



UK Consumers Struggling With Cost-of-Living and Inflation, as Almost Half Report Finding It Harder to Make Minimum Monthly Credit Card Payments

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New research from Marqeta finds 57% of survey respondents are relying on credit to make ends meet, while also becoming increasingly financially-savvy (64%)

LONDON--(BUSINESS WIRE)--Sep. 22, 2022-- [Marqeta](#) (NASDAQ: MQ), the global modern card issuing platform, has today released new research revealing that almost half (48%) of UK consumers surveyed are struggling to make minimum monthly payments on their credit cards as the cost-of-living crisis bites. The survey of over 1,000 UK consumers shows that as the UK shifts out of the pandemic into the cost-of-living crisis, consumers have simply moved from one financial worry to another. Credit is helping consumers to cope with the crisis, with 57% of those surveyed reporting using credit cards to make ends meet over the last year. Gen Z consumers are even more reliant on credit and 68% of those surveyed aged 18-25 report using credit cards to get by. The rising cost-of-living has also led to consumers becoming increasingly financially-savvy, with 64% of respondents surveyed agreeing that they've become more aware of budgeting and saving over the last 12 months.

"UK households are fighting against the rising tide of the cost-of-living crisis, but credit and smart budgeting can help them stay afloat," commented **Anna Porra, European Strategy Director at Marqeta**. "With the energy price cap set to rise again in October, consumers' financial concerns may very likely get worse. It's becoming critical that banks offer flexible credit options, smart budgeting options, and better insight into spending to throw struggling households a lifeline. Developing personalised, user-friendly lending options that help consumers to navigate rising prices is crucial for banks that want to stay 'top of wallet'."

The research also finds that UK consumers' concerns around inflation and cost-of-living are affecting their spending decisions. Almost three-quarters (73%) of those surveyed said they plan on reducing their spending, while 54% surveyed have been forced to delay making a major purchase on credit due to their current concerns. Consumers are still reliant on credit and know what they want from their credit cards, with refund protection on purchases (42%), fraud protection (39%), and the ability to purchase without needing funds immediately (37%) being the most-cited benefits of credit cards among those surveyed.

However, as consumers become more budgeting-aware, they're also looking for more from their credit card provider. Many of those surveyed are seeking more personalised offerings and non-traditional credit card rewards, such as: extra points or cashback for categories where they spend the most money (68%); offers from merchants they have shopped with in the past (43%); lottery rewards (36%); portion of stock (28%); or cryptocurrency (24%). Gen Z consumers surveyed were particularly interested in innovative credit options to help navigate the cost-of-living crisis, with 63% of 18-25-year-olds surveyed wanting more insight into their spending to help manage budgets more effectively.

"As purse strings tighten, the onus should be on banks and credit card providers to ensure they're doing everything they can to support consumers," continued **Anna Porra**. "Consumers want true control over their finances, and this means having full visibility into their spending to help count the pennies during tough times. Now is the time for banks to respond to consumer demand by offering innovative credit options – such as personalised services linked to spending habits, helping consumers to budget, or developing new ways to build credit scores. This will not only help consumers keep their heads above water during the cost-of-living crisis, but to emerge stronger than ever on the other side."

The research also finds that as consumers continue to seek more flexible options to traditional credit, many are branching out into Buy Now, Pay Later (BNPL). More than half (56%) of consumers surveyed have increased their use of BNPL solutions over the last 12 months, with this figure rising to almost two-thirds (63%) among Gen Z surveyed. Consumers are leaning on BNPL to manage rising costs, with many of those surveyed citing that it helps them to budget (42%), charges zero interest (42%), is convenient (37%), and offers more flexibility on payments (35%). Some surveyed consumers are also calling for more innovation in BNPL and would like it to extend to larger purchases such as cars (28%), home renovations (27%), dental work (26%), and travel bookings (22%).

About The 2022 State of Credit Report

Marqeta's 2022 State of Credit survey was fielded by Propeller Research on behalf of Marqeta, surveying 4,079 consumers between the ages of 18-65 (2,048 in the US, 1,025 in the UK and 1,006 in Australia).

To download the full report, please click [here](#).

About Marqeta

Marqeta's modern card issuing platform empowers its customers to create customized and innovative payment cards. Marqeta's platform, powered by open APIs, gives its customers the ability to build more configurable and flexible payment experiences, accelerating product development and democratizing access to card issuing technology. Its modern architecture provides 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 transactions. Marqeta is headquartered in Oakland, California and is enabled in 39 countries globally. For more information, visit www.marqeta.com, [Twitter](#) and [LinkedIn](#).

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements expressed or implied in this press release include, but are not limited to, quotations and statements relating to changing consumer preferences; increasing consumer adoption of certain digital payment methods, products, and solutions; which payment, banking, and financial services products and solutions may succeed; technological and market trends; Marqeta's business; and Marqeta's products and services. Actual results may differ materially from the expectations contained in these statements due to risks and uncertainties, including, but not limited to, the following: any factors creating issues with changes in domestic business, market, financial, political and legal conditions; the effect of and uncertainties related to the global COVID-19 pandemic on U.S. and global economies and demand for Marqeta's services and products; and the uncertainties and direct and indirect effects of the significant military action against Ukraine launched by Russia, including threats of attacks against U.S. financial institutions as retaliation against financial institutions for sanctions imposed against Russia. Detailed information about these risks and

other factors that could potentially affect Marqeta's business, financial condition and results of operations are included in the "Risk Factors" disclosed in Marqeta's Annual Report on Form 10-K for the year ended December 31, 2021, as such risk factors may be updated from time to time in Marqeta's periodic filings with the SEC, available at www.sec.gov and Marqeta's website at <http://investors.marqeta.com>. The forward-looking statements in this press release are based on information available to Marqeta as of the date hereof. Marqeta disclaims any obligation to update any forward-looking statements, except as required by law.

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