Millennials Are the Most Generous Generation When It Comes to Financial Support

Ivana Popovic July 12, 2018

Research by UK Credit also found that the main relationship between the loan applicant and guarantors is friendship.

In 2017, 39% of guarantors used in successful loan applications were the millennials, followed by Generation X and Baby Boomers.

(Newswire.net -- July 12, 2018) -- Young people in Britain are, for the first time, more likely to provide financial support than any other generation, as revealed by a research by guarantor loan company, UK Credit.

In 2017, 39% of guarantors used in successful loan applications were the millennial age of 21-36. Generation X (those aged between 37 and 53) followed making up 31% of guarantors and Baby Boomers (those aged 54 onwards) made up the remaining 30%.

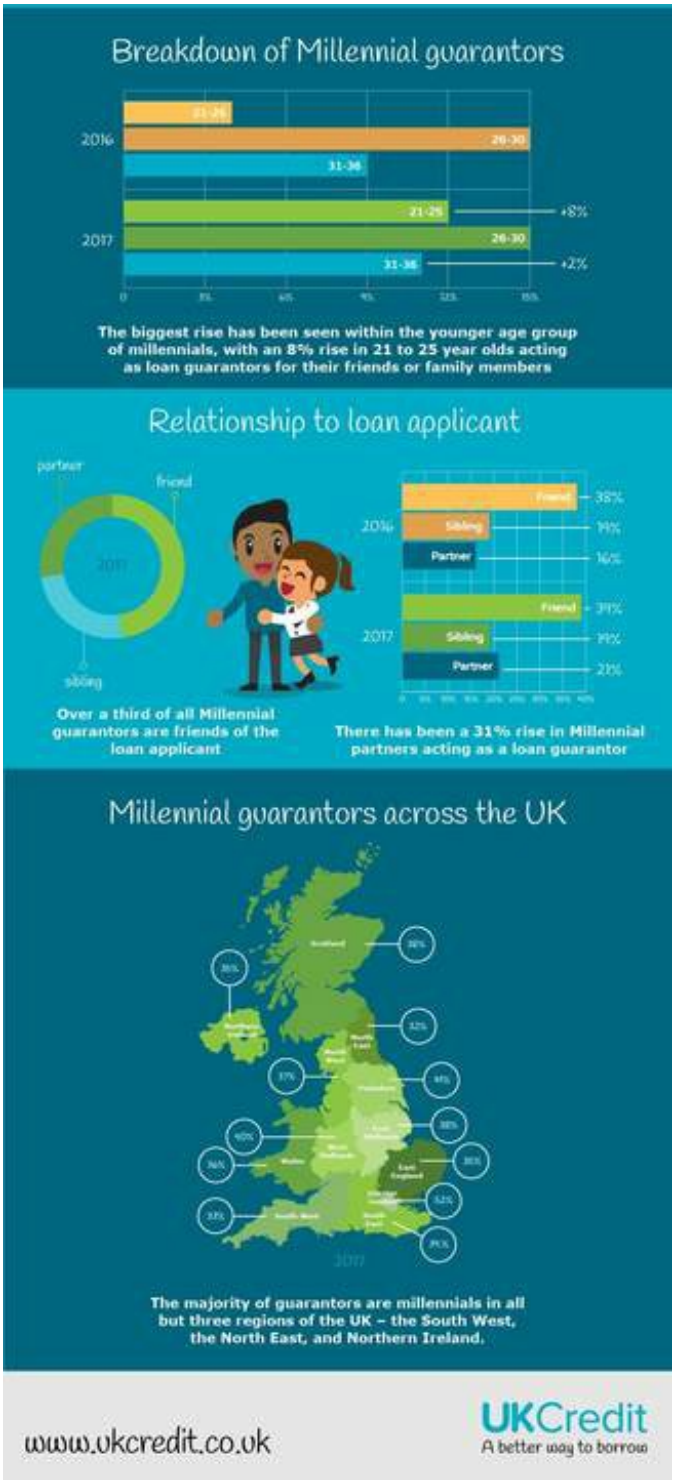
This compares to 32% of guarantors being of millennial age in 2016, whilst Generation X and Baby Boomers accounted for 38% and 30% respectively.

The research from UK Credit found that the rise in millennial guarantors is being driven by the younger end of the spectrum, with the overall share of guarantors aged 21-25 in 2017 up 9% on the previous year (an increase from 4% to 13%).

This is the first year that the guarantor loans company has seen such a rise in millennials providing financial support and Andrew Turner, CEO at UK Credit, says this is a sign of the times.

“Over the last year UK Credit has seen an increasing number of millennials acting as guarantors. For the first time, millennials have overtaken the older generations and this is a trend that we expect to continue.”

“Millennials have defined the sharing economy. They are open to the idea of long-term house sharing, and coupled with regular use of online services such as Airbnb and Uber, the concept of sharing financial arrangements isn’t scarily new to them.”



Research by UK Credit also found that the main relationship between the loan applicants and guarantors is friendship. More than a third of millennial guarantors (39%) are friends of the applicant, leading in front of partners and siblings who make up 21% and 20% respectively.

Andrew Turner says this isn’t surprising as young people appear to have stronger bonds of trust with their friends, including when it comes to making important financial decisions.

“It would be a fair comment to say that Millennials are often perceived to only have virtual or online friendships, communicating through their smartphones and social networks but in reality, a life goal of the age group is to have strong, dependable friendships.”

“This age group are more aware of their financial options and are open to new ways of borrowing outside the traditional

financial sector. In previous times where they could have turned to the bank of mum and dad, young people of today are confident enough to turn to their friends if they are in need of support."

To find out more about UK Credit and the research conducted, please visit their website: www.ukcredit.co.uk

UK Credit

UK Credit is one of the UK's leading direct guarantor lenders. UK Credit Limited (UKCL) is proud to be a member of the FLA. The Finance & Leasing Association is the leading trade body for the asset, consumer and motor finance sectors in the UK, and the largest organisation of its kind in Europe.

For further media information please contact Sophie Polak at the UK Credit Press Office on 01603 706554, or at sophiep@shorthose-russell.co.uk

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