

Credit Card Customer Satisfaction Surges, but Spending Wanes Amid Weakening Economy and Growth of Alternative Payment, J.D. Power Finds

American Express and Goldman Sachs Rank Highest in Respective Segments

TROY, Mich.: 18 Aug. 2022 — Against a backdrop of rising inflation, a weakening economy and increased competition in the consumer lending space, credit card issuers are experiencing sizable gains in customer satisfaction, trust and Net Promoter Scores^{®1}. However, according to the J.D. Power 2022 U.S. Credit Card Satisfaction Study,SM released today, overall share of spend on a primary card has decreased significantly as customers cite increased financial stress and interest in alternatives such as buy now, pay later (BNPL).

“Credit card issuers are doing a relatively good job of building strong customer relationships in a highly uncertain economic environment, but there are some very real concerns looming on the horizon,” said **John Cabell, director of banking and payments intelligence at J.D. Power**. “Chief among these is the declining share of spend going to primary credit cards. Despite recent spikes in travel and spending, cardholders generally have been taking a more cautious stance with credit card spend in the past five years. They are increasingly turning to other channels such as debit cards, BNPL and even cash. It is going to become critically important for card issuers to improve product value and boost proactive support for a growing segment of financially stressed customers as we move into this next phase of the economic cycle.”

Following are some key findings of the 2022 study:

- **Overall satisfaction, Net Promoter Score[®] and trust increase:** Overall satisfaction improves 5 points to 810 (on a 1,000-point scale) year over year. The rise in satisfaction has been driven largely by significant improvement in scores in the benefits and services, credit card terms, mobile and communication factors/subfactors. Net Promoter Scores also rise four points to 46 (on a 100-point scale) this year. Similarly, perceived levels of trust in credit card issuers have increased six points to 828 during the past year.
- **Primary card share of spend declines:** Credit card customers are now allotting just 42% of their monthly spending to their primary credit cards, which is down from 47% in 2021 and 2020 and down from 50% in 2019. During the past five years, the average monthly cash spend is up 49% and debit card use is up 80%.
- **BNPL emerges as hot alternative, especially for large purchases:** When making a large purchase, 44% of credit card customers say they would consider other financing options, such as BNPL, flexible financing/installment loans or personal loans. BNPL is the most popular of these lending alternatives, considered by 28% of customers entertaining a large purchase. Reasonable fees and competitive interest rates are drivers for considering BNPL.
- **Consumer financial health is suffering:** More than half (57%) of credit card customers are now classified as financially unhealthy,² up four percentage points from a year ago. Likewise, 22% of consumers say they are worse off financially in 2022 than the year before—up from 18% in 2021—

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

² J.D. Power measures the financial health of any consumer as a metric combining their spending/savings ratio, credit worthiness and safety net items like insurance coverage. Consumers are placed on a continuum from healthy to vulnerable.

and 49% of credit card customers say they are carrying revolving debt on their primary cards, up from 43% in 2021.

- **Time for credit card to reassess their credit choices:** Just 31% of credit card customers feel their frequent purchases completely maximize their rewards earning. As the economy tightens and new lending alternatives continue to emerge, it is an ideal time for customers to reevaluate their current card choices to ensure alignment between spending and rewards/benefits.

Study Rankings

American Express ranks highest in customer satisfaction among national issuers (4+ million active accounts) for a third consecutive year, with a score of 848. **Discover** (841) ranks second and **Bank of America** (818) ranks third.

Goldman Sachs, issuer of the Apple Card, ranks highest in customer satisfaction among midsize issuers (275,000 – 4 million active accounts) for a second consecutive year, with a score of 843. **TD Bank** (808) ranks second. **Fifth Third** (806), **PNC** (806) and **Regions Bank** (806) each rank third in a tie.

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The U.S. Credit Card Satisfaction Study, now in its 16th year, measures customer satisfaction with credit card issuers by examining six factors (in alphabetical order): benefits and services; communication; credit card terms; interaction; key moments; and rewards. The study includes responses from 27,819 credit card customers and was fielded from August 2021 through June 2022.

For more information about the 2022 U.S. Credit Card Satisfaction Study, visit <https://www.jdpower.com/business/resource/us-credit-card-satisfaction-study>.

See the online press release at <http://www.jdpower.com/pr-id/2022099>.

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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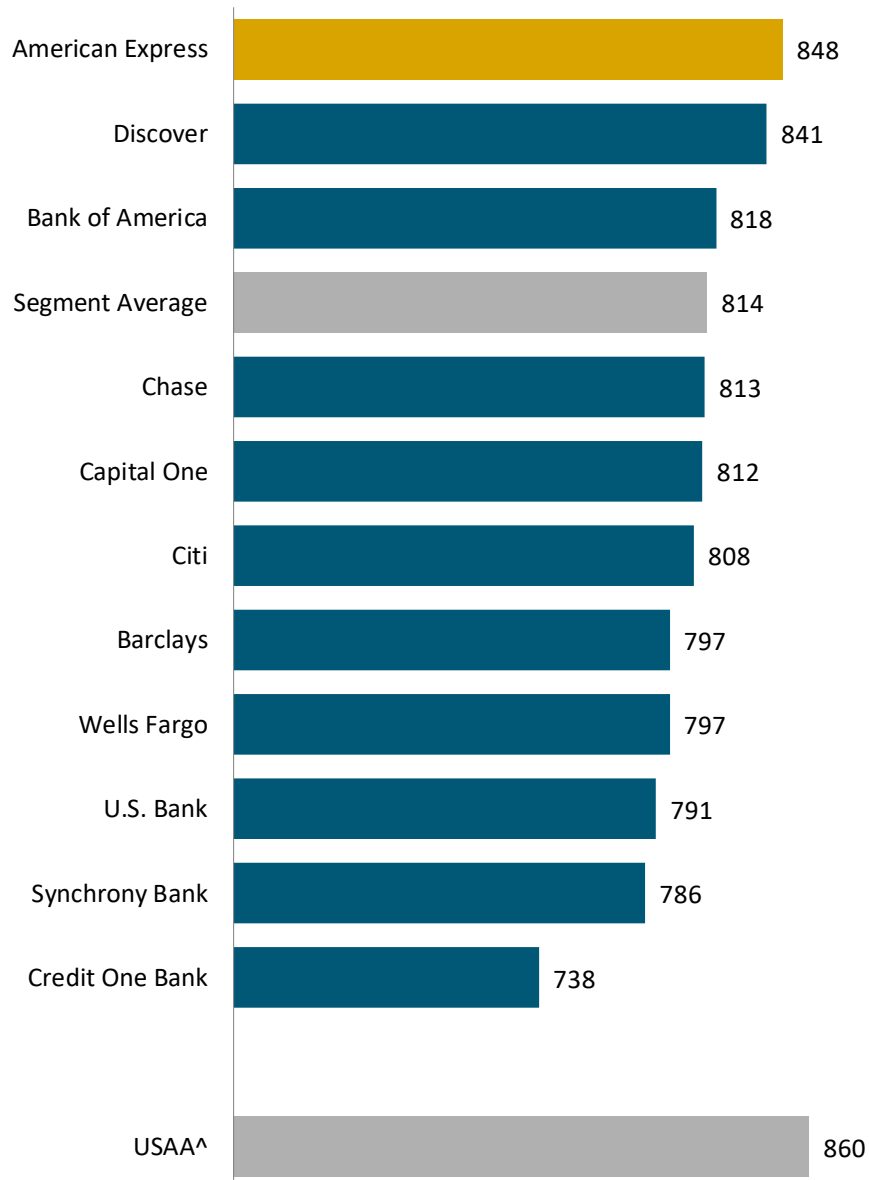
NOTE: Two charts follow.

J.D. Power 2022 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 2022 U.S. Credit Card Satisfaction StudySM

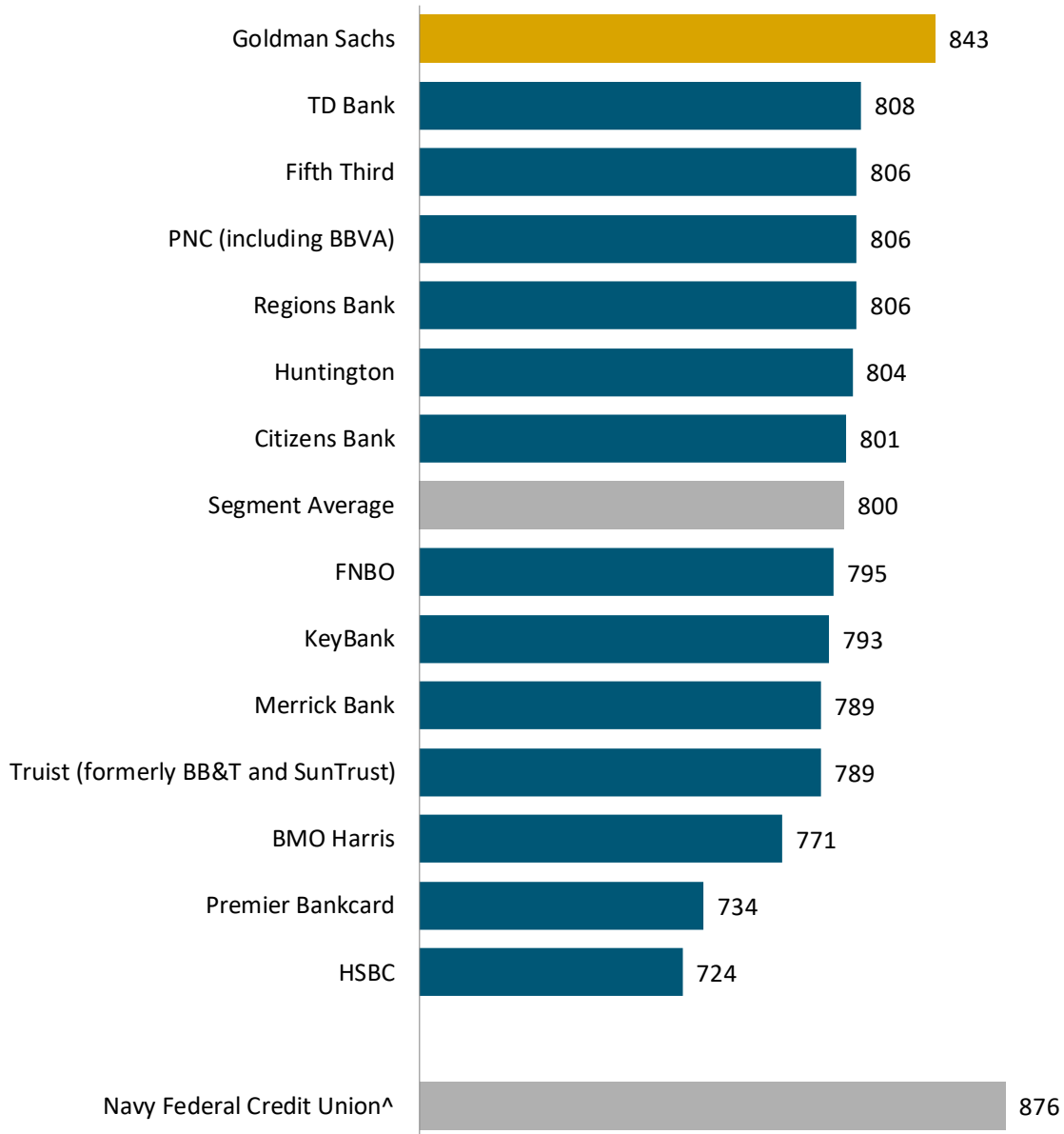
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J.D. Power 2022 U.S. Credit Card Satisfaction StudySM

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Midsize Issuers



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