

## **Key Findings** **Grandparents Survey**

### **Grandparents on Giving...**

**Most grandparents love being grandparents— even more than parenting— and view financial support of their grandchildren as a joy and not as an obligation.**

- 66% say they enjoy being a grandparent more than parenting.
- 68% are in contact with their grandchildren at least once a week.
- Of grandparents who provide support to their grandchildren, 83% say they give because it makes them happy.

**Grandparents may disagree on some things— but financial support of their grandkids is not one of them.**

- 97% of married grandparents say they have never had a major disagreement with their spouse over financial support of their grandchildren.

**Some grandparents provide vital financial support to grandkids.**

- 21% have given a “significant” amount to help pay for college.
- 22% have provided money for grandchildren’s basic needs.
- 20% have provided daycare on a regular basis so their parents could work.
- Among those who give to their grandkids, 23% say “helping their children make ends meet” is a major reason they give; 19% cited it as a minor reason.

**And grandparents’ financial support generally does not come with strong strings attached. Of those who currently provide support:**

- Only 35% said they would be very or somewhat likely to stop or limit support if their grandchildren made a life choice with which they were not in agreement.
- Only 24% said they would be very or somewhat likely to stop or limit support if their grandchild stopped calling or visiting them.

**Most grandparents make the grade on imparting financial wisdom.**

- 38% of grandparents give themselves a “B” for the job they did teaching their children about saving and investing, while 25% give themselves an “A”.
- Such advice must have worked, as 32% of grandparents gave their own children a “B” – compared to 22% who gave them an “A,” for passing along financial know-how to their kids

**What grandparents give to their grandchildren...**

- In gifts or cash, grandparents spent a median of \$150 per grandchild over the past year.
- On average, grandparents spent a median total of \$600 in gifts or cash on all their grandchildren last year.
- Less than one in five (19%) have given money and/or gifts worth \$1,000 to a grandchild for a single occasion or at one time.

**Giving tends to be event-driven— not “planful” or directed to a particular long-term goal or purpose.**

- Birthdays, holidays or special events are a major focus of giving.
- About one in five (21%) have provided money for college.
- Only 22% have ever opened a savings or investment account on behalf of a grandchild. The account they are most likely to open offers a low return— a bank account.
- Nearly six out of 10 grandparents who think it’s at least somewhat likely they will have more grandkids say they have given “no thought” or “not too much thought” as to how they will provide for them financially.

**Grandparents are not particularly familiar with some traditional investment vehicles.**

- 79% have never heard of a Coverdell education savings account.
- 91% have never heard of an UGMA or UTMA.

**Grandparents’ giving is limited by concerns— about their future and about spoiling their grandkids.**

- 79% agree that kids today do not understand the value of a dollar.
- 57% are afraid that if they give their grandchildren too much they will spoil them.
- 61% of those who currently provide support said they would be very or somewhat likely to stop or limit support if they felt their grandchildren would not use the money responsibly.
- Grandparents who gave less than \$250 in presents or cash to all of their grandchildren over the past year or have never spent \$1,000 or more on a grandchild at one time say their giving is constrained by:
  - lack of resources (55%);
  - concerns about running out of money as they age (42%);
  - the need to save or pay for medical expenses (45%)

## **Grandparents on Recognition...**

### **Grandparents appreciate recognition.**

- Two-thirds strongly believe their family values the role they play in their lives as grandparents— but only 35% strong believe society recognizes their importance.
- Hands-down a personal thank you is deemed the most appropriate way for a grandchild to thank them for a gift, cited by 46% of grandparents who currently provide support to grandchildren school-age or older. A phone call was next at 28%. Only 2% thought an e-mail the most appropriate way to say thanks.
- 54% of grandparents who already provide financial support or gifts said they would be very or somewhat likely to stop or limit support if they felt their grandchildren did not appreciate the money or gift.

### **But Grandparents' Day isn't the preferred vehicle.**

- 87% have either never heard of Grandparent's Day or do not know in which month it falls;
- Among grandparents who had heard of it, 77% said their family doesn't do anything to celebrate it and 77% said it is "not too" or "not at all" important;
- As for its origins, asked to choose from a list of five, 48% of grandparents who have heard of it have no idea who created it; 31% thought a greeting card company did; 7% though Art Linkletter did— compared to the 8% who correctly credited President Jimmy Carter, who signed the day into law in 1978 as a way to honor the valuable role grandparents play in family life.
- Of those who are aware of the holiday, 62% value a good night's sleep more than a Grandparents' Day card.