

October 16, 2025

Santander US Paths to Prosperity

Financial Prosperity in America:

Consumers remain resilient while practicality drives their financial decision making.

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Paths to Financial Prosperity

At Santander, we strive to help consumers achieve prosperity. We commissioned this study to continue our efforts to better understand middle-income Americans' current financial state and future aspirations, so we can best support them on their journey. This research series explores the barriers and challenges facing consumers as they work toward achieving financial prosperity, and the tools and support that middle-income households need to get there.

Building upon ten quarters of research, this installment captures how middle-income households are navigating today's economic conditions. From vehicle and home purchases to everyday banking, practicality—including affordability, flexibility, and convenience—is influencing how consumers spend, save, and adapt their financial habits.

Key Findings

- 1 Middle-income Americans continue to show resilience and optimism in their financial outlook. Nearly 8 in 10 say they're on the right track—a new survey high—with most staying current on bills and feeling secure in their jobs. However, inflation concerns persist.
- 2 More middle-income consumers are taking steps toward purchasing a vehicle, as used cars are increasingly seen as a practical option. Prospective buyers would be further encouraged to act if auto loan rates come down.
- 3 More renters now see their living situation as a sensible, more affordable option. For many, owning a home is not a requirement for financial prosperity. Affordability, mobility, and location are more important than ownership.
- 4 Savers have made progress toward earning higher interest on their savings over the past several years, but momentum has slowed. With interest rates still favorable, many have an opportunity to earn more by shifting money into higher-yielding accounts.

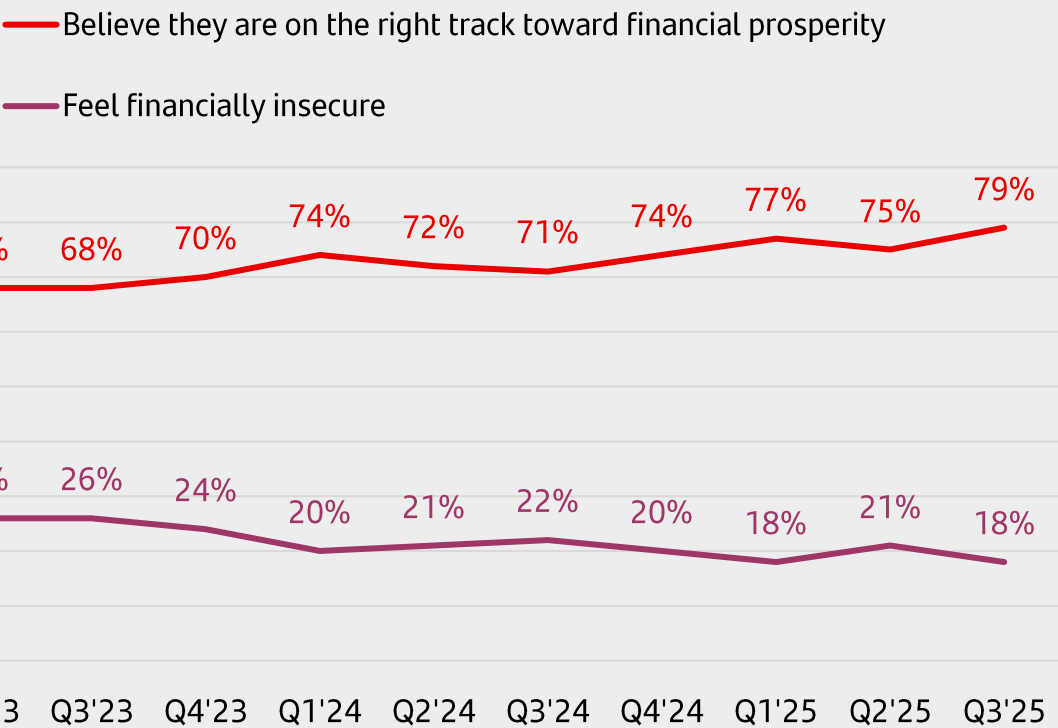
More middle-income Americans feel they are on the right financial track while continuing to adjust to today's economic conditions.



Middle-income Americans remain confident in achieving prosperity

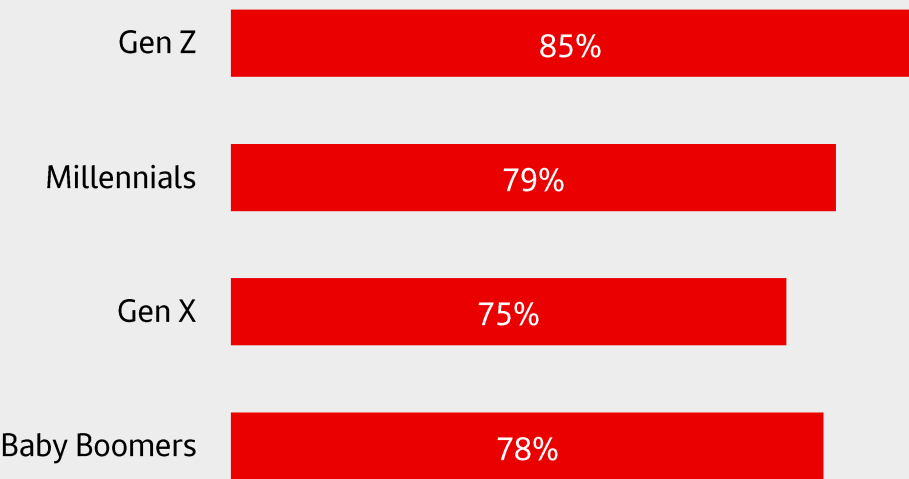
Nearly 8 in 10 believe they are on the right financial track, a new survey high, while financial insecurity matches a survey low.

Financial confidence climbed in Q3.



Younger generations are leading the way in financial optimism.

Percent who believe they are on the right track:



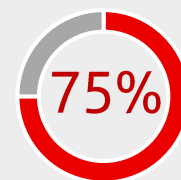
Middle-income consumers prioritize stability and flexibility in their finances

Most are current on their bills and feel confident in their job security.

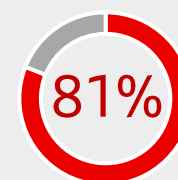
Top 5 factors middle-income Americans associate with financial prosperity:

- 1 Able to pay bills and expenses
- 2 Job security
- 3 Flexibility in how you live your life
- 4 Debt-free
- 5 Sufficient emergency savings

Key indicators of financial prosperity remain strong.

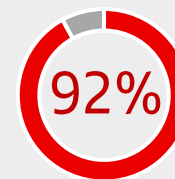


are current on their bills.



feel secure in their jobs.

For middle-income Americans, flexibility is essential for achieving financial prosperity.

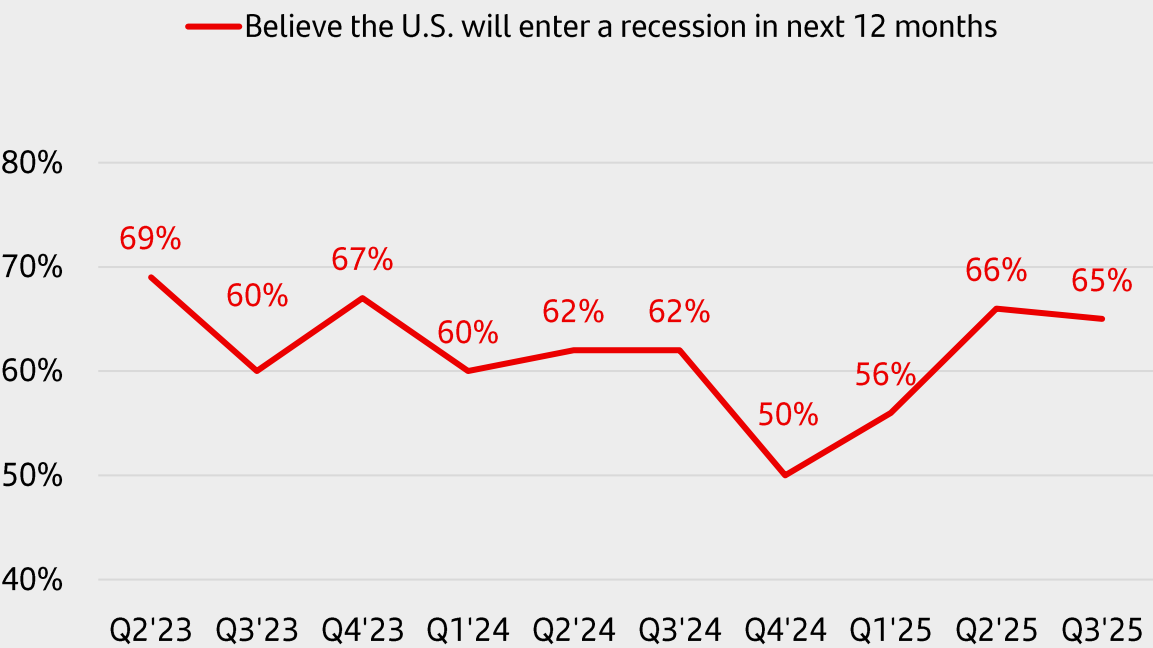


say financial prosperity means having the freedom to make everyday financial and lifestyle choices.

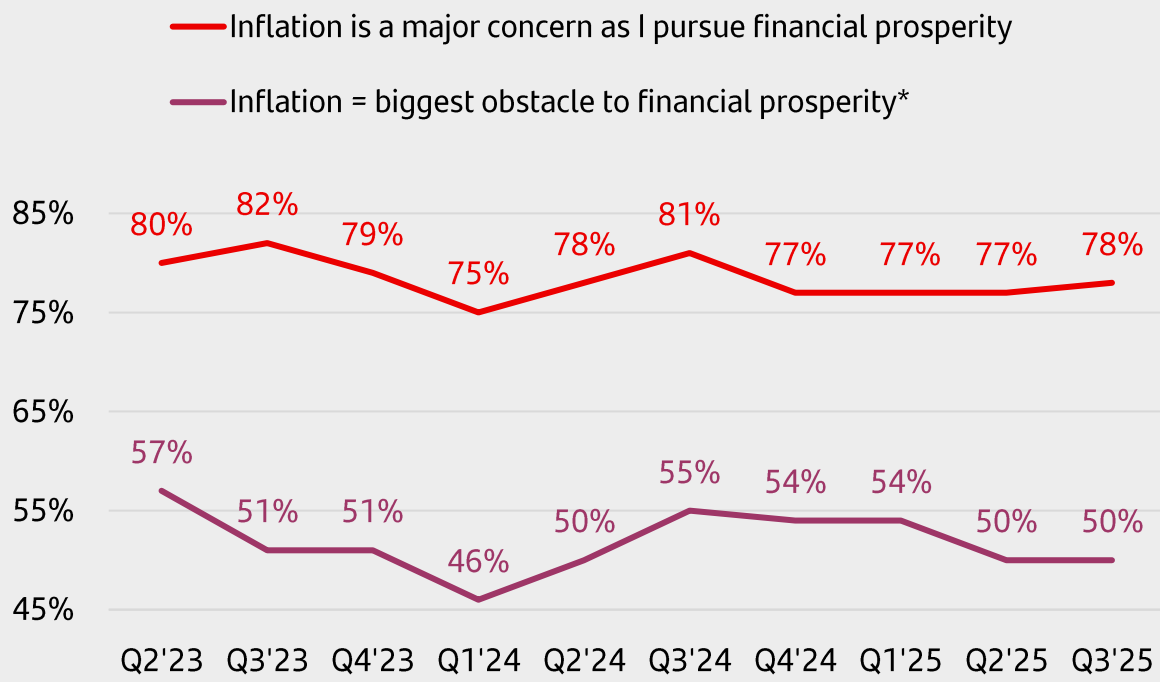
While personal financial confidence is high, broader economic concerns linger

Inflation remains the greatest obstacle to financial prosperity.

Recession expectations have ticked back up after declining in late 2024.



Concerns about inflation remain elevated, but down from 2023 high point.

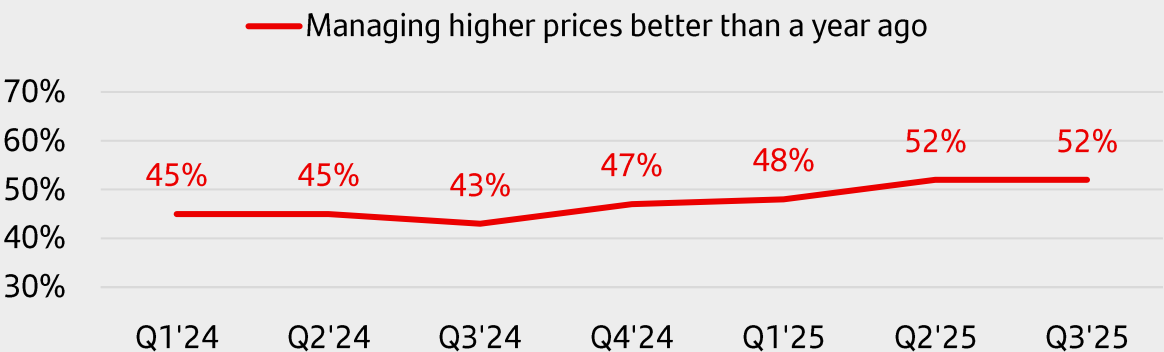


*50% indicated inflation is their biggest obstacle to financial prosperity, the highest of seven response options, including state of the job market/job security (12%) and slow wage growth (11%).

Consumers are responding to inflation and preparing for what's ahead

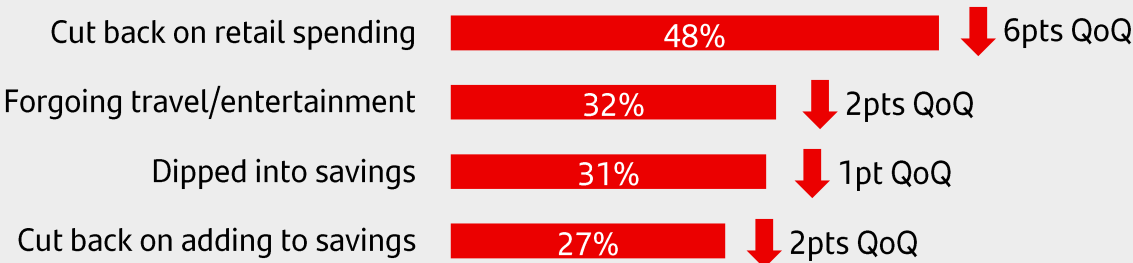
1 in 5 middle-income Americans accelerated key purchases in Q3 due to future price uncertainty.

Middle-income Americans are better managing higher prices.



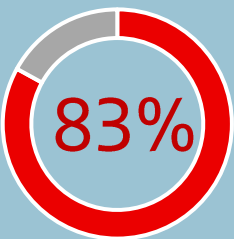
More than 8 in 10 (84%) took some action in response to inflation in Q3.

Top actions taken due to inflation over the past three months*:

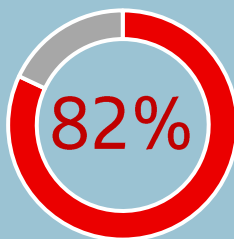


*Respondents could select all that apply; only top actions shown.

Consumers are planning for future price uncertainty and feel prepared to handle it.



believe they can adapt if costs go up.



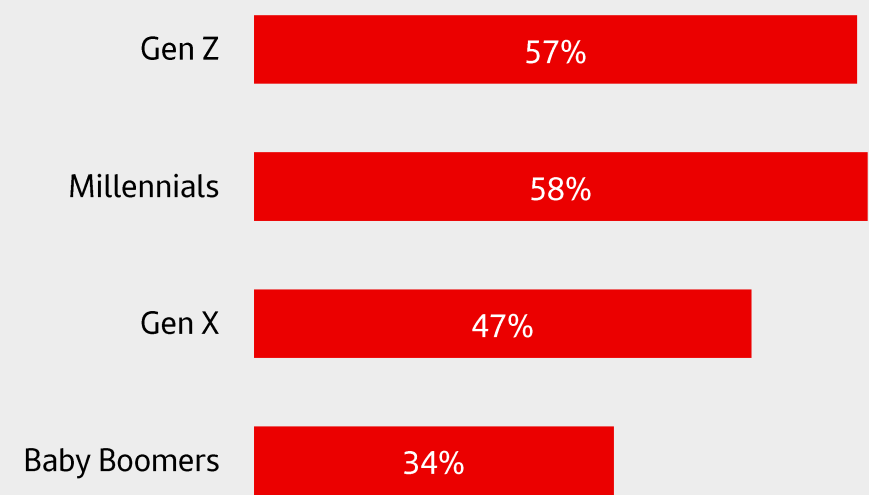
took some action in Q3 in anticipation of potential price increases.

Generational differences are shaping how Americans manage inflation

Gen Z and Millennials feel they are adapting better, and they are boosting their earnings through side hustles.

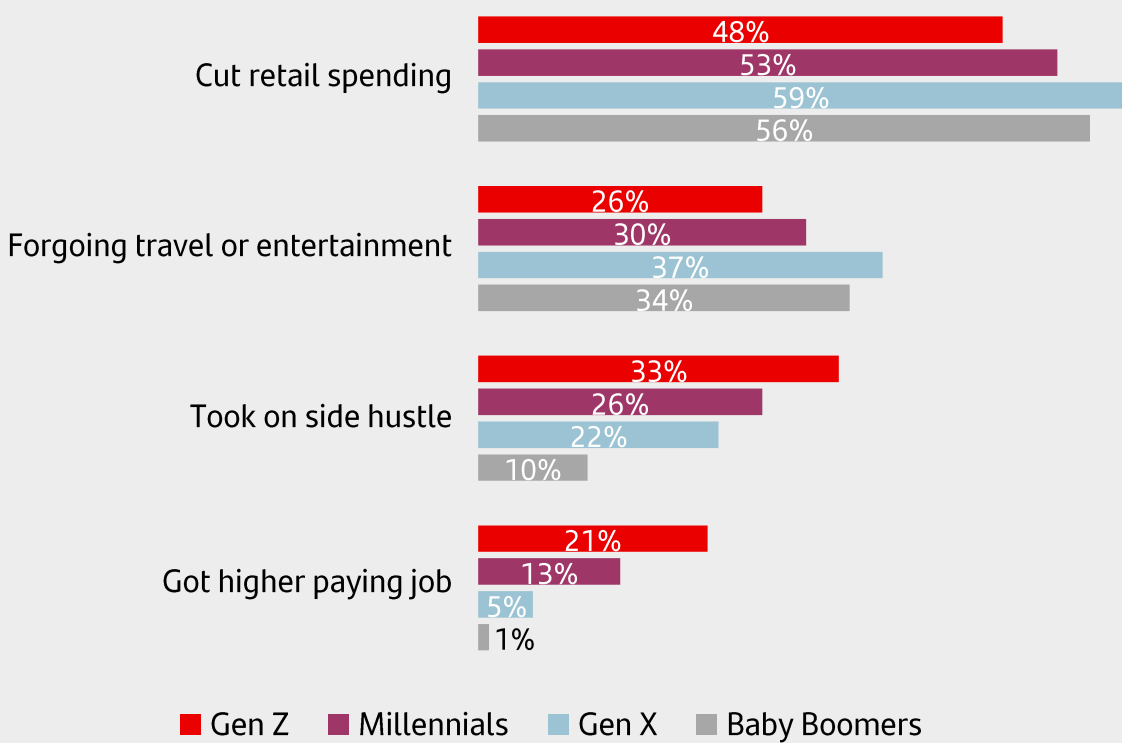
Gen Z and Millennials are adapting more effectively.

Percent who say they are managing higher prices better than a year ago:



Younger generations are increasing their incomes, not just spending less.

Actions taken in response to inflation over past three months:



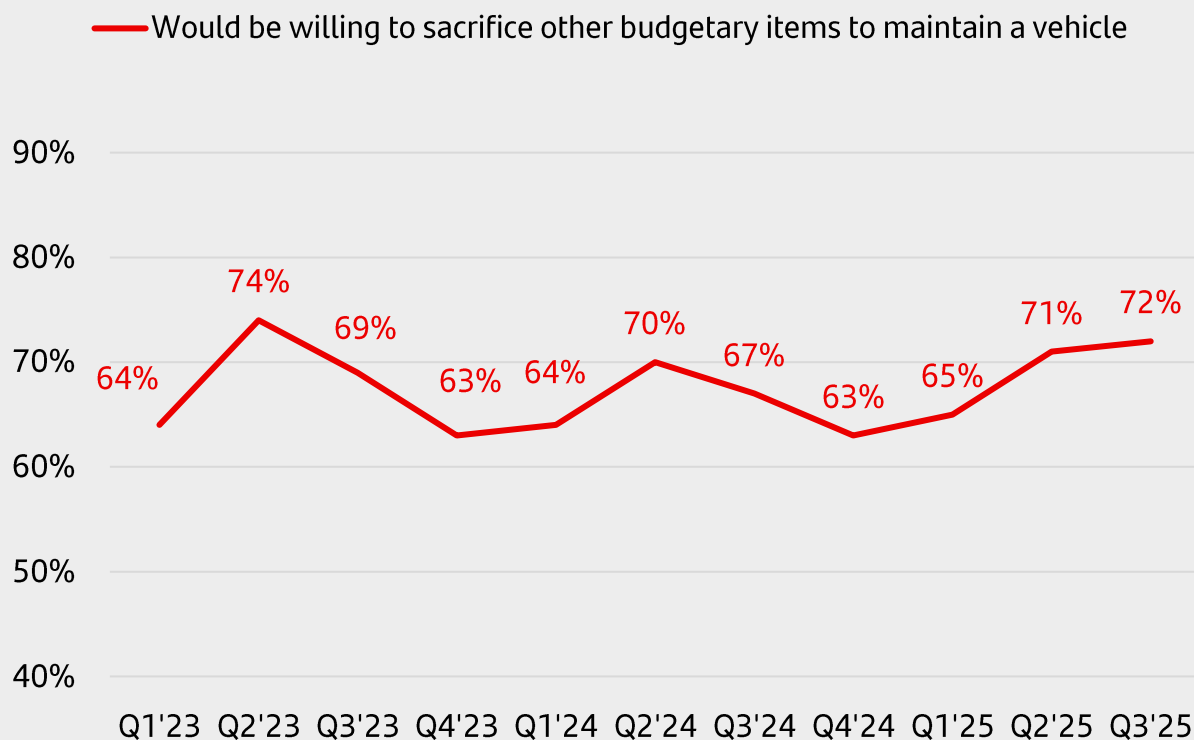
Vehicle shopping picks up among middle-income Americans; car buyers are finding options that align with their budgets.



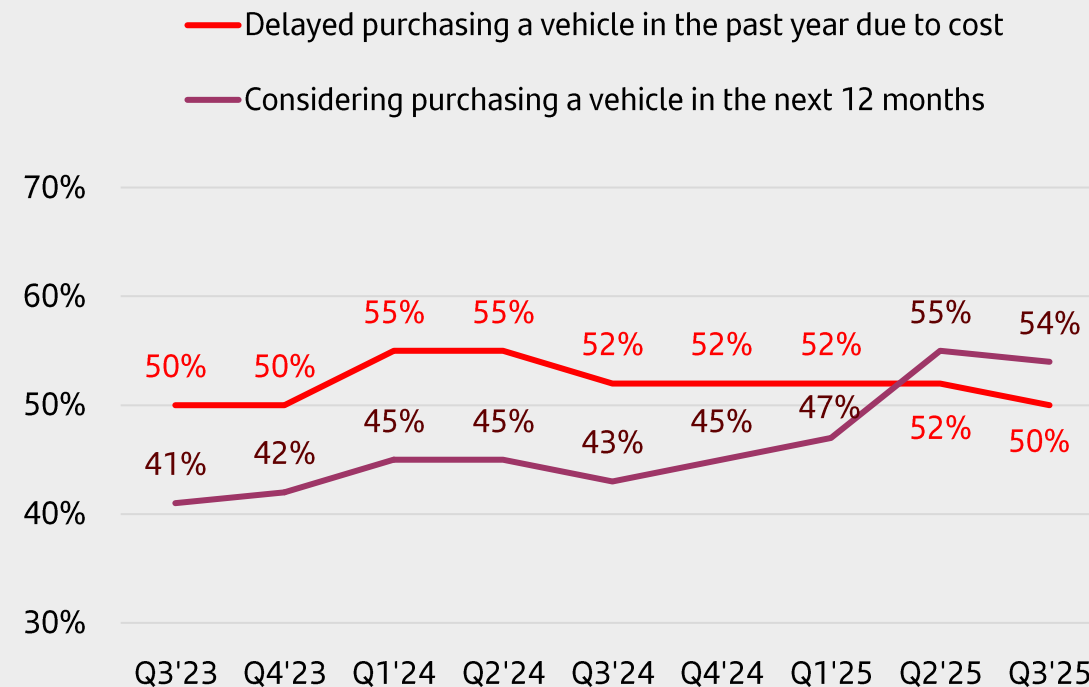
Vehicles continue to be a top priority for middle-income Americans' budgets

Vehicle prioritization remained elevated in Q3, defying typical seasonal declines and underscoring the importance of vehicle access.

Consumers remain committed to maintaining vehicle access.



Fewer are delaying vehicle purchases as buying interest remains elevated.

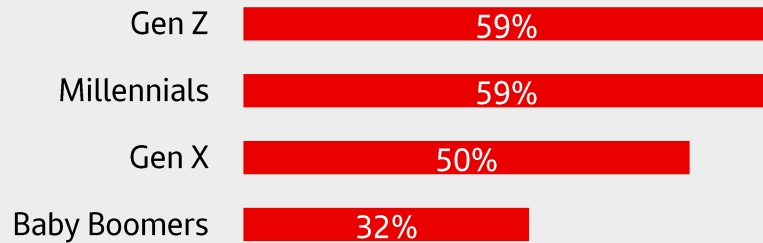


Vehicle shopping activity picks up among middle-income consumers

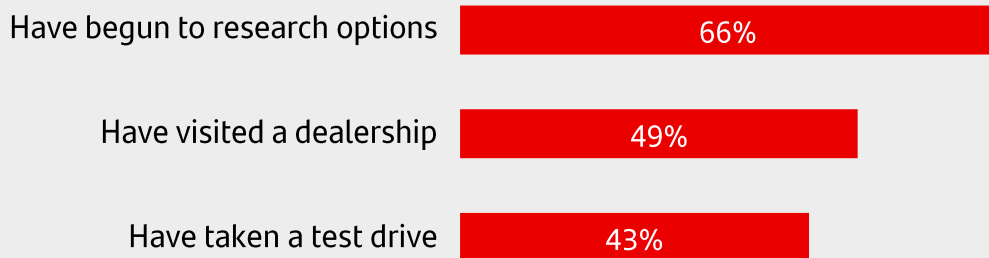
More researched vehicle options and visited dealerships in Q3.

Interest in buying is strongest among younger generations.

Considering a vehicle purchase in the next 12 months:

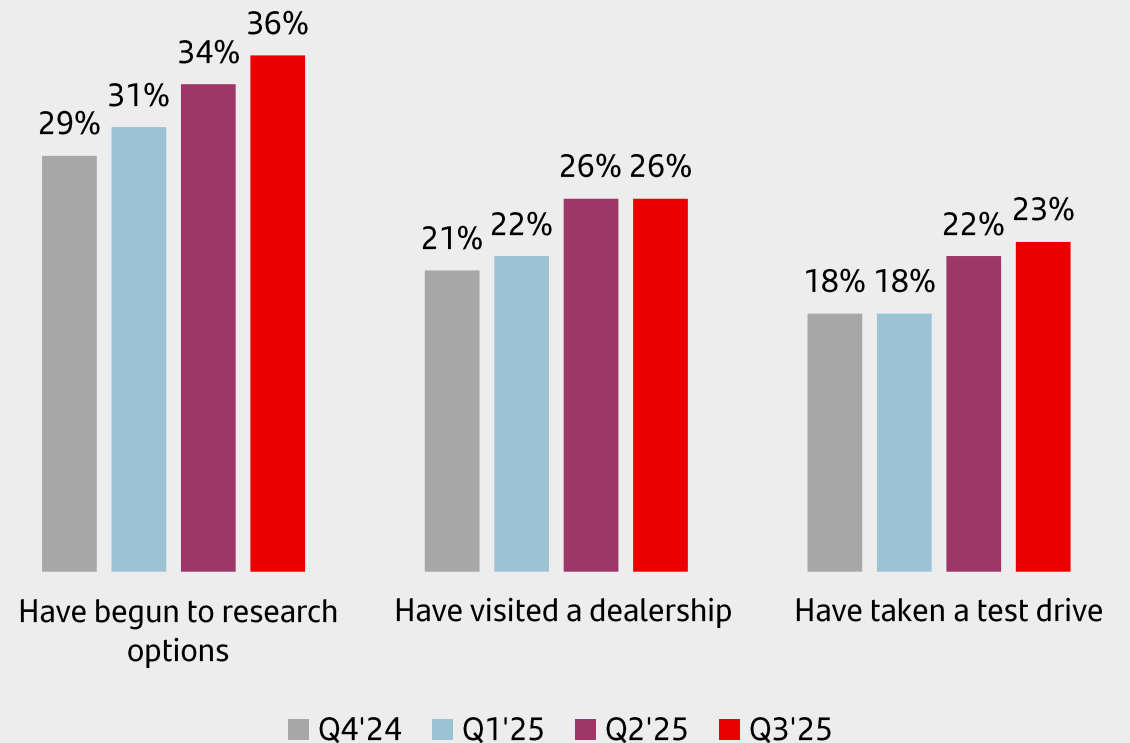


Those considering a vehicle purchase are taking steps toward buying*.



*Among those considering a vehicle purchase in the next 12 months.

Percent of all middle-income Americans taking steps toward their next vehicle purchase:

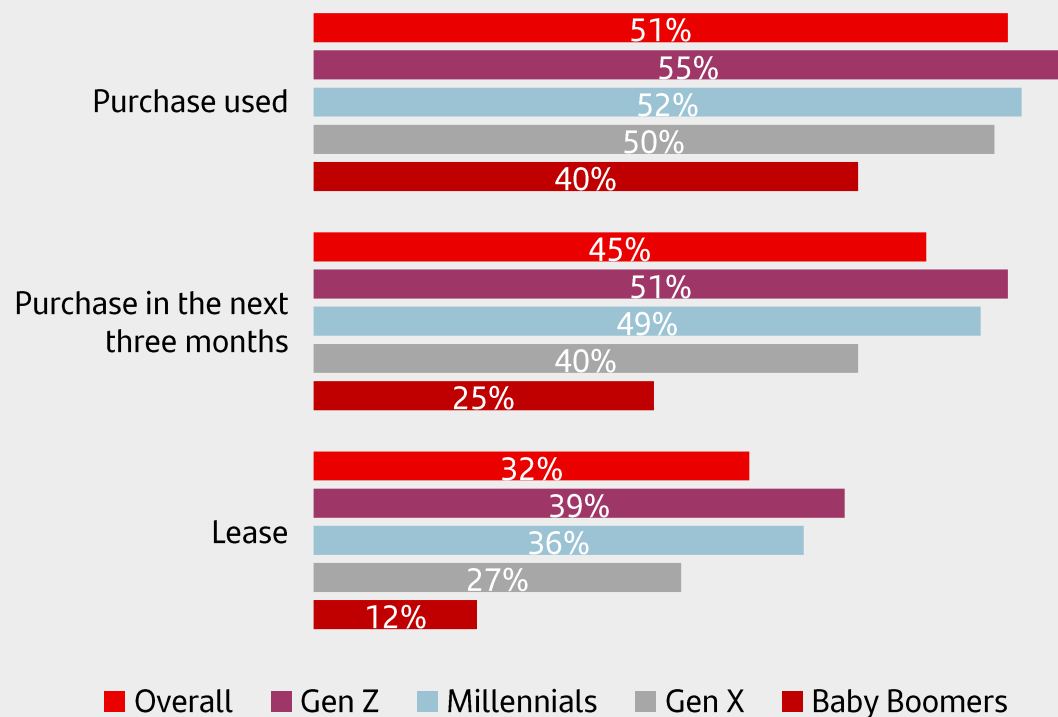


Global trade is shaping vehicle purchase plans

Despite uncertainty around prices, most prospective buyers are confident they can stay within budget.

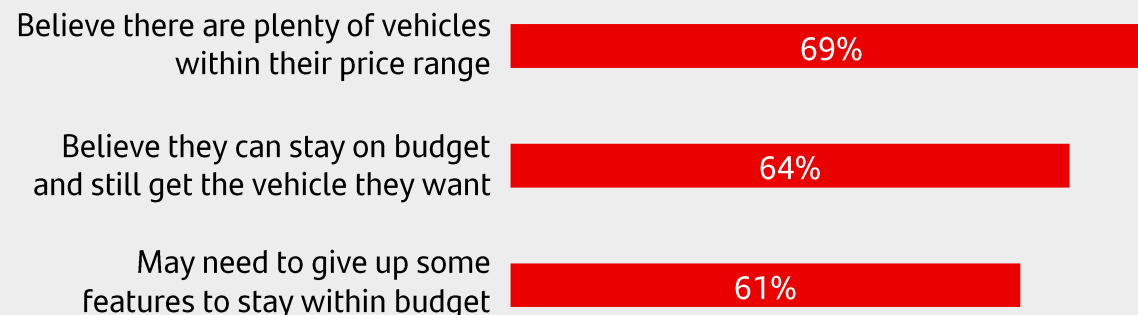
Global trade uncertainty could influence purchase decisions, especially among younger buyers.

Percent who are more likely to do the following*:



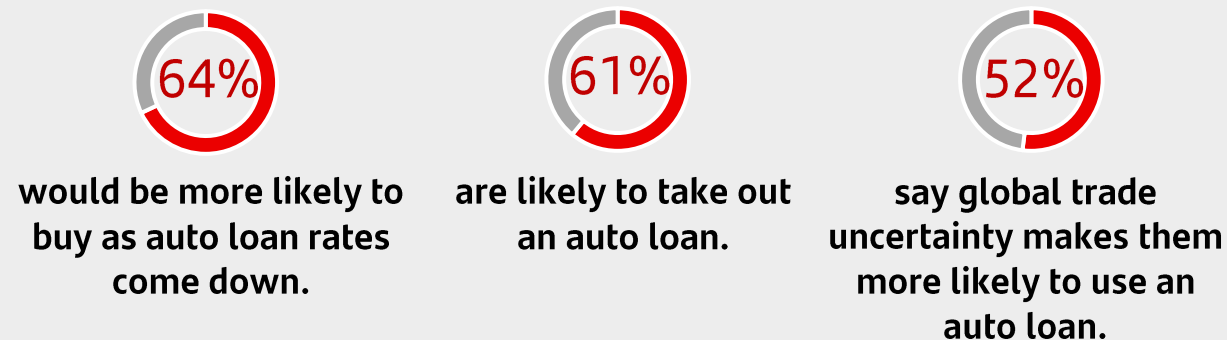
*Among those considering a vehicle purchase in the next 12 months.

Most believe they can find a vehicle that works for their budget*.



*Among those considering a vehicle purchase in the next 12 months.

Economic conditions emphasize the need for auto loans*.

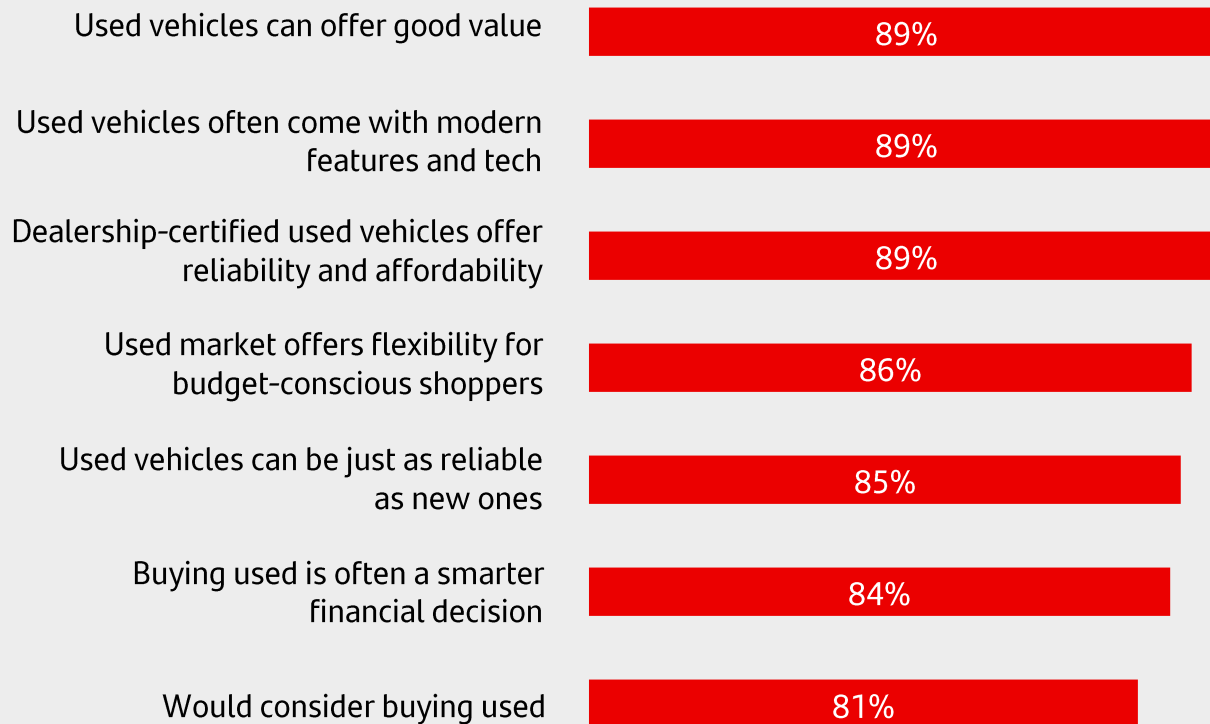


*Among those considering a vehicle purchase in the next 12 months.

Used vehicles offer affordability and other benefits

81% of prospective car buyers would consider buying used, and 90% of them say this interest has grown over the past year.

Used vehicles are seen as a smart, reliable, and modern choice among prospective buyers*.



*Among those considering a vehicle purchase in the next 12 months.

Nearly all prospective buyers (96%) see an advantage to buying used versus buying new.

Top advantages of used vehicles compared to new ones:*

- 1 More affordable
- 2 More options in price range
- 3 Better trim/model for the money

*Among those considering a vehicle purchase in the next 12 months; only top responses shown.

Most 2025 car buyers are satisfied, finding vehicles in their budget

30% of middle-income Americans bought or leased a vehicle this year, with 3 in 4 of them (74%) accelerating their purchase due to future price uncertainty.

Price was the top factor for car buyers this year.

Top factors influencing vehicle purchases:

- 1

Price
- 2

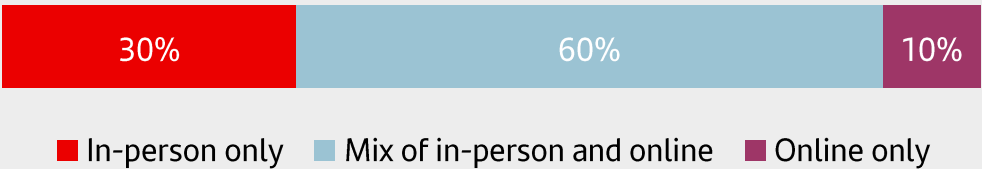
Features (size, fuel efficiency, safety, technology)
- 3

Vehicle availability
- 4

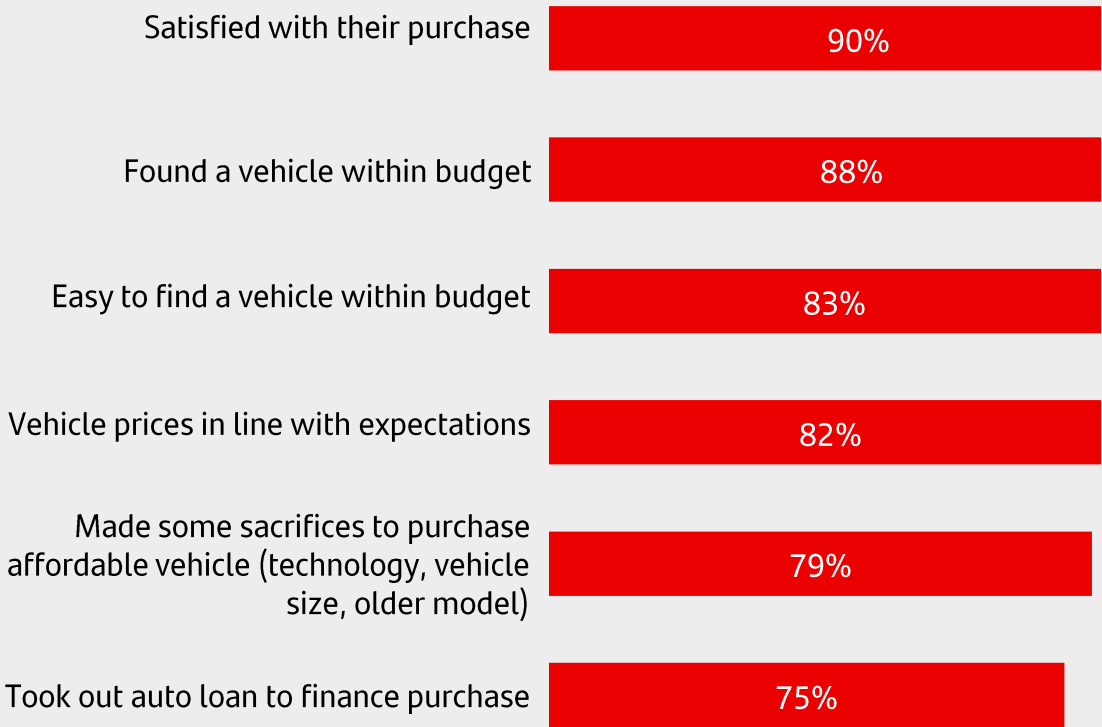
Brand/manufacturer
- 5

Ability to secure financing

Where car buyers shopped for their vehicles in 2025:



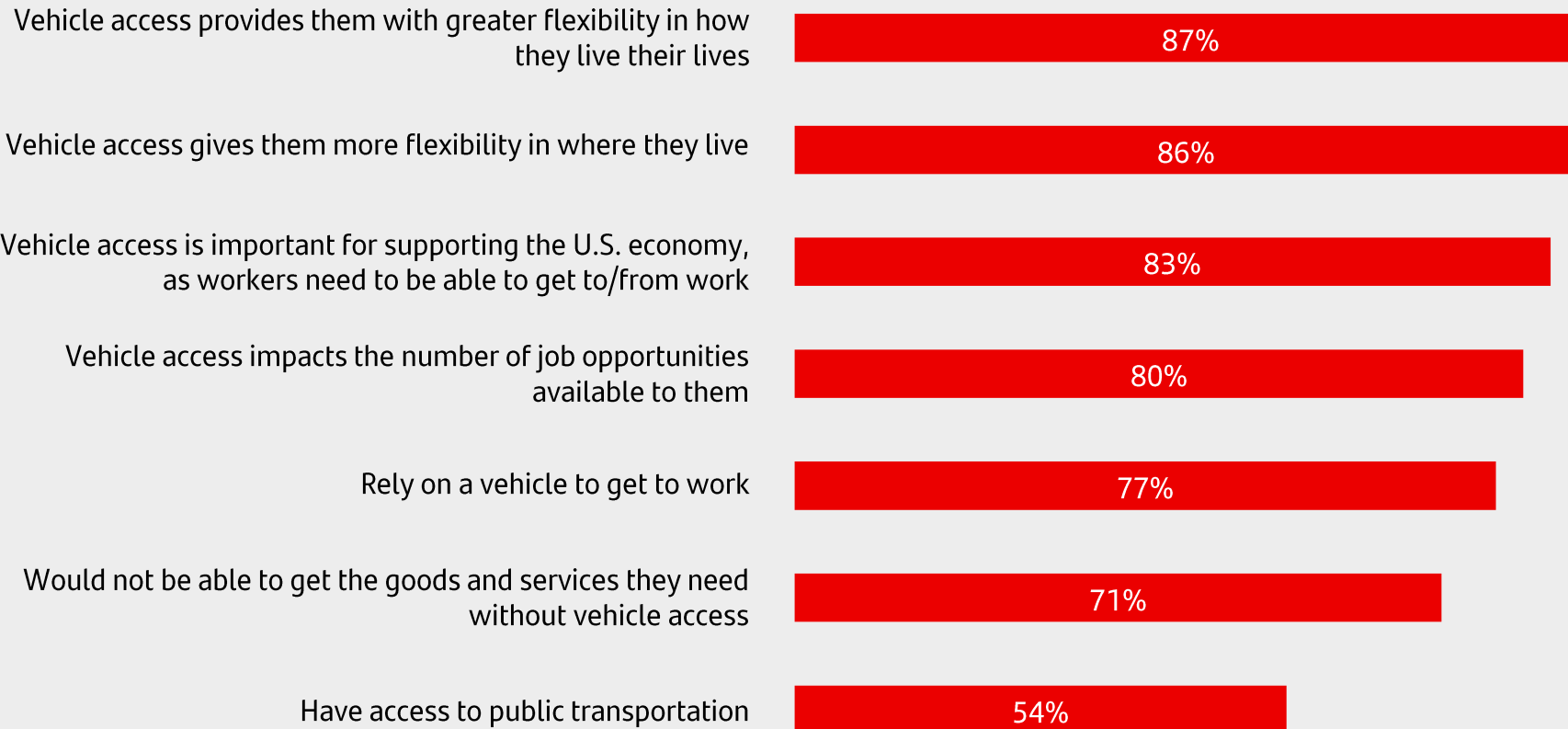
Most buyers stayed on budget and felt good about their purchase.



Vehicles enable flexibility for work and life.

More than three-quarters of middle-income Americans rely on a vehicle to get to work.

Vehicle access supports work, mobility, and opportunity.



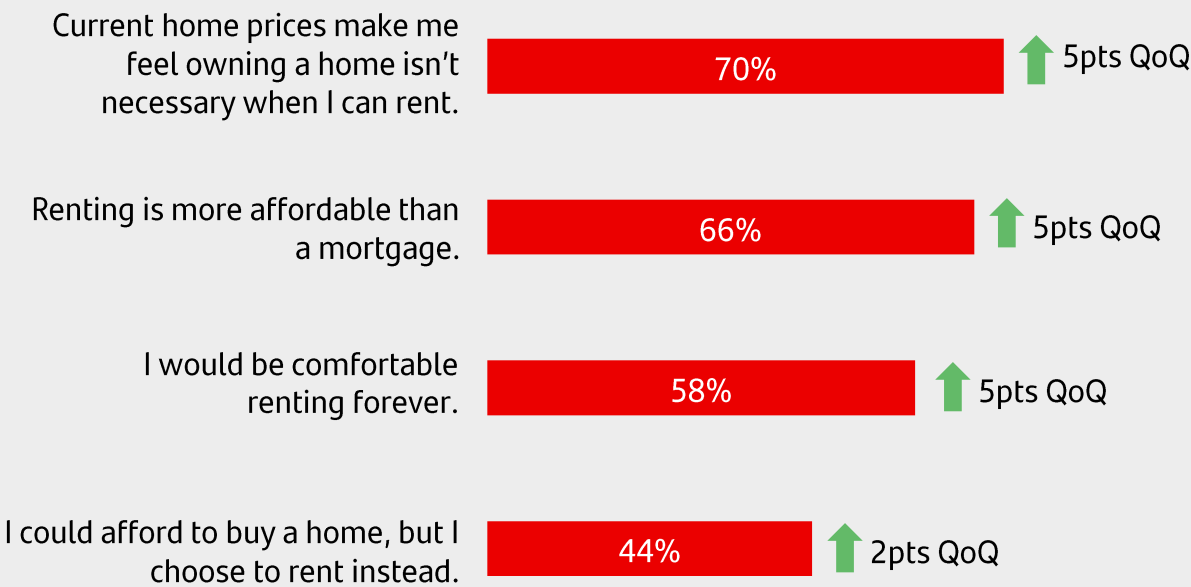
Renters increasingly view their housing situation as the more affordable choice.



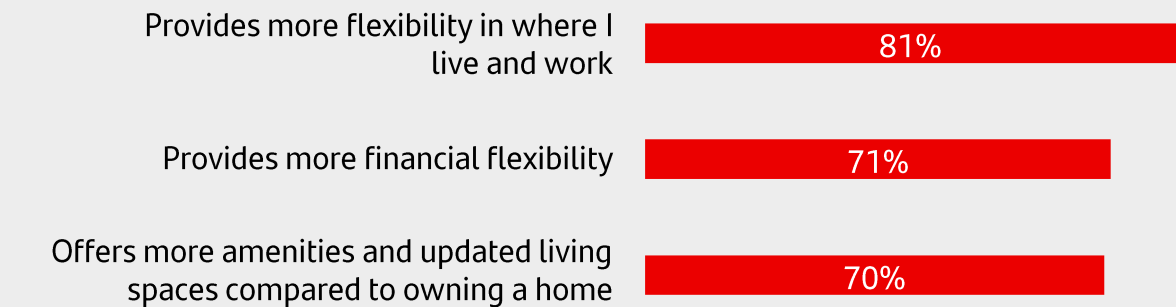
Middle-income renters are choosing flexibility and affordability over ownership

An increasing number of renters feel they never need to own a home but would appreciate more rental options.

Renters increasingly see their housing situation as a more affordable alternative to homeownership*.

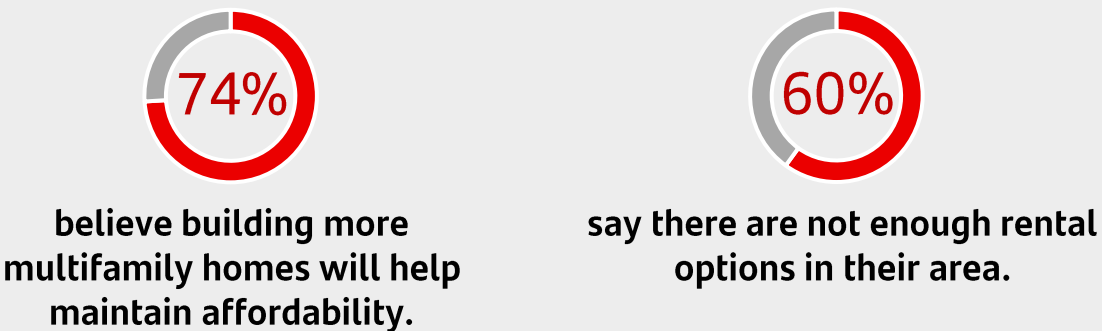


Renting is not just more affordable; it is also more flexible and comfortable*.



**Among those who rent their primary residence.*

Renters would benefit from having more options*.

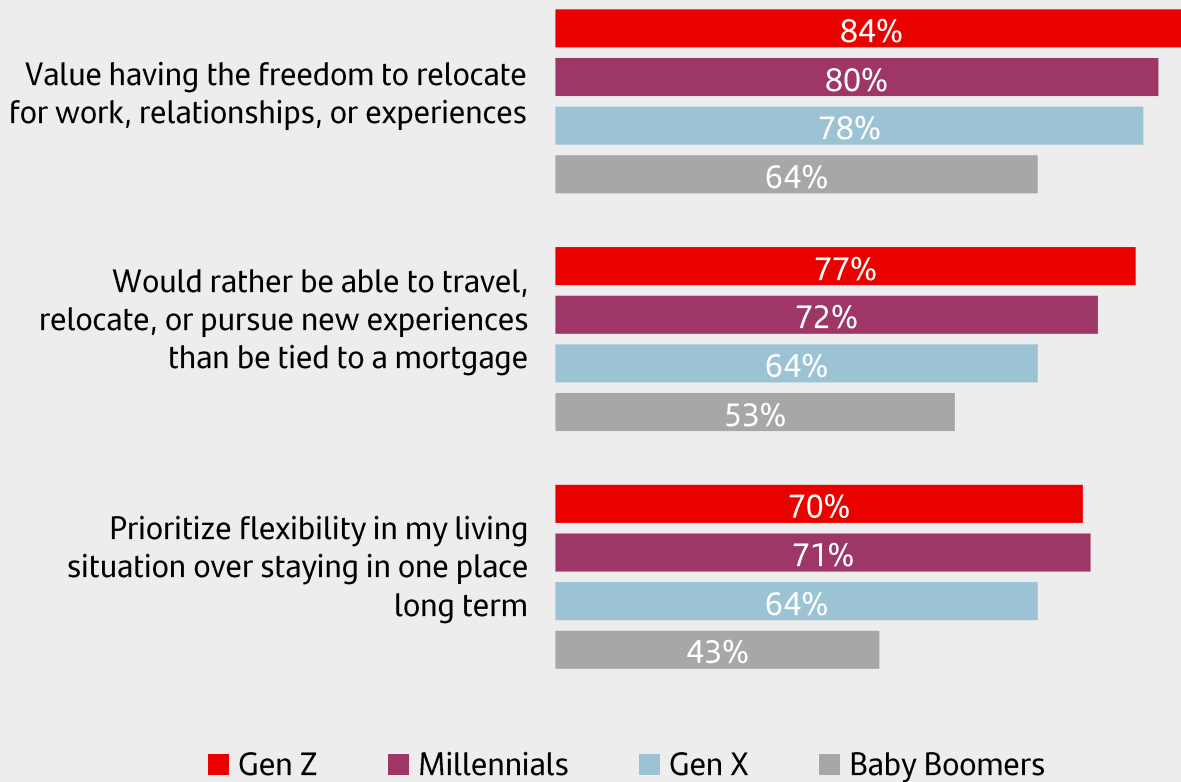


**Among those who rent their primary residence.*

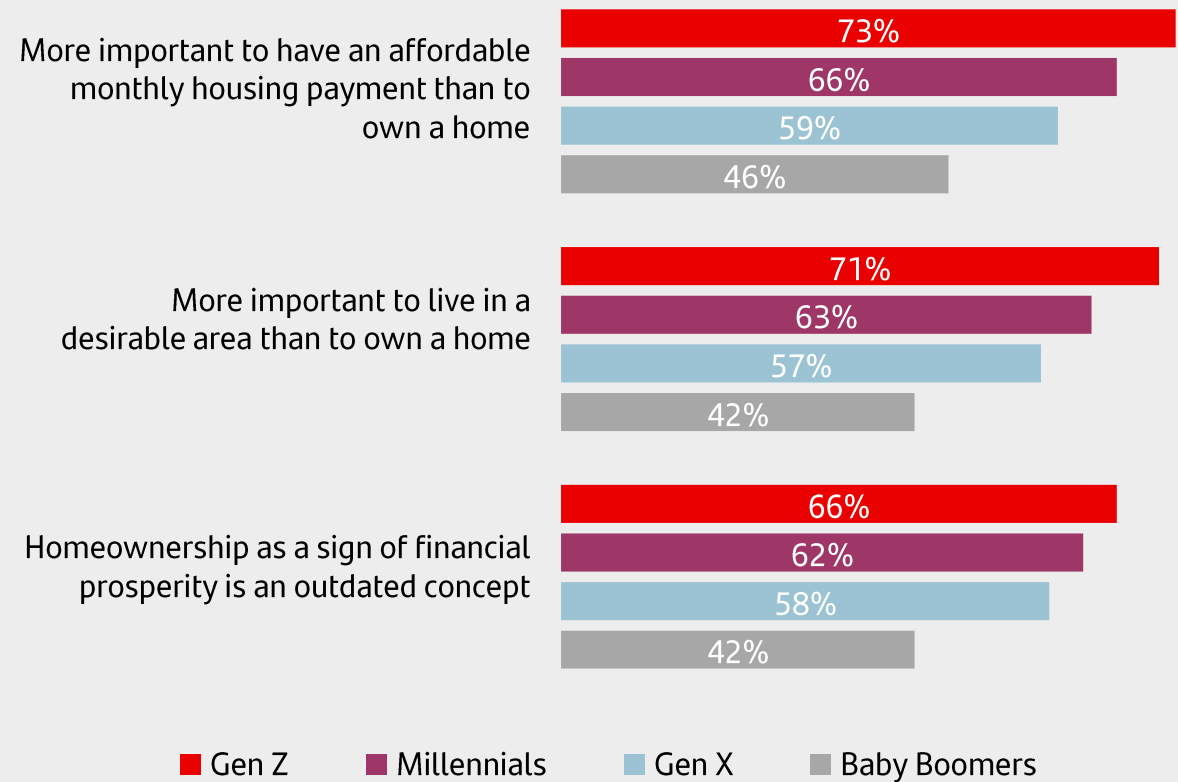
Flexibility outweighs homeownership for many younger Americans

More prioritize affordability, mobility, and location.

Mobility and lifestyle flexibility matter more than staying put.



Younger generations focus on practical housing needs.

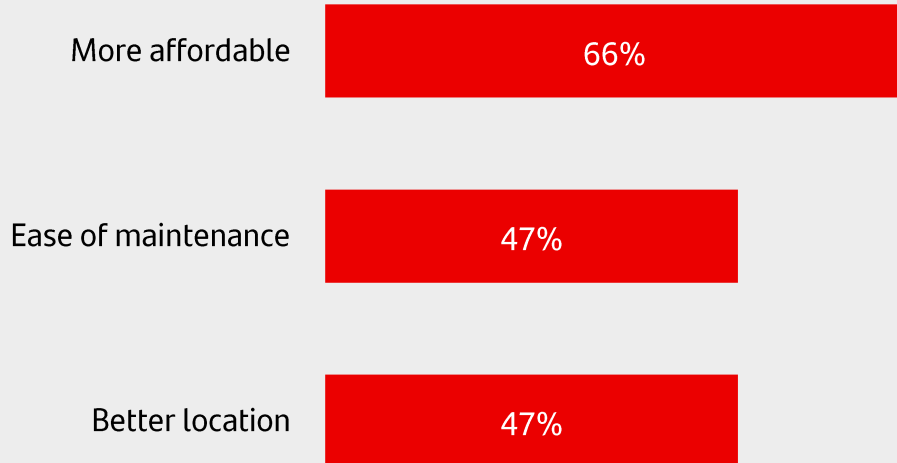


Multifamily housing delivers affordability and flexibility for renters

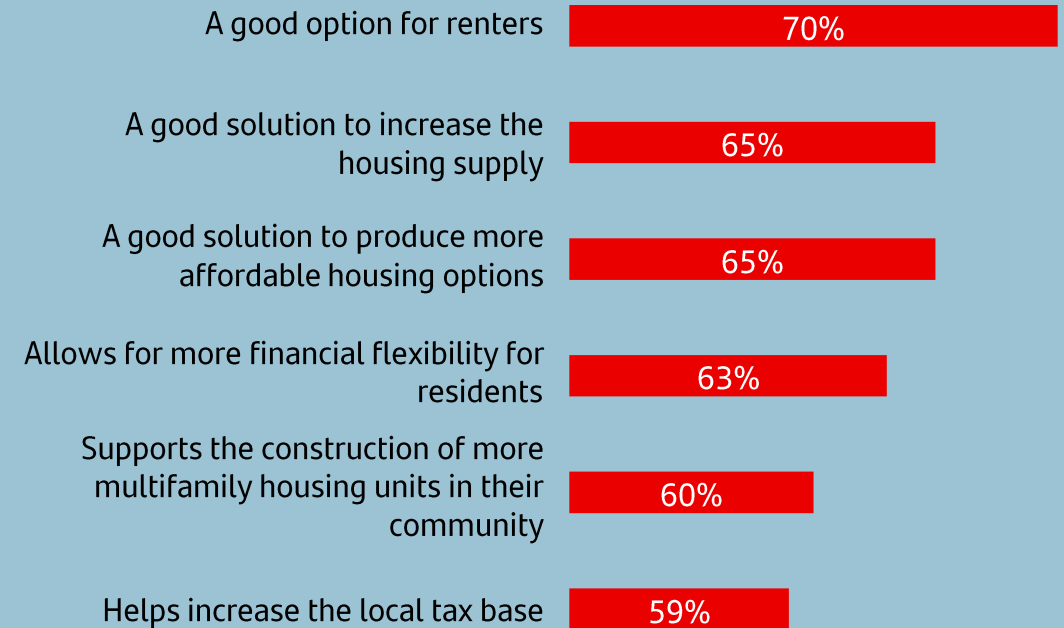
Most residents say multifamily homes offer meaningful advantages for both individuals and communities.

Affordability, location, and ease drive multifamily appeal.

Top three reasons for living in a multifamily home:*



Multifamily homes are seen as a practical path to expand housing options and positively impact communities**.



*Among those living in a multifamily home. Respondents could select all that apply; only top responses shown.

**Among those living in a multifamily home.

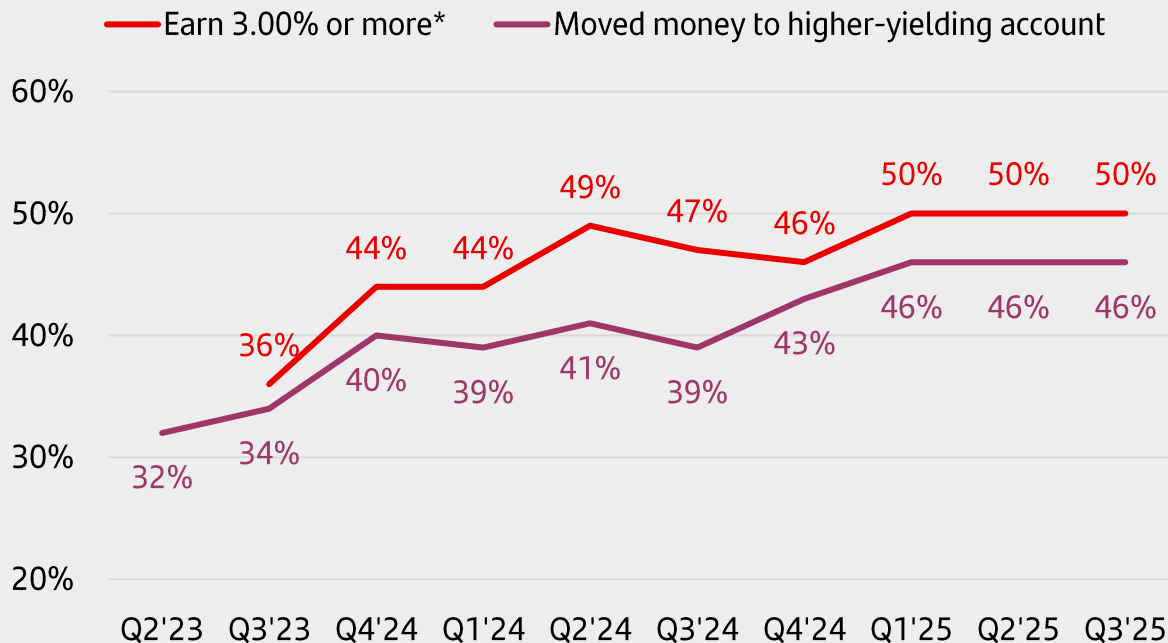
Middle-income Americans still have an opportunity to earn more interest on their savings.



Shifts to higher-yielding accounts have plateaued, despite favorable rates

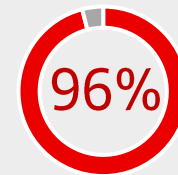
82% agree their bank provides information and guidance that is helpful for achieving financial prosperity, and most rely on digital banking to manage their finances.

Middle-income Americans have moved their money to earn higher interest rates over the past two years, but progress has stalled.

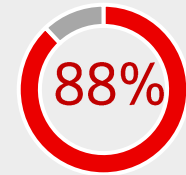


*Among those who know the interest rate on their primary savings account. 19% do not know the rate they earn on their savings.

Consumers rely on flexible digital banking options to stay on top of their finances.



say it's important their bank offers 24/7 digital account access.



bank digitally at least half the time.

Middle-income consumers remain confident in their bank and the banking sector overall.



Methodology

Methodology

This research on financial prosperity, conducted by Morning Consult on behalf of Santander US, surveyed 2,216 Americans who are bank and/or financial services customers, ages 18-76.

Survey participants are employed or looking for work, own/use at least one financial product and are the primary or shared decision-maker on household finances with household income in the “middle-income” range of ~\$53,000 to \$161,000¹.

¹ Range based on median household income of ~\$80,500 (U.S. Census Bureau) and Pew Research Center definition of middle-income being two-thirds to double median household income.

This Q3 study was conducted from September 4 - 7, 2025. The interviews were conducted online, and the margin of error is +/- 2 percentage points for the total audience at a 95% confidence level. Percentages may not total 100 due to rounding.

The data was weighted to target population proportions for a representative sample based on age, gender, ethnicity, region and education.

The previous studies were conducted over the following time periods:

- Q2 2025: June 2025
- Q1 2025: February 2025
- Q4 2024: December 2024
- Q3 2024: August 2024
- Q2 2024: May 2024
- Q1 2024: February 2024
- Q4 2023: December 2023
- Q3 2023: September 2023
- Q2 2023: May 2023
- Q1 2023: January 2023

Financial prosperity is defined as thriving financially. Achieving financial prosperity includes being able to cover living expenses, handle emergencies and pursue life goals without significant tradeoffs.

Multifamily homes are generally housing properties with five or more residential units, such as an apartment building.

About Santander US

Santander Holdings USA, Inc. (SHUSA) is a wholly-owned subsidiary of Madrid-based Banco Santander, S.A. (NYSE: SAN) (Santander), recognized as one of the world's most admired companies by Fortune Magazine in 2025, with approximately 176 million customers in the U.S., Europe and Latin America. As the intermediate holding company for Santander's U.S. businesses, SHUSA is the parent company of financial companies with more than 11,300 employees, 4.5 million customers, and assets of \$165 billion in the fiscal year ended 2024. These include Santander Bank, N.A., Santander Consumer USA Holdings Inc., Banco Santander International, Santander Securities LLC, Santander US Capital Markets LLC and several other subsidiaries. Santander US is recognized as a top 10 auto lender as well as a top 10 multifamily bank lender and servicer and has a growing wealth management business. For more information about Santander US, please visit www.santanderus.com.

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