

THE VALUE OF A PRODUCT BUNDLE

Product Bundling

Consider bundling a bank product and merchant services for a limited time or as part of your business program to target both new and current business banking customers.

- Improve core business deposit profitability
- Increase non-interest income
- Garner low cost core deposits
- Product differentiation
- Higher propensity to catch attention over competitors' commercial offerings
- Creates stickiness with commercial customers
- Businesses want their banks to deliver solutions that add value
- Stay competitive; banks are increasingly offering bundled solutions

Unique Bundles: Use Case & Examples

Large bank on west coast

OFFER:
'No annual fee' small business loans + Merchant Services

RESULTS:
23% increase in YTD referrals in 2 weeks!

Smaller community bank in mid-Atlantic

OFFER:
Significantly reduced fee for Remote check deposit + Merchant Services

RESULTS:
Bank increased business DDA penetration in the market. Merchant Services revenue share more than offset the loss of offering RDC below bank's cost

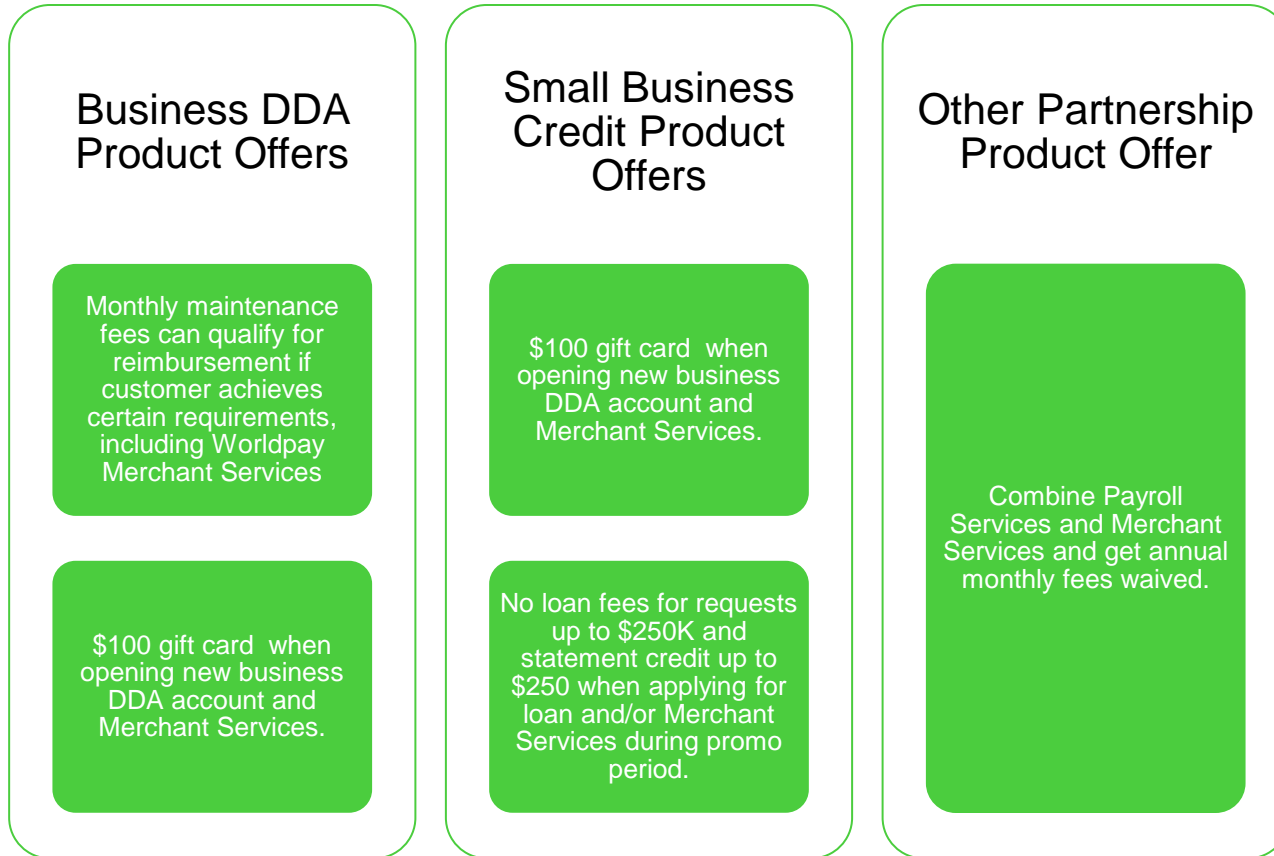
Large bank in midwest

OFFER:
Free Business DDA + Merchant Services or Business Credit Card

RESULTS:
Increased monthly referrals by 44%

Other Product Bundling Examples

Product Bundles can be for a limited time or creates as an ongoing business program.



Contact your Partnership Manager to kick-off this initiative.

***Any Worldpay from FIS Merchant Offer would need to be reviewed and approved based on opportunity and estimated merchant size. Partnership Manager will lead this internal effort with Marketing, Sales Enablement, and Finance.*

Merchant Services customers are typically far more valuable for the bank overall



30% - 40% 

INCREASE IN TOTAL LIFETIME REVENUE FROM BANK CUSTOMERS WITH MERCHANT SERVICES.

Source: The Strawhecker Group 2019 Merchant Services Survey

Source: Oliver Wyman 2014 Survey of Small Business Finances

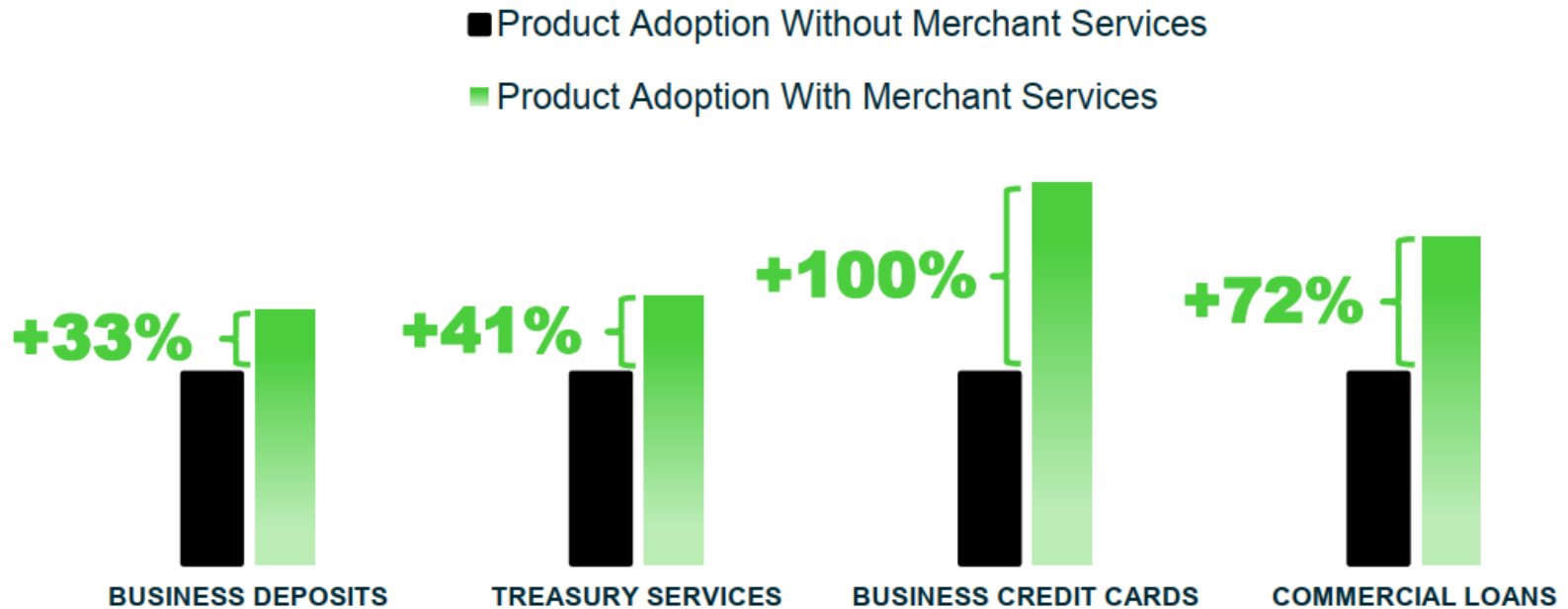
Card-Accepting Merchants have higher DDA Balances than Non-Merchants

11%

**HIGHER AVERAGE DDA BALANCES
FOR MERCHANT SERVICES
CUSTOMERS COMPARED TO NON-
MERCHANT SERVICES CUSTOMERS.**

Source: The Strawhecker Group 2019 Merchant Services Survey

Merchant Services Customers are More Likely to Utilize Other Products



Source: The Strawhecker Group 2019 Merchant Services Survey

Next Steps

1. What other bundles would your FI benefit from?

- Product combinations
- Pricing specials
- Others?

2. What is the process to get design/approve a bundle through your FI?

- Conduct competitive analysis
- Calculate targeted ROI
- Engage product manager(s) and other key stakeholders (e.g., LOB managers, marketing, compliance/risk/legal)
- Initiate support with core processor, if applicable
- **Engage your Worldpay Partnership Manager**

3. How can Worldpay help you launch a product bundle?

- Help you define bundle and specify offer details
- Create marketing materials to promote the bundle
- Provide periodic progress reports

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