

AMERICAN EXPRESS  
**BUSINESS INSIGHTS**

***The Latest Insights into Customer Purchase Behavior***

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# American Express Cardmembers

**Approximately 90M Cards**



**127 Markets**



**5B+ Annual Transactions**

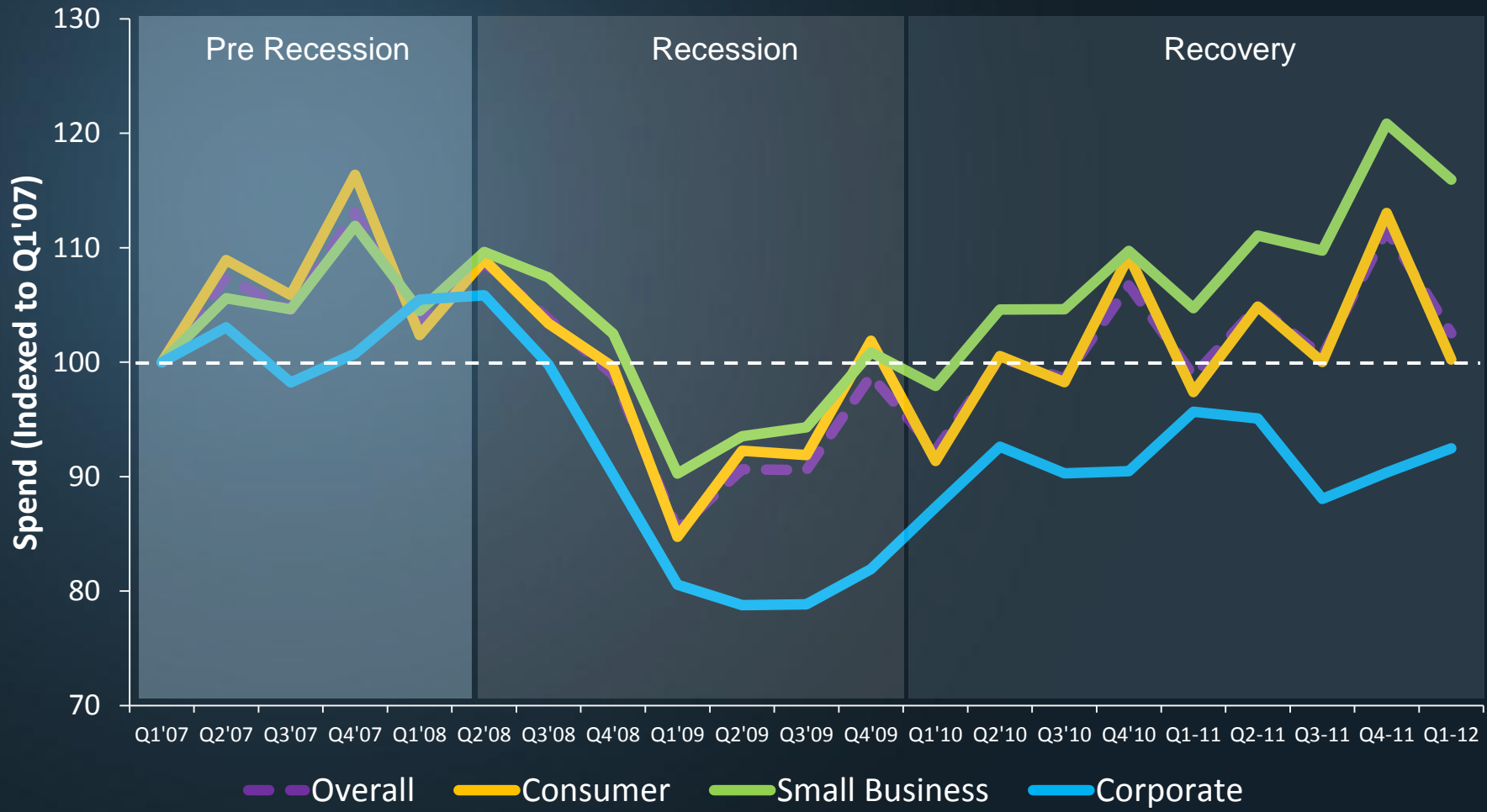


**\$713B Overall Spend**



# Consumer Spending is Flat; Small Business Spending Has Recovered

## Spend Growth



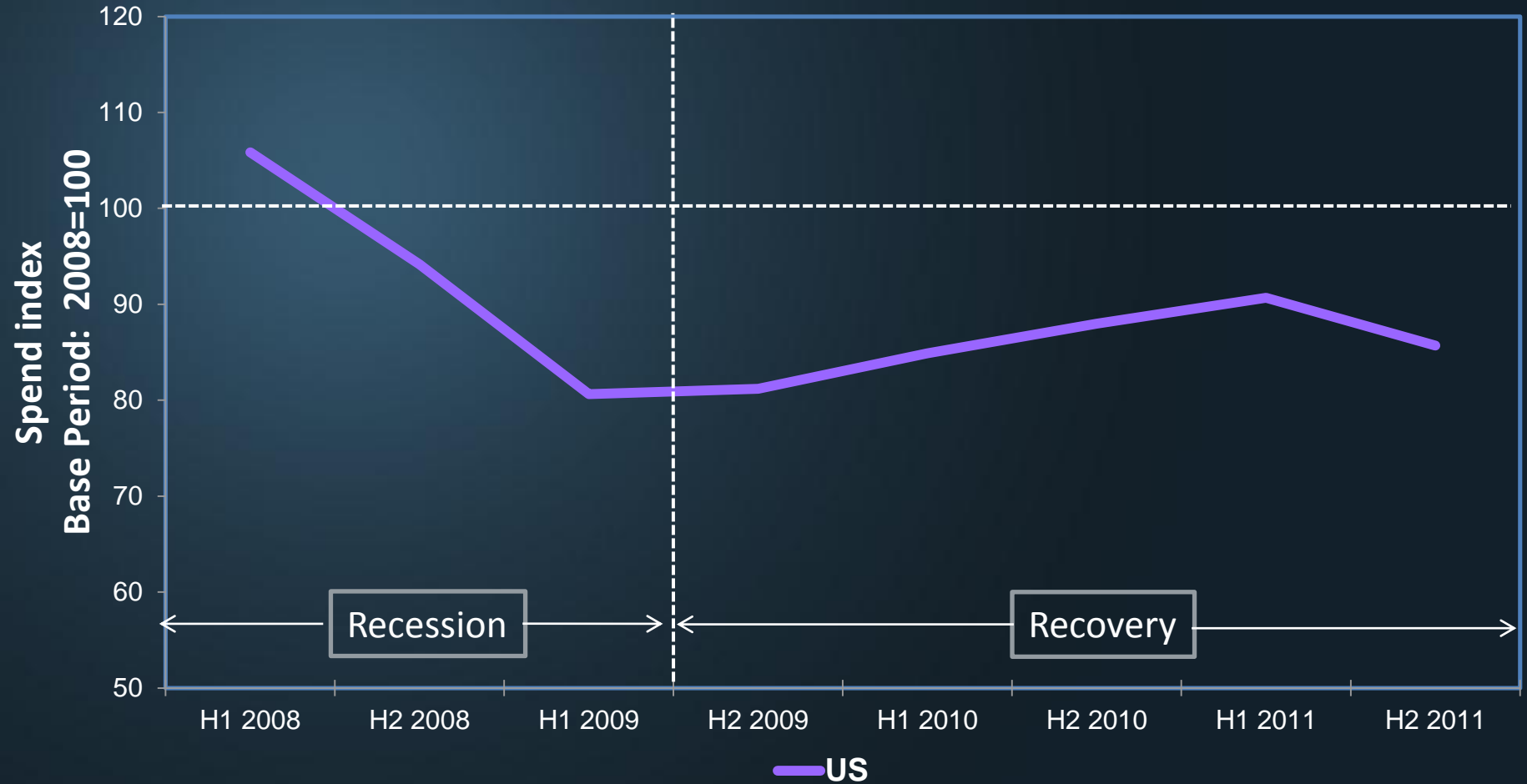
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# Travel Industry Spending Awaits Full Recovery



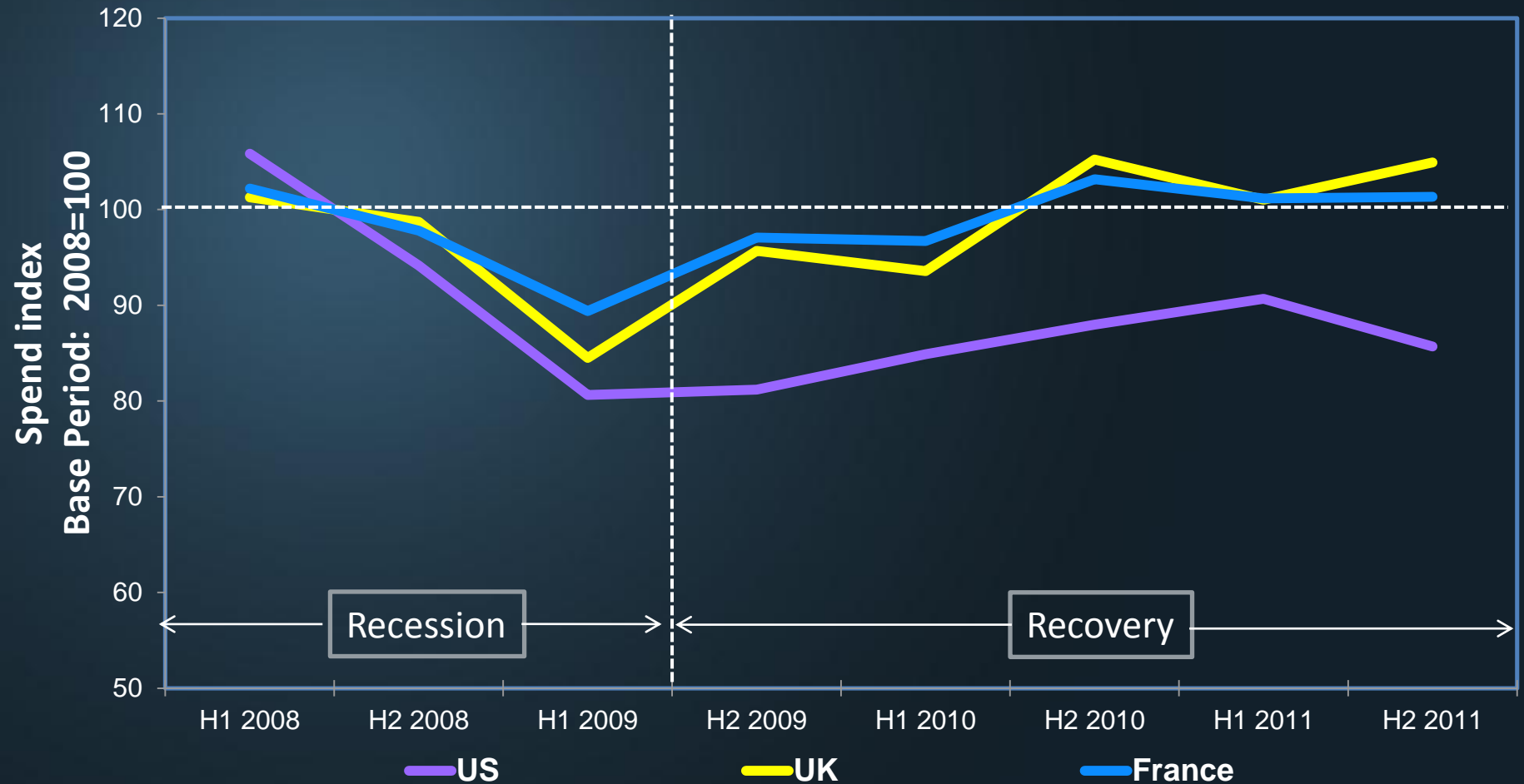
# Lodging Has Recovered But is Not Back to 2008 Levels

Lodging -- Overall Spend Index



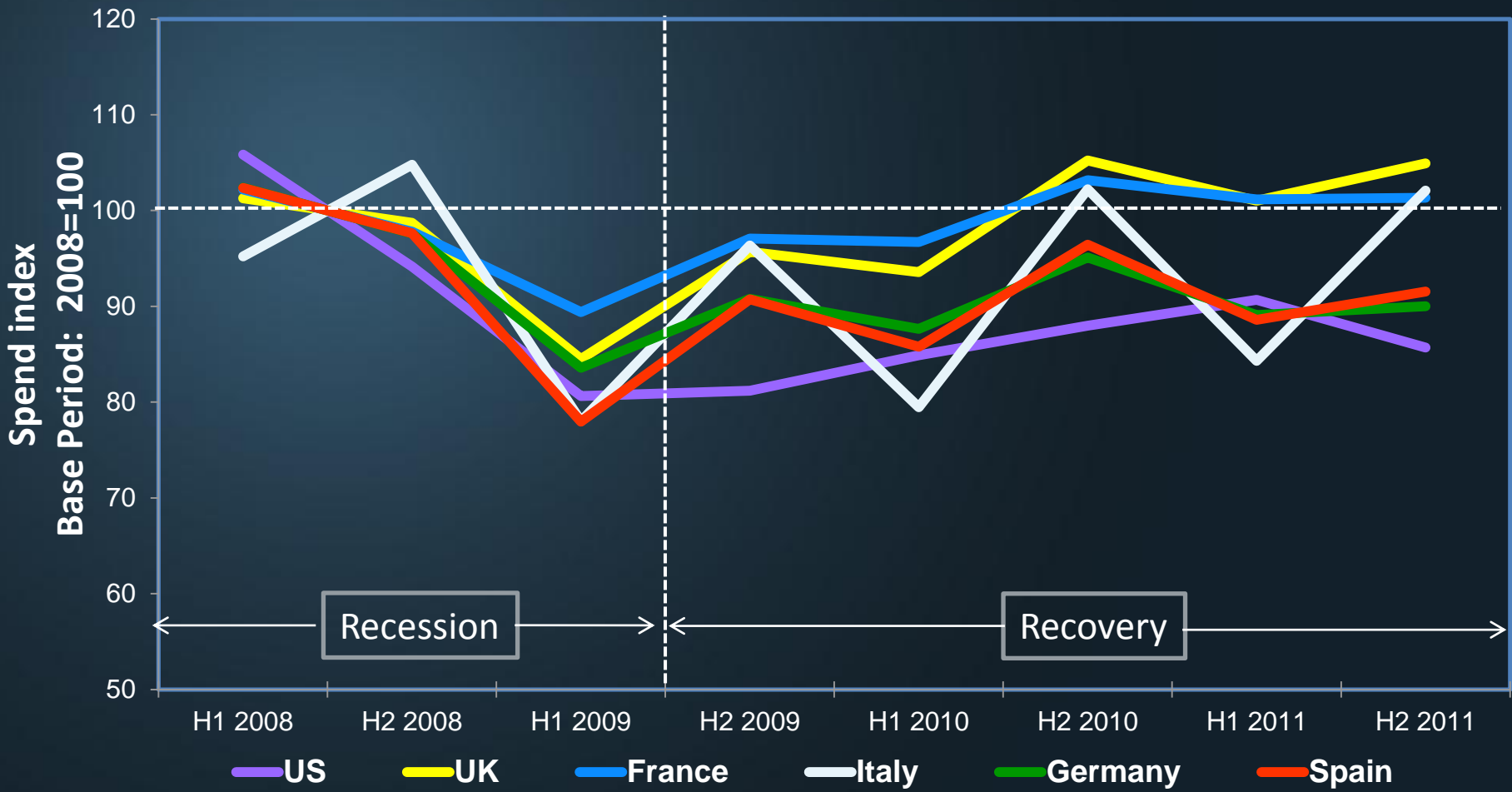
# UK and France Have Shown Greater Growth

Lodging -- Overall Spend Index



# Spending in Spain and Germany Lags Other European Countries

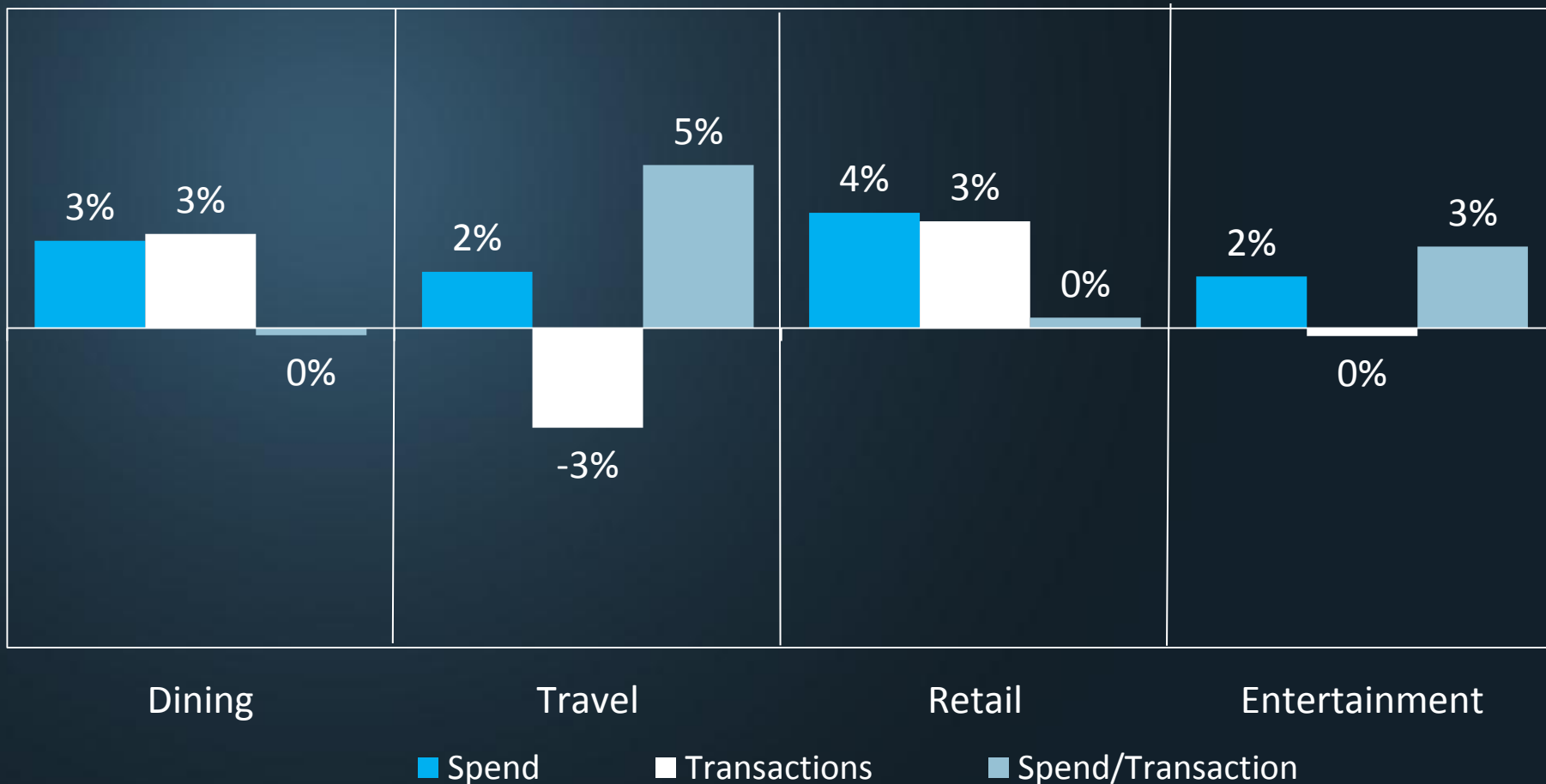
Lodging -- Overall Spend Index



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# In Travel, Customers are trading out frequency for higher prices

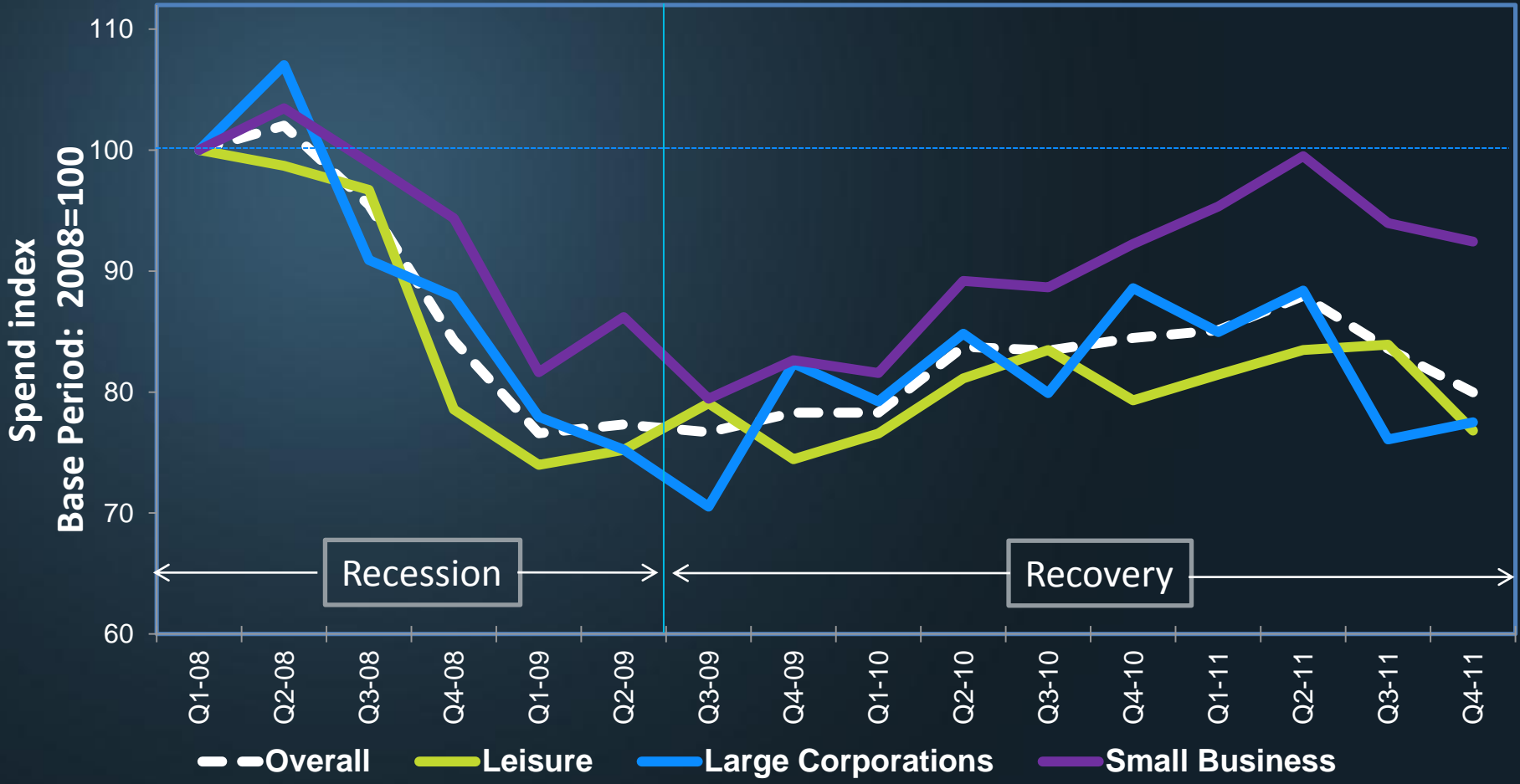
All Spend, YOY Change, 2011





# Small Business Lodging Spend Rebounded More Strongly

### Spend Index For U.S. Lodging Properties



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# International Visitors to the U.S Have Recovered Faster

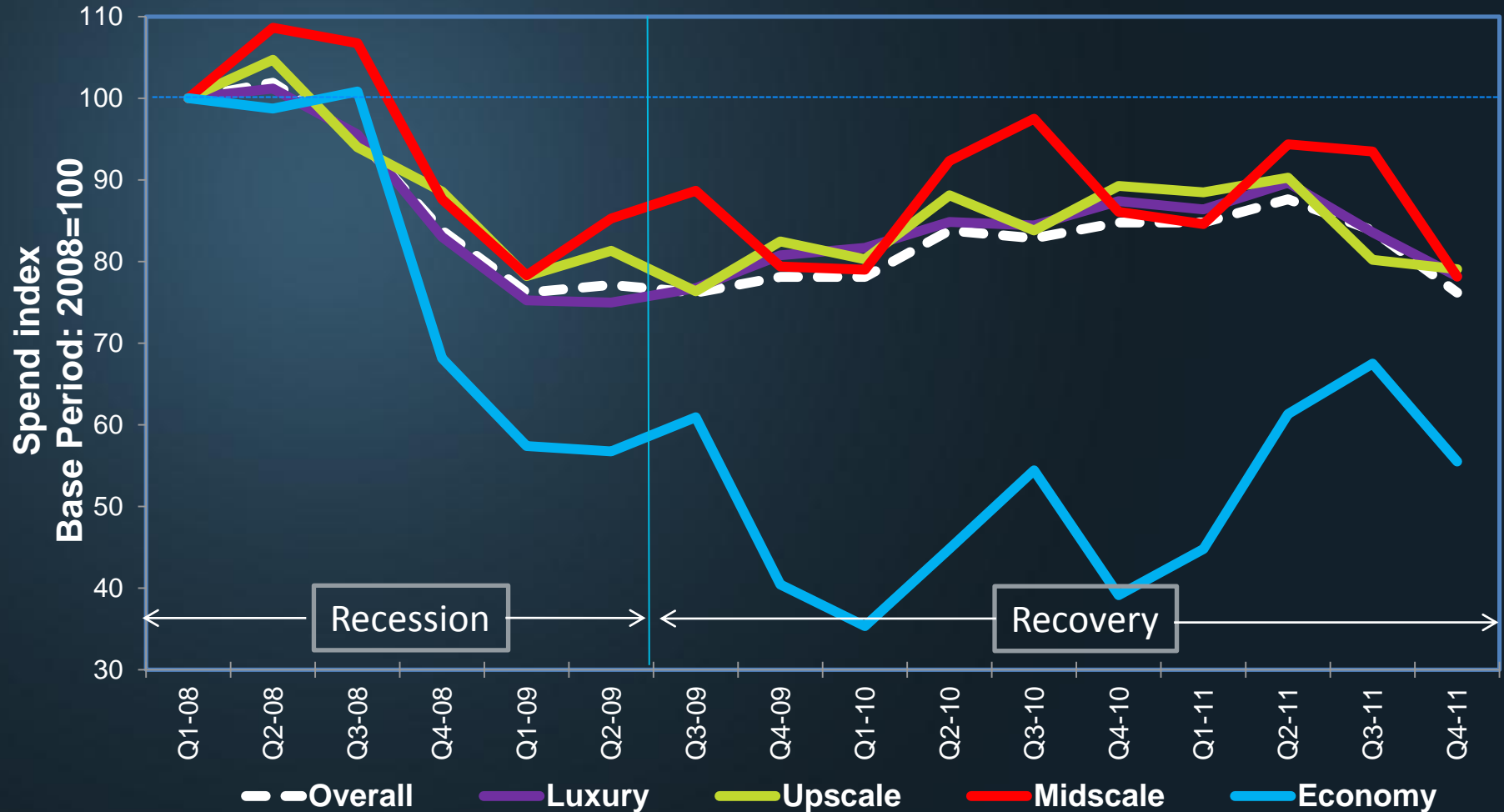
## Spend at U. S. Lodging Properties









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# Most Tiers Have Declined In Recent Months

## Spend Index For U.S. Lodging Properties




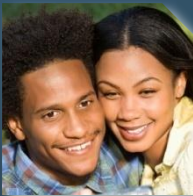


# In Most Countries, Luxury is Performing Better Than Other Tiers

	<u>ECONOMY/MIDSCALE</u>		<u>UPSCALE</u>		<u>LUXURY</u>	
	2010	2011	2010	2011	2010	2011
	4%	2%	7%	-1%	10%	0%
	5%	-1%	11%	-1%	13%	3%
	3%	-2%	8%	-5%	10%	2%
	8%	10%	2%	-5%	7%	5%
	6%	-2%	4%	-9%	5%	-3%
	7%	-3%	2%	-5%	19%	-1%

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# Younger Generations Continue to Spend

2011 YOY Spend Growth by Lodging Tiers, US

		LUXURY	UPSCALE	MIDSCALE	ECONOMY
Gen Y (18 – 30)		18%	3%	1%	36%
Gen X (31 – 46)		1%	5%	-4%	46%
Boomers (47 – 66)		-2%	-3%	-6%	31%
Seniors (67+)		-6%	-9%	-10%	9%

# Thoughts About The New Normal

## Luxury Is Back



Luxury fashion spending returned first but consumers are deal seeking; newcomers are younger and less affluent

## Value Is Sticking



Spending shifted from dining to supermarkets while affluent consumers shopped more with discount retail

## Necessities Are Being Redefined



Smart and wireless phone and service have increased through the recession

## Dining Out is Changing



QSR increased its share of restaurant spending by more than 15% and bars have seen greater than 40% increase since the start of the recession

## Health Matters



Affluent consumers and Gen Y have prioritized a healthy lifestyle of fitness, high-quality foods, and caring for oneself since the pre-recession period

## Generations Matter



Boomers and Seniors cut back first and haven't come back as strong while Gen X and Y have returned to spending

# Thank You!