MILLENNIALS AND MONEY
Why these whiners are ignoring your marketing campaigns

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Before embarking on this study we wanted to answer a broad, expansive question, given a financial lens:

**Are Millennials really so different than their Boomer and X'er counterparts?**

Given that even the oldest Millenial is a Digital Native—potentially more connected than any prior generation in history—how does this inform their financial lives? Do they prefer “cloud banking” (banks without physical branches or ATM's) to “terra banks” (brick and mortar?) to traditional branches? (What is their relationship to money? Their relationships to earning and saving? To family and friendship? To financial institutions? To the environment? How does this inform their financial lives?)

We wouldn’t raise the question if it weren’t the case at least some of the time. So, YES. In many cases, women and men have vastly different relationships to money, decision-making, perspectives about innovation, what, and who they trust. The same can be said for different income levels: the aspirational and the affluent oftentimes have radically different outlooks and behaviors where banks and products are concerned.

Of course, any generational cohort that is so unwieldy in size contains a multitude of opinions and approaches—in fact, Millennials are now the largest living generation, according to Pew. In this survey we show that there are substantive differences between the mindsets of the youngest (20–24) and oldest (30–35) Millennials. While much has been written about this of late (C.f. Jesse Singal’s recent New York Magazine article on self-identifying as an “Old Millenial”), it is also at play with regard to financial attitudes and behaviors. Understanding, for example, that women are far less trusting of Trump or that men and the affluent are far more influenced by their social media networks, informs how we design and market products and whether we succeed or fail in reaching this population.

We hope that our findings will jump start a conversation on how fintech products can best be deployed. In some cases, the stock market is concerned in the age of Trump, what offerings are far more sophisticated take on their data health (rejecting a product because it’s been hacked like a Hotmail account). In fact, we found that data hygiene is Millennials’ #1 criteria for selecting a banking product.

In this study we will look closely at legacy banking versus its online counterpart. We’ll take the pulse of conventional products (cash, debit, and credit cards) and look closely at a range of innovative products including Venmo, Mint, Square, Stash, and PayPal. We’ll share our findings about the decision-making process that goes into product discovery and adoption, explain Millennials loyalty to branch banking, and offer guidance on how to reach this cohort with greater success:

- How might we move over half of all Millennials into the cloud banking space?
- Given that 1 in 5 Millennials is moving to the sidelines where the stock market is concerned in the age of Trump, what offerings might otherwise capture their interest?

This crucible of fintech is a test for financial marketers, but also an incredible opportunity. The outlook, behavior, and needs of Millennials combined with the agility and granularity of technology demands new approaches. Our findings are actionable, and we look forward to discourse and debate over implementation and interpretation of strategy.
Before we parsed attitudes about products, we first wanted to index trust. What do Millennials think of financial institutions compared to their outlook on the media, technology companies, and the government? How does this trust—or skepticism—then inform their decision-making process where financial products are concerned?

While it is striking that this generation does not innately trust their peers, our findings were much “healthier” than recent studies by outlets such as Pew. What is interesting is that while big banks are among the least trusted of institutions among this cohort, “big tech” is the most trusted—despite the chronic hacks and privacy blunders that have assaulted us all at one point in time or another.

This seems to inform how Square, Stash, Venmo, and other products have been marketed as “tech products”, rather than bank products. We suspect, then, that trust in technology—as opposed to banking—is a driving force behind the explosive success of a range of fintech products.

Social proof is a recent phenomenon where we can measure the influence of social networks on decision-making and behavior. We learned that the more money Millennials made, the more that they were influenced by their social networks to choose banking products. Also, men overall were far more likely—almost twice so—to be influenced by their networks as women.

Our respondents told us—88% of them—that they are more willing to adopt innovative banking products if they are offered more perks, premiums, and loyalty points. While vendors like Square have begun to roll this out, this is a validation that the investment has ROI.

This study begins from a place of curiosity:

What relationships do Millennials (aged 20–35) have to legacy and innovative financial products and banks?

Where does this cohort place its trust? What does it think of institutions?

What is the outlook of this generation, and how might it inform how financial products are created and marketed to them?

After gathering a number of baseline data points (gauging awareness of ALL banking products and banks), we decided to probe inside the heads and hearts of Millennials:

- Why and how do they make their financial decisions?
- What was their criteria for financial product adoption?
- Were they confident about the economy?
- In terms of their career and financial outlook, are they cautious, or risk takers?
- Do they trust Trump in terms of financial leadership?
Sample details

A breakdown of the Millennials we surveyed

401 total participants

67% female
33% male

AGE RANGE: 20-35, BROKEN INTO THREE SEGMENTS:

- 20-24 YEARS
- 25-29 YEARS
- 30-35 YEARS

MARITAL STATUS

- MARRIED: 61%
- SINGLE: 35%
- DIVORCED: 2%

GEOGRAPHY

- NORTHEAST: 24%
- MIDWEST: 26%
- WEST: 17%
- SOUTH: 32%

CITIES: 71%
NON-CITIES: 29%

EDUCATION

- 58% BACHELOR’S DEGREE OR HIGHER

ETHNICITY

- WHITE: 80%
- ASIAN: 12%
- AFRICAN-AMERICAN: 7%
- NATIVE: <1%

700+ CREDIT SCORE: 55% (SELF-REPORTED)

EMPLOYMENT STATUS

- FULL-TIME EMPLOYED: 65%
- PART-TIME EMPLOYED: 16%
- STUDENT P/T: 14%
- UNEMPLOYED: 1%
- PATCHWORK OF JOBS: 2%

HOUSEHOLD INCOME

- $32,500-74,999: 30%
- $75,000-99,999: 21%
- $100,000-124,999: 13%
- $125,000+: 11%

MILLENNIAL MONEY STUDY
Initially, we tested the awareness of the 2008 FINANCIAL CRISIS as well as the degree to which study participants were personally impacted. We then asked our respondents if they had closely followed the still unravelling Wells Fargo kerfuffle. Finally, we queried our participants to offer a forecast for the economy.

WHO’S AFRAID OF A BUBBLE?

Q: Were You Affected By the 2008 Banking Crisis?

Millennials—despite their relative youth—were indeed affected by the 2008 subprime loan banking crisis, particularly those who are older and more affluent. They also tended to be disproportionately male.

Topline:
In broad strokes, 71% of our survey said that they were not affected, or inconvenienced at a minimum, by the event. In turn, 29% of our respondents were seriously or somewhat affected by 2008.

- 11% said they had been seriously affected.
- 29% “somewhat + serious” combined
- 44% were unaffected
- 27% were affected at a minimum.

To sum up, older Millennials, the more affluent, and males reported that they were much more affected by 2008 than their counterparts.

This is where the age differences within our cohort are telling; a logical explanation concerns the 2008 ages of the “younger” and “older” Millennials in question. In 2008, our 22 year olds were 13 years old, barely aware of the financial world, but perhaps covetous of their mother’s shiny new iPhone. Whereas, a 34 year old was then 25 years old and new to the job market, when the Great Recession occurred.

Q: Have you heard of the Wells Fargo scandal, where bank employees were registering customers for additional products without their consent?

While the subprime debacle was nearly ten years ago, and thus was less likely to affect younger Millennials, Wells Fargo is just months behind us.

Topline: Overall, 70% heard of the event. Recognition increased with age, from a plurality of 59% to 66% to 74% across our three age segments.

Generally, the more the affluent, the more participants were aware. This ranged from a low of 65% among the aspirationals to 80% among the highest earners.

Gender made no difference in awareness.

Finally, city dwellers were slightly more aware of the imbroglio than their counterparts, at 73% vs. 61%.

Q: Do you expect another financial crisis in the next five years?

Our participants were split. While 33% expect another financial crisis—not just a bear market—43% were unsure, while 23% are bullish about a robust economy.

It appears that this uncertainty does bear tracking, particularly among women, the youngest segment of Millennials, the most affluent, and those living outside cities.

Gender: Women were significantly more uncertain about the economy: 49% vs. 32% of men. Men were more than twice as likely to be confident in the ongoing strength of our economy (36% vs. 17%). That is, despite being burnt in 2008.

Income: At the upper edges of the income brackets—above $100K—43% of respondents believed the economy was in for a world of hurt (vs. 33% overall).

Age: Uncertainty about the economy was most present among the youngest slice of the cohort, those aged 20–24 (at 53% vs. 43%).

Geographical: Uncertainty about the economy is present in 61% of those who are non-city dwellers vs. just 36% of city dwellers.

How do these events and personal outlooks affect where the Millennials place their trust?

We asked.

Survey says...

**MILLENNIAL MONEY STUDY**

**Survey says...**
Rationale: We were interested in finding a trust baseline for this generation—a prism with which to access their perspective, before extrapolating a look at trust in institutions and loyalty to financial products and brands.

We asked participants to select which statement most closely reflected their point of view:

- Most people can be trusted
- You can’t be too careful when dealing with people

Turns out, 43% showed themselves to be innately trusting. However, 57% are cautious, following the motto: “trust but verify.”

Let’s break this down:

- The younger the millennial, the less trusting: 20–24: 35%; 25–29: 37%; 30–35: 49% (so much for young and naive).
- We also recorded that as income rises, default trust follows, from 34% to 61%.
- Millennial males are noticeably more trusting than women, showing a nearly twenty point gap, 58% vs. 36%.

The result of this survey question is in contrast with a Pew study on Millennials and trust from 2014, which was consequently written up by the Washington Post. This study had the benefit of comparing Millennials with Generation Xers and Young Baby Boomers. Also looking at 2008, among other benchmarks, their Millennials were markedly less trusting than their counterparts.

The authors of the study theorized that (growing) economic inequality informs a less trusting disposition among Millennials, which can certainly inform how we analyze attitudes and behaviors of those in our survey who are female, less educated, have less earning power, and are non-white (in short, those more likely to experience wealth inequality).

One point raised by Eric Uslaner, the primary investigator of the Pew study, is that “there is no relationship between internet use and trust.” He believes that “he’s proven this; however his premise that ‘most of our interactions on the internet are with people we know’ is incorrect. This discounts the existence and frequency of the ‘weak ties’ we encounter across our social networks. Depending if one is harassed or supported, trust can be affected by internet experiences.

Circling back to the Four-Year forecast, we can speculate that distrust might inform the lack of confidence that younger Millennials and women have in the economy, but affluent Millennials do not. These high earners were bearish about the economy, yet the most trusting across income levels.

Given the state of our Federal Government—at time of publication, early in the Trump term—it’s eye-popping that the Big Banks remain this unpopular.

Q: What institutions do you trust the most?

While big banks, the government, and the press are out of the public’s good graces, despite frequent hacks across all browsers and operating systems), Millennials can’t quit “Big Tech” (definition of the latter: companies like Apple, Amazon, Facebook, and Google).

- Among the four institutions we queried, Big Tech was the most trusted at 34%. Whites trusted Big Tech significantly more than non-whites: 37% vs. 22%.

Q: What institutions do you trust the least?

- The press and the government are in a tie for least trusted at 34%, with 41% of our youngest Millennials distrusting the press. While distrust in media waned with income, wages were otherwise unrelated where other institutions were concerned.
- Big Banks are only trusted by 24% of those surveyed.
- Big Tech is only found to be “least trustworthy” by 8% of our sample.

While these findings are in line with Edelman’s annual survey on trust across major industries, our results were starker. It might be comparing apples and oranges, but they pegged trust in “financial services” lower than any other industry in their sample—at 54%, compared to our 21% that said, “our sample held Tech, Gov, and Media in far lower esteem than Edelman’s general population survey.”

We’ve now garnered a sense of what our survey participants know about the financial world as well as their trust and confidence in their peers and in institutions.
Products: a deep dive

Interrogating product awareness and choices exposed some interesting distinctions in the attitudes and perspectives regarding the importance participants attached to concepts such as “innovation,” as well as “data hygiene” and “data privacy.” We looked at financial products from a myriad of perspectives using the following questions:

- Which financial products are you aware of?
- Which have you used?
- Which do you use the most?
- How frequently?
- Why would you, or would you not, choose a product?
- If given the option, which product would you choose to use the most?
- Why would you, or would you not, use social media?

We then took a deep dive into each of the financial products. Let’s first begin with awareness.

While we’ve compared innovative banking products against one another, here we also look across all categories—including debit, credit, and cash:

**Q: Which products do you use the most?**

- Debit cards are used by 38% of our sample. Debit card usage falls with age and wage. Significantly fewer men use debit more than women: 26% vs. 44%.
- Overall, credit cards are favored by 34% of our respondents. The popularity of credit is inverse to debit. Credit cards usage grows with age and income.
- PayPal is surprisingly strong at 19%. Those who favor PayPal skew younger (20–24) more affluent, and male.

**Q: Why do you use this payment method the most?**

Our participants provided a range of basic reasons.

Parsing these:

- 32%: Ease of use
- 19%: Convenience (we presume that this meant “easily accessible” to our respondents)
- 16%: Rewards: 10% + 6% (points + cashback)
- 9%: Safe/secure
- 8%: Ubiquitous. Product is accepted everywhere
- 7%: Product is “cool”
- 5%: Fast/quick
- 5%: Online
- 5%: Link to bank
- 3%: Always available
- 2%: Budgeting
- 1%: Builds credit
- 1%: Do not carry cash
- * a dozen other reasons
Hack, not track

Q: What criteria is most important when selecting a banking product?

At 32%, data safety—or data hygiene—is the #1 reason Millennials gave for choosing a banking product. What is noteworthy is that data privacy is generally twinned with data safety. Here privacy is almost dead last as a rationale, at 8%.

The 20–24 segment of our Millennials were most concerned about data hygiene (12%), as were the less affluent (12%), and women (9%).

Who is privacy important to? The less affluent (12%) and younger Millennials (12%) vs. the well-to-do, until we arrive at highest income threshold where there is an uptick in concern for data privacy at 13%. [While it's been reported that Americans don't care about their data safety is concerned, this group does. Pointedly.]

• Convenience at 26% occupies the second pole position. Those at the $100K–$124,999 income level attach the greatest importance, at 37%.

• At 19%, reputation is a factor in decision making.

• Transfer time of funds comes in at 9%. Quick access to movies is most important to men (34%) and highest earners (35%). (This is counterintuitive. We'd expect the lower income brackets to prioritize this, but this isn't so.)

• Innovation in a product has bearing—but far less so among women.

This might show that Millennials expect that every new product implies innovation, and that the term is met with skepticism, but it also speaks to a sizable percentage of Millennials who might be classed as “young fogies.” (Note: We've read that with this generation coming up during 9/11 and the subprime crisis, they are investing in the stock market with too much caution—as if they were 70+ year olds.)

Q: If given the choice, which payment option do you prefer?

• Debit, credit cards, and PayPal are almost equally preferred (28%/28%/29%).

• PayPal grows in favor as income rises, from a low of 15% to a high of 37%.

• Credit and Men: Men prefer credit to debit (39% to 26%).

• Debit and Women: Women have the opposite relationship with debit cards—preferring them to credit (33% vs. 17%).

• Cash—favored by 12% of our participants—slightly declines with older Millennial survey participants.

• It is surprising how unpopular Square is for this question—it polls less popularly than remittances, checks and even Bitcoin! (6 people would use Bitcoin as compared 1 respondent.)

Note: Venmo wasn’t in the mix for some reason.

Plastic fantastic

Before we move into looking at innovative banking products, we wanted to first capture the state of play in credit cards, since they remain a top preference as a payment option.

Although 28% of our sample preferred to use credit cards, we drilled down to find out which banks occupy the greatest mindshare and why a particular card was chosen.

Q: Which credit cards do you use most often?

• Chase dominates: The aggregates of its various products reaches 35%+

• Chase Freedom is used most often of each type at 20%.

• Capital One: 25% (combining its Platinum + Secured MasterCard)

• Citi: 5%

• Bank of America: 2%

• Discover: 5%

• First Premier: 5%

• Ink Business: 3%

• American Express: 3%

• Visa: 3%

• Wells Fargo: 1%

• Other MasterCard: 1%

• Fidelity/Barclays: all under 1%

Note: 17% of those surveyed don’t use any credit cards.

Q: Why do you use this credit card most often?

• 67% of those surveyed told us they use their credit card most often because of rewards and perks. Women find rewards even more compelling (73%) than men (57%). Rewards become more important as income rises (64%–0%).

• Easy sign-up is important to 48% of our sample. Apparently, getting this transaction right carries dividends.

• Interest rates are important to only 28% of our poll. The importance of rates increases with age (20%–30%).

• Free credit card score check (which is free to all) is a dealmaker to 25% of our study. This is even more important for higher incomes (37% and 39% for the $100K and $125K brackets, respectively).

To speculate, perhaps this is because high earners tend to use credit cards more frequently than debit cards, and so credit scores have greater relevance to these users.

Speaking of credit card scores, just as we've tried to gauge our sample’s outlook, later on, we’ll look at their financial fitness: Student loan debt, credit scores, and balance repayment behavior.

Having developed a context for legacy banking products, let’s focus on innovative banking products.
Awareness

Q: Which of the following products have you heard of?

At 99%, PayPal is as ubiquitous to this cohort as cash once was, and credit/debit is. Name recognition is 100% among above $100K earners.

Rewards are important; respondents told us that perks and loyalty solutions could persuade them to try new products like Venmo.

- We polled participants on their awareness across the category of “innovative banking products” — excepting credit, debit, cash, and check.

- Square’s awareness at 61% takes second pole position and is particularly strong at the highest income level where 74% know the brand.

- Household name Chase comes in third with their QuickPay, known to 54% of this sample. As with Mint below, its strongest appeal is with 25-29s. (Chase QuickPay was known to more non-whites than the overall sample: 65% vs. 54%)

- Mint was familiar to 49% of our survey. Mint’s strongest appeal is at $100K earners and above, with 59% of 25-29er Millennials vs. 49% overall.

- Stash clocked in at 14%. While all other products have relatively similar appeal to both genders, investment-vehicle Stash lags with women, it’s known to 20% of men, but just 12% of women.

Usage

Q: Which of the following (innovative banking) products have you used?

- PayPal leaves all other products in the dust, with 93% of respondents signaling that they had used it. In no category—across age segment, income, or gender—did it reach less than 90%.

- Square is a distant second when it comes to past usage. While 28% of participants had used the service, usage is gendered—a 32% of women have used Square, while just 19% of men had.

- Venmo has been used by 21% of respondents.

- Chase QuickPay has been used by 20% of our sample.

- Likewise, 20% of our study have tried Mint. (30% of our most affluent respondents)

- Stash had only been used by 4% of the sample, we discovered that it was most appealing to highest income bracket ($125k+) at 19%.

Note: the highest users of Mint and Stash are the most affluent in our sample.

We’re now ready to take a closer look at each innovative banking product, and following that, banks themselves.

At the outset, we queried product awareness and asked after usage. Finally, we asked our respondents to tell us which products they had used.

Based on this, for each innovative banking product we drilled down to three questions:

1. How did you discover X?
2. Was it easy to use X (“How did it make you feel”)?
3. Why did you use X?
PayPal

Q: How did you discover PayPal?
Paypal is nearly ubiquitous to this population, but how is it best reaching them?

- Word of mouth is 56%.
- Asked to download to transact: a whopping 48% (more than ads or social media).
- Social media at 44%.
- Ads at 43% (and are more effective as income rises).

Q: Why did you use PayPal?
As with a few other products, the answers were granular.

- 12% chose PayPal because of vendor acceptance [Women: Men 15:7].
- 9% transfer person to person, (P2P).
- 7% found the platform "cool," Many more were men than women: [12 v. 4%].
- 5% saw it as convenient.
- 3% believe PayPal to be quick.
- 3% chose it because they don’t have to enter personal info (presumably re-enter personal info).
- 2% used PayPal to simply make a payment.
- 2% decided on PayPal because it’s a well-known/established product.
- 1% used PayPal with the “Ibotta” app.

Note: Women are twice as likely to use PayPal for its core use and other online purchases. “Coolness” (like innovation) was a factor for men, far less so for women.

Q: Was it easy to use PayPal?

- Was it easy to use PayPal? 92% thought so, with $32,500–$49,999’s finding it 100% easy.
- Just 6% didn’t think about the downloading process, while 20–24’s were three times as likely not to think about downloading PayPal.
- Only 2% of the sample thought it was hard. However, perhaps since the product is so omnipresent, this small number shouldn’t be ignored.

Q: Why did you use PayPal?
As with a few other products, the answers were granular.

- 21% used PayPal for eBay. This percentage increases with age and decreases with income.
- 18% favored PayPal for all online purchases. Women did so 31% of the time, vs. 11% for men.
- 16% chose PayPal because it was easy to use.
- 13% found it safe/secure/trusted.
- 12% used it for their small business needs—women at 14% and men at 7%.
- This lag as compared to Square, given PayPal’s ubiquity.

Note: PayPal published a Money Habits Study back in 2015, and found that their Millennials (18–35) participated in P2P banking nearly twice as frequently as their Young Boomers (32% vs. 17%). The study doesn’t otherwise overlap with ours, but it is an informative read.

Square

Q: How did you discover Square?
Discovery:
- Word of mouth—at 49%—was the top response in our survey. There was a bit of a gendered response. Women—at 54%—were much more likely to have heard about Square than Men at 40%.
- Advertising followed at 46%. In this case, 53% of men learned of Square versus 42% of women.
- Social media drew 37% overall.
- “Asked to download to transact” hit 22% of all participants.
- Social media and word of mouth spiked for the 25–29’s at 47%, and 53%, respectively.
- This segment is slightly less interested in ads for Square: 40% vs. 46% of the overall.

Employment: 37% of part-time folks learned about Square through being asked to download the app, much higher than their full-time and unemployed counterparts (averaging 22%). Just under 40% succumbed via Advertising, which is still quite a distance from the 49% who learned about it via word of mouth. We expected that Square would outperform Venmo across social media, and perhaps, the “download-to-transact” prompt. Let’s see if that’s the case.

Q: Was it easy to use Square?
Takeaway: 91% told us that Square was easy to use.

Age: This rose to 100% among the 20–24’s.

Income: The higher the income, the easier they found it to use. 69% climbed to 100%.
- “I didn’t think about it” hit 10% among the oldest age segment. Perhaps the older the user, the more they found it “instinctual”?

Both 5% “it was cool”
- 5%: pay someone I owed money
- 4%: fast
- 4%: other
- 2%: safe/trusted
- 3%: good fees/rates
- 2%: my only option
- 2%: no cash on hand
- 2%: convenient (If we combine this with both “fast” and “ease” we reach 18%)
- 1%: recommended
- 1%: reliable
- 1%: free to use

Note: ethnicity/race: 49% of whites found merchants that took it, vs. 26% of non-whites.
Venmo

Q: How did you discover Venmo?

• Pole position went to word of mouth at 50% (virtually the same as Square). Word of mouth grows with income: 39% at $32,500+ to 68% at $125k+.
• Neck and neck was social media at 49%. As one might expect, given the core proposition of Venmo, it leaves Square in the dust.
• Advertising is a distant third at 28%; much less popular than Square.
• Asked-to-download to transact came in at 20%.

Note: There are some substantive differences based on geography. While word of mouth is equally strong between city and non-city dwellers, social media reaches urbanites disproportionately at 52% vs. 38%. Additionally, 23% of city dwellers are asked to download to use vs. 9% non-city dwellers, causing one to theorize that Venmo is either unavailable or unknown, in the exurbs.

Q: Was it easy to use Venmo?

Overall:
• 93%: easy
• 5%: didn’t think about
• 2%: hard

Parsing ease:
This shot up to 100% among 25–29’s.
Among 30–35’s, 12% didn’t think about the download experience (vs. 5% average.)

This pops:
Within 20–24’s 17% found it hard to understand.

Q: Why did you use Venmo?

P2P payment overall is chosen 55% of the time.
Income: This reason drops as income rises, from 65% to 45%.
Gender: Women 62% vs. men 41%
Age: P2P peaks with the youngest age segment: 73% of 20–24’s.

To parse: Perhaps at higher income levels the use case of splitting a dinner tab or a movie becomes negligible?
• 20%: ease
• 10%: Vendors offer Venmo
• 9%: product recommended
• 7%: it’s “cool”
• 5%: didn’t have cash
• 4%: use for their small business
• 4%: convenient
• 2%: quick/fast
• 1%: fees are good
• 10% of 30–35’s, 19% of males refused to answer

Stash

Q: How did you discover Stash?

Recall, while Stash was familiar to 14% of our sample, it has been used by only 4% of the participants, skewing affluent.

For Stash, social media seems to be the most successful strategy, especially for connecting with urban dwellers, males, and higher earners, but also those with aspirational incomes.

Compared to other innovative products:
• At 60%, social media was far and away the most popular solution for learning about Stash. While it’s not a straight line, awareness seems to be function of income. At the lowest income level, 40% of participants found out about Stash through social media. While this drops at the $75K to $99,999 level, it spikes at $100,000+, and then at 67% at $125,000—the two highest income levels.
• Advertising brought 52% of our survey takers to Stash. Interestingly, at each end of the income spectrum, it was most effective. At $32,500–$49,999, 80% became aware of Stash, while this was true for 75% of earners at the $125,000+ level. Advertising reached the youngest of the Millennials at 62%, as compared to 52% overall.
• Word of mouth was very low at 31%. It was also gendered. While it reached 31% overall, when parsed it was 44% male and only 19% women. When we look at geography it reached 35% in the cities, but just 17% in non-cities.
• Asked-to-download-to-transact came in at 21%—at the same level as Venmo. Given that Stash isn’t about transacting, this response might be a bit low. This directly increases with income, jumping from 10% to 33%. While word of mouth was less important to non-city dwellers, ask-to-download polled at 33% vs. 17% for city dwellers.

Q: Was it easy to use Stash?

Stash was easy to use for 83% of our sample. For 17%, it was intuitive. Zero percent found it hard.

Note: There were no answers from the 20–24 age range for this question. (It appears one person had tried Stash in that segment, but did not weigh in.)
Mint

Q: How did you discover Mint?
Adoption of Mint follows a slightly different pattern than the other banking products we investigated in this survey. In order of popularity, our respondents discovered Mint through advertisements (45%), social media (43%), and then word of mouth (40%). It should be acknowledged that Mint is a different kind of product, for managing finances rather than transactions. Still, as we later look at solvency—student loan debt, credit card balances, etc.—it’s helpful to dive into this product and see how it is used.

- At 45%, advertising is the most effective means of connecting in our survey. This was particularly true of the 20–24’s, where 64% found out about Mint.
- Social media reached 43% of our respondents, capturing more men than women (54% vs. 38%).
- Word of mouth was resonant for 40% of our participants, particularly those in the $100K–$124,999 income range (at 62%).
- Only 34% learned about Mint after being asked to download it for a payment. Men were nearly 3 times as likely to have discovered Mint in this manner, 25% vs. 9%.

Q: Was it easy to use Mint?
Mint certainly has more features than the other products we investigated in this survey. That said, it’s worthwhile to examine to what extent users found Mint complex:

- Just 78% found the solution easy to use. This dropped down to 55% for the 25–29’s
- Gender also played a role. Whereas 87% of men found it easy to use, that figure was 67% with women.
- Interestingly, 22% didn’t think about the processing of downloading it. That figure rose to 32% for women, who seem to be saying that it was easy, if not intuitive, whereas just 13% of men answered affirmatively.
- No one explicitly said he/she found Mint hard to understand.

Q: Why did you use Mint?
The most popular response is hardly a surprise: 45% use Mint to track expenses. Budgeting closely followed at 28%.

- In both use cases, women outpace men. In tracking expenses, 52% of women use Mint v. 31% of men. Where budgeting is concerned, this also ranks highly for women at 38%, but far less so for men at 8%.
- It seems a bit high—at 8%—that folks did not like or use the platform. This is less true at the income levels of $32,500–$49,999 and $75,000–$99,999.

While only 6% of respondents found Mint ‘cool’, this spiked at 17% for the $75,000–$99,999.

- 6% used Mint just to see how it works
- 6% chose it to pay their bills
- 4% tried it because it was easy
- 3% came by way of recommendation
- 1% chose Mint because they thought it was secure
- 1% relied on Mint’s convenience
- 1% downloaded it to pay a bill
- 1% found Mint the “best online bank”

Employment: Of those who loved the tool (6% on average), the figure doubled to 12% when the respondent was unemployed. The same distinction was true where trying Mint out of curiosity: those who were unemployed did so twice as frequently, at 12%.

Geography: Non-city dwellers used Mint for budgeting at a rate of 53% vs. 21% for city dwellers.

Race & Ethnicity: Whites used Mint almost twice as much for budgeting as non-whites, or 32% vs. 17%.
Q: How did you discover Chase QuickPay?

We asked what particular credit cards were used by our survey takers and learned that Chase has overwhelming mindshare where plastic is concerned. It stands to reason that they have leveraged their brand with “first mover advantage”—among legacies—in the P2P space.

While QuickPay is trying to be a new-fangled product, Chase seems to be marketing it—or it is being received—in a traditional manner. That is, while word of mouth and social media are the most popular ways that our survey takers discover new products, far and away advertising brought QuickPay to the attention of our respondents (at 60%). Only 38% of participants learned of QuickPay via word of mouth, while social media reached just 26% of those surveyed.

Note: word of mouth peaks within the highest earning segment (52% vs. 38%).

Q: Was it easy to use Chase QuickPay?

Remarkable findings: 94% of our respondents told us that the product was easy to use, while 6% said that they didn’t think about the process.

Q: Why did you use Chase QuickPay?

• P2P payments account for 27% of those polled (as compared to 55% for Venmo).

Similar to Venmo, QuickPay is most appealing to the youngest segment of our sample, (43% with 20–24’s) as well as those from lowest income bracket (43% for the $32,500–$49,999).

• Those who already bank with Chase—15% on average—have adopted QuickPay. It appears that Chase is most successfully reaching its youngest (and most likely its newest) customers, 20–24—at 29%.

• Trying a product “just to see how it works” isn’t always a “one and done.” While this clocked in at 5% on average, it registered at 14% for those 20–24’s, who we just showed above as more likely to try QuickPay because they already bank with Chase.

• Overall, QuickPay was adopted by nearly 30% of users for mundane tasks, ones that can ultimately replace terrestrial banking.

Among those in the $75,000–$99,999 income bracket, 20% didn’t think about the process.

• 13% believed that QuickPay was quick/fast.

• 12% found it to be easy to use.

• 3% chose it out of convenience.

• 1% used it simply to make a payment.

• 8% of respondents tried QuickPay in order to track bills. This climbed to 14% among the youngest age segment (20-24’s) in our survey.

• 6% chose QuickPay based on merchant acceptance.

• 5% downloaded QuickPay just to see how it works.

• Among those who weren’t aware of Chase QuickPay or refused to answer—8% overall—males were more resistant (19%), as were 20-24’s (14%) and income levels that fell between $50k–$75,000 (17%).

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Terrestrial & cloud banks

Bitcoin was favored by only a few in our survey, so here is an abbreviated look into its usage:

**Q: Have you used Bitcoin or its equivalent in the last year?**

- 17% of users in the last year used Bitcoin, or a crypto-counterpart—19% among 30–35ers.
- The higher the income, the higher the probability of usage, 9%–35%.
- Gender: Male 52% vs. 10% women.
- Geography: Cities are 22% vs. 6% non-cities.
- Just 1 in 401 would use it for everything.

A word about the importance of Millennial loyalty, in terms of product adoption:

We asked our survey participants if they’d be more likely to use innovative banking products like Venmo or PayPal if they were offered a loyalty or rewards program and 88% answered yes. At $100K+ income, this breaks 90%. Products are key in attracting and recognizing consumer needs and desires.

**FREQUENCY OF BANK VISITS (NON-ATM USAGE):**

- **Q: How often do you bank and why?**
  - Once a week or more: beyond age and income level, at this frequency of visit, gender is also a factor.
  - At once a week: 23% of our respondents made a trip to their bank branch.
  - We found that this increased with age and income, at this frequency, it’s more male at 37% vs. 16% female.
  - Once a month or more: age and income are factors. 28% of respondents visited their bank at least once a month. The youngest segment of our three age ranges, 20–24, dropped by with the greatest frequency—33% of the time. Those who earned between $50K and $74K,999 visited 38% of the time, much more frequently than any other income level.
  - Men: at 37%, men visited more than twice as much as women, at 16%.
  - Income: Higher incomes are more likely to visit (16% vs. 35%).
  - A slightly different, but related question:

**Q: When was the last time you visited your bank?**

This month: 46%.

Income: This climbs in frequency with income, from 38% to 57%.

Gender: 56% of men visited their bank branch within the last month, while 42% of women dropped by.

**Q: Why visit?**

Surprisingly, those of our respondents who visited their banks, mostly did so for mundane tasks that can currently be taken care of via mobile banking or an ATM.

- **The Basics:** The total of those who are depositing or withdrawing funds is 59%.
  - As may be expected, deposits account for 43% of these visits, so folks seem to still be skittish about mobile snapshot or ATM deposits. Who knew?
  - Gender reveals different findings: men are far more likely to bank online: 52% vs. only 36% women.

That said, there are certain age and income segments which offer answers that depart from the overall group.

- **Easy access to withdraw/deposit monies:** 26% of our participants believe that cloud banking would not provide them with on-demand access to their money, for those earning between $50–$74,999K and $75,000–$99,999K, this need is more pronounced at 30% and 40%, respectively. At the highest income levels, from $100K and above, this need crumbles, at 12%, and then 14% for earners at $125,000 and above.
- **The catchall “inconvenience”** is markedly deemed an issue for two groups: 33% of the $100K to $124,999K, and the youngest slice of respondents, 30% of 20–24.

**Note:** At the very highest income level, this is a non-issue, at 5%.

- **Pressing the flesh** while just 17% of the overall sample wants in-person contact, 25–29’s at 28% say that this would deter them from banking online. In person is important to 21% of women, while only 6% of the men we polled thought it a dealbreaker where cloud banking was concerned. This is interesting since men visit their branch more frequently. [One wonders if bots will meet this need in-person contact.]

- **ATM’s, please:** while affluent earners aren’t anxious about accessing their monies, the most affluent in survey have an outsize concern for ATM availability: 43% of them care (vs. 8% of $100K–$125K+).

- **Difficulty in resolving issues:** while this only speaks to 5% overall, 13% of $75K to $100K’s name this as a key factor in not cloud banking. Recall from above, for those who do visit their branches, women are almost half as likely to visit a bank to resolve a problem: 12% vs. 25% for men.

For the final section of this write-up we wanted to focus on the personal:

- **Social proof:** How social media influences decision-making, product adoption, and behavioral change.
- **Solvency of Millennials.**
- **Personal financial outlook.”**
Q: Has Facebook or other social media influenced you to try a new banking product?

Overall: "Yes" polls at 39%.

Income: This increases with income from a low of 25% to a high of 57% in a straight line to the highest income level.

Gender: Men are disproportionately influenced; 59% vs. 29% of women.

Employment: Those who are employed full-time answer in the affirmative 45% of the time.

Race & Ethnicity: Non-whites were a bit more influenced (46% v. 39% average).

These findings contradict the narrative that Millennials are monolithic when it comes to the influence of social media. We learned for example, that men and the affluent are twice as influenced by social media as women and lower income brackets. Earlier, we saw that social media was second only to word of mouth, outpacing advertising, except for Chase QuickPay.

How does this influence manifest in behavior, if at all?

Q: Are services like Square influencing you to tip more?

It would seem that high-income earners were most amenable to Square incentivizing them to tip more.

• 15% of our survey said that it was influenced by products like Square, with 7% of respondents offering that they actually do tip more.

Income: Influence on tipping grows with income, from a low of 12% to a high of 31% for the $100K to $125,000 bracket.

Gender: Men indicate that they are open to influence at 22%, versus 12% for women.

Q: Student Loan Debt

• 52% of our sample had no student loan debt (non-city dwellers were at 64%).

• 17% owed less than $10K.

• 20% had a balance of $10–$50K.

• 10% had more than $50K in debt.

• Respondents who did experience the highest percentage of debt were less affluent.

• 67% of those earning $125K or more had no debt.

Given that much of our sample was less constrained by student loan debt, we decided to examine how they were managing their credit card debt.

Q: How much of your monthly credit card balance do you pay?

Credit Card Debt (self-reported):

• 72% pay their monthly balance in full.

• 88% of men paid off their balance in full, versus 65% of women.

Women get credit cards earlier in life, but they don’t pay them in full as much as men. Women are three times as likely to pay just their minimum.

In order to contextualize our sample’s financial health, here again is a breakdown of their (self-reported) credit scores:
Financial outlook

In this last working section, we’ll take a look at the financial outlook of our survey takers, as well as their stated intentions:

Q: How do you think the economy will perform over the next five years?

Overall, a slight majority of 51% said that they believed the economy would get “much better,” as compared to 13% of women, whereas 24% weighed in as unsure. Trust was a function of income level and gender.

Income: At the lowest income (below $32,500), 39% did not trust Trump at all. At the highest income levels, only 7% said that they were going to be sidelined by the election.

Gender: Men trust Trump financially much, much more than women:
- Men at 30%, women at 13%.
- A wholehearted “yes”: men are at 55%, women at 33%.
- I trust Trump very much: men at 30%, women at 13%.

Q: How has the electoral outcome changed your financial decisions?

We came up with a range of possible answers, from unaffected and wait-and-see, to anxious, staying out of the market and investing with caution. Overall, 42% told us that they were adopting a “wait-and-see” attitude. This was constant across age, income, and gender, and slightly more pronounced at both ends of the income curve.

Furthermore, 30% told us that their financial decisions remain unaffected by the Trump win. 15% were anxious about their financial decisions.

Biggest takeaway: While only 12% said that they were going to move to the sidelines and/or stay out of the stock market, this number climbed with income, from 10% among the lowest earners, to 20% at the $100K level. That said, at the highest income threshold, only 7% said that they were going to be sidelined by the election.

Age: Those who were staying out of the market peaked among 25–29’s at 16%.

OK. We’ve gauged emotional outlook, regarding the economy, trust, and risk aversion. At the most personal level, are Millennials staying put in their jobs, given their cautious wait-and-see attitude?

Q: Are you on the job market?

Strikingly, 53% told us that they were seeking their next job. While this rose to 71% among the youngest sliver of the age cohort, this might be because they are joining the workforce, or transitioning from a first job. Still, it’s a high number.

Older Millennials are still on the prowl, at 56% (25–29) and 47% (30–35).

Note: these outcomes are broadly the same across income.

Key findings

- Millennials aren’t a monolith. When possible, parse for age segments, recognizing that 30–35’s are vastly different from 20–24’s.
- The Millennial generation—despite being digital natives—wants and prefers in-person customer service. If we want to capture those who aren’t currently open to online banking, we need to create an online customer experience that responds to their needs, be it with conventional call centers or bots.
- The cultural and political volatility of this moment does have an impact on financial decision making, especially when we look at women and the affluent. These groups need assurances that their savings and investments are secure.
- We must examine what can be designed for the 1 in 5—at the $100K+ income level—who are staying out of the market (investment vehicles, retirement products, etc).
- One’s social media marketing strategy must recognize that the affluent, men, and older Millennials are greatly influenced by their social networks.
- Rewards and perks matter when persuading users to try innovative banking products.
- Since our sample places greater trust in big tech, don’t market products as a “big bank” solution, but rather, as a tech solution (as PayPal has done with Venmo).
- Products shouldn’t always be marketed uniformly. Women, for example, aren’t as attracted to widgets or services described as “innovative.” Far more skeptical than men, they want to see the benefit.
- Create better usability for financial management products, such as Mint, especially among women users.
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Sources:
Why these whiners are ignoring your marketing campaigns

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