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Q&A on the News

Q: With all the news items regarding identity theft and hackers getting into various retail stores databases, why do they store credit card numbers of their customers?

—Alex Norman, Decatur

A: There are three major reasons why retailers store credit card information, said Denish Shah, assistant professor of marketing at Georgia State's J. Mack Robinson College of Business. Many times customers return items without a receipt, and in such a scenario, stored information is useful in tracking customer transactions, he said.

Also, credit card transaction data help stores understand purchasing behavior and that information is used for marketing. Many retail loyalty programs are linked to credit card usage, he said. Consumers should expect that stores keep their credit card information, said Conrad Ciccotello, director of personal financial planning programs at GSU.