

**[2023 Survey on Investment Trusts (Generation Z)]****As investment is a gamble, I want to avoid mistakes****Create a foothold for popularizing investment by removing negative perceptions among women and uninterested or dismissive individuals to lower psychological hurdles**

The Investment Trusts Association, Japan (address: 2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo; Chairperson: Koichi Matsushita) conducted in October 2023 a survey of 3,000 men and women aged between 15 and 34 across Japan to understand the values and behavior of so-called Generation Z ("Gen Z") and help promote asset building and use of investment trust products.

**General overview of survey results****[Characteristics of Gen Z's life values and behavior]**

- While there is a psychological hurdle of not making mistakes among Gen Z as its life values, the generation also wants to be self-determined and self-directed, a tendency that is especially strong among the core Gen Z demographic aged between 15 and 24. In addition, Gen Z's characteristic awareness for making good use of time is reflected not only in their needs for saving time by getting things done easily and quickly but also in their willingness to spend time on things they need or like (p. 25 of the report).

**[Gen Z's values about money]**

- As for values about money, around half of all respondents preferred earning and accumulating reward points and valued cost-benefit performance. In addition, Gen Z's steady and realistic natures showed in their answers "Want to steadily prepare money for the future" and "Want to maintain a normal standard of living without being preoccupied by money" (p. 27 of the report).
- Compared with men, women seem to think more about a money plan at various timings, prompted by changes in life stages in particular. Furthermore, women seem to have sounder approach to money but have poorer financial literacy (pp. 27, 29, 31–37, and 58 of the report).

**[Investment approach and behavior of Gen Z]**

- Over 40% of current non-investors were highly interested in investing, but Gen Z as a whole had strong negative perceptions about investment, seeing it as difficult or gambling (pp. 56 and 61 of the report).
- While 32.0% of Gen Z recognized "Investment trusts (excl. ETFs and J-REITs)," the percentage was lower than 53.0% for "Stocks" and 34.1% for "FX." Current investors accounted for 48.9% of the respondents aged 18 or above who recognized investment products (pp. 48 and 50 of the report).
- Those who had investment education experience represented 28.7% of all respondents, with "Classes at school" and "Learning/educational content on YouTube and other social media platforms" ranked high (p. 73 of the report).
- After excluding a lack of money, a lack of a confident understanding and information scarcity were top-ranking hurdles for starting investment, suggesting that "Extensive basic information about money" is needed (pp. 86 and 88 of the report).

## Main characteristics of Gen Z and the methods of making investment appealing to them suggested by the survey results

Based on the results of the survey, we have organized main characteristics of Gen Z and possible methods of making investment appealing to them, around the following three points:

1. Measures suggested by values about life and money
2. Measures suggested by investment approach and behavior
3. Profiles of Gen Z suggested by comparison of key values

### 1. Measures suggested by values about life and money

#### (1) Eliminating the association of investment with mistakes and untrustworthiness

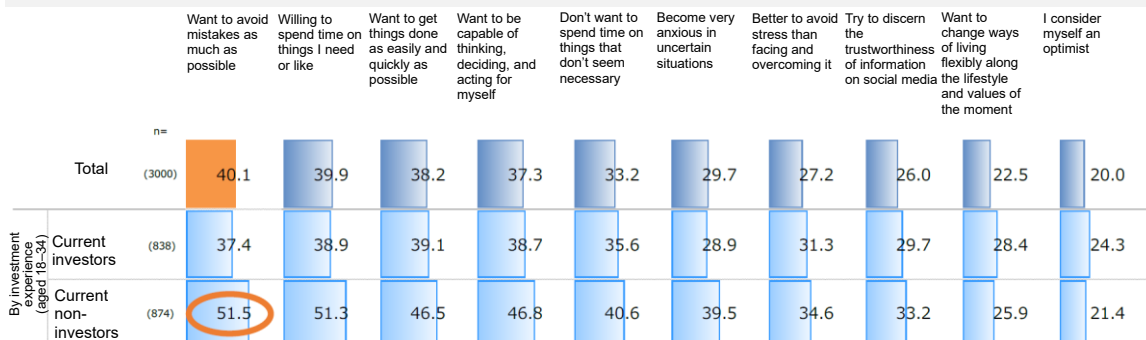
The answer “Want to avoid mistakes as much as possible” came top among life values of Gen Z at 40.1%, and the percentage was especially high among current non-investors (aged 18–34) compared with current investors (aged 18–34) (Figure 1). In addition, speculative and scary image, low trustworthiness, and other negative perceptions of investment prevailed among those who were uninterested in investment (all 15- to 17-years-olds and current non-investors aged 18–34) and those who were dismissive of investment (Figure 2).

The psychology of wanting to avoid mistakes as much as possible is assumed to be a shared value underlying these negative perceptions of investment, and it would be necessary to eliminate such perceptions.

Furthermore, there is a characteristic that the recognition rates for investment trusts, ETFs, and J-REITs were low among those who were uninterested in or dismissive of investment, even compared with the rates for new products such as FX, crypto assets, and virtual currencies. There is a possibility that they also perceive investment trusts and the like as speculative products similar to these (Figure 3), and therefore it should be emphasized that investment is not necessarily speculative.

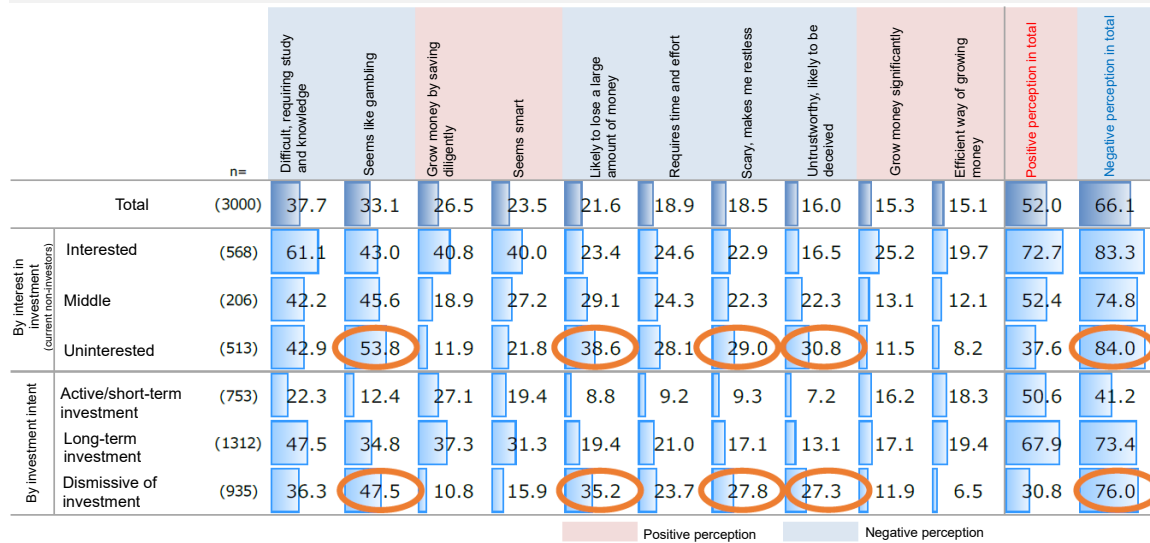
**Figure 1. Gen Z’s values about life**

(Scope: all / Q6: multiple answers / pp. 25–26 of the report / Top-ranking answers with a 20% or higher percentages are shown.)



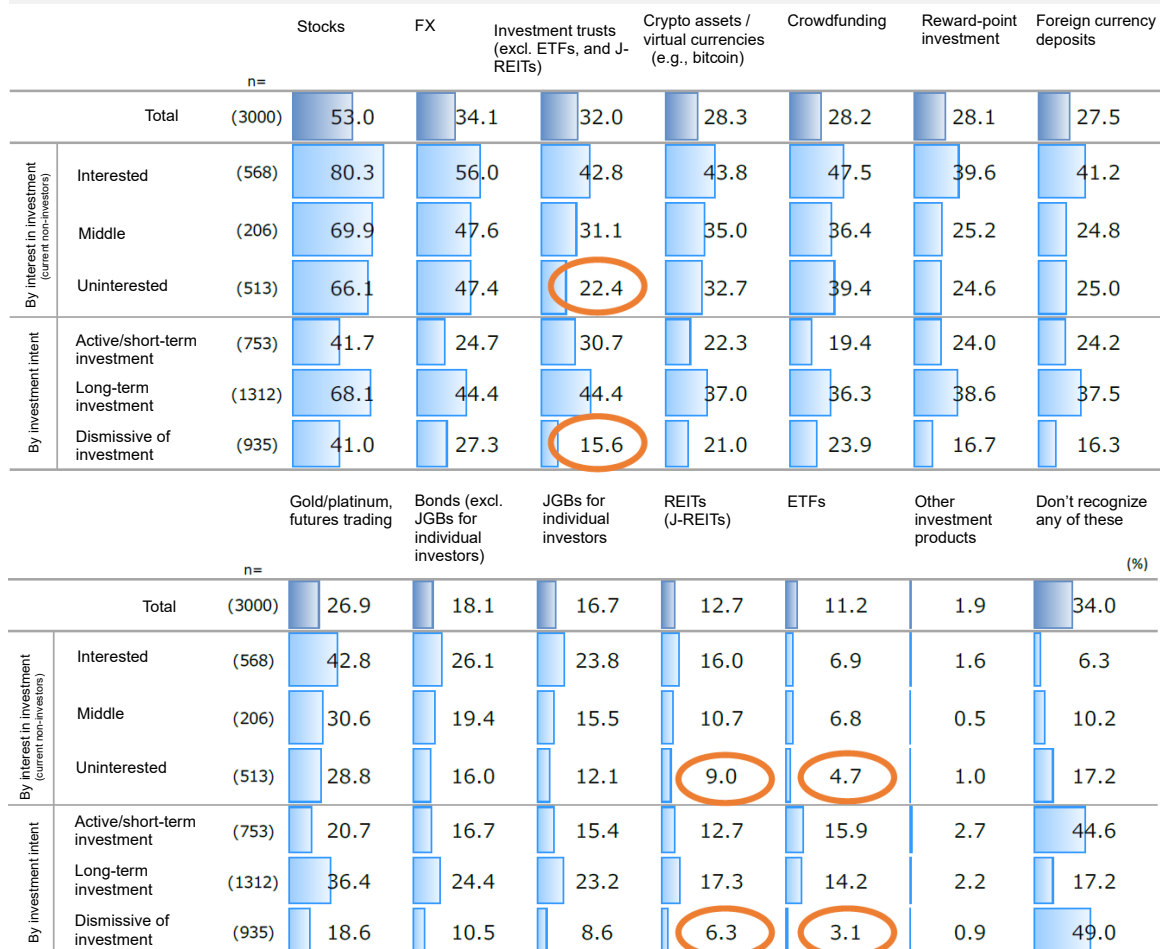
**Figure 2: Perception of investment**

(Scope: all / Q17: multiple answers / pp. 61–62 of the report / Top-ranking answers with a 10% or higher percentages are shown.)



**Figure 3: Recognition rate of investment products**

(Scope: all / Q12: multiple answers / pp. 48–49 of the report)

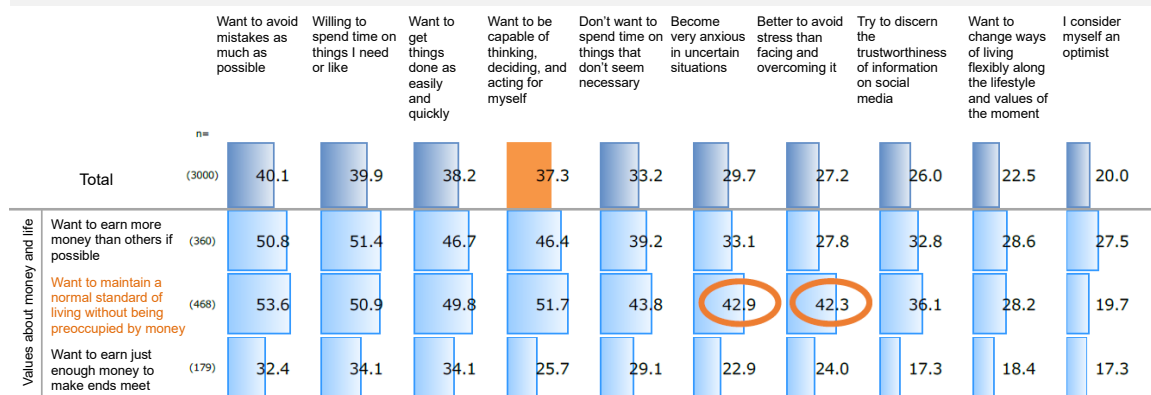


## (2) Fostering self-determination, self-direction, and a sense of security

The answer “Want to be capable of thinking, deciding, and acting for myself” was also a high-ranking value mainly among the core Gen Z demographic, suggesting that they have strong willingness to be self-determined and self-directed. This was probably driven by their fears of making mistakes, uncertainties over the future, and the like (Figure 4).

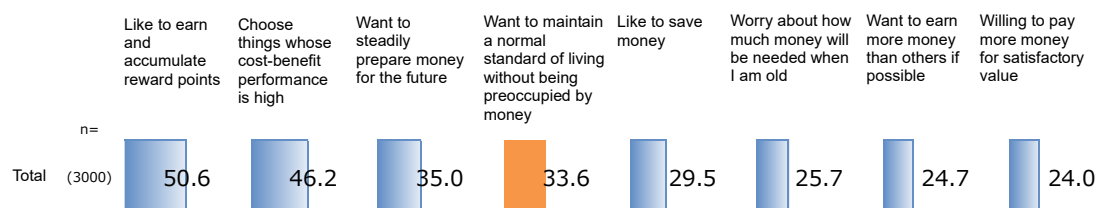
On the other hand, values about money point to Gen Z’s preference for security, with 33.6% of respondents selecting the answer “Want to maintain a normal standard of living without being preoccupied by money” (Figure 5). They also have a high tendency to avoid stress with high percentages of respondents choosing “Become very anxious in uncertain situations” and “Better to avoid stress than facing and overcoming it” (Figure 4). As a countermeasure to this, we could communicate that one way to be psychologically at ease is to invest for the future to reduce future uncertainties and create less stressful circumstances over money.

**Figure 4. Gen Z’s values about life** (partially reposted)  
(Scope: all / Q6: multiple answers / pp. 25–26 of the report / Top-ranking answers with a 20% or higher percentages are shown.)



\* Values about money and life: This figure is created by selecting the respondents that chose only one of the three answers for Q7: “Want to earn more money than others if possible,” “Want to maintain a normal standard of living without being preoccupied by money,” or “Want to earn just enough money to make ends meet.” (Respondents who chose multiple answers are not included.)

**Figure 5. Gen Z’s values about money**  
(Scope: all / Q7: multiple answers / p. 27 of the report / Top-ranking answers with a 20% or higher percentages are shown.)



### (3) Effective use of social media videos

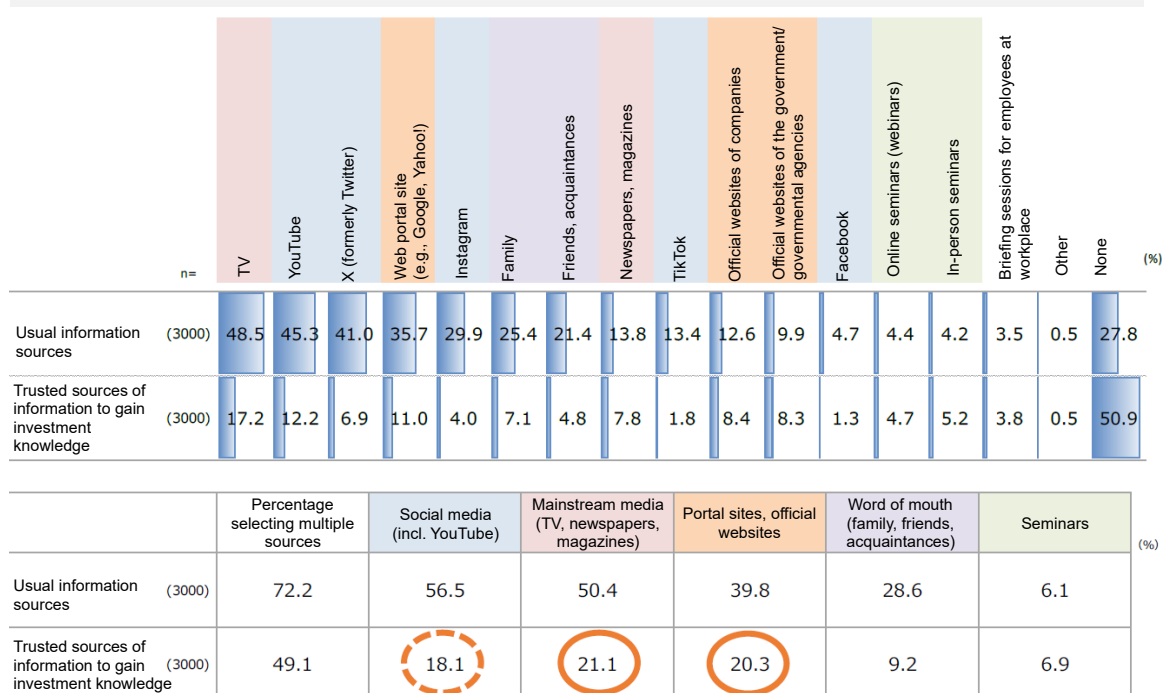
As for sources of investment information and investment education, the percentages of the respondents who are using or intend to use videos on YouTube and other social media platforms were high, indicating that they can be an important tool (Figure 6; see Figure 14 in p. 8 for investment education).

However, short videos and the like may be another tool to make use of, given that permissible viewing time was short at 7.8 minutes among the respondents who were highly conscious of making good use of time—i.e., those who selected the answer “Want to get things done as easily and quickly as possible”—and that the percentage of the respondents choosing “1 min. or less” was high (Figure 7).

Meanwhile, many respondents selected mainstream media, websites, and the like as trusted sources of investment information (Figure 6). These were followed by social media at a high percentage, but a certain percentage of respondents were trying to determine the trustworthiness of information on social media (Figure 8). Therefore, enhancing information from trusted organizations (e.g., the government and governmental agencies) would be also an effective measure.

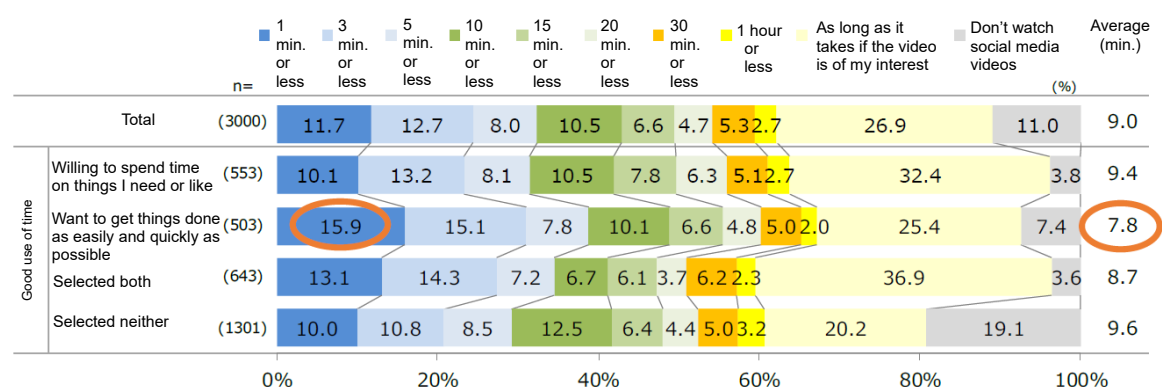
**Figure 6. Usual information sources and trusted sources of investment information**

(Scope: all / Q24 (ii): multiple answers / p. 80 of the report)

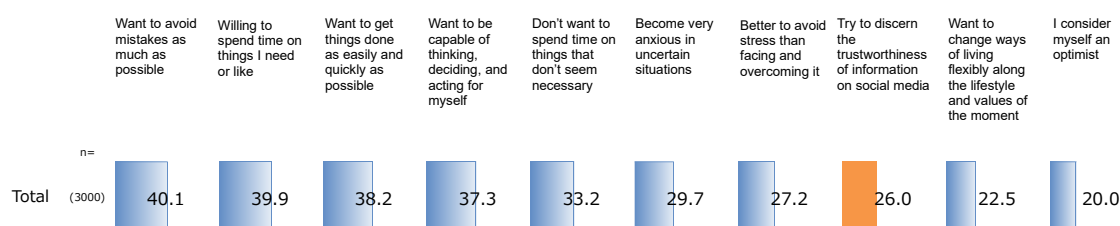


**Figure 7. Permissible viewing time of social media videos**

(Scope: all / Q5: single answer / pp. 22–23 of the report)



**Figure 8. Gen Z's values about life** (partially reposted)  
(Scope: all / Q6: multiple answers / p. 25 of the report / Top-ranking answers with a 20% or higher percentages are shown)



## 2. Measures suggested by investment approach and behavior

### (1) Appealing to women going through life events

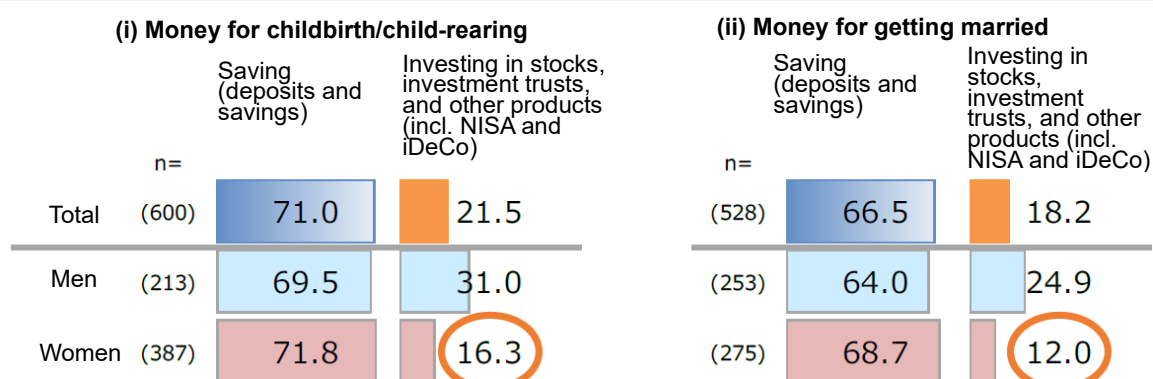
Many selected "Saving" as a method to prepare money for both childbirth/child-rearing and getting married. Around 20% of respondents chose "Investing in stocks, investment trusts, and other products" for the same events, but in both childbirth/child-rearing and getting married, the percentages for women who chose "Investing in stocks, investment trusts, and other products" were lower than men (Figure 9).

As for the awareness and state of investment, the percentage of current investors, the recognition rate of investment products, and investment literacy on basic knowledge were lower, while the percentage of those who have a negative perception of investment was higher, among women (Figure 10). On the other hand, women had higher percentages of the respondents who "Like to earn and accumulate reward points" and "Choose things whose cost-benefit performance is high" (Figure 11), and their needs for simulation were also high as a prerequisite for starting to invest (Figure 12).

Possible measures to make investment appealing to women include linking investment information to women's life events, providing simulations, and offering investment content that enables them to learn together with their partners.

**Figure 9. Methods of preparing money for childbirth/child-rearing and getting married**

(Scope: respondents who selected childbirth/child-rearing and marriage in Q9 as especially costly life events / Q10: multiple [up to three] answers / pp. 34 and 36 of the report / partial excerpts)



**Figure 10. Gender comparison of data on awareness and state of investment**

(Scope: all / Q12: multiple answers, 18-year-olds or above who recognized investment products / reorganized Q13, all / Q16: single answer, all / Q17: multiple answers, all / partial excerpt for each) (pp. 48, 50, 58, and 61 of the report)

		Men	Women
	n=	(1532)	(1468)
<b>Recognition rate of investment products</b>	<b>Stocks</b>	56.7	49.2
	<b>Investment trusts (excl. ETFs and J-REITs)</b>	38.1	25.5
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<b>Non-recognition rate of investment products (Q12: "Know none of these")</b>		29.9	38.3
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<b>Percentage of current investors (18-year-olds or above who recognized investment products)</b>	n=	(923)	(789)
		56.6	40.1
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<b>Average score for financial literacy (out of 9)</b>	n=	(1532)	(1468)
		3.8 points	2.9 points
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<b>Perception of investment</b>	<b>Positive</b>	55.2	48.7
	<b>Negative</b>	59.7	72.8

**Figure 11. Gender comparison of values about money among Gen Z (partially reposted)**

(Scope: all / Q7: multiple answers / p. 27 of the report / Top-ranking answers with a 20% or higher percentages are shown)

		Like to earn and accumulate reward points	Choose things whose cost-benefit performance is high	Want to steadily prepare money for the future	Want to maintain a normal standard of living without being preoccupied by money	Like to save money	Worry about how much money will be needed when I am old	Want to earn more money than others if possible	Willing to pay more money for satisfactory value
	n=								
Total	(3000)	50.6	46.2	35.0	33.6	29.5	25.7	24.7	24.0
Men	(1532)	41.8	39.4	30.8	28.9	27.2	20.3	25.7	23.9
Women	(1468)	59.8	53.3	39.3	38.5	31.9	31.4	23.6	24.0

**Figure 12. Prerequisites for starting investing**

(Scope: Current non-investors aged 18 or above / Q26: multiple answers / p. 88 of the report / Top-ranking answers with a 15% or higher percentages are shown)

		Extensive basic information about money (e.g., saving, investment, insurance, real estate)	Simulation about money growth by time horizon	How-to guide for starting investment (how to choose a securities firm and products)	Products that allow me to start with 100 yen	Products that enable me to plan how much money I will need	Recommendation of investment products, and easy-to-understand explanations of them	Easy-to-understand explanations on types and features of investment products	Products that allow me to invest with reward points instead of cash	Products that notify good timings to sell/buy
	n=									
Total	(874)	52.5	33.9	30.9	30.2	30.0	24.9	20.0	19.8	15.8
Men	(401)	48.4	26.9	26.2	27.7	24.9	22.2	17.7	17.0	13.5
Women	(473)	56.0	39.7	34.9	32.3	34.2	27.3	22.0	22.2	17.8

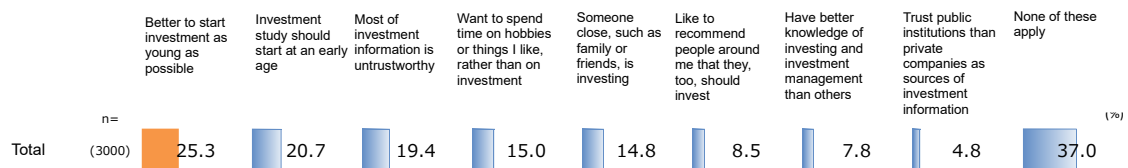


## (2) Need for starting investment education in childhood

About a quarter, or 25.3%, of respondents said that people should be exposed to the idea of investment from an early age (Figure 13), but only less than 30% of respondents had investment education (Figure 14). Also, the respondents who talk about investment with their parents showed higher financial literacy (Figure 15).

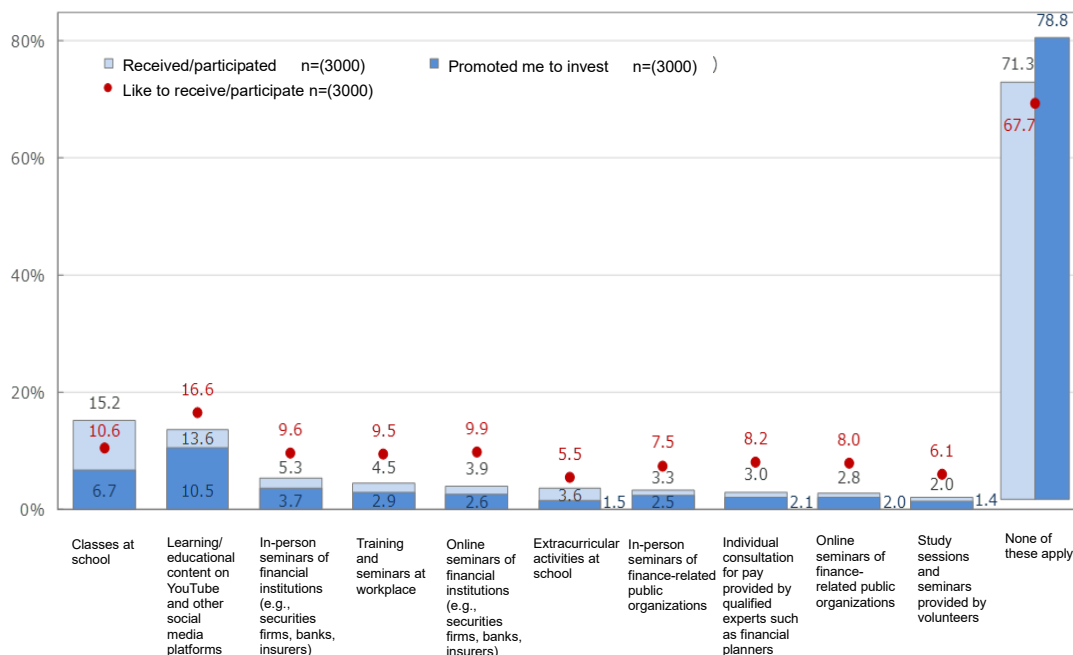
In 2022, Japan's high schools enhanced financial education, but further expansion of educational opportunities, whether at school or home or elsewhere, would be needed. Since investment-related conversations with parents seem to have had a positive impact on financial literacy, providing tools for parents to learn investment with children, which can be used not only at school but at home, is a possible measure.

**Figure 13. Approach to investment**  
(Scope: all / Q19: multiple answers / p. 64 of the report)



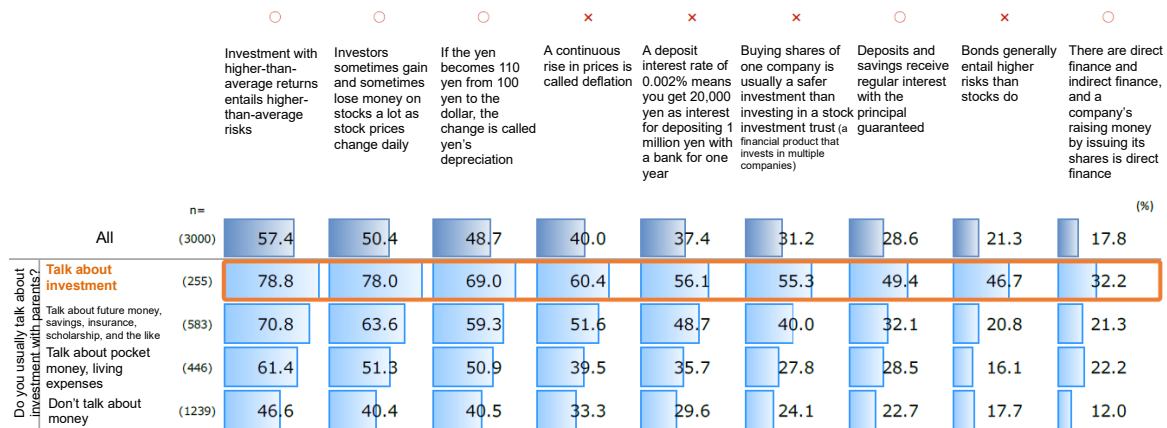
**Figure 14. Experience of, perception change by, and future intent about, investment education**  
(Scope: all / Q19: multiple answers / p. 73 of the report)

**Percentage of the respondents with investment education experience: 28.7%**





**Figure 15. Basic knowledge on investment**  
(Scop: all / Q16: single answer / pp. 59–60 of the report)



### (3) Considerations for reward-point investment

As for what prompted respondents to start investing, gaining information on the internet and realizing the possibility of reward-point investment were the main answers for those engaging in reward-point investment only. Meanwhile, less than 10% of this group selected the importance of building assets, benefits of the investment schemes, and the like as the reasons for starting to invest. They showed low susceptibility to these factors (Figure 16).

Reward-point investment seems to be serving as an entry point for investment, but a nudge would be needed for them to start investing in earnest. A specific measure would be to highlight accessible investment products, such as purchasing investment trusts in small amounts.

**Figure 16: What prompted Gen Z to start investing**

(Scope: all / Q14: multiple answers / p. 54–55 of the report/ Top-ranking answers with a 10% or higher percentages are shown)



### 3. Profiles of Gen Z suggested by comparison of key values

As a way to profile Gen Z, we compared their values about money and life, focusing on Value A Group of average life aspirants who selected the answer “Want to maintain a normal standard of living without being preoccupied by money” and Value B Group of active money earners who chose “Want to earn more money than others if possible.”

Value A Group accounts for 33.6% and Value B Group for 24.7% of all respondents (3,000). The share of women was higher than men in Value A Group, and the proportions of men aged 15–17 and women aged 15–21 were high in Value B Group (p. 27 of the report).

\* In the report, the analysis also covered those who selected “Want to earn just enough money to make ends meet” (Value C Group). For comparison purposes, those who selected multiple answers from A, B, and C were excluded. (The number of respondents in each group after the exclusion was 468 for A, 360 for B, and 179 for C). We conducted this comparison analysis between A and B.

Item	Value A Group: Average life aspirants	Value B Group: Active money earners	Analysis viewpoints
Life values (Q6)	Strong tendency to avoid uncertainties and stress.	A certain number in this group showed optimistic and self-confident tendency.	Value A Group is featured by seeking psychological security and B by taking on challenges.
Approach to money (Q7)	Focused on cost-benefit performance, with anxiety about post-retirement life.	Focused more on satisfaction than on prices.	Value B Group may have a tendency to live for the moment (may be due to younger ages).
Percentages of recognizing or holding investment trusts (Q12, Q13)	Recognition rate: 42.1% Holders: 13.5%*  * Percentages were calculated with denominators of 468 for A and 360 for B.	Recognition rate: 42.2% Holders: 15.3%*	Not much difference between the two groups, with nearly 60% not recognizing investment trusts.
Perception of investment (Q17)	Over 80% has a negative perception, with about 40%–50% seeing investment as difficult or gambling.	This group’s tendency roughly matches that of Value A Group, but has a slightly less negative perception.	The difference is not as big as in risk tolerance, suggesting that the negative perception of investment is deep-rooted.
Investment risk tolerance (Q20)	A majority of this group preferred long-term investment, with less than 10% wishing to invest actively.	Those who chose long-term investment were the largest in number. Meanwhile, the percentage for short-term active investment (about 30%) was higher than that for those who were dismissive of investment (about 20%).	Value A Group is considered to be a better fit with investment trusts and the like, but Value B Group had fewer respondents who were dismissive of investment.
Preferred investment education (Q23)	Slightly less than 20% preferred content on YouTube and other social media platforms; less than 10% chose other options.	Over 20% selected social media content, while over 10% chose seminars and the like.	Value B Group was slightly more eager, but 50%–60% of it replied that there was no applicable choice.
Prompts for starting investment (Q26)	High needs for information, such as basic information, simulation, how to choose securities firms or products, and help for understanding how	In addition to Value A Group’s needs for information, B also had relatively high percentages for investment from 100 yen or games that provide	It seems that simple information provision is needed for Value A Group, and responding to the positive attitude of wanting to try first for B.

	much money is required.	investment experience.	
Criteria for selecting investment products (Q29)	High percentages for commissions and performance.	Compared with Value A Group, B had a lower percentage for commissions and a higher percentage for performance.	Value B Group may be interested in profitable active funds.
<b>Methods of making investment appealing</b>	<ul style="list-style-type: none"> <li>• A keyword is psychological comfort (i.e., being chill) gained from removing concerns over the future.</li> <li>• Likely not to invest unless convinced with acquired knowledge, due to cautiousness.</li> <li>• Given their sensitivity to commissions and cost-benefit performance, low-commission products would be appropriate as starters, and performance predictions using simulations may also be effective.</li> </ul>	<ul style="list-style-type: none"> <li>• Simply present profits through simulation or other methods. Showing the inflationary effect of a decline in the value of cash would also have an impact.</li> <li>• This group would be willing to try a tool that provides investment experience.</li> <li>• Needs for active funds are expected to grow. Introducing the popular funds such as global index funds, a current most popular fund can be considered.</li> </ul>	Given the situation that the internet is full of negative perception and content about investment, quite a few people in Value A and B Groups are expected to ignore investment content. Therefore, investment perception needs to be improved first. This requires devising ways to communicate effectively, such as by using receptive environments like schools and workplaces, and collaborating with influencers and others who are popular with young people.

## Overview of the survey

### • About this survey:

This fiscal year, we have conducted a survey focusing on a younger generation for the first time. (The survey until the last fiscal year had focused on senior citizens.)

• Period: Wednesday, October 25, 2023, to Monday, October 30, 2023

• Method: Internet survey

• Location: Nationwide in Japan

• Respondents: Men and women aged between 15 and 34

• Number of samples: 3,000 samples in total (collected in proportion with the composition of Japan's population)

In addition to this survey, we conduct "Survey on Investment Trusts" for the purpose of understanding the holding status and awareness of investment trusts, as well as surveys on the status of using and awareness of preferential tax treatment schemes, such as NISA and iDeCo, and ETFs and J-REITs.

URL: <https://www.toushin.or.jp/english/16058/>



## About The Investment Trusts Association, Japan

- Name: The Investment Trusts Association, Japan
- Address: 2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo, Japan
- Chairperson: Koichi Matsushita
- Established: July 1957
- Business description: Recommendations on self-regulatory operations and various system revisions, educational/promotional activities for investment trusts, etc., and other activities
- Website: <https://www.toushin.or.jp/english/>