

ING International Survey

Christmas and New Year Special Report

DECEMBER
2014

**Brits top spenders on gifts this Christmas;
Money the hot topic for 2015 resolutions**



This survey was conducted by
Ipsos on behalf of ING

About the ING International Survey

The ING International Survey aims to gain a better understanding of how retail customers – and potential customers – of ING Bank around the globe spend, save, invest and feel about money. It is conducted several times a year, with past reports online at www.economics.com/iis.

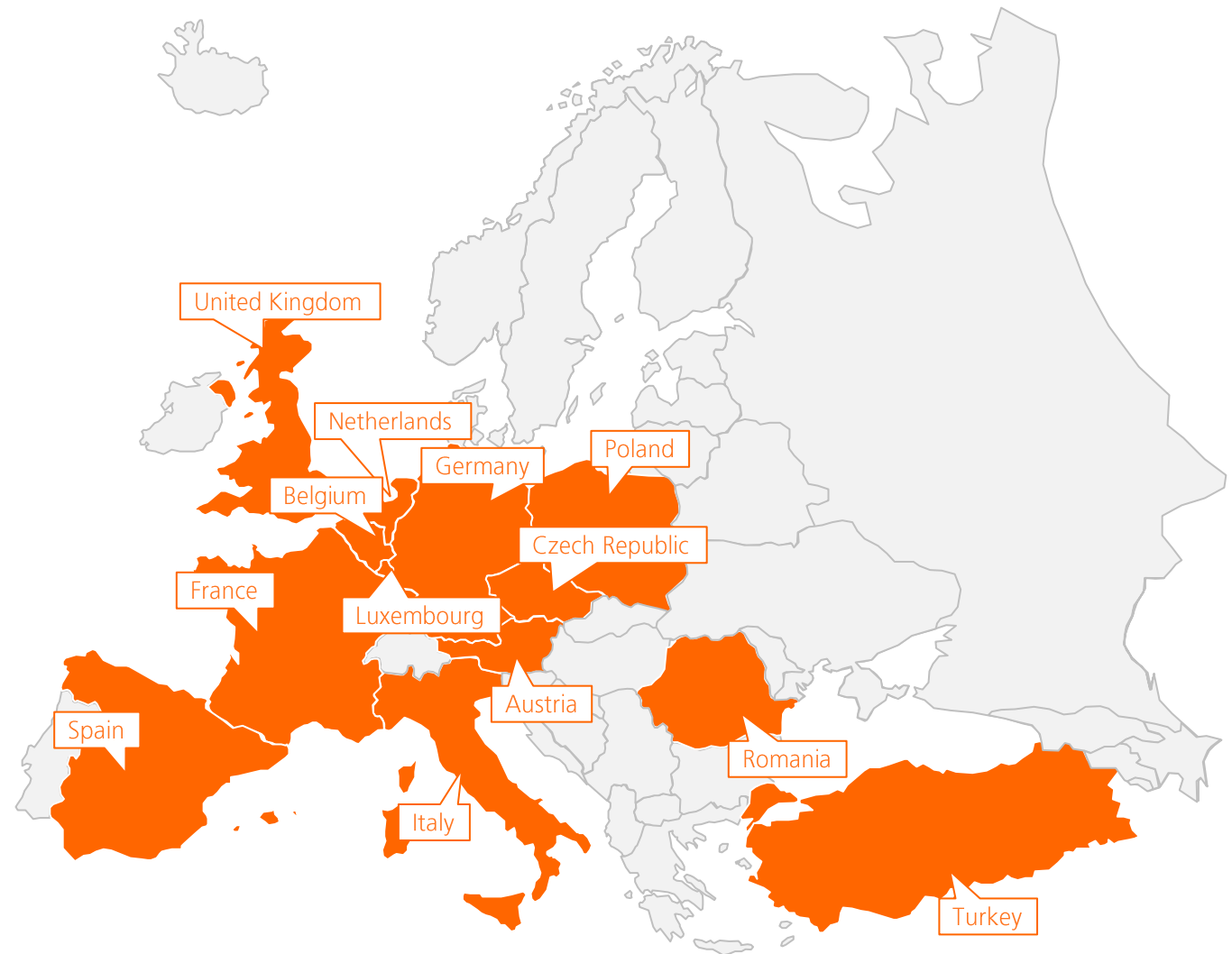
This survey was conducted by Ipsos between 16 October and 5 November 2014 using internet-based polling.

European consumer figures are an average, weighted to take country population into account.

13 countries are compared in this report.

1,000 About 1,000 respondents were surveyed in each, apart from Luxembourg, with 500.

12,743 is the total sample size of this report



No increase in Christmas spend for most; Come 2015, the focus is on money

Young most likely to say they save for Christmas; more than three-in-four in Europe who are making a New Year resolution say it will be about money.

Christmas is about spending precious time with friends and family for many people rather than spending a lot of money on gifts. However, with the pressure to buy also a reality, examining the festive season budget is also important.

Brits are set to be the top spenders on presents this Christmas, with the average intended spend of EUR440 (GBP350) putting the United Kingdom the top of the ING Christmas gift league. Looking at results for the 11,716 people in Europe surveyed about Christmas, there is a clear **increase in the planned spend on Christmas presents among those aged over 35** – when children and expanding extended families may also be included on the gift list. But a large number of people in Europe do not know how much they intend to spend on Christmas presents – a significant finding in itself.

In countries **where a large share of people say Christmas “is the one time of year” they spend without worrying, it is also more common to see people saving money especially for Christmas**. It suggests that while these nationalities feel freedom to celebrate without watching every penny, there is a larger financial plan in place.

Men are more likely than women to agree “Regardless of my financial situation, Christmas is the one time of year that I allow myself not to worry about spending”. There are also age differences, with **people aged 18-to-24 years most likely to say they save money for Christmas**.

Asked if they plan to spend more money on Christmas than last year, only 15% in Europe agreed. And 9% of people in Europe say they went into debt to pay for Christmas last year.

New Year resolutions are anecdotally often about kicking an unhealthy habit (such as smoking) or getting more exercise. The survey results suggest **financial matters are also top of mind for many as they start the New Year**. Of people in Europe who intend to make a New Year resolution for 2015, 77% say they will have one on a financial matter. But despite the good intentions in January, **only 54% of European consumers who had a financial New Year resolution in 2014 say they kept it**.

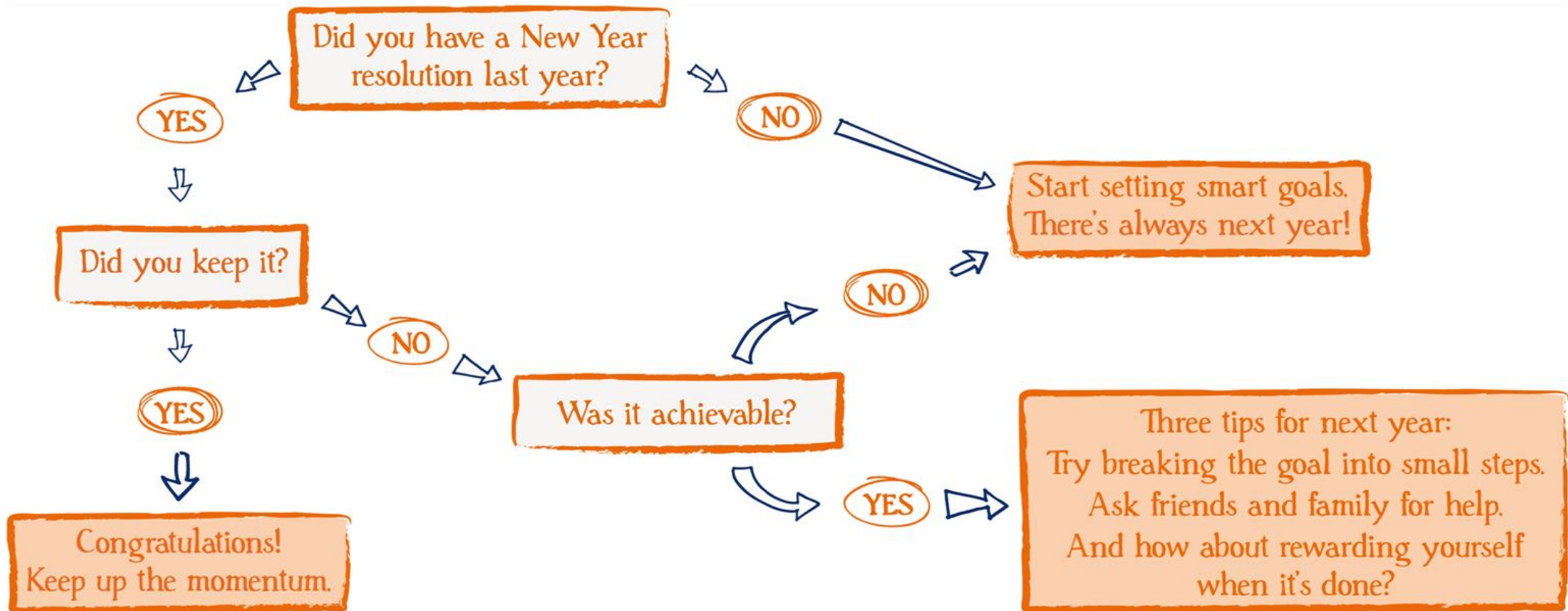
“Save more” is the most popular financial New Year resolution for 2015. And while making a New Year resolution on financial matters for 2015 is popular across all age groups, a particularly high share of under 35s do it. It is worth noting that the New Year resolution questions were asked at the end of the ING International Survey on Savings and, therefore, responses may be influenced by this framing.



- Ian Bright, ING senior economist

Did you have a New Year resolution last year?

Did you keep it? Setting an achievable goal is a good first move – then try breaking the goal into small steps, ask friends and family for help and have a reward in mind that will be a sweetener when it's done.



Brits top spenders on presents this Christmas – but many “don’t know”

Christmas is about spending precious time with friends and family for many people rather than spending a lot of money on gifts. However, with the pressure to buy also a reality, examining the festive season budget is also important.

Significantly, 41% of all people surveyed responded that they did not know how much they intended to spend on Christmas presents this year – which could leave these people open to a financial shock in the New Year.

Of those who did know, the United Kingdom topped the ING Christmas gift league, as the average Brit is planning to spend EUR440 (GBP350) on Christmas presents in 2014.

People living in Luxembourg and France are second equal of 12 countries surveyed, with a median intended spend of EUR300.

At the other end of the spectrum are the Czech Republic, Romania and Poland, where a range of factors including currency conversion, average wage and the cost of living may indicate that, despite lower spend, there will still be plenty of presents to go around.

Sinterklaas (celebrated early in December in the Netherlands, Belgium and elsewhere) is traditionally a bigger celebration for the Dutch than Christmas about three weeks later – which is likely to be a reason behind the Netherlands having the lowest median of all countries surveyed.

In both the Netherlands and Belgium, the most common answer to the gift spending question was zero.

THE QUESTION

How much do you plan on spending this year on Christmas presents?

Ranking	Country	Median amount to be spent on Christmas presents (in euros)	Do not know
1	United Kingdom	440	39%
2=	France	300	42%
2=	Luxembourg	300	43%
4=	Austria	250	36%
4=	Spain	250	43%
6=	Germany	200	37%
6=	Italy	200	39%
8	Belgium	190	52%
9	Czech Republic	180	46%
10	Romania	110	48%
11	Poland	95	48%
12	Netherlands	25	40%

Sample size: 11,716

Christmas a time for giving – especially if you're a little older

Spending on Christmas presents is the highest among people surveyed aged 35 years or older.

It might be that many in this age group have children and a growing extended family who they want to treat with a gift at Christmas, upping the total spend.

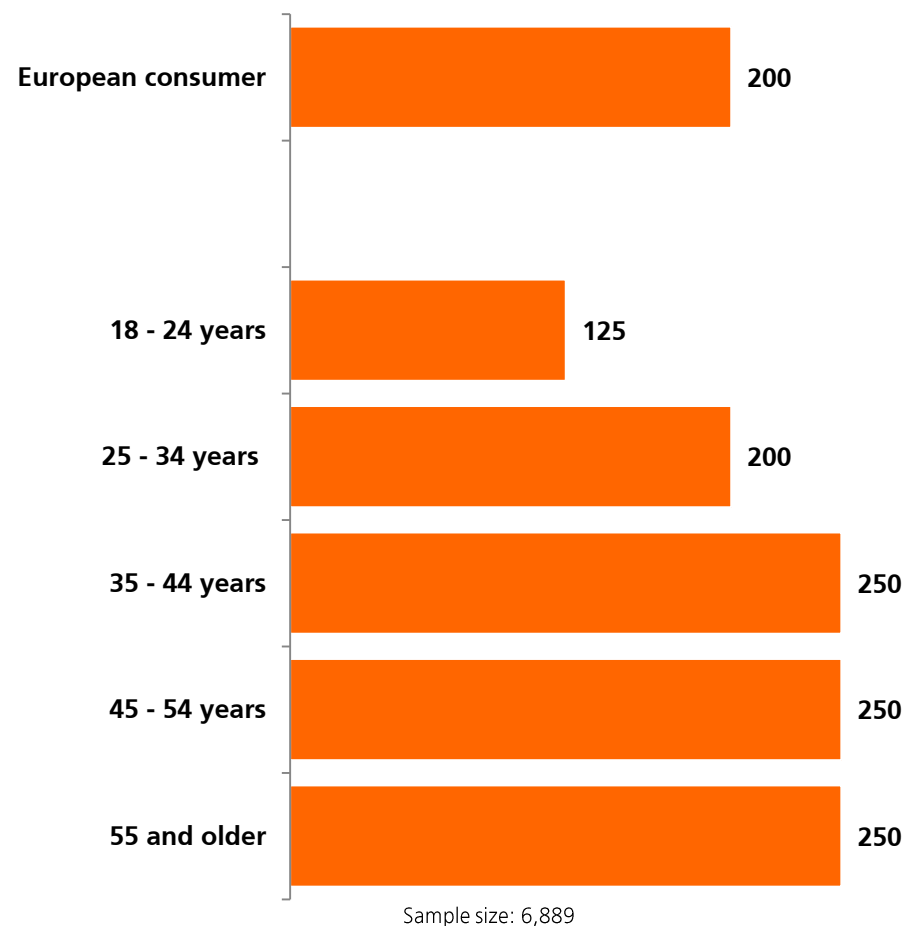
In contrast, teenagers and people in their early 20s intend to spend the least on Christmas gifts. This might also be indicative of their stage of life that can involve working part-time while studying and earning less.

It is heartening to see this willingness to adjust spending depending on circumstances. Likewise, respondents without savings appear to be resilient against overspending at Christmas. Of all Europeans without savings, 15% are budgeting to spend between zero and EUR50 on presents this year, compared with 7% of people with savings who have the same intention.

THE QUESTION

How much do you plan on spending this year on Christmas presents?

Median amount to be spent on Christmas presents (in euros)



I'll spend at Christmas but I'll save for it too

In countries where a large share of people say Christmas "is the one time of year" they spend without worrying, it is also more common to see people saving money especially for Christmas.

In Romania, about half say Christmas is the one time they allow themselves to spend without worry – an almost identical share to those who save money for Christmas.

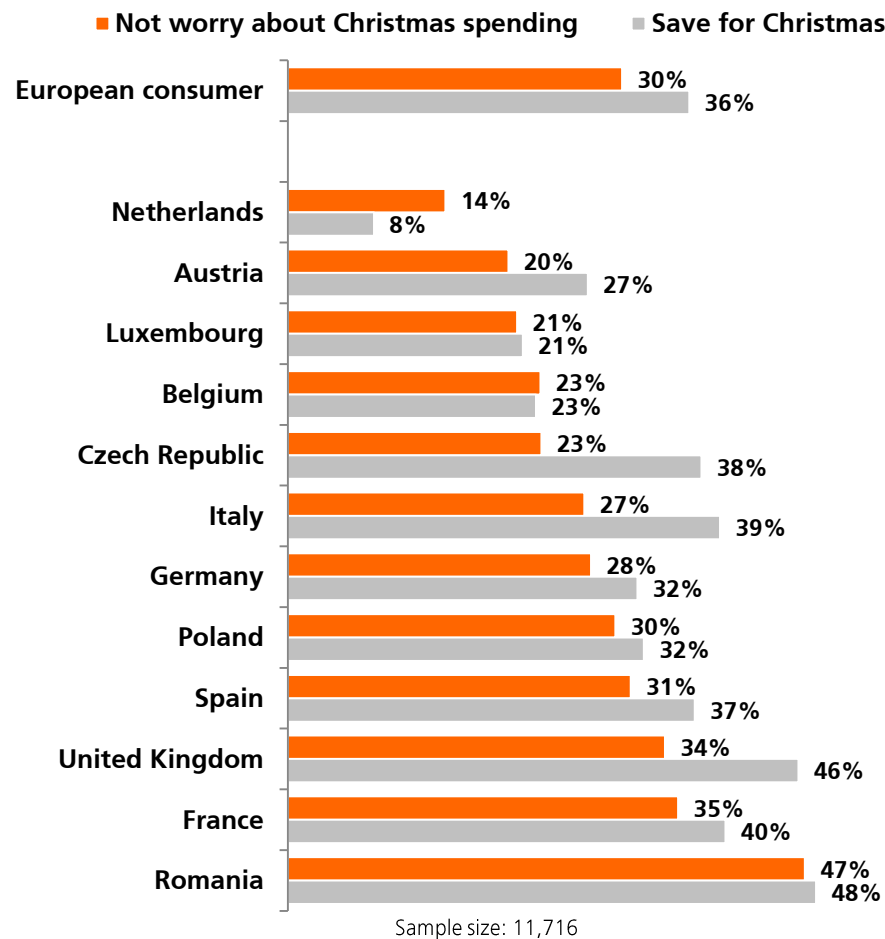
A similar pattern is evident in France, the United Kingdom, Spain, Poland and elsewhere.

It suggests that while these nationalities feel free to celebrate without watching every penny, there is a larger financial plan in place.

THE QUESTION

"Regardless of my financial situation Christmas is the one time of year that I allow myself not to worry about spending"/"I save money for Christmas"

Percent who answered "strongly agree" or "agree"



Young most likely to save money for Christmas; more men agree Christmas is a special time they spend without worrying

Christmas can bring all types of people together but different ages and genders have some standout characteristics in the way they treat their festive season budget.

34%

of men in Europe agree "Regardless of my financial situation, Christmas is the one time of year that I allow myself not to worry about spending". This compares with 27% of women and the European consumer average of 30%.

23%

of people in Europe aged 25-to-34 agree "I put money in a separate account on a regular basis to pay for Christmas costs", the highest of any age group surveyed. The lowest share was for people aged 55+ at 13%. The all age average for people who save money for Christmas in a dedicated account was 17%.

48%

of people in Europe aged 18-to-24 agree "I save money for Christmas", the highest of any age group surveyed. The lowest share was for people aged 55+ at 30% and the all age average for people who save money for Christmas was 37%.

16%

of people in Europe aged 25-to-34 agree "last year I went into debt to pay for Christmas", the highest share of any age group surveyed. The lowest share was for people aged 55+ at 5% and the all age average was 9%.

12%

of people in Europe who do not have money saved went into debt to pay for Christmas last year, compared with 8% of those who have savings.

More tinsel and trimmings this year?

Asked if they plan to spend more money on Christmas than last year, only 15% in Europe agreed.

It seems that the 2013 tinsel and trimmings were enough – or perhaps there is no room on the household balance sheet to expand spending this year.

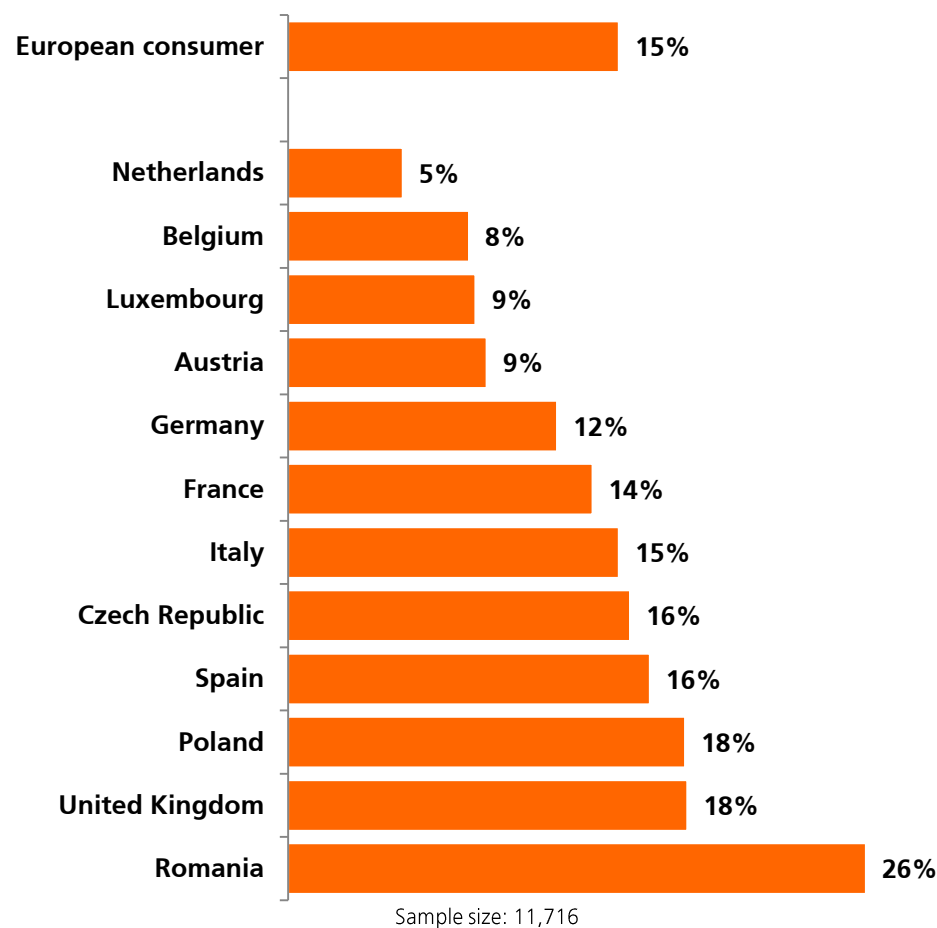
People in Romania are most likely to plan to increase spending on Christmas this year. The UK, Poland, Spain and the Czech Republic are also higher than average.

The smallest appetite for increased Christmas spending is in the Netherlands, Belgium and Luxembourg, where parts celebrate Sinterklaas early in December.

THE QUESTION

“I am planning to spend more money on Christmas than last year”

Percent who answered “strongly agree” or “agree”



All I want for Christmas is... to not borrow to pay for it

Fewer than one-in-ten in Europe agree with the statement “Last year I went into debt to pay for Christmas”.

The result of 9% for the European consumer is about the same as the 10% figure recorded in the ING International Survey 2012 for Christmas 2011, showing it is largely unchanged over the last two years.

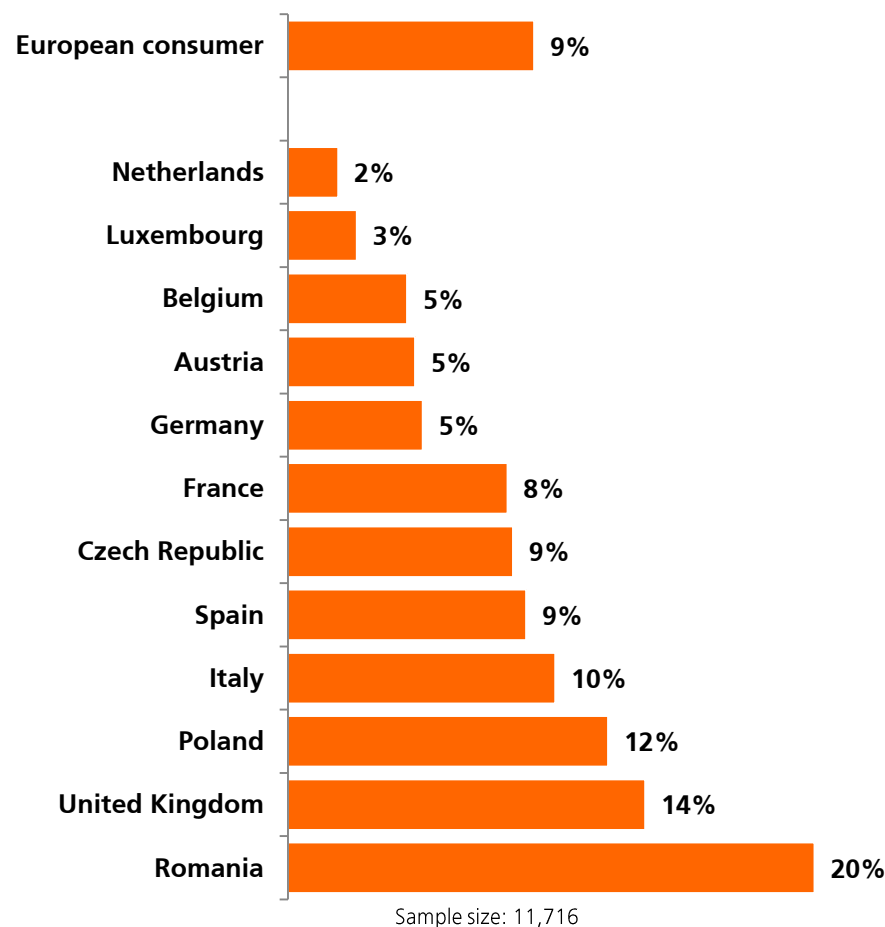
If struggling to meet the expenses of the holiday season, it might help to add up all the Christmas costs of the previous year (remembering to factor in a range of expenses, such as travel to and from concerts, family dinners and other events) to plan for the next season. See if costs can be trimmed then divide the total in 12 to get the monthly savings target.

As Christmas is at the same time every year, often the expenses can be treated in a similar way to a standard budget.

THE QUESTION

“Last year I went into debt to pay for Christmas”

Percent who answered “strongly agree” or “agree”



Money the hot topic for New Year Resolutions

New Year resolutions are anecdotally often about kicking an unhealthy habit (such as smoking) or getting more exercise. These survey results suggest financial matters are also on the top of mind for many as they start the New Year.

Of people in Europe who intend to make a New Year resolution for 2015, 77% say they will have one on a financial matter.

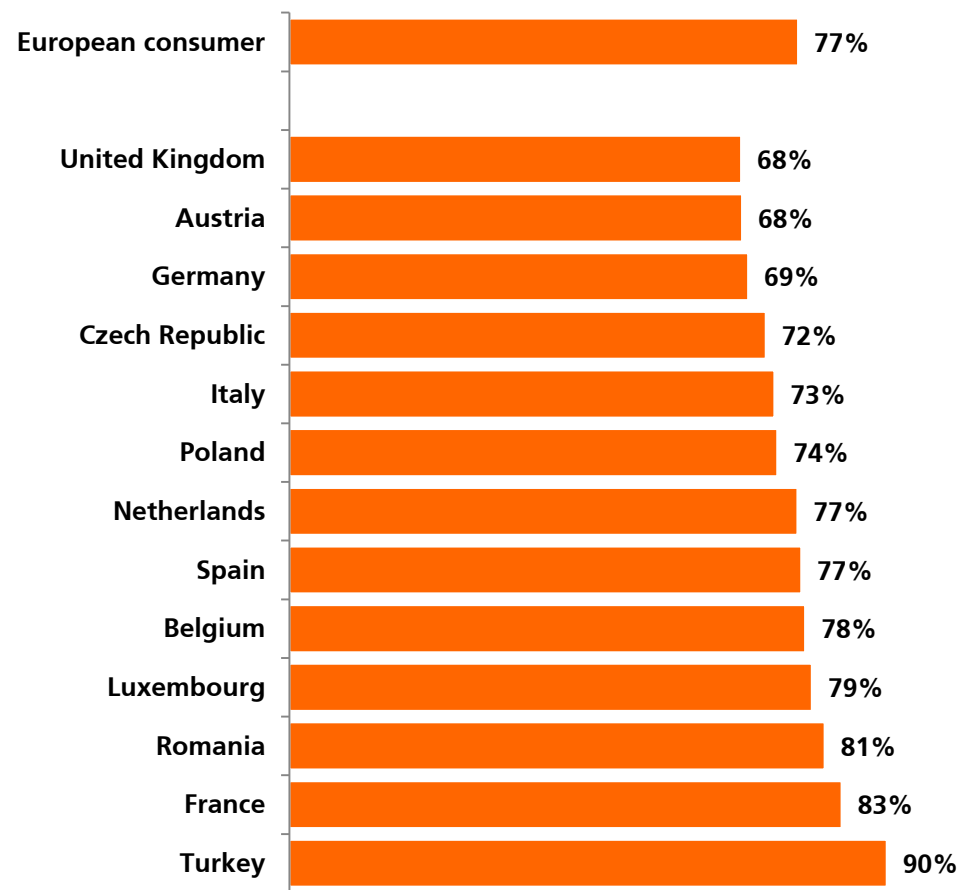
The share rises to 90% in Turkey, 83% in France and 81% in Romania.

The United Kingdom, Austria and Germany have the lowest share but still more than two-thirds of people who plan to have a New Year resolution say it will be about money.

THE QUESTION

Do you plan to have any resolutions for 2015?/Do you plan to have any resolutions for 2015 on financial matters?

Percent who answered "yes" and "yes"



Sample size: 7,469

It sounds good in January – but almost half don't achieve their money goal

Despite the good intentions in January, only 54% of European consumers who had a financial New Year resolution in 2014 say they kept it.

The Dutch are the most likely to fulfil their financial New Year pledges.

In Italy, Turkey and Poland, the share falls below half, however, people in Turkey are also the most likely to make them in the first place.

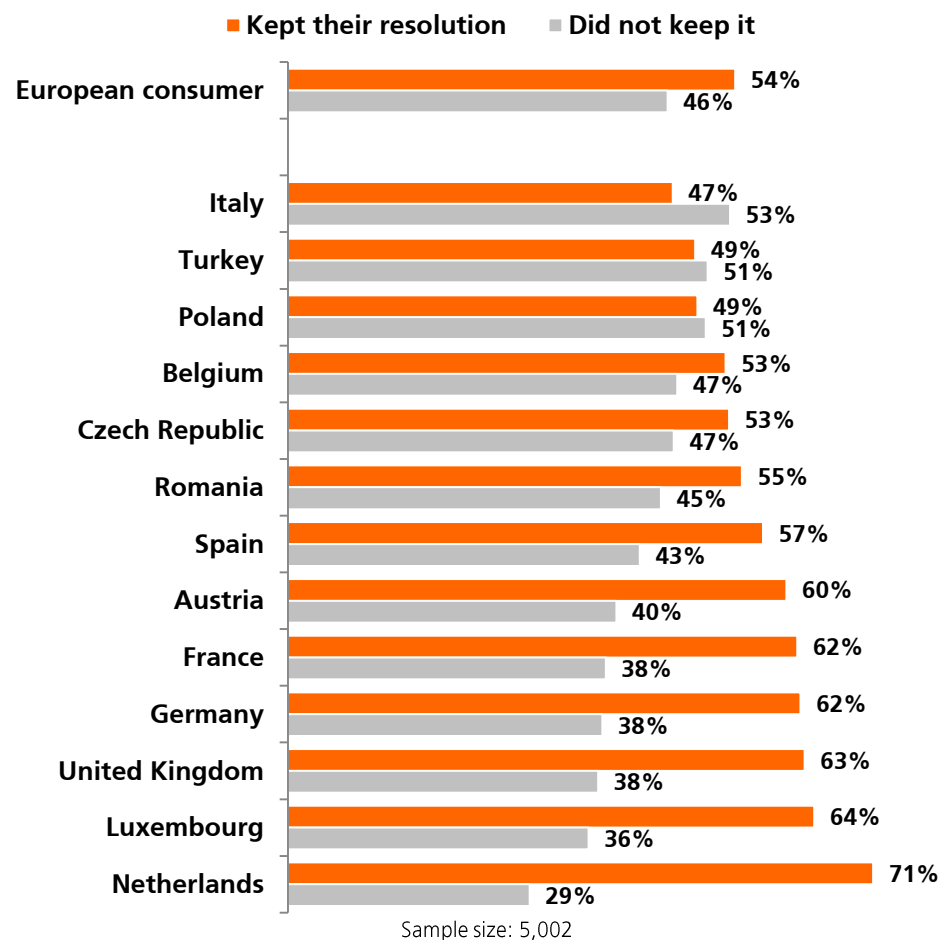
As the fun flow chart on p4 shows, there are ways to make resolutions more manageable.

Firstly, it is important to set a goal that is actually achievable. Then try breaking the goal into small steps, asking friends and family for help and have a reward in mind that will be a sweetener when it's done.

THE QUESTION

Did you have financial resolutions in 2014?

Percent who had a financial New Year resolution and answered "Yes, and I kept them" or "Yes, but I did not keep them"



Money resolutions most popular among under 35s

New Year resolution on financial matters for 2015 are popular across all age groups, and particularly for under 35s.

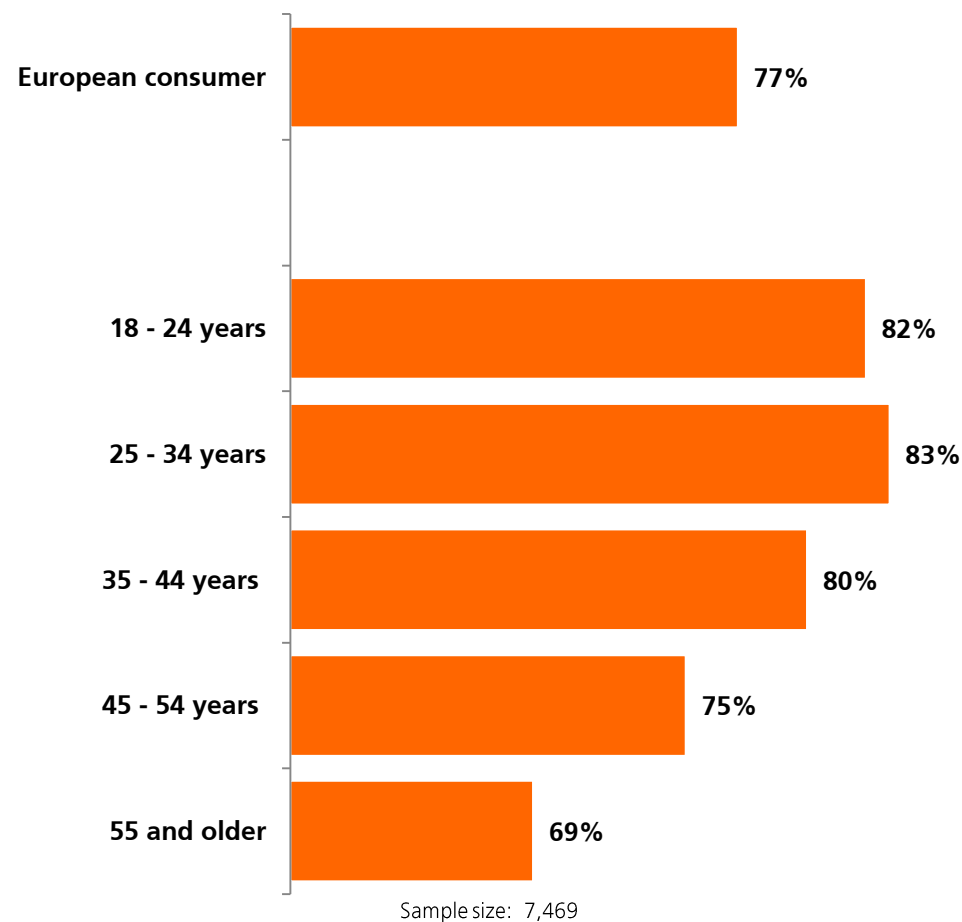
Of those who intend to make a New Year resolution, more than four-in-five say they are planning to address financial matters.

It drops to 69% for people aged 55 years and older – still a very large share.

THE QUESTION

Do you plan to have any resolutions for 2015?/Do you plan to have any resolutions for 2015 on financial matters?

Percent who answered “yes” and “yes”



"Save more" the most common financial New Year resolution

Most people in Europe who intend to make a New Year resolution about money say their preferred goal is to "save more". Managing money better by controlling spending is the second most popular, preferred by 30%. Reducing debt is preferred by about a quarter.

However, the preference changes depending where in Europe the question is posed.

In Luxembourg, Romania and Turkey, controlling spending is top. In Turkey, reducing debt is also a widespread ambition.

Of those who answered "other", investing money well was mentioned by several respondents as was increasing income or finding a job. Some respondents were planning to review their will or retirement fund or save for their children.

An Austrian woman pledged to "never again" use credit, while in Italy men and women both have financial New Year resolutions to open a new business.

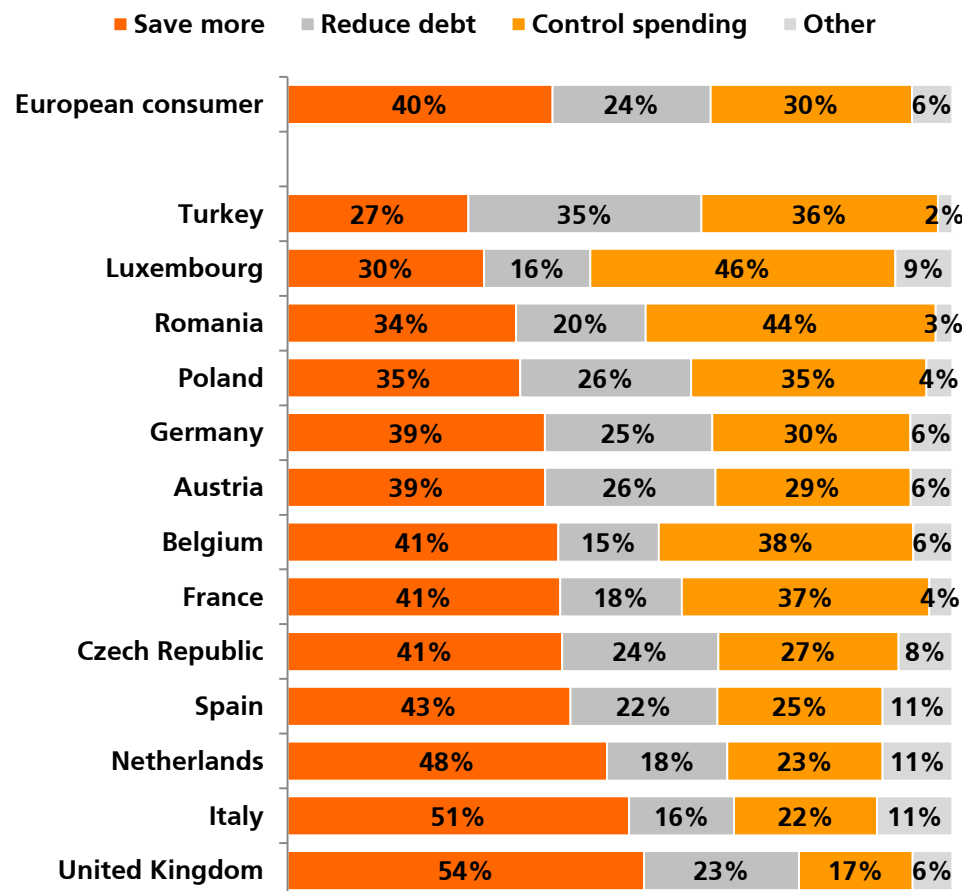
In the Netherlands, several respondents gave answers relating to their mortgages, such as reducing the debt or refinancing.

Saving for a holiday or spending more was also mentioned with a Romanian man aged 18-to-24 writing: "I want to invest in me".

THE QUESTION

Which of the following resolutions do you prefer most?

Percent who answered "I want to save more", "I want to reduce my debt", "I want to manage my money better by controlling the amount I spend", and "other"



Sample size: 7,469

Contact list

	Name	Phone number	Email
Senior Economist	Ian Bright	+44 20 7767 6656	ian.bright@uk.ing.com
Editor	Martha McKenzie-Minifie	+44 20 7767 6564	martha.mckenzie-minifie@uk.ing.com
Marketing Manager	Kariem Hamed	+31 6 300 71 661	kariem.hamed@ing.nl
Ipsos	Nieko Sluis	+31 20 607 0707	nieko.sluis@ipsos.com

Disclaimer

The opinions expressed in this publication are based on information gathered by ING and on sources that ING deems reliable. This data has been processed with care in our analyses. Neither ING nor employees of the bank can be held liable for any inaccuracies in this publication. No rights can be derived from the information given. ING accepts no liability whatsoever for the content of the publication or for information offered on or via the sites. Authors rights and data protection rights apply to this publication. Nothing in this publication may be reproduced, distributed or published without explicit mention of ING as the source of this information. The user of this information is obliged to abide by ING's instructions relating to the use of this information. Dutch law applies.