

“A Study on Gamification Practices in Global Marketing Promotions”

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ABSTRACT:

The present day marketing promotions are electronic based that avail the best use of animation, videography and electronic based gamification strategies. These strategies invite consumers to get involve into product component and avail benefits via gamification campaign launched by manufacturers and designed by promotional agencies. These strategies tempt consumers to consider product purchase worth thru media and web based interactive platforms known as Gamification in global market

The technique or procedure of implementing the mechanism and dynamics of games in a non-game context is termed as Gamification. Talking about the non-game context, corporates and businesses are emerging as one the biggest non-game context these days. Customer's experience enrichment and employee engagement are burning issue now a day. The purpose of Gamification is no different than the above mentioned issue. Gamification can tremendously drive customers through incentives, rewards, leader boards, badges, point system and free stuffs. These incentives and rewards propel customers to become significantly more action oriented. The action can be to persuade sales or to simply initiate a new hobby like practicing meditation using mobile applications.

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I. INTRODUCTION

In the world of global Marketing promotions, numerous industries are making sincere efforts to integrate Gamification in some possible manner. Some of the significant usages are: Education and Training, Healthcare, Business to Business Marketing, Sales Force etc

Gamification can be integrated to online business platforms, websites and Customer Relationship Management i.e. CRM. The data that it generates is absolutely huge and highly meaningful. The big data generated through Gamification integration with business can help them in improving and recognizing the merits and demerits significantly. Gamification can be delivered through SAAS i.e. Software as a Service or via consulting. The pricing methodology can range from licensing to user based charges. With deeper involvement of consumers in various software applications, global brand companies are inviting consumers increasing their overall participation and scoring sales globally, the current article will discuss and explore the gamification concept in global brand marketing and its popular practices.

1.1 Global Gamification Market

Globally, the Gamification market is as big as a universe. The global market deliverables can be classified into following categories:

1.1.1 Market by Solutions: There are two major participants in market by solutions. One is the platform provider and other is the service provider. For example: SDK i.e. Software Development Kit and LBS i.e. Location Based Services

- **LBS Provider:** LBS stand for Location Based Services. This has several applications and usages like navigation, search and advertising, tacking, infotainment, games and augmented reality.
 - a) **Foursquare:** It provides the popular idea of checking into places via mobile application. It is a tool that aims at locating nearby places as per requirement.
 - b) **Dark Sky:** A LBS technology that provides weather update of exact location every minute on the user mobile phones.
 - c) **Pokemon Go:** A game that features an animated character named Pokemon. Players in this game search the character in their surrounding by walking various locations nearby holding their mobile phones in their hand to locate the character Pokemon and in turn they earn rewards and points.

d) **Curbside:** A LBS technology enabled app that has changed the way we shop. Using this order is placed online and the user gets the alert once the order is ready. After that order is collected by the user as a pick and go service which eliminate the hustle of waiting in longer line.

e) **Uber:** Tracks location of arrival and destination of the users to facilitate locomotion from one place to another via booking rides using an online mobile application.

f) **Gas Buddy:** It provides database regarding gas stations, prices and convenient stores nearby. Along with that it also provides reviews and feedbacks to aid customers in easily reaching out the convenient place for fueling in kitchen gas, diesel, petrol etc.

1.1.2 **Market by Services:** As per the services point of view, it can be classified as corporate applications, services that can be integrated and societal engagement. There is high degree dependence on involving and engaging customers and employees. Gamification is serving the purpose by acting as social connector.

1.1.3 **Market by Applications:** From this perspective, market can be bifurcated as marketing, sales, production, HR and other. In present context, gamification is mostly applied in marketing and human resource. This is because the today's technology is competent enough to enrich customer experience and enhance employee engagement.

1.1.4 **Market by Verticals:** On the basis verticals, the gamification market can be classified into private sector and government, banking and financial services/institutions, consumer goods and retail, press and media, energy, power and utilities, healthcare, pharmaceuticals and healthcare, entertainment, travel and logistics, education and training, etc. Education and BFSI are tremendously growing and improving because of the usage of gamification techniques.

1.1.5 **Market by End Users:** As per this segmentation can be as consumer gamification and enterprises gamification. Taking the advantage of rivalry and competition the enterprises have been able to outperform consumer gamification market through awareness and usage of technology.

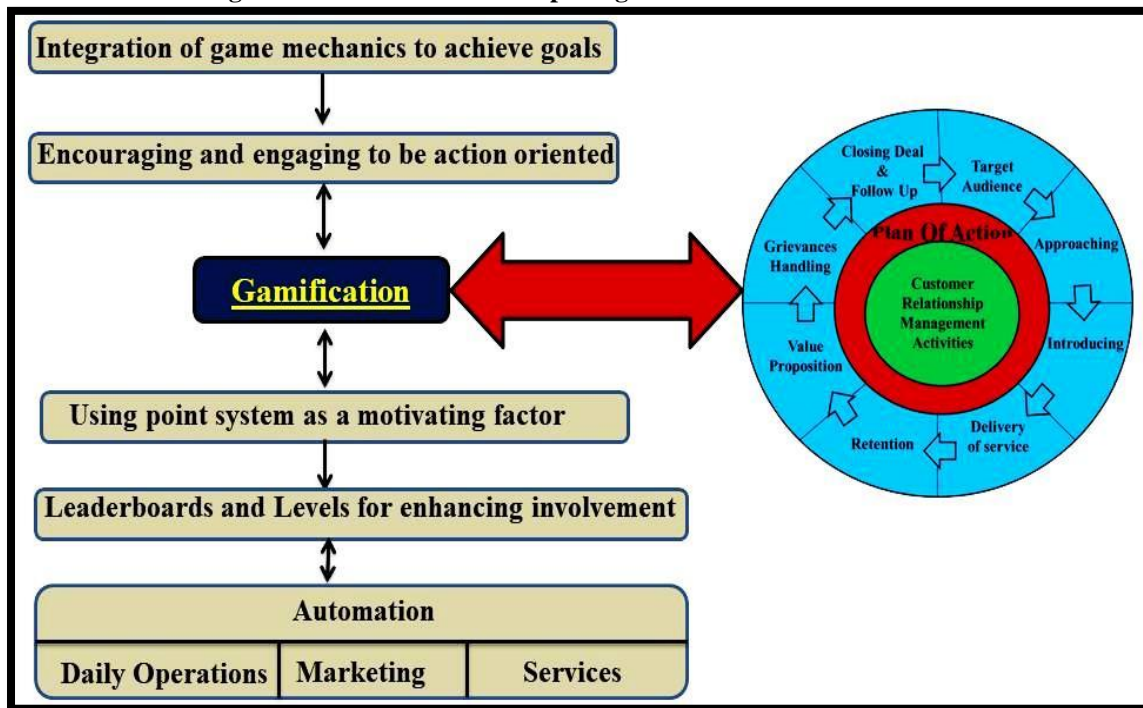
1.1.6 **Market by Geography:** As far as geographical bifurcation is concerned, the market is classified as North America, Asia Pacific, Middle East, Africa and Europe. Europe and North America hold greater market share in comparison to other regions.

1.1.7 **Market by Deployment:** On-premise, on demand and hybrid are the three major component of gamification segmentation on the basis of deployment. With the passage of time the corporates are becoming more aware regarding significance of gamification which in turn will drive the growth and demand for on-premise and hybrid deployment tactics.

1.2 Effect of Gamification in CRM

Customer Relationship Management is an innovative technique to handle corporates interaction with the existing as well as prospective customer base. Valuable data that depicts the purchasing behavior and customer's psychology can be obtained via CRM. This provides corporates with meaningful insights and golden opportunity to recruit, retain and regain customers. This in turn assists in immensely amplifying sales growth. Through the integration of gamification, one can design an efficient and innovative CRM system that propels people towards feedback and rewards which in turn can act as a stimulus to boost sales performance.

Figure 1: Innovative Model depicting role of Gamification in CRM



The above model attempts to showcase the effect of gamification in CRM. Weaving in the mechanics and dynamics of game in daily operation methodology can significantly assist in achieving the sales target. Gamification techniques act as a driving force that makes customers more action oriented. It drastically influences customer’s psychology and behavior by enhancing their involvement in the purchasing process. Several researches in psychology have proven that people tend to repeat a certain behavior which rewards them. Awarding points as a reward can help in motivating the customers to repeat certain behavior again and again. For instance, rewarding 1 point for creating an account, 2 points for new accounts created via references. This point system is not limited to customers only. It can be used for engaging and motivating employees as well. For instance, on the service front awarding say 20 points to employees for resolving issue on call in less than a minute and half the points i.e. 10 points if the issue gets resolved in more than 1 minute. Creating a sense of competitiveness among the existing customer base can help in boosting sales a lot. Imposing gamification techniques like leaderboards and leveling up criteria can help in stoking a friendly competition among customers. This increases the customer involvement and enhances the sales. For instance, mostly gaming applications like 8 ball pool, Ludo King, PubG, etc. uses leveling up as well as leaderboards for engaging the customer and devoting their maximum screen time on these applications. Artificial Intelligence is one of the most essential needs of 21st century. It provides a cutting over other competitors. Using such mechanics in automation of operations and services can definitely help enterprises in improvising CRM system and also lays down the foundation for analysis of huge data created on the system.

Gamification is multi-dimensional and a dynamic tool. It has immense power to transform the way the businesses are being carried out today. It is very likely to change the way we do businesses and absolutely deserves higher attention and investigation from each and every business community.

II. LITERATURE REVIEW

Nearly 3.8 billion people in the world use social media. It is approximately 60% of the world’s population. Since, people are using social media these days one can easily understand the buying behavior and pattern of the customers. It makes possible for the enterprises to understand the customer’s psychology and influence their buying behavior. This is where the role of gamification comes in. There are various theories and studies in the past that provides empirical evidence regarding the significant impact of gamification in influencing customer behavior.

One of the major theories on gamification is Self- Determination Theory. Deciand Ryan (2000), explained in-depth use of this theory using four stages: firstly, to identify the goal of gamification; secondly, identifying intrinsic motivational factors in gamification; thirdly, to identify how game mechanics map on to self –determination concept and lastly evaluating the framework in applied research.

Another psychological theory that marks the formulation of gamification is Maslow’s hierarchy need (1987) and its modification by Alderfer (1969) stating that the mechanics of game can map either on Maslow’s five stages of needs or on Alderfer’s three categories of existence, relatedness and growth (Kim,2013; Lin and Zhu,2012). Maslow has been criticized as being one of the reductionist and formulating an impractical theory. This can be further extended to Alderfer’s theory which leads to believe that these theories were utilized because of their appeal to non-psychologists as being easy to understand and put into application or usage.

(Nakamura, 2009), in his article explained involvement and engagement provoking properties of gamification. This theory appears to be more realistic and promising approach because in contrast to other theoretical frameworks it was tested in applied studies. Most part of the theory has been shown as the reason behind immersion in videogames and facilitates gamification. Due to these reasons, the researchers consider the framework more relevant than self-determination theory or need-hierarchy.

As per (Marczewski, 2013) the game mechanics are often misunderstood in gamification. The key terms have been gathered from game designs and lays down the rules of the game for the purpose of interaction between game and player in every possible manner. On the other hand game dynamics facilitate players to interact with those game mechanics. Game dynamics and other essential elements seem to be missing from the literature of gamification as most the game definitions utilize game mechanism as an essential element.

In the context of game design, it is termed as “action oriented user centered approach” and it has been best displayed by (Huotari and Hamari, 2012) in their definitions of gamification, “a process of enhancing a service with affordances for gamely experiences in attempt to assist user in overall value generation”. This was specially formulated to provide recognition to game elements or merely game context in the definition of gamification. The author makes an attempt to clarify that there are no elements specific to games and the entire focus is on the user’s experience and involvement rather than any specific technology or mechanics. Additionally, it also stated that it is nearly impossible to create game like experience in a non-game context.

III. OBJECTIVE OF THE STUDY AND HYPOTHESIS

Research study aimed at understanding and unleashing the impact of global gamification. The objectives more precisely can be bulleted as:

- i. To investigate the role of gamification in increasing customer involvement.
- ii. To understand the significance of gamification in capturing market share.
- iii. To know the assistance of gamification in building a competent CRM.

Null hypothesis (H₀): There is a positive impact of gamification in enhancing customer involvement, product sales and efficiency of CRM.

Alternate hypothesis (H₁): There is no significant impact of gamification in enhancing customer involvement, product sales and efficiency of CRM.

IV. DATA AND METHODOLOGY

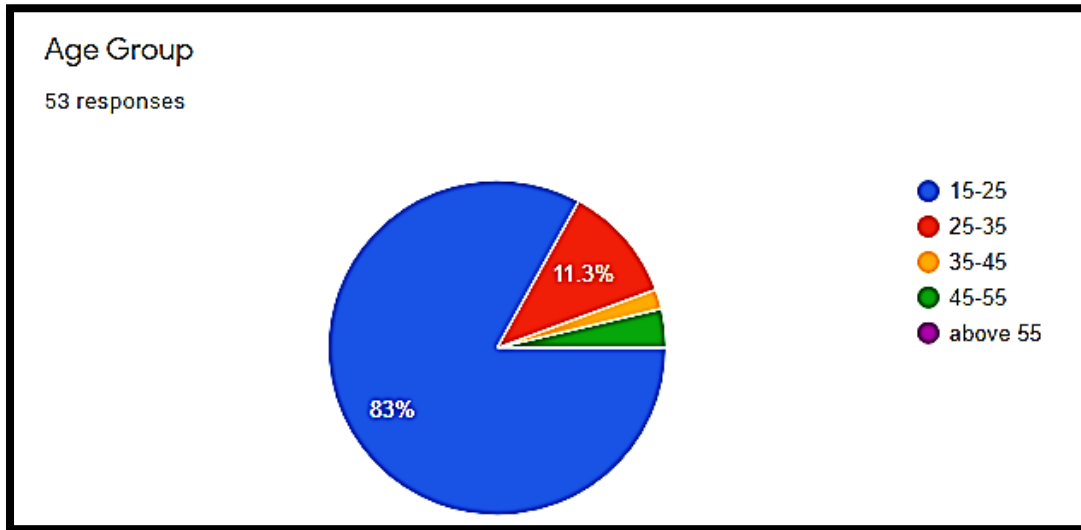
Primary source has been used for the purpose of data collection. The data were collected through an online survey. A questionnaire was constructed and circulated online across numerous verticals and industries to obtain the responses. Through this survey, researcher has been able to analyze and interpret the role of gamification in the enhancing customer involvement and in making customers more action oriented through popular campaigns.

Table -1: Methodology in Nutshell

Particulars	Descriptions
Research Design	Exploratory and Descriptive Research Design
Sampling Design	Primary data acquired by construction a questionnaire and conducting an online survey using goggle form
Sample Selection	The sample selection for this study will include all the responses obtained through the survey
Sample Size	53
Data Collection	Primary data has been used for this study: 1. A questionnaire has been constructed keeping in mind the objective of customer involvement, efficient CRM building and capturing market share.

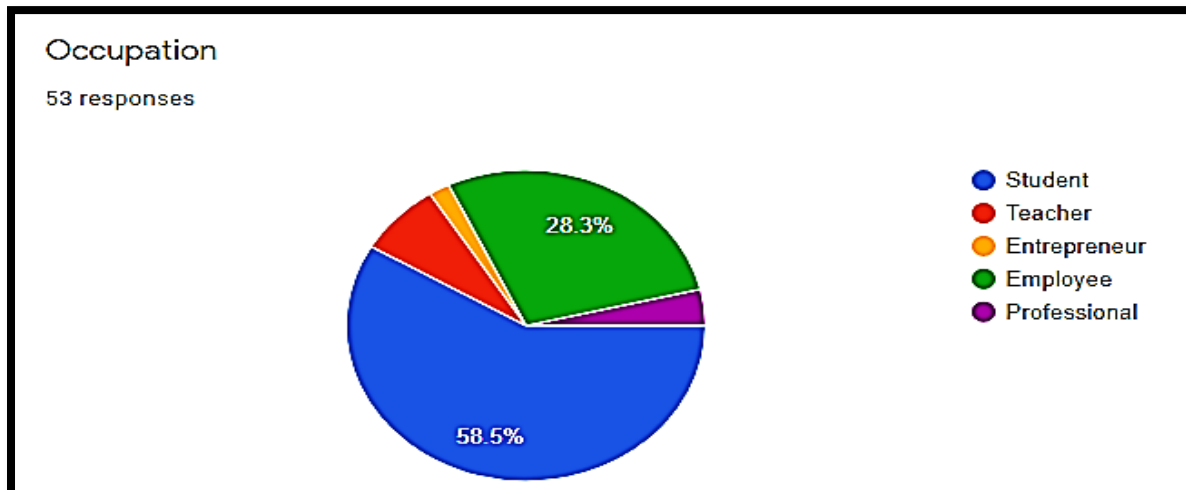
	2. The responses for the study has been obtained through an online survey https://forms.gle/SgxJaXJ1qnprUKEi8
Time Period	7 th April, 2020 – 14 th April, 2020

V. DATA ANALYSIS AND INTERPRETATION



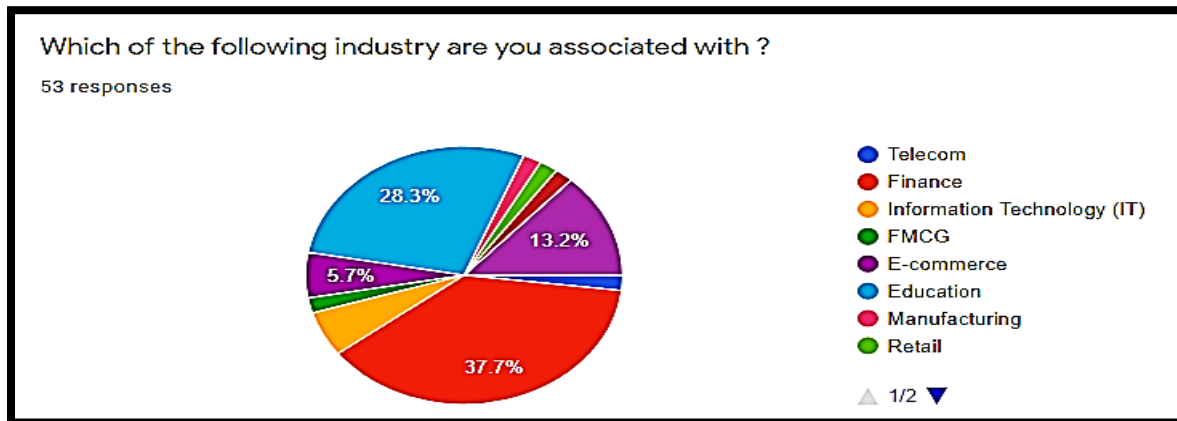
As shown in the pie-chart above, approximately 6% of the responses have been obtained from a matured and experience age group of 35-55 years. This makes the collected data more authentic and reliable. It will help the researcher in achieving the objectives of the study as well as to the right conclusion. Besides that approximately 94% of the data has been obtained from the younger age group of 15 years - 35 years. Since, large portion of the responses come from the fresh minds it provides ample of opportunity for the researcher to gather innovative, creative and out of the box ideas regarding gamification in marketing.

On the other hand, the large of portion of responses obtained from the younger age group also bring in some limitations like lack of experience and less exposure to the practical applications.



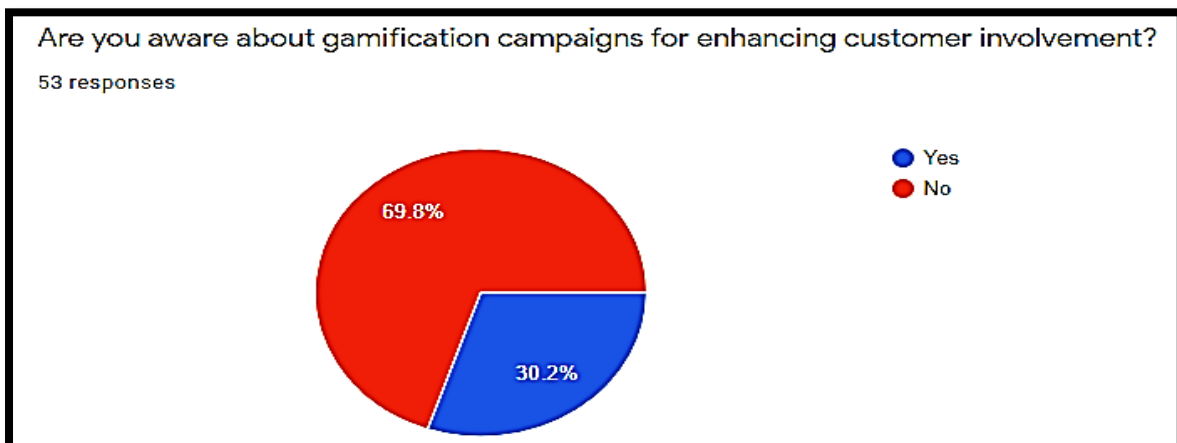
As shown in the chart above, the data collected is rich in diversity. Survey has been successfully circulated across numerous occupation categories such as students, teachers, entrepreneurs, employees and professionals. This helps in understanding the role of gamification across various industries as a whole. As presented above, approximately 87% of the responses have been gathered from students and employees. Certainly, students are the potential customers for countless number of enterprises. They are the ones who often make sincere attempts to make the workplace more engaging for the employees and the buying procedure more exciting. Exciting buying procedure helps in making a positive brand image and efficient brand recall effect in the customer’s mind. So, the survey will help the researcher in reaching the right conclusion.

At the same time, fewer responses from teachers, entrepreneurs and professionals limit the exposure of gamification in respective occupation.

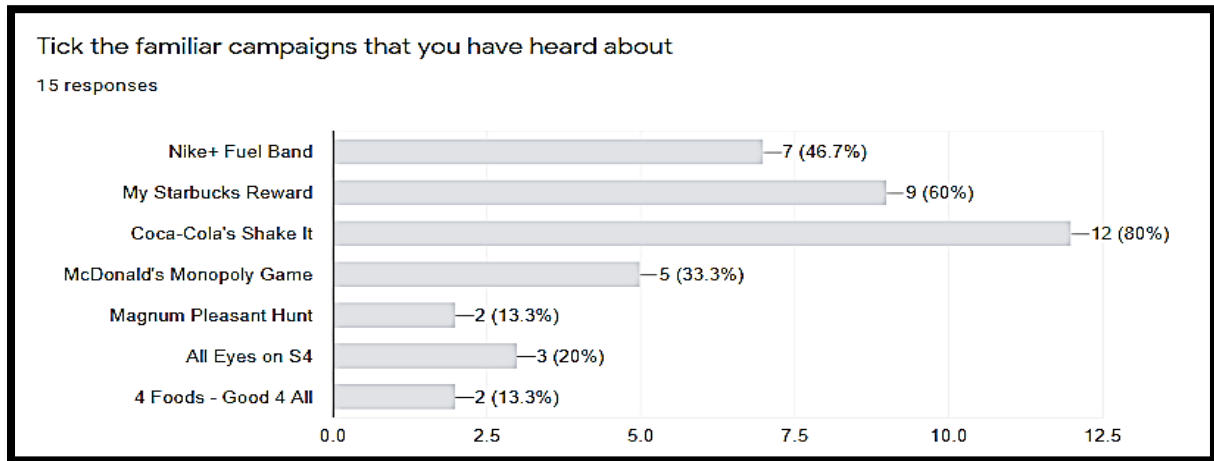


As shown in the above chart, the survey has been circulated across numerous industries. Key verticals like telecom, finance, information technology, FMCG, E-commerce, etc. has been included in the survey. The diversity of the survey across different fields and vertical will help the researcher in understanding the application of gamification in these sectors. Along with understanding the role in present context, it also lays foundation for investigating the future prospect. Inputs from this study will certainly help these industries in efficient and effective use of gamification in order to enhance customer involvement and subsequently building a better CRM model.

The large portion of the responses i.e. (approximately 66%) have been collected from finance and education industries. This shows that gamification has significant role in these sectors which makes them aware about such campaign along with potential to grow in future as well.



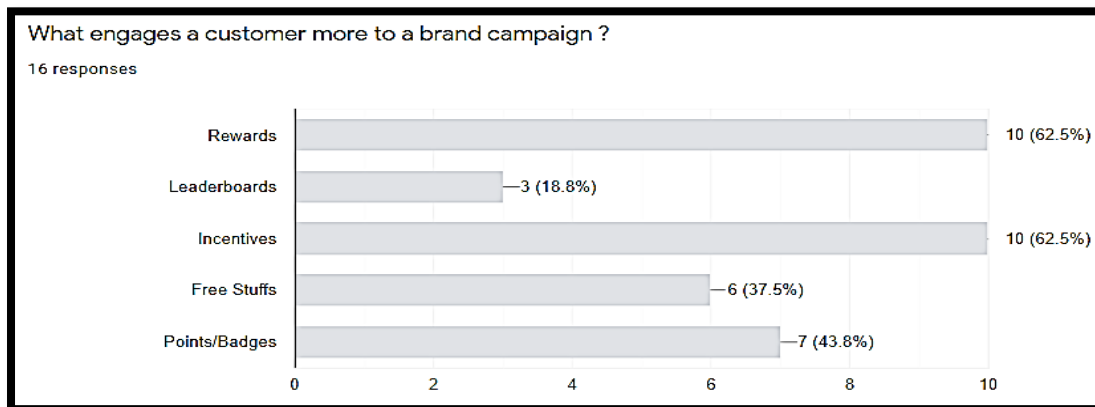
As presented in the diagram above, approx.30% of the sample size is aware about gamification campaign and its role in boosting product sales through customer engagement. Nearly 70% of the people are still not aware about gamification in marketing. This shows extremely rare awareness about gamification and its campaigns. Only few industries are able to take the leverage of enhanced market share through customer involvement by deploying gamification tactics. This also presents a huge potential for the gamification market to scale up in future since majority of industries are still not implementing the game mechanics and dynamics in their day to day business operation. This set of data lays foundation for further research and study in the days to come in order to analyze and interpret the increased market penetration of gamification in marketing.



As per the above horizontal bar diagram, Coca-Cola’s Shake It campaign happens to be the most familiar and popular campaign in comparison to others. 80% of the responses are in favor of Coca-Cola’s campaign. Subsequently, My Starbucks Reward happens to be the 2nd most popular campaign with 60% votes followed by Nike+ in the 3rd place. We can clearly see that 4Foods and Magnum Pleasant Hunt campaign happens to be the least popular campaign with merely 13% recognition for each as per the survey.

McDonald’s Monopoly Game and S4 campaigns are comparatively more popular than Magnum and 4Foods campaigns with 33% and 20% recognition respectively as per the survey.

The above data shows significant role of gamification campaigns in enhancing brand image and recall effect in the consumer’s mind. This solidifies the role of gamification in enhancing product sales and customer involvement.

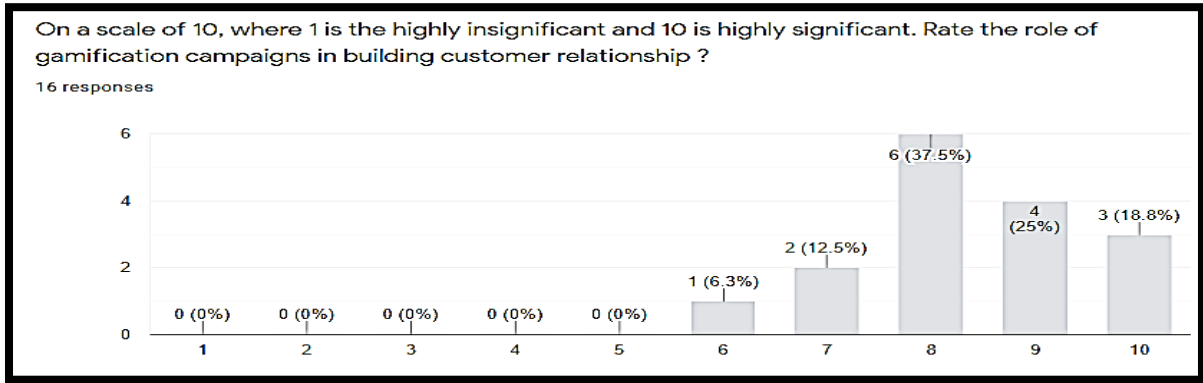


From the above bar diagram, we can say that rewards and incentives are the two most important factors in customer involvement process. These two factors propel customers to become more action oriented. It plays a vital role in persuading sales. It also gives the clear understanding about the fact that feeling of accomplishment and achievement act as motivation factor for the customers to become loyal brand ambassador.

Points/Badges happen to be 2nd most important factor that customer considers while following a marketing campaign. The goal oriented mindset of the consumers to achieve certain milestone is strongly driven by the desire to accumulate points. This immensely helps in achieving the objective of customer engagement.

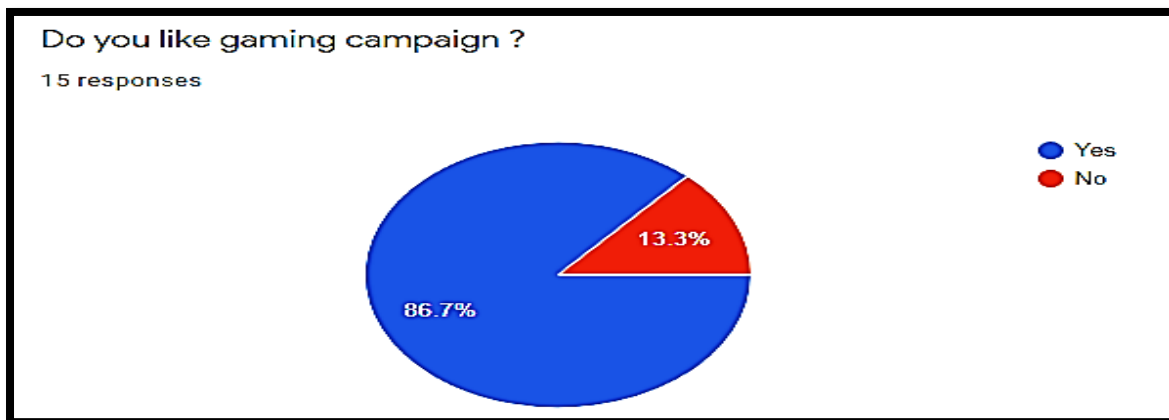
We can also conclude that gifts and free of cost stuffs psychologically influence customer buying behavior. It incredibly drives consumer towards particular brand. Free stuffs provide a sense of pleasure in the consumer’s mind which in turn helps in engaging more and creating a recall effect.

It also seems that customers are highly competitive in nature. To fulfill and satisfy their competitive needs, game mechanics like leaderboards can play a crucial role in increasing product sales and involving customers.



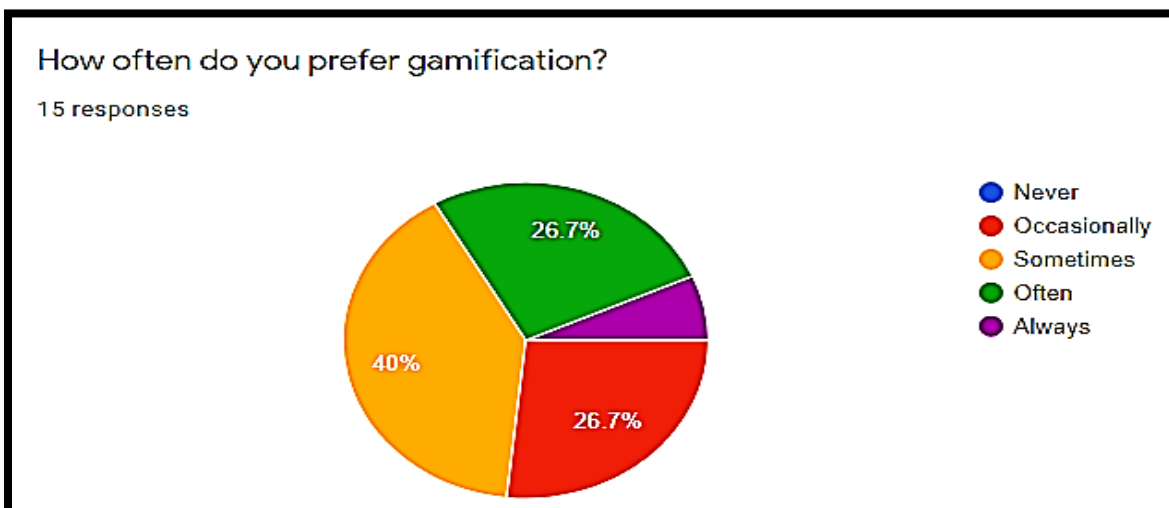
The above bar diagram shows significant role of gamification campaigns in efficient customer relationship management. Not even a single response in the survey has been rated less than 5. Each and every response in the survey has received at least 6 or more rating out of 10.

This set of data shows positive impact of gamification campaigns in customer involvement. Gamification is the most powerful way to understand the human psychology and influence their buying behavior.



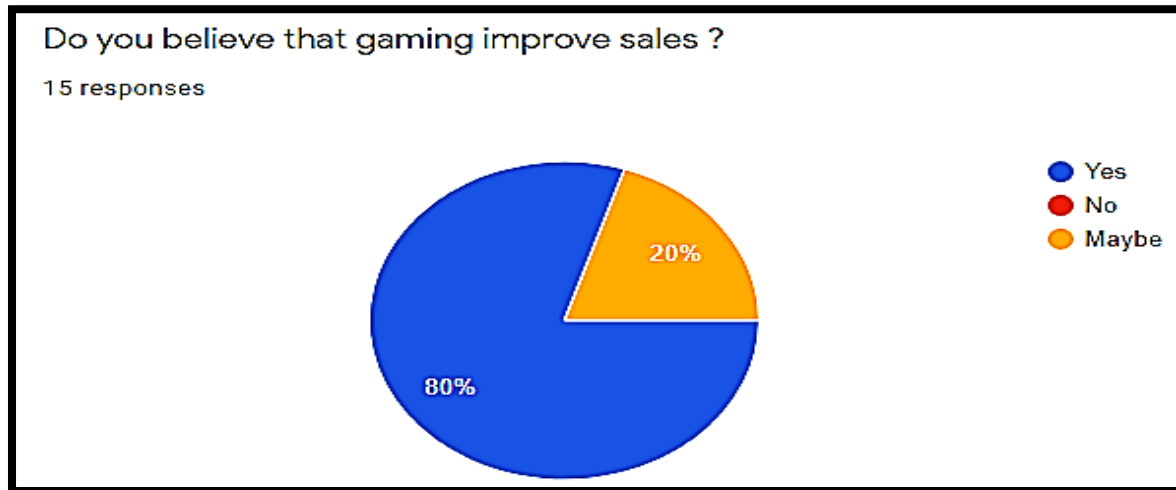
As shown in the pie-chart above, almost 87% of the sample survey population actually likes gaming campaigns. One of the basic marketing principles says that the main objective of the businesses should be to identify the consumer needs and provide products and services that can satisfy those needs.

Thus, it can be concluded that customer engagement via gamification campaigns is the most essential need of 21st century. It can certainly providing cutting edge in capturing greater market share.



From the above diagram, we can see more than 50% of responses indicate occasional use of gamification campaigns. This shows that enterprises and corporates use game mechanics mostly in the process of new product development. It helps in quickly scaling up from introduction stage to growth stage of product life cycle. This becomes possible because of increased product sales via customer involvement.

On careful observation we can see that 40% of responses highlighted in the yellow color indicate not too often use of gamification. It clearly makes the impression that gamification doesn't only help in initial two stages of product life cycle but also in maturity and decline stages. This can help in creating a positive and impactful recall effect in consumers mind through campaigns.



As shown in the above diagram, each and every response from the sample population believes that gaming improves sales. Majority of the responses i.e. 80% are favoring the role of gamification in enhancing product sales whereas 20% are neither sure about it nor believes to have insignificant impact of gamification in improving sales.

H₀: Failed to reject the Null Hypothesis

Coming to the hypothesis, “there is a positive impact of gamification in enhancing product sales, customer involvement and efficiency”, the researcher reached at a conclusion that based on data collection and analysis, the impact is positive rather than significant.

VI. CONCLUSION AND RECOMMENDATIONS

From the above study, it can be concluded that gamification has huge potential to improve sales. Based on the research, we can also say that customers and employees actually like gamification campaigns and game mechanics. Rewards and incentives are the two major factors that make game mechanics more appealing for them. Besides that other factor like point systems, leaderboards and gifts also play a significant role in motivating and influencing customer's psychology. It is evident that various campaigns like Coca-Cola Shake It and McDonald's Monopoly have been very popular in the past. On careful observation, we can also discover that in most of the cases where need arises to increase customer involvement gamification campaigns has been used. The study also highlights the importance of gamification across various industries. Manufacturing and Education industries are the top users of gamification techniques. The future of gamification in health and pharmaceutical sector looks promising.

The study highlights the huge potential and promising future prospect of gamification in days to come. There is significant integration of gamification in present context. But a huge chunk of industries and sectors are still not using gamification. It seems that still majority of the people and corporates are unaware about such campaigns and its significant role in improving sales, enhancing customer involvement and efficient CRM management. Gamification can be the next powerful tool to transform businesses. This topic deserves attention and study by various communities specifically, the CRM community.

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