

Could 70% Of Your Customers Be Struggling With Their Financial Well-Being?

Here's something that could make a difference:
The ability to easily monitor their credit score

With inflation higher than it's been in years, it's no surprise that consumers are struggling to make ends meet. But what you might not realize is just how widespread financial concerns are.

According to the Financial Health Network's [2022 Financial Health Pulse™](#), 70% of American adults are in a tenuous spot financially-- a combination of those that are financially vulnerable (15%) and those that are financially coping (55%). Equally concerning: For the first time in the five-year history of this survey, the percentage of people considered financially healthy has dropped.

The good news is that banks and credit unions committed to the financial health and well-being of their customers can take clear steps to help. In fact, a 2022 survey administered by [J.D. Power](#) showed that 59% of banking consumers want and expect their financial institutions (FIs) to help them improve their financial health through a mixture of digital tools and personalized advice. According to Jennifer White, senior director for banking and payments intelligence at J.D. Power, the data clearly shows that retail bank customers want guidance, but many aren't receiving it.

This presents a clear opportunity: by offering the guidance and personalization customers are seeking, financial institutions can boost long-term loyalty. One way banks and credit unions can do this is by offering customers personalized digital content and interactive self-help tools. A relatively simple yet powerful option to consider: integrate market-leading credit score solutions into your digital banking platform.

What is a credit score solution?

At the simplest level, a credit score solution provides financial institutions with a seamless way to give customers real-time access to their credit score. However, there are more robust credit score solutions available in the market offering additional benefits to both the financial institution and their customers, including free and unlimited access to their full credit report, real-time credit monitoring, and detailed education on the factors that make up their score. Robust solutions use credit data to inform customers of money-saving offers and loan products they are likely to qualify for in a meaningful and personalized way.

Why is access to real-time credit scores and reports important?

As the name conveys, these tools make it easy for your customers to see and understand the current state of their credit, which can be a critical first step toward optimizing it.

- ***Provide a wealth of information***

Credit reports give your customers access to details on their past and current credit activity, including payment history, and status of their credit accounts. The best ones let customers check in as often as they'd like with no impact to their scores. Some credit score solutions even come with interactive digital tools like credit score simulators which enable customers to see how different decisions and behaviors may impact their score.

- ***Effectively monitor changes and spot errors.***

Ignorance is definitely not bliss when it comes to a person's credit. And according to a [2021 investigation by Consumer Reports](#), it's all too likely your customers have credit errors they know nothing about. In this investigation, more than a third of consumers found errors in their credit reports. Common ones included things like wrong addresses or birth dates, listing individual loans multiple times, and loans and accounts that were paid off though still appeared to be unpaid. In the worst cases, there was evidence of identity theft.

Being aware of and able to fix credit report errors could impact a myriad of elements to a customer's financial life—everything from whether they're offered a loan and at what rate, to potentially, whether they can rent an apartment or qualify for a job.

What else can a credit score offer my customers?

A best-in-class credit score solution can offer your customers more than score visibility and report access. Here are value-adding features:

- ***Personalized recommendations.***

Not only do customers want to understand their current credit status, but they are looking toward their financial institution for advice. Pairing education about how a credit score is calculated with personalized recommendations around how to improve it is a great way to add value and build trust with customers.

- ***Customized products and loan rates.***

Are your customers saddled with expensive debt they're struggling to get out from under? The best credit score solutions are able to leverage credit data to target customers with money-saving recommendations that they may already pre-qualify for.

Do credit score solutions really make a difference?

Yes, an effective solution improves credit score visibility and engagement and higher engagement is correlated with better financial health. In fact, we observe this when analyzing the SavvyMoney digital user base. Here's what we know based on our data:

- ***There is a clear correlation between credit score improvement and SavvyMoney engagement.***

Our data shows that SavvyMoney users, in all score ranges, who achieve the most improvement in credit score are also the most engaged with the credit score solution.

- ***SavvyMoney users in higher credit score bands tend to be more engaged than those in lower credit score bands.***

We’ve found that people in higher credit score bands engage with SavvyMoney more than those in the lowest scores. Specifically, users with scores between 750 and 850, the highest score band, show nearly 2x more engagement as compared to the lowest score band.

Long story short—credit tools can result in a significant difference for your customers and your financial institution. And it looks like they could matter a whole lot more in the coming months.

