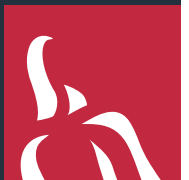
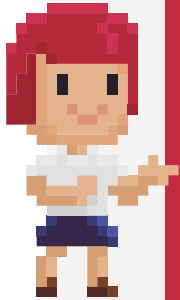


Gamification in marketing – an introduction

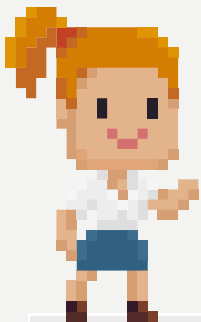
Playful ways to increase customer loyalty





Use gaming in marketing to increase the interaction and motivation of the target group and generate leads.

»»» An eight-step guide.



Content

	Introduction	4
1	It's easier with a little fun	5
	We all experience gamification in everyday life	
2	Motivation and flow	6
3	How does gamification work?	7
4	Eight good reasons for gamification in marketing	8
5	Increase awareness and motivation with gamification	10
	Why is gamification marketing so important?	
6	Inspiring examples of successful gamification	11
	The clever ones are leading the way	
7	How to boost engagement with gamification	14
	Progressive profiling	
8	Eight steps to a gamification marketing strategy	15
9	How to avoid stumbling blocks	20
10	With gamification to more leads: the first steps	22
	Aptitude test	
	Implementation of gamification elements	
	Key Considerations	
	Contact Chili Digital AG	25

Introduction

Children do it often and with pleasure, and so do adults. Homo ludens – humans like to play. Some thrill and the prospect of winning have a motivating effect on most people. A game offers many opportunities to satisfy the urge to play and at the same time promote engagement.

Gamification in marketing means using playful elements for business actions. As with any game, it is important to know the rules well and how to use them for the success of your business.

Turn your customer experience into a game, put the user at the centre of your marketing strategy, and provide your prospects with a truly effective omnichannel experience. These are the essential building blocks of good gamification marketing.

In this eBook, you'll learn what gamification marketing is, how it works, what benefits it can bring to your business, and how you can put it into practice.

Take advantage of these advantages for your business!

Let's go!

It's easier with a little fun

Why do people like to gamble so much? There are several reasons for this. One of them is the intrinsic desire for fun and entertainment. Playing distracts us from the demands of everyday life, helps to reduce stress and unleash our creativity. While playing, we can relax and overcome challenges at the same time. Another motive is the pursuit of reward and a sense of achievement that activates the reward system in the brain and gives us a sense of satisfaction.

Old sayings, such as 'work first, pleasure second', suggest that playing and working don't go together. But this line is becoming increasingly blurred. The definition of work is changing massively in the digitalized world. More and more professions and areas of responsibility are integrating playful elements to increase motivation and efficiency.

We all experience gamification in everyday life

Almost every day we encounter common forms of gamification: For example, in the form of loyalty points when shopping in the supermarket or when refuelling. You know it yourself: this increases customer loyalty. Customers collect points not only when shopping, but also when they leave reviews or take part in surveys. These points can be exchanged for exclusive discounts or rewards. This not only strengthens customer loyalty, but also promotes recurring purchases. The best-known examples in Switzerland are Cumulus (Migros) or Supercard (Coop). Many other retailers use this form of gamification (e.g. via apps and maps).

At the same time, the popularity and establishment of computer games and e-sports increased. Computer games offer immersive worlds and complex stories that captivate us and allow us to slip into other roles and learn new skills.

Today, the trend towards playfulness is much more than just a leisure activity – it is an integral part of our culture and daily life.

Motivation and flow

Gamification uses game-typical elements in non-game contexts. This makes sense because it increases motivation and engagement.

By integrating rewards, progress tracking, and competition across different fields such as education, the workplace, and healthcare, gamification makes tasks more engaging and increases the willingness to engage with them and complete them successfully. Ultimately, gamification can help increase motivation, change behaviours, and promote positive outcomes.

In addition, we can learn new skills, improve problem-solving skills and strengthen social bonds while playing

An excellent precondition for your **marketing strategy!**



The term gamification refers to the use of playful elements in non-playful contexts and appears again and again in discussions about the information society. Rankings and playful competition have long been established in the world of work. This development received a further boost from smartphones and wearables such as smartwatches and fitness bands, with which you can compete with others and thus increase your performance. These technologies not only promote competition, but also a sense of community and social interaction.

How does gamification work?



As already mentioned, gamification game mechanics and dynamics are used in a targeted manner to achieve specific **marketing goals**.

But how does this work in practice?

Gamification can be used in different contexts. The goal is always to get users to interact with the content offered by the company and thus increase engagement.

Here are some examples of game mechanics commonly used in gamification:

- **Objective:** The user must complete a task to receive a **reward**.
- **Status:** The user participates in the game to improve their level or score.
- **Community:** He must interact with other players to achieve a result. This can increase **performance** and **productivity**.
- **Education:** Through the interactive dynamics, the user learns something new.

In all cases, the company promises the user that he or she will receive something at the end of the game. A reward, badge, achievement, or new idea.

Eight good reasons for gamification in marketing

Gamification has become an extremely important marketing tool in recent years. And rightly so, because it can significantly increase customer engagement and brand loyalty.

The game dynamics used in marketing can have a huge impact on the success of your brand or business.

On the one hand, gamification enables existing and potential customers to interact with your products and services in a whole new way. On the other hand, the dynamic and interactive experience makes your brand much more memorable than that of the competition.

Finally, the dynamics of the game and the interaction of the participants allow you to collect extremely useful and valuable data that you can use to optimize your **marketing campaigns** and the performance of your brand in general.

But what benefits does gamification in marketing bring to your company?

Eight good reasons why you should use gamification:

- 1 Increase customer engagement and brand interaction**
- 2 Drive brand loyalty and customer loyalty**
- 3 Generating qualified leads and customer acquisition**
- 4 Increase conversion rate and increase sales**
- 5 Creating a positive brand perception and experience**
- 6 Drive customer interactions across channels**
- 7 Collecting valuable data about the target audience**
- 8 Insights into customer behaviour and customer journey**



As you can see, thanks to marketing campaigns with gamification, you can win new customers and keep existing ones on the hook. Launch a contest where participants can create creative content such as photos or videos related to the brand and share it on social media. The best posts are rewarded with attractive prizes, which brings additional reach and new customers.

The main benefit that basically all businesses crave is that a clever gamification marketing strategy leads to an actual increase in conversions and an increase in sales.

Here is an example of success:

The U.S. Armenian restaurant chain Domino's Pizza saw a **30% increase in sales after launching a mobile game app!**

As you can see, at a time when most consumers are overwhelmed by the constant flood of virtual offers, games offer a way to attract their attention..



Increase awareness and motivation with gamification

With gamification, you can increase awareness, engagement, and customer interactions in several ways:

Fun and entertainment: Game elements make marketing campaigns more fun and engaging. This encourages your customers to actively participate and spend more time with your brand.

Motivation and incentives: The opportunity to receive rewards or recognitions motivates your shoppers to engage in gamified activities and take specific actions, such as sharing content on social media or completing a purchase.

Competition and challenges: Gamification allows companies to organize contests or challenges that require customers to compete against each other or achieve specific goals. This fosters a sense of competition and increases participants' motivation to put in the effort and give their best.

Social interaction: By integrating social elements, participants can share their experiences with others, motivate and support each other, and thereby build a community around the brand.

Why is gamification marketing so important?

We can't deny it: the main goal of any business is to keep its clientele as close as possible.

After all, you know that a loyal customer is worth much more than a new customer to be acquired. You will have to invest a lot more for these. That's why companies around the world are constantly looking for creative marketing strategies that can increase the retention rate of their customers.

The math is simple: the higher the retention rate, the higher the company's revenue and the faster it climbs the ladder of success.

This is why gamification marketing is such a popular and effective strategy.

Inspiring examples of successful gamification

If you still have doubts about the power of gamification, remember this: From time to time, often on special occasions or anniversaries, **Google** colours its famous logo colourfully. We are talking about the doodles.

By entertaining its users, Google also makes them spend as much time as possible on the search engine and continue to perform clicks and actions that they wouldn't even consider otherwise.

Sometimes these are simple decorations, such as at Christmas, every now and then an exciting video starts after clicking on the play symbol, other times the logo interactively transforms into a real online game. These are small surprises, but the effect is big. So big that Google has developed more than 4,000 Doodles.

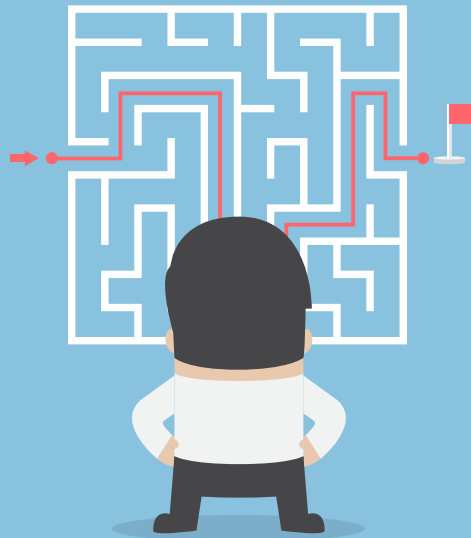
And these actions - you guessed it - only make Big G richer. Brilliant, isn't it?

The clever ones are leading the way

The best way to understand how gamification works is to observe those who have already successfully implemented this marketing strategy.

That's why we'll show you a few more examples. You will see there is no well-defined rule on how to use gamification in your company or how to do gamification marketing.

Creativity is required here!



How FreshDesk easily improves its customer service.

FreshDesk is a help desk platform. So, the goal of this company is to increase customer satisfaction. And that's where gamification comes in. With this original and interactive way, FreshDesk aims to increase the enthusiasm and engagement of customer service agents. The idea: to turn monotonous and repetitive customer support tasks into engaging and interactive challenges.

Here's how it works: agents receive a medal every time they reach a goal, or a special badge every time they manage to give customers an answer in a particularly short time. On top of that, there is a list of the best performers in which the performance of the employees is recorded.

Needless to say, this type of gamification creates healthy competition between players who will always try to do their best, become more efficient, increase productivity, and, of course, increase customer satisfaction. And that's exactly what contributes to a better business result.



Duolingo: learn with fun

Duolingo is the perfect example of how you can do anything in a playful way, even learn a new language. Duolingo manages to give language lessons in a fun way. Attention addictive potential!

With awards, such as streaks, regular learning is rewarded, and monthly challenges constantly motivate users to log into the app at least once a day and continue learning. The app reminds you to take a short time for language training. If that's not a good example of customer loyalty!

Raise awareness of cybersecurity with Guardey

We all know how important cybersecurity is today. Every day we are bombarded with attempts at fraud, and they are becoming more and more cunning. If you're not careful as hell, you run the risk of catching malware and losing a lot of money. That's why companies are doing everything they can to raise awareness among their employees.

A popular security awareness game is **Guardey**. Users complete a small challenge every week. This only takes a few minutes. The results are listed in a ranking so that employees compete against each other in a small competition. In this way, the workforce learns about important cybersecurity topics and thus helps to avoid major damage.

Escape from the Escape Room

SAP also relies on playful training activities for staff. SAP has introduced an Escape Game to raise awareness of cybersecurity with the 'Horror Hospital'. To escape the Escape Room, players must answer questions about cybersecurity. Every correct answer leads closer to the outcome, every wrong one 'costs' virtual body parts. Thousands of employees have been highly motivated to get to the exit as quickly as possible and have learned an incredible amount in the process.

It doesn't get any better than this!

How to boost engagement with gamification

In a competitive digital environment, customer engagement is a key factor in business success. By using gamification in marketing, you can effectively increase this engagement.

A really cool game arouses emotions, enables experiences and has a motivating effect. Skilfully applied in marketing, it can lead to a new product and increase the motivation to buy.

Progressive profiling

When a company integrates gamified elements into lead generation campaigns, for example by asking people to fill out profiles or answer questions and boosting motivation with a collection of points, it is called progressive profiling. At the same time, this drives engagement and gives the company valuable data about its target audience.

Offer rewards or discounts and motivate your customers to leave product reviews. Not only does this increase customer engagement, but it also boosts credibility and trust in your brand and products.

Another idea is to have a competition sponsored by your own community or potential customers themselves. This increases the commitment many times over.

Here are two examples of how this can be implemented:

- 1 Tell your target persons that they will be entered into a contest with attractive chances of winning if they share a post in the story. In addition, ask them to tag two to three friends in comments with whom they share their winnings if they like. Clever, right?
- 2 Develop an interactive online game with your brand that is available on the social media channels or the company website. Potential and existing customers not only have fun by participating in the game, but also learn more about your brand, products or services in a playful way and can win prizes and rewards. This promotes brand interaction and increases brand awareness.

Eight steps to a gamification marketing strategy

Gamification marketing is an innovative way to retain and motivate customers. This strategy uses gamified elements to increase engagement and encourage customer interaction.

To develop a comprehensive gamification marketing strategy, below is a step-by-step guide to implementing an effective gamification marketing strategy.



1 Define goals

Clarify what you want to achieve with your gamification strategy.

- **Brainstorming:** Organize a team meeting to discuss the main goals of gamification. Use techniques such as mind mapping or SWOT analyses.
- **SMART goals:** Formulate your goals in a specific, measurable, achievable, relevant, and time-bound way.

Examples:

- Increase customer retention by 20% in six months.
- Increase sales by 15% within one year through gamification elements.
- Improve brand awareness by 30% through interactive campaigns.



2 Analyse the target group



Understand who your target audience is and what motivates them.

- **Gather information:** Collect data about your current audience through surveys, interviews, and analysis of existing customer data.
- **Create personas:** Develop detailed user personas that include demographics, interests, and behaviours of your target audience.
- **Motivation analysis:** Identify your target audience's motivators, such as rewards, social recognition, or challenge.



3 Choose game mechanics

Choose suitable game mechanics that fit your goals and target audience.

- **Catalogue:** Create a list of common game mechanics (e.g., points, badges, leaderboards, challenges).
- **Assignment:** Assign the game mechanics to your defined goals and the target group.
Examples:
 - Points and badges for increasing customer loyalty.
 - Rankings and competitions to promote sales.
- **Prototyping:** Create simple prototypes or mock-ups of the game mechanics for visualization.





4 Choose a platform

Determine which platform your gamification elements should be integrated on.

- **Platform Analytics:** Analyse which platforms your target audience prefers (e.g., website, mobile app, social media).
- **Integration Plan:** Plan the technical integration of the game mechanics on the selected platforms.

Examples:

- Integrate gamification elements into your website's interface.
- Develop a dedicated mobile app that encompasses all game mechanics.

5 Create content and rewards

Develop engaging content and rewards that engage your audience.

- **Content Plan:** Create a detailed plan for the content you want to create (e.g., tutorials, contests, quizzes).
- **Reward system:** Develop a reward system that includes exclusive discounts, virtual badges, or special rewards. Make sure that the rewards are valuable and appealing to your target audience.
- **Design:** Make the content and rewards engaging and user-friendly.



6 Implementation and testing

Implement the selected game mechanics and test them thoroughly.

- **Technical implementation:** Work closely with your IT team to integrate the game mechanics into your platform.
- **Test plan:** Develop a comprehensive test plan to ensure that all elements work seamlessly. Perform various tests, such as usability testing, functional testing, and stress testing.
- **Feedback loops:** Collect feedback from a small group of users and adjust game mechanics accordingly..



7 Start and promotion



Launch your gamification campaign and promote it through different channels.

- **Launch plan:** Create a detailed plan for the launch of the campaign. Determine the start date and key milestones.
- **Marketing strategy:** Develop a comprehensive marketing strategy that includes email marketing, social media, and your website.

Example:

- Create a series of email newsletters that showcase your gamification campaign.
- Use **social media** to generate awareness and encourage engagement.
- **Cross-promotion:** Work with partners to promote your campaign and gain greater reach.





8 Monitoring and Customization

Continuously analyse the results of your gamification strategy.

- **KPI tracking:** Define key performance indicators (KPIs) and set up tools to monitor those KPIs.
- **Data analysis:** Conduct regular analysis of the data collected to evaluate the success of your gamification strategy.
- **Feedback mechanisms:** Implement feedback mechanisms to collect continuous user feedback and adjust your strategy accordingly.
- **Optimization:** Use the insights gained to optimize your gamification strategy and ensure you achieve your goals.

By implementing these steps, you can create an effective gamification marketing strategy that delights your customers and supports your business goals.

How to avoid stumbling blocks

So far, you've learned about the many benefits of gamification. But what are the challenges of gamification in marketing and how can you overcome them?

1. Some customers might find the gamified elements intrusive or manipulative. Therefore, it is important to make the integration of gamification **subtle and transparent** in order to promote acceptance and participation of the target audience.
2. Another challenge could be that the development and implementation of gamified marketing campaigns often requires specific **technical expertise** and resources. Make sure you have the necessary tools and skills. If these are not available, you should work with external **partners you trust** to overcome the technical challenges.
3. Measuring the success of gamified marketing campaigns can also be challenging, as traditional metrics may not be enough to capture the actual impact on customer behaviour. Set clear goals and KPIs and use **appropriate tracking and analytics tools** to measure and evaluate the performance of your gamified campaigns.

4. A company wants to launch a gamified customer loyalty campaign but is encountering resistance from customers who express concerns about data protection and privacy. One possible solution: Ensure the transparency and security of gamified actions through **clearly formulated privacy policies** and compliance with applicable data protection regulations.
5. Lack of long-term motivation of participants in gamified marketing campaigns, especially after achieving certain goals or rewards. To overcome this challenge, you should maintain the long-term motivation of the participants through **regular updates and extensions** of the gamified elements. This will encourage ongoing engagement and interaction.
6. If you're struggling to personalize gamified marketing campaigns to address the unique needs and preferences of your audience, you can improve them with **customer feedback, behavioural data, and segmentation techniques**. This enables tailor-made experiences for different customer groups.
7. Internal resistance to the introduction of gamification in marketing due to cost, effort and resources. You will promote internal acceptance through **targeted training, awareness campaigns** and the presentation of **case studies** or success stories from other industries.

Gamification is certainly not a marketing strategy that you use overnight.

However, if you embark on this adventure and get professional support, your efforts will be richly rewarded.

With gamification to more leads: the first steps

As you might have guessed, creating sophisticated games requires an investment of time and money that could prove to be significant.

Therefore, you should think carefully about your opportunities and possibilities. If your budget is limited, you can use this eBook as a guide to incorporate gamification into your business in a creative but less costly way. Later, you can think about creating professional doodles or video games.

Aptitude test

Find out if your current content is suitable for gamification.

Analysis of current content:

Review your existing content and evaluate which of them offer the most potential for gamification. Content that already has a certain interactivity or visual appeal is often better suited for the first gamification steps.

Identify areas for improvement:

Identify aspects that can be optimized. This could be the integration of interactive elements such as quizzes, polls or competitions that involve your users more.

Audience analysis:

Understand your target audience exactly. What kind of interaction do they prefer? Are they tech-savvy and open to innovative solutions? The needs and preferences of your target group should have a significant influence on the design of your gamification strategy.



Implementation of gamification elements

Small, cost-effective measures:

Start with small, less elaborate gamification elements. This could be adding badges or scoring systems for specific actions on your website. Such elements are relatively easy to implement and can already have a big impact on engagement.

Interactive content:

Create interactive content, such as a quiz, tailored to your products or services. These can not only contribute to entertainment, but also provide valuable data about your users' interests and preferences.

Community building:

Foster a community around your brand. Create platforms where your users can exchange ideas and support each other. This increases customer loyalty and ensures a more active user base.

Key Considerations

Cost-benefit analysis:

Keep an eye on costs and ensure that every investment in gamification delivers measurable benefits. This could be in the form of higher engagement, more leads, or improved customer retention.

Continuous improvement:

Gamification is not a one-time project, but an ongoing process. Regularly analyse the results and adjust your strategy accordingly.

Entertainment as the key:

Never forget that your users want to be engaged and entertained. Gamification should be fun and at the same time offer added value to be successful in the long term.

Through careful planning and step-by-step implementation, you can effectively use gamification to generate more leads and increase engagement with your target audience.

At this point, all that remains is to wish you good luck!



**Do you want to use
gamification to
boost your
marketing strategy
and increase
customer loyalty?**



**Develop a smart gamification strategy –
we support you from planning to implementation!**

Chili Digital AG

Contact

Zürich

Klausstrasse 43
8008 Zürich
Schweiz

Ljubljana

Cesta na Vrhovce 5c
1000 Ljubljana
Slowenien

+41 44 315 90 00

info@chili.ch

chili.ch

