

Multi-Country Card Management



Barclaycard UK is the largest personal lending business in the UK and Europe's leading credit card issuer with 11 million cards in circulation; making it the fifth largest credit card issuer in the world.

Barclaycard International was established in 1999 after a merger between Barclaycard's German Business, European Expansion Programme and Barclaycard Global Services. Today, it issues credit cards in 24 countries across Europe, Africa, the Caribbean and the USA and acquires transactions in 58 countries.

Barclaycard International's association with TSYS Card Tech began in 1997 when it set out to establish a consolidated platform for its European Expansion Programme and selected PRIME, TSYS Card Tech's card and merchant portfolio management solution.

Today, Barclaycard International is successfully using TSYS Card Tech solutions to issue and acquire cards in a growing number of multi-country, multi-lingual and multi-institution environments; it uses PRIME systems to support its card portfolio across 7 European countries.

The Challenge

Barclaycard formed Barclaycard International to administer card portfolios outside the UK, drive its European expansion plan and further enhance and strengthen its global branding presence.

Central to this endeavor was the requirement for a multi-currency issuing and acquiring capability managed from a platform residing on a single operational hub.

Since the main project requirement was for the provision of a single strategic solution for multi-country, multi-institution, multi-currency issuing and acquiring across Europe, many localisation issues were prevalent.

Aside from the technical complexities involved in combining a multitude of interfaces to legacy systems and processing gateways, many other country-specific institutions such as payment associations, credit scoring and personalisation bureaux presented additional challenges.

Moreover, as part of its European expansion plan, Barclaycard International wished to introduce new card programmes in Portugal, Greece, Italy and Spain; setting up launches in brand new territories with varying requirements.

Finally, the implementation of the centralized multi-country, multi-institution, multi-currency operation needed to be fast and cost-effective since speed to market was paramount.

Systems adaptability and flexibility were seen as key requirements if Barclaycard International was to stay ahead of its competitors.

Multi-market Specifics

Barclaycard International's European Expansion Programme targets territories that represent three distinct market types: Migration, Expansion and Launch markets.

The company's campaign in Germany involved the migration of its existing portfolio to PRIME. The essential requirement was to ensure a seamless, transparent transfer of its cards database from a UNIX mainframe running CARDPAC to a PRIME system running on Windows.

After launching in Spain in 1999, Barclaycard International moved quickly to grow market share with an expansion programme centred on financial partnerships. A recent joint initiative with Cajamurcia to issue revolving credit cards, has



employed the Bank's existing infrastructure, such as its local call centre in Zaragoza, and complemented it with centralized portfolio management from Barclaycard International's hub.

For Ireland and Portugal, the company was looking at launching into virgin territories in which it had no foothold. In each case, TSYS Card Tech had to assess the local technical terrain and develop interfaces to gateways, scoring agencies, embossing bureaux, payment associations and central banks. In these dynamically changing competitive markets, TSYS Card Tech's ability to deliver swiftly and adapt to changing deadlines was paramount.

"Barclaycard International and TSYS Card Tech have developed a very productive relationship at all levels of the respective organisations. This has been key to resolving the business issues associated with an aggressive international expansion programme and its ultimate success."

Chief Operating Officer, Barclaycard International

In Italy, Barclaycard International chose to build on its existing European expansion strategy by partnering with the existing Barclay owned business Banca Woolwich, Milan. This ensured a local presence and helped Barclaycard International to launch a series of customer focused co-branded loyalty cards by ensuring the required due diligence work was quickly completed.

Success was further assured in new markets by Barclaycard International's pursuit of creative cobranding initiatives made cost-effective and profitable by PRIME's flexibility in enabling custom card solutions.

Benefits

The advantages Barclaycard International gained from implementing a consolidated multi-country card and merchant management solution are manifold.

Employing a centralised management solution has clear benefits in terms of reducing costs through efficiency savings as well as synergies created through centralized operations and support.

PRIME hub manages Barclaycard International's card issuing portfolio in France, Germany, Greece, Ireland, Italy, Portugal, Spain and Botswana. In addition, Barclaycard International uses PRIME to acquire credit cards in Botswana, Kenya, Ghana, Zambia, Mauritius, Seychelles and Egypt.

Centralised card portfolio administration also enables easier product to product transfers, speedier new product introduction and development, and a more highly-targeted customer segmentation model.

"We can use PRIME's templates to develop new products much more easily and modify them to meet the market contexts of any of our territories. So targeting and speed to market is excellent - but adapting to changes within a market is even faster."

*Commercial (Europe) & Global Marketing Director
Barclaycard International*

In addition, new developments in one country can be applied across all locales more easily, as can the additional modules the PRIME solution offers. Since new product offerings can be customised in-house using the built-in design templates offered by PRIME, Barclaycard International has benefited from being able to quickly adapt to changing market demand by developing new products itself.

The compound benefits of fast speed to market, enhanced flexibility and reduced costs have all contributed to a rapid increase in Barclaycard International's market share and met the original goal of further strengthening its global branding presence.

Results

Barclaycard International has used PRIME's multi-country, multi-institution, multi-currency issuing and acquiring to support its expanding card portfolio across 14 countries in Europe and Africa.

In Germany, Barclaycard International has become the second largest credit card issuer, despite the lack of a Barclays Bank presence.

Synergies created through centralised operations and support have led Barclaycard International to look to the Nordic countries with SwedBank via Entercard JV where it will deploy the 10m card transaction-rated PRIME 3.0.

TSYS Card Tech is an international provider of server-based solutions that meet the payment needs of financial institutions of all sizes throughout the world. For banks competing in global markets, we offer the perfect combination of market-leading functionality, flexibility and capacity.

Our core products are developed in house and address all aspects of the card-management business, including card issuance, merchant acquiring, authorisation, message switching, key and PIN management, e-commerce, dispute and fraud management.

TSYS Card Tech, formerly known as Card Tech Limited, is a wholly owned TSYS® (NYSE: TSS) subsidiary. Together with TSYS, we serve more than 300 clients worldwide, including relationships with more than half of the top 20 international banks.