Global Survey Shows Six In Ten Women Consider Themselves Financially Independent

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Leading global market intelligence firm Synovate today released results from a new study on women and financial independence, which found that nearly six in ten (58%) women across 12 diverse countries believe themselves to be financially independent.

Most emphatically independent were French women with 80% considering themselves financially autonomous, followed by British women (76%) and South African women (69%).

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The survey looked at the roles women around the world play in their household finances; whether they feel in control of their own cash; how many women believe they are financially independent; as well as attitudes on whether women are better with money than men. Synovate spoke with around 4,500 women and also posed some questions to the same number of men.

Why women?
Synovate's Senior Vice President of Financial Services in the US, Claire Braverman, explained why Synovate took a particular interest in women and finances in this survey.

"A woman meets a man, falls in love, moves in, gets married, has kids (not necessarily in that order) and it all falls apart. It's not until this moment that she realises just how dependent she is on her partner's money.

"Some women have checks in place to guard against this happening to them; some don't. Some are financially savvy, and some are simply not interested.

"And even if a relationship break up is not a catalyst, women live longer than men and typically have less money upon retirement.

"All this adds up to an urgent need for financial services companies to understand women and cater to their specific needs and the situations in which they are likely to find themselves, planned or unplanned," she said.

Sisters doing it for themselves
Braverman continued "It's not many decades since women started entering the workforce en masse and, to varying degrees, some aspects of gender equality remain unaddressed in every country of the world. Yet the survey found that nearly six in ten women across 12 diverse countries believe themselves to be financially independent. That's certainly encouraging," she said.

Least likely to consider themselves financially independent were women in Bulgaria (where 37% said they were independent) and Indonesia (47%). Overall, the developed economies surveyed were significantly more likely to have women who consider themselves financially independent than the emerging economies (68% versus 51%).

Braverman says that American women were particularly intriguing in terms of their perceived financial independence.

"While 64% of American women feel financially independent, that leaves more than a third of us who do not. For a nation that prides itself on an independent spirit, this is surprising.

"It may be that American women have higher expectations of what financial independence actually means. In part, there are a lot of women in marriages and partnerships who willingly cede monetary control, and there are an alarming number of women (often single mothers) in risky financial situations."

Also, fascinating is the South African situation. The relatively new democracy is one of the six still-developing economies surveyed but is apparently filled with self-sufficient women. Seven in ten women said they were financially independent, even more than in the majority of the developed markets that were surveyed.

Synovate South Africa's Client Services Director for Financial Services, Debbie Amm, said: "This is partly because the women we spoke with were largely urban, but there are greater cultural and historical explanations at hand too.

"Since South Africa became a democracy there has been a very strong and very public focus on gender equality,

providing opportunities for women to advance careers or simply to start one.

"Equally, in both black and white histories, there has always been a need for women to be able to look after themselves and their families. South Africa can be a tough place, so this need for self-sufficiency has given rise to a highly entrepreneurial mindset among the women of the nation," she said.

Breadwinning broads or ladies who lunch?
The survey also asked women to choose what the term 'financial independence' meant to them.

The top three answers across all 12 markets surveyed were 'Financial independence is about not being dependent on my husband or partner for money' (41%), 'Financial independence is about living debt free (30%) and 'Financial independence is about being able to afford the things I want without worrying about the cost' (18%).

The feisty French were most likely to equate financial independence with not having to rely on a partner for money (68%), followed by Dutch and British women (both 51%).

Doing without debt is key for 42% of Malaysian and 40% of Mexican women who chose this as their top definition of financial independence.

A standout 42% of Bulgarian women think financial independence means being able to afford what they want without worrying about the cost. This is more than double the number who chose that definition in most other markets (other than Malaysia, which had the second-highest response at 22%).

Stoyan Mihaylov, Synovate Bulgaria's Managing Director, explains why: "It may surprise some from other parts of the world, but the prevailing family model in Bulgaria is for both partners to be equal bread winners. At the same time, women are responsible for running the household.

"There are two main reasons for this. First, during the socialist period both genders were practically equalised by income. After that time the differentiation of incomes in favour of men took place, although a decline in living standards pushed women into working and therefore preserved the model. Throughout all this, women remained the housekeepers.

"Thus women's spending is restricted by the dual responsibilities they have. The dream of independence is not one of freedom from a husband-as-provider but one of having the freedom to personally provide for the wellbeing of the family, able to afford needs and wants regardless of the cost," he said.

Man the head of the house?
The survey also explored men's and women's attitudes about male roles in household finance, finding that an overall 43% of women agreed that 'a man should be responsible for the mortgage / house payments'.

When the same question was posed to male respondents, 53% agreed, showing men are more likely to consider themselves more responsible for this part of the household budget. Naturally, there is a great deal of discrepancy in the findings across markets. Standouts are:

-Indonesia where 83% of men and 82% of women agree that 'a man should be responsible for the mortgage / house payments'
-The Netherlands where only 15% of men and 7% of women agree with this statement
-The UK where 48% of men versus 15% of women agree
-Similarly, France where 47% of men believe they are responsible but only 18% of women agree
-Australia with 34% of men and only 12% of women agreeing
-The survey also asked whether providing for the family is a man's responsibility. Overall, 58% percent of men and 38% of women agreed.
-The two Asian countries surveyed were most likely to agree, with an overall 87% in Indonesia and 73% in Malaysia putting the onus on men.

Managing Director of Synovate in Malaysia, Steve Murphy, said:
"This shows the traditional nature of Malaysia where the man is still very much seen as the main breadwinner for the family. The role of the male is established very early, firmly and consistently.

"Of course this does not mean that women have nothing to do with the money. In many cases, Malaysian women control the purse strings," he said.

Similarly, when asked whether 'a man should be responsible for looking after the financial needs of his wife or partner', the more traditional cultures were most in favour. Overall, 51% agreed, made up of 57% men and 45% women.

A near-universal 95% of both genders agreed in Indonesia and Robby Susatyo, Synovate's Managing Director for Indonesia, explains why.

"This is 100 percent cultural. For centuries, women did not engage in paid work or earn a living. Until quite recently, when urban Indonesians began widespread use of banking systems, husbands would surrender all their income to their wives for them to manage.

"Today, women's participation in the labour force in big cities is about 37% but the mindset remains. She does it to supplement the household income and her husband does the monetary 'heavy lifting'. In Islamic law, the husband is obliged to disclose all his personal wealth to his wife, but not the other way around," he said.

Miss Responsible meet Lady Luck

Just over half of all respondents (both men and women) agreed that 'women are more responsible with money than men'. Perhaps not surprisingly there is a significant difference across gender - 61% of women think the fairer sex is more responsible with money but only 40% of men agree.

The highest level of agreement was found in Mexico with an overall 72%, comprised of 82% women and 62% men.

Evelyn Jabiles, Managing Director of Synovate in Mexico, was not overly surprised. "Mexican women commonly play the role of home administrators, handing out money for utilities, rent, credit cards, school and medical fees and so on. They know what's coming in, and what's going out.

"Women here tend to think of men as 'big spenders' and somewhat irresponsible," Jabiles said.

It appears many women like to be in control of the household money, but some take their chances as well. Thirteen percent of women across the markets surveyed buy lottery tickets or enter raffles and competitions in an effort to become financially independent or maintain that status.

Women who wager were most likely to be found in Australia where 35% 'have a go', or the UK where 31% join them.

Synovate Australia's Managing Director, Julie Beeck, says: "The Australian market for lottery products is mature, with a high incidence of participation. The dream of winning big and changing your life overnight is very much alive?and even more so in such uncertain economic times."

Credit where it's due

How people feel about credit tends to evolve as credit card use matures in a country. Overall, 42% of our female respondents use part of their monthly income towards credit card payments.

The highest credit card use was in Canada at 77%, France at 72% and the US and Australia, both at 71%. The lowest use was 2% in Indonesia, 12% in Bulgaria and 19% in Malaysia.

Claire Braverman says that credit cards have had a negative image from the beginning, but convenience and rewards can make them a very attractive proposition.

"Some decades ago, when credit cards were first introduced, there was a dislike for debt and cash was king. Relying on credit meant you could not afford what you were buying.

"As people started using cards, that image switched to one of convenience. So in countries where the cards have become entrenched, they have been embraced for their ease of use and loyalty programmes.

"In countries where the use of credit cards is relatively new, there can still be a negative stigma associated with them. Among people who have low incomes, cards also pose control issues and people often shy away from them to ensure they do not go into debt."

The Synovate survey also asked people whether they agreed with the statement 'Having more than one credit card can lead to financial debt'. Overall 70% of women agreed, led by 90% of Mexican women.

Braverman continues: "It's obviously not the card itself that causes anyone to use it. So the statement is really about control and temptation. The ability to spend more, money that you don't have in the first place, can certainly lead to debt. It means people have to control themselves and their spouses. Not always easy!"

Evelyn Jabiles explains the danger in Mexico: "In Mexico, credit cards are perceived as 'extra money' rather than a line

of credit, which is why they are considered dangerous by many. Interest rates on the cards are extremely high which only adds to the risk of debt."

Curiosities
Forty-seven percent of women believe that women spend more money than men â€“ and 56% of men agree with them. Chances are high that much of this 'big spending' is done on behalf of the family.

Brazilian and South African women are the most proactive when it comes to taking actions to become financially independent or stay that way. An example? 83% of Brazilian women and 71% of South African women make their own financial plans and / or budgets.
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Eighty percent of people believe it?s important to know about financial products and services offered by banks and insurance companies, led by South Africa (95%), the US (91%) and Canada (91%).

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