



Consumer Confidence & Lending Behavior in Uncertain Times

How economic uncertainty is reshaping borrowing intent, trust, and engagement.

Why We Pulled This Together

Union Credit set out to understand how the government shutdown is affecting consumer confidence, spending, and borrowing decisions, and what drives trust in lenders when uncertainty hits. This moment isn't just about short-term behavior shifts. It's a snapshot of how consumers decide who feels safe to borrow from when everything else feels unstable.

Who We Surveyed

We surveyed 104 U.S. adults, ages 24 to 50, all with credit scores above 475 and active credit experience. Half were directly affected by the shutdown (missing paychecks, facing reduced hours, or dealing with delayed contracts) and half were not. This 50/50 mix gave us a clear view of two sides of consumer behavior: those responding to real financial disruption and those reacting to the uncertainty around it.

This mix of participants gave us a balanced view of how both financially affected and unaffected consumers are navigating lending decisions. By including people directly impacted by the shutdown alongside those feeling its ripple effects, we were able to see how different levels of financial stress influence trust, confidence, and willingness to borrow.

In short, this audience helped us capture the full spectrum of consumer sentiment, from those in survival mode to those in wait-and-see mode, giving a clearer picture of how trust in lenders is being redefined.

Consumer Confidence Snapshot

Overall financial confidence is low to moderate.

Only 12.5% feel very confident about their finances. The majority are in the middle with 57% rating themselves a 3 or 4 out of 5.

Nearly half said their financial confidence has dropped over the last 30 days.

The emotional tone matches. 54% are feeling **cautious**, 45% **anxious**, and 30% **overwhelmed**.



The market is emotionally fragile, not broken. People are in a “wait and see” mode. They’re open to help but wary of hype. For credit unions, this means positioning themselves as financial stabilizers, not just lenders. Words like steady, trusted, here when you need us outperform urgency or optimism right now.

Spending & Borrowing Behavior

People are pressing pause, not stop.

59% are spending less than usual.

39% have delayed or canceled a major loan or purchase.

53% are avoiding new debt until stability returns.

36% would still borrow if the offer felt secure and clear.



Consumers haven't lost intent, they've lost confidence in timing. When lenders emphasize control ("you can see your options, no impact to credit"), it restores that confidence. Credit unions should lead with "low-commitment discovery" messaging which will empower users to explore safely instead of retreating completely.

👁️ Borrowing Intent & Offer Discovery

Consumers engage when offers appear where they already feel financially anchored.

37% discover offers via
email or online ads

28% via credit-monitoring
apps (Experian, Credit
Karma)

28% via their bank or
credit union

7% through social or
influencer content



Consumers aren't going hunting for new lenders. They react to the offers that show up inside the trusted financial spaces they're already using. Email, in app alerts, account dashboards, all of it. That's where their decisions actually happen. For credit unions, the takeaway is pretty simple: show up where members already are and where they already feel comfortable. The more your offers live inside familiar, credible environments, the more likely people are to actually engage with them.

Trust Through Placement

When the environment is trusted, the offer is trusted.

General Trust

- Big Banks — 66%
- Credit Unions — 43%
- FinTech's — 25%
- Community Banks — 19%

When Identical Offers Appear Inside a Trusted App

- Credit Union — 39%
- Big Bank — 36%
- Both equally trustworthy — 25%



When a credit union
offer appears inside a
trusted app, it erases
the big bank
advantage

Trust follows context, not legacy. Credit unions get written off as the underdog until you change where the offer shows up. **Put the exact same offer inside a trusted digital environment and suddenly consumers respond very differently.** The lesson is pretty clear: trust isn't something you buy with ads or awareness campaigns. It comes from meeting people inside the places they already feel safe and familiar. Context does the heavy lifting. When the environment is trusted, the offer gets trusted too.



Credit Union Perceptions

People love the idea of credit unions but question accessibility.

63% think CUs have better rates
but fewer digital tools.

31% still think membership
requires **belonging to a
labor union**

49% would pick a CU over a bank
if rates were equal.



The awareness gap is killing opportunity. Consumers aren't rejecting credit unions, they just don't know they can join one easily. Marketing efforts should include subtle education ("already approved for membership") to chip away at that misconception. The minute eligibility feels open, trust converts to action.



Messaging That Resonates

Right now reassurance and control outperform speed.

“See your options with zero impact to credit” — **42% found this messaging most comforting**

“We’re here to help you stay stable” — 31%

Switch drivers: lower rates (58%) & more trust/transparency (26%)



Right now, consumers are looking for calm guidance over urgency. For credit unions, that means creating ad and in-flow **copy that focuses on safety to explore, transparency, and local trust, not just fast approvals**. Trust-first language performs better when the world feels uncertain because it removes pressure and builds confidence. That same mindset is exactly why “seeing offers has zero impact on your credit” resonates so strongly. It turns hesitation into reassurance. It tells consumers they can explore their options safely, without risk or commitment.