

# The Mind-Money Connection: How Managing Your Finances Can Make You Happier

Uncovering the *real* impact personal finances  
have on our mental health and well-being

A report by

**jeniusbank**<sup>™</sup>





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# Mind over money – or money over mind?

Our financial health and mental health are inextricable: our finances are what allow us to take care of our needs, provide for our loved ones and pursue the things and experiences that help enrich our quality of life.

However, with persistent inflation, the return of student loan payments and soaring credit card debt and interest rates, many Americans find themselves struggling to keep up. Add in emergencies and life-altering events that can transform our financial situations overnight, and it's easy to see how money management may affect people's mental wellbeing.

**At Jenius Bank**, we're committed to providing products, services, and resources that help consumers live richer lives both financially and emotionally. As a part of this mission, we are deeply invested in mapping the impacts and causes of financial stress. So, we surveyed a sample of American consumers, aged 25-55 and making at least \$100K a year per household, about the money matters keeping them up at night. In this new report, ***The Mind-Money Connection: How Managing Your Finances Can Make You Happier*** we uncover the real and various ways that these consumers' financial situations, societal pressures, and other money-related factors are impacting their mental health. We also look at how consumers are responding to those pressures, examining variations across generations and demographics, and offer tips on how to use this knowledge to help improve financial wellness and live richer lives.



**JENIUS TIP:**  
Get Money Smart

Financial health is just like physical health in that training makes you stronger.

Educating yourself about money and the financial system could help you build confidence around your own finances, and as a result, you may be better equipped to evaluate what you see online or the guidance you receive from friends or family. When researching and learning, check out multiple reputable sources to help you get the full story. Financial literacy is a lifelong journey, so don't put pressure on yourself to learn everything at once. Each stage will bring new challenges and opportunities to learn how **to be a Jenius with your money.**



# The Meaning of “Rich”

**What does it mean to be “rich”?** The word likely calls to mind images of yachts and mansions and garages full of fancy cars. But according to the people we surveyed, a “rich” life is one that’s free of financial anxiety, where they can provide for their families and their future.

Millennials and Non-Millennials surveyed expressed the same top three defining characteristics of richness, indicating an intergenerational consensus. However, there is a slight difference in men’s and women’s definitions of richness. Where men are most likely to cite “establishing generational wealth” as a signifier of being rich, women cite “not having financial debt.”

## Perceptions vs. Practice

**Money is an undeniable part of our identity – both in how others perceive us and how we perceive ourselves.**

Only 20.4% of the general population surveyed said they consider themselves to be rich, but 32.3% said others consider them to be rich, indicating they don’t see themselves to be as affluent as outsiders may perceive them. With concerns around mounting debt and saving for retirement so prevalent, people might just be getting by, even if they have a higher income. Even among respondents making over \$300K a year, 45.9% still say they don’t see themselves as rich.



To me, being rich means

**33.4%**

Not having financial debt

**33.1%**

Retiring early without concern about running out of funds

**27.8%**

Establishing generational wealth





## JENIUS TIP: Avoid Comparisons

Focusing on your personal money goals may help relieve the angst of keeping up with your peers. Spend time charting your own course, based on what makes you happy. And if you build in milestones to mark progress, there could be opportunities to celebrate YOU along the way.

How do you define those money goals? It can be as easy as identifying what you want in your life, in the short term and long term, and how money may help you achieve it. This may require some research to plot out how much you'll need for the purchases, experiences, lifestyle, retirement, etc., that you want. But that data can help give you concrete goals to work towards.

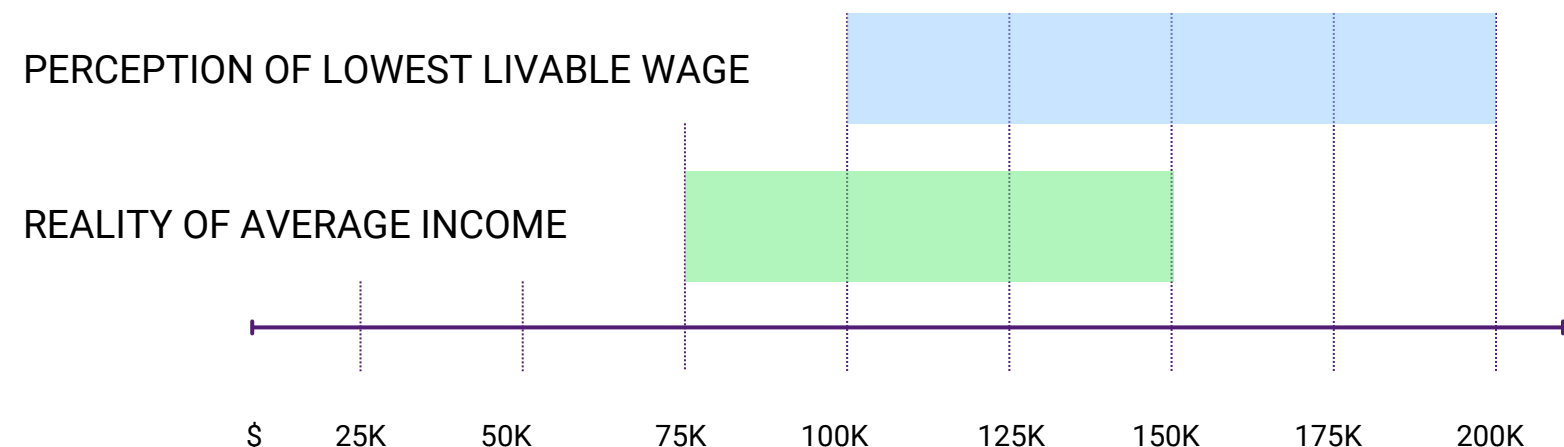
***Income doesn't necessarily determine financial security.***

\*Income in the United States: 2022. United States Census Bureau, September, 2023

### These discrepancies become even more dramatic when broken down by demographic:

- 84.4% of women do not consider themselves rich, compared to 66.2% of men.
- What's more, women (47%) feel like they are financially behind where they thought they would be more so than men (32.4%) do, even when their income is similar. This can mean that the pay gap may not be the only factor influencing women's sentiment toward their wealth.
- Various income levels feel they're behind others in their own age group, further supporting the idea that the optics of wealth may be putting pressure on consumers.

Perceptions of richness aside, respondents are struggling against their individual goals for their financial situations. 39.8% of respondents stated their financial standing was below where they'd planned to be at this point in their lives, which could compound existing worries with self-doubt and a lack of confidence, potentially affecting both their financial and mental wellness.



**Income doesn't necessarily determine financial security.** The respondents to this survey are high-income (\$100K+ a year) compared to the national average of \$75K\* a year. They widely consider \$100K - \$199K to be the lowest livable wage – roughly a \$25K difference between perception of livability vs. reality of the average income. But over a third (33.5%) of those respondents who earn \$100-\$124.9K fear their monthly income won't cover expenses. The same goes for about a quarter of respondents who make over \$300K, well above the range of perceived livability. In this case, it may be more a matter of “lifestyle creep” and maintaining the image of wealth, rather than affording the necessities.

## But just what are people spending money on, and how?

20.1% of respondents say their largest one-time payment in 2023 was a vacation – the most popular response. The second was “credit card debt” (16.7%), which aligns with the fact that 39.2% of respondents use credit cards for their big purchases. This reliance on credit and delayed payment may be why so many consider “richness” to be the absence of debt.

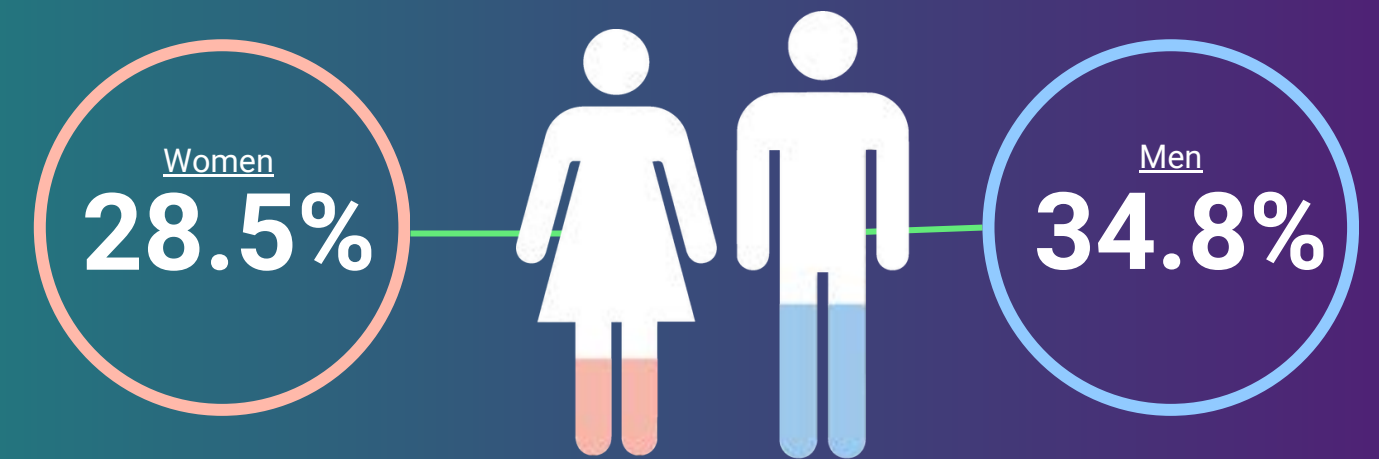
However, if there’s one payment method that’s fizzled out, it’s Buy Now, Pay Later (BNPL). According to the survey, only a slim 2.5% of people used BNPL services to finance large purchases, showing that trust in these once-popular solutions may be wearing thin.

It’s not just the big purchases that are impacting people’s financial wellbeing. Smaller, non-essential spending – such as eating out, gym memberships, and “treat yourself” purchases like a pricey coffee drink – can add up over time, destabilizing people’s financial security.

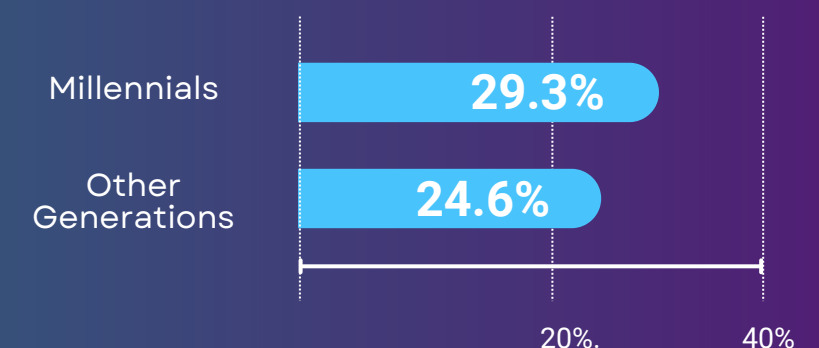
Men were more likely to say “nothing” when asked what payments/things they’d be willing to give up if it became too expensive. If men are more likely to perceive themselves as rich, they may be more likely to continue their spending with less anxiety.

Fortunately, achieving financial stability doesn’t necessarily mean you have to give up the dopamine hit you may get from those “fun” purchases in your life. There are a number of ways for people to boost their financial health and help achieve those qualifiers of a richer life – and they don’t require winning the lottery.

## Who is more likely to give up “nothing”?



## Who refuses to give up health & wellness experiences?



### JENIUS TIP: Schedule Some Face Time With Your Finances

A great way to do this is by tracking your spending; that way, you can identify the trends that may be contributing to your financial stress, while pinpointing the things that bring the most joy. And if budgets are for you, the insights from tracking can help you define your budget categories.



53%

of respondents think about their financial situation daily.

# Your Money and Your Mind

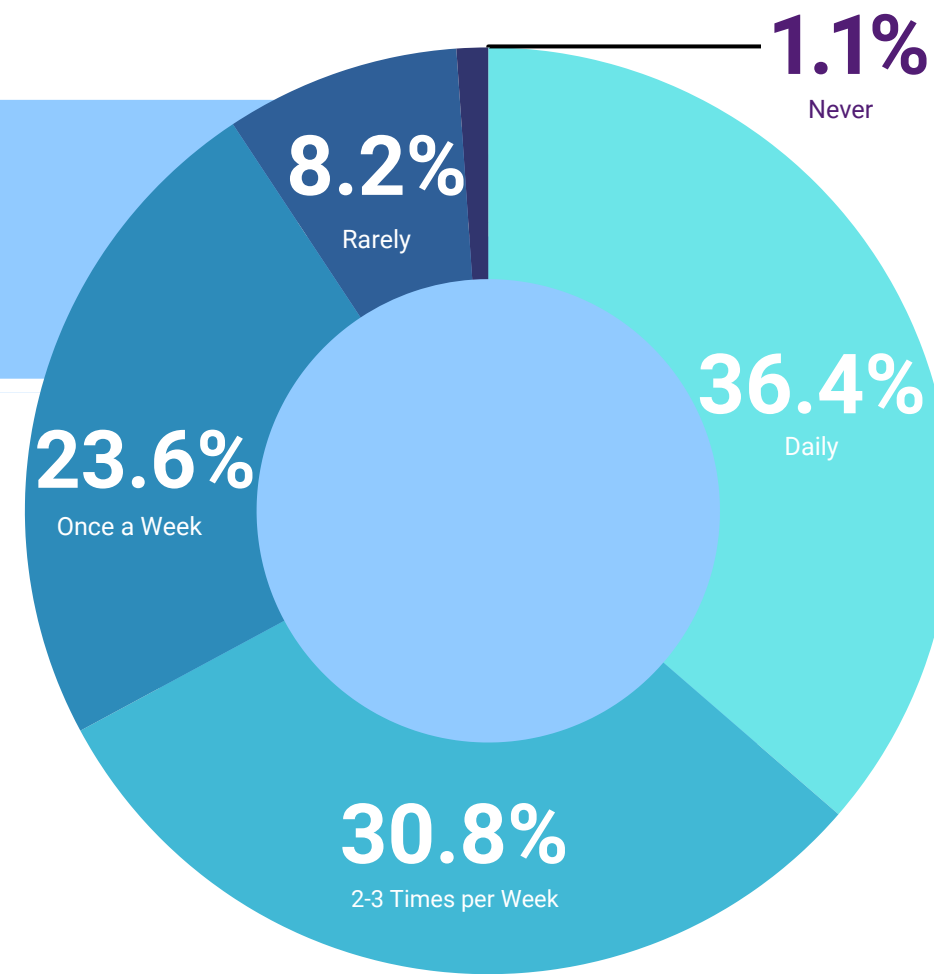
It's already been stated, but it continues to bear weight: financial health and mental health are inseparable from one another. Jenius Bank set out to understand how deep this connection runs, how it manifests and most importantly, how you could take charge of your finances to mitigate that stress.

## The Headspace for Finances

People cannot stop thinking about money: 53% of respondents think about their financial situation daily. This could be a sign of financial responsibility and mindfulness, but also one of constant worry. There is a difference between keeping a close eye on your finances and developing an unhealthy preoccupation with them.



When asked how frequently they check on their bank and investment balances, respondents said:



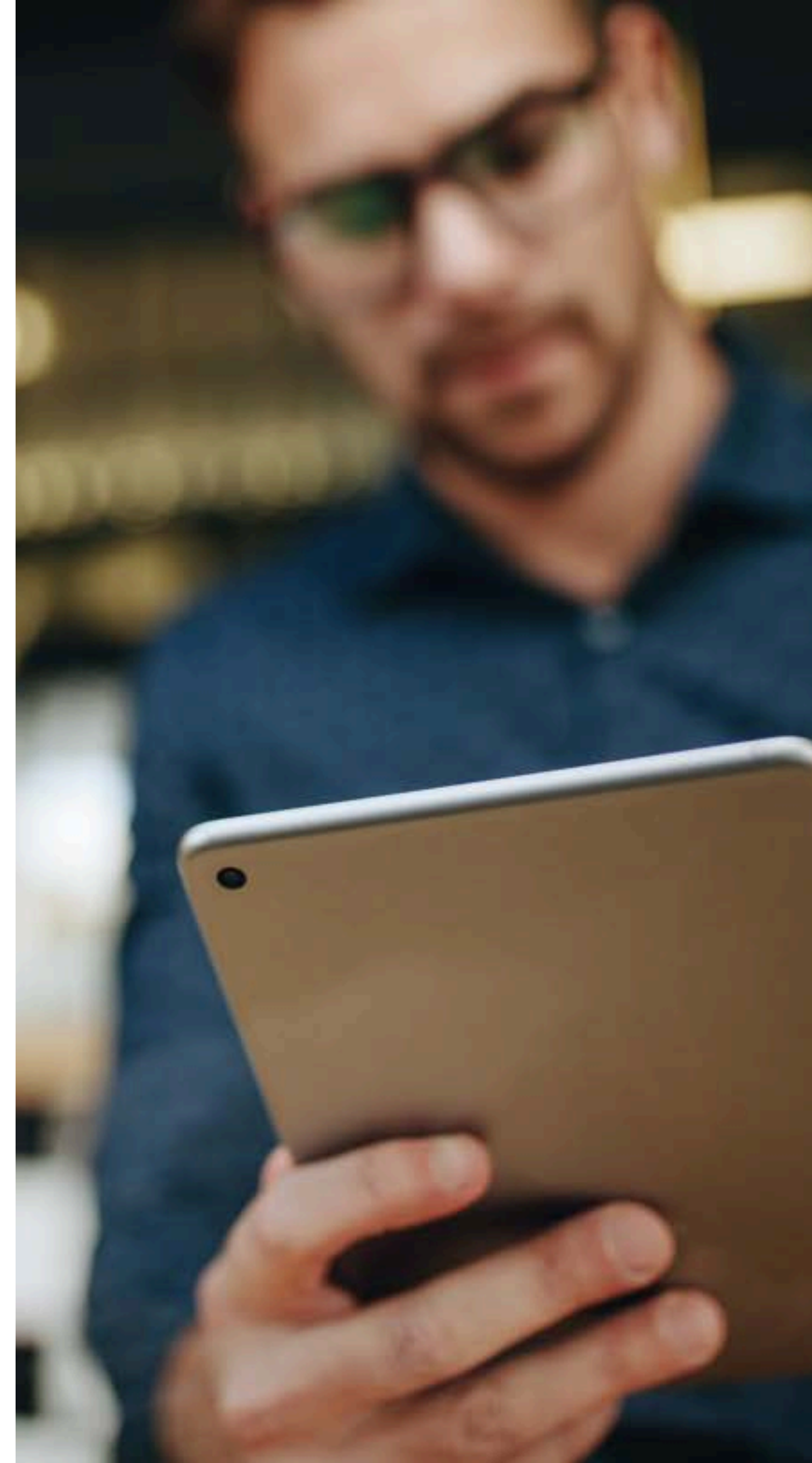
The data reveals an even more striking portrait when split between Millennials and Non-Millennials. A greater number of Millennials (57.4%) think about their financial situations daily as opposed to Non-Millennials (48.6%). More Millennials (39.8%) are taking it a step further by checking their bank account balances daily, versus just 33% of Non-Millennials.

Millennials also skew higher than Non-Millennials when it comes to how intensely their finances impact their mental health. When asked to rate this impact on a scale of 1-10, more than half (52.3%) rated it strongly at 7 or higher.

Income, on the other hand, didn't have as much sway over the results, suggesting the impact is universal. Even those respondents at higher income levels rated themselves a 10 (the most

intense) at similar rates as those at lower income levels.

With money consuming so much of these respondents' headspace, it's easy to see how the effects on people's mental health could be so strong. To lessen potential harm, striving to be conscious of your finances – instead of controlled by them – will be key. And that requires getting to the root of the problem.





## The Causes and Manifestations of Financial Stress

More than 50% of people say finances are making them stressed, causing anxiety or feelings of depression. But just what about our finances is stressing us out so much? Is it simply the fear of not having enough, or something deeper? For 49.6% of respondents, their primary source of financial anxiety is not saving enough for retirement. This particular fear tips towards the Non-Millennials (60.3%) over Millennials (38.9%), though it was the top concern for both groups.

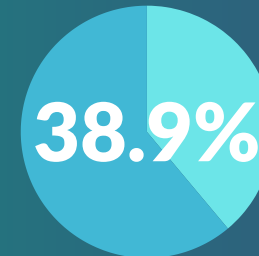
Still, retirement is a precarious issue among Millennials. 32.2% of Millennials do not think they're on track for retirement – and while 45.6% are confident they are, 60.2% are still anxious about it. Moreover, various income groups cited retirement as a major source of anxiety, revealing the security of our Golden Years to be a universal concern, rather than an income-driven one.

Other top concerns among the general population surveyed were feeling behind their peers regarding investing, savings, and retirement (32.3%) and mounting debt (31.8%).

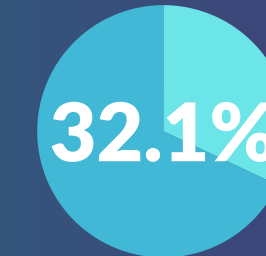
However, there were key differences between the Millennial and Non-Millennial halves of the survey group. Millennials were more concerned about mounting debt, while Non-Millennials were more concerned about the optics of their financial standing and the risk for poor decision-making.

## Top Sources of Financial Stress

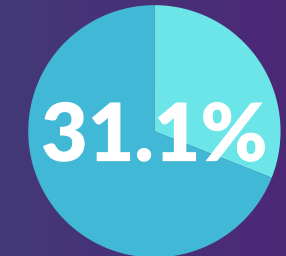
### MILLENNIALS



Not saving enough for retirement

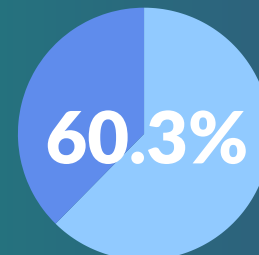


Mounting debt

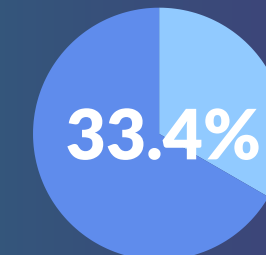


Feeling behind their age group regarding investing, savings, and retirement

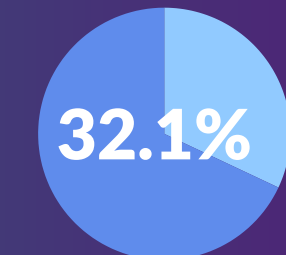
### NON-MILLENNIALS



Not saving enough for retirement



Feeling behind their age group regarding investing, savings, and retirement



Making the wrong/costly financial decision

These responses suggest the sources of our financial stress could be far more profound than just the amount of cash in our bank accounts. Fears such as feeling behind compared to peers and being afraid to make the wrong decisions intimate a lack of knowledge and confidence, which could drive people into a doom spiral of self-doubt and over-comparison.

Combined with anxieties around debt and retirement, the top concerns of those surveyed reflect a struggle between the present and future: they want to prepare for retirement, but they're preoccupied with how people see them now. They also feel weighed down by debt and monthly expenses, which may keep them from reaching their financial goals – both today's, and tomorrow's.

Financial stress is more than just a bad feeling. When we asked our respondents how financial stress manifested in their lives, the most common answer was a lack of sleep (52.8%), which may cause all sorts of ill effects on both physical and mental health. Regular headaches were the other prevailing physical symptom of financial stress, with 32% of respondents reporting them.

Alarmingly, financial stress causes feelings of guilt or hopelessness for 41.4% of respondents, and 30.1% report strained relationships with friends and family. This could harbor serious implications for people's mental health and overall quality of life; it's much harder to enjoy the present, let alone plan for the future, beneath a shroud of guilt and depression.

Because it touches nearly every part of our lives, financial stress has the potential to sow conflict, jealousy and feelings of shame among even the strongest of relationships. 42.5% of respondents say that financial anxiety has negatively impacted their relationship with their romantic partners. This tension not only adds discomfort and stress, but it could jeopardize couples' futures together, possibly derailing their joint financial goals.

***It's much harder to enjoy the present,  
let alone plan for the future, beneath a  
shroud of guilt and depression.***



### **JENIUS TIP:** **Address Debt Strategically**

Some debt, like student loans or mortgages, may seem necessary to building your wealth. But high-interest debt could really drain finances if not managed carefully. Putting together a repayment plan may help you get in front of it. Debt consolidation with a personal loan – rolling higher-interest debt balances into a single fixed payment monthly and fixed rate loan – could also be an option to help speed up repayment and potentially save on interest.

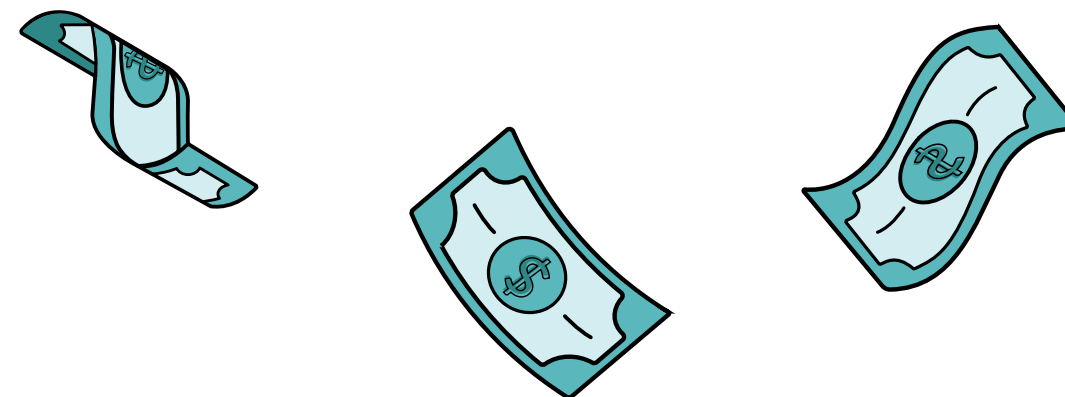






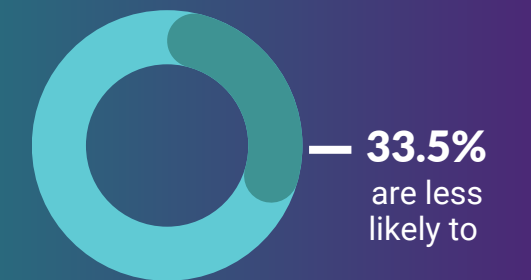
**For many respondents, financial stress isn't swaying their family-planning decisions.** Nearly 1 in 4 say their outlook on their finances has made them less likely to have children, and a startling 53.6% of unmarried respondents say they're less likely to get married because of their outlook. For these respondents, delaying or forgoing such fulfilling life milestones may worsen existing feelings of guilt and shame. Many Millennial respondents are feeling this squeeze in particular, with more than one-third (33.5%) indicating that financial concerns are influencing their decision to have children. 19.2% claim their decision to get married has been impacted by finances, and 37.6% shared that they would consider moving to another location because of finances.

Demographic and socioeconomic differences also may impact how we feel financial stress. As with perceptions of richness, the data illuminated different experiences among genders; the women we surveyed rated their financial stress higher than men, which could be due to a number of contributing causes. Women still suffer a pay gap behind men, and research from Nielsen shows that 89% of women are responsible for household shopping (as opposed to 41% of men), which might make them more acutely aware of their expenses. There were also marked regional differences in this category, with the South exhibiting the highest level of financial concern out of all regions.

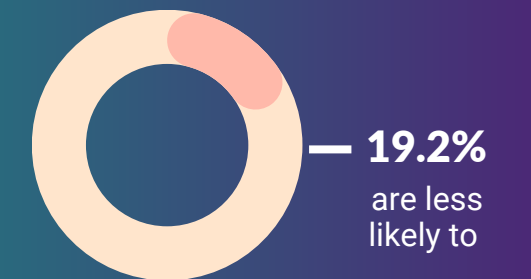


Women: *Primed and Ready for Progress*. The Nielsen Company, LLC, October 2019

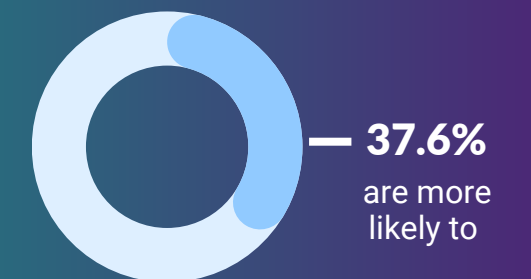
### Financial Concerns Are Influencing Millennial Milestone Decisions



Have children



Get married

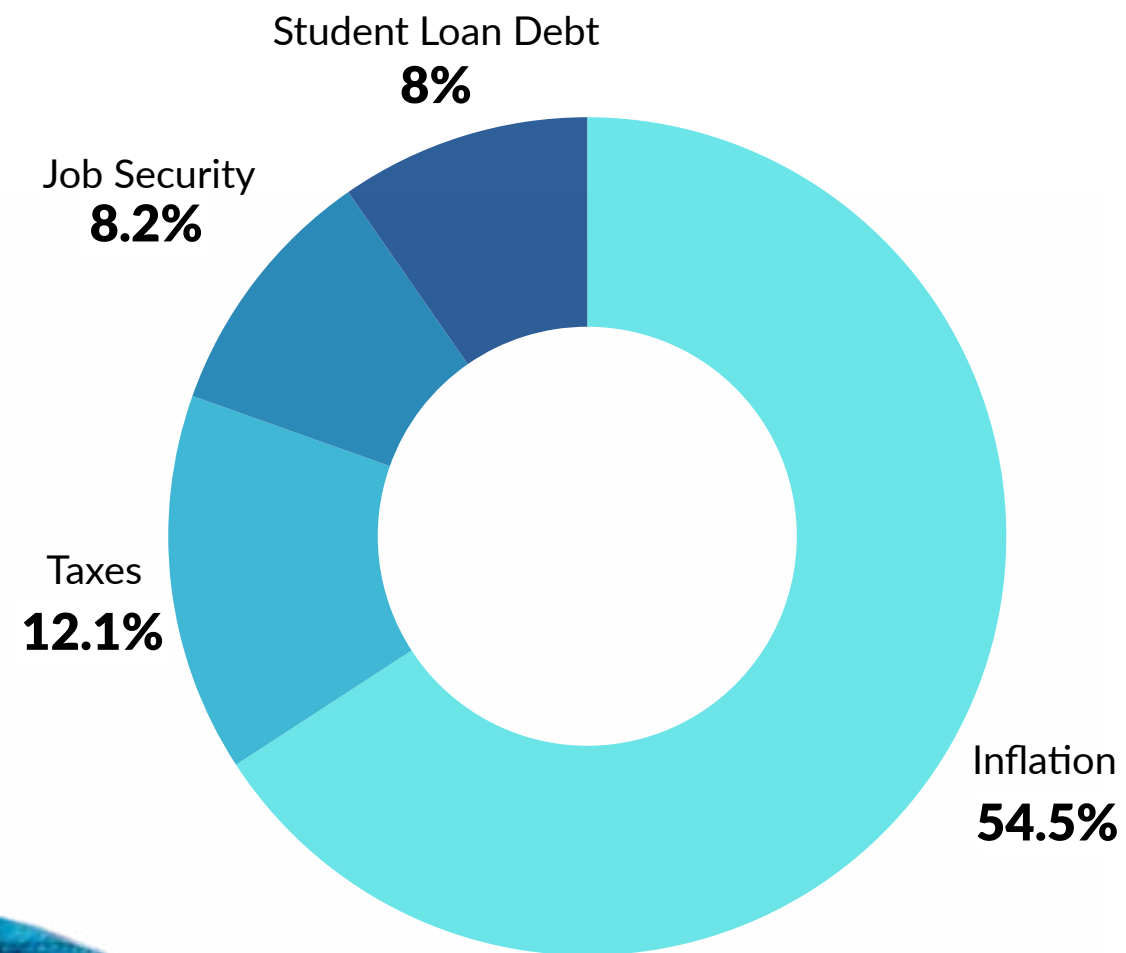


Consider moving





## People's Top Financial Concerns Leading up to the Election



## Financial Management in an Election Year, and Beyond

When over 50% of respondents say they are losing sleep over financial concerns, any unknown – like an upcoming election, or economic uncertainty – could add pressure to daily life. These pressures may spike stress levels in general, but they could also influence how people approach their finances and plan for the future.

No matter how (or if) people vote, external factors like elections and macroeconomic trends may make people feel a lack of control. Fortunately, conscious spending and saving choices help to relieve some of the stress around financial management and restore that sense of control.

Despite their concerns, our respondents remain hopeful for the near future. 36.3% believe that the economy will improve in the next 6-12 months and alleviate the financial stress they're feeling, and 32.9% (the largest percentage of those surveyed) think their finances will improve following the election.

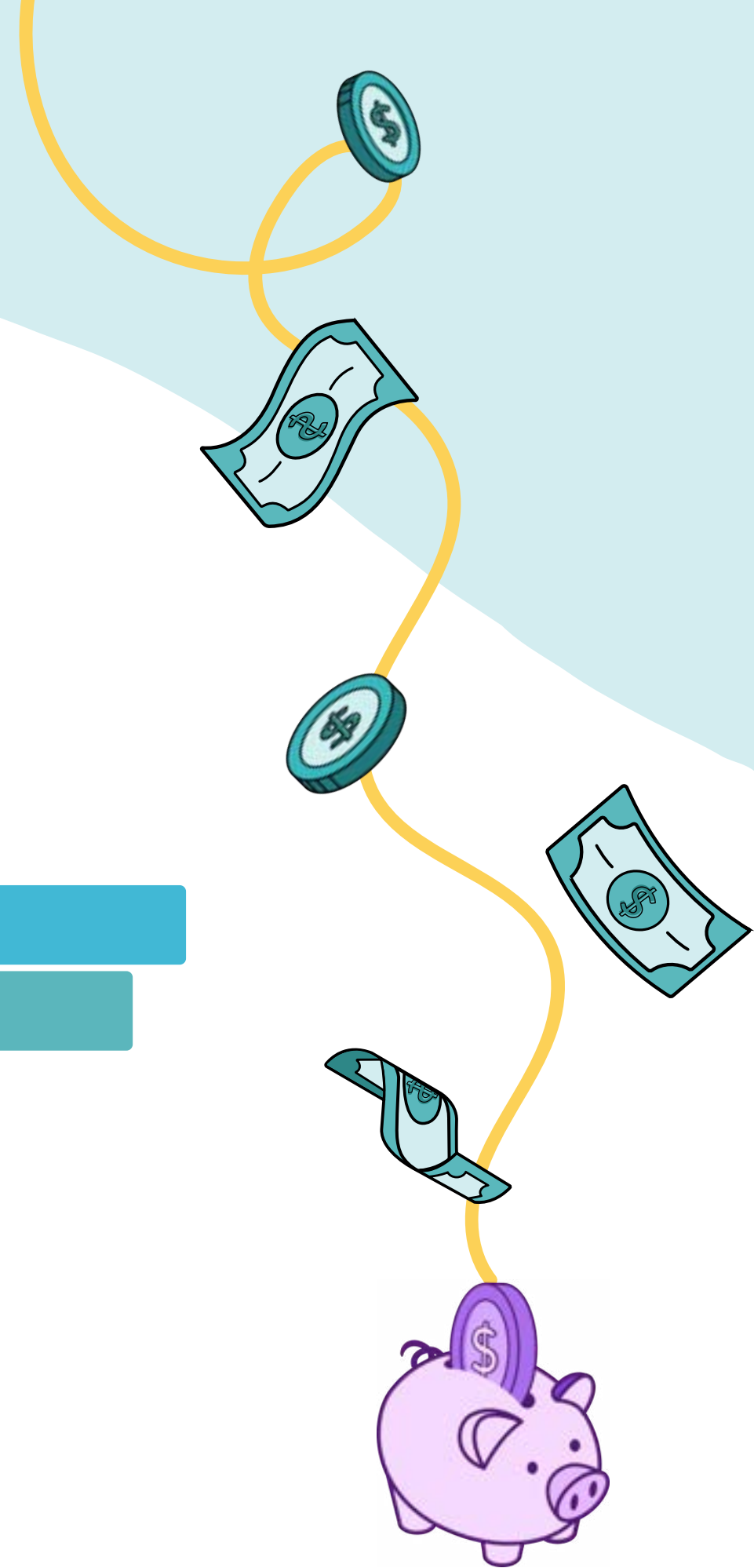
The data presents an interesting tension between people's anxiety and their optimism: if things are so stressful now, and long-term goals like retirement feel impossible to reach, how can they remain so hopeful? The reasons are likely as varied and personal as people's individual sources of stress, but they point toward one unifying idea: no matter what happens, life goes on.



# Spending, Savings and Sacrifice

Plenty of people are willing to make sacrifices to afford the life they want, but there are certain areas where they simply won't budge. According to our data, people refuse to give up health and wellness, media and entertainment subscriptions, experiences, social activities, and traveling, even though they're considered non-essential.

## What expense do you refuse to give up, even if it's considered non-essential?



To bolster their purchasing power, people may pick up a gig job or side hustle on top of their primary source of income. According to the data, high earners (\$300K+) are more likely to have a side hustle, further supporting the practice's reputation as a lucrative wealth-building tactic. 45.5% of Millennials report having a side hustle, compared to 31.1% of Non-Millennials. However, the top three reasons for having a side hustle are the same across all age groups.



### **JENIUS TIP:** Spend Intentionally

Spend with intent. No one is immune to the occasional impulse buy, but putting real thought behind nonessential purchases may help you save in the long run. Spend according to what makes you happiest, is within budget, and what aligns best with your needs and goals.

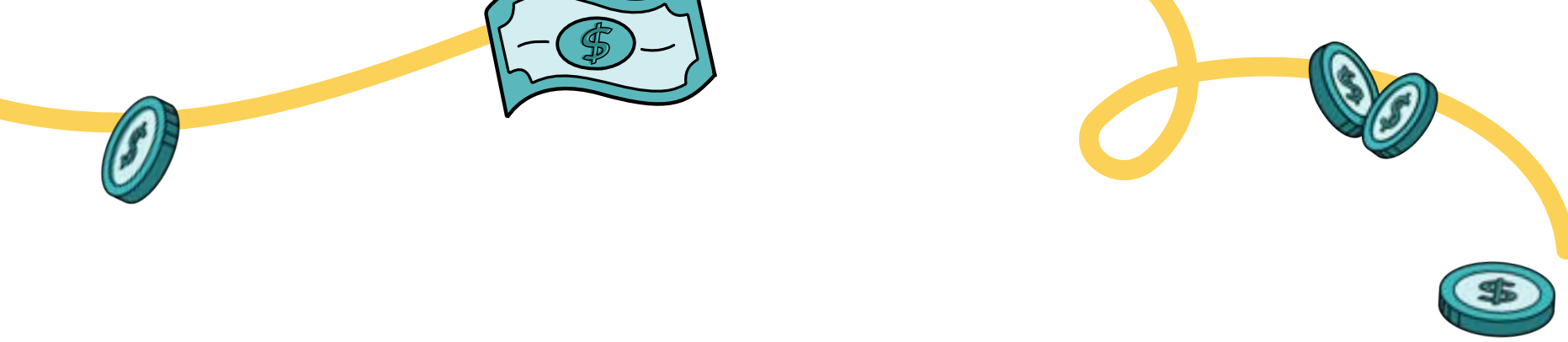
## Top Reasons for Having a Side Hustle

While side hustles could be a great way to foot those retail therapy bills (and actual bills, too), and they can be personally fulfilling, not everyone has the time, energy or opportunity to have one. Instead, these individuals will need to look for other ways to manage their money, so they don't have to make as many sacrifices.

- **Wanting to save more money**
- **Job doesn't cover all expenses**
- **It's more of a hobby than a source of income**







## “Loud Budgeting”, “Quiet Luxury” and the New Wave of Financial Advice

With social media overtaking our lives, personal finance has become a performance art. TikTok and Instagram are rife with influencers – some qualified, some not – doling out financial tips while modeling their lifestyles in aspirational videos. Trends like “loud budgeting”, “frugal February” and “quiet luxury” have taken off on social media, and they’re changing the way people approach their money.

**Almost 20% of respondents say they’ve participated in one of these trends this year** – for Millennials, that figure goes up to 28.7%. Of that group, 69.2% shared that their mental health concerning finances has improved (65.7% for the general population) as a result. This runs counter to much of the research surrounding social media and people’s mental health, but being part of a trend may instill a sense of belonging and connection. Similarly, Millennials (13%) are also more likely to turn to financial influencers for financial advice than Non-Millennials (8.8%).

But while these trends and “finfluencers” may end up on our timelines without us searching, where do people actively seek financial advice nowadays? The most popular response (24.1%) was still online, influencers and social media included. However, there is a generational split beyond this. Millennials are more likely to get advice from family members (19.2%), while Non-Millennials are more likely to see a Certified Financial Advisor (20.8%) than ask a family member for advice.

Disconcertingly, 20.2% of people surveyed don’t have a source of financial advice at all. Without the support or resources to properly manage their finances, these respondents are likely to experience even more stress. They also may be more susceptible to bad advice, whether it’s coming from an acquaintance, an article or a less-than-reputable influencer.

This is why experts place so much emphasis on **financial literacy**. Understanding how the financial system and the broader economy work may help people better manage their money and plan for the future.

### Loud budgeting:

Encourages you to be vocal about your financial boundaries and say no to family or friends when something may fall outside of your budget.

### Frugal February:

Not exclusive to February, this trend focuses on saving early in the year to make room for bigger purchases later on, such as vacations, concerts and holiday travel.

### Quiet luxury:

Originally defined as a lifestyle characterized by understated elegance and refined consumption, “quiet luxury” emphasized exclusivity and discerning taste without being overt. Now, the phrase has taken on a new meaning, encouraging consumers to emulate tasteful style without breaking the bank.



## Further Generational Divides

Millennials experienced unique external challenges during their most financially formative years: they potentially entered the workforce during the Great Recession, or perhaps they were just making big career moves when the COVID-19 pandemic hit. It's no wonder that 40.8% of respondents think that Millennials have a lot of financial anxiety – the highest percentage of any generation.

**Across the board, people have strong opinions about how different generations approach their finances.** In some cases, these perceptions could evolve into harmful stereotypes, which may have a negative impact on mental health. For example, 56.8% of respondents believe that Gen Z is irresponsible with their money, and 39.3% believe they spend too much. Millennials are perceived by other generations as spending a lot of money on travel, but in reality, they are prioritizing health and wellness spending. Clearly, no one actually knows who is spending money on what – but the perceptions of what they *should* be purchasing can potentially increase those feelings of guilt and shame they reported in the previous section.

Even positive perceptions could layer on pressure; such is the case with Baby Boomers, whom almost 39.6% of respondents agreed experience very little financial anxiety, and Gen X, who respondents regarded as savvy investors.

But for the large part, each generation is harder on themselves than other generations when it comes to their spending habits. They live the outcomes of their choices every day, and those outcomes might be highly stressful, causing people to look down on themselves. Making conscious decisions about spending and saving (and sacrificing) may help to lessen that stress and reverse those negative self-perceptions.

***When we break the cycle of guilt around our finances, we can take steps toward true financial freedom.***





## How People Want to Save

The good news is that people are making real strides to become more financially secure. According to Jenius Bank's Goals Survey conducted in late 2023, 78% said they aimed to change their spending habits in 2024, including by tracking income and expenses, to help them save more. The importance of planning also gained momentum, as 80% said they intended to set financial goals in 2024, compared to only 56% in 2023.

For the average American, investing has long been the recommended strategy for accumulating wealth. But as consumers told us in The Mind-Money Connection, high-yield savings accounts (HYSAs) are also growing in popularity. HYSAs are more accessible than traditional investing methods, making them increasingly attractive at a time when more people are tapping into their savings to handle everyday expenses. A strategic balance of savings and investments, coupled with mindful financial planning and expenditure tracking, could get people back on track to financial security.



### JENIUS TIP:

#### Make Saving Routine for the Short and Long Term

You've heard about saving for the rainy days—those unexpected expenses. But, make a routine out of saving for sunny days too: splurge purchases, vacations, down payments on a new house or car. A high-yield savings account (HYSA), like Jenius Savings, could help your savings grow even faster. And don't forget retirement planning. Starting early helps you take advantage of compounding returns over time. Explore 401k options at work or look at IRAs and other retirement savings tools. If your risk tolerance allows, explore other investment options too with a professional financial planner.







# Building a Richer Life in 2024

In the past, being rich might have meant owning fancy cars and lavish homes, but in today's world, that definition appears to be shifting toward financial wellness and stability. Consumers told us that they want the confidence to cover their everyday expenses, while creating security for whatever the future holds. To them, "richness" looks like saving to grow their wealth, but also enjoying their life in the moment.

However, financial stress could be holding them back, especially when that stress compromises their mental wellbeing. Our goal with this survey was to better understand the connection between financial and mental health to help people unlock a richer life. Having a detailed data portrait of this connection helps us to build products and services that may address the root causes of financial stress, guiding customers toward a better financial future.





## JENIUS TIP:

### Check, Adjust, Repeat!

Continually reevaluate. Your financial wellness is driven by you and what makes you feel secure. As you learn, and your life changes (along with the world around us), it's okay to adjust the way you handle your money, too.

Throughout this report, we laid out a string of tips like the one above to potentially help people improve their financial wellness, and in turn, their mental health. While there are no guarantees, practicing good financial hygiene could push people closer to their goals.

## We encourage

- Building confidence and a sense of control by educating yourself on money matters
- Avoiding comparisons to others and focusing on your own financial goals and values
- Practicing intentional spending and tracking your expenses to identify patterns
- Tackling debt with strategic repayment plans and consolidation
- Setting aside short- and medium-term savings for emergencies – but also for fun
- Preparing for retirement and other long-term savings goals as early as possible
- Assessing and adapting your money management practices throughout life's changes

To learn about our mission and explore more financial wellness tips and research, visit [jeniusbank.com](https://jeniusbank.com).



## Methodology

The survey collected responses from 4,025 United States residents between the ages of 25 and 55. Approximately 2,012 respondents (one-half) fell between the ages of 29 and 44, or the “Millennial” generation. Each respondent reported an annual household income (HHI) of \$100,000 or higher. The survey was conducted online via Propeller Insights, a full-service market research company. Propeller Insights facilitated the recruitment of the participants, deployment of the survey and collection and delivery of the raw data. Data collection began on April 2, 2024 and concluded on April 9, 2024. Any data collected is solely utilized for the purposes outlined in the agreement between Jenius Bank and Propeller Insights. This survey recognizes certain limitations in its design (such as question wording) and data collection methodologies (such as practical difficulties in conducting surveys). While we have employed robust techniques to ensure accuracy, it is important to note that all survey research may involve unmeasured variables and errors that could influence the outcomes.

## About Jenius Bank

Jenius Bank has a mission to help people live a richer life through actionable insights and innovative tools powered by first class technology. The bank currently offers personal loans and a savings product, with a mobile app launching in the coming months. Jenius Bank is the digital division of SMBC MANUBANK, a California state-chartered commercial bank that is a wholly-owned subsidiary of SMBC Americas Holdings, Inc., a member of SMBC Group. To learn more information about Jenius Bank, visit [www.jeniusbank.com](http://www.jeniusbank.com).