between the payment network and financial institution, which may put a strain on communication networks and may slow down processing by both entities due to the number of communications and associated tasks that must be performed. In addition, the processing of each rebate individually may result in an increased number of rebate transactions and associated fee transactions (e.g., as charged by the payment network, provided to the financial institution, etc.), which may increase expenses for the involved entities and thereby decrease revenue.

Thus, there is a need for a technical solution to enable the automatic settlement of rebates for cardholder payment transactions that can increase the efficiency of rebate processing. The aggregation of rebate transactions for automatic settlement can greatly increase processing efficiency, while also decreasing the number of communications and transactions conducted, thereby further increasing efficiency and entity revenue.

SUMMARY

The present disclosure provides a description of systems and methods for automated settlement of cardholder rebates.

According to a first aspect, there is provided a method for automated settlement of cardholder rebates, comprising: storing, in a profile database, a plurality of account profiles, wherein each account profile includes data related to a merchant transaction account associated with a merchant registered in a rewards program including at least a merchant identifier and a merchant funding rate; receiving, by a receiving device, a transaction message for a payment transaction, wherein the transaction message includes a plurality of data elements configured to store data associated with at least a transaction amount, a transaction time and/or date, a transaction account number, and a specific merchant identifier, the transaction message being an authorization request for the payment transaction and determined to be associated with a transaction that is eligible for a rebate; identifying, by a processing device, a specific account profile stored in the profile database where the included merchant identifier corresponds to the specific merchant identifier included in the received transaction message; calculating, by the processing device, a rebate amount based on at least the transaction amount included in the received transaction message; generating, by the processing device, a data file, wherein the data file includes at least a transaction data entry associated with the payment transaction

including at least the transaction time and/or date, transaction amount, and specific merchant identifier included in the received transaction message and the calculated rebate amount; repeating the receiving, identifying, and calculating steps for an additional payment transaction; appending, to the generated data file, an additional transaction data entry associated with the additional payment transaction; and automatically transmitting, by a transmitting device, the generated data file to a financial institution associated with the merchant transaction account related to the specific account profile.

According to a second aspect, there is provided a system for automated settlement of cardholder rebates, comprising: a profile database configured to store a plurality of account profiles, wherein each account profile includes data related to a merchant transaction account associated with a merchant registered in a rewards program including at least a merchant identifier and a merchant funding rate; a receiving device configured to receive a transaction message for a payment transaction, wherein the transaction message includes a plurality of data elements configured to store data associated with at least a transaction amount, a transaction time and/or date, a transaction account number, and a specific merchant identifier, the transaction message being an authorization request for the payment transaction and determined to be associated with a transaction that is eligible for a rebate; a processing device configured to identify a specific account profile stored in the profile database where the included merchant identifier corresponds to the specific merchant identifier included in the received transaction message, calculate a rebate amount based on at least the transaction amount included in the received transaction message, repeat the receiving, identifying, and calculating steps for an additional payment transaction, append, to the generated data file, an additional transaction data entry associated with the additional payment transaction, and generate a data file, wherein the data file includes at least two transaction data entries associated with at least the payment transaction and the additional payment transaction, each including at least the transaction time and/or date, transaction amount, and specific merchant identifier included in the received transaction message and the calculated rebate amount; and a transmitting device configured to automatically transmit the generated data file to a financial institution associated with the merchant transaction account related to the specific account profile.

BRIEF DESCRIPTION OF THE DRAWING FIGURES

The scope of the present disclosure is best understood from the following detailed description of exemplary embodiments when read in conjunction with the accompanying drawings. Included in the drawings are the following figures:

FIG. 1 is a block diagram illustrating a high level system architecture for automated settlement of cardholder rebates in accordance with exemplary embodiments.

FIG. 2 is a block diagram illustrating the processing server of FIG. 1 for the automated settlement of cardholder rebates in accordance with exemplary embodiments.

WHAT IS CLAIMED IS:

1. A method for automated settlement of cardholder rebates, comprising:

storing, in a profile database, a plurality of account profiles, wherein each account profile includes data related to a merchant transaction account associated with a merchant registered in a rewards program including at least a merchant identifier and a merchant funding rate;

receiving, by a receiving device, a transaction message for a payment transaction, wherein the transaction message includes a plurality of data elements configured to store data associated with at least a transaction amount, a transaction time and/or date, a transaction account number, and a specific merchant identifier, the transaction message being an authorization request for the payment transaction and determined to be associated with a transaction that is eligible for a rebate;

identifying, by a processing device, a specific account profile stored in the profile database where the included merchant identifier corresponds to the specific merchant identifier included in the received transaction message;

calculating, by the processing device, a rebate amount based on at least the transaction amount included in the received transaction message;

generating, by the processing device, a data file, wherein the data file includes at least a transaction data entry associated with the payment transaction including at least the transaction time and/or date, transaction amount, and specific merchant identifier included in the received transaction message and the calculated rebate amount;

repeating the receiving, identifying, and calculating steps for an additional payment transaction;

appending, to the generated data file, an additional transaction data entry associated with the additional payment transaction; and

automatically transmitting, by a transmitting device, the generated data file to a financial institution associated with the merchant transaction account related to the specific account profile.

2. The method of claim 1, further comprising:

initiating, by the processing device, payment of the calculated rebate amount to a transaction account associated with the transaction account number included in the received transaction message.

3. The method of claim 1, wherein the rebate amount is further based on the merchant funding rate included in the identified specific account profile.

4. The method of claim 1, further comprising:

initiating, by the processing device, a charge for the calculated rebate amount to a transaction account associated with the financial institution.

5. The method of claim 4, wherein the charge is initiated automatically by the processing device.

6. The method of claim 1, wherein the generated data file is automatically transmitted by the transmitting device at a predetermined interval.

7. The method of claim 1, further comprising:

initiating, by the processing device, a charge for the calculated rebate amount to a transaction account associated with the financial institution.

8. The method of claim 7, wherein

the initiating step is repeated for the additional payment transaction,

the generated data file is automatically transmitted by the transmitted device at a first interval of time, and

the charge is automatically initiated by the processing device at a second interval of time.

9. The method of claim 8, wherein the first interval of time is shorter than the second interval of time.

10. A system for automated settlement of cardholder rebates, comprising:

a profile database configured to store a plurality of account profiles, wherein each account profile includes data related to a merchant transaction account associated with a merchant registered in a rewards program including at least a merchant identifier and a merchant funding rate;

a receiving device configured to receive a transaction message for a payment transaction, wherein the transaction message includes a plurality of data elements configured to store data associated with at least a transaction amount, a transaction time and/or date, a transaction account number, and a specific merchant identifier, the transaction message being an authorization request for the payment transaction and determined to be associated with a transaction that is eligible for a rebate;

a processing device configured to

identify a specific account profile stored in the profile database where the included merchant identifier corresponds to the specific merchant identifier included in the received transaction message,

calculate a rebate amount based on at least the transaction amount included in the received transaction message,

repeat the receiving, identifying, and calculating steps for an additional payment transaction,

append, to the generated data file, an additional transaction data entry associated with the additional payment transaction, and

generate a data file, wherein the data file includes at least two transaction data entries associated with at least the payment transaction and the additional payment transaction, each including at least the transaction time and/or date, transaction amount, and specific merchant identifier included in the received transaction message and the calculated rebate amount; and

a transmitting device configured to automatically transmit the generated data file to a financial institution associated with the merchant transaction account related to the specific account profile.

11. The system of claim 10, wherein the processing device is further configured to initiate payment of the calculated rebate amount to a transaction account associated with the transaction account number included in the received transaction message.

12. The system of claim 10, wherein the rebate amount is further based on the merchant funding rate included in the identified specific account profile.

13. The system of claim 10, wherein the processing device is further configured to initiate a charge for the calculated rebate amount to a transaction account associated with the financial institution.

14. The system of claim 13, wherein the charge is initiated automatically by the processing device.

15. The system of claim 10, wherein the generated data file is automatically transmitted by the transmitting device at a predetermined interval.

16. The system of claim 10, wherein the processing device is further configured to initiate a charge for the calculated rebate amount to a transaction account associated with the financial institution.

17. The system of claim 16, wherein

the initiating step is repeated for the additional payment transaction,

the generated data file is automatically transmitted by the transmitted device at a first interval of time, and

the charge is automatically initiated by the processing device at a second interval of time.

18. The system of claim 17, wherein the first interval of time is shorter than the second interval of time.