

# Block delivers strong Q1, hails Cash App's growth potential

Article

**By the numbers:** Block's gross payment volume (GPV) surged 31% year over year (YoY) in Q1, hitting \$43.5 billion, per its shareholder letter. GPV growth accelerated slightly from the same period last year (+29% YoY) but slowed from last quarter (+45% YoY).

**More on this:** Cash App came up repeatedly during Block's earnings call, and we expect the number of US Cash App users to increase 15.3% YoY and hit 47.8 million in 2022—slower

than last year's 22.1% YoY growth.

Here are some of our key takeaways from Block's earnings call regarding Cash App growth.

**Strong user engagement.** Monthly active users averaged 21 transactions across Block's ecosystems, and March had the strongest monthly Cash App engagement, CFO Amrita Ahuja said on the earnings call. Increased adoption of the Cash App card and direct deposits fueled growth for the peer-to-peer (P2P) payments app. Block also wants to create more family engagement on Cash App—it started letting teens [use](#) the app in November.

**Tighter Afterpay connections.** Block wants greater synergy between the Afterpay and Cash App ecosystems, which CEO Jack Dorsey said can add a lot of power and value for both sellers and customers. During "early experiments," **monthly active Cash App users sent more than 350,000 leads to Afterpay sellers** in Q1, per Dorsey.

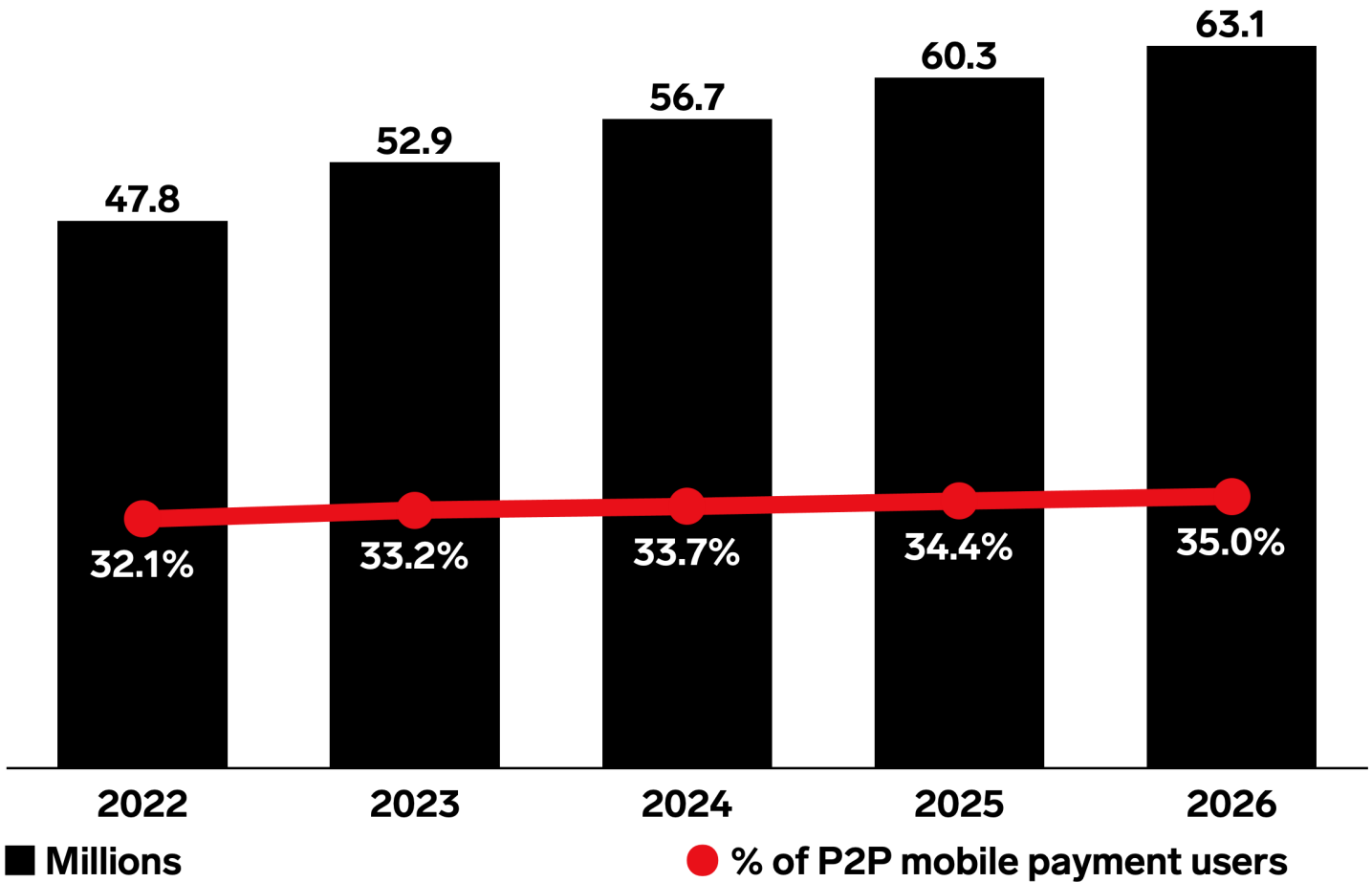
**Bitcoin capabilities.** Dorsey said **more than 10 million Cash App users have bought Bitcoin** since the service first launched in 2018. The asset is a core element for Block, which recently launched two new capabilities to [simplify](#) Bitcoin investing on Cash App. Block also started letting Cash App users send and receive Bitcoin to compatible external wallets via the [Lightning Network](#).

**What's next?** Block executives called out two growth opportunities for Cash App.

- **Social integrations.** Dorsey noted the potential for stronger social components for Block—and more specifically Cash App. Last quarter, he [said](#) the firm was experimenting with integrations like a search function that lets Cash App users discover BNPL offers and Afterpay merchants. The firm could also embed more social elements into Cash App, like what **Venmo** offers with its payment feed.
- **Global expansion.** Block already lets Cash App users send money between the UK and US, but it may expand the service to other markets, like Spain. Dorsey called out Block's acquisition of Spanish P2P payment app **Verse**, saying that Block would use Verse to inform its next moves.

# Cash App Users and Penetration

US, 2021-2025



*Note: Ages 18+; mobile phone users who have made at least one peer-to-peer (P2P) transaction through Cash App using a mobile device in the past month. A mobile P2P payment is a transfer of funds from one individual to another individual using a mobile device. Includes transactions made via mobile browser or applications developed by non-bank providers like Venmo, Cash App, Google Pay, and Facebook Messenger and transactions made via mobile banking websites and applications developed by banks like Zelle; excludes both peer-to-peer cross-border transactions and peer-to-merchant transactions.*

Source: eMarketer, March 2022

Methodology: Estimates are based on the analysis of the market presence of major mobile payment players; estimates from other research firms; and consumer smartphone, mobile payment adoption and retail spending trends.

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