

Online retailers need to respond to Gen Z's love of Apple Pay

Article

By the numbers: Gen Z far surpassed all other generations in terms of **Apple Pay** adoption for ecommerce purchases, [per](#) a February 2024 report from Adobe and PYMNTS Intelligence.

- **8.8% of Gen Z consumers used Apple Pay** when shopping online in the last 30 days, according to the survey.
- Less than half as many millennials (4.0%) reported doing the same.
- Adoption shrank to 1.1% for Gen Xers and 0.8% for baby boomers and seniors.

Millennials outpace Gen Zers in terms of **Google Pay** adoption, however: 1.4% of millennials used Google Pay when online shopping in the last 30 days, compared with 0.5% of Gen Z.

Why Apple is the Gen Z winner: Powerful brand loyalty has set up Apple Pay for strong Gen Z demand.

- **87% of US teens own an iPhone**, and nearly the same percentage expect their next phone will be an iPhone, according to Piper Sandler.
- Adult Gen Z digital banking users are also more likely to trust Apple to provide them with financial services than their own primary bank or credit union, per our [June 2022 US Banking Digital Trust Benchmark survey](#).

Why it matters: Cart abandonment plagues retailers, and rates are especially high among younger generations.

- **The average Gen Z consumer abandoned 3.8 carts over a 30-day period**, according to the Adobe and PYMNTS Intelligence survey.
- This is behind millennials, who average about 4.8 carts a month, but both are well above Gen X (1.9 carts) and baby boomers and seniors (0.6 carts).

Younger consumers like to explore all available choices and are more likely to browse, compounding cart abandonment. But payment options, or the lack thereof, also lead to increased rates: **59% of retailers** said their customers have frequently abandoned a shopping cart when their preferred payment is unavailable, [according to](#) a survey from **PayPal**.

What's at stake? If online retailers don't cater to Gen Z payment preferences like making Apple Pay available, they risk losing out on Gen Z's quickly growing buying power.

- In 2021, the [average Gen Z household spent \\$41,636 annually](#).
- This represents 60.3% of millennial household spending and just under half of Gen X household spending, per the most recently available data from the US Bureau of Labor and

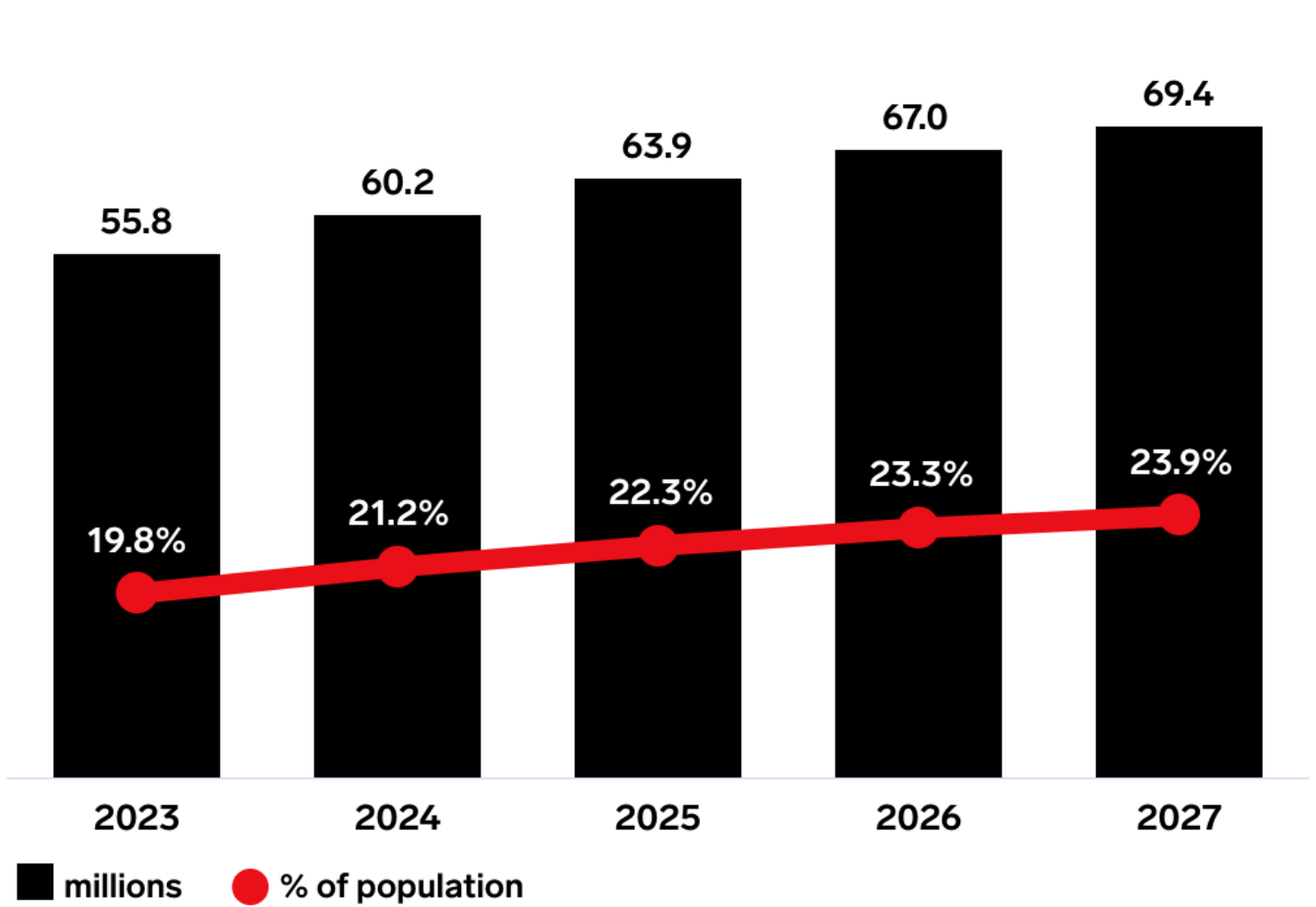
Statistics.

- And Gen Z's spending power will only grow as **42% are not yet adults**, per the US Census Bureau.

[Dig deeper: For more on Gen Z payment preferences, check out our May 2023 Gen Z Consumer Payment Habits report.](#)

Apple Pay Users and Penetration

US, 2023-2027



Note: ages 14+; mobile phone users who make a proximity mobile payment transaction using Apple Pay via mobile phone at least once per month

Source: Insider Intelligence | eMarketer, April 2023

This article originally appeared in Insider Intelligence's Payments Innovation Briefing—a three-times-weekly recap of top stories reshaping the payments industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.

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