COMPETITIVE COMPASS RESEARCH

Cost of an Account

The 10 largest card issuers spent $6.96 billion on acquisition in one quarter while their loss rates improved. Here is what each account cost, and what it is worth.

12%	$193	26.3M	7 of 10
SPEND GROWTH IN A QUARTER	COST PER ACCOUNT	ACCOUNTS ACQUIRED	IMPROVED CREDIT

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INSIDE THIS REPORT

What follows, in order.

THE MAIN FINDING

Issuers paid 5% more per account, and bought 6% more of them.

Across the 10 largest United States card issuers, acquisition marketing reached $6.96 billion in the second quarter, up from $6.21 billion in the first. Accounts acquired grew 6%. So the cost of winning one new account rose about 5%, from $184 to $193.

What makes the quarter interesting is what happened alongside the spending. Card loss rates improved at 7 of the 10 issuers. Capital One cut its loss rate by 39 basis points. Chase lowered its full year guidance to around 3.2%. Citi improved its private label book by 26 basis points. Issuers are paying more for accounts they expect to be worth more.

That is a different picture from paying more for the same account. It reads as confidence, and it sets up a clear test for the next 2 quarters: whether the accounts bought this quarter behave the way the spending assumed they would.

5%

is what the cost of a new account rose this quarter, from $184 to $193. Spending rose 12% and accounts rose 6%. The gap between those 2 numbers is the whole story.

A QUESTION WORTH ASKING

If your cost per account rose this quarter, can you name the accounts it bought and what they are doing now?

WHAT WE MEASURE

The 4 layers behind every figure.

2 of these describe what an issuer pays a media owner. 2 describe what an issuer pays to get an account onto the books. All 4 together are the only honest denominator.

01

Acquisition marketing

The marketing an issuer spends to open accounts, allocated by product. This is the number most people mean when they say acquisition cost.

02

Channel loading

The branch time and identity checks an account needs before it opens. Branch cost applies only to accounts opened in a branch.

03

The incentive actually paid

The sign up bonus, multiplied by the share of customers who qualify for it. Most offers are not fully claimed.

04

Acquisition investment

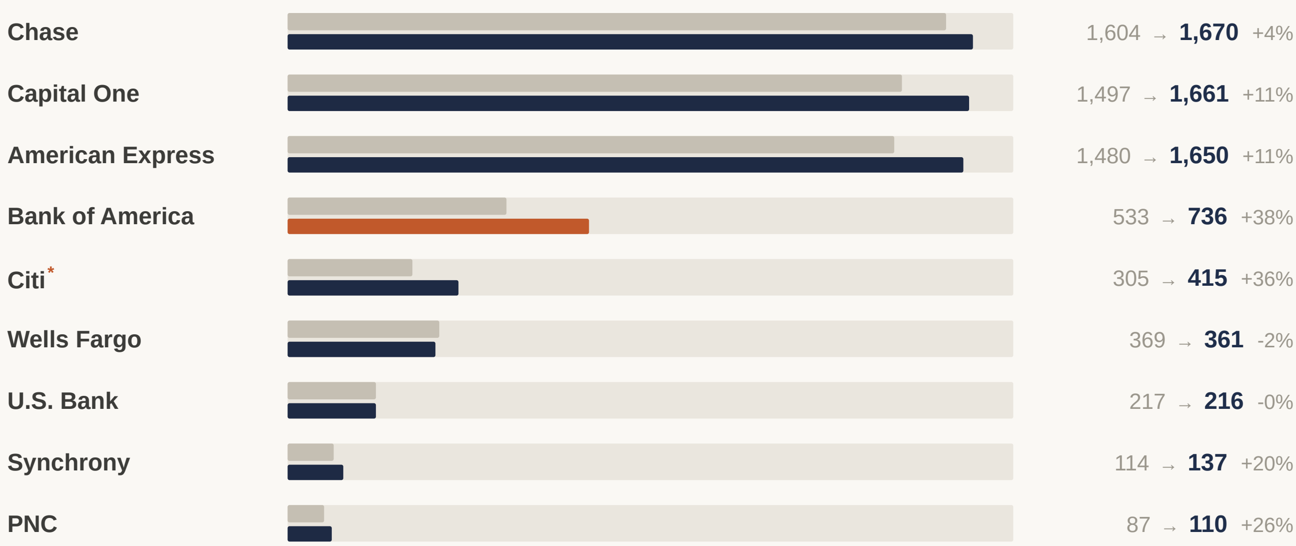
The 3 layers above, added together. This is what an account truly costs, and it is the figure we compare against lifetime value.

Against that denominator we place 5 years of discounted contribution, net of rewards, funding, expected losses, servicing and retention. Every figure in this report holds those value assumptions steady, so any movement you see is movement in the cost of an account rather than a change in our view of what an account is worth.

EXHIBIT 1 ACQUISITION MARKETING BY ISSUER

$7 billion, and most of it moved up.

Q1 2026 Q2 2026 Acquisition marketing, millions of dollars



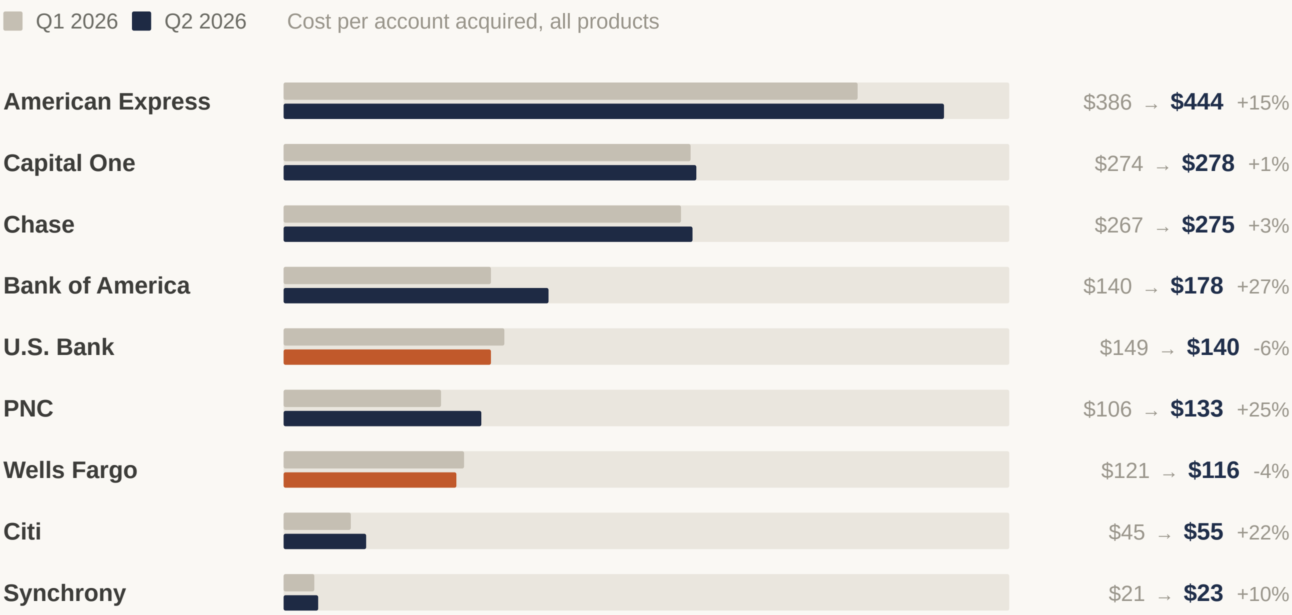
Bank of America made the largest move, lifting marketing by $203 million to fund the biggest consumer campaign it has run. Citi lifted its acquisition spending by 36% once the cost it carries inside revenue is counted. Wells Fargo and U.S. Bank held flat, having stepped up earlier in the year.

* Citi reports $283M of advertising and marketing and carries the rest of its acquisition cost inside revenue. A documented share of that line is added, which puts Citi at $415M in Q2 and $305M in Q1. Page 13 carries the derivation.

Source: Acquisition Compass, Q2 2026, Comperemedia. 9 reporting issuers. Barclays US publishes first half results on 28 July 2026.

EXHIBIT 2 COST PER ACCOUNT, QUARTER OVER QUARTER

2 issuers lowered the cost of an account.



Wells Fargo and U.S. Bank lowered the cost of an account, marked in accent. Citi and Synchrony sit low because private label cards open at a fraction of the cost of a general purpose card, and private label made up more than 4 in 10 Citi acquisitions this quarter. Read the annual fee comparison on page 10 for general purpose economics.

Source: Acquisition Compass, Q2 2026, Comperemedia. Blended across cards, checking and small business deposits.

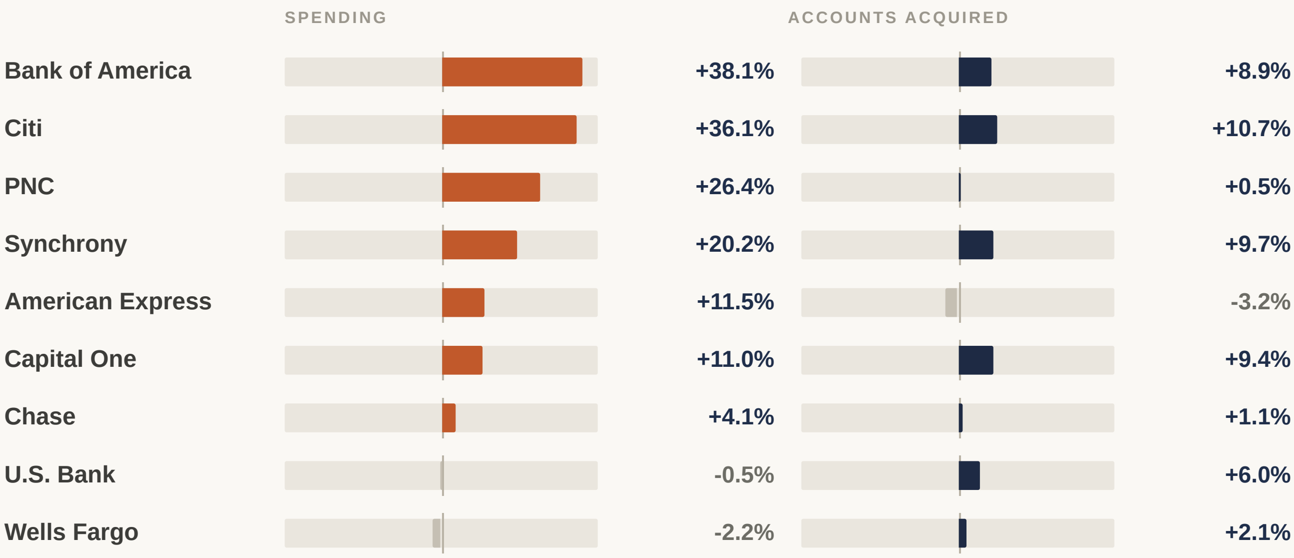
A QUESTION WORTH ASKING

When your cost per account moves, do you know whether the cause sits in the spending or in the conversion?

EXHIBIT 3 SPENDING AGAINST ACCOUNTS

The gap between these 2 columns is the cost of an account.

Spending Accounts acquired Change from Q1 2026 to Q2 2026



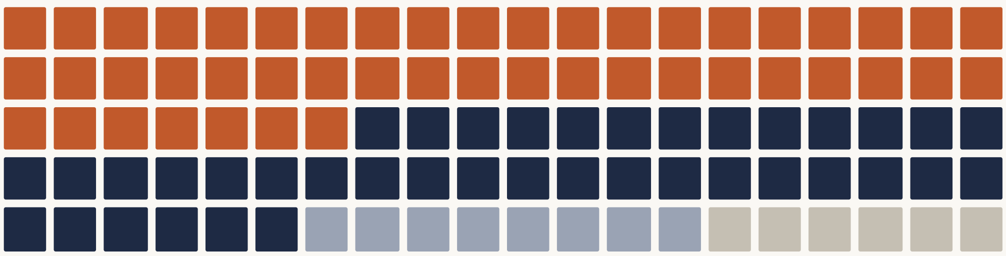
Capital One is the cleanest read in the panel. It raised spending 11% and accounts 9%, so its cost per account barely moved. Bank of America raised spending 38% against 9% more accounts across all products, and 13% more card accounts, its strongest card quarter in 6. That is the shape of a brand campaign that builds over several quarters rather than converting inside one.

Source: Acquisition Compass, Q2 2026, Comperemedia. 5 of the 10 account denominators are modelled from disclosed volume; each derivation is documented.

EXHIBIT 4 ONE DOLLAR OF ACQUISITION INVESTMENT

Marketing is 47 cents of the dollar.

Every square is one cent of the median acquisition investment behind a card with no annual fee. Marketing is the largest single piece and it is not the majority. The sign up incentive is almost as large.



Acquisition marketing, 47 Sign up incentive, 39 Identity verification, 8 Onboarding and fulfilment, 6

This is the number worth taking to a pricing conversation. A media budget argument covers less than half of what an account costs. The offer covers nearly as much, and unlike media it is a lever that can move in a single week.

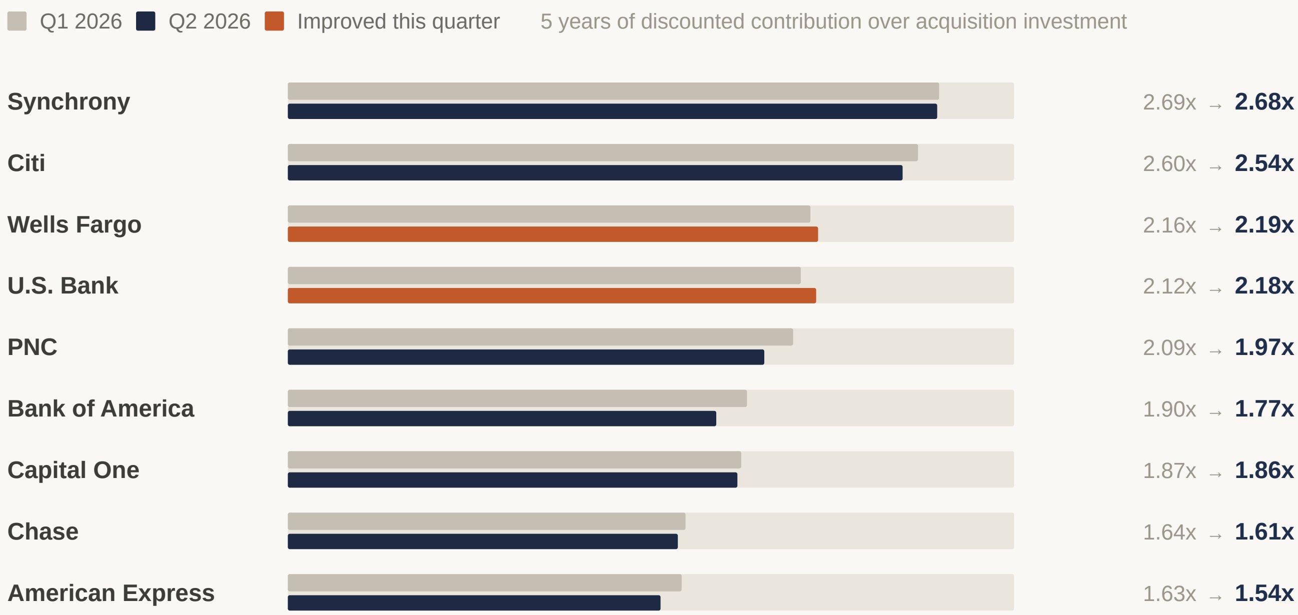
Source: Acquisition Compass, Q2 2026, Comperemedia. Median across 9 reporting issuers. Incentive is the published bonus multiplied by a sixty percent qualification rate.

A QUESTION WORTH ASKING

Your media plan and your offer are set by different teams. Which one gets reviewed more often?

EXHIBIT 5 CARDS WITH AN ANNUAL FEE

The annual fee is what carries the economics.



Every issuer in the panel clears breakeven on a card that carries an annual fee, and the spread from top to bottom is a full turn of value. The fee does 2 things at once: it lifts revenue per account and it lifts retention, because a customer who pays for a card tends to use it. Wells Fargo and U.S. Bank improved this quarter, marked in accent.

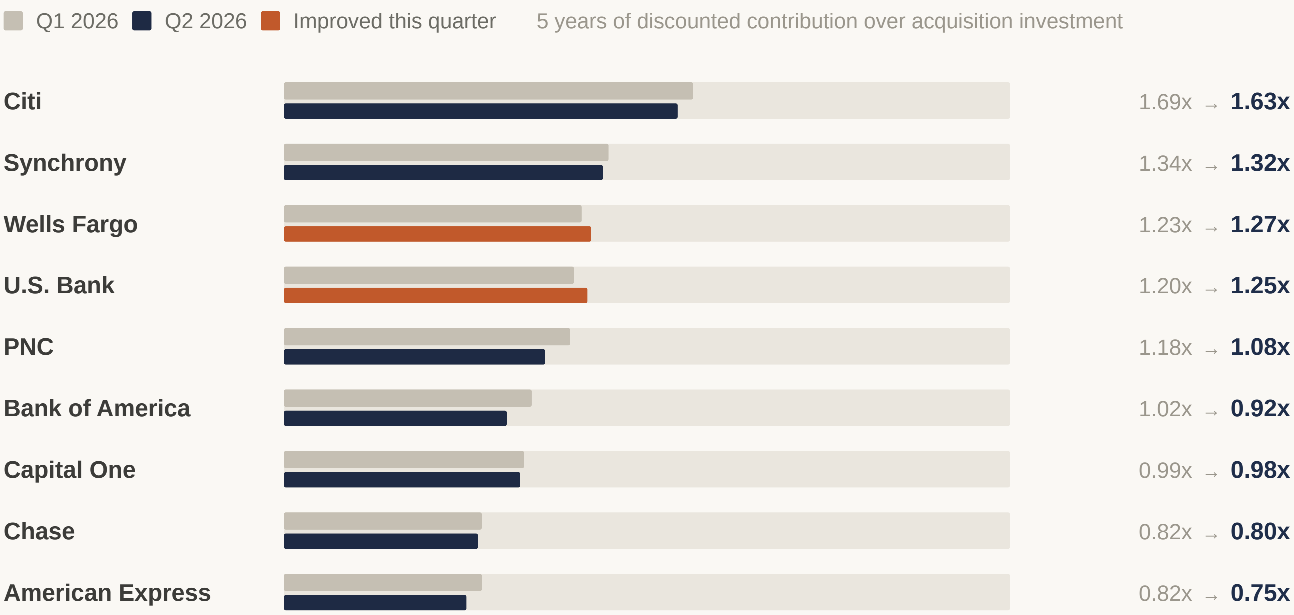
Source: Acquisition Compass, Q2 2026, Comperemedia. Value assumptions held steady through the year so movement isolates acquisition cost.

A QUESTION WORTH ASKING

Your premium cards clear the bar comfortably. What share of your new accounts land on one?

EXHIBIT 6 CARDS WITH NO ANNUAL FEE

Without a fee, every issuer sits close to the line.



Cards with no annual fee cluster tightly around one across the whole industry. That is a feature of a mass market product rather than a mark against any issuer, and it explains why the premium repricing running through Chase, American Express and Citi matters more to lifetime value than any single quarter of spending. It also explains why the strongest franchises judge a card without a fee on the relationship it opens rather than on the card alone.

Source: Acquisition Compass, Q2 2026, Comperemedia. Value assumptions held steady through the year so movement isolates acquisition cost.

A QUESTION WORTH ASKING

A card without a fee barely pays for itself on its own. What is the second product that makes it worth opening?

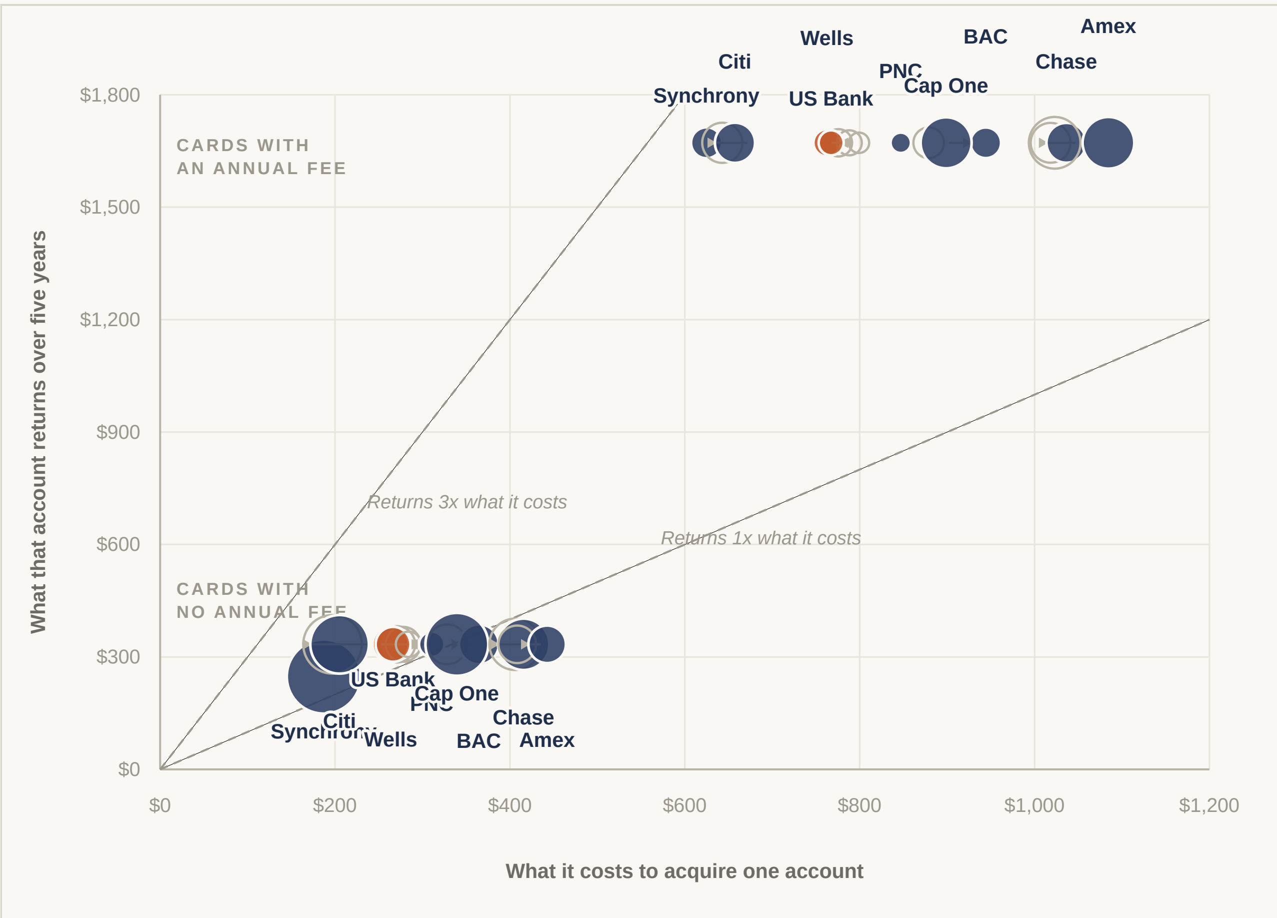
EXHIBIT 7 COST AGAINST VALUE, BOTH QUARTERS

Every issuer on one plane.

Across is what an account costs. Up is what it returns over 5 years. The hollow circle is where each issuer sat in the first quarter and the arrow shows where it moved.

First quarter · Second quarter · Cost came down

Circle size is accounts acquired



The annual fee lifts an issuer out of one band and into another. Inside each band the spread is all cost, because value assumptions hold steady through the year. Wells Fargo and U.S. Bank moved left on both products, which is the direction every issuer wants.

Source: Acquisition Compass, Q2 2026, Comperemedia. 9 reporting issuers. Barclays US publishes first half results on 28 July 2026 and sits outside the chart.

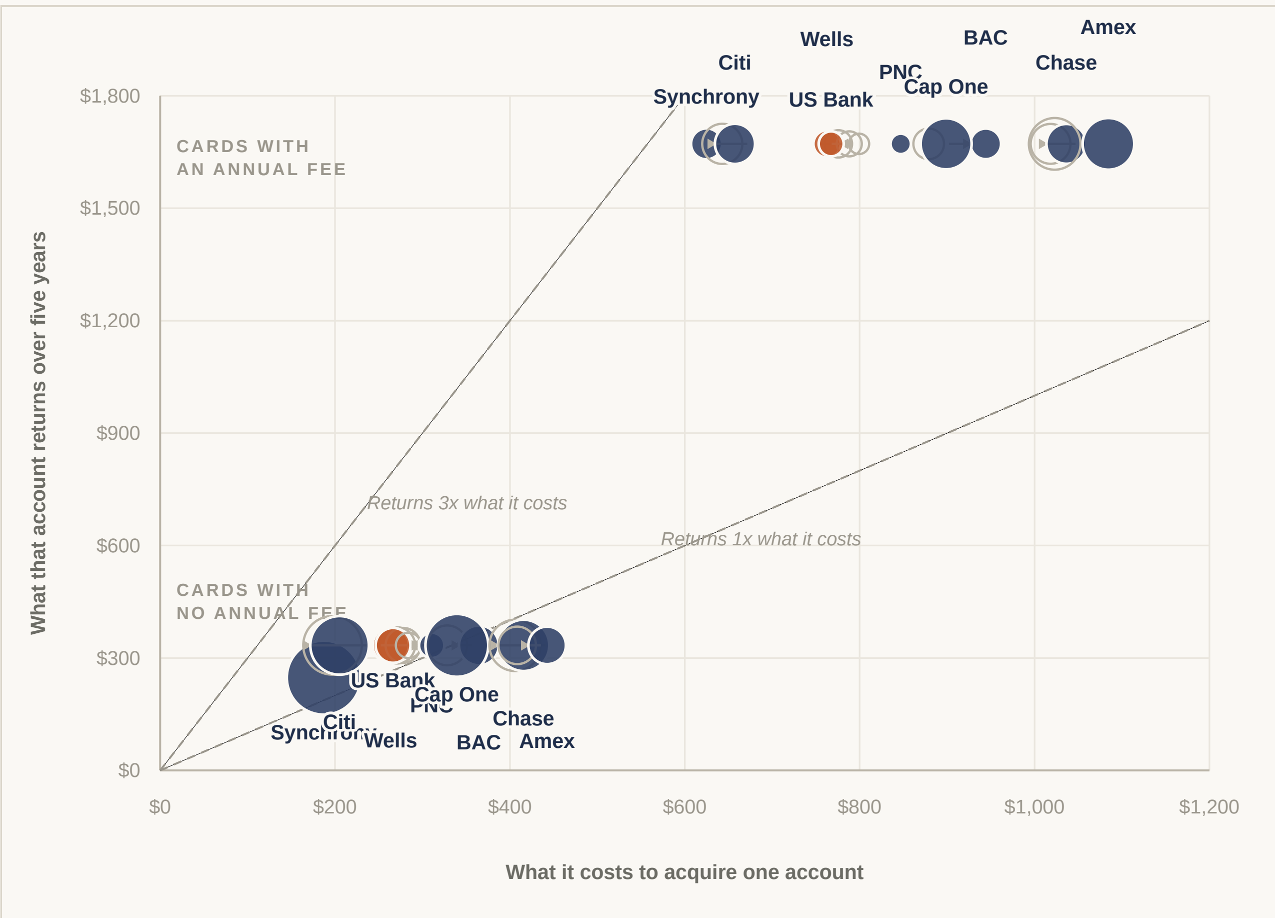
EXHIBIT 8 CARD LOSS RATES ACROSS THE PANEL

Credit improved almost everywhere.

Across is what an account costs. Up is what it returns over 5 years. The hollow circle is where each issuer sat in the first quarter and the arrow shows where it moved.

First quarter Second quarter Cost came down

Circle size is accounts acquired



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Source: Acquisition Compass, Q2 2026, Comperemedia. 9 reporting issuers. Barclays US publishes first half results on 28 July 2026 and sits outside the chart.

BEHIND THE NUMBERS

3 things the reported figures hide.

A benchmark is only fair if it compares acquisition against acquisition. 3 adjustments do most of that work, and stating them openly is what makes the rest of the report usable.

Citi carries acquisition cost inside revenue

Citi reported $283 million of advertising and marketing. Its consumer card segment also reported $300 million more of negative revenue than the prior quarter, which Citi attributes to partner payments and new account acquisition costs. Counting a documented share of that lifts the Citi numerator to $415 million. Jane Fraser told analysts the ramp is entirely on the offense.

3 books of accounts arrived without anyone acquiring them

Citi onboarded more than 2 million American Airlines accounts in April. Synchrony took on the Lowe's commercial portfolio. PNC converted about 780,000 FirstBank customers. None of those accounts carried acquisition marketing, so all 3 sit outside every denominator here and are disclosed on the entity tabs.

One issuer publishes the same metric twice on 2 scopes

Bank of America reports over 1 million new card accounts in its presentation and a precise series in its supplement, on a narrower scope. We use the supplement series, 999,000 this quarter against 884,000 last, because it is exact and consistent across both quarters. Mixing the 2 sources moves the answer by a third.

Every adjustment is documented with its source, its size and a confidence grade. Where a single undisclosed input could change a conclusion, we publish the threshold at which the conclusion turns rather than choosing a value quietly.

> A QUESTION WORTH ASKING
>
> *When you benchmark against a competitor, are you comparing accounts they won or accounts they bought?*

THE PANEL

Every issuer, both quarters.

ISSUER	MARKETING Q1	MARKETING Q2	CHANGE	COST Q1	COST Q2	CHANGE	ACCOUNTS Q1	ACCOUNTS Q2
JPMorgan Chase	1,604	1,670	+4.1%	$267	$275	+3.0%	4,380	4,430
Bank of America	533	736	+38.1%	$140	$178	+27.1%	2,048	2,230
Citigroup	305	415	+36.1%	$45	$55	+22.2%	3,062	3,391
Wells Fargo	369	361	-2.2%	$121	$116	-4.1%	1,501	1,532
American Express	1,480	1,650	+11.5%	$386	$444	+15.0%	3,100	3,000
Capital One	1,497	1,661	+11.0%	$274	$278	+1.5%	4,771	5,221
Synchrony Financial	114	137	+20.2%	$21	$23	+9.5%	4,650	5,100
U.S. Bancorp	217	216	-0.5%	$149	$140	-6.0%	868	920
PNC Financial Services	87	110	+26.4%	$106	$133	+25.5%	428	430
9 reporting issuers	**6,205.8**	**6,955.8**	**+12.1%**	**$184**	**$193**	**+5.2%**	**24,808**	**26,255**

Marketing in millions of dollars. Accounts in thousands. Cost per account in dollars, blended across cards, checking and small business deposits. The panel line is volume weighted rather than an average of the rows, because the middle issuer changes between quarters.

Barclays US Consumer Bank

Barclays publishes first half results on 28 July 2026, so its second quarter figures are not yet public. It sits in the panel roster and outside every aggregate in this report. Barclays also publishes no United States marketing line at any level, so its numerator is built from segment operating expense and cross checked against a peer benchmark scaled by receivables.

FOR YOUR LEADERSHIP TEAM

Questions for your leadership team.

5 questions worth taking into your next leadership discussion.

1. Your cost per account moved this quarter. Can you say whether the cause sits in what you spent or in what converted?

2. Marketing is less than half of what an account costs you. When did your team last review the offer with the same rigour as the media plan?

3. Cards with an annual fee clear breakeven across the whole industry. What is your plan for the accounts that do not carry one?

4. Your loss rates are improving. Does your acquisition budget reflect the higher value of an account you win today?

5. A quarter from now, which of these numbers do you want to have moved, and by how much?

HOW WE DID THIS

How we did this.

We take each issuer's reported marketing line, document what it contains, adjust it onto a comparable basis, and allocate it across cards, checking and small business deposits. We then divide by the accounts the issuer actually opened, which means separating accounts it won from accounts it bought. Both quarters are read from primary filings before any comparison is drawn.

Nothing here is a company reported acquisition cost. No issuer in this panel publishes one. These are modelled estimates built on public disclosure and documented assumptions, and every output carries a confidence grade that travels with the number.

Acquisition marketing	*the reported marketing line, normalised and allocated by product*
Acquisition investment	*marketing, plus channel loading, plus the incentive actually paid*
Cost per account	*acquisition investment over gross accounts the issuer opened*
Lifetime value	*5 years of discounted contribution, net of losses and servicing*

5 of the 10 card denominators are modelled rather than disclosed. Chase reports new card accounts once a year. Capital One publishes no account counts at all. Each modelled figure carries a stated derivation and a confidence grade. Value assumptions hold steady inside the year and are rebuilt annually, so quarterly movement isolates the cost of an account.

> Source: Acquisition Compass, Q2 2026, Comperemedia. Built from second quarter earnings releases, financial supplements, quarterly filings and earnings call transcripts for 10 issuers. Quotation with attribution is welcome.