ABSTRACT

Payment Network

A payment network (10) for settling loyalty points in a loyalty programme between a plurality of issuing merchants (11) and redemption merchants (12), the network (10) comprising: reading devices provided to the issuing merchants (11) and redemption merchants (12) to read devices of account holders (13) in the loyalty programme and obtain account holder identification information for identifying points accounts of the account holders (13); a fund pool (20) to receive inward funds from monetary accounts of the issuing merchants (11), the inward funds corresponding to the amount of loyalty points issued by the issuing merchants (11), and to disburse outward funds to monetary accounts of the redemption merchants (12), the outward funds corresponding to the amount of loyalty points received by the redemption merchants (12) after redemption by the account holders (13); and a settlement system (30) to settle points accounts of the redemption merchants (12) by transferring an amount of funds corresponding to redeemed loyalty points from the fund pool to the monetary accounts of the redemption merchants (12), and to settle points accounts of the issuing merchants (11) by receiving an amount of funds corresponding to issued loyalty points from the monetary accounts of the issuing merchants (11) to the fund pool.

Figure 1