

Practical Money Skills
™

2011 Credit Score Survey



Visa Inc. Survey: Credit Score Myths Run Rampant

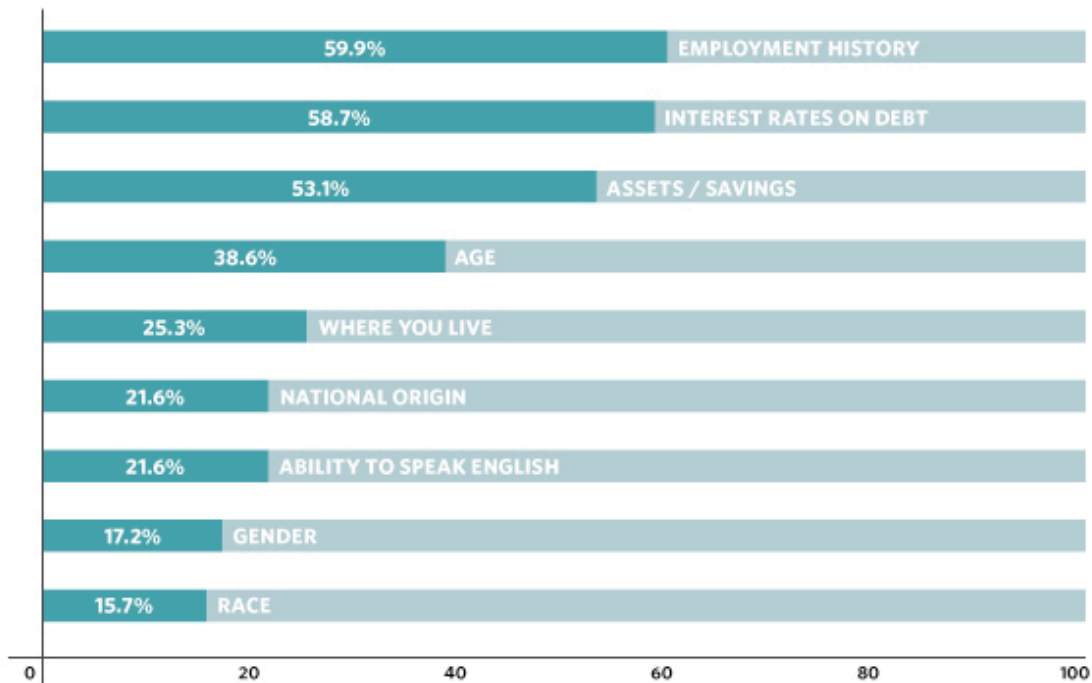
Misconceptions include 60% who think employment history matters and 17% who believe gender impacts score

A poor credit score can mean thousands of dollars in higher interest payments

Despite the importance of credit scores impacting everything from the ability to get a home loan to being hired for a job, a new Visa Inc. survey finds that many Americans don't know what determines a credit score. Among the findings, 60% of those surveyed incorrectly believe employment history factors in to a credit score and 17% who think gender has an impact.

Of particular concern, 42% of Americans fail to regularly check their score. Knowing your score allows you to make changes, if needed, to improve it in advance of a major financial decision, such as applying for a mortgage.

Below are the percentages of respondents who incorrectly thought these factors are included in determining credit scores:



An individual's credit score is a number (between 300 and 850) assigned by a credit bureau that helps lenders decide how creditworthy that person is – the higher the score, the lower the risk. The most commonly used scoring system is the FICO score. A good FICO score can mean saving tens of thousands of dollars over a lifetime in reduced interest rates on home and auto loans.

FICO scores are calculated from different data in your credit report including payment history, amounts owed, length of credit history, new credit, and types of credit used. FICO scores do not include factors such as age, national origin, gender, race, religion, education level, or marital status.

The best way to improve a credit score is to pay bills on time. Working to reduce the amount of debt that is owed is also imperative. Additionally, it's also important that when applying for and opening new credit accounts, you do so only as needed.

About the 2011 Credit Score Survey

The survey results are based on 1,006 telephone interviews conducted among adults aged 18 or older nationally from September 8 - 11, 2011 in cooperation with GfK Roper OmniTel.