



BANKING & INSURANCE

YUGOV'S GLOBAL BANKING & FINANCE REPORT 2021

On the money

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YouGov



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INTRODUCTION

It has become conventional wisdom that COVID-19 is “changing finance”.

The statement is both undeniably true and somehow insufficient: while global economies have seen job losses and a substantial decline in consumer activity, coronavirus may have simply accelerated trends that existed before. Keeping up with the pace of this change means adapting to changing preferences, behaviors, and expectations in each global market.

This report uses deep-dive custom research in tandem with syndicated data from YouGov Plan & Track. It offers a high-level overview of financial attitudes, preferences and habits in 17 global markets. The report encompasses payments, investment, ethics in banking, marketing, and more, with a view to providing a benchmark for future annual reports.

The report will also touch on how the COVID-19 crisis is affecting financial services across these markets.



A person's hands are shown holding a white sign with a red header. The sign is being held up against a dark background, possibly a door or window. The person is wearing a brown leather watch on their left wrist. The sign has the text 'IMPORTANT NOTICE' in white on a red background, and 'TEMPORARILY CLOSED DUE TO COVID-19' in black on a white background.

IMPORTANT NOTICE

**TEMPORARILY
CLOSED DUE TO
COVID-19**

In most markets, samples are nationally representative but some samples are online representative and national urban representative. For more details, see the table at the end of the report. Though we endeavor to ensure our samples are as representative as possible, YouGov surveys are online only, so there may be a skew towards digital behaviors.

COVID-19 AND CONSUMER BEHAVIOR: HOW HAS THE PANDEMIC AFFECTED FINANCIAL SERVICES?

YouGov's deep-dive custom research reveals that consumers have made some important adjustments to the realities of the COVID-19

pandemic: a crisis that has left many out of work, stuck at home, and facing uncommon financial strains across the globe.

Markets where consumers are actively reducing expenses

Which, if any, of the following statements are applicable to you or your household, in the past 6 months? Actively reduced non-essential expenses

Indonesia	72%
Italy	56%
Mexico	55%
UAE	53%
Poland	51%
Singapore	51%
Spain	50%
China	50%
Hong Kong	50%
France	49%
India	49%
Australia	44%
USA	41%
Great Britain	37%
Sweden	35%
Germany	28%
Denmark	20%

Most notably, in several markets, the majority – or a significant minority – of consumers are actively limiting their expenditure: ranging from a fifth (Denmark: 20%) to comfortably over half (UAE: 53%; Italy 56%) of the adult public. In Indonesia, the figure is as high as 72%. COVID-19 has provided a number of plausible reasons for this reduced spending.

Yet reduced expenditure may also relate to a general lack of options: people who are discouraged from or unable to travel, to eat lunch at a quick-service restaurant, to watch films at the cinema or to socialize in bars simply have fewer non-essential things to spend money on.

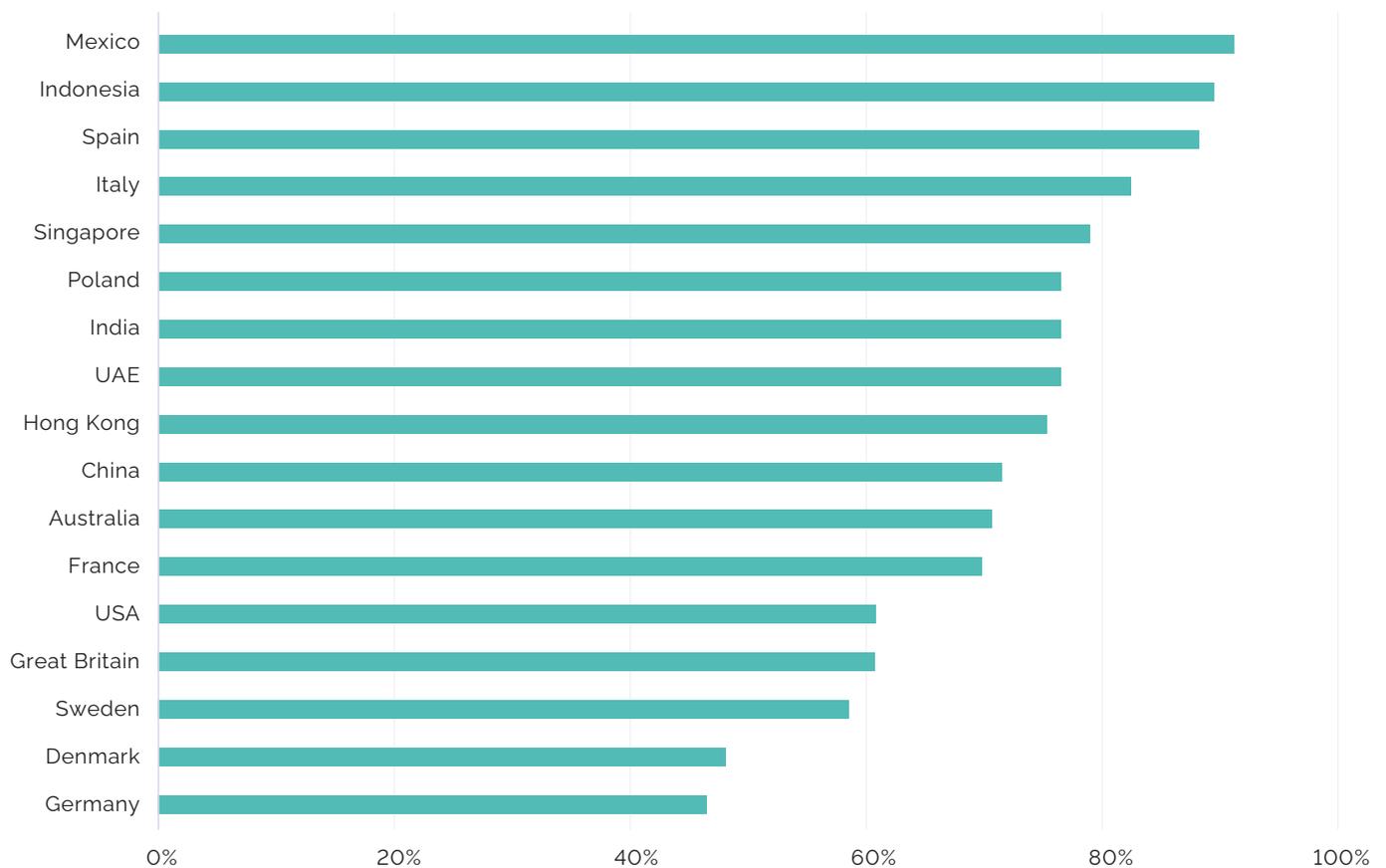


The COVID-19 cutback? Consumers set to continue limiting spending in future

Whether consumers are restricting non-essential expenditure out of choice or not, they intend to continue doing so in future. The only countries where a clear majority do not plan to cut back are Germany and Denmark, where 45% and 46% respectively believe they will slim down their outgoings. However, across the rest of Europe most consumers (58% – 86%) anticipate restricting their spending.

Whether consumers are restricting non-essential expenditure out of choice or not, they intend to continue doing so in future. The only countries where a clear majority do not plan to cut back are Germany and Denmark, where 45% and 46% respectively believe they will slim down their outgoings. However, across the rest of Europe most consumers (58% – 86%) anticipate restricting their spending.

Manage finances in the future | I will cut back on non-essential spending



In each of the APAC nations featured in our study, at least two-thirds of consumers (69% - 87%) plan to cut their costs going forward. By next year's

study, we will have a better idea of the extent to which they have delivered on these intentions.

How has the pandemic changed borrowing behavior?

YouGov data allows us to look at how certain financial behaviors have changed over the COVID-19 pandemic. More specifically, we have identified consumers who have:

- Borrowed more money and taken on debt to cover their expenses
- Dipped into savings to cover their expenses
- Saved more money over the course of the crisis so far.

Changing financial behaviors

	Borrowed more money	Dipped into savings	Saved more money
Hong Kong	8%	25%	37%
France	5%	15%	36%
Indonesia	10%	35%	34%
China	11%	19%	32%
India	21%	31%	32%
Singapore	9%	34%	29%
Australia	11%	28%	28%
Denmark	4%	10%	28%
UAE	24%	34%	28%
Great Britain	7%	18%	24%
Sweden	8%	19%	23%
Italy	11%	30%	23%
USA	15%	19%	22%
Spain	15%	32%	21%
Germany	6%	14%	19%
Mexico	28%	43%	19%
Poland	16%	21%	13%

The data shows that the best-performing markets in terms of savings are Hong Kong (where 37% of online consumers saved more money over the course of the pandemic), France (36%), and Indonesia (where 34% of online consumers said they saved money). As we note above, online Indonesians were also most likely to actively reduce non-essential spending, as well as the second most likely to plan to do so. China and India (where our sample is of the online and national urban population respectively) come in a close joint-fourth (32% each).

As devastating as the pandemic has been for public health and national economies around the world, the data suggests it has had a positive financial impact on a meaningful subset of global consumers. Those who currently work from home full-time may find themselves in a better financial position now that they no longer have the need to spend money on things such as travel.

As for the negative financial impact, it tends to vary from region to region and market to market. In Spain, for example, a third (32%) of the public have dipped into their savings while 15% have assumed more debt. However, this isn't a pattern that necessarily repeats across Europe: in Germany, just 14% have had to use their savings while 6% have borrowed more money, while in Great Britain, this rises to 18% and 7% respectively.

There isn't even a particularly high level of consistency among the two Nordic countries in our study: Swedes are around twice as likely as Danes to have borrowed money (8% vs. 4%) or dipped into their savings (19% vs. 10%).

In the 2022 edition of this report, we will revisit these findings to see if and how they have changed.



On the surface of things, it looks like the COVID-19 pandemic has had a positive impact on people's finances in many countries, but we know all too well how the average can often mask the reality. Further work that we have done in Great Britain that measures levels of financial distress and over-indebtedness, reveals that a minority of consumers are struggling more now than they ever have been. This group were struggling before the pandemic and have been impacted the most by it."

Matt Palframan, *Director*, Financial Services Research

CASH, CONTACTLESS, AND CURRENT ACCOUNTS: HOW GLOBAL CONSUMERS PREFER TO MANAGE THEIR MONEY

Beyond COVID-19, YouGov's syndicated and custom data provides insight into how the public use banks and financial services on a day-to-day basis. This chapter focuses on public perspectives towards cash, payment technology, and bank accounts within our 17 global markets. It also explores attitudes to fraud among international consumers.

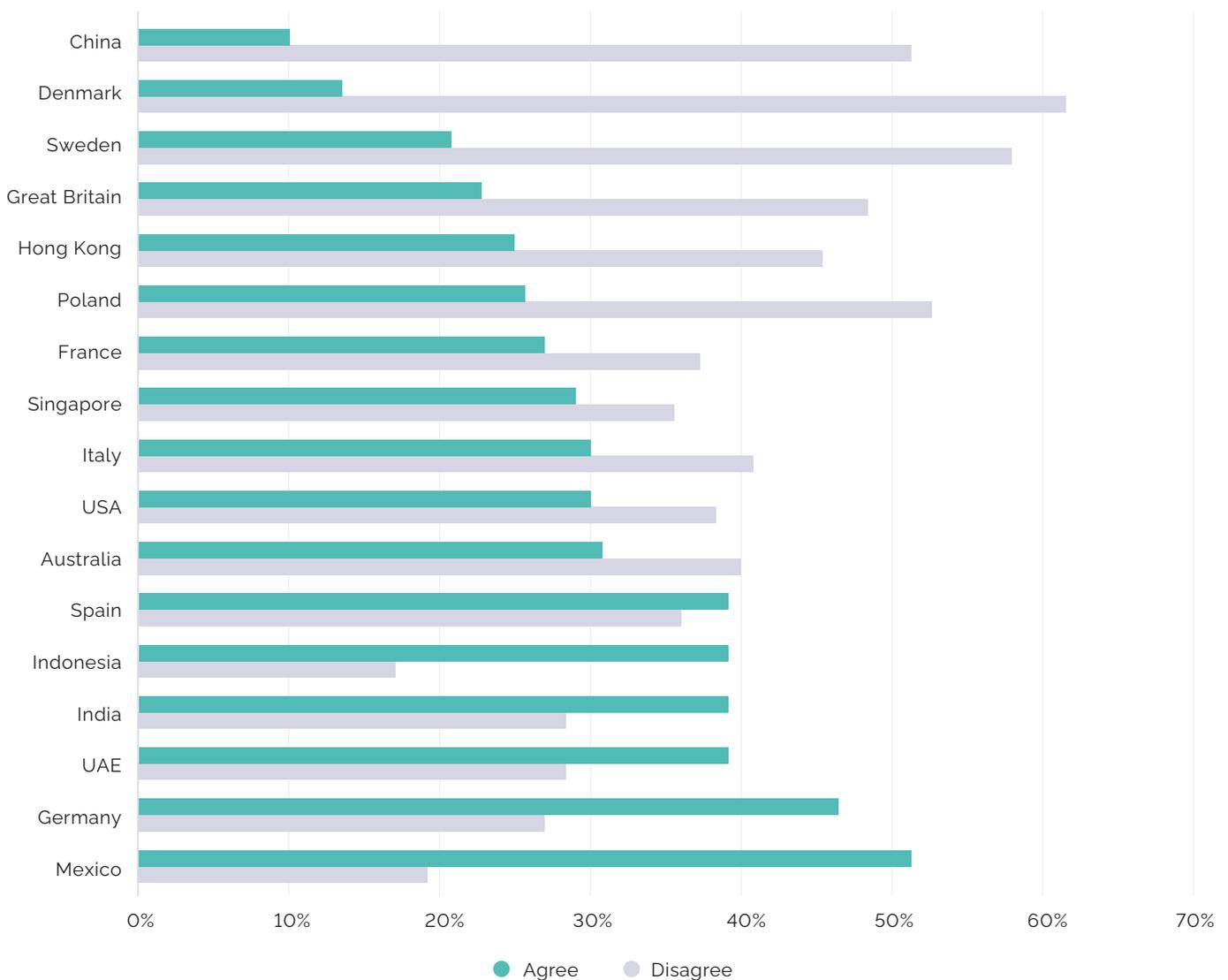
The "death of cash" has been frequently pronounced, but the data shows that in these seventeen markets it has been overstated. In most, hard currency is either preferred by a plurality of consumers or there is a clear split between those who prefer it and those who do not.

The Nordic countries in our study are notable exceptions. Just a fifth (20%) of Swedish consumers expressed a preference for cash, while in Denmark this falls to 13%.

And although our samples in East Asian markets such as China, Hong Kong, and Singapore are not all nationally representative (with some being representative of the online or urban population; see methodology for details) they nonetheless demonstrate an aversion to hard currency that ranges from slight (Singapore: 35% disagree; 29% agree) to emphatic (China 51% disagree; 10% agree).



'I prefer to use cash'



But in most markets and regions, it's a different story. In Germany, for example, 46% outright prefer cash compared to just a quarter (26%) who disagree. And there is evidence to suggest that

the German consumer's feelings about coins and banknotes are part of a wider strain of financial conservatism.

Germans among the most likely to prefer cash – and the least likely to use contactless payments

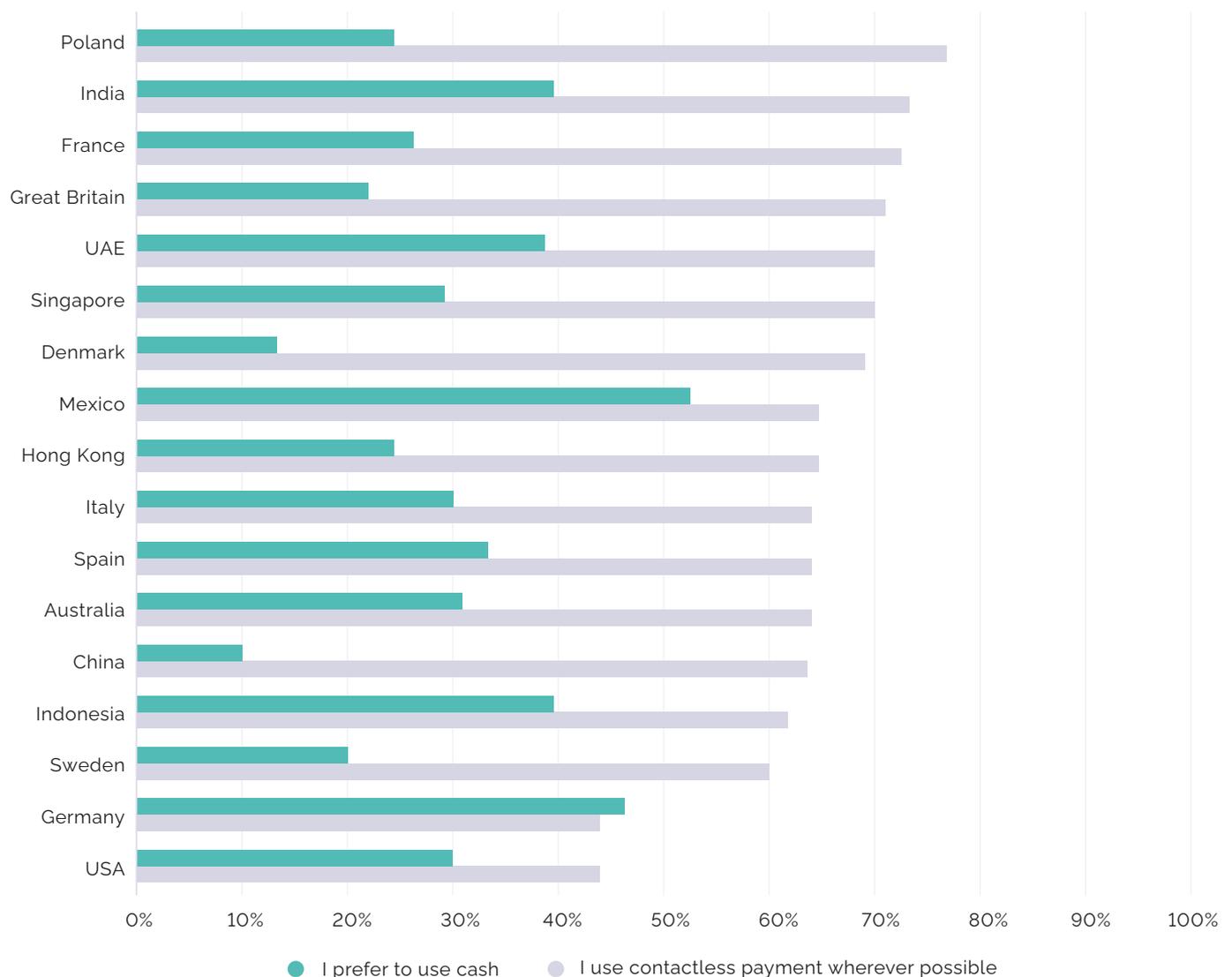
While contactless payment providers may reap commercial rewards in markets such as India, where these payments are both a common and preferred option, they could also benefit from exploring markets such as the US – where there is a clear appetite to pay this way but opportunities to do so are more limited.

Germany is a different case. Our data indicates that Germans have an aversion to contactless payments that is uncharacteristic of comparable European economies such as France or Great Britain – where seven in ten (71% GB; 72% France)

say they use this payment method “wherever possible”. In both countries, there is a substantial gap between those who prefer contactless and those who prefer cash payments that favors the former (GB +49%; France +45%); in Germany, the gap is just +3% and favours cash.

In fact, Germany is tied with the US (where contactless adoption is less about preference than availability) for the lowest level of contactless adoption in all seventeen markets – and it is the only country in our study where cash is the more popular payment method.

Contactless versus cash



The data to the left does not necessarily mean that contactless payments are more common than cash payments – while there may be a preference to use them “wherever possible”, this

does not necessarily mean that there are always opportunities to do so. It is also worth bearing in mind that Germany introduced contactless payments later than other markets.

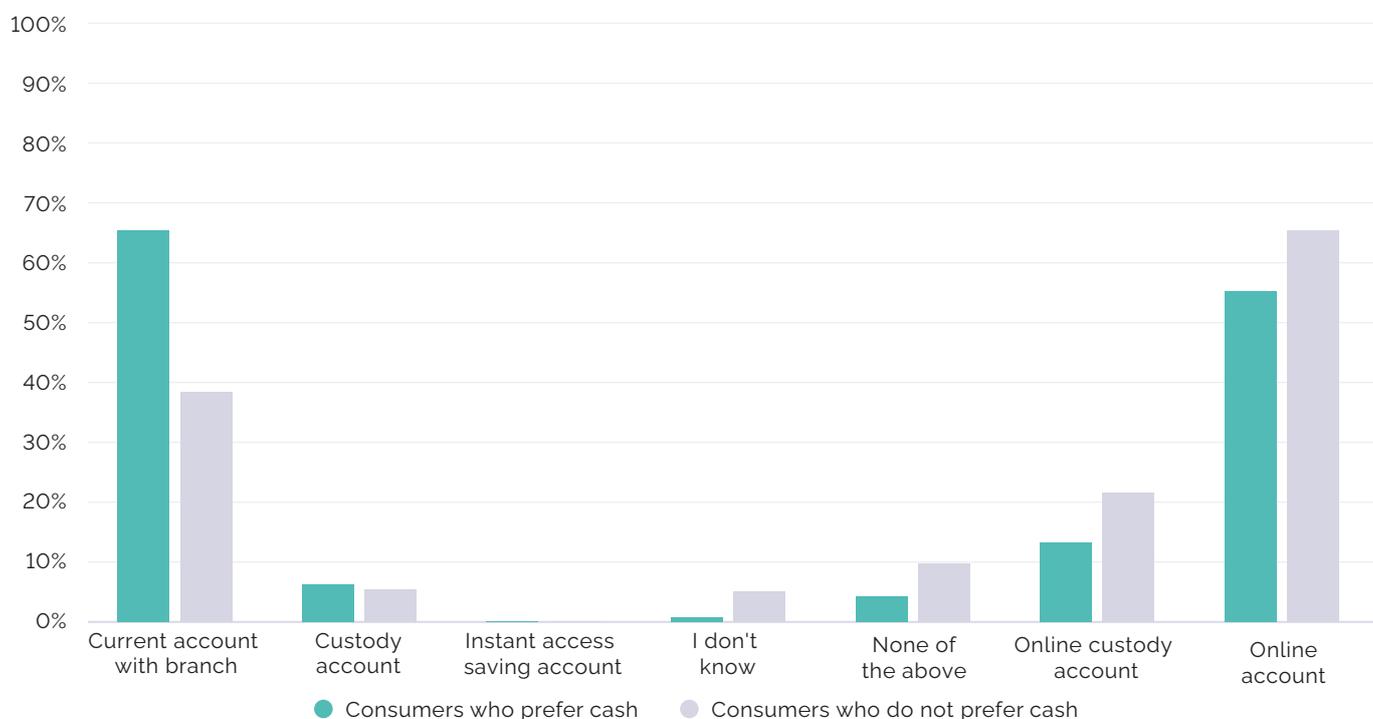
Profile: Cash payments in Germany

YouGov’s data lets us look at the 46% of Germans who prefer to use cash. This reveals several correlations with other attitudes and preferences.

This is an older group: a third (33%) are over 60 compared to 22% of Germans who do not prefer

cash and might prefer to pay by card or other methods, while 25% are between 50-59 compared to 17% of the other group. Just 12% fit into the 18-29 category compared to a quarter (25%) of those who choose not to use hard currency.

German cash users are less likely to have an online account

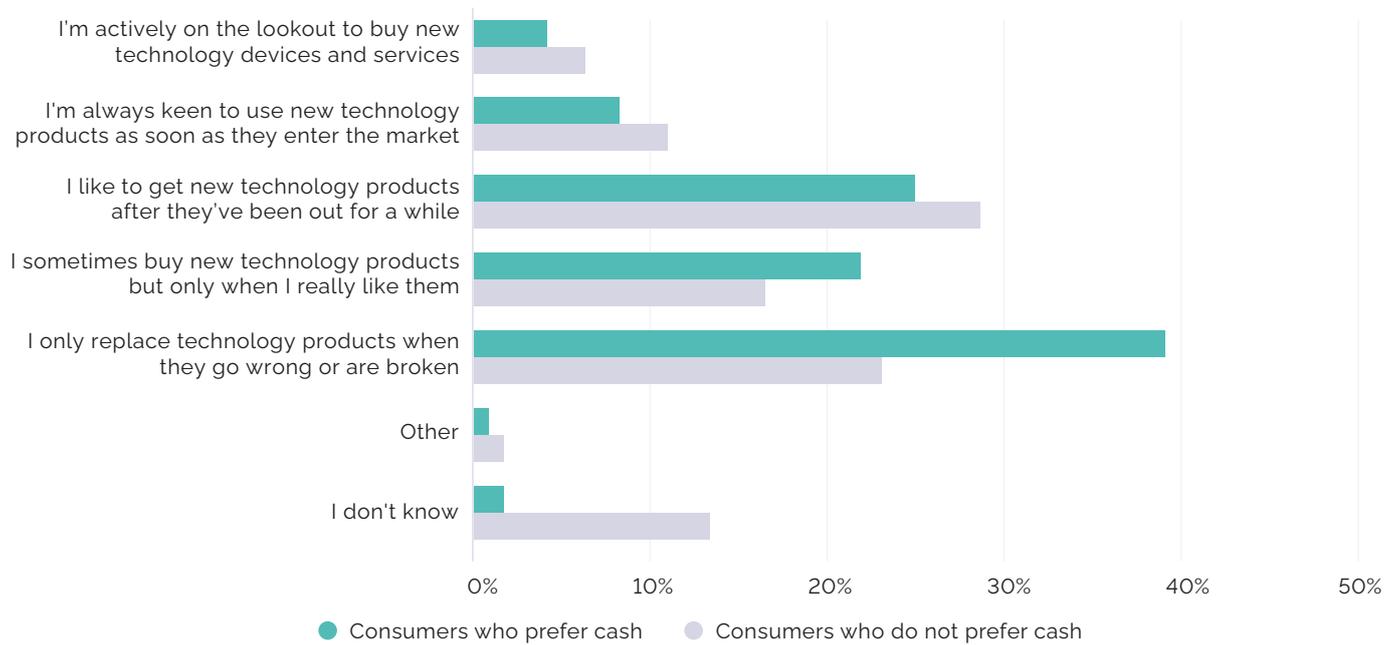


Two-thirds (66%) of Germans who favour cash are likely to have a current account based at a bank branch compared to just two in five (39%) consumers who do not prefer cash. There is a corresponding lower level of adoption of online

accounts: just 56% have one compared to 65% of those who do not prefer cash. This may be partially rooted in a more general slower adoption of technology.

Technology adoption among Germans

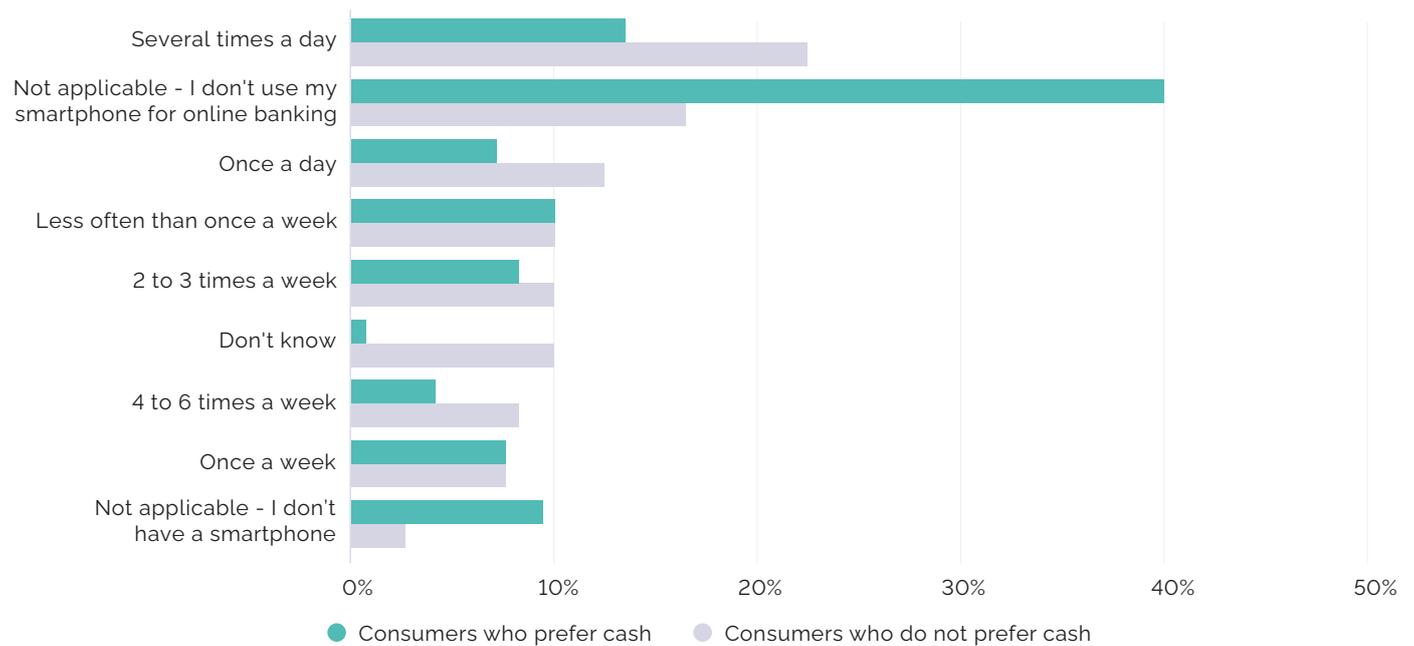
Thinking about technology products, which, if any, of the following statements best describe you? Please select one option only.



They're also more than twice as likely to entirely forgo smartphone banking (40% vs. 16%) – and those who do use it are significantly less likely to do so as often as those who do not prefer cash.

Smartphone banking frequency among Germans

How often, if at all, do you use your smartphone for online banking? By online banking, we mean accessing your account with your smartphone, checking your balance or transferring money from your account (wire transfer)?



Are German cash users more cynical about banking?

Given the above, it makes sense that this group is more uncomfortable with online banking (50% vs. 29%). But the data shows that they have higher

levels of suspicion – and in some cases, antipathy – towards financial services.

Consumer behavior and finance attitudes



Seven out of ten (70%) believe “all banks are the same” (compared to 54% those who do not prefer cash, while nearly three-quarters (73%) think banks actively try to trick people out of their money (against 57% of the overall adult population who think the same).

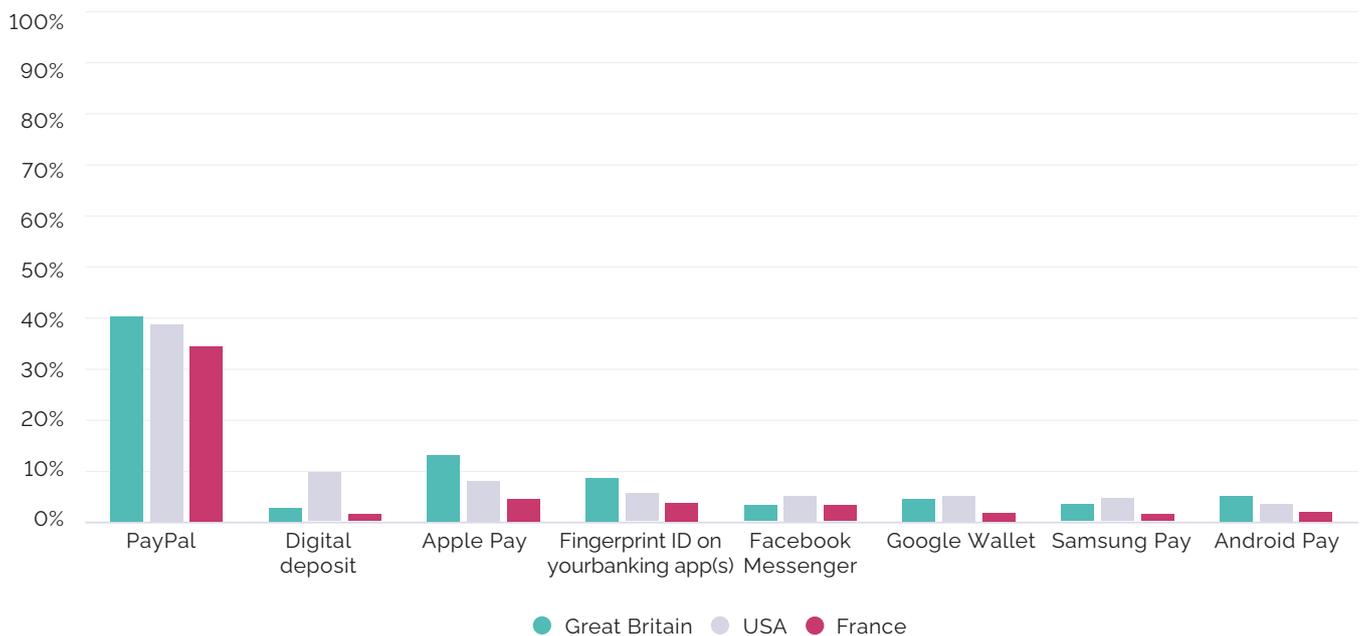
Persuading these customers to adopt a digital offering may, in some respects, involve persuading them that banks can be trusted – and judging from the data, this could be a notable challenge.

Digital payment systems across global markets

Our data shows that – more than 20 years after its initial rollout – PayPal reigns supreme among mobile payment apps and deposit systems in several key markets.

In the United States, Great Britain, and France, for example, it enjoys a considerable lead over its competitors in the mobile payments space – from a third (34%) of French consumers to two in five in the US (39%) and Great Britain (40%). Apple Pay is a distant second among those payment systems named in our survey (13% GB; 8% US; 4% France).

Mobile payments apps and deposit system used

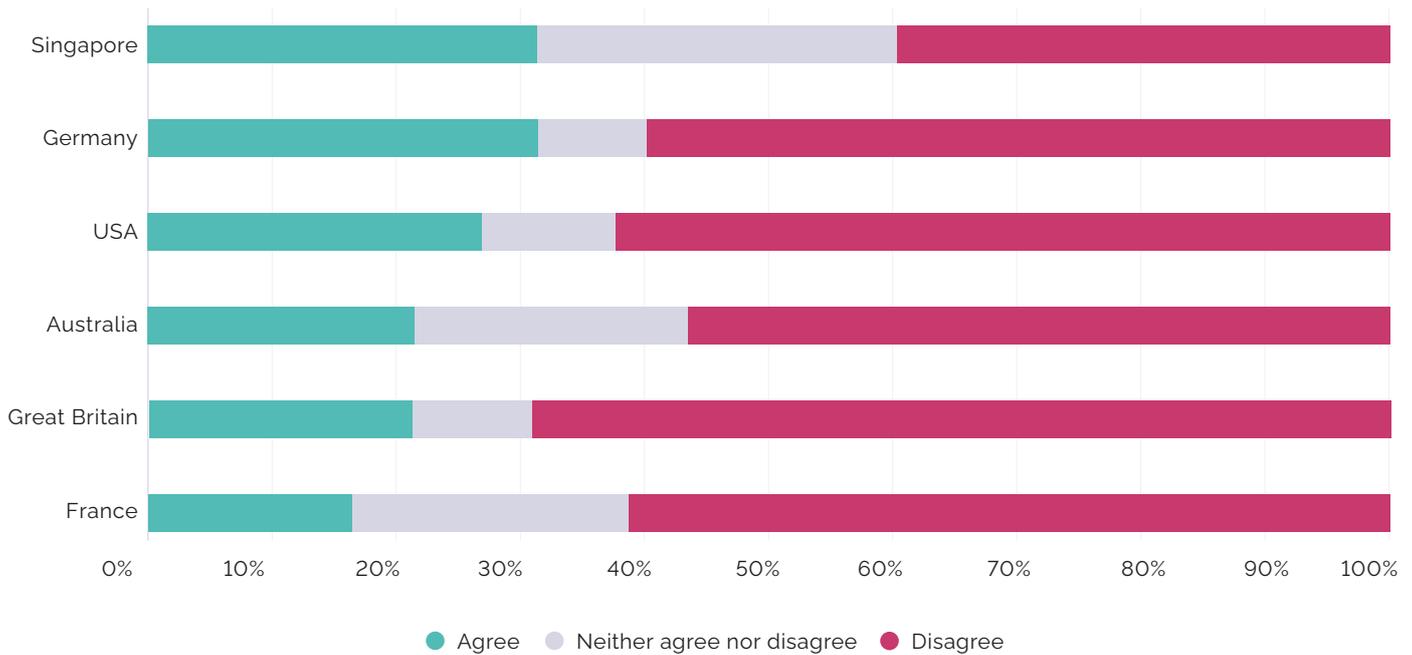


Fraud and financial risk

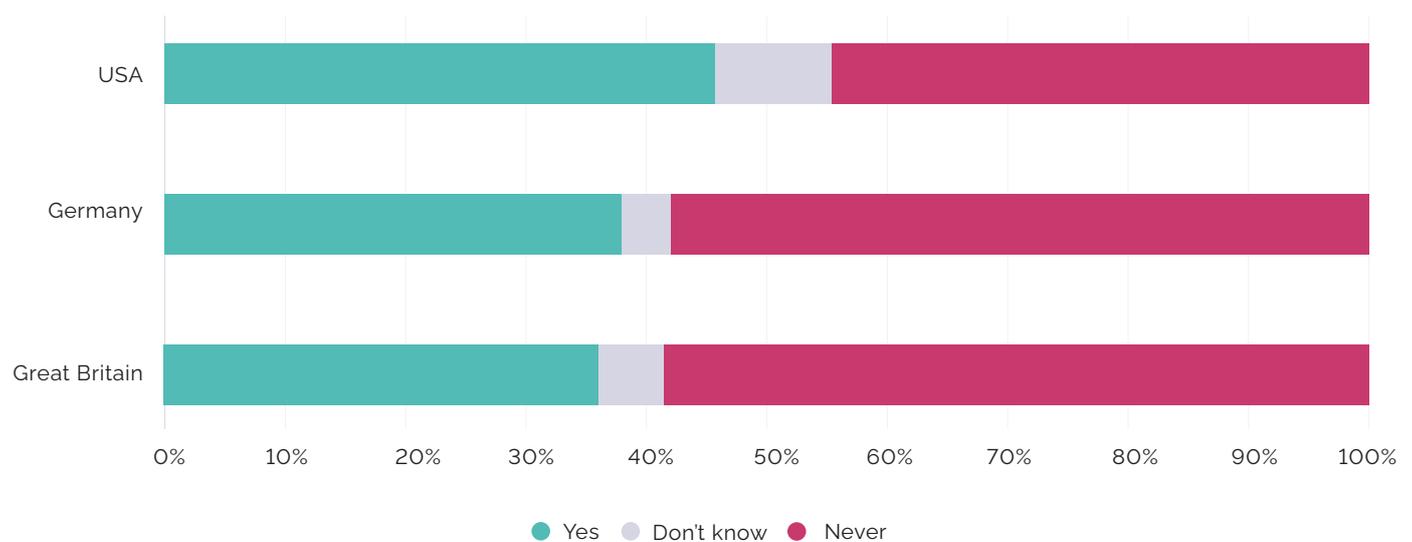
When it comes to their money, the consumers in our survey have low appetite for risk. The degree of aversion varies, but on the whole, people are more financially conservative than not. British consumers exhibit the greatest aversion to risk of this group,

while consumers from Singapore and Germany demonstrate the greatest propensity for it (31%). Given what we know about German's reluctance to ditch cash in favour of contactless payments, this makes for an interesting counterpoint.

I don't mind taking risks with my money



Been a victim of fraud or scam?



In Germany's case, this may have serious consequences: nearly four in ten (37%) consumers state that they have been the victim of a scam or fraud – including bank, identity fraud, and other

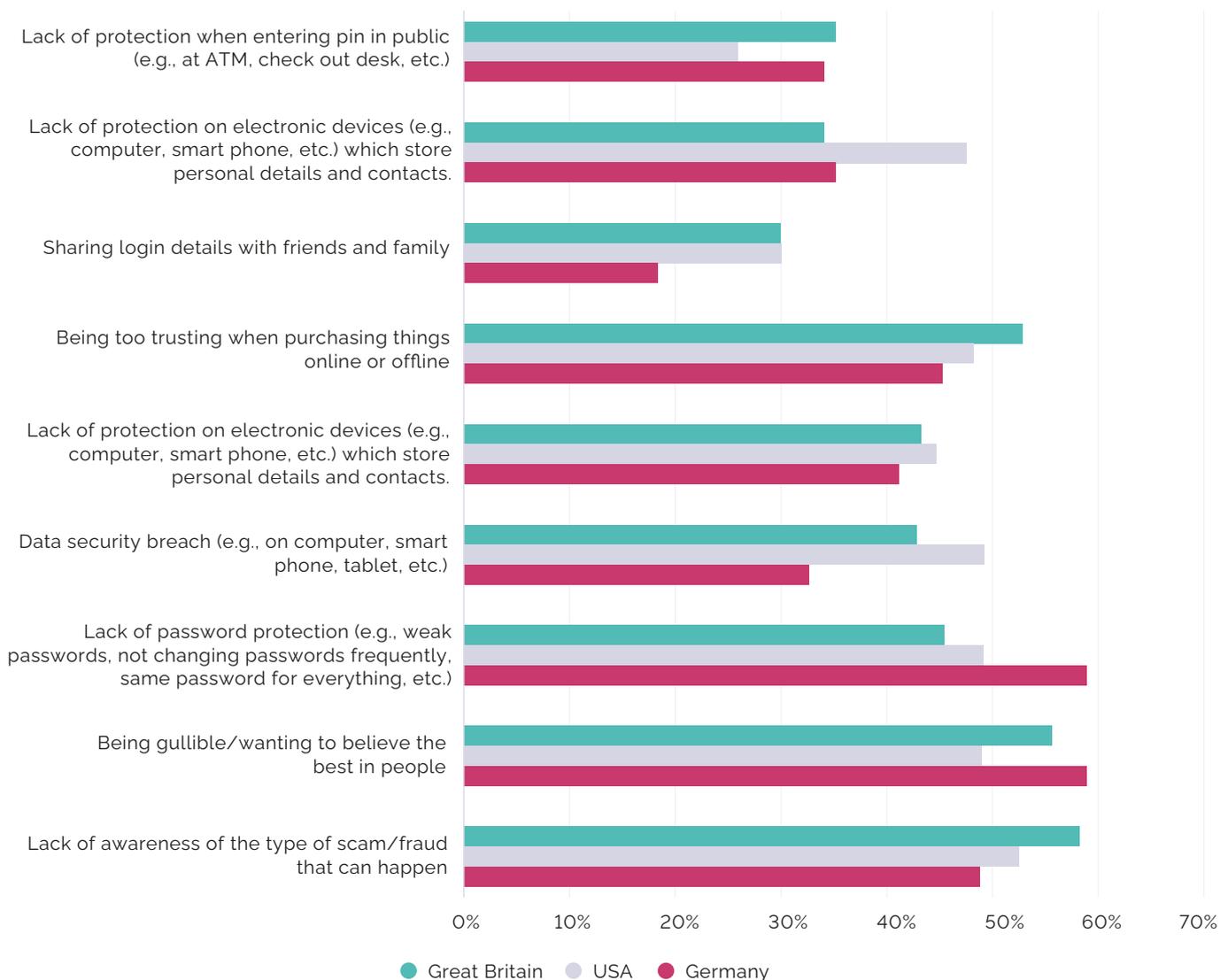
kinds of confidence crimes. This compares to just over a third of Brits (35%) – while the US ranks first (45%).

When asked, Americans offer a number of reasons why they might be susceptible to fraud or scams. Half say that data security breaches (49%) or poorly-protected personal details (48%) make people more likely to fall prey to these crimes

– and nearly as many attribute it to a lack of password protection (46%). In each of the former two cases, Brits and Germans are less likely to believe that these technical failings explain fraud than their US counterparts.

Reasons people fall victims to fraud or scams

Which, if any, of the following reasons make people more likely to be a victim of fraud or scams? Please select all that apply.



In some cases, this tips over into outright cynicism: while half of US consumers think victims of fraud or scams are gullible, this rises to six in ten (59%) Germans and nearly as many Britons (56%). British consumers are also more likely to believe that a lack of education about the kind of scam or fraud that can happen might make someone more susceptible to these crimes (58%).

Whatever the reason, it is clear that a substantial proportion of consumers has suffered at the hands of fraudsters or scam artists. Explaining some of the more common kinds of financial crimes may go some way towards giving consumers more confidence with mobile and digital banking – and the institutions that provide it.

Business

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INVESTMENT IN THE US

Barriers to investment are not as high as they once were. Where money management was once left to fund managers and financial advisers, robo-platforms and technology companies have lowered the overall price of admission and made investment more accessible to the average consumer.

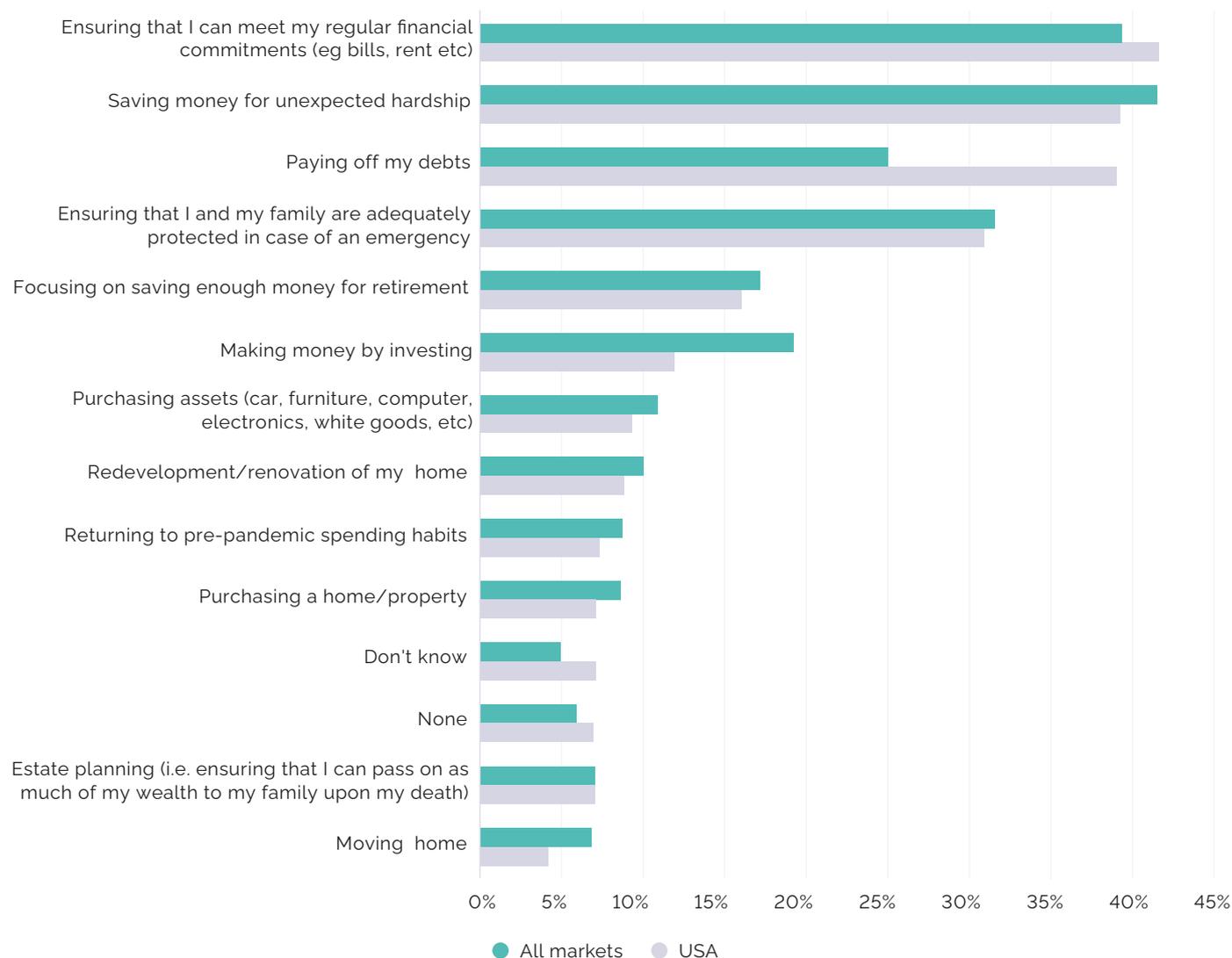
But for all the talk of democratizing money management, the US remains a financial

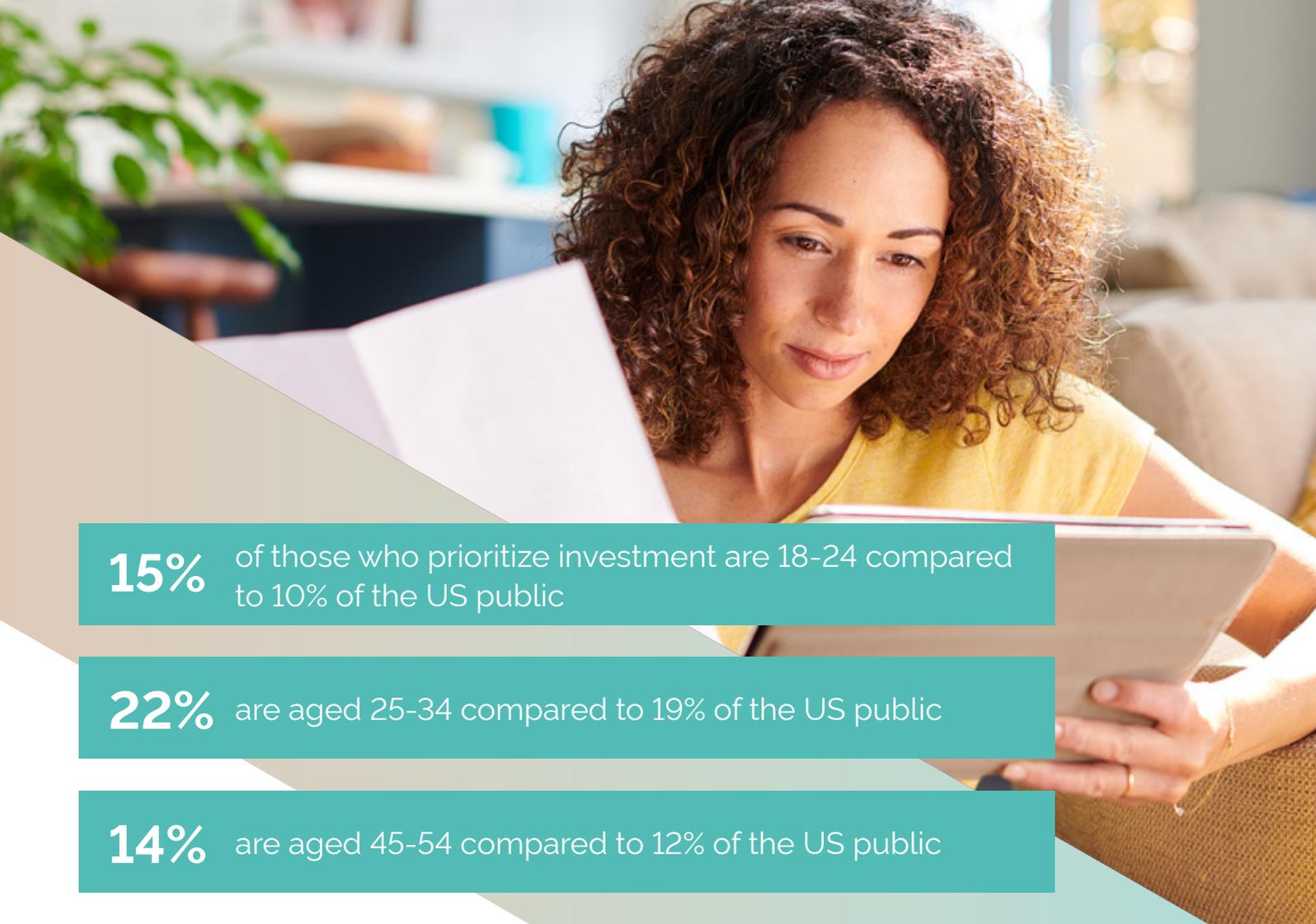
landscape where investment is a minority pursuit – unsurprisingly, in relation to considerations like saving up for hardship, paying debts, or paying off bills. Overall, just 12% of American adults say that making money through investment is among their top three financial priorities.

Debt – and the anticipation of financial hardship – make up the top four considerations in this area, with investment ranking sixth.

Top financial priorities for Americans

Which, if any, of the following would you say are your TOP THREE financial priorities for the next 12 months?
Please select up to 3 options





15% of those who prioritize investment are 18-24 compared to 10% of the US public

22% are aged 25-34 compared to 19% of the US public

14% are aged 45-54 compared to 12% of the US public

36% are aged 55 or older compared to 42% of the US public

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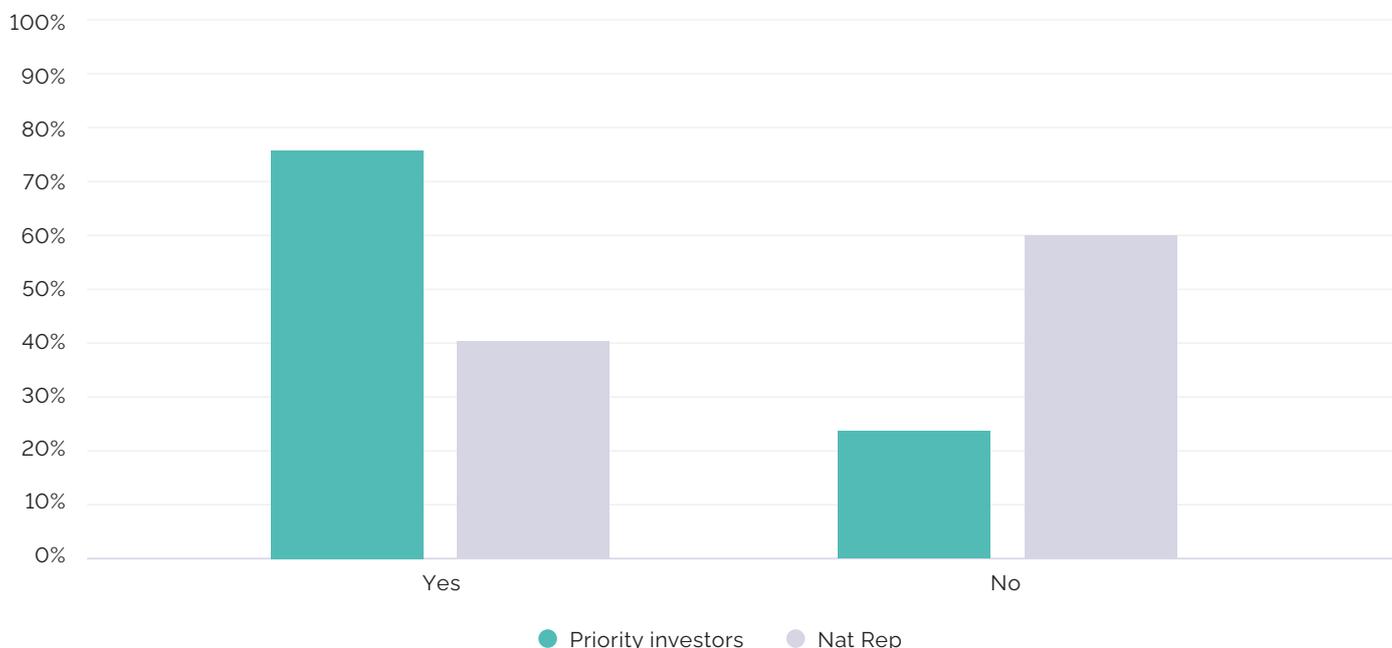
Additional research in this area shows that the proliferation of mobile-based, commission-free trading platforms is likely to continue to boost general interest, and in turn prioritization, of making investments among younger audiences. The unique circumstances brought by the pandemic (i.e. increased time spent at home due to lockdowns, government stimulus payments), combined with targeted advertising strategies from brokerages, have amplified interest in short-term trading and long-term investing across the younger demographic in the US.”

Ryan Gmerek, *Sales Director*, YouGov America

Our data shows that over three-quarters (77%) say they have money invested in an individual stock or mutual fund compared to two in five (40%) of the general public.

Ownership of stocks

Do you personally (or jointly with a spouse), have any money invested in the stock market right now, either in an individual stock or in a mutual fund?

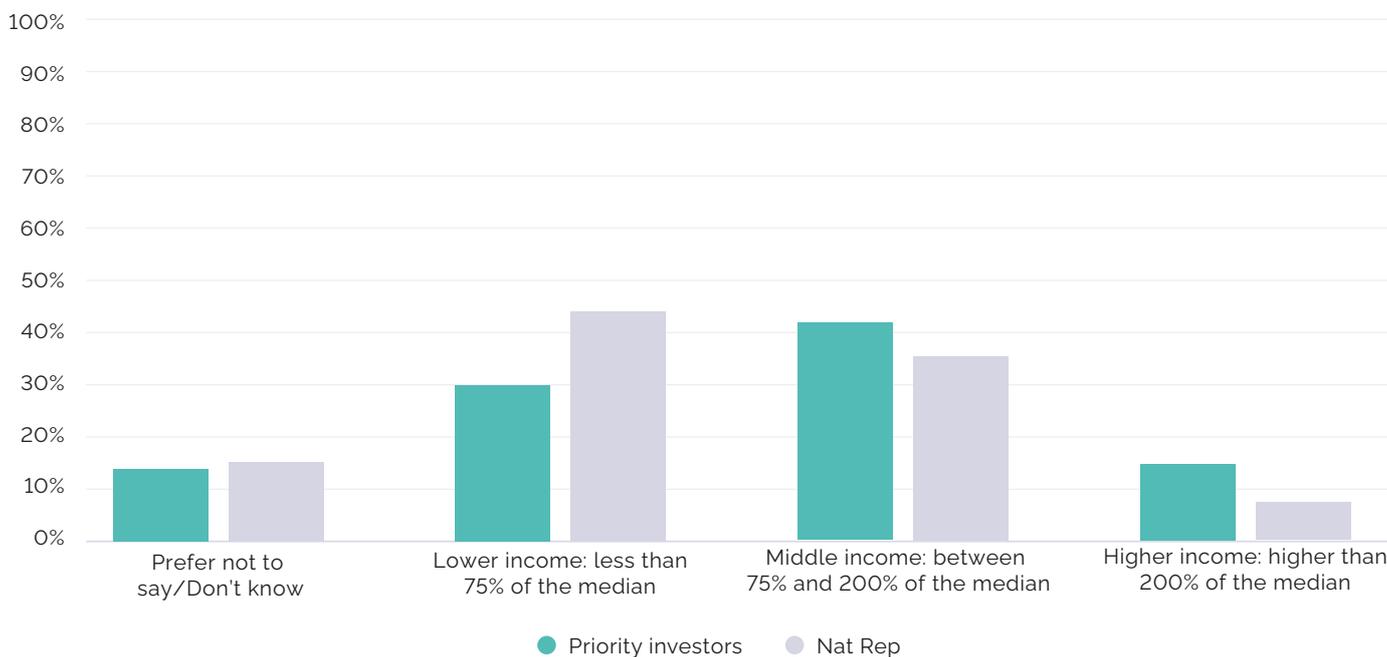


And while those who prioritize investment are twice as likely to be from higher income brackets (14% vs. 7%), two in five (41%) earn middle incomes, while three in ten (30%) earn less than the median income. Products targeted at lower-income

investors who don't necessarily have a vast amount of capital available up-front – but still wish to invest – may be particularly successful with this audience.

Those who prioritise investment - by income (lower/middle/higher)

This variable is derived from income, and uses the median national income to create the responses:

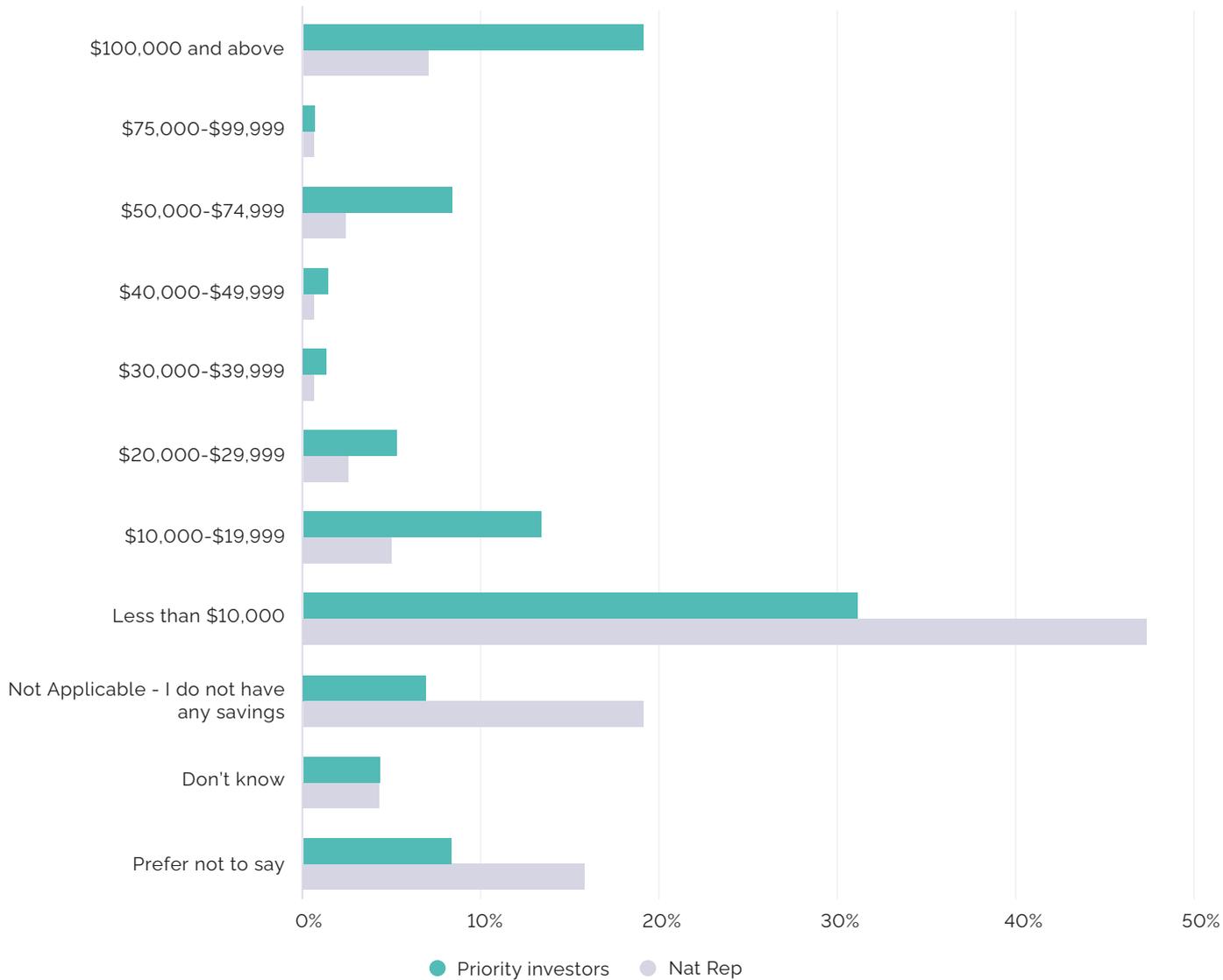


In any case, this group of would-be and current investors is not entirely made up of high-net-worth individuals: while a fifth (19%) have over \$100,000 USD in savings, 37% have more than \$20,000 and

44% have under \$20,000. Investing in the US may be driven by either having money and wanting to make the most of it – or not having money and looking to generate more.

Savings among American Investors

How much, if anything, do you have saved at the moment in ALL your savings accounts? Please select only one answer.





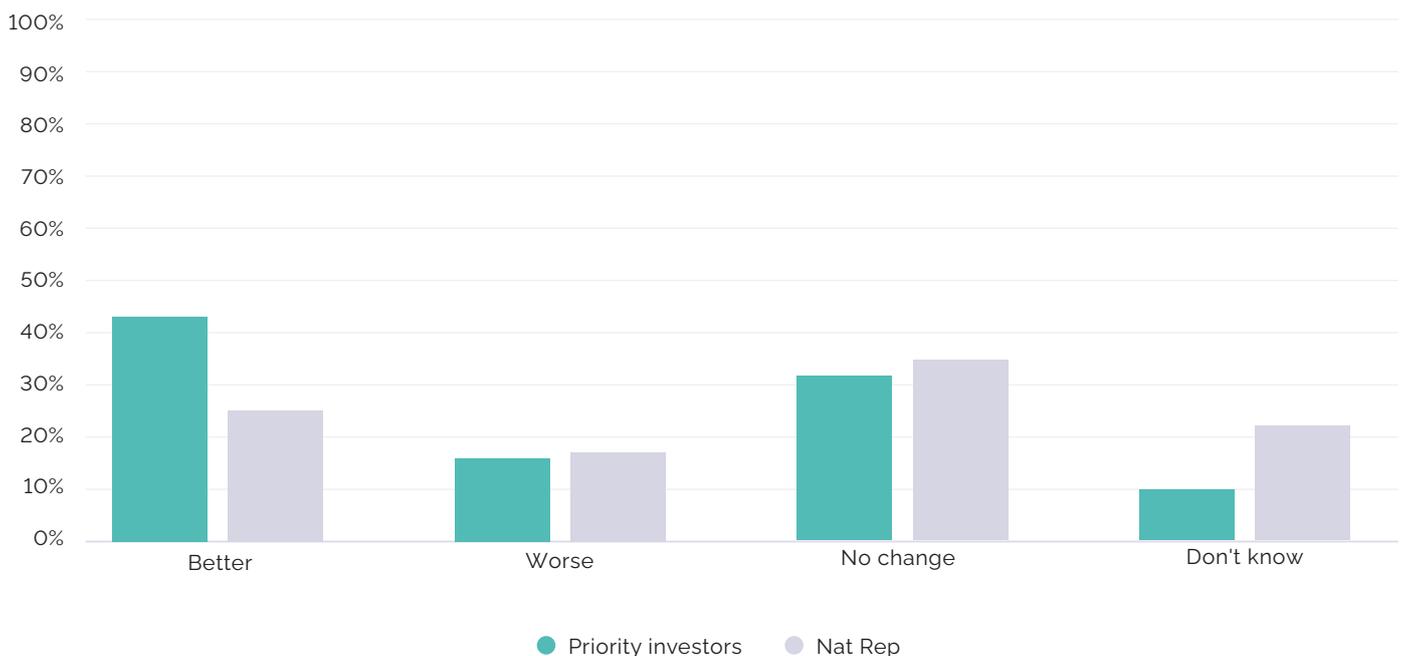
Americans who prioritize investment have higher hopes for their financial future

Investment is in some respects inherently an optimist's game, so it makes sense that – despite the pandemic and the associated economic issues

– the group who prioritize it are much more likely to say their household situation will improve in the next year.

Domestic financial predictions among Americans

How do you think your household's financial situation will have changed 12 months from now





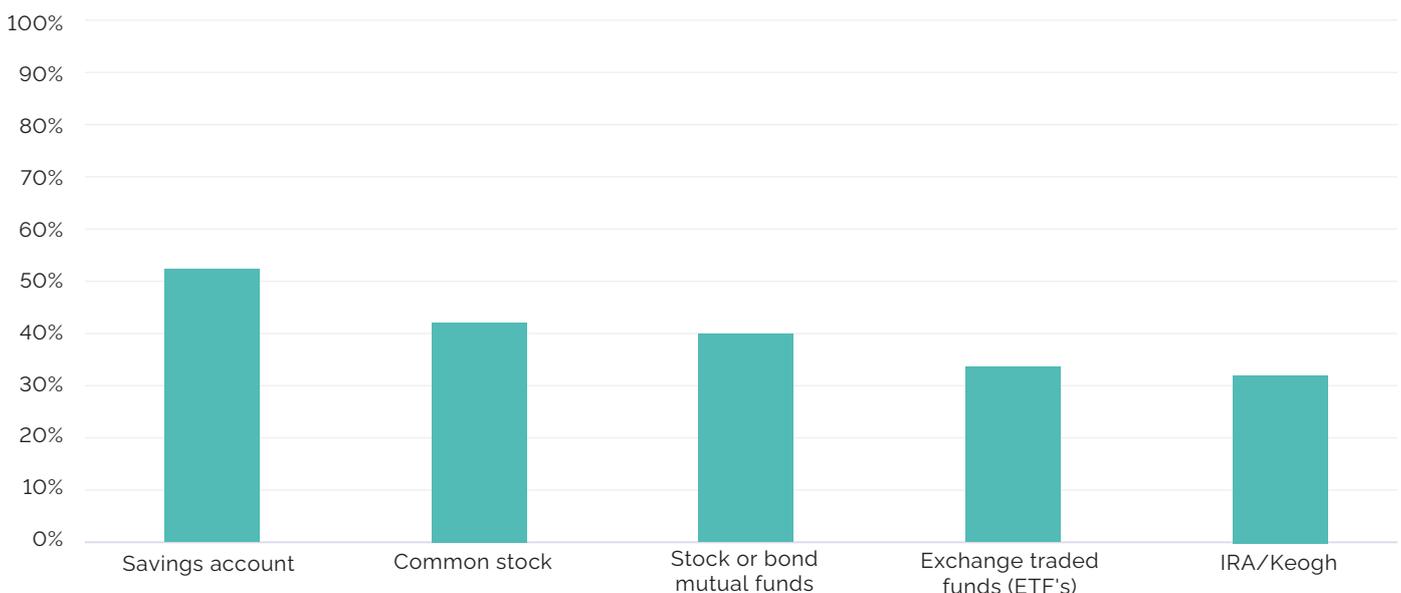
Reaching American investors

Harnessing this group's optimism – and turning them into customers – will be a key challenge for investment firms. Before communicating with them, it's worth understanding what products they're likely to already have.

Our data shows that the most popular product with this group is a standard savings account – owned by over half (52%) – followed by common stock (42%) and stock/bond mutual funds (40%). Exchange-traded funds (33%) come in fourth.

Savings and investment product ownership among American investors

Which of the following saving and investment products, if any, do you currently own or hold? Please select all that apply.



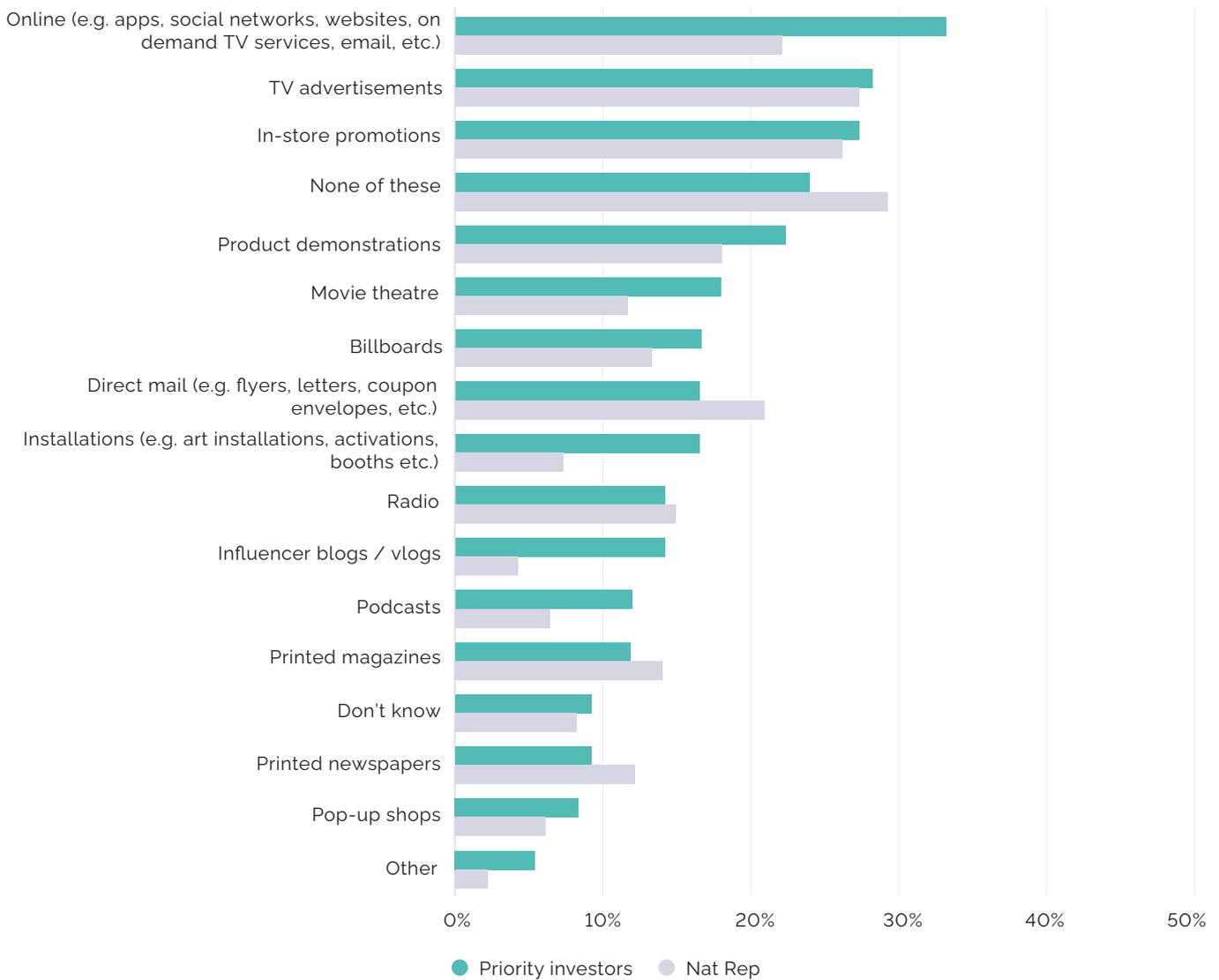
Americans who prioritize investment are most likely to engage with online advertising

When it comes to communication, those who prioritize investment are most likely to respond to online advertising (33%), TV advertising (28%), in-store promotions (26%), or product demonstrations

(23%). The latter may not be the most natural fit for some investment products – particularly during a pandemic – but they may give an idea of where to begin.

Preferred advertising media among Americans

Thinking about how brands engage with customers, which, if any, of the following types of advertising do you like? Please select all that apply.



Looking at their attitudes, the data suggests that they may be receptive to personalized email. Over half (54%) agree that they are "more likely to engage with advertisements that are tailored" to them – compared to just two in five (42%) Americans overall – while 48% say that

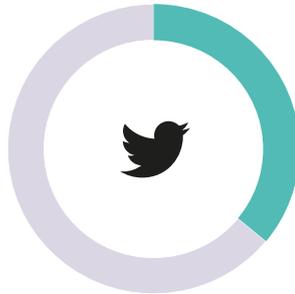
direct emails influence their purchase decisions compared to just over a third (35%) of the general public.

In terms of social media, their favored platforms include:



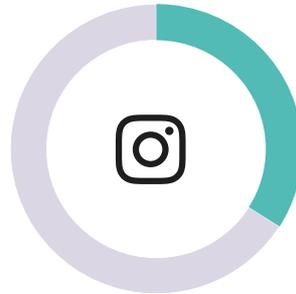
Facebook

64% vs. 67% Nat Rep



Twitter

36% vs. 27% Nat Rep



Instagram

34% vs. 27% Nat Rep



LinkedIn

22% vs. 12% Nat Rep



ETHICS AND SUSTAINABILITY IN FINANCIAL SERVICES

More than a decade on from the financial crisis, the ethical side of banking remains a key consideration for the global public, and institutions in recent years have been subject to backlash in a number of areas: from data breaches and the perception

of overpaid executives, to tax avoidance, diversity issues, and much more.

Accordingly, this chapter will examine the moral – as well as financial – priorities of consumers in our 17 markets.

Nearly half of consumers think banks should prioritize fair pay for staff

Staff salaries are the top ethical consideration for global consumers across all 17 markets: some 47% of the international public believe paying staff fairly should be a priority for managers in financial companies.

The next-highest priority is data privacy and protection – cited by two in five (40%) respondents in our study. While this might be a by-product of a general wariness around cybersecurity issues, there have been a number of high-profile information security breaches in recent years – from Westpac to Equifax – and they may well have lingered in the public memory.

The third priority is ensuring a safe environment for staff and customers, which nearly a third

of respondents believe should be a key focus for managers in financial companies. Given the COVID-19 pandemic, this is a particularly timely concern: while an unclean or lax working environment is never ideal, it poses a more serious health risk now than it would have a couple of years ago.

Two recurring PR issues for banks – paying too little in taxes and too much in executive pay – round out the top five issues and are cited by 30% and 23% of respondents respectively. It's worth noting here that, overall, a much higher proportion of people would like to see a levelling up in staff salaries by making them fair than a levelling down by reducing executive pay. Sustainability also comes in joint-fifth (23%).



Priorities for managers of financial companies - as per the global population

Which of the following do you feel should be priorities for the managers of financial companies?





“

It is interesting to see that in most markets, consumers expect the financial institutions that serve them to look after and improve what is directly and immediately under their control, whether that is paying staff a fair wage, protecting their customers' data or paying enough tax. The data suggests that consumer expectations around the role that financial institutions play in solving broader issues such as global warming or diversity are less of a priority. This suggests that consumers are expecting the financial institutions that serve them to 'get their own house in order' first, before they embark on more altruistic endeavors connected to broader global issues."

Matt Palframan, *Director*, Financial Services Research

Breaking down banking ethics

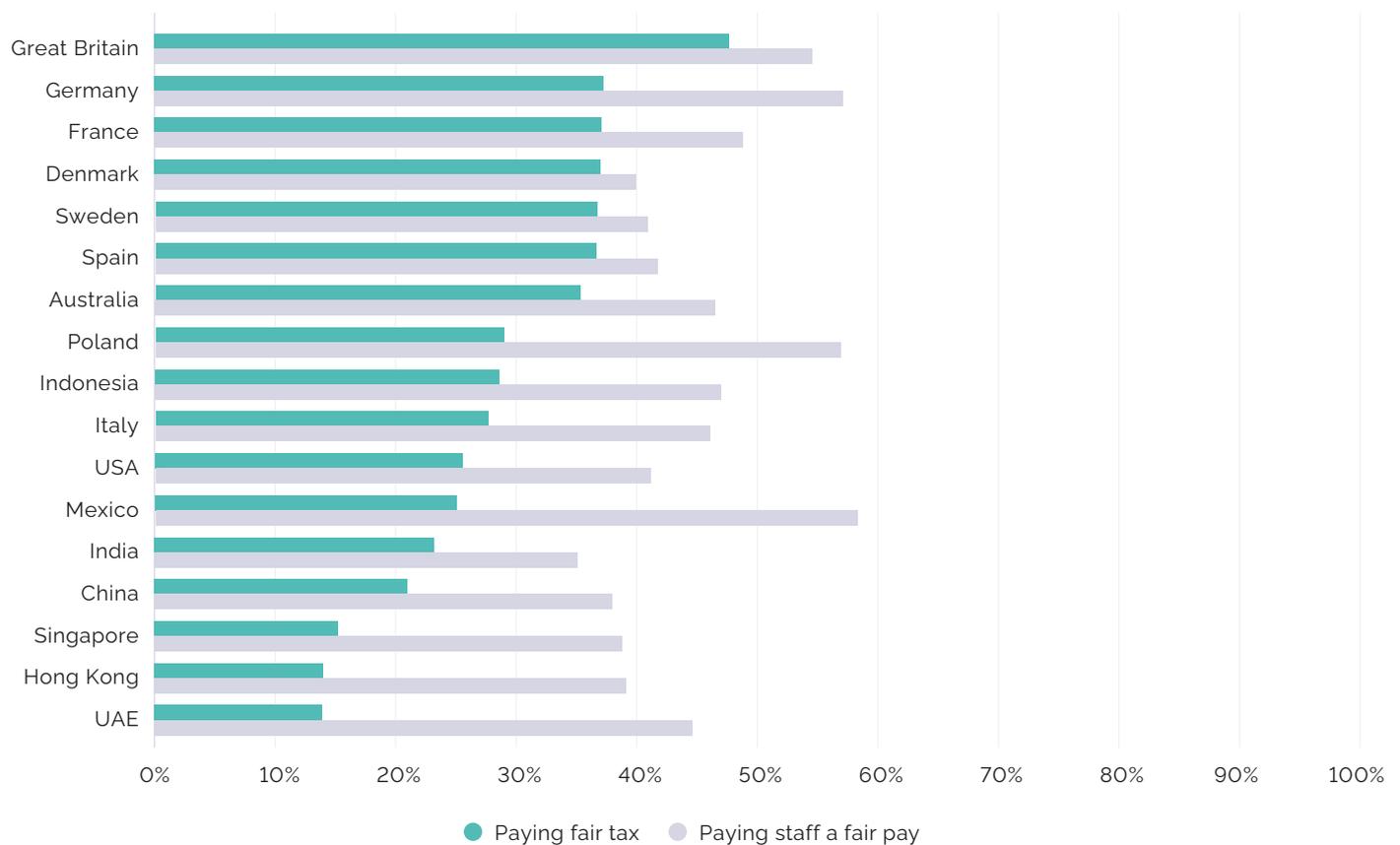
Digging deeper into the data reveals some key regional and national differences on certain issues.

In Europe, for example, paying fair tax is seen as a higher priority for financial institutions than it is across other regions: this consideration is

most important in Great Britain (where 48% think it should be a priority) and lowest in Italy (where just 28% believe the same). However, a higher proportion of consumers believe salaries should be fair in all markets.

Fair tax and fair pay - views from 17 markets

Which of the following do you feel should be priorities for the managers of financial companies?



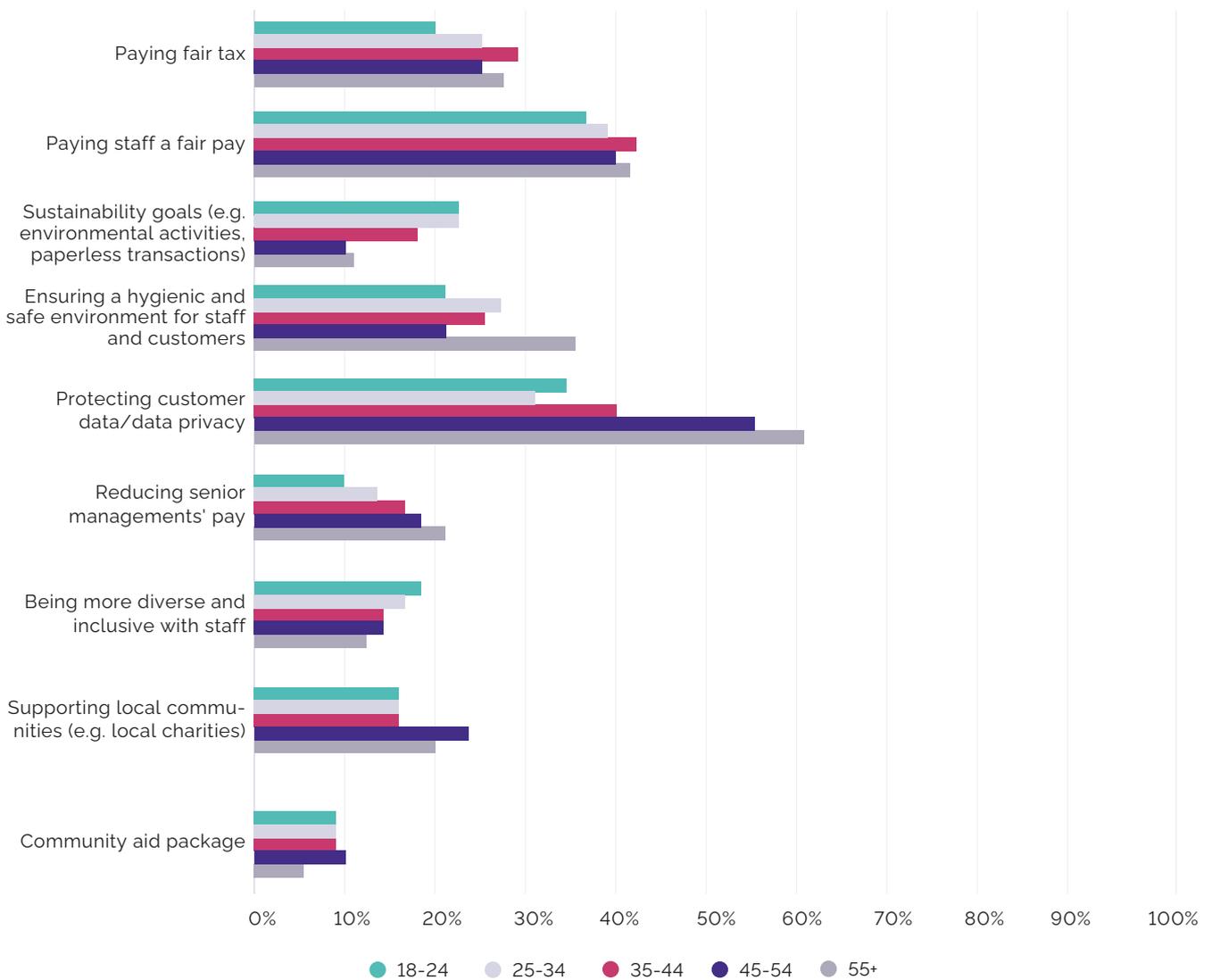
Workplace hygiene and safety are considered most important in the APAC region – something that may be influenced by the immediate COVID-19 pandemic and, in nations such as China (where, at 41%, consumers are joint-most likely to say hygiene should be a priority) by previous outbreaks of respiratory illnesses such as SARS.

Environmental and sustainability concerns have more variable levels of importance among global consumers. In the US, for example, just 15% think

managers should treat them as priority issues but this rises to three in ten (30%) consumers in India and nearly two in five (38%) Chinese consumers. From an ethical perspective, it may be that consumers care more about companies looking after their staff and their customers first – before they attempt to tackle bigger-picture considerations such as the environment.

US: Older consumers are least likely to prioritize sustainability

Which of the following do you feel should be priorities for the managers of financial companies?



Dividing this data along age lines, consumers over 45 are more likely to prioritize data privacy – especially those 55 and older (61%). Sustainability is the second least important consideration for this group.

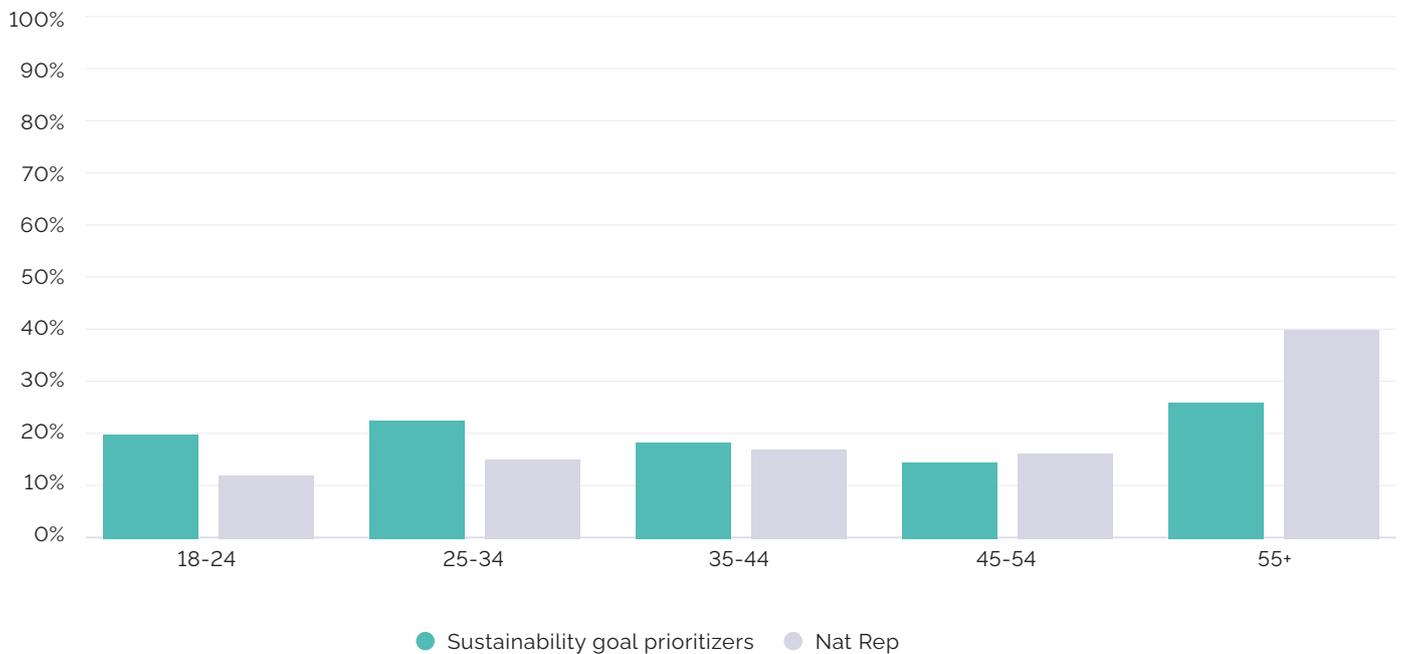
However, it is a very different story among the youngest groups: a quarter of those aged 18-24 (23%) and 25-34 (23%) say it should be a priority for managers – twice as many as those in the older groups.

The groups are closer on the issues of fair pay and fair tax, and a substantial minority of younger consumers – who may be more accustomed to giving their data away to various service providers – still believe data privacy should be at the forefront of managers' minds.

Great Britain: Which consumers care most about sustainability?

A quarter of the general population in Britain (24%) believe meeting sustainability goals should be a priority for senior managers in financial organizations.

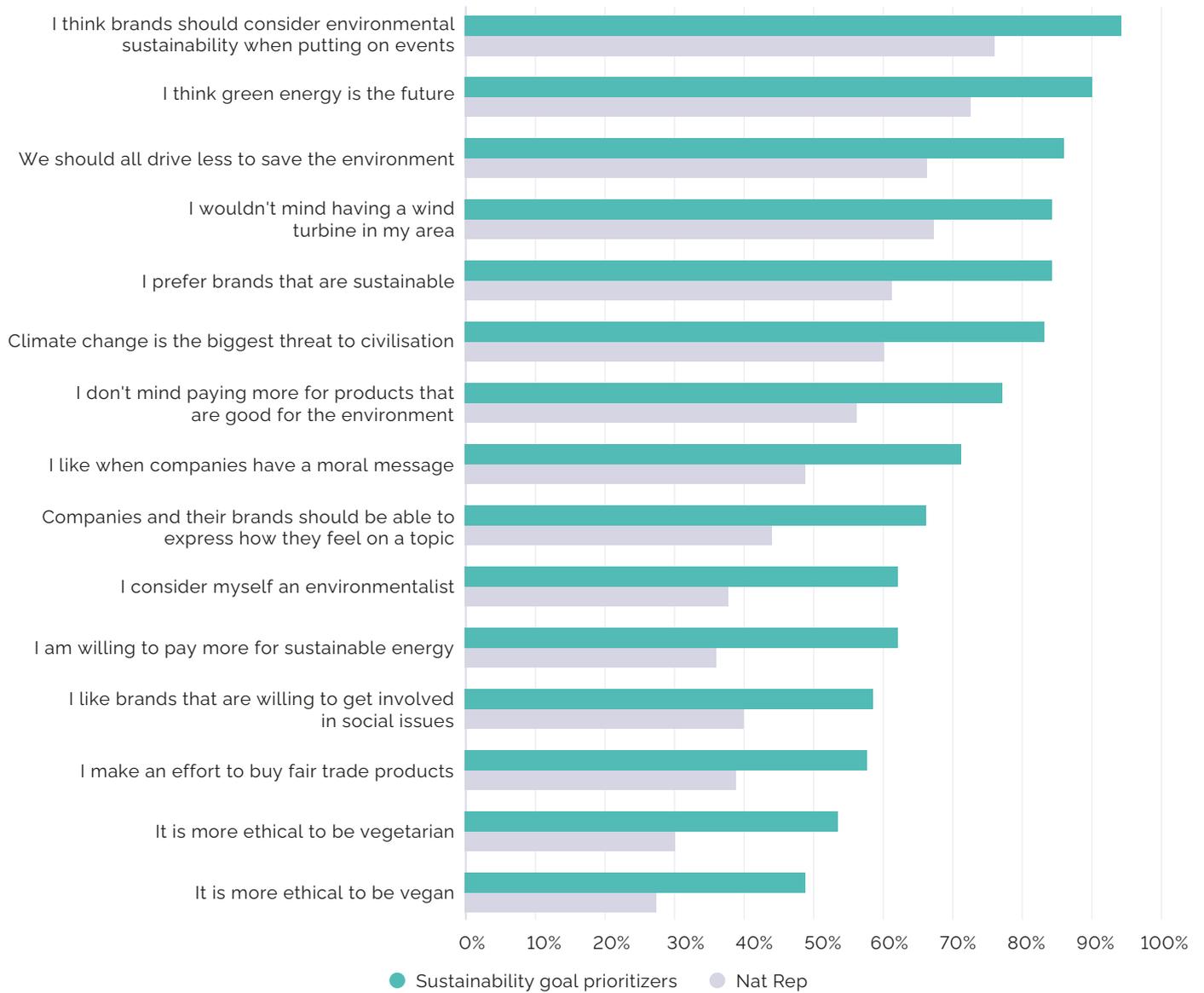
Age breakdown: British consumers who believe finance companies should prioritize sustainability



Of those who want senior leaders to prioritize sustainability, 42% are aged 18-34 and just 26% are over 55. It's a skew that aligns neatly with the age breakdown in the previous section. Unsurprisingly, this group is more likely to believe in various other

environmental causes and propositions – and, with three-quarters saying they're more likely to pay for products that are environmentally friendly (77% vs. 56% nat rep), they're also more likely to act in accordance with their views.

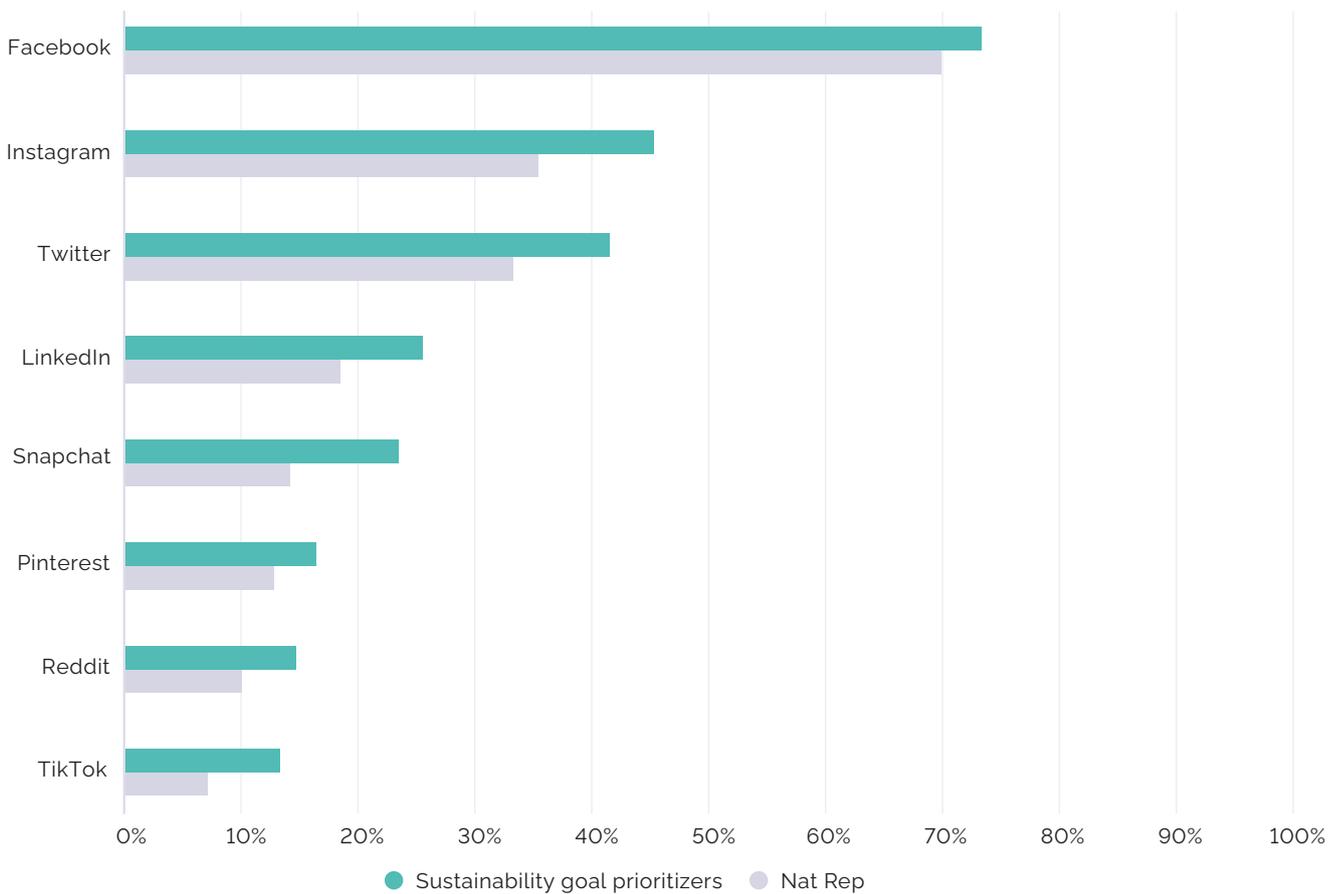
Attitudes towards consumer experience



Reaching environmentally conscious consumers in Britain

So how do environmentally-conscious British banks reach environmentally-conscious British consumers? Our data shows that this group are most likely to have recently used Facebook (73%) and are disproportionately likely to use Instagram (45% vs. 36% nat rep), Twitter (42% vs. 34% nat rep), Snapchat (23% vs. 14% nat rep) and TikTok (13% vs. 7% nat rep).

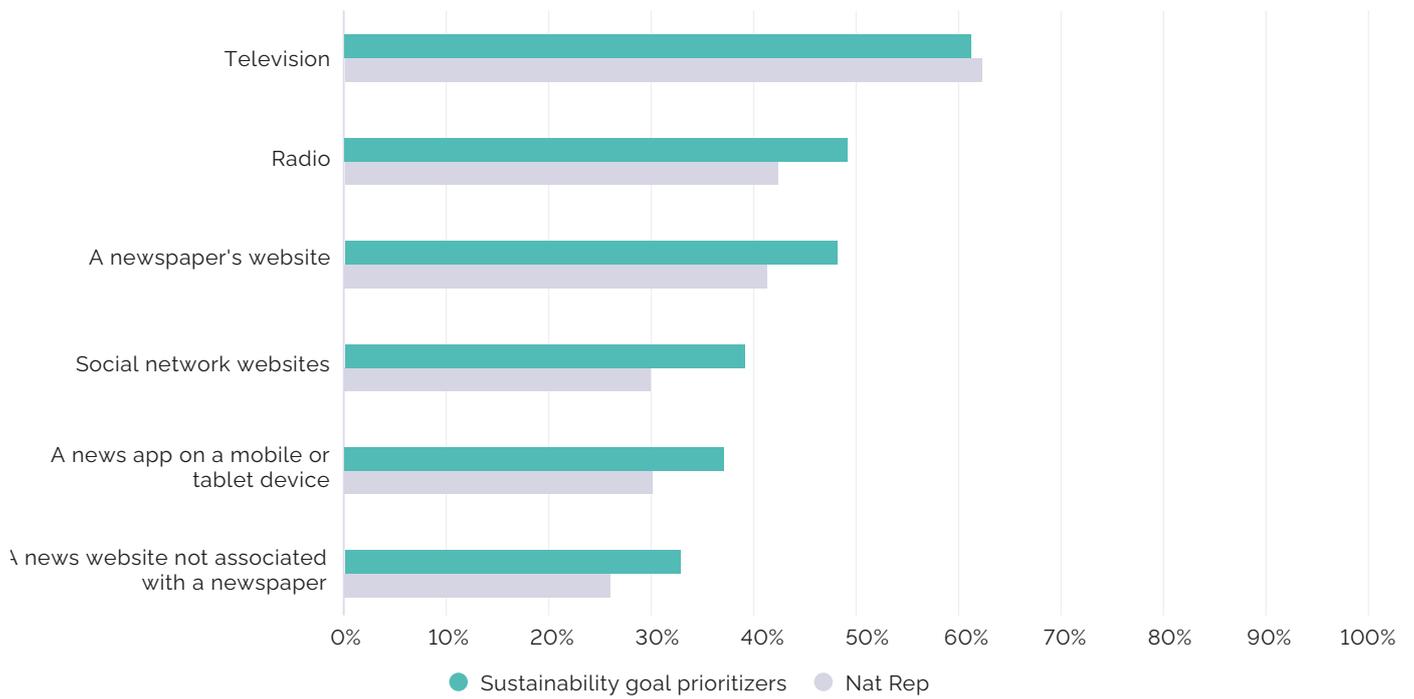
Favored social media platforms among sustainability goal prioritizers



If a bank's social presence or tone of voice does not necessarily lend itself to these more informal platforms, then they may benefit from ramping up their marketing efforts on LinkedIn: a quarter (25%) of consumers who want banks to prioritize sustainability goals are on the business-focused network compared to 18% of the general public.

There's also evidence that this group are more likely to get their news from these platforms (39% vs. 30%), so achieving media coverage and promoting it on these channels could be an effective way to get their attention.

Favored news sources among sustainability goal prioritizers



In fact, a PR campaign could be an effective way to attract these consumers across multiple platforms: our data shows that they appear to be more

engaged across every online news source. This may well have less to do with sustainability than their general age profile.

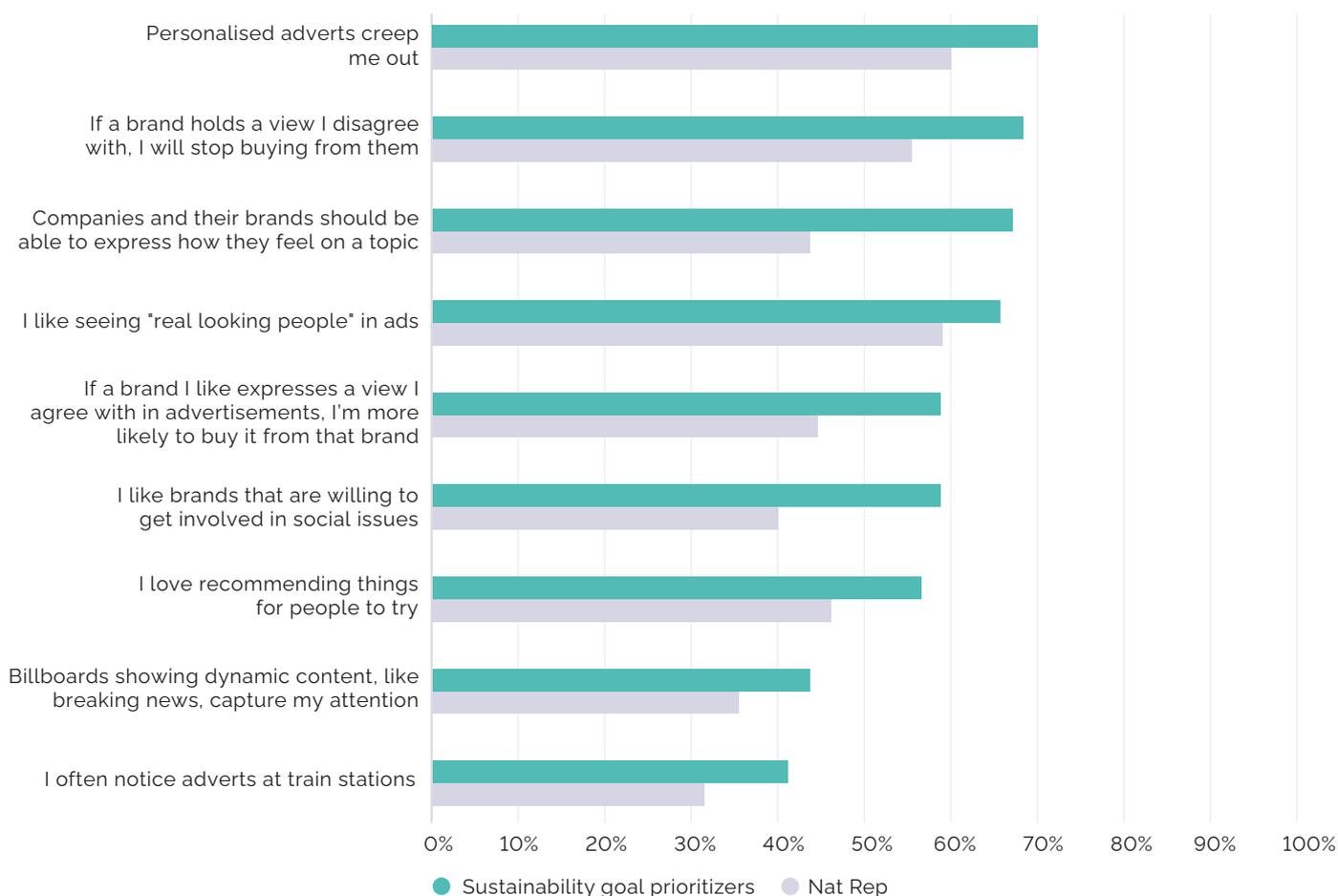
Most eco-conscious consumers like brands that get involved with social issues

Having established where they get their news and watch their ads, it is worth thinking about the kind of marketing that appeals to consumers who want financial companies to prioritize sustainability.

Our data shows that they are more likely to hold strong opinions than the wider British public – and more likely to want brands to express strong

opinions in turn. Two-thirds think companies should be able to say how they feel about a given topic (67%) compared to less than half (43%) of the general population, while three in five (59%) say that they're more likely to buy from brands they agree with (vs. 44% nat rep) – and that they like brands that get involved with social issues (59% vs. 40%).

Attitudes towards marketing



This group are more likely to notice an engaging, thought-provoking ad from an environmentally-conscious brand – with two in five (41%) saying they pay attention to advertising at train stations (vs. 31% nat rep) – and if they become customers, they're more likely to spread the word: 57% enjoy recommending things for other people to try versus 46% of the general public.

There is a downside to their higher engagement with advertising, and it's one banks should bear in mind: these consumers are more likely to find personalised ads creepy (70% vs. 60% nat rep) and if an organisation expresses an opinion they disagree with, they are disproportionately likely to stop buying their products (68% vs. 55% nat rep).



FACING THE FINANCIAL FUTURE: CONSUMER PRIORITIES FOR 2021

Looking at the year ahead reveals a number of consumer priorities for 2021 in each market.

In Spain (55%), Great Britain (49%), and Sweden (47%), the public are most likely to focus on fulfilling their regular financial commitments such as paying bills and rent. This is a lower priority in China (24%), India (27%) and Hong Kong (29%) but it is worth bearing in mind that our samples in these markets have a higher urban bias than our samples in other markets.

Given the past year, it is unsurprising that a significant proportion of consumers in each market are saving money for unexpected hardships. This tendency is highest in Indonesia – where our sample is representative of the online, rather than national population (54%) – Singapore (51%), and Spain (48%), but it amounts to comfortably more than a third of the public in every market except Denmark (20%).

Top financial priorities in 17 markets

Which, if any, of the following would you say are your TOP THREE financial priorities for the next 12 months?

	Ensuring regular financial commitments	Saving money for unexpected hardship	Ensuring my family and I are adequately protected	Paying off my debts	Money for retirement
Great Britain	49%	35%	27%	26%	12%
Germany	40%	35%	25%	20%	16%
France	39%	42%	31%	18%	12%
Italy	42%	46%	35%	21%	8%
Denmark	36%	20%	19%	22%	11%
Sweden	47%	37%	34%	22%	11%
Spain	55%	48%	35%	30%	12%
Poland	35%	45%	31%	29%	12%
USA	42%	39%	31%	39%	16%
Mexico	41%	47%	33%	43%	10%
UAE	30%	41%	37%	26%	25%
India	27%	40%	35%	22%	22%
Australia	46%	43%	26%	30%	19%
China	24%	41%	36%	18%	9%
Indonesia	35%	54%	38%	28%	25%
Hong Kong	29%	46%	32%	12%	31%
Singapore	44%	51%	34%	20%	33%

Paying off debts is among the more variable priorities: it is especially important in the US (39%) and Mexico (43%) but appears to be a lesser concern in European nations – in France (18%), Germany (20%), Denmark (22%), and Sweden (22%), it's a priority for just a fifth of the public. Great Britain (26%) and Spain (30%) are two notable exceptions to this.

Saving for retirement appears to be the lowest priority for 2021 in all markets except Hong Kong (31%) and Singapore (33%). It is possible that consumers who might have otherwise paid money into a retirement fund have – in the wake of the pandemic – found more urgent uses for these funds.

Top financial priorities in 17 markets

Which, if any, of the following would you say are your TOP THREE financial priorities for the next 12 months?

	Returning to pre-pandemic spending habits	Moving home	Purchasing a home/property
Great Britain	7%	10%	8%
Germany	6%	6%	5%
France	12%	10%	7%
Italy	15%	6%	7%
Denmark	7%	11%	7%
Sweden	7%	10%	6%
Spain	14%	6%	6%
Poland	10%	10%	7%
USA	7%	4%	7%
Mexico	5%	3%	12%
UAE	6%	9%	15%
India	9%	8%	14%
Australia	7%	10%	11%
China	9%	4%	9%
Indonesia	5%	4%	11%
Hong Kong	9%	5%	6%
Singapore	5%	6%	7%

	Estate planning	Making money by investing	Purchasing assets	Redevelopment/ renovation of my home
	6%	8%	10%	14%
	6%	9%	8%	11%
	7%	8%	10%	14%
	5%	8%	11%	12%
	4%	14%	16%	17%
	5%	16%	9%	14%
	6%	6%	8%	10%
	9%	10%	13%	16%
	7%	12%	9%	8%
	16%	24%	11%	8%
	8%	26%	10%	7%
	9%	25%	15%	9%
	7%	17%	13%	9%
	4%	28%	18%	6%
	4%	37%	10%	8%
	5%	38%	8%	7%
	6%	29%	5%	5%

Outside of saving money and paying debts, a minority of the global public are looking to resume their normal spending habits as quickly as possible – especially in Italy (15%), Spain (14%) and France (12%).

Investment is also a top priority in 2021 among nearly four in ten urban consumers in Indonesia (37%) and Hong Kong (38%). Around a quarter of consumers in China (28%), India (25%) the UAE (26%) and Mexico (24%) feel the same.

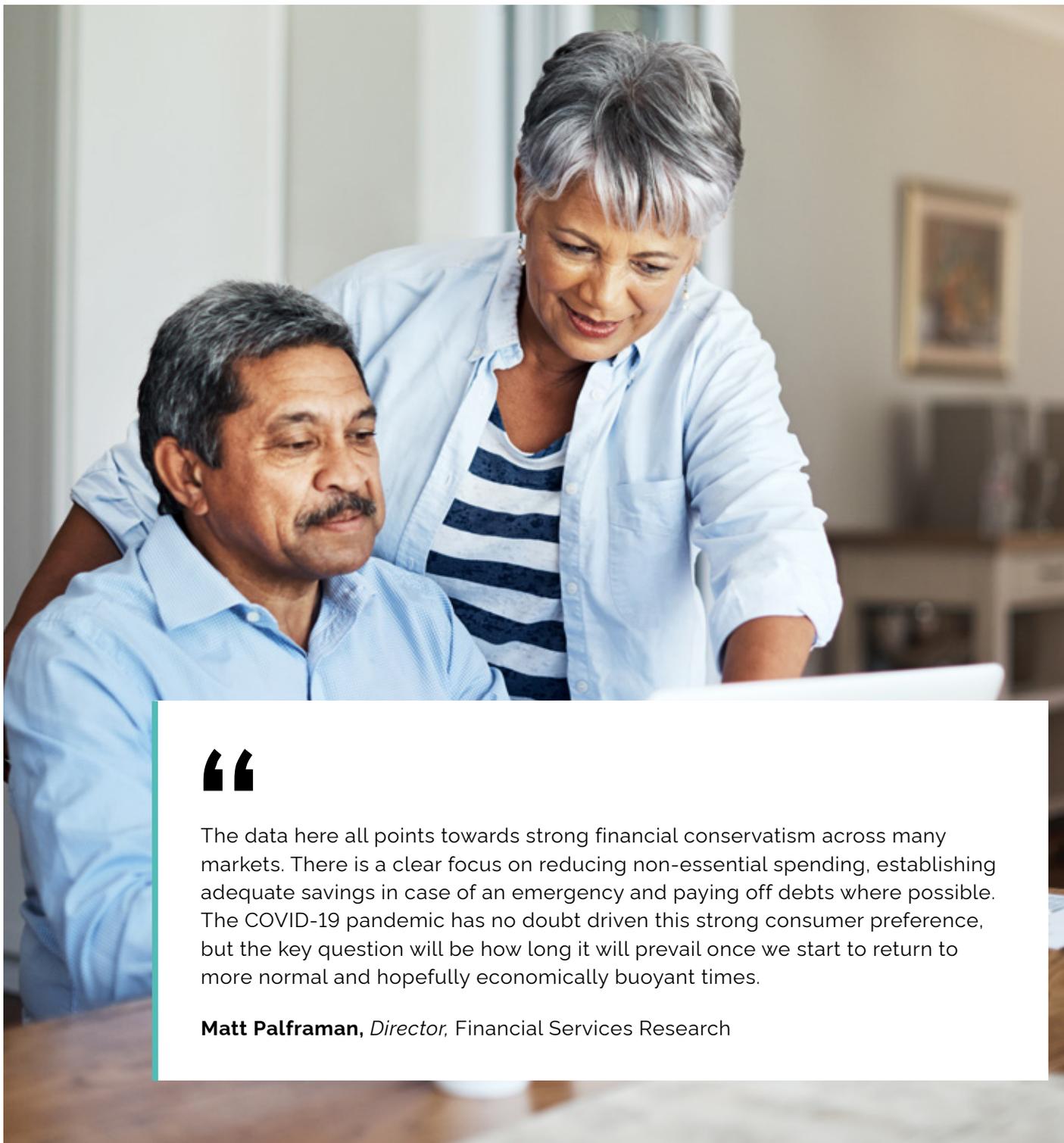
Buying a home is not a top priority in many markets – in fact, in each European country in our study, it fails to break out of single digits – but many consumers may own homes already. Redevelopment or renovation of the home is a top priority for a minority of consumers (17%).

During the pandemic, many younger consumers – and those who were living alone – chose to ride out the crisis at their family home, partly to alleviate potential loneliness, and partly for cost-cutting reasons. Our data shows that in some markets, as many as one in ten plan to do so in 2021.

Money in the bank: global consumers most likely to save an unexpected windfall

When asked what they would do if they were unexpectedly gifted a month's salary, consumers are most likely to say they would save it – in Hong Kong (56%), Spain (54%) and France (51%), over half of consumers say they would put this windfall in their savings. This holds true in every market except Mexico (28%) and Indonesia (23%), where

the public are more likely to invest this money – although, again, it is necessary to caveat this by clarifying that these samples are urban, rather than nationally representative. Investment is the most variable use of this fantasy windfall: ranging from 11% of consumers in Spain to 40% of consumers in Indonesia.



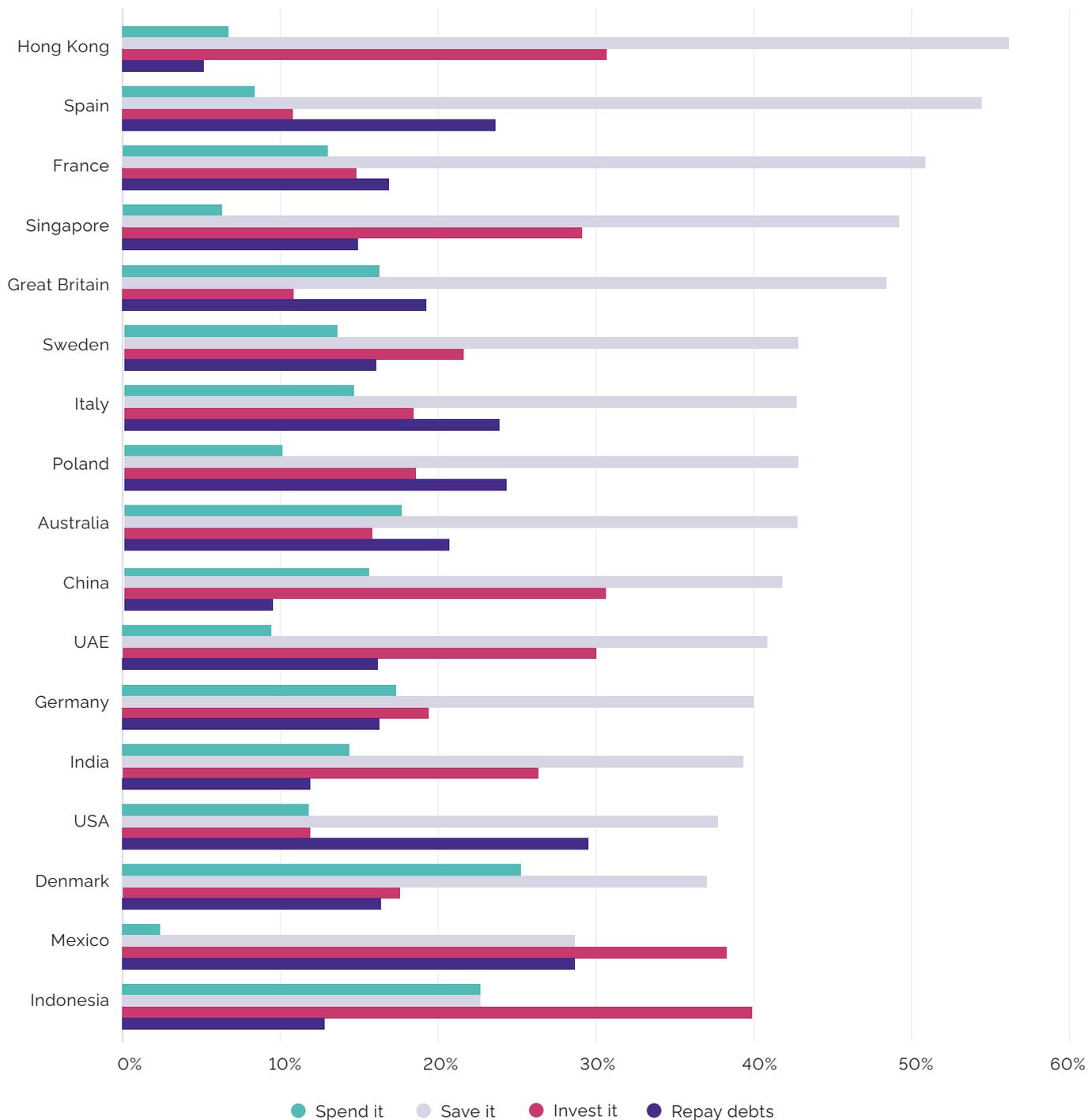
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The data here all points towards strong financial conservatism across many markets. There is a clear focus on reducing non-essential spending, establishing adequate savings in case of an emergency and paying off debts where possible. The COVID-19 pandemic has no doubt driven this strong consumer preference, but the key question will be how long it will prevail once we start to return to more normal and hopefully economically buoyant times.

Matt Palframan, *Director*, Financial Services Research

Windfall use across 17 markets

If you were to receive an unexpected windfall equivalent to a month's household income, after-tax, and you were allowed to use it for only ONE purpose, which of the following would you be most likely to do with it?



Debt repayment is the second-highest priority in the US (29%), Mexico (28%), and Great Britain (19%), which may well relate to the economic difficulties of the past year.

CONCLUSION

YouGov's financial services data highlights an industry that is experiencing transformation in a number of areas – and not always consistently. This can be partially attributed to the COVID-19 pandemic – in some respects a catalyst for change, and in others a mere accelerant – which has thrown many consumers' financial priorities into sharp relief and impacted their attitudes in some important ways.

Next year, YouGov will release its 2022 report. It will show where opinions towards financial services have changed, where they have not, and how the global management of a health and economic crisis has influenced public behavior – and how it may influence it in future.

In 2021, however, our key conclusions are:

1. Consumers want to slow down their spending – and many already have

YouGov data shows that, in several key markets, COVID-19 has driven a reduction in spending for a significant minority of consumers: in Denmark, where consumers are least likely to have already cut back, a fifth have still reduced their non-essential outlay (20%); in Italy, this rises to more than half of the general public (56%). What's more, consumers actively intend to limit their spending further in the year ahead.

For financial services companies, this presents both challenges and opportunities: a payment provider, for example, may find themselves processing fewer transactions – but a bank with innovative savings and investment products may have a larger pool of would-be customers to target.

2. Payment cultures are highly diverse – despite technology

Our data suggests that the European nations in our study have largely accepted contactless payments as a fact of life – except for Germany, the biggest economy on the continent and one where cash continues to reign supreme. Contrastingly, urban consumers in India are overwhelmingly likely to favour these payments (73%).

It speaks to the diversity of payment cultures around the world, and it also suggests that – for the near future, at least – cash is alive and well in several significant markets. If technology providers and banks want to strike the killing blow, they may need to work on their messaging.



3. The global public think fair pay and consumer protection should be banks' top ethical priorities

When asked about ethics in banking, two recurring themes emerged: the first is that many consumers want banks to play fair, and the second is that they want banks to protect them.

Fairness applies at all levels of the corporate hierarchy and can refer to paying too little to staff and too much to senior leaders. In the wake of a pandemic that has forced layoffs in many industries, large executive bonuses – a subject of controversy even in calmer times – have caused offence in some quarters.

When it comes to protection, consumers want banks to safeguard their personal finances and their information. But many also want their banks to safeguard them in a more literal sense: the COVID-19 pandemic has put health and safety at the forefront of many people's minds.

4. Consumer priorities for 2021: paying their bills, protecting their families

Our data shows that, in these unprecedented times, consumers' financial priorities are most likely to be focused around the home and family. For many consumers, the pandemic has made paying the bills and rent more difficult than it would have otherwise been, and it makes sense that these routine obligations are a priority for the year ahead.

In several global markets, consumers are also anticipating the possibility of further financial difficulties – and working to insure themselves against it by saving money. While vaccine candidates have been produced and a global rollout is underway, consumers are still acutely aware that they are in the middle of a pandemic – and appear to believe that they will still be feeling its effects in a year's time.

OUR DATA

Research for this report was conducted with a combination of syndicated YouGov Profiles data and deep-dive custom research in the below markets.

Market	Sample type	Target sample size
Australia	Nat rep	1000
China	Online rep	1000
Denmark	Nat rep	1000
France	Nat rep	1000
Germany	Nat rep	1000
Great Britain	Nat rep	2000
Hong Kong	Online rep	500
India	National urban rep	1000
Indonesia	Online rep	1000
Italy	Nat rep	1000
Mexico	Nat rep (with urban bias)	1000
Poland	Nat rep	1000
Singapore	Nat rep	1000
Spain	Nat rep	1000
Sweden	Nat rep	1000
UAE	Nat rep	1000
USA	Nat rep	2000





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ABOUT YOUNGOV

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Our line of products and services include YouGov BrandIndex, YouGov Profiles, YouGov RealTime, YouGov Custom Research, YouGov Crunch and YouGov Direct.

With over 11 million registered panellists in more than 55 countries, YouGov's market research covers the UK, the Americas, Mainland Europe, the Middle East, and Asia-Pacific. Our panellists come from all ages, socio-economic groups, and other demographic types – allowing us to create representative samples of whole populations and different sections of society.

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