The landscape of financial services

- Consumer choice in financial service providers
- Banks
  - FDIC data on branch locations
  - 94,681 bank branches in study
  - Are banks closing branches?
- Credit unions
- Alternative financial services providers
- ATM networks
- Internet and mobile-based access
The un- and under-banked population in the United States

- 8.2% of households have neither a checking nor a savings account
- 20.1% of households have a bank account but also use alternative financial services
- Rates of being unbanked vary substantially across states
  - 1.9% of New Hampshire households are unbanked
  - 16.4% of Mississippi households are unbanked
- And within states
  - 7.3% of Florida households are unbanked
  - 20.1% of households in Miami are unbanked
Proximity and access to financial services

- Proximity is an important component of access, particularly for account opening
- Over 3.5 million Americans live in Census tracts more than 10 miles from the nearest bank branch
- Over 3 million Americans live in densely populated Census tracts more than one mile from the nearest bank branch
The landscape of postal locations

- Geographic distribution of post offices
- A word on ZIP codes
- Post office location data from the Postal Regulatory Commission
- 31,838 owned or leased postal facilities
- Data geocoded by Pew
Among Census tracts nationally

- About 74,000 Census tracts in the United States
- 53% of Census tracts have no bank branch
  - Among these, 17% have a post office
- 45% do not have a bank branch within one mile of their population center
  - Among these, 42% have a post office closer than the nearest bank branch
- 10% do not have a bank branch within five miles of their population center
  - Among these, 76% have a post office closer than the nearest bank branch
Mapping financial access

• A one-mile distance in a city has different social implications from one mile in the country
• Geographic access to banking services (and postal services) is affected by distance, but the role of distance is affected by:
  – Access to various modes of transportation
  – Quality of infrastructure
  – Commuting patterns
  – Habits, behaviors, and perceptions
Cleveland

Bank and Postal Locations
- Bank
- Post office

Census tracts, by % in poverty
- 0-5
- 5-10
- 10-20
- 20-30
- 30-40
- 40-50
- 50+
Concluding thoughts

• Proximity is one important aspect of access
• Some areas in the United States have few or no bank branches
• Some of these areas have post offices that are closer than bank branches
• The significance of distance varies from place to place