

HONG KONG FINANCIAL SERVICES SURVEY

**A syndicated research programme
for decision-making**

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31st May 2023

GAME CHANGERS



WHAT THE FSS IS

A single data source on the state of play of financial services

The Financial Services Survey (FSS) is a **comprehensive and robust source** of insights into **financial services and products** in Hong Kong.

It is a **syndicated survey** that leverages Ipsos' data-collection capabilities, unparalleled expertise in the financial-services sector, and in-depth knowledge of people, markets and society.

WHAT THE FSS DOES

Depth of insight into specific product categories

The FSS covers a range of financial services and products:

- Retail banking
- Virtual banks
- Investment products
- Mortgages
- Personal loans
- Insurance
- Mobile/ digital wallets
- Credit cards
- Overseas money transfers

Data is captured on usage/ ownership, type of products, providers, acquisition channel, NPS on current providers for each respective service/ product.

The survey also delves into consumers' personal values and attitudes towards money and includes 'hot topic' relevant to the industry every wave.



HOW THE FSS WORKS

Depth of insight into specific product categories

Frequency

2 waves per year in April and October.

Samples

1,000 interviews per wave among the aged 18-64 adult population in Hong Kong – a large sample size to ensure representativity, depth and robustness.

300 booster samples per wave for Gen Z (aged 18-24) and Mass Affluents (liquid assets of HK\$1 million+) segments.

Interlocking quotas on age and gender.

Data Collection

Online self-completion through Ipsos access panel.

After coming of age amidst stress and tumult, the oldest Gen Zers are making a place for themselves in the world and searching for an antidote to recent disorder.

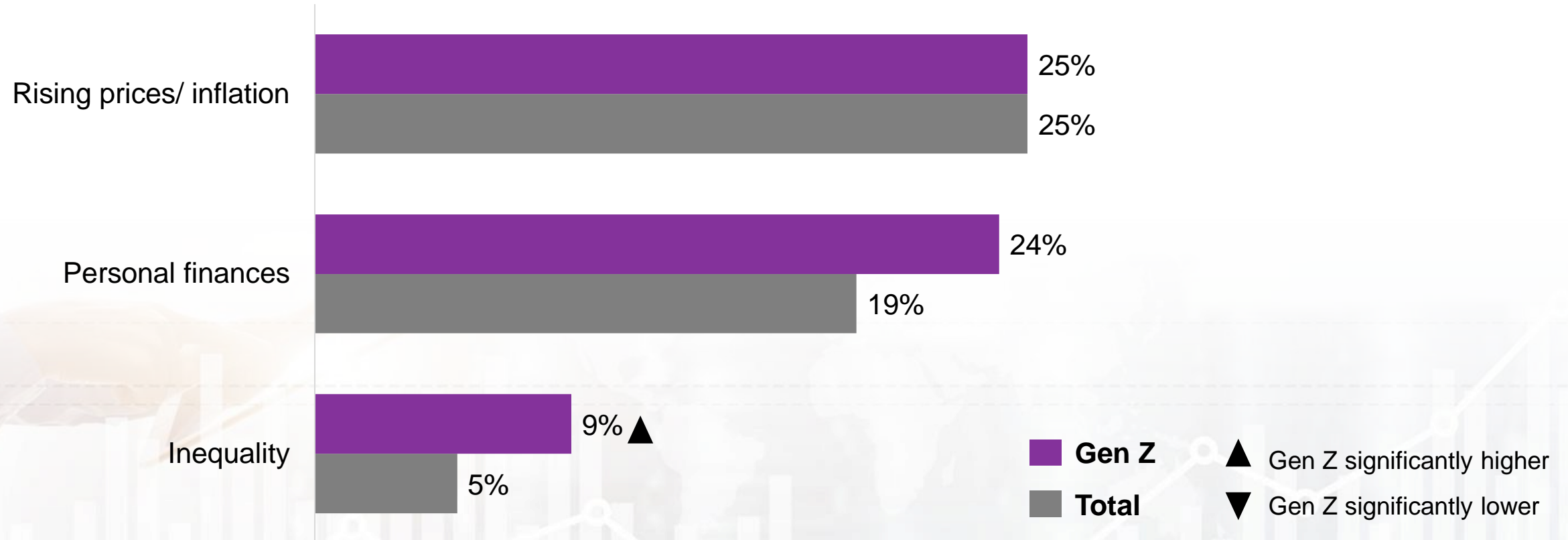
They are now looking to thoughtfully build out stable, balanced lives with a sense of control.

This shift in outlook creates new opportunities for brands to support Gen Zers on a path to financial stability and help them put in place plans to fulfill their needs and aspirations.

GEN Z: TRYING TO MAKE A PLACE FOR THEMSELVES

Hong Kong's Gen Zers worry about their finances

TOP 3 CHALLENGES CURRENTLY FACED

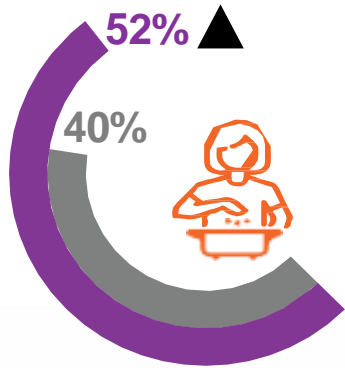


DC1: There are a number of challenges we may face today. Which of these concerns you the most?

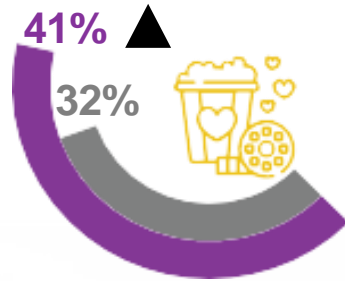
Source: Ipsos The New Normal survey | April 2023 | Base: N = 1,000

That's why Gen Zers are careful with their money

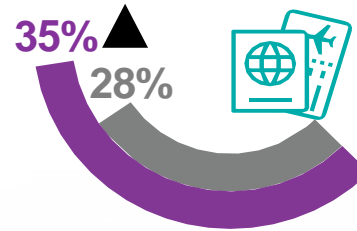
LIFESTYLE CHANGES TO SAVE MONEY



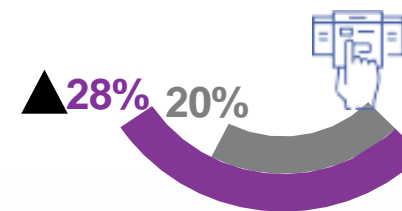
Eat less at restaurants/
more at home



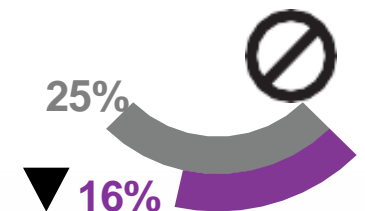
Limit social activities/
entertainment



Limit travel to save on
transportation costs



Cancelling subscriptions/
services



No changes in past
three months

■ Gen Z

■ Total

▲ Gen Z significantly higher

▼ Gen Z significantly lower

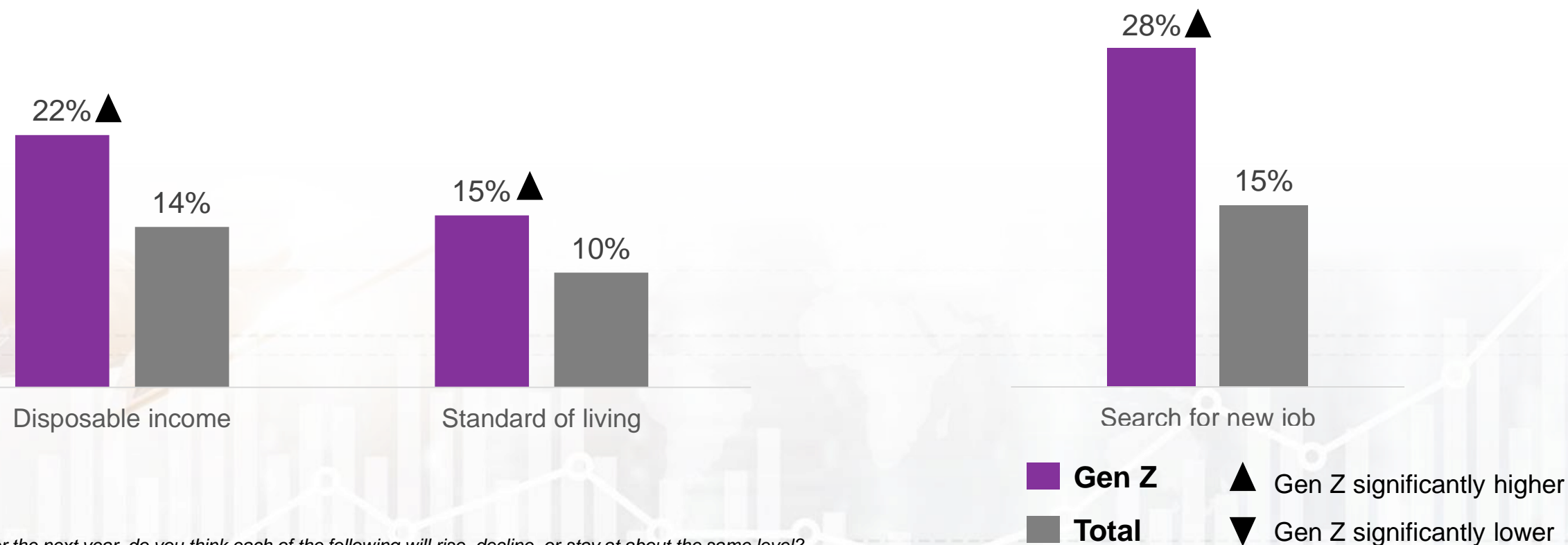
P3: And have you done any of the following in the past 3 months to help manage costs? Select all that apply

Source: Ipsos The New Normal survey | December 2022, April 2023 | Base: N = 1,000 per wave

However, Gen Zers are positive about their future

BELIEVE INCOME WILL INCREASE AND STANDARD OF LIVING IMPROVE WITHIN THE YEAR (T2B)

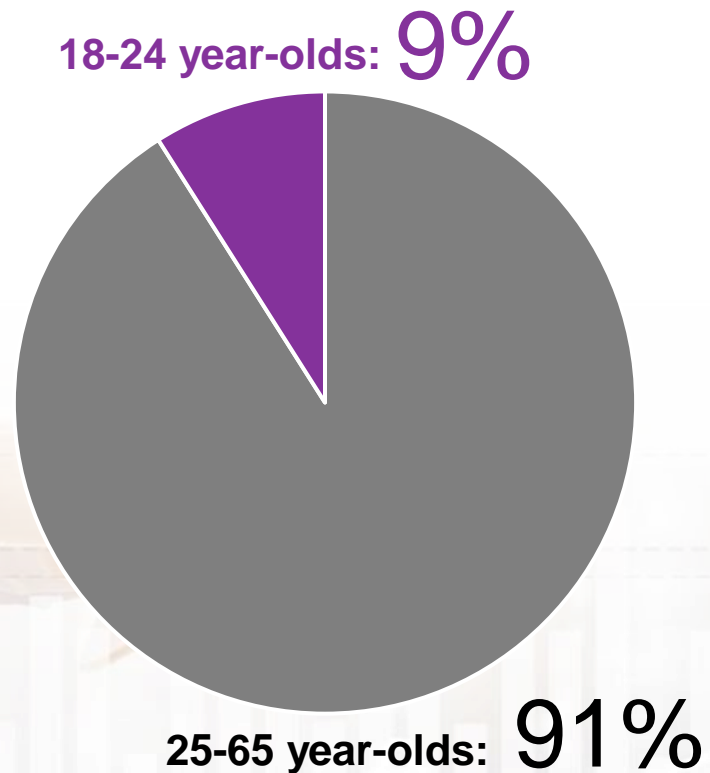
LIKELIHOOD TO LOOK FOR NEW JOB WITHIN THE YEAR (T2B)



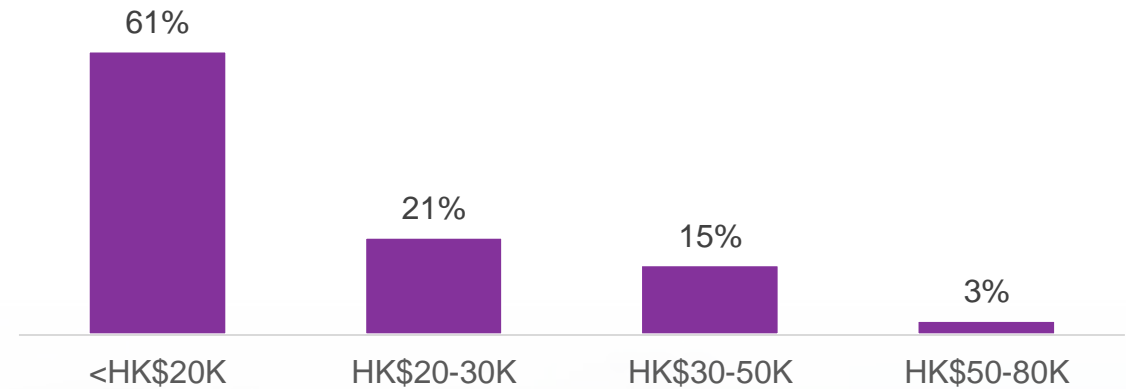
M1: Over the next year, do you think each of the following will rise, decline, or stay at about the same level?
M5: Over the next year, how likely, if at all, are you to look for a new job with a different employer?
Source: Ipsos The New Normal survey | December 2022, April 2023 | Base: N = 1,000 per wave

Gen Zers are a humble cohort ...

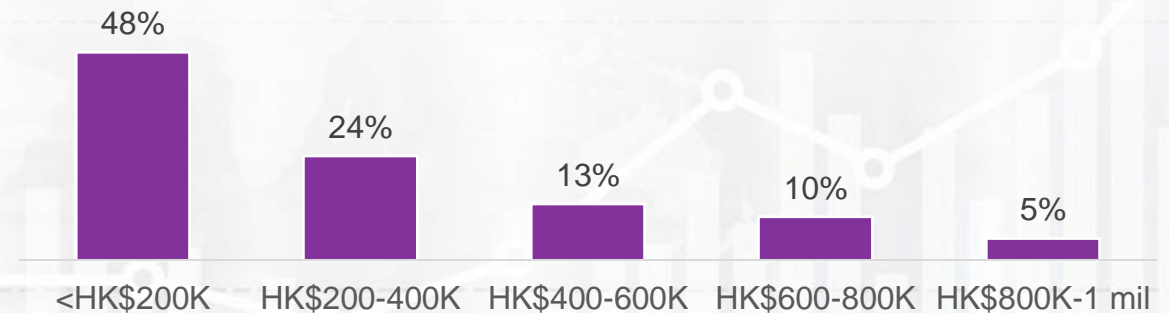
TOTAL 18-65 YEAR-OLD POPULATION



Monthly Personal Income



Liquid Assets



S6: Which of the following best describes your personal monthly income?

S8: Which of the following best describes your level of liquid assets?

Base: Gen Z boosters (n=198), Total random (n=1,070)

... but should not be discarded as an unworthy segment

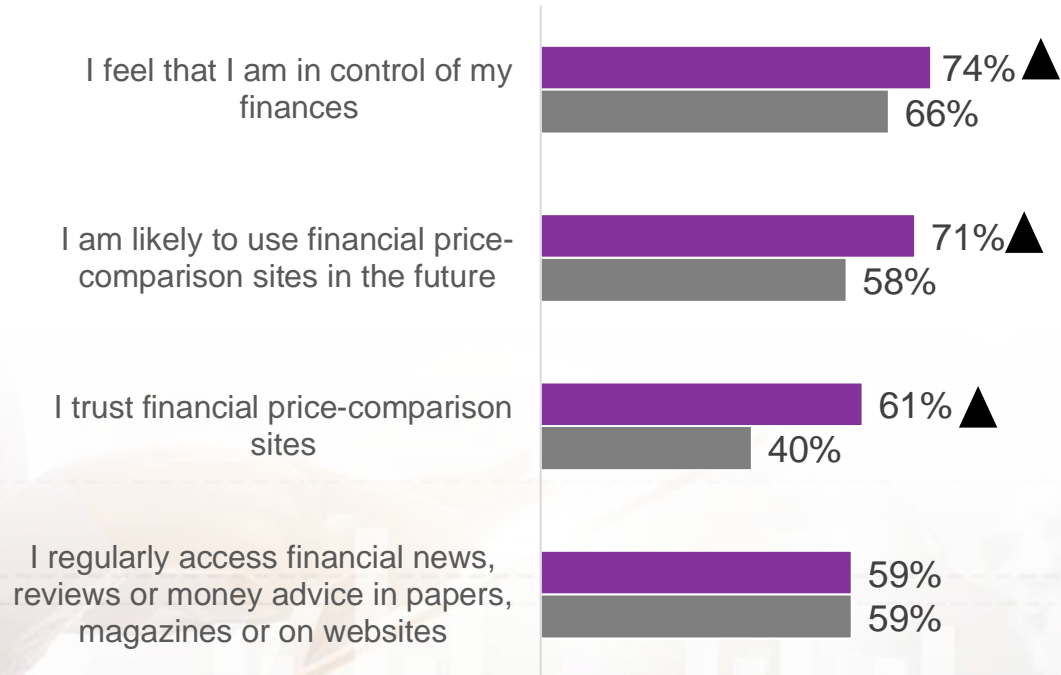
**~ 420K Gen Z
residents**

**Liquid Assets:
~ HK\$120 bn**

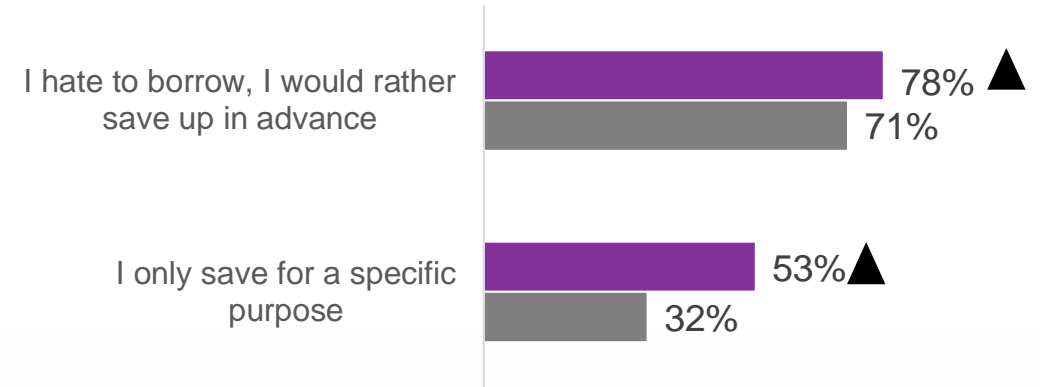
*S8: Which of the following best describes your level of liquid assets?
Base: Gen Z boosters (n=198)*

Gen Zers feel financially in control and are no more risk-takers than their older counterparts

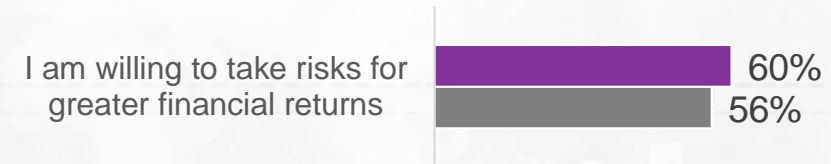
FINANCIAL SAVVINESS (T2B)



BORROWING & SAVING (T2B)



RISK TOLERANCE (T2B)



■ Gen Z

■ Total

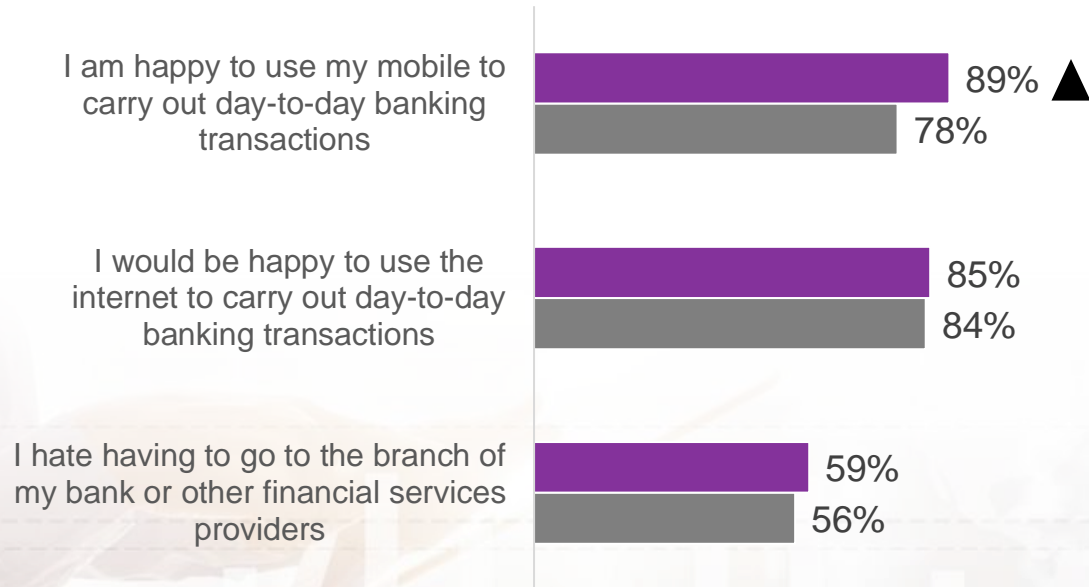
▲ Gen Z significantly higher

▼ Gen Z significantly lower

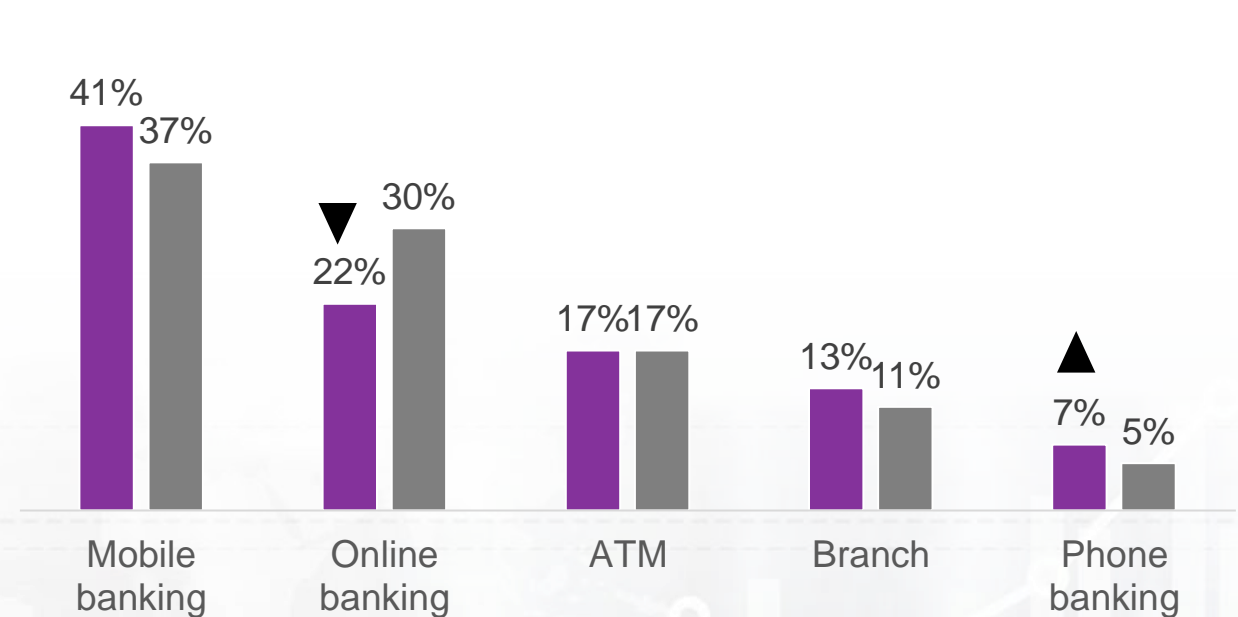
S11: To what extent do you agree that the following statements are describing of yourself?
Base: Gen Z boosters (n=198), Total random (n=1,070)

Gen Zers rely more on mobile banking

ATTITUDES TO CHANNELS (T2B)



BANKING CHANNEL ALLOCATION



■ Gen Z

■ Total

▲ Gen Z significantly higher

▼ Gen Z significantly lower

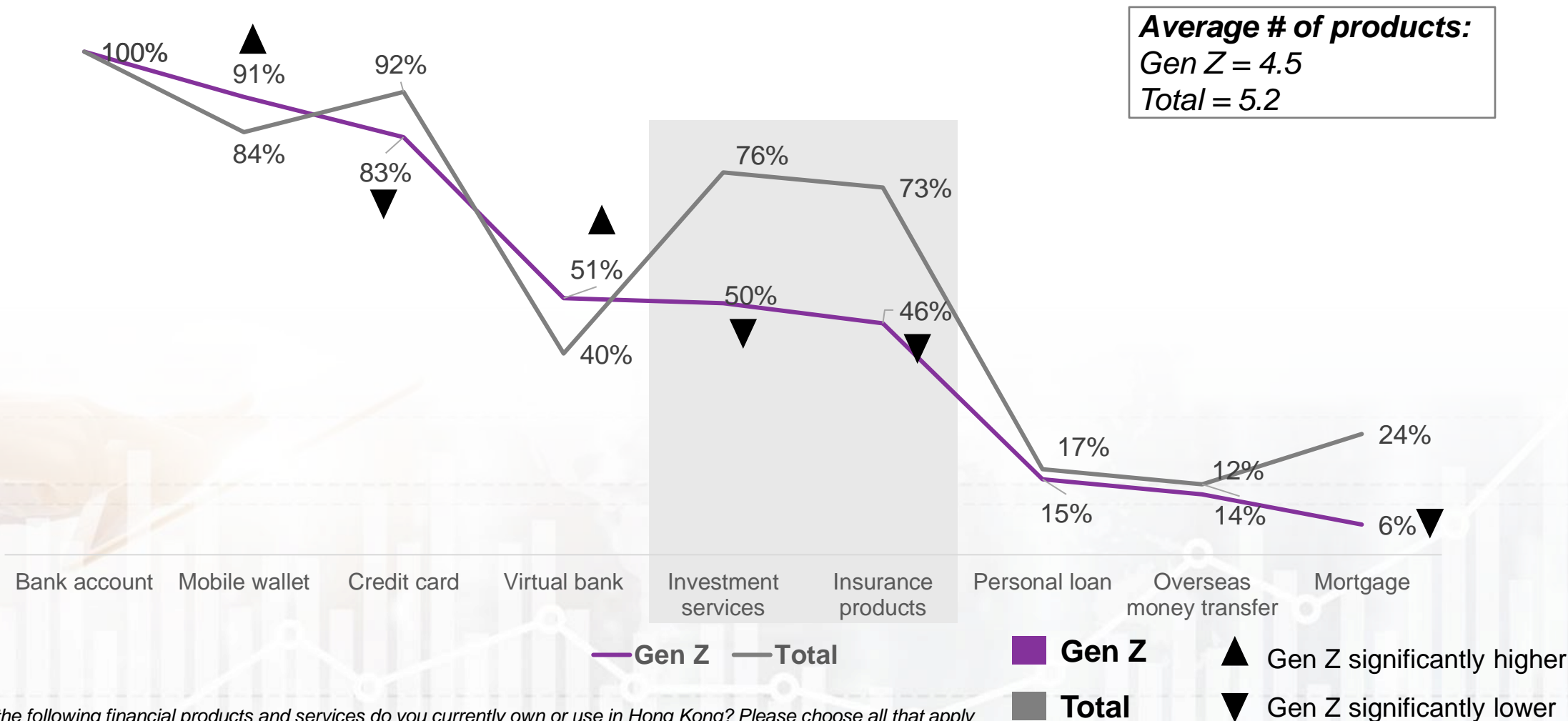
S11: To what extent do you agree that the following statements are describing of yourself?

A9: Based on the number of banking transactions you've made in the past 12 months,, can you please indicate the banking channels you've used when managing your banking transactions?

Base: Gen Z boosters (n=198), Total random (n=1,070)

Opportunity for investment and insurance products

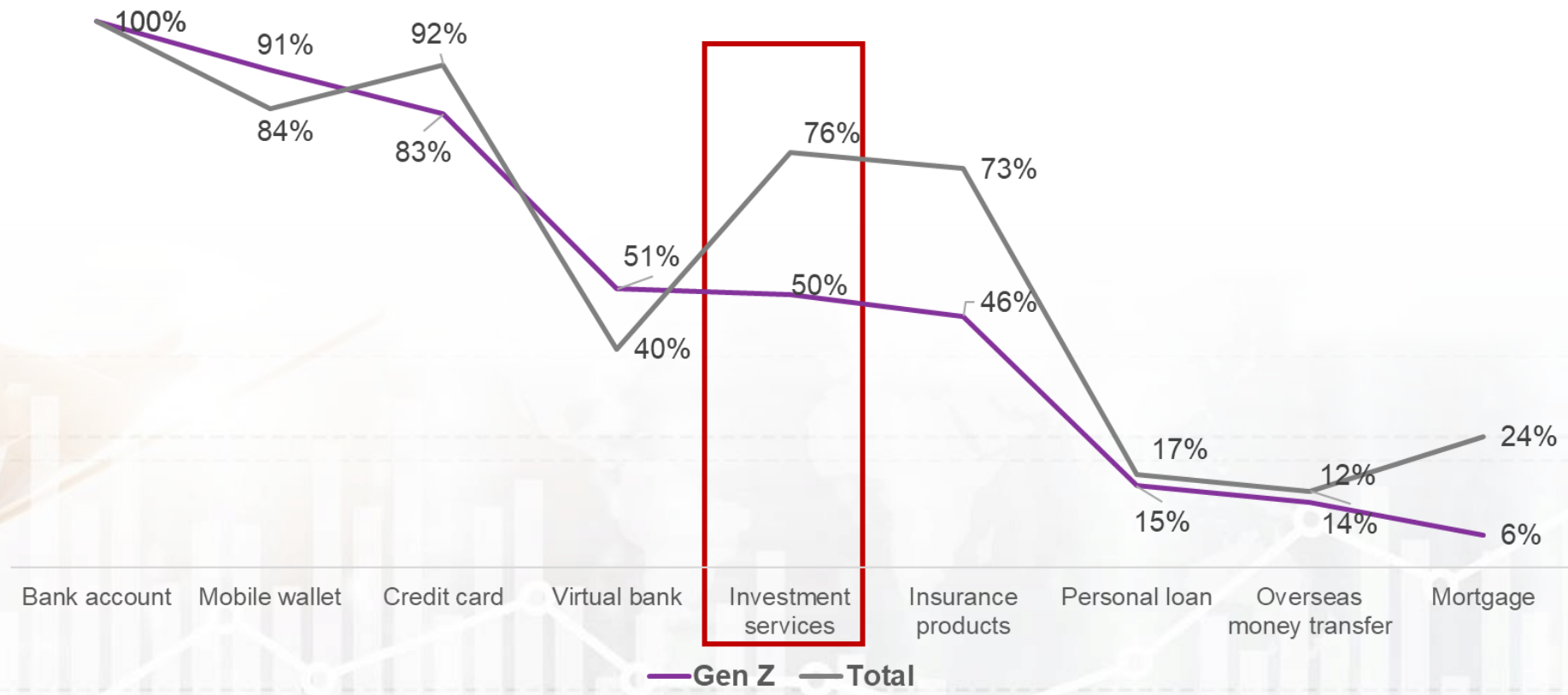
FINANCIAL PRODUCTS OWNED/ USED



S10: Which of the following financial products and services do you currently own or use in Hong Kong? Please choose all that apply
Base: Gen Z boosters (n=198), Total random (n=1,070)

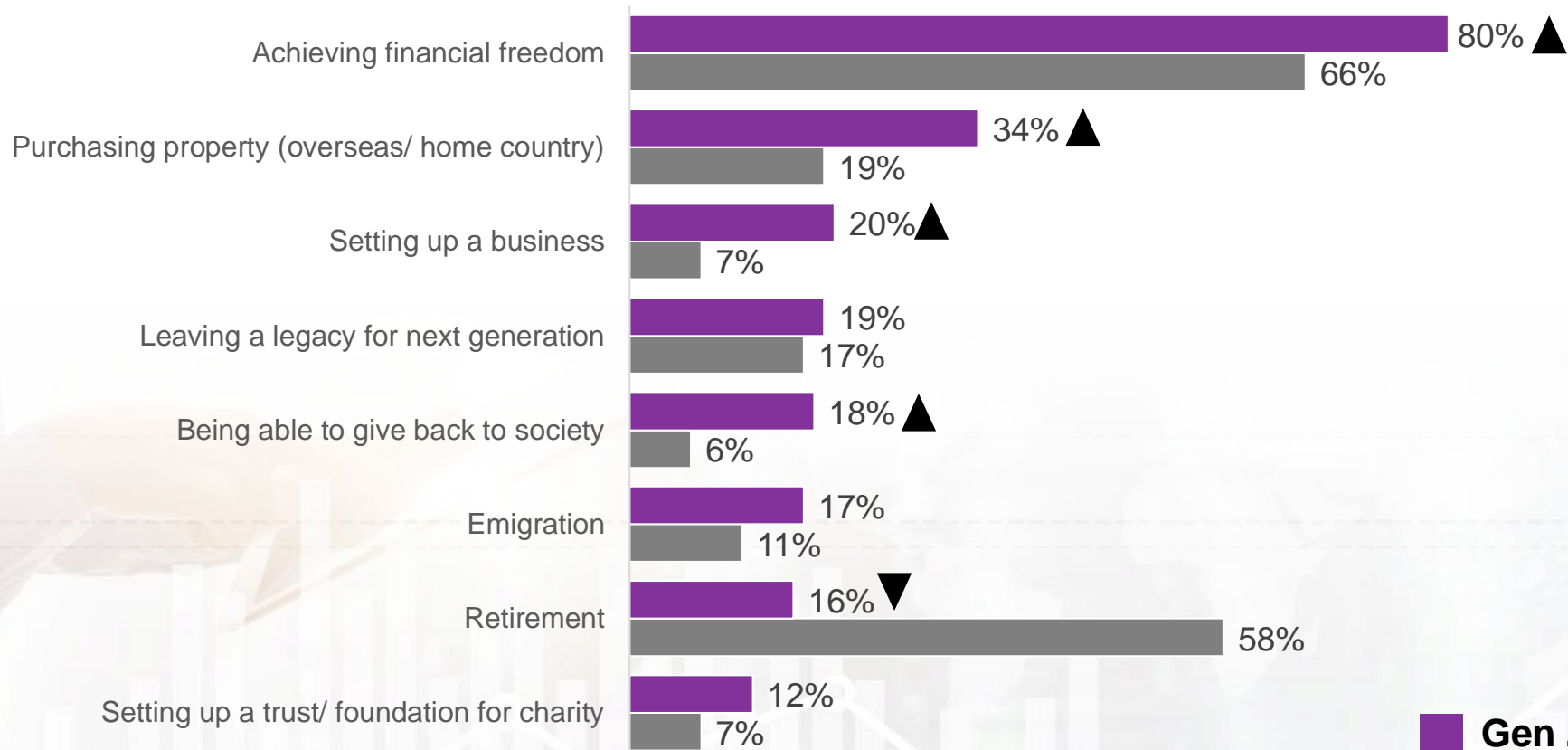


Investment



Gen Zers have ambitious and altruistic aims ...

INVESTMENT GOALS



Average # of goals:
Gen Z = 2.2
Total = 1.9

Gen Z ▲ Gen Z significantly higher
Total ▼ Gen Z significantly lower

C11: What are your investment goals? Select all that apply
Base: Gen Z boosters (n=99), Total random (n=789)



... and are proactively exploring such ambitions

EVENTS CONSIDERED IN NEXT 2 YEARS

STARTING A BUSINESS

	Gen Z	Total
Do not consider	41% ▼	65%
Consider, not decided yet	37% ▲	27%
Consider and decided	22% ▲	8%

BUYING PROPERTY OUTSIDE OF HONG KONG

	Gen Z	Total
Do not consider	40% ▼	56%
Consider, not decided yet	42% ▲	33%
Consider and decided	18% ▲	10%

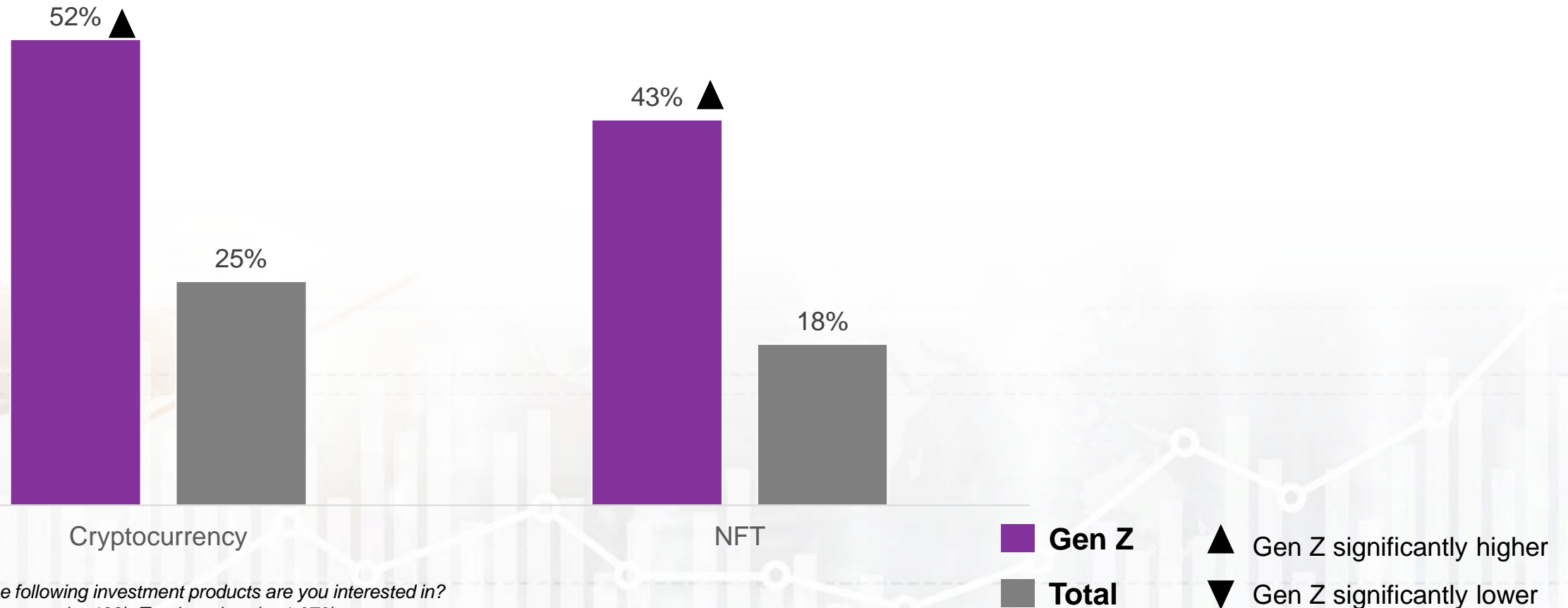
J4: Would you consider the following events in the coming 2 years?
Base: Gen Z boosters (n=198), Total random (n=1,070)

■ Gen Z
■ Total

▲ Gen Z significantly higher
▼ Gen Z significantly lower

Gen Zers are more open to alternative investments ...

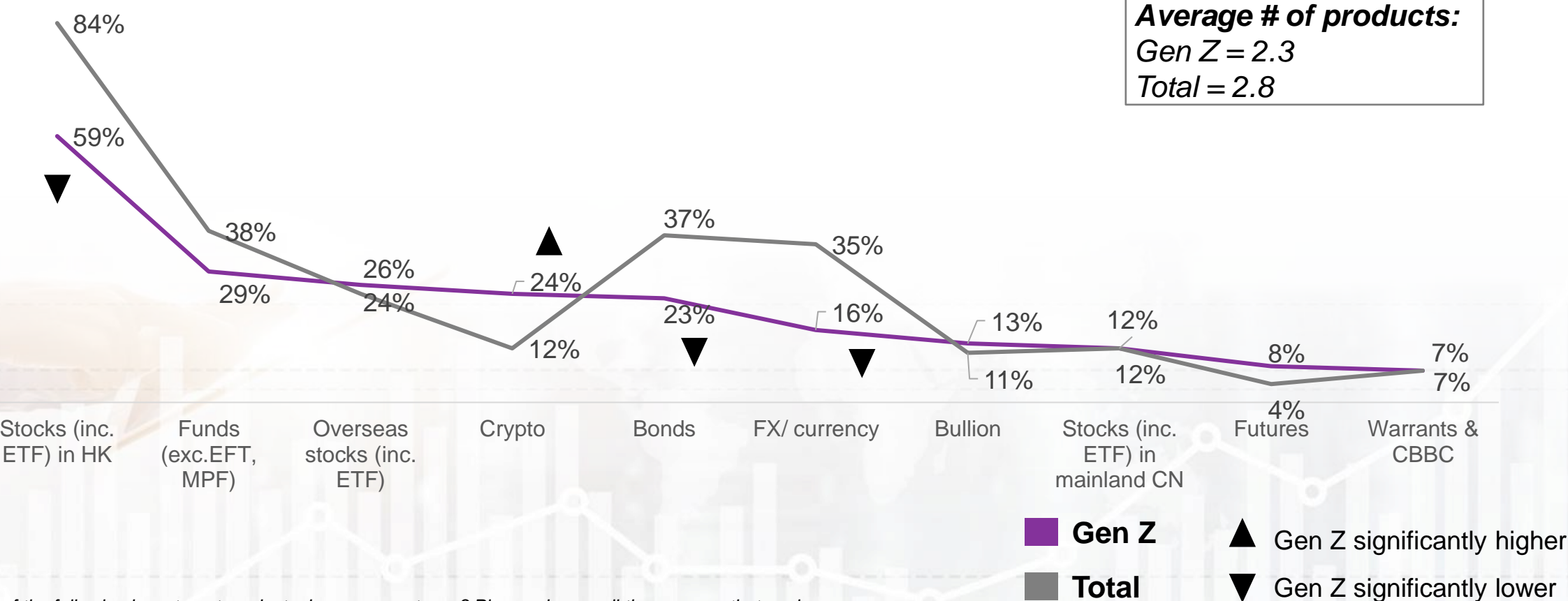
INTEREST IN ALTERNATIVE INVESTMENTS (T2B)



J1: Which of the following investment products are you interested in?
Base: Gen Z boosters (n=198), Total random (n=1,070)

... and favour crypto over other investment products

GEN Z'S TOP 10 INVESTMENT PRODUCTS CURRENTLY OWNED



C9: Which of the following investment products do you current own? Please choose all the answers that apply.
Base: Gen Z boosters (n=99), Total random (n=789)

Greater preference for brokers among Gen Zers

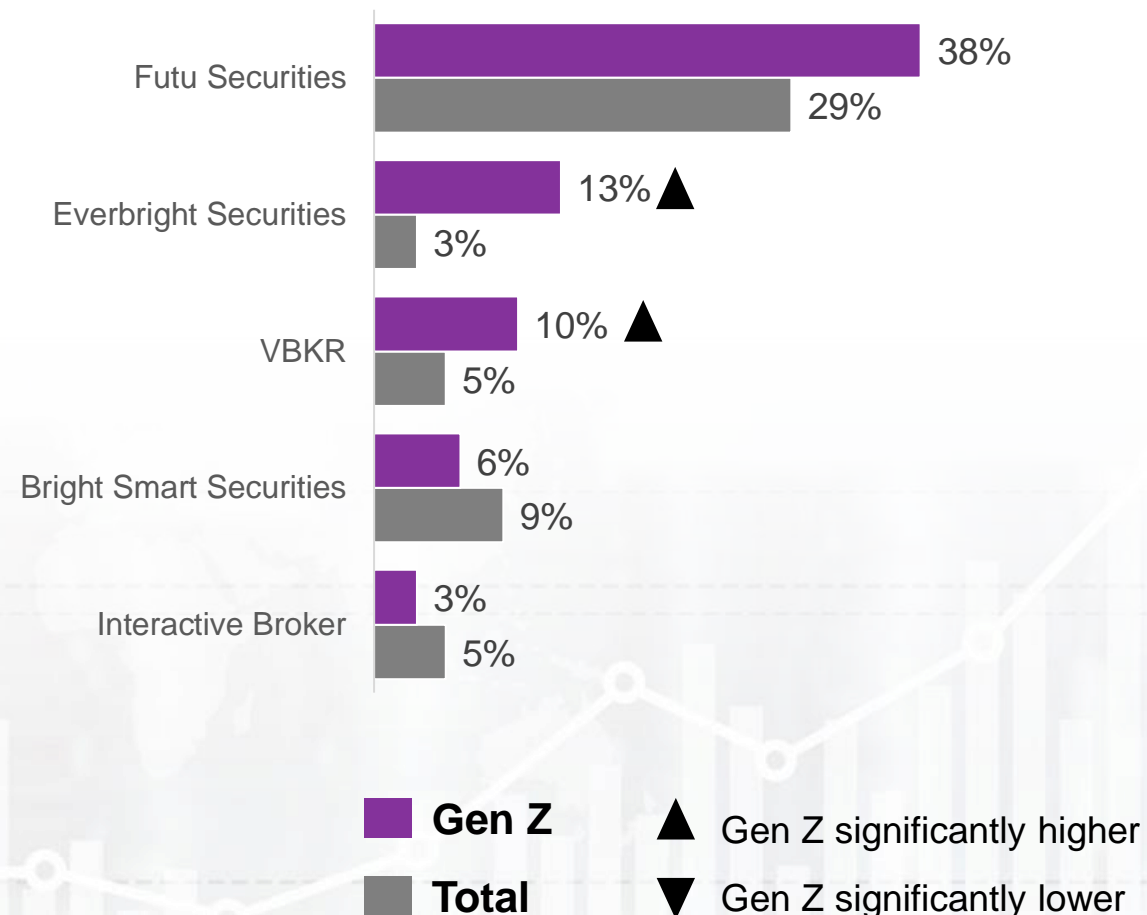
ENTITY TYPE USED FOR INVESTMENT SERVICES

	Gen Z	Total
Retail banks	81%	86%
Brokers	60% ▲	45%
Private banks	15%	9%



Average # of banks/ brokers	2.6	2.4
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GEN Z'S TOP 5 BROKERS

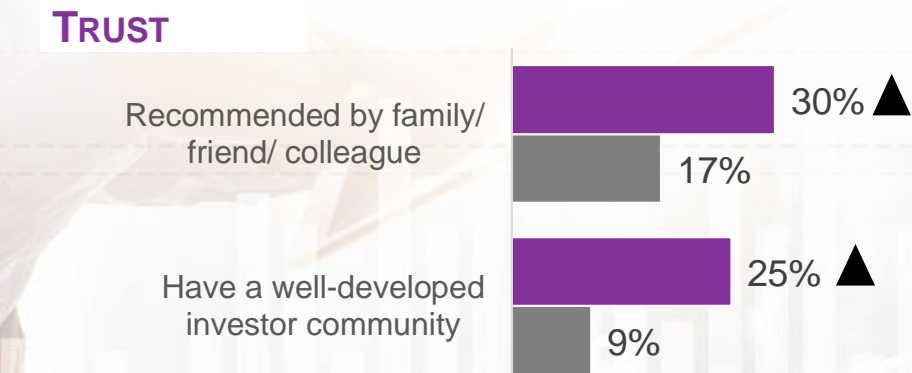
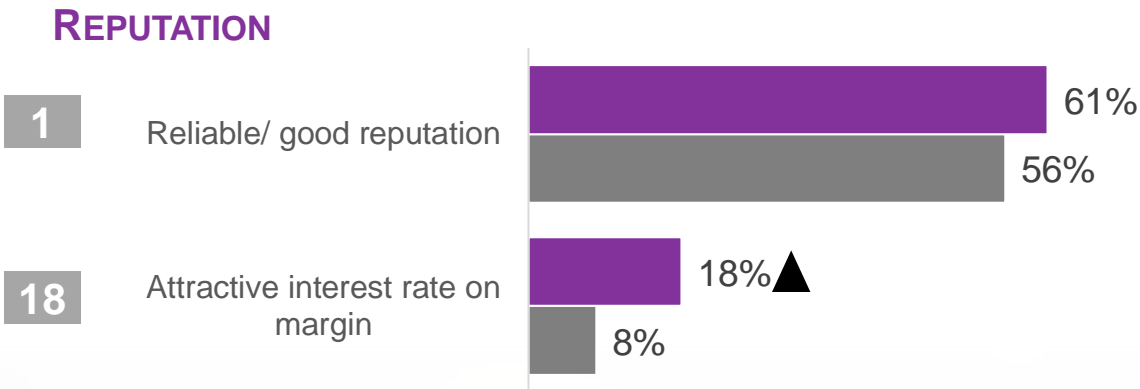


C5: Which of the following banks/ brokers are you currently using for trading investment services?
 Base: Gen Z boosters (n=99), Total random (n=789)

Gen Zers value expertise and reputation much more than older investors

GEN Z'S CONSIDERATION FOR CHOOSING INVESTMENT BROKER

Average # of factors:
Gen Z = 6.2
Total = 5.1



C7a/b: What factors do you consider when you choose an investment broker?
Base: Gen Z boosters (n=99), Total random (n=789)

Gen Z
 Total
 ▲ Gen Z significantly higher
 ▼ Gen Z significantly lower

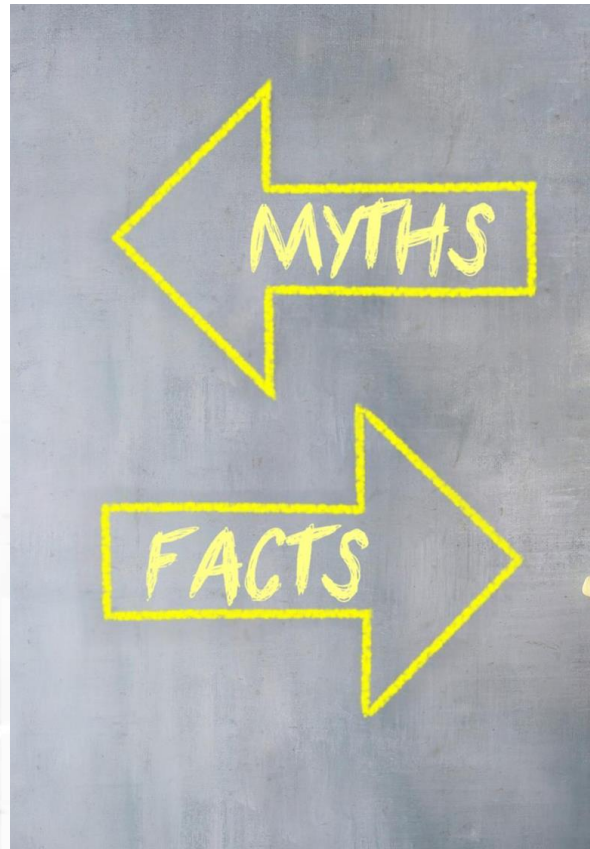


The granularity you need to make informed decisions

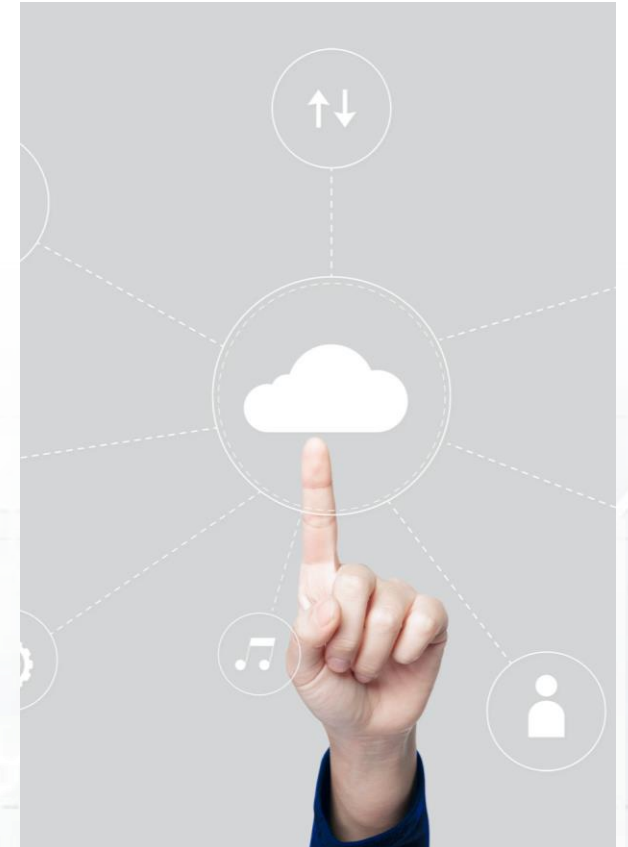
Profile customers by
bank/ broker



Consideration factors vs.
bank/ broker used



NPS by bank/ broker and
benchmarking



BE SURE. GO FURTHER.

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