

2013 FDIC National Survey of Unbanked and Underbanked Households: Implications for Addressing the Needs of Underserved Households

Presentation at “Economic Inclusion: Cross-Sector Strategies that Promote the Financial Strength of Low-Income Families and Communities”, Baltimore, MD

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Implication # 1. Helping households maintain and renew banking relationships through economic transitions may reduce unbanked rates over time.

- Recently unbanked households:
 - 1 in 3 cited job or income loss as a contributing factor
- Market opportunities
 - Product design and fee structures
 - Targeted outreach and education

Implication # 1. Helping households maintain and renew banking relationships through economic transitions may reduce unbanked rates over time.

- Recently banked households:
 - 1 in 5 cited a new job as a contributing factor
 - 1 in 3 opened account to use direct deposit
- Direct deposit
 - Employer benefits – lower costs
 - Employee education

Implication # 2. Opportunities may exist to meet unbanked prepaid card users' needs within the banking system.

- Many unbanked households have a need and demand for financial services
 - 4 of 5 unbanked prepaid card users use them to receive and make payments
- Value proposition of bank accounts
 - Safe Accounts

Implication #3. Mobile banking is a potential tool to expand economic inclusion but branches continue to be important.

- Economic Inclusion Potential of MFS
 - Underserved consumers value convenience
 - Anytime, anyplace, actionable account information of mobile technology
 - Mobile technology is prevalent, particularly among the underbanked
 - Underbanked are more likely to use mobile banking

Implication #3. Mobile banking is a potential tool to expand economic inclusion but branches continue to be important.

- Economic Inclusion Potential of MFS
 - Opportunities to make mobile banking more accessible and relevant to underserved consumers
 - dependence on online banking
 - transaction speed
 - real time information
- Branches continue to be important
 - Rethink banking delivery channels (mobile banking and branches) in a comprehensive way