A closer look at today’s retail credit consumer

Americans love their plastic. And they love to shop. Yes, there’s a projection stating that 25% of shopping malls will be closed within five years. But that just means Americans are shopping differently, embracing the world of e-commerce.

So what does today’s retail cardholder look like?

Beyond generation, what does the loyal retail cardholder look like?

A deeper dive into card segmentation

<table>
<thead>
<tr>
<th>Generation</th>
<th>Average VantageScore</th>
<th>Average original balance</th>
<th>Average total balance</th>
<th>Average # of retail cards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gen Z</td>
<td>632</td>
<td>$533.34</td>
<td>$1,633.34</td>
<td>2.5</td>
</tr>
<tr>
<td>Gen YY</td>
<td>661</td>
<td>$1,170.27</td>
<td>$1,235.75</td>
<td>2.9</td>
</tr>
<tr>
<td>Gen OY</td>
<td>673</td>
<td>$769.37</td>
<td>$1,369.45</td>
<td>2.5</td>
</tr>
<tr>
<td>Gen X</td>
<td>685</td>
<td>$623.32</td>
<td>$1,644.45</td>
<td>1.8</td>
</tr>
<tr>
<td>Boomer</td>
<td>725</td>
<td>$662.32</td>
<td>$1,444.45</td>
<td>1.6</td>
</tr>
<tr>
<td>Silent</td>
<td>736</td>
<td>$356.67</td>
<td>$829.89</td>
<td>2.9</td>
</tr>
</tbody>
</table>

With more brands getting into the credit card game, competition is fierce.

How can issuers acquire and keep the consumers they want most?

1. Deliver premium benefits to premium cardholders.
   This could take the shape of high-end perks like concierge services and early access to new product or events.

2. Reward loyal customers — often.
   Think beyond initial offers and present relevant offers and incentives during key seasonal times and cardholder milestones. Design rewards that make sense for the individual, not the masses.

3. Build in the extras cardholders expect.
   Credit monitoring, identity theft resources and enhanced fraud protection are all appreciated.

Retail cardholders’ average VantageScore® by generation:

- 45% were opened by boomers.
- 27% were opened by Gen X.

Sorted from highest to lowest average VantageScore:

- Silent: Age 72 or older
- Gen OY: Age 29 – 35
- Gen YY: Age 22 – 28
- Gen Z: Age 18 – 21
- Gen X: Age 36 – 50
- Boomer: Age 51 – 71

*Isidore, Chris, “Malls are doomed: 25% will be gone in 5 years,” CNNMoney, June 2, 2017*