



2021 TIAA Digital Engagement Survey

A survey of American attitudes on customer technology in the financial services industry

Executive Summary - June 2021

Table of contents

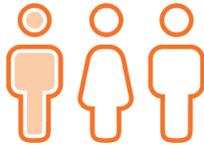
	Slide
Highlights	3
Detailed findings	5-9
Methodology	10

2021 TIAA Digital Engagement Survey Highlights

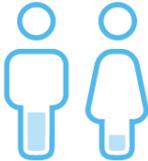


1. Half of Americans spend less than one hour a week on their finances, but more than four hours on social media.

Over four in 10 adults (43%) spend four hours or more on social media but only about one-fourth (23%) spend the same amount of time managing their personal finances.



2. The COVID-19 pandemic has significantly impacted Americans' financial wellness and financial habits, with one in three saying their household finances have been negatively affected and 42% feeling as though they need to manage their finances more closely.



3. Of any age group, millennials – and especially men – are spending the most time managing their finances.

Men are nearly twice more likely than women to spend four hours or more a week on their personal finances (30% vs. 16%).



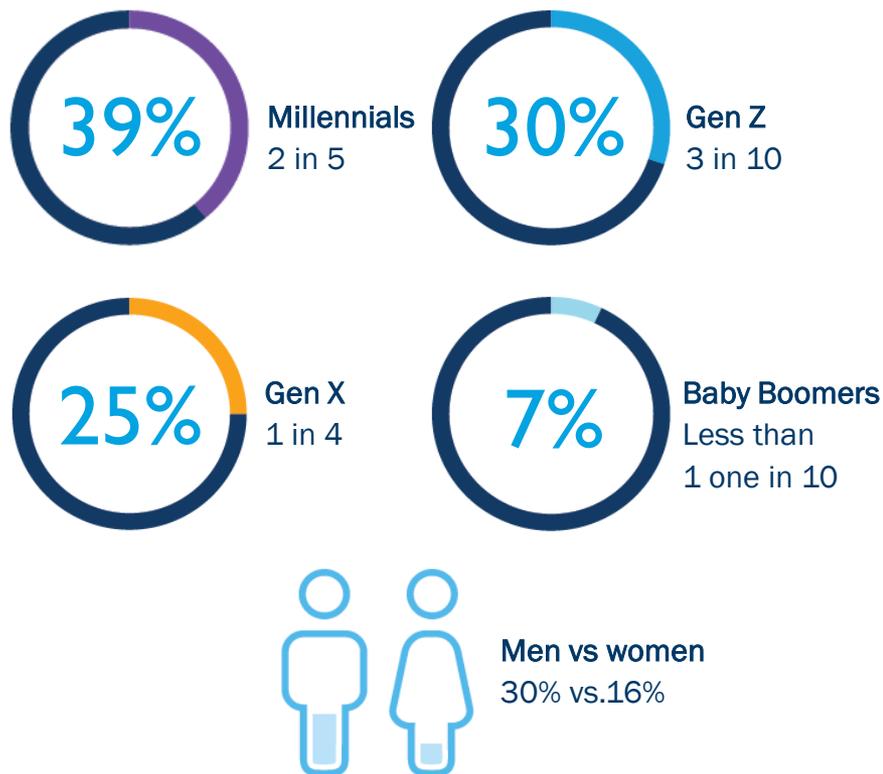
4. Americans are using more technology like video calls and contactless payments in their daily lives today. Still, they're split on if this will impact their finances in a post-pandemic environment.

They're open to using new devices to manage their finances, but many still prefer to use desktop computers to manage their finances.

Detailed findings

Significant generational differences exist when it comes to managing finances

Spending 4 or more hours per week managing finances



- Of any age group, millennials – and especially men – are spending the most time managing their finances. Thirty-nine percent of millennials say they spend four or more hours a week managing their finances, compared to just 25% of Gen Z respondents and only 7% of baby boomers. Men are nearly twice more likely than women to spend four hours or more a week on their personal finances (30% vs. 16%)
- Younger generations are more apt to get financial wellness checkups. More than half of respondents under 65 say they are interested in a financial wellness checkup, compared to just 30% of those over 65. The most preferred method of meeting for a financial wellness checkup is in person (26%).

Social media also influences how Americans make financial decisions

Most-preferred digital sources and online tools



Financial service providers' online tools
1 in 5 (19%)

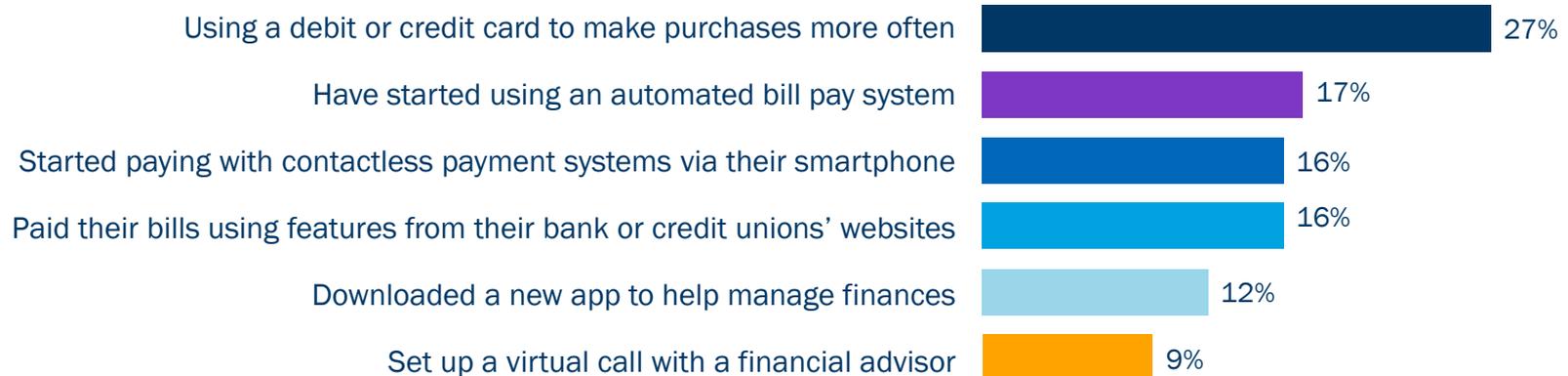


Social media content
1 in 10 (11%)

- Among digital sources, one in five (19%) are most often turning to financial service providers' online tools for information regarding financial decisions, followed by one in 10 (11%) who most often rely on social media content.
- While financial services providers' online tools are the most trusted resource for information (63%), one in five say social media content is also a go-to resource.
- One-third say they trust social media content to help them make financial decisions, and 32% say they trust social media influencers and celebrities' financial advice.

The COVID-19 pandemic has significantly affected Americans' financial wellness and financial habits

Changing financial habits



- A majority of those under the age of 65 say they have changed how they manage their finances. Seventy-one percent of those under 65 have changed how they manage their finances, compared to just half of those over 65. This includes using a credit card more often to make purchases (27%), downloading a new app to help manage finances (12%), or setting up a virtual call with a financial advisor (9%).
- Adults ages 65 and older are much less likely to have changed the way they manage their finances; just half (51%) have done so, significantly fewer than the seven in 10 (71%) of those under 65 who have done so.
- Two in five (42%) of people plan to manage their finances more closely going forward.
- Although 74% of Americans visit a primary care provider for a checkup at least once a year – and nearly half have used telehealth services in the last year – two-thirds have never had a financial checkup with a provider.

The most common reason people check in on their accounts is to just stay informed

Reason for checking retirement accounts



To stay informed of their balance
3 in 10 (31%)



Prompted to check because of the pandemic
1 in 6 (16%)

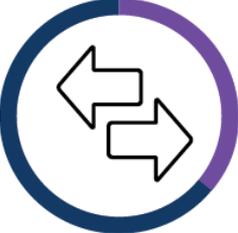


Due to stock market fluctuation
(15%)

Reason for checking checking and savings accounts



To stay informed of balances
2 in 5 (41%)

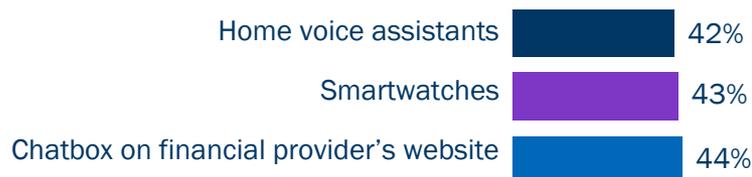


Recent transactions
Over one-third (36%)

- About half of respondents say they are open to, or already have, opened accounts without speaking to a person first. This includes checking accounts (36%), retirement savings accounts (19%), or brokerage accounts (9%).

Financial technology preference insights

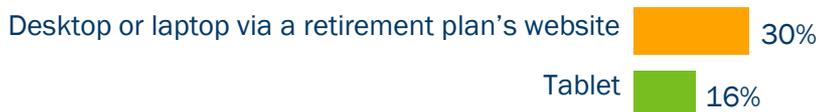
Digital devices — level of comfort



Most preferred method for checking bank account balances



Most preferred method for checking retirement account balances



- Respondents say home voice assistants (42%), smartwatches (43%), or a chatbot on a financial provider's website (44%) are tools they feel comfortable using to manage their finances.
- Over four in 10 (42%) would be comfortable using a home voice device like Amazon Echo, a smartwatch app (43%), using a chatbot on a financial service provider's website (44%) to manage their financial accounts.
- For those who work with a financial advisor, half prefer to continue interacting over the phone to utilizing video calls (25%). One in five respondents also say they don't anticipate connecting with their financial provider as often via mobile app or over the phone following the end of the pandemic unless they need to address an account or investment concern.
- Three in 10 (29%) are interested in using digital tools from a financial services provider that aggregates information across all of your accounts and/or investments and tracks all your accounts, investments, spending, and budgeting. One-third of respondents say they already use digital tools from their financial provider to track financial information across accounts.

Methodology



This report presents the results of the 2021 TIAA Financial Technology Habits Survey.

KRC Research conducted this research on behalf of TIAA from Feb. 1 to Feb. 9, 2021, via an online survey of a representative sample of 1,000 adults age 18 or older.



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