



To: Interested parties

From: FTI Consulting

Date: July 7, 2021

Re: Direct to Consumer Earned Wage Access User Survey Key Findings

This research was conducted online by FTI Consulting's Digital & Insights team, on behalf of Brigit, MoneyLion & Earnin. FTI Consulting researched n=4,735 of Brigit, MoneyLion and Earnin's Direct to Consumer (D2C) Earned Wage Access (EWA) service consumers between the dates of April 21st, 2021 – May 18th, 2021, and results were weighted in equal proportions to ensure equal representation among the consumers of each participating company. Due to the standard convention of rounding, some totals may not add up to 100%.

The objectives of the research were to understand how consumers use Direct to Consumer Earned Wage Access services and what impact it has on their financial wellbeing. The FTI report found that EWA users felt more in control of their finances after using the service, experienced better financial wellbeing, and considered it to be the best option to help manage their spending and avoid overdraft fees or resorting to expensive payday loans.

Executive summary

- A strong majority of Earned Wage Access users say the service gives them greater control over their money, helps them reach their financial goals and makes them feel less stressed about their financial situation.
 - An overwhelming number of EWA consumers say they understand how the service and associated fees work and consider it the best option to manage their spending. Most consumers say their life has significantly improved since using these services.
 - The majority of EWA users are college-educated, middle-class consumers who live paycheck-to-paycheck and need help to avoid overdraft fees and afford emergency expenses.
 - An overwhelming number of EWA users say the service helps them avoid making detrimental financial decisions, like not paying a bill on time, going into overdraft, or relying on credit cards. Users say EWA also provides an alternative to expensive payday loans.
 - Users say EWA enables them to better care for themselves and their families - with the purchasing of food and groceries as the most popular use of earned wage access - and was essential to their financial well-being during the pandemic.
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Key findings

Fee Transparency and Consumer Disclosures

Users understand Earned Wage Access and feel it is the best option for them

- **An overwhelming majority of consumers (91%) say they understand how the service works and understand the associated fees (89%).**
- Users of EWA feel the service is the best option to help manage their spending after researching different financial products (81%).
- Eight in 10 EWA consumers feel these services are the best available options to help manage their spending, and 80% of users say their life has significantly improved after using these services.

Financial Control

Consumers use EWA to have better control over their finances

- **An overwhelming majority of users say earned wage access makes them feel more in control of their finances. Ninety-three (93%) percent of consumers said they had a greater sense of financial control after using EWA— a 21 point increase from before they used EWA.**
- Ninety-two percent (92%) of EWA consumers felt that the service helped them to achieve at least one of their financial goals in 2020, which were to pay bills on time, avoid overdraft fees and payday loans, and become less dependent on credit cards.
- Purchasing food and groceries is the most popular use of earned wage access (52%), followed by avoiding fees (44%) and paying utility bills (40%).
- Eight in 10 users said EWA services had helped them save money on overdraft fees.

Improved Well-Being

Users are able to take better care of themselves and their families

- **A strong majority of EWA users reported a boost in their overall wellbeing after using the service. Eight in 10 reported feeling less stressed about their financial situation (82%), having higher self-esteem (81%) and an improvement in their mental health (77%).**
- This enabled 9 in 10 users to take better care of themselves and their families (87%). This is crucial for the majority of users who have dependents at home (66%).

Eased Financial Insecurity During Pandemic

- Roughly 88% of EWA consumers agreed that having access to these products during the pandemic were essential to their financial well-being.

Helps Prevent Debt Trap

Consumers are able to avoid making detrimental financial decisions

- Using EWA gave users a safe alternative to avoid missing bills or sliding further into debt.
- Without these services, consumers would consider:
 - **not paying certain bills on time (44%);**
 - going into overdraft (38%);
 - using a payday loan (35%)
 - taking a second job or working overtime (30%).

Who Benefits from EWA

EWA users are college-educated, middle-class, full-time workers living paycheck-to-paycheck

- Half of EWA users are non-white (51%), while a clear majority are women (63%). Users are overwhelmingly employed full-time (80%) at large companies with more than 250 employees (64%) and the majority are Millennials aged between 25-40 (55%).
- Earned wage access is crucial for family well-being, with 66 percent of consumers reporting they have dependents at home, including 43 percent of people who said they cared for children under the age of 18.
- The average annual household income of users is \$50,700, and over half (59%) have some level of college education.
- The majority of consumers use EWA every two weeks and access an average of \$100 - \$149 in a typical month to use in:
 - **paying bills on time (61%);**
 - **avoiding overdraft fees (52%); and**
 - **buying groceries (52%)**

Citation to use for data:

Source: Brigit, Money Lion & Earnin Customer Research - Combined Customer Topline Report Research conducted online by FTI Consulting's Digital & Insights team from April 21st, 2021 – May 18th, 2021

Topline findings among N=4735 Direct to Consumer Earned Income Access service users (DCEIA consumers), results were weighted in equal proportions to ensure equal representation among participating companies

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