



OLD MUTUAL

**Savings & Investment
●●●●● Monitor**

A closer look at women

July 2012





A NOTE ON DIFFERENCES IN SAMPLE PROFILE

In analysing the results with a view to finding a female perspective we have compared men and women, moms and dads, moms and dads in partnership and single women. NB In defining "moms" and "dads" we have included all who have children who are dependent on them (these need not be their own children nor do they need to live in the same household.)

It is however important to bear in mind the profiles of these segments. The reader is referred to section 5 of the full research report which can be found on www.oldmutual.co.za/savingsmonitor which sets out the profile of single mothers who are biased Black and lower income (and which reminds the reader that single motherhood does not mean that fathers are completely absent or uninvolved). In many instances it will be the lower income profile rather than "single motherhood" that drives her usage and attitude.

The differences on sample profile appear on the following page, and interpreting these results the following should be borne in mind:

- Men and women are on equal footing as regards household income but women have lower personal incomes
- Single mothers: bias black, lower income, still live at home with parents
- Moms and Dads generally are older (bias 35 – 49 years)
- Women are more likely than men to work part time as against full time
- All mom's (single or otherwise) bias Black



	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Household Income								
Unweighted Numbers	1,001	598	403	388	276	150	251	119
Less than R6 000	27%	26%	28%	24%	31%	40%	15%	17%
R 6 000 to R 13 999	33%	33%	33%	31%	33%	34%	31%	31%
R 14 000 to R 19 999	13%	14%	13%	16%	13%	13%	17%	13%
R 20 000 to R 39 999	20%	20%	21%	21%	17%	11%	25%	28%
R 40 000 or more	7%	8%	6%	8%	6%	2%	11%	10%
Work Status								
Work Full-Time	88%	91%	84%	94%	84%	83%	95%	87%
Work Part Time	12%	9%	16%	6%	16%	17%	5%	13%
Age								
18-24 Years	12%	10%	14%	4%	6%	7%	1%	5%
25-34 Years	34%	34%	34%	26%	35%	37%	22%	32%
35-49 Years	38%	40%	36%	53%	45%	43%	57%	51%
50+ Years	16%	17%	16%	17%	13%	13%	20%	13%
Live at home with parents								
Yes - I live with them in their home	29%	29%	30%	20%	30%	44%	8%	7%
Race								
Black	59%	60%	58%	64%	72%	78%	54%	62%
Coloured	11%	12%	11%	12%	10%	12%	14%	8%
Indian/Asian	6%	7%	5%	6%	4%	2%	9%	6%
White	23%	21%	26%	18%	14%	7%	23%	23%
WCI	41%	40%	42%	36%	28%	22%	46%	38%
Personal Income								
Less than R1 000	0%	0%	0%	0%	1%	1%	0%	0%
R 1 000 to R 2 999	16%	13%	21%	7%	24%	25%	4%	24%
R 3 000 to R 5 999	27%	28%	27%	29%	29%	30%	21%	24%
R 6 000 to R 11 999	27%	27%	26%	26%	24%	23%	29%	26%
R 12 000 to R 13 999	7%	7%	8%	8%	8%	6%	10%	10%
R 14 000 to R 15 999	7%	8%	6%	10%	5%	6%	10%	6%
R 16 000 to R 19 999	5%	4%	6%	4%	5%	4%	6%	6%
R 20 000 to R 29 999	7%	9%	4%	11%	3%	5%	15%	2%
R 30 000 to R 39 999	2%	3%	1%	3%	1%	0%	4%	2%
R 40 000 to R 49 999	1%	2%	0%	2%	0%	0%	2%	0%



SAVINGS AND INVESTMENT VEHICLES USED

Moms (partnered and single) are greater users of informal savings vehicles and the incidence of precautionary savings (insurance and medical aid) is highest amongst partnered parents and lowest in the most vulnerable segment (single moms).

July 2012	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Banked cash savings	44%	44%	42%	45%	42%	41%	46%	46%
Informal saving	51%	48%	55%	52%	63%	62%	48%	60%
Formal savings products and policies	83%	83%	82%	90%	88%	88%	93%	89%
Investments	6%	6%	6%	7%	6%	4%	10%	8%
Alternative investments	1%	1%	0%	1%	0%	0%	2%	0%
Insurance and precautionary savings	50%	48%	52%	55%	48%	34%	64%	69%
Bonds	2%	2%	2%	3%	4%	1%	4%	7%

Looking at **informal savings vehicles filtered by black respondents**. Note the generally higher incidence amongst black women as against black men, with regards to grocery schemes in particular.

Black, July 2012	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Savings club/ friends/ stokvel	51%	46%	58%	49%	57%	53%	51%	61%
Burial society	38%	34%	44%	35%	45%	37%	38%	59%
Grocery scheme	15%	5%	31%	6%	35%	33%	9%	31%
Cash savings not banked	4%	5%	4%	5%	4%	1%	5%	9%



Looking at formal savings policies and precautionary savings the following is worth noting:

- Highest incidence of “protective” policies amongst dads and dads in partnership in particular: life cover, short term insurance and medical aid
- All parents bias on education policies with the exception of single moms – this may be due to affordability and / or the failure of formal institutions to offer a product that suits the needs of single mothers.
- Lack of insurance and medical cover for single moms.

July 2012	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Endowment policies	11%	12%	9%	14%	10%	7%	17%	13%
Retirement annuities	24%	24%	23%	28%	22%	17%	31%	31%
Pension or provident fund	49%	52%	44%	61%	49%	42%	66%	61%
Education policies	21%	22%	21%	32%	30%	25%	36%	39%
Funeral policies	66%	65%	66%	75%	76%	78%	75%	72%
Life assurance/ death and disability policies	31%	33%	28%	40%	30%	21%	51%	43%
Unit trusts/ mutual funds/ ETF's	3%	3%	4%	3%	3%	2%	5%	6%
Listed shares (self managed or broker managed)	3%	3%	2%	4%	3%	1%	6%	5%
Short term insurance	33%	32%	34%	38%	28%	18%	50%	44%
Medical insurance/ medical aid	42%	42%	43%	50%	42%	28%	58%	61%

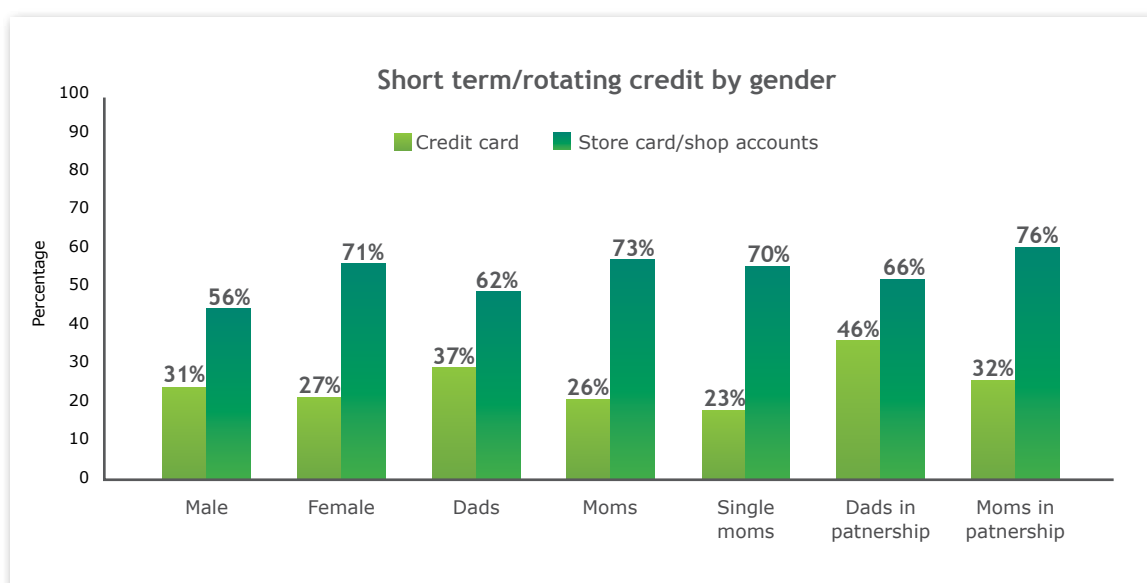
Looking at formal retirement products, penetration is highest amongst dads.

	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Retirement Products								
Have pension or prov fund	49%	52%	44%	61%	49%	42%	66%	61%
Have RA	24%	24%	23%	28%	22%	17%	31%	31%
Have fund and RA	17%	18%	15%	21%	17%	12%	23%	25%
Have neither	44%	41%	47%	33%	46%	53%	27%	33%
Have either fund OR RA	56%	59%	53%	67%	54%	47%	73%	67%



INCIDENCE OF STORE CARDS / CREDIT CARDS

Female preference for store cards is notable.



INCIDENCE OF SHORT / MEDIUM TERM LOANS

Current short/medium term loans	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Any personal loan	25%	27%	23%	31%	26%	27%	27%	23%
Personal loan from a financial institution	16%	18%	15%	22%	16%	15%	22%	16%
Personal loan from a micro lender	2%	2%	1%	2%	2%	2%	1%	1%
Personal loan from a friend/family member	8%	8%	8%	8%	9%	10%	6%	6%
Car finance	20%	21%	19%	25%	20%	12%	31%	33%
Hire purchase/instalment sale	16%	17%	15%	21%	15%	14%	21%	16%
Revolving credit facility	6%	8%	4%	9%	5%	3%	11%	7%
Overdraft	8%	9%	7%	11%	7%	4%	13%	11%



SAVINGS OBJECTIVES (Prompted)

There is little difference in savings objective by gender (remember that the question is asked with reference to a household view, so amongst couples the gender effect will be muted). Age, income and parenthood are stronger determinants of savings objective.

Note the bias in favour of saving for a deposit on property amongst single moms (understandable given the high percentage of single moms that still live at home with their parents), and the bias in favour of home improvement amongst Moms in partnership..

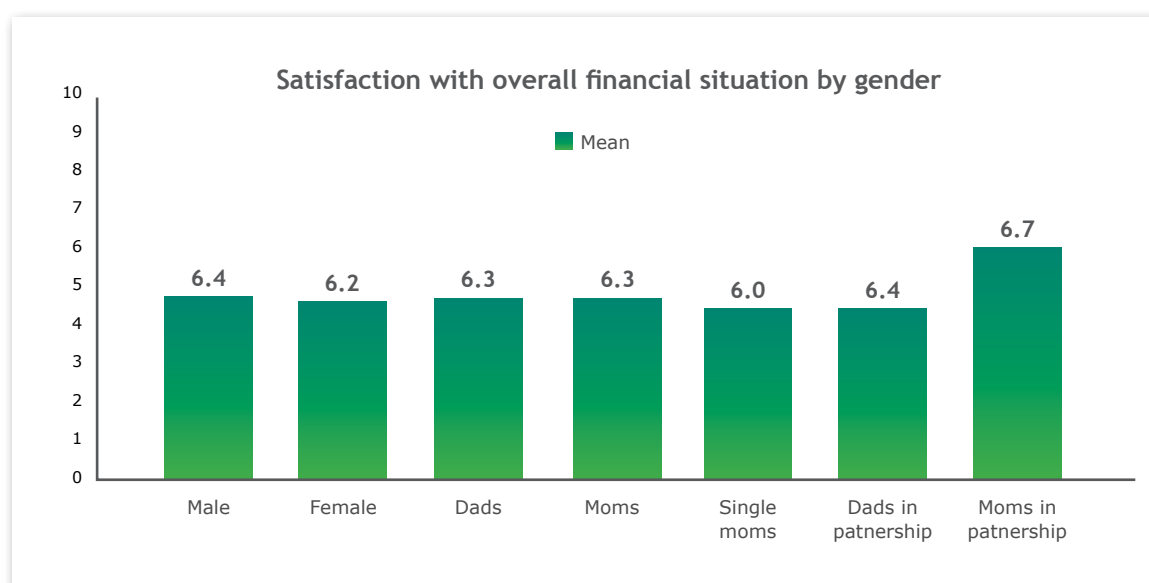
All parents bias on saving for their children's education.

Prompted savings objective	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Deposit on a home/immovable property	22%	22%	21%	22%	22%	30%	23%	13%
Car/vehicle	20%	23%	16%	19%	11%	10%	18%	13%
To buy a specific item/other specific purpose	14%	13%	16%	14%	18%	18%	11%	20%
Retirement/old age	35%	35%	36%	39%	35%	28%	45%	46%
Emergency expenses/rainy day fund	39%	37%	41%	39%	43%	43%	37%	44%
Children's education	33%	31%	36%	47%	54%	55%	49%	54%
Funeral expenses	26%	24%	29%	29%	36%	40%	26%	30%
Money to start my own business	6%	8%	4%	9%	4%	6%	10%	1%
Home improvement	17%	17%	17%	21%	20%	14%	21%	27%
Furniture/home appliances	6%	7%	6%	7%	6%	7%	6%	4%
Holiday	11%	11%	13%	9%	9%	7%	11%	12%
Medical expenses fund/for medical expenses	13%	13%	13%	16%	15%	14%	17%	18%
To pay off debt	17%	17%	17%	18%	20%	19%	16%	21%
No specific reason	2%	2%	3%	2%	2%	1%	1%	3%
To get married/lobola	6%	9%	2%	9%	1%	0%	5%	0%
For my studies/own education/further my studies	7%	6%	7%	3%	6%	8%	3%	2%
Not saving/don't save as I can't afford to save	2%	2%	1%	2%	1%	1%	1%	2%



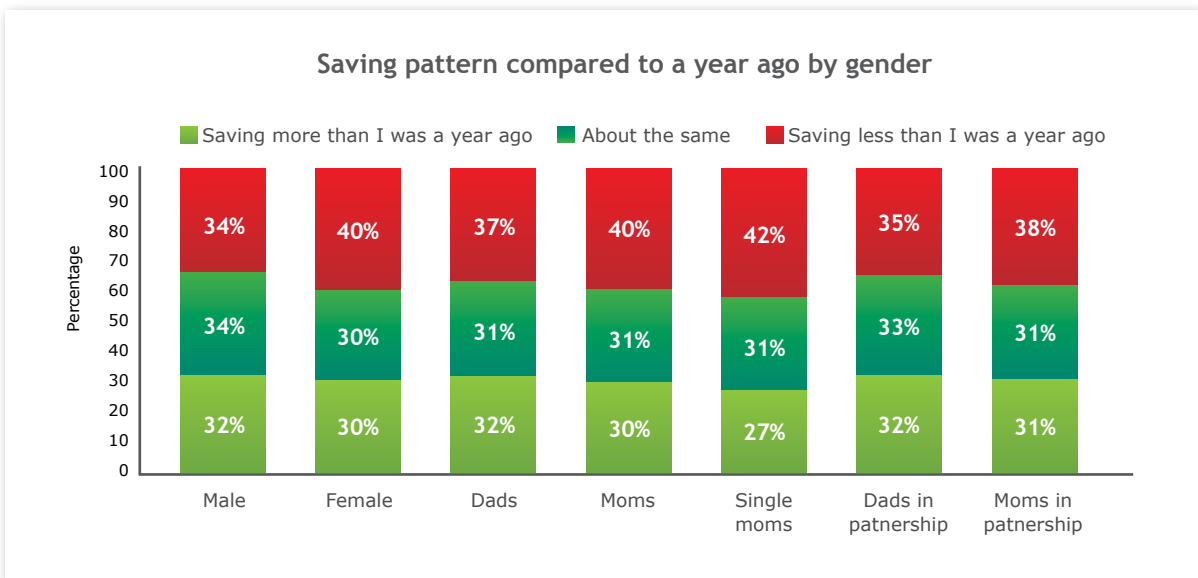
OVERALL SATISFACTION WITH FINANCIAL POSITION

Satisfaction levels are lowest amongst single moms (because of their lower income profile).



SAVINGS PATTERN COMPARED TO A YEAR AGO

Similar pattern emerges as for current satisfaction level with those saving less biasing on single moms, because of the increased demands on income that single motherhood brings.



Reasons saving more/less/same - group	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Little change in circumstances/ needs	15%	16%	13%	13%	11%	10%	12%	13%
Increased demands on income	36%	33%	40%	37%	41%	45%	37%	40%
Effect of debt/debt management	19%	21%	16%	22%	16%	17%	25%	15%
Improved income	17%	17%	16%	16%	17%	13%	17%	20%
Item/cause specific savings	5%	4%	5%	6%	5%	5%	6%	5%
Deteriorating income	8%	7%	8%	7%	8%	9%	6%	5%
Decreased demands	3%	3%	2%	3%	1%	1%	1%	1%
Shift in headspace	17%	18%	17%	17%	17%	14%	17%	22%
Other	0%	0%	0%	0%	0%	0%	0%	1%

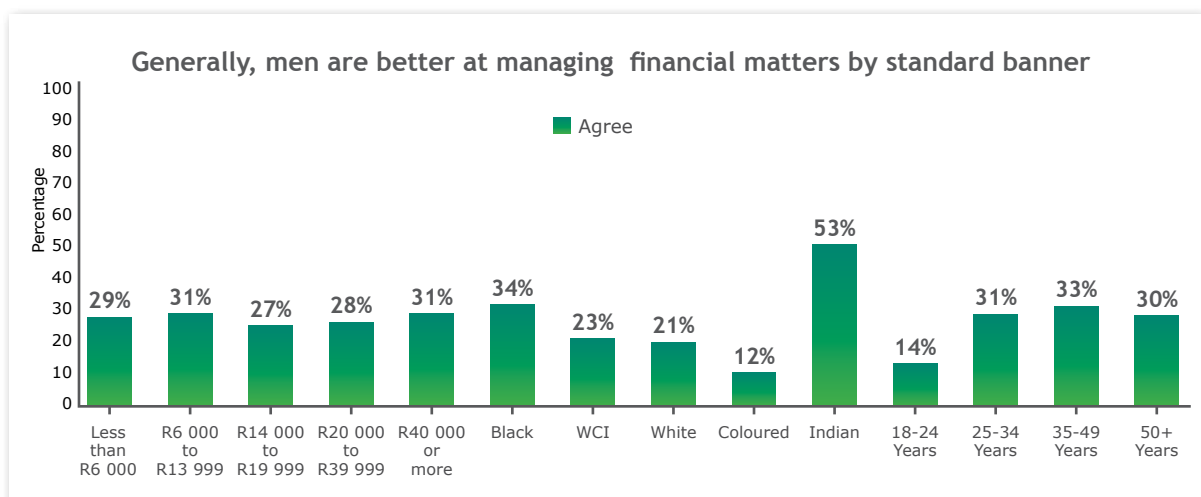


ATTITUDES TOWARDS FINANCIAL AFFAIRS

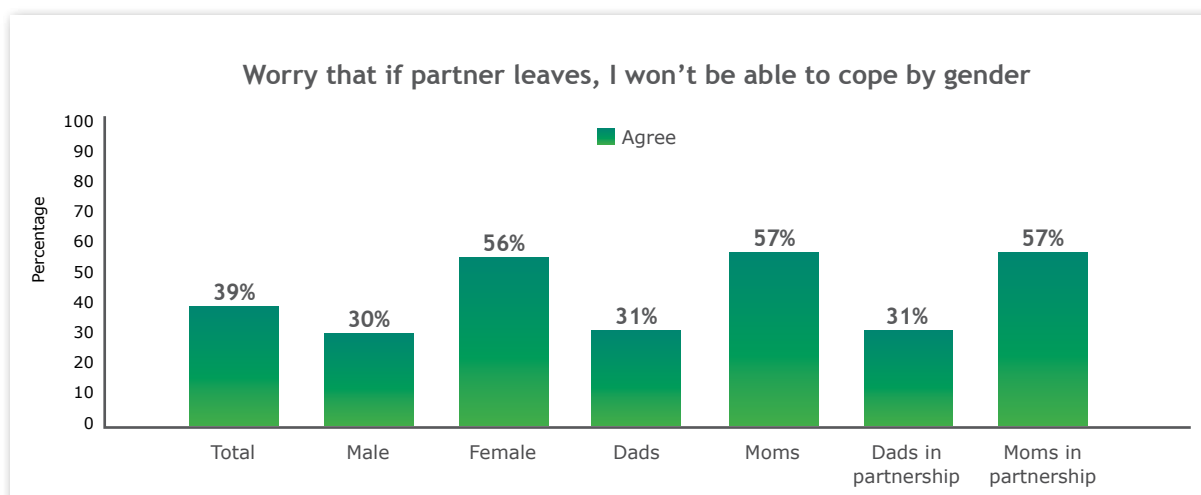
Little significant differences in attitude based on gender. Again the results appear to indicate that age, income, parenthood and in some instances race are stronger determinants of attitude than gender.

One instance where views do differ markedly is in relation to the statement "Generally, men are better at handling financial matters than women are." 65% of men agree with this compared to 29% of women. What we do find startling is that in this day and age **one in three women agree with this sentiment**. (There is an angle here about the need for women to have the confidence to take control of their financial affairs).

There is evidence of this view across all income groups, although it is way less prevalent amongst younger respondents. (NB Small base size of Indian respondents, but shown here for qualitative value).



What is interesting though is that the majority (68%) agree that they are better at handing finances than their mother was. Another aspect where the differences in attitude by gender is marked is in regard to financial vulnerability in partnerships. 39% of partnered respondents agree that they fear not being able to cope financially if their partner leaves them. And it is women in particular who feel particularly vulnerable.





Statements - grouped axes	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Don't buy until I have enough money	67%	68%	65%	66%	66%	70%	66%	61%
Finances are never properly organised	48%	46%	51%	45%	50%	53%	40%	47%
Plan my finances five to ten years ahead	51%	52%	50%	54%	52%	54%	56%	51%
No alternative but to get into debt	68%	66%	71%	66%	70%	73%	65%	66%
Important to save, but do not have enough money	63%	62%	65%	63%	66%	68%	61%	62%
I wonder if I have done enough to secure my retirement	74%	73%	75%	74%	79%	79%	79%	80%
I really hate dealing with my finances	40%	39%	42%	38%	36%	37%	40%	34%
I consider myself a spender, not a saver	34%	32%	37%	28%	36%	36%	27%	32%
Always trying to become more knowledgeable about financial matters	81%	81%	80%	83%	81%	82%	84%	81%
Seem to leave my money decisions to the last minute	37%	36%	39%	33%	39%	40%	29%	37%
Credit is part of my life, can't make ends meet without it	43%	43%	44%	45%	47%	47%	43%	46%



Statements - grouped axes	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
World of financial services leaves me confused	41%	39%	44%	40%	39%	37%	34%	43%
Go to loan shark rather than borrow from a neighbour	26%	26%	26%	25%	27%	26%	23%	25%
Anything to do with financial matters extremely boring	29%	29%	29%	28%	27%	23%	28%	31%
I want to learn more about how to save	85%	84%	86%	86%	86%	88%	88%	83%
Is important to save money for a rainy day	95%	95%	95%	94%	94%	95%	97%	95%
Always plan finances carefully	79%	80%	78%	84%	79%	81%	85%	78%
Avoid debt wherever I can	81%	81%	81%	81%	81%	82%	83%	78%
Always worried about not having enough money	75%	73%	77%	73%	76%	74%	75%	78%
Extremely cautious with finances	79%	81%	76%	83%	74%	75%	87%	73%
Set financial goals	81%	81%	81%	82%	82%	82%	84%	80%
Financial security means having enough money	90%	90%	90%	90%	88%	88%	90%	87%
Saving for future is not a priority right now	26%	26%	26%	24%	26%	29%	23%	23%
We don't talk about money in our family	25%	25%	26%	23%	24%	31%	16%	16%
Only way to improve financial position is to take risks	70%	70%	72%	72%	74%	77%	71%	72%
Spend all that I earn, not able to save anything	33%	33%	34%	31%	34%	38%	29%	28%
I need more education on how to handle my finances	69%	66%	73%	67%	75%	79%	67%	68%
Financial institutions don't care about their clients	51%	52%	51%	53%	48%	46%	54%	50%
Medical aid is too expensive	84%	83%	85%	84%	83%	81%	84%	85%
Never really think about the need for medical cover	34%	34%	34%	30%	34%	40%	26%	24%
Death, funeral and disability cover are more important	50%	50%	50%	53%	58%	62%	49%	51%
Savings for education is more important than retirement	51%	49%	52%	56%	64%	66%	56%	61%



Statements - grouped axes	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Generally, men are better at managing financial matters: female respondents	29%		29%		31%	31%		28%
Generally, men are better at managing financial matters: male respondents	65%	65%		65%			67%	
I am much better at managing finances than my mother: female respondents	68%		68%		69%	72%		63%
Often wonder if I have enough cover for medical expenses	63%	62%	66%	59%	67%	66%	58%	71%
Worry that if partner leaves, I won't be able to cope: partnered respondents	39%	30%	56%	31%	57%		31%	57%
Most months I struggle to make ends meet	46%	44%	49%	43%	49%	51%	43%	45%
Not always sure who to turn to regarding finances	37%	35%	39%	35%	41%	43%	32%	37%
As long as I can afford necessities, I don't worry	25%	25%	25%	26%	25%	30%	23%	18%
I know a lot about financial products	52%	54%	50%	52%	49%	50%	55%	50%
Financial institution genuinely interested in my needs	56%	55%	56%	55%	59%	59%	51%	57%
Satisfied that my family is well provided for	66%	67%	64%	69%	66%	61%	70%	71%
Would like financial advice but hard to find somebody I trust	44%	42%	47%	43%	50%	53%	38%	46%
You need to spend money to enjoy life	63%	63%	63%	61%	61%	65%	59%	55%
See no benefit being loyal to financial services company	32%	31%	33%	32%	34%	40%	33%	28%
Seek financial advice from family and friends	60%	57%	64%	55%	62%	68%	55%	55%
Always looking out for latest financial services products	46%	46%	44%	46%	47%	50%	48%	44%
Happy to buy financial products in internet	22%	23%	21%	21%	19%	22%	21%	17%
Worry about not coping in the event of a medical emergency	62%	62%	61%	63%	63%	64%	58%	61%



ATTITUDES TOWARDS LIFE

Again few differences driven by gender alone, that said moms (single or otherwise) bias on government reliance although this is probably due to Black and lower income segment biases. Moms are also more likely to look to their children for support later on in life.

Additionally single moms are more likely to feel that:

- Their lives are not properly organised
- They have to keep putting plans to improve their lives on hold.

Single moms are also more willing to sacrifice family time to get ahead in life

Attitudes to work and life - grouped axes	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
I try to give my children the best opportunities in life	76%	74%	80%	93%	95%	95%	97%	96%
I am very optimistic about what the future holds for me	84%	84%	83%	86%	84%	83%	86%	84%
Community support is very important to me	73%	73%	75%	75%	77%	78%	74%	74%
I tend to make decision quickly based on gut feel	51%	54%	48%	51%	47%	48%	45%	45%
My children should look after me when I am old	40%	39%	42%	43%	52%	58%	38%	42%
I feel I never have enough money to do the things I want	66%	66%	67%	64%	68%	68%	62%	66%
The government will look after me if I am not able to look after myself	38%	36%	40%	35%	46%	50%	27%	36%
I like to take risks in my life	52%	54%	49%	53%	53%	56%	51%	47%
I worry a lot about what other people think of me	38%	36%	41%	34%	36%	36%	32%	36%
I am really proud of my home and am always spending time and money making it better	81%	80%	82%	85%	82%	79%	87%	85%
Being rich is a priority for me	58%	60%	54%	60%	56%	58%	55%	53%



Attitudes to work and life - grouped axes	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
I like to own products that are the most technologically advanced	72%	73%	71%	74%	72%	72%	70%	72%
I feel confident about the south african economy	57%	57%	56%	60%	58%	59%	56%	54%
My life never seems to be properly organised	39%	39%	39%	38%	41%	49%	29%	28%
I am happy and content with my life	76%	74%	79%	73%	77%	72%	77%	86%
Maintaining a healthy lifestyle is a top priorities	85%	83%	87%	86%	86%	83%	90%	89%
Struggle to find a good balance between work & life	48%	46%	51%	48%	53%	55%	46%	50%
In spare time I prefer to stay home rather than go out	61%	57%	66%	62%	69%	66%	62%	71%
Always put plans to improve my life on hold	65%	64%	65%	69%	70%	77%	66%	62%
Constantly planning & thinking about the future	86%	86%	86%	89%	88%	89%	90%	88%
Important that I receive recognition for my success	79%	79%	80%	80%	82%	83%	77%	81%
When socialising I only go to the fashionable places	36%	34%	39%	30%	37%	42%	28%	29%
To get ahead in life I am willing to sacrifice family & social time	52%	54%	50%	53%	55%	62%	52%	44%



SOURCES OF PERSONAL FINANCE / SAVINGS AND INVESTMENT INFORMATION

No significant gender biases here – income and education level is the stronger definer. Dads in partnership are the most likely to have ever consulted a financial advisor.

Primary source for financial information-grouped	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
Internet	8%	8%	7%	6%	5%	3%	8%	9%
Financial advisor	41%	40%	42%	41%	43%	41%	44%	48%
Mass media	23%	26%	19%	28%	22%	24%	25%	17%
Word of mouth	23%	21%	26%	20%	25%	27%	17%	22%
Other	6%	6%	6%	5%	5%	6%	6%	4%

When last consult a financial advisor	Total	Male	Female	Dads	Moms	Single mom	Dads in partnership	Moms in partnership
In the last 6 months	12%	12%	13%	14%	11%	12%	15%	12%
6 Months to a year ago	13%	13%	12%	12%	10%	9%	16%	12%
1-2 Years ago	16%	17%	16%	16%	18%	17%	14%	19%
2-3 Years ago	10%	10%	11%	12%	11%	11%	13%	10%
3 To 5 years ago	6%	5%	8%	4%	9%	7%	4%	12%
More than 5 years ago	5%	6%	4%	7%	4%	7%	9%	1%
Never/none	37%	37%	37%	35%	36%	37%	30%	34%



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