

Capital One-Discover merger raises international acceptance concerns

Article

The news: The Capital One-Discover [merger](#) could lead to frustration when cardholders try to use their cards internationally, per the Daily Mail.

- While merchant acceptance of Discover credit cards in the US is on par with that of **Visa's** and **Mastercard's**, Discover's international acceptance is more limited.
- This could become an issue once the merger goes through: Capital One plans to move at least some of its cards from Visa and Mastercard to Discover's network.
- Therefore, Capital One cardholders who previously had no issues using their cards internationally could experience limitations after the switch.

In December, the merger **received approval** from the Delaware state bank commissioner, clearing a major hurdle. Capital One remains optimistic and expects to secure the remaining federal approvals early this year.

Why this matters: This could dampen Capital One's customer relationships. And ensuring cardholders don't have complaints is critical as issuers face loyalty problems even among satisfied customers: **Almost three-fourths (72%) of consumers** who said they were satisfied by their credit cards still plan to apply for a new card in the next year, per a 2024 Marqeta survey.

Our take: Capital One likely isn't too worried about this impact on customers just yet. Discover's cards are accepted at some merchants and ATMs across more than 200 countries and territories.

And Capital One won't move all of its business to the Discover network right away. It will do so over time, and during this period, the combined company can use its pooled resources to grow its acceptance network abroad.

This article is part of EMARKETER's client-only subscription Briefings—daily newsletters authored by industry analysts who are experts in marketing, advertising, media, and tech trends. To help you finish 2024 strong, and start 2025 off on the right foot, articles like this one—delivering the latest news and insights—are completely free through January 31, 2025. If you want to learn how to get insights like these delivered to your inbox every day, and get access to our data-driven forecasts, reports, and industry benchmarks, [schedule a demo with our sales team](#).