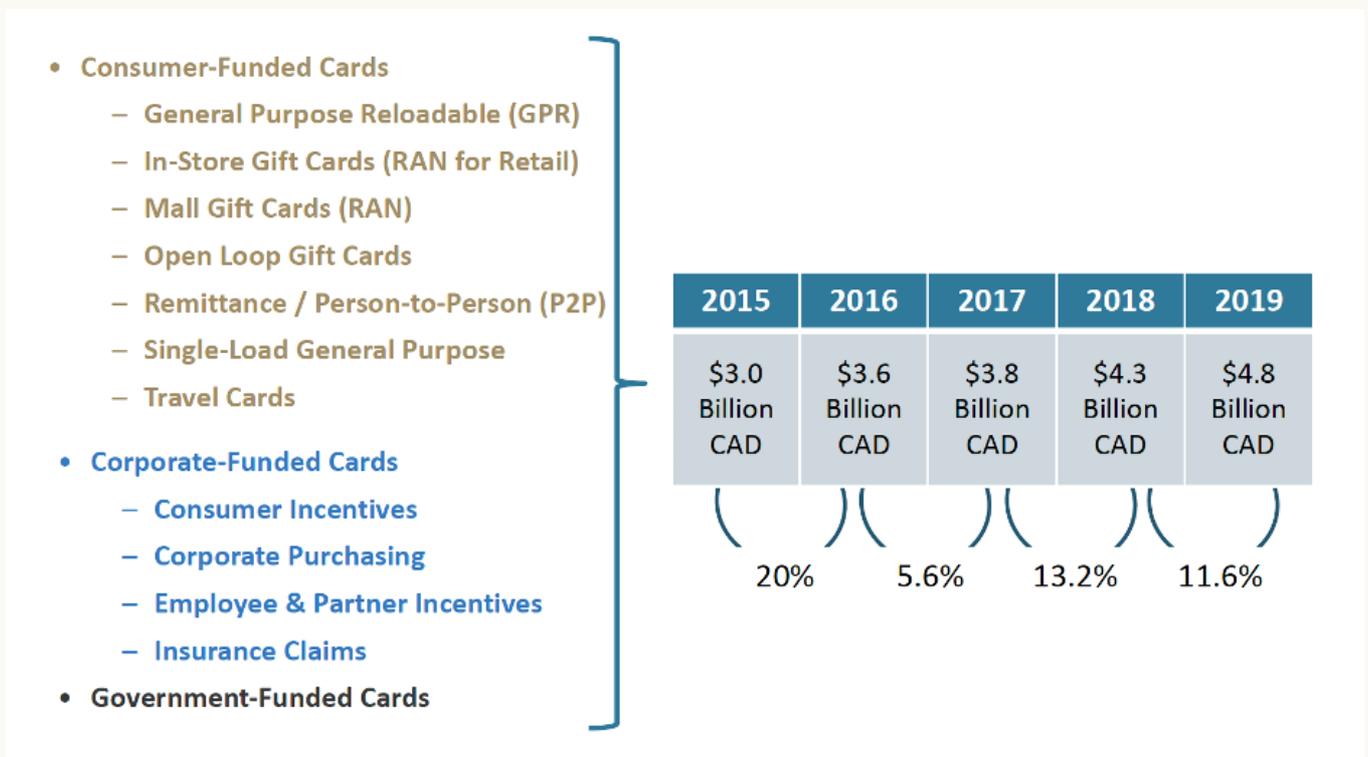


# Study: Canadian Open-Loop Prepaid Market Grows to C\$4.8 billion in 2019

The [Canadian Prepaid Providers Organization \(CPPO\)](#) today released its annual benchmark study, *The Canadian Open-Loop Prepaid Market: 2019*, revealing \$4.8 billion in total dollars loaded onto open-loop prepaid cards. According to the study conducted by Mercator Advisory Group, total loads across corporate- government- and consumer-funded cards were up by 12 per cent over 2018, achieving consecutive growth between 2015 and 2019.



Key findings from the study:

- C\$4.8 billion in total dollars loaded onto cards in 2019, a 12 per cent increase from 2018.

- Total loads of general-purpose reloadable cards (cards loaded by consumers for personal finance use) grew by 10 per cent to C\$2.76 billion.
- Open-loop gift cards were up 17 per cent with total loads of C\$1.4 billion. Consumer Incentives and Employee & Partner Incentives segments of the Corporate-Funded Cards category was up 9 per cent in total loads.

According to Theodore Iacobuzio, vice president of research and director of the Prepaid Advisory Service at Mercator Advisory Group: “The Canadian prepaid market will grow, driven by both existing markets and new markets yet to be discovered as well as changes caused by government regulations. One example would be General Purpose Reloadable (GPR) cards, or bank account alternatives. If GPR cards had the same government backing as checking accounts in Canada, as they do in the US, this category would see significant growth because it better serves people who are unbanked or underbanked or who prefer not to be associated with a bank, but still need financial access in the digital world.”

While the industry has seen steady growth over the years in Canada, it is still nascent compared to the prepaid industry in the US market, which has a broader spectrum of categories. With more than three-quarters of Canadians conducting most of their banking transactions via digital channels, significant opportunities exist in the continuous development of innovative, user-centric capabilities and digital solutions in Canada.

# OPEN-LOOP PREPAID MARKET CATEGORIES



1. CONSUMER FUNDED CARDS
2. CORPORATE FUNDED CARDS
3. GOVERNMENT FUNDED CARDS



1. CASH ACCESS
2. BUSINESS TIME AND EXPENSE
3. CAMPUS
4. DIGITAL CONTENT
5. IN-STORE GIFT CARDS
6. GOVERNMENT
7. INSURANCE CLAIMS
8. PAYROLL & BENEFITS
9. PETROLEUM
10. UTILITIES
11. TELECOM

Source: Mercator Advisory Group

*Prepaid categories in Canada versus the US.*

Access to *The Canadian Open-Loop Prepaid Market: 2019* comprehensive report is available to CPPO members. Please contact [info@cppo.ca](mailto:info@cppo.ca) for information on membership.

## **Research Methodology:**

*In creating a benchmark for the Canadian prepaid market, Mercator Advisory Group had to develop a methodology that would provide an accurate estimate of the market but maintain the confidentiality of the companies that supplied data for the effort. Building on the experience of measuring the U.S. market, Mercator engaged a wide range of primary and secondary sources with surveys and questions as well as utilized public sources to generate an estimate of the total dollars loaded onto open-loop prepaid cards in Canada in 2018.*

## **About Mercator Advisory Group:**

Mercator Advisory Group is the leading independent research and advisory services firm exclusively focused on the payments and banking industries. We deliver pragmatic and timely research and advice designed to help our clients uncover the most lucrative opportunities to maximize revenue growth and contain costs. Our clients range from the world's largest payment issuers, acquirers, processors, merchants and associations to leading technology providers and investors. Mercator Advisory Group is also the publisher of the online payments and banking news and information portal [PaymentsJournal.com](http://PaymentsJournal.com).

### **About the CPPO:**

The CPPO is a not-for-profit organization and the collective voice of the open-loop prepaid payments industry in Canada. It is the only Association solely focused on this growing industry and is supported by major financial institutions, card networks and other industry players. The CPPO is focused on awareness and education so that consumers and businesses can have the best experiences with these popular products. For further information, visit [www.cppo.ca](http://www.cppo.ca). Connect with CPPO on [Twitter](#) and [LinkedIn](#).

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#### ABOUT PAYMENTS FUTURES

Welcome to Payments Futures, a digital thought leadership hub with original content that focuses on ways in which innovation and technology are transforming payments and digital banking in Canada. This newsroom will feature opinion pieces from industry voices and news coverage from well-known tech and financial services journalists.

This platform is run by the Canadian Prepaid Providers Organization (CPPO), a not-for-profit organization and the collective voice of the open-loop prepaid payments industry in Canada. The CPPO is focused on awareness and education so that consumers, governments and businesses understand the value of this platform and have the best experience with these popular solutions.

### **Submit insightful articles to Payments Futures:**

Payments Futures welcomes original articles about payments innovation from thought leaders that are in line with the below editorial guidelines. If you are interested in submitting an article, please get in touch via [info@cppo.ca](mailto:info@cppo.ca).

[Editorial Guidelines:](#)

- Topic: Can be timely or evergreen insofar as it is relevant to an audience interested in payments innovation.
- Heading: Please use catchy, thought provoking titles and strong and clear headlines/subheads.
- Content: All contributed articles must be exclusive (shared only with Payments Futures CA), non-promotional and original, leveraging the author's unique point of view. Feel free to add context and background info as and when deemed necessary. The CPPO reserves the right to make suggested edits before publishing the article.
- Style: All articles must meet Canadian Press Style Guidelines.
- Language: Use simple language and avoid jargon keeping in mind a diverse audience that goes beyond payments experts and also includes the media and government.
- Length: Word count can range anywhere between 550 to 850 words.
- Visuals: Option to add videos or still images.
- Links: Please credit sources and research where necessary. The CPPO reserved the right to insert internal links to other articles within Payments Futures, if relevant.

