

10 Essential Facts About Gamification

The New Way Consumers Are Engaging with the Brands they Love

Gamification is changing the way consumers interact with brands while delivering new levels of engagement and reach



Companies are looking for new ways to engage consumers – through innovative content, with video, by providing apps and with gamification. Not only does gamification build rapport between consumers and brands, but it makes the journey educational, informative and interactive. The strategy pays off with extended engagement through hours of play, return visits and social sharing.

Gamification drives the user interactions brands crave by offering consumers a fun, innovative way to interact and learn about a product or cause. It uses gamified mechanics to digitally engage and motivate people. Industries from energy distribution to education to healthcare are leveraging gamification to make their content and applications more digestible for consumers. At the end of the day, all brands share similar goals: to engage, educate and entertain, and drive consumer action. Gamification delivers on these objectives in spades.

WHAT YOU NEED TO KNOW ABOUT GAMIFICATION...

1.

Businesses are Banking on Gamified Solutions.

Gamification is quickly becoming the new normal. Companies are not holding back when it comes to investing in gamified platforms, with spending rising from \$100 million in 2010 to a projected \$2.8 billion in 2016. Whether for driving employee training or connecting with consumers, gamification is seen as a savior for engaging with consumer audiences and employees. ¹



2.

Consumers – Particularly Millennials – Crave Fun.

It's no surprise that the millennial audience and its immense purchasing power are a draw for brands worldwide. Gamification may just be the secret sauce that keeps them coming back to the same brands again and again. According to Dan Schawbel, managing partner of Millennial Branding, 85 percent ² of millennials want interesting and fun educational programs, a clear sign of how they prefer to learn and digest information.



3.

Gamification is Growing at an Exceptional Pace.

M2 Research estimates that the production of gamification projects will generate \$1.6 billion in revenues by 2015. ³ That means it will grow from just 3 percent of social media marketing budgets in 2010 to more than 23 percent by 2015. The average growth rate for the next two years is 150 percent, in terms of revenues.



4.

It's Not About Playing – It's About Engaging.

Gabe Zimmerman, a recognized expert on gamification, recently commented on why gamification is way more than a gimmick: “While most earn and burn programs rely on a steady diet ⁴ of amazing rewards, scaled back over time to increase efficacy, gamified loyalty programs focus on non-cash rewards to engage and drive user behavior. We call it the SAPS model of rewards (Status, Access, Power and -- only then -- Stuff) -- and it radically changes the cost model for delivering loyalty.”



5.

Organizations Are Using It Daily.

By 2014, more than 70 percent of Global 2000 organizations ⁵ will have at least one “gamified” application, according to Gartner, Inc. Analysts note that while the current success of gamification is largely driven by novelty and hype, gamification is positioned to become a highly significant trend over the next five years.



6.

Gamification is Immensely Measurable.

Unlike the vagaries of counting clicks or measuring likes, gamification supports real results. Marketers can connect actions to a person by measuring frequency of shares on social networks or the number of times consumers create and share user-generated content. For instance, Chevrolet was able to track that participants in its Home for the Holidays gamified campaign spent more than 12 minutes engaging with the brand and over 5,000 new sales leads ⁶ were generated.



7.

We're Playing Games Everywhere, Everyday, Already.

Modern consumers aren't flipping open the newspaper to learn about the day's headlines and simultaneously be exposed to a splashy advertisement. That's why brands need to not only find new channels for connecting, but also offer platforms that consumers are already using for entertainment. 48 million Americans play games on mobile devices while 46% of teens play games on mobile devices. ⁷



8.

Gamified Campaigns are an Art Form.

While it's true that the existing ad landscape was fertile ground for incorporating gamification, simply inserting gamified mechanics into a rich media property doesn't guarantee success. It is critically important that good business goals and strategies are decided upon and implemented upfront in order for gamification in the digital space to be effective long-term. In fact, a recent Gartner report calls out organizations that use “obvious game mechanics” ⁸ rather than intelligent gamified mechanics that may be a better fit for the specific audience.

9.

Consumers Want Conversation.

Charles ‘Chuck’ Coonrandt, labeled the ‘grandfather’ of gamification by Forbes, wrote “The Game of Work” in 1984. He recognized early on that applying game-design thinking can make brands’ products more fun while building deeper engagement. “Immediate feedback is the secret sauce,” said Coonrandt. Why this matters: consumers are hungry for feedback, which is delivered via points and other rewards. For brands, a simple but well-executed competition can translate into happy customers who want to form a personal connection.



10.

Retailers Need It.

Finding new ways to connect with an increasingly mobile audience is essential to building brand awareness and creating a dialog between brick-and-mortar retailers and consumers, notes Daniel Valerio, Ernst & Young Americas Director, Retail & Wholesale. “The more interactions that take place (between store and customer),” Valerio explains, “the better the chances that a retailer will be able to distinguish itself, share its story and build strong, lasting relationships with those users, leading to more sustained customer loyalty.”¹⁰

....And How We’ll Help You Get There.

Here are a few easy steps to get started in your gamification efforts:

- › Identify the program’s goals early on and match gamification steps to each KPI.
- › Determine what will appeal to the consumer – trivia, visual games, timed trials, leaderboards, user-generated content and more.
- › Create the right flow of game steps to drive the necessary results.
- › Leverage analytics and measurement tools to assess time spent, actions taken and steps completed to measure engagement.

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