

## Unsecured Loans - UK - January 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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“The personal loans market enjoyed bumper growth through most of the 2010s. However, as the decade has come to an end, growth has slumped, due to tightening lending criteria and weakened appetite among consumers to make financial commitments amid Brexit uncertainty.”

**- Rich Shepherd, Associate Director – Financial Services**

This report looks at the following areas:

- **Greater transparency is needed to boost trust in lenders**
- **Personal loans are still unacceptable for some**
- **Loan providers will welcome clarity over Brexit**

Growth in unsecured credit dipped in 2018 and 2019, with personal loans not immune despite lenders continuing to offer appealing low rates. It is impossible to ignore the effect that Brexit uncertainty has had on consumers contemplating the sort of financial commitment required to take out a personal loan. Despite reporting high financial confidence over the last year, 35% of consumers say that Brexit uncertainty means now is a bad time to apply for a loan. A resolution to this over the next year will be welcomed by lenders.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Above-the-line adspend fell by 55% in 2018/19

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## Brand Analysis

Heritage is a valuable commodity  
 Monzo is seen as a progressive option, but translating this to lending is difficult  
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## The Consumer – What You Need to Know

Half of consumers have outstanding unsecured debt  
 Banks, building societies and major retailers dominate the loans market  
 Half of borrowers took out more than £5,000 and prefer shorter terms  
 12% say they are likely to apply for a loan in the next year  
 Consumers are confident that they would be accepted for a loan  
 Trust issues could be hampering lenders

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