In September of 2017, FieldGoals.US was contracted by Mendoza Group, Inc. to conduct an online quantitative study with potential customers of Community Development Financial Institutions nationwide.
A total of 201 consumers completed the online survey. The qualifications for participation were:

- Between the ages of 25 and 54
- Household income of $100,000 or less per year
- 50% male/50% female
- Minimum 50% non-white ethnicity
Executive Summary

- 201 respondents participated in the online study. Participants were designated into one of six geographic regions to ensure a mix of locations nationwide.

- 50% of the respondents were Caucasian, 30% identified as African American, 11% Asian and 8% Hispanic.

- 80% reside in Urban/Suburban regions, while 20% reside in geographies considered Rural.
Almost 40% of the respondents maintained a household income of $50,000 to $100,000, while 40% reported incomes of $20,000 to $49,999.

Almost 70% of all respondents had applied for a personal or fast cash loan – and 71% of those who applied were approved.

- 50% said they were attracted to their lender because of the easy-to-use information tools on the website.
  - The majority (63%) of those who felt that way indicated their lender was a credit union or bank.
- Another 30% said it was because information on the website was friendly and welcoming.
  - In this case, 48% indicated their lender was a credit union or bank, while 25% used online vendors and 23% used a fast cash lender.
- Of those who were not approved for a personal or fast cash loan, 80% had a credit score of 649 or less
- 50% contacted a bank, 37% contacted a CU, and 49% contacted an online or fast cash lender.
Executive Summary

- About 40% said they needed a fast cash loan while 60% applied for a longer term, personal loan.
  - A little more than half executed their personal or fast cash loan online.
  - 56% of those applying for either a fast cash or personal loan in the past 3 years reported a HH Income of less than $50,000.

- Of those who applied for fast cash loans, almost 75% used a payday lending service. The next highest percentage used a check cashing or money store.
Executive Summary

- More than 60% overall somewhat or completely understand the difference between a traditional bank and a local community-focused lender or CDFI.
  - Important lender qualities included: Honesty, Trustworthy, Friendly Staff, Good Rates and Easy to Work With.
- 64% overall would like to know what minimum credit score would qualify them for a loan prior to applying.
  - 56% would like to know loan fees, 51% repayment time frame and 46% and 45% personal information and personal documents needed.
Reputation is ultimately important when selecting a loan provider, and over 60% agreed that CDFIs would take the time to get to know them personally.

The two most important steps lenders can take to improve personal borrowing experience are to offer assistance to prepare the consumer to borrow money and be more flexible with lending decisions.
What is your gender?

- Male: 50%
- Female: 50%
What is your zip code?
In which general region of the country are you located?

- 26% Northeast
- 17% Northwest
- 19% Midwest
- 21% Central
- 9% Southeast
- 8% Southwest
What is your race or ethnicity?

- **White/Caucasian**: 49%
- **Black/African-American**: 30%
- **Hispanic or Latino**: 8%
- **Asian**: 11%
- **Native American**: 4%
- **Other - Write In**: 2%
- **Prefer not to answer**: 1%
Which of the following categories includes your age?

- 25-34: 33%
- 35-44: 33%
- 45-54: 34%
Which of the following most closely describes the area in which you currently reside?

- Urban/Suburban: 79%
- Rural: 21%
Which of the following categories includes your total annual household income before taxes?

- Under $20,000: 18%
- $20,000 to $34,999: 22%
- $35,000 to $49,999: 21%
- $50,000 to $100,000: 39%
When did you last apply for a personal loan?

- Within the past 3 years: 48%
- More than 3 years ago: 22%
- Never: 30%
Applied for a personal loan in the last 3 years

- Under $20K: 44%
- $20K-$34.9K: 17%
- $35K-$49.9K: 23%
- $50K-$100K: 16%
When did you last apply for a personal loan?

*Showing % of each credit score category*
Which of the following includes your current credit score?
In the next 30 days, how likely are you to apply for a personal loan?

[If never applied for a personal loan only]

- Extremely likely: 54%
- Somewhat likely: 20%
- Not very likely: 20%
- Not at all likely: 6%
When applying for my last personal loan, I was...

[If applied for a personal loan]

- 71% Approved for a loan
- 29% Not approved for a loan
When applying for my last personal loan, I was...

[If applied for a personal loan]
What type of lender did you contact to apply for a personal loan?

*Select all that apply (% may total higher than 100)
Did you contact the fast cash lender online or in person?

[If contacted a fast cash lender]

- Online: 41%
- In person: 59%
If applicable, where have you applied for fast cash loans?

[If contacted a fast cash lender]

*Select all that apply (% may total higher than 100)

- Payday lender: 73%
- Check cashing store: 32%
- Money stores: 19%
- Pawn shops: 19%
- Community organization lender: 16%
- Other - Write In: 5%

Other:
- Online bank
- Southern finance
Do you know the difference between a traditional bank and a local community-focused lender or CDFI?

- Yes, I completely understand
- Somewhat understand
- No, not at all
- I don't know enough about a CDFI to have an opinion
What key factors initially attracted you to the lender that you applied with?

[If applied for a personal loan]

*Select all that apply (% may total higher than 100)

- Easy-to-use information tools on the website (for example, loan calculator, success stories) - 49%
- Positive experience shared by a friend or family member - 36%
- Well-known national name brand - 31%
- Information on the website was friendly and welcoming - 30%
- Already had a relationship with the lender - 27%
- Local community organization lender that has helped people who share my thoughts - 19%
- Considered referral from mainstream bank or credit union to be trustworthy - 9%
- Other (please specify):
  - Direct mail ad
  - Email
  - Saw the store

Other: 2%
How did you find the lender?

[If applied for a personal loan]

- Referred by a bank or credit union that did not approve my loan
- Referred by a friend or family
- Internet
- Previous or existing loan with the lending institution
- Other (please specify)

- Already had account with lender (2)
- Direct mail (2)
- Email (2)
- Auto purchase
- My school got the loan for me
- Walking by
When you last applied, what type of loan did you need?
[If applied for a personal loan]

- Personal loan (long-term): 62%
- Personal fast cash loan: 38%
How important are the following qualities in a lender? Rank on a scale of 1-5 with 1 being most important and 5 being least important

<table>
<thead>
<tr>
<th>Overall Rank</th>
<th>Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Is there for me during the hard times, as well as the good times</td>
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<td>2</td>
<td>Is located close to where I live</td>
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<td>3</td>
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<td>Doesn't act like a big traditional bank</td>
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How important are the following qualities in a lender? Rank on a scale of 1-5 with 1 being most important and 5 being least important.

### HH Income Under $20K

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### HH Income $20K-$34.9K

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### HH Income Under $35K-$49.9K

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### HH Income Under $49.9K-$100K

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What other qualities are important to you in a lender?

*Open ended*
What kind of information would be helpful to know before applying for a personal loan?

*Select all that apply (% may total higher than 100)*

- Minimum credit score that would qualify me for a loan: 64%
- Loan fees (including interest rates, etc.): 56%
- Repayment time frame: 51%
- Specific types of documents and information that will be required to apply: 47%
- Personal information that would be considered if credit score is too low: 46%
- Resources to verify trusted lenders (e.g., Better Business Bureau): 39%
- Other (please specify): 1%

Other:
- Nothing/none
I would like to find a lender who can help me...

*Select all that apply (% may total higher than 100)

- Get extra emergency cash when I need it (52%)
- Help me build my credit score (49%)
- Buy my first home (31%)
- Pay my utility bill (22%)
- Pay my tuition to go back to school (16%)
- Pay past due medical bills (15%)
- Other (please specify) (6%)

Other:
- Pay student loans
- Start my own business
- Buy a car
- Pay off loans faster
- Nothing/N/A
Please rate how much you agree or disagree with the following statements...

Local CDFIs will take the time to get to know me.
- Strongly agree: 29%
- Somewhat agree: 35%
- Neutral/Don't know: 32%
- Somewhat disagree: 3%
- Completely disagree: 3%

If it is not a traditional big bank, it is not a trustworthy lender.
- Strongly agree: 18%
- Somewhat agree: 24%
- Neutral/Don't know: 18%
- Somewhat disagree: 22%
- Completely disagree: 17%

The national reputation and brand of the lender is very important to me
- Strongly agree: 52%
- Somewhat agree: 28%
- Neutral/Don't know: 17%
- Somewhat disagree: 3%
- Completely disagree: 1%
What should lenders do to improve your personal borrowing experience?

*Select all that apply (% may total higher than 100)

- Be more flexible with lending decisions: 59%
- Offer assistance to prepare me to borrow money: 59%
- Become more visible within the community I live in: 40%
- Improve information that is available online: 34%
- Offer information in other languages: 17%
- Other (please specify): 2%

Other:
- Don’t need a loan
- Don’t know
- N/A