



SURVEY HIGHLIGHTS/SUMMARY: GENERATIONAL IMPACT OF COVID-19 PANDEMIC IN THE US

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aQity Research & Insights
Evanston, IL

The COVID-19 pandemic in early 2020 has caused more change and disruption to the daily lives of US households than most can remember. The impact is widespread, affecting everything from global economies and investment markets down to personal decisions and behaviors like wearing face masks in public and washing one’s hands more often.

Many recent surveys have captured American’s attitudes toward these changes in terms of how it has impacted their household emotionally and financially. This survey, commissioned by aQity Research & Insights, probes further into some of the difficult financial decisions the US households have made and expect to make because of the pandemic’s impact on the economy, jobs, and stock market.

The survey also provides insight into Americans’ outlook for the future, their expected personal lifestyle changes in a post-COVID-19 world, and highlights critical differences in experiences, attitudes, and behaviors between the Millennial, GenX, Baby Boomer, and Silent Generations:

	Unweighted n (financial decision- maker for household)	Weighted Distribution
Millennials (born 1981-1995)	345	27%
GenX (born 1965-1980)	569	33%
Baby Boomers (born 1946-1964)	881	32%
Silent Generation (born before 1946)	207	8%
All Respondents	2,002	100%

The survey results are based on a nationwide sample of n=2,002 adults ages 25 and older who are part of the Lightspeed/Kantar® online survey panel. Dates of data collection were April 17-21, 2020, approximately one month after the first statewide shelter-in-place orders were put in place.

Only those reporting household incomes of \$35,000 or more and who identify as the sole or a joint financial decision maker for the household were included. The recruiting included quotas to reflect the population, and the final respondent sample is weighted to reflect 2018 US Census data by region, age, gender, household income, as well as 2019 Gallup survey data for political party identification.

The 2020 COVID-19 pandemic, and its effects on the economy, job and financial markets, has financially impacted most US households and adults, especially the younger Millennial and GenX generations.

These younger household financial decision-makers are most likely to report having to cut back on expenses, and have received the brunt of job losses, furloughs, and/or reduced income as a result of the economic downturn caused by COVID-19.



2 in 3 Millennials and GenXers are at least somewhat financially impacted by COVID-19 (vs. less than half of older generations)

Despite this, younger generations are still optimistic about the future and are more willing to change many of their behaviors as a result of COVID-19. Looking ahead to a post-pandemic world, Millennials are the most likely to say they will start or continue saving for future emergencies. GenXers are consistently the most likely to continue personal safety behaviors.

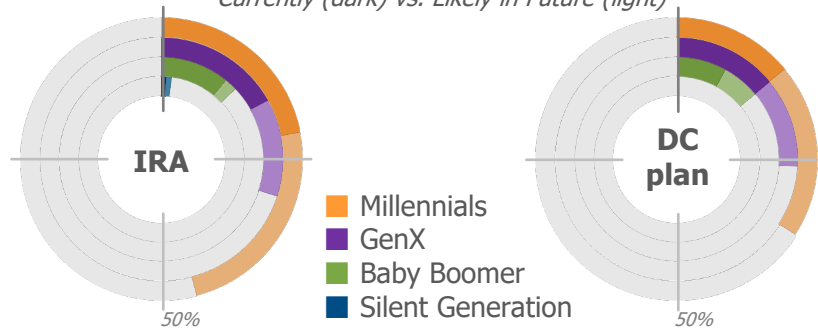
<i>After COVID-19 is behind us, are you more likely to:</i>	All Respondents	Millennial	GenX	Baby Boomer	Silent Generation
Save money for emergencies	41%	59%	50%	24%	11%
Wash hands more frequently	53%	56%	59%	49%	34%
Wear face masks	28%	31%	33%	24%	14%
Carry sanitizer/ disinfectant	44%	49%	51%	38%	22%
Avoid shaking hands	60%	48%	67%	62%	61%
Avoid events with 50+ people	46%	39%	50%	46%	46%

As a result of being harder hit financially, Millennials in particular are more likely to face difficult financial decisions.

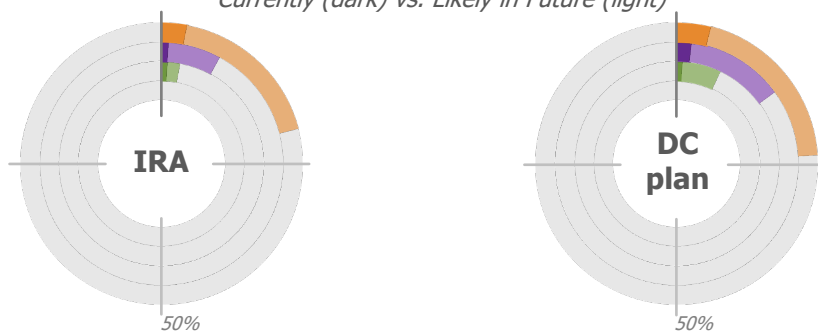
For those with qualified retirement plans, this includes cutting back on their retirement contributions at least temporarily.

Similarly, Millennials are most likely to take (or consider) early withdrawals from DC and IRA accounts (despite potential penalties and/or taxes) to make ends meet.

Cutting Back on Contributions
Currently (dark) vs. Likely in Future (light)

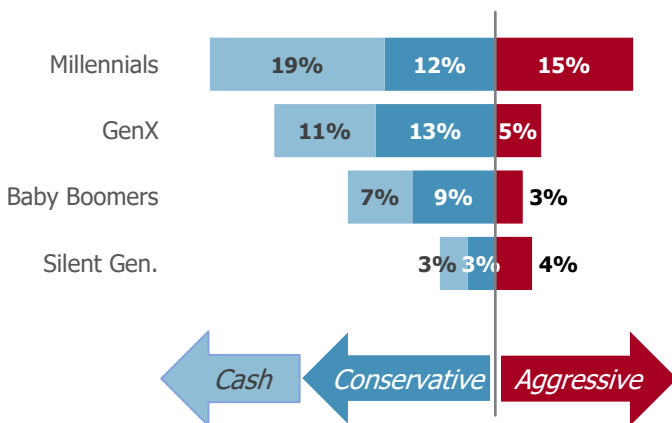


Taking an Early Withdrawal
Currently (dark) vs. Likely in Future (light)



Over the next two to three months, investors overall are divided over whether the stock market will show improvement or further decline. Millennials expect further short-term losses over gains by a 2:1 margin, while Baby Boomers and Silent Generation adults are more optimistic.

Recent Shift(s) in Asset Allocation



This more pessimistic view among Millennials may trigger changes in their investment strategy, as they are the most reactive to recent market downturns due to COVID-19. Over a third report making one or multiple shifts in their investment strategy in the past month—some to more aggressive solutions, others to more conservative or cash positions. By comparison, the vast majority of older generations (76%+) maintained their long-term strategy (no shifts) during this timeframe.

aQity Research (pronounced "acuity") is a full-service opinion research firm in Evanston, IL. Our team brings 20+ years of experience providing critical market research insights to leading financial services organizations including global asset management firms, financial advisors and wealth managers, and industry consultants.

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