



Connecting with the Millennials - A Visa Study



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INTRODUCTION

Much has been written about the Millennial generation since they were first identified in social demographics in the 1990s. Workplace psychologists study them, social commentators talk about them, and companies are trying to reach them. Yet understanding the most connected, tech-savvy generation the world has ever seen still perplexes many.

Recognised as the generation that grew up in the internet age with digital communications, there are no precise dates for when the Millennial generation starts and ends. For this report, Visa has canvassed the views of those between the ages of 18 and 28 at the time of the fieldwork.

The Millennials, the largest generation since the Baby Boomers, make up more than 25 percent of the world's population. In China and India alone, there are 200 million and 500 million people under the age of 25 respectively.

Whether in Asia, Europe, Africa or the Middle East, Visa research shows that Millennials are highly-connected and technology savvy, with more than three quarters saying they cannot live without a computer or mobile phone.

Not only are the Millennials the most technologically connected generation, they also grew up in a period of economic prosperity and optimism, much like their Baby Boomer parents. For a great part of their life the world enjoyed an economic boom, with sleeping giants of Brazil, Russia, India and China awakening and emerging as major economic forces on the world stage. This global optimism has influenced the Millennials' life aspirations and how they see the world around them.

As the world's largest retail electronic payments network, Visa wants to understand what makes this very significant generation tick. What do Millennials value and what do they want from life? Visa set about answering these questions and much more by researching the attitudes and behaviours of this generation in 11 countries in Asia Pacific, Central Europe and the Middle East. This report examines research conducted between June and July 2011 and uncovers some of the most prevalent trends for a complex generation.

Millennials: Those born between 1981 to 1991 and who were between 18-28 years of age at the time of the study conducted.

MEET THE MILLENNIALS



Call them the iPod, Facebook or YouTube generation; this is the generation that says they can't live without their smartphones or laptops. Connectedness is all they know.

Visa research found this group of individuals want to be free to be themselves; and explore who they are, the world, its different cultures and their place in it, while staying connected with family and friends. They value friends but are not influenced by them. They admit to being ambitious and having big dreams, yet most enjoy the simple, precious things in life. While defining characteristics can be drawn from this research, one thing is certain - this is a generation of individuals who won't be stereotyped.

Attitudes Towards Life

The most dominant life attitude for Millennials is to enjoy the simple, precious things in life. Eighty two percent of this generation living across cultural and geographical boundaries of South East Asia (Singapore, Philippines, Indonesia), Greater China (Hong Kong, Taiwan, China), Korea, India, Russia, South Africa, and the United Arab Emirates (UAE) supported this view.

They are also independent thinkers with more than half (59 percent) saying their actions were not influenced by what others thought or said, and 62 percent saying they like to set themselves apart from the crowd.

While status symbols of success like a nice car or house were considered desirable by most (65 percent), these were certainly considered less important than enjoying the simple things in life, like family and friends.



Balancing Ambitions and Family Values

Exploring the self and the world, and having dreams for the future were key ambitions for Millennials; more so than leadership, ownership and standing out from the crowd.

Family was an important consideration in all decision-making, as was helping to provide for elders in the family, with 78 percent of Millennials holding both these values. Caring for others in the community and giving back to society was less of a priority, although more than half (59 percent) still supported community involvement in some way.





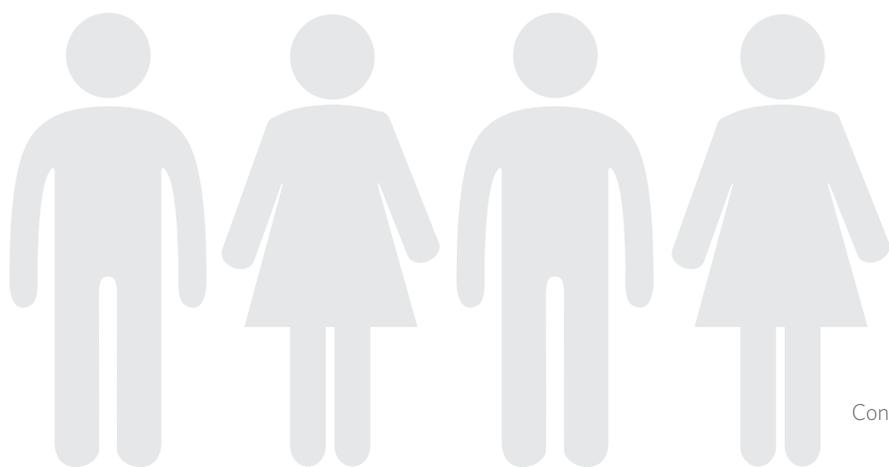
Living for the Moment and Exploring the World

About three quarters of Millennials in the Greater China region believed that life was all about living for the moment (70 percent Hong Kong, 77 percent Taiwan, and 74 percent China) - the only group to really support this view. Interestingly, the great majority (79 percent) of China's Millennials were also excited about exploring different cultures to their own. This corresponds with findings in the Visa Asia Pacific Travel Intentions Survey 2010 which showed the Chinese as the most frequent international travellers of all markets. Seventy seven percent intend to explore the Asia Pacific region, with Australia (53 percent), Japan (52 percent) and Hong Kong (47 percent) nominated as favourite destinations.

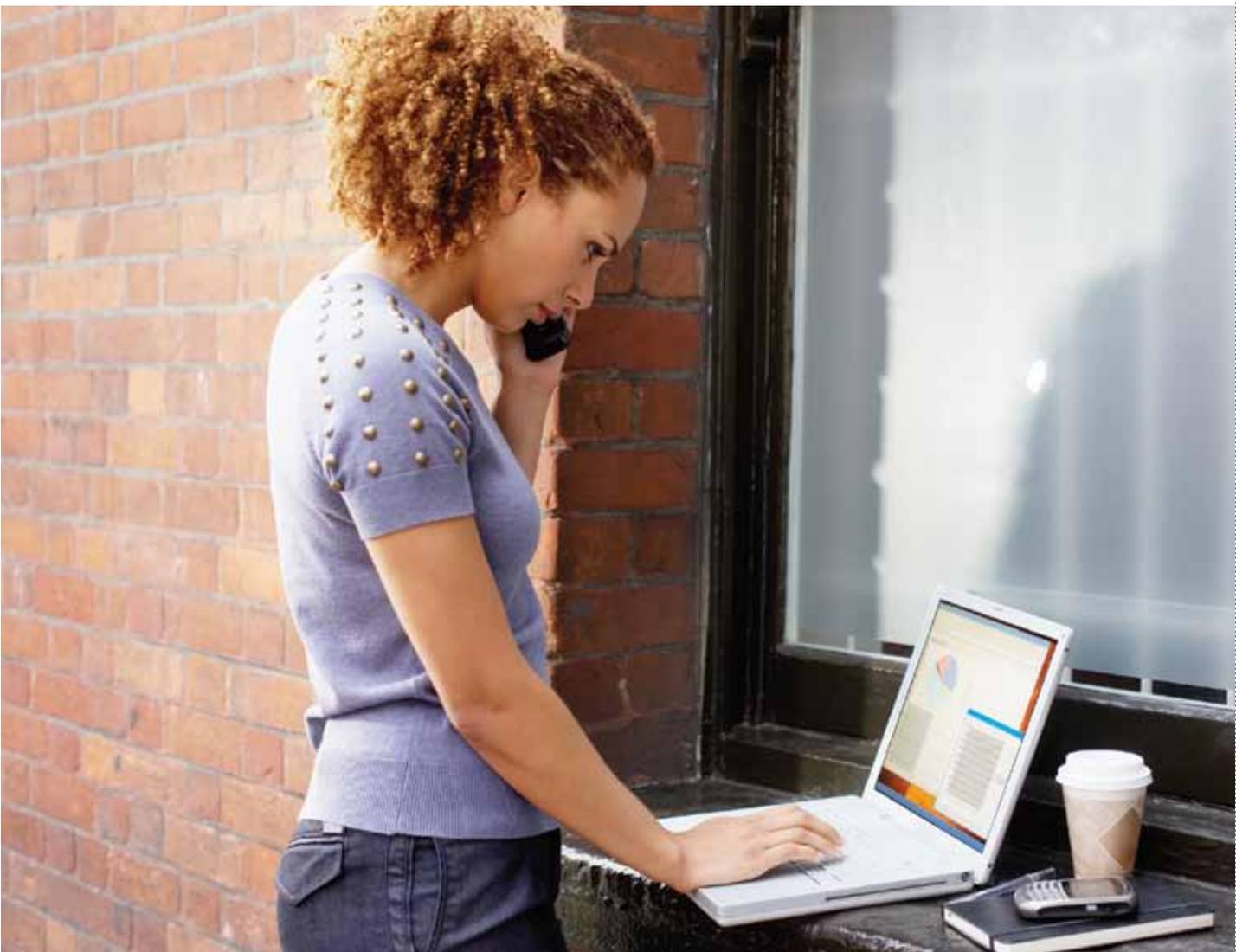
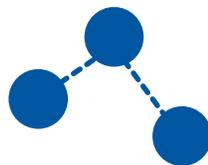
While eight percent of Millennials are already entrepreneurs, almost half (49 percent) have ambitious to be so in the future and run their own business. This goal is highest among Indonesians (88 percent), Filipinos (81 percent) and Russians (62 percent).

Ambition and Dreaming Big

"Being ambitious" and "having big dreams" were key characteristics among Indian, South African and UAE Millennials. Family remains a strong influence, with around four in five agreeing they are an important consideration in all decision making. This was highest among Indonesian, Indian and South African Millennials. More than three quarters also agreed it is important to provide for elders in the family, with almost unanimous agreement (96 percent) from the UAE. For those from the UAE - the statements "life is a journey of achievement" and "status" also resonated well.



CONNECTION AND COMMUNICATION



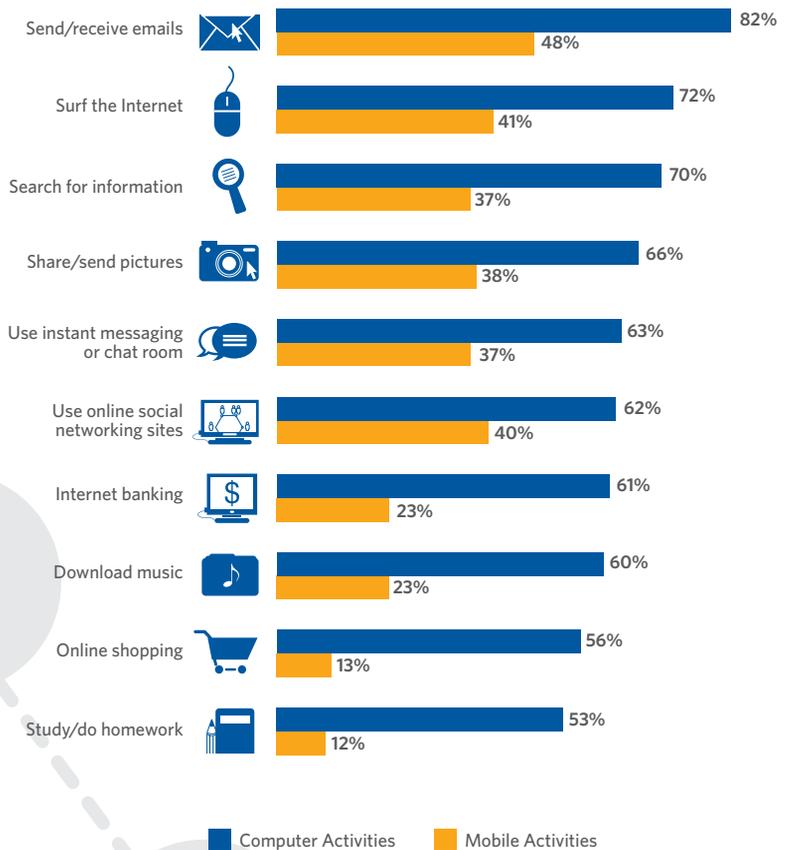
Many Millennials can't remember a world before Google or Youtube. They were born in an era when Bill Gates was well on his way to achieving his mission of putting a personal computer on every office desk and in every home. To them "google-ing" something is as instinctive as turning on their laptop. They can't live without a laptop or phone, with an equal number (43 percent) listing one or the other as the top gadget they cannot live without.

Computer and Mobile Phone Usage

Visa found the great majority (82 percent) of Millennials use their computers (personal computer or laptop) for emailing, surfing (72 percent) and searching for information on the Internet (70 percent). But it seems connecting to the Internet through a computer is more prevalent than connecting with a mobile phone. Still, it's a growing trend with 48 percent sending emails on mobiles, 41 percent surfing the net, and 40 percent using social media like Facebook on mobile phones.

And while older generations may associate computers with work, the Millennials see personal computers in an entirely different light. Two thirds (66 percent) share and send pictures and photos using their computer, yet only 53 percent do homework and study and even less (48 percent) work on their computer. On the other hand, 60 percent download music and 56 percent shop online. Social networking on computers is high (62 percent) across nearly all nations surveyed except Korea (31 percent) and China (46 percent), but Chinese Millennials' use of instant messaging is among the highest (73 percent).

TOP 10 ACTIVITIES MILLENNIALS USE INTERNET FOR (COMPUTER AND MOBILE PHONES)





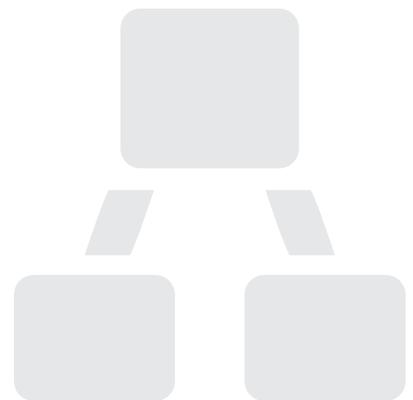
Keeping in Touch Online

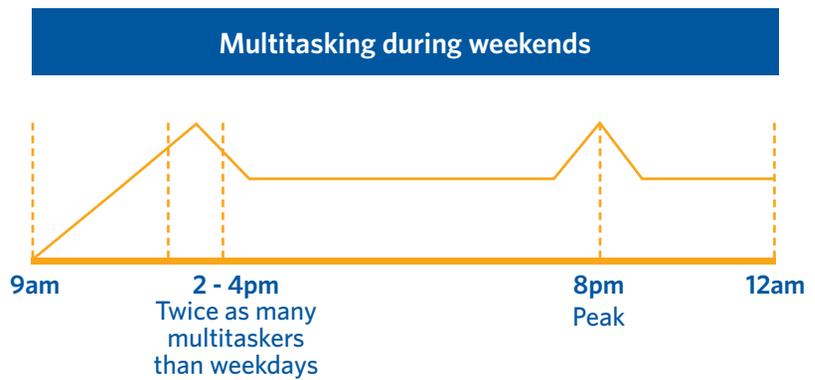
Spending a lot of time connecting online with friends and family makes laptops and phones the Millennials' favourite gadgets, with 43 percent saying they can't live without their smartphone and another 43 percent saying they can't live without their laptops.

Of those accessing social networking sites, eight out of 10 Millennials use Facebook at least on a weekly basis, and YouTube is used as frequently by two thirds (except in South Africa and Korea), although more time is spent on average on Facebook. In fact weekly Facebook use is higher than any other social media site, with South East Asia (Singapore, Philippines and Indonesia) using it the most (93 percent) while Russia (37 percent) and Korea (56 percent) use Facebook the least. Chinese Millennials use a wider variety of local social networking sites with Weibo and Youku.com the most popular.

The popularity of social network sites like Facebook and Weibo is important to Millennials because it enables them to chat with friends (84 percent), comment on other people's posts (72 percent) and send messages (69 percent).

Millennials 'generate' an extra five hours on weekdays and seven hours at weekends by multitasking.





A high level of multitasking starts on weekends at 9am and continues all the way through until midnight, with a peak at 8pm. From 2-4pm, there are twice as many multitaskers during weekends than weekdays.

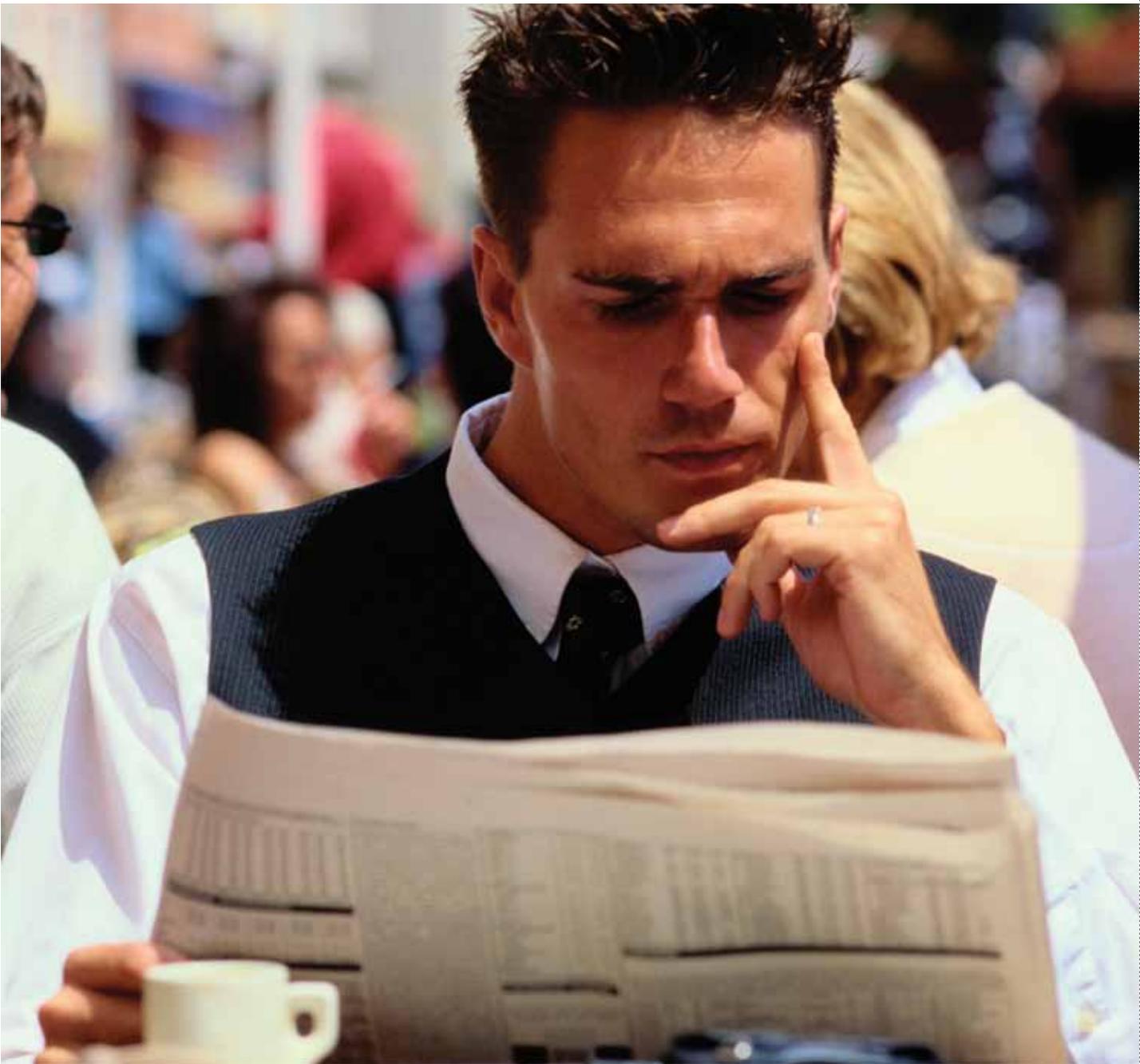
Multitasking Throughout the Day

Weekends are when Millennials make the best use of their time, often multitasking between surfing the Internet on their mobile while eating out, or texting friends while shopping.

Singaporeans top the league table for both weekdays (33 percent) and weekends (36 percent). At the other end of the scale, UAE Millennials take time for what it is, being the least likely (25 percent) to 'generate' extra time from their day.



ATTITUDES TO FINANCE



The majority of Millennials are ambitious and money oriented – 81 percent want to make as much money as possible so they can enjoy better life experiences and can get where they want to in life. The exception was Hong Kong Millennials (79 percent) who said they saw money as the ticket to enjoy life more which suggests a ‘live for the moment’ attitude.

Where Their Money Comes From

Almost seven in ten Millennials are working, although this is higher for Russia, Hong Kong, Indonesia, UAE and China. Those from Korea, Taiwan and India are more likely to be students, with almost one in two currently studying.

When it comes to income for the students, allowance from parents was the main financial source for 63 percent of today's Millennials. Koreans and Chinese are most likely (82 and 75 percent respectively) to receive an allowance. A further 11 percent receive money from relatives.

Forty-four percent list their main source of income is from part-time work, although this rises to as high as 65 percent for those in Hong Kong and one in six Indonesian Millennials. Fifteen percent say income is from a full-time role, which increases up to one in four among UAE, South Africa and India Millennials.

Only 17 percent of Millennials across all nations looked to financial institutions for financial advice – most go to their parents.



Who They Look to for Advice

Baby Boomer parents clearly influence Millennials' savings habits with 78 percent taking advice from parents on financial matters. Friends were also a significant influence on financial matters (45 percent), followed by the Internet (40 percent). The Filipinos relied most on parental advice (89 percent), followed by Indians (88 percent) and Indonesians (86 percent). Chinese Millennials relied more on the Internet (70 percent) for financial matters than any other nationality. Books (43 percent) were also important sources for financial matters for Chinese.

Only 17 percent of Millennials across all nations looked to financial advisors for financial advice. Those most likely to seek professional financial advice were Chinese Millennials (34 percent) while Filipinos (eight percent), then Russians and UAE Millennials relying the least on professional advice (six percent each).



Saving

Where the Millennials' financial advice comes from, it appears to be paying dividends because eight in 10 Millennials save a third (32 percent) of their monthly income. The propensity to save was highest in Indonesia (96 percent), however the highest rate of savings was with Taiwanese, Hong Kong and Singaporeans - which could be attributed to the fact that these countries all have compulsory superannuation schemes - all saving about 37 percent of their monthly income. On the other hand, the lowest level of saving was seen by South Africans (21 percent).

Nine in 10 Millennials have a savings account, and for Singapore and Korean Millennials this is near universal (99 percent). South Africans are least likely to have a savings account with only seven in ten putting money into a savings account. Current accounts are next most popular (40 percent) and more so in China (69 percent) and Russia (64 percent). Cheque accounts appear to be out of favour with only two in 10 saying they have a cheque account, except in Hong Kong (49 percent) and South Africa (49 percent) where it is more common.



Nine in ten
Millennials
have savings
accounts.



Personal loans and study or student loans are the most common.

Loans

Borrowing money is not very popular with six in 10 not taking any loans. Of those that do have loans, personal loans (17 percent) and study or student loans (15 percent) are the most common, followed by a car loan (13 percent). Interestingly, only ten percent have a home loan, although this is higher among Singaporeans (18 percent), Chinese and Hong Kong Millennials (both 17 percent).



Less than two thirds of Millennials invest for future.

Investments

As for investment, less than two thirds (62 percent) of Millennials invest for the future and most (46 percent) invest in insurance, followed by stocks (29 percent), and bonds (12 percent). Singaporean and Indian Millennials were the most avid insurance investors (63 percent and 59 percent respectively), while Chinese (43 percent) and Hong Kong (62 percent) Millennials invested strongly in stocks.



CONSUMPTION AND EXPENDITURE PATTERNS



Online shopping makes up a smaller portion of spend (15 percent) across the board with the exception of Koreans (24 percent) and Chinese Millennials (21 percent).

Saving to Shop

Shopping is the key activity (18 percent) that Millennials save for, followed by saving for a home. Saving to travel (13 percent), for personal grooming (11 percent) and for retirement (11 percent) was also important to Millennials, much more so than eating out (0.5 percent) and entertainment (0.2 percent).

UAE and Chinese Millennials were most likely (22 and 19 percent respectively) to save to shop, and Filipinos put aside 12 percent of their disposable income for electronic gadgets.

Those from Chinese and Hong Kong save a higher amount (20 and 19 percent respectively) towards home purchases, while Russians were most likely to save for house renovations.

Although many Millennials are at the beginning of or have yet to start their careers, saving for retirement is on their minds. Those from Singapore, Hong Kong and Taiwan put aside more than the average.

More than half Millennials' income is allocated to expenses, with offline purchases making up the bulk of purchases (39 percent), although this is higher among South Africans (69 percent).



Expenses

Over half (54 percent) of Millennials' monthly income is allocated to their regular expenses. South Africans had the greatest expenses (69 percent), which could reflect their monthly rental contribution (11 percent). Interestingly South Africans were the only nation of Millennials who ranked rent in the top three monthly expenses.

Russia too had higher expenses (60 percent) compared to the average 54 percent of most Millennials. Grocery shopping and dining out were where most Millennials had the greatest expenses. Russian Millennials had the highest (25 percent) grocery expenses, whereas Singapore, Hong Kong and Chinese Millennials allocated the most (18 percent) to dining and eating out. Korean Millennials topped the amount they allocated to shopping (18 percent), while the average among all nations was 11 percent.



Contribution to Parents

Of Millennials' monthly income, they contribute on average 14 percent to their parents. Indian Millennials contribute the most (22 percent) out of all 11 countries to their parents, followed by Hong Kong (19 percent). While Chinese Millennials, who are products of China's one child policy, contribute 13 percent to their parents, Korean Millennials give the least (nine percent) to parents.

Millenials think of their family. Of Millennials' monthly income, they contribute on average 14 percent to their parents.



ONLINE SHOPPING AND BANKING



Over eight in ten (82 percent) of Millennials have shopped online but there are some market differences between countries. In Korea, it is almost fully pervasive (99 percent) to shop online while only 36 percent in the UAE do.

When looking at Millennials that buy online, Chinese Millennials do so more frequently (31 percent buy at least once a week) and as many as six in 10 do so at least once every two weeks. They are also more likely to buy groceries (73 percent) and do their household shopping (63 percent) online, rather than purchase travel (28 percent). Those from the Philippines, South Africa and especially the UAE use Internet shopping the least (72 percent, 77 percent, 36 percent).

Nearly two thirds (61 percent) of Millennials use their computer for Internet banking.

Across the board, 15 percent of Millennial monthly income is allocated for online shopping and Chinese and Koreans shop online the most (21 percent and 24 percent respectively). Online retailers in their own countries are the greatest beneficiaries of Millennial spending, with 76 percent doing their online shopping with local retailers, compared to 24 percent with overseas retailers. The exception is UAE Millennials who shop with overseas online stores 83 percent of the time. Taiwan and Korea shopped the most (93 percent) with their local online retailers.

Most Millennials (22 percent) shop online once every three to four weeks and every two to three months (21 percent). Shopping less than once every six months were Filipinos (36 percent), South Africans (32 percent) and UAE (44 percent).

Millennials use a range of payment methods to shop online, ranging from credit cards, debit cards, cash on delivery, ATM fund transfer to money transfers and prepaid cards. By far the most popular method on average was shopping by credit card (40 percent), followed by cash on delivery (38 percent) and debit card (37 percent).



PAYMENT PRODUCTS AND BEHAVIOUR



For Millennials, life is at their fingertips – on their phones, computers and social networks. Yet as consumers become increasingly sophisticated, payment methods have to continually evolve to keep up with – and even lead – demand. A future where electronic payments will displace cash is already beginning to take form.

The reality right now however is that Millennials still use a mix of cards and cash, presenting an opportunity for financial institutions to introduce more people to the convenience and security of using electronic payments. Over half of the payments that Millennials make to pay expenses on a monthly basis are done in cash, leaving 44 percent of their payments made by cards. Cash is most dominant in Philippines (70 percent) and Taiwan (71 percent) but cards are favoured by South Africans and Koreans for 61 percent of expenses.

Millennials' propensity to use credit cards for online shopping is therefore not surprising, nor is the fact that nine in 10 Millennials own some sort of debit or credit card for the convenience of online purchases.

The reality now is that Millennials still use a mix of cards and cash, although nine in 10 own a debit or credit card to aid their online shopping needs.

Online Banking

Nearly two thirds (61 percent) of Millennials use their computer for Internet banking, but online banking is highest among Singaporeans (75 percent), Chinese (85 percent) and South Africans (78 percent).



Card Ownership

The preferred payment method (41 percent) for Millennials is a debit card with UAE and South Africa by far preferring this method. Debit card ownership was lowest among Filipinos (83 percent), Russians (83 percent) and UAE (82 percent).

The reason why Millennials prefer debit cards is so they don't have to carry cash (63 percent of South Africans say debit cards are more secure than cash) and for convenience. While those who don't have a debit card say they fear mischarges (37 percent) and worry that their cards could be cloned (28 percent).

On average Millennials own less than two debit cards each; however Millennials in China, Korea, Taiwan, Indonesia, India and Singapore own more than two debit cards.

Almost three in 10 prefer credit cards, with this rising to as high as 63 percent for Chinese and 52 percent for Hong Kong Millennials. Not having to carry cash and convenience are the top two motivating factors for using credit cards. The reason many Millennials avoid using a credit card is for control. Sixty two percent said they don't want to get into debt and 60 percent said they don't want to spend more than they can afford. Despite issues of control, over a quarter of Millennials who don't own a credit card would like to in the future. In Singapore four in 10 aspire to a credit card, and 38 percent of Indians want one.

Credit card ownership is lower on average, with 1.3 credit cards owned. Millennials living in Hong Kong have the highest average number of credit cards at 2.6, while Singaporeans own on average 2.1 each.

While prepaid cards are used by under half (45 percent) of this generation, the figure rises to seven in 10 for Indonesians. Not having to carry cash and not having requirements to qualify for a card are the primary motivators for using this payment product.

Money transfer is used by over six in 10 Millennials, most notable among Indonesians (87 percent) and Koreans (81 percent).

The most important feature Millennials want in payment products is security (79 percent). This is particularly high for Indonesians (91 percent) and South Africans (90 percent) and lower in more heavily regulated financial markets such as Singapore (69 percent) and Korea (67 percent). Apart from security, acceptance (57 percent) and convenience (54 percent) make up the top three in terms of importance. In both cases, these are rated more important to Indonesians (76 and 69 percent respectively).



77% of this generation use debit cards



68% Chinese and 82% Hong Kong Millennials use credit cards



24% of this generation use prepaid cards

The most important feature Millennials want in payment products is security





COUNTRY OVERVIEWS



Singapore

The most endorsed life outlook for Singapore Millennials is to enjoy the simple, precious things (82 percent). Four in five also cite that family is an important consideration in decision making. They also have an adventurous spirit, with one of their key goals to explore the world and learn more about themselves – an outlook not matched with such fervour by any of their neighbours.

The majority (84 percent) of Singapore households have access to one or more computers and Millennials use these for varied and numerous activities – most notably for emailing (84 percent) and surfing the Internet (75 percent). Internet banking is more readily accessed on a computer (84 percent) than on mobile phones (29 percent), although both figures are higher than the average, indicating acceptance of this channel is high among Singapore Millennials.

They demonstrate a balanced approach towards their personal finance, with seven in 10 saying saving is second nature and something they've done for a long time. This is also supported by that fact that more than a third (37 percent) of their disposable income is allocated to savings. Parents are the primary influencers (78 percent) on financial matters, followed by friends (45 percent) and the internet (40 percent).

Current (36%) and cheque accounts (21%) round out the top three. Singaporeans are more likely to have a study loan (29 percent) than a personal loan (18 percent), while 18 percent have a home mortgage. The Central Provident Fund – a compulsory savings scheme introduced by the Singapore Government in 1955 – provides Singaporeans with a plan to save 35.5 percent of their annual salaries. Yet other investment products owned by Singapore Millennials are insurance (63 percent), stocks (38 percent) and bonds (18 percent).

Food continues to be an important element of Singaporean culture, with 18 percent of Millennials listing dining out in restaurants as their top expense. General shopping and transport round out the top three.

On average, Singaporeans own more than two debit and two credit cards per individual, with two in five indicating credit cards are the preferred payment product, as they can receive discounts. Of those who don't have a credit card, 42 percent are interested in owning one in the future.

When it comes to bank account Singapore, almost all respondents (99 percent) have savings accounts.



Social networking sites such as Facebook are highly popular in the Philippines. Filipinos hold more than 25 million accounts collectively and the country is ranked the seventh largest country on Facebook. Staying connected is important for Filipino Millennials, with one in two saying a PC/laptop is the gadget they cannot live without, while 37 percent say a smartphone.

Therefore it is not surprising that the use of instant messaging or chat rooms (e.g. MSN Messenger, Yahoo Messenger, ICQ) on computers is high (73 percent), as is online networking sites, such as Facebook (71 percent). By comparison, this is 34 and 43 percent respectively on mobile phones.

Philippines is ranked the seventh largest country on Facebook with one in two Filipino Millennials saying they can't live without their PC/laptops.

Weekly usage of Facebook and Yahoo is higher than for any other social networking site (both at 93 percent), with an average of 13.07 and 13.87 hours spent on these sites per

week respectively. Chatting with friends, commenting on other people's sites/posts and sending a message to friends are the most prominent activities Filipino Millennials partake in on social networking websites.

Seven in 10 Filipinos say they tend to have a very disciplined approach to money. Parents are primary influencers (89 percent), with friends (47 percent) and the Internet (41 percent) rounding off the top three. They are more likely to have a personal loan (24 percent) than any other type.

Seven in 10 choose cash over cards as their preferred payment method. Given this, ownership of debit and credit cards is lower than their neighbours at an average of 1.51 and 0.96 cards per person, respectively.

There is also a greater lack of awareness of the benefits of electronic payment as Filipino Millennials perceive that with an electronic payment card, they may be mischarged, or not be able to use their cards at shops.



Indonesia

Family is a central part of life for Indonesian Millennials. Indonesia Millennials endorsed an outlook on life that family is an important consideration in all decision making and it is important to provide for elders in the family. The family is also a primary influencer in financial matters (86 percent), significantly more so than the internet (39 percent) or friends (86 percent).

Out of all the countries surveyed, Indonesian Millennials are the most eager social networkers, with three quarters accessing sites on their computers and two thirds on their mobile phones. The most popular social networking sites are Facebook (91 percent), Yahoo (90 percent) and YouTube (81 percent). Chatting with friends, commenting on other people's sites/posts and sending a message to friends are the most common activities.

When it comes to attitudes towards finance, Indonesian Millennials want to earn money in order to enjoy better life experiences and get to where they want to go. Saving is also second nature to 78 percent of them and something they've done for a long time.

The near majority (97 percent) have a savings account; only one in five (20 percent) has a current account and 16 percent have a check account. 27 percent have a personal loan – the highest of all countries – and 17 percent have a car loan. Their propensity to save is high, with 96 percent setting aside a part of their income each month for saving.

52 percent say debit cards are the most preferred payment products, and they own more than two debit cards each on average. Credit cards are less preferred (15 percent), which is reflected by the lower usage of credit cards (an average of 1.23 per person). Money transfer is used by almost nine in ten (87 percent), while prepaid cards are used by seven in ten (70 percent). Security is by far the most important feature of payment products with nine in ten attributing importance to security, followed by acceptance and convenience.

Indonesian Millennials
are the most likely to see
themselves as entrepreneurs
of the future, with 83 percent
saying they foresee this.



China

Chinese Millennials place almost equal importance on smartphone and PC/laptop ownership (46 and 44 percent respectively). The most common activity across both gadgets is emailing, followed by Internet banking and instant messaging.

Use of social networking sites in China is very strong, with around three quarters accessing www.youku.com, Weibo and www.tudou.com on a weekly basis. A higher average (59 percent) of Millennials post notes/blogs on social networking sites than those in other countries.

Unlike other countries, the Internet has the highest (70 percent) influence on financial matters, closely followed by parents (69 percent) and friends (62 percent). Books also rate more highly (43 percent) as influential sources than the average across all countries (22 percent).

While the number of Chinese Millennials who have a savings account is on trend with those from other countries (92 percent), a higher than average proportion (69 percent) has a current account. Insurance (51 percent), stocks (43 percent) and bonds (17 percent) are the most popular financial products. Six in 10 do not have any loans or debt. Of those who do, home mortgages (17 percent) and personal loans (16 percent) are the most popular.

Use of debit cards is highest - of all those surveyed - among Chinese Millennials, with the average person owning 2.4 cards.

Ninety seven percent have used these cards at least once over the past six months. Ownership of credit cards is lower (1.3 cards per person), yet it isn't reflective of preference, with 63 percent choosing to use credit over debit (14 percent). A preference for online payment to a merchant website is clear, with 34 percent opting to use this over 30 percent who say signing/entering a pin.

A high number (94 percent) of Chinese Millennials frequently shop online. Almost a third say they shop at least once a week and a further 26 percent say once every two weeks. Three quarters have bought groceries online in the past six months and a further 63 percent have bought household goods. Cash on delivery (73 percent) and debit cards (61 percent) are the most common forms of payment.



Hong Kong

Travel and exploration are high on Hong Kong Millennials' agenda with travelling the world to explore different cultures and lifestyles as the most endorsed life outlook (73 percent).

They are more likely to use their mobile phones for social networking (60 percent) than any other country. They are high users of social networks such as Facebook (94 percent), Yahoo and YouTube (both 80 percent). These sites are accessed in high numbers on both computers (70 percent) and mobile phones (60 percent). Hong Kong Millennials are also frequent users of streaming music via their mobiles (49 percent) while a smaller group (12 percent) download it.

Seventy nine percent of Hong Kong Millennials agree that money is the ticket to enjoying life more.

Hong Kong Millennials are the least convinced that electronic payment will displace cash and we will become a cashless society (57 percent). They are also the least likely (67 percent) to agree with the statement that in future there will be electronic alternatives available to make payments and purchases via online and mobile phone.

While savings (96 percent) and current (57 percent) accounts remain the most popular type of bank account owned, almost half (49 percent) have a check account, significantly higher than the average. The most sought after investment products are stocks (62 percent) – the highest average figure – insurance (57 percent) and bonds (21 percent).

More than half indicate a preference for credit cards, much higher than the 22 percent who prefer debit cards. This is reflected in the high ownership of credit cards among Hong Kong Millennials, who own an average of 2.61 credit cards. Discounts are the key motivator for using credit cards, followed by not having to carry cash and online purchases. Credit cards are most frequently used for online purchases with one in four (40 percent) using this payment product.

When it comes to debit cards, the average ownership is 1.95 cards per person. With 90 percent of those who don't currently own a debit card wanting to own one in the future.



Taiwan

Taiwanese Millennials rate PC/laptop significantly higher (65 percent) than smartphones (17 percent) as the top gadget they cannot live without. They use the internet on their computers for varied and numerous activities – most frequently for emailing, instant messaging, chat rooms and surfing the Internet. While on their mobile phones, the most frequent activity is streaming music, emailing and using online social networking sites.

More than two thirds agree that one day they will be able to make all their purchases and bill payments online, as well as make all payments through their mobile phones. However half cannot imagine not carrying cash at all, which is reflected by their current payment habits which show seven in 10 use cash to pay for expenses on a monthly basis.

The propensity to save among Taiwanese Millennials is high, with 93 percent setting aside a part of their income each month for saving.

They also allocate more than a third (37 percent) of their disposable income to savings. The top three categories that Taiwanese Millennials save for are shopping, travel and personal grooming. Less than two in five have a loan – of those who do, study/tuition fee loans are the most common (24 percent).

When it comes to shopping, the top expense categories for Taiwanese Millennials are dining out in restaurants (23 percent), groceries (ten percent) and transport (nine percent).

For the majority (93 percent) of those who spend monthly on online shopping they do so from local online stores. In the past six months, almost one in six have made general shopping purchases, a third have purchased household items and 28 percent made entertainment purchases. The most popular payment channels that Taiwanese Millennials have used in the past six months are direct online payment to a merchant website (58 percent) and signing/entering in store (55 percent).

They own an average of 2.28 debit cards and 1.05 credit cards – yet 27 percent say credit is their preferred payment method versus 16 percent who say debit. Being able to pay over time, not having to pay cash and convenience are the key motivators to using credit cards.



Korea

Family values and a sense of adventure are observed among Koreans Millennials, with more than three quarters placing high importance on providing for elders in their family, and saying they are excited to explore different cultures even if they are vastly different from their own. Yet they are the least likely to see themselves as entrepreneurs in the future with only one in five saying they foresee this.

Nine in 10 Korean Millennials cannot live without PC/laptops, followed by smartphones (81 percent) and televisions (61 percent). Either at home, on their computers, on-the-go or on their mobile phones, Korean Millennials are surfing the Internet, emailing and using Internet banking in high numbers.

Use of social networks is high but unlike those in other countries, Cyworld is the most highly accessed social networking website (79 percent), followed by Facebook (56 percent) and YouTube (52 percent). Almost half post notes and blog entries on the sites they visit.

A near universal (99 percent) number of Korean Millennials have a savings account, while 11 percent have a current account and only two percent have a check account. Two thirds do not have any loans or debt, and there is no uptake of personal loans, while 24 percent have a study/tuition fee loan.

Korean Millennials spend most of their money on shopping, dining out in restaurants and groceries. Almost all (99 percent) shop online and largely from local online stores. Online, Korean Millennials are spending on general shopping, followed by grocery and entertainment.

56 percent prefer debits cards and their ownership of this payment product is high, with Koreans owning an average of 2.36 debit cards per person. Not carrying cash and convenience are the key reasons for choosing debit cards.

Usage of payment cards is high, with 61 percent choosing these over cash as their preferred payment method.

An average of 1.05 credit cards are owned per person and future aspirations of ownership are low, with only eight percent looking to own a credit card in future. Not spending more than they can afford and to avoid getting into debt are the key barriers to credit card ownership.



Russia

On a weekly basis, YouTube is more popular (63 percent) than Facebook (37 percent) in Russia.

Staying connected with friends at all times is a high priority for three quarters of Russian Millennials. Seventy-eight percent use computers and one in five use netbooks – which are small, lightweight computers – with emailing, searching for information and sharing and sending pictures as the top three Internet activities of choice. Using instant messaging or chat rooms on their mobile phones is also popular.

Seventy one percent have a savings account and 64 percent have a current account. They are among the least likely (29 percent) to have insurance. Russian Millennials are more focused on living in the moment, saving for travel (18 percent), shopping (17 percent) and home purchases (15 percent) rather than retirement (four percent). They spend their money on grocery shopping, household shopping and transport.

Cash is more widely used (63 percent) than cards so it's not surprising that Russian Millennials own on average 1.5 debit cards and 0.93 credit cards. Debit cards are the most preferred payment product (46 percent), with Russian Millennials motivated to use them so they don't have to carry cash for online purchases and unplanned purchases. Of those who don't own a debit card, more than a third want to own one in the future.

Russian Millennials value the security, the simplicity and convenience of credit cards yet cite control – that is to avoid getting into debt and not spending more than they can afford – as a key barrier to using this form of payment. Of those currently not using a credit card, one in five to want to own one in future.

Eighty five percent of Russian Millennials shop online, although the most frequent purchasers (29 percent) only shop every two to three months and one in five shop less than once every six months. General shopping, household shopping and entertainment are the most popular purchases. Fifty-six percent say cash on delivery is the preferred payment method, followed by debit (23 percent) and credit cards (21 percent).



India

Four in five Indian Millennials are ambitious and big dreamers, and an equal amount place a high level of importance on family. They have a strong work ethic with around three in five using their computers and mobiles for study and work. These gadgets are also popular for social networking and while Facebook is the most popular site, use of Google's Orkut is also high - with one in two accessing their accounts on a weekly basis.

Indian Millennials strongly agree they want to earn money in order to enjoy better life experiences and get what they want. Parents are the primary influencers on financial matters, with almost nine in ten saying they are a key source of influence, followed equally by friends and the internet (46 percent). In terms of investment products used, almost three in five have insurance, 30 percent have stocks and 19 percent have bonds.

Of those that hold loans, personal and study/tuition fee loans account for 18 percent each, car loans 16 percent and home mortgages 13 percent. Indian Millennials put the higher percentage (18 percent) away towards retirement, followed by shopping (17 percent) and travel (12 percent).

They own an average of 2.06 debit cards, with almost one in two preferring this payment method. Of those who don't currently own a debit card, 33 percent want to own one in future. By comparison, Indian Millennials own an average of 0.96 credit cards, although 38 percent are interested in owning one in future. The appetite for prepaid cards is also strong, with almost one quarter (24 percent) looking to own one in future.

Only 73 percent of Indian Millennials shop online, and they also shop online less frequently than those from other countries. Only five percent shop online once a week, with the majority (44 percent) shopping less than once every six months. They spend most of their money on entertainment, general shopping and household shopping. The most preferred payment method is cash on delivery (59 percent), debit (52 percent) and credit cards (38 percent).

The propensity to save is high among Indian Millennials (85 percent), who contribute 20 percent of their monthly disposable income to their parents, the highest among all Millennials surveyed.



South African Millennials enjoy the simple, precious things in life, and they are ambitious and like to dream big.

When it comes to the top gadgets, South African Millennials cannot live without computers (89 percent), followed by smartphones (80 percent) and TVs (50 percent). Computers are used for various activities includes emailing, surfing the internet and searching for information on the internet. Usage of internet banking is also high. While weekly usage of Facebook is high (94 percent), YouTube is lower with only one in two accessing the video sharing site.

While the popularity of savings accounts is lower than the average of all Millennials (69 percent), almost half (46 percent) of South African Millennials have a check account, which is significantly above average.

More than eight in 10 agree that in the future there will be electronic alternatives available to make payments and purchases via online and mobile phone. Yet two in five still cannot imagine carrying cash at all. 28 percent have a personal loan and 26 percent have a card loan.

The propensity to save among South African Millennials is lower than average, with only 68 percent setting aside a part of their income each month for saving and a lower proportion (21 percent) of their total disposable income. Shopping is the main activity they save for, followed by retirement and home purchase.

Three in five choose cards over cash as their preferred payment method, although a lower amount of cards are owned by South African Millennials (an average of 1.55 debit cards and 0.73 credit cards). Groceries, transport and rent/mortgages are the top three expense categories. Security is by far the most important feature for payment products with nine in ten attributing importance to this, followed by convenience.



United Arab Emirates

UAE Millennials are self-described as ambitious with big dreams (95 percent), they see themselves as leaders not followers (94 percent) and life is a journey of achievement and status (94 percent).

Staying connected with friends and family is also important with three quarters using computers and 38 percent using mobile phones to access online social networking sites. 95 percent of UAE Millennials use Facebook at least once a week. Smartphone ownership rates higher (59 percent) than a PC/laptop (31 percent) and rank as the top gadget they cannot live without.

While four in five say saving is second nature to them, only 62 percent set aside part of their income for savings. Shopping is the main activity UAE Millennials save for overall (22 percent), followed by home purchases (17 percent) and travel (14 percent).

Millennials in the UAE are the least likely of the countries surveyed (26 percent) to have insurance.

There is strong agreement among all UAE countries that in the future, electronic payment will displace cash to create a cashless society (67 percent). Yet card ownership is lower than average, with UAE Millennials owning 1.02 debit cards and 0.89 credit cards. This is despite the fact that 96 percent are satisfied with the simplicity of debit cards, 97 percent with security and 98 percent with acceptance and a similarly high number in these respective categories for credit cards (90 percent, 91 percent and 91 percent).

UAE Millennials are the least likely to shop online (36 percent) of all the countries surveyed. The frequency of purchases is also low, with the majority (44 percent) making a purchase less than once every six months. For four in five of those who do shop online, purchases are from international stores. The top online shopping categories are travel, entertainment and general shopping. Credit cards are more likely to be used than debit cards (53 and 49 percent respectively).

METHODOLOGY

Visa commissioned Milward Brown to conduct the “Connecting with the Millennials” research study. The research gathered the opinions of more than 5500 respondents (male and female) aged 18-28 from across Singapore, the Philippines, Indonesia, China, Hong Kong, Taiwan, Korea, Russia, India, South Africa and the United Arab Emirates. On average, there were 500 respondents per country, from a broad geographic spread.

The research aimed to understand the attitudes and behavior of Generation Y in the areas of life and finance. The quantitative research was conducted online between June and July 2011.

