LEVEL UNLOCKED:

Why Gamification Works



WHAT IS GAMIFICATION?

Gamification uses strategies typically associated with gaming, like levels, points, rewards and more, in the context of a non-gaming environment. These dopamine-releasing levers, paired with a branded experience, engage users and keep them coming back for more.

IT'S ALL IN YOUR HEAD

Gamification is rooted in psychology: Task completion triggers dopamine in the brain's reward center and stimulates the brain's memory center, creating a positive feedback loop. Brands can use those neural pathways to increase brand affinity.

EVERYONE WINS

Done right, gamification cultivates brand loyalty, increases LTV, and incentivizes interaction with a brand, while creating a sense of personal ownership over a brand's products.

Why Gamification Works

HERE ARE FIVE GAMIFICATION STRATEGIES FROM BRANDS AT THE TOP OF THEIR GAME:

THE PLAY:

LOYALTY REWARDS

GAME PLAN

Loyalty programs are a staple in brand gamification. Starbucks' original loyalty program featured a rewards card for purchases and perks. Today, the reward experience happens on the mobile app, where users earn points called stars and can redeem them for free food, beverages, merchandise, and more.

THE WIN

51% of Starbucks' revenue came from its loyalty program as of Q3 of 2021.

THE PLAY:

SELLER LEVELS AND PERFORMANCE STANDARDS

GAME PLAN

eBay makes the majority of its profits from seller transactions. eBay designed seller levers and performance standards to encourage users to sell more, allowing top-level vendors to earn exclusive labels and badges. This incentivizes sellers while simultaneously encouraging buyers to patronize trusted sellers, benefitting both buyers and sellers — and of course, eBay itself.

THE WIN

By late 2019, the eBay app was the third-most-popular mobile shopping app among shoppers in the U.S., trailing only Amazon and Walmart.

THE PLAY:

STREAKS, ACHIEVEMENTS, AND LEVELS

GAME PLAN

Duolingo, a top language-learning website and app, uses gamification tactics to drive clients to premium subscriptions.
The delightful elements of Duolingo's streaks, XP points, and banners make it a perfect platform for learning and brand engagement.

THE WIN

By gamifying the learning process, Duolingo has acquired over 38 million monthly users[2] and earns over $250 million in annual revenue.[3]

THE PLAY:

RUN CLUB'S FITNESS TRACKING

GAME PLAN

As a fitness industry leader, Nike uses gamification on several platforms. Nike's popular free training resource, Nike Run Club, gives users free music, motivating messages, and guided run audio tracks that easily integrate with other apps like Headspace. Users can also track their friends' running patterns, receive personalized coaching, and track shoe usage.

THE WIN

$30.4 billion valuation as of 2021 — the world's highest-valued apparel brand.

THE PLAY:

INSIGHTS REPORTS

GAME PLAN

Grammarly, a cloud-based writing assistant, uses a gamification strategy focused on customer retention. The company releases weekly insight reports that provide personalized grammar statistics and recommendations to each user. Additionally, the platform itself features writing scores that can be improved with editing in real time.

THE WIN

Today Grammarly is one of the most-used online grammar platforms in the world. Grammarly is estimated to bring in over $73.2 million in annual revenue.[1]

If you're interested in learning more about incorporating gamification to increase your profit margins, let's talk.

Source:
1. growjo.com/company/Grammarly
2. blog.duolingo.com/global-language-report-2020/
3. www.statista.com/statistics/1247833/annual-duolingo-revenue/