



SNAP STUDY



Closing the credit gap: Financial wellness

Insights to move you and your money forward

April 2026

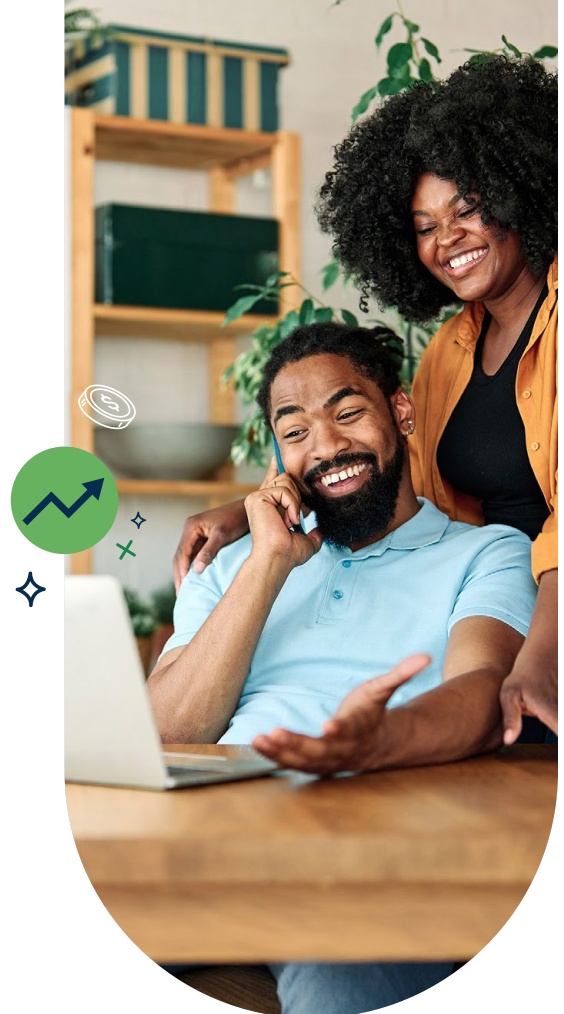


How credit shapes financial wellness

Financial wellness isn't always determined by how much money you have. It's about the ability to confidently manage your day-to-day finances, handle unexpected expenses, and make progress toward your long-term goals.

In a recent Snap Finance survey, we asked consumers with credit scores above and below 670 about their financial habits, choices, and challenges. The results reveal important differences in how people experience and manage their money.

Whether you're working to build or rebuild your credit – or simply want to learn more about finances – these insights can help you better understand your current situation and the role credit plays in financial decisions.



Highlights

- 1 Understanding the impact of credit on personal finances
- 2 Exploring how financial tools shape financial wellness
- 3 Mastering strong day-to-day money habits
- 4 Setting and reaching financial goals for long-term success

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Understanding the impact of credit on personal finances

Financial wellness starts with stability, confidence, and access to the tools that help you manage your money today while planning for your future.

One of the biggest factors influencing financial wellness is access to credit. A strong credit profile can open the door to many financial opportunities – and a lower credit score can close them.

If you're feeling stressed about money or your credit score, you're not alone. **Nearly a third (29%) of all U.S. consumers have a FICO® score below 670,¹** which can be a roadblock to traditional financing and getting what you need.



Keep tabs on your credit

Get a **free credit report** every 12 months from the major credit bureaus through AnnualCreditReport.com.

Checking your own credit won't affect your score.

Key demographics of consumers with credit scores below 670



7% are Gen Z



25% are millennials



36% are Gen X



32% are boomers or older



64% have household income below \$50K



34% own their home



36% are employed full-time



25% have a college degree

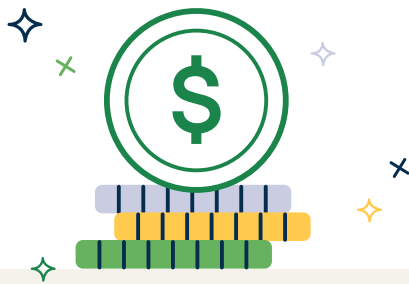


35% are married

Why financial stability matters

When your finances feel shaky, it creates stress and uncertainty. Worrying about whether you can cover bills, handle an emergency, or keep up with payments makes it difficult to plan or make important financial decisions.

Our study found that among those with lower credit scores, **58% described their current financial situation as unstable or very unstable**, compared to 13% of those with higher scores.



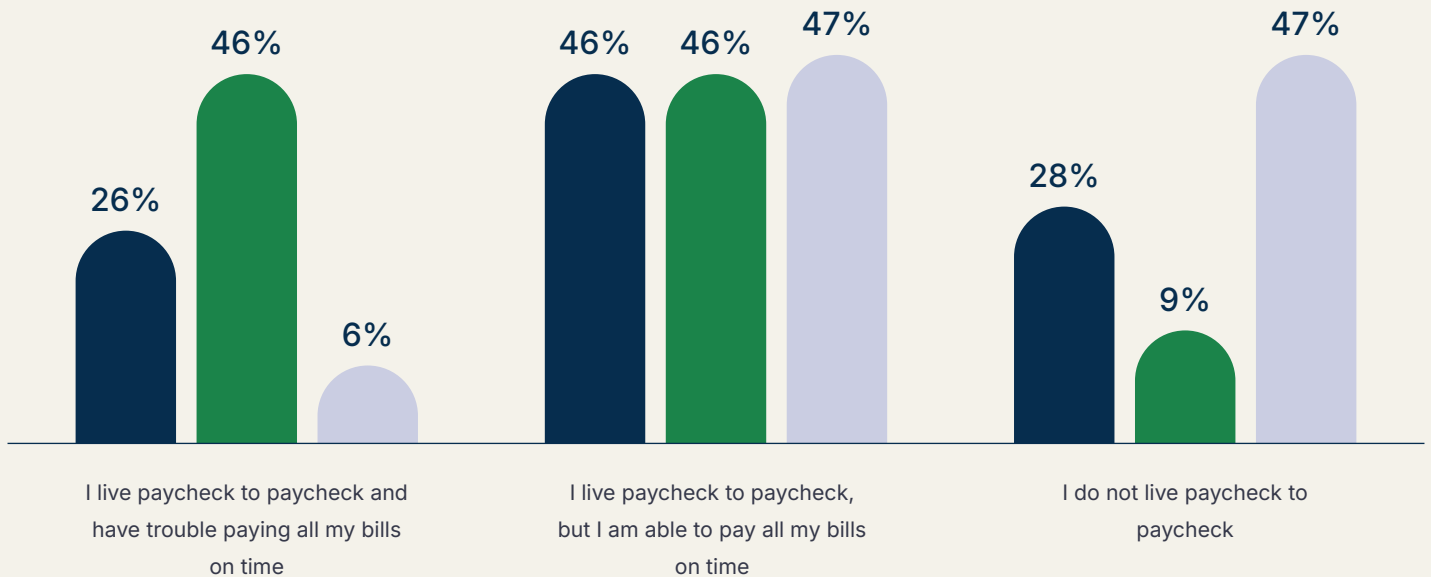
The reality of living paycheck to paycheck

Does it feel like your paycheck is already spent before it hits your account? That's the all-too-common reality of living paycheck to paycheck. To make it work, you have to know exactly when money is coming in – and how much – and when it needs to go out. There's little room for error.

It's a common situation. Among those with lower credit scores in our study, **91% said they live paycheck to paycheck**, compared to 53% of those with higher scores. That often impacts the ability to pay bills on time, especially for those with credit challenges. Among those with lower credit scores who live paycheck to paycheck, almost half have trouble paying all their bills on time.

Paycheck-to-paycheck status

Legend: Total (Dark Blue), Credit score below 670 (Green), Credit score 670+ (Light Purple)



When money goes out as quickly as it comes in, households often make tough decisions to get by. Compared to those with higher credit scores, credit-challenged consumers were more likely to have skipped or delayed a payment or bill, borrowed money from family or friends, put off auto repairs, delayed medical or dental care, or applied for government assistance in the past 12 months.



Top financial actions taken due to personal finances or the economy

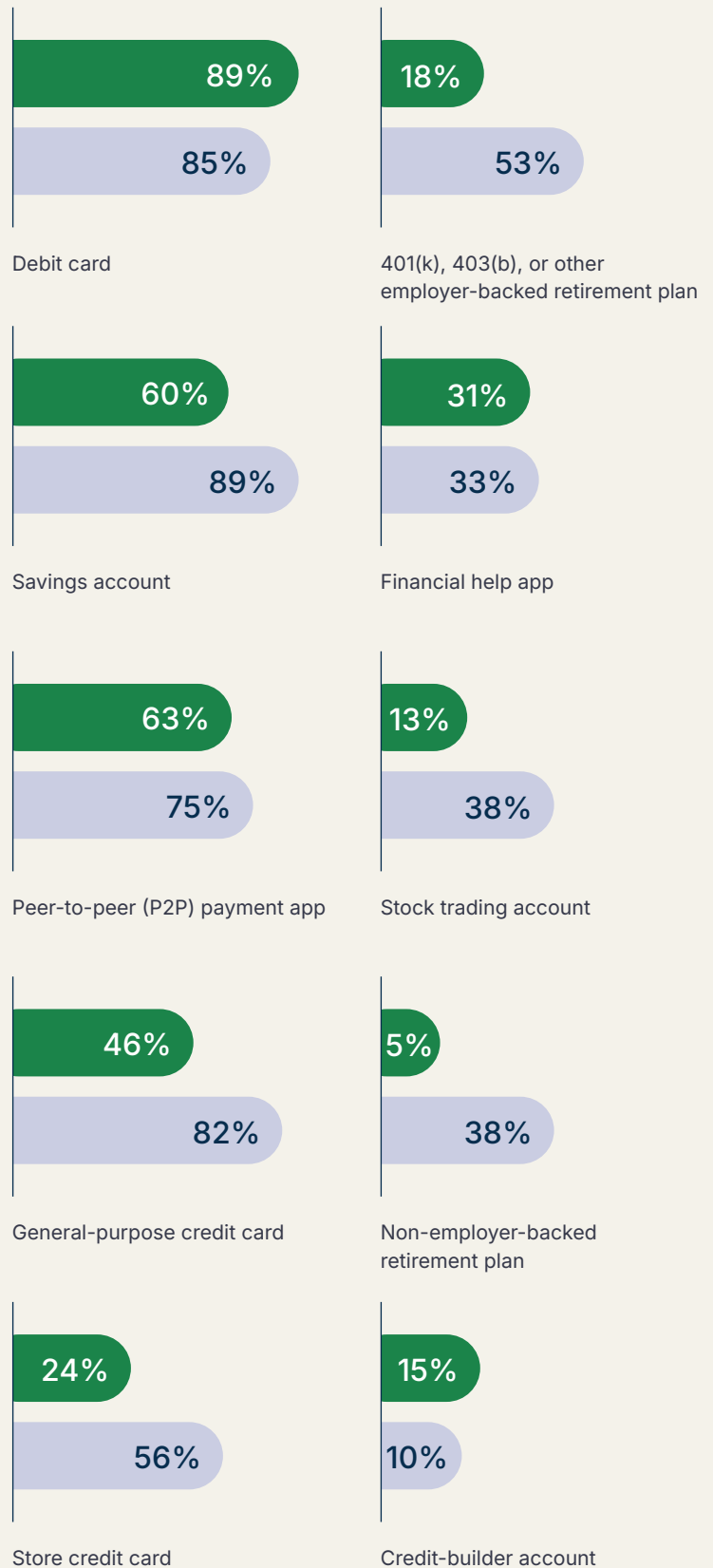
(In the past 12 months among those with credit scores below 670)

- 1 45% skipped or delayed a payment or bill
- 2 39% borrowed money from family or friends
- 3 33% took money out of savings for expenses
- 4 28% delayed auto repairs
- 5 25% delayed dental care
- 6 23% applied for government assistance
- 7 20% delayed home repairs
- 8 19% delayed medical care
- 9 17% took out new loans or used financing for expenses
- 10 8% moved in with friends or family



Current use of financial products

■ Credit score below 670
 ■ Credit score 670+



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Exploring how financial tools shape financial wellness

The products and services you use to manage your money, from your primary bank account to credit cards, play an important role in your financial health. The right tools can make it easier to save, manage spending, and build credit. But our research shows a significant divide in the financial products and services people currently have, based on their credit.

For example, those with lower credit scores are much less likely to have savings accounts, general-purpose credit cards, retirement plans, and investment accounts than those with higher scores. Consumers across the credit spectrum use financial help apps, such as Credit Karma, CreditWise, and Rocket Money, at similar rates. However, app usage is more popular among Gen Z (37%) and millennials (40%), compared to older generations.



The credit card access gap

Credit challenges can make it difficult to be approved for a credit card. Among those with lower credit scores, **only 46% have a general-purpose credit card, compared to 82% of those with higher scores.**

“Credit-builder” cards, which are specifically designed to help users establish or repair their credit history, have become increasingly popular. Close to half (42%) of credit-challenged consumers who have credit cards said their card was marketed as a way to help build or repair credit. Our study found these accounts are especially popular among Gen Z and millennials.

A new era of banking

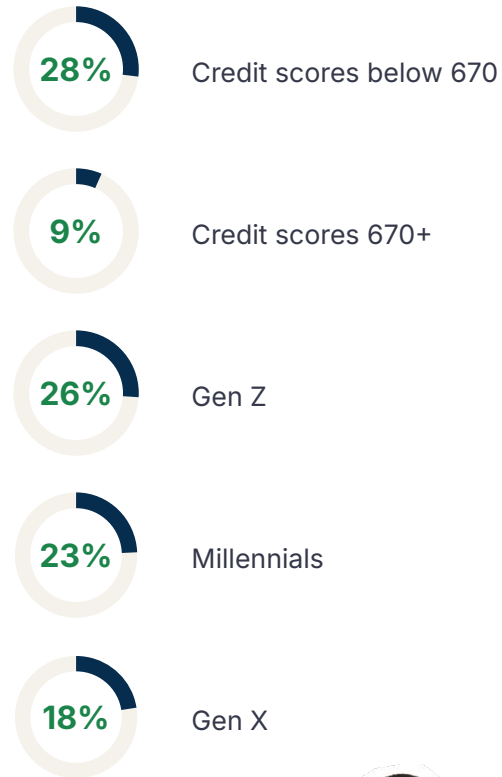
Trust is a major factor in where people choose to manage their money. Many consumers with credit challenges told us traditional banks and credit card companies don't understand their real-life financial situation.



31% of those with lower credit scores feel traditional banks and credit card companies don't understand their needs

That sentiment has fueled a significant shift toward nontraditional, digital-only financial institutions, especially among younger generations who are accustomed to managing their lives through apps.

Use of nontraditional digital-only banks

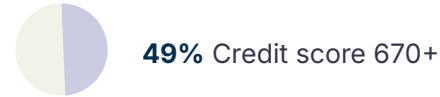
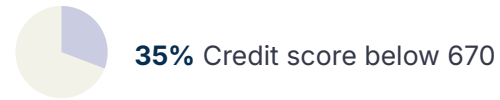


The savings divide and why it matters

Living without savings means there's no buffer against emergencies and unexpected expenses – and no foundation for meeting future goals, including retirement.

Among those with lower credit scores, most (78%) agree it's **getting harder to save**. Although 60% have savings accounts, many didn't open their first accounts until later in life, which means missing out on years of habit-building and compound interest to help money grow over time.

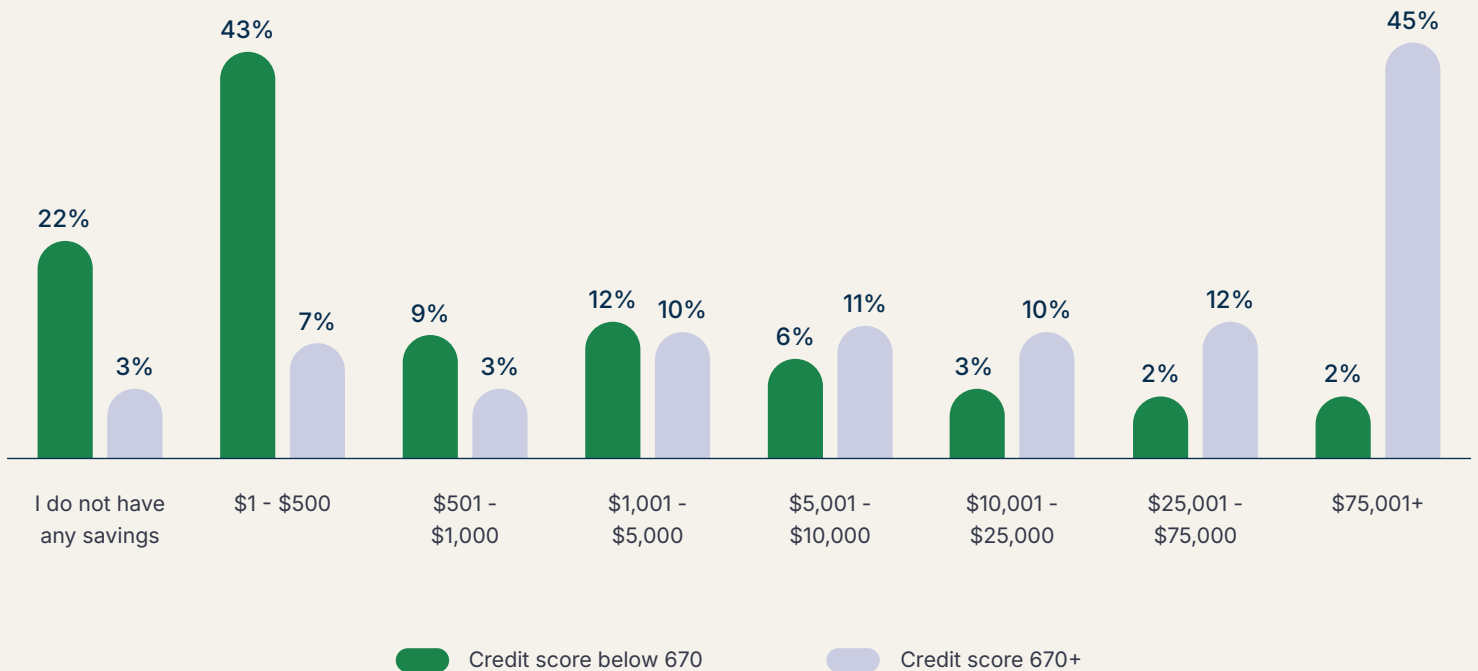
Opened first savings account before age 18



65% of those with lower credit scores have **\$500 or less in savings**, including **22%** who have no savings

Money set aside in savings

(Combined savings in all accounts)





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Mastering strong day-to-day money habits

Building good money habits is where financial wellness begins, including making intentional decisions about how you earn, spend, save, borrow, and plan for your future.

Comfort managing finances tends to increase with age – 73% of boomers and older and 70% of Gen X said they’re somewhat or very confident handling their finances, compared to 55% of Gen Z and 69% of millennials.

Building a budget

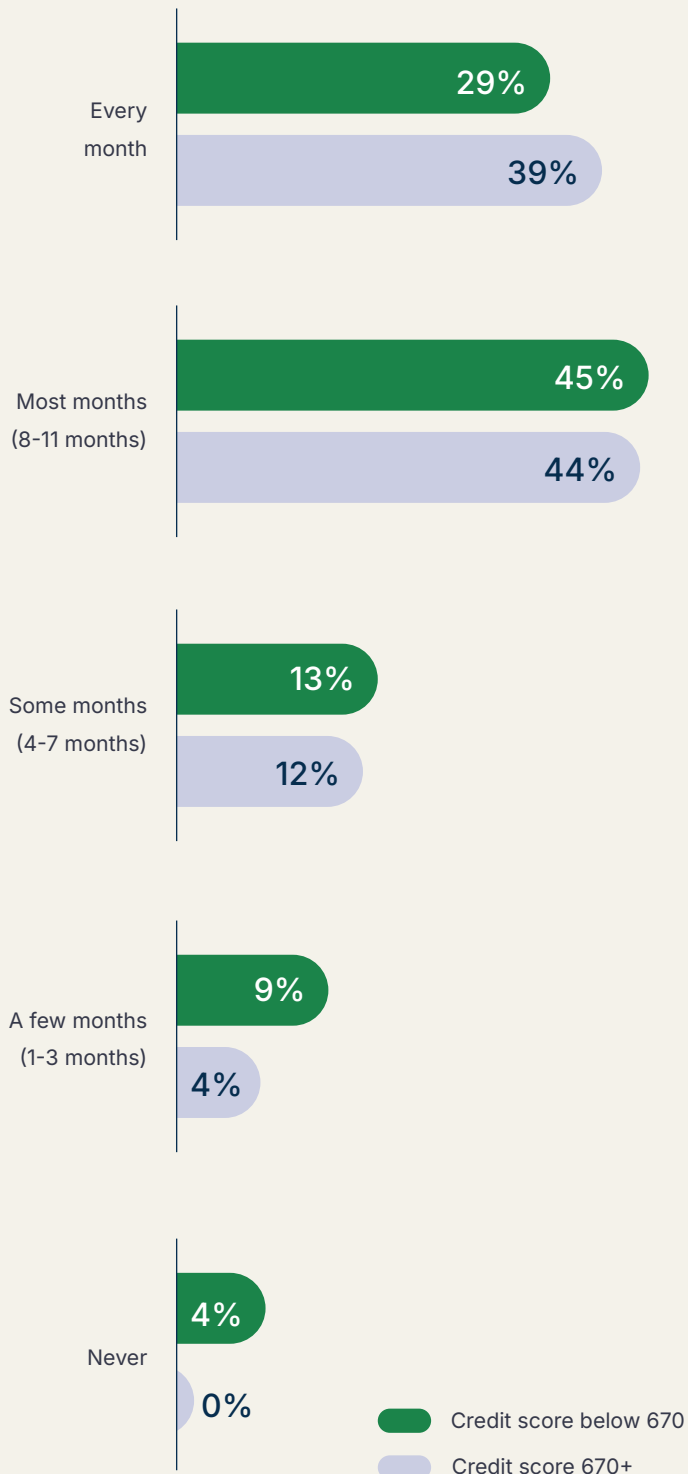
Creating a budget is an important step toward taking control of your money. About half of all consumers (54%) report having a budget or spending plan. However, the real challenge isn’t creating a budget, it’s following it, especially if you have credit challenges. Our study found those with higher credit scores are much more likely to stick to their budget every month.

58% of those with lower credit scores are confident in managing their finances, compared to 80% of those with higher scores



Frequency of following a monthly budget

(Among those who create a budget)



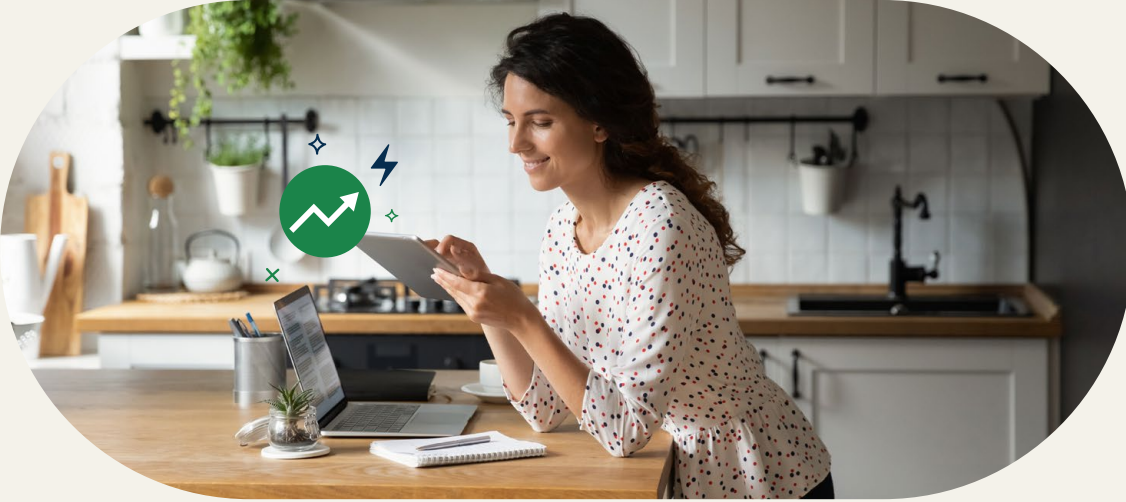
Paying bills

Especially for those with credit challenges, keeping up with payments can be a significant hurdle. Among those with lower credit scores, **8% never pay their bills on time.**

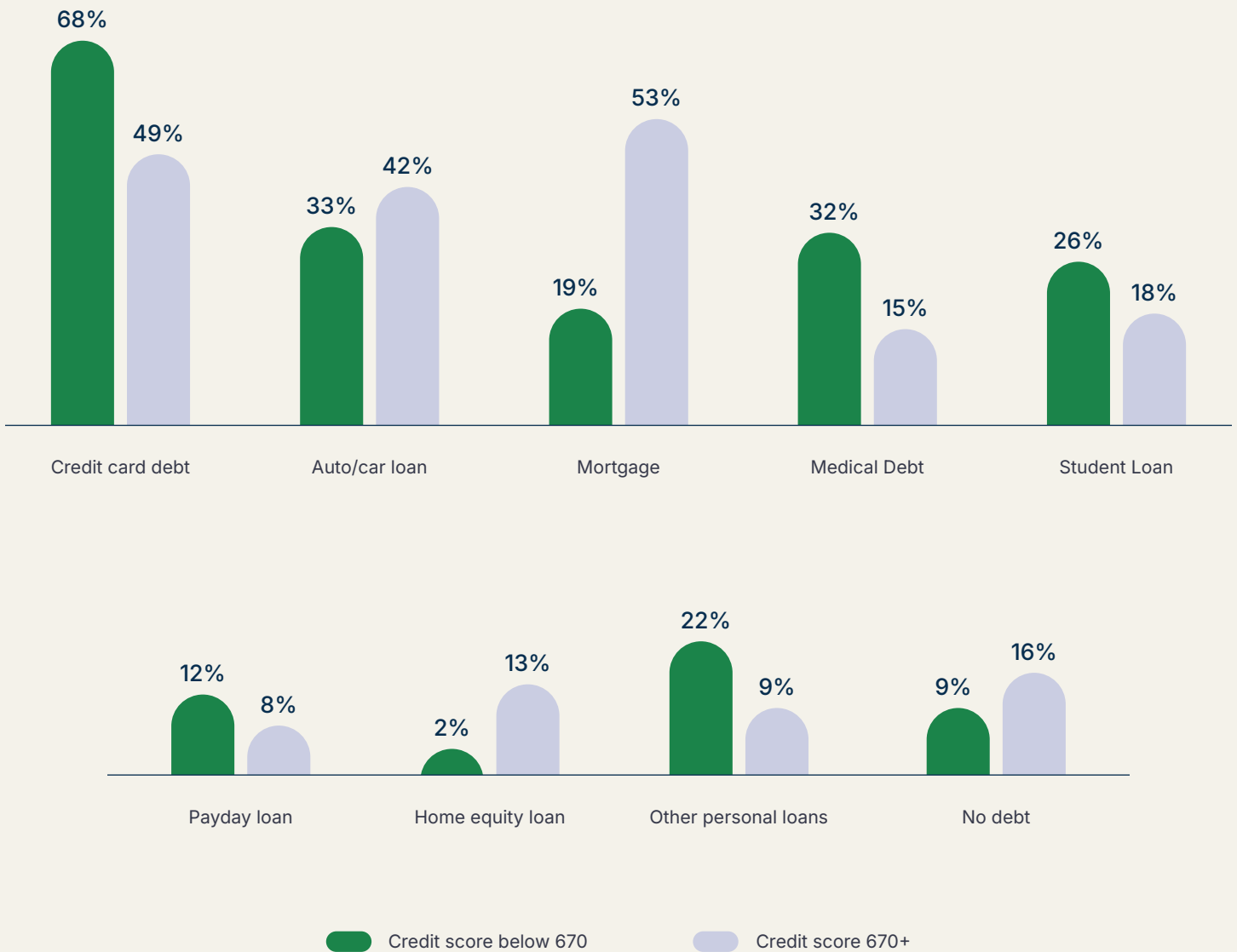
35% of those with lower credit scores **paid all their bills on time** each of the past 12 months, compared to **79%** of those with higher scores

Paying credit card balances

How often do people pay their credit card balances in full? Among those with lower credit scores who have a credit card, **50% never paid off their balance in full over the past 12 months**, compared to 11% of those with higher scores.



Types of household debt





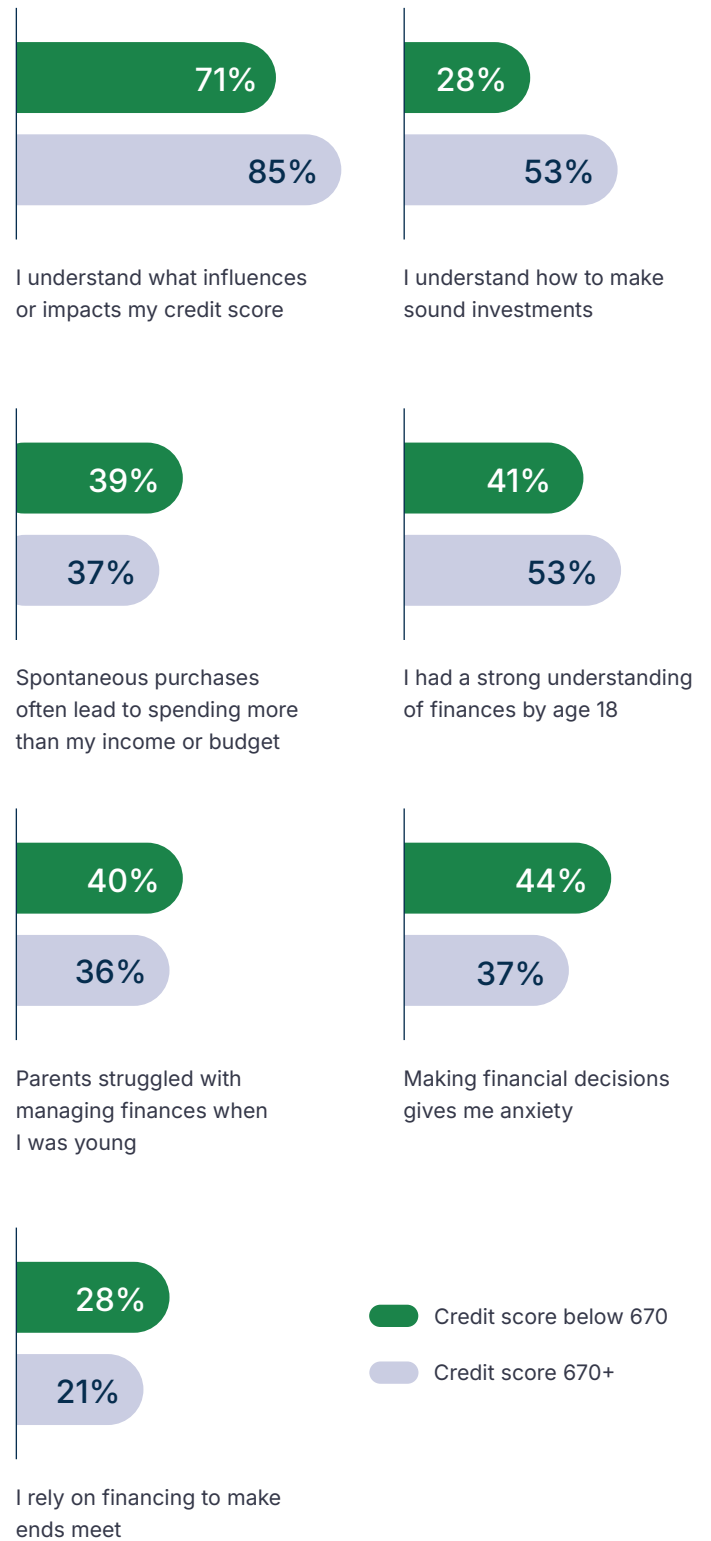
Assessing financial literacy and attitudes

Why can managing money seem so difficult? For many, it comes down to a lack of financial education. Among those with lower credit scores, **58% said they were very or somewhat knowledgeable about their finances**, compared to 77% of those with higher scores.

Understanding how credit works is a key part of financial wellness, yet many consumers with credit challenges say they're unclear about what makes their credit score go up or down. Without that understanding, it's harder to know the steps to improve credit. The same gap shows up in investing, where uncertainty about risk, returns, and long-term growth can stop consumers before they start.

By contrast, **consumers with stronger credit are much more likely to say they had a solid understanding of finances by the time they were 18**. Whether through family, school, or personal experience, learning early about budgeting, saving, credit, and investing can build habits and confidence that carry into adulthood.

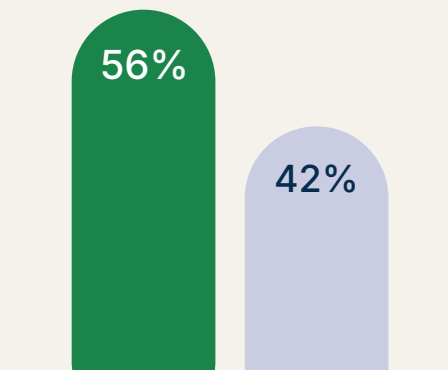
Attitudes about personal finance



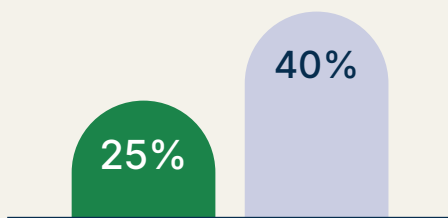
Learning about money and personal finances

What stops people from learning about finances? Many say managing money is confusing and overwhelming – and don't have the time or money to learn more. Among all consumers, **49% said they feel overwhelmed by the idea of learning more about their finances**, 32% said they lacked time and 20% said they lacked the money to learn more.

Top barriers to learning about finances



Overwhelmed and don't know where to start



Don't have time



It costs money



■ Credit score below 670
■ Credit score 670+

Using financial education tools and resources

To overcome these barriers, people turn to several financial tools and resources to get the information they need. Financial management apps have become a go-to resource, especially for those with lower credit scores.

✦
 ✕ **23% of all consumers use AI search to help manage money or learn more about finances, led by about a third of Gen Z and millennials**



The biggest gap? Those with higher credit scores are much more likely to use a financial advisor or manager from a financial institution (44%), compared to just 14% of those with lower scores.



Top tools used to learn about finances

(Among those with credit scores below 670)

- 1 Financial management apps
- 2 Advice from family and friends
- 3 Financial help/explainer videos
- 4 AI search
- 5 Financial education websites/blogs
- 6 Financial advisor or financial institution manager
- 7 Financial podcasts or radio programs
- 8 Financial influencers on social media
- 9 Computer programs or software
- 10 Financial management books



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Setting and reaching financial goals for long-term success

Even with daily challenges, many people are focused on building a better financial future. Setting goals can make managing money feel more purposeful and rewarding, giving you direction and keeping you motivated to take the next steps toward the life you want.

For those with credit challenges, their top goals are practical and tied to relieving current pressures: reducing credit card debt, improving their credit or credit score, and increasing their income.



Top financial goals

(Among those with credit scores below 670)

- 1 Reduce or eliminate credit card debt
- 2 Improve credit or credit score
- 3 Increase income
- 4 Reduce or eliminate debt (other than mortgage, student loans, or credit card debt)
- 5 Save for retirement
- 6 Buy a car
- 7 Save for or buy a new home
- 8 Pay off mortgage
- 9 Invest more
- 10 Pay or save for a vacation



Confidence as a barrier to progress

What are your financial goals? Maybe you want to pay down debt, improve your credit, and build a more financially stable future.


But wanting progress and believing you can achieve it are two very different things.

While many are actively planning their next financial move, our study found far fewer feel certain they'll reach the finish line. That disconnect between intention and confidence is where progress often stalls.

This gap in confidence can be just as limiting as financial barriers. When confidence is low, goals feel further away. Momentum slows, and small setbacks feel bigger than they are.

The good news? Confidence doesn't come from one giant leap – it builds through small, measurable wins. Paying off one small debt. Raising a credit score by 20 points. Finding a way to earn an extra \$50 a month.

With the right tools, strong support, and a plan built around progress not perfection, it's possible to close the credit gap and build a more secure financial future, one step at a time.



Only 46% of those with lower credit scores feel confident they will reach their financial goals

About this survey

Snap Finance's proprietary research on credit-challenged consumers was conducted in January 2026 through Accelerant Research's Agora panel with 1,000 U.S. adults who are household financial decision makers. Respondents' answers were categorized by their self-identified credit scores above or below 670.

Snap-branded product offering includes retail installment contracts, bank installment loans, and lease-to-own financing. Talk with your local Snap merchant for more details on which product qualifies at your store location. For more detailed information, please visit snapfinance.com/legal/financing-options.

¹ Horymski, Chris. "What Is the Average Credit Score in the US?" Experian, August 8, 2025.