



# The Future of Card Payments

DECEMBER 2025



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## INTRODUCTION



**The Future of Card Payments** presents key findings from a dedicated market research study<sup>1</sup> conducted to understand how U.S. consumers interact with debit and credit card products and how they expect their habits to change in the future. Through a quantitative survey of 500 frequent card users across the U.S., we explored usage patterns, preferences and openness to emerging payment technologies.

The study also compared generational behaviors and attitudes among Baby Boomers and the Silent Generation, Generation X, Millennials and Generation Z. This generational lens offered deeper insight into how age and life stage influence payment preferences and the adoption of new technologies.

The insights gathered from this research reveal consumers' evolving expectations, the factors driving switching behavior and the role of alternative payment methods. By capturing customer preferences, this white paper aims to guide financial institutions in designing secure and relevant card programs aligned with the needs of a new generation of users.

<sup>1</sup> Refer to the Study Methodology at the end of the document



# Current and Future Payment Behavior



90%+

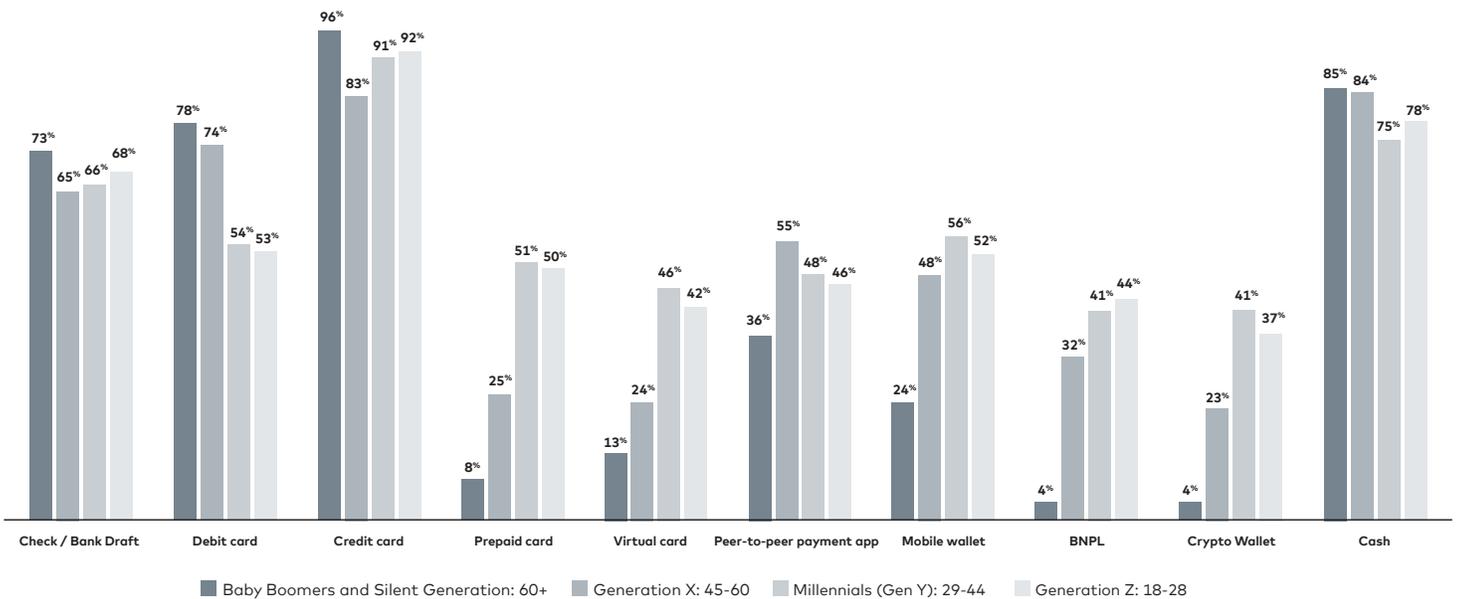
of consumers regularly use credit cards

## Current Use of Payment Methods

In today's rapidly evolving payments landscape, shifts in consumer behavior affect not only technological advances but generational values and lifestyle preferences as well. While credit and debit cards remain dominant, digital payment methods are gaining traction, especially among younger consumers.

**Credit cards** are still the most widely used payment product, with over 90% of consumers reporting regular use. Debit cards follow closely, at 63%. However, the rise of **mobile wallets**, **Buy Now Pay Later (BNPL)** services and even **crypto wallets** signal a transformation in how people think about and manage their money.

### Consumer payment methods by generation



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)



Among **Gen Z and Millennials**, **mobile wallets** have become a common part of daily financial life, used by **52%** and **56%** of each group, respectively. **BNPL** services are similarly popular, with more than half of these consumers embracing them as flexible alternatives to traditional credit. On the other hand, **crypto wallet** adoption is still emerging but notable — **37% of Gen Z** and **41% of Millennials** report using them, signaling a growing acceptance of decentralized financial tools among younger generations.

## Usage Motivations



### CREDIT CARD

**43%** Rewards/cashback

**41%** Speed

**40%** Ease of use



### DEBIT CARD

**53%** Ease of use

**41%** Speed

**32%** It's what I'm used to



### CASH

**91%** Security

**60%** Ease of use

**55%** Speed

Image comparing motivations by payment method—credit cards, cash and debit cards.

But preferences aren't just about technology, they're also about **motivation**. Consumers choose payment methods based on what they value most: rewards, speed, ease of use and security. For example, **credit cards** are favored for their **rewards (43%) and speed (41%)**, while **cash** is perceived as the most **secure option (91%)**, especially among younger users. Trust in cash may stem from its physical presence, instant accessibility and freedom from digital systems.

Interestingly, **cash remains surprisingly popular among Gen Z**, with nearly half using it regularly, more than older generations. This may reflect a desire for control, simplicity or even a reaction to digital saturation.

However, over the past year, **41% have changed their preferred payment method**, with Gen Z (56%) and Millennials (52%) leading the shift. When asked which method they'd changed from, the most frequently mentioned were **checks/bank drafts (27%), prepaid cards (24%) and cash (23%)**. The reasons are clear: better rewards, faster transactions and lower costs.

This trend marks a move away from traditional methods such as checks and bank drafts toward more **dynamic, digital-first options**. The focus on **rewards** also highlights how **loyalty ecosystems** are increasingly shaping payment preferences, where users seek not just to pay but to maximize value through points, cashback and integrated digital benefits.

**41%**

Have changed their payment method



**32%** Better rewards

**30%** Faster transactions

**28%** Lower costs

## Consumer Preferences for Types of Financial Institutions

Where consumers bank also influences how they pay. **National banks** remain the most **trusted and widely used institutions**, especially among younger and middle-income consumers. Millennials (64%) and Gen Z (62%) show a strong preference for these large institutions, particularly in the **Northeast and Western regions**, where accessibility and digital integration are key.

## CURRENT AND FUTURE PAYMENT BEHAVIOR

However, consumer preferences are markedly different in the **Midwest**, where **8.5% of consumers prefer community and regional financial institutions**. That's over 90% higher than the national average and reflects both a cultural emphasis on trust and familiarity as well as the value midwesterners place on local relationships and personalized service.

The Midwest tends to prefer community banks more than other regions

Despite the rise of **digital banks and fintech**, their adoption as **primary financial institutions** remains modest. Only **4%** of consumers report using **digital banks** as their primary institution, while just **2%** mentioned **fintechs**. This suggests that while consumers welcome innovation, trust and infrastructure still anchor their loyalty.

**8.5%**  
Midwest

Compared to

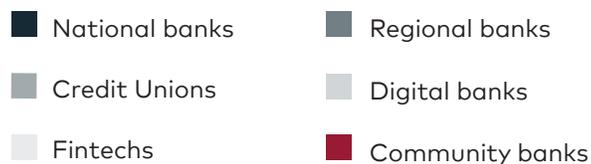
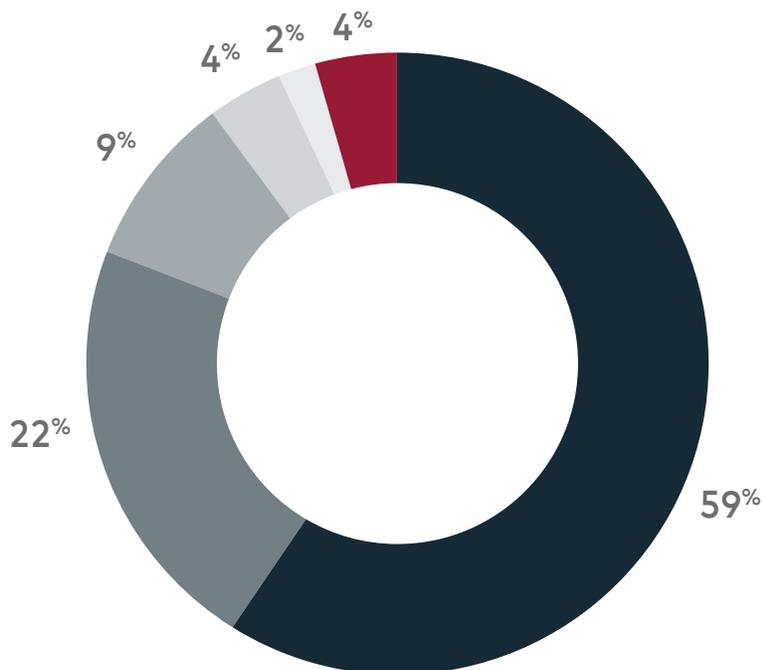
**3.4%**  
Northeast

**2.3%**  
South

**3.7%**  
West

National average  
**4.4%**

Consumer financial institution usage

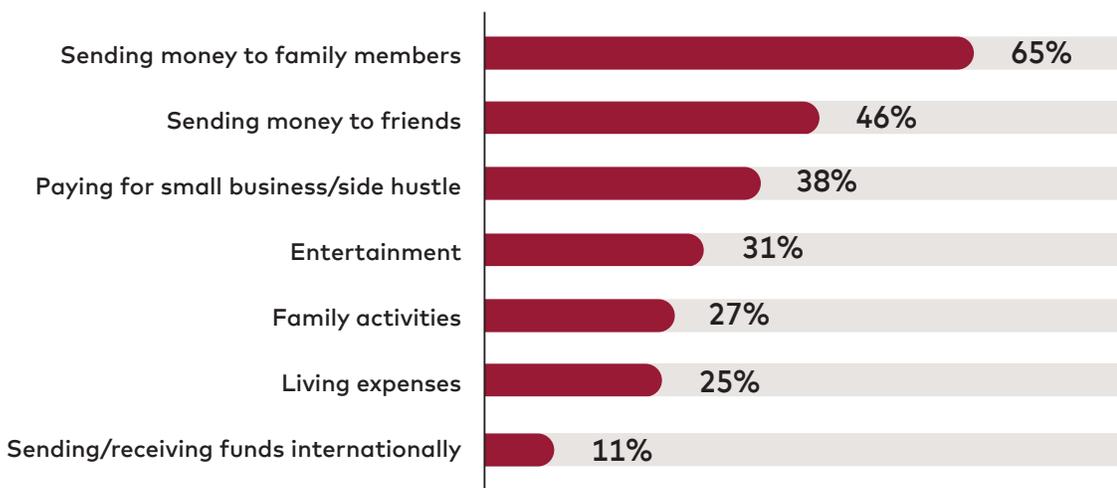


Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

## Peer-to-Peer Payments

**Peer-to-peer (P2P)** payment apps have become deeply embedded in everyday financial transactions, with **47% of consumers reporting** using them in the past 3 months. While their convenience is often associated with casual transfers, the data reveals a broader range of use cases. The most common scenario is **sending money to family**, cited by **65%** of users, followed by **transfers to friends** at **46%**. Beyond personal relationships, P2P platforms are increasingly used to **make payments at small businesses and for informal services (38%)**, reflecting their role in supporting micro-commerce. Additionally, **entertainment (31%)** and **shared living expenses (25%)** are emerging as frequent use cases, underscoring how these apps are not just tools for convenience, they're part of how people manage social and lifestyle costs in real time.

### P2P payments: common uses



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

(Among respondents reporting usage of P2P payments)

Consumers' preferences for digital payment platforms differ widely across age, gender and region, highlighting how personal identity and lifestyle influence financial habits.

**PayPal** remains the most broadly used P2P payment app, with strong adoption across generations and particularly high usage in the Western U.S. (86%) and among lower-income households. Roughly **three out of four consumers** report using PayPal regularly, making it a staple in both personal and informal business transactions.

**Cash App**, by contrast, shows a distinct gender and generational skew. It's more popular among men (64%) and younger users, especially Millennials (67%) and Gen Z (57%), who value its simplicity and speed for everyday transfers.

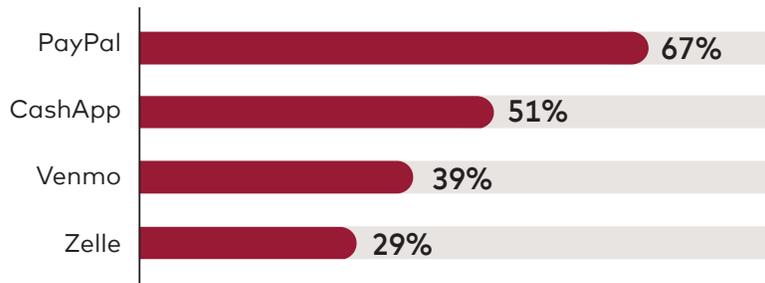
Meanwhile, **Venmo** and **Zelle** are both more commonly used by women (48% and 37% respectively), often for social payments and shared expenses.

## CURRENT AND FUTURE PAYMENT BEHAVIOR

These platforms demonstrate that digital payment tools are not only functional but also social, intuitive and often aligned with lifestyle and community.

### Platform preference

among people who have used P2P platforms in the past 3 months

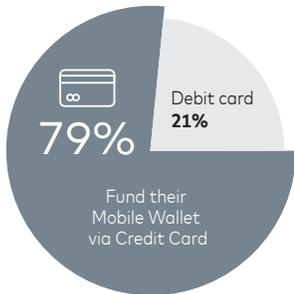


Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

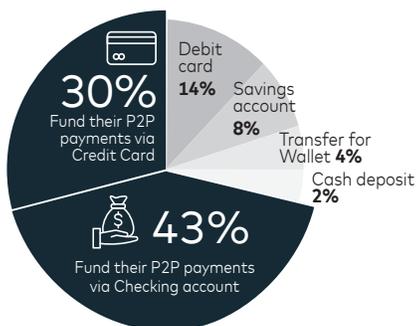
## Funding Sources

Mobile Wallet vs. P2P apps

### Mobile Wallet



### P2P



Beyond platform choice, payment behavior is also influenced by the **purchase category**. For example, **Gen Z prefers mobile wallets and cash for groceries**, while **Baby Boomers rely more on credit cards**. In **online shopping**, Millennials and Gen Z dominate with credit and virtual cards, with **BNPL services** gaining traction as a flexible alternative.

Credit cards still lead for travel, subscriptions and large purchases, but virtual cards and crypto wallets are emerging among younger, tech-savvy consumers. These shifts suggest that payment behavior is not just generational but also contextual, shaped by the nature of the purchase and the perceived value of the method.

## Funding Digital Payments

As digital payments become more embedded in daily life, how consumers fund these transactions reveals deeper behavioral trends. **Mobile wallets**, for example, are primarily funded via **credit cards (79%)**, especially among Millennials (82%) and Gen Z (91%). This reflects a strategic use of credit to manage cash flow and earn rewards. Additionally, this may be attributed to the predominance of credit cards as a payment method, leading consumers to favor their primary card for mobile transactions.

**P2P apps** are more often funded through **checking accounts (43%) and credit cards (30%)**. While Gen Z tends to favor credit cards (41%) valuing their speed, convenience and rewards, older generations, particularly Baby Boomers and the Silent Generation, rely heavily on checking accounts, with 83% using them to fund P2P transactions. This generational divide highlights differing priorities: younger users prioritize speed and convenience, whereas older users value familiarity and security in their funding methods.

# Adoption of New Payment Methods



## Top 3 Motivations

1

41%  
Security

More important for Millennials and Gen Z

2

40%  
Speed

More important for Millennials, Gen Z, South and West Regions and Men

3

38%  
Convenience

More important for Women, Baby Boomers and Gen X

## Changes in Payment Behaviors

In the world of payments, change doesn't happen overnight; it unfolds through convenience and context. **Consumers rarely change their payment behaviors spontaneously.** They're influenced by what feels safe, what's familiar, what others are doing and what fits their lifestyle.

As digital options multiply, the reasons behind adoption become more layered. Security, speed and convenience remain the top motivators, but generational values, income levels and even geography influence consumers' priorities.

## Motivations for Changing Payment Methods

When asked why they choose one payment method over another, consumers consistently point to **security (41%), speed (40%) and convenience (38%)**. But these preferences aren't evenly distributed across populations.

**Millennials (49%) and Gen Z (48%)** are driven by speed—nearly half of each group says this is their top priority. Baby Boomers and the Silent Generation favor rewards and ease, with over 60% valuing those features. **Men** are more likely to prioritize **speed (45%)**, while **women** focus on **convenience (42%) and rewards (37%)**. **High-income earners (\$150K+)** seek **perks and benefits (57%)**, while **middle-income** consumers are more concerned with **cost and control**. Regional differences also emerge: The **South (38%) and West (46%)** favor **speed**, while the **Midwest** values **dispute resolution** (servicing).



**ADOPTION OF NEW PAYMENT METHODS**

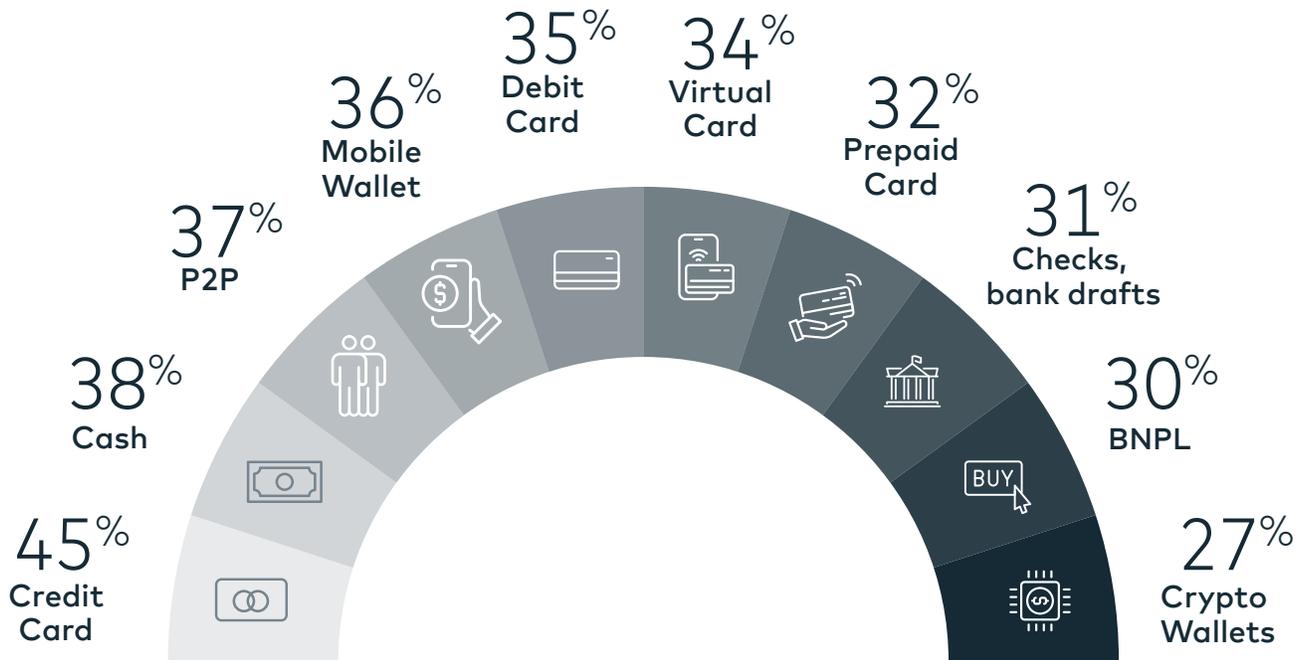
Credit cards are expected to be used

**45%** more

**Consumer Expectations for Payment Method Usage in the Future**

Over the next two years, consumers expect to change how they pay, and the data reveals a story of both innovation and contradiction. **Credit cards are the payment method consumers most expect to use more in the future (45%)**, especially among Millennials, Gen Z, men and in the Northeast. **Cash is expected to have strong growth (38%)**, even as it's also the method **most expected to decline (27%)**. P2P apps such as Venmo and Zelle are gaining traction, particularly among younger users and men. Crypto and mobile wallets, once hailed as the future, face skepticism—particularly from Baby Boomers, the Silent Generation and women, **25% of whom say they don't intend to use crypto at all**.

**Payment methods consumers plan to use more frequently in the future**



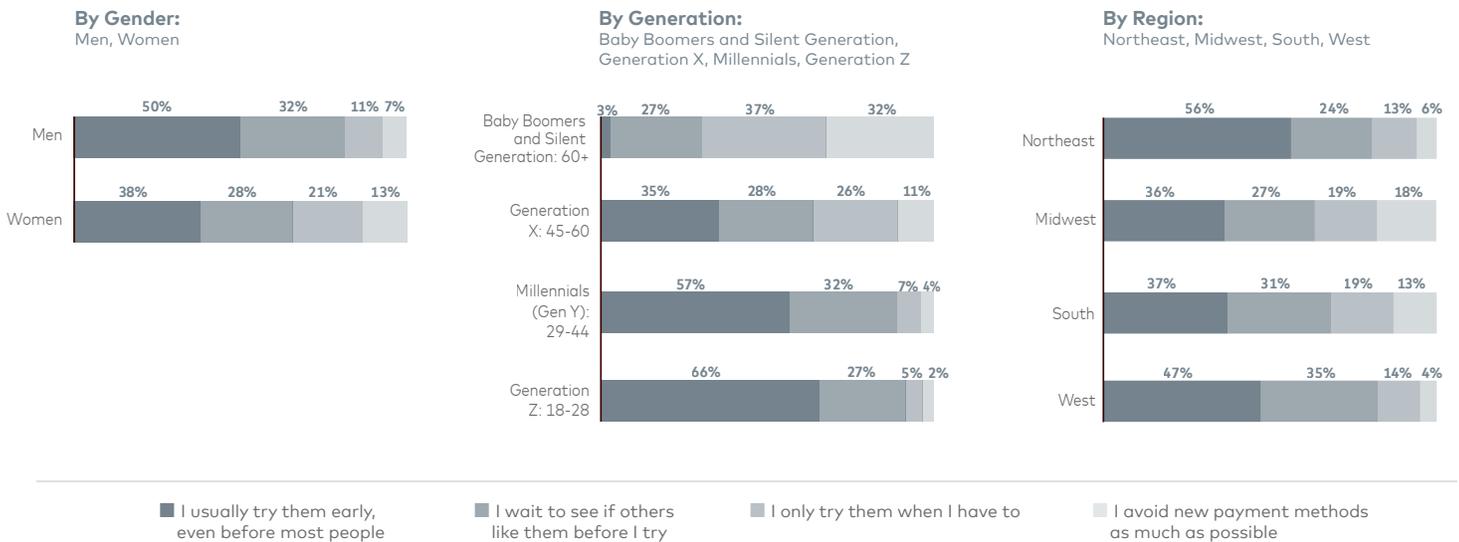
NOTE: Usage figures include both "plan to use a lot more" and "plan to use somewhat more"

Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

## ADOPTION OF NEW PAYMENT METHODS

**Some consumers are eager to explore new payment options.** Others prefer to wait or avoid them altogether. **Overall, 44% say they usually try new methods early**, but this jumps to **66% for Gen Z and 57% for Millennials.** **Men are more likely to adopt early (50%) than women (38%).** Higher-income groups show greater openness to experimentation. Baby Boomers and the Silent Generation are more hesitant, with many only trying new methods when necessary, or avoiding them entirely. Midwest and South regions show higher rates of resistance to exploring new payment options (see table 1 in appendix).

### Consumer attitudes toward new payment methods



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)



## ADOPTION OF NEW PAYMENT METHODS

# 86%

of consumers say that **security** is critical

Before adopting a new payment method, consumers weigh several factors. **86%** of consumers say that **security** is critical. But financial value also plays a major role. **Avoiding fees and saving money (80%)** is especially important to older generations. **Rewards and perks (76%)** appeal strongly to Gen Z. And **money management (72%) is a top priority for younger users**. Ease of setup (72%) matters most to Baby Boomers, who value simplicity. Mobile app integration (70%) is also key for younger generations (Millennials 75% and Gen Z 76%). While social proof is the least influential factor overall (60%), it plays a much stronger role for younger consumers, with 81% of Gen Z and 69% of Millennials influenced by the payment methods others use. This suggests that peer behavior and trends significantly shape adoption decisions among younger generations, even when it's less important than other factors for the population at large.

### Factors influencing the adoption of new payment methods



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

Adoption is often influenced by several factors, including trusted voices and targeted promotions. **Friends and family (50%)** are the most influential overall, especially for women, Baby Boomers and those living in the Northeast. **Bank promotions (35%)** resonate with Gen Z, Millennials and consumers in the South. **Social media and influencers (29%)** play a major role for younger users and men but barely register for older generations. **Financial advisors and news reviews** are more influential among **high-income** groups and those living in the **West**.

Factors that influence payment method adoption

1

50%

Friends or family recommend it

Especially influential for women (58%), Baby Boomers (56%), and Northeast region (53%)

2

35%

ads or promotions from a bank or provider

Significantly more influential for Gen Z (40%) and Millennials (40%)

3

29%

Seeing it on social media or used by influencers

Strongly driven by Gen Z (39%), Millennials (40%) and men (37%)

Each payment method comes with its own enticements: **Credit cards offer convenience, speed and benefits. Debit cards promise simplicity and lower costs. Mobile wallets and P2P apps thrive on visibility;** seeing others use them sparks interest. **BNPL apps attract with tangible perks.** Crypto wallets struggle due to unfamiliarity, a barrier that education and exposure could help overcome.

Technology plays a role, but what really drives adoption is how well a payment method connects with users' trust, needs and routines. For providers, understanding these drivers is key to building payment experiences that feel intuitive, rewarding and secure.



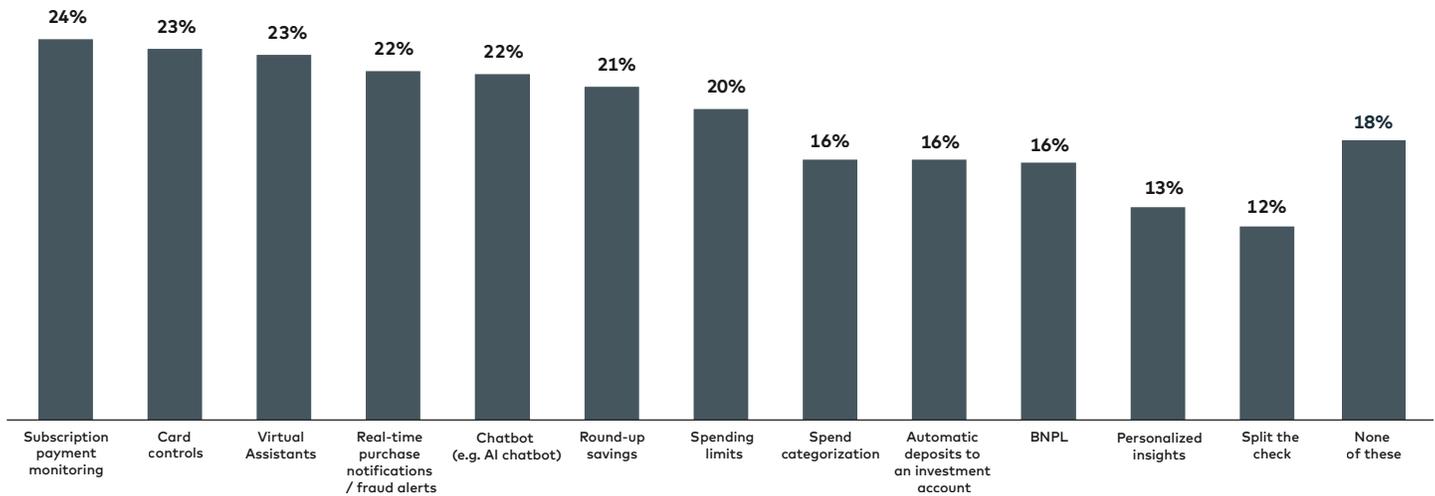
# Adoption of Digital Tools



## Digital Tools Usage

As expected, digital tool adoption is higher among **younger generations**, but overall, consumers are using various types of tools. The most popular are **subscription payment monitoring (24%), card controls (23%) and virtual assistants (23%)**.

### Used tools in the past year



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

In contrast, **Baby Boomers and the Silent Generation** have the lowest levels of engagement with digital financial tools, with **almost half (47%)** indicating they hadn't **used any such tool in the past year**. This lower adoption rate may reflect a combination of limited familiarity with emerging technologies and a stronger reliance on traditional banking channels.

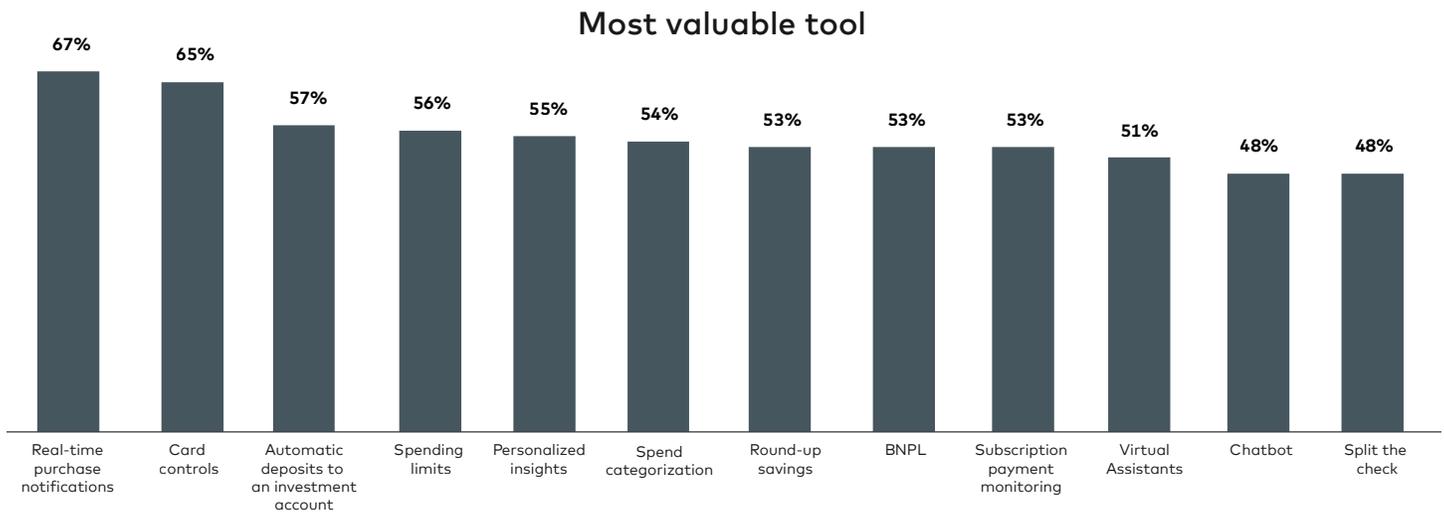
**71%**  
open to agentic commerce

## Agentic Commerce

When considering new payment methods such as **agentic commerce**, which involves securely linking payment information (e.g., debit or credit cards) to an AI platform, there appears to be growing **interest and openness** among consumers. Most users (71%) express willingness to use these AI-driven payment solutions, with a notable gender gap: **80% of men** compared to **62% of women**. Younger generations, particularly **Gen Z (92%) and Millennials (90%)**, demonstrate the highest enthusiasm for adopting agentic commerce, likely reflecting greater familiarity with digital technologies and a preference for convenience, automation and control in financial interactions.

## Most Valued Digital Tools Among Customers

Across all age groups, the **most valued digital tools** are **real-time purchase notifications (67%)** and **card controls (65%)** (the latter aligning closely with actual usage patterns).



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

**74%**  
of Millennials  
& Generation Z  
value card controls

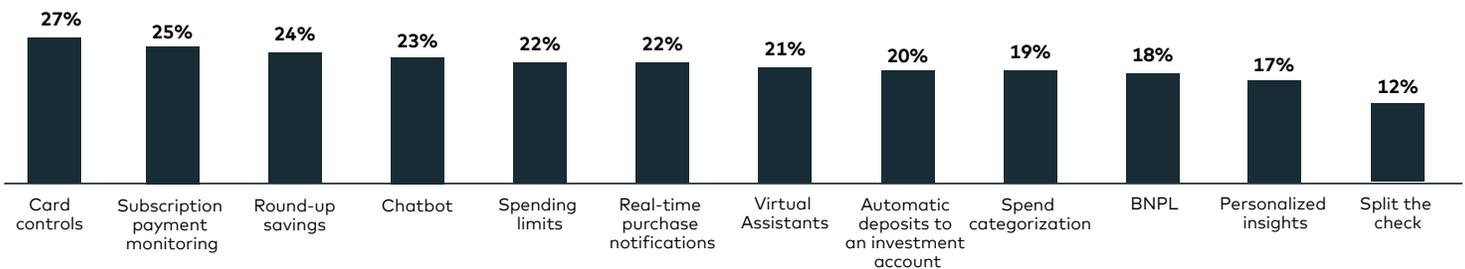
Nevertheless, clear generational differences emerge. **Millennials and Gen Z** not only value card controls (**74% both groups**) but also place significant importance on **BNPL options (70% and 74% respectively)**, which hold considerably **less appeal for Baby Boomers and the Silent Generation (71%)**, possibly due to lower awareness or perceived relevance. **Gen Z** identifies **spending limits (75%)** as a key feature, underscoring their preference for tools that promote disciplined spending and proactive financial management.



## Future Expectations for Digital Tool Usage

Looking ahead, consumers anticipate a continued reliance on **card controls (27%)** and **subscription payment monitoring tools (25%)**. Expectations also point to increased adoption of other features, with **24%** of participants planning to use **round-up savings** and **23%** anticipating the adoption of **chatbots**. This trend suggests a growing interest in tools that not only **facilitate financial management** but also provide **personalized support and automation**, reflecting consumers' desire for greater convenience and control in their digital financial interactions.

### Valuable tools and tools to be used in the future



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

Distinct preferences also emerge when examining **anticipated adoption** across generations. **Gen Z and Gen X**, along with prioritizing **card controls (33%)**, show strong interest in **round-up savings features (28%)**. **Millennials**, meanwhile, express enthusiasm for using **virtual assistants** to manage their finances, with **28%** indicating plans to do so. In contrast, **Baby Boomers and the Silent Generation** expect to rely more on **real-time purchase notifications (29%)**; however, their overall enthusiasm for **digital tools** remains **modest**, with **40%** reporting that they do **not plan to adopt** any of the mentioned solutions within the next two years.

# Security and Trust in Payment Channels

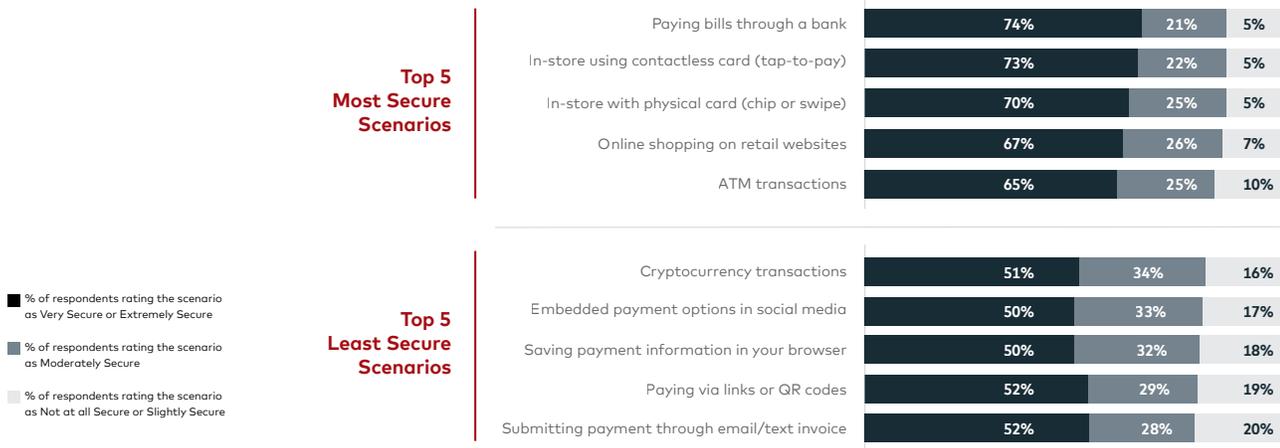




## Perceptions of Security

How consumers perceive the security of different **payment environments** reveals how they evaluate risk and trust in both physical and digital contexts. While most consumers report feeling secure overall, there are notable differences depending on the transaction setting and the users' demographic profile. Across various payment environments, although most participants generally report feeling secure in different situations, they express the **greatest sense of safety** when making **in-person transactions**, particularly **paying bills through a bank (74%)**, and with **contactless (73%) or physical (70%) cards** at the point of sale. This suggests that on-site payments continue to inspire greater confidence than online alternatives.

### Perception of security



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

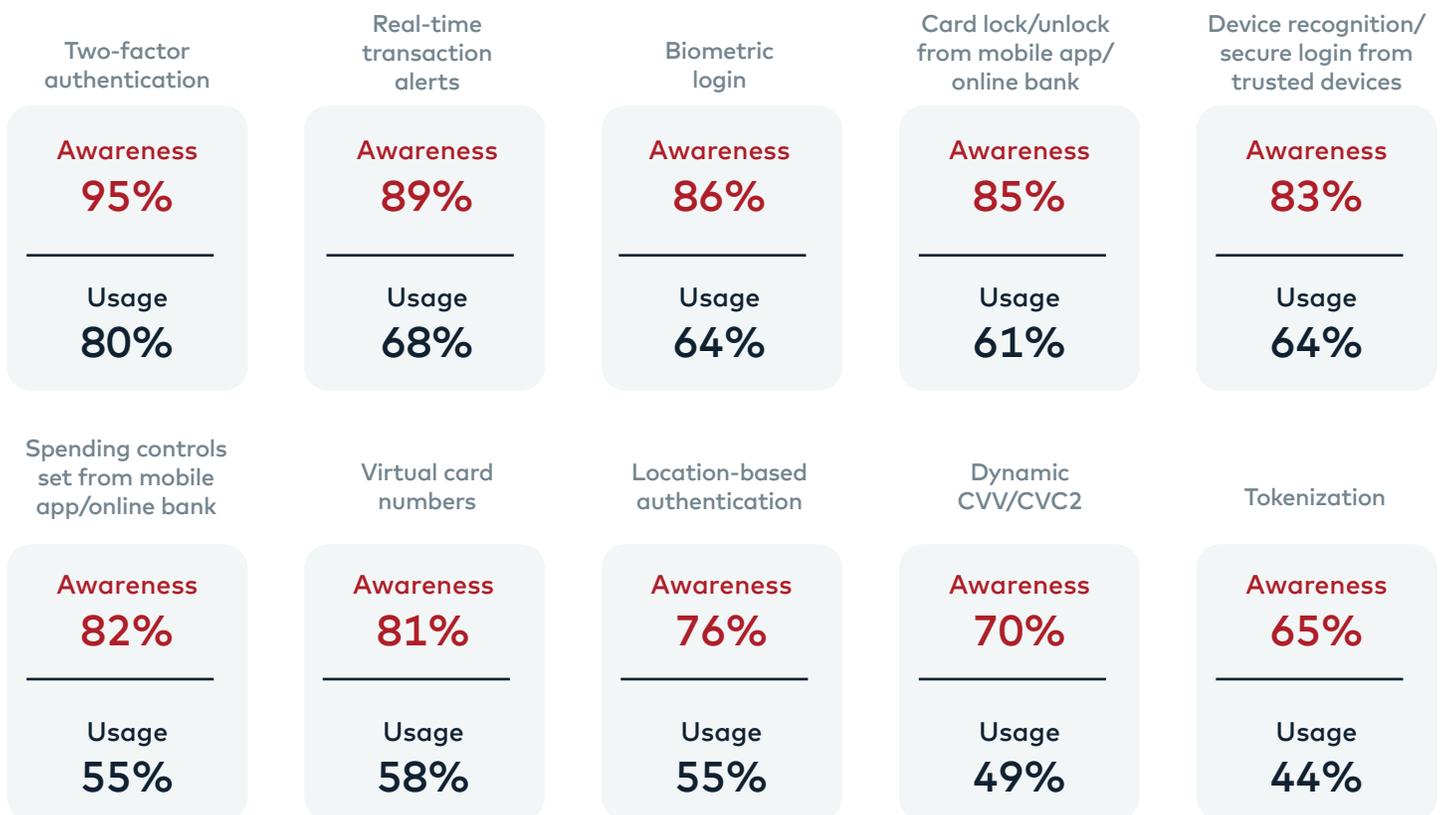
Generational differences reveal a distinct shift among younger cohorts, especially **Millennials and Gen Z**, who feel more secure with **online payment scenarios**. Among **Millennials**, **79%** report feeling safe when **shopping online through apps**, reflecting their digital-first instincts and comfort with contemporary commerce platforms. Likewise, **80% of Gen Z** participants feel secure conducting **cryptocurrency transactions**, while **78%** express trust in payments made via **links or QR codes**. These findings underscore an evolving trust dynamic: as technology matures, younger generations increasingly embrace digital innovations, perceiving new payment methods not as risks but as convenient, trustworthy options.

Conversely, **older consumers** express greater hesitation toward certain digital payment methods. **Baby Boomers and the Silent Generation** report feeling **less secure** when making payments using **payment links or QR codes (only 11% report feeling secure)**, through **email or text invoices (9%)**, or **BNPL (14%)**. While these methods are often valued for their convenience, they're also perceived as potentially more vulnerable to fraud or unauthorized access, highlighting concerns about the security of emerging digital payment channels among older consumers (see table 2 in appendix).

## Security Features Awareness and Usage

Consumers are largely **familiar** with both **basic and advanced security features**, such as **two-factor authentication (95%)** and **real-time transaction alerts (89%)**. However, while **participants are aware of these tools, few report using them**, especially **Spending Limit Controls (82% awareness vs 55% usage)** and **Card Controls (85% awareness vs 61% usage)**. As a result, while the security landscape continues to evolve, adoption rates still lag, highlighting an ongoing need for education, reassurance and seamless consumer experiences.

### Awareness and usage of security features



When examining **security feature adoption across generations**, distinct **gaps** emerge in both **awareness and usage** of specific tools. For example, outside of Gen Z, there is a notable **disparity** between familiarity with **spending limits or card controls** and everyday use. Even though these tools are **perceived as valuable**, their limited use may suggest that consumers either underestimate their benefits or find them less accessible or intuitive.

Among **Gen X** respondents, the gap is particularly pronounced for the **card lock/unlock feature (23%)**, indicating that although consumers recognize its potential, it remains underutilized compared with other safeguards. Conversely, **Gen Z** shows a surprising divergence between awareness and use of **biometric login and tokenization**, despite their overall receptiveness to digital innovation. These findings suggest that even as security technologies proliferate, their perceived value and incorporation into everyday financial routines remain uneven, underscoring opportunities for more targeted education and engagement across age groups (see table 3 in appendix).

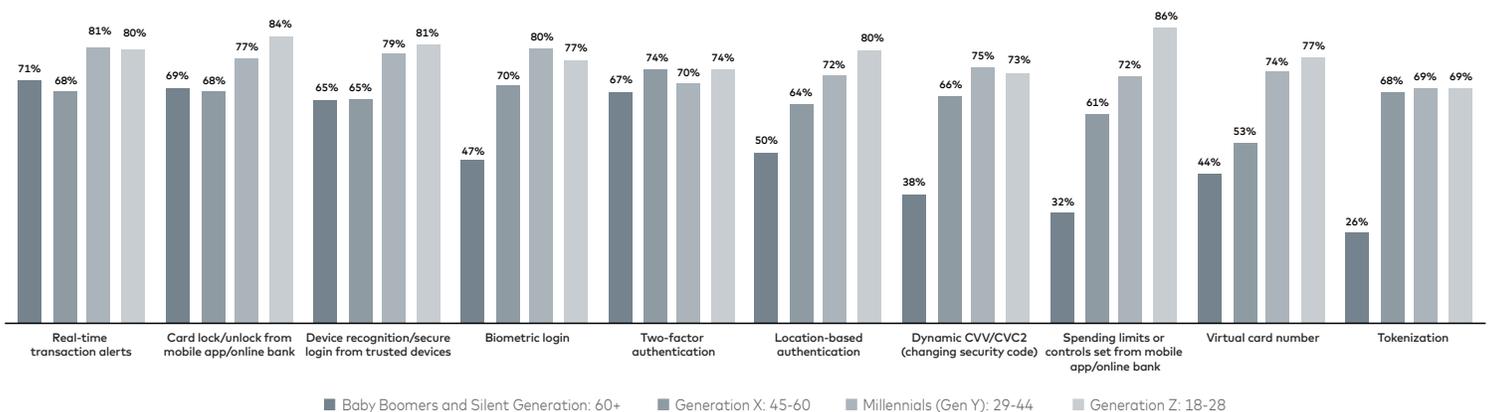
### Valued Security Features

**Real-time transaction alerts (76%), card controls through banking apps or websites (76%) and secure logins from trusted devices (75%)** are among the most **highly-valued features**. These tools are often perceived as effective safeguards against unauthorized activity, giving consumers a sense of **reassurance**.

A generational analysis reveals several distinctions. For instance, **biometric login** is particularly valued among younger generations, with **80% of Millennials** and **77% of Gen Z** respondents indicating they consider it an important feature. Additionally, **Gen Z** values **spending control limits (86%)**, suggesting that they prioritize tools that promote disciplined budgeting and active oversight of their financial activities.

Older generations place the highest value on **real-time transaction alerts (71%)** and **card controls (69%)**, mirroring overall results. However, they find **tokenization** considerably **less useful (Top 2 Boxes, 37%)**, setting them **apart from younger age groups**. This indicates a lower perceived understanding or trust in newer security mechanisms and highlights the need for clearer communication about the benefits and functionality of such technologies.

### Importance of security features by generation



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

79%

of consumers are open to adopting additional layers of security

## Willingness to Add Additional Layers of Security

Cardholders are broadly open to **adopting additional layers of security (79%)**, particularly when such measures offer enhanced protection against fraud and unauthorized access. This attitude is especially pronounced among **younger generations (Gen Z 81% and Millennials 84%)**, who tend to **embrace digital innovation** and demonstrate a strong willingness to engage with emerging security technologies.

Consumers in the **Northeast** also report higher levels of comfort and interest in supplementary safeguards (**88%**), reflecting a **regional emphasis** on prioritizing security in digital transactions. The widespread readiness to adopt multifactor authentication, biometric logins or context-specific verification methods suggests that consumers, particularly younger and Northeast profiles, desire solutions that balance convenience with robust protection. Even though consumers express openness to these measures, the **awareness and adoption gap** highlighted previously indicates a likely gradual rollout of additional security features.

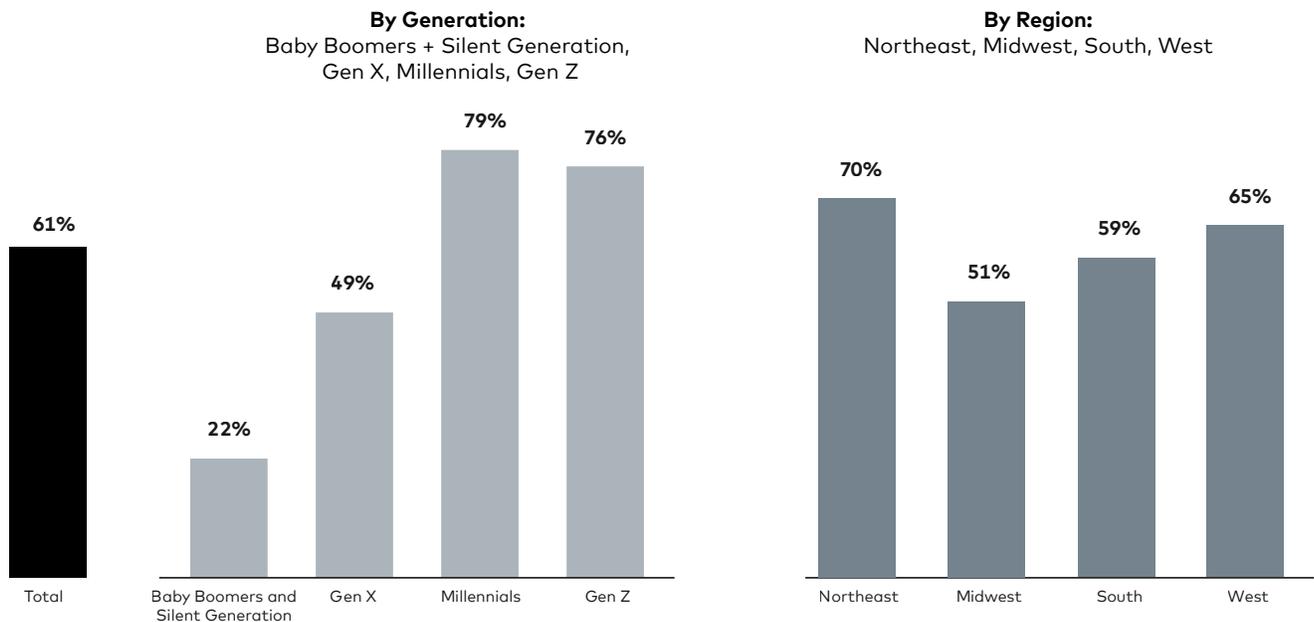


## Digital Payment Security: Shifting Attitudes

Consistent with these findings, **younger generations (Millennials and Gen Z)** report significantly greater confidence in digital payment methods compared to a year ago. This upward trend is also evident in the **Northeast and West regions**, where participants express increased trust in security innovations.

In contrast, the trust levels of **older generations** have remained largely **unchanged**, underscoring a continuing challenge to promote **broader adoption and reassurance** among these groups. As digital payments become increasingly embedded in everyday life, bridging this generational divide will be critical to ensuring inclusive participation and sustained engagement with emerging financial technologies.

### Increase in perceived security of digital payments methods compared to a year ago



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

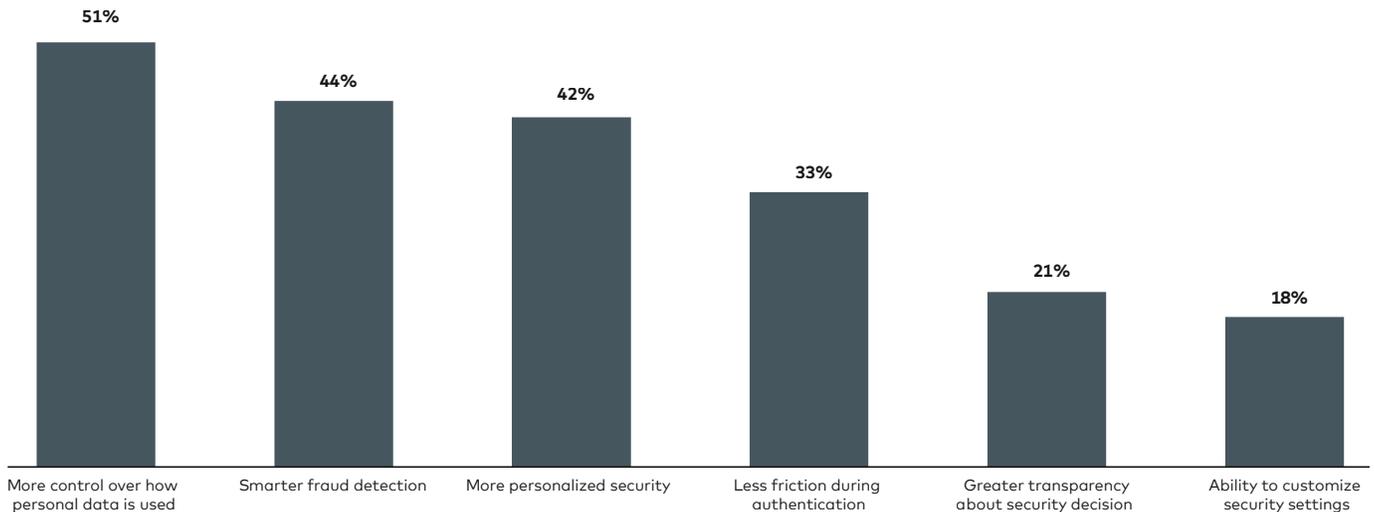
## Expectations for Future Payment Security Features

Looking ahead, participants expect both **greater autonomy over their shared personal data and continued advancements in security technology**. There's a growing desire for systems that provide smarter fraud detection while allowing users to tailor their security settings to their individual needs. These preferences reflect a broader shift toward **personalization** in digital financial services, not only for offers and rewards, but also in managing **privacy and protection**.

Concerns about personal data are particularly pronounced among **Baby Boomers and the Silent Generation**, with nearly **70%** preferring **greater control over their information**. This heightened sensitivity suggests that, for older generations, trust in digital payments will increasingly depend on transparency, clear consent frameworks and assurances that their data will not be misused.

Collectively, these evolving expectations point toward a future in which financial institutions must **empower consumers**, especially those most concerned about privacy, with **practical tools to manage their data**, while seamlessly integrating intelligent **security solutions** that adapt to emerging threats and evolving behaviors.

Consumer expectations about future payment security features



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

# Customer-Centric Experience and Personalization

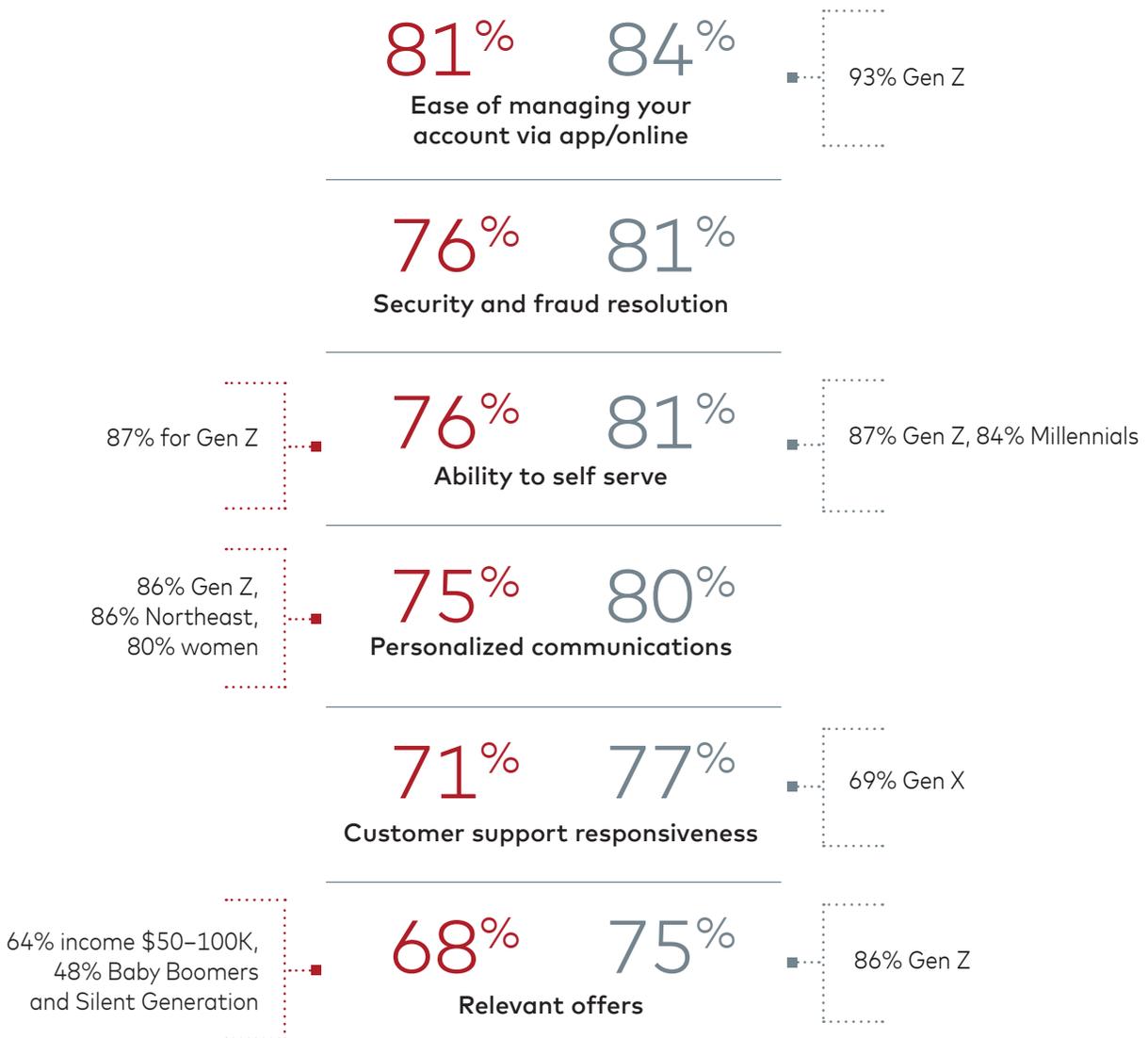


Primary debit and credit card issuers assessed customer satisfaction across various aspects of the service and support they provide and found that credit cards received the highest satisfaction levels.

### Primary Cards Satisfaction

While credit cards lead in overall satisfaction, thanks to perks, rewards and tailored offers, debit card users' greatest level of satisfaction comes from the **ease of managing their account via an app or online**, at **81%**. This is followed by **security and fraud resolution**, at **76%**, and **the ability to self-serve (76%)**, including blocking the card and tracking expenses. Similar to debit cardholders, credit cardholders reported the highest satisfaction with the ease of managing their accounts through the app or online channels, surpassing all other service aspects.

**DEBIT CARD**      **CREDIT CARD**



# 3 Key Incentives

that motivate consumers to switch their payment cards

Cashback on purchases

43%

Discounts

30%

Financing options

30%

This analysis underscores the importance of digital management tools in enhancing customer satisfaction. While most consumers appreciate the ease of managing accounts online, **Gen Z stands out** with even greater satisfaction levels. Additionally, the data suggests that **trust in digital payments** and a **preference for AI-driven solutions** contribute significantly to higher satisfaction rates.

In general, **attitudes towards technology can affect credit card satisfaction levels**. The data suggests that consumers who embrace **digital payments and AI-driven solutions** tend to have higher satisfaction rates. This insight can guide efforts to enhance **security and fraud resolution services** by focusing on technological advancements and promoting their benefits to users.

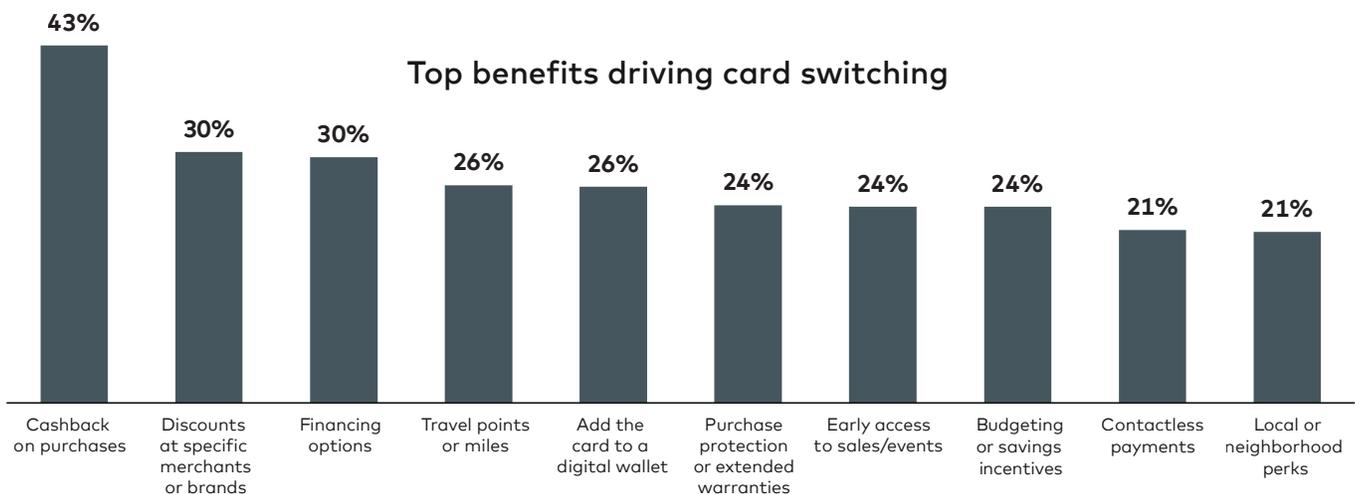
## Benefits or Offers That Might Encourage Consumers to Switch Cards

Three key incentives would motivate consumers to switch their payment cards: Cashback on purchases (43%), discounts at specific merchants or brands (30%) and financing options, such as the ability to finance purchases and manage cash flow (30%).

As consumers get older, **cashback** is a significant motivation in their decision to switch cards. For **Gen X**, its importance reaches **52%**, while for **Baby Boomers and the Silent Generation**, it climbs to **61%**. This presents an opportunity to develop targeted cashback offers that resonate with these segments.

In contrast, **local or neighborhood perks** are more relevant to younger consumers—**Millennials (22%)** and **Gen Z (31%)**. Regionally, these perks hold greater importance in the **West (25%)**, significantly higher than in the **South (15%)**.

**Travel points or miles**, with an overall importance of **26%**, are particularly valued in the **South**, where they reach an importance of **31%**.

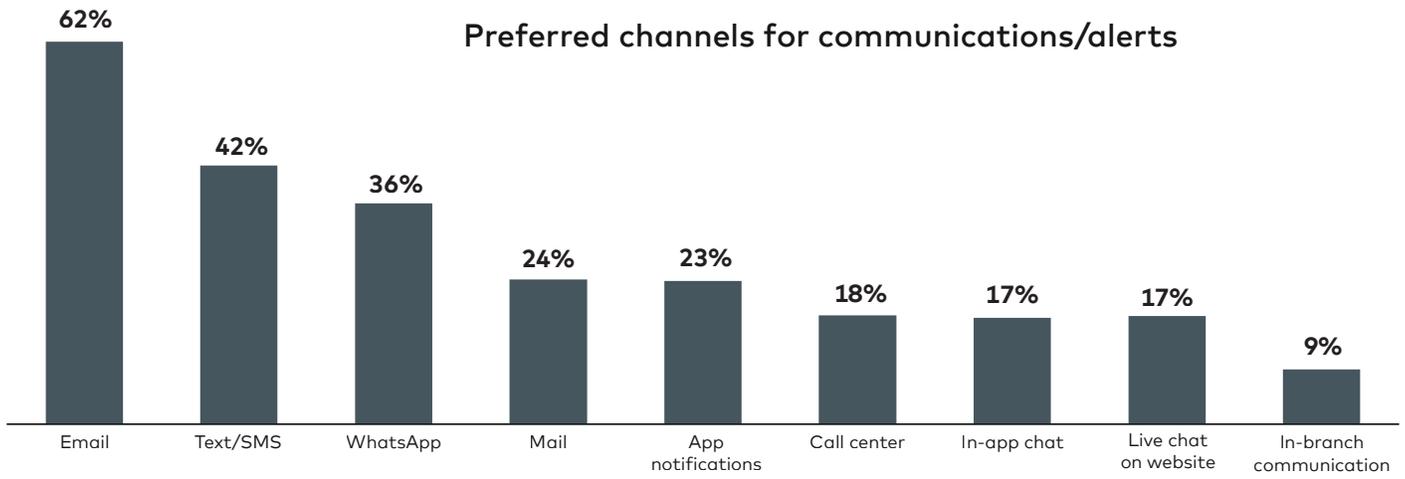


Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)



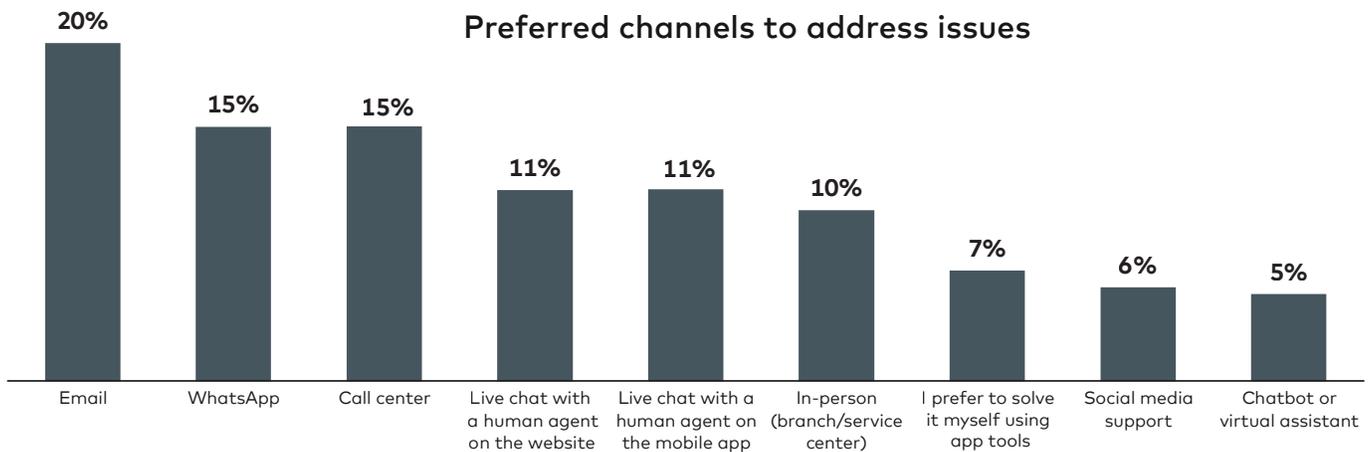
## Connecting with Customers

Consumers prefer email for receiving updates, alerts or offers from credit card providers, with **62%** of participants preferring it. This is followed by **text messages (42%)** and **WhatsApp (36%)**. Other channels show lower levels of preference, with **in-branch communication** the least attractive at **9%**.



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

However, when asked about a **preferred channel for resolving issues** with their card or account, responses varied. Only 20% of consumers preferred email, followed by **WhatsApp (15%)** and the **call center (15%)**. These results highlight the ongoing challenge of delivering effective **omnichannel support** in financial services.

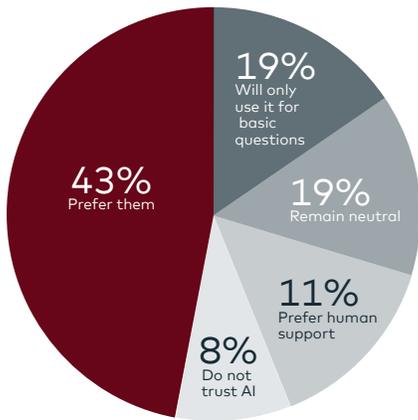


Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

Consumers are becoming more open to using

# AI-powered tools

to resolve issues and receive personalized support



**Gen X** had a significantly higher preference for email, with **31%** of respondents preferring it.

Overall, their reasons are clear:

- **Email** is valued for being **fast and saving time (55%)**, **convenient and easy to access (51%)** and **available 24/7 with a sense of security (39%)**.
- **WhatsApp** was preferred for its **speed and saving time (54%)**, **ease of access (41%)** and **security (37%)**.
- Consumers preferred the **call center** to **speak with a real person (64%)**, **speed (37%)** and the opportunity to receive **clearer or more detailed explanations (35%)**.

Across all three channels, **saving time** emerges as a common driver for resolving card or account issues—underscoring the importance of **efficiency and accessibility** in customer service experiences.

Up to 43% of consumers say they will use AI-powered tools, such as virtual assistants or chatbots to resolve issues or receive personalized support, while **19%** would use it **only to answer basic questions**.

But there is an even greater preference for AI-powered tools among **Millennials (61%)** and **Gen Z (62%)**, highlighting a growing comfort with automation and digital assistance among younger users.

These results indicate a clear opportunity for these tools to enhance both the **user experience** and the **perception of support**, especially if issuers can demonstrate the reliability and value of the tools in real-world interactions.





## Future Interaction Preferences

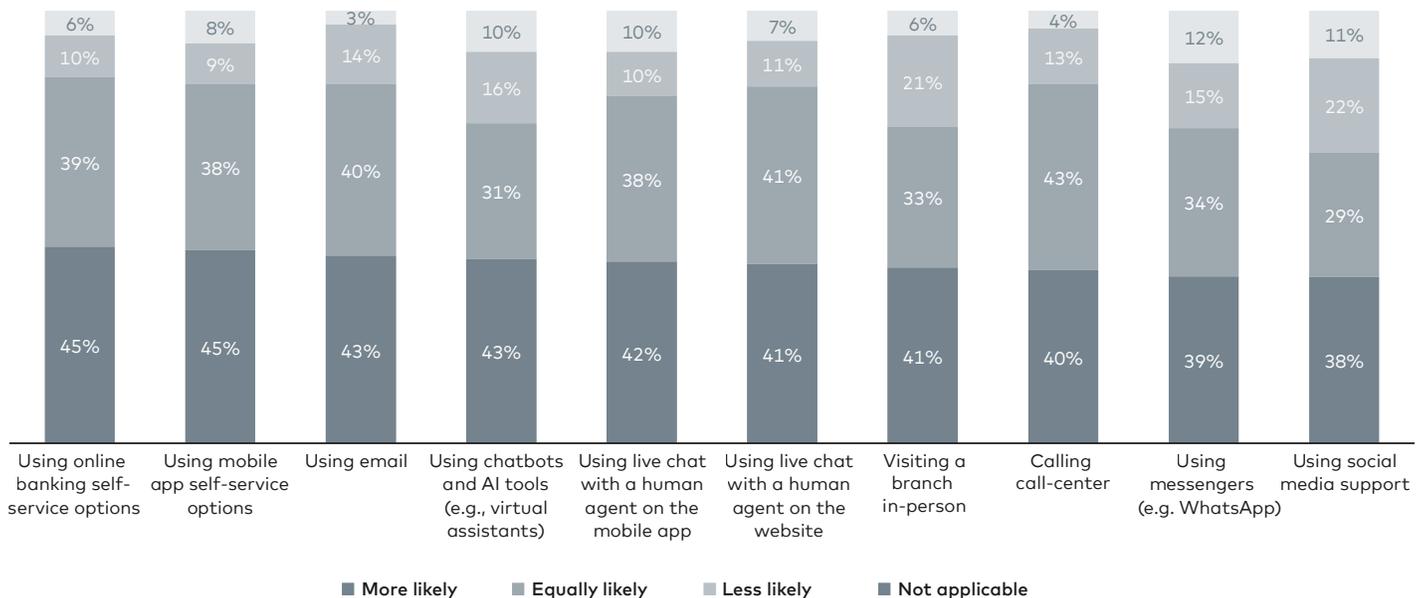
Over the next two years, consumers expect to interact with their card providers through **online banking (45%)** and **mobile app self-service options (45%)**. **Email** remains a relevant channel, ranking third at **43%**.

In comparison, consumers expressed less interest in getting support through **social media (38%)**, **messaging services (39%)** or **call centers (40%)**, though all are still considered viable options.

These insights suggest the importance of **strengthening digital self-service platforms**, such as apps and online banking, while maintaining email as a trusted channel for formal communication. **Call centers, social media** and **messaging apps** offer complementary options, especially for **urgent or sensitive cases**.

Overall, **multichannel access** remains important; however, consumers clearly favor digital efficiency and autonomy, relying on traditional channels as a backup and placing social platforms in a secondary role.

### Likelihood of using each interaction methods with their card provider in the next 2 years



Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

## CONCLUSION



The evolving landscape of card payments in the U.S. reflects a dynamic interplay between technological innovation, generational preferences and lifestyle motivations. While credit and debit cards remain dominant, younger consumers, particularly Gen Z and Millennials, are driving adoption of mobile wallets, BNPL services and crypto wallets. Their choices reflect a desire for speed, rewards and convenience, signaling a shift toward digital-first financial behaviors. At the same time, traditional methods like cash continue to remain relevant, especially among younger users who value control and simplicity.

The future of card payments will be defined by personalization, security and digital empowerment. Consumers increasingly expect intuitive tools such as card controls and real-time alerts to manage their financial lives. Trust in digital payments is growing, especially among younger generations, but gaps in awareness and security feature usage remain. Financial institutions must prioritize user education, seamless experiences and tailored benefits to foster loyalty and meet modern cardholders' expectations.

## Study Methodology

Field	Details
<b>Objective</b>	Understanding the voice of the customer as it relates to the future of payments.
<b>Research Objective</b>	To understand U.S. consumers' debit and credit card usage, adoption of emerging payment methods and switching motivations.
<b>Methodology</b>	Quantitative online survey
<b>Sample Size</b>	500 respondents
<b>Target Audience</b>	Frequent debit or credit card users (at least once per week), familiar with P2P apps
<b>Fieldwork Dates</b>	August 20-28, 2025
<b>Geographic Coverage</b>	United States (Midwest, Northeast, West, South)
<b>Data Collection Mode</b>	Online
<b>Length of Interview</b>	15 minutes
<b>Research Agency</b>	Mastercard Research Center

**Table 1: Payment methods consumers plan to use more frequently in the future**

Payment Methods planned to be used more in future	Total	Gender		Generation				Income			Region			
		Men	Women	Baby Boomers: 61-79	Gen X: 45-60	Millennials (Gen Y): 29-44	Gen Z: 18-28	NET Less than \$50,000	NET \$50,000 - \$99,999	NET \$100,000 - \$149,999	Northeast	Midwest	South	West
Credit Card	45%	51%	39%	23%	32%	55%	56%	33%	55%	40%	55%	37%	46%	40%
Cash	38%	42%	34%	11%	34%	48%	49%	28%	44%	37%	44%	36%	35%	37%
P2P app	37%	42%	33%	12%	36%	51%	40%	31%	41%	44%	40%	32%	41%	35%
Mobile wallet	36%	38%	34%	12%	40%	42%	43%	29%	39%	45%	38%	31%	36%	39%
Debit Card	35%	37%	33%	10%	28%	47%	44%	30%	38%	41%	37%	30%	34%	41%
Virtual card / Digital-only card	34%	35%	33%	8%	32%	45%	40%	29%	36%	41%	40%	30%	32%	35%
Prepaid Card	32%	38%	26%	2%	29%	42%	42%	22%	36%	40%	38%	26%	31%	32%
Checks / Bank drafts	31%	37%	27%	7%	28%	40%	42%	21%	39%	32%	38%	29%	32%	26%
BNPL app	30%	34%	27%	7%	32%	42%	30%	22%	35%	36%	32%	25%	32%	31%
Crypto Wallets	27%	31%	24%	2%	20%	38%	38%	18%	31%	36%	35%	22%	26%	25%

Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

**Table 2: Security perception of payment scenarios by generations**

Payment Scenarios	Total		Baby Boomers and Silent Generation: 60+		Gen X		Millennials		Gen Z	
	Secure	Not Secure	Secure	Not Secure	Secure	Not Secure	Secure	Not Secure	Secure	Not Secure
Paying bills through a bank	74%	5%	72%	3%	71%	7%	74%	9%	78%	1%
In-store using contactless card (tap-to-pay)	73%	5%	60%	7%	68%	11%	79%	3%	82%	3%
In-store using physical card (chip or swipe)	70%	5%	63%	2%	68%	8%	72%	4%	77%	8%
Online shopping on retail websites	67%	7%	52%	10%	57%	11%	76%	6%	76%	4%
ATM transactions	65%	10%	46%	13%	64%	13%	72%	8%	74%	9%
Online shopping through apps	65%	10%	39%	12%	52%	10%	79%	10%	76%	8%
In-store using mobile wallet	60%	11%	23%	19%	52%	16%	75%	6%	75%	6%
P2P apps	60%	10%	30%	20%	60%	12%	70%	8%	69%	5%
Online shopping using a virtual card	57%	9%	24%	16%	52%	12%	67%	6%	73%	4%
Saving payment info in a merchant's website/app	56%	16%	24%	30%	47%	23%	70%	10%	69%	9%
Using BNPL services	53%	14%	14%	31%	48%	17%	68%	6%	68%	8%
In-store using wearable devices	53%	14%	9%	30%	42%	21%	71%	8%	69%	6%
Paying via links or QR codes	52%	19%	11%	36%	37%	29%	67%	12%	78%	5%
Submitting payment through email/text invoice	52%	20%	9%	35%	45%	26%	65%	14%	72%	10%
Cryptocurrency transactions	51%	16%	1%	31%	34%	23%	69%	9%	80%	7%
Paying bills through a fintech app	51%	11%	9%	15%	37%	15%	66%	10%	74%	6%
Saving payment information in your browser	50%	18%	21%	30%	38%	28%	64%	10%	64%	11%
Embedded payment options in social media	50%	17%	5%	30%	37%	28%	67%	9%	73%	6%

Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

**Table 3: Security features awareness and usage**

Security Features Awareness and Usage*	Total			Baby Boomers and Silent Generation: 60+			Gen X			Millennials			Gen Z		
	Awareness	Usage	Gap	Awareness	Usage	Gap	Awareness	Usage	Gap	Awareness	Usage	Gap	Awareness	Usage	Gap
Two-factor authentication (e.g., text/email code)	95%	84%	10%	90%	85%	5%	94%	91%	3%	96%	84%	12%	97%	78%	19%
Real-time transaction alerts	89%	76%	13%	76%	64%	12%	88%	79%	9%	93%	80%	13%	94%	77%	17%
Biometric login (e.g., fingerprint, facial recognition)	86%	74%	12%	75%	59%	15%	80%	83%	-3%	91%	79%	12%	92%	70%	22%
Card lock/unlock from mobile app/online bank	85%	72%	13%	55%	37%	17%	88%	66%	23%	94%	82%	12%	93%	78%	15%
Device recognition/secure login from trusted devices	83%	77%	6%	63%	68%	-5%	79%	78%	2%	90%	79%	11%	91%	78%	12%
Spending controls set from mobile app/online bank	82%	67%	14%	57%	29%	28%	76%	55%	21%	92%	75%	16%	93%	84%	9%
Virtual card numbers	81%	72%	9%	56%	45%	10%	75%	70%	5%	93%	80%	13%	91%	75%	15%
Location-based authentication	76%	73%	3%	40%	50%	-10%	71%	67%	4%	90%	75%	15%	88%	83%	5%
Dynamic CVV/CVC2 (changing security code)	70%	70%	0%	32%	34%	-2%	58%	68%	-10%	86%	76%	10%	86%	71%	15%
Tokenization (e.g. merchant tokens, mobile wallets)	65%	68%	-2%	19%	53%	-33%	49%	64%	-15%	84%	73%	12%	90%	66%	24%

Source: TransFund and Mastercard Future of Card Payments Consumer Research, 2025 (n = 500)

\*Usage is presented between the ones that are aware of each tool

**TF** TransFund<sup>SM</sup>

