

Millennials Most Confident in Savings Accounts and Want More Personal Communication, According to National Broadridge Study

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NEW YORK, Aug. 20, 2018 /PRNewswire/ -- [Broadridge Financial Solutions, Inc.](#) (NYSE:BR), a global fintech leader and recent addition to the S&P 500 Index, today announced the results of custom research conducted through The Center for Generational Kinetics, which uncovered unexpected wealth management trends in Millennial preferences related to investing, financial communication and saving for retirement. The research findings were unveiled at Broadridge's GetConnected conference in Keystone, CO on August 19, 2018.

Findings also contrast assumptions that Millennials are not focused on saving for retirement. Two-thirds of Millennials surveyed report that they are actively doing so, even though 69 percent are not working with a financial advisor.

"Millennials are open to receiving investment advice and planning for retirement," said Cindy Dash, Head of Broadridge's Matrix Financial Solutions. "The results of the study show a clear opportunity for financial advisors to utilize technology-enabled solutions to better educate and communicate with all generations, including Millennials."

Personal Preferences

Despite expectations that Millennials operate strictly in a digital world, the survey shows that this group finds in-person meetings and phone calls to be the best way to build trust with a financial advisor. Meanwhile, only 17 percent of Millennials view texting and only 9 percent view social media as trust-building communications.

While 67 percent of those surveyed prefer communication from a financial advisor at least monthly, 28 percent of Millennials prefer contact on a daily or weekly basis. However, only one in five Millennials whose parents have a financial advisor have actually met their parents' advisor. At the same time, 55 percent indicated they would consider or would use their parents' financial advisor. A possible result of this lack of communication, Millennials are the only generation found to trust retirement advice from family and friends over advice from a financial professional or advisor.

When surveyed on preferred financial advisor traits, Millennials' first priority is experience, though less so than older respondents. Compared to older generations, Millennials are more likely to seek advice from a professional who has similar demographic qualities as themselves, such as gender, socio-economic status and financial history.

Choosing the Right Vehicle to Success

Despite feeling stronger than other generations that the stock market offers opportunities for financial growth, Millennials are more confident investing in savings accounts than workplace retirement plans, tax advantaged plans or real estate. In contrast, older survey respondents are most likely to trust workplace retirement plans and tax advantaged plans.

"Millennials would rather put their money in a savings account than a workplace retirement plan, effectively pushing pause on the potential for qualified plan growth," said Dash. "This demonstrates a significant need for financial guidance. The good news is that advisors don't need to completely reinvent the wheel to meaningfully engage the next generation of clients. They just need to know and take action on what Millennials actually want. Launching a national study demonstrates our commitment to delivering maximum value to our clients in their efforts to reach a new generation, allowing them to get ahead of today's challenges and capitalize on tomorrow's opportunities in innovative ways."

Health Savings Accounts (HSAs) also prove to be a blind spot for Millennials. More than half of this generation is interested in HSAs, but only one-third of Millennials are taking advantage of them. Further, 43 percent of Millennials surveyed are not familiar with these solutions, highlighting yet another opportunity for advisors.

"There is an expectation that every generation differs from the one before, and that is true of Millennials—to an extent," said Jason Dorsey, President of The Center for Generational Kinetics. "By delineating what is specific to Millennials and what rings true for Americans across generations, we've uncovered significant, immediate opportunities for financial advisors to grow their practices. The key is that financial advisors need to evolve their practices starting today—and adapt along with technology and communication trends—to build trust and benefit clients and prospects. Doing so will attract and keep not just the fast-emerging Millennials, but every other generation, too."

Methodology

Research included a 25-question survey administered to 1,000+ US respondents ages 22-59, weighted to current US census data for age, region and gender, and was conducted from July 10, 2018 – July 16, 2018. Figures are statistically significant at the 95% confidence level with a margin of error of +/-3.1 percentage points.

To explore more findings from this research, please contact a Broadridge media representative.

About Broadridge

Broadridge Financial Solutions, Inc. (NYSE: BR) a global fintech leader and a member of the S&P 500, is a leading provider of investor communications and technology-driven solutions to banks, broker-dealers, asset managers and corporate issuers globally. Broadridge's investor communications, securities processing and managed services solutions help clients reduce their capital investments in operations infrastructure, allowing them to increase their focus on core business activities. With over 50 years of experience, Broadridge's infrastructure underpins proxy voting services for over 50 percent of public companies and mutual funds globally, and processes on average more than US \$5 trillion in fixed income and equity trades per day. Broadridge employs over 10,000 full-time associates in 18 countries.

For more information about Broadridge, please visit www.broadridge.com.

About the Center for Generational Kinetics

The Center for Generational Kinetics is the #1 Millennial and Gen Z research, speaking, and consulting firm. Their team of Ph.D.'s work with more than 160 clients annually to solve tough generational challenges through original research, on-site innovation, and consulting solutions tied to measurable outcomes. The Center's diverse clientele ranges from global automakers and financial service pioneers to retailers, CPG, private equity, and technology companies. The work of The Center's co-founders to explore, understand, and bridge different generations has been featured in hundreds of media outlets around the world, from 60 Minutes and the BBC to The Washington Post. Learn more about The Center and access their team's latest research at <http://genhq.com>.

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