

MONEY IS CHANGING. SO LET'S TALK ABOUT IT.

VISA MILLENNIAL RESEARCH STUDY 2018

VISA **LRW**

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INTRODUCTION

*Who pays on the first date?
How do modern families handle money?
Should salary be transparent?
And why is it taboo to talk specifics around money?*

Women are gaining financial power. But in spite of this, an empowered conversation about the ways our relationship with money is changing has yet to occur at a large, cultural level.

In an effort to better understand the changing social norms around money in today's world, Visa commissioned LRW to conduct a national survey to learn about the attitudes and behaviors regarding money in today's world, spanning the subjects of family, work, friendship, relationships, and self.

Our research shows that Millennial women's thoughts and attitudes about money are evolving, along with the meaning and role of money within their lives. But while feelings around money have shifted, our survey revealed that overall, women continue to struggle to shake some deeply-held traditional beliefs.

Additionally, a gender gap exists in Millennials' relationship with money. Women are more likely to feel financially stressed, less confident, and more uncomfortable about money in the workplace, at home, with friends, and in relationships.

While ideology is shifting faster than behavior, it's our belief that bringing transparency to the truths around money today will help tear down old taboos and empower women everywhere to have a new conversation about money.

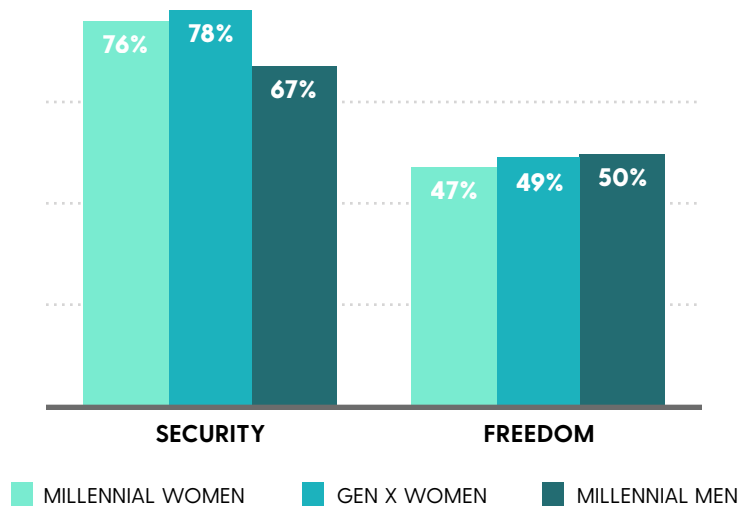
Money is changing. So let's talk about it.

WHAT MONEY MEANS

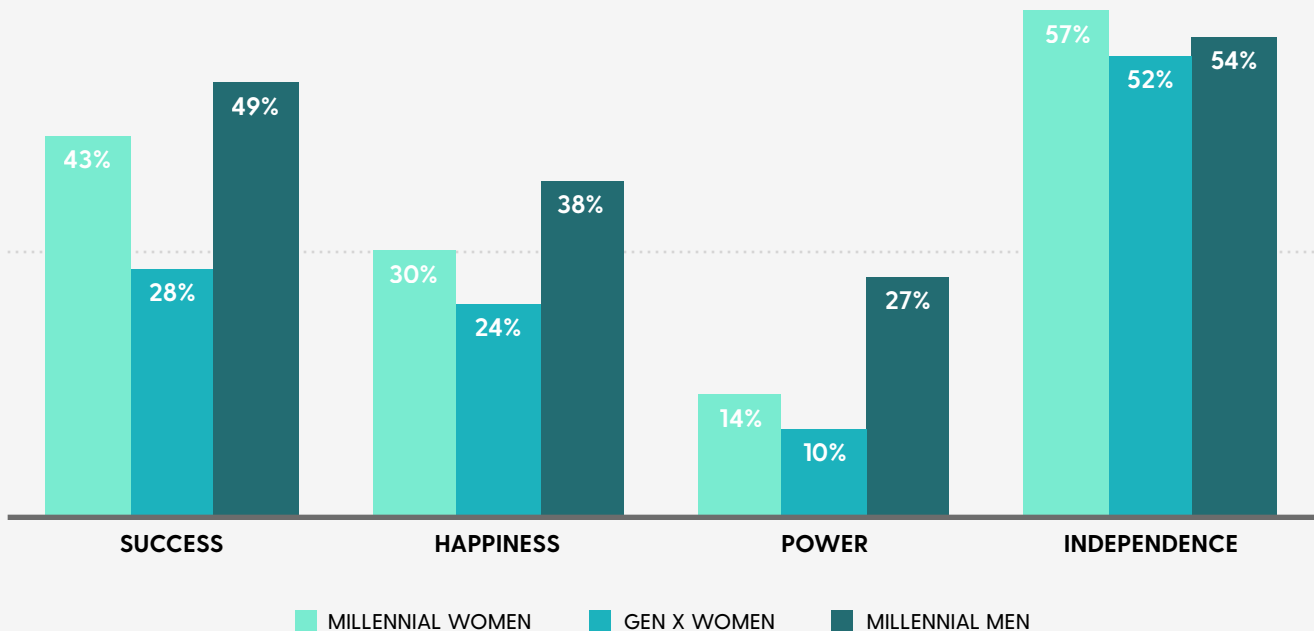
Millennial women's values and feelings about money are evolving.

The majority of women say that to them, money means security. However, Millennial women are more likely than their Gen X predecessors to also have more empowered perceptions of money. This suggests that women's relationship with money is changing, and that the gender gap in perceptions about money is shrinking.

Both Millennial and Gen X women define money similarly in terms of safety-related reasons like security and freedom.



However, Millennial women look beyond security and perceive that money represents success, happiness, power and independence.

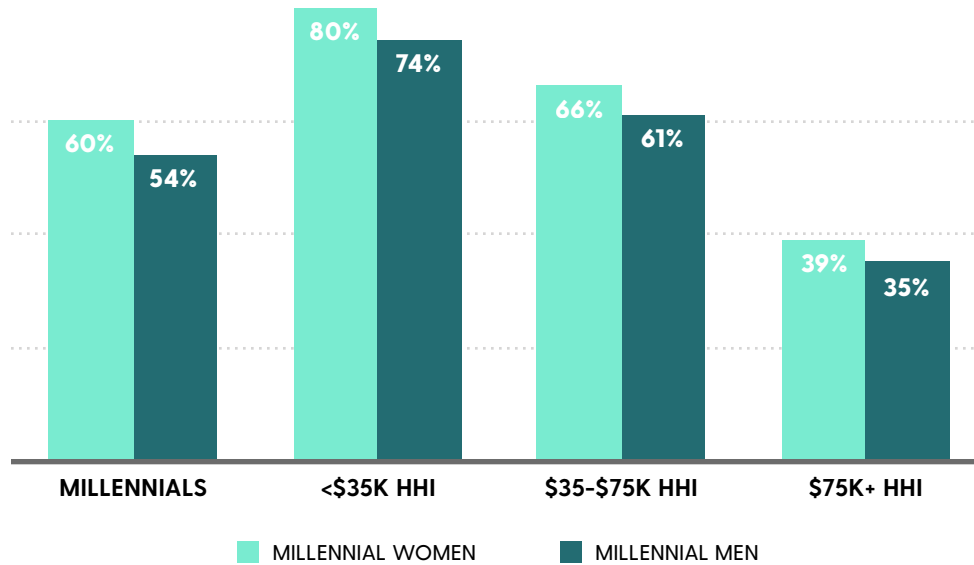


MONEY STRESS

She feels more financial pressure and stress than he does.

Across our study we found she is more likely to feel less confident and more stressed about money in comparison to her male counterparts. Even when she is at the same income level as men, she is more likely to feel like she is living paycheck to paycheck.

“CURRENTLY, I AM LIVING PAYCHECK TO PAYCHECK”



Millennial women experience more negative feelings about their relationship with money than do Millennial men.

59% of women
vs
45% of men

feel guilty on spending on themselves.

54% of women
vs
50% of men

feel judged when talking about large purchases.

75% of women
vs
61% of men

worried they don't make enough money.

89% of women think it's more expensive to be a woman.

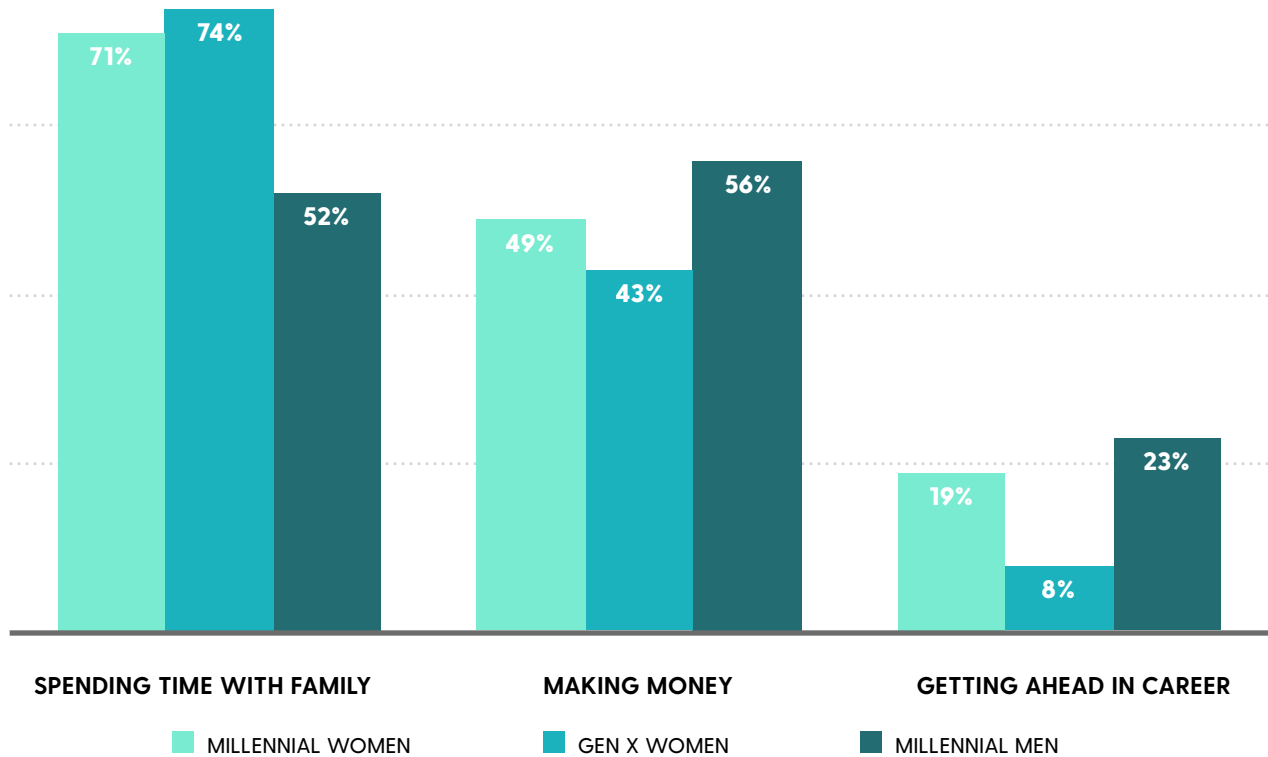
63% of men agree.

HER PRIORITIES

She is putting more emphasis on financial success.

While women often rank spending time with family as their top life value, financial and professional success are becoming increasingly important factors for younger women. Millennial females are more likely to value making money and career advancement than female Gen Xers, and their values are moving closer to the mix of priorities shared by Millennial men.

TOP 3 PRIORITIES



62%

say they would never quit their job no matter how much their partner made

61%

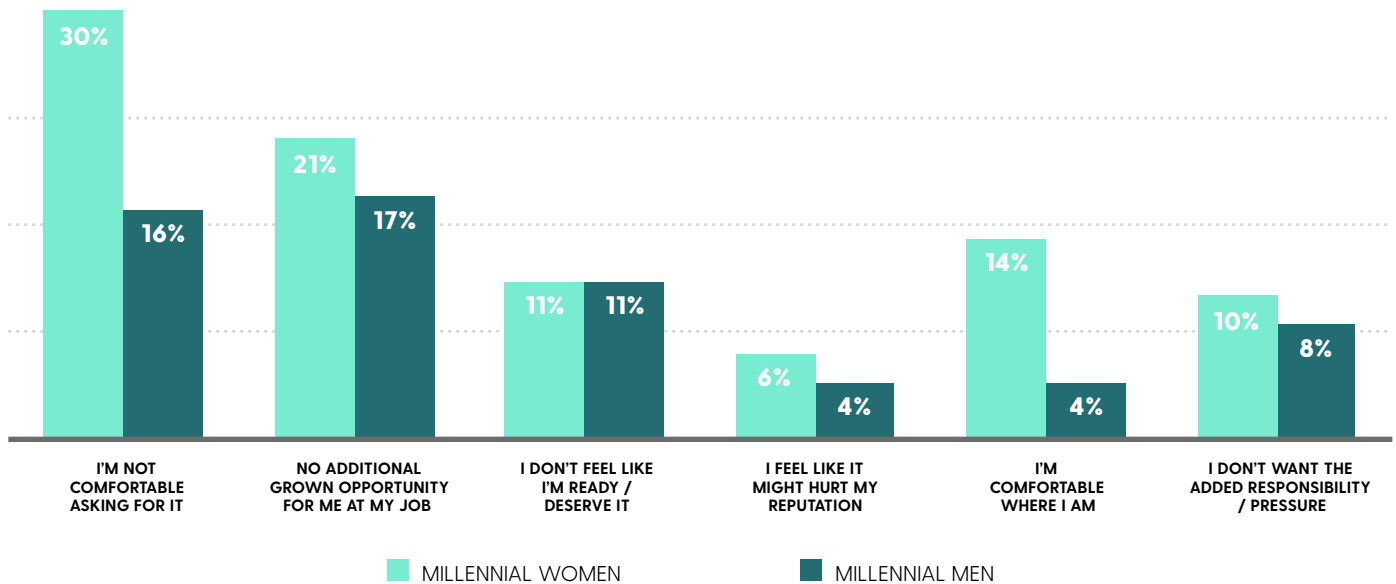
of Millennial women say that they are focused on reaching the top in their career

GETTING AHEAD

Her #1 barrier to asking for a raise or promotion is being uncomfortable asking.

Millennial women are asking for raises and promotions more than Gen X women, however she is still less likely to ask than men. The number one barrier women state for not asking for a raise is that they don't feel comfortable asking for it.

BARRIER TO ASKING FOR RAISE/PROMOTION



Asking for a raise comes with more anxiety than asking for a promotion.

For her, asking for a raise evokes more fear and anxiety compared to Millennial men. This difference doesn't exist when asking for a promotion, suggesting that women are less comfortable asking for money but not recognition. When she does ask for a raise Millennial women are more likely to come prepared.

MILLENNIAL WOMEN COME MORE PREPARED ASKING FOR A RAISE

55%
of Millennial women
vs.
29%
of Millennial men
feel anxious when asking
for a raise.

**But only 43% of
Millennial women
feel anxious asking
for a promotion.**

**More Millennial women
state they:**

- Research average pay
- Read advice online
- Prepare a list of accomplishments
- Consult coworkers, friends, and family

CLOSING THE PAY GAP

Millennial women are more likely to desire salary transparency.

A majority of women of all ages believe there is a gender pay gap in society. However, a minority believe the pay gap exists in their own workplace, highlighting a macro- vs. micro-level mismatch in attitudes toward pay inequality. Millennial women tend to be more eager to bridge that gap, expressing more interest in salary transparency over any other group, but still hesitate to open up about their own salary.

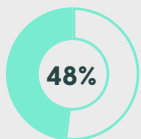
PAY GAP



1 in 2 women believe they aren't fairly compensated

62% say they would ask for a raise if they found out about pay inequity

SALARY TRANSPARENCY



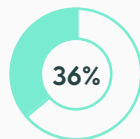
Millennial women

VS



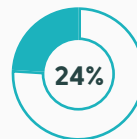
Gen X women

want to know what their coworkers make



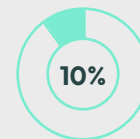
Millennial women

VS



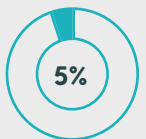
Gen X women

believe salary should be completely transparent



Millennial women

VS



Gen X women

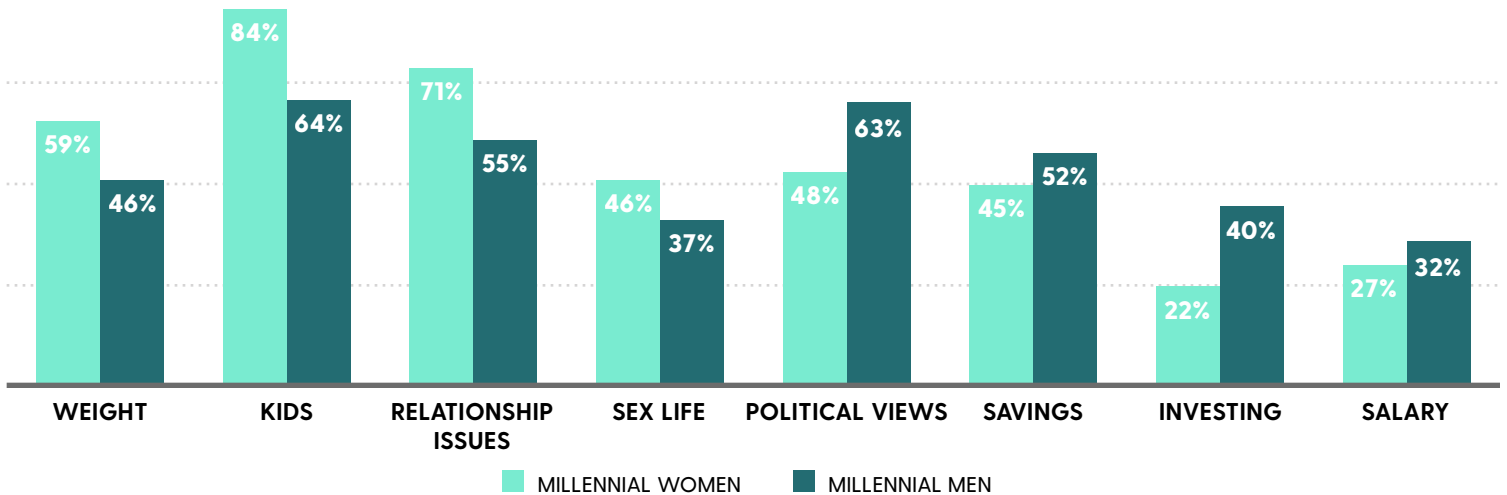
have discussed their salary with a coworker

MONEY WITH FRIENDS

She talks about almost everything with friends but money seems to be the last taboo.

Millennial women are more likely to talk to their friends about weight, relationship issues, or their sex lives than they are to discuss money.

TOPICS DISCUSSED WITH FRIENDS

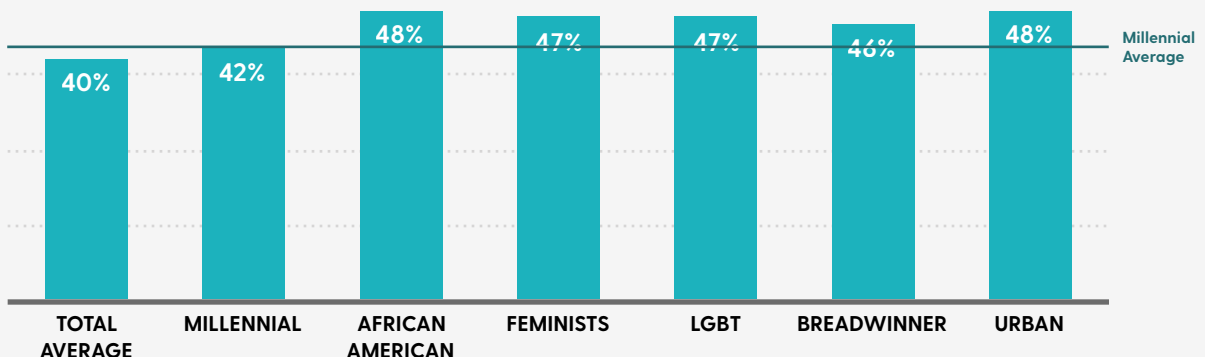


Women with more empowered views on money are more likely to believe discussing money with friends is helpful to them.

Across multiple groups of millennial women with more empowered views of money, like minority, urban and LGBT millennials, a common theme is increased value on talking about money with their friends. Demystifying money through conversation can be empowering.

Fewer than half of Millennial women feel talking about money with friends is valuable to them.

“TALKING ABOUT MONEY WITH FRIENDS HELPS ME.” (GEN X AND MILLENNIAL WOMEN)



DATING AND PAYING

She's open to changing traditional dating rules.

While millennials harbor some traditional attitudes towards dating payment rules millennial women are more likely to create their own rules or say there are none - driving the change in payment expectations. The majority of millennial men still believe they should pay on the first date.

43%

of Millennial women say she expects her date to pay on the first date

60% of Millennial men say they should pay on the first date

20%

of Millennial women want to split the bill.

12% of Millennial men do too.

33%

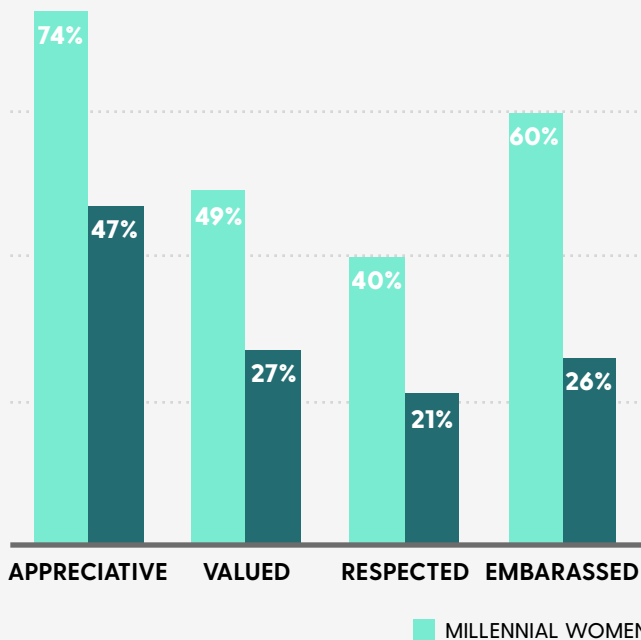
of Millennial women say there's no rule or it depends,

27% Millennial men agree.

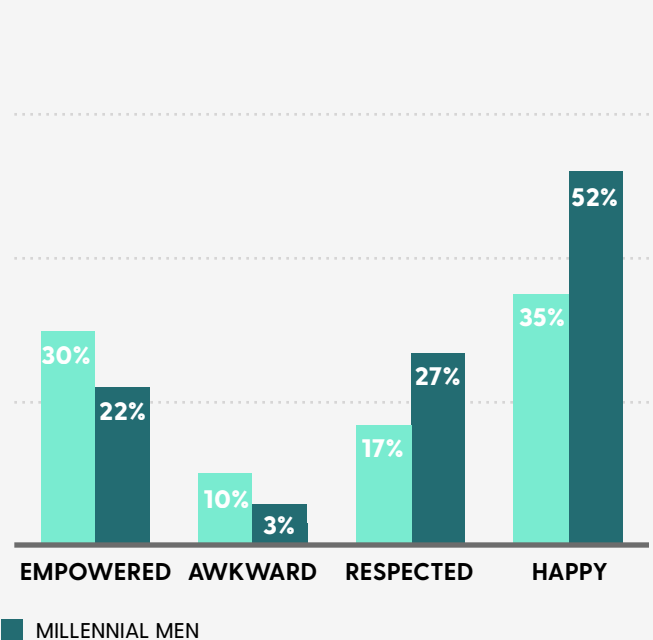
For her, paying can feel empowering.

The evolution of payment norms may be slow to change given the emotional attachment to traditional gender payment roles. While these feelings linger, when she pays she is more likely to feel empowered, while he might feel more embarrassed.

“WHEN MY DATE PAYS, I FEEL...”



“WHEN I PAY, I FEEL...”



FAMILY DYNAMICS

Millennial women are weighing the sacrifices involved with starting a family.

Of those who don't plan to have kids they state preferring a more independent lifestyle, enjoying income to themselves, not being able to afford it, or not having time due to their career as reasons. Those that do plan to have kids are weary about the financial impact.

52%

of Millennial women that want kids have been putting it off to save more money

1 in 3

Millennial women who don't have kids don't plan to

1 in 2

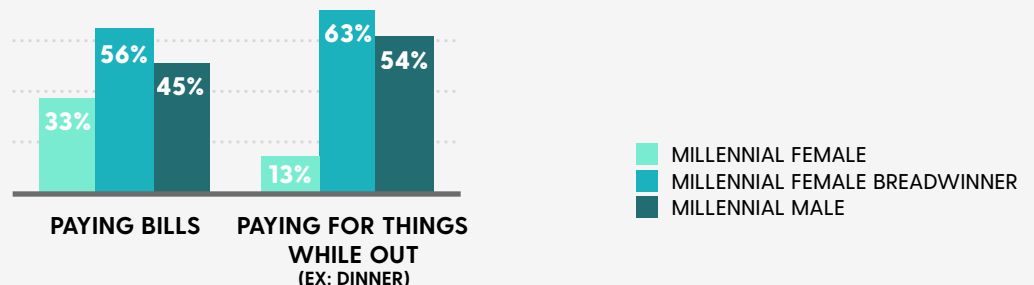
Millennial women who plan to have kids have no idea how much it costs

At home she does more but having higher income is an equalizer.

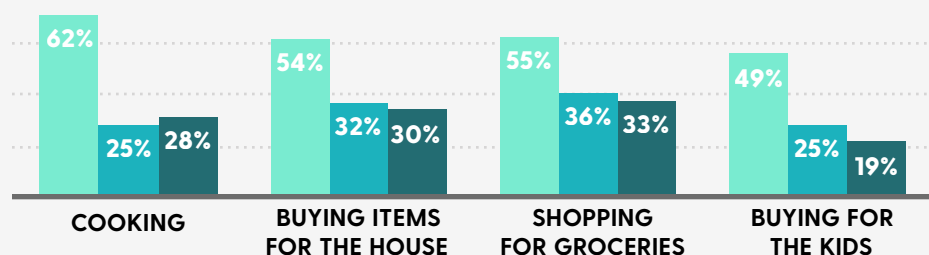
Millennial women continue to shoulder more of the household responsibilities than men, who tend to play a heavier role in managing the finances. While she handles the majority of household purchases when it comes to paying for things while out in social situations like dinner he will pay.

However, breadwinner status seems to be a household equalizer as Millennial females that earn more than their partner tend to have more help around the house and more involvement with finances.

EXCLUSIVE HOUSEHOLD RESPONSIBILITY: FINANCES



EXCLUSIVE HOUSEHOLD RESPONSIBILITY: CHORES



37% of Millennial men are open to staying home to take care of the kids (compared to 27% of Gen X men).

KEY THEMES AND TAKE AWAYS

She's more driven in her career and financial goals:

- She prioritizes career and money more than her Gen X predecessors.
- She's aware of a societal pay gap and desires more salary transparency.
- She does more research to prepare for asking for a raise or promotion.
- Her #1 barrier to asking for a raise or promotion is feeling uncomfortable asking.
- Asking for more money comes with more fear and anxiety than asking for recognition and responsibility. Her drive is not being matched with a willingness to discuss money in the workplace.

Making it more comfortable to discuss money in the workplace is key to helping her reach her goals and closing the pay gap.

A gender gap exists in Millennials' relationship with money:

- She feels more stressed, guilty, judged and less comfortable with money compared to men.
- Even high earners share these negative feelings – suggesting it's not just about pay equality.
- Her ideology is shifting faster than her behavior. While some women are driving change, many still hold on to traditional gender roles when it comes to money in relationships, work, and family.

Empowering women to shift their self perception when it comes to money could help women feel more positive, confident, and happy.

Conversation (and money) is power:

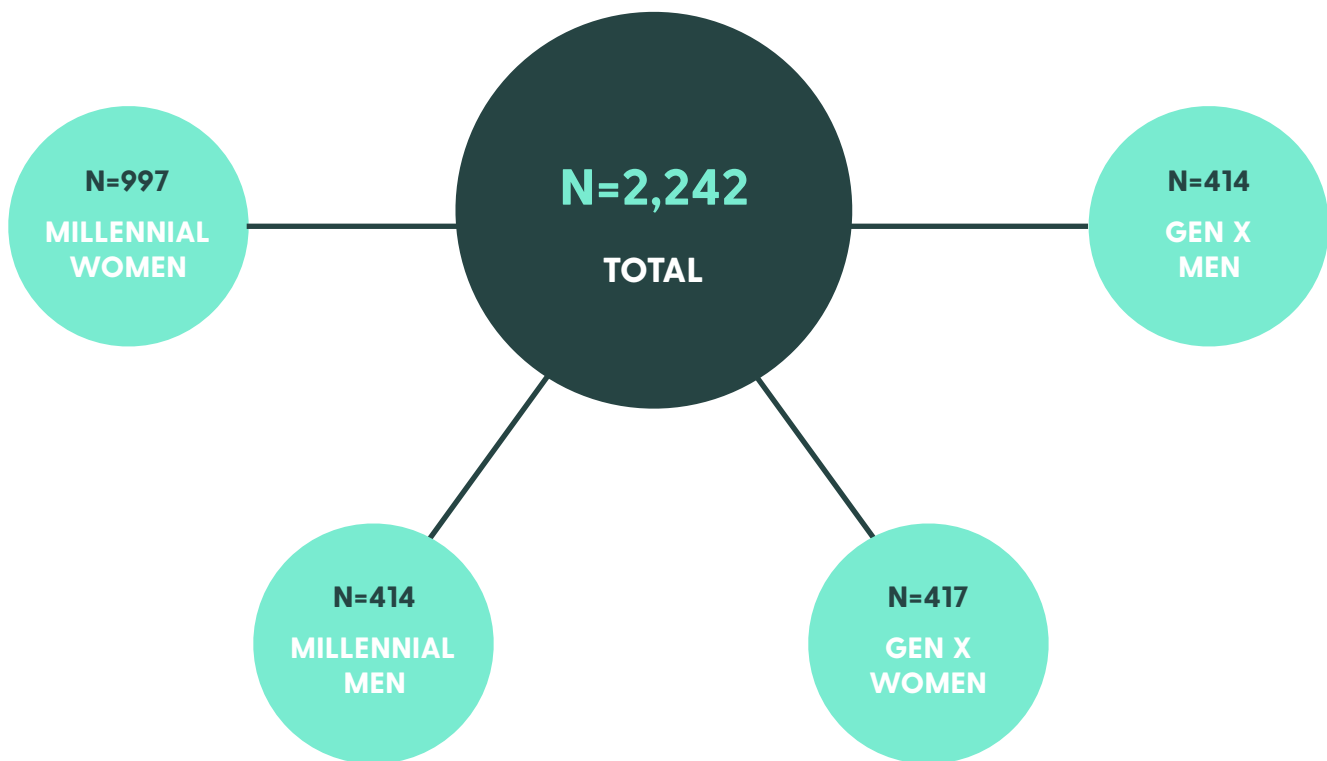
- A majority of women avoid discussing money with friends believing it is not helpful to them.
- Women with more empowered views of money (minorities, urban dwellers, feminists, breadwinners) are more likely to value talking to friends about money.
- Millennial women who are breadwinners have more equality in their relationships and have more positive feelings about being the breadwinner compared to Gen X women.

Breaking down the taboos around money talk can demystify money and inspire her to own her financial power.

WHO WE TALKED TO

Our Methodology

Conducted an online survey of 2,242 respondents, targeting US Millennial and Gen X men and women, ages 22-53. For the purposes of this report, Millennials are defined as ages 22-37 and Gen X is defined as ages 38-53 per guidelines established by the Pew Research Center. Interviews were conducted by Lieberman Research Worldwide (LRW) during the period of April 27-30, 2018. Analyses used a 90% confidence level to test differences across gender, generation, relationship status, parental status, income, urbanicity, ethnicity, feminist, and LGBT identity.



About LRW

LRW is recognized as one of the ten most innovative firms in its industry and is one of the 25 largest marketing research firms in the world. Since 1973, LRW has been providing its data-driven consulting services to management teams of top global brands on issues such as strategy, branding, communications, new product development, and customer experience. LRW leverages its unique “so what?®” consulting model, sophisticated marketing science capabilities, and recent innovations in Pragmatic Brain Science® to deliver real business impact for its clients. LRW is headquartered in Los Angeles with offices in London, New York, Philadelphia, Chicago, and Orange County. To learn more, visit <http://www.LRWonline.com> or <http://LRWblog.net/>.