



The Associated Press-NORC
Center for Public Affairs Research

PARENTS AND YOUNG PEOPLE AGREE: THE FINANCIAL OUTLOOK ISN'T SO BRIGHT

Despite many economic indicators moving in a positive direction, young people age 15-26 and parents with children in this age group have mixed views on how the national economy and their personal finances will change over the next year. Few anticipate that the national economy will improve, though many believe their personal financial situation will improve. MTV and The Associated Press-NORC Center for Public Affairs Research conducted this new survey of young Americans who will all be old enough to vote in 2020 and parents of young people age 15-26 to paint a picture of the economics of these American households.

These parents and 15- to 26-year-olds also give similar assessments of the younger generation's standard of living in comparison with the older generation's. Only half of young people think they are doing better than their parent's generation when it comes to their standard of living or will do better in terms of their household finances.

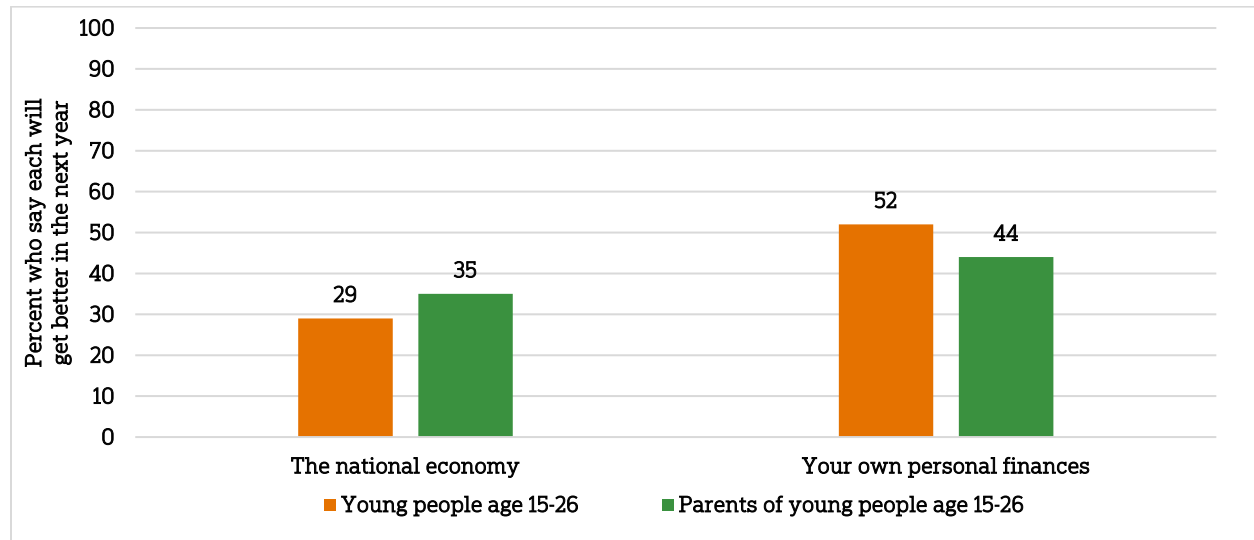
The survey also provides a comparison of how each generation has financed or plans to finance college. Compared to their parent's generation, young people are more likely to say they received a scholarship, used money from a 529 college savings plan, or received funds from a loan taken out by their parents.

This survey is the fourth in a multiwave series of polls of young people age 15-34. This is the second in the series that includes a sample of parents of 15- to 26-year-olds in order to make comparisons between the two generations. This nationwide poll by MTV and The AP-NORC Center was conducted August 23-September 10, 2018, using AmeriSpeak®, the probability-based panel of NORC at the University of Chicago. It surveyed a total of 580 young people age 15-26 and 591 parents of this age group.

ECONOMIC OUTLOOK

Few young people or parents are optimistic that the national economy will improve in the coming year. Yet, they are more hopeful that their personal finances will get better.

Young people and parents express more optimism about their own personal finances than the national economy.



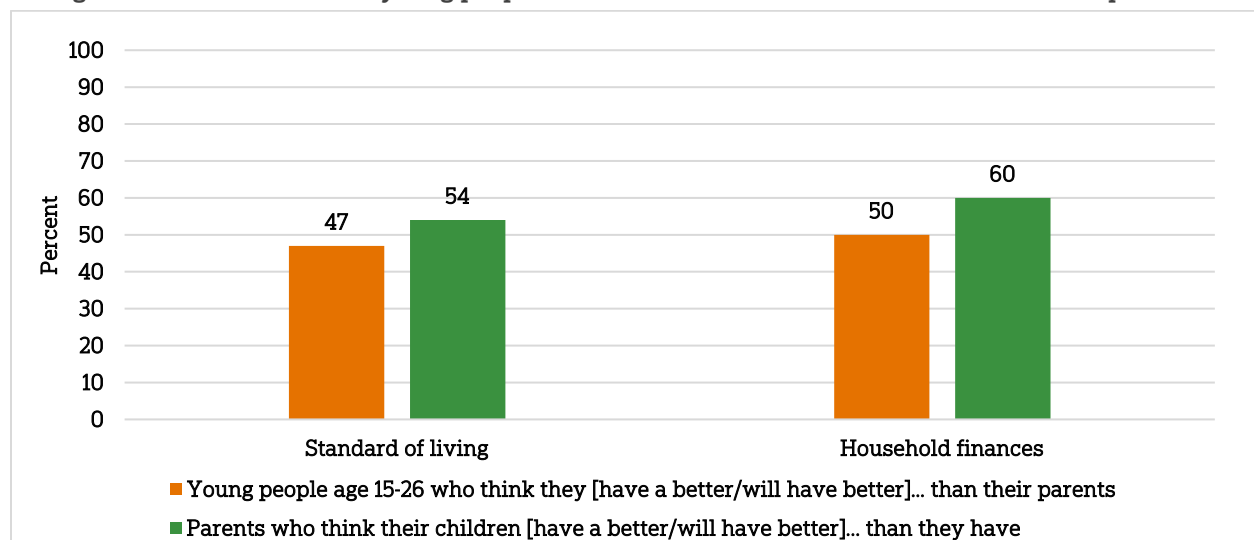
Question: In the next year do you think each of the following will get better, get worse, or stay about the same?

Source: MTV/AP-NORC poll conducted August 23-September 10, 2018, with 591 parents and 580 young people age 15-26

GENERATIONAL COMPARISONS

In comparing the older and younger generations, roughly half of those age 15-26 and parents of this age group tend to agree that the younger generation's standard of living is better than the older generation's at the same point in their lives. They are a bit more optimistic that the younger generation will eventually do better in terms of household finances. Though, parents are more likely than the young people to hold this view.

Both generations tend to think young people will have better household finances than their parents.



Questions: Compared to [your parents when they/when you] were the age [you are now/your child is now], do you think [your own/your child's] standard of living now is better, worse, or about the same as [theirs/yours] was? Thinking about household finances, do you think [you/your children] will eventually do better, worse, or about the same as [your parents/you] have done?

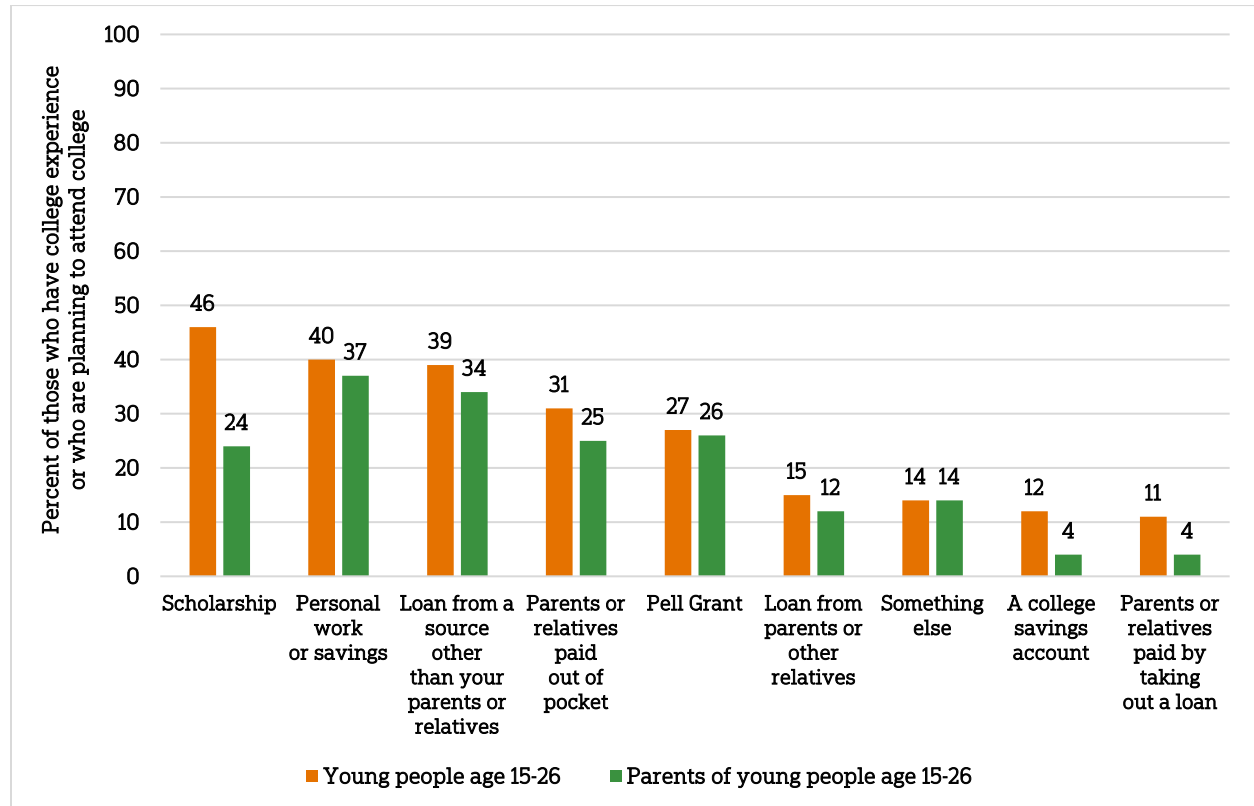
Source: MTV/AP-NORC poll conducted August 23-September 10, 2018, with 591 parents and 580 young people age 15-26

FINANCING HIGHER EDUCATION

Among adults who have attended college and the 67 percent of 15- to 17-year-olds who plan to go, both generations financed college through similar means, with a few exceptions.

For instance, more young people than parents relied on scholarships to finance their higher education (46 percent vs. 24 percent). Also, more young people used a 529 or other educational savings plan to pay for college than did their parents (12 percent vs. 4 percent).

More young people than parents used scholarships to finance their college education.



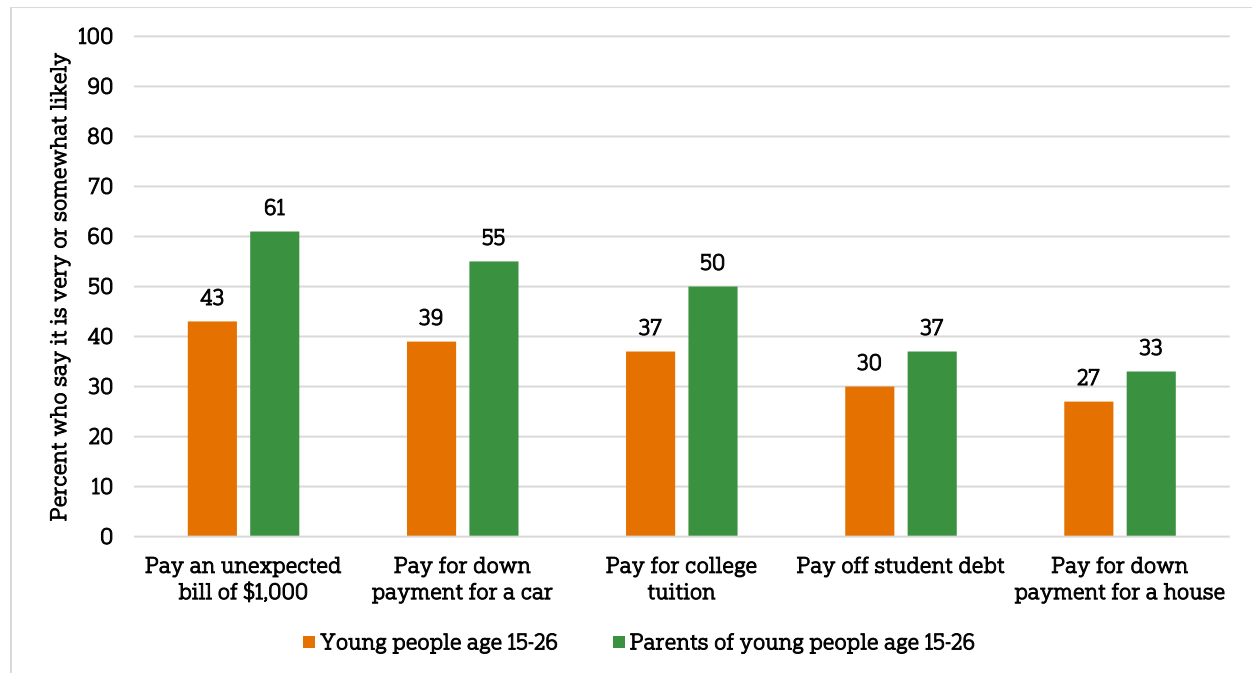
Question: [If 15-17] If you do go to college, how do you plan to pay for it?

[If 18 or older] How did you pay for college?

Source: MTV/AP-NORC poll conducted August 23-September 10, 2018, with 591 parents and 580 young people age 15-26

PARENTAL FINANCIAL SUPPORT

Young people are pessimistic about the prospect of their parents supporting them financially, while parents are more likely to think they can help out their children if needed. While more than half of parents say it's likely they could help their child pay an unexpected bill of \$1,000 or put a down payment on a car, only about 4 in 10 young people agree.

Young people are less optimistic about the likelihood of their parents helping them make a payment.

Question: How likely is it that [your parent(s) could help you/you could help your child]?

Source: MTV/AP-NORC poll conducted August 23-September 10, 2018, with 591 parents and 580 young people age 15-26

STUDY METHODOLOGY

This survey was conducted by The Associated Press-NORC Center for Public Affairs Research and with funding from MTV and NORC at the University of Chicago. Staff from NORC at the University of Chicago, The Associated Press, and MTV collaborated on all aspects of the study.

Data were collected using AmeriSpeak®, NORC's probability-based panel designed to be representative of the U.S. household population. During the initial recruitment phase of the panel, randomly selected U.S. households were sampled with a known, non-zero probability of selection from the NORC National Sample Frame and then contacted by U.S. mail, email, telephone, and field interviewers (face-to-face). The panel provides sample coverage of approximately 97 percent of the U.S. household population. Those excluded from the sample include people with P.O. Box only addresses, some addresses not listed in the USPS Delivery Sequence File, and some newly constructed dwellings.

Interviews for this survey were conducted between August 23 and September 10, 2018, with young people age 15 to 34 and parents of young people age 15 to 26 representing the 50 states and the District of Columbia. Interviews were conducted in both English and Spanish, depending on respondent preference. Adult panel members age 18 to 34 were randomly drawn from AmeriSpeak, and 889 completed the survey—867 via the web and 22 via telephone. Teen panel members age 15 to 17 were drawn from AmeriSpeak Teen, and 123 completed the survey—123 via the web and 0 via telephone. Adult panel members who are known parents of 15 to 17 year olds were randomly drawn from AmeriSpeak, and 120 completed the survey—116 via the web and 4 via telephone. In addition, panel members age 30 to 76 were randomly drawn to screen for parents of young adults age 18 to 26, and 471 completed the survey—438 via the web and 33 via telephone.

Among young people age 15 to 34, the final stage completion rate is 26.2 percent, the weighted household panel response rate is 28.6 percent, and the weighted household panel retention rate is 86.0 percent, for a cumulative response rate of 6.4 percent. The overall margin of sampling error among young people age 15 to 34 is +/- 4.5 percentage points at the 95 percent confidence level, including the design effect. The overall margin of sampling error among young people age 15 to 26 is +/- 6.6 percentage points at the 95 percent confidence level, including the design effect. The margin of sampling error may be higher for subgroups.

Among parents of young people age 15 to 26, the screener completion rate is 49.0 percent, with an incidence rate of 49.5 percent. The interview completion rate is 97.0 percent, for a final stage completion rate of 47.5 percent. The weighted household panel response rate is 28.6 percent and the weighted household panel retention rate is 86.0 percent. The cumulative response rate is 11.7 percent. The overall margin of sampling error is +/- 7.5 percentage points at the 95 percent confidence level, including the design effect. The margin of sampling error may be higher for subgroups.

Once the sample has been selected and fielded, and all the study data have been collected and made final, a poststratification process is used to adjust for any survey nonresponse as well as any noncoverage or under and oversampling resulting from the study specific sample design. Poststratification variables included age, gender, census division, race/ethnicity, and education. Weighting variables were obtained from the 2017 Current Population Survey. The weighted data reflect the U.S. population of young people age 15 to 34 and parents of young people age 15 to 26.

For more information, email info@apnorc.org.