Grace Broadbent

Why issuers are leaning more on affluent cardholders

Article

The news: The wealthiest 10% of Americans (households making about $250,000 a year or more) account for **almost half (49.7%) of consumer spending**, per the Wall Street Journal.

Three decades ago, they accounted for 36% of all spending.

What this means: While the average American becomes more cautious with their spending due to inflation and other economic concerns, the wealthy remain in a stable position.

This divide has forced merchants and payment providers to rely more than ever on the wealthy to hold up their revenues.

Our take: We expect higher-income consumers will make up the brunt of volume growth and acquisitions in 2025. To capture their business, issuers can lure them in with exclusive experiences and benefits like **American Express's** recent White Lotus-inspired trips.

And to counterbalance any potential revenue losses from weaker spending elsewhere, issuers can also bump up annual fees for their premium cards. In July, for example, American Express raised its US Consumer Gold Card annual fee from $250 to $325.

Dig deeper: To diver further into credit card trends for 2025, read our report The State of Payment Methods 2025.