



## DRIVING DOWN THE LOYALTY ROUTE

Adopting a gamification approach with loyalty programs has helped TCabs improve the proportion of bookings by repeat customers from 65% to 70%

BY HARSHAL KALLYANPUR

Over the last few years, the idea of premium radio cabs has caught on a lot in India, especially in metros such as Mumbai, Pune and Bangalore. People today, are increasingly using radio cabs for their domestic travel requirements as they offer a more comfortable public transport option in comparison to regular cabs.

Also, as these services are electronically metered and remotely monitored, customers have a sense of satisfaction that they are not being overcharged or cheated and can be fairly assured about their personal safety during travel.

As a result, there has been a spurt of radio cab services in the country, and everyone is gunning for a piece of the pie that is made of up a limited but growing customer base. Pune-based TCabs is a recent entrant into this space. Being a player in a space that caters to a niche set of customers, the company wanted to ensure that it stays ahead of the competition.

Says Bhushan Deshpande, Director, TCabs, "We wanted a surety on business that we retain our existing and returning customers by engaging with them better."

Typical ways of customer retention include discounts or special offers. However, there is nothing new or unique about these approaches and organizations often realize that these approaches do not always work.

# CASE STUDY

**OUT OF ALL OUR CAB BOOKINGS, IF WE HAD 65 PERCENT OF THEM FROM RETURN CUSTOMERS PREVIOUSLY, TODAY IT HAS GONE UP TO 70 PERCENT**



**BHUSHAN DESHPANDE,**  
DIRECTOR, TCABS

**WHEN YOU GAMIFY CERTAIN PROCESSES THAT ARE OTHERWISE PERCEIVED AS BORING, THEY BECOME EXCITING**



**SIDDHESH BHOJE,**  
AVP AT PERSISTENT SYSTEMS,  
AND CHIEF EXPERIENCE OFFICER  
FOR EMEE

Therefore, TCabs looked at deploying a customer loyalty program based on gamification. The company introduced a loyalty program called Tmiles based on Persistent System's gamification engine called eMee.

## Why Gamification?

Explaining the idea behind gamification, Siddhesh Bhoje, AVP at Persistent Systems, and Chief Experience Officer for eMee says, "Games can be an interesting way of influencing individual behavior and getting people to do things that would otherwise seem boring or repetitive. When you gamify certain processes that are otherwise perceived as boring, they become exciting."

Enterprises can look at relationships of individuals such as employees, customers and partners with the organization and bring in gamification to improve the company's performance either internally through better employee engagement or through better customer engagement.

Tmiles was aimed at achieving a similar purpose. The company started rewarding points to customers on every kilometer that they travel with TCabs. Furthermore, if the customer goes and registers on the company website or interacts on the company's facebook page he get additional points. If the customer gives feedback he gets more points.

Deshpande says that in a typical scenario a customer would not care much about giving feedback once his journey is complete, unless it is a negative one. However, with this system of loyalty points it encourages the customer to interact more and give a lot more feedback.

"People are excited to come on the website and share feedback. Now we get direct feedback from the customer. They can see their travel history and give

feedback on their previous trips," says Deshpande.

The regular feedback is also helping TCabs understand their customers better. Due to regular engagement, they know their customers and their preferences.

With gamification, the company can carry out the same process in a manner that the customer finds it a lot more engaging and interesting. For instance, in a typical scenario, a customer books a cab with the company, travels and may or may not use the same service again.

However, if he is offered an added incentive of getting a point for booking the cab, such that these points can be redeemed for additional miles of travel, his likelihood of taking the same service, the next time he requires a cab increases.

It gives him a sense of engagement akin to a game wherein, he wins points for completing a task. Those points give him the ability to acquire additional powers or privileges, which he can use for having an upper hand in the game. The more points he wins, the greater sense of engagement he has with the game, and is more likely to want to play it again.

To ensure greater customer loyalty and brand recall, the company also classifies them into gold, platinum and silver types, based on their levels of interaction with the company and loyalty points. It also increases their chances of getting higher preferences and faster service whenever they need a cab.

Due to this, when choosing between brand A of cabs or brand B, the customer has a sense of realization that with brand A, he gets loyalty points and therefore special treatment, while not so much with taxi B. The chances of him sticking to the brand increase.

## Rewarding growth

Furthermore, the solution also

includes a feature that allows TCabs customers to tweet about traffic conditions. Deshpande is of the view that while this has nothing to do with taking trips, customers are still keen on engaging with the company and there is better brand recognition such that TCabs is on the top of the mind when wanting to hire a radio cab.

At the employee side, the Twitter feature is also extended to the drivers wherein with the help of the call centers, they too can update traffic conditions on the company's Twitter feed.

The gamification engine has made a great positive impact on the company's business as customers now relate to the brand, have a better brand recall and prefer to travel with TCabs. Deshpande also informs that many of the corporate customers understand the culture of loyalty or mileage programs and recognize the fact that that TCabs has a loyalty program.

"This is striking a chord with them. While rates are similar across different cab services, the loyalty program excites them to travel with us," he says.

The company has started seeing a gradual increase in repeat customers. "For instance, out of all our cab bookings, if we had 65 percent of them from return customers previously, today it has gone up to 70 percent. With this we know that there is an assured business and a positive word is spreading about us," says Deshpande.

The company which currently has 25 cabs and plans to expand its business and he believes that as their fleet grows to a much larger number, the loyalty program will start showing a actual impact on their revenues.

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