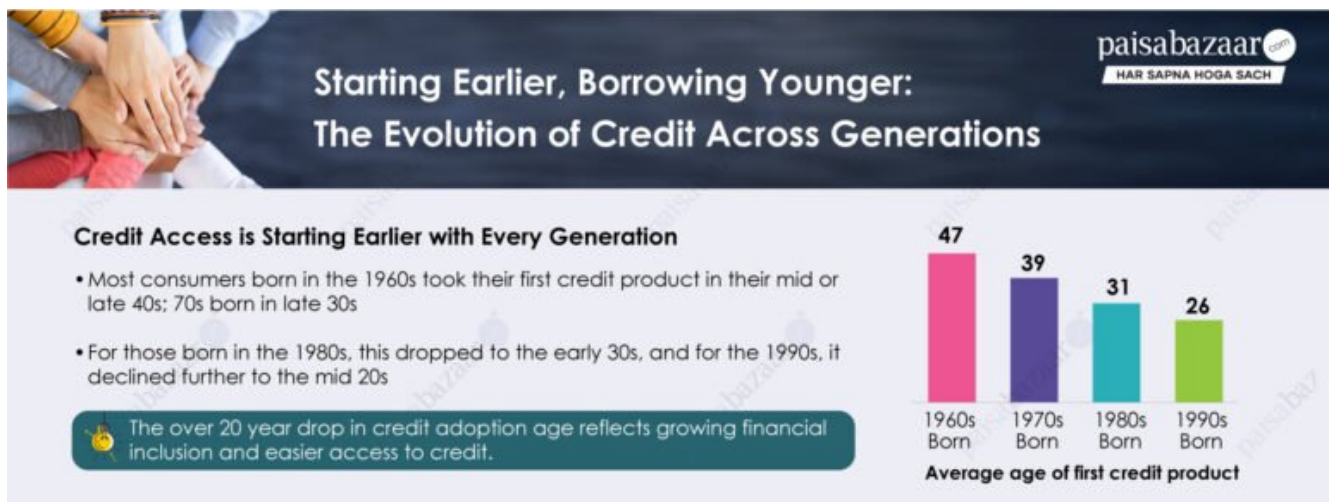


Average Age of Accessing First Credit Product Drops by 21 Years Across Three Generations: Paisabazaar Consumer Insights

Category: Business

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- Credit Cards and personal loans are now the common entry points
- Average age of first-time home loan borrowers drops from 41 to 28

With access to credit becoming easier, there has been a 21-year drop in average age of customers getting their first credit product, underlining the fact that consumers are now starting their credit journeys at a significantly younger age with each passing generation, revealed a consumer insight study by Paisabazaar.



Average age of accessing first credit product drops by 21 years across three generations

Paisabazaar analysed credit patterns of over 10 million consumers for the study, which showed that the average age of consumers born in the 1960s availing their first credit product was 47 while those born in the 90s began their credit journey at around 25-28 years, clearly indicating easing of access and shift in consumer mindset.

Radhika Binani, Chief Product Officer, Paisabazaar, said, *"Today's young consumers are more aware, aspirational, and digitally savvy. They are not only accessing credit earlier but also using it more confidently and diversely-whether to meet life goals or lifestyle and aspirational needs. Our analysis also indicates the evolution of the ecosystem, easing access over time. At Paisabazaar, we remain committed to empowering consumers with the right tools and guidance to build healthy credit behaviours from the start."*

The analysis highlights a generational shift not just in the age, but also in the types of products availed to begin the credit journey. While older generations took secured loans like home or auto loans as their first credit product, those born in the 1990s-entered the credit ecosystem typically via unsecured products like credit cards, personal loans, along with consumer durable loans, often by age 25-28.

Cards & Personal Loans Are Now the Common Entry Points

- For those born in the 60s, Home Loan was the first credit product taken at an average age of 47
- Consumers born in the 70s and 80s, Auto Loans was typically the first credit product-taken at an average age of 39 and 31, respectively
- For the 90s-born, the entry points were diversified – Credit Cards, Personal Loans, Consumer Durable Loans, and Auto Loans were all popular first products-typically availed between ages 25-26

Home loans, traditionally accessed later in life, are also being availed earlier, with the average age falling from 41 (for 70s-born) to 28 (for 90s-born).

Consumers Are Now Taking Home Loans a Decade Early

- For consumers born in the 70s, first Home Loan was at 41
- For those born in the 80s, age of first Home Loan was 34
- For 90s-born consumers, this further dropped to 28

Similarly, the average age for business loans has dropped from 42 to 27, reflecting India's growing entrepreneurial spirit and easing access to MSME lending products.

- First Business Loan was availed at 42 for those born in the 70s,
- This dropped to 34 for those born in the 80s
- Growing confidence led to the average age dropping to 27 for the 90s born

Gold loans, meanwhile, continue to serve as a financial safety

net across generations, though the age of first usage has steadily dropped-from 52 for 60s-born to 27 for those born in the 90s.

Paisabazaar's findings also show that consumers born post-2000 are continuing this trend, with early signs of even earlier credit adoption-often starting around the age of 22, primarily via small-ticket loans and Buy Now Pay Later (BNPL) products.

About Paisabazaar

- Paisabazaar is India's largest marketplace for consumer credit and free credit score platform. It is part of the PB Fintech Group (listed on Indian stock exchanges since 2021)
- Over the last 11 years, Paisabazaar has earned the trust and goodwill of over 50 million consumers
- Every month, the platform receives around 20 lakh enquiries from more than 1000 cities.
- Paisabazaar over the years has built deep partnerships within the lending ecosystem, partnering with 60+ Banks, NBFCs, NBFC fintechs, to offer wide choice
- Paisabazaar has been running India's largest credit awareness initiative, by offering consumers their credit score from the credit bureaus for free
- Paisabazaar's co-created strategy helps meet consumer need gaps, through a robust array of exclusive, first-in-market and best-in-class digital products, built with partner Banks and NBFCs
- Paisabazaar is also an ISO (27001: 2013) certified organization with industry-best controls, to safeguard the best interest of consumers. We are also a PCI DSS certified organization

