

## **The complaint**

Mr P complains that American Express Services Europe Limited failed to award him all of the Avios points he was entitled to.

## **What happened**

Mr P holds a credit card with American Express. In November 2023, Mr P referred a friend to American Express, and thereby qualified for a promotion under which he would receive bonus Avios points for the next three months. However, in January 2024 he noticed that he was no longer receiving all the points to which he was entitled.

Mr P complained, but the first staff member who dealt with him (via an online chat platform) initially failed to understand his complaint, and told him to raise the matter with Avios. American Express later apologised for this error and credited £25 to his account. But American Express did not uphold his complaint about not receiving the right number of points. It told him the total number of points he could receive under the promotion was capped at 12,000, and he had received as many as he was allowed. Being dissatisfied with that answer, Mr P brought this complaint to our service. He said that as a result of American Express's error, he had missed out on approximately 10,000 Avios points.

As a gesture of good will, American Express offered to award Mr P another 10,000 points. Our investigator thought that was a fair offer, since it was roughly the number of points which Mr P had said would put him back in the position he thought he should have been in. But Mr P asked for his compensation to be increased to £150 or £200.

However, the investigator remained of the view that American Express's offer was fair. She said that American Express had made it clear that the promotion was capped at 12,000 points, both when it was advertised and again when he was sent an email confirming that he had qualified for the promotion. She therefore thought that the offer of another 10,000 points was more than Mr P had been entitled to. And she thought that an apology and £25 was a fair remedy for the mistakes which had been made in the online chat.

Mr P disagreed with American Express's and the investigator's interpretation of the 12,000 points cap. This had been described as "12,000 incremental Membership Rewards", and he argued that this meant a cap of 12,000 points per transaction, not a total maximum overall. He said that the promotion terms and conditions went on to mention a total cap of 90,000 points; that supported his interpretation of the 12,000 points limit as being per transaction. He also said that £25 was not enough compensation, because American Express had failed to comply with the Consumer Duty. He asked for an ombudsman to review his case.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

### The promotion

Normally, Mr P would earn one Avios point for each pound he spent on his American Express card. By the terms of the refer a friend promotion, he would be awarded 14,000 additional points for each friend who opened an account with American Express, plus an additional two points for each pound he spend for the next three months, all subject to a maximum of 90,000 points each calendar year. From the date that American Express confirmed that he had qualified, he got three points per pound spent for about two months, when he reached the other cap of 12,000 points. That cap was described as follows in the confirmation email:

For the next 3 months you will  
earn 2 additional Membership  
Rewards on all eligible spend.  
This offer is limited to 12000  
incremental Membership  
Rewards.

Thank you for referring a friend!

As I've said, Mr P reads the word "incremental" as meaning 12,000 points per transaction. It isn't clear to me what that word was really intended to mean. But I accept that's what Mr P thought it meant at the time, so I can see why he complained when it turned out that he was not eligible to receive any more points.

American Express provided our investigator with a screenshot of some additional text which read as follows:

"14,000 Membership Rewards points for each approved friend. ... Up to 90,000 MR annually through referrals.

Plus ... you will earn an additional 2 Membership Rewards points for every £1 spent for 3 months, up to £6,000. This is on top of what you already earn on your Card."

£6,000 would of course be worth 12,000 points. So I think that makes it clear that it was not possible to earn more than 12,000 points during the three months. However, it's not clear where that text is from, or whether Mr P ever saw it, so I can't infer that Mr P knew about that all along.

Based on the findings I have made above, I am satisfied that Mr P received all the points he was entitled to under the promotion, but not that it was made clear to him prior to American Express's final response letter on 31 January 2024 that he would not be entitled to more than 12,000 of additional points. So I think there may have been a failure to communicate the precise terms of the promotion in an unambiguous manner (and if so, then this would be contrary to the Consumer Duty). So I next have to consider whether American Express has done enough to put this right.

On 9 February 2024, nine days after its final response, American Express offered (via our service) to give Mr P another 10,000 points, as a gesture of good will. (This offer was passed on to him five days later.) That is the same number of points that Mr P estimated he was owed when he sent us his complaint form on 31 January. So it did not take very long for Mr

P to be put into the position he thought he should have been in, and this was accomplished by giving him more points than he had actually been entitled to. I think that that is fair and sufficient compensation for his loss of expectation when he discovered in January that he was no longer receiving the points he thought were due to him.

I therefore do not uphold his complaint about that issue, on the ground that American Express has done enough to resolve it.

### The online chat

It is not in dispute that when Mr P contacted American Express to ask about his points, that conversation was mishandled by the staff member. I have read the transcript of the online chat to see whether American Express has done enough about that matter.

It's clear that at first, the staff member misunderstood what points Mr P was referring to. Nevertheless, only five minutes into that misunderstanding, the staff member still offered to give Mr P all of the points he said he'd missed out on as a gesture of good will. Then, over the next three minutes after that, Mr P explained about the refer a friend promotion. So the whole misunderstanding was cleared up in eight minutes, during which American Express had already offered to put things right.

The next thing that happened on the online chat was that American Express asked Mr P to send a copy of the confirmation email he'd received in November. Mr P's response was to say: *"So now you're trying to say I've not referred anyone and lying?!"*

I can tell he was upset, but I don't think American Express had actually gone as far as suggesting that. The staff member was just investigating the matter; their next comment was *"Please allow me couple of minutes to look into the account and help you with the details."* Unfortunately, the conversation did not become more constructive after that, and seven minutes later there was this exchange:

AMEX: "Let me raise a request so that our team can investigate and will update. I'll request you to wait for 7- 10 working days as I've added detailed notes."

Mr P: "So you can't help me"

He then asked to raise a formal complaint.

Given that American Express had already offered to help him, and the misunderstanding did not last for very long, I think that £25 and an apology is enough, and I do not think it is necessary to tell American Express to do more.

### **My final decision**

My decision is that I do not uphold this complaint. I leave it to Mr P to decide whether he now wishes to accept American Express Services Europe Limited's offer of 10,000 Avios points, which I understand remains open.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 24 July 2024.

Richard Wood  
**Ombudsman**