



Marqeta Survey: 9 Out of 10 of Gen Z Use Traditional Banking Options, but Many Have Their Eye on Big Tech

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12% of Generation Z report using challenger banks like Monzo and Revolut, with only 4% saying they bank solely with them

LONDON--([BUSINESS WIRE](#))--[Marqeta](#), the global modern card issuing platform, today released a report highlighting the unique financial needs and concerns of those aged 12–23 in the UK, known as Generation Z or 'Zoomers' (in a nod to the 'Boomers' generation). The report, *Generation Z: Their payments are our future*, indicated that, despite being highly tech-aware and 'digitally savvy', Gen Z still lean heavily toward traditional financial services options. Almost 9 out of 10 (87%) Zoomers say they currently bank with traditional providers, such as HSBC and NatWest. However, many are also interested in the prospect of banking with Big Tech, hinting at a future where Big Tech and financial services will become synonymous.

Key report findings include:

- Just 12% report using challenger banks like Monzo and Revolut in some capacity: with 4% saying they use them explicitly, and 8% saying they bank with both traditional providers and challenger banks.
- In the future, Zoomers say they would be most interested in banking with PayPal (44%), Apple (27%), Amazon (27%) and Google (22%).
- More than one in five (22%) say that an easier way to pay through social media would be a key feature in selecting a financial services provider.
- Eighty percent of Zoomers still use cash weekly, suggesting that they are not yet ready to forego their physical wallets.
- More than half (54%) say offers and incentives would make financial services more attractive; other popular features include convenience and speed (34%) and better prices (31%).

"Gen Z's interest in banking with the likes of PayPal, Apple, Amazon, and Google suggests that, to stand a chance, the financial sector must become more like the tech industry over the coming years," explains Niels Pedersen, Senior Lecturer at [Manchester Metropolitan University](#) and author of *Financial Technology: Case Studies in Fintech Innovation*. "However, digital-first does not mean digital-only. A healthy balance between traditional and digital services must be struck for this generation – as the research shows. It's vital for providers to build features and services that reflect these unique preferences and demands, particularly as [70%](#) of the trendsetting Zoomer generation say they influence their families' purchasing decisions."

The report also found that Gen Z have very down-to-earth priorities and concerns. For instance, half of respondents (50%) report buying a property as the biggest life challenge they will face in the next 10 years, and one in five (22%) named it as a major financial priority. Interestingly, the areas of least concern for Gen Z are financial illiteracy (6%), access to credit (10%), and indebtedness (11%). This seems to demonstrate a financial awareness amongst Zoomers, who appear confident in their ability to handle their personal finances. At the same time, nearly two thirds (62%) of Gen Z say they have never used "Buy Now Pay Later" for purchases, and more than 10% of respondents did not know what it meant.

"Gen Z is better prepared than previous generations and has a more practical approach to personal finance," says Ian Johnson, SVP, Managing Director, Europe, [Marqeta](#). "Yet it is still important to educate Gen Z to help ensure broader financial inclusion and stability - whether by introducing them new to financial products that may benefit them, like "Buy Now Pay Later", or through building targeted services that address Zoomers' priorities, such as budgeting for putting down a deposit on a house. We believe the companies and financial providers that can meet these demands will be the ones rewarded with the spending power and loyalty of this trend-setting generation."

About Marqeta

Marqeta is the global modern card issuing platform empowering builders to bring the most innovative products to the world. Marqeta provides developers advanced infrastructure and tools for building highly configurable payment cards. With its open APIs, the Marqeta platform is used by leading European fintechs like Capital on Tap, Lydia and Twisto, who want to easily build tailored payment solutions to create best-in-class experiences and power new modes of money movement. Marqeta is headquartered in Oakland, California, is enabled in 36 countries globally and has offices in London, United Kingdom and Melbourne, Australia. For more information, visit www.marqeta.com, [Twitter](#) and [LinkedIn](#).

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