

2009 Debit Card Rewards – Consumer Insights

Key Insights

1. Membership in Debit Card Rewards Programs Increases Among FI Members in 2009

Significantly more FI members report being a member of a debit card rewards program in 2009 (45%) compared to 2008 (34%). Credit card rewards program members among all FI members decreased from 71% in 2008 to 67% in 2009. With the current economic downturn, consumers are abandoning their credit cards in favor of using their debit cards to make purchases.

2. Debit Card Rewards Members Less Satisfied Compared to Overall Rewards Members

19% of consumers who are members of debit rewards programs report a satisfaction level in the Top-2 box compared to a satisfaction of 23% (Top-2 box) for overall rewards program members.

3. Debit Card Rewards Members Somewhat Influenced by Membership

22% of debit card rewards members indicated that the benefits of their rewards membership was “very influential” in their choice of FI/Company and another 25% indicated the benefits were “somewhat influential”.

4. Debit Card Rewards Programs Used More Often by Members Compared to Credit Card Programs for Purchases

Debit card rewards programs are used “every time” or “most of the time” by 66% of debit card rewards members. This compares to 51% of credit card rewards members who use their credit card rewards program “every time” or “most of the time”.

About this Study

First Data Competitive Intelligence conducted the Consumer Loyalty Study with 2,449 U.S. consumers in April 2009. The study focuses on rewards programs with Financial Institutions (FIs), the travel sector and the retail sector. This CI Market Brief focuses on consumer insights regarding rewards for the FI sector. Sample size completing the survey for Debit Card rewards programs was 286.

Prepared by: Sharon Brant – Director

Media Contact : Mediarelations@FirstData.com (303-967-6323)

Investor and Analyst Relations Contact: Silvio.Tavares@FirstData.com (303-967-8276)

Key Insight #1: Membership in Debit Card Rewards Programs Increases Among FI Members in 2009

Significantly more FI members report being a member of a debit card rewards program in 2009 (45%) compared to 2008 (34%). Credit card rewards program members among all FI members decreased from 71% in 2008 to 67% in 2009. With the current economic downturn, consumers are abandoning their credit cards in favor of using their debit cards to make purchases.

Credit and Debit Rewards Memberships

| Credit Card Rewards Programs (Among those having credit, debit or other FI rewards programs) | 2008 | 2009 |
|--|------------------|------------------|
| Percentage who report having credit cards without rewards programs | 65% [†] | 55% |
| Mean number of credit cards without rewards programs | 2.3 | 2.1 |
| Percentage who report having credit cards with rewards sponsored by a bank, credit union or other FI | 71% | 67% |
| Mean number of credit cards with rewards sponsored by a bank, credit union or other FI | 1.8 | 1.7 |
| Percentage who report having credit cards with rewards sponsored by an airline or retailer | 39% [†] | 33% |
| Mean number of credit cards with rewards sponsored by an airline or retailer | 1.7 | 1.5 |
| Debit Card Rewards Programs (Among those having credit, debit, or other FI rewards programs) | 2008 | 2009 |
| Percentage who report having debit cards without rewards programs | 46% | 46% |
| Mean number of debit cards without rewards programs | 1.3 | 1.3 |
| Percentage who report having debit cards with rewards programs | 34% | 45% [†] |
| Mean number of debit cards with rewards programs | 1.1 | 1.2 |
| Other Financial Institution Rewards Programs (Among those having credit, debit, or other FI rewards programs) | 2008 | 2009 |
| Percentage who report having other FI rewards programs | 17% | 23% [†] |
| Mean number of other FI rewards programs | 1.1 | 1.1 |

† Indicates a statistically significant difference between 2008 and 2009 at the 95% confidence level

Date: April, 2009

2008 (N = 449) 2009 (n = 835)

Key Insight #2: Debit Card Rewards Members Less Satisfied Compared to Overall Rewards Members

19% of consumers who are members of debit rewards programs report a satisfaction level in the Top-2 box compared to a satisfaction of 23% (Top-2 box) for overall rewards program members. Debit card program members also rated the value of the program lower (17%) compared to overall rewards members (22%).

Satisfaction and Value of Rewards Programs

| | Satisfaction (%9-10) | Value (%9-10) |
|-------------------|-------------------------|------------------|
| Overall | 23% | 22% |
| Debit Card | 19% | 17% |

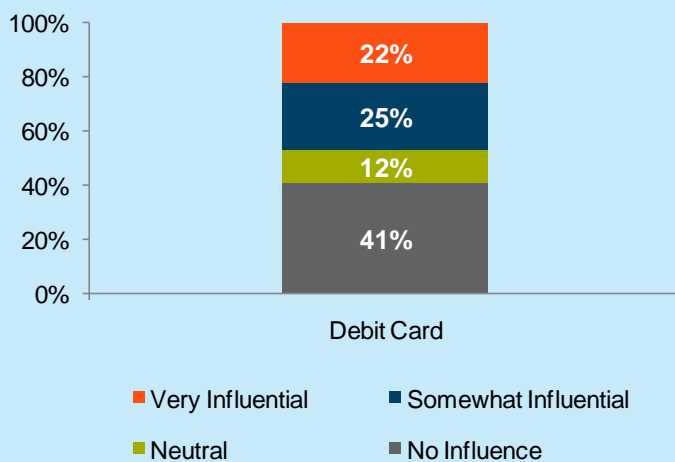
Date: April, 2009

Debit Card (n =286)

Key Insight #3: Debit Card Rewards Members Somewhat Influenced by Membership

22% of debit card rewards members indicated that the benefits of their rewards membership was “very influential” in their choice of FI/Company and another 25% indicated the benefits were “somewhat influential”. This compares to 27% of bank credit card rewards members who indicated the benefits were “very influential” and 27% “somewhat influential” in their choice of FI/Company.

Influence of FI Rewards Membership on Choice of Company/Retailer



Date: April, 2009

Debit (n =286)

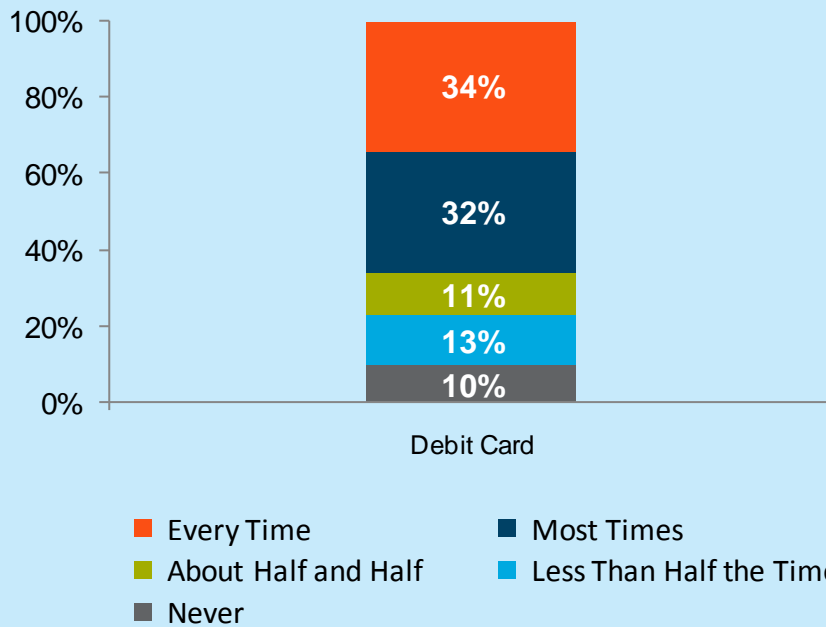


Key Insight #4: Debit Card Rewards Programs Used More Often than Credit Card Programs for Purchases

Debit card reward programs are used “every time” or “most of the time” by 66% of debit rewards members. This compares to 51% of bank credit card rewards members who use their credit card rewards program “every time” or “most of the time”.

Frequency of Using Debit Rewards Memberships

% Using Rewards Membership While Making a Purchase
(Among Category Members)



Date: April, 2009

Debit (n =286)

