

# Leading 10 brands to ace customer rewards



## Introduction

### Crowdsourcing for impact

A Japanese NGO created a game called "Guardians of Steel and Concrete", where citizens collect and report infrastructure damage. The first task was called "Manhole Crusade".

They gamified manhole maintenance by turning the public into active participants. Users in select regions:

1. Identified deteriorating manholes
2. Submitted photos to a central database for maintenance teams
3. Earned TUB points by discovering ore veins with their dog companion and digging up treasures (gold, silver, bronze) in the game.



Fig 1.1: Citizens identifying and uploading pictures of manholes on the app

**Result:** When tested in Tokyo's Shibuya ward, **10,500 manholes** were documented in just three days—a task that would have taken city engineers several years to complete using traditional methods.



Fig 1.2: Guardians of steel and concrete

## Impact on citizens & rewards system:

1. Empowered & engaged citizens:
  - Transforming citizens into heroes by making them key players in urban maintenance.
  - Gamified public service turns reporting issues into an exciting and rewarding experience.
  - Stronger community connection through teamwork and civic participation.
2. Motivation & recognition through rewards:
  - Motivates continuous participation with incentives and achievements.
  - Encourages proactive citizenship by fostering responsibility for public spaces.
  - Creates a sense of achievement through earned points, rankings, and rewards.

## Experience-led growth

Companies that embrace experience-led growth achieve 20% higher customer satisfaction and 15-25% higher cross-sell rates. This approach goes beyond simply offering products or services—it creates immersive experiences that captivate, engage, and retain users.

How does it work? By reimagining customer journeys with gamified interactions, businesses can transform routine touchpoints into compelling and rewarding experiences. Whether in urban maintenance, retail, or customer service, gamification:

- Drives engagement by making interactions fun and interactive.
- Builds loyalty through reward systems that keep customers coming back.
- Enhances participation by encouraging active customer involvement.

## Gamification market size

The global gamification market size is estimated at **US \$19.42 billion** in 2025, and is expected to reach US \$61.30 billion by 2030, at a CAGR of 25.85%.

## Key components of gamification

The goal of gamification in CX is to motivate customers to engage more deeply with a brand, thereby enhancing their overall experience.

Here's how these game mechanics are utilized:

- **Points & rewards** – Customers earn points for actions like purchases, reviews, or social shares.

- **Badges & achievements** – Customers unlock badges for milestones, such as repeat purchases or referrals.
- **Leaderboards** – Ranking systems encourage competition by showcasing top customers based on engagement, motivating others to participate.
- **Challenges & quests** – Structured tasks prompt customers to explore new products, complete specific actions, or engage with events in a fun, goal-driven way

## Best practices in customer engagement across industries

### Ride-hailing

#### 1. GRAB

##### For driver engagement:

**Goal:** Find the right balance of incentives to keep drivers engaged without over- or under-rewarding.

##### Gamified features:

- Spin-to-Win, a familiar and engaging game, offering monetary and merchandise rewards for completing rides.
- Regular reminders and win celebrations that kept drivers motivated.

##### Impact:

- Increased driver participation through a well-balanced incentive system that was both rewarding and sustainable leading to a 23% increase in rides.
- Behavioral change was evident, with willingness to take passengers rising by 5% in Week 1 and 12% in Week 2.

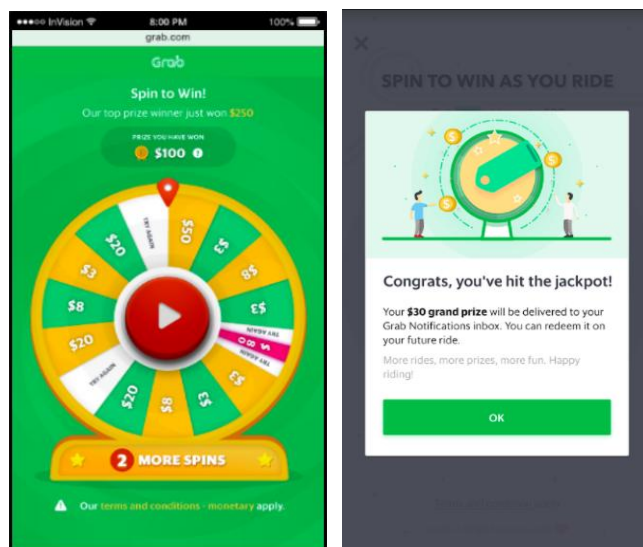


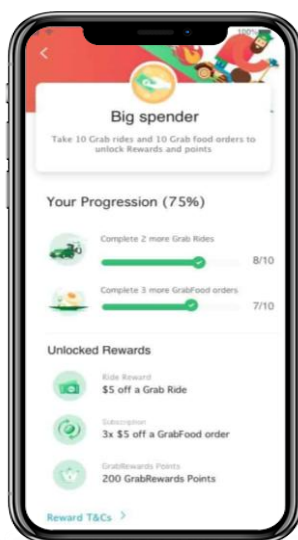
Fig 2.1: Grab rewards

**For customer engagement:**

**Goal:** Improve customer experience by addressing cancellations and expanding the rewards program across services.

**Gamified features:**

- 30 GrabRewards points for passengers affected by cancellations, credited within 24 hours.
- Earn points not only for rides but also for food delivery and express services.
- Tiered program with unique benefits and extended point validity.
- In-app challenges where users complete tasks across transport, food, parcel delivery, and e-payments to earn rewards.



**Chomphon** for GrabFood



**Grabzilla** for GrabCar

Fig 2.2: Grab rewards for customers

Fig 2.3: challenge characters

**Impact:** Enhanced engagement and satisfaction by providing more ways to earn and redeem points across multiple services, making the program more rewarding and valuable for customers.

## 2. UBER

**For driver engagement:**

**Goal:** Motivate drivers to stay active, complete more rides, and enhance service availability.

**Gamified features:**

- Introduced ride-based incentives, achievement badges, and streaks, rewarding drivers for continuous rides.
- Leaderboards added a competitive element, encouraging higher participation and performance.

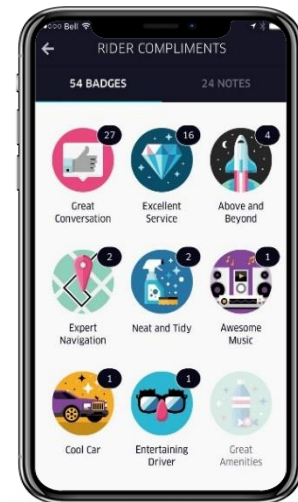


### Impact:

- Increased driver engagement
- Boosted ride completion rates
- Median hourly earnings for Uber drivers in major U.S. cities rose significantly due to incentives
- Improved service availability, and revenue growth
- Strengthened market presence and driver retention

### For customer engagement:

**Goal:** Enhance customer loyalty and retention through a structured rewards program.



### Gamified features:

- Implemented the Uber Rewards system, to give back to its loyal customers.
- Introduced tiers with perks such as the removal of cancellation fees
- Developed a progress bar to show how close users are to the next tier.

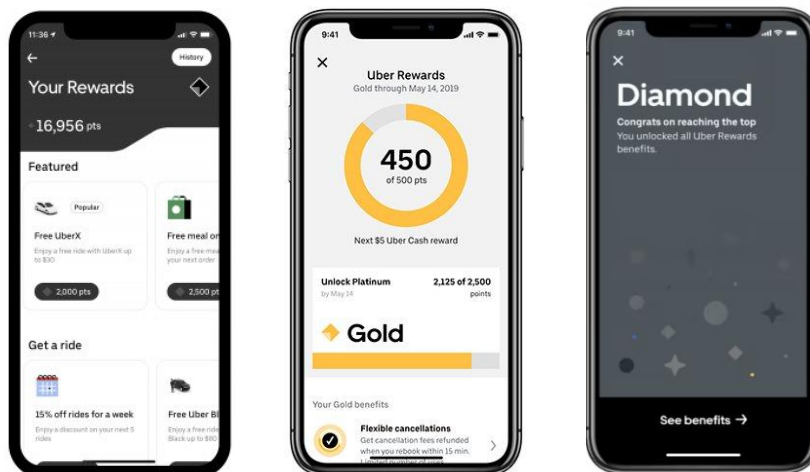
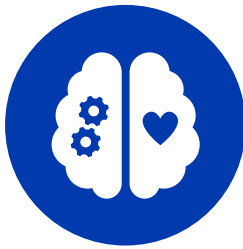


Fig 2.4: Uber rewards

**Impact:** Received 20 million sign-ups in six months.

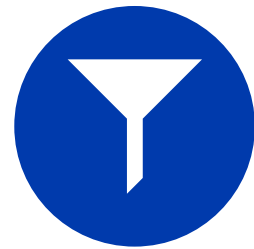
## Learnings for other ride-hailing apps:



Harness behavioral psychology to influence customer and driver behavior at scale



Sustainable reward mechanisms keep drivers engaged long-term, reducing churn and costly recruitment efforts



Refining incentives based on real user data

## Retail & e-commerce

### 1. Amazon India

**Goal:** Increase customer engagement and sales by expanding gamified shopping experiences, aiming for a boost in seasonal sales

#### Gamified features:

- Scratch cards, spin-the-wheel games, and cashback offers.
- Exclusive events like Prime Day are gamified with time-sensitive deals and rewards.
- Amazon's AR View feature (which allows users to visualize products in their space by pointing their camera at a table or room) gamifies the shopping experience.

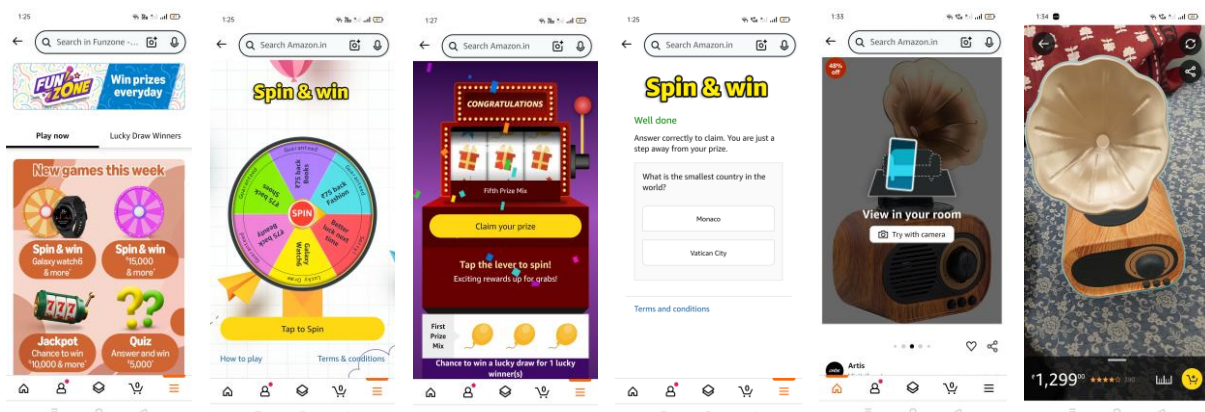


Fig 3.1: Amazon rewards

**Impact:** 15% boost in holiday season sales from interactive promotions. 70% of Alexa users engage with gamified features, enhancing customer retention.

## 2. Sephora

**Goal:** Scale Sephora's rewards program by expanding interactive experiences to boost engagement and repeat purchases.

### Gamified features:

- Beauty insider rewards program: Customers earn points for purchases, which can be redeemed for exclusive products, experiences, and discounts.
- Challenges & mini-Games: Limited-time challenges, quizzes, and interactive experiences that reward users with points or discounts.
- Swipe it, shop it: Inspired by dating app swipe mechanic, the feature offers personalized recommendations and allows users to instantly shop or save favorites.
- Sephora virtual artist: An AR-powered tool that allows users to try on makeup virtually before purchasing.

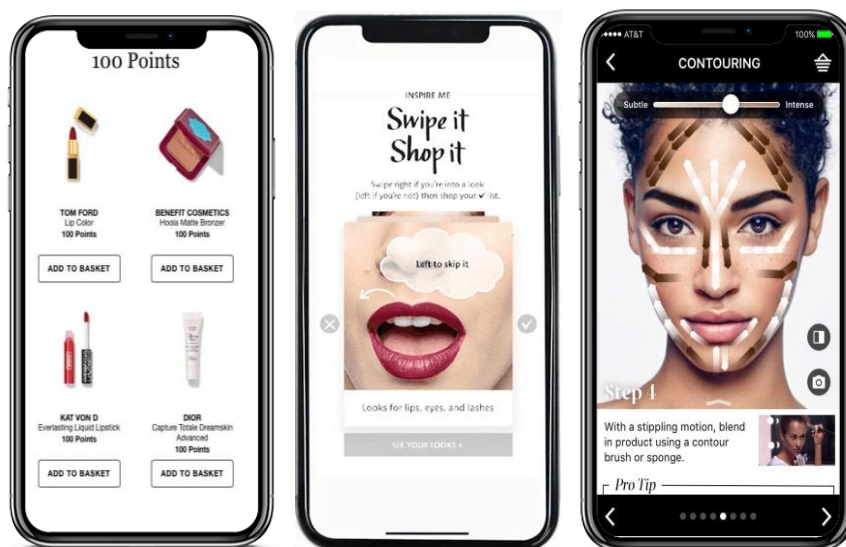


Fig 3.2: Sephora reward points, AR/VR feature

**Impact:** The beauty rewards program grew to 34 million members by 2023, up from 25 million in 2020—a 30% increase. Members accounted for 80% of Sephora's sales.



## Learnings for other retail and e-commerce organizations:



A well-structured loyalty program can boost customer retention and sales



Virtual try-ons and AR visualization enhance customer confidence in purchases



Personalization drives conversions

## Banking

### 1. Monzo

**a) Goal:** Drive deeper app interaction by integrating level-based progress, enabling customers to level up as they engage more.

#### Gamified features:

- Badges for tasks
- GPE (Get paid early) to enhance engagement.
- Card freezing and defrost for security
- Jars to help users save for personal goals or fundraising.



Fig 4.1: Monzo GPE, Card freezing, jars to save for personal goals

**Impact:** Strengthened customer loyalty through seamless savings, exciting rewards, and interactive banking, making Monzo more engaging and customer-centric.

**b) Goal:** Help customers develop a consistent savings habit with minimal effort.

**Gamified features:**

- Introduced the 1p Savings Challenge, where users start with 1p on day one, increasing daily, leading to £667.95 saved in a year.
- Automated process, requiring no manual effort.
- A visual progress bar indicates the completion of several days. The app allows users to "Catch up" by adding missing amounts if they have skipped any days.
- To boost engagement, Monzo offers a £10,000 prize draw, monthly £100 prizes for premium users, and 4.1% AER interest on savings.

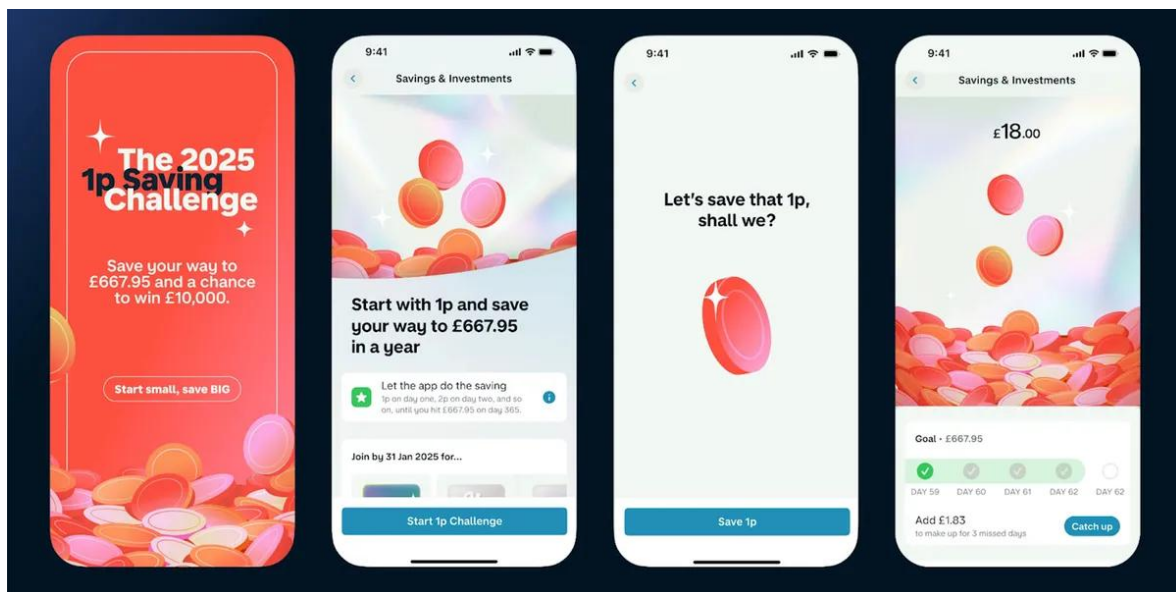


Fig 4.2: 1p saving challenge

**Impact:** Encouraged long-term saving behavior while enhancing customer engagement and loyalty through automation, rewards, and gamification.

## 2. Extraco Bank

**Goal:** Increase customer acquisitions and conversions by using interactive elements to seamlessly transition customers from free checking to bonus banking accounts.

**Gamified feature:**

- Interactive online game featuring a character named James, who guided users through a series of questions about their banking habits.

- Questions included details like how often they used debit cards or paid bills online. Based on their responses, James provided personalized tips on how to reduce or eliminate the \$7.95 monthly fee and even earn rewards like \$50 cashback.

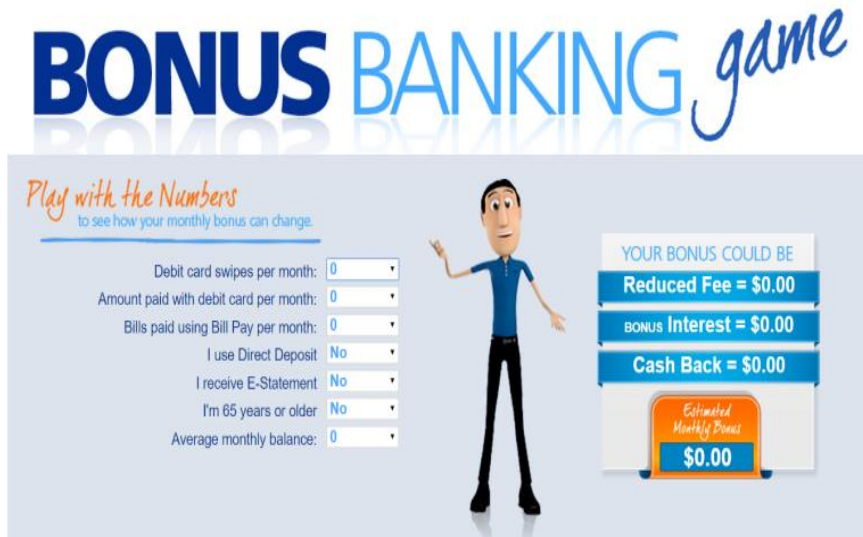


Fig 4.3: Extraco bank quiz

**Impact:** The game attracted 4,250 visitors i.e customer acquisitions rose by 700% and achieved a 14% conversion rate, significantly surpassing the usual less than 2% rate.

### Learnings for other banks:



Positioning banking as a fun and rewarding experience, sets brands apart from traditional competitors



Gamified security features add fun while ensuring safety



Interactive challenges turn passive saving into an engaging habit

## Food delivery

### 1. Zomato

**Goal:** Drive customer growth and repeat orders by fostering habit formation through interactive and rewarding experiences.

#### Gamified features:

- Zomato gold & pro memberships – Exclusive perks and discounts for members, structured as a progression-based system to encourage frequent platform use.
- Streaks & challenges – Users earn rewards for completing ordering streaks within a set timeframe, driving habit formation and repeat purchases.
- Zomato premier league – A fantasy cricket game during IPL where users predict match outcomes to win discounts, increasing orders during peak sporting events.
- Interactive content & quizzes – Polls, themed quizzes, and social media challenges that keep users engaged and incentivize transactions through rewards.

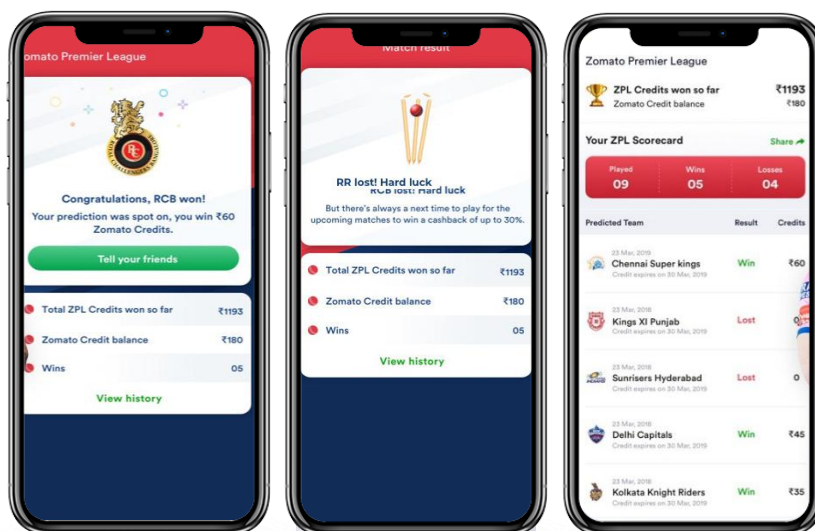


Fig 5.1: Zomato premier league

#### Impact:

- 25% YoY growth in user base
- US \$6B gross order value in FY 2023
- 40% of Zomato users cited gamification as a key reason for platform loyalty.

### 2. Foodpanda

**Goal:** Drive repeat purchases, boost customer retention, and differentiate Foodpanda in the competitive quick commerce market

**Gamified features:**

- Panda rewards & stamp cards – Customers earn points and stamps for transactions, with exclusive prizes like limited-edition gold bars to drive repeat orders.
- Treasure hunt– A city-wide hunt for hidden coins (worth up to SGD \$50,000) incentivized purchases by integrating scratch cards and virtual currency within the app.
- Balanced brand & performance marketing – A shift from digital-only marketing to offline activations (pop-ups, out-of-home campaigns) leveraging Pau-Pau's (mascot) strong visual identity.



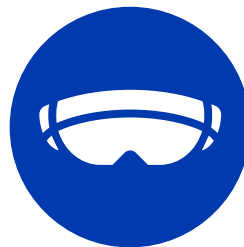
Fig 5.2: Foodpanda rewards

**Impact:**

- 100% Increase in active users for stamp cards – Gamification led to a significant rise in customer participation.
- 10x growth in new customers from treasure hunt campaign – The interactive campaign boosted Pandamart's customer acquisition.

**Learnings for other food delivery apps:**

Tiered loyalty programs with premium perks to enhance customer stickiness



Integrate gamification elements like scratch cards and virtual currencies to increase order frequency



Interactive campaigns such as premier leagues and treasure hunt to engage customers beyond transactions



## Telecom

### 1. T-mobile

- a) **Goal:** Develop a unique and engaging rewards program that makes customers feel genuinely valued while enhancing their knowledge of the app's benefits.

**Gamified feature:** Introduced an Easter Egg Hunt within different sections of the app, encouraging users to explore and discover rewards in a fun, non-traditional way while simultaneously learning about the app's features.

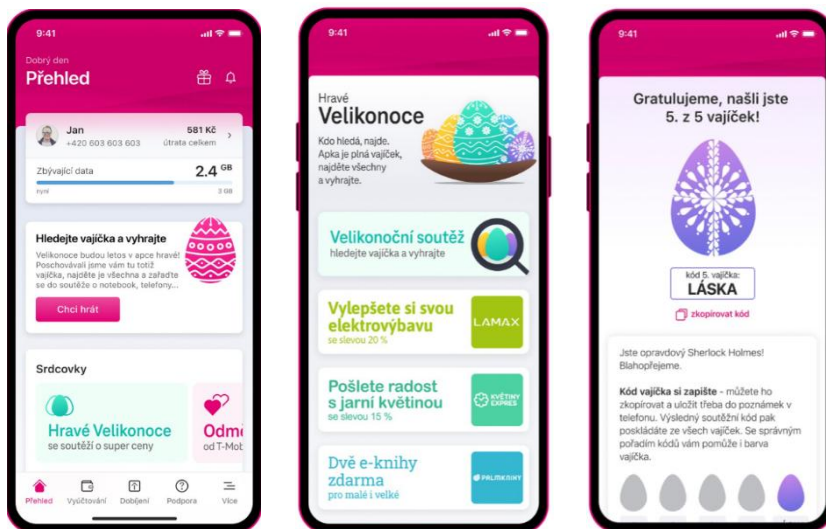


Fig 6.1: T-mobile easter egg hunt

**Impact:** Engaged more than 100,000 users (being a significant portion of the app users) who, at the same time, became true and active experts in using the mobile app.

- b) **Goal:** Differentiate T-Mobile by prioritizing customer appreciation through engaging experiences.

**Gamified feature:** Launched *T-Mobile Tuesdays*—the industry's first customer appreciation platform, delivering weekly rewards, exclusive deals, and exciting brand partnerships.

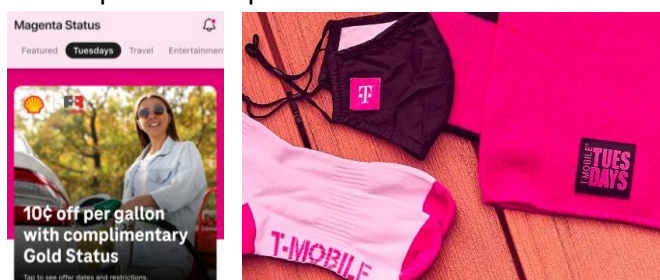


Fig 6.2: T-Mobile Tuesdays weekly rewards

**Impact:** Since its launch in 2016, T-Mobile has provided over \$1.5 billion in perks and discounts through this program, reinforcing customer loyalty and differentiating itself as an "Un-carrier" focused on customer appreciation. The program achieved the following results:

- Over 50 million registrations
- 300 million partner claims
- US \$1.5 billion in customer value delivered

## 2. Verizon

**Goal:** Boost traffic to the Verizon Insider website by creating a socially connected online community that enhances customer engagement and interaction.

**Gamified feature:** Implemented Gigya's Social Gamification Platform, rewarding users with badges for interactions like commenting, sharing, and participating in contests.

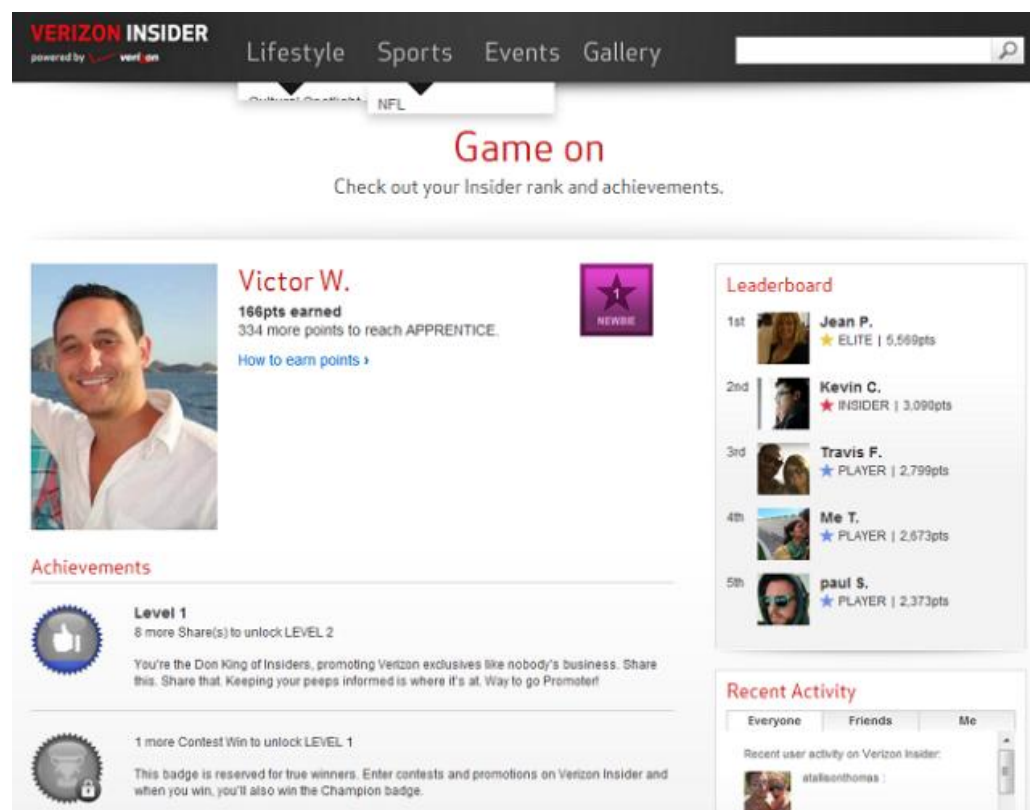


Fig 6.3: Verizon insider

**Impact:**

- 50% of site users actively engaged in the gamified environment.
- Customers logging in via Social Login spent 30% more time on the site.
- 15% more page views were generated by Social Login users compared to traditional logins.

- Strengthened Verizon's ability to understand and interact with its social audience, driving deeper engagement.

### **Learnings for other telecom organizations:**



Create interactive rewards programs that turn mundane app interactions into exciting, value-driven experiences



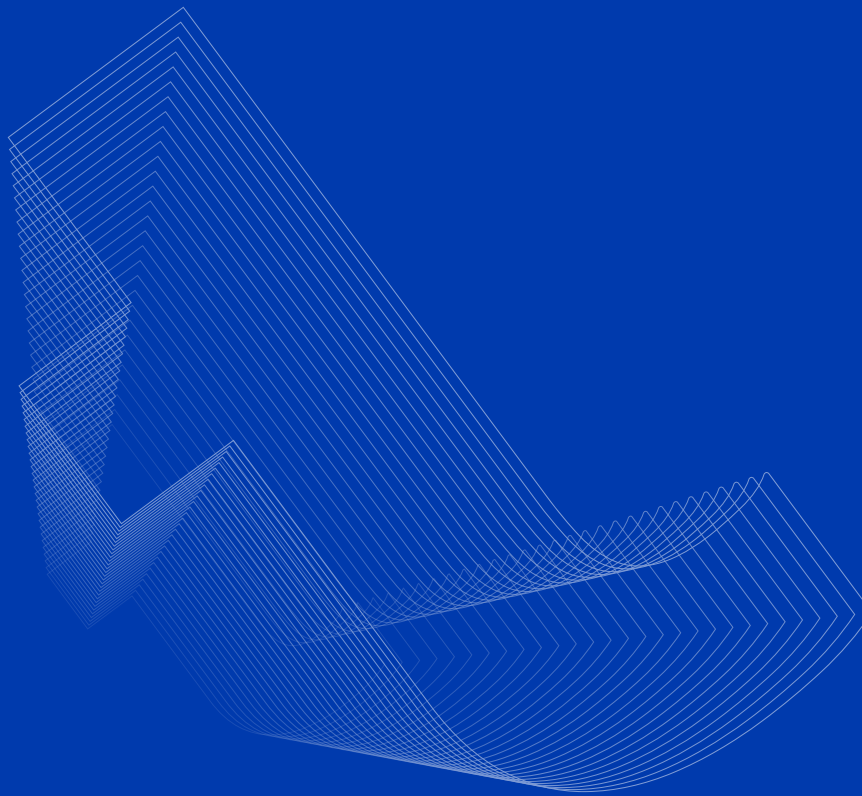
Develop adaptive app interfaces that dynamically highlight relevant services based on individual customer preferences



Track user engagement metrics to continuously improve the app's value and appeal

## References

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10. [Foodpanda](#)
11. [T-mobile](#)



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