WOW FACTOR

STRATEGIES FOR DRIVING CARD USAGE

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The discussion of how to improve metrics with existing cardholders begins with this reality: people are hardwired to ascribe feelings of loyalty and trust to other human beings, not to processes or technologies or even well known corporate logos.

As consumers and as human beings, we view and judge branded offerings through the same lens as we view other people. That's why it's no surprise that study after study points to the same conclusion regarding brand loyalty — consumers develop deep affinity for brands that are attentive, honest, and constantly working to put customer needs ahead of the brand's.

"Great," you might be saying. "But I never meet a vast majority of my cardholders face-to-face and when they call my service center, it's usually to discuss a crisis regarding lost cards, stolen cards, fraudulent charges or declined transactions. So, how do I make this brand-building human connection with my cardholders? And how can I make it compelling enough that it drives up card usage and long-term loyalty?"

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Here's something that works. And it centers on the main branding platforms you already have in place — your cards and your mailings.

Entrust Datacard offers technology that makes it easy and economical to print highly personalized cards, card labels and card carrier packages. The impact of these technologies on current cardholder bases has been compelling — and highly measurable.

Research shows that printing personalized images and text has a proven impact on the bottom line: activation rates improve by 54% and transaction volumes grow 15-20%. Adding personalization also increases customer retention, which in turn drives revenue. For example, a 5% increase in customer retention produces more than a 25% increase in profit.

While it's difficult to determine precisely which personalization tactic drives those improved cardholder metrics, it seems that our proclivity to develop feelings of loyalty and trust to other humans — rather than products or logos — is almost certainly at play. Imagine you are a cardholder and you receive a credit or debit card featuring a full-color image of your favorite vacation spot or picture of your family pet or a photo of your kids (or grandkids). Every time you remove that card from your wallet or purse, you probably can't help to think — consciously or subconsciously — "this company knows me."

The same holds true for a card mailing. Again, put yourself in the cardholder's shoes and imagine opening a card mailing that speaks directly to you. Depending on your financial circumstances and stage of life, the messaging may talk about how this card — and other financial services from your issuing bank — can help you achieve your goals. For some, it may be building credit for the first time, buying a car, saving money or finding and furnishing a home. For others the messaging can speak to building a family, acquiring vacation property, rebuilding credit or planning for retirement.

These use cases of card and card carrier personalization are all examples of how you can bring the human side of your brand to life and establish deeper connections with your cardholders. It's golden real estate to capture cardholder attention.

Of course, there is also a long list of practical reasons for improved card program metrics. For example, printing personalized offers and activation incentives on labels creates a connection with cardholders instantly. A surprising 40% of people who receive cards never activate them. Custom messaging affixed directly to the card is likely to overcome at least some of those activation barriers.

One final thought about printing highly personalized cards, labels and card carriers — it's easy and economical. Chances are your bureau operations are built around Entrust Datacard issuance systems. A vast majority of the world's financial cards are personalized and packaged using our systems. The digital printing technologies we've developed to enable this kind of personalization of cards, labels and card carriers requires a modular upgrade to your existing systems.

Full-color cards, labels and card carriers — with exceptional image quality — can be printed as part of your current card issuance process. Everything is printed inline. The inline technologies save time, help ensure quality assurance and reduce the need for pre-printed stock. The biggest change is integrating new cardholder images and data into the issuance process. This does require some work on the part of your operations team, but Entrust Datacard offers both the tools and the professional services that make that process entirely manageable.

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