

Personal Finance and Technology

Personal finance is a term used to describe how individuals manage their money. Technology has had a tremendous influence on how people monitor and track their money. 'Fintech' is the name referencing the combined forces of finance and technology. Some estimates suggest that roughly \$31 billion dollars is being invested into advancing technology in the finance space even further.



For instance, there are apps and other tools making it easier to manage checking and saving accounts and paying bills. Apps can be very helpful for learning about budgets and tracking their income. They are also useful for adults. Common ones include:

- Mortgage calculators – helps individuals estimate what monthly payments and interest will be before purchasing a house. Others will help you determine how quickly you can pay off your mortgage.
- Taxes – apps can help individuals prepare for filing their income taxes.
- Retirement – savings and planning for when individuals stop working later in life.
- Debt – apps to help individuals reduce how much they owe others.
- Budgets – helps individuals see how much money is coming into their accounts and how much they are spending.
- Investments – apps help people create accounts with minimal investments

Not everyone is familiar with these helpful tools. Below is a chart indicating how familiar various age groups in the United States are with personal finance apps.

	18-29 Years Old	30-39 Years Old	40-49 Years Old	50-59 Years Old	60+ Years Old
I am not familiar with it	16%	10%	29%	41%	53%
I am familiar with it, but will not use it	18%	20%	31%	23%	29%
I am familiar with it and will probably use it	41%	40%	30%	26%	14%
I already use such services	24%	29%	10%	11%	5%

The chart indicates that individuals ranging from 18-39 years old are the most familiar with personal finance apps and will likely use them. Roughly one-quarter of the respondents are already using them on their smartphone, tablet, or home computer.

Cyber threats and identity theft continue to increase, so credit monitoring has become a necessity for adults. Thankfully technological advancements make it easier for consumers to monitor their credit to ensure they have not become a victim of theft or fraud.

The crossroads of technology and personal finance can help individuals manage their money and be better users. You can expect to see increased usage in apps along with continued advancements in items, such as mobile wallets, which may further limit consumer's use of cash.

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"How to Take Advantage of Financial Technology." *U.S. News & World Report*, U.S. News & World Report, money.usnews.com/money/personal-finance/saving-and-budgeting/articles/2018-05-15/how-to-take-advantage-of-financial-technology.