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From Access to Assets: How Fintech Shapes Wealth Pathways for Latinos

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LatinoProsperity is a national nonprofit organization dedicated to closing the Latino wealth gap through national, state, and local advocacy. Our core strategy focuses on relentless advocacy for equitable policies that empower Latinos to build and sustain wealth. We bring together leaders from diverse sectors, conduct research to inform our policy recommendations, and advocate vigorously for their adoption and implementation. Our efforts are rooted in the lived experiences of Latino community members and enriched by insights from academics, community organizations, government, and business leaders.

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Executive Summary

Financial technology has rapidly transformed how Americans bank, borrow, save, invest, and manage financial risk. Latino consumers are among the most active users of digital financial tools in the United States[1], yet high levels of financial participation have not translated into equitable wealth accumulation. Latino households continue to hold only about 19 cents in wealth for every dollar held by white households,[2] even as the U.S. Latino economy reached $4.4 trillion in 2024, making it the equivalent of the world's fourth-largest economy if measured independently.[3]

This report examines how Latino consumers use fintech products and how those tools intersect with broader processes of financial stability, burden alleviation, and wealth-building. Drawing on nationally representative survey data from the Understanding America Study and 25 in-depth qualitative interviews with Latino fintech users, we find that fintech serves different financial functions depending on households' income, savings capacity, debt burden, and exposure to economic volatility.

For many Latino consumers, fintech is less a direct pathway to wealth-building than a tool for managing instability. Buy now, pay later products, earned wage access, online installment loans, peer-to-peer payment apps, and other digital tools are often used to smooth cash flow, avoid overdraft fees, cover emergencies, and manage bill timing. For consumers with greater financial stability, fintech can also support savings, investing, portfolio management, and financial optimization. These differences underscore a central finding: Fintech use reflects broader financial conditions. Access to digital tools alone does not guarantee wealth-building.

Key Findings

Latino consumers are more likely to use some fintech products than their non-Latino counterparts, but participation is concentrated in short-term financial management tools and differs by income levels.

Latino respondents report higher use of non-bank fintech products than non-Latino respondents, with 25% of Latino respondents using at least one non-bank fintech product compared to 17% of non-Latino respondents. This difference is driven largely by buy now, pay later use, reported by 22% of Latino respondents compared to 14% of non-Latino respondents. At the same time, Latino respondents are less likely to hold traditional wealth-building products such as retirement accounts, high-yield savings accounts, money market accounts, and individual stocks.

Personal financial stability strongly shapes whether fintech functions as a burden-alleviation tool or a wealth-building tool.

Lower-income respondents primarily use fintech to manage short-term stability and liquidity. Middle-income respondents often use fintech while navigating a fragile transition from stability toward saving, investing, and planning. Higher-income respondents are more likely to use fintech for portfolio management, optimization, and long-term wealth-building. Among Latino fintech users, 37% are lower income, 44% are middle income, and 19% are upper income, underscoring that fintech engagement is concentrated among households still managing financial pressure.

Latino consumers demonstrate a "stability-first" financial mindset, particularly among low-income Latinos.

Across the survey and interviews, Latino respondents prioritize emergency savings, debt reduction, credit improvement, and homeownership. Survey findings show that 46% of Latino respondents identify emergency savings as a primary financial goal, 40% prioritize paying down debt, 29% prioritize improving credit, and 26% prioritize purchasing a home. Yet only 35% of Latino respondents feel on track toward their long-term financial goals, compared to 45% of non-Latino respondents, and only 14% believe the financial system is designed to help people like them succeed.

Greater household liquidity needs drive higher BNPL usage among Latino consumers.

Latino respondents are significantly more likely than non-Latino respondents to use BNPL products (22% vs. 14%), a pattern also observed in other surveys.[4] Across interviews, respondents describe BNPL as a way to spread out payments, manage temporary shortfalls, avoid overdraft fees, and maintain flexibility around household expenses.

Cryptocurrency participation among Latinos is largely exploratory and cautious, with higher-income individuals most likely to engage.

Latino respondents report current or past crypto ownership at rates similar to non-Latino respondents, 15% compared to 17%. However, most Latino crypto owners maintain relatively small holdings, with more than half holding less than $250 in crypto assets. Interviews suggest that crypto is often viewed as a low-barrier entry point into investing or a learning opportunity rather than a primary wealth-building strategy. Concerns about volatility, scams, and financial loss remain central.

Latino consumers report exploration of many fintech tools and products despite lower confidence in the broader financial system.

Latino respondents are less likely than non-Latino respondents to believe the economy will improve, 19% compared to 29%, and less likely to agree that the financial system is designed to help people like them succeed, 14% compared to 20%. Yet respondents frequently use YouTube, podcasts, Reddit, Google, AI tools, social media, and financial apps to learn about budgeting, investing, crypto, savings, and financial products. Many still lack access to trusted, culturally relevant financial guidance.

Implications

The findings highlight an important distinction: Latinos are most likely to use fintech products that improve access to financial services, yet financial realities often limit participation in products that could help close persistent wealth gaps. If fintech primarily helps households manage short-term instability without creating pathways to savings, investment, homeownership, retirement security, and asset accumulation, it may reproduce existing inequities rather than help to resolve them.

Policymakers, regulators, and industry leaders should evaluate fintech not only by general adoption rates, but by what products are most commonly used and whether specific products help consumers move from access to assets. Stronger consumer protections, clearer disclosures, fraud safeguards, culturally relevant financial guidance, and tools designed to support long-term wealth-building are essential.

Latino consumers already engage with some digital financial systems. Now we must ensure that this engagement creates durable pathways to financial security and economic mobility rather than simply helping households navigate instability one transaction at a time.

INTRODUCTION

From Access to Assets

Latinos are increasingly engaged with digital financial systems, but how they use fintech, which is an all-encompassing term for a variety of different applications and services, depends on their personal economic circumstances. Depending on the fintech tool, Latinos seek financial stability or wealth- building opportunities, and our findings suggest that most of the Latino fintech usage does not translate into equitable inclusion in wealth-building opportunities or levels of asset accumulation comparable to white Americans.

Despite representing one of the fastest-growing economic forces in the United States, Latino households continue to hold substantially less wealth than their white counterparts. Latino households hold only 19 cents in wealth for every dollar held by white households,[5] with median Latino household wealth estimated at roughly $36,000 compared to nearly $188,000 for white households. At the same time, Latinos drive a growing share of U.S. economic growth: The U.S. Latino GDP reached $4.4 trillion in 2024, making it one of the largest and fastest-growing economies in the world if measured independently.[6] Yet this economic contribution has not translated into proportional household wealth accumulation.

At the same time, Latino consumers are among the most digitally connected populations in the country. Approximately 93% of Latinos own smartphones, and Latino consumers report some of the highest levels of adoption of digital financial products and services.[7] We define financial technology (fintech) as consumer-facing digital financial tools and platforms that allow households to manage, move, borrow, save, invest, or otherwise allocate money through online or mobile channels.

In this report, fintech includes non-bank digital financial services such as buy now, pay later (BNPL), earned wage access (EWA), online installment loans, and financial management apps, as well as adjacent emerging financial tools such as cryptocurrency and online sports betting. While some of these tools are designed to ease financial strain, others focus on building long-term wealth.

Some of these tools are increasingly embedded in everyday financial life and are often positioned as lowering barriers associated with traditional banking systems. This may have particular relevance for Latino communities, who have historically faced unequal access to mainstream financial services, credit markets, and wealth-building opportunities. Prior research suggests that digital financial tools may expand access to certain financial services and increase participation in financial systems, particularly among consumers navigating barriers related to banking access, credit invisibility, or limited financial infrastructure. More than nine in 10 Latino consumers report using some form of fintech product or service, and Latino consumers are disproportionately likely to use alternative financial products such as BNPL or earned wage access services.[8]

Yet participation alone does not guarantee financial stability or wealth accumulation. First, some of these tools reproduce some of the same barriers that Latinos face within the traditional financial system and some may pose risks that can further jeopardize Latinos' financial well-being. Importantly, financial behavior must also be understood within the broader context of financial pressure. Prior research on Latino financial wellbeing found that nearly two-thirds of Latino adults reported having $400 or less in emergency savings, underscoring how many households remain financially vulnerable despite high levels of digital financial engagement.[9] As a result, many financial tools are used less for investment and long-term wealth-building than for maintaining liquidity, managing bills, reducing immediate burdens, or navigating uncertainty.

We find that fintech use among Latinos reflects a more complex financial reality than broad narratives about financial inclusion or digital adoption alone suggest. While overall digital financial engagement is relatively high, the goals and outcomes associated with that engagement are often shaped by economic constraint, income volatility, and the need for short-term financial stability. At the same time, Latino consumers are not a monolithic financial group. Experiences with fintech vary across households, depending on financial conditions and broader economic circumstances. Rather than being disconnected from financial systems, many Latino households are actively navigating them under conditions of constrained wealth and limited financial buffers.

To better understand these dynamics, this report conceptualizes fintech as a set of financial pathways rather than a single category of financial inclusion (See Section I). Some tools facilitate access and convenience through mobile banking and digital payment systems. Others help households manage timing mismatches between income and expenses through installment payments, earned wage access, or short-term credit products. A smaller subset could support long-term wealth-building through saving and investment platforms. At the same time, certain forms of fintech participation may expose users to increased fees, debt accumulation, scams, speculative losses, or financial instability.

This report draws on nationally representative survey data and follow-up qualitative interviews to examine how Latino consumers engage with fintech products and how those tools intersect with broader financial wellbeing (See Methodological Appendix A). The findings reveal a consistent pattern: Latino consumers are highly financially engaged, but that engagement is often focused on achieving and maintaining financial stability, with priorities that may differ across households, life stages, and circumstances. The challenge, therefore, is not simply expanding access to financial systems. It is ensuring that participation in those systems creates durable pathways to wealth accumulation rather than only temporary financial stability.

SECTION I

Fintech Well-being Pathways Framework

The rapid growth of digital financial products has expanded how households manage money and navigate financial uncertainty. Yet fintech is often discussed too narrowly, either as a mechanism for financial inclusion or as a category of financial innovation. Both framings overlook an important reality -- households use financial technologies for very different purposes depending on their financial conditions, economic pressures, and long-term goals.

Fintech use among Latino consumers cannot be understood simply through adoption rates alone. High participation in digital financial systems does not necessarily indicate financial security or wealth accumulation. Instead, fintech products often serve distinct financial functions that vary across households and across stages of financial mobility.

For some households, fintech primarily expands access and convenience. For others, it functions as a tool for managing liquidity constraints or navigating emergencies. Some consumers use fintech products to support investing, saving, and long-term wealth-building, while others lose assets through fees, debt cycles, scams, speculative losses, or volatile financial products.

To better understand these dynamics, this report introduces a Fintech Wealth Pathways Framework. Rather than treating fintech as a single category, the framework organizes digital financial behaviors into three interconnected pathways:

1. Access, Payment and Planning
2. Credit, Stability and Liquidity
3. Wealth-building and Long-term Growth

These pathways are not mutually exclusive. Households may move between them over time or operate across multiple pathways simultaneously. For example, a respondent may use mobile banking and peer-to-peer payment apps for everyday convenience, rely on BNPL during periods of financial strain, maintain a retirement account for long-term savings, and experiment cautiously with crypto investing. Financial behaviors are dynamic and shaped by income, life stage, family obligations, financial knowledge, trust, and exposure to risk.

Notably, all of these pathways, and particularly the first two, carry significant risks, including loss of vital assets.

The framework also highlights a central finding that emerges throughout this report: Fintech use reflects a household's broader financial conditions. Importantly, this framework does not assume that certain products are inherently "good" or "bad." The same financial tool may support stability for one household while contributing to financial strain for another. Buy now pay later products, for example, may help some households smooth expenses and avoid overdrafts, while contributing to debt accumulation for others. Similarly, crypto may function as a small-scale entry point into financial experimentation for some users, while exposing others to financial losses they may be less able to absorb.

The sections that follow apply this framework across both survey and qualitative findings. The section that follows look at financial conditions and fintech use. Subsequent sections then explore how fintech use differs across income groups, highlighting the distinct ways lower-, middle-, and higher-income households engage with digital financial tools through each of the pathways we identify.

The report integrates two case studies on crypto and BNPL to illustrate how specific fintech products can operate across multiple financial pathways simultaneously. The report concludes with broader implications for financial inclusion, wealth-building, product design, and policy.

Figure 1. Fintech as Financial Wellbeing Pathways

Financial Pathway	Representative Products	Financial Desired Outcome	Consumer Need/ Behavior	Potential risks and financial leakage	Engagement more likely from
Access, Payment, and Planning	Mobile banking, peer-to-peer payment apps, digital wallets, financial management apps	Convenience, increased access, participation, account visibility	Expanding participation in digital financial systems and facilitating financial transactions	Hidden fees, scams/fraud, no automatic buyer protection	Low-income Latinos
Credit, Stability, and Liquidity	BNPL, earned wage access (EWA), online installment loans, overdraft alternatives	Cash-flow smoothing, emergency flexibility, bill management	Manage liquidity constraints and short-term financial pressure	Debt burden, hidden fees, scams, debt cycles, high-cost borrowing	Middle-income Latinos
Wealth-building and Long-term Growth	Crypto trading, sports betting, retirement accounts with digital currencies, robo-advisors, high-yield savings, stocks	Wealth-building, asset accumulation, create additional income streams	Convert income into savings, investments, and appreciating assets	Financial losses, instability, debt burden, erosion of savings, fees, scams, debt cycles, high-cost borrowing	High-income Latinos

Note: The pathways are not exclusive of each other and we find that middle-income Latinos gravitate between all three pathways. Similarly, we found through interviews that Latinos from all income groups move from one pathway to the other as their financial stability increases or decreases.

SECTION II

Financial Conditions and Fintech Use

The survey findings reveal a central paradox in Latino financial life: Latino consumers demonstrate financial engagement and fintech adoption, yet much of this engagement is oriented toward maintaining stability rather than building long-term wealth. Across both the survey and qualitative interviews, respondents described actively managing money, experimenting with digital financial tools, and seeking greater financial control. At the same time, many participants remained constrained by low emergency savings, debt burdens, housing costs, and income volatility. The findings suggest that Latino consumers are not financially disengaged, but are engaged under conditions of financial pressure.

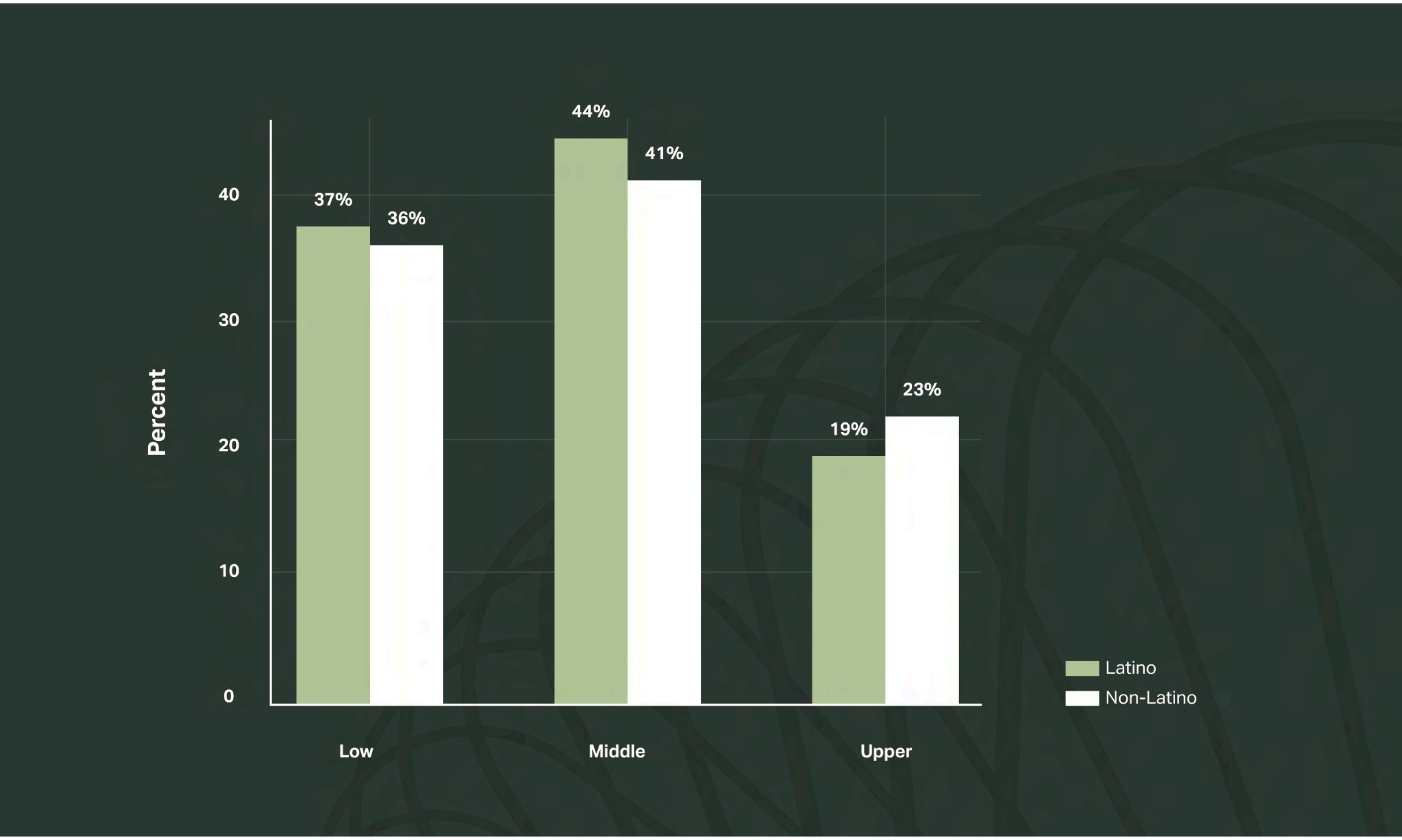
Additionally, one of the clearest findings across both the survey and qualitative interviews is that fintech use differs substantially by income level, not necessarily in whether Latino consumers engage with fintech, but in how and why they use it. Income shapes the financial functions fintech products serve, the level of risk respondents are willing to take, and whether they use digital financial tools primarily for short-term stability or longer-term wealth-building.

Respondents typically described BNPL, earned wage access, installment loans, overdraft alternatives, and flexible payment systems as mechanisms for reducing immediate financial strain rather than for increasing consumption. They often valued these tools because they spread payments across time, reduced overdraft risk, created flexibility around pay cycles, or helped cover emergencies.

While public discussions often frame BNPL as facilitating discretionary or impulsive consumption,[10] respondents rarely described this purpose. One respondent, designated INT-02, described using BNPL because it helped avoid making one large payment all at once, explaining that installment payments “help me not just give out a payment in one go.” INT-24 used earned wage access during a medical emergency involving her mother’s hospitalization. INT-17 described using BNPL to purchase a washing machine when his household “didn’t have the money for [it] at the moment.” Several participants also distinguished installment-based products from traditional credit cards, describing BNPL products as more manageable and predictable because of fixed repayment schedules and clearly defined payment amounts. For respondents wary of revolving debt, BNPL products often provided a greater sense of control and transparency around repayment obligations.

The survey findings reinforce these themes. Latino respondents were significantly more likely than non-Latino respondents to report using BNPL services. Across the full sample, fintech participation was also more concentrated among low- and middle-income households than among upper-income respondents (Figure 2). However, among fintech users specifically, Latino and non-Latino respondents did not differ significantly in their income distribution. Latino fintech users were descriptively less likely than non-Latino fintech users to fall into the upper-income group, 19% compared to 23%, but this difference was not statistically significant in a survey-weighted design-adjusted chi-square test (p = .503). Taken together, these findings suggest that many fintech products operate as part of a broader household cash-flow management system.

Figure 2. Income Distribution of Fintech Users



Source: Urban Institute [1] Fintech Survey (January 2026). Percentages are weighted and calculated among respondents with non-missing responses. Household income was measured categorically and collapsed into three analytic groups: lower income (<$40,000), middle income ($40,000–$99,999), and upper income ($100,000+)

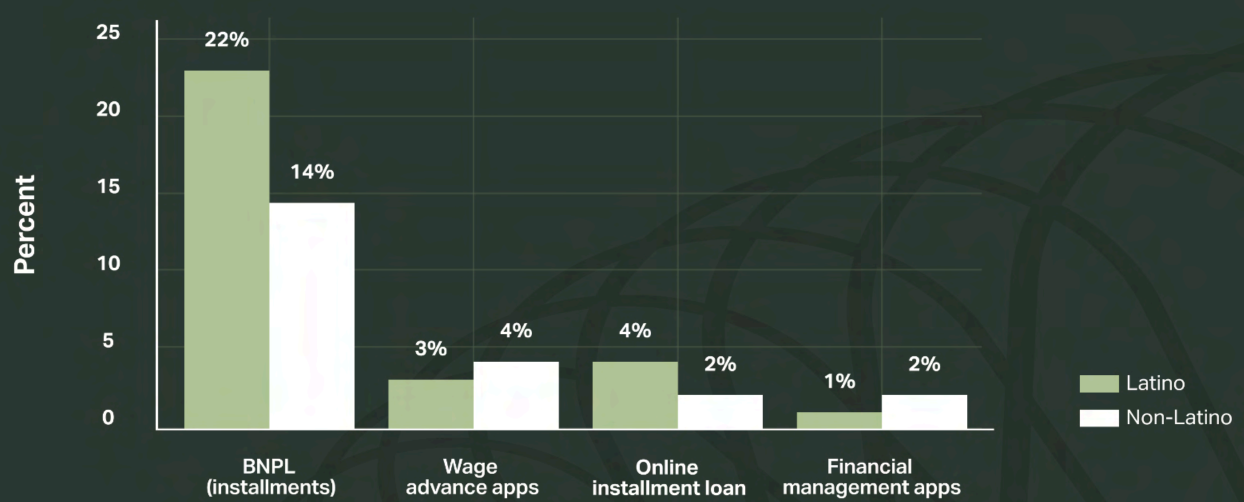
SECTION III

Access, Payment, and Planning Pathway

Fintech Engagement with Non-bank Fintech Products

Survey findings show widespread use of digital financial tools across Latino respondents. Latino participants were significantly more likely than non-Latino respondents to report using at least one non-bank fintech product in the prior year (25% vs. 17%). As shown in Figure 3, much of this difference was driven by buy now pay later (BNPL) use, where Latino respondents reported substantially higher participation (22% vs. 14%).

Figure 3. Use of Non-Bank Financial Apps



Source: Urban Institute Fintech Survey (January 2026).[4] Percentages are weighted and calculated among respondents with non-missing responses for each subquestion.

Q: Have you done any of the following activities online or through a mobile app not offered by a bank or credit union in the past 12 months?

- Took an advance on wages before payday (examples: DailyPay, PayActiv, EarnIn or Dave) [Yes, No, I don't know] [yes=111]
- Borrowed an installment loan online (examples: OneMain, Upgrade, or OppFi) [Yes, No, I don't know] [yes=94]
- Paid for a purchase in interest-free installments (examples: Affirm, AfterPay, or Klarna) [Yes, No, I don't know] [yes=481]
- Used a personal financial management service (examples: YNAB, Simplifi, or Monarch) [Yes, No, I don't know] [yes=73]

At the same time, use of other fintech products such as earned wage access, online installment loans, and financial management apps remained relatively low across groups. These findings suggest that fintech engagement among Latino consumers is concentrated in specific financial functions rather than being broad adoption across all products.

Low-income Respondents

Among lower-income respondents, fintech primarily functioned as infrastructure for financial stability, burden alleviation, and liquidity management. Respondents frequently described using digital financial tools to avoid overdraft fees, smooth cash flow, and transfer money quickly.

In this group, financial priorities centered overwhelmingly on stability and survival rather than wealth accumulation. INT-07 described financial success simply as, “Making sure I have enough for the rest of the month to provide for the family.” Similarly, INT-11 framed financial wellbeing around “being able to pay the bills” and maintaining “security and family.”

Many lower-income respondents described fintech tools as helping them navigate timing mismatches between income and expenses. BNPL, earned wage access, installment payments, and peer-to-peer payment systems often functioned as emergency support systems rather than discretionary financial products. INT-24 used earned wage access during a family medical emergency involving her mother’s hospitalization. INT-11 adopted peer-to-peer transfer largely so she could send emergency money to her daughter when needed.

Trust and risk perceptions also shaped behavior strongly within this group. Several respondents described prior experiences with fraud, hidden fees, or account hacking. These experiences often produced greater caution and reinforced reliance on debit-based financial management systems. INT-21 explained that after losing money through a fraudulent peer-to-peer transfer, she no longer trusted keeping money in banks, commenting, “Ya no confío así como de tener dinero en el banco.” (“I no longer trust having money in the bank.”)

Crypto participation among lower-income respondents was generally cautious, limited, or exploratory. Most respondents did not describe crypto as a pathway toward financial transformation. Instead, volatility and uncertainty often made speculative investing feel incompatible with their already fragile financial conditions. Overall, fintech among lower-income respondents primarily supported short-term stability rather than long-term asset accumulation.

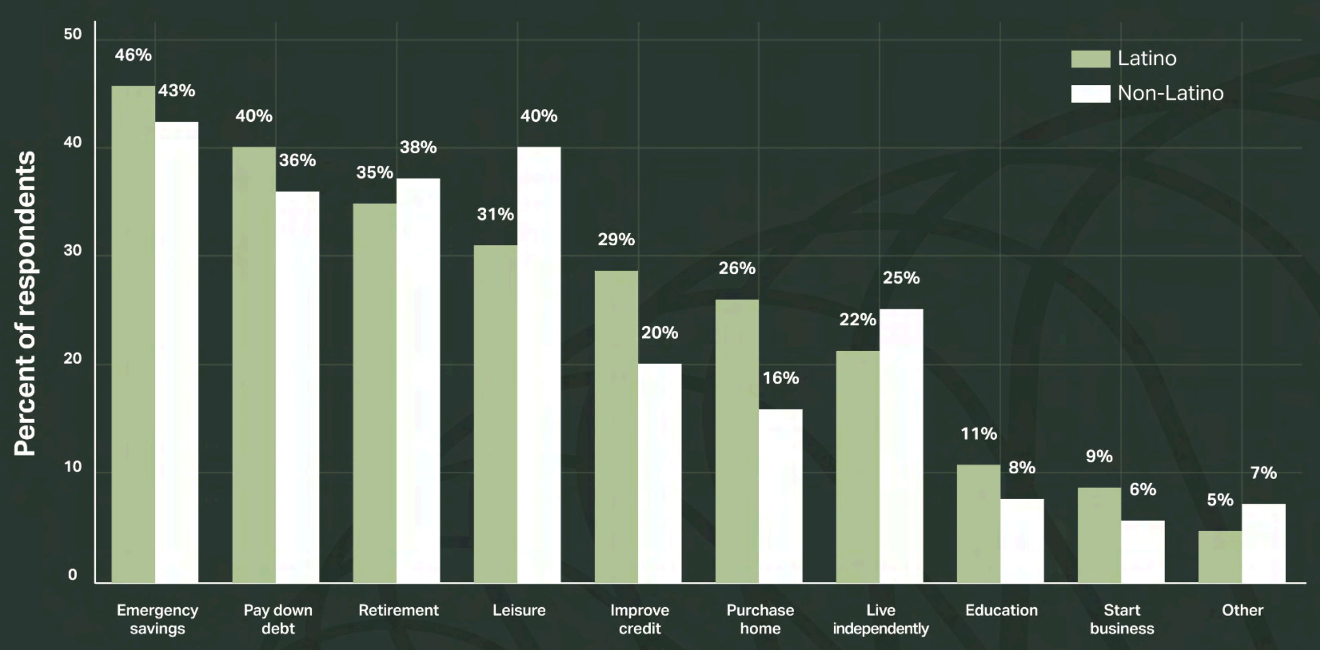
SECTION IV

Credit, Stability, and Liquidity Pathway

Stability-First Financial Priorities

Across both the survey and interviews, respondents consistently prioritized financial stability over speculative growth or riskier investing. Latino respondents were more likely than non-Latino respondents to identify emergency savings (46% vs. 43%), paying down debt (40% vs. 36%), and improving credit (29% vs. 20%) as key financial goals (Figure 4). In contrast, non-Latino respondents placed greater emphasis on lifestyle and leisure-oriented goals.

Figure 4. Financial Priorities and Goals

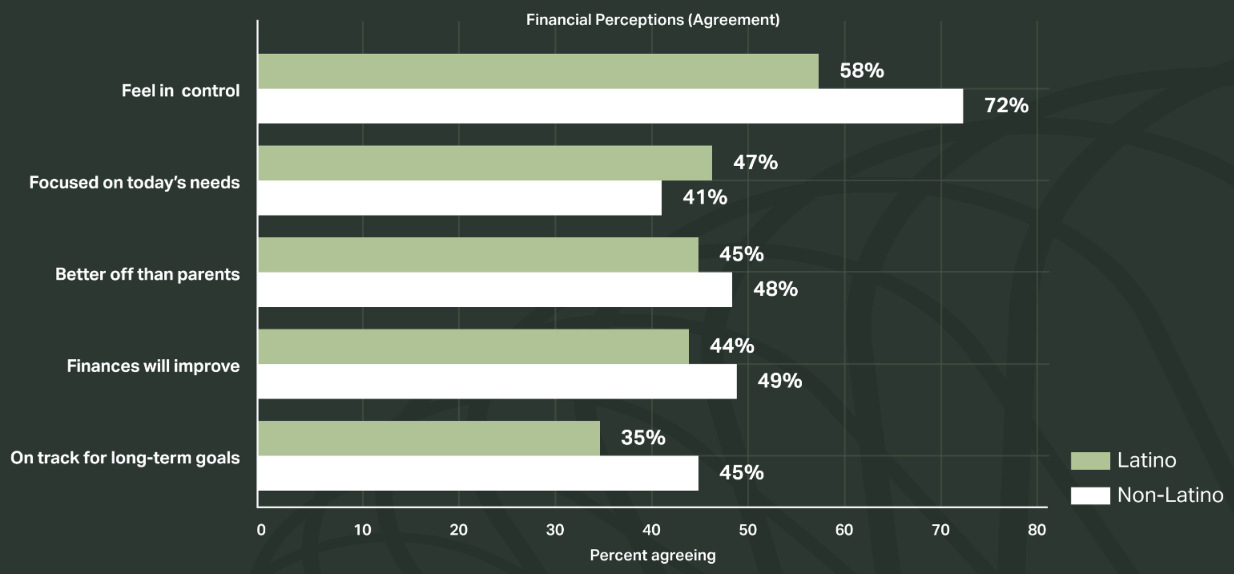


Source: Urban Institute Fintech Survey (January 2026). Percentages are weighted and calculated among respondents with non-missing responses. (N=3,194)

Q: What are your primary financial goals for the next 5 years? Please select up to three responses.

As shown in Figure 5, Latino respondents were less likely to report feeling on track toward long-term financial goals (35% vs. 45%) and less likely to feel in control of their finances overall (58% vs. 72%). At the same time, Latino respondents were more likely to report focusing on immediate financial needs (47% vs. 41%). These findings are consistent with broader research documenting persistent Latino wealth gaps and unequal access to long-term wealth-building opportunities despite high levels of labor force participation and economic contribution.[11]

Figure 5. Financial Confidence and Economic Outlook



Source: Urban Institute Fintech Survey (January 2026). Percentages are weighted and calculated among respondents with non-missing responses.

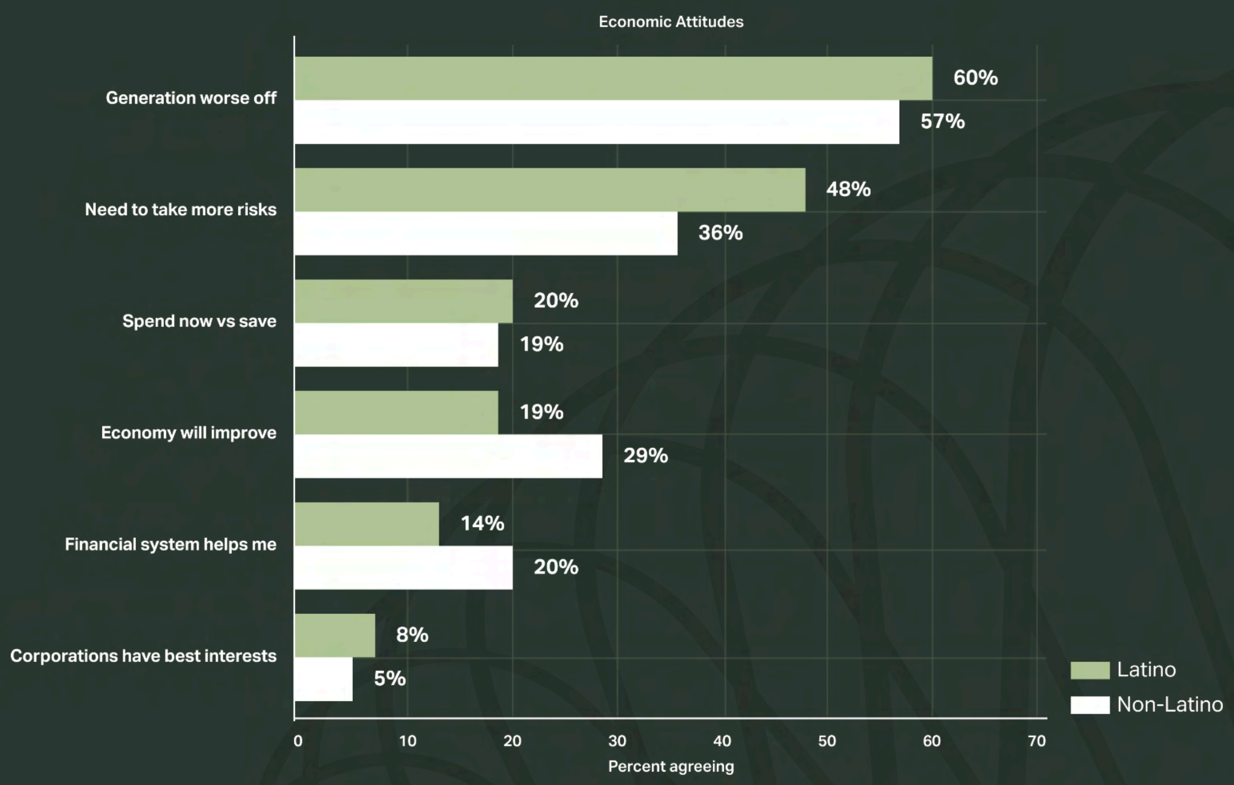
Q: The following statements refer to your personal financial situation. Please indicate the extent to which you agree or disagree with the following statements. (1=Strongly agree; 5=strongly disagree)

- I feel in control of my personal finances
- I am more focused on meeting today's needs than on saving for the future
- I am on track to meet my long-term financial goals
- My personal financial situation will improve in the next year
- I am financially better off than my parents were at my age

These themes also emerged strongly throughout qualitative interviews, where financial stability was brought up as the dividing line between low-middle-and high income respondents.

Survey findings also show that Latino respondents report significantly lower confidence in economic systems, alongside a greater perceived need to take financial risks. As shown in Figure 6, Latino respondents were significantly less likely than non-Latino respondents to believe the economy would improve, 19% compared to 29%, and significantly less likely to believe the financial system is designed to help people like them succeed, 14% compared to 20%. At the same time, nearly half of Latino respondents agreed that people like them need to take more financial risks to get ahead, 48% compared to 36% of non-Latino respondents.

Figure 6. Mindset and Financial Pressure – Lower Confidence, Higher Pressure



Source: Urban Institute Fintech Survey (January 2026). Percentages are weighted and calculated among respondents with non-missing responses.The following statements refer to economic and business conditions in the United States.

Q: Please indicate the extent to which you agree or disagree with the following statements.
(1=Strongly agree; 5=Strongly disagree)

- Economic conditions in the United States will improve in the next year (n=3,166)
- The financial system is designed to help people like me succeed (n=3,168)
- Given current economic conditions, enjoying money now makes more sense than saving it (n=3,166)
- The economic circumstances facing my generation are more challenging than those of previous generations (n=3,168)
- My generation needs to take more risks to meet our financial goals than previous generations (n=3,168)
- Businesses and corporations have people's best interests in mind (n=3,169)

Middle-income Respondents in Transition

Middle-income respondents occupied an intermediate position between financial survival and financial optimization. This group often described attempting to move beyond immediate financial pressure while still managing substantial economic constraints.

The interviews reveal a recurring tension where respondents were increasingly interested in saving, investing, retirement planning, and financial growth, but continued to experience instability related to financial pressures. Several middle-income respondents described periods of financial progress followed by setbacks that disrupted savings accumulation or delayed investment goals. INT-03 described building several thousand dollars in high-yield savings before housing costs forced her to draw down much of the account to cover expenses. INT-22 framed her long-term financial goal around paying off her mortgage before retirement in order to reduce future financial strain.

Many middle-income participants had begun experimenting with high-yield savings and investing. However, these activities were often cautious and incremental rather than aggressive. INT-19 described using a robo-advisor service because she “wanted it to do it itself,” reflecting a preference for simplified and automated investing tools. INT-13 used a robo-advisor to connect investment decisions to long-term financial goals and risk tolerance.

At the same time, middle-income respondents frequently described uncertainty about investing, concerns about volatility, and fear of making financial mistakes. INT-15 identified “knowledge disparity” as one of the biggest barriers to wealth-building and investment participation. INT-18 described lasting “financial trauma” after losses during the 2008 financial crisis, which made him substantially more cautious about investing afterward. This group illustrates how fintech can support upward financial movement while also revealing how fragile that movement remains under broader economic pressure.

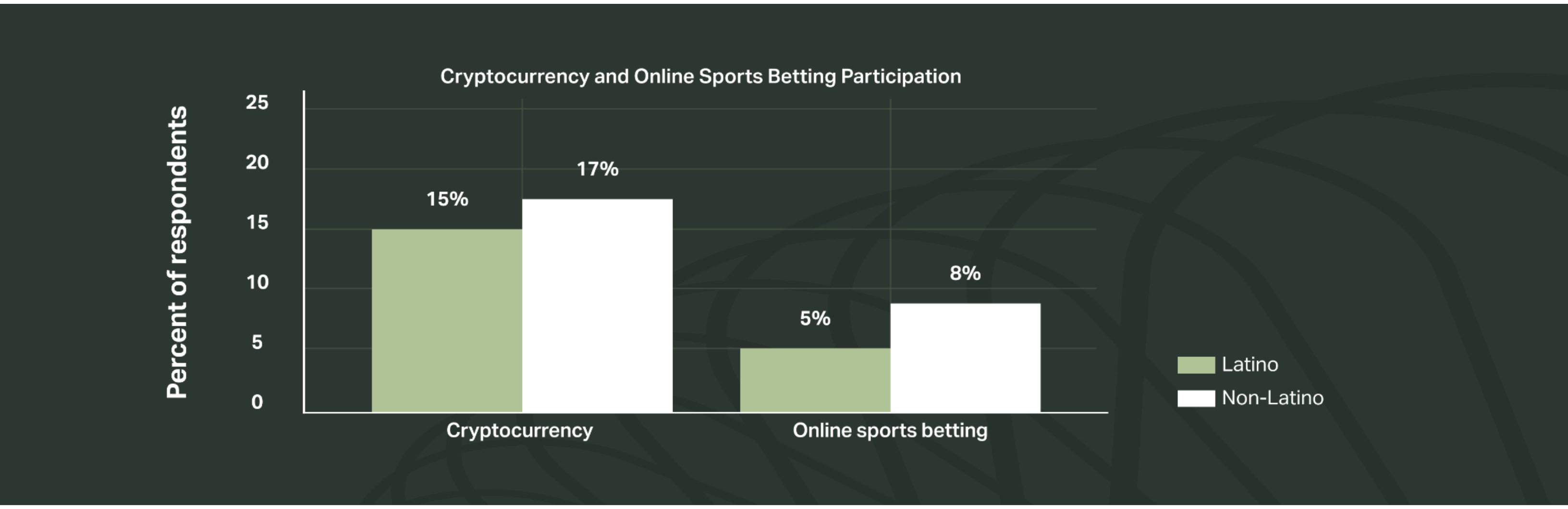
SECTION V

Wealth-building and Long-term Growth Pathway

Engagement with Cryptocurrencies and Sports Betting

As shown in Figure 7, Latino respondents reported somewhat lower rates of both cryptocurrency use (15% vs. 17%) and online sports betting participation (5% vs. 8%) relative to non-Latino respondents. While participation in these products was lower than BNPL use overall, they represent a distinct form of digitally mediated financial activity.

Figure 7. Cryptocurrency and Online Sports Betting Participation



Source: Urban Institute Fintech Survey (January 2026).[2] Percentages are weighted and calculated among respondents with non-missing responses for each subquestion.

Crypto-user: Which of the following statements best describes your experience with cryptocurrency?

- I currently own cryptocurrency (n=279) [included]
- I previously owned cryptocurrency, but no longer do (n=215) [included]
- I have never owned cryptocurrency, but I have heard of it (n=2,357)
- I have never heard of cryptocurrency (n=333)

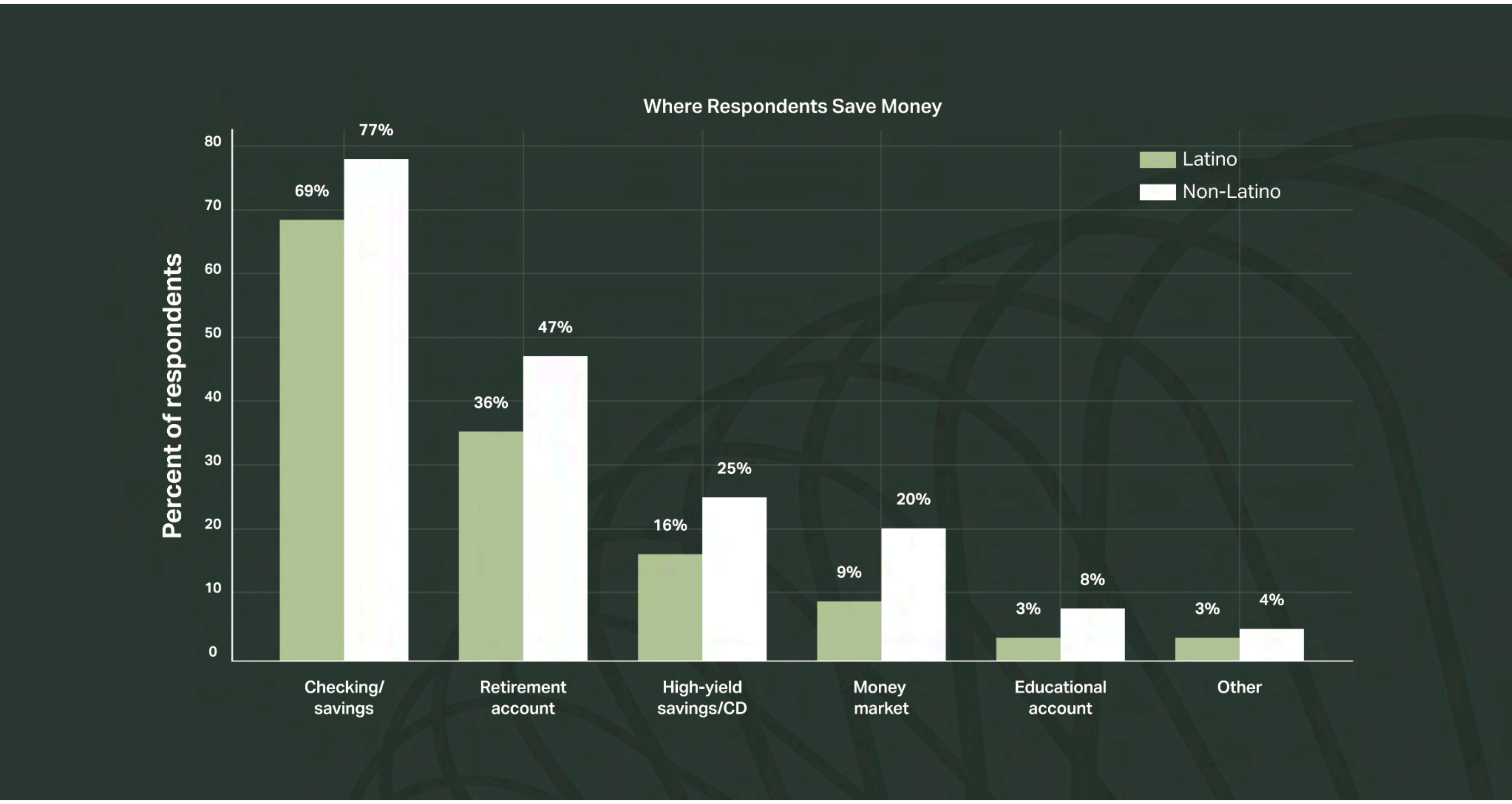
Online sports bettor: In the past 12 months, have you placed a bet on sports in any of the following ways?

- On a sports betting app or website (such as DraftKings or FanDuel) [Yes, No, I don't know] [yes=200]
- On a prediction market app or website (such as Kalshi or Polymarket) [Yes, No, I don't know] [yes=28]]
- At a casino, racetrack, betting kiosk, or other in-person location (excluded) [Yes, No, I don't know] [yes=196]

Participation in Wealth-building Tools

While Latino respondents reported high engagement with fintech products, survey findings show lower participation in traditional financial products overall. As shown in Figure 8, Latino respondents were less likely than non-Latino respondents to report holding a checking or savings account (69% vs 77%), and participation declined further for wealth-building vehicles. Latino respondents were less likely to report holding retirement accounts (36% vs. 47%), high-yield savings accounts (16% vs. 25%), money market accounts (9% vs. 20%), and individual stocks (12% vs. 19%). This pattern suggests that disparities in wealth-building product ownership may reflect border differences in engagement with conventional financial institutions, with the gap widening for products associated with long-term saving and investment.

Figure 8. Participation in Traditional Wealth Building Products



Source: Urban Institute Fintech Survey (January 2026). Percentages are weighted and calculated among respondents with non-missing responses.

Q: Have you saved money in any of the following accounts in the past 12 months? [Yes, No, I don't know]

- A checking or savings account (yes=2,530)
- A retirement account (such as a 401(k) or IRA) (yes=1,561)
- An educational account (such as a 529 plan) (yes=270)
- A high-yield savings account (such as a CD) (yes=810)
- A money market account (yes=697)
- Other (yes=126)

The differences become even more pronounced across income groups. Among low-income Latino respondents, only 10% reported retirement savings, compared to 71% of upper-income Latino respondents. The interviews provide additional context for these disparities. Lower-income respondents often described lacking sufficient surplus income to consistently save or invest, while middle-income respondents frequently described moving in and out of savings accumulation in both conventional and fintech products depending on housing costs, caregiving obligations, or debt burdens. For example Int5, a low-income participant said: " I made some money. I didn't get super rich or anything, but I did make some money from it. [...] and then the job thing happened and I took it [the money] out [of the crypto wallet] when I lost my job". Higher-income respondents were more likely to describe intentional investing and diversified financial portfolios.

High-income Respondents

Among higher-income respondents, fintech more often functioned as a system for optimization, portfolio management, and long-term wealth accumulation. These respondents generally possessed more diversified financial portfolios, higher savings levels, and stronger participation in traditional investment products.

As a result, fintech use among higher-income respondents was less centered on survival and more focused on maximizing returns, improving efficiency, and increasing financial autonomy. INT-25 described intentionally investing early for “long term growth” while actively managing a diversified mix of retirement accounts, savings products, automated investing platforms, brokerage accounts, and crypto investments.

Several higher-income respondents also used AI tools, financial apps, and digital platforms to actively monitor and optimize investments. INT-16 described uploading screenshots of her portfolio into AI tools to evaluate diversification and retirement readiness. INT-25 used ChatGPT and NerdWallet to compare financial products and assess investment strategies.

Importantly, higher-income respondents still tended to anchor long-term wealth accumulation in more traditional financial vehicles, including retirement accounts, real estate, diversified investment portfolios, and savings accounts.

Even among more financially confident participants, risk-taking remained bounded rather than reckless. INT-20 described his crypto investments as small enough that “if I lose it, I lose it,” emphasizing that his core financial strategy remained grounded in real estate, CDs, and mutual funds.

CASE STUDY

Crypto as Exploratory Investing Across Financial Conditions

Crypto emerges as one of the clearest examples of how fintech products operate differently across financial conditions. Across both the survey and interviews, respondents rarely describe crypto as a replacement for traditional financial systems or as a primary mechanism for long-term wealth-building. Instead, crypto most commonly functions as a low-barrier entry point into investing or an opportunity to experiment with emerging financial technologies.

Approximately 15% of Latino respondents report current or past crypto ownership, a rate similar to non-Latino respondents. However, Latino crypto users are more evenly distributed across income and education levels rather than concentrated among affluent or highly educated households. Most Latino crypto owners also maintain relatively small holdings, with more than half reporting holdings under $250.

The interviews, however, suggest that crypto participation varies substantially across income groups. Lower-income respondents often view crypto volatility as incompatible with already fragile financial conditions. Several describe avoiding crypto because of concerns around scams, financial loss, or uncertainty about how crypto markets operate.

Middle-income respondents more commonly describe crypto as cautious experimentation. INT-19 explains:

"I only have like… 160 bucks in crypto… I was too scared to invest too much."

Similarly, INT-02 describes crypto as appealing because it allowed her to begin investing with very small amounts of money:

"What if these 25 bucks grows to be… $5,000, $10,000?"

Among higher-income respondents, crypto is more likely to be integrated into diversified investment portfolios while remaining secondary to traditional wealth-building strategies. INT-20 explains:

"I just did it for the purpose of me learning… If I lose it, I lose it."

Even respondents who report positive crypto experiences generally emphasize bounded risk-taking and continued reliance on traditional savings and investments.

The findings suggest that crypto participation among Latino consumers represents exploratory investing shaped by broader financial conditions rather than speculative behavior alone.

Conclusion and Policy Implications

Latino consumers are integrated into the digital financial ecosystem, but they appear to use fintech primarily to manage liquidity, reduce financial strain, pursue short-term opportunities, and navigate uncertainty rather than to build long-term wealth. This pattern reflects broader evidence that fintech adoption among Latinos is often driven by historical barriers to traditional banking and their need for flexible, accessible tools.[12]

At the same time, Latinos are not a monolithic group; they engage with financial services through multiple, overlapping pathways, often combining traditional banking, alternative financial services, and fintech tools, depending on their needs at a given moment. These findings suggest that policymakers, regulators, and financial service providers could take a more segmented approach to understanding Latino consumers.[13] Some households rely on fintech products such as BNPL or other short-term credit tools to make ends meet, while a smaller segment uses digital platforms to experiment with investing and wealth-building strategies. Failure to distinguish between these use cases poses a risk that innovation will disproportionately expand access to short-term, high-cost products while neglecting longer-term financial mobility.[14] The industry can step up and reduce the barriers and hurdles Latino face in traditional finance. But as firms increasingly target Latino consumers, regulators should remain attentive to the risk of "predatory inclusion," particularly as digital platforms can amplify targeted marketing for high-risk products.[15]

Many fintech products that are commonly used by Latinos continue to operate in regulatory gray areas, leading to uneven consumer protections. For example, the Consumer Financial Protection Bureau announced in May 2025 that it would no longer prioritize enforcement of BNPL rules, which could jeopardize the protection of many Latinos, who are more likely to engage with BNPL.[16] Some states, such as New York, are stepping up to fill these regulatory and enforcement voids by proposing regulatory frameworks for lenders.[17] New York's proposal includes requirements for licensing, underwriting and disclosure of risks and fees. If adopted, these rules would significantly increase guardrails for consumers and could serve as an example for other states looking to fill regulatory gaps. Still, these examples highlight the fragmented nature of oversight for many of these fintech products.

In parallel, the growing integration of digital assets into financial markets by the federal government has outpaced the development of strong consumer safeguards and requires proper attention.[18] Given the volatility and speculative nature of these products, clearer disclosures, stronger fraud protections, and accessible recourse mechanisms will be particularly important as more Latino consumers engage with them.[19] Industry actors and regulators alike have a role to play in ensuring that financial products are designed and governed in ways that support long-term consumer financial wellbeing.

These findings underscore that fintech alone does not resolve structural barriers to wealth building. The industry can solve some of these issues by focusing more attention on using advances on AI to reduce some of the barriers that Latinos face for building wealth. For example, technological tools could be used to make the mortgage process less complicated, bridge language gaps and utilizing algorithms that can eliminate racial biases that are common in traditional lending processes.[20] For that, we need more research and data to understand the possibilities and limitations of some of these financial tools. The broader challenge goes beyond simply expanding access to digital financial products, but ensuring that participation in these systems supports long-term financial security rather than deepening financial vulnerability.

Appendix

Appendix A. Methodology

This analysis draws on data from the Understanding America Study (UAS), a nationally representative, probability-based panel administered by the University of Southern California. The survey was piloted and fielded between December 19, 2025 and January 31, 2026, with a validated sample of 3,194 respondents, including 366 Latino respondents (12%). A subset of respondents (n=55) completed the survey in Spanish.

The UAS panel uses address-based sampling and provides internet access to participants as needed, improving coverage of populations often underrepresented in online surveys and reducing the risk of fraudulent responses. The panel structure also enables linkage to broader respondent histories and supports targeted follow-up, including qualitative interviews.

Survey Content and Key Measures

The survey includes detailed modules on financial behavior, including use of fintech tools (e.g., Buy Now, Pay Later services, wage advances, online loans, and financial management apps), savings across multiple account types, cryptocurrency participation, and other forms of investing. It also captures financial attitudes, goals, and perceptions of risk.

For this analysis, household income is grouped into three categories to examine differences across economic segments aligned to Pew benchmarks.[21] Savings and fintech variables are coded as binary indicators (Yes/No), with "Don't know" responses excluded from analysis.

Analytic Approach

All reported percentages are survey-weighted using poststratification adjustments based on American Community Survey (ACS) benchmarks. These weights align the sample with the U.S. population across key characteristics, including age, gender, race/ethnicity, education, region, citizenship, household composition, and income. All analyses are conducted using survey-adjusted estimation procedures to account for weighting and complex survey design.

Group differences are evaluated using design-based statistical tests, including adjusted Pearson chi-square tests and design-based F statistics for categorical comparisons. Statistical significance is assessed using conventional thresholds ($p < .05$ unless otherwise noted). Because the analyses rely on survey-adjusted procedures, reported significance tests reflect weighted population estimates rather than unadjusted sample distributions.

Unless otherwise specified, percentages are calculated among respondents with valid responses to the relevant survey items. Respondents who selected "Don't know," refused to answer, or had missing data were generally excluded from analytic denominators for individual measures. For select behavioral indicators, such as binary fintech participation variables, "Don't know" responses were treated conservatively and coded separately from affirmative participation. As a result, sample sizes may vary slightly across analyses due to item nonresponse. Figures present weighted percentages to provide population-level estimates.

Qualitative Component

To complement the survey findings, the study includes a second phase of approximately 25 in-depth follow-up semi-structured interviews, conducted in February–March 2026 using UAS infrastructure. Figure 9 presents the qualitative interview sample by income group and primary fintech product use. Interviews were conducted by phone, in English and Spanish, and were approximately one hour in length.

Figure 9. Qualitative Interview Sample and Primary Fintech Product Use

Income Group	Interview IDs	Number of Interviews	Primary Fintech / Financial Product Use
Lower Income	INT-01, INT-05, INT-06, INT-07, INT-08, INT-11, INT-12, INT-21, INT-23	9	Online installment loan, BNPL, EWA, past/current crypto
Middle Income	INT-02, INT-03, INT-04, INT-09, INT-10, INT-13, INT-15, INT-17, INT-18, INT-19, INT-22, INT-24	12	Crypto, Online installment loan, BNPL, EWA, savings and investing tools
Higher Income	INT-14, INT-16, INT-20, INT-25	4	Crypto, PFMs, brokerage/investment platforms, IFIs

Note: BNPL = Buy Now, Pay Later; EWA = Earned Wage Access; PFM = Personal Financial Management application.

Participants were recruited directly from the survey sample using panel identifiers, allowing for continuity between quantitative and qualitative data. The interviews explore pathways into fintech use, trust and decision-making, financial outcomes (including unintended consequences), and experiences with fraud, customer service, and financial systems.

Limitations

A few limitations should be noted. Income is measured categorically and does not capture wealth or assets directly. The data are cross-sectional and self-reported, which may introduce reporting bias and limit the ability to assess changes over time. Some financial behaviors have low incidence, which may constrain subgroup analysis. The qualitative interviews are designed to provide depth and context rather than statistical representation.

Ultimately, when taken together, this mixed-methods approach combines population-level evidence with lived experience to provide a more complete understanding of how financial behaviors and the tools that support them relate to wealth-building outcomes.

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