CHTA Market Place Conference

Insights to Actions - MasterCard Advisors

Big Data EXPERTISE

Differentiation starts with consumer insights from a massive worldwide payments network and our experience in data cleansing, analytics and modeling.

MULTI-SOURCED
- 38MM+ merchant locations
- 22,000 issuers

CLEANSED, AGGREGATD, ANONYMOUS, AUGMENTED
- 1.5MM automated rules
- Continuously tested

WHAT CAN

2.2B GLOBAL CARDS

& **43B**

TRANSACTIONS/YEAR

MEAN TO YOU?

WAREHOUSED
- 10 petabytes
- 5+ year historic global view
- Rapid retrieval
- Above-and-beyond privacy protection and security

TRANSFORMED INTO ACTIONABLE INSIGHTS
- Reports, indexes, benchmarks
- Behavioral variables
- Models, scores, forecasting
- Econometrics

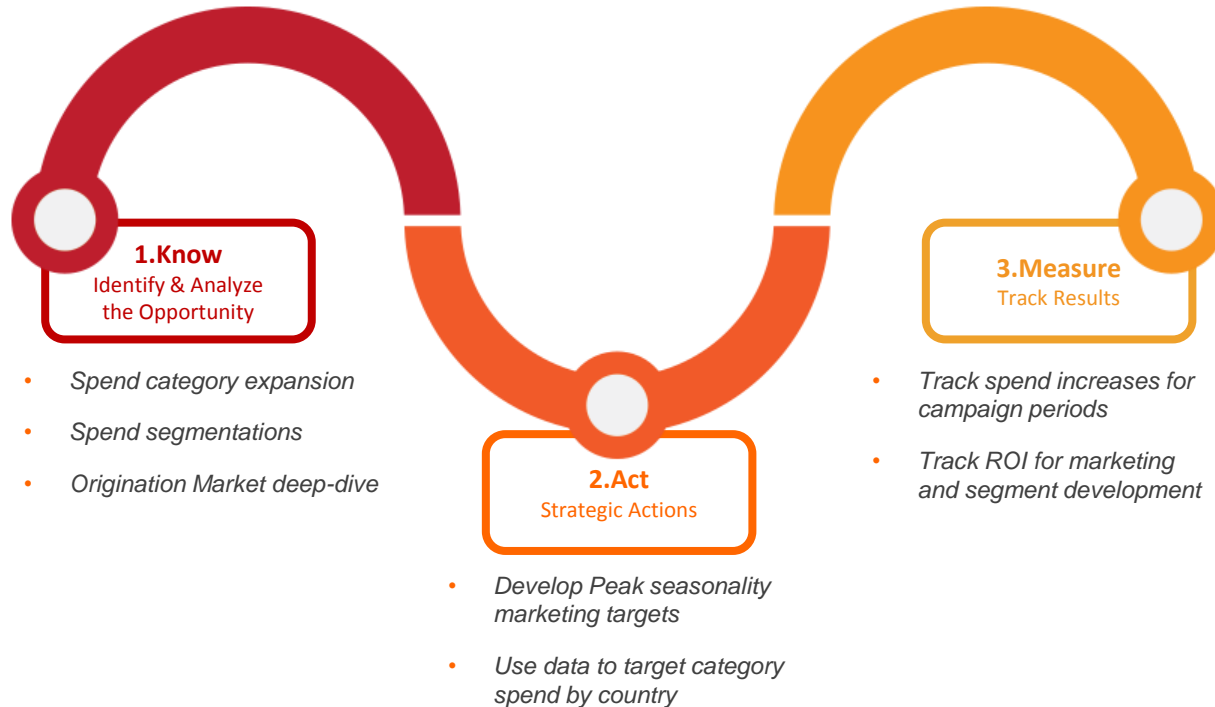MasterCard

About MasterCard Advisors

Transaction
Data Analytics

Information
Tools

Data-Driven
Consulting

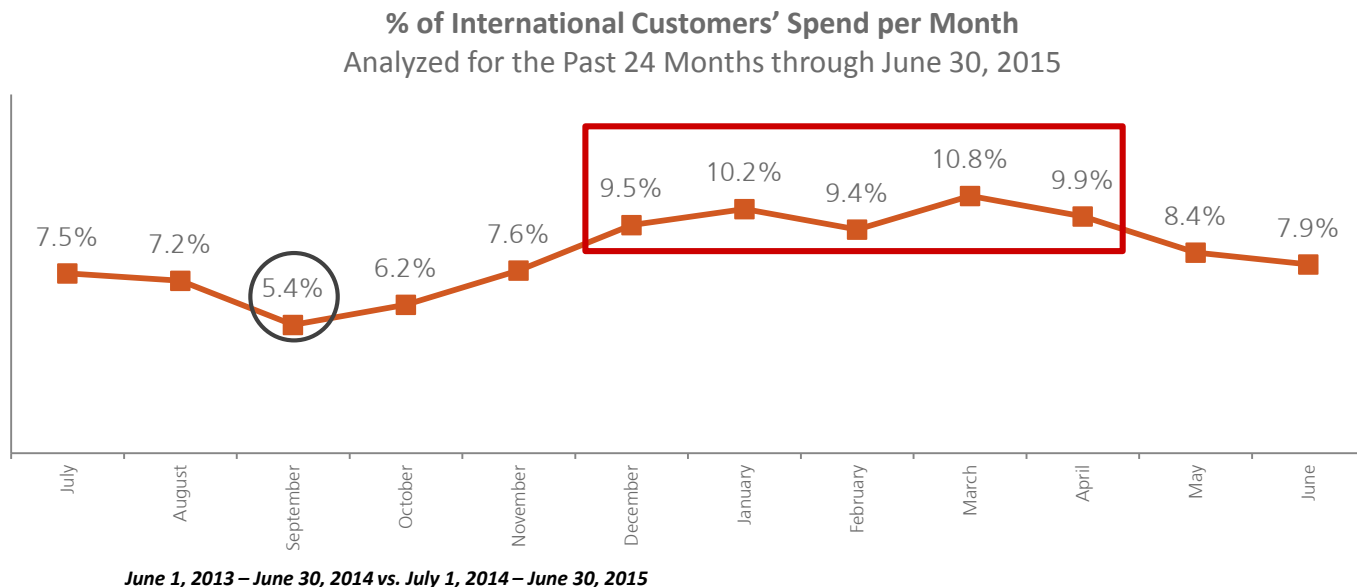Marketing
Services
Solutions

TRANSLATING SPEND DATA INTO
INSIGHTS AND RESULTS

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Advisors Can Help Drive Performance Of Caribbean Tourism Markets With Deep Insights

1.Know
Identify & Analyze the Opportunity

- *Spend category expansion*
- *Spend segmentations*
- *Origination Market deep-dive*

2.Act
Strategic Actions

- *Develop Peak seasonality marketing targets*
- *Use data to target category spend by country*

3.Measure
Track Results

- *Track spend increases for campaign periods*
- *Track ROI for marketing and segment development*

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Seasonality of Travel to the Caribbean

Travel peaks during the winter and early spring (Dec-April). It is at its lowest in September, and overall lower during hurricane season.

% of International Customers' Spend per Month
Analyzed for the Past 24 Months through June 30, 2015

July	August	September	October	November	December	January	February	March	April	May	June
7.5%	7.2%	5.4%	6.2%	7.6%	9.5%	10.2%	9.4%	10.8%	9.9%	8.4%	7.9%

June 1, 2013 – June 30, 2014 vs. July 1, 2014 – June 30, 2015

Note:
1. All analysis is subject to Data Usage & Privacy laws by origination Market and Benchmarking Requirements

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Top 10 Origination Markets based on Spend Index

In aggregate, visitors from the US spent ~79x more in the Caribbean than the global spend average over the past 24 months. GBR and Switzerland carry the highest Average Spend per Account.
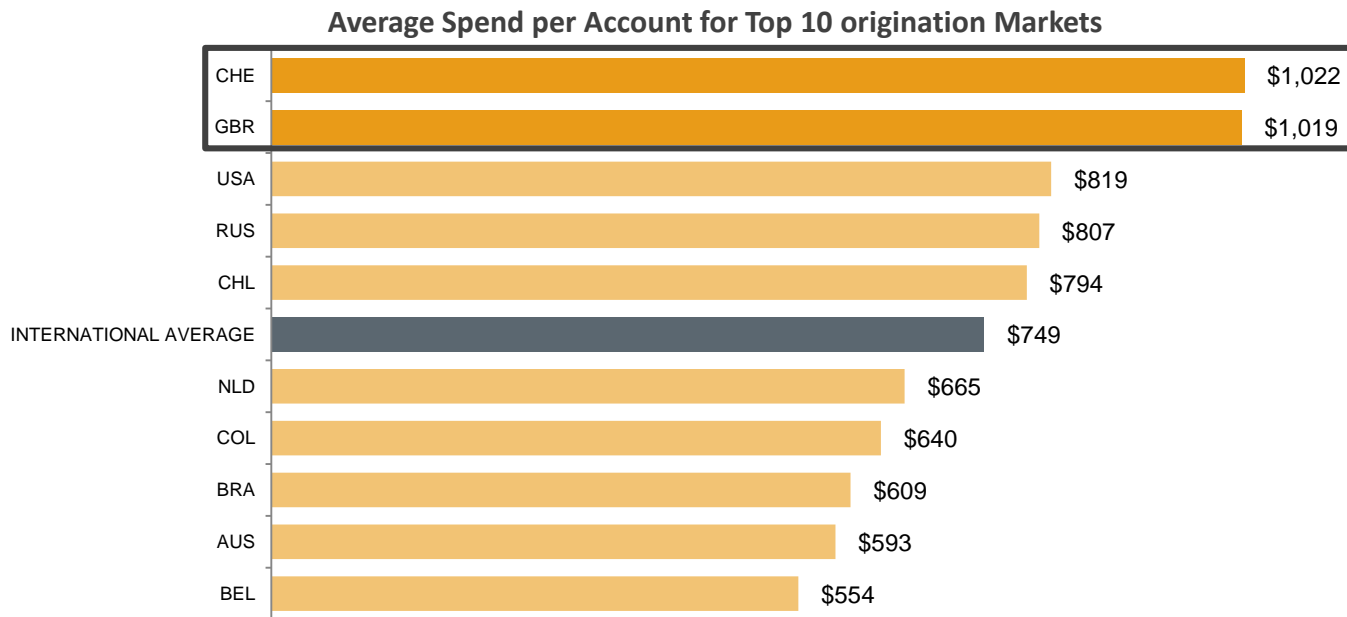
Top International Origination Markets
By Spend Index and Average Spend by Account

July 1, 2014 – June 30, 2015

Note:
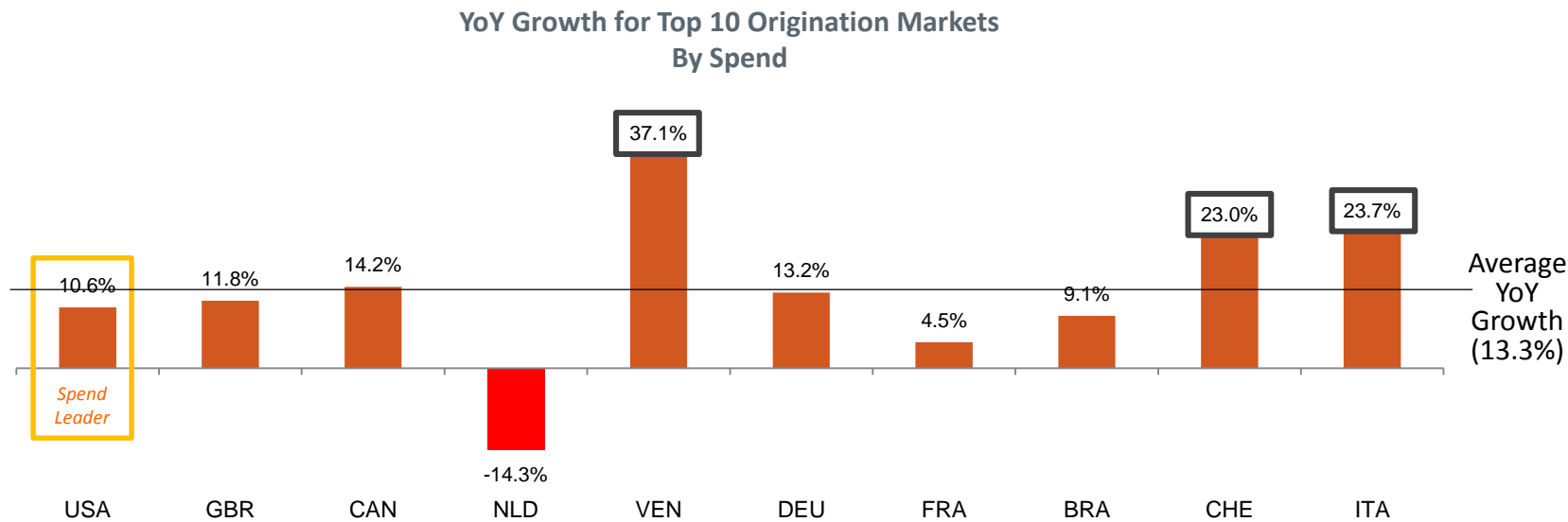1. All analysis is subject to Data Usage & Privacy laws by origination Market and Benchmarking Requirements

Origination Markets Ranked by Average Spend per Account

However, visitors from Switzerland and the UK spend on average over $200 or ~1.3x more per account than average visitors.

Average Spend per Account for Top 10 origination Markets

Market	Average Spend
CHE	$1,022
GBR	$1,019
USA	$819
RUS	$807
CHL	$794
INTERNATIONAL AVERAGE	$749
NLD	$665
COL	$640
BRA	$609
AUS	$593
BEL	$554

Note:
July 1, 2014 – June 30, 2015
1. All analysis is subject to Data Usage & Privacy laws by origination Market and Benchmarking Requirements
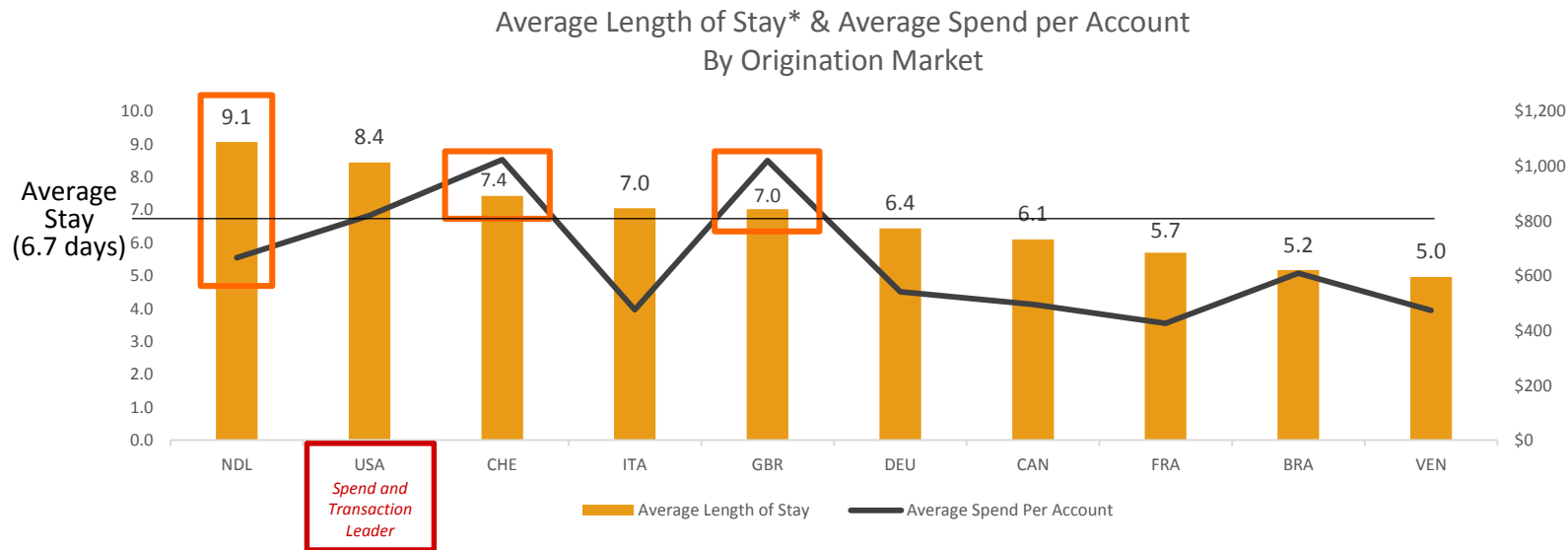
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YoY Spend Growth for Top 10 Origination Markets

The US, the international spend leader in the Caribbean, shows comparatively slower spend growth compared to Venezuela, Switzerland, and Italy. *Avg spend growth = 13.3%*

**YoY Growth for Top 10 Origination Markets
By Spend**

10.6%	11.8%	14.2%	-14.3%	37.1%	13.2%	4.5%	9.1%	23.0%	23.7%
USA	GBR	CAN	NLD	VEN	DEU	FRA	BRA	CHE	ITA

Spend Leader

Average YoY Growth (13.3%)

Note: *June 1, 2013 – June 30, 2014 vs. July 1, 2014 – June 30, 2015*
1. All analysis is subject to Data Usage & Privacy laws by origination Market and Benchmarking Requirements

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Average Length of Stay for Top Ten Origination Markets

- Length of stay does not directly correlate with spend per account.
- UK and Switzerland with the highest average spend per account, and mid-range average stays, while the Netherlands carry the longest stay, but only an average spend level.
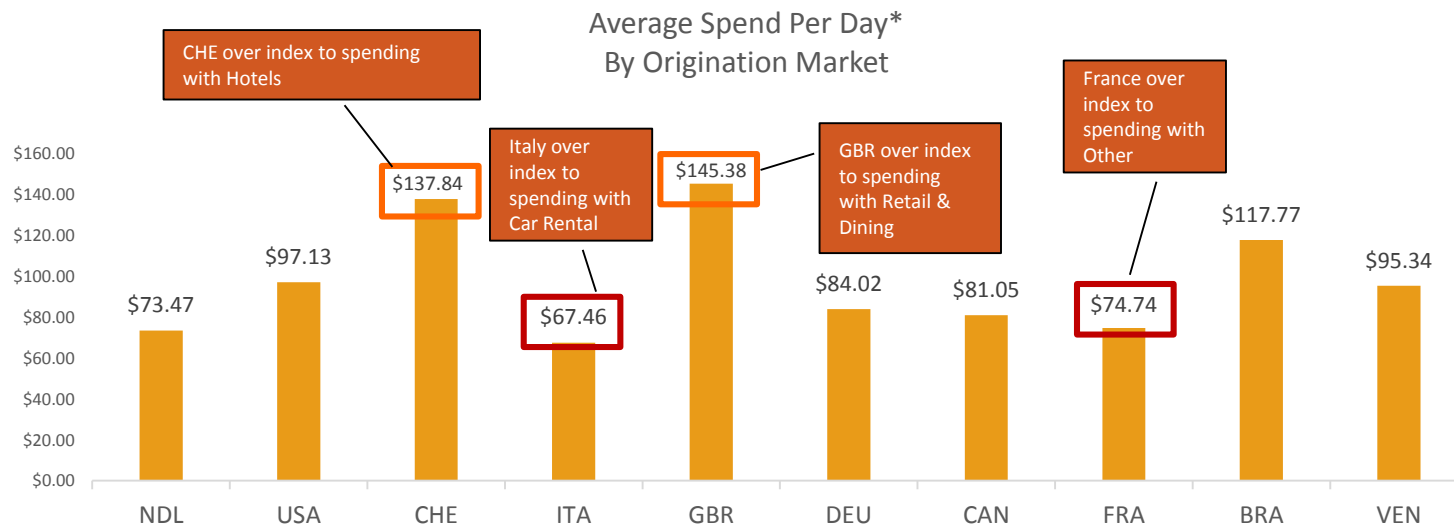
Average Length of Stay* & Average Spend per Account
By Origination Market

Average Spend per Day* Top Ten Origination Markets

- Visitors from Switzerland and GBR spend the greatest per day of visit (most valuable travelers to tourism spending (~$140 per day average)
- The travelers from Italy and the Netherlands spend the least per day of stay (<$75 per day).

Average Spend Per Day*
By Origination Market

CHE over index to spending with Hotels

Italy over index to spending with Car Rental

GBR over index to spending with Retail & Dining

France over index to spending with Other

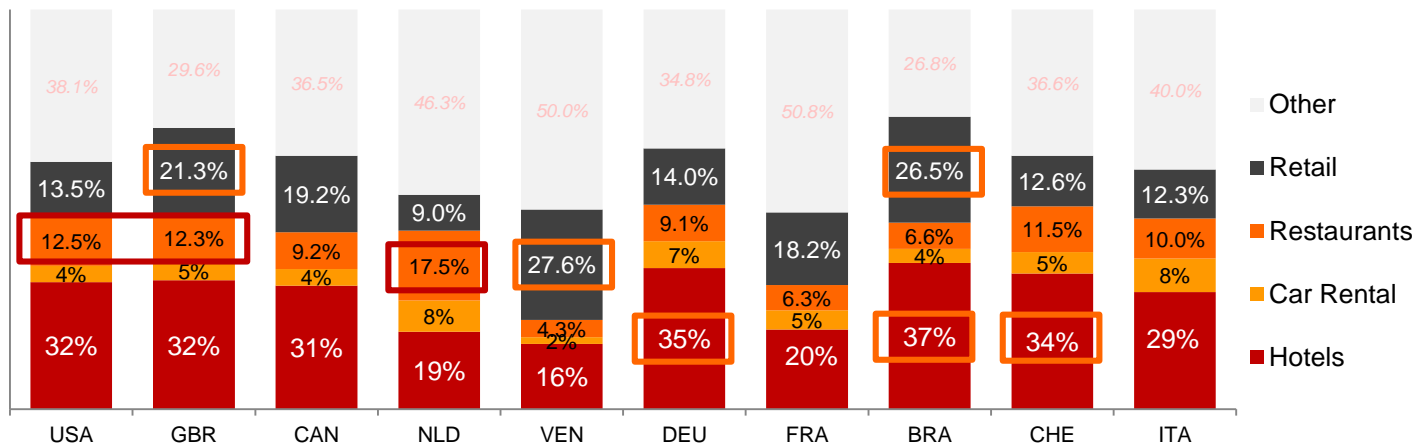|	NDL	USA	CHE	ITA	GBR	DEU	CAN	FRA	BRA	VEN
	$73.47	$97.13	$137.84	$67.46	$145.38	$84.02	$81.05	$74.74	$117.77	$95.34

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Cross Category Spend by Origination Market

Hotels are a consistently large component of travel spend across countries.
South American originations (Venezuela & Brazil) have the highest percentage of retail spend.

Travel-Related Cross Spend Categories for Top origination Markets in Destination Market

Legend:
- Other
- Retail
- Restaurants
- Car Rental
- Hotels

Category Skew (over index vs. the average of top 10)

Note:
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July 1, 2014 – June 30, 2015

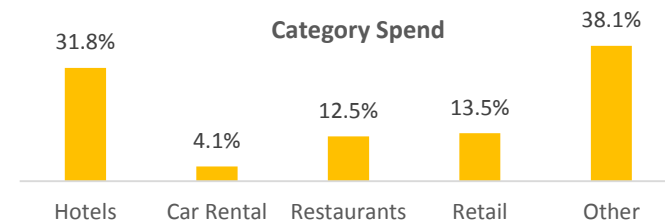©2016 MasterCard. Proprietary and Confidential.

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ORIGINATION MARKETS
Profiles

Origination Market Profile: United States

Despite leading in spend and transaction across the Caribbean market; growth is slightly lower than the top origination market averages. Seasonality peaks are in March/April.

YoY Growth (Spend)	YoY Growth (Transactions)	YoY Growth (Unique Stays)	Avg. Length of Stay (Days)	Average Spend per Account	Average Transaction Value
10.6%	20.8%	18.7%	8.4	$819	$127

Category Spend

Hotels	Car Rental	Restaurants	Retail	Other
31.8%	4.1%	12.5%	13.5%	38.1%

Seasonality: % of origination Market Spend Month

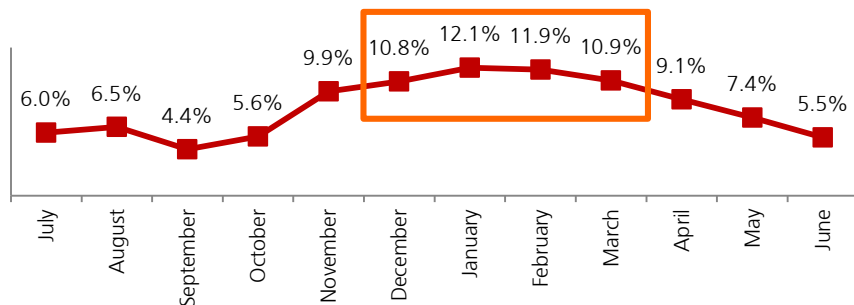| July	August	September	October	November	December	January	February	March	April	May	June
8.0%	7.4%	5.4%	6.1%	7.1%	9.0%	9.5%	8.9%	10.8%	10.1%	8.8%	8.9%

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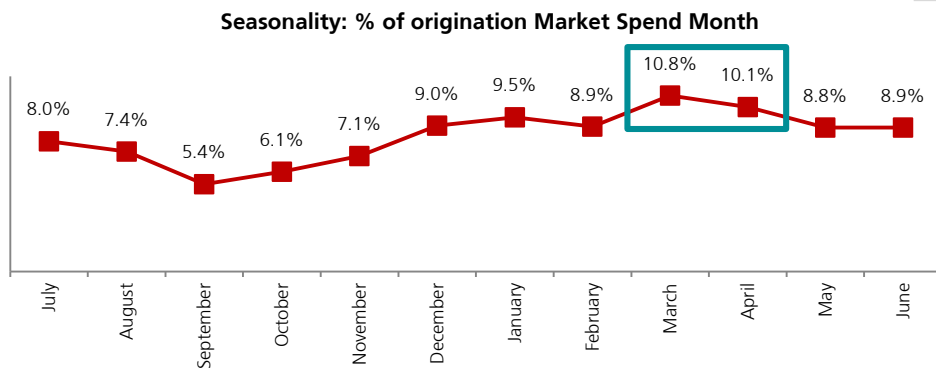
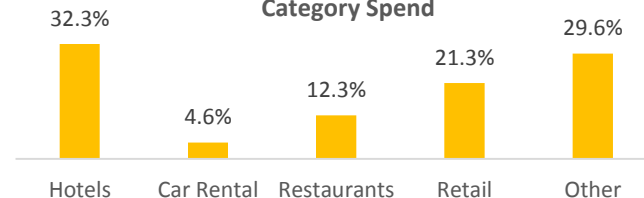# Origination Market Profile: United Kingdom/GBR

GBR visitors are top with **spend per account** in the Caribbean. Similar to the US, the GBR is experiencing slightly below average YoY growth, but has more defined and a longer seasonal trend (Dec-March).

YoY Growth (Spend)	YoY Growth (Transactions)	YoY Growth (Unique Stays)	Avg. Length of Stay (Days)	Average Spend per Account	Average Transaction Value
11.8%	17.7%	15.3%	7.0	$1,019	$254

Category Spend

Hotels 32.3% — Car Rental 4.6% — Restaurants 12.3% — Retail 21.3% — Other 29.6%

Seasonality: % of origination Market Spend Month

July 6.0% | August 6.5% | September 4.4% | October 5.6% | November 9.9% | December 10.8% | January 12.1% | February 11.9% | March 10.9% | April 9.1% | May 7.4% | June 5.5%

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Travel Influencers

YOY Origination Market Economics (USA, CAN, GBR)

Currency Gains on BSD (11/2015)

GBP	3.4%
CAD	15.6%
-0.2%	USD

Spending Growth (10/2015)

US Retail	2.1%
US Airline	4.3%
UK Retail	1.5%
UK Travel	0.4%
-2.6%	Canada Retail
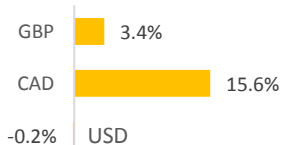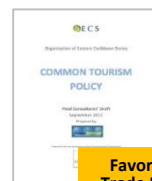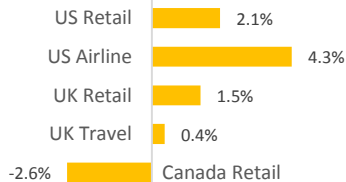
Favorable Trade Policy

COMMON TOURISM POLICY

Weather

Destination Market Events

Chase Marriott Rewards

Sea, Sail, Save with Marriott Rewards
Earn 6 Points per Dollar Spent + 3 Extra Points per Dollar on Qualifying Bookings Exclusively for Marriott Rewards Visa Cardholders.
Plus, For a Limited Time, Use Your Marriott Rewards Visa to Enjoy *Free Wi-Fi on Board When You Book Through CruisesOnly.

Citi American Airlines

Cruise and earn American Airlines AAdvantage® bonus miles*

7-night Caribbean cruises from $369   3-night Bahamas cruises from $249   7-night Europe cruises from $1,299

CARIBBEAN

Travel Industry Expansion

- *2015 Cruise News: Growth continues as new routes and bigger ships seek to meet demand*

- *JetBlue launches nonstop service to Antigua from New York*

- *interCaribbean Airways starts flights to Santiago de Cuba*

- *Larger Ships Prompt Expanded Caribbean Cruise Ports*

Airline & Hotel Marketing Campaigns

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Critical Factors Driving Loyalty And Revenue Growth For Travel Merchants

The customer experience is the most critical

Segment and personalize by the customer and their behavior

Predict vs. respond to market dynamics

CUSTOMER LOYALTY

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Travel Propensity Model Case Study – JetBlue

Model Scored to JetBlue Customer Database

Situation	**Issue:** JetBlue needed a structured and consistent strategy for engaging the right customers with relevant messages at a proper frequency who: • Have a high propensity to travel to the Caribbean/Central America in the next quarter
Approach	• Used *MasterCard Travel Propensity* model • Scored the Propensity model to JetBlue's Customer file through *MasterCard Customer Data Enhancement* capability • JetBlue used the **Propensity** model in conjunction with Customer Loyalty/ **Share of Wallet** to prioritize a customer segment for a targeted message and promotion (JetBlue-deployed campaign)
Results	**>40% LIFT** in email conversion -- **DOUBLE-DIGIT** increase in ticket size **vs. BAU control**

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