



Freedonia Focus Reports
US Collection

Private Label Credit Cards: United States

May 2021



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About This Report

Scope

This report forecasts US private label credit card market growth for 2021 and 2022. To illustrate historical trends, US private label credit card purchase volume and receivables are provided by top issuers for 2018-2020 in US dollars. Total private label credit card purchase volume and receivables are segmented by issuer:

- Synchrony Financial
- Citi Retail Services
- Capital One
- Alliance Data Systems
- Wells Fargo
- TD Bank

This report covers the US market for private-label credit cards, including store cards, with an emphasis on retail credit card program features and benefits analysis, retail card strategies, and growth trends.

Some merchants and organizations form marketing arrangements with financial institutions to issue credit cards with a merchant or organization name (the partner) on the front of the card that can be used only at that merchant or organization. These cards are termed private-label cards. These cards do not carry a bankcard company logo, and the merchant typically plays a limited role in the issuance of the card or managing the credit relationship.

For the purpose of this report, private-label credit cards are distinguished from program-branded credit cards that are used primarily for the purchase of goods and services from a program network.

Freedonia quantifies trends in various measures of growth and volatility. Growth (or decline) expressed as an average annual growth rate (AAGR) is the least squares growth rate, which takes into account all available datapoints over a period. The volatility of datapoints around a least squares growth trend over time is expressed via the coefficient of determination, or r^2 . The most stable data series relative to the trend carries an r^2 value of 1.0; the most volatile – 0.0. Growth calculated as a compound annual growth rate (CAGR) employs, by definition, only the first and last datapoints over a period. The CAGR is used to describe forecast growth, defined as the expected trend beginning in the base year and ending in the forecast year. Readers are encouraged to consider historical volatility when assessing particular annual values along the forecast trend, including in the forecast year.

A full outline of report items by page is available in the Table of Contents.

Sources

Private Label Credit Cards: United States (FF95073) is based on *Private Label Credit Cards in the U.S.*, a comprehensive industry study published by Packaged Facts. The information contained in that report was obtained from primary and secondary research. Primary research included a Packaged Facts February/March 2021 national consumer survey with a sample of 2,000 US adults (age 18+), with the sample in aggregate being census representative on the primary demographic measures of age, gender, geographic region, race/ethnicity, and household income. The discussion of store card usage patterns and demographics also draws on Fall 2020 release MRI National Consumer Study data, with field dates through November 2020.

Market estimates draw on multiple sources, including:

- company annual and quarterly filings
- FDIC Reports of Condition and Income (also known as Call Report data)
- credit card trusts (asset-backed securities backed by credit card loans held by financial institutions)
- Federal Reserve data

Specific sources and additional resources are listed in the Resources section of this publication for reference and to facilitate further research.

Industry Codes

Table 6 | NAICS & SIC Codes Related to Private Label Credit Cards

NAICS/SCIAN 2017		SIC	
North American Industry Classification System		Standard Industrial Classification	
522110	Commercial Banking	6021	National Commercial Banks
522120	Savings Institutions	6022	State Commercial Banks
522210	Credit Card Issuing	6029	Commercial Banks, NEC
522220	Sales Financing	6035	Federal Savings Institutions
522292	Real Estate Credit	6036	Savings Institutions, Except Federal
522293	International Trade Financing	6099	Functions Related to Depository Banking, NEC
522294	Secondary Market Financing	6111	Federal and Federally-Sponsored Credit Agencies
522298	All Other Nondepository Credit Intermediation	6141	Personal Credit Institutions
522320	Financial Transactions Processing, Reserve, and Clearinghouse Activities	6153	Short-Term Business Credit Institutions, except Agricultural
		6159	Miscellaneous Business Credit Institutions
		7389	Business Services, NEC

Source: US Census Bureau

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Resources

Packaged Facts

Amazon Strategies and the Amazon Shopper

Co-Branded and Affinity Cards in the U.S.

Commercial Cards and B2B Payment Services: U.S. and Global Markets and Trends

Digital Consumer Payment Trends in the U.S.

Food Carryout & Delivery

Food Carryout and Delivery: Special COVID-19 Consumer Insights

Meal Kits: Trends and Opportunities in the U.S.

Online Grocery Shopping in the U.S.

Private Label Credit Cards in the U.S.

The Freedonia Group

Freedonia Industry Studies

Global E-Commerce

Global E-Commerce Packaging

Global Housing

Retail-Ready Packaging

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Advertising Services: United States

Commercial Banking: United States

Commercial Building Construction: United States

Consumer Financial Service Trends: United States

COVID-19 Market Impact Analysis

Demographics: United States

Digital Payments: United States

E-Commerce: United States

Employment Services: United States

Housing: United States

Macroeconomy: United States

Prepaid Cards: United States

Professional Services: United States

Freedonia Custom Research

Trade Publications

American Banker

Chain Store Age

IndustryWeek

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Premium Incentive Products

Agencies & Associations

Consumer Financial Protection Bureau

Federal Deposit Insurance Corporation

The Federal Reserve

Financial Health Network

Innovative Payments Association

United States Census Bureau

United States Department of Agriculture

United States Department of Labor

United States Department of the Treasury

U.S. Faster Payments Council