



## PRESS RELEASE

### Survey Finds Hong Kong Consumers Lack Strong Confidence in Achieving Financial Goals and Are Still Recovering from Lehman Brothers Incident

*Survey of 1,000 Hong Kong Consumers Shows Greater Optimism and Preparedness Among Those Working with CFP<sup>CM</sup> Professionals*

(Hong Kong – 31 March, 2016) – As consumers become increasingly responsible for their long-term financial well-being, a territory-wide study by the Institute for Financial Planners of Hong Kong (IFPHK) finds that most Hong Kong consumers feel challenged by their finances, with relatively few saying they are very knowledgeable about financial matters or highly successful at sticking to their financial goals. In terms of the impact of the 2008 Lehman Brothers incident, only 18 percent of Hong Kong consumers say their confidence in the markets has been fully restored. On the upside, Hong Kong consumers are generally aware of CFP<sup>CM</sup> Certification (50 percent vs. 32 percent globally). This represents an impressive 34 percent rise in a little over a decade\*.

The IFPHK conducted the survey in conjunction with Financial Planning Standards Board (FPSB), owner of the international CFP certification program outside the U.S., and GfK, a global research firm with extensive experience in the financial services sector. Overall, 19,092 consumers who are either primary or shared household financial decision-makers participated in 19 territories around the world. The results of the survey, which was conducted online during Q2 and Q3 2015, provided the following key findings for Hong Kong:

- **Hong Kong consumers lack confidence when it comes to their finances.** Hong Kong consumers have relatively low confidence when it comes to achieving their financial life goals, with just 19 percent strongly agreeing that they will reach their goals (compared to 22 percent globally). People in Hong Kong are similarly on par with consumers globally when it comes to their “financial know-how,” with 20 percent vs. 17 percent globally strongly agreeing they are knowledgeable about financial matters – and in feeling highly successful about sticking to their financial strategies (17 percent vs. 19 percent globally strongly agree).
- **In the wake of the 2008 Lehman Brothers incident, fewer than one in five Hong Kong consumers (18 percent) say their confidence in the markets has been fully restored.** Another 44 percent say their confidence has been only partially restored, while 20 percent say their confidence has not yet been restored. 18 percent say the Lehman Brothers bankruptcy had no impact on their confidence.
- **Awareness of CFP Certification among Hong Kong consumers ranks the second in the world** (50% vs. 32% at global level), and has risen three times compared to about ten years ago\*.
- **Financial priorities include home ownership and retiring in their desired lifestyle.** Owning a home and retiring in their desired lifestyle (42 percent each vs. 52 percent and 49 percent respectively at the global level) top the list of financial priorities for Hong Kong consumers. Building up savings follows with 41 percent, compared to 51 percent globally. Hong Kong consumers also prioritize being prepared for a financial emergency (38 percent vs. 52 percent globally) and ensuring that investments are profitable (37 percent vs. 43 percent globally).
- **Hong Kong consumers are interested in financial planning services to help them get on track financially.** Hong Kong respondents are broadly interested in financial planning services, with investment planning (52 percent vs. 38 percent globally) and retirement planning (47 percent vs. 50 percent globally) seen as the most helpful services.



- **People in Hong Kong rely on friends and family first, then websites – not financial planners – for information on financial matters and planning.** More than half (54 percent) of Hong Kong consumers rely on friends and family for financial information (compared to 44 percent globally). About four in 10 (44 percent) rely on websites (compared to 41 percent globally), while three in 10 (29 percent) rely on financial planners for information on financial matters and planning, compared with 31 percent globally.
- **Knowing whom to trust is one barrier to working with a financial professional.** More than half of Hong Kong consumers say trustworthiness is a very important consideration when choosing a financial planner (56 percent, compared to 68 percent globally). However, two thirds (66 percent) say they don't know whom to trust when it comes to financial planning, which is equal to consumers globally.
- **Working with a CFP professional helps Hong Kong consumers feel more confident.** In Hong Kong, 45 percent who work with a CFP professional report feeling more confident in achieving their financial goals (compared to 43 percent globally), while 27 percent who work with a different type of financial professional feel more confident (vs. 31 percent globally). Just 10 percent of Hong Kong consumers who do not work with a financial professional feel confident, compared to 15 percent at the global level.
- **Most consumers think financial planning should be regulated.** While 29 percent of respondents in Hong Kong are unsure whether financial planning is regulated (vs. 41 percent globally), 95 percent believe it's important for financial planning to be regulated (vs. 79 percent globally).

“With over 4,700 CFP professionals in Hong Kong and over 160,000 globally, IFPHK and our fellow FPSB member organizations have an incredible opportunity to connect individuals and families with competent, ethical and trustworthy financial planners who can help them take control of their finances and be more confident and secure in their financial decisions,” said Dennis Lau, the IFPHK CEO.

Report of the detailed findings of the consumer survey, please click [here](#).

The IFPHK shares FPSB's vision to establish financial planning as a distinct profession. Together with its member organizations in 26 territories, FPSB will use the research findings to develop a global consumer awareness campaign about the value of financial planning and of working with a CFP professional. FPSB member organizations in the following territories participated in the global research: Australia, Austria, Brazil, Canada, China, France, Germany, Hong Kong, Indonesia, Ireland, Malaysia, the Netherlands, New Zealand, the Republic of Korea, Singapore, South Africa, Switzerland, the United Kingdom and the United States.

*\*The IFPHK has engaged ACNielsen to conduct the Consumer Sentiment Survey on Personal Financial Services among Hong Kong's general public during late April and early May of 2004.*

### **About IFPHK**

IFPHK was established in June 2000 as a non-profit organization for the fast-growing financial services industry. It aims to be recognized in the region as the premier professional body representing financial planners dedicated to upholding the highest professional standards.

The Institute is the sole licensing body in Hong Kong authorized by Financial Planning Standards Board Limited to grant the much-coveted and internationally-recognized CFP<sup>CM</sup> Certification and AFP<sup>TM</sup> Certification to qualified financial planning professionals in Hong Kong and Macau.

It represents more than 7,600 financial planning practitioners in Hong Kong from such diverse professional backgrounds as banking, insurance, independent financial advisory, stockbroking, accounting, and legal services.

Currently there are more than 162,000 CFP certificants in 26 countries/regions; the majority of these professionals are in the U.S., Canada, China, Australia and Japan, with around 4,700 CFP certificants in Hong Kong.



### **About FPSB**

FPSB manages, develops and operates certification, education and related programs for financial planning organizations to benefit the global community by establishing, upholding and promoting worldwide professional standards in financial planning. FPSB demonstrates its commitment to excellence with the marks of professional distinction – CFP, CERTIFIED FINANCIAL PLANNER and CFP Logo mark – which it owns outside the United States. FPSB has a nonprofit member organization in the following 26 territories: Australia, Austria, Brazil, Canada, Chinese Taipei, Colombia, France, Germany, Hong Kong, India, Indonesia, Ireland, Israel, Japan, Malaysia, New Zealand, the Netherlands, the People’s Republic of China, the Republic of Korea, Singapore, South Africa, Switzerland, Thailand, Turkey, the United Kingdom and the United States. At the end of 2015, there were 161,821 CFP professionals worldwide. For more, visit [fpsb.org](http://fpsb.org).

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