

Payment Preferences - US - 2023

Report Price: £3695 | \$4995 | €4400

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This report looks at the following areas:

- Payment preferences for general purchases
- Digital payment method usage
- Payment preferences for specific purchase types
- Attitudes and behaviors toward financing options
- Online and mobile payment behaviors
- Consumer attitudes toward payments

The increased cost of revolving credit card balances has led to the surprising resurgence of cash as a payment preference. Inflation has forced many consumers to charge purchases to their cards, accepting more debt than they would like to in order to cope with rising prices. This has led to an increased preference for cash and cash equivalent payment methods that allow for easier budgeting and more stress-free purchases.

The persistence of inflation will continue to drive young consumers away from debt-bearing products, incentivizing usage of debit cards and cash for everyday purchases. Credit card issuers will tout introductory rates on purchases and balance transfers to provide budget-squeezed consumers breathing room to maneuver their existing balances and ongoing payments.

The rising adoption of digital payment systems is a threat to established payment methods, especially as P2P competitors expand their ecosystems to compete more directly against debit and credit card payments. Consumers' appetite for digital payments continues to expand rather than consolidate, broadening the competitive landscape.

The recent decline in preference to use credit cards provides a strong opportunity for rival payment methods whose value aligns more with convenience than rewards. The current priority toward savings and debt management is driving consumers toward payment methods that feel responsible and not vulnerable to overspending. This attitude may drive



“The past couple of years have seen a rare reversal in trends within payment preferences, with credit cards declining as a top choice and cash climbing back upward.”

– Patrick Rahlfs, Senior Research Analyst

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adoption of debit cards to better monitor spending patterns and steer clear of costly debt.



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