

Reaching Millennials

- Wayne Weber, CEO, Gift of College Inc.
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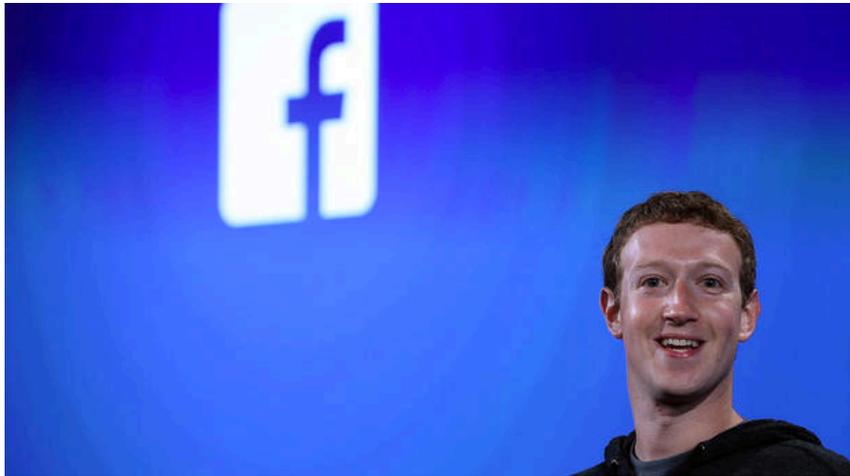
Who are they?

- 25% of the US population
- 53% of millennial households already have children
- 46% of millennials have 200+ Facebook friends

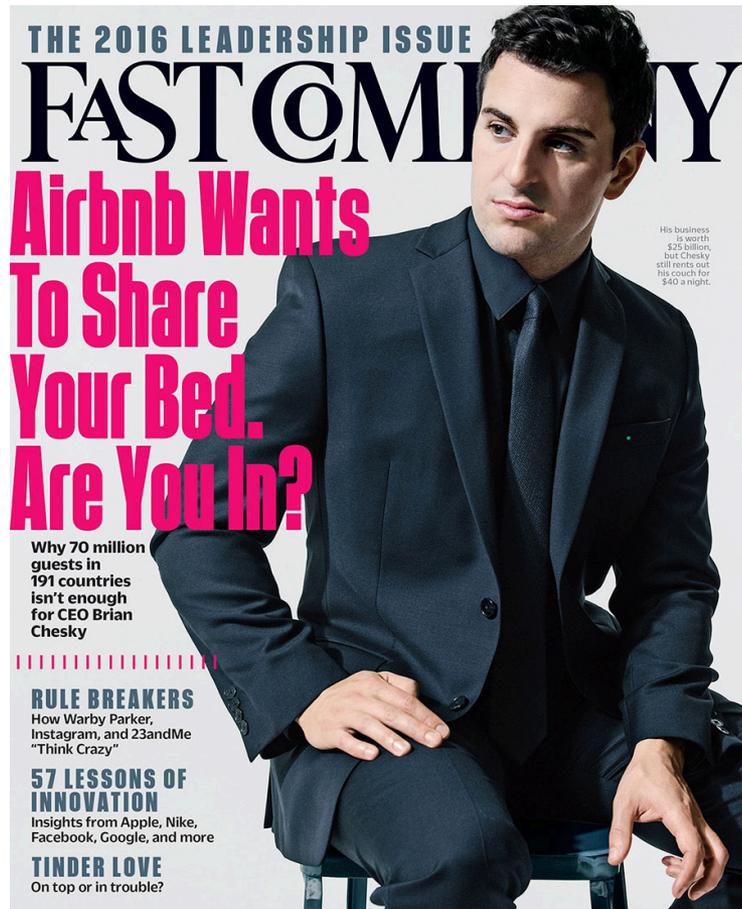
What they grew up with...

- Heightened awareness about the environment
- A changing workplace
- New technology

When I grow
up I want
to be...



The first social network was called “email”



The internet made disruption a cheap commodity

Barack Obama ✓
@BarackObama

TWEETS	FOLLOWING	FOLLOWERS	LIKES	LISTS
15.4K	632K	80.3M	10	3

Follow

Tweets Tweets & replies Media

Barack Obama Retweeted

Donald J. Trump ✓
@realDonaldTrump

TWEETS	FOLLOWING	FOLLOWERS	LIKES
34.2K	41	18.2M	45

Following

Tweets Tweets & replies Media

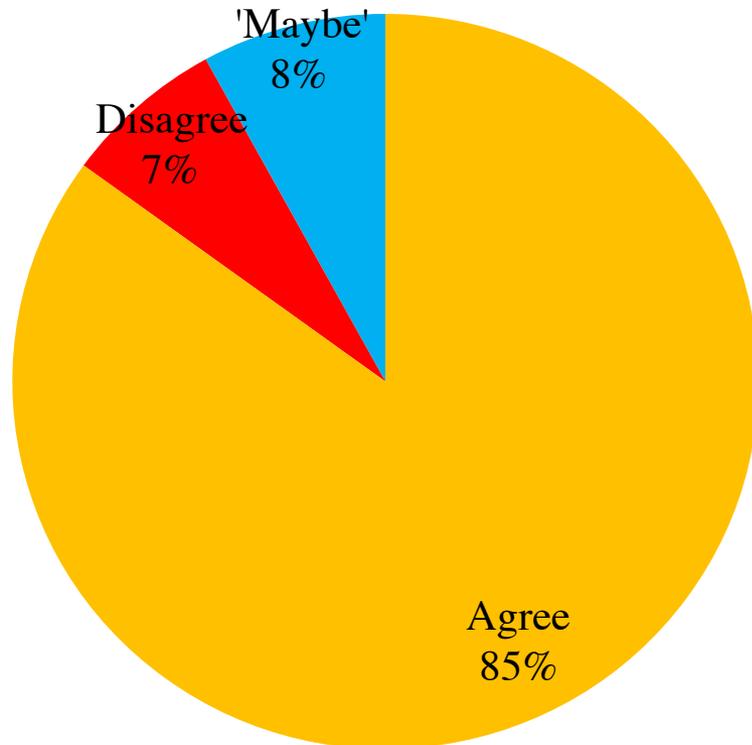
Donald J. Trump @realDonaldTrump · 2h

Our last two presidents became so with Twitter and Facebook not Fox and CNN

Change the world, there's an app for that.

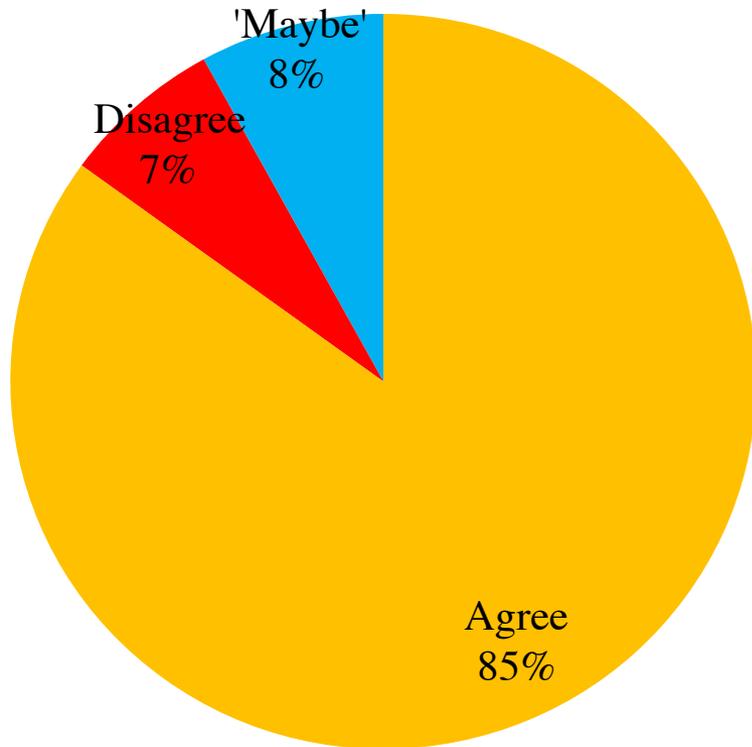
Millennials and Money

“I am good at dealing with day-to-day financial matters.”

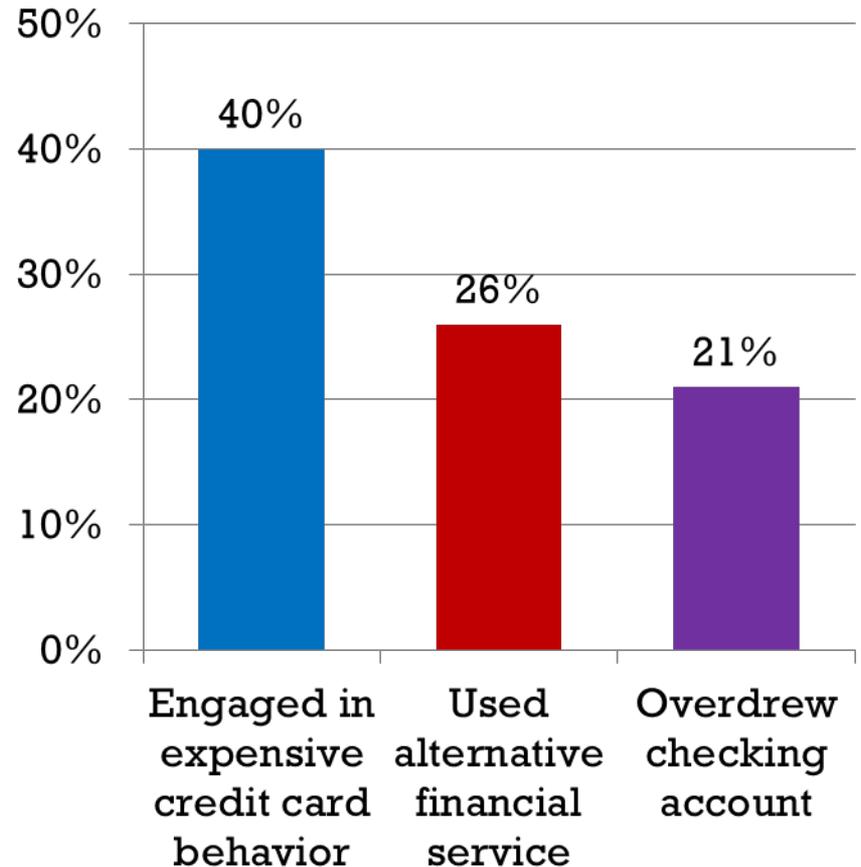


Millennials and Money

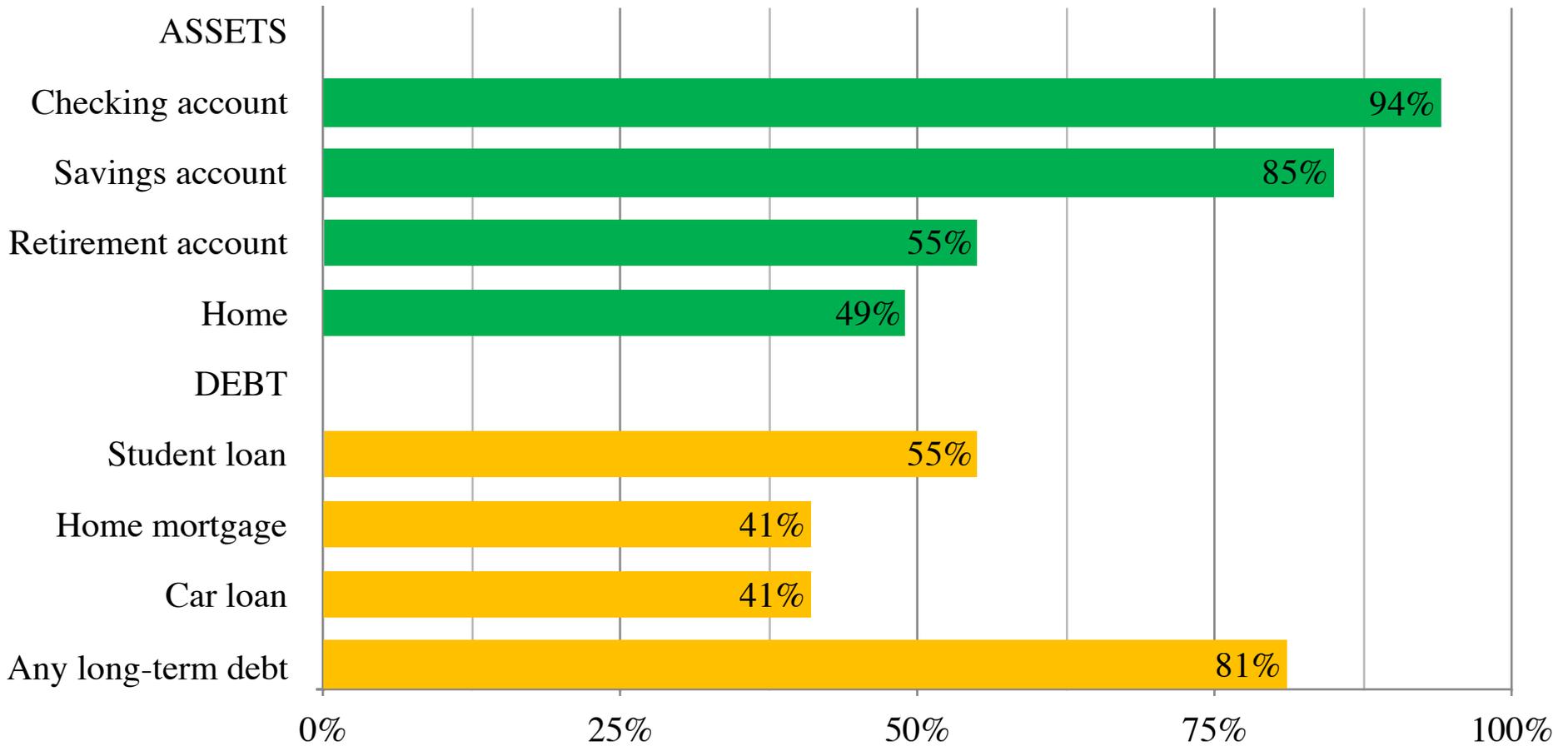
“I am good at dealing with day-to-day financial matters.”



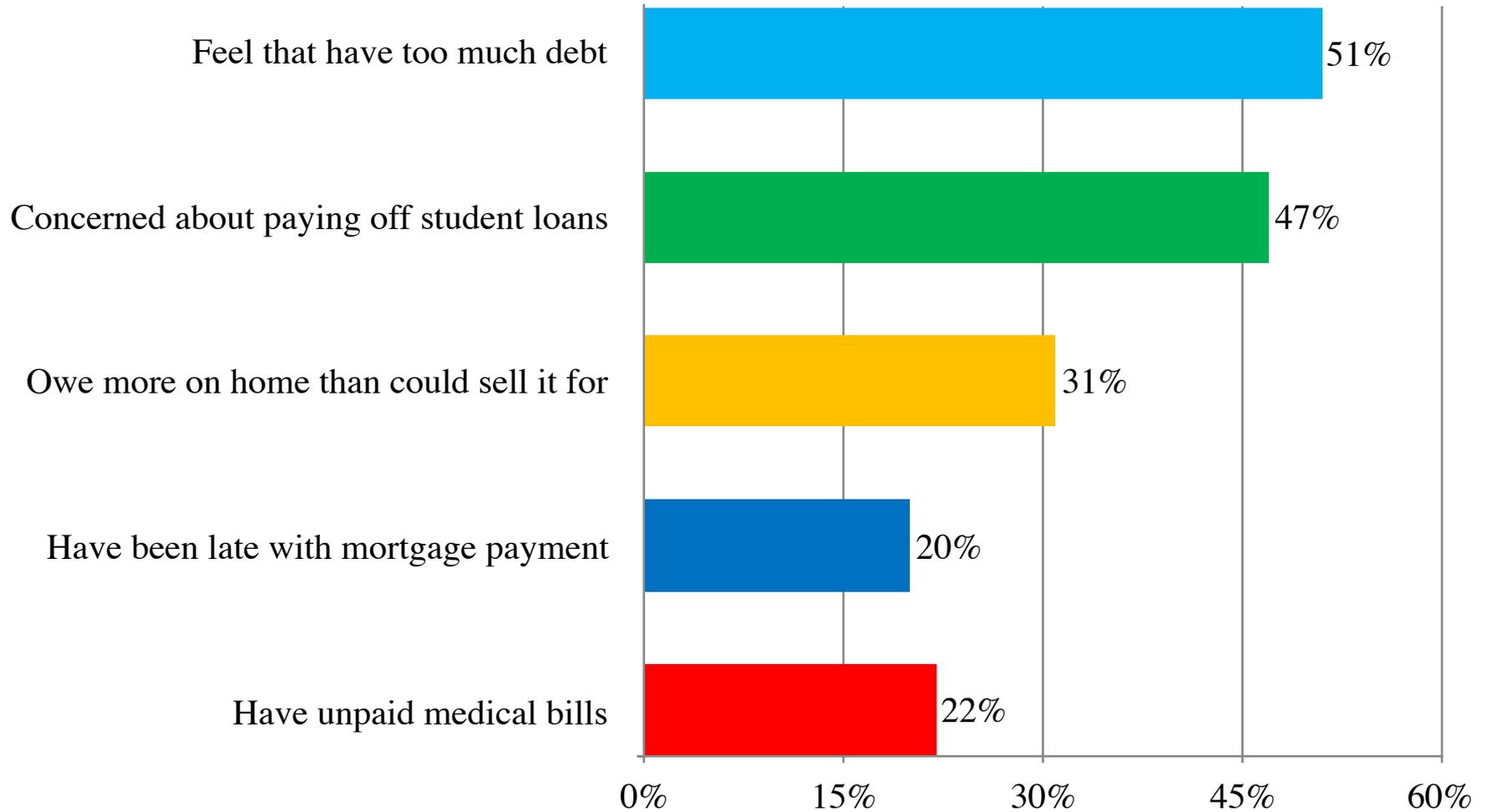
...Really?



Assets and Liabilities



Debt “burdens”



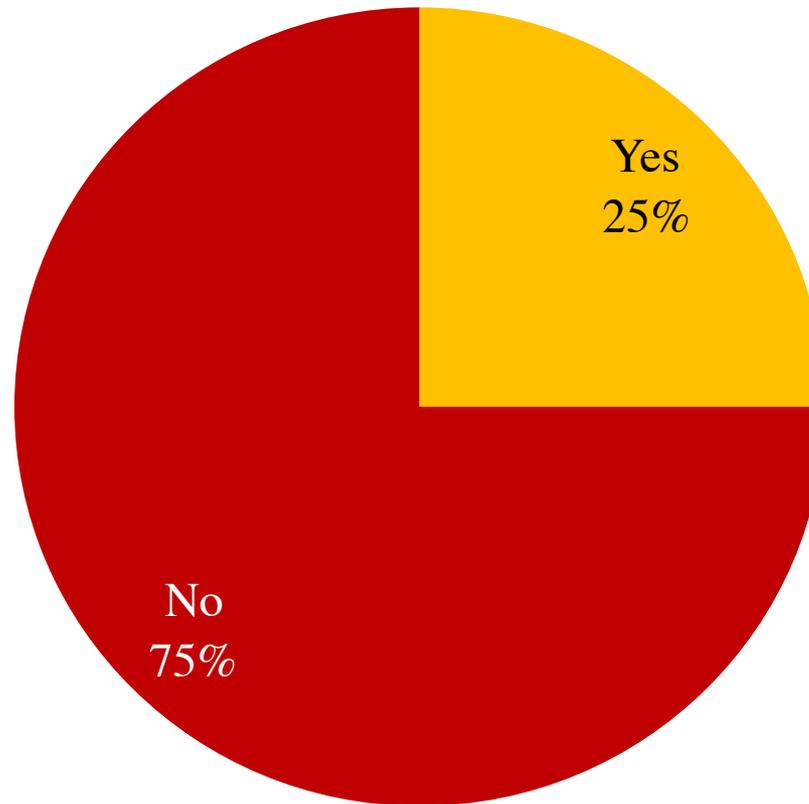
Debt and consequences

	Has long-term debt	No long-term debt
Has difficulty covering expenses and paying bills	53%	40%
Carries credit card balances and incurs interest charges	53%	24%
Engages in other expensive credit card behavior	46%	29%
Has used alternative high-cost borrowing	30%	22%
Overdraws checking account	25%	15%
Has taken a loan or hardship withdrawal from retirement account	21%	10%

More of a negative effect associated with student loan debt.

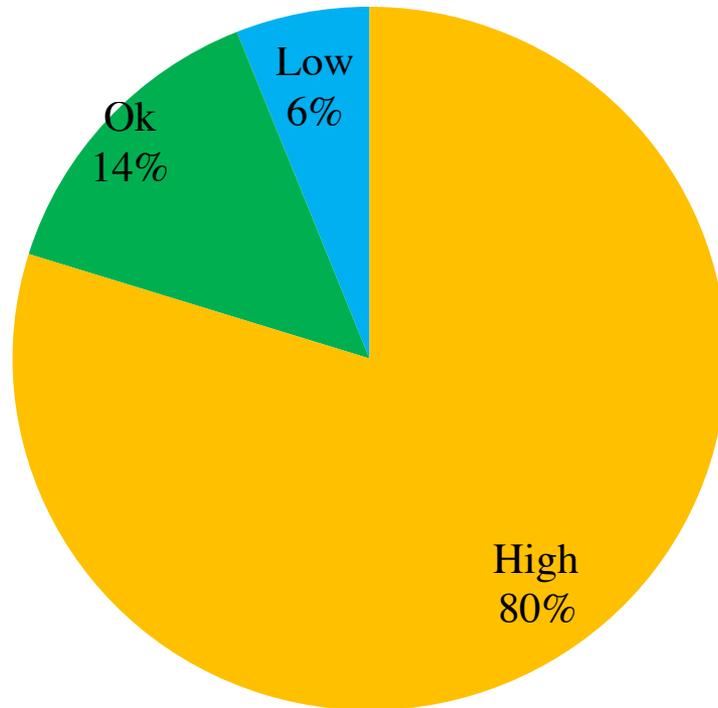
But I didn't know...

When you took out your student loan(s),
did you know what the monthly payments
would be?



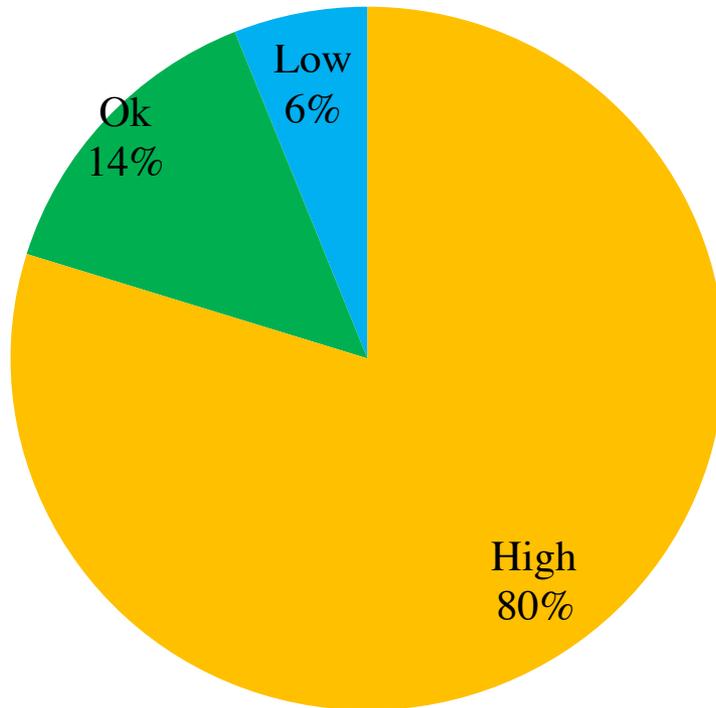
Don't know that they don't know

How would you assess your overall financial knowledge?

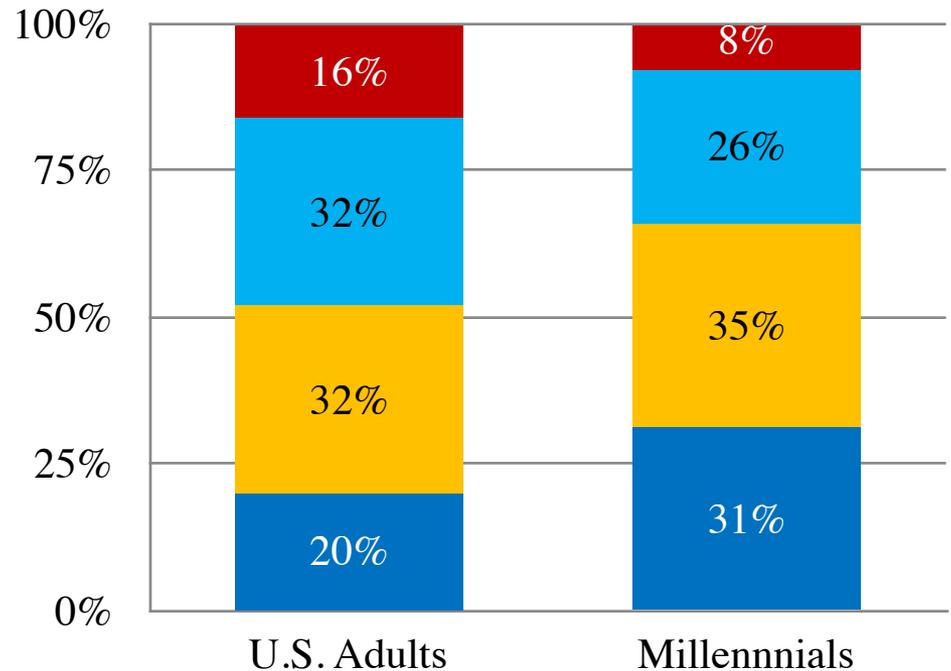


Don't know that they don't know

How would you assess your overall financial knowledge?



P-Fin Index Results



Reaching Millennials

College Savings Foundation Conference



March 2017

BUILT TO PERFORM.

CREATED TO SERVE.

With many dimensions to financial life, Gen Y has a need and is focused on pain points and finances

Concerned about debt, in particular student debt

- Student **loan balances and lower incomes** make debt the financial priority
- **55%** of college-educated Gen Y has student loan debt
- **47% worry** about paying down loans
- Credit cards viewed as a necessary evil but will jeopardize financial stability

Focused on saving

- Gen Y is actively engaged in saving
- They are focused on overall savings (52.8%) and small priorities such as saving for vacation (55.2%)
- They **do not think they have enough capital to invest**
- 63% of college-educated Gen Y had at least one retirement account



In need of financial advice

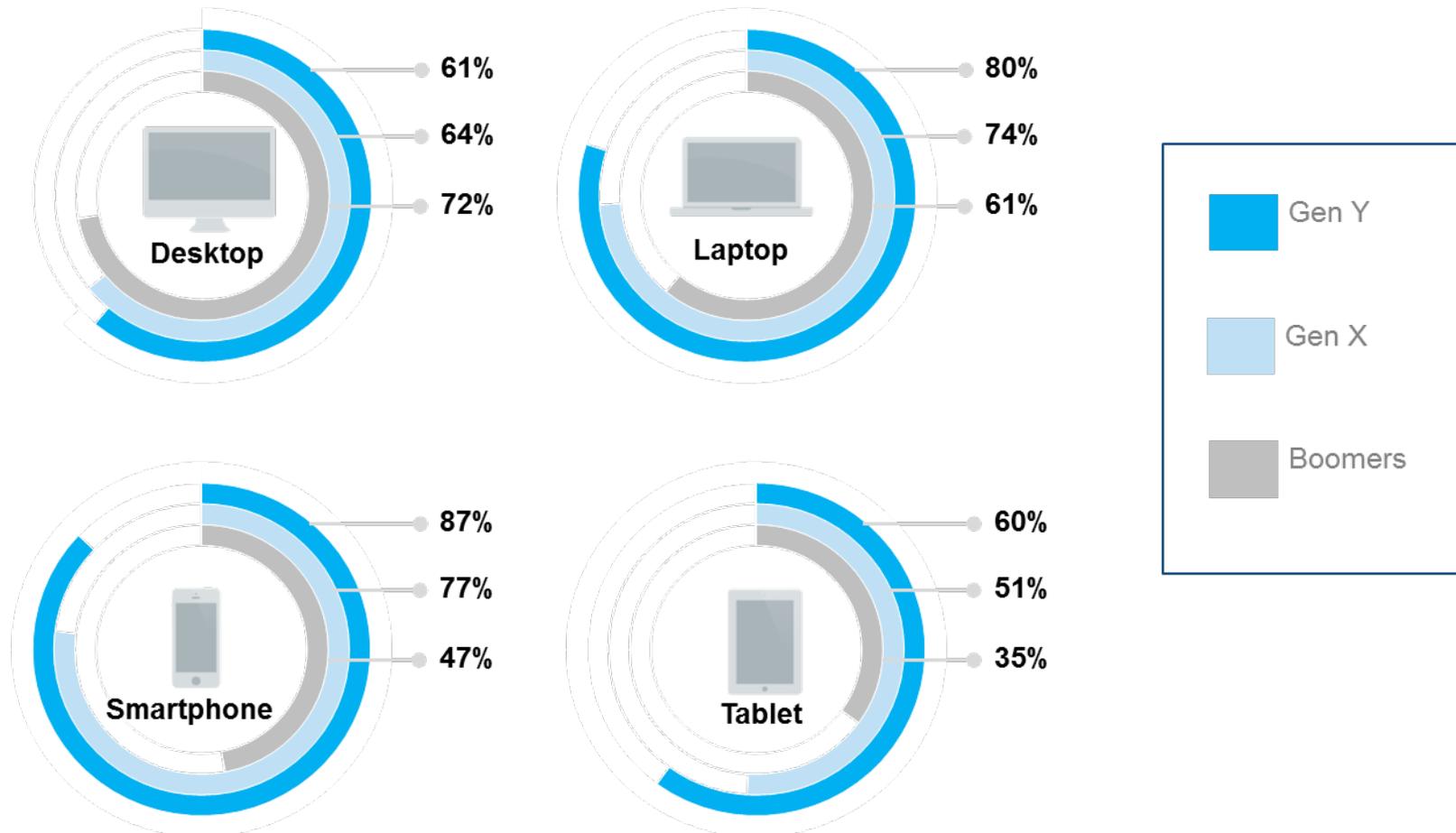
- Gen Y recognizes that it needs help
- Turn to **key influencers** (parents, friends) for guidance
- Open to financial coaching
- **Utilizing social media (via mobile) for questions** driving 40% of finance discussions

Will move to where the solutions are...

- With many players offering value, Gen Y has options
- **Digital channels prompts exploration**, 38% discovered they had a need for new product
- 36% likely to switch financial provider in next 12 months (55% for high earners)

Gen Y as digital natives, grew up in an always on digital world with the internet and smart phones

Device usage across generations





Financial Truth No. 1

Focus on savings:

Without a steep income trajectory, finance prudence is critical



Financial Truth No. 2

Distrust Investing:

No guarantee that the money will be there, and do not believe financial institutions are working in their best interests



Financial Truth No. 3

Struggling to “make it all add up”:

Playing down money to pursue passion and realize they need to make money go further

Millennials make it work now, but worry how they can provide for children



I have what I need now, but how will I (ever) 'pay it forward' for my kids?

*"Right now, I feel like we've got everything we need. We don't need a whole lot. I think if I live the rest of my life out like this, I'd be pretty happy with my salary for the rest of my life, but I think that the **eventuality of a family makes me think that eventually something might have to change.**"*



Katie
32, Engaged

*"I was really lucky my parents sent me to college. But it **terrifies me that I won't be able to provide the same quality of life for my children that my parents did for me.** And that's sort of heartbreaking."*



Shannon
32, Single

Millennials don't want to focus on a number



*“If it’s \$2 million that we’re shooting for – you’re a slave to your own design. **I don’t wanna become a slave to a number like that.** Whatever we can control here is the amount that we’re saving and investing. We’re trying to optimize where we put it. We don’t know where this will take us, but **we’re happy about how much we’re saving.**”*



Peter
38, Married

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The struggle: Can I maintain the freedom to do what I love when I've got dependents?

"I don't want to have kids and do a job I hate because of money."

Shannon
32, Single



"I feel privileged to not have had to make decisions based on money."

Alex
30, Single





*“I kind of look around and I see that **people are managing just fine** on the teachers’ salary, being able to support a family. It’s just enough to support me, really, but I guess I look around and that’s sort of **where I take heart is from the people who’ve been able to do it.**”*

Katie
32, Engaged

Millennials want motivation, reassurance, and ease



*“We just need more **motivation** to pay attention to this because neither of us have any. That’s where, enter the financial analyst to solve our problems.”*



Kara
31, Married

*“I don’t want to put a lot of **effort** into managing my money and thinking about my money. So I’m looking for a **low-effort high reward experience** that will **make me feel a little more reasonable** and give me a good grasp on my financial snapshot.”*



Danielle
33, Divorced, 1 child

*“The **#1 thing is peace of mind**. Am I doing the right thing? Will I have peace of mind? Offer **reassurance** that what I’m doing is reasonable or if I’m off path.”*



Sudheer
39, Married

Millennials struggle with tradeoffs around supporting families, and have not necessarily planned ahead



*“I also don’t think that we really know what it’s gonna be like to have two kids and the same time **demands, and also the cost of having two kids.** I really haven’t fully even processed that. It was just kinda – **we just sorta had kids and we’ll figure it out.**”*



Aaron
37, Married

*“But I do stress that if he quits his job if we’re able to adopt another child. That freaks me out, even though I know we could do it, but **we would have to make slightly different choices or just be more comfortable with not saving money or saving as much money.** I haven’t run the numbers on all of it, but that would be a shift.”*



Beth
37, Married

Student loans hang over many Millennials' (financial) lives



*“My **student loans are this dead tree in the corner.** They’re like a **weight**, or a **storm**, that’s really not helping my whole financial ecosystem. I’m **deferring them** until I get tenure – they’ll be more manageable then.”*



Candice
31, Single

*“I don’t like having debt. Even my student loan debt, I hate having it. **It feels like an anchor** around me, just like **weighing me down.** But it helps knowing that there’s a potential way out. So psychologically, it just creates this heaviness on me of responsibility and it makes me worry that I’m not gonna have the freedom to do what I want.”*



Danielle
33, Divorced, 1 child



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