

ROME--([BUSINESS WIRE](#))-- [MasterCard](#) (NYSE:MA) today launched the *Road to Inclusion*, a report which shows preconceptions of the financially excluded are wide of the mark, based on a new financial inclusion study that is the largest of its kind.

The findings were unveiled at the 2013 MasterCard Europe Prepaid Conference in Rome today. The study took place across six European countries: the UK, France, Italy, Spain, Poland and Russia, although the results show that attitudes and behaviours do not differ that widely by geography, indicating that the issues of the financially underserved are similar across Europe and beyond.

It was commissioned to help MasterCard and its partners better understand what financial exclusion or underservice means to the millions of people within this group and what has triggered their choices and lifestyles, in order for them to better provide services that engage this marginalised audience and build trust for the future.

For the **financially excluded** – those that do not have access to formal banking facilities– the average age is 40. They are marginally more likely to be female (55%), and 51% of them are married. The largest group within the financially excluded segment (40%) have not received any form of payment, salary, welfare or otherwise, in the last three months. 35% of them have received wages of some sort in that timeframe. 81% have lived in their country all of their life.

For the **financially underserved** – those that do not have access to any form of electronic payment – the average age is also 40 and again, 55% of them are female. This group is less likely to be married, at 37%. The largest group within the financially underserved segment (36%) has received social security within the last three months, while a third (33%) has received a salary of some kind. 83% have lived in their country all of their life.

Both groups share the most popular reason for not having a bank account – one quarter of them says they don't have enough money. Other reasons were that they “don't want or need” a bank account, they aren't allowed one; or they don't like or trust banks.

Instead of benefitting from bank account features like direct debits, internet banking or indeed the subsequent ability to buy discounted goods online, the bulk of these groups use cash to pay for rent (98%) and utilities (95%), and store their money in pots, boxes and secret hideaways at home.

As such, this limits their abilities to benefit from the internet in general. Many prefer real-life exchanges and their use of technology is limited to social media networks, rather than benefitting from the convenience and savings associated with online shopping and banking.

While two-thirds own a standard mobile phone (66%), the same number has not heard of mobile banking as an alternative to a full bank account. Access to PCs and laptops are limited for roughly a quarter of the financially excluded in Europe.

In testing whether prepaid cards would be appealing to the unbanked, the research showed that 54% thought that prepaid cards were interesting and would like more information, and 39% said that they thought prepaid cards were relevant for their financial needs.

Jennifer Rademaker, Senior Vice President of Core Products Europe at MasterCard comments: "In Western Europe alone, the population of unbanked and underbanked totals 93 million people. What's interesting is that prepaid cards can really be the bridge for so many to feel financially included, keep their money safe, and to learn more about budgeting. This road is also part of being socially and technologically included, and we need to do more to educate these groups about the possibilities. Clearly there is no one size fit for all but products can be personalised easily to take people's different life circumstances in to account."

43% of the excluded have heard of prepaid cards but not used them and 47% have not even heard of them. Despite this limited awareness however, 41% of all respondents recognize that they would benefit from prepaid cards by not having to carry cash around all the time. 25% acknowledged that prepaid cards would help them keep control of their spending.

Jennifer Rademaker added: "It's clear we all have work to do to bridge the gap for so many financially excluded people in Europe. Barriers for financial inclusion still exist and we need to be vigilant that the legislative environment in Europe remains conducive to aggressively reducing financial exclusion. Owning a form of electronic payment brings greater independence, safety and money management – on and offline. The good news is that 54% of this group wants to hear more and take the road to financial inclusion."

About the survey

This study, conducted by Ipsos MORI in June and July 2013, was a mixed method quantitative survey and ethnographic approach. Research was conducted in UK, France, Spain, Italy, Poland and Russia with the *financially excluded* (those that do not have access to the formal banking facilities) and the *underserved* (those that do not have access to any form of electronic payment). 631 people were surveyed and thirty-six households took part in a day long ethnographic interview, across six markets. Quotas were also set for those who are underserved but have access to prepaid card. For the quantitative element, because no representative database is available for 'Excluded and Underserved', nationally representative sampling is not possible for the two groups being researched. The definition of the target sample has been consistent across countries and the profile of respondents is based on a '1st available' for recruitment basis.

About MasterCard

[MasterCard](#) (NYSE: MA), www.mastercard.com, is a technology company in the global payments industry. We operate the world's fastest payments processing network, connecting consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. MasterCard's products and solutions make everyday commerce activities – such as shopping, traveling, running a business and managing finances – easier, more secure and more efficient for everyone. Follow us on Twitter [@MasterCardNews](#), join the discussion on the [Cashless Pioneers Blog](#) and

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