



GALE

**GEN Z & MILLENNIAL SAVINGS,
SPENDING AND FINANCES SURVEY**

2022

ABOUT THE SURVEY

GALE fielded this survey to discover how adults amongst Gen Z – a generation that has faced a number of global economic challenges in recent years, and which has had limited time to find their financial footing and accumulate wealth – are managing their financial lives. We explored their spending and savings habits, their attitudes about work, wealth and investing, and their life and lifestyle goals. For perspective, we contrasted Gen Z’s responses to those of Millennials.

The survey was fielded between October 11 and October 31, 2022. GALE captured a nationally representative audience of 600 Gen Z respondents and 400 Millennial respondents.

HIGHLIGHTS FROM OUR FINDINGS:

Even in tough financial times, Gen Z and Millennials are committed to keeping “small luxuries” in their lives.

- 89% of Gen Z and 87% of Millennials cited at least one “small luxury” they prioritize spending on, instead of saving or paying off debt faster.
- On average, respondents from both generations prioritized about five categories of “small luxuries.”
- For both generations, subscriptions to streaming services was the most frequently prioritized “small luxury,” with 49% of Gen Z and 45% of Millennials prioritizing this.
- Food related “small luxuries” were next in line, with approximately 30-40% of both Millennials and Gen Z prioritizing each of “dining out”, “takeout lunches and dinners”, “snacks at a coffee shop” and “eating meat.”



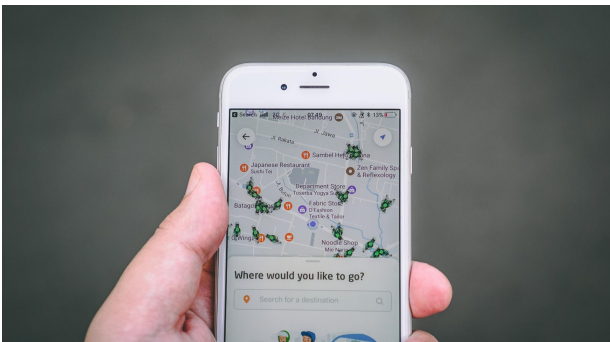
Buying the latest tech, brand name and premium items tops Millennial spending habits, whereas Gen Z prefers to spend on experiences.

- While overall priorities are quite similar across generations, Millennials appeared directionally more likely to prioritize spending on things compared to Gen Z.
- Millennials were 26% more likely to prioritize spending on the latest tech gadgets, 47% more likely to prioritize wearing premium or brand name clothes, and 44% more likely to prioritize purchasing premium personal care or cosmetics products.
- Meanwhile, Gen Z were directionally more likely to prioritize spending on experiences: 28% more likely to spend on video game subscriptions and downloadable content, 20% more likely to spend on hobbies and interests, 20% more likely to spend on weekend getaways or day trip excursions and 18% more likely to spend on big ticket events.
- Gen Z was also 21% more likely to spend on “clothing hauls or shopping sprees,” which of course implies buying things, but in a particularly experiential, often socially shareable way.



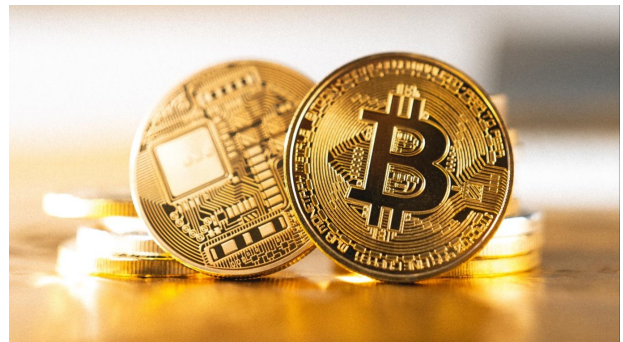
While Gen Z is committed to having streaming service access, they are more likely to share subscriptions to entertainment.

- 52% of all Gen Z respondents reported sharing subscriptions to streaming services as a way they save money.
- More Gen Z respondents reported sharing streaming subscriptions than reported spending on them.
- And a further 18% of Gen Z respondents reported “rotating” streaming services, switching between subscriptions periodically to binge their respective content.
- Millennials weren’t quite as “bad” as Gen Z. Only 33% reported sharing streaming services (although that still represents 75% of those who reported spending on them), and 19% rotate.



Although budget-conscious, both generations are less likely to participate in other aspects of the sharing economy.

- Only 8% of Gen Z and 7% of Millennials share an internet or wifi connection with a neighbor (a seemingly comparable divvy compared to Netflix logins)
- Only 8% of Gen Z and 7% of Millennials use bartering apps or online communities to swap items or services (although about 1 in 6 respondents from each generation use “Buy Nothing” or “Free” pages from online classifieds)
- Only 10-11% of each generation are driving for ride sharing apps.
- A miniscule 1-2% of each generation reports renting out their home or apartment on home sharing apps to save money. Even fewer have tried renting out their car on relatively new car sharing apps.
- Only 4% of Gen Z and 6% of Millennials have performed tasks for others (on apps like TaskRabbit) to earn a little extra income (although 18-19% of each generation would consider doing so).



Despite volatility, Millennials are still betting on crypto and are most open to adopting new, tech-enabled investment vehicles. In contrast, Gen Z is a more risk-averse generation.

- While 19% of Millennials reported holding Cryptocurrency accounts, only 12% of Gen Z reported the same; 8% of Millennials vs. 3% of Gen Z reported investing in NFTs.
- And it’s not just because Gen Z has less money overall to invest: Millennials are 25% more likely to say that investing in Cryptocurrencies is “a good bet,” while Gen Z is 28% more likely to say that investing in NFTs is “a waste of money.”
- 1 in 5 Millennials also happen to believe that “Metaverse” real estate is “a good bet,” 28% more likely than Gen Z.
- If Gen Z is going to take a risk in the markets, they’ll stick to the classic stock market.
- All that said, simple High Interest Savings Accounts are deemed a “good bet” by the highest share of each generation – 59% for both Gen Z and Millennials.

The “future of work,” particularly remote work, is creating new ways for young employees to earn and save money in challenging economic times.

- 6% of all employed respondents indicated that they were working two full-time remote jobs concurrently; 1 in 4 said they would at least consider doing so.
- We expect those figures to be higher amongst fully-remote workers, and within certain sectors.
- An employer with 100 fully-remote Gen Z and Millennial employees could reasonably expect that 6 of them, maybe more, are working at a second full-time job.
- A further 25% could be expected to be working a second part-time job, and 45% would consider doing so.

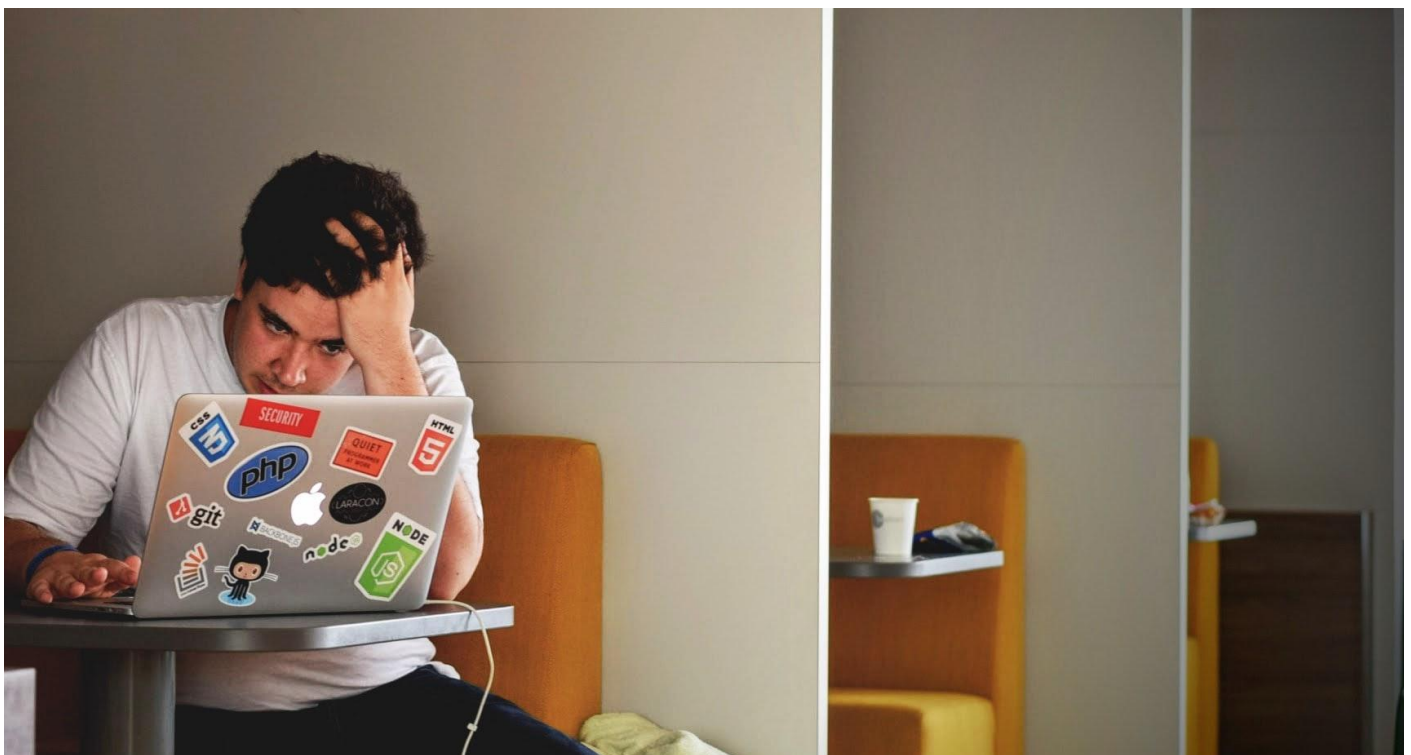
For employers looking to get younger employees to return to office, a good way to motivate Gen Z employees is to offset increased spending due to inflation by providing food.

- As food prices rise, 1 in 3 Gen Zs say that they skip meals to save money and 12% said they have visited a food bank.
- But some Gen Zs have been able to take advantage of food-related perks at work to offset food inflation: 23% fill up on meals provided at their offices to save money and 23% also say they’ve worked overtime just to be able to expense meals.



Both Millennials and Gen Z's life goals have been impacted by both national and global external factors, as well as world volatility.

- 4 out of 5 respondents across both Gen Z and Millennials reported that at least one global socio-economic “shock” in the past 3 years has changed their life goals.
- “Rising inflation” was the “shock” most cited as changing life goals, by about 6 in 10 respondents.
- Related factors of “Rising interest rates” and “Looming recession” were also cited by 37% of respondents and 32% of respondents respectively.
- “The COVID pandemic” was cited by 56% of Gen Z and 49% of Millennials as a goal-changing factor.
- Climate- and war-related havocs were less likely to drive changes in life goals with about 10-15% of respondents citing the Ukraine war, domestic terror events or climate disasters as having this effect.



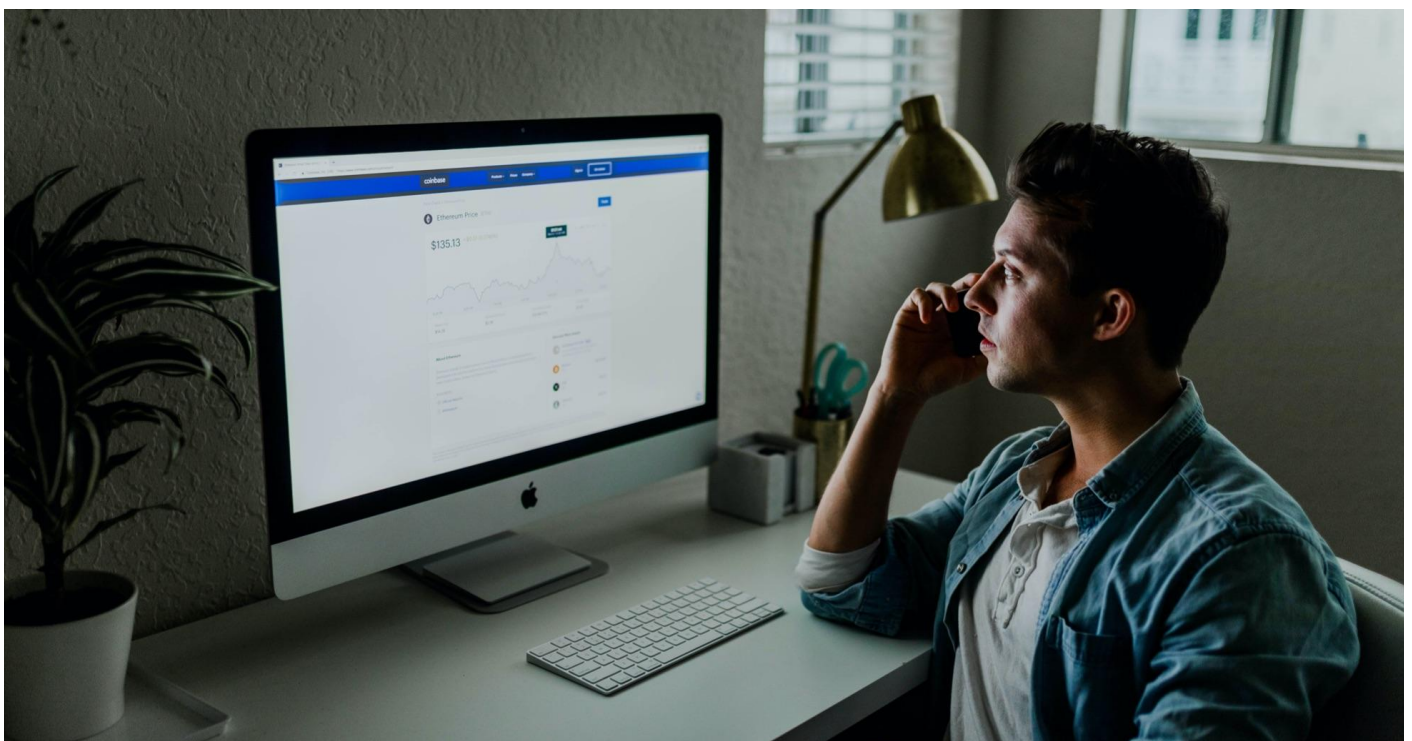
Virtually every kind of life goal has been affected for the majority of Gen Z's; however, they are willing to make different compromises for different goals.

- 88% of Gen Zs said their goal of owning a starter home had been impacted. 44% said they would delay their purchase; 19% said they'd incur more debt. Only 15% said they'd lowered their standards about the type of home they'd buy.
- 85% of Gen Z said they've changed their higher education goals. 44% said they'd delay university attendance, 19% said they would give up other goals to maintain this one.
- Amongst Gen Z respondents hoping to attend trade or vocational schools, 1 in 6 said they had given up on reaching this goal entirely.

- "Only" 74% of Gen Z said they'd changed their planned timing of having children. 45% said they'll delay having kids and 22% said they will give up other goals to keep this one on track. That said, Gen Z is also 20% less likely than Millennials to want to have kids at all (39% vs. 50%, respectively).
- Both generations hope to retire around age 50, but - on average - they expect it will take until age 60 to actually afford to do so.. 1 in 6 respondents from each generation fears they will never afford to.

Gen Z is not any better (or worse) than Millennials when it comes to financial good and bad habits.

- About 50-60% of both generations “Often” or “Always” pay bills by due date, hold off on purchases to see if they are truly needed, save up ahead of time for things they want or need, and review monthly bank or credit card statements to make sure they recognize the transactions.
- About 50-60% of both generations say they “Never” or “Seldom” fall into the traps of skipping payment options, “retail therapy,” paying more for rush delivery, or spending to showcase social status.
- Both generations seem to be missing rigor or consistency in applying other good financial habits like: comparison shopping to get the best price, reviewing utility bills to find savings opportunities, reviewing and negotiating services contracts, and canceling unused subscriptions.
- Both generations are likely leaving a lot of money saving potential on the table by not reviewing and negotiating.



THANK YOU

