AI and the Digital Wallet Revolution:

The impact in ticketing, payments & customer loyalty

The world is going cashless↗ and paperless...which means you can say goodbye to bulky billfolds and physical wallets stuffed with your loyalty cards you forgot you subscribed to, tickets to events you can't afford to lose, and cash that can easily get stolen.

This is the world of digital wallets. Digital wallets are accessible from your smartphone or other devices that are secured through encryption and other methods.

The Ins and Outs of Digital Wallets

Digital wallets can vary from provider to provider, and not all are made equal. An ideal digital wallet is assigned to a specific user, which gives them the option to personalize their wallet according to their needs (e.g. adding multiple users with varying permissions or creating user groups) or interests.

You can link your wallet to payment methods (like Apple/Google) and prepaid balances. Some wallets even have built-in budgeting tools so you can track and manage your spending or the spending of your entire user group (e.g., your employees or family). You can also verify your ID and personal and medical information directly in your wallet.
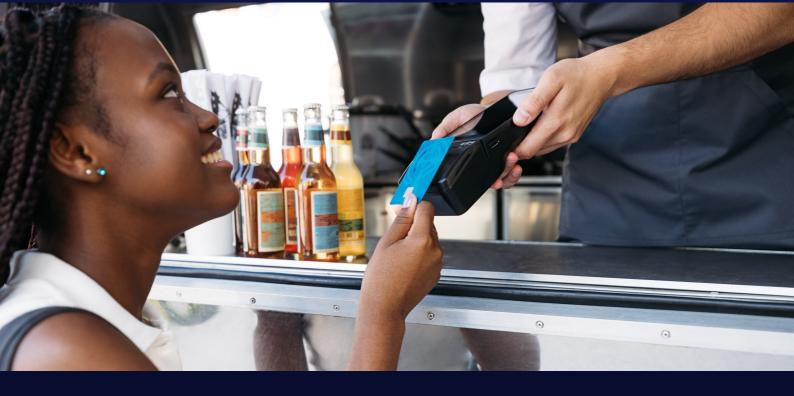
Advanced digital wallets like Glownet.com have functionality that extends beyond payments. They can hold event tickets, store hotel bookings, manage access controls in different environments, like conferences or special events, or

hold loyalty cards and point-based balances.

For consumers, these wallets offer convenience and safety. For businesses, wallets offer invaluable insight into their customers. These wallets capture data with every interaction, whether the customer is redeeming their loyalty points, completing a transaction, or buying a ticket. That includes information about the items they preferred to buy when they bought them, and how they bought them. Ultimately, this gives you the insight to make data-driven decisions about your customers based on real-world, real-time information.

If that wasn't impressive enough, you must take the impact of AI into account. Like all things digital, digital wallets have become even more effective and beneficial thanks to the recent advancements and mass adoption of artificial intelligence.

The Benefits of AI and Digital Wallets

AI isn't just a buzzword – it's a transformative force. Within a few short years, the way we transact is going to change for good. By 2026, there will be more than 5 billion digital wallets being

used for everything and anything, and AI plays an instrumental role in harnessing the data and improving the functionality of digital wallets.

Better Experiences, Increased Spend

Digital wallets that use AI can be a powerful lever for businesses that want to improve their customer's experience and increase their spending with very little effort on their part.

AI can handle enormous datasets and identify complex patterns in data, identifying information that will help brands and sponsors adapt the way they interact with customers. AI can analyze spending habits, goals, and preferences and then generate personalized recommendations and even special offers from partners. The digital wallet can even recommend the best payment method for customer purchases, e.g., specific credit cards, loyalty and reward programs, or even the most favorable digital currencies when you're transacting across borders.
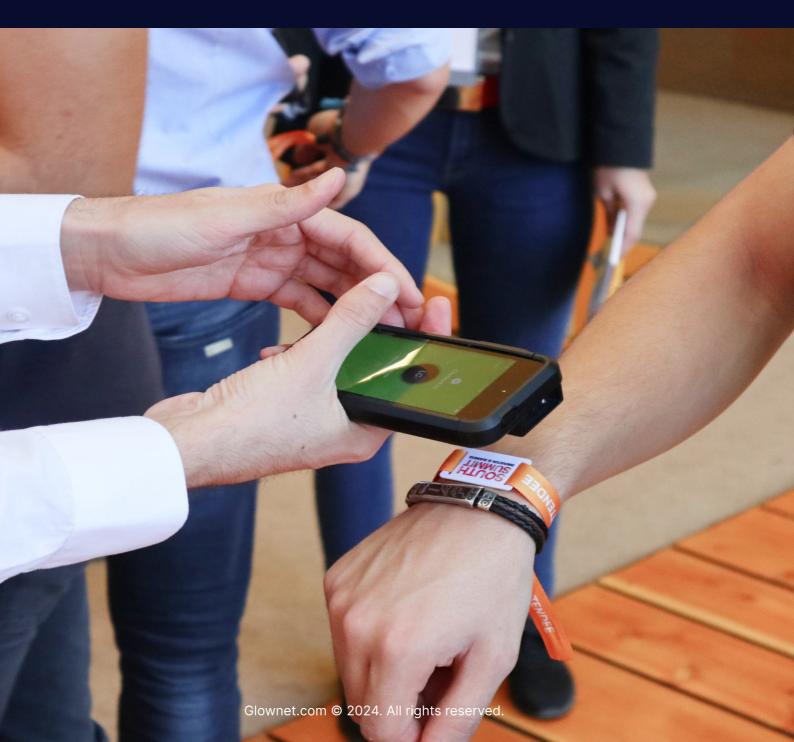
With vast quantities of real-world data at its disposal, AI can also make accurate predictions that can benefit customers and businesses alike. Ever wonder how much you spend on groceries or coffee in a month? Wallets can give users a holistic overview of their spending patterns and behaviors in easy-to-grasp visual reports. Your wallet can also offer budgeting suggestions, reminders and saving plans according to your personal financial goals.
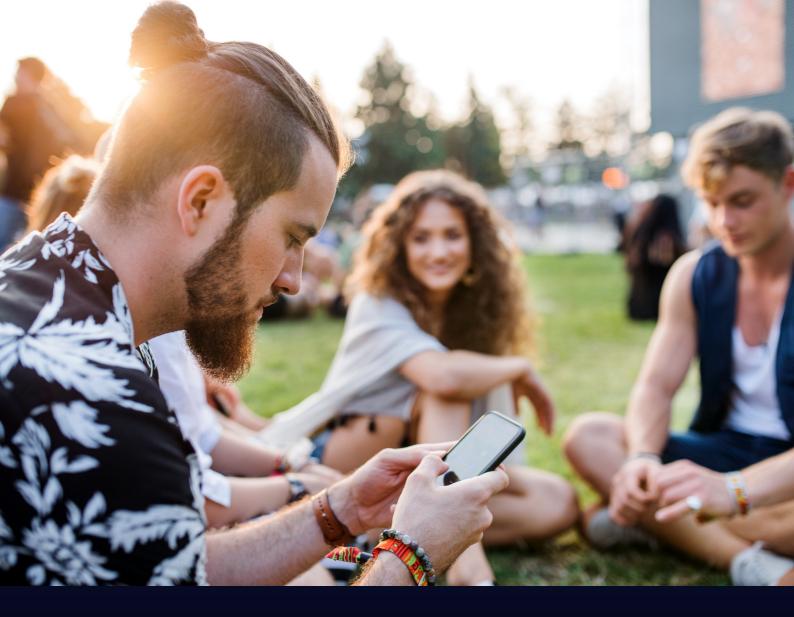
This intelligence extends to ticketing and event management. Companies like Seatcycle use AI to understand how full a venue will be with specific performance and apply those insights to venue mapping. It can also determine where users are in terms of their event journey and push them further along the funnel based on their goals.

Greater security

AI has been used in fraud prevention and detection for a long time. AI learns from customers' unique user behavior over time, which means it becomes incredibly adept at spotting suspicious activity and stopping it in its tracks.

It also plays a role in access management for digital wallets. AI algorithms can learn from past user behavior and preferences to automatically adjust permissions over time. This could involve granting temporary access to specific merchants or setting spending limits based on individual spending patterns.

Customer insights

At Glownet.com, we've gathered information for years, but many event promoters and operators who work with us have struggled to get the most out of their data. Manual processing takes time, which means you lose real momentum.

AI will change all of that because data can be captured in real-time, and thanks to automation, it can be responded to in real-time. This means that businesses can react to user needs and wants in real-time, boosting their spending and monitoring their responses. For example, if a user is walking past a specific area in a large conference venue, you could send them a special offer as an incentive to visit a nearby food outlet. If most of the users who take up the offer also purchase a specific drink or stop at a nearby store, that information can be used to encourage additional sales uplift. Once a large enough data set has been gathered, it can be used to personalize special offers or forecast future demand.

Ticketing

AI will also <u>transform the ticketing industry</u> for good, especially when it comes to pricing strategies.

Dynamic pricing has been used by the airline industry for years. This means that venues and ticket sellers can price tickets based on predicted or actual demand. AI can analyze presale behavior, news about performers, or search volumes online to make optimal price recommendations. Ticketmaster has already successfully used AI to identify bots and resellers and prioritize fans when it comes to ticket sales, and it is used to set their Platinum ticket prices. While this can lead to potentially high ticket prices for popular shows, it does generate more revenue for the company and gives fans an opportunity to save money by buying their tickets at times when demand is lower.

AI can also be used to enhance future events through rich data insights. Companies use AI to determine the resale prices of tickets, analyze historical attendance stats, forecast demand in specific cities, and more. This information, coupled with rich data from digital wallets, will be used to cross-sell and personalize experiences and events.

AI, integrated with digital wallets and tickets, can also cross-sell and promote concessions and merchandise at events, bolstering revenue for suppliers and event managers.