FinTech Challengers - UK - 2023

Report Price: £2195 | $2995 | €2600

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:

- **Advertising and marketing activity of FinTech brands.**
- **Consumer awareness and use of FinTech companies.**
- **How consumers research new financial providers.**
- **Trust in new providers across financial services.**
- **Interest in financial products from big tech companies.**
- **Attitudes towards FinTech companies.**

A third of consumers think new financial providers offer better value for money than established providers, rising to half of 18-34 year olds. With younger people open to trying new brands and innovative products if they can offer competitive rates, there is real opportunity for FinTechs to expand.

The cost of living crisis is increasing consumer caution, with many preferring to stick with established providers. However, there will be a trade-off between caution and the need to find cost savings. For some consumers, the squeeze on household incomes will make them more open to trying new brands. Innovative products and Open Banking platforms in particular could expand, with people more willing to share their data for financial guidance and cost savings.

Digital challenger banks could pose an increasing threat to traditional high street banks. So far, digital banks have tended to be additional accounts for consumers. The continued closure of bank branches and declining footfall will see more people become comfortable with entirely digital service. With competitive rates, innovative features and better records on sustainability, digital banks can increase their market share.

There are strong opportunities for FinTech brands to disrupt financial markets that have been slow to change and traditionally struggled to engage younger consumers. The use of AI can help to speed up and improve insurance quotes, while app-based brands such as Lemonade can help simplify the process and

"The difficult economic environment has seen many FinTechs find it difficult to raise funding, with valuations falling. However, innovative new providers that can offer cost savings and advanced budgeting tools have an opportunity to grow, particularly amongst younger consumers keen for market disruption."
– **Adrian Reynolds – Principal Analyst, Financial Services**

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

attract younger customers. Investment tools linked to digital banking apps can also help drive engagement amongst younger people.

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

FinTech Challengers - UK - 2023

Report Price: £2195 | $2995 | €2600

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

Table of Contents

OVERVIEW

EXECUTIVE SUMMARY

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

- **Caution in the cost of living crisis is the biggest barrier for FinTechs**
  Figure 12: Attitudes towards FinTech challengers, 2023

ISSUES AND INSIGHTS

- **Younger consumers provide growth opportunities for FinTechs despite the cost of living crisis**
- **Innovative digital banks can target the main account market**
- **Big tech companies can look to disrupt financial services**

MARKET BACKGROUND

- **FinTech funding and valuations hit by difficult economic environment**
- **FinTech companies are driving use of financial apps**
  Figure 13: Use of financial apps, 2022
- **Open Banking creating new opportunities for FinTechs**
- **FinTechs are challenging retail banks for multiple account holders**
  Figure 14: Current account ownership, 2022
- **Continued branch closures pave the way for digital brands**
  Figure 15: Bank and building society numbers, 2016-22
- **FinTech challengers must understand the Consumer Duty**

MARKET DRIVERS

- **Continued high inflation could make consumers more cautious**
  Figure 16: CPI and CPIH, 2019-23
- **Declining financial confidence will boost the need for budgeting tools**
  Figure 17: Financial confidence for the year ahead, 2021-23
- **Increasing cost of daily essentials will make cashback offers more appealing**
  Figure 18: Issues faced in the last two months, 2023

COMPETITIVE STRATEGIES AND LAUNCH ACTIVITY

- **Nutmeg integration could strengthen Chase proposition**
- **Monzo refreshes brand and adds euro transfers**
- **Revolut continues to add paid tiers with Ultra level**
- **Shops feature brings cashback to Revolut paying customers**
- **Revolut adds staking to expand cryptocurrency features...**
- **...and introduces instant messaging**
- **Starling Bank launches virtual cards and a new budget planner**

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

Report Price: £2195 | $2995 | €2600

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

- **New digital challengers banking on ethical accounts**
- **FinTech Rita helps consumers to earn from their data**
- **ClearScore buys budgeting platform Money Dashboard**
- **Apple soft launches Pay Later in the US**
- **InsurTech Lemonade enters the UK market**
- **Klarna introduces late fees and greater personalisation**
- **Currensea looks to disrupt the travel money market**
- **Collapse of FTX could dampen confidence in cryptocurrency companies**

ADVERTISING AND MARKETING ACTIVITY

- **FinTech advertising surged in 2022…**
  Figure 19: Above-the-line, online display and direct mail advertising expenditure for selected FinTech and financial services brands, 2018-22
- **…driven by digital bank Chase**
  Figure 20: Above-the-line, online display and direct mail advertising expenditure for selected FinTech and financial services brands, 2020-22
- **TV leads but most brands are taking a multichannel approach**
  Figure 21: Above-the-line, online display and direct mail advertising expenditure on selected FinTech and financial services brands, by media type, 2022
- **Nielsen Ad Intel coverage**

AWARENESS OF FINTECH BRANDS

- **Advertising investment has boosted awareness of Chase**
  Figure 22: Awareness of FinTech brands, 2023
- **Klarna advertising has produced strong awareness**
- **There is a lack of awareness of FinTechs beyond digital banks**

USE OF FINTECH BRANDS

- **Klarna and ClearScore lead the way as most-used FinTechs**
  Figure 23: Use of FinTech brands, 2023
- **Digital challenger banks finding a market amongst younger consumers**
  Figure 24: Use of digital banks, by age, 2023
- **Younger Brits are embracing buy now, pay later brands**
  Figure 25: Use of buy now, pay later brands, by age, 2023
- **Cryptocurrency exchanges are attracting younger investors**

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

RESEARCHING NEW FINANCIAL PROVIDERS

TRUST IN NEW FINANCIAL PROVIDERS

FINANCIAL SERVICES AND BIG TECH

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

ATTITUDES TOWARDS FINTECH COMPANIES

- **Caution in the cost of living crisis is the biggest barrier for FinTechs...**
  Figure 38: Attitudes towards FinTech challengers, 2023
- **...but there are opportunities for brands that can offer cost savings**
  Figure 39: Attitudes towards FinTech challengers and value, 2023
- **Regulation is an important step to alleviating concerns**
  Figure 40: Attitudes towards FinTech challengers and regulation, 2023
- **Branches remain important to most consumers**
- **Younger consumers are keen for innovation and market disruption**
  Figure 41: Attitudes towards FinTech challengers and innovation, 2023
- **Digital banks must highlight positive action on sustainability**
  Figure 42: Attitudes towards FinTech challengers and sustainability, 2023

APPENDIX – DATA SOURCES, ABBREVIATIONS AND SUPPORTING INFORMATION

- **Abbreviations**
- **Consumer research methodology**

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

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.

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.**

© 2023 Mintel Group Ltd. All Rights Reserved. Confidential to Mintel.