National Credit Foundation Releases White Paper Revealing Trends in Debt Consolidation

New research shows Americans are increasingly turning to debt consolidation loans, but many still struggle to stay out of debt long-term.

National Credit Foundation

Get Out of Debt

HOUSTON, TEXAS, USA, April 4, 2024 /EINPresswire.com/ -- The National Credit Foundation (NCF) has published a new white paper titled "The State of Debt Consolidation in America: 2023 Statistics & Analysis." The report compiles the latest industry data to provide an in-depth look at how consumers are using debt consolidation loans and the challenges they face in achieving lasting financial stability.

Key findings from the white paper include:

- 47% of debt consolidation loan borrowers took out between $10,000 and $20,000 in 2023, while 32% borrowed over $20,000
- Only 52% of people with over $6,000 in credit card debt have ever consolidated their debt
- 45% of borrowers said they had missed a payment on their consolidation loan
- 18% of borrowers anticipated falling back into debt within 6 months of paying off their consolidation loan

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Al Jones, National Credit Foundation

"Debt consolidation can be a powerful tool for regaining control of your finances, but it's not a magic solution," said NCF Executive Al Jones, "Our research shows that many Americans are struggling to stay out of debt even after consolidating, often because they haven't addressed the underlying issues behind their debt."


Financial Literacy is a Must!

The white paper explores the factors driving the growth in debt consolidation, the impact on consumers' credit card balances and credit scores, and the risks borrowers face, such as rising balances and higher delinquency rates compared to other loan types. It also provides expert insights from NCF on how to determine if consolidation is the right choice and what steps consumers can take to achieve lasting financial health.

"We hope this report will shed light on the realities of debt consolidation and empower consumers to make informed decisions about managing their debt," said Jones. "Whether you're considering a consolidation loan or are already in the process of paying one off, NCF is here to provide guidance and support."

About National Credit Foundation

The National Credit Foundation's mission is to empower individuals with financial knowledge and solutions. With a steadfast commitment to helping our members achieve financial stability, we offer expert guidance on debt consolidation, tax relief, and personalized credit advice. Our foundation is built on transparency, integrity, and a deep understanding of the financial landscape.

NCF covers all the major players in the personal finance industry. Recently, NCF added Lendvia and Liberty First Lending to its watchlist.

Since inception, NCF has been dedicated to providing tools and resources that enable its members to navigate the complexities of personal finance with confidence. NCF is fighting with consumers against the predatory practices of payday lenders that keeps low-income families in a cycle of poverty. At NCF, financial wellbeing is the top priority. In 2022. NCF joined the Medallion Media Group Network.

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