

B2B's Digital Ultimatum

How Gen Z Is Forcing a Payments Revolution



While each generation shapes society in unique ways, Generation Z's impact on the business landscape has been particularly profound and swift.

As digital natives who have never known a world without smartphones and instant connectivity, their influence extends far beyond consumer trends – they're fundamentally reshaping how businesses operate, especially in the realm of payments and transactions.



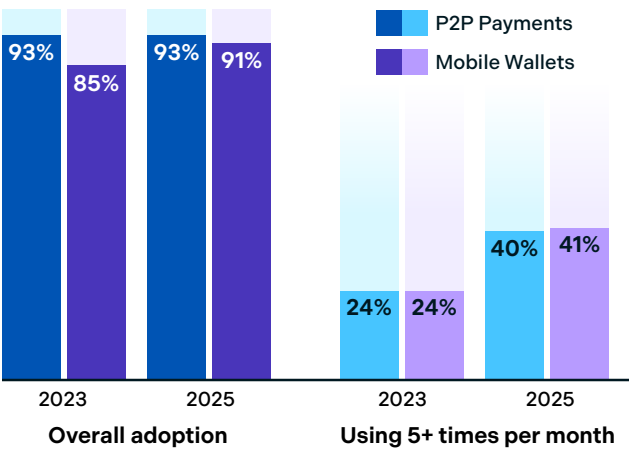
When Billtrust first studied Gen Z's payment behaviors in 2019, where the oldest of them were just entering the workforce at age 22, we identified early indicators of change. By 2022-23, these shifts had accelerated significantly. Now, as we enter 2025, with Gen Z comprising 27% of global workers in 2025, their preferences are rapidly becoming the new standard for both consumer and business environments.

Our latest comprehensive study, gathering insights from 1,000 US-based Gen Z individuals aged 18-27, reveals not just how this generation interacts with payments today, but how their behaviors and views will ultimately make an indelible mark on the future of business transactions as they advance into decision-making roles.



Digital payment adoption accelerates as Gen Z leads the way

Our research demonstrates the accelerating evolution of Gen Z’s payment preferences. While P2P platform (Venmo, Zelle, etc.) adoption was already high at 93% in our 2023 study, the frequency of usage has increased significantly, with 40% now using these platforms more than five times monthly. This shift from adoption to dependency is mirrored in mobile wallet (Apple Pay, Google Pay, etc.) usage, where penetration has grown from 85% to over 91%, with 41% using them five or more times monthly.



Traditional payment methods continue their decline, particularly in B2B transactions. Mirroring the decline of check usage in B2B payments, Gen Z is ditching traditional payment methods like cash, which today represents just 7% of Gen Z’s preferred payment methods. Digital wallets and cards now dominate, with mobile/digital wallets (42%) and credit/debit cards (50%) accounting for over 92% of preferred payment methods. This trend signals a permanent shift toward digital payment methods that will only accelerate as Gen Z assumes more decision-making roles in business.

Gen Z rewrites the rules of credit and lending

Credit cards are a standard financial tool for most Gen Z consumers, with 81% reporting regular usage—a significant increase from 73% in our 2022-23 report. Of these users, 33% make more than five transactions monthly, including 19% who exceed ten transactions. However, their approach to managing this credit reveals a striking dichotomy. While 47% demonstrate strong financial discipline by paying balances in full, 28% consistently pay less than half their monthly balance. These concerning credit management patterns extend beyond our survey findings. [Federal Reserve data](#) shows Gen Z credit delinquency rates at a decade-high 10.7%, while [TransUnion reports](#) their average credit card balances exceed millennial balances at the same age by 26%, even after inflation adjustment.

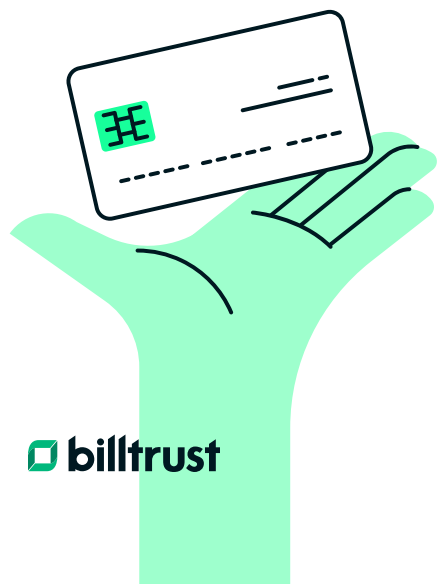
Our research also shows a dramatic surge in alternative financing adoption. Buy Now, Pay Later (BNPL) usage among Gen Z has jumped from 26% in our 2023 study to 46% today, with users increasingly turning

to these services for everyday purchases rather than just seasonal spending. Only 13% report increased BNPL usage during holiday periods, indicating this payment method has become mainstream for routine transactions. This shift toward flexible financing creates challenges that extend beyond individual consumers to the entire B2B ecosystem. Recent [reports of post-holiday payment regrets](#) highlight the potential risks of BNPL adoption, foreshadowing similar concerns as these payment preferences influence business transactions.

As Gen Z advances into decision-making roles, their varied credit behaviors and expectations for payment flexibility will reshape B2B credit offerings. Success in this evolving landscape will require solutions that can simultaneously accommodate their preference for diverse payment options and instant access while maintaining appropriate risk management protocols.

81%

use credit cards regularly as of 2025, compared to **73%** in 2023



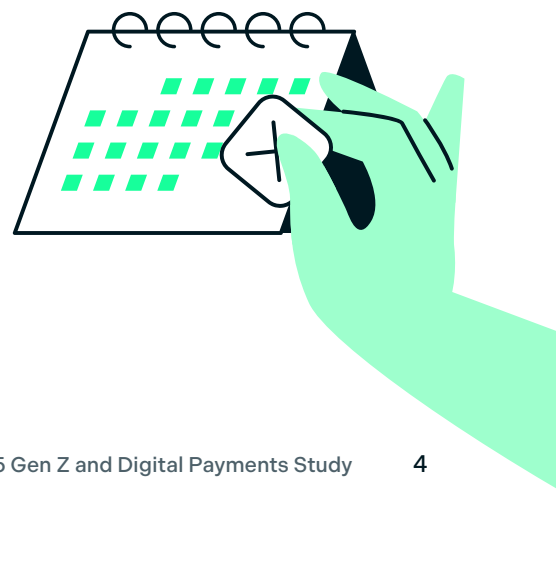
28%

consistently pay less than half their monthly credit card balance



46%

have used Buy Now Pay Later in the last 3 months compared to **26%** as of 2023



Security and trust remain paramount in payment decisions

Our research shows security remains Gen Z’s top priority in payment platforms, yet their evaluation criteria have evolved significantly from our initial studies of this generation. Most notably, trust perceptions between traditional and fintech providers have equalized—46% now express equal concern for both sectors, compared to 2022-23 when 42% viewed fintech providers as the greater security risk. This shift aligns with broader market trends: the [2024 Edelman Trust Barometer](#) shows technology and financial services sectors both experiencing significant trust gains.

This maturity extends to how Gen Z evaluates security incidents. Rather than automatically abandoning providers after a breach, 52% base their decisions on the organization’s incident response capabilities. This indicates a nuanced understanding that in today’s digital landscape, effective security encompasses both prevention and crisis management.

For the B2B payments ecosystem, these attitudes signal a shift in how the next generation of decision-makers will evaluate security. Institutional legacy alone no longer guarantees trust—instead, providers must demonstrate robust security measures and transparency to win Gen Z’s confidence. This evolution reflects a broader trend of increasing trust in both technology and financial sectors, suggesting an opportunity for providers who can effectively blend technological innovation with financial security.

Q Which type of financial provider causes you more fraud concerns?

Traditional players (Bank of America, Capital One, etc.)

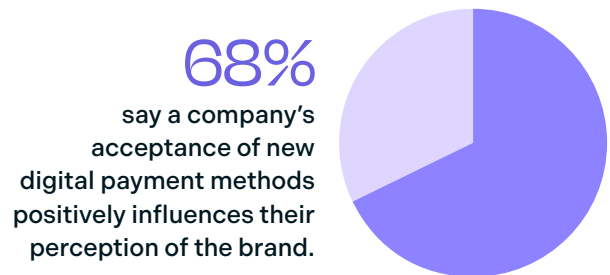
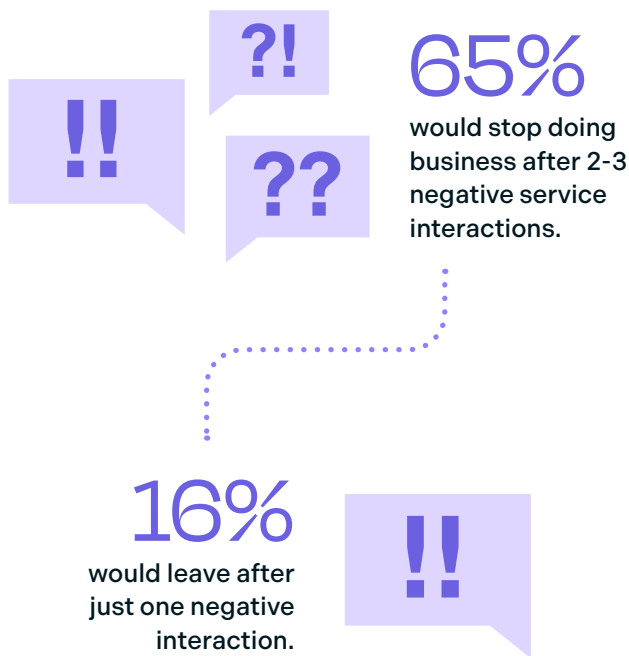


Fintech providers (Venmo, Paypal, Square, etc.)



Same level of concern for both





Rising expectations reshape payment experiences

Payment capabilities have evolved from transaction tools into critical differentiators for business relationships. Our research reveals intense customer experience expectations, with 81% willing to abandon brands over poor service experiences. The tolerance for poor experiences is particularly low—65% would stop doing business after 2-3 negative interactions, while 16% would leave after just one.

In B2B contexts, payment experience has become fundamental to business relationships. When choosing between similar services, 94% consider payment capabilities at least somewhat important, with 27% rating them “Extremely important.” Moreover, 68% of Gen Z respondents say a company’s acceptance of new digital payment methods positively influences their perception of the brand.

This evolution is reshaping B2B payment priorities. While price and security remain top considerations for online transactions, flexible payment options now rank third, ahead of traditional customer service metrics. This aligns with broader market [research from McKinsey](#) showing that 74% of U.S. consumers prioritize faster, easier checkouts when choosing payment methods. The implications for B2B payments are clear: as Gen Z advances into decision-making roles, they expect the same seamless payment experiences in their professional transactions that they demand in their personal lives.

The future of workplace payments takes shape

Gen Z's expectations for workplace payments signal a significant shift in how employers must approach compensation. Our research shows that 58% expect employers to match consumer-level payment innovation, with payment customization emerging as a key factor in employment decisions.

Current compensation methods reveal a growing demand for payment diversity. While direct deposit dominates at 62%, alternative methods are gaining traction—20% through PayPal and 8% through Venmo. More telling is that 58% say they expect future employers to keep pace with payment innovations, suggesting payment flexibility could become a significant differentiator in talent acquisition.

The openness to emerging payment technologies provides additional context: 34% express interest in receiving cryptocurrency as compensation, indicating a broader receptivity to payment innovation beyond traditional methods.

These findings have direct implications for B2B payment infrastructure. As Gen Z advances in the workforce, organizations must modernize their payment systems not just for customer transactions, but as a fundamental component of their employee value proposition. Success will require developing payment solutions that can integrate consumer-grade innovation into business payment frameworks while maintaining necessary controls and compliance.

58%

expect future employers to keep pace with payment innovations





What this all means for B2B payments

B2B payments have undergone significant transformation in recent years, moving from paper-based processes to increasingly digital solutions. The rise of real-time payments, automated reconciliation, and integrated payment platforms has modernized business transactions. However, our research suggests that Gen Z will dramatically accelerate this evolution. With over 92% preferring digital payment methods and 67% rating payment flexibility as crucial to business relationships, this generation's expectations will push B2B payments toward even greater innovation and efficiency.

The implications extend beyond the current trajectory of digitization. Gen Z's prioritization of security, preference for diverse credit options, and demand for seamless experiences signal the next wave of B2B payment transformation. As this generation advances into decision-making roles, they bring expectations shaped by consumer payment innovation into the business world. Organizations must prepare for this shift by developing payment solutions that balance innovation with risk management while delivering consumer-grade experiences within B2B frameworks. Those that successfully adapt will gain significant competitive advantage in an increasingly digital economy, while those that maintain traditional approaches risk losing business relationships to more innovative competitors.