

creditcards.com

Cash Still Most Popular for Small Purchases

\$25 is Tipping Point for Credit Card Usage

Austin, Texas – September 17, 2018 – For purchases under \$10, Americans prefer paying with cash (45%) over debit (30%) and credit cards (23%), according to a new study of rewards credit cardholders from CreditCards.com. The tipping point is \$25: that's the median cost at which rewards credit cardholders think it makes sense to use credit. Click here for more information:

<https://www.creditcards.com/credit-card-news/small-purchases-credit-cards-poll.php>

Surprisingly, the most popular response for avoiding credit card use is that it's easier or quicker to use other payment methods (40% of rewards credit cardholders who don't tend to use credit cards for purchases under \$10 said this is the main reason). Men (45%) tend to be more impatient regarding credit card payments than women (35%).

Credit card debt (25%) is the second most common reason people are opting for cash or debit cards to pay for small purchases. Millennials (18-37 year-olds) are the most concerned about credit card debt (33% vs. 21% of older adults).

"I like using credit cards as a budgeting tool," said CreditCards.com industry analyst Ted Rossman. "Putting as many purchases as you can on a credit card lets you track your spending much more closely than if you spent cash. I think everyone should track their spending for at least 30 days. You'll probably be amazed at how many money leaks you uncover."

Another benefit to using credit cards for all purchases is the superior fraud protection that they offer. If cash gets lost or stolen, it's probably gone forever. And while debit card issuers will replace lost funds (if reported promptly), that could leave you shorthanded for several days, potentially unable to pay bills.

And while you won't get rich off credit card rewards from small purchases, they can be useful ways to help you qualify for [lucrative sign-up bonuses](#), since these typically require spending several thousand dollars within the first few months after signing up for the card.

Younger millennials (ages 18-27) are the most likely to use credit for purchases under \$10 (41%) and the least likely to use cash (24%). That's a stark contrast to Boomers (ages 54-72), who prefer cash (58%) instead of credit cards (16%) for less expensive items.

CreditCards.com commissioned SSRS to conduct the survey. Phone interviews were conducted with a nationally representative sample of 1,002 adults living in the continental United States between August 28-September 2, 2018. Statistical results are weighted to correct known

demographic discrepancies. The margin of sampling error for the complete set of weighted data is plus or minus 3.72 percentage points.

About CreditCards.com:

CreditCards.com is the ultimate credit card destination, filled with the largest marketplace of credit card offers you can find online, along with relevant news, advice, features and user-friendly tools. Our mission is to help consumers seize greater opportunity through smarter spending, and we believe that the right credit card, used the right way, can be a life-changer. In 2017, over 42 million unique visitors used CreditCards.com to find the right credit card to suit their needs.

For More Information:

Kayleen (Katie) Yates
VP, Corporate Communications
kyates@bankrate.com
917-368-8677