

We are pleased to share findings from our latest Trends in Consumer Mobility Report, exploring emerging payments trends – specifically person-to-person payment technologies (P2P) that allow consumers to send money to others via their mobile device.

This spring's report finds the exchange of funds through P2P is the new social 'norm', ultimately replacing the IOU. While millennials are spearheading the charge of adoption, use spans generations, genders and lifestyles. This growth is expected to increase drastically in the coming months, with its real-time speed, social use and new offerings as the top reasons to start using the service.

Beyond where, when and how consumers are using P2P, the survey gauges payment etiquette among social circles for sending and receiving requests, and the forward-looking implications on how it's changing the construct of the financial landscape. Due to its widespread growth, Americans increasingly question if the youngest members of Generation Z will grow up in a world without cash, checks and cards in their traditional form.

At Bank of America, we recognize the importance of an open, real-time payments experience and how the advent of new technologies will transform the pace of money to make customers' financial lives better. Earlier this year, we were among the first institutions to introduce the ZelleSM experience into our mobile app for our 22 million active mobile customers, and we look forward to continuing to innovate beyond our four walls to better anticipate customers' needs in this rapidly evolving space.

Methodology

Convergys (an independent market research company) conducted a nationally representative, panel sample online survey on behalf of Bank of America March 20 - April 1, 2017. Convergys surveyed 1,005 respondents throughout the U.S., comprised of adults 18+ with a current banking relationship (checking or savings), and who own a smartphone. An additional 407 panelists were surveyed that also use a person-to-person payments service. The margin of error for the national sample of n=1,005 is +/- 3.1 percent, and the margin of error for the person-to-person payments oversample where n=407 is +/- 4.9 percent, with each reported at a 95 percent confidence level.

Generational Breakdowns

- Millennials: Ages 18-34
 - Younger millennials: Ages 18-24
 - Older millennials: Ages 25-34
- Gen Xers: Ages 35-52
- Baby boomers: Ages 53-71
- Seniors: Ages 72+

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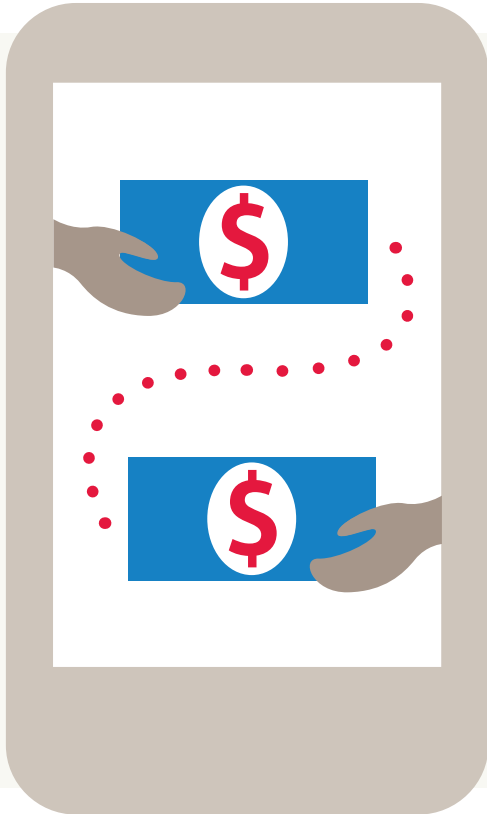
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P2P payments the new social 'norm'



Adoption of P2P is strong across all generations. Millennials currently lead the charge, nearly doubling the usage of their generational counterparts.

Total respondents



Millennials



Gen Xers



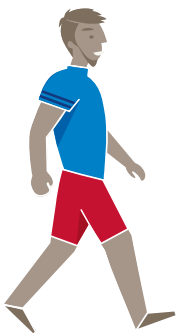
Baby boomers



Seniors



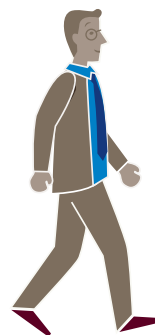
For those who do not currently use P2P, 2017 is THE year, as nearly half predict they'll use the service in the coming months. Baby boomers and Gen Xers are the most likely to do so.



Millennials



Gen Xers



Baby boomers

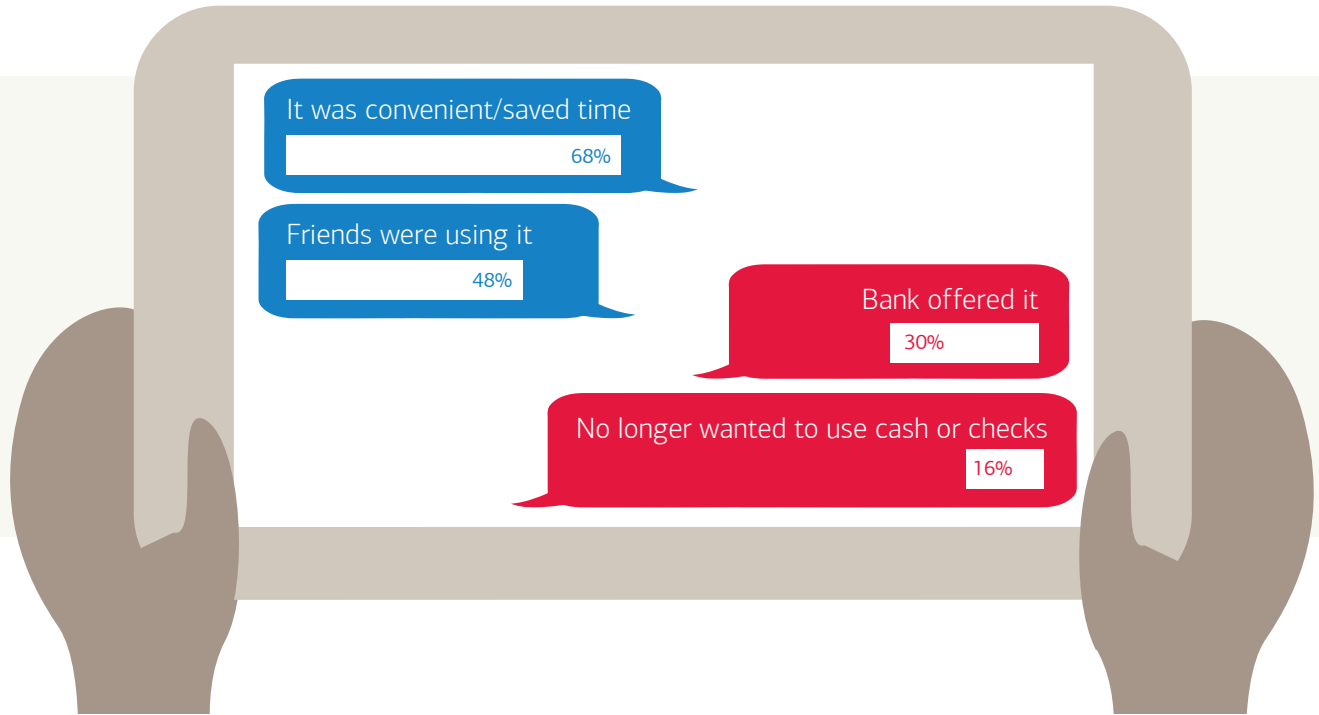


Seniors



Time is top of mind

Time savings and peer influences top the list of motivations to use P2P.

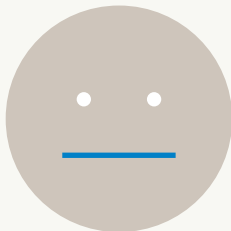


The majority of today's users feel overwhelmingly positive about their P2P experience.

In using P2P, I feel...



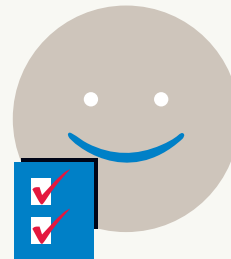
Efficient
53%



Normal
38%



Tech-savvy
30%



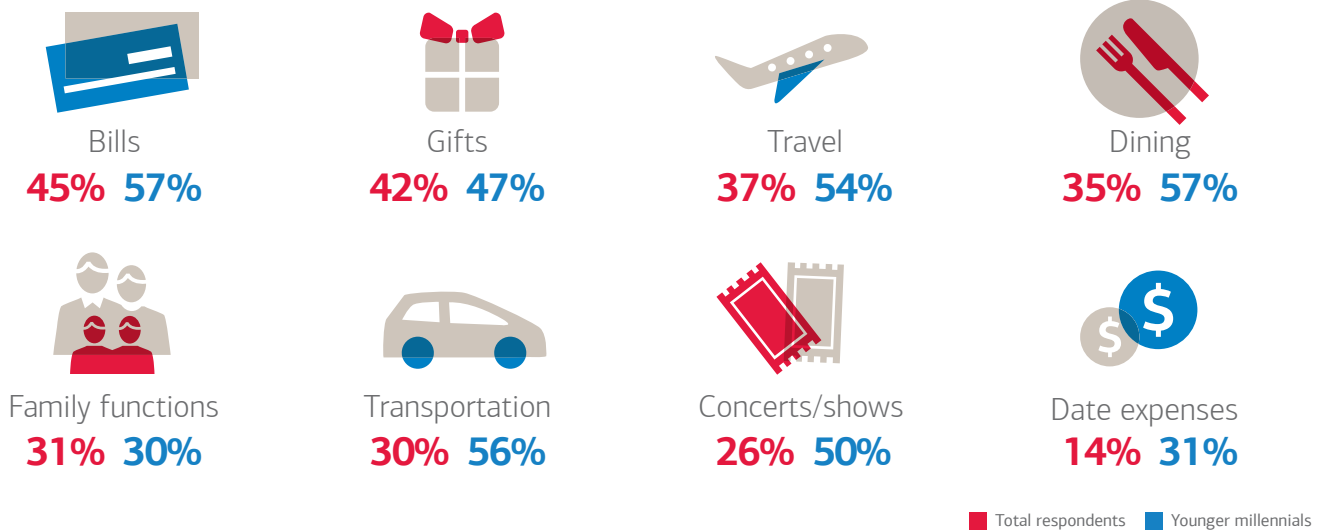
Organized
27%



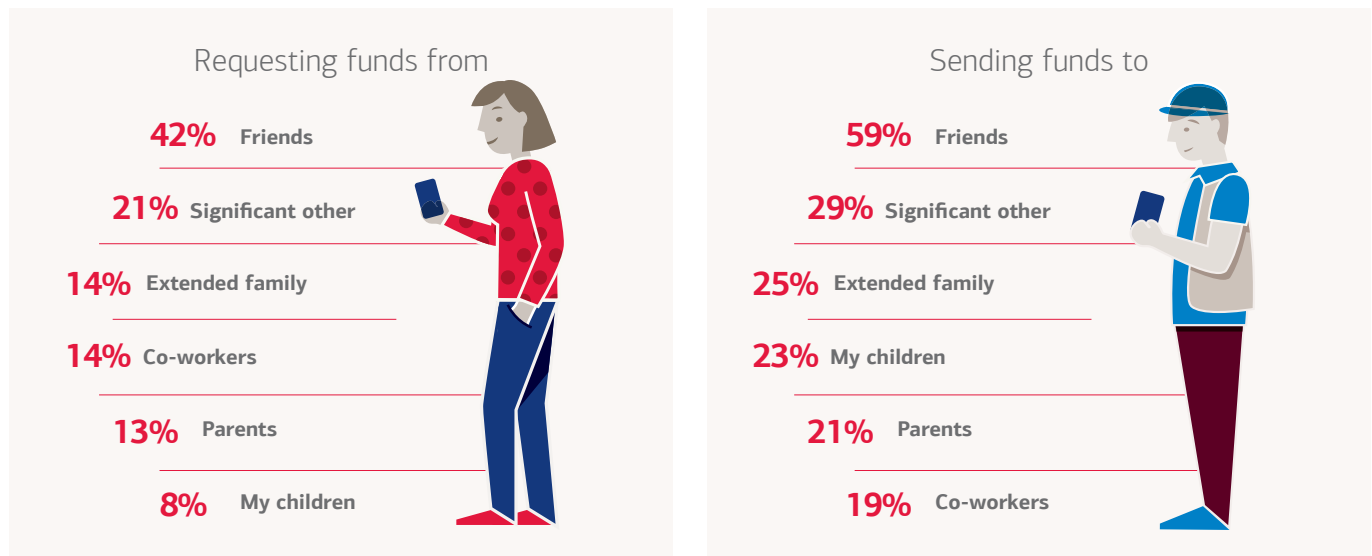
Confident
25%

Friends and funds do mix

When it comes to what people use P2P for, practicality tops the list with shared bills, closely followed by shared expenses for gifts and travel. Overall, younger millennials are the most active P2P users.



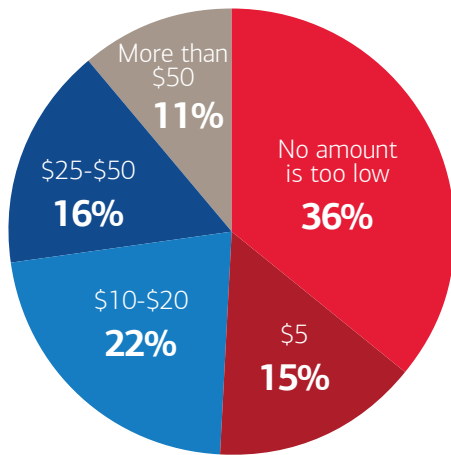
Consumers are most likely to use P2P with friends, their significant other and extended family.



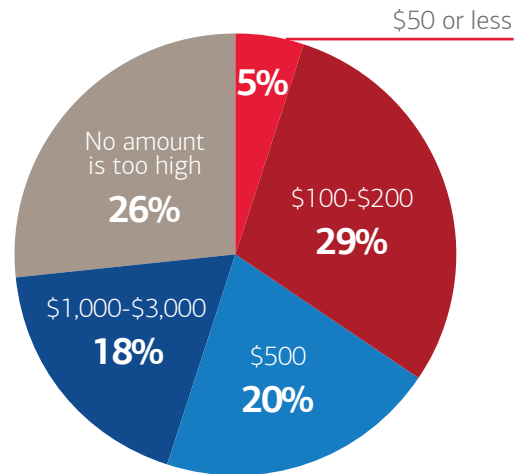
No P2P request is “off limits”

The majority of users believe requesting a payment from others of \$5 or under is socially acceptable. In sending payments to others, nearly half would be comfortable sending \$1,000 or more.

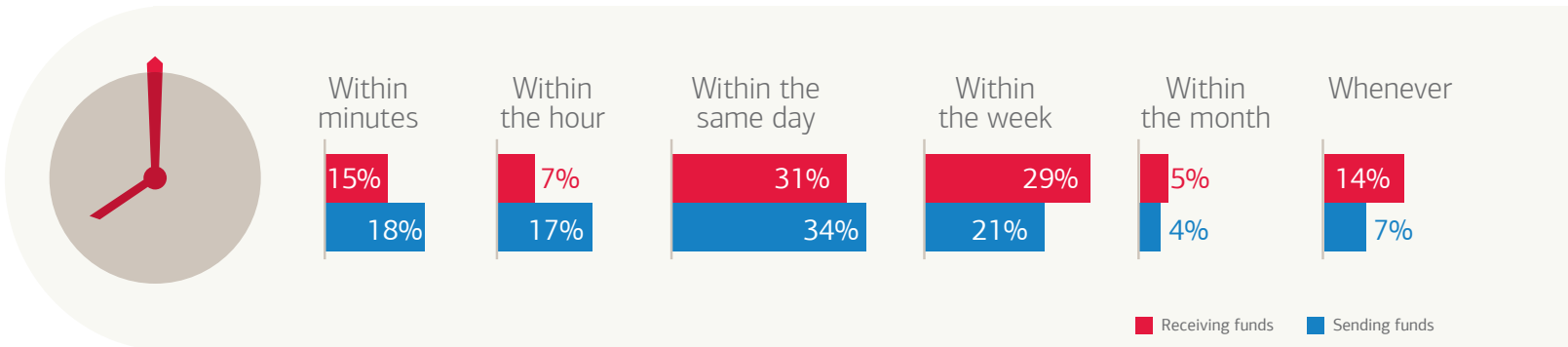
What is the lowest amount of money you would request from others using P2P?



What is the highest amount of money you would be comfortable sending to others using P2P?



Users are mindful of the real-time nature of P2P, as the majority pay others back within the same day. Their expectations of others are similar, with most wanting to be paid back within 24 hours.

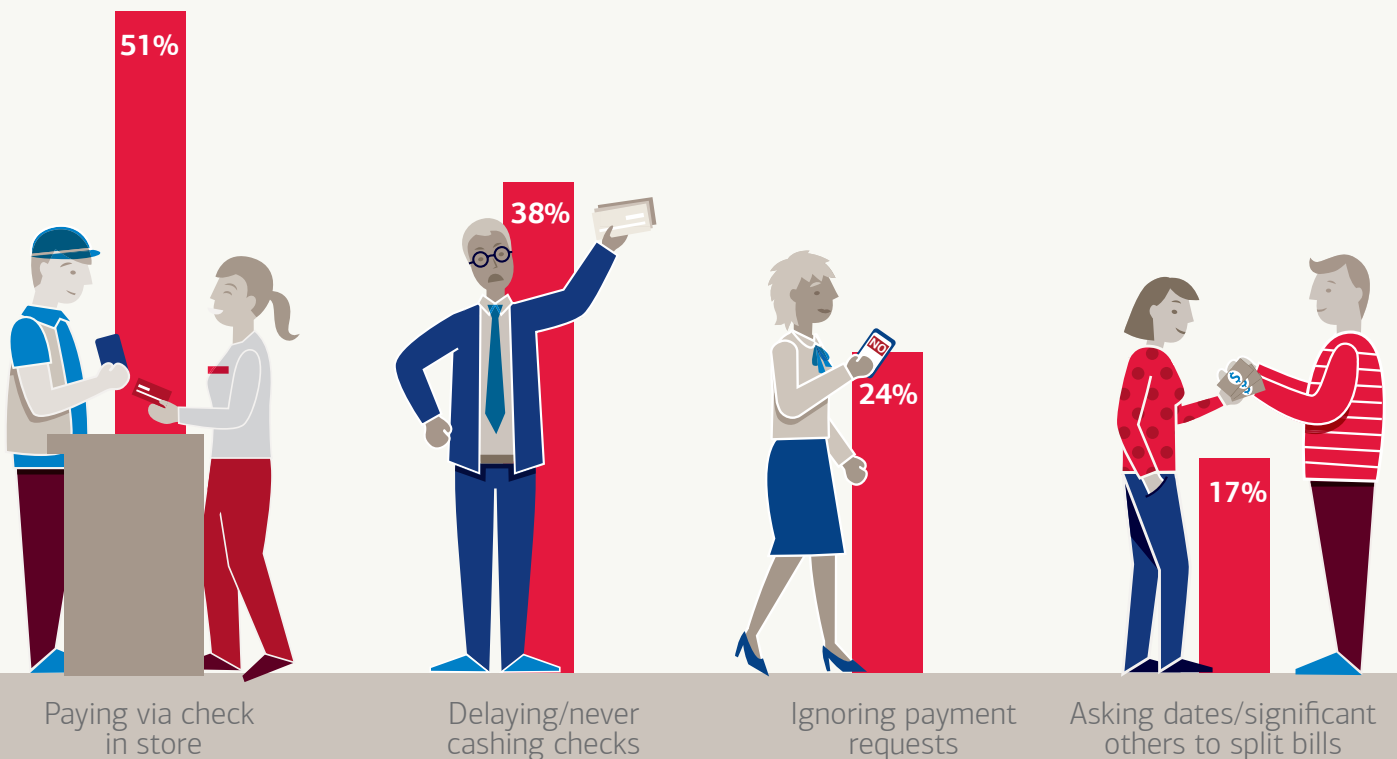


Predicting a world without physical currency

Many believe children under the age of 10 will never use cash, checks or credit cards in their traditional form.



When asked about others' most annoying payments habits, checks cause the most frustration.



The Convergys survey results conducted on behalf of Bank of America and interpretations in this release are not intended, nor implied, to be a substitute for the professional advice received from a qualified accountant, attorney or financial advisor. Always seek the advice of an accountant, attorney or financial advisor with any questions you may have regarding the decisions you undertake as a result of reviewing the information contained herein. Nothing in this report should be construed as either advice.

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