

Fintech and the Canadian Consumer - Canada - March 2021

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

Fintech refers to innovative technologies being introduced by incumbent financial institutions, service providers and new entrants to enhance the efficiency of the financial services market. Fintech has enabled customers to bank and pay more easily, increase banking transactional security, facilitate low-cost investing and also get a better handle on their finances through apps. But the impact of Fintech is broader and extends to making the financial industry a fairer and more efficient marketplace by offering better choice, more personalized products, faster and more equitable access to credit while at the same time driving down costs.

In addition to an increased use of mobile banking apps, online brokerage platforms and chatbots, consumers are also embracing a new era of financial products and services such as cryptocurrencies, robo-advisors and a slew of financial apps. The rise of innovative Fintech offerings that ease very specific yet very real financial challenges for consumers has prompted many traditional legacy financial players to incorporate these new products into their own suite of services.

The pandemic has seen digital adoption picked up among consumers of all ages, most notably older consumers (and seniors in particular) for whom the industry had been struggling to convert. The challenge for the industry in 2021 and beyond will be sustaining the increased digital engagement and finding innovative ways to communicate security and fraud protection for those still on the fence.

This report covers the following:

- The impact of COVID-19 on consumers and financial technology.
- This Report explores consumer usage of specific financial technologies, and gauges consumer interest and attitudes in forward-thinking innovations. What are the emerging technologies within Fintech – and



“The use of branches has declined during the pandemic as usage of mobile apps and digital tools surges ahead. While some of these adopters will continue to use more digital, many customers are yearning for a human connection and will return to branches as the pandemic recedes.”

– Sanjay Sharma, Senior Financial Services Analyst

Buy this report now

| | |
|----------|----------------------|
| Visit | store.mintel.com |
| EMEA | +44 (0) 20 7606 4533 |
| Brazil | 0800 095 9094 |
| Americas | +1 (312) 943 5250 |
| China | +86 (21) 6032 7300 |
| APAC | +61 (0) 2 8284 8100 |

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

what do consumers think about them? What devices and technological innovations are consumers most keen to see in the banking industry? How should the industry respond to this? It also examines the impact of Open Banking and how Fintech challengers can expect to fare.

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Table of Contents

OVERVIEW

- What you need to know
- Key issues covered in this Report

EXECUTIVE SUMMARY

- Top takeaways
- Market overview
- Impact of COVID-19 on Fintech and the Canadian consumer
Figure 1: Short, medium and longer-term impact of COVID-19 on financial technology and the Canadian consumer, February 2021
- Opportunities
- Mobile banking advantages can be highlighted to drive usage
- Young women are more banking app-dependent but less interested in other financial apps
- Fintech partnerships can hasten innovation in larger banks
- How can Fintech help consumers?
- Challenges
- Is the reduction in branch visits a permanent behavioural shift or a pandemic-inspired temporary measure?
- Fintechs are unlikely to be a major threat to established financial institutions
- Open Banking in a Canadian context

THE MARKET – KEY TAKEAWAYS

- Economic impact of COVID-19
- Bank of Canada projects 4% growth in 2021
- Impact of COVID-19 on Fintech
- Central Banks and digital currencies

THE MARKET – MARKET FACTORS

- Economic impact of COVID-19
- Households sitting on a huge pile of cash
- Bank of Canada projects 4% growth in 2021
- Impact of COVID-19 on Fintech
- Central banks and digital currencies

THE MARKET – APPS & TOOLS

- Digital tools and Canadians
- Artificial intelligence
- Scotiabank rolls out AI-powered cashflow predictor Sofia

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

- **BMO launches AI financial advice tool and adds features to its financial planning platform**
- **CIBC launches AI-powered virtual assistant**
- **RBC debuts Aiden**
- **Financial planning and advice**
- **TD launches new financial planning and investing app**
Figure 2: Find your beginning with TD GoalAssist, October 2020
- **Scotiabank launches Advice+, a digital, financial planning centre**
Figure 3: Scotiabank – It's You, Plus, September 2020
- **CIBC launches new platform to help clients build their financial plans**
- **New digital banking features**
- **Scotiabank simplifies digital banking with a new resource for seniors**
- **TD unveils new digital cashflow tools**
- **CIBC adds spending insights to mobile app**
- **HSBC announces real-time payments tool**
- **BMO launches new digital feature called Card Tracker**
- **Case study: Ally Bank uses gamification to drive financial literacy**

COMPANIES AND BRANDS – KEY TAKEAWAYS

- **Canada approves world's first Bitcoin ETF for retail investors**
- **Libra rebrands**
- **New platform allows users to invest in consumer credit**

COMPETITIVE STRATEGIES

- **Canada approves world's first Bitcoin ETF for retail investors**
- **Other companies follow suit**
- **Libra rebrands**
- **Walmart partners with Ribbit (US)**
- **PayPal launches new service enabling users to buy, hold and sell cryptocurrency**
- **Wealthsimple testing new feature**
- **PayFare files to go public on the Toronto Stock Exchange**

MARKETING CAMPAIGNS & LAUNCHES

- **BMO creates 281 pieces of content to be relevant to Millennials**
Figure 4: New BMO eclipse Visa Infinite Card | My Kind of Rewards, December 2020
- **ATB lends its name to new digital challenger brand**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 5: Brightside latest Instagram post, February 2021

- **Challenger bank Neo raises \$25 million**
- **Hudson's Bay and Neo Financial announce strategic partnership**

Figure 6: Neo Financial Instagram post on HBC card launch, February 2021

- **Gemini to offer credit card with crypto rewards (US)**

THE CONSUMER – KEY TAKEAWAYS

- **Mobile banking is the most popular Fintech tool**
- **Online banking is preferred to mobile apps**
- **Branch visits take a pandemic hit as digital usage accelerates**
- **Consumers see positives in Fintech**

FINTECH TOOLS AND PRODUCTS

- **Mobile banking is the most popular Fintech tool**
Figure 7: Usage of Fintech tools, December 2020
- **Usage declines with age**
Figure 8: Usage (net) of Fintech tools, by age, December 2020
Figure 9: Moka Facebook post, December 2020
- **Women are equally engaged in some tools**
Figure 10: Usage of and interest in Fintech tools, by gender, December 2020
- **How can interest levels of women be enhanced?**
- **Fingerprint access and mobile banking are of more interest to older non-users...**
Figure 11: Interest in Fintech tools, 18-44s vs over-45s, December 2020
- **...while fraud detection, voice and virtual assistant access and mobile payments are of equal interest**
Figure 12: LifeLock ID theft protection ad, February 2021
- **Cryptocurrencies are experiencing a second boom**

ATTITUDES TOWARDS MOBILE APPS AND AUTOMATED BANKING

- **Perception of no value-add is the main hurdle for mobile banking adoption**
Figure 13: Attitudes related to mobile apps and automated banking, December 2020
- **Mobile banking advantages can be highlighted to drive usage**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Figure 14: Commerce Bank mobile banking app email ad, December 2020

- **Many consumers are looking for guidance and banks are responding**

Figure 15: Attitudes related to mobile apps and automated banking (% agree), by age, December 2020

- **More than half of 18-34s are interested in using wearables for store payments**

Figure 16: Amazon One: an easier way through your day, September 2020

- **Half find chatbots useful for answering simple questions**

Figure 17: Digit Instagram post, January 2021

BANKING CHANNELS

- **Online banking is preferred to mobile apps**

Figure 18: Banking channels usage and attitudes, December 2020

- **Apps favoured by younger consumers, computers favoured by older consumers**

Figure 19: Banking channels usage and attitudes, by age, December 2020

- **Young women are more banking app-dependent than young men**

Figure 20: Banking channel usage – 18-34s, by gender, December 2020

- **Young men more likely to download and not use financial apps**

- **Branch visits take a pandemic hit as digital usage accelerates**

Figure 21: Attitudes related to impact of COVID-19 on channel usage, December 2020

- **Three in four 18-34s have increased mobile banking usage due to the pandemic**

Figure 22: Attitudes related to impact of COVID-19 on channel usage, by age, December 2020

- **Is the reduction in branch visits a permanent behavioural shift or a pandemic-inspired temporary measure?**

CONSUMER IMPACT & INNOVATIONS

- **Consumers see positives in Fintech**

Figure 23: Attitudes related to the impact of Fintech on consumers (% agree), December 2020

- **Men generally are more optimistic about Fintech**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 24: Attitudes related to the impact of Fintech on consumers (% agree), by gender, December 2020

- **Fintech partnerships can hasten innovation in larger banks**
- **Older consumers more concerned about security**

Figure 25: Attitudes related to the impact of Fintech on consumers (% agree), 18-44s vs over-45s, December 2020

- **Two in five parents are interested in apps to help children learn about finances**

Figure 26: Interest in innovations, December 2020

- **Interest in innovations highest among 18-34s**

Figure 27: Sensibill Instagram post, March 2019

Figure 28: Interest in innovations, by age, December 2020

- **Seniors demonstrate some interest in specialized apps**

CHALLENGERS VERSUS ESTABLISHED BANKS

- **Big banks dominate Canadian consumer banking**
- **Big tech far less trusted than Canadian banks**

Figure 29: Attitudes towards challenger banks and Fintech impact, December 2020

- **The prospects of Fintech challengers**
- **Open Banking in a Canadian context**

Figure 30: Attitudes towards challenger banks and Fintech impact (% agree), by age, December 2020

- **Preference for humans ensures that branches will not go away**
- **Young men are the best bet for challenger banks**

Figure 31: "Fintech companies are a real alternative to banks" (% agree), by gender and age, February 2020

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- **Data sources**
- **Consumer survey data**
- **Mintel Trend Drivers**
- **Abbreviations and terms**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.