



Press Release

J.D. Power and Associates Reports: Customer Satisfaction with Credit Cards Increases for a Second Year

American Express Ranks Highest in Credit Card Customer Satisfaction for a Fifth Consecutive Year

WESTLAKE VILLAGE, Calif.: 18 August 2011 — After a considerable decline in 2009, credit card customer satisfaction has increased for a second year, according to the J.D. Power and Associates 2011 U.S. Credit Card Satisfaction StudySM released today.

The study, now in its fifth year, measures [customer satisfaction with credit cards](#) by examining six key factors: interaction; credit card terms; billing and payment process; rewards; benefits and services; and problem resolution. Overall credit card satisfaction averages 731 on a 1,000-point scale in 2011, up from 714 in 2010 and 705 in 2009.

American Express ranks highest in customer satisfaction for a fifth consecutive year with a score of 786 and performs particularly well in the benefits and services, credit card terms and rewards factors. Discover Card follows with a score of 779, and performs well in the interaction factor. Barclaycard ranks third with 739.

Satisfaction improves across all factors, with substantial increases in satisfaction with problem resolution and credit card terms. In the problem resolution factor, customers report fewer problems—11 percent in 2011, compared with 14 percent in 2010. Additionally, any problems that do occur tend to be resolved more quickly this year (4.9 days vs. 5.8 in 2010) and require fewer contacts (1.8 contacts vs. 2.2 in 2010).

Customer perceptions of card issuer brand image have also improved in 2011. Overall reputation of brands in the industry has increased again this year, as measured across six attributes, with financial stability showing the greatest increase from 2010.

“While the perception of credit card brands has increased from last year, this strong upward indicator could certainly turn, given the highly volatile markets of late,” said Michael Beird, director of banking services at J.D. Power and Associates.

The improvement in credit card satisfaction may be attributed to a decline in interest rate increases reported, as well as a decrease in the impact of interest rate increases on overall satisfaction. In addition, 35 percent of customers say they understand their credit card terms—up from 32 percent in 2010.

“It appears that credit card companies are doing a better job of communicating with customers, which may be an effect of the CARD Act,” said Beird. “This improved communication is key to ensuring that customers fully understand their credit card terms—particularly benefits and fees—which helps reduce the number of problems reported and improves the overall experience.”

While satisfaction among transactors (customers who always or usually pay their entire credit card balance each month) declined in 2010, satisfaction in 2011 has improved among both transactors and revolvers (customers who typically carry account balances).

According to Beird, even with improved communication and higher satisfaction across the industry, there is still a wide variance among credit card companies, and competition for acquiring new cardholders has increased during the past year. As a result, consumers should do all they can to arm themselves with knowledge when considering a new credit card.

"The improvements in the industry around more proactive and transparent communication create a more level playing field, but only if consumers educate themselves," said Beird, who offers these tips:

- **Know what kind of credit card user you are and choose a card that fits your habits.** Do you tend to carry a balance over time (revolvers) or pay it off every month (transactors)? Revolvers should look for the most competitive credit terms on balances and payments instead of an attractive rewards program. Transactors, however, should look at rewards programs that make it easy to both earn and redeem rewards. Both types of customers should search for programs that provide the best overall benefits and services for their needs.
- **Do your homework online, in person and over the phone.** Ask questions and read materials about the card program you are interested in. Do not overlook online blogs and websites, including [JDPower.com](#), that objectively evaluate card issuers and program terms and include customer feedback.
- **Explore what other customer tools and resources are available.** Many issuers now offer a wide range of online tools for financial planning and debt management, as well as payment and purchase tracking. Some also offer credit counseling, sophisticated mobile applications, online chat and other forms of real-time assistance to fit their customers' lifestyles.
- **Do not be afraid to test customer service before applying.** While the Internet continues to be a critical interaction channel for credit card customer service, talking to agents via the phone is still the primary channel for addressing questions and problems. Before you apply, call the customer service line to see how user-friendly and helpful the service is.

The 2011 U.S. Credit Card Satisfaction Study is based on responses from more than 8,700 credit card customers. The study was fielded in May and June 2011.

About J.D. Power and Associates

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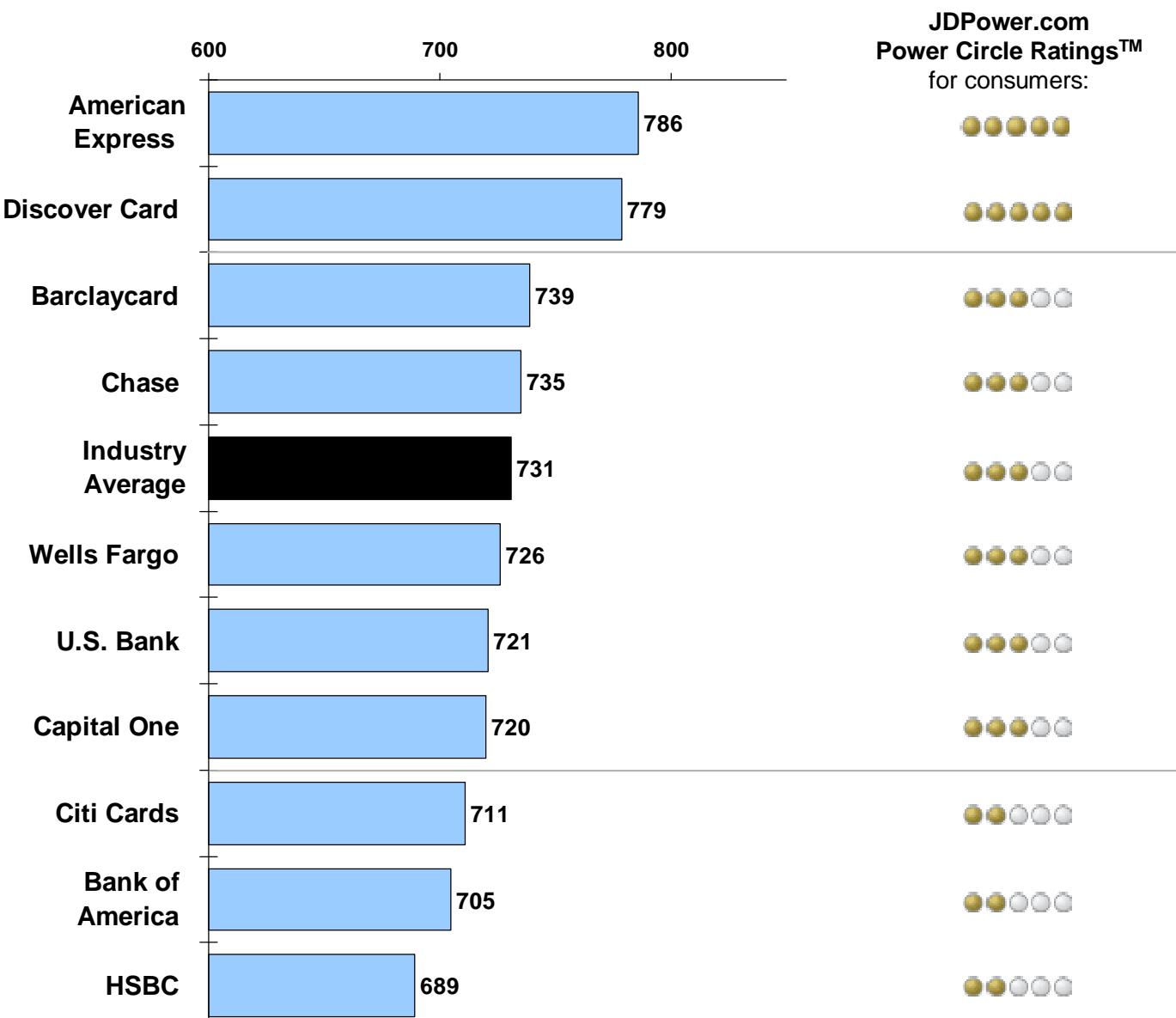
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NOTE: One chart follows.

J.D. Power and Associates 2011 U.S. Credit Card Satisfaction StudySM

Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2011 U.S. Credit Card Satisfaction Study

Power Circle Ratings Legend
Gold, Gold, Gold, Gold, Gold *Among the best*
Gold, Gold, Gold, Gold, Silver *Better than most*
Gold, Gold, Gold, Silver, Silver *About average*
Gold, Gold, Silver, Silver, Silver *The rest*

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