

afterpay ↗



Afterpay's Lockdown Liberation Study.

The sentiment and impact of Covid-19 on the Next Gen.

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Let's press play on our lives.

Afterpay empowers customers with accessibility and freedom every day. There is no better time to celebrate this than when coming out of this once-in-a-100-year pandemic and unprecedented lockdown period.

This is a cultural moment to be captured and etched in global history.

As a brand that is always at the forefront of culture, Afterpay has commissioned McCrindle Research to get the latest on what Gen Z and Millennial Aussies are thinking, buying, celebrating and planning as we come out of lockdown and approach freedom.

We hope you find the report useful in better understanding the mindset, hopes and fears of the Next Gen Aussie consumer during this historic point in time.

“This is a cultural moment to be captured and etched in global history.”

Key findings.

Grub before pub:

Restaurant and café dining **[49%]** eclipse the pub **[36%]** as the thing Next Gen Aussies are most excited about as restrictions ease.

Retail therapy:

Almost **half [42%]** are excited to shop in-store again, with a **third [34%]** prioritising personal care appointments.

Flights first:

28% of Next Gen Aussies said the first thing they will buy when restrictions end will be travel-related, while **half [45%]** are planning to book an overseas holiday in 2022.

Mind matters:

Almost half [45%] believe the importance of looking after their own mental health is the biggest lesson from the last 20 months.

Surprise savings:



52%

of Next Gen Aussies reached their savings goals during the pandemic, as **8 in 10 [82%]** have become more conscious of their finances since COVID-19.

Career switch-up:

55%

of Next Gen Aussies have realised they want to change careers during the pandemic.

Lessons in love:

A **fifth (21%)** found that their relationships improved since the pandemic began in March 2020, but **6%** say they broke up as a result of it.

Lockdown hobbies:

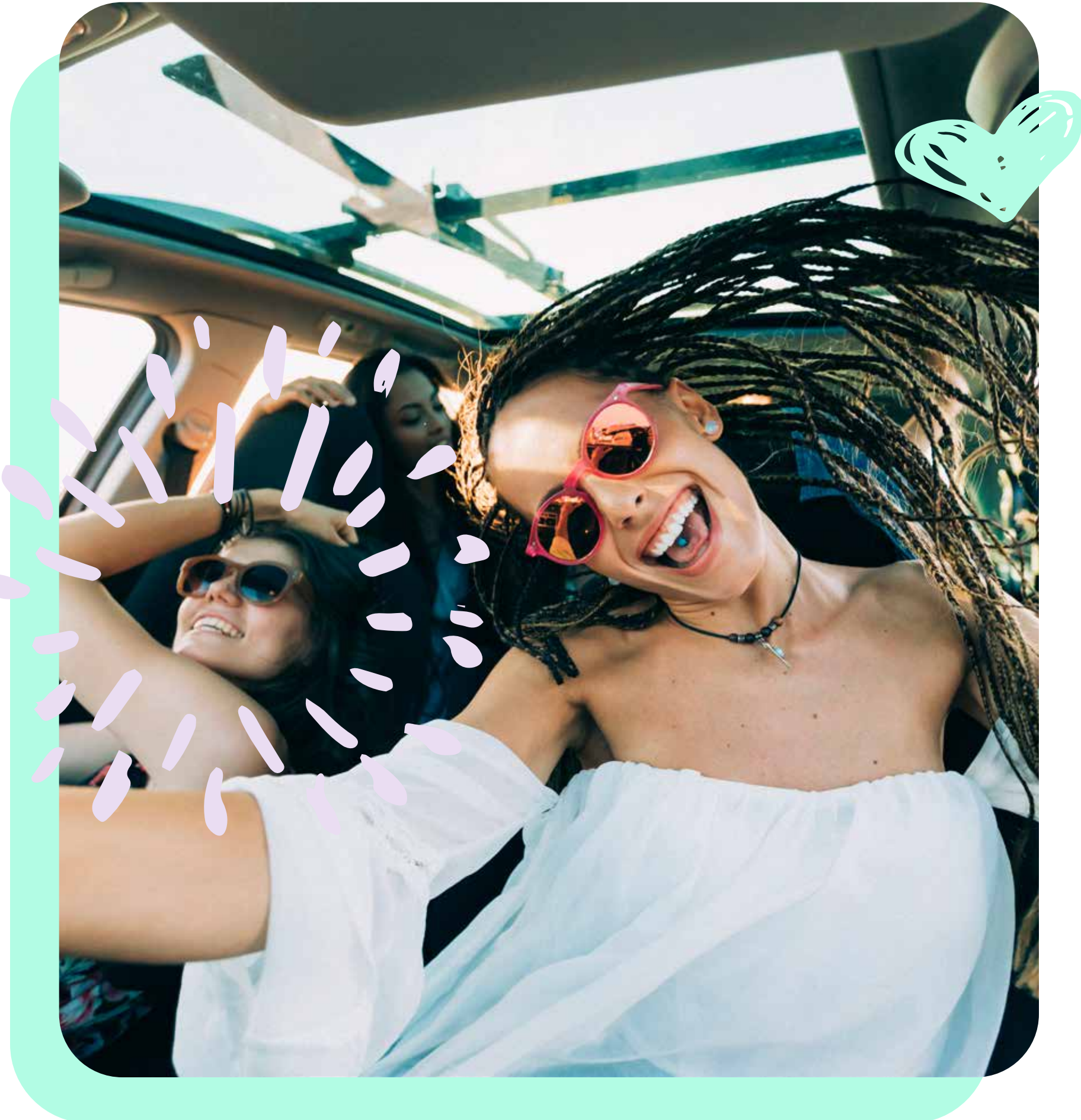
During isolation, over a third tried out a new exercise routine **[36%]** or took up DIY around the house **[34%]**, while almost a **quarter [24%]** learnt a new skill such as a language.

2022 Me:

1 in 5 [22%] Gen Z and Millennial Aussies are looking forward to focusing on themselves and smashing goals they weren't able to due to lockdowns.

Post-Covid worries:

Almost **half [49%]** are worried the world will never return to the way it was, while **1 in 5 [22%]** are worried about the pressures of keeping up with social commitments as restrictions ease.



Freedom never tasted so sweet.



How will young Aussies celebrate enduring some of the harshest and longest lockdowns across the globe? Well, **1 in 2** will head out for a bite at a restaurant, pub, bar or cafe with their family or mates.

When it comes to what they are most excited about when restrictions ease, well let's put it this way; not all of them are rushing back to the pub. No, this fancy Next Gen will be getting boujee, with restaurant and cafe dining eclipsing the pub [**49% vs 36%**] as the thing they are most excited about. Shopping in-store will also be high on the agenda, at **42%**, as well as travel at **56%** and personal care appointments at **34%**.

When it comes to splashing on their first purchase, Millennial and Gen Z Aussies are clearly dusting off their passports and getting their boarding passes and tickets ready, with the most popular first purchase post Liberation Day being travel and experiences at **28%** [e.g., holidays or event tickets].

In retrospect.



Despite having to put their lives on hold for 20 months and being at the mercy of the daily Premier updates, some good habits have emerged from this period in time.

Mental health has come front and centre with almost half **[45%]** of Gen Z and Millennial Aussies believing the importance of looking after their own mental health is the biggest lesson.

To keep themselves busy, younger Aussies got physical during lockdown, with over a third trying out a new exercise routine **[36%]** and taking up DIY around the house **[34%]**. Cómo se dice? While almost a quarter **[24%]** learnt a new skill, such as a language, over half **[54%]** took up online shopping as a new activity and **29%** got their Masterchef-on, learning how to cook or bake.

But they also missed a lot; celebrating key milestones with friends and family in person topping the list at **77%**.

Shopping in-store **[69%]** and having a reason to get dressed up **[64%]** were also dearly missed. **Goodbye activewear...**

What younger Aussies missed when shopping in-store:

66% Being able to physically look and feel the product.

55% Physically comparing products.

55% Trying clothes on before buying them.

41% Eating at the foodcourt. KFC anyone?

37%

have missed out on an international holiday during the period.

Pressing pause.

Young Aussies are used to experiencing significant life events and milestones throughout their 20s and 30s, but since restrictions began many have missed out or delayed these key moments.

Over a **third [37%]** have missed out on an international holiday during the period and over a **quarter [28%]** missed a regional holiday. More than a **third [38%]** have had to skip a milestone birthday and a quarter have been unable to attend a friend or family wedding **[27%]**. Sadly, **1 in 5 [20%]** have also missed a friend or family funeral due to the pandemic.

This Next Gen has also adapted to delaying their life priorities, having to press pause on moments including: looking for a new job **[22%]**, buying property **[21%]**, moving to a new location **[18%]**, finding love **[16%]**, getting married **[16%]**, and having a baby **[14%]**.

The year of “me”.

As we get ready to enter a more liberated 2022, **1 in 5 (22%)** Gen Z and Millennial Aussies are looking forward to focusing on themselves and smashing goals they weren't able to due to lockdowns.

Key priorities for the year include: getting back on track with health and wellbeing **[28%]**, advancing careers **[22%]** and having a better work/home balance **[17%]**.



Above all, this Next Gen are looking forward to a year of reconnecting with friends and family, who they weren't able to see during lockdowns [48%].

MUSIC FESTIVAL
OVERSEAS TRAVEL
LIVE EVENTS
SPORT
THEATRE
MARDI GRAS
PUB TRIVIA



The back-at-it list.

The Next Gen are also setting sights on getting back to experiences they've had to pause over the last few months, with travelling overseas and holidaying remaining on the bucket list for **almost half** of Aussies [45%].

The thrill of travel has been so much, that a **fifth [19%]** are set to book an overseas trip the moment that borders open. What's more, more than **half [59%]** are planning an international holiday in the next year, and **8 in 10 [82%]** are planning to travel on home soil in 2022.

And it's not just travel that has been a restriction for young Aussies; the lack of experiences and events has been a huge blow, with a **quarter** saying live events [24%] is the thing they're most looking forward to next year.

Music gigs and festivals [47%] are top choices that young Aussies can't wait to dive back into, trailed by sporting events [35%], the theatre [32%] and big cultural events like Mardi Gras [33%]. While more than 1 in 10 [15%] can't wait for a good, old-fashioned pub quiz!

SHOPPING
PUB LUNC
CAMPING
HIKING
BINGO
CRUISE
MARKETS

Wellbeing glow up.

Over the past 20 months, the Next Gen have had a wellbeing wake-up call, with mental and physical health becoming a priority.

The **majority (82%)** say they have become more aware of their mental health since before COVID-19, with **almost half (45%)** believing the importance of mental health is the biggest lesson from the last 20 months.

4 out of 5 (82%) also say their mental health has become more of a priority than pre-pandemic, and **three quarters (76%)** say they talk about mental health more openly.

As we scrolled **#foodtok** at home more than ever before, almost **two thirds (62%)** of Gen Z and Millennials admitted they were eating healthier than before the pandemic, whilst **three quarters (75%)** also say their physical health has become more important since March 2020.



4 out of 5 (82%) say their mental health has become more of a priority.



Lockdown love.

While the pandemic and lockdown delayed finding love and starting new relationships for **1 in 10** Gen Z and Millennials, they are now single and ready to mingle as restrictions ease.

A **quarter [26%]** are looking forward to dating more post-lockdown, and **1 in 5 [23%]** are prioritising finding the love of their life. A **fifth [20%]** are also keen to date more casually rather than looking for a serious relationship; a sign they want to prioritise enjoying their freedoms with family and friends.

- ✓ **21% found that their relationships improved.**
- ✗ **6% say they broke up as a result of the pandemic.**

When it comes to friends and family, the **majority [86%]** say they've realised the importance of having loved ones in their life and more than **4 out of 5 [85%]** say it's made them realise the relationships they want to prioritise in the future.



xoxo

Every day I'm hustlin'.

In between the ever-changing 'WFH' situations, the Next Gen have had time in lockdown to plan how they can live their best life.

The majority **[82%]** have become more conscious of finances since COVID-19, with two thirds **[66%]** seeking out information about financial wellbeing. Gen Z and Millennials took a W during the pandemic, with over half **[52%]** reaching their savings goals.

While **more than half [55%]** have realised they want to change careers during the pandemic, **a quarter [22%]** say that the pandemic delayed their search for a new job. As we ghost 2021 and run for the greener pastures of 2022, **a fifth [22%]** are looking forward to using the next year to focus on their careers.

The past 20 months taught **a third [32%]** of this generation that while they need more work/life balance, surprisingly the top preference **[24%]** for the ideal working situation is to continue being in the workplace full-time and **over half [53%]** admit they missed seeing their colleagues [aka Betty from finance] in the workplace, more than they expected.



?!

23%
plan to
use social
media less.

The social generation.

As we are overloaded with information on COVID-19, vaccines and lockdown restrictions, three quarters **[75%]** of Gen Z and Millennials say that social media was their go-to source for updates.

Whether to keep entertained, discover new hacks, get the news or stay in touch with friends and family, **3 in 5 [60%]** say they used social media more frequently than before the pandemic.

Looking into the future as restrictions ease, almost **2 in 3 [61%]** say they can't wait to share all the exciting things they will be doing on their social media accounts, while almost **a quarter [23%]** plan to use social media less frequently than they did during Covid-19.

About us.

Co-founders Nick Molnar and Anthony Eisen launched Afterpay in Australia nearly six years ago as an interest-free, buy-now-pay-later alternative that's more in line with the needs and spending patterns of the Next Gen consumer.

Customers pay in four instalments, and in most cases, the first instalment is completed at the time of purchase. The remaining three instalments are due every two weeks after that, and customers get a reminder when their next payment is due.

As long as customers pay on time, they aren't charged a single fee. And because we've partnered with more than 100,000 retailers and brands globally, customers can use Afterpay at all the places they love.

We trust and empower customers.

There's a clear generational shift in payment preferences. In Australia, BNPL usage has surged by 174% with Gen Z and 110% with Millennials since Jan 2020. In contrast, credit card spending has remained static among these groups in the same period, only growing between 1-2%. Similarly, debit spending trails BNPL, climbing by just 23-25%. That's why at Afterpay, we're turning the credit industry on its head by putting our trust in the customers and giving them the freedom to buy what they want today and pay overtime.

Afterpay isn't a line of credit or a loan; we don't charge interest or do credit checks.

Rather, it's a budgeting tool that allows customers to spread out the cost of their purchase across a series of more digestible payments. It gives customers the flexibility to spend their own money while ensuring they're never spending more than the actual price of the item they're buying. Because customers are only charged a capped late fee if they miss a payment, they are incentivised to stay organised and accountable.

Money by Afterpay is changing the way customers think of money.

In November 2021, Money by Afterpay, Afterpay's money and lifestyle app will launch in Australia. Once it is publicly available, customers will use their Afterpay BNPL credentials to log into the Money app. Within minutes of opening an account, customers can make it their primary money management app. The Money app's home carousel will display their BNPL balance, upcoming orders and installments alongside their daily spending account and savings accounts, giving customers a single, seamless source of truth of their finances. Sign up to the waitlist now.

Afterpay is currently available in Australia, Canada, New Zealand, the United States and the United Kingdom, France, Italy and Spain, where it is known as Clearpay. Afterpay is on a mission to power an economy in which everyone wins.



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The Afterpay Lockdown Liberation Report was commissioned by Afterpay and conducted by McCrindle. The survey was in field between 6th-11th October 2021 with 1,000 Gen Z and Millennials, nationally representative of Australians aged 18 to 41 years by age, gender and state.

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