This report looks at the following areas:

Some 90% of Canadians own a credit card, one of the highest card ownership rates in the world. Credit cards are the most popular method of payment, particularly for online purchases. The credit card market in Canada was estimated at $569 billion at the end of 2020 (per Payments Canada). Canadians are highly motivated by the relatively generous rewards credit cards offer. In addition, consumer perceptions favour credit cards in areas such as perceived costs, convenience and security. The marketplace is extremely competitive and is dominated by the major banks, but smaller card companies and Fintech challengers offer multiple options to consumers.

Some specific points from this Report include:

- Credit cards are the preferred method of payment for 69% of Canadians.
- One in four (25%) spend more than $3,000 on their credit card.
- Half of consumers (49%) use the app of their credit card company.

“Credit card spending is making a recovery after falling to pandemic-inspired lows. The generous rewards offered by credit card companies are a major motivation for regular credit card use while prepaid and secured cards remain important gateway products.”

– Sanjay Sharma, Senior Financial Services Analyst
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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.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

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A campaign introducing “True Name” shows how a simple card can bring a lot of joy.

Most Canadians have a credit card.

Regular card ownership spikes among over-35s.

Income and ethnic differences in card ownership.

New Canadians are a natural market for prepaid and secured cards.

The prepaid and secured card market opportunity.

Rewards/perks are the top reason for obtaining primary card.

Building credit is the main motivation for 18-34s while perks/rewards matter more to over-35s.

Paying bills is a reason for a third of 18-54s.

Financing large purchases is a motivation for a fifth of consumers.

More than half choose a primary card with no annual fee.

Rewards are a major appeal.

No annual fee matters more to over-55s; many other factors influence 18-34s more.

Higher credit limit and free gift/services matter more to 18-34s.

Low APR and balance transfer rates influence 18-54s more.
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Bank branches remain the most important acquisition channel overall

Branch relationships facilitate credit card sales

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I prefer using a physical card to a digital version (% agree), by age, 2022

I use the app of my credit card company (% agree), by age, 2022
Two in five 18-54s interested in a Fintech credit card

Social media discussion on credit cards is strongly age-dependent

Rewards are a major driver of credit card usage

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Three in 10 are influenced to apply by advertisements

One in four have done a balance transfer in the past year

Switching behaviour declines with age

Half of men aged 18-34 have withdrawn cash using credit card

Half prefer paying with cash/debit to retain spending control

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About Mintel

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