



Survey Release: National and BC Investor Research

The British Columbia Securities Commission

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Vancouver, BC V7Y 1L2

BC SECURITIES
COMMISSION



Survey Methodology



Overview:

Innovative Research Group (INNOVATIVE) was commissioned by the British Columbia Securities Commission (BCSC) to conduct a national survey about investing among adults 18+.

Methodology:

These are the findings of an INNOVATIVE online survey. The survey consisted of a sample of 2,915 Canadians aged 18+. This included an oversample of 1,407 British Columbians. Respondents to this online survey come from INNOVATIVE's Canada 20/20 Online panel, with additional sample from Lucid and Leger, leading providers of online sample.

The results are weighted to a representative sample of 1,500 at the national level, and the BC oversample is weighted to a representative sample of 1,000 based on age, gender, and region using the latest available Census data to reflect actual demographic composition of the population.

Field Dates:

December 7th to December 28th, 2018

Margin of Error:

This is a representative sample. Since the online survey was not a random probability based sample, a margin of error can not be calculated. Statements about margins of sampling error or population estimates do not apply to most online panels.

Note: *Graphs and tables may not always total 100% due to rounding values rather than any error in data. Sums are added before rounding numbers. Use caution when interpreting results with small n-sizes.*

Survey Disclosure

The results in this report come from a national study conducted by INNOVATIVE for the BCSC in December 2018. This release highlights some of the key findings from the survey among British Columbians and Canadians overall.

The BCSC will be releasing complete results from this national study at a later date. The full survey questionnaire is available on request. The table below outlines the sections included in the full questionnaire.

Survey Section	Description
Financial Segmentation	Investing and financial segmentation questions
Goals and Priorities	Respondents' goals and priorities when saving and investing
Benchmarks	Key attitudes that reflect views about the importance of investing, and investors' views on their investing outcomes
Investing Attitudes	Attitudinal statements about investing and saving
Investment Literacy	Questions measuring general understanding of investment concepts
Investment Fraud	Questions related to awareness and prevalence of investment fraud
Investment Statements	Whether and how often respondents read investment statements
Investment Information	Questions on how respondents would seek investing information
Demographics and Psychographics	Additional demographics and psychographics for segmentation analysis

Sample Validation (National)

The survey consisted of a sample of 2,915 Canadians aged 18+. The results are weighted to a representative sample of 1,500 based on age, gender, and region using the latest available Census data to reflect actual demographic composition of the population. The table below shows the weighted and unweighted samples based on age, gender, and region.

		Weighted		Unweighted	
		n	% of the national sample*	n	% of the national sample**
Age	18-34	411	27.4%	615	21.1%
	35-54	511	34.1%	829	28.4%
	55+	578	38.5%	1,471	50.5%
Gender	Male	729	48.6%	1,465	50.3%
	Female	771	51.4%	1,450	49.7%
Region†	BC	204	13.6%	1,412	48.4%
	Alberta	170	11.3%	225	7.7%
	Prairies	100	6.7%	171	5.9%
	Ontario	573	38.2%	613	21.0%
	Quebec	350	23.4%	370	12.7%
	Atlantic	102	6.8%	124	4.3%

* The percentage of the weighted sample reflects the population distribution.

** The percentage of the unweighted sample reflects the distribution of respondents before weighting



Regional Segmentation (National)

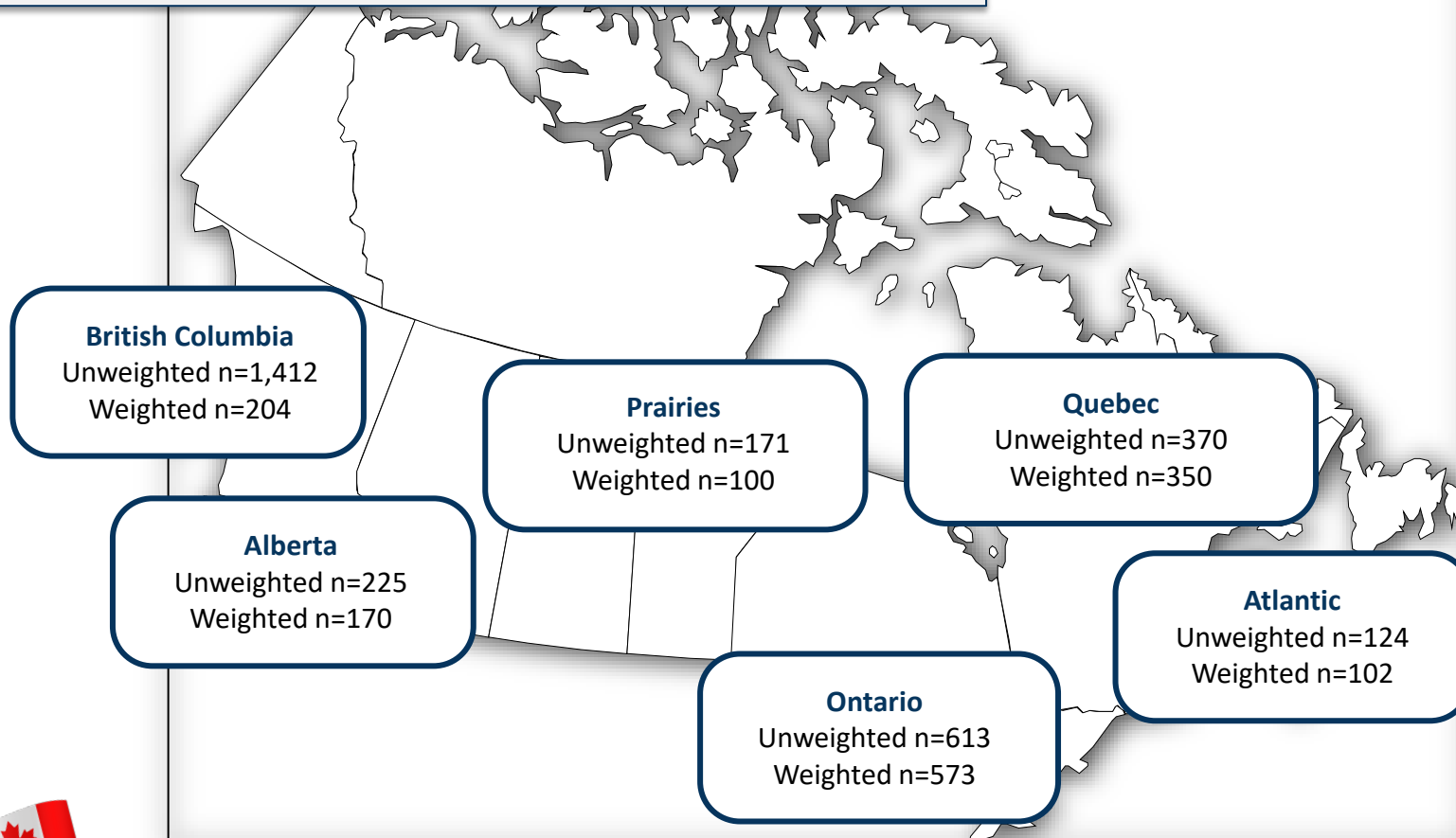
Regional groupings include:

- British Columbia (Yukon)*
- Alberta (Northwest Territories)
- Prairie Region (Manitoba, Saskatchewan and Nunavut)
- Ontario
- Quebec
- Atlantic (PEI, New Brunswick, Nova Scotia and Newfoundland & Labrador)

National

Unweighted n=2,915

Weighted n=1,500



*In this report BC results are displayed for BC respondents *only* based on the oversample described in the following slides



Sample Validation (BC)

The national sample included an oversample of 1,407 BC respondents. There are oversamples in the regions outside of the Lower Mainland to increase the sample size for these results. This BC sample is weighted to a representative sample of 1,000 based on age, gender, and region using the latest available Census data to reflect actual demographic composition of the population.

The table below shows the weighted and unweighted samples based on age, gender, and region.

		Weighted		Unweighted	
		n	% of the BC sample*	n	% of the BC sample**
Age	18-34	266	26.6%	326	23.2%
	35-54	333	33.3%	411	29.2%
	55+	402	40.2%	670	47.6%
Gender	Male	485	48.5%	662	47.1%
	Female	515	51.5%	745	52.9%
Region	Lower Mainland/Fraser Valley	593	59.3%	578	41.1%
	Vancouver Island	191	19.1%	402	28.6%
	Interior/North	217	21.7%	427	30.3%

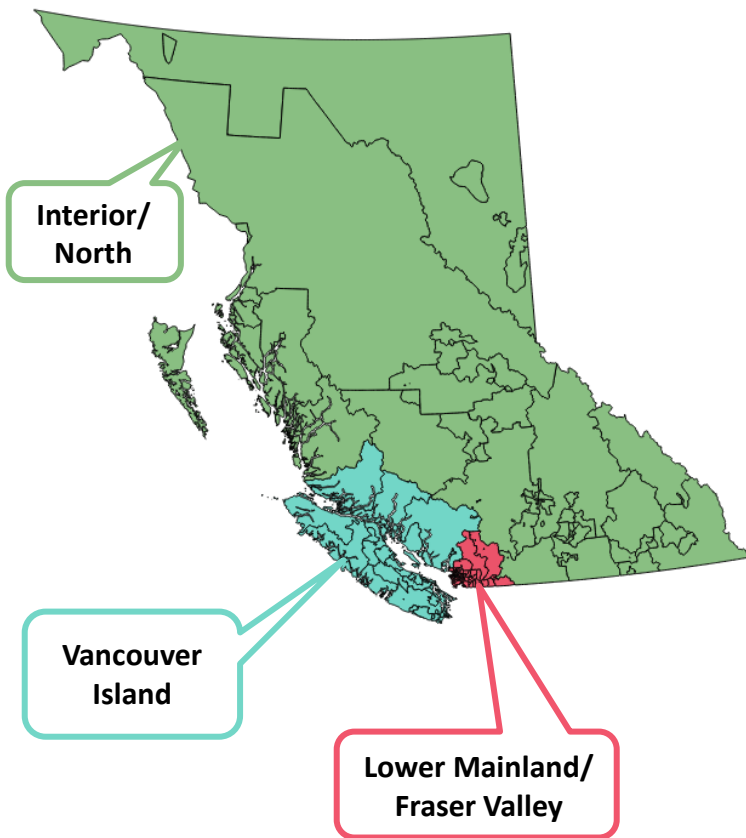
* The percentage of the weighted sample reflects the population distribution

** The percentage of the unweighted sample reflects the distribution of respondents before weighting



Regional Segmentation (BC)

The respondents from BC come from Lower Mainland/Fraser Valley, Vancouver Island, and Interior/North. This report also uses three additional sub-regions for analysis. They are Victoria, Northern BC, and the Okanagan.



Regions	Weighted		Unweighted	
	n	% of the BC sample*	n	% of the BC sample**
Lower Mainland/Fraser Valley	593	59%	578	41%
Vancouver Island	191	19%	402	29%
Victoria	69	7%	142	10%
Interior/North	217	22%	427	30%
Northern BC	47	5%	87	6%
Okanagan	58	6%	118	8%

* The percentage of the weighted sample reflects the population distribution

** The percentage of the unweighted sample reflects the distribution of respondents before weighting



Investing Segmentation

Savings or Investments Set Aside for the Future: 65% of BC respondents and 68% nationally are investors



Do you personally have any savings or investments set aside for the future in any of the following types of account? Please select all that apply.

[asked of all respondents (multiple mention); BC n=1,000; Canada n=1,500]

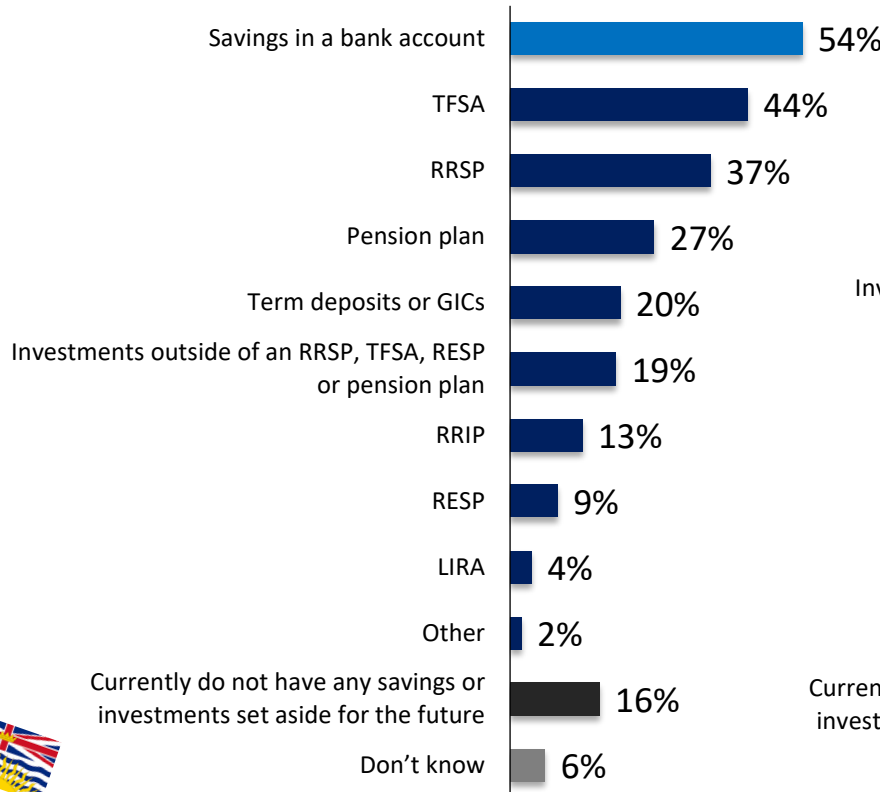
Among all respondents

65% (BC) and 68% (Canada)

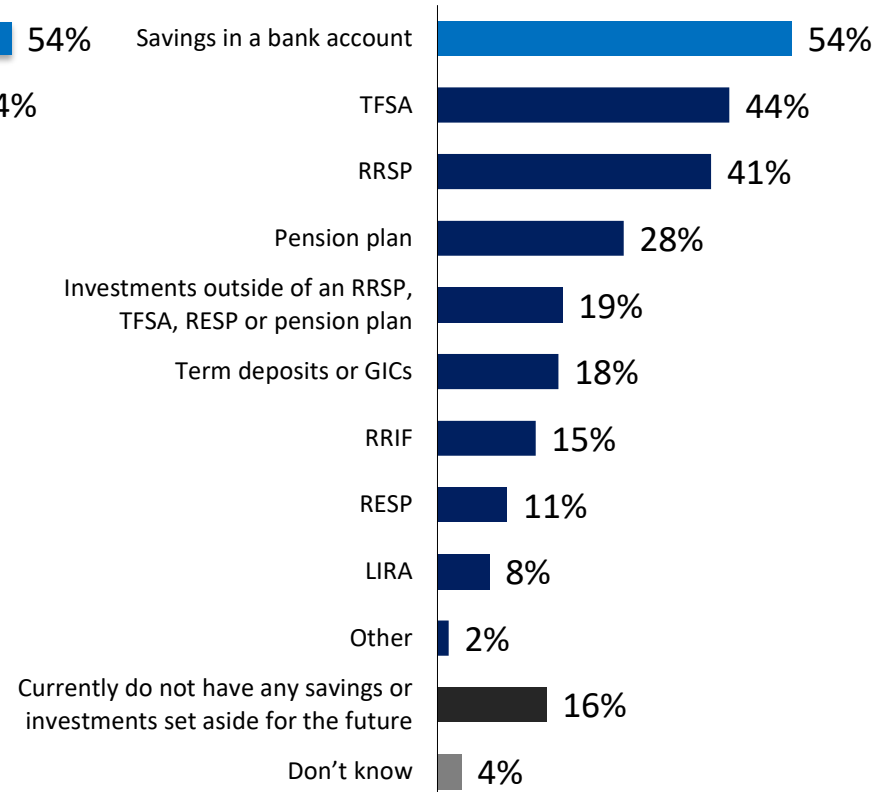
of respondents are investors in a broad sense of the term.

This includes anyone with savings in any type of account/product beyond a savings account (registered accounts, non-registered accounts, pensions, GICs, and so forth). This excludes those who have no savings, save only in a bank savings account and nowhere else, or say 'Don't Know'.

BC Results



National Results



Investments Products: 84% of BC and 77% of Canadian investors have securities products



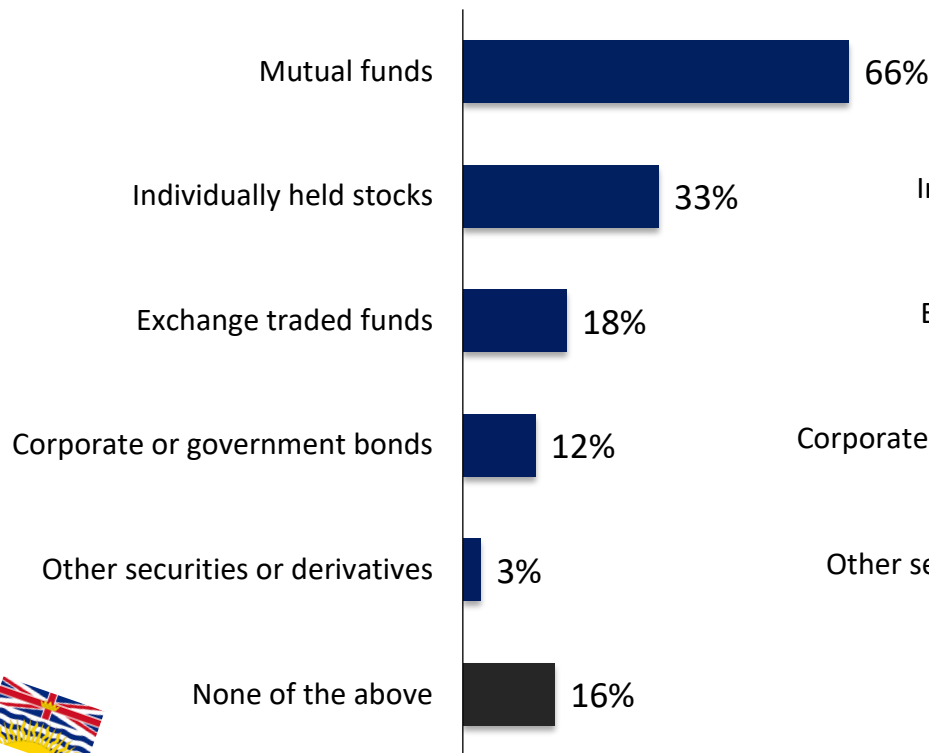
You indicated that you have at least one type of account that could hold investment products. Which of the following kinds of investment products do you hold? Please select all that apply.

[asked only of investors with an account type that could hold securities (multiple mention); BC n=607; Canada n=958]

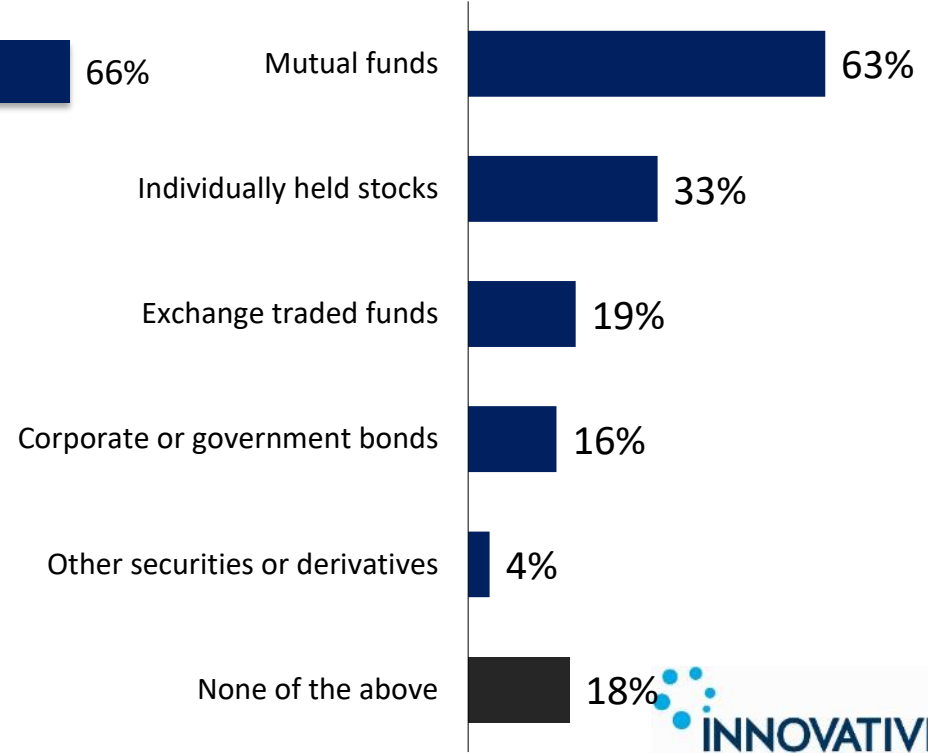
Among investors

84% (BC) and 77% (Canada)
of investors hold securities products

BC Results



National Results



Selected Investment Attitudes

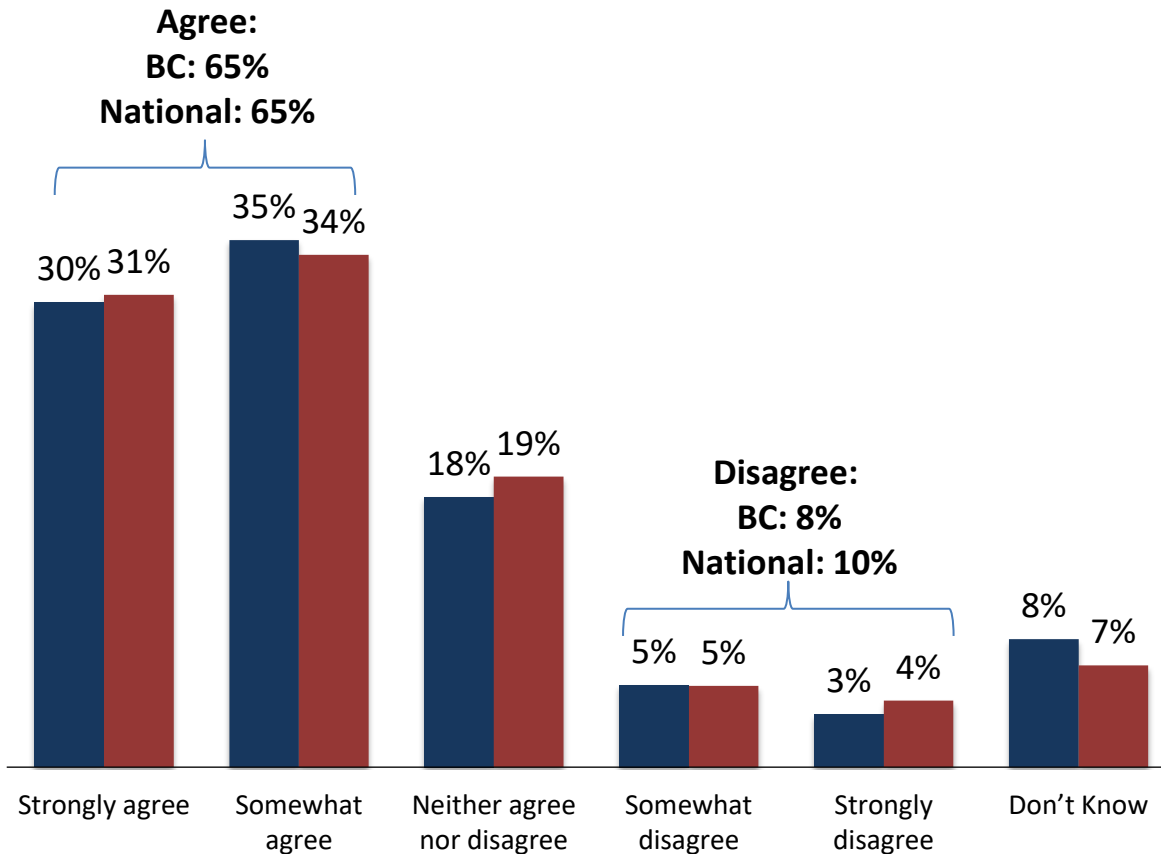
Invest to Meet Goals: Two-thirds (65%) in BC and Canada agree investing is an important way to meet financial goals



Do you agree or disagree with the following statements?

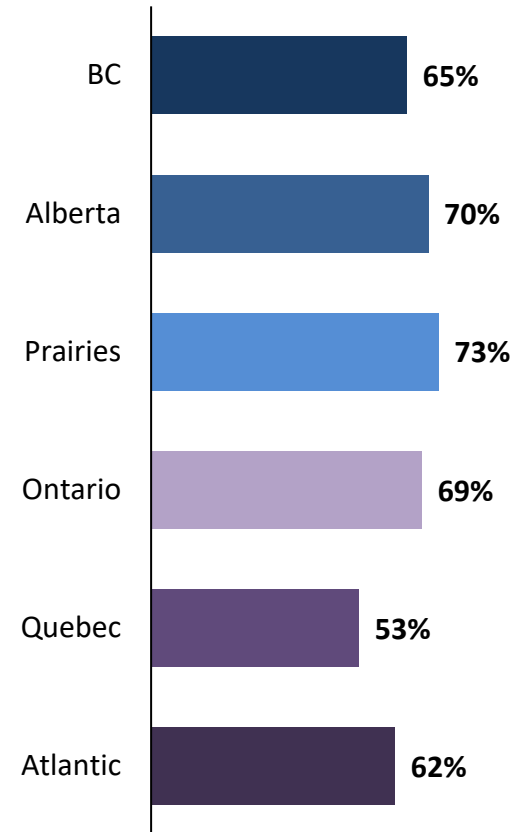
[asked of all respondents; BC n=1,000; National n=1,500]

Investing is an important way to meet my financial goals
Among all respondents



■ BC ■ National

National Segmentation
Those who say "Agree"



BC Breakdown: Agreement is highest among investors, higher in Victoria than Northern BC and Okanagan

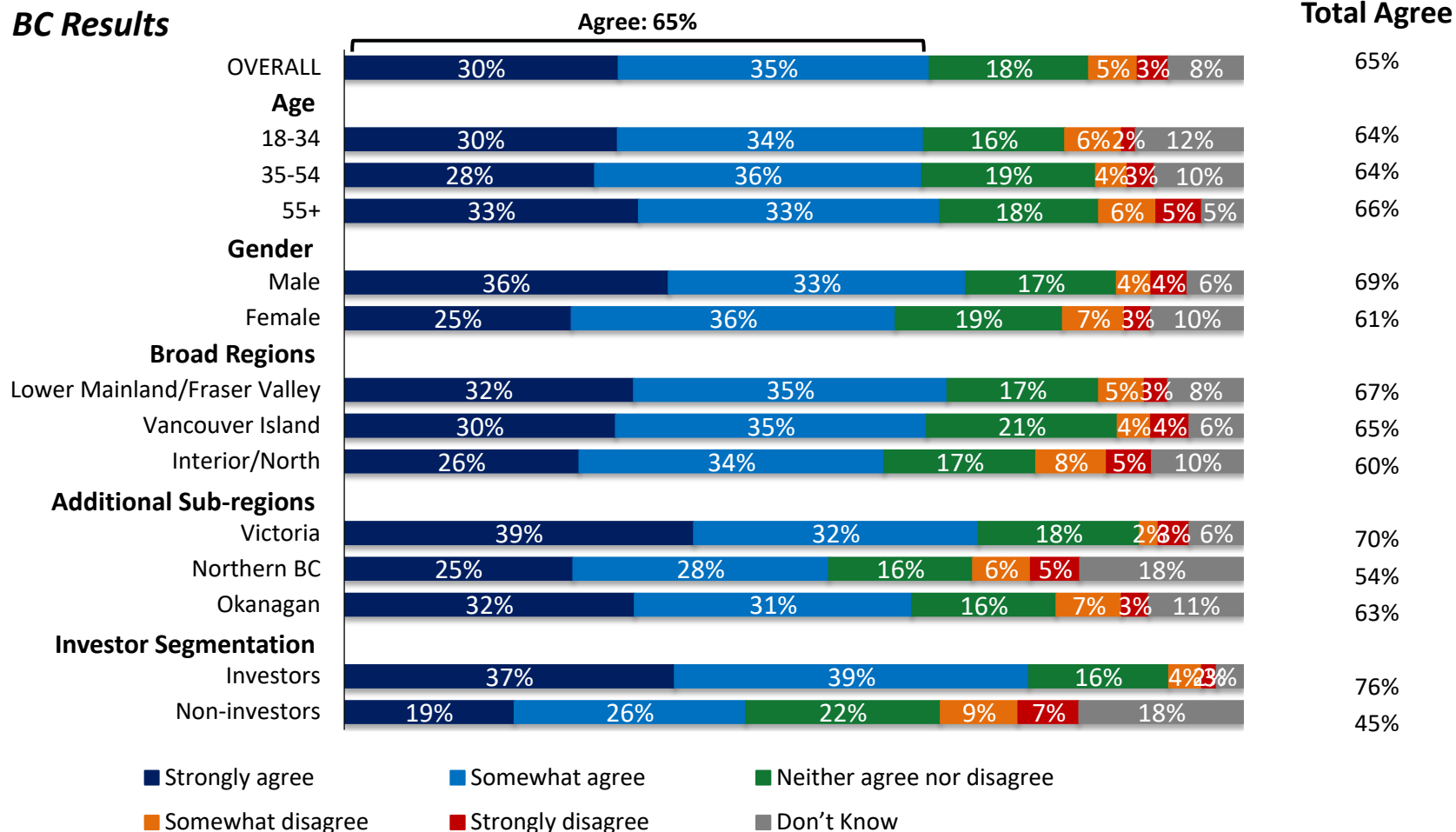


Do you agree or disagree with the following statements?

[results of all BC respondents; n=1,000]

Investing is an important way to meet my financial goals

BC Results



Where to Look for Info: 72% in BC cannot agree that they are sure where to look for investing information



Do you agree or disagree with the following statements?

[asked of all respondents; BC n=1,000; National n=1,500]

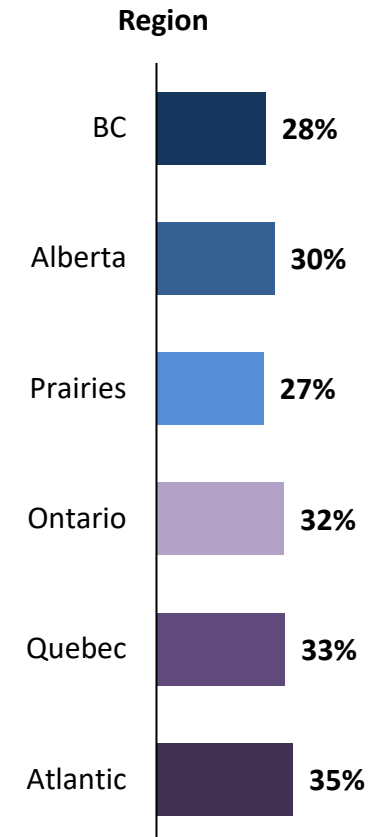
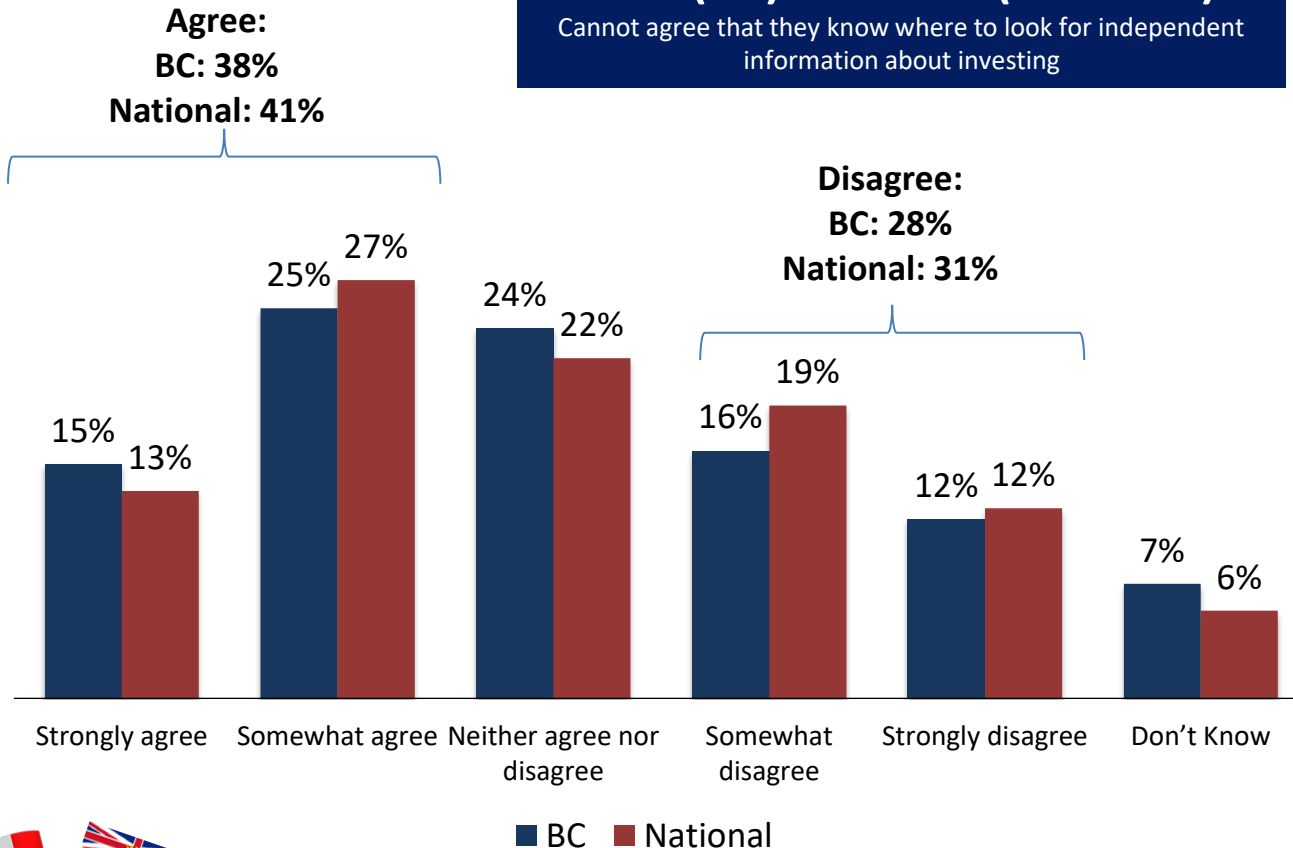
I am not sure where to look for independent information about different investments

Among all respondents

National Segmentation

Those who say "Disagree"

72% (BC) and 69% (National)
Cannot agree that they know where to look for independent information about investing



BC Breakdown: Those 55+ are more sure about where to look for independent investing information



Do you agree or disagree with the following statements?

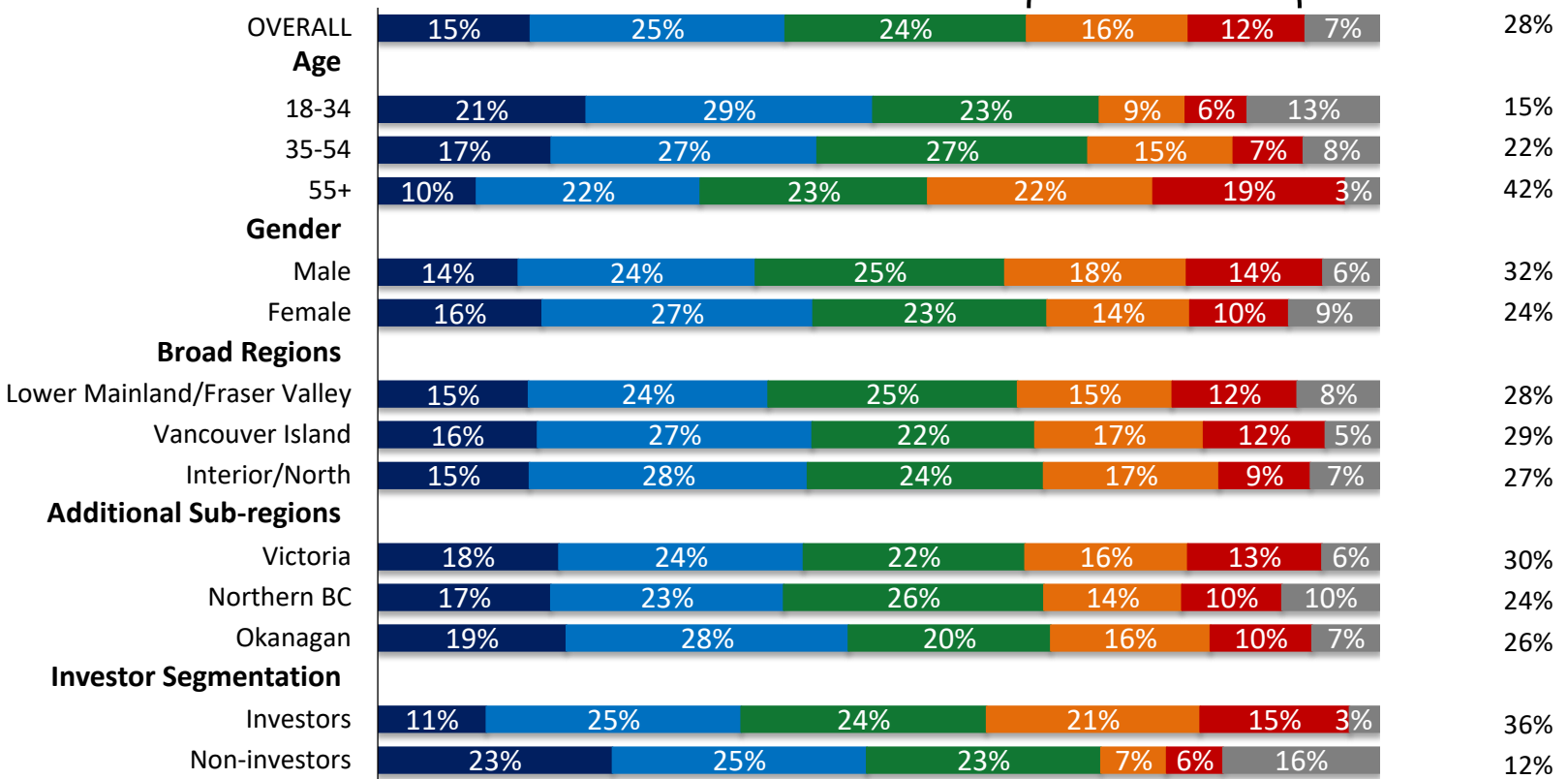
[results of all BC respondents; n=1,000]

I am not sure where to look for independent information about different investments

BC Results

Disagree: 28%

Total **Disagree**



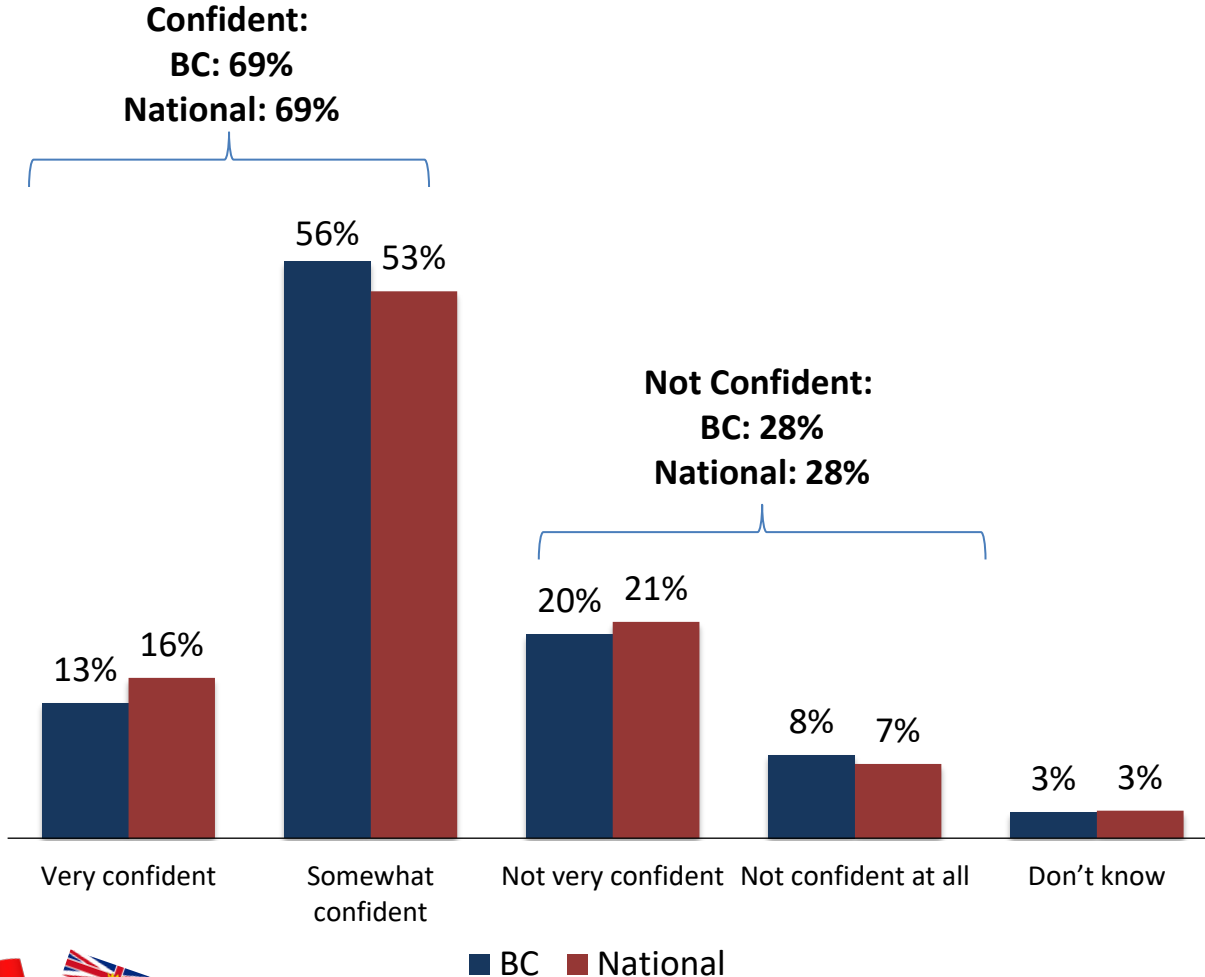
■ Strongly agree
 ■ Somewhat agree
 ■ Neither agree nor disagree
■ Somewhat disagree
 ■ Strongly disagree
 ■ Don't Know



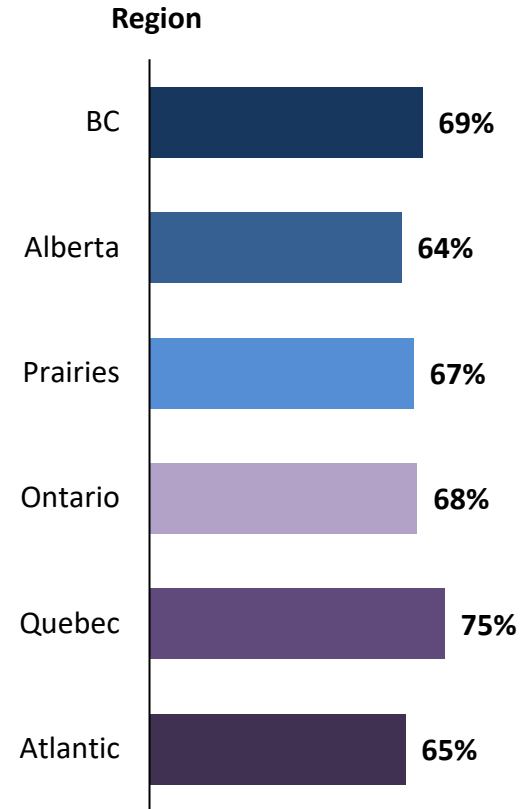
Confidence in Making Decisions: 7-in-10 (69%) BC investors¹⁶ say they are confident making investment decisions

Q How confident are you when it comes to making investment decisions?
 [asked only of investors; BC n=650; National n=1,017]

Among investors



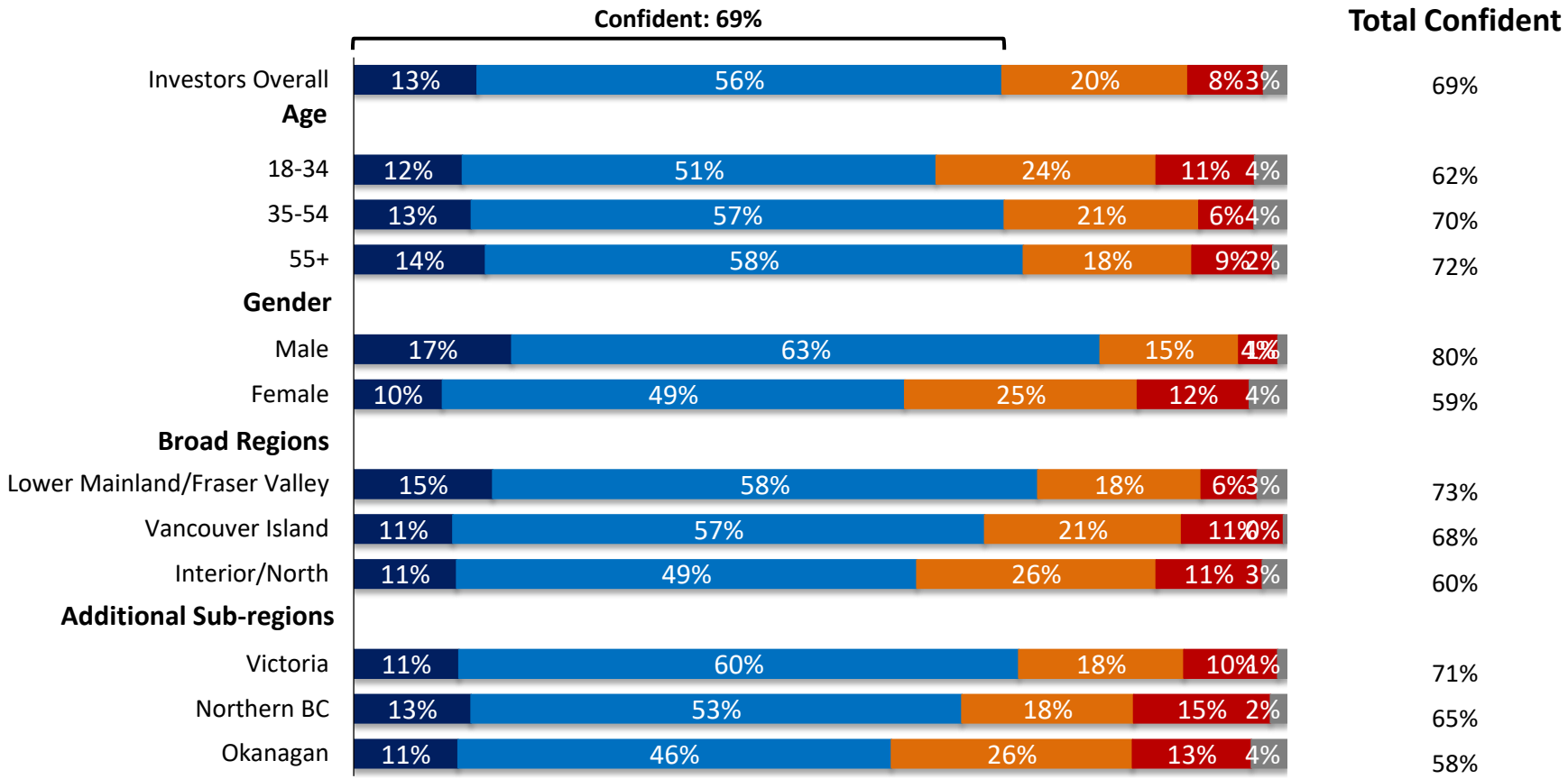
National Segmentation Those who say "Confident"



BC Breakdown: Men (80%) are more confident making investment decisions than women (59%)

Q How confident are you when it comes to making investment decisions?
 [asked only of investors; results among BC Investors; n=650]

Among BC investors



■ Very confident
 ■ Somewhat confident
 ■ Not very confident
 ■ Not confident at all
 ■ Don't know



On Track Towards Goals: 6-in-10 investors in BC (62%) say they know their goals and are on track to meet them

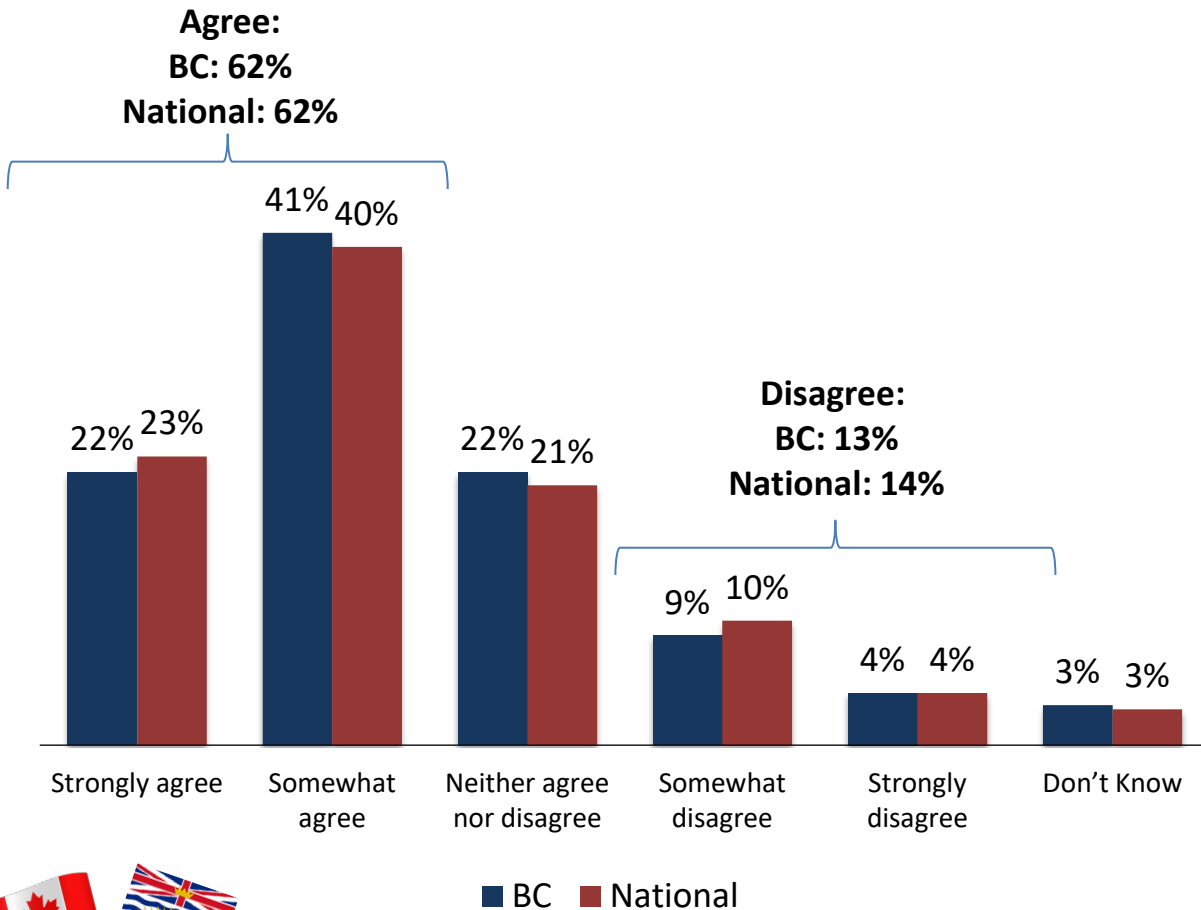


Do you agree or disagree with the following statements?

[asked only of investors; BC n=650; National n=1,017]

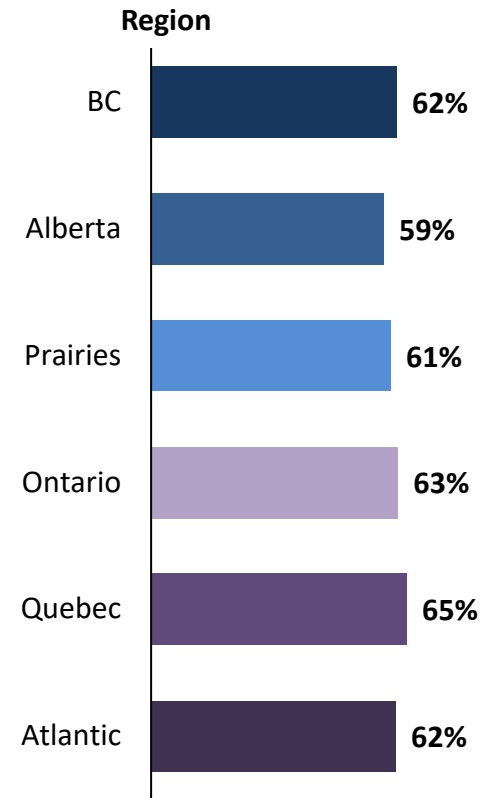
I know what my investment goals are and I am on track to meet them

Among investors



National Segmentation

Those who say "Agree"



BC Breakdown: Agreement is highest among men and strong agreement among BC investors over 55

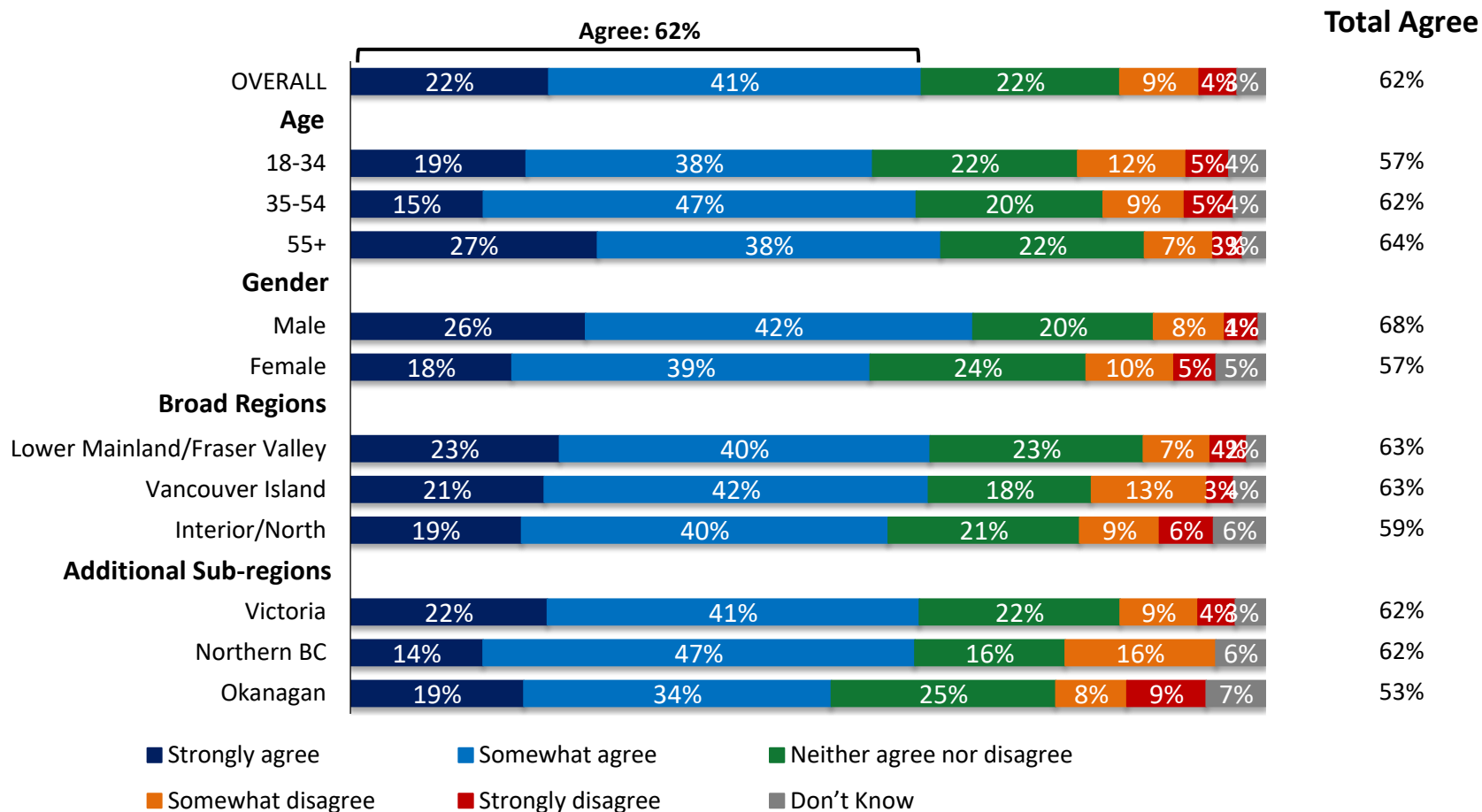


Do you agree or disagree with the following statements?

[results only of investors; results among BC Investors; n=650]

I know what my investment goals are and I am on track to meet them

Among BC investors



Understand Risks and Benefits: 73% of BC investors say they understand the risks and benefits of their investments

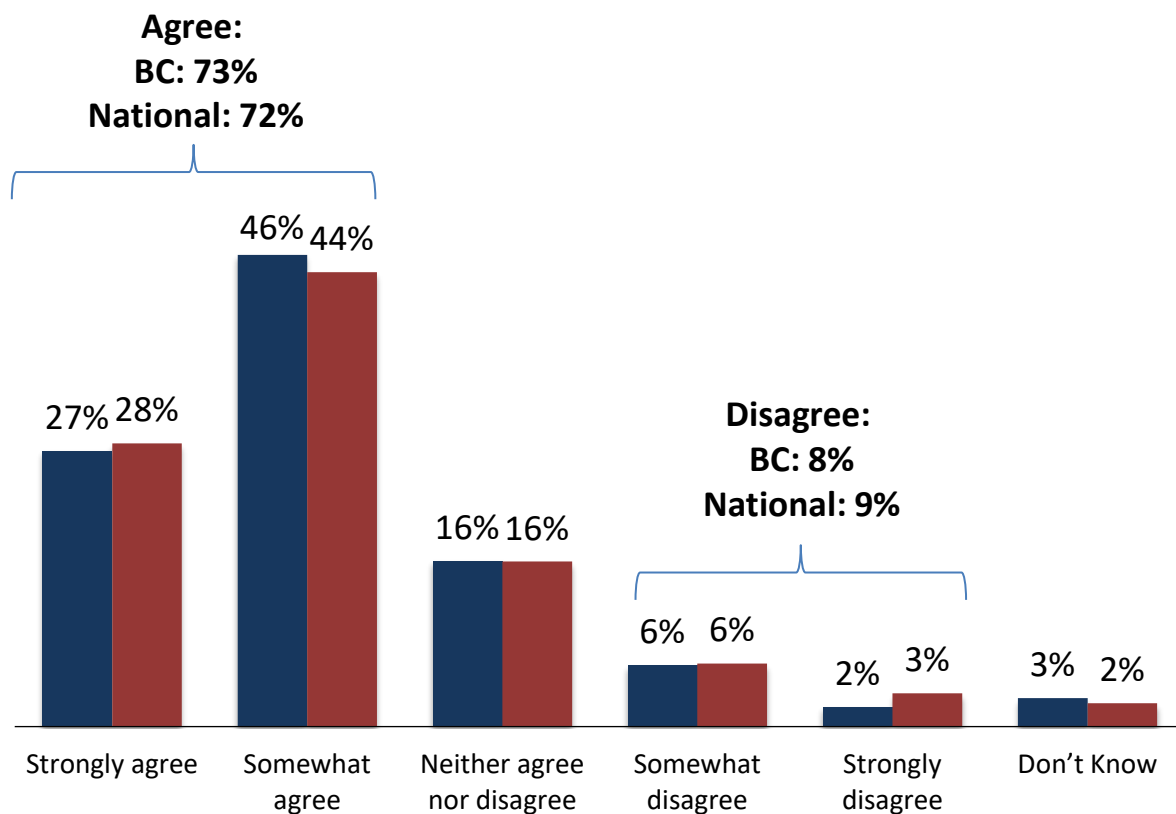


Do you agree or disagree with the following statements?

[asked only of investors; BC n=650; National n=1,017]

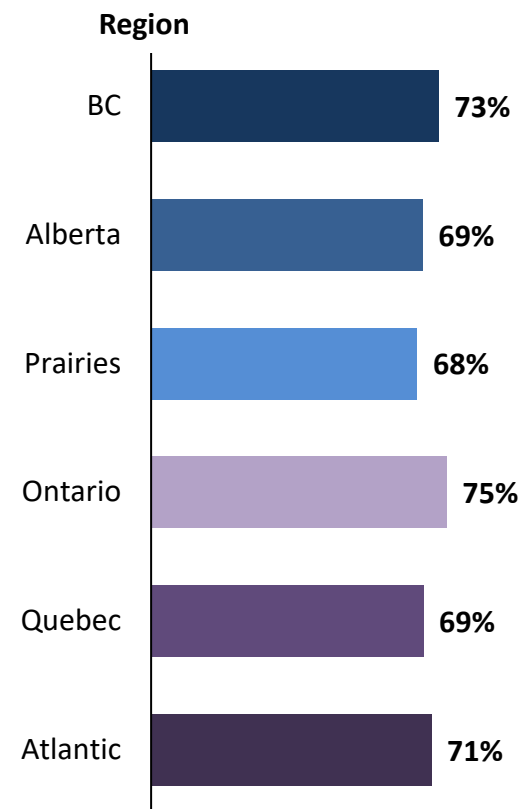
I understand all of my current investments and what risks and benefits they entail

Among investors



National Segmentation

Those who say "Agree"



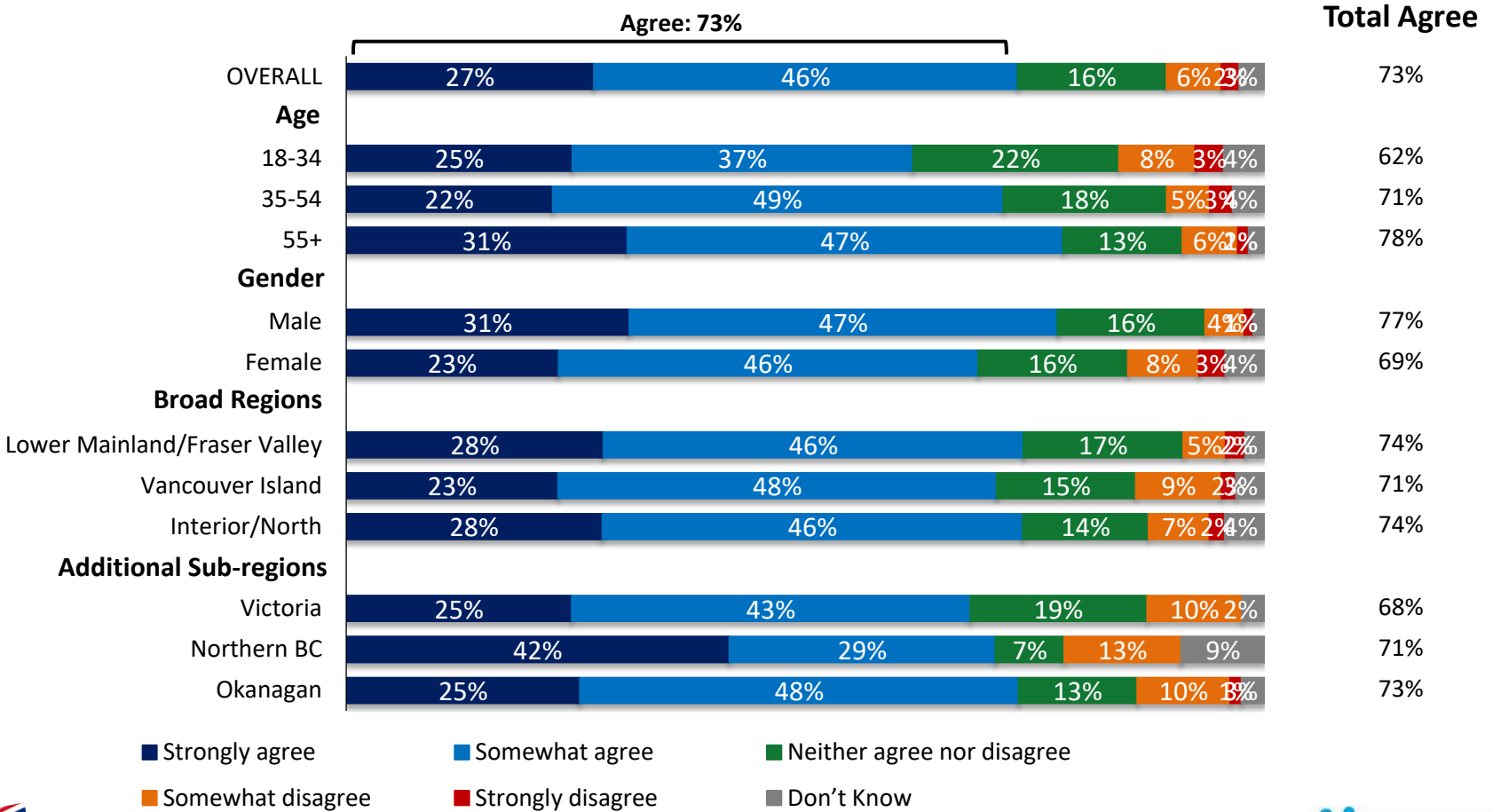
BC Breakdown: Agreement is highest among those 55+ and among men ²¹



Do you agree or disagree with the following statements?

[results only of investors; results among BC Investors; n=650]

I understand all of my current investments and what risks and benefits they entail
Among BC investors



Understanding of Fees: 56% of BC investors say they have a good understanding of the fees and charges they pay

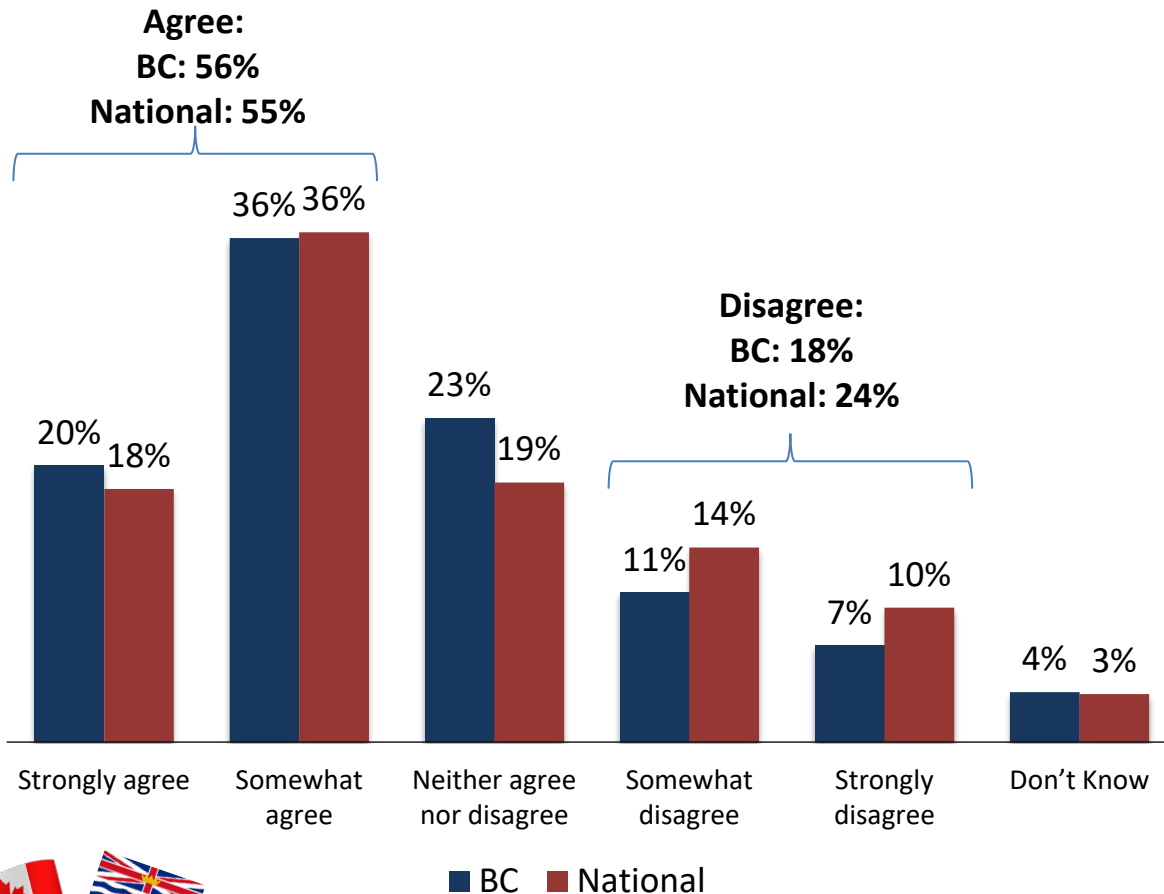


Do you agree or disagree with the following statements?

[asked only of investors; BC n=650; National n=1,017]

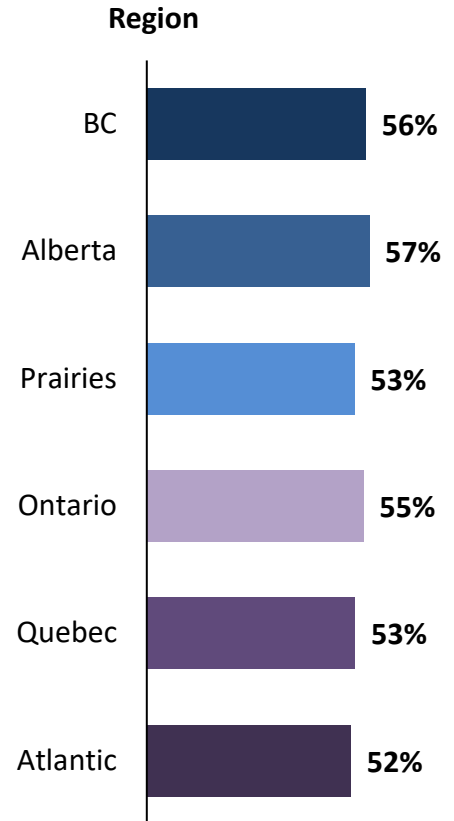
I have a good understanding of the fees and charges I pay on my investments

Among investors



National Segmentation

Those who say "Agree"

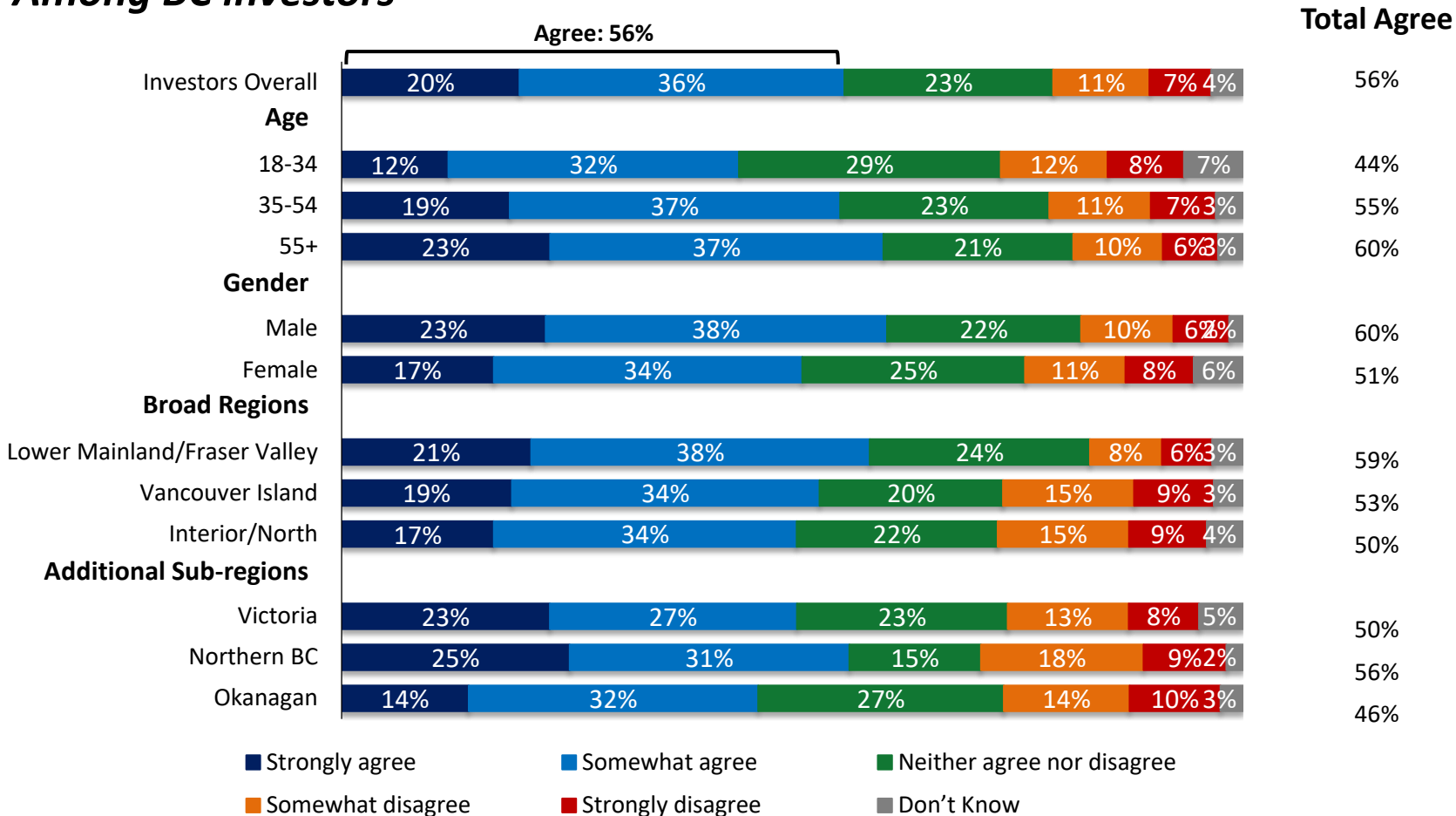


BC Breakdown: Men and those 55+ are more likely to say they have a good understanding of the fees they pay

Q Do you agree or disagree with the following statements?
 [asked only of investors; results among BC investors; n=650]

I have a good understanding of the fees and charges I pay on my investments

Among BC investors



Investment Literacy

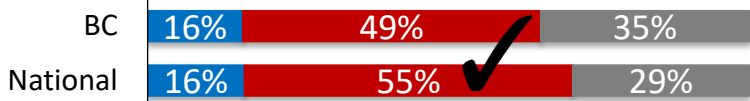
Investment Literacy: Only 1-in-6 in BC (17%) answered all 3 questions correctly, on par with the national results

Q Are the following statements true or false?
 [asked of all respondents; BC n=1,000; National n=1,500]

Among all respondents

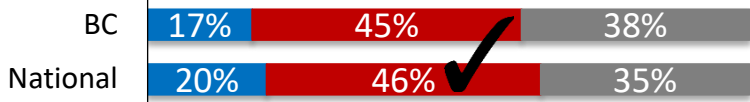
Correct Answer
 BC Canada

When an investor diversifies his or her investments, the risk of losing money increases



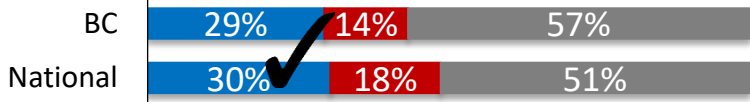
49% 55%

Mutual funds pay a guaranteed rate of return



45% 46%

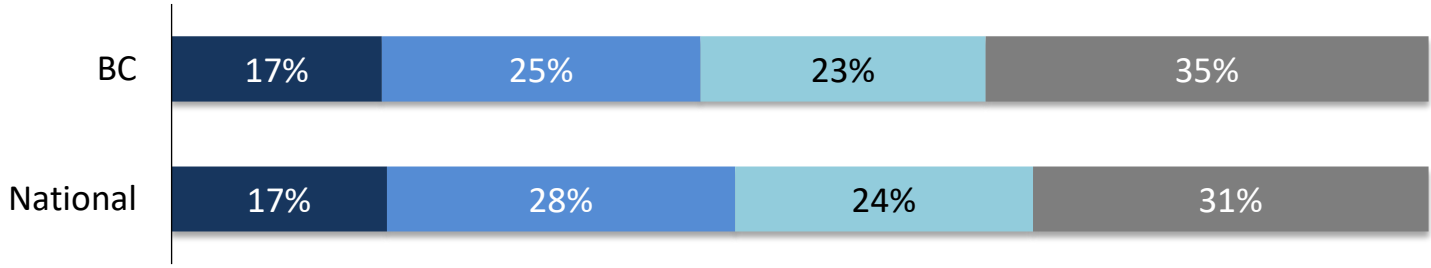
Bond prices go up when interest rates go down



29% 30%

■ True ■ False ■ Don't know

The graph below shows the distribution of correct answers based on the answer respondents chose to each question.



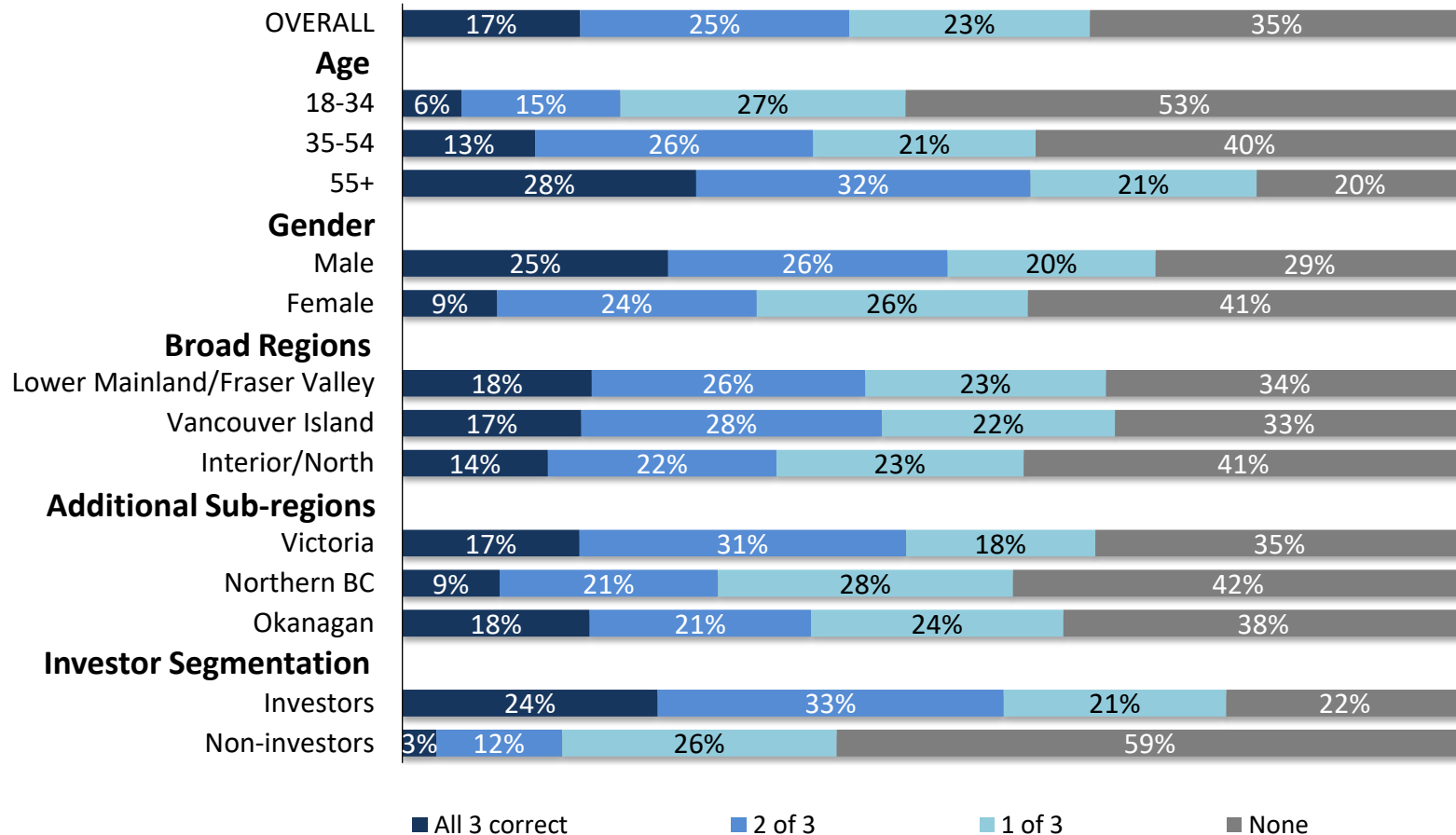
■ 3 all correct ■ 2 ■ 1 ■ None



BC Breakdown: Those 55+, men, and investors have the highest investment literacy

The graph below shows the distribution of correct answers based on the answer BC respondents chose to each question.

BC Results



Identifying as an “Investor”

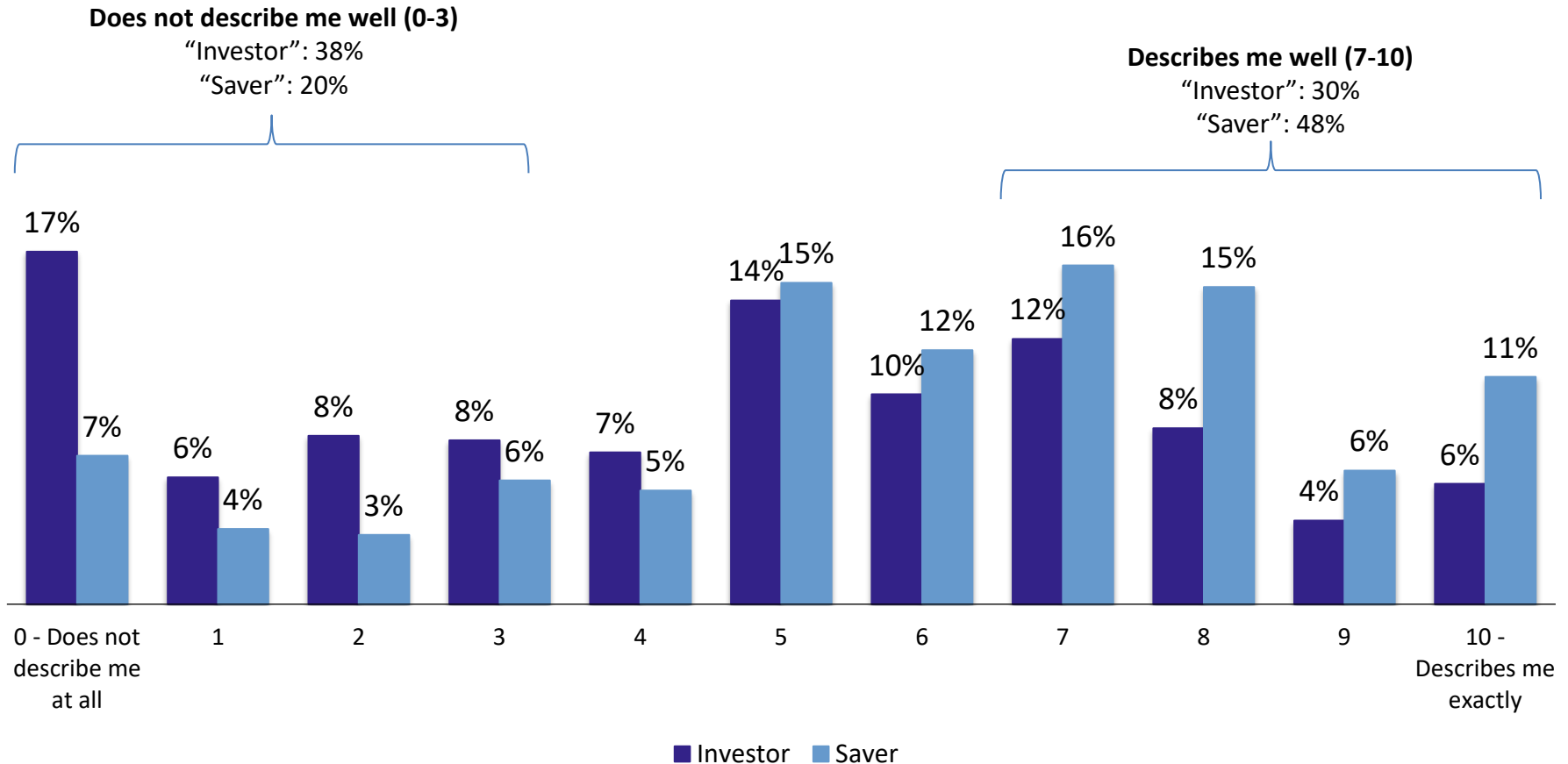
Nationally, 3-in-10 (30%) respondents say that the term “investor” describes them well



How well do the following words describe you? Please use a scale between zero to ten where ten is *Describes you exactly* and zero is *Does not describe you at all*.

[asked of all respondents; National n=1,500]

Among all respondents



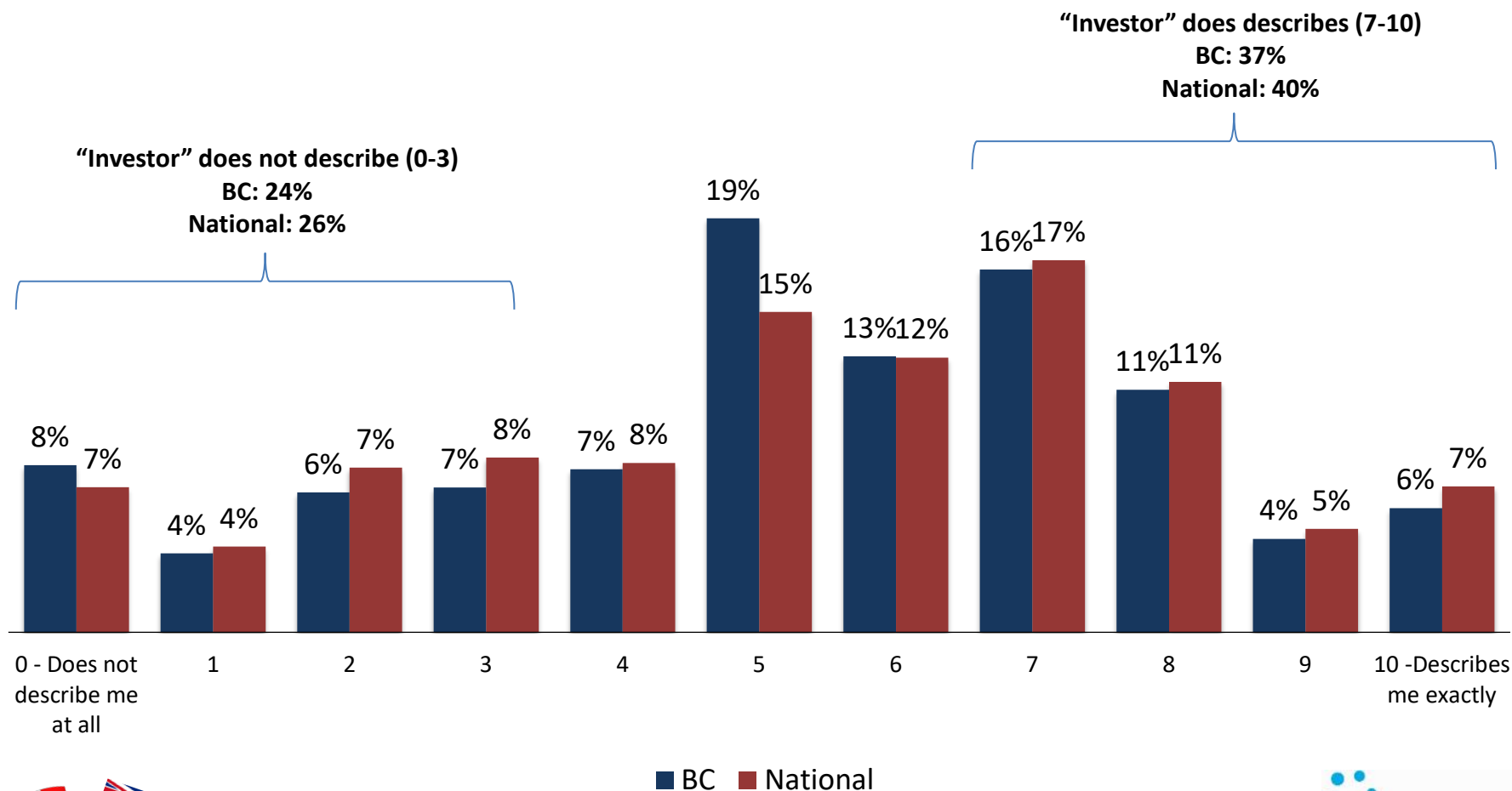
Among investors: Only 37% of BC investors and 40% of all investors say that the term “investor” describes them well



How well do the following words describe you? Please use a scale between zero to ten where ten is *Describes you exactly* and zero is *Does not describe you at all*. **(Investor)**

[results of investors only; BC n=650; National n=1,017]

Among investors



National Breakdown: Investors with larger portfolio sizes are more likely to self-describe as an investor



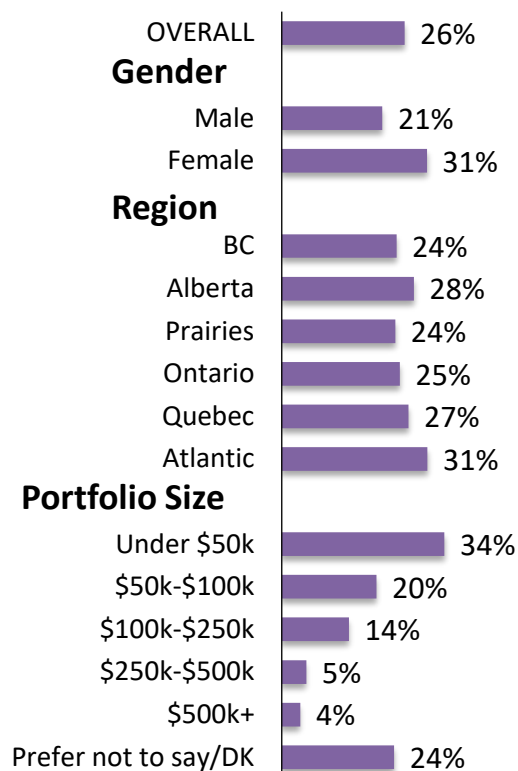
How well do the following words describe you? Please use a scale between zero to ten where ten is *Describes you exactly* and zero is *Does not describe you at all*. **(Investor)**

BY Gender, Region, and Portfolio Size

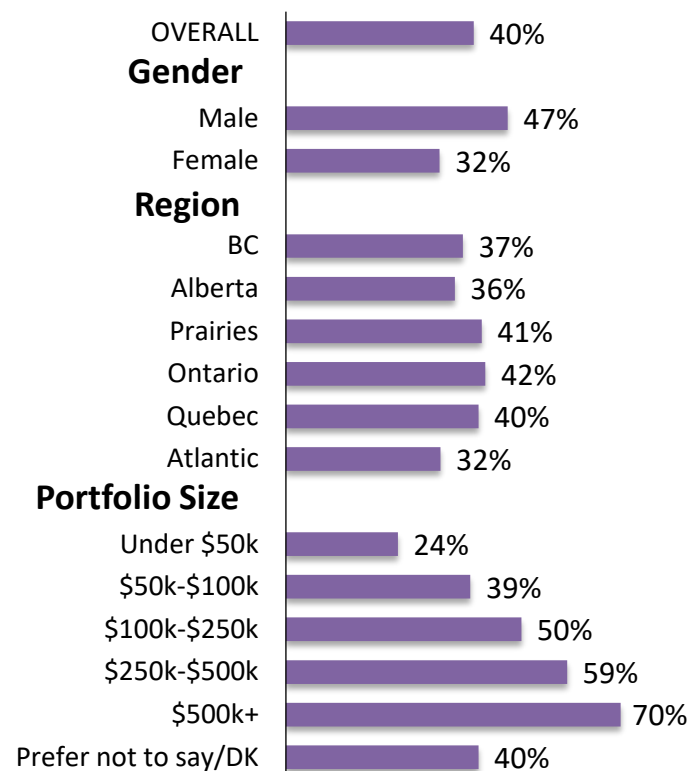
[results of Investors; n=1,017]

Among investors

% Does not describe (0 to 3)



% Does describe (7 to 10)



BC Breakdown: Investors residing in the LM/FV and men are more likely to self-describe as an investor



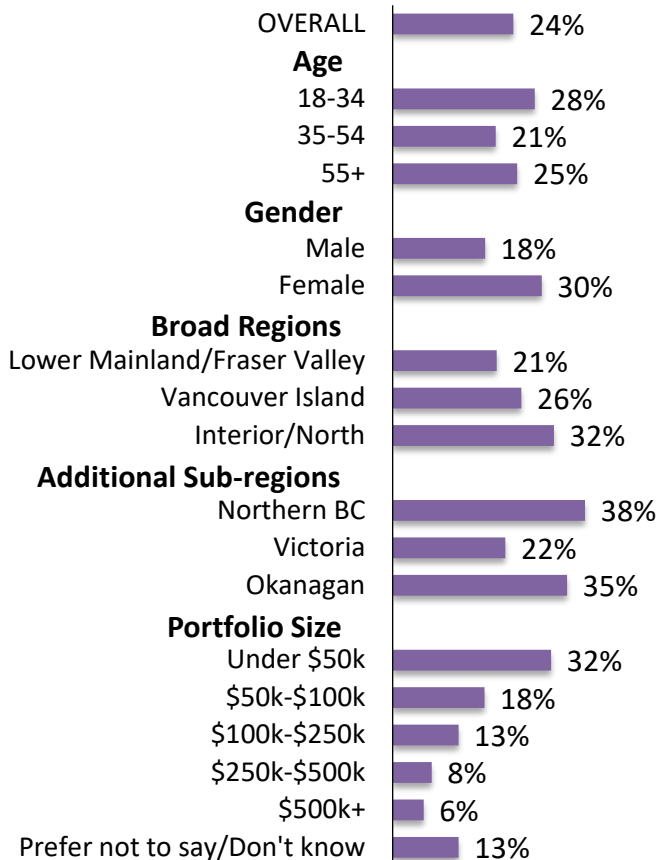
How well do the following words describe you? Please use a scale between zero to ten where ten is *Describes you exactly* and zero is *Does not describe you at all*. **(Investor)**

BY Age, Gender, Region, and Portfolio Size

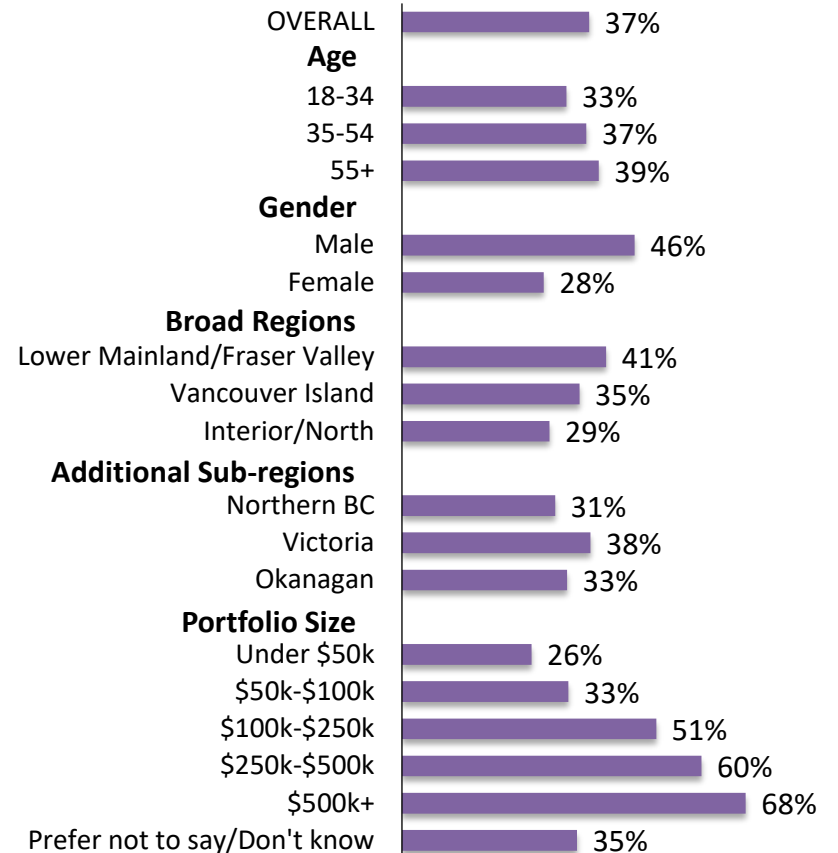
[results of BC Investors; n=650]

Among BC investors

% Does not describe (0 to 3)



% Does describe (7 to 10)



Impact of Identifying as an Investor

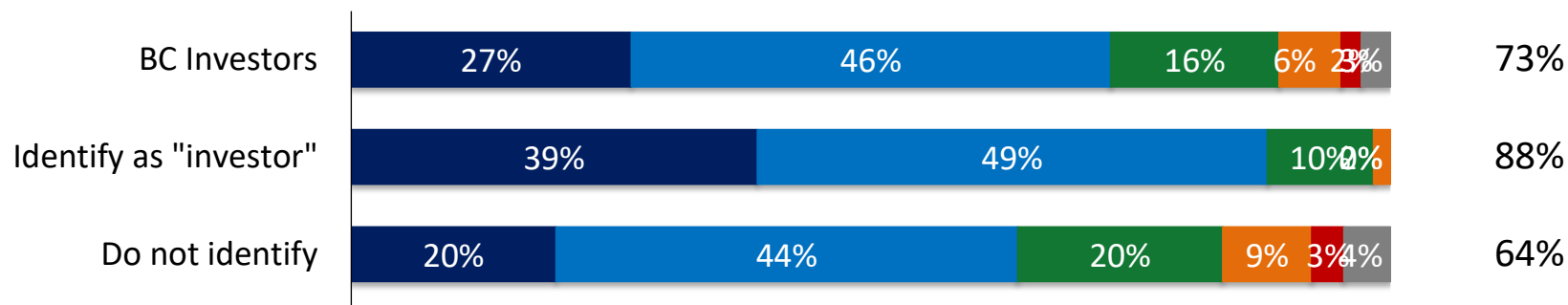
Investors who identify as such are much more likely to say they understand the risks/benefits of their investments

Q Do you agree or disagree with the following statements? BY Self-identification
[asked only of investors; BC n=650; National n=1,017]

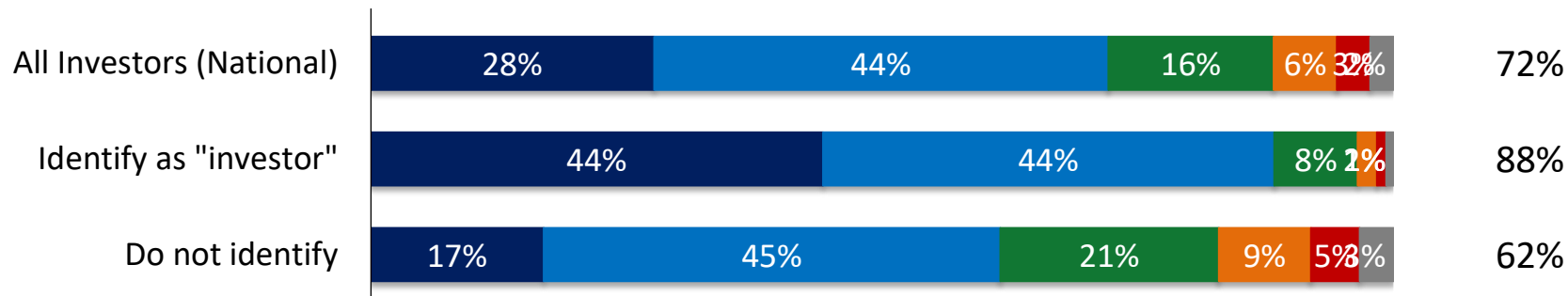
I understand all of my current investments and what risks and benefits they entail

Among BC investors

Total Agree



Among all investors (National)



Strongly agree

Somewhat agree

Neither agree nor disagree

Somewhat disagree

Strongly disagree

Don't Know



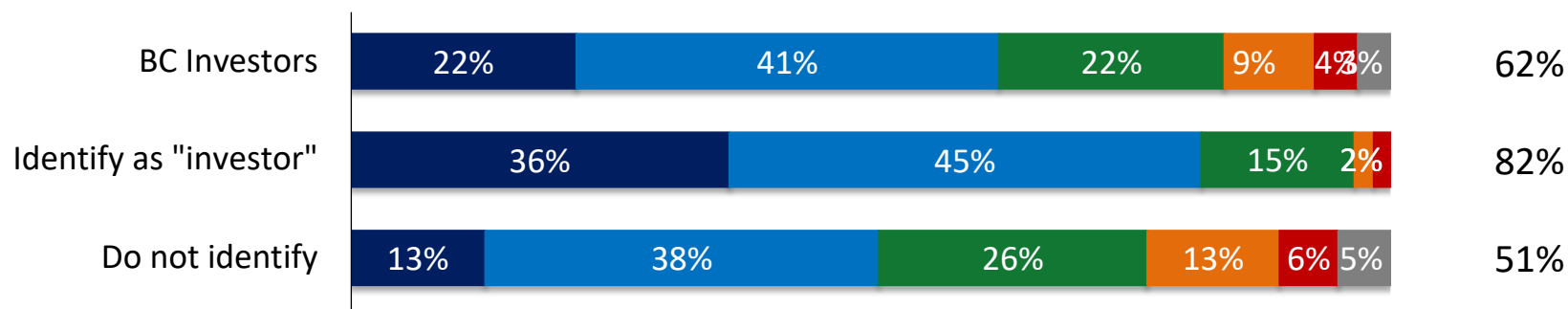
Investors who identify as such are more likely to say they know their goals and are on track to meet them

Q Do you agree or disagree with the following statements? BY Self-identification
[asked only of investors; BC n=650; National n=1,017]

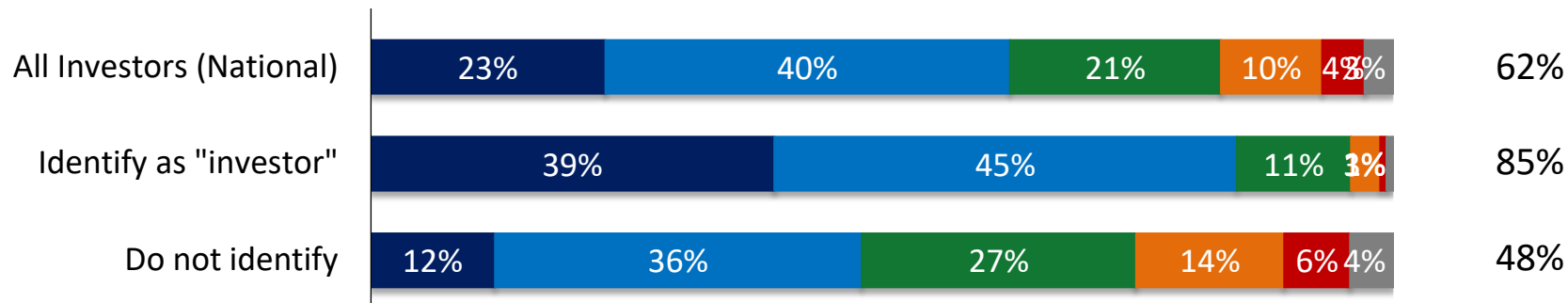
I know what my investment goals are and I am on track to meet them

Among BC investors

Total Agree



Among all investors (National)



■ Strongly agree
 ■ Somewhat agree
 ■ Neither agree nor disagree
■ Somewhat disagree
 ■ Strongly disagree
 ■ Don't Know



Investors who identify as such are more likely to say they have a good understanding of the fees they pay



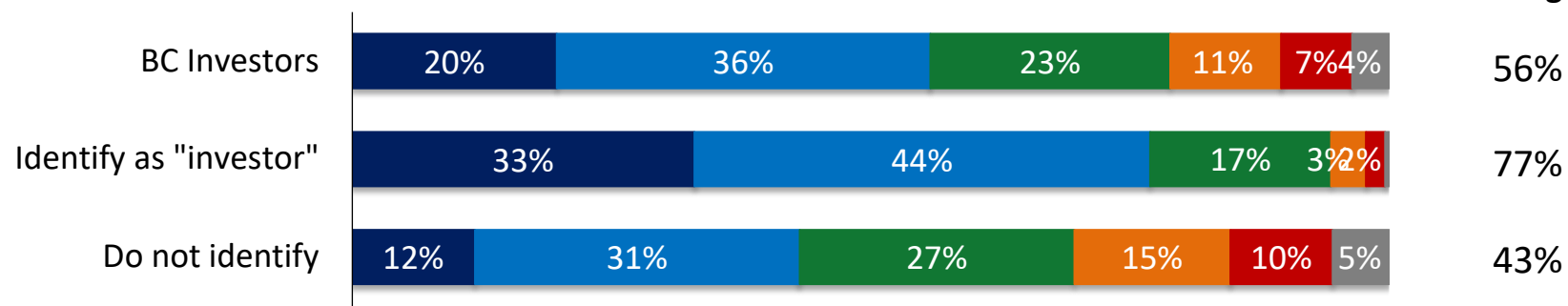
Do you agree or disagree with the following statements?

[asked only of investors; BC n=650; National n=1,017]

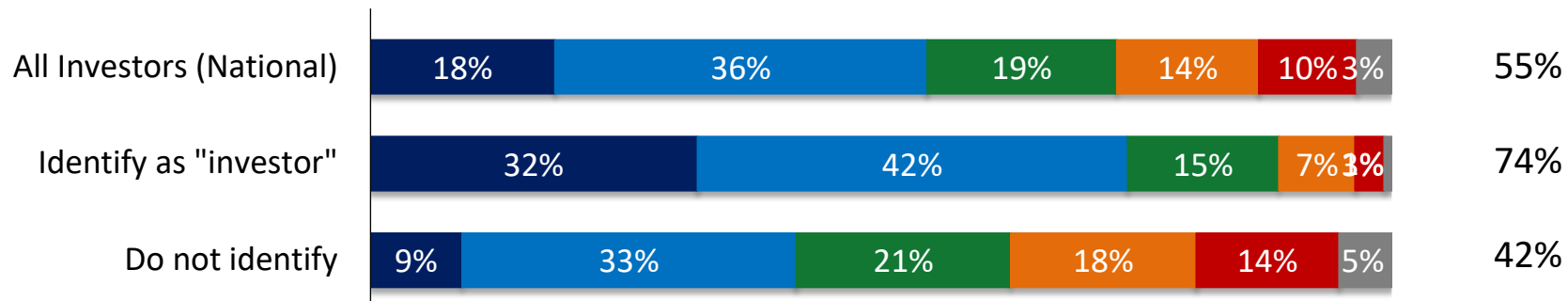
I have a good understanding of the fees and charges I pay on my investments

Among BC investors

Total Agree



Among all investors (National)



■ Strongly agree
 ■ Somewhat agree
 ■ Neither agree nor disagree
■ Somewhat disagree
 ■ Strongly disagree
 ■ Don't Know



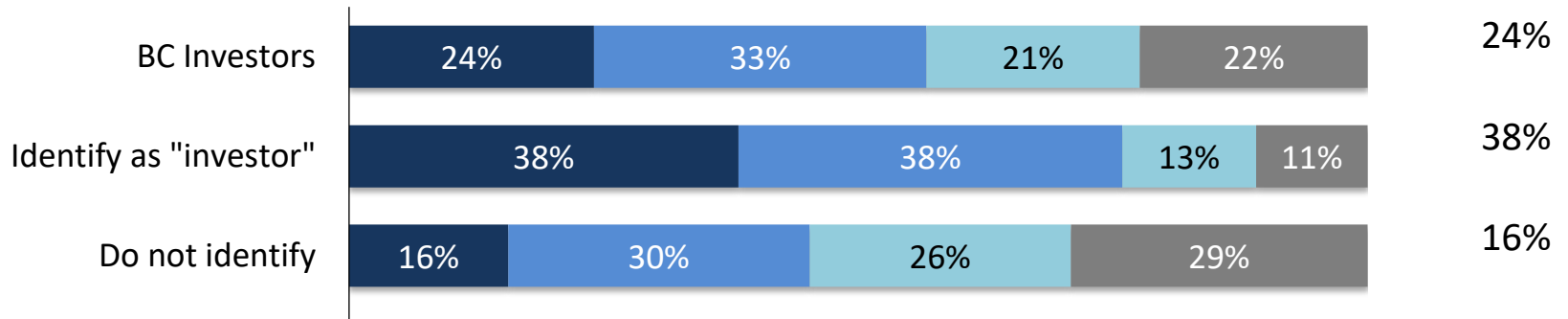
Investors who identify as such are more than twice as likely³⁶ to answer all three questions correctly as those who don't

Investment Literacy by Self-identification

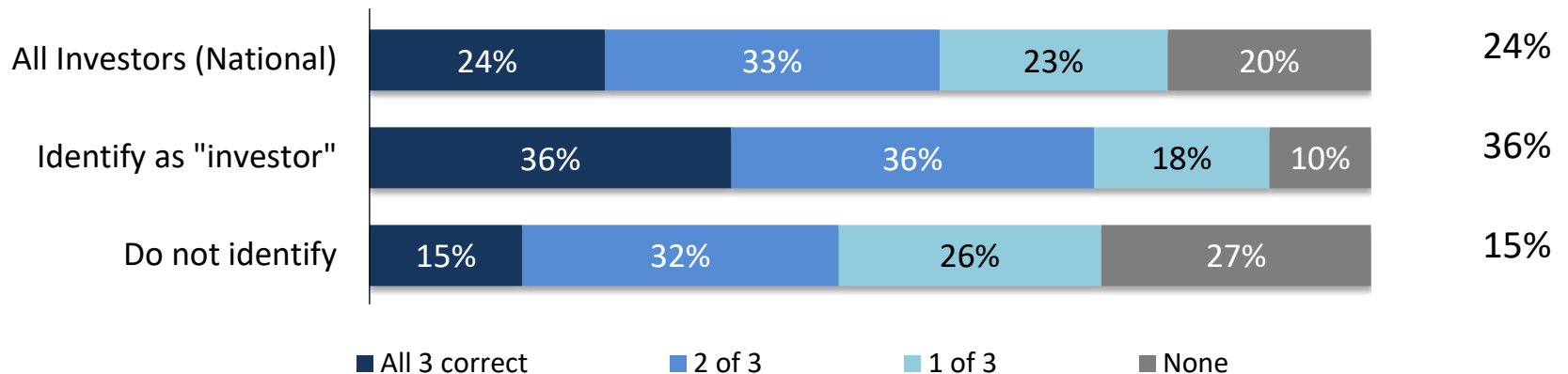
[results of investors only; BC n=650; National n=1,017]

Among BC investors

All 3 correct



Among all investors (National)



The impact of identifying as an investor is seen consistently in each region of the country

Impact of Self-identification by Region

[results of investors only; BC n=650; National n=1,017]

<i>Among Investors</i>		BC	AB	Prairies	ON	QC	Atlantic
I understand all of my current investments and what risks and benefits they entail <i>TOTAL AGREE</i>	Identify as “investor”	88%	94%	90%	91%	80%	87%
	Do not identify	64%	55%	52%	64%	62%	64%
I know what my investment goals are and I am on track to meet them <i>TOTAL AGREE</i>	Identify as “investor”	82%	92%	91%	82%	84%	90%
	Do not identify	51%	41%	40%	49%	52%	49%
I have a good understanding of the fees and charges I pay on my investments <i>TOTAL AGREE</i>	Identify as “investor”	77%	79%	75%	74%	71%	69%
	Do not identify	43%	44%	37%	41%	41%	44%
Investment Literacy <i>ALL 3 CORRECT</i>	Identify as “investor”	38%	31%	22%	45%	25%	33%
	Do not identify	16%	12%	22%	19%	8%	13%





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