

MASTERCARD ADVISORS

Analyzing Consumer Data for Insights and Trends

Rohit Chauhan

Group Executive, MasterCard Advisors



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Acknowledging the New World Reality

We are in a more challenging time for acquisition and loyalty marketing

Corporate



- Fewer resources to drive higher returns
- Proliferation of noise at consumer level

Consumer



- More choices and channels than ever
- More devices (research and buying)
- New global options
- More retail options
- More ways to access (social, etc.)

Demographics are Dead

Insights from near real-time purchasing data are changing the face of marketing

Health
conscious



Musician



Pet
insurance



Detach here and return upper portion with check or money order. Do not staple or fold.

Statement of Personal Credit Card Account Retain this portion for your files. **EA BANK**

Cardmember Name: **John Smith** Account Number: **1234-456-890** Statement Closing Date: **01-31-01**

Statement Date: 02-01-01 Payment Due Date: 03-01-01

Closing Date: 01-31-01

Credit Limit: \$1,500.00 Credit Available: \$1221.50

New Balance: \$278.50 Minimum Payment Due: \$20.00

Reference Number	Sold	Posted	Activity Since Last Statement	Amount
43210987	01-03	01-13	Health Store X	\$37.50
01234567	01-12	01-13	Music Store A	\$210.36
78901234	01-14	01-17	Insurance Company 7	\$321.76
45678901	01-14	01-17	Public Radio Station 5	\$46.87
3210987	01-22	01-23	Electronics Store Y	\$12.00
76543210	01-29	01-30	Bookstore C	\$34.97
2345678	01-30	01-01	Restaurant B	\$112.85

Rate Summary

Finance Charge Summary	Purchases	Advances
Periodic Rate	20.45%	20.45%
Annual Percentage Rate	19.80%	19.80%

For account information and customer service, please call 1-800-555-5555

Payments or credits received after closing date above will appear on next month's statement



Public radio
listener



Computer
equipment



Children in
school



Love dining
out and
good wine

A rich source of consumer insight...

Data Isn't Enough

Consumer and market insights come from much more...

Warehoused transaction data

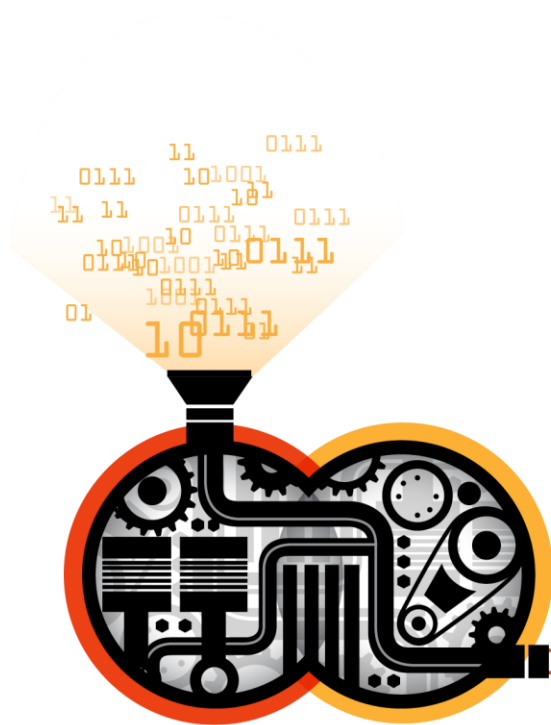
- Meticulous data aggregation and cleansing for unparalleled accuracy
- 1.7 petabytes, with 5+ year historic global view
- Rapid retrieval plus above-and-beyond privacy protection and security

Massive and multi-sourced

- 1.8 billion cards
- 160 million transactions/hour
- 32+ million merchants
- 22,000 issuers

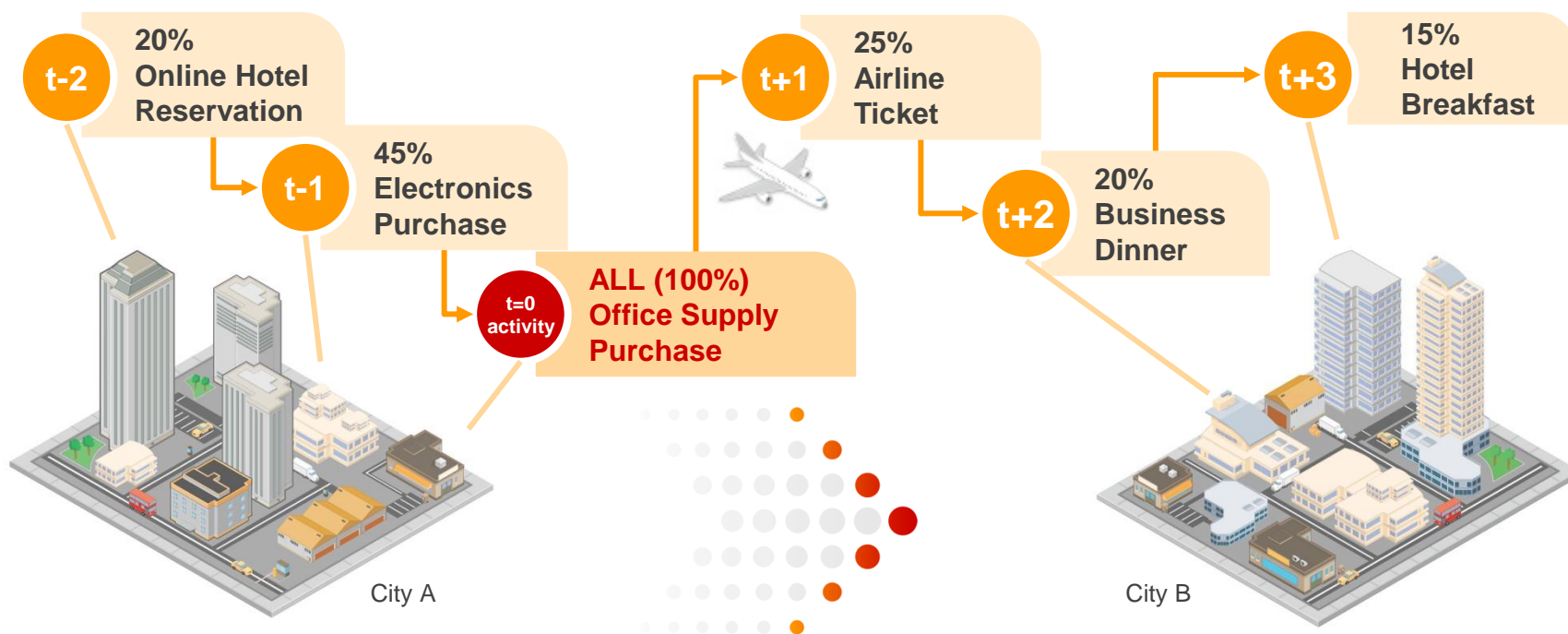
Analytics on longitudinal data structures into actionable insights

- Behavioral variables
- Models, scores, forecasting
- Econometrics



Data to Insight

Purchase Sequence Analytics



Key Points

- Purchase sequence information by merchant industry category, channel, geography, day part, season, and merchant calendar

Potential Benefits

- Relevant offers and cross-sell opportunities based on purchase sequences

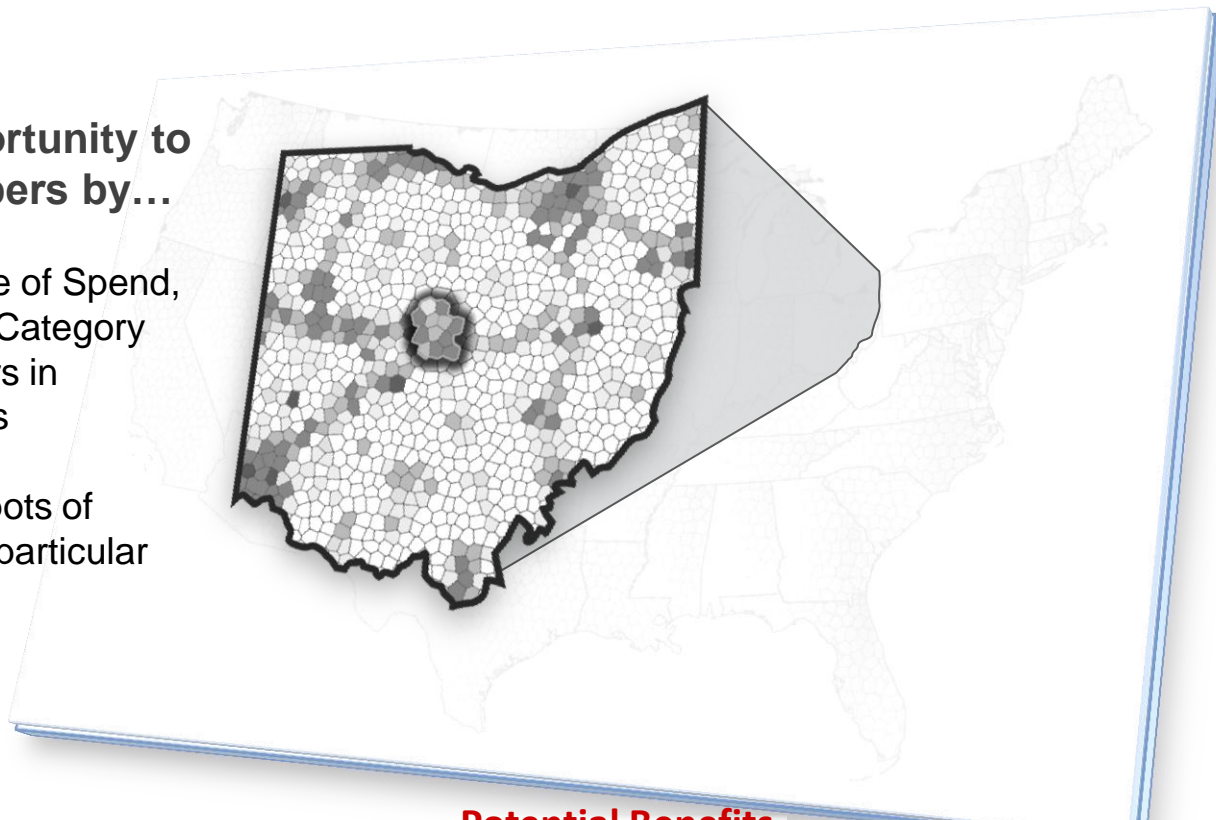
Data to Insight

Acquisition Intelligence

Identify areas of opportunity to reach category shoppers by...

Understanding Share of Spend, Visits or potential of Category Spend by competitors in underserved markets

Understanding hotspots of account activity in a particular postal area



Key Points

- Ability to pin-point sales origin and determine trade area

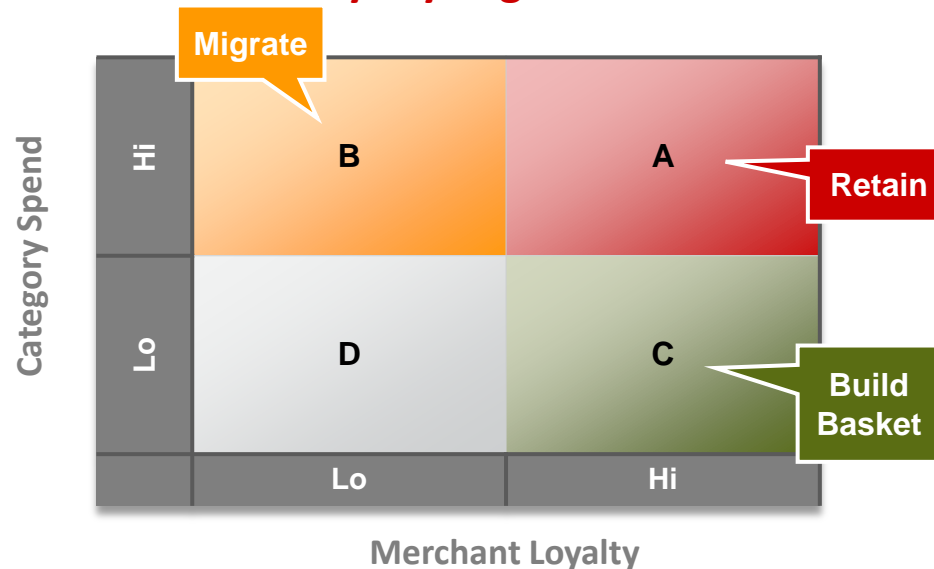
Potential Benefits

- Measure changes in spend behavior, for example, in response to store format changes or competitive landscape effects

Data to Insight

Customer Loyalty Analytics

Loyalty Segmentation



Key Points

- Understand customer segment spending with merchant vs. customer segment spending in the merchant's industry category

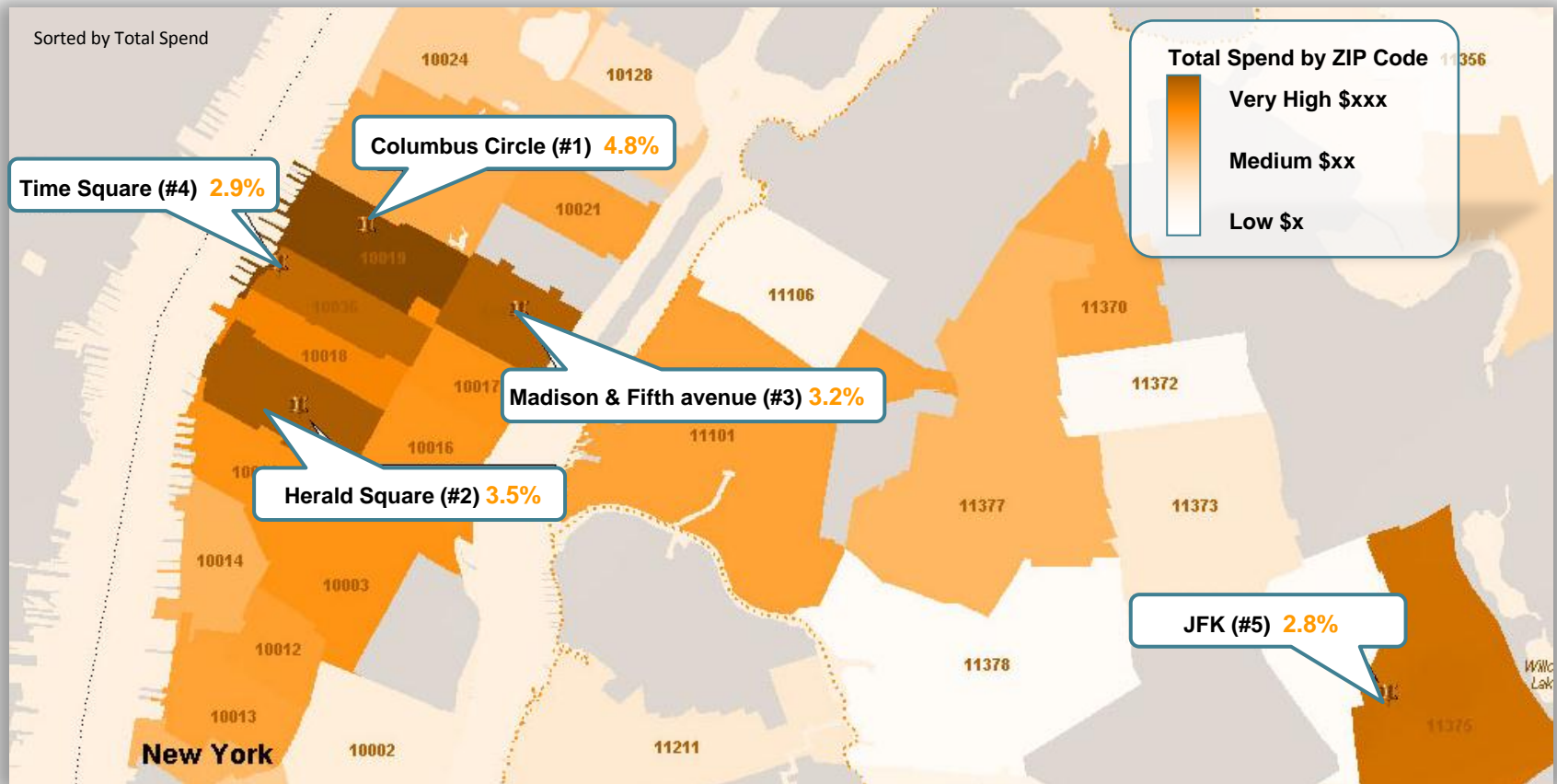
Potential Benefits

- Assess changes in customer loyalty over time. Evaluate program impacts on loyalty

Data to Insight

Spend Density Analytics

Data source: MasterCard, October 2010 - September 2011



Key Points

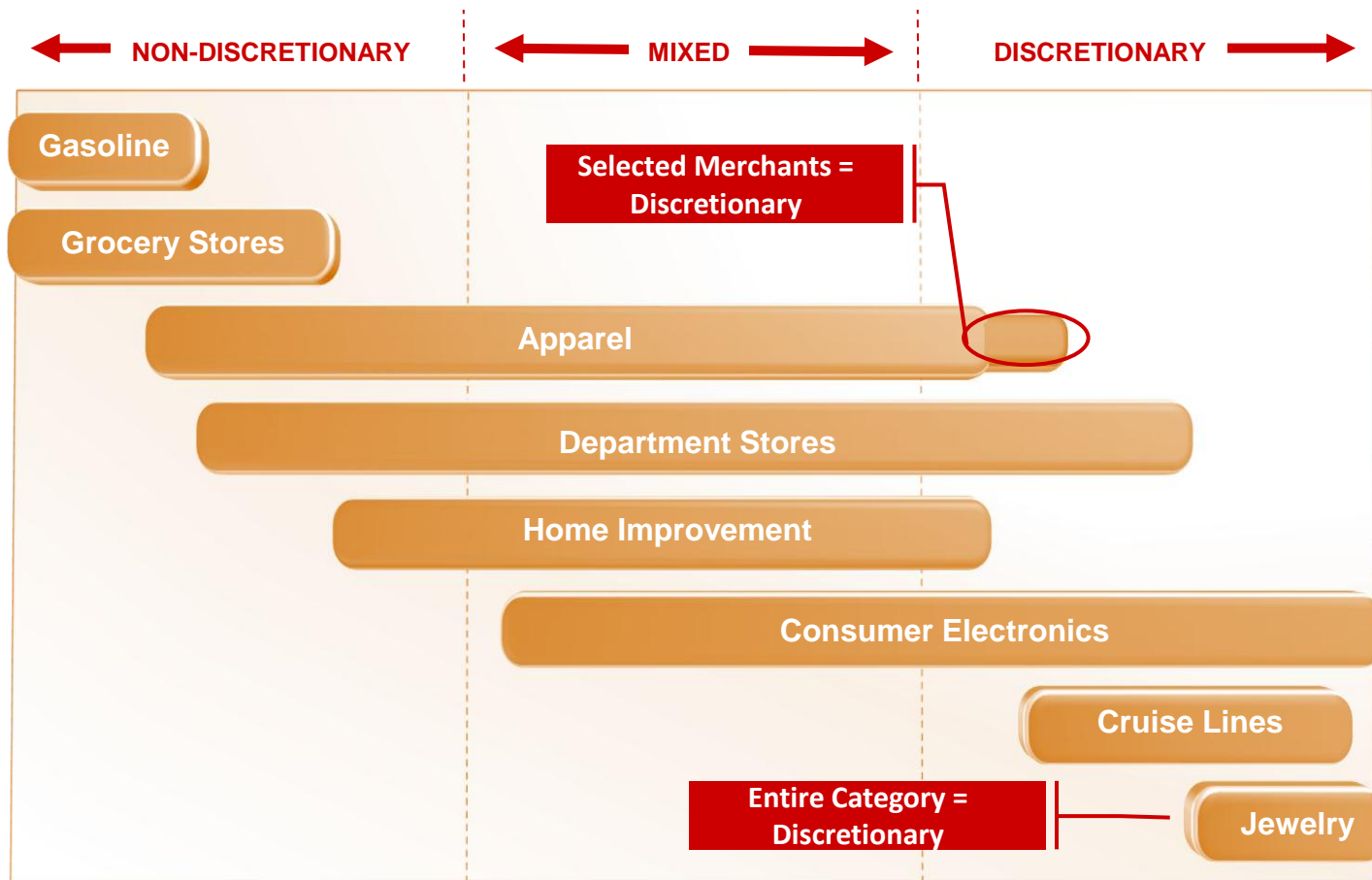
- Understand concentration of spending across target geographic areas – at a macro level or by category

Potential Benefits

- Identify key ZIP Codes for new store locations, promotions or targeted marketing

Data to Insight

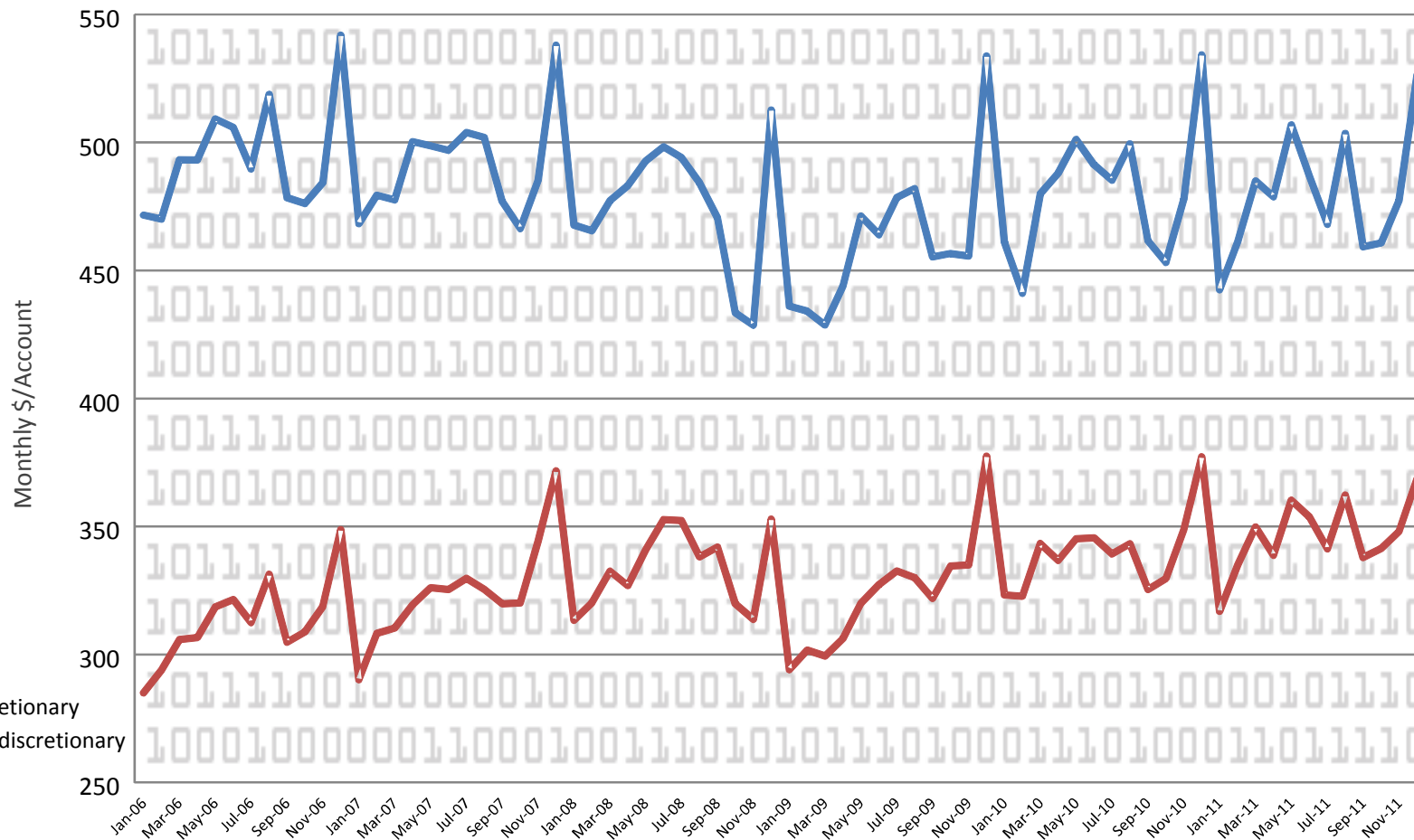
Affluent Spending Opportunity



Data in Action

Identifying Discretionary Spend

Spend per Account: Discretionary vs Non Discretionary (USA)





MasterCard Advisors™

Rohit Chauhan

Group Executive, MasterCard Advisors

Rohit_chauhan@mastercard.com

WWW.MASTERCARDADVISORS.COM