

# Finance Yourself Project Brief

Influencing financial literacy and positive long-term habits.

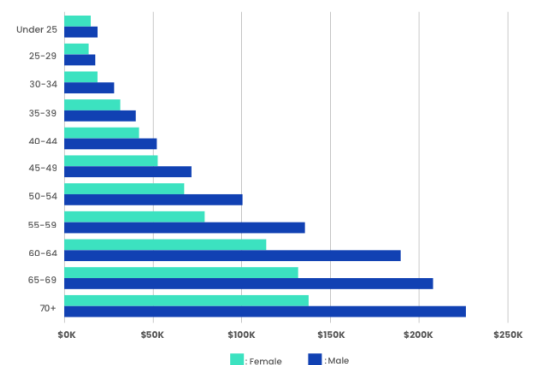
Started on: 18/07/2021

Last updated on: 28/07/2021

## Background

*This project is about creating awareness around the topic of financial literacy as this seems to be a very 'underrated' topic these days, specifically amongst teens. Evidence from some research conducted by Czar, K., et al. showed that "young adults generally have low financial capability, leading to poor financial choices with potentially severe and long-lasting consequences" (Czar, K., Gilbert, A., & Scott, A., 2021). Financial literacy is almost a foregone topic and specifically with teens, they must resort to learning solely through "socialization, such as observing and listening to their caregivers, influential adults, and peers" (Youth.gov, n.d.). This causes a big problem in NZ as the massive growth in online shopping, drinking, and eating out specifically amongst teens makes for an influential social norm which teens find hard to escape from (with the fact that parents main focuses are giving their kids an education which this subject is not being taught in).*

Gender and Financial Capability among Millennials  
(Average Individual IRA balances, 2012)

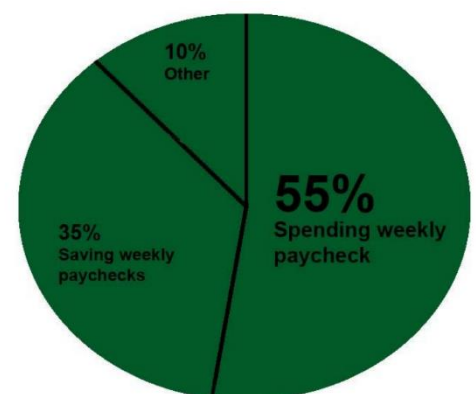


Some key findings from secondary research

- Study by FINRA Investor Education Foundation found four in five youths failed a financial literacy quiz (people aged 18 – 34)
- Only **24 percent of millennials understand** basic financial topics.
- The average debt of students when they graduated from college rose by about 56% (2016)
- Knowledge gained through socialization, such as observing and listening to their caregivers, influential adults, and peers

Stats for my pie graph came from:

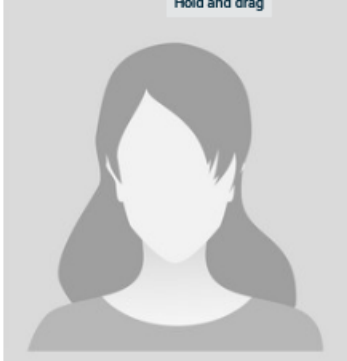
[https://nclnet.org/teens\\_spend\\_big\\_but\\_don\\_t\\_always\\_spend\\_smart/](https://nclnet.org/teens_spend_big_but_don_t_always_spend_smart/)



## Participant 1

### Financially literate

Hold and drag



"I am very fortunate enough to grow up in a financially literate environment."

Age: 21  
Work: Student  
Location: Wellington  
Character: Literate

#### Personality

Introvert		Extrovert
Thinking		Feeling
Sensing		Intuition
Judging		Perceiving

#### Goals

- To save for a new car
- Budgeting for important payments
- Other ways of income - investing

#### Frustrations

- Social media influencing
- People influences
- Direct marketing to teens

#### Bio

Teens are getting the gratification that they aren't able to get enough of in physical society. Financial literacy is being able to learn the skills to be able to know when and how to spend money. I used to be an emotional spender however I had to self-teach myself how to put money away into important bills and want to save. I think it's about being aware of your financial situation and making sure you stay within those confines (something that hasn't been taught). My dad has passed on very financially literate habits so I'm very fortunate and I think if you aren't taught up financially literate, it's hard to embark that on others. This could be a reason for markets targeting young adults as they don't have the ability to educate themselves on saving/delayed gratification - making them vulnerable to sales/promotions. I have been able to delay gratification of going out with friends as I'm saving to buy a car which has been an advantage. My screensaver on my phone is my budget which reminds me everyday constantly to consider my finances.

#### Motivation

Incentive	
Fear	
Growth	
Social	

#### Preferred Channels

Spending tracker	
Digital Notebook/planner	
A new online 'bank' normalizing feedback	

#### Whats useful

- Something mobile
- Catered and small-scale
- Easy-to-use and simple

- Financially literate background

- Self-taught herself to budget

(Plan on screensaver, decreased need for gratification)

- Less impact from marketing

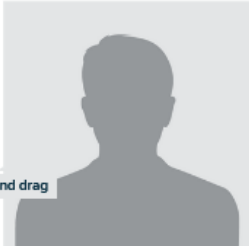
- Decreased social media

Influence

- Emphasis on future payments

## Participant 2

### Financially illiterate



Click and drag

"I should be thinking more long term rather than short term with my money."

**Age:** 16  
**Work:** Student  
**Location:** Wellington  
**Character:** Illiterate

#### Personality

Introvert	Extrovert
Thinking	Feeling
Sensing	Intuition
Judging	Perceiving

#### Goals

- New fashion trends
- Living out my teen life
- Going to school and then getting a job

#### Frustrations

- Not being formally introduced to financial literacy
- Easy access to technology - negatives to influence
- Stress of studies and work

#### Bio

The general idea of social norms within teen society is the main negative influence in people's lives as they compare themselves to each other and social media is having a big influence on this. Seeing my brother getting influenced into this drinking culture as he hasn't got that financially literate advice has been a real experience to witness. Going to a low-decile school has also impacted on him more and getting to a job immediately has been a real struggle. The people who he started hanging with has been important in his life and I can see the shift in his thought process around how he spends his money and what he spends it on and it's amazing to see his change in personality and almost wanting to be like other teens. Being in Wellington specifically there's not much other activities (than abroad) meaning that most teens feel the need to revert to drinking/partying with the many opportunities to do so like my brother and his company I feel. It seems like he's very focussed on creating the best teen life so serious subjects like financial literacy don't appeal to him and money is ultimately a tool to be able to have fun and live my best life. Don't have my priorities/goals straight.

#### Motivation

Incentive

Fear

Growth

Power

Social

#### Preferred Channels

Digital Notebook/diary

App

Websites

#### Whats useful

- Content guidance
- Focus on priorities/wants and needs
- Assessed criteria
- Focus on mental approach
- Understanding tax system
- Budgeting/saving

- Financially illiterate
- Easily influenced
- Less focus on money
- No important/realistic goals/objective thinking
- Low decile impact

## Customer Journey Map

Phase of journey	Pre - shopping					Pay check arrives					Post-shopping		
<b>Actions</b> What does the customer do?	Goes on Social Media	Sees posts with either clothes or drinks or restaurants	Finds out price from website	Potentially asks friends how it looks	Waits to buy	Picks up as many sifs as possible	Pay gets deposited into account	Goes onto website to finalize order	Pays for product	Product arrives	Uses product regularly and takes photos with it to post	Looks at account	Sees what to spend money on next week
<b>Touchpoint</b> What part of the service do they interact with?	Phones	Social media	Websites	Messaging	Account	Work duties	Accounts	Website	Card	Product	Product use and social media	Account	The internet
<b>Customer Thought</b> What is the customer thinking?	I wonder what ill find this week	I have to follow these trends	I can definitely afford these	Will people like me with this	Cant wait to buy this - nothing else matters	I need to get enough to buy this	Screw everything else! Im buying this	Is there anything else I want?	Cant wait for this to arrive	This was the best purchase ever	This isnt as exciting anymore	How has money money got this much now	I dont know if this is a good idea but ill do it anyway
<b>Customer Feeling</b> What is the customer feeling?													
<b>Proposed Pain Points</b> What is lost from this part of the experience?	<ul style="list-style-type: none"> <li>Predetermined gratification</li> <li>No set plans for spenditure</li> <li>Easily influenced to spend</li> </ul>					<ul style="list-style-type: none"> <li>No future considerations</li> <li>Thinking about wants instead of needs</li> <li>Motivated by gratification only</li> </ul>					<ul style="list-style-type: none"> <li>Too immersed in social norms</li> <li>No long-term thinking</li> <li>Lack of ways to use money</li> </ul>		
<b>Opportunities</b> What Can be included/potential ideas?	Linking my project to social media	Entrepreneurial stories/ news feeds	Teaching of the importance of money	App quizzes on spending suggestions	Potential gamified experience to take mind of immediate gratificatin.	Emphasis on saving	Benefits of investing?	Constant paycheck reminder notifications	Spending tracker	Product log / planner for user	Progress or achievement system on an app	Something providing digital resistance for spenditure	Regular feedback for suggestions

### Why it's being carried out

*The project is being carried out as the exposure to more financial opportunities to receive and spend for teens are increasing furthermore every day. The fact that they were not influenced into budgeting and saving from a young age makes them susceptible to short-term thinking specifically in terms of addictions like partying and online shopping, however not considering their long-term obligations like buying their first home or saving for their families.*

### Objective

*From this project, I am hoping to develop and influence positive financial habits for teens to learn and be able to make a regular practice now and going forward. A question to ask is: How might we influence people into spending less than they earn? And a JTBD might be: When I make payments, I want to be constantly reminded about how much money I've got left, so that I can budget appropriately.*

### **Design goals:**

- Easy to use
- Small scale (Click heavy processes)
- Mobile/very accessible
- Engaging and interactive
- Simple interfaces
- Minimal graphical representations/colour

### **Proposed Output**

*This project will most likely be taken in app form in special relation to my target audience which as per my interviews, use phones consistently and regularly daily and will most likely find more comfort and motivation in something portable then having to go through efforts which would disengage them entirely. The interface will be as simple but effective as possible as again – large amounts of effort would not interest them.*

Benefit to users of my objective/project

*The major benefit for the user is they will develop financial habits that they should have learned in school, and they will be in a more literate state of mind in how to spend their money, reducing temptation, and being more considerate of their futures.*

### **Deliverables**

- *Information Hub for budgeting/saving*
- *Digital notebook/diary/planner*
- *Interactive elements*
- *Aesthetically pleasing interface - simple*

## **Target audience**

*Linking to my Primary and secondary research, the target audience for this project will be teens aged from around 13 leading to 25 years old. These are the ages mostly being affected by financial illiteracy as from research (refer to financial capability graph).*

## **Scope**

*The mental approach is the important side to work on as implementing physical changes immediately will just impress on teens as a 'chore' and they would not be as interested in engagement. It is impossible to influence someone physically without mentally first. As per my participants' answers, I will be focusing on the Budgeting/Saving side of financial literacy with a special focus to the approaches and thinking processes behind them – and how to positively influence them.*

What might be in the scope

*Investing – was an area of intention for both participants so could be included but is an additional asset to my focus so is not very urgent. If added the topic would be limited to the mindset and reasons for investing as its broadness includes many different perspectives and ways of execution with the added fact that it may not be for everyone.*

*Credit and debt – Were an area of interest for one participant with experience of this and will include if time and space allow me. It would only be implemented for people presently (or future) with credit cards to be able to use it advantageously.*

## **Project tasks**

*I will begin this project from the discovery phase to narrow down the broad topic of financial literacy, narrow down the wants and needs for users, and design/iterate based on this process.*

Discover

- *Primary research – Create questions and then conduct interviews.*
- *Secondary research – Case studies and data from websites*

Define

- *Converging findings*
- *Writing a brief*

Design

- *Developing prototypes*
- *Testing*

Deliver

- *Final design*
- *Presentations*

### **Potential options for an app:**

- An information hub with a built-in digital notebook/planner for users to understand their payments and where to put them – taking ownership for themselves.
- A new banking app like a portfolio that allows for the delegation of money and the advice of the feedback from the app as to their financial situations and adapting to their new situations.
- A spending tracker that is almost like a portable wallet however tracks the spending and receiving of money and allows for you to lock/open pockets of money and signals amounts to spend daily.

### **Ways of working**

Communication

- *Zoom – Interviews*
- *Gmail – sending/receiving external documents/information*

Design, collaboration, and documentation tools

- *Figma – prototyping and sharing designs*
- *Miro – Collaboration on planning*
- *Google docs – Documented progress*

**References:**

Czar, K., Gilbert, A., & Scott, A. (2021). Life lessons: Leaving home and financial capability of young adults. *Journal of Consumer Affairs*.

Facts About Youth Financial Knowledge & Capability. (n.d.). Retrieved from <https://youth.gov/youth-topics/financial-capability-literacy/facts>