

How Apple Card Leverages Consumer Behavior Insights

Using consumer intelligence from Infegy Atlas to detect credit risk

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How can you use this information?

Consumer Behavior and Insights

Understand consumer attitudes towards your product

Learn attitudes towards and use of your credit product (i.e., how they're using their credit limit on Apple Card).

Discover if your product is reaching its target audience.

Audience Intelligence

See if your credit product is reaching the applications that your business is looking for.

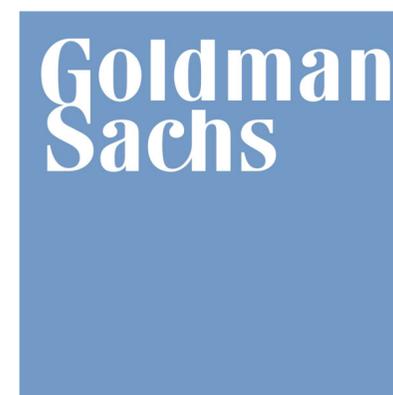
Brand Management

Identify whether consumer conversations reflect your brand accurately.

Goldman Sachs introduces Apple Card

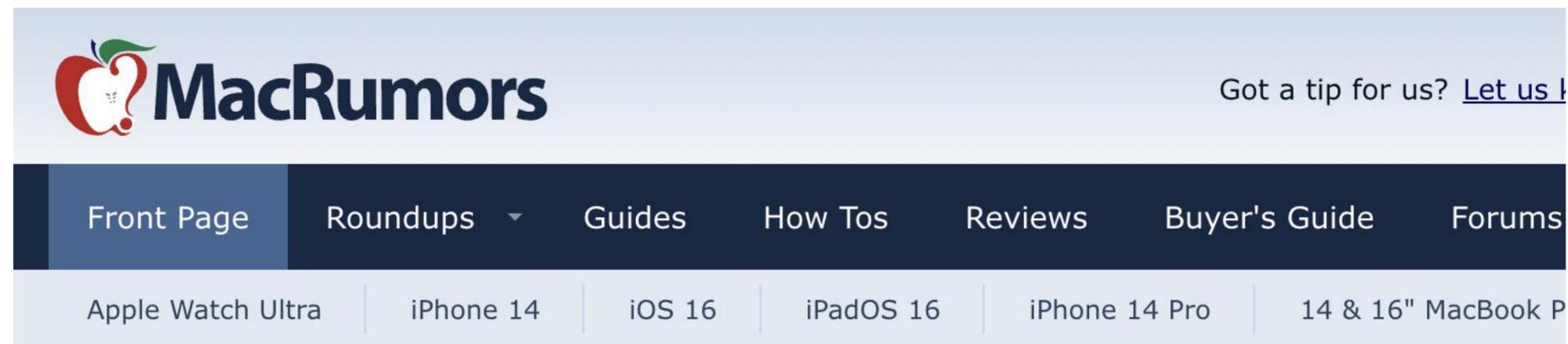
[Goldman Sachs](#), an investment bank, traditionally services business and commercial interests. Most of their business comes from the traditional mergers and acquisitions associated with an investment bank.

Looking to expand their business, David Solomon, Goldman's CEO, pushed an expansion to a consumer credit product. In February 2019, Goldman partnered with [Apple](#) to launch [Apple Card](#). Apple Card is a credit card aimed at consumers integrated with Apple's hardware and software.



Apple stresses accessibility for Apple Card

When Apple Card launched, Apple pushed Goldman to make the product as accessible as possible. The goal was to avoid alienating potential customers “simply” due to their lower credit scores. Apple even launched a “Path to Apple Card” which is a program to walk with applicants who previously got denied. When Apple Card launched, people with checkered credit histories were being approved. This raised eyebrows in the financial sector.



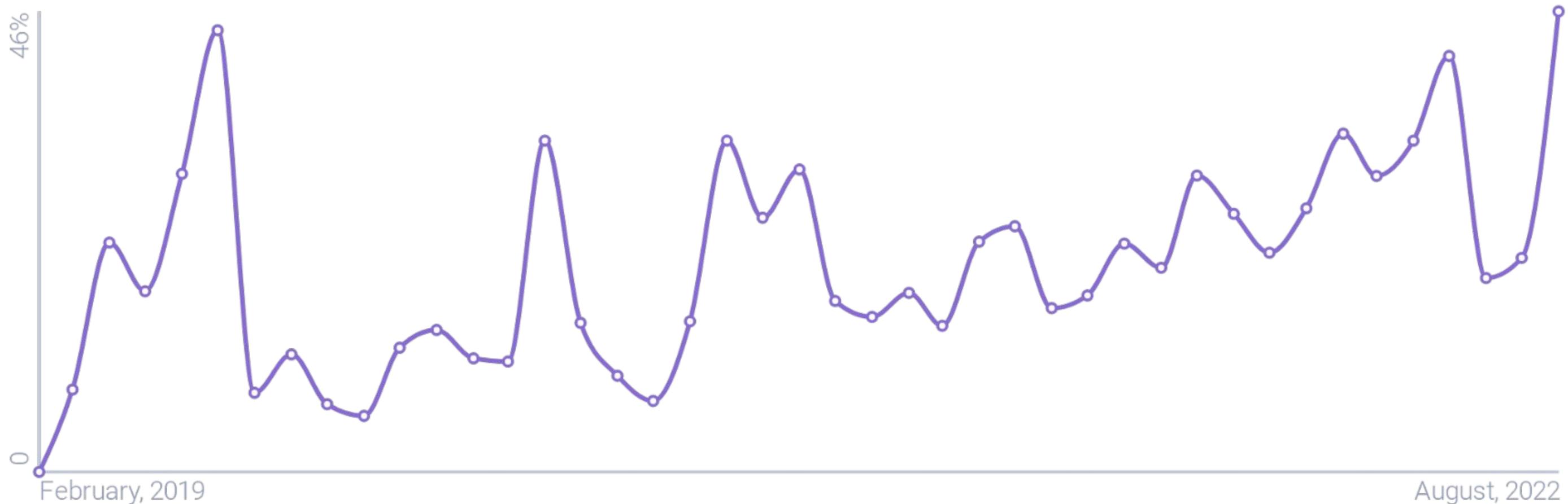
Apple Launches 'Path to Apple Card' Program to Help Declined Applicants Get Approved

Monday June 29, 2020 12:30 pm PDT by [Juli Clover](#)

Surge of Intent when announced

Because Goldman and Apple targeted the Apple Card towards the general consumer, regardless of income bracket, there was large mainstream interest in Apple Card. Social media intelligence from Infegy Atlas detected that the Intent emotion made up 46% of users posts when discussing Apple Card. This suggested that a wide user base was keen on applying for it.

That intent converted into card signups. Apple Card is now Goldman's largest consumer credit product and makes up a majority of their consumer credit accounts and one of the largest growing sectors of their business.



Unqualified applicants approved

Many of these card applicants did not have [the requisite credit scores](#), but were accepted anyway. Infegy Atlas detected a surge of posts around people boasting about being accepted as an Apple Card borrower, despite lying on their application. Posts show them boasting about their new found spending power or talking about how they were going to use the card responsibly.



<http://www.twitter.com/jjadeynpfister/status/1442702138208043008>

Sep 28, 2021

Author
**jadeyn jo (@jjade
ynpfister)**

Sentiment 
Neutral

i got approved for the apple credit card i feel boujee

 118  1 



http://www.twitter.com/3milyt_/status/1207311702888464384

Dec 17, 2019

Author
**Tamar 🍷 (@3milyt
_)**

Sentiment 
Negative

RT @BeckhamHeir My coworker said she applied for the Apple Card the first day it was available, and got denied. She tried a different social security number today, and got approved. She also went to college with me, and our school motto was "find a way or make one" Go head sis

 1077 

Unqualified applicants post frequently



Author
Mike L. Angelo
(@ualcs)

Sentiment 
Negative

<http://www.twitter.com/ualcs/status/1397286206594031622>

May 25, 2021

Me @ excessive online shopping since being approved for an Apple Card

 74  6 



Author
Antonio (@antianthony)

Sentiment 
Neutral

<http://www.twitter.com/antianthony/status/1159555787426947072>

Aug 8, 2019

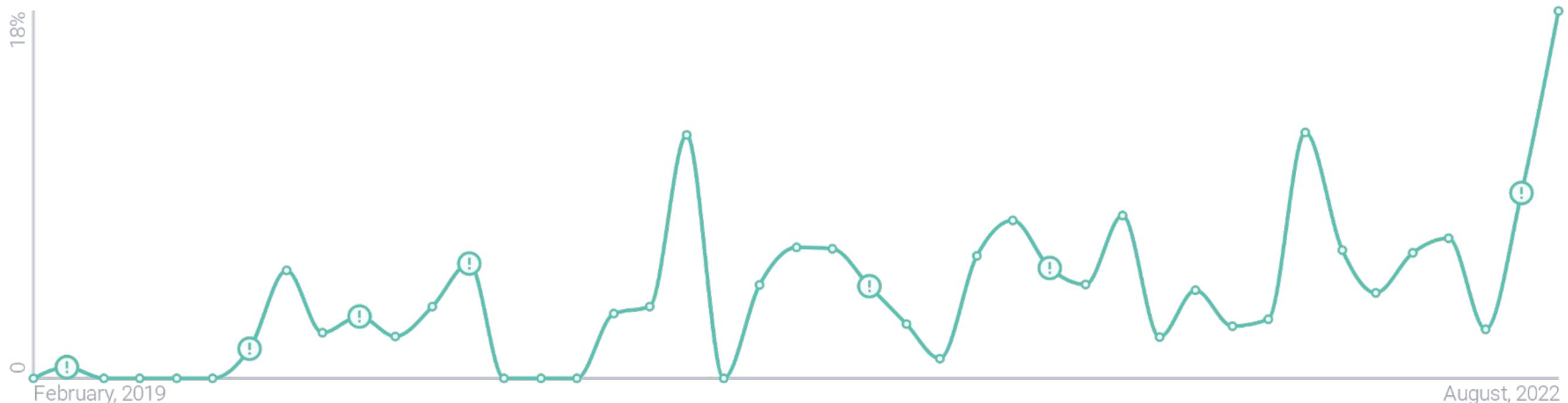
Just got approved for an Apple Card and suddenly I'm not broke anymore

 226 

More individual posts showing potentially risky customers discussing using their new Apple Card.

Apple Card's risk level over time

Our consumer intelligence platform aggregated hundreds of thousands of these initial posts to show that our Risk indicator rose 486% from May 2022 through August 2022. Risk could indicate a borrower's lack of ability to pay off a card or increased danger around that credit product.



Goldman reports high default rate

These factors have conflated and resulted in a [200% higher default rate](#) for Goldman's Apple Card, when compared to other similar credit products. As per CNBC's reporting, these rates are troubling, especially concerning the economic uncertainty in the country with high inflation and rising interest rates. As interest rates continue to rise, debt-laden consumers will feel more pressure.



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FINANCE

Goldman's Apple Card business has a surprising subprime problem

PUBLISHED MON, SEP 12 2022-6:00 AM EDT | UPDATED MON, SEP 12 2022-2:17 PM EDT

Hugh Son @HUGH_SON SHARE

KEY POINTS

- Goldman's loss rate on credit card loans is the worst among big U.S. card issuers and "well above subprime lenders" at 2.93%, according to a Sept. 6 note from JPMorgan.
- More than a quarter of Goldman's card loans have gone to customers with FICO scores below 660, according to company filings. That could expose the bank to higher losses if the economy experiences a downturn, as is expected by many forecasters.
- CEO David Solomon will likely face questions from directors about the consumer business at a board meeting later this week, according to people with knowledge of the matter.

TV **Fast Money Halftime Report** WATCH LIVE UP NEXT | **The Exchange** 01:00 pm ET Listen

TRENDING NOW

- Inflation rose 0.1% in August even with sharp drop in gas prices
- Stocks fall sharply as hot inflation report points to more aggressive Fed,

About Infegy

We're changing the way companies listen to consumers, and what they do about it.

- Robust social listening data and analysis
- Quickest view of consumers' thoughts and sentiments
- Unmatched client experience and support
- Agile approach to products and services



ENDEAVOR

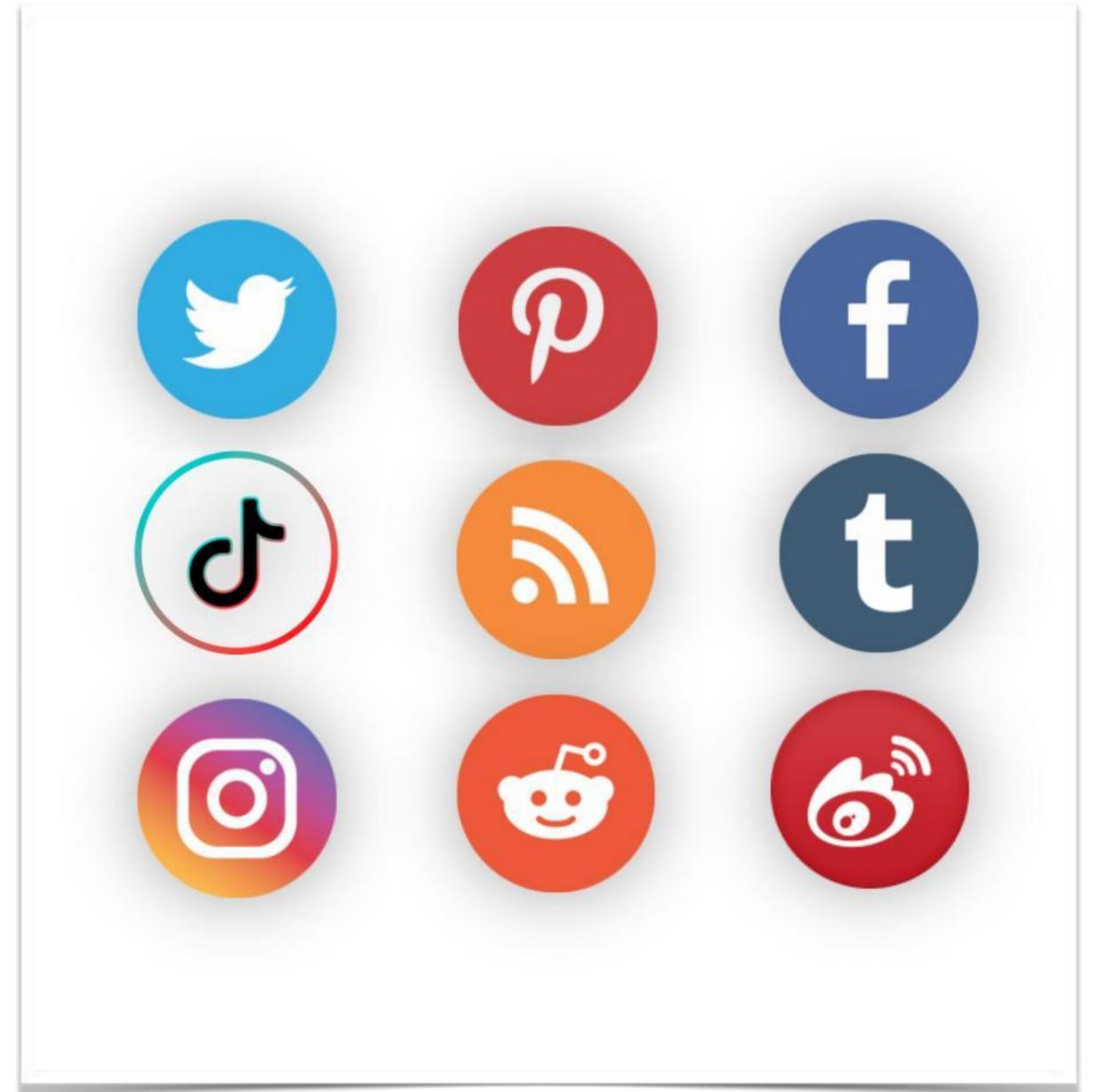


qualtrics^{XM}



Our dataset

- Social dataset spanning hundreds of billions of posts and growing fast.
- Data collection that best mirrors varied real-world populations.
- Unlimited data access provides flexibility to obtain the context that matters.
- In-house data storage allows for unmatched speed to insight.



Contact us

Learn how you can use Infegy Atlas to obtain insights like these and many others. Contact us at sales@infegy.com to schedule a custom demo.