

# Chief Marketer Consumer Special Report

## The Changing Face of Sweeps

How mobile, social and gamification are revolutionizing the engagement potential of sweepstakes and contests

Sweepstakes are no longer simple child's play. Grand prizes have grown to enormous cash prizes or life-changing vacations and events. Even smaller prizes have grown substantially in variety and numbers offered to draw more players. Gamification gets consumers interacting with your brand in ways never before imagined, while mobile and social tie-ins encourage consumers to share the promotion with friends. All of these together give marketers ways to capture a multitude of data to continue the connection beyond the game.

Here's how your brand can capitalize on the potential of sweeps.

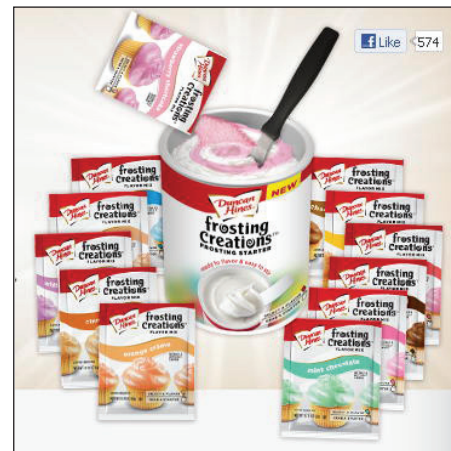
### THE SOCIAL FACTOR

Social media has dramatically changed the way marketers deliver sweepstakes and how they perform. Some of the most effective sweeps use social media to "amplify entries and voting," says Steve Caputo, managing partner of Tenthwave.

As an example, he cites the popular "Frito-Lay's Do Us a Flavor" contest, where entrants are asked to suggest new flavors for Lay's potato chips. The public votes via social media networks like Facebook, Twitter, Vine and Instagram, or via text.

"Each vote doubles as a sweepstakes entry too, ratcheting up engagement not just from budding chip chefs but voters as well," he says.

And when it comes to identifying an audience, think narrow and targeted. At the most basic level, you don't want to "waste" a prize on someone who isn't in your target market. For instance, when Tenthwave created a social-media scavenger hunt to promote Duncan Hines's holiday line of Frosting Creations,



A social scavenger hunt promoted Duncan Hines's holiday line of Frosting Creations

it had enough research about the highly targeted audience of avid bakers to know that they used various platforms differently—Pinterest provided inspiration, Twitter was used for customer service. These differences influenced the design of the game, which pulled twice as many players as expected.

"The better you can identify your target audience, the better you can use multiple channels to reach them," Caputo says.

Another tip, don't just rely on social viral share or on word-of-mouth alone to promote your campaign. The occasional viral superstar—such as the ALS ice-bucket challenge to name one example that took off in social as well as other channels—gives many marketers a sense of bravado—"my promotion is even better, so of course word will spread on its own." This is the same sort of thinking that has led many an aspiring actor to make his way to Hollywood, only to end up flipping burgers at In-n-Out.

"If you don't promote it," insists Caputo, "it won't go viral on its own."

## HAVE A PLAN

According to Kontest, a platform to create and spread promotions across all channels, campaigns with an advertising budget gain 10 times as many entrants as those without.

"It's much easier to share photos and videos through your existing social networks," says Jim Higgins, vice president, digital at The Marketing Store. "And for brands, it's important to engage their audience where they are already engaged."

Plan ahead when creating a marketing strategy for your sweepstakes, and make sure your efforts in social, mobile and everywhere in between are integrated with other departments.

"Probably the biggest missed opportunity we see is a lack of media integration," says John Findlay, founder of digital engagement agency Launchfire. "That's usually a function of insufficient planning and the siloed natures of organizations. Even getting spots in your corporate email blasts—that has to be planned ahead of time, because other stakeholders want those spots as well. If you don't plan it out in advance, you don't get to promote your sweepstakes. There's only a certain amount of messaging you can push out via your dedicated media without risking fatigue."

Not planning far enough ahead—and not getting budgets finalized in time—can end up costing you money. If you don't plan out enough in advance, Findlay says, you won't have a robust enough media plan to entice partners to offer free prizeing.

"Companies at the top level should recognize that the sooner they give their constituents the money, the more they'll get for their money and the better their results," he says.

Follow up is a big player as well, so milk that promotional value of a sweepstakes even after the contest is over.

"Very seldom do you ever hear the story of the winner, and to me that's a massive missed opportunity," Findlay says.

He also suggests keeping certain games—those that are true games not simply the digital equivalent of a slot machine—live even after the sweepstakes itself has ended.

## PRIVACY CONCERNS

Consumers are becoming more wary of sharing personal information, which means marketers have become extremely sensitive to privacy issues. Every

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— JIM HIGGINS, THE MARKETING STORE

data breach, even those not directly related to contests or sweepstakes, ratchets up mistrust among consumers.

"This affects data capture, security, and compliance while running a game or sweeps— before, during, and after the promotion," says Tenthwave's Caputo. "Awareness about privacy raises the bar on the security that agencies and vendors must have to continue to do the job of consumer promotion."

Multiple platforms for entries, consumer voting, myriad rules and regulations regarding privacy, and the continuing need to keep up with and adhere to legislation are making games much more time- and labor-intensive to implement and oversee.

Another time consuming job is keeping an eye on cheats. Bot submissions, vote swapping, and other ways of "gaming" games are among the biggest challenges facing marketers involved in contests and sweeps, says Bruce Hollander of Don Jagoda Associates.

"The better the promotion, the more likely somebody is going to try to steal from you," PrizeLogic CEO Keith Simmons says. "Make sure you are working with someone that has significant experience dealing with cheaters."

## THE INTEGRATION GAME

More companies are integrating games, sweeps, and contests into the overall customer experience.

"We're starting to see brands more aggressively move away from the old siloed sweepstakes campaigns—where each year, a brand runs one or two independent and unrelated sweepstakes with periods of inactivity in between—to using sweepstakes as an integral part of an 'always on' customer experience platform such as a mobile app or loyalty program," says The Marketing Store's Jim Higgins. "Through a combination of true utility—such as apps that support shopping functions—and rewards and promotions, a brand can deliver the right value exchange

## MONEY MATTERS

### 4 BUDGET CONSIDERATIONS WHEN PLANNING A SWEEPSTAKES OR CONTEST:

**Scale.** Is this global? National? Local? Each affects the complexity and cost of any marketing effort, but especially sweepstakes. When you factor in global complexities such as legalities, language, and cultural sensitivity, the intended scale of your promotion can make or break your ability to deliver.



**Relevant prizeing.** What's the right mix of attainable and aspirational prizeing that will capture consumer interest and drive participation? It might be \$1 million or it might be one iPad. You need to do your research and understand your target to define the right triggers to motivate behavior—especially when it involves asking for personally identifiable information.

**Delivery channels.** How are consumers going to find out about the sweepstakes, and how will they participate? Where can we work it into our omnichannel strategy? Is it a social sweepstakes? Do we need a website? What is an efficient and effective way to serve up alternate methods of entry? All of these seemingly basic questions are often the starting point for some big cost drivers.

**Levels of support.** How are we going to get the word out, and once the word is out, how do we maintain it? This is a broad question that covers a lot of ground where some big costs can come into play: media, technology, and people. A large national sweepstakes often requires a significant media buy, a scalable technology infrastructure, and people to run it all—whether it's creative, developers, project management, or legal counsel, there are a lot of people behind the scenes helping to ensure a flawless execution.

— Jim Higgins, vice president, digital for The Marketing Store

required to keep customers engaged all year long. Leveraging sweepstakes within an 'always on' platform can provide an added layer of engagement and help to dimensionalize the brand in ways that utilitarian shopping functions, coupons, or rewards might not be able to do on their own."

The emergence of gamification as a bona fide word, let alone strategy, is perhaps the greatest trend to emerge in the use of sweepstakes, contests, and games as a promotional tactic. And according to app provider Kontest, more than 70% of large companies planned to use gamification in their market-

ing programs last year.

"A game itself isn't necessarily gamified," Launchfire's Findlay says. "Gamification is taking otherwise banal tasks and turning them into a game so that people will do them."

For instance, to drive email and SMS opt-ins, Facebook likes, and social sharing, Launchfire built for restaurant chain Cracker Barrel a game where by "driving" a car along a virtual road trip, participants were rewarded for additional entries into a prize drawing for completing each of those tasks. Players also won entries for answering trivia questions and were able to click a link to the Cracker Barrel site for hints to the answers, so that visiting the brand's website became an element of the game.

Another example comes from the candy brand Skittles. Sure, the game rock-paper-scissors has been around for millennia, but that doesn't mean it couldn't be improved upon. Skittles, and parent Wm. Wrigley, decided to sweeten the proceedings and raise the stakes while driving sales and encouraging engagement among teens and young adults.



And so the "Rock Paper Skittles National Championship" was born. In the original game, scissors "cut," or trump, paper; paper "wraps around" rock, and rock "smashes" scissors. In the Skittles version, a Strawberry Skittle "peels" an Orange Skittle, which in turn "squeezes" a Lemon Skittle, and so on.

So far, so cute. But the brand integrated digital technology into the game as well. Visitors to the Skittles website could enter into duels with other consumers. The players would each hold up a Skittles candy in front of their webcams; the site's "Skittles Recognition Technology" would distinguish between the two flavors and pick the winner. Those without a webcam or (gasp) a pack of Skittles could still play by selecting flavors on the site itself. The grand prize was \$50,000 and a Skittles champion belt, which came with a Skittles dispenser, of course.

Skittles promoted the contest using social and



banner ads, social posts, and displays in convenience stores; no traditional mass media were used to raise awareness. Nonetheless, during the three-month campaign, more than 3.5 million consumers visited the online game, exceeding goal by nearly 300%, and more than 1.5 million users entered the sweepstakes. The average entrant played the game nearly 40 times, apparently working up an appetite while doing so: Sales of Skittles nationwide rose 2.5%.

Just how much of a trend is gamification? M2 Research estimates that marketing spend on gamified programs will hit \$2.8 billion in 2016, up from just \$100 million in 2010. Those figures include not just promotions but everything from employee training to customer onboarding, but it's a remarkable increase nonetheless.

## PRIZES BIG AND SMALL.

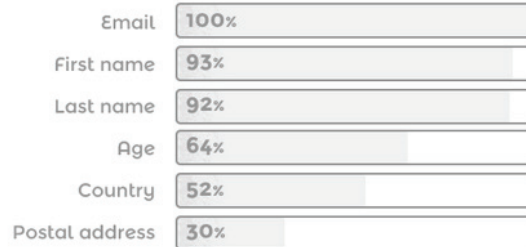
There's lots of discussion around what works best: smaller, more immediate prizes, like movie tickets, versus larger cash and prize incentives, say \$1 million or a trip around the world. A lot of it depends on the brand, the timing and other factors, which can make the case for strong benefits for both types of prizing. Many brands choose to include both.

More games—and more loyalty programs, for that matter—are offering what Barry Kirk, vice president, loyalty strategy at Maritz Motivation Solutions, calls “low burner rewards:” more immediate prizes, even if those prizes are relatively small, in addition to a larger prize.



Sales of the State Fair brand of corn dogs jumped 8% from the promotion.

### Information asked by brands in the sweepstakes participation form



**Tip:**  
Just ask the information you really need.  
Too many fields could frighten the entrants.

Source: Kontest

Sara Lee ran just such a promotion to increase sales and awareness of the State Fair brand corn dog with an offer to win \$500,000 towards a new home and 10,000 instant-win prizes including HDTVs, appliance, grills and other household items. Players entered unique codes on specially marked packages to collect “rooms.” The \$500,000 went to the person who collected all the rooms. Along the way, 1.5 million game codes were redeemed by 250,000 customers growing the brands online consumer database by 400%. The promo was developed by Launch Creative and SCA Promotions, which underwrote the risk.

“The creativity keeps growing,” says Christine Bennett, worldwide sales director for SCA Promotions, a risk management specialist in promotion and sweepstakes marketing. “So if you don’t have the budget to put aside a million dollars, here’s an opportunity to do something really big in the marketplace.”

Cash, of course, still attracts plenty of attention. Just like when the lottery starts to run up into multi-millions, more and more people play. The lines grow long at lottery ticket locations and everyone wants a chance to win. The same can go for a large cash prize.

A large cash prize offers the brand a number of benefits, including cutting through the clutter by giving consumers a call to action for a chance to win, say \$1 million. For example, in stores the promotion can be emblazoned on the packaging and helps the product stand out from the competition.

“That packaging message would talk louder to the consumers if they’re deciding whether to buy the store brand or the name brand,” Bennett says.

Of course, if you’re drawing more attention to your product with a large cash or prize incentive, the chances that your sales are going to improve is pretty good, both through repurchase and trial. So not only will you have incremental sales, you will also hopefully be drawing in new customers as well.

“A large prize gets rid of some of the clutter,” says Paul Panzera, director of sales at SCA Promotions. “It helps them stand out from the many, many promo-

tion sweepstakes going on.” Backed by insurance—and suffering from shrinking budgets and increasing competition—marketers are often willing to take big risks. And some choose to tie to topical, well-publicized events already getting plenty of buzz with consumers.



Long John Silver's promo tied to a topical, widely report event, the Mar's Rover searching for water on Mars, and drew lots of added attention for the brand's promotion.

Remember when Long John Silver offered everyone in America their free Giant Shrimp if NASA's Mar's Exploration Rover found evidence of an ocean on Mars? No ocean was found, but Long John Silver got plenty of attention.

Last year, the small town retailer Ashley Furniture found out that what seems like a shot in the dark can actually be possible. The branch in College Station where Texas A&M is based rolled out a promotion offering to refund all furniture purchased from Aug. 17 through Aug. 27 if the Aggies beat the South Carolina Gamecocks by 10 points. It was a 24-point win and Ashley Furniture had to reimburse 600 people more than \$1 million in sales. Next thing Ashley Furniture knew it was being interviewed on ESPN, and multiple other media outlets picked up the coverage resulting in a high, double-digit lift in sales.

Getting creative, like Ashley Furniture did takes guts but can pay off big time.

"Many promotional formats now offer the chance to win a life-changing prize," Bennett says. "It's probability based, contingent based, so someone else beside the marketer is taking the chance for a chance to win for a redemption. You never know when you do these promotions if the event will happen."

Big prizes certainly gain plenty of attention, but there's also a case for smaller, more frequently distributed, prizes. Instant wins games, like the one Snapple ran two summers ago, are one example.

Snapple has long used its bottle caps to keep consumers interested in buying its beverages to discover what exactly is under the caps. Taking a cue from "Seinfeld," the brand ran a "Win Nothing Sweepstakes." More than 70,000 prizes surprised drinkers when they popped the top earning them a variety of gift cards. Anyone who doesn't think sweepstakes and contests haven't changed of late isn't paying attention.

"In instant win, lots of small prizing gives people the perception they can win," John Findlay, founder of digital engagement agency Launchfire, says. "The ultimate combination is lots of small prizes won instantly and the grand prize that can be won by a drawing at the end."

Other incentive programs, such as those offering the chance to win merchandise, can produce results as well. Results are particularly prominent if the promotion is targeting an affinity group where an item that relates to the core cause of the group would be coveted. One example would be an incentive program offering guitarists the chance to win a very rare, classic guitar. Merchandise incentives work well when targeting niche groups, and can sometimes portray a higher perceived value, according to SCA Promotions.



Lots of small prizes can also draw lots of entries because players think they have a better chance to win.

And, of course, sweepstakes and contest must be optimized for mobile. According to Kontest, the number of contest and sweepstakes entries received via mobile has increased eightfold from 2012.



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## QUICK TIPS

### 6 WAYS TO IMPROVE SWEEPS MARKETING

It's 2015. Time to change your thinking of a sweepstakes as a simple point solution. Sure, sweepstakes are great to drive excitement around a specific touch point in aisle, to build awareness around a new product, a sponsorship or your brand in general. But often sweepstakes are viewed as short-term, one-and-done interactions both for brands and their consumers. Sweepstakes, however, offers so many more opportunities. Explore these ideas to help you change your paradigm of thinking and make this valuable marketing tool work harder for your brand. And, by the way, multi-channel is a given.

**1. Use Sweepstakes as Loyalty Rewards** Are your consumers gathering points in a loyalty program? In addition to offering a rewards catalog where consumers redeem points for items and offers, use sweepstakes as overlay pulse points to engage your reward members in a different way, burn points and drive excitement. Perhaps that big around-the-world-vacation you'd like to offer is not attainable by accruing and spending loyalty points, but you can still offer it. Drive excitement by offering it in your catalog as a sweepstakes and allow members to "buy" entries with their points. Brands we work with have seen huge success with this driving excitement, but also as a means to re-engage dormant members to check out their program again.

**2. A Conduit for Other Marketing Initiatives** You've sparked your consumer's attention and converted them—not a small task—now make sure you maximize the heck out of it. Use sweepstakes as an opportunity to bring your audience into other channels and marketing/company initiatives. Drive acquisition for email programs and text message clubs, drive people to engage and participate in your social sites, drive consumers off their devices and in-store by presenting VIP offers at the end of the digital experience.

**3. Gather Consumer Insights** Sure, you are using sweepstakes to drive excitement around certain touch points throughout the year, but tie each of these programs together, even if they have different target markets and goals. Look at each sweepstakes campaign – holiday, summer BBQ, back

to school, Black Friday - as an opportunity to gather more data about your consumers, get to know them, their preferences, how often they interact with you, so you can move from a one-size-fits-all sweepstakes to customizing based on their preferences.

#### 4. Build Programs around Your Best Customer's Activities

Reward them for what they are already doing—talk about surprise and delight. Don't make them change their behaviors, you come to them. If you have an active audience—posting to Twitter, sharing videos and reviewing your products – reward them for each activity for the chance to win! Create campaigns around the activities that you love, and that love you back.

**5. Foster Sharing** Choose large, note-worthy prizes and capitalize on this excitement to drive eyeballs and referrals to your campaign. People love to tell their friends about fun opportunities and dream about what they would do with that large cash prize, who they will invite on that cool trip, or start planning for that superstar rock concert in their back yard. C'mon—we all do it. Make it easy for everyone to share—email, social, texting, twitter, hashtags—and up the ante by incenting the share with more chances to win or providing offers.

**6. Drive Frequency** While sweepstakes often offer a mac-daddy Grand Prize, think about adding smaller prizes, offers and benefits so more consumers have this great touch point with your brand. Think about adding an instant win or game component to build excitement and keep them coming back. With more people "winning" and experiencing this surprise and delight touch point with your brand, you are building more relationships. Use that for education and to gather data.

Sweepstakes have stood the test of time as a tried and true marketing solution because they work for both brands and consumers. But, be smart about how you use them across initiatives and channels to make sure you are maximizing your ROI and value to your consumers.

— Jen Todd Gray, vice president brand, marketing & creative, HelloWorld



## ABOUT CHIEF MARKETER

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