Boosting User Engagement through Gamification

To gain competitive advantage through active user engagement, organizations must leverage gamification mechanics to influence user behavior and drive results.

Executive Summary

Any organization that has executed a strategic business initiative – whether implementing a new system or seeking customer feedback – realizes that an often missing but critical ingredient for success is the voluntary and continued engagement of stakeholders. While initial engagement can be the start of a new customer relationship, continued engagement is key for sustained business results.

In order to increase engagement, many organizations are turning to gamification techniques, which provide users with incentives to behave in desired ways. In simple terms, gamification is the use of game mechanics to engage audiences, solve problems and introduce novelty into mundane tasks. Through mechanisms like points, achievement badges, progress bars, virtual currency and leaderboards, gamification can help companies improve sales, boost customer loyalty, increase audience engagement, heighten employee motivation, drive collaboration and improve business performance.

As an industry, gamification is in a nascent stage today but is growing in popularity, especially with the proliferation of social media, the consumerization of technology and the influx of millennials in the workforce. As workforce attitudes and expectations shift, companies are looking to gamification as a means to increase user engagement and motivation to drive improved business performance. Furthermore, technologies such as social media, mobility, analytics and cloud-based services (or the SMAC Stack™) are also helping to push gamification into the mainstream.

This white paper explores the nuances and drivers of gamification, the critical success factors for implementing gamification and the ways gamification can be leveraged to provide a differentiated end-user experience.

Gamification Defined

Gamification is the use of game design techniques, styles and mechanics in nongame contexts and activities, with the objective of engaging users, solving problems and driving desired behaviors

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that help the company reach a business goal, whether it is cutting costs, increasing performance, improving customer satisfaction or devising innovative solutions.[1, 2] By making technology more interactive, gamification can also enliven mundane, business-as-usual activities, including completing feedback surveys, undergoing training, learning and collaborating.

> **Gamification is the process of using game dynamics to engage audiences and solve problems.**

For instance, training can be gamified by incorporating difficulty levels to encourage learning completion. Fast-track learners can be rewarded with public recognition or other awards, and they can also be encouraged to train other members to gain additional awards. Similarly, customers can be encouraged to provide feedback or make repeat visits through the provision of goodies or promotional offers.

Organizations typically deploy gamification for the following reasons:

- Ensure program success by driving organizational behavior change.

- Motivate audiences to voluntarily participate in mundane tasks.

- Increase participation in work-related training and development programs.

- Encourage performance and innovation.

- Enhance customer loyalty and employee retention.

- Obtain valuable customer feedback.

In today's real-time and always-connected world, our reaction times and attention spans have contracted. Most people have grown accustomed to ready access to information, sub-second response times and real-time feedback.[3] Gamification leverages the information derived through real-time feedback and uses those insights to reinforce desired behavior.

For instance, gamification speeds up positive feedback loops between managers and direct reports. Associates can obtain immediate feedback from managers rather than waiting for year-end or quarterly reviews. Real-time feedback also enables valuable customer opinions to be obtained to accelerate marketing launch cycles.

Applying Gamification

Industry analysts predict rapid adoption of gamification. By 2014, more than 70% of Global 2000 organizations will have at least one gamified application, according to Gartner, Inc., and 25% of day-to-day business processes will use aspects of gamification.[4]

According to Gabe Zichermann, founder and CEO of Gamification Co., over 350 companies have launched major gamification projects, including consumer brands like MLB, Adobe, NBC, Walgreens, Ford, Southwest, eBay, Panera and Threadless, as well as B2B companies like Oracle, SAP, Jive, Cisco, Pearson and Salesforce. For these companies, he says, "gamification has emerged as a key element in their consumerization of the enterprise strategy." Further, he says, in 2012 to 2013 alone, consulting behemoths Deloitte, Accenture, NTTData and Capgemini began practices targeting gamification of Fortune 500 companies.[5] This affirms the growing adoption of gamification by organizations across the world to help solve problems.

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Gamification of the Contact Center

Leaderboard	Resolutions	Quick Resolutions	Happy Customers	Score
Employee 1	20	11	8	93
Employee 2	15	5	9	75
Employee 3	11	5	7	61

Source: Cognizant Technology Solutions

Figure 1

Today, specific process areas or functions are leveraging gamification techniques to meet their objectives. For instance, contact centers and customer service organizations are using leaderboards to drive performance among contact center agents or devising racing games to increase the number of closed tickets per agent. These gamification solutions reward agents who meet their targets and display the results on a publicly visible leaderboard (see Figure 1, previous page). In this example, "Resolutions" indicate the total number of resolved tickets; "Quick Resolutions" indicate the number of tickets closed within the target service level agreement or goal; and "Happy Customers" indicates the number of tickets that received positive customer feedback. The goal is to drive faster business results by motivating contact center agents to perform better through public recognition of their achievements, ultimately leading to greater customer satisfaction.

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Another high-impact application for gamification is an IT transformation initiative whose success depends on effective organizational change. Because such initiatives involve process change or technology enhancements, they require a significant effort to change user behavior. An example is a program involving a migration from Lotus Notes to Exchange. Gamified training could be launched to help users undergo a demonstration of the new e-mail platform and take different levels of challenges to learn and adopt its new features. Fast learners can be rewarded and encouraged to help other users get equipped, as well.

Three Levels of Value Generation

We see gamification being applied to meet three primary objectives:

- **Cost optimization:** Gaining a cost advantage is a primary driver for gamification. For instance, a leading hospitality company has used gamified online learning courses to reduce training and development costs. Organizations can also gamify health and wellness campaigns to control employee healthcare costs.

- **Influencing emotion:** The next level of engagement is the emotional or personal aspect.

The services industry relies heavily on the responsiveness of people and the relationships they form. This aspect is well exploited by the media and entertainment industry, which generates simultaneous/instantaneous feedback loops to drive sales and boost customer morale. This can also be seen in organizations that use employee feedback and reviews to boost morale in the form of public recognition, rewards, points, etc.

- **Innovation:** An emerging use of gamification is to drive competitiveness through the creation of profit centers. For instance, a leading technology and consulting company has developed a game-based business performance management simulator that has spawned several B2B products and has become the company's top lead generator.[6]

Getting Gamification Right

There are as many ways to approach gamification as there are ways to get it wrong. In fact, according to Gartner, 80% of gamified applications will fail to meet business objectives due to poor design.[7]

A common design mistake is failing to build in drivers that sustain user interest in the gamified application. For instance, the launch of a gamified CRM platform designed to help generate leads can continue to do so only if the feedback is measured and conveyed to the audience so they realize the consequences of their actions and behave in a desired manner. Gamification can inspire a sudden spike in user interest and drive immediate results with even the most rudimentary game elements, such as points, badges and leaderboards; however, if the audience does not realize value in the long term, the engagement begins to break down.

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Another risk is unintended consequences. Because individuals are motivated in different ways and at different levels, gamification can introduce undesirable user behavior that does not align with business goals. For example, while the public recognition provided through

leaderboards might motivate one individual, it may not appeal to others who dislike too much attention. Organizations need to be aware of individual motivations when determining reward systems of a game.

Feedback is another area in which basic user experience guidelines need to be established. Generally, feedback needs to be balanced, well-timed and continual. Too much feedback can be frustrating to users and may prove futile, while too little feedback can result in dwindling user interest.

To ensure desired results, four key design elements should be included in any gamification platform (see Figure 2):

- **Objective:** Pursuing a gamification initiative without a stated objective is a prescription for failure, as these applications are intended to address a business problem. A question that can help define the business objective is, "What is missing in current behaviors?"

- **Target audience:** Identifying and defining the target audience is also very important. Keeping this audience in mind is critical to incorporating the most effective nuances in the gamification platform for continuous audience engagement.

- **Innovation:** Gamification is not only about creating and implementing gaming mechanics

in mundane or traditional processes; it also needs to add a fun element to these processes. For instance, while typical gamification components include badges, levels, challenges and players, these can be substituted with rewards, achievements, ranks, tests, avatars and any other element that would attract the audience and match its motivation level.

- **Justification:** Finally, users need a compelling reason to begin engaging with the gamification element and continue to do so over time. Without user participation, the intended outcomes will not be realized.

Other activities – such as benchmarking current performance, quantifying results and being prepared to modify or revisit the original assumptions and rules – are all indispensable for gamification success. The gamification idea needs to be thought through for long-term results, and trade-offs need to be made between the difficulty level and simplicity of the gamification mechanics.

The Way Forward

Implementing gamification mechanics extends beyond rewards and badges. Organizations need to apply their gamification efforts toward

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Four Key Gamification Tenets

Source: Cognizant Technology Solutions

Figure 2

achieving a business goal that requires voluntary audience participation and engagement to yield results. Furthermore, they need to take a holistic view of adding a fun element to otherwise mundane activities. Rather than look for immediate benefits, companies should aim for long-term, sustainable results.

Secondly, the behavioral changes that gamification inspires cannot be superficial. These initiatives require a mindset change and a culture shift across the organization, which requires enterprise-level commitment. Particularly when gamification is combined with technologies such as the SMAC Stack, it is bound to disrupt traditional operations.

Third, gamification needs to be designed and thought through, from inception to implementation. The audience needs a compelling reason to keep coming back and stay engaged on a continual basis, or gamification might fail to achieve its desired results.

Finally, as long as gamification drives the desired sustainable behavior, it will fulfill its untapped potential to provide a differentiated end-user experience.

With emerging solutions like the SMAC Stack transforming business, IT organizations should look for packaging gamification mechanics as an integrated solution for faster cloud-based model adoption and sustained engagement. To continuously provide a unique, customized experience to employees or customers, organizations need to be on a constant look-out for gamification dynamics affecting their industry and evaluate how they can use gamification to better innovate, better connect and better empower users.

Organizations must remember that using gamification to drive sustainable behavior changes is not a short-term goal.

Footnotes

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