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One year into Covid-19 lockdown sees more than half of UK adults surveyed seeking financial advice

- 53% of UK adults surveyed say the financial crisis caused by COVID-19 has prompted them to seek advice from a financial adviser.
- 85% of respondents say they have financial concerns when thinking about the next 12 months
- Demand for financial advice was greatest among the younger generations

One year into the Covid-19 lockdown, UK adults admit they need financial advice for their current situation, according to Prudential UK's Family Wealth Unlocked report.

The report, which looks at intergenerational planning and wealth transfer between advised families amid the financial volatility and insecurity of the pandemic, found that more than half (53%) of UK adults surveyed say the financial crisis caused by COVID-19 has prompted them to seek advice from a financial adviser. Of which, a third (33%) have already sought financial advice and 20% are planning to. Even those who say they aren't seeking financial advice, 15% say they might in the future.

The research comes as an overwhelming 85% of respondents say they have financial concerns when thinking about the next 12 months, with one quarter of respondents having to dig into savings for living costs. Furthermore, investments losing money and have a reduced income, are most concerning.

Biggest financial concerns for those surveyed, for the next 12 months:

1. Having to use my savings to make ends meet - 23%
2. My investments losing money - 20%
3. Having a reduced income - 18%
4. Being made redundant/losing my job - 17%
5. Social care/health costs - 14%
6. Not saving any money - 13%
7. Getting into debt - 11%

8. Having to financially support my children - 11%
9. Not being able to afford to retire as planned - 10%
10. Having to ask my parents/family for financial support - 9%

The report also revealed that the need for financial advice was felt greatest among the younger generations, with 74% of Millennials saying they had or were going to see an adviser, and 58% for Gen Z, driven by 'getting into financial difficulty' and 'wanting to start their investment journey'. While still pronounced, the need for advice decreases slightly with age. With 32% of Gen X, 21% of Boomers and a quarter (24%) of the 75+ age group saying the crisis specifically had driven them to seek advice. Perhaps because younger generations, who have not necessarily been financially active during a financial crisis, have been made nervous by volatility – or have unspent monies to invest.

Vince Smith-Hughes, Director of Specialist Business Support at Prudential UK, said:

“It’s been a challenging 12 months for UK adults up and down the country and this has stimulated the need for advice, be it because of pent-up cash levels, market volatility or job security. While the need for advice spans all generations, our research reveals the pandemic appears to have created a pronounced opportunity for advisers to provide advice to younger audiences.

“While many assume cost is a barrier to advice, this does not appear to be the case in Covid-times – for any of the five generations interviewed. In fact, only 3% of the sample overall said they’d like to see an adviser but couldn’t afford to. Hopefully this research also acts as a wake-up call to those who don’t currently take advice that many of them could benefit from doing so.”

A full version of Prudential UK’s new *Family Wealth Unlocked* report can be found <https://www.pruadviser.co.uk/knowledge-literature/insights-hub/igp-hub/wealthunlocked/>.

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Methodology

Research was carried by Opinium among a UK representative sample of 1,000 advised families. The survey was completed in November 2020.

Notes to editors

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Its purpose is to help people live the life they want by managing and growing their savings. And by helping to direct how and where people invest their money, it can help make the world a little better.