

Case Study: PCS Prepaid MasterCard

Prepaid Financial Services were delighted to be selected by Creacard SA as programme manager for the PCS Prepaid MasterCard. The card launched in November 2010 and was the first Instant Issue prepaid card in France. The card is now sold in 20,000 retail locations and is established as one of the market leaders in France.

Customers who wish to purchase the card do not need to complete any time consuming documentation or undergo credit checks. They can simply pick up a card in-store, retrieve their PIN using a simple SMS command, load it with cash at the counter and begin spending immediately, providing cardholders with instant online spending capability.



The PCS MasterCard has seen rapid growth over the first year. Originally aimed at the unbanked market, the card has been widely adapted by young people, security conscious online shoppers and businesses.

The programme has been instrumental in the emergence of prepaid card products as a mainstream financial product for the French public. The award-winning card features cutting edge technological innovations and is widely seen to have set the standard for products of this type.

Project Aims

Creacard SA wanted to deliver a product that was simple to understand for the consumer, by providing loadable vouchers, SMS notifications for loading and card to card transfer. At the same time the product needed to be attractive for merchants to sell and easy to understand.

Creacard SA had a number of criteria:

- To deliver a secure, convenient, easy-to-use, cost effective product.
- Provide the capacity to purchase, activate and load the card in-store
- Real-time cash loading at the merchant terminal
- Voucher loading by SMS and online in multiple denominations
- PIN by SMS
- Capacity to share funds from card to card
- Mobile banking functionality, including blocking the card from use, by SMS
- Real-time reporting on loading volumes, card usage and available stock
- E-wallet functionality for card loading

What PFS delivered for Creacard

Delivering a project of this complexity posed a diverse range of challenges, which included brand positioning, merchant integration, localization, pricing models, creation of purpose built functionality, introduction of fraud prevention methodology, supplier integrations and customer service. These features all combine to determine whether a programme is a success or a failure. The delivery of the product was the culmination of an intensive period of technical development in consultation with the various stakeholders.

- PFS liaised with the client, MasterCard®, the issuing bank and local regulatory bodies to gain approval for the project
- PFS integrated with local terminal network providers to facilitate real-time voucher generation and cash loading capability in participating stores
- Provided customers with multiple loading channels including bank transfer, voucher, credit/debit card and cash
- PIN delivery by SMS
- Card management including balance enquiry, blocking and unblocking cards by SMS
- Instant card-to-card transfer by SMS or online
- Localisation of the product platform to support French language
- Real-time reporting on sales, loading to cards, fees, transactional data
- 2nd Tier multilingual customer support
- Capacity to manage stock allocation online
- PFS managed the relationships and integrated with the various providers required to establish the card programme, including, the card vendor, processor, acquirer, issuing bank, SMS Gateway provider, merchant terminal providers, printer and identity verification providers.

Providing a top-up capability was challenging but we found an ideal solution by providing vouchers in various denominations that could be purchased and then loaded to a card via a pre-registered mobile phone or online. This technological leap eliminated one of the biggest barriers for entry in a new market such as France.

A customer can purchase two cards, send one card to another recipient and send funds to the secondary card by SMS or online. This of course is dependent on full KYC being provided and authenticated. PCS enables customers to easily access funds and send funds internationally.

Summary

By entering into the French market, PFS has learnt many important lessons. You need local partners, who understand the dynamics and requirements of the domestic audience; you need to have multiple loading options (debit, credit card, bank transfer, cash top up, voucher top up); you must provide value for money and convenience. Our experience with the PCS Mastercard has proven that there is a ready demand for an Instant Issue Simplified Due Diligence product sold in retail. Now that we have launched this program, PFS sees multiple opportunities with further local partners, including household brands and Mobile operators. Being first into the market has provided some important lessons and experience which PCS and PFS intend to capitalise on.