

# MasterCard Worldwide

## THE MARKET

The world is burgeoning in population, and at the same time commerce interconnections are making it a smaller place every day. In this fast-paced landscape, MasterCard Worldwide offers true purchasing convenience through its family of payment products, while the company's trademark Priceless® marketing campaign speaks to timeless and deeply held human values.

With its instantly recognized interlocking circles, this American brand has become global, as MasterCard is now accepted at 25 million locations worldwide. Serving as a link among financial institutions, businesses, cardholders, and merchants, MasterCard serves people in more than 210 countries and territories. The company's global processing system handles more than 16 billion payment transactions every year.

In the growing market for convenient, secure payment methods that can be available anywhere, MasterCard is "top of wallet" for both consumers and businesses alike.

## ACHIEVEMENTS

Over the past 40 years, MasterCard has grown from a good idea to a global identity. More than 1 billion cards have been issued from the company's

family of cards, and no payment card is more widely accepted.

The company is partner to 25,000 of the world's leading financial institutions. Its family of brands — including MasterCard®, Maestro®, and Cirrus® — together account for over \$3 billion in business annually.



MasterCard remains a pioneer in developing payment systems, continually making the payment process faster, more seamless, more secure, and more valuable. The company was among the first to market with contactless payment technology. Cards enabled with MasterCard® PayPass™ Tap N Go™ technology are embedded with a radio-frequency chip for contactless purchases and are accepted at major merchants including McDonald's, 7-Eleven, and CVS.

MasterCard Worldwide's business success is inextricably linked to the company's widely recognized Priceless theme, an award-winning campaign that is still fresh after 10 years. Priceless has been used in MasterCard advertisements in

50 languages shown in 108 of the 220 countries where MasterCard operates. Sometimes clever, sometimes deeply touching, always engaging, the ads have covered topics ranging from a lost dog returning home to cartoon icon Homer Simpson in his neighborhood bar.

The Priceless campaign has been the subject of countless case studies in business and advertising, and it is regularly imitated and even parodied on late-night TV, in political humor, and across the media. Over the years, consumers have demonstrated their connection with the Priceless campaign by sending the company their own personal "priceless" stories in the form of ideas for future commercials.

The campaign has even caused an evolution in human language. There is no word in Japanese for "priceless," so the English word is used in Priceless ads in Japan. Focus groups indicate that the Japanese have now adopted the English word.

Priceless is breaking even more new ground as the platform for the brand's marketing strategy: integration across the marketplace and across today's wide spectrum of media, while targeting niche audiences. The company is drawing other business partners and brands into the Priceless campaign, an idea that was originally considered



risky. But the approach has succeeded in building value for participating merchants and further strengthening the MasterCard brand. In one ad, for example, pop culture icons — the Jolly Green Giant, the Pillsbury Doughboy, Charlie the Tuna, and others — were shown having a family-style dinner.

Building effectively on the Priceless campaign has enabled the company to increase its international profile and heighten its appeal worldwide.

## HISTORY

MasterCard has grown from a handful of people in a New York office in 1966 to 4,600 employees in a unified global organization with offices in more than 40 countries. From the earliest days of “charge-it” cards to the sophisticated payment options of today, MasterCard has led the industry in advancing technology while speaking to basic human values in its marketing. One of its earliest advertising campaigns, referring to the card’s early name, was built around the reassuring theme of “Relax, you’ve got Master Charge.”

In the 1980s, MasterCard became the first payment card issued in the People’s Republic of China, and the company launched Maestro, the world’s first truly global online debit program, in partnership with Europay International. By 1990, MasterCard was handling a higher volume of



payment transactions outside the United States than within.

In 1997, the company aired its first Priceless ad, after in-depth research indicated that consumers would respond favorably to messages that recognized the value of their everyday experience. The company introduced its signature line: “There are some things money can’t buy. For everything else, there’s MasterCard.”

By 2006, MasterCard was established as a brand and an international force in the industry, paving the way for its initial public offering, worth \$2.4 billion. MasterCard is now listed on the New York Stock Exchange under the symbol MA.

## THE PRODUCT

Through the thousands of financial institutions that issue MasterCard products, the company markets a strong portfolio of credit, debit, and prepaid payment options:

- Personal credit cards, including Standard, Gold, Platinum, World and World Elite, with increasing levels of rewards and benefits.
- Personal debit cards — Standard, Gold, and Platinum — for convenience and time-savings.
- Prepaid cards for gifts or personal use.
- MasterCard PayPass for fast, secure, contactless purchases.
- MasterCard Nearby, a service for finding valuable information using a mobile phone.
- MasterCard® Small Business payment cards for executive and professional uses.
- Plus, a suite of business solutions for companies and public-sector institutions.

## RECENT DEVELOPMENTS

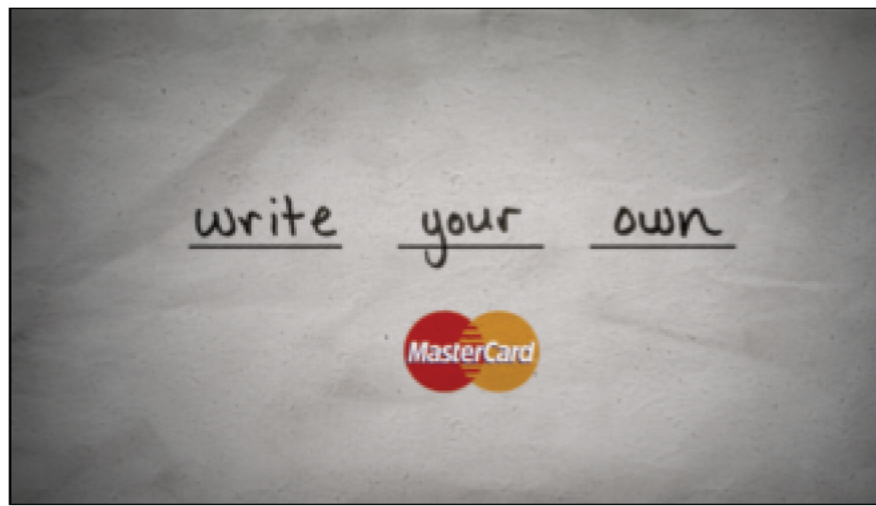
MasterCard’s recent developments span the traditionally elegant to the latest in technology. World-renowned retailer Saks Fifth Avenue chose MasterCard as its first co-branded credit card: the Saks Fifth Avenue World Elite™ MasterCard® that offers Saks customers the highest levels of service, benefits, and rewards. And MasterCard is partnering in a pilot test of making contactless credit card purchases using mobile phones. Participants in the pilot test can make purchases at the 36,000 merchant locations around the world that accept MasterCard PayPass.

Responding to the unprecedented consumer response to the Priceless campaign, MasterCard launched the Priceless.com Web site. At this site, visitors can view their favorite Priceless ads (including outtakes and bloopers), take advantage of special promotions, and submit their own Priceless adventures, some of which are chosen to be featured on the site.

Maintaining its leadership in the global payments industry, the company launched the MasterCard Worldwide Centers of Commerce Index, a revolutionary measure to evaluate and rank 50 major cities for their influence on the global economy.

## PROMOTION

MasterCard is an integral part of America’s love affair with sports through the company’s sponsorships, which not only increase brand awareness but also bring the convenience of contactless payment to sports venues across the country.



MasterCard is the official payment system and an official sponsor of the PGA Tour, Champions Tour, Nationwide Tour, and Ladies Professional Golf Association (LPGA). In baseball, MasterCard is an official sponsor of Major League Baseball and MLB.com, and the preferred card of MLB since 1997. The company maintains sponsorship alliances with 17 MLB teams as well as 25 individual National Football League teams.

## BRAND VALUES

Primarily through its Priceless campaign, the MasterCard brand has become solidly identified with life experiences that are meaningful and genuine. The Priceless formula has become part of the American vernacular and is recognized worldwide. Even though the ads are produced in different languages, they speak to people’s values everywhere.



And the long life of this campaign proves that its theme clearly resonates with consumers. At a time when people are often weary of marketing clutter, the Priceless ads remain welcome in homes everywhere.

MasterCard is a brand that consumers recognize and trust, with products that make their lives easier and their finances more secure. The company considers this brand identity as one of its most valued corporate assets — indeed, priceless.

## THINGS YOU DIDN'T KNOW ABOUT MASTERCARD

- In 2006, MasterCard launched an online “Write Your Own Priceless Ad” contest at Priceless.com that generated more than 100,000 entries.
- The Priceless campaign has won 9 Effies for advertising effectiveness.
- MasterCard was the largest U.S. IPO in 2006.
- MasterCard conducts ongoing research on cash and checks giving way to high-tech payment methods. In recent surveys, nearly half of respondents said they carry less cash today than they did five years ago, and 60 percent of respondents had only \$20 or less in cash on hand.