

While Many U.S. Credit Card Issuers Struggle to Meet Evolving Customer Expectations, Some Bright Spots Exist, J.D. Power Finds

American Express Ranks Highest in Overall Customer Satisfaction among National Credit Card Issuers; First-Time Study Entrant Goldman Sachs Ranks Highest among Midsize Issuers

TROY, Mich.: 19 Aug. 2021 — Increased financial stress, lack of responsiveness and misaligned terms and rewards have created a recipe for declining customer satisfaction with credit card issuers. According to the J.D. Power 2021 U.S. Credit Card Satisfaction Study,SM released today, overall customer satisfaction declines this year, led by midsize issuers that struggled to connect with evolving customer needs in a volatile economy.

“While there are some bright spots this year among individual issuers, the pandemic really broke a multi-year trend of improving satisfaction,” said **John Cabell, director of banking and payments intelligence at J.D. Power**. “The industry missed the mark on supporting customers’ changing needs when many were facing significant financial challenges. Whether through blunt actions, such as tightening credit limits at the very moment when customers were most reliant on their cards as a source of short-term funding, or through lack of customer service accessibility, credit card issuers experienced declines in overall satisfaction, trust, brand perception and Net Promoter Scores®¹ this year.”

Following are some key findings of the 2021 study:

- **Overall satisfaction declines, led by midsize issuers:** Overall satisfaction with credit card issuers falls to 805 (on a 1,000-point scale) from 811 a year ago. The decline is even more pronounced among midsize issuers, among which scores decline by 17 points to 796. Midsize issuers also experience double-digit year-over-year declines across a range of key metrics, including satisfaction with credit card terms and benefits.
- **One midsize issuer stands out:** Goldman Sachs, issuer of the Apple Card and new to the study, is the highest-ranking midsize issuer with a score of 864—47 points higher than the nearest issuer. Goldman Sachs performed highest in the segment’s factors of benefits & services; communication; credit card terms; interaction; key moments; and rewards.
- **Shrinking credit limits rub customers the wrong way:** Industry-wide, 2% of U.S. credit card customers say their credit limits have been reduced. Among midsize customers, that number jumps to 3% in wave 4 of the study. On average, among customers in 2021 who say they have an issue with credit limits, overall satisfaction scores are 141 points lower than among those who have no issues. That effect is nearly three times more severe than a drop in satisfaction due to credit limit issues reflected in the 2020 study.
- **Rewards satisfaction languishes despite program changes:** National issuers made notable changes to rewards programs during the past year, such as making grocery shopping and takeout dining additional ways to earn reward points. Despite these efforts, satisfaction with earning rewards has declined to a level equal to that in 2019. The only category of card that shows

¹ Net Promoter,® Net Promoter System,® Net Promoter Score,® NPS,® and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.

improvements in rewards satisfaction is retailer co-branded cards, which customers already use for everyday and online shopping.

- **Many customers have wrong card:** Misalignment between rewards programs and spending patterns is associated with an average of \$756 in lower monthly spending; a 7-percentage-point higher likelihood of switching cards; and a 4-percentage-point higher likelihood of citing a problem. This misalignment is more common among the 53% of cardholders who struggle to pay bills and/or have no financial planning. Customers should regularly review their usage to make sure they are getting the best value from their card, whether cashing in rewards to offset a hefty annual fee or paying a competitive interest rate on an ongoing debt balance.
- **New fintech entrants raise bar on satisfaction:** New fintech firms are setting standards that highlight the fragile nature of cardholder satisfaction. One-third (33%) of cardholders in 2021 are using mobile payment services with their card. Satisfaction among these cardholders is up to 39 points higher for mobile interaction than among customers who use the issuer's mobile services alone. Recent J.D. Power research highlights the rise of low/no interest BNPL (buy now pay later) installment loan services, in which 46% of retail shoppers using BNPL say they would have used a credit card as a second choice but instead chose to avoid high interest rates and revolving debt.

Study Rankings

American Express ranks highest in customer satisfaction among national issuers, with a score of 838. **Discover** (837) ranks second and **Capital One** (815) ranks third.

Goldman Sachs ranks highest in customer satisfaction among midsize issuers, which consists of credit card providers with fewer than four million credit card users as of February 2020, according to third-party industry data, with a score of 864. **BB&T, Huntington** and **PNC** rank second in a tie, each with a score of 817.

The U.S. Credit Card Satisfaction Study, now in its 15th year, measures customer satisfaction with credit card issuers by examining six factors (in alphabetical order): Benefits & Services; Communication; Credit Card Terms; Interaction; Key Moments; and Rewards. The study includes responses from 27,996 credit card customers and was fielded from September 2020 through June 2021.

For more information about the 2021 U.S. Credit Card Satisfaction Study, visit <https://www.jdpower.com/business/resource/us-credit-card-satisfaction-study>.

To view the online press release, please visit <http://www.jdpower.com/pr-id/2021095>.

About J.D. Power

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 50 years. The world's leading businesses across major industries rely on J.D. Power to guide their customer-facing strategies.

J.D. Power has offices in North America, Europe and Asia Pacific. To learn more about the company's business offerings, visit [JDPower.com/business](https://www.jdpower.com/business). The J.D. Power auto shopping tool can be found at [JDPower.com](https://www.jdpower.com).

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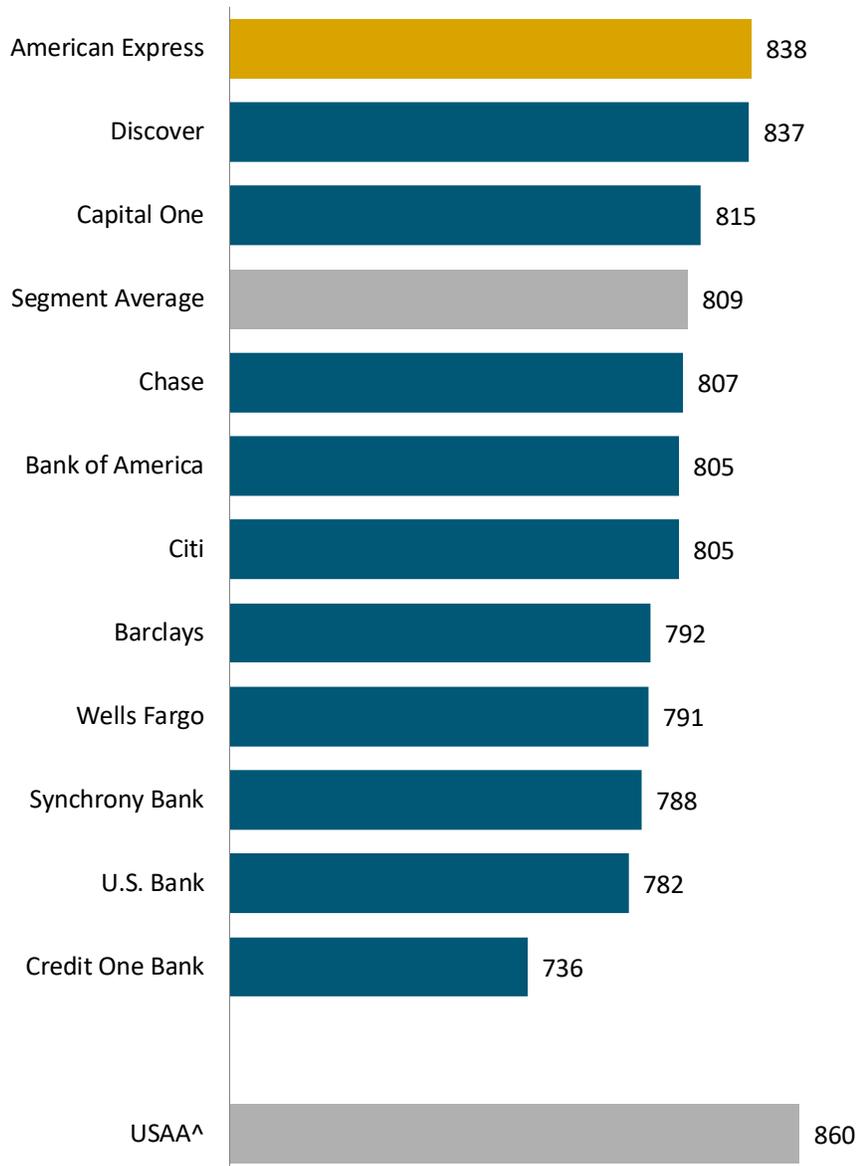
NOTE: Two charts follow.

J.D. Power 2021 U.S. Credit Card Satisfaction StudySM

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

National Issuers



Note: ^Brand is not rank eligible because it does not meet study award criteria.

Source: J.D. Power 2021 U.S. Credit Card Satisfaction StudySM

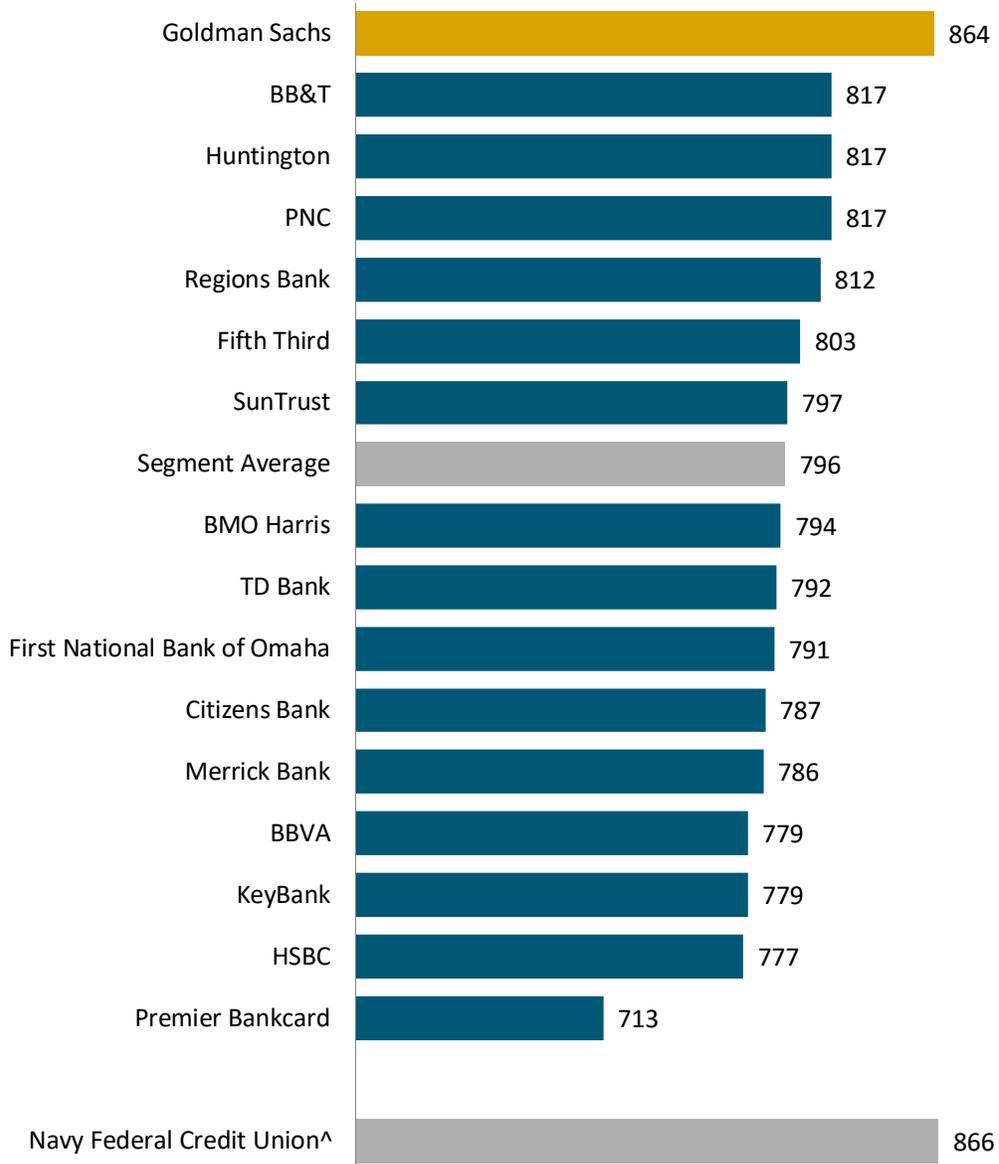
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Midsize Issuers



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