Marqeta Study: COVID-Driven Digital Payment Adoption Likely Here to Stay for US Consumers

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- *71% of US consumers surveyed used a mobile wallet in the last 12 months.*
- *56% of US consumers surveyed felt comfortable leaving their wallet at home and taking their phone with them to make payments.*
- *38% of US consumers surveyed own cryptocurrency.*

OAKLAND, Calif.--(BUSINESS WIRE)--May 26, 2022-- The pandemic ushered in a seismic shift in preferences around how consumers want to pay, bank and shop, which two years later has become commonplace and second nature, according to a new survey from Marqeta (NASDAQ: MQ), the global modern card issuing platform. The company's *2022 State of Consumer Money Movement* report released today – surveying 4,000 consumers across three continents, including 2,000 in the US – shows the increasing prevalence of mobile wallets, on-demand delivery and cryptocurrency in purchase preferences, while highlighting continued steep declines for cash use and in-person banking.

Marqeta's *2022 State of Consumer Money Movement* report marks the third time the company has surveyed US consumers about their purchase preferences. The survey found that the number of US consumers who reported using a mobile wallet in the past 12 months increased from 64% in late 2020 to 71% in 2022. This 11% increase from 2020 to 2022, following a 64% increase in adoption seen in Marqeta's survey from 2019 to 2020, demonstrates that the surge in mobile wallet usage post-pandemic is increasingly cementing itself and growing further. US consumers were finding new confidence in their mobile wallets and cited the ubiquity of adoption by merchants as a main driver: 78% of US consumers surveyed said they could make mobile wallet purchases everywhere they wanted to, with 56% saying they felt confident enough with contactless payments to leave their wallet at home and just take their phone.

"As digital payment use exploded during the pandemic, one of the most common questions we got asked at Marqeta was whether this was a lasting phenomenon or a moment in time," said Vidya Peters, Chief Operating Officer at Marqeta. "What our report suggests is that new consumer preferences have become entrenched over the last two years, with a slow build of new adoption giving way to a step change in payments. The cost for any company falling behind the expectation curve for consumer experiences may be steep."

With banking becoming increasingly digital over the last decade, Marqeta's report shows that the explosion in digital options and preferences post-pandemic has increasingly relegated physical banking experiences to the old world. Consumers surveyed by Marqeta globally were three times more likely to say that they used their bank's mobile app regularly (60%) than visit a bank's physical branch regularly (19%). More than 1-in-3 consumers globally (36%) surveyed said it would have no impact on them if all physical bank branches were to close tomorrow. Almost 1-in-2 people surveyed globally (47%) said they used an ATM infrequently, or never at all, while less than half (46%) said they used cash on a weekly basis.

Beyond the point of sale, consumer preferences are evolving rapidly as people adjust to a post-pandemic normal that blends old and new purchase behaviors in a unique way: 89% of consumers surveyed globally said they had returned to shopping in person, while 57% of consumers surveyed still said that they felt like COVID-19 had shifted their shopping behaviors forever. Beyond this, US consumers showed broad interest in a wide range of new delivery, payment and cryptocurrency options:

- More than one-third (38%) of US consumers surveyed said they owned cryptocurrency, with 93% of those who own it saying they held it like an asset.
- A large majority (82%) of consumers surveyed globally said they would be interested if their cryptocurrency exchange offered them a debit card where they could spend cryptocurrency like fiat currency.
- Almost half (49%) of US consumers surveyed said they were using peer-to-peer payment apps more than one year ago.
- On demand food delivery has cemented its place in our day-to-day lives: in 2022 75% of US consumers surveyed said they used on demand food delivery apps, up from 65% in 2020.

"Consumer confidence with new modes of payment is creating its own cycle of change, making people more comfortable and open to new innovation, impacting every element of how they want to pay, bank, and shop," said Peters. "Companies building new payment tools need to be as forward-thinking as today's consumer to meet them where they are in the market, thinking outside the lines to create new experiences that can surprise and delight, and create lasting customer relationships."

Download the full report here: marqeta.com/resources/resource/2022-state-of-consumer-money-movement/

About the research

The survey was performed on behalf of Marqeta by Propeller Insights, from Feb 22 to March 1 2022. Marqeta surveyed 4,076 consumers (2,011 in the United States, 1,029 in Australia, 1,036 in the UK) between the ages of 18 and 65.

About Marqeta (NASDAQ: MQ)
Marqeta's modern card issuing platform empowers its customers to create customized and innovative payment cards. Marqeta's modern architecture gives its customers the ability to build more configurable and flexible payment experiences, accelerating time-to-market and democratizing access to card issuing technology. Marqeta's open APIs provide instant access to highly scalable, cloud-based payment infrastructure that enables customers to launch and manage their own card programs, issue cards and authorize and settle payment transactions. Marqeta is headquartered in Oakland, California and is certified to operate in 39 countries globally. For more information, visit www.marqeta.com, Twitter and LinkedIn.

Forward-Looking Statements
This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements expressed or implied in this press release include, but are not limited to, quotations and statements relating

to changing consumer preferences; increasing consumer adoption of certain digital payment methods, products, and solutions; and which payment, banking, and financial services products and solutions may succeed. Actual results may differ materially from the expectations contained in these statements due to risks and uncertainties, including, but not limited to, the following: the uncertainty and unpredictability of consumer preferences regarding digital payment and banking preferences; the effect of and uncertainties related to the global COVID-19 pandemic on U.S. and global economies and demand for Marqeta's services and products; the uncertainties and direct and indirect effects of the significant military action against Ukraine launched by Russia, including threats of attacks against U.S. financial institutions as retaliation against financial institutions for sanctions imposed against Russia; the risk that Marqeta is unable to further attract and grow its customer base; the risk that consumers will not perceive the benefits of Marqeta's products and services, including digital payment and banking products and services; the risk that Marqeta's products and services do not operate as intended, including digital payment and banking products and services; the risk that Marqeta's products and solutions will not achieve the expected market acceptance, including digital payment and banking products and services; and the risk that competition could reduce expected demand for Marqeta's products and services, including digital payment and banking products and services. Detailed information about these risks and other factors that could potentially affect Marqeta's business, financial condition and results of operations are included in the "Risk Factors" disclosed in Marqeta's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022, as such risk factors may be updated from time to time in Marqeta's periodic filings with the SEC, available at *www.sec.gov* and Marqeta's website at *http://investors.marqeta.com*. The forward-looking statements in this press release are based on information available to Marqeta as of the date hereof. Marqeta disclaims any obligation to update any forward-looking statements, except as required by law.

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Media:
James Robinson
530-913-0844
jrobinson@marqeta.com

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