

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.

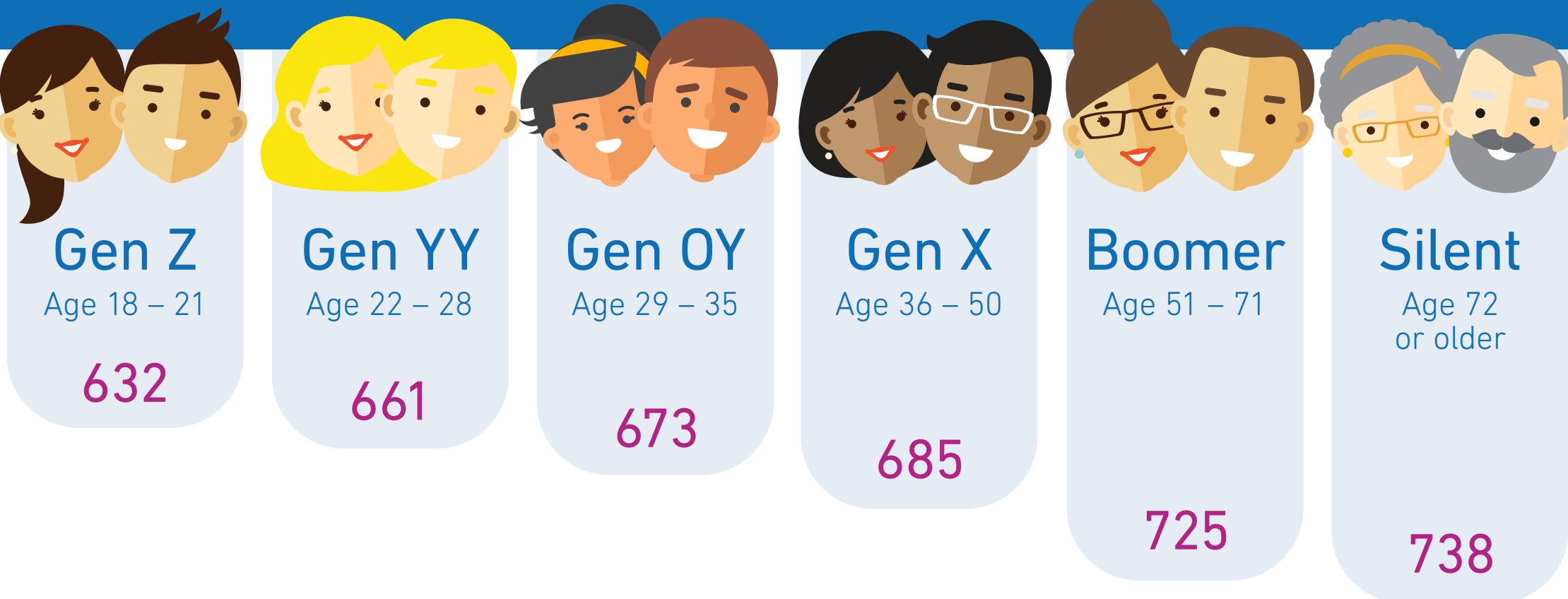
So what does today's retail cardholder look like?

Of the new retail card lines opened at the end of 2017:

45% were opened by boomers.

27% were opened by Gen X.

Retail cardholders' average VantageScore® by generation:



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

A deeper dive into card segmentation

	Average VantageScore	Average original balance	Average total balance	Average # of retail cards
The loyalist The ultimate customer group. These individuals use their card regularly and always make their payments.	671	\$533.34	\$1,633.34	2.5
The fast starter This group embraced the card initially — maybe using it for a big purchase — but they're now paying it down and not pulling it out of their wallet.	723	\$1,170.27	\$1,235.75	2.9
The invisible These people opened a card, but where did they go? They never used it. Hmm ...	717	\$0.00	\$1,031.22	2.4
The gamer These customers opened a card and had a balance in the first three months, but then paid it off. They were likely lured in by an attractive offer and then moved on to the next best thing after reaping the benefits.	749	\$356.67	\$829.89	2.9
The closer These people also kept a balance early in the relationship, but closed the account within three months of opening the card.	689	\$769.37	\$1,369.45	2.5
The deadbeat These customers opened a card, but the card issuer needed to break up with them since they failed to pay.	623	\$662.32	\$1,644.45	1.8

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.

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