

# The Friendship Tab

## The Financial Strain of Friendship

For Gen Z and millennials, the joy of friendship often comes with a financial cost that can be challenging to manage.

**3 in 5 Gen Z/millennials say spending on social activities impacts their financial goals.**

**44% have skipped a major event because of the cost**, with 1 in 4 (26%) saying their social spending makes building savings difficult.

**On average, people spend \$250 every month on activities with friends.** The average cost of social activities in 6 months is higher for Gen Z/millennial men than for women – at \$1,775 versus \$1,250.

Yet, the desire to stay connected is strong. **69% of Gen Z/millennials prioritize in-person connection with friends at least weekly**, with **52% reporting they have 1 to 3 friends they see regularly.**

- Some of the most popular social activities include going to a restaurant or bar (72%), spending time outdoors (56%), or going to a birthday celebration (50%).
- In fact, nearly one third (32%) of Gen Z/millennials go to a restaurant or bar with friends weekly or more often.

**Friendship remains a priority for these generations**, with 23% finding ways to spend time with friends without spending money, like via “no spend hangs.”

Social activities impact financial goals



3 in 5 Gen Z/millennials

**44%**

of Gen Z and millennials have skipped major social activities due to the cost

**69%**

have in-person social connection weekly or more frequently

## Overspending is the Norm, Not the Exception

Most young adults aren't budgeting effectively for social life, and they know it.

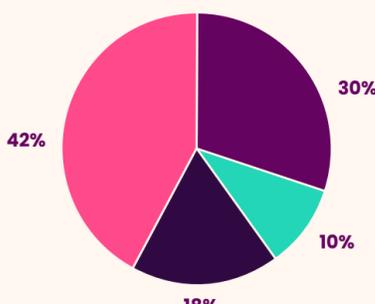
Only 18% of respondents have a strict budget for activities with friends, and **59% say their financial goals are impacted by social spending.**

**42% of Gen Z/millennials are overspending on their social budgets** several months out of the year, while **1 in 10 overspend beyond their social budget every single month.**

Nearly a quarter (24%) of Gen Z/millennials admit they would feel left out if they had to decline social activities due to financial constraints, with 23% saying they've tried suggesting lower-cost activities to their friends.

### Budgeting for going out with friends

- 42% Have a budget for activities with my friends but it is flexible
- 30% Have a general idea how much I can spend but no real budget
- 18% Have a strict limit on how much I can spend on activities with my friends
- 10% Don't think much about the amount I should spend



## Social Pressure, Lifestyle Gaps and Emotional Fallout

From anxiety to conflict, financial differences between friends affect more than just your wallet – it can create emotional weight and turmoil.

**1 in 5 (20%) of Gen Z/millennials say financial or lifestyle differences contributed to the falling out of a friendship.**

**Nearly a quarter (24%) report feeling anxious about financial and/or lifestyle differences with their friends**, with 22% reporting they often experience anxiety when they're unsure if they can afford a social activity.

**Nearly 1 in 5 (17%) of Gen Z/millennials say there have been times when they felt they couldn't be honest with friends about their finances**, and almost 1 in 4 say tariffs and inflation have made social activities more difficult and that they intend to cut costs.

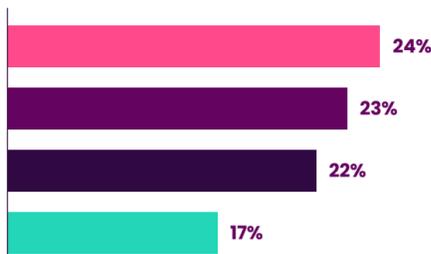
### Attitudes and behaviors regarding friends and money (% Agree (6,7) on a 7-point scale)

I would feel left out if I couldn't do what my friends are doing because I couldn't afford it

My friends and I prioritize “no spend hangs” so we can spend time together without spending money

I often experience stress or anxiety, when I am not sure I can afford an activity with my friends

There have been times when I couldn't be honest with friends about my finances



## Women Are Feeling the Strain More Intensely

From birthday brunches to bachelorette weekends, social spending adds up fast – and for many women, it's getting in the way of financial peace of mind. Men, on the other hand, report more positive feelings about financial differences with friends.

**Nearly one third (30%) of Gen Z/millennial women say social budgeting makes building up savings difficult** – versus 22% of Gen Z/millennial men who say the same.

**27% of women say social spending makes it difficult to save for emergencies** (versus 20% of men) **and a quarter of women say social spending makes it challenging to pay off their credit card bill each month** (versus 16% of men).

More than a third of Gen Z/millennial men reported feeling motivated (36%), confident (36%) and/or satisfied (34%) by financial/lifestyle differences between them and their friends, **whereas nearly 1 in 3 women reported feeling anxious (27%).**

**Twice as many Gen Z and millennial women (16%) said they feel “overwhelmed”** by their spending habits compared to their friends' – versus just 8% of men who feel the same.

### Feelings about financial or lifestyle differences between friends by gender

**Motivated** 36% Male, 28% Female

**Confident** 36% Male, 19% Female

**Satisfied** 34% Male, 19% Female

**In Control** 26% Male, 19% Female