



# **Gamification: Opportunities and Leading Practices for Online Retailers**

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## Executive Summary

Over the last decade, the marketing landscape has evolved quickly to encompass more than just the traditional methods and media channels of the past 50 years. With the rise of social media and the proliferation of online games, many marketers are looking to the success and psychology of gamification to boost sales and increase engagement. Gamification is the use of game mechanics and rewards for non-game applications. This report aims to provide insight into gamification, why consumers play games, execution mechanics, and best practices. It also includes a number of relevant case studies as well as thought starter recommendations from the team based upon the information provided by our contacts at Colony Brands.

The research herein will show that gamification is a growing industry that has its roots in employee engagement and marketing. Twelve of the top 14 comparable online retailers employ gamification in some form or another. These executions range from simple gamification mechanics, which the layperson would not even consider to be a game, to more immersive experiences. The takeaway is that gamification techniques, or mechanics, are being used in a variety of scenarios by retailers across industries. It definitely behooves Colony Brands to consider implementing some of these tactics as they see fit.

The key to gamification is to understand the motivations behind why people play games and how to harness them for marketing and branding purposes. Game mechanics like *progression* and *status* can be used to draw users into a game and affect their behavior. Case studies like LinkedIn will show that simple and easy executions of these mechanics can lead to considerable success. Successful gamification executions can take many forms and the recommendations in this report are wide-ranging in their application. We attempted to take inspiration from competitors as well as prominent executions in the field.

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