



New Marqeta Research: Americans Are Happy To Swap Physical Wallets for Mobile Phones, Contactless Payment Use Trails Key Global Markets

July 23, 2024

- 46% of US respondents said they've used a form of contactless payments in the last 7 days, compared to 80% in the UK and 69% in Australia.
- Three out of five 18-34 year old US consumers surveyed said they would get their financial services from a non-traditional financial services provider, such as a tech company or retailer.
- 90% of US consumers who get paid immediately said it makes it easier to plan for finances and increases financial peace of mind.

OAKLAND, Calif.--(BUSINESS WIRE)--Jul. 23, 2024-- The US is seeing high demand for innovative new payment solutions, reveals recent data from Marqeta (NASDAQ:MQ). Marqeta, the global modern card issuing platform powering some of today's most innovative embedded finance solutions, today released its fifth annual [2024 State of Payments Report](#), surveying 4,000 consumers across three continents. The research highlights the massive market potential and demand in the US market, with a strong desire for modern payment solutions and embedded finance offerings, particularly among Gen Z and Millennials. This contrasted with lower penetration of modern payment behaviors in the US, with US contactless adoption rates and mobile banking lower than in the UK and Australia. Forty-six percent of US respondents said they've used a form of contactless payments in the last seven days, compared to 80% in the UK and 69% in Australia, while 56% of Americans surveyed said they've used their mobile banking app in the last seven days, compared to 71% in the UK and 67% in Australia.

Consumers Ditch Physical Wallets For Mobile Payments

Marqeta's *2024 State of Payments Report* dives into consumer preferences for how they earn, spend and manage their money. The data indicates that while US adoption amongst those surveyed is lower than in the UK and Australia, there has still been significant movement in consumer preferences from physical to mobile solutions, including in banking and wallet use. Most global consumers reported frequently interacting with their mobile banking apps, with ATM use secondary and physical branch visits a distant third. Twenty-nine percent of US consumers surveyed reported using an ATM in the last seven days, compared to 36% in the UK and 30% in Australia, with 21% visiting their physical branch, higher than both the UK and Australia at 12% and 14% respectively. When it comes to mobile wallet use, over half of US consumers surveyed have at least one payment card in their mobile wallet and 53% of them feel confident enough to leave their physical wallets at home, a figure that rises to 67% among 18-25 year olds. Additionally, the report suggests growing comfort with the idea of a cashless society:

- 71% of all US consumers surveyed expressed they were neutral or didn't have any worries about moving to a cashless society
- Over a quarter of US respondents (28%) now feel awkward when paying with cash, a sentiment that is particularly strong among consumers 18-34 years old, with 49% of respondents saying they felt awkward.
- Almost one-third of US consumers surveyed (31%) reported using cash less than they did 12 months ago, showing continued, steady movement toward digital payments, following 2023 when 35% of consumers said they decreased their cash use compared to the prior year

Younger Generations Embrace Brands and Non-Traditional Financial Providers

According to the report, non-traditional banking providers and embedded finance offerings are primed to gain popularity among consumers – 42% of US consumers surveyed said they would get financial services from a non-traditional provider, including a social media platform, retailer or tech brand, increasing to 63% among US consumers 18-34 years old. The openness of younger consumers is even more evident when consumers surveyed were asked how they feel about brands starting to offer financial services, with 66% of consumers ages 18-34 years old saying they feel positive about this. Additionally, a significant 78% of US consumers surveyed use at least one additional financial provider outside of their primary traditional bank, demonstrating consumer openness to non-traditional providers and digital banks.

Instant Payouts Becoming Essential for Workers

Instant pay options are becoming an important concept for the growing gig and shift economy, reveals Marqeta's report. Almost a quarter of US consumers surveyed consider themselves part of the gig economy, with that number increasing to over a third for those aged 18-34 years old. Of the US respondents who consider themselves part of the gig economy, 87% said immediate pay would attract them to use a gig work platform. While instant pay is yet to be an employment necessity, it is becoming increasingly vital for those who want peace of mind when managing their finances:

- 90% of US consumers surveyed who get paid immediately said it makes it easier to plan for finances and provides financial peace of mind.
- Of those who have to wait for their paychecks, 39% of US consumers said they're more likely to use credit to make ends meet, rising to 44% for 18-34 year olds.
- 37% of all US consumers surveyed 18-34 years old said instant pay is a necessary benefit from their employers, above the 25% national average.

"The economic landscape is shifting as younger generations enter the shift and gig workforce more frequently, fueling demand for dynamic financial solutions," said Todd Pollak, Marqeta's Chief Revenue Officer. "We're entering an era where the largest demographic in the US—those 18-34 years old—are seeking fundamental changes in how they manage their finances and get paid, challenging banking and financial providers to innovate and

meet these new expectations."

Download the full report [here](#).

About the research

The survey was performed on behalf of Marqeta by a third-party advisory firm in the payments space in June 2024. Marqeta surveyed 4,000 consumers (2,000 in the United States, 1,000 in Australia, 1,000 in the UK) ages 18 and above.

About Marqeta (NASDAQ: MQ)

Marqeta's modern card issuing platform empowers its customers to create customized and innovative payment cards and embedded finance offerings. Marqeta's platform, powered by open APIs, gives its customers the ability to build more configurable and flexible payment experiences, accelerating product development and democratizing access to card issuing technology. Its modern architecture provides 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 transactions. Marqeta is headquartered in Oakland, California and is certified to operate in more than 40 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; which payment, banking, and financial services products and solutions may succeed; technological and market trends; Marqeta's business; Marqeta's products and services; and statements made by Marqeta's senior leadership. Actual results may differ materially from the expectations contained in these statements due to risks and uncertainties, including, but not limited to, the following: any factors creating issues with changes in domestic and international business, market, financial, political and legal conditions; and those risks and uncertainties included in the "Risk Factors" disclosed in Marqeta's Annual Report on Form 10-K, as 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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James Robinson
press@marqeta.com

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