

Using Gamification to Incentivize Profitable Behavior

Executive Summary

Buzz Points planned and created a marketing campaign designed to generate interchange revenue for participating community financial institutions (CFIs). The campaign used “gamification” techniques to incentivize cardholders to make more transactions with the participating CFIs’ debit cards than they normally would. The results were significant, immediate, and have sustained for months after the campaign ended.

Strategy

Buzz Points created the Pot O’ Points Challenge, which ran throughout the month of March. Using intelligent data analytics, the campaign was tailored to each individual cardholder.

These cardholders were challenged to do seven more debit card transactions in March than their personal monthly average (based on their own debit card activity over the past six months). Those that won the challenge received 500 bonus points on top of the standard reward points they earned for the purchases.

In addition to existing Buzz Points enrollees, the campaign was also open to non-enrollees, with the secondary goal of getting more cardholders engaged with the Buzz Points rewards program. As Buzz Points enrollees are proven to be more loyal and generate more non-interest income, boosting enrollment can have long-term positive effects for the partnering CFIs.



Results

- Campaign winners averaged 53.7 transactions during the campaign! A lift of 19.9 transactions.
- Combining winners and non-winners, the campaign drove a transaction lift of 7.5 for existing Buzz Point enrollees and 9.6 for new enrollees.
- 3 months after launch, transaction lifts sustained at 13.4 for winners, 6.0 for existing Buzz Points enrollees, and 8.4 for those who enrolled during the campaign.
- 36% of Buzz Points enrollees “won” the contest, an additional 18% of non-enrollees won.
- New enrollment during the campaign was more than 2X the typical average.

See Appendix for charts and tables with more detailed results.

Execution

Buzz Points created and delivered all Pot O' Points materials and handled all logistics for the participating financial institutions at no additional cost. A strategically timed series of emails was sent to all account holders with a valid email address, with different versions based on the cardholder's status.

1. Launch Email

- Two different versions for current enrollees and non-enrollees

2. Progress Engagement

- Customized to recipient's activity and progress
- Versions for enrollees and non-enrollees
- Mobile SMS push notification

3. Special Offer

- Versions for enrollees and non-enrollees
- Mobile SMS push notification

4. Final Week

- FOMO (Fear Of Missing Out) message to cardholders with no engagement

5. Conclusion

- Sent to winners with redemption code
- Separate "you could have earned" version sent to non-enrollees (huge enrollment tool!)



The image above shows a sample of a personalized campaign piece that showed the individual recipient their progress in the contest.

Consistent, Sustained, Profitable Results

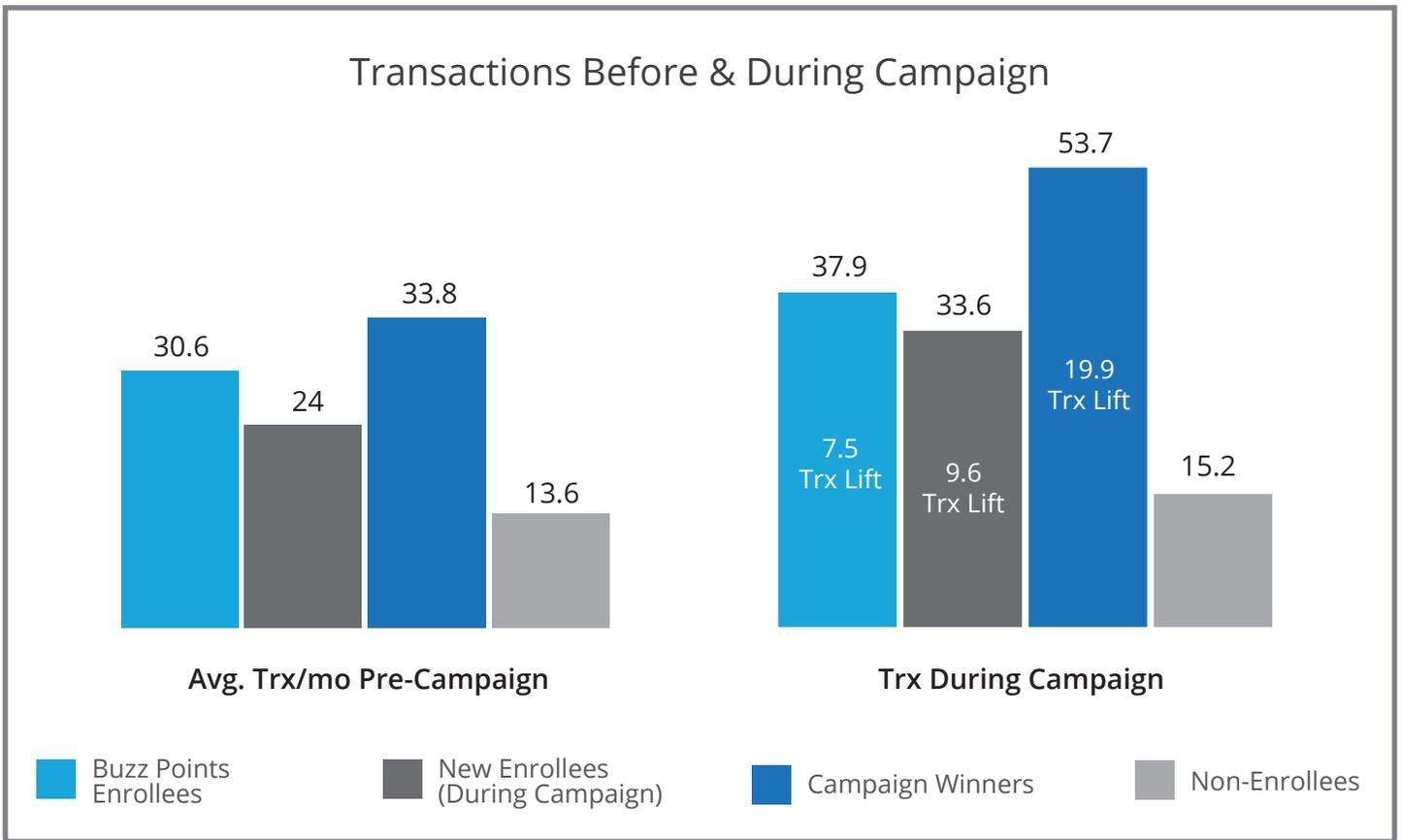
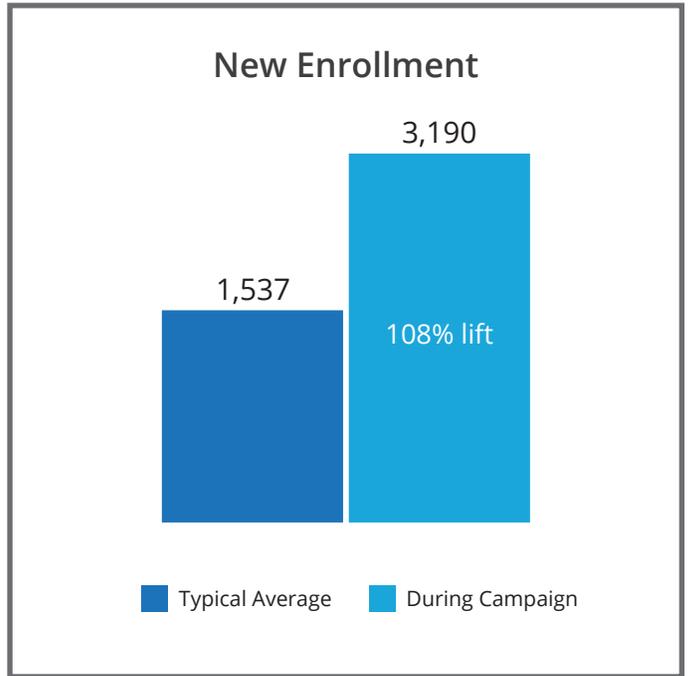
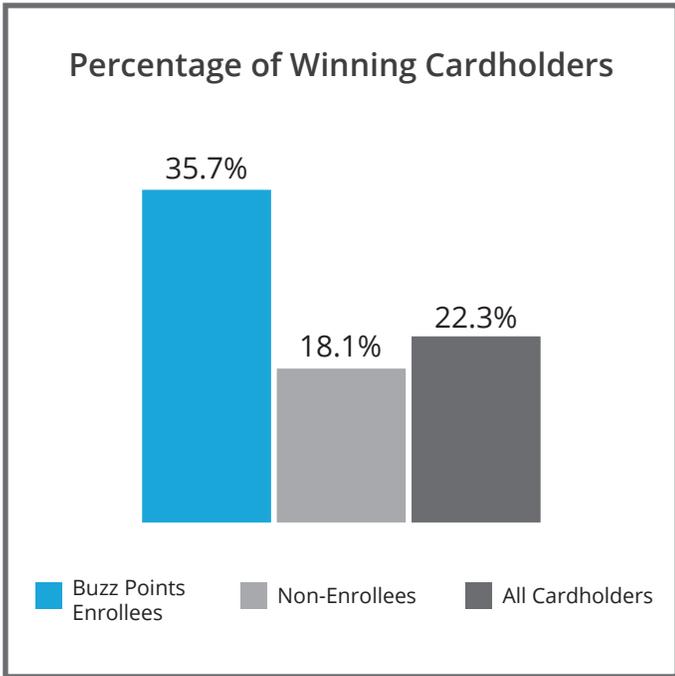
Winners averaged an increase of 20 debit transactions during the campaign, well above the challenge to beat their own average by seven transactions.

The positive results remained consistent across the 30 community banks and credit unions that opted to participate in the Pot O' Points Challenge. These CFIs ranged in asset size from \$13M to \$7B, and were spread across the nation.

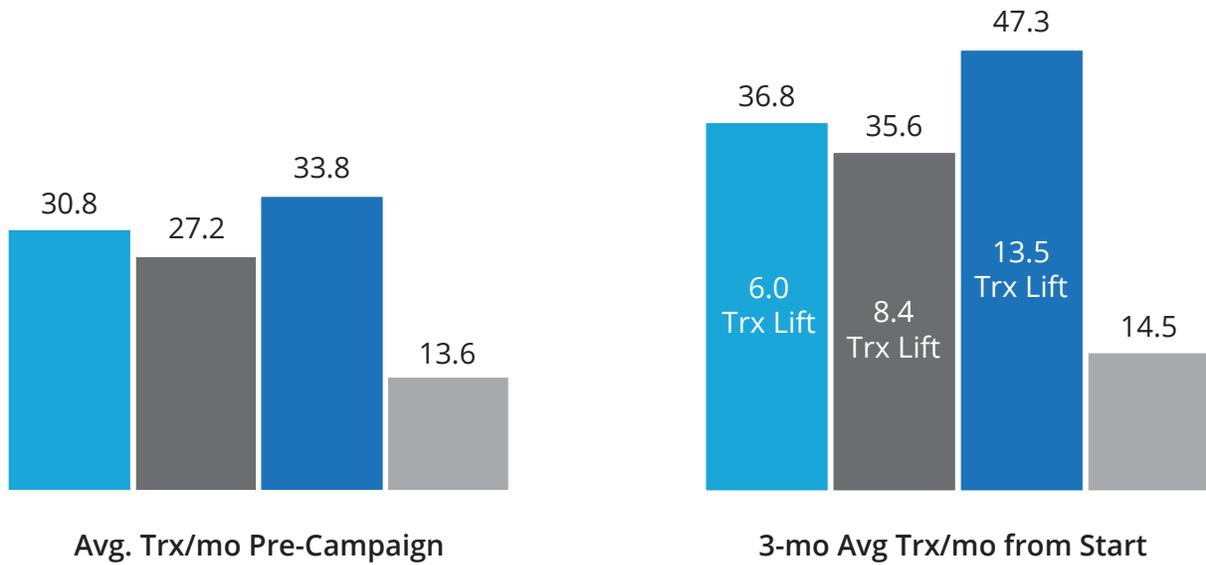
Perhaps most illuminating, the lift in profitable behavior remained months after the incentive had ended. While the transaction lift was expectedly highest in March during the campaign, it has remained strong in April and May (the two months for which data is currently available).

Adding to the success was the turn-key nature for participating financial institutions. Buzz Points not only executed all aspects of the campaign at no additional cost, they also incurred the liability for the points awarded, which is part of the Buzz Points model.

Appendix



Sustaining Lift After Campaign



■ Buzz Points Enrollees
 ■ New Enrollees (During Campaign)
 ■ Campaign Winners
 ■ Non-Enrollees

Sample FI Breakdown

	Winners	Pre-Campaign Avg Trx/Acct	During-Campaign Avg Trx/Acct	After-Campaign Avg Trx/Acct	Total # Trx Lift
Sample FI 1 Assets: \$7B	9,311	32.3	54.1	21.8	203,247
Sample FI 2 Assets: \$600M	7,826	31.2	50.8	19.6	153,543
Sample FI 3 Assets: \$400M	5,829	36.1	54.6	18.5	107,598



Buzz Points®
rewards@buzzpoints.com
 (855) 499 - BUZZ