

Consumers Optimistic About 2024 Financial Outlook, as Paysafe Research Reveals Shifts in Spending and Saving Habits

42% of consumers will prioritize spending on experiences over possessions, even as costs rise

LONDON--(BUSINESS WIRE)-- After a challenging 2023, nearly half (49%) of consumers worldwide are confident that their financial situation will improve in the coming year. This is according to new research from [Paysafe](#) (NYSE: PSFE), which reveals a consumer landscape characterised by a mix of optimism, caution, and a willingness to adapt spending habits.

The research surveyed 14,500 consumers across Europe, North America, and Latin America for Paysafe's [Lost in Transaction 2023: The Disposable Income Report - How consumers are changing their discretionary spending](#).

Optimism is particularly pronounced among Millennials and Generation Z, with 57% of each group expressing confidence in their near-term financial future. However, consumers acknowledge improvement will require more proactive measures as they manage high living costs and their money differently – with one in two (50%) intending to alter their spending habits. In terms of discretionary spend, the research also indicated that a growing proportion of consumers are prioritising in-home entertainment (23%) more than before, with nearly a third saying they will spend less on clothing (32%).

Conversely, over a third of consumers (37%) admitted to saving less due to rising living costs or not saving at all (18%). Despite this, 47% believe they will be able to save more in the coming year.

In response to the changing financial landscape, more are turning to budgeting tools and apps for assistance. These apps are primarily used to plan how to save as well as how to balance various expenditures and how to better manage discretionary spending. A substantial 55% of respondents said they already use these apps, and 38% plan to increase their reliance on them in 2024.

Furthermore, the research reveals a shift in how consumers plan to allocate their disposable income. Over two-fifths (42%) are opting to spend less on physical goods, instead prioritising spending on experiences, even as costs rise. This is especially so in Brazil (52%) and the US (51%), but less common in Austria and Germany (29%).

This shift to increasing spend in the experience economy is reflected in consumer attitudes to travel, which should maintain its upward trajectory as 43% are planning on spending more

or the same on package holidays, and 41% on flights. While budgets have tightened, spending on online sports bets (18%) and in-game purchases (19%) have remained the same before inflation and the cost-of-living crisis.

Regarding online spending over the past six months, 31% expressed no preference between large and small eCommerce businesses. As consumers navigate an evolving economic environment, businesses, whether they may be small or big, should pay attention to shifting trends and tailor their offerings to meet the changing needs and expectations of their customers.

An ongoing concern in the online shopping experience continues to be security. There is clear reluctance among many to share financial details online, with only 43% comfortable doing so with a small business versus 56% with a large one. Small businesses must resolve these security challenges to take advantage of positive signs for next year given some 42% intend to shop more at local businesses in 2024.

Commenting on the research, Rob Gatto, Chief Revenue Officer at Paysafe, said: "Consumers will prioritise discretionary spend on goods and experiences that bring them joy. This is a consistent trend that is clearly supported by our research. For businesses, large or small, to capitalise on this, it means making every experience, and every transaction count. By offering a frictionless checkout experience, businesses increase customer experience and loyalty."

About the research

The research, which was conducted on behalf of Paysafe by Sapio study in October 2023 and covers the UK, US, Canada, Germany, Austria, Bulgaria, Italy, Peru, Chile, Brazil, Mexico, Colombia, Argentina and Ecuador, explored changing consumer spending behaviours and attitudes towards payments.

About Paysafe Limited

Paysafe Limited ("Paysafe") (NYSE: PSFE) (PSFE.WS) is a leading payments platform with an extensive track record of serving merchants and consumers in the global entertainment sectors. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 20 years of online payment experience, an annualized transactional volume of over \$130 billion in 2022, and approximately 3,300 employees located in 12+ countries, Paysafe connects businesses and consumers across more than 100 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments. Further information is available at www.paysafe.com

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