Economic uncertainty isn't stopping Canadians from planning major purchases in 2024, according to new survey

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New Affirm research finds Canadians are more confident in their personal finances compared to the overall economy

Nearly half of Canadians are looking for more flexible payment options

SAN FRANCISCO--(BUSINESS WIRE)--Apr. 3, 2024-- At a time when many reports seem to indicate that Canadians are tightening their wallets, a new survey released today from Affirm (NASDAQ: AFRM), the payment network that empowers consumers and helps merchants drive growth, found that the vast majority of Canadians (82%) plan to make a major purchase in the coming months.

Spending priorities and consumer sentiment differ across age groups

Affirm's survey polled 2,000 Canadians on their priorities and expectations for their personal finances and found stark differences across age groups. Younger generations were more likely to plan a major purchase this year, with 94% of Gen Z and 90% of Millennials planning to do so, compared to 82% of Gen X and 72% of Baby Boomers.

Vacations were by far the most likely big purchase for Canadians (45%), followed by a car (25%) and furniture or decor (23%). Technology (22%) and tickets to an experience (21%), such as a concert or sporting event, also ended up on consumers' spending shortlists to round the top five categories.

High prices cited most often as the top challenge facing Canadians

More than four in ten (41%) Canadians expect it will be difficult for them to stay on budget this year, while almost a quarter (24%) are unsure of their budgets. An overwhelming majority of these consumers (71%) cited high prices as their biggest challenge, followed by an uncertain economy (36%), and not having enough money to make ends meet (31%). The survey found that a majority of consumers (58%) are looking for greater transparency from their payment options, and nearly half (48%) want increased flexibility.

"Canadians are eager for travel experiences but wary of high prices compromising their budgets," said Wayne Pommen, Chief Revenue Officer at Affirm. "Our survey found that 71% of consumers are looking for ways to be more financially savvy than in years past, including over how they pay. One way Canadians can take greater control over their finances is through honest financial products like Affirm, as we do not charge any late or hidden fees and enable consumers to pay-over-time at their own pace."

Canadians are more confident in themselves vs. the economy and are aiming to be more financially savvy

While only 29% of respondents believe the Canadian economy will improve over the next 12 months, nearly half of Canadians (45%) expect their personal financial situation will improve over the same period.

Younger Canadians were more optimistic about their finances, according to the survey. Around two in three Gen Z (64%) consumers and nearly three in five Millennials (59%) believe their finances will improve over the next 12 months, both of which were roughly double in comparison to Gen X (37%) and Baby Boomers (31%). Gen Z (49%) and Millennials (41%) were also significantly more likely to say their personal financial situations had improved over the prior year compared to Gen X (26%) and Baby Boomers (25%).

Affirm is integrated at checkout across more than 279,000 retailers including partnerships in Canada with Amazon, Apple, Samsung, Hudson's Bay, Browns Shoes and CheapOair. Offering Affirm at checkout can help merchants increase sales, average order values, and conversion, while reaching new customers, responsibly.

Survey methodology

This random double-opt-in survey of 2,000 general population Canadians was commissioned by Affirm between Feb. 1 and Feb. 5, 2024. It was conducted by market research company OnePoll, whose team members are members of the Market Research Society and have corporate membership to the American Association for Public Opinion Research (AAPOR) and the European Society for Opinion and Marketing Research (ESOMAR).

About Affirm

Affirm's mission is to deliver honest financial products that improve lives. By building a new kind of payment network – one based on trust, transparency and putting people first – we empower millions of consumers to spend and save responsibly, and give thousands of businesses the tools to fuel growth. Unlike most credit cards and other pay-over-time options, we show consumers exactly what they will pay up front, never increase that amount, and never charge any late or hidden fees. Follow Affirm on social media: LinkedIn | Instagram | Facebook | X.

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