

# Debit/Credit Card Consumer Behaviour

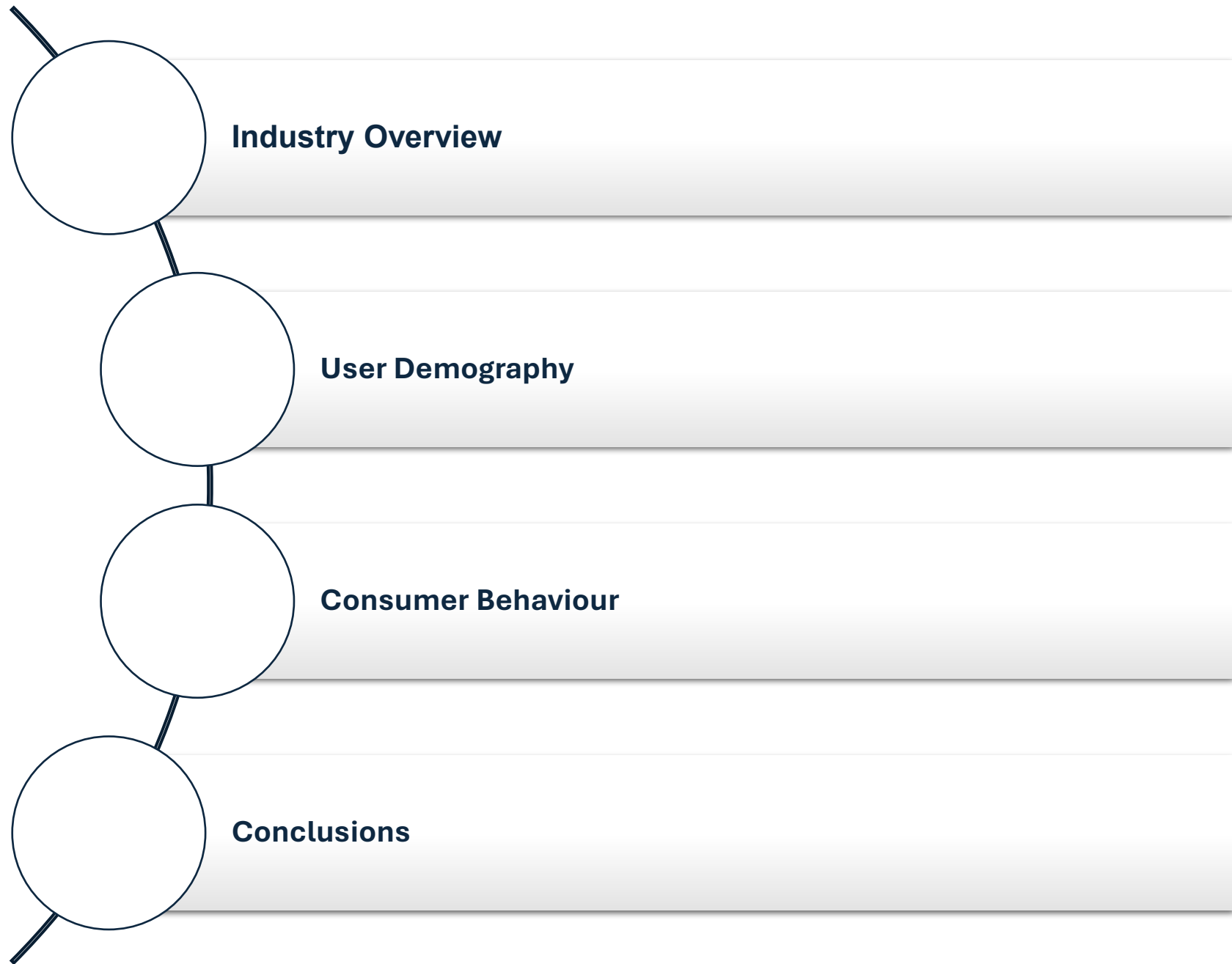
Prepared for Mandiri Sekuritas Indonesia



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# Today's Agenda



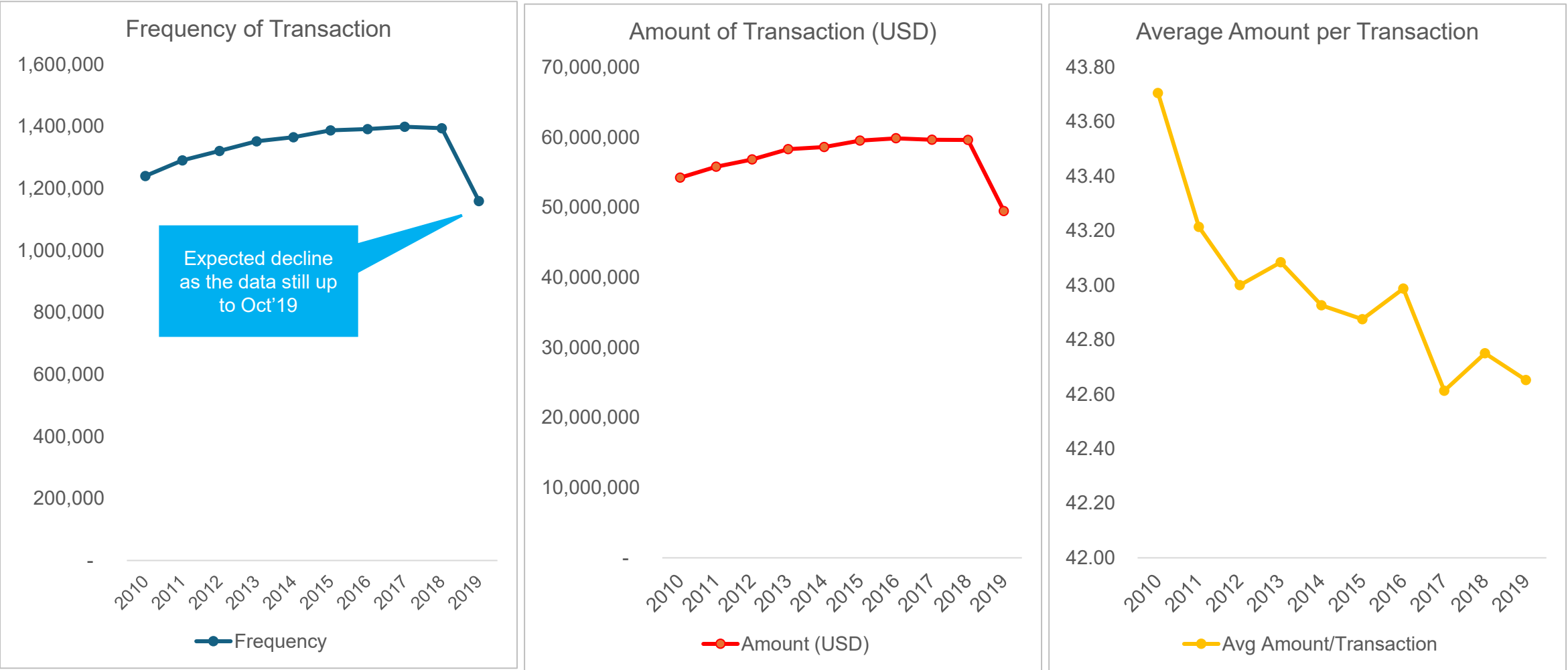
## Industry Overview

The usage of debit/credit card is steadily increasing



# The consumer purchasing more and spend more from year to year

However, the spending/transaction is relatively declining, indicating a behavior shift toward more indulgent spending, as consumer purchases are relatively lower but more frequent



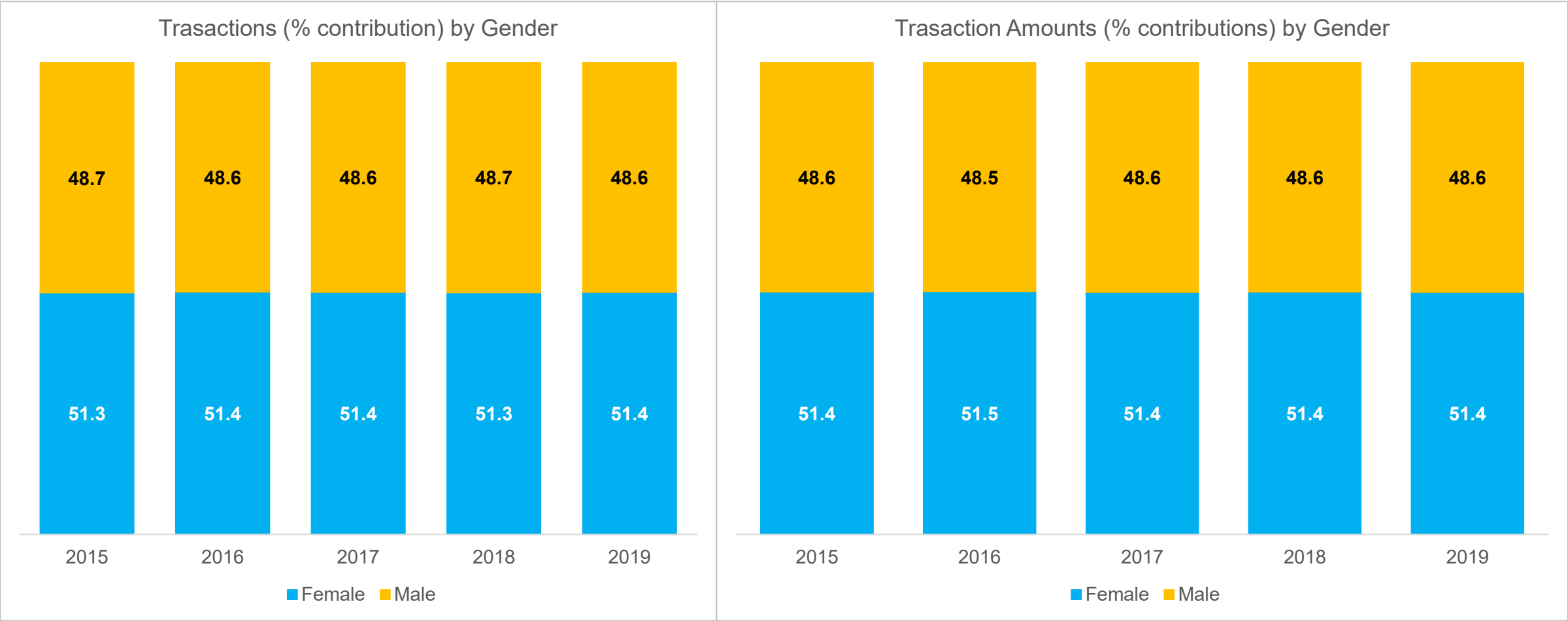
# User Demography

Proportionate contribution of Male and Female, youth consumers are emerging



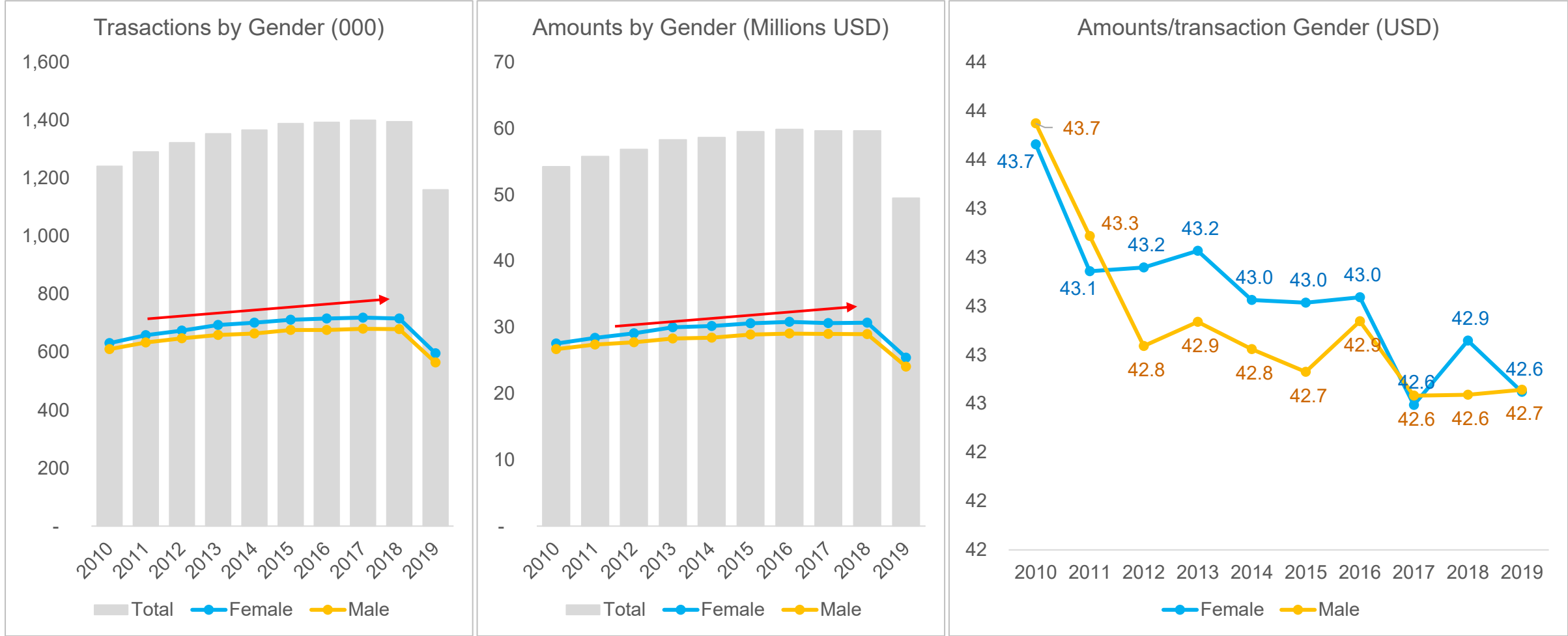
# Over-the-year proportion of transaction frequency and transaction amount are quite proportional

Between female and male consumer. Female consumers tend to consume relatively more than male consumers.



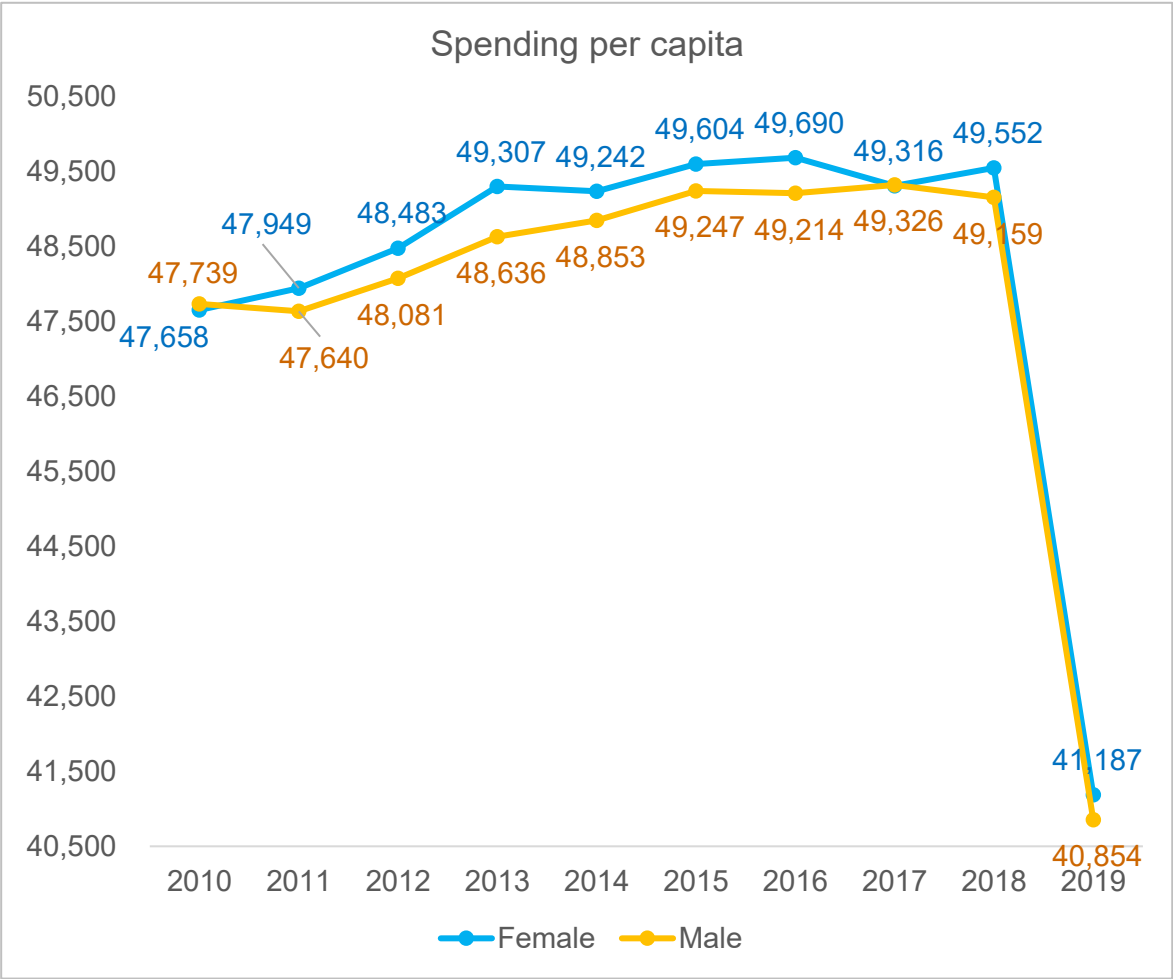
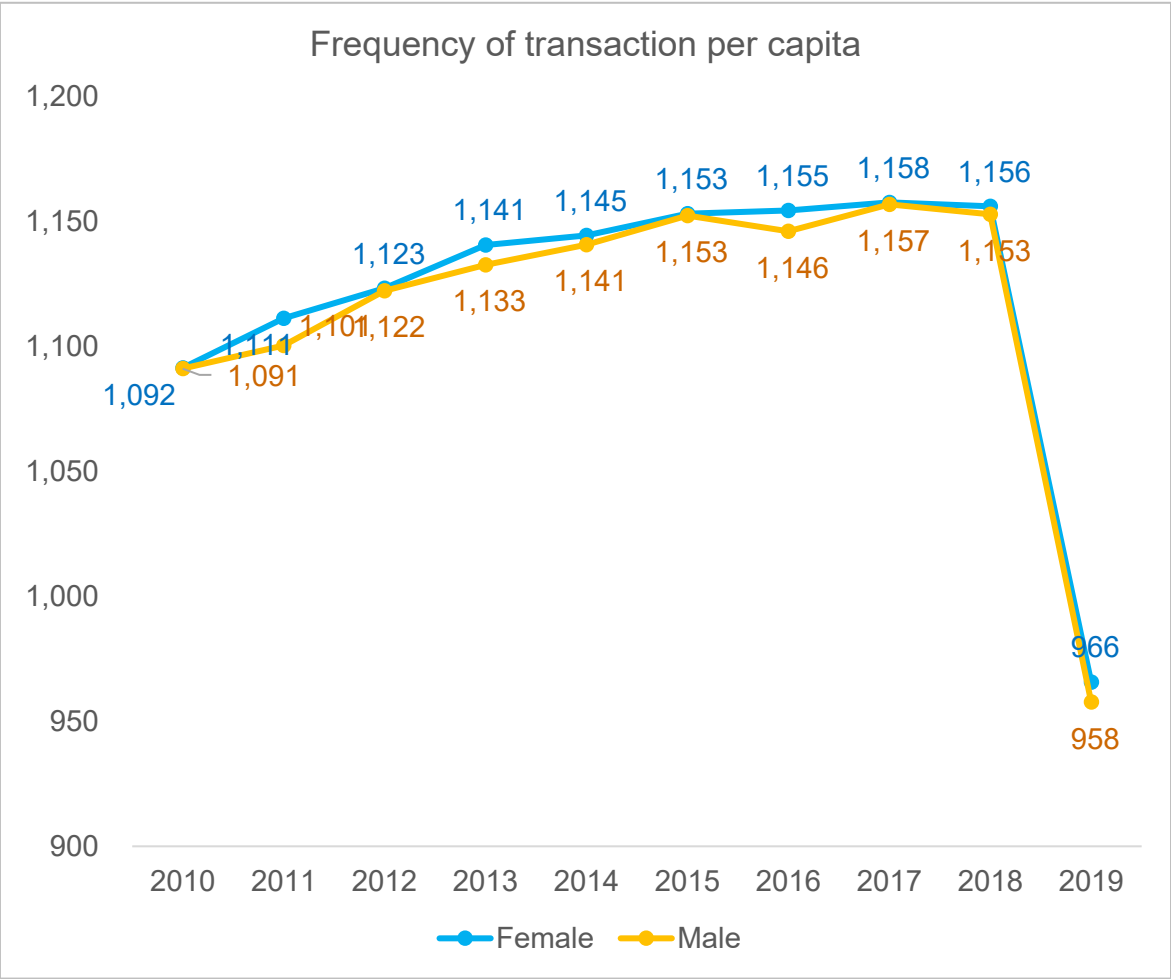
The increasing trend of transaction frequency and amounts are reflected for both male and female

The decline in the amount/transaction was reflected for both genders, indicating emerging indulgent trend for both genders.



**The increasing trend of transactions and amounts is driven by an increase in frequency and spending per capita for both genders.**

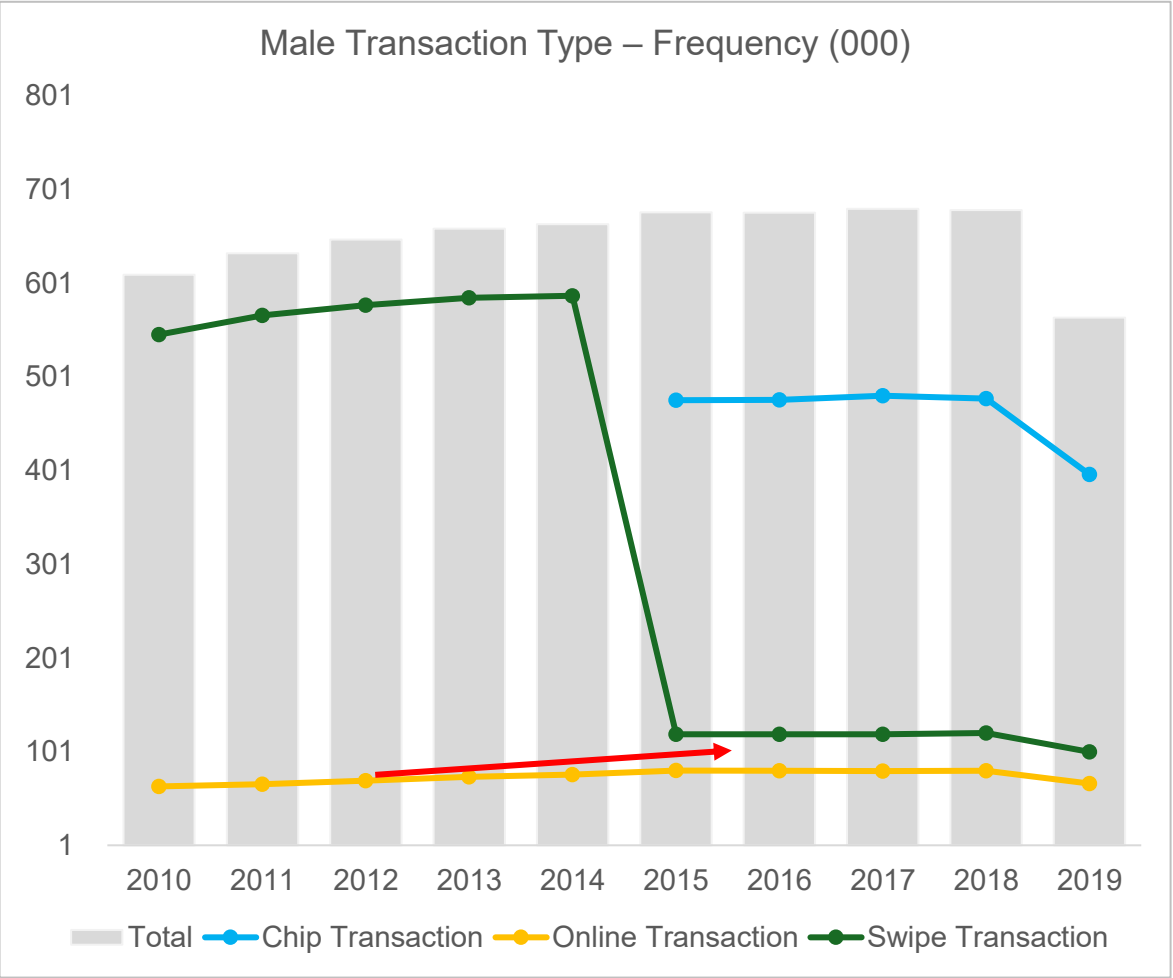
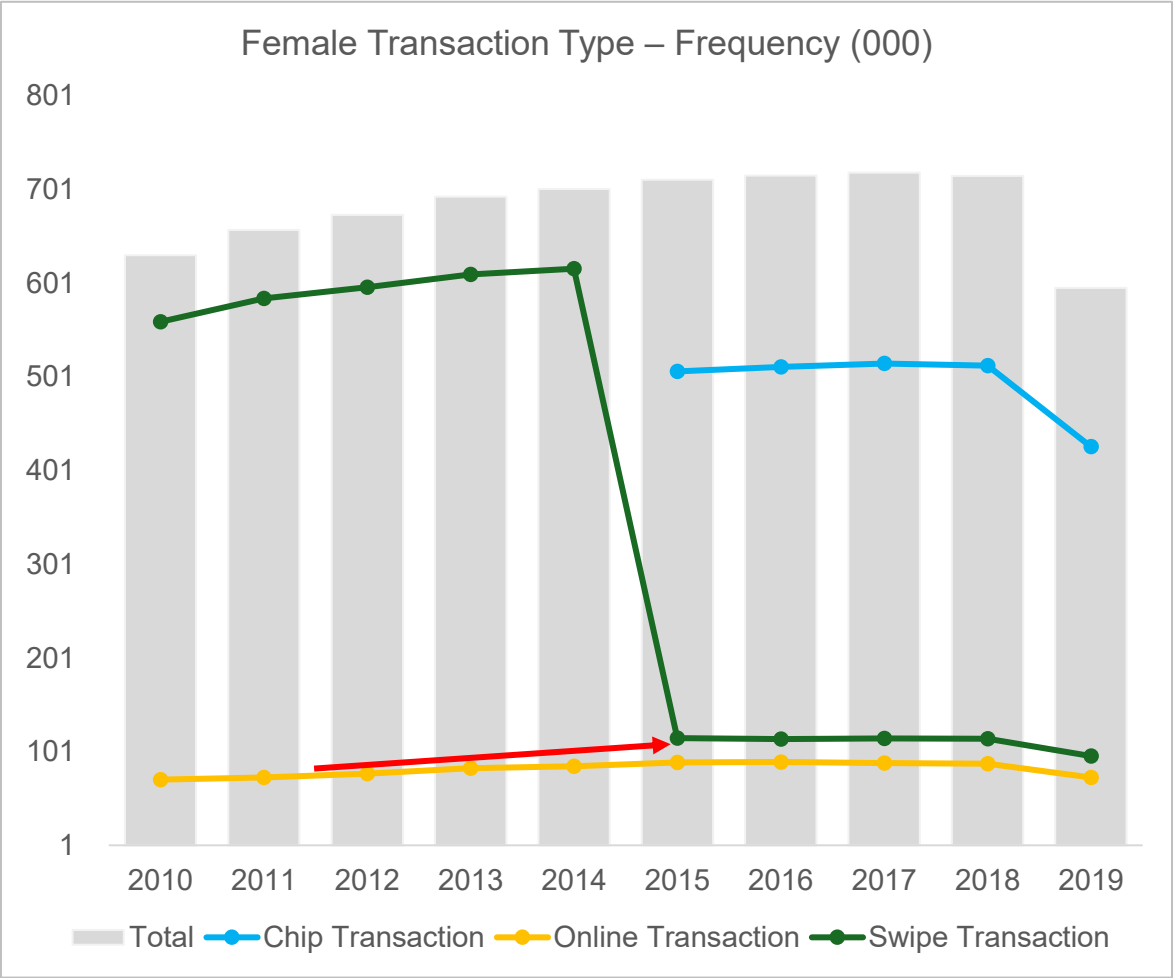
Indicates that both male and female consumers are willing to purchase and spend more. Female consumers spend relatively more than male consumers ~ (2% - 3% higher spending).





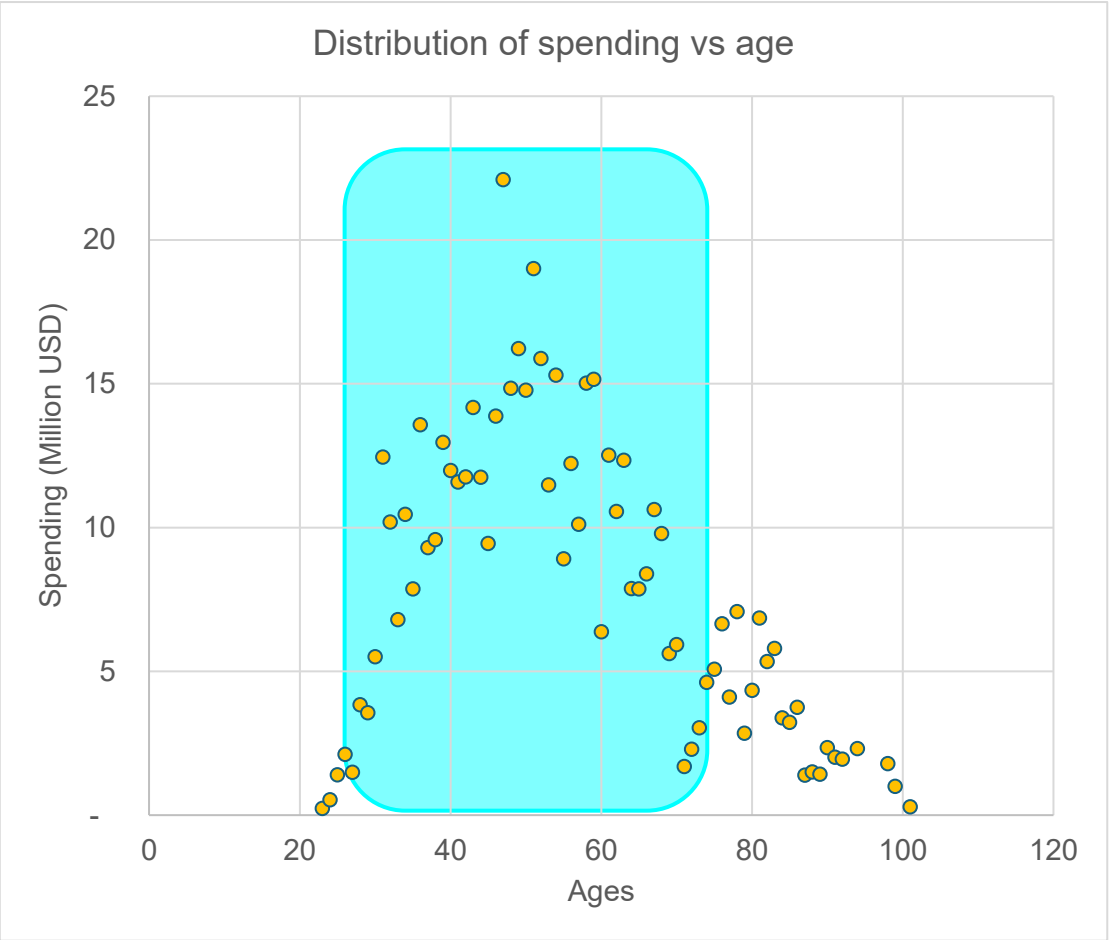
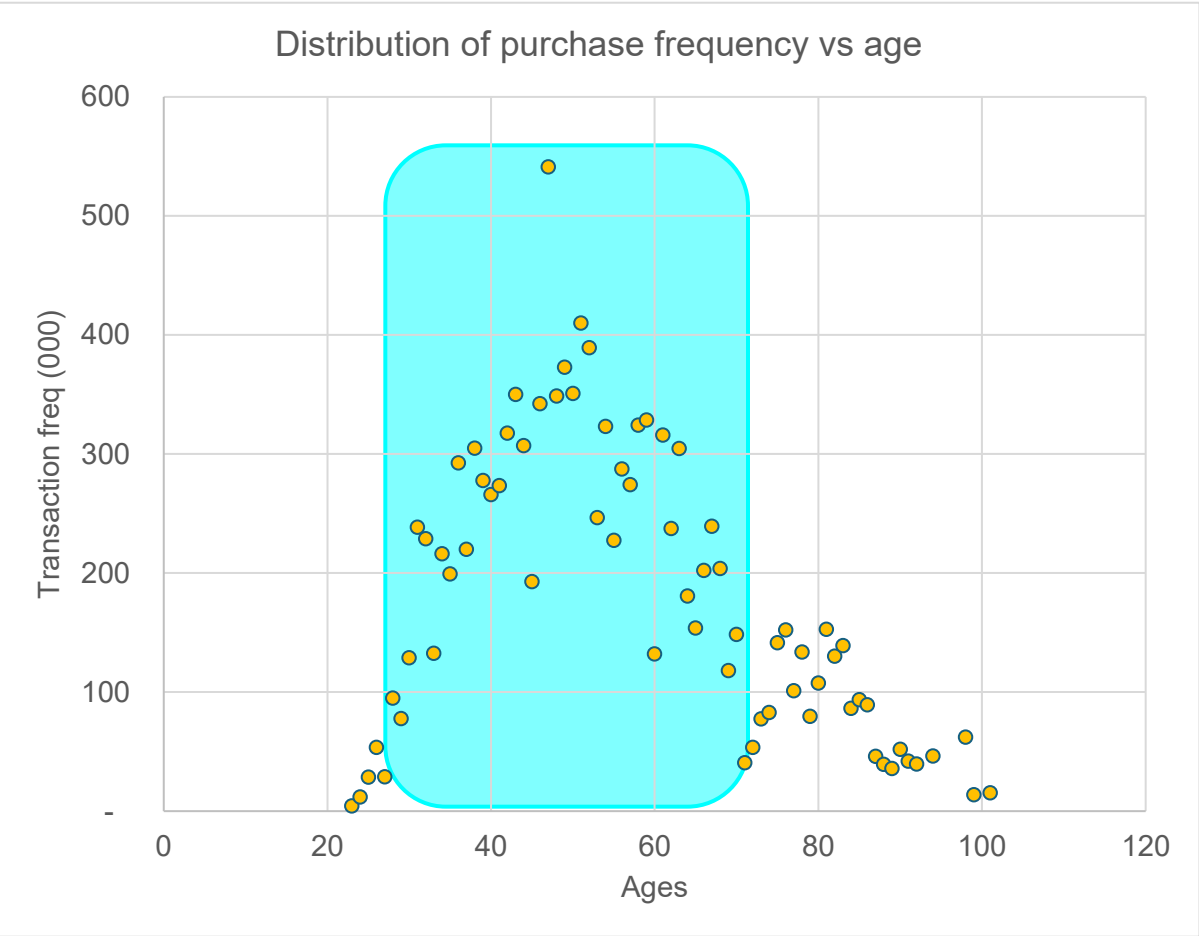
# Starting from 2015 onward, Chip transaction replacing most of Swipe transactions.

Despite this transition, the online transaction shows a steady increment in transaction frequency for both genders, indicating a behavior shift where digital transactions become more appealing.



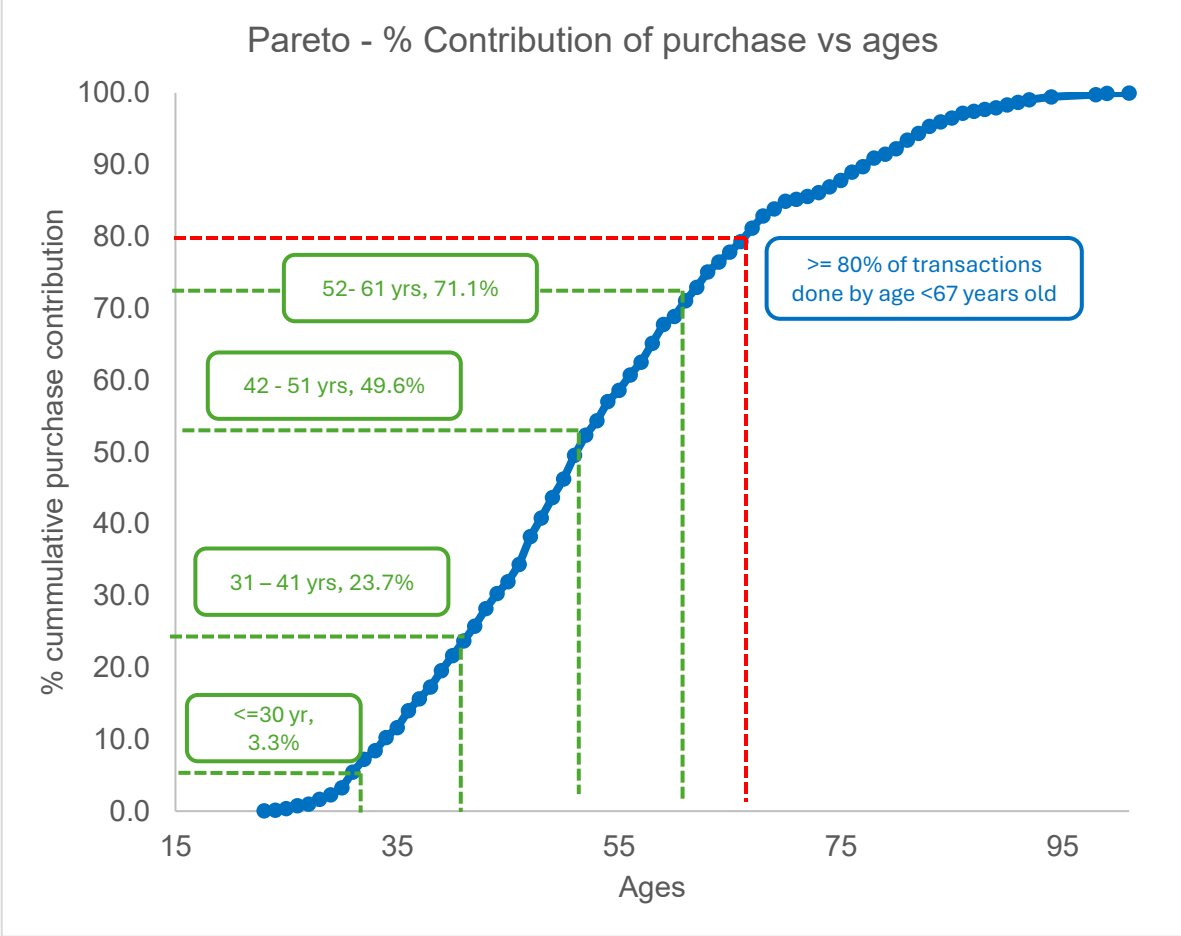
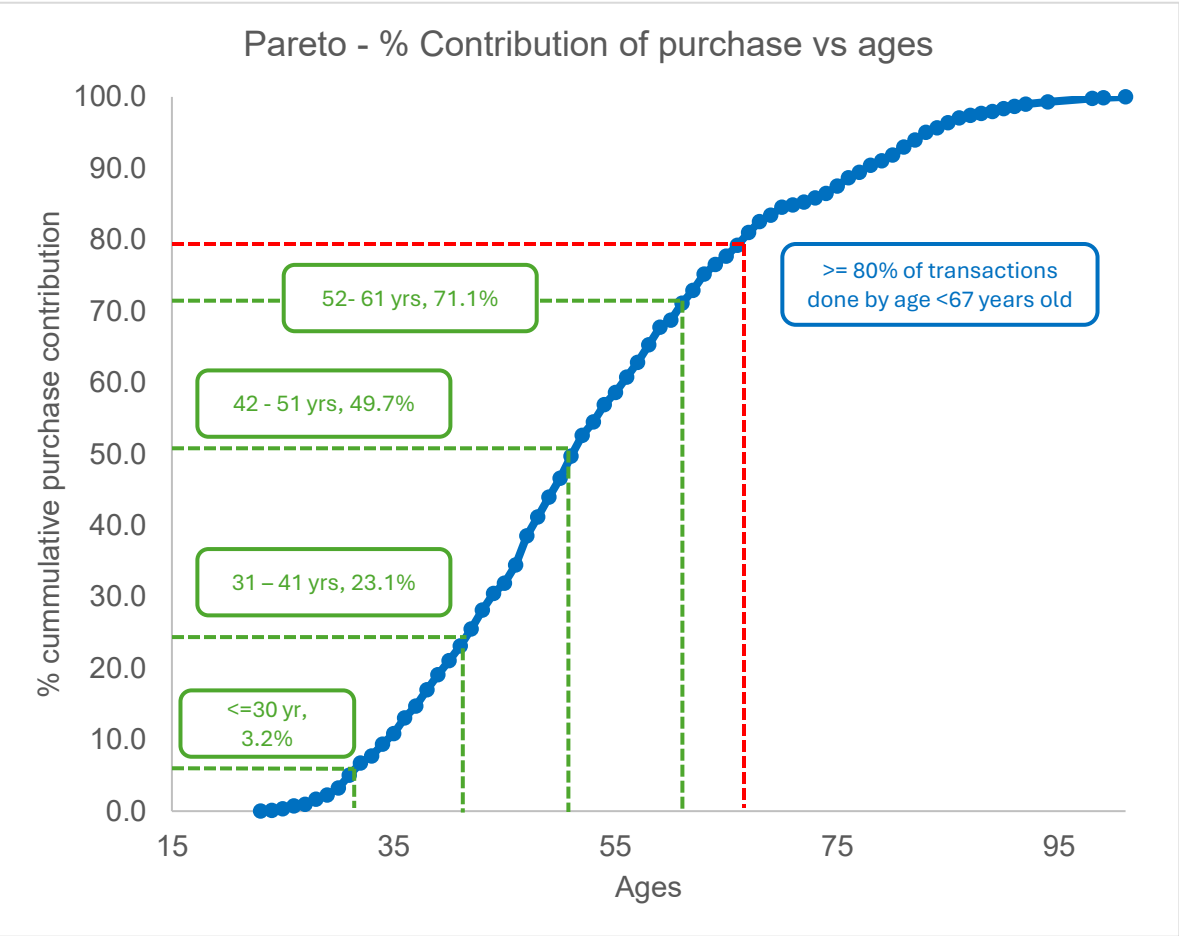
# Most of transactions are done by productive consumers, with ages around 30s – 60s

Reflected for both in number of purchase and in the amount of spending



# Pareto, where 80% of transactions are done by consumers with ages under 67 years old

The productive ages ranging from 30s – 60s, which shows a strong contribution to cumulative transactions



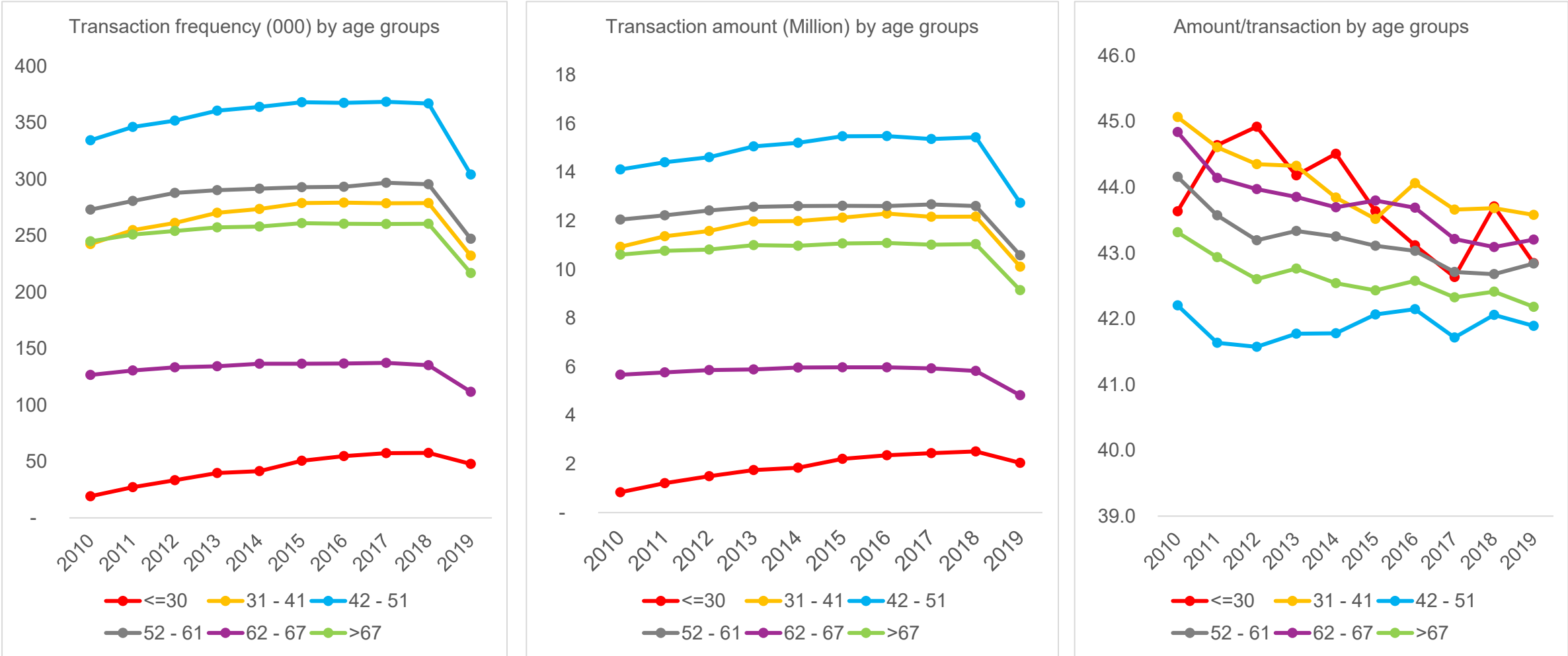
## Consumer Behaviour

The younger generation is more active in transactions. Online transactions are emerging



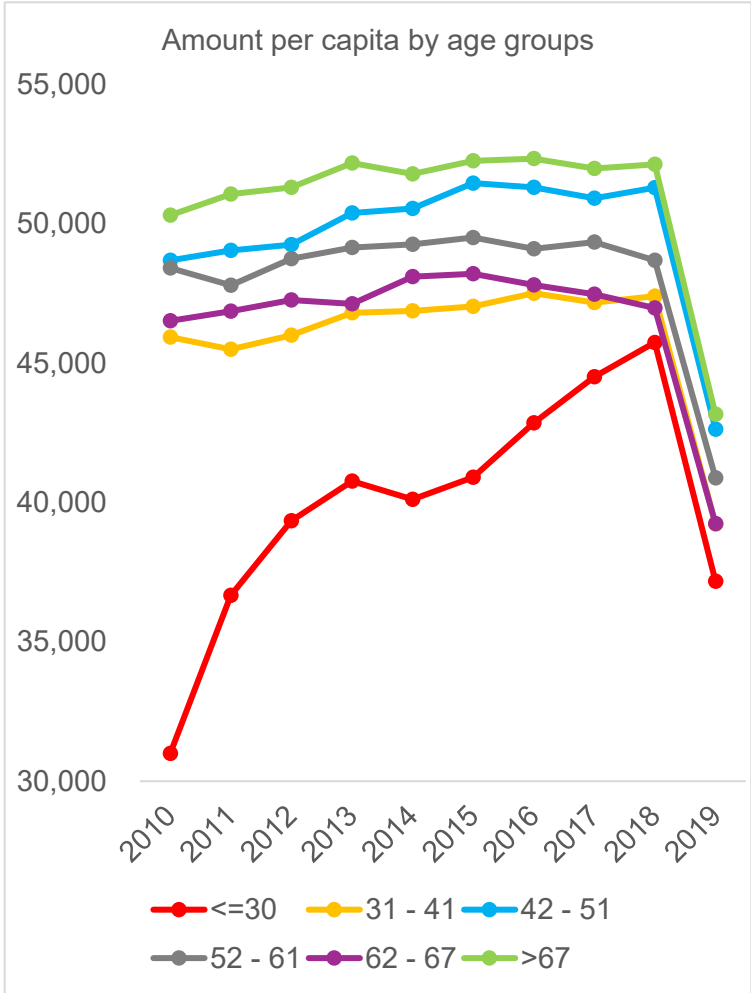
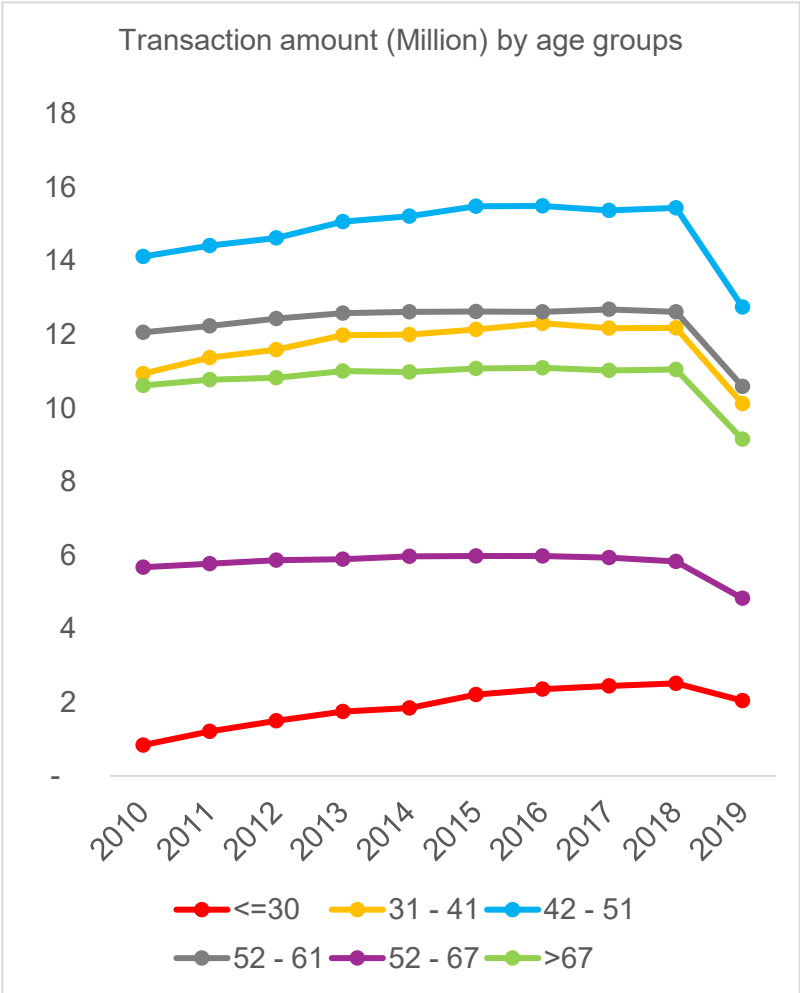
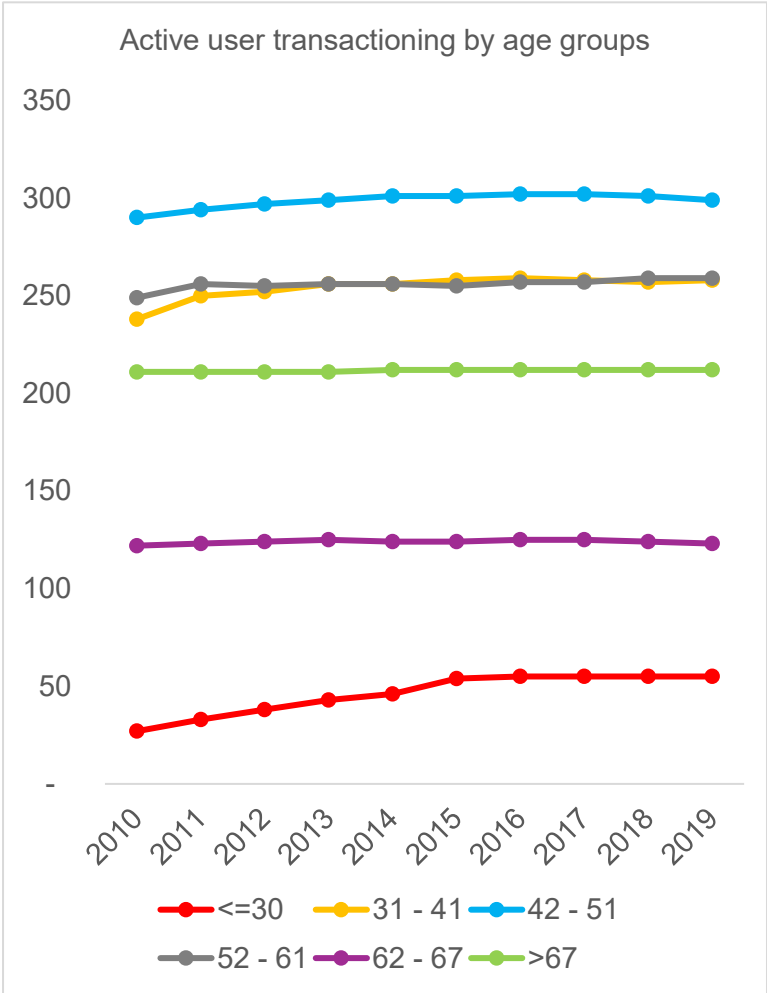
# Age <=30 and 31-41 shows increase in the number of transactions and the amount of transactions

With [amount/transaction](#) of <=30 is slowing down, indicating a cheaper purchase but more frequent (indication of indulgence), while the 30-40s are more stable, indicating that 30-40s consumers increase their spending more rationally, while older groups maintain stable spending.



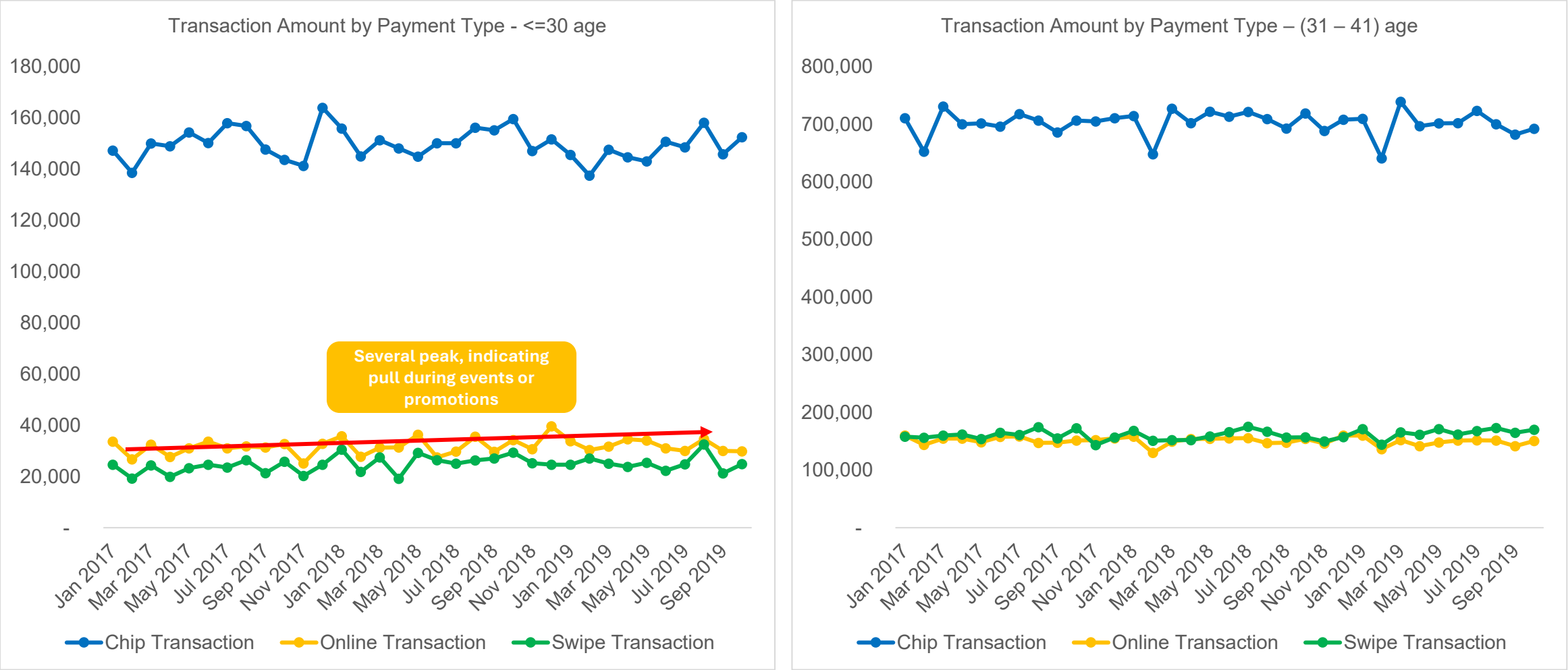
Age group of <=30 is increasing in the number of active users, while other age groups are relatively stable

The young consumers (<= 30) are also showing an indication to spend more, as spending per capita grows significantly. Other age groups, 31-41 and 42 – 51 are also showing an increase in spending per capita, with slower rate.



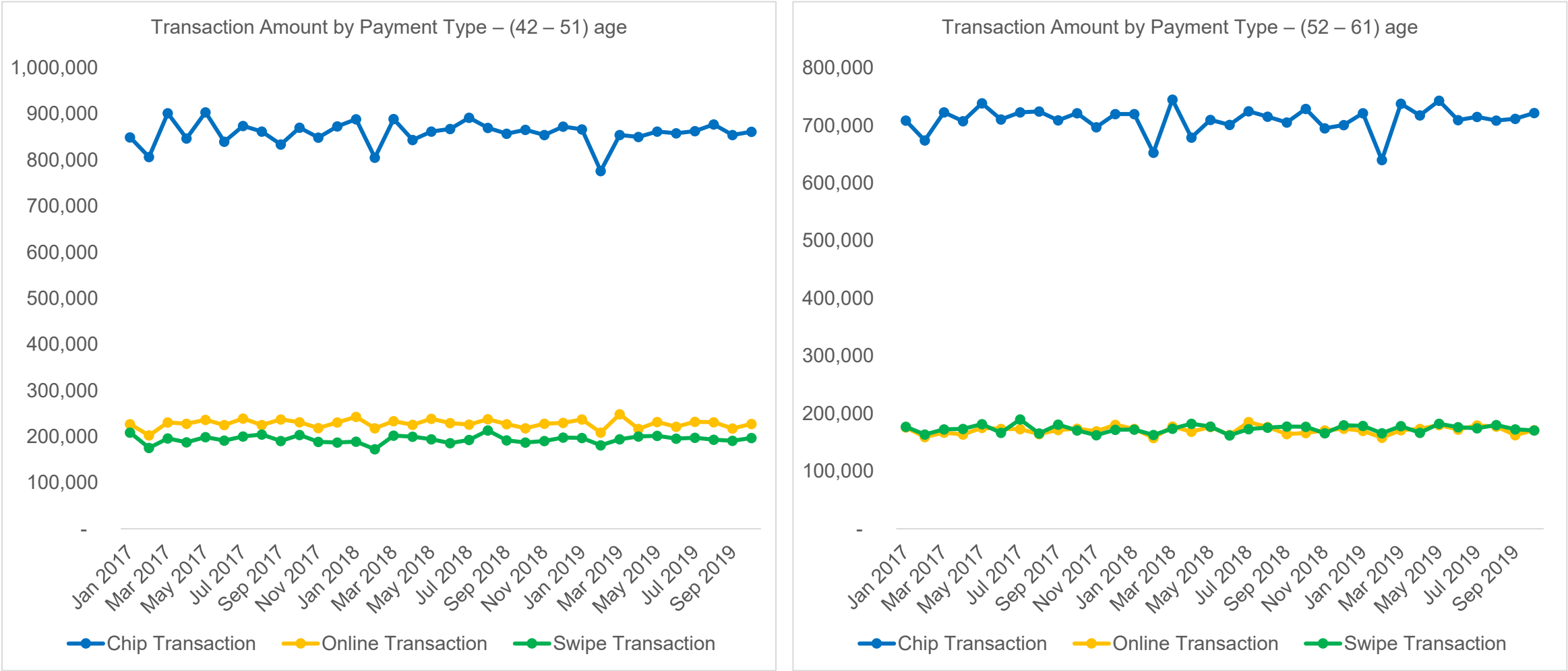
# Chip transaction still dominates across ages, with indication of seasonality around end-of-year season

Online transaction shows a higher baseline for younger customers ( $\leq 30$  years), where the younger shoppers seem to be attracted to promotional activities when making online transactions



# While the older consumer, tend to be less affected by seasonality and promo/events

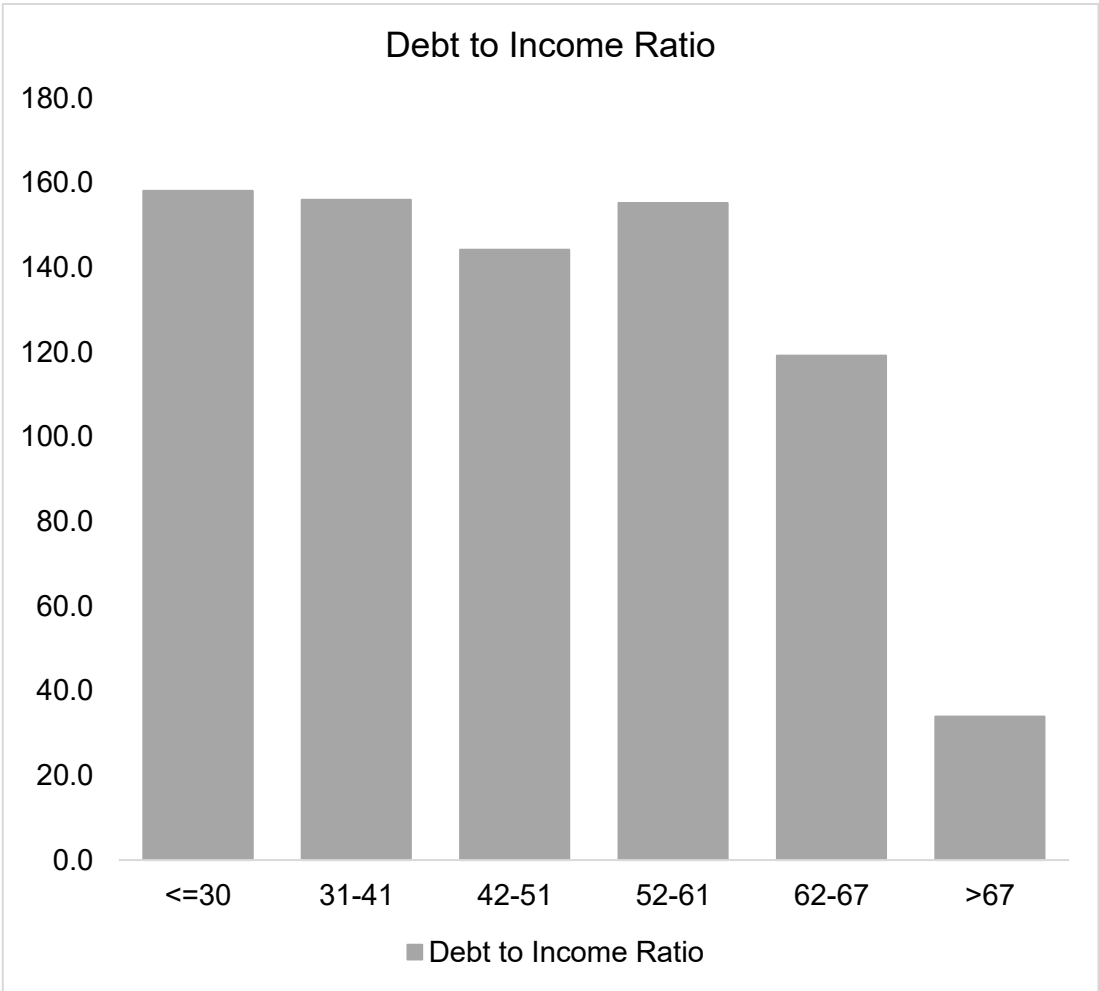
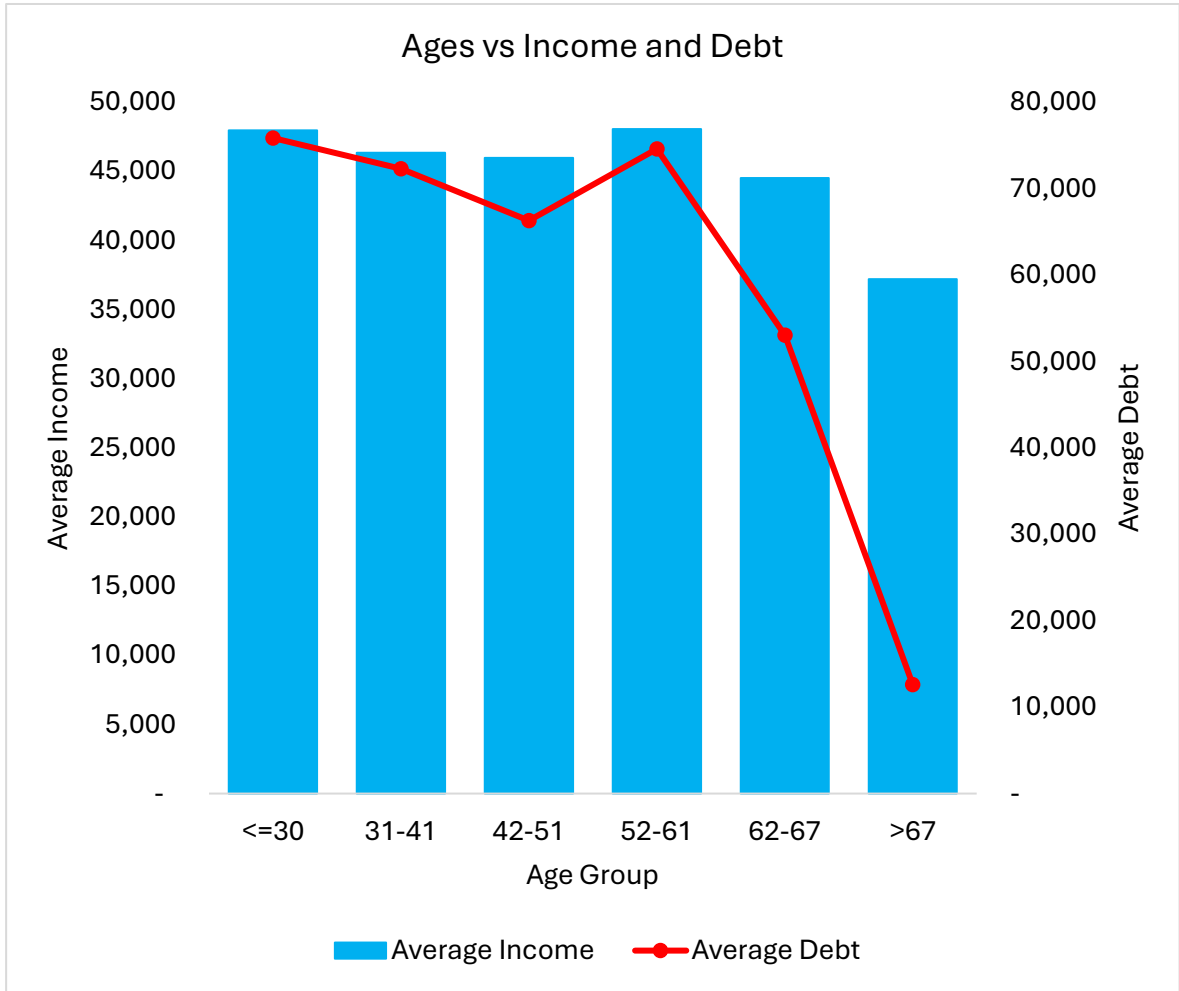
As the transaction amount remains relatively stable across payment type for over the year.





**Individuals under 30 have high leverage in their early-career journey, as this generation is more likely to spend money and get a loan (car loan, mortgage, etc).**

While the middle-aged individuals are entering their prime performance and can reduce their debt





# Consumer Behaviour Trends Summary

## Younger Consumers' Spending

Consumers aged 30 and below make frequent purchases with lower average values, showing indulgent behavior.

## Stable Spending Group

Consumers aged 31 to 41 display stable and rational spending growth compared to younger consumers.

## Older Consumers' Patterns

Older consumers maintain consistent spending, showing less sensitivity to seasonal sales and promotions.

## Shift from Swipe to Chip

Chip transactions have become the dominant payment method, replacing swipe cards for enhanced security.

## Online Transaction Growth

Online transactions are increasingly popular among younger demographics, driving digital market engagement.

# Key Takeaways

## Emerging trend :

Increasing debit/credit card use by younger consumers and rise of online transactions drive industry growth.

## Business Opportunities

Businesses can capitalize on trends by developing digital payment solutions and targeted promotions for youth.

## Credit Risk Management

High leverage among younger consumers poses credit risks, requiring vigilant risk monitoring and management.

## Strategic Adaptation

Adapting to evolving consumer behaviors using data-driven insights is crucial for financial sector success.

