



FRESH IDEAS TO DRIVE GROWTH IN A RAPIDLY CHANGING COMPETITIVE ENVIRONMENT

INSTANT PAYOFF WITH INSTANT ISSUANCE

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CHANGING FINANCIAL LANDSCAPE

In the financial world, competition has always been fierce. But as financial institutions face increasing margin pressure and strive to earn greater market share, this competition is rapidly intensifying. At the same time, technology has created a new financial consumer: empowered with information at their fingertips, today's consumer brings heightened expectations for anytime-anywhere services and instant gratification. These changes are accelerating the evolution of the financial landscape — presenting new challenges and new opportunities. Banks both large and small face increased pressure to generate new revenue streams and win over more consumers, but with customer loyalty at an all-time low, banks must work harder to deliver an outstanding omnichannel consumer experience that leaves a lasting impression, establishes brand preference and builds a relationship based on trust. Forward-thinking financial institutions are implementing solutions that elevate the in-branch experience to remain relevant, earn customer loyalty and drive a positive impact on the bottom line.

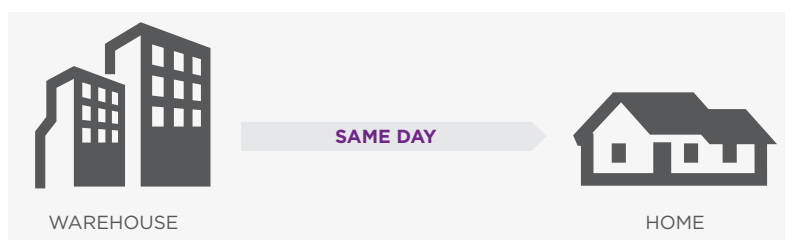
Consumers are looking for a consistent omnichannel experience*



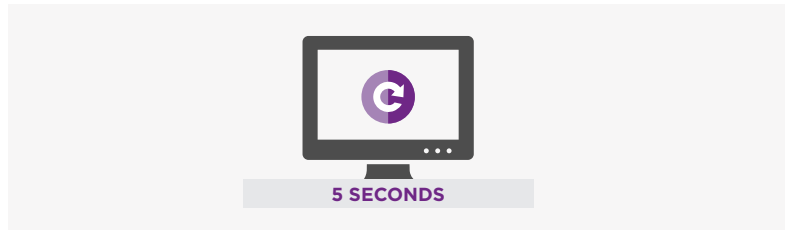
*Ernst & Young report

A WORLD OF INSTANT EXPECTATIONS

In today's instant society, technology puts an incredible breadth of information and services at our fingertips — anytime, anywhere. Accelerating innovations are driving consumer expectations of instant service. Examples are everywhere.



With free two-day shipping no longer considered a convenient commodity to customers, Amazon Prime is moving to same-day delivery in many U.S. cities. Walmart and other large retailers are following suit with their own same-day delivery programs.



Streaming video services like Netflix put Blockbuster out of business — but now even these services are struggling with a shortened consumer attention span: 25 percent of viewers abandon a video if it takes more than five seconds to load.



The average Google Search takes just .33 seconds to complete — bringing us infinite information in the literal blink of an eye. But with consumers now accustomed to Google Instant auto-completing their search terms, online retailers are moving to use Google Instant to speed online shopping.

AN INSIDE PERSPECTIVE

Empowered Consumers and Financial Institutions

In the financial services world, the empowered and connected consumers of the instant society are driving the rapid evolution of mobile banking, payment and eCommerce, demanding that financial institutions walk a fine line — providing customized, real-time service while managing growing concerns about digital security. They're bringing an expectation of financial services that fit more than just their spending and saving habits — they expect financial services that simplify and enhance their daily lives.



Based on these trends, Ernst & Young's 2014 forecast on the financial services industry concluded with the need for financial institutions to embrace new technologies and offer more personalized services to evolve the in-branch experience for the consumer.

The challenge, then, is to figure out how to best support and manage these emerging technologies while keeping costs low and protecting cardholder data — to leverage existing assets to build an infrastructure capable of elevating that in-branch experience, but also flexible enough to adapt to the dynamic world we live in.

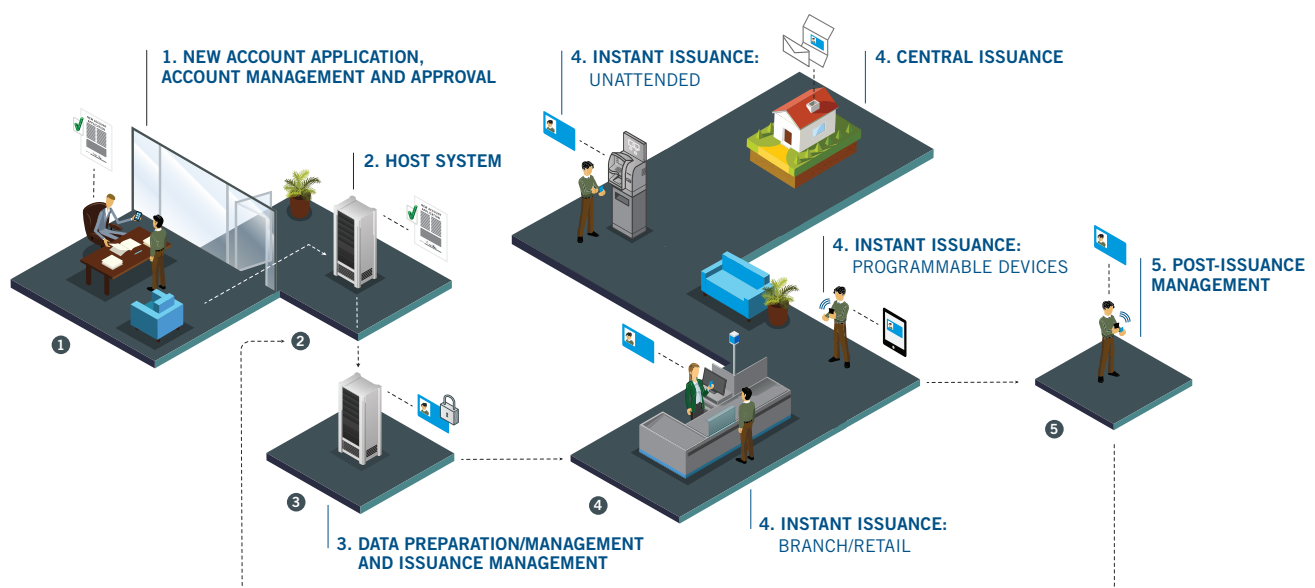
INSTANT ISSUANCE AS A COMPETITIVE DIFFERENTIATOR

The traditional model for centralized credit and debit card issuance is well established. Larger issuers tend to build efficient, high-volume operations and distribute cards through the mail after consumers have successfully completed application processes for new or replacement cards. Small issuers tend to outsource their programs to high-volume service bureaus and follow the same general “centralized” process. From end-to-end, the process of personalizing and mailing cards, assigning PINs and activating cards typically takes more than a week. In recent years, however, there has been an emerging trend towards instantly issuing and personalizing payment cards at the branch or retail location, complementing the traditional central issuance distribution model.

An instant issuance deployment moves this process to the branch level. Consumers walk into the branch and provide application information to a staff member, which is entered

into a software program that drives both the approval and the card personalization process. Consumers typically choose a card design, which can include personal photos, co-branded logos and other meaningful design features. Ready-to-use, fully activated cards are printed instantly and handed directly to the consumer — and consumers are immediately able to use their permanent cards to make purchases or withdraw cash from ATMs. Instant issuance can be utilized for both new accounts and emergency card replacements, and in many cases, financial institutions will create a hybrid infrastructure that combines both central issuance and instant issuance.

Datacard® instant issuance solutions have been deployed at over 25,000 locations worldwide — across banking, retail and government environments — and at some of the biggest names in the financial world.



WHY EARLY ADOPTERS ARE ACCELERATING INSTANT ISSUANCE DEPLOYMENTS

Financial institutions that have implemented instant issuance are seeing positive change in expected metrics — and some unexpected — and expanding their financial instant issuance programs is now a key part of their business strategy. Here's why:

ENHANCED CONSUMER EXPERIENCE

Instant issuance meets consumers' instant expectations and transforms their in-branch experience in a number of significant ways. For prospective accountholders, an instantly activated, highly personalized and ready-to-use card is a major differentiator. Existing customers will recognize the value of instant issuance in emergency card replacement situations, whether replacing a lost, damaged or stolen card, or responding to increasingly common data breaches and identity theft. Instant issuance offers an immediate solution for emergency card replacement, establishing a bank as a consumer advocate and dramatically enhancing the bank's brand at a critical time. Instant issuance also helps offset the increased demands on central issuance operations during an emergency card replacement situation.

SECURE ISSUANCE

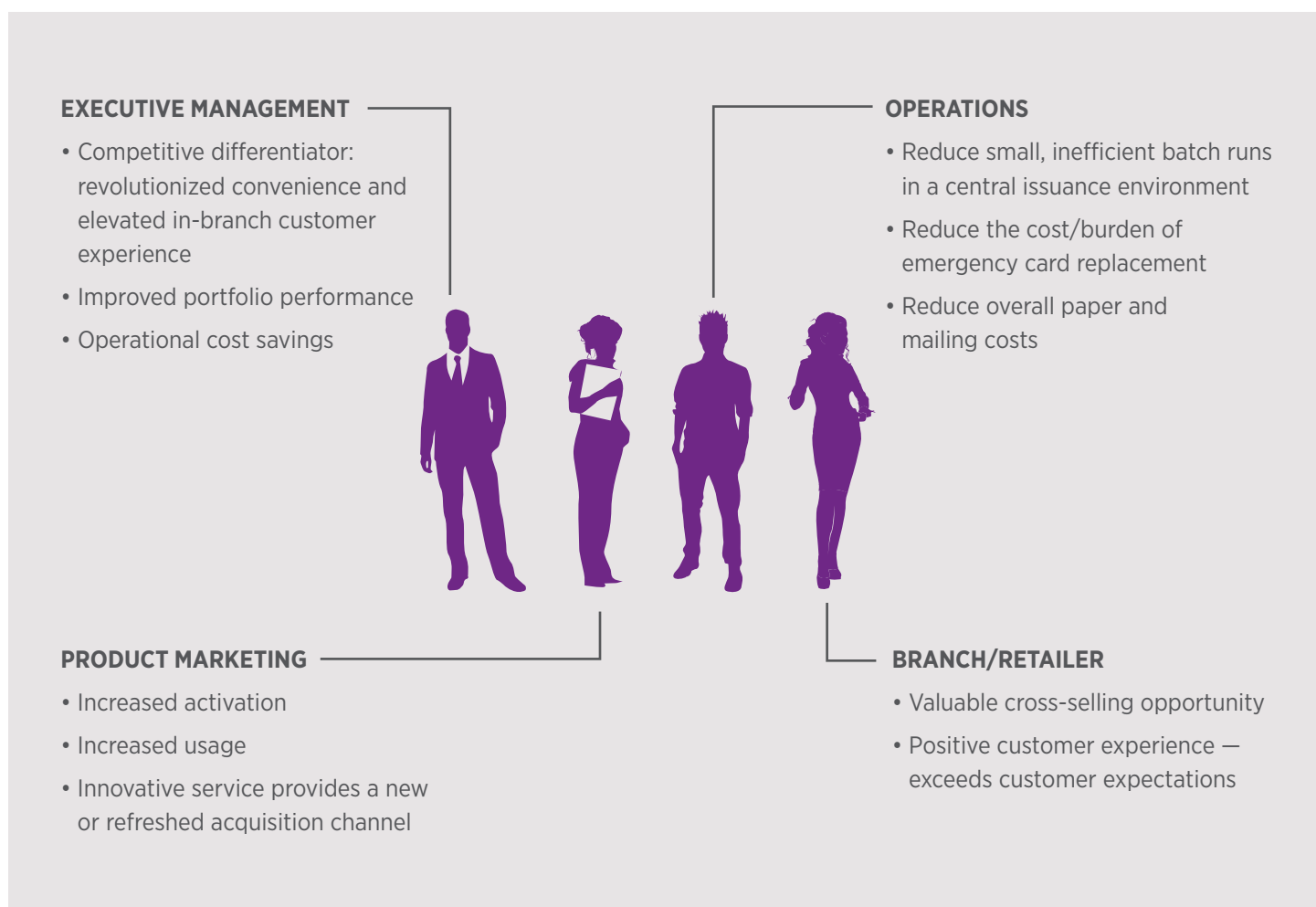
Dual sign-in and data encryption provide strong access controls for instant issuance systems, even allowing the instant issuance of secure PINs. These controls prevent the printing of fraudulent cards or the unauthorized issuance of PINs — even if a machine is stolen. Advanced security technology enables full audit reporting and is compliant with the latest industry security standards, including Visa and MasterCard instant issuance standards and certification as a PCI PA-DSS solution.

IMPROVE ISSUANCE PORTFOLIO PERFORMANCE

Instant issuance brings immediate benefits to the financial institutions, as well. In-branch activation at the time of card issuance increases activation rates, increasing card usage and reducing downtime in re-issuance situations. This also helps establish top-of-wallet placement, as customers come to trust that their card will always be immediately available.

KEYS TO SUCCESS: BUILD A CROSS-FUNCTIONAL STRATEGY

As financial institutions have rolled out instant issuance, success is most common when collaboration happens and internal process is built. To make the most of your program, engage with the following teams and all of your stakeholders will benefit.



BUILDING A BUSINESS CASE: RESOURCES TO LEVERAGE

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As financial institutions look to incorporate instant issuance in their operations, it is critical that they build a strategy and engage with knowledgeable partners. Talking to experts and taking a thoughtful approach will ensure fast, optimized implementation and continued support to enhance your overall business goals.

Just as critical as building a plan is choosing a potential partner with a framework for continued flexibility and innovation. The right partner must be adaptable to your growing organization, your changing customers and our evolving world. They must be committed to understanding the heightened expectations of today's consumer and providing solutions that captivate that consumer — enabling your organization to provide secure issuance, anywhere, anytime, to keep your business relevant in the instant society.

We live in a rapidly changing world — but every change leads to a world of opportunity. Investing in the right technology and giving consumers what they want will drive your business forward.