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## Cash, Check or Text; How Americans Pay Each Other

National survey provides insights into consumer's personal payment habits

BROOKFIELD, Wis.--(BUSINESS WIRE)-- [Fiserv](#), Inc. (NASDAQ: FISV), a leading global provider of financial services technology solutions, including the social payment service [Popmoney](#)<sup>®</sup>, today announced the results of its 2013 "How Americans Pay Each Other" national survey. The survey of more than 2,500 Americans evaluated person-to-person (P2P) payments, also known as social payments, providing insights into who people are paying and how they are paying them.

Among the key findings were:

- 1 Person-to-person payments are typically made using cash and checks, but the majority of respondents are interested in a digital payment option from their bank.
- 1 People most often gave or sent money to friends and family members, yet to whom and how money is sent varies by age and gender.
- 1 Splitting bill payments is the norm among U.S. households, with one person paying the bills and others reimbursing them being the most common way to divide costs.
- 1 People are uncomfortable requesting money owed to them, so much so that nearly 50 percent have let people not pay them back because they didn't want to ask.

Survey findings indicate that, overall, digital payments have hit a critical mass, with 60 percent of respondents making a payment at least once a month using a laptop or desktop computer. Thirty percent have made a payment via their mobile phone and 22 percent via their tablet.

According to the survey, 88 percent of U.S. consumers have sent money to another person in the last 12 months. Among those, 56 percent used cash, 41 percent used a check and 31 percent used an online method such as a bank-based person-to-person payment service or PayPal. The single most common way to exchange funds was giving someone cash in person, which accounted for one-third of all person-to-person payments. However, nearly one-third of respondents reported that they never have enough cash on hand to pay someone back, a number that rose to 39 percent among 18 to 24 year olds. And 79 percent of respondents said they would be open to using a digital person-to-person payment service from their bank.

"While digital payments are now common for things such as paying bills, there has not really been a practical way to send money to another person electronically," said Tom Roberts, senior vice president of marketing, Electronic Payments, Fiserv. "Services like Popmoney, which allows users to send or receive money using an email address or mobile number, are changing that. Just as the ways people communicate with each other have become more digital, their payments to each other are becoming more digital as well."

### Who People Pay Differs by Age and Gender

People most often gave or sent money in the past year to friends (41 percent), children (41 percent), parents (37 percent) or other family members (42 percent). Younger respondents were significantly more likely to have given or sent money to friends.

Among respondents with children, 63 percent said they had given or sent money to their children in the last year, with those parents aged 45 or older most likely to have done so. Defying a common assumption, the exchange of money between parents and children is not a one way street. Fifty six percent of Gen Y respondents and 35 percent of Gen X respondents said they had given or sent money to their parents in the last year. A chart with details on who people pay by generation can be accessed at <http://fisv.co/19JDNHH>.

"People often use Popmoney to pay back others for portions of shared bills," said Roberts. "This flow of money from child to

parent can be prompted by situations where children are paying parents back for their portion of the family mobile phone plan, for example."

Men were significantly more likely than women to give or send money to their friends, significant others, co-workers or roommates. On the other hand, women were more likely than men to give or send money to their children.

### **Splitting Bill Payments is Common among U.S. Households**

Among the survey respondents, 46 percent reported that someone in their household pays the bills and others pay them back for all or a portion of the costs, 22 percent reported using a joint bank account and 14 percent said one person pays some of the bills while another person pays the rest. Sixty nine percent of those who share bill payment responsibilities with a friend or roommate have one person pay the bills and others pay them back, while 42 percent of married couples do the same. The number of married couples paying each other back for bill payments is significantly higher among younger generations, with 64 percent of married 18-24 year olds and 57 percent of married 25-34 year olds taking this approach.

"People's social payment needs seem to be becoming more complicated, with the need to clear expenses between members of a household, and even between married couples who are likely to be managing more than one bank account," said Roberts. "Even if younger couples do have a joint account, they are paying each other in order to pay the bills."

### **Americans Uncomfortable with Requesting Money Owed**

A sizable 75 percent of respondents wish it was easier to request money from a group of people who owe them, and nearly 50 percent have let people not pay them back because it was uncomfortable to ask them. This rises among 18-24 year-olds, among whom 57 percent have let people not pay them back. Women are also significantly more likely to say they have forgone repayment because they were uncomfortable asking to be paid back.

### **Survey Methodology**

The online survey of 2,533 U.S. consumers was conducted by Sentient Decision Science in May 2013 on behalf of Fiserv. The results are representative of the entire population of U.S. online households. The overall margin of error is +/- 1.7 percent. Gen Y was defined as consumers age 18 to 33, Gen X as 34 to 47, Baby Boomer as 48 to 66 and Senior as 67 and over.

### **About Popmoney**

Popmoney lets you send, request or receive money from almost anyone you know or owe through more than 1,900 participating banks and credit unions, or online at [Popmoney.com](http://Popmoney.com)\*. All you need is the recipient's email address or mobile phone number, and you can send them money electronically through a secure network using your existing bank account and without the hassle of cash or checks. For more information, or to sign-up, visit [www.Popmoney.com](http://www.Popmoney.com). To follow Popmoney on Facebook or Twitter, visit [facebook.com/popmoney](https://facebook.com/popmoney) or [twitter.com/popmoney](https://twitter.com/popmoney).

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### **About Fiserv**

Fiserv, Inc. (NASDAQ: FISV) is a leading global technology provider serving the financial services industry, driving innovation in payments, processing services, risk and compliance, customer and channel management, and business insights and optimization. For more information, visit [www.fiserv.com](http://www.fiserv.com).

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### **Media Relations:**

Ann Cave  
Director, Public Relations  
Fiserv, Inc. (Popmoney)  
678-375-4039  
[ann.cave@fiserv.com](mailto:ann.cave@fiserv.com)

or

**Additional Contact:**

Rory Swikle

Account Director

Ogilvy PR

312-397-6021

[rory.swikle@ogilvy.com](mailto:rory.swikle@ogilvy.com)

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