

Date issued: 15 October 2008
No embargo

CONSUMERS THINK THE GOVERNMENT DOES NOT ENCOURAGE THEM TO SAVE
Nationwide Building Society reveals its latest savings research

New research* from Nationwide Building Society shows that just under a fifth (19%) of consumers think the Government encourages them to put money aside while 41% think the Government discourages them. Similarly, 34% of consumers think the Government doesn't take any positive or negative action when it comes to saving.

The research comes to light at a time when ministers are trying to re-build trust in the financial services industry and educate people on the importance of building a solid nest-egg. In addition, with ISA improvements having only been implemented six months ago, the Government could understandably be feeling disappointed with these results.

As the turbulent economic situation continues, consumers' propensity to save has remained stagnant:

- Fewer than a third (32%) of consumers think saving is very important and of those questioned, less than half (49%) save regularly.
- Nearly two-thirds (60%) of consumers think it is personally important for them to save, yet the same number of those questioned (60%) save less than they think they need to.
- Similarly, a third (33%) of consumers think they'll be saving less than they need to in six months time. 47% think they'll be saving about the right amount and just 17% think they'll be saving more than they think they need to.
- Just 7% of consumers think now is a very good time to save.

Matthew Carter, director of savings at Nationwide, says: "Even though saving is incredibly important, consumers continue to fail to save enough money each month. There has never been a more important time to save which is why we urge the industry and Government to work together to help educate people about the importance of building their own nest-egg, however large or small. To help reach out to consumers about the importance of money management, we believe the roll-out of our own financial capability programme to all primary schools will make a difference and improve consumers' savings habits in the future."

Last month Nationwide launched a financial capability programme on Nationwide Education with Secretary of State Ed Balls MP. The initiative, which teaches children about money management and financial matters, has been rolled out to all primary schools across the UK. Phases for

secondary schools will be delivered in January 2009 and September 2009. Nationwide is committed to helping people of all ages make the most of their money and given the current economic situation, it is becoming more important to be financially astute. Nationwide Education aims to help children, as well as teachers and parents, make the most of their money now and in the future.

-ends-

Media information:

Charlotte Sjoberg, 01793 655189, charlotte.sjoberg@nationwide.co.uk

Zoe Stevens, 01793 655423, zoe.stevens@nationwide.co.uk

Notes to editors:

Nationwide Education can be accessed via the following link and includes examples of the classroom activities being rolled out to schools: www.nationwideeducation.co.uk

In November 2007, Nationwide announced its sponsorship of the *Teenager's Guide to Money*, a book designed to educate young adults about money. In May this year, the Society sent 5,000 copies to schools and colleges across the UK.

* Data was collected between 18 August – 21 September, by TNS, a global market information and insight group. 1,000 people were questioned. Research is collected on a monthly basis and this is the sixth such release using the data collated.

Previous releases are available via the following links:

August data release issued 8 September 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1262

July data release issued 11 August 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1247

June data release issued 14 July 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1230

May data release issued 18 June 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1219

April data release issued 27 May 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1210

August's data was collected between 21 July – 17 August by TNS – 1,000 people were questioned.

July's data was collected between 23 June – 20 July 2008 by TNS – 1,000 people were questioned.

June's data was collected between 19 May-22 June 2008 by TNS – 1,000 people were questioned.

May's data was collected between 30 May-1 June 2008 by TNS – 1,010 people were questioned.

April's data was collected between 18-20 April 2008 by TNS – 1,005 people were questioned.