

THE MASTERCARD® PREPAID YOUTH CARD: CONNECTING WITH THE YOUNGER MARKET

SAFE AND SECURE



BY 2017, EUROPEAN OPEN-LOOP PREPAID CONSUMER YOUNG ADULT SPENDING IS ESTIMATED TO BE USD 3.2 BILLION¹

Smart Spending

The MasterCard Prepaid Youth Card delivers a number of attractive features and benefits for young people. It helps younger age groups acquire smart money management skills; while older age groups enjoy the freedom it gives to spend in the ways that they want.

Parents are able to control spending limits, giving them the confidence to allow their children full access to their money. The card is safer than cash for two reasons: it contains only limited amounts of money; and can be easily cancelled if lost or stolen.

It's just one of MasterCard's comprehensive range of payment solutions that grow with young consumers through key life stages – from teen years to college to young professional.

What is the MasterCard Prepaid Youth Card?

The card is designed for the lifestyle of today's teenagers and young adults. It allows them, and their parents, a level of financial control and awareness. It is ideal for those who don't yet have a bank account or credit card, suits the busy lifestyle of the younger person and is an easy and convenient way to manage financial needs of all kinds.

The MasterCard Prepaid Youth Card is a very versatile solution with the following benefits:

- Safer than carrying cash – as the card can be cancelled if lost or stolen
- Tracks their spending, so they (or a parent) can see where their money is going
- If there aren't enough funds, they can't spend and go overdrawn from POS transactions
- Allows limits on maximum transactions or withdrawals, or on where the card is used, can help the holder to spend sensibly*
- Can be used at shops, cinemas, cafes, wherever MasterCard is accepted, worldwide and online
- Ideal for buying music, games, tickets and other purchases online
- Get immediate access to cash at ATMs

Meeting needs with innovative solutions

Youth needs:

- Want to prove they can be financially responsible
- To be responsible for own spending decisions
- To have a convenient and safer way to have money when needed

Youth solutions:

- Youth card can be used for all manner of transactions, at merchants, online and withdraw money from ATMs
- Allows more independence and responsibility for spending
- Easily replaceable if lost or stolen
- Avoids inconvenience of opening bank account – a spending method that's quick to obtain

Parental needs:

- Feel their children should learn to be responsible for their own money, as they may not have a bank account and debit card
- Want their children to have independence and not restrict their purchases, but in a responsible way
- A flexible and easy way to give money to their children, whilst maintaining control

Parental solutions:

- Allows children to learn about managing money and various card payment methods
- Parents can keep control of the money by limiting and/or increasing/decreasing at their discretion
- The card can be used for a variety of purchases on everything from lunch to train tickets and music downloads

France is
expected to see
annual Youth
open loop
prepaid spend
top USD 600
million by 2017¹

Germany is
expected to see
open loop
prepaid Youth
spending reach
USD 500 million
in 2017¹

The MasterCard Prepaid Youth Card – benefits for everyone

Issuer/Programme Manager benefits:

- Attracts new customers
- Strengthens existing relationships
- Grows your brand
- Establishes financial relationships with young adults at an early stage in their lives creating an opportunity to grow loyalty
- Cards can be loaded face to face with cash, or by credit and debit card or bank transfer
- Creates new cross-sell opportunities
- Opportunity to introduce your services to new cardholders
- Leverage the MasterCard brands

Youth benefits:

- Convenient and easy to use
- Safer than cash as the card can be cancelled if lost or stolen
- Beneficial for those without bank accounts
- Works with new payment technologies – such as mobile
- Gives safe access to shop and gaming payments
- Suitable for 13 year olds upwards with parental consent**
- Easy to top up, at many locations†
- Easy account reloading – from branch, home or when travelling abroad
- Internet access to balance, account information and transaction history
- Card can be used wherever MasterCard is accepted, worldwide and online

Parental benefits:

- Gives children partial independence, without parental worry
- Reduces risk as spend can be set and tracked by parents
- Protects against loss or theft because the card can be blocked

- Helps children get used to using cards and gain independence
- Are able to help their children in money management

Total Youth open loop prepaid spend in the UK and Ireland is projected to be USD 600 million in 2017¹

1 in every 5 dollars – USD 6.4 trillion annually – is spent by youth²

The MasterCard Prepaid Youth Card – a huge opportunity

Convenient for businesses and cardholders, the MasterCard Prepaid Youth Card offers huge potential to transform the way payments are made by young adults.

Demand for open loop prepaid cards is expected to be strong across Western Europe with the opportunity estimated to be USD 3.2 billion across 12 leading European markets in 2017¹

- France is expected to see annual youth open-loop prepaid spend top USD 600 million by 2017¹
- Total youth open-loop prepaid spend in the UK and Ireland is projected to be USD 600 million in 2017¹
- Germany is expected to see open-loop prepaid Youth spending reach USD 500 million in 2017¹
- Annual open-loop prepaid youth spending in Italy is projected to be USD 400 million by 2017¹

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

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 Youth 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 Youth 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.

¹ 2012 Global Prepaid Card Market Sizing Study, Commissioned by MasterCard

² Global 2009 Roper Data – 22 country study

* Dependent on selective authorisation and acceptance/InControl, subject to availability in local markets

** Subject to applicable local laws

† Country dependent