

DEBIT MARKET DATA REVIEW

Increasing debit card usage is key to accelerating growth

As a Form of Payment

One of the most frequently used forms of payment in the U.S., checking account ownership tops 90%

Debit Push Payments



P2P or B2C are now approximately 3% of overall debit volume. Push payments on average exceed \$200 each.



Progressive Growth of Debit Card Transactions in the U.S. over the last four years. Number of transactions in billions:

| | |
|--------------|--------------|
| 2014 = 48.5B | 2017 = 58.0B |
| 2015 = 51.5B | 2018 = 58.9B |
| 2016 = 55.7B | |

The Younger Consumer and Debit

Younger consumers (age 18-34 years old) are shying away from debit compared to the population at large.

| | |
|---------------------|---------------------|
| 2017 Younger | 2018 Younger |
| 55% vs 57% | 51% vs 54% |

However, the Younger consumer is not turning to credit cards – they are utilizing alternative payment products like PayPal, Venmo, Square Cash and prepaid plus merchant loyalty cards like Starbucks.

Consumer Payment Behavior



Contactless Cards

Large debit card issuers are now leveraging contactless cards.

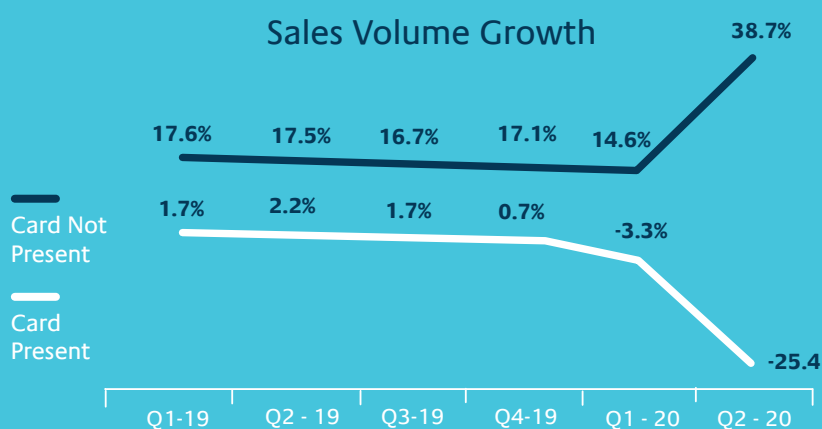
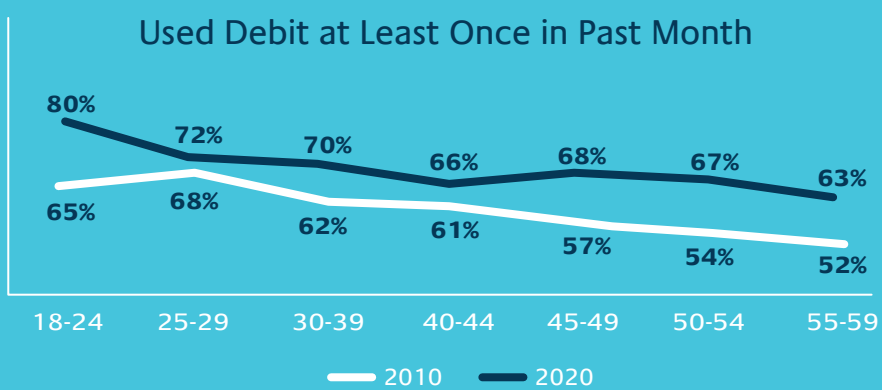


eCommerce is Visa Debit's fastest growing channel but is still underpenetrated.

Monthly Visa Debit eCommerce purchases by active debit user

| | |
|------------------|------------------|
| 26% >4 | 17% <2 |
| 20% 2-3 | 37% None |

Debit is Age Agnostic: Share of Transactions



Best Debit Target Market

Heavy and Medium Debit users account for almost 90% of all Debit transactions.

This is your prime target market.

20% heavy
w/ 19+ transactions/month

34% medium
w/ 7-18 transactions/month

24% light
1-6 transactions per month

22% none
No transactions per month

