REVENEW

WHITEPAPER • FINANCIAL INSTITUTIONS

The Movement to Frictionless Rewards Platforms

Removing the barriers leads to massive increased engagement. Five years of documented, real-world evidence from Revenew EZEarn™.

34.8%
LIFT IN TRANSACTIONS

28.1x
MORE TRANSACTIONS VS. LEGACY MALL PROGRAM

$0
PROGRAM COST TO THE INSTITUTION

EXECUTIVE SUMMARY

For more than three decades, card-linked rewards programs have promised financial institutions a powerful tool for deepening cardholder engagement and generating non-interest income. The reality has fallen far short of the promise. Activation rates remain low, engagement drops off after the first offer, and the operational burden of maintaining complex rewards infrastructure falls squarely on the institution.

The culprit is friction: the small but compounding barriers built into traditional rewards platforms that quietly kill participation before it starts.

This paper presents five years of documented, real-world evidence from Revenew's frictionless rewards platform, EZEarn™, deployed across banks and financial institutions of varying sizes. Results are measured against statistically valid control groups of cardholders who did not receive Revenew offers, or benchmarked directly against a legacy activation-based program's results. The data is clear: removing friction does not merely improve engagement, it transforms it. Cardholders using Revenew's always-on, automatic rewards earn more, spend more frequently, and generate meaningfully higher interchange revenue and non-interest income for their institutions, all with zero program cost and minimal IT investment required.

The bottom line: institutions running Revenew's frictionless model are outperforming their activation-based peers on every revenue metric, elevating the program from a loyalty play to a profit play.

THE PROBLEM

Years of Friction, Years of Lost Engagement

Traditional rewards programs were built for a different era. In the early days of card-linked offers, asking a cardholder to actively browse a portal, find an offer, click to activate it, and then remember to use their card at the right merchant was an acceptable ask. The novelty of the program was the reward itself.

That era is over.

Today's cardholders live in an environment of instant, automatic, frictionless experiences — from one-click purchasing to automatic subscription renewals to contactless payments[1]. They have been conditioned by every major consumer platform to expect that value simply appears. When a rewards program asks them to stop and take multiple steps before they can earn, most simply don't.

The friction ladder is real:

1. **See the Offer** — *Spot deal in app or email*
2. **Activate Offer** — *Requires many steps to activate*
3. **Remember Offer** — *Remember which offer you activated*
4. **Swipe** — *Swipe the card attached to the offer*
5. **Wait for Reward** — *If done correctly, collect reward - often months later*

Each step represents a drop-off point. By the time a cardholder reaches Step 5, the population of engaged participants has been filtered down to a small fraction of those who could have benefited.

The result for banks and financial institutions is a program that looks active on paper but delivers thin results: low participation rates, modest interchange lift, and cardholders who churn from the program after their initial curiosity fades. Meanwhile, the institution continues bearing the cost of the platform, the communications, and the administrative overhead, often with little measurable return on a significant investment.

This is not an isolated issue. It is the primary reason traditional rewards programs fail to achieve their full potential, leaving significant revenue on the table for financial institutions. The industry has accepted it as an inherent constraint for too long. It is not. It is a design flaw, and it has a direct solution.

This shift is not unique to Revenew — legacy programs are slowly starting to build toward it — but Revenew has been proving the model since before it was industry consensus. For the past five years, EZEarn™ has been driving real adoption of frictionless, transaction-based rewards among retailers and cardholders at scale, well ahead of the infrastructure the other programs are only now building.

THE SOLUTION

Frictionless, Always-On Rewards

EZEarn™ was built on a fundamentally different premise: the best rewards program is one the cardholder never has to think about.

Rather than requiring cardholders to find, activate, and remember offers, Revenew's platform eliminates every step between the offer and the transaction. When a qualifying purchase is made, the reward is applied automatically. No portal visit. No activation click. No codes or coupons. The cardholder simply makes a purchase with their card and earns.

This is made possible through Revenew's card-linking infrastructure, which processes transactions against eligible offers in real time. The moment a qualifying purchase occurs, it is validated and the reward is applied. The entire process is invisible to the cardholder except for the cash back that appears in their account.

For the financial institution, the model is equally clean. EZEarn™ connects directly to the institution's existing payment card transactions utilizing common, tokenized information. There is no PII or PCI exposure, no outside fees charged to the institution, and no heavy IT integration. The program is merchant-funded: every incentive paid to cardholders comes from the participating merchant, not from the institution's margin. The institution earns on both ends — through increased interchange generated by higher transaction volume, and through the Revenew funded non-interest income commissions that flow from Revenew's merchant-funded model.

The architecture removes every barrier that causes traditional programs to underperform:

Traditional CTA Model	EZEarn™ Frictionless Model
Requires cardholder to click to activate	Automatic. No activation required
Cardholder must remember to use correct card	Any qualifying transaction on the linked card
Engagement drops off after initial offer	Always-on; every transaction is an opportunity
High abandonment at each friction step	No steps to abandon
Portal-dependent engagement	Works in-store and online
Activation-based attribution	Transaction-based attribution

The Advantages: What Financial Institutions Gain

Automatic Card Linking — Zero Behavioral Requirement

EZEarn™ cross-references every eligible cardholder purchase against active merchant offers without requiring any cardholder or financial institution action. This means participation is not a function of how motivated a cardholder is or how well-designed the UX is, it is a function of whether the transaction occurred. The program works for every engaged cardholder by default, not just the subset willing to navigate a portal.

Deeper Cardholder Engagement and Satisfaction

When cardholders earn rewards without effort, the experience reinforces positive associations with the card and the institution[2]. They don't need to remember to activate an offer; the card simply performs better[3]. Over time, this creates a flywheel effect: cardholders who consistently earn rewards use their card more, which generates more rewards opportunities, which deepens their preference for the card over competing products in their wallet[4].

This matters across every type of financial institution, from regional banks competing for wallet share against national issuers, to community banks and credit unions differentiating on cardholder experience. A rewards program that works automatically — delivering real cash back through the trusted channels cardholders already use daily — strengthens card preference in a way that activation-based programs simply cannot match. Cardholders don't switch cards because of features. They switch because one card consistently delivers more value with less effort[5].

This effect is amplified by where the rewards come from. Cardholders already treat their banking app as a secure, authenticated environment, one they trust more than an open-web offer, a retail app, or an email promotion. When a reward is delivered automatically through that trusted channel, the institution's own credibility transfers to the offer itself: cardholders don't need to evaluate whether the deal is legitimate, because the fact that it came from their bank or credit union already answers that question[6]. That is a structural advantage no open-web rewards program or third-party coupon site can replicate.

Meaningful Interchange Revenue and Non-Interest Income

More transactions mean more interchange. The 34.8% lift in median monthly transactions documented in Revenew's longitudinal data (detailed in the Results section) translates directly into measurable interchange revenue for the institution. Simultaneously, Revenew's merchant-funded structure generates non-interest income tied to each qualifying transaction, which is entirely funded by merchants, not by the institution.

For any institution evaluating the revenue impact of their card portfolio, this combination of interchange lift and NII is significant. It is a predictable, recurring revenue stream with no corresponding cost, generated by activity the institution's cardholders were already performing, now captured through a program that works automatically.

No PII or PCI Exposure

EZEarn™ operates entirely on transaction data — specifically merchant identifiers and transaction details already processed through standard card networks. This is performed through tokenized data exchange and eliminates a category of compliance and security risk that has historically made some institutions hesitant to participate in card-linked offer programs.

Minimal Integration Lift

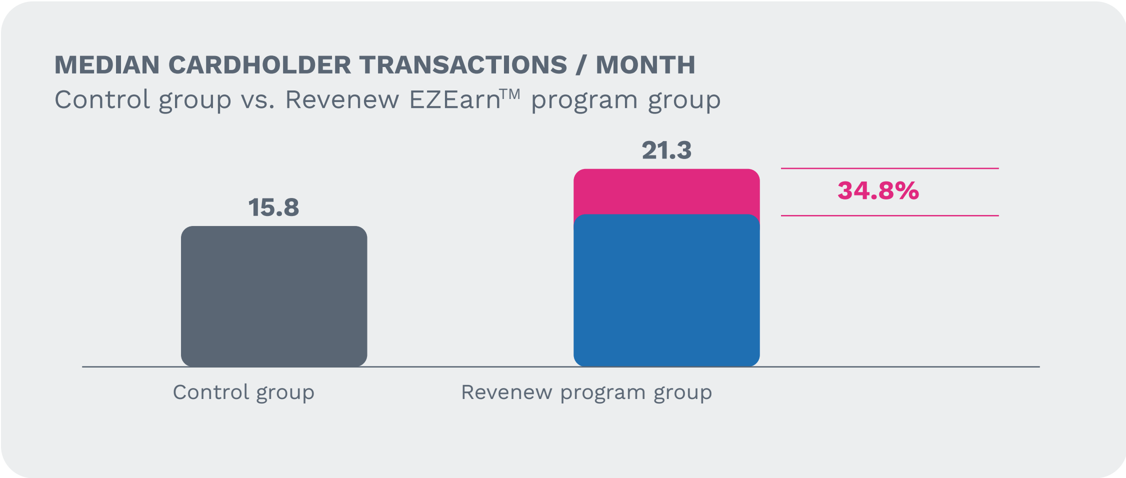
Participating institutions provide cardholder transaction data and basic configuration. Revenew's platform handles offer formatting, targeting, delivery through the institution's trusted channels (via email, app, and portal), transaction validation, and reconciliation. Revenew guides your teams through well-defined steps while shouldering the heavy lifting to put your branded rewards program in place.

The Results: Five Years of Real-World Evidence

The following data is drawn from Revenew's operational history across financial institution partners, measured against control groups using legacy activation-based models. This is not a study or a simulation. It is the documented outcome of the frictionless model deployed at scale.

How We Measure Impact
Every result in this section reflects a controlled comparison, not a raw before-and-after snapshot. For each partner institution, Revenew maintains a cardholder population that has never seen an offer, as a control group over the same measurement period. Both groups are drawn from comparable cardholder profiles and transaction histories, which isolates the effect of the program model itself from differences in the underlying customer base, seasonality, or an institution's broader marketing calendar. This structure is what allows the figures below to be attributed specifically to the EZEarn™, rather than to outside factors.

Transaction Lift: 34.8% Over Three Years
Between May 2022 and July 2025, cardholders enrolled in Revenew's frictionless program averaged 21.3 transactions per month, compared to 15.8 transactions per month in the control group using traditional activation-based rewards. This represents a 34.8% lift in median monthly transactions — sustained and documented over a three-year measurement period.



The significance of this figure extends beyond the immediate revenue impact. A 34.8% lift in transaction frequency means the card is being chosen over alternatives in the wallet at a dramatically higher rate. It reflects a fundamental shift in card preference, not a temporary behavioral spike from a promotional offer.

Frictionless vs. Activation-Based: Platform Comparison

The contrast between Revenew's frictionless model and a traditional online shopping mall platform illustrates the engagement gap at scale. Revenew's lift per 1M program cardholders:

Metric	Online Shopping Mall Platform	Revenew EZEarn™	Revenew Lift
Total Transactions	813	23,617	**28.1x**
Total Qualified Spend	$146,875	$1,148,936	**6.8x**
Cardmember Incentive	$4,000	$32,979	**7.2x**
Institution Commission	$1,250	$11,064	**7.9x**
Total Value	$5,250	$44,043	**7.4x**

The frictionless platform generated **28 times more transactions**, and **7.4 times more total value** — because it removed the steps that filtered most cardholders out of the program entirely.

Multi-Partner Performance

Revenew's frictionless model has demonstrated consistent performance across a diverse range of financial institution partners and cardholder profiles. The first six months of 2026 performance data across five active programs reflects the breadth of participation and revenue generation:

Card Partner Program	Participating Cardmembers	Qualified Spend	Total Value to Institution	Avg. Spend / Transaction
Airline	159K	$20.5M	**$928K**	**$62**
Branded	77K	$9.4M	**$420K**	**$79**
Clothing Brand	35K	$3.1M	**$165K**	**$54**
Hotel	29K	$2.8M	**$116K**	**$71**
Higher Ed	19K	$2.3M	**$107K**	**$74**

These results are generated without activation requirements, without portal-dependent engagement, and without cost to the institution.

Summary: What This Means for Your Institution

The shift from activation-based rewards to frictionless, always-on rewards is not an incremental improvement. It is a structural change in how card portfolios perform — and the five years of data presented here quantify the difference in revenue terms.

A Cardholder Journey That Drives Card Preference

The cardholder experience in a frictionless program is simply better — and better experiences drive better economics. Cardholders earn more because they never miss an offer due to forgetting to activate. Rewards feel like a natural extension of card usage rather than a task to complete. That experience, delivered automatically through channels cardholders already trust and use daily, creates card preference that compounds over time.

Card preference means fewer lost transactions to competing cards in the wallet. It means higher transaction frequency, higher interchange revenue, and a cardholder base that is harder for competitors to dislodge. For banks focused on growing and defending their card portfolios, this is the durable competitive advantage that activation-based programs cannot deliver.

Higher Value Rewards, Earned More Often

Because frictionless programs capture every qualifying transaction rather than only those preceded by an activation step, cardholders enrolled in EZEarn™ receive more total rewards over time. Higher rewards reinforce card usage, which generates more rewards — a compounding cycle that activation-based models can never achieve because they lose most participants at the first friction point.

No Outside Fees, Minimal Integration

Revenew's model is entirely merchant-funded. There is no cost charged to the institution for running the program — no platform fee, no per-activation charge, no monthly minimum. Integration requires only transaction data already received by the financial institution, with Revenew handling offer construction, offer validation, and reconciliation. The technology lift on the institution's side is minimal by design.

For institutions evaluating the total cost of ownership of a rewards program, Revenew's structure is unique: it generates revenue without consuming it. There is no P&L trade-off to manage. The program is accretive from day one.

REVENEW

About Revenew

Revenew EZEarn™ is a merchant-funded, frictionless card-linked rewards platform connecting financial institutions to a network of merchant partners. The platform operates on transaction data only — no PII, no PCI exposure — and requires no activation from cardholders. Financial institution partners earn non-interest income and interchange lift with no program cost.

Revenew partners with financial institutions ranging from regional banks to credit unions across the country, with a combined cardholder network exceeding 150 million activated accounts.

Ready to See the Revenue Impact for Your Institution?
Our calculator models projected interchange lift and non-interest income based on your institution's active card portfolio. Input your card volume and average transaction data, and the model outputs a projected annual revenue impact. Most institutions see a number that surprises them — because the revenue was always there. Friction was just leaving it on the table.

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References

[1]PYMNTS, “85% of Gen Z Prefers Digital Payments to Cash,” 2024, reporting that 85% of Gen Z and 82% of Millennials prefer contactless payment methods — independent confirmation that cardholder expectations have already shifted toward frictionless, automatic experiences.

[2]Adam L. Alter and Daniel M. Oppenheimer, “Uniting the Tribes of Fluency to Form a Metacognitive Nation,” Personality and Social Psychology Review 13, no. 3 (2009): 219–235, on processing fluency as a driver of positive affect; Steven Sweldens and Stijn M.J. van Osselaer, “Evaluative Conditioning Procedures and the Resilience of Conditioned Brand Attitudes,” Journal of Consumer Research 37, no. 3 (2010), on how repeated pairing of a brand with a positive outcome shifts attitudes toward that brand.

[3]BJ Fogg, “A Behavior Model for Persuasive Design,” in Persuasive ’09: Proceedings of the 4th International Conference on Persuasive Technology (Stanford University, 2009). The Fogg Behavior Model (B=MAP) holds that reducing friction — i.e., increasing “ability” — raises the likelihood of a target behavior independent of a person’s motivation level.

[4]Ran Kivetz, Oleg Urminsky, and Yuhuang Zheng, “The Goal-Gradient Hypothesis Resurrected: Purchase Acceleration, Illusionary Goal Progress, and Customer Retention,” Journal of Marketing Research 43, no. 1 (2006): 39–58, finding that loyalty-program members accelerate usage as they approach a reward; Wendy Wood, Good Habits, Bad Habits (Farrar, Straus and Giroux, 2019), on how consistent cue-reward pairing in a stable context builds automatic habitual behavior over time. Note: classical reinforcement-schedule research (B.F. Skinner) suggests that while continuous reward (reward every time) accelerates initial habit formation, variable-ratio reward schedules tend to be more resistant to extinction over the long run — a nuance worth having an answer for if this claim is challenged.

[5]Matthew Dixon, Nick Toman, and Rick DeLisi, The Effortless Experience: Conquering the New Battleground for Customer Loyalty (Portfolio/Penguin, 2013). Based on analysis of roughly 97,000 customers, the authors found no meaningful loyalty difference between “exceeded” and “merely met” expectations, but a large effort gap: 96% of high-effort customers went on to be disloyal, versus 9% of low-effort customers.

[6]Carl I. Hovland and Walter Weiss, “The Influence of Source Credibility on Communication Effectiveness,” Public Opinion Quarterly 15, no. 4 (1951): 635–650, the foundational study establishing that messages delivered by a highly credible source are more persuasive than the identical message from a low-credibility source — the mechanism by which an institution’s trust extends to offers it delivers.