

complaint

Mr E complains that he applied to NewDay Ltd for a credit card that earned retailer points but that he was issued with a card which didn't earn retailer points.

background

Mr E applied for a credit card which was advertised as earning points with a retailer. When he received his card and started spending money on it, he noticed that he wasn't earning retailer points. He contacted NewDay who told him that the card he'd been issued with didn't earn points and suggested that he apply again.

Mr E is unhappy because:

- He doesn't feel the advertising was clear
- He believes he applied for one card and was issued with another
- He was given incorrect information by NewDay

To resolve his complaint Mr E wants compensation.

During the investigation process, NewDay acknowledged that it had provided incorrect information to Mr E when he contacted them to query why he wasn't earning points. It offered to pay compensation of £80 to Mr E.

Our investigator felt that the offer of compensation was fair. Mr E didn't agree so I've been asked to make a final decision.

my findings

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

Advertising

Mr E says the credit card was advertised as earning retail points. I've looked at the retailers website, which was where Mr E first saw the card advertised and clicked through to apply, and I can see that two different cards are offered. One is advertised as earning retail points and the other is not. I'm satisfied that the differences between the two cards are clearly set out and that there's enough information to enable customers to choose which card to apply for. Because of this, I'm unable to say that the advertisements are misleading.

Application

Mr E says he applied for the card which earned points but was issued with the card which didn't earn points.

I've reviewed the data from when Mr E applied for the card. This shows that he applied for the card which didn't earn points. I appreciate that Mr E intended to apply for the card which earned points but the data shows he didn't do this. Therefore I'm unable to say that NewDay made an error, because it issued the card that Mr E applied for.

Customer service

When Mr E contacted NewDay to ask why he hadn't earned points it told him he would earn points. This was incorrect information because the card issued to Mr E doesn't earn points. NewDay has acknowledged that it made an error here and has offered compensation of £80.

Mr E says he spent money on the credit card in anticipation of earning points. He says he could have spent the money on other cards and benefitted from other incentives such as cashback. I've seen evidence of how much Mr E spent on the NewDay card but I haven't been provided with any information about other cards which Mr E holds together with the terms and conditions of any cashback or similar offers. Because of this, I'm unable to conclude that Mr E would've received cashback.

Taking all the circumstances of the complaint into account, I'm satisfied that the offer of £80 compensation is fair and reasonable and I won't be asking NewDay to do anything further.

my final decision

My final decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 3 June 2019.

Emma Davy
ombudsman