

Consumers' superior trust in banks gives them a pivotal role in US open banking engagement

Article

The news: Most US consumers have adopted tools that depend on open banking as part of their day-to-day banking experience, according to a recent survey from **Mastercard:**

- **81%** of US adults are currently linking their bank accounts to third-party financial apps. The adoption is even higher among young and more diverse communities.
- **69%** of US adults say they think about connected accounts sometimes or often.

The data: Convenience is the driving factor in why US consumers turn to technology to complete financial activities, and the top open banking use cases among the cohort support this.

- **57%** of US adults said they used technology to manage their finances because it saved time or required less work. Surprisingly, convenience was even more important to older generations—**69%** of **Boomers** and **77%** of the **Silent Generation** listed it as their top factor.
- **74%** of US adults indicated that they have or would connect their bank account to an app or service to automate financial tasks.

Consumer concerns: While consumers have embraced sharing their banking credentials with third-party apps or services, concerns around data security and privacy still remain.

- A 2021 Axway [survey](#) of US consumers found that **47% of consumers worried about losing control over their financial data access**.
- **More than half** of US adults surveyed by the Future of Tech Commission [felt](#) they had **somewhat less or much less control** over their personal data and privacy.

The big takeaway: The trust enjoyed by legacy banks places them in a pivotal role over how consumers adopt and engage with current and future open banking solutions.

- More than a quarter of US consumers said that when it comes to being comfortable with sharing their bank credentials with third parties, **trust in their financial institution to protect their financial assets** is the most important [factor](#), according to a PYMNTS.com survey conducted in collaboration with MX. Mastercard's study indicated that banks enjoy an enviable level of trust among consumers: **55%** of US adults said they **strongly trust** banks with their financial data, compared to just **32%** for financial technology companies.
- As consumers look toward more third-party financial tools to streamline and enhance their lives, it's clear they'd be more likely to adopt an embedded or open banking solution that's backed by a trusted financial brand. Ultimately, fintechs will need to work with incumbents to make their products successful—yielding most of the influence over how consumers engage with open banking to legacy banks.

Trust in Banks vs. Neobanks According to US Adults, May 2021

% of respondents



Source: Klarna, "Money management pulse: US" in collaboration with Nepa, June 2021

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