Early Warning

Money and Mental Health

Zelle® Consumer Research Study – Q2 2023
**METHODOLOGY**

- Ten-minute online survey, from December 20, 2022, through January 5, 2023
- Quarterly tracking
- Sample via EWS Online Research Panel

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**POPULATION**

- 450 interviews per quarter
- Consumers

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**QUALIFYING CRITERIA**

- Ages 18-75
- Not employed in a sensitive industry
- Has a checking or savings bank account
KEY FINDINGS

• Finances were both the most common stressor and the biggest stressor for consumers in recent months.
  • Fifty-nine percent of all consumers reported finances as a point of stress over the past few months.
  • Forty-four percent of those who have felt stressed recently identified finances as the top cause of their stress.
• Among those who reported that they have recently felt stressed due to finances, 48% attributed the cause to a lack of finances, and another 35% attributed it to inflation.
• When dealing with financial stress, 45% of consumers found that creating an actionable plan to figure out what’s next was the most helpful for them.
• Forty-seven percent of consumers reported that they most frequently use digital payments via P2P service to split the cost of household expenses.
• Of consumers who reported they knew how to manage finances, nearly four-fifths (78%) responded they first learned how to manage finances before the age of 25.
  • Of this group, 37% reported learning between the ages of 18 and 24, 30% learned between ages 13 and 17, and 11% learned at age 12 or younger.
• All findings are based on the 450 interviews completed during December 20, 2022, through January 5, 2023.
**RECENT STRESSORS**

Finances were both the most common stressor (59%) and the biggest stressor (44%) among consumers over the past few months.

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**Stressors Over the Past Few Months**

- **Finances**: 59%
- **Family**: 45%
- **Work**: 44%
- **Health**: 42%
- **Other**: 5%
- **I have not felt stressed over the past few months**: 14%

**Total (n=450)**

**Biggest Stressor Over the Past Few Months**

- **Finances**: 44%
- **Work**: 19%
- **Family**: 18%
- **Health**: 15%
- **Other**: 4%

**Have recently felt stressed (n=385)**

Source: Q1. Which of the following have caused you to feel stressed over the past few months? (Please select all that apply). | Q2. What have you found to be the biggest mental stressor in the past few months? (Please select one).
**FINANCIAL STRESS**

Lack of finances (48%) and inflation (35%) were the top causes of financial stress.

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**Finances and Mental Health**

*The status of my finances directly impacts my mental health.*

- True 80%
- False 16%
- Unsure 4%

**Cause of Most Financial Stress**

- Lack of finances: 48%
- Inflation: 35%
- Money management: 10%
- Allocation of funds: 5%
- Finding a money education system (i.e., investment strategies, etc.): 3%

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*Quarter 3 2022 (n=450)*

*Quarter 4 2022 (n=450)*

*Have recently felt stressed due to finances (n=265)*

Source: Q3/Q4. True or False: The status of my finances directly impacts my mental health. (Please select one.) | Q4. Which of the following causes you the most financial stress? (Please select one).
FINANCIAL STRESS (CONTINUED)

When dealing with financial stress, 45% of consumers find it helpful to create an actionable plan to figure out what’s next.

Most Helpful Financial Stress Relievers

- Create an actionable plan to figure out what’s next: 45%
- Enjoy an activity (walk, working out, paint, dance, etc.): 28%
- Speak with someone (family/friend/therapist): 18%
- Look for advice on the topic online from an expert: 6%
- Other: 3%

Have recently felt stressed due to finances (n=265)

Source: Q5. Which of the following is the most helpful for you, personally, when you’re feeling stressed about your finances? (Please select one).
SPLITTING THE COST OF HOUSEHOLD EXPENSES
Forty-seven percent of consumers reported that they most frequently use digital payments via P2P service to split the cost of household expenses.

Methods for Splitting the Cost of Household Expenses

- **Digital payments via P2P service (Zelle®, Venmo, PayPal, etc.)**: 47%
- **Cash**: 17%
- **Checks**: 11%
- **None of the above**: 25%

**Total (n=450)**

Source: Q7. Which of the following payment methods do you most frequently use to split the cost of household expenses? (Please select one.)

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FINANCIAL MANAGEMENT

Significantly more consumers felt that they had a handle on how to manage their finances in Quarter 4 of 2022 (82%) versus Quarter 3 of 2022 (76%). Of consumers who knew how to manage finances, 78% first learned how to manage finances before the age of 25.

Confidence In Managing Finances

I feel like I have a handle on how to manage my finances.

Age When Learned About Managing Finances (In Years)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Quarter 3 2022 (n=450)</th>
<th>Quarter 4 2022 (n=450)</th>
<th>Knows how to manage finances (n=370)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 or younger</td>
<td>True 76%</td>
<td>False 24%</td>
<td>11%</td>
</tr>
<tr>
<td>13-17</td>
<td>False 74%</td>
<td>True 26%</td>
<td>30%</td>
</tr>
<tr>
<td>18-24</td>
<td>True 84%</td>
<td>False 16%</td>
<td>37%</td>
</tr>
<tr>
<td>25-29</td>
<td>False 16%</td>
<td>True 84%</td>
<td>11%</td>
</tr>
<tr>
<td>30+</td>
<td>False 24%</td>
<td>True 76%</td>
<td>7%</td>
</tr>
<tr>
<td>I don't recall</td>
<td>False 24%</td>
<td>True 76%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: Q5/Q8. True or False: I feel like I have a handle on how to manage my finances (Please select one). | Q9. What age were you when you first learned how to manage finances? (Please select one).

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Appendix: Demographics
DEMOGRAPHIC PROFILE

Age
- Gen Z: 12%
- Millennial: 33%
- Gen X: 29%
- Boomer: 27%
(n=450)

Gender
- Male: 39%
- Female: 59%
- Non-Binary: 1%
(n=450)

Income
- Less than $50,000: 35%
- $50,000 to $74,999: 22%
- $75,000 to $99,999: 15%
- $100,000 to $149,999: 17%
- $150,000 or more: 12%
(n=450)

Education
- Graduate Degree: 20%
- Bachelor’s Degree: 34%
- Associate Degree: 10%
- Some College: 12%
- High School: 24%
- Less than High School: 1%
(n=450)

Employment
- Employed full-time: 57%
- Employed part-time: 15%
- Retired: 15%
- Full-time homemaker: 6%
- Unemployed: 3%
- Disabled/Unable to work: 2%
- A full/part-time student: 1%
(n=450)

Ethnicity
- White or Caucasian: 57%
- Hispanic: 12%
- Black or African American: 12%
- Asian or Pacific Islander: 6%
- Mixed Race: 4%
- Other: 2%
(n=450)

Marital Status
- Married: 45%
- Single, never married: 34%
- Separated/divorced/widowed: 15%
- Domestic Partnership: 6%
(n=450)

Consumer Segmentation
- Always on Socializers: 32%
- Connected Conductors: 18%
- Pragmatic Introverts: 15%
- Savvy Empty Nesters: 12%
- Segment 5: 21%
- Segment 6: 27%
(n=450)

Regions
- Midwest: 15%
- Northeast: 12%
- Southeast: 12%
- Southwest: 21%
- West: 27%
(n=450)
This is how money moves®