KeyBank

Financial Imposter Syndrome: Navigating Perception vs. Reality in 2025

Findings From the KeyBank 2025 Financial Mobility Survey

Between economic pressures and personal aspirations, Americans are navigating a complex financial landscape marked by persistent uncertainty and underlying resilience. Financial imposter syndrome refers to the self-doubt many people feel when it comes to their financial skills and money moves versus the actual reality of their financial picture. While Americans say they feel financial stress, they are actually closer to their personal financial comfort goals than they may realize.

The KeyBank 2025 Financial Mobility Survey polled Americans to gain insight into respondents' spending and saving habits, levels of financial confidence, stress, resiliency, economic sentiment, and the impacts of debt.

A staggering 50% of Americans report feeling financially stressed based on their current situations. However, beneath this stress lies resilience — with 45% of respondents confident they could manage a $2,000 unexpected expense and 34% confident they could come up with $5,000 if a need arose.

"Today's landscape reveals a profound disconnect between perception and reality. And, while Americans are experiencing significant economic pressure, we're seeing signs of remarkable resilience. We're witnessing Americans work to rewrite their financial narrative through strategic, incremental steps that demonstrate genuine adaptability and lay a solid foundation for future financial resilience and confidence."

— Dan Brown, Director of Consumer Product Management at KeyBank

Key Findings

Stressed about debt ...

33%

say they often feel stressed or anxious about their debt situations. However, almost 2 of 5 need to pay less than $5K to relieve this stress.

... yet most Americans are meeting their monthly payments.

87%

are confident they can pay their rent/mortgages each month and 70% are confident they can pay off their credit cards every month.

More confident than they think.

44%

of Americans say they do not have credit card debt.

Is owning a home attainable?

46%

of survey respondents who do not own a home say that home ownership is not attainable for their families, up from 39% last year.

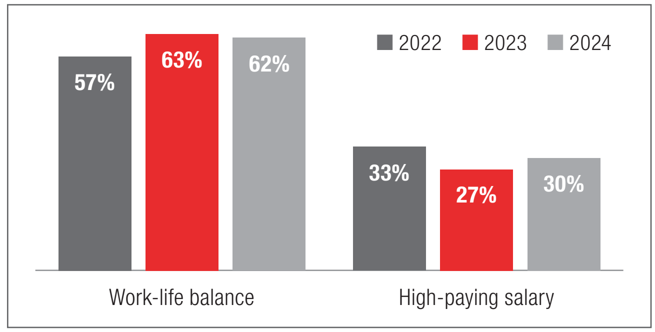
Big money breaks

Despite managing day-to-day finances effectively, Americans are seeking those "big money breaks" that could shift their financial mindset and unlock long-term goals.

Most tellingly, while 68% of Americans say they need more money to live comfortably, nearly half (45%) are less than $2,500 per month away from reaching that comfort goal. For some, this could mean taking on a second job or side hustle to close this gap. Still, just over half (54%) of respondents say they are moving closer to this goal and 32% say they already live comfortably.

About two-thirds of Americans report feeling stressed about debt at least sometimes, yet almost a quarter (23%) of respondents say they would need to pay down $1,000 to $5,000 of their debt not to feel stressed or anxious. Most said they are prioritizing paying down credit card debt (44%) and reducing nonessential expenses to address their debt (40%).

Chart A. Work-life balance vs. high-paying salary

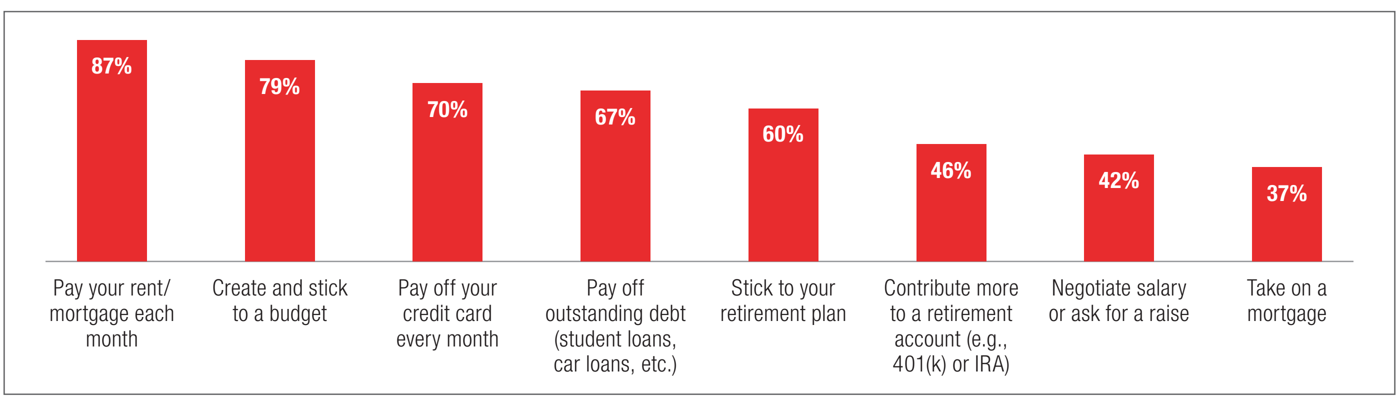


Though Americans want that extra boost of money to pay down debt, all generations continue to believe that work-life balance (62%) is more important than a high-paying salary (30%) — continuing a trend seen year over year. In addition, all generations but Gen Z (born between 1997 and 2012) are most focused on spending time with family and friends and growing their finances. It's not surprising that GenZers are still focused on building their careers.

While Americans are financially better off than they may realize, the larger, more long-term goals are still out of reach — potentially due to the notion that we're more consumed in accomplishing short-term goals over building financial longevity.

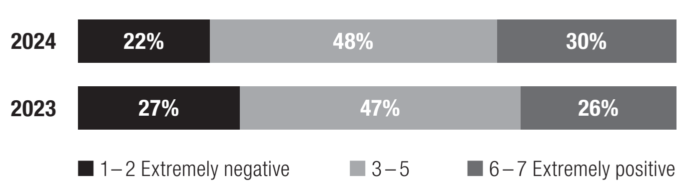
Your financial future. There are a multitude of approaches to saving money, so be open to learning about new and different methods of building toward a stronger financial future. KeyBank's Key Financial Wellness Review is a fast and easy way to get started.

Chart B. Confidence in financial abilities (%yes)



Personal financial outlook in the next 12 months

Even with the thought of long-term financial goals being out of reach, there is a more positive personal financial outlook compared to 2023.



Managing different forms of debt

Managing credit card debt requires a budget, financial planning, and understanding your whole financial picture. Credit card balances in the American household are the highest they've been since 1999, but consumers are taking the necessary steps to manage and navigate their payments.

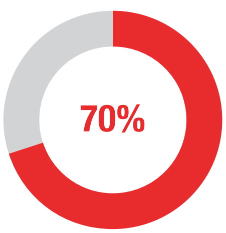
Effectively managing credit cards. Managing credit cards effectively and developing good spending habits are important parts of financial wellness. By following a few tips, like keeping a low credit utilization ratio, prioritizing paying on time, and paying more than the monthly minimum when possible, you can effectively manage your credit cards.

Confidently paying statements

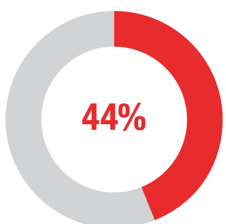
70% of Americans are confident they can pay their credit cards every month.

Free from credit card debt

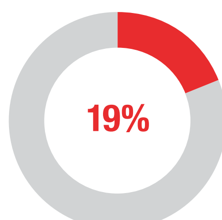
Almost half of respondents (44%) say they currently have no credit card debt, but 19% say they have between $1,000 and $5,000. However, 56% of Americans have credit card debt and 17% have increased it to cover living expenses.



are confident they can pay their credit cards



currently have no credit card debt

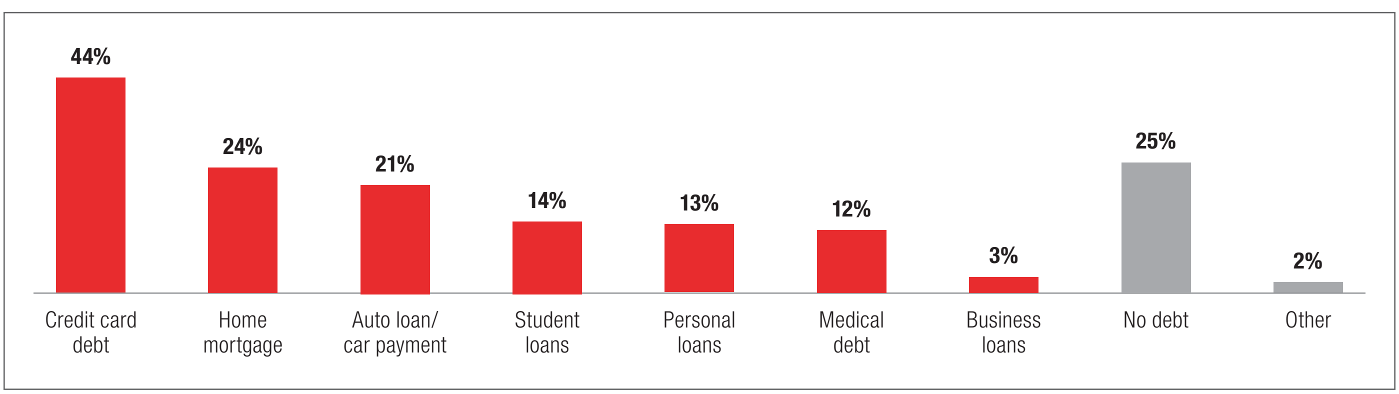


have between $1,000 and $5,000

Across generations, a majority of respondents are confident in their ability to manage their credit cards monthly, as 43% of Gen Zers say they do not have credit card debt. However, 1 in 5 Gen Z (20%) respondents have increased credit card debt to cover living expenses in the past 12 months.

Chart C. Debt pay-down prioritization

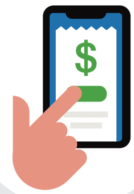
44% of respondents said that credit card debt would be the priority to pay down if they had the available funds to do so.



For many Americans, debt seems almost inevitable, with student loans, mortgages, and other large, potentially unplanned expenses. However, many are taking the necessary steps to reduce or pay their debt in full.

Financial education resources play a neutral role (31%) in Americans' ability to manage rising costs and debt. However, those who are spending more are actively seeking out a few financial education sources (35%).

Americans have been pretty evenly spilt when it comes to navigating their debt situations. Nineteen-percent borrowed money from family and friends, 18% delayed paying certain bills to manage other expenses, and 17% reported prioritizing paying off high-interest debt.



One of the ways Americans in 2024 are positioning themselves better financially is by prioritizing paying debt over saving (27%).

Generation Z's money priorities

Gen Z is rewriting the financial playbook, navigating an economic landscape of their grandparents' generation. With nearly half holding a pessimistic view of the economy and 98% feeling the harsh reality of rising living costs, this generation is responding with remarkable strategic resilience.

63% of Gen Z respondents feel financially stressed.

40% of Gen Z respondents are frequently anxious or stressed about their debt situations.

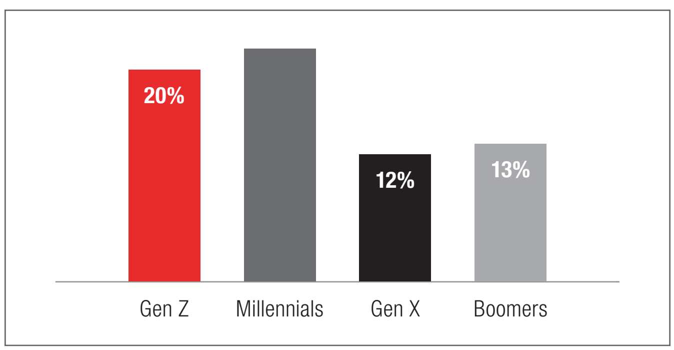
Rising debt load

One of 5 Gen Zers (20%) has increased their credit card debt to cover living expenses in the past year, closely following Millennials (22%), as shown in Chart D.

Debt takes priority over savings

Over a quarter (27%) of Gen Zers are prioritizing debt repayment over saving this year. Nearly half (43%) cite credit card debt as a top priority.

Chart D. Credit card debt across generations



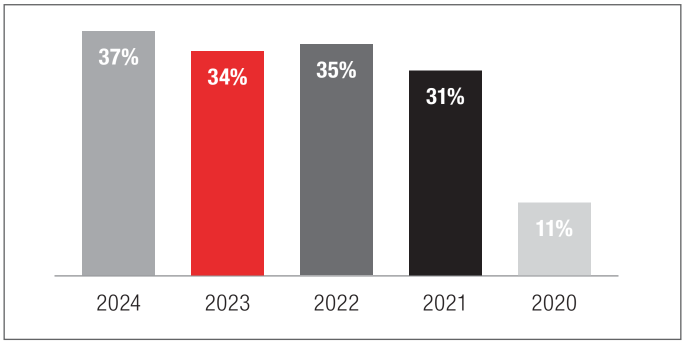
Despite feeling financially stressed, Gen Z is taking proactive steps to improve their financial future. They show higher levels of financial confidence compared to older generations, indicating potential for greater financial resilience than they may realize.

34% of Gen Z respondents have focused on experiences and spent less on material goods this year.

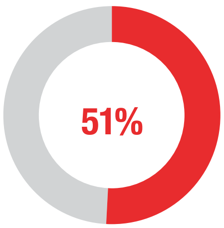
More than half (51%) of Gen Zers recognize the critical role of financial education in managing costs and debt, and their reliance on financial advisors to drive higher financial resiliency has tripled since 2020 (see Chart E).

This growing financial sophistication is further evidenced by the fact that 73% believe they are moving closer to financial comfort, suggesting a generation that is not just responding to economic challenges but actively developing strategic approaches to financial wellness.

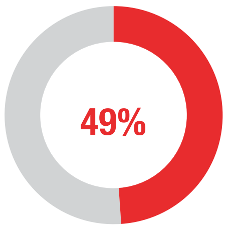
Chart E. Gen Z reliance on financial advisors



More than any other generation, Gen Zers are choosing to save more (42%), though this is a decrease from 60% in 2023. This generation is also evenly split between having less money (51%) and having more money (49%) in their savings accounts this year than last year.



having less money in their savings accounts



having more money in their savings accounts

Home ownership attainability

The reality for homebuyers and potential homebuyers in America continues to be sobering, with many believing it's not an attainable goal for themselves nor the average American. Still, those who have purchased a home in the past year have pointed to factors that boosted their confidence and influenced their purchasing decision — such as meeting with a mortgage loan officer to make the dream of homeownership more attainable. While the market for homeownership in America remains tricky to navigate, potential homeowners do have access to more financial tools and education and are more capable than they think on their journeys toward homeownership.

Home attainability lowers

46% of respondents who do not already own a home say that home ownership is not attainable for them or their families, up from 39% last year. Forty-one percent of all respondents, including current homeowners, say that home ownership is not attainable for Americans.

Half (47%) of those who are younger and don't have a mortgage are spending less to try to take on a mortgage. Despite spending less, 6 in 10 still don't believe they'll ever own a home.

Financial confidence

Those who just purchased a home are most confident in their ability to come up with $2,000 in a month, spending more and saving more, and have the most positive economic outlook for the next 12 months.

Spending Less

37% of respondents who are Millennial and younger and have a mortgage are spending less.

47% of respondents who are Millennial and younger and don't have a mortgage are spending less to try to take on a mortgage.

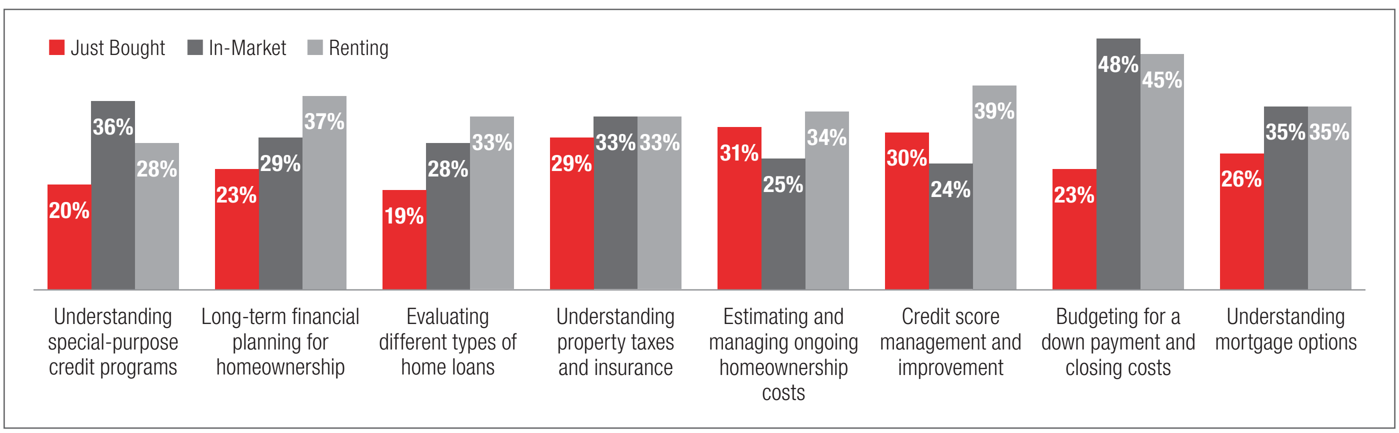
60% of respondents who are younger still don't believe they'll ever own a home but are still trying to spend less.

The keys to unlocking homeownership. The home-buying process can seem intimidating, especially in a challenging economic environment. Consult with your financial professional or mortgage loan officer to determine the pathways to homeownership that make the most sense for your goals and your budget.

Home-buying programs make a difference.

Depending on your housing situation, top types of financial education to grow confidence in the home-buying process can be different — budgeting for a down payment and closing costs for those in the market (48%) or renting (45%) and estimating and managing ongoing homeownership costs for those who recently purchased a home (31%). And, among survey respondents who purchased a home in the past 12 months, 30% say that meeting with a mortgage loan officer to learn about programs that make buying more affordable influenced their decision, up from 19% last year.

Chart F. Financial education strategies to boost home-buying confidence



Would you rather … ?

The results are in: We asked 1,000 Americans "would you rather" questions about their comfort level when it comes to sharing their personal finances, preference on having bills paid for them, and spending and saving habits — but how do your hypothetical financial aspirations compare? Take this quiz to find out!

Would you rather … ?

☐ Have a piggy bank that doubles your savings overnight

OR —

☐ Have a credit card that pays off its own balance

☐ Have your credit card statement read aloud at a family dinner

OR —

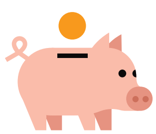
☐ Perform stand-up comedy at an open mic night

☐ Have your mortgage paid for a year

OR —

☐ Have no utility costs (electricity, water, etc.) for two years

Americans are …



Shaking money out of their piggy banks

More than half (55%) of respondents would rather have a piggy bank that doubles their savings overnight versus having a credit card that pays off its own balance (45%).

Discussing finances at the dinner table

The majority (58%) of respondents would rather have their credit card statements read aloud at a family dinner over performing stand-up comedy at an open mic night (42%).

Stuck in the middle

Respondents were evenly split between having their mortgages paid for a year and having no utility costs (electricity, water, etc.) for two years (50%/50%).

See where your finances stand.

[Schedule Key Financial Wellness Review®]

About the KeyBank 2025 Financial Mobility Survey

This survey was conducted online by Schmidt Market Research in September 2024, polling 1,002 Americans ages 18–70 with sole or shared responsibility for household financial decisions, who own a checking or savings account. The survey sought to gain insight into respondents' spending and saving habits, levels of financial confidence, stress and resiliency, economic sentiment, and the impacts of debt.