

From Access to Assets

How Fintech Shapes Wealth Pathways for Latinos

Understanding Latino Fintech Use and Financial Well-Being

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Latino digital engagement is high, but wealth gaps remain

\$4.4T

U.S. Latino GDP in 2024



22¢

Latino wealth for every \$1 held by white households



93%

Latino smartphone ownership

Research question

What are Latino specific patterns, motivations, risks, and opportunities in using fintech?

Neither Latinos nor fintech are monoliths

Latino households vary by income, savings, debt exposure, life stage, trust, language, and risk.

Quantitative: Survey

- Understanding America Study
- Nationally representative survey
- N = 3,194 respondents
- 366 Latino respondents

Fintech includes different tools with different purposes: payments, short-term credit, planning, investing, crypto, and sports betting.

Qualitative: Follow-up interviews

- 25 in-depth interviews
- Latino fintech users
- English and Spanish
- February-March 2026

Outcomes depend on the fit between the tool and the household financial condition.

A framework for understanding fintech well-being pathways

Fintech is best understood by the financial function it serves.

Access, payment, and planning



Mobile banking
P2P payments
Digital wallets
Financial management apps

Convenience and visibility

Credit, stability, and liquidity



BNPL
Earned wage access
Online installment loans
Overdraft alternatives

Cash-flow smoothing

Wealth-building and growth



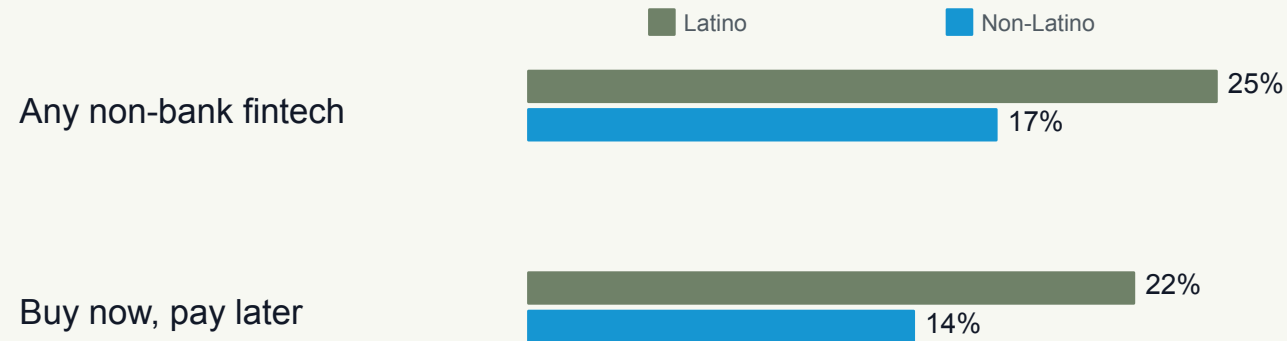
High-yield savings
Retirement accounts
Robo-advisors
Stocks and crypto

Asset accumulation

Potential risks and leakage run across the pathway: fees, fraud, debt cycles, scams, volatility, and loss of savings.

Fintech engagement is concentrated in short-term tools

Latino respondents report higher use of non-bank fintech products, driven largely by BNPL.



What respondents described

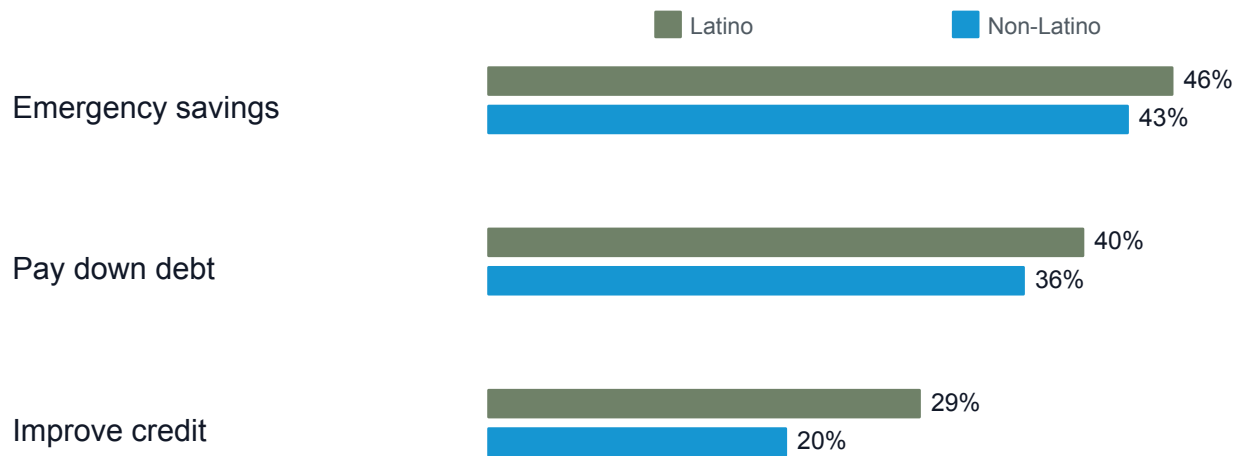
- Spread payments across time
- Avoid overdrafts
- Manage pay-cycle gaps
- Cover emergencies or essential purchases

Not broad fintech adoption; concentrated use for household cash-flow management.

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

Latino consumers show a stability-first mindset

Primary financial goals in the next five years



Confidence gap

35%

Latino respondents feel on track to meet long-term financial goals (vs. 45% of non-Latino) respondents

14%

Latino respondents believe the financial system is designed to help people like them succeed (vs. 20% of non-Latino respondents)

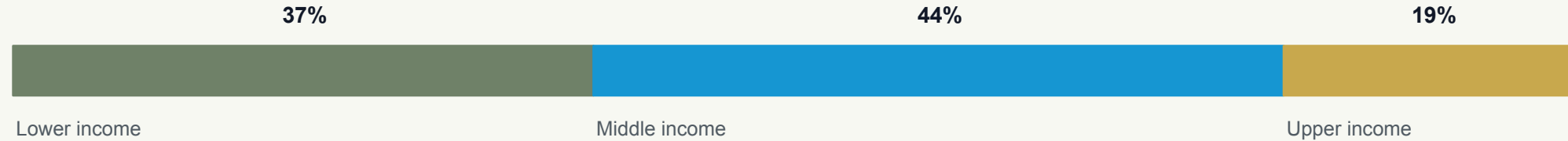
"Making sure I have enough for the rest of the month to provide for the family."

- lower-income interview participant

Source: Urban Institute Fintech Survey (January 2026); qualitative interviews.

Income shapes how and why fintech is used

Income distribution among Latino fintech users



Lower income

Stability and liquidity

Avoid overdrafts, smooth cash flow, move money quickly, cover emergencies.

Middle income

Transitioning

Interested in saving and investing, but progress can be interrupted by costs, debt, and caregiving.

Higher income

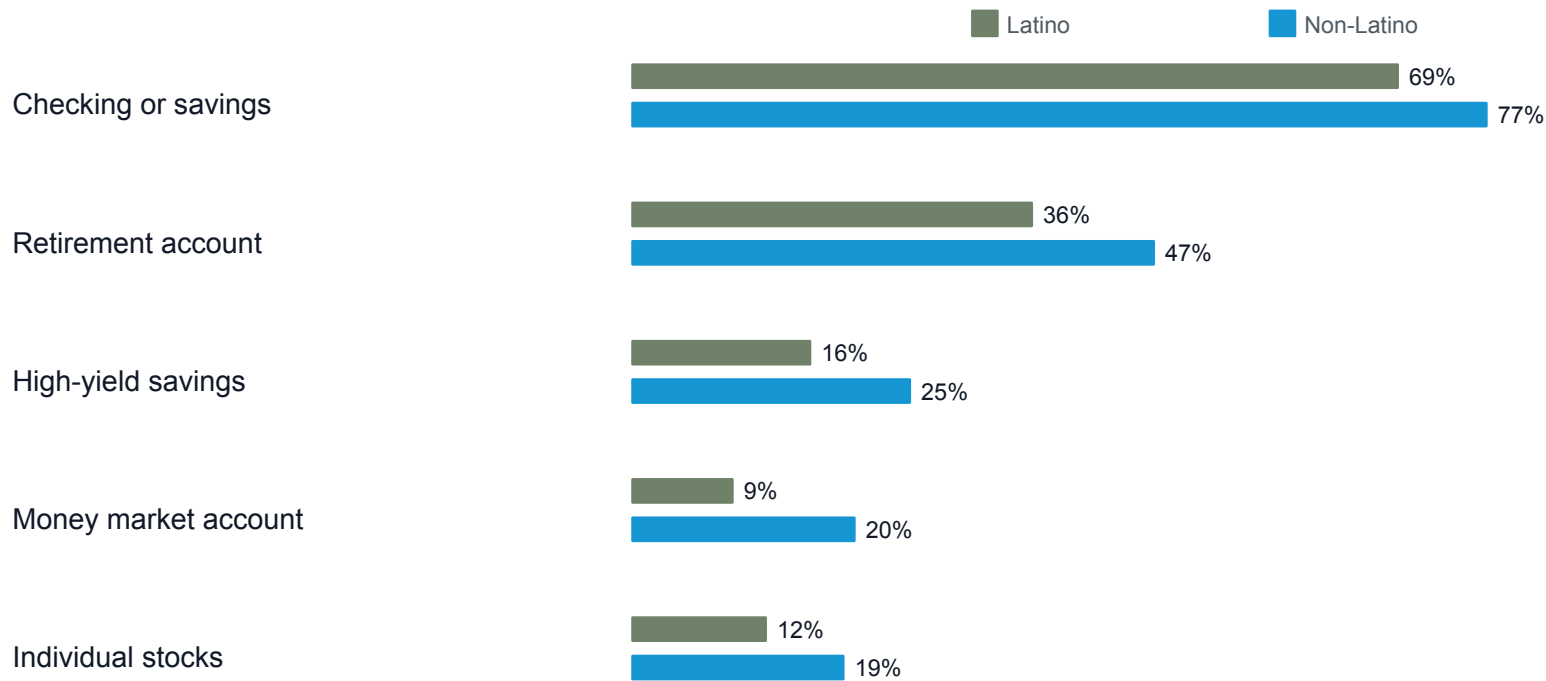
Optimization

Portfolio tracking, product comparison, automated investing, diversified strategies.

Fintech use reflects financial conditions more than adoption alone.

Asset-building participation remains lower

Share reporting selected account or asset ownership



Within Latino respondents

10%

low-income respondents reported retirement savings

71%

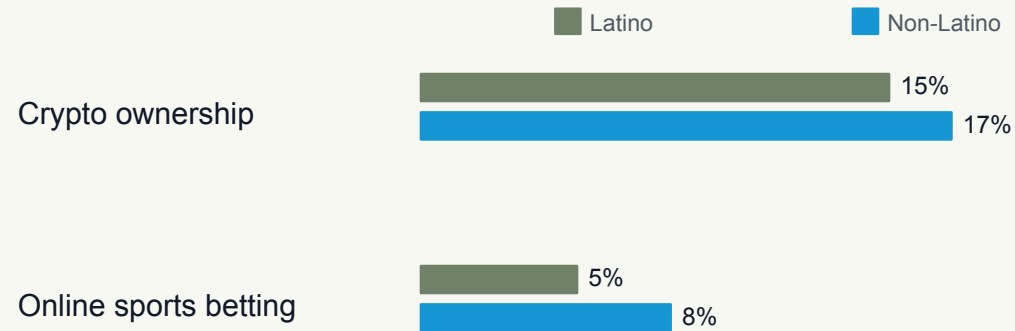
upper-income respondents reported retirement savings

Digital participation is not enough if asset-building products remain out of reach.

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

Crypto is mostly exploratory and bounded

Current or past participation is similar, but interviews show different risk tolerance by financial condition.



More than half of Latino crypto owners hold under \$250.

Lower income

Cautious or limited; volatility feels incompatible with fragile finances.

Middle income

Small experiments; a low-barrier way to learn about investing.

Higher income

Integrated into diversified portfolios, usually as secondary risk.

Crypto is exploratory investing shaped by broader financial conditions.

What would move Latino fintech usage from stability to asset-building?

Evaluate fintech by outcomes, not only adoption.

1 ——— **Segment by financial condition**

Design for lower-, middle-, and higher-income use cases rather than one generic "Latino consumer."

2 ——— **Strengthen consumer protections**

Clear disclosures, fee transparency, fraud safeguards, and accessible recourse.

3 ——— **Build trusted guidance**

Culturally relevant and bilingual supports for budgeting, credit, investing, crypto, and product comparison.

4 ——— **Create pathways to assets**

Move beyond cash-flow smoothing toward savings, credit-building, homeownership, retirement, and investment.

Goal: durable financial security - not just smoother instability.

