

EPISODE 876

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[INTRODUCTION]

[0:00:51.1]

FT: How would you like to learn about money in 30 seconds or less? I would. Well, our guest today is the Founder and CEO of a company that's doing just that. Her name is Tina Hay and her company is called Napkin Finance. It's a multimedia platform, where readers can learn everything about money in 30 seconds or less. It's a platform for people of all ages to learn about money as well. It's super visual, very fun, very simple. Her company is in high demand right now as you can imagine.

In fact, Napkin Finance has partnered with the White House from Michelle Obama's Better Make Room and Reach Higher initiatives, as well as numerous nonprofits, schools and universities. There's a book coming out later this year. Lots going on. Tina Hay is also a fascinating founder and woman. You just heard her talk about growing up and her money mindset and how that has impacted her in adulthood. What led her to Napkin Finance and what are some financial concepts they've yet to tackle?

Here is Tina Hay.

[INTERVIEW]

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FT: Tina Hay, welcome to So Money.

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TH: Thank you for having me.

[0:01:59.4]

FT: It's really nice to connect with you. You're all the way on the sunnier sides of California. What's it like managing your money out west? A little bit different? A lot more avocado toast on the west coast than maybe on the East Coast? Different lifestyle.

[0:02:15.7]

TH: Yeah, it's definitely different. Actually, most of our work is with partners in New York. It's just a different culture and lifestyle. LA is just amazing. There's so many interesting things happening in tech and finance. It's a fun place to be based.

[0:02:31.7]

FT: Yeah, for sure. I was just there and we'll be back of course for Stacks House. Your background speaking of technology; you have a background in technology, as well as film, as well as finance. Today, you're the founder and CEO of Napkin Finance, which I'm just going to let you share a little bit more about what that is. It's pretty cool what you're doing with Napkin Finance. Tell us.

[0:02:57.2]

TH: Thank you. Yeah. Basically, Napkin Finance is a multimedia company. It's everything about money in 30 seconds or less. We help people understand finances in a very visual, simple, more engaging way. What the background basically of the company and the inspiration was my own struggles learning about money and finance. As you mentioned, I come from a liberal arts background, I've worked in film and tech, but found myself in business school sitting with bankers and consultants and really struggling with a lot of the content.

I am a visual learner as most people are. Visual learning is a classic concept. Mozart, Da Vinci, Ford all used images to solve their very big problems. Since then, I've always been using sketches, illustrations to really clarify things. It has resonated with a large number of people, because especially when it comes to money and finance, most of it is numbers, or really content that's really difficult to digest.

We had one Napkin that I started with a few years ago and it's grown into hundreds of pieces of content and where the huge library that we create both internally and for our partners. It's been really exciting to see how that's resonated with our users and really has helped people in their own struggles with empowering themselves, can make better decision.

[0:04:20.8]

FT: Everything about money in the 30 seconds or less. How did you get the idea for Napkin Finance? I mean, what was the aha moment?

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TH: Sure. It wasn't an idea that I thought would actually have – I thought it was a great educational concept. What happened is I started a company. This is my third startup. I started a company that was based around money and millennials. Education was just one piece of it. The napkins were a really great form factor. They're small, they're focused and that was a part of the platform and what really resonated and took off.

It was actually a surprise to me that this type of content is so in demand and so important and so necessary and not really provided to people, whether it's in schools or later on in life. The whole company and the beginning of it was really almost an accident. It's been amazing to see how we've had so much traction and growth and the response has been amazing from very different people on all ages. It's been exciting for us to be able to deliver products that really make a difference in people's lives.

[0:05:31.5]

FT: That's great. Tell us a little about your partnerships and some of the breakthroughs that you feel having pretty extraordinary – I mean, what you're doing is simple in its execution, but it's so transformative in how it's helping people.

[0:05:45.4]

TH: Yeah. What's exciting is we offer – we're a for-profit for good company. We were accompanied with a mission and we basically is the foundation – for any content we put out, whether it's for our own readers, or for our partners. We have a site that's free for users to come in napkinfinance.com. We have a lot of content there structured around different life stages, you know the moments that matter and people are making decisions. When you're having a baby, or getting married, or graduating and getting your first job, we have content that's structured around that and a lot of money 101.

For our partners, we do a lot of content that's really interesting. We work with banks, financial institutions, like JPMorgan Chase, UBS, a few other banks and online banks. We also work with media companies. We're in the process of doing a show with NBC learn for kids, where it's more video series that helps kids understand money and finance.

Then we have a book coming out with HarperCollins later this year, which is really exciting as well. The way we create content, I think what's unique is that we tell stories around different suites. Our content is very modular. We have articles, napkins, videos, infographics, storyboards. They come together to tell a story and take the reader deeper and deeper into the content, as far as they like to go.

It's very visual, but it also provides details and brings people, helps them understand really not only the basics, but gives them an understanding of different financial concepts around different areas in money and finance.

[0:07:28.0]

FT: Tell us how you got interested in this, Tina. I and I know that you have an MBA from Harvard, but take us even further back, perhaps to your childhood, to your upbringing and how money was introduced to you and your own passion for this, how it evolved.

[0:07:43.5]

TH: Sure. I think for myself, I've always been interested in entrepreneurship and starting things. I started businesses when I was in high school, in college. I've done crazy things that have done well and others that have been ridiculous and failed, but all really fun and I've learned a lot from them.

I think I didn't personally have anyone who was helping me manage money early on. I don't think I ever thought I needed to. I don't know if it's maybe being a woman, or a cultural thing. I always thought there would be someone who would help me manage my money and I would rely on them.

I had parents who always believed in education and really gave me the tools to help learn about money and finance and empower myself. I think my experience and what I think the company does really well is help people who don't have a background in money and finance, and look at this type of content and feel really intimidated and not wanting to engage with it. It's a very sensitive topic. People's personalities are a factor. I think what we do well is we really help people in the first steps of really learning and then engaging and then empowering themselves.

My background is and I think what I bring to the table is I don't really come from a finance background. I think my background has been more creative and tech. I think that angle just brings a new, a fresh perspective on the content; a creative way of explaining things to people and helping them learn.

[0:09:14.5]

FT: It's Financial Literacy Month and in partnership with our sponsor Chase, wanted to ask you about how you learned about money, how you gained most of your financial knowledge. Do you

have a story about growing up maybe that I ask this of all guests, like a pivotal money moment, or memory, something that you witnessed or experienced?

[0:09:31.6]

TH: Sure. I think, actually is a funny story for my Bat Mitzvah, I received all these gifts and some of them were money and I asked my parents to invest in IBM and Coca-Cola and they never did. Then years later, we still laugh at it today, but I think over time, I realized the power of starting early and compound interest. To this day, I think the most powerful thing that people don't realize is in investing, or saving, or planning for retirement is that time is sometimes more valuable than money.

I've never forgotten the power of really starting early and even starting small and how impactful that is and how people really don't realize how powerful, even small amounts can be and add up over time.

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FT: I have to ask how did a 13-year-old – you talk about your Bat Mitzvah, know enough to know that the stock market was an actually powerful thing and that you should be in it and you want to buy stocks? That was not my train of thought until much later in life.

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TH: You know what? That's a great question. I really don't know, but I do know that I think – I think, I'm surrounded by entrepreneurs and people who were always thinking, have a business mindset. I think that was probably one of the things that I was just aware that money can work for you. Money can work for you in ways where it does it when you're sleeping. I think, maybe that's really what I've been brought up with is the understanding that the opportunities that money provides and really being proactive about it. I think, did I read The Wall Street Journal? No. I think, I was probably surrounded by people who helped me with tools, or resources that helped me get there.

[0:11:22.5]

FT: What would you say was your so money moment, like your proudest financial move? You probably had a lot of – you had a head start, I would say, compared to your peers, just from your own – just from your knowledge perspective.

[0:11:35.1]

TH: Yeah. I've been in the startup world a long time. I think my risk profile is I invest in my own startups. I probably have made more mistakes than I've done, made smart decisions. I think some of the things that I did early on are start saving and having emergency fund set aside and really making sure that I have budgeted pretty much my entire life to make sure I don't overspend. I think that's one of the things that I've noticed a lot of people don't do, or don't have the tools for.

Now it's much easier with technology. I think again, it's really the very simple things that have a large impact later on and over a lifetime. I think, one of the things that has been always – that I've always been very careful about is being proactive about budgeting, saving and planning more than anything else. On the other hand, you can say – I mean, having the startup is probably one of the worst decisions you can make and one of the riskiest. Again, that's been always part of my personality and it's worked with me, but it's not recommended as a very responsible financial plan.

[0:12:51.4]

FT: Well, speaking of not responsible, did you ever experience a hard lesson learned, a failure, money failure?

[0:12:58.0]

TH: I mean, I've had many. I had many of them I think, both personally and in business. I think, some of the things I've realized that are related to money are really planning with and having a good accountant, having good attorneys, people around you who can help you. The other thing I

realized is you really have an opportunity now over the last five or six years to take advantage of technology that can make everything much more seamless, help us manage our money and save and have a window into all of our different accounts. Those types of things are really empowering if people take advantage of them.

[0:13:37.5]

FT: You didn't answer the question, Tina. What was your biggest money mistake?

[0:13:42.4]

TH: My biggest money mistake. I guess, let's see. There are so many. I think part of it, one of my biggest mistakes is not starting to invest in the market earlier on. I always had some investments, but I never really invested in the ways – for my age, I started later on. I didn't start investing. I started saving, but definitely not investing as early as I should have. That would be my biggest mistake.

[0:14:14.5]

FT: Yeah. I hear this a lot, especially from women. I often get the question, do you think that there is a missed opportunity where we don't educate young girls enough compared to boys about investing? I don't know if there's a gender divide there, but it's an interesting question. Do you have any opinions on that?

[0:14:32.3]

TH: Yeah. I think it's just much woman, it takes more for them to trust and to trust someone with their money, or to make important decisions to invest, or take a risk. I think, it's also where women don't talk about what they're doing with their money. We don't talk about to our friends traditionally about where we're investing, or different opportunities. I think that's part of it.

Then there's always the expectation of I will maybe have someone who can take care of me, or a partner who will manage that aspect and that's changing. I mean, one of the most interesting

things for us is our platform is very visual and fun. We see a lot of women over 50 that are using our content and we realize a lot of them have never had a chance to manage their own money and are doing it for the first time, whether they're divorced, or widowed.

It's fascinating that at all ages, people have different struggles and challenges. There is no reason why women shouldn't be empowered earlier on, or have the resources. It's difficult to say what the cause of that is. I think a lot of it is just social. We don't discuss it. Also trust. I think it takes a lot more, even I see this now even with financial advisors and planning, a lot of women need – it takes a lot more for them to trust someone to manage their money.

[0:15:52.1]

FT: On the one hand, I think that's great that we want to be so thorough and we really want to be certain before we put our money into something that could potentially make or lose us money. I think that's commendable, but I think that it can backfire to the point where we don't do anything. It paralyzes us, right? This uncertainty can be paralyzing. I think that in some cases, it's better to just take a leap of faith, do make an educated guess. I mean, you're never going to be a 100% certain, right? Just factor that in and be – I think the most important thing is that you learn quickly from your failure and you move on.

[0:16:28.8]

TH: Definitely. What we find really interesting is there's a lot of financial advice out there, even with people who you trust. One of the things that I think is – the toughest part is even if you are starting to invest or make a decision, it's that first step of where do I even sign up? Who do I listen to? Where do I find an account and actually – that first step is the hardest, of just starting out and trusting that it's the right decision. It's great that there's a lot of information out there also, but again, taking that first step, that jumping in to really being proactive, we find people find very challenging.

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FT: What challenges do you hope Napkin Finance will tackle in the future? You're obviously doing a lot right now in on multi-platforms, but what's the long-term vision?

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TH: Yeah. Right now, we have a lot of great partners and we're actually international and we're working with a lot with Bank of Mexico. Our entire platform is in Spanish. It's been exciting to see that the content is resonating and we're growing our readers. What I find that is missing is that we're getting asked a lot of questions and we're not able to help people with decision support and really help them through the entire process. We're hoping to become more of a platform, an education platform that also helps guide people in to whether it's products, or services, but in a way that advocates for the reader.

That is really missing right now with financial services and products is the transparency and understanding that the decisions that you're making are in your benefit, versus a commission model or something that is benefitting the platform, or the service itself. We want to flip things around. Use education as a way to really help people make better decisions at the moments that really matter, at different life stages.

[0:18:29.0]

FT: Yeah. Really, what's great about your product, your service, all of it is that it goes across all age groups, right? While it has this very youthful feel to it, I think what you're trying to do which is to make money more visual and more visually exciting, that's something that we can all benefit from. Do you find that your audience is across all age groups and demographics?

[0:18:54.9]

TH: Oh, yeah, definitely. There's really no age window for this type of content. I think for different reasons, it's just most people never learn in school. If your parents don't teach you, then the rest of your life you're basically making decisions when it's too late, or how to manage bad decisions. Again, we find we were able to reach people through their parents, kids. The

NBC show we're working on is for kids in K-12, but then we reach some private wealth clients that are 45 and older.

We have another project that we're working on that's actually for retirees. We do long-term care benefit napkins. It really ranges, which is exciting for us, because again, it's interesting to see how you can take any complex topic and simplify it and help people digest it. One interesting thing is the napkins, we do money and finance, but we did election napkins in 2016, how the elections impact your finances. That was really popular.

We're finding there are a lot of timely topics, like tariffs and why Apple became a trillion dollar company. All of these are interesting concepts that we're able to use a napkin to tell the story. It's been interesting for us to see how the napkins are great when it comes to different money topics, but money and finance reach into every aspect of your life, whether it's health, or politics, or education. It's been fun for us to see how we can help people and expand our platform to really touch people in different life stages.

[0:20:40.3]

FT: It's a lot of fun, I have to say. I mean, you can just go on napkinfinance.com and see all the different categories and all the napkins for things like taxes, retirement, real estate, entrepreneurship, investing. I wonder if there should be a separate category for women and money? Because there are so many unique themes and issues that surround women and money.

[0:21:02.1]

TH: It's interesting, we actually just started a foundation that's actually going to be helping girls and this is the beginning of this year; girls learn about money and finance early on. A lot of our resources, we actually have another piece of the company where we help nonprofit schools, organizations. We worked with Michelle Obama a couple years ago. We're doing some other interesting projects with schools and universities, where we give away our content for free and we're really hoping that we can help younger women and girls learn about the really critical aspects of money and finance early on and give them the tools maybe in. We're always

dedicating resources to that, is to educating and empowering women early on when it's super critical and they can really use it to their benefit.

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FT: What's something, Tina, that you do currently in your financial life that's a good money habit, that you think everybody should adopt?

[0:21:55.6]

TH: Sure. What I do for myself is I really take advantage of technology. I think I mentioned this before. Again, opportunities to really – and we don't promote any cost-specific products, but again right now, to automatically say I have access to all my accounts. I can see my investments. I have a window into everything. I do mobile advising, a human adviser. I think, I take advantage of opportunities to have my money work for me. That's one of the things that I think makes my life easier, but also work to my benefit.

It's possible to find ways to reduce your fees using technology as well. It's really a win-win. Finding a balance between people you trust, information and resources you trust and technology to make it all very seamless.

[0:22:45.8]

FT: We're just having a conversation today with somebody and they were asking me, do you think that it's a good thing or a bad thing that we have so many choices when it comes to how to run our financial lives? I mean, we're living in the technology boom when it comes to a lot of things. Particularly in personal finance, there's a million savings app, there are a number, a host of investment platforms, blogs, podcasts, books. I mean, personally I love it, but I can see where if you're just starting out to your point earlier that it can be really overwhelming, like where do I even begin?

[0:23:18.3]

TH: Yeah. It's so interesting you say that, because every week we get – we're working with banks. We see how they're trying to reach people, but we also see all these new products, these neo-banks that are coming out our insurance products, where it makes it easier to connect and save on signup and takes out the middleman. If there is so much confusion of where to – which one of these is the best option, or which technology makes sense?

Again, this all goes to where we try to – or we're trying to help people make decisions is how can we build a network layer on top of all of these financial products and services, and how people really make better decisions for themselves, whether it's finding insurance, or a mortgage, or a car loan, or whatever it may be.

With all the technology and all the new startups, there is so much noise. Getting through that even for us, I mean, we're deeply involved in this space. I can't even count the number of online banks all in one thing, that are out there, or other opportunities to invest, or save. I mean, it's just incredibly confusing. I can't imagine what – the average person who doesn't work in this field, how they're bombarded with the same type of content. It's interesting to see great opportunities to use technology. Again to your point, so much confusion and so much noise.

[0:24:46.0]

FT: Right. There's not one best way, or one correct way. There are many ways, right? It's just a matter of, I think part of it is just going through it and you have to accept that some things are going to work out wonderfully and others you will learn from your mistakes. Hopefully, you're not going to – you'll be shielded to some extent. Don't go and invest all your money in one stock. That's not what we're saying, but experiment with some of these apps. A lot of them have free trials, or you can just dabble in it, unsubscribe. It's important to test it out, rather than not do anything.

Let's do some So Money fill-in-the-blanks, Tina. This is when you just finish the sentence and first thing that comes to mind. If I won the lottery tomorrow, the first thing I would do is?

[0:25:39.1]

TH: I would put a lot of that money – I would do two things; first two things is put more funding into resources for women and young girls, in finance and education. Number two, I would do nice things for the people I love. Those are my top two.

[0:25:58.6]

FT: Yeah. Well, I appreciate that. I love that. All right, one thing I spend on that makes my life easier or better is?

[0:26:08.0]

TH: I think, I'm a fitness junkie. I spend money on classes and other tools and things like that, that whether it's meditation, or yoga, Pilates, fitness apps and things like that that really make my mental state much better and make me happier and more present. I think that's an important part of my both personal and professional life is spending my money on things that make me a better person and more in the moment and more aware and able to be working in my optimal pace.

[0:26:45.7]

FT: Because it's stressful running a business, right?

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TH: It's super stressful.

[0:26:50.6]

FT: Super stressful.

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TH: I mean, it's a roller coaster. It's exciting. I mean, we have so many exciting things happening, but there's always – there are people and there are partners and everything is – a lot of moving pieces. I feel very blessed, but at the same time it's – it's also like, what's my next steps? The excitement is stressful. I see it as a roller coaster. It's a daily roller coaster. At the same time, it's wonderful to be able to help people and do fun things. It's an exciting rollercoaster.

[0:27:24.2]

FT: It is. It is. I was like, “Please indulge me in some of the stress,” because I'm going through a little bit of that rollercoaster right now with Stacks House. I agree that it's just a lot of moving parts, let's just put it that way. A lot of different push-pulls, but all serving a higher purpose. Sometimes you got to just take yourself out of the equation and be like, “This is not about me. This is about the mission, the purpose, right? Other people living a better life and that's definitely motivating.”

All right, when I donate, I like to give back to blank because?

[0:28:04.8]

TH: I mean, again education is one of the big things that is a theme for myself personally and for our business. I really do believe in giving back, both time and money, mentoring, helping provide tools and resources. That's something that brings me both happiness and also I think is an important thing to do and I think makes a big difference in a lot of people's lives is giving them – empowering them early on, educational resources and tools and also money and other ways of helping people in that world.

[0:28:41.5]

FT: Yeah. I think that there should be more of those organizations. It's hard to find them sometimes. I think they're more popping up and particularly ones that are focused on youth, which is where it all begins. Last but not least, I'm Tina Hay. I'm so money because?

[0:29:02.6]

TH: I'm so money, because knowledge is power, especially with money and finance.

[0:29:07.6]

FT: Napkin Finance is delivering that knowledge in such a fun way. Thank you so much. It was really nice to finally connect with you. I've been admiring your work from a distance and we no doubt have some friends in common in the industry. It was really lovely to finally be able to invite you on the show. Hopefully we'll connect when I'm out in LA with Stacks House. Wishing you continued success, Tina. Thank you.

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TH: Thank you so much. It was my pleasure. Thank you for your time.

[END]