



1,495 views | Feb 21, 2020, 08:52pm EST

How Digital Gift Card Businesses Are Using Big Data To Boost Customer Experience

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Enterprise Tech

After having passed almost 2 months in 2020, and another season of holiday shopping has gone by. With eCommerce slowly providing meaningful options to visiting traditional retail stores, more customers are turning to online shopping for its convenience and broader access to various products.

What came along with online shopping is the concept of digital gift cards – a strategy that businesses use to attract customers' attention and earn their loyalty. Besides attracting more sales for businesses, digital gift cards make it easier for customers to solve their gift shopping dilemmas. After all, everyone likes a gift card that gives them the freedom to choose any product they want. Companies such as Prezzee, Blackhawk Network, and Incomm have already taken advantage of the rising trend of digital gift card exchange.

Why Did Digital Gift Cards Take Over?

The global gift card market has multiplied in the past decade to over \$300 billion (US) in size. Retailers love the idea of gift cards because they attract new customers to their store. Most of these customers end up spending more money than it is valued on the gift card, thus opening extra streams of revenue and profit for the business. The only thing better than the good old gift cards are the new digital ones.

Thanks to advancements in technology surrounding online monetary transfers, customers can now access all kinds of digital gift cards in a few clicks. This is also creating a significant advantage for businesses that can use big data to form digital gift card systems. Creative use of big data can lead to substantial benefits, including better customer acquisition and retention, improved campaign focus, and targeting, as well as a better understanding of potential risks along the way.

It is also important to mention that advances in machine learning have led to more opportunities for creating better real-time offers for customers. Like Prezzee, Epipoli, one of the leading European gift card companies, has taken advantage of machine learning in improving its value transfer systems.

Australia's largest eGift cards dealer, Prezzee, offers a digital gift card application that's being used by over 120 retailers, makes it simple and fast to give, receive, and store digital gift cards, as well as customize each one for better customer experience. "Retailers can no longer afford to guess what customers want nor wait a few hours after the stores open.

They need to own and maintain complete, direct control of all their data. Doing so opens an opportunity to derive predictive insights on consumer behavior, interest trends, and potential operational improvements and risks and automate responsive adjustments,” shares Shaun Bonétt, co-founder of Prezzee. He adds that “at the same time, customers do not want to be promoted-to anymore. They want that unique experience, that personalized, intimate, just-for-me care.”

Companies such as Incomm and Blackhawk Network, have been present in the gift card space for decades. Blackhawk Network was founded way back in 2001 as a supporter for the management and distribution of branded value, a.k.a. Gift cards. They provide unique solutions for sending and receiving gift cards on a global level. Incomm is another provider of software solutions, mainly payment platforms that allow businesses to transfer value securely. Companies in all industries can integrate Incomm to create their own digital gift card systems.

Overall, digital gift cards are a win-win tool for businesses that want to attract new customers and increase customer retention. In this phase, it seems that using machine learning on the big data that digital gift cards created is becoming a game-changer on customer experience.



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