

## From Personalization to Loyalty and Vice-Versa: The Challenge of Our Times



### How is personalization defined today?

Customers are the most significant element of a business enterprise. To achieve success, it is important to ensure their loyalty through personalized offerings and experiences.

Personalization means being able to understand the different needs and preferences of different targets and adequately diversify products and services to establish an experience-based relationship with a customer. This will ensure repetitive selection, loyalty and trust.

In the recent past, personalization was achieved through basic targeting and the rules were simple: create your product, choose your channel, define your consumer and offer accordingly. Nowadays, however, personalization is much more complicated.

On average, global consumers\* use two to three different channels for purchases – six out of ten make purchases online while 13 percent have not conducted even one physical purchase in a one-month period. At the same time, multi-channel purchases lead to multi-mode payments; global consumers use a mean of two to three payment methods and the choice is mainly defined in relation

to the purchase channel. Also, in terms of preferred payment methods, hard cash is directly rivaled by plastic!

Today, personalization dictates the use of new technologies, sophisticated CRM tools and creative solutions. By leveraging the advantages of the latest technologies, such as big data analytics, artificial intelligence and virtual reality, business can build personalized experiences to satisfy and retain its customer base.

Adaptation and experience-based targeting is even more important for current and potential players of games of chance, which are 75 percent of global consumers. Being more progressive, open-minded and technologically advanced than the average consumer, players are very diverse in terms of habits, lifestyle and preferences; thus, they tend to appreciate a personalized approach more than non-players. They are ready to interact with operators that understand them and serve them in a linear but multi-platform manner.

### Does personalization equal loyalty?

Personalization is one of the most significant factors when it comes to customer attraction and retention. Loyalty

schemes are labeled as the most tangible and convenient tool for operators to retain their customer base.

At the same time, loyalty schemes are also appreciated and used by more than six out of ten consumers; interestingly, players of games of chance use loyalty scheme benefits to a greater extent, reaching 75 percent.

As expected, loyalty cards are the primary tool, but more advanced methods, such as mobile apps and e-accounts, are on the rise and one quarter of consumers already prefer them. In terms of benefits, real-value returns are highly appreciated; as such, monetary benefits, be it discounts, rebates or freebies, are expected by the majority of consumers.

Global consumers express a growing interest in the personalization of services: Monetary benefits are expected by 74 percent to be adjusted to individual preferences and habits; almost half of consumers would appreciate non-monetary “privileges,” such as personalized offerings, priority service, VIP treatment or access to exclusive merchandise. Again, players seem to lead the way and expect services to be adjusted to their personal preferences to a greater extent.

Beyond these, as loyalty schemes expand, personalized mobile or online

"tips" on how to make better use of their benefits is appreciated by six out of ten consumers.

In the B2B market, personalization is still a challenge and not yet a fully-endorsed "project." As is the current standard, only those who offer games of chance seem more progressive and open; more than nine out of ten offer some type of loyalty benefits and, most importantly, through a variety of vehicles. Thus, the use of a mobile app ranks second among gaming companies with an impressive 38 percent, right after the classic loyalty card, which holds 54 percent.

Again, as the early-adopters in the market, gaming companies almost equally offer both monetary and non-monetary benefits to their customers, reaching a mean number of three types of benefits each.

### How much more personal can we really get?

Personalization is based on adaptation and empathy – the ability to understand who the player is and to provide diversified offerings in a diversified manner through multiple channels, targeting each one on a personal level. In the rapidly-changing gaming industry, every player is at the center – a player who connects and switches across multiple brands, products and channels and who is becoming more and more identifiable. Personalization and ad-hoc targeting and treatment is crucial for gaming operators who want to be ahead of competition.

As a global leader, INTRALOT has anticipated this need and has an advanced CRM platform that enables true personalized connection with the players. We offer the ideal solution for any gaming operator who aspires to be genuinely player-centric.

Products such as INTRALOT's Player Pulse include a real time, multi-level targeting engine, which takes into account not only personal characteristics but also players' interactions at every touchpoint – retail and online, game and financial activity, and loyalty level. Numerous types of promotions (from simple achievements to complex combination of rules) and bonuses, designed ad-hoc down to the level of game attributes, can address personalized player needs, whereas an advanced loyalty engine gives players points, based on multiple, fully configurable criteria and with diverse prizes per segment and loyalty level. ■

#### \*The Profile of the Study

A quantitative online study conducted via distinct pre-structured questionnaires that addressed 11,000 consumers, aged 18-54, residents of urban centers in 11 countries and 2,107 retailers, either involved in gaming or not, in 12 countries, across five continents (North America, South America, Europe, Asia and Australia), during August and September 2017. The study was led by Focus Bari S.A., a leading Greek market research agency, with the cooperation of SSI and Isra Center.

