

MULTIGENERATIONAL HOUSEHOLDS AND FINANCIAL PRESSURES

AUGUST 12-14, 2024

Background

In August 2024, SurveyUSA, on behalf of the National Endowment for Financial Education, interviewed 812 U.S. adults living in multigenerational households, asking questions about their household composition, their levels of independence and interdependence, their economic and financial concerns, and the financial and other costs of caregiving. Multigenerational households, for the purpose of this research, are defined as respondents who either live with adult children over 25 years old, live with grandchildren of any age, or (for respondents over 25 years old) live with parents or other relatives. This definition also includes respondents living alone, with a spouse, or with their own children under 25 years old who also provide financial support to children who live in another household or who provide unpaid care, help, or financial support to adult relatives or friends who need assistance. For a more in-depth view of the families surveyed, our family makeup analysis is available [here](#).

Key Findings

Multigenerational households experience similar individual financial pressures and barriers to financial well-being as most families, only simultaneously.

Childcare costs, disability care, costs for aging parents and financial assistance for adult children and grandchildren are just a few of the many costs that adults caring for their families experience. In multigenerational households, adults are often faced with many of these expenses simultaneously, causing several stressors on their finances and barriers to financial well-being.

- About 2 in 5 (39%) respondents with children under 13 years old at home pay for professional childcare in some capacity, and those respondents self-report an average cost of \$320 per week.
- Almost half (49%) of adults report that they support adult children or grandchildren. Of those, 78% report providing some type of financial assistance in the last 12 months. The most common forms of financial support include providing a place to live (47%) and help with living expenses (44%).

- Adults who support other adults in their lives report spending a median amount of \$500 (mean = \$889) a month on providing care or financial assistance to their parents, adult children or other adults in their lives they support. Respondents 18-49 years old spend a median amount of \$500 (mean = \$982), while those over 50 years old spend a median amount of \$400 (mean = \$658) per month.
- 73% of all respondents in multigenerational households report their caregiving or financial responsibilities to others have required them to do things they otherwise would not have done, such as taking out credit card debt (20%) or other personal debt (16%), making an unplanned withdrawal from a retirement fund (13%), or delaying retirement (11% of those aged 50-64 years old).

Adults in multigenerational households are facing a quality of life that is “worse than expected” at significantly higher rates than average.

16% of adults in multigenerational households rate the quality of their current financial life as “better than expected”, 38% say it is “about what they expected”, and 46% rate it “worse than expected”. In a different survey fielded in January 2024, NEFE polled a representative sample of U.S. adults on the quality of their financial life and found that 22% of adults rate the quality of their current financial life as “better than expected”, 46% rate it as “about what expected”, and 31% rate it as “worse than expected”.

- Males in multigenerational households are more likely to rate the quality of their current financial life as “better than expected” (18%) or “about what expected” (41%) compared to females (better: 13%; about the same: 36%), while females (52%) are more likely than males (41%) to rate the quality of their current financial life as “worse than expected”.
- Homeowners (18%) are more likely than renters (11%) to rate the quality of their current financial life as “better than expected”, while renters (55%) are more likely than homeowners (41%) to rate the quality of their current financial life as “worse than expected”.
- Those who are living with children over 18 years old in the household (53%) are more likely than those who are not (45%) to report the quality of their current financial life as “worse than expected”. Respondents providing some financial support to grandchildren (63%) are more likely than those providing full financial support (44%) and no financial support (38%) to rate the quality of their current financial life as “worse than expected”.

Adults in multigenerational households say that the financial pressures of their generation are tougher compared to their parents’ generation, and the financial pressures they face now will be tougher than generation(s) after them.

Overall, about 2 in 3 (65%) adults in multigenerational households report the financial pressures of their generation being somewhat or much tougher compared to their parents’ generation (29% somewhat tougher; 36% much tougher), and about half (48%) say the financial pressures they face

now are somewhat or much tougher than those faced by generations after them (21% somewhat tougher; 27% much tougher).

- Males are more likely to think the financial pressures of their generation are somewhat or much easier than their parents' generation compared to females. 22% of males find their financial pressures somewhat (15%) or much (7%) easier compared to 13% of females (somewhat easier: 8%; much easier: 5%). In contrast, 69% of females find their financial pressures somewhat (30%) or much (39%) tougher compared to 61% of males (somewhat tougher: 27%; much tougher: 34%).
- Black respondents (35%) were most likely to report their financial pressures being somewhat (25%) or much (10%) easier than those faced by their parents' generation, followed by Hispanic respondents at 18% (somewhat easier: 12%; much easier: 6%) and white respondents at 15% (somewhat easier: 11%; much easier: 4%). 12% of respondents of other races felt it was easier (somewhat easier: 4%; much easier: 8%) as did 10% of Asian respondents (somewhat easier: 3%; much easier: 7%).
- 30% of males think the financial pressures they face now are somewhat (20%) or much (10%) easier than the pressures faced by generations after them, compared to 19% of females (somewhat easier: 14%; much easier: 5%). Additionally, 52% of females think the financial pressures they face now are somewhat (23%) or much (29%) tougher than the pressures faced by generations after them, compared to 44% of males (somewhat tougher: 19%; much tougher: 25%).
- At 18%, adults aged 50-64 years old are the least likely age group to report their current financial pressures are as much (4%) or somewhat (14%) easier than the pressures faced by generations after them, with all other age groups reporting their current financial pressures as easier at a consistently higher rate (26-27%).

Adults in multigenerational households are more likely to favor the economic conditions of their community over the country.

Seven percent of respondents rate the economic conditions of their community as excellent, 30% report it being good, 39% report it being fair, and 24% report it being poor. Five percent of respondents rate the economic conditions of the country as excellent, 22% report it being good, 34% report it being fair, and 39% report it being poor.

- Respondents with household incomes of \$100K+ a year (11%) are more likely to report excellent economic conditions in their community, followed by 7% of those with household incomes \$60K to <\$100K, 5% of those with household incomes \$30K to <\$60K, and 7% of those with household incomes <\$30K.
- 81% of females (poor: 43%; fair: 38%) compared to 66% of males (poor: 35%; fair: 31%) rate the economic conditions today of the country as poor or fair. Comparatively, 34% of males rate the country's economic conditions as good or excellent (good: 28%; excellent: 6%) compared to 19% of females (good: 15%, excellent: 4%).

- Respondents living in rural areas are most likely to rate the economic conditions of the country today as poor (53%), compared to 38% of respondents living in suburban areas and 29% of respondents living in urban areas.
- 60% of respondents who said the country's economic conditions are excellent also said the economic conditions of their community are excellent, and 51% of respondents who said the country's economic conditions are poor said the economic conditions of their community are poor.

Adults in multigenerational households who took financial education in secondary school and found it useful are more likely to have positive outlooks on their own finances and macroeconomic sentiments.

61% of adults in multigenerational households report taking financial education in secondary school, with two-thirds (67%) of them saying they found it useful, 15% did not find it useful, and 18% are not sure if it was useful. The data shows a positive relationship between taking financial education in high school and finding it useful with individual quality of financial life and having more positive feelings about the economic conditions of their community and the country.

- Respondents who took financial education in secondary school and found it useful are more likely than those who did not take it to have a quality of financial life that is "better than expected" (25% vs. 11%).
- Eight percent of adults who took financial education in secondary school and found it useful rate the economic conditions today of the country as excellent, 26% rate them as good, 34% rate them as fair, and 32% rate them as poor, which is a more positive view than those who did not take financial education in secondary school (excellent: 3%; good: 17%; fair: 35%; poor: 45%).
- 12% of adults who took financial education in secondary school and found it useful rate the economic conditions today of their community as excellent, 35% rate them as good, 33% rate them as fair, and 20% rate them as poor, which is a more positive view than those who did not take financial education in secondary school (excellent: 5%; good: 26%; fair: 41%; poor: 28%).

Full Methodology

SurveyUSA interviewed 1,475 U.S. adults online from August 12-14, 2024, using nonprobability sample of adult online panelists provided by Lucid Holdings, LLC, of New Orleans. Of the adults, 812 were identified as being part of a multigenerational household and were asked the substantive questions which precede. The pool of adult respondents was weighted to U.S. Census ACS targets for gender, age, race, education and home ownership, and to recall their 2020 presidential vote.

A Note About Reading the Report and Data Supplement

The percentage of respondents has been included for each item. Percentages may not always add up to 100% because of computer rounding or the acceptance of multiple responses.