

## Consumer Attitudes Towards Debt - US - July 2013

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*"Many financial services providers, such as credit card issuers and home equity loan providers, have traditionally focused their business models on encouraging consumers to spend money. However, a more appropriate model that meets the goals of consumers in these days may be to help consumers find ways to help themselves spend less and save more."*

– Susan Menke, Senior Financial Services Analyst

### In this report we answer the key questions:

- Millennials are looking for advice and online tools
- A secondary target are those aged 55+
- Brainstorm for ways to enrich the lives of the "stressed out"

It has been five years since the financial crisis and a good seven years since the peak and subsequent decline in housing prices, two events that rocked the country. This report explores the aftermath of these events. Consumer debt reached record levels in the years leading up to 2007-08, and many are paying it back to this day. What this means is that they are still living lives that are affected either by their current major debt loads, or the memory of the impact of those debt burdens in the past.

This report discusses how consumers are managing their debt, what their views are about debt and credit, and how this impacts their ability to save. The types of debt include mortgage debt and the continuing incidence of "underwater" mortgages, credit card debt, HELOCs, and student loans, which have replaced other forms of debt as the fastest-growing consumer obligation.

This report looks at the following:

- How are consumers responding to their current levels of debt, and what are their plans for incurring more debt?
- What are their priorities in paying off debt?
- What groups are the least and most burdened by debt? How will this impact their ability to spend and save?
- What are consumer attitudes about people who have debt and taking on new debt?

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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