

Co-Branded and Affinity Credit Cards in the U.S., 4th Edition

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Abstracts

Packaged Facts consumer survey results show that the percentage of consumers using co-branded/affinity credit cards has fallen from 55% to 43% from 2009 to 2013. But while hundreds of smaller and less profitable co-brand programs have been eliminated, more than 120 significant co-brand credit card partnerships remain. In the U.S., they now compete against formidable own-branded credit card platforms catering to a wider audience, as well as a resurgent private label card segment. Targeting the affluent is now the name of the game, but the supply of U.S. affluent households is not limitless, and opportunities exist to target an increasingly healthy middle class, experimenting further with rewards incentives and soft card benefits.

To help industry participants navigate the evolving market for co-branded/affinity cards, this study analyzes co-branded/affinity credit card program features and benefits and retail card strategies and growth trends among bank and non-bank issuers. Coverage of trends and opportunities includes:

Assessment of the leading co-branded credit cards from card partners--Ritz Carlton, Hilton, Wyndham, Best Western, Carlson, Norwegian Cruise Line, Princess Cruises, Sony, Best Buy, BJ's Wholesale Club, Costco, Dillard's, Walmart, Macy's and Amazon--to gauge differentiation and related features and benefits among co-branded hotel, cruise, and retail credit cards.

Trending of branded credit card and co-branded credit card usage over time by card association and demographic, and current co-brand/affinity card usage by 11 card types.

Via proprietary consumer research, analysis of the degree of importance co-

branded credit card users give to features and benefits when signing up for a co-branded credit card. The section assesses the importance cardholders assign to card features & benefits by grouping responses into seven categories: interest rate, spend limits & fees; rewards; discounts; special perks; travel benefits; and protection/management.

Market sizing for U.S. general purpose credit cards and co-branded credit cards, as well as a market driver analysis including credit loan volume, delinquency, loans outstanding trending.

Trends & opportunities in the co-brand and affinity credit card space, including affluent consumers, the middle class, private label conversion, rewards trends, reaching younger consumers, and cross selling.

The co-branding strategies of American Express, MasterCard and Visa, as well as the co-brand/affinity card strategies of Bank of America, Barclays, Capital One, Citibank, GE Capital Retail Bank, JPMorgan Chase and U.S. Bank.

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