

Case Study

Revolutionising Loyalty & Rewards with Tokenisation: How Enigmatic Smile Gained a 25% Net Margin Boost and Increased LTV with Aventus



At a Glance

Industry

Rewards & loyalty

Challenges

- Reward redemption variability created merchant cash flow challenges
- High reward redemption thresholds caused customer churn
- Supporting complicated cash flow cycles contributed to excess balance sheet liability and overhead costs

Solution

Tailor-fit tokenisation solution on digital ledger that related fiat currency with tokens for consumer cashback rewards

Results

- 25% net margin increase
- 80% reduction in balance sheet debt

Overcoming Traditional Rewards Challenges

Enigmatic Smile, a global rewards network connecting over 12 million customers in 11 countries, offers retailers cashback incentives to drive sales and provide customers with a unified system that unlock greater value.

Their ecosystem includes brands and financial organisations that account for over 90% of point-of-sale transactions globally, including Visa Europe and Ecocash.

While Enigmatic Smile's original model generated sizeable revenue and seemed like a win-win-win for all parties, there were still challenges:

- 01 High cashback redemption requirements contributed to consumer churn, significantly diminishing customer lifetime value.
- 02 Keeping sufficient funds on hand to honour all rewards is a massive cash flow liability for retailers, creating expensive operational costs for Enigmatic Smile.
- 03 Reconciling large volumes of transactions and payouts under traditional systems resulted in complex cash flow cycles, costly treasury management and high operational costs.



Accelerating Program Adoption and Profitability

Enigmatic Smile partnered with Aventus to tackle the limitations of the traditional rewards model by replacing fiat currency with tokens for consumer cashback rewards, unlocking a wave of benefits:

- **Increased Engagement:** Consumers no longer need to reach a high spending threshold to earn or spend cashback, eliminating churn and boosting LTV.
- **Eliminated Cash Flow Strain:** Retailers can now credit consumers with cashback tokens immediately, streamlining process and freeing up cash flow.
- **Streamlined Operations & Reduced Costs:** Enigmatic Smile eliminated expensive treasury management solutions and costly bank transfers, reducing back-office costs and balance sheet liability

Results

By partnering with Aventus on this innovative tokenised solution that provided real-time visibility on a digital ledger, Enigmatic Smile increased its operational efficiency, boosted consumer engagement, and improved its financials:

25%

Net margin increase

80%

Reduction in balance sheet debt

100%

Reduction in minimum spending threshold before customers can earn or spend cashback

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It's incredible how Aventus has improved Enigmatic Smile for every one of our stakeholders. It's helped make our business more effective than ever before, and has enables us to rapidly expand.

Bish Smeir
CEO, Enigmatic Smile

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Learn how Aventus can help your brand achieve efficiency and growth

Contact us now

