

Media Release

Thursday 31 October 2013

**70% of Australians will head online for festive season purchases as financial wellbeing reaches record high.**

Seven out of ten Australians plan to shop online this Christmas, and Gen Y and families are leading the way with one in four (23%) planning to do more online shopping this festive season than last.

**Key findings of the Q3 ING DIRECT Financial Wellbeing Index:**

* 70% of households plan to do at least part of their Christmas shopping online.
* Only 18% of Australians say they *won’t* shop online this Christmas.
* Gen Y (aged 18-34) is embracing online shopping with 23% planning to shop more online this year than last year
* 51% say they’ll head online to save money; followed by 36% to save time.
* Among those who plan to shop online this Christmas, the most likely purchases are toys and games (37%), clothing (27%) and gift vouchers/experiences (26%).
* 37% say they’ve had a disappointing experience online

**Household confidence improves**

*The quarterly Financial Wellbeing Index rates household comfort levels across six key aspects of personal financial wellbeing including credit card and mortgage debt, savings, investments, household income and ability to pay bills.*

**The ING DIRECT Financial Wellbeing Index indicates Australian households are experiencing their highest level of financial wellbeing since tracking began in Q1 2010. The Index score for Q3 2013 rose to 111.5 up from 107.8 in Q2 - the first time the Index has exceeded 110.0.**

Comfort levelsacross all six indicators rose in Q3. In particular, comfort with both long term debt (mortgages) and short term debt (credit cards) is very high. Seven out of ten households (69%) say they are ‘very comfortable’ with their mortgage (up from 65% in Q2), and 60% are ‘very comfortable’ with their credit card debt (up from 55% in Q1).

Comfort levels with household savings is improving, with 25% saying they are ‘very uncomfortable’ with their saving - the lowest level since 2010.

One in five (21%) of households are ‘very comfortable’ with their ability to pay household bills, the highest proportion since tracking commenced in 2010.

**Key drivers for shopping online this Christmas are:**

* 51% - to save money: it’s cheaper online. This rises to 60% among households who are uncomfortable with personal savings.
* 36% - to save time; rising to 44% among Gen Y
* 33% - to avoid the rush at the shops
* 32% - to buy specific gifts not available in stores
* 20% - to buy gifts from overseas; rising to 29% among Gen Y

The overwhelming majority (65%) of online purchases will be paid for using online payment facilities, followed by credit cards (39%) and debit cards (24%).

Executive Director of Customer at ING DIRECT, John Arnott, says, “Low interest rates and improved confidence have given households a tremendous boost - especially in the key areas of home loan and credit card debt.”

“As Australians gear up for the annual Christmas spending season they continue to look for value and convenience using digital channels as a means of saving time and money.”

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**Research methodology:**

The ING DIRECT Financial Wellbeing Index was compiled by Galaxy Research from the online responses of 1,050 households between 4 October and 8 October 2013. The data was weighted by region and household size to reflect the Australian household population based on the 2006 census. The level of savings reported in the study is also calibrated to APRA national bank total deposits (households) to ensure accuracy of household savings levels.

**About ING DIRECT**

ING DIRECT pioneered branchless banking in Australia by offering the first online, high interest, fee free savings account. Our low cost operating model allows us to pass these savings on to the customer in the form of great value products and services. Today, ING DIRECT has more than 1.4 million customers with $30 billion in deposits and $38 billion in mortgages and a range of products including transaction accounts and superannuation. **Please note ING DIRECT is never abbreviated to ING.**