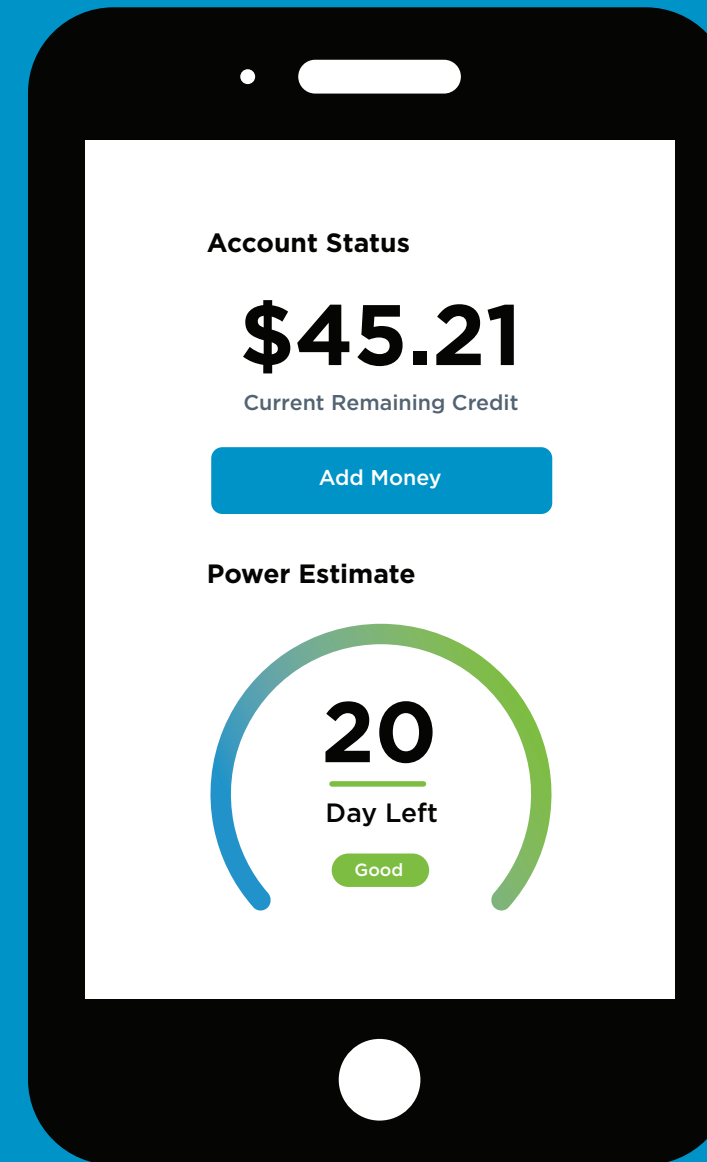


Getting to Know the Pre-Pay Customer: From Millennials to Wealthy Individuals



Pre-pay energy solutions allow utility customers to add money to their utility account before energy is used. As the power is consumed, the pre-paid balance declines.

Pre-pay appeals to diverse groups of people for a variety of reasons. Let's explore who primarily benefits from pre-pay and why.



Thank you for adding \$45.21 to your pre-pay balance. Based on your current usage, this should last you about 20 days.

Millennials

About:

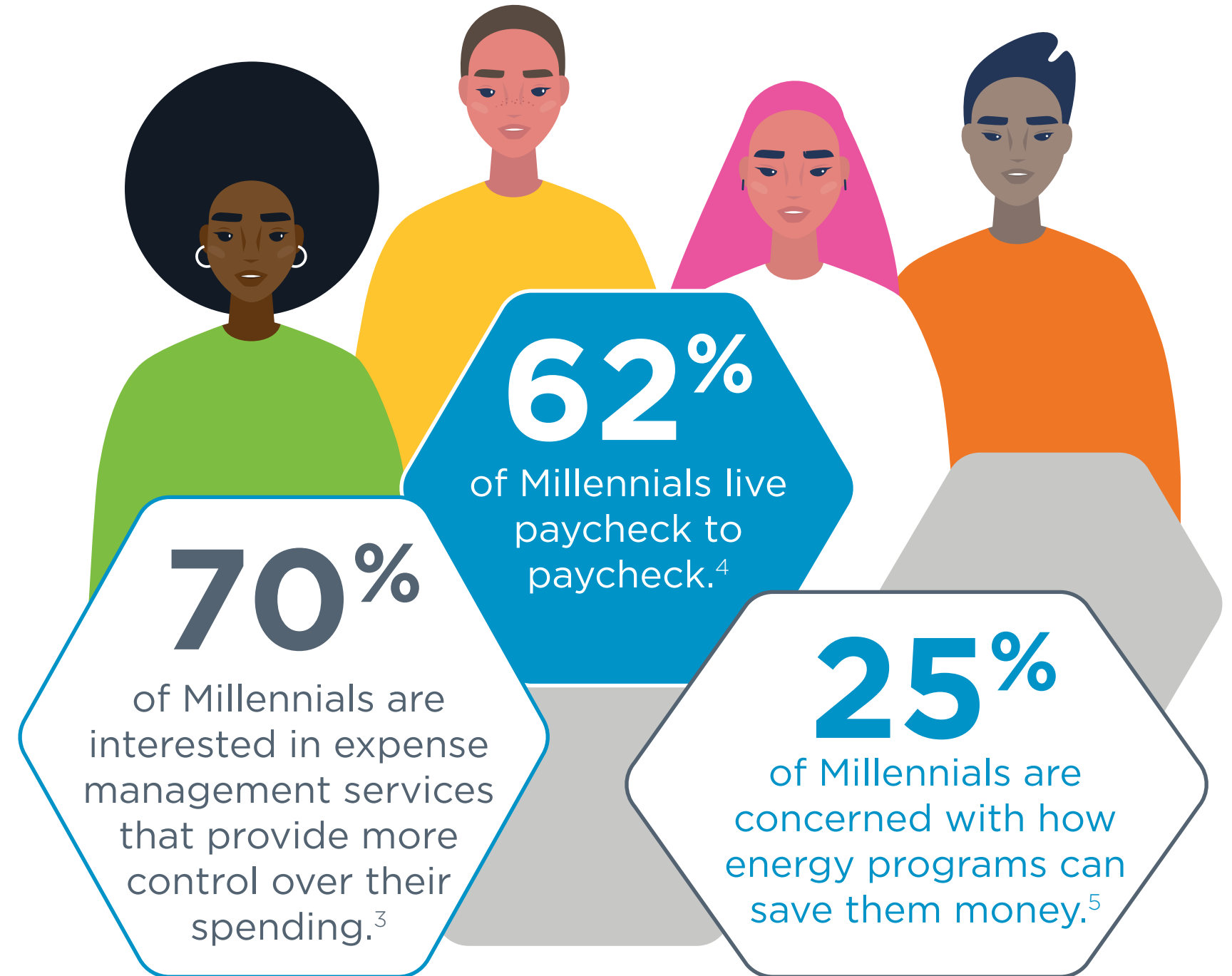
Millennials are the **top pre-pay demographic** due to their socioeconomic status, willingness to try new payment trends, and preference for smaller, manageable payment sizes.

Market Size:

Millennials make up nearly **22% of the U.S. population** and **27% of the Canadian population.**^{1,2}

Why They'll Benefit:

Pre-pay makes it easier for Millennials to manage their expenses and payment dates.



Low-Income Individuals

About:

Low-income individuals earn **less than \$28,000 per year** and often struggle to afford one large utility payment each month.⁶

Market Size:

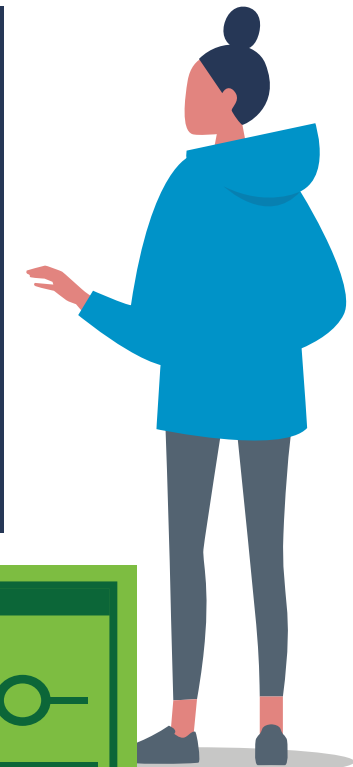
11.6% million Americans and **9.5% of Canadians** are considered low-income.^{7,8}

Why They'll Benefit:

Pre-pay allows these individuals to better control their energy costs.

20%

of net income goes toward utility costs for low-income individuals.⁹



46%

of low-income adults have struggled to pay their bills since the pandemic hit in March 2020.¹⁰



39%

of uncollected electric bills are attributed to changes in unemployment rates.¹¹



Wealthy Individuals

About:

Wealthy or retired individuals often own multiple properties, from vacation homes to rental properties.

Market Size:

21% of Americans are in the 'upper-middle' or 'high' income class, and **7.5% of Canadians'** income rank in the **top 10%**.^{12,13}

Why They'll Benefit:

Pre-pay allows this group to voluntarily shut off power for months at a time when relocating to and from second homes or as a way to manage utility bills at a rental property.

64% increase in upper-tier incomes in the past five decades.¹⁴

42% increase in high-end home sales in Q3 2020 as people looked for second homes amid the pandemic.¹⁵

13% of adults who moved during the COVID-19 pandemic relocated to their second or vacation home.¹⁶



Small/Medium-Sized Business (SMB)

About:

SMBs affected by COVID-19 are opting for smaller, more frequent payments that better align with their cash flow.

Market Size:

Small businesses account for more than 98% of all U.S. and Canadian businesses.^{17, 18}

Why They'll Benefit:

Pre-pay offers SMBs the payment flexibility they need, particularly in challenging economic times.

43%

of businesses temporarily closed in 2020 due to COVID-19.¹⁹

2 WEEKS

worth of cash is all the median business with \$10,000+ in monthly expenses has on hand.²⁰

\$195K

is the average debt for a small business owner.²¹



Pre-pay energy gives customers more control over their energy usage and when they pay. This “load and go” solution appeals to a wide range of consumers with different wants and needs.

To learn if KUBRA PRE-PAY™ is the right choice for your customers, visit KUBRA.com/pre-pay-payments to request a live product demo.



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