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# CARD-LINKING AT THE NEXT LEVEL: WALLET-LINKING

CardLinX Loyalty Forum, New York

April 26, 2016

# Card Linking Variations

As our industry grows, consumers see an array of offers types

Bank Issued

Third Party



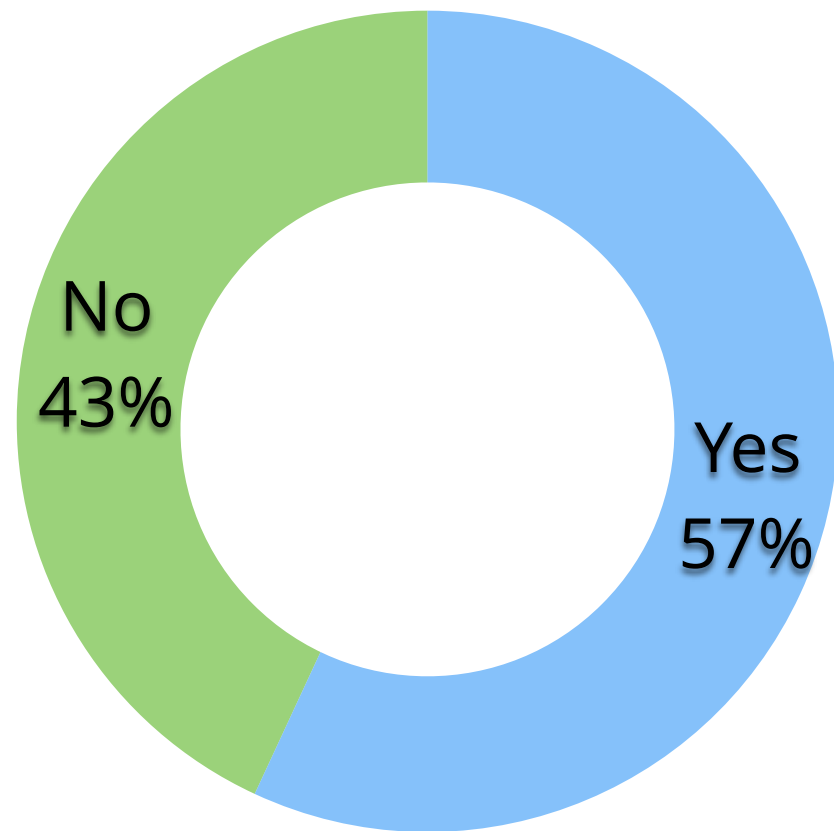
ACCOUNT LINKED

CARD LINKED

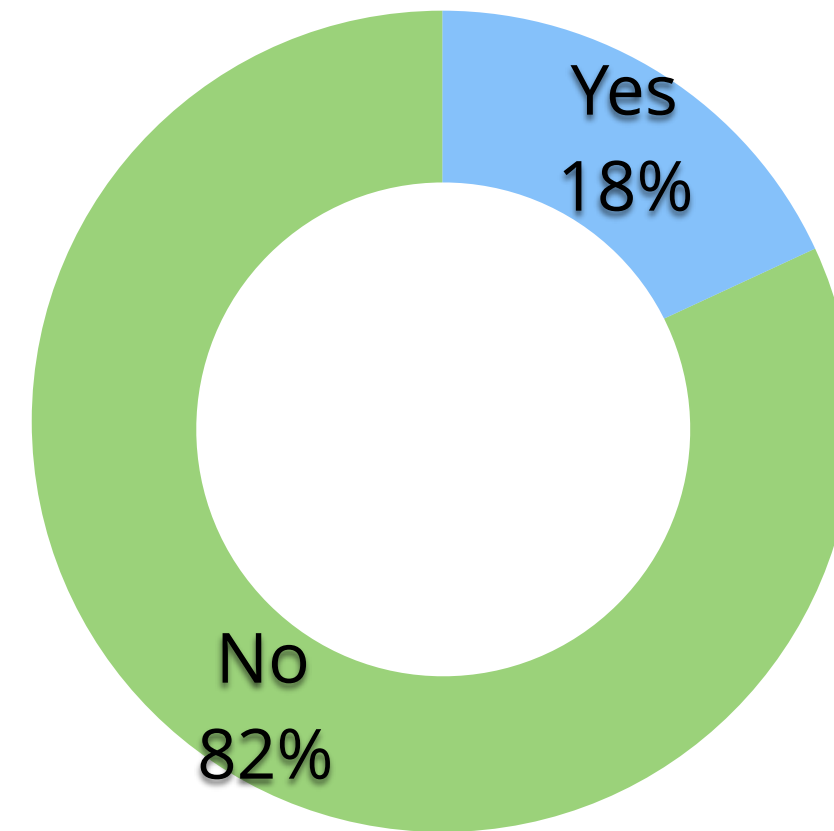
CARD LINKED

# Consumers Have a Lot to Learn

57% of users are familiar with discounts associated to their credit or debit cards



82% of users say they have not used a card-linked offer

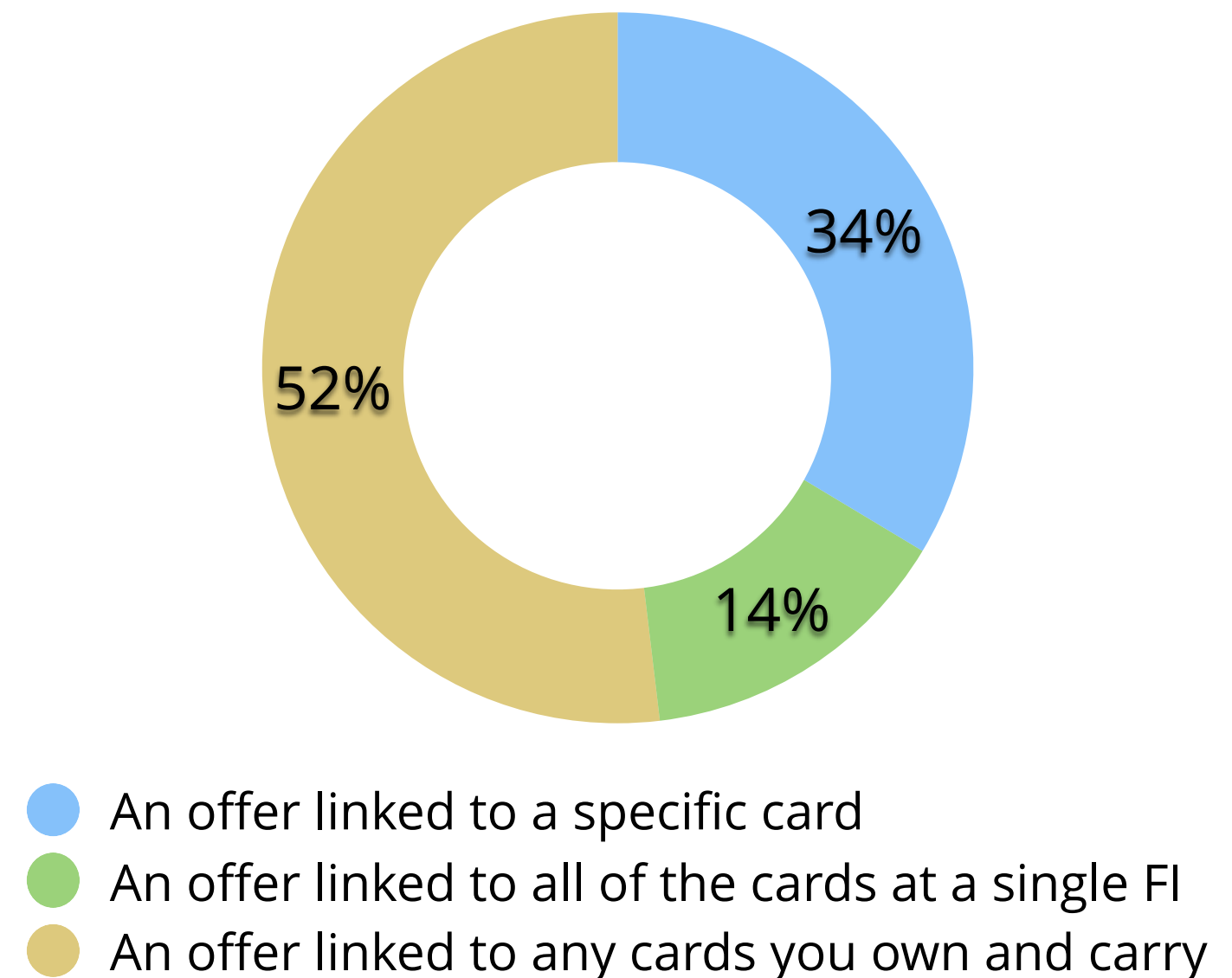


Source: Wallaby Research via SurveyMonkey Audience, April 2016. n = 492

# Consumers Desire Simplification

- Consumers cannot remember which card to use for basic rewards
- Consumers cannot remember which card has a card-linked offer
- Misuse leads to lack of tracking and success metrics
- Seeking a trusted advisor

**Which of the following types of card-linked offers do you prefer?**



Source: Wallaby Research via SurveyMonkey Audience, April 2016. n = 492

# Wallet Linking

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- Each offer linked to a unique consumer wallet vs. card
- Ignoring patents and systems, it provides benefits for:
  - ◎ Merchants: avoid undesirable stacking, enable tracking
  - ◎ Consumers: avoid confusion, enable savings
  - ◎ Banks: Increase share of wallet, enhance targeting, transaction volume lift

# Security Concerns

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- 82% of consumers don't trust a third party with a card number
- Banks are the most trusted source of financial data and opportunities, users are hesitant to provide financial data elsewhere

*Source: Wallaby Research via SurveyMonkey Audience, April 2016. n = 492*

# A Path Forward?

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- Putting banks and providers together for universal card linking
- Third parties with user opt-in to offer aggregation
- Offer and card activation via OAuth vs. PAN or Username/Password

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THANK YOU



# Moderator Questions

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1. What is the consumer mindset to card-linked offers today?
2. What is Bankrate doing to support card-linked offers?
3. How can banks reconcile a desire to keep consumers engaged in their own experience with consumer desire for simplification?