## STUDY ON





## Synopsis:

Octopus launches a massive loyalty program for all affiliated stores in Hong Kong for the 10 million card holders. iBonus.net is the hardware supplier of the kiosks being used in Watsons, McDonald's and UA Cinemas.

## **Detail:**

Hong Kong, one of the world's most dynamic financial centres, boasts a globally-renowned public transport system. As early as 1979, local transport operator, the MTR Corporation Limited (MTR), had been operating a fully automatic fare collection system. To further enhance customer convenience, the MTR devised a future development strategy in 1993. The contactless smart card technology was subsequently recognised as the most appropriate platform for fare collection.

Hong Kong's five major public transport operators - the MTR, KCRC, KMB, Citybus and the Hongkong and Yaumatei Ferry (HYF) - established a joint venture known as Creative Star Limited in 1994 (renamed Octopus Cards Limited in 2002) to oversee the development and implementation of contactless smart card technology.

In September 1997, the Octopus fare collection system was officially launched, the first step in making everyday life easier in Hong Kong. The innovative system eliminated the need for commuters to find exact change. It also allowed them to travel across multiple public transport modes using a single card. Octopus obtained Deposit-taking Company authorisation from the Hong Kong Monetary Authority in April 2000. This allowed our expansion into a wider range of different applications, especially in the retail sector.

Today, Octopus not only powers many of Hong Kong's payment systems, we also provide access at buildings and support various functions at schools. Launched in 2005, Octopus Rewards has also become one of the most widely adopted and cost-effective ways for merchants to enhance customer loyalty.

Leveraging our achievements in Hong Kong, Octopus aims to export our solutions in system implementation and operations support to other countries. Our technology and experience have already been successfully exported to the Netherlands, Dubai and New Zealand.





