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Nearly 3 in 5 Who Have Lent Money Suffered Negative Consequences

40% of Americans say current economic conditions make them less likely to lend money

NEW YORK – October 17, 2022 – Nearly 3 in 5 (59%) U.S. adults who have lent money or paid for a group expense with the expectation of being paid back had something bad happen at least one time, according to a new CreditCards.com report. This includes losing money (42%), a harmed relationship (26%), damage to the lender’s credit score (10%), a physical altercation (9%) and something else (2%). Click here for more information:

<https://www.creditcards.com/statistics/lending-money-poll/>

Overall, 61% of U.S. adults have either lent money (via cash, check, credit card, Venmo, etc.) or paid for a group expense with the expectation of being paid back. Seventy-three percent of Gen Zers (ages 18-25) and 70% of millennials (ages 26-41) have done at least one of these things compared to 57% of Gen Xers (ages 42-57) and 54% of baby boomers (ages 58-76).

Young adults who have lent money or paid for a group expense are also the most likely to have suffered negative consequences as a result (68% of Gen Zers, 66% of millennials, 58% of Gen Xers and 46% of boomers). Specifically, younger generations are more likely to have experienced a damaged credit score (18% of Gen Zers and 13% of millennials vs. 7% of Gen Xers and 5% of baby boomers) or gotten into a physical altercation (15% of Gen Zers and 16% of millennials vs. 4% of Gen Xers and 0% of baby boomers).

“I’m not a big fan of lending money to family and friends because of the strong likelihood that something will go wrong,” said CreditCards.com senior industry analyst Ted Rossman. “If you want to do this, don’t lend more than you can afford to lose. And consider treating the money as a gift to limit the opportunity for hard feelings.”

Given the current state of the economy, many U.S. adults seem to be tightening their wallets when it comes to lending money. Forty percent say they are less likely to lend money to a friend or family member now compared to years past for this reason (26% much less likely and 14% somewhat less likely). Only 12% say they’re more likely (7% somewhat more likely and 5% much more likely), and the other 48% say the likelihood hasn’t changed.

Interestingly, despite a higher likelihood to have been burned, 23% of Gen Zers and 20% of millennials are more likely now than in the past to lend money to a friend or family member. This compares to just 6% of Gen Xers and 5% of boomers.

U.S. adults are divided when it comes to collecting an unpaid debt of \$100 from a close friend or family member. Roughly 2 in 5 (39%) would attempt to collect the money, and the same amount would allow it to go unpaid. The others say they wouldn’t have lent the money in the first place.

Again, younger generations stand out as being the most proactive; 51% of Gen Zers and 43% of millennials would attempt to collect the money compared to 34% of Gen Xers and 34% of boomers.

Methodology:

CreditCards.com commissioned [YouGov Plc](#) to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,304 adults, including 1,432 who have lent money to someone. Fieldwork was undertaken September 21-23, 2022. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

About CreditCards.com:

CreditCards.com is the ultimate credit card destination and the largest marketplace of credit card offers you can find online, along with relevant news, advice, features and user-friendly tools. Our mission is to help consumers seize greater opportunity through smarter spending, and we believe that the right credit card, used the right way, can be a life-changer.

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