

The Impact of COVID-19 on Financial Services - UK - June 2020

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“COVID-19 will cause many financial services categories to contract in 2020 as opportunities for sales have been severely restricted and consumer confidence has been rocked. However, many categories remain essential so should recover well in the long term.”

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

This report looks at the following areas:

- **The impact of COVID-19 on financial services categories in the UK in the short, medium and long term.**
- **The impact of COVID-19 on the marketing mix in financial services.**
- **The main opportunities and threats posed by COVID-19 in the financial services industry.**
- **How COVID-19 will change consumer behaviour in the short, medium and long term.**

COVID-19 has had a profound impact across the financial services industry. The effects of the social distancing measures and restrictions on travel introduced in response to the outbreak have meant product categories such as mortgages, car finance and travel money have been effectively put on hold throughout the lockdown period. Other categories, such as personal loans, have been hit by consumers' reduced opportunity to spend, with retailers forced to temporarily close their doors.

The impacts on consumer finances also have clear repercussions for the financial services market. Millions have been laid off or placed on furlough with reduced income. Consumers will focus on protecting themselves in the coming weeks and months, through increased saving and reduced borrowing.

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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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