

94% of Consumers Consider their Local Independent Grocery Stores Important to their Community According to New SurgePays Survey

Underbanked and underserved consumers are twice as likely to shop at convenience stores and bodegas daily compared to more affluent shoppers

BARTLETT, Tenn., December 15, 2022 - American consumers regard their local, independent convenience stores and bodegas in near unanimous high regard with 94% of them calling them somewhat important (34%), very important (34%) or extremely important (26%) to their friends and community.

Where do they shop most often for everyday items? More than half (51%) visit convenience stores (including community markets, neighborhood stores, corner stores, bodegas and tiendas), followed by grocery stores (25%), gas station stores (5%) and drugstores (3%); 16% indicated they don't shop at any of these merchant types.

The [SurgePays, Inc.](#) (Nasdaq: SURG) online survey was fielded by Researchscape International between November 12 - 26, 2022. It has 1,116 adult respondents, age 18 and above, with an oversample of those without bank accounts or credit cards and those with household income under \$25,000. Topline results are weighted to be representative of the overall U.S. population. SurgePays focuses on the underbanked and underserved markets, serving more than 8,000 independent grocery stores with a blend of financial, telecom/wireless and lifestyle products, among other lines of business.

In terms of frequency of shopping at their favorite local convenience store, 59% do so between one and six times weekly - more than one third (35%) visit 1-2 times weekly; 17% visit 3-5 times weekly with 7% frequenting their store 6 or more times weekly.

Shopping Habits of Underbanked/Underserved

Other interesting data about underbanked/underserved consumers revealed by the survey:

- They are twice as likely to go to the convenience store almost every day (14%) vs. the general population
- Underbanked consumers prefer to pay for wireless service using prepaid cards (33%) vs. 4% for others; they are less likely to use Verizon (16%) or AT&T (13%) as their carrier.
- One out of three of the underbanked are on SNAP (37%) and are less likely to receive Social Security than low-income respondents in general (22% vs. 32%).
- These consumers are more likely to buy cigarettes and vape products (38%) and less likely to buy alcohol (12%)

"SurgePays' is laser-focused on meeting the needs of the underbanked and underserved," said Brian Cox, Chairman and CEO of SurgePays. "Our decades of experience in this market coupled with our ongoing market research and front-line sales data enables us to develop and roll out new services that are not just needed but are sought out by our target consumers. It's extremely fulfilling when your revenue opportunities are driven by providing these life-enhancing telecom and financial services through the neighborhood stores in these communities."

Additional findings:

- Nearly two-thirds of those surveyed (63%) would switch wireless companies if they could keep their same number and phone while paying a reduced cost
- The top five items consumers typically buy at their preferred local independent store are snack food (71%); coffee/beverages (50%); everyday food/meals (48%); milk (47%); and lottery tickets (32%)
- 37% of consumers who shop at independent convenience stores said they know the first name of their favorite clerk or store owner; that percentage drops to 33% for consumers without a checking, savings or credit card account (vs. 41% with those accounts)
- 46% of respondents have shopped at their favorite independent local convenience store or bodega for four or more years; 14% have shopped with their favorite local store for three years; 21% have shopped there for two years; 10% for one year; and 9% for less than a year

For more information on SurgePays, please visit the Company's investor relations website at ir.surgepays.com.

About SurgePays, Inc.

SurgePays, Inc. is a technology and telecommunications company focused on the underbanked and underserved communities. SurgePhone Wireless provide mobile broadband to low-income consumers nationwide. SurgePays blockchain fintech platform utilizes a suite of financial and prepaid products to convert corner stores and bodegas into tech-hubs for underbanked neighborhoods. Please visit SurgePays.com for more information.

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