

TruStage *What Matters Now*™ Research Reveals New Insights into How Middle-Income Americans Define Success

Concerns about financial stability are keeping middle-income Americans up at night. In fact, they're so worried about their finances that 62% say money occupies their thoughts every single day. That's one of the key findings from the ongoing *What Matters Now* research study conducted by TruStage, CUNA Mutual Group's brand of insurance products and programs.

What Matters Now is designed to uncover key similarities and differences between credit union members and the middle-income American population overall, and to gain insights credit unions can use to more effectively serve their current members and attract new ones. It's a critical tool in the credit union systems' ongoing efforts to meet Americans' financial service needs.

Who are middle-income Americans and why are they important? TruStage defines this group as those aged 30-70 who have household income of \$25,000-\$100,000; they make up 36% of the U.S. population and 42% of credit union members. Middle-income Americans are an important target for credit unions because of the sheer size of the group, most non-members in this segment (64%) would consider joining a credit union and nearly half of this group (43%*) doesn't have life insurance (a critical area of opportunity for credit unions).

Connecting with members. TruStage engages in more than two million conversations with members each year, drawing from a database of over 65 million members. In our quest to gain a richer understanding of what matters now to middle-income Americans, we also gathered quantitative and qualitative data from over 25,000 consumer touch points. Topics of focus evolve annually based on input from credit unions.

What did we learn? This year's research uncovered a wide variety of insights that credit unions can use to better engage current and prospective members. Some of the most critical are:

- **Americans are worried about their finances—but stability is more important than wealth.** Many members are living paycheck to paycheck and want help reducing their debt and building their savings. The majority (83%) reported they don't need to be rich to feel successful; they just want to know what it feels like not to be strapped for cash every month.
- **Money isn't how they define success.** Middle-income Americans don't measure success by their bottom line.

Survey respondents "top five" indicators of success include:

#1. Their children—the values they instill and their children's accomplishments, which they measure by productivity and being "good people."

#2. Their partnerships—having strong, dependable relationships is important to these members.

#3 and #4. Financial stability and good health (tied)

#5. Strong spiritual relationships

"Making a lot of money," didn't make an appearance until #13 and just 6% of respondents felt having a lot of money was an important element of success.

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- **What matters most changes over time.** What matters to consumers has changed throughout their lives. This belief was supported by 77% of survey participants and wasn't just a sentiment held by Boomers: Millennials were just as likely to say that their personal definition of success had changed over their life.
 - **Middle-income Americans want help from their credit unions.** Most members don't feel confident in their ability to navigate their finances. They want financial guidance—and 80% say they want it from their credit unions.

How credit unions are using *What Matters Now*

To better understand how to most effectively leverage the research to meet member needs, we asked a team of credit union leaders for their insights. They shared these thought starters:

- **Promote loans for remodeling.** Middle-income members are interested in home remodeling, especially bathrooms and kitchens. Do your loan offerings and marketing reflect this?
- **Encourage members to consider loan consolidation.** This can be an effective way to help members address their deep concerns about financial stability. What kinds of consolidation products are you offering?
- **Incorporate key measures of success into your marketing.** Family, relationships, health, and financial stability are important to your members. Integrate these elements into your marketing campaigns to convey your credit union understands what matters now.
- **Create loans that reflect member needs.** When it comes to auto loans, for instance, *What Matters Now* data shows that members take longer to pay their car loans, struggle to make payments, and often have negative equity on their trade-in vehicle. Use these findings to create car loans and terms that better meet member needs.
- **Promote financial literacy.** Members are looking for help managing their financial health and are comfortable getting it from you. Offer online educational tools, seminars, etc.
- **Connect with Millennials.** Millennials need help with everything from paying off their student loans to affordable car loans, mortgages, and more. And too many of them are using expensive borrowing products like payday lenders. How are you meeting their needs and communicating with them?
- **Promote bundled insurance offerings.** Many members don't know their credit union can make insurance products available to them and that bundling their coverage can save them money. This is a great opportunity to show how credit unions contribute to members' financial stability.

Learn more! Uncover member needs, improve employee training, and drive more effectively targeted multi-media campaigns. [Visit **cunamutual.com/whatmattersnow**](http://www.cunamutual.com/whatmattersnow).

Source: TruStage™ What Matters Now Consumer Survey, 2014
* LIMRA Facts of Life 2012

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