



Good Afternoon! Your news for Friday, April 03, 2009.

- **CARD PERSONALIZATION CAN GENERATE 'TOP OF WALLET' USE IN TOUGH ECONOMY**

CARD PERSONALIZATION CAN GENERATE 'TOP OF WALLET' USE IN TOUGH ECONOMY: Customized cards encourage consumers to pull those cards out first when making payments, contends Adam Elgar, president of Serverside Group LLC, a United Kingdom-based company that provides card-personalization services to such banks as **Capital One Financial Corp** and **Wells Fargo & Co.** "We've seen it again and again that issuers that use card personalization say churn (lack of use) falls off a cliff," he says. "The consumer's investment in time in designing a card they like will [encourage consumers] to use it more than an unpersonalized card by a significant margin." Salt Lake City-based Zions Bancorp, for example, experienced a 15% to 20% lift in transactions per card by cardholders who received custom cards, according to the bank. Banks typically do not charge for the personalization services, says Elgar. "It's done for free because the changes in payment behavior are so valuable and worth the investment," Elgar says. **Capital One**, which has offered card personalization since 2007, charges no fee for its CardLab card-customization service. TNB Card Services Inc. earlier this year signed on to offer Serverside's card-personalization services to its 550 credit-union clients. "People are passionate about expressing themselves, and this is a way for them to do that," says Mitch Raymond, TNB vice president of product marketing. "It drives affinity." Offering the service also allows credit unions to compete against larger bank brands, he adds. Adil Moussa, analyst at Boston-based Aite Group says its research shows that product personalization is a priority among card issuers. He says eight out of 12 issuers it interviewed in November 2008 for its report, "Overcoming the Challenges of Credit Card Issuing" said product personalization is extremely important to card issuers, particularly for acquiring new customers. He also notes that the ease of the technology to select an image for a card is helping drive consumer adoption.