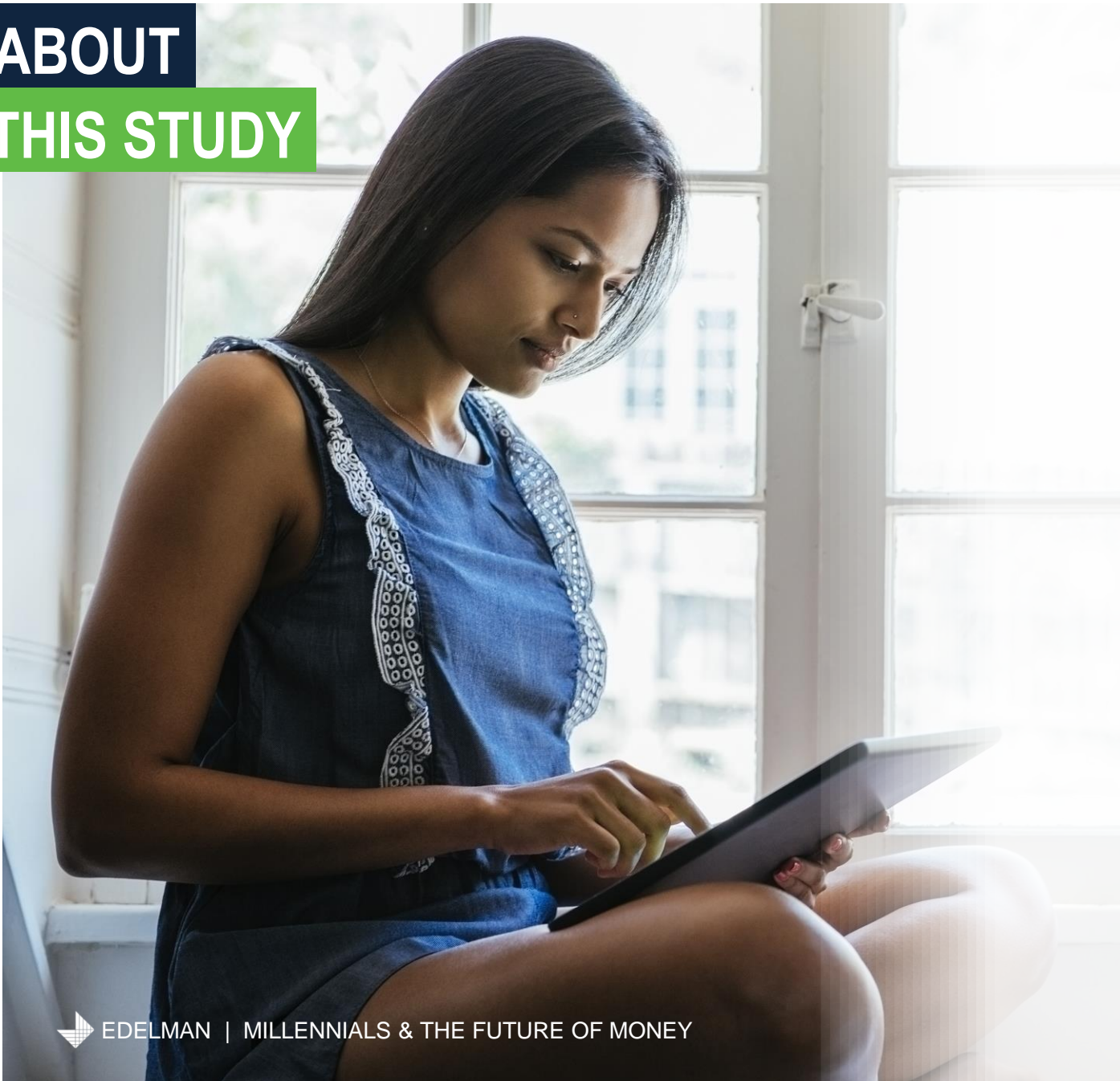


# MILLENNIALS & THE FUTURE OF MONEY



OCTOBER 2019

# ABOUT THIS STUDY



Edelman first studied Millennials and their relationship with financial services in 2016, and each year since, our intellectual property has been inspired by unexpected learnings and industry trends. Our 2018 edition, *Millennials with Money*, found that 25 percent of affluent Millennials held or used cryptocurrency, and another 31 percent were interested in using it. And nearly a quarter (23 percent) were using a robo-advisor for financial advice.

At the same time, it has been a fascinating year for cryptocurrency and digital advice. Cryptocurrency has come a long way from an academic concept and digital advice is becoming ubiquitous in financial products and services. We see the overarching goal of such innovations to be greater financial inclusion and have seen bold experimentation with the future of money and the advice we get to manage it, which are the key themes we focused on in this year's edition, *Millennials & The Future of Money*.

**LET'S TAKE A LOOK.**





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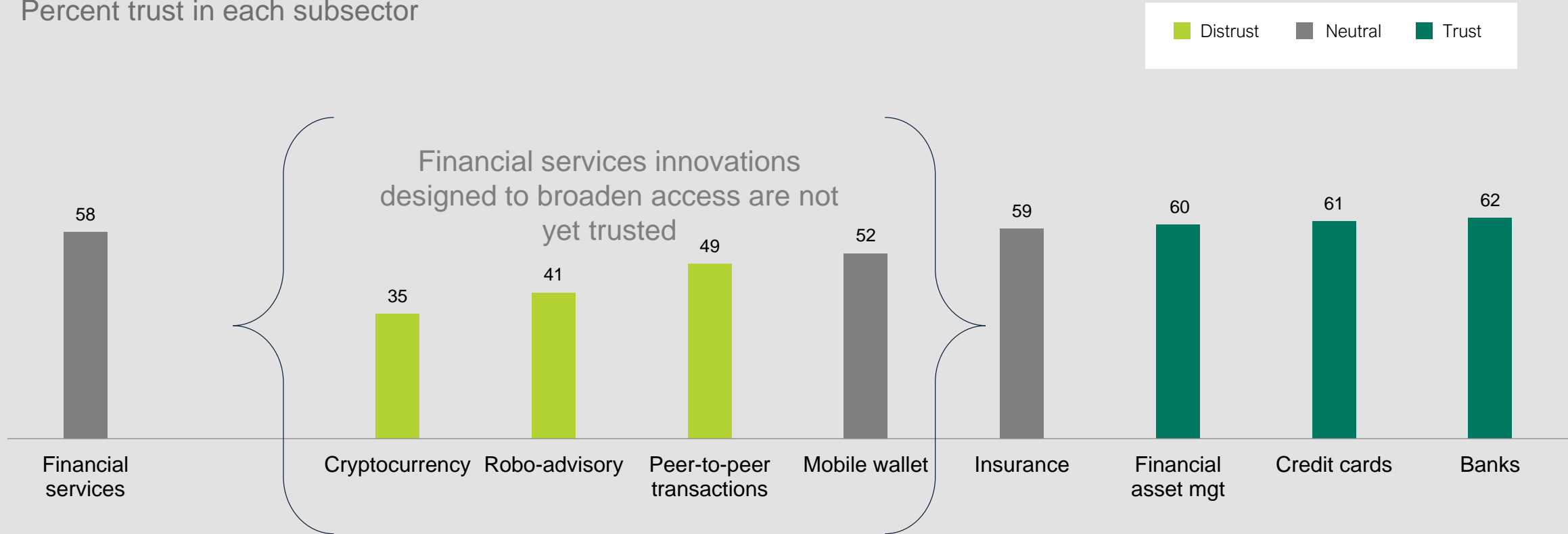
# WHAT WE KNOW FROM THE 2019 EDELMAN TRUST BAROMETER



IN DATA  
WE TRUST

# BUILD TRUST IN INNOVATIONS DESIGNED TO BROADEN ACCESS

Percent trust in each subsector



2019 Edelman Trust Barometer. TRU\_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. Again, please use the same 9-point scale where one means that you “do not trust them at all” and nine means that you “trust them a great deal”. 9-point scale; top 4 box, trust. Industries asked of half of the sample. TRU\_SUB\_FIN. Now thinking about specific sectors within the financial services industry, please indicate how much you trust businesses in each of the following sectors to do what is right. Again, please use the same 9-point scale where one means that you “do not trust them at all” and nine means that you “trust them a great deal”. 9-point scale; top 4 box, trust. Question asked of one-fifth of the sample. General population, U.S.

# MILLENNIALS & THE FUTURE OF MONEY

In this study:



**GEN Z**  
(AGES 18-24)



**MILLENNIALS**  
(AGES 25-39)



**GEN X**  
(AGES 40-53)

## METHODOLOGY

Third annual survey on generational trends and money

Online survey of 2,500 U.S. respondents:  
500 Gen Z | 1,500 Millennials | 500 Gen X

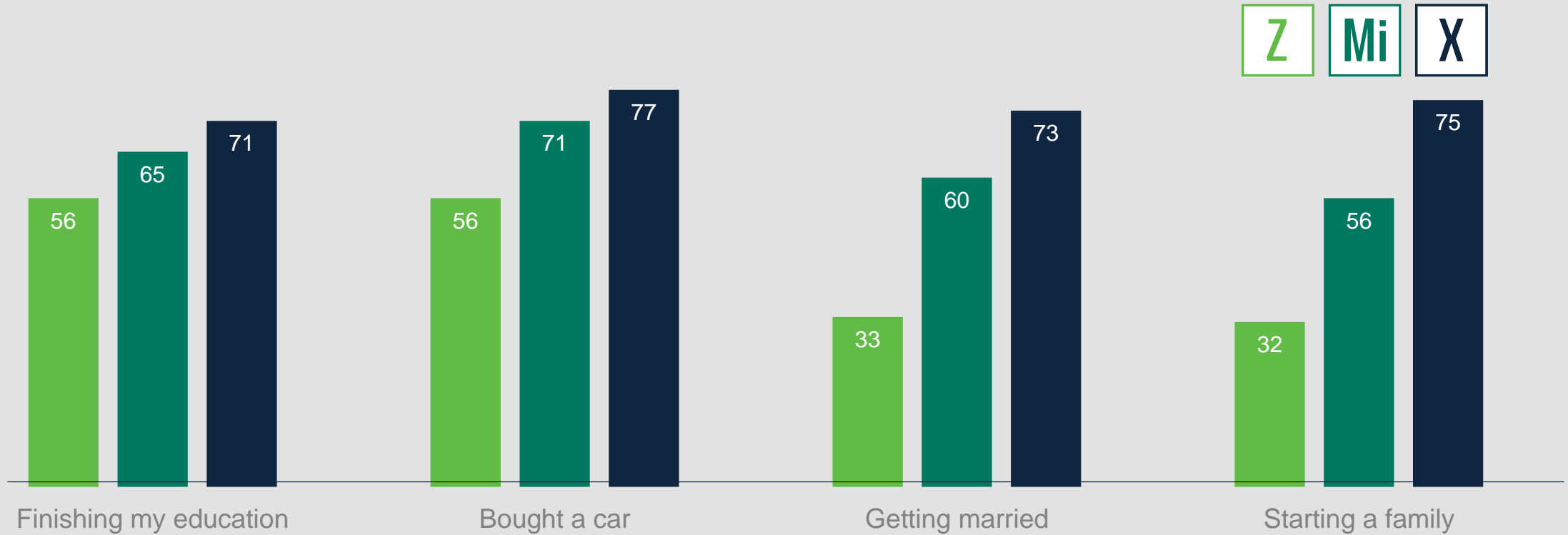
All fieldwork conducted between  
September 23 and September 30, 2019

U.S. total data margin of error: +/- 2.0% (N=2,500)  
Gen Z data margin of error: +/- 4.4% (N=500)  
Millennials data margin of error: +/- 2.5% (N=1,500)  
Gen X data margin of error: +/- 4.4% (N=500)



# THEY'VE GOTTEN BUSY BUILDING A LIFE...

Average percent complete achieving each goal



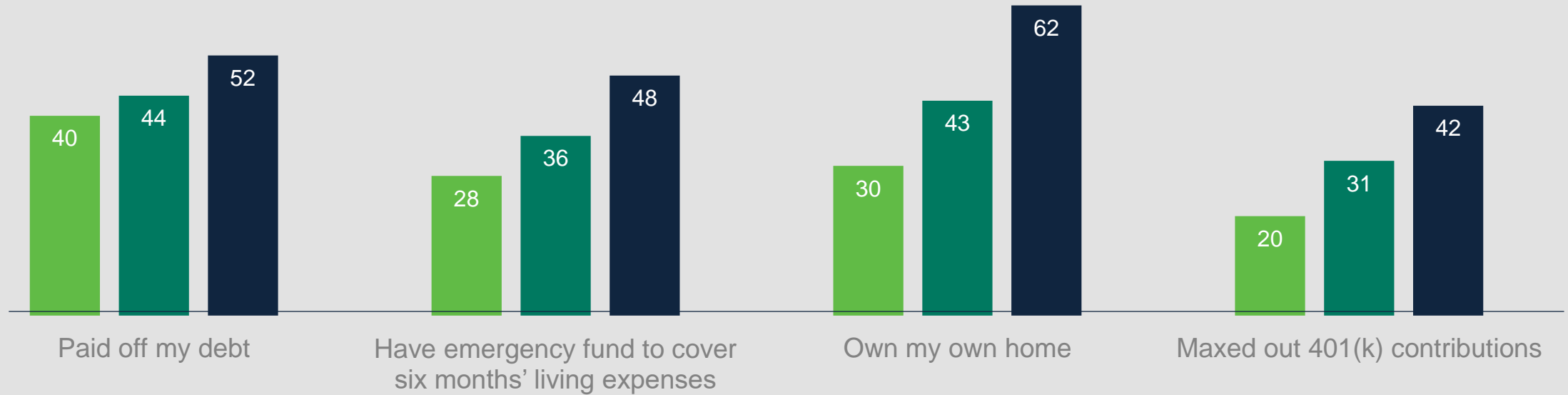
2019 Edelman Millennials & The Future of Money Study. Q17. How close are you to completing your personal goals?  
Where 0% is no progress and 100% is where you've fully completed that goal. Among generations.

# ...BUT NOT YET THERE

## BUILDING WEALTH

Average percent complete achieving each goal

Z Mi X



2019 Edelman Millennials & The Future of Money Study. Q17. How close are you to completing your personal goals? Where 0% is no progress and 100% is where you've fully completed that goal. Among generations.



# AND WHILE

## THE BASICS ARE COVERED...

Percent who currently have or use each product

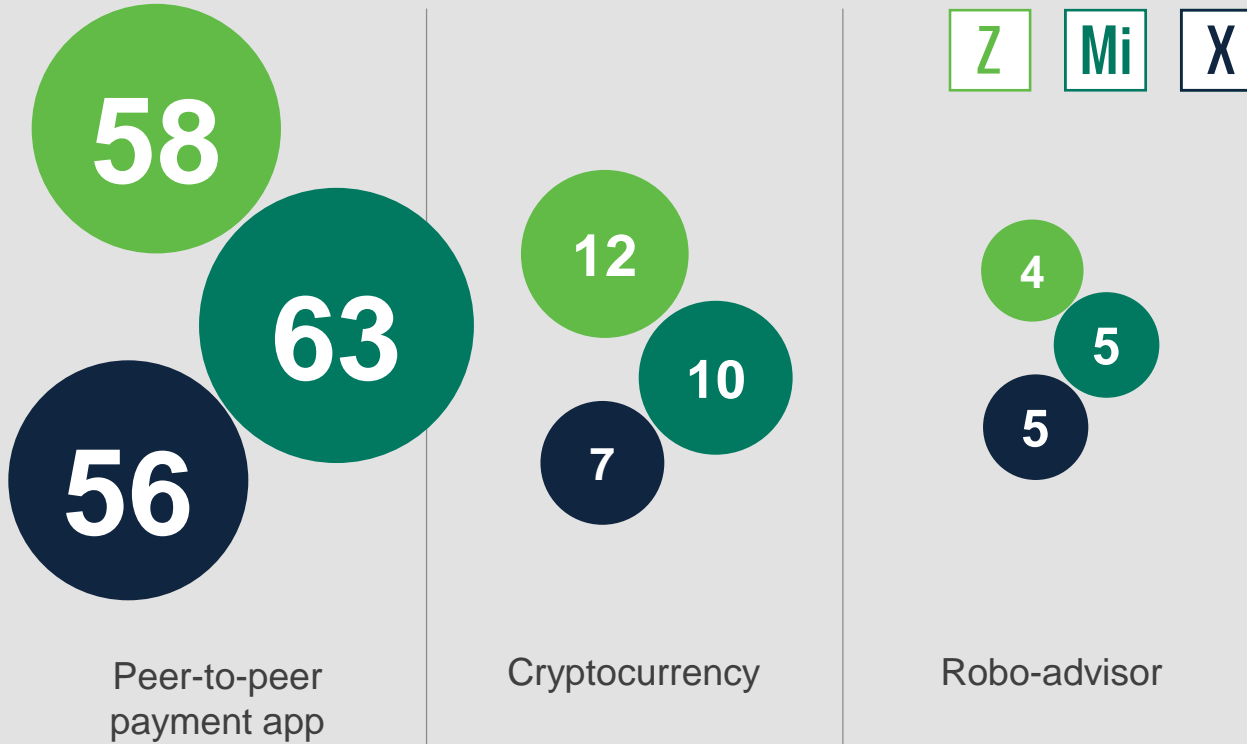
THE BASICS	Z	Mi	X
Cash	83	87	87
Checking accounts	71	82	88
Credit card	55	71	78
Personal loan	16	24	21
SAVINGS & INSURANCE			
Home or auto insurance	51	73	82
Life insurance	30	49	51
Individual retirement account	18	41	46
Personal financial planner/advisor	10	17	24
Brokerage account/self-directed trading	11	17	24

2019 Edelman Millennials & The Future of Money Study. Q19. Which best describes your familiarity with the following list of products? 4-point scale; top box, usage. Among generations.



# ...STILL LIMITED USE OF EMERGING FINTECH PRODUCTS


Percent who currently have or use each fintech product



2019 Edelman Millennials & The Future of Money Study. Q19. Which best describes your familiarity with the following list of products? 4-point scale; top box, usage. Among generations.







# FUTURE STATE FOR CRYPTOCURRENCY



# THE OPPORTUNITY:

## POSITIVE FORWARD-LOOKING INDICATORS

Percent of crypto users who agree



72%

Crypto is **the future**  
of the financial  
services industry



63%

Crypto is a **better  
investment than  
gold in a volatile  
economy**



68%

I like that the  
governance  
of crypto is  
**not centralized**

2019 Edelman Millennials & The Future of Money Study. Q37. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement as it relates to your personal experiences with the buying, holding and using your cryptocurrency assets. Please use a nine-point scale where one means “strongly disagree” and nine means “strongly agree”. 9-point scale; top 4 box, agree. Question asked of those that use cryptocurrency (Q19/9=4). Total sample.

# BARRIERS TO ADOPTION OF CRYPTO:

## LIMITED ACCEPTANCE, RISK OF LOSS, SECURITY

Percent of crypto users who agree

67

It's not widely accepted enough to be useful

66

No way to retrieve the currency if lost or misdirected

60

Makes it too easy to hide criminal activity

59

I am increasingly concerned about its volatility

49

My lack of knowledge makes me vulnerable to hackers and fraudulent schemes

47

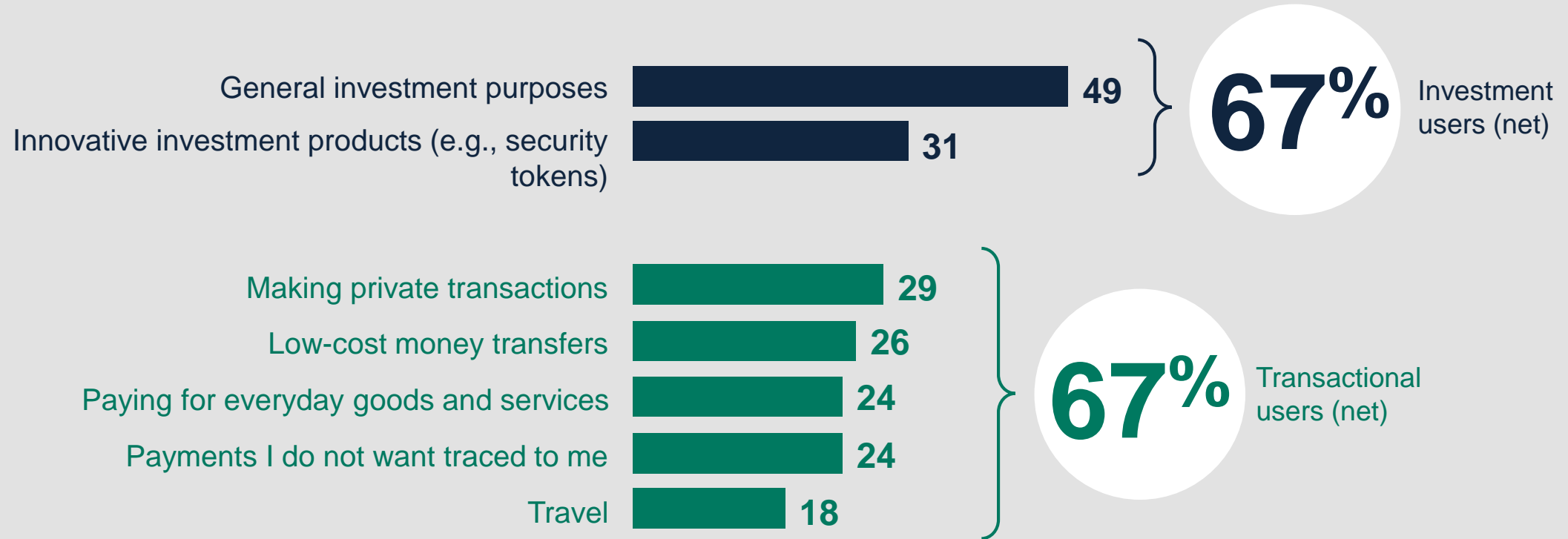
Just a matter of time before crypto is extinct

2019 Edelman Millennials & The Future of Money Study. Q37. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement as it relates to your personal experiences with the buying, holding and using your cryptocurrency assets. Please use a nine-point scale where one means "strongly disagree" and nine means "strongly agree". 9-point scale; top 4 box, agree. Question asked of those that use cryptocurrency (Q19/9=4). Total sample.



# CRYPTO USED FOR INVESTMENT AS MUCH AS TRANSACTIONS

Percent of crypto users who are using it in each of the following ways



2019 Edelman Millennials & The Future of Money Study. Q35. In which of the following ways are you using cryptocurrency? Pick all that apply. Question asked of those that use cryptocurrency (Q19/9=4). Total sample.



# KNOWLEDGE GAP

## SLOWING ADOPTION OF CRYPTO

Percent of crypto users who agree

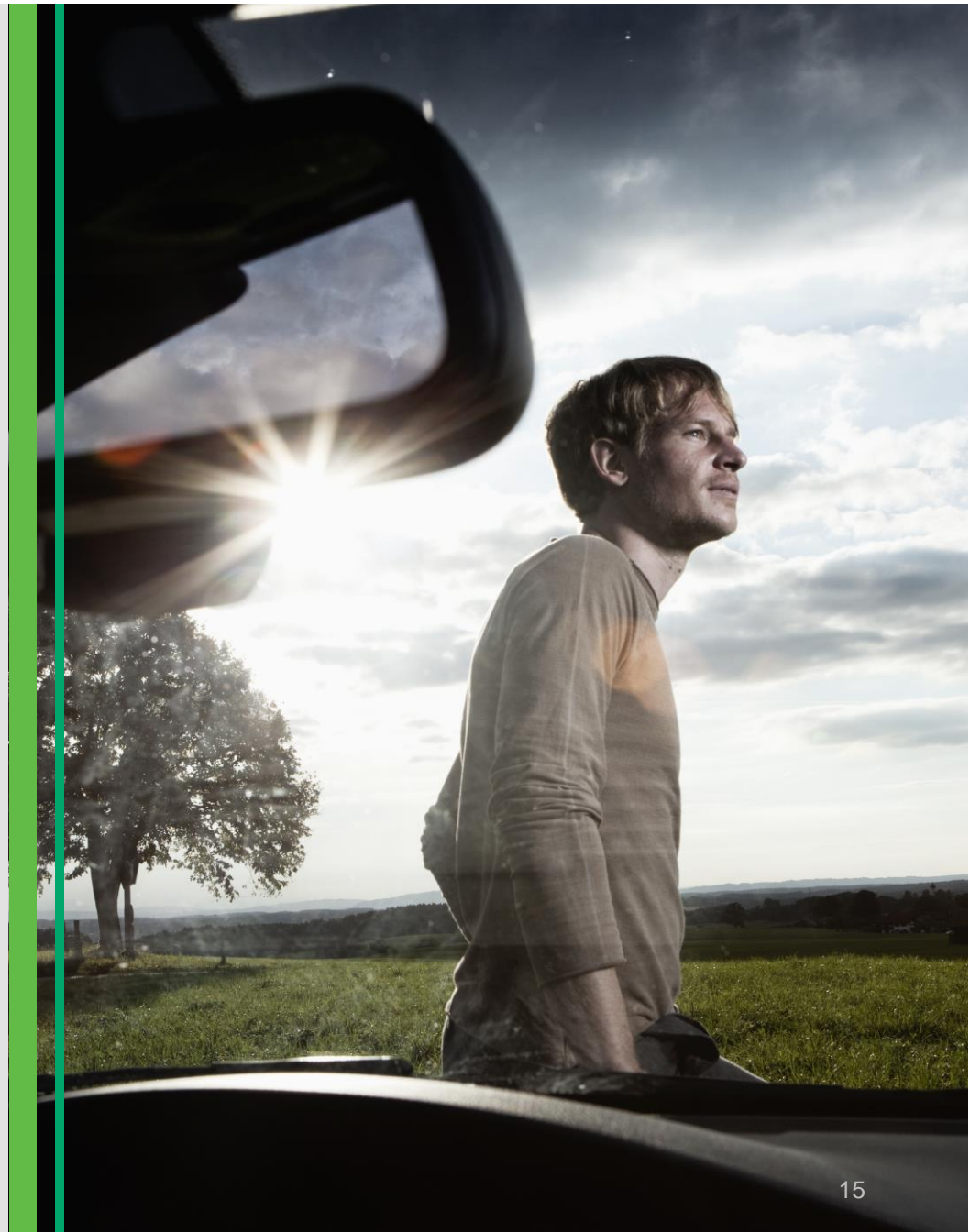
49%

I worry that my lack of knowledge about cryptocurrency will make me more vulnerable to hackers and fraudulent schemes

47%

The more I try to educate myself about cryptocurrency, the more confused I get

2019 Edelman Millennials & The Future of Money Study. Q37. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement as it relates to your personal experiences with the buying, holding and using your cryptocurrency assets. Please use a nine-point scale where one means “strongly disagree” and nine means “strongly agree”. 9-point scale; top 4 box, agree. Question asked of those that use cryptocurrency (Q19/9=4). Total sample.



# KNOWLEDGE GAP

## BIGGEST BARRIER TO ADOPTION OF CRYPTO

Top five reasons for not using or considering using crypto

Z

Lack of knowledge

Value fluctuation

Hard to understand

Not widely accepted

Not insurance

Mi

Lack of knowledge

Value fluctuation

No insurance

Hart to understand

Lacks government backing

X

Lack of knowledge

No insurance

Value fluctuation

Hard to understand

Not widely accepted

2019 Edelman Millennials & The Future of Money Study. Q36. And what about cryptocurrency makes it something that you wouldn't use or consider using? Pick all that apply.  
Question asked of those not interested in using cryptocurrency (Q19/9=2). Among generations.



# EASING CONCERNS ABOUT CRYPTOCURRENCY:

## INSURANCE AND INFORMATION

Percent of crypto users who say that each is an action companies could take to alleviate their concerns about crypto



**51**

Set up insurance  
to reimburse  
breach-related  
losses



**47**

Clearly  
communicate  
its potential  
downsides



**41**

Clearly  
communicate  
its benefits



**35**

Set up  
independent  
commission of  
experts to monitor  
its use



**33**

Develop strict  
code of ethics  
to govern use

2019 Edelman Millennials & The Future of Money Study. Q39. What can companies do to alleviate your concerns about cryptocurrency? Pick all that apply.  
Question asked of those that use cryptocurrency (Q19/9=4). Total sample.





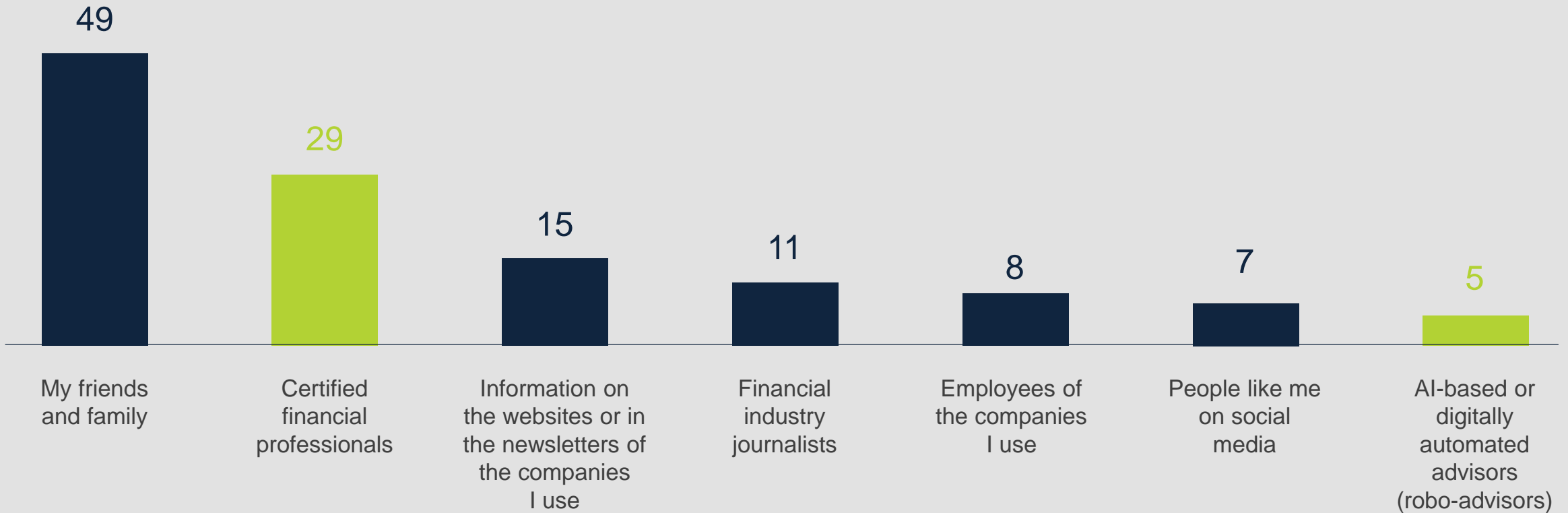
A woman with long brown hair and red lipstick is sitting on a patterned rug. She is wearing a white tank top with a graphic that says "KOHHA FROM HONOLULU" and dark blue jeans. She is holding a black smartphone in her right hand and a teal mug in her left hand. In the foreground, there is a silver coffee pot and a small white cup. The background is a plain white wall.

# FUTURE STATE FOR FINANCIAL ADVICE

# HUMAN ADVISORS

## FAR MORE TRUSTED THAN ROBO-ADVISORS

Percent who selected each as one of two they trust the most for financial information and advice

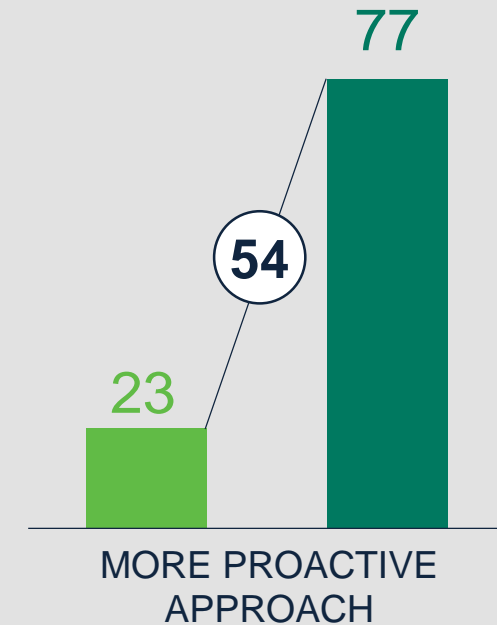
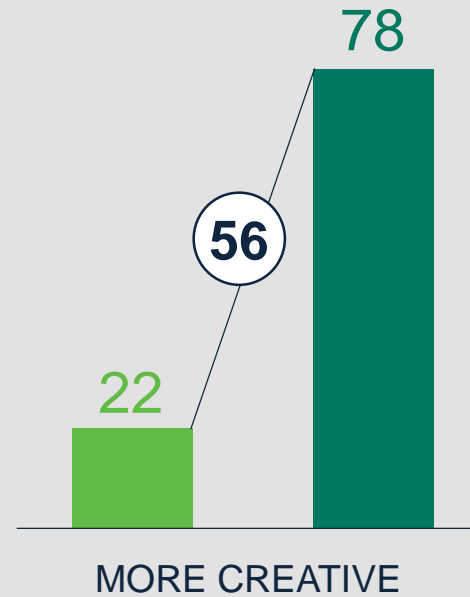
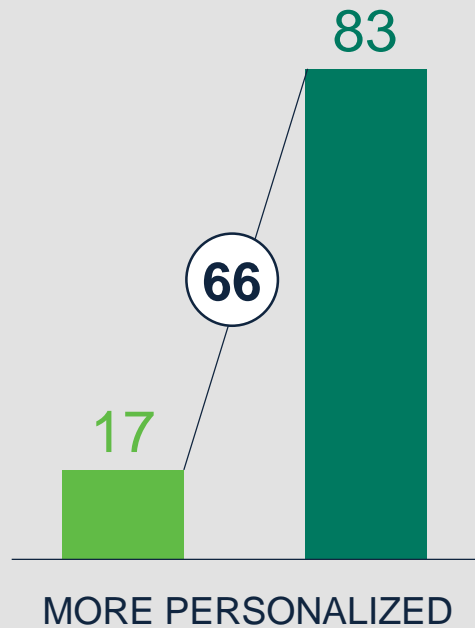


2019 Edelman Millennials & The Future of Money Study. Q40. Which source do you trust the most for financial information and advice? Pick up to two. Total sample.

# HUMAN ADVISORS SEEN AS MORE PERSONALIZED, CREATIVE AND PROACTIVE

Percent who say each is more true of robo-advisors or human advisors

AI HUMAN

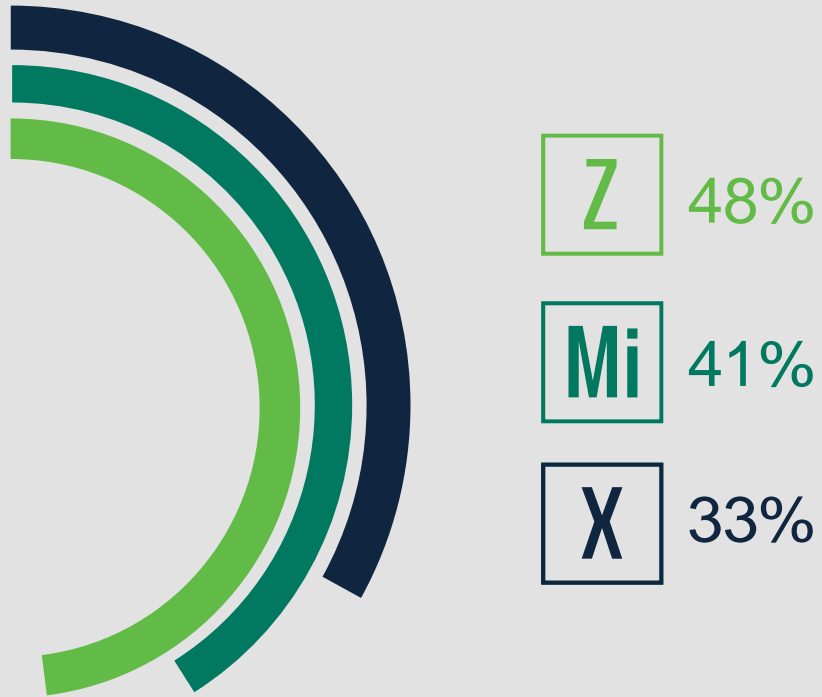


2019 Edelman Millennials & The Future of Money Study. Q47. For each of the items below, please indicate whether the statement is more true of traditional human financial advisors or robo advisors and other AI-driven financial-advice platforms. Total sample.



# GEN Z MOST RECEPTIVE TO ROBO-ADVISORS

Percent who are receptive to getting financial advice from robo-advisors

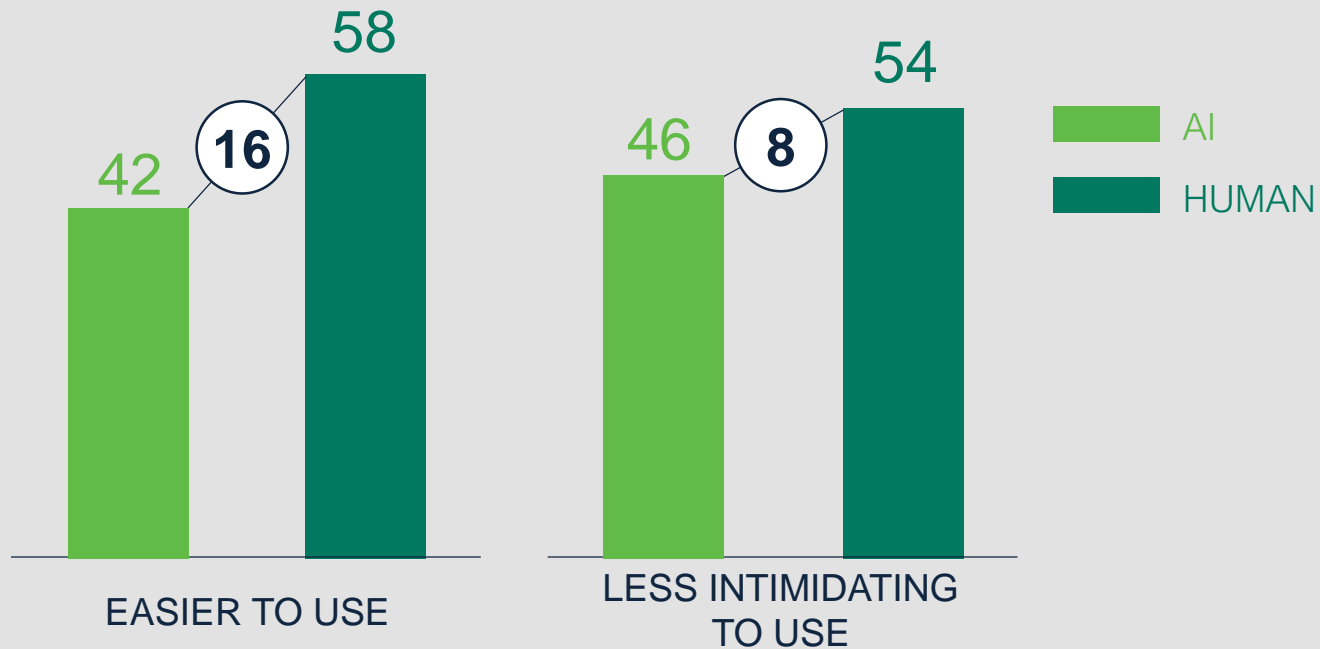


2019 Edelman Millennials & The Future of Money Study. Q43. How receptive are you to getting financial advice delivered by a robot using algorithms instead of a person? 5-point scale; top 3 box, receptive. Among generations.



# STILL, HUMAN ADVISORS SEEN AS LESS INTIMIDATING, MORE PRACTICAL

Percent who say each is more true of robo-advisors or human advisors



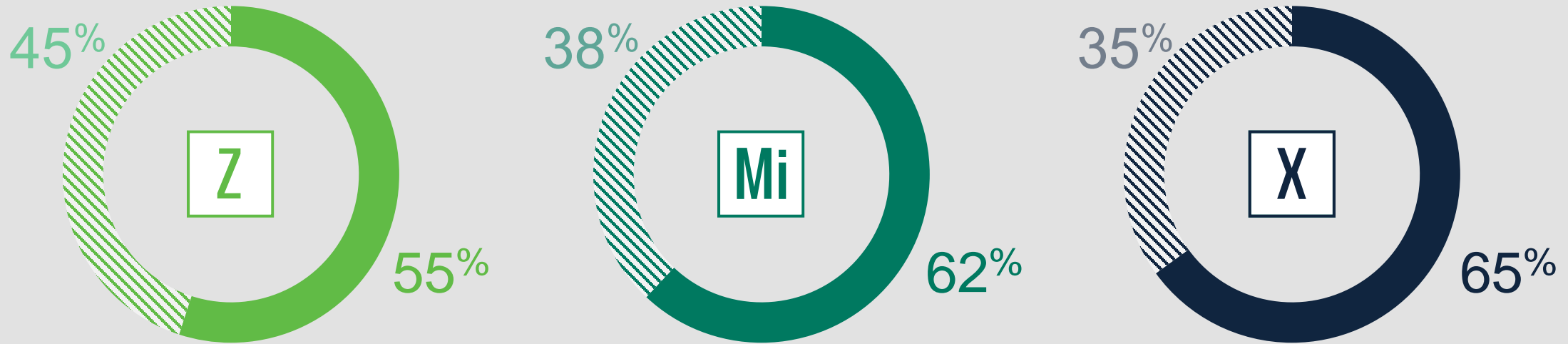
2019 Edelman Millennials & The Future of Money Study. Q47. For each of the items below, please indicate whether the statement is more true of traditional human financial advisors or robo advisors and other AI-driven financial-advice platforms. Total sample.



# FINANCIAL SERVICES FIRMS MORE TRUSTED TO DELIVER DIGITAL ADVICE THAN TECH FIRMS

Percent who trust each more to create and deliver digital advice services

■ Financial services firms  
▨ Technology firms



2019 Edelman Millennials & The Future of Money Study. Q46. When it comes to robo-advisors and other forms of artificial intelligence-delivered financial advice technology, who do you trust more to create and deliver these services? Please select the statement which best captures your view. Among generations.



A man in a yellow t-shirt is seen from behind, carrying two young girls on his shoulders. They are in a field of tall grass and red poppies. The background is slightly blurred, showing more of the field and some trees in the distance. The overall tone is warm and family-oriented.

# PATH FOR FINANCIAL SERVICES INNOVATION





# 1

## SEIZE THE OPPORTUNITY

Gen Z & Millennials  
see the potential  
of crypto

**73%**

of crypto users believe that it is  
the future of the financial  
services industry

2019 Edelman Millennials & The Future of Money Study. Q37. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement as it relates to your personal experiences with the buying, holding and using your cryptocurrency assets. Please use a nine-point scale where one means "strongly disagree" and nine means "strongly agree". 9-point scale; top 4 box, agree. Question asked of those that use cryptocurrency (Q19/9=4). Among Gen Z and Millennials.



# 2

## GET THE BALANCE RIGHT

Digital advice products need  
to incorporate a human  
element to ensure  
personalized service

**41%**

of Millennials are  
receptive to  
receiving  
robo-advice

**83%**

of all generations  
believe that  
human advice  
is more personalized

2019 Edelman Millennials & The Future of Money Study. Q43. How receptive are you to getting financial advice delivered by a robot using algorithms instead of a person? 5-point scale; top 3 box, receptive. Among Millennials. Q47. For each of the items below, please indicate whether the statement is more true of traditional human financial advisors or robo advisors and other AI-driven financial-advice platforms. Among those that said, "it is more true of traditional financial advisors." Total sample.



# 3

## CLOSE THE KNOWLEDGE GAP

Lack of knowledge is a key  
barrier to adoption of crypto

49%

of crypto users across generations  
worry that their lack of knowledge  
about cryptocurrency will make them  
more vulnerable to hackers and  
fraudulent schemes

2019 Edelman Millennials & The Future of Money Study. Q37. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement as it relates to your personal experiences with the buying, holding and using your cryptocurrency assets. Please use a nine-point scale where one means "strongly disagree" and nine means "strongly agree". 9-point scale; top 4 box, agree. Question asked of those that use cryptocurrency (Q19/9=4). Total sample.



# 4

DRIVE

## FINANCIAL INCLUSION

Show how your business and products make the world a better place for everyone

# #1

The top social challenge consumers globally expect financial services to solve for is financial security



2019 Edelman Trust Barometer. DRV\_FIN\_ISS. Which of the following social issues do you believe are most important for financial services companies? Pick up to two. Question asked of one-fifth of the sample. General population, 27-market average.



# EDELMAN'S GLOBAL FINANCIAL SERVICES SECTOR TEAM

Edelman is an independent global communications firm with more than sixty-five years of expertise and insight. Based on the belief that Communications is a foundational strategy, we help leaders evolve, promote, and protect their organizations and brands.

Our financial services sector team works in unison with the firm's other disciplines to help clients lead in an increasingly disruptive international marketplace where trust is the most valued currency and is at the center of every conversation and transaction.

Today, financial services brands – legacy companies and fintech disruptors alike – are expected to deliver innovative customer experience while contributing to the greater social good. Edelman is expert at translating this innovation into tangible value for customers, communities and employees – connecting with them and earning their trust.

It's our independence that allows us to invest in the talent, insights and technology that move communications forward. We bring together

our heritage of earned media-savvy and deep retail and institutional sub-sector subject matter expertise, and work seamlessly with creative strategists, planners, producers and writers to conceive and execute award-winning campaigns that deliver real commercial results. This unmatched combination of proprietary research and audience insights, digital analytics and outside-in creative capabilities has enabled us to help hundreds of financial services brands cut through the noise and tell stories that resonate, inspire and build trust that lasts.

Our network of experts spans more than 30 offices around the world. They are former corporate executives from multinational firms, journalists from leading financial and consumer media outlets, and consultants with deep technical understanding of highly regulated industries like financial services.

Edelman's honors include ranking on Ad Age's 2019 Agency A-List, O'Dwyer's 2019 #1 firm specializing in financial PR and investor relations, and National Association of Female Executives 2019 Top Company to Work For.

