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A Virtual Solution to a Very Real Problem for Card Issuers: Monetizing the Niche

The card marketing landscape is changing irreversibly. The demand for self-expression that is integral to Web 2.0 has meant that targeting a mass audience with mass-produced designs is no longer relevant. As with many other sectors, the future of issuers lies in addressing the long tail of special interest subgroups – and their increasingly creative demands.

But how do issuers engage with small, high value subgroups with the scale they require, and without the prohibitive inventory issues that have plagued them to date? How do they move away from the fierce competition at the generic end of the cards spectrum and monetize the lucrative long tail of affinity groups, which cannot be profitably addressed through conventional channels?

The solution is Virtual Portfolio, a revolutionary and highly disruptive web-based management tool created by global technology provider, Serverside Group (www.ssgl.com/products/virtual_portfolio.html). Virtual Portfolio allows issuers to offer an infinite variety of stock (and personally designed) cards to an unlimited number of affinity groups free from restrictive inventory issues, e.g. forecasting how many cards are required, dealing with the problems of over- and under-printing, and storage costs.

Via a simple online interface, an issuer's marketing team can now rapidly launch card programs targeting any number of affinity partners, subgroups, co-brands, individual branches and even specific events, e.g. a football match. Utilizing the

latest inline digital printing technology supplied by Datacard Group, they can then print high quality cards 'on demand'.

The result is a high volume, low cost and zero inventory card delivery system in which card printing has shifted from the point of manufacture to the point of personalization. Through Virtual Portfolio, all stakeholders in the card creation and management process can create, collaborate, review, approve and market cards through a single online system.

There are other risk controls, too. Serverside's technology allows issuers to assess response rates in real time and tweak or change their campaigns accordingly, e.g. prioritizing successful cards and removing unsuccessful ones. Knowledge management has never been easier.

Until now, launching a new card design was a major undertaking. No more. With Virtual Portfolio, the speed to market for new card products targeting subgroups and niche communities is massively increased, and they can be launched and managed at little, if any, cost. The system is fully compatible with offline card applications and requires no sensitive information to be disclosed. Virtual Portfolio is protected under a series of patent applications around the world.

Adam Elgar, President, Serverside Group, commented:

"With Virtual Portfolio, issuers no longer need to worry about issues of scale and inventory when addressing subgroups. Now, they can rapidly create card programs for any sized affinity group, manage and adjust those programs in real time, and print cards on a 'just-in-time' basis. Personalization and the fragmentation of demand go hand in hand with Web 2.0, and Virtual Portfolio is the solution. As well as allowing issuers to build a much stronger relationship with their customers, offering card programs tailored to specific subgroups also results in greater activation, increased transactions and larger balances."

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About Serverside

Founded in 2003, Serverside Group is the global technology leader in digital card design and a provider of innovative software solutions for issuers, personalization bureaus and card manufacturers. The company's flagship product, *AllAboutMe*, is a web-based application that allows cardholders to design their unique payment card online. Serverside's innovation and growth were confirmed recently when it was named 'One of the Top Ten Technology Companies to Watch' by respected industry magazine, *Bank Technology News*.

Serverside Group is headquartered in London and has offices in Taipei, New York, Chicago and Auckland, New Zealand. The company has strategic alliances with Visa and Datacard Group. For more information and to see a live card demonstration, visit www.serversidegroup.com.