

# How to Implement Gamification in Your Organization

*Atrivity e-Guide*

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## TLDR

According to gaming experts, gamification is 75 % psychology and 25 % technology. Effective gamification tools for business tap into behaviors that govern the day-to-day decisions made by employees by tapping into what moves people. For a gamified solution to be a success in the workplace, the platform must encourage desired behavior by unifying motivation through a rewards system, facilitate users' ability to carry out a task in bite-size chunks and provide the user a trigger or cue to complete the action. The importance of this solution is evident the growth of the gamification industry which is on pace to reach \$11.0 billion by 2020. This eGuide analyzes the psychology behind the industry and products, practical uses for both companies and users, and initial steps to help you get started finding and integrating gamification solutions in your company.

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# How to Introduce Gamification in Your Growing Organization

Since the early 1980's, the concept of gamification has evolved from hotel and airline loyalty programs to SAAS and mobile applications that can radically shape the strategic direction of a company. In 2003, the term “gamification” was coined, leading to a decade of mass implementation on mega platforms such as Foursquare and Facebook.

Outside of better-known cases, gamification has given everyday companies an opportunity to rapidly scale software that is engaging and innovative for purposes such as training and increasing knowledge retention. Gamification technology provides a level of flexibility, scalability, and ease of integration that has fueled a current annual growth rate of 46.3%.

This growth is due to a factor of reasons including more adoption in the market, global scale and awareness, better technology, and an increasingly youthful workplace that respond better to mobile and technological solutions. When people here “gamification”, the term “game” instantly resonates. Games are at the core, but gamification extends way beyond this.

## 1. What Exactly is Gamification?

Simply defined, gamification is the process of integrating game mechanics into a traditional medium, such as a website, training program, or product, to engage users to help solve or drive a business goal. These goals vary depending on the organization, but can all be gamified. Some common goals include sales acceleration, training, and event management.

User engagement in gamification comes in the form of instant rewards, such as tokens or points, that help promote active learning and drive participation. Most gamified applications and solutions also focus on real-time data to measure and evaluate the success of a particular game, goal, or outcome.



Before diving in to gamification adoption and application techniques, here are a few statistics that help illustrate just how important gamification is:

1. The gamification market will grow by 500% to roughly \$11.10 billion by 2020
2. Gamification uses 75% psychology and 25% technology to drive success.
3. 80% of learners surveyed say they would be more productive learning through a game.

## 2. The Psychology Behind Gamification

Implementing gamification into your organization's technology toolkit will provide tested and proven benefits. Simply put, gamification is powerful and is based on psychological techniques to encourage and stimulate users to learn and actually enjoy the gamified activity.

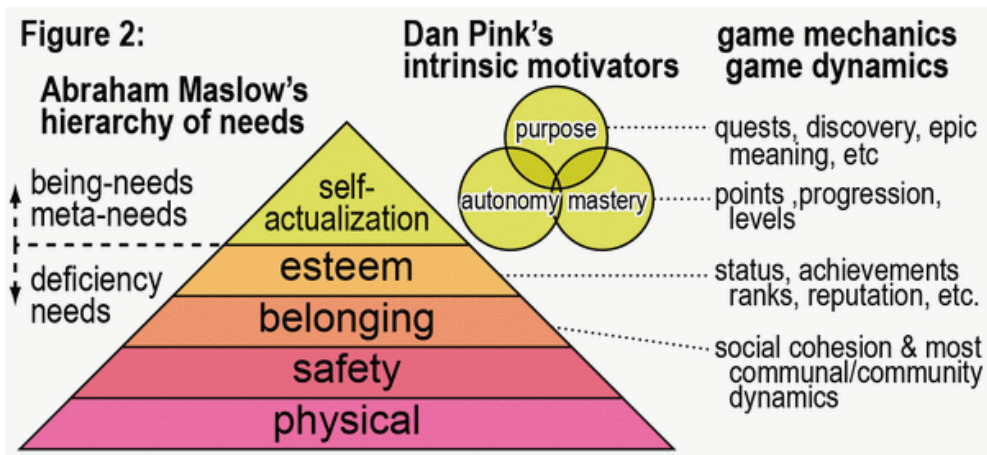
The foundation of gamification is based on a rewards system that rewards users for doing an activity well. For example, in a trivia game, a user who correctly answers a question correctly would be given points and or additional incentives in **real time**.

This rewards based system targets the brain's dopamine supply, **increasing motivation** as more points, badges, and rewards are earned. Think of it as instant gratification for professionals. In fact, **a brain's "reward center" can be influenced**, which is often seen in social media where developers add "hooks" to products to produce rewards and instant gratification.

Scientific American Magazine explains the critical elements that motivate a learner:

- 1. Autonomy:** People gain motivation when they feel like they are in charge and tend to stick to their goals longer if this feeling is present.
- 2. Value:** If someone enjoys the end goal or subject that is being taught, they are more likely to be motivated and actively participate towards its completion.
- 3. Competence:** The better someone gets at a task or game, the more motivation they have to continue to master it.

Gamification is a perfect way of targeting these three elements as it is completely flexible and allows a user to play at will, can be customized to cover any subject, and has instant rewards and targets built in to encourage progress. Let's dig deeper into gamification benefits for both users and companies.



### 3. Core Gamification Benefits for Users

Beyond targeting positive emotional incentives, gamification applications and solutions also provide a core set of benefits that are transferable to users. These benefits range from both personal to professional skill development, often times helping to develop dynamic skill sets that can be applied in every aspect of a person's life. Some of these include:

#### 3.1 Active Learning

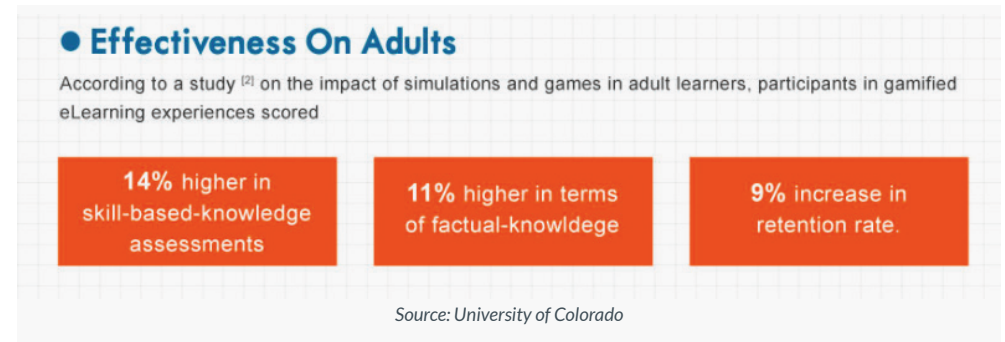
Rather than passive learning, active learning focuses on awareness, engagement, and the evaluation of content. Games have been proven to stimulate interaction and engagement, leading to more interest, motivation, and an overall more successful approach to learning.

A 2015 survey by Intercall found that 47% of employees want to learn at their own pace, something gamified applications allow through personal pace setting.

Over 60% of learners said they would be motivated if they had scores/points associated with leader boards/dashboards and if they could share it while competing with other people. This friendly competition coupled with real-time incentives and rewards drives activity rates and encourages more gameplay.

#### 3.2 Knowledge Retention

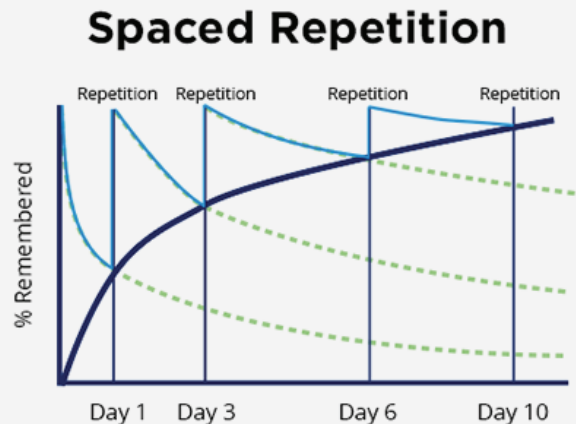
A study by the University of Colorado found that participants in gamified e-learning experiences scored 14% higher in skill-based knowledge assessments and had a 9% higher retention rate. Additionally, the average adult will forget 50-80% of what they learned after only a few days.



The lack of information retention due to outdated or incompetent training can take its toll on everyone from executives to new hires. Thankfully, mobile gamification solutions have been proven to increase knowledge retention as much as 24% within 5 days of a mobile training.

A big component of the pain point gamification solves is through the practice of **spaced learning**. With spaced learning, information is spread out and revisited often to strengthen a person's learning curve and promote knowledge retention.

## Spaced Learning and Repetition: How They Work and Why



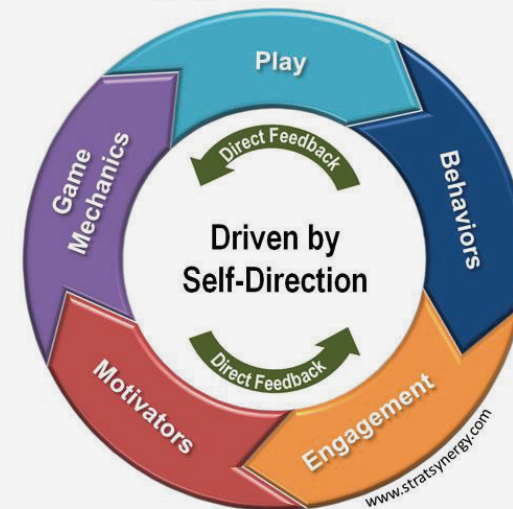
It has been scientifically proven that repeated stimuli separated by timed spaces can initiate long-term potentiation and long-term memory. Games, particularly those that can be applied to corporate and sales training, mimic this pattern to promote habitual learning that is rooted in retention and growth.

### 3.3 Increased Engagement

Gallup's famous 2011 workplace productivity survey found that 71% of workers are either not engaged or actively disengaged from their jobs and only 30% of all millennial workers are engaged. A lack of engagement leads to a lack of happiness in the workplace, and ultimately more turn-over.

In this era, new hires are already leaving new jobs at alarming rates, with 90% of employees mentally making the decision to stay or leave within their first year. Thankfully, gamification can drive engagement across an organization, even up to senior executives.

### Gamification's Continuous Engagement Flow



For executives, the flexibility of games offers a much-needed chance to break up the workday. In this case, it's a win-win scenario if an employee can relax and learn at the same time. [Jane McGonigal](#), author of [Reality is Broken: How Games Make Us Better and Can Change The World](#), found that the average gamer is **35 years old** and that **61% of senior executives surveyed say they currently take daily game breaks at work**.

### 3.4 Instant Feedback and Communication

The communication and feedback loop that gamification provides can be extended across an organization to target both games, training, and even annual performance reviews. The process of real time feedback, rewards, and in some cases messaging, can be a game-changer.

For example, millennials and young new hires expect more frequent and transparent feedback. Studies have shown that **79% of people in the modern workforce** expect immediate feedback and **41% of younger workers** prefer digital communication rather than face-to-face communications. Games allow users to self-assess their progress and communicate with peers to evaluate goals and targets.

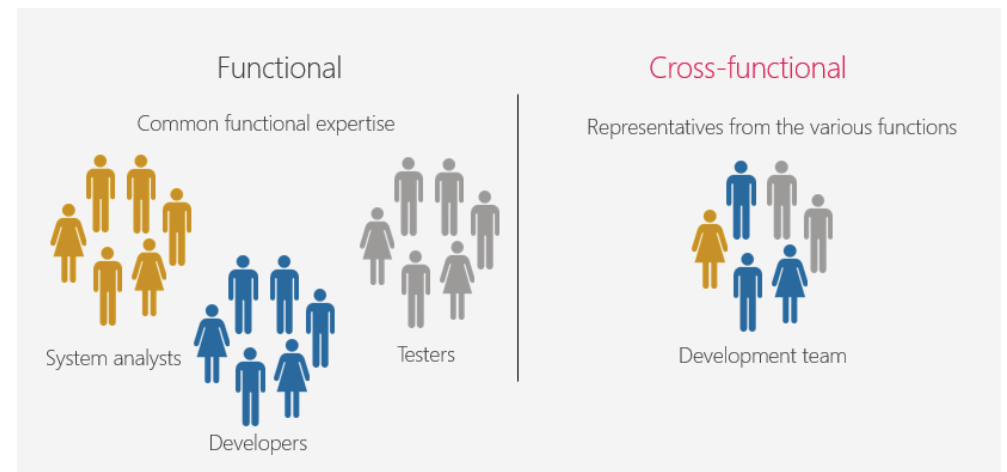
Additionally, **69% of employees** surveyed stated they would work harder if they felt like their efforts were better recognized. Despite favoring informal work environments, millennials do value feedback, with **51% preferring frequent feedback**.

These statistics show there is a dire need of enterprise solutions that can help bridge communication gaps and provide a system of feedback that is quick, reliable, and consistent. Gamification stands out as a great way of solving this pain point.

### 3.5 Greater Knowledge Sharing

Knowledge sharing in organizations is critical as more and more employees work on cross-functional teams. At the core, cross-functional teams are established to **improve coordination and reduce production times**. One problem – they often don't do either.

A 2015 Harvard Business Review study found that **75% of cross-functional teams are dysfunctional**. According to the study, they fail largely due to organizations **lacking a systematic approach to reach desired goals**. These failed goals include adhering to specifications, budgeting problems, and even meeting customer expectations – all core business drivers.





Now, imagine an organization where your technical team could understand and work with customer service managers. Where HR could go on the front-line of the battlefield and assist sales in closing deals. Where all teams can co-mingle to form a functional cohesive unit.

This is the larger vision of many enterprise level gamification companies today – to train multi-faceted employees and create a process where the entire company shares a core set of knowledge that can be applied cross-functionally.

## 4. Core Gamification Benefits for Companies

In 2008, [Harvard Business Review published an article](#) explaining the value of employee engagement and loyalty and how important both are to organizations. The key findings support the effort of gamification solutions and were summarized as follows:

- Employee engagement drives employee satisfaction
- Employee satisfaction drives loyalty
- Employee loyalty drives productivity
- Employee productivity drives value
- Value drives customer satisfaction
- Customer satisfaction drives customer loyalty
- Customer loyalty drives profitability and growth

The findings of the study were discussed and [written about](#) by gamification advocates as the path to profitability through gamification. Besides loyalty and engagement, there are other tangible benefits that companies can take advantage of by using gamification solutions:

### 4.1 Scalability

Gamified solutions typically can be adapted in the form of software, on-line SAAS products, or mobile applications. All three solutions are can be developed at an enterprise level, meaning they can be scaled to fit an organization of any size. Depending on the size of an organization, these solutions offer fair pricing, with discounts for more active users using one account.



Beyond the user application of gamification technology, content is also scalable as it can be modified, customized, and updated with simple user interface tools, alleviating the pain of manual testing for most use cases.

This type of technology is also sector agnostic and can be applied to any industry and to help achieve a wide variety of business goals.

#### 4.2 Flexibility and Customization

One of the major benefits of gamified technology is the ability to customize and tailor the games to focus on specific content and even teaching styles. If something needs to be edited or modified to reflect a change or added difficulty, it can be done very easily and at scale.

In 2016, TechCrunch named “mass customization”, defined as the use of custom-tailored services to produce specific outputs, as one of the **trends that will shape the market in the next 3-5 years**. Mass customization is scalable with games and can be deployed across a large organization to target different adult learners.

**VentureBeat reported on this phenomenon**, coining the term “Custom App Experience” to describe the process of using precision targeting to customize experiences for specifically chosen player segments. For businesses, this flexibility can help modernize training, entice feedback, and provide an overall greater level of satisfaction, ideally leading to a greater ROI.

It is important to note that these solutions should be viewed as a key component of a company’s toolkit, rather than a definitive single solution.

#### 4.3 Increased Efficiency and Productivity

According to a **study surveying 147 large organizations** completed by the University of St. Gallen, engaged employees represent a company’s number one competitive advantage. This is due to increased productivity, quality of work, and sales performance.

Taking advantage of games can optimize learning in the workplace. **80% of learners** say they would be more productive learning through a game and even routine workplace tasks can be reshaped with games.

For example, **Google introduced a game-like travel expense system** that resulted in close to 100% of employee compliance for travel expenses. Deloitte also found that training programs that are gamified took **50% less time to complete** and improved long-term engagement. These examples illustrate a few ways companies can use games to drive productivity.

#### 4.4 Employee Retention

Adobe found that **85% of employees** who feel that their company’s technology is ahead of the curve, say they love their jobs. Gamification can provide better onboarding, training, and learning experiences that mix technology with learning, also known as e-learning.

Despite poor onboarding and training experiences contributing to a bad first impression that can increase turnover, most employees are eager to learn and improve. According to Gallup’s extensive research into millennials in the modern workplace, the most important factor when accepting a new job is the **chance for personal development**.

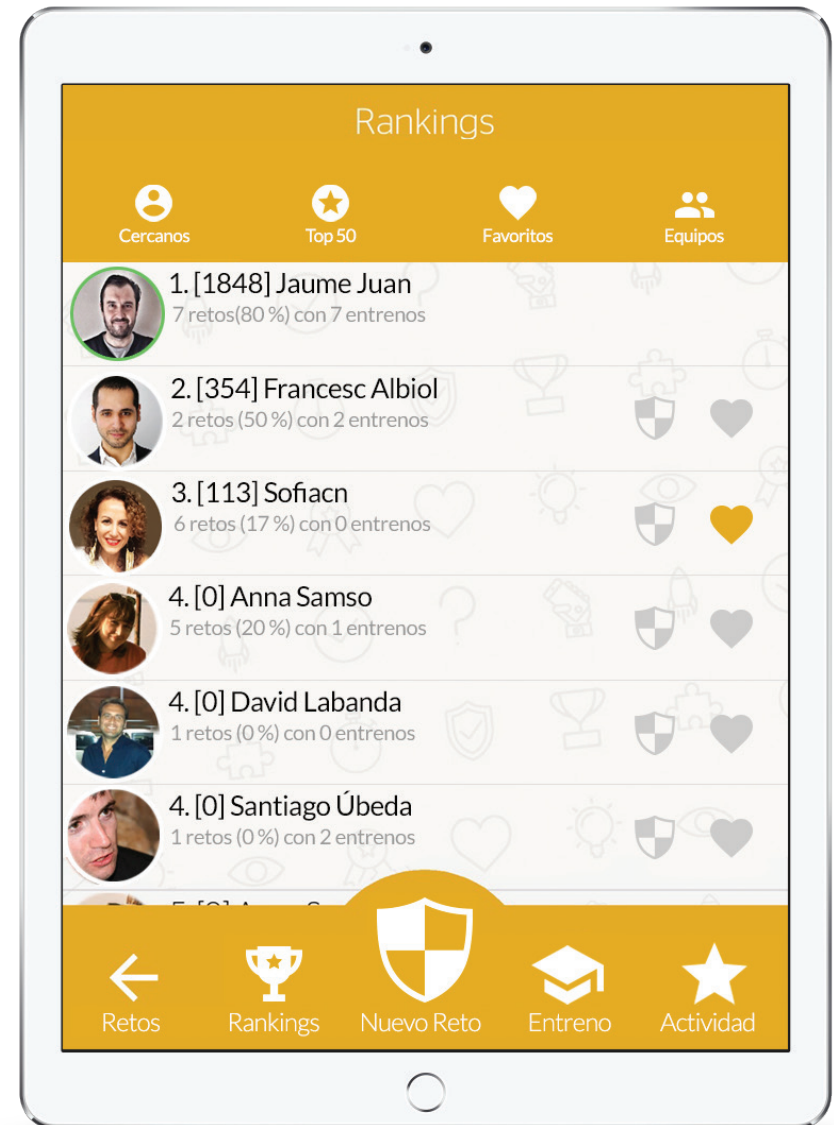
The important thing to note is that a new hire's first impression begins before the first day of work. Techniques, procedures, and communication will be evaluated from the earliest steps, significantly impacting the overall confidence and impression of the employee. Games can alleviate administrative burdens, show a company's personality, and offer flexible solutions to routine and often boring tasks.

#### 4.5 Data Tracking and Feedback

One of the key concerns and questions facing gamification is the question of cost and ROI. Gamified solutions track and log every user action, time spent on the platform, results, statistics, and micro-learning data. Additionally, gamified solutions can provide valuable qualitative feedback to shine light on just about any measurable event or product.

Microsoft, an early adaptor of gamification, experienced great success when launching Communicate Hope to capture user feedback on product design and usability for Microsoft's Office Communicator. During this study, a game was offered and ended up **capturing 16X more feedback** compared to non-game users, allowing Microsoft to donate tens of thousands of dollars to charity.

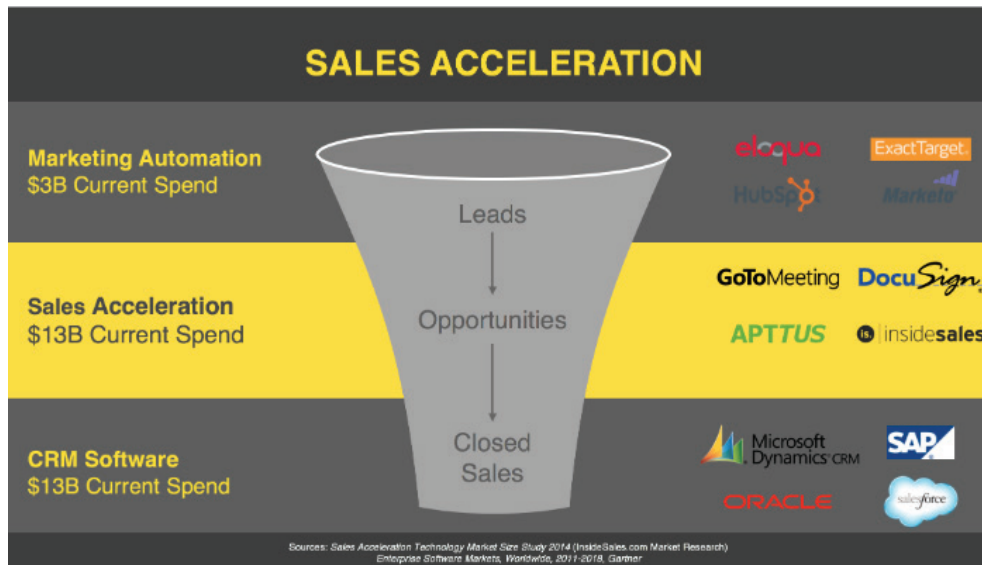
As they say, data is king in today's marketplace and gamification is a great way to capture, collect, and analyze vast sums of data to improve an organization and its employees.



## 5. Functional Applications for Gamified Solutions

### 5.1 Sales Acceleration and Enablement

A 2014 study found that over **\$12 billion was spent** on sales acceleration technology in North America in 2014 alone and over **\$20 billion is spent on sales training each year**. The demand for sales acceleration tools are only increasing as inside sales teams optimize for quicker sales conversions that are closed **109% faster** than outside sales teams.



A good technology sales stack should include everything from a good CRM to marketing automation and predictive intelligence. Within this stack, gamification can help teach key sales training curriculum and collect important feedback to evaluate the entire sales process.

It can also be used to measure the level of engagement and critical knowledge retention of sales reps before product launches, during sales cycles, and during annual follow-ups.

According to Salesforce.com, **71% of companies saw an 11%-50% increase in measured sales performance** after implementing gamification in their organizations. In the same report, 90% of companies reported that their gamification initiatives are successful.

### 5.2 Continued Training and Education

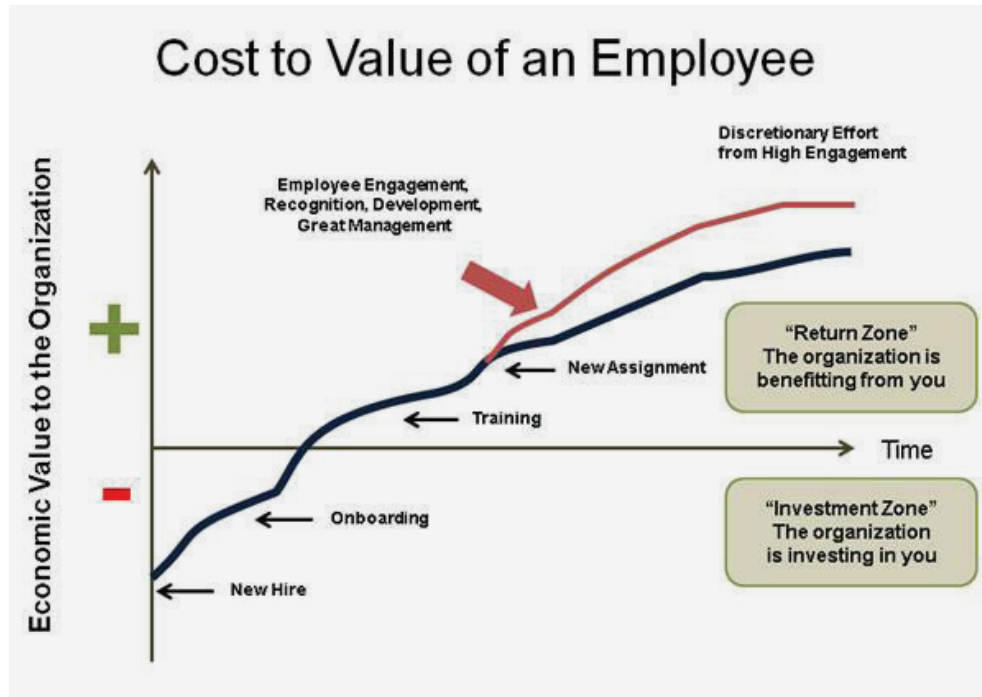
Continued training and education involves both voluntary and mandatory trainings throughout a work year that employees receive. This can include certification and licensing upkeep, crisis management prevention, distance education to learn a new skill, and or ethics training.

In each of these cases, the trainings are typically administered in the middle of a workday or work week and can be the cause of burnout or work stress. Games can help make the process fun and provide a flexible approach to learning and testing. If employees want to refresh a concept at home, mobile applications will give them that opportunity.

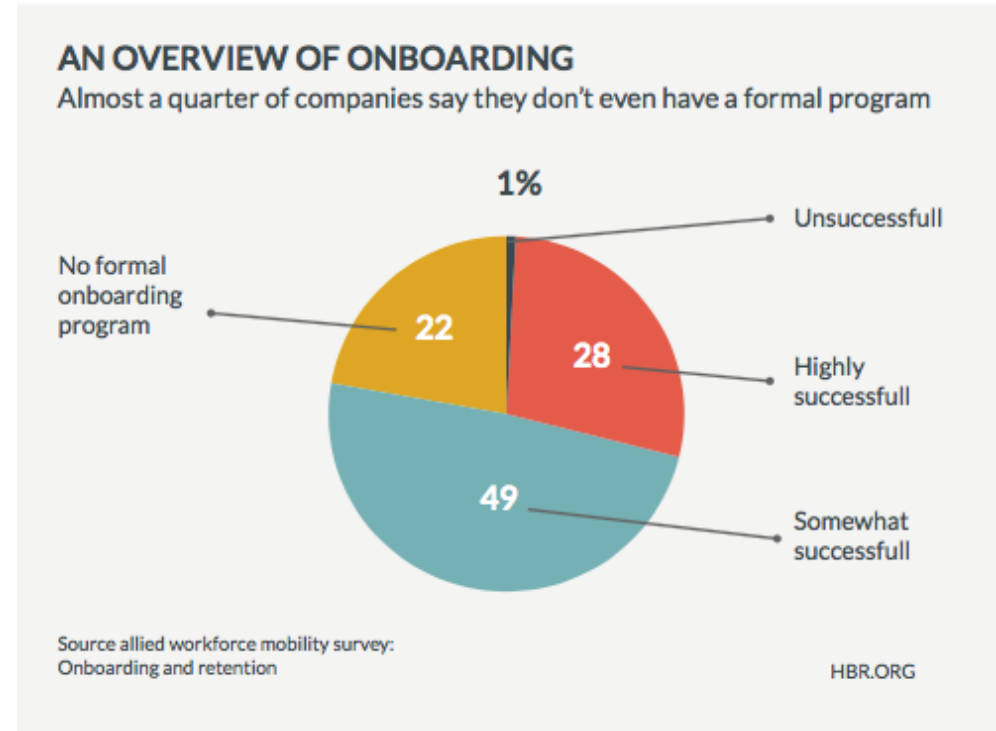
The best part of gamifying mid-year training is the instant rewards system that is associated with the game. Employees will likely feel more motivated as rewards are presented and offered. The more an employee learns and achieves, the greater the rewards.

### 5.3 New Employee Onboarding and Retention

The average cost to hire and onboard a new hire is nearly \$4,000 in a professional service related role. Now factor in that US companies lose 25% of new hires within their first year and that the cost of replacing a senior level employee is roughly 2X the employee's annual salary. For a mid-level employee, this loss is still roughly 75% of the employee's annual salary.



Retention is critical. For companies looking to fix retention issues, retention can be optimized through a smooth onboarding and training process that utilizes technology as both an optimization and knowledge retention tool. The risk of having a stale and or confusing onboarding flow has been proven to lead to higher voluntary job loss rates within 6 months.



Companies should shoot for a few key objectives in their onboarding:

- A. Leave new hires informed, **excited**, and well-equipped for success
- B. Eliminate mundane tasks that can weigh down the process
- C. Incorporate executive input when structuring a program
- D. Use **technology** to train and provide flexible learning
- E. Encourage a two-way feedback loop at the end of each milestone

## 5.4 Product Launches

It is estimated that only 3% of all retail product launches will be considered “highly successful” – failure rates that are mirrored in large industries such as the pharmaceutical and auto industries. Despite these rates, there are a few best practices to follow while preparing for a product launch to help maximize its potential success:

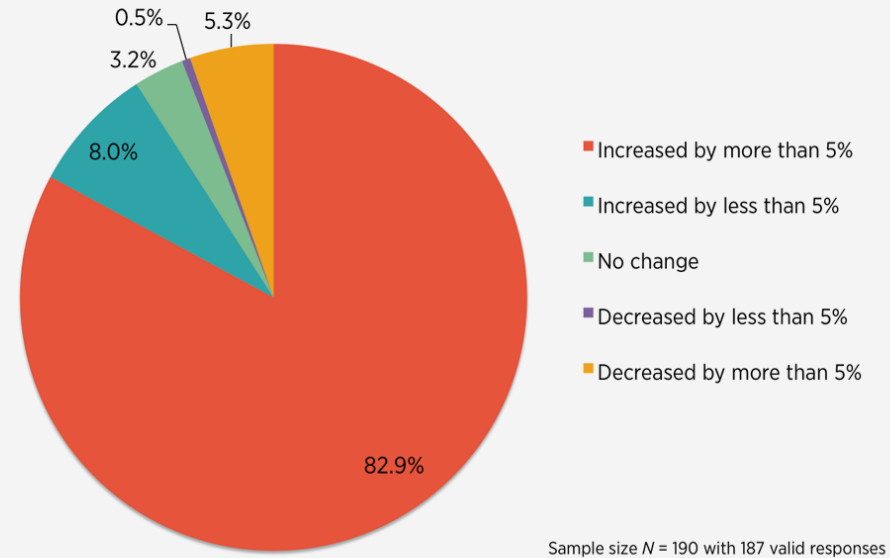
- A. Install and test strategies during pre-launch phases
- B. Train for long-term resource flexibility
- C. Utilize technology to drive efficiency and test strategies
- D. Don't force strategies on the market or your competitors

Gamification can help solve this issue by providing support from pre-launch planning all the way to post-launch validation. This support often is in the form of product training, testing, qualitative and quantitative feedback collection, sales training, and other data-backed initiatives.

## 5.5 Compliance Training

Compliance training is particularly demanding in the financial services industry, where penalties and regulatory fines have increased by 45X over the past few years. In 2014, JP Morgan provided 800,000 hours of compliance training to its staff, just in their mortgage department alone. At an average and conservative cost of \$45/hour for compliance training, these figures equate to over \$35 million of training costs for one bank alone.

Figure 19. Change in Annual Compliance Costs since Dodd-Frank



In a nutshell, gamification can drastically reduce compliance training by providing a cost-sensitive solution that can be deployed across the entirety of an organization. Outside of banking, industries such as energy and insurance also need compliance training and solutions that can deliver proven results.

Mobile technology is one way to enforce the required and additional training without being overbearing and remaining sensitive to employee needs.

## 5.6 Events

According to a [study conducted by the Event Marketing Institute](#), by 2016 it was expected that 88% of event planners expected their attendees to consider mobile event apps critical to their event experience. Also, it was predicted that 86% of planners would utilize an app at their next event to drive engagement and collect valuable feedback.

Mobile games at events will allow event organizers to measure real-time metrics and drive “right time” interactions. Push notifications, alerts, and in-app triggers can be used to get a better understanding of event attendees’ behavior and offer appropriate calls-to-action (CTAs).

Depending on your event strategy, you can even try to drive live conversions for sales, email leads, or any other kind of goal that can be properly integrated. This is extremely valuable as event attendees already “want” to be there and are receptive to whatever the event agenda may contain. The flexibility found in mobile games makes all of this possible.

## 6. When to Adopt Gamification

Given the proven benefits of gamification, it is recommended that gamification be adapted sooner than later, especially as mobile technology is widespread and often already in use at the office. The benefits of early adoption include the following:

- Enacting long-term incentives that correlate early in an employee’s journey
- Creating a technology friendly and competent workforce with transferable skills
- Quicker bonding and teambuilding through shared activities and challenges
- Reputation and culture building through engaging and fun initiatives
- More data and feedback captured to help make critical business decisions
- Cost savings by eliminating costly programs and utilizing gamification

These benefits are just a snapshot of reason why gamification should be considered as soon as possible. If gamification solutions are slated for the near future, you can begin the process early by identifying what you need help with and are looking to accomplish. By having clearly defined goals and a general idea of what teams will be using it and what functionality you would like, you will be ready to hit the ground running when comparing solutions.

## 7. How to Gamify-Ready Your Organization

In general, there are a few key steps to take before deploying a new game to a large audience. There should be a gradual integration, allowing new users to ease their way into the gameplay and have the opportunity to provide and receive feedback along the way.

Depending on a company's current technological stack, some integrations might be more complex than others. Most of the complexity will derive from identifying goals and selecting what aspects of a game will help you reach those goals. Outside of the human element, most games will be easy integrated from a technological perspective.

In a perfect world, **a simple integration would include the following steps:**

- 1) Locate a product that matches your desired goals
- 2) Customize the product to perform a test run
- 3) Conduct a live training with the actual game
- 4) Record and track progress and concerns
- 5) Deploy the game on a larger scale
- 6) Collect feedback to drive key business objectives

More complicated situations would involve scenarios where mobile and computer work equipment is heavily secured or pre-configured. In most cases, gamification technology can be simply downloaded and installed on most phone models. With admin approval, even work phones can install gamification applications.

Additionally, there is flexibility to also install the application on a personal phone to continue work related games outside of the office. On the bright side, most reputable solution providers will offer some kind of sales support and continued guidance to help you integrate gamification as simply as possible.

## 8. Conclusion

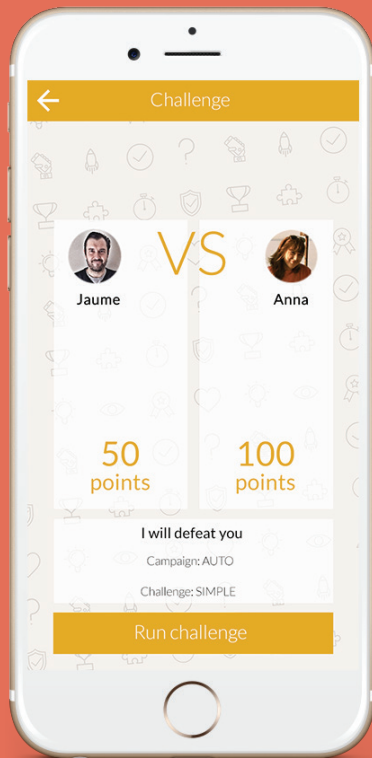
Gamification has emerged as one of the hottest buzzwords in the tech industry. A deeper look at gamification reveals a scientific and psychological structure that has been proven to engage, teach, and motivate users. By providing constant feedback and rewards, gamification can be used to stimulate and modernize traditional workplace activities that often bring a hefty price tag. These can include sales training, onboarding, compliance activities, and events.

The raw power of gamification lies in its ability to be customizable and scalable across any organization in any industry. This flexibility trickles down to users who can benefit from a games flexible gameplay, positive rewards based feedback, and a mountain of data that can both help users evaluate progress as well as allow organizations to see where improvements can be made on a larger scale.

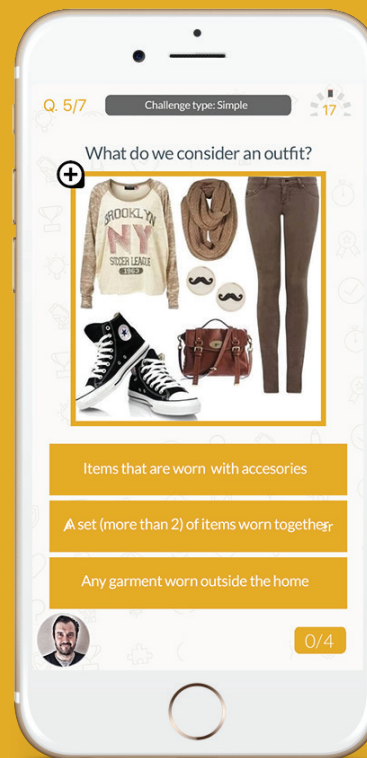
There has never been a better time to adopt gamification into your organization!



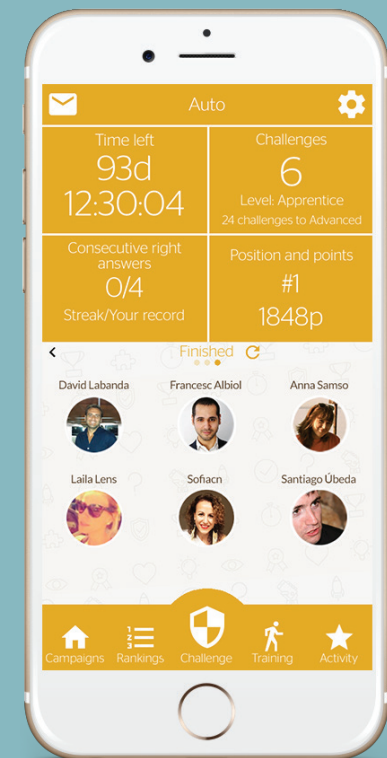
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# Atrivity's 28 Uses

## Sales Acceleration & Enablement

- Conventions, meetings, & events
- Sales technique training
- Product training
- Brand storytelling
- Cross-selling
- Customer knowledge
- Channel training
- Field team training
- Company policies

## Marketing

- Product launches
- Promotions & campaigns
- Visual merchandising
- Studies & market trends

## Customer Engagement

- Contests
- Games
- Brand engagement & social media

## HR

- Onboarding
- Employer branding & culture
- Continuing training
- Compliance
- Who's who
- Knowledge assessments
- Policy awareness

## Other

- Internal news
- Company communications
- Safety and regulation
- New processes
- Software training

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