

Paycloud Talking Points

What is Paycloud?

Paycloud is the first mobile wallet built around a robust loyalty and gift card technology platform and works today with over 50 million iPhones and Android smartphones.

Paycloud is available to download for free in the Android or iTunes apps stores.

What makes Paycloud different from other mobile wallets?

- Built specifically around loyalty, not payments. This approach lowers the barriers to adoption for both consumers and merchants.
- No NFC required. Works today with existing merchant terminals and all iPhones and Android smartphones.
- Designed specifically to address the needs of small and mid-sized businesses. Business owners can design and deploy customized mobile loyalty programs without investing in any new equipment.

How can a customer use Paycloud?

- **Earn loyalty points** – similar to a traditional loyalty card, customers can earn loyalty points through purchases and use these points to redeem rewards.
- **Redeem offers** – merchants may offer instant or earned offers that customers can redeem in store.
- **View Informational offers** – customers can view daily specials or limited time offers from their favorite merchants.
- **Use gift card credit** – customers can pay for purchases in store through Paycloud by using a gift card balance. Similar to a reloadable gift card, customers can purchase value and have it loaded onto their Paycloud account.

What are Paycloud's consumer benefits?

From the consumer perspective, Paycloud solves the three biggest complaints that consumers have expressed:

- **We carry too much plastic.** The average family belongs to over 18 loyalty programs but nobody wants to carry 18+ cards with them at all times. Paycloud lets the consumer keep their loyalty cards in a single mobile wallet on their smartphone. No more plastic.
- **Nobody knows their reward status.** Paycloud provides real-time status updates on every loyalty program kept in their Paycloud mobile wallet. No need to log into a website or visit the merchant to know exactly where you stand.

- **Joining loyalty programs is often a hassle.** Too many merchants require consumers to fill out lengthy forms to join their loyalty program. Paycloud lets the consumer join any program with a single touch. They don't even need to be in the merchant's business to join.

What are Paycloud's merchant benefits?

From the merchant's perspective, the primary benefits are:

- **Reduces costs associated with maintaining and monitoring plastic loyalty cards.**
- **Lets merchants connect with customers by broadcasting deals and coupons directly to their most loyal customers' smartphones.** This capability shifts the focus away from deferred redemption to immediate gratification via regularly broadcast offers.

Does Paycloud support NFC?

The initial Paycloud release does not support NFC simply because there is no current business case that requires NFC. The Gartner Group predicts that NFC won't gain widespread consumer adoption until 2015. Future releases of Paycloud will include NFC support.

How does the smartphone connect with the merchant's terminal without NFC?

Paycloud worked with Silicon Valley based Naratte to develop a countertop sensor that connects to the merchant's existing terminal and communicates with each customer's smartphone using Zoosh, an encrypted ultrasonic signal emitted from the phone's speaker. Customers simply launch their Paycloud app, tap an on-screen button to check-in or redeem a reward, and tap their phone to the sensor. No NFC required.

Does Paycloud include a payment processing component or allow consumers to link their debit or credit card to their wallet?

The initial Paycloud release is focused exclusively on enriching the customer experience through the merchant loyalty programs. As consumer adoption of mobile wallets increases, Paycloud will evolve to incorporate payment components.