

PRESS RELEASE



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For release: From Thursday 29th June 2017 (EXCLUSIVE – TIMINGS TBC)

9 IN 10 MILLENNIALS CHOOSE TO USE CASH ABROAD – DESPITE FEARS OF THEFT, POOR RATES AND A LACK OF PROTECTION ON PURCHASES

- Millennials are most likely to rely on local currency when on holiday, with 87% preferring to use cash abroad over other methods of payment
- Even though four in ten under-25s (41%) are worried about losing cash on holiday and one in eight (13%) worry about falling victim to poor exchange rates
- Older holiday makers are nearly four times as likely (46% compared to 13%) to use credit cards overseas to gain extra protection on purchases and less than 1% worry about exchange rates

Cash versus Cards

Older holidaymakers make canner choices when spending money abroad – while millennials rely on cash and face higher costs and potential risks as a result, according to new research from Halifax revealed today.

Nearly half of travellers over 55 prefer to use a credit card to pay for purchases abroad*, compared to less than a third (31%) aged 25 to 34 and just one in eight (13%) 18-24 year olds, according to a survey of over 2,800 British adults conducted by polling agency TNS for Halifax.

Under 25s are the most likely to prefer using local currency abroad, with 87% saying cash is their preferred way to make purchases on holiday.

Slightly older 25-34 year old 'millennials' are the most likely to prefer debit cards abroad (37%), again contrasting with just 17% of those aged 65+ who say debit cards are their preference.

Older travellers are also less likely to worry about misplacing their cash, with less than one-in-five reporting this as a holiday fear.

Twice this proportion (41%) of those aged 18-24 are afraid of losing cash on holiday – and nearly one-in-ten millennials (9%) have lost hard currency while abroad in the past.

Exchange Rates

The younger generation is also more likely to worry about miscalculating exchange rates and falling victim to a change in rates while abroad. One in eight (13%) of under 25s reported this as a problem compared to just 1% of those aged 55-64 and 2% of those over 65.

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Jon Roberts, director of cards at Halifax, comments: “It’s interesting to find that despite the younger generations’ love of technology, cash is still king for those travelling abroad.

“It’s understandable that younger travellers might be wary of using credit cards abroad but there are many benefits of doing so. More mature holidaymakers worry less about fraud, theft and the fear of misplacing large sums of cash, by using credit cards. If using a credit card that doesn’t charge fees for purchases abroad, people have far more security, they don’t need to carry large sums of cash and are less likely to fall victim to poor exchange rates.

Older travellers are also more likely to understand the benefits of using a credit card for booking holidays and travel. The majority of those aged 45 or older use their credit card when booking their holiday specifically so that they are protected under section 75 of the Consumer Credit Act¹ (where the credit provider can take on some responsibility for breaches of contract by the supplier).

For those aged 55-64 this stands at 60% who consciously make use of the extra protection from using credit cards. But for 18-24 year-olds the same proportion is just 26%.

Jon Roberts concludes: “Our own data shows how in cash terms the 45-54 age group spend twice as much as 18-24 year olds using credit cards abroad on the most popular expenses such as hotels and restaurants.

“I would encourage everyone to think how they can make the best of their holiday spend and avoid any worries over theft or exchange rates, well in advance of their travels.”

- ENDS -

Notes to editors:

Data source: TNS polled a nationally representative sample of 2,803 British adults (aged 18+) in May 2017.

*46% of those aged 55-64 and 46% of those 65+ admitted to preferring to use credit cards as a means of payment abroad.

¹ <http://www.legislation.gov.uk/ukpga/1974/39/section/75>

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