



Money-Stress Tracker

July 2022

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The **Money-Stress Tracker** polled subscribers to the DebtBusters website and platform, tracking the impact of financial stress on their home and work lives as well as their health.

With over **14 000** responses, this is one of the largest surveys ever done in South Africa about how financial stress impacts other aspects of life.

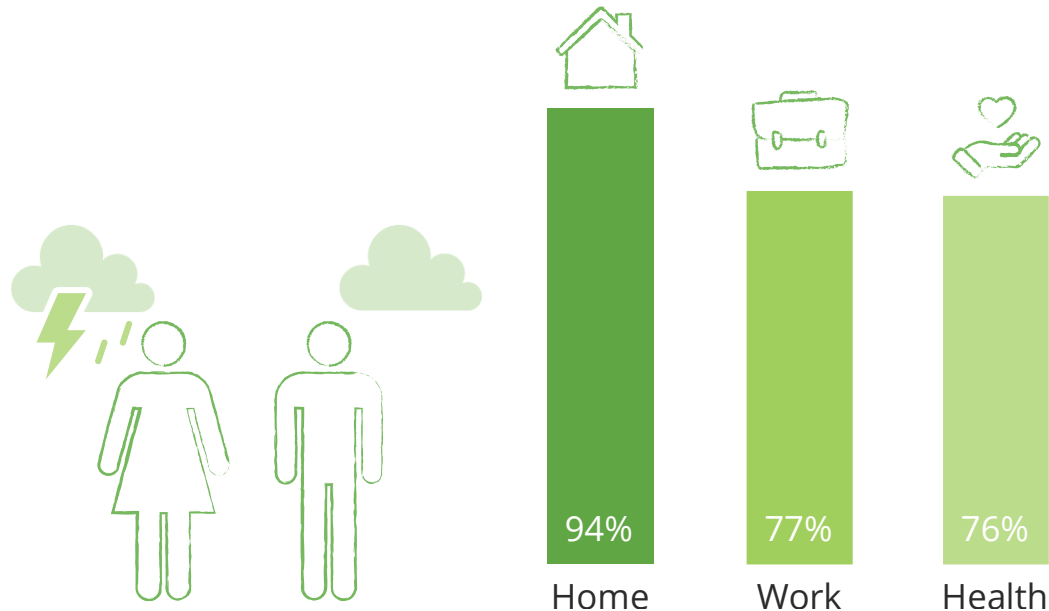
The women surveyed seemed generally more stressed about their finances, home and work life and health than men.

Compared to the men that participated:

30% more women were more likely to be stressed about their health as a result of financial stress, and **20%** more women were worried about paying their debt each month.

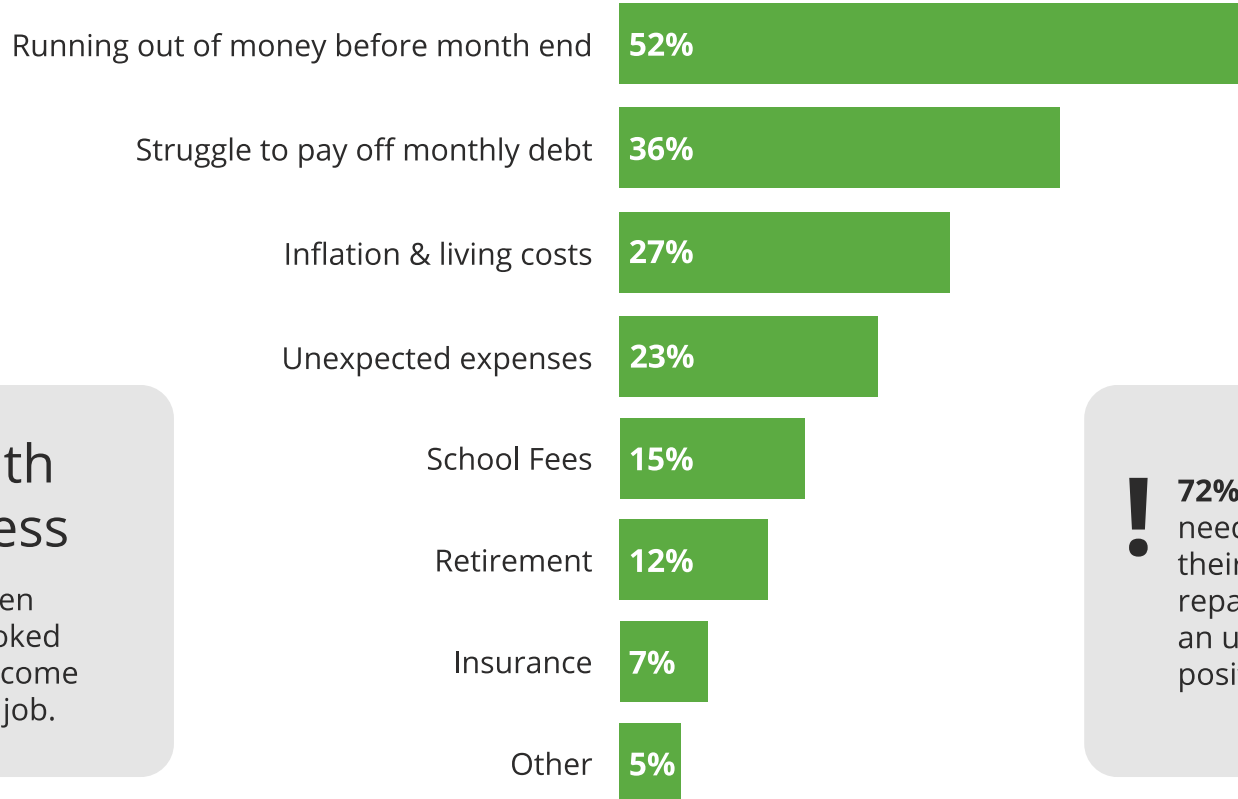


Of these, **94%** felt this was impacting their home life and **77%** their work life. **76%** percent believed it was affecting their health.





What are the **main concerns** when it comes to finances?



Dealing with money-stress

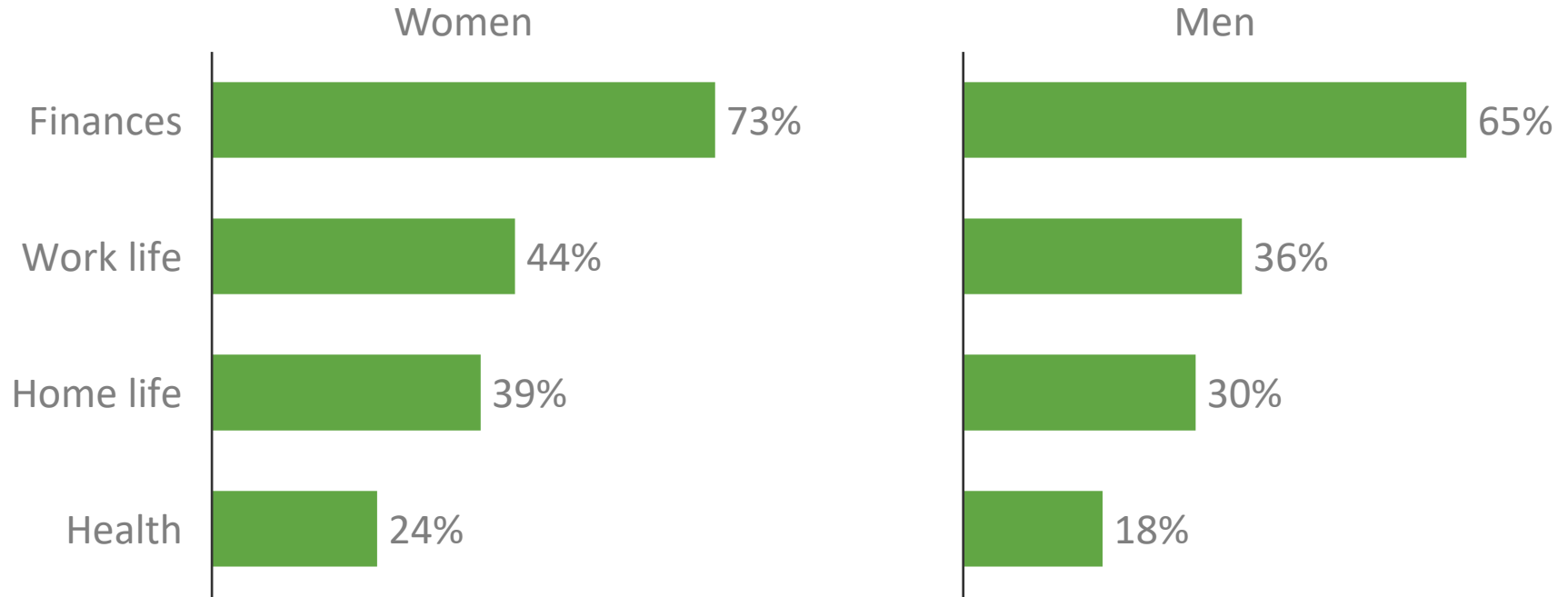
43% opted to tighten their belts. **26%** looked to increase their income by finding a better job.

! **72%** of all respondents need **30%** or more of their take-home pay to repay debt – indicating an unsustainable debt position.

Compared to men, women are 10% more stressed about finances, ~20% more stressed about work life and ~30% more stressed about home life and health



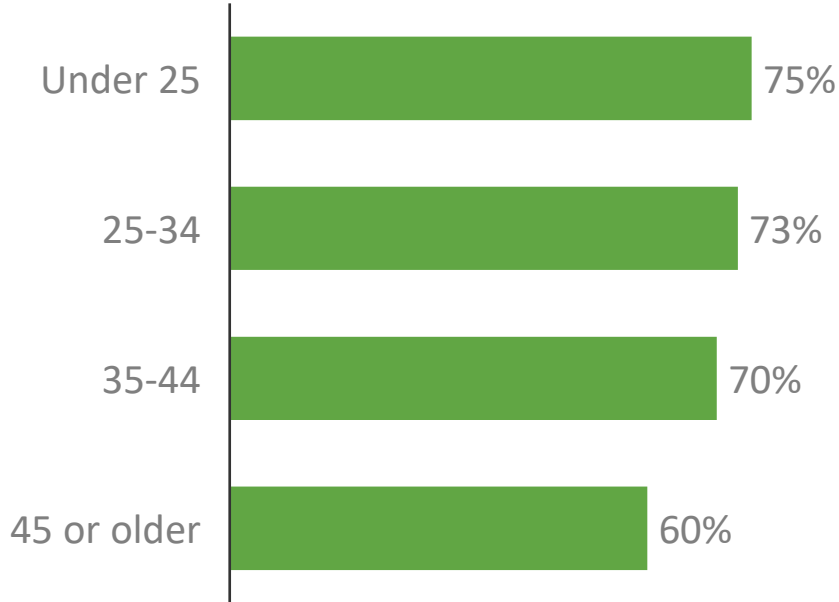
% who answered yes to "Do you feel anxious or stressed about...?"



Perhaps unsurprisingly, the level of stress and anxiety about finances is heavily influenced by age and income level: our youngest and those with lower income feel most stressed and anxious

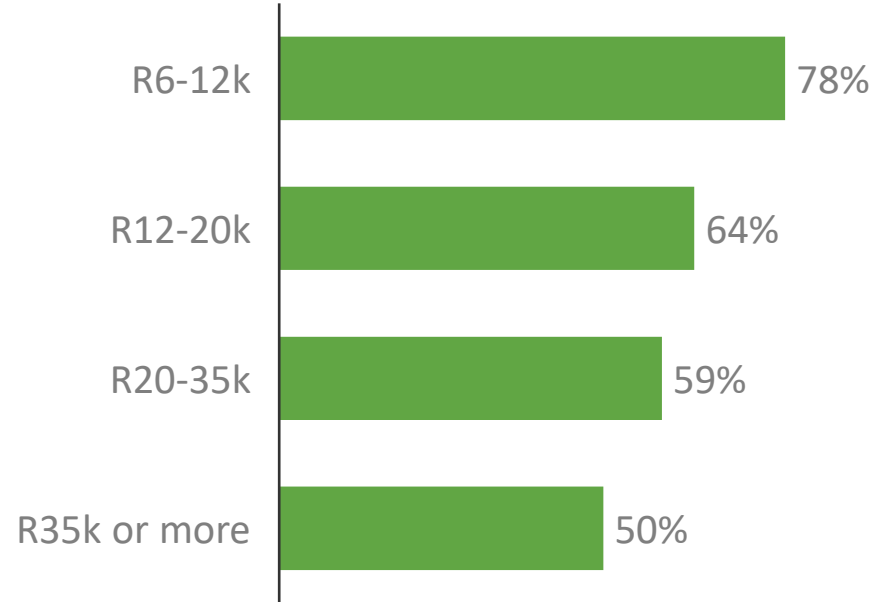
% who answered yes to “Do you feel anxious or stressed about finances?”

Age



Under 25s are **25%** more worried about finances

Monthly income

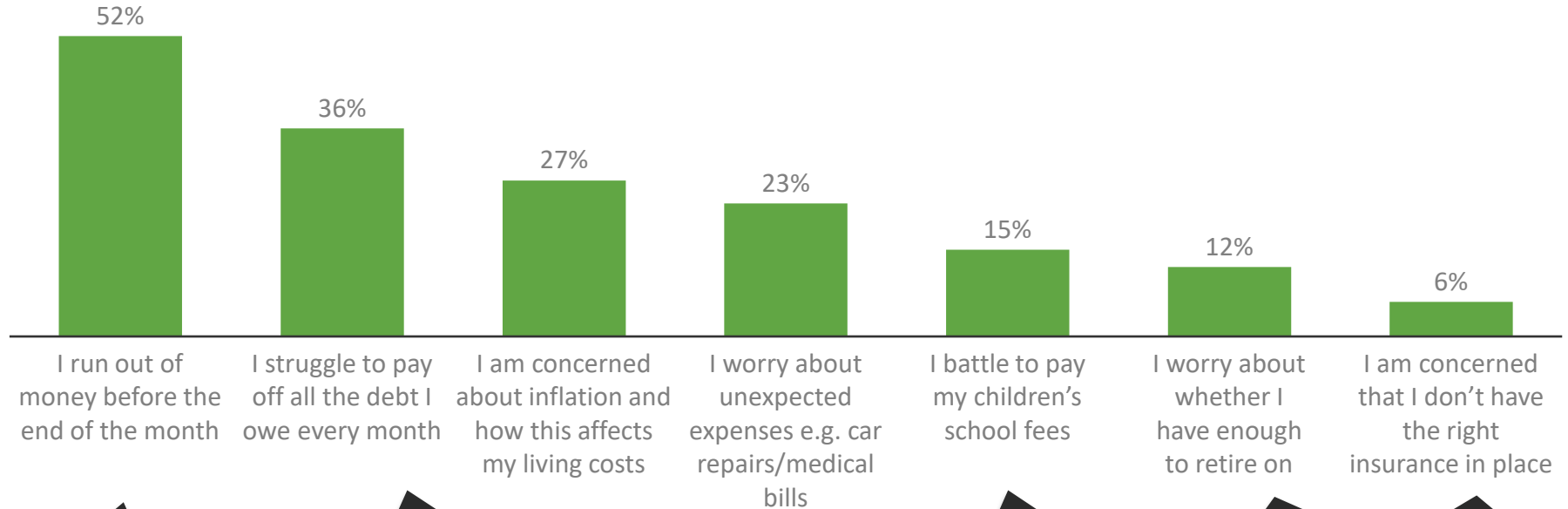


Lower income groups **~1.5x** times more worried about finances

Consumers are most concerned about running out of money, struggling to pay back debt, and inflation. Short term worries are so significant that very few worry about retirement and insurances



% who say their main financial concern is...(could choose up to three)



~60% of under 25s chose this

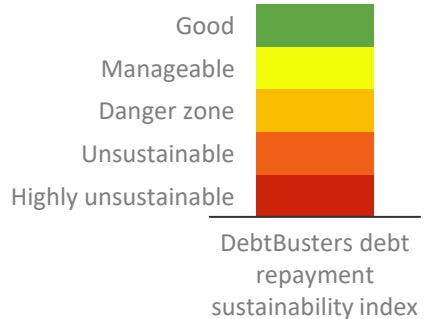
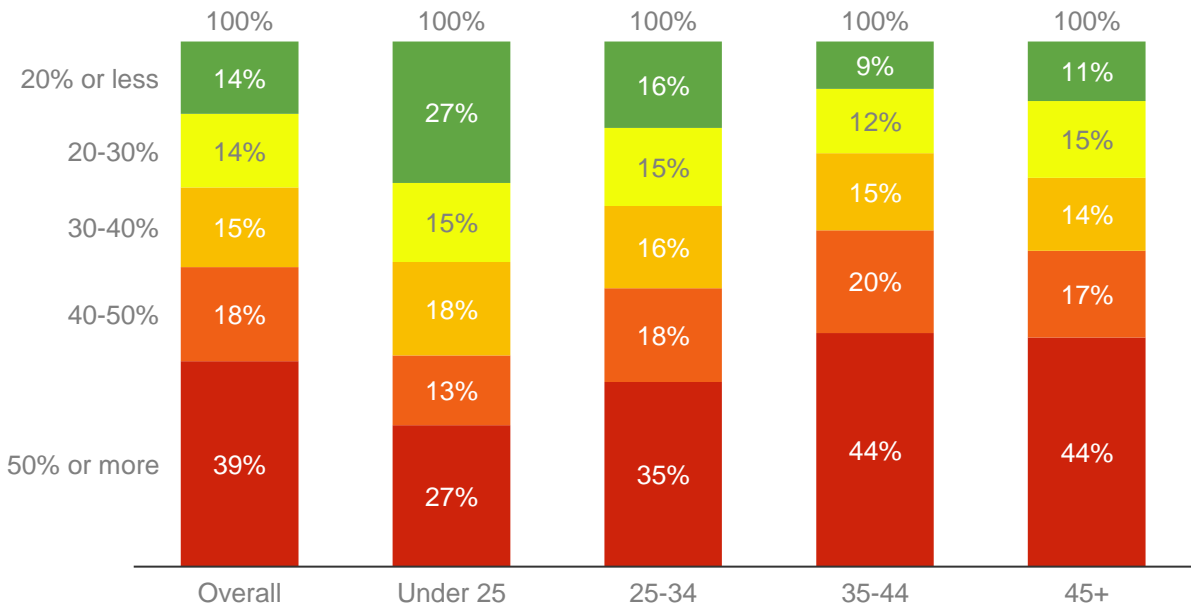
Women 20% more likely than men to choose this

Women 50% more likely than men to choose this

Short term concerns leave very little to worry about savings & insurance

Most age groups are spending dangerously high levels of their income on debt repayments; overall 72% of consumers spend more than 30% of after-tax income on debt repayments...

Share of after-tax income spent on debt repayment



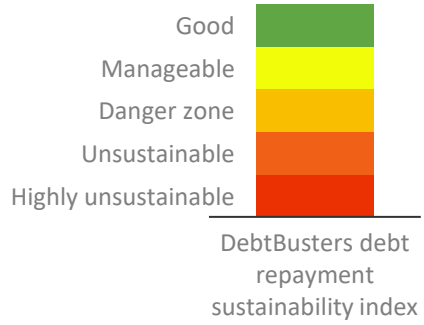
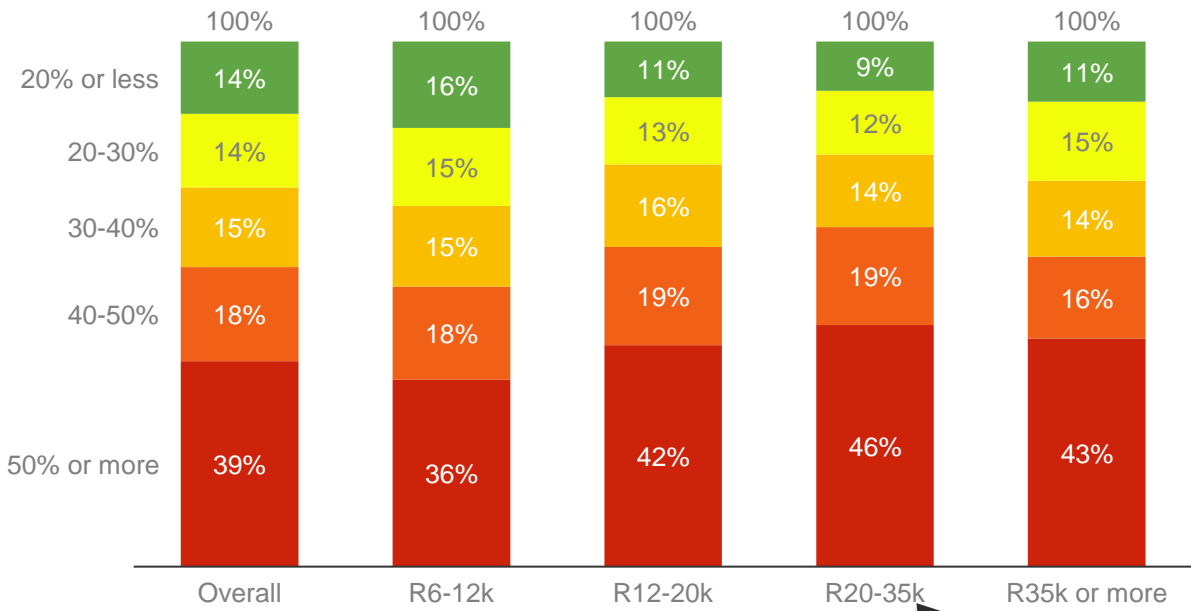
57% spend more than 40% of their take home pay to repay debt; 72% spend 30% or more of their take home pay for debt repayments

35-44 age group under most severe debt repayment pressure; 79% spend 30% or more of their take home pay for debt repayments

We normally advise consumers to not spend more than 30% of their take home pay on debt repayments; at most this should be 40%

Those in 35-44 age group and earning between R20-35k per month seem to have most debt repayment pressure. This is the backbone of middle-class population in SA...

Share of after-tax income spent on debt repayment



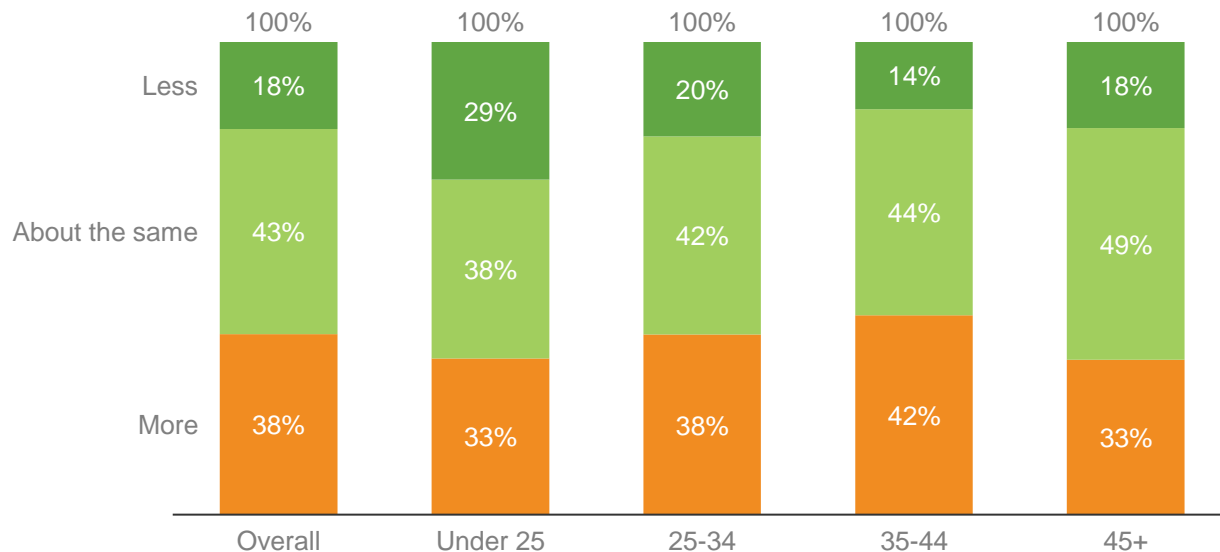
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How consumers feel they are doing against their peer groups is critical in trying to keep up. It seems like perception about debt levels is very much age-related...



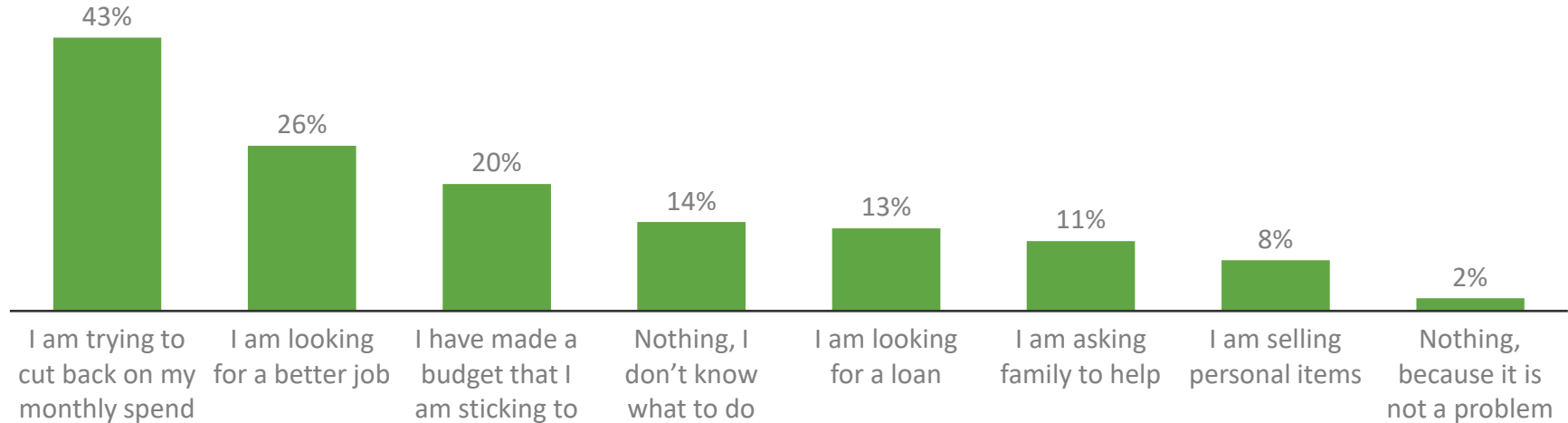
% who answered, "Do you have more or less debt than your peers?"



Only one in six consumers seem to believe they have less debt than their peers. It is important to show consumers the real picture as we try to do for our subscribers on our website

Consumers are doing a number of things to deal with money stress, including cutting back on spend, looking for better job/pay and sticking to budgets. While these will help, it is likely many would benefit from debt management solutions such as debt counselling.

% who say what they are doing about money stress is...(could choose up to three)



~Under 25s are 3x more likely to choose this

One in seven says they are stuck

Many consumers could benefit from debt management solutions

“Why have you not yet done something to alleviate your money-stress?”

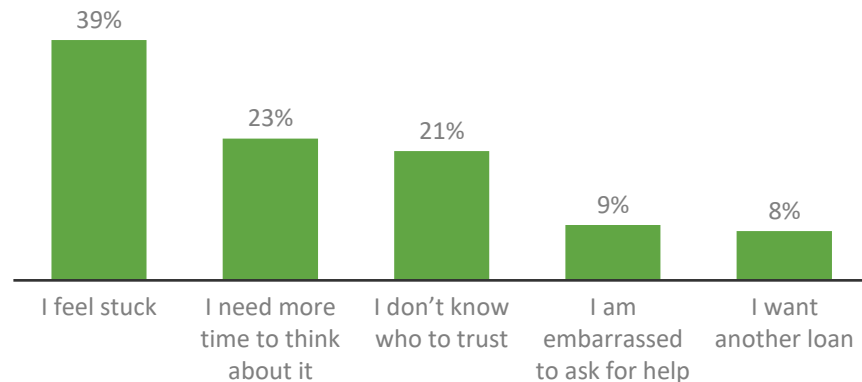
“I feel stuck”
39%



23%

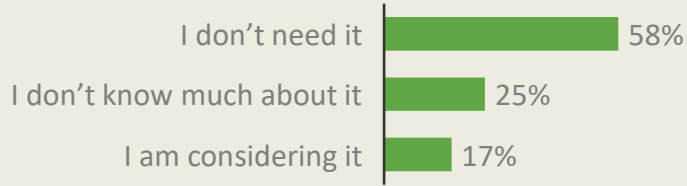


“I need more time to think”



Having someone you can trust is very important when it comes to debt matters. The majority of consumers feel they don't need debt counselling, but finding a reputable debt counsellor who can sort out your debt is important...

Have you considered debt counselling?



Psychotherapist and Transactional Analyst, **Diane Salters** says people seeking debt counselling are probably going to feel shame and fear, not be thinking clearly and ready for fight, flight or freeze.

“Those in freeze mode will likely feel stuck. Many responded this way in the survey. Those who are in flight mode will say they don't need debt counselling when the overall numbers saying they are experiencing the effects of financial stress on their lives indicate they do. If they freeze, they will do nothing. Or they may be ready to flee or fight the debt collector, their partner or spouse or even their debt counsellor.”

**For further information, contact our Marketing Manager Amelia de Milander at:
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