

GETTING SMART about LOYALTY

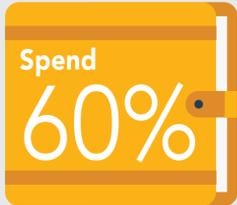
Retailers have been using loyalty programs to build customer relationships and encourage repeat purchases for centuries. As early as the 1700s, American retailers were offering customers copper tokens with purchases that could be redeemed at a later date. Today, technology means retailers can be much 'smarter' about their approach, monitoring behavior and purchasing habits of individual shoppers to personalize offers and drive sales. From startups to 'one of every corner' operations, loyalty is a scalable and worthwhile investment.

LOYALTY – the BOTTOM LINE!

Engaged customers:



more frequently (Rosetta)



more per transaction (Rosetta)



CHOOSING the WINNING FORMULA

37%

of consumers prefer card-based programs

33%
prefer digital programs

30%

are not sure



Hybrid programs (combining apps and smartcards) cater to everyone



Almost 60% of customers are more likely to join a rewards program that offers a smartphone app

SMART LOYALTY: benefits of a HYBRID PROGRAM

Make rewards more personal based on:



Purchasing history



Location



Leverage NFC for easy integration between smart cards and apps; details can then be shared between the card and smartphone in a single tap

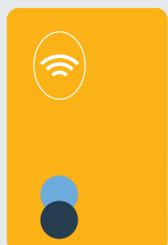
Easily integrates with increasingly popular payments methods e.g. contactless and mobile (mobile payments are set to increase by 1000% in 2015 according to Deloitte)



Consumers can monitor progress using apps, so they know how many more coffees they have to buy to get a free one for instance



Design freedom for a variety of form factors like key fobs, wrist bands and stickers



Increases functionality with ability to store more personal data due to encrypted security on smart cards and smartphones



Multi-application capability (transport, access, payment) – all in one card

NXP: EMPOWERING LOYALTY PROGRAMS

NXP is a co-founder of NFC, which underpins smart loyalty solutions, and offers a comprehensive range of secure technology to support the spectrum of loyalty programs (including MIFARE4Mobile and MIFARE SDK). For more information, please visit <http://bit.ly/1BCuYUN>.

