

Carat Insights

Spring 2023

Carat insights overview

Purpose and Intent

Carat Insights is a regularly-produced report focused on the latest omnichannel consumer preferences.

We conduct extensive consumer surveys and analyze this data to extract valuable insights.

The information is then leveraged to help our clients drive more commerce.

Survey Data

2,200

Consumers

U.S.

Gen Pop

Ages from

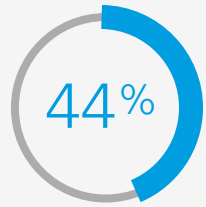
18–70+

Spring

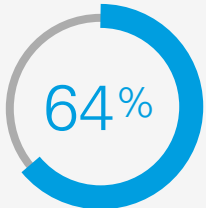
2023



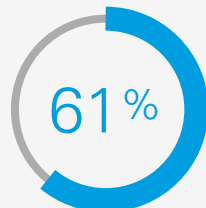
Spring 2023 Carat insights highlights



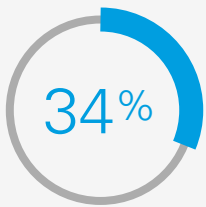
of consumers say lower price or delivery experience is important for choosing a merchant app



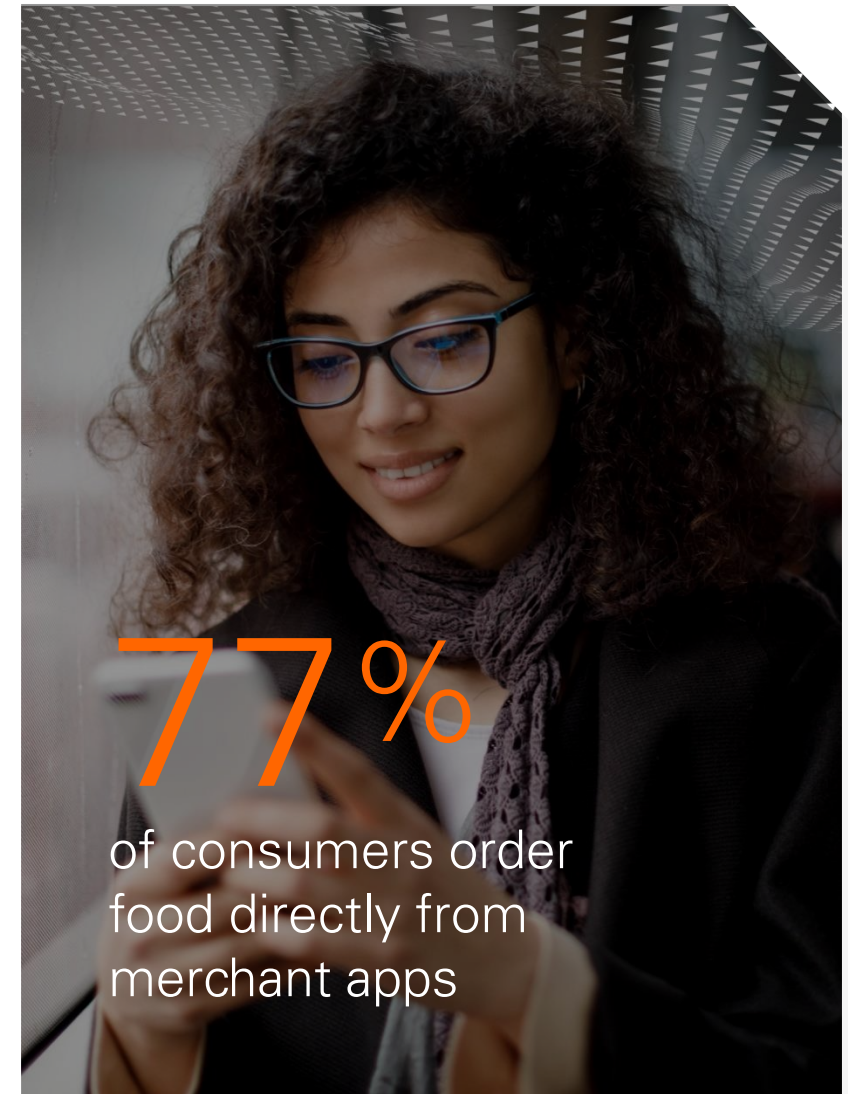
of consumers have used digital wallets online;
54% in-store



of consumers say a credit card offer with instant approval is appealing



of consumers have used Pay by Bank



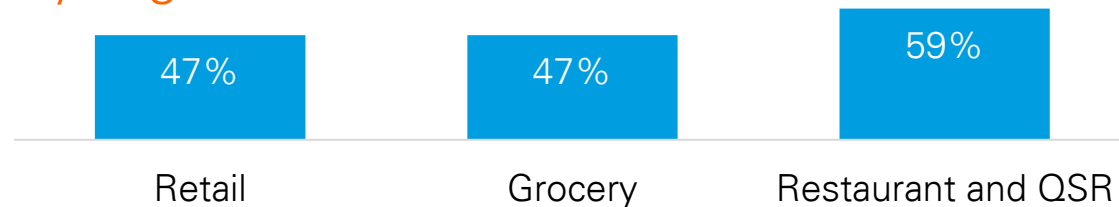
Consumer demand for omnichannel experiences continues to grow

Takeaway

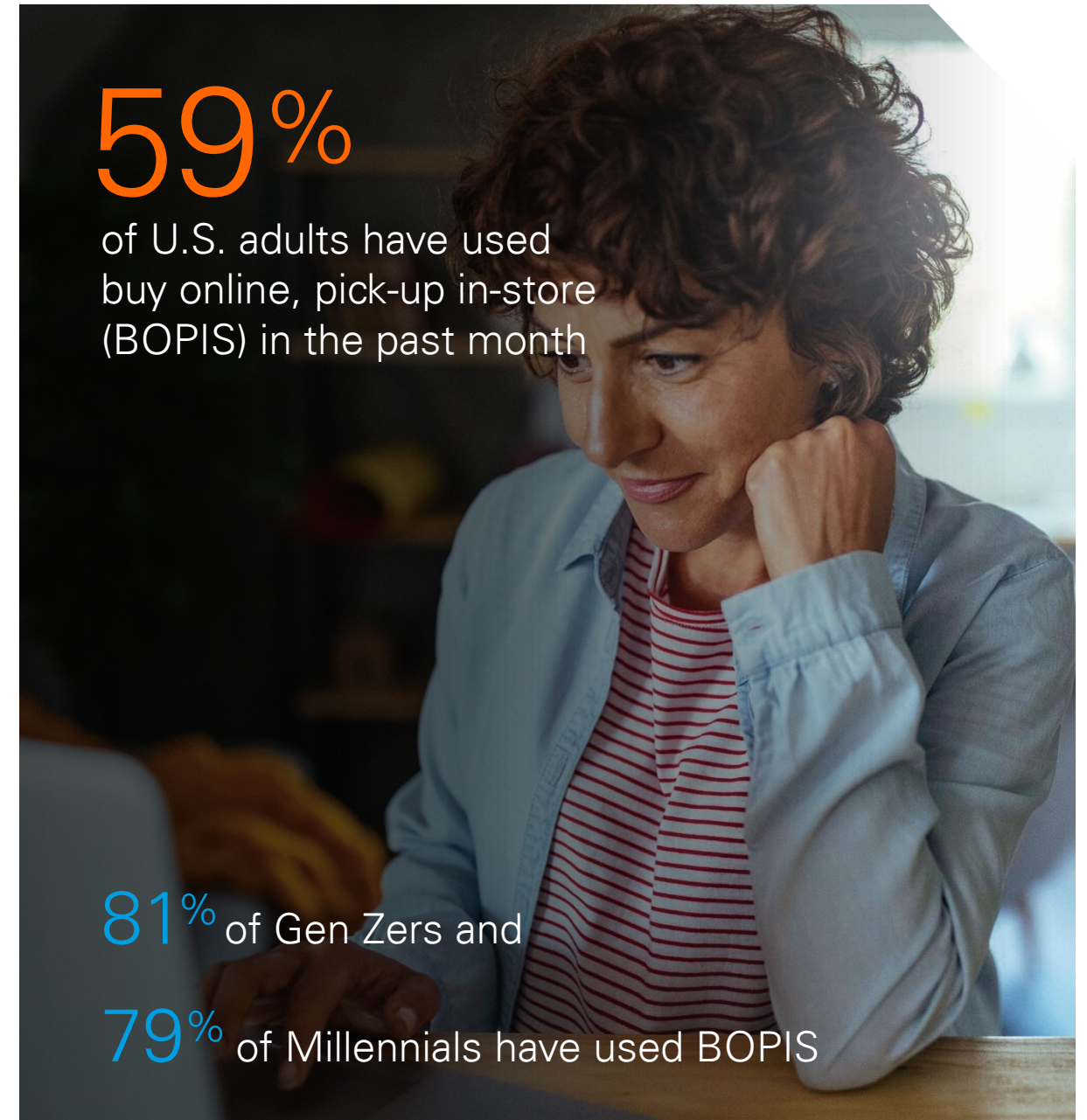
Delight customers by connecting experiences across devices and channels – meeting them when and where they want to engage.

BOPIS drives foot traffic and bridges the gap between brick-and-mortar and online shopping. Customers can shop from the comfort of their home then go to the store or location once their order is ready.

By segment



[Learn more](#)



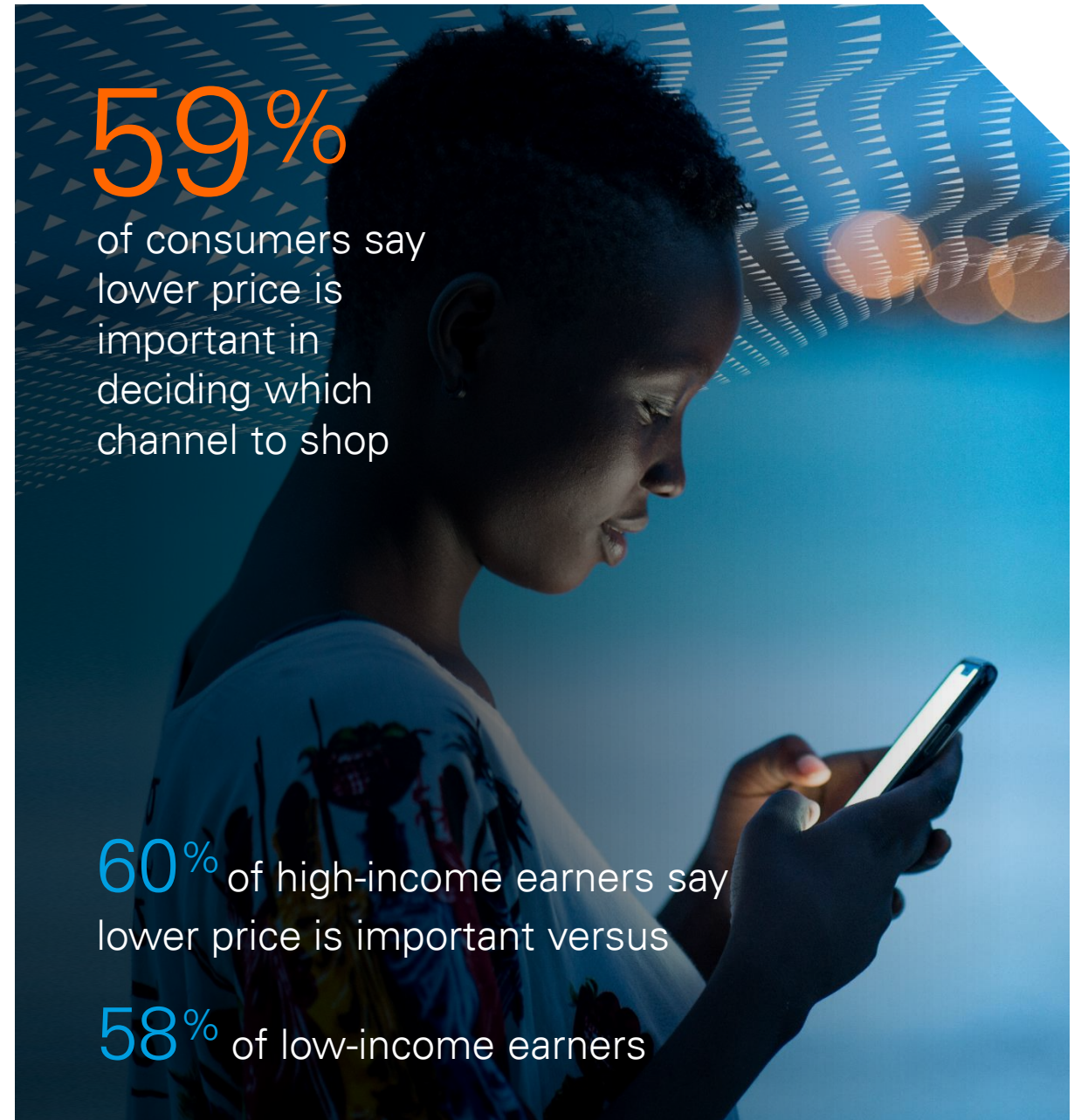
Price is the #1 factor for consumers when considering where to shop, regardless of income

Takeaway

Harness the power of data analytics to help maximize the effectiveness of your pricing strategy.

Understand your customers with targeted profiles that consider demographics, socioeconomics and intent, as well as benchmark your performance against competitors.

[Learn more](#)



Consumers prefer merchant apps over third parties

Takeaway

The overall cost and delivery experience are important drivers to successful, repeat mobile app ordering. Taking control and optimizing your delivery experience is critical.

Check out our Delivery Optimization service.

Drivers for choosing a merchant app over third-party app



[Learn more](#)

*March 2023

50%

of Americans have ordered ahead directly from a merchant app in the past month*

49% of Baby Boomers are more likely to say supporting a restaurant is important compared to

32% of Gen Zers

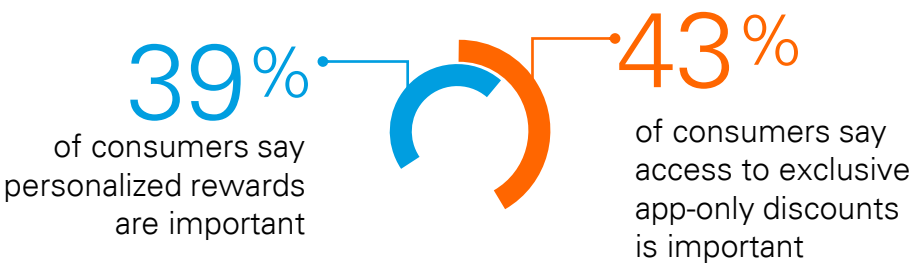
Almost half of U.S. consumers say the ability to pay in a merchant app is important

Takeaway

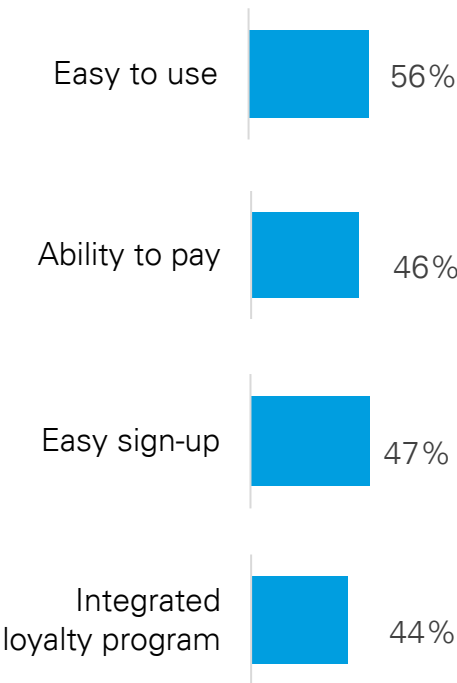
In today's connected world, delighting customers across the full digital landscape is critical.

Creating frictionless sign-up and innovative payment experiences that are familiar to consumers helps drive repeat usage and revenue growth.

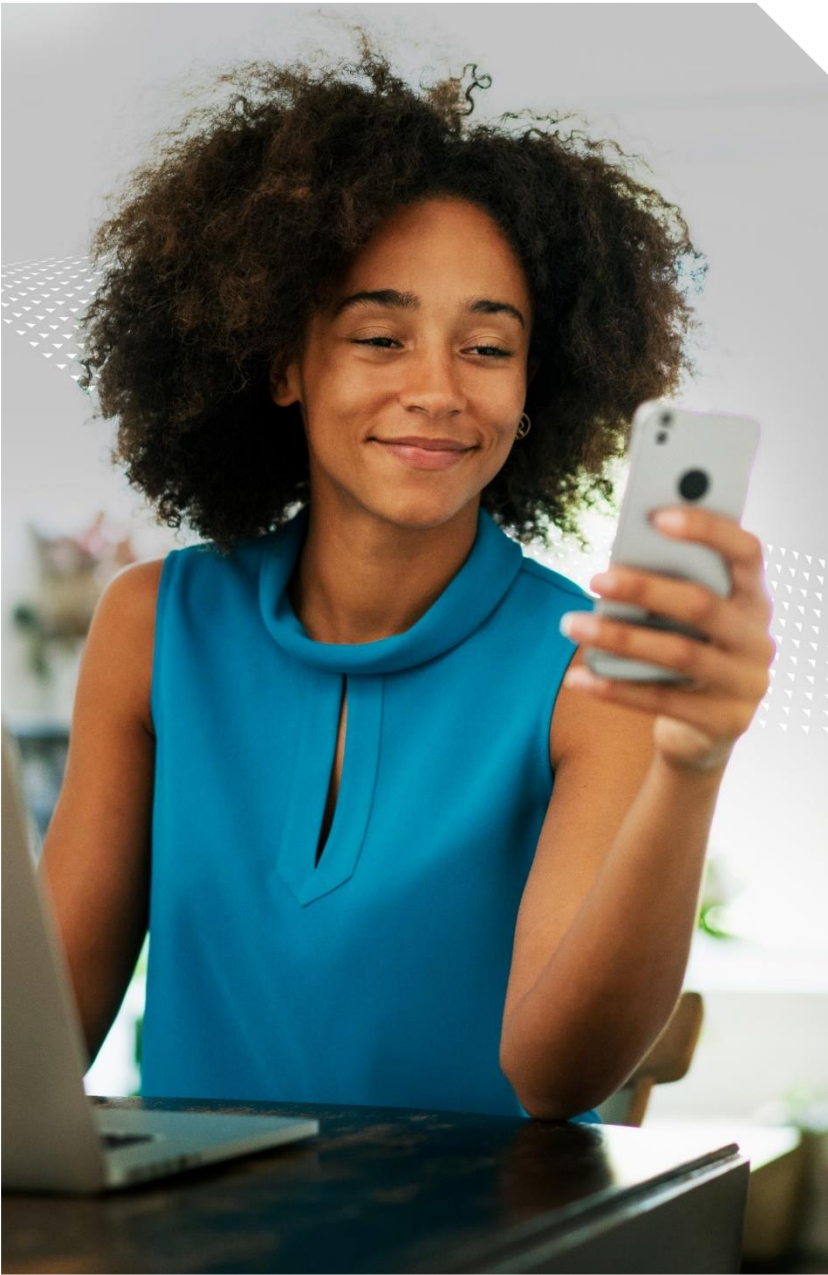
Integrated loyalty program preferences



Top factors



[Learn more](#)



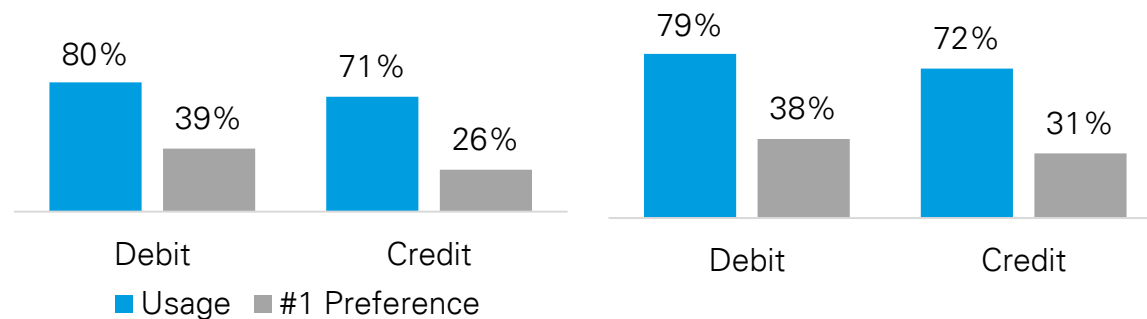
Debit outperforms credit in-store and online

Takeaway

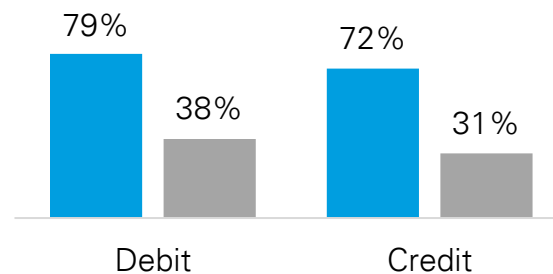
Debit continues to widen the lead as the most popular payment method for online transactions so consider solutions that optimize network routing.

Select a provider that can not only lower your debit costs but also enable payments through virtually all channels, devices and cardholder verification methods (CVMs).

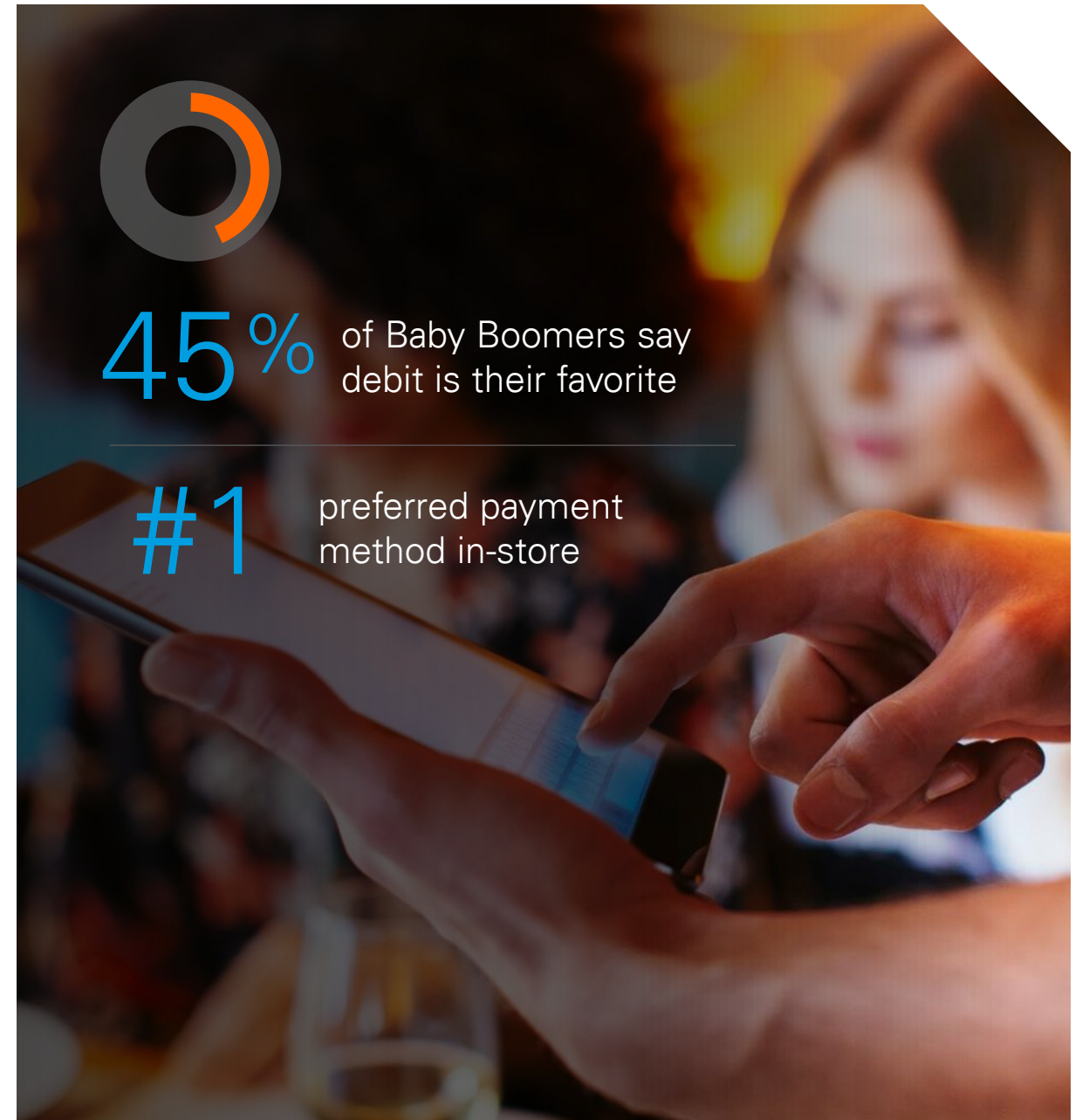
In-store



Online



[Learn more](#)



When it comes to preference, debit cards are the top choice, especially for digital wallets



64%

of consumers used digital wallets online in the past month, up 4% YoY

Primary payment method in digital wallets

58%

Use debit

25%

Use credit



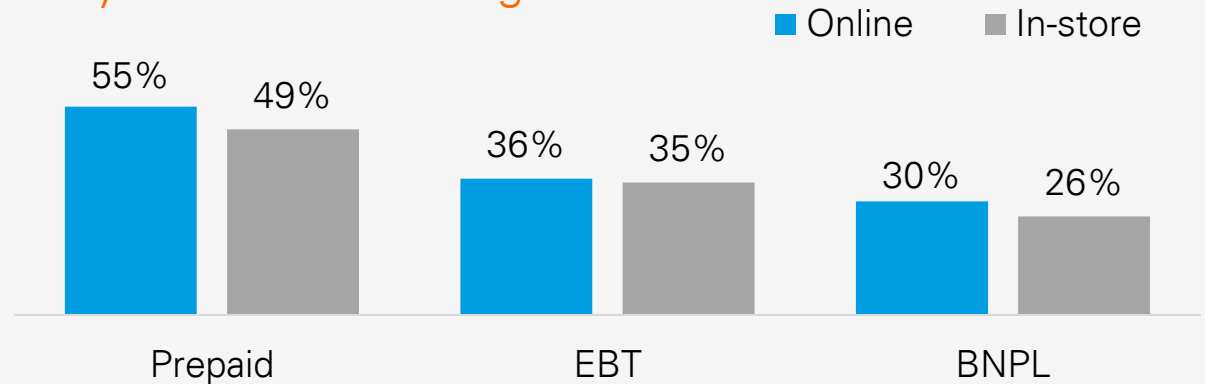
Takeaway

Offer your customers more options to pay their preferred way, whether it's through digital wallets or another popular methods.

Offering more choice helps increase customer satisfaction, improve conversion rates and lower cart abandonment.

[Learn more](#)

Payment method usage



In-store, instant approval for retailer credit cards is widely appealing, especially to Millennials

Takeaway

Retailer credit cards can play an important role in consumers' financial lives and are a popular payment option.

Turning your brand into a fintech by embedding finance can build customer loyalty and encourage repeat business, which helps drive revenue



61%

of consumers say retailer credit cards with instant approval is appealing

Find a retailer credit card appealing

68%

of Millennials

66%

of Gen Xers



[Learn more](#)

Most appealing reasons

44%

Intro offer

39%

Access to exclusive cardholder only discounts and sales

42%

Easy approval process

Most unappealing reasons

44%

Higher interest rates

33%

Already have access to enough credit

34%

Don't shop at retailer enough

"I want it. And I want it now."

Takeaway

Take advantage of next-generation technology to create personalized and/or exclusive offers that engage cardholders and reward them for interacting with your brand.

An immediate discount towards purchase at the time of card sign up ranks highest in terms of importance

Most compelling reasons

41%

Intro offer

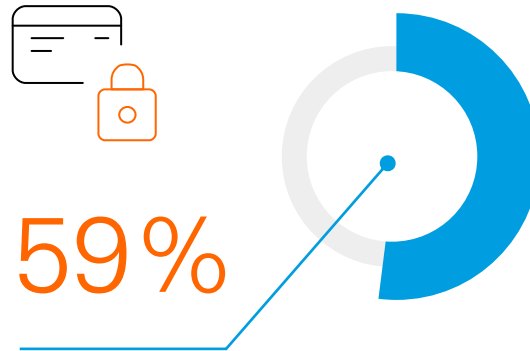
39%

Easy approval process

36%

Quantity and quality of offers

[Learn more](#)



of Millennials find a secured retailer credit card appealing

Most unappealing reasons

42%

Higher interest rates

33%

Do not shop at retailer enough

31%


Already have access to enough credit

52%

of consumers say secured retailer credit card/gift card with benefits is appealing



For consumers aware of Pay by Bank, there are compelling reasons that drive high usage

46% 

of high-income earners have used Pay by Bank

34%



of consumers have used Pay by Bank to pay bills as well as buy goods and services

Takeaway

Expect Pay by Bank adoption to increase as consumers discover the benefits: user friendly, omnichannel capabilities, loyalty program integration, plus built-in security that helps reduce declines.

Connect customers to bank account payments through apps and digital banking – seamlessly, instantly and at a low cost.

[Learn more](#)

Most compelling reasons

40%
Consumer protections

40%
No debt accrued

38%
Easy to enroll and use

Most unappealing reasons

39%
Have not heard of it

23%
Do not understand

17%
Fear that someone will drain their bank account



Thank You

Carat is the global commerce platform from Fiserv that orchestrates payments and experiences for the world's largest businesses.

[Learn more](#)