Consumer Experience in the Digital Environment

# e-Commerce Gamification Strategies Unit 18







#### **Contents**

- Definition of gamification
- Challenges for ecommerce
- Best practice examples
- How to use gamification successfully
- How to combine gamification and loyalty programs





#### What is Gamification?

Gamification is the technique of encouraging someone to execute a desired action by giving them a sense of accomplishment and reward.

It doesn't entail having a PacMan game appear in front of a customer at random, but it would be amazing.

Gamification can be applied to a variety of areas of life, including e-Commerce, learning, and personal improvement.



## Major Challenges e-Commerce Marketers Face Today



#### **Abandoned Carts**

Every industry is plagued by cart abandonment, but e-Commerce fashion is particularly hurt by it with a 64% abandonment rate. Nobody will be able to persuade you to buy the products you added in a time of stress-induced desire no matter how hard they try.

The consumer is unlikely to pay attention unless the items in the cart are provided at a significantly reduced price combined with a ton of extra benefits like free shipping etc.



#### **Customer Loyalty**

Customer loyalty can occasionally be influenced by habit. Many of us find it difficult to break patterns and routines that have been repeated reinforcement. Due to the power of habit, we, therefore, choose the same brands. For the sole purpose of destroying a habit that has been cultivated through repeated exposure, new items are always introduced with much hoopla and a few freebies.

It takes enormous effort to win over customers' loyalty and to lose them. The cost of obtaining a new client is five times higher than the cost of keeping an existing one.

Moreover, a just 5% increase in churn can cause a profit margin to decrease from 25% to 125% (Shepherd, 2019).



#### **Customer Loyalty: Good Practice**

- Delivering a world-class unboxing experience is one approach to boosting consumer loyalty.
- Making your customer's first physical interaction with you memorable will keep them satisfied and returning to you frequently.





# **Gamification: The Revolution in e-Commerce Marketing Strategy**

- Gamification evokes strong feelings by appealing to the urge to strive, compete and evolve. This is beneficial for your brand because of the playful, recurring activities.
- Games are fun, and having a little fun is healthy. There are several gamification techniques and strategies that can be used to integrate games into the buying process.





# How to Use Gamification in e-Commerce Successfully?

Intriguing and entertaining, game-based marketing may also increase brand awareness, enhance consumer satisfaction and garner a lot of favorable attention if done correctly.

When incorporating gamification in your e-Commerce marketing or sales campaign, keep the following four things in mind:

The Motivator: What draws people in and encourages engagement?

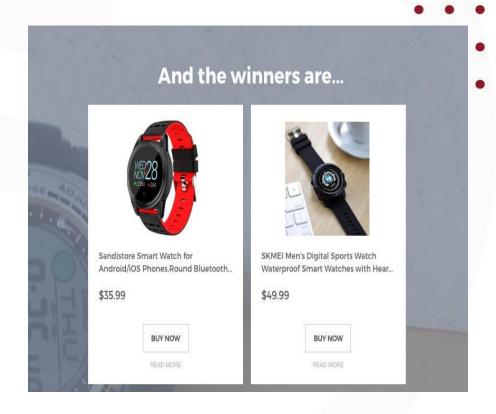
- How much time and effort is necessary?
- How does the game work? What are the rules? How do you play?
- What is the motivation to keep users entertained?



#### **Fun Product Recommendations**

Provide product suggestions based on a user's personality, behavior, etc., and then connect those suggestions to a product you are selling.

I.e. The products that are best matched to your needs are revealed after you respond to a few straightforward questions about your gender, spending limit, and lifestyle.







#### **Reward Linked Loyalty Programs**

Provide a points system so customers may accumulate points through repeated purchases that can then be redeemed for both tangible and intangible rewards. This is a powerful strategy for boosting loyalty and repeats sales.



## The Logic Behind

Gamified Loyalty Programs



www.antavo.com

**Enterprise Loyalty Cloud** 



#### **Reward Linked Loyalty Programs**



SEPHORA

Search

Stores & Services
Choose Your Store

Community

Sign In for FREE Shipping

 $\bigcirc$ 

>





#### **Beauty Insider Benefits**



All members earn 1 point per \$1 spent.

Savings	INSIDER Free to join	VIB Spend \$350/yr	ROUGE Spend \$1000/yr
Free Standard Shipping Beauty Insider only, no minimum purchase required	•	•	•
Beauty Insider Cash* Apply 500 points for \$10 off your qualifying purchase	۰	•	•
Seasonal Savings Events*	10% off	15% off	20% off
Point Multiplier Events*	2X points	3X points	4X points
End-of-Year Discount*	•	•	•
Access to Auto-Replenish  Set up subscription delivery and get 5% off your faves	٠	•	•
Rouge Reward Exchange 2,500 points for \$100 off your purchase			•

#### **Product Quizzes**

Build entertaining puzzles based on the products on your website. These puzzles can be connected to the product purchase pages or a points system, which can again be redeemed for money or in-kind rewards.

A wonderful example of a product quiz helps users in selecting the ideal pair of sunglasses. Quizzes can also be made to raise customer awareness of your brand.

The buyer may identify your product with delight, amusement, and feelings of positive reinforcement, which is a double-edged sword.



#### **Spin the Wheel**

This kind of gamification platform is a useful technique for collecting email addresses from new users.

Using the allure of a gift can help you build your email list of subscribers. This is one of the simplest methods for **triggering the initial buy**.





#### **Slogan Competitions**

A startup e-Commerce company might gain a lot by running a slogan competition on Facebook or Twitter and soliciting suggestions from followers.

A slogan contest encourages participation, and word-of-mouth advertising, and aids in creating a stronger, more enduring company image.



#### **Referrals and Loyalty**

One of the most popular types of gamification utilized in business is referral-based discounts. An incentive is given to clients who refer new customers to a business.

On the other side, using a points-based system, loyalty can be gamified. This is a fantastic concept to utilize in conjunction with the custom avatars mentioned before.



### **Thank You**

