



Despite Their Financial Struggles, Most Consumers and Small Business Owners Feel They Will Bounce Back in 2021

61 percent of consumers and 80 percent of small business owners say they need social and/or financial support to successfully weather another lockdown

BOSTON, February 9, 2021 – A new survey from Santander Bank, N.A. found that U.S. consumers and small business owners believe they have been able to withstand the economic punch of COVID-19. According to the bank, 67 percent of consumers and 74 percent of small business owners surveyed believe they are financially resilient—with more than 60 percent of respondents stating they have had to stay resourceful and adapt to new ways to get by.

Americans Believe They Are Financially Resilient

COVID-19 continues to take a big toll on Americans' financial and personal well-being. More than one in three respondents report their personal savings and home life have been negatively impacted, while one in five say the same about their health, investments and life plans.

Increasingly, small business owners are also feeling the pinch. Forty-eight percent of small business owners surveyed say their ability to pay their bills and meet recurring financial obligations have been compromised. "The pandemic has forced Americans to juggle and re-evaluate their priorities—from home life to health to financials. They're making sure their resources—whether financial or emotional—are being allocated more heavily toward things that matter," said Jennifer Mathissen, Chief Marketing Officer at Santander Bank. "Against this backdrop, Americans are optimistic about the road ahead in 2021 and are adapting new positive financial habits, and planning for the long term."

Those negatively impacted are finding new ways to adapt to their current financial situation, with a substantial portion of respondents stating the pandemic has created new financial opportunities for them.

Adapting to New Financial Habits and Behaviors

Although the pandemic has added pressure to household finances and small business operations, Americans have adopted new financial habits over the past three months to stay nimble. Consumers surveyed are adjusting their financial behaviors—at the top of the list is increasing savings (44 percent), seeking out reliable sources of financial advice (26 percent) and delaying purchases (28 percent). Younger consumers surveyed are more likely to report increasing their savings (Gen Z—61 percent; Millennial—53 percent).

Small business owner respondents are following suit – 59 percent have increased savings; 50 percent have delayed making a major purchase and 48 percent have sought reliable sources of financial advice.



Despite these behaviors, both consumers and small business owners surveyed are optimistic that they can begin spending again in the next three months. Thirteen percent of consumers and 23 percent of small business owners plan to purchase a car – while 9 percent of consumers and 11 percent of small business owners plan to purchase a new home.

Support is Still Needed to Get Through

Americans are as likely to need social or emotional support as they do help with their personal finances.

Sixty-one percent of consumers and 80 percent of small business owners surveyed say they need social or financial support to successfully weather another lockdown, reinforcing the personal and financial struggles they are experiencing.

Consumer and small business owner respondents believe banks should take concrete action to ease the financial struggles many are feeling by being flexible with loan repayment and showing support for the communities where they are located. One in four consumers and almost half of small business owners have recently sought out or plan to seek out financial advice.

Financial Advice Has Never Been More Important

Most consumers (59 percent) and small business owners (66 percent) responding to the survey whose personal finances are not currently in order say they want to get them in order but do not know how to start. More than 8 in 10 say getting their finances in order would relieve a significant amount of stress in their lives.

“The pandemic has shown us that banks and other financial institutions must stay nimble—in the same way their own customers have had to stay nimble to adapt to the way this new society works,” said Patrick Smith, Head of Small Business Banking at Santander Bank. “Small business owners are increasingly looking to us for financial advice, flexibility and a better banking experience – our relationship with small businesses has never been more important.”

Further, among consumers who seriously considered starting a business but ultimately did not, almost 3 in 10 reported they did not do so because they were unsure of where to go for answers to business questions.

“Consumers and small business owners have shown us how resilient they can be and how important their relationship with their bank truly is,” added Smith. “As we progress through 2021, we remain committed to helping everyday Americans, small business owners and their families understand ways to help organize their finances and support their businesses and employees.”

More information about the survey can be found [here](#).

Santander Bank, N.A. is one of the country’s largest retail and commercial banks with \$89.5 billion in assets. With its corporate offices in Boston, the Bank’s approximately 9,200 employees, more than 500 branches, more than 2,000 ATMs and more than 3 million customers are principally located in Massachusetts, New Hampshire, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania and Delaware. The Bank is a wholly-owned subsidiary of Madrid-based Banco Santander, S.A. (NYSE: SAN) -



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Financial Resilience Survey

Edelman Data and Intelligence on behalf of Santander Bank fielded a 15-minute online survey among n=2,300 adult (ages 18+) consumers and n=500 small business owners in the United States. All data was collected between November 20 and December 2, 2020. Results were weighted to ensure the sample of consumers is nationally representative across gender, age, race and ethnicity, educational attainment, US region, and labor force participation. The margin of sampling error for consumers is +/- 2% and the margin of sampling error for small business owners is +/- 4%.

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