

FINTECH TRENDS

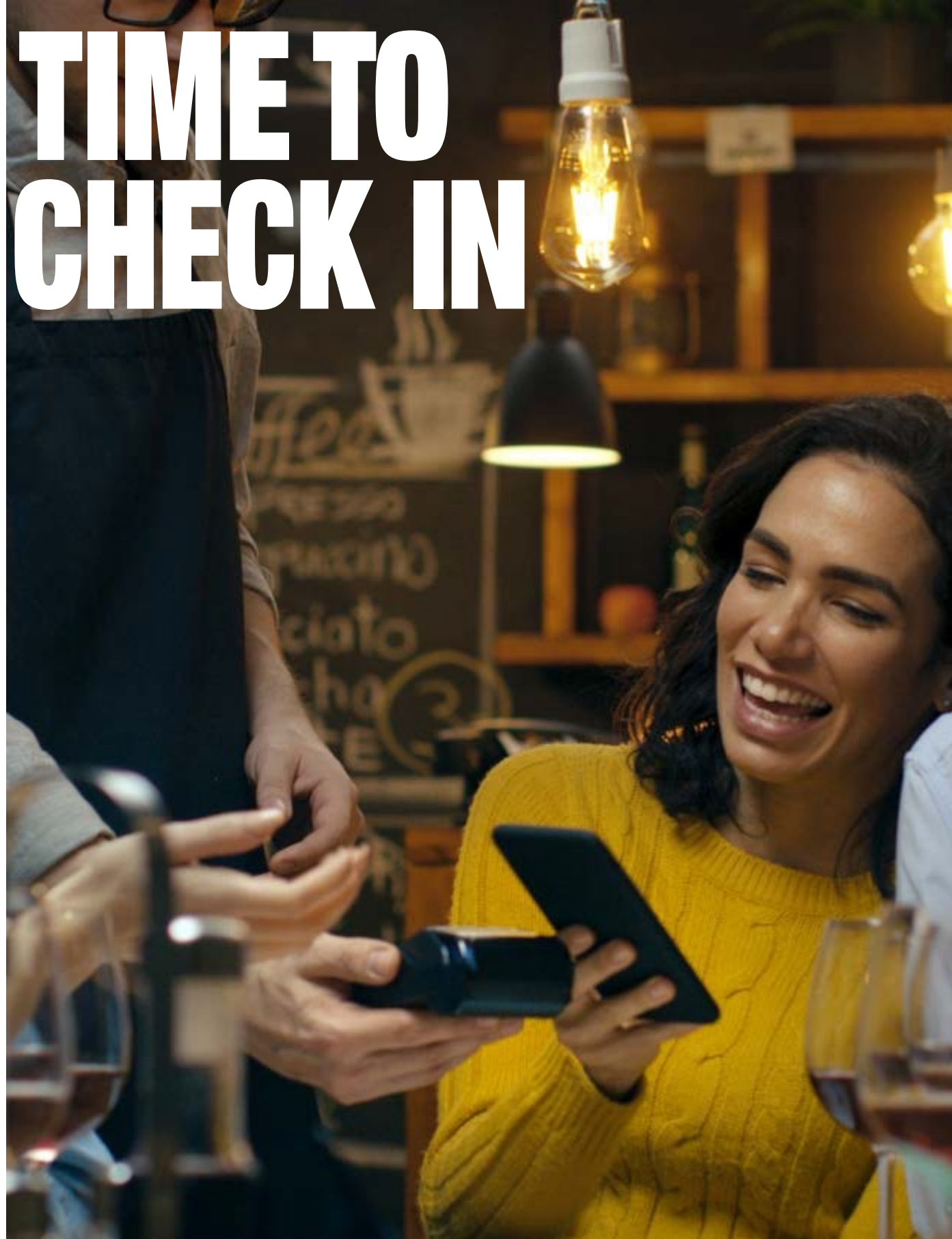
USA
APRIL 2022



M&G
SAATCHI
PERFORMANCE

WHY IT'S

TIME TO CHECK IN



FINTECH ADOPTION IN THE USA IS MATURING AT A RECORD BREAKING RATE, ACCELERATED BY THE PANDEMIC, AUDIENCES AND INVESTMENTS.

BY 2021

88%

of Americans were using fintech products.

AT

79%

Adoption, baby boomers are the fastest growing fintech customer segment in the USA.

CONTENTS



THE FINTECH LANDSCAPE IN THE USA, 2022



DEEP DIVE INTO FINTECH SECTORS;

- NEOBANKS
- BUY NOW PAY LATER
- CRYPTO CURRENCIES
- RETAIL INVESTMENTS



WHAT GROWTH MEANS FOR MARKETERS

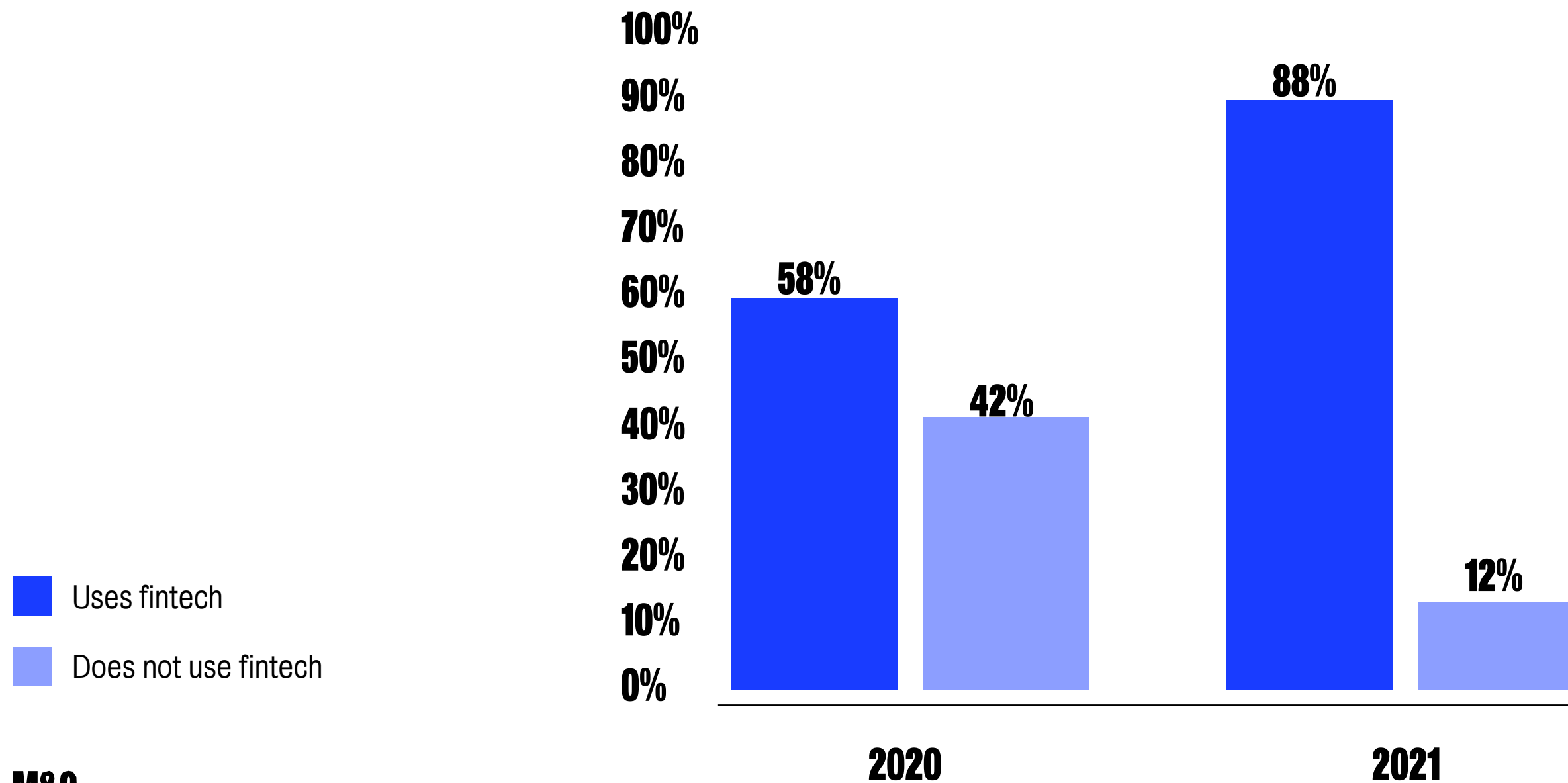
01

**THE FINTECH
LANDSCAPE
IN THE USA,
2022**



ACCELERATED BY THE PANDEMIC FINTECH ADOPTION CONTINUES TO GROW AMONG AMERICAN CONSUMERS

FINTECH ADOPTION IN THE USA



58%

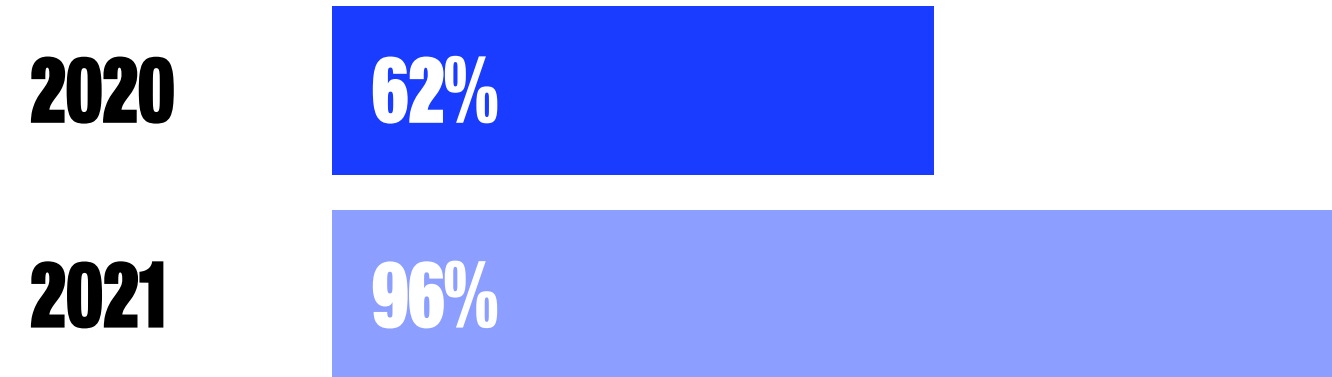
Of Americans say they can't live without tech to manage their finances.

80%-90%

Of American fintech consumers plan to use these solutions just as frequently or even more often going forward.

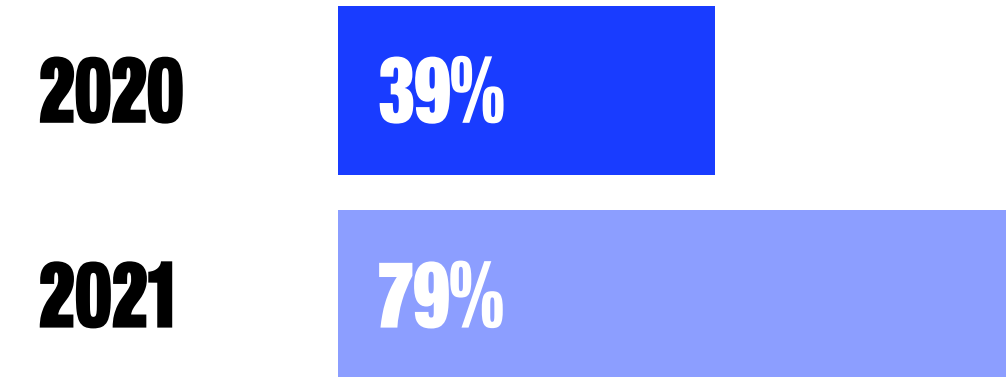
RISING FINTECH ADOPTION HAS LED TO RAPID GROWTH AMONG NEW CONSUMER SEGMENTS

FINTECH ADOPTION AMONG HISPANIC AMERICANS



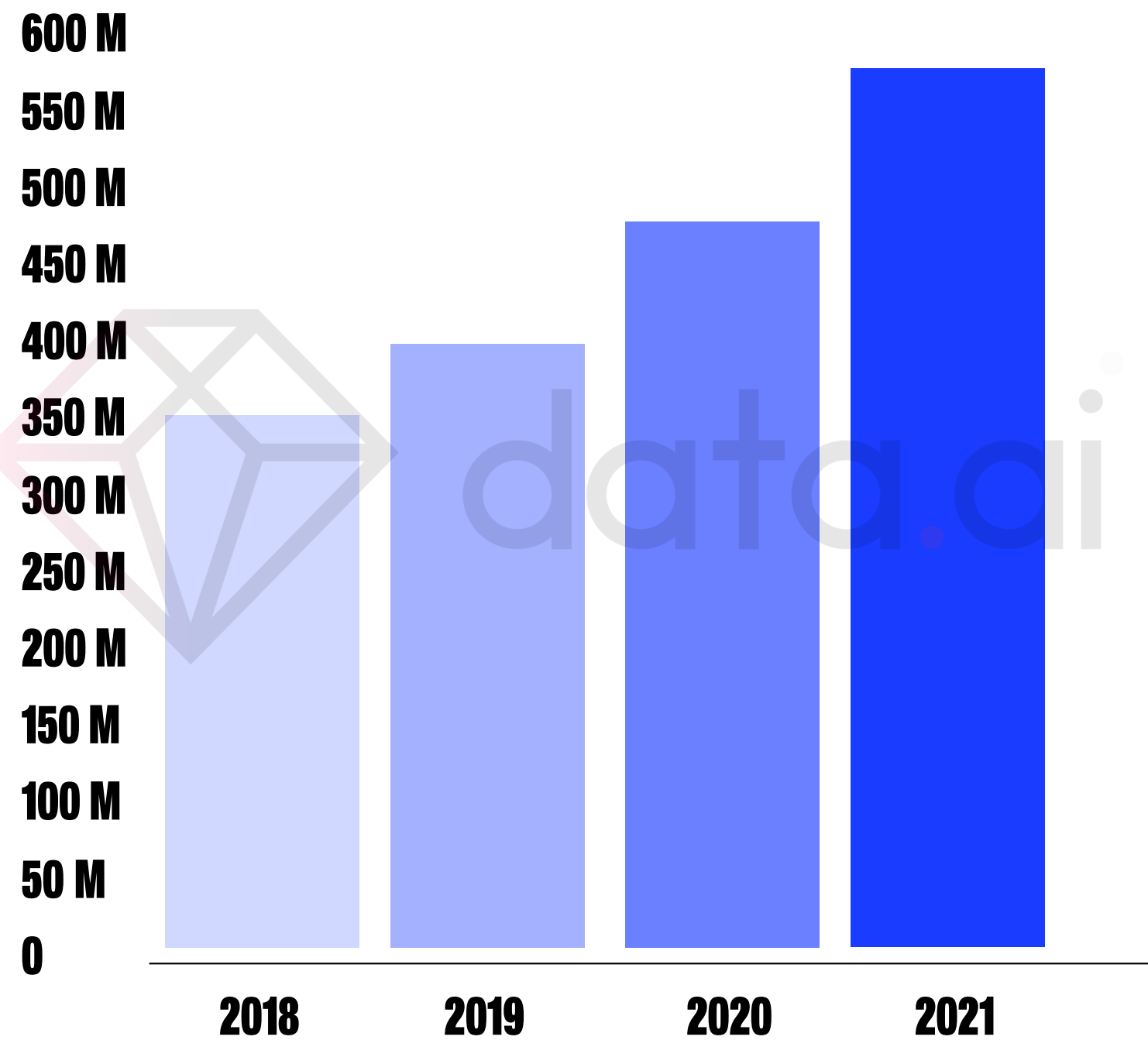
BABY BOOMERS ARE THE FASTEST GROWING FINTECH CONSUMER SEGMENT IN THE USA

FINTECH ADOPTION AMONG BABY BOOMERS

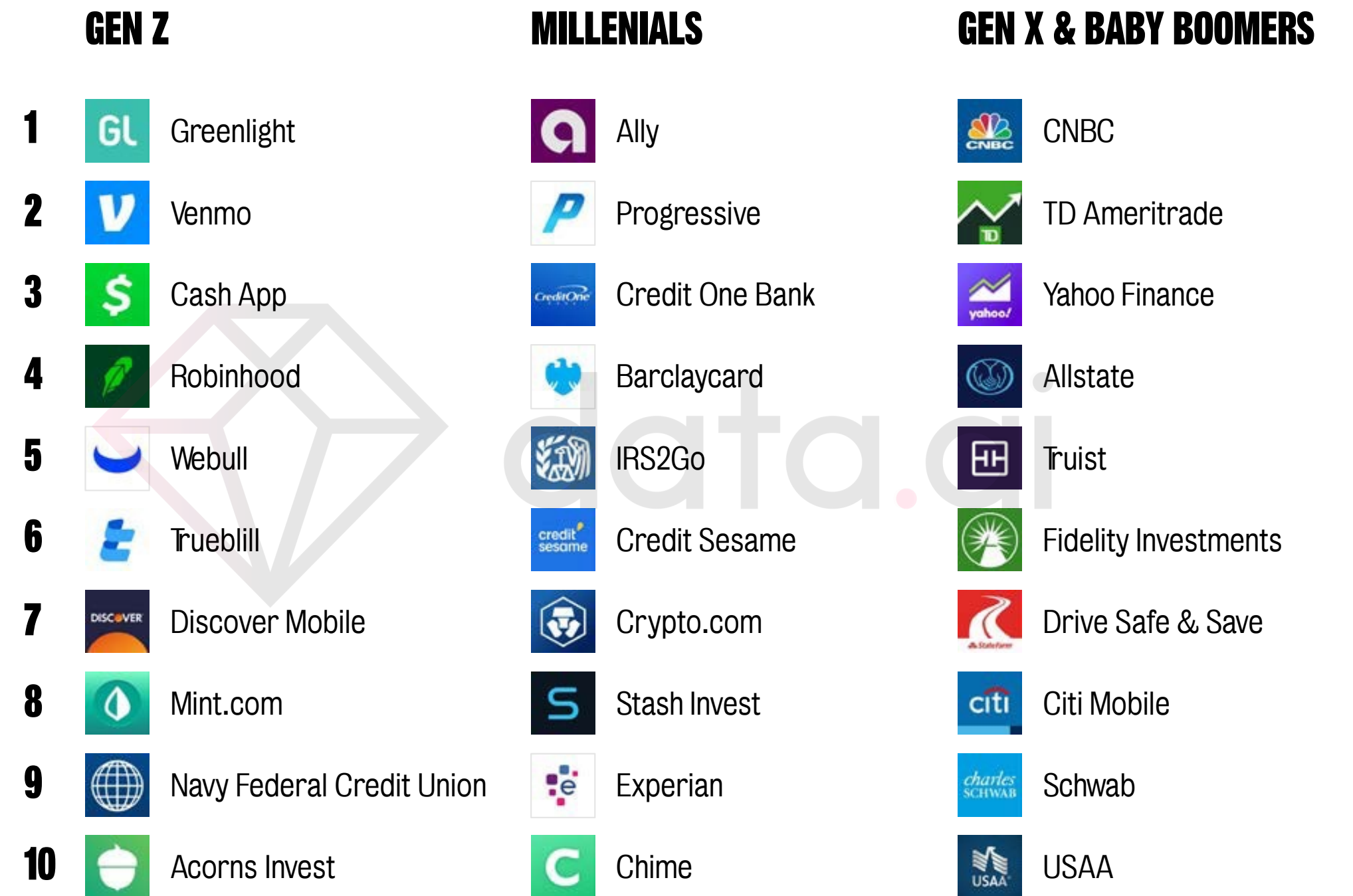


US FINTECH; APP DOWNLOADS AND CONSUMERS GROWTH

FINANCE APP DOWNLOADS BY COUNTRY UNITED STATES



TOP FINANCE APPS BY MAU BY LIKELIHOOD OF USE, UNITED STATES



DIGITAL PAYMENT IS THE MOST POPULAR FINTECH SEGMENT AMONG AMERICAN CONSUMERS



SAVINGS AND INVESTMENT SOLUTIONS SAW THE HIGHEST SURGE IN ADOPTION IN 2021

↑↑↑ **24%**
growth in use of digital savings tools.

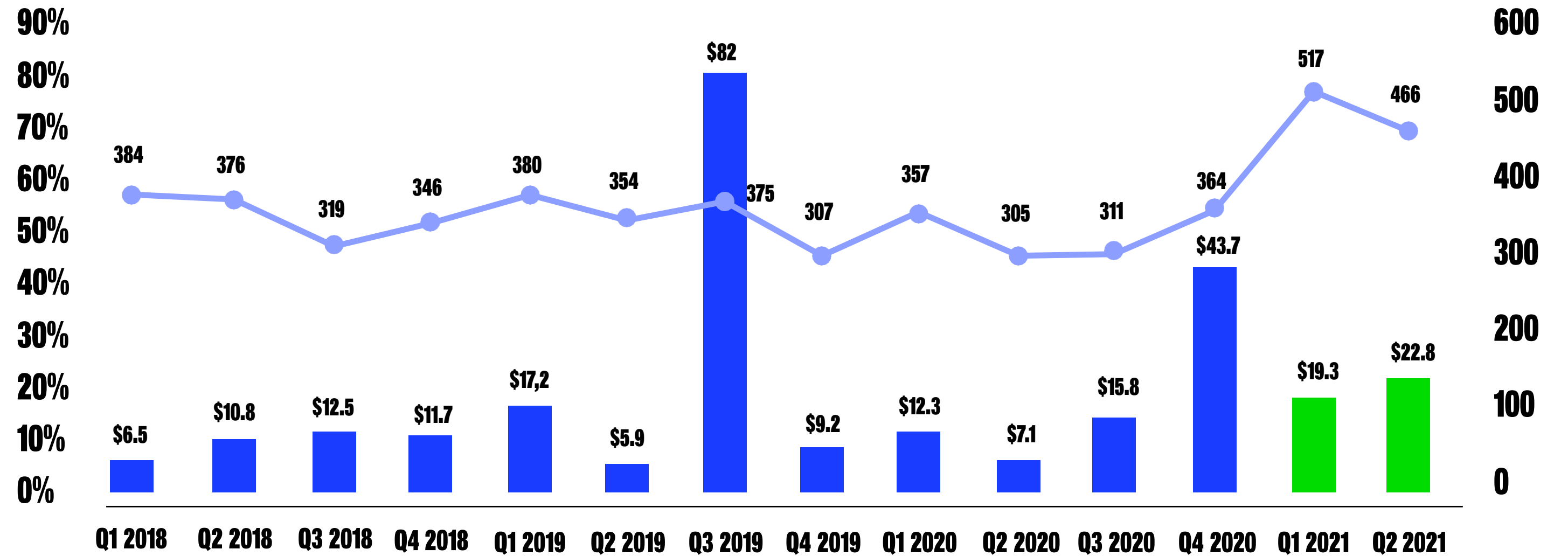
↑↑↑ **18%**
growth in use of online investing tools.

FINTECH IS ONE OF THE MOST ACTIVE INVESTMENT SECTORS IN THE USA

TOTAL FINTECH INVESTMENT IN H1 2021 REACHED

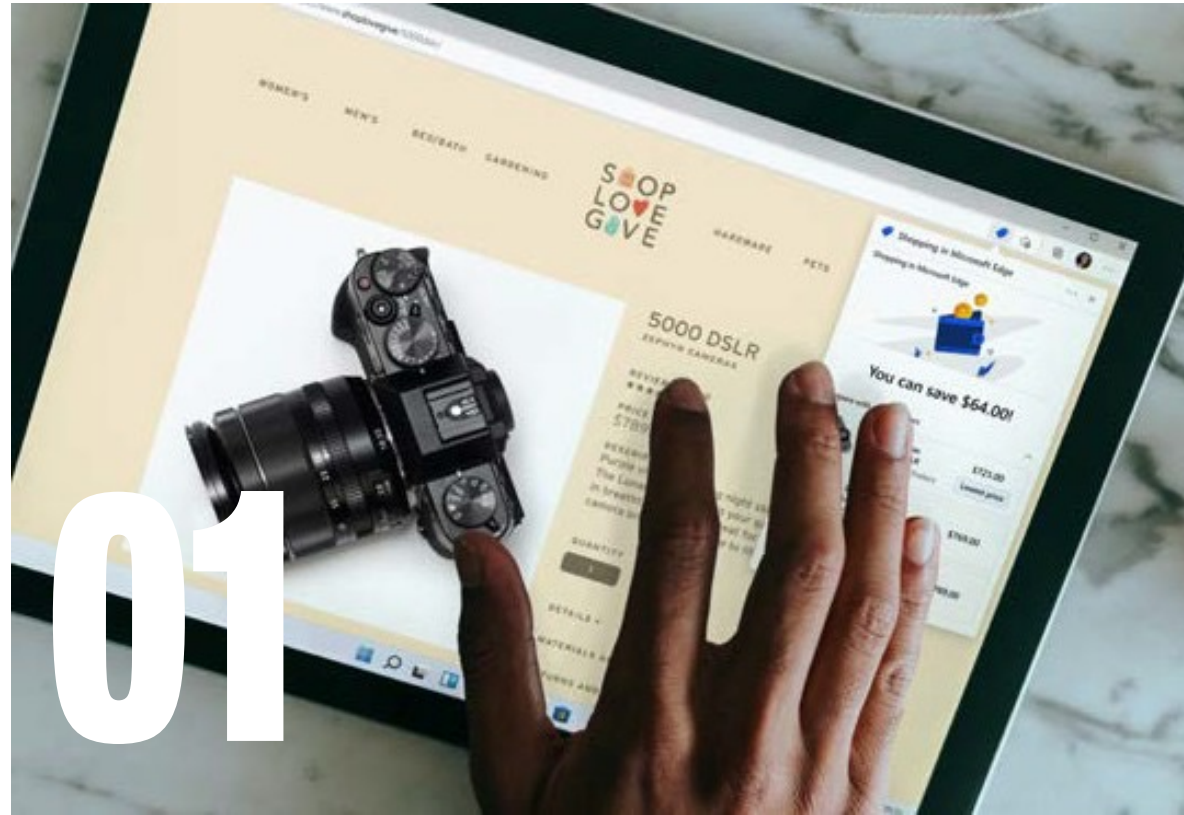


TOTAL FINTECH INVESTMENT ACTIVITY (VC, PE AND M&A) USA, 2018-H1 2021



Deal value (\$B)
Deal count

WHAT'S DRIVING GROWTH OF FINTECH IN THE USA?



RISING ADOPTION OF E-COMMERCE

The pandemic induced shift to online purchases led to exponential growth in e-Commerce adoption in the USA. This in turn has propelled the use of digital payment solutions among American consumers.



RISE OF NEW CONSUMER SEGMENTS

Although traditionally fintech solutions have struck a chord with younger and more affluent consumers, new consumer segments are noting rapid growth in adoption of fintech. Baby boomers are the fastest growing fintech consumer segment in the USA.



UPSWING IN FINTECH INVESTMENT

High volumes of funding from venture capital, private equity and institutional investors is fueling fintech innovation in the country. In H1 2021, VC investment in fintech's surged past \$25 billion.

02

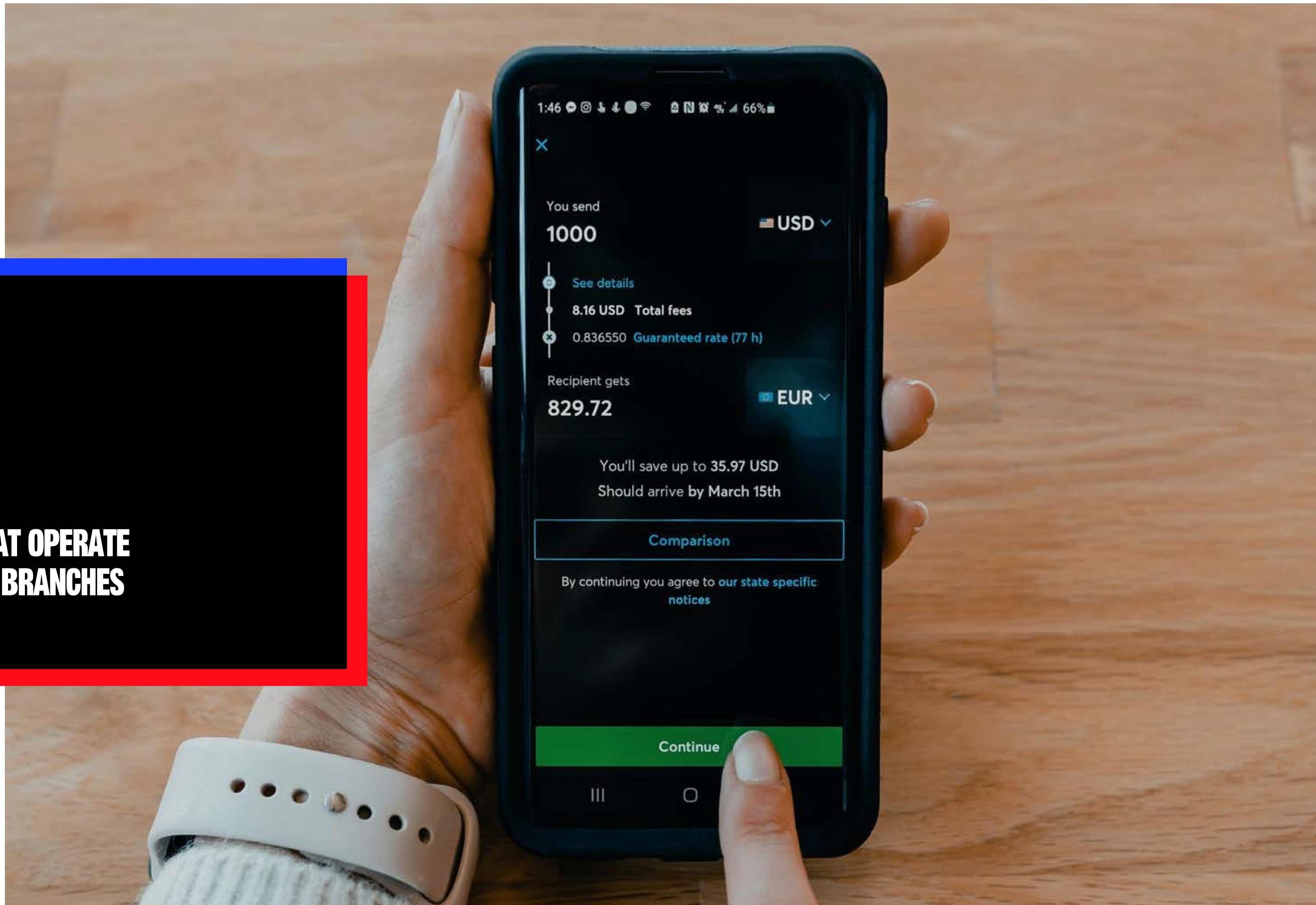
DEEP DIVE INTO FINTECH SEGMENTS

NEOBANKS, BUY NOW PAY LATER,
CRYPTO CURRENCIES, RETAIL INVESTMENTS



NEO BANKS

DIGITAL ONLY BANKS THAT OPERATE
WITHOUT ANY PHYSICAL BRANCHES



AS THE DEMAND FOR DIGITAL BANKING GROWS, PENETRATION OF NEOBANKS AMONG AMERICANS IS FORECAST TO GROW TO 20% BY 2025

NEOBANKING GROWTH DRIVERS

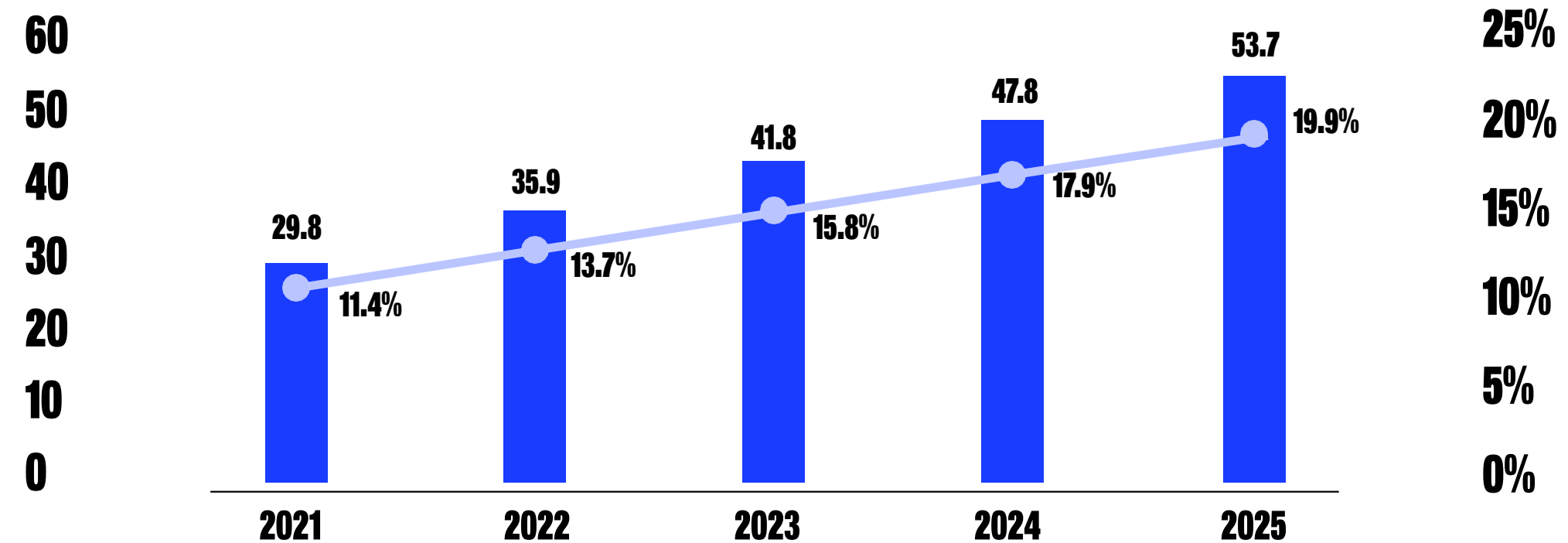
Growing demand for digital banking services from younger consumers.

Increasing trust of digital-only banks by consumers of all ages.

Increased consumer interest in swapping out cash and credit cards for financial service mobile apps.

- Millions
- % of population

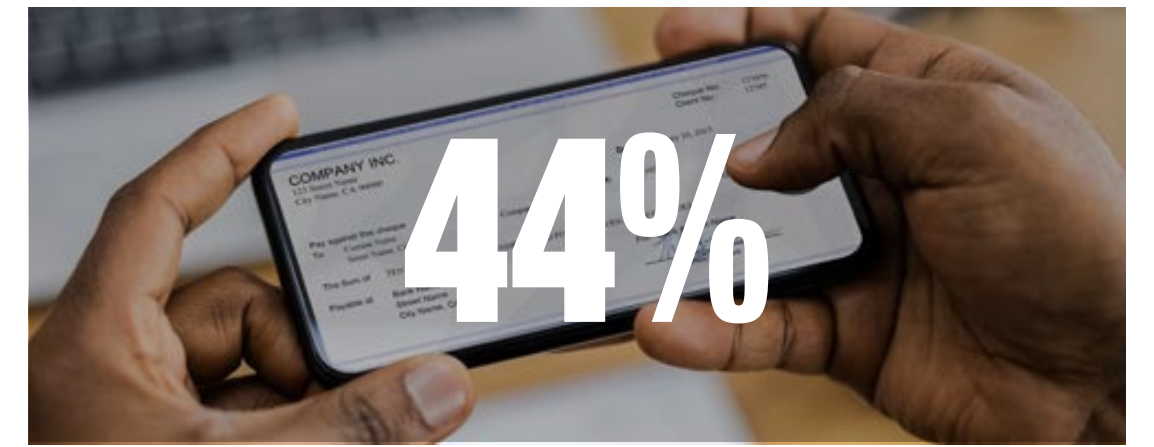
NEOBANK ACCOUNT HOLDERS AND PENETRATION IN THE USA 2021-2025



SECURITY, CONTROL AND TRANSFER RELATED FEATURES ARE THE MOST IN-DEMAND NEOBANK FEATURES IN THE USA



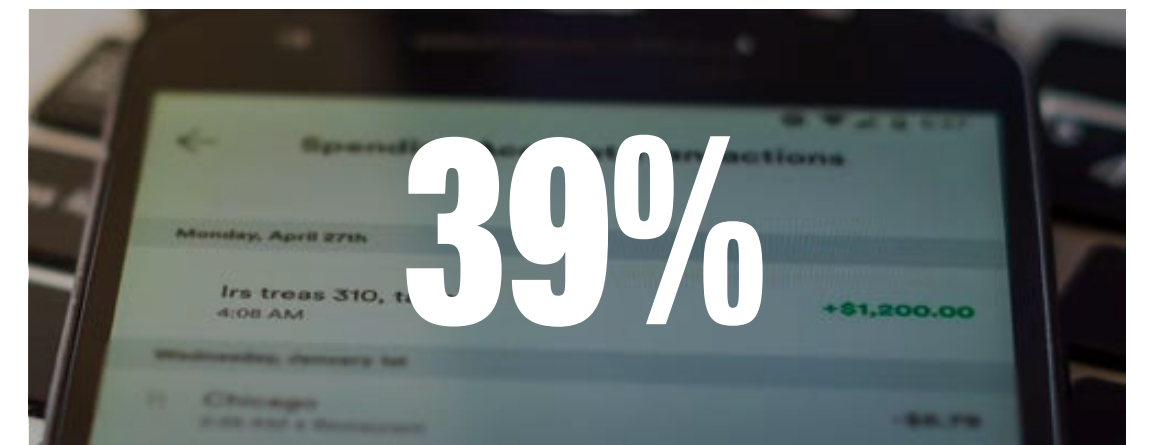
**SEE IF SOCIAL SECURITY NUMBER
HAS BEEN BREACHED**



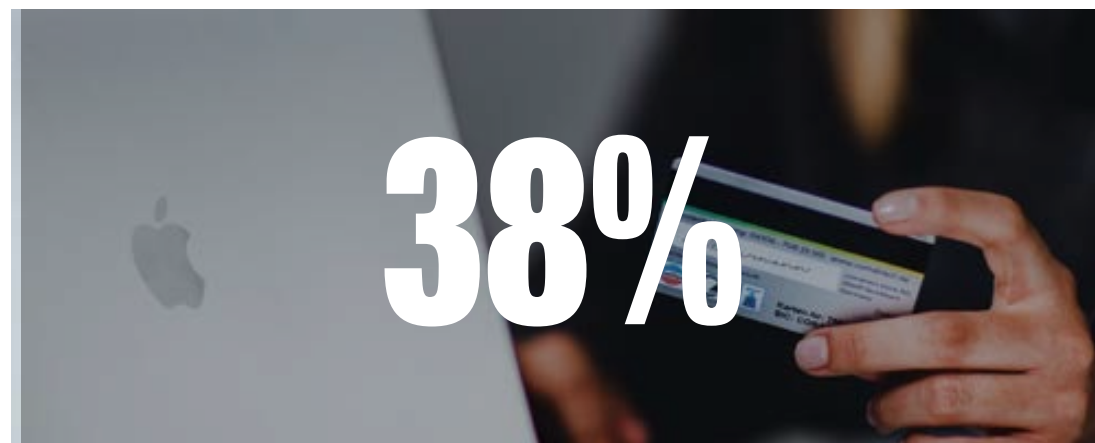
**SET UP DIRECT DEPOSIT
ELECTRONICALLY**



**ORDER A REPLACEMENT
DEBIT CARD**



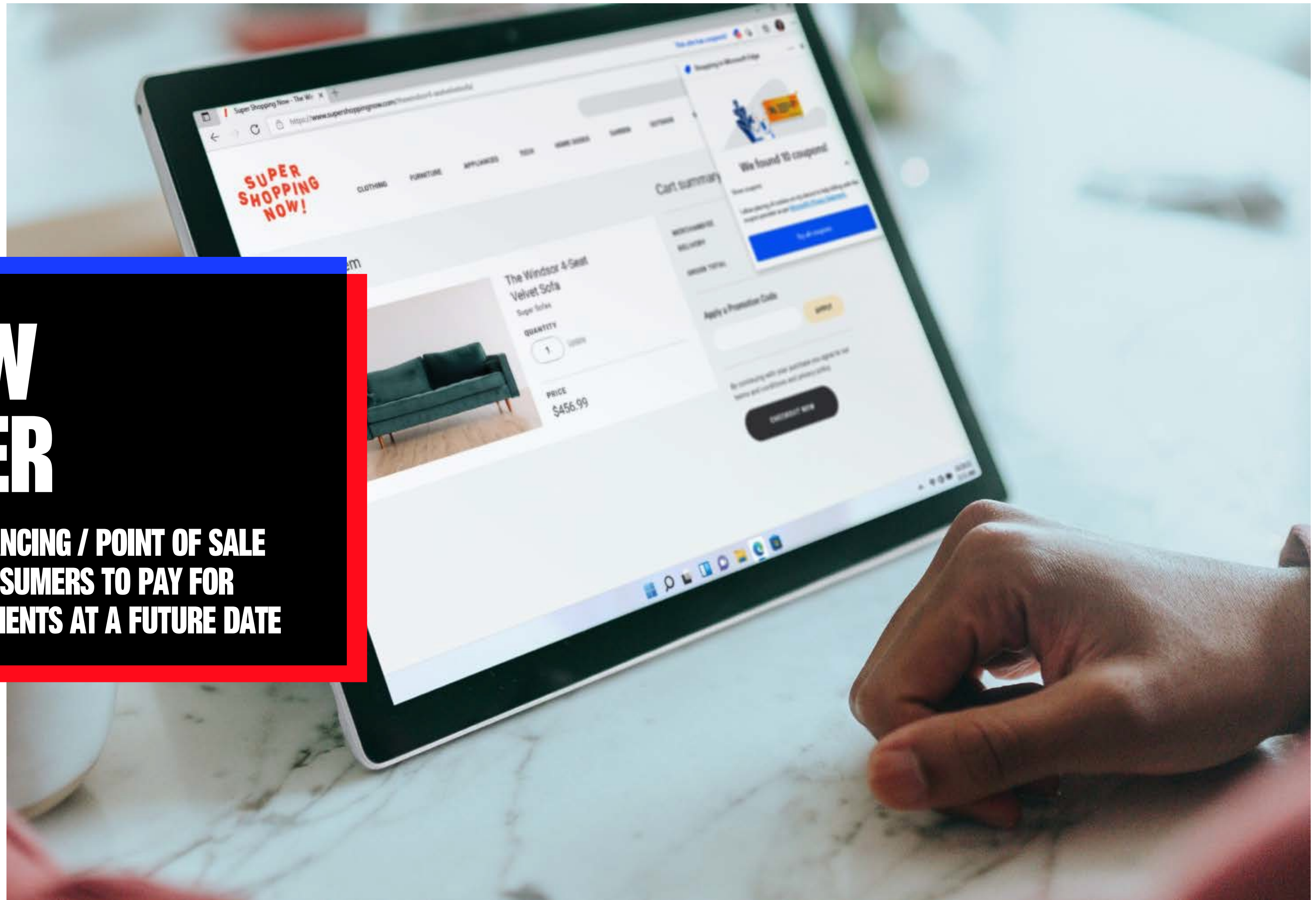
**TRANSFER MONEY INSTANTLY TO
YOUR OTHER BANK ACCOUNTS**



**FILE A DEBIT CARD
TRANSACTION DISPUTE**

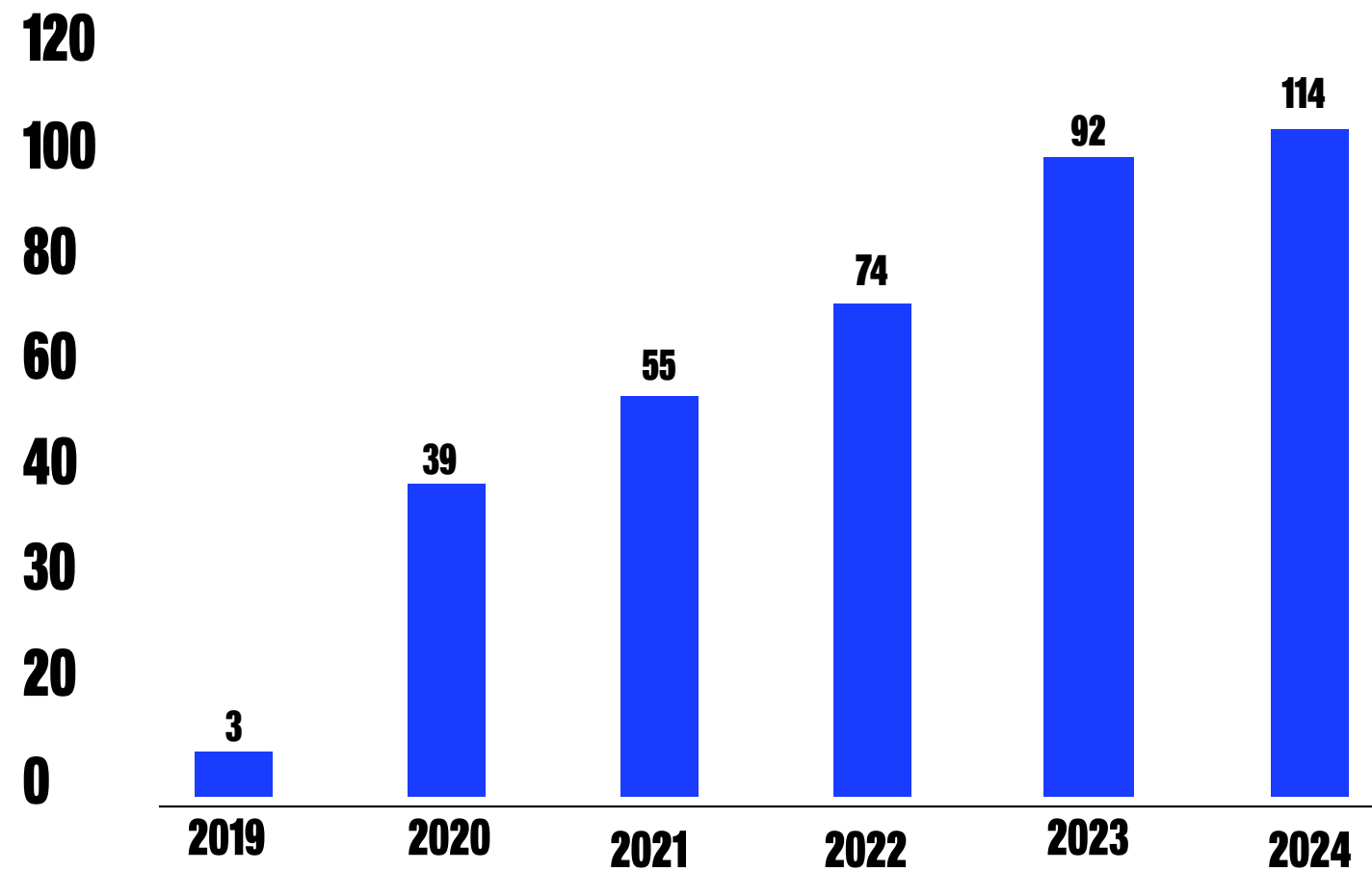
BUY NOW PAY LATER

**BNPL: SHORT TERM FINANCING / POINT OF SALE
LOANS THAT ALLOW CONSUMERS TO PAY FOR
PURCHASES IN INSTALLMENTS AT A FUTURE DATE**



BNPL GROWTH IN THE USA RECEIVED A PANDEMIC BOOST BUT IS EXPECTED TO CONTINUE TO GROW AS AMERICANS INCREASINGLY LOOK FOR MONEY LENDING ALTERNATIVES TO AVOID NEW CREDIT CARD DEBT

**BUY NOW PAY LATER MARKET IN THE USA
2019-2024**



1200%

Growth in BNPL lending in the USA in 2020 owing to the onset of the pandemic.

■ USD Billions

BNPL SERVICES ARE ESPECIALLY POPULAR AMONG YOUNGER AMERICAN CONSUMERS

60% of Gen Zs and over a third of millennials don't currently have or use a credit card. However, given the high cost of living, student loans and less accumulated wealth among these populations, they are in need of credit sources. This need is driving usage of BNPL services among younger Americans who are looking to improve their cash flow without the use of credit cards.

% WHO SAY THEY USED A BUY NOW PAY LATER SERVICE IN THE LAST WEEK



ALL AMERICANS



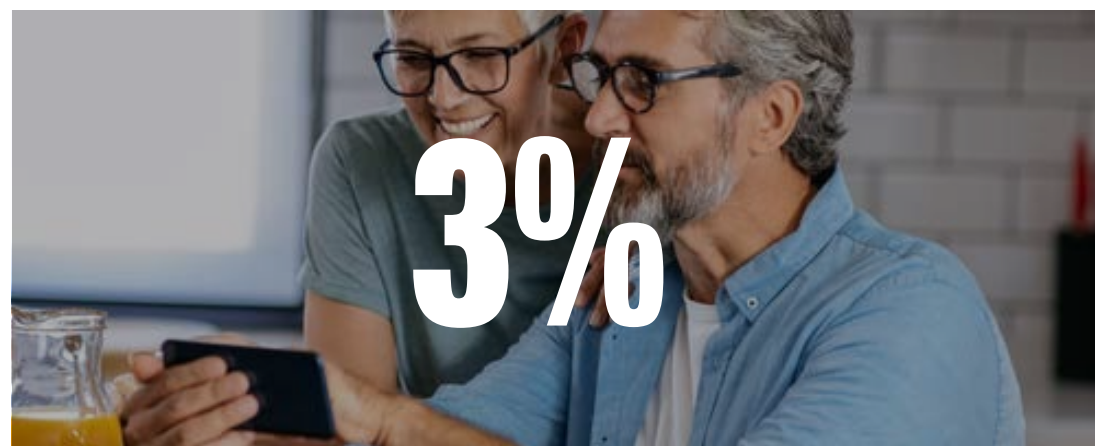
GEN Z



MILLENNIALS



GEN X



BABY BOOMERS



HOWEVER...

34%

of BNPL users have missed one or more payments.

YOUNGER GENERATIONS ARE MOST LIKELY TO MISS PAYMENTS

25%

of millennials have missed one payment.

30%

of Gen Z have missed two payments

LOW-COST PURCHASES DRIVE BNPL SPEND AMONG AMERICAN CONSUMERS

HOME FURNISHINGS AND ELECTRONICS ARE AMONG THE TOP BNPL SPEND CATEGORIES

AVERAGE SPEND USING BNPL SERVICES

65%

\$500 or less

35%

More than \$500

Low-cost purchases are most common among Gen Z, with nearly half using BNPL services to pay for purchases of \$100 or less

High-cost purchases are most common among Gen X (11%) and Baby Boomers (17%), using BNPL services to pay for purchases over \$3000

TOP CATEGORIES FOR BNPL PURCHASES



42%

HOME AND FURNITURE GOODS



30%

ELECTRONICS



24%

APPAREL



CYRPTO CURRENCY

**CRYPTO CURRENCY: TRADABLE
DIGITAL / VIRTUAL CURRENCY BUILT
ON BLOCKCHAIN TECHNOLOGY**

16% OF AMERICAN CONSUMERS HAVE INVESTED, TRADED OR USED CRYPTOCURRENCY

YOUNGER, MALE AUDIENCES ARE MORE LIKELY TO INVEST IN CRYPTOCURRENCY

62%
OF AMERICANS

say they have heard at least a little about cryptocurrency.

Men are
2X MORE LIKELY

than women to say they have used cryptocurrency.

16%
OF AMERICANS

say they have invested in, traded or used cryptocurrency.

Americans with
HIGHER INCOMES

are more likely than those with middle and lower incomes to have heard a lot about cryptocurrency.

3 IN 10
AMERICANS AGES 18 TO 29

say they have invested in, traded or used a cryptocurrency.

ASIAN, AFRICAN AMERICAN AND HISPANIC ADULTS

are more likely than White adults to say they have ever invested in, traded or used a cryptocurrency.

RETAIL INVESTMENT

INVESTMENTS MADE BY NON-PROFESSIONAL
MARKET PARTICIPANTS

The smartest
thing to do with
your money

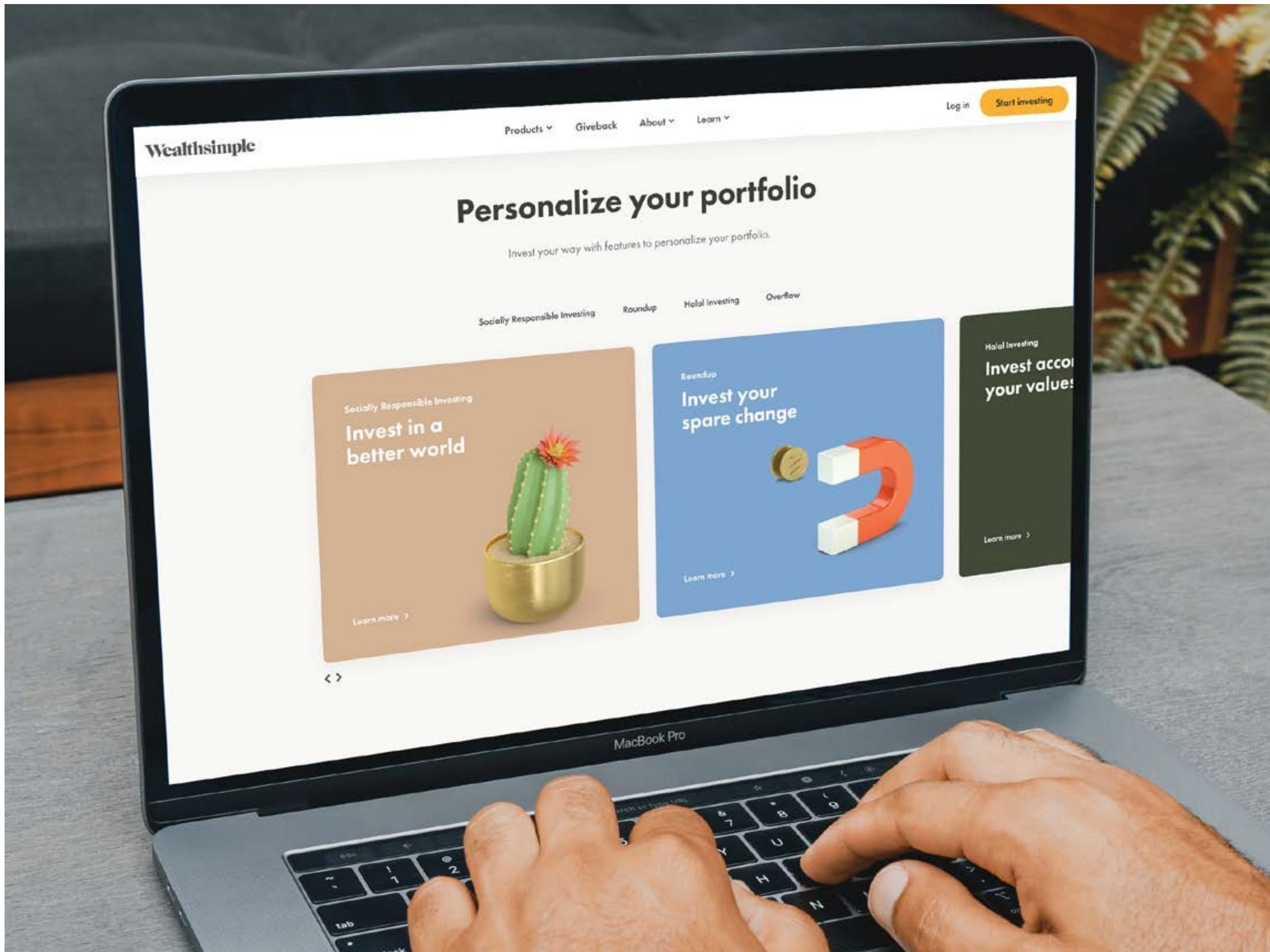
We'll build you an intelligent,
personalized portfolio using
diversified, low-cost ETFs



Start investing

Already have an account? [Log in.](#)

By continuing you accept the [Terms of Use](#)



8.5%-10%

of American adults opened a new taxable investment account in 2020.

3%-5%

of them being first-time investors.

AMERICAN RETAIL

INVESTORS OF TODAY: KEY FACTS AND STATS



22%

OF NEW RETAIL INVESTORS

are under 30, compared to 6% before 2020.

Most new taxable accounts have

LESS THAN \$500

17%

OF NEW INVESTORS

are African American, of which 53% are women.

Recent market entrants prefer

MOBILE APPS

to websites.

90%

OF NEW RETAIL INVESTORS

trade fewer than three times per month.

New, young investors favor

FRIENDS, FAMILY & SOCIAL MEDIA

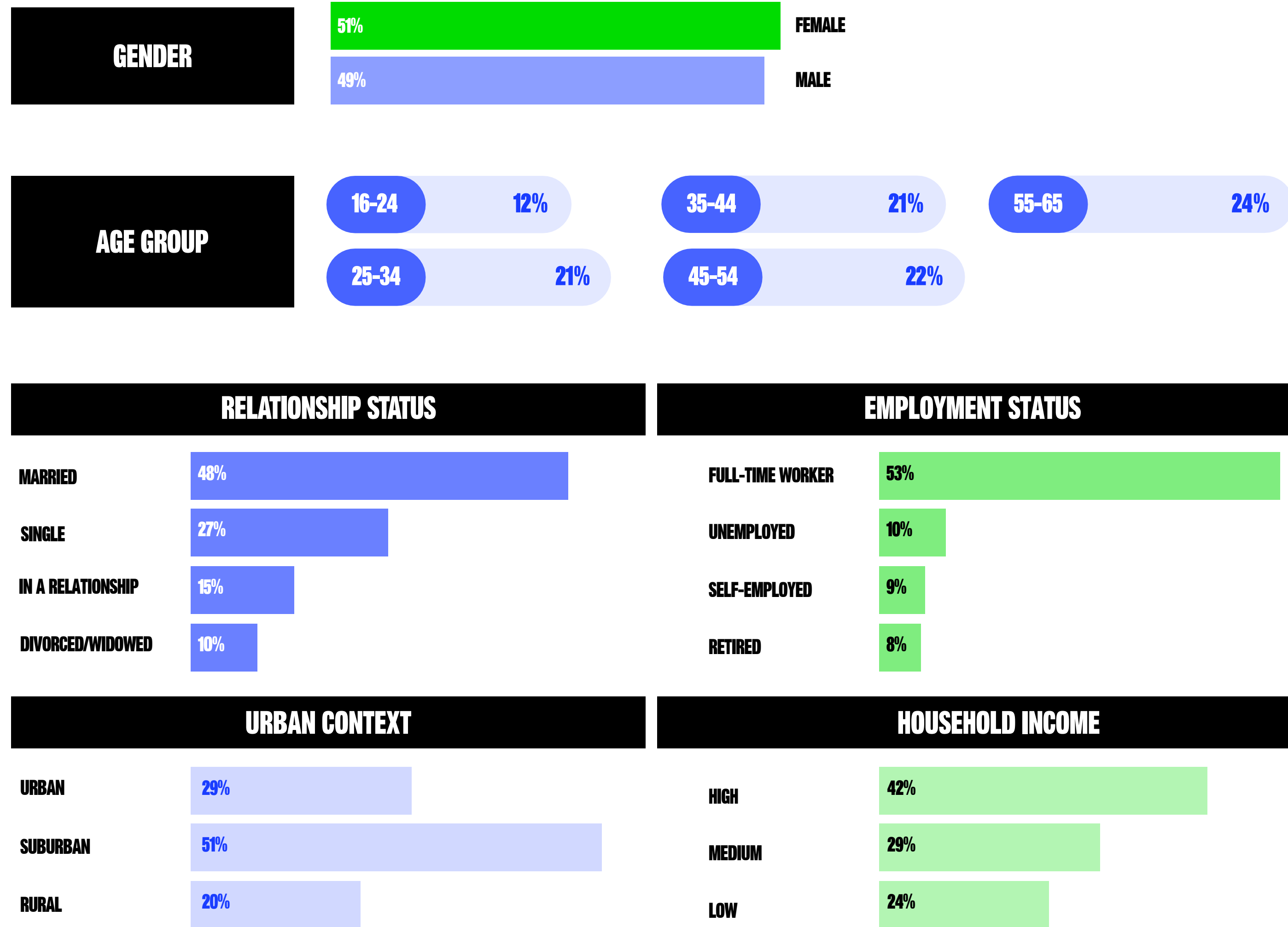
for investment information.

03

WHAT GROWTH MEANS FOR ADVERTISERS

FULL-TIME WORKERS FROM HIGH INCOME HOUSEHOLDS FORM THE MAJORITY OF FINTECH USERS IN THE USA

Audience: Fintech users have been defined as Americans aged 16-64 who have used a banking, insurance or investing website or app in the last month.



FACEBOOK AND GOOGLE OFFER THE HIGHEST REACH AUDIENCES FREQUENT ONLINE SHOPPING PLATFORMS

DEFINITIONS

Audience: Fintech users have been defined as Americans aged 16-64 who have used a banking, insurance or investing website or app in the last month.

%: reach; ie how many people in your Audience have agreed to a statement or used a particular platform in the past month.

IX: to affinity; comparing an Audience to the total internet population, ie shows how much more or less likely they are to match with a data point. The numerical distance from 100 shows the percentage difference compared to the base audience. For example, an index figure of 110 means the Audience is 10% more likely than the base audience to match with a data point.

TOP SOCIAL MEDIA PLATFORMS

 **FACEBOOK**
82%, IX 108

 **FACEBOOK MESSENGER**
69%, IX 109

 **INSTAGRAM**
65%, IX 105

 **PINTEREST**
47%, IX 117

 **TWITTER**
45%, IX 109

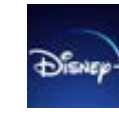
TOP ENTERTAINMENT PLATFORMS

 **NETFLIX**
72%, IX 106


 **YOUTUBE**
57%, IX 105

 **AMAZON PRIME VIDEO**
53%, IX 115

 **HULU**
47%, IX 105

 **DISNEY+**
42%, IX 109

TOP OTHER WEBSITES & APPS USED

 **GOOGLE**
91%, IX 110

 **AMAZON**
89%, IX 114

 **WALMART.COM**
63%, IX 116

 **GOOGLE MAPS**
60%, IX 132

 **EBAY**
42%, IX 117

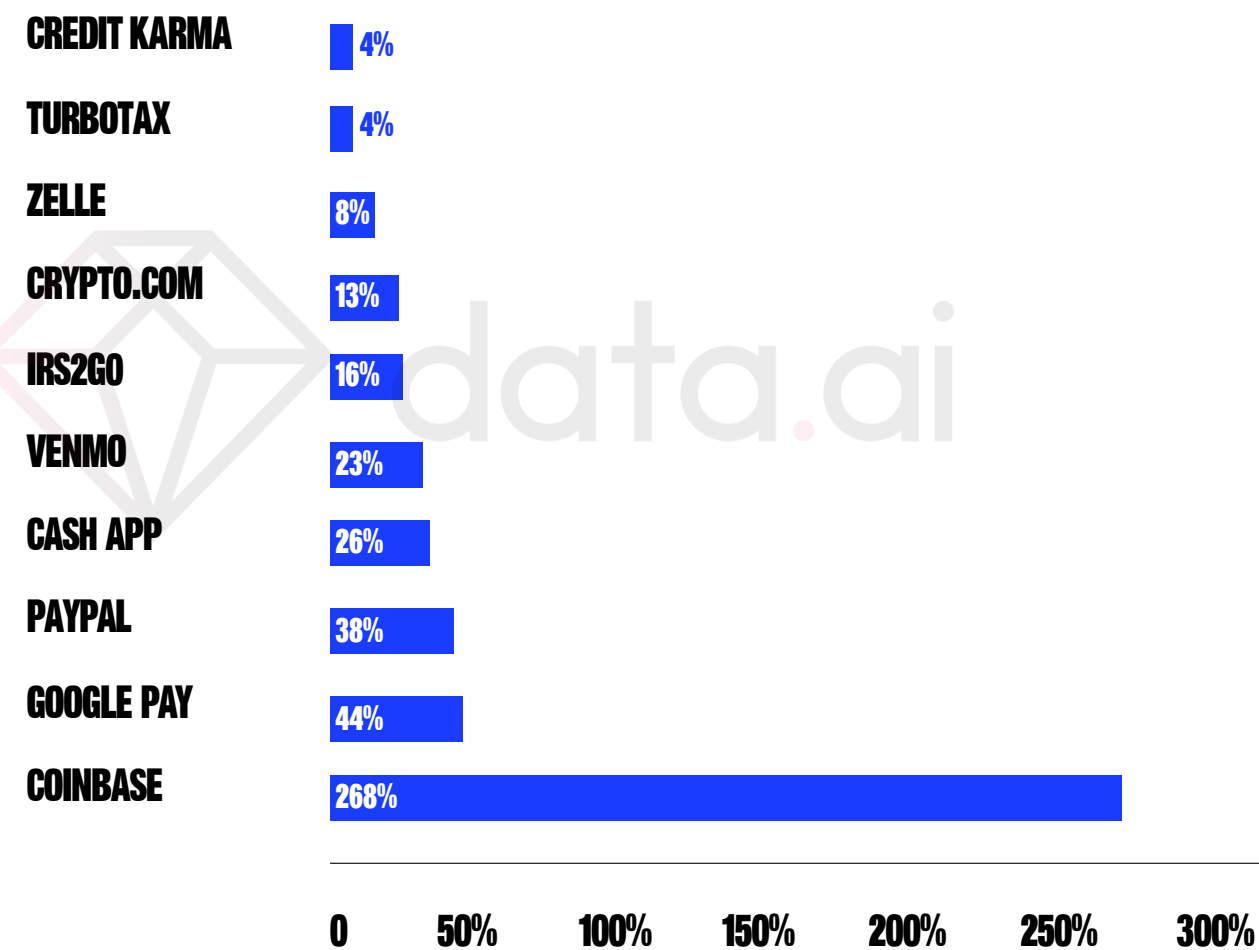
CREATIVE

01

TESTING NEW TECHNOLOGY

Coinbase Super Bowl ad with QR code led to a 268% increase in app downloads week-over-week on Super Bowl Weekend 2022

DOWNLOAD GROWTH AMONG THE TOP 10 FINANCE MOBILE APPS DOWNLOADED IN THE U.S. ON SUPER BOWL WEEKEND 2022:



Note: Finance app downloads across iOS and Google Play; Download growth from February 12 - 13 (Super Bowl Weekend 2022) compared to two days prior.

02

BRIGHT COLORS

Most ads feature varied bright colors with greens, blues and purples being the most used.



03

MESSAGING

Most ads feature varied bright colors with greens, blues and purples being the most used.



CAMPAIGN LEARNINGS

01

DATA LEAD SOLUTIONS

Use data science to identify the key impacts on user acquisition.

This enables the build of a predictive bid model which will ensure campaign effectiveness.

02

INCREMENTALITY TESTING

Ensure campaign effectiveness through uplift testing across channels.

This shows that tactics designed to educate customers worked and ultimately grew to reaching and converting new customers.

03

ORGANIC APP STORE VALUE

Optimize organic strategies running in the App Store to ensure conversion rates increased efficiency and improved visibility amongst a competitive marketplace.

TALK TO US

**NEW YORK
LOS ANGELES**

LONDON

SINGAPORE

SYDNEY JAKARTA

BANGKOK

BANGALORE

DELHI

US@MCSAATCHIPERFORMANCE.COM

WWW.MCSAATCHIPERFORMANCE.COM



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