



# The COVID-19 Pandemic's Financial Impact on U.S. Consumers

The COVID-19 pandemic is creating a new reality as its impact has stretched to consumers of all generations and income levels.

TransUnion is tracking the changes of this data weekly and will be sharing it with all of you.

WEEK

2

Data collected week of  
**MARCH 23**

## BACKGROUND

The current global COVID-19 pandemic is creating major economic and financial distress for consumers. Millions of jobs in the U.S. economy are already being impacted or at risk due to drastic demand shifts. We've conducted research to better understand consumers' perceptions and expectations for how this rapidly evolving situation is affecting their financial situation and subsequent ability to pay their bills.

## Key Takeaways

- Nearly 3 out of 5 (59%) Americans are currently being impacted financially, which is a significant increase over last week's report (53%).
- Significantly more Americans (16%) stated they've lost their job in the most recent wave of the pulse study, as compared with 9% last week. The rate for Millennial job loss increased from 8% last week to 19% this week.
- The research found that Millennials (79%) and Gen Z (74%) were among the most concerned about their ability to pay bills and loans in the next month. This compared to 70% for all respondents and 53% for Baby Boomers.
- The amount financially impacted consumers expect to be short when paying bills has increased from \$903.70 to \$1,031.

### RESEARCH METHODOLOGY

This online survey of 3,101 adults was conducted March 24th, 2020 by TransUnion in partnership with 3rd party research provider Qualtrics® Research-Services. Adults 18 years of age and older residing in the United States were surveyed using an online research panel method across a combination of computer, mobile, and tablet devices. Survey questions were administered in English. All states are represented in the study survey responses. To ensure general population sample representativeness across United States resident demographics, the survey included quotas to balance responses to the census statistics on the dimensions of age, gender, household income, race, and region. These research results are unweighted and statistically significant at a 95% confidence level within ±1.76 percentage points based on calculated error margin.

## FINANCIAL IMPACT

### WHAT IS THE SCALE AND TYPE OF IMPACT?

While 59% of Americans said their household income was negatively affected by the virus, the percentages were more pronounced for Millennials (68%) and Gen Z (63%). These generations appear to be hardest hit, but we saw a noticeable increase in Gen X and a significant increase in Boomers (from 35% to 49%) week-over-week.

Figure 1. Perceived impact

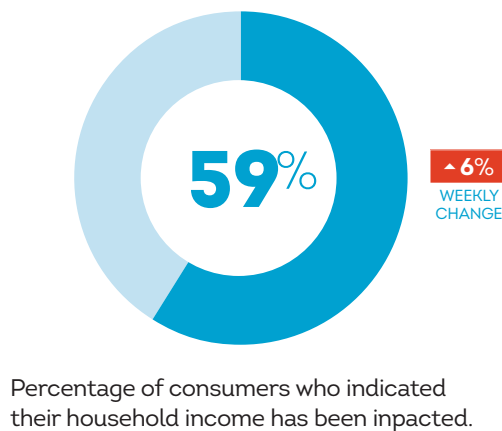


Figure 2. Are you expecting to be impacted in the future?

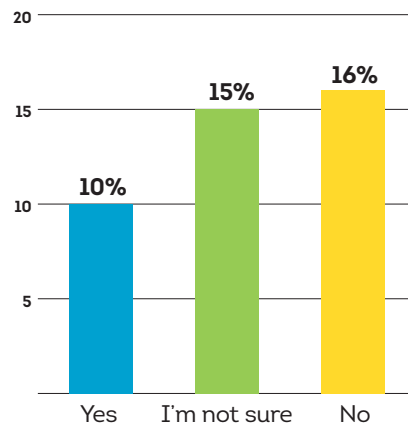
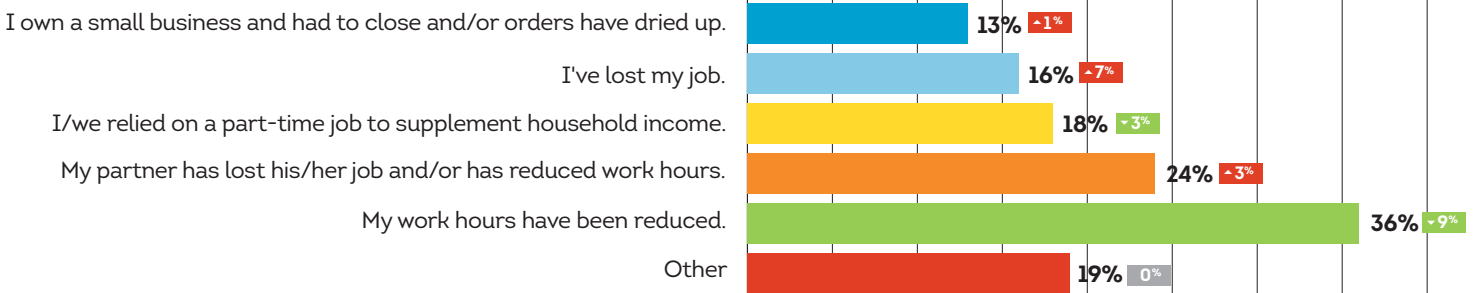


Figure 3. How is your current household income being impacted?



## BILLS AND LOANS

### HOW MUCH OF AN IMPACT WILL THIS HAVE ON BILLS AND LOANS?

Concern is growing; over 50% (56%) of respondents indicated that they will not be able to pay their bills and loans within the next five weeks, and will be short an average of \$1,031 – a 14% increase from last week's average of \$903.

Concern about missing mortgage payments has increased week-over-week overall. Gen X increased their concern by 12% to over a third (27%).

**Figure 4. How much is your budget shortfall?**

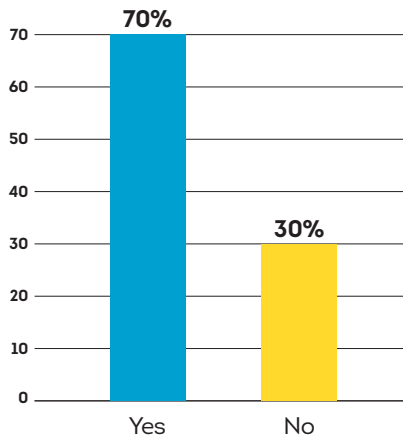
On average, amount consumers who were impacted expect they will be short by the following amount when paying bills or loans.



**How soon will you not be able to pay?**

Consumers who were impacted expect they will not be able to pay their bills or loans in **5.4 weeks.**

**Figure 5. Are you concerned about your ability to pay your current bills and loans?**



**Figure 6. Regional level of concern regarding ability to pay bill(s)/loan(s)**

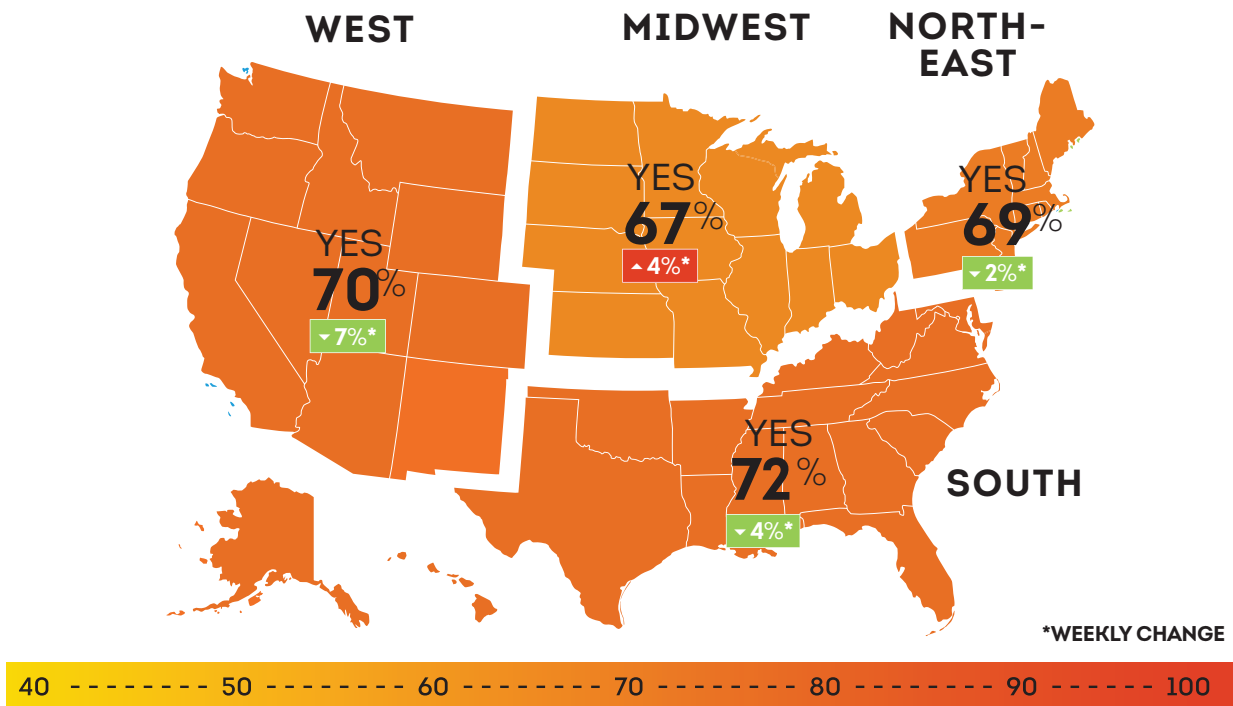
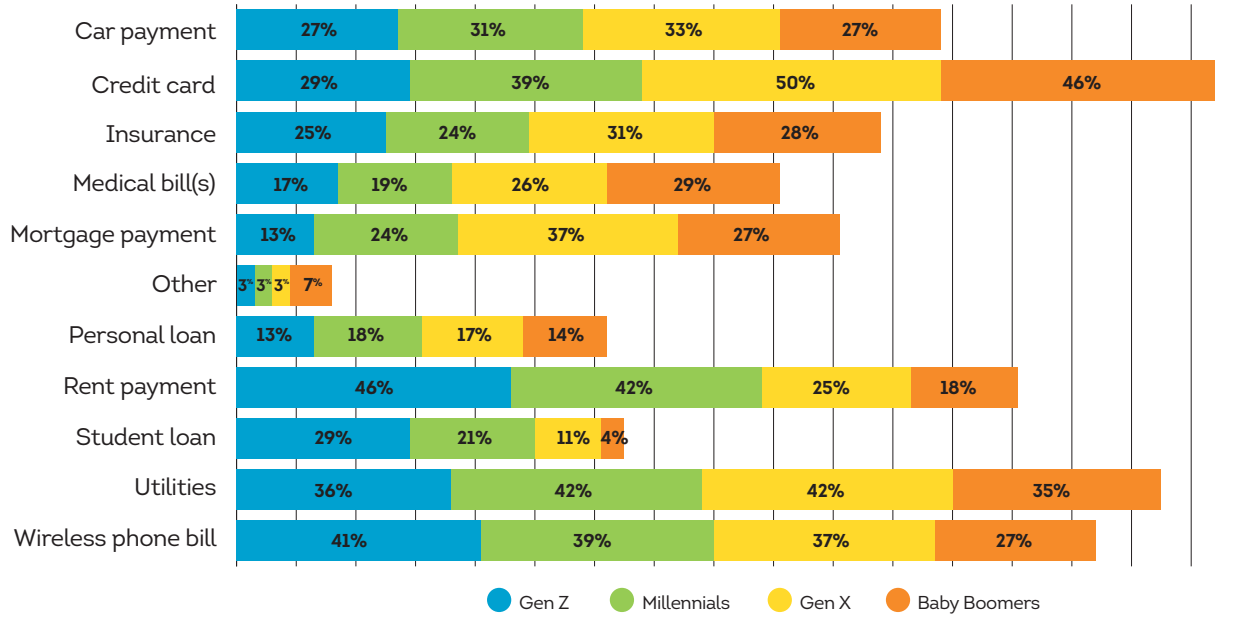


Figure 7. What bills and loans?



## NEXT ACTION

### WHAT IS YOUR GAME PLAN?

Many consumers either plan to use money from savings (36%) or borrow money from a friend or family member (21%) to fill the gap, and nearly 1 in 4 (22%) do not know how they are going to pay; this is consistent across regions. Gen Z and Millennials are more likely to borrow from a friend or family member than Gen X or Boomers.

Of those consumers who do not know their credit scores, 80% have not contacted their lenders to discuss options, versus 63% for the overall population. It's imperative that all consumers, regardless of credit score, reach out to lenders if they won't be able to make an upcoming payment. With many lenders offering flexible repayment options due to COVID-19 related financial difficulties, this can prevent negative items, such as missed payments from negatively impacting consumer credit reports and scores. Consumers are also delaying purchases. The primary purchases they're delaying are vacations (37%), followed by auto (16%) and home purchases (11%).

Figure 8. What is your plan to help pay your current bill(s) or loans?

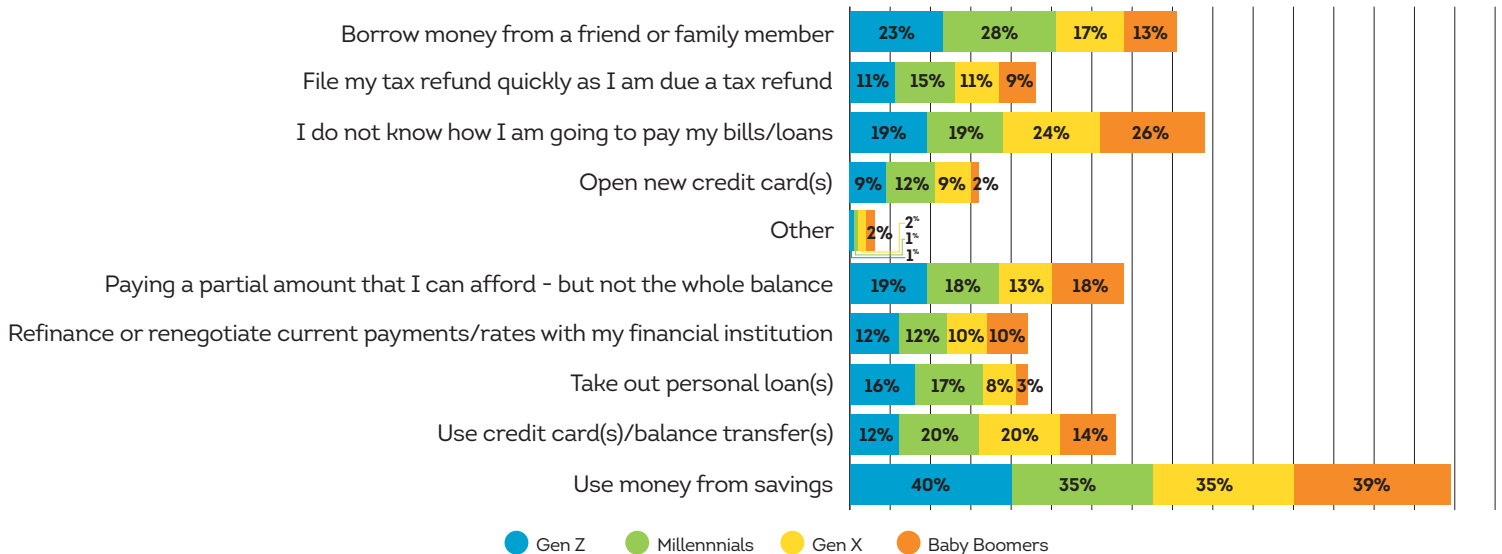


Figure 9. Have you reached out to companies you have accounts with to discuss payment options?

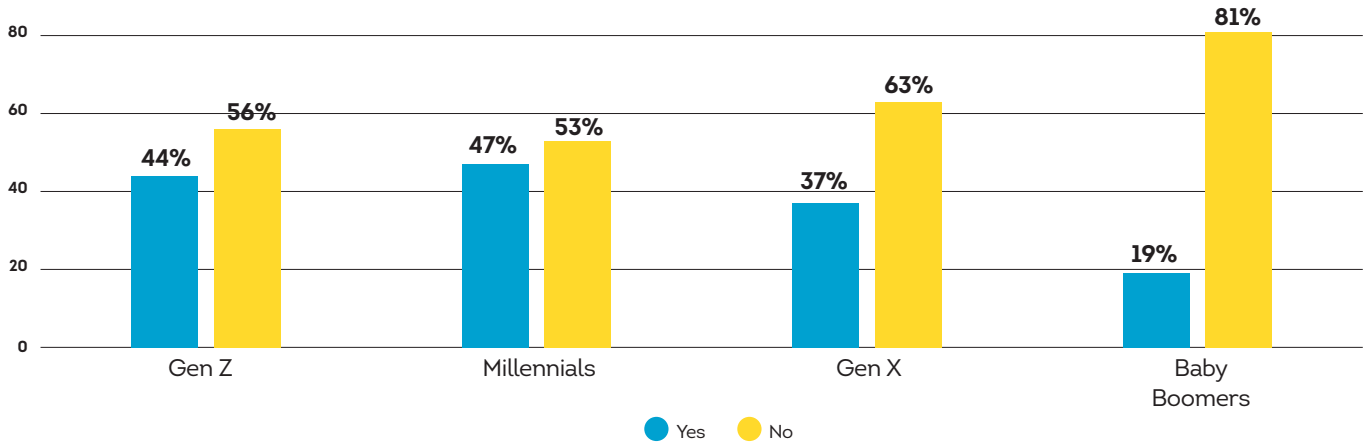
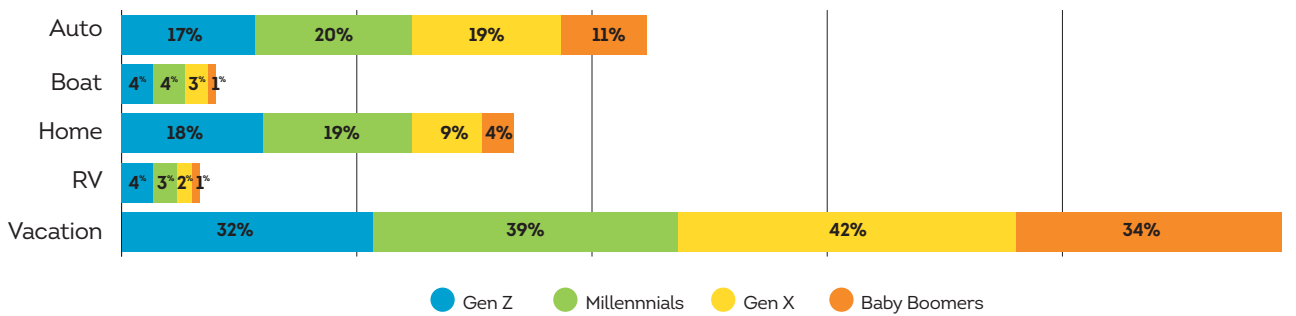


Figure 10. Are you delaying any of the following major purchases?



### Other Key Insights

→ All generations report concern about the cost of screening and treatment for COVID-19, but Millennials appear most worried. This could be due to the rising rate of Millennial job loss and subsequent loss of health insurance.

→ As more consumers turn online for purchases, [22% of Americans say they have been a target of online fraud related to COVID-19.](#)

Figure 11. How important is cost to you when evaluating potential screening or treatment?

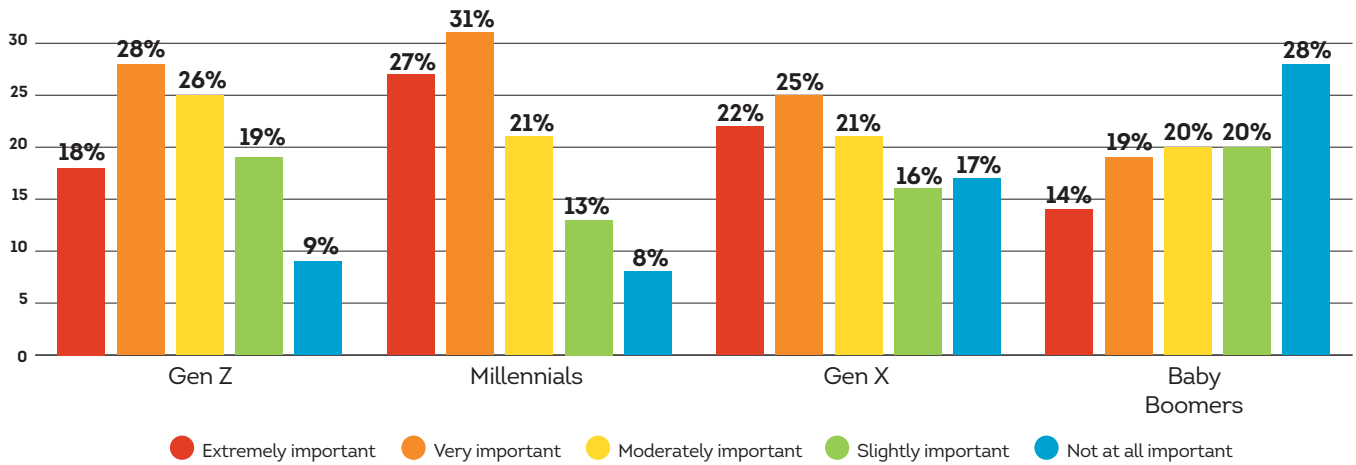
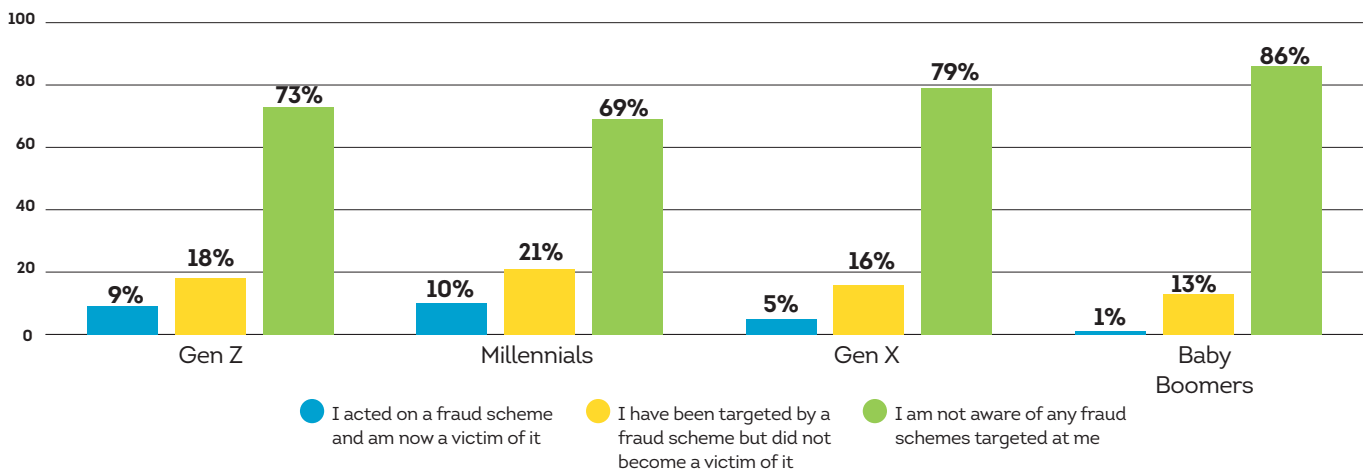


Figure 12. Which statement best describes your personal experience with any digital fraud attempts related to COVID-19?



**CALL TO ACTION**

If you, like many others, are concerned about your ability to pay your bills and loans in the coming weeks, we've created a [COVID-19 support center](#), which can help you learn how to protect your credit during times of financial trouble. We at TransUnion are committed to continuing to provide you the updates, tools and resources you need to stay in control of your credit health.

If you found this information useful and would like to learn more, please come back for next week's report. If you are a member of the media and would like to learn more, please contact:

**Dave Blumberg**  
312-972-6646