



NEWS RELEASE

Mastercard Expands Installment Offerings Through Global Partnerships, Empowers More Consumers to Choose When to Pay with Pre-Sale, Point of Sale and Post-Sale Payment Options

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- TSYS, a Global Payments company, and Mastercard partner to offer highly configurable, issuer-driven installment options providing consumer payment flexibility
- Consumer choice at the forefront of global merchant-based installment offerings across Vyze, and other global partners

PURCHASE, N.Y.--(BUSINESS WIRE)-- The global pandemic is driving consumers to seek flexible payment options while issuers and merchants alike want to provide cardholders with choice, control and simplicity at checkout. To address this, Mastercard today announced a new partnership with TSYS, a Global Payments company, that will enable consumers to use their Mastercard to split transactions into installments before, during or after checkout. Through this partnership, TSYS is the first processor to deliver installment capabilities to issuers in order to provide seamless payments experiences to their cardholders, enhancing Mastercard's buy-now-pay-later ecosystem. This new partnership complements Mastercard's comprehensive suite of merchant offerings through API-based solutions, commercial partnerships, and acquisitions across the globe.

"Adding the installment lending function to a bank card is suitable for all parties in the transaction. The consumer has a discrete transaction, separate from their general purchasing. Merchants get to close the sale, and similar to credit card usage, have an opportunity to upsell the customer. The issuing bank benefits with increased spending," says Brian Riley, director of the credit practice at Mercator Advisory Group.



Consumers Want Installment Options for Credit Card Purchases

Nearly three quarters of consumers interested in installments prefer the feature be added to an existing card, according to Mastercard research.¹ The new partnership with TSYS will enable consumers in North America to use their Mastercard to split transactions into installments before, during and after a purchase.

"This new collaboration with Mastercard gives our issuing clients the ability to offer best-in-class installment payment experiences to their cardholders, while enabling consumers to choose when they want to pay," said Gaylon Jowers, President, TSYS Issuer Solutions and Senior Executive Vice President of Global Payments, Inc. "Our installment solution addresses the growing consumer demand for payment optionality, further solidifying our position as a leading provider of technology solutions across the globe."

Mastercard Buy-Now-Pay-Later Suite of Offerings Delivers Consumer Choice

Three out of four Americans who have tried installment plans for the first time during the pandemic plan to continue using them after it is over, according to Mastercard research, indicating the desire for solutions that empower consumers is paramount.² The comprehensive suite of Mastercard buy-now-pay-later offerings includes:

- Pre-Sale: Consumers can pre-determine to spread payments over time for specified dollar thresholds and spend categories - such as home improvement purchases over \$500 – or can arrange automatic installments for chosen retailers.
- Point of Sale: Consumers can receive notifications while shopping, enabling them to purchase goods on an installment plan integrated with their card. As well, Mastercard's near real-time capabilities allow cardholders to move their purchase to an installment plan moments after the purchase is complete without the lift of merchant integration.
- Post-Sale: Shoppers may choose an installment plan presented by their issuing bank after a purchase is complete, enabled through the new TSYS partnership using the TSYS Digital Engagement Platform with easy-to-use APIs.

"Today's consumer is looking for increased choice in how they manage their finances and spend while still demanding a seamless, secure checkout experience whether in store or online," said Jess Turner, Executive Vice President, North America Product and Innovation for Mastercard. "Our work with TSYS, in conjunction with our wider point-of-sale financing ecosystem partners, helps improve the consumer checkout experience and enables issuers and merchants to benefit from increased consumer acquisition, loyalty and approval rates while decreasing cart abandonment."

Financing Options at Checkout In Store and Online Drive Merchant Installment Offerings

Mastercard advanced its merchant-centric flexible financing capabilities with the acquisition of **Vyze** last year, and with a recently expanded roster of lending partners, including Fly Now Pay Later and Quadpay, the company can connect merchants with multiple lenders, allowing merchants to offer their customers a wide range of financing options at checkout in store and online. In the United States, Freemotion, a commercial fitness manufacturer, recently launched Vyze with its new line of equipment, to provide financing for consumers interested in purchasing at-home gyms and workouts during the pandemic. And through a partnership with buy now, pay later partner **Jifiti**, Mastercard accepting merchants in North America and Europe can offer instant financing to customers through a digital private label prepaid card at checkout.

Choice, Control and Simplicity Around the World

As installments take hold across the globe, Mastercard is delivering customized, in-market solutions that meet the unique needs of shoppers in every region. This includes a global partnership with **Splitit** in multiple markets around the world to deliver a scalable way to enable merchants to deliver card installments at checkout and online, to work **in Europe** where Mastercard and **Divido** have partnered to provide instant access to credit through a paperless and omnichannel experience.

In Asia Pacific, Pine Labs and Mastercard are collaborating to offer capabilities to the South Asia, India and Middle East markets, enabling 150,000 merchants across about 450,000 network points to deliver an extensive range of card and real-time payments-based installment options.

Mastercard is creating a future where payments keep pace with the way we live, work and do business, accelerated by the rapid transition to digital solutions and offerings. As more people enter the financial mainstream, money management tools and solutions must be fit for purpose – inclusive for all, digitally driven and built on a foundation of security.

Note to Editors

[1] Incite Installment Research – April 2020

[2] Harris: Digital Study, July 2020

About Mastercard (NYSE: MA), www.mastercard.com

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help individuals, financial institutions, governments and businesses realize their greatest potential. Our decency

quotient, or DQ, drives our culture and everything we do inside and outside of our company. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

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