

## **New MasterCard Loyalty Solution Provides Banks Unique Tools to Optimize Customer Relationships**

*Program Rewards Entire Relationship and Enables Banks to Effectively Cross-Sell Products, Increase Revenue and Improve Customer Retention*

*Purchase, NY and Las Vegas, NV, November 14, 2006* – MasterCard Worldwide is launching a new rewards program that empowers banks to better leverage customer relationships and increase customer loyalty based on the entire banking relationship. The new relationship rewards program creates opportunities to reach new levels of personalization through rewards that meet specific customer interests. It also enables banks to roll multiple lines of products into one rewards account, helping to deepen relationships.

The new MasterCard relationship rewards program enables banks to build loyalty programs unique to their own brands and to cross-sell retail bank and credit products more effectively. Due to the sophisticated technology at the core of the new program, processing multiple products for seamless scoring, tracking and fulfillment of rewards is done easily.

“Financial institutions are looking for ways to enhance cross-sell and retention efforts, and an innovative loyalty program like MasterCard’s relationship rewards is a critical element of this strategy,” said Patricia Preston, Group Head, Debit Product Management Americas, MasterCard Worldwide. “By offering relationship-based rewards, MasterCard helps our customers develop programs that are more relevant to the varied interests and preferences of their customers, and expand upon their share of financial services.”

Preston said the company’s internal research shows that consumers prefer to be recognized and rewarded for their entire relationship with a financial institution, and that MasterCard is working to help financial institutions broaden the entire banking relationship.

MasterCard will offer relationship rewards programs beginning in early 2007. Banks will have the ability to customize programs to any degree desired. Rewards can be earned on deposit or investment balances, the number of products held, transactional elements such as card purchases, online bill payment, direct deposit, as well as one-time promotional events such as a mortgage or HELOC application/approval.

Additionally, rewards from personal and small business products can be commingled, allowing customers to have a consolidated rewards “bank” from which they can take advantage of everything from cash-back, travel and gift certificates to matching contributions and experiential rewards.

Banks needing to build a business case for relationship rewards can take advantage of best practices financial modeling, competitive analysis, cross-sell and product suite diagnostic tools as the front end to the program. Program design, marketing campaign planning, ongoing program management, results tracking and analysis are other components of the MasterCard relationship rewards offering.

“MasterCard is helping to create true loyalty among bank customers, creating a deeper connection to create advocates, not just points-redeemers,” said Mark Shipley, Group Head, Loyalty Solutions Worldwide, MasterCard Advisors. “We are constantly working to deliver loyalty solutions that create real value by driving true loyalty between retail banks and their customers. MasterCard is able to do this by offering innovative, secure, customizable rewards solutions that feature three distinct elements: personal rewards expertise, rich consumer spending data, and advanced global technology. These highly targeted programs can deliver the right solution to the right consumer, to get the right behavior in return – ultimately creating consumer advocates for banks’ business.”

#### **About MasterCard Rewards Services**

MasterCard Rewards Services (MRS) redefines state-of-the-art in reward program management and functionality. MRS is a fully integrated, customizable operating platform capable of managing multiple points-based, travel, cash-back and gift certificates and other loyalty programs. The program is supported by an expert team of MasterCard Advisors consultants who are available to design and implement customized programs that are designed to meet an issuer’s unique needs.

MRS offers some of the most advanced features in the payments industry, including:

- Account migration capabilities that can be utilized for customer segmentation efforts and promotional strategies;
- Extensive global data scrubbing and aggregation conducted to assist in providing the most flexible and accurate promotion opportunities available;
- Ability to easily configure the system to add programs/strategies or support spend-based promotions, bonus points, test cells;
- Householding of multiple accounts;
- Currency conversion;
- Country-specific reporting capabilities;
- Multiple language and country call center and fulfillment capabilities including statement and redemption websites;
- Global expertise in loyalty and rewards consulting, and program planning and development.

MRS supports the design of promotion criteria and reward redemption categories, including airline, travel, merchandise, gift vouchers (certificates), prepaid cards, and issuer-offered financial products and services. A statement option allows cardholders to view balances and redeem rewards 24 hours a day, including via the Internet.

**About MasterCard Worldwide**

MasterCard Worldwide advances global commerce by providing a critical economic link between financial institutions, businesses, cardholders and merchants worldwide. As a franchisor, processor and advisor, MasterCard develops and markets payment solutions, processes approximately 14 billion payments each year, and provides industry-leading analysis and consulting services to financial institution customers and merchants. Through its family of brands, including MasterCard®, Maestro® and Cirrus®, MasterCard Worldwide serves consumers and businesses in more than 210 countries and territories. For more information, go to [www.mastercardworldwide.com](http://www.mastercardworldwide.com).

**About MasterCard Advisors**

MasterCard Advisors, LLC, an affiliate of MasterCard Worldwide, is a global professional services organization offering payments-related consulting, information and outsourcing. Through a worldwide network of expert consultants, MasterCard Advisors offers a depth and breadth of services and customized solutions for helping clients grow and create value from their cards and payments businesses. Loyalty Solutions Worldwide designs and delivers loyalty programs globally exceeding customers' expectations for innovation, quality and service. For more information about MasterCard Advisors, go to [www.mastercardadvisors.com](http://www.mastercardadvisors.com).

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