



**VISA**

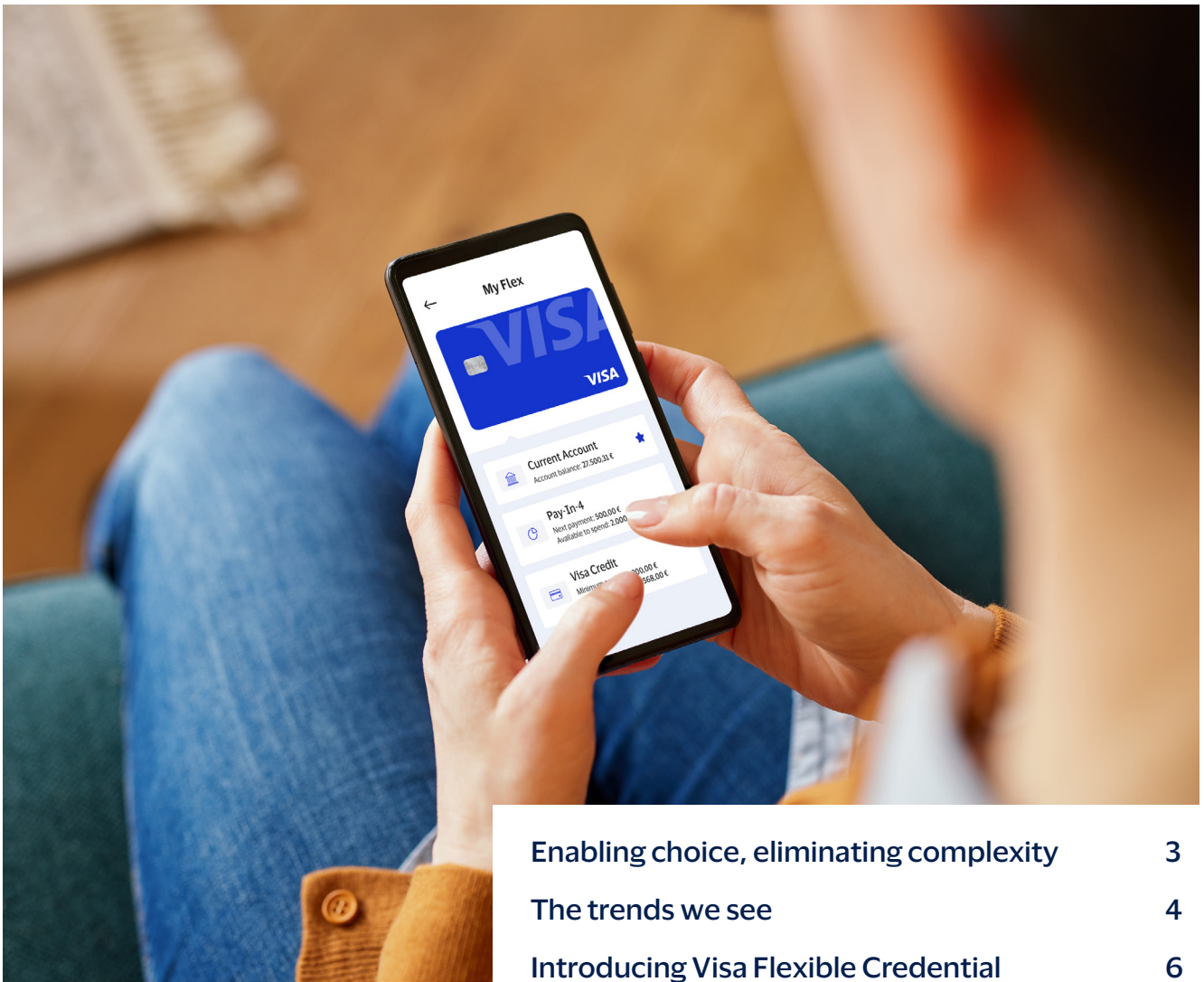
Visa Innovation

# One card to rule them all – consumer insights on Visa Flexible Credential

In this paper, we investigate the opportunity for Financial Institutions and provide insights from a quantitative, multi-country consumer research programme.

November 2024





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# Enabling choice, eliminating complexity

When it comes to payments, there have never been so many products or providers to choose from.

For consumers, it can mean more products to manage, more providers to deal with, and more details to keep track of. And, for banks, it can mean customer primacy is under constant pressure.

**Visa Flexible Credential** is a solution to this problem, putting the power of choice in the hands of the consumer. It allows a cardholder with a single credential to toggle between several funding sources and accounts. With it, they can easily set parameters or choose whether they use debit, credit, instalments, or even pay using rewards points.

After a successful launch in Asia, Visa Flexible Credential has made its way into Europe. And the Visa Innovation team has been preparing the ground and researching markets to introduce the payment experience of the future with the Visa Flexible Credential.



“Payments has changed more in the past 5 years than in the past 50 years.”

**Ryan McInerney**  
Chief Executive Officer  
Visa Inc.



# The trends we see

Financial Institutions that can seamlessly integrate payments into consumer lifestyles and behaviours may be best positioned to gain preference and primacy.

The trend:

**A proliferation of dedicated, single-function, stand-alone apps, often with low usage.**

The proof:

There's a constant stream of new consumer finance products, often with a dedicated mobile app. Yet, many fail to take root – 43% of financial services apps are uninstalled within the first 30 days, compared with 30% in sectors like travel and news and magazines and 35% in shopping.<sup>1</sup>

The so what:

**A need for more holistic solutions – which enable consumers to achieve much more with a single app.**



The trend:

**Payment choices are becoming more dynamic and more embedded in purchase journeys.**

The proof:

There's a rapid emergence of more embedded payment options (e.g., in-app and online platform-integrated payments, like ride-sharing apps offering instant payments, and merchants offering buy-now-pay-later options) which are prime for significant growth. Juniper Research predicts that the value will grow 134% by 2028 from a baseline of \$1.1 trillion in 2024.<sup>2</sup>

The so what:

**An appetite for alternative funding options and payment methods – but a need for them to be quick, easy and contextual.**

The trend:

**Digital wallets are transitioning from superior UX to financial tool of choice.**

The proof:

In just a few years, digital wallets have shot from the niche to the mainstream. They now account for around 50% of global ecommerce spend and 30% of global POS spend.<sup>3</sup> And, in some markets, they have evolved into true super apps, bringing together a wide range of capabilities and services within one easy user experience.<sup>4</sup>

The so what:

**With super apps acting as a one-stop-shop, incumbent banks face the risk of disintermediation – but have a good indication of the type of experience that today's consumers most value most.**

1. AppsFlyer, App uninstall report – 2024 edition, 2024: <https://www.appsflyer.com/resources/reports/app-uninstall-benchmarks/>  
 2. Juniper Research, Embedded Payment Transaction Value to Surpass \$2.5 Trillion Globally by 2028, 2024: <https://www.juniperresearch.com/press/embedded-payment-transaction-value-to-surpass-25-trillion-globally-by-2028-a2a-to-be-a-significant-contributing-factor-for-growth/>  
 3. WorldPay, Global Payments Report 2024, 2024: <https://worldpay.globalpaymentsreport.com/en>  
 4. Fintechnews, Top 5 Most Popular Financial Super Apps in Asia, 2022: <https://fintechnews.sg/67709/e-wallets/top-5-most-popular-financial-super-apps-in-asia/>



The trend:

**AI-enabled hyper-personalisation is emerging as a viable way to deliver seamless choice and experience.**

The proof:

Banks have an opportunity to be more proactive in analysing consumer behaviours, anticipating needs, and proactively offering more personalised products. As a recent article in The Banker magazine puts it: "By delivering personalised services, banks can differentiate themselves in a crowded market and become true advisors of financial well-being, and most importantly, stay ahead of the competition."<sup>5</sup>

The so what:

**An opportunity for innovative products that can offer access to multiple funding sources.**

The trend:

**With the promise of low switching costs, a great user experience, and the ability to meet more needs, consumers are willing to consider additional products from alternative providers.**

The proof:

In a global study by Accenture, just 23% of consumers rated their bank highly for its range of products and services, and 59% had acquired a financial product from a new provider in the previous 12 months.<sup>6</sup> Often, people get frustrated by this fragmentation – 32% said they often lose track of their financial products and services – so, clearly, there's room for more banks to meet more consumer needs more fully.<sup>7</sup>

The so what:

**It is important to stay ahead in a competitive market by offering novel products to consumers – giving them fewer reasons to consider alternative providers.**



These trends increasingly require financial institutions, and incumbent banks in particular, to put special focus on reinventing experiences – so they meet multiple consumer needs, and provide differentiation through control, options and simplicity.

In its global payments report, **Accenture found that 56% of consumers want a single app for all payments, and 60% want a single app which tracks all payments**, giving them greater transparency and control.<sup>8</sup> In a US survey from pymnts.com, 76% of people with six or more banking products wanted bundled solutions that provide payment method recommendations for specific transactions.<sup>9</sup> And, in the Asia Pacific region, a Visa survey found that 34% of respondents had difficulty in carrying too many payment cards, 28% said they had accidentally missed a payment because they were managing multiple accounts, and 51% said they wanted to access multiple accounts through a single credential.<sup>10</sup>

5. The Banker, Why hyper-personalisation is the next big thing in banking, 2023: <https://www.thebanker.com/Why-hyper-personalisation-is-the-next-big-thing-in-banking-1680514156>  
 6. Accenture, Global Banking Consumer Study, 2023: <https://www.accenture.com/content/dam/accenture/final/industry/banking/document/Accenture-Banking-Consumer-Study.pdf>  
 7. Accenture, Global Banking Consumer Study, 2023: <https://www.accenture.com/content/dam/accenture/final/industry/banking/document/Accenture-Banking-Consumer-Study.pdf>  
 8. Accenture, Payments gets personal, 2022: <https://www.accenture.com/content/dam/accenture/final/industry/banking/document/Accenture-Banking-Consumer-Study.pdf>  
 9. Pymnts.com, Bundled Banking Products: Matching Product Offerings With Customer Demand, 2023: <https://www.pymnts.com/study/bundled-banking-products-innovation-digitization-consumer-finance/>  
 10. Visa Flex Account Consumer Research Conducted November 2023: Consumer evaluation of Flex Consumer Value Proposition to support Visa's pitch to Issuers (AP Markets only)



# Introducing Visa Flexible Credential

Visa Flexible Credential is a new solution which enables consumers to access several funding sources from the same financial institution using a single credential.

## A paradigm shift

For years, the card and the credential that connects the person to their account information has largely remained unchanged. It was built for an analogue world: one card to serve a specific purpose – debit or credit.

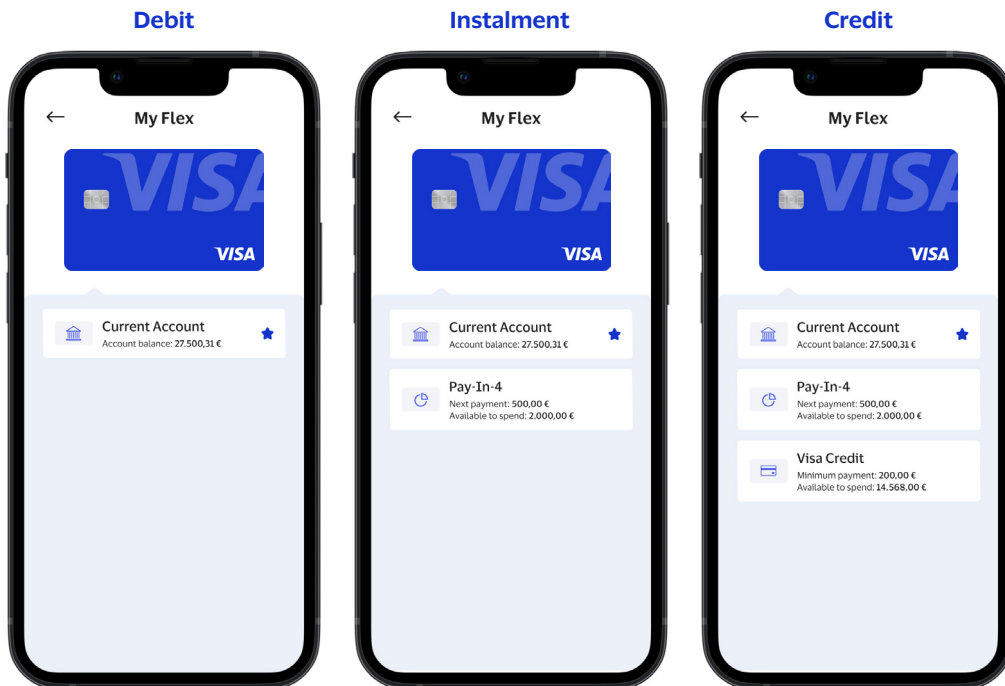
Today, the commerce landscape has greatly evolved, and people tend to have a greater number of accounts and cards, creating fragmented financial experiences.

Visa Flexible Credential changes the makeup of the card credential. Essentially it allows consumers to dynamically choose from among several different funding sources for each purchase they want to make. With Visa Flexible Credential, they can pay using debit, credit, instalments, or rewards points – all from one card issued by their financial institution.

Consumers can toggle and decide in real time – or they can preset spending limits for their preferred payment type – giving them complete control over how they pay.



**Issue once and grow lifetime value.** One single access credential that consumers have greater control over and is simple to track and manage.



## Visa Flexible Credential potential use cases include:



### Debit

For many consumers, debit is the default payment choice. However, it tends to be part of a much wider repertoire of funding sources. So, debit could be positioned as the primary funding source – and bundled with several other payment options, like instalments, credit, and point-based purchases.



### Credit enablement

Many people find credit complex and intimidating, leading to missed opportunities. Therefore, there's a rationale for a user-friendly platform that simplifies credit management and provides educational resources to demystify credit, meets a consumer need for more control and transparency, and helps to articulate the benefits of credit.



### Money management

Traditional financial products often fail to meet a widespread demand for transparency, simplicity, and flexibility. By allowing the consumer to compartmentalise their budget into multiple accounts of the same type and to access them through a single credential, there is the potential for banks to offer better money management solutions.



### Shared accounts

Shared bank accounts are gaining popularity across Europe. Allowing a customer's main card to also access funds from shared accounts would provide a simpler payment experience while reducing the need for additional cards.



### Loyalty management

There tends to be a lot of intrigue around loyalty programmes, but also a lot of disappointment, which Visa Flexible Credential could resolve – e.g., there is the ability to earn and burn points across several payment options via a single credential.



### Travel

Many people find it challenging to manage their finances while they are travelling. Also, additional travel-related rewards tend to be compelling. And travel-specific payment propositions offer opportunities to simplify expense tracking, facilitate travel savings, and offer benefits.

In a typical implementation, Visa Flexible Credential would be controlled by the issuer's banking app enabling consumers to keep track of every account, set spending rules, and more.

## The problems it solves for consumers

Visa Flexible Credential responds to consumer appetite for convenience, value, and predictability in their payments experience while also removing the friction of managing multiple cards and accounts:

### For consumers, Visa Flexible Credential brings:

**Convenience, simplicity and additional funding sources** – if a consumer has a limited credit history, they can receive a debit card that is now credit-enabled, allowing them to grow into a credit journey. They can be given new funding sources as part of Visa Flexible Credential. This provides more flexibility in how they pay, without them needing to seek out and apply for the type of credit cards they may qualify for.

**Flexibility** – whenever consumers want to access an alternate funding source, they can quickly and easily switch to another account via their mobile app, ensuring they can complete their purchase in the way that suits them best.

**Control and transparency** – from a single place, namely their trusted banking app, consumers can set preferences and parameters for how they want to use their funds – giving them greater control over their spending and financial management.

**Predictability** – because they only need to manage one credential and can see all funding sources from a single app, consumers face less risk of inadvertently missing a payment or accruing late fees.

**Maximise rewards and benefits management** – with so much more of their spending linked to a single account, consumers can get more value from their rewards programmes.



## The benefits it brings to banks

Visa Flexible Credential is a new way for banks to achieve preference and primacy across the entire consumer lifecycle – reducing the risk of customers turning to alternative providers for unmet needs.

It opens up the opportunity for banks to serve a customer’s evolving needs with a card that evolves with them, e.g., from debit into instalments, into credit. And it provides the platform to support consumer financial needs at any given point in the relationship.

By extending customer relationships, banks can improve the wider performance of their payment business. Opportunities to create new value and earn new revenues include:



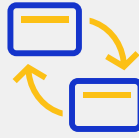
### Credit enablement

Grow credit customers via instantly issued credit lines.



### Money management

Encourage customers to use a wider range of banking products.



### Shared accounts

Facilitate better up-sell and cross-sell across linked credentials.



### Loyalty

Shift volumes away from competitors, lift spend and deepen relationships.



### Travel

Enhance high-value, cross-border payment flows.

## A proven track record in creating new value

Although Visa Flexible Credential is new to Europe, it recently had a rigorous road test in the Asia Pacific region – **where 51% of consumers said they want the power to access multiple accounts and funding sources through a single credential**,<sup>11</sup> and some US\$3 billion in payment volume has already been processed.<sup>12</sup>

### Case Study: SMCC and Olive

Sumitomo Mitsui Banking Corporation (SMCC), one of Japan’s largest banks, was the first in the world to launch a proposition based around Visa Flexible Credential in 2023.<sup>13</sup>

Aiming to create the most popular new account in Japan, SMCC developed Olive, an all-in-one proposition which seamlessly integrates bank account, card payment, securities, insurance and other functions within a single application.<sup>14</sup>

Using Visa Flexible Credential, up to eight funding sources are integrated into a single Olive Flexible Pay card account. On top of choosing new funding sources, customers can add existing Visa-branded SMCC cards to their Olive account, and can easily change the payment mode at any time using the SMCC app. Consequently, by any measure, Olive has been a big success for SMCC.

The number of new accounts has since surpassed 3 million.<sup>15</sup>



11. Visa Flex Account Consumer Research Conducted November 2023: Consumer evaluation of Flex Consumer Value Proposition to support Visa’s pitch to Issuers (AP Markets only)  
 12. Visa, One card to rule them all, 2024: <https://usa.visa.com/visa-everywhere/blog/bdp/2024/05/14/one-card-to-1715696707658.html>  
 13. Visa, Launch of world’s first “Flexible Pay” service using Visa’s new payment function, 2023: [https://www.visa-co.jp.translate.google/about-visa/newsroom/press-releases/nr-jp-230203.html?x\\_tr\\_sl=ja&x\\_tr\\_tl=en&x\\_tr\\_hl=en&x\\_tr\\_pto=wapp](https://www.visa-co.jp.translate.google/about-visa/newsroom/press-releases/nr-jp-230203.html?x_tr_sl=ja&x_tr_tl=en&x_tr_hl=en&x_tr_pto=wapp)  
 14. SMCC, Key Measures to Drive SMCC Group’s Future Growth, 2024: <https://www.smfc.co.jp/english/gr2023/special/special02/>  
 15. [https://www.SMCC.co.jp/news/pdf/j20240726\\_03.pdf](https://www.SMCC.co.jp/news/pdf/j20240726_03.pdf)





# Our quantitative consumer research

To understand how Visa Flexible Credential could be deployed in Europe, we conducted research across five indicative markets – Germany, Poland, Romania, Switzerland, and UK.

## Research specifications<sup>16</sup>

We selected five indicative markets (Germany, Poland, Romania, Switzerland, and UK) and, in each one, we used an online, device-agnostic survey amongst:

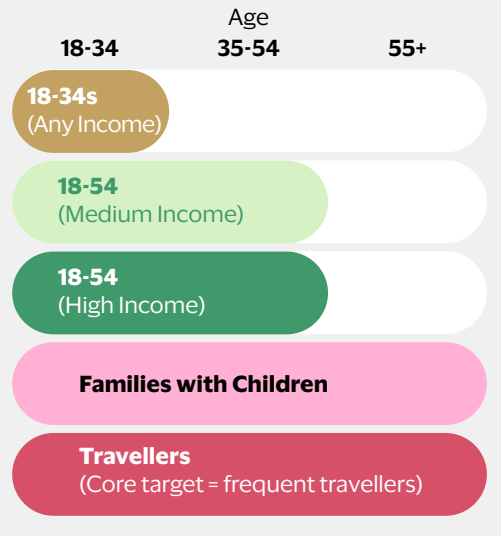
- 1,000 adults per market
- Aged 18-75
- All were Banking app users and open to using BNPL or credit cards

We conducted the research to understand consumer sentiment for the type of applications a Visa Flexible Credential proposition could include – such as credit enablement, money management, loyalty management, travel and shared accounts.

For example, what is the current level of experience and the behaviours across these areas? Are the use cases of interest, familiar or already being used. Which consumer segments are most enthusiastic? And can we carve out opportunity groups per market?

For full details of the research methodology and sampling, see [Appendix 1](#).

## Target audiences for the proposition<sup>17</sup>



## Three commonalities across the same markets

From this analysis, we were able to identify some common denominators which hold good across all five markets included in the research, and to identify areas where there is more nuance – and which therefore warrant locally relevant and segment-specific flavours.

### 1 There's a strong pan-regional rationale for a proposition across multiple product areas

In all five markets, consumers surveyed are intrigued and attracted by the Visa Flexible Credential proposition across multiple product areas.

Convenience and ease of use are consistent underlying needs – indicating an opportunity for banks to acquire new customers and deepen existing relationships.

### 2 There are three target groups which are broadly consistent across the markets in our research

- **Affluent<sup>17</sup>** (18 to 54 years old) – who tend to be active users in several financial proposition areas
- **Young adults** (18-to-34-year-olds) – who tend to be comfortable with digital technology and open to new digital solutions
- **Families with children** – who tend to prefer financial products that offer greater flexibility and control, or help with money management

### 3 Loyalty applications tend to be universally appealing

Loyalty use cases stand out as particularly appealing due to their broad base of usage, across all countries and segments.

Also, a common theme across markets is the fact that people are often disappointed by their existing loyalty programmes, finding them difficult to manage and/or redeem and/or lacking in relevance.

Aside from the three commonalities outlined above, there was significant local nuance – driven largely by differences in attitudes and behaviours in each market, as well as by the prevalence of existing financial product holdings and applications.

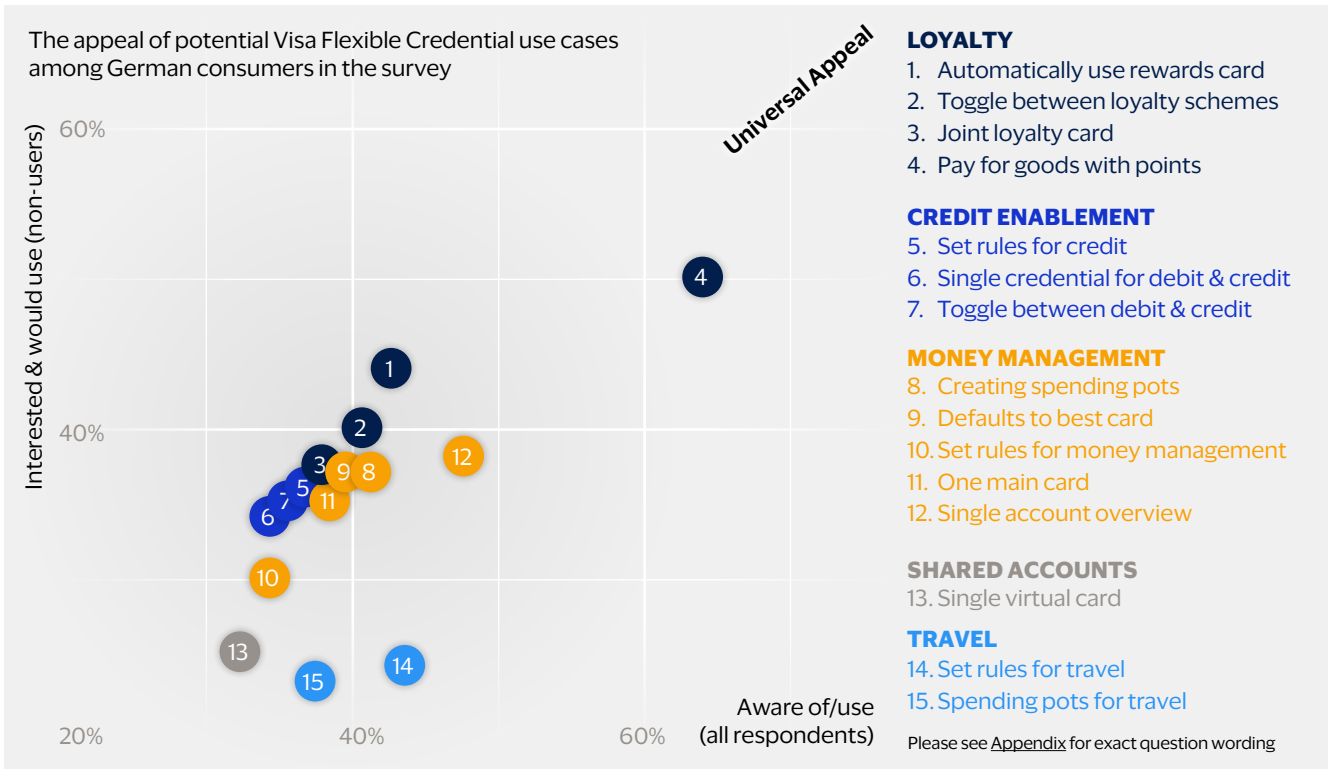
See the following pages for top-line insights from each market.

<sup>16</sup> Research conducted by Ipsos on behalf of Visa in March 2024. See [Appendix](#) for more detail on the methodology.

<sup>17</sup> High net household income definitions: UK, £55,000+ annually; Germany, €4,001+ monthly; Poland, zł 8,000+ monthly; Switzerland, CHF 10,001+ monthly; Romania, RON 7,000+ monthly, Families with children: have children aged 18 or under in the household, Travellers: Travelled abroad for leisure in the last 12 months



# Germany insights



Respondents in the survey show a good level of interest in the majority of use cases tested, signalling a strong opportunity for banks to earn incremental revenues via Visa Flexible Credential. The ability to pay for goods with points was a particularly attractive use case and, across most target segments, there is an underlying need for help with money management.

## The target segments identified

**18-34s**  
(Any Income)

- Less confident around credit
- Frequent BNPL users
- Actively seeking novel ways to manage their money
- Active banking app users
- Frequent travelers (3+ times in the past year)
- High loyalty card use
- Seeks control, transparency and convenience

**18-54**  
(High Income)

- Credit card 'maximisers' (hold more cards/use 'as much as I can')
- Active banking app users
- Frequent travelers (3+ times in the past year)
- High users of shared accounts
- High loyalty card use
- Seeks control, transparency and convenience

**Families with Children**

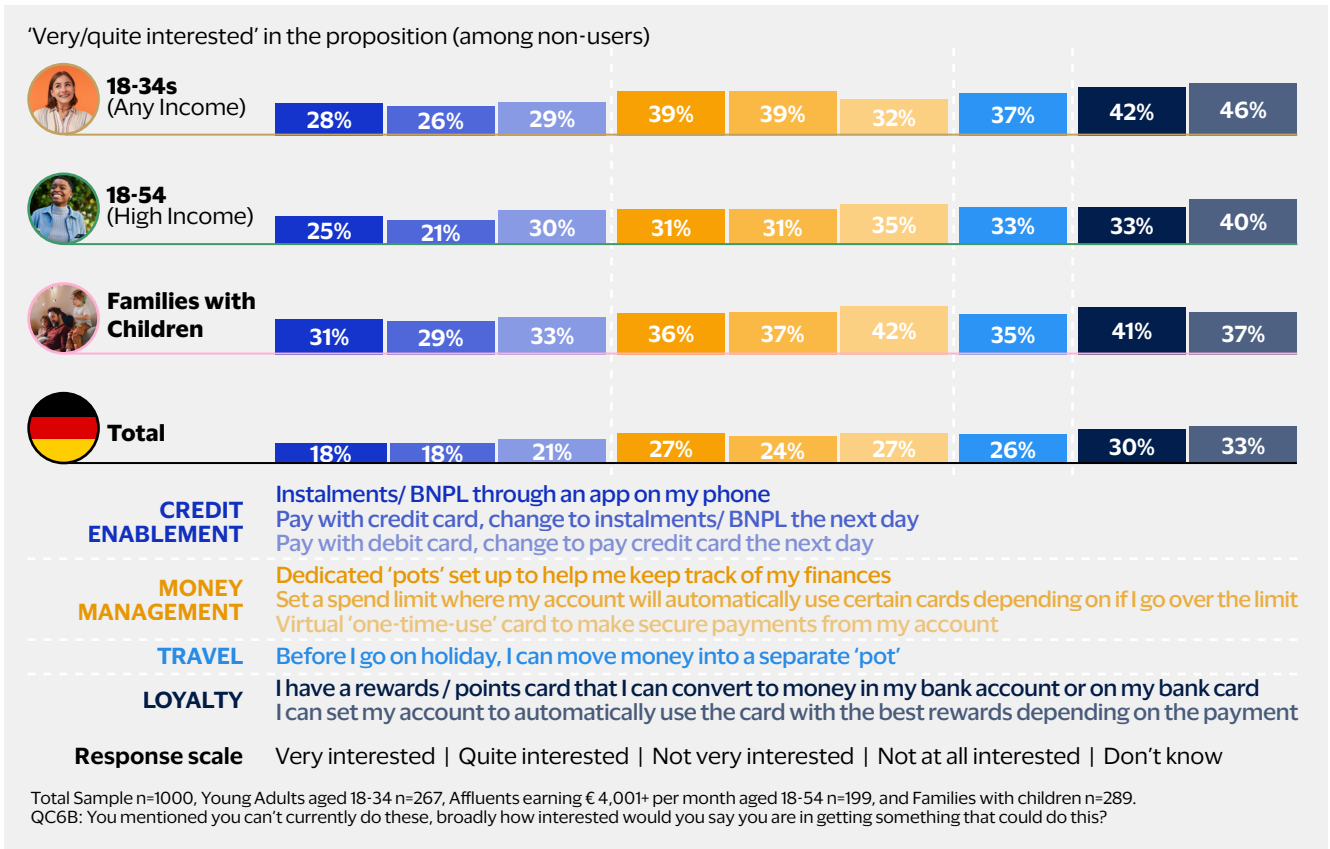
- Credit card 'maximisers' (hold more cards/use 'as much as I can')
- Frequent BNPL users
- Actively seeking novel ways to manage their money.
- Frequent travelers (3+ times in the past year)
- High users of shared accounts
- High loyalty card use
- Seeks control, transparency and convenience

Needs are nuanced across proposition areas, but convenience, ease of use and control are a consistent theme.

Loyalty use cases generate most interest, most likely due to their broad-base of users. Cases that facilitate using points jointly and to pay for goods are most appealing.



## Spotlight use cases for German consumers in the survey

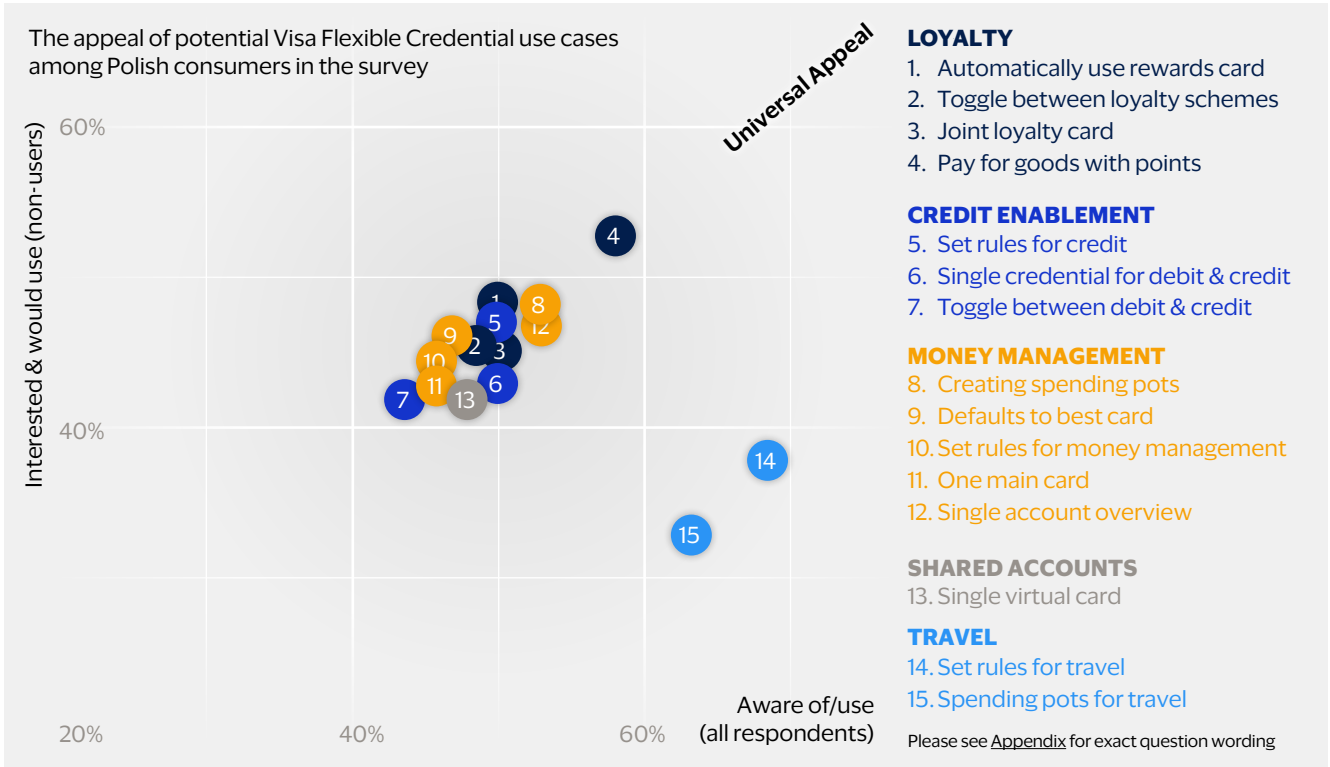


## The topline insights about consumers surveyed in Germany

<p><b>LOYALTY</b></p> <p>Across the key target segments identified in the survey, <b>this area stands out as the most appealing</b>, generating some of the highest levels of interest. The ability to convert rewards into money in their bank account is of most interest among those not currently using this feature – followed by the ability to automatically select the payment function with the best rewards for each purchase.</p>	<p><b>CREDIT ENABLEMENT</b></p> <p>Although the credit card market in Germany is still developing, there is <b>significant potential for credit enablement use cases</b> among non-users. Many German consumers can be positively influenced to see the benefits, e.g., 43% of all respondents have used BNPL and 31% have liked it and would use it again.</p>	<p><b>MONEY MANAGEMENT</b></p> <p>The majority of target segments identified in the research show an underlying need for help with money management. Several use cases stand-out as high interest – <b>like a consolidated view of all accounts</b> covered by the Visa Flexible Credential proposition, and the added ease and convenience it represents.</p>	<p><b>SHARED ACCOUNTS</b></p> <p>Interest was shown as <b>55% of families</b> with a shared account would like to have an option to pay with a secure, online-only virtual card.</p>	<p><b>TRAVEL</b></p> <p>At least one-in-five people across the target segments identified in the research were already familiar with travel-specific use cases, indicating an existing platform to build on in this area. <b>The ability to set travel-specific spending pots scored highly in terms of generating interest with the young adult segment</b>, while the ability to set spending limits appealed to family segment.</p>
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# Poland insights



Across respondents in Poland there was a strong level of interest in most propositions tested. The Visa Flexible Credential proposition aligns well with an underlying need for control, convenience, and simplicity – attributes that seem to be critical for a successful implementation. And, across most key segments identified in the research, there is an underlying need for help with money management, especially among the young adult segment.

## The target segments identified

**18-34s**  
(Any Income)

- Credit card users, but not maximisers
- Frequent BNPL users
- Feels less in control of their finances
- Active banking app user
- Above average spend abroad
- High loyalty card use
- Seeks control, transparency and convenience

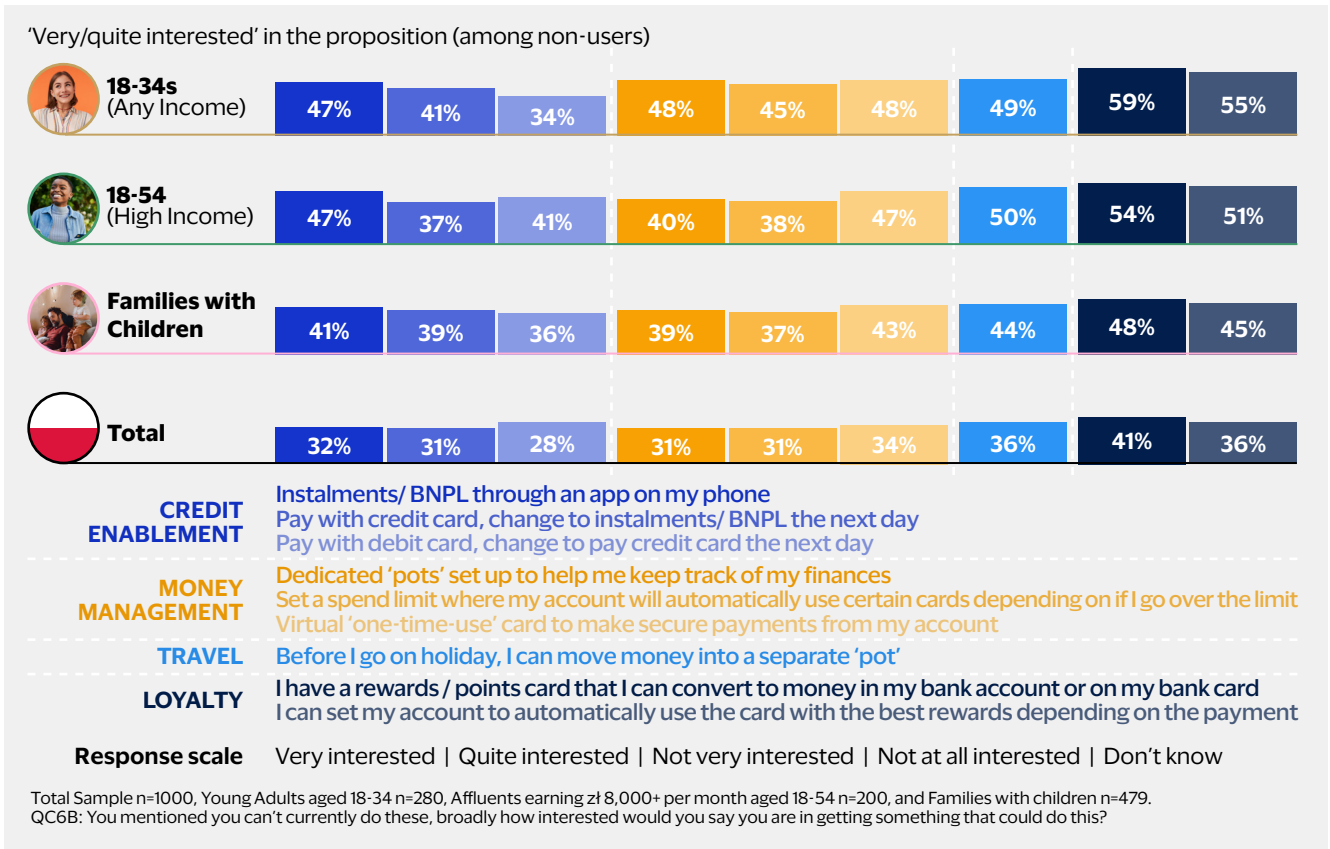
**Families with Children**

- Credit card users, but not maximisers
- BNPL users, but less than other segments
- Actively seeking novel ways to manage their money
- Above average spend abroad
- High users of shared accounts
- High loyalty card use
- Seeks control, transparency and convenience






For Poland, the family segment emerges as a very promising target based on their existing financial attitudes, behaviours, and needs. This group finds the Visa Flex Credential use cases of consistent interest and is more likely than the average to have underlying needs relevant to the proposition. The young adult segments also stands out as a potential target – as consumers surveyed in this segment are less confident with managing their money, and are actively seeking help in this area.



### Spotlight use cases for Polish consumers in the survey

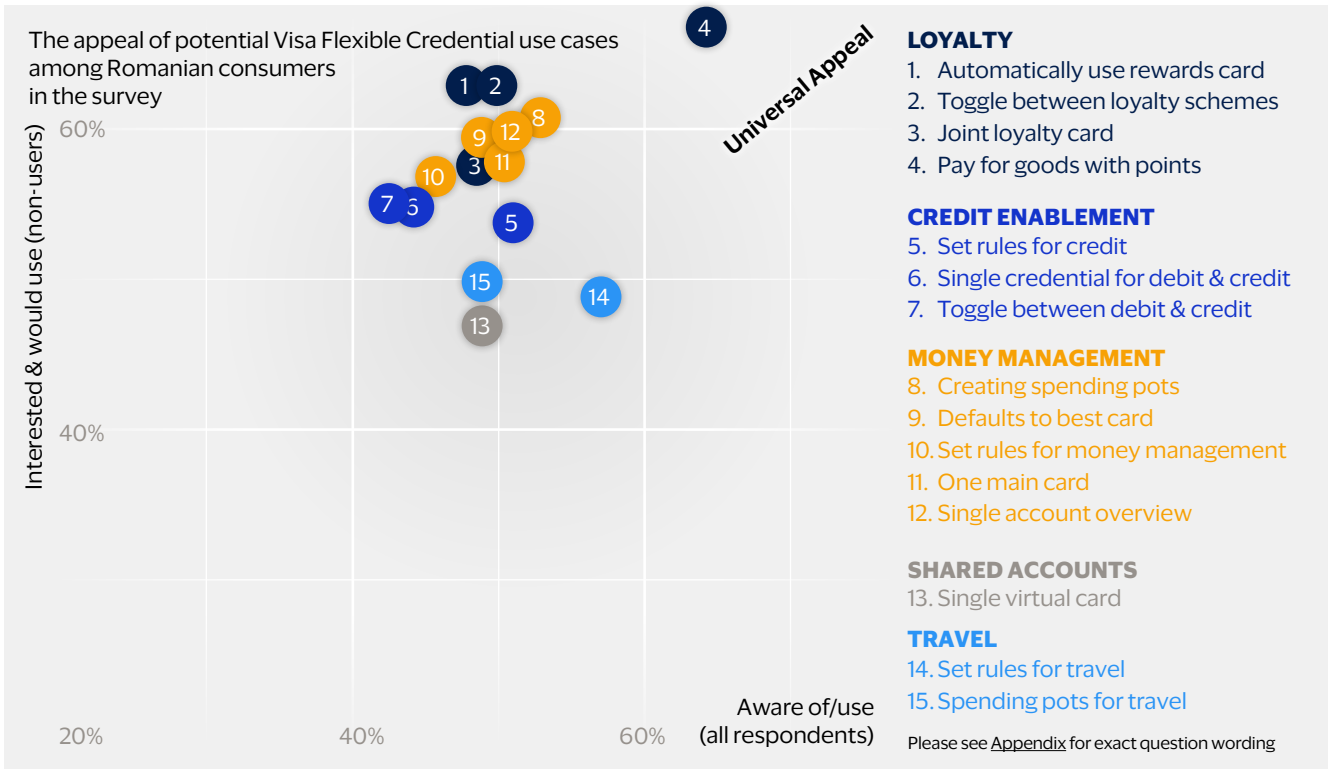


### The topline insights about consumers surveyed in Poland

 <p><b>LOYALTY</b></p> <p>Across the target segments identified, this area stands out as very appealing. <b>The ability to convert points to cash is of particular interest</b> among target groups in the survey – followed by the ability to automatically select the payment function with the best rewards for each purchase.</p>	 <p><b>CREDIT ENABLEMENT</b></p> <p>Because it is a less mature credit card market relative to say the UK, some Polish consumers may be receptive to a credit enablement function, e.g., there is good level of usage with related products (almost one-in-two people have used BNPL), and <b>key targets like the family segment are particularly engaged with credit use cases.</b></p>	 <p><b>MONEY MANAGEMENT</b></p> <p>The majority of target segments identified show an underlying need for help with money management, and <b>especially the young adult segment who feel relatively less control of their finances.</b> Also, some use cases stand-out as particularly of interest to target segments – like the ability to set up spending pots, and the creation of one-time-use cards to make secure one-off payments.</p>	 <p><b>SHARED ACCOUNTS</b></p> <p>Shared accounts with helpful features were valued by <b>49% of all families would like to set spend limits</b> or similar controls to everyone who has access to a shared account.</p>	 <p><b>TRAVEL</b></p> <p>A large proportion of respondents in the research reported already having access to these kinds of travel-specific use cases, which is likely to be the impetus behind the high level of interest in this area. The ability to set travel-specific spending pots <b>scored well in terms of interest with both the affluent and the young adult segment.</b></p>
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# Romania insights



Respondents in Romania showed high levels of interest in most of propositions tested. Although underlying needs are nuanced across different target segments identified in the research, control, convenience, and simplicity were consistent attributes they found appealing. And around one-in-two respondents in the target segments are actively looking for new ways to better manage their finances, demonstrating an underlying need for help with money management, and an opportunity for banks to make incremental gains.

## The target segments identified



**18-54**  
(High Income)

- Credit card and overdraft users
- Frequent BNPL users
- Seeking help with money management.
- Active banking app users
- Frequent travelers (1-2 times in the past year) with above average spend
- High loyalty card use
- Seeks control, simplicity and convenience of all card in one place



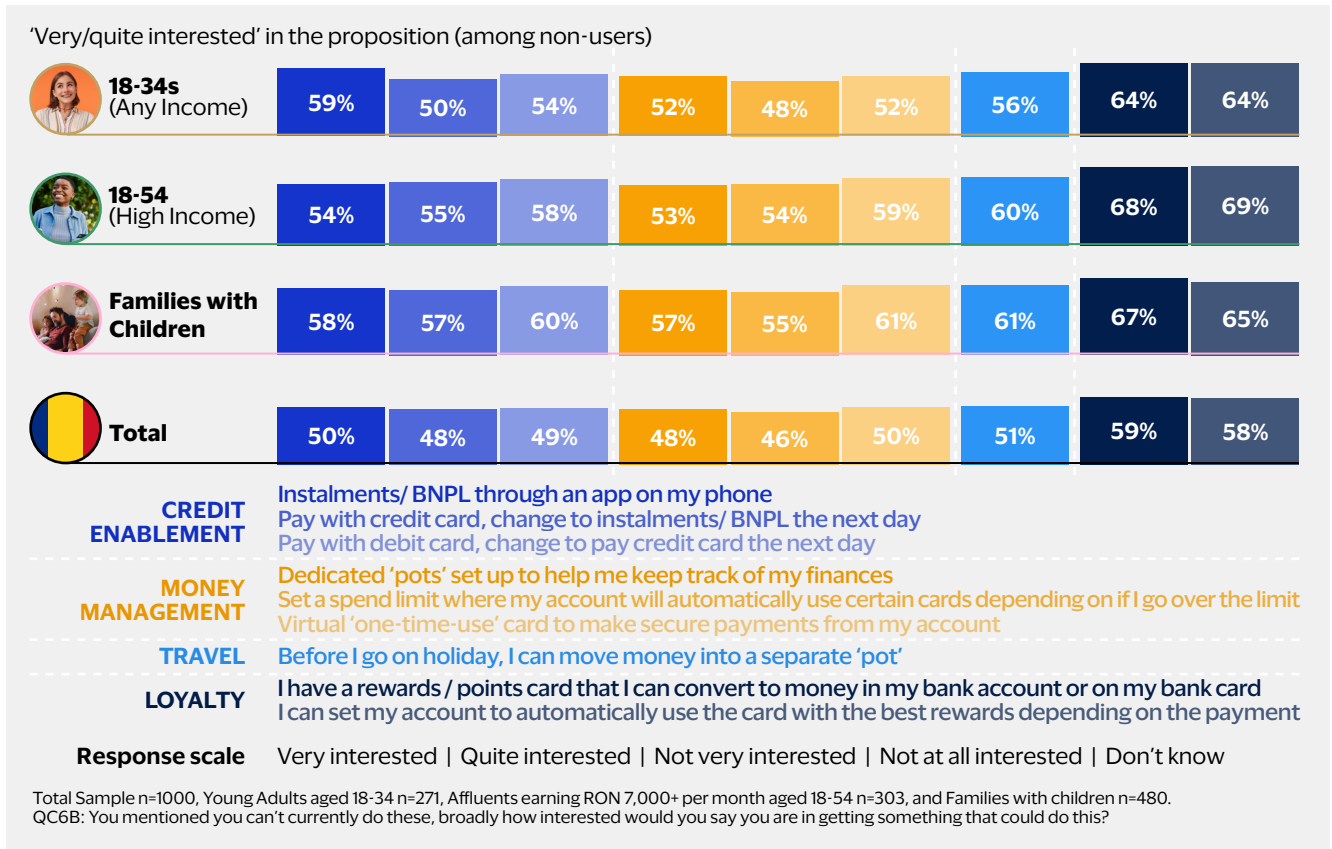
**Families with Children**

- Credit card 'maximisers' (hold more cards/use overdraft)
- Like BNPL and use it frequently
- Importance of credit rating
- Frequent travelers (1-2 times in the past year) with above average spend
- High users of shared accounts
- High loyalty card use/ joint loyalty card
- Seeks convenience, reassurance and needs trust

For Romania, two high-priority target groups emerge based on their existing financial attitudes and behaviours, namely the family segment and the affluent segment. The young adult segment also stands out as a potential target - with consumers in this group being open to the idea of money management and travel uses cases.



### Spotlight use cases for Romanian consumers in the survey

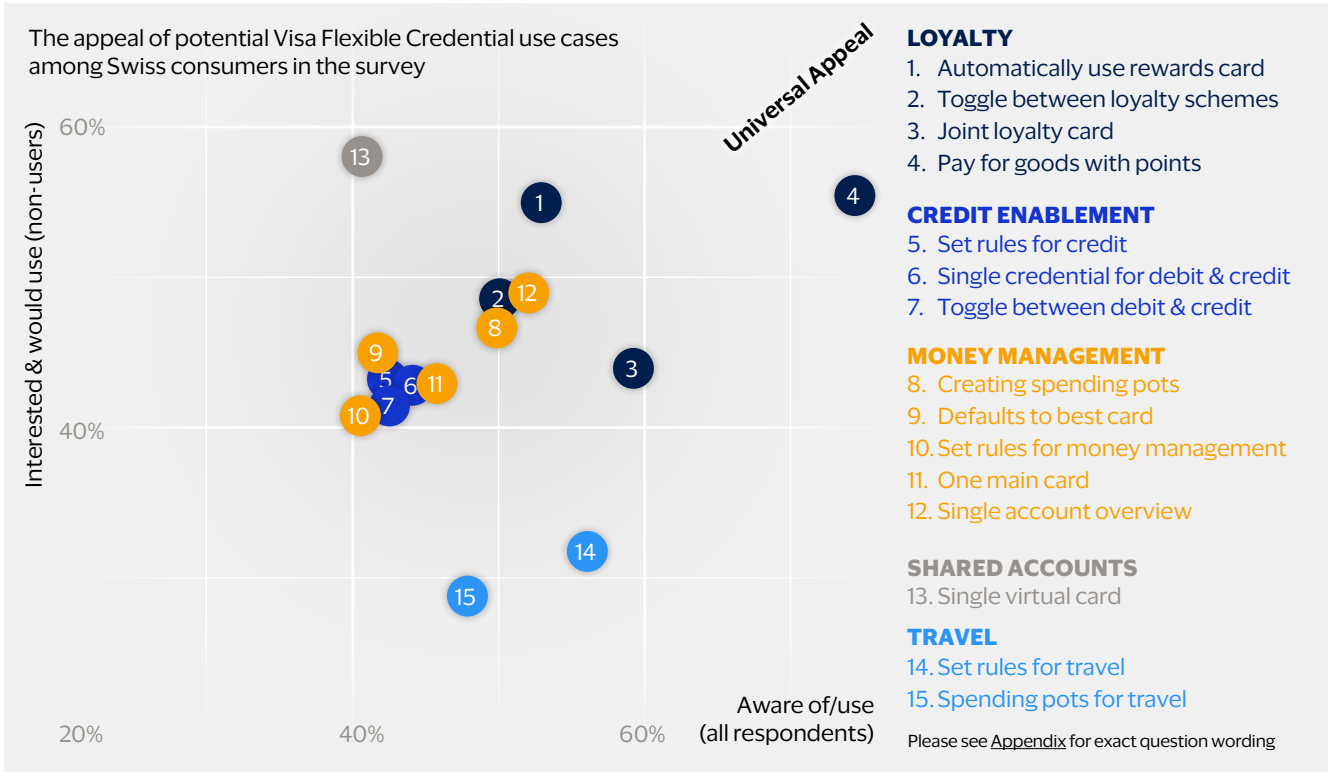


### The topline insights about consumers surveyed in Romania

<p>Across target segments in the research, this area drove the most interest, with a high proportion of Romanian consumers (nine out of ten) already participating in loyalty schemes. <b>The ability to use points to pay for purchases is particularly compelling</b> relative to other use cases explored in the research.</p>	<p>Relative to consumers surveyed in other markets, <b>Romanian consumers across all target segments are more attracted by the credit enablement features</b> made possible by Visa Flexible Credential. The ability to pay in instalments is seen compelling, as are SMS notifications to alert consumers that they are nearing their credit limit or their repayment deadline.</p>	<p>The majority of target segments in the research show an underlying need for help with money management. <b>Use cases that make life easier for consumers and provide them with extra control</b> (e.g., account overviews and the ability to create spending pots) hold the most appeal.</p>	<p>Young adults and family segments score highest in terms of interest in online-only prepaid virtual cards, both at 57%.</p>	<p>A large proportion of respondents in the research (at least one-in-two) were already familiar with travel-specific use cases, demonstrating a potential for use cases in this area to resonate. <b>The ability to set travel-specific spending limits scored highly in terms of interest to use with the family segment.</b></p>
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# Switzerland insights



For respondents in Switzerland, there were good levels of intrigue and interest in the proposition, relative to respondents in other markets. Although underlying needs are nuanced across the different segments identified in the research, convenience and control are consistently the attributes that these groups identify with – and are likely to be key messages and campaign themes for any successful implementation.

## The target segments identified

**18-34s**  
(Any Income)

- Average credit card holders
- Frequent BNPL & overdraft users
- Actively seeking novel ways to manage their money
- Active banking app users
- Frequent travelers (3+ times in the past year) with above average spend
- High loyalty card use & joint loyalty cards use
- Seeks control, transparency & convenience

**18-54**  
(High Income)

- Credit card ‘maximisers’ (hold more cards/use ‘as much as I can’)
- Frequent BNPL users & very confident in credit knowledge
- Active banking app users
- Actively seeking novel ways to manage their money
- Frequent travelers (3+ times in the past year) and spend the most abroad
- High users of shared accounts
- High loyalty card use & joint loyalty cards use
- Seeks control, transparency & simplicity

**Families with Children**

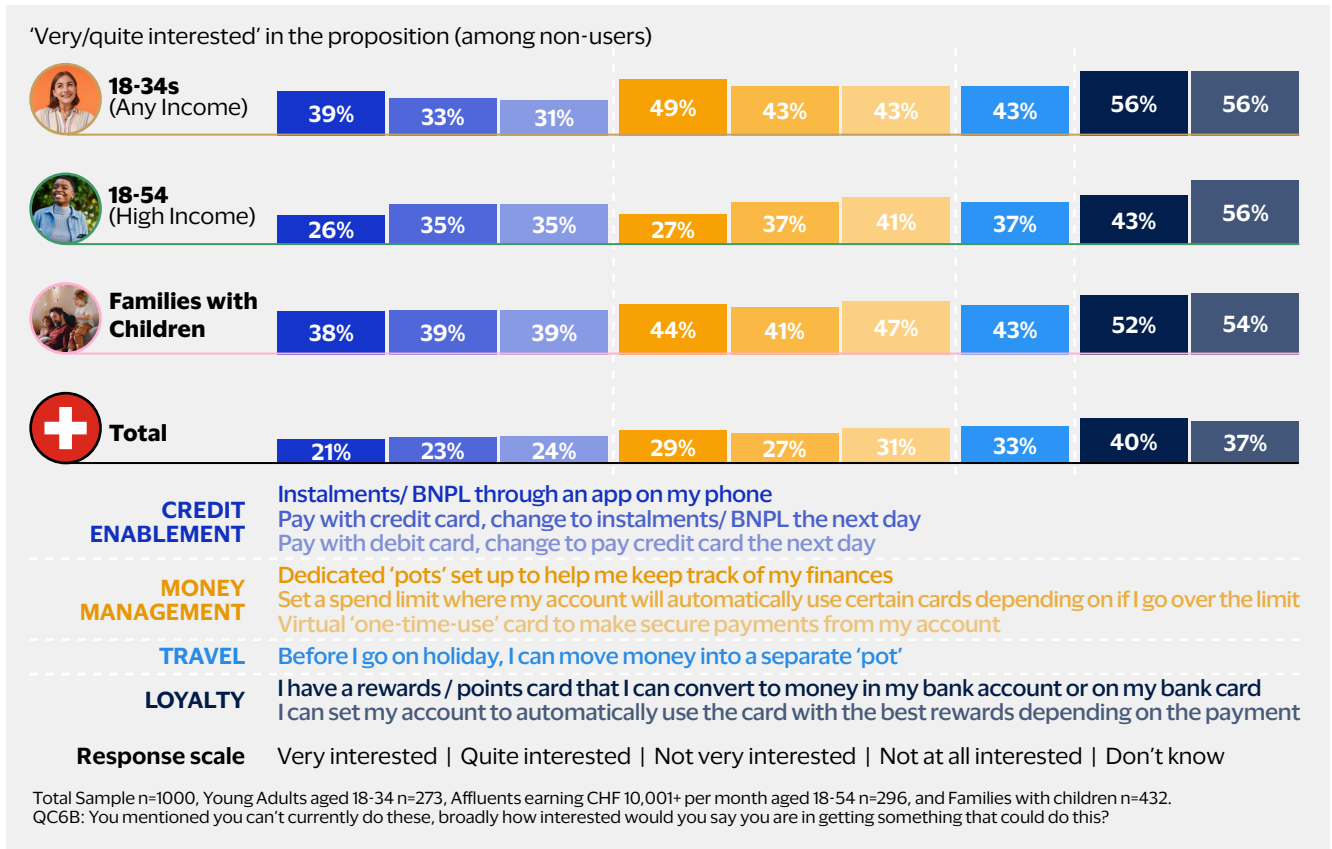
- Credit card ‘maximisers’ (hold more cards/use ‘as much as I can’)
- Frequent BNPL users
- Actively seeking novel ways to manage their money.
- Frequent travelers (3+ times in the past year) with above average spend
- High multi-users of shared accounts
- High loyalty card use & joint loyalty cards use
- Seeks control, transparency & convenience

In Switzerland, we see three core target groups to focus on: the affluent segment, the family segment, and the young adult segment. A large proportion of respondents in all three of these segments (around one-in-two) are actively seeking better ways to manage their everyday finances – signalling clear potential for Visa Flexible Credential, and an opportunity for banks to generate incremental revenues.





## Spotlight use cases for Swiss consumers in the survey



## The topline insights about consumers surveyed in Switzerland

**LOYALTY**

Across target segments in the research, this area stands out as one of the most likely to be of interest and to be used. A high proportion of Swiss consumers surveyed are already members of loyalty scheme and/or have loyalty cards (over nine-in-ten) – and like the idea of either using their points to pay or converting them to cash.

**CREDIT ENABLEMENT**

In Switzerland, respondents from across the target segments are looking to maximise their use of credit card (at least one-in-three aim to use their card as much as they can), indicating that a range of credit enablement use cases align well to the needs of these groups. The family and the high-income segment are the most interested in and attracted to credit use cases.

**MONEY MANAGEMENT**

All the target segments identified show an above average underlying need for help with money management (around one-in-two are actively looking for help with this). Use cases that offer a single account overview and the ability to create pots for different types of spending are particularly of interest.

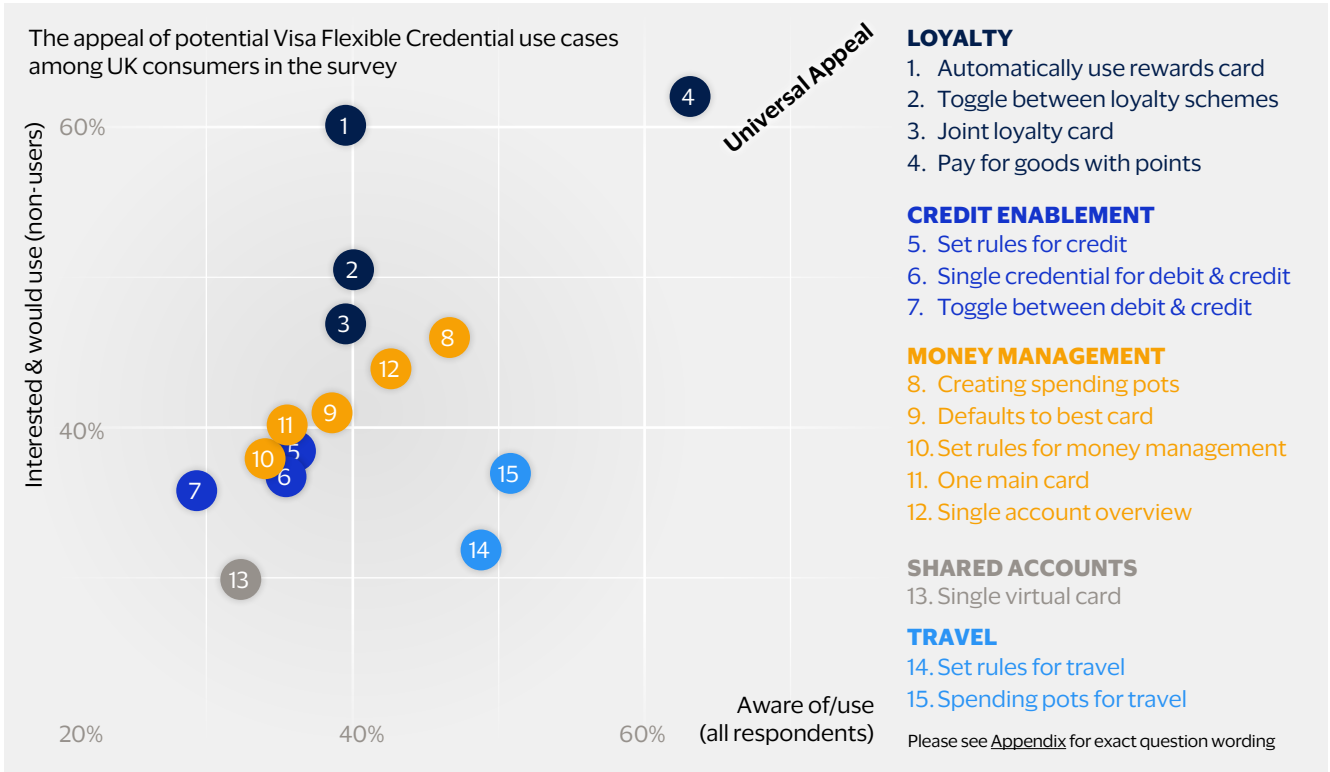
**SHARED ACCOUNTS**

Shared account propositions held a good level of interest for Swiss consumers. Among all three target segments in the research, levels of interest were notably higher, but especially the affluent segment. For example, within the affluent segment, 70% liked the idea of setting spending controls for all account holders, and 68% liked the idea of generating one-time-only cards for secure, one-off-payment.

**TRAVEL**

A large proportion of respondents in the research were already familiar with travel-specific financial use cases (at least one-in-two across the whole sample, and notably higher among target segments), highlighting a base of awareness to build on. The ability to set travel-specific spending rules resonated most strongly with the affluent group.



**UK insights**


For consumers surveyed in the UK, there was a good level of interest and intrigue in the majority of propositions tested. Important needs identified across the proposition areas were convenience and ease of use, and loyalty management was the most interesting use case tested.

### The target segments identified

**18-34s**  
(Any Income)

- Credit card users, but not maximisers
- Frequent BNPL users
- Actively seeking novel ways to manage their money
- Frequent travelers (3+ times in the past year)
- High loyalty card use
- Seeks control, transparency and convenience

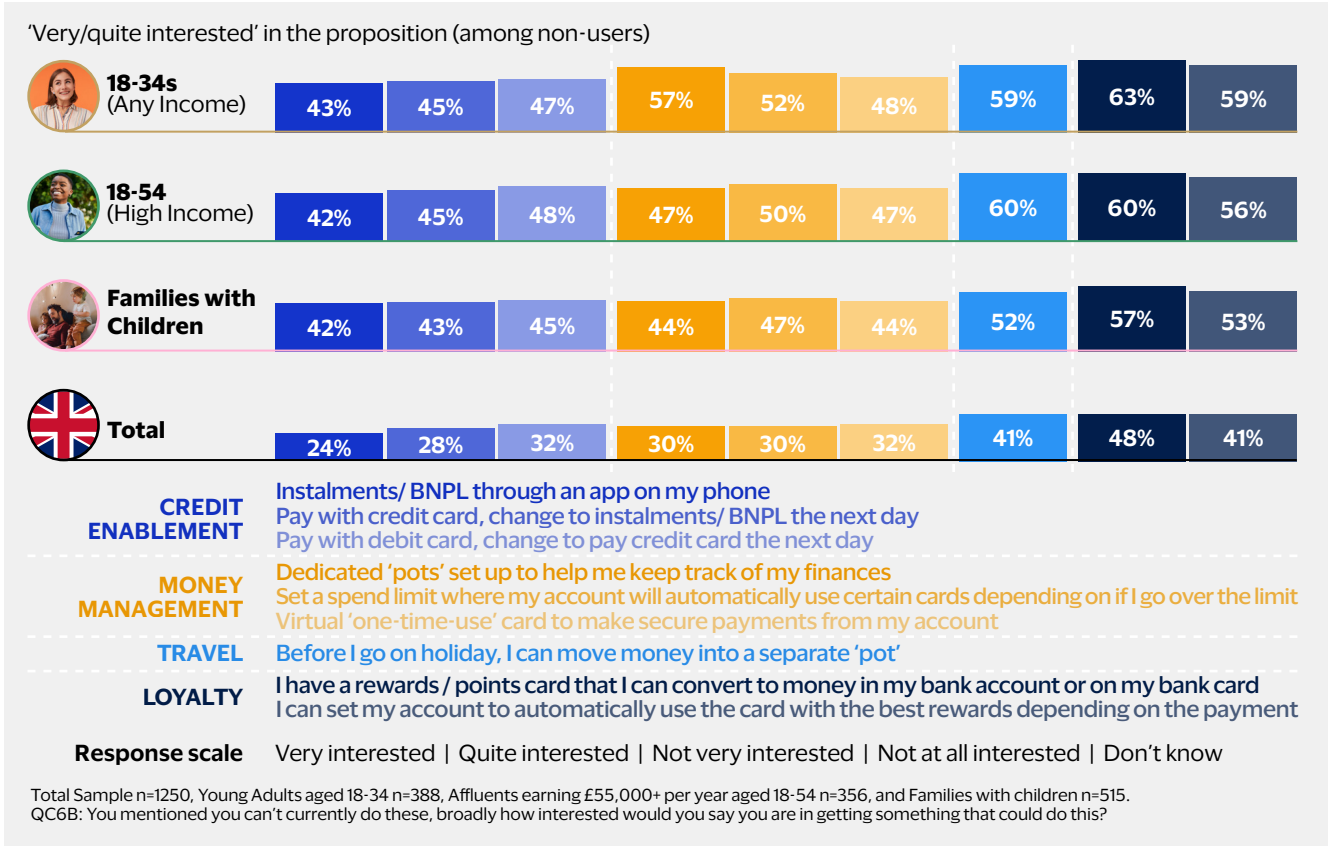
**18-54**  
(High Income)

- Credit card 'maximisers' (hold more cards/use 'as much as I can')
- Frequent BNPL users
- Actively seeking novel ways to manage their money
- High spenders abroad
- High users of shared accounts
- High loyalty card use
- Seeks control, transparency and convenience

The affluent (18-54) and young adult (18-34) groups are the most promising target groups identified in terms of attitudes and financial behaviours, with strong latent interest among the families with children segment also.



Spotlight use cases for UK consumers in the survey



The topline insights about consumers surveyed in the UK

<p><b>LOYALTY</b></p> <p>Across the majority of target segments in the research, this area stands out as the one with the highest interest - likely due to the widespread use of existing rewards programmes in the UK (over nine-in-ten are loyalty card holders). This area resonates most strongly with the affluent, family, and younger segments.</p>	<p><b>CREDIT ENABLEMENT</b></p> <p>Although the UK is a mature credit market, there are still many unmet needs. Many respondents seek greater control and transparency in managing their credit limits as well as the option to pay in instalments. And among affluent and family segments, <b>84% and 83% respectively want the freedom to set personal credit limits.</b></p>	<p><b>MONEY MANAGEMENT</b></p> <p>Target segments in the research show <b>an above average underlying need for help with money management</b> and some use cases stand-out as especially of interest to these groups - such a single credential for all, the ability to create spending pots, and automatically defaulting spending to the best card.</p>	<p><b>SHARED ACCOUNTS</b></p> <p>A widespread reason, among respondents in the UK, to hold a shared account is to manage and track household bills. <b>This rationale is even higher with the affluent and the family segments, at 73% and 70%, respectively.</b> Consumers in the families segment also have a shared account to enable them to send money to children.</p>	<p><b>TRAVEL</b></p> <p>This stands out as an area that respondents are already familiar with - around one-in-two consumers surveyed had heard of each of the use cases before. <b>The ability to set travel-specific spending pots scored highly</b> in terms of interest to use, especially among the affluent segment, with the ability to set spending limits appealing to the young adults segment.</p>
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# A strong rationale across Europe

European banks should consider using Visa Flexible Credential for several compelling reasons.

It offers unmatched flexibility and control for consumers, allowing them to manage their finances with ease and security. This flexibility can lead to increased satisfaction and loyalty, as consumers appreciate the ability to tailor their payment preferences to their specific needs.

Also, as our research confirms, the consumers we spoke to agree they are looking for ways to consolidate their payment cards and manage their finances more effectively.<sup>18</sup> The ability to bundle multiple funding sources together and provide access to them via a single credential simplifies the payments process for consumers, making it more convenient and efficient.

And Visa Flexible Credential provides a seamless integration into everyday life, with day-one acceptance by merchants – ensuring that consumers and banks alike are positioned for success from the very beginning.

In such a dynamic and competitive payments market, **banks embracing Visa Flexible Credential are at the forefront of a financial revolution, offering a secure, empowering, and integrated payments experience.** This not only drives incremental volume but also promises a new standard in consumer financial management and bank performance.

## Bringing incremental value to banks



### Increased efficiencies

Lower product management costs (e.g. better integrated marketing, billing and customer services), optimised operations (with Visa managing the back-end processing and integration challenges), and low plastic management and delivery costs.



### More cross-sell opportunities

A platform to facilitate cross-selling across both new and existing customers, with increased product flexibility and reduced onboarding friction.



### Better customer acquisition

Target a broad base of new customers, including those who are new-to-bank and new-to-credit, and appeal to other more digitally savvy customer segments.



### Enhanced user experience

A single credential for accessing several accounts and combining several use cases – which simplifies the banking experience, enhances customer satisfaction, and contributed to customer retention.



### Incremental revenues

Visa Flexible Credential is a platform for banks to serve their customers more effectively and provide a broader range of products and services – and therefore incremental revenues and payment volumes.

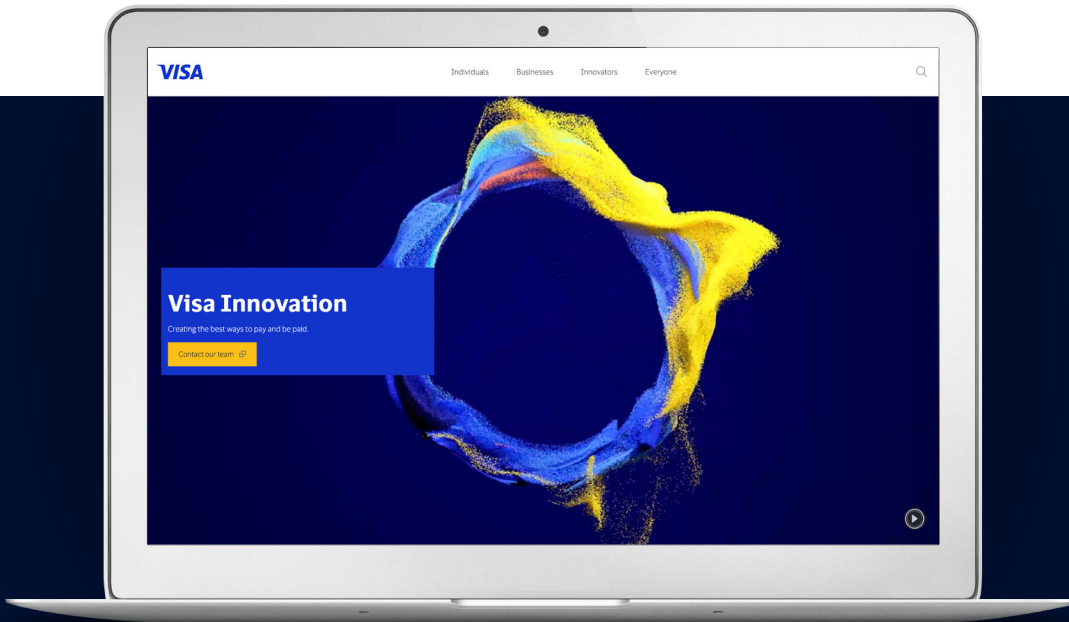
## How to find out more

To enable banks to find out more, and assist with the implementation, we have developed a full suite of collateral and introduced a fast-track program. For anyone that choose to investigate the opportunity, we can also share full details of the pan-European research programme outlined in this paper.

To find out more, and to initiate a conversation with us about Visa Flexible Credential, visit <https://corporate.visa.com/en/products/flexible-credential.html>

18. 'I'd love to combine all my cards into one on my phone' (Strongly/slightly agree: RO/UK/PL/CH/DE - 71%/48%/51%/49%/46%); 'I'm actively looking for new ways to better manage my finances' (RO/UK/PL/CH/DE - 51%/42%/37%/35%/27%)





# About Visa Innovation

In the Visa Innovation team, our mission is to create the best new ways to pay and be paid.

We incubate and accelerate new value propositions, and we design and test new payments and commerce use cases. Typically, our work has four dimensions:

**Discovery and opportunity** – what is the opportunity in the market to deliver new value?

**Solution design and proof of concept** – how can we deliver new value to as specific market segment or use case?

**Minimum viable product build** – what is the quickest, simplest way to deliver that value?

**Pilot** – how can we best position and materialise value in collaboration with our clients and partners?

To accomplish this, we have built an extensive team of innovation professionals with expertise in: product strategy, consumer insights, design and prototyping, and solution architecture.

To find out more, visit:

<https://usa.visa.com/services/visa-innovation-and-design.html>

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# Appendix

This research was conducted by Ipsos UK on behalf of Visa, in the following markets: Germany, Poland, Romania, Switzerland and the UK. Fieldwork took place between 25th March to 15th April. In each market interviews were conducted among adults aged 18 to 75 who chose to take part in our survey and are currently using or open to using credit products (credit card or Buy Now Pay Later products) and use mobile banking apps. Research was conducted online and quota sampling was employed for an broad distribution on age, gender and region. Data is unweighted.

Quota sampling was employed for an even distribution on age, gender and region.

Base sizes for individuals surveyed who form the target groups for each market:

**Germany:** Total Sample n=1000, Young Adults aged 18-34 n=267, Affluents earning € 4,001+ per month aged 18-54 n=199, and Families with children n=289.

**Poland:** Total Sample n=1000, Young Adults aged 18-34 n=280, Affluents earning zł 8,000+ per month aged 18-54 n=200, and Families with children n=479.

**Romania:** Total Sample n=1000, Young Adults aged 18-34 n=271, Affluents earning RON 7,000+ per month aged 18-54 n=303, and Families with children n=480.

**Switzerland:** Total Sample n=1000, Young Adults aged 18-34 n=273, Affluents earning CHF 10,001+ per month aged 18-54 n=296, and Families with children n=432.

**United Kingdom:** Total Sample n=1250, Young Adults aged 18-34 n=388, Affluents earning £55,000+ per year aged 18-54 n=356, and Families with children n=515.

Those interviewed answered a core market section featuring questions on the different accounts and credit cards they own, along with individual sections on Credit, Travel, Loyalty, Shared accounts and Money management. The individual sections cover ownership and feature use, then investigate appeal among non-users (of the features being explored in each section).

## Assessing appeal of potential Visa Flexible Credential use cases – questions asked:

### Aware of/Use (all respondents):

The following are a series of features a bank is considering introducing. Please indicate which, if any, of these you currently have/can do through your mobile banking app(s).

- Yes – I can do this and use it regularly
- Yes – I can do this but don't currently use it
- No – I don't think I can do this
- No – I definitely can't do this

### Interested & would use (non-users):

Please indicate which phrase best matches your views for each feature.

- Something I'd be very interested in and definitely use
- Something I'd be quite interested in and probably use
- Something I'd be quite interested in but not sure how much I'd use it
- Something I'm not that interested in and probably wouldn't use
- Something I have no interest in and definitely wouldn't use

