



How financial institutions and fintechs can bring financial education to the next generation

Today's teens and pre-teens have a lot of information at their fingertips, but they often lack education on one very important topic — money. Money impacts everything they do now and in the future.

Let's look at the facts. According to a 2024 survey conducted by Greenlight through Researchscape, 76% of Gen Z teens (born between 2006 and 2012) are anxious about money. In the same survey, 75% of Gen Z teens and Gen-

Alpha pre-teens (born after 2012) reported wanting more financial education.

Financial Institutions (FIs) that deliver a digital educational experience to teens and pre-teens can help them establish a knowledge base, leading to a lifetime of healthy financial habits. Plus, they can attract, engage, and ultimately retain a future generation as customers or members.

Financial education in today's digital and economic landscape

Born and raised in the digital era, American youth have only known a world with social media. It's not surprising that Gen Z's number one platform for financial education is TikTok followed closely by YouTube, according to survey insights collected by [Greenlight](#) and Researchscape.

Offline, Gen Z and Alpha have grown up watching their parents and other family members navigate multiple economic hardships. From the Great Recession to the COVID pandemic and now high inflation, teens and pre-teens have had a front-row seat to the financial challenges that affect them without fully understanding them. The next generation of banking customers and credit union members may be aware of the negative impact of stagflation even if they don't know what the term means.

Like their parents, today's youth aren't getting enough personal finance education in school. Unlike their parents, they are exposed to a range of financial advice on social media — from credible to questionable to outright scams. The biggest problem? It's up to the teen to decide which is which.

The good news: Financial institutions seeking to earn teens' and pre-teens' business have an opportunity to assume the role of the trusted expert in the digital space. According to BAI, Gen Z ranks banks and credit unions as the most trusted organizations to manage and protect their financial data.

The not-so-good news: While teens and pre-teens may want financial education, they have the lowest level of financial literacy compared with other generations.

Challenges financial institutions face in building a financial education platform in-house

According to a 2023 OnePoll survey for BOK Financial, nearly 40% of parents worry that their child does not understand the value of a dollar. 82% of parents of 5 to 17-year-olds responded that financial responsibility starts at home. 56% of parents surveyed say they give their kids allowances to help them learn about budgeting. 62% have taken it upon themselves to teach their children about saving money by starting a money jar or piggy bank.

Parents may still hold on to the “old-school” ways they learned about money, but their kids don’t. Type “piggy bank” into Apple’s App Store search, and you’ll be served your own seemingly endless feed of fintech solutions for digital savings and financial education. This is where teens live and want to learn – in immersive platforms that allow them to explore and consume trusted expertise on their terms.

Forward-thinking FIs are realizing that even yesterday’s digital strategies for online education are becoming outdated and ineffective.

“The old-school way of teaching financial literacy [by] putting an article that was written two years ago six clicks in on your website doesn’t work anymore. Nobody’s accessing it,” said CU Solutions Group CEO David Dean during a 2023 webinar hosted by Greenlight on acquiring and engaging Gen-Z credit union members. Like many leaders of traditional FIs, Dean

realizes the importance of providing a superior digital experience in a world of financial apps.

It's important that kids and teens can access financial education on their phones and mobile devices whenever and wherever they want. However, building such a financial platform is a challenge, especially for credit unions that lack the financial strength and resources of large banks. Even major banks struggle with where to start when building a digital experience centered on financial education.

For these FIs, partnering with a trusted fintech company like Greenlight may be the answer.

There's a fintech for that

For traditional FIs seeking to launch a financial education platform for kids and teens, partnering with an established fintech can shorten the runway to a successful takeoff.

"Even with \$1.6 billion in assets, we have nowhere near the resources of big banks or large technology companies," said President and CEO of Community Financial Credit Union, Tansley Stearns in a Greenlight-hosted webinar. "For us, it's about partnership. We're looking for [fintech] partners who share our values and are going to push us and help us see what's around the next corner."

Around the next corner is a future that holds a mix of shifting customer preferences and evolving technologies. Teens change. Parents try to keep up. Meanwhile, new technologies emerge to meet the current and near-future needs until the next software update is ready for release.

FIs that are mindful of their available in-house resources know better than to try to navigate the complexities of technology's future and create an educational platform from scratch. Step one for FIs is to find the right fintech partner, preferably one with a viable, respected platform that can be co-branded to let families know who's educating their children. The FI has the knowledge to spare. The right fintech company has the platform to deliver.

Through ongoing collaboration with a fintech partner, FIs can optimize the education platform to foster loyalty among teen and pre-teen users. After learning and growing on the platform, young users can "graduate" at the right time and ultimately become knowledgeable, long-term customers or members of the FI that's provided the financial education they'll use for the rest of their lives.