

# THE MASTERCARD® PREPAID GIFT CARD: STRAIGHTFORWARD AND VERSATILE

THE PERFECT WAY TO GIVE A GIFT



BY 2017, EUROPEAN OPEN LOOP PREPAID CONSUMER GIFT SPENDING IS ESTIMATED TO BE USD 8 BILLION<sup>1</sup>

## A more flexible option

Consumer demand for gift cards is growing. Although they have become accustomed to using gift vouchers, customers are now looking for a solution that is globally accepted and more convenient. MasterCard Prepaid Gift Cards offer convenience, ease of use and greater choice.

## What is the MasterCard Prepaid Gift Card?

An easy and versatile alternative to buying gifts using cash, that offers:

- A major opportunity to create, build and enrich customer relationships
- The ability to capitalise on the rapidly growing prepaid opportunity
- A streamlined entry into the prepaid gift card sector
- A way of adding value to your business
- Can be customised around specific locations (Private Label)



**Meeting needs with innovative solutions**

**Gift Card issuer needs:**

- To create new revenue streams
- An easy and flexible method to implement
- To offer customers greater choice of rewards
- To build and enrich customer relationships
- Satisfy customers' requirements for prepaid gift card products
- A prepaid card that can be tailored to meet the particular needs of your business
- Add value to and grow business
- Expand on the options of when/where and how customers can use their card

**Gift Card issuer solutions:**

- Streamlined way of entering the prepaid opportunity
- Reinforces brand image via card branding
- Can be tailored to local markets
- Card can be used wherever MasterCard is accepted worldwide
- Can be customised around specific occasions
- Flexibility to design and control product features to suit your business

The UK and Ireland are projected to record sales of USD 2.2 billion in 2017 through open loop prepaid gift cards<sup>1</sup>

**The MasterCard Prepaid Gift Card – benefits for everyone**

**Issuer/Programme Manager benefits:**

- Attracts new customers
- Grows and strengthens brand and existing relationships
- Creates new revenue streams by moving the gift sector from cash and vouchers to card payments

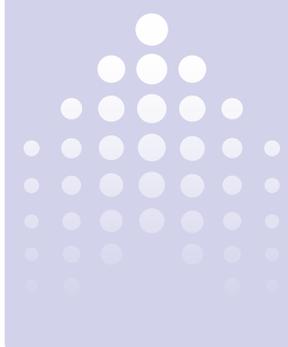
**Gift Card issuer benefits:**

- Greater choice
- Instant issue in local currencies
- Internet access to balance, account information and transaction history
- Provides flexibility to make purchases in-store, online, by phone and via the internet (more versatile than closed-loop 'store' gift cards/ vouchers)

**Consumer benefits:**

- Easy to get into the prepaid gift card opportunity
- Meets growing consumer demand for gift card solutions
- Ease of issue and immediate use
- Flexibility and choice where funds are spent
- Globally recognised payment products and acceptance
- Consumer trust and security protection
- Design flexibility for a particular event (such as holiday celebrations, anniversaries, birthdays and other gift-giving occasions)
- Reach new customers
- Builds relationships and helps to increase loyalty

Gift cards are expected to prove popular in Russia, with open loop gift spend estimated at USD 1.7billion for 2017<sup>1</sup>





## The MasterCard Prepaid Gift Card – a huge opportunity

Convenient for businesses and cardholders, the MasterCard Prepaid Gift Card offers huge potential to transform the way gift payments are made.

- By 2017, European open loop prepaid consumer gift spending is estimated to be USD 8 billion<sup>1</sup>
- The UK and Ireland are projected to record sales of USD 2.2 billion in 2017 through open loop prepaid gift cards<sup>1</sup>
- Gift cards are expected to prove popular in Russia, with open loop gift spend estimated at USD 1.7 billion for 2017<sup>1</sup>
- In France, total open loop prepaid gift card spending is estimated to be USD 600 million in 2017<sup>1</sup>

## How it works

Instead of buying someone a retail store gift card, which is limited to spending in a particular store, a MasterCard prepaid gift card can instead be purchased, with a set amount on it (limits apply), of the buyer's choice. This means the recipient can use the card in any retail store where MasterCard is accepted to cover the whole item, or as part payment towards a larger item.

## The ready-made solution

Offering you a streamlined entry into the prepaid gift card sector, the ready-made solution supports instantly issued prepaid gift cards in local currencies. The cards can be loaded face-to-face with cash, via a debit or credit card, or via bank transfer. Cards issued under this solution would not be personalised, but they can be specially designed for a particular event (such as holiday celebrations, anniversaries, birthdays and other gift-giving occasions). The cards can be used at millions of merchant locations worldwide, wherever MasterCard is accepted.

## Customised solutions

Because the ready-made solution may not be suitable for everyone, the standard MasterCard Prepaid Gift Card Programme can be tailored to meet particular requirements. For example, to support existing customer propositions or local markets, you may choose to offer Maestro®-branded prepaid gift cards. There are also many other opportunities for you to innovate and customise, including personalising the card, providing different ways to access account information, and offering gift cards that can be upgraded to Everyday Money prepaid cards, which are reloadable and can offer ATM access.

## MasterCard – the support you need

The MasterCard Prepaid team is committed to helping you through every step of the programme implementation process by:

- Reviewing programme requirements
- Identifying and addressing all necessary launch steps
- Collaborating with you to build the most effective project plan
- Assigning you a dedicated team for all implementation tasks
- Providing turnkey marketing support materials

**In France, total open loop prepaid gift card spending is estimated to be USD 600 million in 2017<sup>1</sup>**

## What MasterCard can provide

We can help you get to market with our network of issuing banks, programme managers and processors. We will work with you to:

- Assign a relationship manager
- Establish clear lines of communication
- Review programme requirements
- Identify and address necessary steps to achieve the desired results
- Develop and roll out a project plan
- Create a working team to ensure all implementation tasks at MasterCard are coordinated and performed
- Help determine performance metrics
- Share best practices
- Provide on-going support

## Why MasterCard?

MasterCard serves consumers and businesses in more than 210 countries and territories

- **As a franchisor**, we develop and market payment solutions and processes
- **As a processor**, we handle approximately 27 billion transactions each year
- **As an advisor**, we provide industry-leading analysis and consulting services to financial institution customers and merchants
- **As a leader in innovation and technology**, we have the facilities and knowledge to help make your programme a success

Working with us puts you at the heart of commerce where financial institutions, businesses, cardholders and merchants worldwide converge.

## Get in touch

If you are interested in how the MasterCard Prepaid Gift Card can benefit your company, don't hesitate to get in touch. We are ready, willing and able to be your partner. Let us help you develop an offering that's right for your customers and bring the strength of the MasterCard Prepaid Gift Card to your brand.



**For more information, please contact your MasterCard representative or local MasterCard office**



MasterCard Worldwide is at the heart of commerce. Our understanding of how and why commerce is conducted allows us to create more advanced methods of payment that fuel economic connections and drive real business value.

<sup>1</sup> 2012 Global Prepaid Card Market Sizing Study, Commissioned by MasterCard