HSBC's push into credit cards and personal loans in the United States will be no easy task as the bank faces entrenched domestic rivals and the legacy of a previous disastrous foray into US lending.

The move by HSBC to embrace a riskier but more lucrative slice of the US market, that it has largely shunned in recent years, is part of its broader strategy announced on Monday to improve profitability - eyeing a global return on equity of 11 per cent by 2020.

The bank's US return on tangible equity, a key measure of profitability, is currently just 0.9 per cent.

HSBC has just 0.1 per cent of the credit card market in the US, according to data from RFI Group provided to Reuters, compared with 16 per cent and 15 per cent for market leaders Bank of America and JPMorgan.

HSBC's plan is to sign up more of its existing customers for credit, as well as enticing new ones with cards that offer low fees or attractive cashback rates, according to Marcos Meneguzzi, head of cards and unsecured lending for HSBC in the US.

Europe's biggest bank will also be trying to sign up US customers who are likely to have multiple cards already.

"It's a good time to be in the US card market, notwithstanding the competition is fierce," said David Robertson, publisher of the influential Nilson report on the US credit card market, citing low default levels and the growing economy.

"The question is whether you can convince your customer who already has a Capital One Card, and an America Express card and likely a couple of others, that they need yet one more."

HSBC's target for the US is to improve returns to over six per cent by 2020.

HSBC's underperformance in the US, where it is a relative minnow in contrast to its strong position in Europe and Asia, is partly a legacy of its disastrous foray into subprime lending in the country when it bought consumer lender Household in 2003.

That deal saw the bank heavily exposed to the imploding U.S. subprime mortgage market as the 2007-8 crisis hit, costing the bank billions of dollars in write-downs and lawsuits and dampening its appetite in the world's biggest economy for a decade.

HSBC will this time focus on less risky borrowers that it knows more about, its executives said.

"We are focusing on prime customers who are engaging with the HSBC brand and eventually might be interested in building a broader relationship with us," said Pablo Sanchez, head of retail banking and wealth management U.S. at HSBC.