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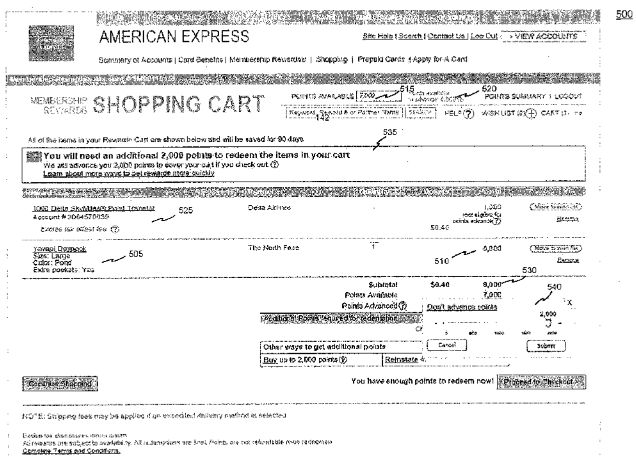
(54) Title: A SYSTEM AND METHOD FOR ISSUING AND USING A LOYALTY POINT ADVANCE



(57) Abstract: A system and method for spending loyalty points over a computerized network to facilitate a loyalty point transaction is disclosed. The system enables a participant of a loyalty program to accept an advance of loyalty point when a loyalty account balance is insufficient to make a desired purchase. An amount of loyalty points available as an advance to a participant is determined based on a number of criteria related to the participant, financial account activity, and loyalty account activity. The participant is allotted a predetermined length of time to earn or purchase enough loyalty points to repay the balance of advanced loyalty points. If, at the conclusion of such predetermined length of time, sufficient points have not been earned to offset the loyalty point advance, the participant is charged the currency value of each outstanding loyalty point. The participant may be assessed interest charges and/or fees at the time of the loyalty point advance, during reimbursement, or at the end of a time period for reimbursement.

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AMENDED CLAIMS

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1. A computer implemented method for issuing a loyalty point advance to a loyalty account to facilitate a purchase, wherein said loyalty account is associated with a participant, said method comprising:

receiving a request to debit said loyalty account, wherein said request includes transaction data relating to a purchase, and wherein said debit reduces an available amount of at least one of earned loyalty points and advanced loyalty points;

calculating a first currency value for said debit of said loyalty account;

determining if said currency value is less than a purchase price for said purchase;

determining said advanced loyalty points available when said currency value is less than said purchase price;

calculating a second currency value for said advanced loyalty points available;

determining if a combination of said first currency value and said second currency value at least one of: meets or exceeds said purchase price;

sending, to said participant, an authorization request to use said advanced loyalty points available for said purchase if said combination at least one of: meets or exceeds said purchase price;

receiving, from said participant, at least one of: an authorization or a rejection based on said authorization request; and,

approving said purchase if said authorization is received from said participant.

2. The method of claim 1, further comprising determining an available amount of said advanced loyalty points based on at least one of loyalty account history, payback history of advanced loyalty points, financial account history, age of said loyalty account, and age of said financial account.

3. The method of claim 1, further comprising allowing said participant a time period to earn loyalty points to offset a balance of said advanced loyalty points that were allocated to said participant.

4. (Canceled)

5. The method of claim 1, further comprising charging said participant on said balance of said advanced loyalty points at least one of a currency based interest charge, point based interest charge, currency based fee, and point based fee.

6. The method of claim 3, further comprising providing an incentive to said participant to offset said balance of said advanced loyalty points prior to expiration of said time period.

7. The method of claim 1, further comprising participant at least one of requesting to combine said advanced loyalty points with another participant, obtaining said advanced loyalty points from another participant account, transferring said advanced loyalty points to an entity, and converting said advanced loyalty points to other value.

8. The method of claim 1, wherein said step of receiving a request to debit said loyalty account comprises debiting said advanced loyalty points from another participant.

9. The method of claim 1, further comprising requiring another participant to at least one of earn back at least a portion of said advanced loyalty points and pay back at least a portion of a currency value of said advanced loyalty points.

10. The method of claim 1, further comprising receiving a request to purchase additional loyalty points when a sum of said amount of earned loyalty points accumulated by said participant and said advanced loyalty points available to said participant is not sufficient for said purchase.

11. The method of claim 1, further comprising receiving a request to purchase additional loyalty points when at least one of said amount of earned loyalty points accumulated by said participant and said advanced loyalty points available to said participant is not sufficient for said purchase.

12. A computer implemented method for issuing a loyalty point advance to a loyalty account to facilitate a purchase, wherein said loyalty account is associated with a participant, said method comprising the steps of:

converting an amount of earned loyalty points to a first currency value using a computerized conversion processor;

determining if said currency value is less than a purchase price for said purchase;

determining advanced loyalty points available when said currency value is less than said purchase price;

converting said available advanced loyalty points to a second currency value using a computerized conversion processor;

determining if a combination of said first currency value and said second currency value at least one of: meets or exceeds said purchase price;

sending, to said participant, an authorization request to use said advanced loyalty points for said purchase if said combination at least one of: meets or exceeds said purchase price;

receiving, from said participant, at least one of: an authorization or a rejection based on said authorization request;

applying said currency value as a credit to a second account if said authorization is received from said participant, wherein said second account is stored on a second database system; and,

approving said purchase based on said second account.

13. The method of claim 12, wherein said second account is a participant's financial transaction account.

14. The method of claim 12, wherein said second account is at least one of a third-party financial transaction account, a stored value account, and an online digital wallet account.

15. The method of claim 12, wherein said credit is applied to at least one of a gift product and a secondary transaction number.

16. (Canceled)

17. The method of claim 1, further comprising the steps of:

transmitting, to a website associated with a merchant, said purchase price and an account code for a purchase authorization, by an account provider system, of said purchase of an item, wherein said account code is obtained by:

transmitting, to said account provider system, an account code request for a obtaining of said account code;

transmitting, to said account provider system, a load request for associating a monetary load value with said account code, wherein said monetary load value is determined based on a conversion of at least one of: said earned loyalty points accumulated and said advanced loyalty points available to said monetary load value;

transmitting payment information to obtain said purchase authorization of said payment information and to cause an association of said monetary load value with said account code;

receiving, from said account provider system, said account code for providing to said merchant as a form of anonymous payment for said item, wherein information sufficient to identify a user of said account code is not provided to said merchant;

receiving a challenge based on said purchase, wherein said challenge is passed to an intelligent token for processing said challenge, wherein said intelligent token generates a response to said challenge;

sending a response based upon said challenge to said account provider system, wherein said account provider system processes said response and verifies said intelligent token and assembles credentials for said request for an authorization at a first server, said credentials comprising at least one key;

receiving a portion of said assembled credentials; and,

sending a second request to said account provider system, said second request including said portion of said assembled credentials, wherein said account provider system validates said portion of said assembled credentials with said key of said assembled credentials to facilitate a purchase of said item using said account code and determines when said account code is equal to one of a plurality of valid account codes; and,

wherein when said account code is equal to one of said plurality of valid account codes, said account provider system compares said purchase value to said monetary value associated with said account code to determine when said monetary value exceeds said purchase value and, wherein when said monetary value exceeds said purchase value, said account provider system sends a purchase authorization message authorizing said purchase transaction and, wherein said account provider system subtracts said purchase value from said monetary value associated with said account code to obtain a first updated monetary value associated with said account code.

18. The method of claim 1, wherein calculating said first currency value and calculating said second currency value are based on a point-to-currency ratio.

19. The method of claim 1, further comprising:

receiving a Stock Keeping Unit (SKU);

determining a point-to-currency conversion ratio based on said SKU; and,

calculating at least one of: said first currency value and said second currency value based on said point-to-currency ratio.

20. The method of claim 1, further comprising associating a secondary account code with said loyalty account.

21. The method of claim 1, further comprising:

sending an activator utility to a client computer, wherein said activator utility is configured to read tag-level data in a web page to identify a merchant payment page;

receiving, from said client computer, a payment indicator, wherein said payment indicator is constructed by said activator utility based on a determination that said client computer has accessed said merchant payment page;

retrieving information from a loyalty program system, including said available amount of at least one of earned loyalty points and advanced loyalty points; and,

alerting said participant, at said client computer, of said available amount of at least one of earned loyalty points and advanced loyalty points that may be applied to a purchase at said merchant payment page.

22. A computer implemented method for crediting loyalty points to a loyalty account, wherein said loyalty account is associated with a participant, said method comprising the steps of:

receiving a credit having a currency value;

determining if said credit is based on a previous purchase, wherein said previous purchase was facilitated using loyalty points;

converting said credit having currency value to a loyalty point balance;

crediting said loyalty point balance to said loyalty account.