



Fidelity 10,000 Business Person Survey

2022

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2022 Fidelity 10,000 Business Person Survey

In the 2022 Fidelity 10,000 Business Person Survey, Fidelity sought to analyze the people's investment behaviors in the context of the pandemic, overall trends in access to financial information in varying channels, and a growing prevalence of workplace financial education. The study also includes an overlay of the importance of wellbeing, which many financial and educational institutions are focusing on presently.

In recent years, the investment environment has been changing. There is an evolution of readily available information through the media and this has led to a steady increase in the number of investors in Japan. On the other hand, looking at Japan holistically, there are still many challenges. The evolution whereas emphasis on financial strategy goes from “savings” to “investment” is only halfway there. Further challenges include inadequacies within NISA and other financial schemes and a lack of sufficient financial education. All of this has revealed once again that a retirement savings gap will emerge for many citizens and the amount of funds available is simply not enough.

We hope that this survey and analysis brings several of these issues to light and provides fuel for discussion on how they might be resolved.

Content

- Access to financial information and education in the workplace
- Investment behavior
- Public pensions and self-help retirement provisions
- Wellbeing

Executive Summary

54% of business persons are investing, which is up 13.5 percentage points from the previous survey

- About 40% of those who increased their investments said they did so because the pandemic gave them more time and they were able to learn more about investing.
- People were divided between those who increased their investments and those who decreased their investments due to "market fluctuations" and "declining income."

Social media finally tops the list as a method of where participants received information

- There was a huge increase in the amount of people who use social media, blogs and YouTube as a way to gather financial information. However, people with large financial assets, still rely on traditional media such as newspapers, magazines, and financial institutions.

Implementation rate of financial education in the workplace remains at approximately 30%

- Most programs provided are around "retirement assets building" and "investment." To improve financial literacy, it is necessary to promote comprehensive financial wellbeing education.

Approximately 20% of people in their 50's and 60's have no retirement savings

- About half of those in their 20's and slightly more than 30% of those in their 30's and 40's also said they have no retirement savings.

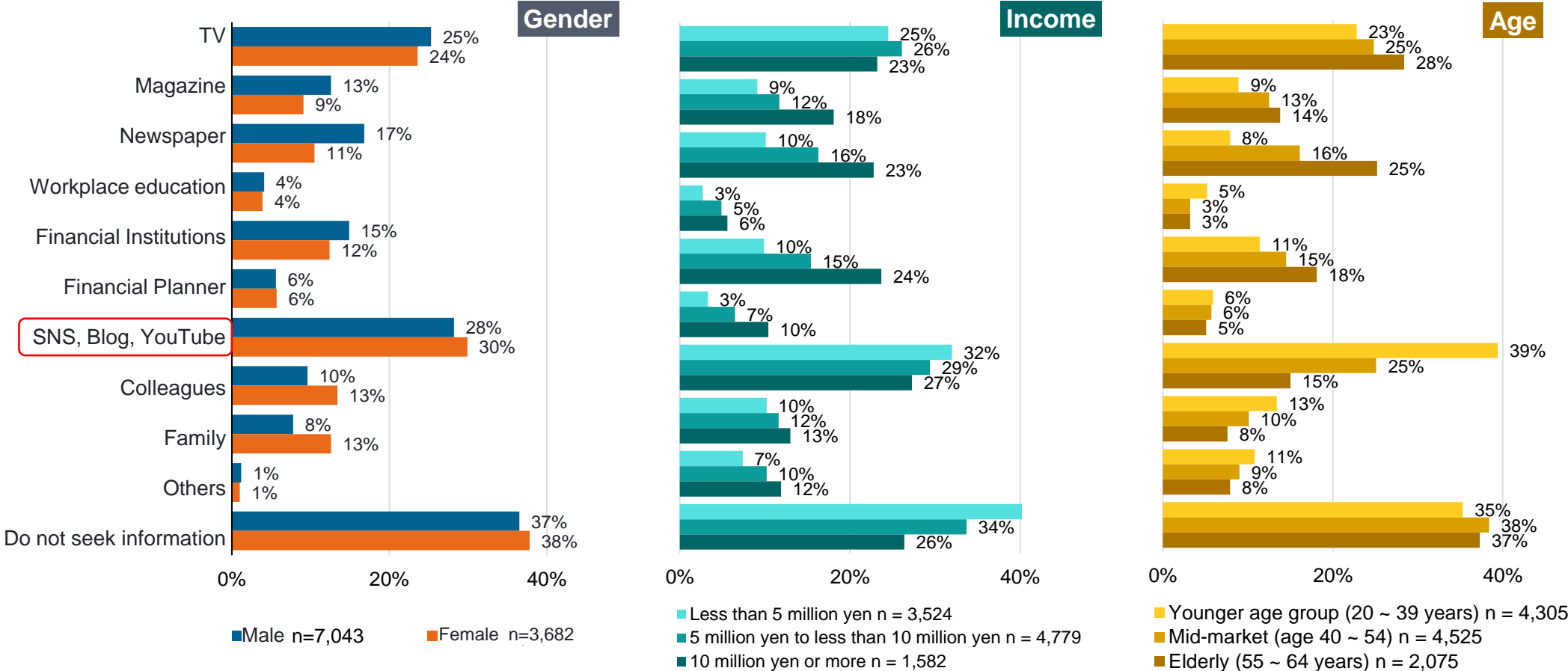
Approximately 50% of people said they do not use NISA even if aware that such a system is there to help them

- Many non-users feel there is a need for simplification of the system itself and its procedures. It is expected that the system will be revised in the near future.

Access to financial information and education in the workplace

Access to financial information

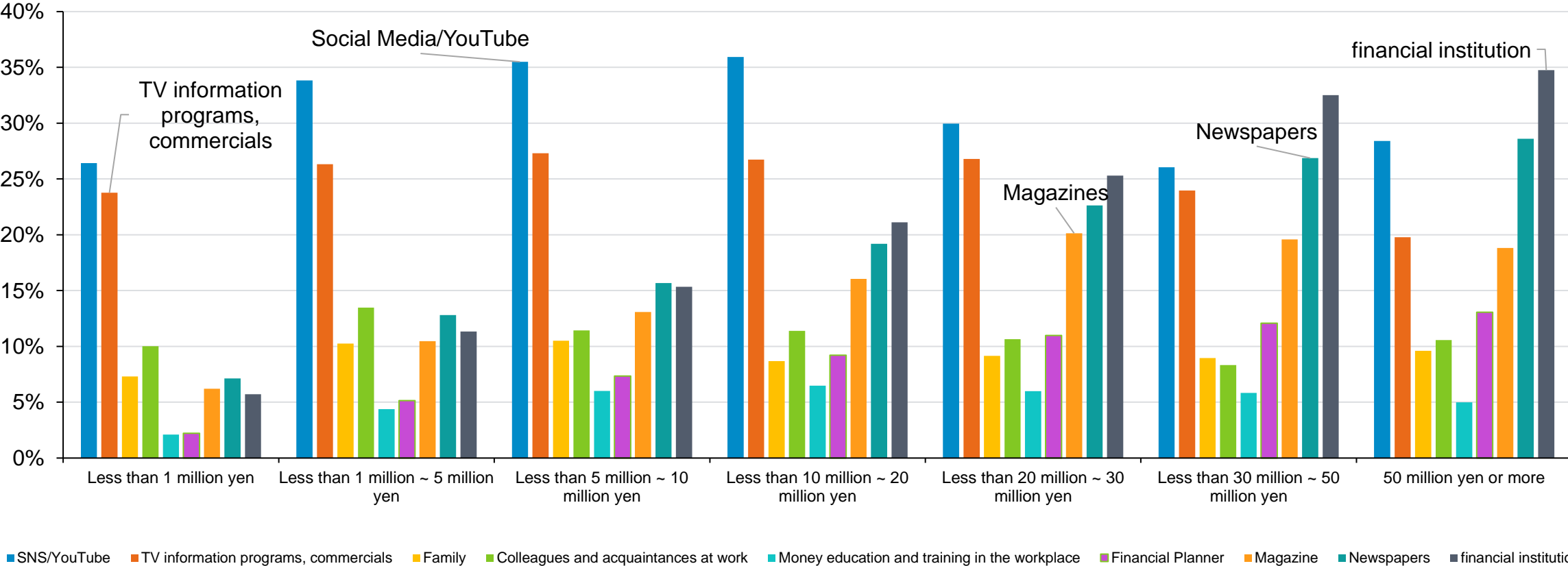
Accessing information via social media, blogs and YouTube has become the norm, especially among the young people. However, older individuals and those with higher incomes continue to rely on magazines, newspapers, financial institutions and financial planners for information. Additionally, there are a significant number of people who do not seek out information on financial matters.



Sources of Financial Information by Savings Level

Social media and YouTube have become a primary source of information for all segments of the population, but as an individual's savings grow, more people turn to traditional sources such as financial institutions, newspapers, and magazines.

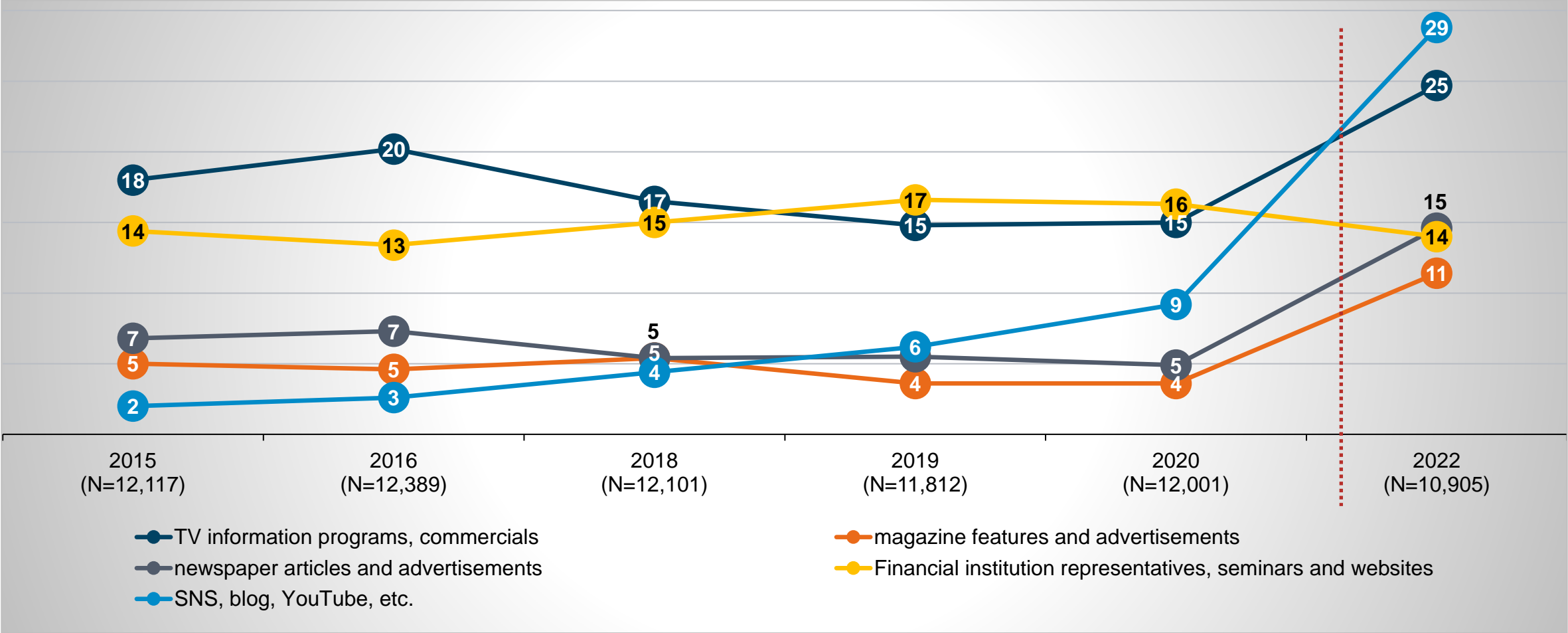
Financial education in the workplace may be more of an introduction and overview to this type of education rather than a constant source of information



Historical Trends in Sources of Financial Information

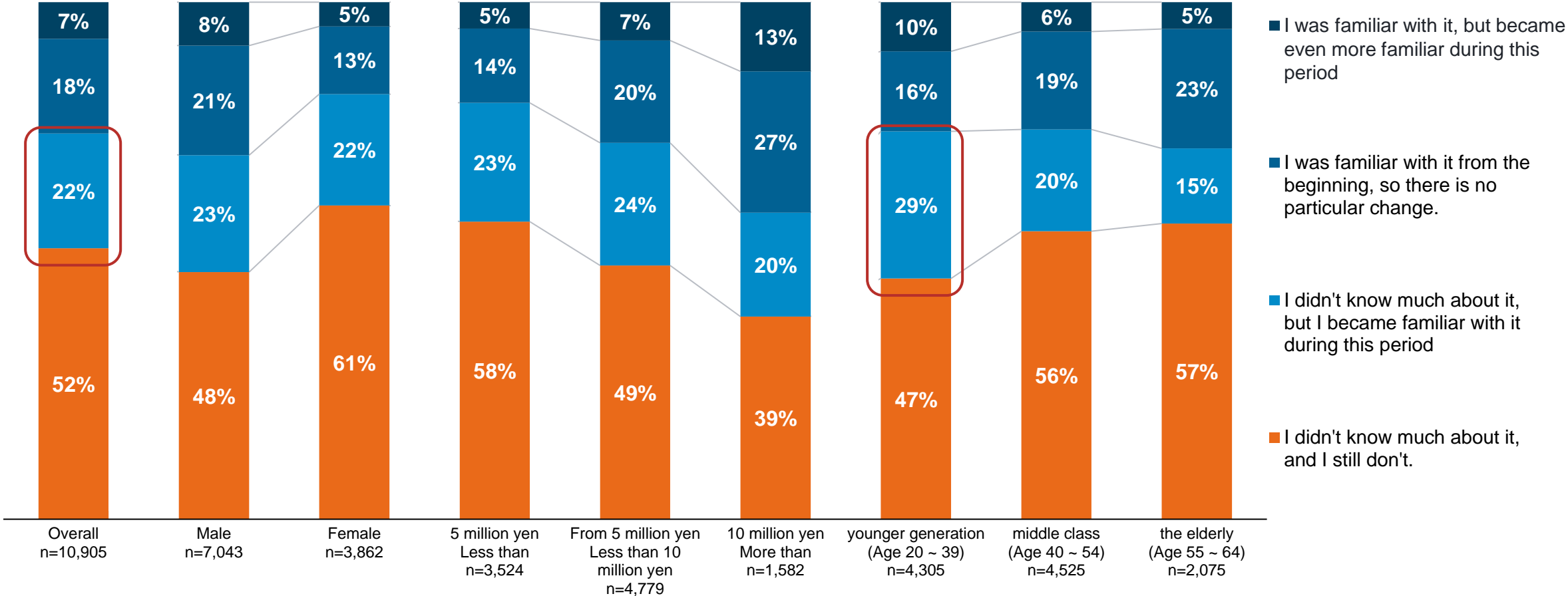
Social media, blogs and YouTube are gaining popularity rapidly

Note: Since 2022, the researchers have requested a maximum of 3 responses (previously, only 1 response requested), so technically continuity has been disrupted in the chart below.



Has Financial Knowledge Changed during the Pandemic?

A little over 20% of the population responded "I didn't know much about it, but I became familiar with it during this period." This was especially common among young people. On the other hand, just over 50% said they were still not familiar with financial matters (More women than men). While financial knowledge and income were correlated, financial knowledge and age had an inverse relationship.



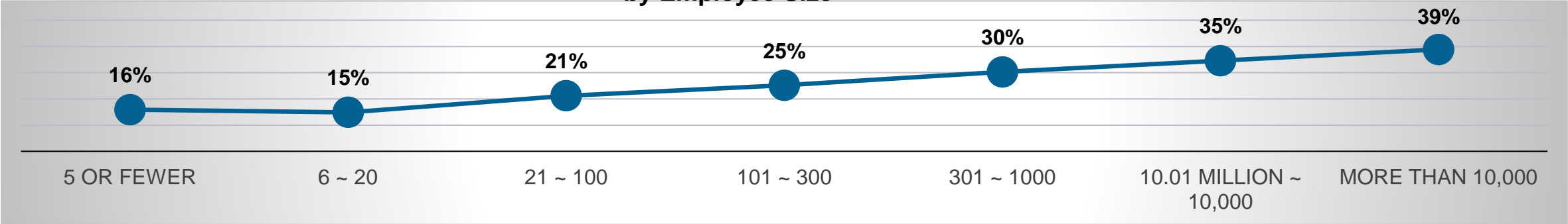
Workplace Financial Education: Is it currently provided?

(Holding training sessions, providing information, participating in external seminars, etc.)

A majority of respondents said that financial education, touted as being a key part of the national strategy of Japan, is not currently being provided.

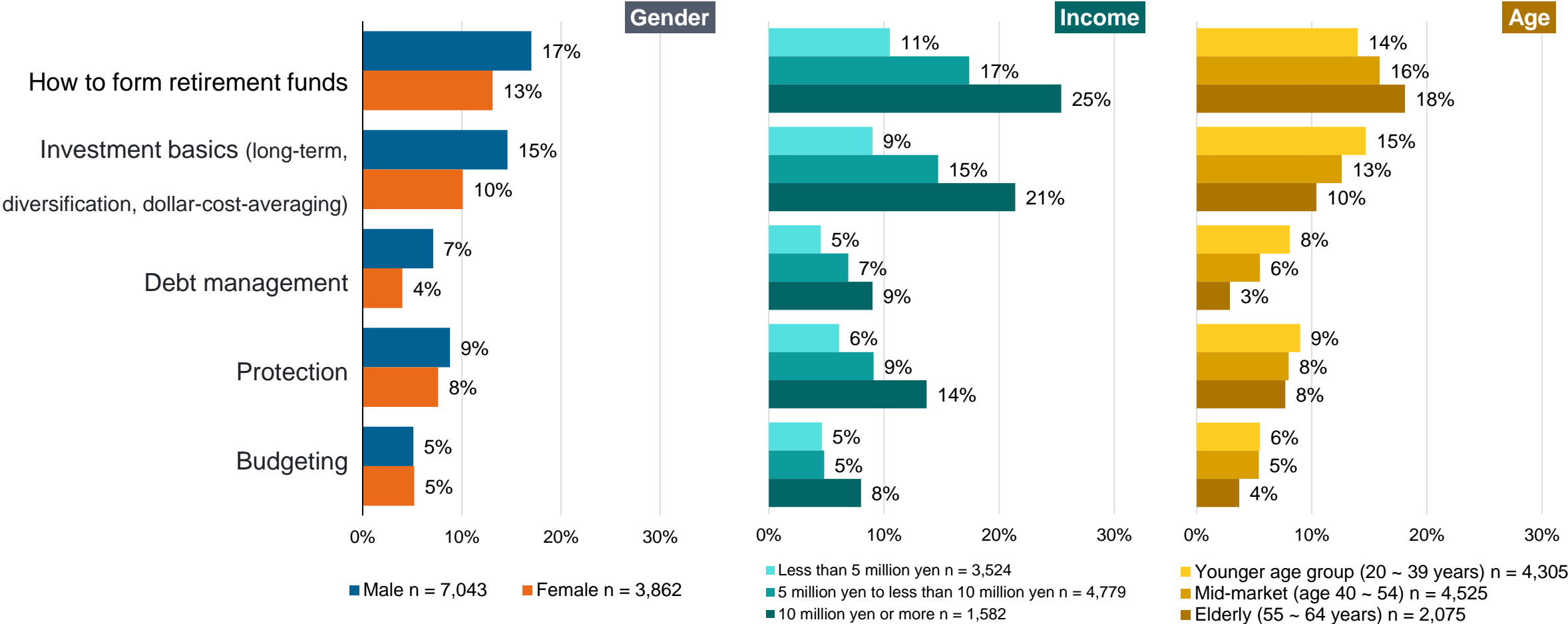


Workplace Money Education Implementation Rate by Employee Size



Workplace Financial Education: Area of Programs Provided

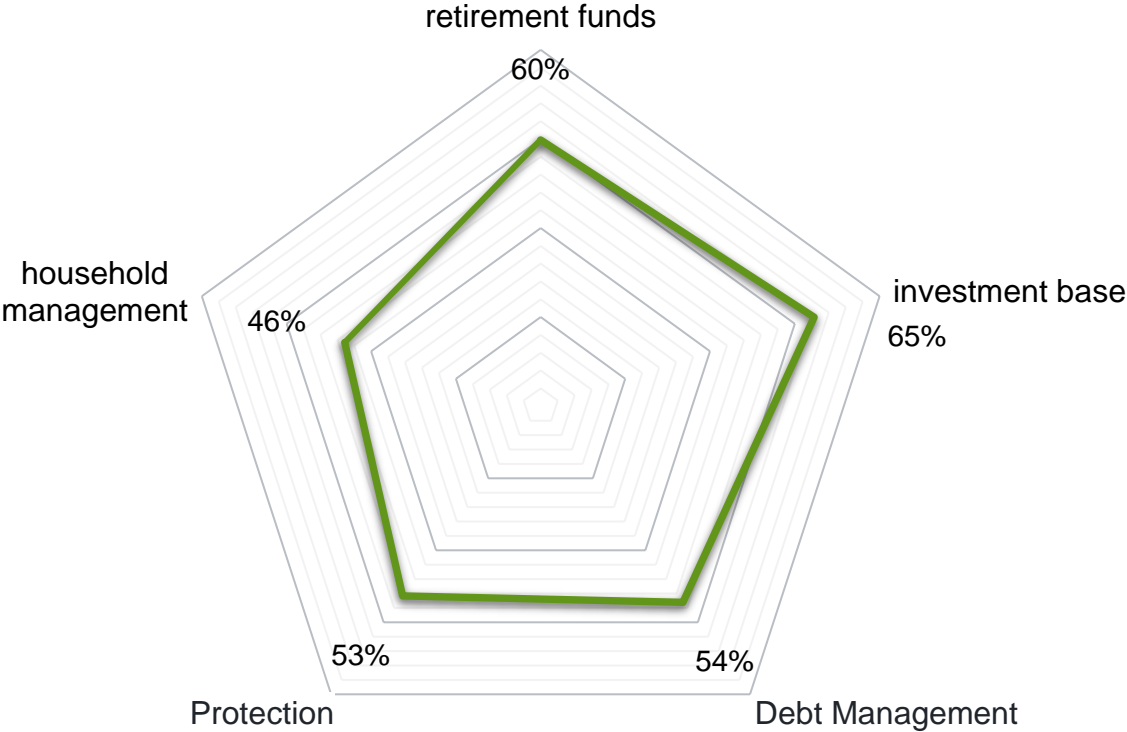
How to build retirement funds and the fundamentals of investing are the most popular



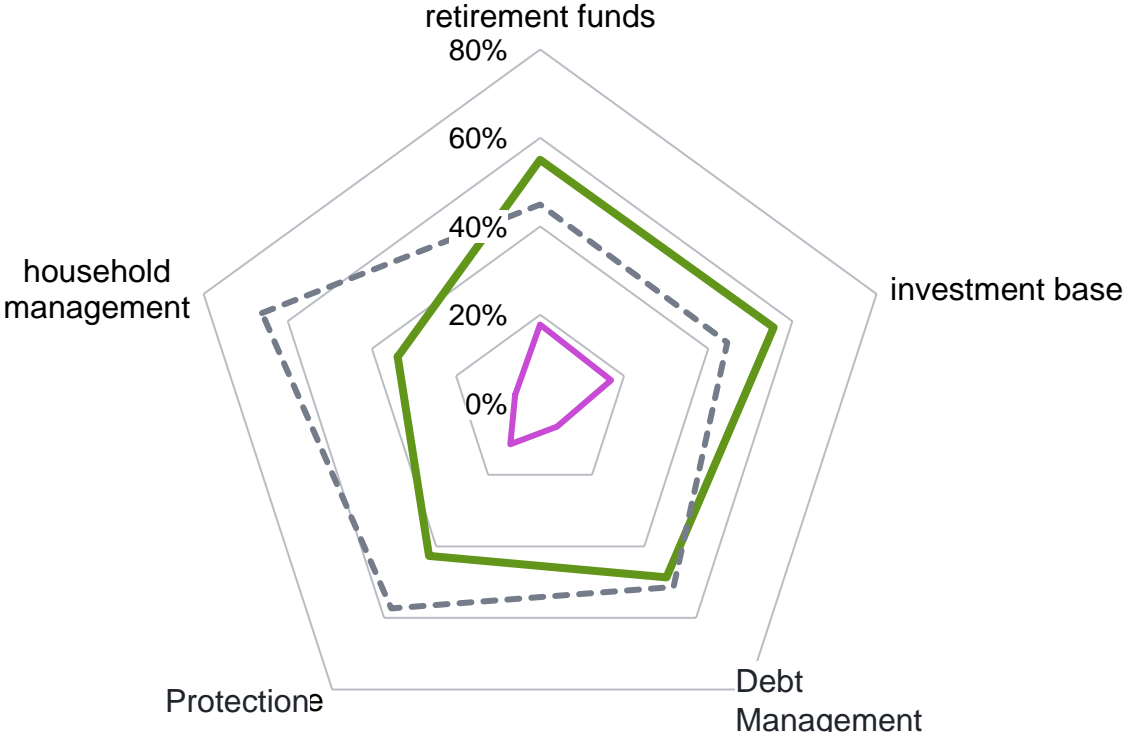
Workplace Financial Education: Useful Areas and Areas for Improvement

“How to build retirement funds“ and ”the foundations of investing“ are the most useful areas as well as area for improvement

Percentage of participants who answered "helpful"



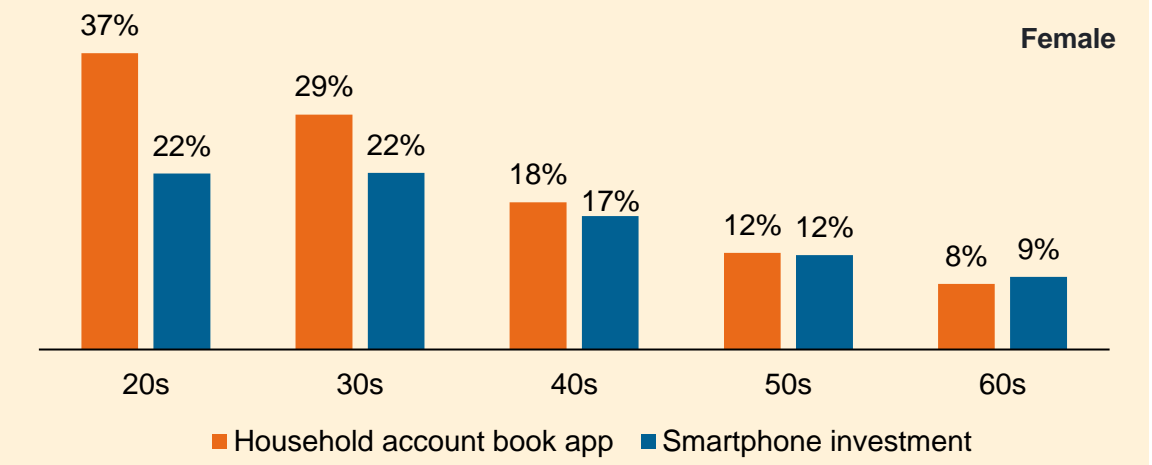
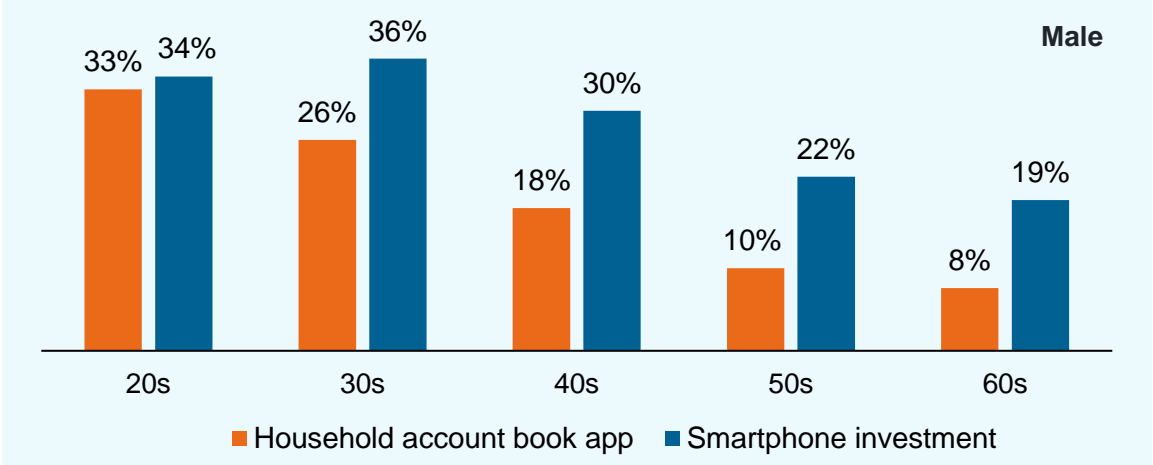
Areas I would like to see improved in the future



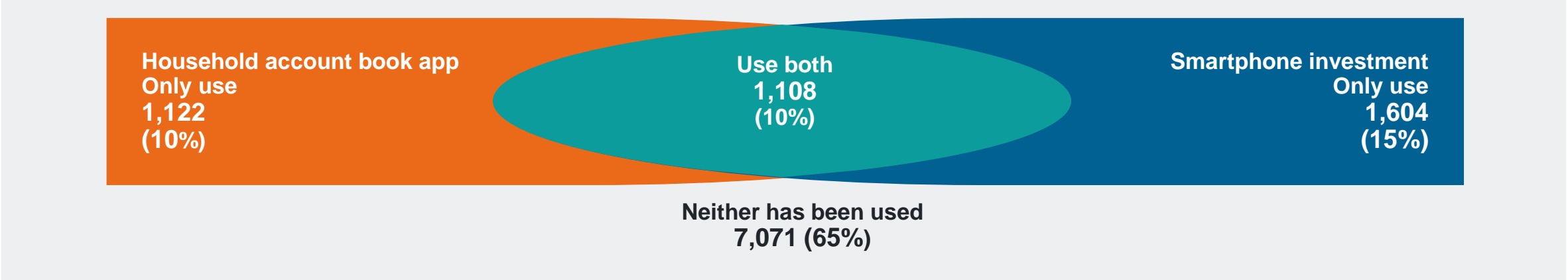
— Participants — Non-participants - - - Participants said "no need to improve"

Household Account Book and Smartphone Investments Apps

Household account book apps are used more by women and smartphone investments apps by men. The younger the age, the higher the usage rate.



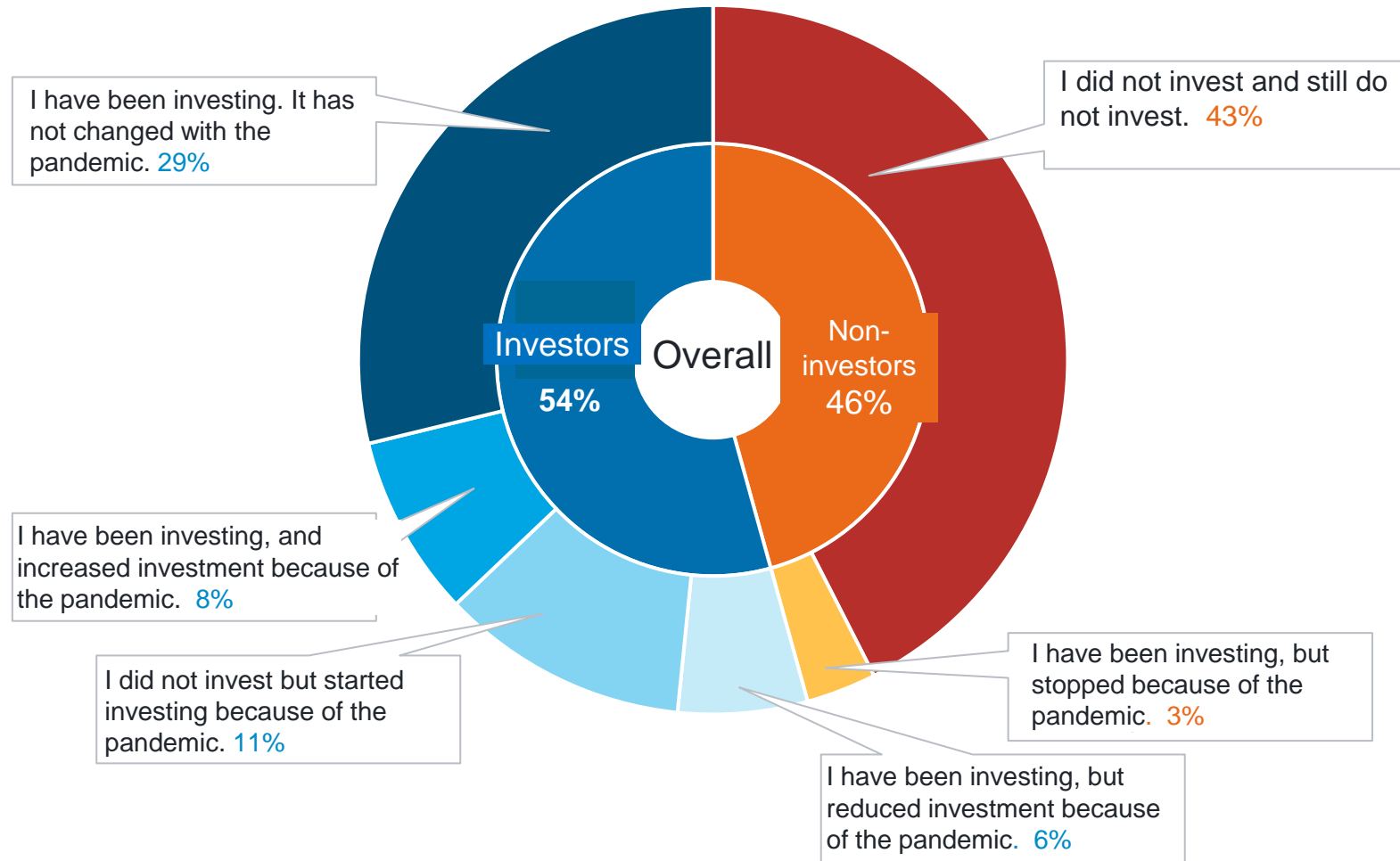
10% use both household accounting apps and smartphone investments. There are many users who use only one of the two. It is observed that the purpose of household management (savings needs) and the purpose of investing (asset building needs) are not well-joined at the moment.



Investment Behaviors

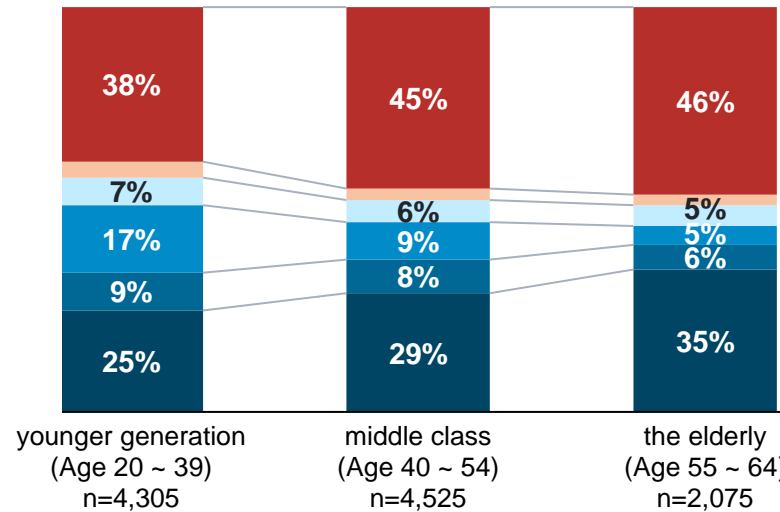
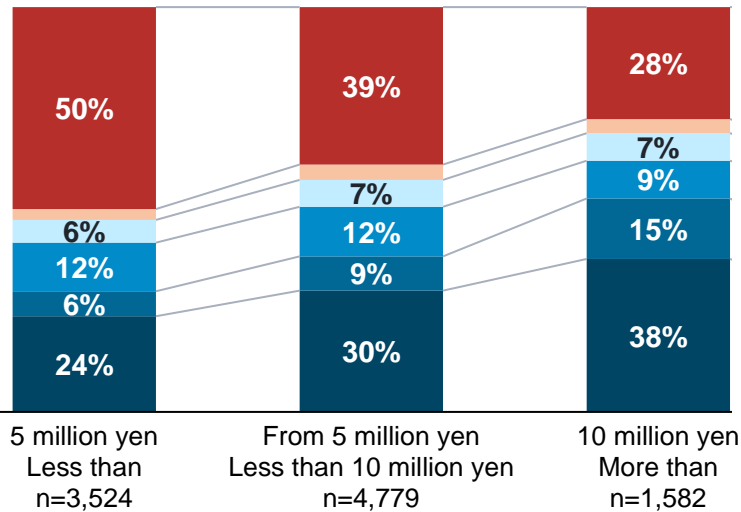
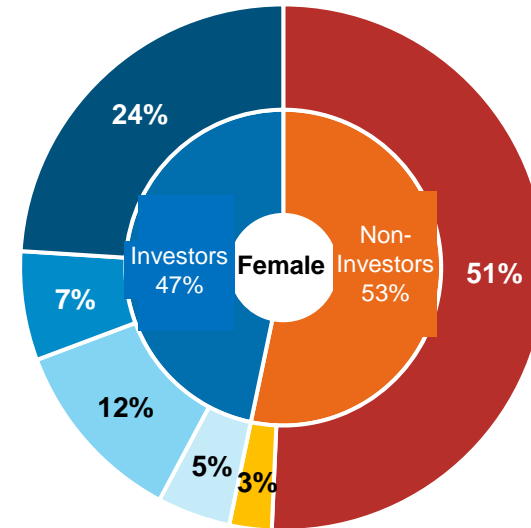
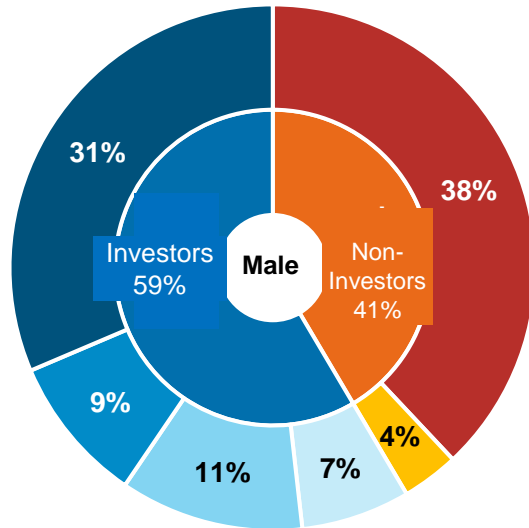
Changing Investment Behaviors through the Pandemic

54% of those surveyed people are now investing. This includes those who started or increased their investments during the time of the pandemic. On the other hand, 46% of the surveyed people do not invest, including those who had stopped investing due to the pandemic.



Changing Investment Behavior during the Pandemic

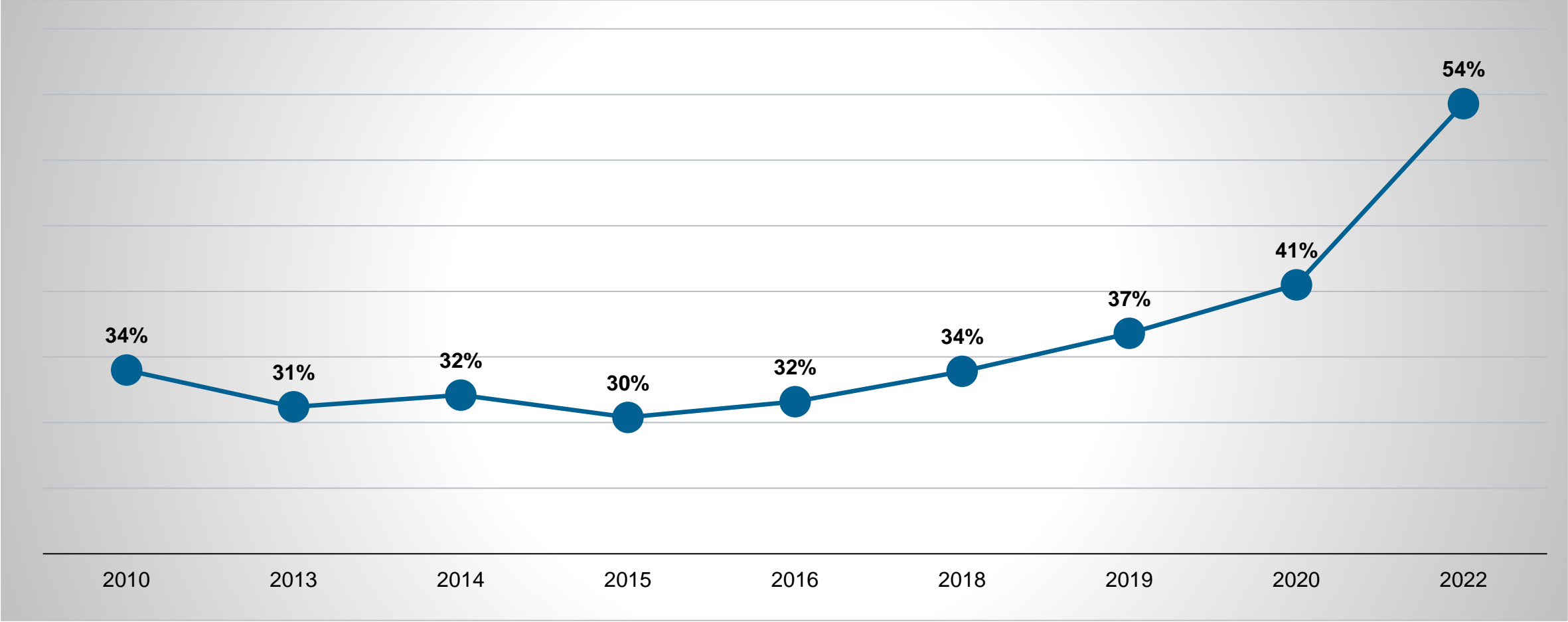
There are more male investors than female. Investors increase with income and age



- I did not invest and still do not invest.
- I have been investing, but stopped because of the pandemic.
- I have been investing, but reduced investment because of the pandemic.
- I did not invest but started investing because of the pandemic.
- I have been investing, and increased investment because of the pandemic.
- I have been investing. It has not changed with the pandemic.

Change in the Investor Ratio

The Investor Ratio has increased significantly since the onset of the pandemic in 2020

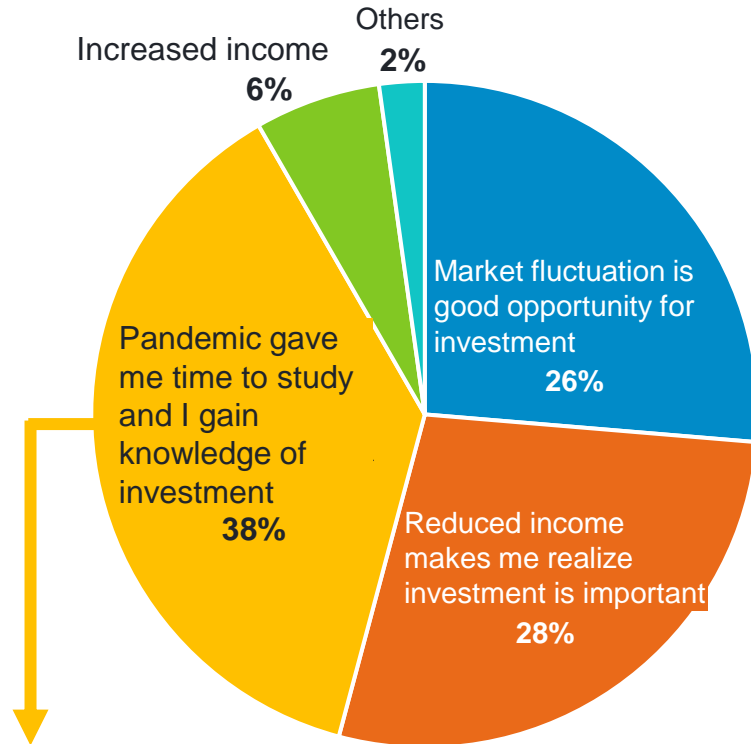


Why do you invest more vs. why do you invest less?

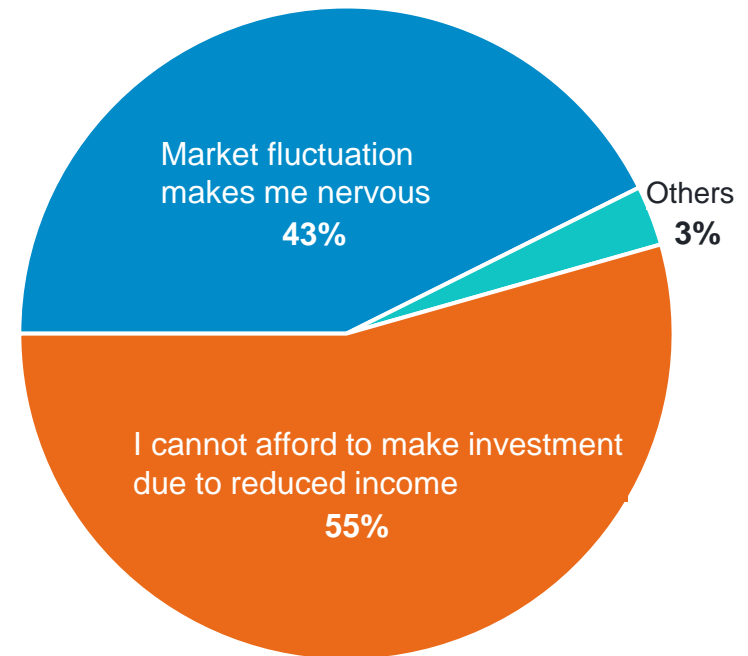
Even for the same reasons of "market fluctuations" and "declining income," people were divided into those who invest more and those who invest less.

Note the number of people who increased their investments because they had time to learn about investing during the pandemic.

Reasons why people increased their investment (2,137 people)



Reasons why people reduced their investment (997 people)



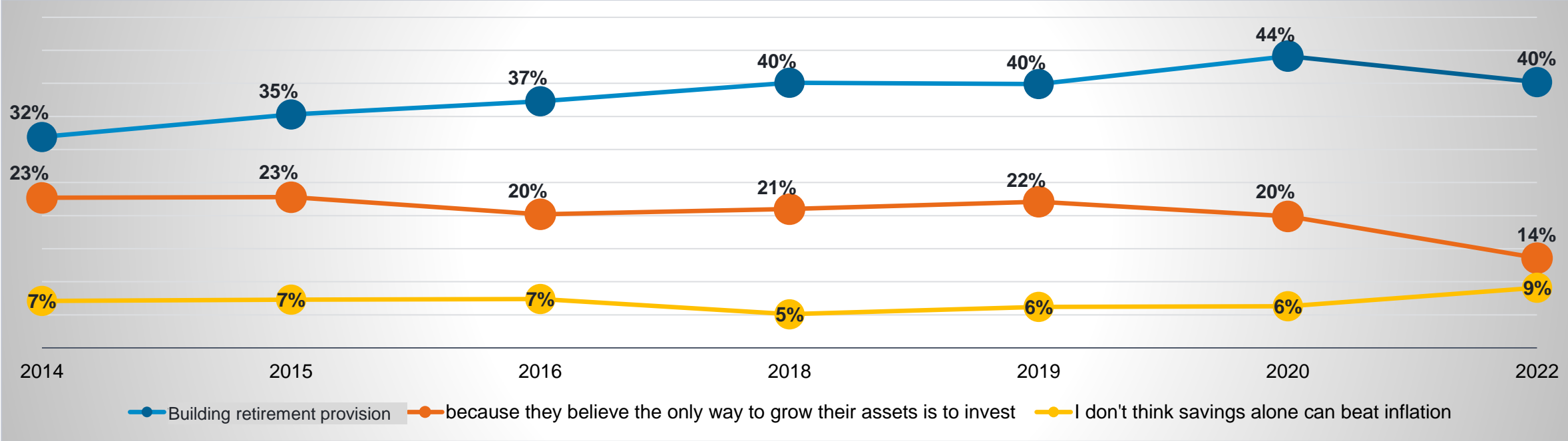
Young people and those with an annual income of 500 -10 million yen tended to select this option

Male	Female	Less than 5 million yen	500 -10 million yen	More than 1,000 million yen	younger generation	middle class	the elderly
37%	38%	38%	40%	32%	39%	37%	35%

Historical Trends regarding "What is the purpose of investing?"

Building retirement funds continuously ranked first. "Savings alone can't beat inflation" as an answer also rose this year. "Maintaining social contact through investment," "Funding to start a business," appeared although they are quite small.

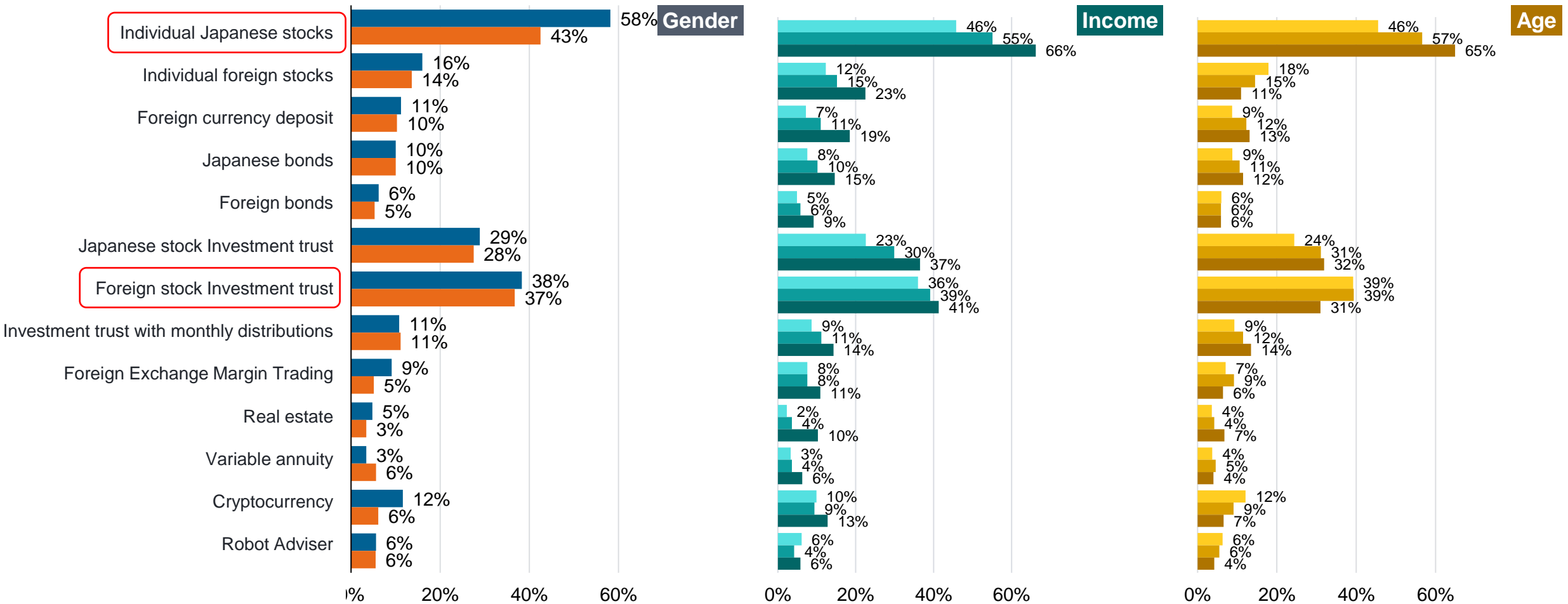
Time series of the top three reasons



Retirement provision	The only way to grow is investment	Savings alone cannot beat inflation	Increase pocket money	Supplement budgeting	Make a killing	Maintaining social contact through investment	Recommendations from others	Make contributions to society through investment	Funding for starting a business	Want to enjoy a thrill
40%	14%	9%	7%	6%	4%	3%	2%	1%	1%	1%

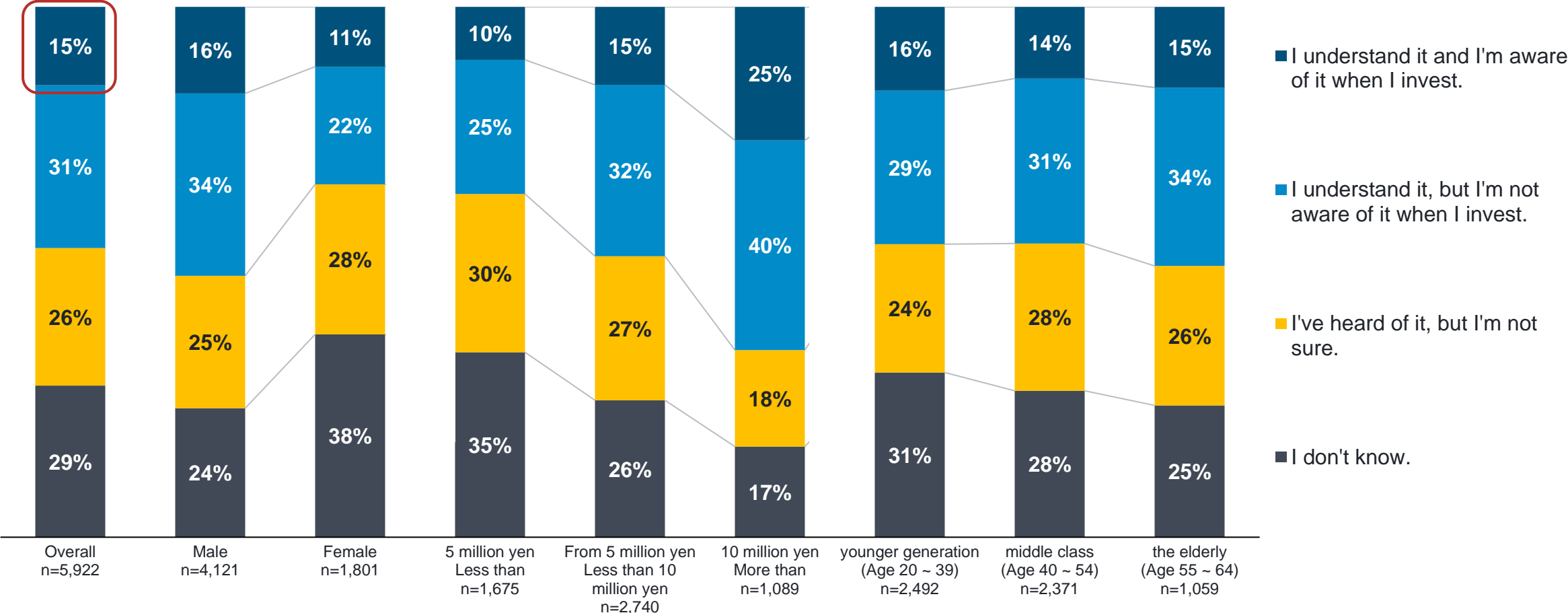
What are you investing in now? (multiple answers allowed)

Japanese equity is the most popular. Foreign stock investment trusts are more popular than Japanese stock investment trusts. Cryptocurrencies are as popular as foreign currency deposits, and a certain number of robo users were also observed.



ESG Awareness and Selection Criteria for Investing

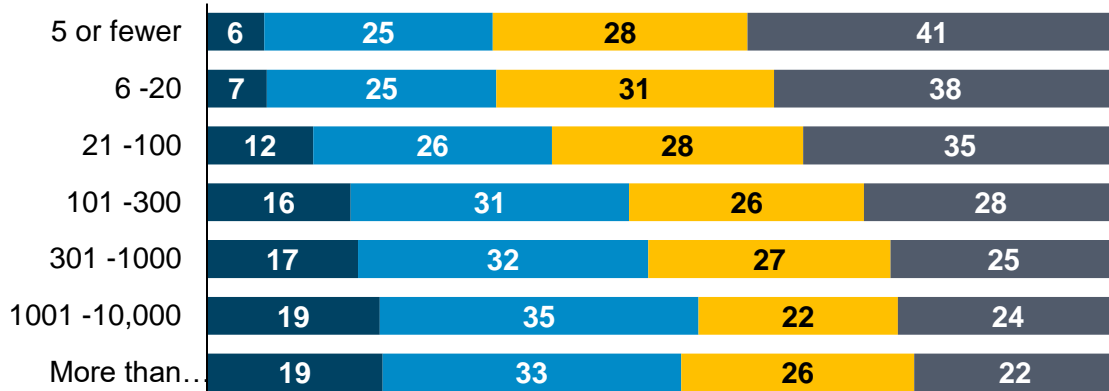
The understanding of ESG is reasonably advanced in Japan. However, only 15% of all respondents use ESG as a criteria for investing. Higher income earners are more familiar with this. Men are more conscious regarding ESG compared to women.



ESG Awareness Ranking

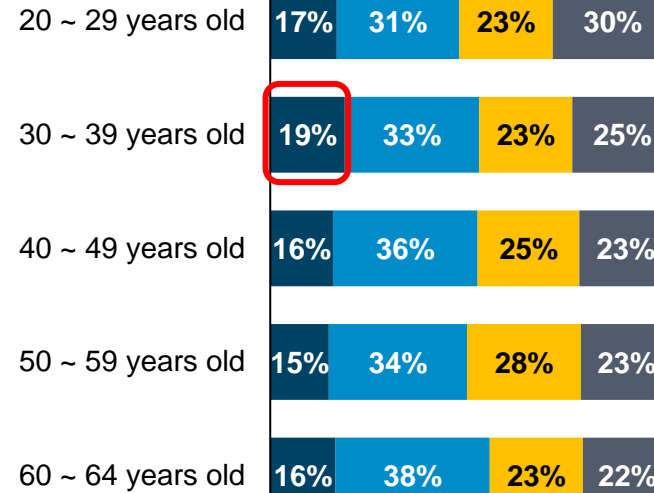
The larger the employee size, the higher the ESG awareness. There is also variation by industry. Men in their 30s have a higher level of awareness.

By employee size

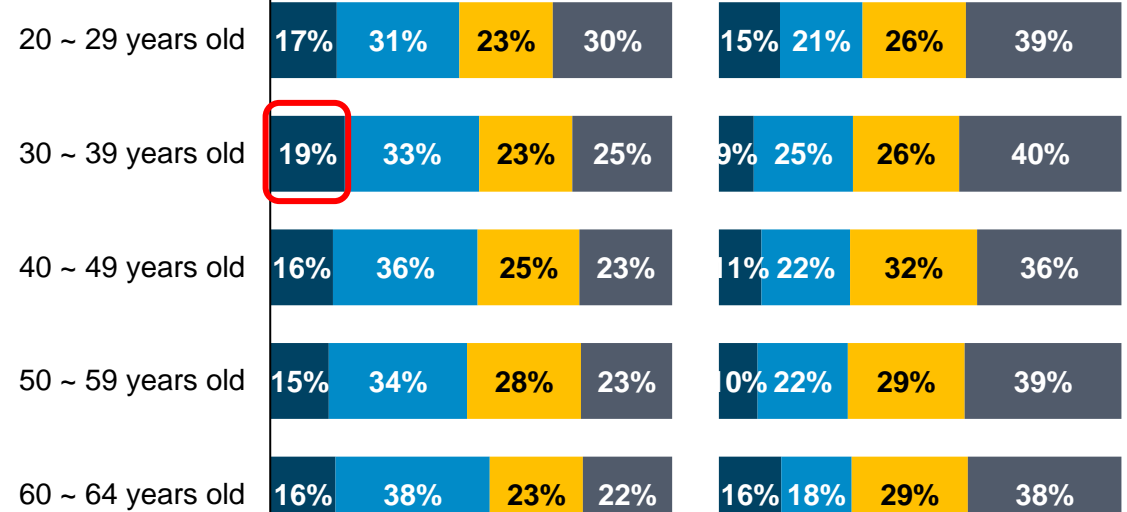


- I understand it and I'm aware of it when I invest.
- I understand it, but I'm not aware of it when I invest.
- I've heard of it, but I'm not sure.
- I don't know.

Male



Female



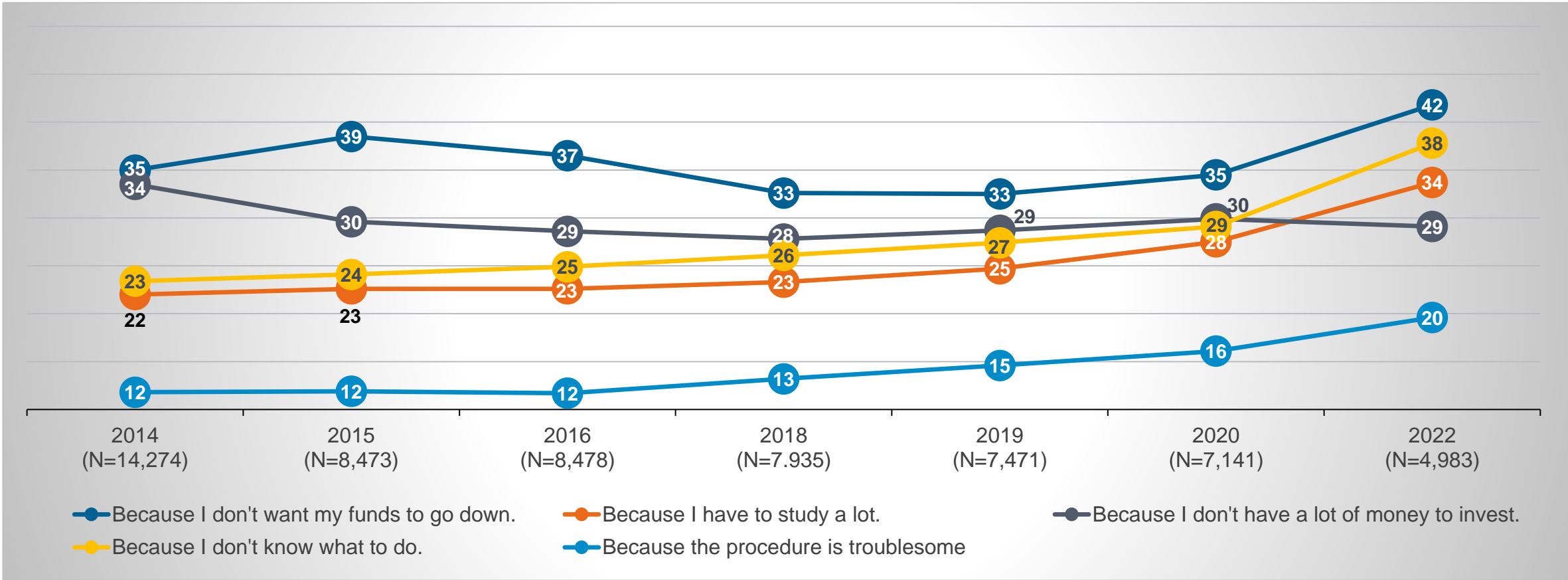
Rank by Industry

1	Finance and insurance	28.6%
2	Education and learning support	18.4%
3	Information and Communication	18.3%
4	Lifestyle-related services and entertainment	16.3%
5	Manufacturing	15.6%

Reasons for Not Investing

"Because I don't want my funds to go down" was the most popular answer at 42%

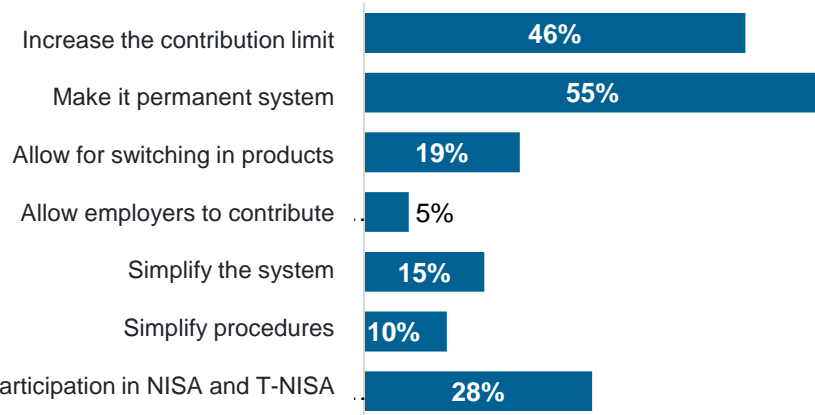
"I don't know what to do" (38%), "I have to study a lot" (34%), and "the procedure is troublesome" (20%) were also common responses. If services that reduce the hassle and procedural burden of selecting investments are packaged and provided, more people could be willing to give investing a try.



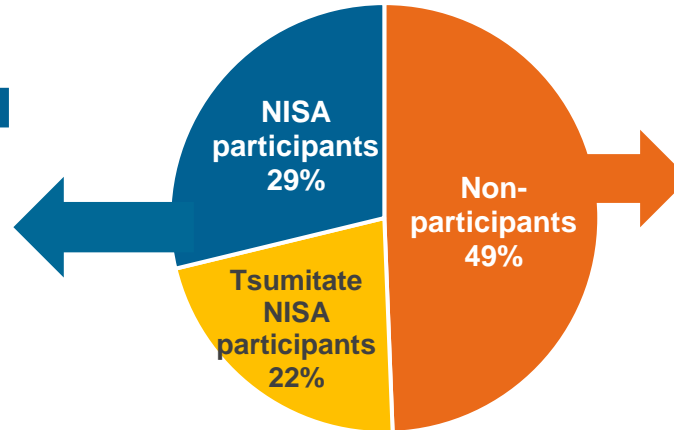
For those familiar with NISA/Tsumitate NISA, comparisons of users vs. non-users and desire for improvement

In both NISA and Tsumitate NISA (T-NISA), non-participants requested simplification of the system as well as procedures, which would be key to further uptake. There are also requests such as “build in inheretence systems," "make it possible to switch the timing of deposits during times of market decline," and "introduce AI investment."

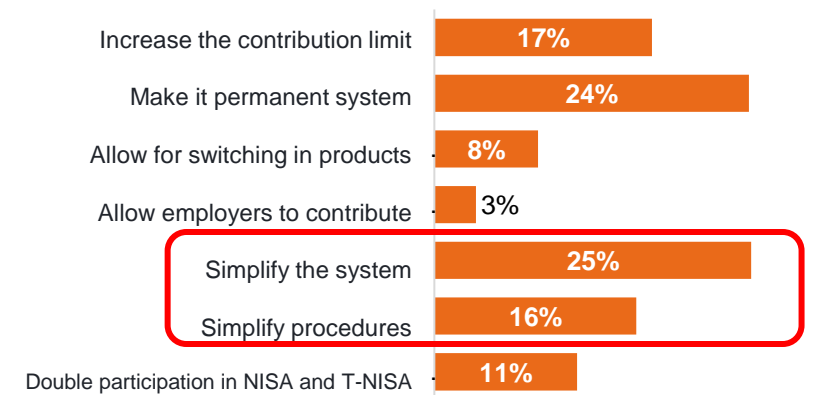
NISA improvement request



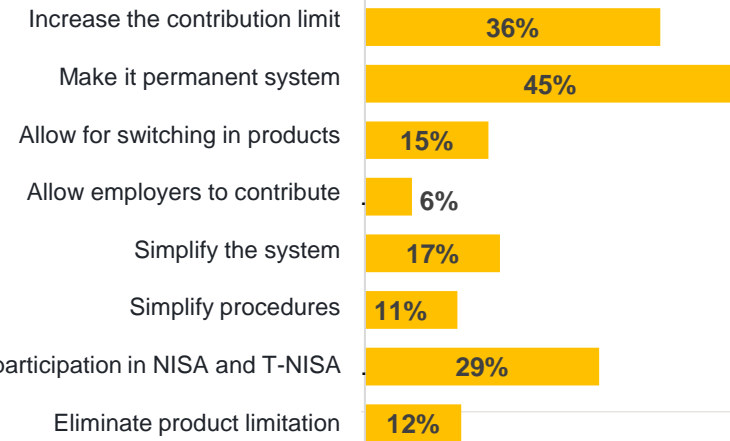
Those who know NISA (n = 5899)



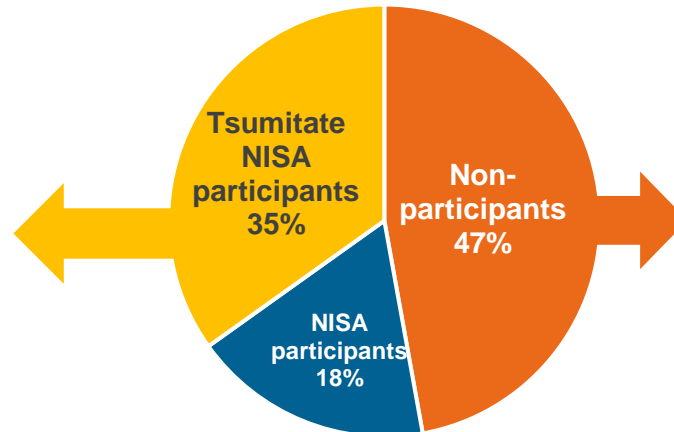
NISA improvement request



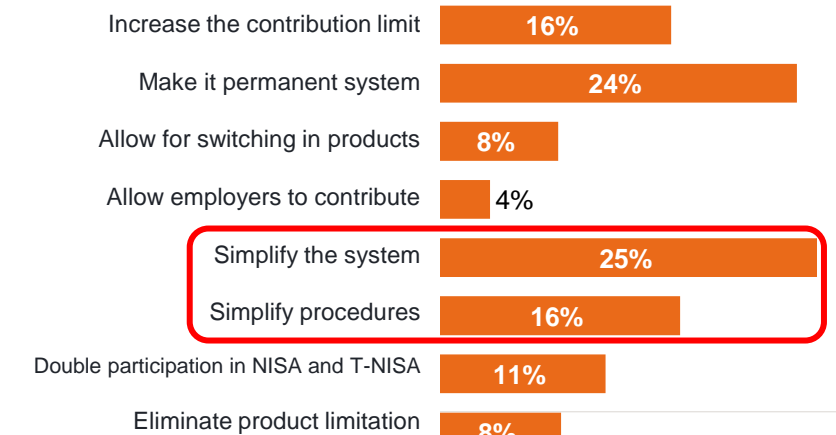
Tsumitate NISA improvement request



Those who know Tsumitate NISA (n = 6029)



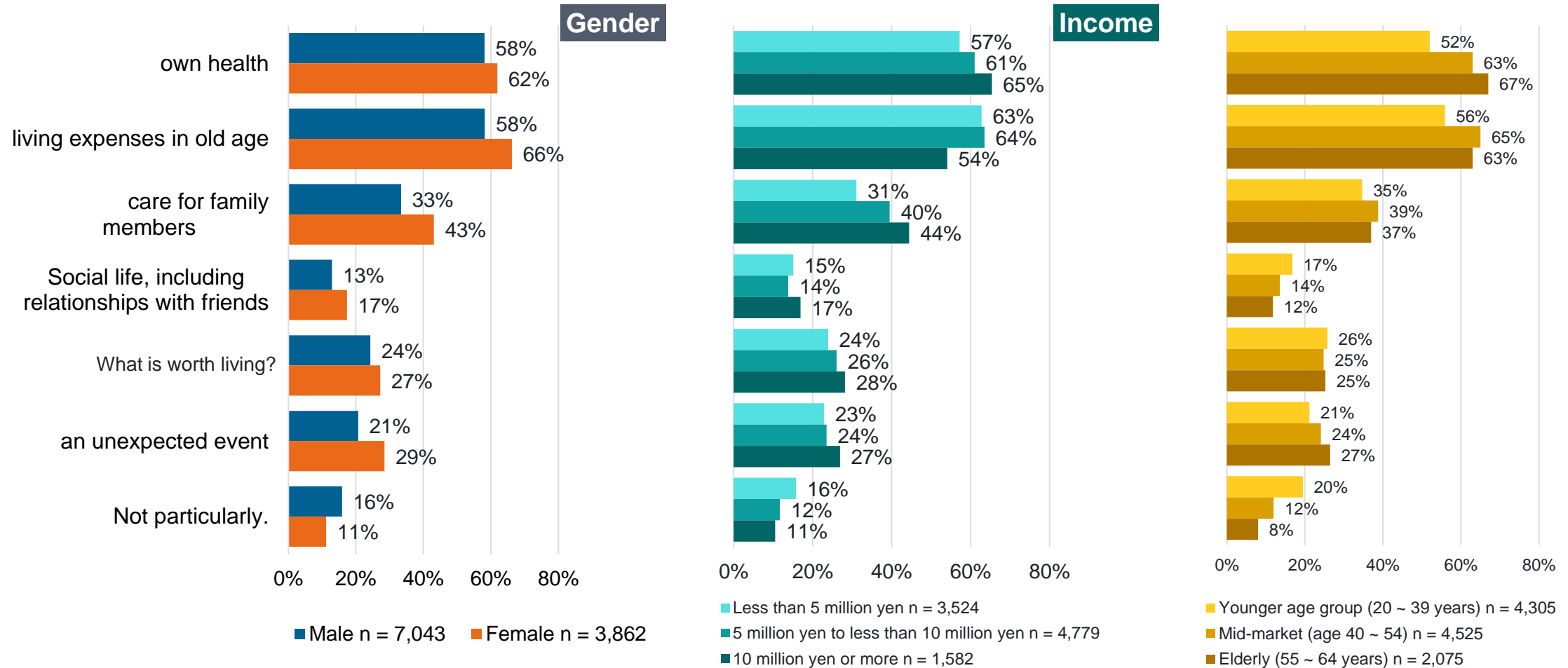
Tsumitate NISA improvement request



Public Pensions and Self-Help Retirement Provisions

What are your concerns for retirement?

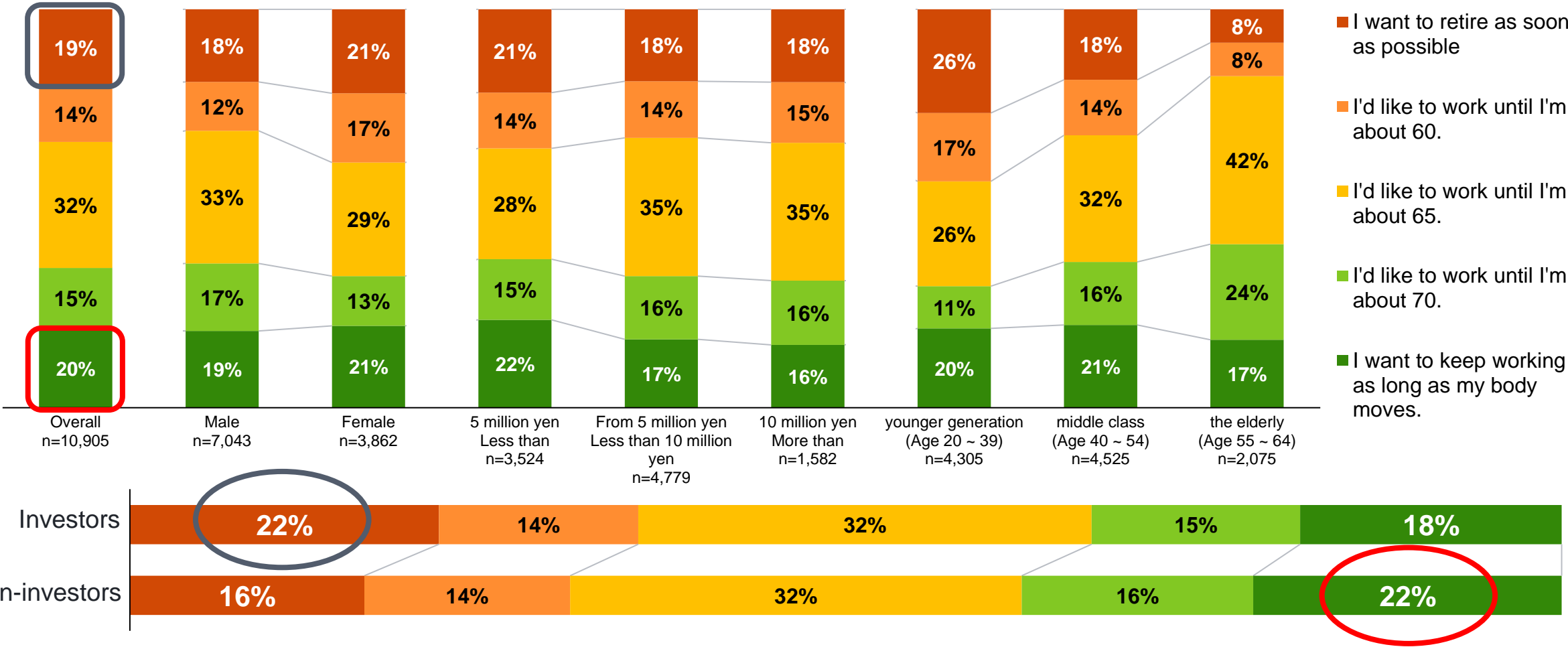
The cost of living and health concerns in retirement were the highest responses, followed by family care needs.



When do you want to retire?

About 20% want to retire as soon as possible, but about 20% will remain active for life.

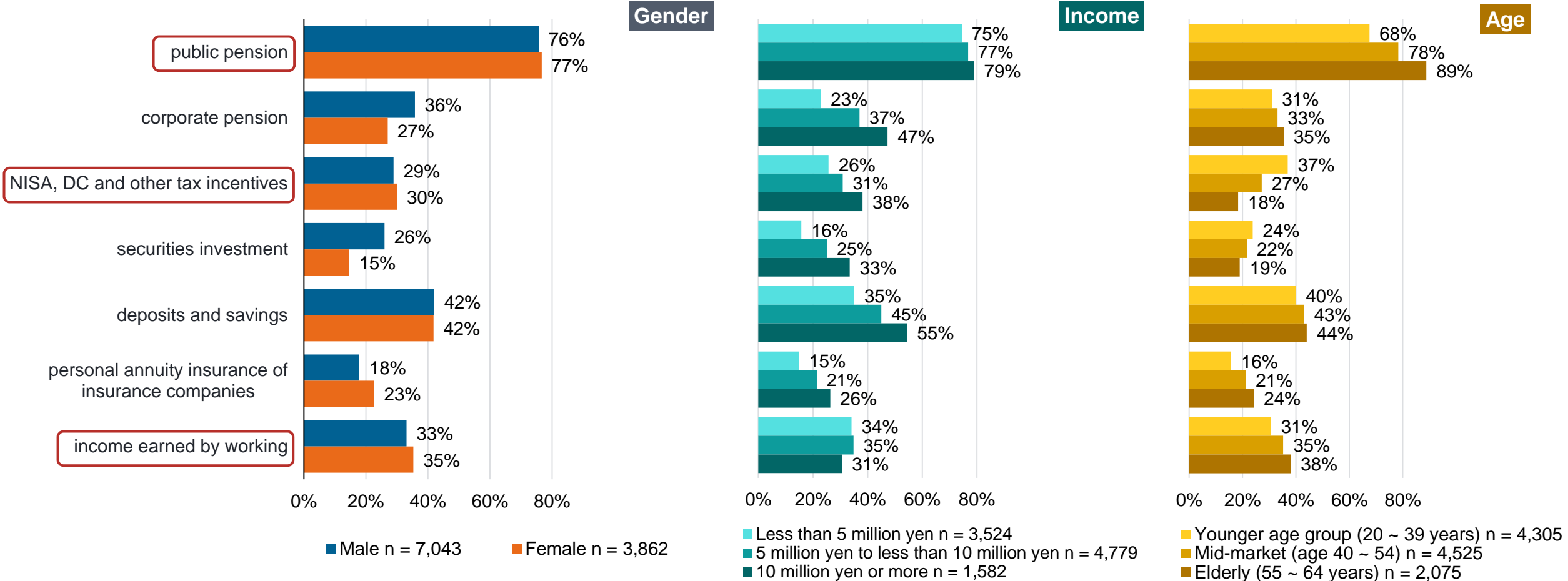
Those who want to invest tend to say they want to retire early, while those who do not invest tend to say they will work as long as they can



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

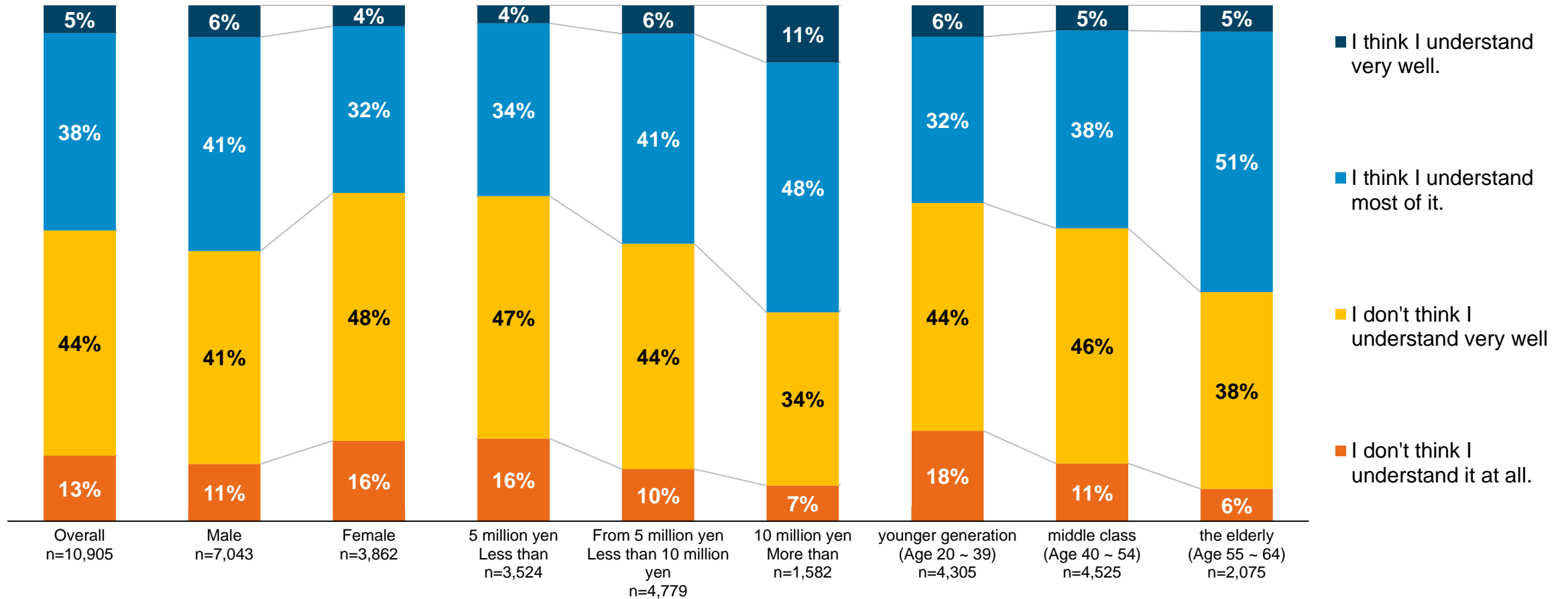
Public pensions top the list, but the younger the respondent, the lower the ratio; juxtapose this with the higher ratio of younger individuals utilizing individual tax breaks schemes such as NISA and iDeCo.

Deposits and savings outnumber securities investments. Also 1/3 of respondents feel they will earn income by working.



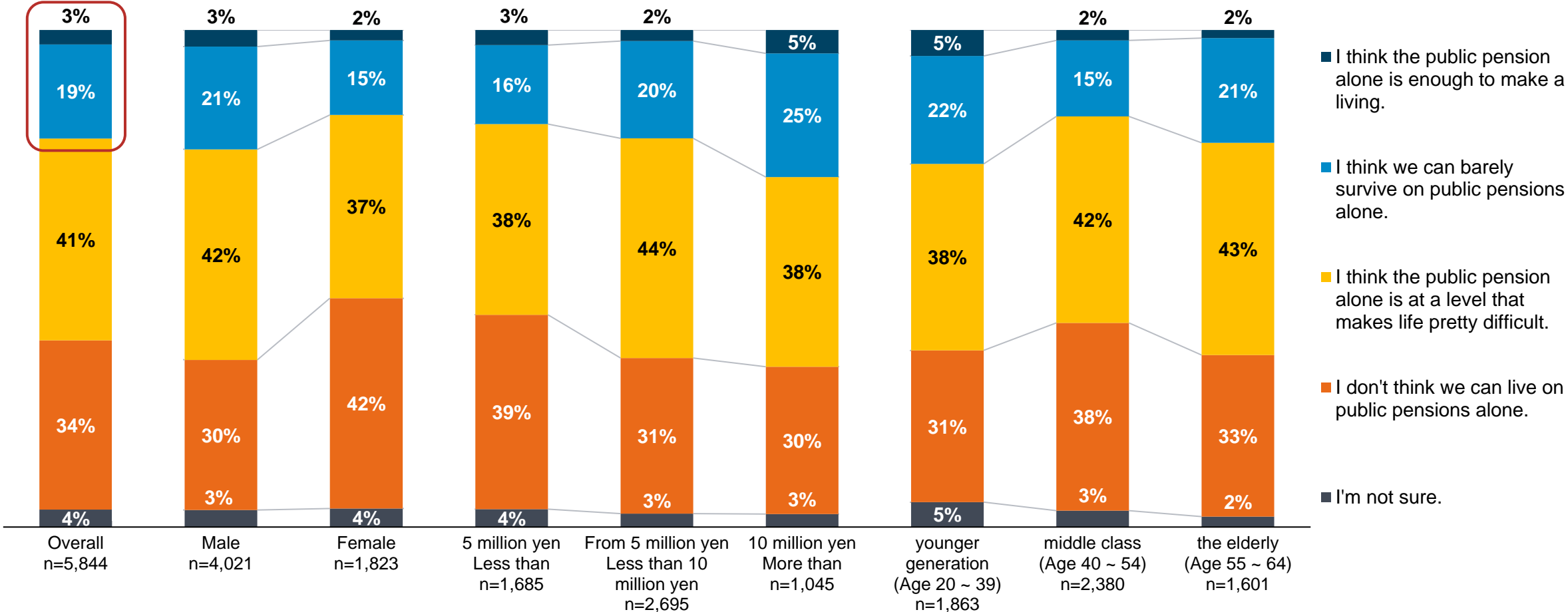
How well do you understand public pensions?

About half understand, but women feel that they are less knowledgeable than men feel they are.
The higher the annual income and the higher the age, the higher the level of understanding.



What do you think about the level benefit through public pensions?

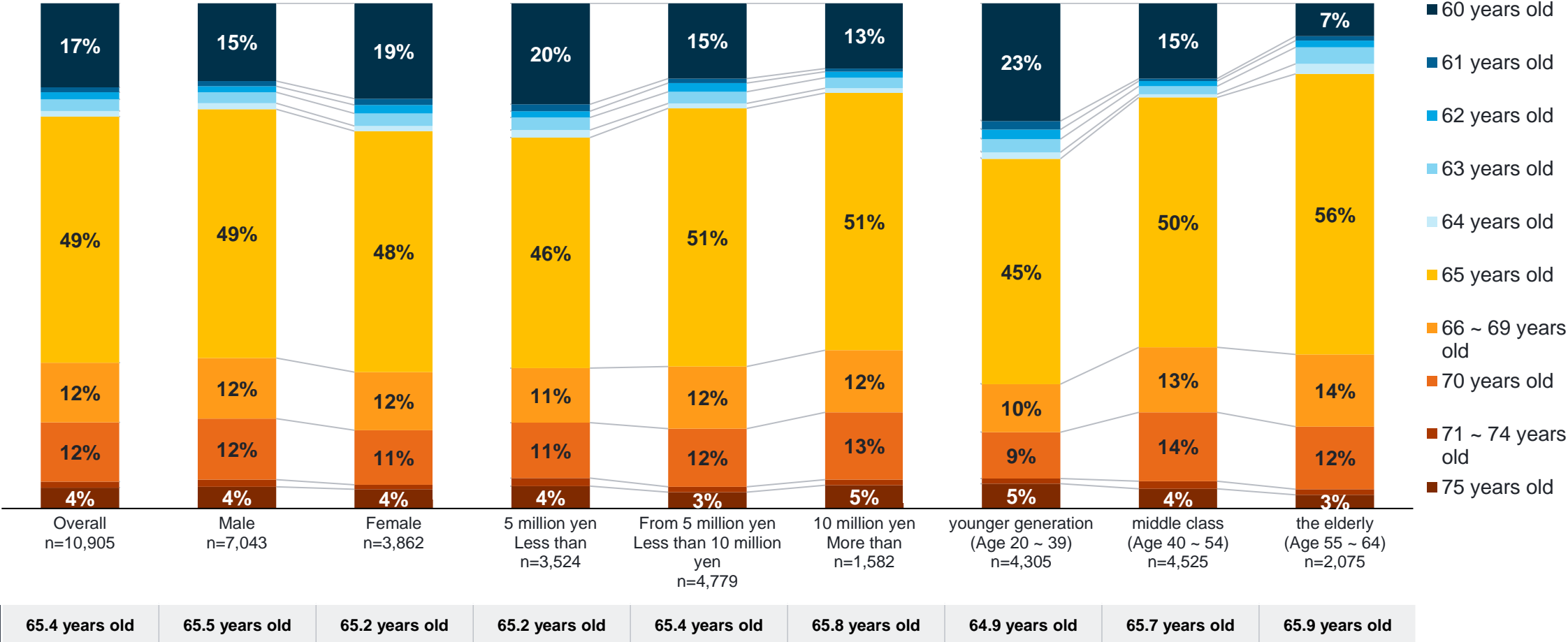
About 20% of respondents said they could live on public pensions alone. This proportion tended to increase with higher incomes.



The age when people would like to start receiving a public pension

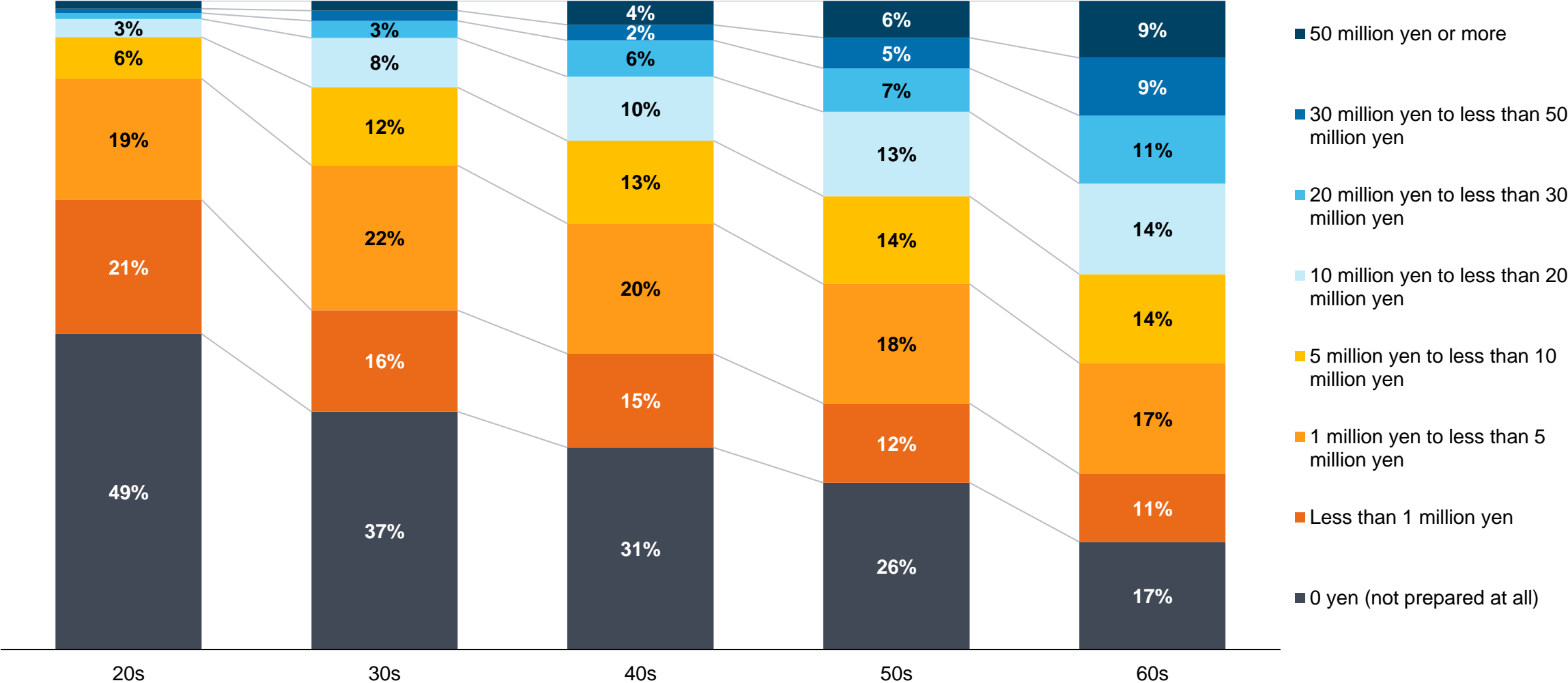
Many people seem to think roughly around the age of 65 would be appropriate to start receiving payments.

Given the increase in the upper age limit to begin receiving public pension payments law change, more than 10% of respondents say they will select older than 70 years of age to start receiving their pension.



Current savings for retirement funds by age

Younger people tended to respond that they have no retirement funds, but even in the category of those in their fifties and sixties, there were a fair number of people who also said that they have not saved anything for retirement.

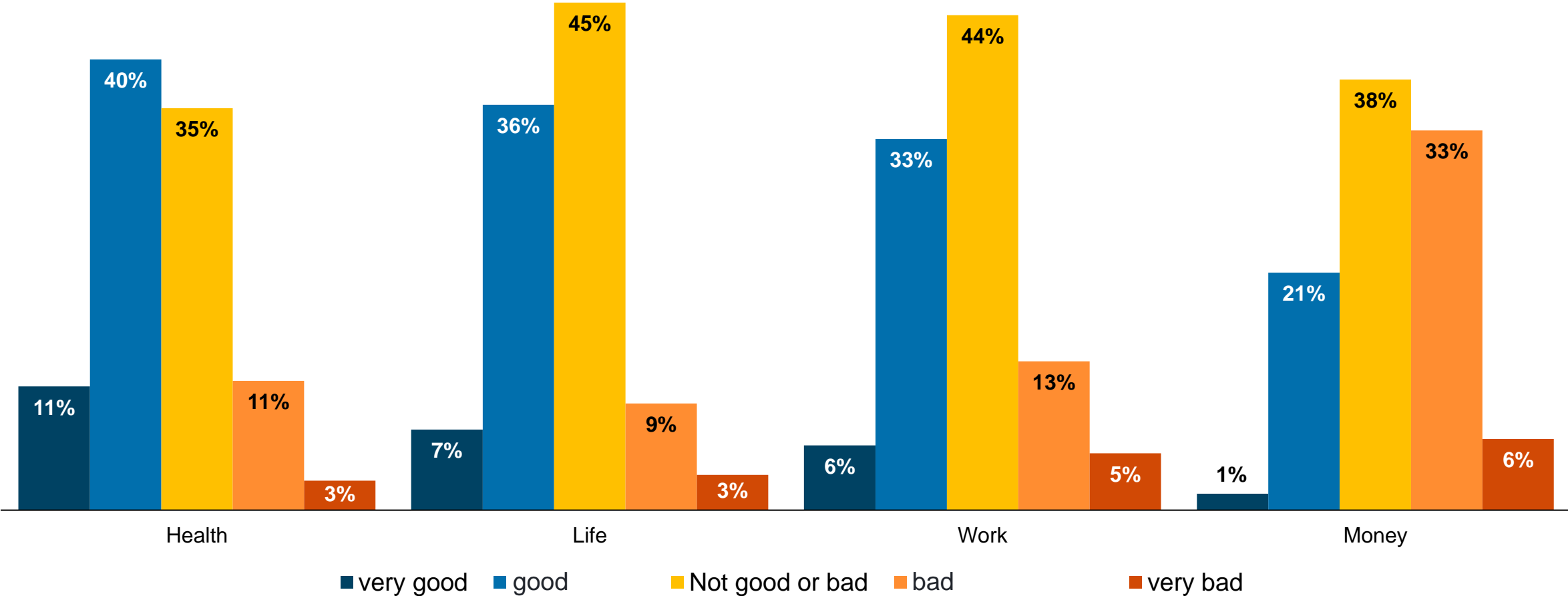


Wellbeing

Distribution of sentiment related to Wellbeing components: health, life, work and money

Responses on wellbeing were analyzed in four areas, noting differences in distribution.

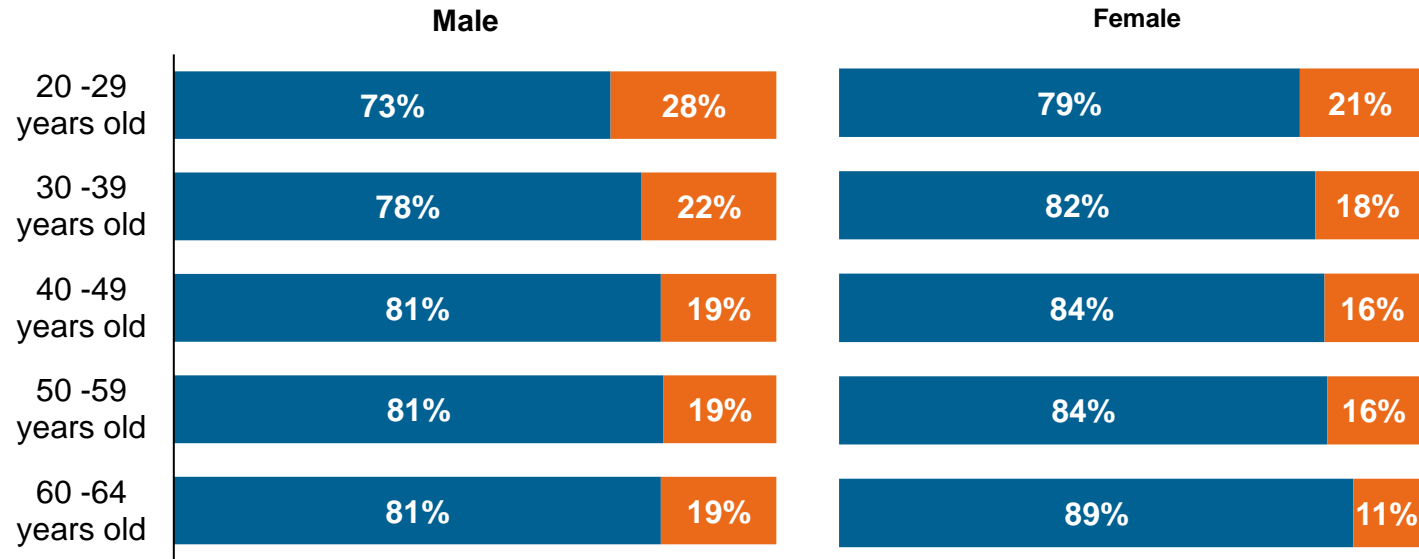
All categories were roughly a normal distribution, but if they were ranked by highest scores, the order would be health, life, work and money.



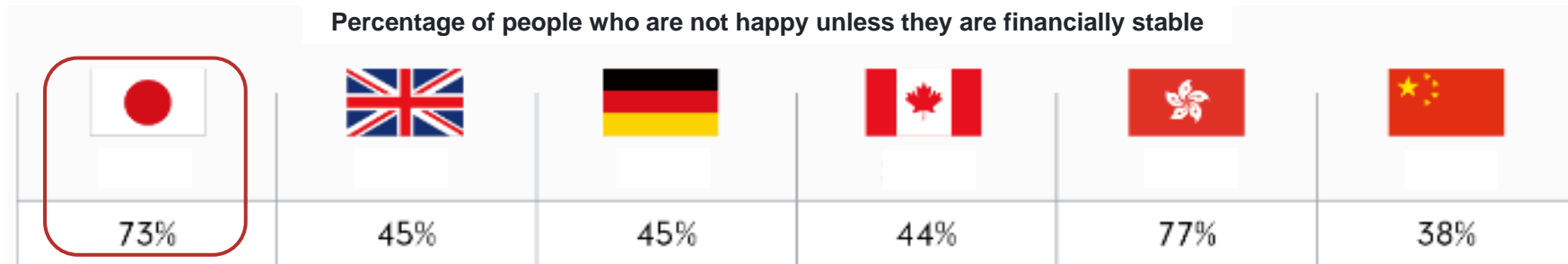
“I am not happy unless I am financially stable” vs. “My happiness does not depend on economic conditions”

When asked to choose which category they fall into, "I am not happy unless I am financially stable" far outweighed "My happiness does not depend on my financial situation."

Therefore, the influence of money on the happiness of Japanese respondents was quite strong.

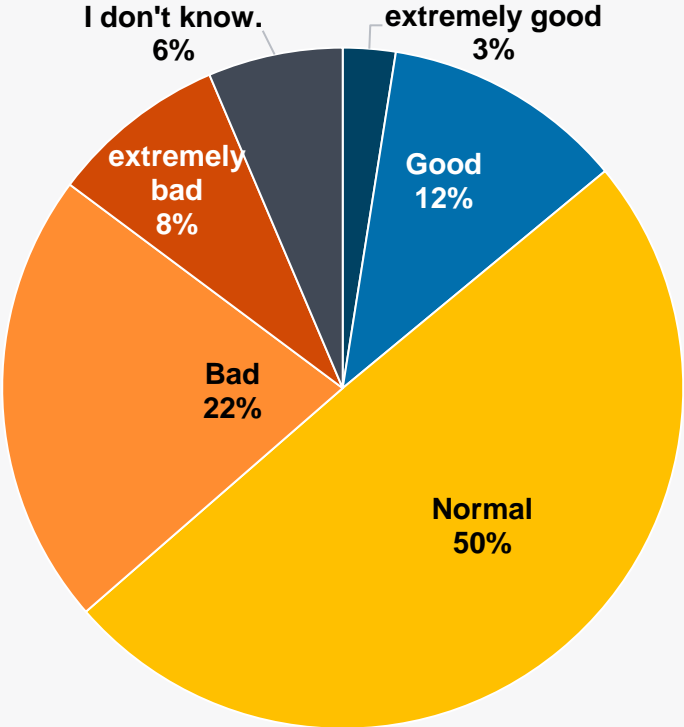


Reference: Results of the 2020 Fidelity Financial Wellbeing Survey (covering approximately 17,000 people in 6 countries and regions worldwide)

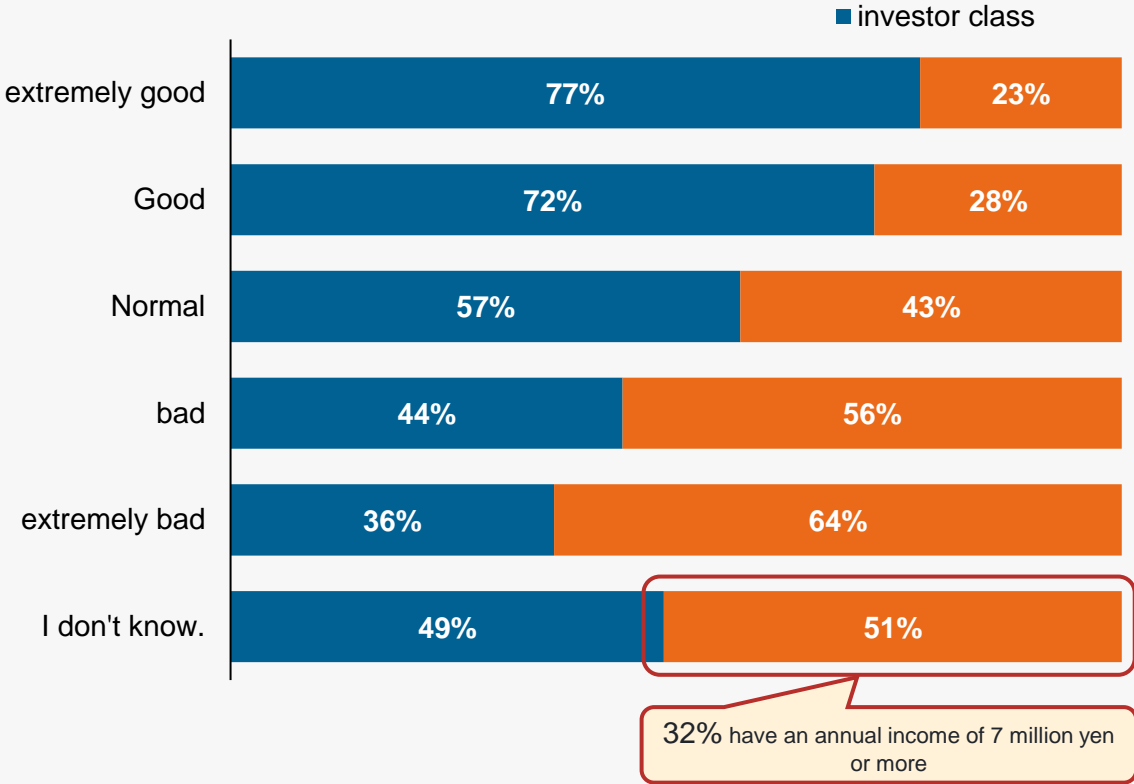


How do you feel about the state of your household budget (balance between income and expenses)?

While half responded "normal," 6% said "I do not know." Not keeping track of the size of income vs. expenses can lead to excessive spending and credit card use, making it difficult for people to hit savings and investment goals. Managing the household budget therefore is a starting point for debt management and savings.

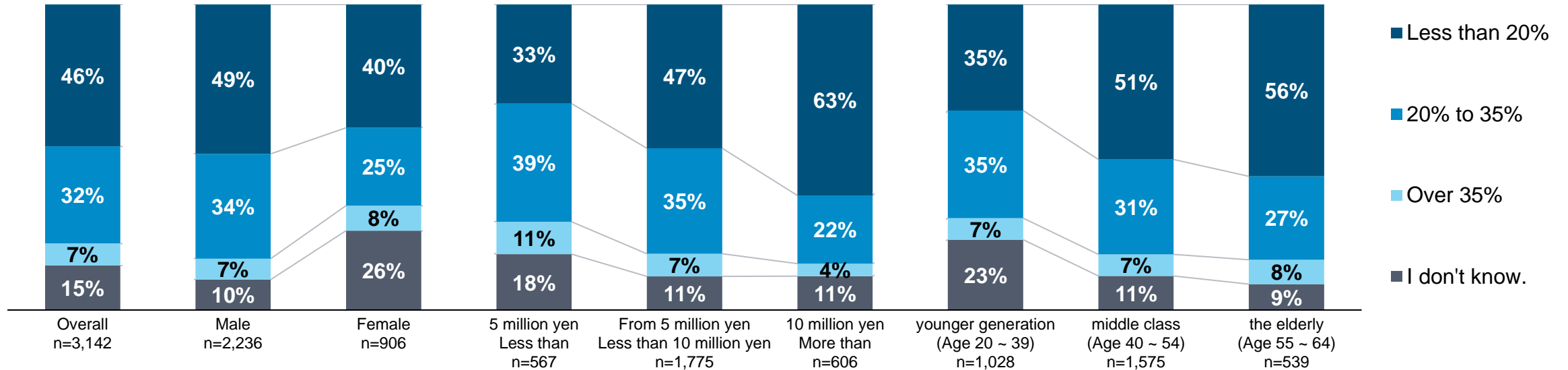


The state of household finances correlated with seen investor ratio. Half of those who say they don't know their household budget were non-investors, but this included people with high income, so improving financial literacy could lead to changes even in their investment behavior.



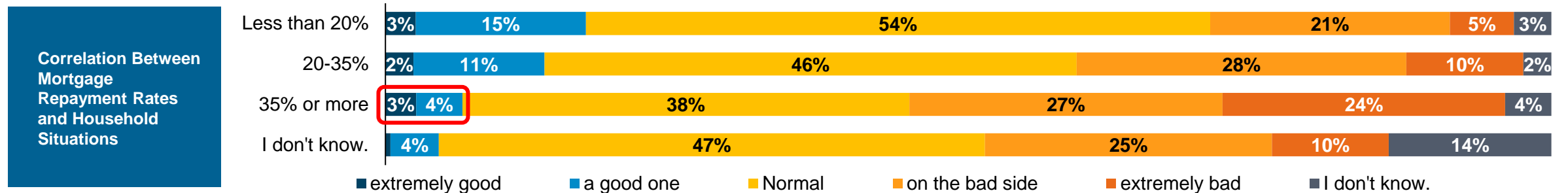
Mortgage payments as a percentage of annual income

Exceeding 35% of income for a mortgage is said to be a red flag, but about 7% of respondents fell into this category. This was especially common among those with low annual income.



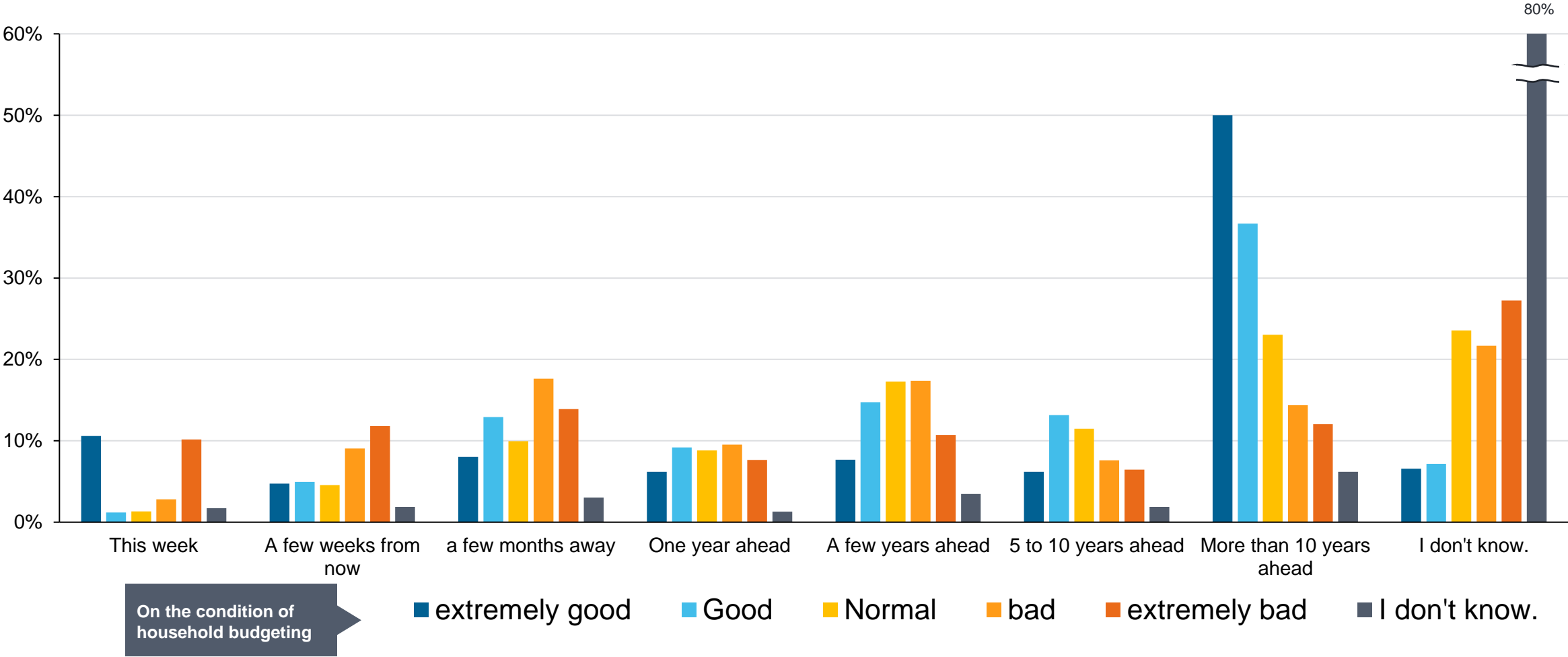
While interest rates remain low in Japan, there are some people who should be aware of what to do if interest rates rise in the future.

In particular, the analysis should pay particular attention to those who say their household is in excellent or good condition, and who are repaying more than 35% of their income.



How far ahead are you thinking about money? (Money horizon)

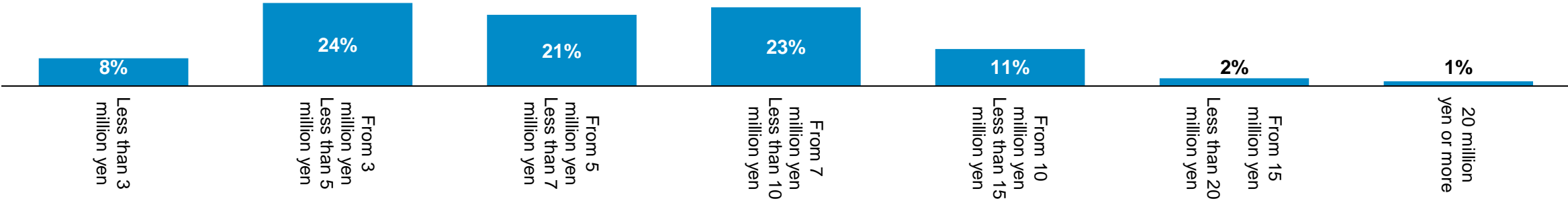
The analysis below shows the distribution of how far into the future respondents think about money, sorted by their "state of household budgeting" response. People who say their finances are in good shape were more likely to think long-term.



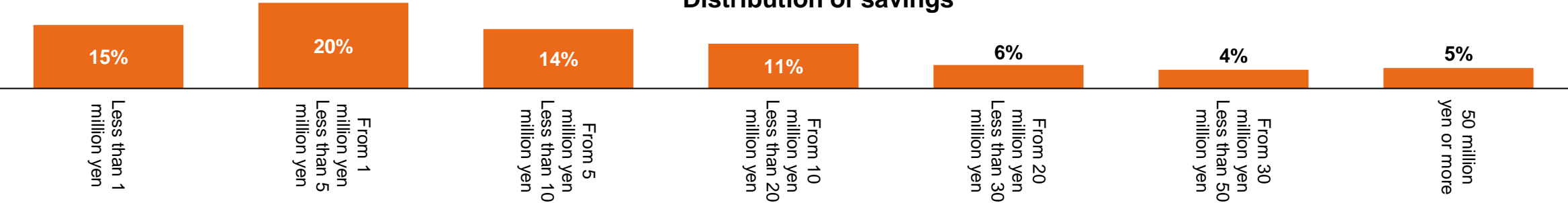
Appendix

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

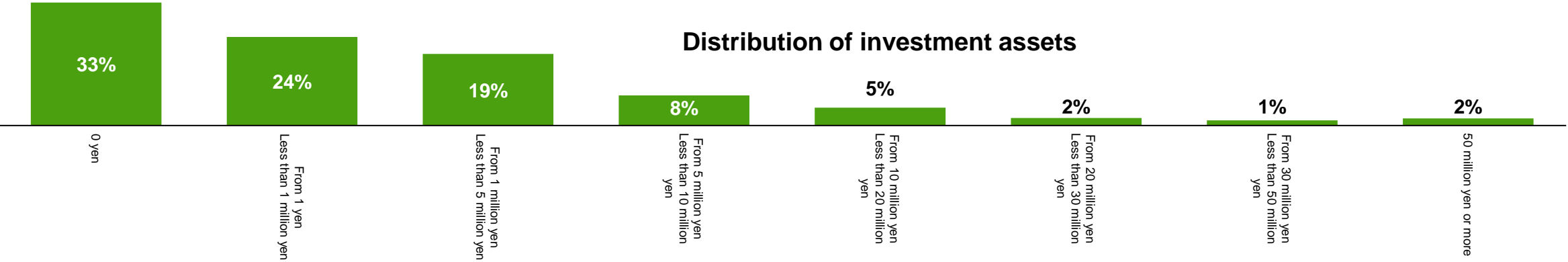
Distribution of annual income



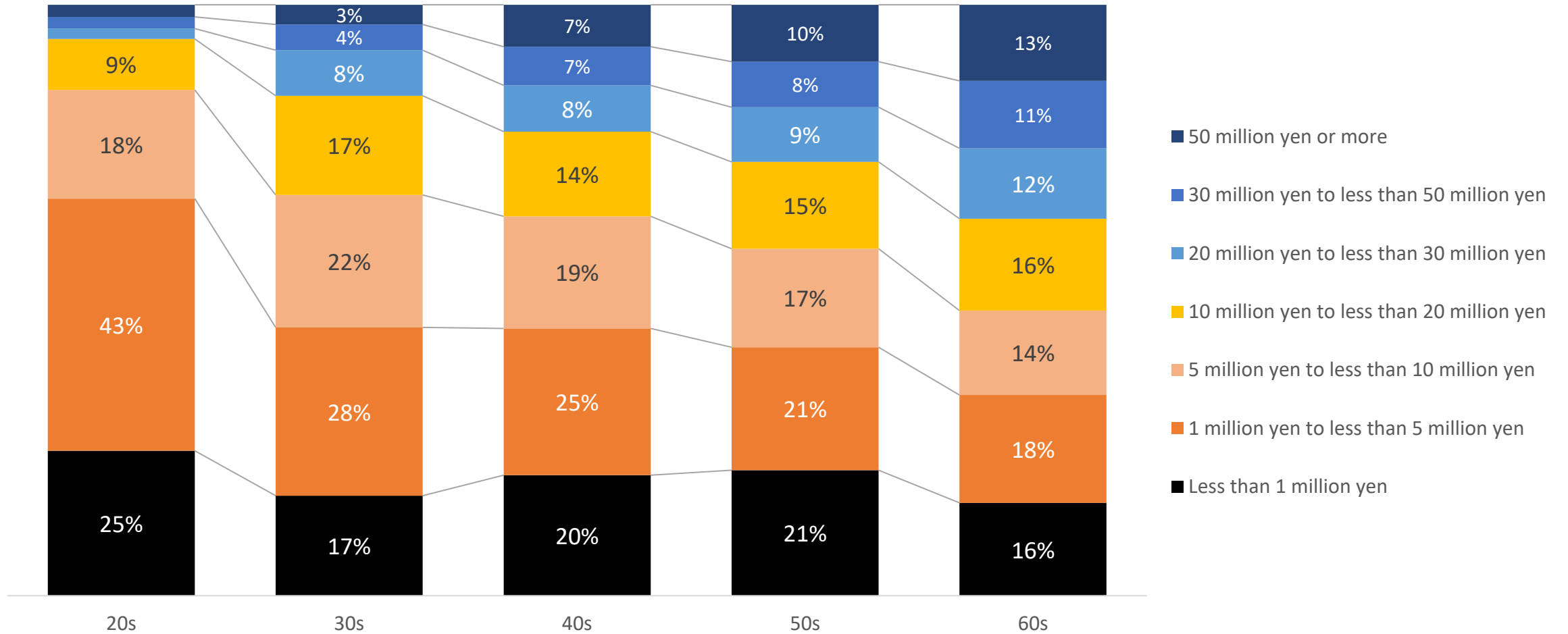
Distribution of savings



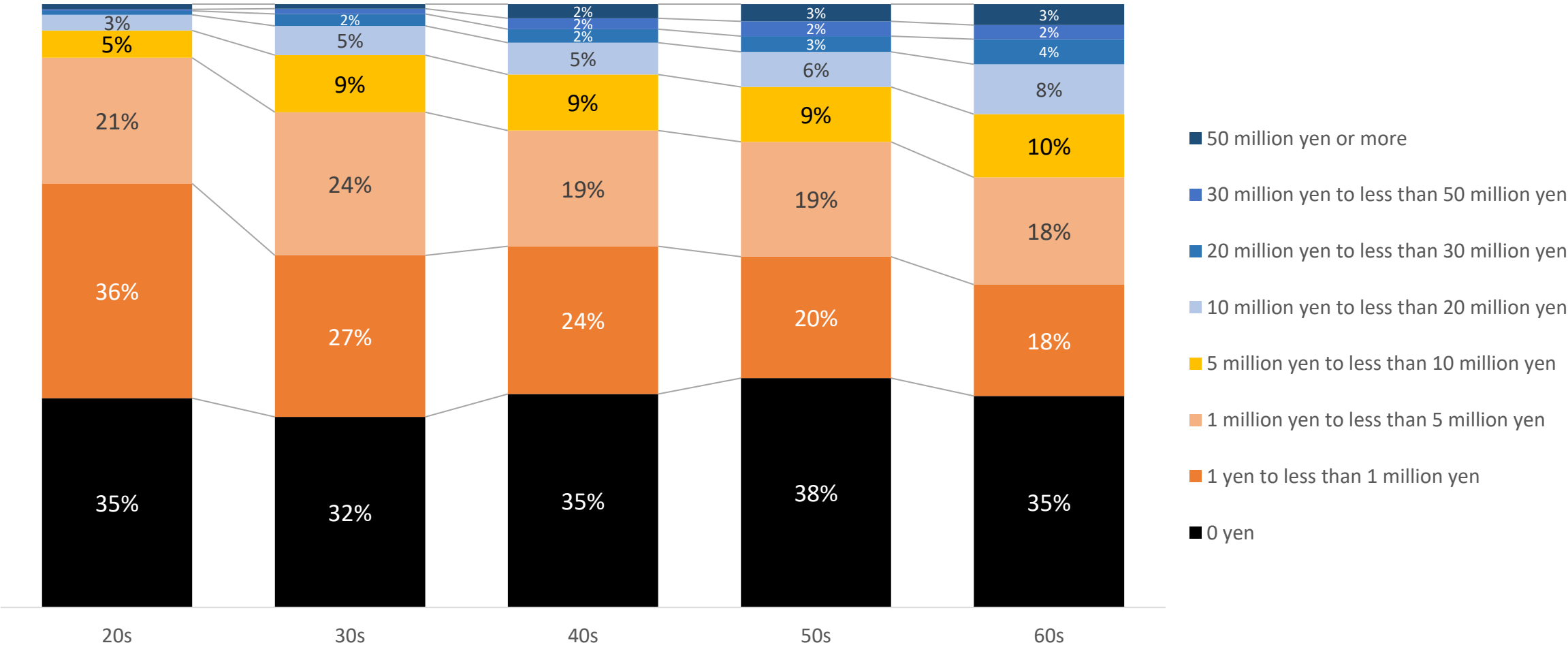
Distribution of investment assets



Distribution of savings by age group



Investments in mutual funds and stocks by age group



About this survey

Historical Survey Summary

	2013 Survey	2014 Survey	2015 Survey	2016 Survey	2018 Survey	2019 Survey	2020 Survey	2022 Survey
Subject of the survey	Company employees (including officers) and public servants. (Note)The 2014 survey was a survey of 30,000 workers, including non-regular employees and the self-employed. From there, we extracted (21036) company employees, managers and civil servants and compared themS							
Study area	Nationwide							
Period	2013 Friday, April 5 - Friday 12th	2014 Thursday, March 27 - Tuesday, April 8	2015 Monday, May 18 Monday, 25th	2016 Thursday, February 18 - Friday, 26th	2018 Monday, April 2 Monday, 9th	2019 Tuesday, May 14 -Tuesday, 21st	2020 Monday, October 5 - 12th (Mon)	2022 Monday, June 13 -Monday 20th
Survey method	Internet research							

Number of people and percentage of total																	
Total		11,507	100.0	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
Gender	Male	7,439	64.6	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
	Female	4,071	35.4	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
Age	20s	2,460	21.4	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
	30s	3,186	27.7	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
	40s	2,749	23.9	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
	50s	3,112	27.0	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
	60s															820	7.5
Region	Metropolit an Area	3,232	28.1	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
	Chubu Region	1,057	9.2	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
	Kansai Area	1,653	14.4	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
	Kyushu	611	5.3	888	4.2	592	4.9	670	5.4	597	5.0	622	5.3	613	5.1	1,168	10.7
	Other	4,954	43.1	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

Historical Survey Summary

		2013 Survey	2014 Survey	2015 Survey	2016 Survey	2018 Survey	2019 Survey	2020 Survey	2022 Survey	Number of people and percentage of total							
Total		11,507	100.0	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
a n n u a l i n c o m e	Less than 3 million yen	2,889	25.1	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
	300 Less than -5 million yen	3,967	34.5	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
	500 Less than -7 million yen	1,982	17.2	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
	700 Less than -10 million yen	1,298	11.3	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
	1000 Less than -15 million yen	394	3.4	743	3.5	438	3.6	461	3.7	452	3.8	388	3.3	1,206	10.0	1,183	10.8
	1500 Less than -20 million yen	69	0.6	136	0.6	80	0.7	71	0.6	78	0.6	52	0.4	215	1.8	247	2.3
	20 million yen or more	46	0.4	106	0.5	46	0.4	57	0.5	47	0.4	35	0.3	116	1.0	152	1.4
	Unclear/Don't want to answer	832	7.2	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
o c c u p a t i o n	company employee	10,388	90.3	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
	public servant	1,119	9.7	2,113	10.0	1,090	9.0	1,180	9.5	947	7.9	901	7.6	947	7.9	907	8.3

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