

SPECTRUM

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MASTERCARD FLASH REPORT

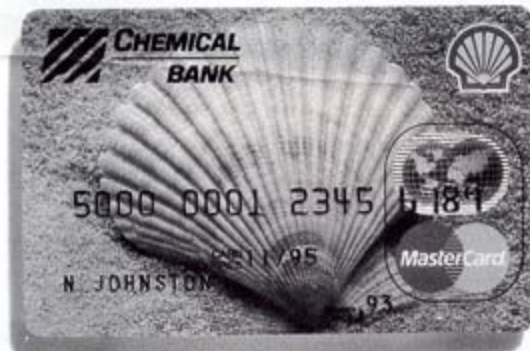
3Q '92	3Q '93
GLOBAL GROSS \$ VOLUME GROWTH (ALL PRODUCTS)	
14.8%	30.3%
GLOBAL ACCOUNT GROWTH (ALL PRODUCTS)	
7.9%	12.7%
GLOBAL CARD GROWTH (ALL PRODUCTS)	
6.7%	12.1%
GLOBAL GROSS TRANSACTION GROWTH	
9.7%	16.7%

MASTERCARD STRIKES OIL WITH CHEMICAL BANK AND SHELL OIL

Alongside a gasoline pump and a point-of-sale display, representatives from MasterCard, Chemical Bank, and Shell Oil revealed the launch of the Shell MasterCard® Card from Chemical Bank on October 18 at New York's Grand Hyatt Hotel.

The card, an innovation for U.S. consumers, is a breakthrough for

resulted from months of effort by the Co-Branded and Affinity Marketing Group and Member Relations—along with Franchise Management; Promotions; Advertising; Communications; Security; Products, Services and Quality; and the new Merchant Markets Group.



The Shell MasterCard Card from Chemical Bank offers the opportunity for consumers to earn a 2 percent rebate on general purchases and a 3 percent rebate on Shell gasoline purchases.

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MasterCard as well as for Chemical Bank, which serves on the MasterCard Board of Directors. "It's the first major co-branded program for Chemical Bank, and it's also the largest program in the United States with a top oil company," says Stephen J. Bartell, vice president, Co-Branded and Affinity Marketing Group. "This could rival the launch of the General Motors MasterCard® Card in size."

A REAL TEAM EFFORT

While the announcement may have taken the public by surprise, it

TEAMWORK KEY

Allen Gehrig, vice president, Member Relations—East, who is the relationship manager for the Chemical Bank/MasterCard partnership, attributes the successful launch to the power of teamwork.

Bill Martin, senior vice president, Member Relations, agrees. "This program really shows the rewards of our Effective Account Management (EAM) partnership with Chemical. It pays to partner with members to pursue major opportunities," he says.

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CALLING AROUND THE WORLD: MASTERPHONE COMES TO A/P

When ET phoned home, he dialed direct. Now, MasterCard® cardholders in the Asia/Pacific Region can do the same using MasterPhone™ Telephone Service—a calling-card program that allows callers to dial direct, and can save them up to 80 percent on long-distance calls made with international calling cards.

In November, Australia was the first country in the Asia/Pacific Region to utilize MasterPhone, through a joint program between MasterCard International and Executive Telecard, S.A.

TRILLION-DOLLAR MARKET

"The worldwide expansion of MasterPhone will enable all of our members to break into the \$3 tril-



Promotional materials, such as the brochure shown here, will help MasterPhone continue its worldwide expansion, which began this November in Australia.

(continued on page 2)

MASTERCARD MISSION:

To be the world's best payments franchise by enabling members to provide superior value and satisfaction to their customers, thereby building member profitability.

MASTERCARD STRIKES OIL

continued from front page

"This demonstrates the successful execution of our strategy to convert single-use proprietary cards to MasterCard cards," says Bartell. "MasterCard had targeted the gasoline industry as having a lot of potential for co-branding. Then, last April, that target became a step closer to reality."

"Chemical asked us to develop a joint capabilities presentation to Shell. And things moved very



quickly from there," says Gehrig. "MasterCard was awarded the business based on its experience and '90s-oriented value-added positioning."

SHELL MASTERCARD CARD BENEFITS CONSUMERS

At a time when people drive out of their way to save a penny on a gallon of gas, Shell Oil has developed a new way to lure customers to their pumps. By using the Shell MasterCard Card from Chemical Bank, the average customer can achieve a 10 percent reduction in annual gasoline costs.

The card offers the opportunity to earn a 2 percent rebate on general purchases and a 3 percent rebate on Shell gasoline purchases. After the first \$70 in rebates, cardholders can continue to earn a 1 percent rebate on all Shell gasoline purchases until their annual card anniversary date, at which time they start all over again.

WHAT CONSUMERS WANT

"Extensive research with proprietary card users by Chemical showed that this is what consumers want," says Stephen J. Bartell, vice president, Co-Branded/Affinity Marketing Group, noting that one feature unique to the card is a separate listing of gasoline purchases on each monthly statement. The initial interest rate is 15 percent (prime plus 9 percent), and the grace period is 25 days.

In addition, there are no annual fees the first year, and charter members—those who apply before April 30, 1994—and qualified current holders of the Shell credit card will not be charged an annual fee as long as they use the card at least six times a year.



HUGE POTENTIAL

It won't be long before value-conscious consumers across the United States sample what MasterCard, Chemical, and Shell labored to produce. "Chemical is dropping a total of 9 million direct-mail pieces, including 4 million to

current holders of the Shell credit card," says Gehrig. "Take-one applications are displayed at Shell's 8,600 U.S. service stations,

The announcement resulted from months of effort by the Co-Branded and Affinity Marketing Group and Member Relations—along with Franchise Management; Promotions; Advertising; Communications; Security; Products, Services and Quality; and the new Merchant Markets Group.

and an extensive national television and print advertising campaign broke in early November."

"This represents a huge potential for MasterCard in terms of cards and volume," says Bartell. "We're very enthusiastic, and we believe we've barely begun to tap the proprietary card market." ■

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CALLING AROUND THE WORLD: MASTERPHONE GOES GLOBAL

continued from front page

lion global telecommunications industry and benefit from increased cardholder usage," says Bonnie MacDonald, vice president, Global Services. "The typical calling-card user spends about \$600 per card in annual phone charges. We want our members to be able to tap into a large part of this growing industry."

CAVIAR SUPPORTS PROGRAM

The system that supports the program is Executive Telecard's proprietary CAVIAR (Computer Assisted Variable International Automatic Redialer) system, which was first installed in 1989 at local phone companies in countries worldwide.

CAVIAR enables the phone companies, called PTIs (Postal, Telegraph, and Telephone authorities), to route calls directly from 49 countries and offer calling instructions in 17 different languages. MasterPhone also allows operator-assisted calls to be placed from 68 countries.

ONLY THE BEGINNING

"With MasterPhone, if a MasterCard cardholder in Singapore, for example, wishes to call Hong Kong, the call is placed directly from Singapore to Hong Kong," says MacDonald. "With other programs, the call goes from Singapore to the phone company's switch in the United States, and finally, on to Hong Kong."

"This is only the beginning," says MacDonald, who notes that MasterPhone is already operational in Latin America and is scheduled to be up and running during 1994 throughout Canada and countries in the Middle East/Africa Region. "MasterPhone is a profitable product that will enhance our relationship and strengthen our ties with members, merchants, and cardholders." ■

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