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## First Data-Related Events

- [July 13 – 15, 2009](#)  
ACA Annual Convention and Expo  
[Click here for more information](#)
- [October 4 – 7, 2009](#)  
AFP Annual Conference  
[Click here for more information](#)



**Julie Bohn,**  
Vice President,  
Information Services

## Merchant-Funded Loyalty

Merchant-funded rewards are an increasingly important loyalty tool that gives FIs the opportunity to not only provide customers with more relevant rewards and offers, but to share the cost of rewards for bankcard loyalty programs with participating merchants. However, most current merchant-funded loyalty programs are encumbered by serious limitations: They are either available exclusively through online merchants, are conventional discount programs that occur only as one-time offers, or are coalition programs in which merchants potentially pay for multiple rewards. These current merchant-funded loyalty solutions are not adequately meeting the business objectives of bankcard loyalty programs.

By adopting a premier merchant-funded loyalty program, FIs can meet their immediate marketing objectives of increasing retention, card usage and revenue, while building a long-term platform to enhance awareness and growth of more profitable enterprise products and services. First Data and its partner, Affinity Solutions, have observed that FIs implementing a premier merchant-funded loyalty program enjoy a 2-percent average increase in annualized customer retention and a 4-percent increase in average account profitability (including interchange and fee income). Customer-acquisition activities also experience significant improvement from premier merchant-funded loyalty programs: Participating institutions increase the number of acquired accounts by an average of 15 percent.

Premier merchant-funded loyalty programs solve the challenges associated with traditional loyalty programs by creating much needed differentiation in a crowded marketplace while reducing or controlling program costs. Learn more in our white paper, *How Merchant-Funded Rewards Give New Life to Customer Loyalty Programs*, and through our *Merchant-Funded Loyalty Sales Sheet*.

[Click here](#) to read how Amalgamated Bank of Chicago is offering its card holders a boost in rewards using a First Data-powered program.

## Upcoming Webinars

- **June 9, 2009**  
Combating Bust-Out Fraud  
1 – 2 p.m. CT  
[Click here to register](#)
  
- **June 10, 2009**  
Merchant-Funded Loyalty Advantage  
12 – 1 p.m. CT  
[Click here to register](#)
  
- **June 11, 2009**  
Credit CARD Act of 2009  
10 a.m. – 12 p.m. CT  
[Watch your e-mail for registration information](#)
  
- **June 11, 2009**  
Rethinking Outsourcing  
1 – 2 pm.  
[Click here to register](#)

## Credit CARD Act of 2009

On Friday, May 22, President Obama signed into law H.R.627, the “Credit Card Bill of Rights.” This legislation not only requires new changes to current credit card billing and statement processes, but also significantly moves up the deadline for changes created by previous bills (Reg AA and Reg Z). First Data understands that this creates challenges for many of our customers and is rapidly creating a plan to meet the new deadlines. Our team has been reviewing how the updated timeline affects our implementation plans, as well as assessing the impact of the new changes H.R.627 introduces.

First Data will host an informational webinar on Thursday, June 11, 2009, to discuss impacts and timelines for addressing this latest legislation. Additional details will be sent directly to you via e-mail as soon as they become available.

## Reward Your Account Holders

Introducing a complete end-to-end loyalty program that will help community banks more effectively attract and retain long-term account holders. First Data’s [End-to-End Loyalty solution](#) is a competitive, consumer-relevant and economical loyalty program, encompassing four essential components including a base program, merchant-funded rewards, fulfillment, and marketing and communications strategy.

With this easy-to-implement, turnkey solution, your financial institution can be up and running in no time at all. And with a full portfolio of marketing materials at your disposal, getting the word out to your customers will be a snap! With more than 6 million reward choices—everything from airline miles to event tickets—your account holders will be even more enthusiastic and engaged with your program.

Rewards programs have been proven to increase brand recognition and encourage a long-term, loyal customer base. First Data’s [End-to-End Loyalty solution](#) will help you get started quickly and easily.

## Award-Winning Solution Gaining Traction Toward Mobile Vision

The First Data® GO-Tag™ solution was recently recognized as a finalist for the Electronic Transaction Association Technology Innovation Award. It was also selected the People’s Choice at the ICMA 2009 Élan Awards for Card Manufacturing Excellence, and placed second in the Mobile Applications & Widgets – Mobile Payments category of the CTIA Emerging Technology Awards.

This innovative technology solution is currently in pilot at select merchant locations across the country, and is an especially good fit for merchant verticals that have a high volume of low dollar transactions, including Quick Service Restaurants and Convenience Stores. The GO-Tag solution helps merchants gain more loyalty, as well as drive store traffic and repeat business. It also offers fast throughput at the point of sale, resulting in convenience for merchants and their customers alike.

## Get Plugged Into Training Opportunities

Debit/STAR SUPPORT Clients  
New and Approved Auth  
Blocking Course

Credit Clients  
Learning plans for First Track®  
Fraud Management System  
and First Data Evolve®  
Collections released

Internet Banking Clients  
Coming Soon: New Web-Based  
Training Courses

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to hear your thoughts



Through industry-wide recognition and the success of these pilot initiatives, the GO-Tag solution is helping to pave the way for "in the phone" mobile functionality. Currently, the GO-Tag solution utilizes contactless technology to enable various payment options with a variety of form factors. Based on unique chip technology and specialized manufacturing processes, the GO-Tag solution can also be used as a unique consumer identifier to drive merchant loyalty programs and credit/debit capabilities in the near future.

[Click here](#) to learn more about First Data's GO-Tag solution, or to read more about the future of mobile payments, [click here](#).

## U.S. Post Office Begins Stricter Enforcement of Postal Discount Rules

As mentioned last month, on May 11, 2009, the U.S. Postal Service increased postage rates and will begin stricter compliance enforcement for mailers receiving discount postal rates. This could result in loss of postage discounts and increased mail costs in a time when most companies are trying frantically to reduce expenditures. For those currently managing their own mail services, this may be the time to reevaluate processes to either make sure all systems meet the qualifications for postal discounts or outsource those services to a company that uses the most up-to-date processes and consistently achieves the lowest possible rates. [Click here](#) for ideas and suggestions to help your company manage the rate increase and ensure compliance with USPS requirements to maintain the best postage rates available.

## Shaky Economy Not Holding Back Community Banks

In recent issues of *VantagePoint*, we've been talking about the rise of community banks during these turbulent times. While bigger banks continue to falter and consolidate, community banks are thriving and seeing an influx of DDAs, record loan activity and new business banking customers who usually stick with the big guys, but are choosing community partners.

First Data recently held a webinar featuring Javelin Strategy and Research. We discussed the movement in the marketplace and gave attendees tips to help jump-start their programs, and offered plenty of examples of how peer financial institutions are capitalizing on this opportunity. [Click here](#) to download a replay of the webinar.