Santander US Paths to Prosperity

Financial Prosperity in America:

For life's biggest financial decisions, middle-income households continue to value in-person support while embracing digital platforms and AI.

August 11, 2026

Santander US Paths to 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 consumers face as they work toward financial prosperity, and the banking, vehicle, housing, and other solutions that help navigate those challenges.

Building on thirteen quarters of research, this wave shows how economic conditions are shaping financial decision making for middle-income households, including spending and savings behaviors. Increasingly, households are also leveraging both digital convenience and trusted in-person interactions to support their banking needs, financial management, and vehicle purchases.

Key Findings

1 Middle-income Americans remain financially resilient, with 3 in 4 saying they are on the right track despite heightened inflation and affordability concerns.

2 Consumers want banking relationships that combine digital convenience and trusted human support, with physical branches building confidence. 83% have more confidence in a digital banking provider that also has branches.

3 Vehicle access remains essential to work and mobility. 77% rely on a vehicle to get to and from work, and over half are driving to work more often than a year ago, up 8 points from Q1.

4 Used vehicles are the preferred affordability choice as cost concerns weigh on purchase decisions. 84% of prospective buyers would consider buying a used vehicle and 73% of recent buyers made compromises to stay within budget.

5 Auto shopping is multichannel, but 66% are more comfortable shopping for and purchasing vehicles through a dealership than a fully digital retailer.

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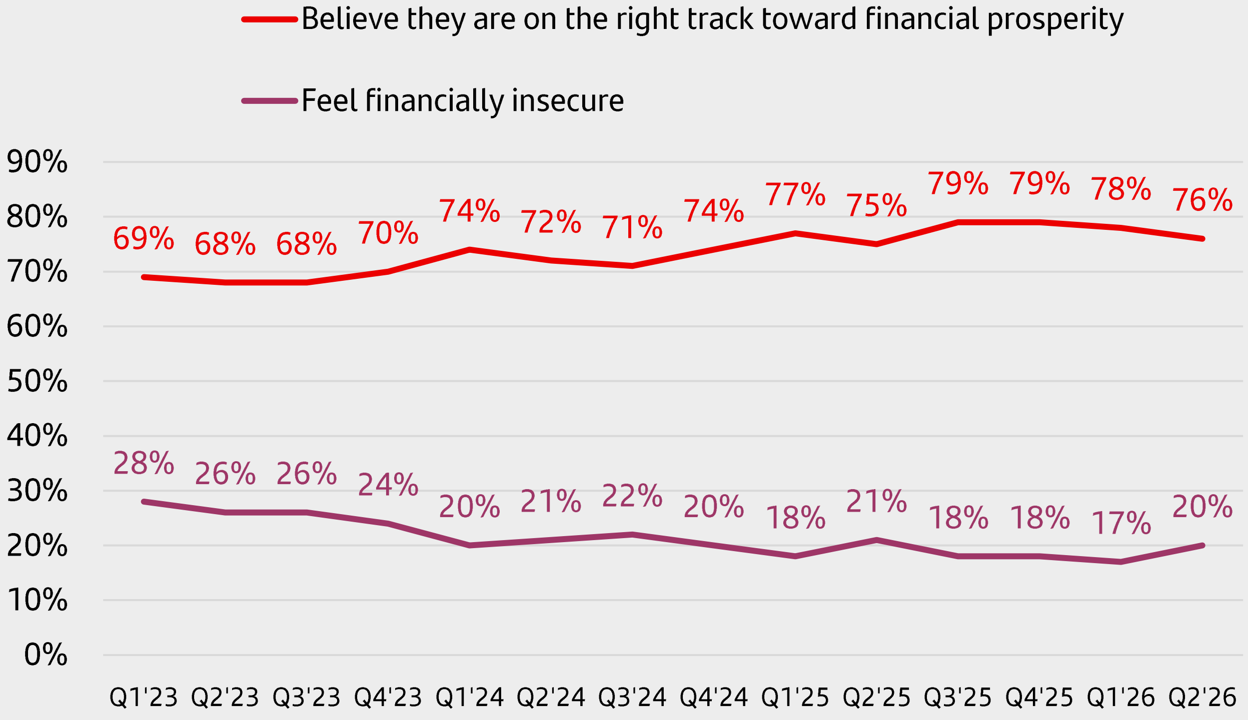
Middle-income Americans remain financially resilient, while adapting to inflation and higher costs.

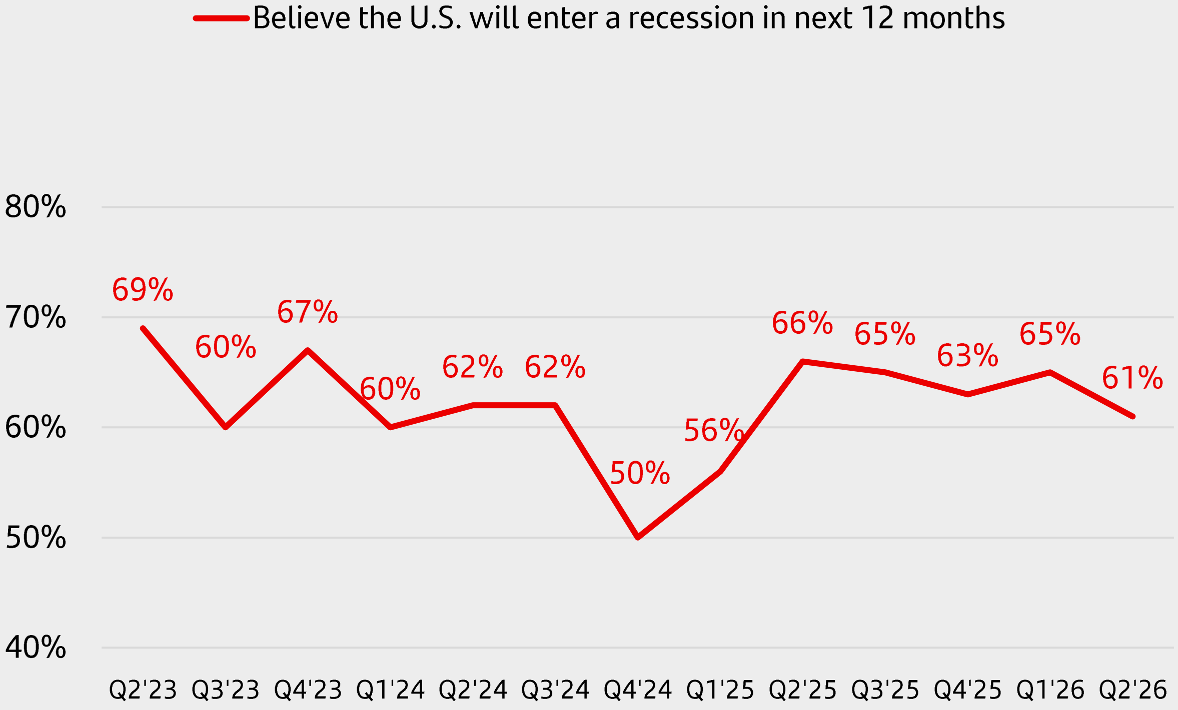
Middle-income Americans remain confident in achieving financial prosperity

3 in 4 say they are on the right financial track, while recession expectations eased.

Financial confidence remains elevated, even as insecurity ticks up



Recession expectations fall to a one-year low



For middle-income Americans, prosperity starts with everyday stability

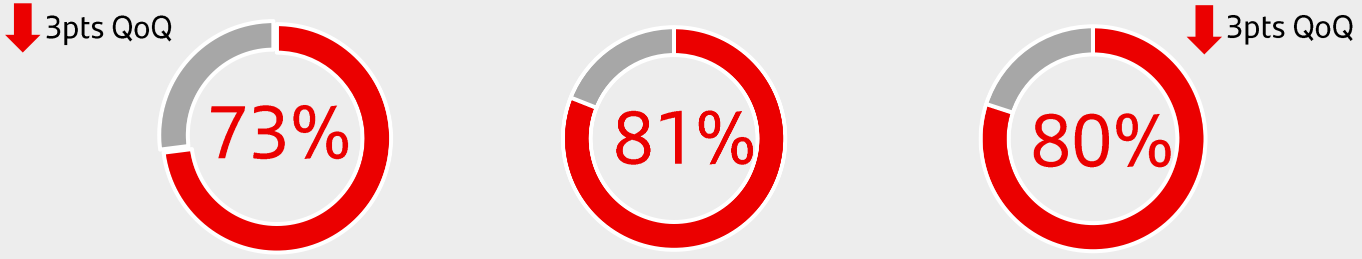
Most associate prosperity with ability to pay bills and job security.

Top five factors middle-income Americans associate with financial prosperity*

1. Able to pay bills and expenses
2. Job security
3. Sufficient emergency savings
4. Debt-free
5. Being able to retire

*Top response options shown.

Key indicators of financial prosperity remain robust

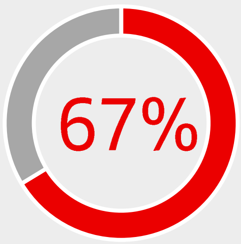


are current on their bills

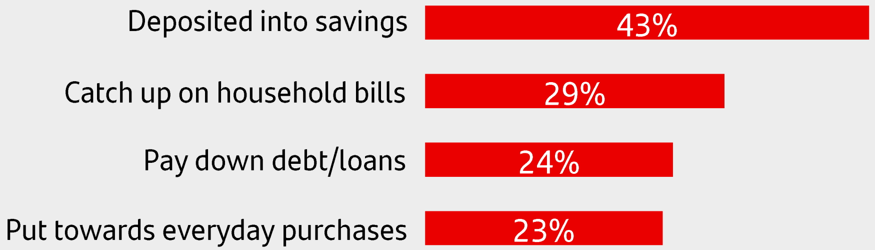
feel secure in their jobs

have savings to cover a small emergency

Consumers used tax refunds to support savings and expenses*



Received a tax refund

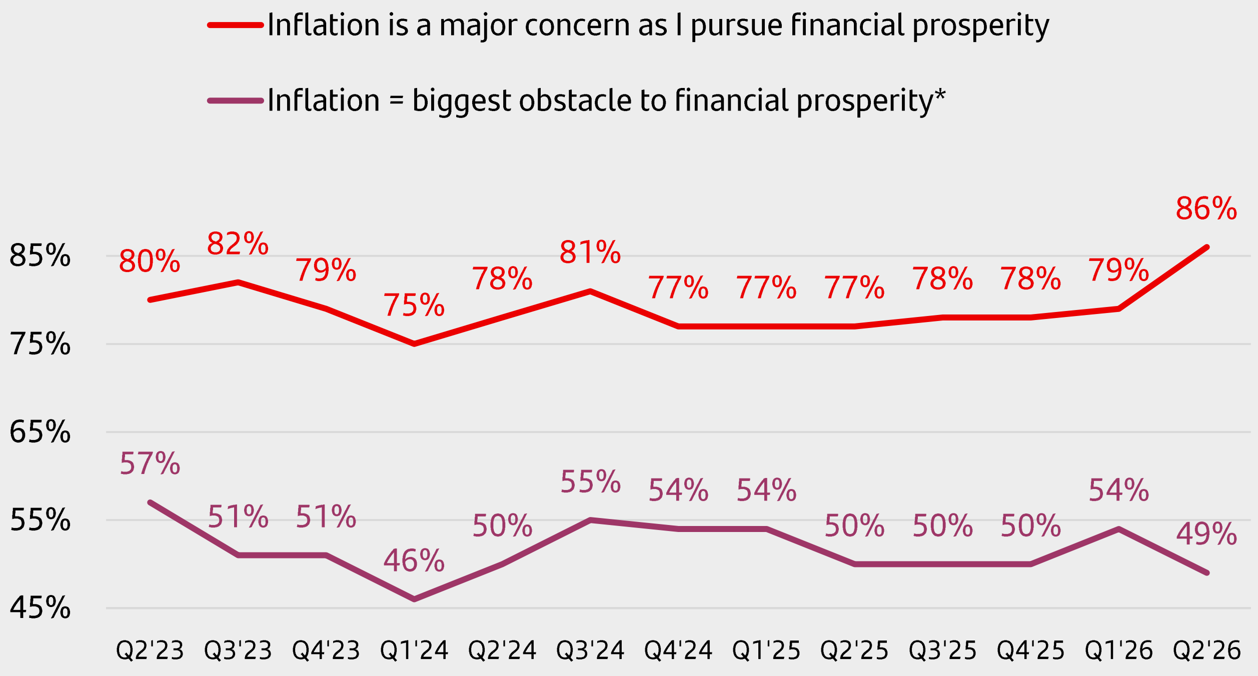


*Top response options shown.

Consumers show resilience despite heightened inflation concerns

Inflation concerns rose in Q2, but consumers continue to adapt with 83% believing they will manage rising costs.

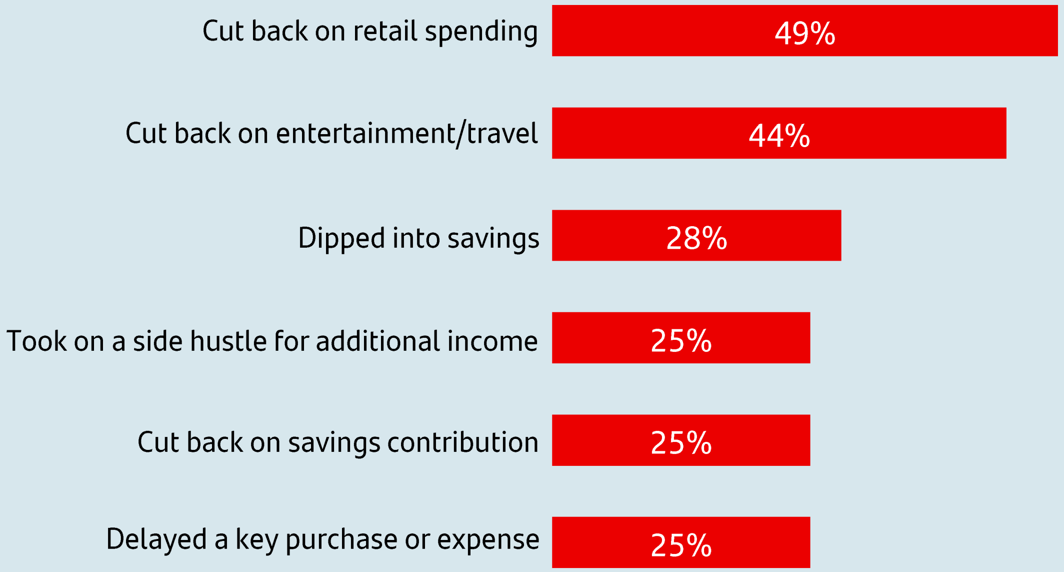
Inflation concerns jumped, but with fewer identifying it as the biggest obstacle to prosperity



*49% indicated inflation is their biggest obstacle to financial prosperity, the highest of seven response options, including state of the job market/job security (11%), slow wage growth (11%), debt (10%; +4ppts increase QoQ), and home prices (10%).

More than 9 in 10 (92%) took some action in response to inflation in Q2

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

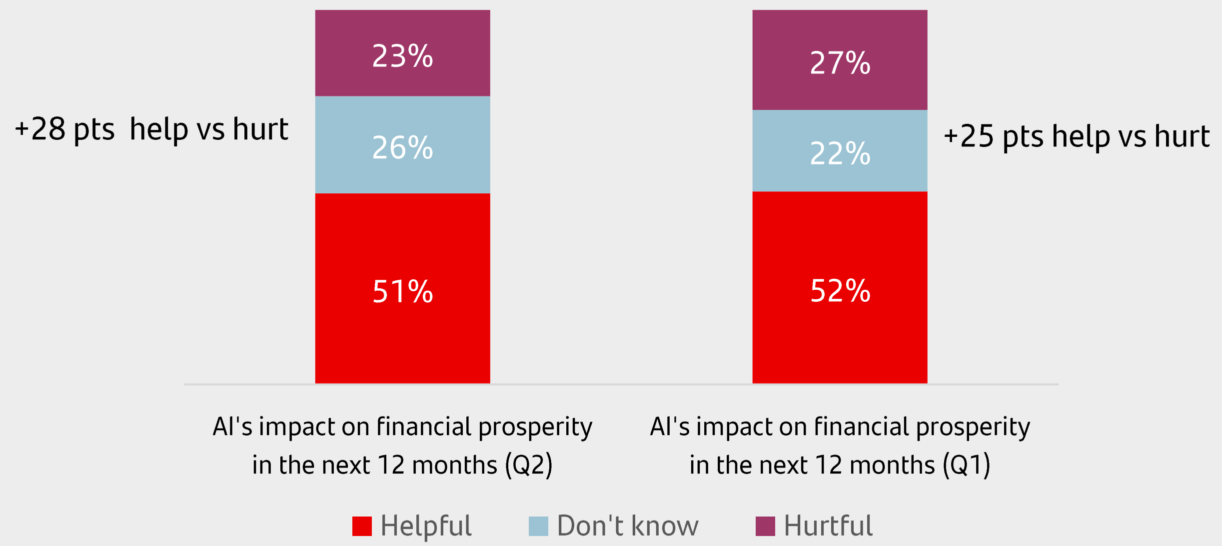


**Respondents could select all that apply; only top actions shown.

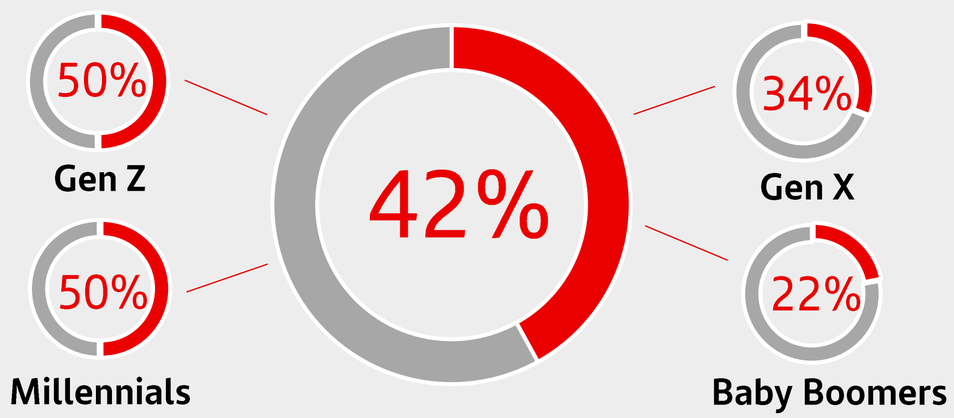
Younger consumers more likely to leverage AI for finances

More than 4 in 10 have used AI for a financial task or decision, most often to find ways to save money or reduce expenses.

Consumers remain more likely to say that AI will help than hurt their financial prosperity



Younger consumers more likely to use AI to help them financially



Have used AI in the past 12 months to help with a financial task or decision

Top three financial tasks that consumers used AI tools to help with:

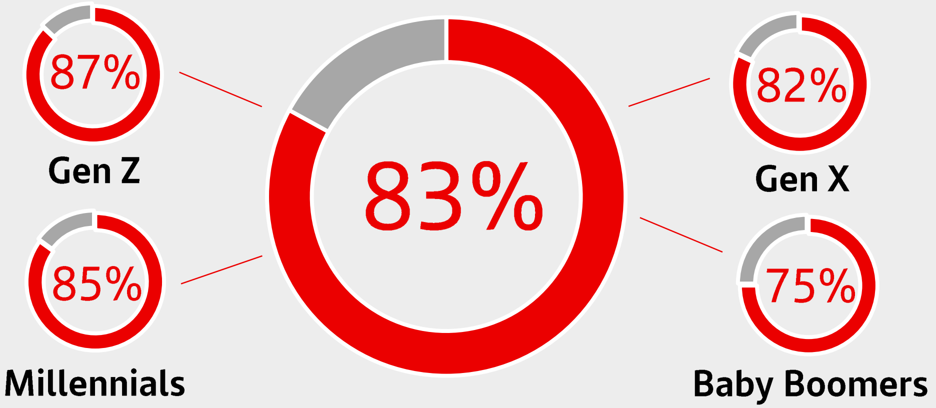
1. Finding ways to save money or reduce expenses
2. Make savings and investment decisions
3. Understanding rates, fees, terms or financial documents

Consumers want a digital banking experience backed by branches.

Digital banking delivers convenience, while branches build confidence

Nearly 9 in 10 want to manage most banking tasks digitally but maintain access to branches and people for complex issues and personalized guidance.

Physical branches help build consumer confidence across all age groups

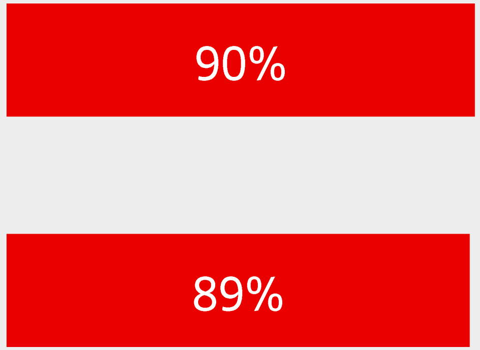


Have more confidence in a digital banking provider that also has physical branches

While most want to manage routine banking tasks digitally, they also want access to branches and people

Prefer speaking with a knowledgeable person over AI for major financial decisions

Want to manage most banking tasks digitally but still have access to a branch with people who can help



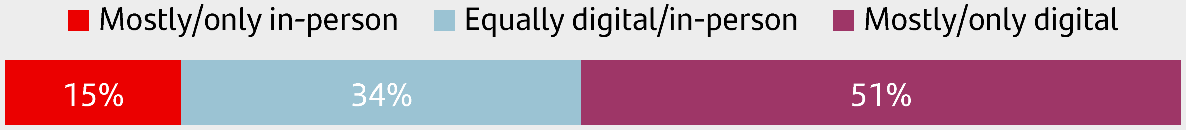
Top three reasons for visiting branches for things consumers would rather not handle online:

1. Resolving complex issues
2. Personalized guidance from a knowledgeable banker
3. Discuss important financial decisions in a private setting

Consumers prefer in-person engagement for significant financial tasks

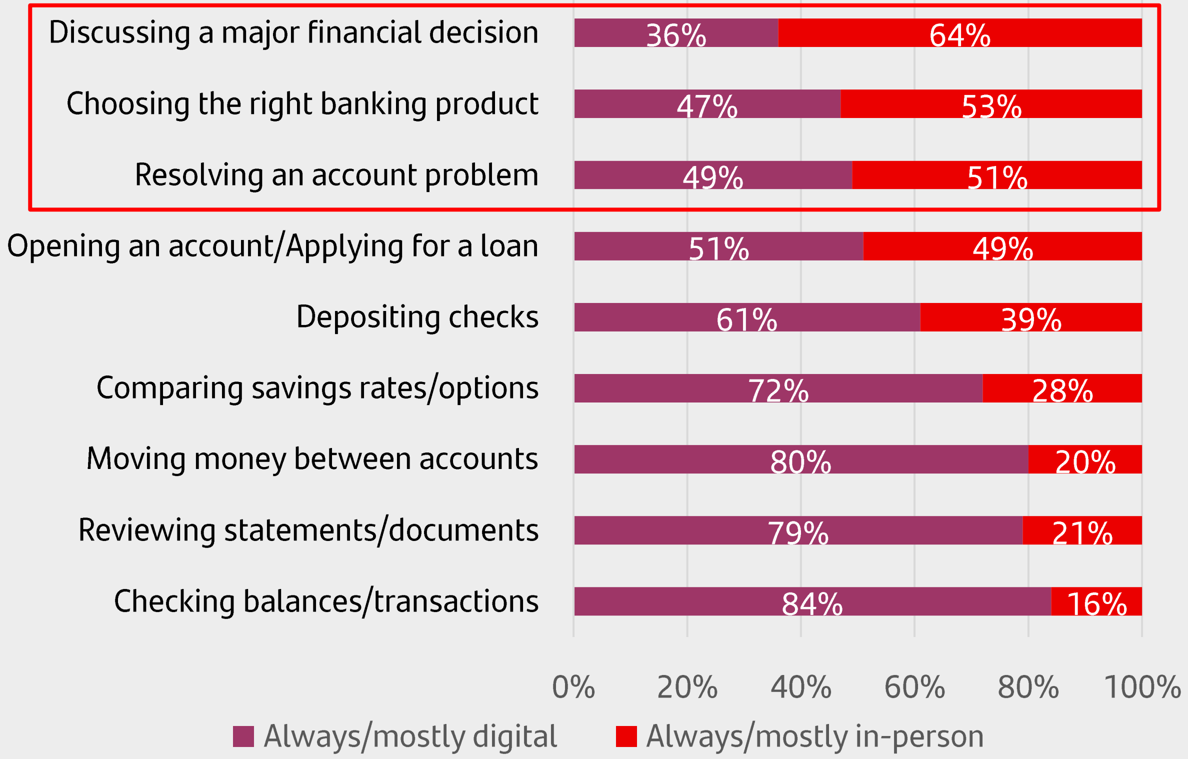
About half bank mostly or only digitally, while preferences shift toward in-person support for advice, problem resolution and major financial decisions.

Nearly half use in-person at least as much as digital banking*



*Consumers' interaction with their checking or savings accounts.

Consumers shift to in-person support for advice, resolving problems and major financial decisions**



**Rebased among respondents for whom each task is applicable.

Top three consumer preferences when banking digitally

1. Strong security features
2. Ease of use with clear information
3. Ability to move money easily

Choosing the right banking provider helps build financial prosperity

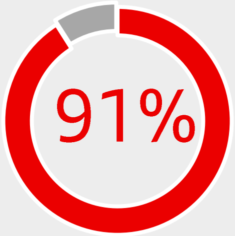
Middle-income Americans are more confident in banking digitally when it is backed by a financially strong institution.

Top five factors rated very important when considering a banking provider*

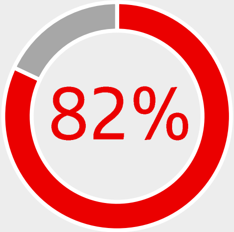
1. Being stable and secure
2. 24/7 access via online or digital/mobile applications
3. Having products that are easy to understand
4. Outstanding customer service
5. Competitive rates on loans / interest on savings

*Top response options shown.

Having the right banking provider important for achieving prosperity

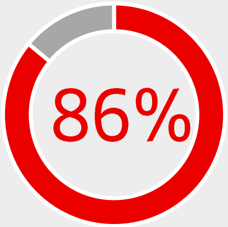


Say that choosing the right bank is important to achieving financial prosperity

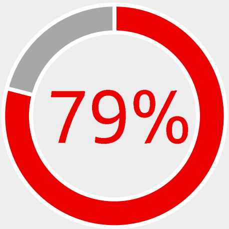


Agree that their bank provides guidance that is helpful for achieving financial prosperity

Consumers have more confidence in digital banking provided by traditional banks



Have more confidence with a digital banking provider if it were owned and backed by a financially stable bank

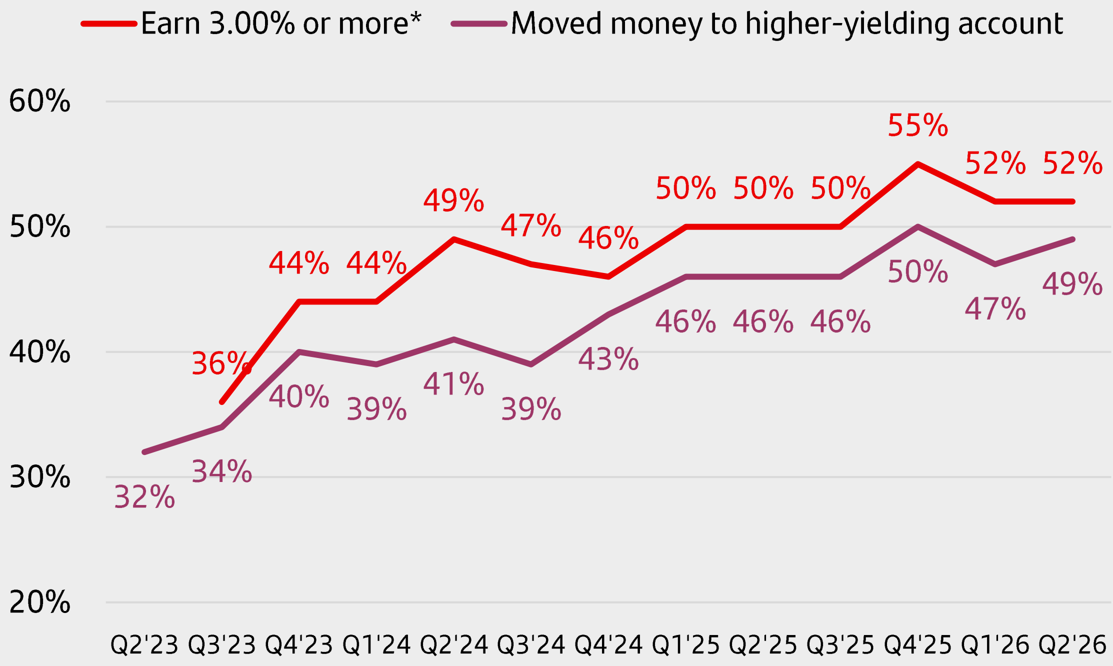


Prefer digital banking with a traditional bank over an unaffiliated fintech

Consumers seeking higher savings yields are more digital for key banking tasks

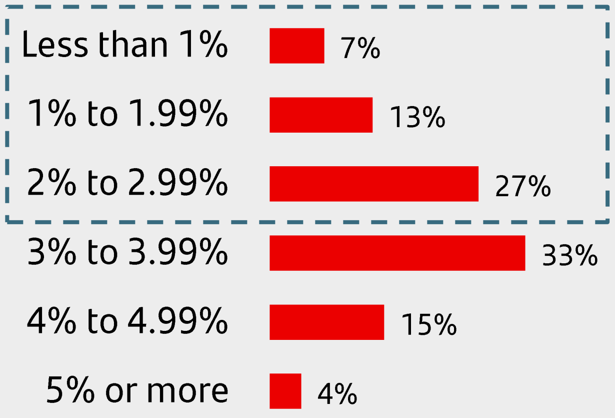
Nearly half have moved money to a higher-yielding account, but the shift toward higher savings yields has leveled off since Q1.

Half of middle-income Americans are earning 3% or more on their savings



*Among those who know their primary savings interest rate. 19% are unaware of the rate they earn.

Nearly half of households could be earning more on their primary savings**



Prior research found that 64% of consumers would be more likely to move money into a higher yielding account if they could do it digitally***

**Among those who know their interest rate.

***Santander US Paths to Prosperity, Q1 2024.

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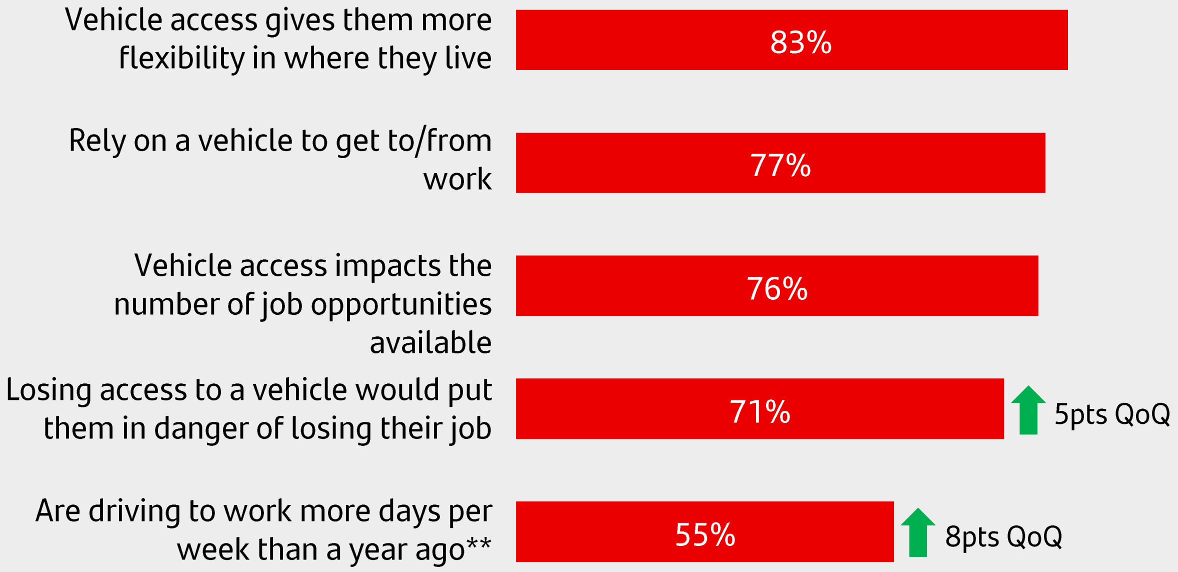
Vehicle demand persists, with affordability steering consumers toward used vehicles; dealerships remain essential in the decision-making process.

Vehicle access is essential to work, mobility, and prosperity

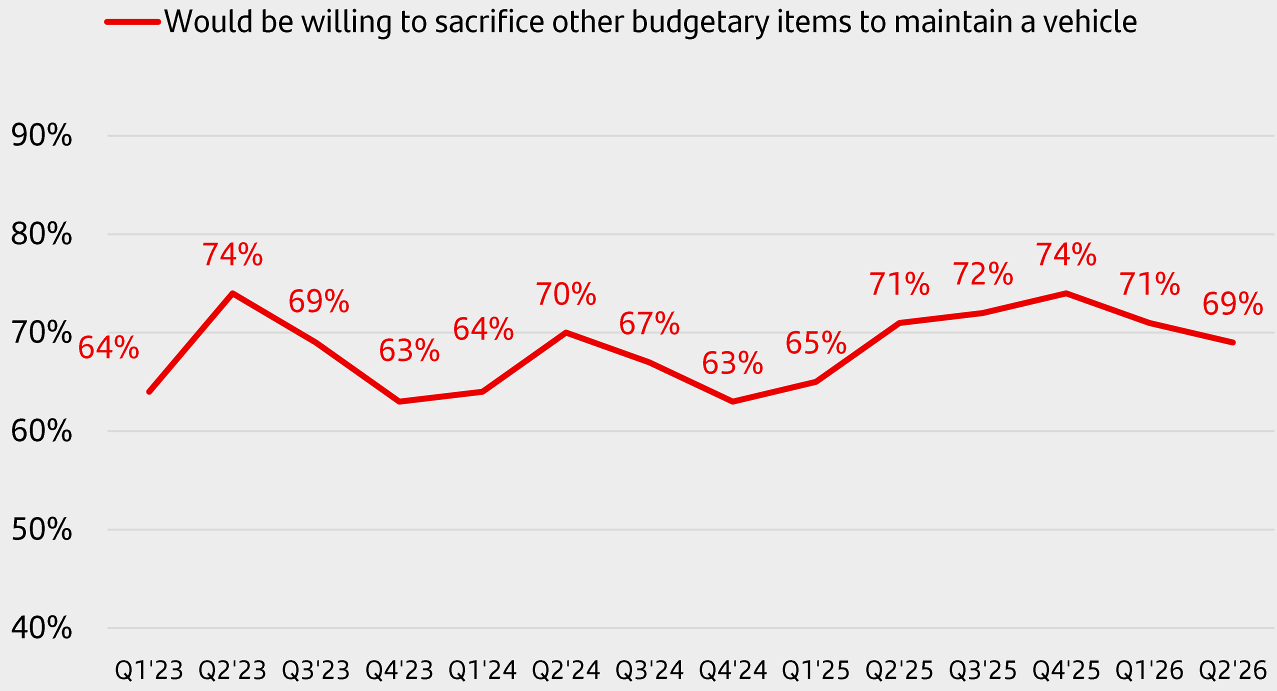
More than 3 in 4 rely on a vehicle to get to work, and over half are driving to work more often than a year ago.

Vehicle access enables flexibility, work, and job access*



* Among all middle-income households. **65% for Gen Z and 63% for Millennials.

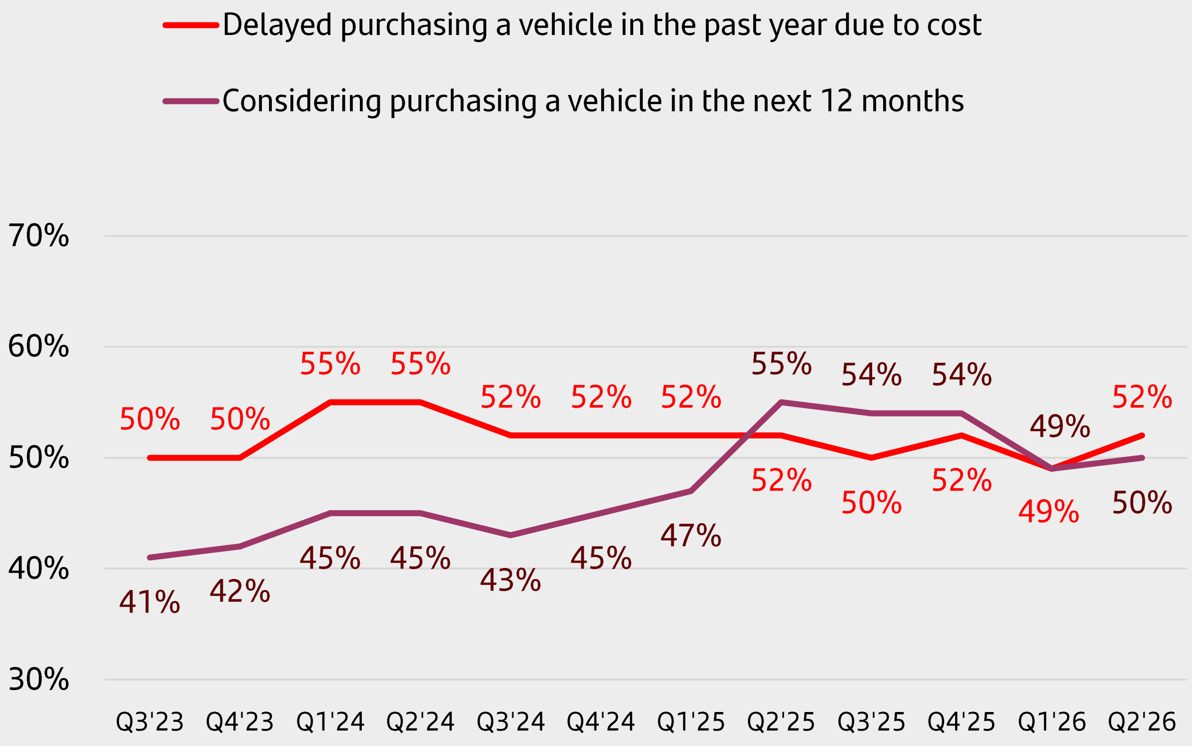
Maintaining vehicle access remains a budgetary priority for middle-income households



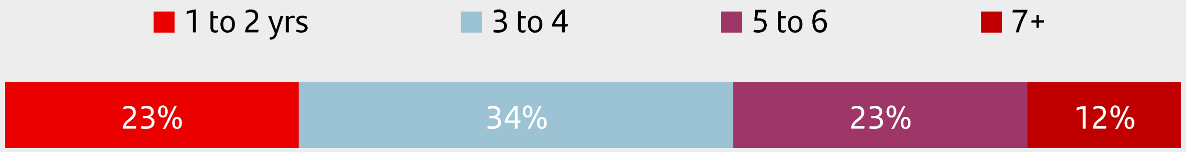
Vehicle demand persists, with signs that affordability is pushing consumers to keep their vehicles longer

Half are considering a vehicle purchase in the next year, but just as many have delayed buying because of cost.

Vehicle demand remains steady, even as cost delays purchases

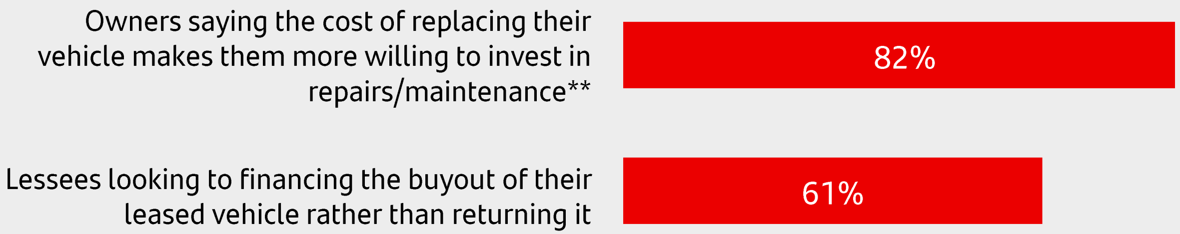


Recent new-vehicle buyers may underestimate their ownership horizon as vehicles remain in use longer*



*Cox Automotive's 2026 Fixed Ops and Ownership Study reports that 61% of owners keep their vehicles 5+ years, up from 54% in 2024.

Owners more willing to spend money to keep their vehicle on the road

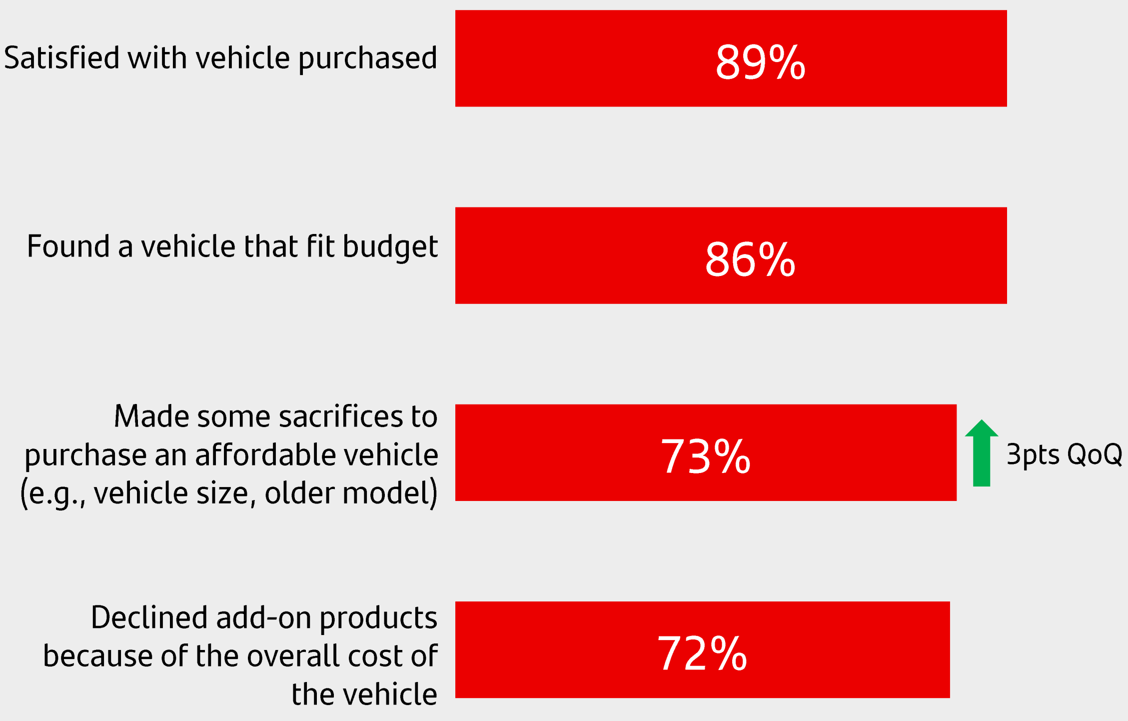


**Among those who purchased in the last 12 months.

Recent buyers are satisfied, but affordability required trade-offs

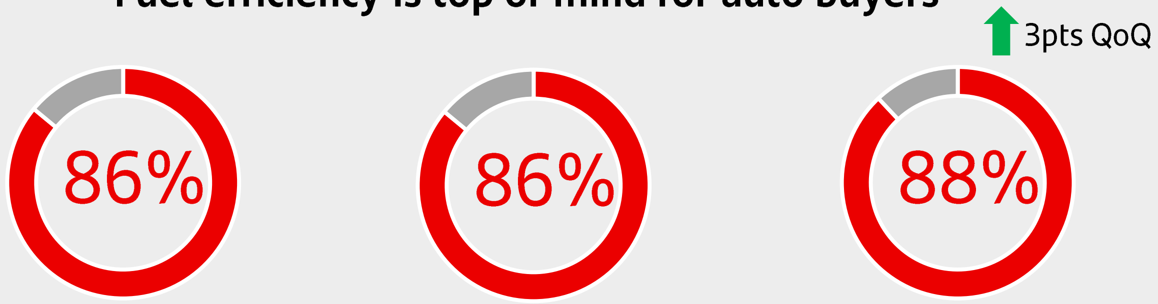
Most buyers found vehicles that work for their budgets, but many are compromising on features and add-ons.

Most buyers* stayed within their budget and were satisfied with their purchase, but made sacrifices



*Among those who purchased in the last 12 months.

Fuel efficiency is top of mind for auto buyers*



86% say fuel efficiency is a key purchase factor

86% say fuel efficiency has become more important than a year ago

88% would pay more for better gas mileage

*Among those who purchased in the last 12 months.

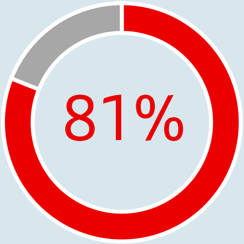
Top two biggest factors influencing their recent purchase other than price*

1. Vehicle reliability/maintenance costs
2. Vehicle features (size, fuel efficiency, safety, technology)

*Among those who purchased in the last 12 months.

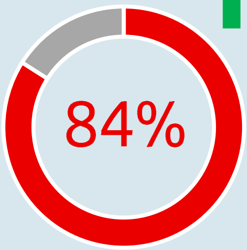
Used vehicles are the preferred affordability choice

Buyers see used vehicles as a practical path to better value, modern features, and reliability.



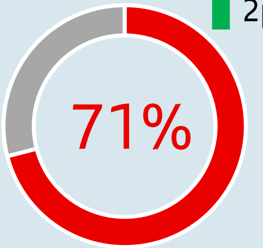
of recent buyers considered a used vehicle

1pt QoQ



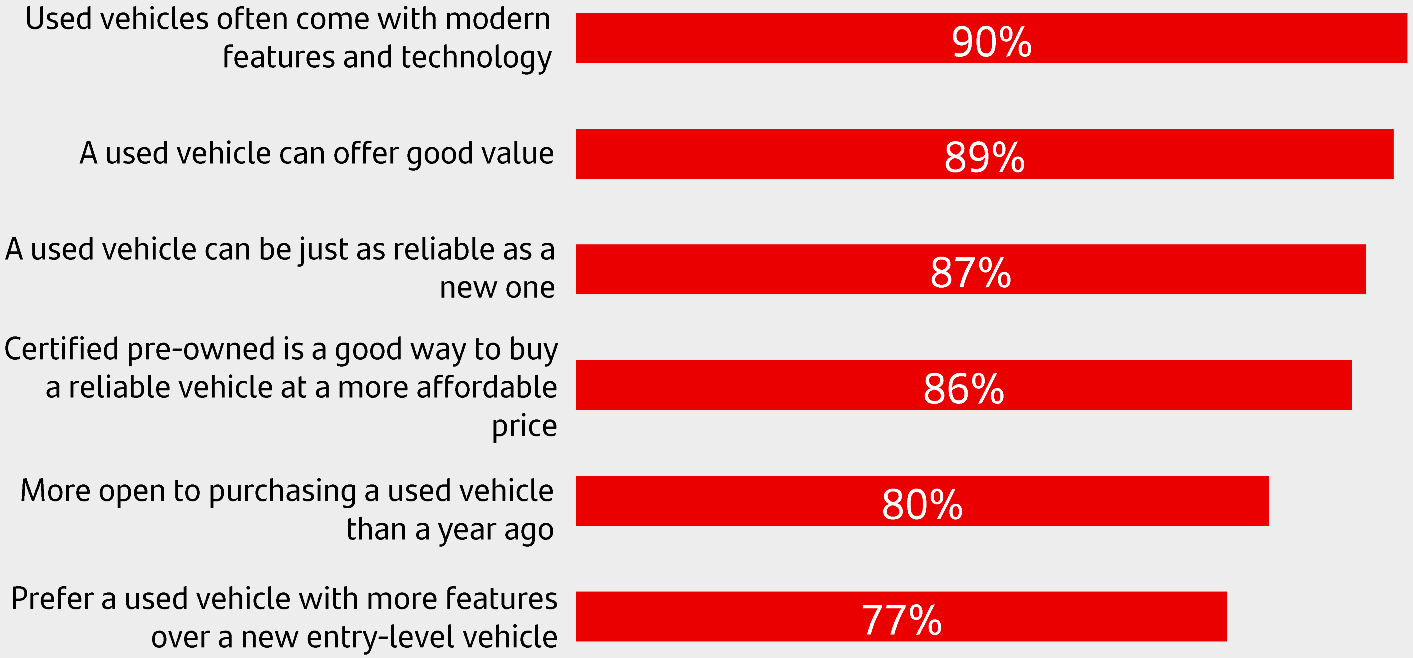
of prospective buyers would consider a used vehicle

2pts QoQ



of recent buyers felt priced out of the new vehicle market

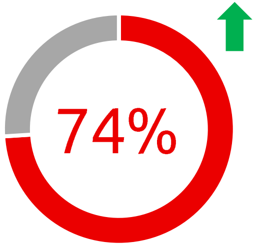
Used vehicles are seen as good value and reliable among prospective buyers*



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

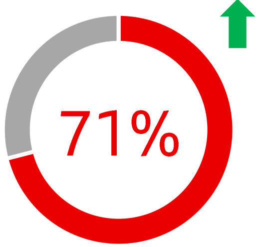
Purchase timing is shaped by need and expectations on future prices

Recent buyers often acted because they could not wait, while future price expectations among prospective buyers may accelerate timing.



3pts QoQ

of recent car buyers couldn't wait any longer to buy*

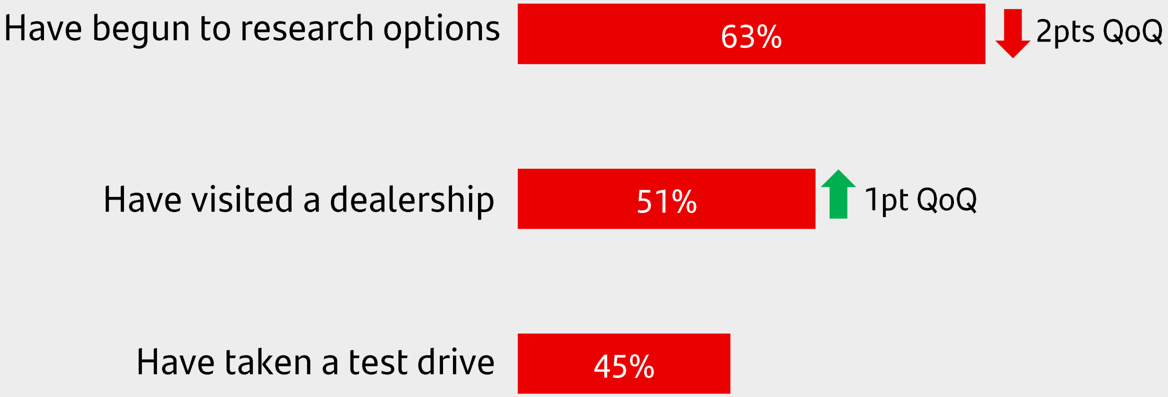


3pts QoQ

of recent car buyers sped up their purchase due to price uncertainty*

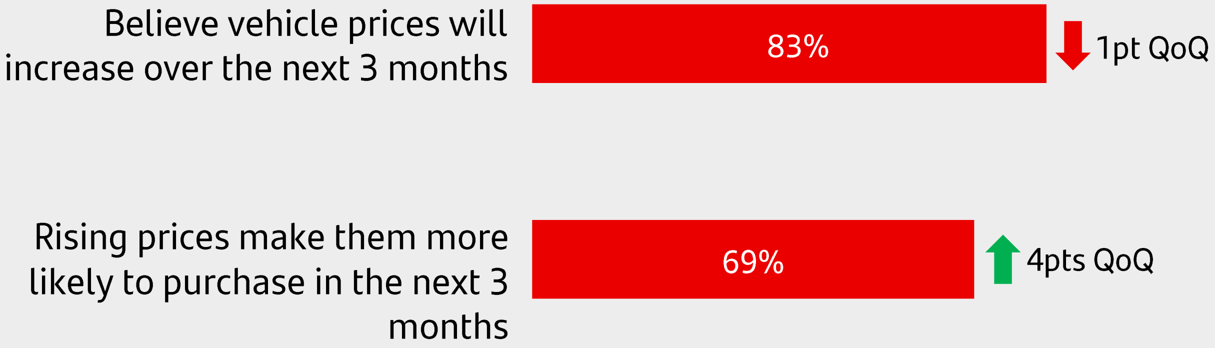
*Among those who purchased in the last 12 months.

Prospective buyers are showing signs of readiness**



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

Concern over rising prices and may lead buyers to purchase in Q3**

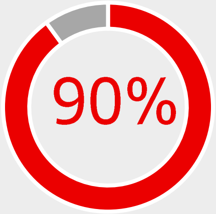


**Among those considering a vehicle purchase in the next 12 months.

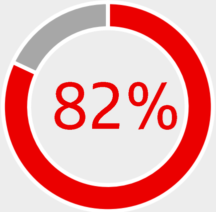
Purchase readiness closely linked to auto finance attractiveness

Consumers are focused on rates and monthly affordability in their purchase decision, with nearly 3 in 4 willing to consider taking out an auto loan for longer than 72 months.

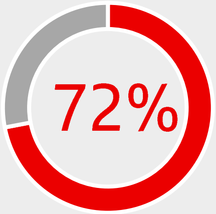
Consumers are monthly payment conscious – but most also are paying attention to total loan cost*



make sure they understand the total amount they will pay, including interest, before agreeing to an auto loan



focus more on whether the monthly payment fits their budget than on the total cost of the loan



would consider taking out an auto loan for longer than 72 months (6 years) to make the monthly payment more affordable

*Among those likely to finance their next vehicle.

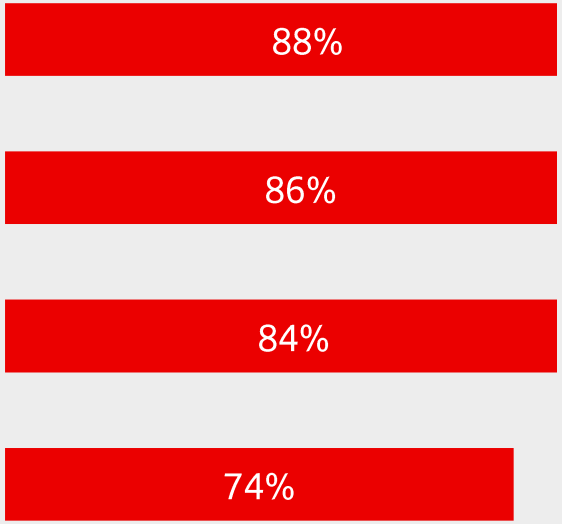
71% of recent buyers took out an auto loan to help pay for their purchase. Among those likely to finance their next vehicle:

Would be more likely to purchase if they could secure a lower rate

Shop around and compare auto loan rates before committing to financing

The interest rate is a major factor in the purchase decision

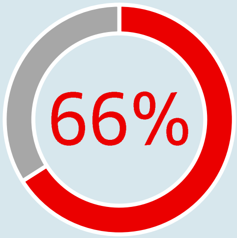
High auto loan rates have caused them to delay or reconsider purchasing



Consumers shop across channels, but many decide in person at dealerships

Many buyers use online channels at some point in the shopping process, but most want to see, test drive and evaluate vehicles in person.

Dealerships remain the preferred place to buy*



Are more comfortable shopping for and purchasing cars through a dealership where they can engage in person vs a fully online retailer

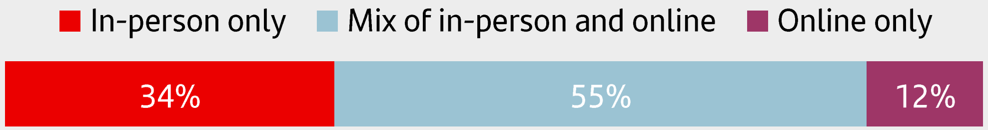
*Among those considering a vehicle purchase in the next 12 months.

Among those more comfortable purchasing vehicles in person, the top reasons are**

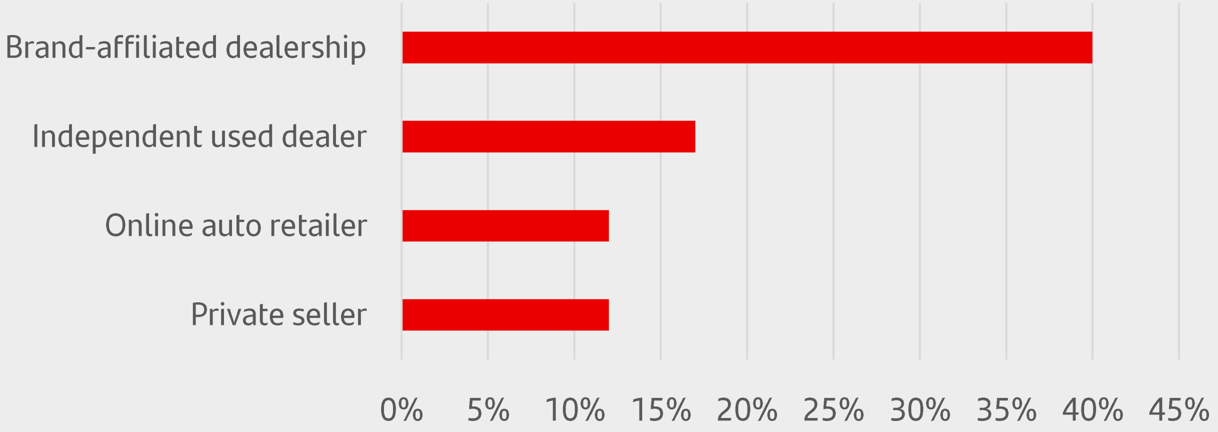
1. I want to test drive the vehicle
2. I want to see the vehicle in person
3. I want to assess the vehicle's condition

**Negotiating prices directly with a person and discussing financing options face-to-face were also important factors

Where car buyers shopped for their vehicles



Where consumers intend to buy their next vehicle***



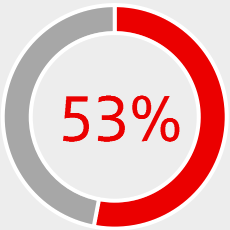
***Among all middle-income Americans; only top four locations shown.

AI helps consumers move faster and feel more confident

More than half of middle-income Americans who shopped online for their vehicle used AI to inform vehicle and financing options.

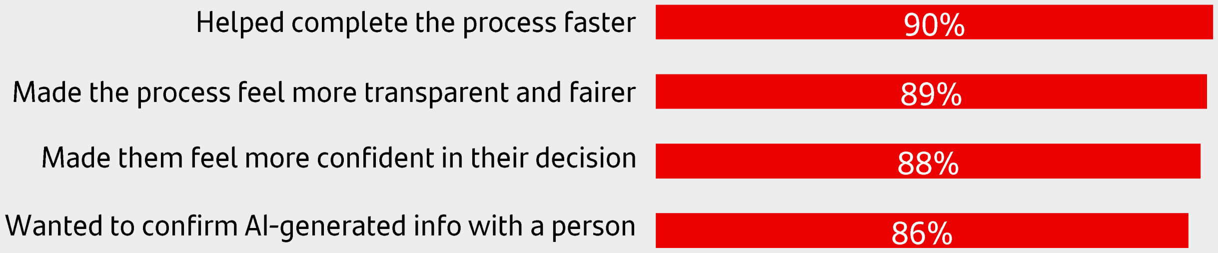
AI helps consumers in their purchasing and financing decisions

1pt QoQ ↑



of online car shoppers using AI to research vehicle and/or financing options at any point in their car-buying experience

AI users find tangible benefits but want to validate AI-generated information



Top three AI uses when vehicle shopping*

1. Compare vehicle features
2. Compare prices across dealerships
3. To research vehicle reviews or ratings

*Respondents using AI for shopping and financing; only top actions shown.

Top three AI uses when financing a vehicle*

1. Estimate what they could afford based on income or budget
2. Calculate potential monthly payments or total loan costs
3. Compare financing options across lenders

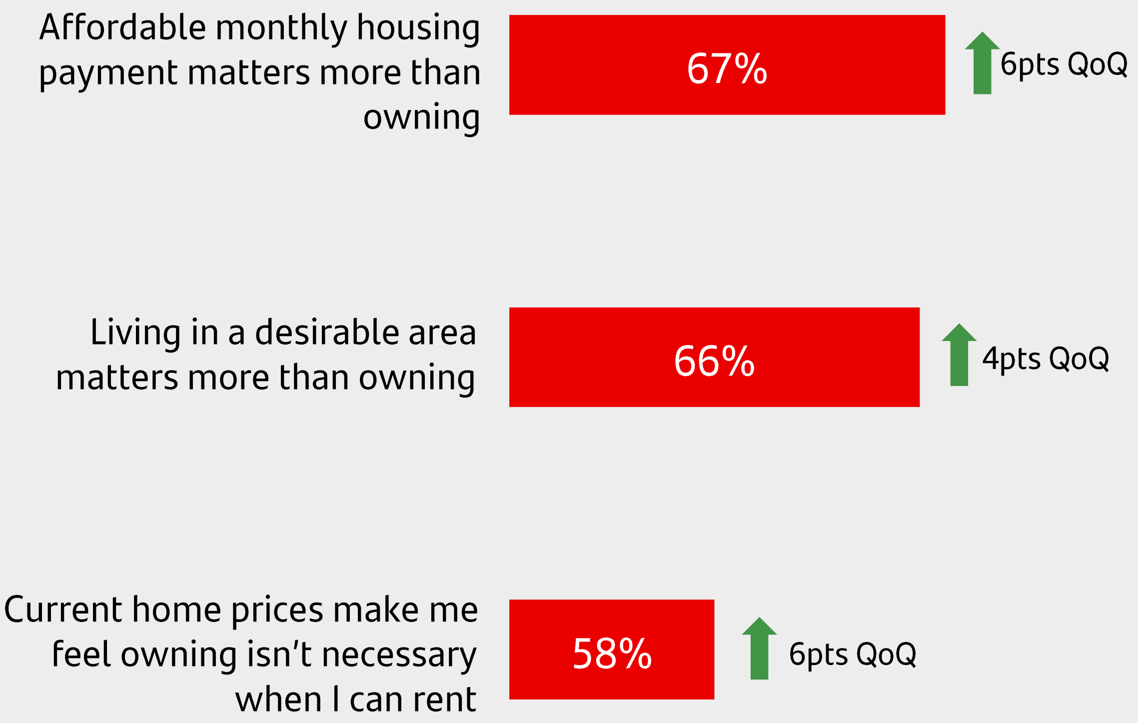
*Respondents using AI for shopping and financing; only top actions shown.

Affordability and flexibility shape housing choices

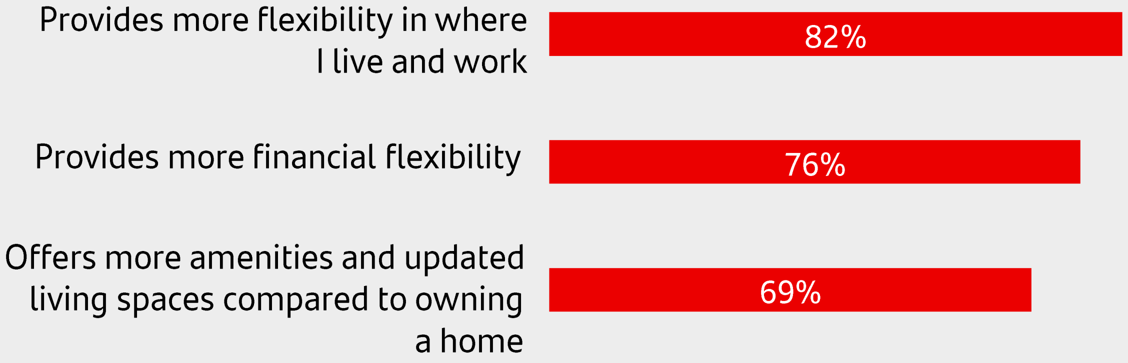
Homeownership not required for financial prosperity

Affordability and flexibility continue to shape housing choices, with 7 in 10 households saying that home ownership is not required to be financially prosperous.

Many households prioritize affordable monthly payments and location over ownership

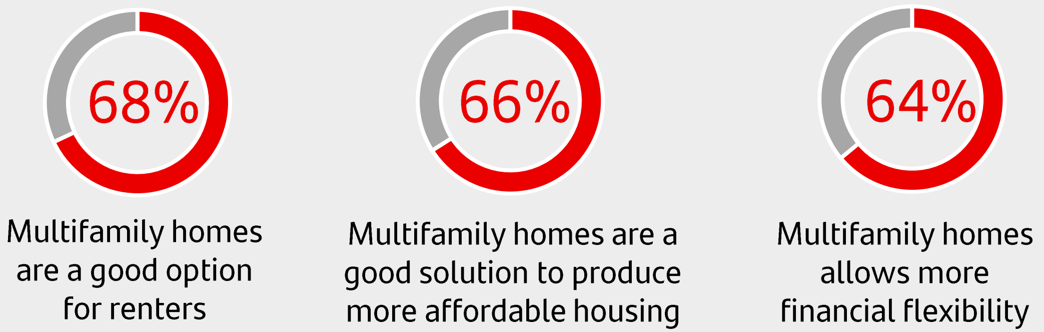


Renters see flexibility and amenities as important benefits*



*Among those who rent their primary residence.

Multifamily housing supports affordability for renters*



*Among those who rent their primary residence.

Methodology

Methodology

This research on financial prosperity, conducted by Morning Consult on behalf of Santander US, surveyed 2,199 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 $55,000 to $167,000[1].

[1] Range based on median household income of ~$83,500 (U.S. Census Bureau) and Pew Research Center definition of middle-income being two-thirds to double median household income.

This Q2 study was conducted from June 25-29, 2026. 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 2026: June 2026
Q1 2026: March 2026
Q4 2025: December 2025
Q3 2025: September 2025
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 2026, with approximately 182 million customers in the United States, Europe and Latin America. SHUSA is the intermediate holding company for Santander's five growing businesses in the United States. Santander's U.S. presence consists of auto lending, retail and digital banking, commercial banking, corporate and investment banking, and wealth management businesses, with a combined total of approximately 11,000 employees, 4.4 million customers, and assets of $165 billion in the fiscal year ended 2025. In the U.S. market, Santander is recognized as a top-10 auto lender and a top-10 multifamily bank lender and servicer, and operates one of the fastest growing digital banks, Openbank by Santander, as a division of Santander Bank, N.A. For more information about Santander US, please visit www.santanderus.com.

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