newsletters, which they sometimes read. They are quite responsive to online advertising.

For this type the key focus in life is career advancement and they are highly motivated to succeed.

Channel usage & media

Liberal Affluence look to the internet for information and particularly to keep up with current affairs and sport. They tend to rely on the BBC website for news. They also make good use of online shopping and online banking.

Moderate users of Facebook, they prefer Twitter and LinkedIn, which they see as more professional.

They don’t have a lot of time to read printed newspapers but may take the Guardian. They are more likely to check newspaper websites than to buy a paper.

TV isn’t a big feature in their lives but they do enjoy watching Channel 4.

Demographics

Adults are mostly in their thirties and forties, and nearly half of households have children (usually of pre-school or primary age). There is a tendency among this type to leave starting a family until later, when careers are better developed and finances more stable.

Most are living in two/three-bedroom terraces; others are in converted or purpose-built flats or semis.

They are highly educated, work in professional and middle-management jobs and are the type most likely to work in the third sector.

Future trajectory

The most likely moves for members of this type are to F24 Career Accumulators or G26 Metro Vocation, depending on whether they continue to choose a city lifestyle.

Group B Money Makers

Type B09 Astute New-estaters

Capable families choosing detached homes in modern estates, making sensible decisions on borrowing and switching

Astute New-estaters are suburban families who commute to good jobs and are making full use of their income to build financial security. They manage their finances carefully and take advantage of additional employee benefits. They are active in switching providers and likely to notice timely offers with good rates.

Financial position

These confident families are earning good wages and living a comfortable family life. Their house is worth a little more than the national average and is likely to be on a modern-built estate and detached, though not large. They have stretched themselves and have sizeable mortgages.

Both parents work in good jobs; the second income may be part-time, but their household income is well above average and their disposable income is comfortable. As corporate employees, many have a company pension and opportunities for additional benefits, such as employee share schemes, which can be lucrative.

They are pragmatic about taking on debt when it makes sense to do so, as they are confident in the security of their income and feel sure of their ability to keep control of their finances.

Financial product holdings

A good proportion of this type like having a premium current account. Though not necessarily ostentatious about their wealth, they enjoy tangible signs of success.

They have some savings but have generally only accumulated moderate amounts. A cash ISA is the most likely next savings product.

They have a repayment mortgage and are split between choosing the certainty of a fixed rate deal and paying a variable rate.

Astute New-estaters are the type most likely to have some form of pension saving. Some have final salary schemes; others have defined contribution schemes.

They are likely to have more than one credit card for the convenience and to spread the cost of large purchases.

Their car is one of their biggest purchases and considered essential for commuting as well as family life in the suburbs. They use it every day, driving on motorways regularly and clocking up a high mileage. Given the car’s importance to their lifestyle, they have a tendency to buy new cars that will often have been financed via a loan.

Many have life insurance, and quite a few have private medical insurance through work. They like to be well insured and add-on policies such as boiler insurance are popular.

Behaviour & attitudes

They take a close interest in their personal finances, manage their money well and are quite likely to be looking for new financial products.

Astute New-estaters are very active about switching, regularly switching home and car insurance. They are the people most likely to use the websites of insurers or brokers but also use a variety of comparison websites. They may have checked their credit rating online.

They tend to trust banks and building societies and have a middling risk profile when it comes to choosing where to put their money.

Channel usage & media

Highly reliant on the internet, they are among the biggest users of tablet computers. They are very comfortable managing their finances online and like online banking and accessing financial products this way.

They have a lower newspaper readership but may visit the Mail Online or Sky News websites to catch up with the news. They access Facebook fairly frequently and use LinkedIn for professional connections.

The children enjoy the kids channels on TV and all Sky channels are popular. They also particularly notice radio advertising, possibly as a result of the commuting time they spend in the car.

Demographics

Parents are in their late thirties and forties and the majority have children at school.

They have lived in their modern detached home for a number of years. The neighbourhoods they choose are popular with families at a similar life-stage and are located in suburbs from which they drive to work.

Their jobs tend to be in the range of middle and junior managers, and they work in a variety of industries, often for big companies.

Future trajectory

These people may move to B05 Family Gains and, as they grow older, to F24 Career Accumulators.

Group C Growth Phase

Type C10 Mid-way Mortgages

Well-insured parents of teenagers who are making progress in paying off the mortgage on their average home but have few savings yet

Mid-way Mortgages are mid-range families who have the security of home ownership but few additional assets. They like the protection of insurance and can lack confidence in their financial knowledge. Communications that give clear advice and reassurance are well received.

Financial position

These settled families earn above-average salaries. With two wages coming into the home, they have a healthy household income, even though one partner is often working part-time. Many receive child benefit and some claim child tax credits, which give a small boost to their disposable income.

They live in their own home worth just under the national average; they have made good progress with paying off their mortgage, and their balance is likely to be less than half the value of the house. House price rises over the years since they purchased have helped them into this position.

However, despite their age, they only have low levels of savings and investable assets, and can feel vulnerable about their future.

Financial product holdings

These families are quite settled with their current financial products and are not particularly active in looking for new accounts. Their current account is a standard one without extra features.

Most have some form of pension saving – a significant number have a final salary pension, which reflects the high proportion working in the public sector. Others have a standard personal pension or a workplace pension.

Most have a repayment mortgage and are split between choosing a variable rate or a fixed rate. A significant minority have an endowment mortgage and will need to be prepared to pay off the loan amount at the end of the mortgage term.

They don’t like financial shocks. They are aware that they don’t have many reserves should something happen to change their circumstances and therefore have a high uptake of insurance. Life insurance is favoured by a large proportion, reflecting this type’s concern for the family’s security. They are also the people most likely to have pet insurance and mortgage protection insurance.

They tend to use their credit cards to help spread the cost of purchases – it is easy and convenient even though they might find cheaper credit by using other options. They also take out unsecured personal loans to finance larger purchases.

They own a second-hand car for commuting and have fully-comprehensive insurance on it.

Behaviour & attitudes

Mid-way Mortgages are not that interested in personal finance and therefore their knowledge about credit and saving options is limited. This means that they like to get advice before buying a financial product. They read consumer financial advice websites where information is presented clearly and where the focus is on how to save money. They check product reviews before buying.

They are active at switching by using direct-to-insurer websites and comparison sites, particularly to switch their home and contents insurance.

Family is their overriding priority and the security of their future is a key motivation.

Channel usage & media

Internet-savvy, this type tends to use a tablet for searching and purchasing. They like online shopping for its convenience as time is valuable in their busy family lives. However, their purchase of financial products is split between online and offline.

They have a low readership of newspapers but may check the BBC website for news. They make moderate use of Facebook, Twitter and LinkedIn.

On TV they tend towards Sky channels and respond to TV advertising.

Demographics

This type is mostly married couples in their forties with children of secondary school age and possibly primary as well. They have been settled for a good number of years in their current home, which is usually semi-detached and relatively small.

Mainly educated to below university degree level, they are likely to be working in administrative or clerical jobs, a high proportion of which are in the public sector.

Future trajectory

Their future depends on how much they manage to save. If they do well, members of this type may move to K37 Sceptical Pre-retirees and K38 Later–life Returns. Otherwise they may become H29 Lifetime Workers.

Group C Growth Phase

Type C11 Home to Roost

Solid income families in pleasant homes where young adult children are able to stay while studying or saving

Home to Roost are older families taking a collective approach to their current circumstances. The parents are providing a home for their adult children while they start out in the world and the younger generation are contributing to the household when they can. They take a fairly relaxed attitude to their finances and appreciate advice from consumer websites.

Financial position

These mature families live in pleasant family homes – worth a little above the national average – which they own with a mortgage.

The household is likely to have multiple incomes, with both parents earning reasonable salaries and often at least one adult child bringing in some income.

It makes a significant difference to family finances if the younger generation can contribute to expenses. Some aren't earning or are still students and unable to pay their way. Generally, however, the various wages within these households add up to a comfortable mid-range disposable income in total.

Financial product holdings

These families are most likely to have a repayment mortgage with either a variable or fixed rate. The outstanding balance is likely to be worth less than the equity they now own in the house. A few have endowment mortgages and providers will want to ensure they have plans to pay off the loan value at the end of the term.

The parents are settled in their finances and are not on the look-out for new accounts. Their current account may have online fraud protection and an overdraft facility. They each have a credit card and they like supermarket financial products for familiarity and convenience.

The younger generation is just setting up their financial lives and they have a simple set-up of a current account (perhaps a student or graduate account) and a savings account. Living at home reduces their need for overdrafts.

The older generation may have accrued a modest amount of savings, which they are likely to keep in an instant-access savings account. They often have some sort of pension through their employer but don't take too much notice of the details.

Their car will have been financed via a loan, and they sometimes take on personal loans for large expenses.

They tend to have pet insurance and life insurance. The younger generation may have mobile insurance. Extras such as boiler cover give peace of mind.

Behaviour & attitudes

Tuition fees are an issue for the younger generation as they decide whether to take on these debts and go to university, even though their parents probably didn't.

Parents are quite active in switching, and they are some of the highest users of comparison websites to compare the best options for financial products and utilities.

They don’t think too hard about rates of return and don’t have many different types of savings.

Although small in number, some have claimed for an accident or injury.

Channel usage & media

Home to Roost are very internet-savvy and go online frequently, most often via a tablet computer. They are quite responsive to online advertising. Some parents may still prefer to get financial products offline though.

They tend to get their news online and aren’t big readers of printed newspapers, possibly taking the Mail or reading it online.

The younger generation are high users of Facebook and may encourage their parents to use it as well.

They aren’t big on TV viewing but like watching Sky Sports.

Demographics

These are older families, with parents typically in their late forties and fifties and adult children under twenty-five. Often more than one adult child has remained at home and some families will have a teenager as well.

Homes are often detached but of a petite size, frequently on a modern housing estate. Others are Victorian terraces. They tend to have three or four bedrooms, which gives some room for each generation in the household to have their own space.

The parents tend to be less well educated and work in a range of industries and a mix of private and public sectors.

Future trajectory

These people are most likely to become K37 Sceptical Pre-retirees as they near retirement and their children manage to achieve independence.

Group C Growth Phase

Type C12 Sharing Economy

Contemporary professionals in accessible locations, challenging accepted milestones while striving to save for house deposits

Sharing Economy are younger households living in expensive locations where it is a challenge to get on the property ladder. They are developing their careers but haven't yet achieved the financial stability they might once have imagined for this stage of their lives, continuing to rent and share. Offers that recognise their situation and give innovative solutions appeal.

Financial position

These progressive young people have been working for a number of years. Their jobs are not the highest status but they earn decent incomes. They often work for large organisations but don't necessarily feel long-term security in their jobs. Costs of living in their chosen locations are high. This combination of factors means that most still rent rather than own their homes. They live in compact or sub-divided properties that, despite their small size, are worth more than the national average. Only a minority have been able to buy.

They look for success outside of the traditional landmark of home ownership and like to find alternative answers. New solutions such as car club membership instead of car ownership find traction among this type.

Financial product holdings

This type uses mobile apps to monitor their current account and likes online banking. They probably have an authorised overdraft facility with fees and are likely to have one credit card with an outstanding balance carried over month to month. They are paying for their student loan through their wage.

They have modest levels of savings and assets and don't have many savings accounts.

Many have a pension through their employer but are often not sure what type. If they have a private pension fund it is of low value.

They usually have stand-alone contents insurance to protect their possessions and often have mobile phone insurance, and they are the type most likely to have claimed on mobile phone insurance. Few own cars.

Behaviour & attitudes

Home ownership may feel out of reach for these people but they are getting on with their lives anyway. They are open to new products and are the least likely to stick to the same brands every time they shop. They like to get advice before buying things and this comes from a combination of online sources such as financial advice sites and friends and family.

While they don't have complex financial product holdings, they are likely to be sensitive about their financial position with a view to buying a house in the future and are aware of their credit rating and how to go about improving it if necessary.

They notice adverts on public transport but expect them to be entertaining if they are to be persuaded of the message. They also notice online advertising and billboards.

Channel usage & media

The internet is their main source of information; they are very confident online and use it for everything, often via their smartphone. They are happy to buy financial products online.

Sharing Economy are big social networkers of all types and tend to get their news from Facebook and Twitter. They receive many offers via social media but don’t necessarily respond.

Printed newspapers hold little appeal to them, though they may read papers like the London Evening Standard or the Metro occasionally as they travel to work.

They don’t spend much time watching TV.

Demographics

These younger households are mostly aged in their twenties and thirties. There is a mix of household types – singles living alone, couples sharing and home-sharers. Around a third of households have children.

They are well-educated and employed full-time in a range of industries. They tend towards the public sector (education and public administration in particular) and the third sector but some work in the private sector.

They live in flats or terraces with one, two or three-bedrooms. They have not lived in these properties for many years. They can be found in city centres – particularly in London – or in the centre or inner suburbs of larger towns. Their chosen neighbourhoods are young and often multi-cultural. Housing tends to be expensive in these locations and has often been rising even further out of reach in recent years.

Future trajectory

Members of this type tend to move between J35 Stepping-stone Singles and H29 Lifetime Workers.

Group C Growth Phase

Type C13 Maximum Outlay

Double income young families with childcare costs and large mortgages in the best family home they can afford

Maximum Outlay are young families at a demanding stage of life. They earn good salaries but have many expenses, including mortgage and childcare payments, so are looking for ways to reduce costs and often need credit. Time is also a scarce resource, so they need application processes for financial products to be quick and easy.

Financial position

These determined young families have stretched themselves to their limits to get a mortgage on a family home. Their houses are worth a little below the national average and are petite but pleasant – helping fulfil their dreams of family life even if space is tight.

One partner may be at home or working part-time but most households need two incomes to cover the mortgage payments and expenses. Both partners are earning reasonable incomes in their mid-range jobs but they have many outgoings with high mortgage payments, childcare costs and all the other costs of raising children. Child benefit and, for some, child tax credit give a welcome top-up to their incomes.

They have modest savings as they have ploughed all their resources into the family home.

Financial product holdings

They have repayment mortgages with a high loan-to-value ratio and therefore may not be able to access the best interest rates. They usually choose a fixed rate deal to ensure a change in interest rate doesn’t make payments even higher.

They have a standard current account and like having a mobile app to monitor their account and overdraft facility. Supermarket-branded financial products are popular.

They have a high use of credit, particularly credit cards that have a balance carried over month by month, and authorised overdrafts.

Many have some form of pension with their employer.

They are keen on insurance. Most have life insurance and they often have mortgage protection insurance and possibly income protection – anything that ensures the family’s security should their income change. They are less likely to pay out for other add-on insurance products as these are just too much expense for them. They may have pet insurance, however, as they count their animals as part of the family.

They rely heavily on their second-hand car and so need insurance for that to keep them mobile.

Behaviour & attitudes

Maximum Outlay are very active in switching and are some of the highest users of price comparison websites to change supplier, whether for insurance policies, balance transfers or utilities.

They check product reviews and value the opinion of experts. They may respond to branded emails but they are most responsive to online advertising and radio advertising.

They have a moderate risk profile.

Channel usage & media

Very confident online, they use their smartphones often and depend on the internet as their main source of information. They like to use online banking and see online shopping as an important time-saver. They use these services regularly, are happy to use bank cards online and are also comfortable with applying for new accounts online.

They get their news most often from a news app – they are very unlikely to read a printed newspaper. They may look at the Mail or the Guardian online.

They couldn’t get through the day without mobile communications. They also get news from Facebook and Twitter and check Facebook several times a day on their smartphone.

Television viewing is often dominated by the children’s choices – channels such as CBeebies.

Demographics

These are young families where parents are usually in their thirties and children are pre-school or primary age.

They tend to be in lower professional, lower managerial and clerical-type jobs and many are university-educated. They often work in the public sector, particularly in education, health and social work. Alternatively, they may be working as team leaders and supervisors within large private organisations.

They have been settled for a few years in their three-bedroom homes and can be found in suburbs all over the country.

Future trajectory

Over time members of this type will move into C10 Mid-way Mortgages and G27 Mid-life Motivation as they age and pay down the outstanding balance on their mortgage.

Group D Deal Seekers

Type D14 Cost Optimisers

Young families in small affordable modern homes, maximising their finances with savvy deals via smartphones and tablets

Cost Optimisers are young couples earning average salaries and living in good-value homes. They are not afraid of using credit to achieve their goals and they seek out ways to reduce their costs and make savings. Social media is a key communication channel and offers that give discounts and money saving tips are likely to be noticed.

Financial position

These are pragmatic young families where most parents are working full-time and earning mid-range salaries. They live in affordable, modern homes – half own with a mortgage and half rent from a private landlord.

They have low savings but use a variety of strategies to afford the things they need. They may take out credit for larger purchases or they may look for lower-cost options that are within their price range.

If they can keep on top of their budgets, their practical approach provides their families with their needs.

Financial product holdings

Cost Optimisers are frequent users of credit through a variety of means. They are the people most likely to have a car loan (they own a second-hand car, which is needed to get to work); they also tend to use hire-purchase agreements, credit cards and personal loans.

They have a current account with an authorised overdraft facility that they make use of and they like to have a mobile app to keep a close eye on their balance.

They have low levels of savings, with the exception of those saving for a house deposit who will keep their funds in an instant-access saver account. They make some pension contributions through their employer.

Those with mortgages have a repayment mortgage, usually on a fixed rate deal. Some may have taken advantage of shared ownership as a way of getting on the property ladder.

They often have pet insurance, and homeowners like to have mortgage protection insurance to give them security if they lose their job. They don't tend to buy add-on insurance.

Behaviour & attitudes

They are active switchers and use price comparison sites to find the best deals, particularly for insurance or balance transfers. They don't know a lot about the world of finance, so supermarket-branded products appeal – these are the names they know and trust.

They are very cost-conscious and are usually happy to spend extra time sourcing cheaper options. They like websites that offer them money-saving tips.

They have a high use of sites such as Gumtree and Freecycle to find cheaper alternatives to High Street shopping.

Channel usage & media

They are very reliant on the internet, often using a smartphone as their primary device. They buy items using PayPal and are happy to purchase financial products online.

They are heavy users of social networks, using both Facebook and Twitter, and are the people most responsive to offers on social media. They are also responsive to adverts on TV and online advertising and often see advertising as helping them choose what to buy. They are very disengaged with printed media, though.

For those with children the television is dominated by kids' channels such as CBeebies and Disney; the adults also enjoy watching Sky Atlantic. They are likely to multi-task online while watching television.

Demographics

These are mostly younger couples in their twenties and thirties who tend not to be married. Around two thirds of them have started a family, most often having one child of pre-school age so far.

They live in modern two/three bedroom flats – homes they have moved into in recent years. These are more affordable in value and worth considerably less than the national average.

Some are university educated; others finished education earlier. They are employed in a range of industries and sometimes in the public sector and are likely to work for large organisations.

Future trajectory

Renters within this type may move into C12 Sharing Economy if they follow jobs to urban locations; others may move into G27 Mid-life Motivation as they age.

Group D Deal Seekers

Type D15 Full Nesters

Multi-wage families with decreasing mortgages but few savings, where young adult children can't afford to move out

Full Nesters are older parents whose adult children are still living in the modest family home. This can be a bit of a squeeze. The younger generation are looking for first accounts and the older generation favour safe choices and extra insurance. They are generally risk-averse and cost-conscious.

Financial position

These financially cautious families live in homes that are worth well below the national average but they have made progress with paying off the mortgage and own a good proportion of equity.

Their individual incomes are quite low, but the combined household income can be reasonable where the older children are contributing. They are split fairly equally between households where children are in a position to contribute and those where they can't as they are studying and not earning.

The parents haven't managed to put much aside so far over the course of their working lives and the total value of their savings and investments is very modest. Their home remains their main asset.

Financial product holdings

The outstanding balance on their mortgage is relatively low. They most often have a repayment mortgage, with half choosing a variable rate and half a fixed rate. A few have an endowment mortgage and will need to ensure they can pay off the balance when they reach the end of the mortgage term.

They make some use of loans to purchase large items such as cars and may have an unsecured personal loan for other expenses. Generally speaking, however, they prefer not to take on too much debt.

The parents have a modest personal pension fund or a pension via their employer.

The younger generation have simple finances, with student loans covering tuition fees for those who are studying.

Some have life insurance, which may be linked to the term of their mortgage. They also have a tendency to take out extra insurance such as boiler cover or appliance cover, which reflects their risk-averse attitude and fear of being caught out with a big bill they weren't expecting. They also need insurance for their cars, which are used frequently – often to get to work.

Behaviour & attitudes

Full Nesters tend to have a prudent attitude towards their finances. They are mostly unwilling to take risk and look for security in their financial choices; they tend to be price-sensitive and prefer value over quality in many cases; they like to take advice and are not always confident in their own financial management skills.

They shop around for deals at policy renewal time and will use comparison websites.

Claims on pet insurance are above average.

Tuition fees are an issue for the young people in these families and the level of debt needed to gain a degree can be a daunting prospect. The level of the minimum wage is also a concern.

Channel usage & media

They use laptops and smartphones to access the internet. The young generation use the internet to research student options and accounts, access social networks (particularly Facebook and Twitter) and download TV shows and movies. They also keep their parents up to date with the latest developments and apps.

As a family they are responsive to TV advertising, tending to watch ITV and Sky channels. They don’t often read newspapers either in printed form or online, but read non-broadsheets occasionally; they prefer to get their news from television.

Demographics

These are couples usually in their late forties and early fifties with young adult children living at home. Nearly half also have a teenage child in the house.

They live in three-bedroom economical homes that are a little small for the number of adults they now house.

The parents are not highly educated and tend to work full-time. Some of the children are working and some are students.

Future trajectory

Members of this type are most likely to move into I32 Combined Income as the couples age or K38 Later-life Returns when children eventually leave the nest.

Group D Deal Seekers

Type D16 Best-buy Budgets

Growing families with modest incomes, getting by with the help of loans, child benefit and an eye for deals

Best-buy Budgets are families with younger children living in low-cost homes. They often need to supplement their income with the use of loans or credit but are keen to save money wherever they can by choosing budget brands or switching suppliers. An emphasis on value for money catches their attention.

Financial position

These price-conscious parents earn salaries from mid-range technical and administrative-type occupations, which tend to be around or below the average wage. The main salary may be higher and the second lower due to part-time working or the need to find work that fits around the children's needs. However, having two incomes improves the overall household budget and, though their disposable income is quite low, they can be adept at making it stretch as far as possible. They are the type most likely to receive child benefit and child tax credit.

Most own their homes, which are low in price but still have a high mortgage balance outstanding. The value of the house is unlikely to have risen much since they bought it. A smaller proportion rent from the council or housing associations.

They have few assets saved and often rely on loans and credit for funding their family's needs.

Financial product holdings

As they don't have much cash to spare each month, they like to have a current account with a mobile app or text alerts so they can check their balance regularly, plus an overdraft facility available in case it is needed.

This type is the heaviest user of loans – both secured and unsecured – and may have used these to buy things for the children or perhaps make improvements to their home environment. They may also have debt on their credit card.

They have very few assets, just a few low-level savings put away. Those in work are likely to make some contributions to a pension scheme.

Their mortgage is on repayment terms and they are divided in choosing a variable or fixed rate.

Extra insurance add-ons are mostly considered an unnecessary expense but they need insurance for their second-hand car, used for commuting.

Behaviour & attitudes

This type likes to find ways to save money. They are very active switchers, using comparison websites to find the best deal at the end of an insurance policy, to switch between utility suppliers or to transfer credit card balances.

They are also open to new brands if it will save them money and are the least likely to buy a product just because it is a well-known brand.

They are mid-level risk-takers and don't tend to have strong political views about financial matters.

Their family is their focus and is far more important to them than their career.

Channel usage & media

The internet is used heavily, particularly via smartphones, and they rely on it for information. They look for financial products both online and offline and use PayPal for online shopping. They notice online advertising and may respond.

They couldn't get by without their mobile for communication and have a very high use of Facebook, via both smartphones and tablets. They are quite responsive to social media offers and will share those they think are worthwhile with their friends.

Facebook, Twitter and TV provide sources of news and they have a very low newspaper readership, maybe seeing the Sun or the Mirror occasionally. On the TV they watch children's channels and Sky channels.

Demographics

Best-buy Budgets are couples in their thirties with children who are mostly pre-school and primary age. A high proportion of couples haven't chosen to get married.

They have moved during the last 10 years into their budget homes, which are small terraces or semis, worth perhaps half the national average.

They work in industries such as manufacturing, distribution and retail. Quite a number work in the public sector, particularly in health services.

Future trajectory

People in this type who make progress paying off their mortgages and manage their credit needs are likely to become C10 Mid-way Mortgages. Alternatively they may become E18 Collective Bargains and H29 Lifetime Workers as their children grow and begin adult lives of their own.

Group E Family Pressures

Type E17 Discount Hunters

Low wage households, most with children, who look for low-cost options and swap tips with family and friends

Discount Hunters are cash-poor households in low-rent housing trying to live within their means. A sense of community is derived from common circumstances and information on cost-saving is shared. No-frills offers and money-saving tips will appeal.

Financial position

These households live in very low-value houses in urban locations. Their properties are mostly rented, either privately or from councils or housing associations.

Around two thirds of adults are employed, earning low wages. Families are in receipt of child benefit and child tax credit and some people receive housing benefit. Those households with more than one income or which share household expenses are in a better position than those having to manage on a single wage.

Some try to put savings aside regularly to act as a buffer when expenses arise or to help them to climb out of the cycle of renting and into full or shared home ownership.

This type is united in low income; whether they can work their way up from their current position depends on their future earning ability and their choices over saving and debt.

Financial product holdings

Most have a current account and like to have a mobile app and text alerts to see how much money they have. A significant minority only have a basic account, though they would like to open a standard current account in the near future.

Savings are likely to be held in a simple instant-access savings account with a big High Street bank. They are unlikely to have much pension provision but those in work are contributing to a workplace pension.

They sometimes make use of credit, perhaps via a credit card or an unsecured personal loan. Costs can get out of hand for a few and there are times when they may get behind with bills.

Some have a student loan but are either still studying or yet to capitalise on their further education.

They have very low levels of insurance and few own cars; they are more likely to get the bus to work or the shops.

Behaviour & attitudes

Their favoured method of transport means they are most likely to see advertising on bus stops.

They share information with friends and family on bargains and offers and like to pass on their own knowledge to others about the best purchases. They use sites such as Gumtree and Freecycle to find cheap or free second-hand items.

Some try switching but they are less likely to use price comparison websites, preferring to ask the advice of friends and family or perhaps to go into their local bank to see what's on offer.

A good number are motivated by career progression and want to improve their situation.

Channel usage & media

Discount Hunters have an average use of the internet and are more likely to access it using a smartphone. They notice online advertising and check reviews before buying.

They have a very low printed newspaper readership but some will look at a range of newspaper websites, particularly the Metro.

Some use Facebook frequently but it's not universal. Those who do will "like" a financial company's Facebook page if doing so will get them offers and promotions.

They are low viewers of mainstream TV channels.

Demographics

While two thirds of households in this type have children (mostly pre-school and primary age), there are many different types of family structure with singles, cohabiting couples and people sharing all occurring. Most adults are aged under forty.

They live in two/three-bedroom terraces in areas where property values may have gone down rather than up.

Neighbourhoods are urban and some have a cosmopolitan mix of people.

Work tends to be in lower-level jobs. Unemployment levels are above average.

Future trajectory

Some of this type may move into I30 Family Networks if they are able to afford home ownership. Others may age over time into L41 Ageing Basics.

Group E Family Pressures

Type E18 Collective Bargains

Crowded households with kids and extra adults, on low hourly rates but pooling resources in social-rented homes

Collective Bargains are households taking a shared approach to financial survival by continuing to live together and combining their incomes to cover bills and necessities. Their focus is on finding low prices and they want to be entertained by advertising.

Financial position

These are multi-generational families living together as the younger family members can't afford a place of their own. Those in work earn low wages in low-skill jobs and there are quite high levels of economic inactivity. But their accumulated household income helps them to afford the basics and have something left over for general living.

Most are renting their modest-valued house from the council or a housing association and they are likely to receive some benefits.

With little cash to spare, it is a struggle to put any savings aside week by week. For the older generation this is a familiar way of life and they are experienced in searching out bargains to stretch their money as far as possible. The younger generation will be looking for opportunities to gain greater independence, whether through further study, training or finding a job.

Financial product holdings

Most have a standard current account without extra features. However, a high number don't have a bank account at all or only have a basic bank account.

Many don't have credit cards, though some may have a card for people without a good credit history. They have very low savings generally and few pension savings.

They use a variety of sources of credit such as mail-order credit – to spread the cost of payments – and authorised overdrafts. They sometimes also make use of a home-collected credit loan. They are at risk of falling behind with payments if they don't keep on top of things.

They have low levels of insurance, with possibly just a stand-alone contents policy and car insurance for those households with a car. They are the type least likely to have travel insurance and to use any legal services.

Behaviour & attitudes

These people seek low prices above all else and don't want to pay more for higher quality, which would seem a waste of money. They enjoy the novelty of new discount brands.

Cash is often still a preferred method of payment. For some it will simply be because they don't have a payment card; for others it may give them a better sense of how much they are spending than using a card, as they are aware they can be impulsive spenders.

They wish the minimum wage was higher, as this could make a significant difference to their income.

Channel usage & media

Collective Bargains have a mixed use of the internet – the older generation relying on it less but the younger generation heavily dependent on it for social networking, which they use a lot. They don't tend to use price comparison sites.

TV is an important source of entertainment and they are most likely to notice advertising on the television. They enjoy seeing ads with favourite celebrities and like ads to be fun. Sky channels are popular.

They don't regularly read newspapers but might sometimes see a copy of the Sun. They also enjoy listening to local radio.

Demographics

These extended families have multiple generations of adults; parents are in their forties and early fifties and adult children are under twenty-five. Most have a younger child in the household as well.

They live in three-bedroom semis or terraces, often on estates.

A high percentage of the older generation finished school at sixteen. Some struggle to find work, others are unable to work, or look after the household and home.

Future trajectory

As these families age they may move to L40 Workaday Families.

Group E Family Pressures

Type E19 Budget Deficit

More deprived households with children, struggling to afford necessities and at risk of falling behind

Budget Deficit are especially low-income households with children, dependent on social support and at significant risk of financial exclusion. These households have no financial safety net of their own should a crisis occur. Communications should clearly indicate benefits and actions.

Financial position

This type's poor financial circumstances mean they have few choices and need support. With limited qualifications, it can be hard for them to find employment. The cost of childcare can also be prohibitive for them and many can't afford to work. They are therefore often dependent on benefit income. Those in employment are in low-wage, low-skill work.

They rent very low-value social housing for which they are likely to receive housing benefit.

They have little or no savings available for unexpected expenses. Many have no disposable income at all, with choices constantly having to be made in spending.

Financial product holdings

A significant minority of this type has no bank account; others just have a basic bank account as they have been unable to open a standard account. Those with current accounts favour High Street banks.

Few have a savings account or credit cards. They are highly unlikely to be saving towards a pension, and they have no investments and no mortgage.

This type has the highest use of mail-order credit and appreciates the opportunity to pay for goods over a long period of time.

Other methods of financing expenses and bills are also sought when money is tight, and these tend to be more expensive forms of credit. Those with bank accounts may use an unauthorised overdraft; others may take out a home-collected credit loan. Payday or short-term loans are also attractive to them when money runs out. For some emergencies, they may be able to apply for a Social Fund budgeting loan.

They have low levels of insurance, perhaps having a stand-alone contents policy.

Behaviour & attitudes

Maintaining a family on such a low income is a day-to-day challenge. They look for the cheapest options and extended payment schedules wherever possible.

Often at risk of falling behind with payments, they appreciate active support from creditors should they struggle to keep up.

Advice is most often sought on family matters and on issues and appeals relating to benefits and tax credits.

While some attempt to switch supplier via price comparison websites, they can be put off by complex processes.

Budget Deficit think wealth should be more redistributed, benefits higher and the minimum wage increased to ease their burden.

Channel usage & media

Access to the internet is considered a necessary expense and is most often via a smartphone. They are high users of Facebook to communicate with friends and use the internet to find good deals for items they might otherwise be unable to afford, such as second-hand items or free re-usable goods found locally. They also make use of online voucher websites to find discounted offers.

Television is an important source of entertainment. They are less likely to watch BBC channels, tending towards ITV and Sky, with premium film channels a valued luxury in some households.

Demographics

While family structures are varied – including single parents, couples and multiple adults – these tend to be younger households with most adults aged in their twenties and thirties. Around two thirds of adults are women. A significant proportion of households have higher numbers of children, perhaps three or four in the family.

Poorly educated, they live in social-rented houses, often on an estate with generally high levels of disadvantage.

Future trajectory

People in this type are most likely to become L41 Ageing Basics or E18 Collective Bargains over time, depending on whether the children leave home when they reach adulthood.

Group F Established Investors

Type F20 Prime Capital

Super-rich households in prime city properties who are comfortable taking risks for big returns

Prime Capital are high-status households enjoying the highest income and living in expensive real estate. They are looking for the best returns on their investments and tax-efficient ways of making their money work for them. They appreciate knowledgeable insight into the best current investments, whether through publications or online newsletters.

Financial position

Prime Capital's property alone puts them in the millionaire bracket. In fact, for many, being simply a millionaire may not feel like an achievement in their wealthy circles.

Their high incomes are likely to come from a wide range of sources – investments, property and earnings from top jobs. They can afford to live a luxury lifestyle and have a large disposable income.

They live in the most expensive properties, some owned outright and others with a large mortgage. Property is always seen as an investment as well as a home, and their houses have risen significantly in value.

This type has significant savings and investments and is constantly on the look-out for good investment opportunities. They take a keen interest in new financial products and are attracted by good rates of return – anything to beat the return on cash.

Financial product holdings

Prime Capital have cash available in many accounts, some with private banks, and use multiple premium credit cards.

They own a large portfolio of investments – property, equities, bonds, unit trusts, OEICs, investment trusts and physical investments such as art or classic cars. Many choose to use the services of a wealth manager.

They may have a large mortgage and this is more likely than average to be on interest-only terms. They will pay off the outstanding balance with the proceeds of other investments.

Tax planning is a big issue for this type, as many are in the top income bracket. They face hefty tax bills unless they manage their money effectively, making tax-efficient ways of saving very attractive to them. They make the most of any tax breaks such as saving into pensions – which are sizeable – and ISAs. Many are likely to have a SIPP, which gives them freedom to invest their pension portfolio as they choose.

Inheritance planning is an issue for this type and influences how they arrange their financial affairs.

They are sensibly insured and many have life insurance and private medical insurance. Some have income protection insurance. They may well need specialist insurance for luxury purchases.

Behaviour & attitudes

Ambitious, driven and hugely optimistic but never complacent about their needs for the future, they take a close interest in the state of their investments, very carefully choosing who they trust to manage their money.

Even if not working in financial services, they enjoy the world of investments and are aware of opportunities and risks and how the current political and economic landscape affects these.

They are very comfortable with taking calculated risks to generate higher returns. Recognising that cash savings may be eroded by inflation, they tend to view products labelled as low-risk as potentially costly. They are also uncomfortable with the opportunity costs – the loss of potential gains – that come with a conservative approach to investing.

They enjoy taking risks and like to own expensive, quality products.

Channel usage & media

They are very comfortable online and manage their finances and do a large amount of purchasing online. They use the convenience of the internet fully to manage their lives and they notice online advertising.

Time is too precious for them to spend much on testing the competitiveness of energy or insurance providers, but once prompted to engage in a review they are highly likely to switch for a better deal.

They read a lot about business, finance and economics and notice ads in publications. They get their news from multiple news sites online and read City AM, the Financial Times and the London Evening Standard.

They are engaged with LinkedIn and Twitter on multiple devices. They have little time for television except to catch up on the latest news and perhaps some sport.

Demographics

This type is most often found in London and near other major cities. Homes include expensive central city properties and large houses in exclusive streets.

Most are in their late thirties to early fifties. They work in areas such as financial services, real estate and law or run their own business, holding positions as board directors and chief executives.

Future trajectory

People in this type are settled on a wealthy course. They may move to F21 First-class Families or F22 Executive Dividends.

Group F Established Investors

Type F21 First-class Families

High-end families whose extremely successful careers have given them expensive homes and sizeable assets

First-class Families are wealthy parents living with their children in expensive family homes. They have substantial assets and take a keen interest in their finances. Time is precious and pertinent communications that give well-presented information are most likely to catch their attention.

Financial position

These high-achieving families earn big salaries and have high-value assets that include a large family home.

Both parents have successful careers, though one may work part-time while the children are young. Two high incomes coming into the household mean generous resources are available to them. High salaries are earned from senior management and professional roles. Some are self-employed and others earn dividends from their own business.

Many of these families choose to educate their children privately and the financing of school fees features highly in their planned expenditure.

Financial product holdings

These families regularly increase their savings and investments and are always interested in new products. They have already accrued high levels of investable assets that are spread across many types of product.

They are highly likely to own shares, either individually or through pooled investment vehicles, and often in an ISA wrapper – they make use of each year's ISA allowance. Many have a buy-to-let property, possibly as an investment for their retirement.

They have also accumulated significant amounts within their pension funds. Some are part of a final salary scheme; others have SIPPs or other personal pensions. Though they have more assets than most, they are still uncertain as to whether their pension provision is sufficient.

A sizeable mortgage is often their only debt; many have interest-only mortgages. They have multiple credit cards for convenience.

They are highly likely to have life insurance and are the people most likely to have private medical insurance. An annual travel insurance policy is the norm to cover their multiple trips abroad.

Behaviour & attitudes

Quality is imperative in all aspects of their life, and they have high requirements of the people they choose to give their custom.

They have a strong interest in personal finance and read specialist articles on managing their money. They are comfortable with taking risks for higher returns.

They are likely to pay significant amounts of tax and are therefore attracted to tax-efficient ways of saving.

While they may shop around for insurance deals, this often isn't top of their priorities. They will do research before they buy and are more likely to respond to branded emails.

They are likely to notice advertising on public transport and at airports while they travel for business and leisure.

Channel usage & media

First-class Families are highly likely to use online banking to manage their day-to-day finances and to review their savings. They are very comfortable online and happy to browse for new financial products and apply for accounts. Online shopping is a day-to-day part of life.

They read printed broadsheet newspapers – the Guardian, the Telegraph and the Times – but are also likely to view them online. LinkedIn and Twitter are used for professional purposes.

Their achievement-focused lifestyles don't leave much time for watching TV.

Demographics

These are families where parents are in their forties and early fifties and are living with two or three children, often teenagers. Some households have adult children living at home.

They live in spacious and highly specified homes with many bedrooms. They have not lived in their current, high-status house for very long – it represents their most recent step up the property ladder.

They are found predominantly in London but also in, and within a commutable distance of, other major cities. They are highly educated and live in neighbourhoods where they are surrounded by other wealthy professionals.

Future trajectory

Depending on their future level of success, members of this type may move into F20 Prime Capital or F22 Executive Dividends.

Group F Established Investors

Type F22 Executive Dividends

High status households with large detached homes in exclusive postcodes, working actively to maximise their portfolios

Executive Dividends are wealthy older couples with high-value investible assets that they actively manage. They appreciate communications that keep them up to date with economic and business news and offer them the latest investment ideas.

Financial position

These moneyed couples are in an extremely affluent position after saving and making investments over many years. They have built up a sizeable portfolio of assets that are invested in many ways and they live in an upmarket detached home that is likely to be owned outright.

This type is split between those who are still earning and saving significant sums and those who have taken early retirement and are enjoying the fruits of their careers. Those still working have high-status jobs, many as directors, which give them high disposable incomes. Those who have retired have accumulated sufficient pension funds to enjoy a very pleasant retirement. A number choose to continue working on a part-time or consultancy basis to enjoy the best of both worlds.

They may have sacrificed a lot for their career, but they are now reaping the financial benefits.

Financial product holdings

These people like premium current accounts and have multiple credit cards and high-end store cards.

They have substantial amounts of savings and the highest levels of investible assets. Equity ISAs and notice savings accounts are standard. They also seek out alternative savings accounts and may put cash in structured products if a trusted advisor recommends it. They own government and corporate bonds as well as shares in individual companies or unit trusts and investment trusts.

They also have very high-value pension funds and many have a buy-to-let property as part of their pension provision. They often have a final salary pension scheme to rely on, and many others have a SIPP that they value for the ability it offers them to invest where they choose.

Many have private medical insurance and need insurance for their executive-standard cars. Annual travel insurance is an obvious choice for their regular foreign trips and they may need specialist insurance for high-value items.

They are highly likely to use legal services for powers of attorney, conveyancing and writing wills.

Behaviour & attitudes

Executive Dividends manage their finances very well, taking an active hand in running their money, often through online platforms. They don’t mind taking risks with their investments. They take into account financial and economic news when making investment decisions and look for profitable returns. They have a natural interest in business and finance and how this affects their personal position. If not committed to DIY investment, many will consider the services of a professional wealth manager.

They prefer quality, well-known brands that they know and like.

If they believe their insurance premiums are looking high, they may ask their insurance broker to enquire about better deals.

Channel usage & media

They are not the most up to date with gadgets, often preferring to use a desktop computer rather than a smartphone for accessing internet sites. However, they are very comfortable managing their finances online and often access their investments via an investment platform.

They regularly read financial magazines and the money sections of broadsheet newspapers such as the Times and the Telegraph. They also read the Telegraph online.

They haven’t embraced social networking particularly, preferring more traditional networking strategies.

If they have time to watch any television they often select BBC Four or Sky News and Sports.

Demographics

These married couples are in their fifties and older. Their children have now left home though a proportion have an older child still living with them; a minority are living alone.

Their spacious detached houses have many rooms and often at least five bedrooms. They have been settled in these homes for some time.

Those who have not taken advantage of early retirement often commute some distance to work, frequently in London or in other large cities. They live in exclusive postcodes full of status houses alongside other wealthy families.

Future trajectory

This type is extremely stable with a secure future and these people are likely to remain in this type. Some may become M44 Privileged Pensioners.

Group F Established Investors

Type F23 Affluent View

Success for these older families has brought beautiful homes in green settings and solid savings

Affluent View are successful older families who have chosen a lifestyle based in attractive detached houses on leafy lanes. They work in professional jobs or are self-employed and have good savings and assets. Time and opportunity affect their purchasing decisions.

Financial position

These well-off families enjoy living in good-quality, desirable homes, often in a rural location. Some have paid off the mortgage but most are still making payments, which can be quite high.

They have a very comfortable household income derived from professional and managerial jobs or from the profits of their own business. Their disposable income depends on how much of their mortgage they have paid off.

They have a good level of savings and assets and their net position is healthy.

Those whose income comes from salaried jobs have dependable finances and can reliably plan expenses and savings. For others, income is dependent on the current success of their self-employment or small business, which may lead to peaks and troughs in resources.

Financial product holdings

Their savings are held in a range of products such as instant-access accounts, cash ISAs, premium bonds and fixed rate savings bonds. They are also likely to hold shares.

Their pension isn’t always as well funded as others of similar income. A number have a SIPP for flexible pension saving but they also have a higher likelihood of owning additional property or land that could be viewed as retirement provision. Others see the value in their business as part of their potential pension fund.

They are likely to have one or two credit cards for the convenience of making payments and their current account is sensibly managed. The higher levels of self-employment in this type mean that for some income from month to month may vary, and they may use an authorised overdraft when cash flow requires it.

Their location means that owning at least one and possibly two reliable cars capable of high mileage is a priority; they may have purchased these with a car finance loan. They have fully comprehensive car insurance.

They may have dental cover and private medical insurance. Their situation lends itself to animal ownership and they often have pet insurance – and a tendency to claim on it.

Behaviour & attitudes

This type like owning quality goods and they are prepared to pay more for items that will last. Time is also an important factor in purchasing decisions, particularly when shopping may entail a significant journey.

They have a moderate-to-high risk comfort level and take an interest in business and finance generally.

They are average switchers and use price comparison websites and insurer websites to find the best deal.

Channel usage & media

They are fairly confident on the internet but may have issues with connectivity which prevents them from really active engagement with the online world. Broadband speeds and weak phone signals might cause frustration, but a lack of shops and facilities in the local area means that many cannot manage without the internet. It is used frequently for browsing and buying, and online banking is very popular. Some financial products may still be purchased offline. They only have a moderate use of social networks.

They sometimes notice advertising in printed magazines and may respond to direct mail. Radio is an important source of news. Some read broadsheet or blue-top newspapers as well. The Telegraph website is popular.

This type does not have much time for television, preferring Channel 4 and BBC Four if they do choose to watch.

Demographics

Affluent View households are mostly made up of couples and extended families. They tend to be older – from their late forties up to retirement age – but the younger among them are likely to have children. Some households have adult children living with them.

A number of this type are directors of small companies. These may be related to tourism or a local trade. Small local businesses are the most common workplace.

Their homes have four or five bedrooms and plenty of space. They are often characterful older properties with individual names and are located in rural areas and on the outskirts of conurbations.

Future trajectory

While the majority tend to remain in rural homes, some may be tempted to move nearer to a city and become F24 Career Accumulators. Others may have success in their business and move to F22 Executive Dividends.

Group F Established Investors

Type F24 Career Accumulators

Older households whose lifetime commute has paid off with a substantial portfolio saved, now searching for profitable investments

Career Accumulators are successful older professionals who have saved carefully over the many years of their working lives. These regular amounts have turned into a considerable portfolio of assets. They take a keen interest in personal finance and look for information to add to their knowledge of investment options.

Financial position

Long-term success has given these older households a substantial fund of savings. Most continue to earn good incomes and they own their comfortable suburban detached house almost if not completely outright.

This type includes some owners of small companies and entrepreneurs who have achieved success through developing a business. They are aware of tax-efficient methods of payment and saving and use them where possible.

Personal incomes are very respectable and more than one salary in the households adds up to a comfortable overall income with money to spare for saving or spending. Some may have taken early retirement or be working part-time during their pre-retirement years.

They have reached a stage of life when some may inherit from their parents, significantly boosting their net worth.

Financial product holdings

This type has many financial accounts, often starting with premium current accounts for day-to-day transactions. They hold cash and equity ISAs and will ensure they use each year's ISA allowance. Some invest in structured products – usually after consulting a financial advisor or wealth manager.

Their pension fund is healthy. A good number have SIPPS rather than standard personal pension schemes. This type has the highest occurrence of endowment policies and is open to other types of investment as well. They are highly likely to be adding to their savings and investments in the next year.

Disciplined and prudent, they have prepared well for retirement but can still have anxieties about whether they have a sufficient amount put aside, given growing life expectancy and the uncertainty of markets. Many in employment have a final salary pension scheme to depend on.

They will have several credit cards for convenience. If they have any mortgage, it has a small outstanding balance with minimal payments.

Private medical and dental insurance is often held, with those running their own business particularly keen to minimise any time away from work.

Annual travel insurance is popular. Some like to have additional insurance for items such as boilers so they can get a quick and reliable response should anything go wrong. They have good-quality cars and fully comprehensive car insurance.

Behaviour & attitudes

Career Accumulators are always looking for profitable ways to invest money, seeking enhanced yields and secure returns.

They are not excessive risk takers. They take a keen interest in personal finance generally and are knowledgeable about the products available to them. They are strongly opposed to the concept of a wealth tax.

They are quite active at switching and are the type most likely to use consumer financial advice websites or visit the websites of insurers or brokers they know.

Channel usage & media

Heavily reliant on the internet, they use a wide variety of financial sites to research financial advice, find products and apply for accounts.

They tend to get news from the television and from the BBC News website. They are only moderate readers of printed newspapers. Those who do buy a paper lean towards the broadsheets and read the money sections with interest.

They are unlikely to use Facebook and are not great Twitter users but are more likely to be on LinkedIn in their professional guise.

When watching television, they are most likely to turn to BBC1, BBC2 and Sky Sports.

Demographics

This type is mostly in the pre-retirement life-stage, aged in their fifties and early sixties. Most are couples, though some live alone and some with the addition of adult children in the household.

They are well-educated and many have additional professional qualifications.

They have lived in their pleasant suburban detached homes for many years.

Future trajectory

Some of this type may move into F22 Executive Dividends, others will become M44 Privileged Pensioners as they move into retirement.

Group G Career Experience

Type G25 Professional Identity

Successful singles progressing in good careers, some still have sizeable mortgages and they work hard to boost their financial position

Professional Identity are older professionals who have good assets thanks to careful management of their income. They like quality products, research thoroughly before buying and are sensible in their investments. Product offers should provide thorough details and emphasise distinct features.

Financial position

These experienced earners bring home good salaries from professional jobs and usually live on their own. They have made careful provision for their finances, squirrelling away savings over many years, resulting in a solid holding of savings and assets.

Most have a sizeable mortgage still to pay on their pleasant home but disposable incomes are generally good and they don't have much need for credit.

They take pride in their professional success and their sensible approach to finances is a source of satisfaction.

Financial product holdings

For day-to-day transactions these people have a current account and several credit cards. Some like to have a premium current account.

Many have accrued a good level of savings and investments and have a number of different accounts such as instant-access building society accounts, cash ISAs and premium bonds. Many own shares and some have a second property as an investment. They may consider a structured product with the help of a financial advisor.

They are careful to make provision for their retirement. Many have a defined benefit scheme via their employer; others have either a SIPP or a personal pension. They are pragmatic about their pension future and save the most sensible amount they can.

Their outstanding mortgage is often still significant so they select deals carefully; deals offering a discounted interest rate for a period of time appeal. They generally don't need credit except perhaps to buy a car.

They are sensibly insured with joint home and contents insurance and fully comprehensive car insurance. Some have annual travel insurance and a number have private medical insurance.

Behaviour & attitudes

Professional Identity actively shop around for deals, particularly for their car insurance and utilities. They use price comparison sites and look directly at companies' own websites, aware that sometimes this approach can yield the best results. They also look for information on consumer financial advice sites.

Financial products are generally researched and purchased online. They like online shopping overall and appreciate being able to check reviews before buying. They can be open to higher levels of risk.

Though they receive quite a lot of branded emails, they are not particularly responsive to advertising in general.

They appreciate good-quality products and don’t mind paying extra to get a premium product or service.

Channel usage & media

They rely on the internet, often using a laptop or tablet computer. They are moderate users of social media and regularly use LinkedIn for professional networking.

Light newspaper readers, they favour broadsheets but will also check newspaper websites.

They aren’t heavy TV viewers, preferring mainstream channels such as BBC1, BBC2 and Channel 4.

Demographics

Aged in their forties and fifties, this type tends to live alone, though some have a partner or another adult sharing the household.

They are well educated and have developed a good career over many years, now working in professional and managerial jobs and earning respectable salaries.

They live in reasonably sized detached/semi-detached homes and may have moved in relatively recently.

Future trajectory

Over time some of these people are likely to move into F24 Career Accumulators or K37 Sceptical Pre-retirees.

Group G Career Experience

Type G26 Metro Vocation

Cosmopolitan older urbanites, often experienced in the public or third sectors, with good property and reasonable savings

Metro Vocation live comfortable lives in the heart of urban communities, enjoying the benefits of culture and the amenities around them. Well established, they are likely to have benefited significantly from house price rises over the years. They are less confident buying financial products online than others at their stage in life and may be attracted by ethical investments.

Financial position

These people have lived their lives in proximity to urban centres and earn salaries that are above the national average but not particularly high.

The majority own their small flat or terrace, either outright or with a low outstanding mortgage. They can only afford a property in these relatively expensive locations because they bought it a long time ago and have benefited from the significant rises in house prices over the long term. Those who are renting will be vulnerable to changes in rental prices.

Some have retired and their pension provision from employee schemes is comfortable.

Financial product holdings

Many have reasonable savings held in a range of accounts, such as bank or building society savings accounts, cash ISAs and premium bonds. They are often unimpressed with the rate of return they receive on these savings accounts.

A few have other investments such as shares, endowment policies or savings bonds.

Most are making pension provisions, often in a defined benefit pension scheme or another employer pension. They are quite confident about their future retirement.

They are not high users of credit and would prefer not to take on debt.

They tend to have separate rather than joint contents and building insurance. They like to travel, perhaps supplementing a main holiday with short-haul city breaks, so they quite often take out annual travel insurance. Living centrally means they can depend on public transport so many will not bother with the hassle and costs of car ownership and insurance.

Behaviour & attitudes

Metro Vocation are not particularly good at hunting for better deals. When they look for information they tend towards consumer financial advice websites.

They may be more likely to respond to advertising in printed magazines and newspapers.

They tend to be strongly in favour of a wealth tax and the redistribution of wealth. They may be attracted by ethical banking features.

Channel usage & media

Most have laptop and desktop computers for accessing the internet, which they use for email and news. They are more likely to find financial products offline.

They have a moderate engagement with newspapers, and most regularly read the Guardian. They also see the London Evening Standard and the Metro occasionally. Some are more likely to read newspapers online.

They have medium-to-low use of social media, using LinkedIn for keeping up with professional contacts.

They like to hear news from national radio and they enjoy TV channels such as BBC Four and Channel 4.

Demographics

Metro Vocation are older households aged forty-five and over. Their household arrangements vary; some are living alone and others living with partners. They don’t have children.

They live in urban flats or terraces and have lived there a long time. The property has a good value but is generally small with two or three bedrooms.

Those still at work are employed full-time in jobs with a level of responsibility, often professional or middle management. Many work in the public or voluntary sectors, and a significant proportion have chosen to start their own small businesses or work for themselves.

Future trajectory

This is a very stable type, most likely to stay as they are. Some may move to H28 Economical Owners or N50 Old-school Owners if they stay in the city.

Group G Career Experience

Type G27 Mid-life Motivation

Responsible middle-aged employees, most living alone, who have mortgages on small but pleasant homes

Mid-life Motivation are singles who have reached a moderate level of responsibility in their jobs but who have limited reserves. They are working hard to build financial stability at this stage of their lives and look online for advice and guidance. Time is important to them, so straightforward applications are most likely to attract a response.

Financial position

These mature single people have achieved some promotion in their careers and are earning respectable salaries. Their disposable income is reasonable but not high.

They own a small property, worth a little below the national average, and tend to have moved in recent years. Their mortgage often has a significantly high loan-to-value ratio and they don't have many additional assets.

Their confidence in their retirement plans is not high and they hope that their job remains secure in the coming years.

This type may include people who have been through a divorce or separation and are re-building their finances independently.

Financial product holdings

Most people in this type have either a variable or fixed rate repayment mortgage.

They have a current account, probably with an overdraft facility that incurs fees. They have modest savings, usually in an instant-access savings account or a notice savings account and sometimes a cash ISA.

They are making provision towards retirement and may have a moderate pension fund. Most have a pension scheme through their employment, often a defined contribution scheme. Some may be planning to use the value of their home to help fund their retirement.

They are likely to have one credit card that is used as a source of credit as well as for convenience. They don't tend to take on debt.

A number have pet insurance and annual travel insurance and they need car insurance.

Behaviour & attitudes

Mid-life Motivation like to look at websites that offer advice and guides about managing their money rather than simply offering new deals. They are concerned about the future and want to be responsible in saving for it, so they take an interest in personal finance, wanting to learn about the best options for them.

They also look at switching at the end of insurance policies, particularly for car insurance, and use price comparison websites for this and insurers' own sites to look for deals.

As they spend time online generally browsing and looking at financial matters, they see and may respond to online advertising. They also notice branded emails.

They have a mid-range attitude to risk and don't have strong views on financial matters.

Channel usage & media

Mid-life Motivation are comfortable on the internet and rely on it for information, using a laptop or a tablet to access sites. They use online banking and search for financial products online.

They are the biggest users of PayPal for spending online and like online shopping generally as it saves them time and often money too.

They use social media but not frequently.

They have a low newspaper readership and are more likely to find news on the BBC News website. On television they like watching Channel 4 and Sky Atlantic.

Demographics

These are singles living alone and aged between thirty-five and fifty-five. Some may be living with a partner but most are unmarried. This type is slightly biased towards men.

They own a small property with two or three bedrooms and most have lived there for a few years.

They work full-time as an employee, often in a large company. In their role they may have reached junior or middle management level, perhaps in marketing, IT or HR departments. Industries include transportation and distribution, high tech manufacturing and communications.

Future trajectory

People in this type may become H28 Economical Owners or C10 Mid-way Mortgages.

Group H Small-scale Savers

Type H28 Economical Owners

Ageing singles earning average salaries with little spare but who own their modest homes outright

Economical Owners are sensible older singles who save what they can. They have a big financial advantage in owning their own home outright or having only a small outstanding mortgage. This means they have a modest but sufficient income that they can enjoy spending on life’s essentials. Offers that are good value, promise safe returns and save them time may interest them.

Financial position

These ageing homeowners have self-sufficient lives, living alone in a house of affordable value. Their income is slightly below average and they are dependent on their own resources. Disposable incomes are relatively low.

Their biggest financial asset is ownership of their modest home – the mortgage balance is low or they own it outright. But they have done what they can to save over the years and for some this has accumulated to a respectable nest egg.

As they have modest incomes and no one else to fall back on, they are cautious with their spending and don’t like to take on much debt. They also take advantage of insurance to guard against disaster.

An exotic retirement cruise may be beyond them, but Economical Owners have never lived extravagantly. Their prudent approach to life and the benefit of a decent pension scheme mean most can look ahead to a comfortable, secure lifestyle.

Financial product holdings

They have a standard current account that they are content with and have probably held for many years.

They haven’t much risk appetite but they seek out the best cash returns. They have a moderate amount of savings in a range of accounts such as instant-access accounts, cash ISAs, premium bonds, other National Savings accounts and fixed rate savings bonds. They may consider opening other savings accounts in the future as they continue to put aside what they can.

They have a credit card and are sensible in its use. Their remaining mortgage is likely to be on a variable rate.

A good proportion of this type are fortunate enough to have final salary pensions. Others have different forms of employer pension or a modest personal pension.

They are well-insured generally and many take out additional home insurance cover or cover for appliances. They regularly use their car and will need insurance and breakdown cover.

Behaviour & attitudes

They are quite active switchers, and keep a particularly close eye on the cost of their building and contents insurance. They will search around for good offers from websites of insurers and banks as well as consumer financial advice sites.

They tend towards the lower end of the risk scale when choosing where to put their savings.

They are not particularly responsive to advertising – they tend to think it is a waste of time and time is important to them.

Channel usage & media

They consider themselves fairly internet-savvy and tend to have a laptop for browsing online. They are happy to buy online as well.

As they are not big newspaper readers they are very unlikely to notice newspaper ads. Social networks are not used much either. They get their news from the TV and radio.

On television they like to watch the mainstream channels and also Film4 and Dave.

Demographics

Economical Owners are singles between forty-five and sixty-five and are long-term residents in their semi-detached or terraced home.

Often not highly educated, they work in clerical or administrative-type jobs, some in the public sector. Most work full-time, some have reduced their hours to part-time as they approach retirement, a few have retired early.

Future trajectory

This is quite a stable type but some may become H29 Lifetime Workers.

Group H Small-scale Savers

Type H29 Lifetime Workers

Low-wage, mature couples owning affordable homes who need to keep working and saving if they want adequate pensions

Lifetime Workers are ageing couples getting by on modest wages for now but whose future income is uncertain. However, they have a significant advantage in owning their own home, which gives them some welcome security. They are cautious in their spending and prefer traditional and familiar products. Advertisements with clear explanations and reassurance appeal to them.

Financial position

These low-spending older couples are working full-time and earning below-average wages. They are economical in their habits but have low disposable incomes, which means regular saving is hard to achieve.

They haven't accumulated much in the way of assets aside from their home and therefore need to carry on working right up to retirement age and possibly beyond. This relies on them staying healthy and their jobs remaining secure. There is therefore a risk that their financial position could get worse rather than better.

The great advantage they have is that they own their low-value home and only have a small amount to pay off on the mortgage. This means that, although their income may fall, their home is secure. If income becomes a problem, equity release schemes may look attractive.

Financial product holdings

Most people in this type have a standard current account for day-to-day banking, which they are quite satisfied with.

They only have low amounts of savings – they may just have a simple instant-access savings account and they are happy with the return that generates. Some have a cash ISA. They are unlikely to consider new accounts in the next year.

This type tends to have a variable rate mortgage on any small outstanding balance.

Some have a modest standard personal pension; others have a pension through their employer. However, many are quite uncertain about their retirement future.

As they have few reserves of their own, they are inclined to take out additional insurance, such as pet insurance and other home and appliance add-ons, to reduce the worry of unexpected expenses. Life insurance gives additional peace of mind. Most have one second-hand car, on which they have fully comprehensive insurance.

They are not great users of credit but sometimes they find it necessary to take out a loan to pay for a larger purchase.

Behaviour & attitudes

Lifetime Workers are cautious with their money and prefer traditional savings accounts. They are not comfortable taking risks with their savings. They also have a tendency towards using cash when out shopping.

Family and home are their primary motivations.

Channel usage & media

Average users of the internet, they probably access it via a desktop or laptop computer. Though they browse money advice sites, they are unlikely to buy financial products online.

They may be on Facebook but are less regular users than many.

Lifetime Workers are not great newspaper readers; they may occasionally read the Daily Mirror or the Daily Mail.

Television is their main source of news and they are most responsive to TV and radio adverts. They favour ITV and Sky channels.

Demographics

These households are mostly made up of couples aged forty-five to sixty-five. Most are married, some are cohabiting and most children have grown up and left home.

They usually left education by age eighteen and work in skilled manual or lower-level occupations, perhaps in the construction industry, in health services or in maintenance work. Quite often one partner works part-time or not at all.

Their home is usually a two/three-bedroom terrace, which has a low value. They have lived there for many years.

Future trajectory

Members of this type may become H28 Economical Owners if they improve their saving position or I32 Combined Income if their children return home.

Group I Mutual Resources

Type I30 Family Networks

Extended families owning homes in inner urban suburbs where community links and support networks are strong

Family Networks are larger families with average incomes who live within their means but aren't saving significantly. They have benefited from owning a home that has risen in value. They are positive towards advertising and notice ads on public transport and billboards when out and about. They also have a higher likelihood of responding to direct mail.

Financial position

Incomes within these multi-generation families are a little below the national average. The extended family may contribute to household finances, perhaps paying rent or something towards costs. However, despite the extra adults in the household, disposable income is relatively low.

The majority own their home rather than renting it and any outstanding mortgage balance is often low. House values are slightly above average and have risen in recent times.

Levels of savings tend to be low, but so is use of credit. These households may be earning modest incomes, but they manage to live within their budget and support each other.

Financial product holdings

Those who do have a bank account tend to favour major retail banks. Those who don't probably rely on a partner or other family member who has access to banking services. Younger family members may be looking to open first accounts.

Many are under-prepared for retirement. A higher than usual proportion don't have a pension fund; this probably includes the younger members of the household. Levels of saving tend to be quite low among those who do have a pension. However, they are not overly concerned and perhaps rely on the wider family for financial security or assume the state pension will suffice.

Overall levels of savings are low. A good proportion, particularly the younger generation, have no savings at all.

Family Networks have a lower than average use of insurance generally, but there is a tendency to pay for extra insurance cover for boilers, plumbing and appliances. Many don't have a car.

They don't have a high use of credit. A small number use mail-order catalogues which provides an opportunity to spread payments.

Behaviour & attitudes

Family Networks are the type most responsive towards advertising – particularly on TV – and have an above-average reaction to direct mail. Reflecting their urban location and low level of car ownership, they notice advertising on billboards, on the sides of buses, at train stations and inside taxis.

They are active in shopping around for the best deal when renewing policies and ask friends and family for advice.

They tend to believe the minimum wage is too low but that the benefits system is about right, perhaps reflecting a desire to work their way into improved circumstances.

Channel usage & media

They rely on the internet a lot, but not all members of the household are internet-savvy and financial products tend to be bought offline – probably from providers with a brand they know and trust. Some members of the family may use online banking.

They are more likely to get news from the television or printed newspapers. The Metro and the London Evening Standard are regularly seen.

They may use social media but aren't avid or frequent users.

Demographics

These are extended families spanning all age groups and in many cases including children. They own terraces and semis in inner urban suburbs and have lived there many years.

Work tends to be in clerical, IT, sales or services roles. Many work in the public sector, particularly in education.

Future trajectory

This type is quite stable. Some of the older generation may move to O52 Penny-saving Seniors once families have moved on.

Group I Mutual Resources

Type I31 Local Trade

Rural households working in skilled trades or their own small business, relying on the local community to use their services

Local Trade are self-sufficient households whose location makes them dependent on the local economy for their livelihoods. They manage their finances carefully and use the internet to give wider choice. It can be difficult to reach them with advertising, but online adverts offering access to alternative options may appeal.

Financial position

These practical households take a sensible approach to their finances. Income in this type tends to be around or a little below average and their disposable income is quite low. Many own their own business or are employed in a small local company. One partner may work part-time.

Their home is worth a little below average. Most are owned with low outstanding mortgages, with a minority rented from private landlords.

They have made some savings. They like tangible assets that they understand rather than specialist investment funds. Those with their own businesses may, for instance, be tempted to buy their shop or office as part of their retirement plan. They would rather not take on debt if possible.

Financial product holdings

This type has a standard current account and a savings account with a bank or a building society. There is some tendency to choose providers with a regional identity to which they may feel an affinity.

A higher than average number own another property or land. They may hold some premium bonds, which offer them an attractive, low-risk opportunity – albeit a small one – for serious gains.

They are less likely to have a company pension scheme but may have modest private pension savings.

They have a relatively high level of car ownership, often owning a second car, and do high mileage. This means fully comprehensive motor insurance and breakdown cover are popular and necessary. They may need a loan to finance a vehicle purchase.

This type doesn’t tend to buy additional home insurance add-ons. They can rely on their own skills in a home emergency or they know local tradespeople who can help them.

They may use an authorised overdraft to deal with short-term cash flow challenges that may arise due to the nature of their business.

Behaviour & attitudes

Local Trade can be quite hard to reach with advertising – either because they aren’t exposed to the ads or because they just don’t notice them. They aren’t won over by expensive brands.

They research alternative suppliers and financial products online, particularly for car insurance. They like the convenience of managing personal finances through online banking, perhaps even having a personal banking app.

The internet gives them access to a much greater range of shopping options than found locally, although broadband speeds and poor phone signals may be limiting factors for some, putting them off going online more.

They are careful with money and manage their finances well.

Channel usage & media

They consider themselves fairly internet-savvy, often using a laptop computer. They are keen on browsing for goods online and happy to use PayPal to buy their purchases.

They have an average use of social media.

They rely on radio and television for news. They like the BBC, Film4, More4 and regional channels but generally don’t watch much television.

Demographics

These households live in more rural locations. Adults tend to be in their middle years and working opportunities are governed more by locale than by age. They work in areas such as skilled trades and are often self-employed.

Household structure is varied – they are predominantly couples, perhaps with additional family members, but some single person households also occur. Most households don’t have children.

Homes usually have three or four bedrooms and are detached or semi-detached.

Future trajectory

People in this type may become B06 Springboard Parents as they support their offspring through further study, then K37 Sceptical Pre-retirees once their kids leave home for good.

Group I Mutual Resources

Type I32 Combined Income

Unassuming older parents with adult children at home, whose combined wages add up to a reasonable household income

Combined Income are families who have stayed together, with children reaching adulthood remaining in the family home some years into their twenties and contributing to household expenses. These households notice TV advertising and want safe options for any hard-earned savings.

Financial position

Multiple incomes within these families have a beneficial impact on household spending potential, transforming what might otherwise be quite strained finances – though at the price of a little overcrowding.

Family members have relatively low individual incomes, but when working together they generate a decent household income that is around the national average. Some in the family may work part-time and a few are retired, but most households have several incomes contributing to the family pot.

They live in a modest home that they own outright or with a small outstanding mortgage. They paid less for the house than it is worth now, as they have lived there a long time, but they haven’t benefited from rises in house prices in more recent times.

They have modest levels of savings and are generally careful when it comes to finances.

Financial product holdings

Parents have done what they can to put modest amounts into savings and tend to be cautious about where they save. The members of the younger generation struggle to save anything from their wages.

They have a moderate use of credit and use a variety of options, such as secured personal loans, store cards or car finance loans, when they need extra spending power. However, they don’t like being in debt and don’t use credit cards much. The younger generation may have student loans.

They are quite keen on extra insurance policies such as home emergency cover and kitchen appliance cover to help avoid unexpected bills. They are likely to own a car, which they use regularly and need to insure. They may buy single-trip travel insurance for holidays. Some have pet insurance and life insurance.

Combined Income don’t have high levels of pension savings, but some are fortunate enough to have final salary schemes; others have a standard personal pension. The younger generation may believe their best chance of achieving retirement security is to play the Lottery.

Behaviour & attitudes

They try to shop around for better deals for insurance policies and are likely to use price comparison websites.

They aren't particularly interested in personal finance. They are concerned about the minimum wage and would like wealthy people to be taxed more, but they feel the current benefits systems is about right.

The older generation's finances tend to be settled, so they are rarely looking for new accounts.

Channel usage & media

The younger generation couldn't manage without the internet, but the older generation may be more ambivalent. As a family they like to shop online using PayPal but tend to purchase financial products offline.

Social media use is also split by the generations, with the younger family members actively engaged in Facebook.

If they buy a newspaper it is likely to be the Daily Mail or the Daily Mirror.

They are most responsive to TV adverts and tend to watch ITV and Sky – particularly Sky Movies and Sky Sports. They also get news from the television.

Demographics

Combined Income consists of parents in their fifties and early sixties living with one or two adult children who are usually in their twenties.

They typically live in small, three-bedroom, semi-detached houses and have lived in these homes for a long time.

Employed in lower-level jobs, most work in private companies in industries such as retail and transportation.

Future trajectory

This type is quite stable but some individuals may progress to K38 Later-life Returns or O52 Penny-saving Seniors in the future.

Group J Single Earners

Type J33 Solo Nurturing

Lone parents trying to balance low incomes, childcare costs and their children's needs

Solo Nurturing are striving to stick to a budget and raise children alone. They have a limited income and few reserves, though some are managing to keep up the payments on a mortgage. Friendly communications that offer reassurance, advice and discounts encourage a response.

Financial position

These single parents are persevering in providing for their children. A lack of qualifications and a need for flexibility mean they can only earn low wages. They may also be working part-time as they try to fit earning an income around the needs of their children. Their income is supplemented by child benefit and child tax credits and sometimes by housing benefit.

Their reduced earning capacity, balanced against the costs of raising children, means this type has a very low disposable income. They are concerned about money and worry that their financial position could get worse.

Half are renting from the council or a housing association; others are working towards purchasing their low-value home.

Financial product holdings

This type has limited financial accounts, and some may only have a basic bank account. They are unlikely to be looking to open new accounts.

They have very low savings – some have nothing at all – and little in the way of assets. A few may have a small amount of equity in their home. Those buying their home have a repayment mortgage with a fixed rate to ensure payments don't go up unexpectedly.

They access credit in a variety of ways but are particularly likely to have a loan from friends and family – an approach they may view as less stressful than dealing with a financial corporation. They are less likely than most to have a credit card. They also use mail-order credit as a way of spreading payments on bigger purchases or at difficult times, like Christmas.

They are unlikely to have a personal pension unless they are part of a compulsory scheme through their employer.

Some have a second-hand car, which they use for getting to work, and they need insurance for this.

Behaviour & attitudes

Although they often need credit to help make ends meet, they find being in debt stressful and try to avoid it.

Solo Nurturing look for ways to reduce expenses and choose cheaper brands wherever possible. They sometimes try switching and may use comparison websites. They also check out consumer financial advice sites for tips on how to save money.

They have a higher propensity to use legal services for family matters and for advice on their entitlement to benefits and tax credits or how to appeal decisions on these.

Minimum wage and benefit levels are big issues for them, as they have a direct impact on their income.

Channel usage & media

Solo Nurturing have a medium use of the internet, often using a smartphone or laptop. Facebook is a valuable tool for them in keeping up with friends while they are stuck at home with children. They are frequent users, checking for news and posting updates several times a day. They “like” company pages if they can get offers or promotions for doing so.

They shop online, use PayPal for purchases and are quite likely to respond to online ads. They also notice TV ads.

They prefer to get news from the television – they don’t have the time or money to read printed newspapers and don’t have access to free papers like the Metro.

Demographics

These are singles in their thirties and forties, mostly mums looking after children single-handedly. They often have just one child, usually of primary or secondary school age.

They live in a semi-detached or terraced house and have a short-to-mid-term length of residence.

They often finished education at a younger age, and those who do work have clerical, sales or service-type jobs. They may work for the public sector in areas such as healthcare.

Future trajectory

Some of this type may move into L41 Ageing Basics or H28 Economical Owners in the future.

Group J Single Earners

Type J34 Convenience Lifestyles

Average waged singles choosing small homes close to shops and amenities that suit their current circumstances

Convenience Lifestyles rent flats in handy locations. They have a low engagement with financial services and seem reluctant to be tied into long-term commitments at this stage of their lives. They don't like wasting time unnecessarily on finances, so quick and easy methods of purchasing or switching are likely to elicit the best responses.

Financial position

These working-age singles are employed full-time. Although their jobs are below management level, individual incomes are reasonable – at around the national average.

The majority rent from a private landlord, though a proportion own their home with a mortgage. They live in small, moderately priced flats that are found in locations close to amenities and transport links. Living expenses aren't cheap, which means they don't have much cash to spare.

Their financial situation tends not to be well established, but they get by. They have relatively low levels of both savings and debt and are choosing a lifestyle that is convenient and unencumbered.

Financial product holdings

Most have a current account with an overdraft facility that serves their needs. Some are thinking towards new accounts in the future.

They have a below-average number of savings products, and the level of their savings is quite low. They may have an instant-access savings account but have very few investible assets.

They probably have one credit card and are likely to use this and unsecured personal loans if they need credit. The minority with a mortgage will have repayment terms on a fixed rate deal.

Pension provision is through their employer, and the level of accrued benefit depends on their age.

They are likely to have stand-alone contents insurance, which they switch if they feel it is getting too expensive. They are relatively comfortable with risk and don't use insurance greatly, though the two thirds of this type owning a car need vehicle insurance.

Behaviour & attitudes

Convenience Lifestyles are not particularly interested in personal finance, though they feel the minimum wage is too low.

They aren't great at switching supplier and are easily put off if the process seems complicated or a waste of time. They use comparison sites and check the websites of banks and building societies.

Although they don't feel positive towards advertising generally, they notice advertising on public transport such as bus stops and on trains. They are most responsive to online advertising.

They may be aware that their financial credentials don't look ideal, and some have checked their credit score online, conscious that at some time in the future they may need to borrow money for a big purchase such as a car.

They can sometimes be impulsive purchasers, splashing out on something that isn't essential.

Channel usage & media

Convenience Lifestyles make average use of the internet, using a laptop to email, browse, shop, bank and read the news.

They check Twitter and Facebook via apps on their smartphones quite frequently.

They don't read newspapers regularly, though they may sometimes read the Metro and the Guardian. They are more likely to check the Guardian or the Mail online.

Demographics

These people mostly live alone and are of working age, in their thirties and older. They don't have children.

They live in small one/two-bedroom flats that are usually purpose-built and situated in town and city centres. These are transient households where people tend to stay a few years before moving on.

They have a mix of job types but tend not to have management responsibility.

Future trajectory

Over time members of this type may move into G26 Metro Vocation or H29 Lifetime Workers.

Group J Single Earners

Type J35 Stepping-stone Singles

Modest-wage singles, owning or renting low value houses, looking for advancement that hasn't yet materialised

Stepping-stone Singles are living in cheap houses and earning unexceptional salaries. They hope to improve their financial position, and their current situation may be seen as a transitional phase. Quick application processes and simple methods of saving may be attractive.

Financial position

These singles earn salaries that tend to be a little below average. They privately rent or own low-value houses and have only moved into these in recent years. Their disposable incomes could be worse – they are boosting their available resources by keeping their housing costs low.

Still establishing themselves, for some their home may represent a move up from cheaper, shared, rented accommodation – the next step towards a more comfortable life. For others it is possible that new circumstances – perhaps a change in job or relationship status – have left them needing a low-cost home in this location.

They currently have simple financial accounts and few savings. They are not particularly content with their standard of living and are keen to do what they can to improve their financial stability. With hard work and some luck, there may be better to come.

Financial product holdings

Most have a standard current account that features online banking and online fraud protection. A few have just a basic current account. Most also have a separate savings account, but they have low-value savings and are unlikely to have investments.

Those who have purchased their homes will have a repayment mortgage that is likely to be fixed rate.

Those in work are likely to have an employer’s pension scheme of some description. They are less likely to have a personal pension.

They have a tendency to use unsecured personal loans, credit cards and authorised overdrafts if they need extra cash.

They don’t have many insurance products beyond motor (most have a second-hand car) and contents insurance.

Behaviour & attitudes

Some have looked up their credit score online for free, enhancing their understanding of their current position with potential lenders and how they might be able to improve it. They may investigate credit cards designed for people who need to build a good credit history.

Their use of legal services tends towards family matters.

Regular saving can be a struggle for them. They try to keep an eye on costs and may check alternatives when renewing insurances.

Channel usage & media

Stepping-stone Singles make average use of the internet, and many see it as their principal source of information. They have laptops or smartphones as their main devices. They use online banking and also like to download games and movies. They are most likely to notice online advertising and more likely to get financial products online than offline.

They don't tend to notice direct mail and are more likely to respond to social media advertising. They are fairly frequent Facebook users, checking via a laptop or a smartphone app.

They tend not to read newspapers.

Demographics

Generally single, they are mostly under forty and usually live alone – though a number are sharing, which reduces costs even further. They are unlikely to have children living full-time in the household. Two thirds of this type are male.

They typically live in a small two/three-bedroom terrace and have moved in quite recently.

They are working full-time, perhaps as a low-level supervisor or in a semi-skilled occupation. They are not highly educated.

Future trajectory

Members of this type are most likely to move into H28 Economical Owners or H29 Lifetime Workers.

Group J Single Earners

Type J36 Freewheeling Renters

Working-age singles getting by with low income jobs, renting cheap homes and living for now

Freewheeling Renters are singles living with very low income and few assets. They can feel excluded from the mainstream financial world. They look for inexpensive distractions and entertainment. Advertising should give accessible explanations and emphasise low costs.

Financial position

These singles work in minimum-wage jobs and have a very low disposable income. Rates of employment are below average – those without work may be between jobs, but others are unable to work. Those who are employed work in low-skilled manual or clerical roles. Some are trying to improve their prospects by studying for further vocational qualifications. They often receive housing benefits, and some receive disability benefit.

They have no assets and few savings, and they rent small flats from social or private landlords.

Living with little cash to spare and the fear that their financial situation could get worse tends to make these singles live in the moment, enjoying everyday pleasures and trying to put concerns for the future aside.

Financial product holdings

These people may have a standard or basic bank account, but many will have none at all. They are unlikely to look for new accounts. They have very low amounts of savings.

They may have difficulty accessing credit when they need it. Those with bank accounts may use an authorised overdraft. They often don’t have a credit card, and payday loans can be appealing. A few sometimes get behind with bills.

Those in employment may make small contributions to a workplace pension.

They have low levels of insurance and may only have stand-alone contents insurance. The expenses involved in owning a car can be prohibitive; they have the lowest car ownership of any type, so few need car insurance.

Legal services used include advice on benefits and tax credits or housing and landlord problems.

Behaviour & attitudes

This type tends to use cash when out shopping. They are aware that they aren’t good at managing their money and find saving up for things difficult. They also tend not to trust banks and building societies.

The rates set for the minimum wage make a big difference to these people’s income, and they feel they are too low. They strongly support the redistribution of wealth and higher taxes for top-rate payers.

They are most responsive to TV advertising and notice billboards but aren’t especially engaged with advertising generally.

Channel usage & media

Freewheeling Renters most often use the internet via a laptop – for social networking, browsing and entertainment rather than shopping or finances. Though it is a relatively small percentage, this type has the highest proportion of people without access to the internet.

They make some use of social networks, mostly Facebook. They may “like” financial pages relevant to their needs, such as providers of short-term loans.

They don’t read newspapers much but are more inclined to read the Metro, the Sun or the Daily Record.

They enjoy watching television and like channels such as CBS, Challenge, Dave and Film4.

Demographics

Freewheeling Renters are singles and sharers renting very low-value homes from social or private landlords. These homes are small in size, predominantly one-bedroom purpose-built flats, and located in less desirable locations. They have low lengths of residence. Two thirds of this type are male.

They are not well educated and work in low-skilled jobs in industries such as retail, health services, transport and distribution.

Future trajectory

People in this type are most likely to move to L41 Ageing Basics as they get older or G26 Metro Vocation if their prospects improve.

Group K Respectable Reserves

Type K37 Sceptical Pre-retirees

Mature couples with solid careers who have sufficient assets to ensure their approaching retirement will be comfortable

Sceptical Pre-retirees are older couples who have achieved a good level of financial security. They are careful with their savings and look for safe and profitable ways to invest their money. They notice sensible advertisements offering detailed information and promising healthy returns.

Financial position

These well-prepared married couples are in their pre-retirement years and have earned above-average incomes for many years. Many still work full-time, but some have reduced their income a little as they choose a move into part-time work or early retirement. With the mortgage mostly paid off, they all have a comfortable disposable income.

Their careers have been solid, and they have done well enough to gain financial security. Although their children may have now grown up, they still need a helping hand from time to time and a number of these households have seen a son or daughter return to the family home temporarily. Fortunately, Sceptical Pre-retirees own a pleasant home, worth more than average, that has space for short or longer-term visits from children.

They have saved sensibly, their accrued assets are generous, but they are sceptical as to whether the rate of return on their savings will be enough to maintain their quality of life into retirement.

Financial product holdings

Many of these couples' accounts are held jointly. They often have a premium current account and have good levels of savings in a range of accounts such as cash ISAs, premium bonds and other instant-access savings accounts. They like to use each year's cash ISA allowance.

They have good levels of investments held in a range of investment types such as shares, endowment policies and with-profits or unit-linked insurance policies.

They tend to have at least two credit cards and quite like supermarket-branded cards.

Many have a final salary pension scheme to look forward to. Others have a good level of assets in a personal pension.

They have annual travel insurance and can afford several holidays each year. They like to have additional insurances such as boiler and appliance cover. They have fully comprehensive insurance for their cars, which are often bought new.

Behaviour & attitudes

Sceptical Pre-retirees are good at switching to find the best deals and often check consumer financial advice sites and the websites of insurance brands they recognise. They generally favour familiar brands.

They would like a higher rate of return on their cash savings but not so much as to drive them out of their cautious comfort zone – they don't embrace risk easily.

Legal services taken advantage of include the writing of wills and preparing powers of attorney – judicious preparations to ensure the best outcomes in the years ahead, come what may.

Channel usage & media

The internet is important to this type. They are reasonably internet-savvy, though they research financial products both on and offline. They are quite responsive to online newsletters and like to gain additional knowledge about financial matters. Some are happy to manage their finances online.

They are moderate readers of printed newspapers and notice the advertisements. The Daily Mail is a popular choice.

When it comes to TV they particularly like watching BBC1. They are not really social networkers.

Demographics

These are pre-retirement couples, a number with an adult child living with them. They own pleasant three/four-bedroom houses worth above the national average. They bought their homes – detached, semi-detached or bungalows – many years ago and are happily settled.

Though part of a generation whose education levels were not as high as those today, they have had good careers, perhaps reaching middle-management level or above.

Future trajectory

People in this type may become F24 Career Accumulators if they are successful in their saving.

Group K Respectable Reserves

Type K38 Later-life Returns

Couples in their 50s and 60s whose lifetime of work means a mortgage-free modest home and decent savings for their income

Later-life Returns are older married couples who are approaching retirement or have retired in recent years. They have modest but stable finances and can afford to live comfortably in the long-term family homes they own outright. They may notice traditional advertisements offering added insurance.

Financial position

These are mature couples in their fifties and sixties living on modest incomes. As they have no mortgage left to pay and two incomes coming into the household, they have sufficient resources to live economical but comfortable lives. They live in an inexpensive home, worth significantly below the average but well maintained.

Half of this type has already retired; a number did so before the official retirement age, taking advantage of early-retirement offers from their employers. Among those still working there is a mix in full-time and part-time work.

They have reasonable assets. Many have done well to save a meaningful amount, given their income. Their modest aspirations mean they can look ahead to being relatively financially secure through retirement.

Financial product holdings

For everyday banking needs they are likely to have a joint current account. A small proportion within this type likes to have a managed bank account that provides help with budgeting for those who have had difficulties in the past.

They are likely to have a savings account with their bank or building society and other straightforward savings products such as cash ISAs or premium bonds. They prefer to keep their savings in cash-based accounts and are less likely to have accounts classed as investments.

They probably have just one credit card and are unlikely to have any debt on this or by other means.

A number are benefiting from or will eventually enjoy a final salary pension scheme. Others have a moderate personal pension.

They like to be well insured. They have joint home and contents insurance and may take out life insurance and travel insurance. They are big users of additional home insurance such as boiler, central heating, plumbing and electric cover, as they don’t like unpleasant surprises. They need fully comprehensive insurance for their cars, which may be new or second-hand.

Behaviour & attitudes

Later-life Returns are happy with the services they receive with their current account and are unlikely to look for new bank accounts.

They try to keep an eye on insurance premiums and look around for better deals, either through websites or by phoning around.

They aren’t willing to take risks and may have used a solicitor to help them write a will.

Channel usage & media

Some of this type are quite comfortable on the internet, but others aren’t and find they can get by without it. They tend to research and buy their financial products offline. They aren’t really users of social networks.

TV is their favoured source of news. They like BBC and ITV channels and take notice of television advertising.

They also see advertisements in printed newspapers. They read the Express, the Daily Mail or the Daily Mirror.

Demographics

These are married couples in their pre-retirement and early retirement years. They aren’t particularly well educated. They work or worked in clerical or supervisory-level jobs, often for smaller companies.

They live in a three-bedroom semi-detached house of modest value in very stable neighbourhoods. They have lived in these properties for many years.

Future trajectory

Members of this type may move to I32 Combined Income if they are re-joined by adult children or N48 Dual Pension Freedom once they retire.

Group K Respectable Reserves

Type K39 Conventional Elders

Couples and singles who have chosen housing popular with retirees, often bungalows, for later life and have some reserves to buffer their income

Conventional Elders are traditional couples and singles living comfortably in houses that are often designed for older people and which they own outright. Some are retired and some nearing retirement, but they may not yet have enough in the bank to feel secure. They manage their money carefully and look for safe returns.

Financial position

These mature couples and singles own pleasant bungalows that are worth a little below the average house price. Just over half have retired, while the rest are looking forward to winding down from their working lives.

They aren't long-term residents of these homes, having moved in recent years to bungalows with their later-life needs in mind. This may represent a downsize but, because of the premiums attached to bungalows, doesn't necessarily represent a drop in property value. With their mortgage mostly paid off, they can take comfort in knowing their home is their own and that it will provide for their needs for the foreseeable future.

Their current level of income depends on whether they have retired, but they are generally comfortable and can afford more than the basics of life.

They have done what they can to save for retirement and have a moderate amount of savings. This hard-earned nest egg will give them a buffer during their retirement for larger purchases and a modest top-up to occupational and state pension income. Those who are still working do what they can to add to these savings while they still have additional income.

Financial product holdings

Accounts are often held jointly – they tend to have a standard current account. Some like to have a premium current account with extras such as travel insurance.

They may have several instant-access savings accounts and additional cash savings accounts, such as premium bonds, cash ISAs and fixed rate savings bonds. They are reasonably satisfied with the returns they receive. They aren't particularly keen on investment products, preferring to keep their money in what they see as safe and straightforward accounts.

They often have several credit cards in use, quite possibly including one supermarket-branded card. They don't need or wish to use credit.

Some are enjoying the benefits of a final salary pension scheme.

Conventional Elders are reasonably well insured, and some choose additional home insurance options. They are likely to have one car, used regularly for local trips. As might be expected of a type that thinks ahead and prepares for all eventualities, they have car breakdown cover.

Behaviour & attitudes

Many are active in trying to keep an eye on insurance premiums and look for better deals at renewal. They are less likely to use comparison websites, though, preferring to use consumer advice sites or to phone around.

Managing their finances carefully is important to them. Their situation is stable, and they are unlikely to take out new products. They don’t want to take any risks with their money.

Their use of legal services includes conveyancing and writing wills.

Channel usage & media

Not all are comfortable with the internet, but most use it through a desktop or laptop to buy items they can’t source locally and to check their current account or credit card statement.

They are likely to notice advertising in printed magazines and newspapers. They have a moderate engagement with newspapers, are more likely to read the Daily Mail and may look at the money section.

They are quite responsive to direct mail but aren’t engaged with social networking.

They watch all the main TV channels.

Demographics

These couples and singles are over fifty-five. They live in a bungalow or petite house that has two or three bedrooms and which they own outright.

They have chosen neighbourhoods that are attractive to old people, with traditional bungalows and housing that appeals to their demographic. Consequently, many of their neighbours are their peers.

Future trajectory

Members of Conventional Elders are most likely to move between types N48 Dual-pension Freedom and N51 Cautious Retirees.

Group L Cash Economy

Type L40 Workaday Families

Older families, often with extra adults, in low value houses where minimal wages just about cover small-scale spending

Workaday Families are traditional working families managing to live within their means despite low wages. A combined household income helps take resources to a manageable level. Discounted shopping and a sensible outlook mean budgets are mostly balanced. They are high responders to TV advertising.

Financial position

These stable older families are living in very low-value homes. Half own their house outright; the other half are renting from a council or a housing association.

They earn minimum wages, with individuals paying little tax, but most households have more than one earner. Whether the extra adult is a grown-up child, another family member or a lodger, their contribution makes a significant difference to the household budget.

Money may be tight, but they get by. Most households don't receive any benefits or take on too much debt.

Financial product holdings

This type has little time or need for complex financial products. A standard current account suffices for most everyday financial needs; some will just have a basic account. They are likely to have a separate bank or building society savings account to store rainy-day money and aren't looking for further accounts.

Those who own their house have paid off the mortgage. This gives them considerably better financial security than those who are renting.

They have low levels of savings and very modest assets beyond any equity in their house. Pension savings are also low, with a significant proportion not saving anything towards retirement.

However, they also don't have much debt, perhaps using mail-order credit to spread payments. Some will have a credit card, which they may use to help with payments when needs must.

They have a higher propensity for life insurance as added protection for family members. Some like additional cover for things such as plumbing or water pipes. The family may have a second-hand car that they need to insure, but extending cover to include younger household members might be too expensive.

Behaviour & attitudes

Workaday Families have a low interest in personal finance and aren't risk takers. They tend to prefer using cash when out shopping.

They are cost-conscious and look for cheaper brands and bargains. Discount voucher sites can be a popular way to find low-cost treats.

Some try to switch at insurance renewal time, possibly visiting a branch to look at options when relevant.

The rate of the minimum wage is an important issue for them, and they think it is much too low.

Channel usage & media

Workaday Families aren't particularly internet-savvy and spend little time browsing online, using an old desktop or laptop if and when they do. They might use PayPal if they purchase something, but online shopping isn't that popular. They prefer to arrange their finances offline.

They may use Facebook to keep in touch with family and friends. Those who do may take notice of companies' Facebook offers.

They have a moderate level of newspaper readership and like publications such as the Daily Mirror and the Sun.

This is the type most responsive to TV advertising. They get news from the television, as well as by listening to local radio. They like watching TV channels such as Dave, Gold and Alibi.

Demographics

Mostly married couples in their fifties and older, some have adult children or other adults living with them. These households don't include school-age or younger children.

They live in a very low-value, three-bedroom, semi-detached or terraced house, often on estates. They have been settled a long time and have well-established roots in their local community.

They tend to work in manual occupations, mostly in the private sector in industries such as manufacturing, transport or maintenance. They have no management responsibility and aren't career-minded. They have low levels of education – many left school by the age of sixteen. Some have retired already.

Future trajectory

These people are most likely to move to O52 Penny-saving Seniors or I32 Combined Income.

Group L Cash Economy

Type L41 Ageing Basics

Hard up older singles in social housing living hand-to-mouth

Ageing Basics are older people living on their own in social housing. They have very little money and few financial accounts and may not always have enough for essentials. They may notice prize draws and direct mail offering straightforward solutions.

Financial position

These older singles are living in very low-value homes that they rent from a council or a housing association.

They have particularly low incomes. Those with jobs are in basic manual occupations, earning minimum wages. There are high levels of unemployment within this type as well people temporarily or permanently unable to work.

Many depend on benefits such as disability benefit and housing benefit. Some have no disposal income at all and risk being unable to afford necessities such as heating.

Many aren't hopeful for the future. They struggle to see how things will get better and fear they may even get worse. However, they are confident in their retirement provision as the state pension represents a similar weekly income to that which they are already accustomed. Pleasure comes from low-cost treats, and television is an important source of entertainment.

Financial product holdings

Ageing Basics have very simple financial dealings. Many don't have a bank account. They have very low savings – if any – and few assets at all.

They might have a credit card, but it is likely to be one specifically designed for customers with a poor credit rating. They may also use mail-order credit to spread costs and payday loans for short-term cash.

Many of those of working age have no pension provision.

They have a low use of insurance – perhaps just stand-alone contents insurance – and are unlikely to need car insurance.

Behaviour & attitudes

Ageing Basics aren't confident with money and are most comfortable using cash when out shopping. They are the least likely to get advice before buying new things.

They have very low interest in and knowledge of personal finance and aren't looking to get new accounts or financial products.

They aren't happy with their current standard of living and believe the minimum wage and levels of benefits are far too low.

Channel usage & media

They make moderate use of the internet, using a desktop or a laptop. Some use Facebook and often "like" financial companies' profiles if they can get something in return. They may look for ways to make small amounts of money online, such as taking surveys.

They are responsive to TV ads and actively enjoy them. They like watching the various ITV and Channel 5 channels. They may also respond to direct mail.

Newspaper readership is very low. They enjoy the Sun or the Mirror on the occasions they do buy a paper.

Demographics

These people are over forty-five and mostly live alone in small, low value, social housing of different types – flats, terraces and semis. They have probably lived there for some time.

They have a very low level of qualifications.

Future trajectory

Members of this type are most likely to become O54 Pension Shortfall as they grow older.

Group L Cash Economy

Type L42 Subsidised Living

Cash-strapped residents in social housing where sharing bills can help make ends meet

Subsidised Living are older singles and couples whose circumstances dictate low earnings and a need for financial support. They are generally cautious and doing their best to make ends meet. They are likely to notice television and newspaper ads offering discounts and low prices.

Financial position

These singles and couples are renting low-value social housing. Households often survive without a full-time wage coming in. A significant proportion, including some who are already retired, aren't working at all.

Their income is very low. Where there is more than one person in the household the extra money brought in makes paying for necessities more manageable. Sometimes it is two sets of benefits that help to make ends meet. The most commonly received benefits are housing benefit and disability benefit; some receive a carer's allowance or income support.

Those who do work earn minimum wages in low-skilled jobs. They don't have much to spare beyond the basics and are extremely cost-conscious.

Financial product holdings

This type has simple finances. They probably have a current account, though some have a basic bank account.

Some have managed to put together low-level savings – a fund intended for emergencies or something special. They keep this money in an instant-access savings account so it doesn't get mixed up with their day-to-day cash. They don't want to take risks with the money they have saved. They have very low levels of pension savings.

They may have a credit card and might use credit from mail-order companies.

Most have a car that they need to insure, though they do fairly low mileage.

They are likely to have stand-alone contents insurance, and some may take out additional cover for kitchen or gas appliances.

Behaviour & attitudes

These people's financial circumstances are often worse than they used to be, meaning they have to be more careful with money than they were previously.

They may try to switch insurer or utility supplier, but some get confused by the process.

This is the type that most strongly supports a wealth tax, and they think the minimum wage is too low.

Channel usage & media

Subsidised Living aren't highly reliant on the internet. They probably access it with a laptop but can find the pace of change of technology a bit overwhelming. They source financial products offline and have a low use of price comparison websites.

They aren't particularly positive towards advertising generally. They are most likely to respond to TV ads, though some respond to online ads and printed newspaper advertising.

They make moderate use of Facebook.

Some are keen readers of printed newspapers, and they particularly like reading the Daily Mirror, the Daily Record, the People and the Sun.

They are heavily reliant on television for entertainment and for information, and some describe themselves as telly addicts. They like Channel 5, Gold and ITV4.

Demographics

Subsidised Living are singles, couples and some sharers. Their ages range, but the oldest in the household is usually over fifty. They are unlikely to have children living with them.

They live in small, mostly one/two-bedroom properties of various types – flats, terraces and semis – and generally in small pockets of social housing rather than on large estates. They haven't always lived there a long time.

They have very low levels of education, and those in work are in lower-level occupations.

Future trajectory

These people are most likely to move into L40 Workaday Families or O52 Penny-saving Seniors.

Group L Cash Economy

Type L43 Day-to-day Effort

Disadvantaged older singles dependent on benefits and social housing, who are often unable to work

Day-to-day Effort are persevering in challenging financial circumstances. Many aren't employed, whether because of poor health or being unable to find work. Those who are in work earn very low wages. They are living alone without family to rely on, and the state steps in with support for many. Television ads are the surest way to win their attention.

Financial position

These older singles represent some of the most disadvantaged households, and on average have the lowest personal income of any type.

They rent very low-value social housing, most likely a small flat.

Few work full-time, and those who have jobs are in low-paid work. This type has the highest proportion of people either permanently unable to work or seeking work. Some are already retired.

They are the type most likely to receive benefits and rank highest for housing benefit, disability benefit, means-tested benefits, health benefits, heating benefits and reductions in council tax. Even so, disposable income is likely to only be a few pounds a week. They are super-cost-conscious, spending very carefully and using cash in most instances.

Financial product holdings

This type has an especially low use of financial products. A significant proportion has no bank account, and some will only have a basic account.

They may have a bank or building society savings account in which to make small savings, but they have the lowest assets of any type. They are unlikely to have a standard credit card but may have one designed for people with a poor credit history.

They might have stand-alone contents insurance. Few have cars. They are very unlikely to take out additional insurance.

They are the type least likely to have a company pension.

They try not to take on debt, as repayments can become a burden very quickly. Options to spread the cost of payments are welcome, however, and home-collected credit may appeal.

Behaviour & attitudes

Day-to-day Effort are the people most likely to need advice on benefits and tax credits or housing/landlord issues.

Given their circumstances, it is no surprise that they are the type most likely to feel benefits and the minimum wage are too low and that there should be a greater redistribution of wealth.

Channel usage & media

Some are comfortable online, using a desktop or a laptop, but they are less likely to look for financial information on the internet and highly unlikely to use online banking. They don't use price comparison websites.

However, they may check their benefits entitlement online, and some fill in surveys to earn rewards. Those suffering health issues may also find the internet a useful source of information and support.

They tend not to read printed newspapers but may sometimes see a copy of the Daily Mirror, the Star or the Sun.

Television is a mainstay of their lives. They watch many programmes, meaning they also notice many TV adverts. They are particularly high viewers of ITV and CBS channels.

They have a low use of social media.

Demographics

Most are in their fifties and over, and live alone. Rates of divorce are above average.

These people are quite transient, and there is a fair amount of coming and going amongst their neighbours.

They rent mostly one-bedroom flats that represent some of the cheapest housing in the country, generally in deprived areas.

Future trajectory

This type tends to move less, but some may become L42 Subsidised Living.

Group M Golden Age

Type M44 Privileged Pensioners

Discerning elderly investors on ample pensions enjoying retirement and actively researching financial options

Privileged Pensioners enjoy gold-standard pensions that fund a very pleasant retirement. They have a wide range of investments that they actively manage. They listen to advice offered in broadsheet newspapers and look for good but secure returns.

Financial position

These retired couples receive generous pensions and have accumulated a high amount of assets over their working lives – not least is their spacious home, which is worth twice the national average and has risen in value substantially during their ownership.

During their careers they worked in high-status jobs. Many accrued benefits in final salary pension schemes that are now funding their comfortable retirement lifestyle. Others saved substantial amounts within personal pension funds. Older members of this type may have bought an annuity with their pension fund upon reaching retirement. Younger members have more options available to them, and those at the point of retirement need to make choices about how best to use these funds to maintain their income.

They have very high levels of disposable income, with plenty of cash to spare for investments and fine living.

Financial product holdings

This type has a wide range of savings accounts. They are likely to be on the look-out for new financial products all the time. They are especially keen on NS&I products that give guarantees on the safety of their savings, and many have premium bonds.

They are likely to have several instant-access accounts – probably spreading money across accounts to avoid exceeding the financial compensation limit in any one bank. They are looking for products that give a good rate of interest but where savings feel safe. Many have fixed interest savings bonds. They are highly likely to own shares and may also have unit trusts or OEICs. They may get professional support with managing their investments and advice on issues such as inheritance tax planning for the next generation.

They like current accounts with extra features such as travel insurance. They use multiple credit cards for convenience and for the extra benefits but are very unlikely to need credit.

A good number have private medical insurance. They are highly likely to have annual travel insurance for their multiple holidays abroad. They also like to have home emergency insurance and boiler cover – not because they worry about a big bill arriving but for the ease and convenience of having someone to deal with problems quickly and efficiently when they arise.

They have a high-spec car, often new, which they use frequently for leisure and which is comprehensively insured with breakdown cover.

Behaviour & attitudes

They take a great interest in personal finance and spend time reading about money and investments in newspapers and magazines. Not surprisingly, they are strongly against a wealth tax.

Unhappy with low returns on their cash savings, they weigh up investment security with well-known providers against better rates from less familiar providers. Some may be tempted by higher-yielding peer-to-peer and mini-bond-type products, but they seldom succumb.

They are likely to have used a solicitor to make their wills and quite possibly have powers of attorney in place in case of future ill health.

They make some effort to switch insurance and may check consumer financial advice websites.

They receive quite a lot of direct mail but have the time to read it and often respond well.

Channel usage & media

Privileged Pensioners aren’t completely comfortable on the internet but nonetheless rely on it. They use email for communication and also research and sometimes buy online, preferring to investigate in depth and make considered decisions before purchasing. The actual buying of financial products still often occurs offline.

They are the type most likely to respond to newspaper adverts and show the highest engagement with newspapers. They read mainly broadsheets such as the Telegraph and the Times and are highly likely to read the money sections.

They aren’t interested in social networking.

On television they like to watch BBC Four, BBC News and BBC2.

Demographics

These are retired people in their sixties and over. Most are married couples, though some live alone. They live in quality four/five-bedroom homes that they own outright. They have been living there for many years and are surrounded by other professionals and managers.

They come from a generation that sent only a small proportion to university, so many missed that opportunity. Even so, they climbed the ranks, with many studying and earning professional qualifications throughout their working lives.

Future trajectory

This type is quite stable in their financial circumstances. A few may become M46 Single Custodians.

Group M Golden Age

Type M45 Senior Well-being

Retired professionals who take a close interest in their healthy personal finances and in keeping well

Senior Well-being have a very comfortable pension income and a high level of assets. They have a good knowledge of financial products and closely monitor their investments. Communications that keep them up to date with the latest investment news and offer clear and detailed product information are of interest.

Financial position

These retired couples own their quality suburban homes outright and enjoy a good pension income. They have a very stable financial position and a high disposable income.

They take a highly active interest in their finances and like to be in control of their savings and investments. They have a very wide range of savings accounts and often invest their sizeable portfolio in more sophisticated accounts than an average saver.

They are very satisfied with their standard of living. They manage finances well, as they do the rest of their lives, trying to stay fit and healthy by being active and eating well.

Financial product holdings

This type is likely to have a packaged or premium current account. They have multiple instant-access accounts with a range of building societies and banks, possibly to spread their savings around and not exceed the compensation limit. A high number have fixed rate savings bonds and premium bonds.

They have high levels of investable assets and are the people most likely to have an investment bond with a life insurance company. They are likely to have shares, probably inside and outside an ISA wrapper, and may have investment trusts, unit trusts and OEICs. They might use the services of a financial advisor or investment manager.

They have multiple credit cards for convenience.

Many have private medical insurance, and they are the type most likely to have private dental insurance. Annual travel insurance is popular to cover their holidays. They have a very high take-up of additional insurance for home emergencies, central heating, plumbing, locks – anything that can be insured within the home.

They are the type most likely to have bought a new car, but they only do moderate mileage for leisure. They take out fully comprehensive insurance and breakdown cover.

Behaviour & attitudes

Senior Well-being have a keen interest in personal finance and enjoy keeping a close eye on their investments. Wanting to hold on to their high spending lifestyles, out of all the types, they are the least confident in their retirement provision. They are open to new savings products that might give them better rates of return but may prefer well-known companies.

If switching, they are more inclined to look at websites of trusted brands that they know or to phone around some of the insurers whose brands they recognise.

They are likely to have used a solicitor to write a will and register power of attorney.

They have quite a broad risk profile.

Channel usage & media

Senior Well-being are fairly internet-savvy. Most have a desktop or a tablet computer. While they still like to find financial products offline, many embrace the control and monitoring ability that online access to accounts gives them. A number use a platform provider such as Hargreaves Lansdown to view and manage their own investment choices; they also go online to access savings accounts such as those they hold with NS&I.

Highly responsive to advertising and editorial in printed broadsheet newspapers, they are particularly keen readers of the Daily Mail and the Daily Telegraph and are highly likely to read the money sections.

They may notice direct mail but are very disengaged with social media and are the people least likely to use Facebook.

They particularly like watching BBC1 but enjoy all the BBC channels.

Demographics

These retired couples, in their sixties and older, built the foundations of their wealth on long careers in skilled, professional jobs where they gathered many technical and specialist qualifications.

They live in bungalows or detached houses in high-status neighbourhoods.

Future trajectory

Members of this type are most likely to move to M44 Privileged Pensioners.

Group M Golden Age

Type M46 Single Custodians

Elderly singles with high assets and good-sized homes who like to have financial advice in managing their investments

Single Custodians are cash-rich pensioners living alone on a single retirement income. They are conscientious in managing their assets, and spend prudently. They look for trustworthy advice and well-explained products.

Financial position

These retirees live alone and have comfortable resources. Some may have a reduced income following bereavement, but many still receive income from a joint life annuity or survivor's pension from a defined benefit scheme, as well as their own pension income. They may not have as much disposable income as they once had, but they still have ample for their needs.

They have a significant amount of savings and are more cash-rich than income-rich, which means they may need to draw down their savings on some occasions. They take a great deal of care in making investment decisions for their considerable assets.

They are very opposed to credit and are the households least likely to have any debt at all. Mostly they have no need for it, and if a need arises – like replacing their car – they can choose to use some of their capital. This approach isn't undertaken lightly, though, as it goes against their lifelong mantra of saving up for bigger purchases.

Their finances are very stable, and they will have options should future care needs arise.

Financial product holdings

They like to keep a good amount of their savings in cash-based accounts. They are particularly keen on cash ISAs and use their allowance each year whenever possible. They also have building society savings accounts, premium bonds and possibly fixed rate savings bonds.

They understand the need to hold investment products as well and have shares and multi-asset or equity funds, wherever possible in tax-efficient wrappers.

They probably have several credit cards but always pay off their balance in full each month.

They are likely to own a new car and have fully comprehensive insurance and breakdown cover. They also like extra insurance such as boiler and home emergency cover – it helps them budget but also offers them the reassurance of speedy repairs from providers they can trust.

Behaviour & attitudes

Some rely on an independent financial advisor to help them make decisions about their investments. They have a good general interest in personal finance but, since they are making decisions alone, appreciate advice and opinion from a range of trusted sources. They look out for different ways to invest by reading the money sections of favourite newspapers.

If they want to switch insurer they are most likely to phone around companies they know to find a better deal.

They are most likely to have needed legal advice for probate and writing wills.

Single Custodians aren't comfortable with taking risk but are very capable managers of their finances. They are reasonably trusting of banks and building societies and like to stick with known brands.

They are quite responsive to direct mail.

Channel usage & media

Single Custodians aren't particularly comfortable online. A minority get by without the internet at all, although most will use it for email, research and purchasing goods and services. They are most likely to have a desktop computer.

They tend to prefer getting financial products offline but may manage some accounts, such as their current account and credit card, online.

They notice advertising in printed newspapers and magazines. The Daily Mail and the Daily Telegraph top the list of favoured publications. They also keep in touch with news by listening to the radio and watching television.

They are quite responsive to television ads but prefer to watch BBC channels.

Demographics

These are retired singles in their sixties and older, some of whom have taken early retirement. They have strong local ties, having bought their three/four-bedroom homes a long time ago, and are reluctant to downsize or move. Two thirds of people in this type are women, and a high proportion have been widowed.

Future trajectory

Most of this type stay over the medium to long term but a reasonable proportion move into M44 Privileged Pensioners.

Group M Golden Age

Type M47 Tranquil Times

Retired singles and couples in rural and village settings with good disposable incomes

Tranquil Times are enjoying retirement in green environments. They have good pension incomes and substantial assets, giving them options now and in the future. Editorials discussing good investments are likely to be read in money sections and magazines.

Financial position

These are retired singles and couples who own their good-quality homes outright. Most have been settled in their country and village locations for some time and were probably also enjoying a rural lifestyle before retirement, though some may have moved as a retirement choice.

They have a generous disposable income and good levels of assets to invest.

The advantages of living in a beautiful location for retirement are obvious, but for some it may mean they need to travel for shopping and essential services. Their health and local levels of support will influence their long-term choices, but they have the resources to make whatever moves are required.

Financial product holdings

They have a healthy amount of savings and a variety of cash-based savings accounts, including instant-access accounts, notice accounts, cash ISAs, premium bonds and fixed rate savings bonds.

They also have a considerable level of investments. They are likely to have shares and also have a propensity to own land or property as an investment. Other investments may include unit trusts or OEICs, an investment bond with a life insurance company or physical investments such as art or jewellery.

They are very unlikely to have any debt.

Cars are an essential part of life in their chosen location and will continue to be a fundamental need as they grow older. They therefore choose a new or reliable second-hand model, which they maintain carefully. They have fully comprehensive insurance and often purchase breakdown cover as well. They are the type most likely to have claimed on their motor insurance.

They aren’t keen on additional insurance add-ons.

They may have used legal services recently for writing wills, power of attorney or probate.

Behaviour & attitudes

With their finances quite settled, they aren’t looking for many new accounts. They aren’t especially good at switching between providers, but occasionally a steep rise in premium renewals or a newspaper article may encourage them to try phoning around for better deals.

Their risk profile is moderate – they have a bigger appetite for risk than many of their cautious peers. They have a strong general interest in personal finance and read articles and search for information to add to their knowledge of their options.

They like saving time and buying quality products. They dislike advertising generally but quite often have a positive response to direct mail.

Channel usage & media

Although they wouldn't consider themselves experts, they rely on the internet a lot due to their more remote locations. They use it for browsing and buying, for keeping in contact via email and possibly for online banking. They probably use a desktop computer. Broadband speeds may be slow.

Tranquil Times have only a low use of social networking.

They notice advertising in printed magazines and, to a lesser extent, printed newspapers. They are most likely to read the Daily Telegraph and highly likely to read the money section.

Television and radio are important for news, and they like watching BBC channels.

Demographics

These people are sixty-five and older and are retired professionals or people who used to own a small business. They are mostly married couples, though some live alone.

They live in good-sized homes that have often been given individual names in rural locations or within a village. These localities have frequently attracted many older, well-off residents.

Future trajectory

Members of this type are most likely to move between M45 Senior Well-being and M44 Privileged Pensioners.

Group N Home-equity Elders

Type N48 Dual-pension Freedom

Content retired couples owning average-value homes whose double pension income gives them a comfortable standard of living

Dual-pension Freedom are elderly couples with a comfortable joint pension income. They have enough money for all of the essential bills and a good level of savings and investments. They are avid readers of newspapers and appreciate clear advice on how to invest their savings.

Financial position

These married couples have all retired, and many are quite elderly – in their seventies or eighties. Each partner's individual pension is modest, but the two incomes added together make a respectable sum.

As they have modest aspirations – perhaps one main holiday a year, running a respectable car and enjoying occasional nice meals with the family – their disposable income comfortably covers their requirements. They manage their finances carefully, save up for larger purchases and don't receive any benefits.

Their mortgage on their average-value home is completely paid off, and they have a reasonable level of savings and investments.

Some, though, admit to a level of uncertainty over their retirement provisions. This might be due to concerns about what happens to their pension income should one partner be left alone.

Financial product holdings

This type is very likely to have joint accounts. They have a current account for day-to-day banking and are the type most satisfied with their current account provision.

They have a respectable nest egg held in predominantly cash-based accounts – a bank or building society savings account, cash ISAs and/or premium bonds – but they are fairly dissatisfied with the returns on this money.

They often have a good amount of investable assets in addition to these savings. Some have investment products beyond the standard, and they may have help from a financial advisor to decide how to invest in these. Products may include shares, probably as part of their ISA arrangements and held through unit trusts, OEICs and other investment funds.

They have one or possibly two credit cards, which they pay off each month.

Dual-pension Freedom are the biggest users of single-trip travel insurance, though for some it is worth buying annual travel insurance to cover all holidays.

They are especially keen on additional home insurances – they have the biggest uptake of boiler insurance in particular and a high uptake of all other add-on insurances. Some have private dental insurance.

They are unlikely to have any debt, though a few may be paying off the end of a car loan, possibly taken out to buy a new car when they retired. Many have breakdown cover.

They mainly use legal services for arranging power of attorney and writing wills.

Behaviour & attitudes

They are moderately good at switching energy suppliers and insurers but may be more inclined to phone around than use comparison sites.

Generally uncomfortable about risk, they like to be well insured.

They take an interest in personal finance and are highly responsive to printed newspaper advertising. They can feel bombarded by advertising in general but are relatively open to direct mail.

Channel usage & media

Dual-pension Freedom aren't especially confident online, and many get along without it. Most have a desktop computer and will use email. They do some browsing, purchasing and online banking, but financial products are more likely to be purchased offline. The NS&I website is the financial site most likely to be visited, and they possibly check their supermarket current account online. They aren't engaged with social networks.

They are among the heaviest newspaper readers, with some spending several hours a day reading the Daily Mail and the Mail on Sunday. They are likely to read the finance sections.

As well as newspapers, they rely on television for news and information. Favourite channels are BBC1, BBC2, ITV and news channels such as BBC News and Sky News.

Demographics

These are elderly married couples in their seventies and older, though a few are in their late sixties. They have lived in the same three-bedroom house for a long time. It is worth around the national average, and they own it outright.

They worked in respectable jobs, possibly in intermediate managerial and clerical roles, and now have decent pension incomes.

Future trajectory

These people's finances are quite stable, and they are likely to stay in this type unless their circumstances change through bereavement or ill health.

Group N Home-equity Elders

Type N49 Vintage Vigilance

Elderly singles who keep a capable eye on their finances, ensuring their modest pension assets are safely invested

Vintage Vigilance are in their seventies and older. They have a single pension income that is sufficient to cover their needs at their current stage of life. They may open additional cash-based savings products with spare money, and they like traditional communications through the post or newspaper advertisements.

Financial position

These are very elderly people who live alone. They represent the oldest category. They have an adequate pension income, which is likely to include an element of occupational pension on top of the state pension.

They own their average-value home outright and also have a reasonable level of liquid assets that are available for larger expenses should the need arise.

Day-to-day expenditure poses no problem, and they may consider extra help in the home to allow them to stay independent. They may also be looking ahead at how to fund potential care needs.

Financial product holdings

This type has a current account with a fee-free overdraft that they don’t use. They have at least one savings account with a bank or building society. They often have cash ISAs, and many have premium bonds; they may also have a fixed rate savings bond. They are generally satisfied with the rates of return they receive and may take out new cash ISAs or more premium bonds in the next year.

Vintage Vigilance have a moderate amount of investable assets and have products such as shares, an investment bond with a life insurance provider or unit trusts. They may use the services of a financial advisor.

They often have several credit cards but probably only use one of them regularly. They are very unlikely to have any debt.

They are strongly in favour of insurance and have joint home and contents insurance and motor insurance. Most have a car, sometimes bought new, and breakdown cover is considered important, though they do low mileage. Some have private dental insurance, and some take out extra home insurance.

Behaviour & attitudes

Vintage Vigilance are good at managing their finances and are the people who most trust banks and building societies. They have a very low appetite for risk.

They are quite inactive at switching insurance providers and utility suppliers. They might phone around or ask friends and family which companies they prefer.

Legal services are used for issues surrounding probate, writing wills and power of attorney.

Channel usage & media

Many aren't confident online and get by most days without it. They use email and might browse and buy goods, but financial products are mostly bought offline. They don't use social networks.

They receive a lot of direct mail and are quite likely to respond if it interests them. They also see advertising in newspapers and magazines. They have a high engagement with newspapers and usually read the Daily Mail or the Daily Telegraph; they are likely to read the finance sections.

They watch all the main TV channels and also the BBC News channel to keep in touch with what is happening in the world.

Demographics

This is the oldest type, with most in their late seventies and older. They are predominantly female, with a high proportion widowed.

Most have lived for many years in their three-bedroom house, which they own outright.

They once worked in roles such as teaching, nursing or clerical jobs.

Future trajectory

Many of these people move to M46 Single Custodians or N48 Dual-pension Freedom in the longer term.

Group N Home-equity Elders

Type N50 Old-school Owners

Traditional single pensioners who have lived in the same unassuming home for a long time, now on adequate pensions

Old-school Owners are living on a single, modest pension income. They don’t have expensive tastes, but they still have a level of concern over their retirement provision. They prefer printed information and may notice direct mail or newspaper ads that offer good returns for cash.

Financial position

These are retirees who live alone in the home they have owned for a long time. Many are in their late sixties and have retired in recent years; they may still be adjusting to their post-work lives. Others are older and have been retired some time.

They have a modest pension income, an element of which is likely to come from an occupational or private pension over and above the state pension. With careful spending, their disposable income covers their needs but doesn’t provide for many luxuries. A few receive pension credit or council tax reductions.

Their main asset is their home, a modest-value three-bedroom house that they own outright.

They often have a respectable level of savings, made possible by years of prudent spending and not over-stretching themselves on the property ladder. In some cases this may have been boosted significantly by a tax-free lump sum taken from pensions at the point of retirement.

Money is held in accessible and understandable cash-based savings products. There is very low-level take-up of equity-based investment products. Old-school Owners like to keep things safe and simple.

Financial product holdings

They have a current account, often have more than one instant-access savings account and might have a notice account. Many have premium bonds and other NS&I accounts. They are highly likely to have a cash ISA and may think about adding to this if they can in the next year. They are quite happy with the returns from their cash-based accounts.

They have lower levels of investible assets but may have some shares, an investment bond with a life insurance company or some other investment fund.

They probably have one credit card but are unlikely to have any debt.

They insure their home and car – probably a second-hand model – and possibly have single-trip travel insurance. They quite often like insurance add-ons such as home emergency cover and central heating cover.

They may have written their wills with a solicitor or sought advice about problems with consumer services or goods.

Behaviour & attitudes

They are quite responsive to direct mail, potentially viewing it as a useful way to find out about products and offers.

Some try to switch providers, particularly for energy supplies, by phoning around or looking at websites. However, they don't always check before renewing.

They take some interest in personal finance but aren't overly confident in their knowledge. Careful with their money and generally managing their finances well, most consider themselves low risk takers.

Channel usage & media

Old-school Owners aren't very confident online – living alone, they don't have anyone on hand to ask if something unexpected happens. They may email or browse for goods but generally find the pace of change in technology a bit overwhelming. Financial products are bought offline.

They notice advertising in printed publications. They like to read newspapers and tend towards the Mail, the Express or the Mirror. They often read the money sections.

They rely on television to keep themselves informed and also notice TV advertising. Favoured stations include Channel 5 and various ITV and BBC channels.

Demographics

These elderly singles living alone are sixty-five and over and are long-term residents of a semi-detached or terraced home. This type has roughly equal numbers of men and women. Many are widowed or divorced.

Their neighbours are of all ages rather than just other older people. These can provide welcome company and support, so there is little incentive to move.

Future trajectory

Their finances are relatively stable over time but a minority may move into O52 as their reserves dwindle.

Group N Home-equity Elders

Type N51 Cautious Retirees

Low-spending pensioners with only basic pension income but who own their small homes

Cautious Retirees are elderly people living alone on small retirement incomes. They own their home and have some savings, possibly dipping into these to help with bills and expenses. They are very risk-averse and aren't looking for new products. Printed communications from familiar companies offering insurance or discounts may encourage them to respond.

Financial position

These elderly singles have a low pension income that consists of the state pension with a modest additional amount from occupational and personal pensions. However, they do have some savings and also own their own house. This property asset, though modest in value, gives them security now and also offers additional options should they need money for care needs in the future.

Their disposable income is quite low. A few receive council tax reductions or pension credit. With small levels of regular income, they may need to use their capital to help them afford extras such as maintenance for their home or to pay winter heating bills.

They are very settled with their financial holdings and are unlikely to purchase new financial products in the near future.

Financial product holdings

Most have a current account for day-to-day finances.

They have modest savings in an instant-access account or a cash ISA. Some have a fixed rate savings bond and premium bonds.

Some have investments as well – mostly involving modest amounts but sometimes higher, perhaps as a result of an inheritance. Those with sums to invest may rely on a financial advisor to make recommendations, opting for a cautious, multi-asset investment rather than a pure equity product.

They probably have one credit card, which they use sparingly and pay off in full every month. They are highly unlikely to have any other debt.

Cautious Retirees have insurance for their home and contents and for their low-mileage car. They may have private dental insurance as well. They like extra insurance to cover home emergencies around plumbing and drains, water supply or home electrics.

They are the type most likely to use a solicitor to write a will.

Behaviour & attitudes

Because the general tasks of day-to-day living can take a lot longer than they used to do, this type value the spare time and energy they have available. Some may phone around to look at switching providers, but it is by no means a priority. This type are also quite responsive to direct mail.

They are very stressed by the idea of being in debt and are the people least likely to take any risks with money. An extension of these anxieties is, for some, an uncertainty as to whether they have made sufficient provisions for their retirement.

Channel usage & media

These are the people least confident on the internet, and any necessary financial products will be sourced offline wherever possible.

Cautious Retirees get news from the TV and rely on it to stay informed. They are the biggest viewers of ITV and see many advertisements.

They like reading newspapers and notice the ads. They are particularly keen on the Daily Express and the Daily Mail.

Demographics

Most of this type are in their seventies and older. The vast majority are female, and this type has the highest incidence of widows. They live alone in small homes, often a two/three-bedroom bungalow priced well below average. They have lived in these homes for the many years of their retirement.

They worked in lower/mid-grade jobs, perhaps at clerical level.

Future trajectory

People in this type may move between N50 Old-school Owners or N49 Vintage Vigilance.

Group O Declining Years

Type O52 Penny-saving Seniors

Economical retired couples in their own modest homes, monitoring their finances in traditional ways

Penny-saving Seniors have small pensions and inexpensive lifestyles. These couples are experienced in managing a budget, and as long as they have each other's income they should be financially stable. They choose familiar brands and like traditional methods of communication.

Financial position

These elderly married couples are traditional working people who are living in what once was the family home, which they now own outright.

A small occupational or personal pension boosts their income above the basic state pension, giving them a greater level of disposable income. The fact that they have two pension incomes between them also makes a significant difference to their household budget, and most expenses and bills are manageable. A small number may be eligible for disability benefit, but most are receiving no benefit income.

They feel quite uncertain about their provision for the future and how a single surviving partner would cope in the face of a reduced pension income. Products that offer equity release may become attractive if circumstances change through bereavement or ill health.

Financial product holdings

Penny-saving Seniors have a standard current account, often held jointly.

They have a modest amount of savings in one or two instant-access savings accounts. Some may have a cash ISA and/or premium bonds. They have mixed feelings on the rates of return they are earning, but they are very unlikely to look for new savings accounts and don't feel confident enough to seek out higher-risk, higher-yield investment products.

They are likely to have one credit card and may sometimes make use of it to spread costs across several months.

They have home and contents insurance and motor insurance for their car, which is usually second-hand. They like extra insurance for their home, such as for plumbing, home electrics or kitchen appliances, to reduce the risk of unexpected bills. A number also have life insurance, which might help cover funeral costs and make up some of the income shortfall of one of them living alone.

Behaviour & attitudes

Penny-saving Seniors tend to use cash for everyday shopping. While they don't want to pay extra for quality goods, they prefer buying well-known and familiar brands that they have tried before. This means they don't always pick the very cheapest products.

They have done well on a limited income over the years, spending wisely and prudently, and still keep on top of their finances – usually in a traditional way with paper records. They are quite responsive to direct mail.

They don't like taking risks and are unlikely to look for new accounts.

Channel usage & media

They aren't confident online and don't depend on the internet at all. They aren't keen on purchasing online generally and are certainly unsure about buying financial products in this way. Social networking has mostly passed them by. They are also the type least keen on mobile communications.

They notice advertisements in printed magazines and newspapers. They spend some time reading papers, preferring the Mail, the Express or the Mirror, and may read the money sections.

They are also responsive to TV advertising and rely on television for information. They particularly like watching ITV1, ITV3 and Channel 5.

Demographics

These elderly couples are in their late sixties and seventies or older. They had very low levels of education and often worked in skilled-manual jobs.

They are living in their long-term home, which they own outright. This is a low-value semi or terrace. Some are very house-proud; others are beginning to struggle physically and financially with maintenance, and there may be signs that upkeep is becoming a burden.

Future trajectory

Their outlook is quite stable, and most remain within this type unless bereavement or health prompts a change in circumstances.

Group O Declining Years

Type O53 Lone Downsizers

Surviving seniors who may have moved to more affordable housing to match their reduced income

Lone Downsizers are elderly singles living in reduced circumstances. Although they have basic incomes, with little cash to spare, they choose not to use credit. They are negative towards advertising, seeing it as a waste of time and unhelpful, so communications should be clear, relevant and to the point.

Financial position

These are very low-income singles, mostly of retirement age and mostly women, who are likely to have moved in recent years to a smaller house. They may have been widowed or suffered a relationship breakdown, resulting in them needing to find a less expensive home. Some have stayed in the same locality, where they have friends and support networks; others may have chosen to move to a new location to be close to family. They downsized in the process and now live in small properties in mixed areas.

Just under half own their home. Many of the others rent from a social landlord, and a few rent from a private landlord.

They have very few resources. Many rely on the state pension alone, meaning they have little to spare after essential costs and bills. Many receive council tax reductions, pension credits and housing benefit.

They don’t like credit, so they have had little choice but to reduce their spending and watch outgoings to make ends meet. They are uncertain about the future.

Financial product holdings

Lone Downsizers have a current account that is held in their own name and with which they are happy.

They usually have one instant-access savings account. Some might have a cash ISA or a few premium bonds, but the level of savings in these accounts is low. They aren’t impressed with the returns they get on their money, but they are very unlikely to look for new accounts. They have little spare to put aside.

They don’t want to take on debt. A few may use a credit card or a mail-order catalogue or look for interest-free payment plans to spread the costs of replacing bigger items like appliances or furniture, but they mostly live within their means.

They are likely to have a stand-alone contents insurance policy. They may have a low-use, second-hand car for which they need insurance, and they like to have breakdown cover. They don’t take out extra insurance policies.

Legal services recently used may include conveyancing, advice on housing or writing wills.

Behaviour & attitudes

Lone Downsizers are the type most likely to say they have to be more careful with finances than they used to be. However, they are quite poor at switching and often don’t try to find better deals.

They are also the people who feel most bombarded by advertising, believing adverts waste their time and don't help in making choices. But they do sometimes notice television and newspaper ads, and direct mail may also get their attention.

Channel usage & media

They don't like the internet, and many hardly use it. They might have a laptop that they use for email, and they may have researched their entitlement to benefits. They rarely purchase financial products anyway but would do so offline.

They sometimes read newspapers, tending to prefer the Daily Mail.

They rely on television for news and information. They tend to watch ITV channels and Channel 5.

Demographics

These elderly singles live in a variety of small homes, usually with one or two bedrooms and often found in less desirable streets. Some own; others rent. Most have lived in these homes for less than ten years.

This type has the highest proportion of divorcees and also a high number of widowed people.

They had a low level of education and worked in jobs with a low social grade.

Future trajectory

Members of this type may move between N51 Cautious Retirees or O54 Pension Shortfall.

Group O Declining Years

Type O54 Pension Shortfall

Single pensioners left behind in their low-cost homes of many years, with little to spare beyond essentials

Pension Shortfall are elderly people living alone and surviving on very low incomes. They have limited use of financial products and aren’t looking for more. Traditional communications offering low-cost products and services designed for their needs are most likely to be read.

Financial position

This type represents the lowest-income elderly households. They rely heavily on the state pension, have a very poor disposable income and risk being unable to afford basic necessities. This is a predominantly female type; these women may have accrued lower levels of state pension entitlements over their working life.

Many qualify for pension credits, disability benefits, housing benefits and council tax reductions.

They have lived in their low-value home for a long time. Half are owners; half rent from a council or a housing association. Those who are owners may struggle to find money for the maintenance and upkeep of their homes.

They are concerned about their future finances and will need support from the state for care needs that arise.

Financial product holdings

Pension Shortfall are the type least interested in new financial products, preferring to stay with the accounts they already have and understand.

They have a standard current account, and this suffices. Some have a small amount of savings – rainy-day or rare-treat money – in an instant-access account. They are unlikely to have any investible assets.

They don’t like to use credit. They probably have one active credit card but may not use it a great deal. They might use mail-order catalogues to buy clothing or items for their generation that are hard to find in local shops, and they might take the opportunity to spread payments.

They have very low levels of car ownership and therefore don’t usually need vehicle insurance. Those who do have cars only do low mileage. A few have taken out add-on home insurance products.

Behaviour & attitudes

If Pension Shortfall need information on finances or benefits they tend to ask family for help, look for information in leaflets, or visit local branches.

They are likely to use cash when they are out shopping. They are the most cautious type and very uncomfortable with taking risks.

They like traditional methods of communication and may notice direct mail.

Channel usage & media

Many don’t use the internet and feel overwhelmed with the pace of change of technology. They are more comfortable with a paper-based approach to communication.

They sometimes read newspapers and are most likely to buy the Express, the Mail or the Mirror.

They are very dependent on TV as a source of entertainment and information. They watch quite a lot and particularly like Channel 5 and ITV channels, noticing the advertisements.

They also listen to local radio, which offers company and keeps them in touch with their community.

Demographics

Pension Shortfall are predominantly female. Most are in their seventies or older. They live alone, some in their own house and some renting from a social landlord, and have lived there for many years. Rates of divorce and widowhood are high.

Homes are small, low-value terraces, semis, flats or bungalows with two or three bedrooms.

They left school young, often with no formal qualifications.

Future trajectory

Members of this type may move between N50 Old-school Owners and O52 Penny-saving Seniors.

Group O Declining Years

Type O55 Elderly Assistance

Low income elderly needing support, in complexes built for old people's needs

Elderly Assistance are pensioners who live in low-cost housing designed for the elderly. They have limited income and make minimal use of financial services. They may notice conventional advertising offering low prices.

Financial position

This type represents low-income elderly – mostly living alone – who have moved into accommodation designed for older people and their specific needs.

Their homes, which most rent, are small and will often have special features that make them accessible to people with mobility issues. Some locations may have on-site support.

This type has the highest proportion receiving pension credit and also many entitled to disability benefit, housing benefit and council tax reductions. A few also receive heating benefit.

They have a low disposable income. Despite downsizing their home, driving less and becoming less ambitious about holidays – all of which help expenses fall – they aren't optimistic about their future finances.

Financial product holdings

Elderly Assistance have a simple financial set-up that they are used to, and they are very unlikely to look for new financial products.

They have a standard current account and are likely to have one instant-access account for their modest savings. Some have no savings at all; others have a small amount held in simple, cash-based accounts.

They probably have one credit card but are highly unlikely to have any debts. Some may use a mail-order catalogue to buy products aimed at their demographic and might take the opportunity to pay for goods over time.

They are very likely to have a stand-alone contents insurance policy but have little need for additional home insurance policies for domestic items such as boilers – they have deliberately moved to a situation where these things are less of an issue. Few own a car, so there is little need for vehicle insurance.

Behaviour & attitudes

Elderly Assistance are cautious with their money and take care with expenditure. They don't like the idea of spending beyond their means and are very cost-conscious. They tend towards familiar brands that they know and like, and they don't value expert opinion if they are making a bigger purchase. Many prefer to use cash when out shopping.

They have a low interest in personal finance and are unlikely to try to switch providers. They are the type most likely to look for local help if they want to ask advice, perhaps by phoning a local branch or going into a Post Office. They may notice traditional communications such as direct mail.

Channel usage & media

The more active among this type may have a desktop or laptop and use the internet as an extra source of information and for communication. However, they are the least likely to want to shop online and the most worried about online privacy.

They are highly reliant on television for news and generally keeping informed and will notice ads on TV. They like all the mainstream channels, and particularly ITV, Channel 5, Film4 and More4.

Many also read newspapers. They tend to buy the Daily Express, the Daily Mail or the Daily Mirror.

Demographics

More than half of this type is over seventy-five; others are in their sixties and early seventies. The majority live alone, and there are high rates of widowhood and divorce. A small number are married couples. Women are over-represented in this type.

They live in housing complexes that are designed for the elderly and which contain purpose-built flats, usually with just one bedroom. A few may live in very small bungalows or terraces. The majority rent from a social landlord; some rent from a private landlord, and some have bought their properties. They moved there in recent years.

Future trajectory

This type is highly unlikely to change and these people will stay as Elderly Assistance, although a proportion may find that they need to move to smaller properties as O53 Lone Downsizers.