Santander US Paths to Prosperity

Financial Prosperity in America:

Middle-income Americans are adapting to price pressures.

November 5, 2026

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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 fourteen quarters of research, this wave shows how economic conditions and affordability are shaping financial decision making for American middle-income households. During the third quarter, rising inflation concerns pushed middle-income Americans to weigh financial trade-offs.

Key Findings

1. **Middle-income Americans' confidence in achieving financial prosperity softens a little,** as price pressures weigh on household finances. Yet nearly 3 in 4 say they are on the right track, with nearly 8 in 10 feeling secure in their jobs.

2. **Consumers turn to banks for guidance** across a broad range of key financial moments beyond everyday banking, while continuing to value in-person access and modern branch concepts. Nearly 8 in 10 are likely to turn to their bank for help with setting financial goals.

3. **Growth in savers seeking higher yield has leveled off**, with some missing out on an opportunity to grow their savings and offset some of the impact of inflation. Rate-engaged consumers are more likely to put additional money toward higher-yield savings.

4. **Consumers are open to AI assistance** in their financial lives but want to retain control over important financial decisions. 62% are comfortable using AI if they retain control, while 59% would not allow autonomous financial actions or would require their approval.

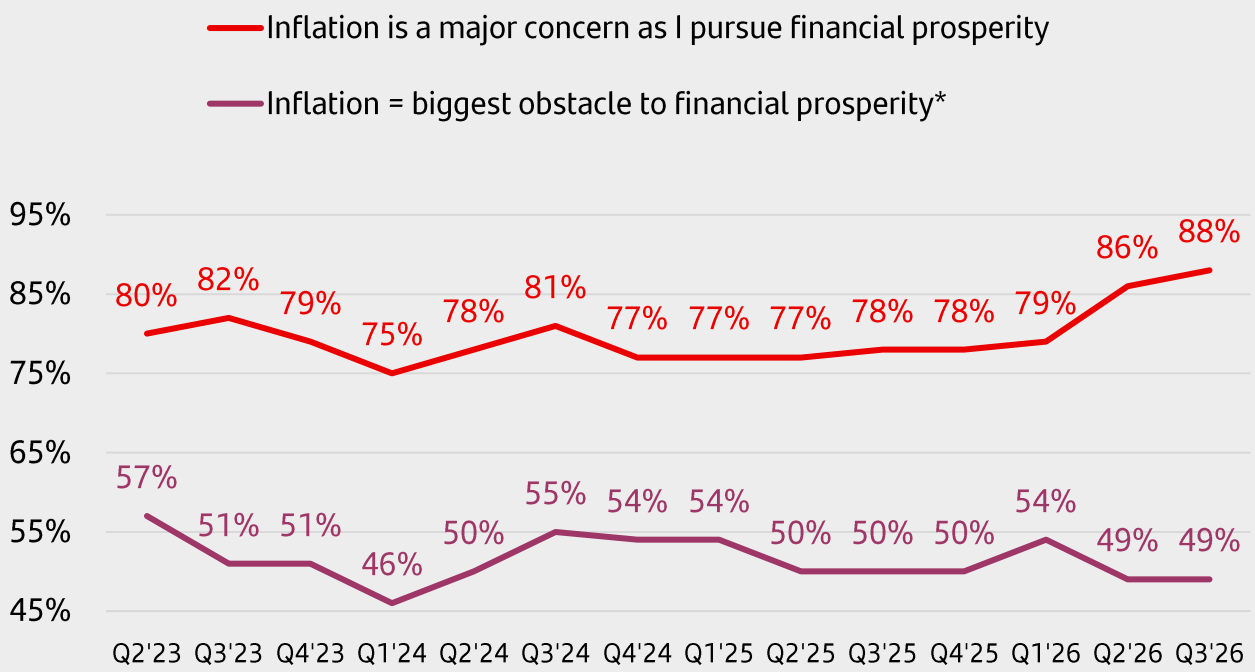
5. **Consumers make spending trade-offs to maintain vehicle access.** Two-thirds have recently cut discretionary spending to cover vehicle costs, while dealerships are an important source of guidance and financing support throughout the purchasing journey.

Middle-income Americans' confidence in achieving financial prosperity is holding despite higher cost pressures.

Middle-income Americans remain confident they can manage rising costs

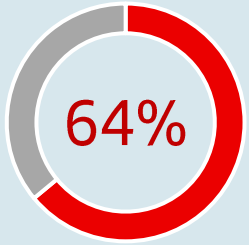
Inflation concerns are on the rise, but more than 8 in 10 believe they will find a way to manage rising costs.

Inflation concerns rise among middle-income households

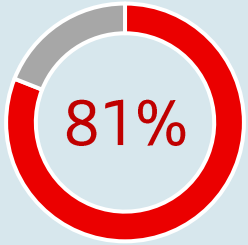


*49% indicated inflation is their biggest obstacle to financial prosperity, the highest of seven response options, including slow wage growth (12%), state of the job market/job security (10%), debt (10%), and home prices (10%).

Most remain confident they can manage rising costs

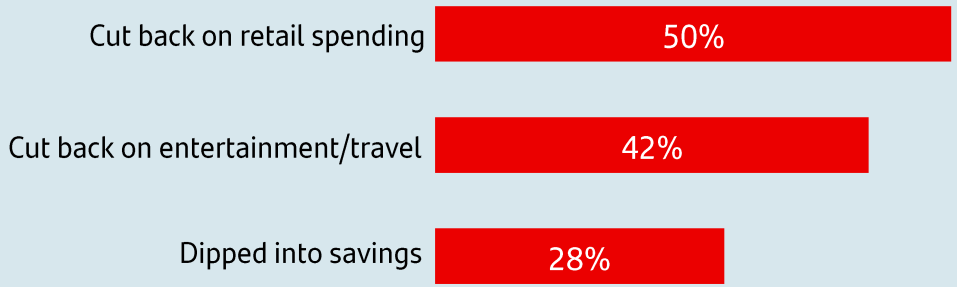


Managing higher prices better than a year ago



Believe they will find a way to manage rising costs

Households trim spending in response to inflation over the past three months**

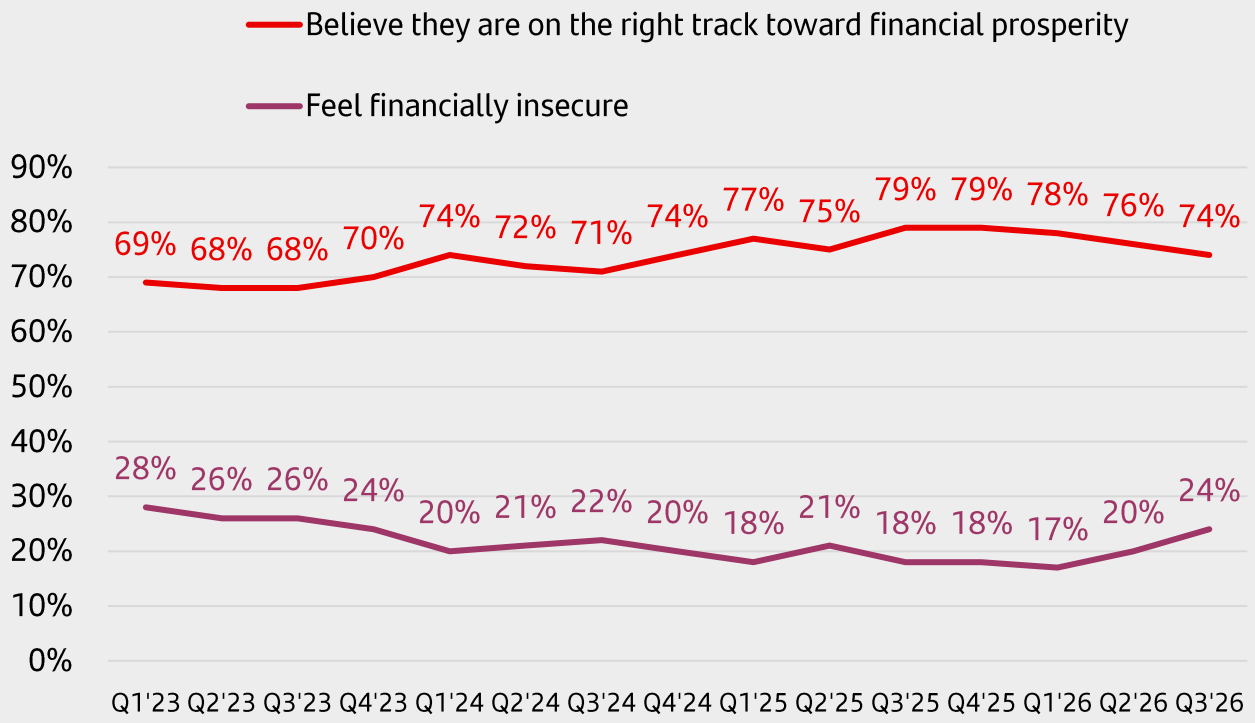


**Respondents could select all that apply; only top actions shown.

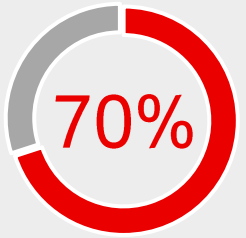
Middle-income Americans' confidence in achieving financial prosperity holds

Despite price pressures, nearly three-quarters say they are on the right financial track, with most current on bills and feeling secure in their jobs.

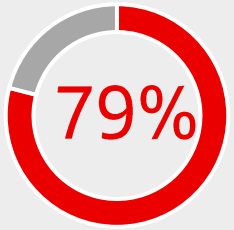
Financial confidence softens a little after reaching recent highs



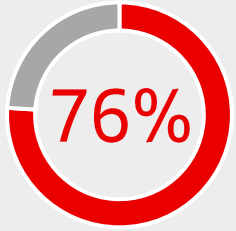
Job security and other core indicators of resilience remain relatively strong



are current on their bills



feel secure in their jobs



have savings to cover a small emergency

Top factors middle-income Americans associate with financial prosperity*

1. Able to pay bills and expenses
2. Being debt-free
3. Job security

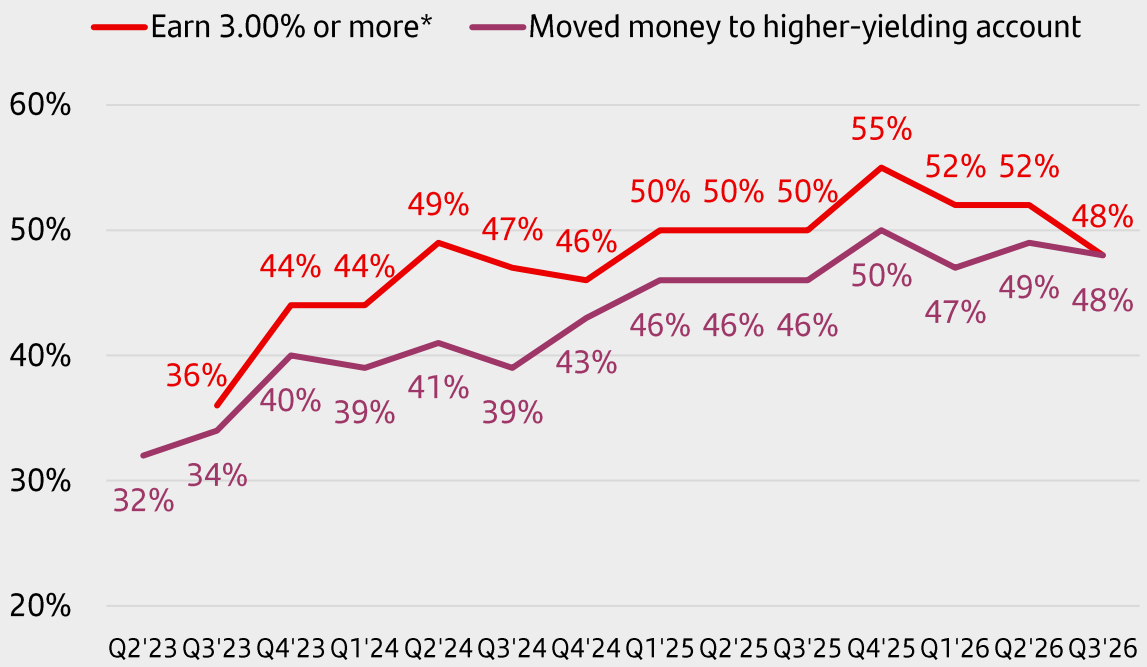
*Top response options shown.

Growth in savers seeking higher yield has leveled off, but increasing rates may offer a new opportunity.

More than half of consumers have an opportunity to earn 3% or more on savings

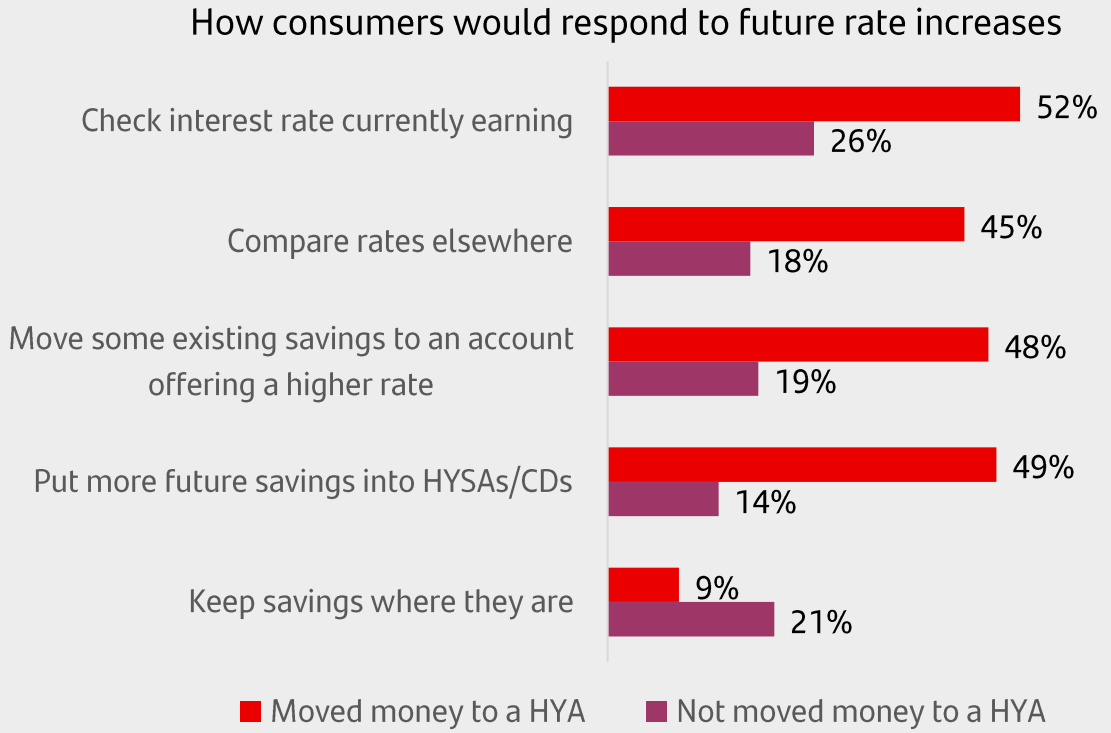
About half have already moved money to a higher-yielding account (HYA). Those who have moved money are at least twice as likely to act as rates rise.

Momentum for taking action to seek higher-yield has plateaued, but may return as rates start to increase



*Among those who know their primary savings rate. 17% don't know or are unsure of the rate they earn.

Consumers who have moved money are more engaged with the opportunity of future rate increases**



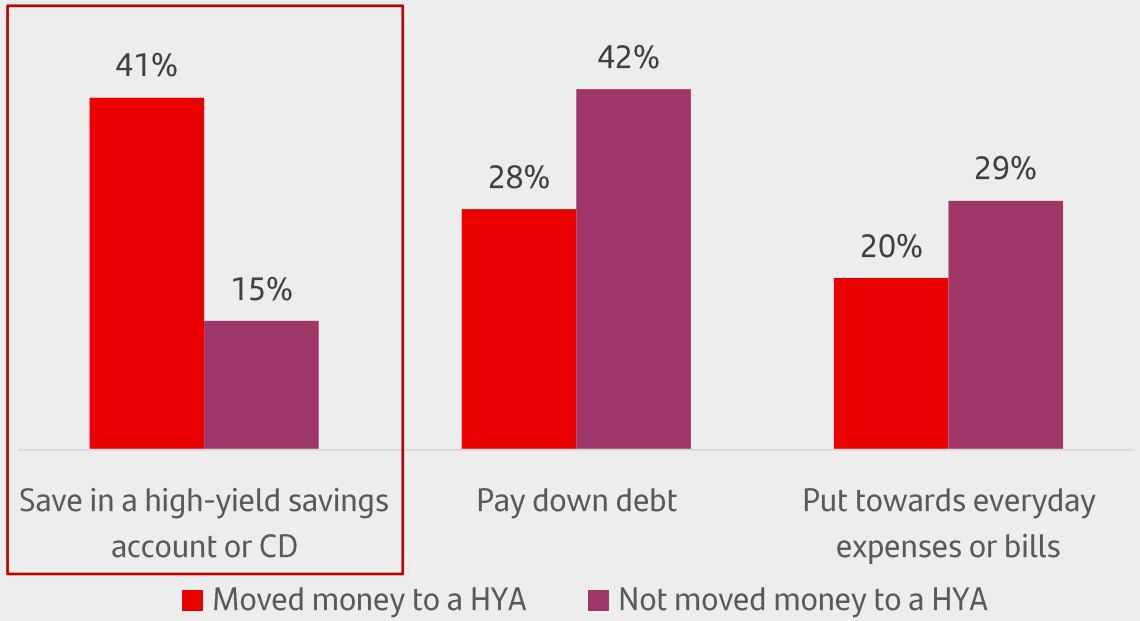
**Respondents could select all that apply. Movers have moved money into a higher-yielding account since 2022.

Consumers who have benefited from higher rates are most likely to save more

Savers who have moved money to a High Yield Savings Account or CD would prioritize saving in these accounts over other financial goals.

Priorities for a $5,000 windfall*

Consumers who have moved versus not moved to a higher-yield account



*Respondents could select up to three priorities.

Higher yields can make a meaningful difference over time**

Interest earned on $5,000 over one year:
High yield savings account rate versus the national average

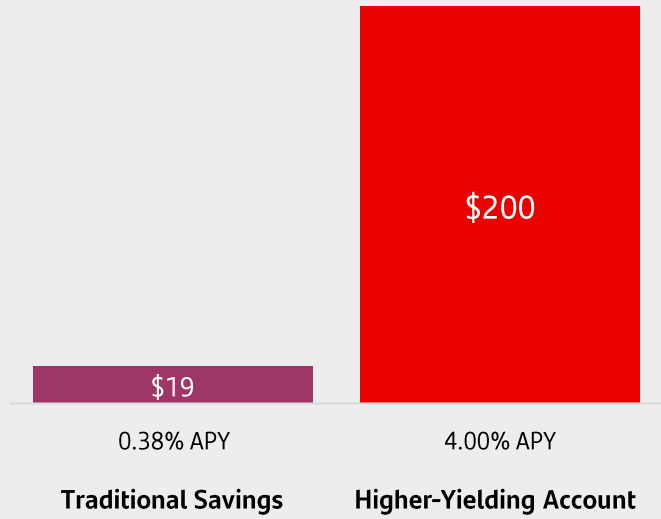
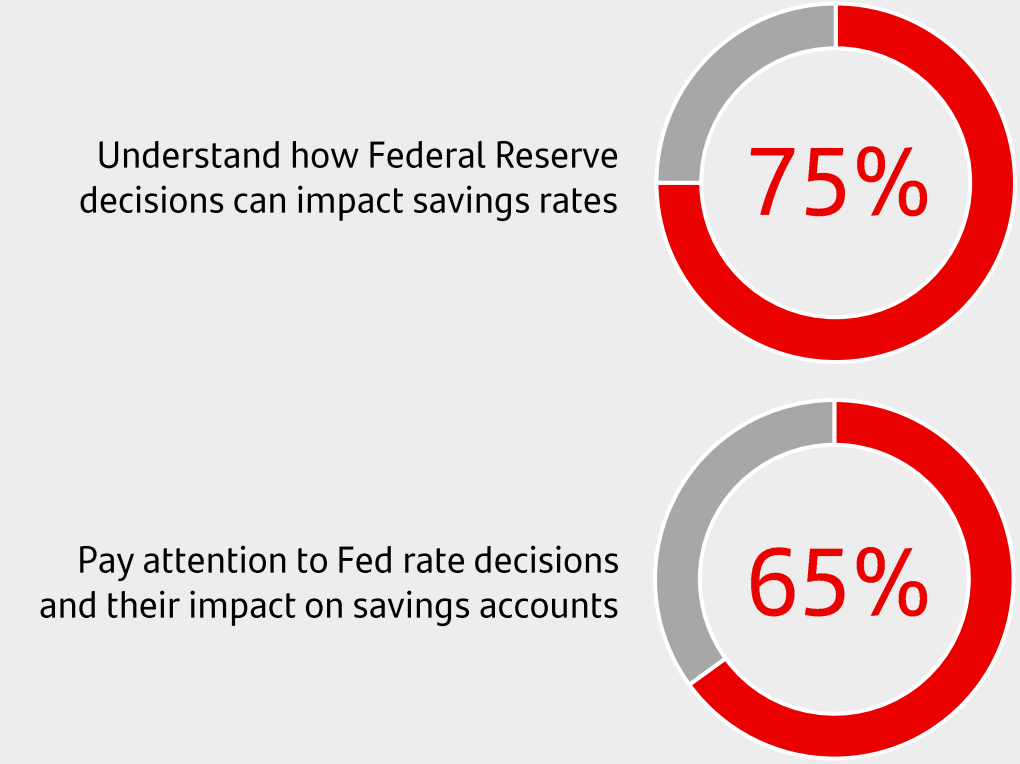


**Illustration assumes a $5,000 deposit, no additional deposits/withdrawals, and constant Annual Percentage Yields (APYs). Earned interest is rounded to the nearest dollar. The national average APY on a savings account is 0.38% (FDIC) and the Openbank by Santander HYSA offers a standard variable APY of 4.00% as of October 19, 2026 (see slide 31 for comprehensive product information).

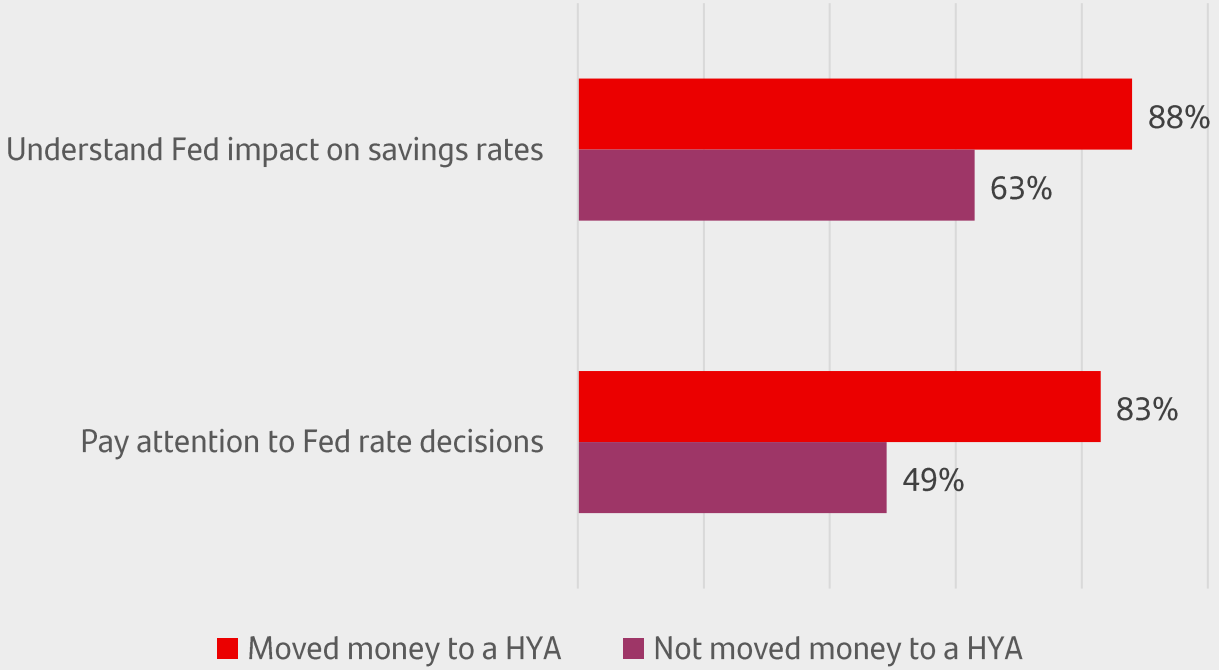
Consumers who have sought higher yields are more engaged with Fed rate decisions

Over 8 in 10 of those who have moved money to HYAs say they understand and pay attention to Fed decisions.

Understanding outpaces attention to Fed rate decisions



Consumers who have moved money report much higher understanding and attention*



*Movers are consumers who have moved money into a higher-yielding account since 2022.

Middle-income Americans value banks that offer digital convenience, along with in-person support and trusted guidance.

Consumers expect banks to help them achieve their financial goals

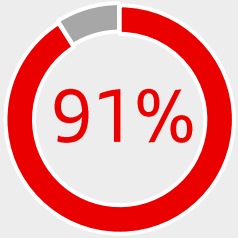
More than 9 in 10 value a banking provider that helps them achieve their financial goals, placing it among their top five considerations.

What matters most when choosing a banking provider*

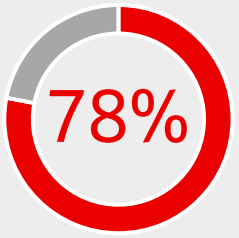
1. Being stable and secure
2. 24/7 access via online or digital/mobile applications
3. Outstanding customer service
4. Having products that are easy to understand
5. Helps me achieve my financial goals

*Top response options shown.

Middle-income Americans see the right banking relationship as important to 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 are likely to turn to their bank for guidance across a broad range of key financial moments beyond everyday banking**



**Among all middle-income households. Only selected responses shown.

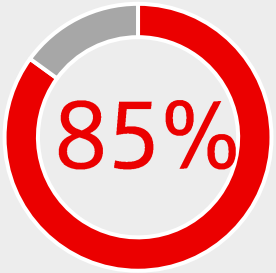
Middle-income Americans want digital banking and access to branches

More than 3 in 4 value branches that offer space to work, meet or spend time.

Consumers prefer digital banks with branches

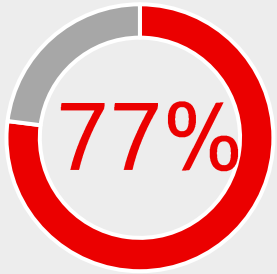


Want to manage most banking tasks digitally but still have access to a branch

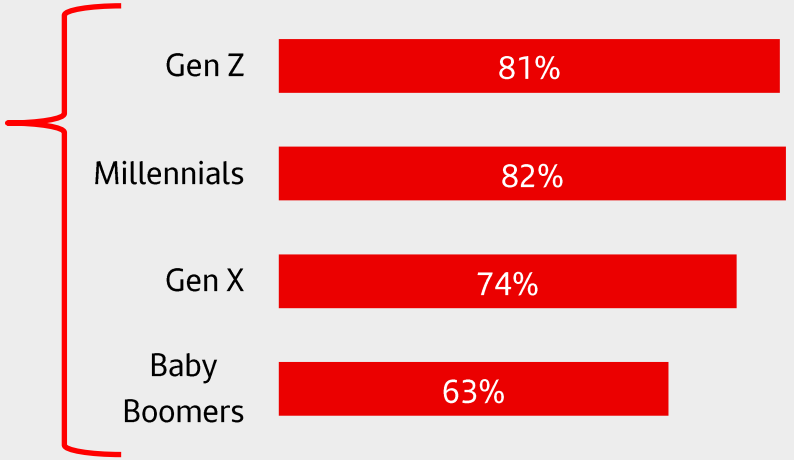


Have more confidence in a digital banking provider that also has physical branches

Modern branch concepts valued by consumers, especially younger generations



Value a bank with locations that provide a comfortable space to work, meet, or spend time while having access to banking services



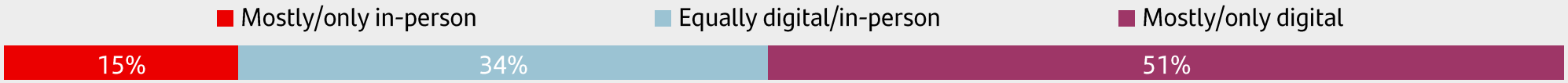
When consumers prefer not to handle something online, they turn to branches for:

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

Consumers use digital banking for everyday tasks, but in-person access remains important

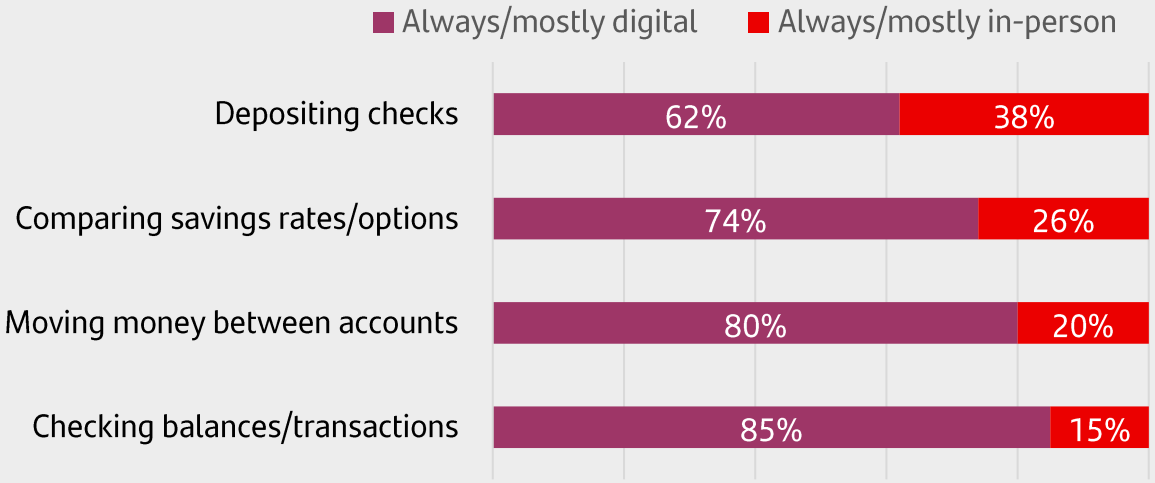
6 in 10 prefer in-person support for major financial decisions, with optionality valued for higher-touch services.

Banking is mostly digital with a role for in-person branch banking*

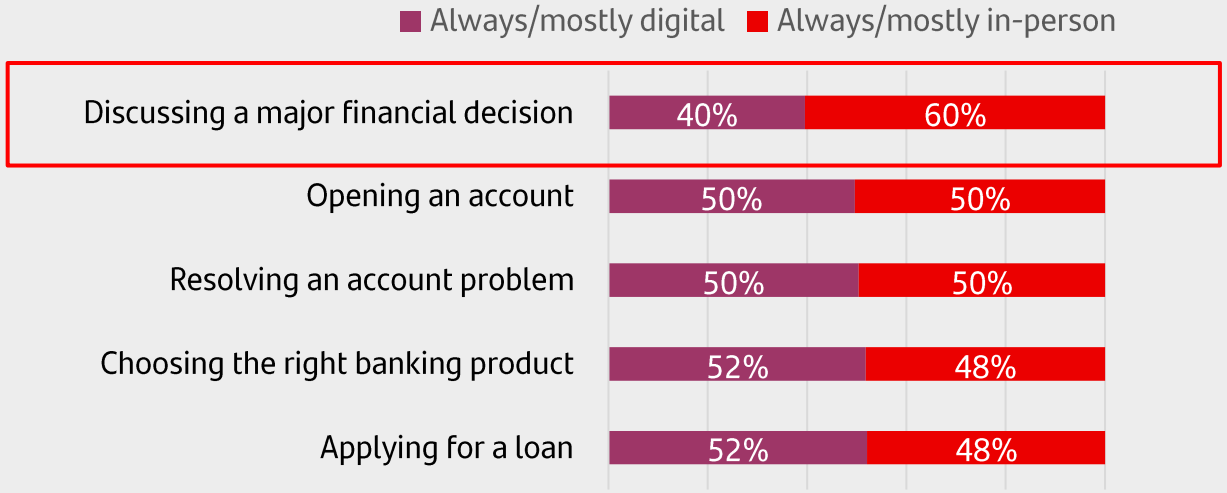


*Consumers' interaction with their checking or savings accounts.

Everyday banking is mostly digital**



In-person support stands out for major financial decisions, with channel choice important for other higher-touch services**



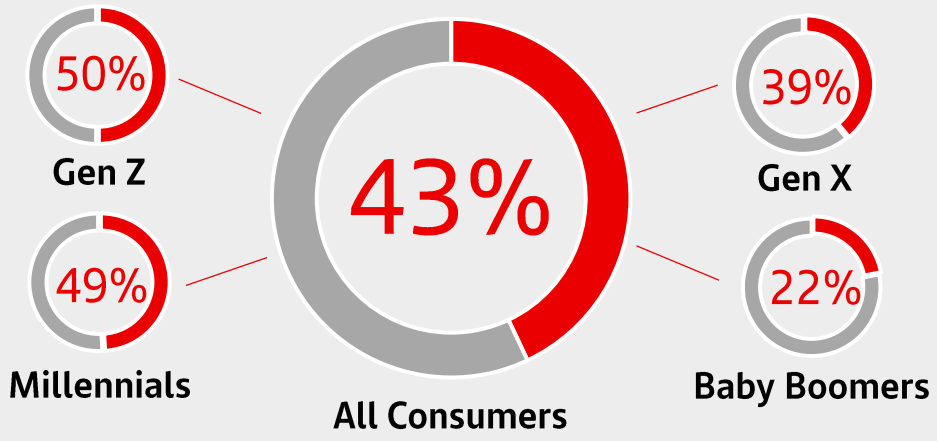
**Rebased among respondents for whom each task is applicable.

Middle-income Americans want AI as a financial assistant, not the boss.

Consumers are using AI to help with their personal finances

More than 4 in 10 have used AI for a financial task, led by younger consumers and practical uses such as saving money.

Consumer usage of AI in their personal financial lives by generation



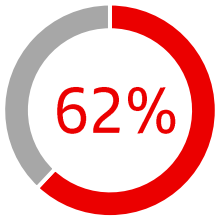
Have used AI in the past 12 months to help with a financial task or decision

Top five AI uses for financial tasks focus on information and decision support

1. Finding ways to save money or reduce expenses
2. Making savings and investment decisions
3. Comparing financial products
4. Understanding rates, fees, terms or financial documents
5. Planning for a significant financial goal or purchase

Consumers see a role for AI in financial decisions, but want to retain control

A majority are open to AI assistance, but draw clear boundaries around AI autonomy, particularly for important financial decisions.

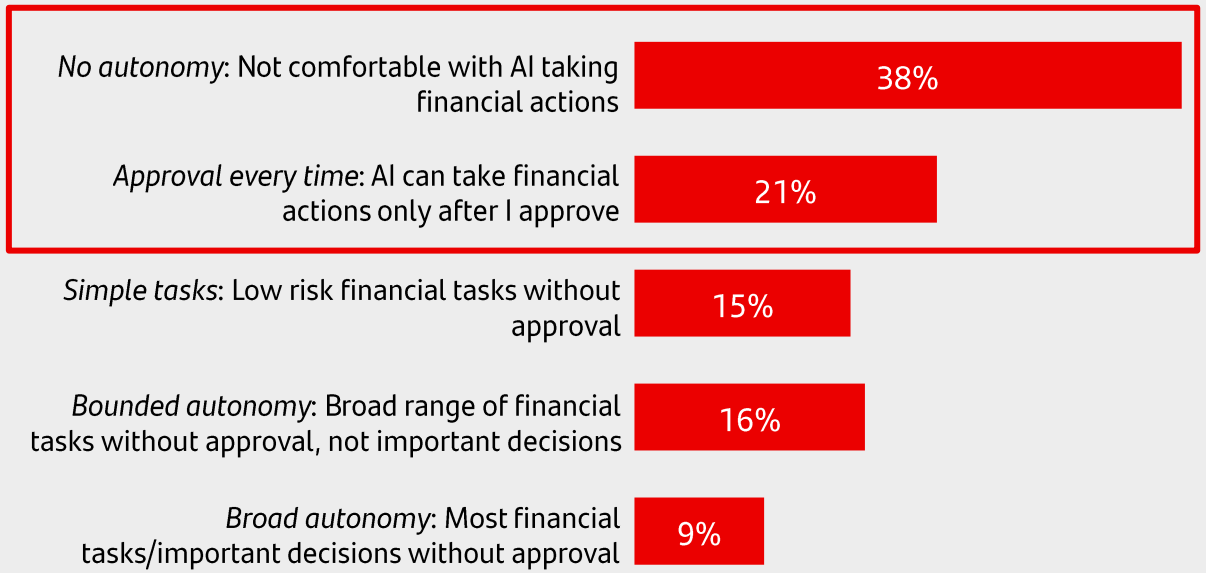


Comfortable using AI to make financial decisions if they retain control

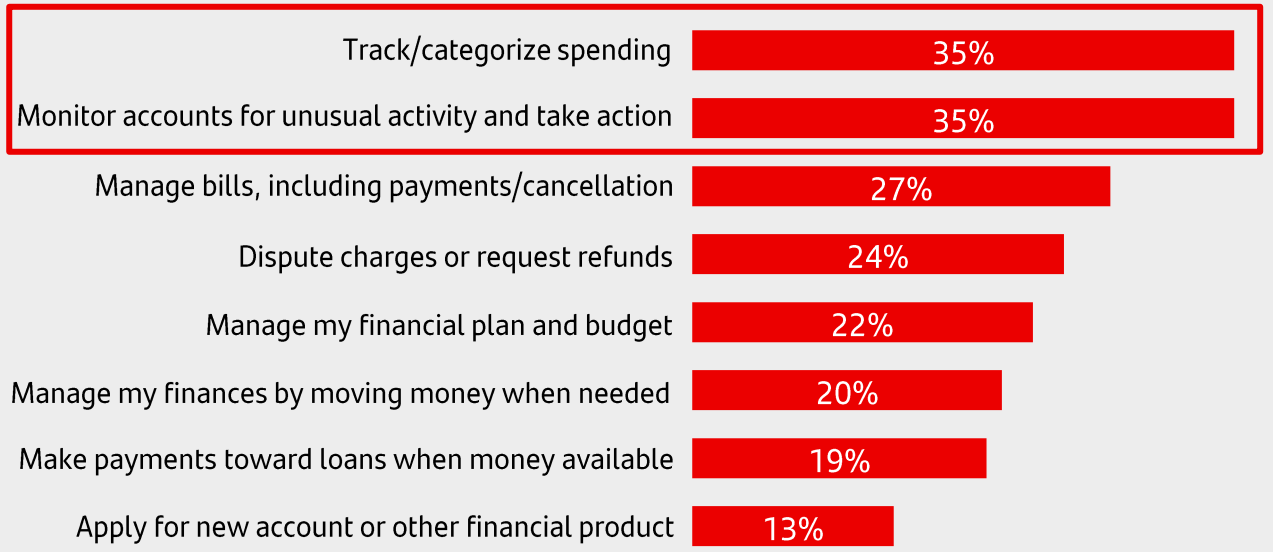


Comfortable using AI for major decisions if they can validate the results first

59% are uncomfortable with autonomous AI or require approval



Consumers are more comfortable delegating routine and monitoring tasks*



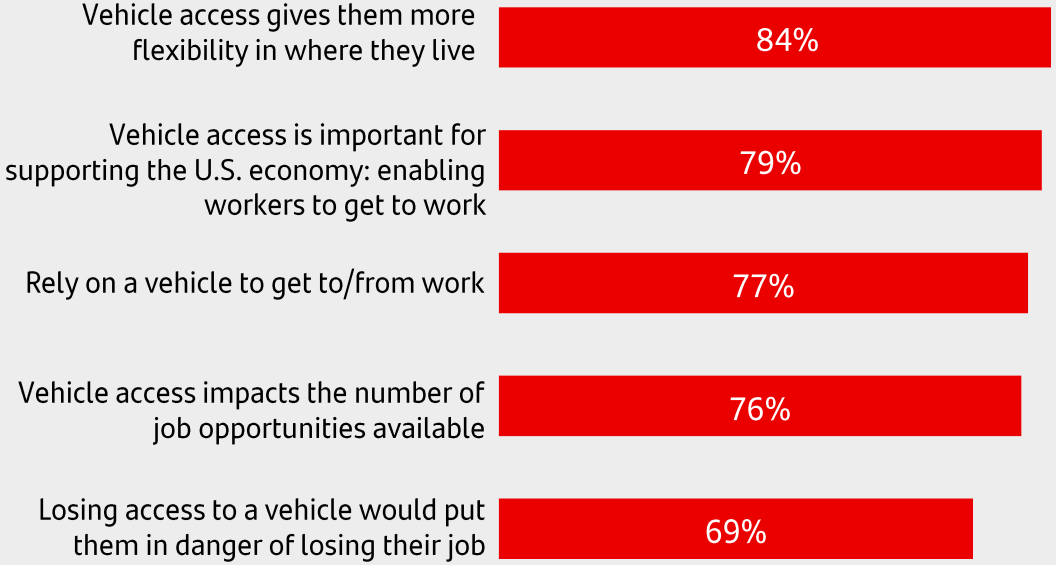
*Select all that apply. 24% selected none of these.

Vehicle access remains a household priority, while affordability and trusted guidance shape how consumers navigate their next purchase.

Vehicle access is essential to work, mobility, and economic opportunity

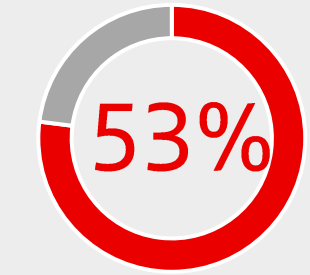
53% of middle-income Americans are driving to work more often than a year ago, driven by more in-person work requirements.

Vehicle access is essential to the economic stability of everyday Americans*



*Among all middle-income households.

Top reasons why consumers are driving to work more often**



Are driving to work more often than they were a year ago

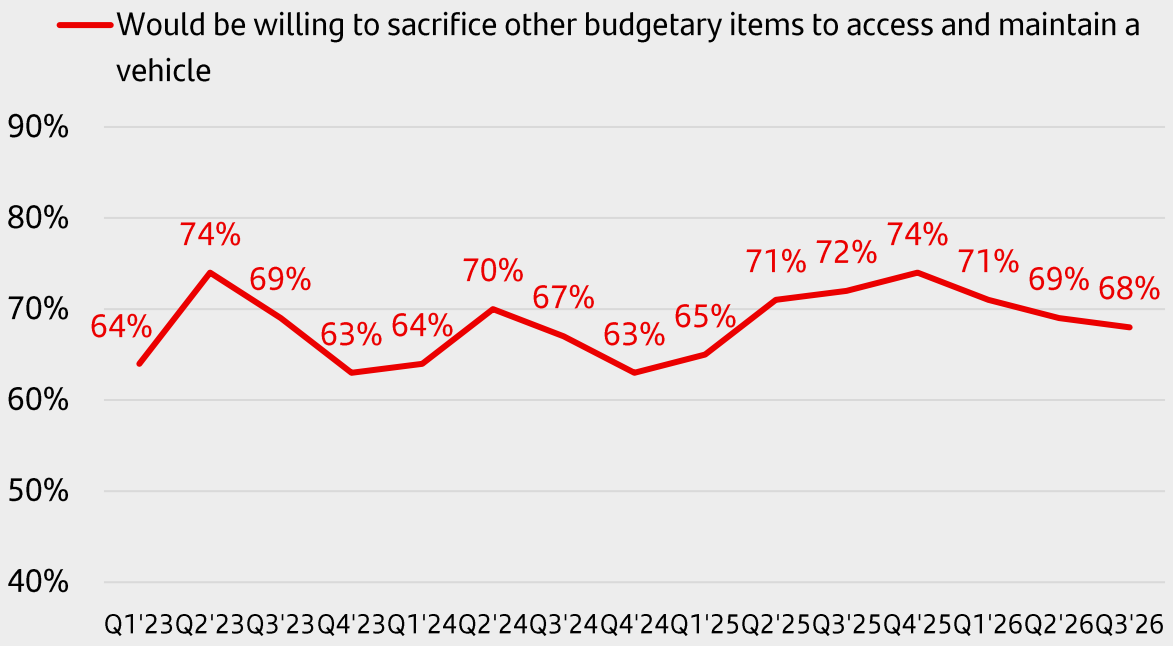
1. More in-person work requirements
2. Household or family considerations make driving more practical
3. Fewer opportunities to work remotely
4. Changed jobs or work location
5. Public transportation is less practical or reliable

**Among those driving to work more often. Respondents could select up to two reasons.

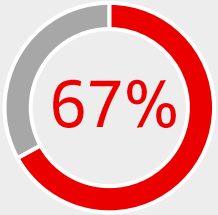
Households make spending and purchase trade-offs to maintain vehicle access

Two-thirds have cut discretionary spending to cover vehicle costs, while recent buyers adjust choices to fit their budgets.

Willingness to make budget sacrifices for vehicle access has remained consistently high



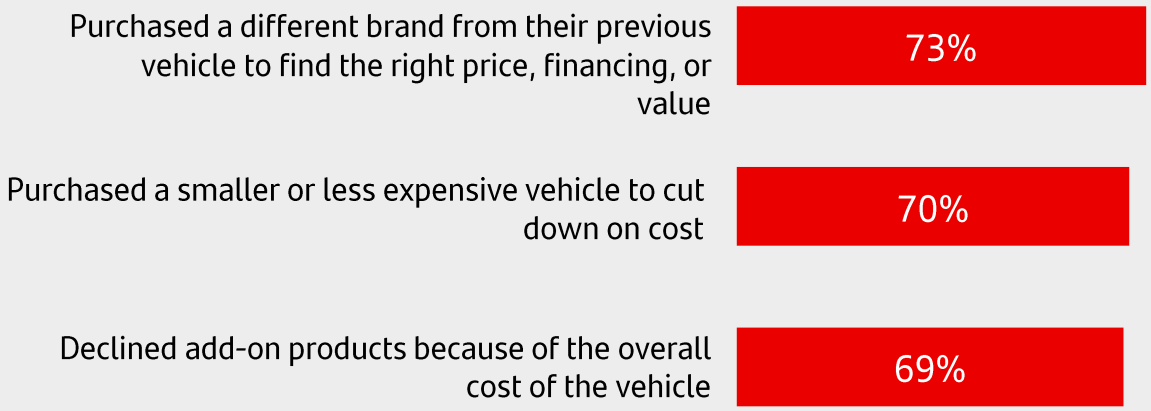
Households adjusting spending to maintain vehicles*



Have cut discretionary spending in the past three months to cover vehicle-related costs (such as payments, insurance, gas, maintenance, or repairs)

*Among all middle-income households.

Recent buyers are adapting their purchases to manage costs**

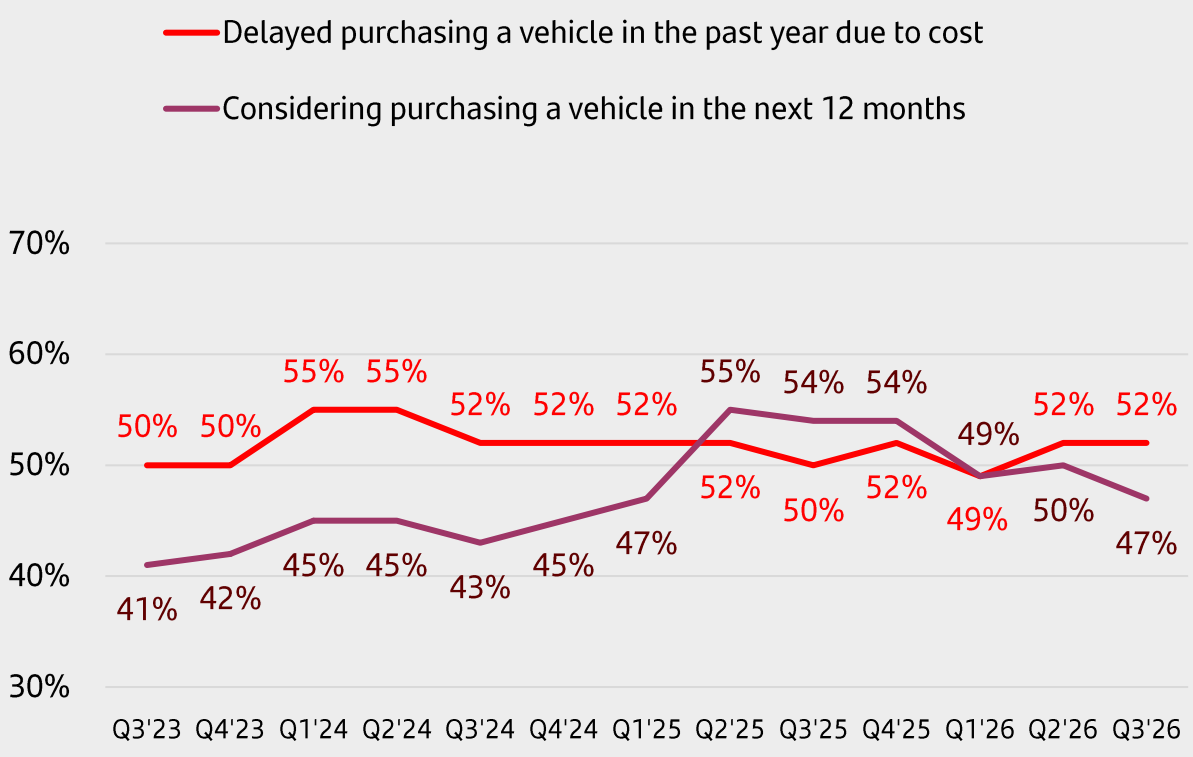


**Among those who purchased in the last 12 months.

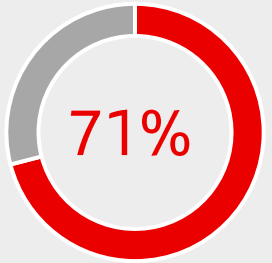
Cost considerations weigh on car buyers who are responding in different ways

Pent-up demand returns, while active buyers are accelerating purchasing timelines to get ahead of future price increases.

Affordability leads to shift in purchase considerations

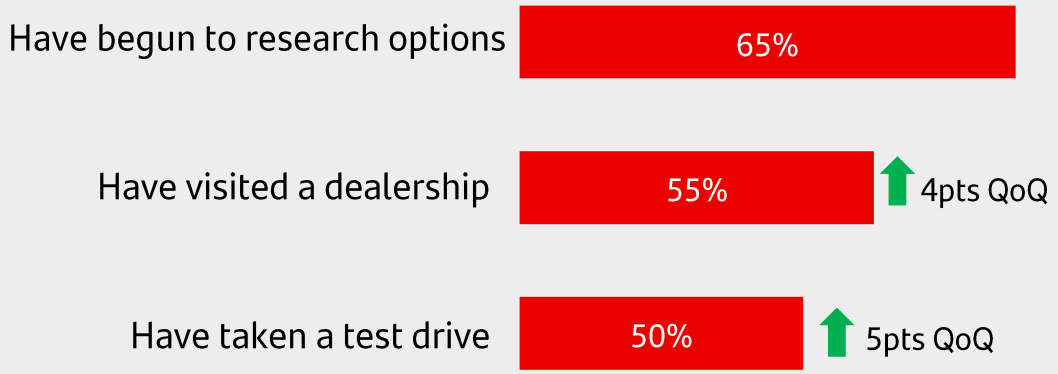


Active car buyers show near-term purchase urgency*



say rising prices make them more likely to purchase in the next 3 months

Car shopping picks up among active buyers*



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

High replacement costs are encouraging owners to invest in their current vehicles

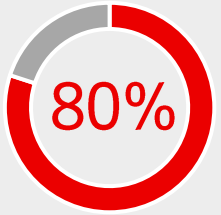
8 in 10 say replacement costs make them more willing to invest in repairs and maintenance, while nearly 1 in 4 expect to keep their vehicle longer than planned.

Top reasons for keeping vehicles longer*

1. My current vehicle is still reliable and meets my needs
2. The cost of buying a replacement vehicle is too high
3. Avoid taking on new or additional debt
4. Focused on other household expenses or financial priorities

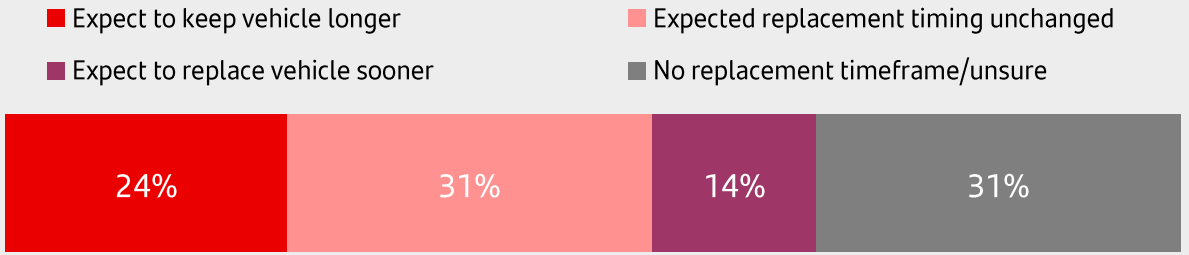
*Top response options shown. Respondents could select up to two reasons.

Replacement costs are influencing owners' willingness to maintain their current vehicles



Owners saying the cost of replacing their vehicle makes them more willing to invest in repairs and maintenance

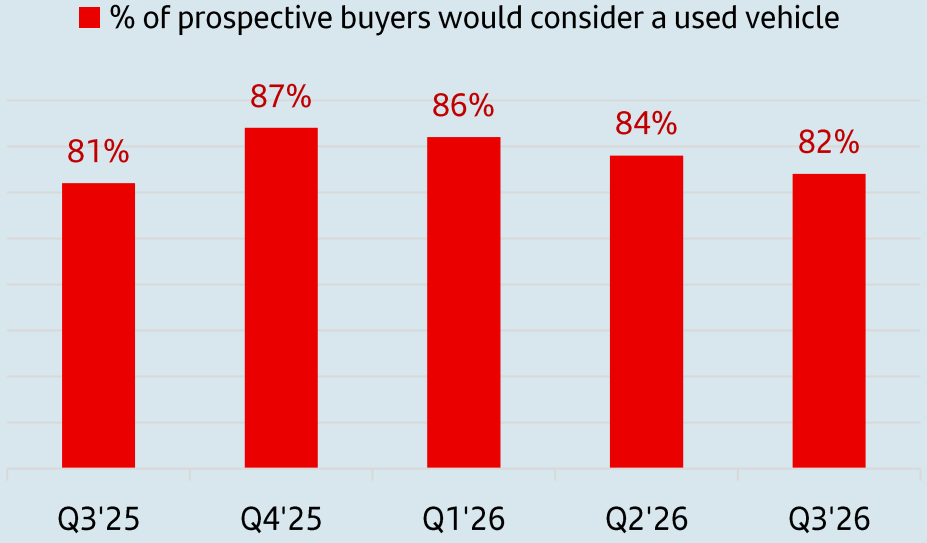
Nearly 1 in 4 expect to keep their vehicle longer than planned



Used vehicles remain a compelling value for middle-income Americans

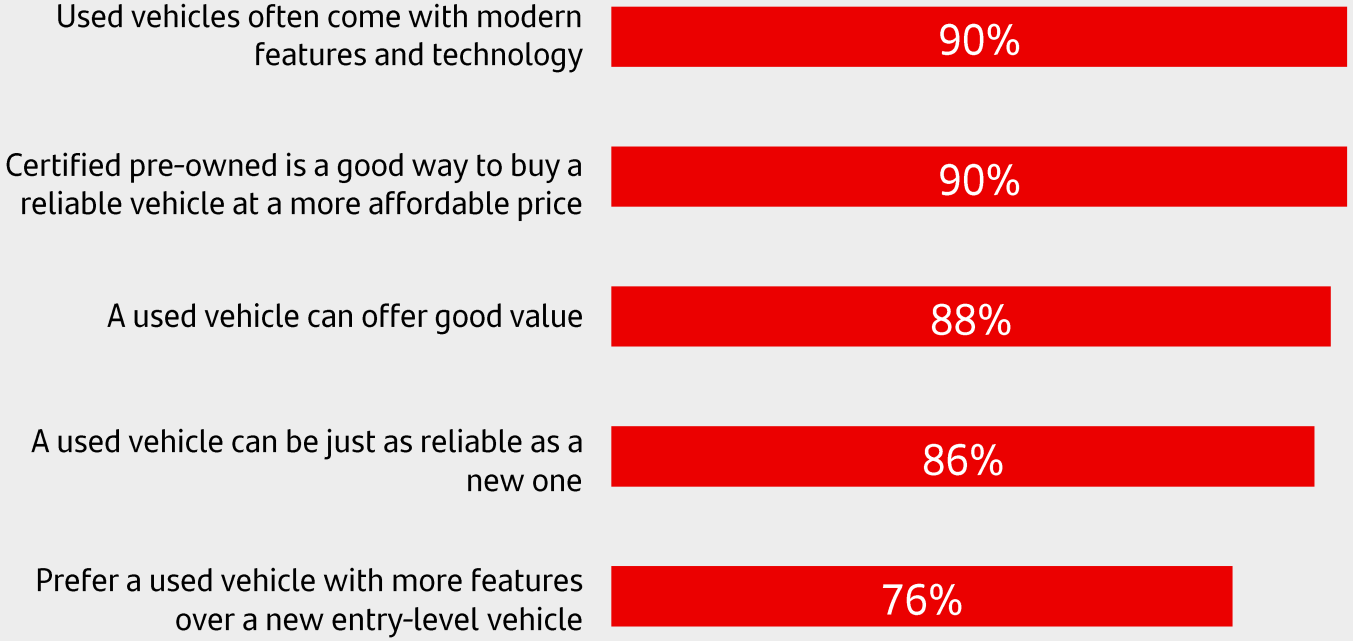
7 in10 recent buyers felt priced out of the new vehicle market. Prospective buyers see used vehicles as offering value without sacrificing features and reliability.

Prospective buyers* overwhelmingly would consider a used vehicle, as affordability remains a challenge



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

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



Car buyers rely on multiple information sources, but dealerships remain central in the vehicle purchase journey

Two-thirds of active buyers prefer shopping and purchasing at a dealership versus a fully online auto retailer.

Sources of information and guidance recent buyers relied on at each stage of the car buying journey*

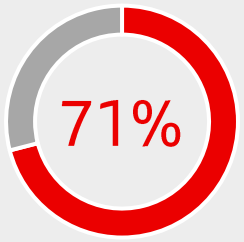
Doing initial research: *(learning about vehicles and features)*	Setting a budget: *(determining affordability and financing options)*	Narrowing down options: *(comparing vehicles and prices)*	Preparing to buy: *(negotiating price and vehicle options)*	Making the final decision: *(finalizing purchase and financing)*
1 Car dealership (33%)	1 Bank or financial institution (28%)	1 Car dealership (38%)	1 Car dealership (40%)	1 Car dealership (37%)
2 Automotive research or comparison website (33%)	2 Car dealership (27%)	2 Automotive research or comparison website (28%)	2 Automotive research or comparison website (24%)	2 AI tool or AI-powered search (25%)
3 AI tool or AI-powered search (30%)	3 AI tool or AI-powered search (25%)	3 AI tool or AI-powered search (26%)	3 AI tool or AI-powered search (24%)	3 Friends or family (24%)

*Top 3 sources of information and guidance at each stage of car buying journey, among those who purchased in the last 12 months. Options included a car dealership, auto research or comparison websites, a vehicle manufacturer website, social media, AI tool or AI-powered search, bank or other financial institution, friends or family.

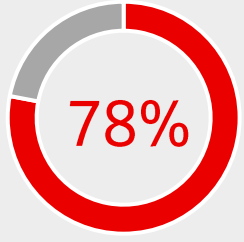
Dealerships play a central role in helping car buyers access affordable financing

Nearly 8 in 10 recent buyers relied on dealerships to find financing that fits their budget, as interest rates and manageable monthly payments shape borrowing decisions.

Most recent buyers rely on auto loans and dealership support to finance their vehicle purchases*

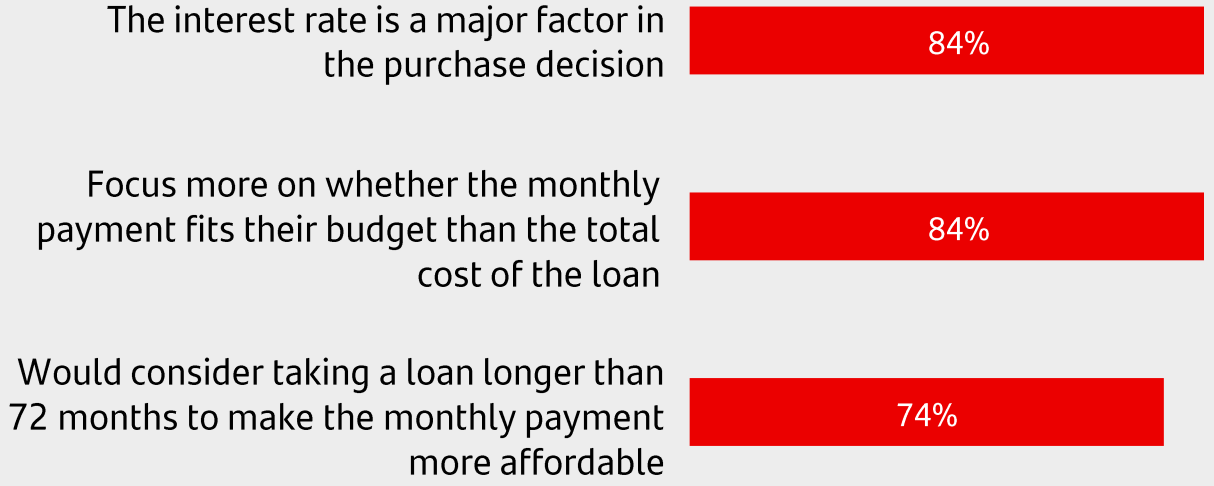


of recent buyers took out an auto loan to help pay for their vehicle purchase



of recent buyers relied on a dealership to help find financing that works for their budget

Interest rates and manageable monthly payments drive financing decisions among recent buyers**



*Among those who purchased in the past 12 months.

**Among those who purchased in the past 12 months and are likely to finance their next vehicle purchase.

Housing choices reflect different priorities, with renters valuing flexibility and homeowners seeing value in ownership.

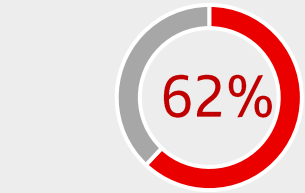
Renters and homeowners see different benefits in their housing choices

Overwhelmingly, home ownership is not considered a requirement to be financially prosperous.

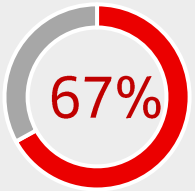
Home ownership not required for financial prosperity



Renters see multifamily homes supporting choice and affordability*



Multifamily homes are a good solution to produce more affordable housing



Multifamily homes are a good option for renters

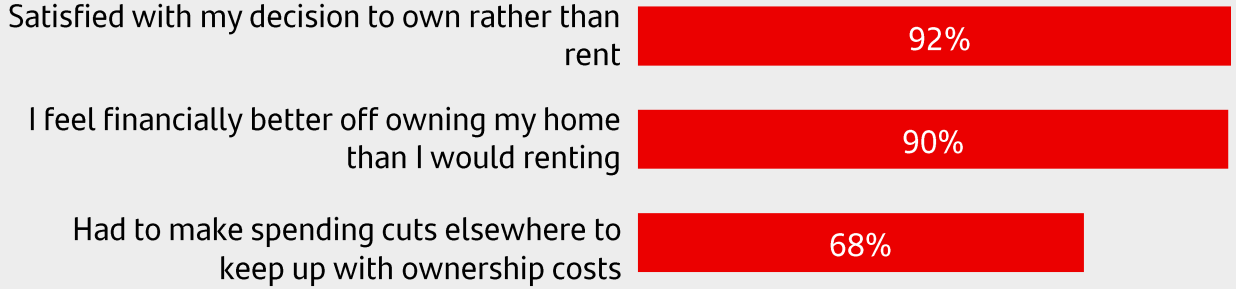
*Among those who rent their primary residence.

Renters prioritize flexibility*



*Among those who rent their primary residence.

Homeowners are satisfied despite financial trade-offs**



**Among those who own their primary residence.

Methodology

Methodology

This research on financial prosperity, conducted by Morning Consult on behalf of Santander US, surveyed 2,193 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 Q3 study was conducted from September 22-24, 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:

Q3 2026: September 2026
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. (“Santander US”) 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 more than 189 million customers in the United States, Europe and Latin America. Santander US 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. In August 2026, Santander closed on its acquisition of Webster Financial Corporation and, indirectly, Webster Bank, N.A, creating a leading retail and commercial bank in the United States by assets with an expanded presence in the Northeast. In the U.S. market, Santander also 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. Santander Bank, N.A. is a member FDIC. For more information about Santander US, please visit www.santanderus.com.

Openbank by Santander High-Yield Savings Account Product Information

The Openbank by Santander High-Yield Savings account offers a standard variable APY of 4.00%, as of October 19, 2026. For a limited time, certain eligible new customers may qualify for an introductory promotional 0.35% APY boost added to the account's current variable APY for six months from the date the account is opened. This offer is subject to additional terms, conditions, and eligibility requirements. For more information, including applicable terms, eligibility requirements, and disclosures, please visit https://www.openbank.us/banking/high-yield-savings-account. The products and rates offered may vary between locations, are available in select markets only, and are subject to change without notice. Availability and rate for this product will be based on the residential ZIP code entered when account is opened within online application process. This is a variable-rate account and the rate applicable may change at Openbank by Santander's discretion any time without notice. Fees may reduce earnings. A minimum deposit of $500 is required to open an Openbank High Yield Savings account. Personal accounts only.

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