

# Expectations & Experiences

Our Quarterly Consumer Trends Research

## Consumer Finances During COVID-19 | July 2020



### A note about this survey

This survey of 3,014 U.S. adults was conducted May 8–26, 2020 as part of the Expectations & Experiences quarterly surveys from Fiserv. While it is part of the longest-running consumer trends survey of its kind, this particular research is uniquely focused on the COVID-19 pandemic.

Expectations & Experiences: Consumer Finances During COVID-19 looks at the pandemic's impact on consumers' financial situations along with how they spend, move and manage money in changing times.

This survey was fielded after the COVID-19 outbreak and the U.S. government's declaration of a national emergency, but before social distancing requirements and business closures had been lifted in many parts of the country. Of those responding to the survey, 35 percent reported that they were under a stay-at-home order at the time they took the survey while 55 percent reported that their stay-at-home order had been lifted. Only five percent said they had not experienced a stay-at-home order.

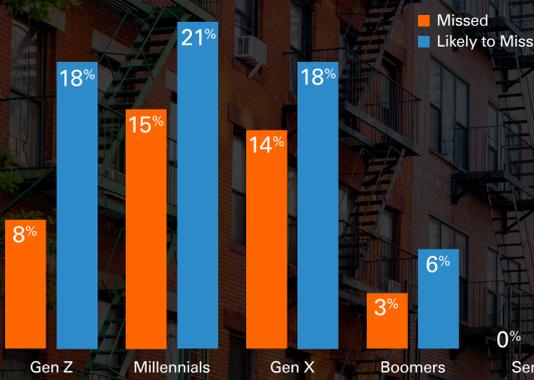
For more information, see the survey methodology at the end of this document or visit [fiserv.com](https://www.fiserv.com).

- 1 Consumers are hit hard by the economic effects of the pandemic and younger people feel it most acutely.** Most consumers say they are worried about how the pandemic will affect their personal finances. Gen Z, millennials and Gen X consumers are more likely to have already encountered trouble with rent or mortgage payments and bills.
- 2 People have changed the ways they pay.** Mobile payments, online orders and tap-and-pay contactless payments are on the rise for those purchasing takeout and groceries. Use of cash – which some are concerned with from a hygiene standpoint – has decreased for many people.
- 3 Contactless payments are of greater interest.** Tap-and-pay cards and mobile apps are seen as the safest payment methods in terms of preventing the spread of COVID-19. Perceptions of contactless payments being the fastest, most secure, most convenient and most preferred method have all increased since 2019. Preferences for cash, on the other hand, have fallen dramatically.
- 4 Many people are likely to return to the branch – and soon.** A slight majority say they'll be ready for in-person banking within 30 days of the branch opening. They're also clear about what will make them feel safe – from masks and hand sanitizer to plastic barriers and social distancing markings.



### Have You or Are You Likely to Miss a Rent or Mortgage Payment?

(Percentage saying the impact is a result of COVID-19)



### Financial concerns run deep

The depth of consumers' financial concerns varies, but only 30 percent say they are not very or not at all concerned about the effect of COVID-19 on their finances. Meanwhile, many people say they are at least somewhat concerned.

**7 out of 10** consumers are "somewhat concerned" or "very concerned" about the impact of COVID-19 on their finances.

The impact of COVID-19 on finances is correlated with age. For example, 3 percent of people 56 or older have missed a rent or mortgage payment, while 14 percent of people 55 and under say the same. Not surprisingly, those who have experienced a job loss are hit harder, with 24 percent saying they've already missed a mortgage payment. Some of the disparity is likely a function of different living situations, but the age differences play out in missed bill payments as a result of COVID-19, too. For example, 23 percent of younger consumers (55 and under) have missed a bill because of the pandemic, while 7 percent of older consumers say the same.

Survey questions to all respondents: As a result of the coronavirus (COVID-19) pandemic, have you or your household been impacted in any of the following ways? (Choice of 11 response options) / How concerned are you about the possible impact of the coronavirus (COVID-19) pandemic on the following?

### Payment types shift dramatically

During a time when 95 percent of consumers report having faced stay-at-home orders, many people adjusted the way they pay for goods and services. More the one in four (26 percent) say they have changed payment methods as a result of the pandemic.

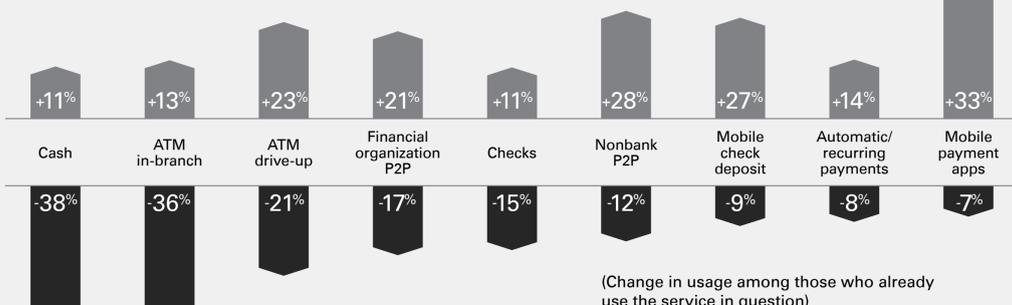
A significant number of consumers have increased or decreased use of certain payment methods. For example, of those who already use each service, 36 percent of people decreased use of in-branch ATM and 38 percent decreased use of cash since this pandemic began. On the other hand, 27 percent have increased use of mobile check deposits while 33 percent have increased use of mobile payment apps. For many, those changes are expected to be permanent.

### Changes in payment types could be lasting

(Among those who increased use)

**67%** Mobile payments app | **66%** Mobile check deposit | **64%** Automatic/recurring payments

expect increased use to be permanent



Survey question to all respondents: Have you changed your usage of any of the following since the coronavirus (COVID-19) pandemic? / Survey question to those who have increased the activity: For each of the following activities that you say have increased since the coronavirus pandemic, do you think this is a temporary increase or something you will maintain once normal activities have resumed in your life?

### Contactless Payments Gain Ground

Approximately 43 percent of banking consumers say their card has tap-and-pay functionality. Of those, 22 percent say they tap their card more than they insert it, while 27 percent say they use the two functions equally.

Consumers also have increasingly positive attitudes about contactless payments. Perceptions of it being the fastest, most secure, most convenient and most preferred method have all increased since 2019. For example, 37 percent of consumers believe tap-and-pay is the fastest method, up from 28 percent in 2019. And 19 percent say it is most preferred, up from 11 percent in 2019.

While these increases could be partly associated with the pandemic, they could also be attributable to a growing usage trend over time and increased awareness resulting from questions in this same survey that focused on attitudes about contactless payments.

Cash, on the other hand, has lost momentum, with 28 percent saying it is their least preferred payment method – up from 13 percent last year.

Survey question to all respondents: For each of the methods below, please indicate which payment method you believe is the fastest, most secure, most convenient to use, preferred method of payment and least preferred method of payment. If you don't have personal experience using a particular method below, please select a response based on what you may have seen or heard about it. / Survey question to those with a card with tap and pay functionality: Thinking only of the way you have paid for items in-person in the past two months, which of the following best describes your usage of the "insert" vs. the "tap and pay" functions of your credit card?

### Inserting a Card Versus Tap and Pay

(Usage in past two months, among those who have a tap-and-pay card)



### Attitudes Toward Various Forms of Payment

	Fastest	Most Secure	Most Convenient	Most Preferred	Least Preferred	Safest to Prevent COVID-19 Spread
Credit card (tap-and-pay)	<b>37%</b> (Up from 28% in 2019)	<b>16%</b> (Up from 9% in 2019)	<b>31%</b> (Up from 24% in 2019)	<b>19%</b> (Up from 11% in 2019)	<b>7%</b>	<b>42%</b>
Credit card (insert chip)	<b>28%</b>	<b>33%</b>	<b>36%</b>	<b>48%</b> (Down from 57% in 2019)	<b>4%</b>	<b>19%</b>
Cash	<b>19%</b> (Down from 28% in 2019)	<b>35%</b> (Down from 43% in 2019)	<b>15%</b> (Down from 21% in 2019)	<b>16%</b>	<b>28%</b> (Up from 13% in 2019)	<b>6%</b>
Mobile payment	<b>11%</b>	<b>9%</b>	<b>13%</b>	<b>11%</b>	<b>19%</b>	<b>24%</b>
Check	<b>2%</b>	<b>4%</b>	<b>3%</b>	<b>4%</b>	<b>37%</b> (Down from 47% in 2019)	<b>4%</b>

Those selecting "None of these" are not shown and range from 2–6%. Only changes of 5 percentage points or more since 2019 are noted.

Survey question to all respondents: For each of the methods below, please indicate which payment method you believe is the fastest, most secure, most convenient to use, preferred method of payment and least preferred method of payment. If you don't have personal experience using a particular method below, please select a response based on what you may have seen or heard about it.

### How Long Will It Take You to Go Into a Bank or Credit Union Branch Once It Opens?



### What Would Make People Feel Safe Going to the Branch?

- 64%** Hand sanitizers near transaction slips
- 63%** Required masks for employees
- 60%** Marked lines 6 feet apart approaching the teller window
- 59%** Wipes for pens at counters
- 59%** Plastic barrier at the teller window
- 57%** Policy for employees to stay home if they feel sick
- 56%** Waiting area configured for social distancing

(Among those who went in a branch for banking in the prior year)

Excludes response options below 50 percent

### Demand for branch safety accommodations is high

While a slight majority of consumers (54 percent) expect to visit a branch soon after opening, 46 percent say it will take 2–3 months or longer. Understanding what will make people feel safe is critical.

More than half of consumers say there are certain actions that will make them feel safe returning to the branch.

Those include hand sanitizers where transaction slips are filled out (64 percent), plastic barriers at teller windows (59 percent) and lines marking a six-foot distance approaching teller windows.

Survey question to all respondents: How long will it take you to do each of the following, once they open? / Survey question to those who visited a branch in the past year: Which of the following, if any, will make you feel safe to enter a bank/credit union branch again?

### About Fiserv

Fiserv, Inc. (NASDAQ: FISV) aspires to move money and information in a way that moves the world. As a global leader in payments and banking technology, the company helps clients achieve best-in-class results through a commitment to innovation and excellence in areas including account processing and digital banking solutions; card issuer consulting and network services; payments; e-commerce; merchant acquiring and processing; and the Clover® cloud-based point-of-sale solution. Fiserv is a member of the S&P 500® Index and the FORTUNE® 500, and is among the FORTUNE World's Most Admired Companies®.

### About The Harris Poll

The Harris Poll is one of the longest running surveys in the U.S. tracking public opinion, motivations and social sentiment since 1963 that is now part of Harris Insights & Analytics, a global consulting and market research firm that delivers social intelligence for transformational times. We work with clients in three primary areas: building twenty-first-century corporate reputation, crafting brand strategy and performance tracking and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible. To learn more, visit [theharris.com](https://www.theharris.com).

### Methodology

The survey was conducted online within the U.S. by The Harris Poll from May 8–26, 2020. A total of 3,014 interviews were conducted among U.S. adults ages 18 and older who met the following criteria: Someone in the household currently has a checking account with a bank, credit union, brokerage firm or other financial organization and has used their checking account to pay a bill or make a purchase in the past 30 days. The data were weighted to ensure that relevant demographic characteristics of the sample matched those of the U.S. general population. All respondents (not only those who met the qualifying criteria) were weighted to U.S. Census Bureau demographic profiles for the U.S. population, age 18+ on education, age, gender, race, income, region, marital status, employment status, household size and propensity to be online.

Notes: The reference questions and answer text provided here have in some cases been shortened due to space constraints. The complete text for any questions referenced in this report is available upon request. Age groups referenced in the survey are defined as follows: Gen Z (18–23), millennials (24–39), Gen X (40–55), boomers (56–74) and seniors (75+).