

Consumer Pulse Study

Consumer behaviours and attitudes about current and future household budgets, spending and debt

UK Q2 2026

TransUnion's quarterly survey explores how consumers' personal finances have changed and what changes they expect in the future. The study measures shifting consumer attitudes and behaviours based on the dynamics of income, debt and identity theft. The analyses and insights give consumers a voice and inform businesses' decision-making as they seek to create economic opportunity for consumers.

KEY TAKEAWAYS

Resilience Holds, but Fortunes Diverge



Confidence plateaus amid new uncertainties

Forty-four percent of UK consumers surveyed expressed optimism about personal finances in the next 12 months, essentially unchanged from late 2025 and well above its lowest point in Q3 2022 when it was 26%. While this reflects a settling of optimism, the sentiment dipped from its recent peak of 47% in Q1 2026, which suggests a slight stall, potentially due to heightened global geopolitical tensions and ensuing economic uncertainty that emerged in March.



Credit access and availability are on the rise

Well more than half (61%) felt they have sufficient access to credit and lending options, up from 53% in Q2 2025. This improvement was observed across the most credit underserved populations: 56% (up from 50%) of Gen Z and 51% (up from 46%) of low-income households felt they have sufficient credit access.* While credit supply appeared to rise, especially among those consumers who usually have the least access, credit demand remained stable and relatively consistent as 24% of consumers planned to apply for new credit or refinance in the next year. That equates to nearly one in four Brits considering new borrowing, a significant share that's held fairly steady since we began asking the question in Q4 2022. These trends suggest UK lenders are expanding credit availability, especially among lower-income and younger consumers, and a notable cohort of consumers is still looking to borrow in 2026, even as interest rates remain elevated.



Financial stress concentrated among the vulnerable

The resilience of the average consumer masks continuing stress on vulnerable groups. A small percentage (17%) expected to miss at least one current bill or loan payment, a rate largely unchanged since last quarter, and one heavily skewed toward the young and financially stretched. For instance, 25% of Gen Z foresaw difficulty meeting their obligations compared to only 9% of Baby Boomers. Similarly, those with low incomes were more than twice as likely to anticipate bill payment struggles (22%) than high earners at 9%.

Household income (HHI), spending and bill payment impact

UK consumer confidence has levelled off, with about 44% of consumers optimistic about their household finances over the next 12 months, roughly the same as a year ago. This plateau follows a gradual rebound from the TransUnion Consumer Pulse Survey low of 26% amid the worst of the cost of living squeeze in Q3 2022. Notably, Gen Z appeared to be the most financially optimistic generation; around two-thirds (70%) felt optimistic compared to roughly one-third (30%) of Gen X, the lowest of any generation. It's also worth noting optimism in the most optimistic income group (high-income consumers) deteriorated slightly: 71% were now feeling optimistic about their financial futures, down from 76% a year ago.

Part of this generational optimism gap owes to divergent income trends: 55% of Gen X consumers (the highest of any income group) felt their incomes were not keeping up with inflation versus just 27% of Gen Z who felt the same (the lowest). In fact, 42% of Gen Z felt their earnings kept pace with rising costs (the highest of any generation).

Despite relatively high financial optimism, there were significant financial concerns. Inflation remained the top financial concern for most consumers; nearly 9 in 10 (88%) ranked it among their top three household financial concerns *over the next six months*. This figure was up slightly from a year ago, reflecting a persistent cost of living squeeze in 2026. However, signs of improvement in other areas are beginning to emerge, with housing and interest rate worries easing over the last year. Housing cost concerns dropped from 42% having it in their top three household financial concerns a year ago to 38% most recently, and 49% cited interest rates, down from 54%. These improvements reflect some of the financial relief associated with 2025 interest rate cuts, but both concerns remained elevated compared to 2022.

Meanwhile, job security was also a growing worry amid recent headlines of rising youth unemployment and consistently falling job vacancies. Nearly one-third (33%) of households ranked jobs among their top three financial concerns, up significantly from 25% this time three years ago. Growing concern also emerged in the latest quarter around the risk of a potential recession, rising significantly to 54% up from 49% in Q1 2026 and this time last year.

However, not all consumers felt the strain. It should come as no surprise homeowners with no or low mortgages enjoyed far sturdier finances and a greater sense of stability than renters in the current economy. Just 8% of consumers who own their homes outright anticipated being unable to pay any of their current bills and loans in full compared to 25% of renters. Likewise, over three-quarters (74%) of mortgage-free homeowners said their finances are on track or better than planned vs. 54% of renters.

Figure 1. Optimism about household finances in next 12 months

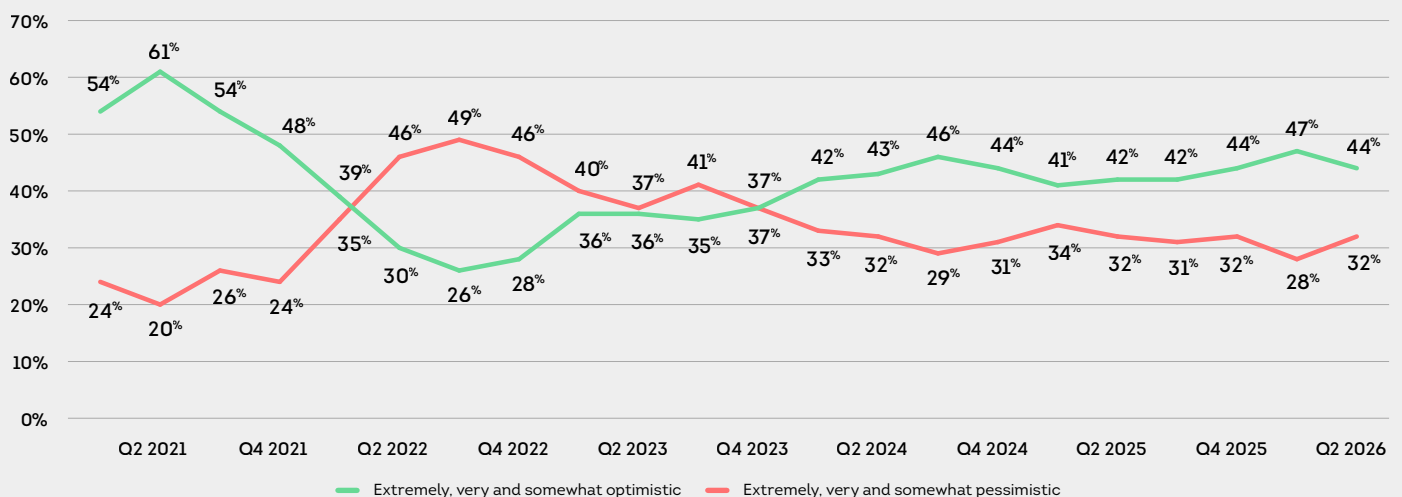


Figure 2. Biggest concerns affecting household finances in next six months

Percentage of consumers who said this concern was in their top three

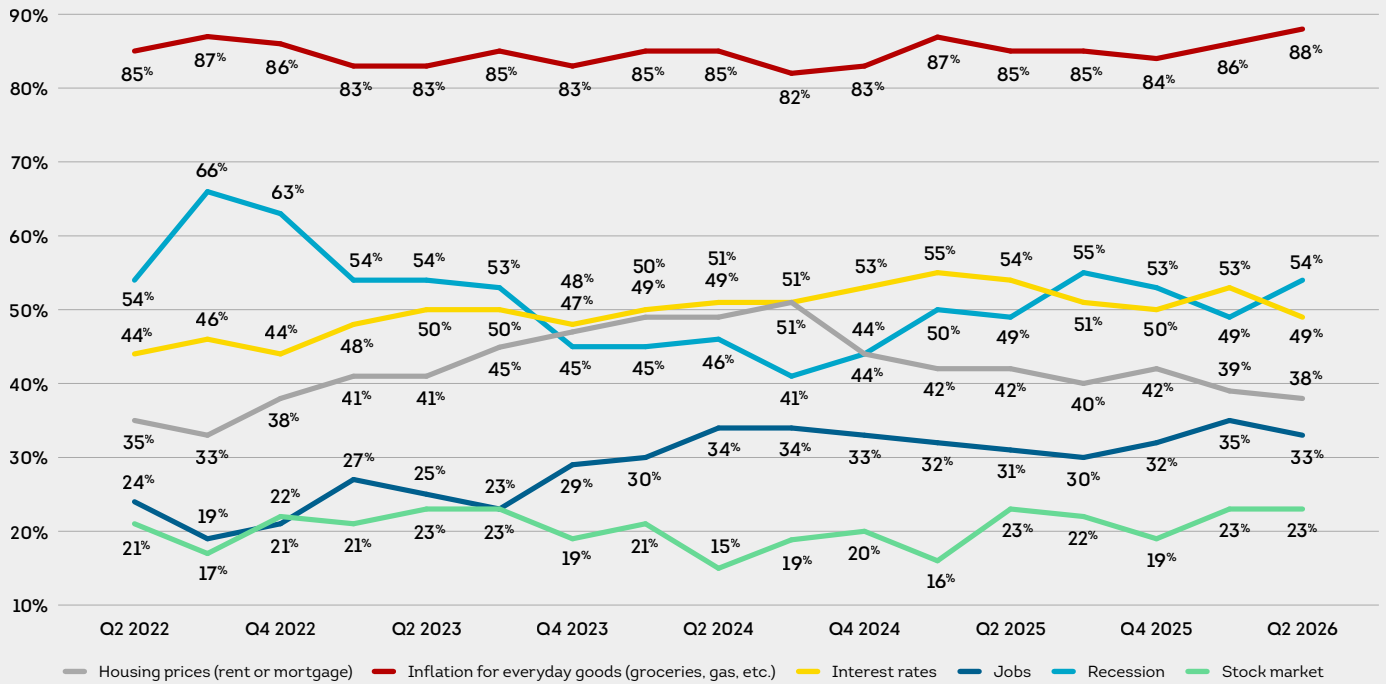
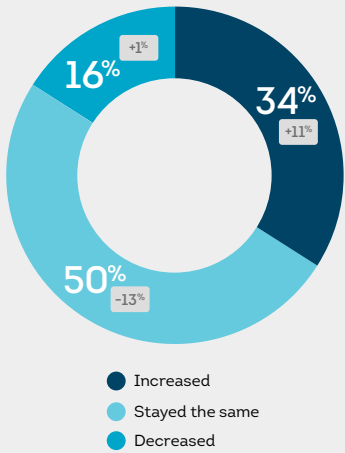
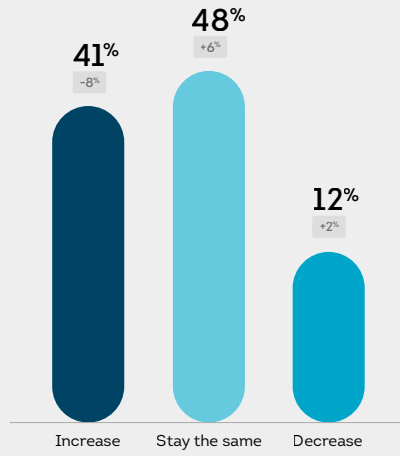


Figure 3. Household income change last three months



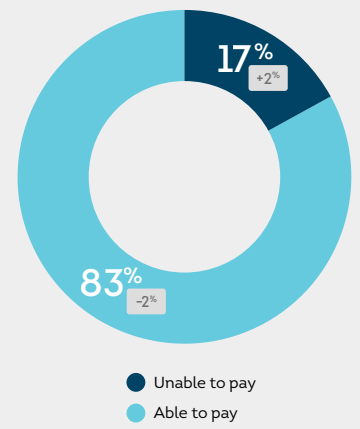
X% Percentage point change from Q1 2026

Figure 4. Expected household income change next 12 months



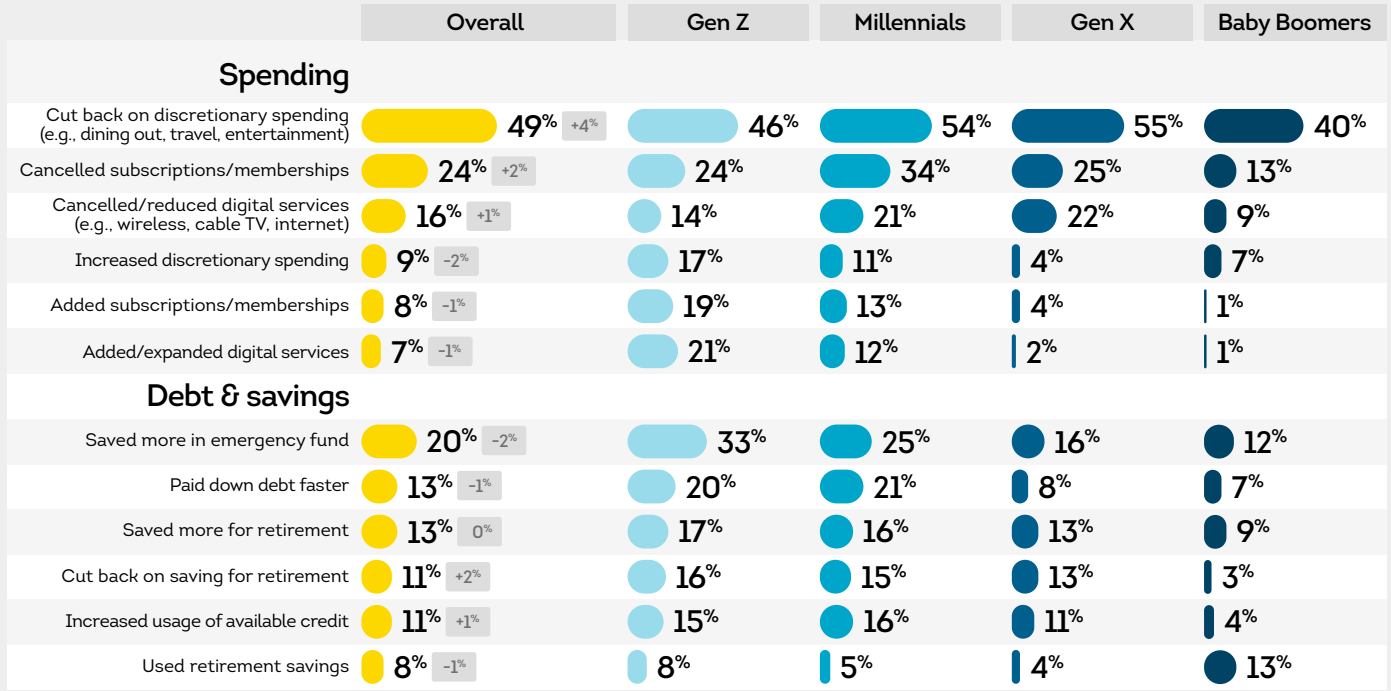
X% Percentage point change from Q1 2026

Figure 5. Expect to be unable to pay at least one of their current bills and loans in full



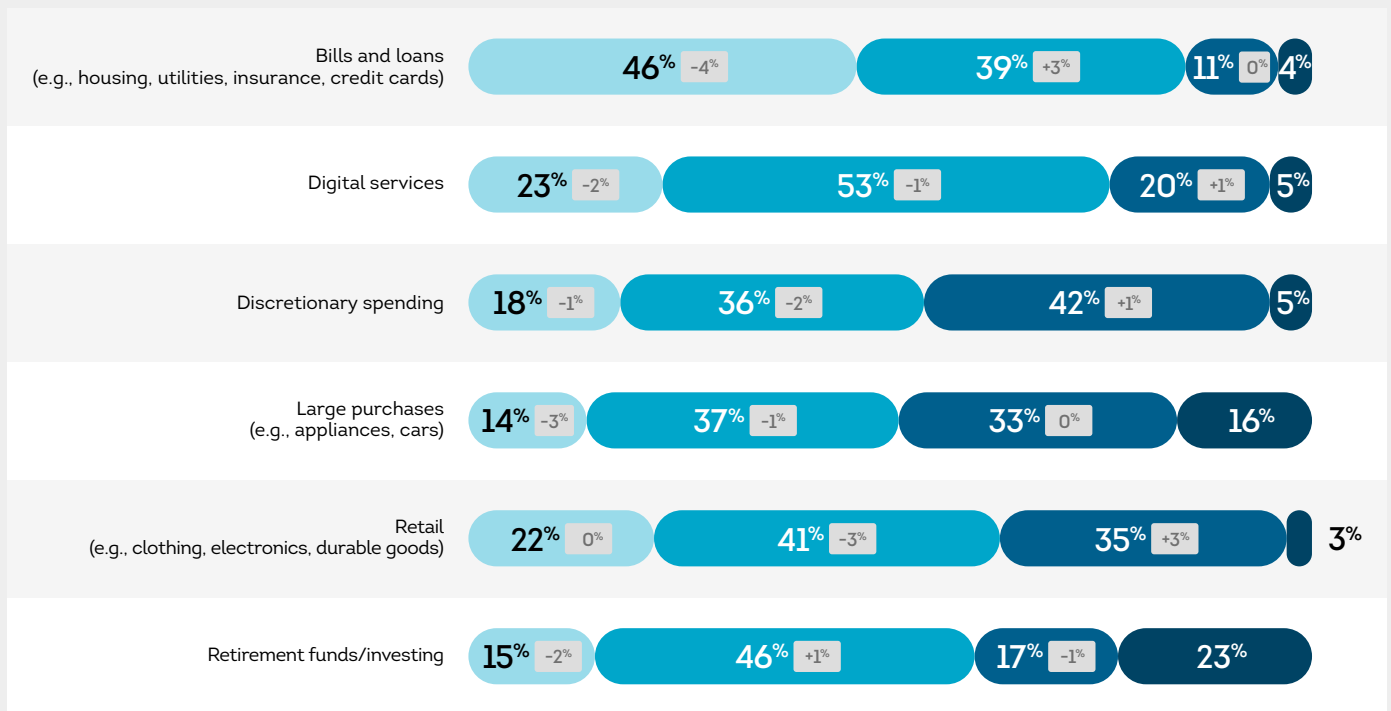
X% Percentage point change from Q1 2026

Figure 6. Changes to household budget in the last three months



X* Percentage point change from Q1 2026

Figure 7. Expected change to household spending over next three months



X* Percentage point change from Q1 2026 ● Increase ● Stay the same ● Decrease ● Not applicable

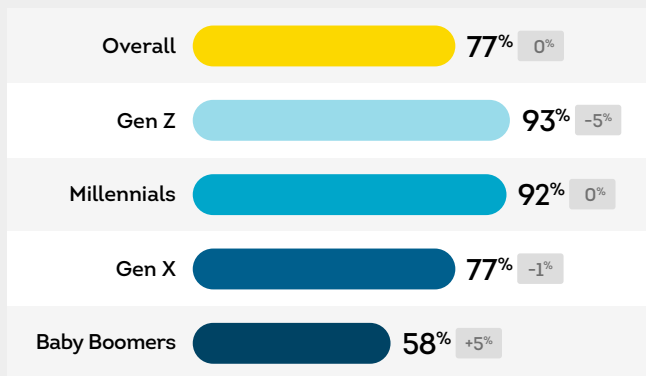
Attitudes and plans for economic participation

Credit access is improving across the board. Roughly three in four Brits (77%) said having access to credit and lending products is important for reaching their financial goals, and now a growing share feels those needs are being met. Just over 60% of UK consumers now agree they have sufficient access to credit and lending products, up from 53% a year ago.

This rising sense of inclusion was strongest among typically underserved groups: 56% of Gen Z now feel they have enough lending access up from 50% a year ago and 51% of lower-income consumers said the same, up from 46%. These gains suggest lenders have broadened their risk appetites, gradually narrowing the gap between perceived importance and availability of credit for UK households.

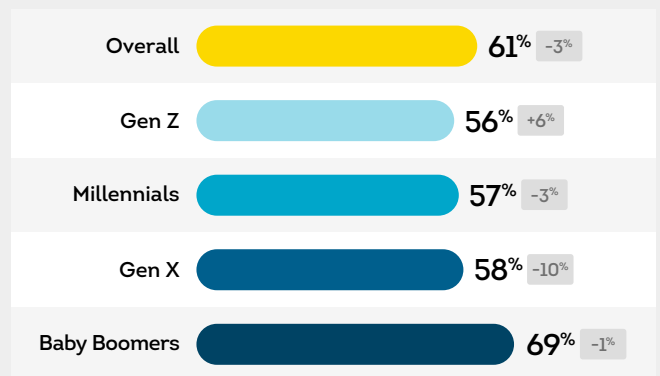
Meanwhile, despite borrowing costs plateauing and, in some cases, rising in the last two quarters, credit appetite remains remarkably stable. Nearly a quarter (24%) planned to apply for new credit or refinance within the next year, roughly the same share as a year ago. That percentage has remained relatively consistent since we began asking the question in Q4 2022. Generational patterns of demand remain pronounced, with younger consumers continuing to lead demand. Around half (50%) of Gen Z consumers said they intend to seek new credit compared to 39% of Millennials, 17% of Gen X and just 5% of Baby Boomers.

Figure 8. Believe important to have access to credit and lending products to achieve financial goals



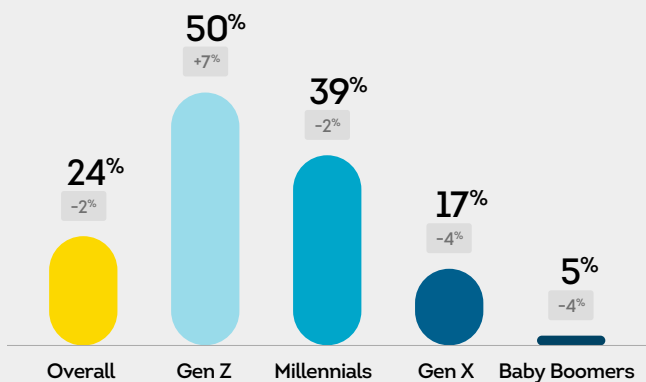
X% Percentage point change from Q1 2026

Figure 9. Believe have sufficient access to credit and lending products



X% Percentage point change from Q1 2026

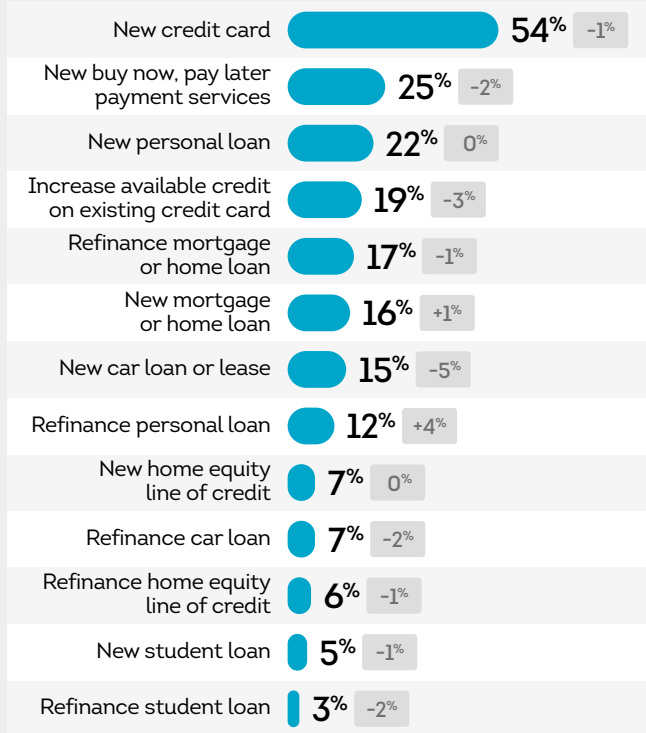
Figure 10. Plan to apply for new credit or refinance existing credit within the next year



X% Percentage point change from Q1 2026

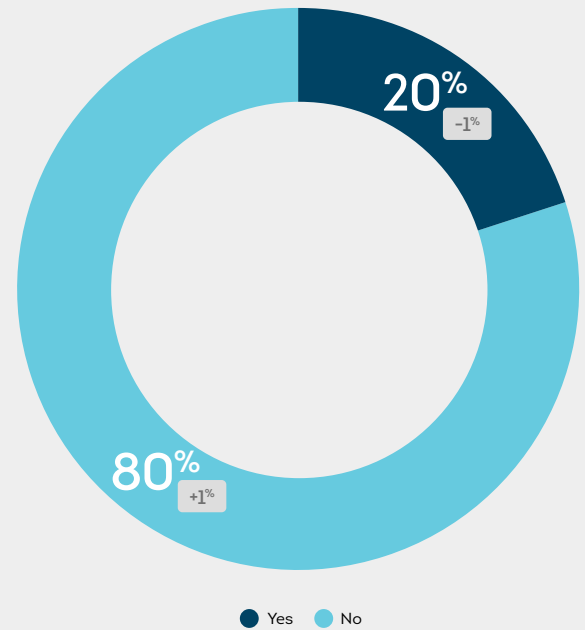
Figure 11. Type of new credit and loan activity planned in next 12 months

(among those who plan to apply for new or refinance existing credit)



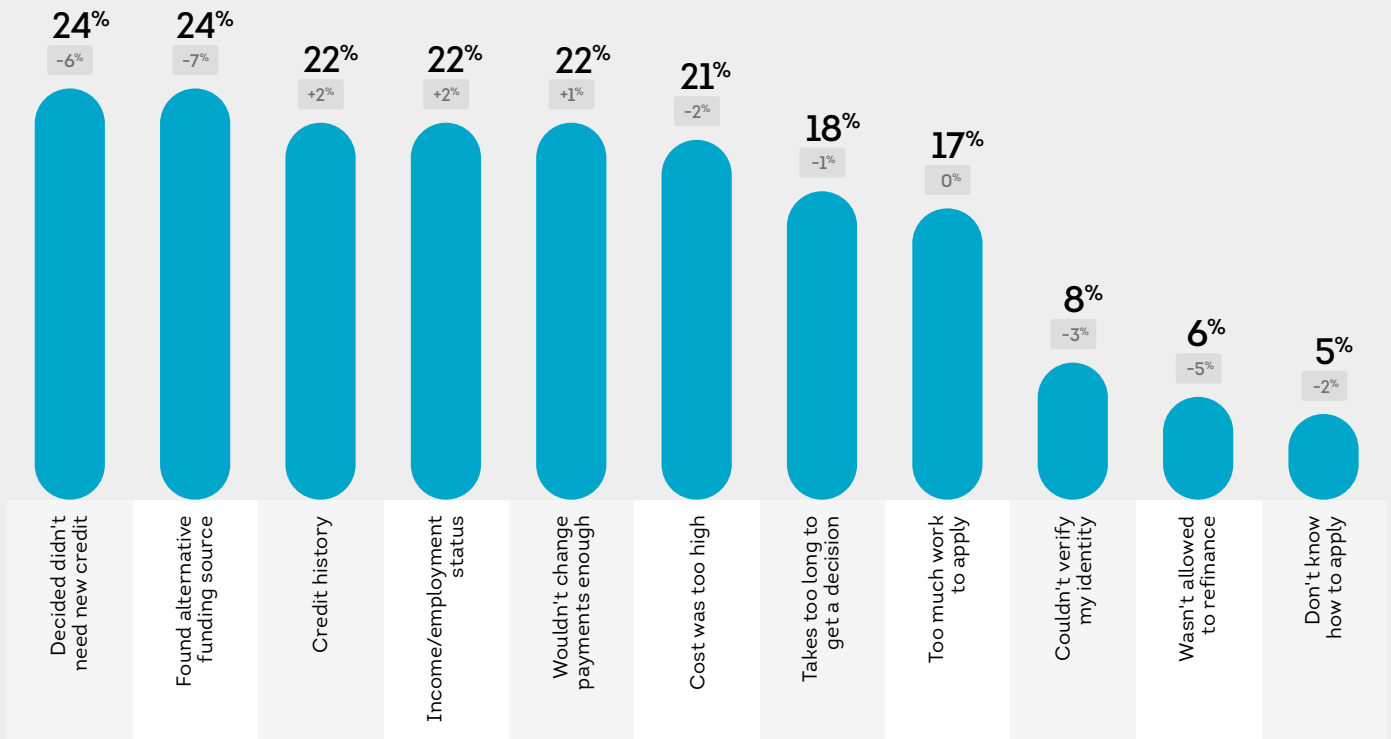
X* Percentage point change from Q1 2026

Figure 12. Abandoned plan to apply for new credit or refinance



X* Percentage point change from Q1 2026

Figure 13. Reasons for abandoning application for new credit or refinance



X* Percentage point change from Q1 2026

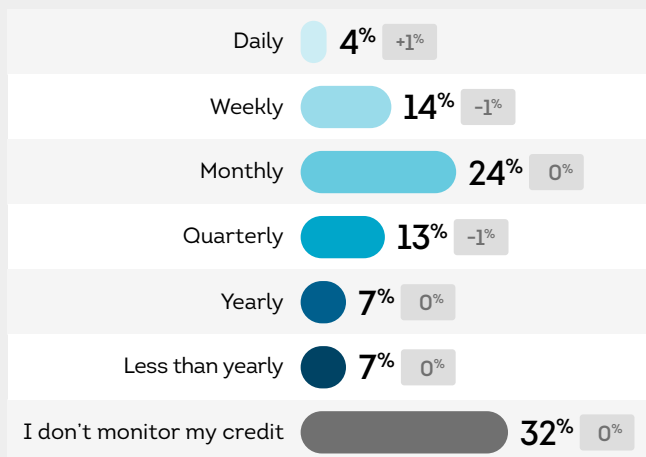
Attitudes and behaviours to manage financial choices

Brits are becoming more engaged with their credit profiles. More than two in five (42%) reported monitoring their credit reports at least monthly, up from 40% in Q2 2025, and 18% check weekly or daily vs. 15%. However, engagement remained heavily skewed toward younger consumers: 68% of Gen Z reported monitoring at least monthly (the highest of any generation) vs. just 30% of Baby Boomers (the lowest).

The perceived importance of monitoring also stayed elevated. The same percentage (78%) said monitoring their credit report is important in Q2 2026 as Q2 2025, including 24% who said it's very important both times. That conviction was strongest among younger generations: 96% of Gen Z and 88% of Millennials considered credit monitoring important vs. 77% of Gen X and 63% of Baby Boomers.

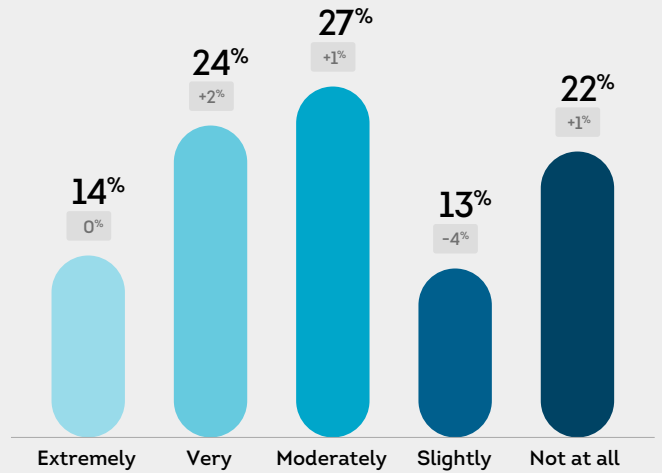
Overall, reasons for monitoring were also telling. Because it's free was the most common reason followed by checking for accuracy, cited by 41% of those who monitor, up from 37% a year ago. Improving credit score came next at 35% (up two percentage points) and 31% said they monitor to protect against fraud (unchanged year over year).

Figure 14. Credit report monitoring frequency



X* Percentage point change from Q1 2026

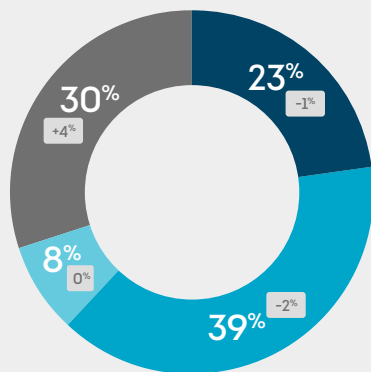
Figure 15. Believe monitoring credit report is important



X* Percentage point change from Q1 2026

Figure 16. How believe credit score would change if businesses used information not on standard credit report

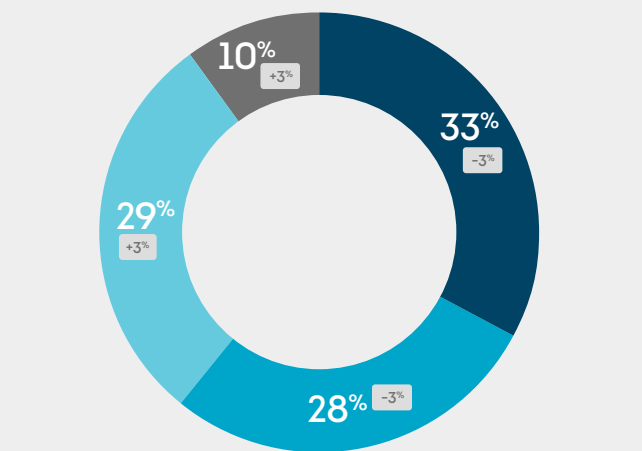
Examples provided of non-standard information include: rental payments, short-term loan history and buy now, pay later loans



● Increase ● Stay the same ● Decrease ● Don't know

X* Percentage point change from Q1 2026

Figure 17. How consumers believe AI will impact them



● Positively ● Neither positively or negatively ● Negatively ● Not sure

X* Percentage point change from Q1 2026

Identity risks and usage

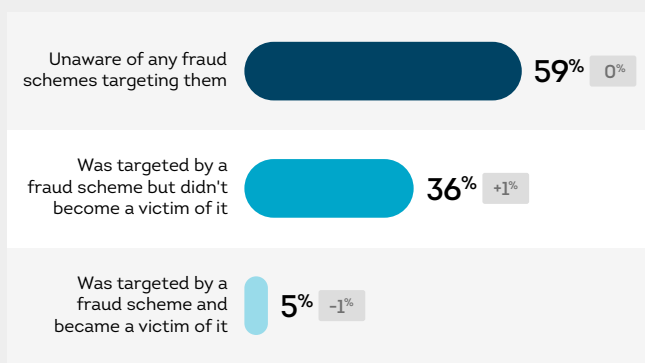
Encouragingly, consumers were largely aware of the growing issue of cyber threats as 87% shared their concern with them. When asked which cyber threats they're most concerned may personally affect them, the top answer was identity theft at 57%. Reinforcing this concern, UK consumers continued to be targeted; 41% of consumers reported being targeted by email, online, phone call or text scams in the last three months and 5% of them stated they actually fell victim. This high level of consumer exposure to fraud attempts reflects a continued trend in the credit and finance landscape.

Among those who said they were targeted, phishing remained the most common scheme, cited by 43% of respondents, followed closely by vishing (fraudulent phone calls) and smishing (fraudulent text messages meant to trick you into revealing data) at 37% and 33%, respectively. These methods that exploit trust through digital and voice channels continue to dominate the fraud mix – having sat toward the top of the long list of reported fraud schemes over the last few years. Meanwhile, account takeover attempts, though less frequent at 12%, represent a possibly greater threat to financial safety and security for many consumers.

There is, however, an apparent gap in consumer education when it comes to taking action to protect identities and finances. Two in five (40%) indicated they took no action in the last 60 days in response to cybersecurity concerns. Overwhelmingly, the top-cited reason for inaction was they were simply not sure what actions to take at 52%. Significantly behind were being overwhelmed by information regarding cyber concerns at 14%, and 13% said they weren't willing to invest any time in ensuring their own cybersecurity. These are the hurdles companies need to overcome when engaging with consumers.

Unfortunately, data breaches also remained a regular feature of the consumer experience, with 17% saying they were notified in the past three months that details about their identities and/or online accounts had been stolen in a data breach. Encouragingly, more consumers said they responded to these alerts: 41% changed the password on the affected account, up from 37% a year ago. Equally encouraging, 17% (the same as a year ago) placed a freeze on their credit, which can be one of the most effective tools for temporary impact prevention after a data breach or a known fraud attempt.

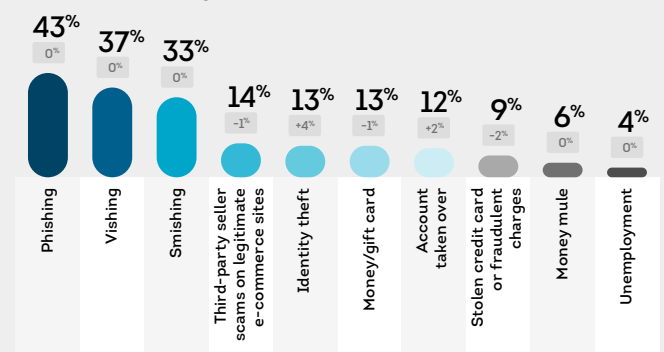
Figure 18. Personal experience with online, email, phone call or text message fraud attempts in last three months



X* Percentage point change from Q1 2026

Figure 19. Most frequent fraud schemes targeting consumers

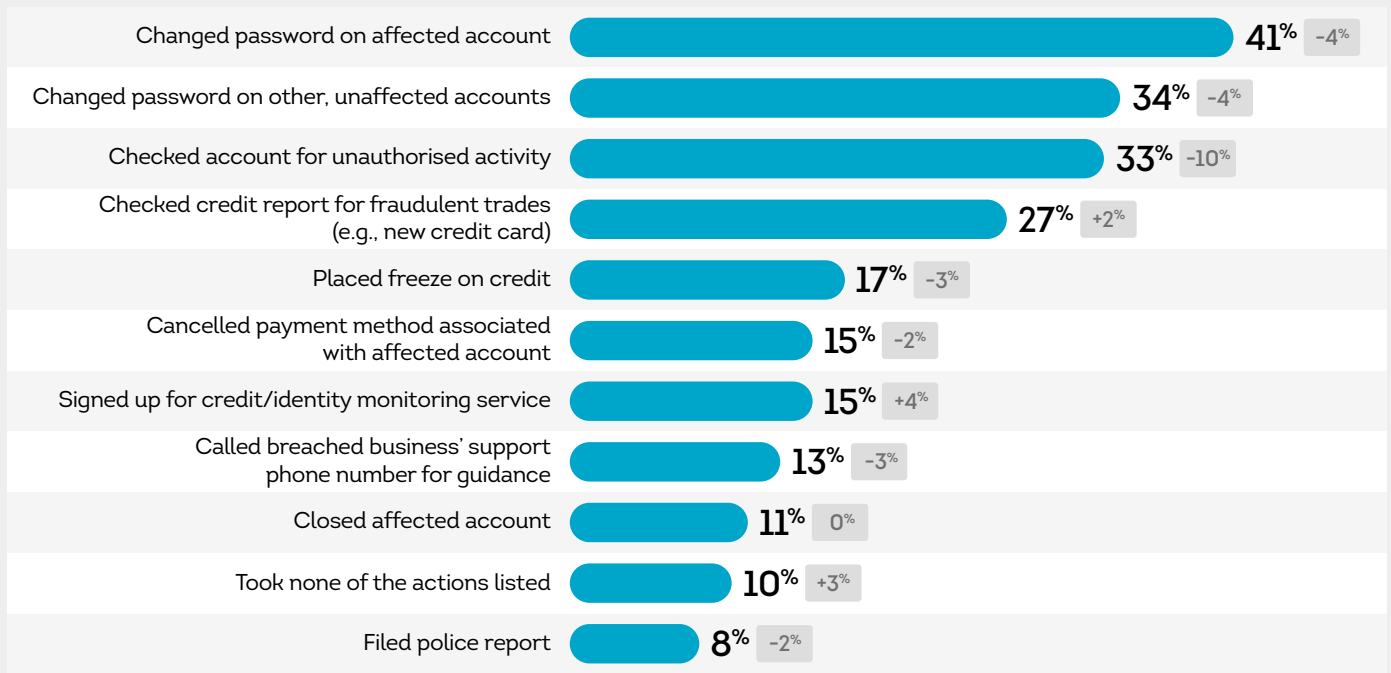
(among those targeted with online, email, phone call or text message fraud in the last three months)



X* Percentage point change from Q1 2026

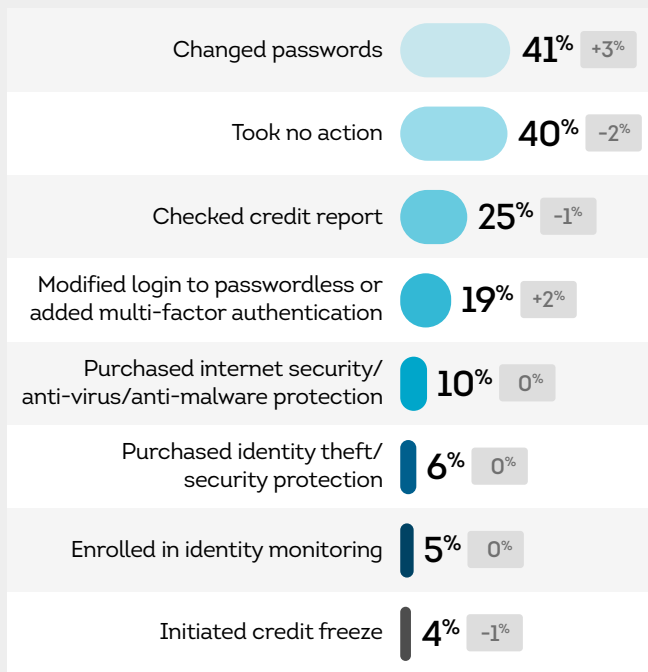
Figure 20. Most frequent actions data breach victims took

(among consumers notified in the last three months that details about their identities and/or online accounts were stolen)



X* Percentage point change from Q1 2026

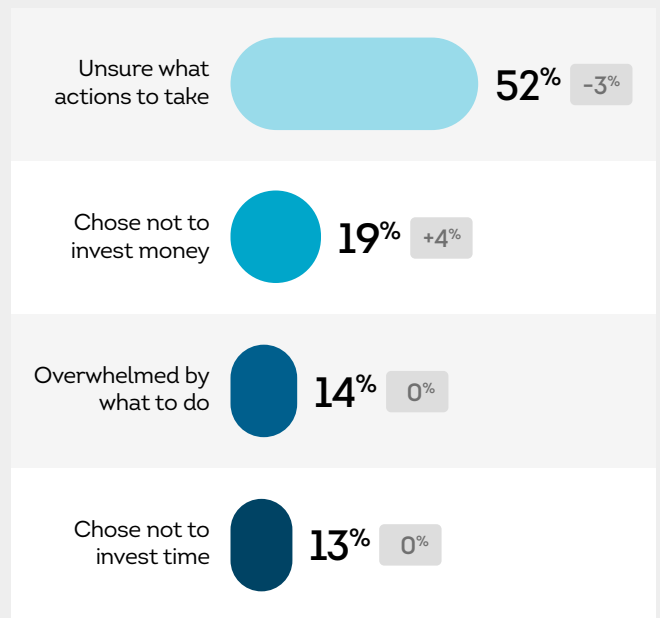
Figure 21. Actions taken in last 60 days due to cybersecurity concerns



X* Percentage point change from Q1 2026

Figure 22. Reasons did nothing about cybersecurity concerns

(among those who took no action about cybersecurity concerns in the last 60 days)



X* Percentage point change from Q1 2026

Research Methodology

TransUnion's Consumer Pulse Survey of 1,000 adults was conducted 29 April-13 May 2026 by TransUnion in partnership with third-party research provider, Dynata. Adults 18 years of age and older residing in the UK were surveyed using an online research panel method across a combination of desktop, mobile and tablet devices. Survey questions were administered in English. To increase representativeness across resident demographics, the survey included quotas to balance responses to the census statistics dimensions of age, gender, household income and region. Generations were defined in this research as follows: Gen Z, 18-29 years old; Millennials, 30-45; Gen X, 46-61; and Baby Boomers, age 62 and above. Household income ranges were defined as low income (annual income less than £30,000), middle income (£30,000-£79,999) and high income (£80,000 or above). These research results are unweighted and statistically significant at a 95% confidence level within ± 3.1 percentage points based on a calculated error margin. Please note some chart percentages may not add up to 100% due to rounding or multiple answers being accepted.

For previous Consumer Pulse Studies, visit
transunion.co.uk/consumer-pulse-study



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Through our acquisitions and technology investments, we have developed innovative solutions that extend beyond our strong foundation in core credit into areas such as marketing, fraud, risk and advanced analytics. As a result, consumers and businesses can transact with confidence and achieve great things. We call this Information for Good[®] – and it leads to economic opportunity, great experiences and personal empowerment for millions of people around the world.

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