

The Venmo Family Card Line Will Follow a Tiered System

SECURED



CREDIT BUILDER CARD

Features: High APR, Low Credit Limit, Low Rewards

Tier 1: 1% cashback for all purchases

Tier 2: 3% cash back on highest spending category, 2% on next highest, and 1% on all remaining

Introductory level card for people with low credit

Key Spending Categories



General Spending

CONNECT



INTERMEDIATE LEVEL CARD

Features: Signup Bonus, Supports Supplementary Cards

Tier 1: 3% cashback on dining, retail and pharmaceutical products, 2.5% for all other spending categories

Tier 2: 3% cashback on all spending categories, membership rewards, \$300 statement credit annually after spending \$5k

Key Spending Categories



Groceries



Gas



Travel

PREMIUM



PREMIUM LOYALTY CARD

Features: Invite Only, \$95 dollar annual fee, Access to Airport Lounges, Hotel Upgrades

Tier 1: 5% cashback on highest spending category, 4% cashback on all categories

Tier 2: 6% cashback all other categories, Global Entry and TSA PreCheck® credit

Key Spending Categories



Travel

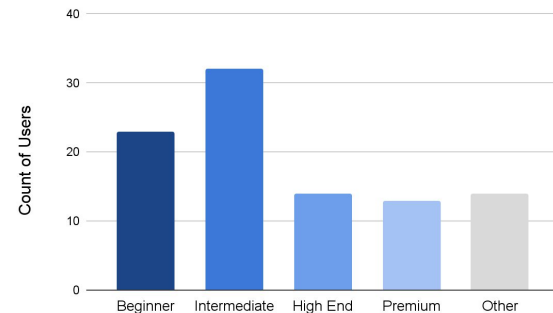


Hotels



Dining

Types of Cards Used



Venmo can **differentiate** itself by offering an engaging **loyalty** program; **tiered rewards** within each card offering allowing users to be promoted over time

The Venmo Credit Card is not competitive enough compared to the most popular credit cards

Venmo Credit Card

OVERALL RATING ★★★★★ 2.8



REWARDS EARNING RATE

Earn 3% cash rewards in your top spend category and 2% cash rewards in your second top spend category, from a list of eight each month. Other purchases earn 1%.



Chase Freedom Unlimited®

OVERALL RATING ★★★★★ 4.5



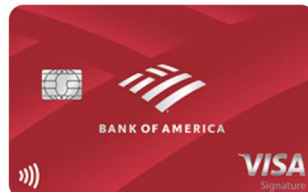
REWARDS EARNING RATE

Earn 5% on travel purchases through Chase Ultimate Rewards. Earn 3% on dining and restaurants, including takeout and eligible delivery services. Earn 3% on drugstore purchases. Earn 1.5% on all other purchases.



Bank of America® Customized Cash Rewards Credit Card

OVERALL RATING ★★★★★ 4.2

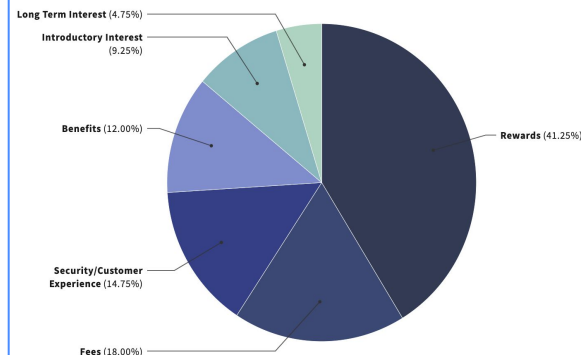


REWARDS EARNING RATE

Earn 3% cash back in the category of your choice, 2% at grocery stores and wholesale clubs (up to \$2,500 in combined choice category/grocery store/wholesale club quarterly purchases) and unlimited 1% on all other purchases.



Overall Credit Card Star Rating Category Weightings



Key Takeaway: By introducing competitive rewards where Venmo currently lacks the most in, it will have equal leverage in consumer preference as other competitors

Venmo User Demographics and Behaviors

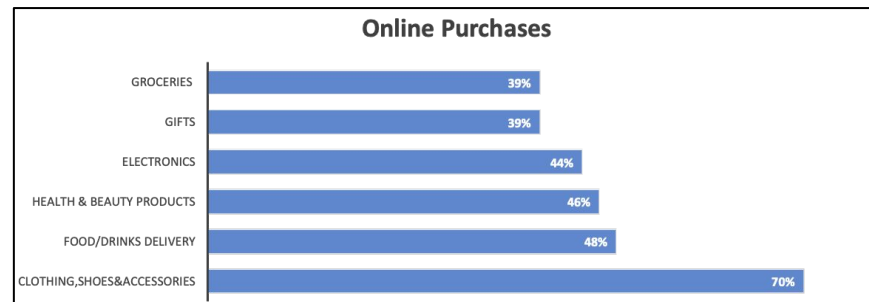
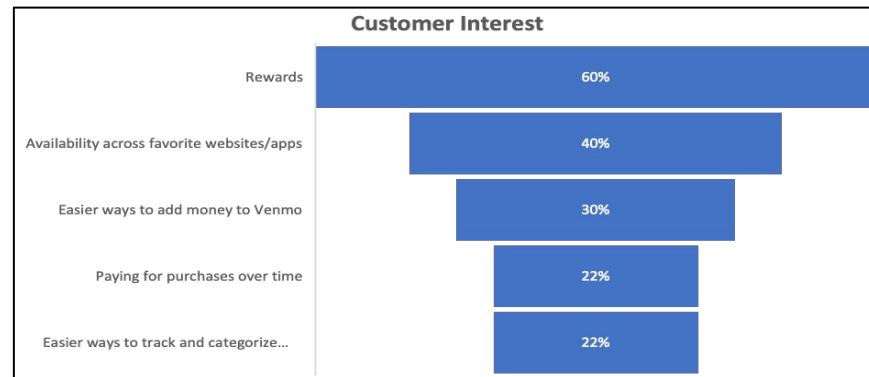
Venmo Behavioral Survey

- Venmo has successfully captured a **younger demographic**, with over **83%** of Venmo users falling under the **18 to 34 age range**.
- **67%** of customers have a bachelor's or higher versus 32% across the US.
- **65%** of Venmo customers said they **increased their online purchasing** behavior, **70%** used Venmo in the **fashion retail**, followed by **F&B delivery (48%)**, **health and beauty products (46%)**, **electronics (44%)**, **gifts (39%)**, **groceries (39%)**
- **89%** of customers **prefer to pay with Venmo** because they trust the brand, it's easily accessible and allows users to split transactions

Key Takeaway

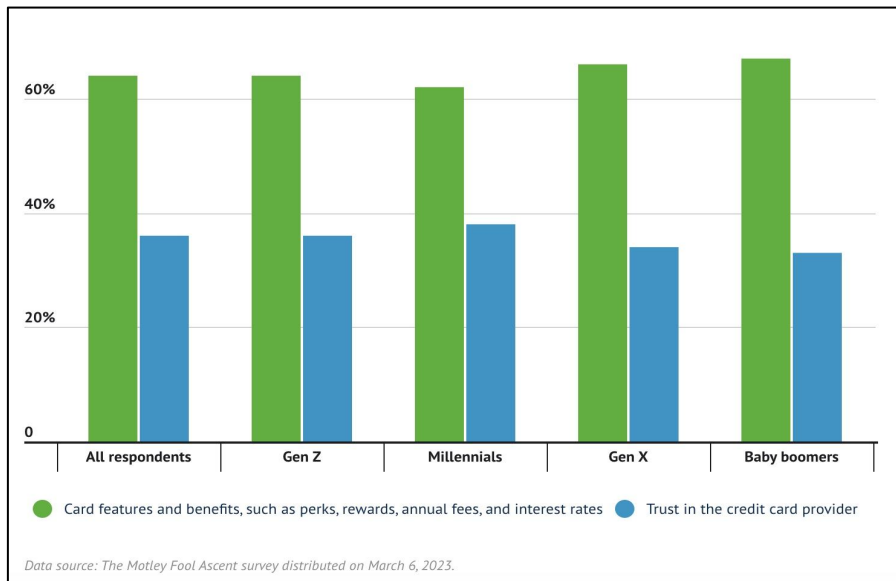
The ability to split transactions amongst friends makes Venmo a go to option for younger demographics. By offering Venmo as a payment option, merchants expand their customer base and sales.

Customer Interests and Purchases using Venmo



Consumers prioritize credit card features and perks over the reputation of the credit card company

Which is more **important**: credit card **features** or the **trust** in the provider?



Because credit card features take precedence over trust, Venmo can take advantage of this

- Venmo is not as **reputable** as Chase, BofA, or AmEx
- However, Venmo can push out **aggressive rewards and benefits** to **garner attention**
- By doing this, Venmo puts itself in a position to **compete** against already **established** brands
- Following a loss leader strategy