Welcome!

Introduction
Explore NBCUniversal’s latest perspectives and insights into the Financial Services industry. This report provides an overview of recent marketplace dynamics, our prediction of key future trends impacting the industry, and strategic recommendations for Financial Service brands and marketers as they navigate what’s next.

Our Approach
At NBCUniversal, we have a legacy of working with a diverse range of Financial Service partners to build their brands. This report has been created based on NBCU’s:
- Ongoing Industry Evaluation
- Conversations with Financial Service Advertisers and Agencies
- Continual Marketplace Analysis
- Examination of Consumer Attitudes towards the Financial Services Industry
In 2023, NBCU worked with:

**130+ Financial Service Industry Advertisers**

- Retail & Consumer Banks
- Credit Cards & Payments
- Loan Services
- Tax Services
- Fintech
- Investing & Wealth Management
Content

01. Looking Back: 2023 in Review
02. Looking Ahead: Key Industry Trends to Watch
03. The Power of Advertising & Media Trends to Watch
04. Partnering with NBCU
Plagued by a variety of high-profile scandals, collapses, & regulatory seizures, the Financial Services Industry Battled Through Increased Scrutiny in 2023, as brands fought to regain trust
Financial Service Brands Re-Assess Strategy & The Landscape in 2023

Rebuilding & Maintaining Trust
Economic headwinds and recent banking sector turbulence placed a spotlight on the financial services industry. Consumers were left in a state of uncertainty, forcing brands to pivot messaging toward re-establishing trust.

The Competitive Web Gets Sticker
In addition to competition from "Fintech", "Big Tech" further encroached into the financial landscape w/mobile wallets & payment solutions, making traditional financial service brands no longer the most convenient payment options.

Renewed Emphasis on Customer Experience
Inflation and rising interest rates continued to create a challenging economic environment for consumers, leading brands to support customers through financial literacy, product innovations & easier access to resources.

Payments Palooza 2.0
Payment innovations continued to dominate the sector w/consumers & retailers adopting BNPL, tap-to-pay, biometric verification & other technologies as brands continue to invest in these innovations.
### BRANDED ACROSS FINANCIAL SERVICE SUB-CATEGORIES ARE

**Addressing New Needs and Expectations Of Consumers**

<table>
<thead>
<tr>
<th>Retail / Consumer Banking</th>
<th>Credit Cards &amp; Payments</th>
<th>Wealth Management</th>
<th>Mortgage &amp; Loan Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>With the banking sector riddled with failures, seizures, and acquisitions during the first half of 2023, consumer sentiment has soured, leading many to re-evaluate their banking relationships.</td>
<td>With inflation forcing consumers to adapt with new cost-saving behaviors, <strong>rewards programs and benefits have emerged as key differentiators for credit cards beyond interest rates and other product/service features.</strong></td>
<td>Stock ownership amongst Americans has reached a 15-year high (61% of US Adults own a type of stock[^3]) as consumer interest in investing continues to grow and Fintech solutions make it increasingly accessible.</td>
<td>Banks and other loan services are facing a steep decline in demand for loans as interest rates remain high.</td>
</tr>
</tbody>
</table>

| 23% of consumers are considering starting a new banking relationship in the next 6 months[^1] | >80% of consumers have become more interested in credit card reward programs due to inflation[^2] | 53% of consumers trust Generative AI to assist with financial planning[^4] | -33% Dip in mortgage demand in August '23, bringing demand to its lowest point in 28 years[^5] |

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**Sources:**
1. Morning Consult
2. WalletHub
3. Gallup
4. Capgemini
5. CNBC
MARKETPLACE PARTNERSHIP EXAMPLES

How Our Partners Are Evolving Their Media Strategy & Storytelling

Inclusive Storytelling
Leveraged Generative AI to display and then disprove a gender bias across the financial sector

IP Partnership
Using “The Count”, from Sesame Street, NerdWallet shed light on the economic uncertainty consumers are facing and tapped into nostalgia to promote its educational resources

Going Local at Scale
As the BIG10 continue to expand in size (18 teams) and prominence, Old National Bank partnered with the league to take advantage of its massive reach across priority markets

Leaning Into Cultural Moments
Celebrating 30 years of partnership, AMEX hosted a variety of on- and off-site activations for the US Open as well as premiered a new creative centered on experiential rewards
Looking Ahead

KEY INDUSTRY TRENDS TO WATCH
LOOKING AHEAD
Key Financial Service Trends & Emerging Sub-Categories
We Expect to Influence Marketing & Media Strategies

- The Future of Finance “Super Apps”
- Payments Plus...
- Consolidation & Stabilization
- Finance Gets Personal
- Emerging Sub-Categories & Brands Buy Now, Pay Later
The Future of Finance “Super Apps”

While “super apps” are already prevalent in other countries, the discourse around them in the U.S. has grown substantially in 2023, driven by some of the biggest names in tech.

After successful initial pushes into the financial services landscape, tech brands including Apple, Google, Meta, and X are all furthering investment in the development of holistic ecosystem.

As Consumers Look For Convenience, Tech Brands Are Dominating

55.8M MAU users by end of 2023¹

Apple Card’s Savings reached over $10 billion in deposits²

New Buy Now, Pay Later service

1.2B average monthly users (March 2023)³

16% of active users only use Facebook for shopping³

Secure payment processing platform

72% of consumers in the US are interested in super apps⁴

Twitter was acquired by X Corp both to ensure freedom of speech and as an accelerant for X, the everything app...

In the months to come, we will add comprehensive communications and the ability to conduct your entire financial world.

Elon Musk

Payments Plus…

With inflation forcing consumers to adopt with new cost-saving behaviors; rewards and other benefits have emerged as differentiators for payment brands.

Despite record high interest rates, consumers are still spending; YoY credit card spend increased +18% in Q1 ’23¹ and total credit card balances hit $1T for the first time in Q2 ’23¹.

Savvy consumers are adapting to the current economic climate by leaning into the various benefits and rewards provided by their payment options to maximum reward potential.

Rewards Emerge As The Key Differentiator

58%
Of Americans go out of their way to spend money w/ companies that give them extra credit card rewards²

>67%
Of American’s are open to using multiple reward credit cards to maximize rewards earnings ²

73%
Of people are most interested in earning cash-back rewards ³

Most Popular Bonus Reward Categories³

Grocery 47%
Gas 17%
Travel 14%
Dining 11%
Entertainment 6%
Department Stores 5%

Consolidation & Stabilization

Various weaknesses (lack of diversification, liquidity issues), were exposed across the sector in 2023 with dire consequences, and brands must respond accordingly.

Significant increases in interest rates and market volatility exposed the flawed strategies banks have leveraged in recent years to take advantage of laxed regulation.

With a renewed regulatory focus demanding increased liquidity (capital holdings), brands must futureproof for the years ahead.

The Sector Is Due For Consolidation, Which Can Provide Stability

- **4,839** total number of US commercial banks
- **1,201** total number of commercial banks in all other G7 countries

However, Declining Deposits still Plague the Industry, Leaving Brands to Focus on Profitable Audiences for growth

**Black Entrepreneurs**
- The share of black entrepreneurs has tripled over the past four years

**Affluent Consumers**
- Consumers with >$250K in deposits were the most active bankers in 1Q23

**Hispanic Homeowners**
- 96% less likely to be deterred from buying a home due to high interest rates

**Gen Z**
- Forecasted to open 4M+ new bank accounts each year over the next 6 years

Finance Gets Personal

As the distinct financial needs of different segments continue to become more apparent, brands will experiment with new messaging and targeting strategies to better service their clients.

Attitudes toward Retirement

Gen Z Starts Early
62% of Gen Z has started saving for retirement

Millenials aren’t Ready
Millennial readiness to retire scores have dropped 10 points according to Fidelity

Gen X Pulls Back
64% of Gen X has stopped saving for retirement

Sources of Investing Advice

<table>
<thead>
<tr>
<th>Financial Advisor</th>
<th>Social Media</th>
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<tbody>
<tr>
<td>White</td>
<td>42%</td>
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<tr>
<td>Hispanic</td>
<td>22%</td>
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<tr>
<td>Black</td>
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Investing Strategies

Young Investors Diversify
75% of Investors 21-42 are in favor of diversifying beyond stocks & bonds

Older Investors Don’t Diversify
68% of investors over 43 are not in favor of diversifying beyond stocks & bonds

Sources: 1. NYTimes 2. CNBC
**EMERGING SUBCATEGORY**

**Buy Now, Pay Later**
Empowers consumers to finance purchases & pay them off through installments & has therefore increased in popularity as consumers look to lighten the burden of spending

**Why To Watch**

- **$3.5T**
  Projected Volume by 2030 | +39% vs. 2022

- **35%**
  of Americans have already used BNPL

- **27%**
  of BNPL users use the service more than credit cards
  of Gen Z consumers won’t buy an item if BNPL is unavailable

**Brands to Watch**

- Klarna
- afterpay
- VISA
- Apple Pay
- sezzle
- openpay
- PayPal
- splitit

**Ad Spend**

- **$47M**
  BNPL Specific 2022 Ad Spend | +266% vs. 2020

**21/22 Media Mixes**

<table>
<thead>
<tr>
<th>Year</th>
<th>Social</th>
<th>Video</th>
<th>Broadcast</th>
<th>Display</th>
<th>Cable</th>
<th>OTT</th>
<th>Native</th>
<th>Print</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>37%</td>
<td>21%</td>
<td>14%</td>
<td>14%</td>
<td>6%</td>
<td>4%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>2022</td>
<td>64%</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

Source: Statista, S&P, PYMNTS, NBCU Internal Share Shift Analysis
Key Tech Trends We Expect to Influence Marketing & Media Strategies

The Future of Finance “Super Apps”
As the conversation around them grows, “super apps” will slowly be integrated by big tech brands.

Payments Plus...
With rewards becoming the key differentiator among payment brands, new innovations in the space will be in focus.

Consolidation & Stabilization
The current landscape of the banking sector is unsustainable, and we’re likely to witness seismic shifts in the coming years.

Finance Gets Personal
As the distinct financial needs of different audiences become increasingly evident, brands will get more targeted and personalized with their messaging.

Emerging Sub-Categories & Brands
Buy Now, Pay Later
The Power of Advertising

& Media Trends to Watch
Increased ad spend positively correlated to higher brand metrics for banks

Additionally, consumers’ perception of a bank’s community impact was **4.2x higher** for banks that maintained ad spend vs brands who cut.

### Average Change in Brand Awareness and Favorability YoY (Q1’ & Q2’ 2022 vs 2023)

For banks that increased vs decreased ad spend YoY

<table>
<thead>
<tr>
<th></th>
<th>Awareness</th>
<th>Favorability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cut Ad spend</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Increased Ad Spend</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Sources: MediaRadar, Morning Consult
Media Trends to Watch

Aligned with the stability the sector aims to convey, brands continue to follow the media trends that have defined the previous years – shifting share into more efficient and profitable areas of business such as payment cards.

**THE REIGN OF Reality TV**

Across linear channels, Reality TV remains the favorite genre for Financial Service brands.

33% of non-sports or news linear spend is dedicated to Reality TV (#1 Genre for past three years).

**Payment Cards Become CENTRAL TO MARKETING**

Banking brands are leaning into payment card offerings, favoring a more even marketing split between Banking and Cards.

46% increase in card brand marketing for banking institutions

8% of total spend shifting from bank brands to card brands

**VIDEO CATCHES UP To Display**

35% of spend on digital in 2023 was for video formats, up from 26% in 2019, while display was down from 41% in 2019 to 35% this year.

**Lack of SPANISH LANGUAGE CREATIVE**

Brands continue to allocate Spanish language creatives to mobile and general banking campaigns, neglecting other areas of business such as payment cards and loans.
Partnering with NBCU

CATEGORY PERFORMANCE, STRATEGIC CONSIDERATIONS & PARTNERSHIP EXAMPLES
Finance
Proven Impact: Across Brand KPIs

BUSINESS OUTCOME

Brand
(Upper Funnel)

Performance
(Lower Funnel)

NBCU FINANCE CAMPAIGNS – Test vs. Control

Brand Familiarity
+9%

Ad Recall
+54%

Brand Favorability
+15%

Brand Consideration
+24%

Search Engagement
+72%

Purchase Intent
+10%

Source: NBCU Ad Impact Database 2017-2022, 80 Brand Impact, 6 Attribution NBCU measured Finance campaigns. Custom research, vendors vary. Average of exposed vs. control cells for NBCU. Top 2 box familiarity, favorability, consideration, intent and recommendation; aided ad recall; Search Engagement (SER Index): EDO, Volume in five minutes following ads airing on NBCU vs. same brand competitive averages expressed as an index (172).
Campaigns Across More Than One Platform Are More Effective

Finance Category
NBCU Campaigns: Multi-Platform vs. Single Platform
% Lift

- +25% Ad Recall
- +14% Brand Favorability
- +14% Brand Consideration
- +28% Purchase Intent

Source: NBCU Ad Impact Database 2017-2022, 80 Finance Brand Impact Studies
Custom research, vendors vary. Average of test cells for 2+ platforms vs. single platform campaigns
## Strategic Consideration for Driving Growth for Financial Service Brands

### Establish Trust Through Cultural Relevancy

**Why**
As consumers continue to distrust the category, brands need to leverage mass reach platforms to build/maintain awareness & inspire confidence among a wide audience.

**How**
Invest in mass reach content aligned with consumer passion points (Sports, Music, Entertainment) to build trust, affinity and credibility.

### Contextual Alignment to drive Credibility & Expertise

**Why**
As the financial services landscape gets more competitive and complex, brands need a powerful platform to establish credibility in the eyes of consumers & investors.

**How**
Align with contextually relevant content (Business News) to drive awareness and credibility of new product offerings.

### Leverage Persona / Lifestyle Targeting

**Why**
As different audiences have different goals, behaviors & attitudes toward investing, brands need to reach the right person with the right message to be relevant.

**How**
Leverage 1st and 3rd party data along w/ key audience insights to efficiently reach the right person w/ the right message.

### Invest in CTV / Digital & Commercial Innovation

**Why**
As media consumption and financial activity continues to move toward digital platforms, brands should capitalize on the storytelling power and targeting capabilities of CTV and other digital media.

**How**
Invest in targeted Digital / Streaming media paired with commercial innovation to drive full funnel impact.

NBCU solutions for delivering Brand & Business Impact for Financial Service Brands

Establish Trust Through Cultural Relevancy

- SNL50
- Bravo
- CON
- Paris
- Paris
- Big
- Sunday Night Football
- Halloween
- Peacock

Contextual Alignment to drive Credibility & Expertise

- NBCU Streaming (Peacock Premier / PAX)
- Programmatic (Managed / Self-Service)
- Apple News
- Fandango360
- Anzu
- Commercial Innovation (Pause Ads, QR Codes, etc.)

Leverage Persona / Lifestyle Targeting

- NBCUnified
- adsmart

Potential Personas

- Small Business Owners
- Competitive Customer
- Digital Banking Adopters
- New Homeowner

Invest in CTV / Digital & Commercial Innovation

- Issue Oriented Programming
- Moments that Matter

- CNBC
- TODAY
- GOLF
- The REIDOUT
- MSNBC
- People's Choice Awards

- Commercial Innovation (Pause Ads, QR Codes, etc.)
NBCUniversal Partnership Examples

How Our Partners Are Evolving Their Media Strategy & Storytelling

Tapping into IP & Events

Chase Sapphire partnered with us to bring the iconic Sapphire Lounge experience to BravoCon. The SVIP Lounge gave 460 top tier Bravo fans an exclusive area to collide with their favorite Bravolebs and was also featured on Snap, driving 1.1M impressions.

In-Show Integrations

Wells Fargo became the “prize partner” for a specific challenge in season 15 of ANW. During the season, eligible Ninjas were able to attempt to climb the “Mega Warped Wall” in the hopes of winning a $10,000 prize, courtesy of Wells Fargo.

Leaning into Cultural Moments

NerdWallet was the presenting sponsor of Boxing day, a major Premier League tentpole when the teams come back from the FIFA Men’s World Cup to continue their Premier League pursuits.

Leveraging Contextual Ad Innovations

With customized ad innovations like tune-in and in-film pause ads, Capital One contextually aligned themselves with the in-film experience of the Peacock’s original film, Shooting Stars, produced by Lebron James.
2023
Financial Services Industry Assessment

NBCUniversal

NBCU FINANCE CLIENT STRATEGY TEAM:
Adam Daniele, Logan Knisely, David Curley