

# Wooing The Underbanked - With A Special Focus on Prepaid Cards

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## Abstracts

### Report Description

The unbanked and the underbanked together spend around \$10.4 billion on more than 324 million alternate financial services (AFS) products. With a population base of nearly 43 million people, the underbanked offer an immense, untapped consumer segment for federally-insured banks. 'Wooing the Underbanked' is a market research study designed specifically to understand the financial needs of the underbanked. The report offers vital market data for banks intending to tap this consumer segment, identifying the most profitable ways to ensure its economic inclusion into the traditional banking cycle.

Wooing the Underbanked – With a special focus on prepaid cards is a market research study designed specifically to profile underbanked populace/households. The aim of this report is to analyze the reasons behind the low adoption of traditional banking products by underbanked and their preference for alternate financial services (AFS) and products (transaction/credit).

The underbanked are educated and employed but are reluctant to use traditional banking products such as debit / credit cards and short term loans primarily due to the fear of hidden costs and convenience issues. They make little use of the services provided by mainstream financial institutions; and are limited to traditional banking where they usually have a checking / savings account. They also frequently use AFS offered by non-banking institutions. AFS products are non-bank money orders, payday lending, check cashing facilities, rent-to-own agreements, and refund anticipation loans.

The objective of the report is to provide vital marketing information about the underbanked that also use AFS products; and the traditional and novel banking and

financial services that banks can render to them. The report will provide new insights and give recommendations for banks intending to capitalize on this untapped market segment. Intensive bifurcation of the underbanked customers on the lines of income, age, education, region, race, etc. will enable product development and provide a roadmap to the future of novel banking practices for the underbanked.

## **Scope of the report**

### Strategy formulation

This section seeks to provide a schematic of the marketplace under study; and to enable the report user to determine their competitiveness and positioning in the market. Through our in-depth understanding of the financial services industry, we size the market, identify the trends and drivers, and develop the right framework for strategy formulation to help users maintain or enhance their market position.

### Business Model

This section seeks to identify the already existing business models; and to optimize these models in order to help FIs enter new and lucrative markets.

### Vendor Selection

This section seeks to profile the companies supporting the market under study. We profile the top vendors and analyze user perspectives to help you make the best decision for your financial institution. Every report includes in-depth reviews of the top vendors.

### What makes our report unique?

A strong heritage of providing cutting-edge research:

MarketsandMarkets provides clients with ground breaking marketing research. M&M's unique research methodology and expert analytical capabilities will provide you the tools to apply the best marketing practices to your Financial Institution.

Ensure that your strategy is viable:

Our study will help you examine the breadth of possibilities you may encounter when

planning future strategies and product launches. It will help you create plans that are resilient enough to meet the full range of unanticipated events.

Discover new opportunities:

This market research study will forecast the future roles, uses, and acceptances of new products, services, and applications emerging in the marketplace. It will identify opportunities where companies can get a leg up on the competition.

### **Key questions answered**

Which are the high-growth segments and how is the market segmented on the basis of products, services and stakeholders?

What are market estimates and forecasts; which markets are doing well and which are not?

Where are the gaps and opportunities; what factors are driving market growth?

Which are the key playing fields and winning-edge imperatives?

What is the competitive landscape; who are the main players in each segment; what are their strategic directives, operational strengths, key selling products, and product pipelines? Who is doing what?

### **Powerful Research and analysis**

The analysts working with MarketsandMarkets come from renowned publishers and market research firms globally, adding their expertise and domain understanding. We get the facts from over 22,000 news and information sources, a huge database of key industry participants and draw on our relationships with more than 900 market research companies.

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