

## Peace of Mind



Australians who have never used a financial adviser are three times more likely to be financially insecure, according to new research.

More than a quarter (27.5%) of people who have never used a financial planner point to not being financially secure, compared to only 12.6% of people with an ongoing advice relationship and 11.8% of those who have an intermittent relationship with a financial adviser.

This is an important statistic as past analysis indicates that financial security is a fundamental variable in influencing levels of happiness among Australians.

The findings stem from new CoreData research, titled *Financial Planning Affection Study*, which measures attitudes towards financial advisers among all non-advised and advised Australians.

Individuals are split into four groups:

- Non-advised (never)
- Past-advised
- Ongoing advised
- Intermittently advised

Interestingly, and perhaps reflecting the recent downturn in markets, more rather than less people who have an ongoing or intermittent advice relationship still worry about having enough money when they come to retire.

44.8% of ongoing advice clients are worried about accruing the level of savings they want compared to 27.9% who aren't worried, this compares to 45.0% and 25% of intermittent using clients.

This also suggests that financial security today does not necessarily equate to complete security in the future as many people find it difficult to estimate how much they will need in retirement and also unsure about the longevity of themselves and their loved ones in old age.

Regardless, those with advisers are certainly more engaged in saving as 42.9% and 39.7% of those who have never used a planner or that used to be apathetic about having enough money in retirement.

When it comes to making decisions about money and investing those individuals with an ongoing advice relationship have the highest incidence of difficulty in making decisions, perhaps reflecting the fact they have an adviser.

26.4% of those with an ongoing advice relationship often have difficulty making decisions about investing money

It seems those people who use advisers from time to time, perhaps to support a strategy or idea they may already have, are least likely to have difficulty in making financial decisions.