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# **Branded Prepaid Card Processors:**

## A Vendor Evaluation

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## INTRODUCTION

Branded prepaid cards have managed to become a viable payment instrument in less than 10 years. The emergence of several business opportunities that require an alternative to credit and debit cards, checks and coupons have catapulted branded prepaid cards into the spotlight.

Because the prepaid market is a niche market for which each vertical requires a different set of features and functionalities (i.e., reload capability for general purpose reload or "GPR" cards, compliance with state laws for payroll cards), processors find themselves adding various features and functionality to their platforms, some of which are more flexible and allow more development than others. Those that can combine speed of development and implementation with a solid, robust platform and good operational execution certainly have the most attractive offer. Not all issuers and program managers need the same bells and whistles, however; issuers and program managers should evaluate processors according to the business need of the programs they want to launch. This report seeks to highlight the differences among select branded prepaid card processors and bring their strengths and weaknesses to the foreground.

Aite Group also compares eight processors of branded prepaid cards in this report: eCommLink, First Data, Fidelity Information Services (FIS), FSV, Galileo Processing, i2c Inc., Metavante and Springbok Services.

The first part of this report is an overview of the branded prepaid card market. It looks at processing trends and compares surveyed processors over a set of criteria. The second part of the report scores and provides details for the features and functionality offered by these companies. The third and final section profiles the players listed above and considers their strengths and weaknesses.

## ECOMMLINK

Founded in 1998 and headquartered in Las Vegas, Nevada, eCommLink has focused on prepaid debit solutions over the last few years. eCommLink offers a homegrown processing solution to program managers and issuers looking to issue branded prepaid card programs.

### Overview

eCommLink provides secure transaction options for a diverse array of prepaid card programs in physical, virtual and mobile spaces. Card programs include general spend, gift (including closed-loop, open-loop and filtered merchant), payroll, travel, teen and family, and international remittance.

### Features and Functionality

eCommLink has a strong offering in terms of features and functionality. A relatively new company, they built a modern platform loaded with features and functionality that allows their customers to build and deploy a branded prepaid program over a very short time frame. One of the main attractions of eCommLink is a client-facing interface that allows the client to manage their portfolio and make changes to the program without having to go through the processor.

Throughout this survey, eCommLink has often ranked first among its competitors in terms of the functionality that they offer across the different areas evaluated: account updates, transaction details, balance administration, plastic shipping, communication with cardholders, program implementation, issue resolution, etc.

### Strengths and Weaknesses

We believe that eCommLink's branded prepaid card processing strengths lie in three major factors:

- **Flexibility:** eCommLink's customers applaud their flexibility to offer, change and tailor the platform in order to meet the clients' needs, whether delivering the whole prepaid card program or working to integrate with a client to deliver partial processing capability.
- **Pricing:** Clients also pointed out that the pricing they receive from eCommLink is very competitive. The start-up price, in comparison with other competitors, is significantly less. The pricing for transactions and functionalities is reasonable and on par, and sometimes lower than other competitors.
- **Accessibility:** eCommLink's clients speak very highly of the accessibility of the company. The company's responsiveness

to answer calls, resolve issues and work hand-in-hand with the client has been mentioned several times by their clients. This is likely due to the small size of the processor and their focus on growing the market.

Customers mentioned the following three points as weaknesses:

- **Lack of Deeper Access to Data:** Clients today want access to data in order to run queries themselves. Although eCommLink offers the ability to run ad-hoc reports, the data elements that are available are not enough for clients. eCommLink clients still have to rely on them to run some queries.
- **Different automated workflows:** Some of the options offered to customers are preset and need to be changed to accommodate different clients' needs. One example is the number of prepaid cards that could be ordered at any time. Right now, that number is limited to a certain amount; clients looking to order more than that amount have to enter their order several times.
- **Small-company risks:** Among small companies, there is always a risk of not being well capitalized or of going through growing pains. Although clients were very complimentary about the current status of eCommLink, they wondered how the company would cope with a surge in volume. Clients also wondered how long it would take to train new personnel to an adequate level of knowledge.

## Conclusion

eCommLink is a young company that has been able to approach the branded prepaid market through the combination of three factors: the delivery of a feature-rich flexible platform, a keen focus on and willingness to work with the client, and a pricing structure that encourages smaller program managers to get started with eCommLink.