

CARDNET

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# Cardnet Barometer

## April 2018



LLOYDS BANK

# BACKGROUND

This analysis comprises Lloyds Banking Group's transactional data from Personal Current Accounts (PCAs) and Credit Cards across all of its brands: Lloyds, Halifax and Bank of Scotland.

The Group's footprint in these markets is substantial, accounting for approximately one in four PCAs in the UK and over 7 million credit card holders.

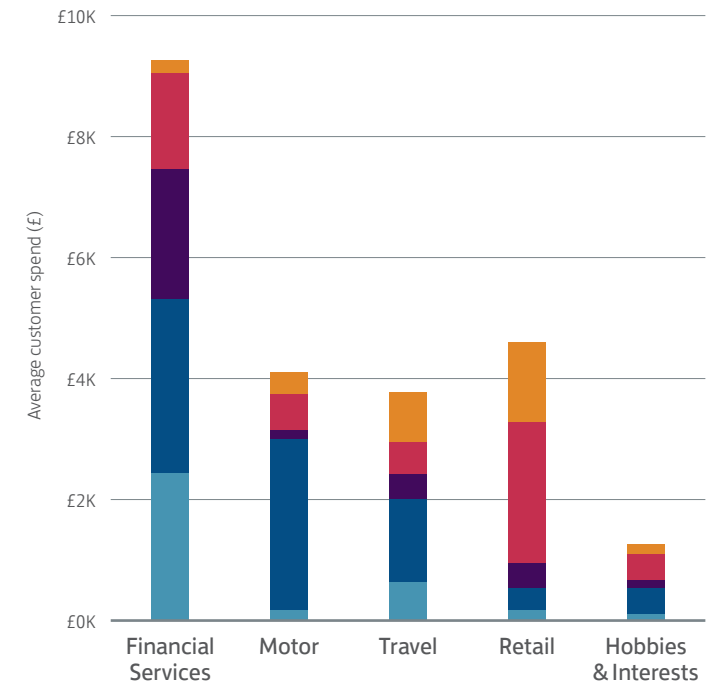
This data summarises changes in debit and credit card spending between H2 2016 and H2 2017 across a variety of categories and demographics. For example, in H2 2017, the Retail and Hobbies & Interests sectors were dominated by debit and credit card payments, with Motor and Travel sectors being led by faster payments.

# TRANSACTION TYPE ANALYSIS

Average customer spend by transaction type (£)



H2 2017 average customer spend by transaction type and industry (£)



Key: ■ Standing Order ■ Faster Payment ■ Direct Debit ■ Debit Card ■ Credit Card

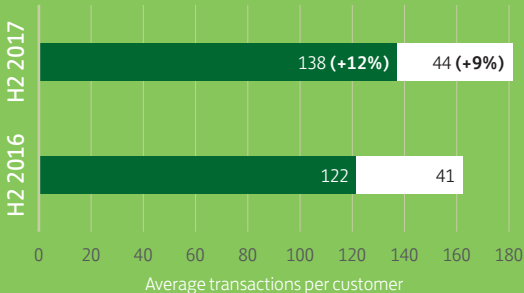
This graph summarises yearly growth in customer spending by transaction type. For instance, average customer spend on credit cards has grown by 6.9%, from £2,164 to £2,315 in H2 2017.

NB: all analysis beyond these graphs focus solely on debit and credit card spend, at the exclusion of other transaction types such as direct debit and faster payments.

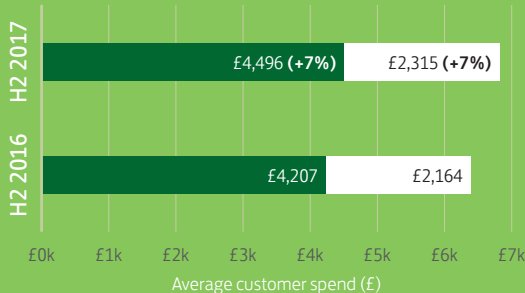
In H2 2017, debit and credit card transactions dominated the Retail and Hobbies & Interests sectors, with Motor and Travel sectors being led by faster payments. As expected, spend on Financial Services is distributed throughout a wider variety of transaction types as this encompasses Mortgages, Insurance, Loans etc.

# CREDIT AND DEBIT CARD SPENDING ANALYSIS

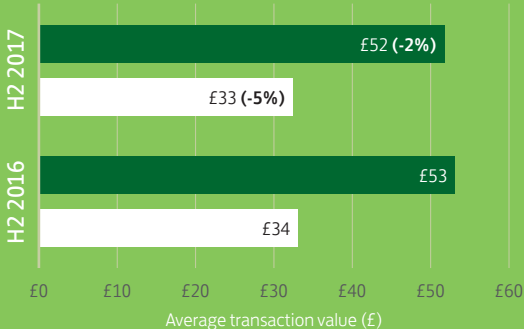
Average transactions per customer



Average customer spend



Average transaction value



Key: ■ Credit Card ■ Debit Card

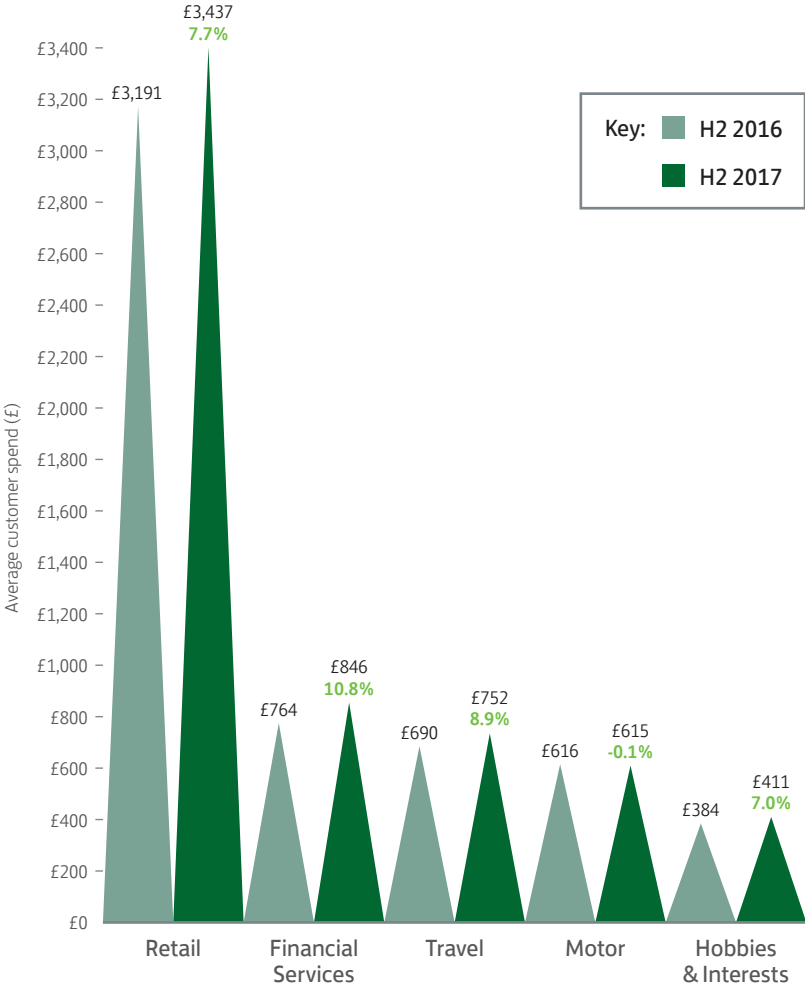
Growth of **7%**  
debit cards



Growth of **7%**  
credit cards

The average number of debit and credit card transactions per customer has increased year on year (by 12% and 9% respectively). This growth outstrips the year on year increase in average customer spend (growth of 7% for debit and credit cards). This variance is reflected in the fact that average transaction value has decreased for both debit and credit cards, likely owing to increased use of contactless payment methods for low value transactions.

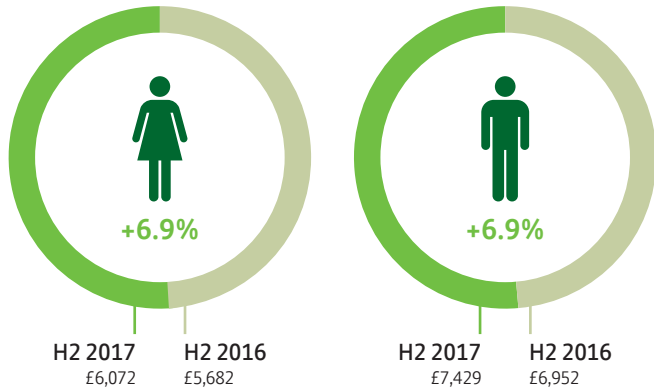
# CATEGORY ANALYSIS



This graph summarises the average customer debit and credit card spend to show total average card spend within each of the top five categories. As depicted, average card spend has increased most notably in the Financial Services category relative to the previous year, whilst average spend on Motor has marginally decreased year on year.

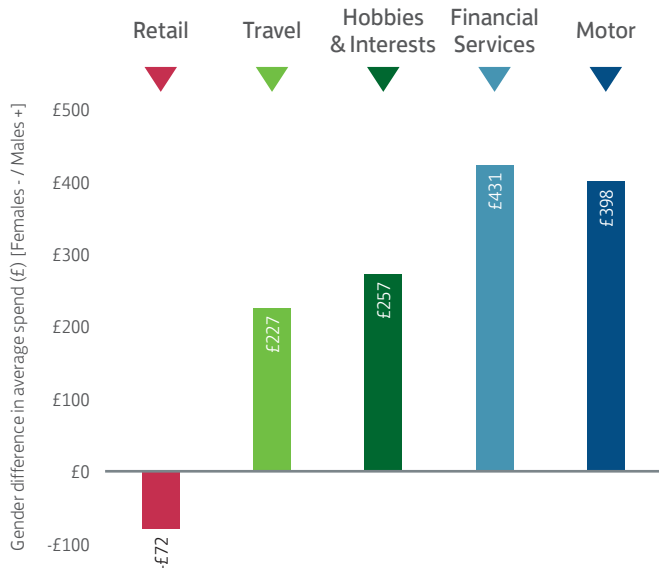
# GENDER ANALYSIS

Year on year average customer spend (£)



Males have a higher average card spend than females, whilst the year on year growth in average card spend is the same for males and females (6.9% increase)

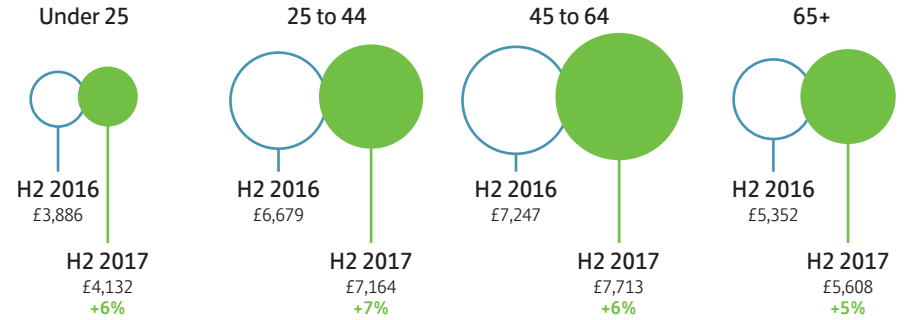
H2 2017 gender spending differences (£)



This graph shows gender differences in average card spend in H2 2017, across the top 5 categories. On average, females spend £72 more on Retail than males, whilst males spend more on each of the other categories, most notably Motor and Financial Services.

# AGE GROUP ANALYSIS

Year on year average customer spend by age group (£)



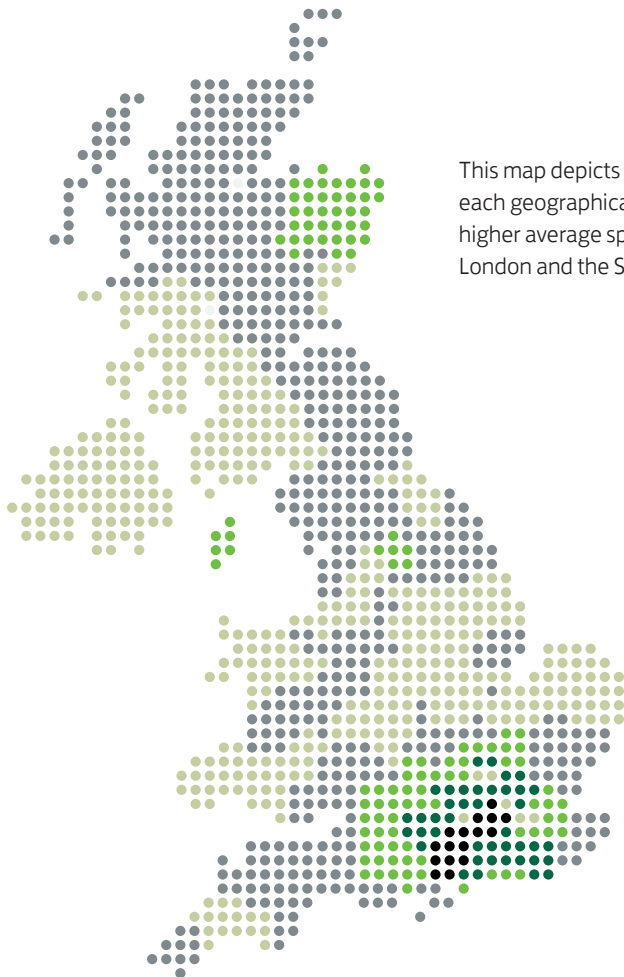
Average card spend is highest among ages 45 to 64, relative to other age groups. However, year on year growth in average spend is highest among customers aged 25 to 44 (+7%).

Average customer spend by category, age group and gender (£)

		Under 25	25 to 44	45 to 64	65+
Retail	Female	£2,380	£3,869	£3,705	£2,559
	Male	£2,110	£3,541	£3,771	£2,874
Financial Services	Female	£251	£640	£803	£524
	Male	£349	£1,001	£1,363	£1,069
Motor	Female	£253	£424	£484	£301
	Male	£423	£740	£979	£801
Travel	Female	£472	£682	£669	£434
	Male	£465	£835	£959	£801
Hobbies & Interests	Female	£188	£335	£307	£133
	Male	£379	£655	£561	£279

This table shows average card spend by gender and age group on each of the top 5 categories. For example, a female aged under 25 spent on an average £2,380 on retail in H2 2017. The darkest greens denote the highest spending age group within each category, whilst the lightest greens denote the lowest spending age group.

# H2 2017 AVERAGE CUSTOMER SPEND BY REGION



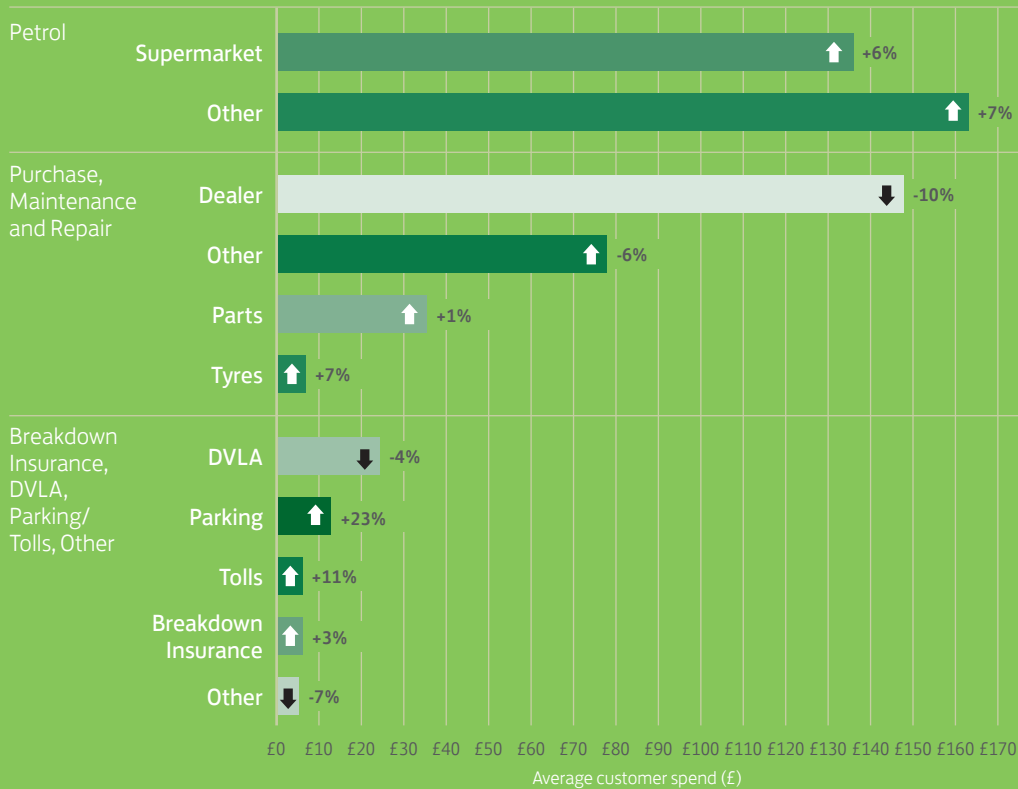
£5,000  £9,500

# YEAR ON YEAR GROWTH IN AVERAGE CUSTOMER SPEND BY REGION



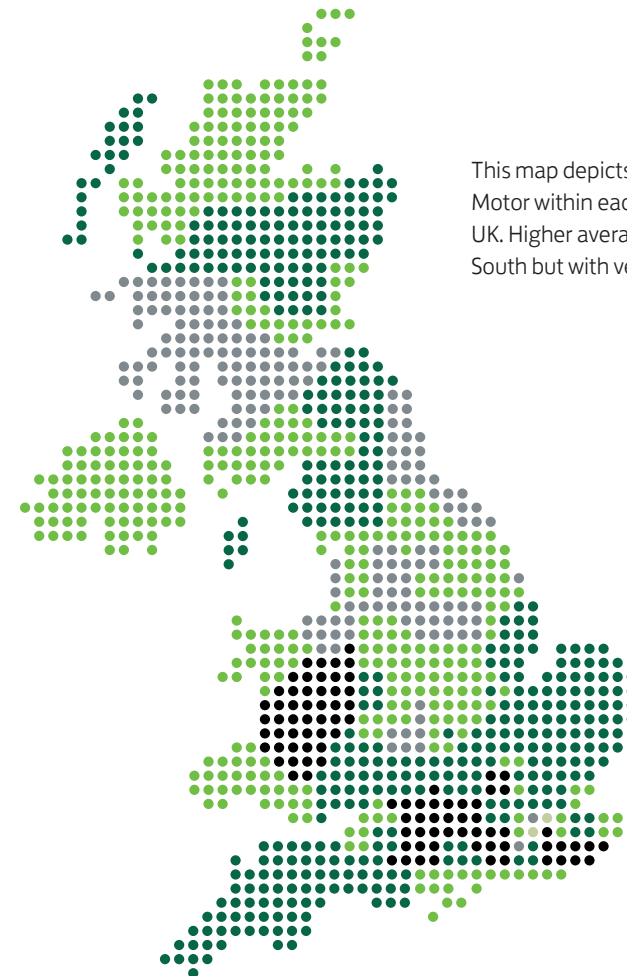
0%  8%

# MOTOR: H2 2017 AVERAGE CUSTOMER SPEND BY SUB-CATEGORY



This graph shows the average customer spend in H2 2017 for each Motor sub-category, annotated with year on year % growth. Whilst average card spend in Petrol and Dealer are larger than any other motor sub-categories, spend on Parking has seen the highest year on year growth (23%). Average card dealer purchases have decreased by 10%. NB: The shade of green denotes the size of year on year growth, with the darkest greens representing largest growth.

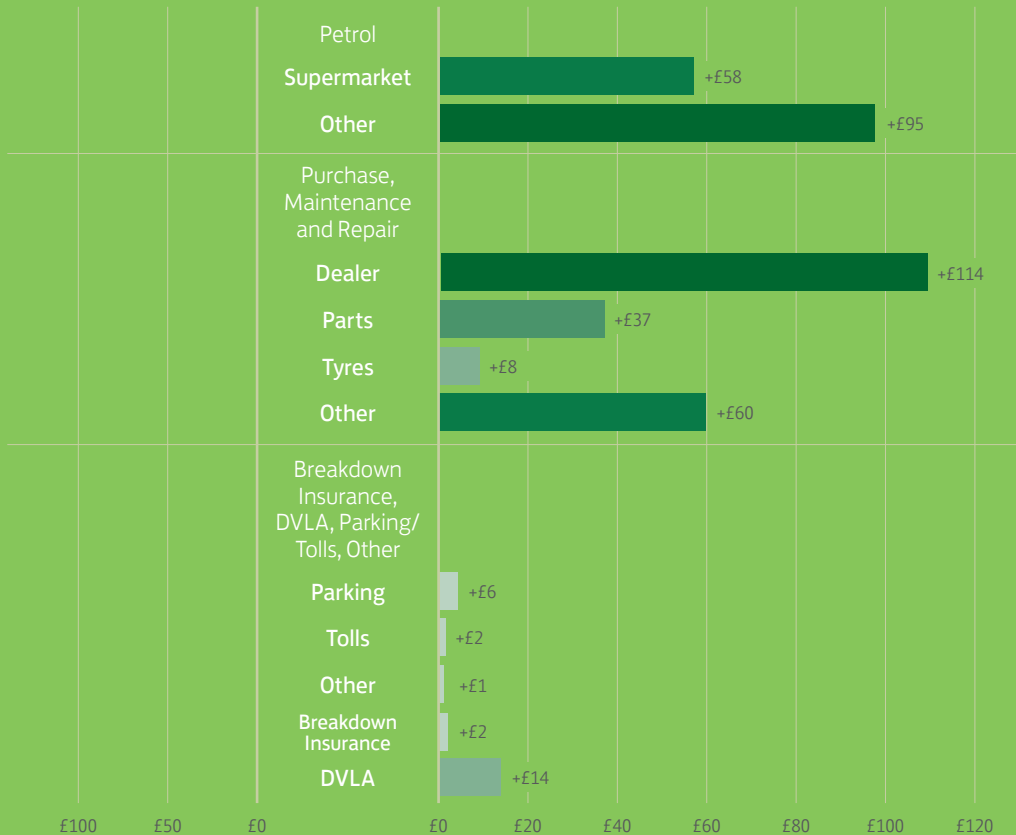
# MOTOR: AVERAGE CUSTOMER SPEND BY REGION



This map depicts average customer spend on Motor within each geographical region of the UK. Higher average spend is concentrated in the South but with very low spend in London.



# MOTOR: GENDER DIFFERENCES IN AVERAGE CUSTOMER SPEND



This graph shows gender differences in average customer spend in H2 2017, across the Motor sub-categories. Males have greater spend across all categories especially in Dealer and Petrol. Average customer spend includes customers with £0 spend in that category over H2 2017, this results in categories with less spend frequency having lower averages.

# MOTOR: AVERAGE CUSTOMER BY AGE GROUP AND GENDER

			Under 25	25 to 44	45 to 64	65+
Petrol	Supermarket	Female	£72	£106	£109	£62
		Male	£91	£138	£182	£152
	Other	Female	£83	£130	£118	£58
		Male	£142	£221	£223	£142
Purchase, Maintenance and Repair	Dealer	Female	£40	£85	£128	£94
		Male	£70	£168	£282	£280
	Parts	Female	£10	£19	£21	£12
		Male	£36	£54	£65	£43
	Tyres	Female	£3	£6	£6	£4
		Male	£7	£12	£16	£12
	Other	Female	£23	£45	£66	£52
		Male	£44	£88	£145	£137
Breakdown Insurance, DVLA, Parking/Tolls, Other	DVLA	Female	£8	£14	£21	£14
		Male	£12	£22	£42	£36
	Parking	Female	£8	£14	£11	£3
		Male	£9	£19	£18	£7
	Breakdown Insurance	Female	£1	£2	£4	£3
		Male	£2	£3	£6	£7
	Tolls	Female	£1	£3	£3	£1
		Male	£2	£5	£5	£3
	Other	Female	£0	£0	£0	£0
		Male	£1	£1	£1	£1

This table shows average customer spend by gender and age group within each Motor sub-category. For example, on average a female aged 25 to 44 spends £106 on Supermarket Petrol. The darkest greens denote the highest spending age group within each category, whilst the lightest greens denote the lowest spending age group.