

Square, seeking life-long users, opens Cash App ecosystem to teens

Article

The news: Square's Cash App is now letting users 13 to 17 years of age join its platform and open a Cash Card with parental oversight—previously, Cash App was only available to users over 18, per TechCrunch.

Here's how it works: Teens who sign up for Cash App will need to have a parent or guardian authorize their account before they can make peer-to-peer (P2P) payments or apply for a

Cash Card, which is a Visa debit card tied to a user's Cash App account.

- Teens can customize their Cash Card and access features like direct deposit, ATM cash withdrawal, and Boost rewards—a program that gives users discounts when they use their cards at select retail locations.
- Teens will not be able to access Cash App features like Bitcoin buying and selling, stock investing, or cross-border payments. They also won't be able to use their card at age-restricted locations like bars.
- Parents can view all account activity and close or pause accounts at any time.

Trendspotting: Financial service providers have been targeting younger consumers by offering tailored products or enabling age-restricted access to existing products.

- For instance, **Revolut** offers [Junior](#) bank accounts and cards for children as young as six years old. And recently, **Apple** launched [Apple Family Card](#), an extension of the Apple Card that lets family members over the age 13 take advantage of some of the card's payment features.
- The need for differentiation and expanded reach may be what's driving the recent surge in children- and teen-focused financial services. And it may also be an attempt to capture business early on, with the hopes that these young consumers will remain in the provider's network as they age and become higher-revenue-generating customers.

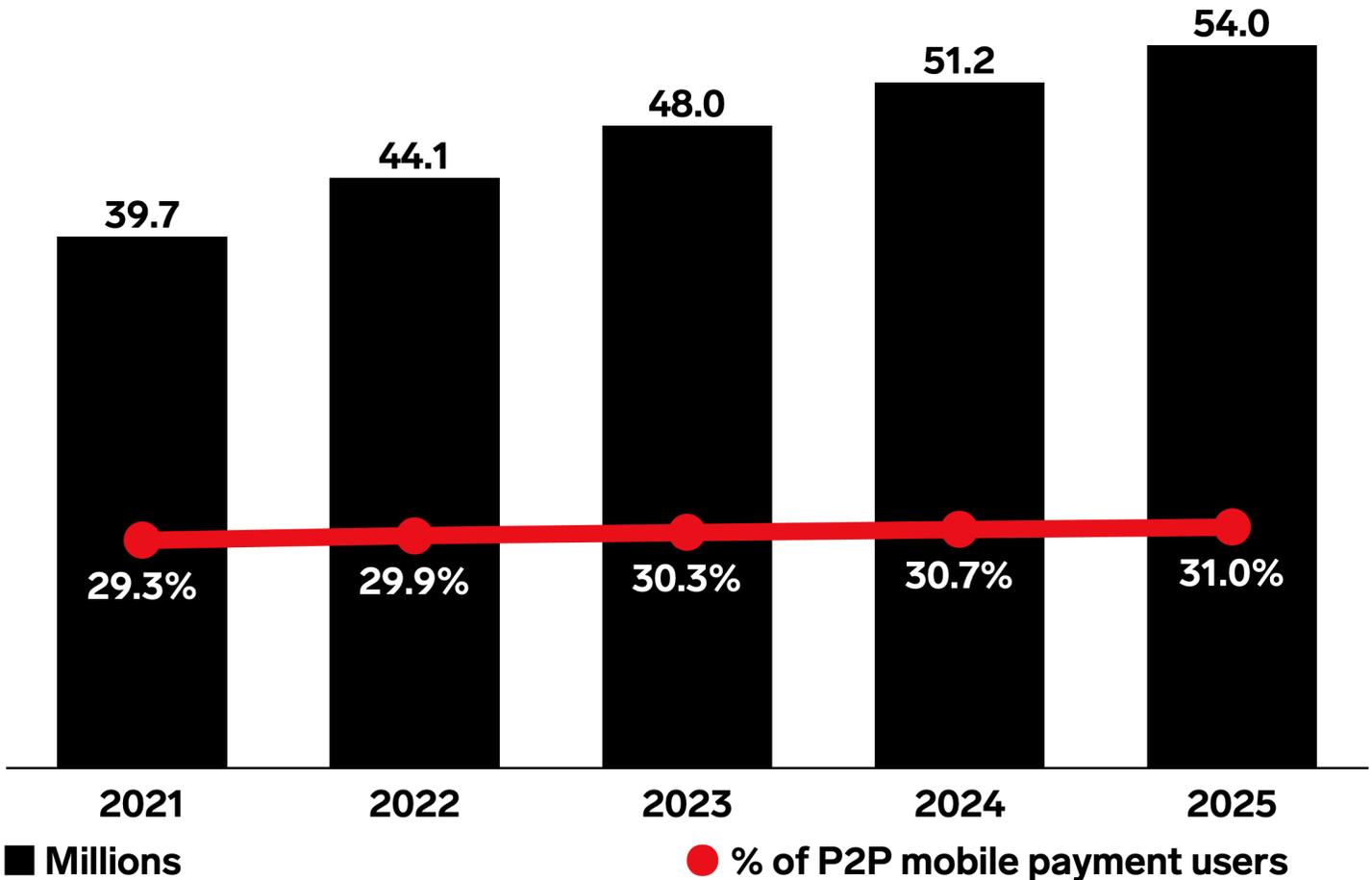
The opportunity: Opening its platform to teens extends Cash App's US addressable market by **20 million**—which is the company's estimate for the size of the teen population in the US. This can boost Cash App's user base well beyond the nearly **40 million** it's projected to hit by the end of this year, [according to](#) Insider Intelligence forecasts.

Square is extending its Cash App ecosystem at an opportune time: Gen Zers are spending more now than they did before the pandemic, [per](#) American Express—for context, this demographic [possessed](#) **\$143 billion** in spending power in 2018. Offering its Cash Card to this base can therefore help increase Square's payments volume and card revenue. And it also gives the company a bigger market share in the US P2P payments space, which is expected to hit a value of **\$785.19 billion** by the end of 2021, per [our](#) forecasts.

Related content: *Check out the [Mobile P2P Payment Spending](#) section of our [“US Mobile Payments Forecast 2021”](#) report to learn about how the industry is shifting.*

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 2021

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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