

# The engagement gap: Why debt support solutions go unused among young adults





## ACKNOWLEDGEMENTS

This research was led by Maya Pendleton, Senior Research Manager at SaverLife. This brief was authored by Maya Pendleton with support from the SaverLife team, including Kennan Cepa, Director of Research and Policy, Rebekah Collinsworth, Senior Director of Brand and Communications, and Leigh Phillips, President and CEO. We want to thank our members for their contributions and insights; none of this work is possible without them.

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## INTRODUCTION

Young adulthood is a pivotal time for financial health, as the decisions made during this period can shape long-term financial trajectories. Today's young adults are coming of age amid rising costs of living and persistent affordability challenges that compound already difficult debt burdens. Many carry large amounts of unsecured, high-cost debt alongside their student loans, making it harder not only to stay current, but to make meaningful financial progress. At the same time, the financial milestones they grew up associating with stability and success—earning a degree, buying a home, building savings—feel increasingly out of reach or impractical given current economic conditions.

This study shows that while many young adult SaverLife members struggle with debt and view paying it down as a priority, uptake of available debt solutions remains low. This points to a gap between young adults' motivation to address debt and the progress they are able to make, both on their own and through available solutions. This brief examines that gap, exploring the types of debt young adults hold, how their intentions are not matched by their uptake of existing debt solutions, and what it would take for existing solutions to better meet their needs and help them make progress towards reducing debt.

### MEET KAT



KAT, SAVERLIFE MEMBER

Kat is a vibrant young adult SaverLife member living in Illinois who knows firsthand how student loan debt and the rising cost of living can make getting ahead feel out of reach. She describes making careful, calculated tradeoffs each month: balancing bills, covering everyday necessities, and finding small, affordable ways to enjoy time with friends. Despite a college degree that earned her certification in her field, Kat continues to struggle with the high cost of living. She is now considering a cross-country move in hopes of accessing higher earning opportunities and building the financial cushion she needs to better manage her debt. **Read Kat's story.**

*\*Kat's story was collected through our member storytelling work, which is independent from the interviews collected as part of this project.*

## ABOUT OUR APPROACH

This report blends data from four different sources to provide a comprehensive picture of young adult members' experiences with debt.

Between July and October 2025, SaverLife fielded a survey of young adult members\* ages 18 to 24, focusing on their experiences with debt and financial circumstances. Key demographic characteristics of young adult members whose responses are included in the analysis (n=155) are summarized below:

- 45% reported holding at least one type of debt.
- 48% reported annual incomes below \$25,000, and almost 80% earned less than \$50,000.
- 39% work full time, 20% work part time, and 24% are currently unemployed.
- The majority identified as women and reflected a range of racial and ethnic backgrounds: 41% of members identified as Black or African American, 31% as White, 12% as Hispanic or Latino, 7% as Asian or Pacific Islander, and 7% as Bi-or Multi-Racial. Three percent declined to report.
- They reported varied educational attainment: 34% have a high school diploma, 21% have attended some college, 20% hold a bachelor's or associate degree, 10% are currently enrolled in a four-year college or university, 8% have completed some high school, and 6% have a graduate degree.

SaverLife also conducted eight qualitative interviews with young adult members to better understand their financial circumstances and experiences with debt. Those who participated in research interviews were selected from amongst those who completed the survey and reported that they currently held debt. Those who participated in these research interviews reflected the demographic and financial composition of those who completed the survey.

To help contextualize young adults' experiences with debt, we pull from two additional data sources. First, SaverLife administers an onboarding survey to understand members' financial situations and goals. This brief includes data from 731 young adult members who completed this survey between January and December 2025. The demographic profile of this sample is broadly similar to the young adult debt survey sample in that most respondents identify as women (71%) and report household incomes less than the US median incomes, with about two-thirds earning between \$15,000 and \$75,000 annually. However, the sample is less racially diverse: 95% identify as White.


Lastly, a large majority reported a high school diploma as their highest level of education (92%). Despite these distinctions, results from the onboarding survey help to situate young adults' priorities around debt in their larger financial context.

The brief also includes supplemental data from a larger SaverLife study on debt and financial health that includes adults of all ages. That dataset contains responses from 1,462 members and was collected in March of 2025. Members in this dataset were predominantly women (79%), and over half (55%) reported annual incomes of \$50,000 or less. Half were employed full-time, while 12% were employed part-time, 12% were self-employed, and 16% were disabled, full-time caregivers, or retired.

\*Unless otherwise noted, references to young adult members refer to SaverLife members ages 18–24 who completed the survey.

### STUCK UNDER THE WEIGHT OF DEBT

In 2025, SaverLife conducted a survey among its members and found that 94% carried at least one form of debt, highlighting how widespread and burdensome debt is across our entire member community.

 **49% of young adults with debt say they can't comfortably manage it.**

In interviews, young adult members described how this debt acts as a barrier to making progress toward other financial goals: “[Debt] makes me feel like I have a huge burden, and it makes me feel like I'm stuck in this place where I'm not able to move forward with my other financial goals.”

Among our young adult members with debt, the most common forms include credit cards, fintech credit (such as buy now, pay later and earned wage access or cash advances), and student loans, with many also reporting personal loans and medical debt (Figure 1). These unsecured debts often incur higher interest rates and fees, which may make the debt more expensive and challenging to manage than secure debt.

**FIGURE 1: DEBT TYPES HELD AMONG YOUNG ADULT MEMBERS WITH DEBT**

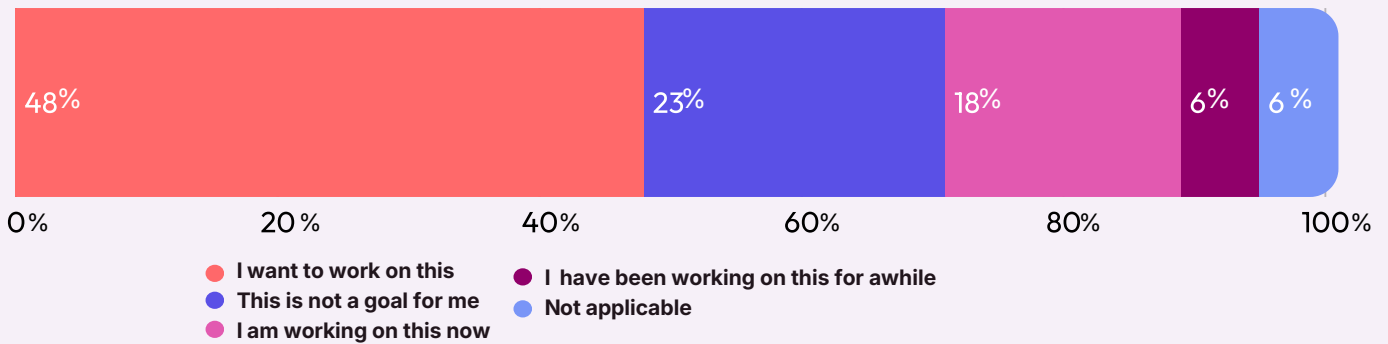


Source: 2025 Young Adult Debt Survey, fielded July to October 2025. Responses from the survey question: Do you currently have any of the following forms of debt?

## WHEN DEBT INTENTIONS DON'T TRANSLATE INTO PROGRESS

Debt repayment is a central financial priority for young adult members. In fact, 72% say they either want to work on paying down their debt or are already doing so (Figure 2).

**FIGURE 2: MANY YOUNG ADULTS NAME DEBT PAYOFF AS A PRIORITY**



Source: SaverLife Onboarding Survey (Jan – Dec 2025). Responses from the survey question: "What's your #1 financial goal: Pay down my debt." Percentages may not total 100% due to rounding.

Interviews further illustrate the extent to which paying off debt is a top financial priority, often above other goals: "Paying off debt is my biggest financial priority right now. Outside of automatic contributions to my 401(k), I'm not really prioritizing savings buckets or anything like that... I have a little over \$10,000 in student loan debt, and as a household we have more than \$20,000 in credit card debt. A large portion of my paycheck goes toward paying those down. The focus right now is eliminating that debt before returning to bigger savings goals."

Yet, we find prioritizing debt does not always translate to meaningful improvements in debt manageability. Among young adult members who said they wanted to work on their debt or were already working on it, only 22% reported actively making progress.

Together, these findings highlight a clear gap between intention and progress. There are tools designed to help manage debt, but many young adults largely do not use them. This suggests that the gap goes beyond being a personal challenge, and could be a signal that young adults need more support in understanding, trusting, and navigating available debt management solutions.

### EXISTING DEBT MANAGEMENT SOLUTIONS

**Credit counseling:** Guidance from a financial counselor about how to better manage debt and improve credit health

**Debt consolidation:** Combining all debts into a single loan or payment, usually with a lower interest rate

**Debt management plan:** A structured debt repayment plan arranged by a credit counseling agency

**Debt settlement:** You pay a fee to a company that repays your debt using money you save, with the promise that it will be less than the total amount you owe

## PAYING OFF DEBT IS A FINANCIAL PRIORITY FOR YOUNG ADULT MEMBERS

“Paying off debt is my biggest financial priority right now. Outside of automatic contributions to my 401(k), I’m not really prioritizing savings buckets or anything like that...I have a little over \$10,000 in student loan debt, and together my household has more than \$20,000 in credit card debt. A large portion of my paycheck goes toward paying those down. The focus right now is eliminating that debt before returning to bigger savings goals.” -SaverLife Member

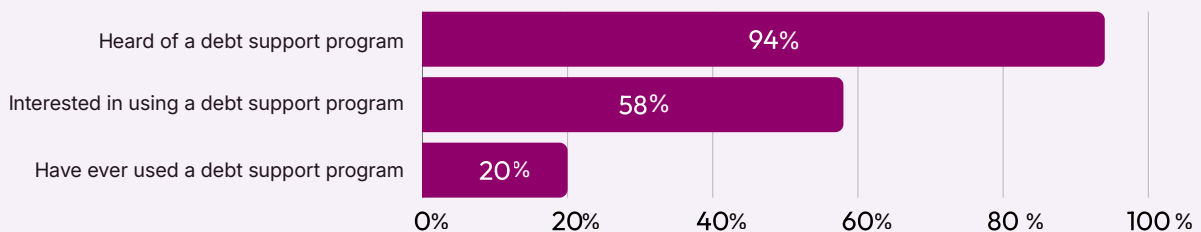
“I would say I prioritize paying off debt. I do want to go on vacation, but that has to be on the back burner right now. I’ve cut back on other activities, like dance, because it was getting expensive. It’s about deciding what’s most important right now.” -SaverLife Member

## WHY AVAILABLE DEBT SUPPORT SOLUTIONS AREN’T CLOSING THE GAP

Debt support solutions can make repayment more manageable and less overwhelming for borrowers, especially those with unsecured debt. Options like credit counseling and debt management plans have been shown to reduce overall debt and lower interest rates, while approaches such as consolidation and settlement can simplify repayment and ease the mental burden of juggling multiple balances and due dates.

In this research, we find that while a large majority of young adult members are aware of these solutions, and more than half express interest in using them, far fewer actually use them (Figure 3). The challenge is not awareness — it is converting that awareness into uptake.

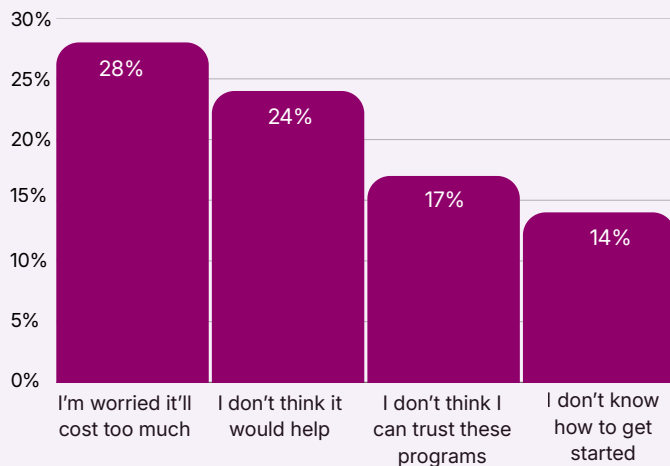
**FIGURE 3: AWARENESS OF AND INTEREST IN DEBT SUPPORT PROGRAMS DOES NOT TRANSLATE INTO USE**



Source: 2025 Young Adult Debt Survey, fielded July to October 2025. Responses from the survey question: “For each of the following programs or services, please select the option that best describes your experience.”

To better understand why interest is not translating into use, we asked young adults who expressed interest in these solutions why they were not using them. Several key themes emerged, offering insight into how young adults think about these options and where additional support may be needed. For many, the decision not to use these solutions stems from concerns about cost, uncertainty about whether programs would actually help their debt situations, lack of trust, and simply not knowing how to get started (Figure 4).

**FIGURE 4: REASONS YOUNG ADULTS ARE NOT INTERESTED IN DEBT SUPPORT SOLUTIONS**



Source: 2025 Young Adult Debt Survey, fielded July to October 2025. Responses from the survey question: "What is the main reason you haven't used this program yet?" Responses are aggregated across program-specific questions (credit counseling, debt consolidation, debt management plans, and debt settlement). Percent indicates young adults who selected this reason for at least one program.

These findings highlight an opportunity to increase uptake in debt support programs by addressing concerns about cost and effectiveness through transparent pricing and demonstrated impact, alongside simple, trusted onramps that make it easy for young adults to get started.

**WHAT'S GETTING IN THE WAY: COST, CONFUSION AND TRUST. YOUNG ADULTS ARE NOT REJECTING THESE SOLUTIONS – THEY LACK CLARITY, CONFIDENCE, AND TRUST IN HOW TO USE THEM.**

**TRUST:** "I've heard of them, but I haven't used them. When I think about those services, they seem scary. I try not to put myself in that position if I can avoid it."  
-SaverLife Member

**COST:** "A lot of these companies say they can help you manage or reduce debt, but you have to pay so much money for it."  
-SaverLife Member

**CLARITY:** "I've considered debt consolidation. I just couldn't, don't think I really understood what it was."  
-SaverLife Member

## REACHING YOUNG ADULTS IN WAYS THAT BUILD TRUST AND INSPIRE ACTION

Designing effective solutions for young adults starts with listening to what they have shared about their experiences with debt support options, particularly the need for clearer information, better guidance on how to get started, and greater confidence in whether these options are trustworthy and a good fit for their situation. By grounding approaches in these insights, organizations and practitioners can design more relevant, accessible, and practical pathways that connect young adults to tools aligned with their needs and realities.

Our findings point to three priorities for better supporting young adults in taking the next step: clearer guidance, easier navigation, and greater confidence in the solutions available to them. Addressing these barriers will be critical to helping young adults engage with debt support options and make progress on their financial goals.

- **Leverage trusted intermediaries to provide vetted, credible recommendations:** Fifty-two percent of young adult SaverLife members with debt said they would be interested in SaverLife sharing the names of and links to specific programs that could help them manage their debt.<sup>1</sup> This finding suggests that young adults may not be opposed to debt support programs themselves, but rather may struggle to identify and evaluate trustworthy options on their own. Trusted intermediaries, like SaverLife and other organizations that provide financial guidance to young adults working to manage their debt, could help by providing clear information and direct pathways to credible programs.
- **Provide clear, upfront pricing information to build understanding and confidence in debt relief programs:** Pricing was a common pain point and misconception for young adult members. Being upfront about estimated costs and how payments might be structured could help build trust and reduce information gaps for young adults who may be in need of these services.
- **Provide clear, detailed communication about debt support services, including how support is tailored to individual needs:** Clear, detailed communication about debt support services can help young adults better understand what to expect and how these solutions apply to their specific situations. By clearly outlining what services include and how support can be tailored to individual needs, organizations can reduce uncertainty and build confidence, making it easier for young adults to engage and take the first step.

These recommendations reflect the challenges and hesitation young adult members have shared when considering debt support solutions. Building on insights like these, SaverLife continually evolves its tools, strategies, and offerings to better meet the needs of its members across all life stages.

This approach creates an opportunity to deliver more personalized, relevant support at scale, particularly through emerging technologies like AI.

1. SaverLife has put this into practice by vetting and sharing debt counseling and debt management resources with members. We currently have referral partnerships with organizations such as Money Management International (MMI) and GreenPath Financial Wellness.

## FROM INSIGHT TO IMPACT: HOW SAVERLIFE IS PERSONALIZING SUPPORT TO DRIVE ACTION

Support is most effective when it meets people in the moments decisions are made. Timely encouragement, clear information, and practical guidance can help people feel more confident navigating challenges and taking meaningful steps toward their goals.

At SaverLife, insights from research and the lived experiences of our members inform how we design tools and solutions to better support their needs.

Young adult members offer a powerful lens into the financial, emotional, and behavioral dynamics that shape decision-making, but the need for this kind of support extends across our entire membership, each with their own goals and challenges.

### YOUNG ADULTS HAVE SPOKEN: THEY WANT A PERSONALIZED APPROACH

“What would be most helpful is not just telling you how to do it, but actually taking you through the steps and helping you manage and reduce some of that debt.... It would help to have an app, or an actual person, to look at what you’re facing, how much debt you’re in, and take specific steps. Even having check-ins – like, ‘How is managing your debt going.’” -SaverLife Member

“That’s the challenging part for me...trying to keep track of everything...what websites to go to, what apps to use, and which one is for which loan.”  
-SaverLife Member

Our AI-powered Financial Navigator is designed to meet this need by providing contextual, in-the-moment guidance that helps members move from awareness to action. Early results show that how support is delivered matters: when referrals to credit counselors are embedded directly within the Navigator experience, follow-through increases dramatically, by as much as 600% compared to traditional outreach like email. Engagement is also strong, with nearly half of members offered the Navigator initiating a session and more than a third returning.

These results point to a broader opportunity. AI-powered tools can deliver guidance that is not only personalized, but also timely and actionable, helping members navigate complex decisions, build confidence, and take meaningful steps forward. While this brief focuses on young adults, the underlying need is universal: all members benefit from support that meets them where they are and helps translate their intention into action.