

First Data™
b›yond the transaction℠

LEARNING FROM GOOGLE WALLET

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AGENDA

- First Data Overview
- Google Wallet
- What an experience
- Conclusion

FIRST DATA OVERVIEW

FIRST DATA FACTS AND FIGURES

First Data overview

1. Deep Coverage

+ 6 Million
Merchant Locations

Over 7,000
Financial Institutions Relationships

740 Million
Worldwide Cr/Dr Accounts on file

2.3 Million
Star / ATM POS Locations

+3 Billion
Prepaid Account Numbers Issued

1.1 Million
POS devices under management

2. Broad Experience

+ 40 Years
In the Business

5,000
Direct Sales & Support Experts

$9.3 Billion
in Revenue (2009)

$2.1 Billion
in EBITDA (2009)

3. Scale

$1.4 Trillion
US Transaction volume settled
Half of US electronic payments

46 Billion
Merchant Transactions

2 Billion
Online Transactions

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GOOGLE WALLET

INTRODUCING GOOGLE WALLET

Make your phone your wallet



Anyone with a compatible Smartphone can use Tap to Pay with the Google Prepaid card

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A REVOLUTIONARY PARTNERSHIP

Google, First Data, Citi, and MasterCard collaborated to bring the latest innovation in commerce to life…together, they launch Google Wallet to millions of tech savvy consumers and merchants

Google

- Open mobile wallet and offers platform
- NFC Android handset(s)
- Google terminal specification
- Marketing funding

Sprint

- NFC Android handset distribution
- Consumer marketing funding

First Data

- Full service TSM provision
- Lead merchant acquirer
- Merchants/C-Readers
- Prepaid “card” (by Money Network)
- Merchant marketing funding
- Welcome kit fulfillment

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- **Initial** consumer credit accounts
- New accounts/apply now
- Consumer marketing funding

MasterCard

- **Initial** network brand
- Terminal & merchant funding support
- Value added services

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TAP, PAY, AND SAVE WITH GOOGLE WALLET

Payments & Offers now; Loyalty, gift cards, receipts, tickets, keys later

- Available on Nexus S
- On other Android phones with NFC soon after
- Other Operating System's to follow



- Nexus S on sale in 23 countries
- Google Wallet will follow



Payments

Tap your phone to pay with the a virtual Citi MasterCard or Google Prepaid Card. More on Payments ›



Offers

Get offers that get you. Google Offers are virtual coupons. Now your offers are always with you. More on Offers ›



Security

Google Wallet's security features go beyond what's possible with traditional wallets and cards. More on Security ›

WHAT AN EXPERIENCE

But what did we learn ….

SCALE, SCALE, SCALE

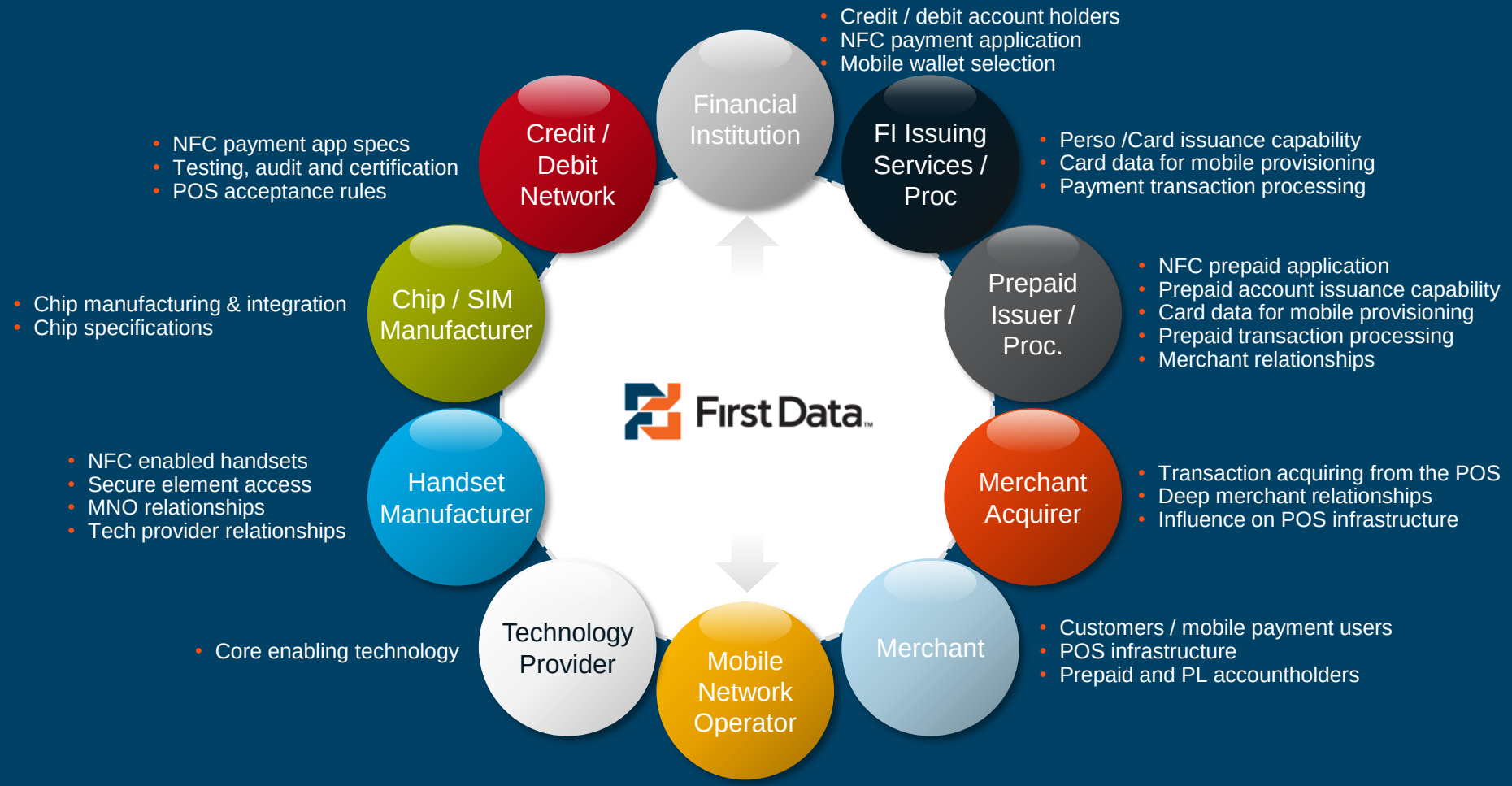
Success requires scale

Scale is about enabling a new ecosystem and satisfying its needs



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AN (EVEN MORE) COMPLEX ECOSYSTEM



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THE CHALLENGES OF THE NEW ECOSYSTEM

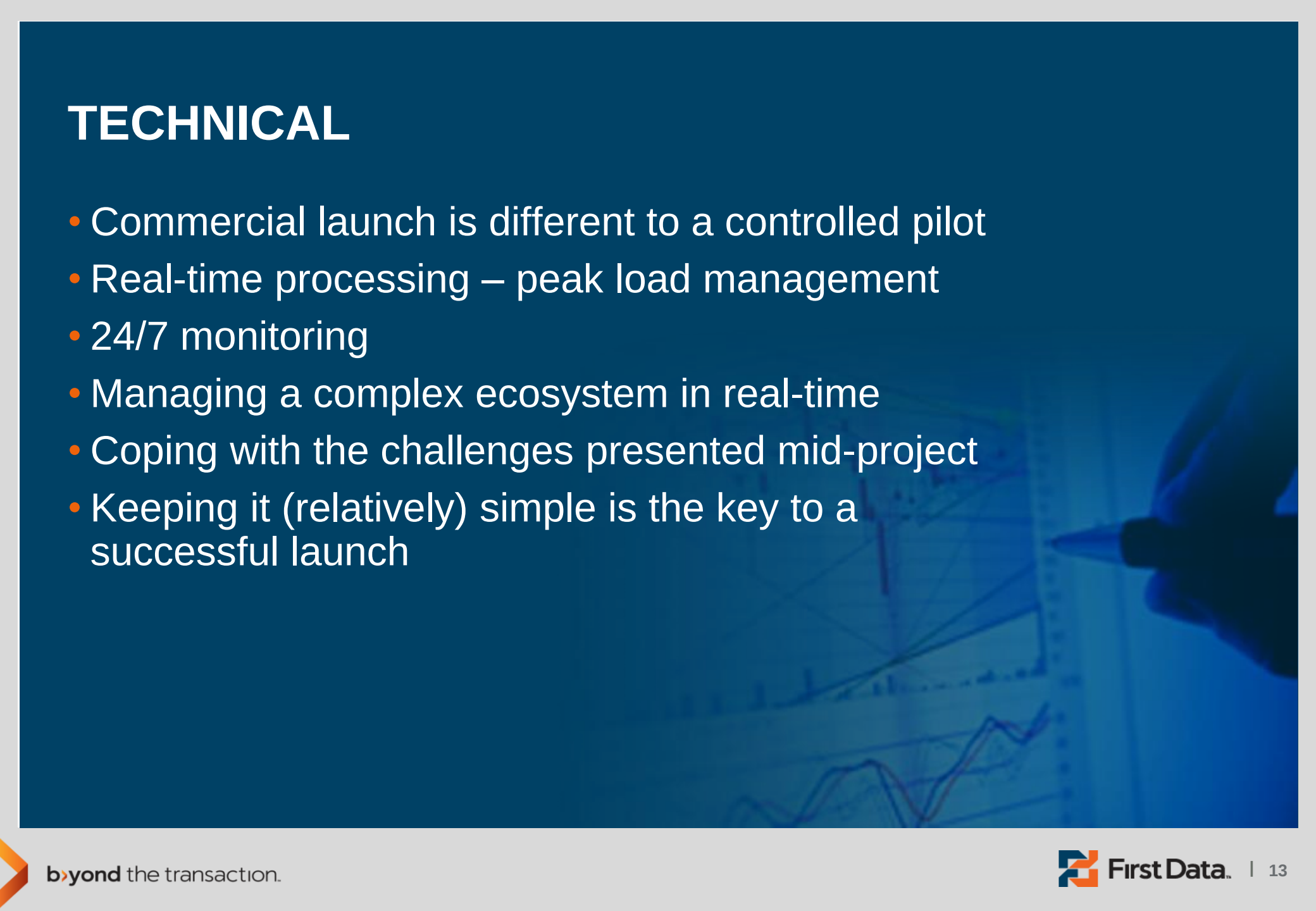
The challenges can divide into 3 categories:

1. Technical
2. Operational
3. Commercial



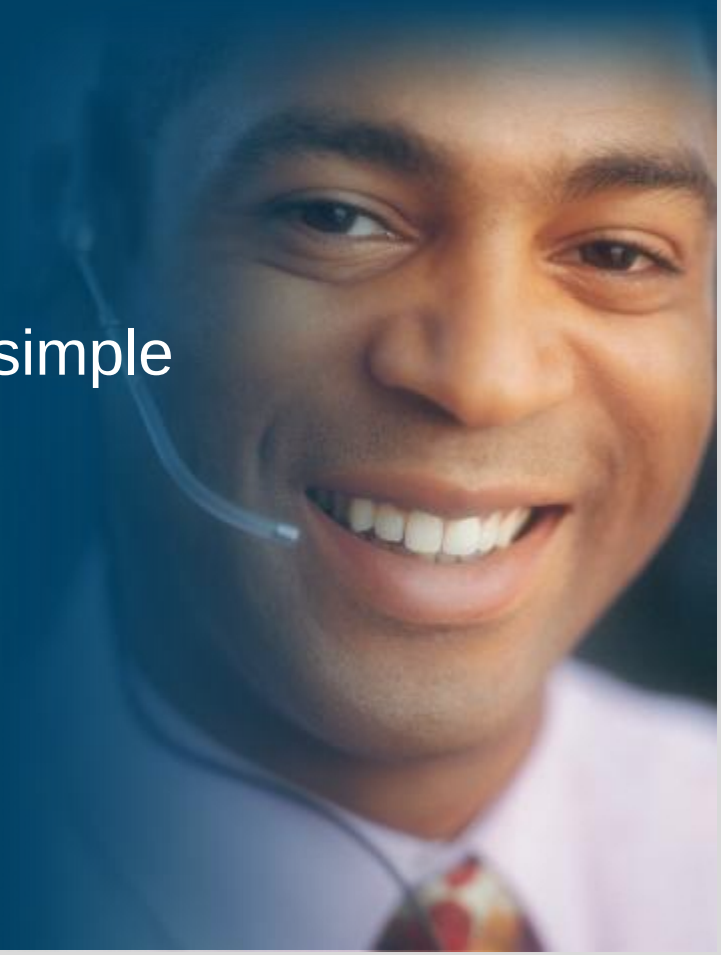
TECHNICAL

- Commercial launch is different to a controlled pilot
- Real-time processing – peak load management
- 24/7 monitoring
- Managing a complex ecosystem in real-time
- Coping with the challenges presented mid-project
- Keeping it (relatively) simple is the key to a successful launch



OPERATIONAL

- Who will the customer contact
- How is the opportunity communicated
- Customer care infrastructure
- Testing the ecosystem prior to launch
- Managing the risk of keeping the solution simple



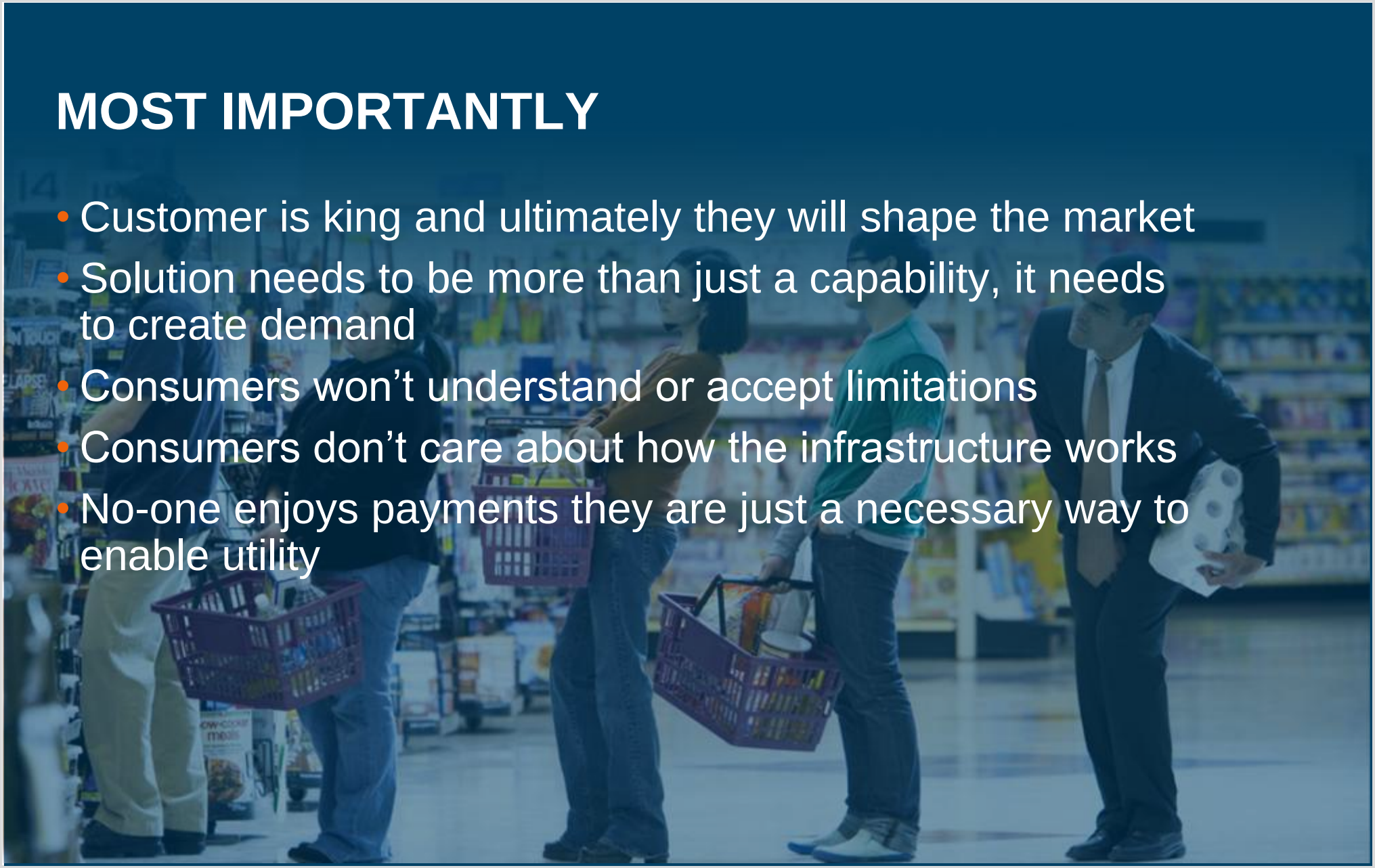
COMMERCIAL

- Co-ordinating across the eco-system
- Working with different organisational cultures and processes
- Satisfying the partners in the new ecosystem
- Generating a solution which resonates with the consumer
- New types of business relationships need to be forged



CONCLUSION

MOST IMPORTANTLY



- Customer is king and ultimately they will shape the market
- Solution needs to be more than just a capability, it needs to create demand
- Consumers won't understand or accept limitations
- Consumers don't care about how the infrastructure works
- No-one enjoys payments they are just a necessary way to enable utility

Essential Enablers of Universal Commerce

First Data has identified five essential ingredients to deliver the personalised experience that consumers desire any time, any where

Enabling Infrastructure
Open, scalable and secure to create a timely, consistent experience

Smart Devices
Connect consumers anywhere, anytime to the things they need and want



Integrated Applications
Deliver a seamless experience across channels and functions

Partner Ecosystem
Innovative collaboration to satisfy consumer expectations

Actionable Intelligence
Valuable data to drive new levels of targeting, personalisation, and measurement

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MOBILE IS AT THE CENTER OF UNIVERSAL COMMERCE

- Information and technology access have transformed commerce and consumer expectations
  - Moving from a multi-channel buying process to an integrated buying experience centered around mobile technology

