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Much of what we know about the average business credit card holder comes from surveys and government studies. In that sense, the information is limited. But it's even harder to pin down who the everyday credit card holder is, because there were only about 13.9 million active business cards in 2015, according to [CreditCards.com](https://www.creditcards.com). That's just about 4 percent of the hundreds of millions of consumer credit cards lurking in pockets and wallets around the country. However, those studies and the prevailing statistics about business card spending can give us a pretty compelling picture of what it's like to own a business and use credit cards.

### **What You're Probably Spending Each Year**

From a broad perspective, those 13.9 million business credit cards accounted for \$430

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A collective of Federal Reserve banks publishes a yearly report on employer firms and their credit. The collective's [2015 Small Business Credit Survey](#) is one of the standards of data on small business credit card habits.

According to their 2015 report, credit cards are the second most popular way to get financing:

- 79 percent: Loan or line of credit
- 30 percent: Credit cards
- 11 percent: Leasing
- 9 percent: Trade credit

Later in the report, it notes that businesses of all types of revenue totals still prefer to borrow from banks instead of online lenders, although that preference tends to wane with businesses who bring in \$1 million or less.

### **If You're a Startup or Have Low Revenue, Your Credit History May Be Too Weak**

One of the interesting things we discovered in the feds' report is that, among startups, growing businesses and micro businesses, the main reason they were denied financing (credit cards or otherwise) is because of a lack of credit history.

Here's the problem with that: Startups said they had to use personal funds to cover the lack of funding, micros couldn't make needed payments and growing business had to delay expansion.

Unfortunately, there's no quick way to boost the length of your credit history aside from one move: being added as an authorized user to someone else's credit card. This move requires trust on the part of both parties, and it requires that the card you join has a long credit history—preferably at least 10 years.

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borrowers. While it's not an exact representation of borrowers in general, [Fundera](#) [noted](#) that more than 30 percent of their customers have subprime credit scores. Those numbers may work for Fundera—there is more risk, but more reward in the form of higher APRs—but they may not meet the standards banks have for lending.

### The “Average” Business Credit Card Customer Isn't All That Average

As I mentioned in the introduction, specifying the average business credit card borrower is easy when you want to identify general spending trends. The overall numbers say that, while business credit cards don't make up a big section of all active credit cards, they generate a lot of spending—about \$28,000 per card, per year.

The average business credit card customer has a credit score of 721, which is significantly higher than the average consumer. But, like the average consumer, low credit scores are disqualifying some entrepreneurs from obtaining financing.

If you're planning on getting financing in the next six months, you can boost your chances of getting reasonable terms and rates by paying on time and keeping your balances lower than 30 percent of your credit limits.

Paying more than 30 days late or maintaining high balances will drop your score, in most cases, by double digits. Late payments are particularly egregious—they'll stay on your credit report for up to seven years.

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