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## **HSBC REJECTS TRADITIONAL LOYALTY PROGRAMS FOR SOMETHING MORE REWARDING**

HSBC is launching an innovative new credit card rewards program so flexible, consumers can redeem points for the cheapest \$39 airfare, donations to charity, mortgage repayments or even cash in the bank.

The new program was developed following HSBC research that shows most reward programs have become more chore than reward, as increasing fees and the diluted value of frequent flyer points replace flexibility and accessibility.

“Traditional reward programs, with frequent flyer points, aren’t as compelling as they used to be,” said Rod Hyde, HSBC’s head of consumer finance.

“Consumers don’t want to pay for loyalty programs that don’t pay them back. That’s why we’ve seen such keen interest in low rate cards in recent months.”

HSBC’s new Rewards Plus program allows customers to redeem points for merchandise, as well as shopping vouchers, entertainment, travel, financial products and wine much like other rewards programs but with much greater accessibility.

HSBC Rewards Plus points can be exchanged for travel with any airline as well as worldwide accommodation, packaged tours, cruises or rail and coach travel. No blackout periods or restrictions apply and customers can even take advantage of discounted fares. Those short of points can pay the difference to get the trip they want.

The program also provides cash rebates for any educational payments, including school and university fees, books and uniforms. Customers can redeem their

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points for repayments on an HSBC home loan or deposits into their HSBC Online Savings Account as well as other HSBC product discounts and even donations to charities.

The new Rewards Plus program also ties in with HSBC's existing *home&Away* Privilege Program – a worldwide discount system for HSBC cardholders that saves customers money on purchases with key global retailers.

“HSBC's Rewards Plus fills in the flexibility and access gaps that so many other rewards programs seem to suffer from,” said Rod Hyde.

“We recognise that consumers today don't see point redemption as a nice ‘thank you’ from their bank. Rewards programs have become commoditised so the program features and redemption terms are as relevant to consumers as interest rates and fees may be in other products.

“Customers want to know what they can get and how fast they can get it. HSBC's Rewards Plus program aims to given them more, more easily,” he said.

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### **Notes to editors**

#### **HSBC in Australia**

In Australia, the HSBC Group offers an extensive range of financial services through a network of 35 branches and offices. These services include personal and commercial financial services, trade finance, non-advisory stockbroking, treasury and financial markets, financial planning and securities custody.

Principal HSBC Group members operating in Australia include HSBC Bank Australia Limited, HSBC Precious Metals (Australia) Limited and HSBC Bank plc. HSBC is marketed worldwide as ‘the world's local bank’.

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