The Retail Marketer's guide to Playable Marketing

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Chapter 1

The state of play
The current state of affairs in retail marketing and the opportunities and challenges faced.

Soaring inflation and a cost-of-living crisis. Consumers accustomed to the immediacy and price competitiveness of Amazon and the like. And changing regulations around everything from Brexit to the new HFSS food directives; these are just a few of the factors impacting retailers and brands in the current climate.

Retailers are also seeing inflationary pressures as fuel prices rise across their value chains, squeezing margins and often forcing them to put up prices in response. With consumer budgets under such pressure brands and retailers face a tough task in trying to build customer engagement and loyalty. Their retail marketing needs to be sensitive to the consumer position, while also meeting the business needs. And their marketing needs to be more cost-effective and efficient than ever.

So what can they do? Traditional tactics – such as promotional pricing or discounts - don't necessarily work as effectively now because brands and retailers simply can't afford the margin loss. They need to be more inventive. And it's not going to get any easier because consumers are worried.

More than half (53%) of consumers across Europe cite inflation as their biggest economic concern, according to McKinsey. It's a worry reflected across all income brackets, rather than just the lowest.
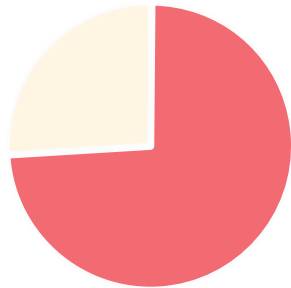
Consumer shopping patterns are changing at an unmitigated rate, with nearly three-quarters (74%) of European consumers having tried new shopping behaviors in the current climate, according to McKinsey. Consumers are switching brands and retailers in their hunt for lower prices, with the share of private-label products purchased growing substantially. 40% of consumers have tried private-label brands, a third (33%) have switched brands and just over a quarter, (27%) have switched the store or retailer that they shop at. Loyalty is being discarded by this hunger for value.

With this increasingly fickle customer, creating the 'in' that enables engagement to ensure retailers stand a chance of retaining customer loyalty is essential.

True loyalty needs to be data-driven, allowing retailers to provide truly personalized experiences that make it less likely that customers will switch brands.

This data-driven approach is also more effective as a marketing strategy. Data-driven marketing can double revenue. Yet brands often fail in the value exchange required to enable data building. Only 15% of customers feel that they are getting good value from granting brands access to their data and only 1-2% of marketers are using data to deliver a cross-channel experience for their customers.

These shares need boosting. Currently, the consumer is dissatisfied with what they are getting in return for sharing their data, and the retailer or brand is missing out on the opportunities gained from being able to use such data to build customer relationships and their business. Both sides want and need more.

74%

of European consumers having tried new shopping behaviors

At Playable we know that playable marketing can help retailers and brands in this need to deliver more, helping to increase engagement on all levels. This is because playable experiences tap into the innate human instinct to play. Consumers simply can't resist the urge. That makes playable experiences hugely powerful as an initial engagement tool, with 41% of consumers willing to share their first-party data in return for personalized experiences and better brand experience.

Once they start playing one of these playable campaigns, they are also engaged more deeply, with a more focused attention than typical marketing will drive. This also helps to engage consumers for longer – with an average time spent of more than a minute (67 seconds) for playable experiences, according to our research. That is valuable eyeball time for a consumer who is shopping less, and even if it doesn't drive immediate spend, it helps to drive engagement and memorability ready for when they are ready or able to purchase.

This greater engagement and effectiveness also drives efficiency of marketing at a time when marketers need it most. The ability of playable campaigns to stand out from traditional marketing allows retailers and brands to drive tangible results with campaigns that are valuable, measurable and memorable.

And that's valuable in such a tough climate.

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Chapter 2

Understanding where the retail marketers' focus should be

So where should you focus your efforts as a retail marketer in this tougher climate? The likelihood is that against this backdrop of tightening consumer spending and record-high inflation levels your marketing budgets are also likely to be shrinking, whether in absolute or relative terms. That leaves you with the difficult challenge of delivering more with less.

And yet this is at a time when it's more vital than ever to stand out from the competition with impactful marketing that will convince the customer to convert – or at least keep them engaged enough with your brand that they stay loyal for the future.

The need for marketing efficiency is essential and marketers need to drive efficiency at all levels of their business to deliver their three main goals of growth, engagement and experience. But how do they do this?

The challenges of growth

Of these three main goals, it is growth that is one of the hardest to deliver in the current climate. Increased revenue that will help the business grow as a whole is the ultimate goal. But there are other metrics for growth that will also stand retailers and brands in good stead for a return to spending.

The need for marketers to do more with less (or a static budget) means that delivering an improved return on investment can also help to stimulate growth.

Concenrating on growing marketing permissions can also stimulate growth since this widens the pool of potential customers to engage with and thereby the likelihood of a potential sale.

The battle for engagement

With revenue growth such a challenge in the current climate, boosting engagement is essential to ultimately increase the propensity to purchase.

Engagement relies on relevance, however, or else consumers will switch off. And that means understanding the customer and their needs.

Effective marketing is data-driven and a continued focus on engagement gives retailers the valuable opportunity to build a valuable repository of first-party data, as well as to enrich the data that they already have. This allows brands and retailers to get closer to customers to build loyalty and brand trust.

By engaging them with playable marketing experiences it's possible to increase the customers' likelihood to share such data, rewarding them with both the intrinsic rewards of playing, as well as extrinsic rewards.

The value of experience

With the shifting of consumer behavior, the role of experience as part of an effective engagement strategy also becomes more important. Loyalty needs to be built and trust reinforced. And that relies on providing experiences that consumers will love.

One focus can be on driving loyalty programmes or initiatives through an app or members club, which may entitle customers to exclusive content, special offers and events, priority shipping and so on.
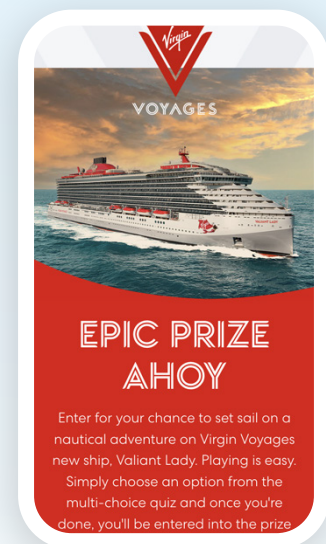
But the experience of interaction with the brand across all channels is also important and needs to be seamless and friction-free with fluidity between the two. So a potential customer might discover a brand initially on TikTok and then head to a store or see a QR code in store and find out more via Instagram, for example.

Success story

131.000
Competition entries

3.500
New members

5M
Views

EPIC PRIZE AHOY

Enter for your chance to set sail on a nautical adventure on Virgin Voyages new ship, Valiant Lady. Playing is easy. Simply choose an option from the multi-choice quiz and once you're done, you'll be entered into the prize
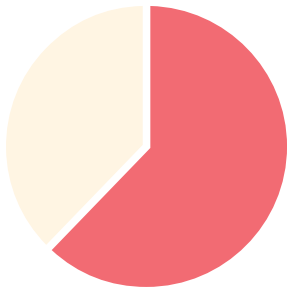
Read the full Virgin red story

Interactive content: an emerging trend

As marketers seek to ensure their brand's retail marketing and customer experience stands out from the crowd, one particularly effective way is through the use of interactive content allowing the integration of fun, entertaining experiences with the traditional retail transaction.

The rise of such interactive content and shopping experiences has been happening for some time – in part thanks to the opportunities that technology enables but also thanks to the positive impact on the customer that it creates around brand awareness, loyalty and engagement, sharing of data and ultimately sales.

Playable marketing can comprise many different, but powerful experiences that provide a rich pool of interactive content with which customers can engage – with game-based content from quizzes and puzzles, to advent calendars, being brought to life creatively in a playable campaign. Delivering powerful engagement to deliver effective results for brands big and small, playable campaigns are proven to work, with consumers 56% more likely to click on a gamified ad.

56%
of consumers are more likely to click on a gamified ad

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Their success is thanks to the fact that such playable experiences are immersive, requiring focused attention and tap into the innate human desire of humans to play. With those 'game mechanics' in play - whether that's competing, mirroring, being challenged or rewarded, or simply having fun - it's a positive experience during the time spent with the brand. And by association, the brand becomes more memorable. The relationship is solidified.

The more active and alert state of mind the consumer is in during that playable experience, the more open and receptive they likely are to the brand and its' marketing. As a result the message is more likely to land and resonate, giving the competitive advantage required to stand out in a challenging market.
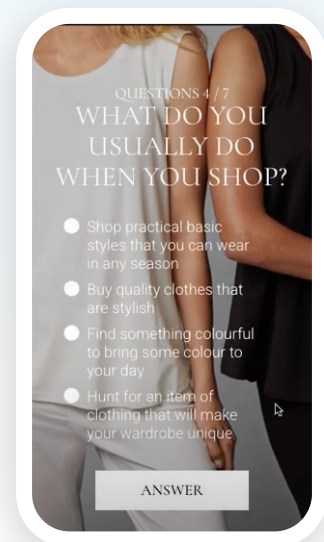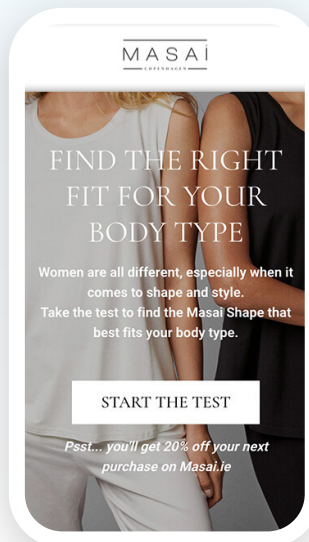
Success story

160.000
People participating

60.000
New permissions

50%
Cost per lead

7 days
Time to purchase

Read the full Masai story

Chapter 4

Diving into 5 goals of retail marketers

As we've seen, successful marketing in the current climate relies on growth, engagement and experience - so how specifically can playable marketing help?
Here we outline five of the most common marketing goals that retail marketers have and look at how playable marketing has helped some of our customers achieve these goals.

Goal 1: Gather marketing permissions including email sign-ups and first-party data

We've seen that one useful tactic to help grow business is by increasing the number of marketing permissions such as email sign-ups or boosting the collection of first-party data. At Playable our customers often use playable marketing to do this.

Danish household and interiors retail chain JYSK used playable marketing in a campaign to boost numbers on its database, as well as to enrich the profiles of its customers. It was part of a wider strategy to create a single source of truth with a unified marketing database that would work both nationally and internationally.

Working with Playable and MAPP it created a slot machine game called Prize Party. Customers would sign up for the game and could opt-in to receive the company's newsletter. They would then pull the virtual slot machine handle to try to win a gift card for their local store. The campaign was duplicated across 15 different markets and generated more than 290,000 email newsletter signups. As well as the additional signups engagement was also high, with more than 640,000 games played.
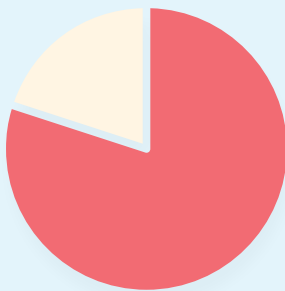
The follow-on success of the email campaign was also high, with a 45-65% average email open rate - more than twice the industry average of 21%, according to Mailchimp. The average email click-through rate hit 40% while the campaign saw an 80% average click-to-open rate.

80%
average click-to-open rate

Danish beauty brand Ecooking has also used playable marketing to boost email permissions as well as to learn more about its customers. Using a 'Find your Foundation' quiz campaign they not only better guided customers to purchase but also allowed them to better understand their needs. It's this extra knowledge on both sides that has helped ensure its make-up collection has proved successful, according to the company.

It has also meant high engagement with an average of 1 min 19 seconds spent with the brand per visit, a total of 384 hours with 23,200 sessions in all.
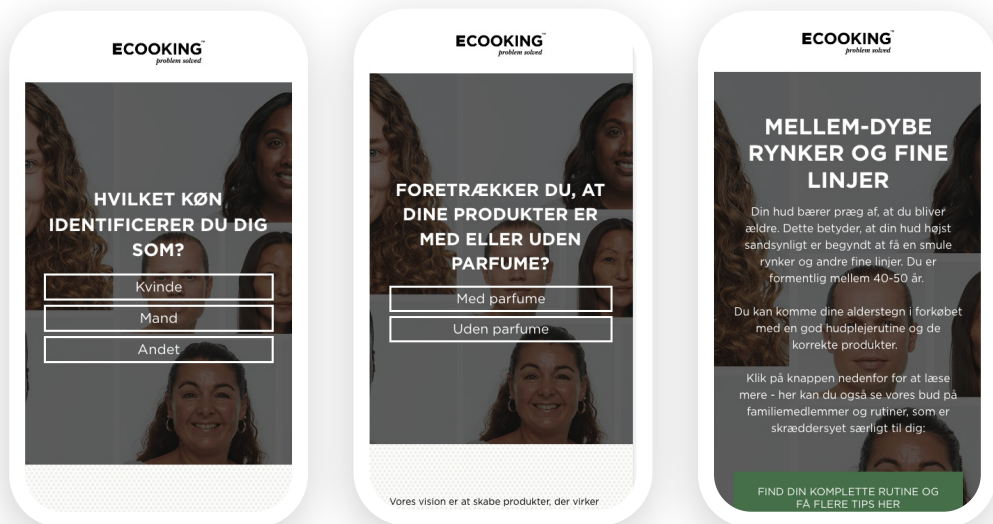
Read the full Ecooking story

Goal 2: Driving growth & revenue - getting more for the same

The need to drive growth and revenue with either the same or fewer resources is one of the biggest challenges retail marketers face.

135%
Higher conversion rate

9,7%
Higher average order rate

9%
Lower bounce rate

Finland's department store chain [Sokos](#) used playable marketing to improve its customer interactions and boost the likelihood to buy. The company used a selection of game types, including Drop Game, Personality Test and Wheel of Fortune. The success of the initial campaigns led to the wider adoption of playable marketing throughout the business.

It ran eighteen Playable campaigns over two years with a doubling of most of its metrics. Add to basket for those customers who had engaged with the Playable marketing campaign was 10.6% compared to 5.9% for those that hadn't. Sessions with checkout were also higher at 6.4% of sessions compared to 2.8% of sessions without. Sessions with transactions rose from 1.4% of sessions to 3.5% of sessions when Playable marketing was used.

Add to basket success rate

Read the full Sokos story

5,9%
Without Playable marketing

10,9%
With Playable marketing
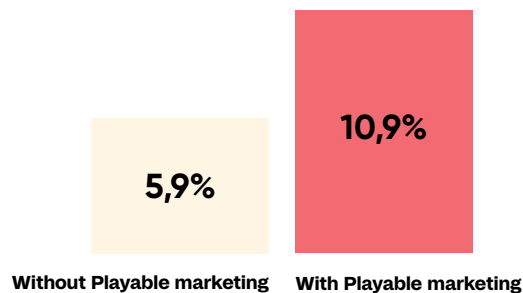
Goal 3: Driving loyalty & retention to keep customers from switching

The marketing world is tough in the current climate. The frequency with which customers are swapping brands is high as customers look to make cost savings. Using playable marketing to drive loyalty and retention helps to prevent such defection, as well as drive longer-term engagement for when that customer might be likely to spend again.

700K

User engagement

10M

Game sessions in 2018

24.8M

Game sessions in 2020

1.1M

Samples picked up

Danish consumer goods retailer Coop has used playable marketing to boost its customer engagement. Using its campaigns as a reward mechanism has paid off in longer-term relationships and deeper connections with its customers.

Customers engaging with Playable marketing campaigns are directed to stores to collect their prizes, with 1.1 million samples picked up instore in one year alone.

This has resulted in a greater frequency of visits and increased spend, with game winners visiting stores on average 0.7 times more per week. They also spend around €10 more, resulting in around €2.5 higher margin for the retailer.

And such engagement behavior is now ingrained, with games and rewards the second highest traffic driver for consumers using the Coop app.
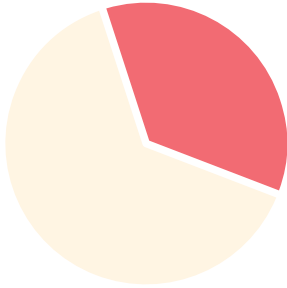
Read the full Coop story

Goal 4: Brand recognition and memorability

Being top of mind is key. But that means doing something different to stand out from the crowd and boosting brand recognition and memorability. One of the best ways of bringing your brand personality to life is through meaningful, personalized interactions. It's imaginative, engaging and fun. And it taps into the very roots of human behavior.

At Playable, our YouGov research has shown that consumers are 56% more likely to click on a gamified ad than a static ad.

And the time spent with a brand hugely increases - from an average of 1.5 seconds to 67 seconds with a gamified ad.

36%
of respondents agree that fun and seamless branded influence their opinion of a brand

The results are more effective too; when looking at Facebook ads versus gamified ads, the CTR is 0.83% at a cost of €1.20, compared to a higher cost of €1.60 for a normal ad with a CTR of almost half at 0.49%.

Playable marketing is both a cost effective and an efficient method in driving memorable brand experiences.

Read the full YouGov research

Goal 5: Getting your timing right

Successful marketing campaigns are enhanced by being timely and relevant. It means the brand involved has piggybacked its campaign onto the back of an event or diary date that helps to put its brand or product top of mind through such association.

Carlsberg did that by tying in a campaign with the Euro2020 football tournament, held in 2021. The company's code on-pack promotion saw more than two million codes generated. Once a can was opened the customer could see the code and then check online to see if they were a winner of the Danish fan merchandise up for grabs, with the Playable platform used to facilitate the lucky number game.

Carlsberg was able to generate a 1,500% increase in website traffic as well as increase the time spent on the website per visit by 2.5x, by tying the two together.

2x
Redemption rate

1,500%
Website traffic

2,5x
Time spent

Read the full Carlsberg story

Key takeaways for retail marketers

We've seen the challenges that retail marketers face and how brands have created effective and efficient playable experiences but what are the key takeaways from this?

1. **It's all about creating loyalty:** Marketing logic, and the experience of our customers shows the importance of loyalty. It needs to be a key component of marketing strategies at all times of the year, but even more so in the current climate.

2. **Loyalty comes via engagement and smiles:** Customers want a value exchange for their time and engagement. At Playable we believe that's the element of fun consumers have when engaging with our playable experiences, as well as the rewards they can win..

3. **Every brand can get members/ permissions/downloads, but the hard part is creating loyal customers:** It's here that playable marketing goes one step further in creating customers who are truly engaged, and therefore more loyal to your brand as a result.

4. **See the app or other owned channels as the most important media channels:** The media channels you own and that give you a direct line to customer experience are most important so making the most of the opportunities within these is essential.

5. **First-party data is extremely important for retail:** Plan out ways to learn more and more about your audience. This not only helps you to build customer loyalty further but also gives you valuable information that you can use when developing your business further.

6. **Segmentation is key:** broad marketing doesn't always work but a targeted and relevant approach does. Using playable experiences to get you closer to your customer than ever, allows you to learn more about your customers and provide them a more personalised experience with your marketing approach in the future.

7. **It takes time to change habits and behaviors**: Customers can be sticklers for routine, but playable experiences tap into habits and behaviors that are ingrained within us all - the innate desire to play and engage.

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Conclusion

In the current climate retail marketers need to be using tools that work harder than ever, delivering efficient, effective results from limited resources if they are to drive growth, as well as memorable experiences that encourage customers to stay loyal.

And as the examples in this guide have shown, Playable marketing does just that. We hope you've been inspired to discover the power of playable marketing for your business.

Get in touch

✉ hello@playable.com

🌐 playable.com

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