

Millennials: Frugal or Frivolous?

Many don't conform to the generational stereotype

ARTICLE

Krista Garcia

Millennials' behavior is among the most scrutinized, but don't be too quick to stereotype this generation.

Many think of this generation as the kind to waste money on fads like avocado toast, and also the kind that's resistant to buying into traditional milestone purchases like cars and houses. By many measures, though, millennials are conscientious about spending and saving.

According to a new survey from [RetailMeNot](#), millennials have better saving habits than baby boomers. More than half (53%) of US internet users ages 18 to 34 said they “always” look for sales or promos before buying online. By contrast, 40% of those ages 55 and older agreed.

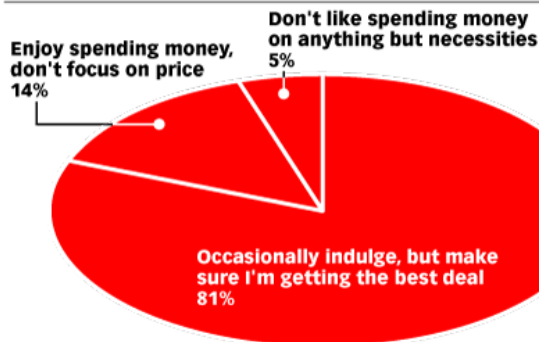
These thrifty tendencies mirror findings from other studies. [Merkle](#) and [Levo](#) found that 81% of US millennial female internet users surveyed in January 2018 characterized their spending style as occasionally indulging but making sure they get the best deal. And [CouponFollow](#) reported 84% of US millennials used coupons at least sometimes when shopping digitally, a higher rate than when shopping in-store (76%).

According to "The eMarketer Ecommerce Insights Report," conducted by [Bizrate Insights](#) in March 2018, 81.7% of US millennial internet

users said coupons were important or very important to their digital purchase decisions, vs. 73.0% for total respondents.

US Millennial Female Internet Users' Primary Attitude Toward Their Spending Style, Jan 2018

% of respondents



Note: ages 18-37

Source: Merkle and Levo, "Why Millennial Women Buy," March 8, 2018

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A December 2017 [Bank of America](#) report lent credence to the idea that millennials are not just cheap, but also savers. The survey showed that 38% of millennials were saving more than 50% of their salary, compared with 19% of Gen Xers and 14% of boomers. And 54% of millennials polled were cutting back on entertainment and going out, vs. 45% of Gen Xers and 32% of boomers.

Many millennial myths persist despite evidence to the contrary. Over a third of US adults under age 35 are homeowners, according to [US Census Bureau](#) data. And 80% of millennials surveyed by [TransUnion](#) in July 2017 said they owned or leased a car.

[Deloitte](#) has theorized that much of the behavior attributed to millennials—fondness for the sharing economy, preference for digital rather than in-store shopping and early tech adoption—is really the behavior of high-income millennials who make up just 19% of that generation.