

FINANCIAL SERVICES

Millennial and Gen Z consumers value transparency, tech for financial management

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Millennials see themselves as financially responsible, per new Klarna research. Image credit: Klarna

By LUXURY DAILY NEWS SERVICE

New research shows that 52 percent of millennial and Gen Z consumers view themselves as financially savvy, and 38 percent think they are more financially responsible than is acknowledged.



Fifty percent of these consumers have a rainy-day fund that they regularly put money aside for, while 53 percent say they are financially stable. The findings are the result of interviews that online payments system Klarna conducted with 2,012 shoppers in the United States ages 18-38.

"Although younger generations are often thought of as being irresponsible with money, our research paints a different picture," said David Sykes, New York-based head of Klarna's U.S. operations, in a statement.

"Our findings suggest that while the way they manage their money is different to older generations, millennials are conscious and conscientious when it comes to their finances, with many turning to new technology and each other to stay on track," he said.

Klarna allows consumers to buy now and pay later in four installments from merchants that participate in the Klarna program. The research findings debuted the same week as the news that Chinese ecommerce giant Alibaba's Ant Financial arm took a minority interest in Klarna for an undisclosed amount.

Tech that

Technology plays an important role in helping millennial and Gen Z consumers effectively manage their money.

Eighty-four percent of the respondents said that technology helped them with money management. Sixty-five percent use technology to track how they spend, compared to 57 percent of older generations such as baby boomers and Gen X.

Sixty-three percent of the respondents also said that technology enables them to have better oversight of all their finances.

PER THE Klarna research, millennials and Gen Z are more likely to discuss money with friends, family and colleagues than older generations.

Forty-six percent of millennials and Gen Z think it is important to talk openly about money, so it is not a taboo subject, and 47 percent said that transparency around finances is important for people's wellbeing.

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