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89% of Americans Do Not Consider Themselves Financially Successful, and 27% Never Think They Will Be

Americans most commonly define financial success as living comfortably, being financially prepared for the future and living debt free

NEW YORK - May 20, 2024 - Over 4 in 5 of those Americans with a vision of what financial success looks like for them (89%) do not consider themselves financially successful, and over 1 in 4 (27%) never think they will be, according to a new Bankrate report. Just 11% say they already consider themselves financially successful, while 62% of those with an idea of what financial success looks like for them think they will be able to achieve their version of it one day. Click to read more:

<https://www.bankrate.com/banking/savings/financial-success-survey/>

Living comfortably was most commonly cited among the goals Americans feel they would need to achieve in life in order to consider themselves financially successful (56%), followed by being financially prepared for the future (44%; i.e. adequately-funded emergency fund or retirement accounts), never having to worry about money (41%) and living debt-free (41%). Other required achievements to feel financially successful include owning your own home (29%), having enough money to quit working (19%), being a millionaire (13%), owning your own business (11%), and advancing in your career/having a high-paying job (10%). Just 2% cite something else and 4% say they don't know what it would take for them to consider themselves financially successful. Respondents could select up to three options.

“With the worst inflation crisis in 40 years far from over, the U.S. economy might be causing a bit of ‘goals dysmorphia’ for many Americans,” said Bankrate Analyst Sarah Foster. “Surprisingly, Americans aren’t saying that the sign of being financially successful is becoming a millionaire or making enough money to quit working. Instead, they mostly have their sights on living comfortably, feeling financially prepared for the future and never having to worry about money as the marker for success.”

Among those with a vision of what financial success looks like for them, each age group pushes back the timeline for achieving their version of financial success. Specifically, the highest percentage of Gen Zers (ages 18-27) expect they will be able to achieve

financial success in their 30s (38%), versus their 20s (28%) and 40s (16%). As for millennials (ages 28-43), nearly a third (30%) think they will achieve their version of success by their 40s, versus their 30s (21%). Gen Xers (ages 44-59) are largely split between achieving financial success in their 50s (24%) or later on in their 60s (20%), while baby boomers (ages 60-78) were more likely to believe they will be able to achieve their version of financial success in their 60s (23%) versus 70s (14%).

Older generations are more pessimistic about ever achieving financial success, with nearly 2 in 5 Gen Xers and baby boomers (both 37%) saying they will never be able to achieve it, compared to 20% of millennials and 11% of Gen Zers.

For Americans who believe they have not yet achieved financial success, over half (53%) say they need to make more money to do so (i.e. wages/salaries), followed by growing their savings (49%), paying down debt (34%; e.g. credit cards, personal loans, student loans, etc.), investing more (30%; e.g. retirement/brokerage accounts), sticking to a budget (26%) and taking on more work responsibilities/working longer hours (13%). However, 9% of this group say it does not matter what they do with their finances, they will still never be financially successful. This sentiment is most common among baby boomers (17%).

“For those who haven’t yet achieved their version of financial success, Americans are most commonly saying that making more money and growing their savings are the most common way toward that outcome,” Foster added. “But keep in mind the power of investing, even if just a little bit over time. Historically, participating in financial markets has been the best way to guarantee that your money not only keeps pace, but beats inflation over time.” (<https://www.bankrate.com/investing/how-to-start-investing/>)

Methodology:

Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,403 U.S. adults, of whom 2,320 say they have an idea of what it means for them to be financially successful. Fieldwork was undertaken between April 15-17, 2024. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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