

2023 Fidelity 10,000 Business Person Survey

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2023 Fidelity 10,000 Business Person Survey

The new NISA program will soon be launched. This is a system used to promote a transition “from savings to investment” in Japan. The 2023 Fidelity 10,000 Business Person Survey analyzes the investment behavior of business persons who may be affected by these changes.

In the 2023 version, we separate Generation Z from younger generations and tried to analyze their unique behaviors. It also considers the potential effects of inflation and salary increases, while paying attention attention to engagement from an HR perspective.

This survey intends to provide additional perspective on the current hot topics.

Content

- **Current NISA to New NISA**
- **How People Access on Information on Topics Related to “Money”**
- **Investment Behavior**
- **Workplace Financial Education and Engagement**
- **Public Pensions and Self-Help Retirement Provisions**

Excerpts from the survey

54% of those surveyed were familiar with New NISA. Salary raises encourage younger generations to invest more in NISA

- About half of the people who have invested up to the current General NISA limit (1.2 million yen) and 20% of those who have invested up to the Tsumitate NISA limit (400,000 yen) say they plan to invest up to the investment limit (3.6 million yen) under the new NISA system.
- For those in their 20's and 30's, a raise in salary could encourage them to increase the investment amount under the new NISA system.

As an information source, more people are using the internet, including SNS (social networking sites)

- Men tend to use YouTube more than women. Women tend to favor Instagram.
- X (Twitter), TikTok and Instagram have more users at younger ages, while FaceBook, YouTube and LINE have more older users.
- In addition to social networking sites, Gen Z is more likely to collect information from acquaintances, family members and workplace education than other generations.

51% of survey participants referred to themselves as “investors” in this year’s survey

- The most common reason for the increase in investment was “inflation erodes savings value,” followed by “I have more knowledge about investments.”
- The most common reasons for not investing are financial reasons (“I don’t have money” or “I don’t want to lose money”) for men and the elderly, and knowledge related reasons (“I don’t know how to do”) for women and young people.

Only 30% says that they are provided with workplace financial education

- All generations have a high need for “how to save for retirement” and “the basics of investment.” Generation Z is also highly interested in “budgeting.”
- Many people said that “there was no concrete story that applies to them” and “the content was difficult” as reasons why workplace education was not useful.
- People with higher financial literacy are more engaged and desire to contribute to their companies.

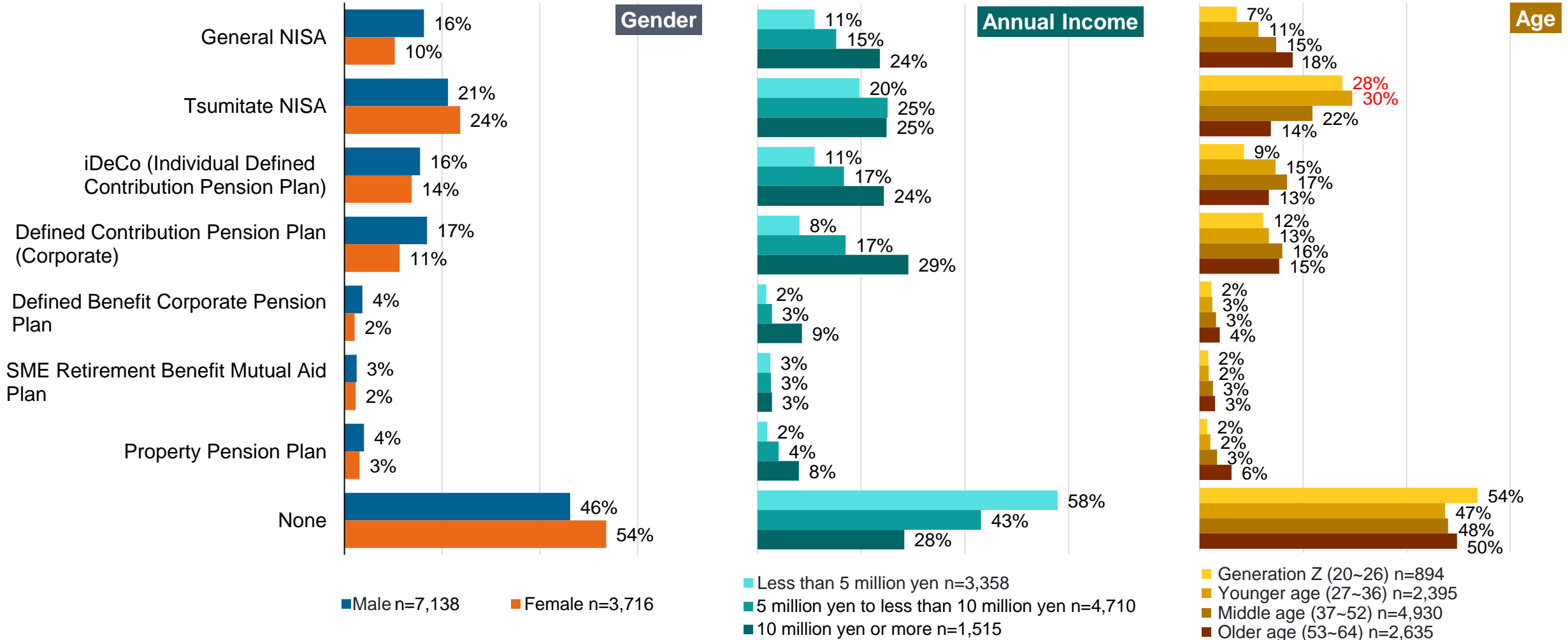
30% of people in their 50s have zero funds saved for their retirement

- Many people prefer NISA over iDeCo as a vehicle for retirement provision. iDeCo is needed to solve the problems of people in their 50s and older who are closer to retirement.

Current NISA to New NISA

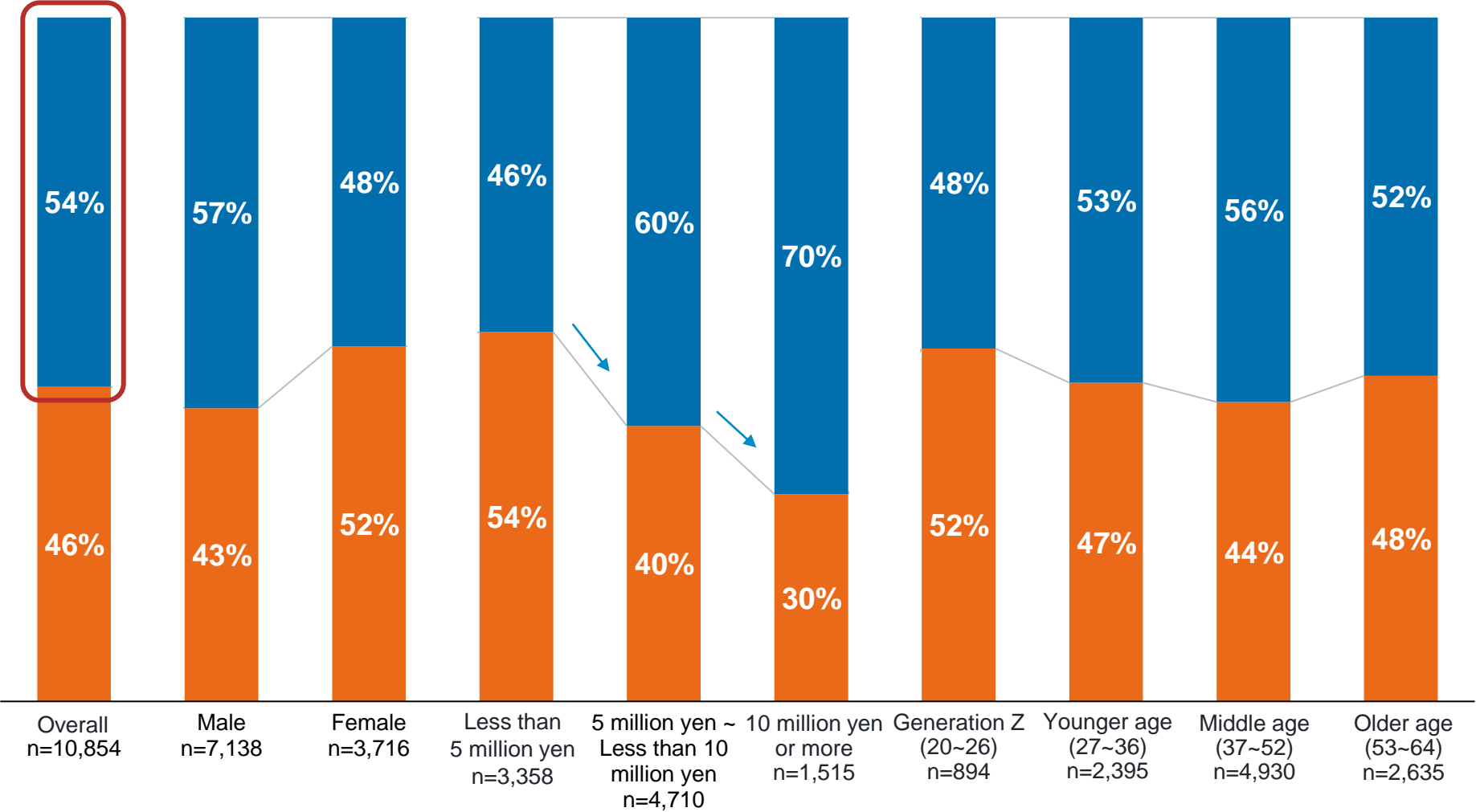
Tax benefit plans used (Multiple answers possible)

Approximately 50% of people are familiar with NISA and iDeCo, but fewer people actually use them. The higher the income, the higher the percentage of users. But younger people prefer Tsumitate NISA, which is the exception.



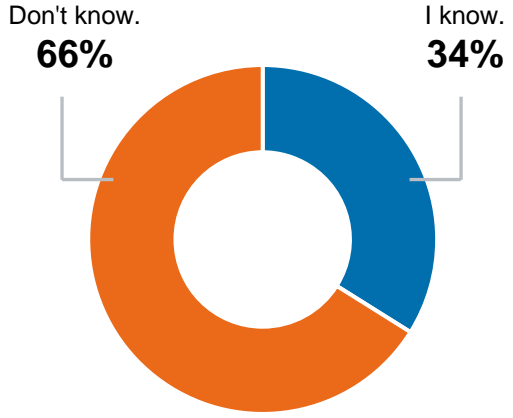
Awareness of New NISA

54% said they know about New NISA. More men reported that they were familiar with the system than women. The higher the income, the higher the awareness. There was not much difference by age, but it is notable that 48% of Gen Z said they had knowledge of New NISA.



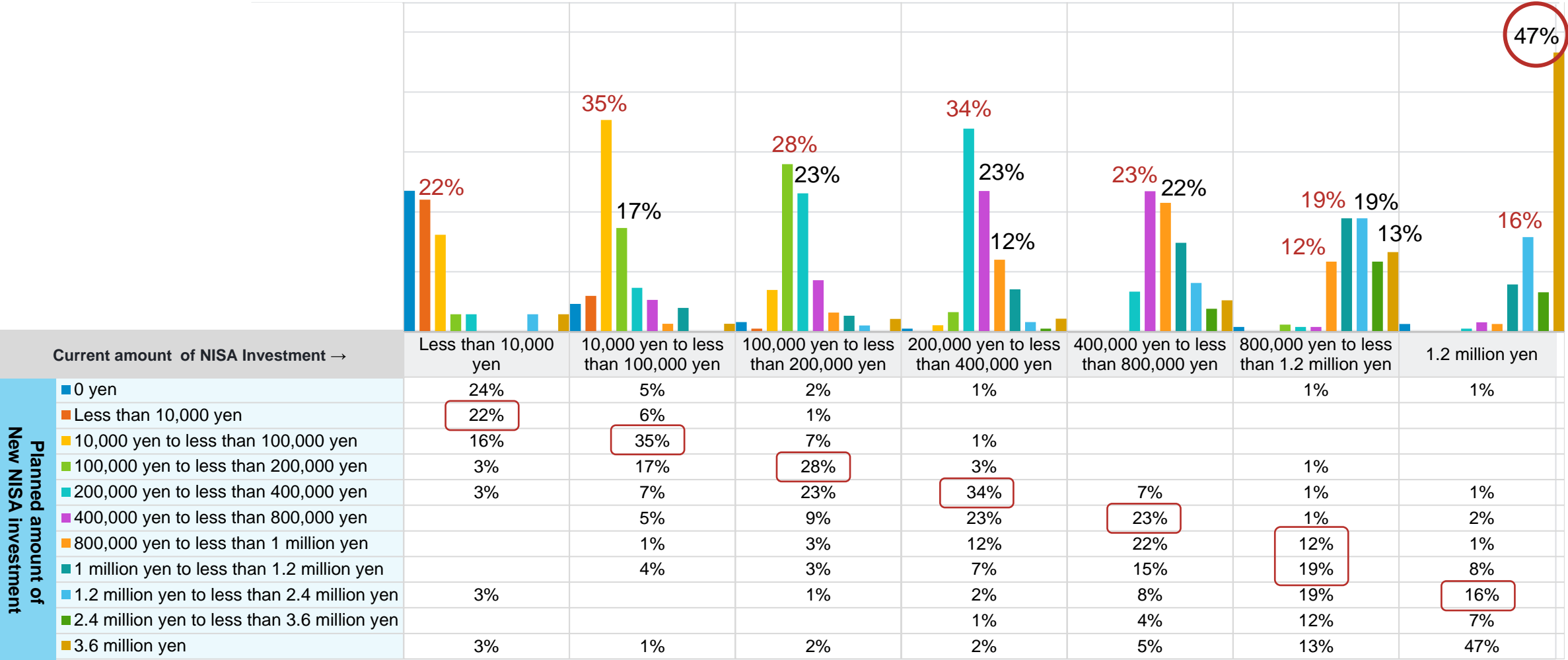
- I know.
- I don't know.

Non-users of Current NISA



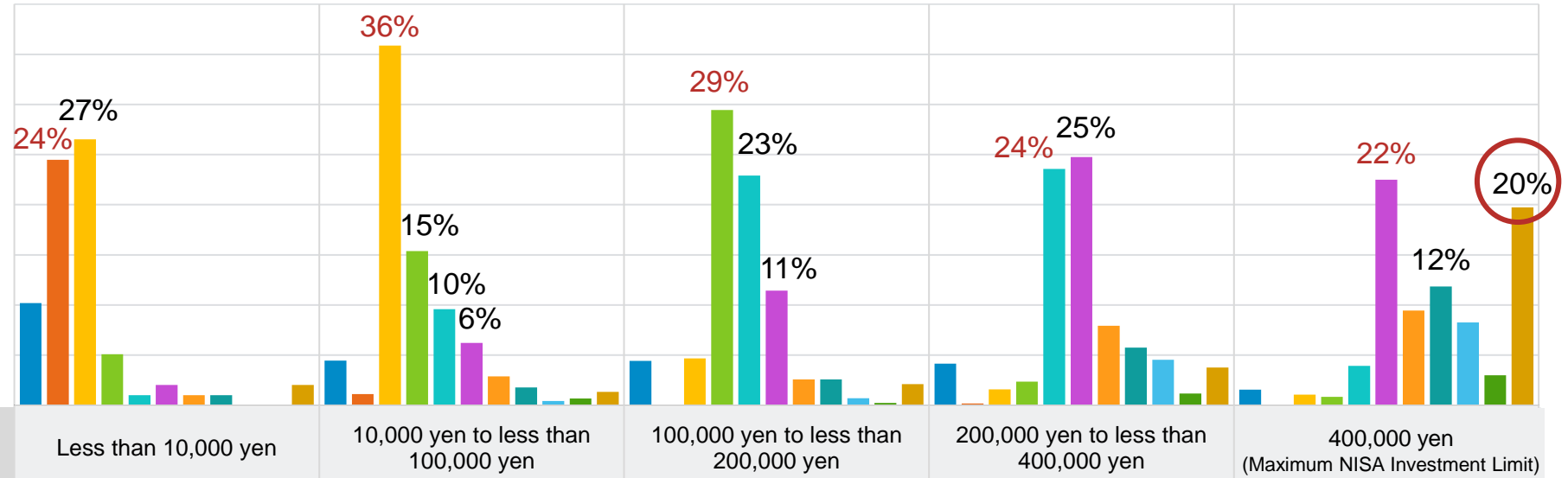
How much will regular NISA users invest in New NISA? (Analysis by current investment level)

Although many respondents answered that they would invest same that they are investing now, 47% of those who invested up to the current maximum limit of 1.2 million yen said they would invest up to the new NISA investment limit of 3.6 million yen. (Those who said they had not decided yet are not shown.)



How much will Tsumitate NISA users invest in New NISA? (Analysis by current investment level)

While many respondents answered that they would invest the current amount that they invest today, 20% said they would invest up to the new NISA investment limit of 3.6 million yen among those who invested up to the current limit of 400,000 yen. (Those who are undecided yet are not shown.)

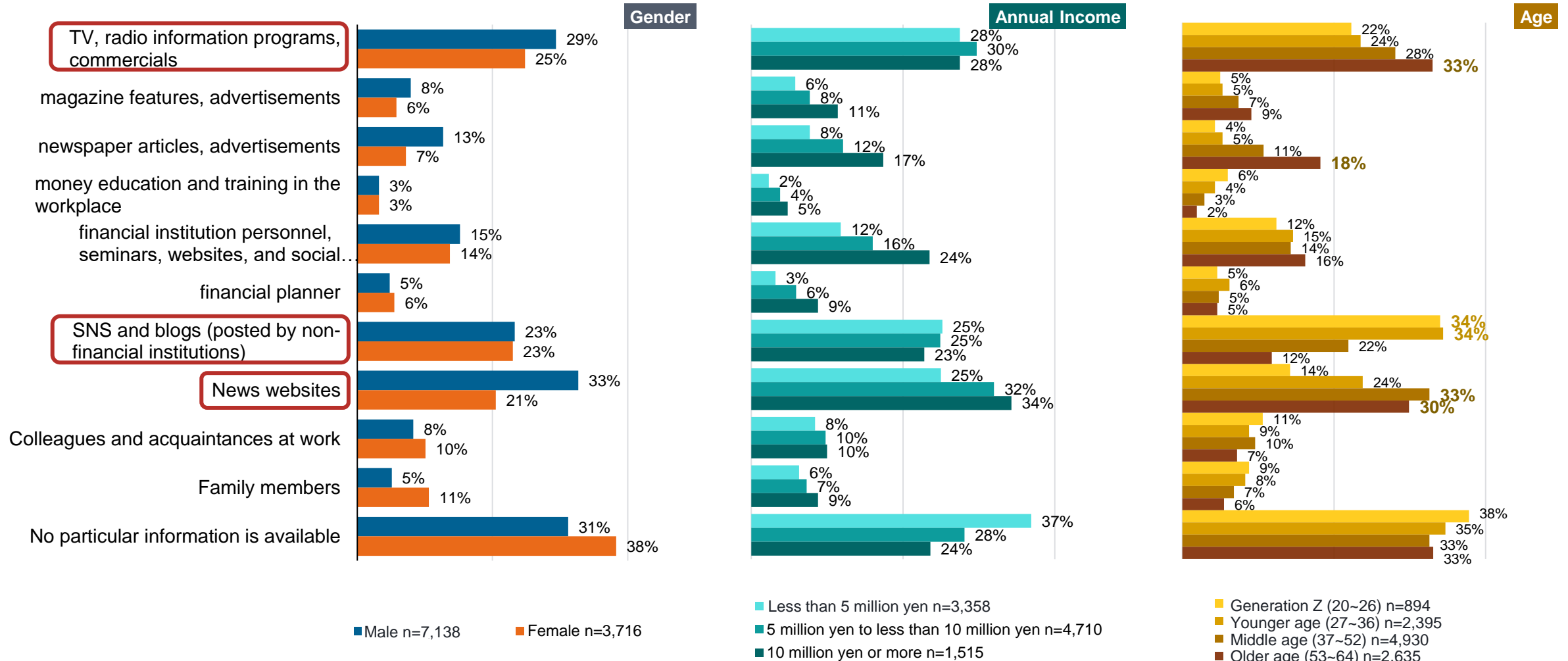


Current amount of NISA Investment →		Less than 10,000 yen	10,000 yen to less than 100,000 yen	100,000 yen to less than 200,000 yen	200,000 yen to less than 400,000 yen	400,000 yen (Maximum NISA Investment Limit)
Planned amount of New NISA investment	0 yen	10%	4%	4%	4%	2%
	Less than 10,000 yen	24%	1%	0%	0%	0%
	10,000 yen to less than 100,000 yen	27%	36%	5%	2%	1%
	100,000 yen to less than 200,000 yen	5%	15%	29%	2%	1%
	200,000 yen to less than 400,000 yen	1%	10%	23%	24%	4%
	400,000 yen to less than 800,000 yen	2%	6%	11%	25%	22%
	800,000 yen to less than 1 million yen	1%	3%	3%	8%	9%
	1 million yen to less than 1.2 million yen	1%	2%	3%	6%	12%
	1.2 million yen to less than 2.4 million yen	0%	0%	1%	5%	8%
	2.4 million yen to less than 3.6 million yen	0%	1%	0%	1%	3%
3.6 million yen (New NISA Investment limit)	2%	1%	2%	4%	20%	

How People Access on Information on Topics Related to “Money”

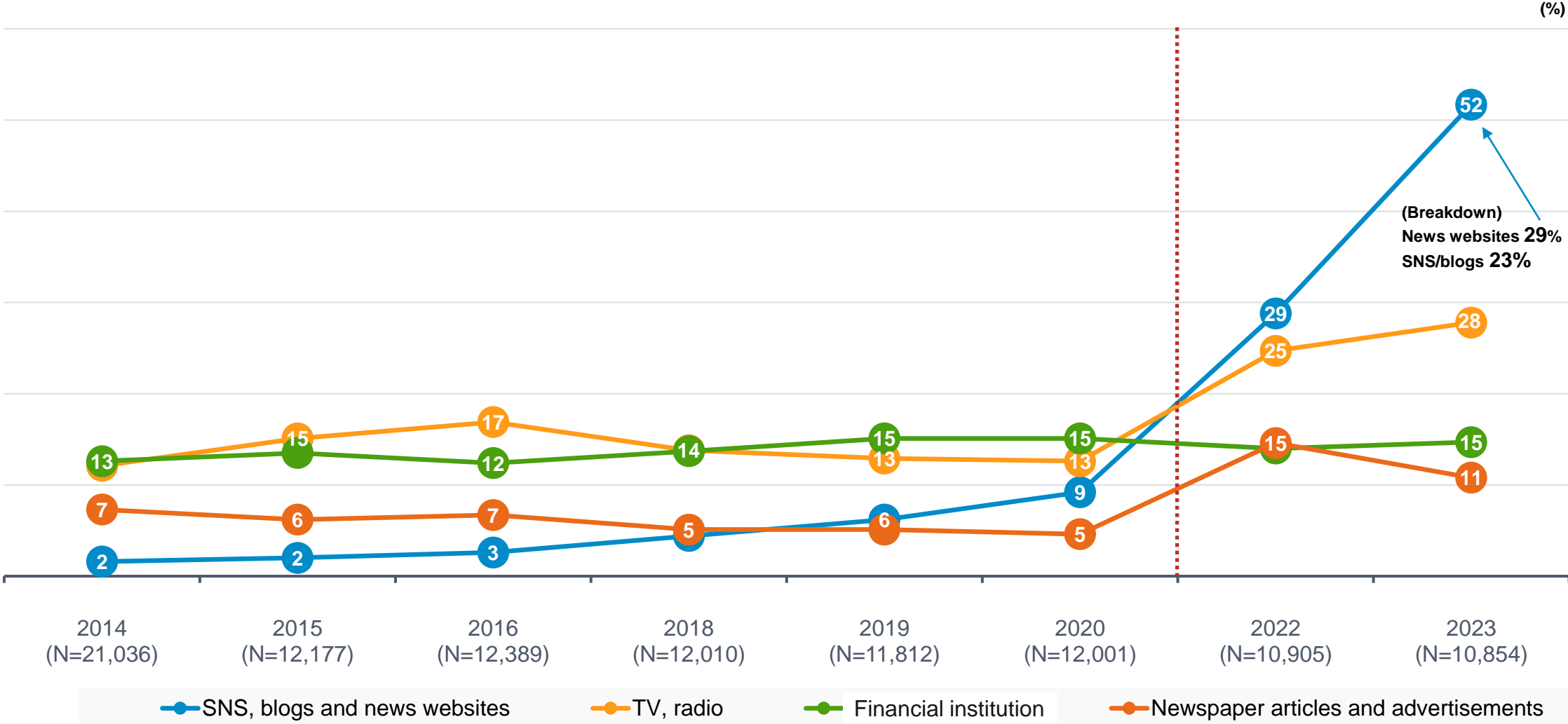
Access to information about money (up to three options)

Information collection through the Internet as a source including SNS, blogs and news websites is popular. Next in popularity television and radio were listed. As income or age increases, traditional channels such as magazines, newspapers, financial institutions, and news websites become primary sources of information. Older people also use television, radio, and news websites, but social networks and blogs are less popular. The opposite is true for Gen Z and younger people.



Changes in access to information on money (top 4 items)

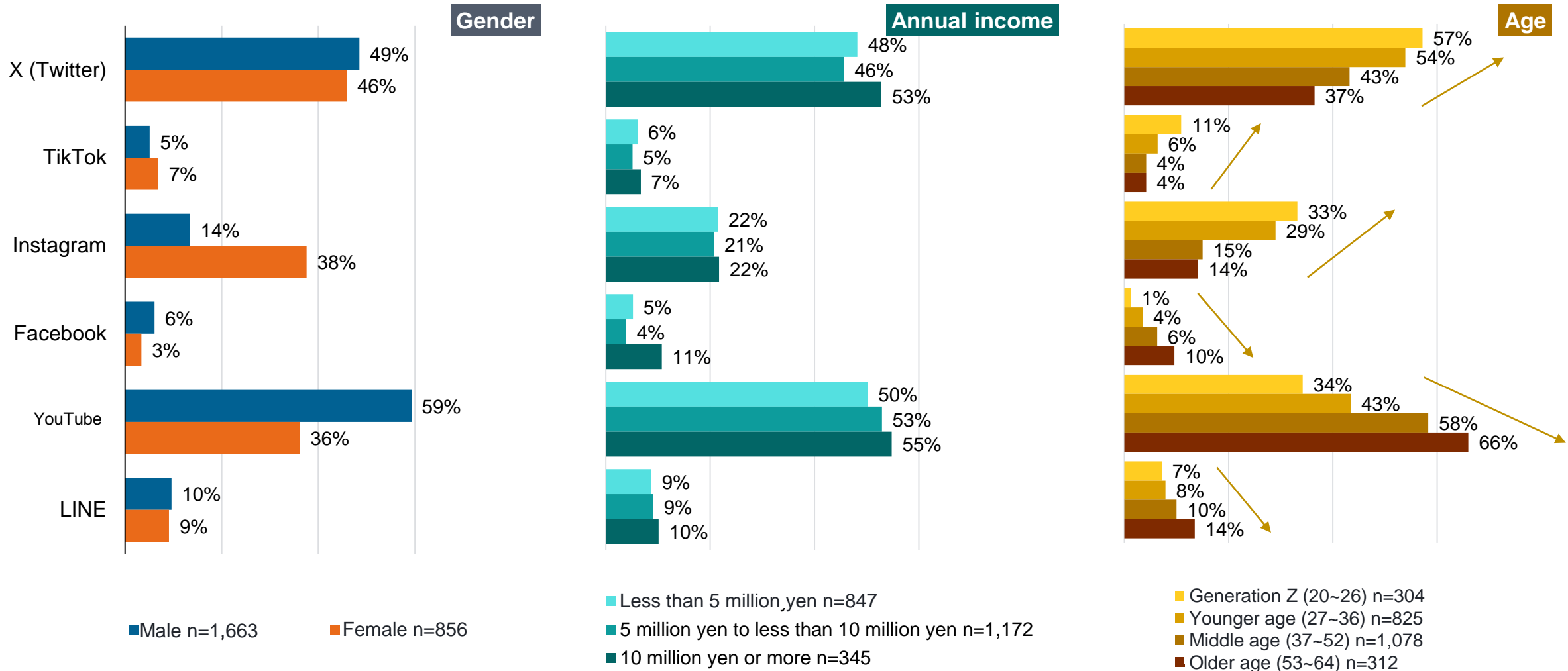
Financial information collection via the Internet, such as SNS, blogs, and news websites, is increasing even more rapidly.
 Note that since 2022, the system has been changed to a maximum of 3 responses (1 in the past), so there is strictly no continuity.



SNS used for collecting financial information (based on people using SNS as an information channel)

X (Twitter) is popular among both males and females. Instagram is more popular among females, and YouTube has more male users.

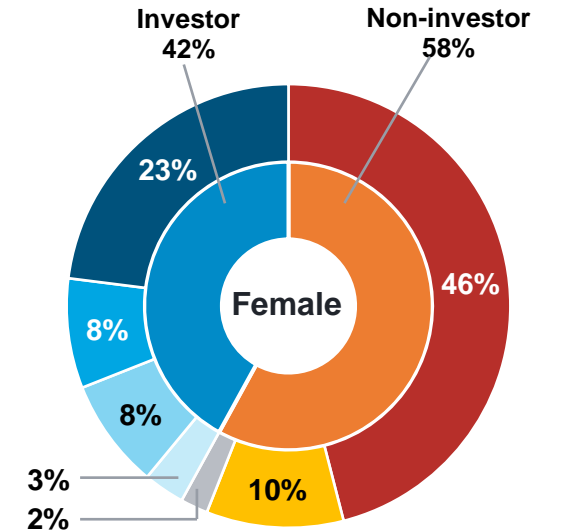
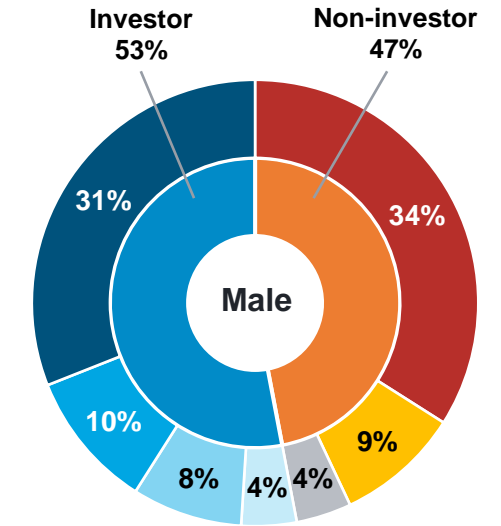
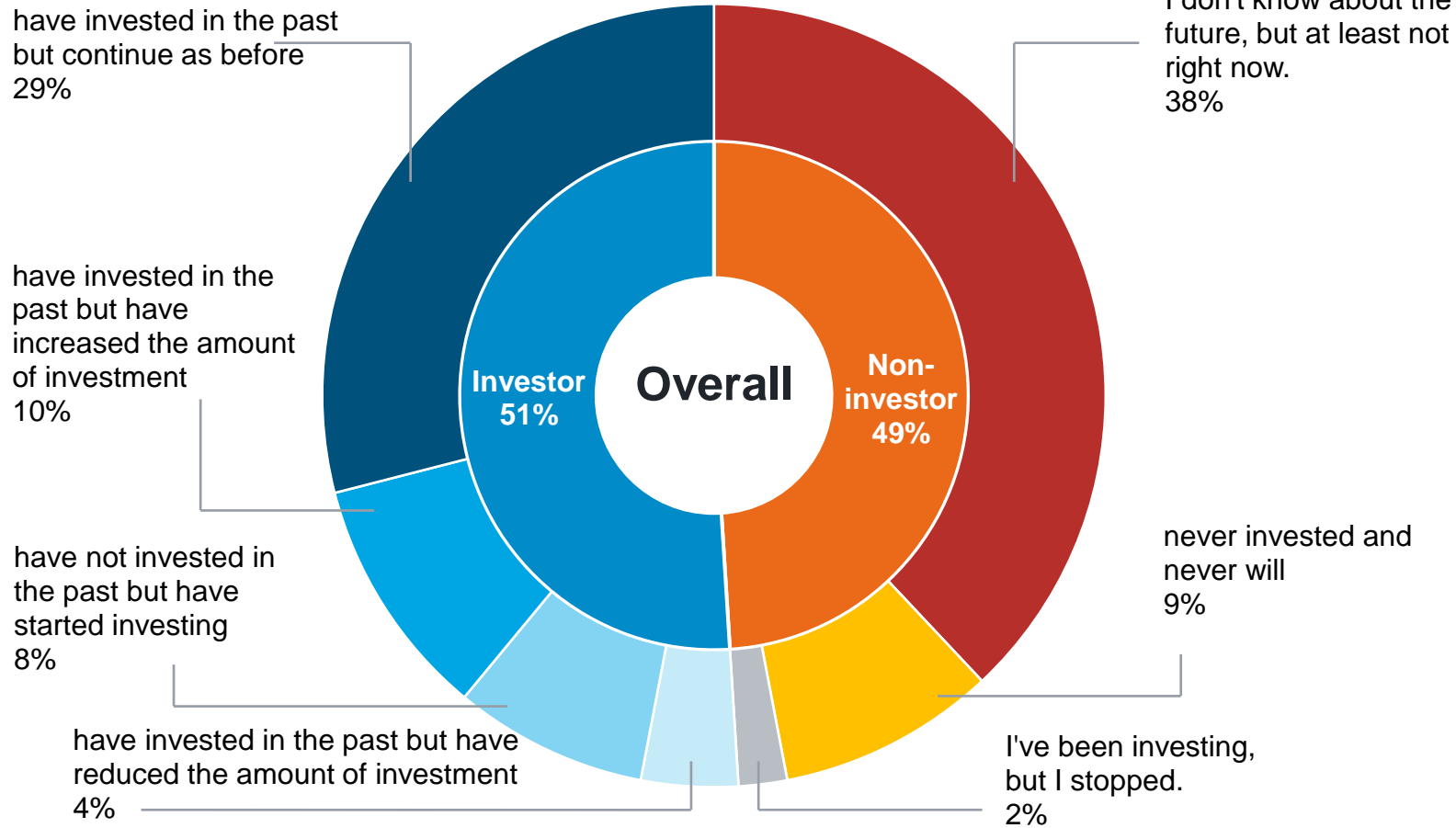
The trend by age is also clear: younger generations use X, TikTok, and Instagram more, whereas the older generations favor Facebook, YouTube, and LINE more



Investment Behavior

Changes in Investment Behavior (compared to last year)

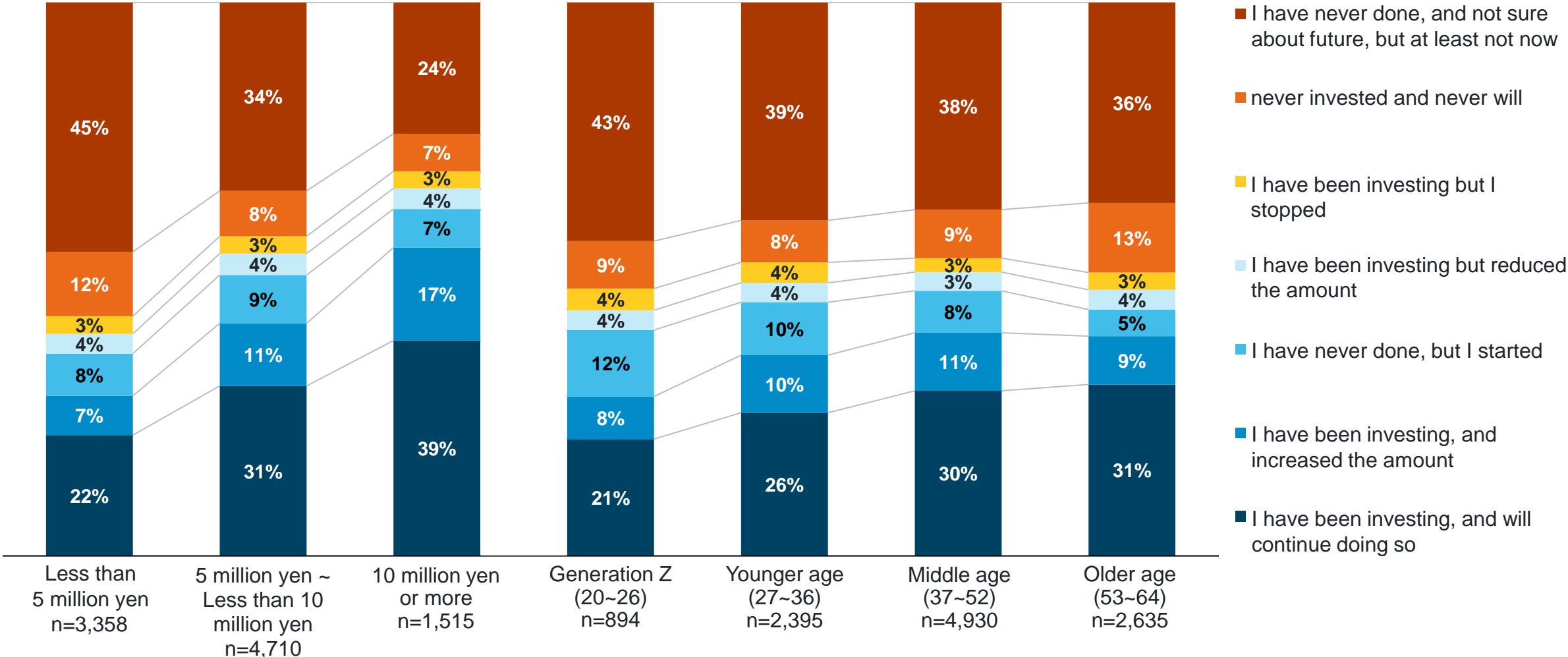
About half of respondents consider themselves investors. The ratio of men to women is higher. About 10% say they will not invest in the future.



Investment behavior by income and age group (compared to last year)

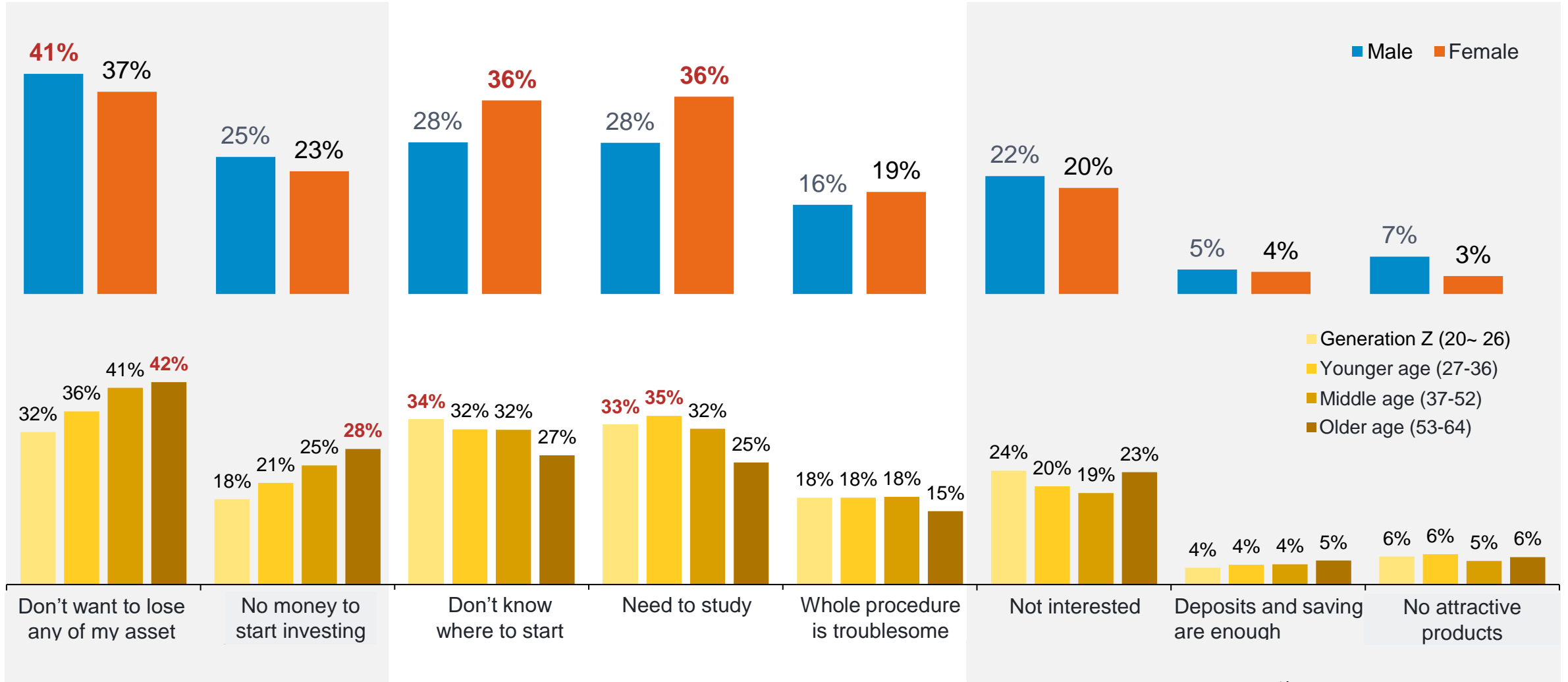
As income increases, investors increase. However, more than 30% of high-income earners do not invest.

As age increases, investors increase. Even among Gen Z, over 40% do invest.



Reasons not to invest (among people who are not currently investing: multiple answers possible)

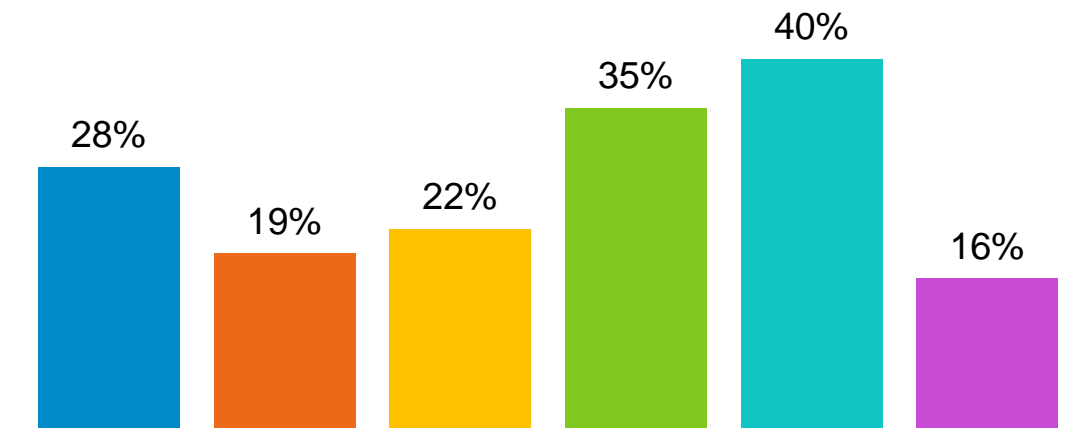
Financial reasons are more common among men and the elderly. Knowledge-based reasons are more common among women and the younger generations.



Reasons for increasing investment vs decreasing investment (multiple answers possible)

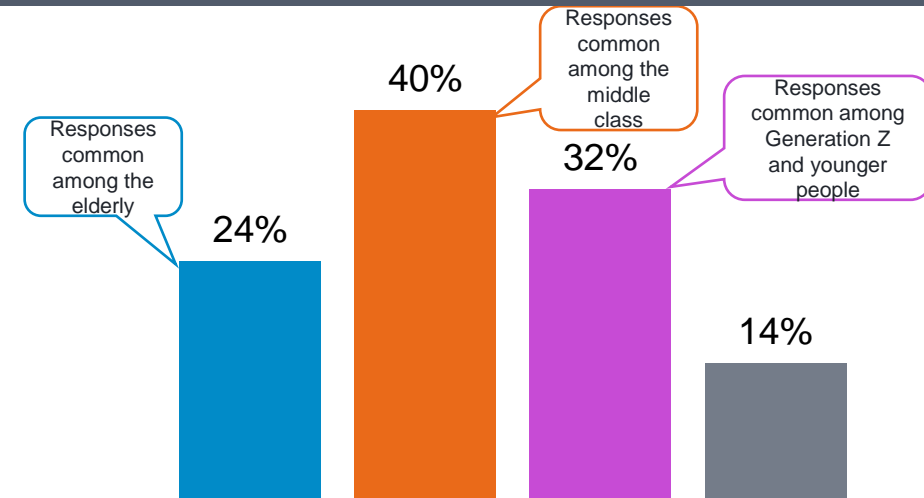
The most common reason for increasing investment was “Inflation erodes savings and deposits.” followed by “increased investment knowledge and information.” Some increase investment while others decrease investment for the same reasons such as market fluctuations and reduced income.

Reasons for increasing investment (1,190 people)



- Because the stock market and the exchange rate fluctuated so much that I thought it was a good opportunity to invest.
- Because my income increased and I could afford it.
- I sense the atmosphere that investment is a new “to-do” / my friends /acquaintances started investing
- Because I have more knowledge and information about investing.
- Inflation will increase, and I think my assets will be eroded by deposits and savings alone.
- Because I realized the importance of investing when unexpected things such as income decline happened.

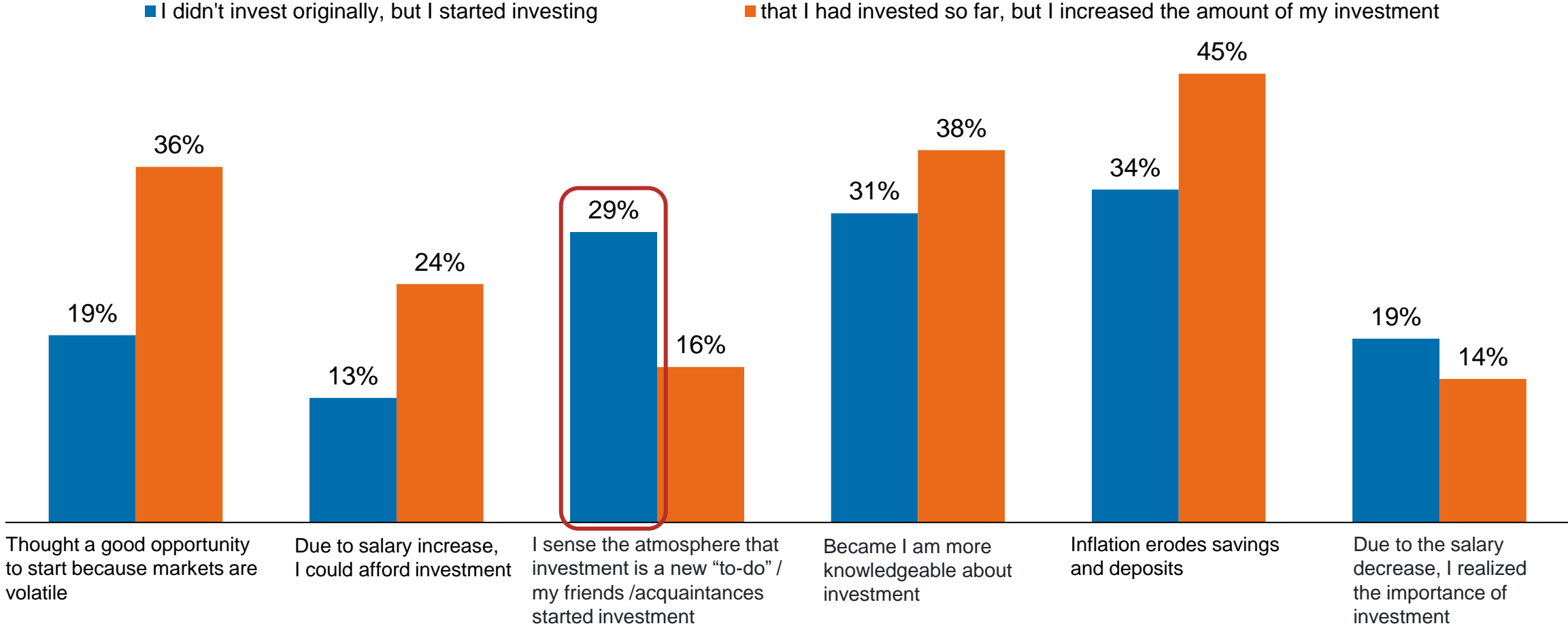
Reasons for reducing investment (702 people)



- Because the stock market and exchange rates became more volatile and I am afraid to invest
- Because they were spending more and they had less money to put into investments
- Because they couldn't afford to invest because of unexpected circumstances such as reduced income
- Because they were nearing retirement and wanted to reduce risk

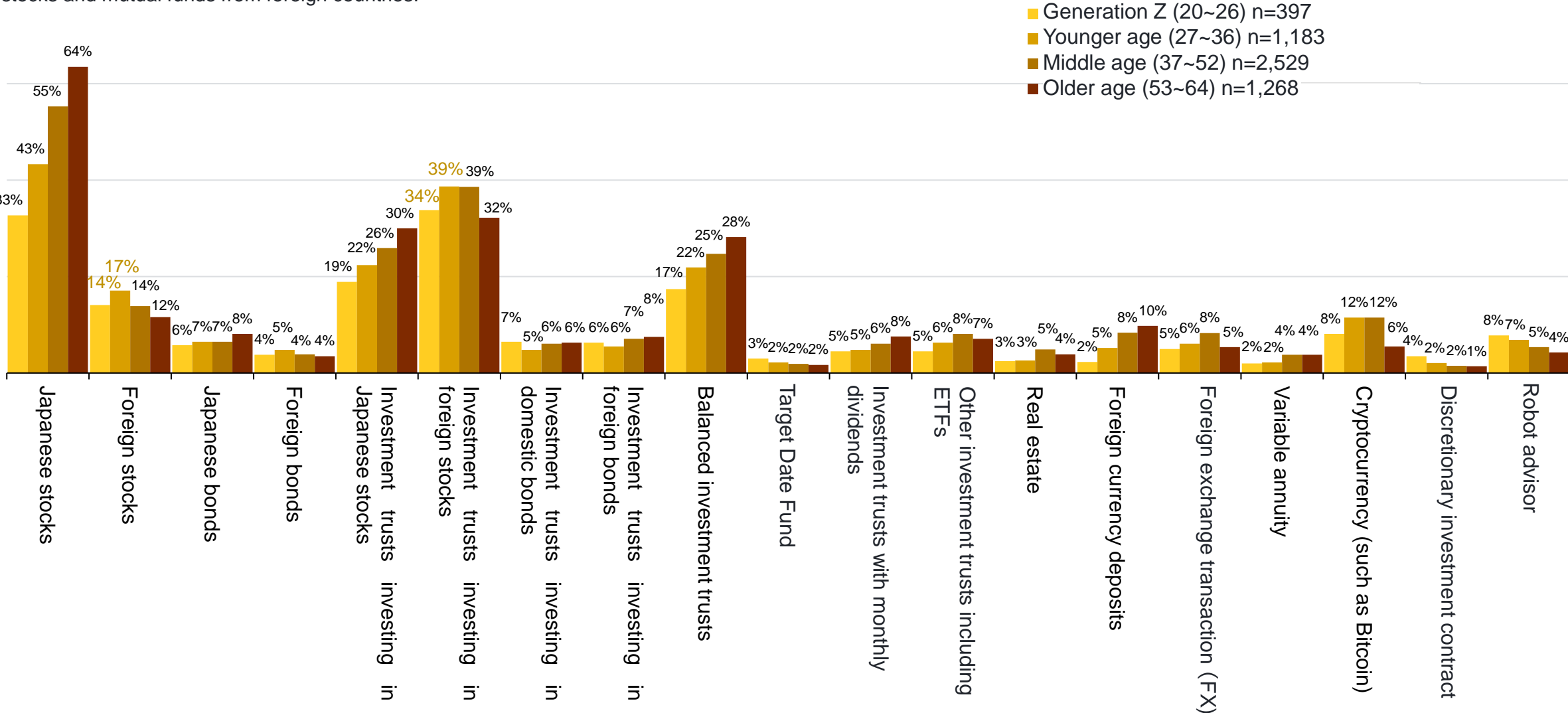
The difference between "people who have increased the amount of investment" and "people who have started investing"

Of those who have started investing, responses including "the world is trending toward investing / friends/acquaintances have started investing" were very high.



What are you investing in now? (by age group) (multiple answers possible)

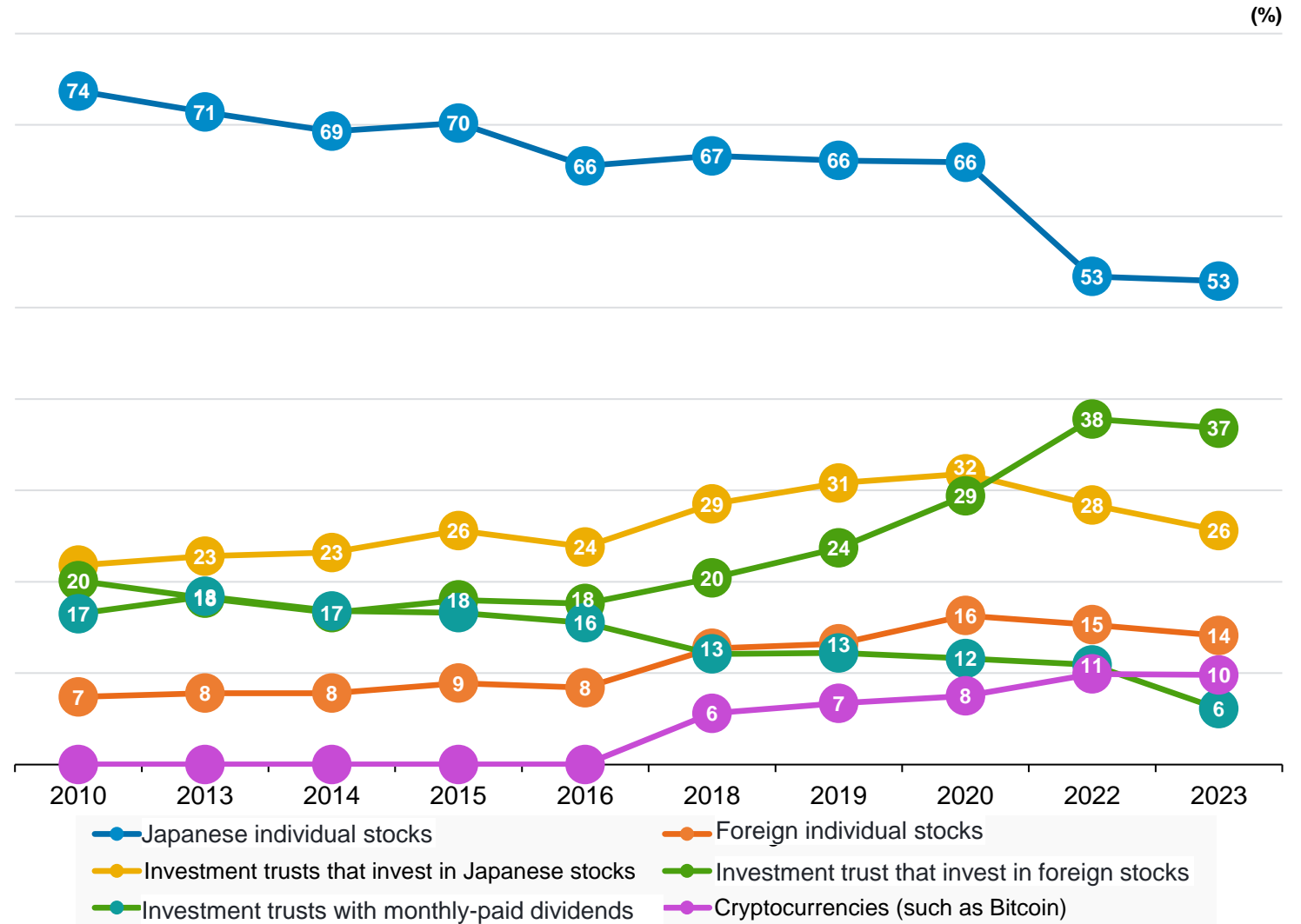
The ratio of investments in Japanese individual stocks and mutual funds increases for people as they age. On the other hand, Gen. Z and younger people are choosing individual stocks and mutual funds from foreign countries.



Trends in investment destinations (multiple answers possible)

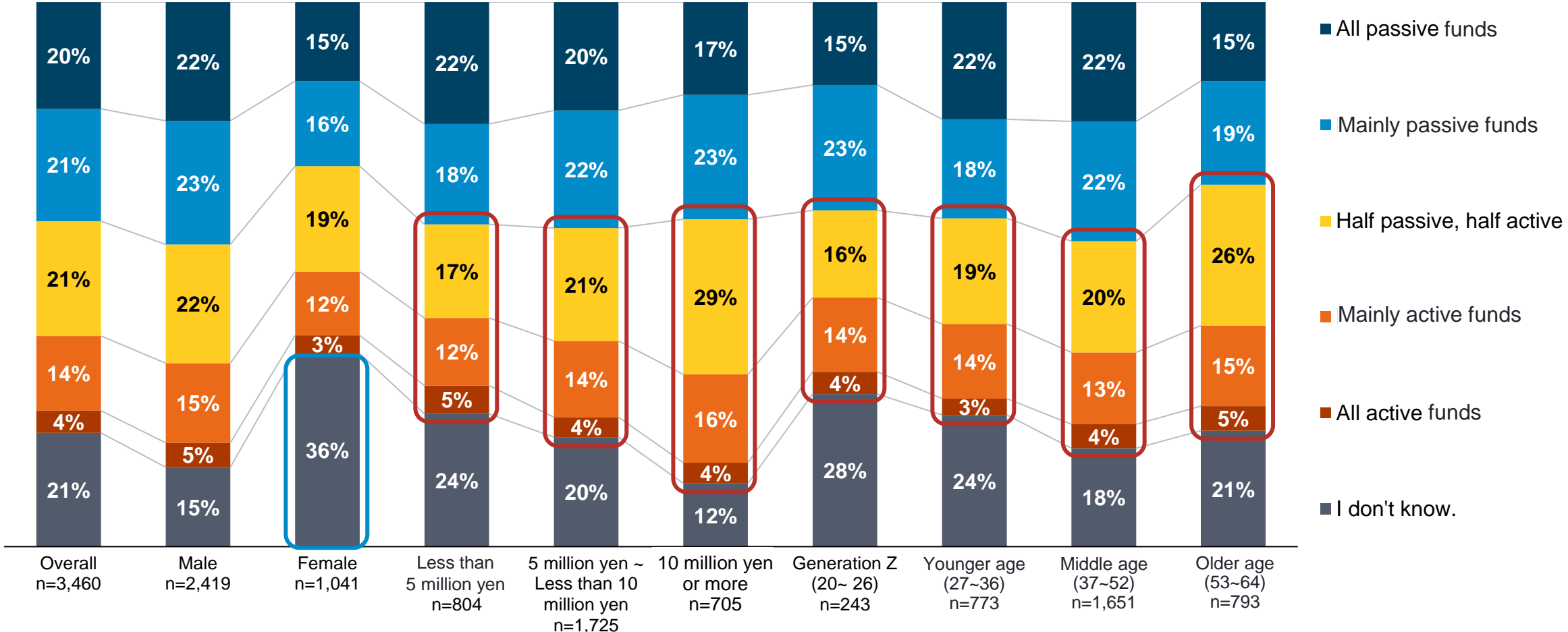
Japanese individual stocks are on a long-term downward trend. Investment trusts in foreign stocks are gaining in popularity.

	2010	2015	2020	2023
Japanese individual stocks	73.7	70.2	65.9	52.9
Foreign individual stocks	7.4	8.9	16.3	14.1
Foreign currency deposits	19.3	14.6	13.9	7.6
Japanese bonds	12.7	12.7	10.1	6.8
Foreign bonds	7.5	8.3	5.8	4
Investment trusts in Japanese stocks	21.8	25.6	31.8	25.6
Investment trusts in foreign stocks	20.1	18	29.4	36.8
Investment trusts in Japanese bonds	-	-	-	5.9
Investment trusts in foreign bonds	-	-	-	6.8
Balanced mutual fund	-	-	-	24.3
Target date fund	-	-	-	2
Investment trusts with monthly-paid dividends	16.5	16.6	11.6	6.1
Other investment trusts	8.6	9.3	11	7.2
Foreign Exchange Transaction (FX)	15.6	13.5	10.8	6.9
Real Estate	4.5	4.4	4	4
Variable Annuity	2.9	2.8	3	3.3
Cryptocurrency	-	-	7.5	9.8
Robot advisers	-	-	-	5.7
Discretionary Investment Agreement	-	-	-	1.8



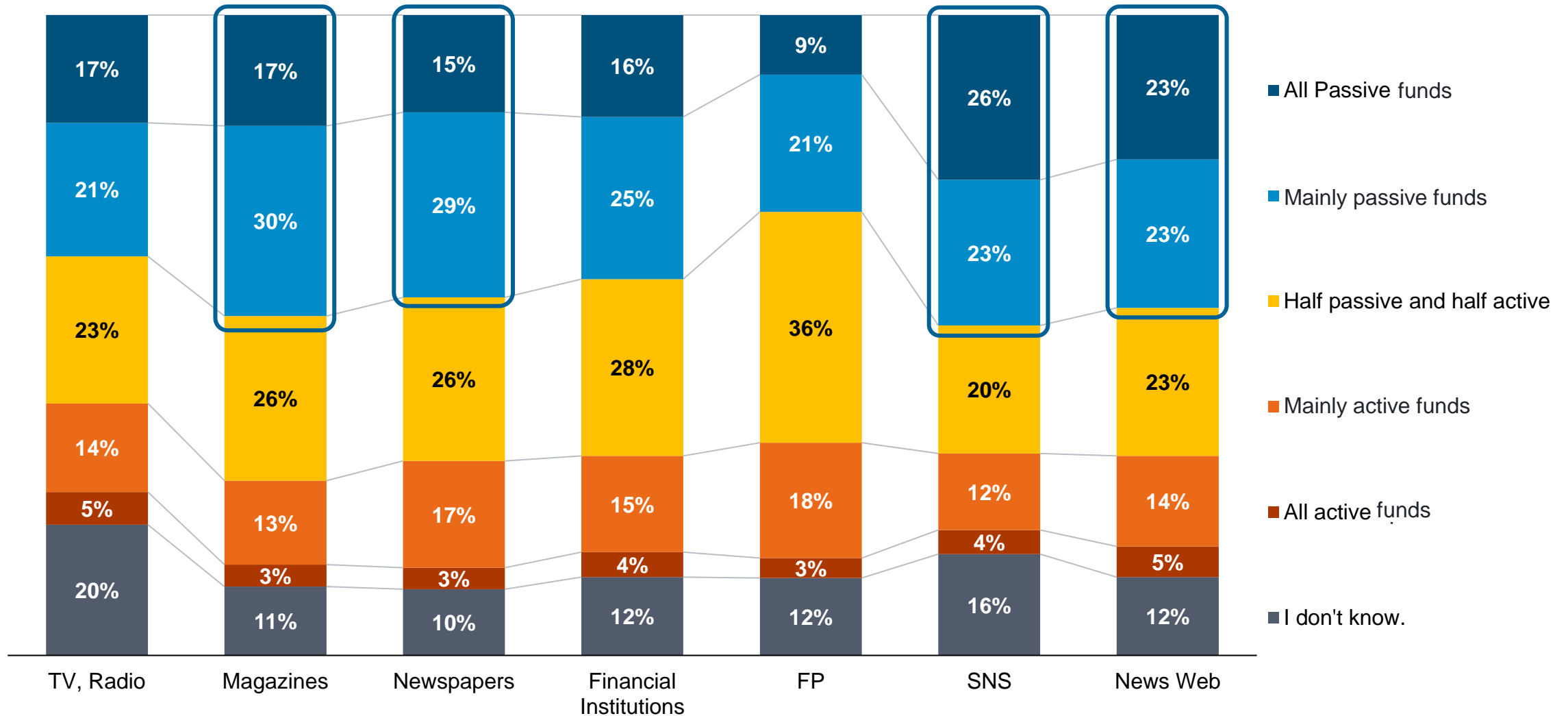
The ratio of passive and active funds (among investors in investment trustors)

The ratio of active fund users, including the "50-50 between passive and active investment," increases as income and age increase. 36% of women say they do not understand their investment style.



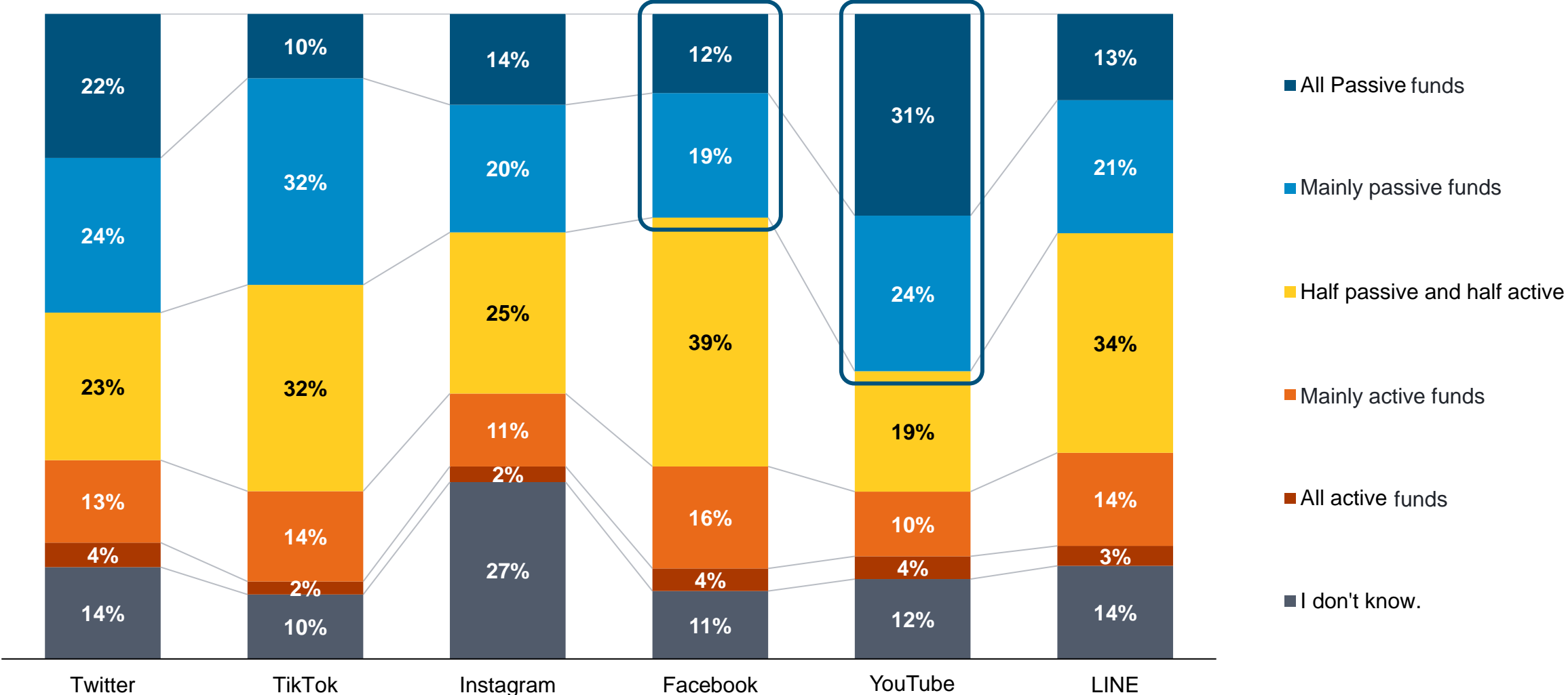
Financial information sources and investment (among people who invest in investment trusts)

The ratio of passive investments is high for those reading magazines, newspapers, SNSs, and news websites. The ratio is low for television and radio, financial institutions, and FPs.



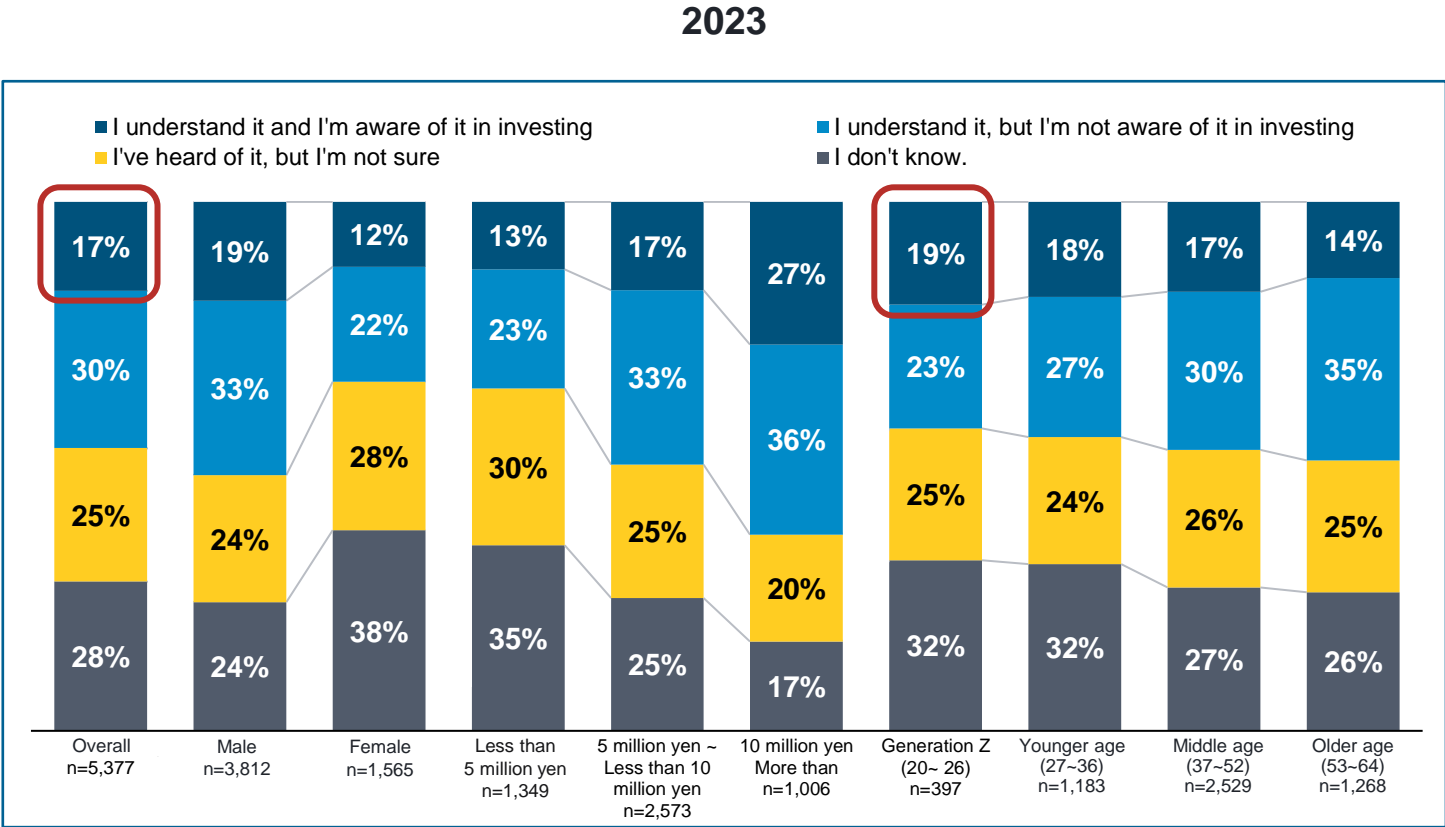
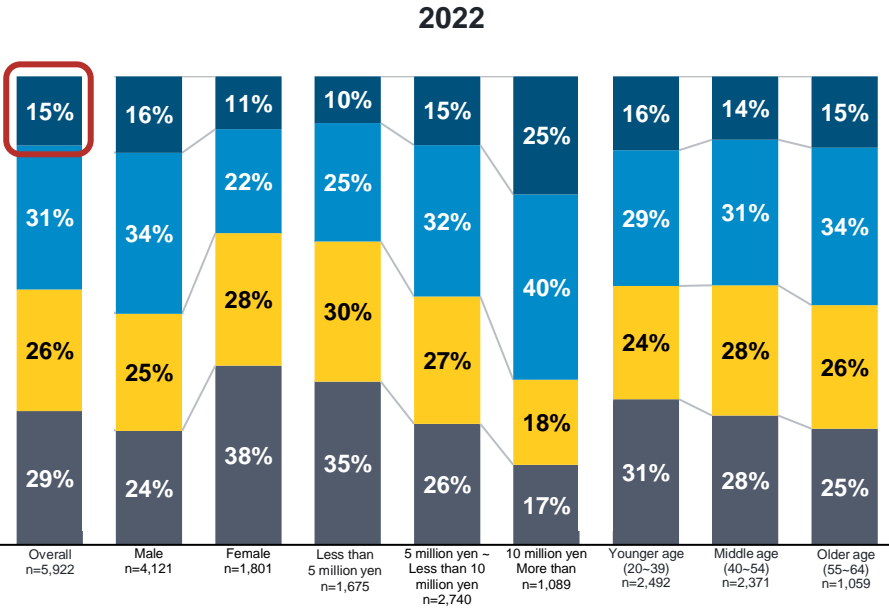
SNS and Investment Styles (among people investing in investment trusts)

YouTube has a particularly high rate for passives fund investors. Facebook, on the other hand, has a low rate.



ESG Awareness and Investment Selection Criteria (among investors)

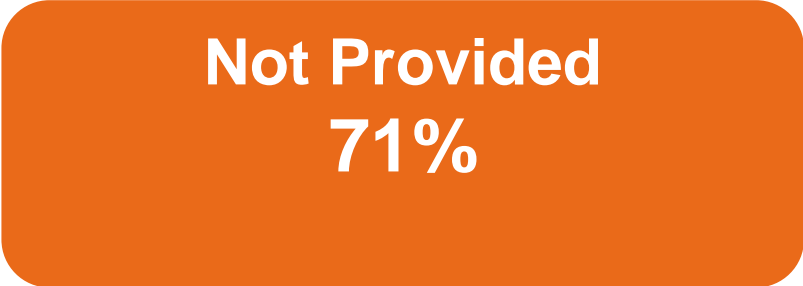
The understanding of ESG has improved since last year. 17% of people are aware as evidenced by their investment choices. Men are more aware than women. By generation, Gen Z has the highest rate of "understand and awareness of investing."



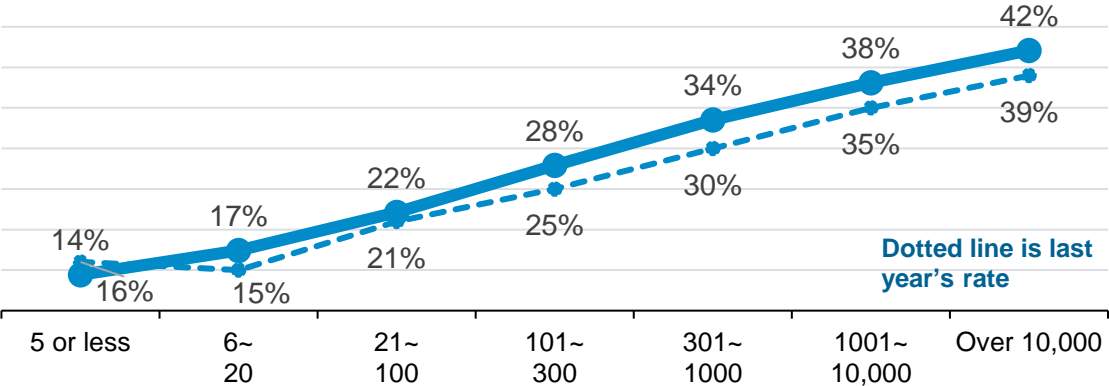
Workplace Financial Education and Engagement

Is workplace financial education provided?

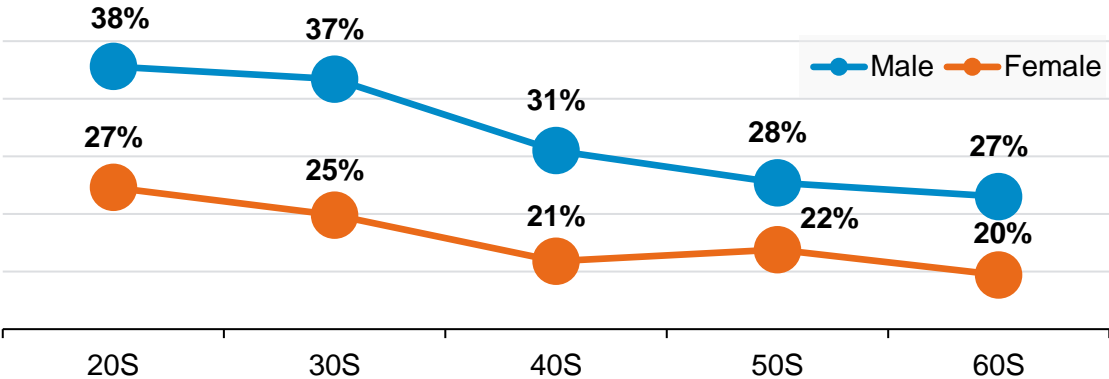
Although the rate of workplace financial education has improved slightly since last year, 71% of respondents said that workplace financial education has not been provided. The larger the employee size, the higher the implementation rate. Men are higher than women at all ages. The younger the age, the higher the ratio.



By employee size



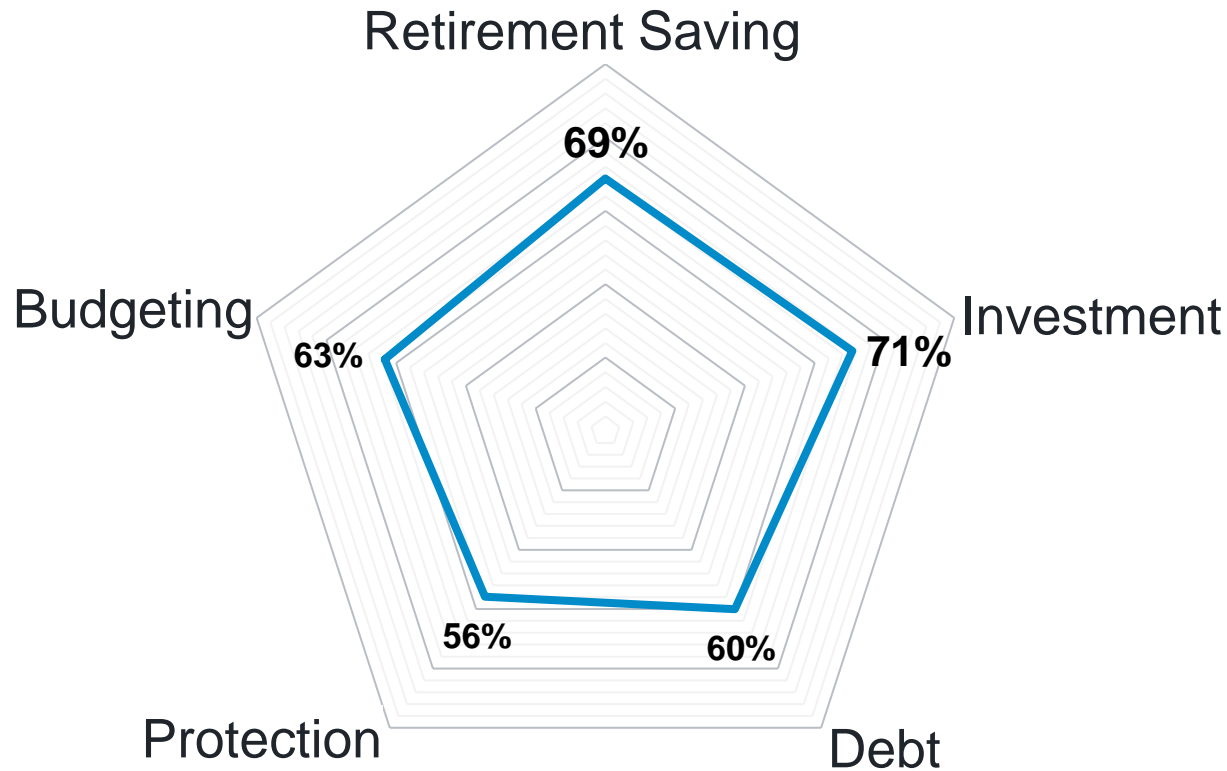
By gender



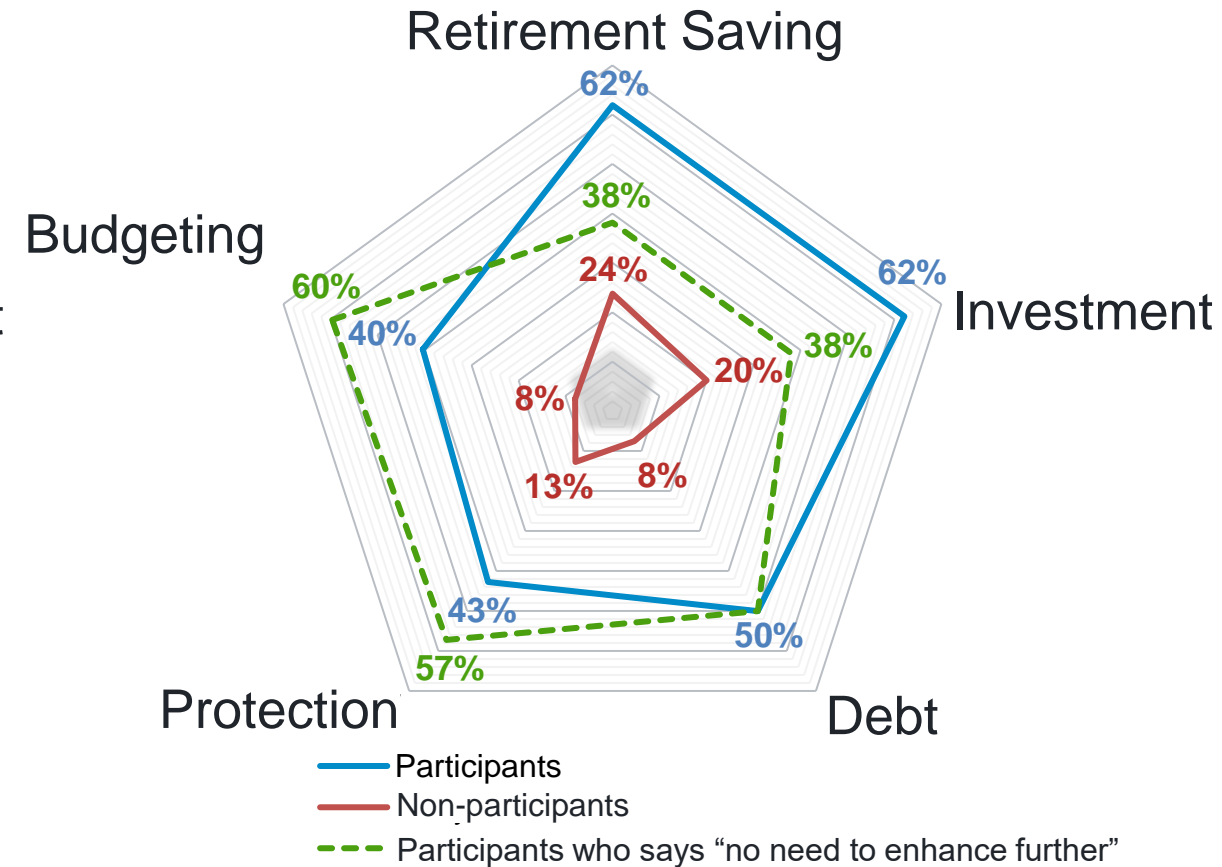
“I found it useful” and “Areas that need to be enhanced further” in workplace financial education

Among the participants, “Retirement Savings” and “Basics of Investment” are the most useful areas, which they would like to be enhanced in the future.

Percentage of participants who responded "helpful"

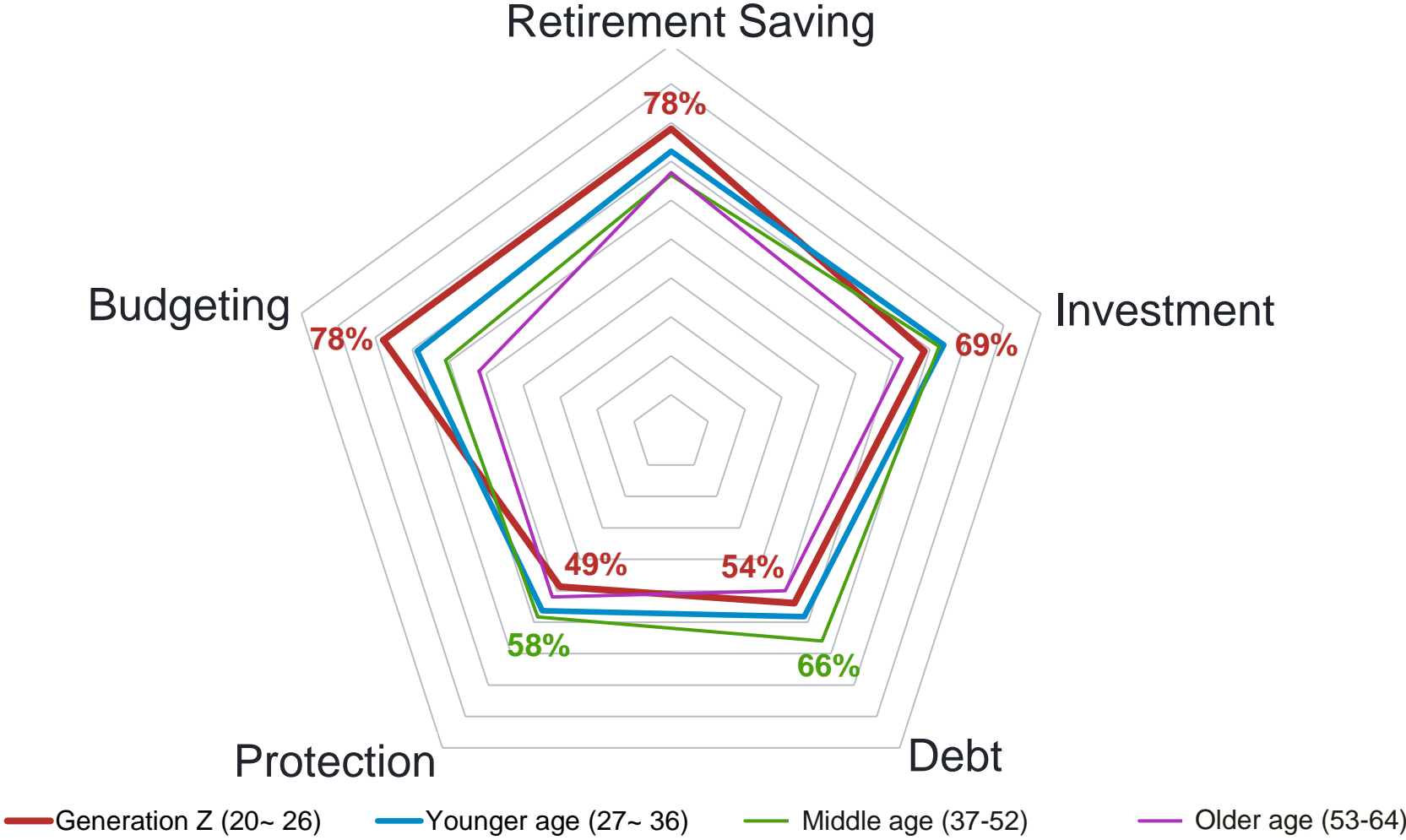


Areas that need to be enhanced further



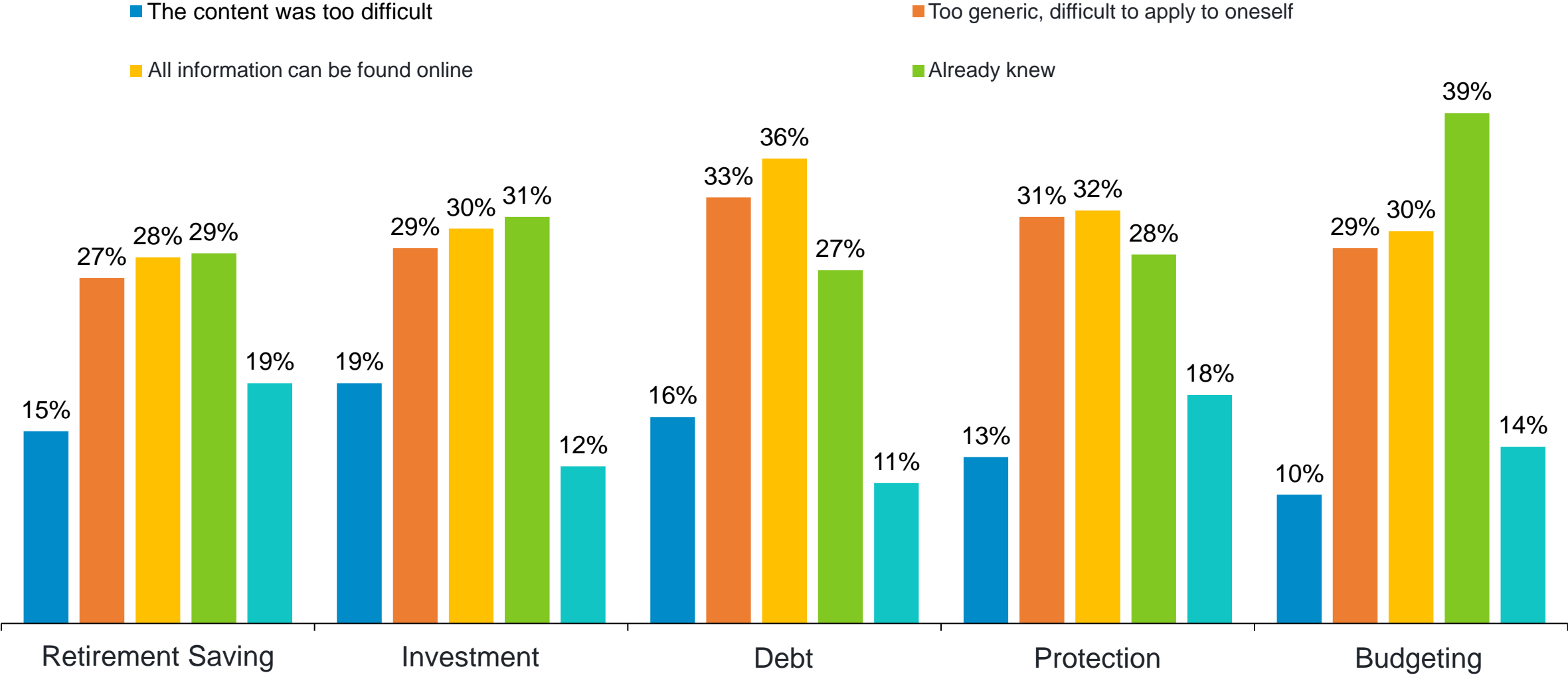
Workplace financial education by generation (among those who participated in workplace financial education)

Many people in Generation Z (red) said that “Retirement Savings” and “Budgeting” are helpful, while “Protection” and “Debt” are less helpful. Many people in the middle-age (green) said that “Protection” and “Debt” are helpful.



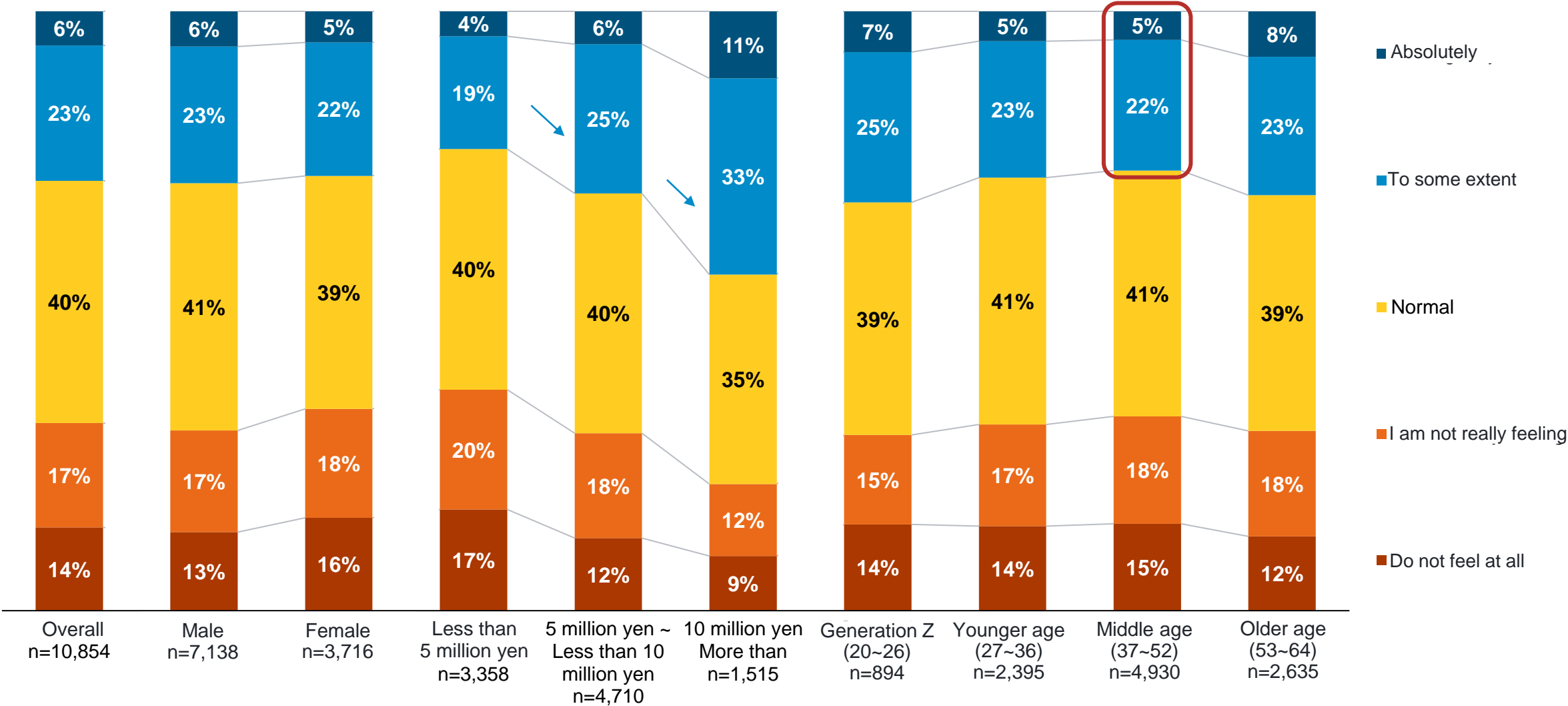
Reasons why workplace financial education was not useful (multiple answers possible)

The results suggest that the current problem of workplace financial education is “Too generic and difficult to apply to oneself” rather than “The content was too difficult.”



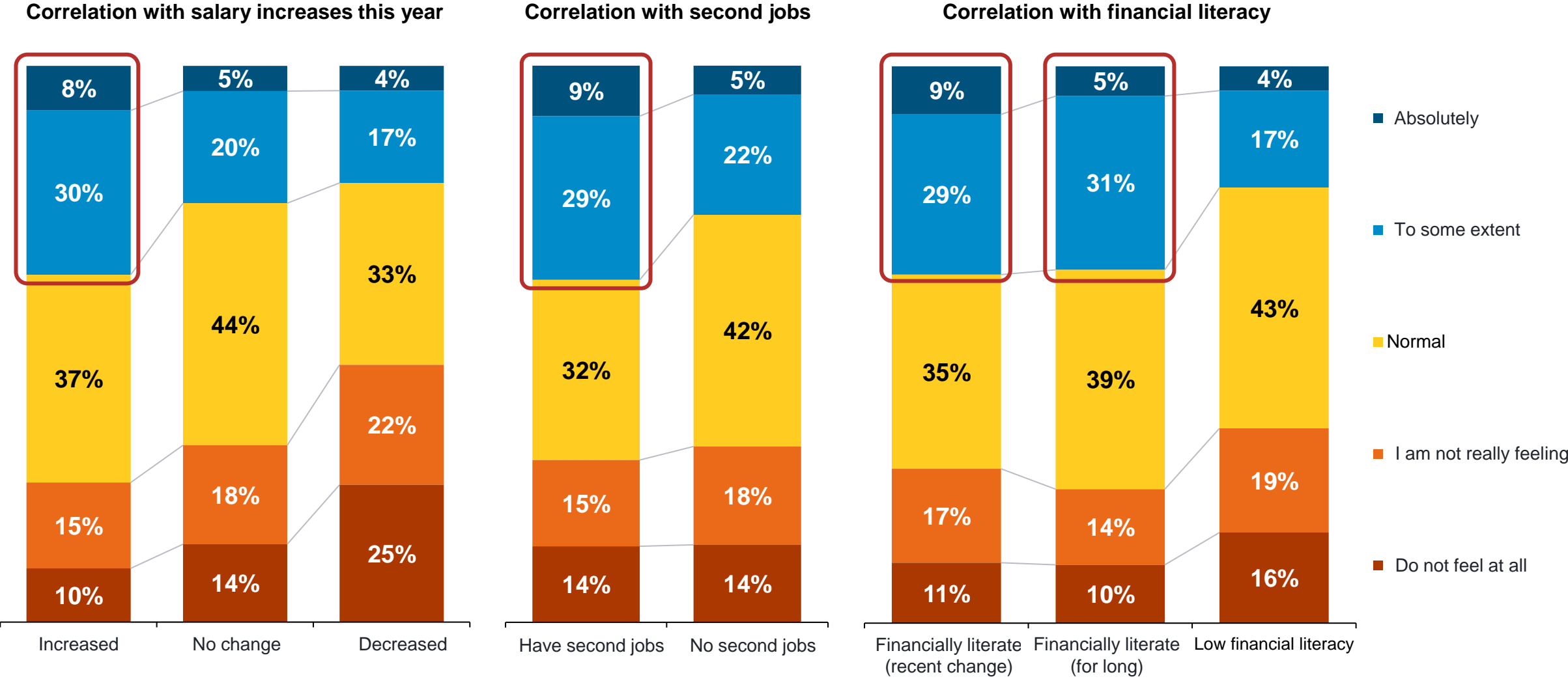
Do you feel engaged at your company?

Engagement is proportional to income. By age group, the middle age has the lowest engagement.

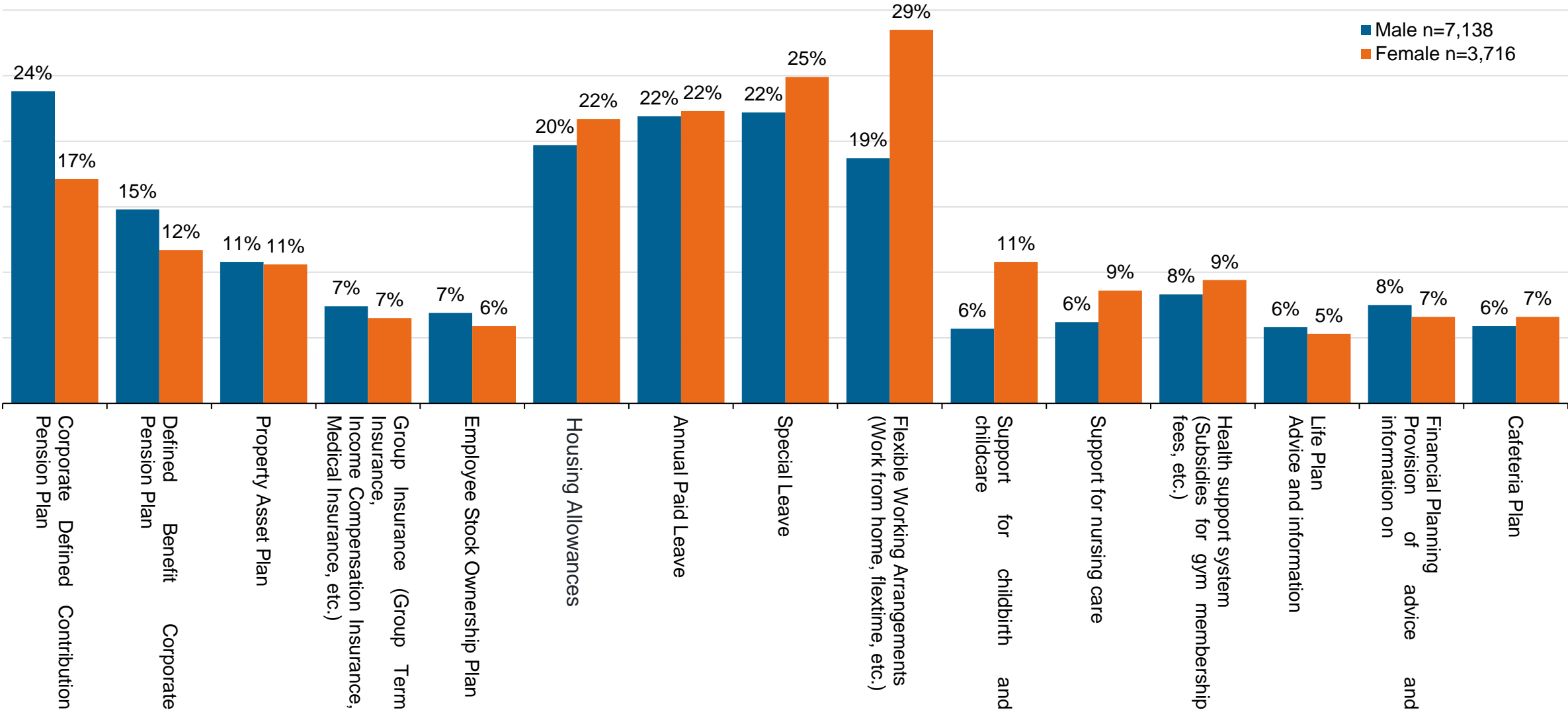


What determines engagement?

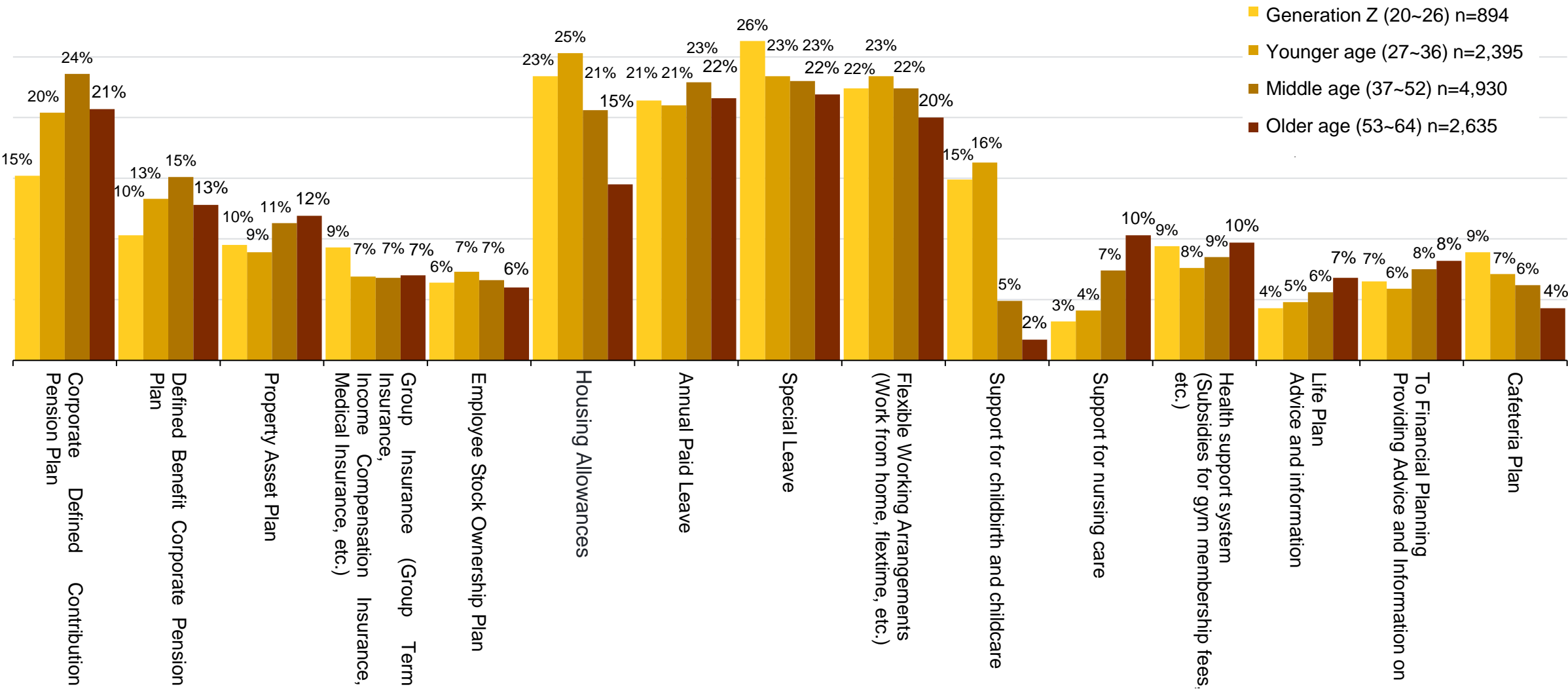
Engagement is higher for people who have had a pay raise this year, have a second job, or are financially literate.



Benefits that they want to be introduced/enhanced (by gender, up to 3 answers)



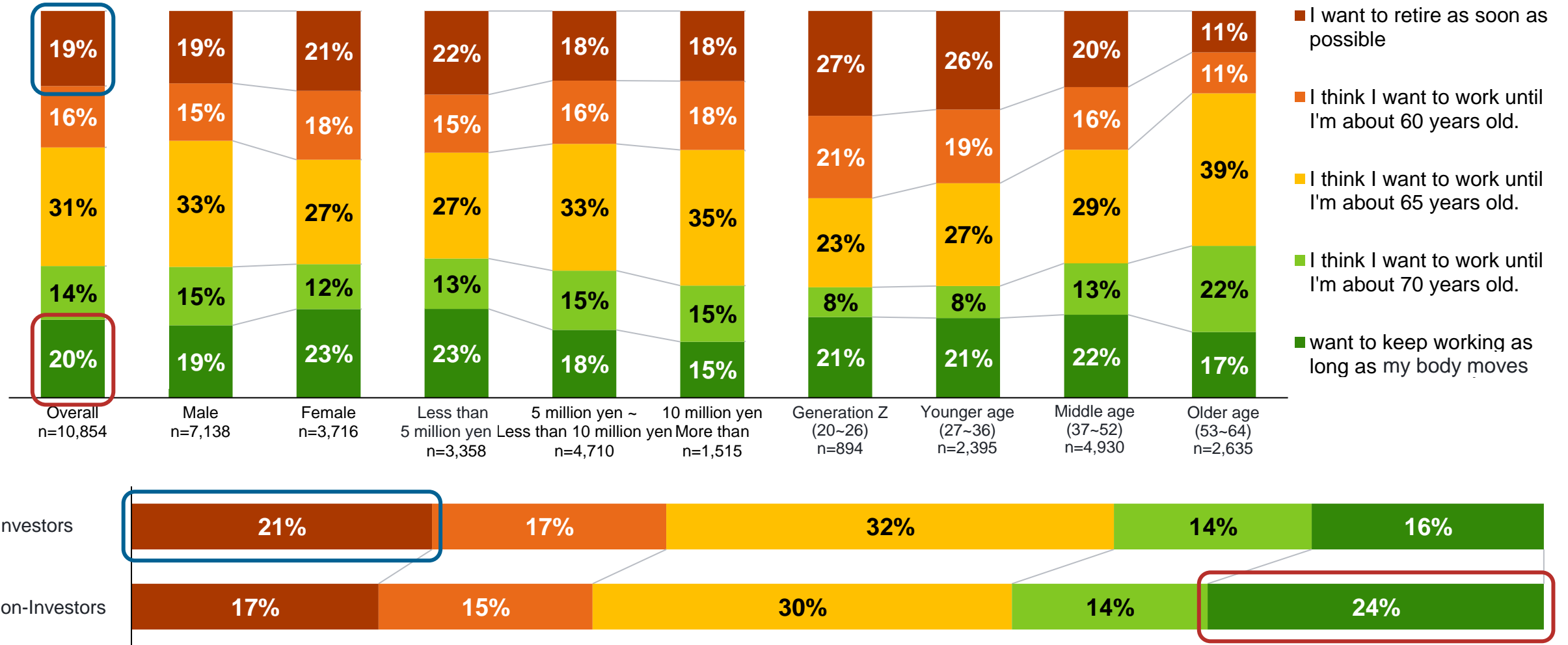
Benefits that they want to be introduced/enhanced (by age, up to 3 answers)



Public Pensions and Self-help Retirement Provisions

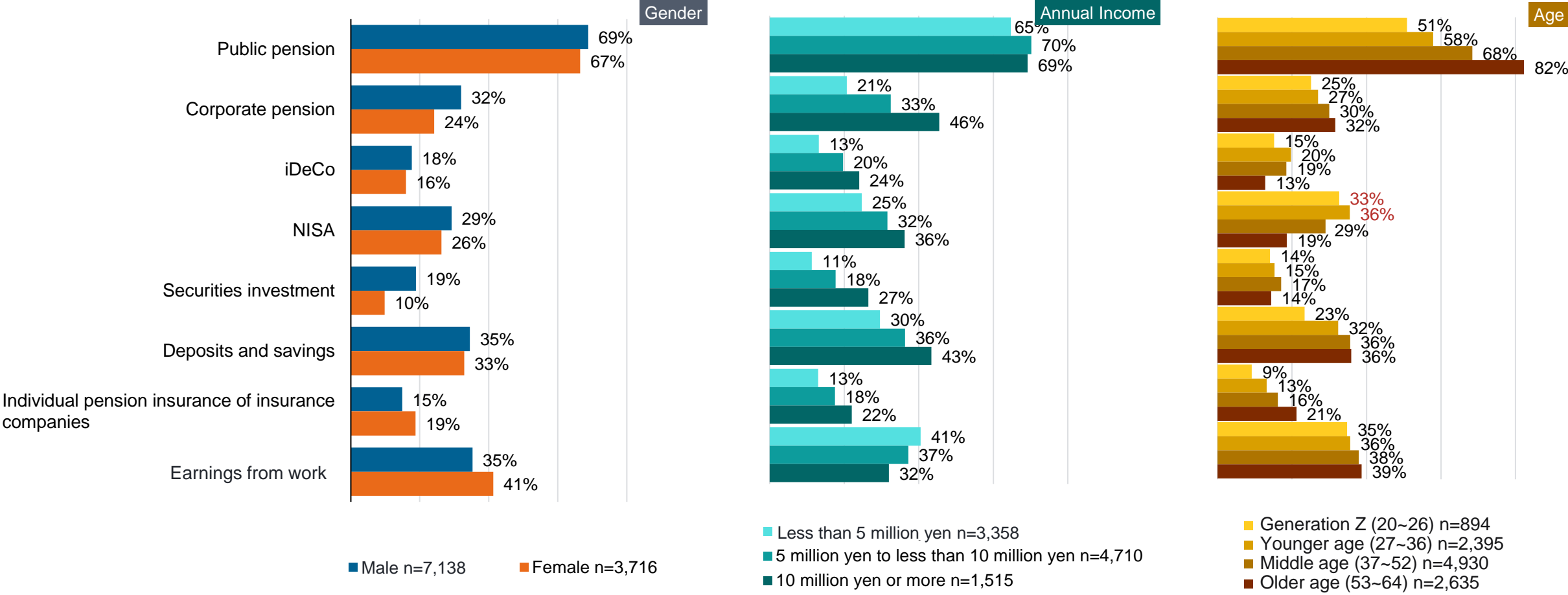
When do you want to retire?

About 20% want to retire as soon as possible, but about 20% want to continue working for the rest of their lives. It's strongly linked to current age. Those who invest tend to say they want to retire, while those who do not invest tend to say they will work as long as they can.



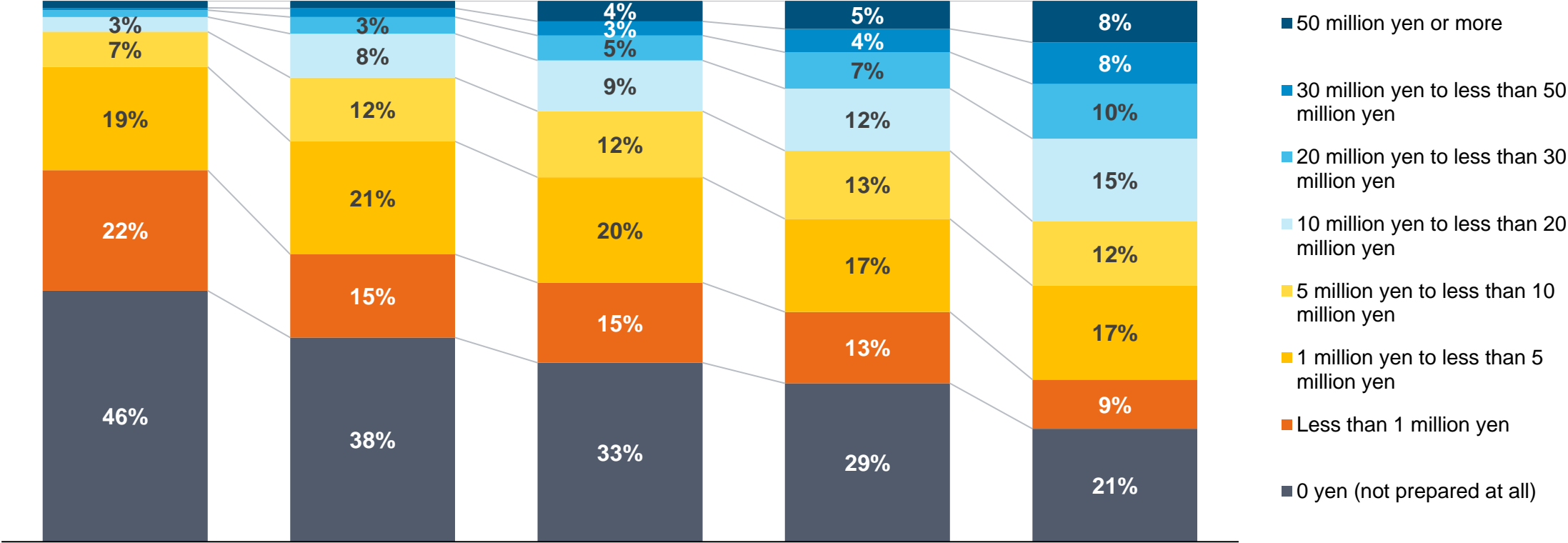
What are your retirement fund sources (select up to 5)

Public pensions top the list, but the percentage drops with younger generations, with a slight majority (51%) among Gen Zers. Younger people tend to point to NISA. As a tool to prepare for retirement, NISA has a higher selection rate than iDeCo for all groups. There are many people who depend on earned income (more women than men). 36% of young people and 35% of Gen Zers selected his response.



Distribution of current retirement funds by age

The younger a person is, the more likely they have zero savings. Even those in their fifties and sixties have a surprisingly high percentage with no savings.

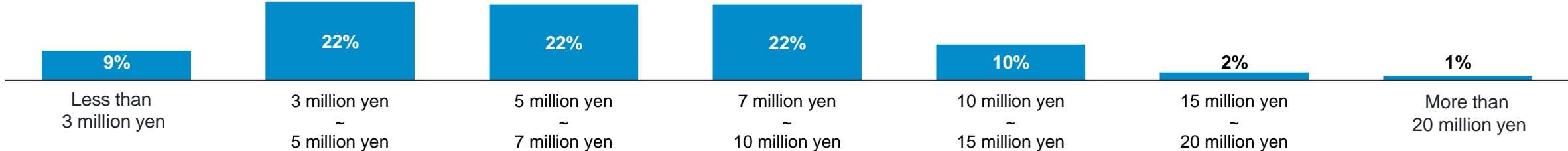


	20s	30s	40s	50s	60s
Average	3.03 million yen	5.24 million yen	8.04 million yen	10.54 million yen	15.12 million yen
Average for Men	3.3 million yen	5.79 million yen	8.06 million yen	10.51 million yen	15.76 million yen
Average for Women	2.73 million yen	4.19 million yen	7.99 million yen	10.61 million yen	13.19 million yen

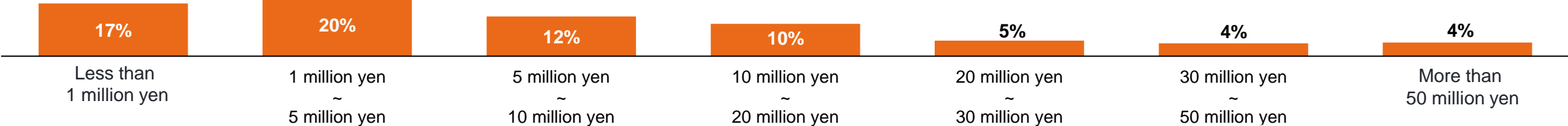
Appendix

Distribution of annual income, savings, and stock and investment trust holdings

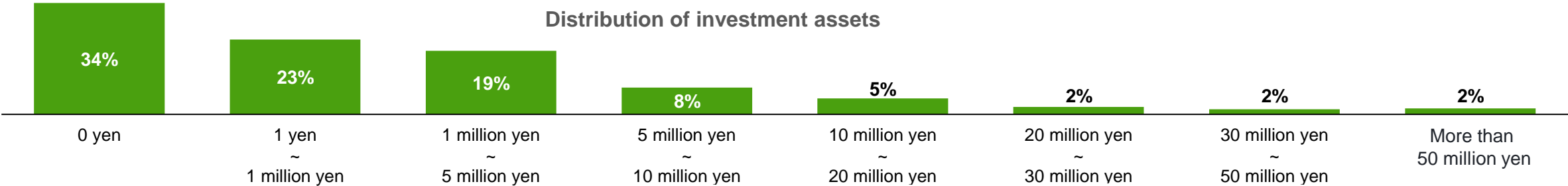
Distribution of annual income



Distribution of savings



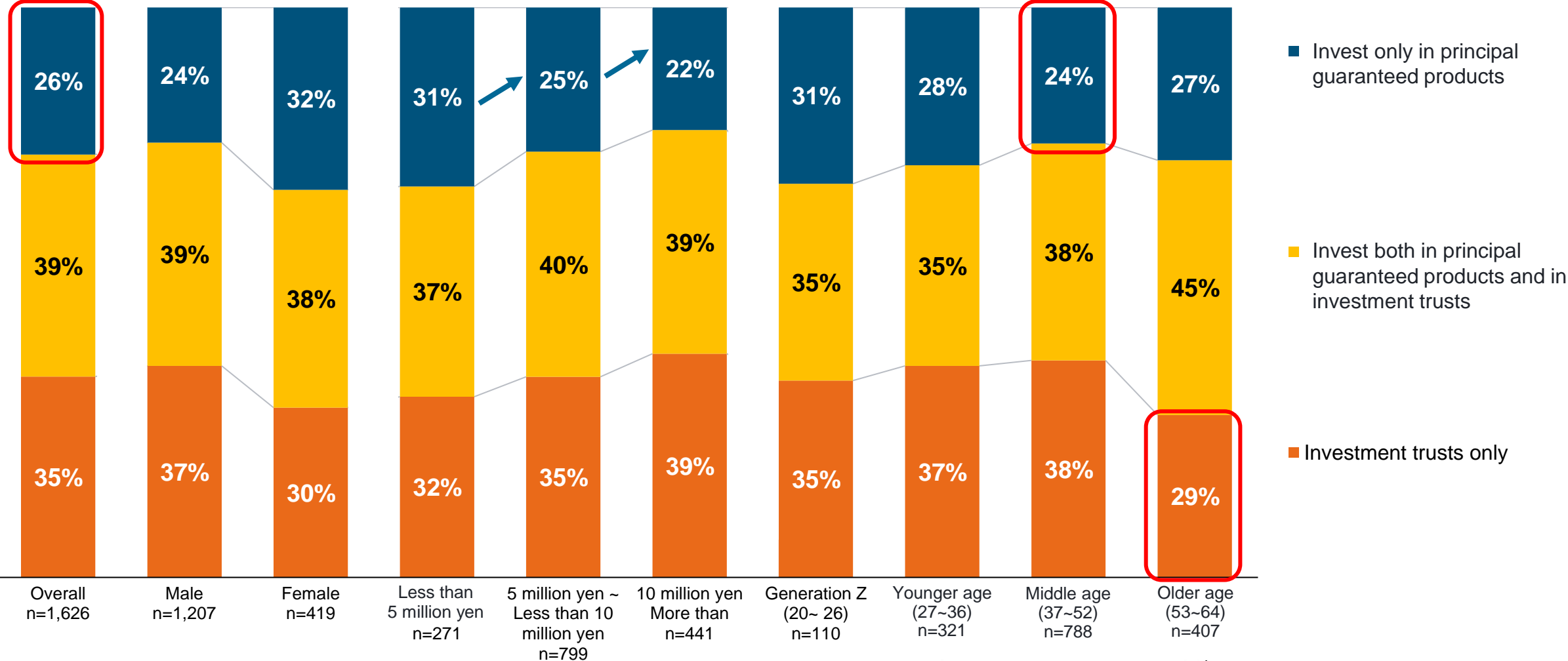
Distribution of investment assets



Investment Direction: Corporate Defined Contribution Plan participants

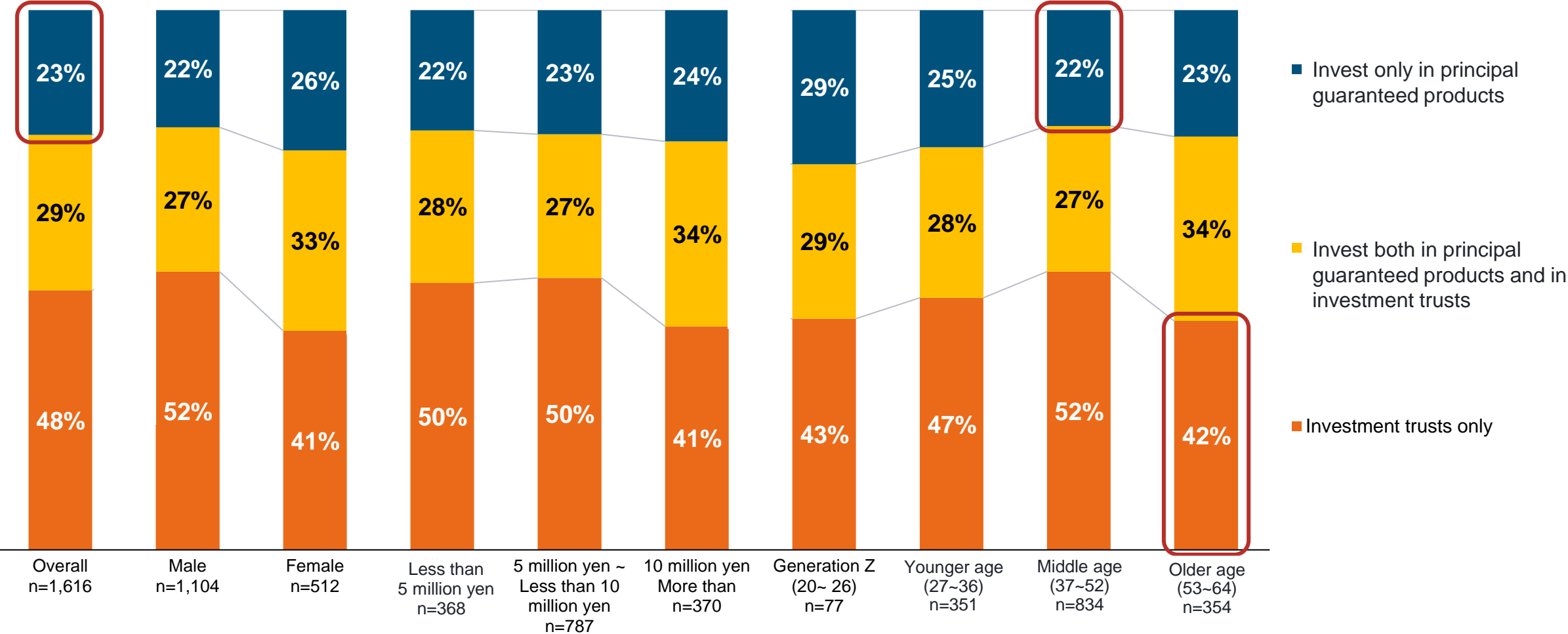
The number of people who do not invest in investment trusts (those who invest only in principal guaranteed products) is 26%. The percentage of women is higher than that of men. The percentage decreases as income increases. By age group, middle-age people have the lowest percentage (24%).

Older people have the lowest percentage (29%) of people who manage only investment trusts.



Investment Direction: Individual Defined Contribution (iDeCo) participants

Those who do not invest in investment trusts (i.e., those who only invest in principal guaranteed products) account for 23% of the total, which is less than that of corporate DCs. The proportion of women is higher than that of men. In contrast to corporate DC, this proportion increases slightly as income increases. This may indicate that there are many high-income earners who make contributions for the purpose of deducting income taxes. By age group, middle age people have the lowest rate (22%), similar to corporate DC. Older people have the lowest rate (42%) of investment trusts, but this is significantly higher than corporate DC.



About this survey

Historical Survey Summary

	2014 survey	2015 survey	2016 survey	2018 survey	2019 survey	2020 survey	2022 survey	2023 survey
Subject of the survey	Company employees (including officers) and public officials. (Note)The 2014 survey surveyed 30,000 workers, including non-regular employees and self-employed workers. From that, we extracted (21,036) office workers, managers, and government employees and compared them.							
Survey area	Nationwide							
Survey period	2014 March 27 ~ April 8	2015 May 18 ~ 25th	2016 February 18 ~ 26th	2018 April 2 ~ 9th	2019 May 14 ~ 21st	2020 October 5 ~ 12th	2022 June 13 ~ 20th	2023 June 30 ~ July 7
Survey method	Internet survey							

Headcount (people),%																	
Total number		21,036	100.0	12,177	100.0	12,389	100.0	12,010	100.0	11,812	100.0	12,001	100.0	10,905	100.0	10,854	100.0
Gender	Male	14,712	69.9	8,011	65.8	8,071	65.1	7,533	62.7	7,379	62.5	7,538	62.8	7,043	64.6	7,138	65.8
	Female	6,324	30.1	4,166	34.2	4,318	34.9	4,477	37.3	4,433	37.5	4,463	37.2	3,862	35.4	3,716	34.2
Age	20s	3,942	18.7	2,588	21.3	2,592	20.9	2,205	18.4	2,166	18.3	2,186	18.2	1,873	17.1	1,813	16.7
	30s	6,115	29.1	3,293	27.0	3,431	27.7	3,078	25.6	3,035	25.7	3,090	25.7	2,432	22.3	2,426	22.4
	40s	6,097	29.0	2,945	24.2	2,977	24.0	3,658	30.5	3,591	30.4	3,669	30.6	3,098	28.4	3,108	28.7
	50s	4,882	23.2	3,351	27.5	3,389	27.4	3,069	25.6	3,020	25.6	3,056	25.5	2,682	24.6	2,702	24.9
	60s													820	7.5	805	7.4
Region	Metropolitan area	6,204	29.5	3,551	29.2	3,531	28.5	3,227	26.9	3,196	27.1	3,173	26.4	3,244	29.7	3,217	29.6
	Chube region	2,347	11.2	1,157	9.5	1,445	11.7	1,132	9.4	1,123	9.5	1,134	9.4	1,384	12.7	1,371	12.6
	Kansai Region	2,699	12.8	1,684	13.8	2,023	16.3	1,657	13.8	1,640	13.9	1,672	13.9	1,598	14.7	1,599	14.7
	Kyushu	888	4.2	592	4.9	670	5.4	597	5.0	622	5.3	613	5.1	1,168	10.7	1,155	10.6
	Other	8,898	42.3	5,193	42.6	4,720	38.1	5,397	44.9	5,231	44.3	5,409	45.1	3,511	32.2	3,512	32.3

Summary of questionnaire survey

		2014 survey	2015 survey	2016 survey	2018 survey	2019 survey	2020 survey	2022 survey	2023 survey	Headcount (%)							
Total number		21,036	100.0	12,177	100.0	12,389	100.0	12,010	100.0	11,812	100.0	12,001	100.0	10,905	100.0	10, 854	100.0
Annual income	Less than 3 million yen	4,273	20.3	2,967	24.4	2,817	22.7	2,767	23.0	2,612	22.1	1,235	10.3	882	8.1	926	8.5
	3-5 million yen	7,170	34.1	3,927	32.2	3,887	31.4	3,967	33.0	3,952	33.5	2,987	24.9	2,642	24.2	2,432	22.4
	5-7 million yen	4,205	20.0	2,167	17.8	2,094	16.9	2,135	17.8	2,081	17.6	2,355	19.6	2,273	20.8	2,353	21.7
	7-10 million yen	2,678	12.7	1,439	11.8	1,453	11.7	1,434	11.9	1,288	10.9	2,476	20.6	2,506	23.0	2,357	21.7
	10-15 million yen	743	3.5	438	3.6	461	3.7	452	3.8	388	3.3	1,206	10.0	1,183	10.8	1,118	10.3
	15-20 million yen	136	0.6	80	0.7	71	0.6	78	0.6	52	0.4	215	1.8	247	2.3	254	2.3
	20 million yen Or more	106	0.5	46	0.4	57	0.5	47	0.4	35	0.3	116	1.0	152	1.4	143	1.3
	Unknown I don't want to answer	1,725	8.2	1,113	9.1	1,549	12.5	1,130	9.4	1,404	11.9	1,411	11.8	1,020	9.4	1,271	11.7
Occupation	Company employee	18,923	90.0	11,087	91.0	11,209	90.5	11,063	92.1	10,911	92.4	11,054	92.1	9,998	91.7	9,973	91.9
	Public servant	2,113	10.0	1,090	9.0	1,180	9.5	947	7.9	901	7.6	947	7.9	907	8.3	881	8.1

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 - For the investment trust description (prospectus), please contact the sales company or Fidelity Investment Trust. For the sales company, please refer to the following website (<https://www.fidelity.co.jp/>).
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- Note: The risks and expenses described above are assumed to be general investment trusts.
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Registration number: Director-General of the Kanto Local Finance Bureau (Kansho) No. 388
Affiliated associations: Investment Trusts Association, Japan Investment Advisors Association

DC231229-1