

PHOENIX

Chart Extracts From:

Credit Card Monitor Report

Who's Who in Apple Pay?

Network, Issuer, Credit Card, & Merchant Brands



December 2015

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Objectives

- Examine participation in the Apple Pay credit card wallet by brand at the network, issuer and card brand levels.
- Identify leading retail brands reported by Apple Pay users making in-store and/or in-app purchases.

Scope

- The focus of this analysis is on credit cards linked to Apple Pay and Apple Pay credit cards used to make in-store and/or in-app purchases.
- The analysis covers survey data collected during three survey waves during 2015: February, July and September.
- The September survey wave was already in the field during a series of September introductions: Android Pay, Samsung Pay and Discover participation in Apple Pay. These brands will be covered in future CCM waves.

Methodology

- The Credit Card Monitor completed 9,006 interviews YTD 2015 among respondents who own a general-purpose credit or charge card for personal use.
- Respondents were qualified to make all or most of the household purchases and pay all or most of the household bills.
- Most respondents had their credit card and/or monthly statement available for reference when answering card-specific questions.
- The ending sample is Census-balanced based on age/income distributions for households – not population – sourced from the Current Population Survey as published in the August 2015.



5. Retail Brands Participating in Apple Pay

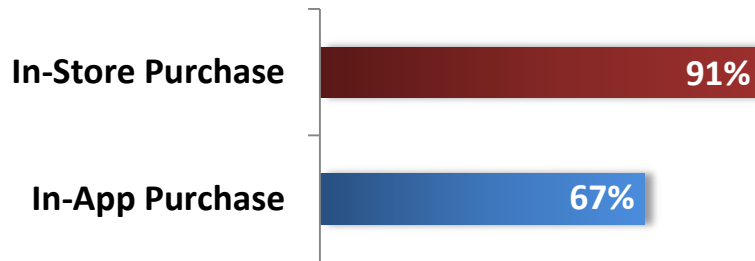


Overview: In-Store vs. In-App Purchases



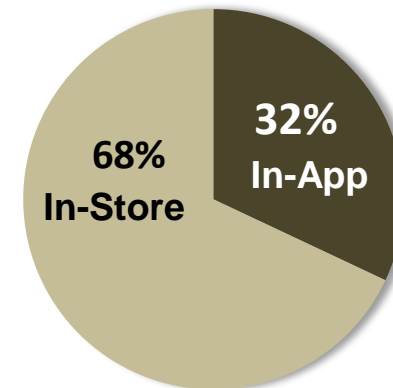
Two-in-three (67%) of those making a credit card purchase with Apple Pay have an in-app credit card transaction. Overall, 32% of Apple Pay credit card transactions recorded by consumers were in-app.

Incidence of Using Apple Pay for In-Store vs. In-App Credit Card Transactions



Base: all Apple Pay users making an in-store or in-app Apple Pay credit card purchase.

Transaction Share: In-Store vs. In-App Apple Pay Credit Card Transactions



Base: all Apple Pay credit card transactions recorded by Apple Pay users.

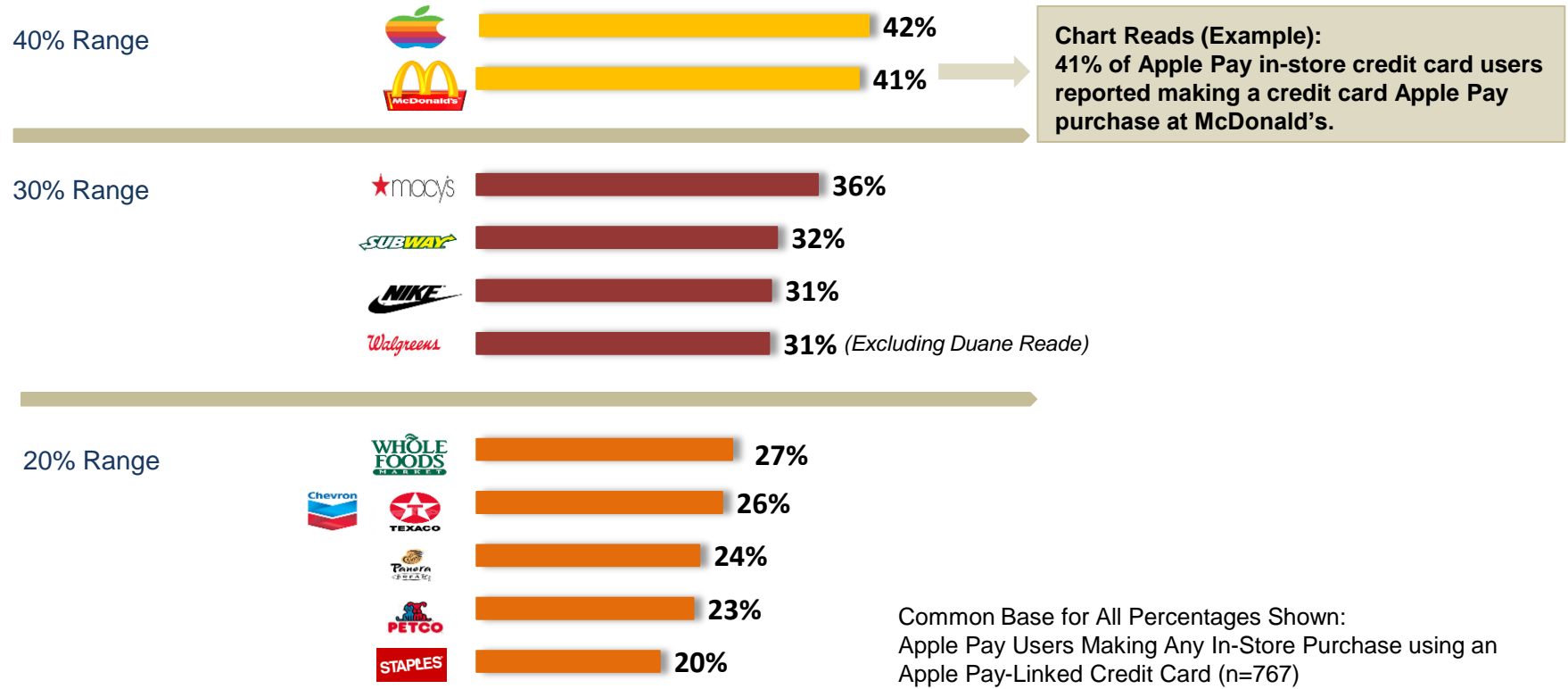
Apple Pay credit card transactions were recorded by Apple Pay users for both in-store and in-app purchases associated with retail-specific store or in-app brands; 767 Apple Pay users recorded in-store Apple Pay credit card transactions over the last 5 months; 568 users recorded in-app Apple Pay credit card transactions. A total sample of 833 respondents reported making either an in-store or an in-app Apple Pay credit card transaction.



Apple and McDonald's top the list of merchant brands in which Apple Pay users made an in-store Apple Pay purchase using a credit card.

“Have you used Apple Pay in any of these stores?”

(Based on Apple Pay Credit Card Transactions – Excluding Debit or GPR Prepaid Card Transactions)



Common Base for All Percentages Shown:
Apple Pay Users Making Any In-Store Purchase using an Apple Pay-Linked Credit Card (n=767)

Note: 28 retail store merchant brands accepting Apple Pay were measured in the Credit Card Monitor survey.

In-Store Usage Frequency for Leading Brands



Compared to other Apple Pay store retailers, McDonald's has a relatively high proportion (38%) of higher-frequency Apple Pay credit card transactors.

Percentage of Apple Pay In-Store Purchasers Using Apple Pay At Least Once a Month at Retailer-Branded Store*

(Based on Apple Pay In-Store Credit Card Transactions – Excluding Debit or GPR Prepaid Card Transactions)

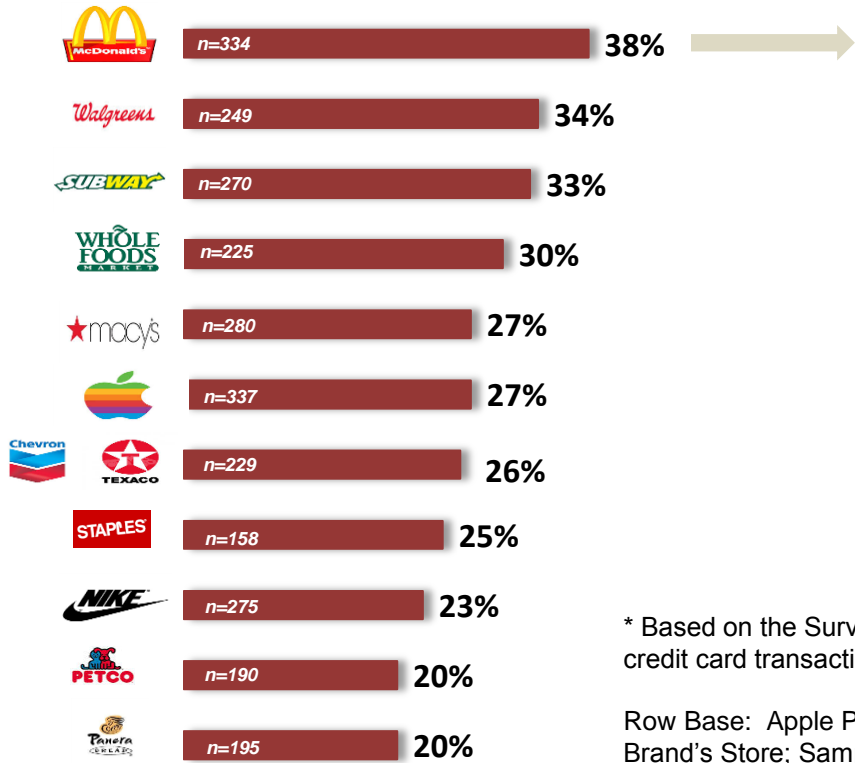


Chart Reads (Example):
 38% of Apple Pay users making an Apple Pay credit card purchase at McDonald's made at least one Apple Pay credit card transaction per month over the last 5 months at McDonald's restaurant locations.

* Based on the Survey Question: "How many times did you use an Apple Pay credit card transaction at [this store] in the past 5 months?"

Row Base: Apple Pay Users Making an In-Store Purchase at Specified Merchant Brand's Store; Sample Counts Displayed in White Type Within Each Bar.

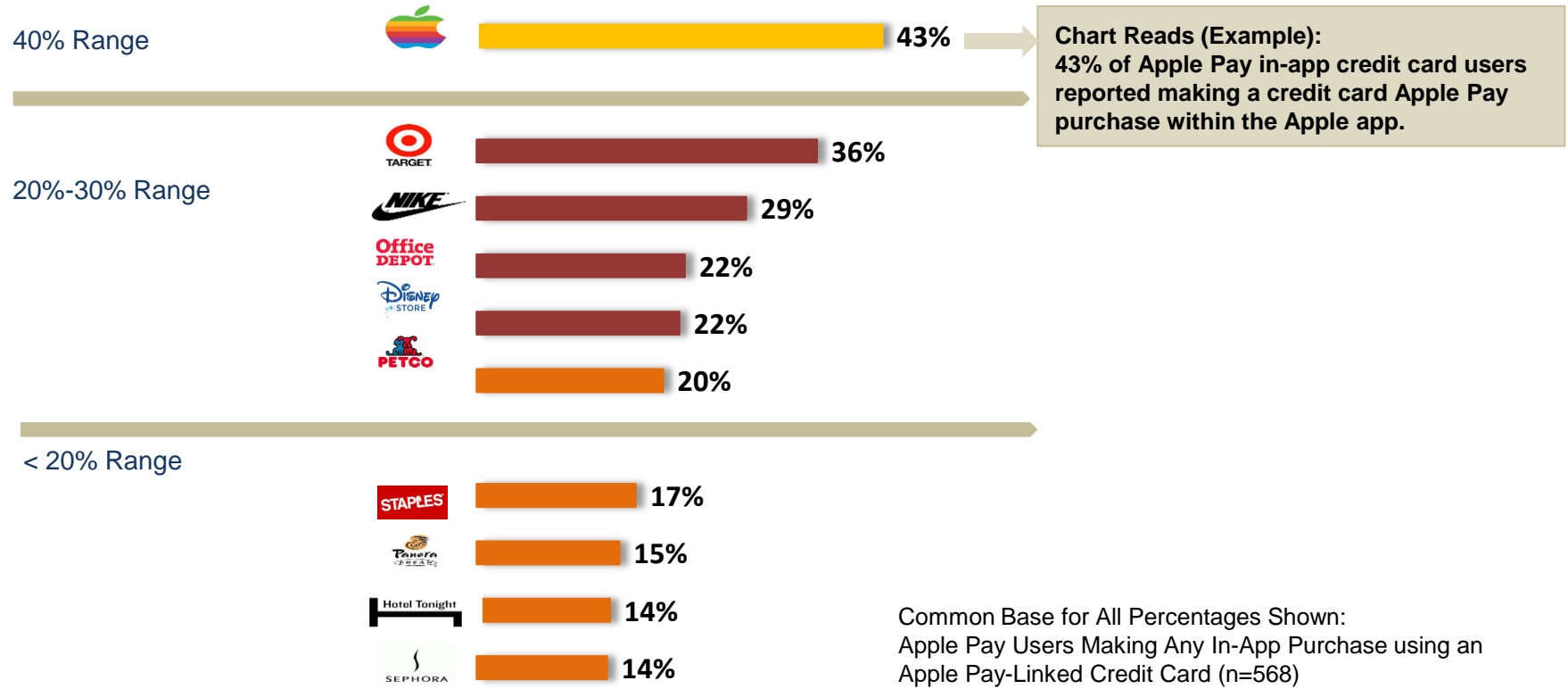
In-App Credit Card Purchases with Apple Pay



Apple and Target top the list of merchants brands in which Apple Pay users made an in-app Apple Pay purchase using a credit card.

“Have you used Apple Pay to make an in-app purchase with ...?”

(Based on Apple Pay Credit Card Transactions – Excluding Debit or GPR Prepaid Card Transactions)



Note: 20 retail brands accepting Apple Pay in-app purchases were measured in the Credit Card Monitor survey.

In-App Usage Frequency for Leading Brands



Compared to other Apple Pay in-app retailers, Target and Panera have a relatively high proportion of higher-frequency Apple Pay credit card transactors.

Percentage of Apple Pay In-App Purchasers Using Apple Pay At Least Once a Month at Retailer-Branded Store*

(Based on Apple Pay In-App Credit Card Transactions – Excluding Debit or GPR Prepaid Card Transactions)

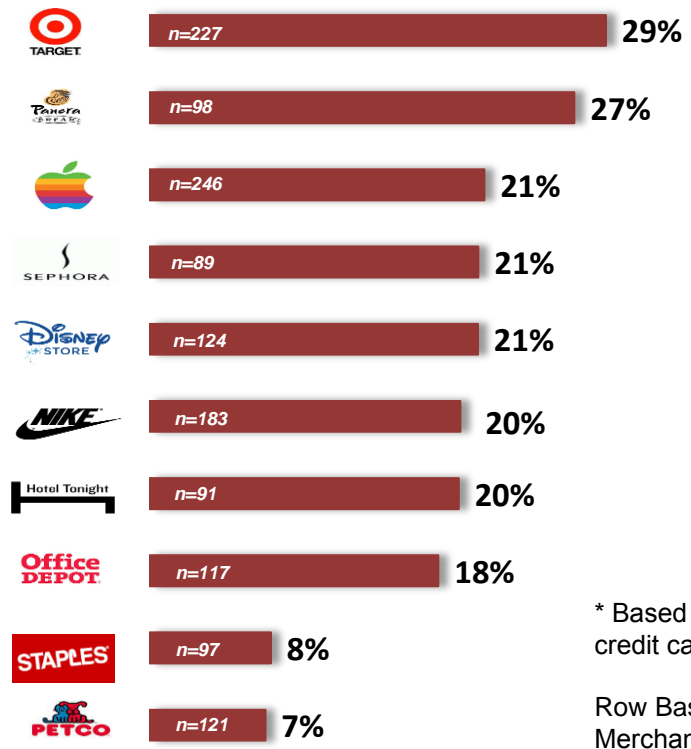


Chart Reads (Example):
 29% of Apple Pay users making an Apple Pay in-app credit card purchase with Target made at least one Apple Pay credit card transaction per month over the last 5 months within the Target app.

* Based on the Survey Question: "How many times did you use an Apple Pay credit card transaction at [within this app] in the past 5 months?"

Row Base: Apple Pay Users Making an In-App Purchase within the Specified Merchant Brand's App; Sample Counts Displayed in White Type Within Each Bar.