

Do you have a place in your customer's wallet?

Retailer Benefits of Private Label Credit Cards



Increased sales and profitability

On average, a customer using a private label credit card will spend more per visit and shop more often, which means increased lifetime value for each customer that carries your branded credit card. Additionally, you can reduce your transaction "swipe" fees. Private label credit cards traditionally have lower transaction fees when compared to other major credit cards.

Increased sales + reduced costs = higher profitability.

Customer loyalty

A retailer that offers a branded store credit card creates a special relationship that typical credit cards cannot touch. And when you create a loyal customer base, you have essentially created a team of mobile advertisers that are willing to promote your location to all that will listen. Word-of-mouth is the most effective and powerful form of advertising.

Brand awareness

Your private label credit card is a "portable billboard" in your customer's wallet. Every time someone considers making a purchase, your branded credit card will be top-of-mind and will make the customer's decision for them.

Customer insights

You have a better understanding of your customer's buying habits and can assist with projecting future revenue. **You** can also reward those consumers with specialty loyalty offers that are tied to spending habits on **your** branded credit card.

As an owner or operator of a small to mid-size business, you are faced with many challenges, including the need to increase your customer base while improving customer retention. Rising costs, lack of available consumer credit, and economic uncertainty has impacted all businesses of all sizes. As a result, stimulating business growth is top of mind for many retailers. But how do you potentially boost your bottom line without depleting your working capital? One option to consider is offering customers a private label credit card to pay for purchases in your store.

What is a private label credit card?

Unlike the standard credit cards you typically see issued from banks, private label credit cards set themselves apart because they offer a tailored program for a retailer like you, but you aren't required to manage the program!

A credit card bank manages the private label credit card program for your business and performs many of the key functions:

- Issues the credit card
- Funds the credit
- Collects payment from customers



Why were private label credit cards created?

Private label credit cards allow retailers to offer their customers more payment options but not assume all the risk that comes with financing customer purchases themselves. In other words, this type of program gives you the opportunity to offer more flexible payment and extended terms on qualifying purchase to customers than you could have otherwise.



Credit CARD Act of 2009: how does it affect retailers?

Several laws were created as a result of the financial recession, including the Credit Card Accountability Responsibility and Disclosure Act of 2009, or Credit CARD Act of 2009. The legislation amended the Truth in Lending Act to establish fair and transparent practices relating to the extension of credit to the consumer.

Retailers who offered, do offer, or are interested in offering in-store credit NOT financed by a credit card bank now face greater scrutiny, and many are understaffed and underprepared to manage credit offerings in compliance with the new regulations.

The private label credit card programs currently in operation can only exist because they are in compliance with the Credit CARD Act of 2009 and can ensure the financing offered by retailers honors consumer rights in the credit card space.

Customer Benefits of Private Label Credit Cards



Dedicated line of credit for your product and services

Giving your customers the power to purchase what they need today helps you earn their loyalty and trust. In other words, it gives them one more reason to continue to shop with you.

Exclusive financing offers

Customers that become credit cardholders have special access to special interest financing and other promotions. This is extremely beneficial for customers looking to make a big ticket purchase.

Generous approval rate

Your very own branded credit card gives your customers one more option to complete their sale. You've worked hard to get your customers in to your store; now you have another tool to avoid potentially having to decline payment at checkout.



Today's landscape

As the economy strengthens and consumer spending increases, there is no better time to partner with a financial institution to offer a branded, private label credit card.

There are numerous benefits for retailers including, but not limited to:

- Increased sales and profitability
- Customer loyalty
- Brand awareness
- Customer insight



Private label credit cards help retailers grow their business, their brand, and build a loyal, lifetime customer base.

If you currently do not offer your customers a branded credit card, consider one today.

Contact CFNA for a free consultation at **800.527.6770**.



Who is CFNA?

CFNA is a limited purpose credit card bank owned by Bridgestone. It's those roots that give us the vision to help you gain a competitive advantage. We know you can't control your customers' financial situations. But you can provide them with a practical payment option. That means you can give your customers the ability to say "yes" to a purchase. And we give you the potential for a loyal, lifetime customer. Separate yourself from the competition with your own store credit card. CFNA can get you started.