



## Fueling Automotive Consumer Incentive Programmes with Prepaid Cards

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Automotive manufacturers are increasingly discovering that consumers have a strong preference for prepaid cards over vouchers when receiving incentive payments.



In a Citi-sponsored survey conducted in March 2011 by TNS UK, 91% of UK consumers indicated they would prefer a Visa Fuel Gift Card over a fuel voucher of the same value. Even when a higher value fuel voucher was offered, 80% said they would prefer a lower value prepaid card.

Clearly the convenience, flexibility, security and ease-of-use of prepaid cards make them the payment method of choice for consumers.

Leading automotive manufacturers in the UK have begun to replace cumbersome vouchers with faster, more effective prepaid card solutions for sales and consumer incentives. These cards can be used by recipients without a credit check, bank account or application process.

Custom-branded prepaid cards have also proven highly effective in cutting through the marketing clutter in an increasingly oversaturated consumer marketplace.

### Prepaid cards for consumer incentives drive sales

In an effort to drive automotive sales, manufacturers have long relied on fuel vouchers to distribute consumer incentives. However, these programmes have proven to be inconvenient for customers who must redeem the voucher at a specific chain of petrol stations.

Instead, Visa Prepaid Cards, offered by Citi Prepaid Services, enable automotive companies to replace traditional payments with a more cost-effective and powerful marketing tool. Unlike fuel vouchers, the Citi prepaid card solution can be used at any station, if the manufacturer so chooses.

They can be restricted to spend on petrol or back with the dealerships for servicing, spare parts or accessories. Cards can also

be restriction-free, allowing cardholders to spend the incentive funds anywhere Visa is accepted.

Manufacturers can choose a single-load card or a reloadable card, depending on the specific needs of their incentive programme.

### Versatility of prepaid cards ideal for broad range of purposes

Prepaid card programmes are ideal for a wide range of automotive industry incentive purposes. These include goodwill payments issued for recalls, offering customers a cash-equivalent payment as gesture of goodwill for any potential inconvenience caused by the recall.

The issuance of loyalty rewards is particularly well suited for a prepaid card solution. Dealers can offer prepaid cards as an incentive to customers for bringing their car in for service, referring a new customer, or for taking a test drive. Such programmes can be highly effective for customer acquisition and loyalty building efforts.

Prepaid cards can also be utilised by the financial services divisions of manufacturers, providing incentives when customers finance their vehicle through the company.

Beyond consumers, prepaid cards can be a powerful incentive tool that increases the speed of payment to sales personnel for new vehicle sales or use of finance products.

### Branding opportunity continues across entire customer experience

In the case of traditional voucher programmes, the branding opportunity for the manufacturer ends once the incentive is issued. Citi Prepaid cards allow that branding opportunity to continue across all touch points of the customer experience.

Prepaid cards prominently feature the manufacturer's brand on the card, reinforcing the company's overall brand message. Citi works closely with the manufacturer to develop a customised solution that meets the

company's unique marketing objectives.

Toyota (GB) Plc, a division of Toyota Motor Corporation, chose Citi Prepaid Services to launch its Fuel Card consumer incentive programme in the UK. Branded prepaid cards were issued as an incentive for customers who purchased a Yaris during a specified timeframe.

The Citi Visa Prepaid cards were marketed as offering an average of six months' worth of fuel, redeemable at any brand of petrol station that accepts Visa. "With the highest petrol and diesel prices we've seen for years, it was the perfect time for Toyota to take the initiative and give our customers a benefit that's of real value day-to-day," states Matt Harrison, Commercial Director for Toyota. "We feel that Citi's innovative prepaid card solution offers our customers great flexibility and convenience."

Toyota was the first automobile manufacturer in the UK to launch such an innovative fuel promotion using prepaid cards to replace vouchers. The company has benefited tremendously from this opportunity to extend its brand well beyond the initial incentive programme.

In addition to ease of implementation, the Citi Prepaid Card solution provides a robust suite of business and performance reports which offer full detail around payments and cardholder demographic data. By analysing aggregate spend data, companies can gain valuable insights into where incentive payments are being redeemed, opening the door to possible partnering opportunities with other retailers.

Prepaid card programmes are rapidly becoming the consumer incentive delivery system of choice for the automotive sector across the UK and Europe. Prepaid cards have proven to be extremely popular with consumers, while at the same time being highly efficient, secure and cost-effective for manufacturers.