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## Consumers Prefer Cards to Pay, Choices Differ by Age, Shows Fiserv Research

*Interest in digital card options has grown, with physical cards still in demand*

BROOKFIELD, Wis.--(BUSINESS WIRE)-- Credit and debit cards are the payment method of choice for most consumers according to new research from [Fiserv, Inc.](#) (NASDAQ: FISV), a leading global provider of payments and financial services technology solutions. Cards are seen as the fastest, easiest and most preferred payment method across generations, while specific payment habits vary by age.

“Credit and debit card usage among consumers remains robust, with each generation displaying unique habits and preferences when it comes to card choice and management,” said Himanshu Patel, Co-Head of Banking at Fiserv. “Aligning card offerings to consumers’ purchasing needs and giving them control of and insights into card use will enable card issuers to attract and retain a range of cardholders and grow transaction volumes.”

Additional information from the Expectations & Experiences: Cards, Credit and Consumer Control survey can be downloaded here: [2022 Expectations & Experiences: Cards Credit and Consumer Control](#).

### **Credit and Debit Preferred for Payments**

Most banking consumers prefer to utilize cards as their primary payment method compared to other options like cash, checks, or buy now, pay later (BNPL). Whether dining at a restaurant (75%), buying groceries (75%), or purchasing tickets for a sporting event or concert (77%), consumers of all ages are most likely to opt for a card.

While credit is generally a popular choice for big-ticket purchases, with 51% of consumers preferring credit for in-store purchases exceeding \$500 and 56% preferring credit for online purchases of the same amount, age is a noteworthy influence.

Among boomers and seniors, 66% prefer credit for large in-store purchases and 73% prefer credit for large online purchases. In contrast, Gen Z prefers debit for large purchases – with 46% choosing debit for in-store purchases exceeding \$500 and 49% choosing debit for online purchases of the same amount, compared to only 25% and 23% respectively for consumers overall. While this may be partially attributable to access to credit varying across age ranges, it is likely also driven by differing mindsets around budgeting and financial management.

### **Rewards Drive Selection of “Go-To” Cards**

Nearly 7 in 10 (68%) people who have a credit card have more than one, with 90% of those stating they have a “go-to” credit card they use most often. A significant majority (71%) of multiple card users choose their card based on the opportunity to accumulate rewards. This increases to 80 percent of those making more than \$150,000 per year.

However, younger consumers who use multiple cards have different drivers for credit card selection than other generations. Likely reflecting their newness to managing credit, Gen Z consumers are much more likely to only use one of several cards because they believe it is too difficult to manage multiple card accounts, with 37% of Gen Z consumers citing this reason compared to 17% of consumers overall.

## **Consumers Want Control**

When it comes to managing cards, self-service is important; for example, 82% of consumers manage their credit cards online and 69% manage their cards via mobile devices, a figure that reaches 90% for Gen Z, millennials and Gen X consumers. Alerts are essential for many people, with 61% receiving debit card alerts, 70% getting credit card alerts and 63% of those receiving alerts say an alert has stopped fraud.

## **Digital and Physical Cards Will Co-Exist**

Digital card options are gaining interest, yet consumers are not ready to leave their physical cards completely behind as 43% of debit card users would opt to use mobile debit. This is a marked rise from 25% in 2018. Even so, 68% still want a physical debit card too — with the most common reasons being if their phone is lost or stolen (61%), stops working (56%) or a store does not accept payments via smartphone (50%).

Consumers also like the idea of having an in-person option if they need to replace a card. While two thirds (66%) of debit card users would be more likely to request a replacement debit card online than at a branch, 62% of consumers overall and 74% of millennials say the ability to get a replacement card at the branch would influence where they bank.

Younger consumers also have a preference for a personal touch when it comes to paying bills, with 48% of Gen Z and millennials using in-person bill payment within the past 30 days, more than any other generation.

## **Survey Method**

The survey was conducted online within the U.S. by The Harris Poll from November 23–December 7, 2021. A total of 3,007 interviews were conducted among U.S. adults ages 18 and older living in a household that currently has a checking account and has used their checking account to pay a bill or make a purchase in the past 30 days. The data were weighted to ensure that relevant demographic characteristics of the sample matched those of the U.S. general population. Age groups referenced in the survey are Gen Z (18–24), millennials (25–40), Gen X (41–56), boomers (57–75) and seniors (76+).

## **About Fiserv**

Fiserv, Inc. (NASDAQ: FISV) aspires to move money and information in a way that moves the world. As a global leader in payments and financial technology, the company helps clients achieve best-in-class results through a commitment to innovation and excellence in areas including account processing and digital banking solutions; card issuer processing and network services; payments; e-commerce; merchant acquiring and processing; and the

Clover® cloud- based point-of-sale and business management platform. Fiserv is a member of the S&P 500® Index, the FORTUNE® 500, and has been recognized as one of FORTUNE World's Most Admired Companies® for 11 of the past 14 years and named among the World's Most Innovative Companies by Fast Company for two consecutive years. Visit [fiserv.com](https://www.fiserv.com) and [follow on social media](#) for more information and the latest company news.

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