

TRUST IN FINANCIAL SERVICES – US – 2023

Trust remains the backbone of any banking relationship – essential in fostering loyalty, ensuring financial security, and upholding the integrity of the industry.



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Trust In Financial Services - US - 2023

This report looks at the following areas:

- The types of financial services providers consumers trust the most
- How trust changes across a variety of financial services brands
- The biggest drivers when choosing FIs
- The biggest factors that contribute to trusting FIs
- Attitudes toward financial services providers and the industry

Overview

The strength of long-term banking relationships remains dependent on the inherent trust customers have in their providers. This trust can come in many forms; for some, it is due to their deposits remaining secure for the length of said relationship. For others, it is the active demonstration of community involvement and financial support that drives this trust.

In the past couple of years, consumers wrestled with the recessionary impacts due to the pandemic, and most recently, the one-two punch of high inflation and high interest rates – leading to financial wellness taking a higher precedence in many peoples' minds. With over 40% of consumers wanting FIs to help them achieve their financial goals, providers have the chance to take a more active role in their customers' financial wellbeing and gain the two most coveted currencies in the financial services industry – *trust and loyalty*.



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Report Content

EXECUTIVE SUMMARY

- What you need to know

Consumer trends: key takeaways

- 56% cite the safety of their finances as the top reason for trusting their providers
 - Graph 1: top reasons for trusting financial services providers, 2023
- FIs still have an addressable market in Hispanic adults
- Consumers are more trusting of traditional FIs, compared to tech companies and neobanks, when it comes to handling their money
 - Graph 2: trust in traditional banks vs tech companies and neobanks, by generation, 2023
- Market predictions

Opportunities

- Providing a sense of security to customers naturally breeds greater trust
- Discover constantly affirms its commitment to protecting customers
- Building trust among Hispanics is a complex process and not without its challenges
- Empower Hispanic consumers' through investing in growing their communities and supporting their financial goals
- FIs engaged with Hispanic communities in a variety of ways, from celebrating cultural events to sponsoring local outdoor markets
- Leverage the power of personalization to take trust and loyalty to another level
- Huntington helps customers prepare for the unexpected with Standby Cash

CONSUMER INSIGHTS

Consumer fast facts

Consumer trust across financial services providers

- Banks and credit unions are the most trusted financial services providers
 - Graph 3: trust in financial services providers, 2023
- As consumers age, their trust in banks starts to wane in favor of credit unions
 - Graph 4: trust in banks vs credit unions, by generation, 2023

Trust in financial brands

- Capital One, Chase, and Amex are the most trusted retail bank brands
 - Graph 5: trust and mistrust across traditional bank brands, 2023
- Younger consumers' trust in P2P brands is higher than in many traditional FIs

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- Graph 6: trust in online and mobile payments brands, by generation, 2023
- PayPal routinely highlights its trustworthiness as a brand in its messaging

Important factors in choice of FI

- Digital banking capabilities and brand reputation are the biggest drivers when choosing a FI
 - Graph 7: top five factors in choice of FI, 2023
- Gen Zers are most likely to lean on friends and family when choosing an FI
 - Graph 8: most important factors in choice of FI, by generation, 2023
- US Bank and Huntington routinely highlight their J.D. Power rankings to demonstrate their credibility as providers
- Low-earners place the least importance on FIs helping them achieve their goals when seeking a provider
 - Graph 9: desire for financial support, by household income, 2023
- FIs must take a more active role in bettering the financial health of their low-earning customers

Financial services concerns

- Rising fees, personal data theft, and interest rates make up the trio of consumers' highest ranking concerns
 - Graph 10: consumers' top five concerns regarding financial services providers, 2023
- FIs must find ways of alleviating fee sensitivity to reduce customer churn

Attitudes towards financial services providers

- Older consumers are more trusting of their personal FIs than the industry as whole
 - Graph 11: satisfaction and trust in financial providers vs industry, by age, 2023
- Loss of trust in both industry and primary bank is highest among low-earners after the bank failures earlier in the year
 - Graph 12: loss of trust after bank failures, by household income, 2023
- Nearly 80% of consumers are in agreement on the security benefits of biometric identification tools
 - Graph 13: attitudes toward biometric authentication, by generation, 2023
- FIs' retention levels have been challenged in the past year, partly due to the high-rate environment
 - Graph 14: adding accounts with new providers in the past year, by age, 2023

COMPETITIVE STRATEGIES

Marketing and advertising

- US Bank offers charity donation matches for Altitude Go cardholders
- Fidelity highlights the security and convenience benefits of biometric authentication
- From deposit insurance reminders to cybersecurity awareness months, FIs must continually instill customers with a sense of security

THE MARKET

Market context

Market drivers

- A high rate environment along with rising delinquencies facilitates the need for financial support from consumers' FIs
- Delinquencies across credit cards have sharply risen post-pandemic; and will continue to impact consumer spending and saving
- While branch closures remain on the uptick, the role of in-person banking remains key in trust building
- Capital One positions its cafés as a relaxed environment where one can receive financial coaching, or simply just enjoy a cup of coffee

APPENDIX

- Consumer research methodology
- Generations
- Abbreviations and terms

Disclaimer

This is marketing intelligence published by Mintel. The consumer research exclusively commissioned by Mintel was conducted by Kantar Profiles ([See Research Methodology for more information](#)).

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