



PRESS RELEASE

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FDIC Releases National Survey of Unbanked and Underbanked Unbanked Households Decline to 9.6 Million

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation (FDIC) today released the results of the 2013 FDIC National Survey of Unbanked and Underbanked Households, the most comprehensive survey on the subject in the United States. The survey indicates that the proportion of unbanked households declined from 8.2 percent in 2011 to 7.7 percent in 2013, while the share of underbanked households remained essentially unchanged at 20.0 percent. The decrease in the proportion of the unbanked can be explained by improving economic conditions and the changing demographic composition of households.

The survey, conducted every two years by the FDIC in partnership with the U.S. Bureau of the Census, provides the banking industry and policy makers with insights and guidance on the demographics and needs of the unbanked and underbanked.

New to the 2013 survey are questions related to how consumers access their bank accounts. Nearly two out of three households primarily used bank tellers or on-line banking when accessing their accounts. These banking methods, along with ATMs, were also the primary methods underbanked households used to access their account. Notably, underbanked households, however, were more likely to use mobile banking devices relative to other groups: 29.2 percent of underbanked households used mobile devices to access their account compared to 21.7 percent of fully banked households.

"The findings of this survey add to our understanding of the challenges facing unbanked and underbanked households and underscore the value of the FDIC's partnership with



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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the Census to do this survey every two years," said FDIC Chairman Martin J. Gruenberg.

Other key findings of the survey include:

9.6 million households representing 25 million people were unbanked in 2013, and the 0.5 percentage point decline in the proportion of unbanked households is estimated to comprise 1.5 million people and more than half a million households.

One in five or 24 million households were underbanked in 2013, consisting of an estimated 68 million people.

35.6 percent of unbanked households reported the main reason for not having an account being insufficient money to keep in an account or meet minimum balance requirements.

34.1 percent of households that recently became unbanked experienced either a significant income loss or job loss that they said contributed to becoming unbanked.

22.3 percent of unbanked households reported using a prepaid debit card in the prior 12 months, compared with 13.1 percent of underbanked and 5.3 percent of fully banked households.

Also unchanged from 2011, is the finding that one-quarter of households have used at least one alternative financial service (AFS), such as non-bank check cashing or payday loans in the past year. In all, 12 percent of households used an AFS in the past 30 days, including four in 10 unbanked and underbanked households.

The Survey report drew three implications from the findings that could point the way toward better meeting consumers' needs:

Develop strategies to help households maintain or renew banking relationships through economic transitions, such as job loss.

Explore opportunities to deploy and market checkless checking accounts and other options to meet the transactional needs of households; and

Integrate mobile banking initiatives with branch-based strategies in overall efforts to address consumers' needs.

Attachments:

2013 FDIC National Survey of Unbanked and Underbanked Households

Factsheet - PDF (PDF Help)

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