

The Segmenting the Cardholder Market Study reveals untapped opportunity

Using a one-size-fits-all approach to your cardholder base does not reflect the realities of today's marketplace. The various segments of cardholders have very different behaviors, motivations, and expectations with regard to how they use their payment options. MasterCard Advisors' *Segmenting the Cardholder Market Study*, part of the **Comparative Cardholder Dynamics** suite of studies, provides valuable insight into these differences, allowing you to uncover opportunity you might otherwise have missed.

The study is based on extensive surveys completed by a large, nationally representative panel of consumers. MasterCard Advisors focused on distinct groups of card users—defining segments by demographics, credit usage, transaction behavior, and life stage—and applied its proprietary analytics to their responses. The result: an in-depth evaluation, by market segment, of cardholder behaviors and attitudes, plus competitive information on the performance of the leading card programs in the marketplace.

The *Segmenting the Cardholder Market Study* identifies high-opportunity segments and what you need to know to increase your market share within them.

Answers to Key Questions

The *Segmenting the Cardholder Market Study* addresses the full range of issues involved in assessing and pursuing high-potential cardholder segments, including:

- How attractive and important is a given segment to an issuer's portfolio?



- Which demographic and psychographic factors are key to tailoring offerings to various segments?
- How can loyalty be built and sustained within each segment?
- How do other banking relationships affect usage and loyalty within segments?
- Which business approaches should be tailored to each segment?
- What is the role of rewards programs within the "mass affluent" segment?

The study offers you a comprehensive assessment of the challenges and opportunities associated with targeting and serving each cardholder segment.

Insights for Developing Strategies to Engage High-Potential Segments

Helping to inform your strategy through data-based insights into the requirements for success, the *Segmenting the Cardholder Market Study* covers such key areas as:

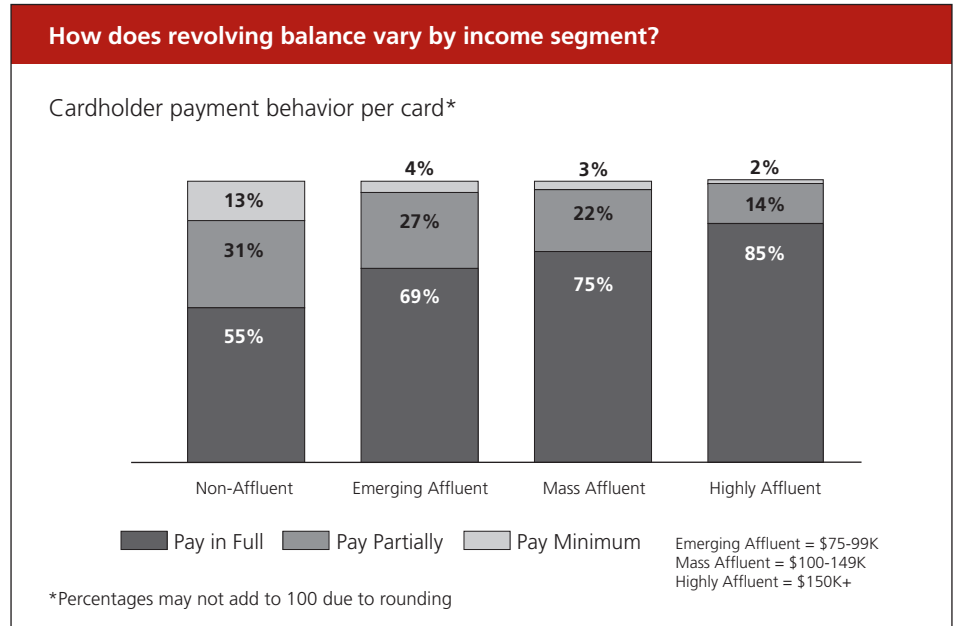
- Overview of market for cardholders
- Share of spending and revolving balances captured per segment by the leading issuers
- Revolvers vs. transactors analysis—across and within cardholder segments
- Comparative view of the cardholder revenue-generating potential of top rewards card offerings
- Card lines and utilization of the leading card programs per segment
- Primary card preferences by segment—contribution to top of wallet
- Share of total spending and revolving balances captured with rewards cards per segment

The *Segmenting the Cardholder Market Study* provides a unique source of powerful perspectives that help you understand marketplace trends, benchmark competitors, prioritize areas of opportunity and, ultimately, develop strategies for success in the marketplace.

To learn more about the *Segmenting the Cardholder Market Study* in the **Comparative Cardholder Dynamics** suite of studies, please contact your MasterCard Representative or visit the MasterCard Advisors website www.mastercardadvisors.com.

About the Advisors Payments Panel

The Advisors Payments Panel is a U.S.-based panel of more than 40,000 consumers of credit and debit cards. The panel is sourced from an existing nationally representative panel maintained by Ipsos, a leading provider of market research services. The information collected provides a powerful and comprehensive perspective, not only across all cards in the wallet, but also across all forms of consumer payment.



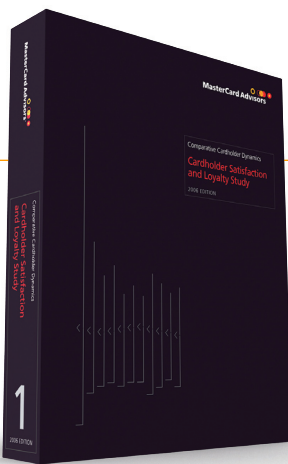
About MasterCard Advisors

MasterCard Advisors, LLC, the professional services arm of MasterCard Worldwide, provides payments-focused consulting, information, and outsourcing services to financial institutions and merchants worldwide. With its unparalleled category expertise, deep understanding of customer needs, and successful track record in addressing complex challenges throughout

the payments lifecycle, MasterCard Advisors delivers customized end-to-end solutions that maximize the value of clients' cards and payments businesses. MasterCard Advisors shares the goals and vision of its clients, and works in partnership with them to deliver actionable insights that drive tangible impact and financial gain. For more information, go to www.mastercardadvisors.com.

Comparative Cardholder Dynamics

studies offer a broad and deep understanding of payment behaviors and consumer attitudes toward credit and debit cards. Issuers gain powerful competitive intelligence and marketplace insights for developing strategies to improve performance.



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