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ANALYSIS OF FACTORS THAT INFLUENCE FINANCIAL LITERACY OF MILLENNIALS IN CANADA

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Abstract:

Financial literacy has been recognized as a key skill that equips us with knowledge to manage our financial resources effectively, especially in an increasingly complex financial scenario. Despite its significance, studies around the world indicate that much of the world's population still suffers from financial illiteracy and that measures to remedy the problem are urgently needed. This research focuses on millennials that are the biggest component of the labor force in Canada and as of 2012, households in Canada of the age group under 35 held over 824 billion in assets. Millennials are vulnerable to higher than average levels of disappointment due to their unrealistic financial goals. Despite of their decent earnings, they lack money management skills. The way they behave towards financial literacy may severely affect the economies and societies in which they choose to settle. This study finds out the factors motivating millennials to become financially educated and the best way to spread financial education among motivated people. Moreover, the focus of this research is to find out the sources that millennials get their financial information from. Also, the factors influencing the perception of financial literacy among low-income millennials in comparison to middle income group are studied. Based on our data analysis, we conclude that the overall perception of millennials that they are fairly knowledgeable seems to be a hindrance to their financial literacy. Financially empowered Canadians will reduce the burden on the social safety net and enable them to better plan for their own future. Though there are several programs launched by governments and other organizations in Canada, financial literacy is still a large scale problem. This research proposes future studies on financial literacy among youngsters and millennials so that timely action could be taken to prepare them for their future goals.

Keywords:

Financial Literacy, Financial Goals, Financial Resources, Financial Advice, Financial Products, Financial Commitments, Alternative Financial Services, Millennials

JEL Classification: G21

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Chapter 1: Introduction and Literature Review

Introduction:- Financial literacy has been recognized as a key skill that equips us with knowledge to manage our financial resources effectively, especially in an increasingly complex financial scenario. Despite its significance, studies around the world indicate that much of the world's population still suffers from financial illiteracy and that measures to remedy the problem are urgently needed. (Abedi, Annamaria, 2017) The Organization for Economic Co-Operation and Development (OECD) conceptualizes financial literacy as the combination of awareness, knowledge, skill, attitude, and behavior required to make financial decisions and ultimately achieve individual financial well-being. (Potrich et al) In the view of Criddle (2006), being financially literate includes learning about the choice of many alternatives for establishing financial goals.

According to Government of Canada, (GOC Report, 2017) "Financial literacy is having the knowledge, skills and confidence to make responsible financial decisions. Knowledge: refers to the understanding of broader and personal financial matters; Skills: refers to the ability to apply the financial knowledge in day to day life; Confidence: refers to the assurance to make important decision; Responsible financial decisions: refers to the ability of individuals to use the knowledge, skills and the confidence they have gained from making the choices that are appropriate to their own circumstances."

Financial Literacy is a vital element of financial and economic stability both for the economy and most importantly for an individual. The developments in the financial industry with an increasing number of complex products rolled out into the market have added to the growing concern in the levels of financial literacy among millennials in Canada. The recent financial crisis demonstrated that due to the lack of financial literacy, financial decisions made at the time were inappropriate and had severe cost implications to an individual (Annamaria & Noemi, 2017). For these and many other reasons, financial literacy is essential to millennials as they make financial decisions of great consequence both in the short and long run. These choices taken by the younger generation are more difficult to make than when they were faced by older (past) generations. Therefore, today's generation, especially millennials generation must take on more responsibility for decisions like planning for retirement, securing their life and property through insurance and so much more (Annamaria & Noemi, 2017). When faced with such decisions, financial literacy then becomes a critical subject matter.

Millennials are the biggest component of the labor force in Canada and as of 2012, households in Canada of the age group under 35 held over 824 billion in assets. (OSC, 2019). It is also projected that as of 2025, three out of every four workers around the globe will be millennials (Schawbel, 2012). Millennials have high expectations for personal, financial and professional aspects of their lives. Therefore, because of these unrealistic targets, millennials are vulnerable to higher than average levels of disappointment (Annamaria & Noemi, 2017). The way they behave towards financial literacy may severely affect the economies and societies in which they choose to settle. We argue that though they have high financial goals and earn a decent amount of money, they lack money management skills. There is a significant need to promote financial capability among millennials. Therefore, creating the need to determine what the most effective program formats are in the new era of social media and help in promoting as well as dissemination of financial education to help millennials make better financial decisions, is of the utmost importance.

This research will therefore address three main questions:-

1. What are the factors motivating millennials to become financially educated and to find out the best way to spread financial education among motivated people.
2. What are the sources that millennials get their financial information from or where would they most likely get it from, if it was available.
3. What factors influence the perception of financial literacy among low-income millennials in comparison to middle income group and what are the factors affecting financial literacy of low income group.

This study has been structured into three main categories.

1. Literature Review
2. Data collection and research methodology
3. Data analysis
4. Summary and recommendations

In order to gain deeper insights of the financial literacy among millennial a thorough literature review was conducted in chapter 1. Chapter 2 focuses on collecting primary data from a large sample, research methodology and analyzing it using statistical tools. Chapter 3 provides the detail of summary, recommendations and limitations of the study followed by appendix I and II.

Literature Review:-

According to BMO wealth management report published in 2017 (Global News, 2017), only 24 percent of millennials have basic financial literacy, and eight per cent have high financial literacy. "This lack of financial expertise may have an impact on the ability of millennials to attain the financial success they desire," the report notes. Millennials said addressing other personal matters — such as job security, relationships and living situations — was more important than learning about finances. Millennials are saving, but they're not saving in the appropriate vehicle. They could be using RRSPs and tax-free savings accounts to reach their goals a lot sooner, but tend to stick to traditional savings accounts. Also one-in-five millennials still believes that a bank can issue a credit card without a customer's prior approval.

During a study conducted by Statistics Canada (Chawla & Uppal, 2015) Canadian, perceptions and attitudes of Canadians towards financial literacy were studied. Borrowers with the highest levels of household debt (at least \$250,000) were more likely to respond that they were good or very good at shopping around to get the best financial products (like loans and insurance rates) and staying informed on financial issues. In addition, they were also more likely to say that they "enjoyed financial matters," "had a clear idea of financial products needed," "knew enough about investments to make the right choices," and "always researched their choices thoroughly"—thereby suggesting that high levels of debt may be associated with a greater interest in finances. On the other hand, 58% of individuals with at least \$250,000 in household debt also reported that they had made a financial decision that they later regretted, compared to 45% of those with less than \$50,000 in household debt and 36% of those with no debt at all. This shows that though Canadians perceive themselves as financially literate, in fact they need deeper understanding to take informed decisions.

Another recent study conducted on 'Millennials and Financial Literacy - A Global Perspective' (Lusardi & Oggero, 2017) describes that millennials lack basic skills needed to make savvy financial decisions. There is a great need to promote financial capability among the youngsters. Programs aimed at improving financial literacy could help millennials minimize the costs incurred in managing their financial products, improve their financial safety net in the event of emergencies, and strengthen their financial security. The gap between the amount of financial responsibility given to the young and their demonstrated ability to manage financial decisions and take advantage of financial opportunities is rapidly widening. Unless significant action is taken to alter this, financial illiteracy will remain an obstacle to millennials' financial security.

According to Canadian bankers association (CBA) (Parmenter, 2017) "Financial literacy must be a critical life skill – not simply a nice-to-have." It is said that in this digital world, young Canadians or millennials are digitally advanced and are embracing technology to manage financial resources. It is seen that 33% of the digitally active consumers between the ages of 25-34 are using the products and services from Fintech for money management and planning purposes. CBA has recently launched a "pilot project with carrot rewards so they can use the mobile technology and gamification to connect with this age group to teach them about financial literacy.

In order to spread financial literacy effectively, The Financial Consumer Agency of Canada (FCAC) is executing a National Strategy for Financial Literacy and it has created new, expert steering committee to guide its financial literacy efforts with a key goal of helping millennial in planning their finances based on their unique situation. In 2011, FCAC and the Financial Literacy Action Group launched Financial Literacy Month. During this month all the organizations participating in the program that is public, private and nonprofit, help in spreading the awareness, skills and knowledge, which helps young millennials in making financial choices for themselves.

The Parliament of Canada officially designated November as Financial literacy month in Canada. FCAC distributes promotional material such as web banners, infographics and a social media guide to help promote it in different communities. It has created hashtags to enable people to join the conversation on Facebook and Twitter in order to spread the word and raise awareness of the importance of financial literacy. The FCAC is moving to new technology that is using the apps like Twitter, Facebook, and Instagram for daily money management tips and tools that can help improve people's financial health, reduce stress and support people's life goals. In schools, financial literacy is being merged in different courses or subjects like mathematics. However their main focus is investment and interest rates not the management strategies. This helps them in developing critical thinking, decision making and problem solving which will help young millennials in understanding their future investment and plans for retirement.

For this study we assume that the population is normally distributed & our sample is representative of the population and the respondents have answered all the questions truthfully.

Chapter 2:- Data Collection, Research Methodology, Data Analysis

For the purpose of this study, the survey questionnaire was adopted from Financial Consumer Agency of Canada and modified for our study to collect data from millennials residing in Greater Toronto Area (GTA). The data was collected from 290 respondents through Qualtrics survey

platform. Most of the questions used had multiple options with some open ended questions. The questions were based on people's understanding of financial products, their financial commitments, their perception towards their own degree of financial literacy and their financial goals. The data was collected within a span of approximately three weeks. Five semi-structured interviews were also conducted with bankers working in retail banking. The purpose of conducting these interviews was to gather their opinion about millennials' financial literacy as these bankers deal with millennials on a routine basis. All the questions asked during the interview were open ended.

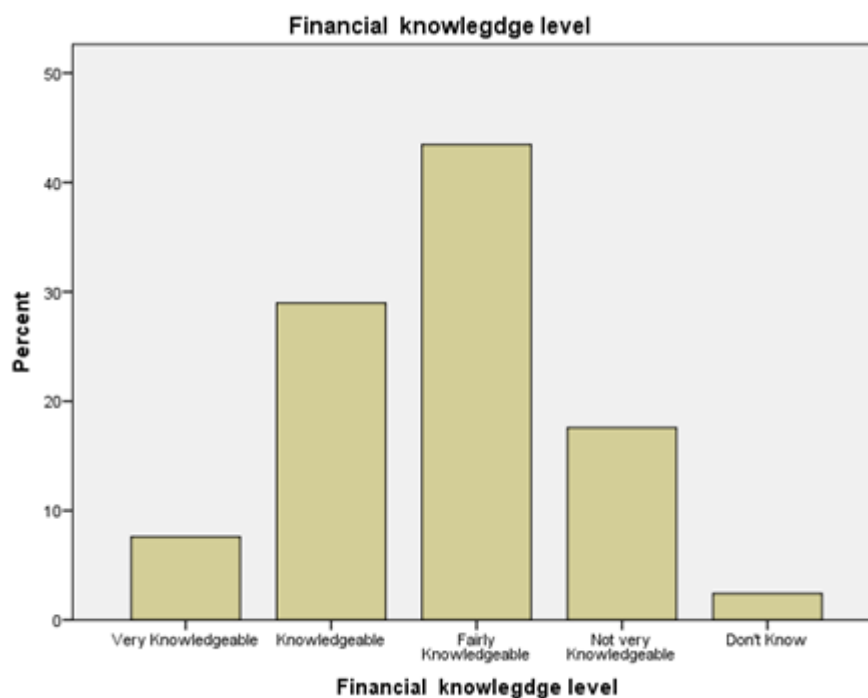
To analyze the data collected from millennials, Pearson's Chi Square test was used to understand the relationship between the categorical variables used in our study as Chi Square statistic is commonly used for testing relationships between categorical variables. The null hypothesis of the Chi-Square test is that no relationship exists on the categorical variables in the population; that is they are independent. Percentages and frequency tables were used for a few variables under study such as motivation factors for financial literacy, their source of financial information and perceptions of millennials about their financial knowledge.

Data Analysis and Findings:-

General Financial Literacy:-

We found that millennials perception about their financial literacy is quite positive as 43% of the respondents said that they were fairly knowledgeable. (Figure 1) However, 58% of the respondents do not understand the impact of inflation on the rate of return they are receiving. When asked 'if the inflation rate is 5% and the interest rate you get on your savings is 3%, your savings will have at least as much buying power in a year's time', 58% said 'True' and 28% said 'Do not know'.

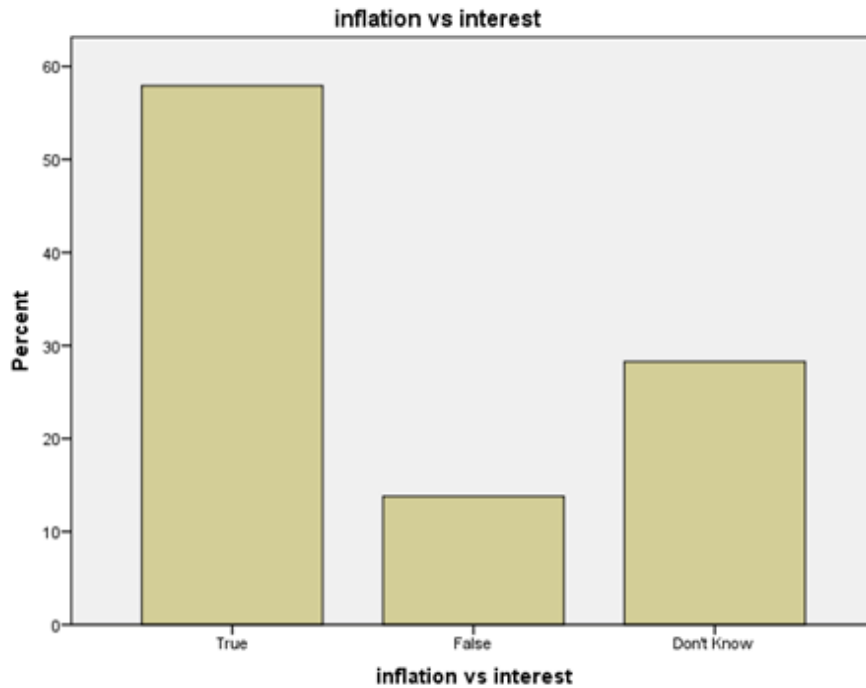
Figure 1:- Degree of Financial Knowledge



Source:- Prepared from primary data collected from millennials through qualtrics online survey platform

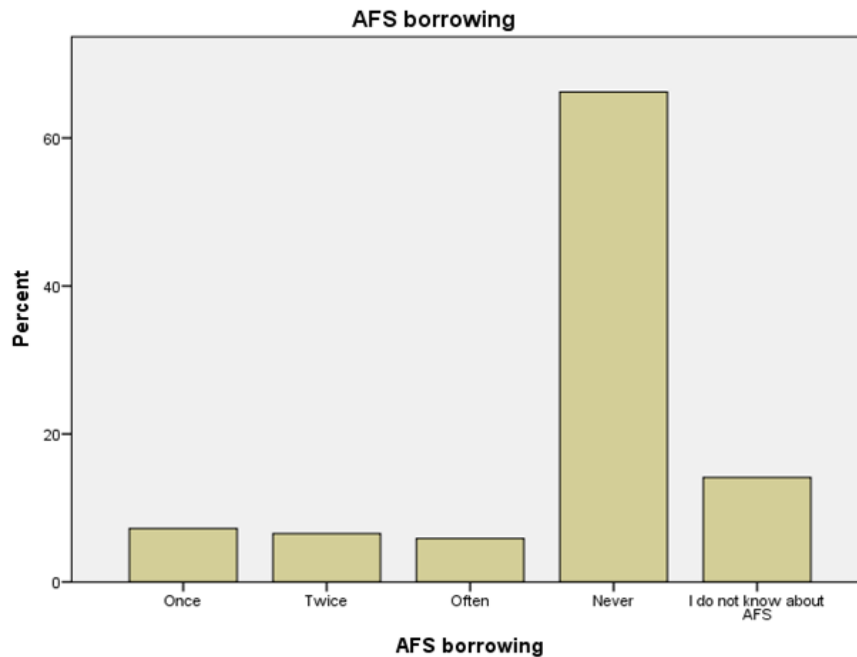
We also found that 68% of the people understand the impact of compound interest on money. It could be due to the fact that this concept is covered in high schools. (Figure 2)

Figure 2: General Financial Literacy



Source:- Prepared from primary data collected from millennials through qualtrics online survey platform

While studying the use of Alternate Financial Services (AFS), we were able to find significant difference between mean values of usage of AFS among low income and high income groups. We concluded that those having an income of less than \$50,000 a year on average borrow 0.48 times higher than those earning between 50,000-75,000 a year. Only 20% of the people under study have used AFS so far. It becomes vital to educate them about these complex products especially about the disadvantages of using them. (Figure 3)

Figure 3: Borrowing Through Alternative Financial Services

Source:- Prepared from primary data collected from millennials through qualtrics online survey platform

Comparative Analysis of Low Income and Middle Income Groups:-

Respondents in middle income group carry higher amounts of car loan and house loan as compared to low income group. Although this is likely caused by their better eligibility to qualify for loans due to their higher level of income, it may also be due to their perception that they understand the financial products and are able to handle high levels of debt. The relationship between low and middle income groups with student loan, line of credit and other loans was not found to be significant as P value was higher than 0.05. This suggests that people carry these loans regardless of their income levels. We believe that income not being the most important criteria for these loans could be a reason for the non-significant results. Also, as these loans are easy to obtain, millennials from both income groups carry these loans. This reinforces the fact that people tend to borrow more, if the loan is easily available.

We also asked our respondents about how often they check their credit score. The middle income group seems to better understand the significance of keeping track of credit score as compared to low income group who checked it less frequently. We believe that checking the credit score is a vital component of financial literacy. Moreover, people with higher academic credentials check it more often as compared to others. The middle income group is also better at keeping up with their bills and other financial commitments compared to the low income group. This may be due to having more financial resources available with them. Millennials in general understand that the amount of interest paid for a loan depends on their credit rating, how much they borrow, and the time duration to repay the loan. This could be due to their experience with different types of loans they carry. As these days banks are offering an increase in credit card limit to their clients, we asked about whether they accept this increase or not. Approx. 50% of millennials studied said that they would accept this increase in limit regardless of their income level. This may either be due to lack of understanding of how credit cards work or the consequences of missing a payment. On the other hand, millennials might be confident

that they understand the functioning of credit cards and that they can pay their bills regardless of credit limit.

A higher percentage of millennials under middle income group has a written budget as compared to low income group as P value was significant. However, approximately half of them are able to stay within the budget. This could be due to millennials' tendency to borrow and spend more money. Spending more money than budgeted amount may drag them away from their written budget as this problem was also highlighted during our interviews with the bankers. Approx. 50% of the middle income group expressed no need to have a budget. Approx. 80% of people belonging to low income group mentioned that they do not have resources to prepare a budget and 57% of people said that they do not know where to begin the budget. 67% of the respondents in low income group mentioned that they do not have time to prepare a budget. It seems that low income group needs guidance for understanding the importance of budget and for preparing it. For these income groups being able to follow the budget, the p value is not significant which reflects that though higher amount of middle income group have a written budget, they are not better than low income group. We also compared people with different education credentials to study the impact of academic credentials on having written budget. We found out that higher level of academic education does not make them more successful compared to less educated people at writing or following the budget as our P value was insignificant.

Financial Goals and Motivation Factors:-

When asked about their short term and long term financial goals, most of the millennials do not understand the difference between these goals as the answers mentioned for both the types were similar. Paying off debts is millennials' prime goal as 104 out of 290 respondents want to get rid of the debt. This clearly identifies the need to learn how to budget their available resources, so that debts could be avoided to some extent. Financial independence, saving for emergency funds, travel/vacation, for investment property and for first house are among other important goals. All these goals need some financial guidance which again supports our argument that millennials need to be financially literate. We also asked about factors that motivate millennials to become financially literate. The most common factor that motivates people is saving for emergency funds as 21.8% of the respondents chose that response. Also, getting rid of debt is another significant motivation factor as 21.6% of the respondents selected this factor. These numbers suggest that millennials are suffering from heavy amounts of debt and do not have enough savings for emergencies. For 19% of millennials, financial independence motivates them to become financially literate followed closely by saving enough for retirement as another important factor as mentioned by 18% respondents. The data is shown in Table 1, and response numbers are depicted in Figure 4.

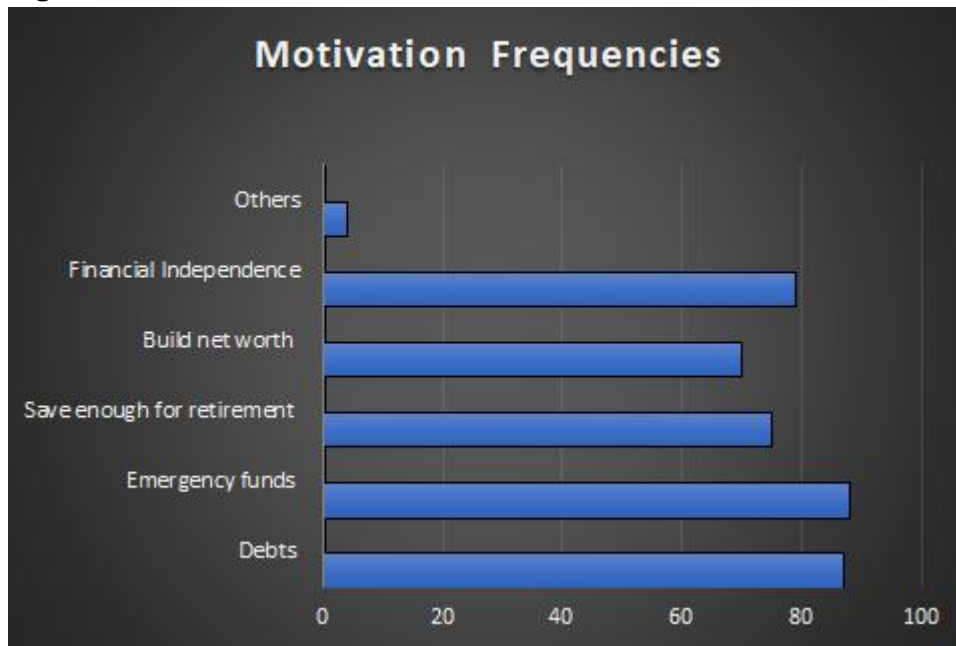
Table 1: Survey responses of millennials' motivational factors to become financially literate

Motivation Factors	Number of Responses	Percentage
Emergency Funds	88	21.8%
Debt	87	21.6%

Financial Independence	79	19.6%
Save Enough for Retirement	75	18.6%
Build Net Worth	70	17.4%
Others	4	1%

Source:- Prepared from primary data collected from millennials through qualtrics online survey platform

Figure 4: Motivation Factors



Source:- Prepared from primary data collected from millennials through qualtrics online survey platform

Millennials were asked about their source of financial information or advice. Millennials most commonly seek advice from family and friends and this is also one of the preferred sources for future. Other important sources of information are the internet, banks, and financial advisors. Sources such as attending workshops or seminars were among least important sources. (Table 2).

Table 2: Survey responses of millennials’ sources for financial literacy information

Source of Financial Advice	Number of Responses	Percentage
Friends, Family Members	94	28.23%
Internet	71	21.32%
Banks	69	20.72%
Financial Advisors	69	20.72%

Seminars/Workshops	13	3.9%
Bankruptcy Advisors	4	1.2%
Other Sources	2	0.6%
Do not take financial advice	11	3.30%

Source:- Prepared from primary data collected from millennials through qualtrics online survey platform

Data Analysis - Interviews with Bankers:-

Our findings from the data collected from millennials coincide with bankers' viewpoint about millennials' financial literacy. According to the bankers that we interviewed, millennials have seen easy credit availability and have grown up in the era of consumerism, where they have seen their parents spending as well. Hence they do not understand the importance of their future savings or don't know the mechanisms of future savings. Moreover millennials don't save or invest as they don't know how to. Some of them understand the different products available in the market to invest their money in and how the markets work. When most are working pay cheque to pay cheque or paying off school loans, huge mortgage or credit card bills, they cannot afford to save. In general, millennials are behind their retirement savings goals or have unrealistic goals such as retiring early or building net worth without owning necessary resources. They have plans for retirement but not the appropriate pathways. Their most common financial goals are getting rid of debt, saving up for their future, having home ownership, getting married and settling down and starting their family. The majority of millennials are still not contributing their income to investment vehicles such as Tax Free Savings Account. Almost all the bankers emphasized that it should all start from high schools where youngsters should be made aware of financial literacy. One banker recommended including a course on financial literacy in post-secondary institutions in Ontario. When asked about the motivation factors for millennials to be financially literate, the bankers shared that motivation factors include their freedom from debt, buying their own house, freedom from dependence on their parents to pay off debts.

Chapter 3:- Summary, Recommendations, Limitations

Summary:-

As the financial industry is launching new products more frequently, we need to match their speed to spread financial literacy among people. People are exposed to various complex financial products that they do not know how to use. They need to be financially literate to manage their resources better. Our main findings include the following:-

1. Millennials should seek financial advice and be able to develop realistic short term and long term goals based on their financial resources as only 47% of the respondents are seeking professional advice (Table 2) that includes banks, financial advisors and seminars/workshops.
2. Though the middle income group carries more car loans and house loans and borrows relatively less from AFS as compared to low income group, millennials in general need to be aware of advantages and disadvantages of using AFS regardless of their income level.

3. Middle income group is better than low income in having a written budget, but only 56% of them are keeping up with their bills. Among low income group, 80% respondents do not have resources to prepare a budget and 57% of them do not know where to start. These results suggest that the low income group should be provided with support mechanisms on how to prepare a budget and educate them on how to follow it.
4. We strongly argue that the middle income group would need the same support as the majority of them are not able to follow a budget.
5. The low income group should be educated about the significance of checking their credit scores more frequently. Millennials in general should be made aware that accepting the increase in credit card limit comes with a cost. Higher limit leads to higher tendency to spend money that may further lead to credit card debts.
6. The overall perception of millennials that they are fairly knowledgeable seems to be a hindrance to their financial literacy.

Comparison with previously published studies:-

The earlier studies describe that millennials lack basic skills needed to make savvy financial decisions and there is a great need to promote financial capability especially among youngsters. Our research supports this fact as we found out 58% of the respondents do not understand the basic impact of inflation on the rate of return they are receiving. Previous studies also emphasized that programs aimed at improving financial literacy could help millennials minimize the costs incurred in managing their financial products, improve their financial safety net in the event of emergencies, and strengthen their financial security. We support the launch of new programs as well to spread the financial literacy. Previous studies also found out that in this digital world, young Canadians or millennials are digitally advanced and are embracing technology to manage financial resources. Our data analysis supports the fact that most of the millennials prefer internet as their source of financial information. Also, according to previous literature millennials are not motivated enough to invest their time and money to learn about financial literacy. Hence in our current study we have studied some motivation factors responsible for financial literacy among millennials.

Recommendations:-

Though there are various existing programs/workshops/seminars run by different organizations but we believe that millennials are not quite enthusiastic to invest time to learn more about it. Our result says that 4% of the millennials have workshops/seminars as their source of information, whereas 21% have voted for internet as a source of financial information. We recommend that:-

1. Some initial web based financial literacy programs should be launched for millennials as 21% of the respondents are receptive to internet for financial advice. To start with, they may be given access to some free online material or resources to draw their attention. Further material could be provided with or without charges with an invitation to attend the workshop. Once they gain some basic knowledge from these programs and find it useful, they may be motivated enough to attend further workshops.
2. Alternatively, a survey questionnaire or an online quiz saying 'Are you financially literate' or 'Check your financial literacy' could be developed at an initial stage.

3. The popularity of web based programs may be gained through word of mouth as 28% of the millennials said that family/friends are their main source of information.
4. The popularity can further be enhanced through online platforms since these days millennials in general conduct their own research (for example read reviews) before buying any goods or services.
5. Since millennials are always using their phone, social media platforms such as Facebook, Instagram, snapchat, blogs could be helpful to reach them.

Though having financial resources is significant, but financial literacy for managing the available resources efficiently is far more significant. Financially empowered Canadians will reduce the burden on the social safety net and enable them to better plan for their own future and, eventually, their retirement. Furthermore, the understanding of personal finance and how the economy works should be deeply embedded into our education system. This is more than just adding a class in higher grades to teach some financial skills, or knowing how much money is in the bank. As youngsters often start working at a young age, they need to understand the simple concepts of interest rate, inflation, budgeting, how to save money and how their income is taxed. This learning would become a foundation for them, so that when they reach their early twenties, they are in a better position to take better financial decisions. This would help them achieve their financial goals as well.

Limitations of the study:-

1. Due to financial and time restraints, the sample size is not large enough to generalize the findings.
2. The study focused on income as main variable, whereas other important factors affecting financial literacy were not studied such as cultural background, other age groups, marital status, single parents and gender differences.
3. Due to time constraint, only five interviews with bankers were conducted.

Based on our findings, we conclude that though there are several programs launched by governments and other organizations, financial literacy is still a large scale problem. This research proposes future studies on financial literacy among youngsters and millennials so that timely action could be taken to prepare them for their future goals. The further research should also study other important factors mentioned under limitations in relation to financial literacy in Canada.

Appendix 1:- Chi Square Values

Financial Commitment – income	Significant	P- value
Car	Significant	0.033
House	Significant	0.001

Student loan	Insignificant	0.136
Line of credit	Insignificant	0.155
Others loans	Insignificant	0.114
Credit-score check	Significant	0.011
Credit rating	Insignificant	0.696
Amount borrowed	insignificant	0.138
Term to repay	insignificant	0.857
All of the above	Insignificant	0.678
Budget plan	Significant	0.009
Follow budget	insignificant	0.566
Financial commitment - education	Significant	P-value
Credit score check	Significant	0.024
Budget plan	Insignificant	0.4938
Follow budget	Insignificant	0.170

Appendix 2:- Survey Questionnaire

1. What is your age?

- a) 23 – 28
- b) 29 – 34
- c) 35 – 40

2. Are you:

- a) Male
- b) Female
- c) Prefer not to say
- d) Prefer to describe myself _____

3. What is your education level?

- a) High school
- b) Diploma
- c) Advanced diploma
- d) Bachelor Degree
- e) Master Degree
- f) Others (Please specify)

4. What is your family income level?

- a) Less than \$50,000 a year
- b) Between \$50,001 - \$75000 a year
- c) \$75,001 and above

5. Do you have a written household budget or financial plan?

- a) Yes
- b) No, I don't have time to make a budget
- c) No, I don't know where to begin
- d) No, I don't have enough money
- e) No, I don't need a budget
- f) Don't know

6. How often do you stay within your budget?

- a) Always
- b) Usually
- c) Rarely
- d) Never
- e) Don't know

7. What types of debt do you carry? Please select as many options as apply.

- a) House loan
- b) Car loan
- c) Student loan
- d) Line of credit
- e) Others (please specify)

8. In the last 12 months, which one of the following statements best describes how well you and your family have been keeping up with your bills and other financial commitments?

- a) Keeping up with all bills and commitments without any problems
- b) Keeping up with all bills and commitments, but it is sometimes a struggle
- c) Having real financial problems and falling behind with bills or financial commitments
- d) Don't have any bills or financial commitments
- e) Don't know

9. What can affect the amount of interest that you would pay on a loan?

- a) Your credit rating

- b) How much you borrow
- c) How long you take to repay the loan
- d) All of the above
- e) Don't know

10. Do you accept the increase in credit card limit?

- a) Yes
- b) No
- c) Sometimes
- d) I have never been offered increase in limit
- e) I do not have a credit card

11. How often do you check your credit score?

- a) Weekly
- b) Monthly
- c) After three months
- d) Six monthly
- e) Yearly
- f) Others (Please specify)

12. Have you borrowed through alternative financial services (AFS) for example payday loan or online installment loan?

- a) Once
- b) Twice
- c) Often
- d) Never
- e) I do not know about AFS.

13. Are you financially preparing for your retirement either on your own or through an employer pension plan?

- a) Yes
- b) No
- c) Don't know
- d) I am retired

14. How would you rate your level of financial knowledge?

- a) Very knowledgeable
- b) Knowledgeable
- c) Fairly knowledgeable
- d) Not very knowledgeable
- e) Don't know

15. What motivates you to increase your financial knowledge? Please select as many options as apply.

- a) To pay off my debts
- b) To save money for emergency funds
- c) To save enough money for my retirement
- d) To build my net worth
- e) To become financially independent
- f) Others (Please specify)

16. Where do you get your financial advice? Please select as many options as apply.

- a) Bank
- b) Financial advisor
- c) Bankruptcy advisor
- d) Internet
- e) Seminars, workshop
- f) Friends, family
- g) Other source of advice (Please specify)
- h) I do not take financial advice

17. What sources do you feel most influence your decisions about the financial investments you make (please write from the options mentioned in question 16)?

18. What do you think is the best way to increase people's financial knowledge?

- a) Internet
- b) Social media
- c) Seminars/workshops
- d) Others (Please specify)

19. Suppose you put money in the bank for two years and the bank agrees to add 15 percent per year to your account. Will the bank add more money to your account the second year than it did the first year, or will it add the same amount of money both years?

- a) More
- b) Same
- c) I do not know

20. If the inflation rate is 5% and the interest rate you get on your savings is 3%, your savings will have at least as much buying power in a year's time.

- a) True
- b) False
- c) Don't know

21. What are your short term financial goals?

22. What are your long term financial goals?

Interview Questions :- (With Bankers)

1. What do you think about millennials' degree of financial literacy in general?
2. What are their common short term financial goals?
3. What are their common long term financial goals?
4. How are they planning for their retirement savings?
5. How do they diversify their investments?
6. What do you think are the best methods to spread financial literacy?
7. In your opinion, what motivates millennials to be financially literate?

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