

Discover® Prepaid: The 1st Step Towards Creating Financially Savvy Students

Currently, thirteen percent of the U.S. population owns a prepaid card, but they are significantly more popular with consumers who don't have a checking account – such as young adults and minorities.¹ Among prepaid cardholders, 18% fall in the Gen Y segment – those born from the early 1980s to the early 2000s.¹ To accommodate this transient demographic, prepaid programs need to be convenient, relevant, and integrated into their everyday life.

Prepaid Industry Snapshot:

- **53%** market growth since 2009³
- **2nd** most used payment type³
- **\$530Bn** in load volume in 2012³
- **18%** of Gen Y are prepaid users¹

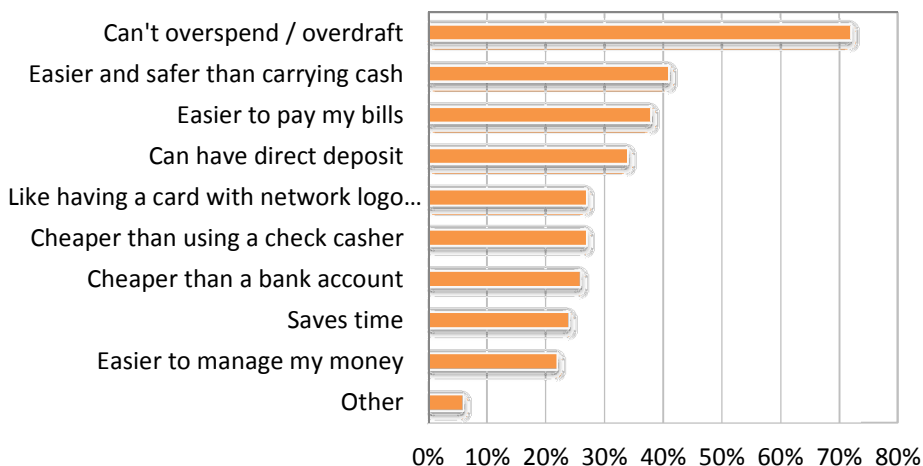
Typically, the primary use of campus cards was for identification and access around campus, but payment functionality was added to offer a comprehensive, all-in-one financial tool to be used for everything from meal plans and copy machines to financial aid. **Campuses that have incorporated prepaid programs into their campus cards report decreased time in cafeteria lines, reduced accounting time, increased food sales, and greater disbursement of student loans and work-study funds to campus prepaid cards.**²

What We Have To Offer.

Discover® has a large presence in the campus space, with over 50 college campus prepaid programs around the U.S. We offer reloadable prepaid functionality connected to student ids that students can use for all their everyday purchases everywhere Discover is accepted.

Campus prepaid programs provide access to the tools and resources students need to manage their finances. With 72% of students stating they like knowing they can't overspend or overdraw and 41% stating prepaid cards are easier and safer than carrying cash, offering campus prepaid cards enables their student ID to have multiple functions,⁴ including:

What Prepaid Users Like Most⁴



- Everyday spending – on and off campus
- Direct deposit of financial aid and paychecks
- Ability to make purchases and pay bills online
- Access cash – at ATMs and in-store
- Financial education resources
- Online account management

Sources:

¹ 2013 Retail Point of Sale (POS) Update and Forecast: Mobile and Prepaid Opens New POSSibilities – Javelin Strategy & Research, April 2013

² Tenth Annual U.S. Open-Loop Prepaid Cards Market Assessment and Prepaid Industry Overview – Mercator Advisory Group, August 2013

³ Mercator Advisory Group, August 2013

⁴ Prepaid Opportunities: Online Banking Report – Finovate, August 2013