



Generational Trends 2025

Millennials and the Future of Payments

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Overview

Millennials have been described as the ‘experience generation’ for a reason.

They came of age alongside the rise of e-commerce and have adapted with ease to the growth of digital payments. Unlike older generations, millennials prioritise simplicity and flexibility when they shop. Whether it’s splitting a dinner bill with friends, booking a wellness trip, or grabbing tickets for a live gig, they want payment methods that fit easily into their daily routines.

This tech-savvy generation knows its way around e-commerce platforms, spending over 20 hours a week consuming online content and using social media to discover trends and products. With **80%** of millennials doing most of their shopping online, they expect a trouble-free journey between digital platforms and the checkout process. While debit cards dominate small-ticket purchases, buy now, pay later (BNPL) services are carving out space, especially for bigger buys where splitting payments makes budgeting easier. Mobile wallets also play a key role in creating quick, frictionless checkouts.

Personalisation plays a critical role for millennials; they expect tailored experiences at every step, from customised offers to dynamic checkout options.

But convenience isn’t everything. Millennials demand secure payment options, with features like biometric logins, two-factor authentication, and fraud alerts as standard. Just like Gen Z they’re also drawn to brands that reflect their values. Ethical practices, sustainability, and socially conscious options - like eco-friendly perks or checkout donations - resonate deeply.

As millennials transition into their 40s, their influence on digital payments remains strong. To capture this market, businesses must embrace tech-forward, mobile-first payment systems that offer security, personalisation, and a smooth experience. Retailers who adapt will secure the loyalty of a generation that thrives on connection and meaningful spending.



Everyday spending habits

40%

use **debit cards** as their primary
payment method in **grocery stores**

24%

opt for **credit cards** for **high-ticket**
online purchases

40%

prioritise security when choosing
payment methods

64%

value **multi-currency wallets** for
international travel

14%

prefer **mobile wallets** for **fashion and**
accessories purchases



Getting to know millennials

Millennials - **those born between 1981 and 1996** (aged 29 to 44 in 2025) - are digital natives who have grown up alongside the rapid rise of the internet, e-commerce, and social media.

They're tech-savvy, socially conscious, and value a lifestyle that balances purpose, flexibility, and meaningful connections.

This generation's interests and priorities are diverse. While some millennials seek luxury getaways and tailored wellness retreats, many have become budget-conscious due to financial pressures such as student loans and rising living costs. They're the most likely generation to set holiday budgets and track exchange rates, ensuring their plans remain affordable without compromising on quality.

Financial resilience has been a defining trait for this group.

Millennials came of age during significant economic disruptions, from the 2008 recession to the Covid-19 pandemic. These experiences have shaped a generation that's cautious with money but resourceful - whether that means postponing homeownership, balancing side hustles, or using loyalty schemes and payment options to spread costs.

Their online presence isn't just about scrolling - it's where they plan, shop, and discover trends. From early social networks like Myspace to Instagram and TikTok, millennials have adapted as platforms evolved. Social proof plays a big role in their decisions, with reviews, star ratings, and influencer recommendations often making the difference between a sale and a scroll past. In fact, **40%** of UK millennials actively follow travel creators for holiday inspiration.

Travel remains a core passion for millennials. Solo adventures appeal to their sense of freedom, but shared experiences, especially multigenerational trips, are just as important. Many seek balance, choosing off-season deals and sustainable options to offset luxury splurges.

Sustainability also matters - **22%** of millennials say the environmental impact of purchases influences their decisions.

They want brands to take tangible action, whether that's through eco-friendly product lines or options to make micro-donations at checkout.

Despite their digital-first nature, millennials are practical spenders. Many prioritise planning ahead, using price comparisons and deal alerts to find value while still indulging in meaningful experiences. In e-commerce, they look for a shopping experience that feels personal and relevant, with product suggestions and loyalty rewards that reflect their tastes and buying habits.

Millennials' influence extends across industries, from travel to retail. Brands that reflect their values and offer ease without sacrificing quality are well-positioned to earn their loyalty and spending power.

Millennials in numbers

20%

spend **20+ hours per week** consuming online content

1.8 billion

the estimated **global population of millennials**

\$2.5 trillion

the collective **annual income of millennials** worldwide

22%

say the **environmental impact** of purchases influences their decisions

80%

of millennials **shop online**

56%

use **mobile devices**

How Millennials Like to Pay

Retail and grocery stores

For millennials, a trip to the grocery store is all about simplicity, budgeting, and avoiding awkward payment glitches.

Debit cards dominate, with **40%** opting for this straightforward method - no surprises, no fees, just in and out. Mobile wallets like Apple Pay are catching on for **12%**, appealing to the 'tap-and-go' lifestyle.

Surprisingly, **20%** still prefer cash, often using it as a budgeting tool to limit impulse buys. Meanwhile, only **1%** choose buy now, pay later (BNPL) options for in-person grocery shopping.



Merchant tip

Partner with mobile wallet providers to create cashback offers or points incentives for frequent shoppers. Self-checkouts with mobile integration can further improve the experience, cutting queues during peak times.

Dining out: cafés, restaurants and pubs

Dining out is about connection, celebration, and those all-important shared experiences. From brunches with friends to after-work drinks, millennials want their dining payments to be smooth and quick.

35% reach for their debit card, but mobile wallets are a popular option for **12%**, making splitting the bill hassle-free. Cash is still in the mix, with **20%** preferring it - especially for group settings where digital options sometimes fall short.

QR code menus, table-service apps that handle ordering, and payments have impacted dining experiences. However, millennials expect more than just a flashy app - they want the payment process to blend easily into the overall experience.



Merchant tip

Implement bill-splitting features in your app or payment system to eliminate the post-dinner scramble. Reward loyal diners with perks, such as free drinks after a set number of visits or early access to event bookings.

Fashion and tech buys

When it comes to shopping for tech or fashion, millennials blend practicality with indulgence.

When upgrading their gadgets, millennials tread carefully. **36%** stick with debit cards, but **22%** use credit cards for rewards or purchase protection. Mobile wallets account for **11%**, but they're less popular for bigger-ticket items. Cash remains an option for **17%**, but BNPL has barely made a dent, with **1-2%** usage.

Millennials want their fashion fixes without payment fuss. **37%** choose debit cards, while **20%** lean on credit cards for the perks. Mobile wallets simplify impulse purchases for **14%** of shoppers, while **16%** still prefer carrying cash for unique treasures at small boutiques.

Health and wellbeing

Pharmacies and beauty stores see **38%** of millennials opting for debit cards, with **20%** turning to credit cards for points.

Mobile wallets sit at **13%**, while **18%** still prefer cash for smaller purchases. Wearable devices and QR codes sit at **2%**, showing that while convenience is a draw, they haven't fully replaced traditional methods.



Merchant tip

Integrate loyalty schemes directly into mobile wallets to offer exclusive discounts for returning customers. Flash sales accessible via QR codes in-store can also boost engagement.



Merchant tip

Consider adding mobile wallet loyalty perks or exclusive cashback offers for health and beauty purchases to encourage more digital adoption.

Travel and accommodation

Whether it's a weekend getaway or a month-long adventure, millennials want flexible payment options for their travel plans. **38%** of them use debit cards for hotel bookings, valuing transparency and control over their expenses. Meanwhile, **26%** use credit cards to access rewards points, insurance coverage, or cashback.

Mobile wallets account for **9%** of travel-related payments - especially for app-based hotel check-ins. BNPL is gaining traction, with **2%** of millennials spreading the cost of high-value accommodation.

Cash usage drops to **14%**, as high-value transactions shift toward digital payments.

When abroad, **26%** prioritise multi-currency wallets to dodge high conversion fees. Features like virtual cards and biometric security are also popular, offering extra peace of mind when paying overseas.

When it comes to paying onboard cruises, debit cards sail ahead at **28%**, with credit cards not far behind at **22%**. Mobile wallets and QR codes are starting to make waves at **9%** and **1-4%**, but cash is still anchoring down at **13%** - a reminder that some travellers still like to keep things old-school when they're out at sea.



Merchant tip

Hotels and travel providers can stand out by offering app-based check-ins that accept mobile payments and biometric verification. Adding multi-currency wallet compatibility and real-time conversion updates at checkout can make international bookings smoother.

Events and experiences

For millennials, life's highlights are often captured at gigs, festivals, and live events. And how they buy tickets is all about how easy and simple it is. For low-value event tickets under £50, **14%** use mobile wallets, while **38%** stick with debit cards.

As ticket prices rise to £51–£200, **5%** of millennials use BNPL to split the cost. For tickets over £200, **24%** turn to credit cards, seeking the security and rewards these payments offer.

Digital-first solutions like QR code tickets, e-receipts, and app-based bookings make the ticket-buying process smoother. Loyalty schemes that offer presale access or VIP perks also strike a chord.



Merchant tip

Add BNPL and mobile wallets to your ticketing. Early-bird deals and exclusives drive engagement and repeat sales.

Everyday essentials

40%

use **debit cards** as their primary
payment method in **grocery stores**

20%

use **cash** when **dining out** - often for
bill-splitting

26%

prioritise **multi-currency** wallets for
international travel

5%

use **BNPL** for **mid-range event tickets**
(£51–£200)

38%

use **debit cards** for **hotel bookings**

Future of payments for millennials

Millennials are driving the future of payments, calling for speed, simplicity, and safety all rolled into one. They're all about digital convenience but won't budge when it comes to security. Their preferences don't just shape their own experiences - they're setting the standard for how retailers and payment systems will need to evolve to keep up.

Security first, always

With rising concerns over online fraud and data breaches, it's no surprise that security tops the list when millennials choose how to pay. **40%** prioritise secure options above all else, making it a make-or-break factor for their trust in merchants. But ease of use isn't far behind - **36%** value a seamless payment process, especially for their daily purchases.

Whether it's a quick tap with a contactless card or an Apple Pay scan, millennials want their payments to be swift but safeguarded. Speed also plays a role, with **29%** saying they'll choose faster options wherever possible.



Merchant tip

Reassure your customers by visibly investing in security measures. Display trust signals such as secure payment logos and biometric verification options. For online transactions, consider offering digital wallet options that millennials associate with secure, user-friendly experiences.

Cards and contactless are still needed

Despite the buzz around digital wallets and wearables, physical debit and credit cards remain non-negotiable in millennials' lives. A quarter of millennials use their cards daily, with another **20%** using them multiple times a week.

Contactless payments have become a natural part of their routines, with 23% tapping away daily. But there's still a gap to close - around **5-7%** of millennials use contactless rarely or not at all, indicating that some still feel uncertain or see it as unnecessary.



Merchant tip

Promote contactless and mobile payments with clear signs. Support wearables and offer perks like first-time user discounts to drive adoption.

Frustrations driving decisions

Convenience can make or break the checkout experience, but frustrations quickly chip away at trust. Hidden fees are a key pain point, with **36%** of millennials finding them an annoyance. Security fears also loom large - **34%** worry about fraud or data theft. The speed of payment processing, or lack thereof, can also be a dealbreaker. Complicated refund processes add further friction, especially for online transactions where clarity is key.

The digital divide

When it comes to mobile payments, younger millennials are all in - **20%** use mobile wallets like Apple Pay every day. But this trend dips dramatically for those in their late 30s and early 40s, with only **7%** using mobile wallets daily.

Similarly, while **40%** of millennials are excited about using wearable tech and biometric payments in the future, these innovations still have hurdles to overcome before they become mainstream.



Merchant tip

Offer flexibility at checkout by enabling wearable payments and biometric scans. Promote these as quick, secure options to cater to younger customers. For those less familiar with the tech, use in-store displays to explain the benefits and ease of mobile and wearable payments.



Merchant tip

If you cater to international customers, offer multi-currency options and clearly outline conversion fees. For e-commerce stores, including a currency conversion feature helps customers feel more in control of their purchases, regardless of their location.

The power of loyalty

When deciding where to shop, millennials are swayed by the payment options on offer. Contactless availability is a draw for **39%**, while **38%** are enticed by exclusive discounts for using specific payment methods. Loyalty programme integration can also tip the scales, with **28%** saying they'd choose retailers that reward their spending through points or perks.

Online security matters most

When it comes to online shopping, millennials still put their trust in traditional cards - **36%** believe debit and credit cards provide the most secure online payment experience. However, **14%** place their confidence in digital wallets.

This shows that while digital adoption is growing, security perceptions shape how millennials shop online.



Merchant tip

Make sure your loyalty programmes sync smoothly with digital payments and mobile wallets. Offering exclusive rewards for digital-first payments can also encourage shoppers to stay loyal. Think point multipliers for Apple Pay users or instant rewards for contactless purchases.



Merchant tip

Reassure online shoppers with secure checkout options and encrypted payment gateways. Adding extra verification steps, like two-factor authentication, can boost confidence without causing friction.

Future-focused payments



38%

prefer **debit cards online**, showing a lean toward direct payments.



14%

opt for mobile wallets, valuing speed and convenience at checkout



7%

use BNPL for purchases over £200, showing comfort with spreading costs.



25%

are curious about **using cryptocurrency** for future payments



40%

prioritise security, expecting strong fraud prevention features as standard

Research Methodology

To understand millennials' payment preferences, PXP partnered with **Censuswide** to survey **2,000+ consumers aged 18 and above**. Censuswide follows **MRS** and **ESOMAR** standards and is a member of the **British Polling Council**.

Additional Sources

Millennials: Fueling the Experience Economy

mintel.com | Consumers' Holiday Habits: A Travel Guide

salesfire.co.uk | Marketing to Millennials: How eCommerce Sites Can Sell More

khoros.com | Top millennial spending habits and insights for 2024

Generational Trends 2025

PXP is a tech platform that makes commerce simpler, better, and more connected. With just one connection to PXP, merchants can unlock a world of commerce across online, mobile, and point-of-sale channels. Powered by a suite of financial services, multiple acquiring connections—including an in-house acquiring license—and diverse alternative payment methods, PXP processes over €30 billion annually through our unified gateway.

Connect once to our global commerce ecosystem to supercharge your growth by unifying payments, streamlining operations, and getting access to endless opportunities.

Contact us to get all the payment
tools you need to grow your
business at
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