

Saga / Populus Panel

2 April 2013

Populus interviewed 8,577 Saga customers, all aged 50+, online between 22 March and 1 April 2013. Populus is a member of the British Polling Council and abides by its rules; for more information see www.populus.co.uk.

Mortgage Repayments

- Nearly all Saga customers are homeowners: 95%, falling to 77% of those in social grades 'DE'. Homeownership is slightly lower amongst those in their 50s (93% average) and those who are not yet retired (93%).
- The vast majority of Saga customers (82%) do not have an outstanding mortgage on their home. Half of those aged 50-54 have an outstanding mortgage (49%), whilst this applies to only 8% of those aged 75 or above.
- Saga members' mortgages vary in value, however only 1% have a mortgage of £150,000 or more. 16% of those aged 50-54 have an outstanding mortgage valued between £35-55,000.
- Of those with an outstanding mortgage, less than a third (31%) have an interest-only mortgage that they originally intended to repay with a maturing endowment policy, falling to just one quarter (26%) of female customers.
- Only one quarter (24%) of those with an interest-only mortgage believe that their maturing endowment policy will be enough to pay off their mortgage in full. Those who are retired are more likely to state that their endowment policy will cover their mortgage repayments: 30% of those who are retired compared to 19% of those who are still working.
- Amongst those facing a shortfall in their interest-only mortgage repayments, the average value of that shortfall is £49,000. Two-fifths (37%) face a shortfall amounting between £5-20,000. 9% face a shortfall of over £150,000, rising to 11% among customers in the 'AB' social grade.

- One third (31%) of those facing a shortfall in their mortgage repayments intend to use their savings to cover the difference. Similar proportions have been making capital repayments over a period of time to reduce their outstanding mortgage (29%). One quarter (26%) intend to sell their house to meet this financial constraint.

Finances and Insurance

- Half of Saga customers (49%) do not know how much money one would need to invest in order to access a 'discretionary managed investment service'. Nearly a fifth (18%) believe the investment would need to be over £50,000, whilst 12% think you could invest any amount of money between £1 and £10,000 and gain access to the service.
- Nearly all Saga customers have home insurance (97%) and motor insurance (93%). Three-quarters (72%) have breakdown cover and three-fifths (60%) have travel insurance. Only one fifth (21%) have health insurance.
- Those in social grade 'DE' are slightly less likely to be insured. Only 37% of this group have travel insurance, compared with two-thirds of those in 'AB' category (67%), and only 7% have health insurance, compared with a quarter of AB's (26%).
- Overall, Saga customers believe that claims are rarely made on any type of insurance – no more than 5% asserted that a claim was 'highly likely' to be made on any type.
- Saga customers think that people are most likely to make a claim on their motor insurance and least likely to make a claim on their travel insurance (20% and 5% state a claim to be likely respectively). Pet insurance, health insurance and breakdown insurance were thought to be more likely to receive a claim than house insurance.
- With regards to motor insurance, Saga customers are most influenced by price in their choice of insurance provider: 38% stated that price was the most important factor in their decision. However, when it comes to home insurance and travel insurance, Saga customers are more concerned about the product features that the insurance offers (43% and 48% most influential factor respectively).

Motoring Costs

- Just over half of Saga customers (55%) have not changed the amount that they spend on using their car over the last year. However, one third (34%) have cut back on spending on their car, rising to 43% of 50-54 year-olds and half (50%) of those in social grade 'DE'.



- Of those using cars, the vast majority make some effort to reduce their motoring costs (82%, rising to 89% of those in social grade 'DE'). Nearly half shop around for the best fuel prices, or use their car less (47% each) in order to save money. Over a third choose to walk more often (36%) or use public transport more often (35%).
- Nearly two-thirds of Saga customers using a car own a petrol engine car (63%). Just over a third (35%) own a diesel engine car. 13% of those living in London do not use a car (compared with a national average of just 5%), however they are more likely to own a hybrid engine car (2% of car users).
- Just over one in ten (11%) are likely to consider buying an electric or hybrid engine car when they next change their vehicle. Those in social grade 'AB' are twice as likely to consider this purchase than those in 'DE' (13% and 6% respectively).

Elderly Care Costs

- Three-fifths of Saga customers (60%) believe that funding for care for the elderly should be shared between individuals (if they can afford it) and government. Two-thirds of women (66%) feel this way, compared with 56% of men.
- Three-in-ten (30%) believe that the government should fully fund elderly care needs, rising to 43% on average across social groups 'C2' and 'DE'. Men are more likely to feel this way than women: 34% of men compared with 26% of women. Londoners and residents outside the UK are less likely to agree with this statement: 24% and 19% respectively. Only 9% believe that it is fair for everyone to pay for all of their own care costs if they can afford it – rising to 13% of those aged 75 or above.
- Just three-in-ten Saga members (29%) believe that we should use some of the equity in our homes to pay for care if we need it when we're older. Two-thirds (60%) disagree. This proportion rises to seven-in-ten of those in social grades 'C2' and 'DE' (69% average), and to 72% in the North East and 73% in Northern Ireland. However, only half of those living in London disagree (49%).
- Nearly half (46%) feel that they should be able to partly use the equity in their home to make their older age more comfortable – but only partly, so that they can still leave an inheritance. 15% feel that the equity in their home should be there purely so that they can leave an inheritance. Men are more likely to feel this way than women: 17% of men compared with 12% of women. More than a quarter of residents of Northern Ireland (27%) believe that this should be devoted solely to their inheritance.



- For a third (34%), if they were to require care in the future and had to contribute towards it, they would prefer to make monthly insurance-type payments throughout their working life. Three-in-ten (30%) would prefer to contribute via a deduction from their salary or pension throughout their life. One fifth (20%) would prefer to use savings to pay for the care costs when they need to, or to pay through increased taxation (19%). These two options are notably less popular amongst those in social group 'DE' (9% and 11% respectively).

