

The complaint

Mr M is unhappy he didn't receive the 0% interest introductory offer when he applied for a balance transfer with Nationwide Building Society (Nationwide).

What happened

In January 2023, Mr M applied for a balance transfer with Nationwide after seeing a 0% balance transfer introductory offer on his banking app. He completed the application on Nationwide's website and was accepted.

After receiving his first statement Mr M noticed he'd been charged interest and realised the balance transfer offer hadn't been applied to his account so he raised a complaint.

Nationwide explained Mr M wasn't eligible as the terms and conditions state introductory offers don't apply to customers who have had a credit card with them in the last 12 months. And whilst Mr M received notification of the offer via the banking app, offers on the banking app are generic and not member specific.

Mr M was unhappy with their response and asked our service to look into matters. Our investigator didn't think Nationwide had done anything wrong as they had made the terms of the account clear during the application process and Mr M accepted this. He also said the introductory offers on Mr M's banking app weren't tailored to him and he wouldn't have expected Nationwide to detail his ineligibility.

Mr M didn't agree with the investigator's opinion. He says Nationwide's advertising on the banking app is misleading and suggests it's tailored to the customer. As Mr M remained unhappy, the complaint has been passed to me to decide.

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.

I've looked at Nationwide's website which Mr M was directed to from his banking app to complete the application. Under 'when you apply' it clearly outlines when customers would not be eligible for the introductory offers, it says:

"If you have closed a Nationwide credit card in the last 12 months, you will not be able to get the introductory offers.

However you can still apply for a new card and enjoy all the other benefits."

The website also asks customers to read the terms and conditions before completing their application. On page 3 of the terms and conditions under promotional rates, it explains:

"The introductory rates will not apply if you have closed another credit card account with us within the 12 month period before applying for this account."

Taking this into account, I think Nationwide made the terms and conditions of the introductory offer clear to Mr M before he started his application. I note he would have also been required to accept the terms and conditions to complete his credit card application.

Mr M had a credit card with Nationwide between March 2019 and May 2022. Therefore when he applied in January 2023, he wasn't eligible for the introductory offer. But this didn't mean he couldn't apply for the credit card and utilise the other features.

I understand Mr M believes Nationwide have been misleading as the offers on his banking app appeared tailored to him. But I don't think this is the case. I've seen the advertisement on Mr M's banking app. It states the credit card is available to Nationwide members, and as he's been a member since 2007, he had the option to apply for the account. But there's nothing to suggest it's personalised to his circumstances, or that the introductory offers are guaranteed. The application process linked to the website for completion and as explained was clear about eligibility.

Mr M says Nationwide's system doesn't allow him to apply for a credit card now and they should have had a similar restriction in place when he made his application. At the time of Mr M's application, he didn't have a credit card account with them, so he was able to proceed. And when he tried again, he was unable to do so because of his active credit card account. I don't agree that a restriction should be placed due to Mr M's eligibility. Not everyone is looking to balance transfer due to a 0% introductory rate. It could be that a lower interest rate is offered than what a pre-existing customer is currently getting elsewhere. Or that they want to benefit from other features an account may offer.

Whilst I appreciate Mr M would have liked Nationwide to highlight when a customer isn't eligible for the introductory offers, I wouldn't expect them to detail a customer's account history during the application process. Generally, applications are initially processed remotely and it wouldn't be feasible to check all the specific account history for all customers that apply. If Mr M wanted to clarify his eligibility for the balance transfer offer, he could have contacted Nationwide to clarify with them which I can't see he did.

I understand Mr M will be disappointed with my decision. But for the reasons explained I don't think Nationwide need to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 August 2023.

Karin Hutchinson
Ombudsman