

Understanding the Unbanked and Underbanked

How many are there?



Unbanked

Households which don't have a checking or savings account.

7%

of U.S. households¹

or

9

million U.S. households¹



Underbanked

Households have a banking account but also obtained financial services and products outside of the banking system.

20%

of U.S. households¹

or

24.5

million U.S. households¹

Who are they?



Unbanked and underbanked rates were higher among:¹

- Lower-income households
- Less-educated households
- Younger households
- Black and Hispanic households
- Working-age disabled households

28%

of households with annual incomes of less than \$15,000 a year have no bank account²

20%

use financial services outside the banking system²

5%

of employed middle-class Americans are without bank accounts²

Why are they unbanked/underbanked?

Most commonly cited reasons for being unbanked/underbanked¹



57.4%

"Don't have enough money to keep in an account."



10.9%

"Don't trust banks"



9.4%

"Bank account fees are too high"

Other commonly cited reasons:¹

"Avoiding a bank gives more privacy,"

"Bank account fees are unpredictable."

How can you reach them?

1. Mobile

Underbanked consumers make comparatively heavy use of both **mobile banking** and **mobile payments**

Unbanked

63%

have a mobile phone³

Underbanked

91%

have a mobile phone³

2. In-Person Payment Solutions

Many unbanked or underbanked customers prefer to pay with cash at alternative financial service providers.

Who Prefers Cash?⁴

By household income

under \$25K **55%**

\$75K-\$100K **16%**

over \$200K **10%**

Walk-in Cash Payments



17,000

retail partner locations can accept cash payments including 7-Eleven, Family Dollar and more⁵— many of which are open 24 hours a day, seven days a week⁶

Self-Service Kiosks

30% to 40%

of walk-in customers adopt the kiosk channel within a few monthly billing cycles³

55%

increase in kiosk usage can be seen after introducing an outdoor kiosk³

