

# US consumers must trust their financial institution before they'll share their bank credentials

Article

**The data:** More than a quarter of US consumers surveyed 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.

Although trust in their financial institution was the top determinant among US consumers, respondents also pointed to several other key factors:

- **16.0%** said that **trust in the third party they were connecting to** was the most important.
- **14.4%** picked the **belief that the connections are secure** as their top choice.
- **11.6%** noted that **transactions becoming much easier because the accounts are connected** as their top factor.

**More on this:** No matter what increases their comfort in doing so, US consumers are showing interest in utilizing open-banking technology.

Among survey respondents that have connected third-party apps to their bank accounts, **29.9% were very or extremely interested, and 25.7% were somewhat interested in using an open-banking portal offered by their personal bank.** The level of interest grew within certain groups—particularly younger generations or those already comfortable with sharing credentials.

- **47.1%** and **37.2%** of **Millennials** and **Gen Z**, respectively, were very or extremely interested.
- **59.8%** of consumers that were very or extremely comfortable sharing credentials showed the same high level of interest for open banking as younger generations.

**The big takeaway:** Financial institutions can leverage an enviable level of trust to shape their customers' feelings and behaviors around using open banking.

A June 2021 survey from **Klarna and Nepa** **found** that **52% of US adults trusted banks, while just 17% trusted neobanks.** The fragmentation of open banking in the US has **led to** slow adoption of the technology by consumers—**55%** of US adults have never even **heard** of the service.

Open-banking providers would be smart to stay in banks' good graces. Incumbents could heavily influence consumers' comfort in sharing their credentials with third parties.

## Favorable View/Awareness of Open Banking According to Adults in Select Countries, Aug 2021

% of respondents

- |                               |                               |
|-------------------------------|-------------------------------|
| <b>1</b> Very favorable       | <b>4</b> Very unfavorable     |
| <b>2</b> Somewhat favorable   | <b>5</b> Heard of, no opinion |
| <b>3</b> Somewhat unfavorable | <b>6</b> Never heard of       |

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Brazil	18%	18%	2%	2%	21%	39%
China	16%	29%	4%	1%	16%	34%
Colombia	11%	27%	7%	3%	17%	35%
Spain	11%	23%	7%	3%	14%	42%
US	11%	14%	5%	3%	12%	55%
Singapore	10%	26%	7%	3%	13%	41%
Argentina	9%	26%	7%	3%	17%	38%
Mexico	9%	33%	8%	1%	15%	36%
UK	9%	17%	7%	5%	19%	44%
Canada	7%	15%	5%	2%	12%	59%
Australia	6%	13%	6%	4%	15%	56%
Germany	4%	14%	11%	4%	16%	51%
France	2%	6%	6%	4%	14%	68%
Japan	2%	10%	9%	2%	10%	67%

Note: n=17,401; numbers may not add up to 100% due to rounding  
Source: Morning Consult as cited in company blog, Sep 7, 2021

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