Vertical Integration

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The card issuer (a bank) issues a charge or credit card to the consumer, corporation, business or their employees.

The payment network routes, authorizes, and settles the transaction.

The merchant acquirer (also a bank) maintains the payment account for the merchant.

Proprietary platforms allow for variations of specialized on-us processing applications.
Retail Merchant Integration Strategies

- Payment network
- U.S. Bank Proprietary Network
- Merchant Platform
  - Merchant acquirer
  - Merchant
- Card Issuer
  - Co-brand Credit/Debit
- Consumer
- Private Label
- Loyalty with ACH

Service applications in vertical integration
- Co-brand
- Private Label
- Loyalty
Specialized Integration Strategies

Fleet Card Programs
- Originally evolved as vertical integration within large petroleum and fleet organizations
- Now owned and operated by processing entities
New and Future Integration Strategies

Specific applications in vertical integration

Healthcare
- Patient finance options underwritten by provider
- Serviced through processor
- Future integration with eligibility and claims