Turning a corner?

THE FINANCIAL WELLBEING OF UK HOUSEHOLDS IN OCTOBER 2023

Technical appendix: change of fieldwork company

Jamie Evans, Katie Cross and Sharon Collard
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Introduction

The abrdn Financial Fairness Tracker has been running for nine waves to-date, from April 2020 to October 2023. It has tracked the financial wellbeing of UK households over this period, based on a cross-sectional, nationally-representative survey of householders. While changes were made to the questionnaire to reflect changing circumstances as the country moved out of the pandemic and then into a cost of living crisis, the measurement of financial wellbeing remained consistent over time.

For the ninth wave of the survey (October 2023), however, the research team and abrdn Financial Fairness Trust took the decision to run a new competitive tendering process for the commissioning of the fieldwork. This resulted in the data collection being switched from YouGov's UK Consumer Omnibus panel to Opinium's politically-representative panel; however, YouGov were also commissioned to continue to concurrently run a number of key financial wellbeing questions on their consumer panel but with a smaller sample size (2,000; rather than ~ 6,000 in previous waves).

This document therefore compares the findings of the two datasets in an attempt to assess how the change from one fieldwork company to another may impact our timeseries of financial wellbeing data. It does not attempt to determine the relative merits of either panel, as the two panels are designed to be representative of slightly different populations; it is purely to assess the potential impact of changing from one panel to the other for the purposes of the Tracker results.

While the data collection, initial data cleaning and construction of weights was done by Opinium and YouGov respectively, it should be made clear that all subsequent analysis was conducted by researchers at the University of Bristol. The final samples used in the analysis were 5,594 for Opinium and 1,824 for YouGov, which was based only on householders who had either sole or joint responsibility for household finances.

Fieldwork timing

The Opinium fieldwork ran from 20th to 30th October 2023, while the YouGov fieldwork ran from 26th to 1st November (but with all but three responses completed by 30th October). This means that almost all respondents would have completed the survey prior to Government Cost of Living payments being made from the 31st October, which might be expected to positively skew the results. Fieldwork timing therefore generally wouldn't be expected to exert an influence on the results, though it is plausible that the more households that complete the survey at the end of the month the more would have received their monthly salary from employment.

Sampling and weighting

While fieldwork companies collectively aim to provide nationally-representative samples, there are often differences in the exact way in which they do this. They will set different quotas to reach during the data collection stage and will then use different approaches to weighting in order to re-weight their sample against data sources known to be nationally representative (such as the Census).

Opinium included quotas on the following: age, gender and education interlocked; region; ethnicity; work status; 2019 General Election vote and 2016 EU referendum vote; level of attention paid to politics / political matters; and a soft quota on rural-urban status. Within Scotland, Wales and Northern Ireland, soft quotas on age/gender were also applied. Data was reweighted based on standard demographics, with an age-gender weight for all age groups and an age-gender-education weight for those aged 65 plus to ensure that the sample of older adults is not dominated by degree-educated people. The weighting efficiency was 75%, with males under 35 being up-weighted the most and those with degrees down-weighted the most.

YouGov, like Opinium, does offer a politically-representative sample; however, this was not what was originally commissioned for the first eight waves of the Tracker or for this smaller ninth comparison wave. Rather, we used YouGov's UK Consumer Omnibus panel, which is designed to be representative of a number of demographics – including gender, age, educational status, social grade and region. They also include interlocking quotas on education status, age and gender, e.g. to reach males aged 40-49 with low educational status. However, they remove education as part of the interlocking quota for respondents aged over 65 as part of the sample, as relatively fewer people within this age group would have taken part in post-secondary education.

The primary differences therefore are that the Opinium survey was run on a politically-representative sample, with adjustment for those who are less politically engaged. There are also some slight differences in the nature of the quotas and weighting used, though it should be noted that the use of weights generally has a fairly small impact on the overall results.

Comparison of results

Table 1 provides the results for our headline financial wellbeing indicator using the YouGov and Opinium samples. The Opinium results find that 17% of households were 'in serious difficulties', 24% were 'struggling', 35% were 'exposed' and 24% were 'secure'. The YouGov results find that 15% were 'in serious difficulties', 22% were 'struggling', 35% were 'exposed' and 28% were 'secure'. The only statistically significant difference between the two samples was in the 'secure' category. Table 2 provides differences for individual survey questions, which reveals more statistically significant differences between the two samples.

Table 1 – Proportion of households in each of the four financial wellbeing categories by wave and fieldwork company

Date	Fieldwork company	In serious difficulties	Struggling	Exposed	Secure
April 2020		11%	17%	37%	35%
May 2020	YouGov	11%	17%	35%	37%
July 2020		10%	16%	37%	37%
January 2021		10%	15%	35%	40%

October 2021		10%	17%	35%	38%
June 2022		16%	20%	33%	31%
October 2022		17%	21%	34%	28%
May 2023		14%	22%	37%	26%
October 2023	**Opinium**	17.0% (16.0 – 18.0%)	24.0% (22.9 – 25.1%)	35.3% (34.1 – 36.6%)	23.7% (22.6 – 24.8%)
	YouGov	15.1% (13.5 – 16.8%)	22.3% (20.4 – 24.3%)	34.6% (32.4 – 36.8%)	28.0% (25.9 – 30.1%)

Notes: figures in brackets indicate 95% confidence intervals for the October 2023 waves.

Table 2 – Comparison of underlying indicators of financial wellbeing, by fieldwork company

Question		YouGov	Opinium	Difference (O - Y)
Total sample size	All households	100.0%	100.0%	
		1824	5594	
How would you describe current financial situation?	Very bad	4.2%	4.8%	0.6%
	Fairly bad	16.8%	14.5%	-2.3%*
	Neither bad nor good	36.5%	38.4%	1.9%
	Fairly good	32.0%	34.3%	2.3%
	Very good	10.5%	8.0%	-2.5%*
'Currently struggling to pay for food or other necessary expenses'	Fits very well	5.0%	8.0%	3.0%*
	Fits fairly well	15.1%	15.8%	0.6%
	Fits neither well nor badly	20.7%	20.9%	0.3%
	Does not fit well	30.8%	28.0%	-2.9%*
	Does not fit well at all	28.4%	27.4%	-1.1%
Which one of the following statements best describes how well you are meeting your bills and credit commitments at the moment?	Without any difficulty	41.9%	38.0%	-3.9%*
	It is a struggle from time to time	40.1%	39.4%	-0.7%
	It is a constant struggle	15.8%	16.9%	1.1%
	Don't have any bills or credit commitments	2.3%	5.7%	3.5%*
Approximately how many months of your net household income do you have in savings today?	More than 12 months	23.4%	20.7%	-2.7%*
	7-12 months	11.2%	6.7%	-4.5%*
	4-6 months	13.0%	13.2%	0.2%
	1-3 months	14.4%	18.7%	4.3%*
	Up to 1 month	12.7%	13.7%	1.1%
	Nothing in savings	25.3%	26.9%	1.6%
If, tomorrow, your household had to meet an unexpected expense that is equivalent to current net monthly income, how much of it would you be able to cover without needing to borrow, overdraw your account or use a credit card?	All of it	45.7%	42.9%	-2.8%*
	Some of it	31.9%	34.6%	2.7%*
	None of it	22.4%	22.5%	0.1%
If your household income fell by a third or more, for how many months could you meet all your expenses without needing to borrow?	More than 12 months	24.6%	20.9%	-3.7%*
	7-12 months	10.9%	9.3%	-1.6%*
	4-6 months	15.5%	13.2%	-2.3%*
	1-3 months	18.5%	22.7%	4.2%*
	Up to 1 month	14.3%	14.2%	-0.1%
	None	16.2%	19.7%	3.5%
	None	89.0%	84.4%	-4.6%*

Number of missed payments - consumer credit agreements	One	7.4%	9.2%	1.8%*
	Two	2.3%	4.2%	2.0%*
	Three or more	1.4%	2.2%	0.8%*
Number of missed payments - household bills	None	89.3%	85.0%	-4.3%*
	One	5.2%	7.0%	1.9%*
	Two	2.5%	3.6%	1.1%*
	Three or more	3.0%	4.3%	1.4%*
Number of missed payments - rent / mortgage	None	95.6%	94.4%	-1.1%
	One	4.4%	5.6%	1.1%
Number of types of missed payments / payment holidays	None	83.8%	78.2%	-5.6%*
	One	5.8%	7.2%	1.4%*
	Two	4.6%	5.2%	0.5%
	Three or more	5.7%	9.4%	3.7%*

Notes: asterisks indicate statistically significant differences based on column proportions z-test (p<0.05)

Table 3 shows how the results for our main financial wellbeing index vary between YouGov and Opinium for households with different characteristics. It shows for which groups there are statistically significant differences between the result for Opinium and the equivalent for YouGov.

As can be seen and in line with previous tables, the main differences are in the 'secure' category, with Opinium having proportionally fewer households in this category. Most notably, we see that those from Asian, Black, Mixed or 'other' (non-White) ethnic groups have significantly lower financial wellbeing on the Opinium dataset. Married couples, those from 'other' work sectors and part-time workers are also significantly less likely to be in the 'secure' category in the Opinium dataset (by more than 8 percentage points). Looking at the 'in serious difficulties' category, we see that it is single adults with no children, those never married, those under 30 and those working for charities who score significantly worse on the Opinium panel.

Table 3 – Comparison of results, by household and respondent characteristics

Household/respondent characteristic		Difference (O-Y)			
		In serious difficulties	Struggling	Exposed	Secure
Family type	Single, no children	5.7%*	2.0%	-4.8%*	-2.8%
	Couple, no children	2.3%	1.5%	2.0%	-5.7%*
	Single parent	5.9%	-5.9%	5.8%	-5.8%*
	Couple with children	-3.8%	5.5%*	3.2%	-4.8%*
Kids in household or parent of child	No	4.4%*	0.8%	-0.7%	-4.6%*
	Yes	-3.4%	2.9%	3.2%	-2.6%
Marital status	Married / Civil Partnership	0.5%	3.8%*	4.0%*	-8.3%*
	Living as married	-3.0%	3.7%	-3.0%	2.2%
	Separated / divorced	4.1%	2.5%	-5.7%	-0.9%
	Widowed	8.7%	-6.1%	-1.2%	-1.4%
	Never married	5.4%*	-2.2%	0.1%	-3.2%
Respondent age group	Under 30	5.9%*	0.0%	-2.0%	-4.0%
	30-39	-2.1%	5.5%*	0.4%	-3.8%

	40-49	2.4%	1.6%	2.6%	-6.6%*
	50-59	2.9%	1.3%	-2.9%	-1.3%
	60-69	4.2%	-1.1%	3.4%	-6.5%*
	70 or over	1.0%	1.1%	-0.5%	-1.6%
Respondent is working age or pensionable age?	Pensionable age	2.7%	-1.4%	1.5%	-2.8%
	Working age	1.6%	2.4%	0.5%	-4.5%*
Ethnic background	White British	1.9%	0.8%	1.0%	-3.7%*
	Other White	-0.7%	12.8%	-7.0%	-5.1%
	Asian	5.3%	4.2%	-1.4%	-8.1%*
	Black, Mixed or other	5.3%	9.4%	-3.2%	-11.4%*
Ethnic background (binary)	Any White ethnic group	1.9%	1.0%	1.0%	-3.9%*
	Any 'BAME' ethnic group	2.6%	7.8%*	0.3%	-10.7%*
Housing tenure	Own outright	-0.2%	0.6%	4.2%	-4.6%*
	Own with mortgage	-0.9%	3.0%	2.9%	-5.0%*
	Private rent	3.4%	2.5%	-4.0%	-2.0%
	Social rent	3.0%	-1.3%	-4.3%	2.7%
Work sector of respondent	Self-employed	4.0%	-0.5%	1.7%	-5.3%
	Private sector	-1.5%	0.7%	4.2%*	-3.5%
	Public sector	2.6%	5.4%*	-7.1%*	-0.9%
	Charity	9.8%*	2.4%	-6.0%	-6.2%
	Other	5.7%	-1.3%	5.6%	-9.9%*
Work status	Working full time (30 or more hours per week)	0.0%	4.2%*	0.5%	-4.7%*
	Working part time (8-29 hours a week)	6.8%*	2.3%	-0.8%	-8.3%*
	Working part time (Less than 8 hours a week)	-9.5%	6.2%	-2.5%	5.8%
	Full time student	6.8%	0.9%	-5.4%	-2.4%
	Retired	2.5%	-0.3%	0.5%	-2.7%
	Unemployed and looking for work	-6.1%	0.8%	1.4%	3.8%
	Not working or other	1.4%	-5.4%*	7.5%	-3.5%

Notes: asterisks indicate statistically significant differences based on column proportions z-test (p<0.05)

A plausible explanation for the differences in results that we see between the two panels is the use of quotas on the Opinium panel for respondents' level of political attention. While the research team does not have data from YouGov on political attention (because the survey was commissioned via their consumer panel, not their political panel) to be able to do a full comparison, we see a clear pattern within the Opinium data whereby those with lower levels of political attention fare considerably worse financially than others with a similar socio-demographic profile. Figure 1 demonstrates this, showing that while a clear age-financial wellbeing gradient exists, the difference between someone of low and high political attention is also stark, even within age groups. To explore this further, a binary logistic regression analysis was also conducted to explore the relationship between political attention and being in serious financial difficulties. This controlled for a range of socio-demographic characteristics (inc. age, family type, tenure, nation, marital status, disability, ethnicity and work status) and found that those of low political attention were still significantly more likely to be in serious financial difficulties than those of high political attention

(O/R=1.53, p=<0.001). We hope to do further research in due course to explore the association between respondent political views and their responses to questions of different types on financial / cost of living surveys.
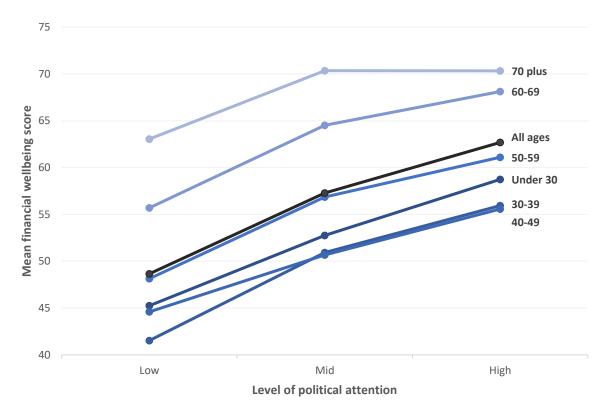
Figure 1 – Mean financial wellbeing scores, by respondent age group and level of political attention.