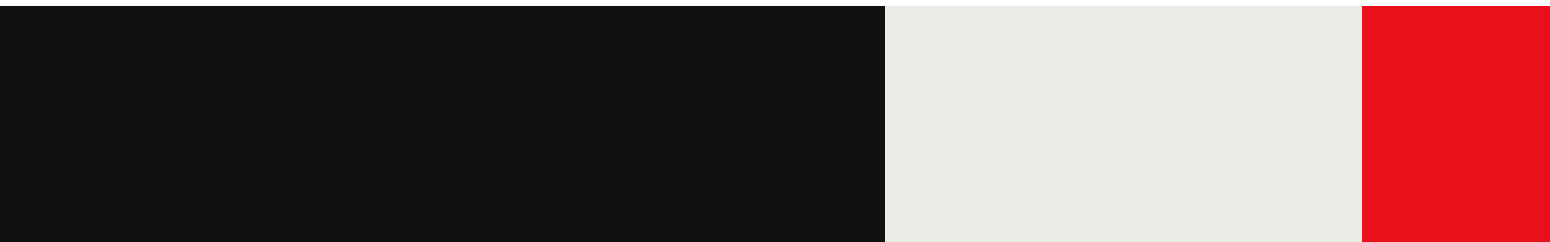



# Fintechs are gaining trust among Gen Zers

## Article



**The news:** Trust among Gen Zers is evening out for traditional payment providers and fintechs, per Billtrust's Gen Z and Digital Payments Study conducted in January.

- **Only 32% of Gen Zers said fintechs like PayPal and Square cause more fraud concerns than traditional providers like Bank of America and Capital One.** This is an improvement from 42% in 2023.
- 46% said traditional players and fintechs cause the same level of fraud concerns, compared with 37% in 2023.

**Why this matters:** Winning over Gen Z is crucial for fintechs as their spending power grows. **Average Gen Z after-tax income hit \$57,039 in 2023, up 34.7% in just two years**, per the US Bureau of Labor Statistics.

**The bigger picture:** Gaining trust is a crucial factor in fintechs' acquisition efforts. It can make Gen Zers more likely to sign up for products and services that they would have gone to traditional banks for.

- **PayPal**, for example, recently **revamped its debit card** to boost adoption, upgrading its rewards proposition and making it compatible with **Apple Pay**.
- And **Block** has been **marketing Cash App's direct deposit features** more aggressively across email, push notification, and in-app messages.

**Our take:** Closing this trust gap will be crucial to fintechs growing these offerings and competing against traditional banks.

They can do so by improving upon their customer service experiences, adding more fraud protections, and promoting customer testimonials on social media.