

Prepaid Services

Innovation for Competitive Advantage

Valued at €18bn in 2006, the European prepaid market is expected to increase by 45 percent per annum to €79bn in 2010, with card volumes up from around 45m to 374m over the same period. This would represent over 3 percent of the cheque and card market by value and 6.8 percent by volume.



This fast-growing market is wide reaching, covering multiple segments. Prepaid products predicted to see the highest levels of adoption include travel money cards, gifting, insurance replacement and youth cards.

Success in such a dynamic market requires the support of an experienced global partner. First Data is one of the world's largest payment processors, processing over 1 billion prepaid transactions every year, with a value of over \$5bn.

With this experience, we can help you develop and manage your prepaid programme, from determining high level strategy right down to helping you optimise your programme for a specific location and target market.

Our range of prepaid services will enable you to focus on the market segments that matter to your business, utilising a range of innovative solutions designed to make prepaid programme delivery simple and easy. We will help you reduce costs, increase customer loyalty, enter new markets, offer new products and compete more effectively.

A Significant Market Opportunity



From gift card programmes to migrant and sub-prime products, prepaid solutions offer very significant benefits:

- Increased customer loyalty
- Increased customer spend
- Reduced costs and administration
- Innovative marketing opportunities
- Reduced fraud and customer risk
- Increased functionality
- The opportunity to enter new markets and target new customers
- The opportunity to promote social inclusion

Electronic Gift Cards

From open loop, universal use cards to controlled loop cards used within a defined group of retailers, a prepaid gift card programme from First Data will drive customer spend, increase revenue and control costs and fraud. Our extensive knowledge of the regulatory and compliance requirements of running schemes removes the concerns commonly associated with entering this fast growing market.

Insurance Replacement Cards

Cost control is essential to managing insurance claims. A prepaid insurance replacement card programme from First Data allows you to do just that. By migrating payments onto an easy-to-use prepaid card, your customers are presented with an innovative and near-immediate settlement vehicle. Utilising controlled loop functionality, spend can be restricted to merchants of your choice, where the enhanced management information on customer spend supports top line growth through merchant discount negotiations.

Travel Money Cards

A prepaid travel money card is an ideal replacement for traveller's cheques, cash and cards, providing increased utility, security and budgeting capabilities. Prepaid travel cards enable low cost entry into a high value market, while driving a significant revenue stream.

Youth Cards

A significant segment of the prepaid market, youth cards deliver increased loyalty and effective customer relationship management, while providing customers with additional purchasing power. Controlled spending enables parents to restrict usage from afar while the status plastic brings to this sector means your brand will remain front of wallet.

Remittance and Unbanked

Prepaid products offer issuers a low risk entry option for markets with low banking penetration and a fluid migrant workforce. Prepaid cards can be offered as a business service to employers with migrant workers or temporary staff, delivering a cost-effective and near-cash solution to their payroll requirements.

Prepaid cards are also the ideal solution for high risk, sub-prime or new customers where offering a standard credit product would be imprudent.

For the consumer, prepaid cards provide increased utility within a secure environment, allowing them to participate in an increasingly cashless society.

Corporate Incentives

The use of choice-based gifts as employee rewards is well established. Prepaid cards deliver increased functionality, reduced costs, greater security and support centralised management. They enable retailers, banks and incentive companies to provide an improved product more closely aligned to incentive managers' objectives.

Government Benefit Cards

Government benefits can be delivered using prepaid cards in a cost-effective manner delivering operational efficiencies and improved controls.



Comprehensive Services, Tailored to Your Needs

First Data drives prepaid programmes for over 250 of the world's major merchants and banks. These companies work with First Data because of our robust and highly functional platform, deep experience in the prepaid market and full programme management offering, from card production to marketing consultancy. Our offering includes:

- Closed loop programmes, for use in a single merchant
- Restricted loop programmes, for use within a defined group of merchants
- Open loop, scheme badged programmes with universal acceptance

Banks and merchants can use prepaid solutions to deliver enhanced functionality and new products to customers. In addition, banks can use their scheme membership, together with First Data's processing expertise, to become a BIN sponsor, gaining access to a range of new markets while minimising costs and risk.

Account and Plastics Management

We will set up and help launch your prepaid programme, providing ongoing management, marketing support and extensive management information designed to optimise and drive maximum revenue. A full plastics management service is provided from design and procurement through to personalisation and activation. Our vast purchasing power delivers best value from the world's leading plastics manufacturers.

Programme design and processing

First Data has one of the industry's most trusted and proven prepaid platforms. The platform's rich functionality enables us to create the optimum product for our clients:

- Reloadable or disposable
- Personalised or non-personalised
- Chip and PIN or magnetic stripe
- Expiring or perpetual
- Multi-currency and multi-lingual
- Multi-application
- Cross-border
- Loyalty solutions

We provide a robust solution you can trust, with secure and fast authorisations, PIN verification and fraud management, across a range of channels — IVR, Web, SMS and phone. Full transaction details are reported for accurate programme management.

We can also integrate our services directly into your systems, ensuring full access and providing a holistic customer view.

Back Office and Reporting

Let First Data supply your help desk and IVR customer services, utilising our modern, award-winning call centres. With a multi-language solution, we can supply the full range of customer services specifically tailored to your requirements

First Data's reporting suite delivers accurate and timely management information through a range of easy-to-use portals:

- Web
- Standard reports
- Tailored reports unique to your programme

First Data has the experience and capabilities to help you deliver a highly successful prepaid strategy. With a proven, robust platform and significant worldwide expertise, our comprehensive service offering enables you to benefit from the prepaid opportunity with a partner you can trust.

A Global Leader in Electronic Commerce

First Data powers the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. Serving millions of merchant locations and thousands of card issuers, we have the expertise and insight to help you accelerate your business. Put our intelligence to work for you.



To find out how First Data could help you take advantage of the prepaid market opportunity, please contact:

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