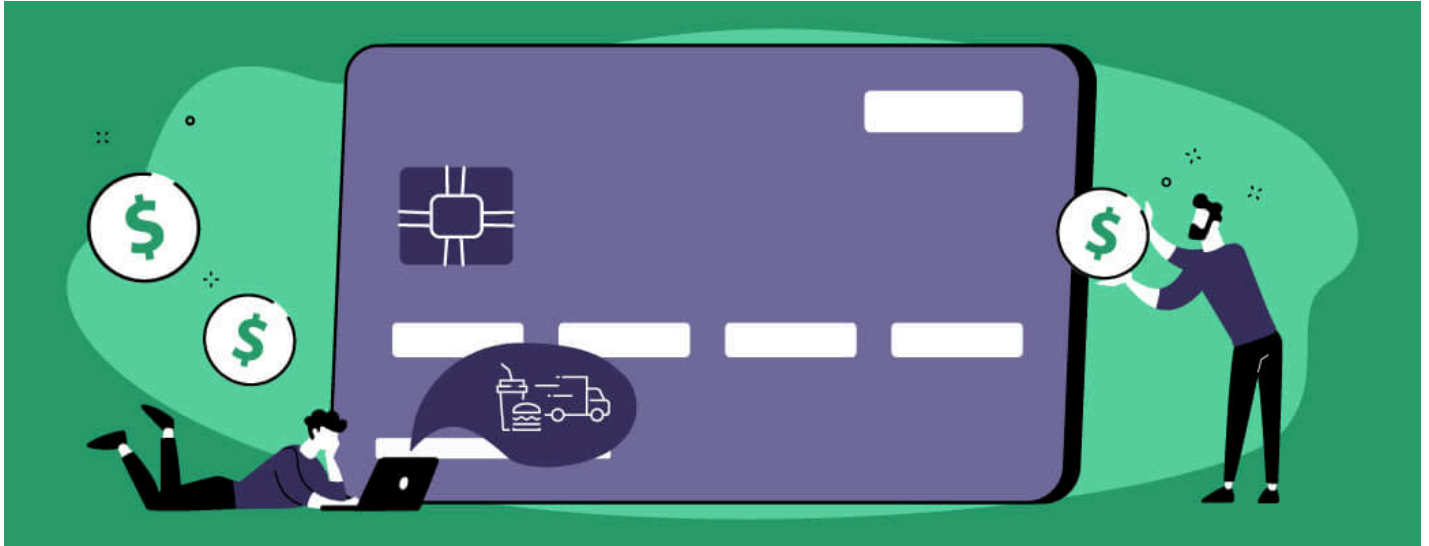


Credit Card Use and Sentiment in the US



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Modern-day credit cards have been around for about 70 years, distilling the convenience — and risk — of a “buy now, pay later” model into a seconds-long transaction via a card that fits in your pocket.

Now, credit cards may just be a part of everyday life, but how do we actually feel about using them? How do we tend to use them? And what can we learn?

To find the answers to all of these questions and more, we conducted a credit card survey of 603 people to better understand credit card use and sentiment in the U.S.

Some of their answers may surprise you.

We'll start with some essential takeaways, then dive into gender and generational differences.

Note: All percentages were rounded to the nearest whole number.

Credit Card Survey: Key Insights and Findings

Here are some of the biggest questions we were able to answer with the findings from our credit card survey:

How Do People Feel When Getting Their First Credit Card?

Most people report feeling excited when getting their first credit cards. Less than 1% of people said they felt angry or upset about their first card.



How Many Cards Are Too Many Cards?

While most people (58%) have more than one credit card and report using several cards equally, they draw the line at some point. When we asked respondents, how many credit cards are too many for one person to have? Five credit cards was the most common answer.

Why Do People Get Credit Cards?

The top three reasons people said they got their first credit card were:

- To build credit: 58%
- To earn rewards/points/cash back: 44%
- To make big purchases: 43%

Note: People could select more than one option.

What Credit Card Perks Do People Care Most About?

At the end of the day, our survey shows people want more money in their pocket.

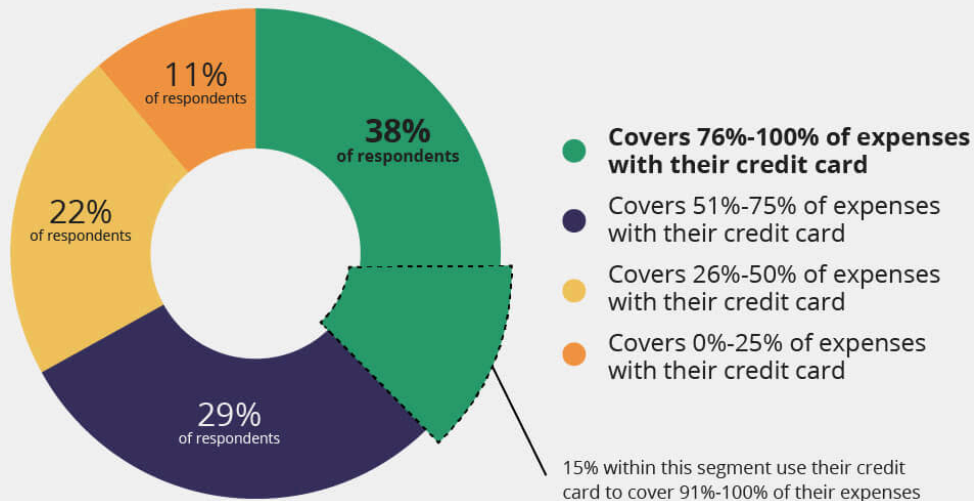
We found that a majority of people (60%) cite cash back as the most appealing credit card perk. Shopping discounts and travel rewards were the next most popular options.



How Much of Their Expenses Do People Charge to Their Card?

38% of our credit card survey respondents said they use credit for more than three-fourths of their expenses. Of that group, 26% of respondents use their credit card for at least 96% of their costs.

What percentage of your expenses do you put on your credit card?



How Much Credit Card Debt Do People Carry Month to Month?

According to our data:

- The most common balance people carry month to month is between \$1 to \$2,500 (40% of respondents reported this)
- About 13% of people carry zero debt, month to month.
- About 7% of people carry a balance of \$10,000 or more, month to month.

Do People Actually Sign Up for Credit Cards on the Spot?

Yes, and a majority (57%) of those who signed up for a credit card just to get a store discount said they canceled the card when it arrived in the mail.

Have you ever opened a credit card just to get the discount the store was offering—and then cancelled the card when it came in the mail?



Who Uses Credit Cards More: Spouses or Singletons?

Married people carry a higher balance than single or divorced people, with 43% of married respondents saying they have at least \$5,000 on their card month to month. Compare that to just 10% of single people and 30% of divorced people who said they carry a balance of \$5,000 or more.

Even people who live with their partner (17%) had less than half the percentage of respondents who carry a balance of \$5,000 or more, compared to married people.

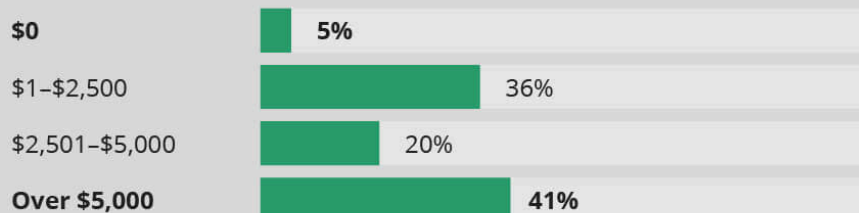
Should I Memorize My Credit Card Number?

Perhaps no. Even though it could save you time, memorizing credit card numbers seems to result in higher month-to-month balances.

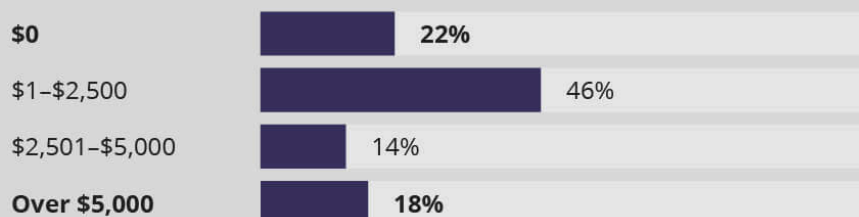
Is memorizing a credit card number bad for your wallet?



Monthly balance of people who have at least one credit card's number memorized



Monthly balance of people who do NOT have a credit card's number memorized



Percentages add up to more than 100 because they were rounded to the nearest whole number.

Over 40% of people who *have* memorized the numbers of one of their credit cards carry a monthly balance of \$5,000 or more. Compare that to just 18% of respondents who *do not* have a card's numbers memorized and carried a balance of \$5,000 or more.

We also looked at who's more likely to carry a \$0 balance month to month. We found those who do *not* have a credit card's numbers memorized are over four times more likely to carry a \$0 balance compared to those who *do* have a card's numbers memorized.

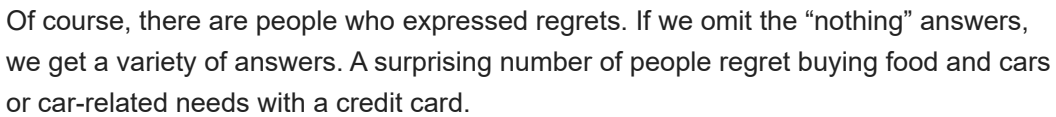
Only 5% of respondents who *did* memorize the numbers of at least one of their credit cards carried a \$0 balance each month, while 22% of those who did *not* memorize a card's numbers carried no balance.

Of all the generations, millennials had the highest percentage who said they have at least one card's numbers memorized.

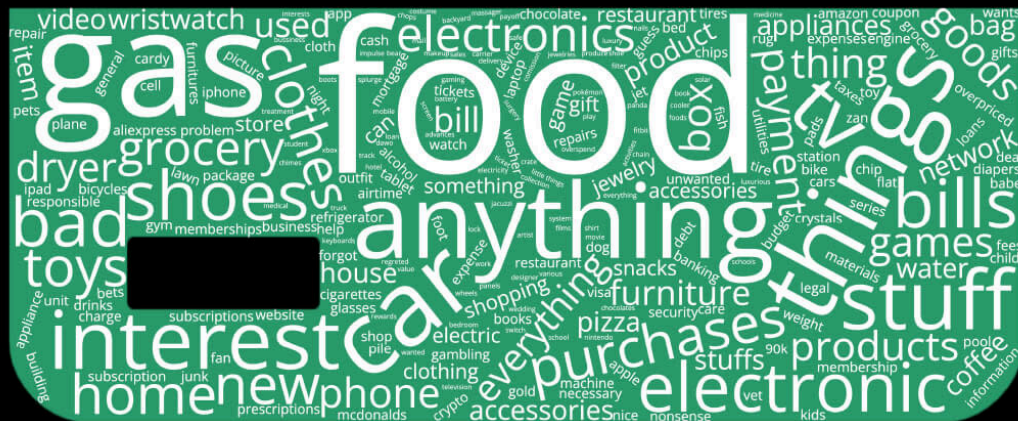
What Do People Regret Buying Most With a Credit Card?

We wanted to know how people felt about their own credit card spending habits — and if there's anything they wish they hadn't purchased. The most common answer, given by 18% of our survey respondents, was nothing.

(All Answers)



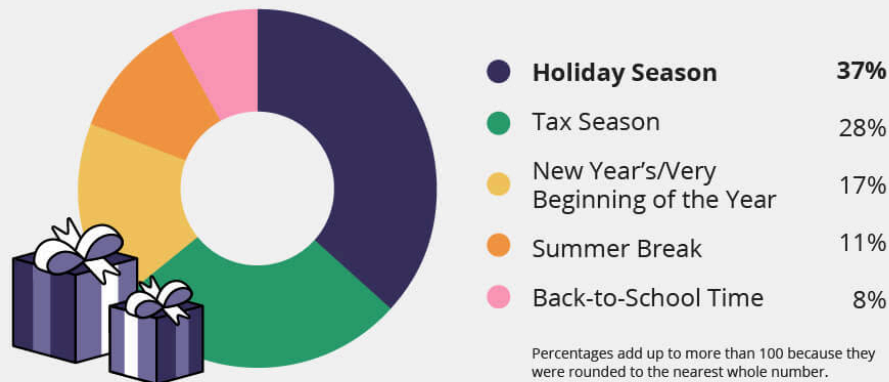
("Nothing" Answers Omitted)



- Too many Pokemon cards
- A four-wheeler from a mall shop
- An extremely overpriced rug
- A pizza
- Crypto
- Crystals
- Gifts for other people (many respondents reported this regret)

Not surprisingly, the holidays are the most popular time of year for respondents (37%) to think about their debt and savings. The financial demands of holiday gifts and travel may cause us to take a second look at what's sitting in our bank account.

When do you think most about your debt and savings?



Tax season was the runner-up, with New Year's coming in third.

Men's vs. Women's Credit Card Spending, Attitudes, and Behavior

Seemingly since the beginning of TV sitcoms, women have been portrayed as shop-til-you-drop types. After all, Lucy was constantly in trouble with Ricky for her spending habit.

The stereotype continues today — on the big and little screens. In “Confessions of a Shopaholic,” Isla Fisher’s character joins a literal stampede of women desperate to get their hands on sample sale items.

And in one of the most quotable millennial movie moments, “Mean Girls” queen Regina hops in her convertible with her other two gal pals and says to Lindsay Lohan’s character, “Get in loser. We’re going shopping.”

But is it all true? Are women the big spenders?

Not necessarily.

Below are our most significant findings when comparing men and women credit card holders.

Why Do Men and Women Get Their First Credit Cards?

Most people get credit cards to help build credit (though an improved score is not guaranteed). The next most common reasons were to make big purchases and to take advantage of rewards and perks.

However, when you sort the top three reasons by gender, men were more likely to get their first card to make big purchases, while women were significantly more likely to do

so to build credit.

Men may be more impulsive when applying for new cards in general:

- 66% of men say they've gotten a credit card just for a specific discount then canceled the card immediately, compared to 47% of women who said the same.
- Nearly 30% of men applied for a new card for the signup incentives, compared to just 18% of women.
- Finally, 27% of men said they got their first card because they had a preapproved offer, nearly double the percentage of women who said the same (15%).

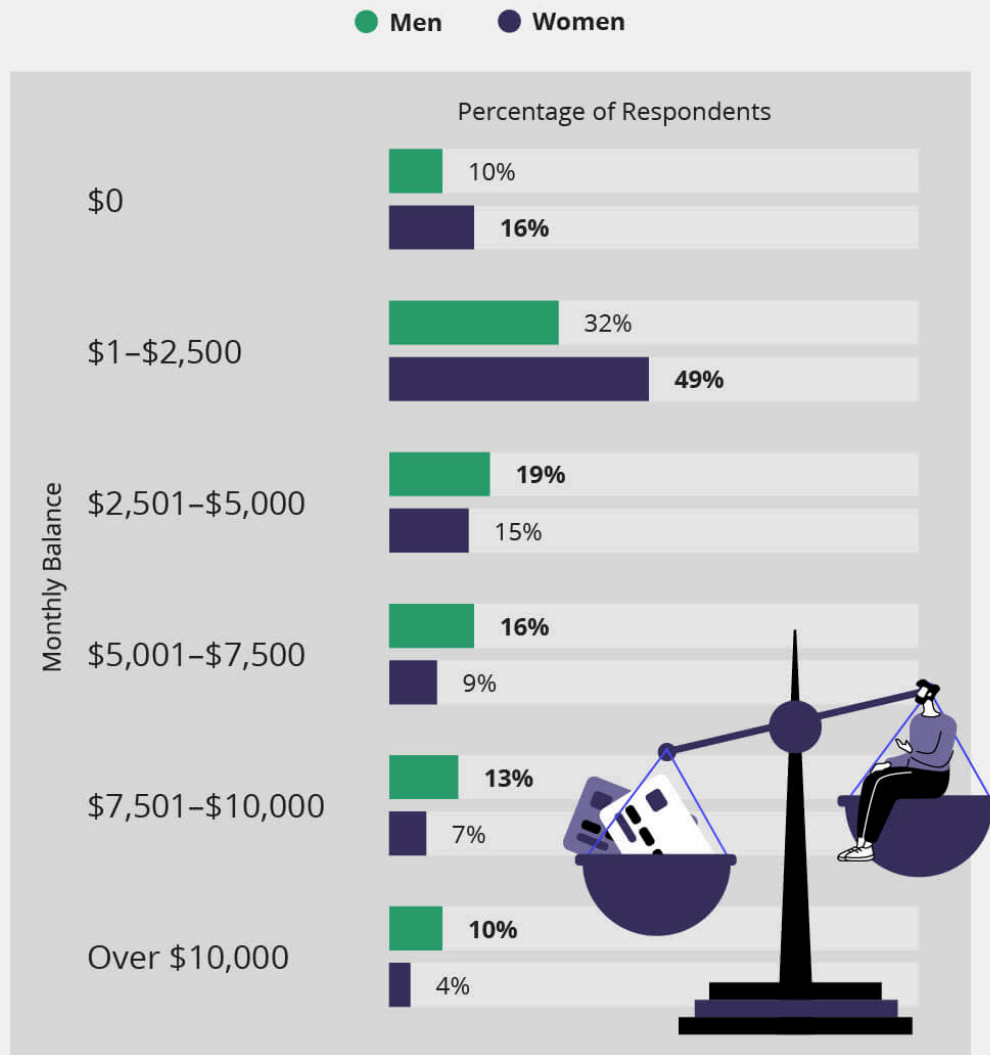
Show Me ... the Credit Card Statement!

Since no actual cash passes hands, and you can quickly enter and save credit card information online, credit card spending can become almost thoughtless. But then you get the credit card statement and may think, "What happened?!"

When we asked our respondents what they regret buying most with their credit cards, only 9% of men reported having no regrets, while 16% of women reported having no regrets.

Perhaps the main reason women reported no regrets is they're 1.5 times more likely to carry a \$0 balance than men are.

How much of a balance do you typically carry over month to month across all of your credit cards?



Meanwhile, 39% of men carry a balance of \$5,000 or more. This is nearly double the percentage of women with that big of a monthly balance.

Further, 10% of men have a balance of \$10,000 or more following them every month, while this is only true for 4% of women.

Credit Scores, Rates, and Limits Are a-Changin’

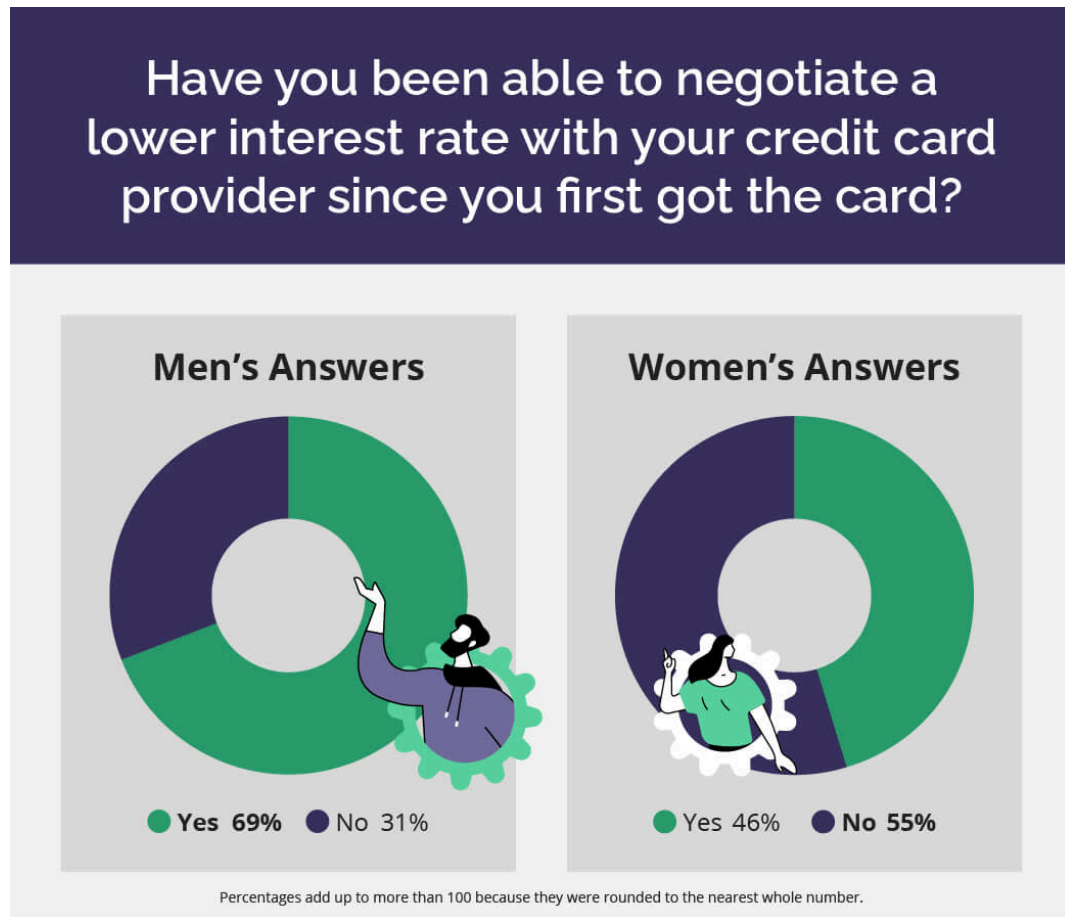
As mentioned, many people get credit cards to improve their credit scores. But does it pan out?

Sometimes.

Interestingly, while women are more likely to open their first card to increase their credit score, they were twice as likely to find their score had not improved compared to men.

(12% of women and 6% of men said their score had not improved since getting a credit card.)

Furthermore, 69% of men said they'd been able to negotiate a lower interest rate with their credit card provider, compared to just 46% of women who'd been able to do the same.



Increased credit limits were the last area where we saw differences in the way men and women act as credit card holders. Maybe they wanted to spend more or maybe they wanted to lower their credit utilization. Either way, men seem to want a higher limit more than women: Over 70% of male respondents said they'd asked for a higher credit limit (50% of women said they had done the same).

Generational Differences Among Credit Card Holders

Age also plays a role in how people use and view credit cards. Each generation has had unique experiences with credit cards, ups and downs in the economy, and more — so it's not surprising that things feel different to them.

Before we jump in, it's important to know what the different generations are:

- **Boomers:** Born 1946-1964 (ages 57-75 as of 2021)
- **Generation X:** Born 1965-1980 (ages 41-56 as of 2021)

- **Millennials:** Born 1981-1996 (ages 25-40 as of 2021)
- **Generation Z:** Born 1997-2012 (ages 9-24 as of 2021)

A Fast History of Credit Cards

Credit cards may feel like they've been around forever, but they've only really been widely in use since the late 1950s or early 1960s. People's experiences growing up — or not growing up — around credit cards likely affected how they feel about them.

A Brief History of the Modern Day Credit Card:

- **1958:** First national credit card system introduced, though not all states used it

1964: First Boomers Turn 18

- **1966:** First all-purpose credit card introduced.
- **1968:** Truth in Lending Act requires credit card disclosures to be standardized and clear.
- **1970:** 51% of households have credit cards.
- **1974:** Consumers can legally dispute charges; discrimination based on race, gender, marital status, religion, or national origin banned.
- **1977:** Predatory debt collection banned.

1983: First Gen X-ers Turn 18

- **1986:** Fees were added to the above interest rules; Discover introduces the first credit card with cash back rewards.
- **1987:** American Airlines and United start to offer credit cards with frequent flier miles.
- **1998:** Nearly three-fourths of American families have at least one credit card.

1999: First Millennials Turn 18

- **2009:** The CARD Act passes, making card usage safer, limiting who can get one; credit card numbers can be more safely used online.

2015: First Gen Z-ers Turn 18

- **2017:** \$1 trillion in national credit card debt reached for the first time.
- **2021:** 83% of households have credit cards.

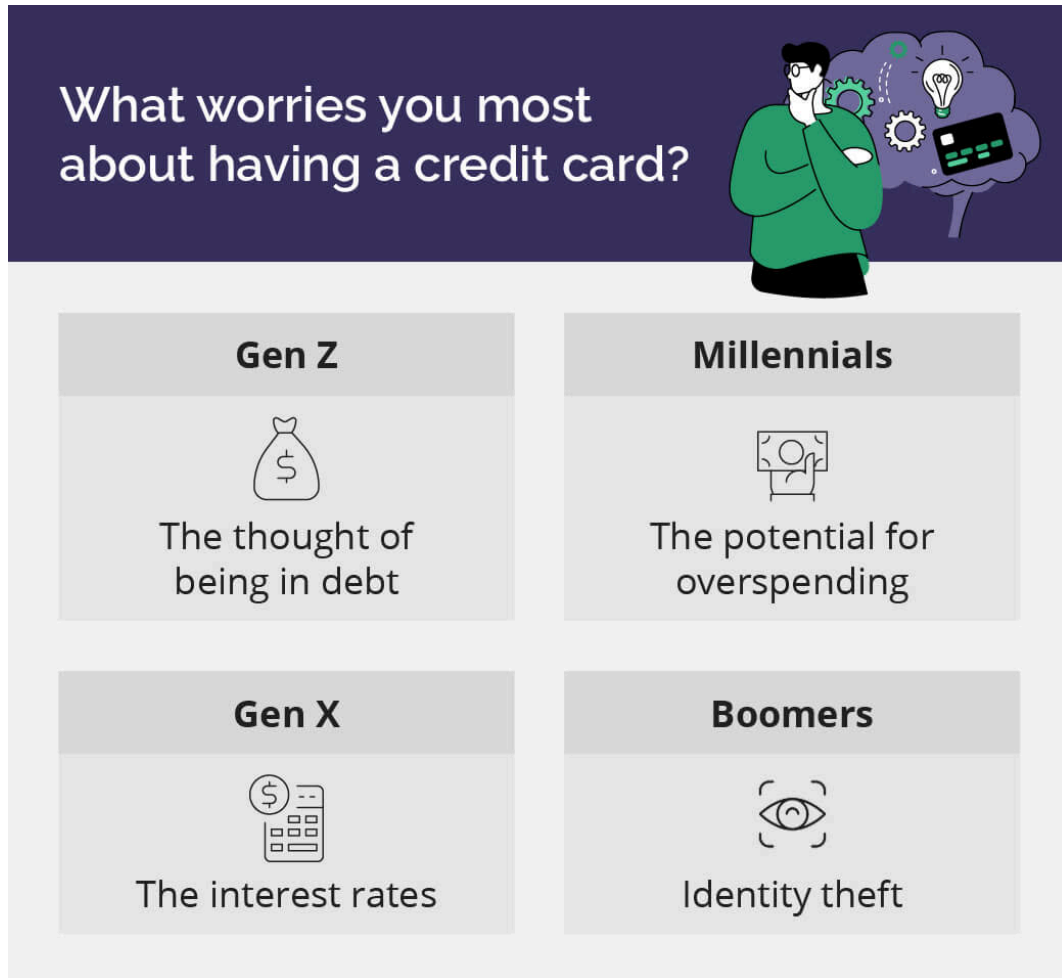
Did you grow up in a time when few people had credit cards? You may be less likely to feel confident about them.

Did you know people who got credit cards before there were regulations to protect consumers? You may think twice before applying for a card yourself.

Plus, parents pass on beliefs.

Credit Card Worries Based on Generation

Let's look at what people worry about with credit cards based on age, as well as some thoughts on why they may have these fears.



Boomers Worry About Identity Theft

The most common worry for boomers with credit cards is the potential for identity theft, which received 27% of their vote.

Boomers lived through times when companies could send unsolicited active cards and people couldn't legally dispute charges. Follow that up with massive cases of card numbers being stolen, and you have a generation that is understandably concerned about their personal information.

Gen X-ers Worry About Interest Rates

For Gen X, the most common credit card worry was interest rates, which received 28% of their vote.

According to [CNBC](#), Gen X has the most credit card debt of all the generations. It makes sense then that they would be the most worried about the interest they owe on that debt.

Millennials Worry About Overspending

For millennials, the most common credit card worry was the potential for overspending, which got 21% of their vote.

Millennials were like the guinea pigs of the digital age. They grew up alongside the internet, the iPhone, and, most relevant, online shopping.

According to Kinsta, nearly half of online shoppers overspend or buy something unplanned for. Perhaps millennials are worried about their own credit card spending habits and the ease of online purchases.

Gen Z-ers Are Most Afraid of Being in Debt

The most common credit card worry for Gen Z was the thought of being in debt, which received 25% of their vote.

Debt can be scary, especially if you are brand new to it. Older generations may feel more at ease with the responsibility of a credit card because they have years of experience with debt.

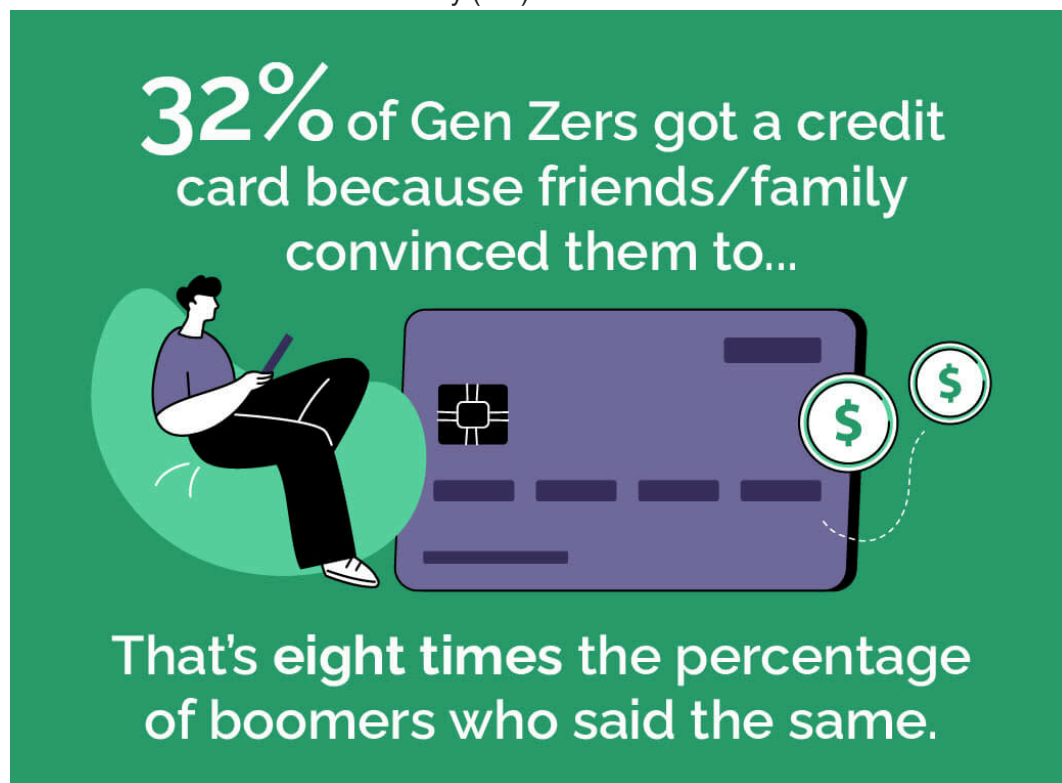
Why Did Different Generations Get Their Cards?

The first reason across the board was to build credit. However, when broken down by generation, some interesting trends emerge.

We found that the younger respondents were, the more likely they were influenced by friends and family to get their first credit card.

32% of Gen Zers got a credit card because friends/family convinced them to.

That's *eight times* the percentage of boomers who said they got their first card on the recommendation of friends and family (4%).



Boomers had the highest percentage of respondents (17%) who were interested in cards with travel points, compared to other generations.

Of all the generations, millennials had the highest percentage (60%) who'd signed up for a credit card to get the discount a store was offering and then canceled it once it arrived

in the mail.

Credit Card Spending Habits by Generation

Here's a breakdown of the individual items people spend the most on, what they refuse to use credit for, and the types of items they most regret buying.

The most regretted themes reveal an interesting pattern. As the generations rose in age, the regretted purchases fell in price — even between millennial and Gen X food purchases.

Gen Z may be feeling the most torn by their credit card use. We found that their largest purchase was often a smartphone, and yet, the items they most regret buying are tech devices and electronics.

It's on the House

Paying for housing with anything but a check or direct deposit may sound strange to some. But we found that 66% of respondents under 40 years old use their credit card to pay for housing.



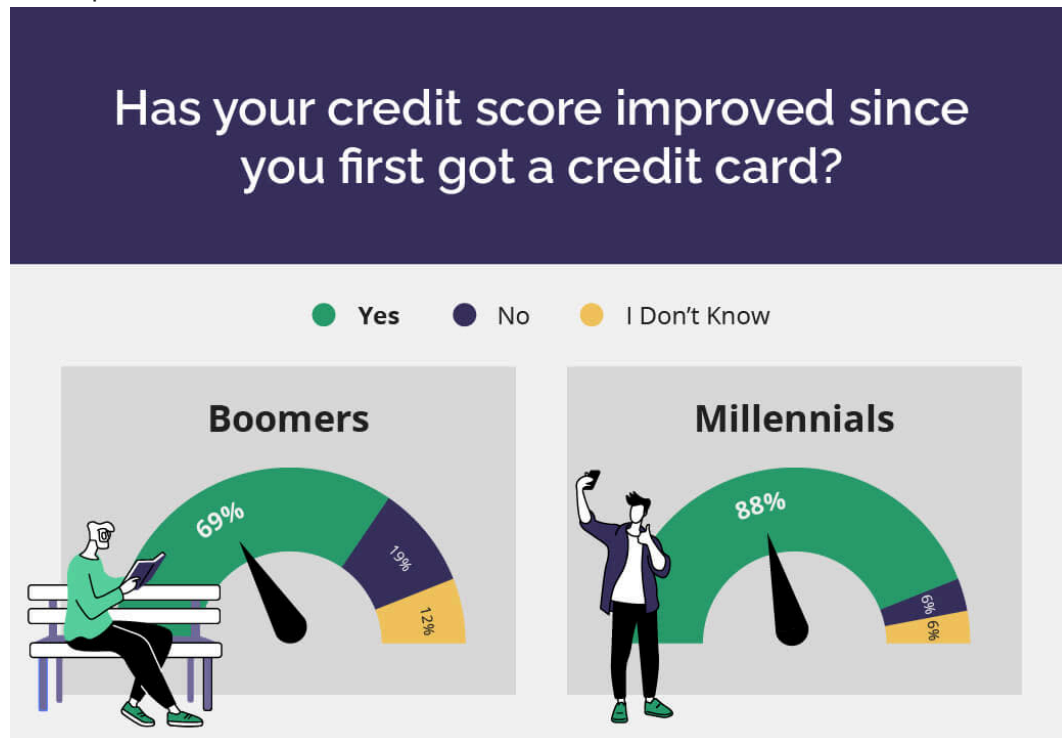
As landlords and mortgage companies become more technologically advanced, different online payment options become available. Younger people who are still finding their financial footing may be choosing to put housing payments on their credit card to help keep up with other monthly costs — or because they prefer the convenience.

Note: Housing lenders and rental companies will typically charge an additional fee if you opt to pay your rent or mortgage with a credit card.

All Generations Care About Credit Scores

Across all generations the most common reason people say they got their first credit card was to build credit — and a majority of people in each generation say they were successful at doing so. Additionally, every age group reports checking their credit scores regularly.

That said, not all answers were the same across generations. For example, boomers are the most likely to say their credit scores *haven't* improved, accounting for 19% of the respondents in that age group. This is more than triple the percentage of millennials who report this.



Millennials are the most likely to say their credit scores have improved since getting a credit card.

Generational Differences in Credit Card Balances

Younger generations are slightly more likely to carry a balance month to month, with 90% of people under 40 saying they carry a balance, compared to 83% of people over 40.

But boomers and Gen X may be worse when it comes to carrying large balances month to month:

- 30% of those over 40 have a monthly balance of \$5,000 or more, compared to 23% of those under 40 owing the same amount
- The percentage of people over 40 years old who carry a monthly balance *over* \$10,000 was nearly twice that of people under 40 (9% vs 5%)

Boomers: The Outliers

In most cases, three generations had overlaps in the way they responded to our questions, with boomers as the usual outliers. This could be because credit cards weren't as common when they were growing up, and many may not have received the same advice and education on credit cards compared to younger generations.

With this in mind, we found boomers to be the generation that is *least* likely to:

- Successfully negotiate a lower credit card interest rate
- Know their credit score
- Ask for a higher credit limit
- Have at least one credit card memorized
- Be worried about overspending with their credit card
- Take out a credit card for a promo and cancel when it arrives in the mail

A Credit Carol

We asked our credit card survey respondents how they planned to pay for most of their gifts this holiday season. All generations except Gen Z plan to use their credit cards.



So how will Gen Z pay for their gifts? Most are using their debit card.

And debit may be the new cash. We asked our respondents about the last time they used cash to make a purchase. All generations *except* Gen Z said it had been that very day (the last time Gen Z had used cash was three to five days prior to taking the survey). Gen Z may be the generation to take our payment methods completely from paper to plastic.

Note: Thanks to the CARD Act, Gen Z may be more likely to opt for debit because they don't typically qualify for credit cards until age 21 — meaning some may not have another option.

Summary: Credit Card Spending Habits and Beliefs

America runs on credit these days, with a surprising number of people using credit cards for most purchases and having several cards they use equally.

Luckily, most of our respondents say they have no regrets about obtaining and using their cards.

Our study also showed that not all stereotypes play out. For example, men often carry higher debts than women; millennials had the highest percentage of respondents with improved credit scores; and Gen Zers worry greatly about debt, showing social media extravagances may not reflect their reality.

At the end of the day, credit cards can help — or hurt. It may come down to researching the [top credit cards](#) for your needs and making reasonable choices once the card is in hand. If you're like most people, maybe you want a card for the chance to build credit.

Whatever your reason, take the first step by comparing cards from our trusted network today.