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Only 39% of Credit Card Debtors Know Their Interest Rates

Two-Thirds of Cardholders Carried a Balance in Past Six Months

Austin, Texas – May 14, 2018 – Only 39% of credit cardholders who have carried a balance in the past six months definitely know the interest rates on all of the cards on which they owe money, according to a new CreditCards.com report. 32% admit they definitely don't know any of their rates and 15% think they know all of them. Click here for more information:

<https://www.creditcards.com/credit-card-news/dont-know-card-apr-poll.php>

Overall, two-thirds of cardholders have carried a balance within the past six months. The average cardholder carries a balance on 1.7 cards, but the figures are much higher for certain groups. For example, the average African-American cardholder owes interest on 2.4 different cards.

The average credit card rate is 16.68%, according to CreditCards.com, and Experian reports the average American owes \$6,354 on credit cards. Someone who only pays the minimum each month would be in debt for more than 20 years and would pay \$7,910 in interest.

“When you have credit card debt, the math works against you really quickly,” says Matt Schulz, CreditCards.com's senior industry analyst. “Unfortunately, if you don't know their interest rate on your card, you'll have no idea just how quickly that debt can grow. That makes it impossible to make a real plan to tackle your debt, and that's a big problem.”

Good strategies for getting out of debt include signing up for a balance transfer credit card; the best options don't charge any interest for up to 21 months. Cardholders can also try asking issuers to lower their interest rates. CreditCards.com has found that request is granted more than half the time.

Among millennials (18-37 year-olds) with credit card debt, just 34% definitely know how much interest they're paying on all their cards, the lowest percentage of any generation. Widening the scope to include credit card debtors of all ages, men are nine percentage points more likely than women to say they definitely know all of their interest rates (43%-34%).

While the lowest-income households (under \$30,000 per year) should be the most sensitive to high credit card rates, they're the least knowledgeable about them. Just 33% who belong to that income bracket and have credit card debt definitely know all of their rates. That jumps to 42% of those with annual incomes between \$50,000-\$79,999.

CreditCards.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,315 adults, of whom 1,681 use at least one personal credit card and 1,084 carried a balance in the past six months. Fieldwork was

undertaken April 18-19, 2018. The survey was carried out online. The figures have been weighted and are representative of all U.S. adults (aged 18+).

About CreditCards.com:

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