



HEALTH OF **CASH** 2018

A Study of Cash and Payments in the United States



PREVIEW

TIPS

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INTRODUCTION

Cash matters. Cash is critical to the U.S. economy. Cash maintains an important, even cherished, role within a diverse payments mix.

The 2018 Health of Cash Study – the fourth annual examination of U.S. consumer payments behavior by independent market research firm Edelman Intelligence and Cardtronics – underscores these statements. The study’s results showcase once again that no single payment method dominates for consumers – each payment method, cash included, has its preferred use cases, and consumers demand choice. In addition, the study finds that the intrinsic attributes of cash haven’t changed in consumers’ minds since the annual survey began and that cash, this steady, stable payment method, remains a go-to for consumers of all ages and income levels.

While new mobile payment services pop onto the payments stage with regularity, cash is a consistent choice for consumers. In fact, four-in-five people surveyed said they could not imagine a world without cash. It appears that mobile payments, app payments, and other digitally directed payments primarily shift form factors from carded transactions to mobile device transactions. So far these form factors have had minimal impact on cash transactions in the U.S. as opposed to their growing use in the U.K. and some other countries.



Usage of different payment types naturally varies from year-to-year and instance-to-instance. The Health of Cash Study asked about payment usage across 14 different payment locations, from convenience stores to farmer’s markets. Across categories, cash remained in a statistical steady-state, showing overall usage levels that varied little from 2017 to 2018.

Throughout the survey, questions were separately asked about mobile wallets, retailer mobile apps, mobile order & pay ahead, along with both bank and non-bank person-to-person (P2P) payment apps. For the purpose of this analysis, these results are often aggregated into “digital payments.”

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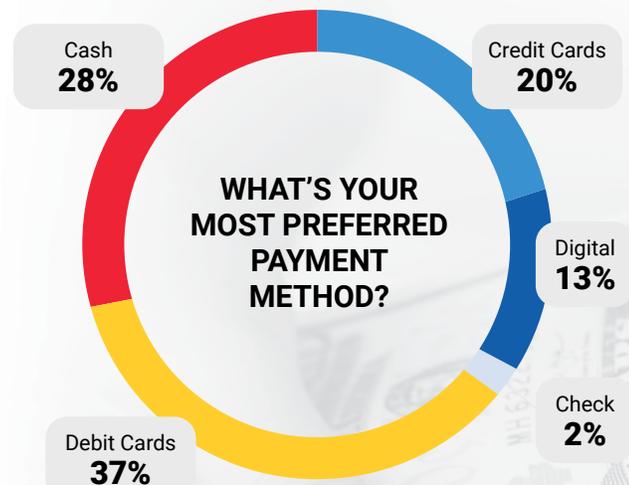
PEOPLE WANT CHOICE IN THEIR PAYMENT OPTIONS – AND CASH CONTINUES TO BE AMONG THE MOST PREFERRED OPTIONS.

Consumers in the U.S. demand choice in how they pay, matching the payment method to the payment occasion. Choice is part of the American way of life, and choice in payments is no different. Ninety-two percent of survey respondents like having the ability to use a variety of payment methods, everything from cards to cash to mobile app payment schemes. Consumers do not want to be told how they should pay for a given transaction, it's a choice they reserve for themselves.

Payment options range from the tried-and-true to the exotic, but despite having a range of options, consumers gravitate toward what they know. Health of Cash participants were asked which one payment method they most preferred overall, to which they responded with familiar choices – debit (37%) and cash (28%). Of course, the payment method of choice is often situation dependent, and varies by need.

The proliferation of new ways to pay, particularly via mobile devices, has cluttered the payments landscape but has had little impact on cash use in recent years. Among Health of Cash respondents, 73 percent say they use cash regularly despite having more payment options available. In fact, 37 percent of respondents indicate that they tend to pay more often with cash than they did a few years ago, and 81 percent use cash as frequently or more frequently than in 2017. Furthermore, a full 64 percent feel nervous when they don't have cash on them.

App-centric payment services have emerged to enable easier person-to-person payments, but cash still leads when it's time to pay each other. In fact, despite increasing use of mobile P2P options, seven in 10 people still prefer using cash to pay back a friend or family member.





For the complete Health of Cash report, visit
cardtronics.com/healthofcash