

ABSTRACT**METHOD AND SYSTEM FOR DETERMINING A PREFERENCE INDEX**

A system for determining a preference index comprises a transactions database storing transaction data indicative of a plurality of transactions carried out over a payment network, the transaction data comprising, for respective transactions, payment card identifiers, merchant identifiers, merchant category codes, issuer identifiers, payment device types, geographical locations, transaction amounts, transaction times and transaction dates. The system also comprises a transaction indexing component in communication with the transactions database, the transaction indexing component being configured to generate a database query to query the transactions database to retrieve transactions for a plurality of payment cards within a predetermined time window; and a preference index component. The preference index component is configured to compute a paired merchant preference index for a first merchant matching criterion and a second merchant matching criterion by: generating, from at least a subset of the retrieved transactions, a set of payment card identifiers of payment cards which meet both the first merchant matching criterion and the second merchant matching criterion; generating paired data for the first merchant matching criterion and the second merchant matching criterion, the paired data comprising respective pairs of transaction values for respective members of the set of payment card identifiers; and computing at least one aggregate quantity using the paired data.

Fig. 1