

# The GEMMA Pulse Survey on Household Money Management – November 2020



**GEMMA**  
know, plan, act.



MINISTRY FOR THE FAMILY,  
CHILDREN'S RIGHTS AND SOCIAL SOLIDARITY

# Executive Summary

## Brief

- This report presents the findings of the 4<sup>th</sup> research exercise conducted among the local population to attain an understanding of their attitudes, views and perceptions in relation to their finances.
- The research study was carried out between Wednesday 26<sup>th</sup> October and Wednesday 4<sup>th</sup> November 2020.

The following factors were tackled in this study:

- Individuals' perceptions as to whether or not they plan and are in control of their finances
- The current state of individual's financial situation and future expectations
- Individuals' expenditure habits and attitudes
- Individuals' attitudes towards their pension plan
- Individuals' knowledge on money matters and propensity to read about financial matters
- Individuals' knowledge of GEMMA and usage patterns
- Whether COVID-19 has altered individuals' attitude towards saving.



# Executive Summary

The research has evidenced that:

- With 84% responses (previously 79%), overall the general public feels that it is in control of their financial situation. Such figure indicates a marginal increase over previous studies (83% in May and 82% in April).
- 71% tend to plan out monthly expenditures by making budgets (41% always and 30% sometimes). Such figure represents a marginal decrease when compared with the previous study (76% in September). Furthermore, females are more inclined to plan monthly expenditures than their male counterparts.
- 62% of respondents indicated that in the event of an emergency, they have funds to last them more than 3 months. Such figure represents a considerable increase when compared with the previous surveys (47% in April, 44% in May and 36% in September).
- On the other hand, 12% indicated having funds to last them 'less than a month'. Such figure illustrates that over the 4 surveys this figure has marginally decreased consistently (21% in April, 18% in May and 16% in September). Noteworthy, Southern Harbour residents had the highest percentage indicating to have funds to last them less than a month (19%).
- In line with all studies conducted to date, those aged under 24 had least funds available to last more than 3 months.

# Executive Summary

- 55% of the population indicated that their financial situation has not altered over the past three months.
- On the other hand, 30% indicated that their financial situation had deteriorated, this figure being marginally higher than in September (then 26%). (Results for previous waves: 34% in April and 32% in May).
- When asked about their perception on their financial situation over the coming 3 months, a similar trend was observed albeit a higher percentage among the 'don't know', with 52% of the opinion that it will remain unchanged. That said, overall, people are more optimistic than they were in September that their financial situation will improve (then 10% now 16%).
- When asked about their daily living expenditure, 38% indicated that their daily expenditure decreased. Such figure being the highest percentage attained to date (33% in April, 29% in May and 29% in September). Conversely, 23% indicated that it increased. Such figure being the lowest percentage registered when compared with all previous studies (31% in April, 32% in May and 24% in September).
- When asked whether they think that now is the right moment for people to make major purchases such as furniture, electrical/ electronic devices, etc 56% answered in the negative. Such figure being in line with September results.

# Executive Summary

- 57% of respondents indicated that they have been able to save over the past three months. Such figure being the highest percentage attained to date (45% in April, 50% in May and 49% in September).
- In line with previous studies, the young and 'single living with parents' were most able to save.
- 52% of the population tends to worry about their financial future (with 20% indicating to worry very much). Results indicate no noticeable variance from the previous studies. The variance in responses between genders is marginal.
- In all studies, those aged 65 and over were least to worry.
- 79% (previously 80%) of respondents do not have a retirement pension plan over and above that provided by government.
- Among those that do have a retirement plan, 24% plan increasing their level of investment for their future retirement plan over the next 3 months. Such figure is a marked decrease over the September study – then 45% though in line with previous waves. (Previous study results: 26% in May, 12% in April).
- By and large, those without a plan indicated no likelihood of them starting a pension plan over the next 3 months. (For all studies under 10% said they intended to start a pension plan).

# Executive Summary

- Overall, 50% of respondents consider themselves to be knowledgeable on money matters (10% 'highly knowledgeable' and 40% 'slightly/quite knowledgeable').
- 26% of respondents tend to read up on personal financial matters regularly (daily/ more than once a week). Conversely, 35% never do so, with such figure being an increase when compared to the previous 2 waves of research (27% in May and 19% in September).
- 32% of the target audience has heard of GEMMA; an increase of 9% over the September study. Among those that heard of GEMMA, few had actually engaged with the site (12% of those that had heard about GEMMA, or 4% of the total sample).
- Following their experience of the crisis brought about by the COVID-19 pandemic, 34% of respondents are more inclined to save for a rainy day once things return to normal. Those answering in the positive continued to experience a marginal decline (42% in April, 40% in May and 36% in September).

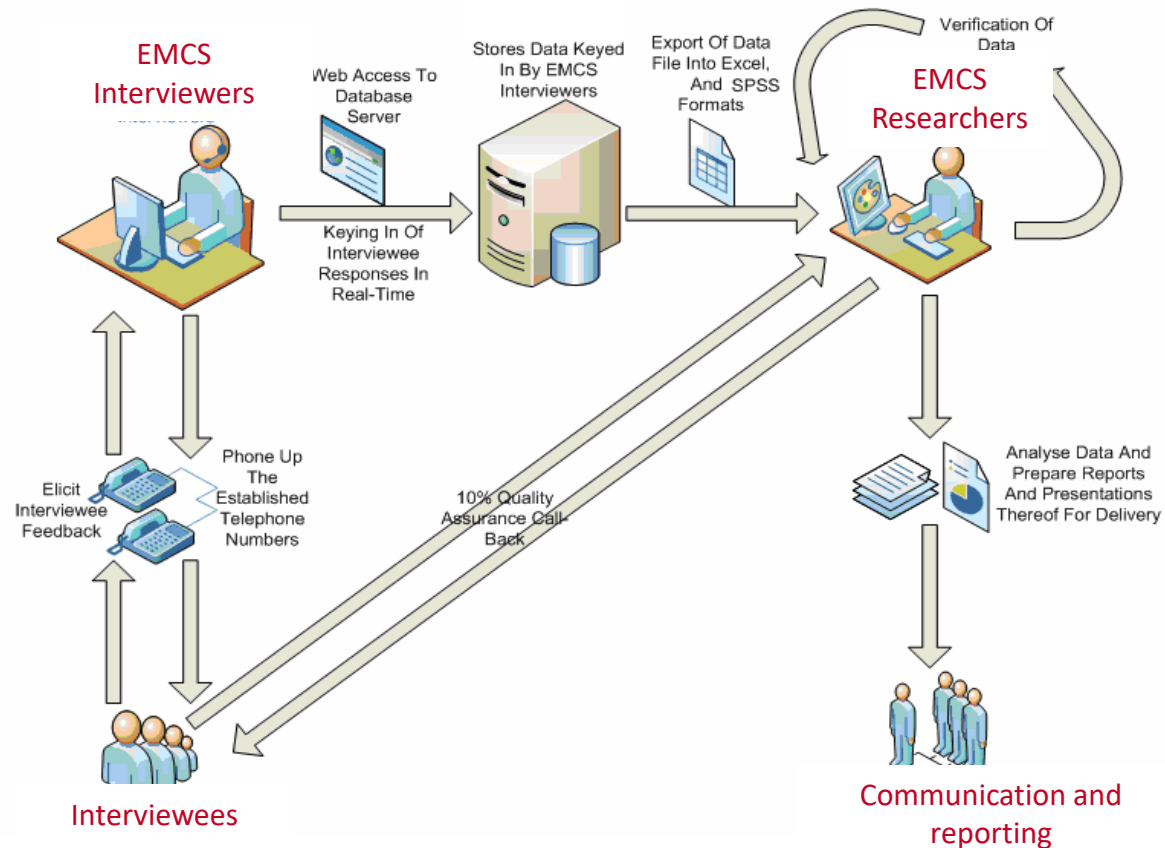


# Methodology



# Methodology

- The Computer Aided Telephone Interviews total of 440 surveys were collated and analysed.
- The sample is representative of Maltese population in terms of gender, age (18 and over) and location of residence in line with the latest National Statistics Office (NSO) data on the demographics of the local population (*Regional Statistics Malta, 2017 – page 27*).
- Interviews (CATI) method was utilised.
- Only one person per household was interviewed.
- Margin of error +/- 5% at 95% confidence interval

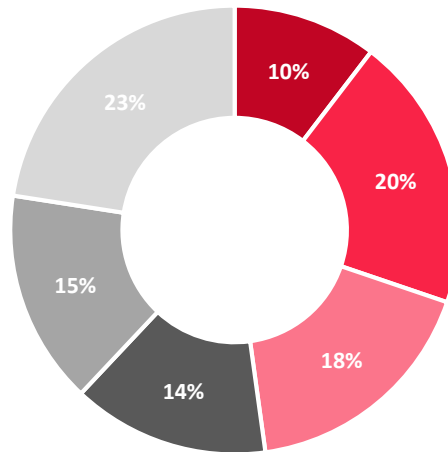




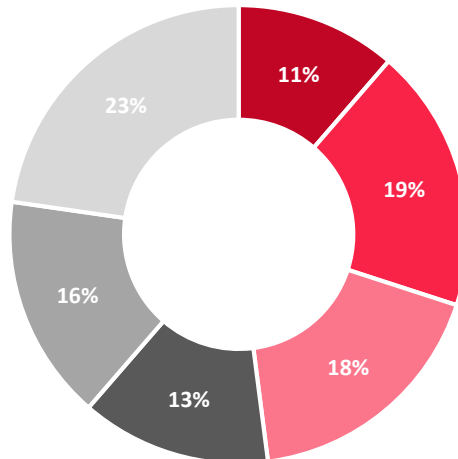
# Sample size

# Sample

**Local Demographics**  
Data extracted from  
NSO Publication:  
Trends in Malta 2016



**Sample Demographics**



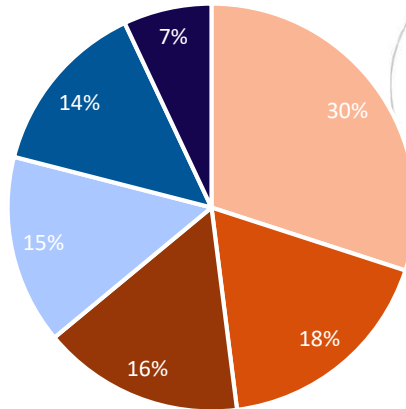
■ 18-24 ■ 25-34 ■ 35-44 ■ 45-54 ■ 55-64 ■ 65+

## Gender/ Age

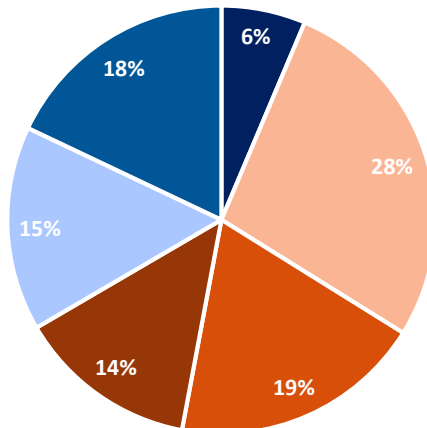
- A total of 440 surveys were collected between Wednesday 28<sup>th</sup> October and Wednesday 4<sup>th</sup> November 2020 through computer-aided-telephone-interviews (CATI).
- The sample represents a 95% confidence level and a confidence interval of 5%.
- In terms of gender, the sample is split as follows: 49% males and 51% females.
- As illustrated here, the sample size is also representative of the local population in terms of age.

# Sample

**Local Demographics**  
Data extracted from  
NSO Publication:  
Trends in Malta 2016

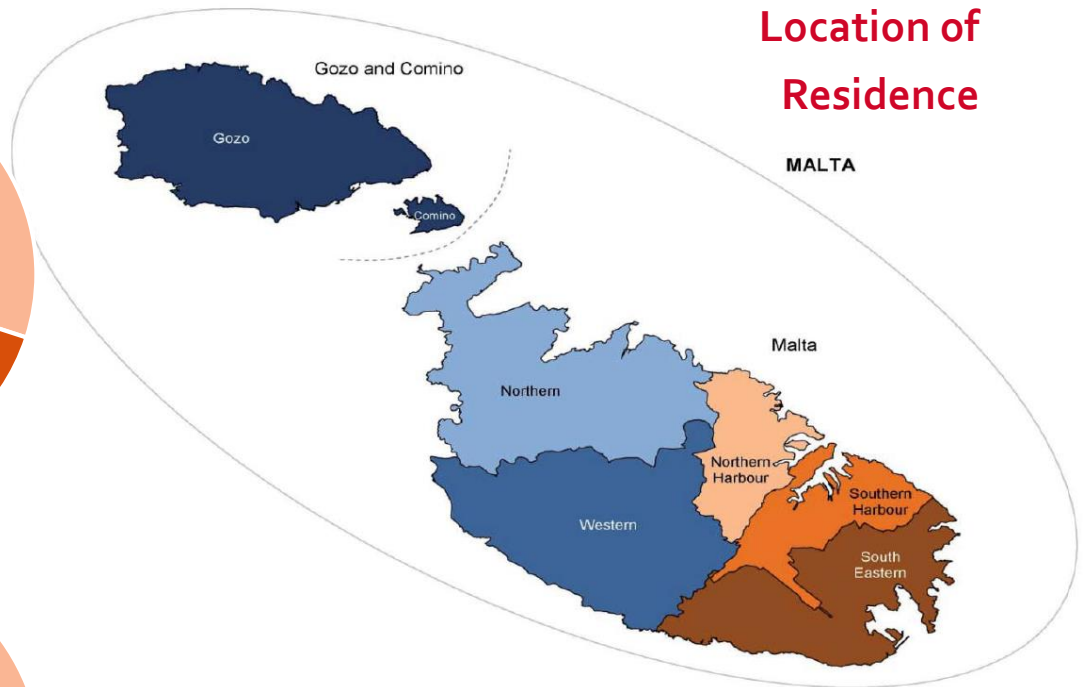


**Sample Demographics**



■ Gozo     
 ■ Northern Harbour     
 ■ Southern Harbour  
■ South Eastern     
 ■ Northern Region     
 ■ Western Region

## Location of Residence



- The research sample collated is also representative of the local population in terms of the location of residence of the respondents.

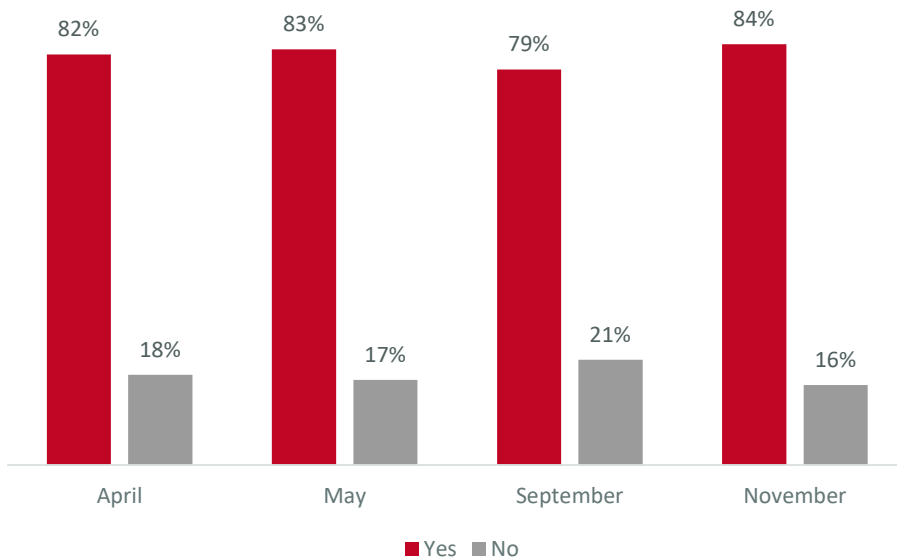


# Survey results

# Perceptions and attitudes towards finances

Do you feel that you are in control of your current financial situation?

Sample Size: 440



Overall

## Analysis of responses by Districts

Districts that fall below the average for the different waves of surveys:

**April:** None

**May:** Southern Harbour District (74%)

**September:** Northern Harbour District (72%)

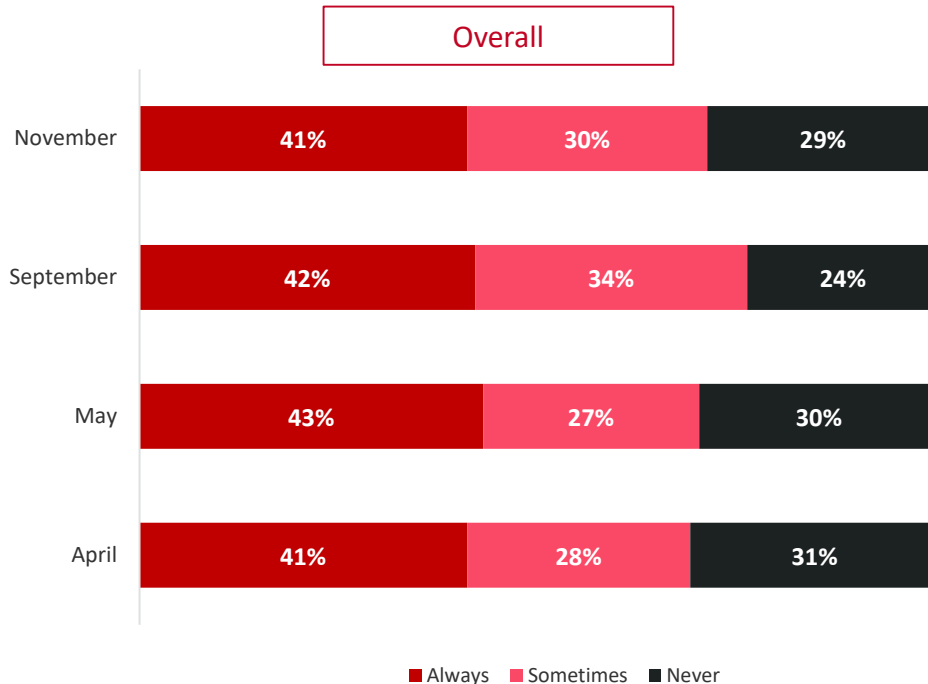
**November:** None

- No distinct variances were observed when analysing data by gender and age.

# Planning monthly expenditures

Do you plan out monthly expenditures by making a budget?

Sample Size: 440



With those indicating 'never' currently standing at 29%, overall, on average, close to one third of respondents do not plan monthly expenditures. Conversely, on average 42% of the population always plan their monthly expenditures

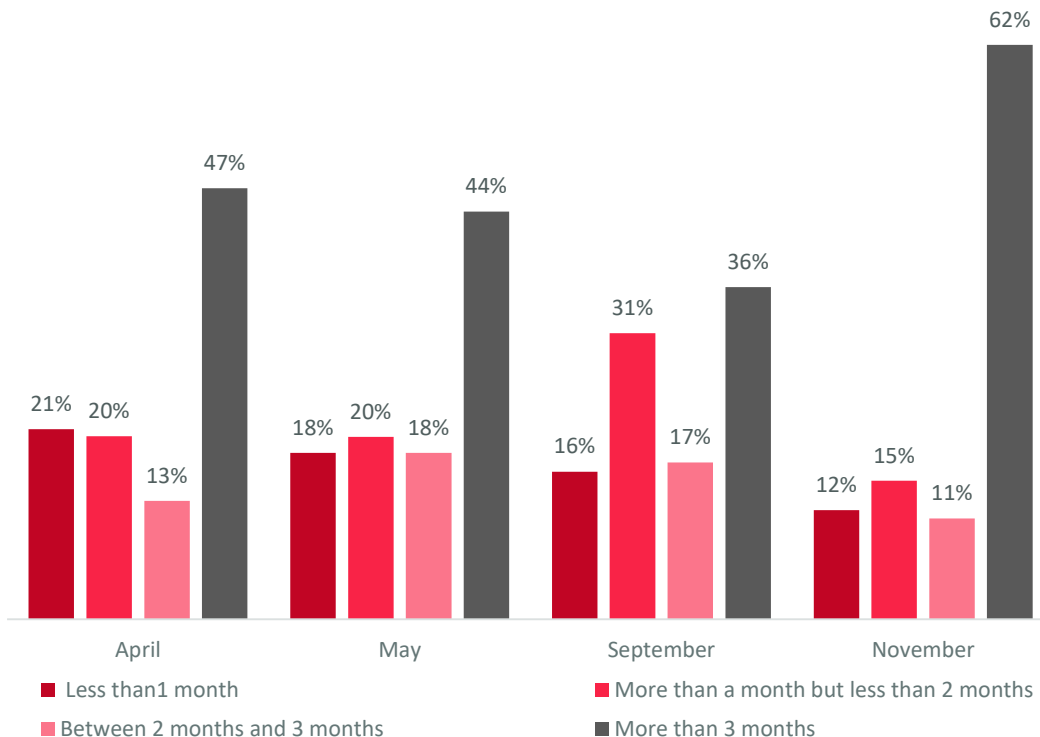
Overall, females are more inclined to plan than their monthly expenditures than male counterparts.

40% of those that have only completed primary level education indicated to never plan monthly expenditures

# Emergency funds

In the event of an emergency, do you have funds to last you for:

Sample Size: 440



- Following a declining trend in the number of people that had funds to last them more than 3 months (in the case of an emergency), in November this figure rose significantly.
- Furthermore, those that indicated having funds to last them less than a month continued in its downward trend – now standing at 12%.

19%

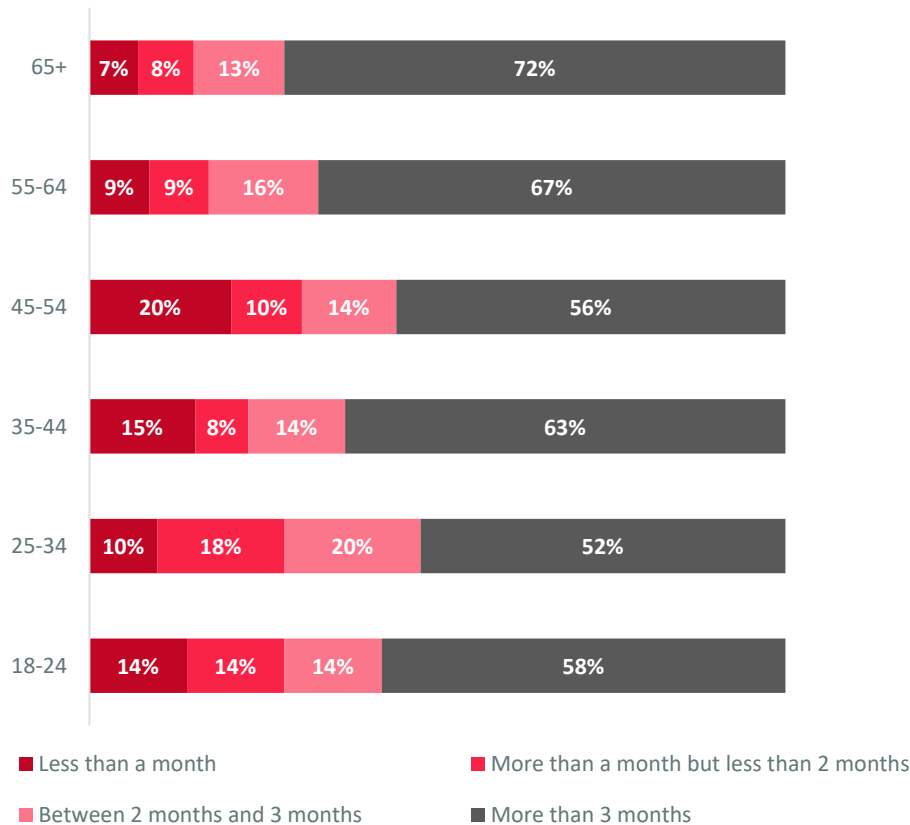
- Of those residing in the Southern Harbour district indicated having funds to last them less than a month.



# Emergency funds

In the event of an emergency, do you have funds to last you for:

Sample Size: 440



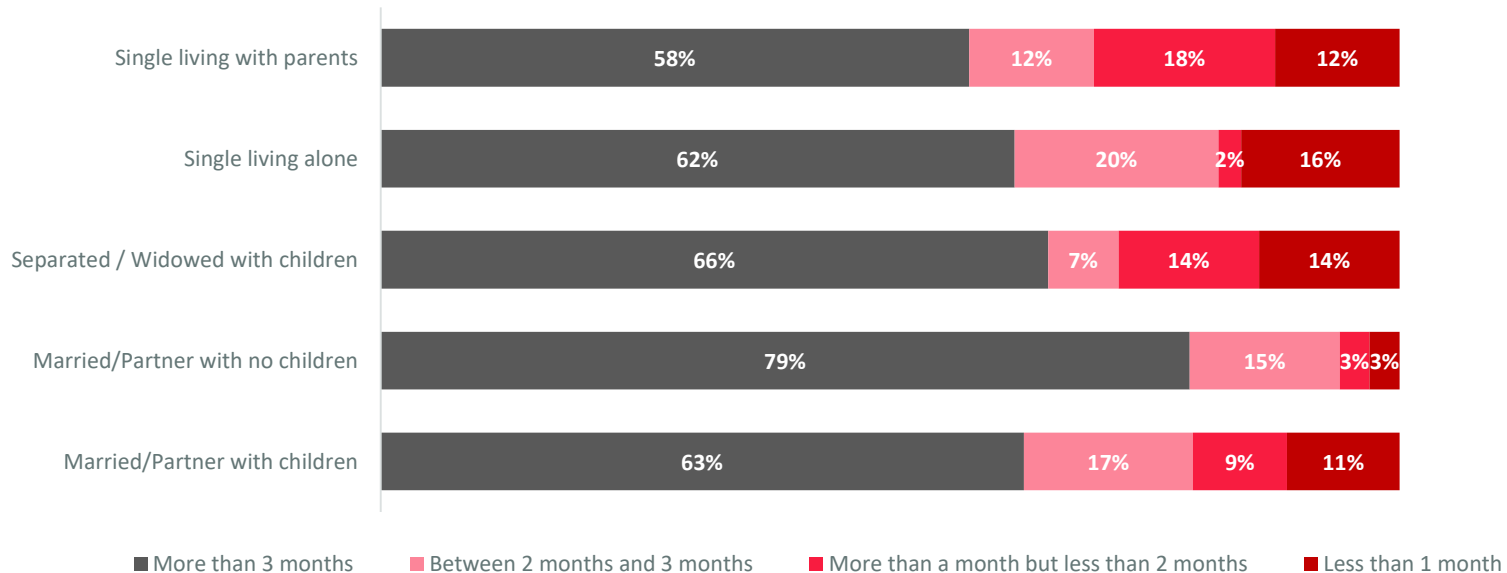
- In line with all studies conducted to date, those aged **65+** had most funds available to last more than 3 months.

- **20%** of those aged 45 to 54 Had funds to last them less than a month.

# Emergency funds

In the event of an emergency, do you have funds to last you for:

Sample Size: 440

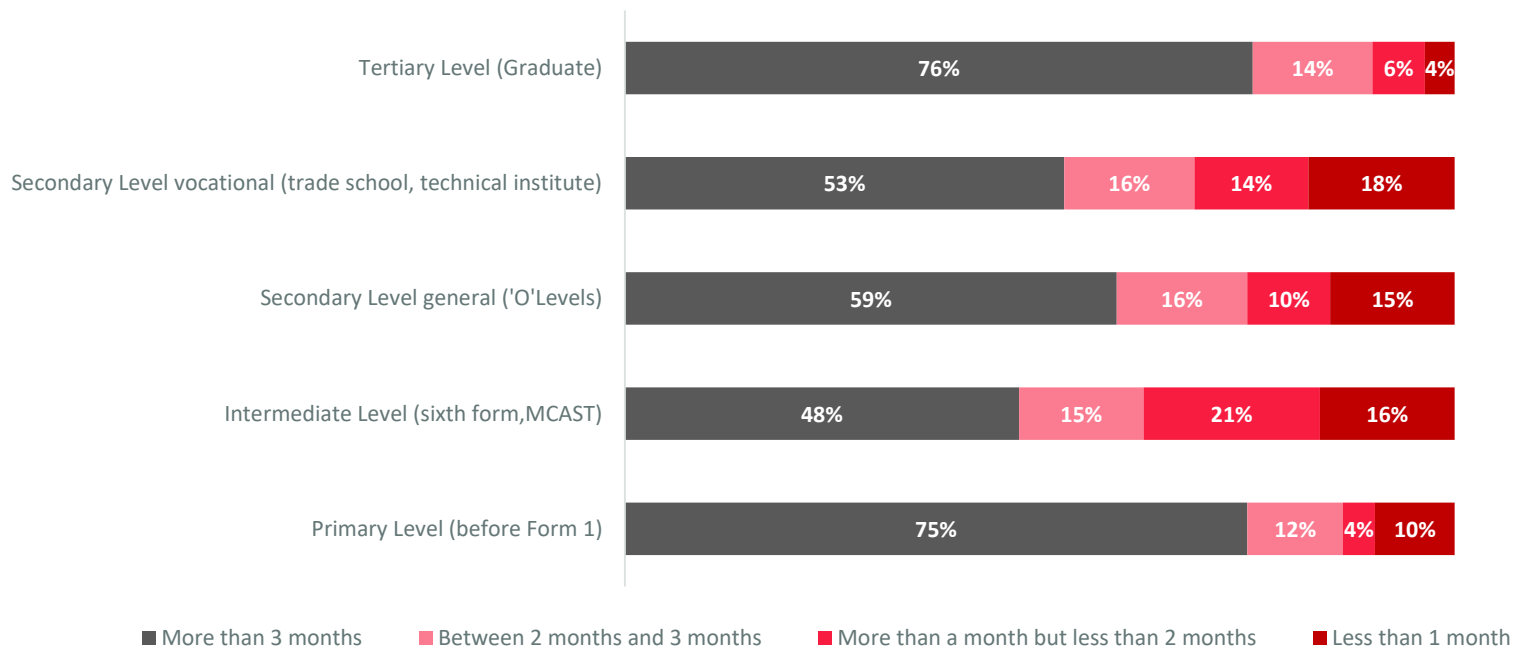


- A review of responses by 'marital status' indicates that by and large those 'married/with partner and without kids' have funds to last them for more than 2 months.
- No noticeable variances were observed when analysing data by those employed in the public and private sector.

# Emergency funds

In the event of an emergency, do you have funds to last you for:

Sample Size: 440

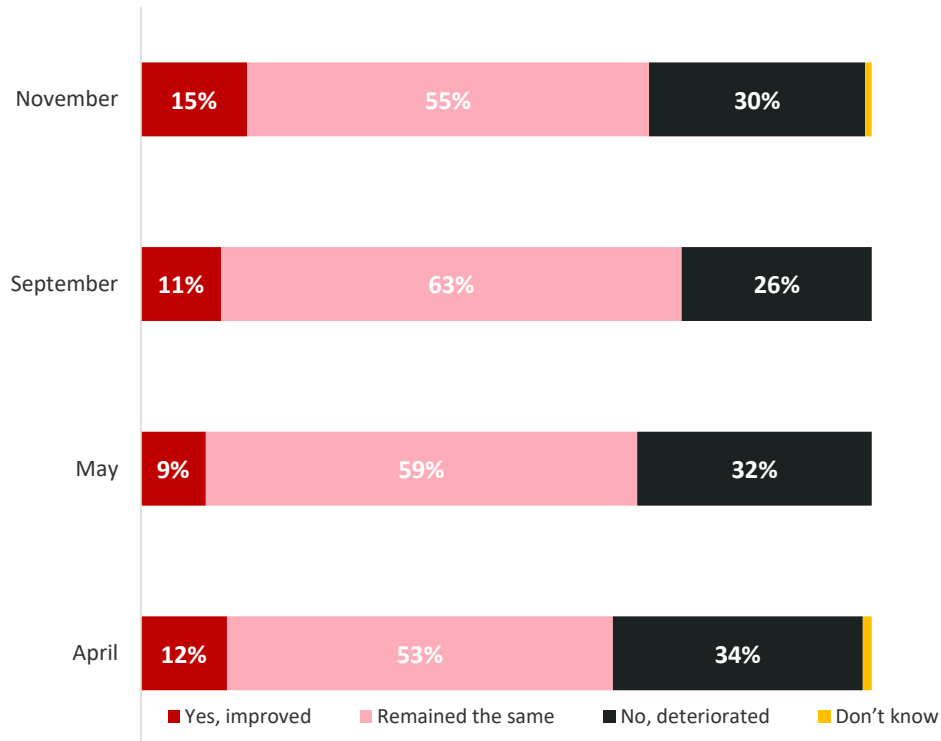


- Tertiary Level and Primary level individuals were more inclined to have funds to last them for more than 3 months than individuals having other levels of education.
- Furthermore, 90% of individuals with a tertiary level of education had funds to last them more than 2 months. Conversely, 37% of those with an intermediary education had funds to last them less than 2 months.

# Financial situation

Has your financial situation improved over the past 3 months?

Sample Size: 440



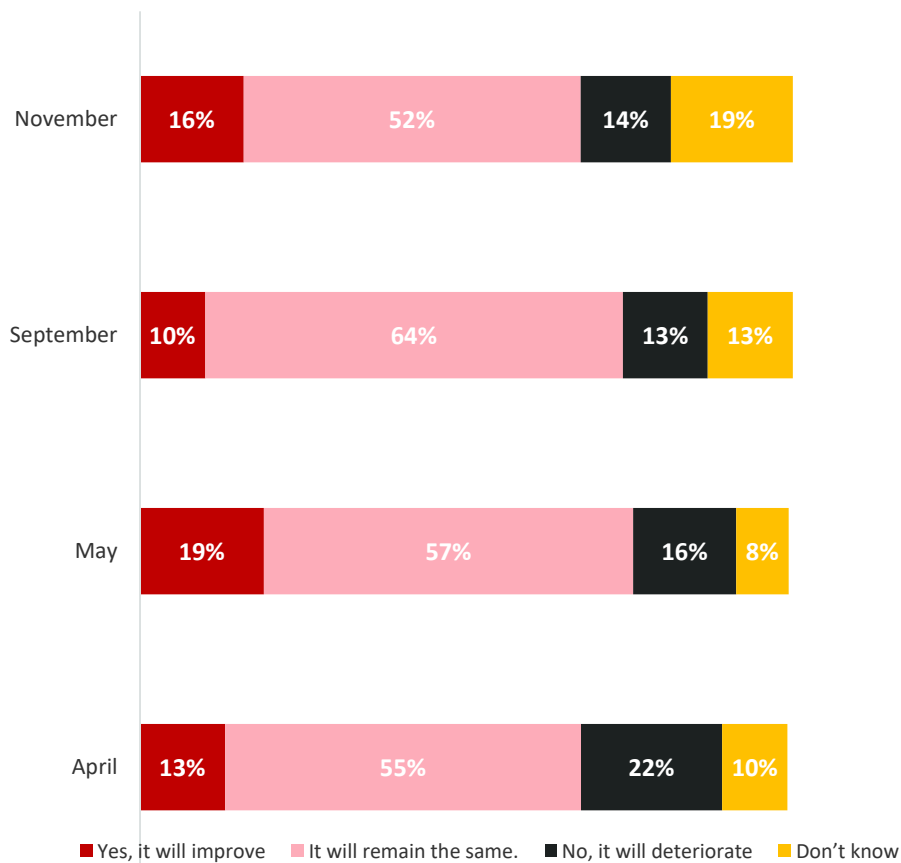
- Minimal variances were observed when comparing data with that of the previous studies. Those indicating that it deteriorated increased marginally, as did those that indicated that it improved.

- 20% of singles living alone indicated that their financial situation deteriorated.
- 29% of those having completed primary education followed by 24% of those having completed Secondary Level vocational (trade school, technical institute) indicated that their financial situation had improved.

# Financial situation

Do you think your financial situation will improve over the coming 3 months?

Sample Size: 440



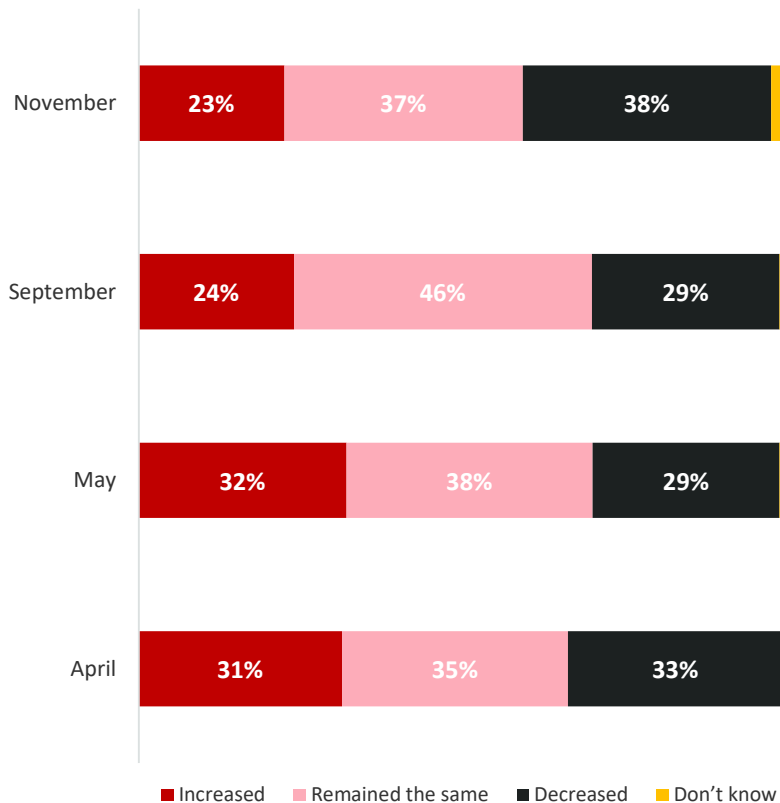
- Overall, people are marginally more optimistic than they were in September that their financial situation will improve (then 10% now 16%). That said, uncertainty has increased over time, now standing at 19%.

- 80% of those that have completed a tertiary level of education are of the opinion that their financial situation will improve.
- 25% of those having completed primary education are of the opinion that their financial situation will improve.

# Attitudes towards daily living expenditure

Overall, (taking everything into consideration) has your daily living expenditure (on food, entertainment, transport, personal care, clothing) over the past 3 months:

Sample Size: 440



November

- Overall **38%** of the respondents indicated a decrease in expenditure. Such figure being the highest to date.

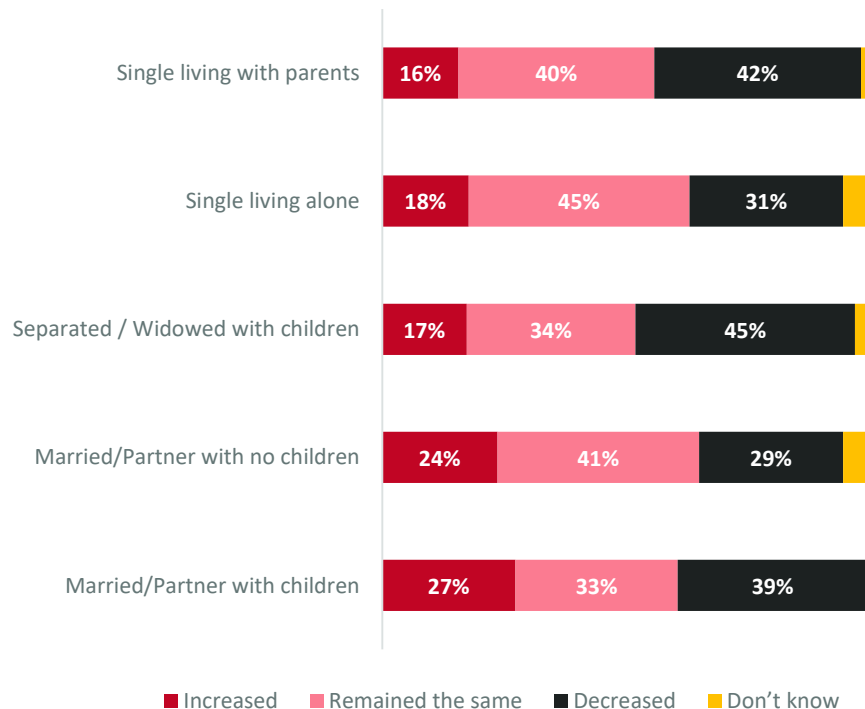
- 63%** of those residing in the Northern Region indicated a decrease in expenditure in November.
- Conversely, **42%** of South Eastern residents indicated an increase in expenditure.

# Attitudes towards daily living expenditure

Overall, (taking everything into consideration) has your daily living expenditure (on food, entertainment, transport, personal care, clothing) over the past 3 months:

Sample Size: 440

## November results

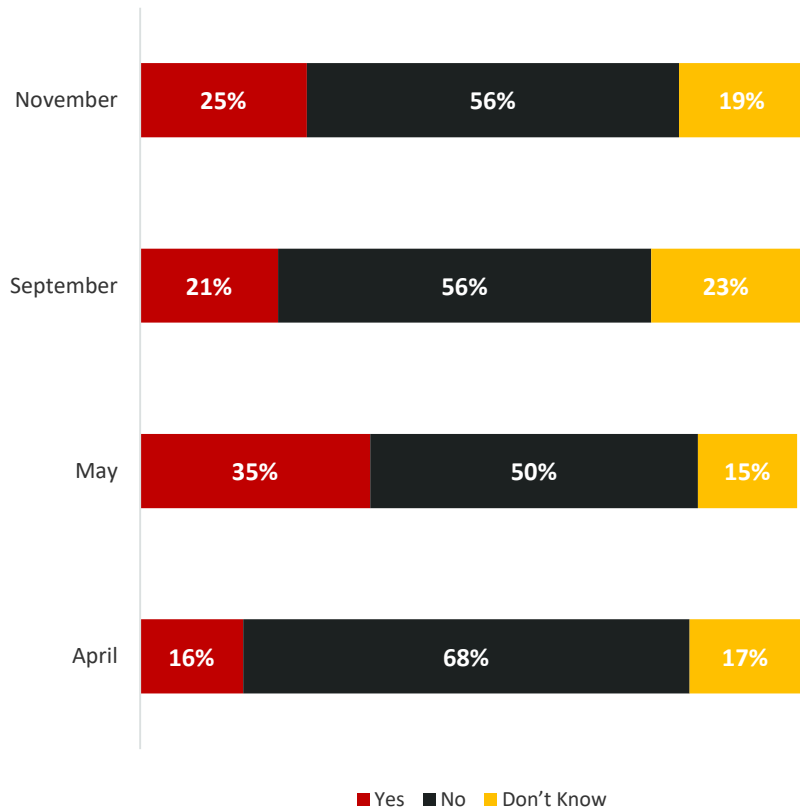


- **16%** of singles living with their parents indicated an increase in daily expenditure as opposed to 27% of couples with kid/s.
- Conversely, **29%** of couples with no kid/s indicated a decrease in expenditure, as opposed to 45% of separated/ widowed individuals with kid/s.

# Perceptions towards major purchases

In view of the general economic situation, do you think now is the right moment for people to make major purchases such as furniture, electrical/electronic devices, etc.?

Sample Size: 440



- November results illustrate minimal variances over September figures.

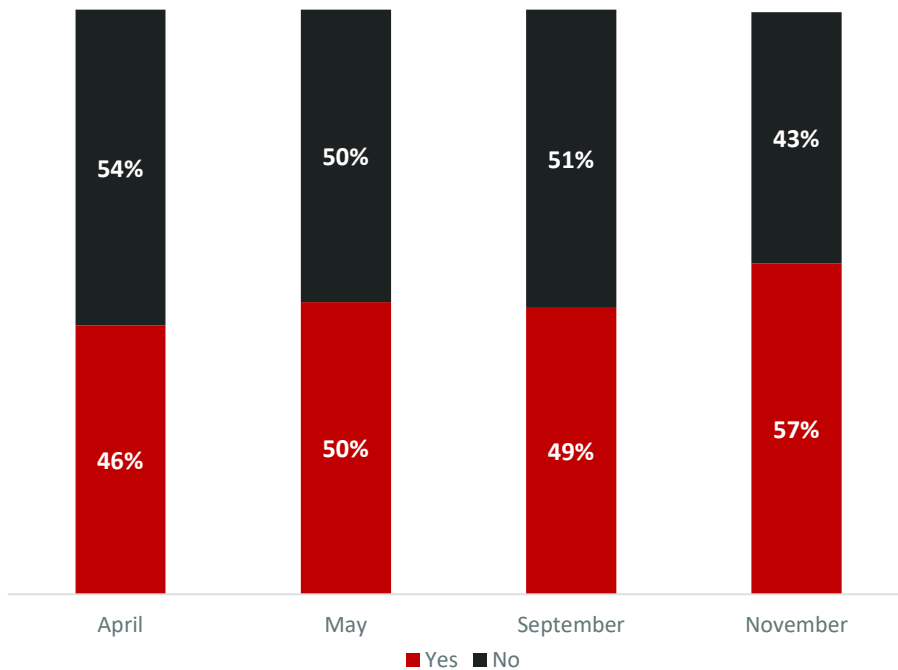
- ~~36%~~ of those aged 55 to 64 felt that now is the right moment for people to make major purchases.
- Conversely, ~~71%~~ of those aged 35 to 44 were of the opinion that now is not a right time to make such a purchase.



# Perceptions and attitudes towards finances

Have you been able to save over the past 3 months?

Sample Size: 440



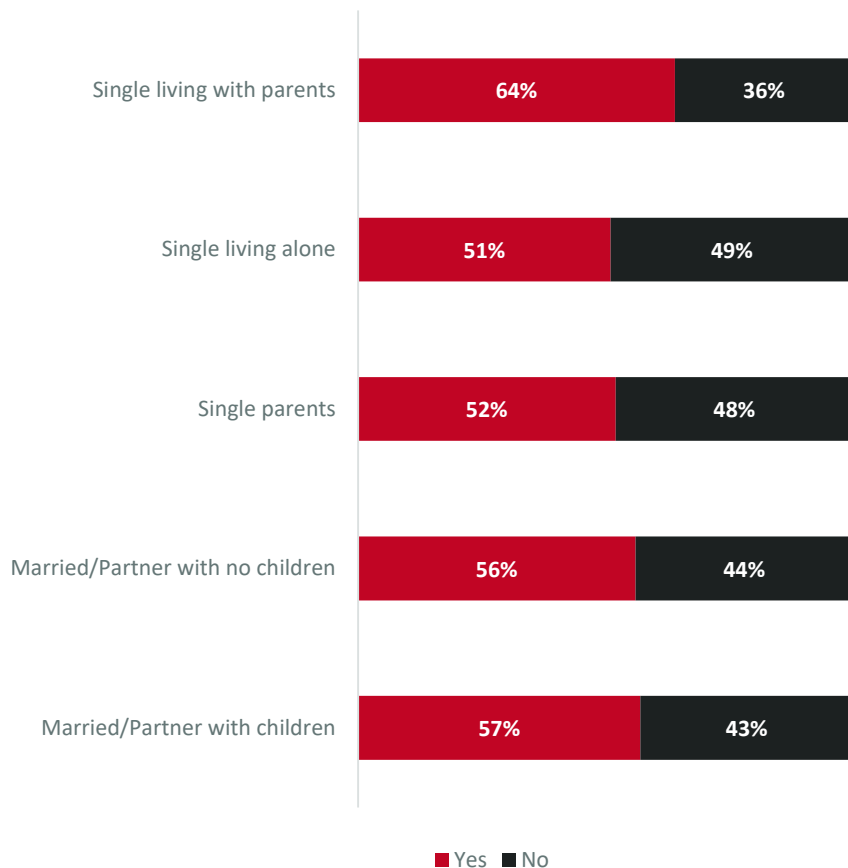
The number of individuals indicating that they were able to save over the past 3 months increased by 8%

- 50% of Gozitans indicated managing to save (as opposed to 65% in September) as did
- 72% of those aged 18 to 24; and
- 64% of single living with parents

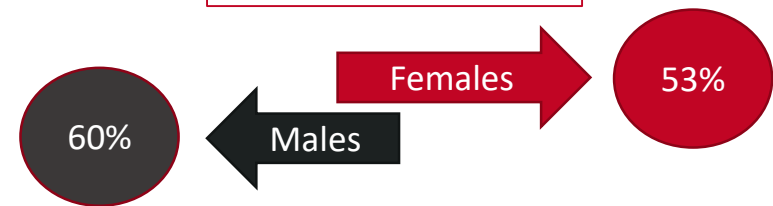
# Perceptions and attitudes towards finances

Have you been able to save over the past 3 months?

Sample Size: 440



Yes replies

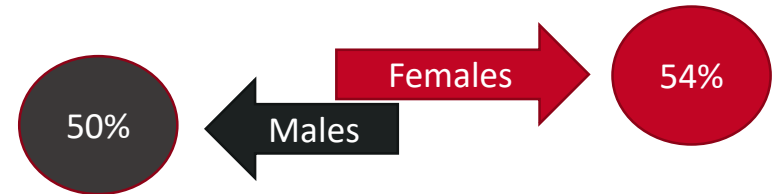
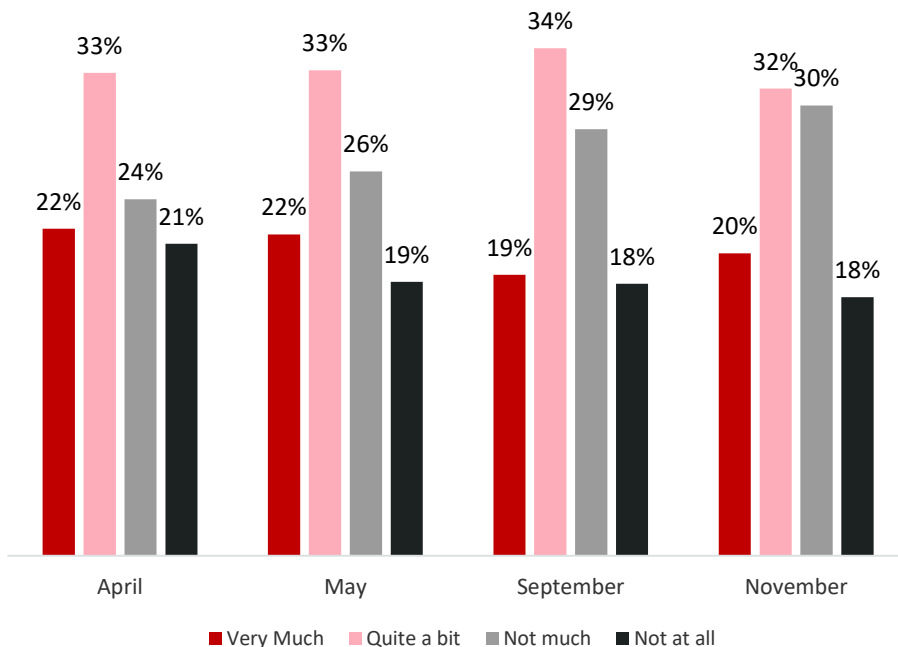


- 64% of singles living with parents have been able to save over the past 3 months
- The segments that least managed to save being: 'singles living alone and single parents – 51% and 52% respectively.

# Perceptions on the financial future

How much do you worry about your financial future?

Sample Size: 440



- In line with the September results, the variance in responses between genders is marginal.
- In the previous studies it was more pronounced (63% of females indicated to worry as opposed to 47% males in the May survey while in April 63% of females and 45% of males worried).

• **63%** of those aged 25 – 54 worry

• In all studies, those aged 65 and over were the least to worry (33% in November).

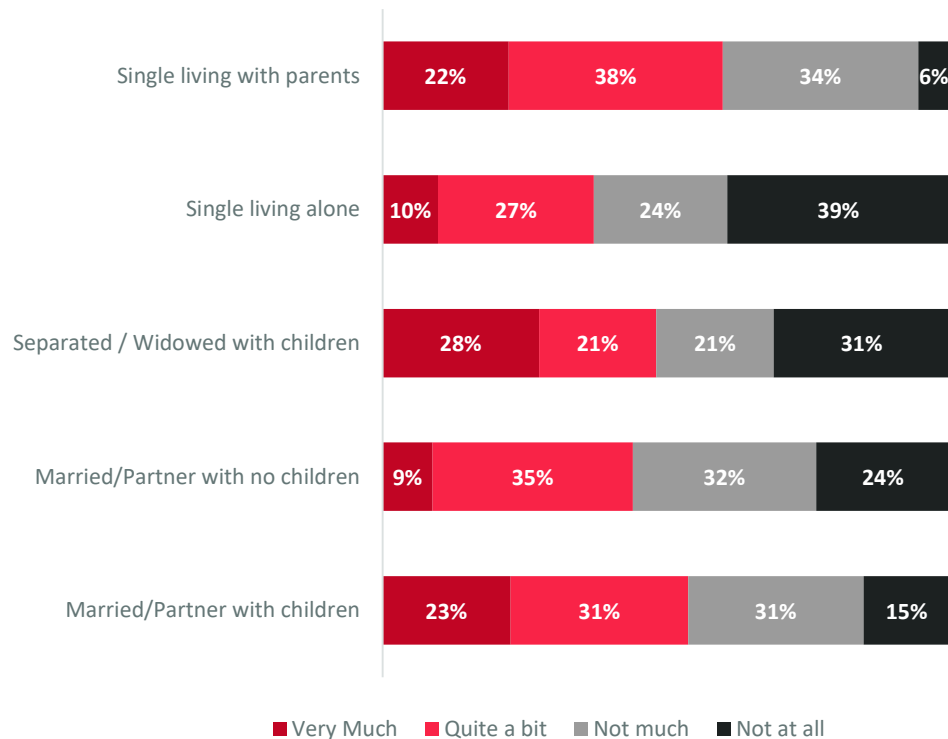
- Overall, no noticeable variances were observed when analysing replies with the previous studies.

# Perceptions on the financial future

How much do you worry about your financial future?

Sample Size: 440

## November results



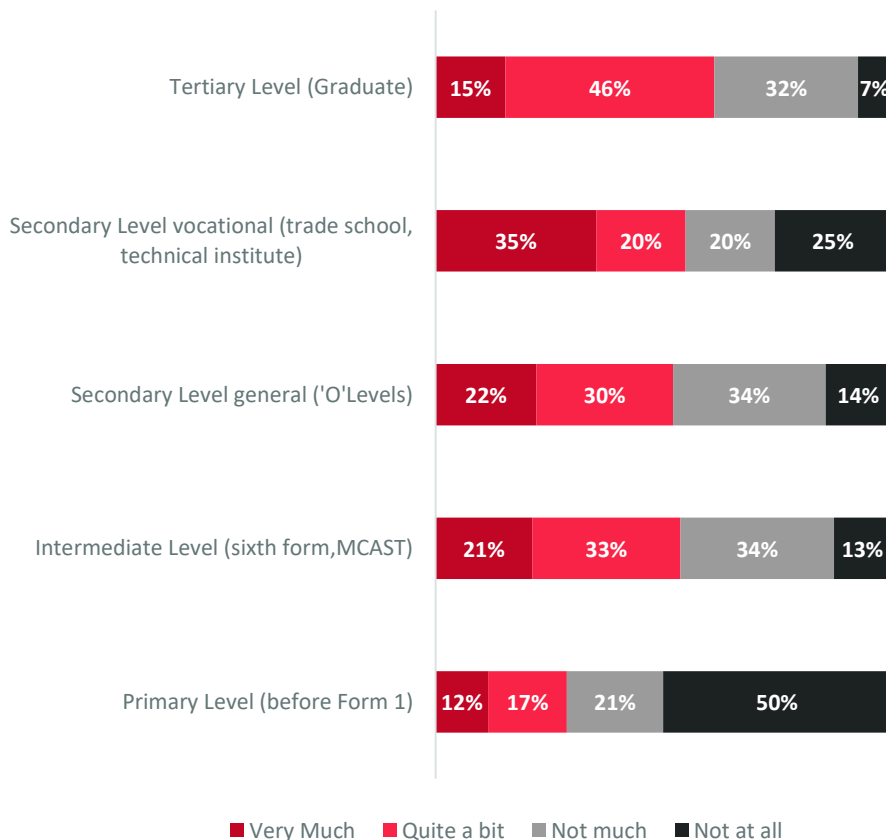
- **60%** of singles living with parents worry about their financial future.
- **63%** of singles living alone do not worry.

# Perceptions on the financial future

How much do you worry about your financial future?

Sample Size: 440

## November results



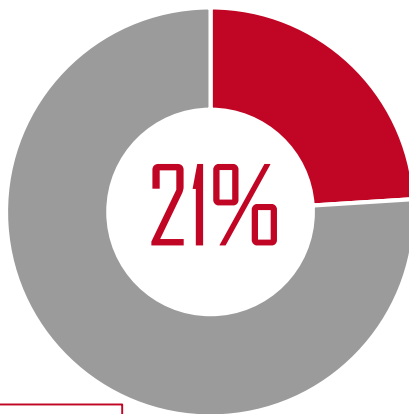
- **71%** of individuals that have completed primary education do not worry about their financial future.
- **61%** of individuals that have completed tertiary education worry about their financial future.

- **35%** of individuals that have secondary level vocational education worry very much about their financial future.

# Retirement pension plan

Do you have a retirement pension plan over and above that provided by government?

Sample Size: 440



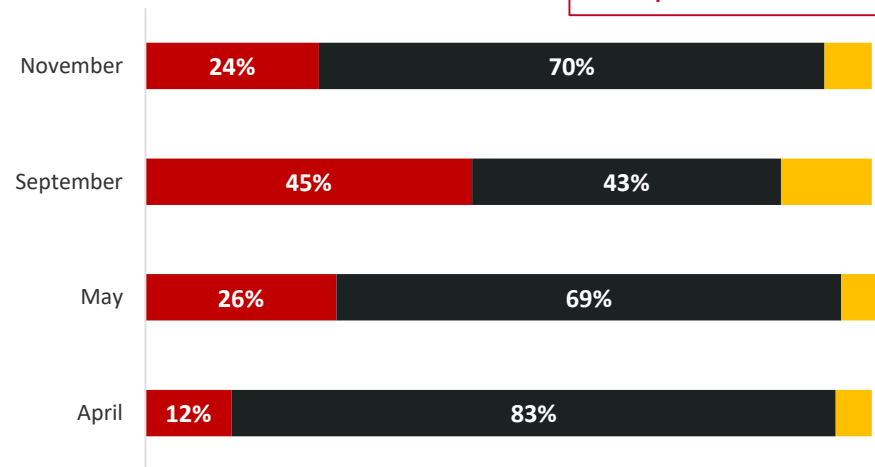
20% in  
September

■ Yes ■ No

In line with previous studies, those aged 24 and under were less likely to have a retirement pension plan than other age groups

If 'yes' - Do you plan on increasing your level of investment for your future retirement plans over the next 3 months?

Sample Size: 92



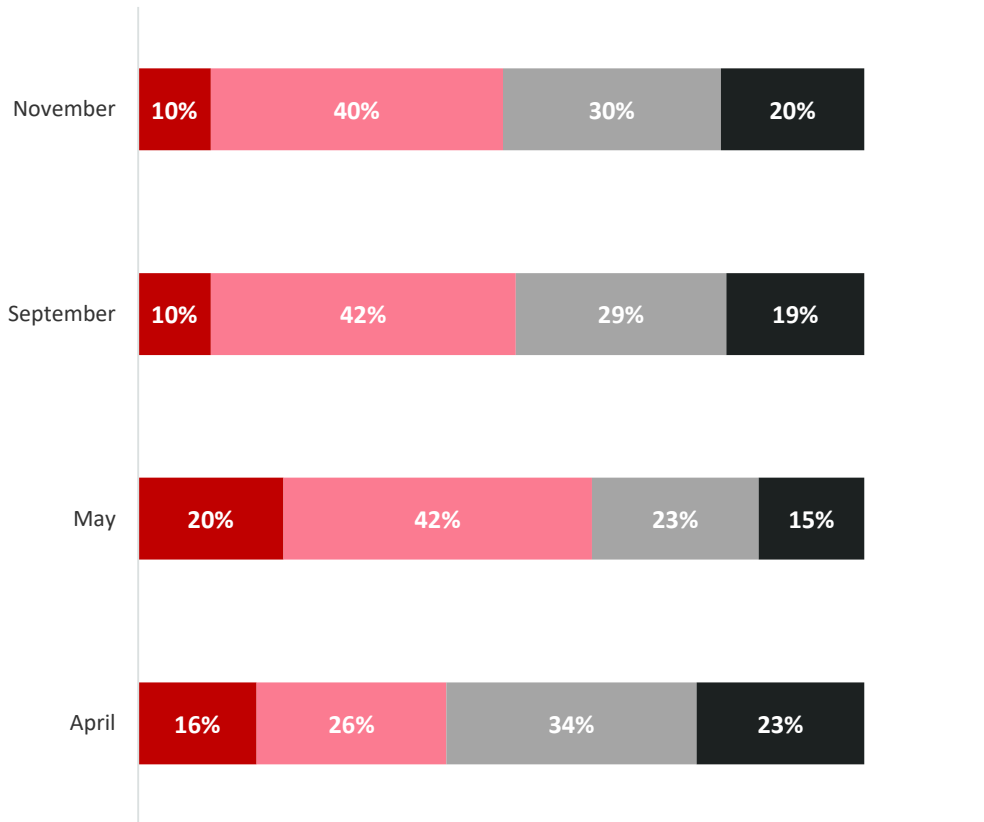
■ Yes ■ No ■ Don't know

- Those with a pension plan and considering increasing their level of investment has decreased (in line with May figures).
- Furthermore, those without a plan are not likely to start a pension plan over the next 3 months. (For all studies, under 10% said they intended to start a pension plan).

# Knowledge on money matters

How knowledgeable do you consider yourself to be with respect to money?

Sample Size: 440



■ Highly knowledgeable ■ Quite knowledgeable ■ Not really knowledgeable ■ Not knowledgeable at all

- Those indicating to be highly knowledgeable was in line with September results and lower than for previous studies.
- **50%** indicated not to be knowledgeable.

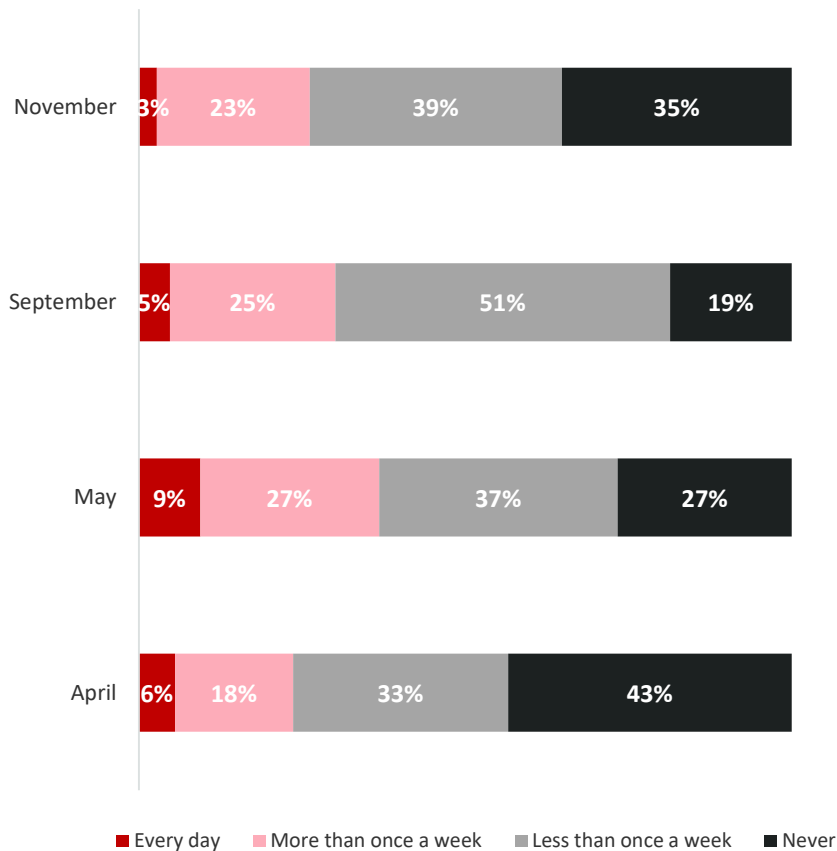
Those aged 55 and over are least knowledgeable this time round.

For previous studies it was the **65+** age group that were least knowledgeable..

# Read up on personal finance matters

How often do you read up on personal finance matters?

Sample Size: 440



Results illustrate that those that never read upon their personal financial matters has increased substantially this time round.

- Overall, males tend to read more often than their female counterparts on personal financial matters.
- In line with previous studies, those aged 55+ are least likely to read on personal financial matters.

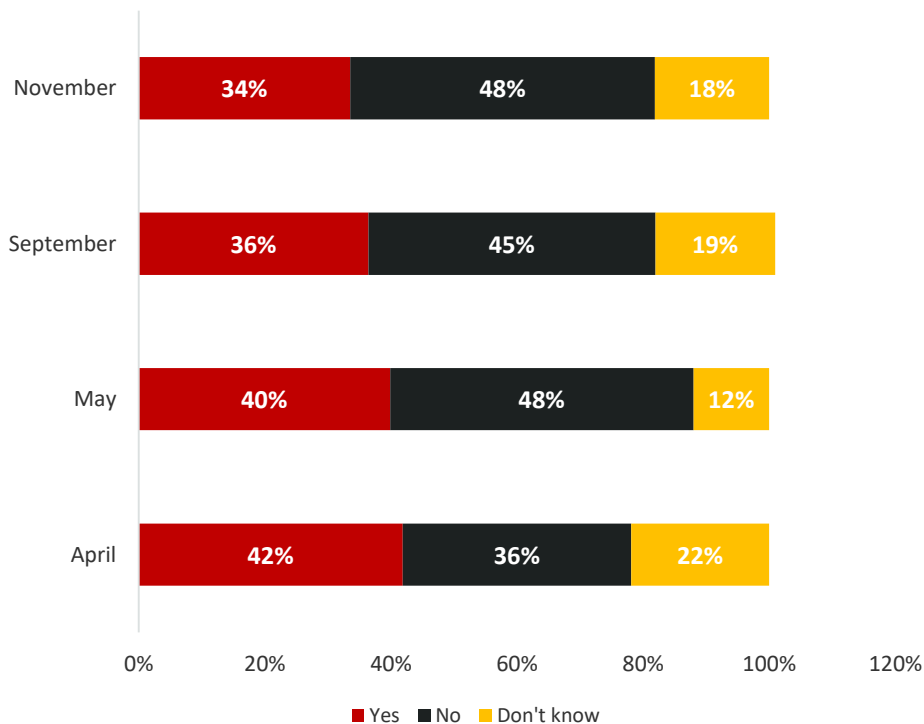


# Future attitudes towards saving

Some respondents did not reply

Sample Size: 298

Given your experience of the crisis brought about by the COVID-19 pandemic, do you intend to save more for a rainy day once things return to normal?



- Those answering in the positive continued to experience a marginal decline.

- 20%** of those aged 65+ intend to save more (23% in September).
- This is in line with previous studies with the elders being the least likely to save.

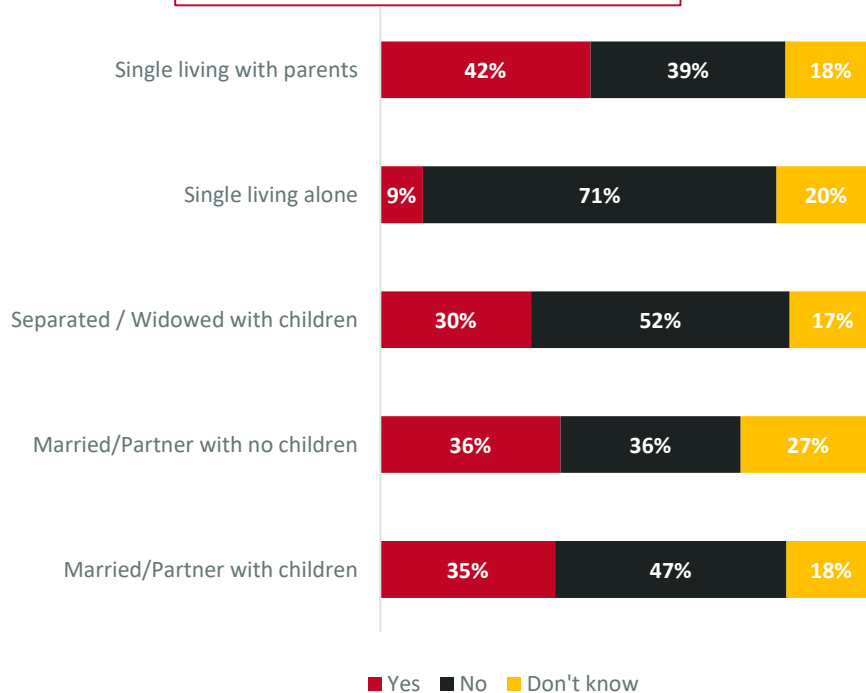
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Some respondents did not reply

Sample Size: 298

Given your experience of the crisis brought about by the COVID-19 pandemic, do you intend to save more for a rainy day once things return to normal?

## November results



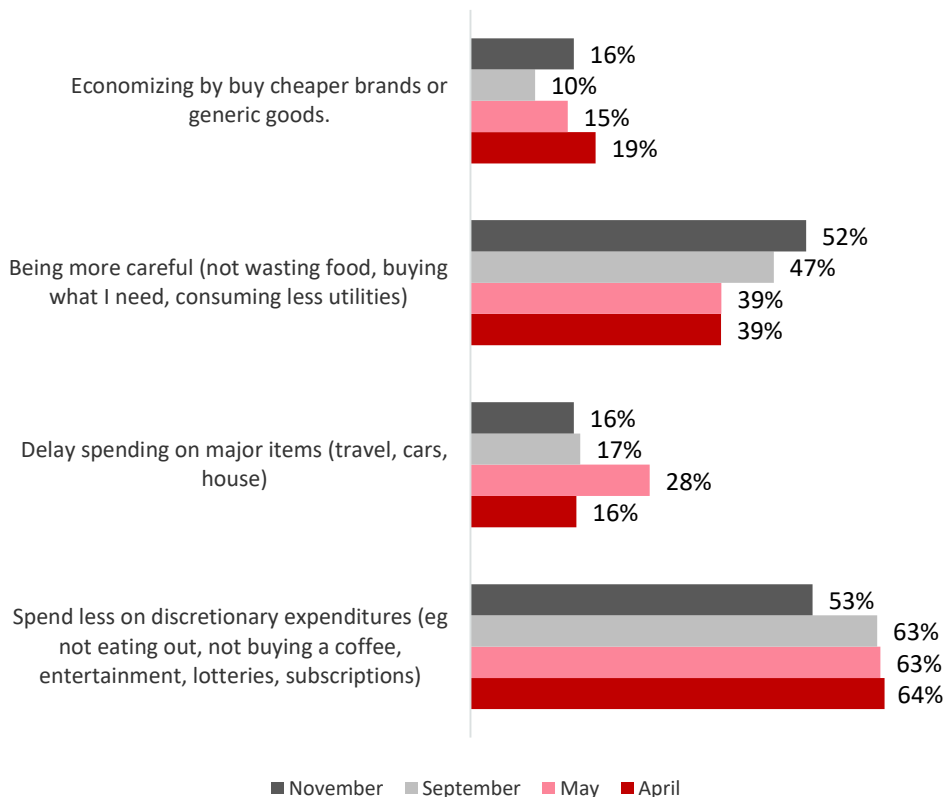
- **9%** of 'singles living alone' intend to save more for a rainy day once things return to normal.
- **42%** of singles living with parents intend to save more for a rainy day once things return to normal.

# Perceptions and attitudes towards finances

IF YES, how will you do this (multiple responses possible)?

Respondents could give multiple replies

Sample Size: 110



- ‘Spend less on discretionary expenditures’ is the main way how respondents intend to save more for a rainy day once things return to normal. Such response being consistent over the three surveys.
- ‘Being more careful’ has been gradually increasing.
- Conversely, people are less likely to renounce their preferred brand/s.

# Conclusions

# Conclusions

## Perceptions and attitudes towards finances

- Overall, locals feel that they are in control of their current financial situation, with 84% answering in the affirmative. No distinct variances were observed when analysing data by gender and age. Such figures are in line with previous studies.

## Planning & emergency funds

- Respondents tend to plan out monthly expenditures by making budgets (41% always and 30% sometimes). Conversely, 29% of the population do not plan monthly expenditures. Such figure representing a marginal increase from previous study (24% in September) though in line with previous waves (31% in April and 30% in May).
- Females were more inclined to plan than their male counterparts.
- In the case of an emergency, 12% of respondents have funds to last them for less than a month. Such figure is the lowest to date (21% in April, 18% in May and 16% in September). Furthermore, variances were observed when analysing data by age, with 20% of those aged 45 to 54 indicating that they had funds to last them less than a month (in the case of an emergency).
- 62% of respondents indicated having funds to last them more than 3 months. This figure represents a considerable increase over previous studies – and could imply that the pandemic has instigated individuals to spend less and save more (47% in April, 44% in May and 36% in September).

# Conclusions

## Planning & emergency funds (continued)

- In line with all studies conducted to date, those aged under 24 had least funds available to last more than 3 months.

## Financial situation

- For 55% the population, their financial situation has not altered over the past three months.
- On the other hand, 30% indicated that it had deteriorated, while 15% indicating it had improved. Marginal variances were observed when comparing data with that of the previous studies.
- When asked about their perception on their financial situation over the coming 3 months, people were marginally more optimistic than they were in September that their financial situation will improve (then 10% were positive, now 16%).

## Attitudes towards daily living expenditure

- When asked about their daily living expenditure, responses varied, though overall 38% indicated that it had decreased. Such figure representing a 9% increase over September results.
- Variances were observed when analysing data by region, with 63% of those residing in the Northern Region indicating a decrease in expenditure in September.
- Conversely, 42% of South Eastern residents indicated an increase in expenditure.

# Conclusions

## Perceptions towards major purchases

- 56% of the population does not think that now is the right moment for people to make major purchases such as furniture, electrical/ electronic devices, etc. This figure is in line with September figures, and illustrates that people are still marginally more cautious than they were back in May (then 50%), though still lower than April results (68%).
- Furthermore, those indicating that now is a right time to purchase stands at 25% a marginal increase of 4% over September results.
- No variance was observed when analysing data by gender.
- Those aged 35 to 44 were least inclined to think that now is a right time to make a major purchase (with 71% answering in the negative). Those aged 65+ were the most uncertain.

## Ability to save

- 57% of respondents indicated that they have been able to save over the past three months; an increase of 8% over September results.
- In line with previous studies, the young and 'single living with parents' were most able to save.
- 72% of those aged 18 to 24 managed to save as did 64% of those who were single and living with their parents.

# Conclusions

## Perceptions on the financial future

- 52% of the population tends to worry about their financial future (with 20% indicating to worry very much). No noticeable variances were observed when analysing replies with the previous studies.
- The variance in responses between genders is marginal (54% females as opposed to 50% of males). In the previous studies such variance was more pronounced.
- 63% of those aged 25 – 54 worry. Furthermore, in all studies, those aged 65 and over were the least to worry.

## Retirement pension plan

- 21% of respondents have a retirement pension plan over and above that provided by government. This figure representing no significant variance from previous studies.
- A review of responses by gender does not evidence any significant variance.
- In line with the previous study, the vast majority of those without a plan indicated no likelihood of them starting a pension plan over the next 3 months.
- Furthermore, and also in line with previous studies, those aged 24 and under were less likely to have a retirement pension plan than other age groups



# Conclusions

## Knowledge on money matters

- Overall, 50% of respondents consider themselves to be knowledgeable on money matters (10% 'highly knowledgeable' and 40% 'slightly/quite knowledgeable'. Such figure being in line with September results.
- Those indicating to be highly knowledgeable was in line with September figures (10%) though lower than for previous studies (16% in April and 20% in May).

## Read up on personal finance matters

- 26% of respondents tend to read up on personal financial matters regularly (daily/ more than once a week). Conversely, 35% never do so.

## Awareness on GEMMA

- 32% of the target audience had heard of GEMMA. Such figure representing a 9% increase over September results and the highest to date (previous studies average at around 22%).
- That said, among those that heard of GEMMA, few had actually engaged with the site (12% of those that had heard about GEMMA engaged with the website).

# Conclusions

## Awareness on GEMMA

- Among the those that heard of GEMMA, ‘retirement planning’ followed by ‘investing in bonds and shares’ were consistently the most sought after topics.

## Future attitudes towards savings

- Following their experience of the crisis brought about by the COVID-19 pandemic, 34% of respondents are more inclined to save for a rainy day once things return to normal. Such figure is consistent with September results (then 36%).
- A review of responses by age indicates that 20% of those aged 65+ intend to save more. This is in line with previous studies with the elders being the least likely to save.
- Among those that intend to save, the majority (64%) intend to do so by spending less on discretionary items. This response attaining the highest score among the four studies conducted to date.

# The GEMMA Pulse Survey on Household Money Management – May 2020

For more information or to download the survey results  
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