

The complaint

Mr A complains that American Express Services Europe Limited (AESEL) misled him with claims about savings he had made.

What happened

Mr A has two credit card accounts with AESEL and it offered him refunds on both if he used his cards for stays at a specified hotel chain. The advert did not set out the full terms and conditions, but I believe these were accessible. He sought to make use of these offers and shortly afterwards he received an email congratulating him on making savings of £200 with AESEL.

Subsequently he expected to receive details of the savings he had made from making use of the hotels but was told the offer only applied to certain hotels within the chain and he needed to check the list of qualifying hotels. The one he usually stayed at did not qualify. AESEL refused to honour the offer, but as a gesture of goodwill offered him the equivalent of 8,000 Avios points if he spent £10,000 on his card.

In an online chat Mr A asked about the £200 savings he had made and he felt the answers he received were not wholly accurate. He believed that AESEL had profiled his spending and had ensured the hotel he usually stayed in didn't qualify. It then sent the email congratulating him on his £200 savings as a means of deceiving him.

AESEL upheld Mr A's complaint. It said that the £200 figure was derived from savings accrued to the account and it was accurate. However, it said that the phrasing of the offer could be seen as confusing and it offered him a credit of £25.

Mr A brought a complaint to this service and said he had three allegations.

- False Advertising.
- Deliberately misleading and deceitful advice and response.
- Deliberately targeted advertising based on his spending profile which misused his personal data.

The complaint was considered by one of our investigators who didn't recommend it be upheld. Mr A set out a range of laws and regulations he believed AESEL had contravened. He said the most serious concerned the use of his personal data. Our investigator established that the only issue Mr A had raised as a complaint with AESEL concerned the

claim that he had made savings of £200. She told Mr A that our rules only allowed us to look at matters which had been raised as a complaint with the business.

She took the view that there was no evidence that the £200 sum was incorrect so she didn't believe AESEL had been wrong to use that figure. She also explained that any complaint about a breach of data should be made to the Information Commissioner's Office (ICO). She agreed that the initial advice had not been incorrect and the offer of £25 to cover this was

reasonable.

Mr A didn't agree and said the view did not address the contrived and devious nature of AESEL's actions. He felt his complaint had not been taken seriously enough in light of the grave violations by AESEL.

I issued a provisional decision as follows:

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

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point raised by Mr A or AESEL, it's not because I've failed to take it on board, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Firstly, I should make it clear that the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. I do not perform the role of the industry regulator and I do not have the power to make rules for financial businesses or to punish them.

Much of what Mr A has raised as a complaint is not within my jurisdiction. I can only address complaints made to the financial institution which have not been resolved. The only complaint Mr A has made to AESEL is that the £200 claim is misleading and inaccurate.

Furthermore, complaints relating to the misuse of personal data fall within the jurisdiction of the ICO. As such I will limit this decision to the advert claiming that Mr A had made savings of £200 and AESEL's handling of his request for clarification of that advert.

I take account of law and regulations, regulators' rules, guidance and standards, and codes of practice and good industry practice, when I make my decision as to what is fair and reasonable.

The message Mr A received says: "Mr A, your latest offers are here... You've saved £200 with Amex offers. Where will you save next? View all Amex offers." As part of his wider concerns Mr A wanted to know where the £200 was saved and when it was added to his card.

He took the wording from AESEL to mean he had saved £200 and that in some way his account would reflect that. That is a perfectly reasonable understanding of the message. When he was speaking to the AESEL representative using its chat function he did not receive a clear explanation. Initially he was told that it was a marketing email to make him aware of new offers. When he persisted with his questions, he was told that he had saved the offers but not redeemed them. In the end the representative passed the matter on to the complaints team.

AESEL's final response letter stated: "I have contacted the relevant team, and I can confirm that the figure is derived from the savings accrued to the account through American Express offers throughout the tenure of the card and is accurate. I appreciate the confusion and I have requested a breakdown of the offers and credits which have led to this figure, however, the team has explained that this would not be possible due to the historic nature of the offers. Nevertheless, I have reviewed the marketing material and can appreciate the confusion it could create, which is why I am upholding your complaint."

AESEL has told this service that its offers allow customers to receive credits or more points

when spending. It said Mr A had been enrolled in many different offers, but had not completed the spend to earn the rewards. AESEL accepts that the marketing material is misleading and this has been fed back, presumably to the marketing department.

So I think it has been established that the message Mr A received was misleading. There seems to have been a failure to communicate what he had saved in an unambiguous manner (and if so, then this would be contrary to the Consumer Duty). So, I next have to consider whether AESEL has done enough to put this right.

As I have explained above I can only consider the impact of the misleading message and the way in which AESEL dealt with his enquires about that matter.

I think the sum of £25 offered by AESEL primarily addresses the misleading message. I do not think Mr A lost out financially as a result of the messaging, though I appreciate the strength of feeling he has shown in pursuit of his complaint. However, I do think additional compensation is merited for the lack of clarity in the explanations offered to him. I suggest a sum of £75 in total (i.e. another £50) to reflect the distress and inconvenience he suffered due to the misleading message and the lack of clarity provided by AESEL. “

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.

AESEL accepted my provisional decision and more recently Mr A has enquired as to when the compensation will be paid. In the circumstances I have been given no reason to alter my provisional decision and so it stands. If Mr A confirms his acceptance of this final decision then AESEL will be able to pay him the sum due.

Putting things right

AESEL should pay Mr A £75 compensation inclusive of the £25 it has already offered.

My final decision

My final decision is that I direct American Express Services Europe Limited (AESEL) trading as American Express to pay Mr A £75 compensation as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 March 2025.

Ivor Graham
Ombudsman