LLOYDS BANKING GROUP

Britain's most AI-savvy generation has a financial confidence gap. It may already have the digital skills to close it.

Gen Z may have grown up with smartphones, apps and AI, but when it comes to confidently managing money online, older generations are showing them the way.

- More than three in four (76%) 18 to 24-year-olds have used AI for personal finance yet they are the least likely generation to feel confident making financial decisions
- The pattern changes in later life: among people who use digital tools to manage money, financial confidence is far higher – rising from 64% among 18 to 24-year-olds to 85% among those between 65 to 74
- New analysis from Lloyds Banking Group suggests that while younger adults have the digital know-how, it's older generations who are using experience to make the most of tech when managing their money

According to new analysis from Lloyds Banking Group, more than three in four (76%) 18 to 24-year-olds have used AI for personal finance – making them the UK's most enthusiastic adopters of AI for money management.

Yet confidence managing money online appears to grow with age. Among people who use digital tools to manage their finances, 64% of 18 to 24-year-olds say they feel confident about their finances, rising steadily to 85% among those aged 65 to 74.

The findings challenge a common assumption that younger people have the advantage when it comes to managing money online. While younger adults have grown up with technology, older generations appear to combine digital tools with years of financial experience. Many are also embracing AI more readily than age-related stereotypes suggest, with 47% of 55 to 64-year-olds and 35% of 65 to 74-year-olds having used AI for personal finance.

For younger adults then, there is a clear opportunity as they build life experience and financial knowledge, to turn to translate their digital confidence into greater financial confidence.

The findings come from *Generation gains*, a spotlight on financial empowerment from Lloyds Banking Group's Consumer Digital Index which explores how digital tool use changes to different goals throughout life.

What people use AI for changes sharply as their financial lives do:

- Among people who have used AI for personal finance, almost two thirds (64%) of 25 to 34-year-olds use it for budgeting and planning - the highest of any generation.

- Nearly three in ten (28%) 35 to 44-year-olds have turned to AI for mortgage advice
- More than half (57%) of 55 to 64-year-olds have used AI to compare insurance products

Jas Singh, CEO, Consumer Relationships at Lloyds Banking Group, comments:

"Younger people have grown up with technology, which is a great start for making the most of digital tools to manage money, but confidence with money is something that's built over time – and it's the combination of the right tools and knowledge that is the real sweet spot for financial empowerment.

"What's encouraging is that many younger adults are already using tools like AI to help manage their finances, while older generations are proving they're just as willing to embrace digital tools when they see value in them.

"Younger people bring digital confidence and curiosity, while older generations bring experience and financial know-how. There is a real opportunity for generations to learn from each other, while technology can play a positive role in helping more people feel in control of their finances."

Older generations are embracing digital finance on their own terms

Use of digital tools is not limited to the young as older generations are also reaping the benefits from using digital tools. Many people aged 55 and over are embracing AI for personal finance, with nearly half of 55 to 64-year-olds and more than a third of 65 to 74-year-olds having used it. Among 65 to 74-year-olds who use digital tools, more than half say they help them feel more in control of their money.

Older generations tend to be more selective in how they use technology, favouring trusted sources such as banks and in-person advice alongside digital tools. Despite this caution, among over-75-year-olds who do embrace digital tools, almost a third report positive outcomes, more than any other age group.

Digital engagement is proving valuable for those nearing or in midlife too. Among 35 to 44-year-olds who have used AI for personal finance, over half use it for budgeting and planning, helping them make progress towards major financial goals such as reducing debt and preparing for a mortgage.

https://www.lloydsbankinggroup.com/who-we-are/our-strategy/financial-wellbeing/generation-gains.html

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About Lloyds Banking Group

Lloyds Banking Group is the largest UK retail and commercial financial services provider with around 27 million customers and a presence in nearly every community. We are proud to support British businesses, with nearing one million UK businesses supported by our leading digital and relationship banking services. Our main business activities include retail and commercial banking, general insurance and long-term savings, provided through well recognised brands including Lloyds, Halifax, Bank of Scotland and Scottish Widows.

Our purpose is Helping Britain Prosper. We have served Britain through our products and services for more than 320 years, across every community, and millions of households. Our success is interwoven with the UK's prosperity, and we aim to help Britain prosper by operating as a responsible, sustainable and inclusive Group.

Notes to editors

Generation gains is the first in a new Spotlight series from Lloyds Banking Group's Consumer Digital Index (first published November 2025), exploring how financial empowerment varies across different generations and life stages. It is based on an online survey of 5,000 digitally engaged UK adults conducted in July 2025 and examines how people use digital tools, including AI, to manage their finances. The findings should be considered alongside the wider CDI, which tracks digital access, capability and financial behaviours across the UK.

Findings are based on self-reported responses and describe observed patterns in the data among digitally engaged adults. Correlations identified within the analysis do not imply causation. References to AI tools, social media platforms and other third-party services are illustrative only and do not constitute financial advice or endorsement by Lloyds Banking Group. Full methodology, survey questions, base sizes and supporting data tables are available via the Consumer Digital Index.

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