

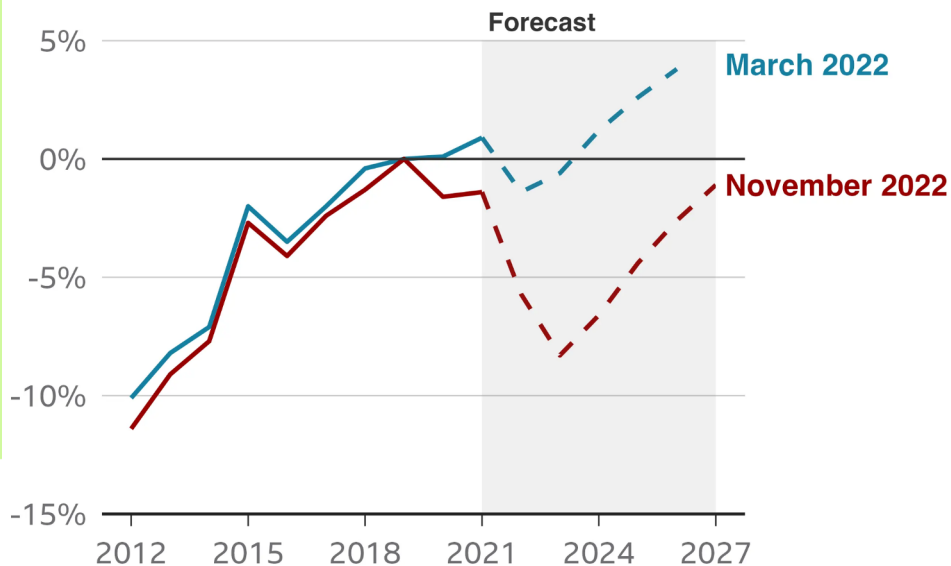
**Finding
the light
at the end
of the
tunnel**



UK living standards are dropping

Record fall in household income

Changes in real household disposable income per person



Source: Office for Budget Responsibility

Some people might claim we don't have a problem

✗ “GEN Z JUST NEED TO BE MORE COMMITTED”	✗ “THE COST OF LIVING IS OVER”	✗ “INTEREST RATES WERE HIGH IN THE 80S, TOO”
9 million younger employees have never worked in an economy with sustained average pay rises	34% of adults had either no savings (or less than £1,000) in a savings account.	Millennials are half as likely to own a home as their parents' generation.

But we know that we're building a house of cards with our finances

400,000 have
seen their
mortgages
increase in the
last six
months

% of families
with no spare
cash **doubled**
from 2022-
2023

33% have
stopped or
reduced their
pension
contributions.



**We're much less
resilient to
economic shocks**

**23% of UK adults
would struggle to
pay an unexpected
£200 bill**

32%

Women will retire **6 figures worse off (32%)** than men, on average

82%

People with income below the full time minimum wage are in arrears **due to essential household bills**

2.5x

Black and minority ethnic people are 2.5x more likely to be in **relative poverty**

Money worries have a massive impact on employee retention and productivity

67% of employees will job hunt this year for salary reasons.

79% of our Octopus employees at haven't been able to concentrate on work because of money worries.

45% of people lose sleep and feel tired at work because of money worries.

**Employees are
still focused
on short-term
salaries**



**So while there
are short term
things you can
do....**

Season ticket
loans

Childcare
vouchers

Hybrid and
flexible
working

Budgeting
support

Creating
support groups

Free
lunches

Free coffees

Salary
Sacrifice
schemes

**They
don't get
people
closer to
the light**





~~Short term~~

A long term view can change decisions

Take an example

The cost of childcare means many new parents stop working or go part time.

But...

- Women retire on average with pension savings of **£69,000**,
- Compared to **£205,000** for men

So how do you help employees find their own light at the end of the tunnel?

Can't see the point in saving

I am an immigrant earning about £90k in London and I just can't see why I shouldn't blow most of that on **bullshit** and luxuries. I know it's antithetical to the spirit of the sub, but hear me out.

What can I save my money for? The three big-ticket items are: retirement; early retirement; property. There is also a short-term goal of an adequate rainy day fund, but that's almost sorted, I believe £12k is more than enough to cover anything. Currently I save about £1-1.2k per month on average to this end (you can see I'm not really trying too hard). What's next?



New hobby

Big holiday

Career break

Divorce

New kitchen

First home

Retirement

1. Life moments, not products

Marriage

Dream car

Children

Losing a
loved one

Adoption

2. Pathways, not pick and mix

	Money	Policies	Communications	Communities
Moving home				
Having kids	Financial Coaching	Parental Leave	KIT Day Programme	Parents Network
Raising a family				
Losing a loved one				
Separating from a partner				
Planning for retirement				

3. Conversations, not digital

	18-34	35-54	55+
#1	Expert/1-to-1	Expert/1-to-1	Expert/1-to-1
#2			
#3			
#4	App		
#5	Books	App	App
#6			
#7		Books	Books
#8			
#9	Chat Bot	Chat Bot	Chat Bot
#10	Social Media	Social Media	Social Media

4. Personal trainer, not just a load of gym equipment



We've seen the impact of this first hand

81% of employees agree that they feel less worried about money now.

68% can see themselves staying at their company for longer.

85% agree that they feel more on track for the financial future they want.

And the emotional impact is even more profound...

“ I felt understood and heard, I felt no judgement, only reassurance that my goals are whatever I choose - prioritising happiness between the short and long term.

“ I didn't realise until after our meeting yesterday how much I was worrying and fretting about my financial future

“ I felt such a relief from talking and listening to advice, I welled up with tears. Being a single person on my own I felt so lost on what I should do next or where to go and the session alaid all my fears and provided me a brief outline of what I needed to think about and consider in the future

Having a few pounds a month to pursue a personal passion that brings you joy



Feeling less worried
about the financial
future for your kids



Being able to plan
your dream
celebration with
friends and family



Making more space
(and memories) for
your family



Having peace of
mind knowing you
can retire at 65
instead of 70



More resilience

More peace of mind

More joy

octopusmoney