Unbanked and Underbanked Consumers in the U.S., 3rd Edition

Description:

The convergence in technology, mobile communications and regulatory change is shaping how banking and alternative financial services (AFS) providers tailor products and services to unbanked and underbanked consumers, while also causing lines to blur between P2P and remittances and between checking accounts and prepaid cards. In the process, traditional definitions of “unbanked” are being joining by such phrases as “the new middle class” and “tech-savvy college students,” changing target audiences accordingly. Meanwhile, the use of AFS products and services has entered the mainstream, with more than 3 in 10 U.S. adults using at least one type of AFS product in the last 12 months, underscoring the market opportunity for banks and non-banks alike in helping to meet underbanked consumers’ needs.

Unbanked and Underbanked Consumers in the U.S. analyzes trends shaping banking and alternative financial services products and services tailored to unbanked and underbanked consumers, giving industry participants the guidance they need to stay abreast of this growing and evolving market. The report assesses the following:

- The characteristics of unbanked and underbanked consumers, including trending the percentage of consumers who are personally unbanked and are non-institutional unbanked, by demographic, for the period 2005-2013.
- Via proprietary consumer survey analysis, underbanked, unbanked & unbanked alternative financial services (AFS) users, by demographic; the payment methods they use; and the alternative financial services they use.
- AFS usage overlap and usage frequency overlap, as well as 2000-2013 unbanked and are non-institutional unbanked bill payment method trends.
- Unbanked/underbanked banking product trends, by using FIDC survey data exploring why the unbanked do not have accounts; using proprietary survey data to explore unbanked, underbanked and fully banked account opening motivators; and exploring challenges and trends related to bank account penalty fees, small dollar bank loans, lines of credit, and account transparency.
- How Model Safe Accounts are being applied in the marketplace, including the Citibank Access Account and the KeyBank Access Account; and we assess non-bank entrance via prepaid accounts that behave like checking accounts, including American Express’ Bluebird and Green Dot’s GoBank.
- Trends shaping the alternative financial services industry, including check cashing, consumer loans, pawn loans, car title loans, and remittances, with accompanying participant analysis.
- How and why banks and nonbanks are using general purpose reloadable prepaid cards to reach the unbanked and underbanked, including drivers and challenges; and prepaid card innovation, including Chase Liquid and PNC SmartAccess; and assess government issued prepaid card and employer payroll card trends.
- The prevalence of smartphone access among unbanked and underbanked U.S. adults, including the relationship between unbanked status and smartphone ownership patterns among key unbanked and underbanked demographics; and we assess unbanked and mobile trends in Mexico.

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