

The Use of Gamification in Building Brand Loyalty

The best way to engage an audience, influence their behavior, and identify with a brand is to make it a game

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The whole concept of selling is changing. The days of the sales pitch are definitely coming to an end. Today, the way to a sale is through information, and gamification is proving to be an effective way to deliver content that consumers and clients need to make decisions.

A few years ago gamification was considered a cutting-edge engagement tool used only by the most adventurous of marketing directors. Today, it's on the cusp of reaching a tipping point that will shift gamification from being an occasional strategy to a must-have element of any consumer engagement program.

The Gamification Audience

The context for a gamification revolution in consumer engagement starts with games. Women account for 47 percent of gamers in the U.S., and 29 percent of gamers are over the age of 50 according to a 2014 survey conducted by Big Fish Games, the world's largest producer and distributor of casual games. The survey also shows that 48 million people play games on smart-phones and tablets.

Video gaming is a multibillion-dollar global business. Today's college students grew up playing online games and it has become such a cultural touchstone that Robert Morris University in Illinois is the first college in the U.S. to make video gaming a varsity sport.

As the consumer landscape changes, it's important to change the way information is presented, says Ibrahim Jabary, CEO of Gamelearn, a game-based learning product development company headquartered in Sunnyvale, CA, and Madrid. He says that 58 percent of the U.S. population plays video games. Millennials comprise 30 percent of the consumer market and will make up 75 percent of it in 10 years. With this in mind, gamified tools are ideal for engaging this plugged-in audience.

Why Brands Can't Ignore Gamification

Many of the world's largest brands are deploying gamification. Coca-Cola, AOL, Nissan, and Nike are all jumping on the bandwagon and, as more and more studies become available, the advantages to gamification.

Gamification creates knowledgeable customers. It's no secret that most of us started playing games at a young age. Indeed, our brains are built for gameplay. Doesn't it make sense for us to use the same types of techniques to approach consumers? As we all know, knowledge retention is a big part of all our daily lives. Getting a consumer audience to retain knowledge of a brand and products is essential to the growth of any company. Industry expert and author Jeanne Meister asserts that interactive learning games can increase long-term retention rates by up to 10 times. That's a pretty powerful statistic when you start talking about knowledge retention.

Gamification creates unparalleled levels of engagement. People like to feel that they belong, that they matter, and that they are more than cogs in a wheel. Gamification creates a virtual world where consumers can feel they are being productive while they shop and build relationships with brands.

Loyalty is a Game

Gamification is not a new concept. Airline reward programs where fliers earn points and build status were one of the first and are still the most widely used games, says Tahira Endean, CMP, an events manager for QuickMobile, a Vancouver-based mobile meeting and events applications company. These programs are used to change behaviors, develop skills, and drive innovation. "The reason gamification is attractive to marketers is because it gets consumers to behave the way you want them to behave, see what you want them to see, and take action where you want them to take action," says Endean.

Here are three roles that gamification currently plays in various organizations' strategies to engage with consumers.

Experts in the "gamification" field anticipate the business use of social games will redefine engagement and loyalty. The use of gamification to turn loyalty programs into enjoyable and social online experiences is seemingly the perfect marriage of technology and motivational psychology, leveraging people's fundamental needs for achievement, reward, status, competition,

and self-expression. “You see all kinds of social points, like YouTube’s star ratings—people who like my videos,” notes Barry Kirk, solution vice president of consumer loyalty at Maritz Loyalty & Motivation. “Those are public symbols [of] status. It’s not about points being converted. The rewards are intrinsic.” He adds that earning badges satisfies the natural urge to complete a collection, since people “don’t like unfinished things.”

Kris Duggan, CEO of Menlo Park, CA- based Badgeville, whose software lets website owners award badges to loyal visitors, echoes Kirk’s sentiment. “Traditional loyalty programs are not inherently social,” he says, “but once you make them social, and status can be broadcast, people are willing to work very hard to build that status” through loyalty tasks.

Kirk says loyalty programs fundamentally haven’t evolved much from their points earning and burning cycles. That predictability and lack of emotional connection have put consumers on autopilot. Loyalty managers, he says, can stimulate participants with simple gamification elements like awarding badges for doing program-related activities and letting them display the patches in their profiles on the program website. They also can create status tiers to rank the participants.

They can foster competition with points leaderboards but also can benefit from game mechanics like discovery and scarcity (for the thrill of uncovering something exclusive and valued), random competitions that let participants barter their skill sets to achieve an overarching program goal, and catchy graphical progress bars to reinforce and motivate individuals to complete tasks—for badges, social points, or even redeemable points. “It can be a unique earning experience where you have to do three things in a week that will earn a special recognition,” Kirk explains. “It’s saying the program can be a bit unpredictable. The brain loves unexpected rewards.”

All of this is designed to provide a constant stream of motivation and keep participants engaged throughout the program lifecycle and even after the real-life redemption or award period.

The Role of Apps

Gamification, much of it conducted via apps, facilitated networking and learning at that conference, and helped create brand ambassadors from the company’s user community.

While you don’t necessarily need a mobile event app to run a gamification program, having one certainly opens up more possibilities for activities and participation, says Jeff Epstein, director of product and channel marketing at QuickMobile. Today, approximately 10 to 15 percent of the apps built by QuickMobile are gamified, meaning that customers earn points and achievements by doing things within the app. “By providing consumers with an incentive to use the app, marketers are able to achieve greater engagement with the brand. They can actually stimulate the kind of behavior they want, behavior that is aligned with overall event objectives,” says Epstein.

Case Study: Subliminal Gamification

One of the benefits of video and online games being so ubiquitous is that it creates a wide landscape of gamification opportunities for marketers to keep their products top of mind with consumers. The gaming community is a tightknit one and inVNT, a global brand communications agency, kept that in mind when launching the Nissan Concept 2020

Vision GT Supercar. Social media appeals to this audience, and just like trying to target the right audience for your incentive programs, inVNT reached them using the channels they frequent.

Last June, inVNT’s client, Nissan, asked the agency for help in launching the Nissan NC2020 in conjunction with a challenge the iconic racing video game, Gran Turismo, had issued to auto manufacturers — to develop their visions of a GT car in the year 2020, which ultimately would be incorporated into the video game.

Research revealed that Nissan has great brand awareness in the gaming community, as there are three times more Nissans in the Grand Turismo than other vehicles.

A month-long campaign on Twitter, Facebook, YouTube, and Instagram featured

a shadowy version of the Nissan concept. Intersecting the virtual world with the actual world, the sleek vehicle was unveiled at the Goodwood Festival of Speed held in West Sussex, England.

Nissan benefited by partnering with Gran Turismo and PlayStation to create this type of brand awareness. “Today’s future car buyers are being inspired by video games,” explains Detroit-based Jerry Deeney, inVNT’s director of strategic accounts—global operations. “By inspiring them to race a Nissan in Gran Turismo, it’s creating an emotional connection. They will remember that they loved Nissans in their video games and that connection, when the time is right, can influence their purchase decision when they form part of a larger gamification platform.”

Case Study: Wearable Technology Boosts Participation

Dr. Keith Kantor, CEO of nutrition consultancy Service Foods had an enviable problem: his workers were too healthy. The 100-or-so employees of the Norcross, GA-based company were a wellness-minded bunch to begin with, and the programs Kantor put in place — “lunch and learn” sessions about eating healthy, Biggest Loser contests — pulled in as much as 70 percent of the staff. Most employers would consider this a success, and Kantor figured he had hit the ceiling of wellness engagement among his workforce.

Then the zombies arrived.

Mike Tinney, CEO of Fitness Interactive eXperience (FIX), a gaming and fitness company, approached Kantor about beta testing a new program his company developed. It took a typical pedometer challenge, gave it a team-based, social media-oriented twist, and added in a pack of hungry zombies to gamify the whole thing, letting it unfold in “chapters” that made participants more likely to check back in — and do more exercise.

The program, called “A Step Ahead: Zombies,” unfolded over five weeks, allowing workers to sync into the game using the wearable fitness device of their choice — Fitbit, Garmin Vivofit,

or a number of others. It seemed like a fun idea, so Kantor gave it a shot, expecting the usual 70-percent-or-so level of participation. But for the first time, he saw interest jump even higher.

“It increased engagement by 25 percent,” says Kantor. “I thought I was doing pretty good getting 70-odd percent engagement, but it turns out even more people are interested in running away from a zombie than listening to a dietician explain the dangers of celiac disease.”

Fear of becoming a zombie by slacking on their steps — and the razzing they would get from their teammates — proved a powerful motivator for workers (not to mention the \$250 in gift cards and merchandise the company awards monthly to healthiest performers). While Service Foods had been enjoying a 4:1 return on its investment, the introduction of “A Step Ahead” jumped this to 6:1 for value redeemed on every dollar spent. This January, the company earned second place at Atlanta’s Healthiest Employers awards.

The success of this program points to the ongoing innovations happening in the workplace wellness arena, particularly those incorporating wearable devices and the apps associated with them. But it also shows how as these programs and the technology itself evolves, they are attracting participants who may have previously kept their distance from the company’s health program. Whether it’s the allure of a cool new Fitbit device or fear of a zombie, wellness technology is making exercise more attractive than ever.