

# 90 percent of Mexican Working Moms Highlight PayJoy Delivers Greater Financial Security

*Survey reveals how digital collateral is creating pathways to financial inclusion for underserved populations*

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The informal economy, which employs an estimated two billion or 58% of workers globally, has long been overlooked by traditional financial institutions. A [recent PayJoy report](#), "Unlocking Economic Mobility: Smartphone Finance and the Rise of Mexico's Working Mother Micro-Entrepreneurs," reveals how digital collateral is creating pathways to financial inclusion for this underserved population, particularly working mothers in Mexico's informal sector.



Report reveals how digital collateral unlocks economic mobility for Mexican working mothers

The findings come at a critical time. In Mexico, where [60% of workers](#) operate in the informal economy, access to financial services remains a significant barrier to economic mobility. The situation is similar in the Philippines, where 44% of adults are unbanked, highlighting a persistent challenge across emerging markets.

One of the report's most striking revelations is the economic reality of working mothers in Mexico's informal sector. Among the 1,146 women surveyed, 67% are working mothers balancing caregiving with employment. Half earn incomes near or below the poverty line, with 16% living in extreme poverty. These statistics underscore the urgent need for innovative financial solutions to better serve this demographic.

Traditional financial institutions often struggle to serve informal workers due to their lack of formal credit histories or consistent income documentation. This is where technology-enabled digital collateral is proving transformative. PayJoy, which became a public benefit corporation in

2023, has developed a solution that uses smartphones as collateral, enabling access to credit for those previously excluded from the financial system.

The impact of this approach is significant. According to the report, 90% of PayJoy's working mother customers surveyed say access to smartphone financing increases their financial security. More notably, 92% credit smartphone access with helping them maintain their jobs or businesses, while 55% report increased income. These numbers suggest that digital collateral could be a crucial stepping stone toward broader financial inclusion.

Take Guadalupe, a street vendor in Mexico who used smartphone financing to launch a Micheladas – a tangy drink comprising beer, lime, spices, and peppers – to increase her income. Her story exemplifies how access to technology can catalyze economic mobility in the informal sector.

The model's effectiveness in Mexico has informed PayJoy expansion to other markets, including the Philippines. Despite cultural and structural differences between these markets, the core needs of informal workers remain remarkably consistent: access to affordable credit, digital tools for business growth, and pathways to formal financial services.

This convergence of needs across markets suggests a broader truth about financial inclusion in emerging economies: technology-enabled solutions that meet people where they are – accounting for their circumstances and limitations – can effectively bridge the financial divide while building sustainable businesses.

The implications extend beyond individual success stories. Since 2015, PayJoy has originated over \$2 billion in loans across eight countries, with half of recipients being new to credit entirely. These numbers demonstrate that serving the informal economy isn't just a social imperative – it's a viable business opportunity.

However, the journey from innovation to impact requires more than technology. PayJoy's transition to a public benefit corporation in 2023 reflects a growing recognition that mission-driven approaches can align profitability with social impact. This structural commitment ensures that the company's board must consider its mission of bringing underserved people into the modern financial system alongside its fiduciary responsibilities.

As emerging markets continue to evolve, the success of digital collateral in Mexico and the Philippines offers valuable lessons. First, technology can effectively bridge the gap between informal workers and formal financial systems when designed with user constraints in mind. Second, solutions that work in one market can often be adapted for others, particularly when addressing fundamental needs like access to credit and digital tools. Finally, embedding social impact into corporate structure can help maintain mission focus while scaling operations.

The challenge of financial inclusion in emerging markets remains significant, but the path

forward is becoming clearer. As more companies explore technology-enabled solutions for the informal economy, the key will be maintaining a balance between social impact and business sustainability. The experience with digital collateral shows that when done right, these goals can be mutually reinforcing rather than mutually exclusive.

## About PayJoy

PayJoy is a mission-first financial service provider dedicated to helping under-served customers in emerging markets to achieve financial stability and success. We lend through our patented technology that turns a smartphone into digital collateral, and our cutting-edge machine learning, data science, and anti-fraud AI allow us to offer the lowest cost and qualify the most customers in the industry. As of 2024 we have brought billions of dollars in credit to 13 million customers, doubling in the last two years while remaining strongly profitable and sustainable for the long term.

For more information, visit <https://www.payjoy.com/>.

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