

Spring 2005

Leverage RTS, Improve Customer Service

In the crowd of store traffic, even loyal customers can go unnoticed at the point of sale (POS). Wouldn't it be great to understand who is the customer and their value to your business? Wouldn't it be nice to know when your valued customer is in one of your stores and be able to recognize and reward that customer right there and then?

Today, the majority of AJB's merchants use AJB solutions to drive their financial payment processing. Some of our RTS merchants have also extended their RTS beyond payment processing and leverage their RTS capability to enhance levels of service delivery at the POS. You too can improve your overall customer satisfaction by using AJB's *pass-through message*.

The point of sale is the "last mile" to provide value and enhance the customer shopping experience. Let's examine one of the customer facing opportunities at the POS: the option of performing a customer lookup. A simple phone number lookup process saves time and eliminates multiple redundant questions, such as the spelling of name and home address. By entering the data once, merchants can easily retrieve all of the stored client data from a central database for subsequent visits.

Similarly, loyalty or frequent shopper lookups in a host database can provide the store employee with important information to help build a valued customer relationship by providing personalized service:

- address the customer by name,
- provide on-the-spot discounts based on customers shopping patterns,
- celebrate your customer with birthday "freebies" or rewards for achieving purchase thresholds, and so on.

By creating personal relationships, customers are enticed to purchase more goods and services.

Just imagine offering your customer the choice of using a magnetic stripe from any card in their wallet (like a driver's license or credit card) to act as their identification proxy for

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Announcements

>> AJB Software was awarded the **2005 Etobicoke Business Excellence Award in Technology and Communications** at the 8th annual gala event for the Etobicoke Chamber of Commerce.

>> AJB has teamed up with RCS for returns management to deliver a software solution to help retailers deal with a difficult area of their business: merchandise returns.

Utilizing AJB's RTS, the Advanced Store Returns Management system can be integrated with your existing POS system to provide item level validation across all stores, thus reducing fraud and increasing customer satisfaction.

Contact Aleem Ulla ext. 8808.

Upcoming Events

>> **May 1 - 4** CRS User Conference at the Hotel Hershey, Hershey, PA

>> **May 24 -26** Retail Systems, Chicago, IL. Booth # 1707

>> **June 9** AJB's First User Group Conference, Toronto, ON

>> **June 10** AJB's Golf Tournament, Toronto, ON

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lookups. How can this be done without infringing on customer privacy or cardholder agreements?

By using a one way hash algorithm at the POS, the magnetic track data can be read from an existing card and converted into a new data element known as a blob. The new blob is unique and stored in a database field along with all the relevant data like purchase details. Most importantly, privacy is protected since the blob cannot be decrypted to determine the original card data. When the same card is presented again, the new data element is recreated in a similar fashion to allow anonymous access and retrieval of individual customer shopping history. This new data element also eliminates the need to issue physical loyalty cards or require the storage of actual credit card data anywhere in the process to perform the lookup.

Consider the additional capabilities that RTS can provide your organization to leverage your RTS investment.

Contact Pat Polillo ext. 8806

Diners Club Processed as MasterCard

Merchants can now enjoy the benefits of welcoming Diners Club cardholders who have an average charge of \$248 through their MasterCard processor. Diners Club Rewards program encourages cardholders to use their cards and make repeat purchases. Diners' cardholders do not have a pre-set spending limit, which means a greater chance of impulse purchases. And many foreign cardholders have a Diners Travel & Entertainment account at their disposal.

Here's How it Works

Diners Club Cards which are issued in North America with a 16-digit account number and a BIN beginning with "5" can be accepted and processed like any MasterCard credit transaction.

Diners Club Cards which are issued outside of the U.S. with a 14-digit account number and a BIN beginning with "36" can be accepted and processed like any MasterCard credit transaction by implementing a POS/terminal adjustment.

AJB is pleased to announce support for this new acceptance program which:

- reduces costs for existing Diners merchants by eliminating redundant communication lines
- creates new revenue opportunities

for merchants who want to add Diners to their payment processing choice at the POS.

Contact Marcin Rewkowski ext. 5273

Dynamic Currency Conversion

Increased tourism is generating a demand from merchants to improve their customer's shopping experience by allowing international customers to pay in their home currency when presenting plastic tender.

Dynamic currency conversion (DCC) at the POS enables a third party financial institution to perform the foreign currency exchange (FX). RTS merchants can add a DCC link to a financial institution that enables instantaneous currency conversion.

Primary customer benefits include foreign exchange incentives for the merchant from the financial institution providing DCC service.

Additional benefits of DCC includes:

- clarification for the international customer on the cost of goods purchased at the POS
- allows all payment processing to remain in US dollar currency with no FX exposure for the merchant.

Contact Marcin Rewkowski ext. 5273

AJB's First User Group, June 9, 2005

Please join AJB at the Wyndham Bristol Place in Toronto for the first ever AJB user conference. You will hear more about AJB's product direction, meet key payment industry players and learn about industry trends, exchange experiences with other AJB customers and talk to AJB product experts.

Look out for the following guests at the AJB User Group Conference.

Guest Speakers: Juan Soto, Planet Payment; Douglas Groute, Thales e-Security Inc.; Allen Wright, VISA; and Don Hoffman, NCR.

Banker's Panel: Bank of America, Chase Merchant Services, Fifth Third, Global Payments (Canada), and Paymentech.

To confirm your attendance please contact Wanda Fortier at 416-621-0296 ext 5383.

Debit and Host Security Module (HSM)

Host Security Module (HSM) is a hardware device that allows merchants to take ownership of debit encryption keys for their pin pad devices.

AJB merchants have indicated that the break even point for implementing HSM occurs when growth approaches 1000 point-of-sale locations. The most common reason cited for this number is the cost associated with the stringent requirements & procedures underlying internal key management.

The benefits of HSM include debit key ownership and the facilitation of bank and pin pad vendor independence. In most cases, these benefits are only realized when the merchant changes debit processors.

AJB is pleased to welcome Thales, a major provider of HSM solutions as an AJB RTS integration partner for debit payment processing. Thales is an international electronics and systems group serving defense, aerospace, security and services markets.

Over half of the world's banks, together with the majority of the busiest exchanges, currently use Thales technology.

Contact Pat Polillo ext. 8806

AJB provides customized solutions to meet the needs of each customer.