

Millennials value transparency, technology and talking when it comes to managing their finances

New study from Klarna reveals how people manage their money across the globe

Stockholm 5 March 2020: New research from global payments provider Klarna has revealed significant generational differences when it comes to money management. The research was conducted in ten markets and saw Klarna speak to over 20,000 consumers about their preferences, habits and attitudes when it comes to managing their finances.

Klarna's research "Money management in a new age", found that millennials are turning to technology to manage their money and value it to a greater extent than their older counterparts. 78% of millennials say that technology has had an impact on how they manage their finances, compared to 67% of older generations. Millennials also find it easier to track spend using technology than older generations.

The research also found that millennials are more likely to talk openly about their finances than older consumers. Globally, half (50%) of millennials say it is important to talk openly about finances, compared to only 41% of older generations. 47% of millennials also say that they discuss their finances with their friends, compared to 34% of older generations. Millennials also believe that transparency around finances is important for people's wellbeing, with nearly half (47%) globally saying this compared to 40% of older generations.

And, millennials' desire for transparency carries over to their financial providers too, with 27% saying that transparency around terms and conditions increases their trust in and loyalty towards a provider.

Commenting on the research, Viveka Söderbäck, Consumer Behaviour Expert at Klarna, said: "Every generation has its own identity. Technology evolves – as does how people work, live, and shop. Each generation also treats money differently. While millennials tend to have the reputation of being less financially responsible, our research shows that this is not necessarily the case. Instead, they seem to be developing their own unique strategies for managing their money effectively."

The research also uncovered some significant geographical differences when it comes to money management – especially around payment preferences and privacy.

In the majority of markets, debit cards are the preferred payment type, but in Germany, Austria and Spain, cash continues to be king. And, in terms of talking openly about finances, the research revealed the UK to be the most private country across the world, with only 38% of Brits saying it is important to talk openly about money, compared to a global average of 46%.

– ENDS –

About the research

The research into the views of over 20,000 consumers was carried out by Censuswide in December 2019 and January 2020. The research was conducted in ten markets: UK, US, Australia, Germany, Austria, Netherlands, Norway, Sweden, Finland, and Spain.

The term 'millennials' refers to the 18-38 age bracket.

Read the full report here:

<https://www.klarna.com/international/business/millennial-report/>

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About Klarna

We make shopping smooth. With Klarna consumers can buy now and pay later, so they can get what they love today. Klarna's offering to consumers and retailers include payments, social shopping, and personal finances. Over 200,000 merchants including H&M, Adidas, IKEA, Expedia Group, ASOS, Peloton, Abercrombie & Fitch, Michael Kors, MVMT, Nike, AliExpress, Superdry, Boohoo Sephora, Spotify, Wayfair, Shein, Gymshark, Samsung, Zara, Steve Madden, Daniel Wellington, Rue21, TOMS, Sonos, Agent Provocateur, Lufthansa, ETSY and many more have enabled Klarna's innovative shopping experience online and in-store. Klarna is the most highly valued fintech in Europe with a valuation of \$5.5bn and one of the largest private fintechs globally. Klarna was founded in 2005, has over 2,700 employees and is active in 17 countries.