

# Finance & fintech

Knowing your buyers and what they want

GWI.



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## Methodology & definitions

All figures in this report are drawn from GWI’s online research among internet users aged 16-64. Our figures are representative of the online populations of each market, not its total population. Note that in many markets in Latin America, the Middle-East and Africa, and the Asia-Pacific region, low internet penetration rates can mean that online populations are more young, urban, affluent, and educated than the total population.

Each year, GWI interviews over 900,000 internet users aged 16-64 in 50 countries via an online questionnaire for our Core dataset. A proportion of respondents complete a shorter version of this survey via mobile; hence the sample sizes presented in the charts may differ as some will include all respondents, and

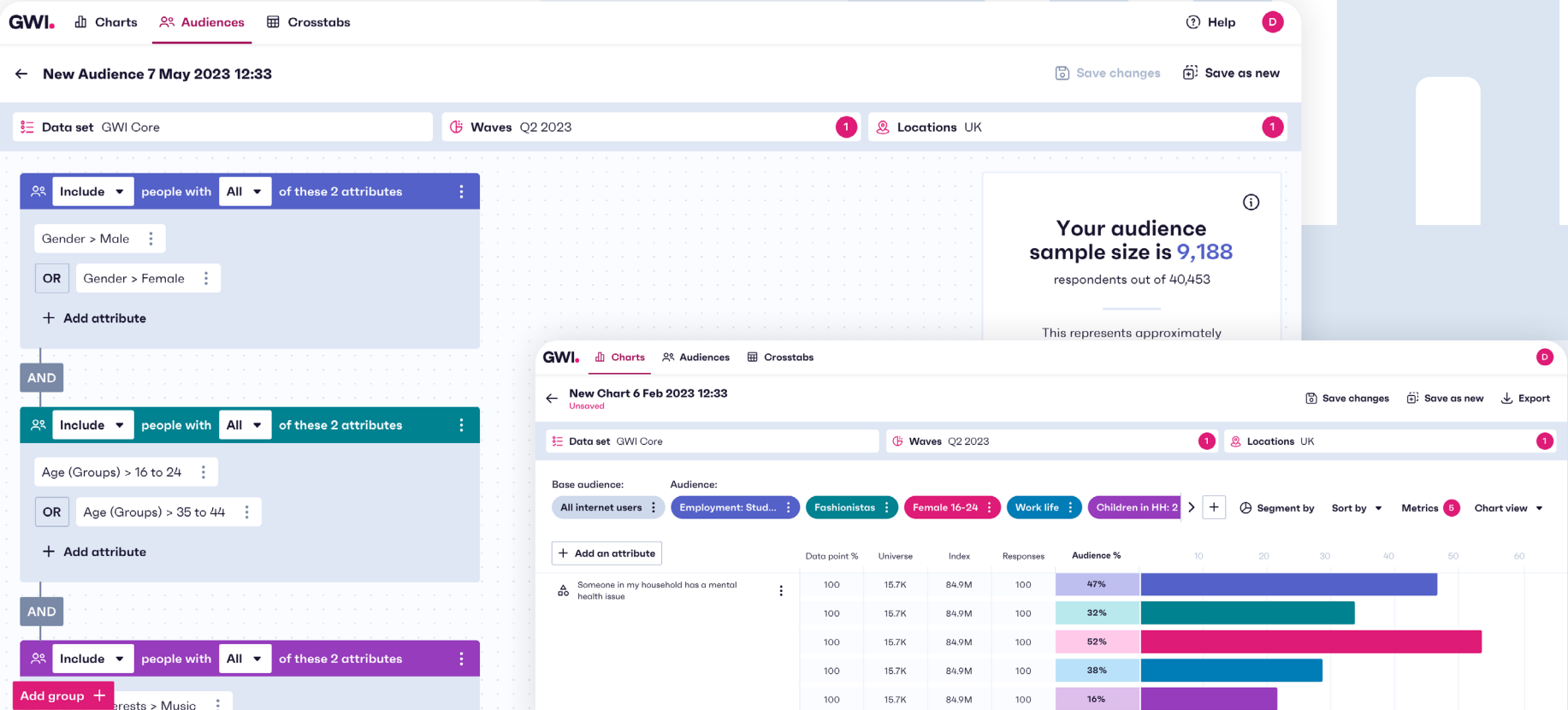
others will include only respondents who completed GWI’s Core survey via PC/laptop/tablet.

When reading this report, please note that we use a mixture of data from our ongoing global quarterly research and GWI Zeitgeist, a monthly recontact study of Core that we carry out in the following 12 markets: Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Singapore, the UK, and USA.

Throughout this piece, we refer to indexes. Indexes are used to compare any given group against the average (1.00), which unless otherwise stated refers to the global average. For example, an index of “1.20” means that a given group is 20% above the global average.

# Discover the data on our platform

Each chart from our ongoing global research in this report contains a hyper-link that will bring you straight to the relevant question on our Platform, where you can investigate all data by demographics, over time, and among your own audiences.



## Each of the graphs is numbered

More information can be found in the Appendix section at the end of this report

Just **click** this icon to explore the data on the platform

**Source**

Information about the source and base

**Base**

# Key insights

Fintech isn't being used to its full potential

Digital banks are growing quickly, but adoption remains low. And many consumers with bank accounts don't use financial sites or track their spending regularly. This means that large numbers of those struggling with money aren't getting a helping hand from fintech just yet.

Consumers often struggle to keep to their budget

Most of us follow a budget either consistently or at intervals, the challenge is sticking to it. All budgeters could use some help, though different groups call for different approaches. The perks of budgeting apps are little-known among low earners, for example, many of whom still see them as a tool for techies.

Confidence is generally higher than financial literacy rates

It tends to vary around the world, and among different demographics but, for the most part, consumers are at least somewhat confident when it comes to investing their money. At the same time, our segmentation reveals that consumers with advanced financial knowledge are hard to come by. Banks, financial institutions, and fintech services can step in and address this.

Banks have room to grow their financial learning material

Banks and financial institutions are seen as relatively trustworthy; 40% say they trust them a lot/completely, miles ahead of big brands (20%). Despite this, they're not the go-to source for improving financial literacy; banks fall behind online financial tools and financial blogs & websites as sources of information.

“Finfluencers” are making waves with younger consumers

Gen Z & millennials are significantly more likely to cite social media influencers as their ideal source when learning about financial management. Accounts on platforms like TikTok have gained a huge following talking about finance, inspiring banks to get creative with their social media presence too.



# The time for fintech is now

## Rising living costs, meet fintech

As most challenger banks rely on transaction fees to survive, you'd expect a global economic downturn to hold them back. The threat is there, but right now, they're thriving. In fact, over 40 new challenger banks have **sprung up** in the last year, and our data shows significant growth in the number of people logging into several of these apps monthly.

While success isn't set in stone, fintech services and digital banks have a lot of great selling points. Many already

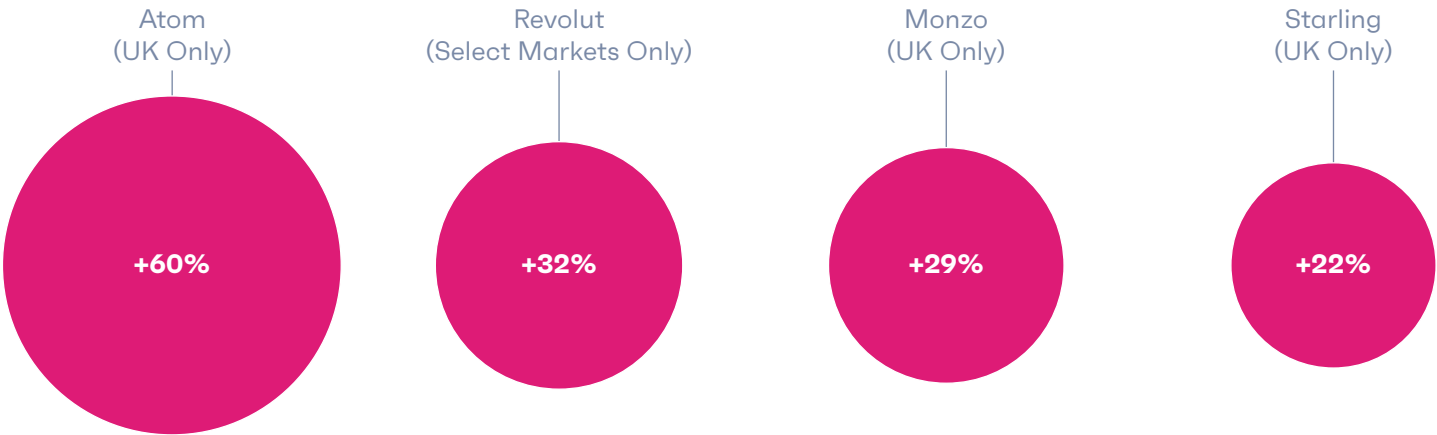
offer real-time updates on spending, as well as budgeting and saving features, which will be incredibly useful as more start to feel the pinch. Still, the opportunity is huge and isn't being fully realized. Companies in this space could do more in terms of raising awareness, addressing security concerns, and offering educational resources.

Challenger banks might be growing quickly, but adoption remains low, and many consumers with accounts don't

use financial sites or apps regularly. This means that large numbers of those struggling with money aren't getting a helping hand from this technology just yet. The current cost of living crisis is a chance for fintech to prove its worth among those hoping to better manage their money. And this report will shine a light on where we're at with financial literacy, which groups need a little more assistance, and the ways companies can engage, and therefore educate, these customers.

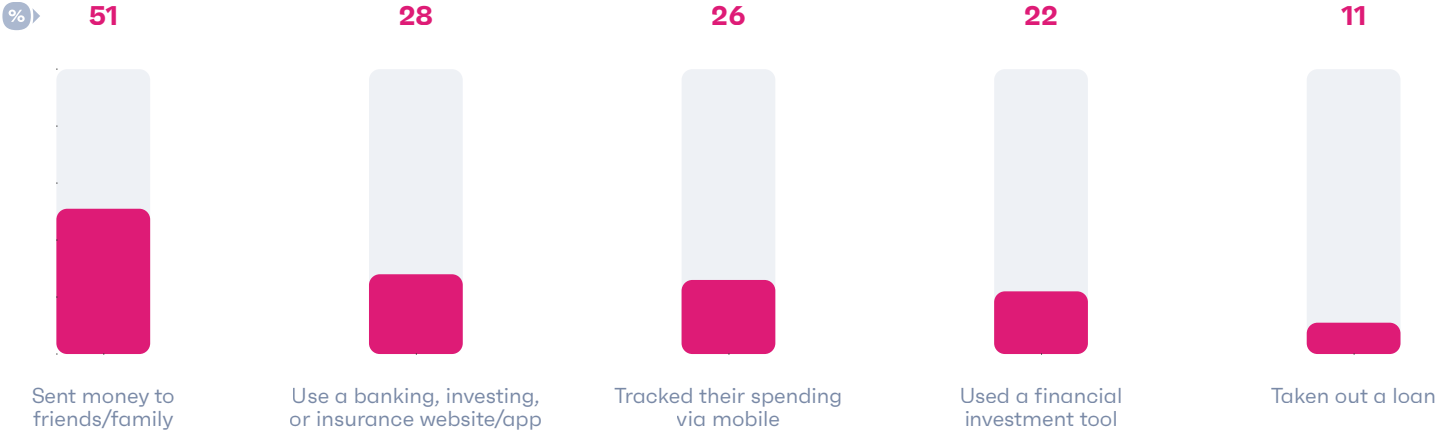
## Challenger banks and fintech services are slowly gaining traction

% change since 2020 in the number of consumers who use the following sites monthly



## Yet, usage of fintech tools could be much higher

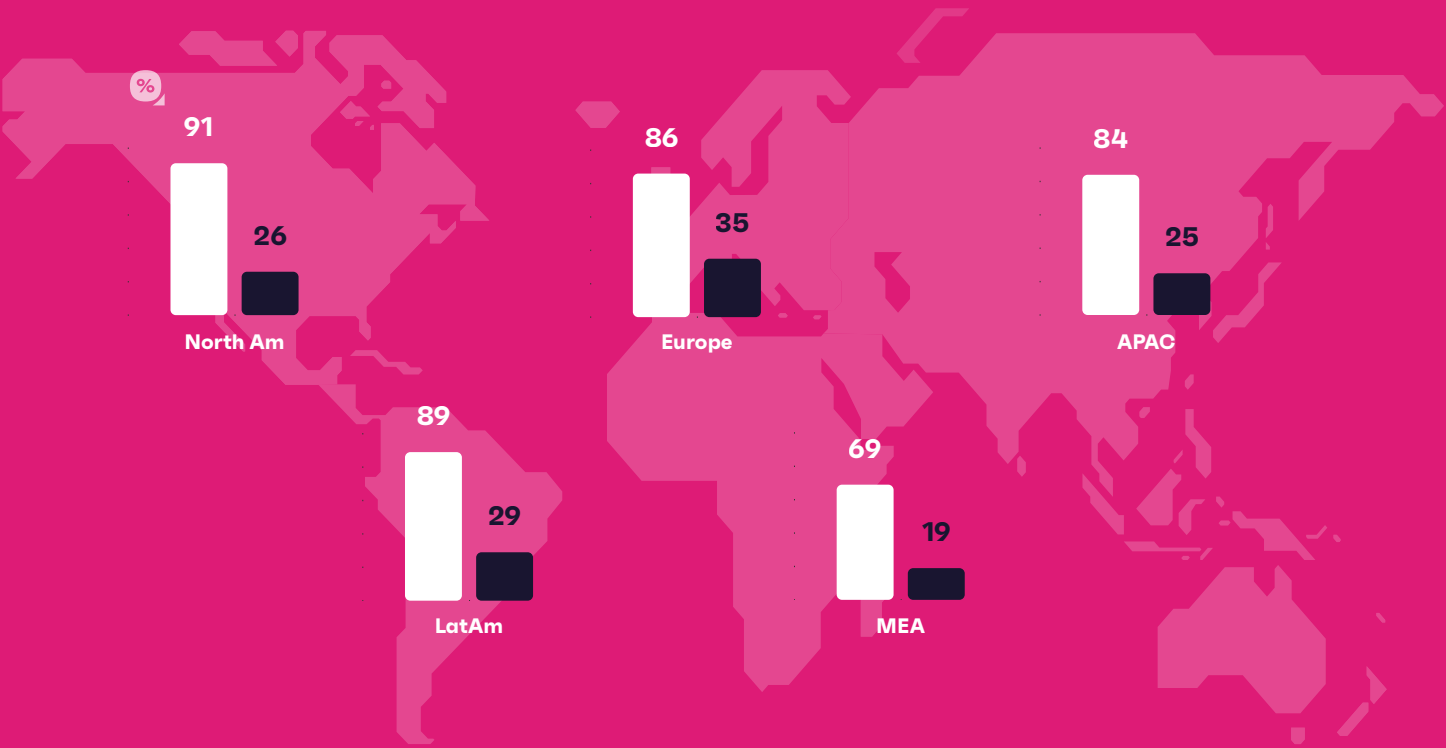
% who have done the following online in the last month



## The growth opportunity: from big to huge

% in each region who...

● Have a bank account ● Track their spending on mobile



GWII Core Q3 2022 246,761 internet users aged 16-64

## Opportunities around the world

The world of finance needs to look at each continent with a fresh pair of eyes. With a minority everywhere tracking their spending, using investment tools, and taking out loans online, each region is ripe with opportunity, but comes with its own set of pain points and solutions.

MEA has the lowest percentage of banked internet users, and the smallest

number tracking their spending, though this is hugely different across the region. Israel ranks 5th out of 50 countries for the latter (47%), with South Africans claiming the 2nd spot for sending money to friends and family via mobile.

Post-pandemic, foreign investors are again **pouring millions** into Africa's start-ups, which are working to bring its

unbanked population into the financial mainstream. Consumers here don't have the long-established online expectations that their Western counterparts have and tend to be more open to exploring new features. While growth won't be uniform, trends often take off in MEA countries much more rapidly than anywhere else, a promising sign for fintechs and their backers.

17%  
in the US say they track their spending, with a third seeking advice when making big financial decisions

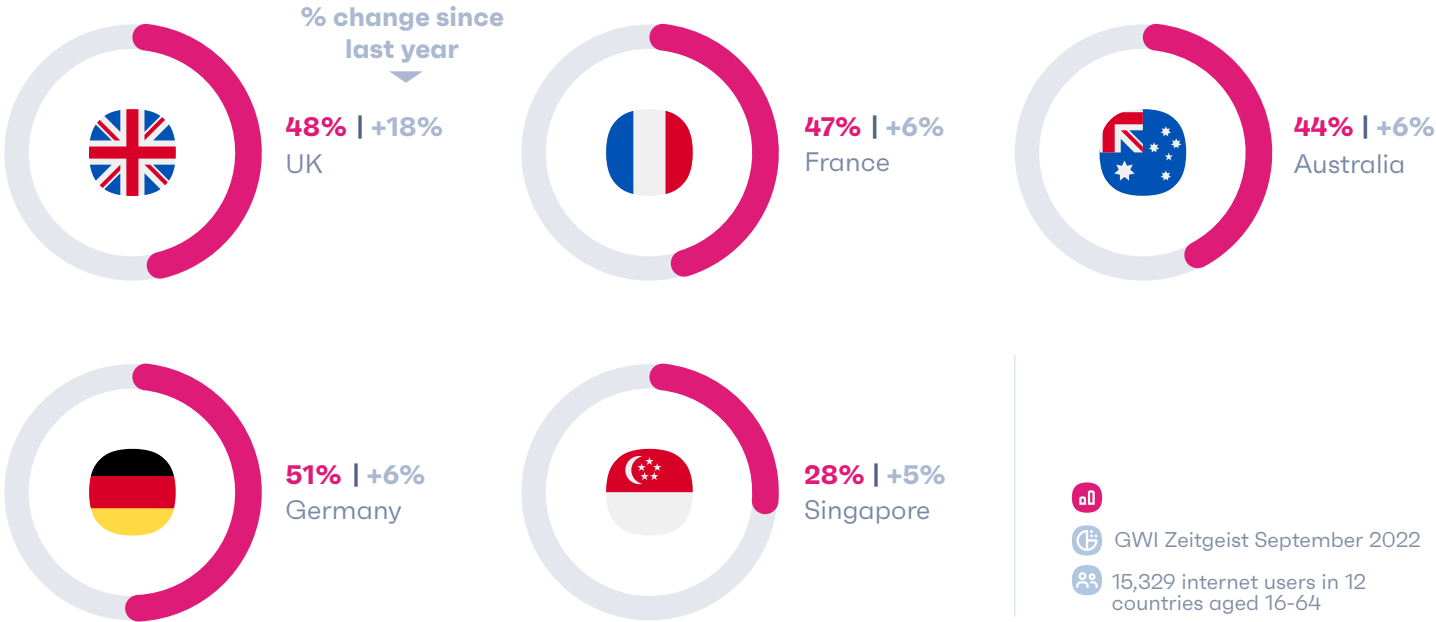
On the other hand, the opportunities cropping up in Europe and APAC are more to do with treating drops in consumer confidence. Consumers in these regions are the least likely to say they're good at managing their money, with the number of Europeans agreeing with this statement dropping by 9% since early 2021. Countries in both markets have also seen some of the biggest relative increases in bills and expenses.

Europeans are the most likely to track their spending on mobile, with Revolut users increasingly using **budgeting tools** on the app, the latest sign of inflation stirring up economic anxiety. The app's 'savings vault', which allows customers to set aside savings pots, has seen UK usage increase 150% year-on-year, with a feature that recommends spending limits also proving popular.

+22% rise in South Africans using Tyme Bank since Q3 2021

More are in need of budgeting tools

% in each country who estimate they spend over half or more of their income on bills (sorted by % change)





# Open banking: what's in it for me?

In a big step toward open banking, New Zealand's government **made it law** for banks to share customers' data with a competitor should they request it. After learning that two-thirds of Kiwis are either against the idea of **open banking** or don't understand it, the nation's politicians took it upon themselves to raise awareness.

Open banking essentially gives third-party services

access to people's banking information, eventually pointing them in the direction of better financial products. But for this to happen, organizations need to bridge the trust gap. Around 3 in 5 consumers say they'd rather keep their data and pay for services, than exchange it and get them for free. This points to the reluctance some internet users have around sharing personal details, even if it guarantees good results.

The truth is, open banking **data sharing** leads to consistent security standards, more transparency around data usage, and better user control. Yet, banks and services that choose to embrace this tech will need to get this across to their audience.

After realizing many Brits see open banking as something complicated, boring, and unsecure, Blue State ran

a **campaign highlighting** 15 fintech offerings. Toying around with different messaging, it found that ads that were product-first and included user testimonies or call-to-actions performed the best. Their campaign ultimately saw 3x higher awareness of open banking, a 2.6x increase in trust, and a 2x rise in the likelihood of consumers buying these products, showing the world it can be done.

“

Until it's more widely understood and implemented, open banking's power to cushion the blow of this inflationary pinch will remain out of reach

**Stefano Vaccino,**  
CEO of Yapily





## Showing Gen Z all is not lost

We have to be careful when making judgements or comparisons around Gen Z’s spending habits. Like millennials, they’ve experienced a lot of economic uncertainty in the form of high student debt, a rising pension age, and unaffordable housing costs. In the face of all that, it’s easy to feel overwhelmed or defeated. A recent TikTok trend sees young people **sharing content** with the overlaying text: “I’ll make my money back, but I’ll never...”, reinforcing the idea that you’re either completely frugal and prepared or YOLO-ing your way through the chaos and planning to ‘grow up’ later on in life.

On top of this, many feel pressured to keep up appearances and are tempted by the products being **marketed to them** on social media. It’s therefore not

surprising that Gen Z are the most likely to impulse buy online every 2-3 weeks, and to show an interest in using buy now, pay later services – especially if they don’t believe their financial goals are achievable anyway. And unfortunately, the practices that helped their parents become financially independent won’t be as effective for them.

More than any other generation, it’s important to make **Gen Z customers** feel empowered and demonstrate what digital finance can do for them in language that’ll resonate. In terms of their reasons for going online, entertainment-based incentives like watching videos, as well as meeting new people, are where they most stand out. What’s more, they’re the least likely to include managing finances or savings on this

list, but the most likely to prioritize finding new ideas or inspiration. If financial services want to influence younger groups, the experience they create will need to be as fun, community-driven, and interactive as possible, inspired by what social media and entertainment companies have on offer.

“The effect of the financial crunch younger generations have felt is very clear: they’re spending beyond their means

Michael Hershfield,  
CEO of Accrue Savings

## Buy now, achieve financial stability later

% in each group across 12 markets who...

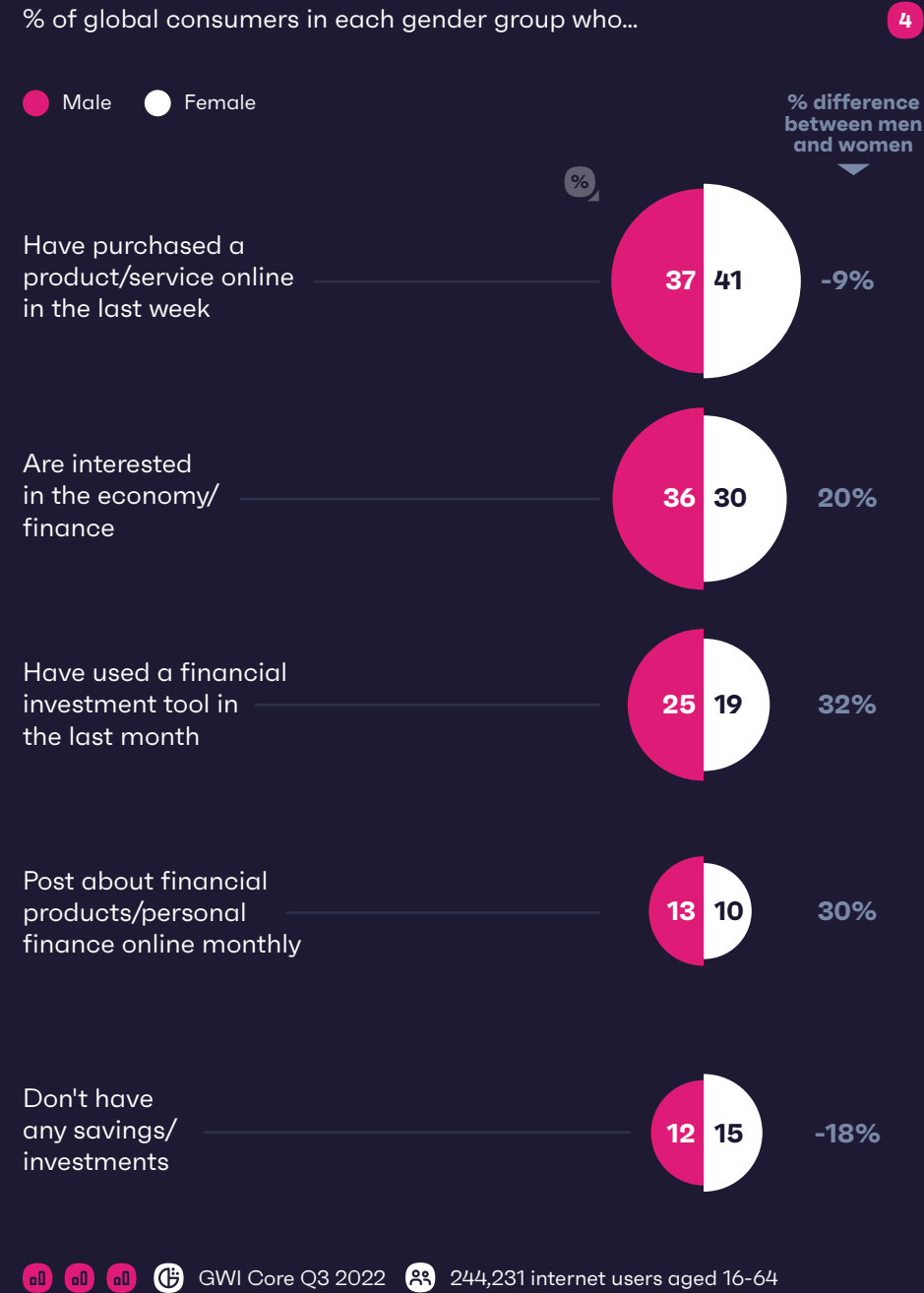


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GWII Core Q3 2022 | GWII Zeitgeist August & September 2022

147,534 internet users in 12 countries aged 16-64 | 15,010 (August) & 15,329 (September) internet users aged 16-64

# The chance to better engage with female consumers



## Building better solutions for women

Female buyers have a lot of power. Compared to men, they're more likely to identify as the main shoppers for their household and to buy products online weekly. But online shopping aside, they're generally not as involved in the **world of finance**. A perceived lack of interest is one of the reasons why financial institutions haven't catered to them as much in the past, which can become a self-fulfilling prophecy.

Women are less likely to use investment tools, less interested in the economy, and less likely to contribute to online discussions around finance. And all this is having a knock-on-effect; they've typically demonstrated less understanding around concepts like **NFTs**

or cryptocurrency in our research, and as we show later on, generally score lower on the financial literacy front.

It'll be especially important that engagement levels pick up and balance out in the months ahead, as the cost of living crisis **isn't affecting us** all in the same way. In July, Western women were 22% more likely to say their current financial situation was insecure compared to men, and 11% more likely to say their cost of living had increased greatly in the last three months. Anyone can build better spending habits if they reach a good level of financial knowledge and are given the right tools, and it's up to those in the business to target women and drive this outcome.

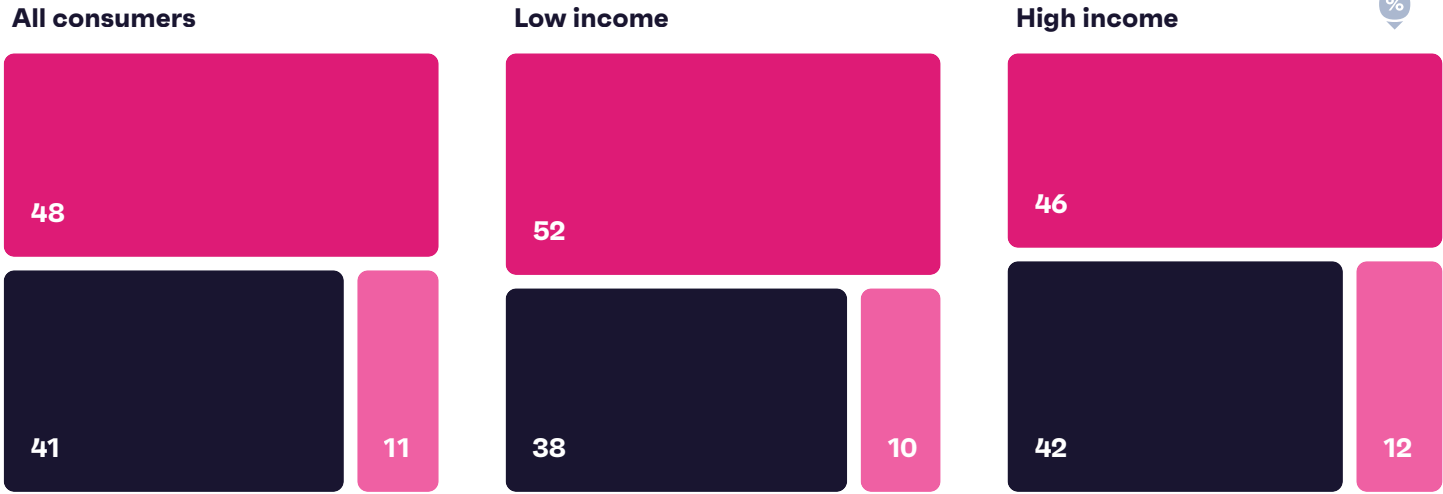
Women are 19% less likely to say they trust banks/financial institutions than men

# The various paths to financial wellness

## Many of us have a budget in mind

% in each group who say the following about their monthly spending

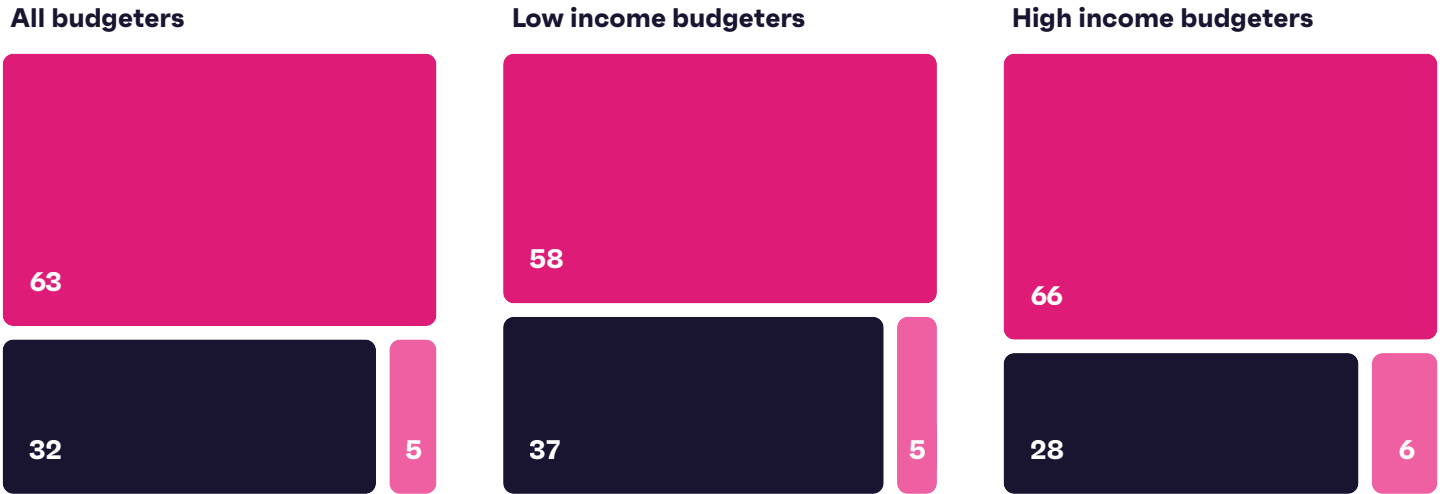
■ I always follow a budget ■ I sometimes follow a budget ■ I rarely/never follow a budget



## But we have difficulty sticking to it

% in each group who follow a budget and say the following describes them

■ I never spend more than my budget ■ I sometimes spend more than my budget ■ I always spend more than my budget



GWI Zeitgeist October 2022  
 15,578 internet users and 14,892 who follow a budget always, sometimes, or rarely, in 12 countries aged 16-64



**You can’t manage what you don’t measure**

Most of us follow a budget at intervals throughout the year, the challenge is seeing it through. Around half of consumers say they always follow a budget, and among those who do, 48% never spend more than they intended. In other words, 52% of strict budgeters overspend at least some of the time, a number that’s even higher among those who sometimes or rarely have a plan. So, both strict and occasional budgeters could use some help, though different groups call for different approaches.

Low earners are the most likely to follow a budget. This makes sense; they tend

to have less financial reserves, so for them, budgeting is often about staying out of the red – a necessity, rather than a nicety. Yet, they’re the least likely to say they track their spending via mobile each month (24% do), probably because they’re not as interested in the latest tech trends. This suggests that the perks of budgeting apps are little-known within certain groups, and that they’re still seen by many as a tool for techies, which is something marketing campaigns should address.

While financial businesses need to focus on getting low income budgeters to use their tools, high earners

present another opportunity. Research by Investopedia **shows that** almost a fifth of Americans with a six-figure income live paycheck-to-paycheck. Like younger groups, high earners tend to be more optimistic and carefree about their finances, and they’re more likely to say their personal income is the same amount each month. But this doesn’t mean they’re safe from redundancy or inflation, and overconfidence bias in finance is **well-documented**. When offering educational tools to high earners especially, financial companies could focus on ensuring their ideas mirror reality.



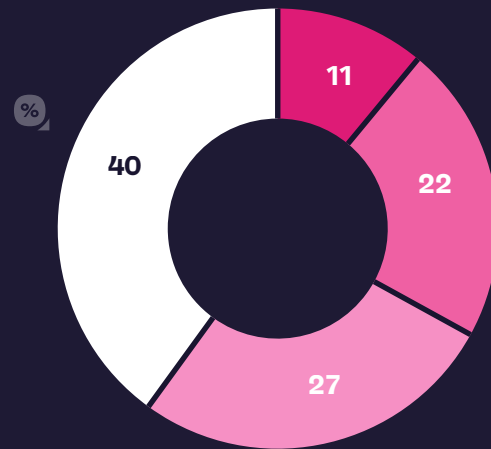
**29%**  
of those who always/sometimes follow a budget track their spending via mobile

The majority have a buffer for a rainy day, but are eager to save

% who say their current savings would cover their basic living expenses for the following amount of time

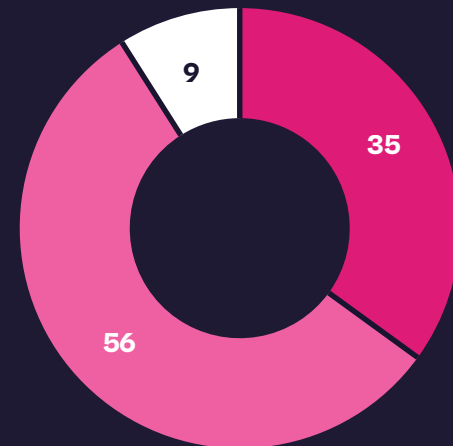
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- Less than one month
- 1-2 months
- 3-5 months
- 6 months+



% who say the following describes their current approach to saving each month

- I save the amount of money that I want to
- I save money, but not as much as I want to
- I don't save money



GWl Zeitgeist October 2022

15,578 internet users in 12 countries aged 16-64

## Savings are a consumer's best friend

News of tech companies **laying off** staff in 2022 and rising interest rates remind us to create or add to our financial cushion, giving fintech apps yet another reason to up their support.

Investment management company T. Rowe Price **recommends** that we build up enough to cover 3-6 months of expenses in case life throws us a curveball, and 3 months is the **general rule of thumb**. Thankfully, two-thirds of consumers meet this recommendation.

Our data confirms that budgeting does a lot of good. 24% of those who rarely/never budget have less than 1

months' expenses ready and waiting, compared to 9% of those who always do. But budgeting habits aside, several factors point to how much a consumer might benefit from digital saving tools.

**Gen Z** are the most likely to say they save the amount they want to, but the least likely to have a financial pillow. This comes back to perspective. 65% live with their parents, and many might not feel it's necessary to save large amounts just yet, with their timeline for buying a house and having children up in the air. Still, they're the most likely to want to save more money over the next 3 months (63% do), a sign the

intention to raise their saving goals is there. Likewise, low earners are least likely to have the recommended three months' protection (56%), and the most likely to want to save more going forward (56%).

Finally, country matters a lot. Around a fifth in Australia, the UK, US, and France don't have one months' expenses set aside, and these are among the countries with the biggest increases in money going on bills/expenses. So, low earners, younger groups, and consumers in certain Western markets currently have the most to gain from money-saving advice.

Paying your debts in a recession

Debts are very common. Across 12 markets, more consumers say they have debts than don't; and despite having a bad name, they can be a form of financial management. As the U.S. Bank **points out**, a strategic use of debt can help achieve our financial goals, depending on how much we borrow and why. Student and home loans, for example, help people get better jobs and build equity, whereas borrowing

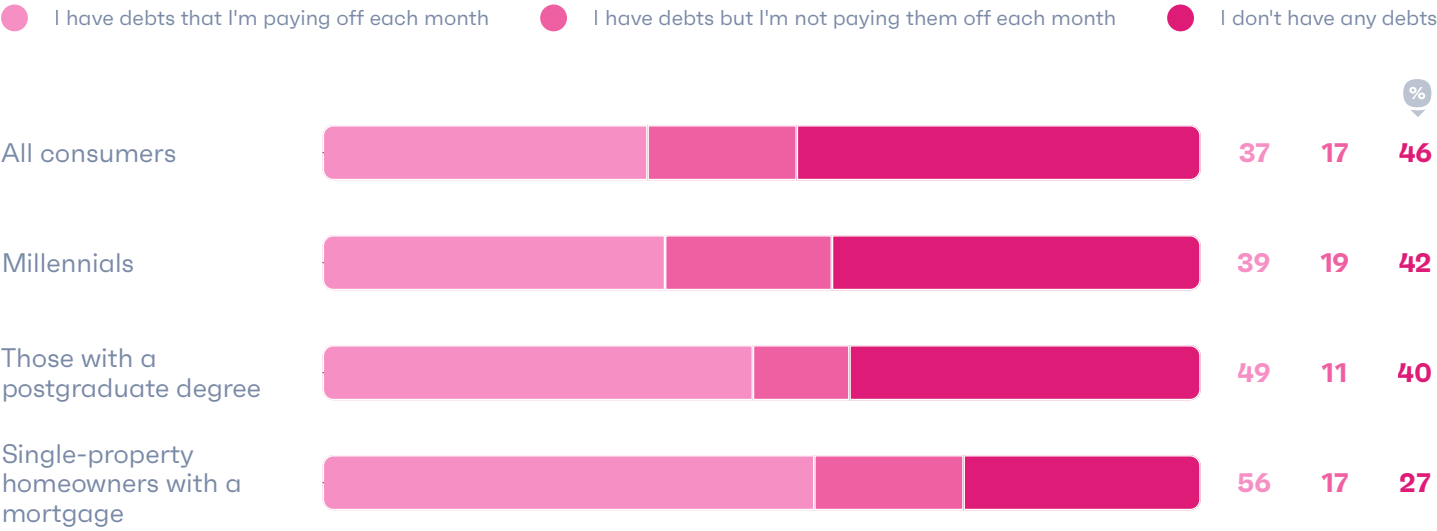
to support ongoing living expenses carries more risk. Banks typically cut back on lending during recessions, and with good reason. While the same percentage across all income brackets have debts, 1 in 5 low earners aren't currently paying them back each month, which suggests that more in this group find their loans unmanageable. At the same time, banks want to be accessible to more potential borrowers, which is why

many are pinning their hopes on digital platforms. Alongside income, there are cultural differences in how we interpret and repay debt as well. Two-thirds of post-graduates in the US say they have debts, compared to 43% in the UK. It's likely that many in the latter don't see their student loan as a form of debt because it's handled like **payroll taxes**. This, again, reminds us that debt tolerance is a very personal thing.

With many banks having been caught out in the past, they'll want to ensure they aren't taking on bad debt. This is one of the ways they can benefit from partnering with fintechs, which can create the tools to improve how they vet borrowers and forecast returns. Indian fintech Lentra, for example, has raised \$60M to **expand** loans-as-a-service for banks, doing the very things we just described.

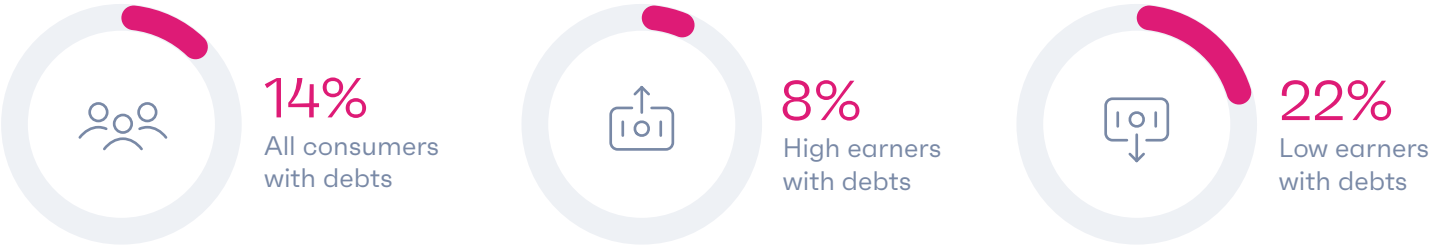
Debt doesn't have to be a bad thing

% in each group who say the following describes any debts they may have



Though, the risks are higher right now

% of consumers with debts to pay who say they have less than one month of savings in reserve

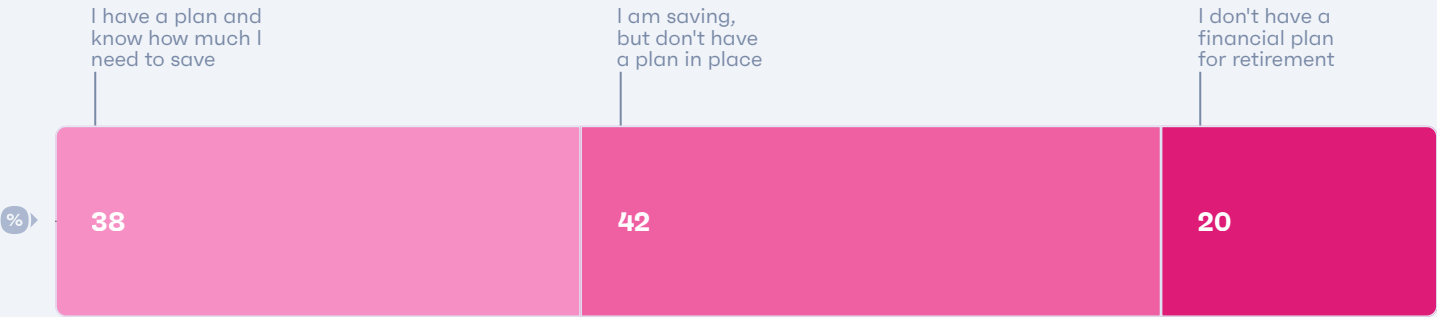


GWJ Zeitgeist October 2022   15,578 internet users, and 7,960 with debts, in 12 countries aged 16-64

Retirement plans aren't the standard

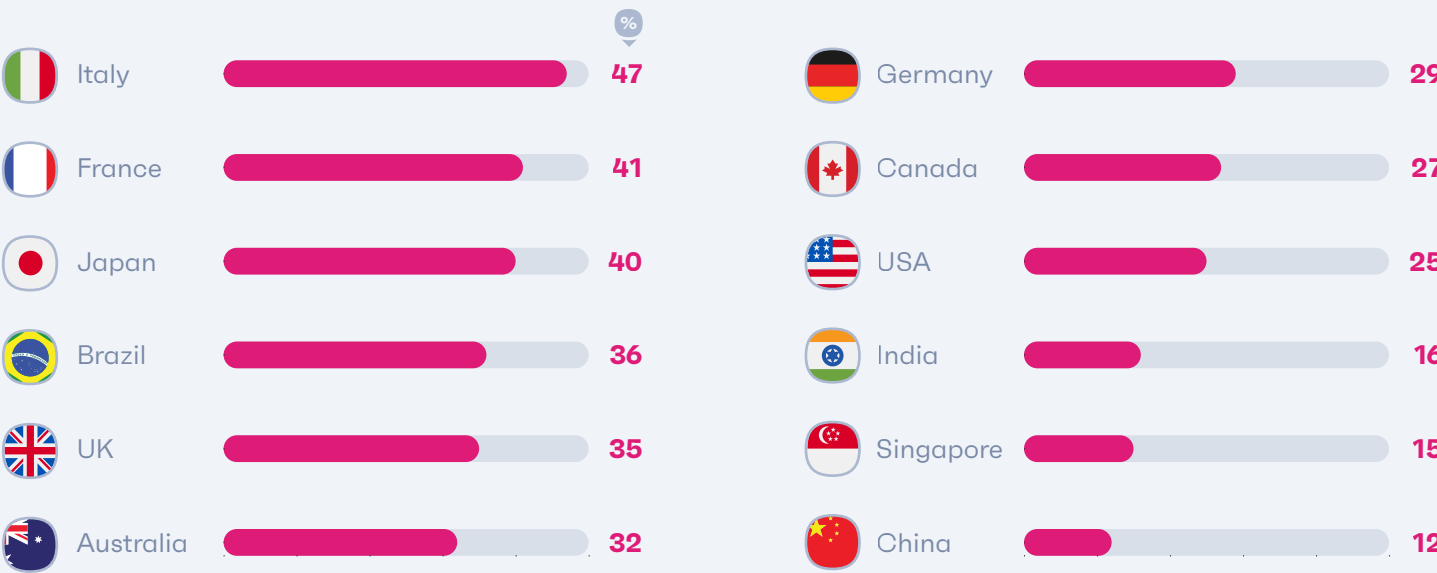
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% of consumers who aren't retired and say the following describes their financial plan



The countries without retirement checklists

% in each country who say they don't have any financial plan for retirement



GWII Zeitgeist October 2022 14,617 internet users who aren't retired, in 12 countries aged 16-64

Retirement looks different in every country

Our data highlights how much of a cultural phenomenon retirement is. For starters, countries don't agree on the ideal age to start saving for it; 65% in the US say it's best to begin before 30, compared to 14% in China. These ideas are shaped by each market's state pension age, which is generally increasing in line with life expectancy.

China has the greatest number of 55-64s saying they're retired (43%), but in 9 out of 12 markets, this figure sits below 3 in 10, and as low as 9% in Singapore – where researchers coined the term “**identity-based retirement**”. Similarly, research suggests that it's

common for **Chinese retirees** to return to work, which is probably why relatively more older consumers here fall into this category, and why the nation's less worried about saving early; whereas “**unretirement**” seems to be more of an emerging trend in the US and UK.

Still, the important thing is that employees know how much they need to save in order to support the lifestyle they want later in life, and expert advice makes a huge difference. A 2013 study by HSBC Bank found that the average **retirement savings** in the UK stood at £73,000 for men and £53,000 for women. Yet, those who had financial

plans and received professional guidance averaged £123,000.

There's room for improvement everywhere, though some regions are further behind in terms of financial planning and have a higher gender pension gap than others. As each country's government works to address the sustainability and integrity of its retirement policies, fintech companies can help consumers create or refine their own personalized game plans. As we'll cover later on, retirement planning is the number one thing consumers want banks to help with, showing how much demand there is for help.



# Financial literacy scores

## Confidence is at a crossroads

Despite what you might see or hear about the current financial landscape, consumers are fairly confident when it comes to investing their money. Though, this varies a lot based on age, gender, and location – gaps that likely grew during the pandemic.

While it was a period of economic anxiety for some, others saw their savings increase during the pandemic. In the US, for example, the personal

savings rate (which reflects the ratio of total personal savings minus disposable income) **climbed to 26.6%**, and between Q2 and Q4 2020, our data shows a clear increase in the number describing themselves as affluent. In short, some got a confidence boost, others a reality check.

Financial confidence isn't the same worldwide; it varies from highs of 92% among consumers in India, to just

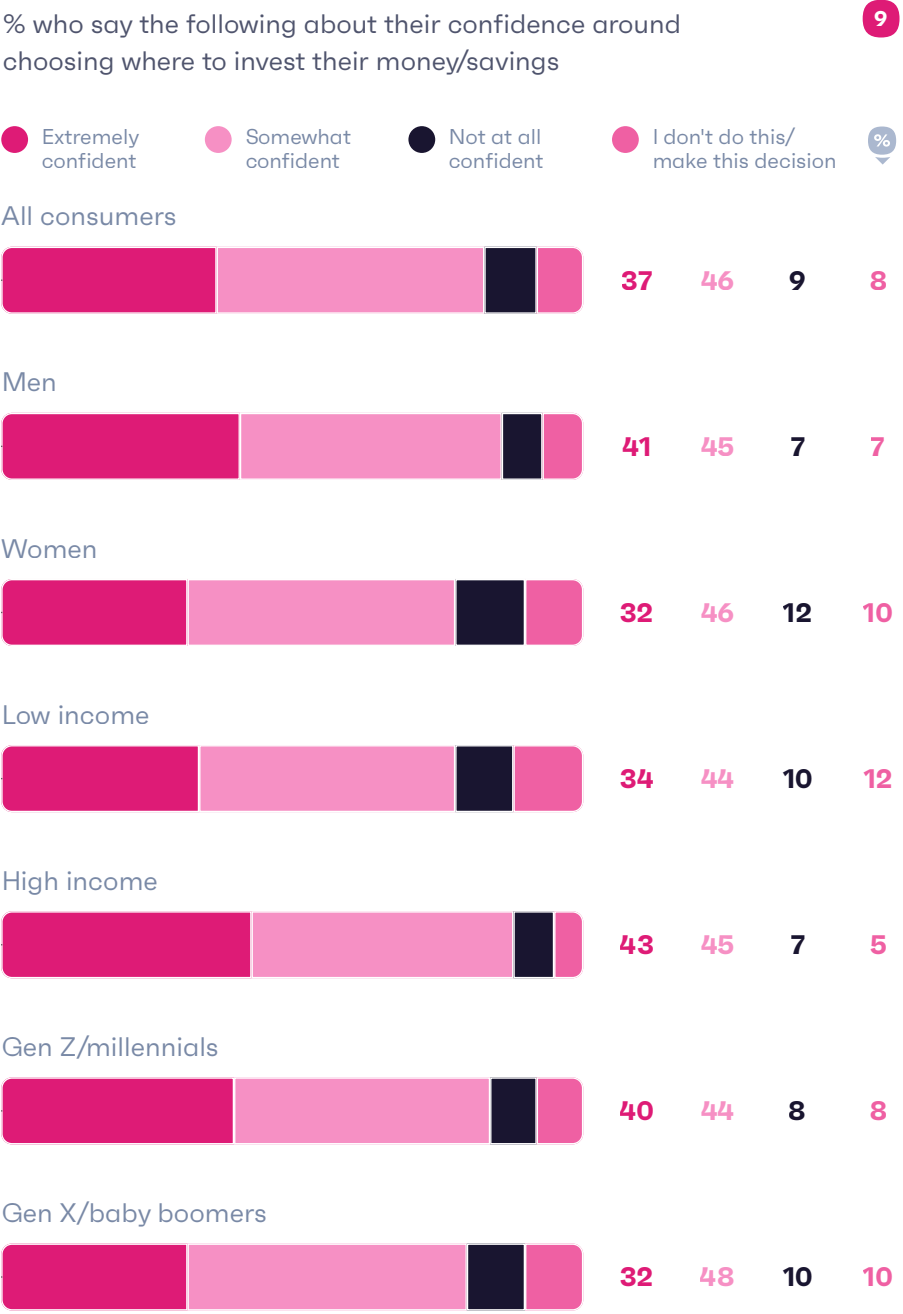
47% in Japan. Higher income groups, no doubt emboldened by their greater affluence, are 13% more likely to display confidence than their low income counterparts, while men are generally more likely to say this than women.

There's a divide here that speaks volumes about the need for targeted financial literacy programs. Consumers need equal access to services that can improve their knowledge if they're to make

financial decisions they can swear by. For some, this hasn't gone unnoticed. The venture capital firm, Quona, is **investing heavily** in start-ups that tackle this financial imbalance, highlighting the opportunity for others to enter this space, and better improve consumers' confidence when it comes to investing. And in markets like the UAE, services are popping up to address what they've identified as a substantial **knowledge gap**.

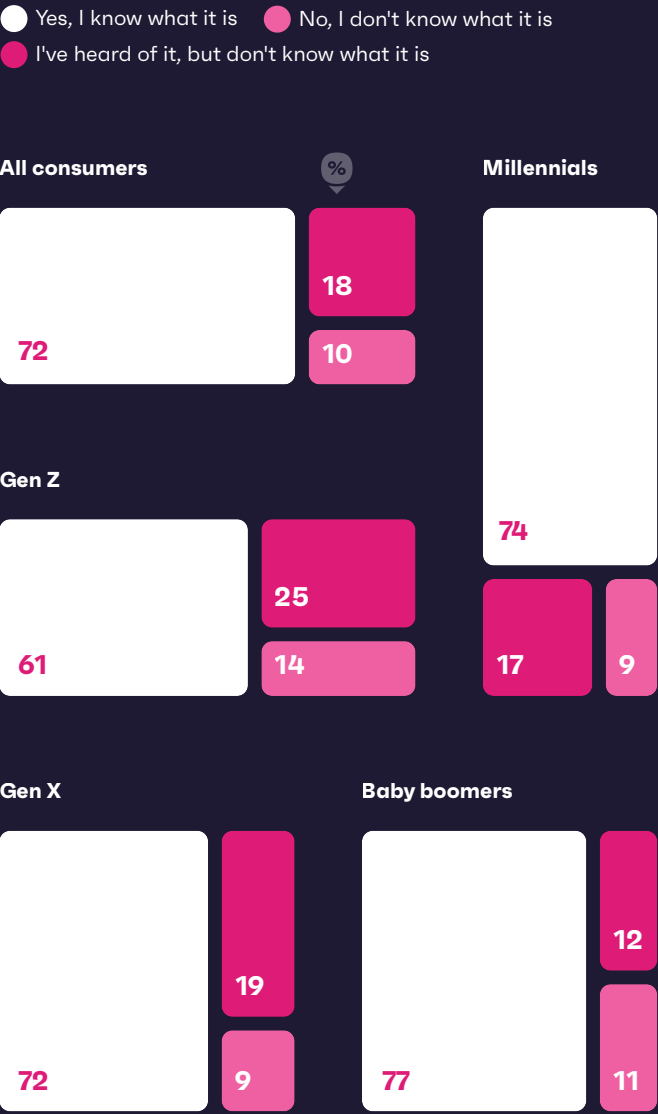
Most are somewhat confident in their financial decisions

ad GWI Zeitgeist October 2022 15,578 internet users in 12 countries aged 16-64



## Knowledge of credit scores

% who say the following about what a credit score is

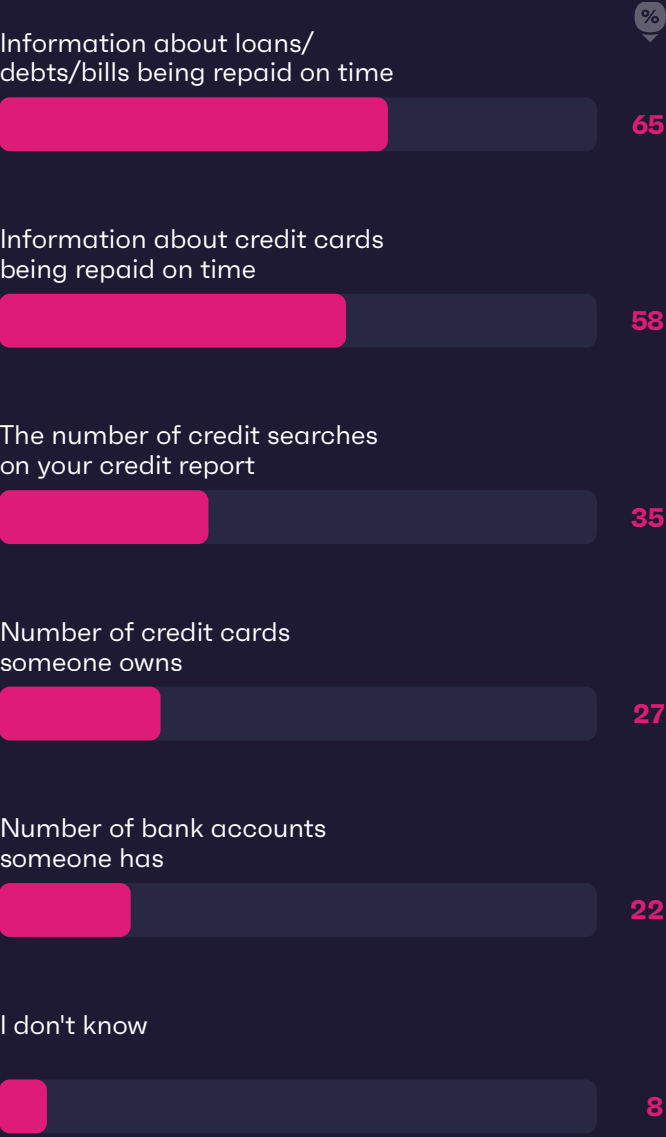


GWJ Zeitgeist October 2022   15,578 internet users in 12 countries aged 16-64

Financial literacy scores

## Understanding of the following

% who think a credit score is based on the following



## What's the score with credit scores?

Just like confidence, consumers' knowledge and understanding of credit scores varies wildly based on factors like age, income, or location. And that last one's worth elaborating on. Credit scores aren't universal; some countries use alternative terms, or a different system entirely. Given understanding fluctuates greatly in some markets, it's important to take this into account.

Compared to other markets with credit scores or something similar like Australia, Canada, Germany, and the UK, Americans display the most awareness, possibly because

various companies provide them with the means to easily track their credit standing. And the average American has a fairly **good score**, which shows that awareness, coupled with the right tools, generates good results.

Age also plays a big part. Gen Z are way behind their older counterparts when it comes to understanding credit scores. With the **oldest now in their mid 20's**, many are starting to **save money**, and pay debts; in a nutshell, they're making bigger financial decisions that they need help with. While our data suggests they're less likely to use credit cards

or own a short-term loan, there's still a knowledge gap here that needs addressing. It's **estimated** that Gen Z collectively have the lowest average credit scores in America compared to any other generation – and they may not even know this.

Fintech brands, banks, even places like schools, should offer more information to younger audiences about finance. They may be less knowledgeable than other generations right now, but they're tech-savvy and willing to learn. In fact, in the US, Gen Z are 32% more likely to say they look for information when making big financial decisions.

Buy now, pay later, responsibly

As the cost of living continues to bite, consumers will be on the lookout for ways of affording their small luxuries without breaking the bank. Among these methods are buy now, pay later services – a means of consumers spreading out payments, often without incurring any interest.

The need for treats during these hard times crops up in our research; the number of Gen Z who say they’d rather sacrifice other spending to buy a product instead of saving up for it has grown 11% since Q3 2021. Whatever the reason – whether it’s a YOLO mentality

or pent-up desire for spending – BNPL services hold a lot of appeal. And tipped to **surpass \$1 trillion** by 2030, these services are no laughing matter.

The question is, however, whether these services can grow in line with financial literacy.

While our data shows that consumers interested in using BNPL have big-ticket items in mind, these services are definitely no longer limited to “premium” products. As a 2019 report by The Initiatives Group put it, “BNPL started with online retailers in higher margin

product categories” like jewelry or high-end fashion, whereas today, **Boohoo** said its average customer spend per item using BNPL was “relatively low”. As BNPL becomes a more frequent part of everyday spending, that could potentially land a lot of consumers in a difficult position.

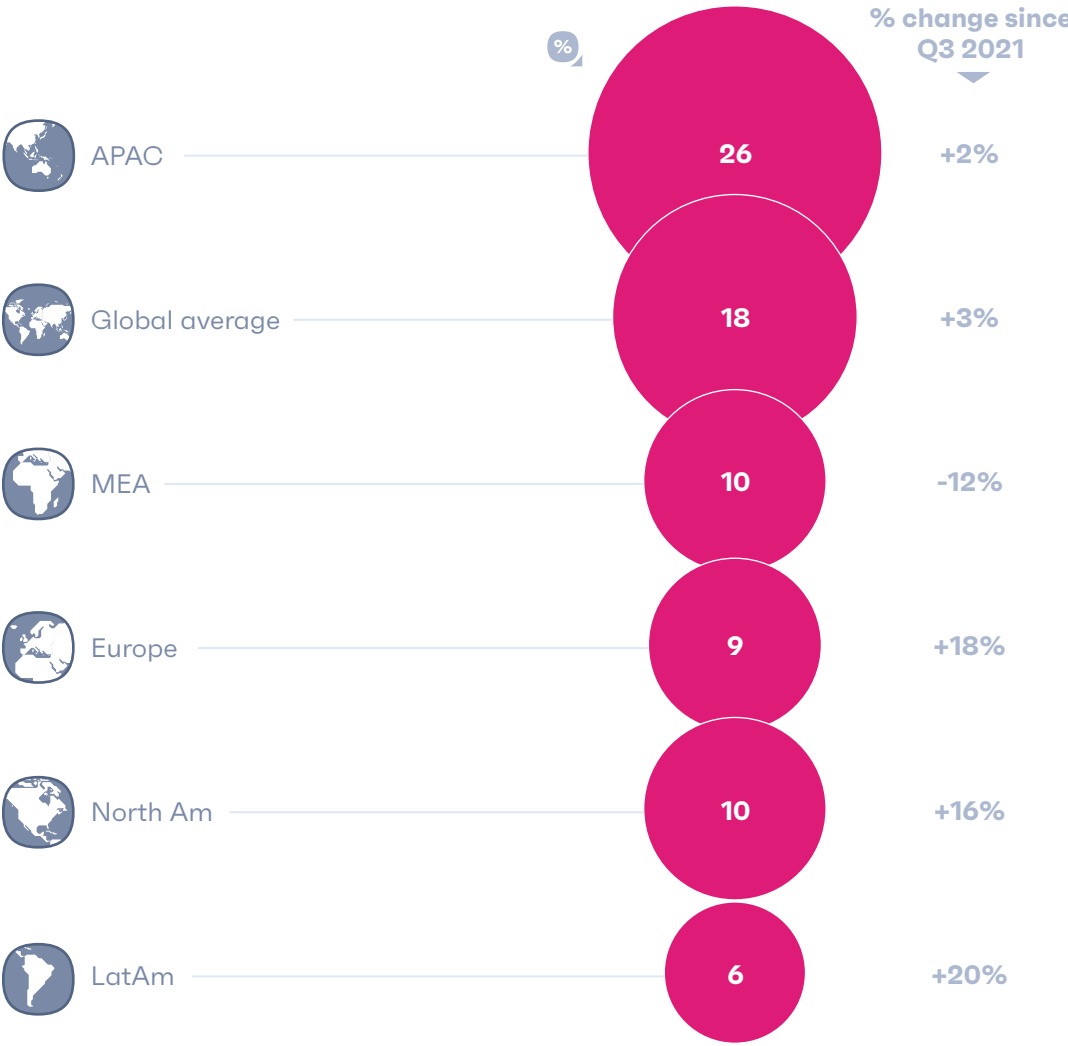
**Regulation** isn’t far behind, but governments are still catching up. Banks and fintechs could therefore address **BNPL services** in their educational campaigns to ensure consumers – especially those with lower financial literacy scores – are using them responsibly.

BNPL users are 17% more likely to say they prefer to spend what they want when they feel like it



# Weekly BNPL engagement is climbing in some parts of the world

% in each region who say they've used a BNPL service in the last week



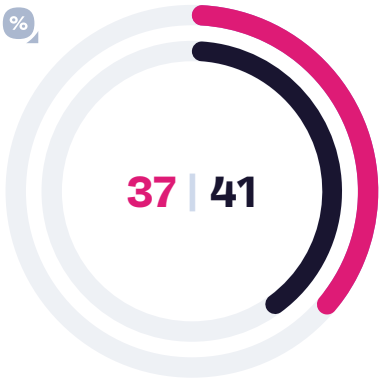
GWII Core Q3 2021 & Q3 2022 | GWII Zeitgeist Oct 2022  
448,452 internet users aged 16-64 | 15,578 internet users in 12 countries aged 16-64

Financial literacy scores

# There's a link between BNPL services and accumulated debt

% of consumers/BNPL users who say the following

All consumers BNPL users



I have debts that I'm paying off each month



I have debts but I'm not paying them off each month

Find out where consumers' "treat budget" is headed



Download report





# Financial knowledge segments

To help us better understand where we’re at with financial knowledge, we’ve built out three segments based on the data we’ve covered so far around budgets, savings, retirement plans, and credit scores.

Respondents are allocated to groups by selecting at least 6 of the 8 relevant statements listed. They can also qualify for a segment by selecting 4 or 5 of the statements from the ‘above’ group. For example, respondents who have selected just 4 advanced behaviors are assigned to the amateur group. Using this method, we can better understand

how financially literate consumers really are, revealing the scale of the financial knowledge gap for banks and fintech brands.

In 12 markets, three-quarters of consumers fall into either the ‘novice’ or ‘amateur’ segment. Advanced knowledge is, understandably, quite rare and though Gen Z are less likely to fall into this group than their older counterparts, there’s still an opportunity here for all ages to improve their financial literacy.

Location trends are similar. In just three markets (Germany, China, and

India), over 1 in 4 consumers rank in the advanced segment – derailing further any notion that consumers in wealthier countries are more financially-savvy than those in less-economically developed ones.

On the other hand, income trends are more predictable. The wealthier a consumer, the higher they rank; high earners are 20% more likely to demonstrate advanced knowledge, while low earners are 12% more likely to be novices. Though, again, these numbers have the potential to grow a lot across all demographics.



Want to know more about Gen Z’s habits and interests?



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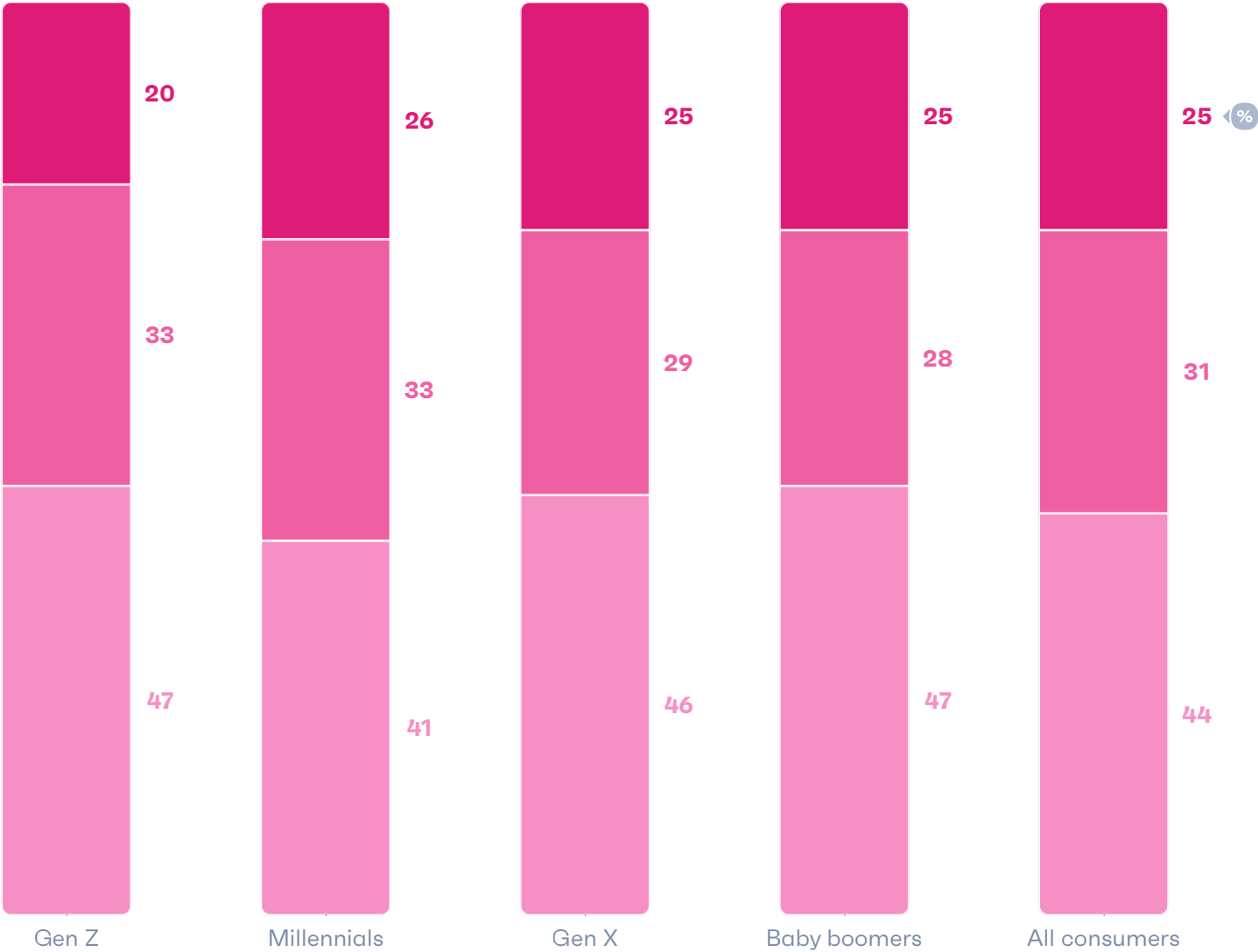
| Advanced                                        |
|-------------------------------------------------|
| I always follow a budget                        |
| I never spend more than my budget               |
| I save the amount of money that I want to       |
| I have 3-6+ months emergency savings            |
| In the next 3 months, I will save more/the same |
| I don't have any debts                          |
| I know what a credit score is                   |
| I have a financial plan for retirement          |

| Amateur                                           |
|---------------------------------------------------|
| I sometimes follow a budget                       |
| I sometimes spend more than my budget             |
| I save money, but not as much as I want to        |
| I have 1-2 months emergency savings               |
| In the next 3 months, I will save more/the same   |
| I have debts I'm paying off each month            |
| I have heard of a credit score                    |
| I am saving for retirement, but don't have a plan |

| Novice                                                     |
|------------------------------------------------------------|
| I rarely/never follow a budget                             |
| I always spend more than my budget                         |
| I don't save money                                         |
| I have less than 1 month emergency savings                 |
| In the next 3 months, I will save less than normal/nothing |
| I have debts but I'm not paying them off each month        |
| I don't know what a credit score is                        |
| I don't have a financial plan for retirement               |

## The financial literacy results are in...

% in each group who fall into the following financial literacy segments



GWJ Zeitgeist October 2022 15,578 internet users in 12 countries aged 16-64

# Turning novices into experts

## Banking on trusted sources

Trust goes a long way, especially nowadays. During the pandemic, brands frequently relied on messages of **connectivity**, or ‘being there,’ for people. Times have changed, but this kind of messaging has stuck. Now banks are under the spotlight, and consumers **need to know** they can be trusted.

In the US, our data suggests banks and financial institutions are starting on a good foot; 40% say they trust them a lot/completely, ahead of big brands (20%), the media (18%), and

even their own government (18%). Still, when it comes to improving one’s financial literacy, banks aren’t the go-to source – that honor belongs to friends and family. Despite having higher trust scores, banks fall behind online financial tools and financial blogs & websites for teaching people about finance.

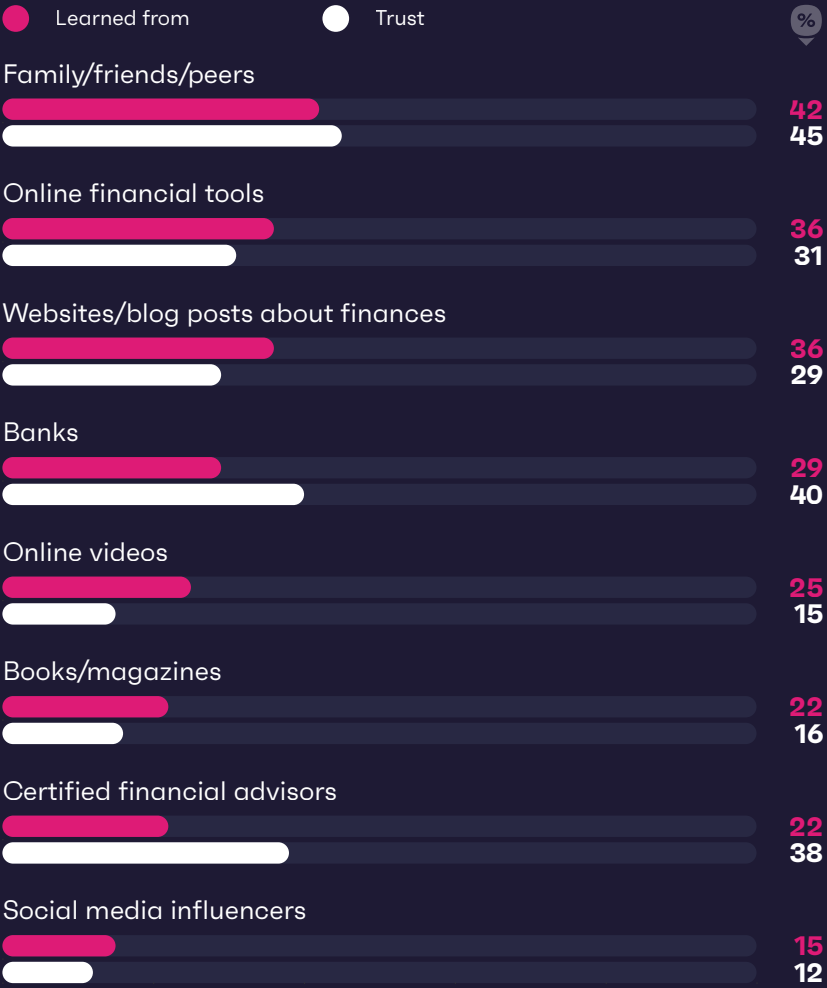
As we’ve mentioned already, banks have a lot to gain from partnering with fintechs, and these collaborations aren’t **as common** as you’d hope,

so those that take the initiative may find themselves ahead of the curve - especially when it comes to reaching younger, tech-savvy audiences.

There’s also a lot of value in utilizing non-traditional methods like online videos and social media to reach younger audiences. Some fintech brands have **taken notice**, working with celebrities and influencers, or relying on social media campaigns to spread awareness, and ultimately build trust, with these prospective customers.

## More still rely on peer advice than online tools

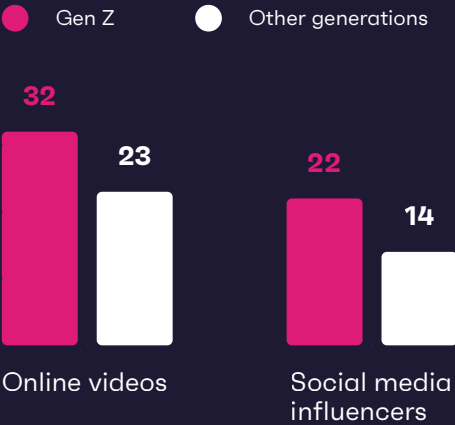
% who trust/learned about managing their finances from the following sources



GWG Zeitgeist October 2022  
15,578 internet users in 12 countries aged 16-64

## Younger groups are visual learners

% in each group who learned about finances from the following

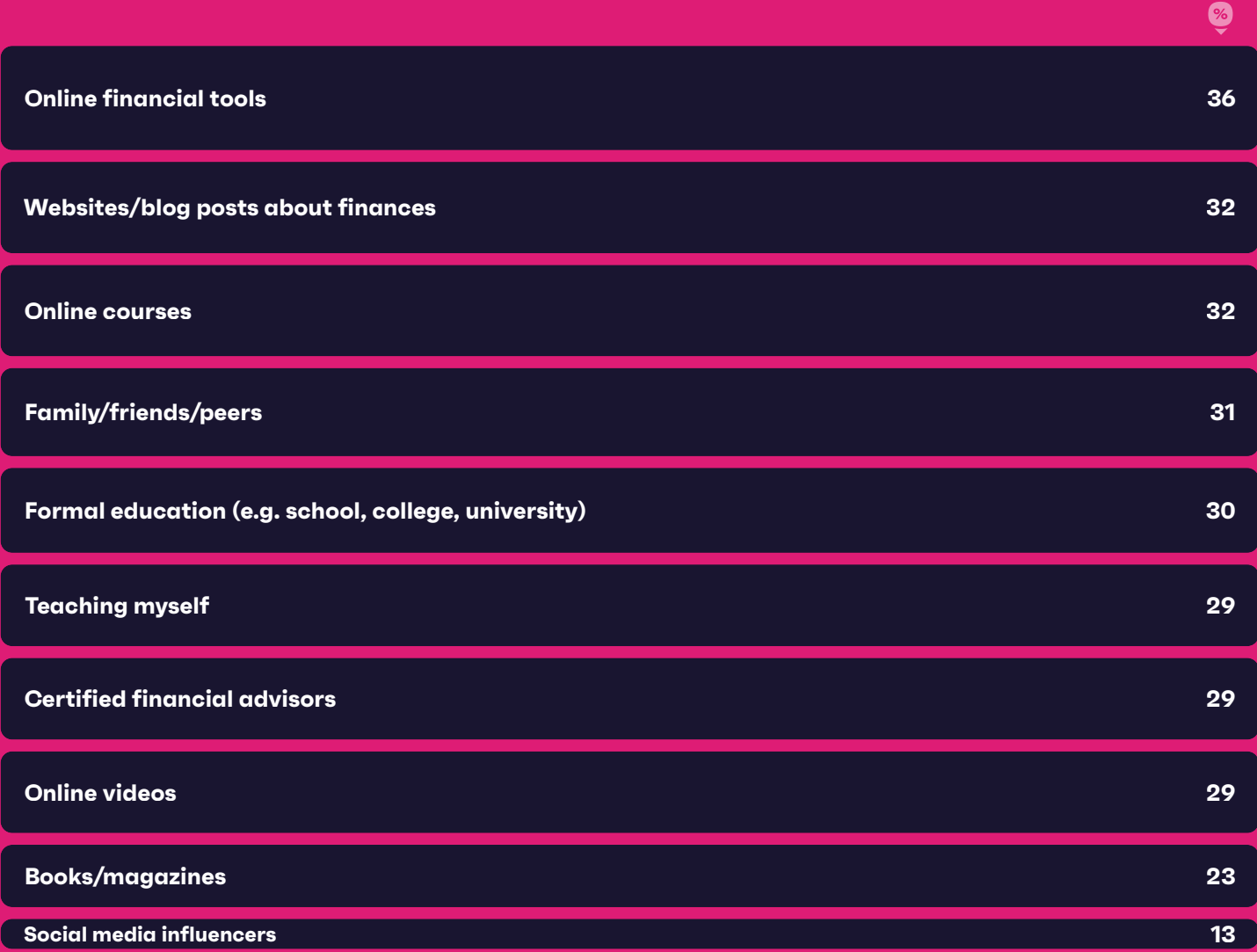


“Central to the relationship between the bank and the customer is trust... You trust that your banker will greet you with a smile... you trust the bank to keep your personal information safe

Shaun Heuerman,  
Business Development Advisor  
for Morton Community Bank

Ideal sources of learning financial management13

% who say they'd like to learn about managing their finances via the following



Want financial knowledge?  
There's an influencer for that

As we noted, friends and family are prominent sources of information when it comes to learning more about finances. Coincidentally, they're a top source of brand discovery too, and warrant a lot of trust from consumers, so it's understandable that they're the go-to when it comes to something as personal as financial support.

But they're not the *ideal* source of information for consumers. This is where

websites and online financial tools or courses come into play. Our data reveals that any of these grow in popularity the wealthier consumers are, with more familiar sources like friends and family dropping off. Figures for those saying they'd like to teach themselves rise too. So it's possible that online education tools eventually give consumers the confidence they need to become independent learners.

Only 7% of consumers say they wouldn't like to learn about ways to manage their finances





A generational perspective also brings some interesting findings to light. The first of these is social media influencers, something Gen Z and millennials are likely to over-index for. “Finfluencers” are making waves on platforms like TikTok (some accounts attract millions of followers), so there’s a lot of inspiration for banks, financial institutions, and fintech services to lean on here; and we might even see something like this on Twitter down the line – if Elon Musk’s ambitions are to be taken seriously.

At the same time, concerns have to be taken into account. Questions about regulation have been floated, and our data reveals that, despite interest from younger generations, influencers are still the source they trust the least – even if

they’re generally considered more reliable. So, banks that take this route will need to ensure their online ambassadors are dishing out sound advice.

For others, maybe it’s time to turn attention to a more traditional source of education, the likes of schools, colleges, and universities. This is, again, a key trend for younger consumers (Gen Z and millennials are 45% more likely to cite these institutions than their older counterparts), and some fintech services are already **utilizing them**. It might sound strange but maths is in fact the favorite subject among teens aged 12-15. At the same time, while economics/business is further behind, just as many cite this subject as do drama. All the world’s a stage but, after all, money does make the world go round...

Where banks can help

Consumers clearly expect banks to help them with their finances, but little over half say their bank actually provides them with support. Banks have ground to make up here – especially among older groups, where the number who say they’re supported falls to 48%.

It’s probably something consumers expected before-hand, but we can point, once again, to Covid here. In markets like the US, support

came in the form of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, offering **financial aid** to millions. Few likely expected this to stick around in the long-term, but that hasn’t been forgotten. As the world edges toward a **recession**, heads will again turn to governments and banks for support.

It’s not all about hand-outs though. Over half say banks should help

them save for retirement – something even Gen Z are clearly eager for more information on. Sure, it’s not a major concern right now (just 28% of US Gen Z say it is), but **studies** have shown Gen Z are in fact thinking this far ahead. Banks have a role to play here. Even if retirement is a while off, banks can tweak their messaging on retirement and ensure they’re offering advice to consumers of all ages.

In the short-term, many want advice on ways to manage their spending or live on a budget. It’s something our data reveals is a concern to all groups but it’s key to getting 16-25s clued up early. What’s worth noting is how, for the time being, paying off debt or taking out loans aren’t top areas of concern. By getting money-savvy now, Gen Z can ideally avoid unnecessary debt down the line.

Budgeting and retirement are key learning areas

% in each group who say they’d like their bank to help with the following

|                                  | Gen Z | Millennials | Gen X | Baby boomers | All consumers |
|----------------------------------|-------|-------------|-------|--------------|---------------|
| Ways to save for retirement      | 51    | 54          | 55    | 40           | 53            |
| How to budget money              | 50    | 49          | 38    | 21           | 44            |
| Advice on better spending habits | 50    | 47          | 35    | 20           | 42            |
| Guidance on how to pay off debt  | 36    | 32          | 25    | 17           | 29            |
| Help on taking out loans         | 30    | 27          | 20    | 14           | 24            |

Most expect support from banks, but fewer feel they actually get it

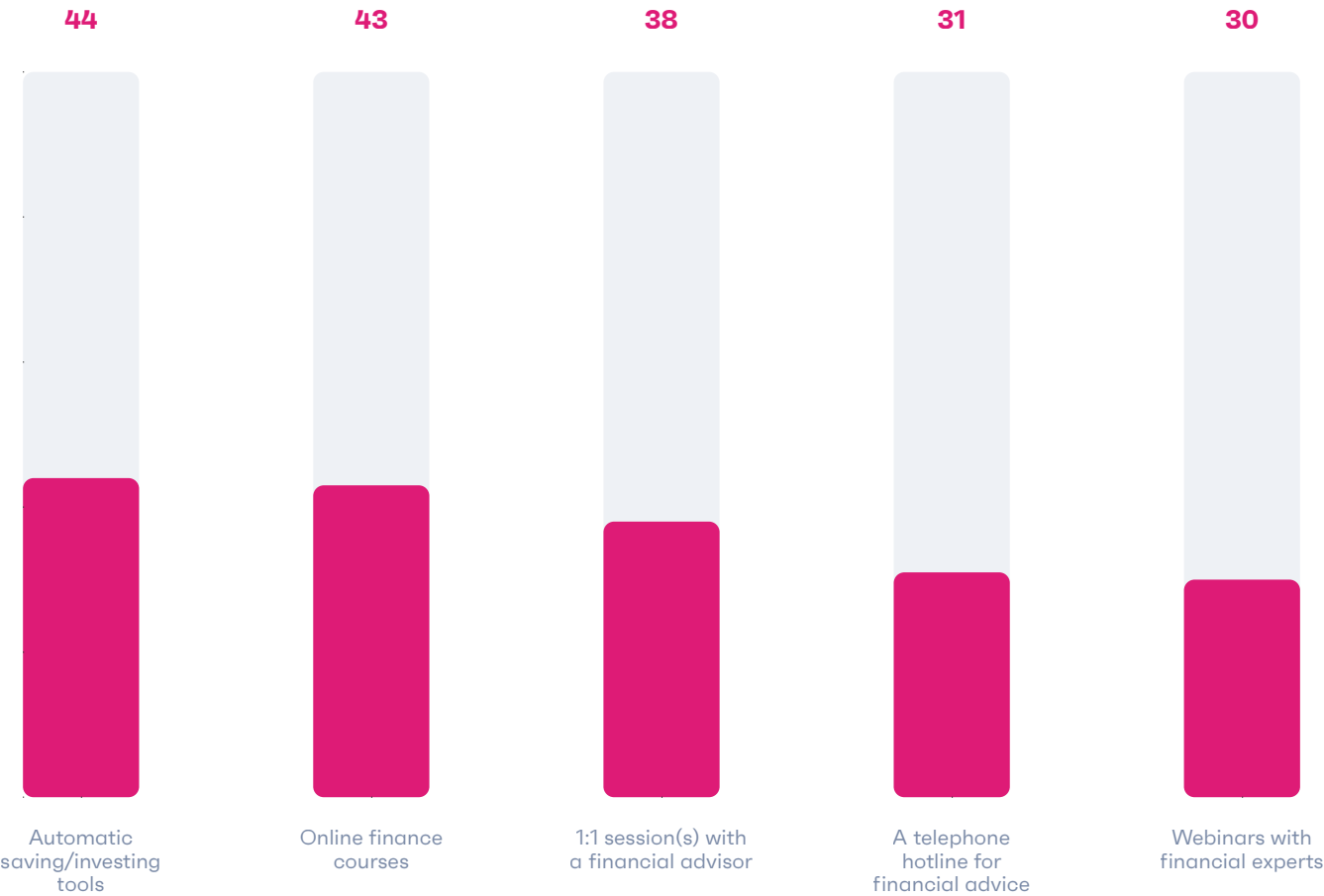
% who agree with the following





Consumers like the idea of automated tools

% who say they'd like their bank to help with their finances in the following ways



GWJ Zeitgeist October 2022 15,578 internet users in 12 countries aged 16-64

15

Filling in the financial blank spots

%

When it comes to how consumers actually expect banks to offer financial advice, there's a big push for fintech and online learning tools – each proving popular with just over 2 in 5 consumers.

Even if banks don't offer this service themselves, there's always the opportunity to partner up with educational institutes that can; co-created courses can gradually build up consumers' financial knowledge and familiarize learners with tools that they can lean on in the long-term.

Of course, it's worth noting that there's likely to be a gap between what assistance consumers expect banks to offer, and what they're likely to adopt as a habit. There's noteworthy enthusiasm for the likes of online courses,

for example, but they can't be expected to cater for everyone. That's why banks will need to consider, not only different options, but how they disseminate this information. Studying which learning methods consumers prefer is key here.

It's also a matter of how these fit into consumers' schedules, and why something like a telephone hotline, for example, is popular among younger audiences. Being time-poor is one thing, but convenience is another. Banks can even take inspiration from social media here, implementing the short-form video format into their learning material to help engage with younger consumers. It might sound like a strange combination, but it's increasingly common in the financial space.

Gen Z are 15% more likely to say banks should offer a financial advice hotline

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# Appendix

- 1 In the last month, which of these websites/apps have you visited or used? • In the last month, which of these have you done online? • Which of these financial actions have you done on your mobile in the last month?
- 2 Do you currently have any of the following? (A bank account) • Thinking about last/this year, please estimate how much of your monthly household income was/is spent on paying your bills/expenses
- 3 Which of these, if any, do you currently find most important? (Being

financially secure) How interested are you in using buy now, pay later in the future? • How often do you make impulse purchase(s) online? • At the moment, which of these would you prefer to do? • Which of these things are important reasons for you using the internet?

- 4 Which of these things are you interested in? • In the last month, which of these have you posted an opinion about online? • What kind of savings/investments do you have? • In the last week, which of these have you done online?

- 5 Which of these describes your monthly spending? • When you are following a budget, which of these best describes you?
- 6 If you were to lose your main source of income, how long would your current savings cover your basic living expenses? • Which of these describes your current approach to saving each month?
- 7 Which of these describes any debts you may have? • If you were to lose your main source of income, how long would your current savings cover your basic living expenses?

- 8 Which of these best describes your financial plan for retirement?
- 9 When choosing where to invest your money/savings, how confident are you in making these decisions yourself?
- 10 Do you know what a credit score is? • Which of these do you think a credit score is based on?
- 11 In the last week, which of these have you done online? (Used a BPNL service) • Which of these describes any debts you may have?

- 12 When looking for financial advice, who do you trust? • How did you learn about how to manage your finances?
- 13 How would you like to learn about how to manage your finances?
- 14 To what extent do you agree or disagree with the following statements? • What, if anything, would you like your bank to provide to help with?
- 15 How would you like your bank to provide help with your finances?

# Notes on methodology

## Introduction

All figures in this report are drawn from GWI’s online research among internet users aged 16-64. Please note that we only interview respondents aged 16-64 and our figures are representative of the online populations of each market, not its total population.

## Our research

Each year, GWI interviews over 688,000 internet users aged 16-64 across 46 markets. Respondents complete an online questionnaire that asks them a wide range of questions about their lives, lifestyles and digital behaviors. We source these respondents in partnership with a number of industry-leading panel providers.

Each respondent who takes a GWI survey is assigned a unique and persistent identifier regardless of the site/panel to which they belong and no respondent can participate in our survey more than once a year (with the exception of internet users in Egypt, Saudi Arabia and the UAE, where respondents are allowed to complete the survey at 6-month intervals).

## Our quotas

To ensure that our research is reflective of the online population in each market, we set appropriate quotas on age, gender and education – meaning that we interview representative numbers of men vs women, of 16-24s, 25-34s, 35-44s, 45-54s and 55-64s, and of people with secondary vs tertiary education.

To do this, we conduct research across a range of international and national sources, including the World Bank, the ITU, the International Labour Organization, the CIA Factbook, Eurostat, the US Bureau of Labor Statistics as well as a range of national statistics sources, government departments and other credible and robust third-party sources.

This research is also used to calculate the “weight” of each respondent; that is, approximately how many people (of the same gender, age and educational attainment) are represented by their responses.

## Sample size by market

This report draws insights from GWI’s Q3 2022 wave of research across 50 countries, with a global sample of 246,761 respondents.

|                                                                                       |                |        |
|---------------------------------------------------------------------------------------|----------------|--------|
|    | Argentina      | 1,839  |
|    | Australia      | 8,003  |
|    | Austria        | 2,098  |
|    | Belgium        | 2,106  |
|    | Brazil         | 9,198  |
|    | Canada         | 6,569  |
|    | Chile          | 1,402  |
|    | China          | 25,323 |
|    | Colombia       | 3,942  |
|    | Czech Republic | 1,314  |
|    | Denmark        | 1,575  |
|    | Egypt          | 1,834  |
|    | France         | 10,888 |
|    | Germany        | 10,888 |
|   | Ghana          | 919    |
|  | Greece         | 1,316  |
|  | Hong Kong      | 2,065  |
|  | India          | 15,296 |
|  | Indonesia      | 6,613  |
|  | Ireland        | 1,443  |
|  | Israel         | 1,590  |
|  | Italy          | 10,508 |
|  | Japan          | 10,578 |
|  | Kenya          | 923    |
|  | Malaysia       | 4,489  |

|                                                                                       |              |        |
|---------------------------------------------------------------------------------------|--------------|--------|
|    | Mexico       | 5,257  |
|    | Morocco      | 920    |
|    | Netherlands  | 2,628  |
|    | New Zealand  | 1,974  |
|    | Nigeria      | 875    |
|    | Norway       | 1,400  |
|    | Philippines  | 4,008  |
|    | Poland       | 3,176  |
|    | Portugal     | 2,373  |
|    | Romania      | 1,317  |
|    | Russia       | 4,331  |
|    | Saudi Arabia | 1,815  |
|    | Singapore    | 3,545  |
|    | South Africa | 1,844  |
|   | South Korea  | 2,366  |
|  | Spain        | 10,761 |
|  | Sweden       | 2,628  |
|  | Switzerland  | 1,507  |
|  | Taiwan       | 2,721  |
|  | Thailand     | 4,573  |
|  | Turkey       | 2,104  |
|  | UAE          | 1,890  |
|  | UK           | 10,504 |
|  | USA          | 26,234 |
|  | Vietnam      | 3,291  |

Mobile survey respondents

From Q1 2017 on, GWI has offered our Core survey on mobile. This allows us to survey internet users who prefer using a mobile or are mobile-only (who use a mobile to get online but do not use or own any other device). Mobile respondents complete a shorter version of our Core survey, answering 50 questions, all carefully adapted to be compatible with mobile screens.

Please note that the sample sizes presented in the charts throughout this report may differ as some will include both mobile and PC/laptop/tablet respondents and others will include only respondents who completed GWI’s

Core survey via PC/laptop/tablet. For more details on our methodology for mobile surveys and the questions asked to mobile respondents, please download this [document](#).

Internet penetration rates: GWI versus ITU figures

As GWI’s Core Research is conducted among 16-64 year-olds, we supplement the internet penetration forecasts for a country’s total population (reproduced above) with internet penetration forecasts for 16-64s specifically. Forecasts for 16-64s will be higher than our forecasts for total population, since 16-64s are the most likely age groups to be using the internet.

Internet penetration rates across GWI’s markets

GWI’s research focuses exclusively on the internet population and because internet penetration rates can vary significantly between countries (from a high of 90%+ in parts of Europe to lows of c.20% in parts of APAC), the nature of our samples is impacted accordingly.

Where a market has a high internet penetration rate, its online population will be relatively similar to its total population and hence we will see good representation across all age, gender and education breaks. This is typically the case across North America, Western Europe and parts of Asia Pacific such as

Japan, Australia and New Zealand. Where a market has a medium to low internet penetration, its online population can be very different to its total population; broadly speaking, the lower the country’s overall internet penetration rate, the more likely it is that its internet users will be young, urban, affluent and educated. This is the case throughout much of LatAm, MEA and Asia Pacific.

Internet penetration rates

This table provides GWI forecasts on internet penetration (defined as the number of internet users per 100 people) in 2022. This forecasted data is based upon the latest internet penetration estimates from the International Telecommunication Union (ITU) for each market that GWI conducts online research in.

|                                                                                       |                | %  |                                                                                       |              |     |
|---------------------------------------------------------------------------------------|----------------|----|---------------------------------------------------------------------------------------|--------------|-----|
|    | Argentina      | 92 |    | Mexico       | 82  |
|    | Australia      | 99 |    | Morocco      | 74  |
|    | Austria        | 95 |    | Netherlands  | 98  |
|    | Belgium        | 97 |    | New Zealand  | 97  |
|    | Brazil         | 90 |    | Nigeria      | 68  |
|    | Canada         | 99 |    | Norway       | 99  |
|    | Chile          | 76 |    | Philippines  | 75  |
|    | China          | 90 |    | Poland       | 92  |
|    | Colombia       | 82 |    | Portugal     | 89  |
|    | Czech Republic | 96 |    | Romania      | 92  |
|    | Denmark        | 99 |    | Russia       | 95  |
|    | Egypt          | 68 |    | Saudi Arabia | 91  |
|    | France         | 96 |    | Singapore    | 99  |
|   | Germany        | 98 |   | South Africa | 78  |
|  | Ghana          | 60 |  | South Korea  | 100 |
|  | Greece         | 91 |  | Spain        | 97  |
|  | Hong Kong      | 99 |  | Sweden       | 98  |
|  | India          | 44 |  | Switzerland  | 98  |
|  | Indonesia      | 63 |  | Taiwan       | 97  |
|  | Ireland        | 97 |  | Thailand     | 71  |
|  | Israel         | 96 |  | Turkey       | 88  |
|  | Italy          | 90 |  | UAE          | 97  |
|  | Japan          | 96 |  | UK           | 99  |
|  | Kenya          | 67 |  | USA          | 98  |
|  | Malaysia       | 94 |  | Vietnam      | 72  |



# Get in touch



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