



Photo Release -- WSFS Bank Study Finds Millennials and Gen Zers View Their Overall Financial Situations Positively

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Despite setbacks, 58% think their generation's financial stability is better than previous generations

WILMINGTON, Del., Feb. 11, 2021 (GLOBE NEWSWIRE) -- According to a new WSFS Bank Study of Millennials and Gen Z consumers, 65% of respondents describe their overall financial situation as either "good" or "excellent," and six in 10 (58%) are optimistic that they'll achieve their financial goals one day. The nationwide study asked 2,005 people between the ages of 18-40 to describe their financial fears and goals, as well as how their experiences have been informed by previous generations.

While respondents remain optimistic when it comes to their finances, 43% said they frequently have trouble paying everyday living expenses, with 19% saying it happens to them "constantly." Despite this, 58% of respondents think their generation's level of financial stability is actually better than that of previous generations.

"While overspending is often the first thing that pops into consumers' minds when they think of financial troubles, financial stagnation has played just as large a role in recent years, especially for younger generations," said Vernita Dorsey, SVP and Director of Community Strategy at WSFS Bank. "Despite the challenges faced, these generations still view their overall financial situations positively, and with the help of online resources and financial institutions they can increase their money management and financial acumen."

Financial Lessons

When it comes to financial literacy, 61% of respondents agreed that most of what they've learned about finance was through osmosis, with 75% of men agreeing compared to 49% of women.

For financial lessons they learned from others, parents topped the list of sources at 36%, followed by romantic partners (33%), grandparents (31%), teachers (29%) and siblings (27%), while 23% said they learned these skills in school and just 17% from their bank or financial institution.

"With only 23% of respondents saying they learned financial skills in school, it is clear a financial literacy gap exists that, if addressed, could help build solid foundations prior to reaching adulthood," said Dorsey. "It's important to address these educational gaps so future generations are more comfortable discussing and learning about finance from trusted family members and teachers, and to use the resources their financial institutions offer, so they are less likely to feel like they're on their own to figure things out."

Major Events Impacting Behavior

Over half (57%) of respondents blamed the previous generation's mistakes for the country's current financial system. Millennials and Gen Z have lived through multiple recessions and other major financial events during late adolescence and early adulthood, and these events have helped shape their behavior, according to the study.

Twenty-nine percent of respondents stated that living through the housing crisis of 2008 had a huge impact on their financial behavior.

An even larger number of respondents cited the 2015 mini-recession (40%), the Occupy Wall Street movement (38%), the 2017 Tax Cuts and Jobs Act (34%) and the current COVID-19 crisis (31%) as affecting their financial habits.

These major financial events have left respondents anxious when it comes to experiencing setbacks, with 48% worried about losing a job/taking a pay cut, 44% worried about filing for bankruptcy and 40% worried about making bad financial decisions.

"While Millennials and Gen Z have faced many obstacles, they've also shown resilience, including during COVID-19," said Dorsey. "Only 10% said the pandemic has negatively impacted their finances overall, likely due to their adaptable money habits. Thirty-five percent said they're putting more into savings during the pandemic, and more than a third of respondents also cut monthly expenses (44%), put more toward retirement (42%) and refinanced a mortgage (33%)."

Habits, Fears and Goals

While Millennials and Gen Z respondents showed optimism about their financial situations and stability, they expressed some conflicting views when it comes to their financial habits. Among their struggles:

- 47% said they're not good at paying bills on time.
- 55% said they struggle to live within their means.
- 55% said they're not good at increasing 401(k)/retirement savings.
- 62% said they're not good at sticking to a budget.
- 78% said they're not good at maintaining good credit.
- 87% said they're not good at putting money into savings.

These struggles have left many feeling common monetary goals are out of reach, including saving for emergency funds (39%), saving for retirement (38%), buying a home (37%) and building good credit (36%). Men (50%) were more likely than women (31%) to see setting aside an emergency fund as out of reach, while women (74%) were more likely than men (48%) to say they struggle to stick to a budget.

As a result, 58% of respondents said they actively avoid thinking about or navigating their finances out of fear that “they’ll mess it up,” with men (71%) more likely than women (48%) to agree they avoid thinking about their finances.

“Despite all the setbacks, respondents still expressed optimism about their overall financial situations and stability,” said Dorsey. “It’s never too late for any generation to prioritize money management to build financial stability and wealth for yourself and future generations. There is an abundance of educational content online, including interactive lessons through [WSFS iQ](#), that can help these generations build financial confidence and make their financial goals seem much more attainable.”

Survey Methodology

The study was conducted by OnePoll on behalf of WSFS Bank. The sample includes 2,005 respondents nationwide between the ages of 18 and 40. The survey was conducted on 1/21/21, with a margin of error of 2.2% at 95% confidence.

About WSFS Financial Corporation

WSFS Financial Corporation is a multi-billion-dollar financial services company. Its primary subsidiary, WSFS Bank, is the oldest and largest locally managed bank and trust company headquartered in Delaware and the Greater Philadelphia region. As of December 31, 2020, WSFS Financial Corporation had \$14.3 billion in assets on its balance sheet and \$24.2 billion in assets under management and administration. WSFS operates from 112 offices, 89 of which are banking offices, located in Pennsylvania (52), Delaware (42), New Jersey (16), Virginia (1) and Nevada (1) and provides comprehensive financial services including commercial banking, retail banking, cash management and trust and wealth management. Other subsidiaries or divisions include Arrow Land Transfer, Cash Connect[®], Cypress Capital Management, LLC, Christiana Trust Company of Delaware[®], NewLane Finance[®], Powdermill[®] Financial Solutions, West Capital Management[®], WSFS Institutional Services[®], WSFS Mortgage[®], and WSFS Wealth[®] Investments. Serving the Greater Delaware Valley since 1832, WSFS Bank is one of the ten oldest banks in the United States continuously operating under the same name. For more information, please visit www.wsfsbank.com.

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