

Coronavirus Impact on the Financial Vertical

Now is arguably the most pivotal moment in the shaping of the public's trust of banks and financial institutions since 2009. Among the predictions for the crisis and beyond: financial strain, loans, low interest rates; to weather the storm mobile banking will be essential.



Financial Institutions Will Have to Prove Their Trustworthiness and Expertise through Messaging

Predictions for the Financial Industry

[eMarketer]



1. Lending needs of (individuals and businesses) will heighten.
2. More banks will temporarily suspend or amend loan repayment requirements and fees.
3. Falling interest rates will bring down savings rates, but will also fuel a boom in mortgage and auto financing.

Predictions for Fintech Sector

[eMarketer]

1. Funding totals will be down.
2. Stock market volatility will chill consumer investing.
3. Digitally-minded insurers will benefit from increased awareness and demand for their services.



Mobile, Online, and Remote Banking Options Will Succeed

Those well-equipped to handle remote/online banking will be well-prepared to weather the crisis: social distancing requirements have put strain on channels like telephone support, online and social media. Fintech companies are well-placed to deal with digital demand and remote working requirements.

[Econsultancy]

29%

of US internet users conduct mobile banking on a phone; 27% sometimes.

[eMarketer, February 2020]

89%

of adults in India consider banks an essential service.

[eMarketer, May 2020]

Young Adults are Especially Worried About the Financial Impact

With unemployment rate now at a record 14.7% due to the crisis, consumers are rightfully worried about their personal financial situation, especially millennials:

25%

of 18-to-29s reported being "financially affected by the coronavirus"

[Economist/YouGov polling via eMarketer, April 2020]

80%

of 25-to-44s said they were worried about their "personal financial situation," vs. **78% of 18-to-24s, 74% of 45-to-64s and 62% of those 65 and older.**

[Elon University survey via eMarketer, March 2020]

47%

of 18 to 34 year olds are concerned about paying for basic needs without going into debt

[LeanIn.Org and SurveyMonkey via eMarketer, May 2020]

51%

of 18 to 34 year olds are concerned about paying rent/mortgage **as compared to 38% and 14%**

[LeanIn.Org and SurveyMonkey via eMarketer, May 2020]

Budget Shifted to Digital:

Post-'08 Examples:

“Safe and Sound” Today, the brands that will make the greatest impact and weather the storm are those that can get positive, educational, and valuable content in front of people to build trust and establish themselves as experts. Financial institutions and fintech, in particular, need to **prioritize building trust, offering sound advice, and pushing longevity and experience**; consumers are craving steady, stable, “safe and sound” figures that care deeply. In times where our security is threatened, people are hardwired to seek clarity and calm, according to Econsultancy.



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