CARDSENSE™ – *WAVE VIII*

MAKING SENSE OUT OF CREDIT CARDS AND REWARDS

- *The credit card market is positioned for a shake up as new and existing reward programs undergo further evolution. How will the market respond?*

- *Has the travel rewards market finally reached saturation?*

- *How are changes in the retail landscape impacting cardholder behaviour?*

- *How are cardholders responding to the unprecedented pace of change in the payments space?*

- *What impact is the evolution of mobile technology having on the card landscape?*

- *Which credit cards are the "best in class"?*

These are some of the questions that we will answer in Wave VIII of *CardSense*™ – the most comprehensive assessment of the combined credit card and reward program market in Canada.

As new offers continue to be presented the Canadian credit card market is becoming increasingly competitive. Will consumers continue to respond or has the market become oversaturated?

CardSense™ provides an insightful exploration of the Canadian credit card and reward program market in a cost effective and timely manner.

WHY THIS STUDY?

In-depth analysis at the individual card level provides our subscribers with insights that will help them understand their competitive positioning to assist in the development of meaningful strategies to improve market share.

A detailed exploration of reward programs and the attitudes among participants will help you understand why card-holders choose to belong to one program over another, why they choose multiple programs, and how they decide to use one card over another at the point of sale.

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METHOD

An online survey among 5,000 adult Canadian credit cardholders means the data are robust enough to provide most issuers with detailed results at the card level.

Early subscribers will have the opportunity to fine tune the base questionnaire content and have access to a limited number of proprietary questions which will be allocated on a first come, first served basis. Booster samples for low incidence target groups can be accommodated.

A unique feature of this offering is the ability to conduct "return to sample" research in an easy affordable way should subscribers identify a client group they wish to re-contact to collect additional information.

Cards to be evaluated will be dependent on a minimum sample size. Separate analyses of cards falling below the minimum sample size will be provided on request.

Specifically, this study will provide issuers with a picture of the Canadian credit card and reward program market, including the following:

1. THE FOUNDATION

Credit Card Market Share

Attitudes and behaviours towards credit cards

Share of Wallet based on absolute dollar spend (Volumetrics)

Wallet Profiles

Cancellations/Acquisitions/Acquisition Intentions

Duality

Cardholder Loyalty

Attitudes towards Rewards Programs

Reward Program Participation including hotel programs

Factors impacting reward program participation

Reward Program Engagement Index

Redemption Behaviour

Contactless Technologies and attitudes

Mobile Technology and Mobile Banking Apps

Person to Person Payments

Payment Methods

Best in Class Credit cards as defined by those who carry them

2. ATTITUDINAL SEGMENTATION

Our segmentation is an essential tool for profiling cardholders and the beliefs that drive card usage.

We will answer questions such as…

What does each of our segments look like?

What percentage of your cardholders and your competitors' cardholders fall into each segment?

Which segments are potentially the most profitable to your organization?

Which products appeal to each segment?

What marketing messages will resonate with each?

3. CUSTOM ANALYSES

We provide a custom analysis tailored to your card portfolio and position in the market. This can include further drill downs undertaken on a request basis on particular segments, proprietary questions or return to sample.

4. AFFLUENT CARDHOLDER REPORT

Affluent cardholders are an attractive segment, enjoying high levels of disposable income and displaying high engagement in credit card reward programs. We will examine in detail the attitudes and behaviours of this group including the cards they carry and the financial institutions they use to help you better attract and retain these valuable cardholders. This analysis will be drawn from the 5,000 interviews conducted among Canadian credit card holders.

5. PAYMENTS REPORT

Payment methods and devices continue to proliferate, challenging the spend traditionally captured by credit cards. Our payments module will examine the payment methods consumers use at different price points and in different retail categories. Understanding which cohorts are gravitating to different payment methods will assist issuers in crafting offers and messages that will capture the attention of these consumers.

This analysis conducted using the 5,000 cardholder interviews in the core study and will provide breakdowns by a number of demographics including gender, age, and income. This report has been expanded this year to better cover the increasing complexity in the payments space.

6. CHINESE AND SOUTH ASIAN REPORT

Chinese and South Asian cardholders exhibit dramatically different attitudes and behaviours with respect to credit card ownership and reward program participation. This module will examine these differences in depth and identify the types of offers that will resonate best with these important and fast growing segments. Booster samples will be drawn to supplement the 5,000 interviews in the *CardSense*™ sample to provide readable bases for these segments (150 minimum for each).

7. YOUNG ADULTS REPORT

Capturing the attention of young adults is an appealing proposition as issuers attempt to deepen their share of wallet and grow these relationships beyond credit cards and rewards.

This module will profile 18-28 year-old cardholders in depth to help you understand the attitudes and behaviours of this segment including the cards they carry and the financial institutions they use. This analysis will be drawn from the 5,000 interviews conducted in the *CardSense*™ core study.
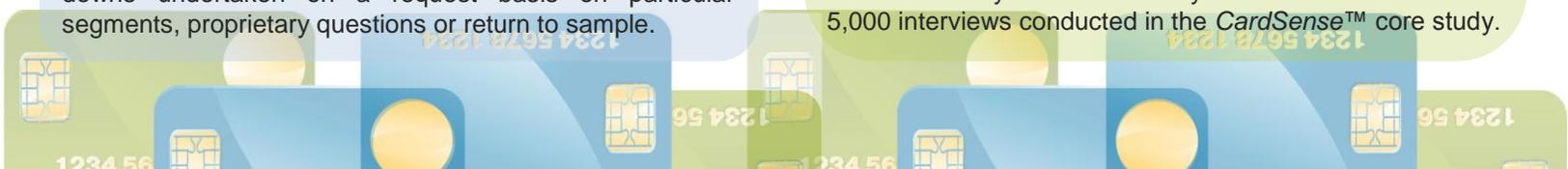
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MARKETSENSE INC. AND ALTITUDE MARKETING RESEARCH INC. are pleased to announce the eighth wave of *CardSense™* – Canada's most comprehensive assessment of the credit card and reward card market. This innovative market research is designed and managed by senior consultants who partner with their clients to help them better understand the complexities of the marketplace as they help them make more effective decisions. Their hands on approach will provide clients with the insights necessary to fully understand what is required to achieve strategic goals.

FOR MORE INFORMATION ON THIS STUDY PLEASE CONTACT:

Lynda Lovett	**Mary-Anne Huestis**
(416) 357-5583	**(613) 767-7618**
lyndalovett@marketsenseinc.ca	mahuestis@marketsenseinc.ca

TIMING

Proprietary Questions ....**September 3, 2013**

Interviewing Begins ....**October 2013**

Reports/Presentation .... **begin February 2014**

DELIVERABLES

Detailed report of all research findings, including strategic insights and tailored recommendations.

All key deliverables on CD-Rom: report, computer tabulations and any special analysis.

If hard copies of tables are requested, they will be provided at cost.

One formal presentation of the study findings in Toronto (additional expenses for travel may be charged for presentations outside the Greater Toronto Area).