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Fiserv Survey Shows Many Consumers Fret Over Finances, Even as New Tools Gain Traction

Expectations & Experiences: Household Finances highlights rapid shift in payments perceptions, openness to tools for security and convenience

BROOKFIELD, Wis.--(BUSINESS WIRE)-- Satisfaction with finances remains elusive for most consumers, according to the latest quarterly consumer trends survey from [Fiserv, Inc.](https://www.fiserv.com) (NASDAQ: FISV), a leading global provider of financial services technology solutions. Just 37 percent of consumers are satisfied with their financial health, and nearly one in three consider money management a burden. Yet, results from Expectations & Experiences: Household Finances highlight opportunities for services that address money frustrations and offer enhanced security, convenience and consolidated financial management consumers would embrace.

Conducted online by The Harris Poll on behalf of Fiserv, Expectations & Experiences is one the longest-running research studies of its kind and builds on years of consumer survey data. Results are available at <https://fisv.co/expectations-pr>.

“Although money management remains a challenge for many households, there is an openness to new ways of doing things,” said Devin McGranahan, senior group president, Billing and Payments, Fiserv. “While consumers already rely on mobile access and transaction alerts, financial institutions and billing organizations can create more intelligent experiences that build loyalty, instill confidence and improve financial management through enhanced bill payment reminders, real-time payments and instant fraud alerts.”

Satisfaction with Financial Health Lower than Other Areas

Of the 30 percent of consumers who think managing their finances is a burden, 59 percent perceive the task as an obligation and 47 percent say it is a reminder of financial difficulties. More than one in 10 consumers have taken a cash advance or short-term loan in the past year, and 38 percent would have difficulty or be unable to repay a \$500 loan today. Consistent with last year, satisfaction with financial well-being (37 percent) continues to be rated lower than emotional health (54 percent), social life (45 percent) and physical health (44 percent).

Security Spurs Shift in Perception, Adoption

Less than three years into wide availability of EMV[®] cards, inserting a chip card is now the most preferred way to pay (36 percent), topping other forms of payments such as swiping a card (30 percent), cash (17 percent), and check (8 percent). Relative to the previous year’s survey, chip cards made significant strides in preferred method of payment (up 9 percentage

points to 36 percent), perception of convenience (+12 to 32 percent) and fastest payment method (+9 to 24 percent).

Transaction alerts are received by nearly two in three consumers (64 percent) with a credit or debit card. A sense of security (67 percent) and previous fraud (43 percent) are the most common reasons for using transaction alerts, while a third of consumers (33 percent) cited it as a convenient way to manage transactions. Millennials (ages 18 – 37) were more likely to receive alerts because it's a convenient way to manage transactions. Among all consumers who receive alerts, 42 percent say they have detected fraud via alerts.

Consumers Want Options in Step with their Lives

Use of mobile apps to track spending jumped 7 percentage points from 2015 to 26 percent. More than twice as many early millennials (60 percent) use mobile apps to track spending. Conversely, use of checkbook registers declined 5 percentage points to 44 percent over the same period (49 percent in 2015), primarily driven by boomers (66 percent in 2015 as compared to 57 percent in 2017).

Presented with potential tools that would be helpful in managing finances or investments, 34 percent of consumers and 48 percent of millennials said the ability to manage all their financial accounts using a single online location or app was of interest. Although aggregation services are considered the most helpful way to manage finances or investments, few consumers currently use such services to track spending (8 percent).

Consumers Open to New, Innovative Solutions

More than one in three (35 percent) consumers would be interested in the ability to transfer funds from one ATM to another, and 62 percent of millennials report interest in this option. Cardless cash solutions for ATM withdrawals appeal to nearly two in five consumers (37 percent) and over half of millennials. Just 7 percent already use this service, and 22 percent would only use in an emergency (e.g., a forgotten wallet), while 16 percent feel it would keep others from accessing their PIN, and 6 percent would do so to avoid carrying their debit card.

Consumers show interest in solutions that both protect and ease the money management process, and 66 percent of consumers would be interested in a security program to safeguard mobile activity, while 56 percent indicate interest in voice, fingerprint, palm or retina scan to verify identity when banking online or using a mobile device instead of passwords or PINs.

In a world moving faster than ever before, Fiserv helps clients deliver solutions in step with the way people live and work today – financial services at the speed of life. Learn more at [fiserv.com](https://www.fiserv.com).

Additional Resources:

- Expectations & Experiences: Household Finances results – <https://fisv.co/expectations-pr>
- Expectations & Experiences: Household Finances images – <https://www.flickr.com/gp/fiserv/2eNZ4s>

Methodology

The survey was conducted online within the United States by The Harris Poll between August 22 and September 7, 2017. A total of 3,081 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 have used their checking account to pay a bill or make a purchase in the past 30 days. The data were weighted to ensure relevant demographic characteristics of the sample matched those of the U.S. General Population. All respondents were weighted to U.S. Census Bureau demographic profiles for the U.S. population.

About Fiserv

Fiserv, Inc. (NASDAQ: FISV) enables clients worldwide to create and deliver financial services experiences in step with the way people live and work today. For more than 30 years, Fiserv has been a trusted leader in financial services technology, helping clients achieve best-in-class results by driving quality and innovation in payments, processing services, risk and compliance, customer and channel management, and insights and optimization. Fiserv is a member of the FORTUNE[®] 500 and has been named among the FORTUNE Magazine World's Most Admired Companies[®] for five consecutive years, recognized for strength of business model and innovation leadership. For more information, visit fiserv.com.

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