Acknowledgement of bias in the financial system is widespread, particularly among Black Americans. The majority of Black Americans report systemic bias and discrimination across all industry sub-sectors, including mortgage lenders, banks, auto lenders, credit card companies, and insurance companies.

The issue bears itself out in customer service interactions. 49% of the Latinx population and 40% of the Black population report needing to change their behavior or appearance to interact with banks (34% for the general population). A whopping 23% of Latinx Americans and 13% of Black Americans with annual incomes under $50K report being denied service altogether, compared to just 6% of white Americans in the same income bracket.

Communities of color reported systemic bias regardless of their personal financial situations – in fact, it’s worse for high income earners. 68% of Black Americans who earn over $100K annually report at least one negative experience interacting with the financial system, compared to 58% of the general Black population and 36% of high-income white Americans.

Many negative experiences of the financial system feel exploitative in nature. The top two reported negative experiences among Black Americans making $100k+ a year were being given higher rates or fees due to skin color and being asked to supply more proof of employment than necessary.

Absent fair treatment from the financial system, people of color are forced to find alternative solutions. Black and Latinx respondents report being more likely to leverage resources outside of the system, such as pawn shops and payday lending (51% of Black Americans and 47% of Latinx, vs. 31% of white Americans surveyed).

For Americans of color, the impact is palpable. 57% of Black Americans agree with the statement: “My personal finances would be better off if financial services companies treated people in my racial / ethnic community fairly”, vs. 31% of the general public. Members of Black and Latinx communities see financial goals – most notably creditworthiness, car ownership, and a comfortable retirement – as less attainable than their white counterparts. They also report outsized impacts on their mental health.