



Americans Feel the Financial Burden of COVID-19, With 65% Relying on Credit Cards to Make Ends Meet as the Pandemic Continues, According to Marqeta's 2021 State of Credit Report

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- *Reported use of Buy Now, Pay Later services rose by 27% year-over-year*
- *70% of consumers surveyed who have used a Buy Now, Pay Later solution said they see it as a replacement for their credit card*
- *51% of consumers surveyed by Marqeta were put off by high credit card interest rates*

OAKLAND, Calif.--(BUSINESS WIRE)--Sep. 16, 2021-- US consumers have turned to credit en masse to help ease the financial burden brought on by the pandemic, according to a new survey by [Marqeta](#) (NASDAQ:MQ), the global modern card issuing platform. The company surveyed 1,500 consumers across the United States to learn about their attitudes toward credit products, such as credit cards and Buy Now, Pay Later (BNPL) solutions, and how they're using them in the aftermath of COVID-19.

Marqeta's new survey shows that credit cards are still king, with 78% of American consumers reporting using credit cards and 70% reporting using them at least once a week. With the pandemic bringing on new financial distress, credit cards were also a reliable source of stability for consumers. Over half of consumers said they increased their credit card usage during the pandemic and 65% said they used credit cards to help make ends meet. Credit cards also provided additional layers of support for users, with over two-thirds of consumers saying cash back has been their most valuable reward.

While credit cards helped keep Americans above water, alternative forms of credit continued to grow in popularity throughout the pandemic, most notably BNPL solutions. Almost half of all consumers (47%) surveyed said they've used a BNPL solution, up 27% from Marqeta's 2020 survey, with over one-third of BNPL users saying they started during the pandemic. With credit card users growing tired of credit card interest rates, the results show that the convenience and flexibility of BNPL solutions make them a potential long-term credit solution for Americans:

- 78% of consumers who have used a BNPL solution said they plan to use it more in the future
- 70% of consumers who have used a BNPL solution said they see themselves using BNPL in place of their credit card
- 59% of consumers who have used a BNPL solution said they find it easier to manage multiple plans than their credit card statements

"Our new survey shows that credit cards are providing consumers with the financial support they've needed throughout the pandemic, with American consumers far more engaged with credit card rewards programs than the UK or Australia. However, we're also seeing a shift in consumer behavior and growth in Buy Now, Pay Later use and alternative credit solutions that provide consumers with flexibility and lower interest rates," said Darren Mowry, Chief Revenue Officer at Marqeta.

Marqeta's survey also provides intel into what consumers are looking for next from their credit card and BNPL providers. Almost 3-out-of-4 consumers (73%) said they think there should be more solutions available to help them build their credit and expressed their interest in either secured credit-cards or being able to use BNPL services to build credit. With 63% of BNPL users saying they plan on using these options to replace their credit cards. When it comes to credit card rewards, outside of cash back and travel points, 64% of consumers said they are interested in non-traditional options, including cryptocurrencies, lottery rewards or stock options.

"The pandemic has changed the way consumers are thinking about credit and what they want from their providers," said Mowry. "It shows how the credit market is changing and that financial services should take notice of the new opportunities for innovation in credit offerings."

Download the full report here: <https://www.marqeta.com/resources/resource/2021-state-of-credit>

About Marqeta (NASDAQ: MQ)

Marqeta's modern card issuing platform empowers its customers to create customized and innovative payment cards. Marqeta's modern architecture gives its customers the ability to build more configurable and flexible payment experiences, accelerating time-to-market and democratizing access to card issuing technology. Marqeta's open APIs provide instant access to highly scalable, cloud-based payment infrastructure that enables customers to launch and manage their own card programs, issue cards and authorize and settle payment transactions. Marqeta is headquartered in Oakland, California and is certified to operate in 36 countries globally. For more information, visit www.marqeta.com, [Twitter](#) and [LinkedIn](#).

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