



Chinese Americans: Reaching for the American Dream

MassMutual's College Planning & Saving Study – Chinese American Families

CHINESE PROVERB

If you are planning for a year, sow rice. If you are planning for a decade, plant trees. If you are planning for a lifetime, educate people.

Hoping and dreaming of a better life for their children, Chinese American parents look to the promise of a college education to open doors and opportunities. While most parents share this American education dream, Chinese American parents seem most determined to make it happen. Making up the largest Asian population segment in the U.S. according to the Census Bureau¹, many are the children of immigrants who arrived after federal immigration laws changed fifty years ago.

Life in America has not erased the Chinese cultural belief that it is the parents' responsibility to give their children the best they can and do their utmost to provide the opportunities that will lead to a happy life. Planning for their child's future happiness sometimes begins at birth. Opening bank accounts for their children and saving gifts of money throughout their lives, Chinese American parents deserve credit for their planning. But no matter when the saving begins, all parents can be overwhelmed by headlines about skyrocketing tuition and mounting student debt. They contribute to concerns that it will be hard to afford sending their children to the best possible school using their savings alone.

¹ Source: U.S. Census Bureau; Newsroom, Statistics for Stories, January 2017.

Revealing Details

Sharing their hopes, customs and beliefs, Chinese American parents and guardians answered questions about funding higher education for their children in MassMutual's College Planning & Saving Study, a nationwide survey for Massachusetts Mutual Life Insurance Company (MassMutual). With more than 165 years of helping families protect their futures, MassMutual has a wealth of knowledge to help parents and guardians plan how to save, invest, and prepare for those college expenses.

To provide American families with information and guidance needed to make sound financial decisions, they commissioned New American Dimensions research firm to conduct MassMutual's College Planning & Saving Study. The multicultural research firm talked with parents and guardians of children ages 5 to 15 from across the U.S., with a special focus on certain ethnic backgrounds, to help MassMutual gain a deeper understanding of how ethnicity and income affect family decisions around college planning and saving.

Parents and guardians shared their financial priorities, obligations, and economic goals. Mapping their answers reveals there are many possible routes to financing a child's college degree and realizing the American dream.

In China, the red envelope is called *yasui qian*. The Lunar New Year is when red envelopes containing crisp new bills are given to children to wish good luck.

Tradition and Treasure

Emerging from the study is a picture affirming the Chinese cultural value that children are a treasure. Proving the point, the study shows parents invest in their children. With an average of \$29,000 in college savings, Chinese American parents rank ahead of every other ethnic group. Other family members contribute in a tradition of "paying it forward" or with red envelope gifts during the Lunar New Year.

Chinese American parents personally know the value of education. Ninety percent (90%) of parents surveyed are college educated, and more than half have an advanced degree. It's been their key to a good career and the door to better opportunities. Parents know it will help their children obtain financial security, success, and happiness. Valuing education also motivates the parents to save. By the child's fifth birthday, 53% of Chinese American parents are saving to make the college education dream come true.





“My kids have a savings account with money they received when they were born.”

Great Expectations

Chinese Americans, along with Asian Indians, lead the way in making “paying for college” a priority. Fifty percent (50%) plan to use their savings to pay for college because they believe it’s their responsibility.

In addition to teaching their children that a college education is a priority, Chinese parents also foster in them a sense of ownership and independence. They want their children to contribute financially by earning scholarships and working a part-time job or work-study. “I don’t want to spoil them,” commented a parent from California. Two-thirds of Chinese parents expect to pay at least half of their children’s college expenses, a plan they may not share with their children. “I won’t tell her I’m supporting her, so she knows she needs to work for herself, but I plan to be there if she needs it,” admitted one California parent.

The survey shows it’s common for Chinese parents to decide financial matters by making their child’s future college expenses a priority.

“We might have to sacrifice,” commented a parent from California. To save the maximum amount of money, Chinese American parents will forego a car, vacation, their pursuit of a college degree, or starting a business.

Surveying the participants:

Parents/guardians ages 30–64
Annual income at least \$50,000+
With children ages 5–15

Two-phase study:

1. Mini-focus groups in-language
2. National online survey

See Methodology section for details.

Percentage who set up a 529 or state-college savings plan by ethnic segment

Chinese	37%
African American	35%
Korean	34%
Hispanic	32%
Asian Indian	29%
General Population	29%

The Roads to Happiness are Paved with Hardships

Day-to-day living expenses, rising healthcare costs, and their own unpaid college debt are a few of the roadblocks parents encounter on their way to reaching that goal. Trying to be proactive, 53% have added up the estimated expenses to determine how much they need to save. For many parents, there is a sense that college isn't affordable now, and it won't be in the future. Add in a child's "college of choice" and the lack of confidence grows.

Planning for a Lifetime

"Resorting to a loan would depend on if they go to a really expensive school," said a parent from San Francisco. There are many useful financial tools designed to help parents save money. For example, more Chinese American parents have opened a state-sponsored savings plan than any other ethnic group. However, when asked if they were familiar with other options to save, parents revealed they were unfamiliar or didn't understand how retirement accounts and other insurance products can be used. Only a fraction of Chinese parents, 16%, have worked with a financial professional to create a strategy to pay for college.

"Once my child was born, I prepared. I purchased insurance and stocks, too. I'm trying to ensure she can go to college."





“My wish is for them to finish college debt-free,
and be able to choose what they want to do in life.”

Planning for a Lifetime

(continued)

Looking for information to create a savings plan, 60% of the parents turn to the Internet. Their search can turn up an abundance of sources including college websites, financial companies, and social media sites. Deciding what information is trustworthy can be an overwhelming and stressful process. Chinese parents say they resist information that comes from insurance companies and brokerage firms believing it is biased. They seek advice from friends, but that can be unreliable.

Through educational institutions, weekend schools, the PTA, community events, and public seminars, parents can make contact with and build a trusted relationship with a financial professional. That contact can better direct parents to reliable online resources that include articles on college financing, budgeting tools, life insurance, and retirement savings tools similar to the ones available on www.massmutual.com.

Realizing the Dream

You're planning for a lifetime. To turn your dreams into reality requires taking action now. Begin with a clear picture of your family finances. Identify your priorities, prepare for the unexpected, and determine your goals.

An independent financial professional can offer an analysis of your finances and suggest changes. Are you saving for retirement? Have you determined how much you can contribute to your child's college savings?

Invest time to know and trust an experienced financial professional. Together, the strategy you'll develop will benefit your family and your treasure. You can achieve a financially secure future, a retirement that keeps you from burdening your children, and open the doors to a happy, prosperous life for your college-educated child. The key is to plan today. Visit www.massmutual.com or contact a financial professional to learn more.

METHODOLOGY

MassMutual's College Planning & Saving Study, a two-phase research project, examines the attitudes and needs of families as related to education planning and funding. The study is intended to bring a deeper understanding of the importance of higher education and how factors like ethnicity and income affect family decisions and behaviors. MassMutual's College Planning & Saving Study will help MassMutual provide American families with the information and guidance they need to make responsible financial decisions.

MassMutual's College Planning & Saving Study was conducted for MassMutual by New American Dimensions, LLC, in December 2016. The first phase of research, conducted in English and in-language, included 22 mini-focus groups with five key ethnic groups (Hispanic/Latino, African American/Black, Chinese American, Korean American, and Asian-Indian American) in the metropolitan areas of Los Angeles (November 30 to December 1, 2016), New York City (December 5 and 6, 2016), and San Francisco (December 20, 2016).

The second phase, a 20-minute online questionnaire, was conducted between December 13 and December 30, 2016. The survey, conducted in English, comprised 1,750 interviews. Within the total number of surveys, 150 completes were obtained of the five specific ethnic segments.

Both phases of the research were conducted with men and women who are 30–64 years old with children ages 5–15 for whom they are financially responsible. Respondents also meet a minimum household income requirement (\$50,000+) and participate in financial decision-making for their household to qualify. Results for the total were weighted to the 2010 U.S. Census distributions for ethnicity to be representative of American families in this age and income bracket.

Live Mutual



Visit the MassMutual College Savings Calculator at www.massmutual.com/planning/calculators/college-savings-calculator.

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華裔美國人：追求美國夢

萬通互惠理財大學學費規劃與儲蓄研究 - 美國華裔家庭

「十年樹木；百年樹人」

華裔父母為了給子女一個更好的未來，會把重心放在大學教育上，期望能為子女帶來更多發展機會。雖然大部分的父母都擁有這樣的期望，但華裔父母相對更有決心地去付諸實行。根據人口普查調查¹顯示，華裔在美國亞裔人口中佔比最大。多數華裔移民，都是年幼時，在50年前聯邦移民法修正後移民到美國的。

中國傳統文化認為，給子女最好的生活是父母的責任。父母竭盡所能為子女提供豐富的資源，希望他們可以擁有幸福的人生。這個傳統的觀念並沒有因為在美國生活而消失。許多父母會從子女出生的那一刻起，就開始規劃儲蓄。這些父母為子女開立個人儲蓄帳戶，幫子女把從小到大收到的紅包，都存入個人戶口。華裔父母的儲蓄規劃是很值得讚許的。但無論父母甚麼時候開始為子女儲蓄，面對不斷飆升的大學學費及就學貸款，這些父母仍然承受極大的壓力。多數的父母擔心他們的儲蓄將無法負擔孩子就讀最好的學校。

¹ 來源: 美國人口普查署, 2010-2014年美國社區問卷五年間的估算

背景

萬通互惠理財擁有超過165年的經驗，協助為數眾多的家庭，保障他們的財務未來。藉由萬通互惠理財的協助，這些家庭清楚地理解，如何進行儲蓄、投資以及規劃大學教育支出等相關費用。旨在為美國家庭提供足夠的資訊，以做出正確的財務決策，萬通互惠理財委託New American Dimensions研究公司，進行「大學學費規劃與儲蓄研究」。

New American Dimensions是一家針對多元文化市場的調查公司，在此次的委託研究中，廣泛地訪問了居住在美國各州的父母及監護人，同時也深入部分特定的族裔，藉此幫助萬通互惠理財更進一步瞭解不同種族文化的家庭，以及收入的差異，對於大學學費規劃與儲蓄習慣所造成的影響。

訪問擁有介於5到15歲的子女的父母及監護人，分享了他們在財務分配上的優先順序、義務以及經濟上的目標。根據這些受訪者的回答顯示，有許多可能的途徑來資助子女的大學學費，實現美國教育的夢想。

紅包在中國被稱為壓歲錢。紅包裡裝的都是新的紙鈔，在農曆新年時由長輩包給小朋友，為他們送上祝福。

傳統與珍寶

從這個研究調查中看出，在中國的文化價值中，子女被認為是珍寶。從華裔父母願意投資在他們的子女身上可以證明這個觀點。華裔父母為子女存的教育基金平均金額為\$29,000，是所有的族裔中金額最高的。華裔家庭的其他成員，也會在農曆新年時，利用包紅包的傳統習俗，貢獻部分的學費。

華裔父母了解教育的價值，90%的受訪者受過大學教育，將近一半的受訪者擁有更高的學歷。這些受訪者認為，高學歷不僅有助於其事業發展，且可以掌握比別人更好的機會。

華裔父母認為大學教育可以幫助子女獲得財務上的保障，帶來成就感與快樂。對教育的重視也成為激勵父母儲蓄的主要動力。53%的華裔父母在子女滿5歲時已存到足夠的資金，可以實現資助子女完成大學教育的目標。





「我的子女們有自己的儲蓄帳戶，他們出生後收到的每一筆錢，都存在自己的帳戶裡。」一對來自舊金山的父母提到。

遠大目標

比起其他族裔，華裔與印度裔的父母把「負擔子女的大學學費」視為優先考量。50% 的父母表示，他們打算用自己的儲蓄去支付子女的大學學費，因為這些父母認為，這是他們的責任。除了讓子女認知大學教育的重要性，華裔父母也培養子女對自己負責的態度，以及獨立的意識。華裔父母希望子女可以利用獲得獎學金、兼職或是半工半讀，來負擔部分學費。

三分之二的華人父母表示，他們預計支付至少一半的大學學費。但是這些父母通常不會讓孩子知道他們的想法。住在加州的夫妻談到：

「我不會讓孩子知道我會提供資助，這樣孩子才知道必須要努力才能負擔大學學費。但我會把資金準備好，當孩子需要的時候可以用得着」。他們接著說：「我不想寵壞他們。」

「我們必須要有所犧牲」一對父母談論到。

問卷結果顯示，華裔父母把為子女儲存教育資金列為主要的財務目標，而這樣的情況非常普遍。為了能夠儲蓄更多的錢，華裔父母甚至

會放棄買車、渡假、自身對大學學位的追求、或是創業的夢想。

問卷參與者:

年齡介於30到64歲的父母或監護人

年收入\$5萬美元以上

小孩年齡介於5到15歲

兩階段研究:

1. 以各族裔語言進行的焦點小組訪談
2. 全國性的網路問卷調查
詳細研究方法請參考下文

建立529或州立大學儲蓄計劃

美國華裔: 37%

美國非裔: 35%

美國韓裔: 34%

西班牙或拉丁美洲裔: 32%

美國印度裔: 29%

一般族裔: 29%

好事多磨

一對住在麻州的父母表示，他們希望子女大學畢業後是沒有負債的。然而日常的生活開銷，攀升的醫療保險支出，加上父母本身還未繳清的大學貸款等，成為達成這個目標所面臨的障礙。53%的父母會未雨綢繆，在做儲蓄規劃時預算較多的支出，以此來決定他們需要儲蓄多少的資金。多數的父母認為，不管現在還是未來，子女的大學教育支出是難以負擔的。再加上子女的「大學選擇」這件事，充滿各種不確定因素，使父母更缺乏資助子女接受大學教育的信心。

一生的規劃

一對來自舊金山的父母談論到「是否需要貸款，要視孩子就讀學校的學費而定。」其實有

許多有用的財務分析工具，可以幫助父母節省開支。例如：比起其他族裔，許多華裔父母知道可以開立州政府資助的儲蓄計劃。但是當問到這些父母是否瞭解其他的儲蓄計劃，例如退休帳戶跟其他保險產品，則多表示不熟悉。只有16%的華裔父母會諮詢專業的理財顧問，為大學教育基金進行規劃。

有60%的父母，會直接上網查詢與儲蓄計劃相關的資訊。但網路資料量相當龐大，且一般網路檢索所能得到的資訊，多數來自於大學網站、金融理財服務公司或社群網站。要從大量而分散的資訊中，過濾出正確而有用的訊息，使得資料檢索相對更加困難。

華裔父母提到他們不太相信來自保險公司或保險經紀人提供的資訊，因為資訊可能有偏頗。

「我在子女一出生就開始準備教育基金。我買保險與股票，確保有足夠的資金讓子女能夠完成大學教育。」





「我希望子女大學畢業後不用負擔任何債務，並能夠選擇自己想要做的事情。」

這些父母雖然也會尋求朋友的意見，但朋友的意見也不一定準確。

建議父母可以利用參加如教育機構所舉辦的活動或課程、周末中文學校、家長教師協會、社區活動、或公開講座等的機會，與理財顧問建立互信的關係。透過可信任的理財顧問，幫助父母更有效率地進行網路檢索，以取得正確有用的資訊，例如與大學教育資金相關的財務分析文章、預算編列工具、人壽保險，以及退休儲蓄計劃等。相關訊息也可瀏覽 massmutual.com 查詢。

實現你的夢想

生涯規劃，是一輩子的。實現夢想，就趁現在。從清楚地瞭解家庭財務狀況開始，界定優先順序，為未知做準備，並訂定目標。專業理財顧問可以幫助父母分析家庭財務狀況，並提供合適的建議。你有為了退休後的生活，而規劃儲蓄嗎？你知道能夠負擔子女多少的大學學費嗎？請花點時間去瞭解，並且相信經驗豐富的理財顧問所提供的建議。你的決策，可以造福你的家庭，以及你本身的資產。保障你的財務未來是可行的，你既可以安心退休而不依靠子女，以及幫助擁有大學學位的子女展開快樂及精彩的人生。最重要的是，不要遲疑，現在就開始你的規劃。欲知詳情，請瀏覽 www.massmutual.com，或與我們聯絡。

研究方法

「萬通互惠理財大學學費規劃與儲蓄研究」是一個兩階段的研究計劃。調查家庭對於教育規劃，以及資金使用的態度與需求。研究的目的，是為了更進一步瞭解高等教育的重要性，以及族裔與收入的差異，如何影響家庭的決策與行為。此研究可以為萬通互惠理財提供更多的參考資料與方向，以助客戶進行財務規劃及決策。

「萬通互惠理財大學學費規劃與儲蓄研究」是 New American Dimensions公司在2016年12月所進行的研究。第一階段研究調查：以英文及各族裔語言進行22個焦點小組訪談。受訪者涵蓋5個主要的族裔，包括西班牙或拉丁美洲裔、美國非裔、美國華裔、美國韓裔、以及美國印度裔。訪談在洛杉磯 (2016年11月30日至12月1日)、紐約 (2016年12月5至6日)，以及舊金山 (2016年12月20日) 等大城市進行。

第二階段研究調查：採用20分鐘的網路問卷，問卷進行時期在2016年12月12日至2016年12月30日間。問卷以英文進行，共計1,750份。其中以上五個不同族裔的受訪者分別各完成150份問卷。

兩個階段的男女受訪者，年齡層都設定在30到64歲之間，且擁有介於5到15歲之間的家庭成員。根據2010年美國人口普查，受訪者的家庭年收入，都符合最低要求\$50,000要求，且有參與家庭財務規劃的決定權，能代表這個年齡層和收入網的一般美國家庭。

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請到www.massmutual.com/planning/calculators/college-savings-calculator瀏覽「萬通互惠理財大學學費儲蓄計算機」
(MassMutual College Savings Calculator)。

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