

The \$28 Billion Opportunity for Merchants



Can Private Label Debit Drive Additional Revenue?

For merchants who adopt a private label debit program, the opportunity is growing. In fact...

Mercator Advisory Group estimates that the market for private label debit in the U.S. grew to **\$13.9 billion** in processed volume in 2018.



And Mercator believes volumes will reach **\$28 billion by 2025.**

Large merchants such as Target have already recognized this huge opportunity to combine private label debit with rewards.

13%

of Target sales are conducted via this payment type



A single payment and rewards program offers great benefits to merchants such as:



- ✓ Control over the payment and rewards experience
- ✓ Guaranteed payments
- ✓ Saving on interchange fees
- ✓ Consumer insights and business intelligence

Drive new sales

According to a ZipLine study of a successful private label debit program:

| | Percentage of Program Members | Average Sales lift Above Baseline |
|---|-------------------------------|-----------------------------------|
| Super Adopters Average purchase quantity greater than or equal to twice the baseline | 10% | 178% |
| Increased Adopters Average purchase quantity greater than baseline but less than twice the baseline | 12% | 72% |
| Neutral Adopters Average purchase quantity equal to or less than baseline | 61% | 12% |
| Non-Adopters Zero purchases during previous two months | 17% | 8% |

Source: ZipLine

How can merchants build a successful loyalty program powered by private label debit?



1) Utilize payment methods your customers prefer

Cards



Mobile App



According to Mercator Advisory Group, the fastest growing trend is **mobile payment**



84% of adults in the U.S own a smartphone



96% of 18-34 year olds in the U.S. own a smartphone



54% of adults in the U.S. have made a purchase online with their mobile phone

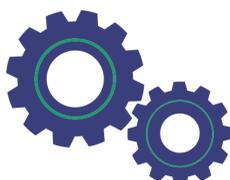


50% of mobile payers have used their checking account to fund their purchase



For merchants there is a significant strategic benefit of mobile payment. Mobile payment is not only convenient for the consumer but also creates a central point to tie together consumer loyalty and other value-added interactions.

2) Build a program foundation



3) Create a customer experience



4) Define loyalty rewards



5) Launch marketing strategy



6) Provide employee training



7) Make data-based improvements



Ready to put your brand front and center with every customer purchase? Learn how to build loyalty by downloading the Mercator Advisory Group and ZipLine complimentary white paper.

<http://bit.ly/2r03Fz3>

