

# Block wants to attract older, wealthier Cash App users but risks putting all its eggs in one basket

Article

**The news:** Block is targeting an “older, higher net-worth audience,” according to CEO Jack Dorsey.

The peer-to-peer (P2P) payment service is becoming more popular with the demographic, but only 18% of upper-income adults use Cash App, according to Pew Research Center. They want more options for how to use their money on the app, Dorsey said at a JPMorgan Chase investor conference, per Payments Dive.

### Why widening appeal could work:

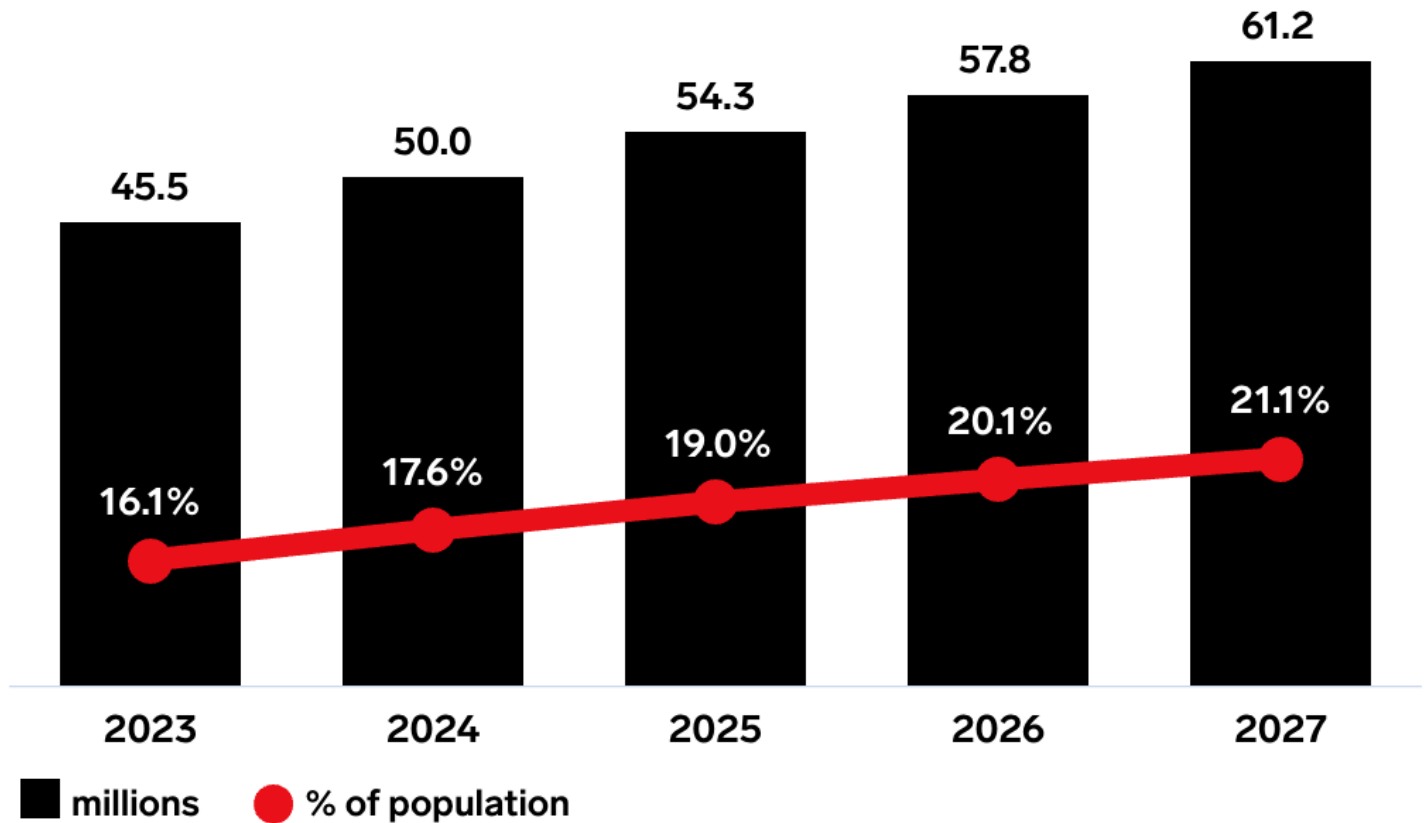
- Cash App's simplicity could appeal to older users who value ease of use.
- And its Family Accounts let parents monitor and control their children's card spending, which could draw in more mature consumers.
- Cash App's pivot to [being more like a bank](#) should also play to the demographic's needs: It started [letting users pay outside the Square ecosystem](#) last year and recently launched a [savings account](#).
- Block's strategy to draw new users from higher-income groups can help sustain Cash App growth and bolster revenues—wealthier users will likely make bigger purchases and move more money through the platform. And the app's expanding product suite can move it further into mainstream financial services, something that will lure users from different age groups.

### But Block has a Cash App conundrum:

- Cash App is up against stiff competition. **Zelle** and **Venmo** operate in the same space and dwarf Cash App by P2P transaction value, per [Insider Intelligence forecasts](#). Venmo has also [expanded its features](#), although it appears to be [targeting younger users](#).
- Making users view Cash App more like a bank will be exceedingly hard. Even with new services and a more established brand, reputational change will take time and meaningful investment. And given that higher-income, older consumers will already be banked, getting them to swap providers for services that they already have access to could be a tough sell.
- Block has also failed to shut down allegations that Cash App takes a "[Wild West approach to compliance](#)" and overstates user numbers. That could damage Cash App's reputation and impede growth unless Block puts those allegations to bed.
- More broadly, Block could be growing over-reliant on Cash App, given [Square's subdued Q1 performance](#). That could leave the parent company exposed if Cash App falters.

## Cash App Users and Penetration

US, 2023-2027



Note: ages 14+; mobile phone users who make a peer-to-peer (P2P) payment transaction using Cash App via mobile phone at least once per month

Source: eMarketer, April 2023

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