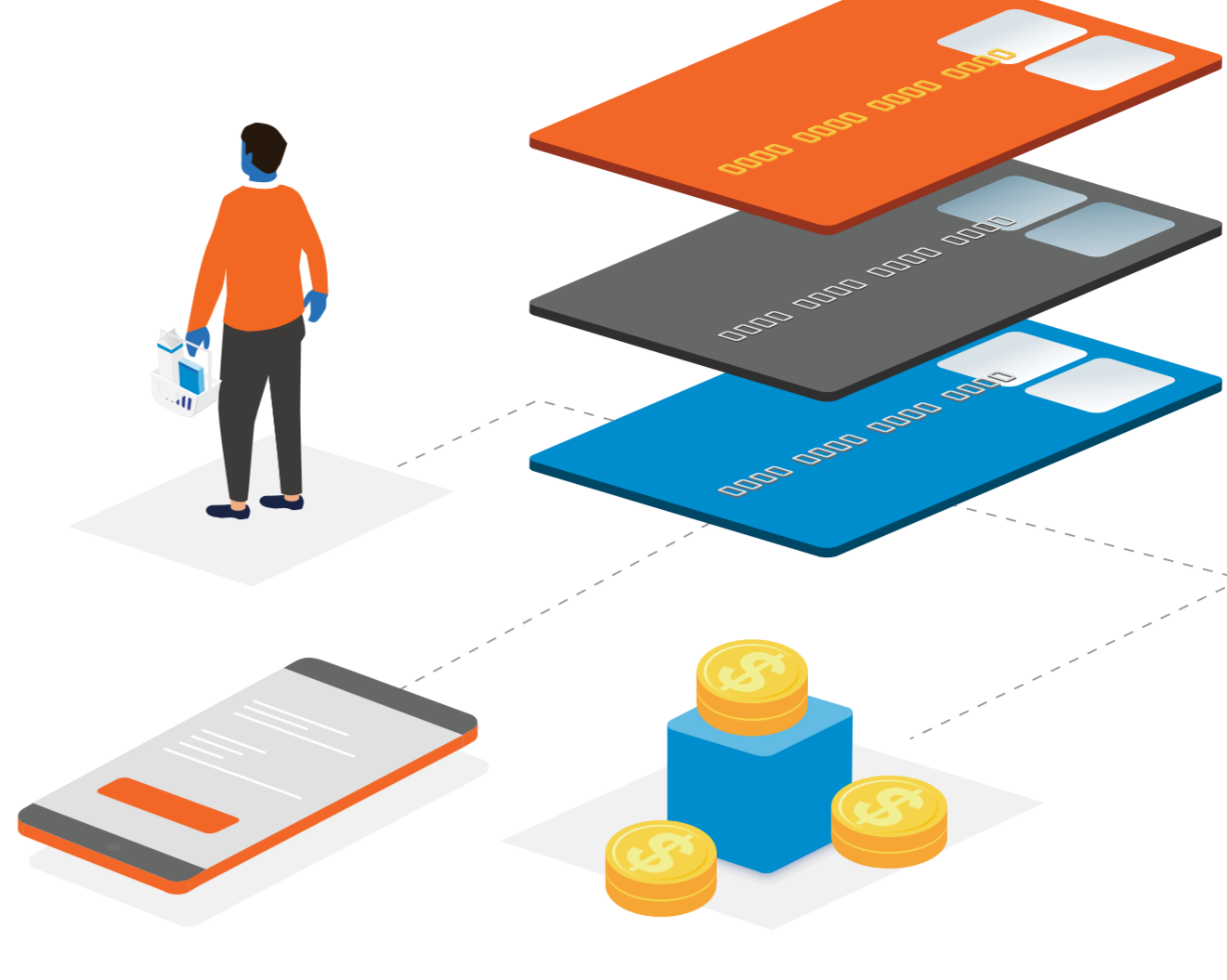


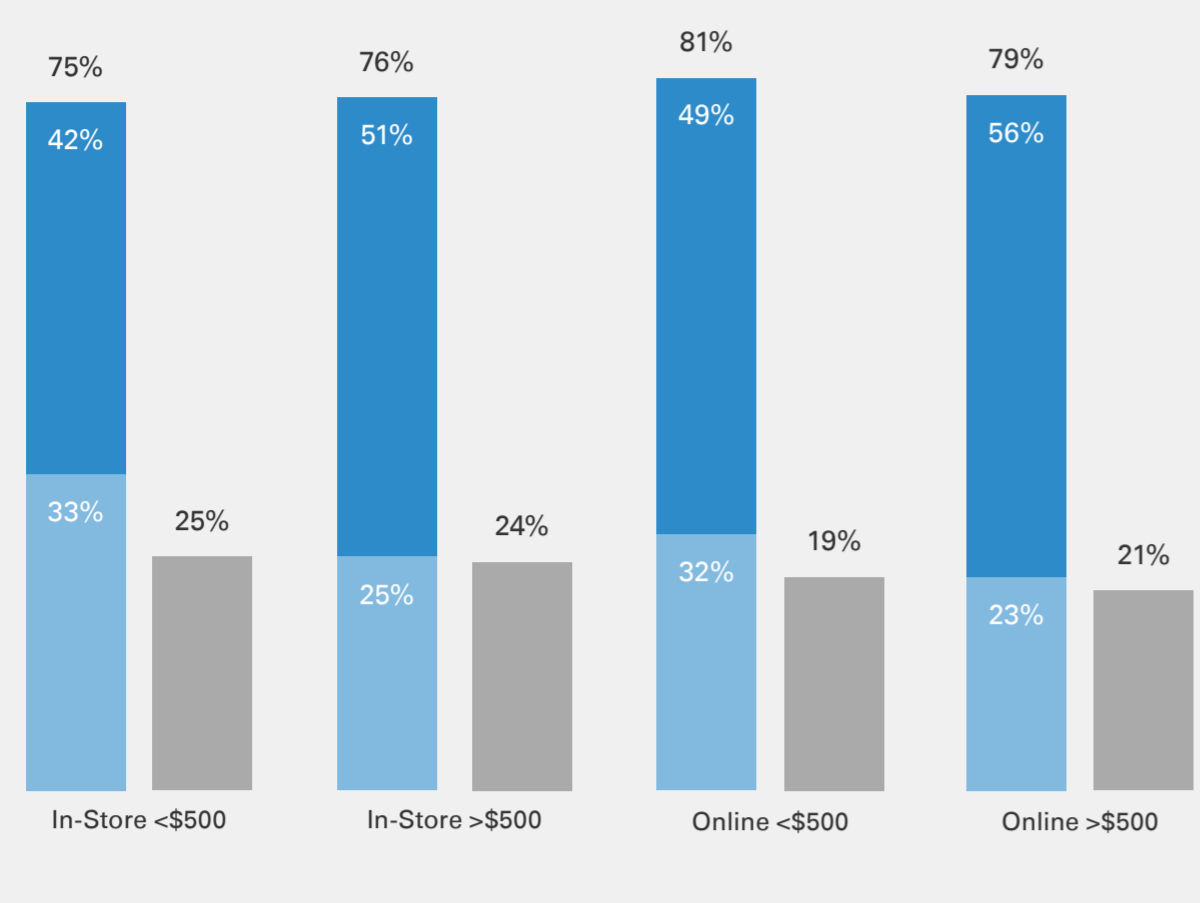
Cards, Credit and Consumer Control

April 2022

- Cards are seen as fastest, easiest and most preferred ways to pay.**
Whether it's debit or credit, contactless or chip, cards are the payment method of choice for most consumers. While preferences for card type shift depending on the channel and purchase amount, cards themselves still rule the day.
- The path to top of wallet? Rewards.**
There are plenty of reasons people choose the cards they do – easy management, interest rate, balance – but the biggest reason people give is accumulation of rewards points. That could explain why checking rewards balances is also one of the top activities when managing an account online.
- People are taking more control of their financial lives.**
They want budgeting, tracking and money movement tools that put power in their hands. That affects everything from card choice and mobile money movement to third-party tools and fraud prevention.
- Consumers want hybrid everything.**
Online, mobile or in-person. With a financial institution, fintech or merchant. Regardless of the primary channel or provider, consumers expect – and use – an ecosystem of financial services options.



Preferred Payment Methods



Credit and debit lead the way

For all purchase types we asked about, most consumers prefer to use cards over cash, checks, mobile payments or buy now, pay later. Whether it's at a restaurant (75%), buying sporting event or concert tickets (77%), or at the grocery store (75%), people are most likely to reach for a card.

Credit is popular for big-ticket items (over \$500), with 51% choosing it in-store and 56% opting for credit online.

Age is a significant influence, with 66% of boomers and seniors choosing credit in-store and 73% preferring it for large online purchases. By far, Gen Z prefers debit for large purchases – 46% in-store and 49% online, compared to 25% and 23% overall.

Survey question to all qualified respondents: Which payment method(s) are you most likely to use, if it was available?

For payments, cards are seen as fastest, easiest and most preferred

Whether contactless or chip-enabled, credit and debit cards continue to dominate in terms of perceived speed, ease and preference.

Some shifts appear to be due to the changing dynamics of the COVID-19 pandemic. For example, in 2020 – at the height of the pandemic – only 19% said cash was the fastest payment method. In 2021, that jumped to 27%. Likewise, contactless cards, while still ranking at the top, fell from 37% to 29% in the fastest category. The share of people saying contactless is the most convenient payment method also dropped, from 31% to 26%.

Interestingly, checks saw a sharp shift upward as the least preferred form of payment, from 37% in 2020 to 46% in 2021.



Perceptions of Payment Types

	Fastest	Most Secure	Most Convenient	Most Preferred	Least Preferred
Tapping Contactless-Enabled Credit or Debit Card	29% (Down from 37% in 2020)	17%	26% (Down from 31% in 2020)	22%	7%
Inserting Credit or Debit Card into Chip Reader	27%	28%	36%	45%	5%
Using Cash	27% (Up from 19% in 2020)	38%	17%	16%	19%
Mobile payment	13%	10%	14%	12%	20%
Check	2%	5%	4%	4%	46% (Up from 37% in 2020)

Survey question to all qualified respondents: For each method below, indicate which payment method you believe is the fastest, most secure, most convenient, most preferred and least preferred.

Rewards move cards to top of wallet

Seven in 10 (68%) of people with a credit card have more than one. Approximately 90% of those say they have a go-to credit card that they use most often. So how does a card become the go-to card? Rewards.

A significant majority (71%) of multiple card users choose their card for the opportunity to accumulate rewards. For those who manage cards online, the vast majority (72%) say viewing statements is important. Second place? Viewing rewards (57%). That's ahead of disputing charges, seeing transactions, setting alerts and other activities.

Note that Gen Z tends to have different drivers for credit card selection. For example, Gen Z consumers are much more likely to say they only use one of several cards because it's too difficult to manage several credit card accounts (37% to 17% overall).



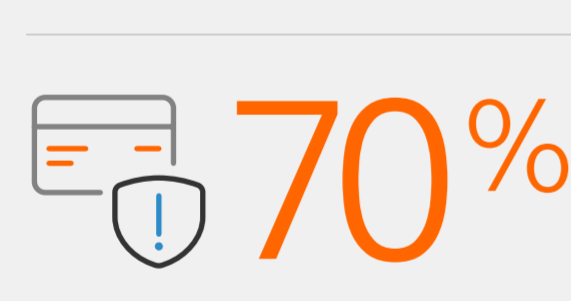
Survey question to those who use a credit card(s): Thinking only of credit cards, which best describes how you use your credit card(s) when making a purchase or payment? / Survey question to those who have several cards but use only one: Which of the following reasons that you only use one credit card? / Survey question to those who have several cards and use a select few/all: How much do you agree or disagree with each of the following? / Which of the following are important to your decision to select one credit card over another for a purchase or payment? Select all that apply.

Consumers want control of their financial lives

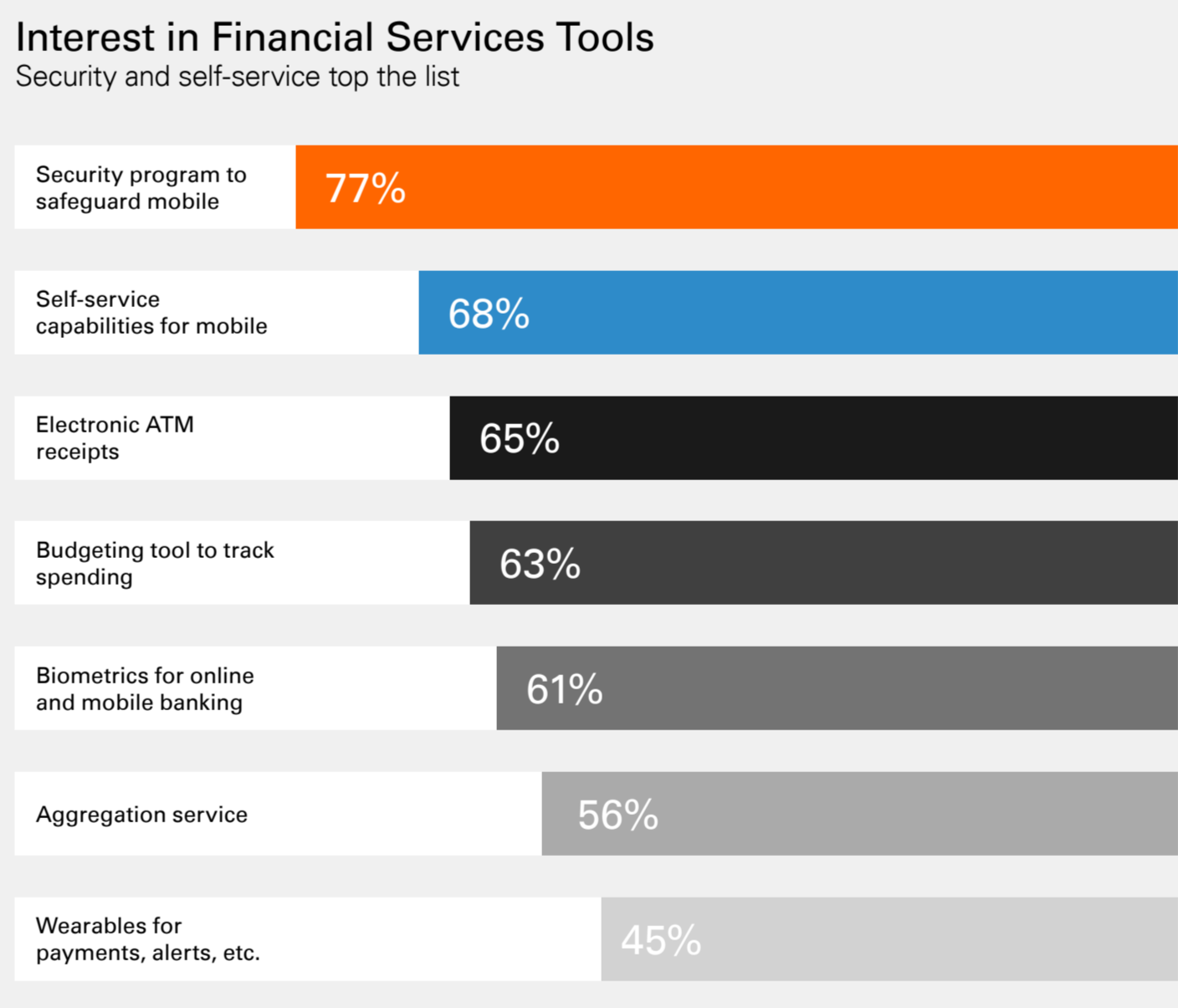
People prioritize control in different ways. They might use only one credit card for money management reasons, such as tracking spending or their credit scores, or they find it difficult to manage multiple accounts – as 66% of exclusive card users do.

Self-service options matter, too. For example, 82% manage their credit cards online and 69% use mobile (a figure that spikes to 90% for consumers 18–56). Seven in 10 consumers (68%) say they're interested in more self-service capabilities for mobile in general.

And alerts are essential for many people, with 61% receiving debit card alerts, 70% getting credit card alerts and 63% of these saying an alert has stopped fraud.



Interest in Financial Services Tools

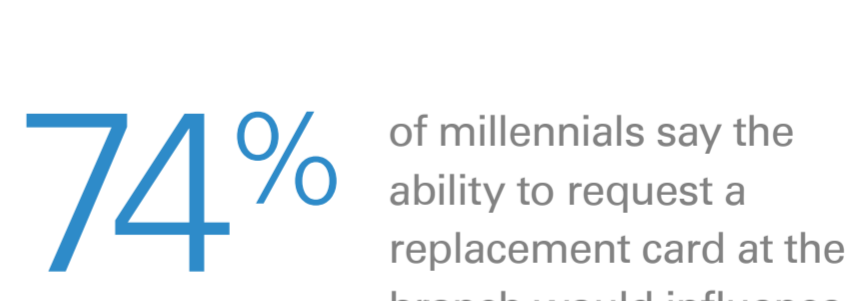
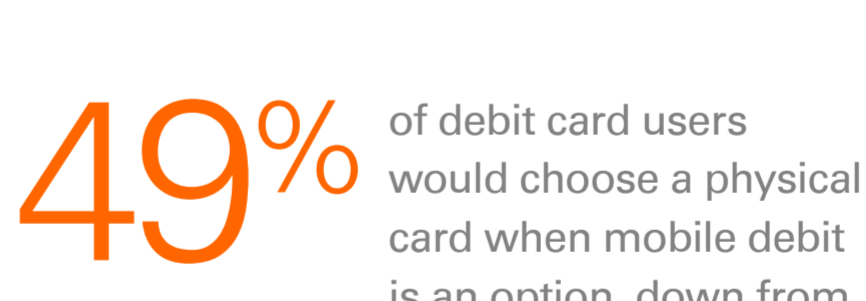


Survey question to those who have several cards and use only one or has only one: Which of the following are reasons that you only use one credit card. Select all that apply. / Survey question to those who use a credit card: How often do you manage your credit card(s) using... / Survey question to all qualified respondents: Would you be interested in the following financial tools, if they could be made available to you?

Consumers expect a variety of financial services options

Even when one channel, method or provider is preferred, people still want alternatives. One example: Where mobile debit is an option, 68% still want a physical debit card too – most commonly if the phone is lost or stolen (61%), dies (56%) or the store doesn't accept virtual (50%). Even so, 28% say they'd use physical and digital cards equally.

In-person options matter, too. Two-thirds (66%) of debit card users say they'd be more likely to request a replacement debit card online than at the branch, but 62% of consumers (and 74% of millennials) say the ability to get a replacement card at the branch would influence where they bank.

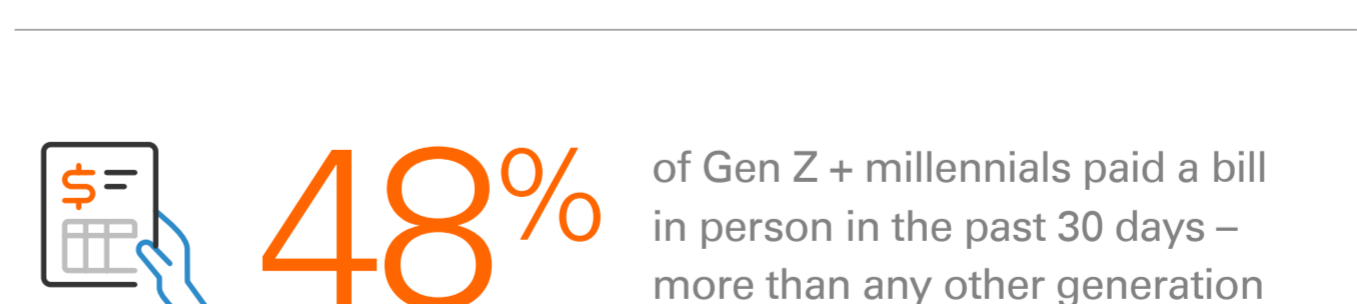
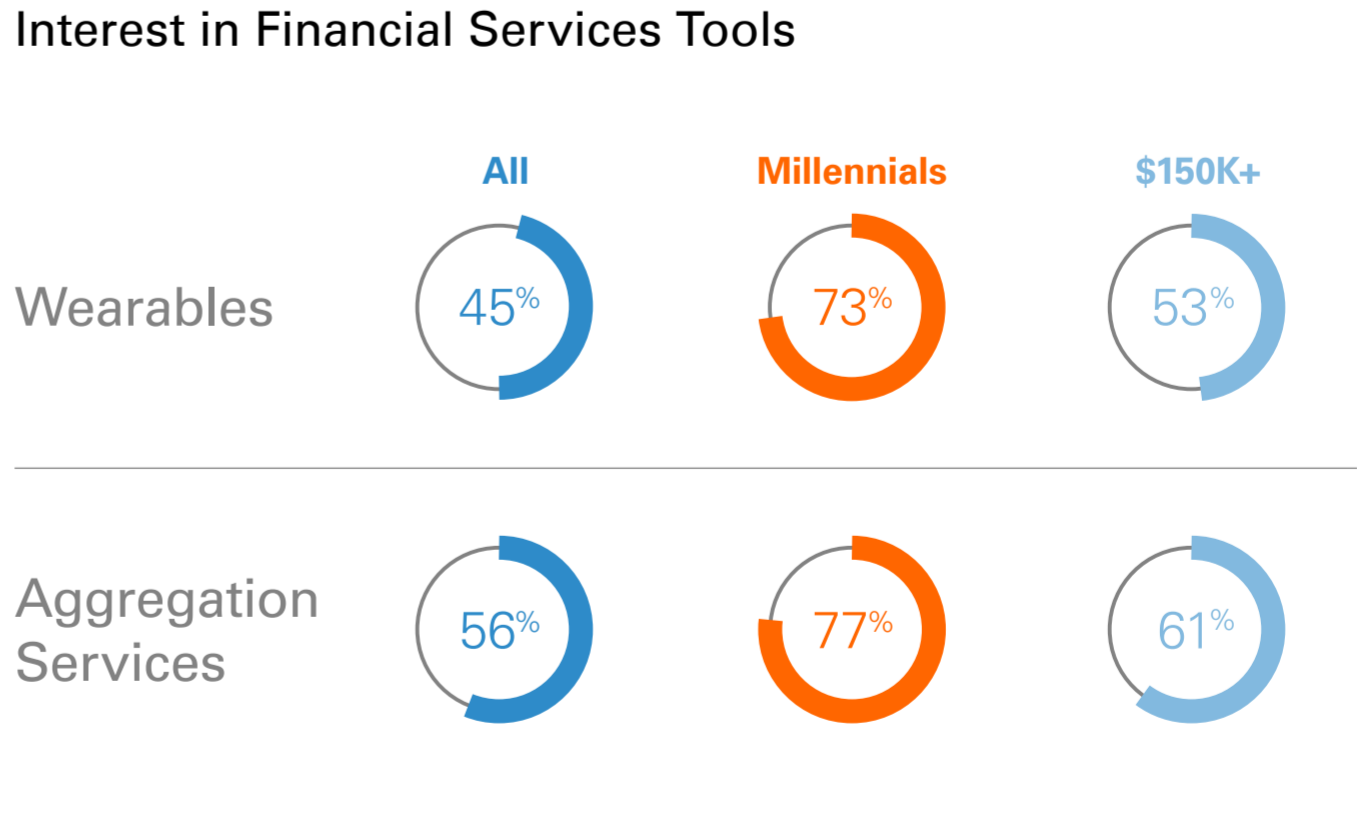


The financial services ecosystem expands for younger generations

Compared to older generations, millennials are more open to expanding their financial ecosystem with wearables and aggregation services (approximately 3/4 for both). Higher income earners are also more interested in these options than consumers overall, although the difference is less extreme than it is for millennials.

And, despite their preference for all things mobile, 48% of Gen Z and millennials used in-person bill payment in the past 30 days, compared to 25% of older generations.

Interest in Financial Services Tools



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 solution. 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.

About The Harris Poll

The Harris Poll is one of the longest running surveys in the U.S. tracking public opinion, motivations and social sentiment since 1963 that is now part of Harris Insights & Analytics, a global consulting and market research firm that delivers social intelligence for transformational times. We work with clients in three primary areas: building twenty-first-century corporate reputation, crafting brand strategy and performance tracking and earning organic media through public relations research. Our mission is to provide insights and advisory to help leaders make the best decisions possible. To learn more, visit theharrispoll.com.

Methodology

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 who met the following criteria: Someone in the household currently has a checking account with a bank, credit union, brokerage firm or other financial organization 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. All respondents (not only those who met the qualifying criteria) were weighted to U.S. Census Bureau demographic profiles for the U.S. population, age 18+ on education, age, gender, race, income, region, marital status, employment status, household size and propensity to be online.

Notes: The reference questions and answer text provided here have in some cases been shortened due to space constraints. The complete text for any questions referenced in this report is available upon request. Age groups referenced in the survey are defined as follows: Gen Z (18–24), millennials (25–40), Gen X (41–56), boomers (57–75) and seniors (76+).



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