

VISA

Marketplace Review

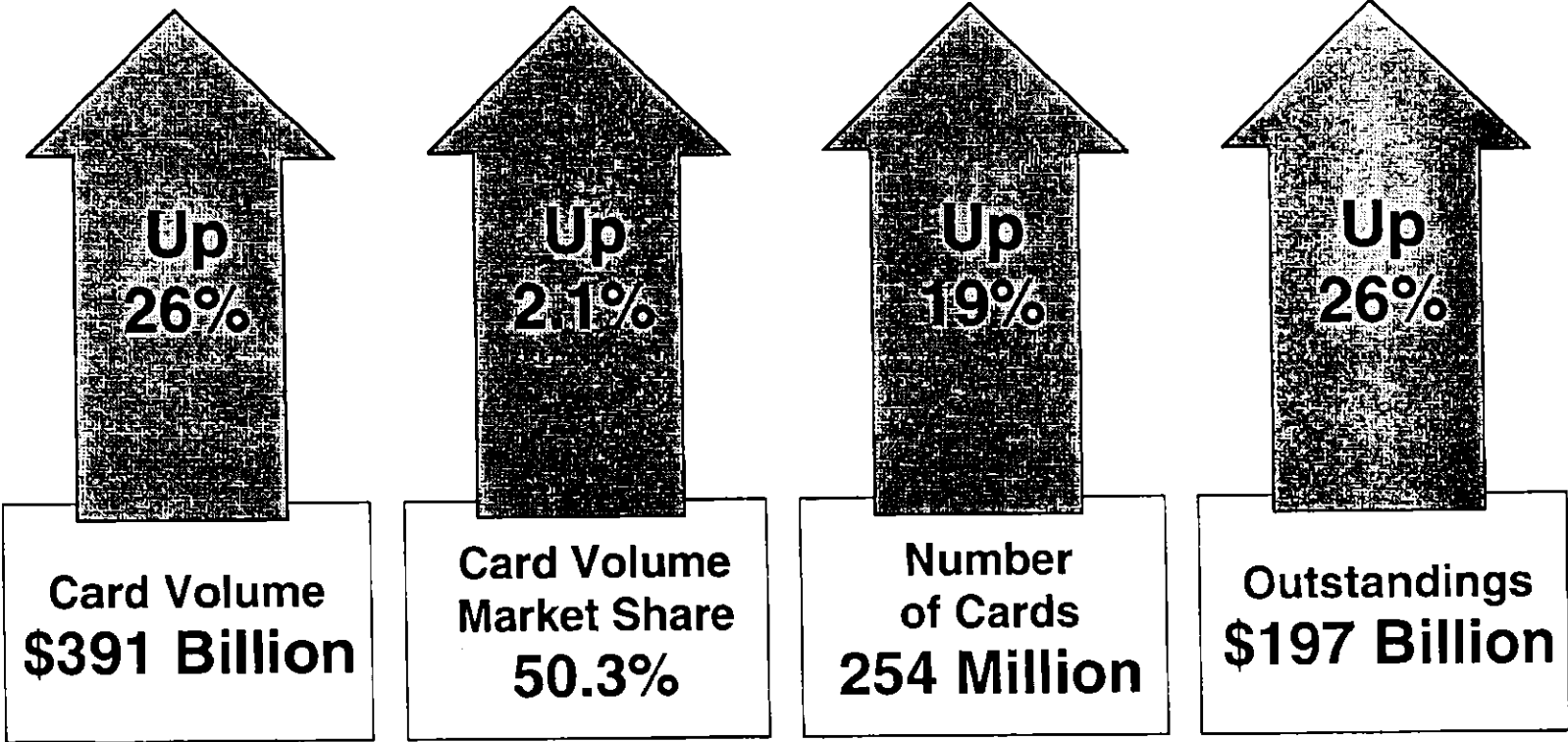
David Brooks
Executive Vice President
Market Development

P-1013

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P#36266

Visa Growth

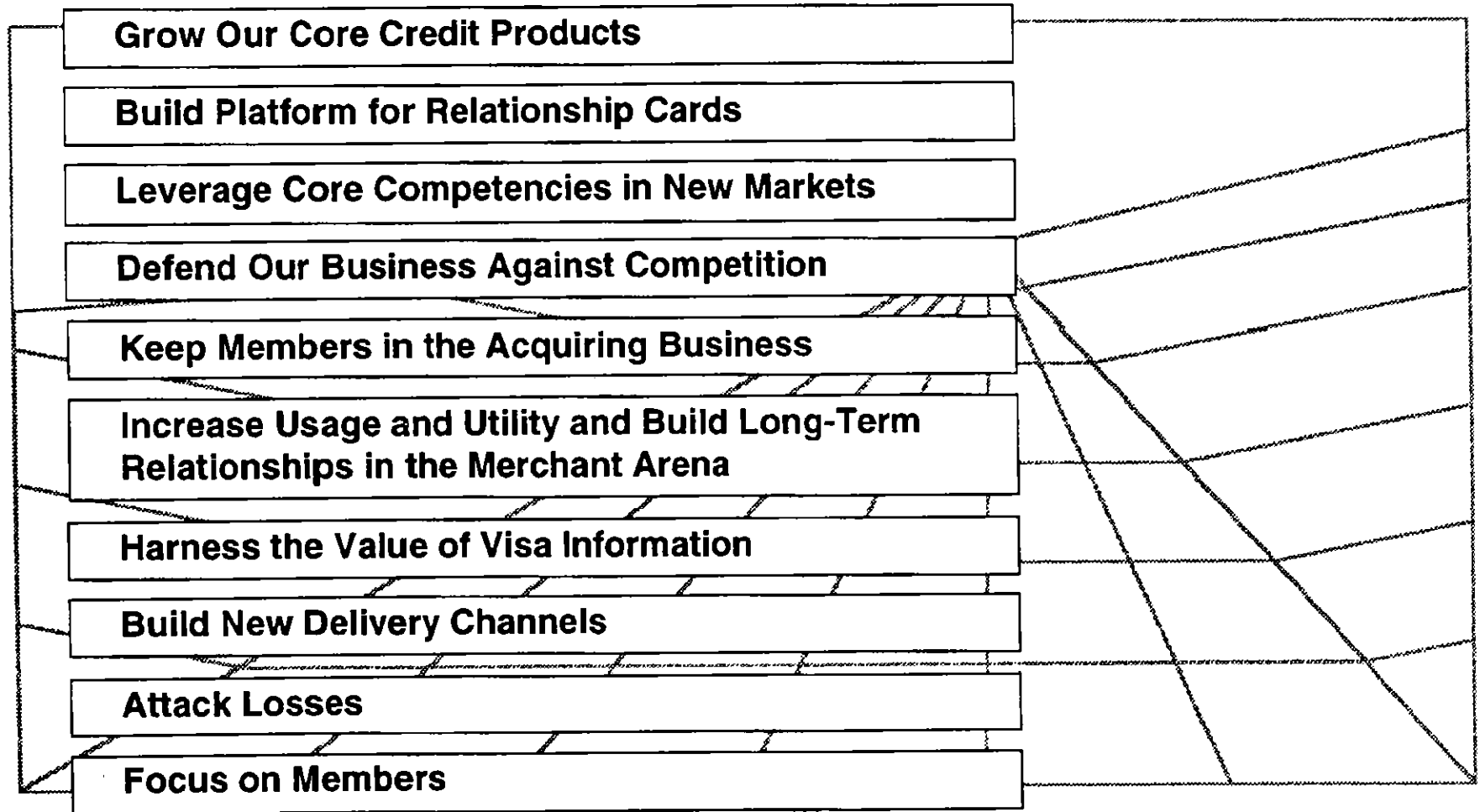


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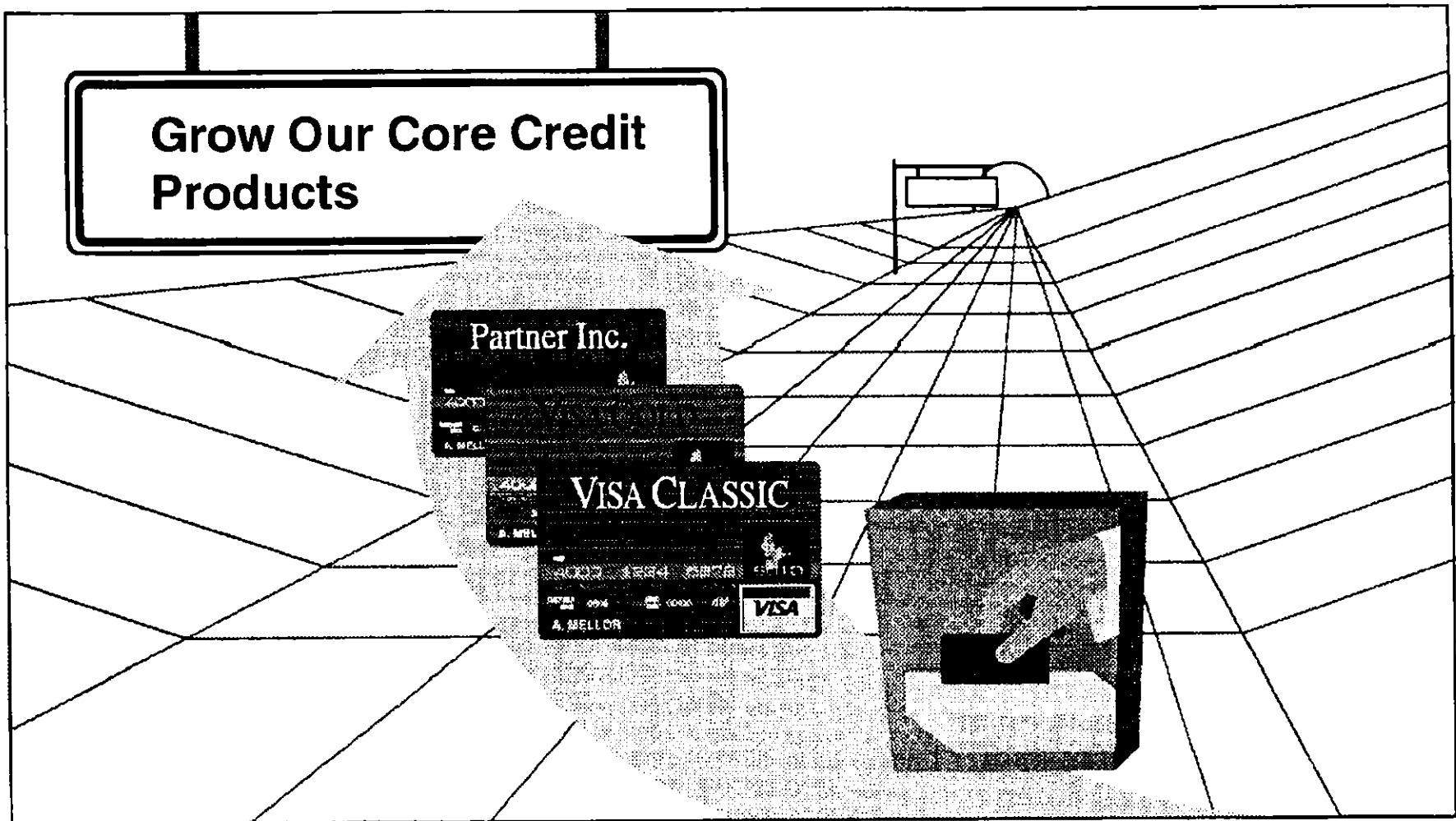
Twelve Months Ending March 31, 1996

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Visa Initiatives



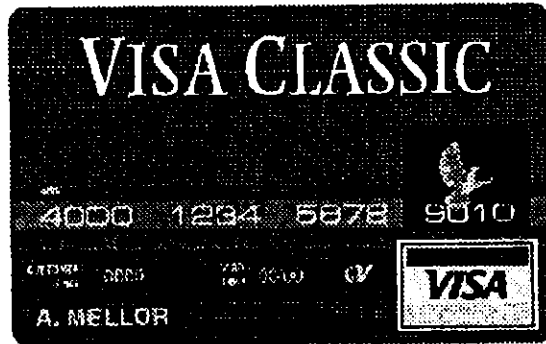
Visa Initiatives



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Grow Our Core Credit Products

Visa Classic Credit



■ **139 Million Classic Cards**

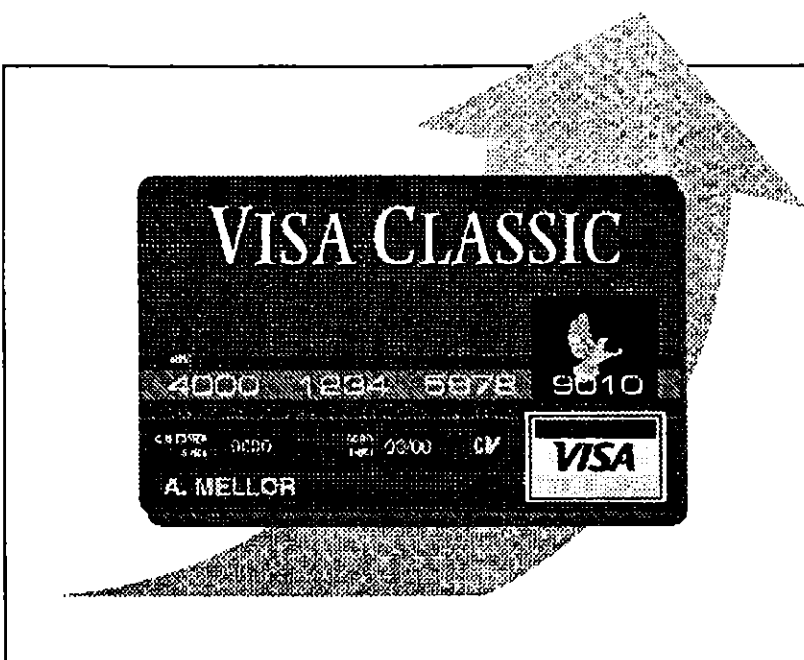
■ **11% Growth in Sales Volume**

■ **800 Million Solicitations in 1995**

■ **Declining Response Rates**

Grow Our Core Credit Products

Visa Classic Credit Initiatives



■ Programs to Improve Response Rates

■ Member Education on Database Marketing

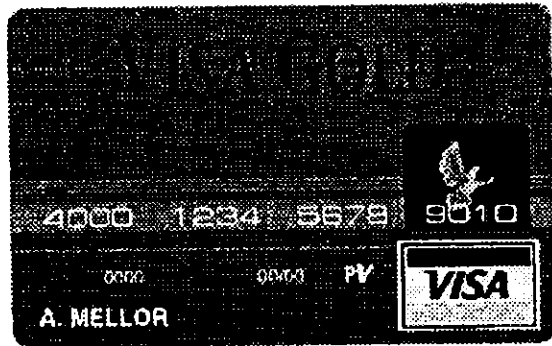
■ “Best Practices” Seminars on Usage and Retention

■ In-Branch Promotions

■ Student Market

Grow Our Core Credit Products

Visa Gold Credit



■ **78 Million Visa Gold Credit Cards**

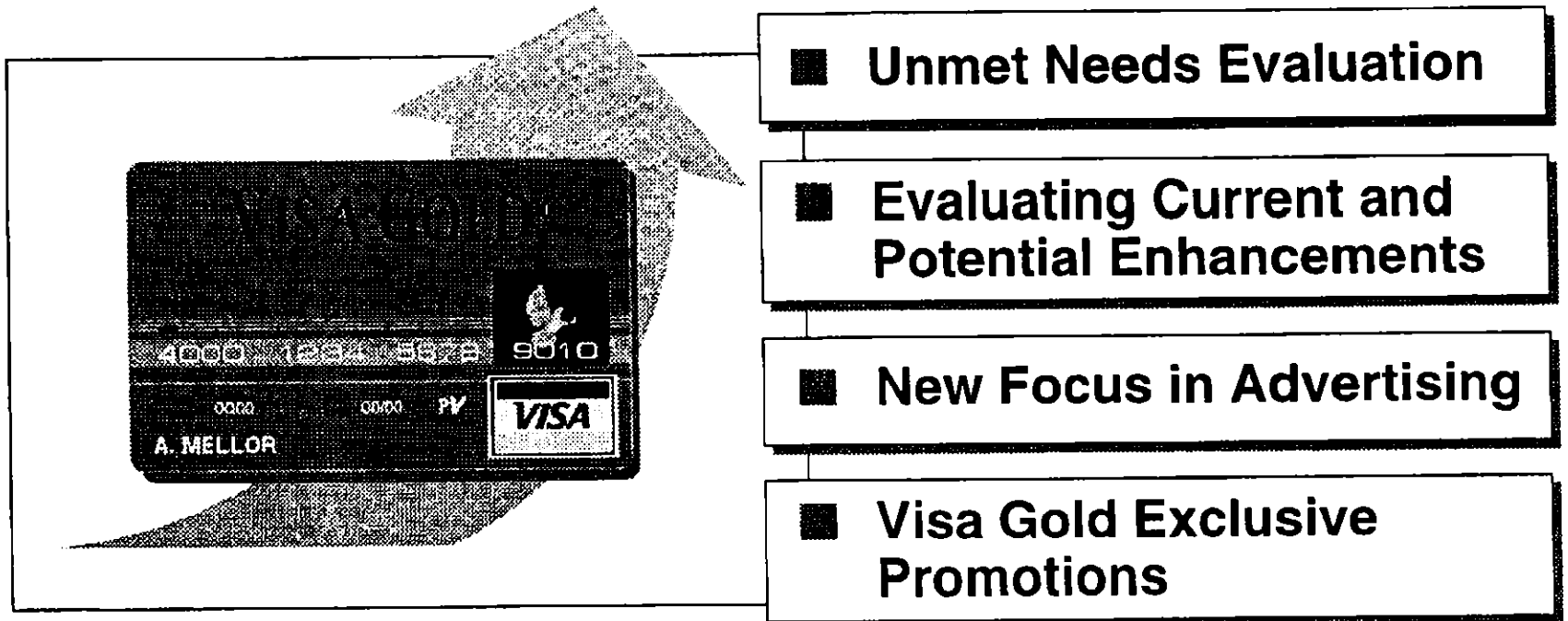
■ **37% Growth in Sales Volume**

■ **900 Million Solicitations**

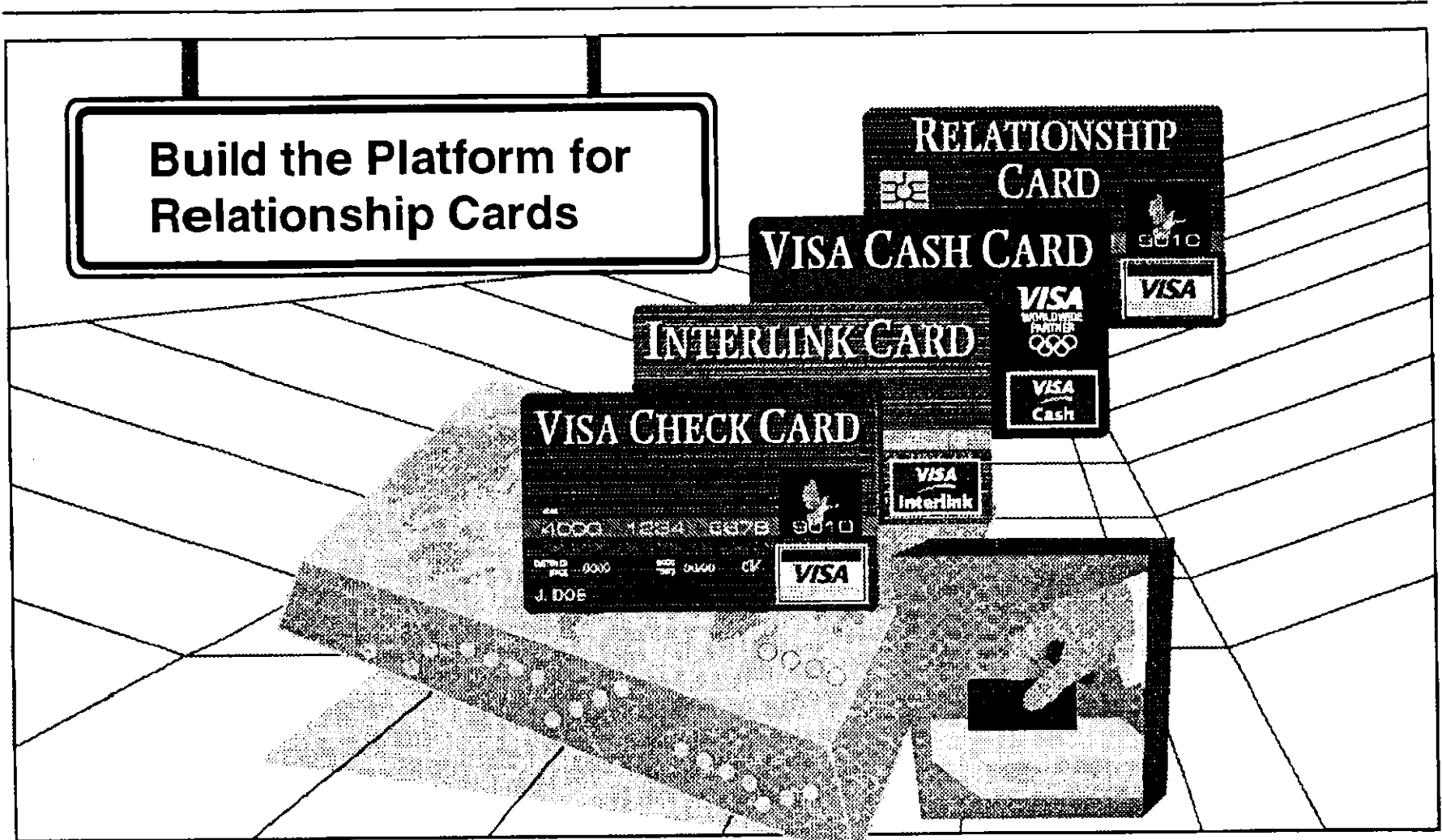
■ **Primarily No-Fee Offers**

Grow Our Core Credit Products

Visa Gold Credit Initiatives



Visa Initiatives



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Build the Platform for Relationship Cards

Visa Cash



- First Application of Chip Technology

- \$470 Billion Opportunity

- Pilots in Atlanta, New York, and Ten Other Locations

- Additional Pilots in 1997

Build the Platform for Relationship Cards

Visa Cash Atlanta Pilot



■ Three Issuers

■ Disposable and Reloadable Cards

■ 5,000 Acceptance Locations Including MARTA, Service Stations, Taxis, Quick-Service Restaurants, Convenience and Sundry Stores, Movie Theaters, and Bell South Telephones

■ Consumer Education Campaign

■ Advertising

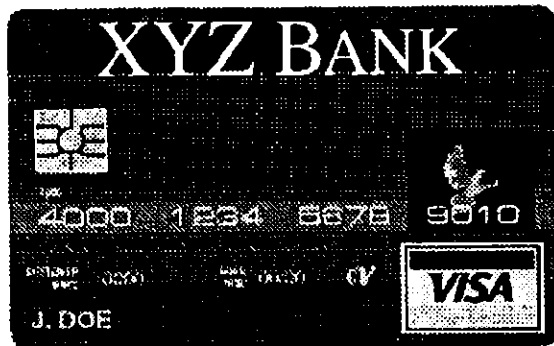
■ Consumer and Merchant Research

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Build the Platform for Relationship Cards

Chip Card



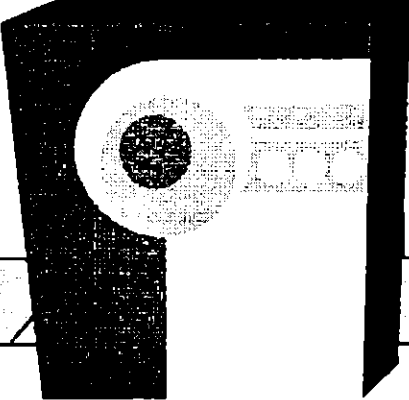
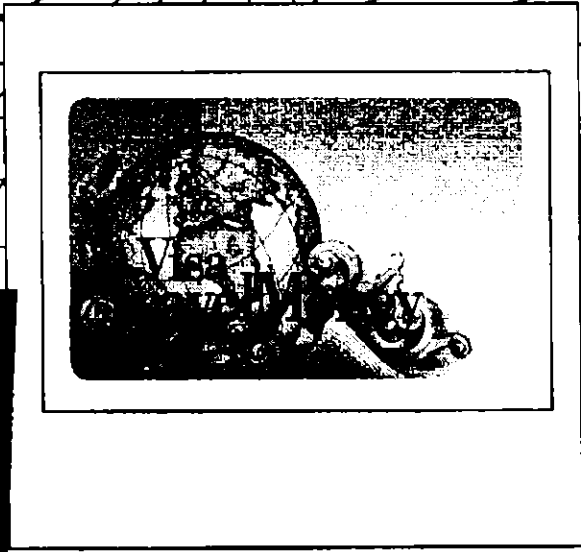
- **Developing Comprehensive System for Chip-Enhanced Loyalty Programs**

- **Relationship Card Functions**
 - Visa Payment Service
 - Issuer Defined
 - Cardholder Selected

- **Pilots in 1998**

Visa Initiatives

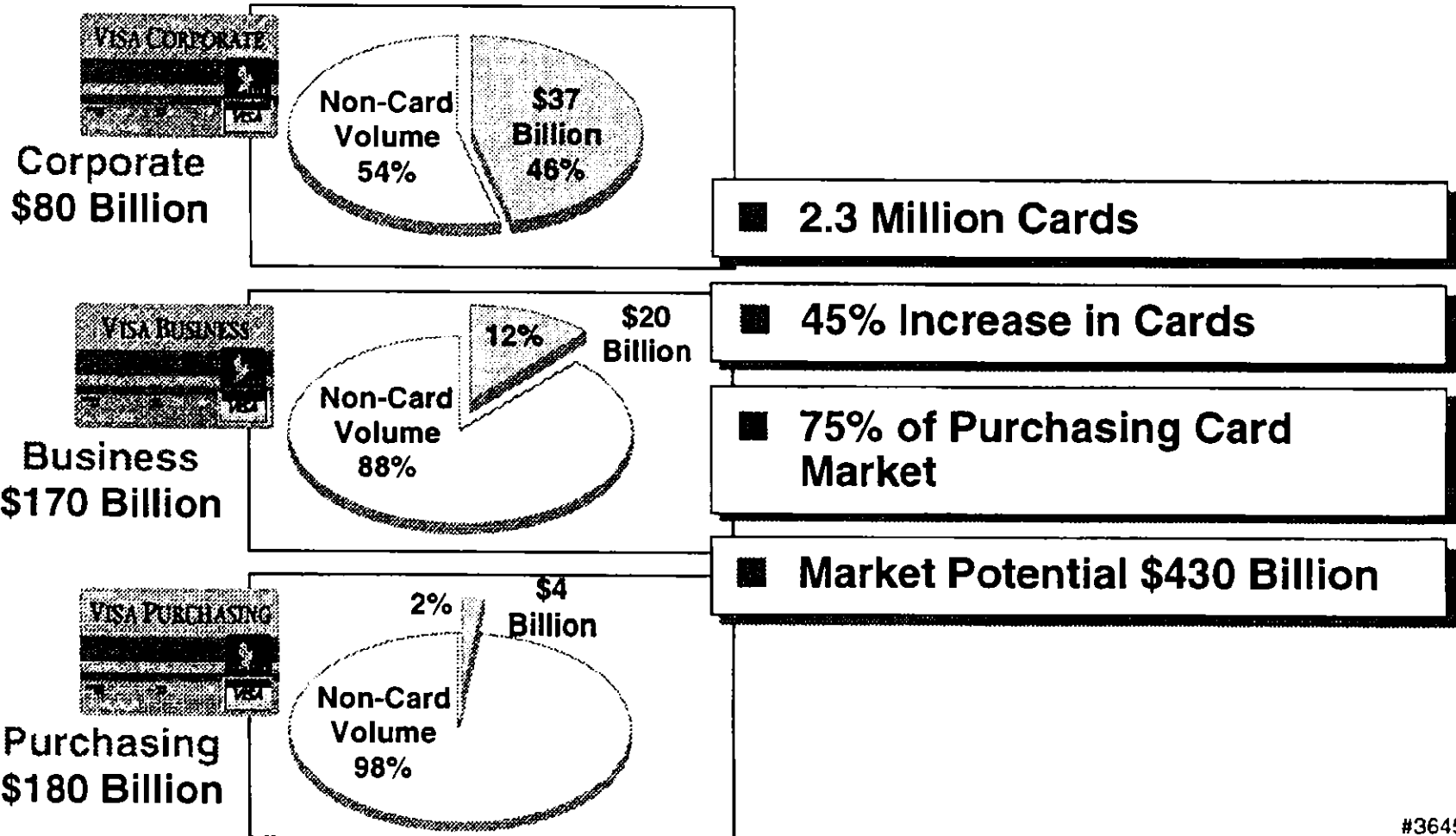
Leverage Our Core Competencies in New Markets



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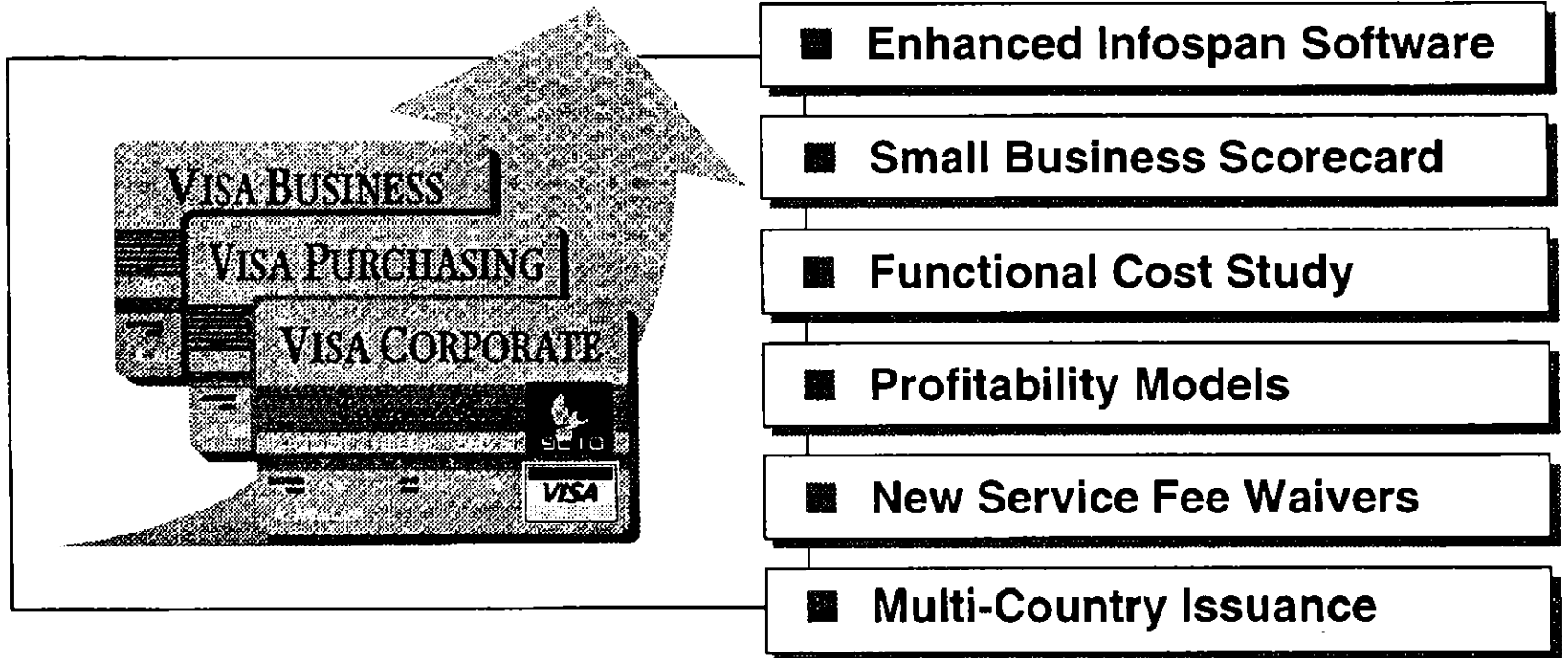
Leverage Our Core Competencies in New Markets

Commercial Cards



Leverage Our Core Competencies in New Markets

Commercial Card Initiatives



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Leverage Our Core Competencies in New Markets

Visa TravelMoney



- Electronic Alternative to Travelers Cheque
- Uses Magnetic Stripe Technology
- Eight U.S. Issuers by End of 1996
- Reduction in Interregional ATM Fees Effective 1997
- Financial Planner

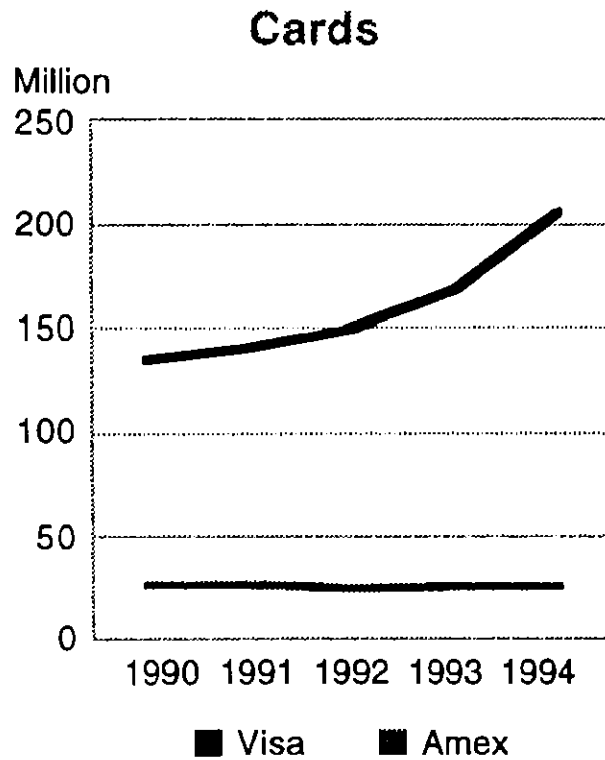
Visa Initiatives



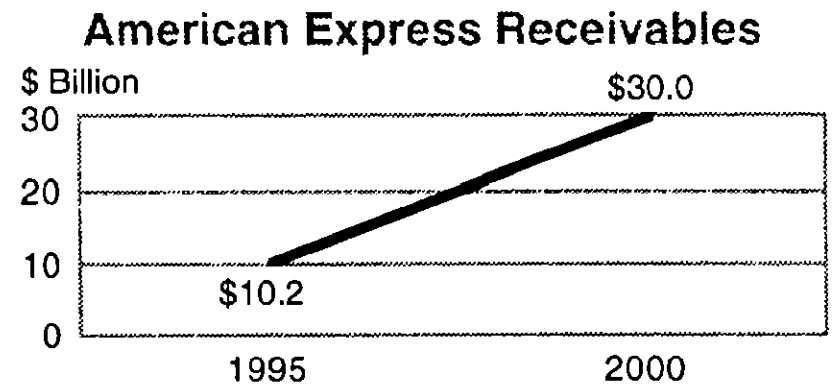
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Defend Our Business Against Competition

American Express Agenda



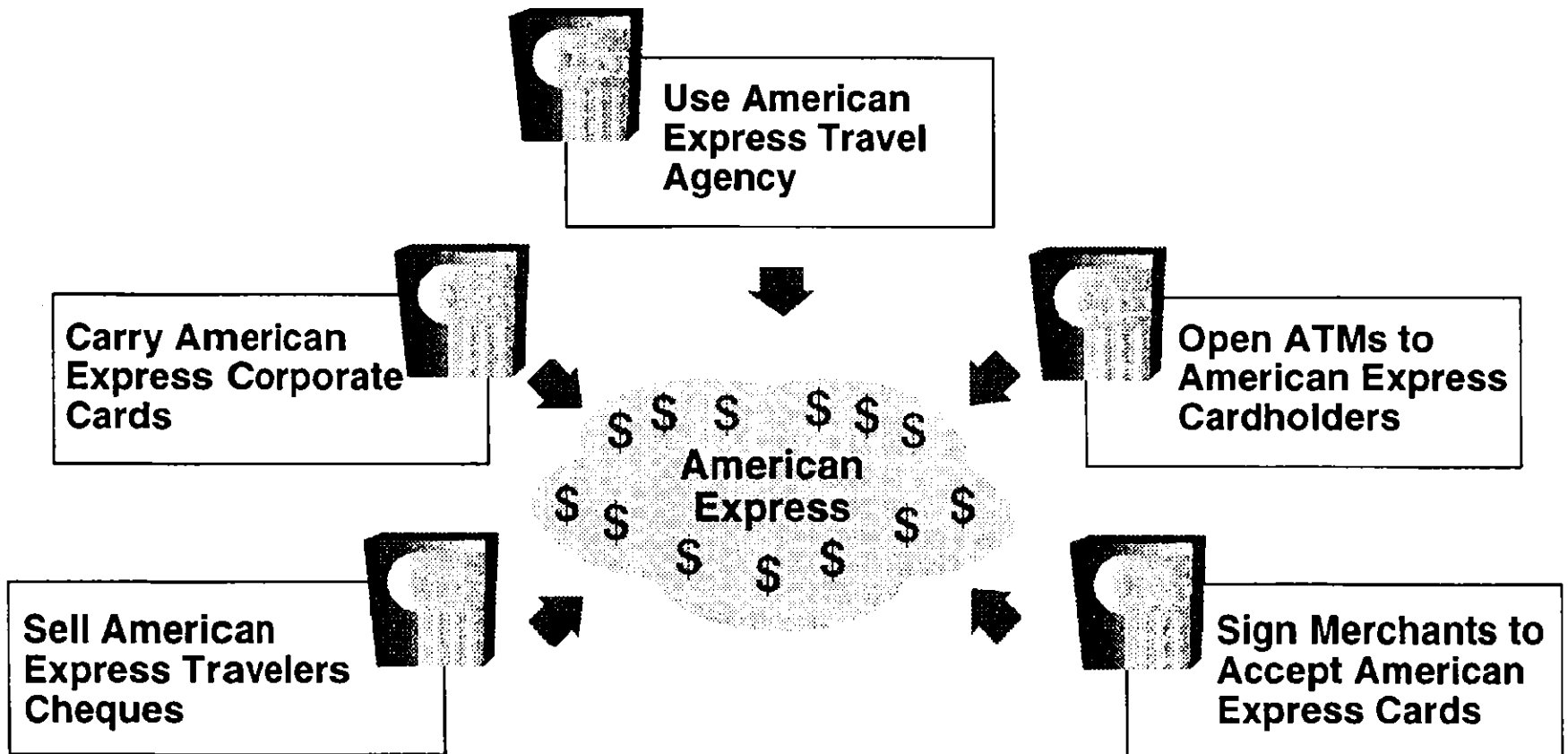
- American Express Agenda**
- Attract 20% of Customers with 80% of Spending
 - Issue 10–15 Targeted Products
 - Provide Full Range of Financial Products
 - Expand Merchant Base
 - Build Strategic Alliances



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Defend Our Business Against Competition

Visa Member Support for American Express



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Defend Our Business Against the Competition

Visa Competitive Initiatives

■ Consumer and Trade Advertising

■ Travel Agent Continuity Program

■ Commercial Card Initiatives

■ Key Merchant Incentive Program

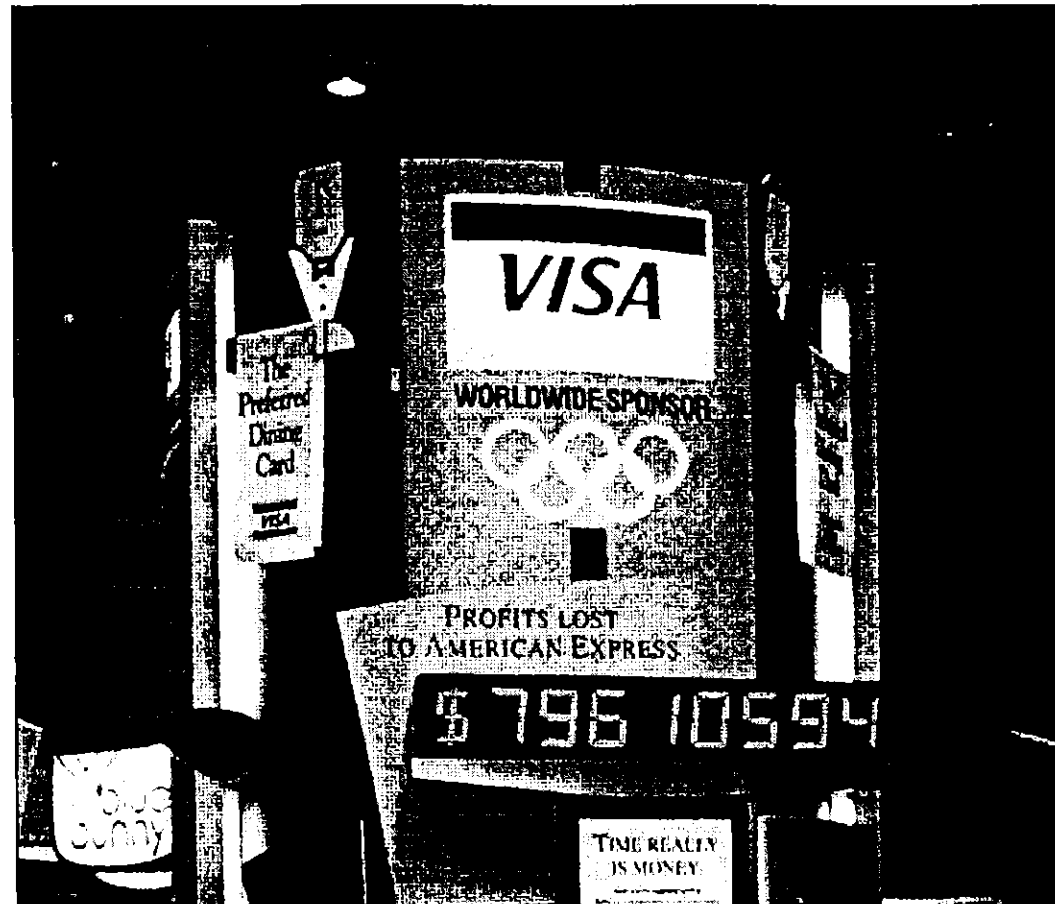
■ Merchant Acceptance and Education

■ Member Education

■ Member Cardholder Retention Program



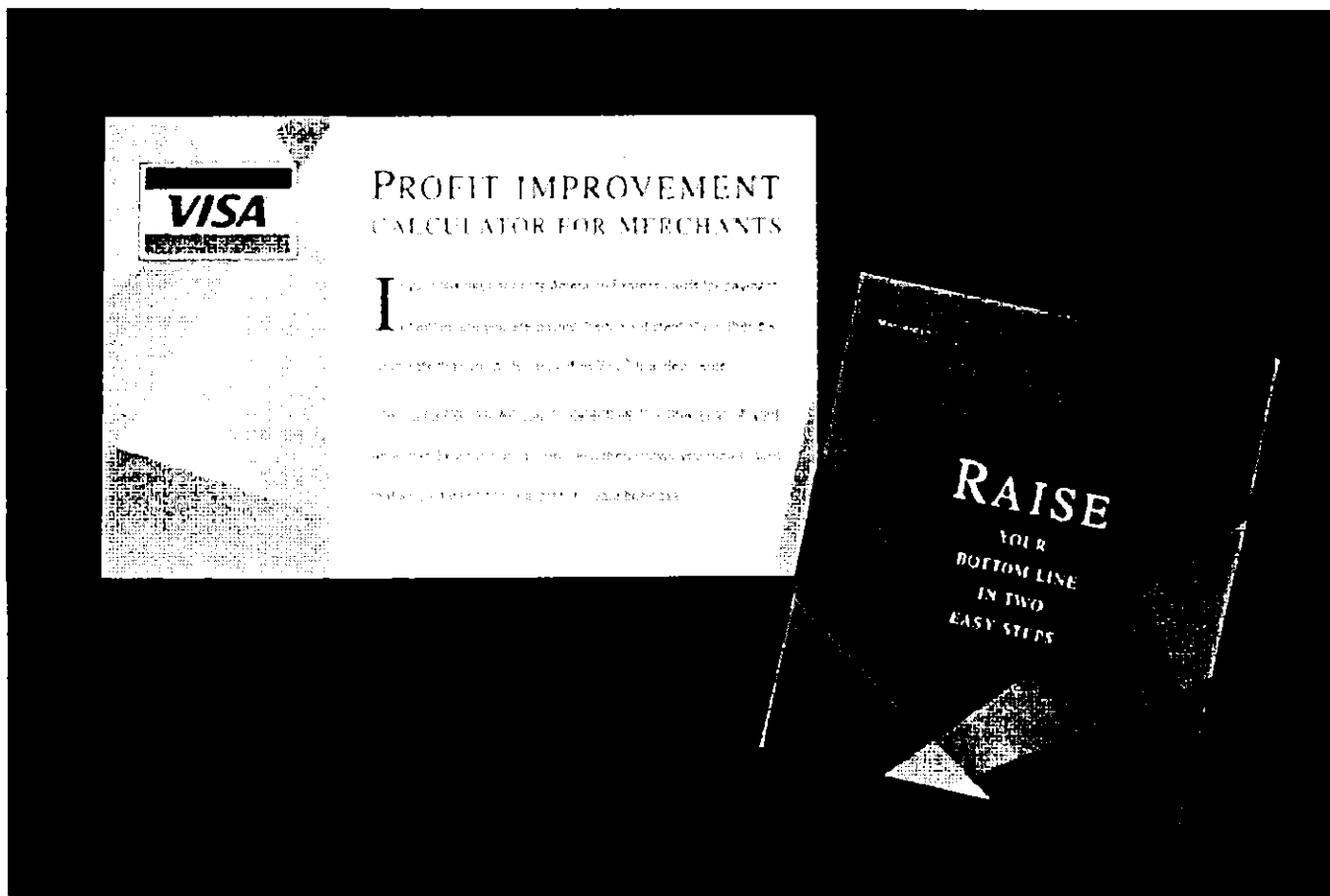
Defend Our Business Against the Competition Potential Restaurant Savings



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Defend Our Business Against the Competition Visa Profit Improvement Calculator and Software



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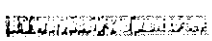
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Defend Our Business Against the Competition

Visa Merchant Ad

One window American Express would rather not be seen in.

Now you can offer your widget...
 New! No cash advance fees...
 No pay for interest...
 No annual fee...
 Your Merchant Report...
 Your potential profit by promoting Visa...

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Defend Our Business Against the Competition American Express Ad

What a coincidence.
One million of Visa's merchants
just started using our
window display to build profits.

*Every ten minutes, another one merchant makes a
business decision to welcome the American Express® Card.*

AMERICAN EXPRESS
Cards Welcome

Cards

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#36460

Defend Our Business Against the Competition

Discover

- 47 Million Cardholders

- Low Usage and Revolving

- Declining Market Share

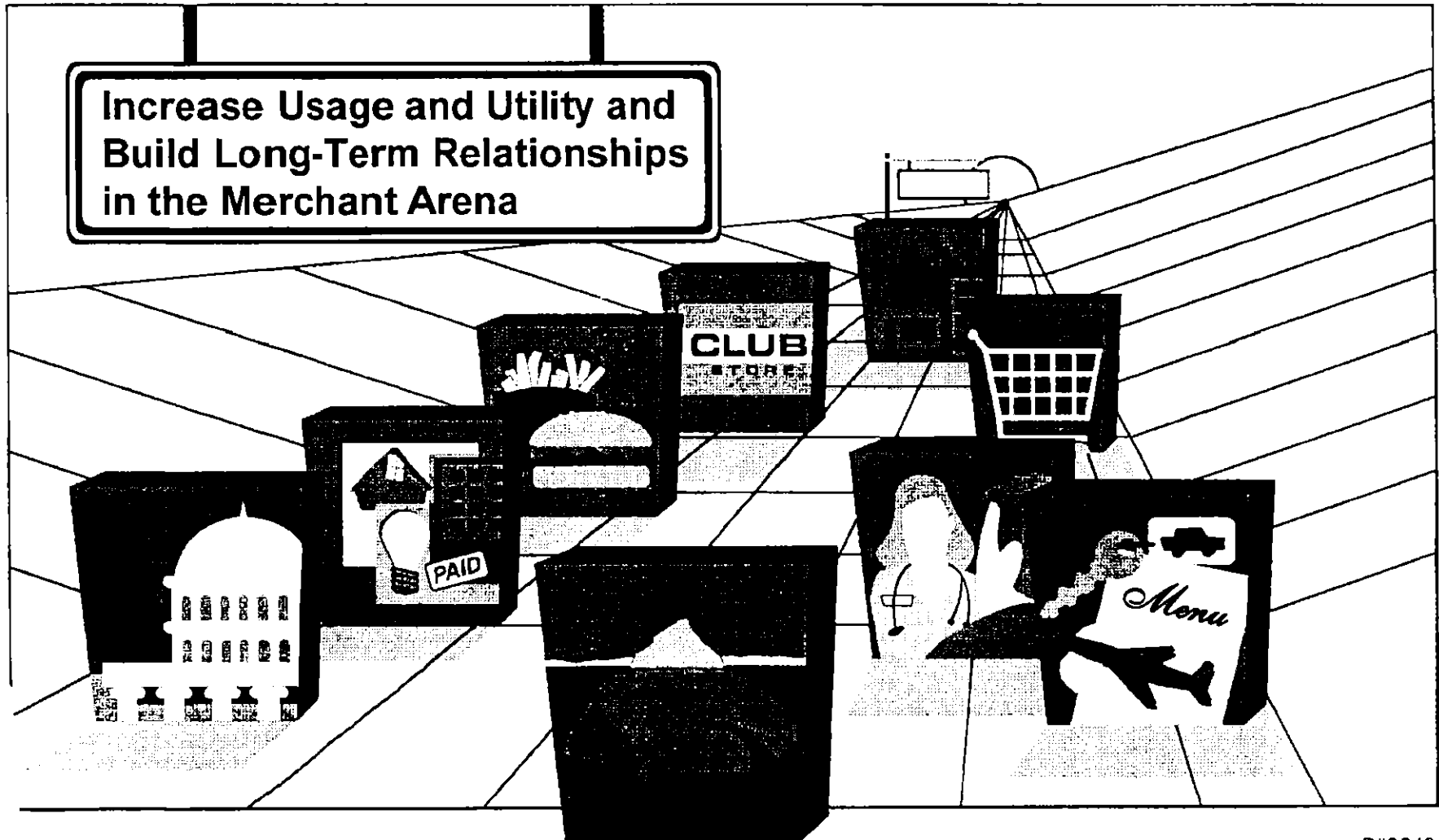


- Array of Targeted Products Tied to Novus Mark

- New Advertising and Event Marketing



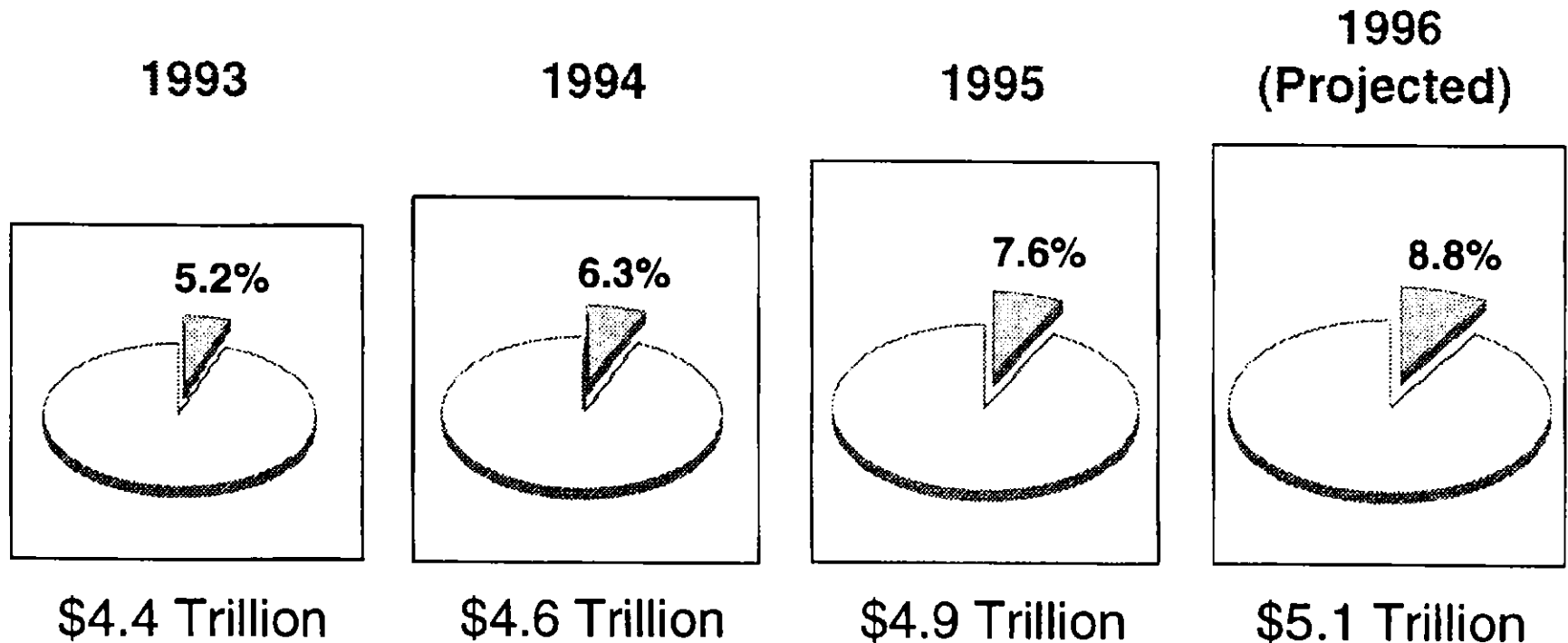
Visa Initiatives



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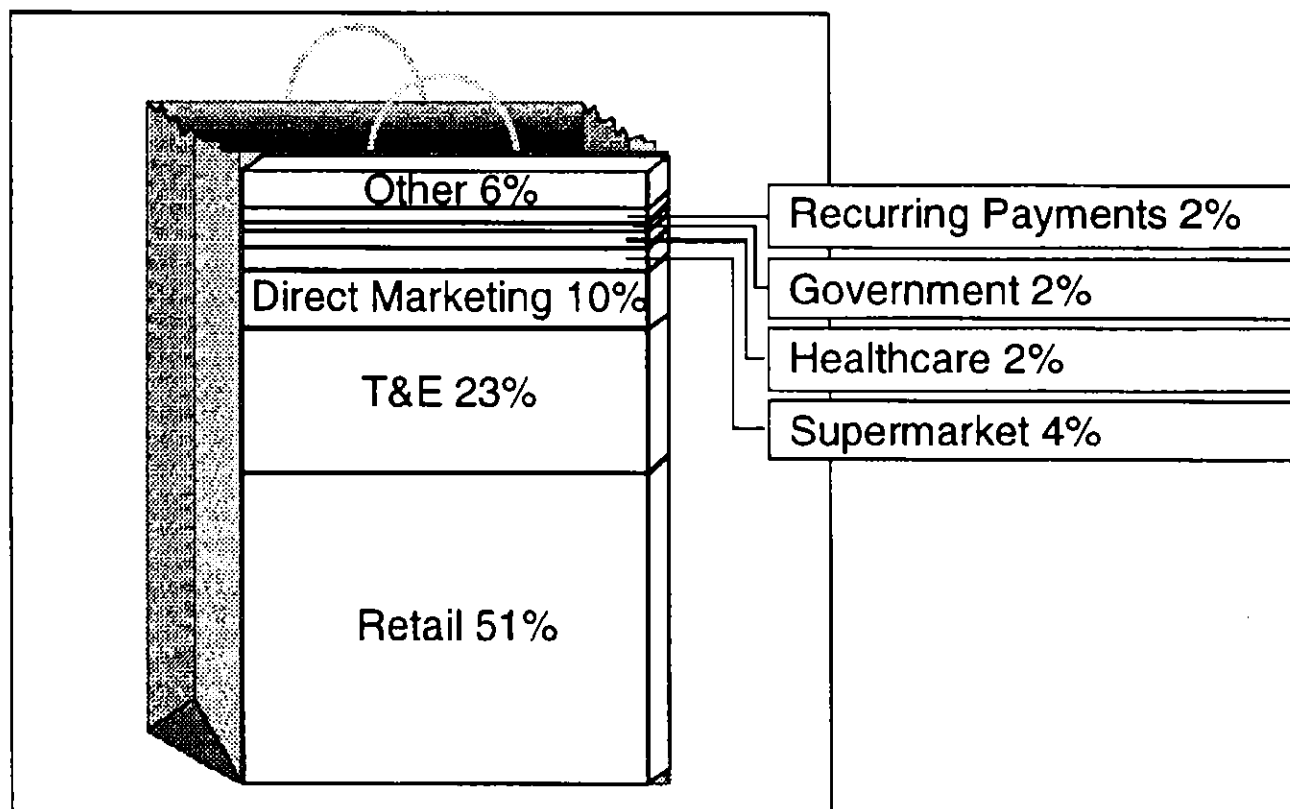
Increase Usage and Utility and Build Long-Term Relationships in the Merchant Arena

Visa Share of PCE



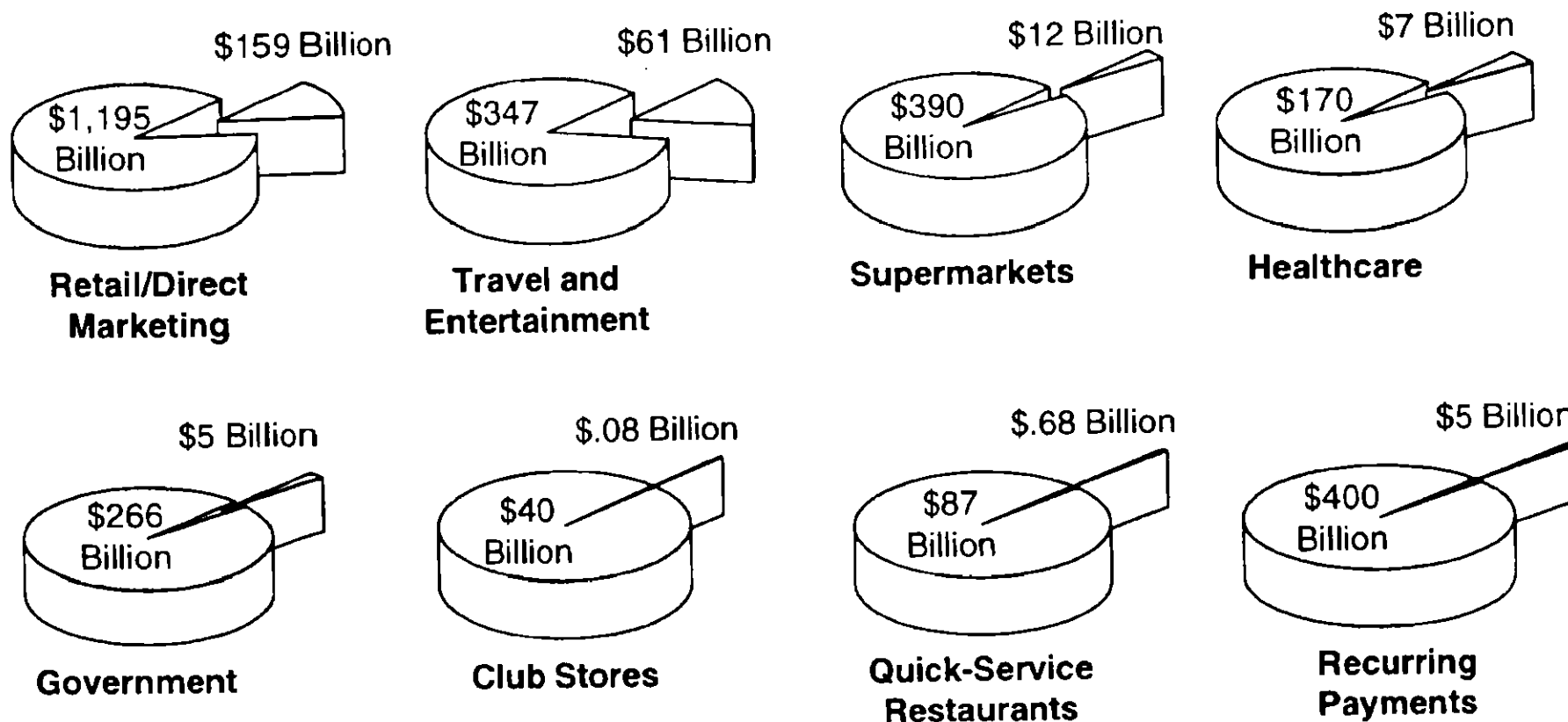
Increase Usage and Utility and Build Long-Term Relationships in the Merchant Arena

Visa Sales Mix By Industry



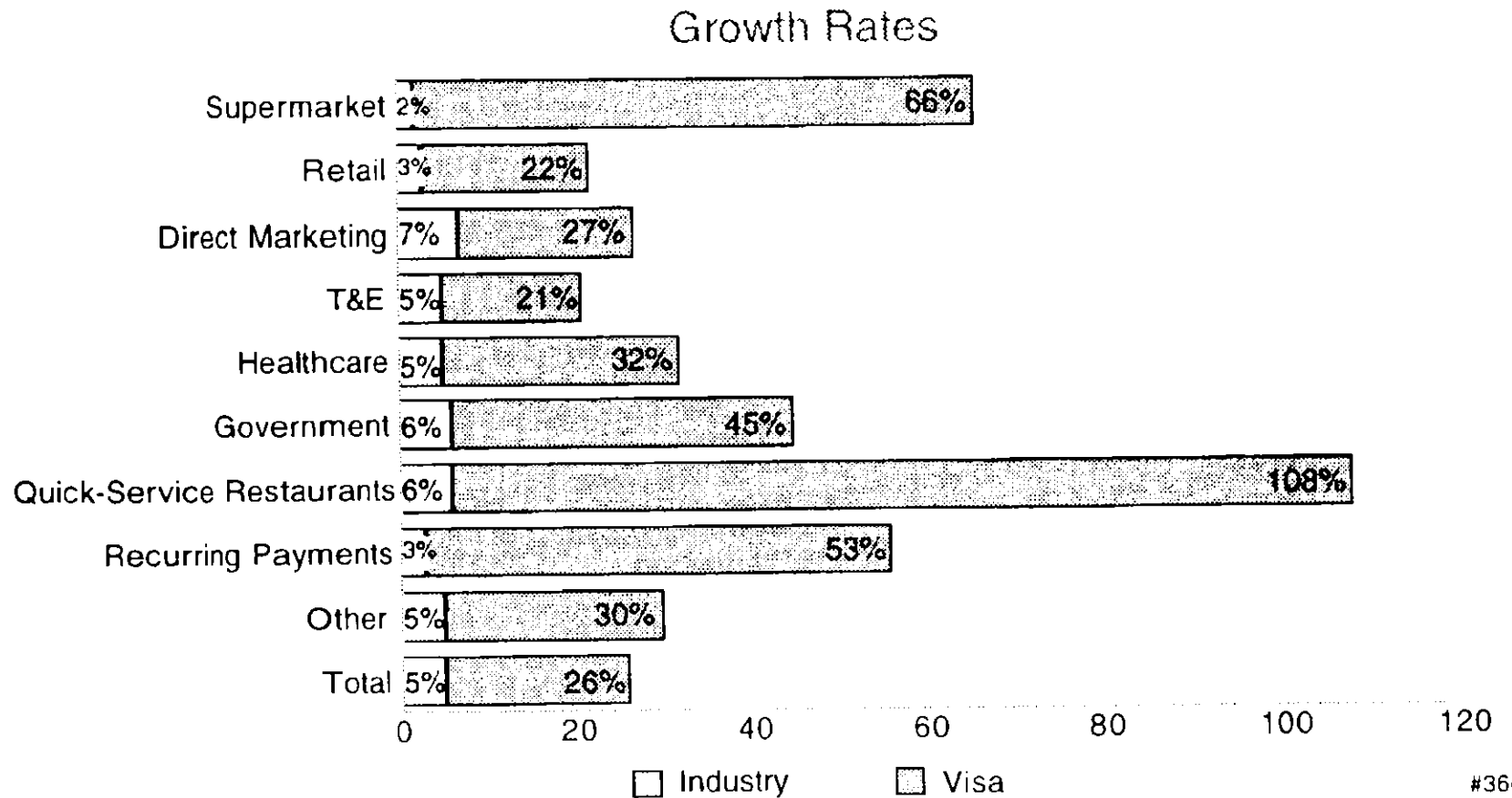
Increase Usage and Utility and Build Long-Term Relationships in the Merchant Arena

Visa Growth Opportunities



Increase Usage and Utility and Build Long-Term Relationships in the Merchant Arena

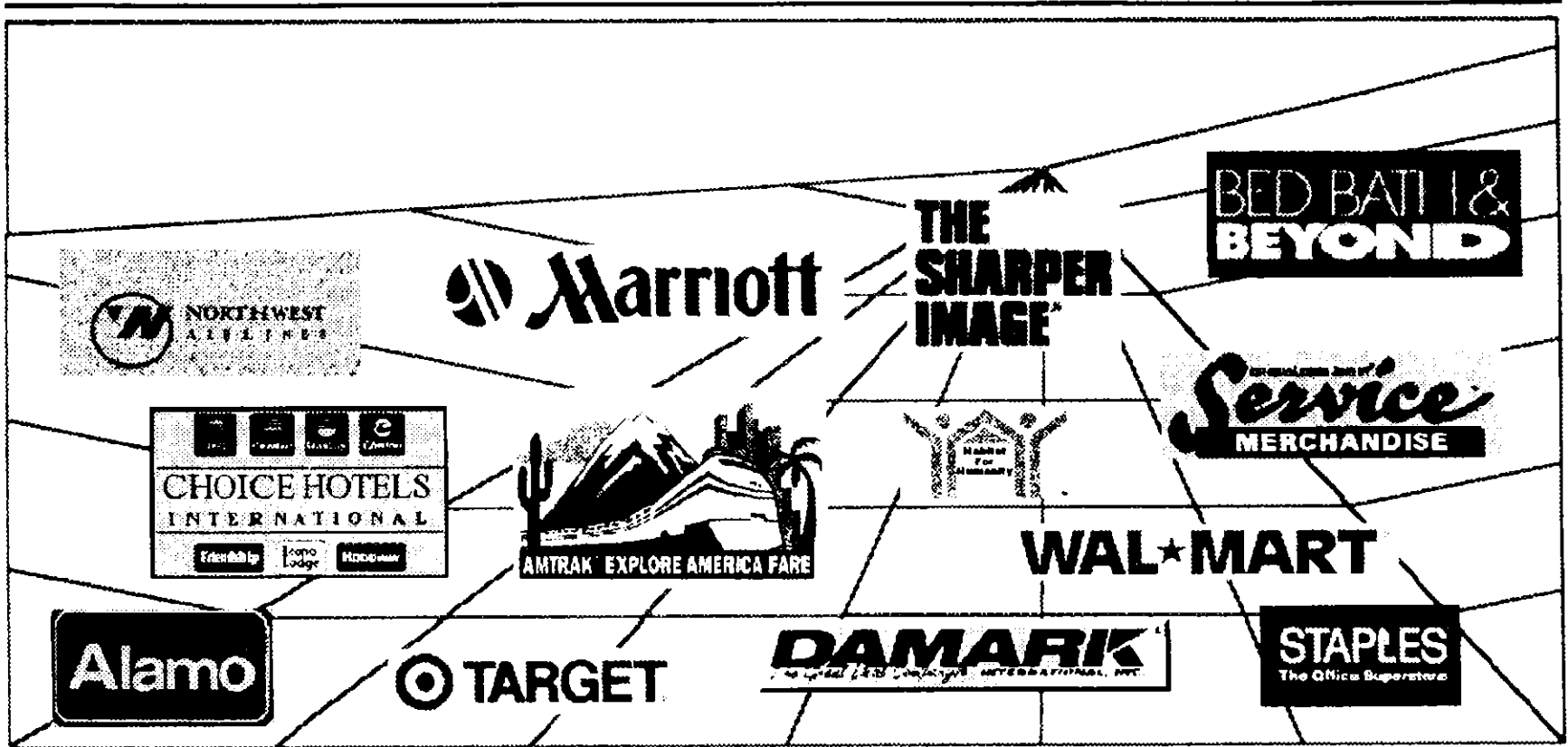
Visa and Industry Sales Growth — 1995



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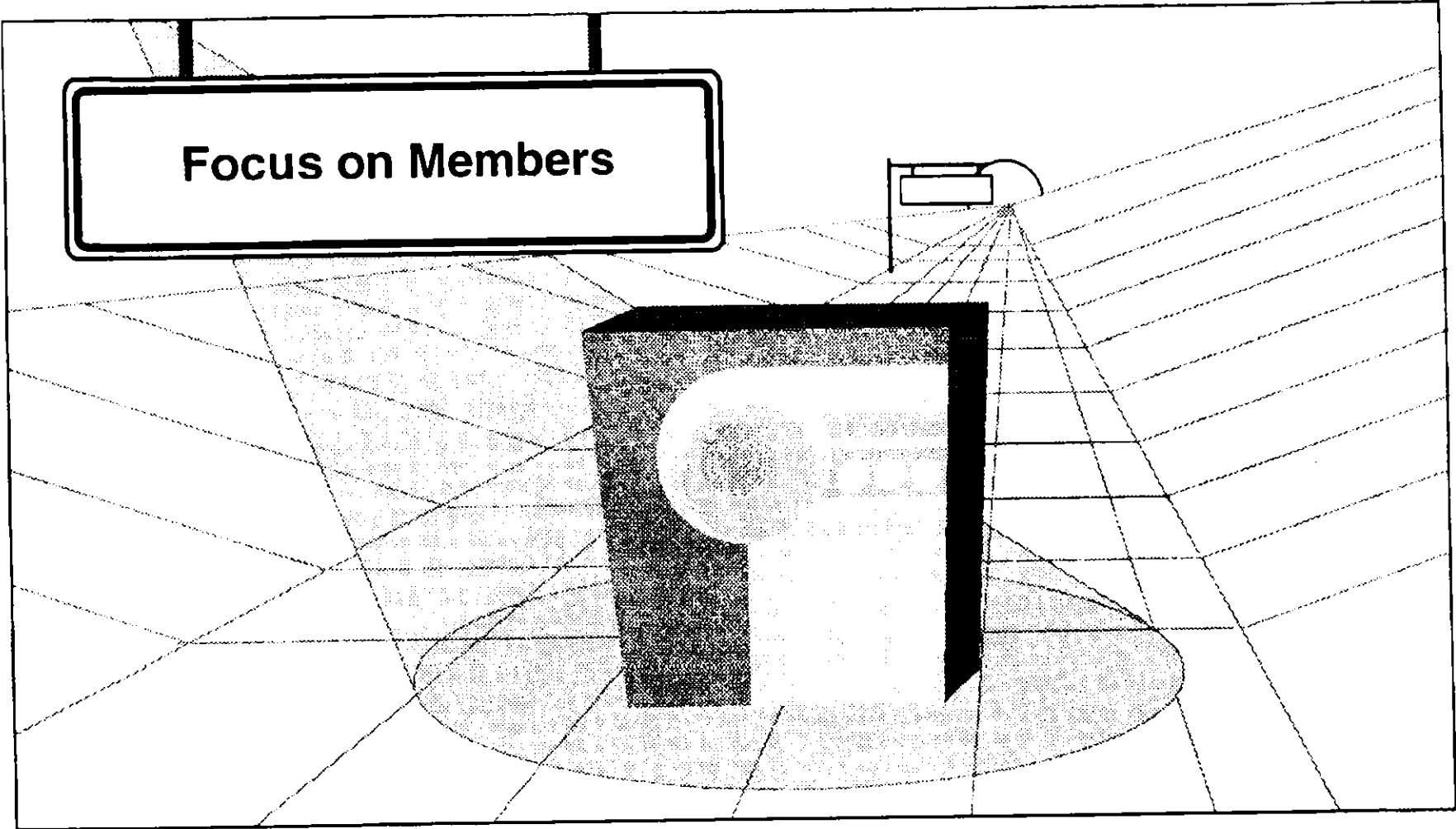
Increase Usage and Utility and Build Long-Term Relationships in the Merchant Arena

Coop Marketing Partners



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Visa Initiatives

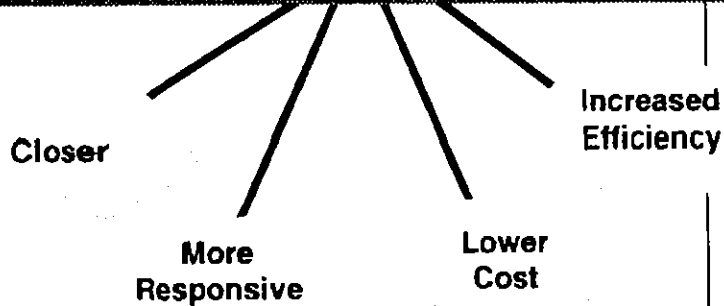


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Focus on Members

Member Relations

■ **New Member Relations Offices Paying Off**

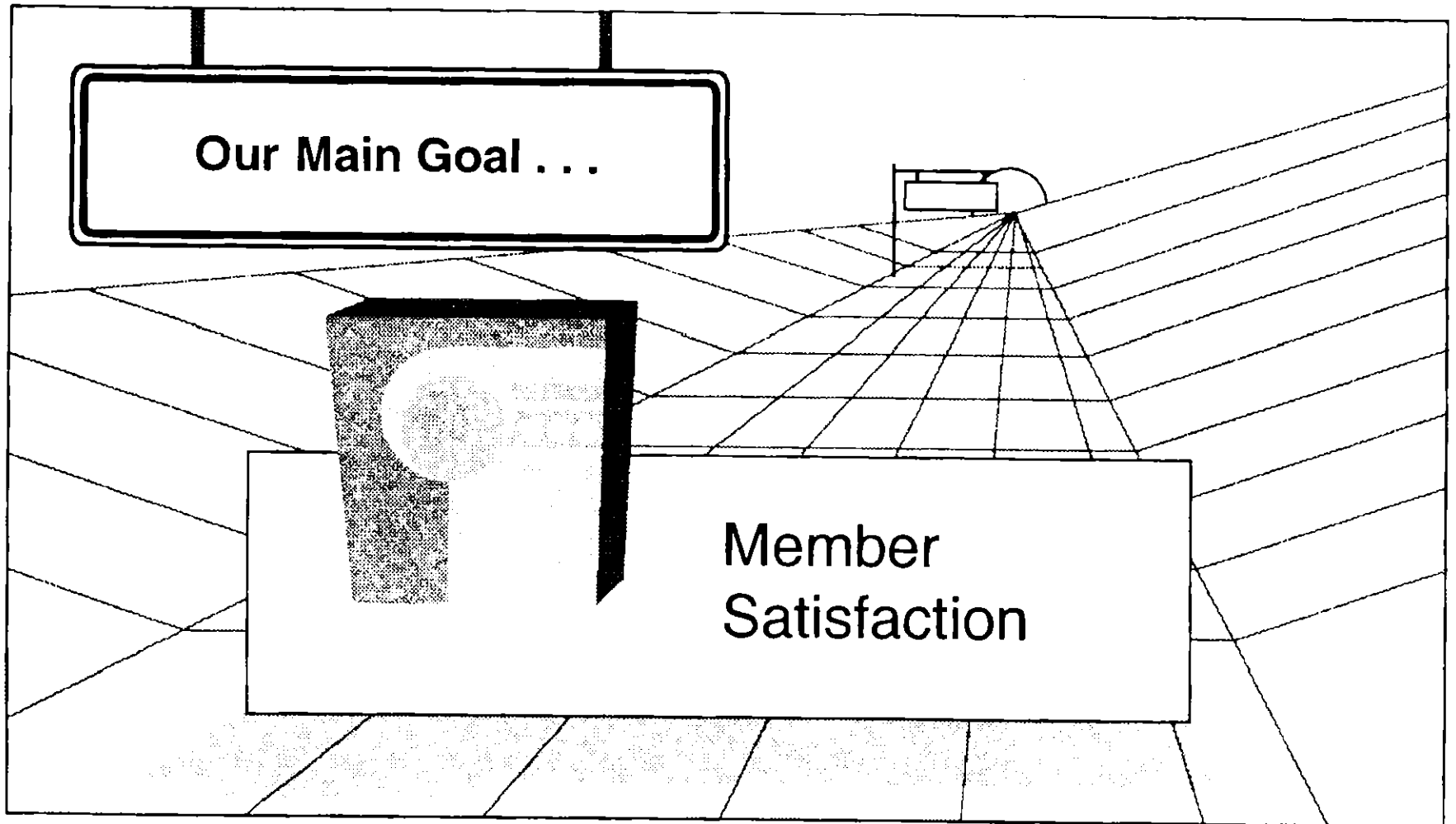


■ **Better Member Coverage**

■ **Enhanced Staff Training**



Visa Initiatives





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