2026 Credit Card Trends

From the Consumer and Business Lens

June 25, 2026

Agenda

Introduction

Economic conditions
K-shaped economy, originations, delinquency

Credit card trends
Portfolio composition; business accounts masked in consumer card universe

What you can do now
Business and consumer strategies

Q&A

Introductions

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Consumer and Small Business Credit Card

June 2026

The Economy raises various concerns

Credit Profile Impact

Movement could impact consumer credit scores, influencing their eligibility for financial products.

Disposable income reduction

Segment shifts may reduce borrowers’ disposable income, potentially restricting their capacity of repayment or new credit loans.

Movement in the “K”

Can movement between segments be anticipated in order to anticipate risk and identify new opportunity

Increase in delinquency

Borrowers may struggle to manage their overall debt obligations.

To better understand the consumer profile and make better decision for now and the future.

Insights across consumer lifecycle expose some risk

Originations

New originations 6 month ever 60+ Delinquency is trending upwards in 2025, driven by credit card at a 12-month high of 6.22%

Subprime and Deep Subprime are the biggest drivers, with Prime seeing a 12-month high also

Payments

The percentage of cards consumers are paying less than the prior month has increased to 10% in December 2025

The increase in card volume and payments has started to impact consumer payments on each card

Delinquencies

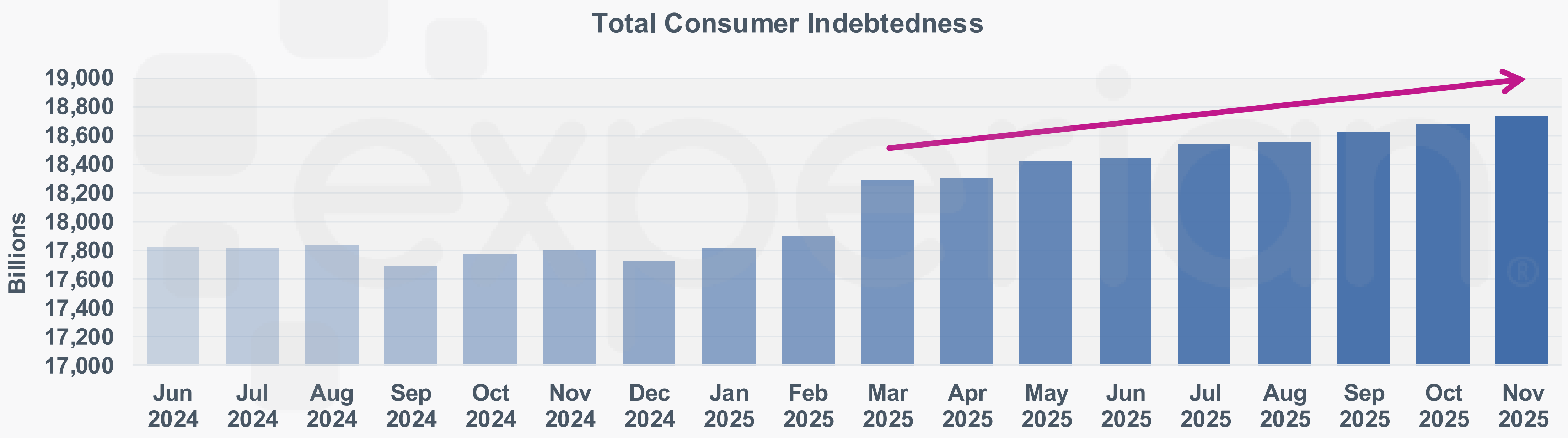
60-day and 90-day and 120-day delinquencies are trending upwards in 2025.

The percentage of 60+ cards rolling to charge off in the next 6 months has been increasing

Economy

Rising debt levels are increasing across consumers

Continued inflationary stress has driven total indebtedness to new highs



Originations

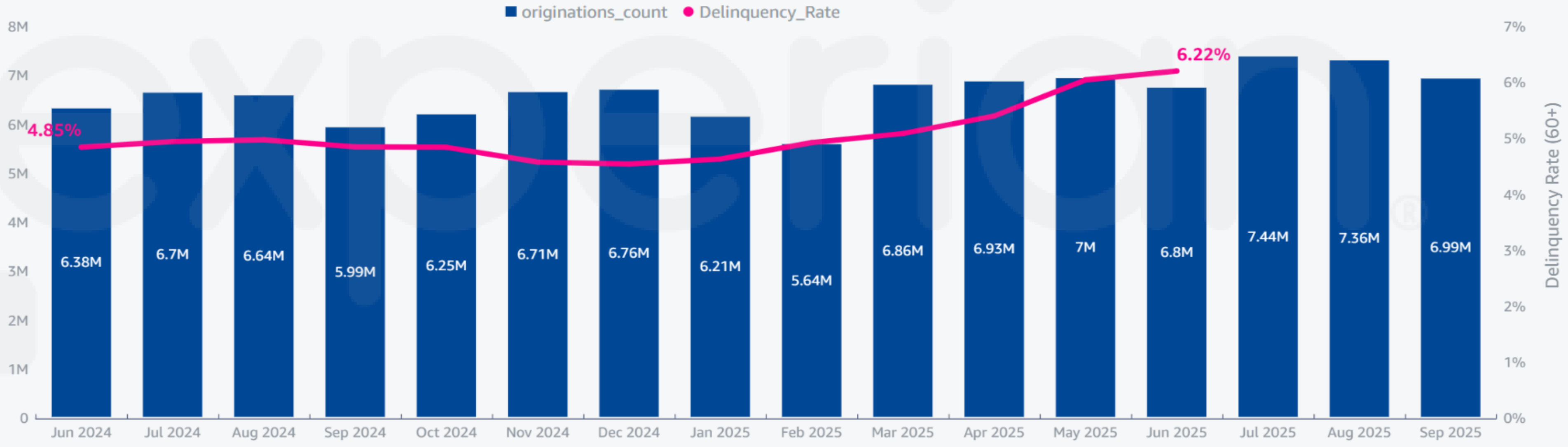
New originations are carrying more embedded risk

Recent vintages are showing higher early delinquency than prior periods

- 60+ day delinquency is trending upward in 2025, driven largely by ***subprime and deep subprime***
- Prime is also up to 1.93% on June originations the highest it's been in 12 months

Unsecured Credit Card Originations for All Credit Tier

This analysis uses the consumer's VantageScore at the time of the origination and if the trade had been delinquent 60+ days in the first 6 months.



Payments

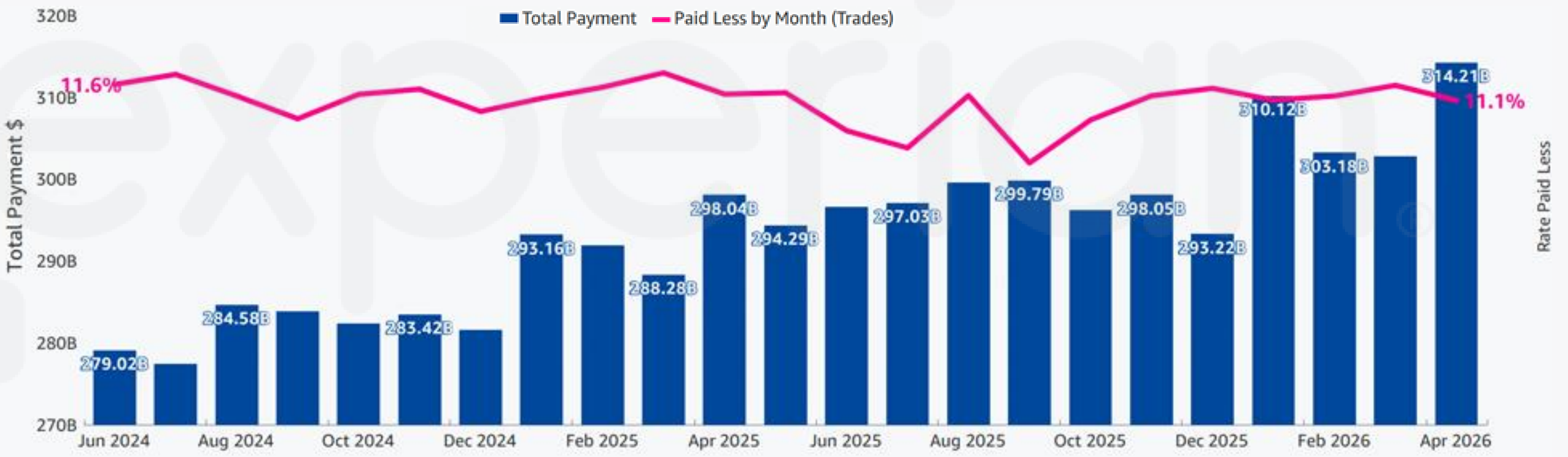
Payment behavior showing early signs of strain

Small month over month payment changes often surface risk before delinquency

- Credit card payment activity rose in the prior two months before stabilizing in December 2025
- Shifts in payment behavior often serve as early indicators of rising consumer risk

Total Payments & Paid Less by All Credit Tier for All Product

Paid Less (rate): trades that registered a smaller payment than the prior month



Delinquency

Late-stage delinquency is increasing

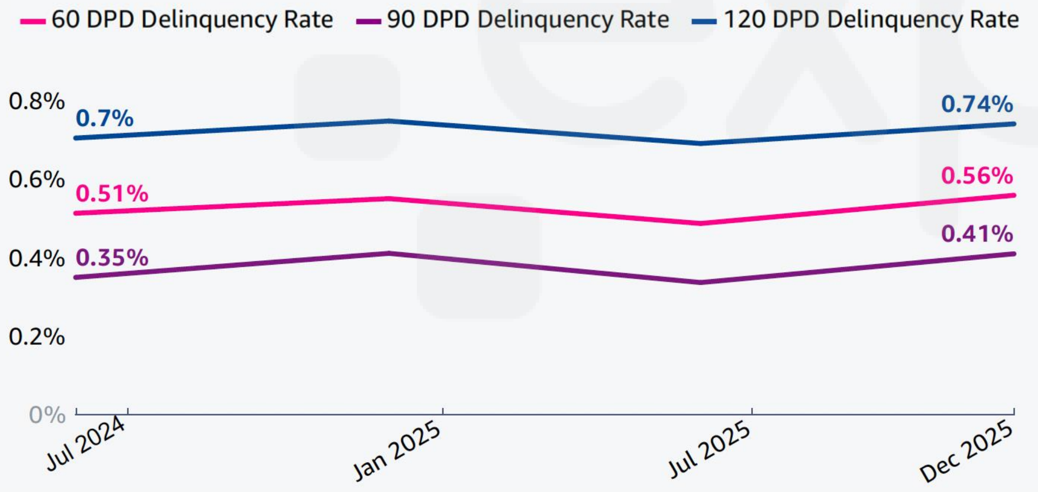
Accounts rolling past early delinquency are far less likely to recover

Delinquency have increased over the last three months, with all three stages showing higher year-over-year rates

**Excludes Student Loan population*

Delinquency rate by month – 60, 90 and 120 days past due

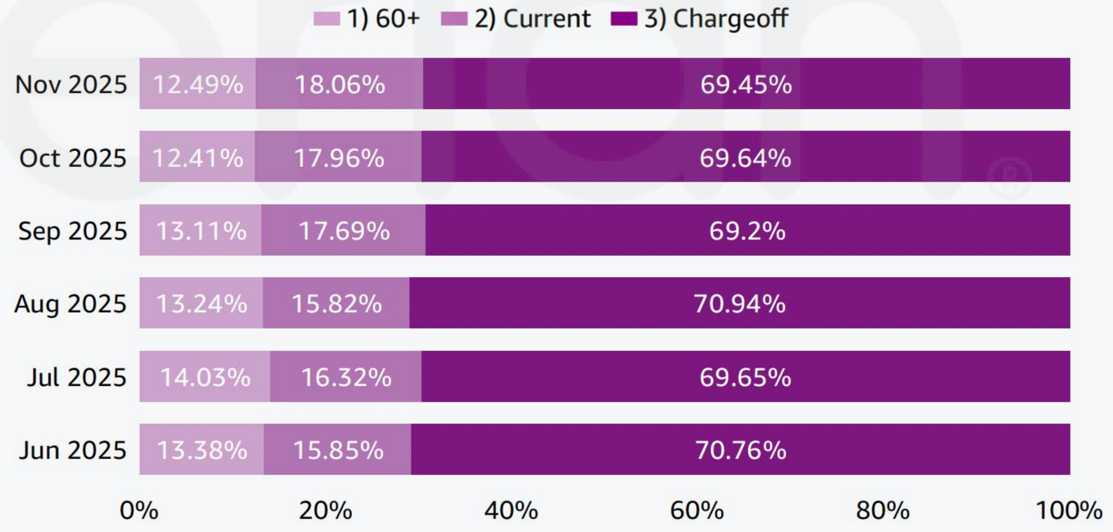
Product(s): UNSECURED CREDIT CARD
DPD = days past due



~70% of 60+ delinquencies have **charged off** within 6 months of reaching 60DPD+

Trades 60+ DPD vs status 6 months later

Product(s): ALL | Status after 6 months



Small-business segment is embedded in consumer cards

The report identifies a target group: people with a business presence, no business credit card, and consumer cards that may be used for business-related activity.

Target group definition

Individuals who:

- Have a business reported in the Business Credit Bureau.
- Do not hold a business credit card.
- Hold a consumer credit card that may support business-related activity.

Why it matters

This segment is booked and managed as consumer behavior, but business-ownership indicators suggest different risk dynamics, product needs and growth opportunities.

Consumer credit card portfolio composition
Balances as of August 2025; secured and unsecured open accounts

Consumer Credit Bureau

$1.299T	$248B	$195B
No business, has consumer card	Has business and business card in CCB	Target group: has business and only consumer card
Traditional consumer-only balance group in the consumer portfolio view.	Business owners with a business card also appearing in Consumer Credit Bureau data.	Approximately 13.7% of the consumer card universe; 50%+ larger than the $126.1B business card universe.

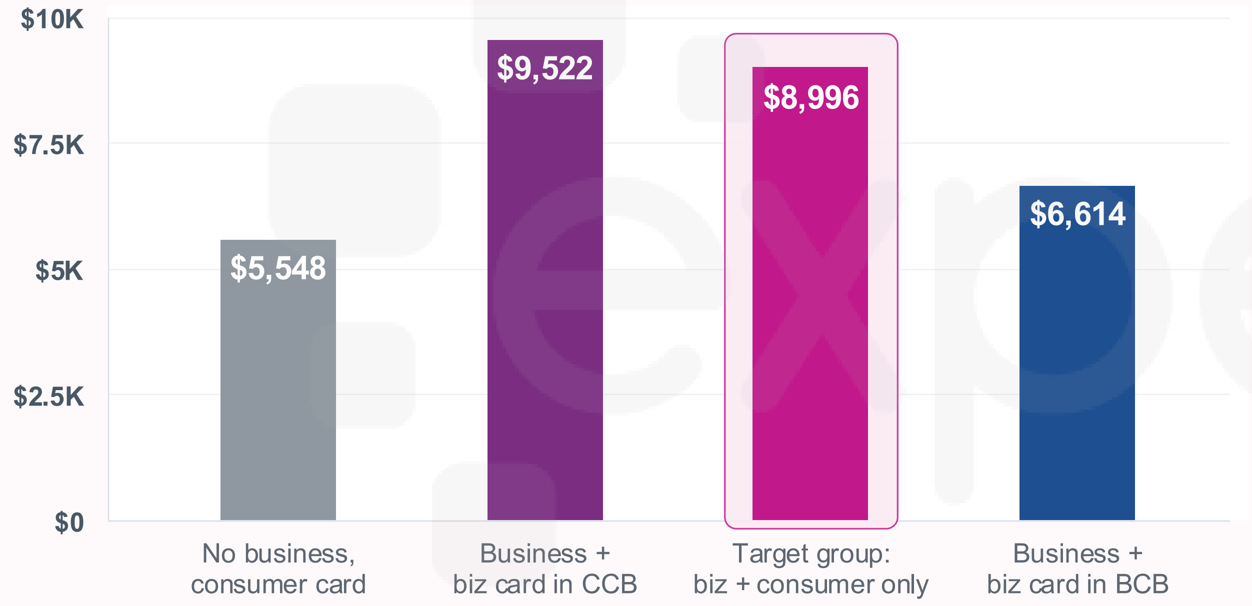
Hidden overlap: managed as consumer, influenced by business needs

Source: Experian Consumer Credit Bureau and Business Bureau; State of credit cards report, 2026 edition.

STRATEGIC CONSIDERATION: Without segmentation, lenders may overlook a material consumer subportfolio with distinct risk profiles, customer needs and product opportunity.

Business-linked consumer cardholders show a distinct exposure profile

Metric-based differences
Average credit line and 2024 loss rate by consumer and business segments



What changes in the view

$8,996
Target group average credit line

Closer to business-linked credit-line levels than traditional consumer-only exposure.

$5,548
Traditional consumer-only average credit line

Lower average line profile versus business-linked consumer segments.

Interpretation:

- Higher line exposure can increase loss severity even when loss rates differ by segment.
- Consumer underwriting, CLM and collections rules may be less precise when business usage is not identified.
- The target group also creates product-fit and cross-sell opportunity for business-oriented tools.

Source: Experian Consumer Credit Bureau and Business Bureau; metric view from State of credit cards report, Jun-Aug 2025.

PORTFOLIO LENS: Move from one consumer-card population to segment-specific strategies that incorporate business ownership, utilization, payment stress and risk migration.

2026 Portfolio Lens: identify, segment and manage the overlap

Recommended management framework

Discover
Link consumer cardholders to business ownership indicators and identify the target group.

Quantify
Measure balances, utilization, loss severity, profitability and delinquency migration by segment.

Segment
Create differentiated underwriting, line, authorization and collection paths.

Optimize
Offer product features that fit business use, including controls, rewards and expense management.

Monitor
Track early-warning indicators as originations, balances and 30+ DPD trends evolve.

Suggested KPI dashboard

Exposure	Target group balances, line size, utilization, revolving/transacting behavior
Risk	30+ DPD, 90-180 DPD balances, roll rates, loss severity and charge-off mix
Growth	Origination rate, credit line increases, cross-sell acceptance and attrition
Product fit	Business-purpose usage proxies, reward engagement, expense-control adoption
Profitability	Net yield, interchange, fee mix, loss-adjusted return and servicing cost

Experian enablers

- Consumer-to-Bureau Linkage Service to identify hidden business ownership signals.
- Portfolio analytics to compare performance and tailor product, CLM and collections strategies.
- Blended Score and decisioning views to combine consumer and business risk signals.

Goal: better risk oversight + sustainable growth

MESSAGE: Consumer card growth and small-business overlap are connected; lenders can use linkage, segmentation and decisioning to manage risk and unlock targeted value.

Consumer and business cards require different operating assumptions

Operating model differences

Consumer card	Business card
CARD Act protections apply	CARD Act only partially applies
Rate and fee protections	Can face sudden rate and fee changes
Person-based risk assessment	Personal and business risk assessment
Focused single-person fraud lens	Expanded multi-profile fraud lens
Personal revolving vs. transacting choice	Business transaction-based usage patterns
Direct personal liability and servicing	Personal liability plus business needs

Why overlap matters

1 **Product fit**
Consumer cards may not include rewards, controls and expense tools that business users value.

2 **Risk precision**
Business ownership and cash-flow stress may not be reflected in consumer-only underwriting or CLM.

3 **Operational routing**
Collections, fraud review and servicing can be tuned differently for business-linked accounts.

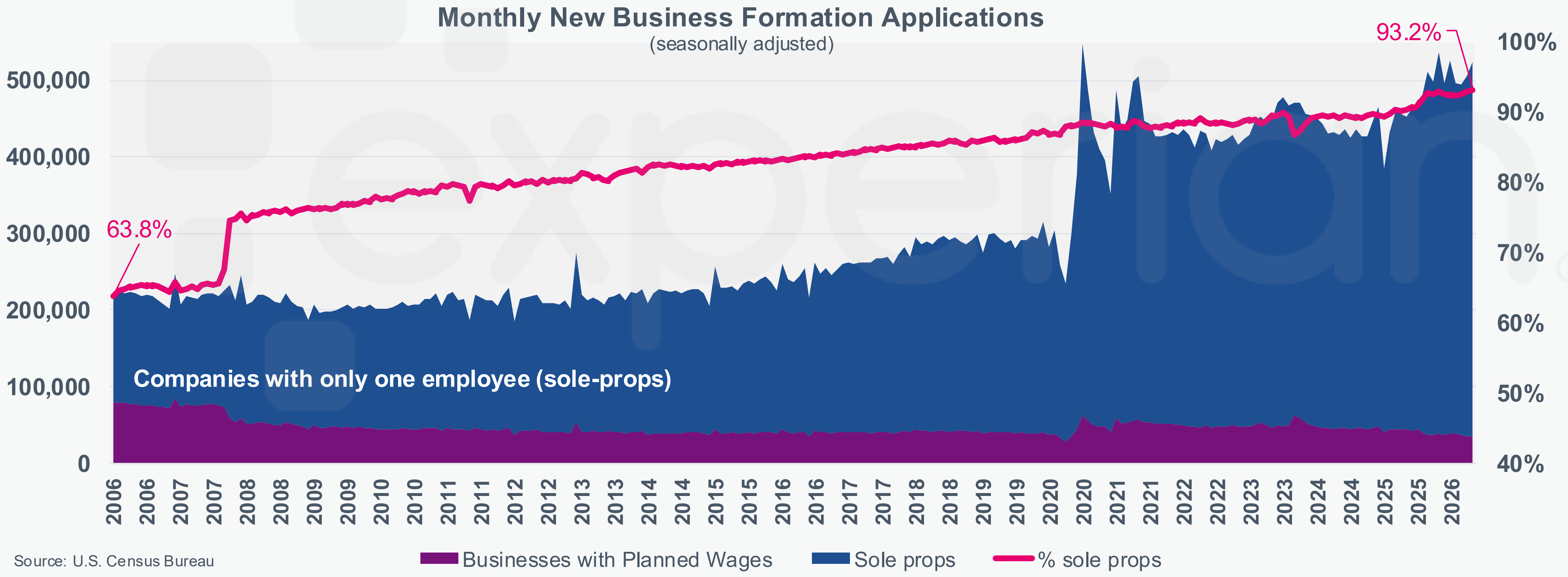
Practical takeaway: identify the business-linked population first, then route decisions to segment-level policies rather than broad consumer rules.

STRATEGIC CONSIDERATION: Use business-linkage and blended risk views to align pricing, line assignment, fraud controls, servicing and collections with actual account use.

Originations

Sole-Props are driving record numbers of new businesses opening

Creating new demand for business financing



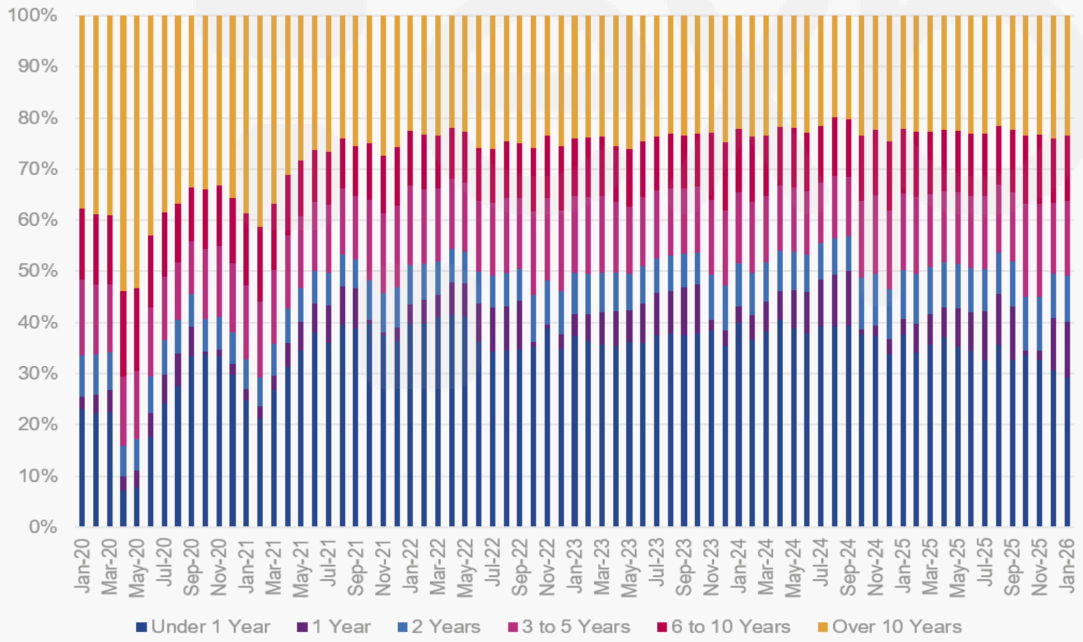
Source: U.S. Census Bureau

Originations

New businesses are a growing portion of business credit and sole-props rely heavily on credit cards

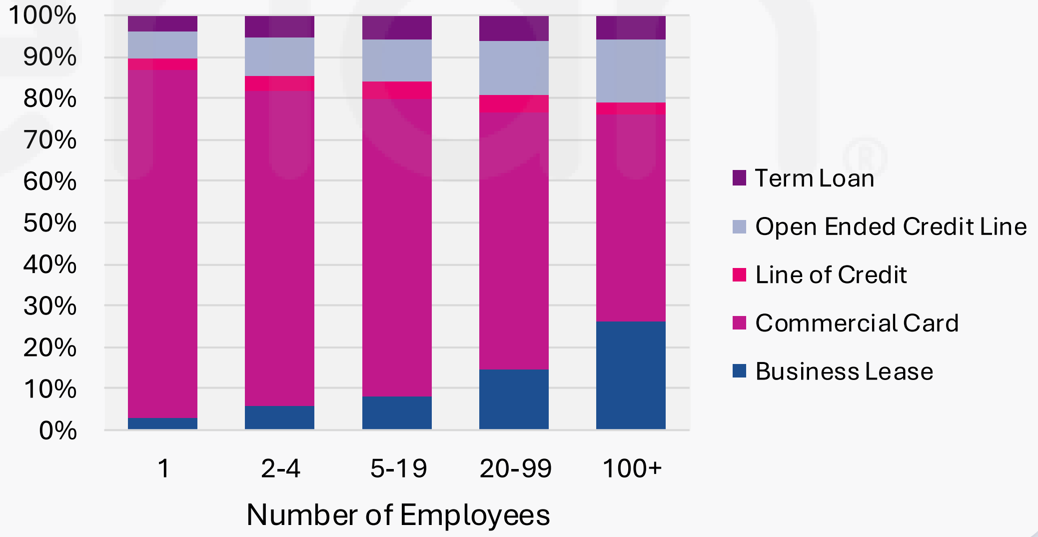
41% of new business accounts in 2025 went to businesses open less than 2 years, up from 27% in 2020

% Monthly Business Account Originations by Age of Business

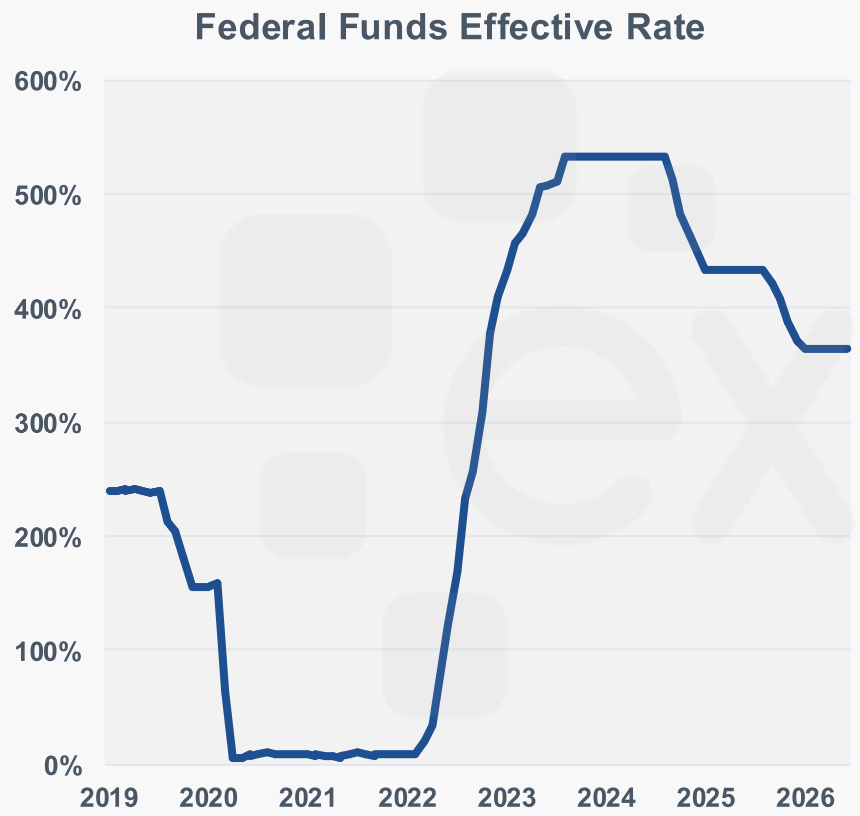


84% of new business accounts for sole-props are commercial cards

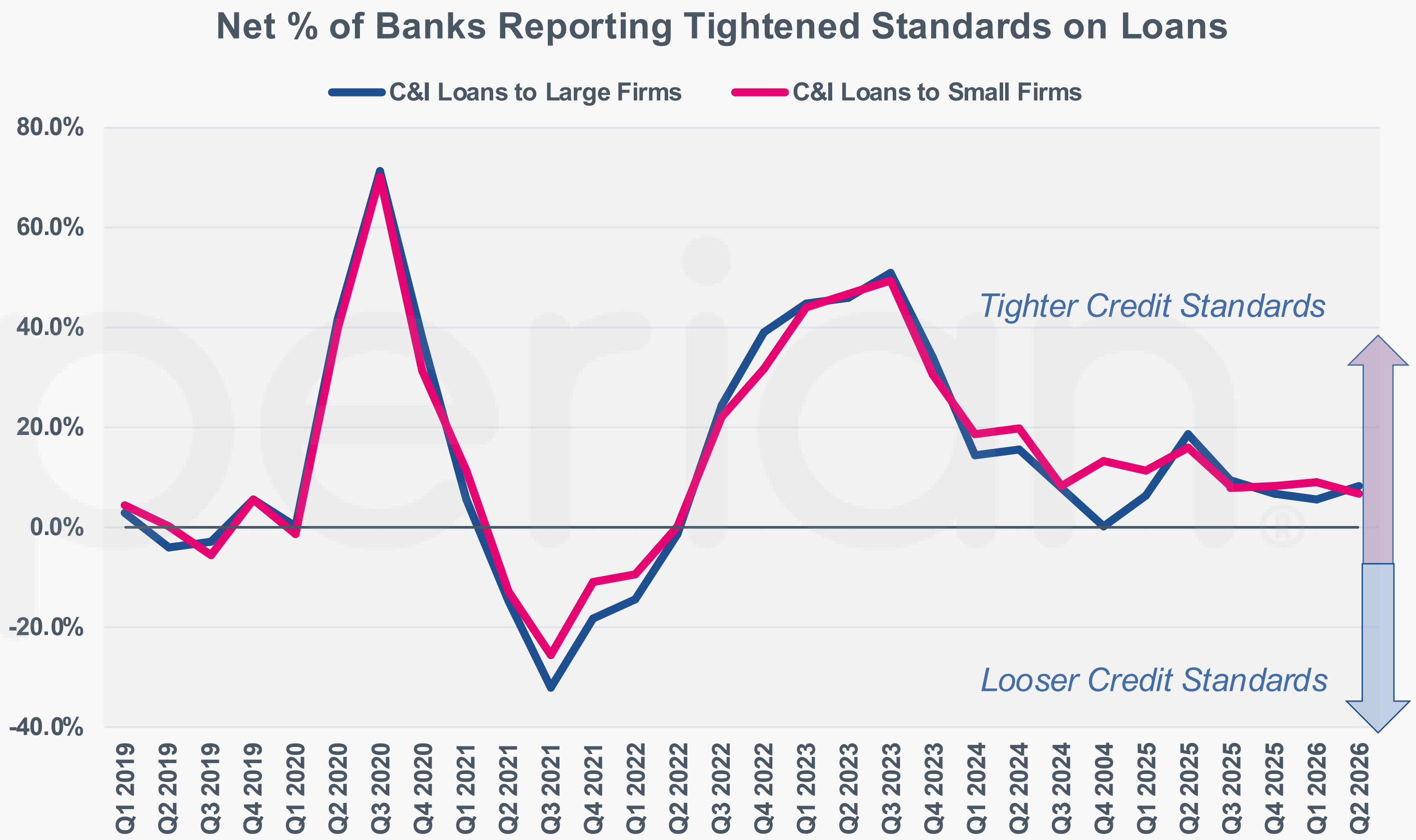
Business Credit New Origination Type by Number of Employees



The Fed held rates flat so far in 2026, while commercial lenders continue to tighten credit standards



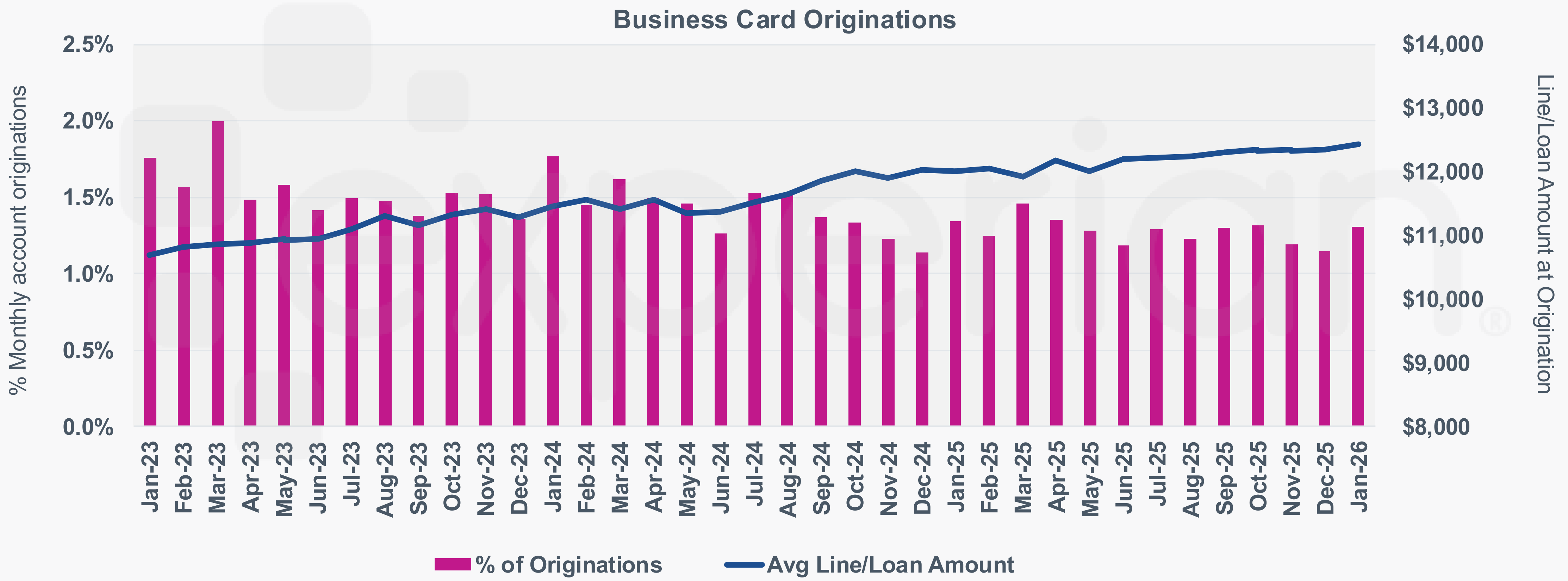
Sources: St. Louis Federal Reserve



Source: Federal Reserve (Senior Loan Officer Opinion Survey)

Originations

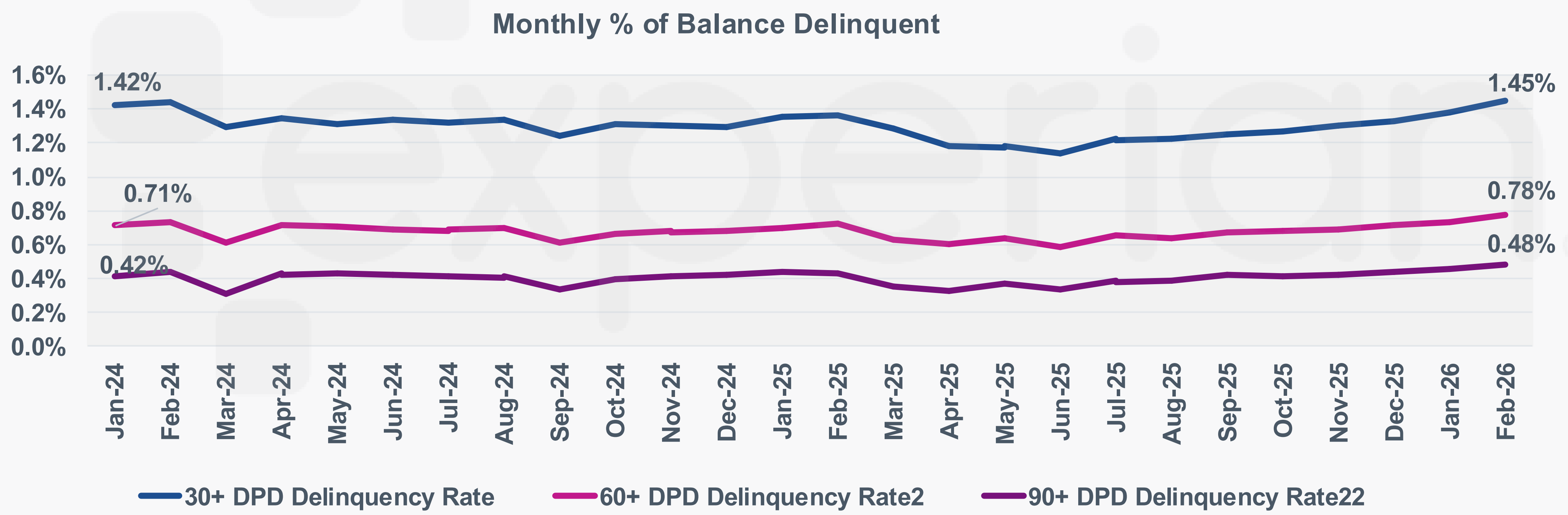
New business card originations volumes slow as average lines increase



Delinquency

Business Card delinquencies are stable

Delinquency rates trended up over the past year but remain stable



Q&A

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Questions? Feedback?

Submit your feedback in the chat:

Ideas on tools that would help you with your **card strategy**

Suggestions on data/insights you'd like to see in future reports