

Consumer Attitudes Towards Retail Credit - UK - October 2015

Report Price: £2195.00 | \$3554.69 | €2788.33

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“Consumers may tell us that they are unenthusiastic about taking out credit to buy goods, but the evidence suggests that the demand for credit has risen steadily with the economic recovery. People may still be cautious, but they want to spend more. The only problem for retailers is that people most want to spend more on leisure.”
 – Richard Perks, Director of Retail Research

This report looks at the following areas:

- Interest free credit – Because it is there
- Just how sophisticated are people about credit?
- Credit and the recovery
- Just how important is it to offer credit?

Credit is making a comeback with the economic recovery and as long as that is maintained, we think that the demand for credit will continue to grow. But credit cards are by far the most popular way to get credit with only a minority of consumers (under 20% in our survey) actually taking out retail credit.

In retail credit, so called IFC (Interest Free Credit) is increasingly popular, especially in the household goods sectors, to the extent that retailers that had previously held aloof from it, have found themselves drawn into offering it.

Even so, almost three quarters of people tell us that they would rather save up than borrow to buy. Especially at the moment, consumers remain in a cautious mood and we do not expect to see a credit fuelled boom over the next few years.

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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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