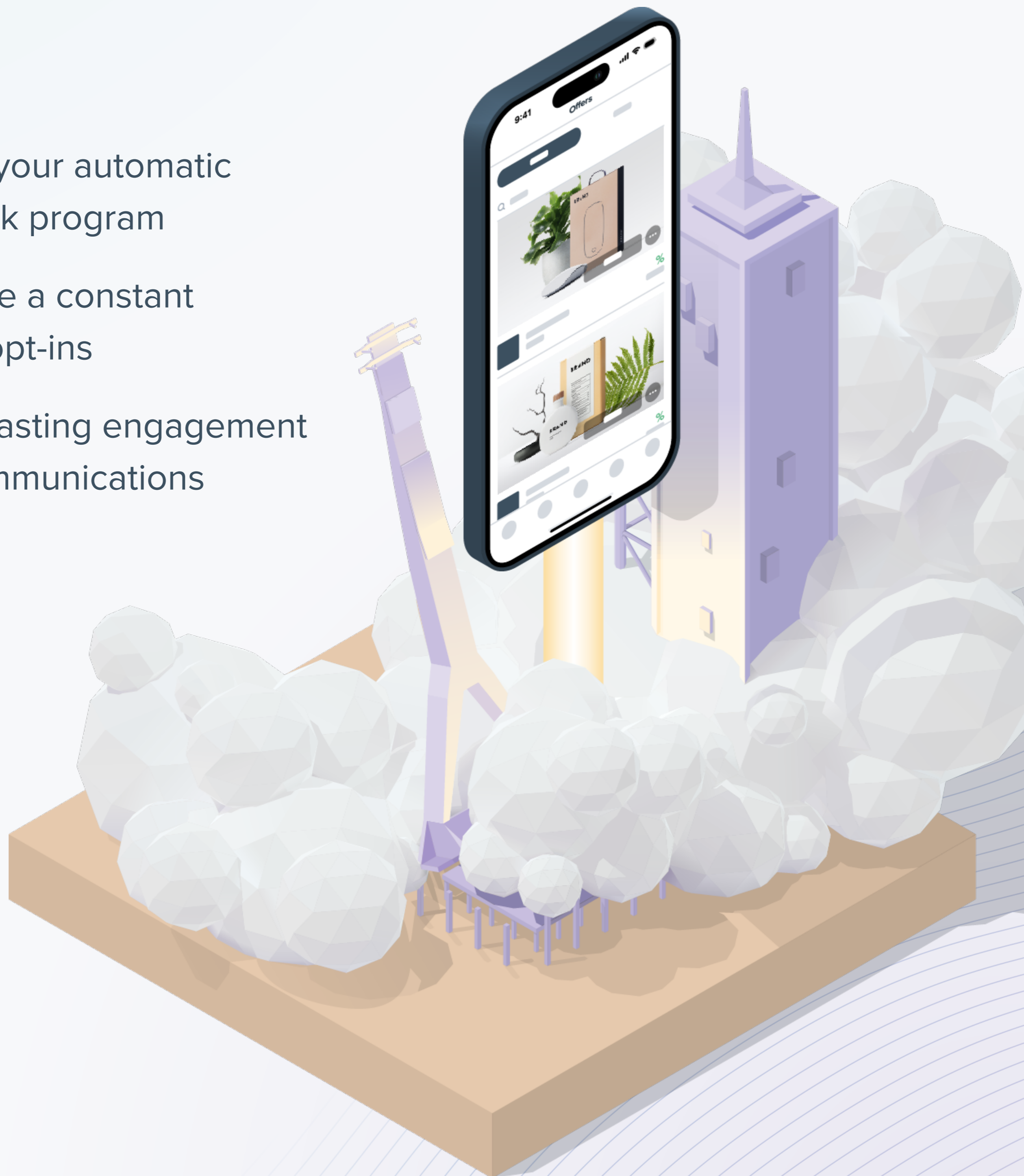


Acquisition and Engagement 101

How to

- Launch your automatic cashback program
- Generate a constant flow of opt-ins
- Ensure lasting engagement with communications



Introduction

Foreward

Automatic rewards, effortless earning, instant value, that's what you plan on bringing to your cardholders.

You've downloaded this guide because you're in the process of launching or have launched your automatic cashback program and are looking to acquire, animate, and create lasting engagement that brings more tangible value to your customers.

You may also be mulling internally over what cashback solution you should implement. If you fall in this category, this resource will also define the goals PayLead helps financial institutions achieve and present concrete results our banking and fintech partners have seen since launching their automatic cashback program.

In either case, this short overview of best practices and recommendations regarding the launch, acquisition, and continued animation of an automatic cashback program has been put together for your practical use.

Reaching your goals


Your goals are our goals. Our success depends on your achievements. Defining meaningful KPIs that can be measured and used to determine if you've reached your objective is the first step.


Let's get started by defining goals.

By adding and operating an automatic cashback program to your range of services, you have set a few, if not all, of the following goals that we strive to help you achieve:

 Boost customer retention

 Acquire new consumers

 Create tangible value for your customers

 Increase card usage for issuers

 Boost app engagement

Planning and executing launch communications

Up to **50%**

Percentage of new opt-ins generated from the initial three month launch phase.

Ensuring that you have planned and prepared communications to be distributed across as many relevant digital and traditional channels as possible during the launch phase of your program is vital. Our large retail banking partners have acquired anywhere from **30% to 50% of their total opt-in users in the first year** from the launch period when sending out four or more communications across different digital channels.

Leveraging all your digital channels

Communicating across all available digital channels at the launch of your cashback program is highly recommended to make the most of this high growth period when most clients will be discovering the feature for the first time.

In the first three months, financial institutions from our partner network have all used in-app communications, websites, social media, and newsletters that generate significant spikes in user opt-ins. We strongly recommend using all the methods above of communication during the launch phase to introduce the feature in detail. **(Exhibit 1)**

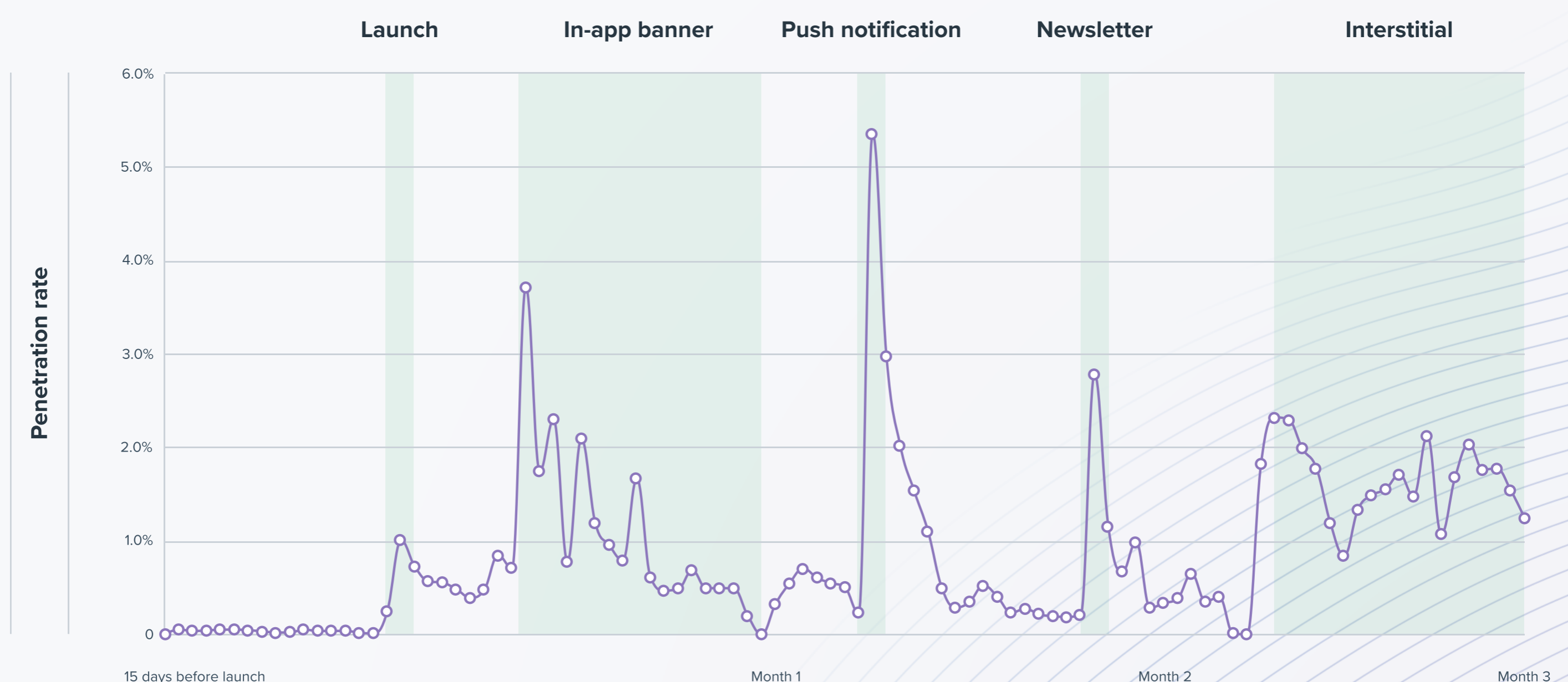


Exhibit 1 Daily percentage of year one opt-ins converted in first 90-days - Large retail bank

Social media push

Instagram, Facebook, TikTok, X (formerly known as Twitter), and even LinkedIn are vital channels to create awareness for your program at launch. Being across all social media ensures you capture a larger audience and hit more touch points where new and existing clients can learn about your cashback program.

Keep things eye-catching, short, and impactful

With a limited number of characters available and time for video content on social channels, messaging should focus on the immediate benefits users stand to gain from joining the program. **(Exhibit 2)**

Mixing organic and sponsored posts with varied post formats

Introducing your organic following across socials to your cashback program is essential. Still, social media channels also present the opportunity to target new audiences with sponsored posts, reaching targeted audiences based on demographics and intent. Also, use the story-type posts available on platforms such as Instagram. Using different formats to engage your audience allows you to avoid sending repetitive messaging using the same forms of posts. **(Exhibit 3)**

Making content actionable

Whether on Instagram, where users click links in bios, or on other networks where users can easily click through images and posts, ensure that you can send viewers directly to the opt-in journey or landing page where new clients can learn more.

Exhibit 2

Example of messaging and posts on Instagram



Exhibit 3

Example of a story format used to promote the cashback program of BNP PARIBAS



Making use of traditional media channels at launch

Whether you are an established financial institution, such as a retail bank with a network of branches or a digital bank offering financial services, traditional media should still find space in your launch plans.

Deploying print ads in city centers and relevant print outlets for your audience raises awareness for your existing customers. It allows institutions to use automatic cashback as a lever for new client acquisition.

Leveraging physical branches

For large retail banks looking for inspiration, BNP Paribas provided an example to follow in utilizing their bank branches to display messaging highlighting the launch of their cashback program “Mes Extras”.

Across France, they displayed digital signage with static and video ads outside and within branches with QR codes, enticing viewers to scan the code leading directly to the onboarding journey in-app. **(Exhibit 4)**

Out-of-home advertising

Including automatic cashback in ads across city centers have also been a frequently used communication method at launch, garnering visibility for the program and our partner's overall offering. Ma French Bank, the digital bank of La Banque Postale, placed ads in the Paris metro highlighting the cashback feature with great success, as new clients were quoted in a survey saying it was one of the top three reasons they chose to open an account. Read the case study here. **(Exhibit 5)**

Exhibit 4

Digital signage found in the branches of BNP Paribas



Exhibit 5

Ad placed in the Paris metro displaying the cashback program



Press coverage and print media

Releasing an official press release and seeking out media opportunities to present the program in the best light and terms is always highly recommended at launch. This allows your bank to gain visibility from mass media channels such as news organizations across print, broadcast, and television mediums.

(Exhibit 6)



Exhibit 6

Examples of PayLead's partners in the press across mediums.

Must have:

Finding a launch date and sticking to it.

First things first, it's time to select a date. For all parties involved it's essential to set a realistic launch date.

Launching any feature always has stumbling points that may result in brief delays, but sticking to a rough date that can be communicated to merchants is integral to getting leading merchants involved in your program's launch.

As a financial institution, you want the most prominent retailers to be part of your launch communications to draw the attention of your clients, and merchants desire the exposure gained from the push across channels.

The mutually beneficial result of coordinated communications ensures that all parties make the most of the initial push of a rewards program. Constant date changes keep merchant budgets on hold and pause discussions with brands eager to participate in your cashback reward program.

Failing to respect a launch date could have two significant consequences:

- **Lack of budget on campaigns**, and absence of some merchant logos in your program due to the postponing of your project and lack of visibility given to PayLead. We collaborate with merchants and make projections to unlock the corresponding budgets. Failure to maintain a launch date could result in receiving fewer offers for your program for whom we did not anticipate the budget consumption.
- **Operational load:** Anticipate the load in production to avoid any incidents, and ensure your team is prepared and mobilized for the launch.



Using every channel to acquire new and engage existing users

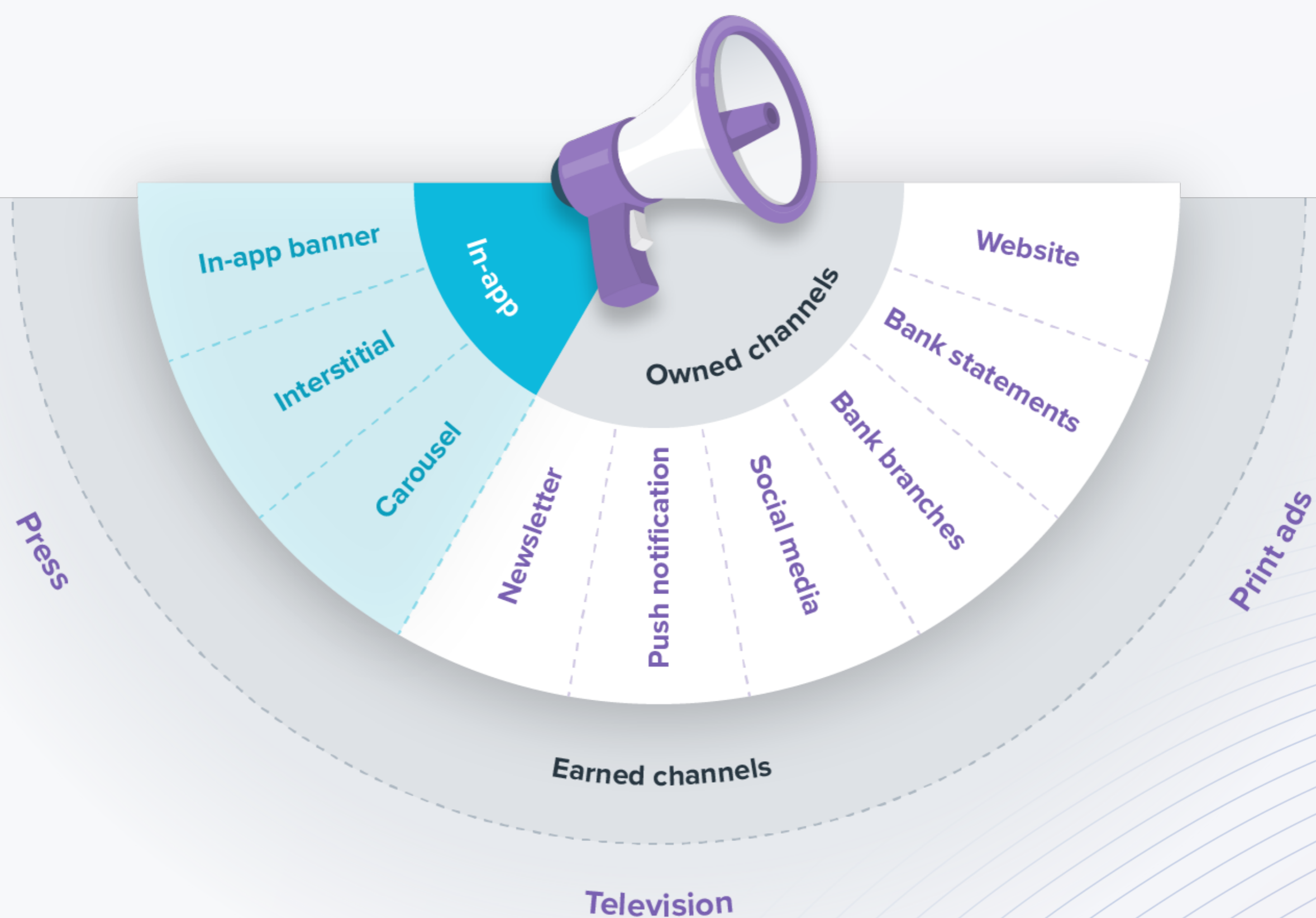
Getting your communication in front of your audience across all channels is paramount for a successful launch.

In this section, we go over simple guidelines and best practices that we've learned from more than 25 reward programs across Europe and their use of these principal channels to generate engagement and more cashback for their clients.

The communication channels at your disposal

Have you heard the saying that every company is a media company? We couldn't agree more and believe every financial institution and consumer-facing fintech possesses the touch points necessary to distribute content and communications supporting your launch.

In the diagram below, we've outlined the **in-app channels** that contribute to direct acquisition and animation and the **channels outside your app** where you can reach new and existing clients.



Leveraging email and newsletters

17%

Percentage of new opt-ins coming from the monthly newsletter. Based on a sample of four large retail banks in PayLead's network.

2-13.5x

Increase in average daily opt-ins during a week long period when sending out newsletters.

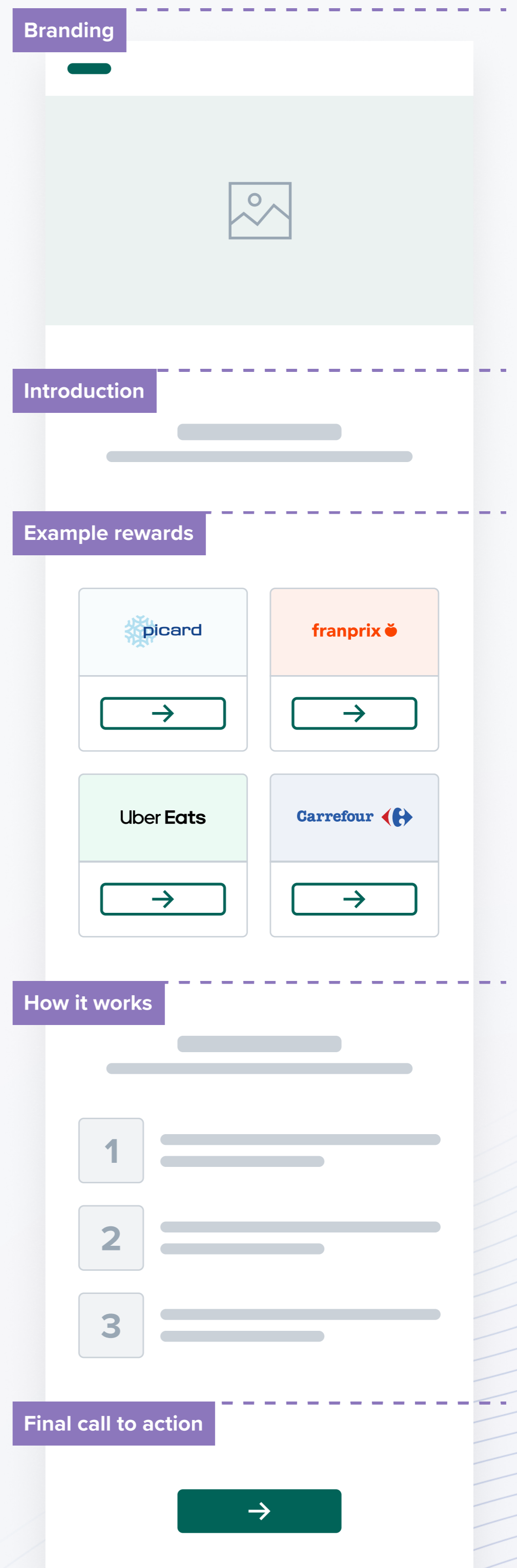
Email is a tried and tested acquisition channel that all our partners use. Looking closer at our partners with the largest audiences, financial institutions with millions of account holders, and the most varied demographic, we have seen **17% of new opt-ins come from the monthly newsletter**. From any newsletter communication, our partners have seen the **average daily opt-ins increase from 2 to 13.5 times during a week**. Many factors, most notably seasonality, can affect the impact of newsletter communications.

What messages should you be sharing after launch?

Discovery messaging in newsletters

When introducing the program to your clients, describe what the user stands to gain from participating and how simple it is to earn cashback rewards.

Avoid adding too much detail and including unnecessary legal text, and focus on getting your client to click on the call to action leading to the onboarding process, where they can review the terms and conditions of the program.



Leveraging email and newsletters

Your top coverage merchants, those with eligible offers for more than 80% of your clients, are your biggest acquisition lever. Clients want to know where to earn cashback and get the extra push to opt in when seeing leading merchants. We advise including a selection of top coverage merchants to show that your program can provide cashback for purchases across retail sectors. With that said, keep your emails neat with only a few brands. We advise including up to four to eight brands per newsletter.

Including brands creates a significant uplift in clients' spending, with the spending of exposed clients **increasing up to +70%** at times during the week newsletters have been sent.

up to + **70%**

Increase in customer spend seen at merchants included in newsletters.



In-app messaging and notifications

Your banking app is your primary channel of communication and acquisition tool. This is where your clients will follow the onboarding process and is thus the most direct path for users to join the program.

We highly recommend using all the communication tools available from your application, **including interstitial ads, banner ads, and push notifications.**

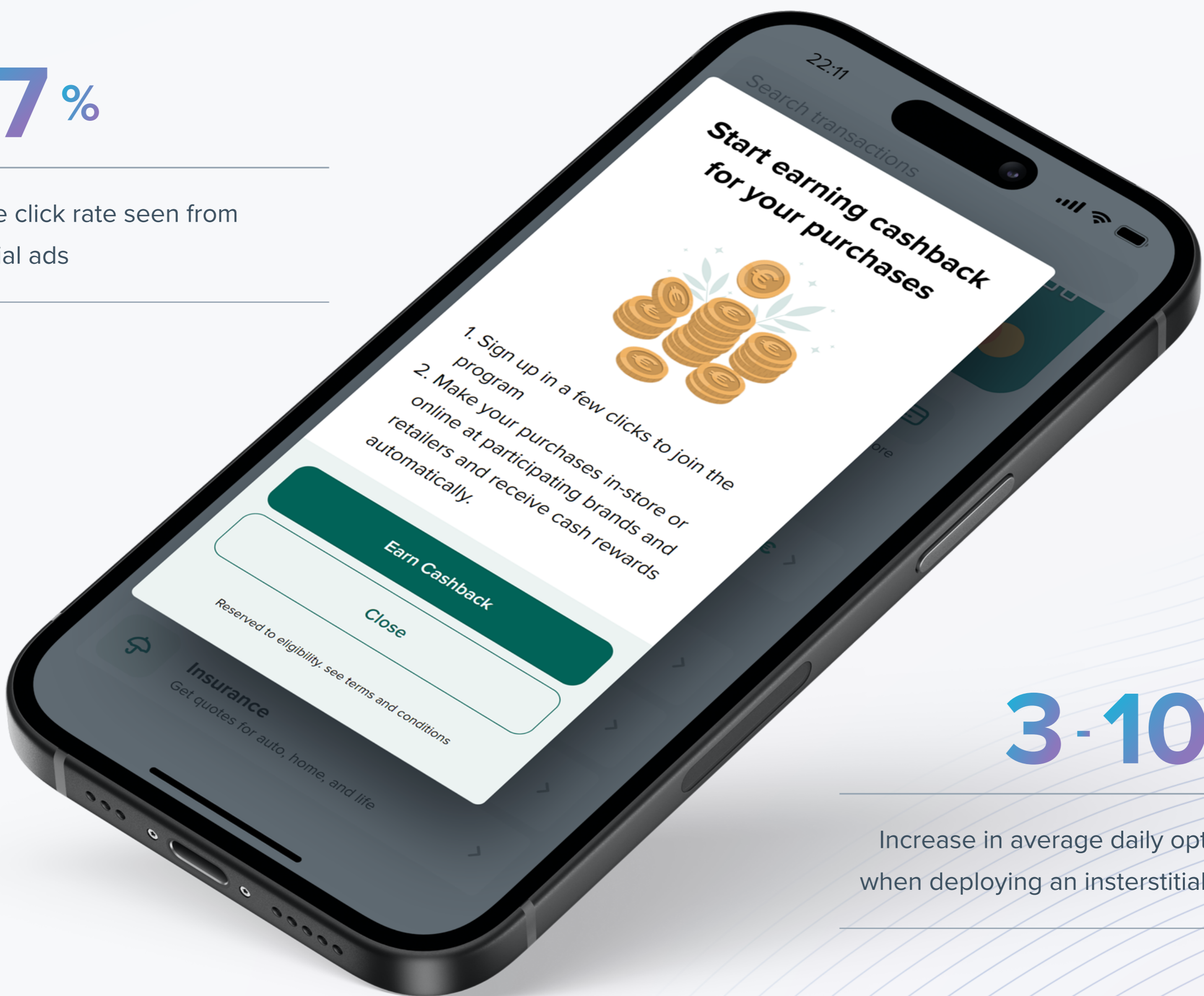
Interstitial

Within your banking app, including an interstitial ad that appears after logging in should be used at the launch and periodically afterward. Typically, **interstitial ads cover 70% of the screen**, providing a high-impact message and a **CTA that fills 30% of the ad itself**.

Among our partners who have deployed interstitial ads, they have reported an **average click-through rate of 3,7% on interstitial ads, which sits roughly 1% higher than click rates on ads promoting all other products (2,6%)**. Our banking partners have registered 3 to 10 times the average daily opt-ins when deploying interstitial ads.

3.7%

Average click rate seen from interstitial ads



3-10x

Increase in average daily opt-ins when deploying an interstitial ad.

Banners and carousels

Most often located on the accounts and homepages of banking apps, banner ads fill valuable space in the user interface. When placed above or below valuable screen real estate, such as current accounts or transaction history, banner ads generate significant click-through rates. Together with our partners, **we've documented a 28% click-through rate** from

these messages that sent users to the onboarding process.

These ads have seen financial institutions in PayLead's network **increase daily average opt-ins by 3x** during an extended two-week period.

Banners are frequently part of a carousel of revolving banner ads showcasing various products.

We recommend positioning the reward program in the first slide to maintain visibility. Contrary to interstitial ads, we recommend keeping the slide promoting the program even after it has been seen, as banner ads do not prohibit users from continuing their journey through the application like interstitial ads.



28%

Percentage of new opt-ins coming from the monthly newsletter. Based on a sample of four large retail banks in PayLead's network.

3x

Increase in average daily opt-ins generated from in-app banners.

With the limited space, keeping your messaging short and impactful is critical for any banner ad. The highest-performing banners use direct calls to action that use the word "cashback" and highlight the key benefit for users, which is earning cash when they spend.

Comparing program placement, communications and their effect on opt-ins

The combination of program accessibility within the banking app and the frequency of communications have a dramatic effect on your program's ability to attract new users.

We determine accessibility by the number of clicks it takes to reach the program once opening a banking app. As seen below, fewer clicks to the program, and frequent communications may result in a higher percentage of opt-ins amongst your bank clients.

	Bank type	# of clicks to reach program	Clicks to complete onboarding	Button on home screen	# of communications first 90 days	% of opt-ins first 90 days	% of opt-ins year 1
A	Retail	1	7	Yes	5	15.50 %	25.95 %
B	Retail	2	5	No	0	2.84 %	6.15 %
C	Online	2	9	No	3	5.78 %	11.08 %
D	Retail	3	6	No	4	2.81 %	7.79 %

Program accessible in two clicks or less

Program accessible in less than 2 clicks + **NO** communications

Program accessible in less than 2 clicks + **NO** communications

Bank A, who regularly communicated and placed a permanent button on the welcome screen saw 3x to 5x more of their eligible audience click through and join the program in the first 90 days.

Bank B, which never communicated, saw 2x less user adoption compared to Bank C, despite requiring the same number of clicks to access the program. Even though the program was well positioned in the bank application, the lack of communications reduced its visibility, and effectiveness in attracting new opt-ins.

Bank C offers cardholders access to the program in just two clicks, and ensured a solid promotional effort in the first 90-days after launch. Interestingly, this bank has opted for fewer but more qualitative communications (in-app interstitials). It's important to note that Bank C is an online bank who enjoys the benefits of a more digitally engaged user base.

Bank D promoted the program extensively in the first 90 days, however required three clicks to access the program. The third click appears to be a dealbreaker, resulting in one of the lowest user adoption rates (just above Bank B, which has yet to make any communication effort).

Nudging clients with push notifications

Push notifications give programs the rare ability to reach users directly outside the app. Like newsletters, they are a communication tool that reaches clients outside a financial institution's primary channels. This tool gives you the power to nudge your clients, bring them into your app, and straight into the discovery phase of onboarding.

We recommend sending push notifications to announce the launch of the program. Remember that notifications afford you the least space to get your message across, so using short, concise, and impactful messaging is integral to getting users to click through.



+10%

Average conversion rate increase among target group during the week a push notification is sent.

Your website - the go to resource for clients wanting to learn more

Whether you decide to include a cashback corner within the browser view of your website or not, we strongly recommend, at the very least, creating a dedicated landing page that explains the cashback program in detail. This page should serve as a reference for your clients that describes how the cashback program works, how they can access it, and how to start earning rewards.

Several of our partners have included landing pages in their communication strategy that provide the full breakdown of the program for bank clients seeking an explanation of the program in full.

Examples

- **Keytrade Bank** - <https://www.keytradebank.be/fr/cashbacks>
- **BNP Paribas** - <https://mabanque.bnpparibas/fr/gerer/cartes-moyens-paiement/options-services-bancaires/cashback-mes-extras>
- **Crédit Mutuel de Bretagne** - <https://www.cmb.fr/reseau-bancaire-cooperatif/web/comptes-et-cartes/piloter-vos-comptes/cashback>
- **Crédit Mutuel du Sud-Ouest** - <https://www.cmso.com/reseau-bancaire-cooperatif/web/comptes-et-cartes/piloter-vos-comptes/cashback>

The website plays a crucial part in the acquisition of new opt-ins. In the case of someone browsing from a mobile browser, including a call to action that redirects users to their banking app acts as another lever that could boost opt-ins from clients needing detailed information about the program before joining.

When comparing the attraction of a cashback offer to other products promoted on the website of financial institutions, cashback far exceeded the average click-through rate of new bank card offers (36%) and all other products (16%). Across all banking partners, specifically at launch, websites dedicated to the cashback program regularly produced a 50% CTA.

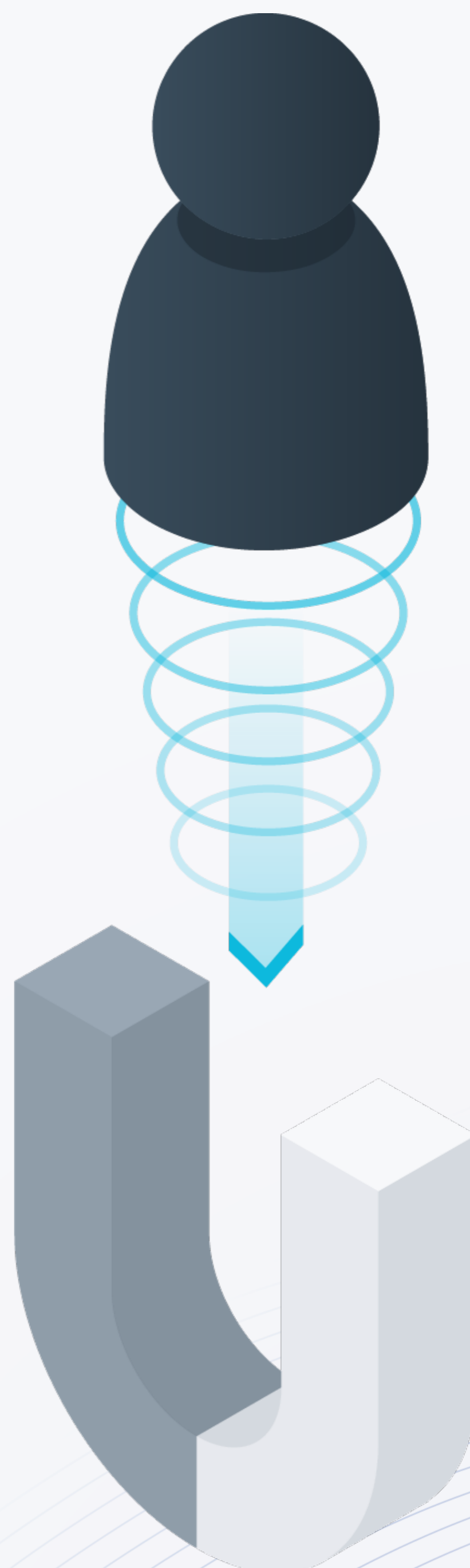
With the unique targeting capabilities of social media ad platforms, you can create specific messaging for certain demographics, such as choosing certain retail verticals to mention or visualize in posts, such as fast food chains for a younger audience or supermarkets for older audiences.

Bringing in new bank clients

Promoting your program on various social media platforms can increase its visibility not just to existing users but also to a broader audience who are not customers. This can enhance the acquisition of your reward program while also potentially attracting new banking clients. The mention of a cashback reward program has proven effective in ads and social media posts.

i Feedback from our partner, Ma French Bank's users, indicates that the cashback and voucher service is one of the three reasons they opened an account with the online bank.

Giving your users the added incentive of a welcome gift or boosted cashback offers during the launch phase of your program should be considered when planning your launch.



Gifts cashback to accelerate acquisitions and animation

We provide all our bank and fintech partners with a gift engine that allows them to send cash directly to opted-in users for whatever reason they so choose. Whether for a birthday, to refer another new opt-in, or a gift when joining the program at launch, the gift engine gives program managers a promotional tool that can be used during launch to lift opt-ins.

From a technical standpoint, the gift engine draws funds directly from the program manager's wallet and follows the same validation process of earned.

cashback rewards that need to be validated and then paid out to users.

Boosting cashback

Offering a higher cashback rate at launch is a promotional method many program managers have used to significant effect. Every program can adjust the cashback rate offered by merchants and determine what percentage they receive when their cardholders earn cashback.

Boosting the amount your cardholders earn at launch is another promotional tool that can garner the interest of new opt-ins and support your launch strategy.

Gamify the experience

Using the gift engine to entice new opt-ins with a gamified onboarding journey gives your clients the added incentive to click through and join the program.

Referrals

The gift engine can also be used to push your onboarded users to invite other clients to the program in order to receive a gift for every new opt-in.

Interested in launching a cashback program that engages your clients?

SCHEDULE A CALL →

Visit us at paylead.fr

