Future briefs

Introduction

These future briefs are possible snapshots of the future. They are set in 2028 when the students will be 23–25 years old, in the world of FinTech (financial technology).

There are three future briefs written as blog entries over a three-day time frame. These are designed to be used as a problem-solving, group learning experience. Teachers can choose to use one future brief as a one-off lesson or use all the briefs to further develop the students' problem-solving skills.

Future brief 1: A decade of changing behaviours around money
Future brief 2: What are the social impacts of financial technology?
Future brief 3: What role does advertising play in the FinTech space?

Instructions

Groups: Teams of four students (maximum).

Teacher: Start by reading the text aloud and clarify new vocabulary or terms. Work on next steps with students who need assistance with the text. The text is available as a podcast.

Need it/Know It

- Students read or listen to the future brief and highlight or note key phrases they think might be an issue linked to personal financial management.
- The teacher clarifies terms and vocabulary.
- Students share the areas they highlighted and explain why to the wider group.

Link It/Think It

- Fold a large sheet of paper in half. On one side in the centre attach a future brief. Students use a marker pen or stick-it notes to place comments around the future brief.
- The purpose is for them to identify information in the future brief and to explain why this information poses a problem or an issue. Focus on the negative effects at this stage. Students can identify information in the future brief that could affect their financial capability. Keep the students focused on this idea.
- Each future brief is accompanied by a question table from which students can generate ideas and discussion and identify possible issues. Enlarge this table and have the students note their responses, then cut them out and position them around the future brief.

Use these questions to generate ideas and discussion and identify possible issues.

How could any of these issues affect my financial wellbeing?	How do any of the issues affect my ability to save, spend, budget, set goals, and manage debt?	How could any of the issues affect my education?
How could any of the issues affect my mental wellbeing?	What are the possible financial effects on my whānau?	What are the possible financial effects on my community?
How do any of the issues affect my physical well being?	Do any of the advances in technology affect my financial identity negatively?	How might these issues affect my basic needs (food, water, warmth and shelter)?
How will the changes discussed in the future brief affect my church, temple or mosque community?	What are the social effects of the changes discussed in the future brief?	Can you identify any extra problems or issues?

- Ask each student to circle the issue they consider to be the biggest problem overall (one that if it was solved, would solve many of the other identified problems).
- Students share their thinking with the group. The group can then decide on **one** main problem.

Extend it/Defend it

- Students record this one problem in the centre of the second half of the large sheet of paper. They then circle it.
- Next, they write down as many solutions to this problem as they can come up with. All solutions must ethical (this parameter can be decided by the students). Each future brief is accompanied by a table from which students can generate possible solutions.

Use these questions to generate possible solutions.

How would this solution affect our ability to set financial goals ?	How would this solution affect our ability to budget?	How would this solution affect our ability to save.	How would this solution minimise debt?
How would this solution help change behaviours with money?	How would this solution affect our families and whānau?	How would this solution connect money and education?	How would this solution affect our community?
How would this solution affect our church, temple or mosque community?	What possible cultural effects would this solution have ?	What effects would this solution have on people's mental wellbeing?	What effects would this solution have on people's physical wellbeing?

- Ask each student to select the solution they think is the best and that which they think will have the biggest impact. Each member of the group then circles their best solution before voting for a group solution. If one solution does not win more votes than any of the others, the group can vote again for the contending winning solutions.

Once the students have decided on their solution, they need to consider it carefully and run it through a filter to clarify their thinking. They can draw a table and consider their selected solution using these prompts:

- **Advantages**:
  - What are the benefits of our solution?
  - What are the positive outcomes of our solution?
  - What are the direct outcomes that could improve our financial identities?
- **Disadvantages**:
  - What could go wrong?
  - How could this impact on our financial identities?

Outcomes:

- The students create an annotated drawing. The whole group must contribute to the drawing. It must contain their big problem, their main solution, and key ideas, and it must make a link to financial identity. The advantages and disadvantages must be included.

- Students present their selected solution to the class. There is no assessment matrix for this learning experience, but one can easily be co-constructed with students.

30 March 2028:
Future Brief 1: A decade of changing behaviours around money.

As Money Week is about to start, it's a good time to reflect on the changes that have occurred in the past 15 years within the FinTech sector.

In 2014 we saw the advance of technology-growth companies like Air Beds – the virtual hotel company that sold accommodation without owning a bed, and Cuber, the transport company that sold rides without owning a car. In 2018 BankerMate, the banker without a dollar, started.

Finance and banker apps gave advice and monitored spending. They sent reminders for payments, monitored spending and compared spending for the previous month. The apps alerted users to savings opportunities, and made suggestions to encourage them to transfer money to savings accounts. Payments were paid to suit the user, and the company being paid. The apps enabled shared payments for goods and services among friends/family. While this technology didn't replace banks, it started changing people's behaviour with money. Banks and the finance sector noted improvements in personal savings.

In 2019 FinTech capability was introduced into NZ schools. This initiative included financial capability as a compulsory learning area. When students turned 15 they were given a weekly allowance to cover school costs and personal needs. 3D wellbeing bracelet monitors that measured their goal setting, spending, savings and ability to manage money were worn by students. When they stepped outside their goals, an alert would go to the school Fin-Cap adviser who would then meet with them to give financial advice. Students could also use this money to invest in student business projects in the arts, music, technology, and FinTech startups. A number of highly successful school project businesses emerged during this period. The weekly allowance continued for as long as the young people were in some form of study.

In 2020 there was huge growth in social-source lending between friends and community groups. Research reported a culture of distrust of traditional banking. Community leaders were concerned about people being exploited. The face of banking changed significantly as cultural financial identity developed, and this set the scene for more collaborative approaches to money from 2022.

IwiSave was set up nationally to provide a range of budgetary services and shared lending opportunities for iwi. Pasifika-Gift was a parallel organisation that grew significantly and supported Pasifika families. Both organisations encouraged collaborative saving and offered a range of financial services and support for goal setting, managing money, savings, and debt management.

Fintech apps, developed to support the consumer, now cause concern. While most people are willing to share their financial data with third-parties for the convenience of their services, the use of apps has resulted in an increase in the levels and sophistication of identity theft. Online bank accounts have regularly been scammed with mal software. Many New Zealanders have lost their personal data and access to their funds. This is of ongoing concern to the FinTech community.

We have come a long way in a brief time. Some changes have been positive and some have not. My fin-blog tomorrow will take a more in-depth look at some of these issues. I'd be keen to hear your views on any of these topics.

31 March 2028:
Future Brief 2: Who is responsible – what are the social impacts?

Thanks for the feedback on my post. Most of the comments were about social responsibility and the ethical issues associated with FinTech apps. I have included your voice in this post as your narrative is the real thing.

Anya D: With virtual shopping so "in your face", I believe that debt is more accessible than it was 10 years ago. It is a national concern. Shopping and spending money has never been easier and not everyone is taking on the FinTech tools. The free finfone rollout occurred with the installed apps but then when credit was stopped because the apps' messages were being ignored, they were discarded. As well as constant social media advertising and messaging, you cannot go anywhere where you can't scan your X-Phone and buy things on the move. The public transport systems, public spaces, and local pavements have embedded images that can be scanned from your BuyNow card to be delivered directly to your home. Then there are the holographic billboards that can be scanned while you travel to work. This makes it all too easy to get into debt.

Tipene E: Virtual sharing and building community wealth for our people have yielded significant benefits. In the past decade we have supported 4000 graduates to gain their qualifications and now these young people are giving their services back to the community and their people. Our sense of whānaungatanga (connectedness) and hauora (wellbeing) have never been stronger. We have improved community facilities and encouraged youth into work programmes, which are all funded by the iwi-led Māori Bus-Tech Industries Trust. The hauora of our people is good and we are starting to prosper and to lead wealthy lives.

Maggie P: I belong to the Community Church. I have concerns over virtual tithing apps like the Believe&Giver-type schemes that credit the money in advance and then allow our church members to pay it back at highly inflated interest rates. Normally tithing is set at 10% of our income. However more often I am witnessing members of our congregation going through real hardship as they are asked for more money by our church seniors. Not having money and saying "No" is one thing. However we feel too guilty to do this when a swipe of our card at the church door produces the money requested. That's the easy part, it's the paying it back that's difficult.

Sahana P: I am a spokesperson for the Women's Fin-Ability Trust and we have represented several women over this issue. Now that all New Zealanders have to wear a Fin-Cap wellbeing bracelet to measure and monitor our goal setting, management of money, debt, and savings, we feel that this tool has pushed the boundaries. I believe it breaches our human rights. If a utility payment (electricity, phone, or water) is missed, an alert is sent to the nearest community Fin-Cap adviser. Unless a family member attends a webinar, their spending ability is limited to basic needs only. There are many reasons why a payment may be missed that are not necessarily the fault of the user.

Helen T: Virtual remittances and virtual gifting are too easy. Our family often sends money to support family back home. We help to supplement their low wages and send gifts for family celebrations. However, this can be a financial struggle for some families. The budgeting group I work for have concerns about the ease of the virtual gifting apps that make getting into debt too easy.

Matt S: I just loved the "Needs and Wants" face recognition app. It made me realise that many of the purchases I made were more wants-based than needs-based. As a result, I have significantly added to my savings and increased my contributions to my KiwiSaver. Who would believe my face could give away the secrets of my spending behaviour? This app has made me want to save!

I wonder whether digital technology has broadened the gap between rich and poor. It certainly makes it much easier for people to get into debt. Does everyone need to be protected from making bad financial decisions or just some people? Maybe people shouldn't be able to take out loans or use credit cards until they are 20 years old.

What's the best way to inform people about money matters? Should we be taught at school how to manage money, or be left to make our own decisions, even if our decisions cause us lots of problems in the long run?

Tell us what you think. The blog tomorrow will focus on the role that advertising plays in the world of FinTech. Please comment to share your thinking.

1 April 2028: Future Brief 3: The role of advertising in the FinTech space

The blog yesterday certainly prompted some useful discussion among our Iwisave Social Collective. I have been overwhelmed with a flood of stories. The e-post today examines the effects of advertising within the FinTech community on our youth. Teenagers can be very vulnerable when they are beginning to establish their own financial identities and behaviours.

Research shows that virtual shopping is now the preferred option for 90 percent of New Zealanders. We are bombarded daily with virtual advertising. Even secondary schools have succumbed to the advertising dollar by leasing out their wall spaces for retailers to capture the teenage market. Hallways, toilet blocks, gymnasium walls, and corridor floors encourage students to buy the latest fashions and sports equipment and to stream music and video footage. Scanning the image of a product and pressing a button on a personal device ensures that purchases will be promptly delivered to your home. Advertising messages tailored to your lifestyle and informed by your purchasing history appear on screen as soon as you open your Y-Fone. Holographic cafes, set up to provide communities with the social spaces that shops used to offer, are invading our rural townships.

The ease of virtual shopping brings with it the ease of overspending and debt. There are as many E-loan companies as there are E-banker apps. Borrowing money has become effortless. Credit companies are more than willing to loan to students in the expectation that once hooked, they will be dependent on the company for life. Young people have to constantly weigh up their needs and wants as they establish their financial identity. Unless they have a firm grasp of financial matters they can be easily convinced to purchase consumer goods with no understanding of the costs they will be responsible for at a later date. E-Loan (aka E-Sharks) apps offer initial interest-free loans with inflated interest rates that kick-in after a set period.

Virtual ads are designed to appeal to the consumer, highlighting no deposits and low repayments. It's only in the small print that the length of time to clear the loan and the interest rates that apply are revealed. Budgeting services are concerned that people experiencing financial hardship focus on the short-term payments rather than on long-term total costs.

A major concern is the lack of regulations on advertising. Unfortunately some communities are more exposed to advertising than others. A recent FinTech investigation reported that one holographic board in a low socio-economic community flashed 55 one-minute ads offering loans in a one-hour period. Only one of those ads suggested that the borrowers' financial history was required. These ads were aimed at people who needed "last minute" loans. They emphasised that getting credit was simple and could be organised quickly. They targeted specific groups of people, including students, new immigrants, and the elderly.

Financial institutions like banks, finance, and insurance companies must change how they target young people. Research indicates that the language used in their advertising is too wordy and too formal to appeal to youth. Loan sharks can be very crafty designing advertising that engages young people by using more everyday, casual language and appealing to their desires for consumer goods – goods that often lose value as soon as they are purchased.

I know that my thoughts reflect the concerns of many parents. Our kids are living in a financial world very different to the one we grew up in. Thanks for sharing your perspectives. PM with ideas for my next feature series. Tomorrow Freda Karpreet will share her insights into what is trending on social media posts – "Protecting my Financial Identity", "Building Resilience" and "Family Wealth". Useful commentary in this ever changing marketplace.