

# An Overview of Credit Card Users Spending Pattern within and Outside the Country

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March 2023

The use of credit cards of the commercial banks and financial institutions in Bangladesh has gone up sharply. The volume of their transactions is increasing even with a higher pace. All these transactions are facilitating to increased economic activities. With a view to preparing a database of all these transactions, this unit of Statistics Department takes an initiative to collect data from all credit card issuing banks and FIs of Bangladesh. Since all these transactions are creating huge volume of data in terms of their variety, velocity and variability, so we can consider it as Big Data.

At this moment, this unit is collecting credit card transactions data from 43 scheduled banks and one non-bank financial institutions who are the credit card issuers of the economy. From the collected data we can see that total number of rows of the data files is 41,43,075 and size of the file is 279 Mega-bytes (MB). This huge volume of data cannot be analyzed due to fixed row and column limitations of existing traditional spreadsheets. Thus, in order to make them compatible for spread-sheet analysis, we segregated the data into seven working files. However, the spending pattern of credit card clients of Bangladesh as well as the foreigners whose credit cards are issued outside of the country but transactions took place within Bangladesh is analyzed considering data of March 2023. The results of the analysis are depicted below:

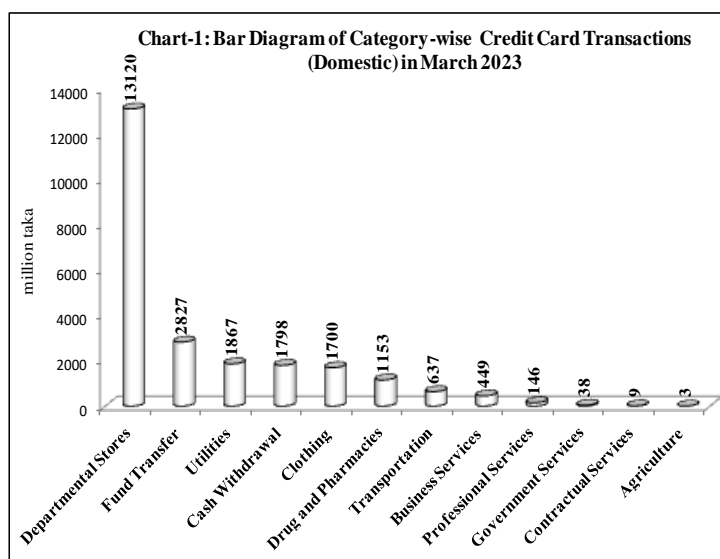
Analyzing the credit card transactions within the country, it is observed that the transactions increased by 9.79% in March, 2023 compared to that of previous month. The amount was Tk. 23747 million in March, 2023 when it was Tk. 21628 million in February, 2023 (Table-1). Similarly, the transaction amount was 4262 million in outside of the country in March, 2023 (Table-3). It is noticeable that this transaction amount recorded a significant increase of 36.24% compared to that of February, 2023. In February, 2023 the amount was Tk. 3129 million. On the other hand, the transactions of credit card issued by other countries increased to Tk. 2367 million in March, 2023 when it was Tk. 2146 million in February, 2023. This transaction increased by 10.30% (Table-6).

Analyzing the expenditure behavior of the credit cardholders it is found that the cardholders mostly used credit cards in Departmental Stores. In March 2023 about 55.25% of credit card transactions took place in Departmental Stores, when about 11.90% took place in Fund Transfer, 7.86% in Utilities, 7.57% in Cash Withdrawal, 7.16% in Clothing, 4.86% in Drug and Pharmacies, 2.68% in Transportation, 1.89% in Business Services and 0.82% in other areas.

**Table-1: Category-wise Breakdowns of Credit Card Transactions (Domestic) in February 2023 and March 2023 (million taka)**

Merchant Categories	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
<b>Departmental Stores</b>	<b>13120</b>	<b>55.25</b>	<b>13278</b>	<b>61.39</b>
<b>Fund Transfer</b>	<b>2827</b>	<b>11.90</b>	<b>1239</b>	<b>5.73</b>
<b>Utilities</b>	<b>1867</b>	<b>7.86</b>	<b>1961</b>	<b>9.06</b>
<b>Cash Withdrawal</b>	<b>1798</b>	<b>7.57</b>	<b>1611</b>	<b>7.45</b>
<b>Clothing</b>	<b>1700</b>	<b>7.16</b>	<b>1331</b>	<b>6.15</b>
<b>Drug and Pharmacies</b>	<b>1153</b>	<b>4.86</b>	<b>799</b>	<b>3.69</b>
<b>Transportation</b>	<b>637</b>	<b>2.68</b>	<b>728</b>	<b>3.37</b>
<b>Business Services</b>	<b>449</b>	<b>1.89</b>	<b>464</b>	<b>2.15</b>
<b>Professional Services</b>	<b>146</b>	<b>0.61</b>	<b>163</b>	<b>0.75</b>
<b>Government Services</b>	<b>38</b>	<b>0.16</b>	<b>43</b>	<b>0.20</b>
<b>Contractual Services</b>	<b>9</b>	<b>0.04</b>	<b>10</b>	<b>0.05</b>
<b>Agriculture</b>	<b>3</b>	<b>0.01</b>	<b>2</b>	<b>0.01</b>
Total	23747	100.00	21628	100.00

Chart-1 illustrates the comparative spending pattern for different sectors within the country in March, 2023. Apparently, it shows that lion's share of domestic credit card transactions took place in Departmental Stores. It is mentionable that credit cards were also used in Fund Transfer, Utilities, Cash Withdrawal Clothing and Drug and Pharmacies.



Analyzing the credit card spending pattern it is also found that about 70.26% of the credit card transactions took place using VISA card and about 17.04% of transactions took place using MasterCard and remaining transactions took place using other types of card in March, 2023.

**Table-2: Card Type-wise Breakdowns of Credit Card Transactions (Domestic) in February 2023 and March 2023**

(million taka)

Card Type	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
VISA	16685	70.26	15705	72.61
MasterCard	4045	17.04	3751	17.34
AMEX	2969	12.50	2134	9.87
Diners	23	0.10	16	0.07
QcashProprietary	11	0.05	9	0.04
JCB	10	0.04	11	0.05
UnionPay	3	0.01	3	0.02
Total	23747	100.00	21628	100.00

Expenditure behavior of the credit card holders of the country in cross-border transactions showed the same pattern that took place within the country. In cross-border transactions the cardholders mostly used their cards in Departmental Stores in March, 2023. About 43.99% of the transactions of outside of the country took place in Departmental Stores. Other merchant categories included Drug and Pharmacies (14.37%), Clothing (11.00%), Transportation (6.92%) and others (23.72%).

**Table-3: Category-wise Breakdowns of Credit Card Transactions (Outside of the country) in February 2023 and March 2023**

(million taka)

Merchant Categories	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	1875	43.99	1408	45.01
Drug and Pharmacies	613	14.37	436	13.95
Clothing	469	11.00	328	10.47
Transportation	295	6.92	215	6.86
Cash Withdrawal	259	6.08	214	6.83
Business Services	255	5.99	169	5.40
Professional Services	196	4.61	141	4.49
Government Services	191	4.47	135	4.33
Utilities	107	2.50	82	2.61
Contractual Services	2	0.06	1	0.04
Agriculture	.43	0.01	.37	0.01
Total	4262	100.00	3129	100.00

Chart-2 illustrates the diversity of usage of credit cards (outside of the country) in different sectors in March, 2023.

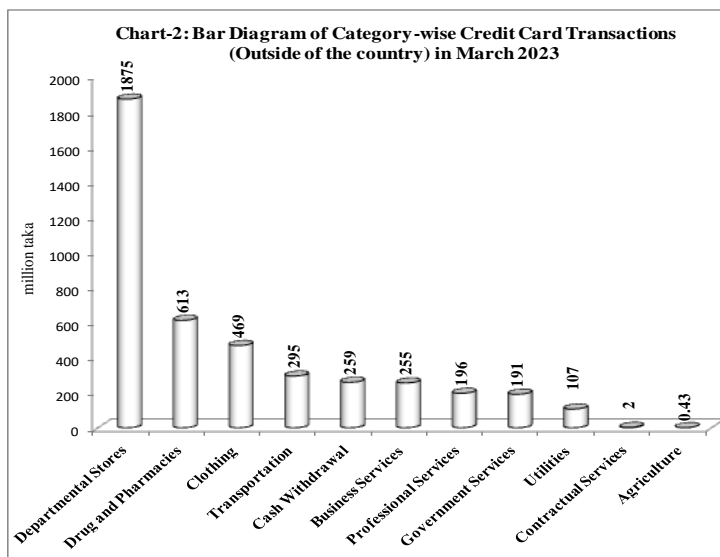


Table-4 depicts that like domestic credit card transactions of the country in March 2023 VISA and MasterCard were mostly used in cross-border transactions.

**Table-4: Card Type-wise Breakdowns of Credit Card Transactions (Outside of the country) in February 2023 and March 2023**

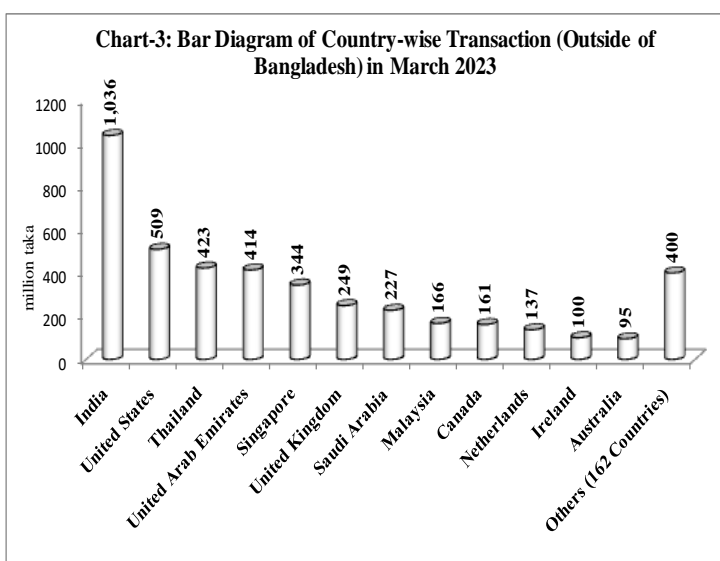
Card Type	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
VISA	3297	77.35	2639	84.34
MasterCard	575	13.48	485	15.51
AMEX	390	9.15	4	0.13
Diners	0.32	0.01	0.30	0.01
UnionPay	0.25	0.006	0.05	0.002
JCB	0.17	0.004	0.06	0.002
<b>Total</b>	<b>4262</b>	<b>100.00</b>	<b>3129</b>	<b>100.00</b>

Doing country-wise transaction analysis it is observed that the credit cardholders used their cards mostly in neighboring country India. About 24.32% of cross-border transactions took place in India. Remaining cross border transactions took place in USA (11.95%), Thailand (9.92%), UAE (9.70%), Singapore (8.07%), UK (5.84%), Saudi Arabia (5.33%), Malaysia (3.90%), Canada (3.79%), Netherlands (3.21%), Ireland (2.35%), Australia (2.24%) and other 162 countries (9.38%).

**Table-5: Country-wise Breakdowns of Credit Card Transactions (Outside of Bangladesh) in February 2023 and March 2023**

Countries	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
India	1036	24.32	732	23.40
United States	509	11.95	375	11.99
Thailand	423	9.92	295	9.44
United Arab Emirates	414	9.70	359	11.46
Singapore	344	8.07	272	8.68
United Kingdom	249	5.84	188	6.01
Saudi Arabia	227	5.33	146	4.66
Malaysia	166	3.90	137	4.37
Canada	161	3.79	123	3.92
Netherlands	137	3.21	92	2.95
Ireland	100	2.35	60	1.91
Australia	95	2.24	79	2.54
Others (162 Countries)	400	9.38	271	8.66
<b>Total</b>	<b>4262</b>	<b>100.00</b>	<b>3129</b>	<b>100.00</b>

Chart-3 shows the diversity of usage of credit cards in different countries in March, 2023.



Credit card issued by other countries but used in the departmental stores within Bangladesh recorded maximum amount of transactions. The amount was about 40.69% of transactions in March 2023. Cash withdrawal contributed about 22.62%, Transportation contributed 22.45% and other sectors contributed 14.24%.

**Table-6: Category-wise Breakdowns of Credit Card Transactions (within the country by foreigners) in February 2023 and March 2023**

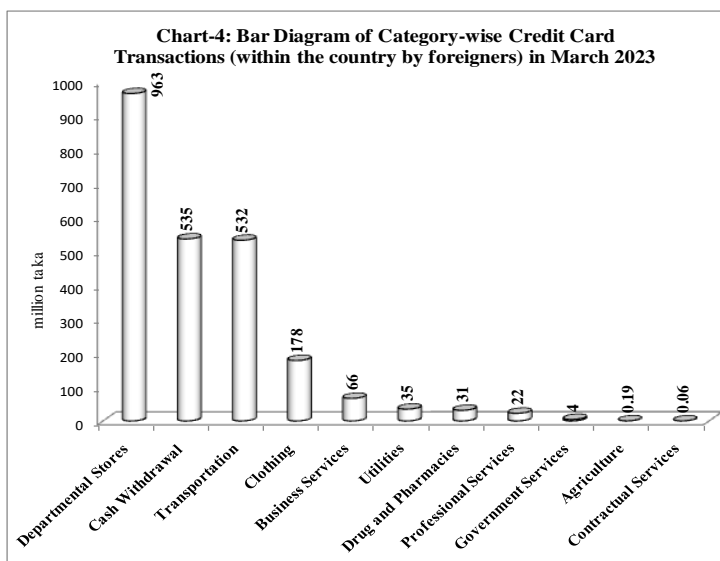
Merchant Categories	(million taka)			
	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	963	40.69	864	40.28
Cash Withdrawal	535	22.62	529	24.67
Transportation	532	22.45	432	20.13
Clothing	178	7.51	184	8.57
Business Services	66	2.81	57	2.67
Utilities	35	1.47	28	1.28
Drug and Pharmacies	31	1.32	37	1.72
Professional Services	22.5	0.95	10.6	0.49
Government Services	4.38	0.18	3.59	0.17
Agriculture	0.19	0.008	0.17	0.008
Contractual Services	0.06	0.00	0.13	0.01
<b>Total</b>	<b>2367</b>	<b>100.00</b>	<b>2146</b>	<b>100.00</b>

Table-7 shows that about 60.76% and 38.38% of the transactions were carried out by VISA and MasterCard respectively which were issued by other countries.

**Table-7: Card Type-wise Breakdowns of Credit Card Transactions (within the country by foreigners) in February 2023 and March 2023**

Card Type	(million taka)			
	Mar-23		Feb-23	
	Amount	Percentages	Amount	Percentages
VISA	1438	60.76	1028	47.91
MasterCard	909	38.38	1105	51.47
UnionPay	13	0.53	11	0.53
Amex	5.44	0.23	.02	0.00
Diners	1	0.06	1	0.06
JCB	1	0.04	1	0.04
<b>Total</b>	<b>2367</b>	<b>100.00</b>	<b>2146</b>	<b>100.00</b>

Chart-4 illustrates the diversity of usage of credit cards (within the country by foreigners) in different sectors in March, 2023.

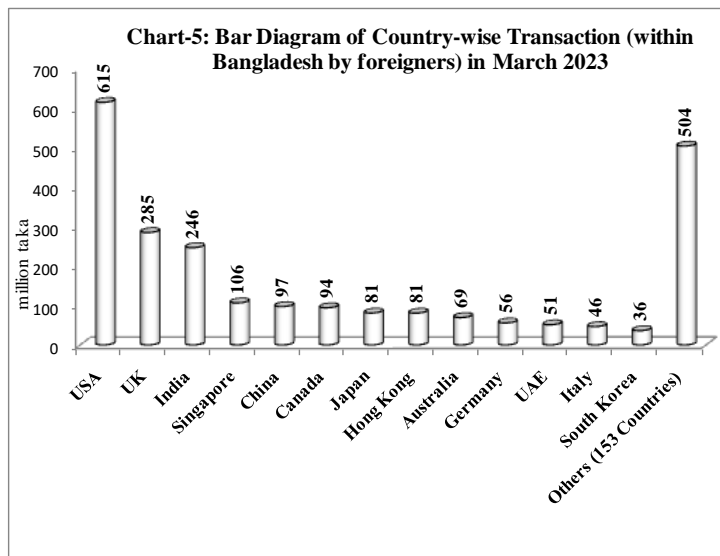


In March 2023, among all the foreign nationals maximum amount of transactions were carried out by USA nationals. About 25.97% of the transactions took place using credit card issued by USA. Remaining transactions using cards issued by other countries included UK (12.03%), India (10.41%), Singapore (4.50%), China (4.10%), Canada (3.98%), Japan (3.41%), Hong Kong (3.40%), Australia (2.93%), Germany (2.36%), UAE (2.15%), Italy (1.96%), South Korea (1.52%) and other 153 countries (21.28%).

**Table-8: Country-wise Breakdowns of Credit Card Transactions (within Bangladesh by foreigners) in March 2023**

Countries	(million taka)	
	Transaction Amount	Percentages
USA	615	25.97
UK	285	12.03
India	246	10.41
Singapore	106	4.50
China	97	4.10
Canada	94	3.98
Japan	81	3.41
Hong Kong	81	3.40
Australia	69	2.93
Germany	56	2.36
UAE	51	2.15
Italy	46	1.96
South Korea	36	1.52
Others (153 Countries)	504	21.28
<b>Total</b>	<b>2367</b>	<b>100.00</b>

Chart-5 shows the diversity of usage of credit cards within Bangladesh by foreigners in March, 2023.



In conclusion, it is observed that in Bangladesh the usage of credit card by Bangladeshi and foreign nationals increased in March 2023 compared to that of February 2023. The total credit card transactions (domestic) increased by 9.79% in March, 2023 compared to that of previous month. The transaction amount was Tk. 23747 million in March, 2023 while it was Tk. 21628 million in February, 2023. Similarly, the credit card transactions by Bangladeshi nationals in outside of the country was 4262 million in March, 2023 which was Tk. 3129 million in February, 2023 and it is noticeable that this transaction amount recorded a significant increase of 36.24% compared to that of February, 2023. On the other hand, the transactions of credit card used within Bangladesh by foreign nationals increased to Tk. 2367 million in March, 2023 when it was Tk. 2146 million in February, 2023. This transaction increased by 10.30% compare to that of February 2023. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did more transactions in outside of the country than the foreigner credit card holders did within Bangladesh in March 2023.