



augeo

It's Time to Engage.™

CARD-LINKED OFFERS

The Network Effect – Evolution for Enduring
Customer Retention

AUGEO AT A GLANCE

NATIONAL OFFICES



INDUSTRIES SERVED

financial services, home improvement, insurance, food service, sports, retail, distribution, publishing, telecommunications and pharmaceuticals

SERVING FORTUNE 50–1,000 and local and regional businesses



15+ years managing loyalty programs



1,200+ active loyalty programs in market in over 55 countries



30,000+ card-linked offers at thousands of locations nationwide



12,000,000+ end users with over 33 billion points on file

CARD-BASED LOYALTY PROGRAMS



Over 1,000 financial institutions, airlines, member organizations – growing rapidly

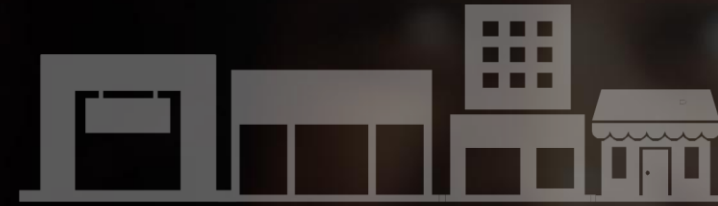
- Provides certain assets not always available to some of the more mass market, e-coupon approaches.
- Receive full transaction activity from issuers/processors
 - Preferred or exclusive partner for Vantiv, Elan Debit, COOP EFT, Visa DPS, while highly integrated with FIS, Fiserv, FDR, etc.
 - Rich history of spend for analysis and targeting, ability to evidence engagement.
- Broader relationship with the cardholder, with many established integrations and contact points, web, statements, mobile, email, call centers. Unique ability to engage and reinforce the benefits derived from the CLO program.



Over 50 billion points/miles on file
Represents 500 million dollars of funded consumer purchasing power.

NATURAL EVOLUTION OF CARD-BASED LOYALTY TO ADD CLO'S

- Already earning for card use – now earn much more at participating merchants.
 - Added online malls 8 years ago
 - Integrated with partners for in-store
 - Developed our own platform for boarding/managing offers for community FI's/closed loop programs
- Provided at little additional cost to all loyalty programs.
- Focused on providing broad merchant content as primarily an aggregator of merchant providers on one side ---issuers on the other.



50,000 in-store locations
available to our cardholders

NATURAL ADVANTAGES TO BEING PART OF A BROADER LOYALTY PROGRAM

Ties and earning power run far deeper than CLO cash discount program

- For the issuer, for the cardholder and for the merchant.
- Cardholder Engagement is broader and deeper. Multiple Communication Channels Exist.
- Next phase in the evolution will provide for even greater opportunities to leverage what has been built to the advantage of all.

NATURAL ADVANTAGES TO BEING PART OF A BROADER LOYALTY PROGRAM

Analytics and Targeting

- Ever increasing focus to provide greater relevancy in what, when and where for the offers presented.
- Easier said than done, will continue to evolve.
- We see all purchase activity, not just qualified offers, providing better insights

Real-time

- Multiple integrations under way for real time transactions with our many processors.
- We will be in the authorization stream of our partner processors.
- Allows for real time messaging and posting to the card account to enhance engagement.

THE BIG OPPORTUNITY – PAY WITH LOYALTY

Unleashing the purchasing power of the 50 billion (\$500 million and growing) in loyalty currency—direct it to the participating merchants .

- Most CLO rebates in form of cash, to be spent anywhere.
- By using a currency such as points or miles, the spend can be directed towards the merchants paying into the system.
- Benefits to merchants –Two way street
- Call it closed loop, or coalition, or partner programs – it is the next natural extension to the relationship being built between cardholders, their issuers, and the merchants

PAY WITH LOYALTY IS EVOLVING

- Simplest form – Redeem for store branded gift cards
- E-gift cards
- In-store redemption and pick-up
- Post-transaction Notice
- Coalition Prepaid card
- Loyalty Card in Your Mobile Payment
- Interactive Integration at the POS

Fundamental shift in Issuer and Loyalty Provider approach which supports this evolution. Rather than business models that rely on breakage, the understanding exists that providing relevant, timely value evokes the type of loyalty which is the ultimate goal.

SUMMARY

- CLO capabilities within a broader loyalty program has unique advantages in integration and engagement.
- The developments in the areas of real time integration and the ability to establish a broader “coalition” approach will greatly increase the value for all.

THANK YOU

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