



WANT TO GROW YOUR CARD PROGRAM?

Focus on these five areas

The past year has proven to be full of change for issuers, as cardholder spending patterns, preferences and in some cases, financial lives, changed quite rapidly. While [Fitch Ratings' findings that card performance remains strong in the United States](#) and delinquency and charge-off rates remain lower than projected is encouraging, issuers must acknowledge that many cardholder needs, preferences and expectations have changed significantly over the last year.

To grow your card program in 2021 and beyond, focus on these five factors.

Prioritize winning top of wallet (or app)

Respondents to FIS' 2021 Pace Pulse survey revealed that COVID-19 restrictions changed many cardholder behaviors. The percentage of respondents using tap to pay functionality at checkout more than doubled from April 2020 to February 2021, while the percentage using mobile payments increased by nearly two-thirds. To win the top spot in today's wallets, phones and apps, you've got to make sure that your card has the functionality that appeals to these changed preferences, including:

- A tokenization solution that masks sensitive cardholder information to enable secure payments in any channel.
- Digital issuance solutions that let cardholders load their card into a mobile wallet right away for immediate use, until a new or replacement card arrives.
- Post-purchase installment loan options that give cardholders the choice to repay an item they've charged in smaller, fixed amounts, to avoid unintended interest or fees for the flexible repayment options that compete with Buy Now, Pay Later popularity.

Prepare for the return of travel

Given that more than 15,000 respondents to a June 2020 FIS global survey said they had used their credit card to fund travel more than any other purchase category over the last 12 months, a return to travel gives issuers new opportunities to reconnect with the lost forms of revenue that the pause on travel created. Issuers who strategically structure card offerings with capabilities that cater to the "new world" of both personal and business travel can support cardholder needs for a contactless experience, while helping mitigate risk during business travel.

Once used infrequently in business cards, for example, Mercator Advisory Group says contactless payments will now be a critical element in commercial card programs. Virtual cards, which can be assigned a credit limit or designated for one-time use, will also be in demand as employers seek ways to limit contact and reduce the role paper receipts and checks play in expense reporting and reimbursement.

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-FIS Pace Pulse Survey, 2021

Automate rebates on commercial programs

Rebates can certainly attract new commercial card clients and increase the number of transactions made on the cards, but they compress margins. When you have a financial technology partner with the capabilities to automate commercial rebates, you'll immediately see more value from your commercial program. Not only does automation free your financial institution from the resource burden and costs associated with manual rebate issuance processes, it yields invaluable data. Apply it to better understand your corporate cardholders, so you can adapt and personalize your offering to differentiate and grow relationships.

Renew your emphasis on interchange

Optimizing your approach to interchange can offset the routine fees associated with your credit card program and processor. For example, you can pay the bill in full, or significantly reduce costs, when you work with a partner who can help you use straight-through processing to get better rates.

Streamline your cardholder servicing

FIS' Pace Pulse survey revealed the more than a quarter of respondents now use online or mobile banking tools to handle needs they used to take care of in person.

To grow your card business, consider how you can further use technology to put cardholders in control. Self-service tools let cardholders set parameters over how and where their card can be used and allow them to receive mobile or email spending alerts to help them manage budgets and prevent fraud. You can further improve servicing by arming your customer service staff with technology that offers an easily searchable user interface and holistic view into the cardholder relationship they need to accurately answer and resolve cardholder needs.

To learn more about how FIS Payments One can help your card program grow, [click here](#).


25% + respondents use online or mobile banking tools to handle needs they used to take care of in person.

-FIS Pace Pulse Survey, 2021

About FIS

FIS is a leading provider of technology solutions for merchants, banks and capital markets firms globally. Our more than 55,000 people are dedicated to advancing the way the world pays, banks and invests by applying our scale, deep expertise and data-driven insights. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS is a Fortune 500® company and is a member of Standard & Poor's 500® Index.

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