

Hidden Debt: Seven in ten people don't discuss their debt with anyone

- **69% of people don't discuss their debt, with over half (53%) too embarrassed to talk about it**
- **However, 82% of people who have talked about their debt claimed they felt better about their situation**
- **Lowell is supporting Debt Awareness Week, StepChange's annual campaign to open up the conversation around debt and encourage people who need help or advice to seek it out**

The last 12 months have been a whirlwind of uncertainty for our lifestyles, jobs, and finances. Because of this, it's never been more important for people to speak up if they are feeling under financial pressure, yet new research* has found that seven in 10 Brits (69%) who are in debt choose not to discuss it with anyone.

The research, from debt management company Lowell, found that talking about debt still holds a stigma for many people. Embarrassment was the primary reason people would not talk about debt (53%), followed by 'feeling like a burden' (40%).

This means that Brits are now hiding a massive £8.5 billion worth of debt from their friends and family, with around 21 million hidden credit cards, loans, and overdrafts¹.

Why don't people talk about debt?

When discussing hidden debt with people currently in debt, Lowell discovered the key reasons people keep silent about their financial situation are:

Reason	% of respondents who feel this way
I would be embarrassed	53%
I don't want to burden anyone else	40%
I don't believe family / friends need to know about my debt	38%
I don't want people to think badly of me	33%
I don't think it would help	25%
I don't have anyone to talk to	10%
It always leads to an argument	9%
I believe bringing up money is rude	4%

The importance of talking about debt

The survey also asked people who had spoken about their debt how they felt after opening up. An enormous 82% of people felt better after speaking about debt, showing the importance of being open and honest with the people you care about, or experts who can help you with solutions to best manage your situation.

Debt Awareness Week

Lowell is now supporting Debt Awareness Week, an annual campaign ran by debt charity StepChange to help people talk more openly about debt-related issues. This year, it's running from the 22nd to the 28th of March.

The Hidden Debt research highlights the importance of smashing the stigma around debt, so Lowell is supporting Debt Awareness Week by encouraging everyone who is feeling unease, pressure, or stress concerning their finances to talk about how they are feeling.

John Pears, UK CEO of Lowell said:

"Over the last 12 months, many people have found themselves struggling financially, and some may be in debt for the first time. Therefore, Debt Awareness Week is even more important than ever this year.

"We want to highlight the importance of talking about debt. Our research shows some shocking stats – the fact that 69% of people are not talking about their situation shows there is still a real stigma attached to debt, yet speaking to someone could really help individuals who are struggling. There's no need to feel embarrassed, and having an initial discussion with a friend, family member or expert is the first step to feeling financially stable."

Richard Lane, Director of External Affairs, from StepChange, also comments:

"Debt can be tough to bring up, especially with those closest to you. Thousands are dealing with their debt alone, and have no one to talk to about it, which can make it an even bigger burden to carry.

"The last year has been particularly tough on people's finances, so it's never been more important to open up and talk about debt. This Debt Awareness Week, we want to do as much as we can to destigmatise debt, get people talking about the issue, particularly those who may be in need of debt advice for the first time. We want to encourage people to take the #TheFirstStep towards getting debt advice."

A number of free and independent services you can contact to help can be seen at:

<https://www.lowell.co.uk/help-and-support/independent-support/>.

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Sources

*Survey of 658 Lowell customers taken in Feb/March 2021

1. <https://www.thisismoney.co.uk/money/bills/article-8993567/Britons-hide-8-5bn-worth-debt-nearest-dearest.html>
2. <https://www.maps.org.uk/2020/11/09/21-million-money-scrts-kept-from-loved-ones-across-the-uk/?cn-reloaded=1>

About Lowell

Lowell is one of Europe's largest credit management companies with a mission to make credit work better for all. It operates in the UK, Germany, Austria, Switzerland, Denmark, Norway, Finland, and Sweden. Lowell's unparalleled combination of data analytics insight and robust risk management provides clients with expert solutions in debt purchasing, third party collections and business process outsourcing. With its ethical approach to debt management, Lowell always looks for the most appropriate, sustainable, and fair outcome for each customer's specific circumstances. Lowell was formed in 2015 following the merger of the UK and German market leaders: the Lowell Group and the GFKL Group. In 2018, Lowell completed the acquisition of the Carve-out Business from Intrum, which has market leading positions in the Nordic region. It is backed by global private equity firm Permira and Ontario Teachers' Pension Plan. For more information on Lowell, please visit our customer website: <http://www.lowell.co.uk> or our investor website: <http://www.lowell.com>

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