



Embracing 'Loud Budgeting'

Gen Z's Response to the Cost of Living Crisis

As the cost of living crisis looms large, particularly for the younger generation, Gen Z is pioneering a new approach to personal finance: 'loud budgeting.' In a world where the pressure to spend money can feel overwhelming, especially in the age of social media, Gen Z is taking a bold stand against financial strain by embracing transparency and intentionality in their spending habits.

But what exactly is 'loud budgeting'? Coined by 26-year-old comedian Lukas Battle, 'loud budgeting' is essentially budgeting out loud. It's about being vocal and transparent about what your budget allows, rather than succumbing to the pressure of pricey social gatherings or expensive plans.

The concept emerged as a response to the prevailing trend of 'quiet luxury,' where subtle displays of wealth were celebrated. Instead of quietly flexing one's financial status, 'loud budgeting' encourages individuals to openly discuss their financial boundaries and prioritize financial health over fleeting pleasures.

In a viral TikTok video, Battle humorously outlined examples of 'loud budgeting,' including opting for "dry January," choosing grocery shopping over lavish dinners, and opting for coffee shop dates instead of pricey outings. This candid approach to personal finance struck a chord, resonating with millions on social media platforms like TikTok.

The rise of 'loud budgeting' reflects a broader shift in attitudes towards money and consumption, particularly among Gen Z, who have been cautioned about the challenges of homeownership and financial

independence. Instead of perpetuating the culture of excessive spending promoted by influencers and social media, Gen Z is embracing financial transparency and mindful spending.

Hugo Cannon, the founder of luxury concierge service Vello, notes a significant change in consumer behavior among Gen Z. Previously, influenced by the allure of 'quiet luxury,' Gen Z consumers splurged on extravagant purchases, often beyond their means. However, the tide is turning, with a growing segment of Gen Z proudly acknowledging financial constraints and prioritizing budgeting.

Jacqueline (Jack) Howard, head of money wellness at Ally, emphasizes the importance of mindfulness in spending habits. Implementing a "48-hour rule," wherein consumers reflect on purchases before making them, can help foster financial discipline and curb impulse spending. By considering the long-term implications of purchases, individuals can make more informed decisions about their finances.

In essence, 'loud budgeting' represents a departure from the culture of conspicuous consumption towards a more conscientious and sustainable approach to personal finance. As Gen Z leads the charge in reshaping attitudes towards money, the era of financial transparency and mindful spending is dawning—a welcome shift in the face of economic uncertainty and escalating living costs.



www.evergreenwealthsolutions.com

info@egwealth.com

1000 Commerce Park Drive, Suite 416
Williamsport, PA 17701

Phone: 570.601.6960 | Fax: 570.215.8832