Credit Card Survey

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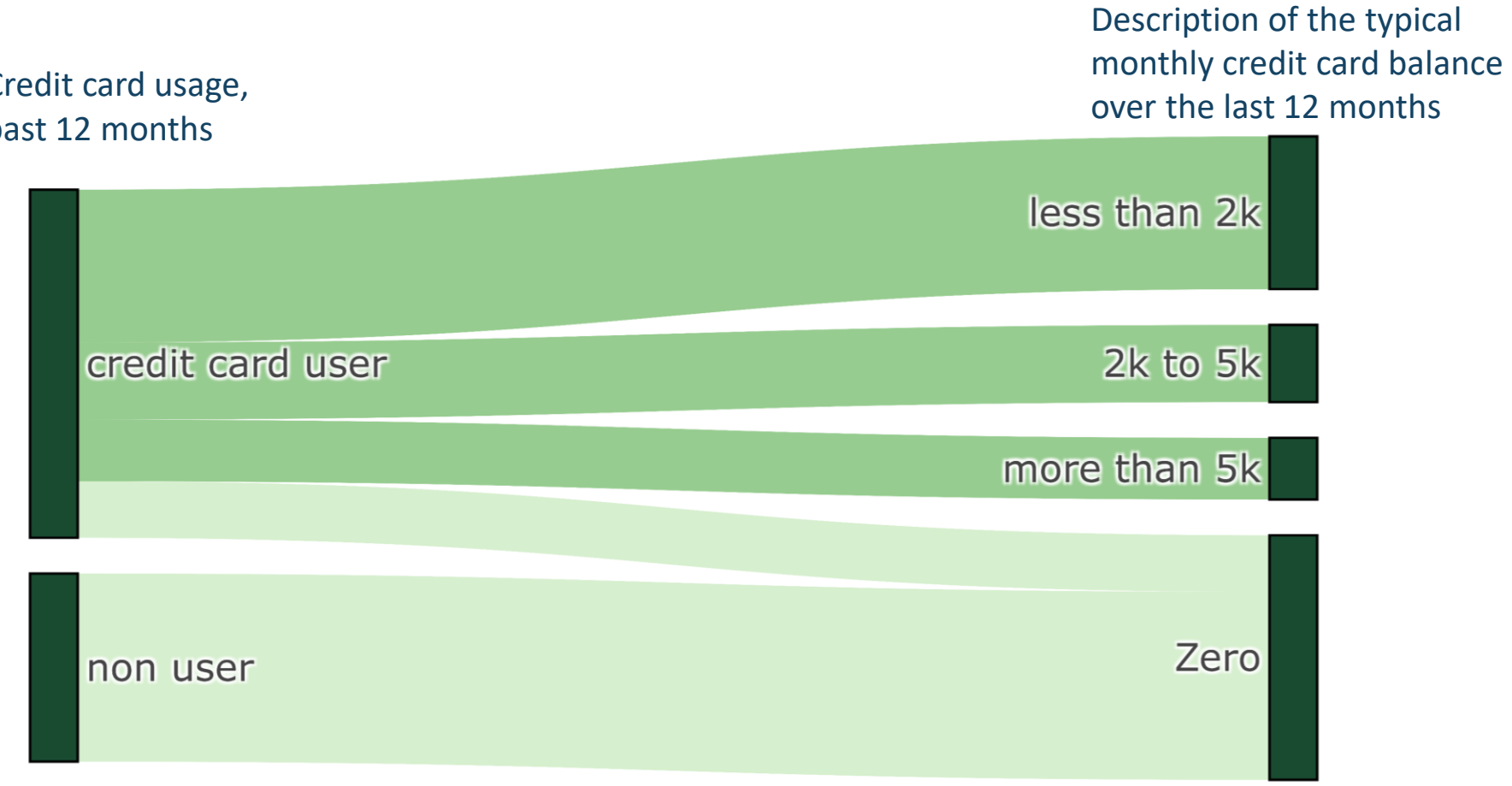
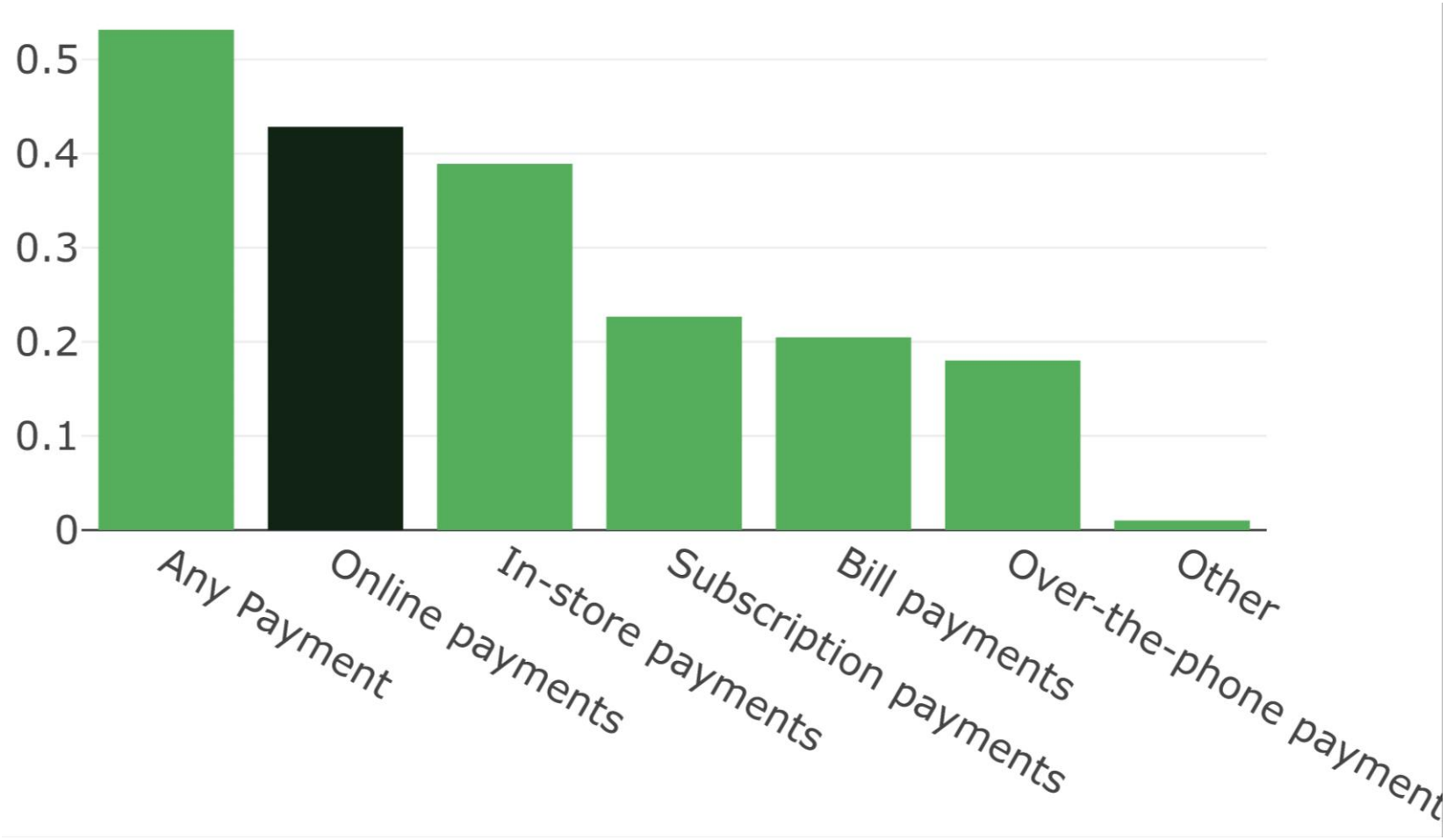
Over half of US consumers use credit cards in such a way that they have due balances to pay month after month. This amounts to roughly 140 million people

- 65 percent of consumers had made a credit card payment over the last 12 months.
- 16 percent of credit card users had regular due balances to pay, while for 18 percent of them these balances exceeded $5000.



Online payments are the most recurrent usage case for credit cards, superseding in-store payments

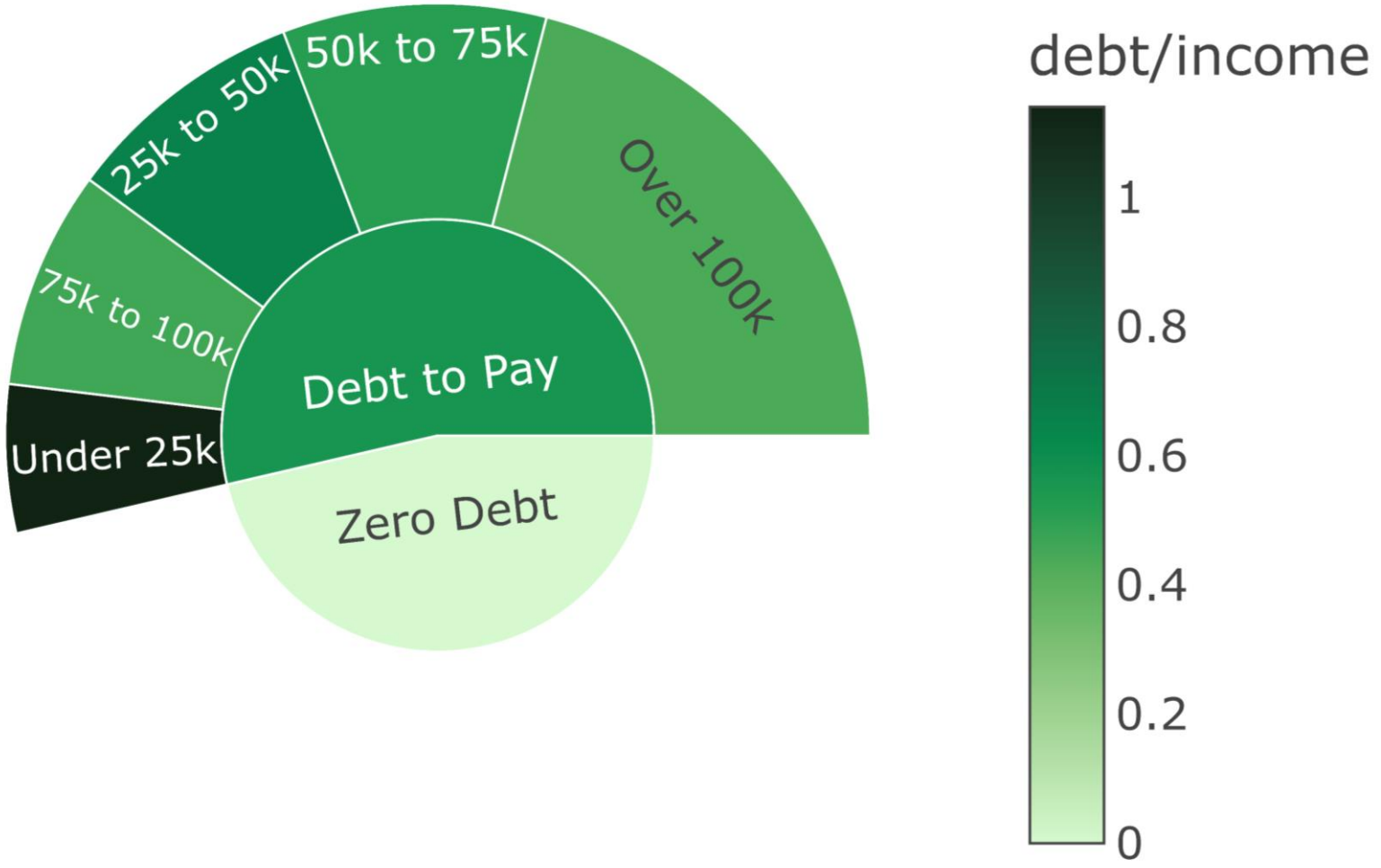
- 43 percent of all consumers stated using a credit card for an online payment, while 39 percent of them said to have used them inside a store.
- Subscription payments, bill payments and over the phone transactions are equally likely to take place with a credit card payment, at roughly 20 percent.



Debt pressure spreads evenly across US population, except for the ten percent less wealthy

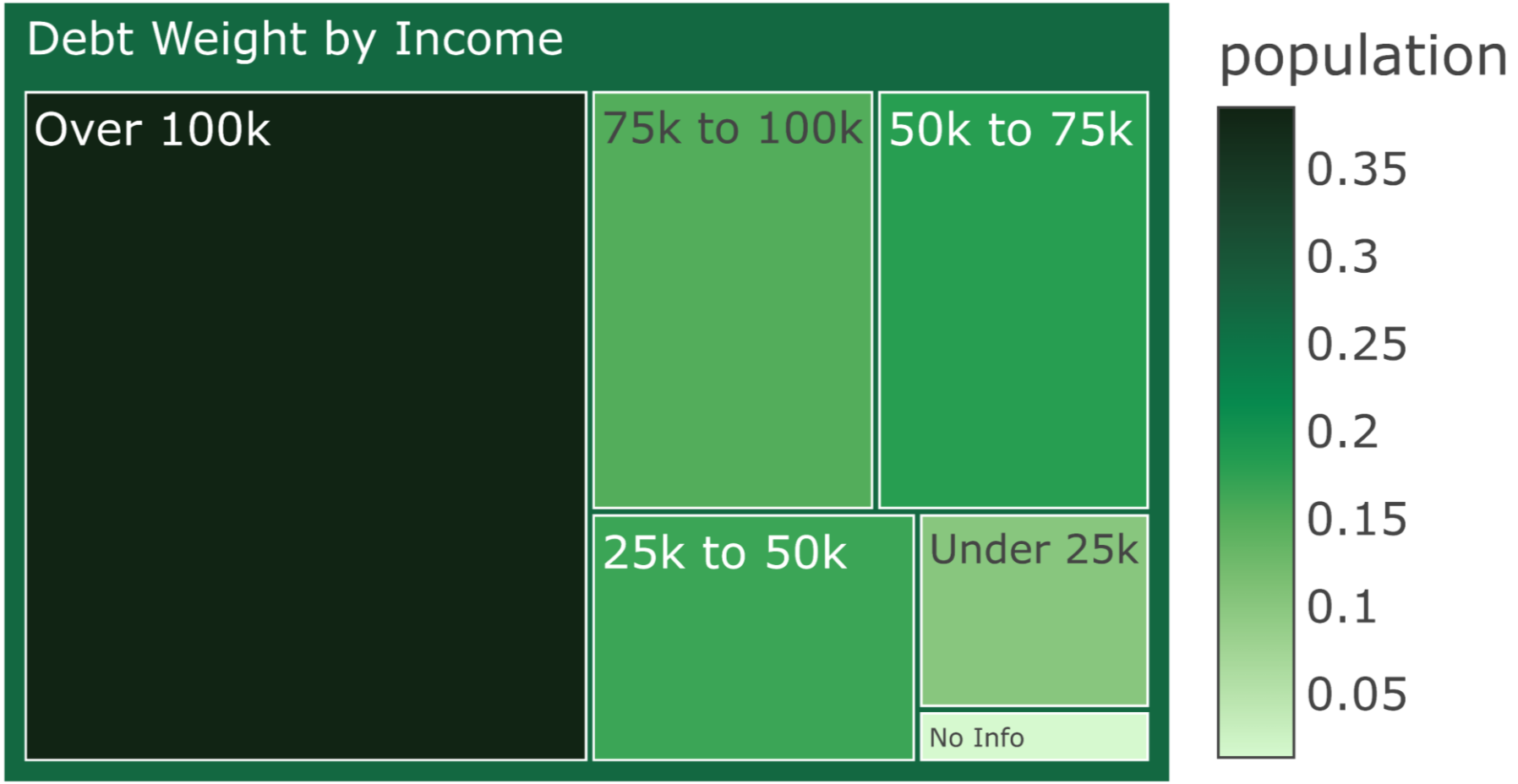
- Leaving aside people without debt:
  - The debt pressure of the bottom 10% is 160% greater than the pressure of the top 40%.
  - Earning less than $2k each month, the bottom 10%, has an average monthly credit card balance of $1.9k.
- The area of the graph is proportional to the population size.

Monthly Debt Pressure by Income



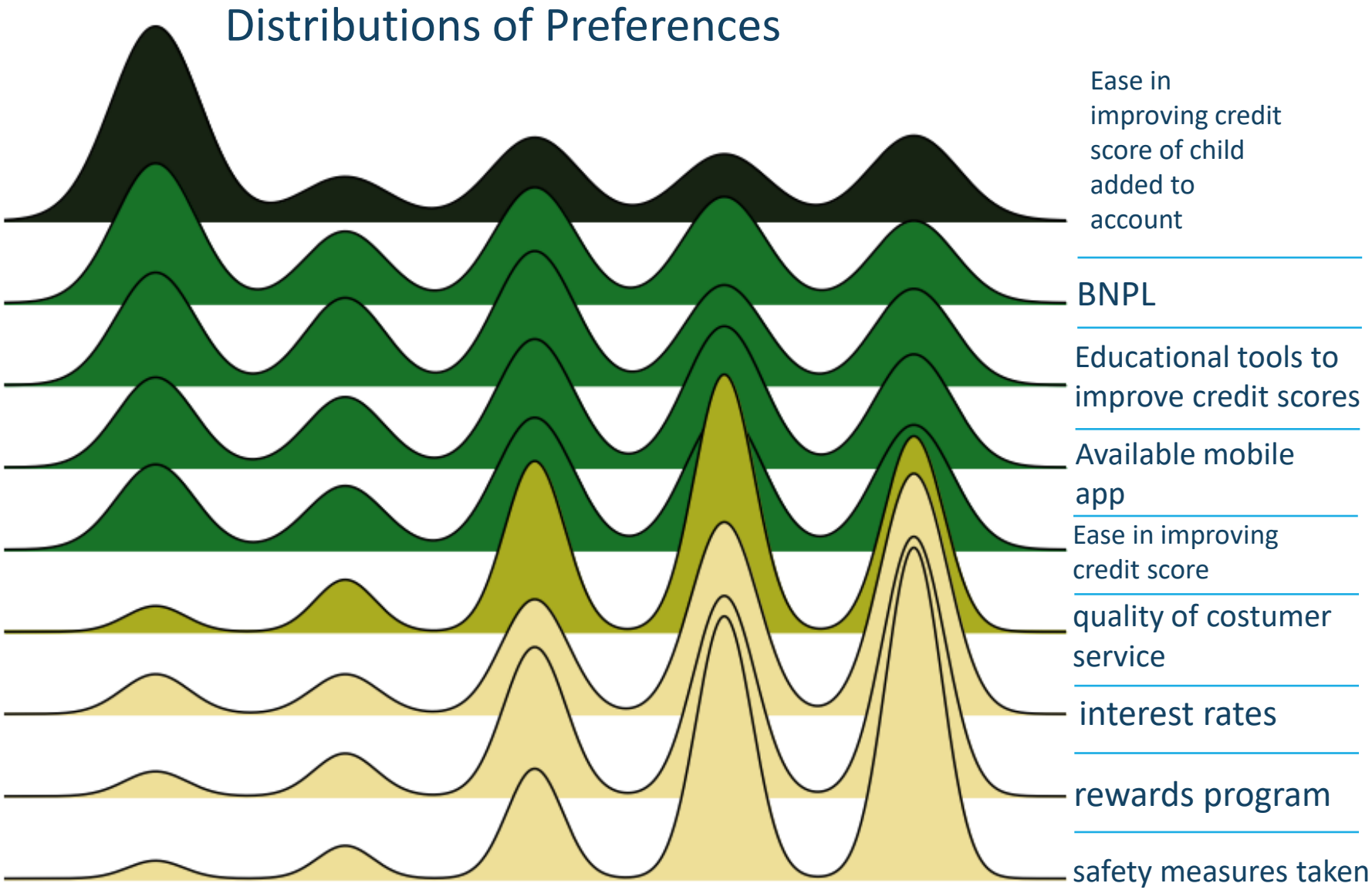
50% of the total debt is held by households with an annual income of over $100k

- While the bottom 10% holds only 6% of the total debt, the top 40% holds 50%.
- The remaining 40% of debt is distributed evenly among the 50% of people in the middle of the income scale.



Interest rates are only the third most important feature valued by costumers

- The color clustering is obtained by the PCA analysis of the distributions shown in the next slide.
- BNPL schemes are the second least important feature valued by costumers.
- The order of the mean goes from top to bottom, making “quality of costumer service”, “interest rates”, ”rewards program” and “safety measures taken” the most important features taken into account with similar preference distributions.



It is possible to identify 4 types of responses over the features preferences

- After taking the first two components of the “principal components analysis” over the distributions of preferences, it was possible to pull apart 4 groups of features.
- The groups are separated by the quadrants in the Cartesian coordinates.
- The “x” axis maintains the ordinality of the mean of the distributions.