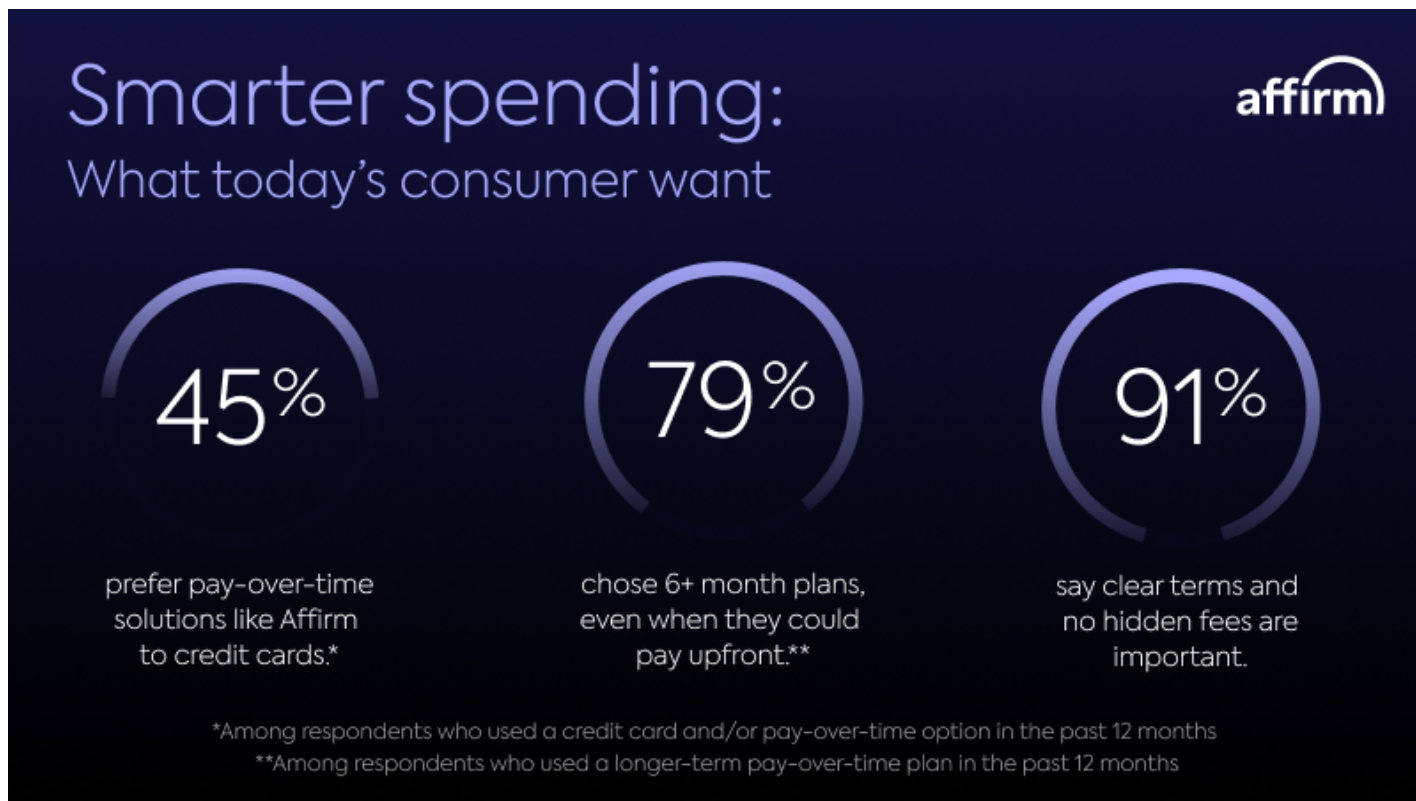




Pay-over-time increasingly competes with credit cards, survey finds

May 21, 2025

Avoiding hidden fees, interest charges, and unpredictable bills is driving a shift in how Americans pay



SAN FRANCISCO--(BUSINESS WIRE)--May 21, 2025-- New research from Affirm (NASDAQ: AFRM), the payment network that empowers consumers and drives growth for merchants, reveals that as Americans face ongoing economic pressure, many are rethinking how they pay — turning to smarter, more transparent options over traditional credit. Nearly half of U.S. consumers surveyed (45%) who have used credit cards or pay-over-time solutions in the past year say they prefer pay-over-time options over credit cards. Among those who used longer-term pay-over-time options in the past 12 months, the majority (79%) chose plans of six months or more—even when they could afford to pay upfront.

The study, conducted by Talker Research on behalf of Affirm, comes at a time when many Americans are being more strategic with their money amid rising costs and an unpredictable economic backdrop. The majority of U.S. consumers (86%) believe the economy remains uncertain, and more than three-quarters (77%) say current conditions have influenced how they manage their money.

In response, consumers are prioritizing stability and control. Two in five (41%) say fixed, predictable payments are important given the current economy, and over half (52%) reported they avoided certain payment methods due to concerns about hidden fees like late charges and compounding interest. When making purchases this year, nearly half (49%) say they value no surprise fees, followed by interest-free offers (41%). Further, nearly all (91%) say it's important that financial institutions provide transparent terms without hidden fees — reinforcing the importance consumers place on clarity when managing their money.

"Our survey found that over half of U.S. consumers (57%) believe longer-term payments with clear terms help them make smarter financial decisions for larger purchases. That's why people are choosing pay-over-time options — and specifically Affirm — over credit cards: not out of necessity, but because it's a savvy way to pay," said Vishal Kapoor, Affirm's SVP of Product. "That mindset is also influencing how they save and prioritize value — nearly two-thirds (64%) of U.S. consumers say they value interest-free (0% APR) offers as much or more than traditional discounts. People want payment solutions that are built to support long-term financial well-being, and that's exactly what Affirm delivers."

Survey methodology

This random double-opt-in survey of 2,000 U.S. adults was commissioned by Affirm and conducted by Talker Research between March 21–25, 2025. It was conducted by market research company [Talker Research](#), whose team members are members of the Market Research Society ([MRS](#)) and the European Society for Opinion and Marketing Research ([ESOMAR](#)).

About Affirm

Affirm's mission is to deliver honest financial products that improve lives. By building a new kind of payment network — one based on trust, transparency and putting

people first – we empower millions of consumers to spend and save responsibly, and give thousands of businesses the tools to fuel growth. Unlike most credit cards and other pay-over-time options, we never charge any late or hidden fees. Follow Affirm on social media: [LinkedIn](#) | [Instagram](#) | [Facebook](#) | [X](#).

AFRM-CI

View source version on [businesswire.com](https://www.businesswire.com/news/home/20250521574409/en/): <https://www.businesswire.com/news/home/20250521574409/en/>

Media

Erica Kolari

Affirm: press@affirm.com

Source: Affirm