



SpringFour and Elevate's Center for the New Middle Class Partner to Advocate for Families in Need of Greater Financial Resources

September 14, 2021—[Elevate](#) Credit, Inc. (“Elevate”), a leading tech-enabled provider of innovative and responsible online credit solutions for non-prime consumers, and [SpringFour](#), the only social impact fintech platform that helps financial institutions give customers the support they need to regain financial control, today announced the findings of a [research study](#) examining the financial effects of the COVID-19 pandemic on American households. The study, which was co-authored by Elevate and SpringFour, found that the pandemic’s impact on American households was uneven, and that those who struggled require support beyond what traditional financial institutions provide.

The study analyzed data collected by Elevate’s internal think tank, the Center for the New Middle Class (“CNMC”), which surveys prime and non-prime consumers monthly to understand the behaviors, attitudes, and challenges of this growing demographic. CNMC defines prime as those with credit scores above 700 and non-prime as those below 700. The study also analyzes SpringFour data on demand for financial resources in over 30 categories of need, in addition to SpringFour survey data on impacts of the pandemic.

Of 2,221 respondents who reported a job loss over the past year, 75% of both prime and non-prime respondents said that the job loss or furlough was due to the pandemic. Further, more than three quarters of all respondents were eligible for stimulus funds issued in March of 2021 and 50% of non-prime consumers reported spending their stimulus checks on food or groceries versus one third of prime consumers. Non-prime consumers overall were much more likely to spend a portion of their stimulus on basic needs like food, utilities, housing or medical costs. Twice the percentage of non-prime consumers spent funds on housing than prime consumers.

Additionally, prime households were much more likely to use stimulus funds for savings than non-prime, and less likely to spend stimulus payments on basic needs like food and housing. This suggests that prime households have achieved increased financial stability and are better prepared for unforeseen expenses, such as those incurred as a result of the COVID-19 pandemic.

“The income volatility that resulted from the pandemic put many already financially vulnerable Americans into an even more challenging situation. While we can’t predict when unexpected events such as the pandemic will occur, we can be better prepared. That means equipping both prime and non-prime Americans with the tools and resources they need to make informed decisions about their finances so that they can meet their basic needs, reach their savings goals, and achieve long-term financial stability,” said Jason Harvison, CEO of Elevate.



Analysis of SpringFour data on consumer demand echoed CNMC's findings, citing that the organization facilitated 5 million referrals to nonprofit and government agencies in over 30 categories of need since the pandemic began. American households are looking for resources to help them pay for basic necessities, and when unexpected funds are available, such as through a stimulus payment, consumers are likely to use it for those purposes. The authors note that if families were more aware of resources that could help them pay for food, utilities, medical costs and other basic needs, those families might be in a better position to save stimulus funds or contribute those dollars back to the economy in other ways.

"The pandemic demonstrated the precariousness of households' financial health – and showed that banks, financial institutions, and nonprofits must all prioritize their customers' financial health. When they do, everyone benefits – customers, companies, employees, and the economy. Now, we all must continue to step up and build on this momentum because none of our customers are immune to financial challenges," said Rochelle Gorey, SpringFour Co-Founder and CEO.

About SpringFour

SpringFour is a Certified B Corporation and social impact fintech focused on bringing financial health resources to consumers through innovative call center and direct-to-consumer digital solutions. In 2020, SpringFour provided more than 3.2 million referrals to over 20,000 local nonprofit and government resources to help consumers improve cash flow, payment performance, and financial wellness. Please visit <https://springfour.com>.

About Elevate

Elevate (NYSE: ELVT), together with the banks that license its marketing and technology services, has originated \$9.0 billion in non-prime credit to more than 2.5 million non-prime consumers to date and has saved its customers more than \$8.2 billion versus the cost of payday loans. Its responsible, tech-enabled online credit solutions provide immediate relief to customers today and help them build a brighter financial future. The company is committed to rewarding borrowers' good financial behavior with features like interest rates that can go down over time, free financial training and free credit monitoring. Elevate's suite of groundbreaking credit products includes RISE, Elastic and Today Card. For more information, please visit <http://www.elevate.com>.

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