

# Adapting to Evolving Payment Trends: the Rise of Credit Cards and Autopay in Higher Ed

## How Gen Z and Millennials are Reshaping Tuition Payment Trends

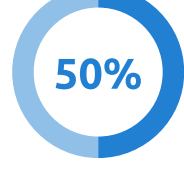
The increasing use of credit card payments and the growing preference for autopay by Gen Z and Millennials are transforming tuition payment methods in higher education.



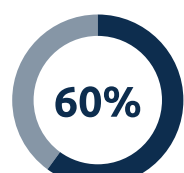
### Gen Z Likes Credit Cards

Once thought to be credit-adverse, Gen Z has debunked this perception in recent years.

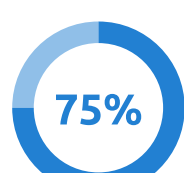
#### Younger Generations Embrace Credit:



of Gen Z<sup>1</sup> and **52.7%** of college students<sup>2</sup> possess a credit card.



In **2023**, Millennial and Gen Z consumers accounted for more than **60%** of new American Express Consumer account acquisitions globally and...



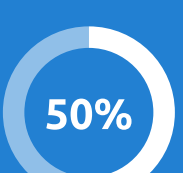
of American Express Consumer Platinum and Consumer Gold account acquisitions in the U.S.<sup>3</sup>



### Credit Card Tuition Payments Rise in Popularity

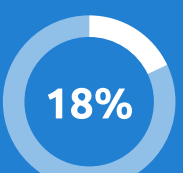
**74%** of college students think their college should make ease of payment on campus and online a priority to create a better student experience<sup>4</sup>.

#### Students Tap Credit Cards for School Expenses:



Nearly **50%** of undergraduates use their credit cards for school expenses like books and tuition<sup>5</sup>.

#### AMEX Tuition Payments Spike for Gen Z:



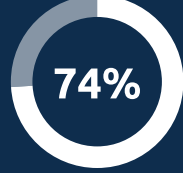
Gen Z represents the highest growth of tuition and fees spend with Transact at **18%** overall - a **33%** change in growth from the prior year<sup>6</sup>.



### Rising Trend: Students Embrace Autopay for Tuition

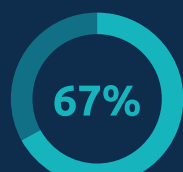
Automated payments are gaining popularity among Gen Z, as more students adopt a "set it and forget it" approach for managing tuition costs. By choosing autopay, students simplify their higher ed expenses and ensure timely payments.

#### High Adoption for Automation:



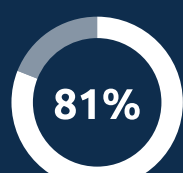
of Gen Z and Millennial American Express Card Members report using their American Express credit card for automated bill pay for their recurring payments<sup>7</sup>.

#### Cards are Top Choice:



of Gen Z and Millennial American Express Card Members report that a credit card is their preferred option for recurring payments or bills<sup>7</sup>.

#### Convenience in Cards on File:

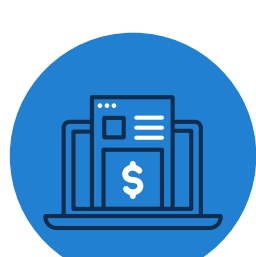


of Gen Z and Millennial American Express Card Members report keeping their American Express credit card on file for subscriptions and recurring payment<sup>6</sup>.

#### Colleges Get Paid:



of college students say they would be more likely to pay their tuition at a quicker rate if their college had a better payment experience<sup>4</sup>.



### Schools and Students Thrive with AutoPay

Given Gen Z's affinity for credit cards and autopayment options, students may be interested in AutoPay, which offers the flexibility and convenience students need to manage their educational expenses via predictable, recurring monthly payments. A unified and frictionless tuition payment experience is directly tied to achieving what modern students seek.

#### Efficient Payment Management:

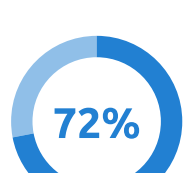
AutoPay facilitates seamless "set it and forget it" arrangements for both students and your school, ensuring timely payments and reducing administrative overhead.

#### Flexible Payment Solutions:

Supports a variety of payment methods including ACH, credit and debit cards, and international payments.

#### Win for Students and your School:

Improves student satisfaction and financial management while cutting down on late payments.



of college students say ease of payment should be one of the ways colleges are rated on student experience<sup>4</sup>.

## Secure Tuition Payments Easily with Auto Pay.

Download our comprehensive Auto Pay [marketing toolkit](#) for turnkey social, digital ads, and emails you can leverage now.

*Empowering next-generation students with flexible, reliable payment solutions.*

[1] Alexandria White, "50% of Gen Z Has a Credit Card and a Prime Credit Score—And They're More Credit Active Than Millennials Were," *CNBC*, November 14, 2023.  
 [2] Beverly Harzog, "Survey: Over 42% of College Students Have Credit Card Debt," *U.S. News & World Report*, August 30, 2023.  
 [3] Sydney Lake, "Baby Boomers' Favorite Credit Card Amex Is Now the 'Lifestyle' Card of Choice for Gen Zers," *Fortune*, June 9, 2024.  
 [4] "Financial Habits and Technology Use Among Students," 2023 study by Transact Campus.  
 [5] Suzanne Blake, "More Parents Are Paying Their College Kid's Credit Card Bills," *Newsweek*, October 2, 2023.  
 [6] American Express. (2024). Card member spend with Transact Campus (Data Period 03/2023 – 02/2024). Unpublished internal data.  
 [7] American Express commissioned an online survey conducted by Morning Consult in September 2023 relating to non-business purchases. Definition of American Express® Card Members: Respondents in the U.S. who reported that they have an American Express credit card and that they use that Card to make non-business purchases at least once every 6 months. Definition of Non-Card Members: Respondents who reported that they do not have any type of American Express Card and that they use Visa, MasterCard, or Discover credit card products to make non-business purchases at least once every 6 months. Disclaimer: The trademarks used herein are the property of their respective owners.