

COLUMNS

How wearables hold potential for consumers and brands

August 13, 2015



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By A LUXURY DAILY COLUMNIST

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The debate rages on regarding what type of wearables will win over consumers: smartwatches, fitness trackers, wristbands, smartglasses or others.

IDC estimates that technology manufacturers will ship a total of 45.7 million wearables in 2015 and that, by 2019, total shipment volume will reach 126.1 million globally. That and many similar predictions lead us to a couple fairly safe conclusions: wearables, in some form or fashion, are here to stay, and they hold huge potential for both consumers and brands.

Where it's at

The world of events is one area where wearables are seeing successful uptake, from sports matches to theme parks to festivals.

A key distinction is that wearables used in these scenarios are typically “passive” wearables rather than “active.”

Passive wearables are pre-programmed, making it easy for event organizers and

attendees to activate and use for specific purposes at prescribed end points.

Active wearables – smartwatches being an example – are more complex, interactive and can be programmed by the individual to interface with other machines or applications in their broader daily life.

When it comes to music festivals, theme parks, stadiums and other venues, passive wearables such as temporary, disposable wristbands are often the way to go because they are more simple and manageable. You may have seen them in action at Disney World, Lollapalooza Music Festival or various soccer and rugby stadiums in Europe.

These wearables have definite benefits for both the consumer and the brand hosting and organizing the event.

For the consumer, the fact that these wristbands can handle contactless payments and ticketless entry means less time waiting in line for refreshments or to get into the venue in the first place. They are safe and streamlined, in that they eliminate the need to carry cash or a wallet.

Because these types of wearables can be open loop – pre-programmed to work with systems outside the venue perimeter – they frequently also reduce the need for a public transportation card or hotel room key.

And finally, since these wristbands are often branded, they are just one more way for the consumer to put their fanhood on display or to remember the experience – a souvenir of sorts.

That brand or team loyalty may be the most long-lasting and intangible upside of passive wearables for brands, keeping the event top of mind and encouraging repeat attendance.

Banding together

Organizers can also appreciate the operational simplicity brought by these devices.

Cash transfer between vendor stands becomes an afterthought, product purchases and supply replenishment can be digitally patterned and tracked against crowd geolocation, and point-of-sale and entry systems can be programmed for one device versus having to find a way to process hundreds of disparate mobile devices or handle paper tickets and the counterfeit issues associated with them.

The added convenience that consumers experience can lead to higher and more frequent spend.

In fact, Disney Parks saw a 17 percent increase in operating profit in 2013, in large part resulting from the introduction of its wristbands.

The final boon from a brand/organizer perspective is that the technology allows the brand to interact with consumers, deliver personalized loyalty rewards or discounts and collect real-time feedback. This is often the most overlooked aspect of the fan experience, as events tend to be one-and-done affairs.

ALTHOUGH THE tech world is often fawning over the latest wearable gadget to hit the market, evaluating and comparing its bells and whistles to its predecessors', when it comes to event settings for fans, sometimes it is best to go back to basics.

Taking a close look at the user experience and focusing on the three or four most impactful benefits afforded to consumers through the simplest form of technology often pays the biggest dividends for brands.

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