

Barclaycard is Britain's Most Powerful Credit Card Brand

Submitted by: pr-sending-enterprises

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Barclaycard was the most powerful credit card brand in the UK in 2007 according to the Issuer Brand Index (IBI) monitored in Cardbeat, a syndicated market research tracking study run by the Auriemma Consulting Group (ACG). This study considers the strength of the brand to be driven by a combination of card ownership and usage, perceived brand quality, brand awareness, and general brand characteristics. The study evaluates the strength of 17 top UK credit card brands.

Highlights from the latest study include:

- Barclaycard (<http://www.barclaycard.co.uk/personal-home/index.html>) reported as the most powerful UK credit card (<http://www.barclaycard.co.uk/personal-home/cards/index.html>) issuer brand beating Capital One into second spot. Barclaycard's top position came as a result of having the highest brand awareness and second highest card usage ratings in our study. Wide card ownership also contributed to Barclaycard capturing the number one spot.
- Lloyds TSB's customers have higher outstanding balances and use their card more for purchases than any other brand included in the study.
- Marks and Spencer's card brand holds the top spot driven by perceived high quality and general brand characteristics but languishes at number 11 spot in the research due to its low card usage and moderate brand awareness.
- Egg's card brand was at number 3 in terms of general brand characteristics, just behind the Co-op and Marks & Spencer's card brand.
- MBNA and Barclaycard's card brands are joint first in card ownership market share but there is a marked difference in usage and brand awareness.
- The least widely held card brand tracked in the study was issued by the Post Office

Matt Simester, Director at Auriemma Consulting Group commented, "As the credit crunch continues to dominate the consumer agenda, a powerful brand is critical to maintaining high quality recruitment and retention. While consumers with a poor credit history will find it hard to move issuer, those with stronger credit histories will demand better quality propositions from their current provider. Pressure to reduce costs of servicing, higher average APRs and lower investment into marketing may also impact perceived brand quality this year. I anticipate that there will be a different set of winners and losers at the end of 2008."

About Barclaycard

Barclaycard is a multi-brand credit card (<http://www.barclaycard.co.uk/personal-home/cards/index.html>) and loans business which also processes card payments for retailers and merchants and issues charge and credit cards (<http://www.barclaycard.co.uk/personal-home/index.html>) to corporate customers and the UK Government. It is one of Europe's leading credit card businesses and has an increasing presence in the United States.

In the UK, Barclaycard comprises Barclaycard, Sky Card, Thomas Cook and Argos branded credit cards and FIRSTPLUS secured lending. Barclaycard also manages card operations on behalf of Solution Personal Finance.

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Issuer Brand Index Methodology

The Issuer Brand Index is designed to capture brand strength of top UK card issuers in 4 separate categories:

Card Usage - Captures share of usage in terms of spending volume and reported outstanding balances

Brand Awareness - Represents familiarity with the issuer's brand name

Quality - The perceived quality of the product and customer service provided

Brand Characteristics - perceptions of the brand by both existing customers and non-owners