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Using Social Gaming to Drive Engagement: Insights and Best Practices for Brand Managers
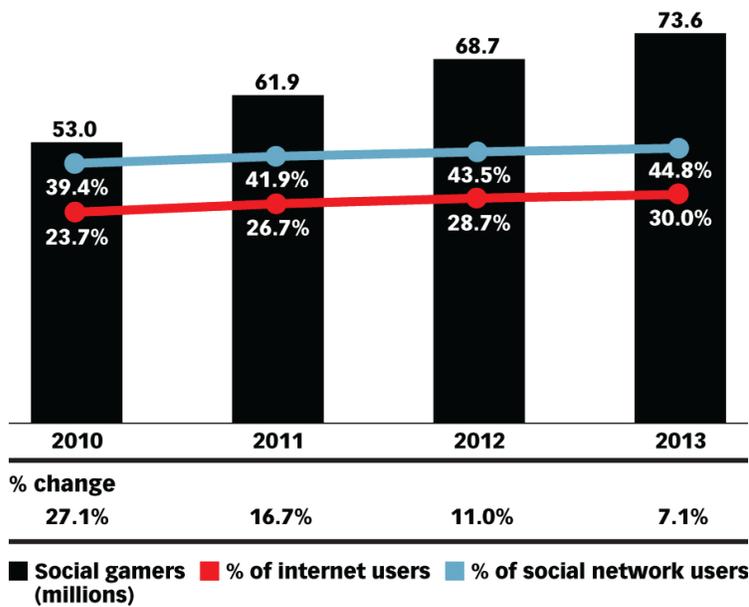
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Introduction

Online gaming continues to grow in popularity with millions of people engaging in social gaming through social networks. In fact, a July 2011 eMarketer's study on social gaming forecasts that there will be 73.6 million social gamers by 2013, with 44.8 percent of those players engaged through social networks. Facebook estimates that active monthly social gamers now make up roughly 40 percent of its overall user base.

Clearly, the player audience exists and the engagement potential is there. It's time now for organizations to develop the brand strategies that will allow them to leverage the power of this new medium. This white paper draws on insights collected from Oracle Social Marketing Games Cloud Service to present eight best practices and two case studies highlighting ways marketers can use social games to build brand recognition.

Engagement and Revenue Potential

A 2011 eMarketer study shows that online gaming is on the rise with users—a trend the study predicts will continue into the future (see Figure 1).

US Social Gamers, 2010-2013

	2010	2011	2012	2013
Social gamers (millions)	53.0	61.9	68.7	73.6
% of social network users	39.4%	41.9%	43.5%	44.8%
% of internet users	23.7%	26.7%	28.7%	30.0%
% change	27.1%	16.7%	11.0%	7.1%

■ Social gamers (millions) ■ % of internet users ■ % of social network users

Note: social network users who play games on a social network site at least once per month
Source: eMarketer, July 2011

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Figure 1. As this graph from a 2011 eMarketer study shows, gaming is on the rise among users of social media.

Gaming not only attracts high volumes of users, it also engages those players for long periods of time. According to a study conducted by IGA-Nielsen, Interpret, and Hitwise, online gaming now surpasses e-mail in terms of engagement time spent.[1] What's more, social gaming is no longer limited to dedicated male gamers. Studies show that as many as 61 percent of gamers are women who casually and socially game (see Table 1). One of the most startling findings for traditional media is how engaged social gamers are compared to traditional television viewers. A 2010 study showed that on average, FarmVille had 33 million players engaged on a weekly basis compared with prime-time television

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[1] Online Media Daily, "IGA, Nielsen: In-Game Ads Boost Positive Product Perception By 61%," June 2008.

juggernauts *Dancing with the Stars* and *NBC Sunday Night Football*, which engaged with 21 million and 20 million viewers, respectively.

Gaming also brings potential revenue. Indeed, revenue from social gaming in the United States has been predicted to reach US$2.18 billion by the end of 2012, a 67 percent increase over 2009. Social gaming revenue is typically divided between advertisers and virtual currency purchases. The virtual currency purchases occur directly or indirectly through deals and offers. The majority of growth will come from virtual currency and microtransactions; however, advertising will also grow. Ad spending on social gaming in the United States is expected to increase to 33 percent by the end of 2012, with international ad spending on social gaming growing by 160 percent.[2]

The message from all of this statistical evidence should be clear: Marketers need to consider using games to build brand recognition and loyalty. The best practices outlined in the following sections provide guidelines for how you can do this.

TABLE 1. U.S. GAMERS BY AGE AND GENDER[3]

	CASUAL SOCIAL GAMER*	HARD-CORE SOCIAL GAMER**
GENDER		
Female	61%	45%
Male	39%	55%
AGE		
Under 30	18%	33%
30–39	19%	24%
40–49	19%	17%
50+	43%	26%

Note: Due to rounding, numbers may not add up to 100%.

* Has only played casual games (for example, Bejeweled Blitz, Diner Dash, FarmVille, Texas HoldEm Poker)

** Has played a strategy, role-playing game (RPG), or other "core" segment game: massively multiplayer online (MMO) action, first-person shooter (FPS), multiplayer online battle arena (MOBA)

[2] Information Solutions Group, "PopCap Games: Social Gaming Research," 2010.

[3] Kabam, "Social Gamer Research Study," Information Solutions Group, September 27, 2011.

Best Practice 1: Define Your Goals

As with every other social strategy marketers employ, success in social gaming engagement starts with a clearly defined goal. Knowing what you want the gaming experience to be will go a long way in helping you decide the *right* game and type of engagement. You need to build a game that accomplishes your goals while targeting your desired audience.

When defining your goals, consider the following:

- Fan growth

- Fan engagement

- Viral growth

- Revenue generation

- Coupon or sales promotion

- Sign-ups

- Campaign component (part of broader campaign)

There are no right or wrong goals for launching a social gaming campaign. You must determine what works best for your brand and overall marketing strategy. Highly engaging and with viral components built in, social games provide the perfect vehicle for fueling fan growth and building community. They also serve as a perfect vehicle for driving brand awareness, revenue, and promotions.

Best Practice 2: Don't Build It from Scratch

Remember that you are building a game to engage your social community, not to become the next great video game publishing company. As such, you don't need a team of game developers on staff to custom-build a game.

Building a game yourself or having your agency build one for you can end up costing well over a million dollars. And often, such games perform poorly—at least in the beginning. The reason for this is that it can take years to understand, build, and do the necessary measurements and iterations to produce a successful branded social game.

Instead of taking on the task yourself, consider partnering with a company that has a library of white-label social games that you can use to engage with fans. Start by employing game styles and concepts your fans will be familiar with. Once you've gained traction with them, you can begin to include original gaming concepts in your social gaming strategy.

Best Practice 3: Understand the Power of Viral Connections

Social games provide a terrific platform for members of your social community to connect with their friends via word of mouth, enabling your message to go viral. These kinds of viral connections are important because they help you achieve your goals while making the game more social and therefore more fun.

It is possible to predict the effects of viral marketing. Relating the formula from kSuite social metrics to gaming tells you the one-day *virality* on Monday is the number of users that Monday-installers influenced to install the application within one day, divided by the total number of Monday-installers.

However, for a layman, the calculation can be much easier. Here is a simplified example. If you drive 100 fans to your game on Monday, and those 100 fans bring in 10 additional fans through viral channels, your virality for Monday is 10 percent.

Why is this important? Because it helps you understand and achieve your marketing goals. If your goal is to increase in-game sales and you attain 20 percent virality in your game, then you've probably achieved a 20 percent increase in your in-game sales numbers because of the additional visitors.

In addition, Facebook's new Open Graph capabilities now allow members to automatically share when they are playing a game. Sharing this information is *frictionless*, meaning there are few to no hoops a player has to go through to communicate to their friends that they are playing the game.

Tip: Continuously track performance.
Even if you've obtained your measurement goals, continue tracking metrics throughout the life of the game. You may begin to notice trends in engagement that you can use to improve your next social game.

Best Practice 4: Measure

By applying a range of criteria to determine how your game is performing, you can refine your social gaming strategy to achieve better results—making adjustments as you learn what does and does not appeal to your brand's fans.

Metrics to monitor include the following:

- Total number of visits
- Number of unique visits
- Average playtime per visit
- Number of fans acquired
- Virality (sharing percent)
- In-game clicks

- Coupon downloads

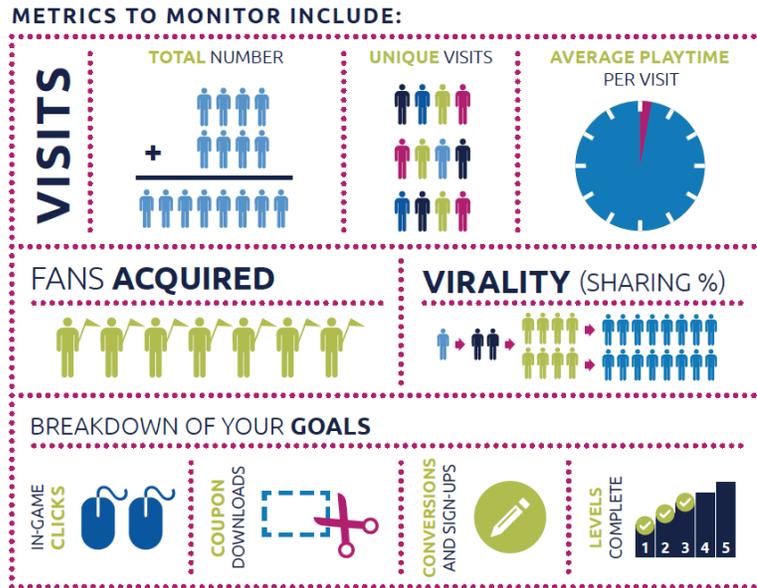- Conversions and sign-ups

- Levels completed

METRICS TO MONITOR INCLUDE:

Figure 1. Monitor a variety of metrics to determine your game's effectiveness.

Best Practice 5: Simplify and Beautify

If a game is confusing, difficult to maneuver, or just plain boring, players will likely abandon it. The first five seconds of the player's gaming experience are thus the most crucial in keeping the player engaged. A player is more likely to be drawn to your game—and spend more time engaging with it (as well as your brand)—if you keep in mind the following during its design:

- The invitation to play should be clear.

- It should be easy to get started.

- Rules and instructions should be kept to a minimum.

- The game must be visually appealing.

- Audio should delight rather than annoy.

- Incentives should be used to get people to play.

Tip: Minimize barriers.

Although *fan-gating* offers a proven method for increasing fan growth, make sure your game does not require any sort of Facebook install beyond Liking the page. To maximize the number of players, minimize the barriers to getting started.

Best Practice 6: Integrate Your Brand Within Your Game

Think beyond just branding a game with a logo and colors, and keep in mind how you can achieve your goals—whether they're for fan growth, revenue generation, or anything else. Be both creative and strategic when integrating your brand into your social game via elements such as

- Fun facts

- Retail calls-to-action

- Added-value elements such as coupons, sweepstakes, and giveaways[4]

- Event tracking

Tip: Create branded incentives.

Sweepstakes and giveaways have long been marketing staples, so it should come as no surprise that they work just as well when incorporated into social gaming. Give your players something tangible to strive for or achieve. Or let them know that just playing the game gives them the chance to win. These sorts of incentives make the experience more fun and exciting for players—helping justify the time they spend playing your game.

Best Practice 7: Integrate Charitable Giving

Incorporating charitable giving within a branded social game can increase engagement and provide high-profile exposure for a brand's charitable giving foundation. Indeed, 75 percent of consumers say they would try a brand they normally would not if it supported a cause they cared about.[5] And data from customers using Oracle Social Marketing Games Cloud Service shows that social games integrating charitable giving provide up to 10 times more engagement and virality than games that do not include such a component.[6]

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[4] Note: Facebook Guidelines on sweepstakes and giveaways dictate that you request sweepstakes entrant information via a pop-up window rather than via Facebook's own app install info.

[5] Cone Cause Evolution: http://www.coneinc.com/2010-cone-cause-evolution-study.

[6] Metrics pulled from Oracle Social Marketing Cloud Service customer data indicate that time on a Facebook page varies. Customers using Oracle Social Marketing Cloud Service have experienced that charitable game applications exceed 30 minutes of time on-page, and in-page charitable games exceed 17 minutes of game play per visit.

Tip: Play longer, do more good.
Set up charitable giving within your social game so that the more your fans play, the more money is contributed to charity. You can also provide incentives to play to a certain point in the game—for example, promising to help provide a meal for a hungry child if a player reaches Level 3.

Social games with charitable giving also provide an excellent means of introducing your brand to potential new customers and getting them to feel positive about your company, happy to be associated with it, and eager to build a relationship with your brand.

Tip: Keep it brief.
Facebook ads can drive targeted traffic to your game—if done right. With little room for copy, you'll need to get creative to come up with the simple text that will entice your fans to play.

Best Practice 8: Market Your Game

To operate at peak efficiency, your social game needs fuel—in other words, paid media in the form of Facebook ads. These ads expose users (both fans and nonfans) to your game and provide a way to begin playing and engaging with it instantly.

If your game is a good one, players will be doing a lot of your marketing for you—as their engagement is broadcast to friends' news feeds and placed on their own timelines.

Social Gaming Results

Aware of the growing demand for branded social games, companies specializing in community management tools have made it relatively quick and easy to choose a game, brand it with your look and feel, and launch it on Facebook. As long as you don't need to create your games from scratch, then brandable, traditional games can provide a cost-effective means of offering fun, interactive content to your fans.

Then, using readily available analytics tools (such as those in Oracle Social Marketing Cloud Service), you can determine how much engagement your new social game is getting. With this data in hand, you can alter the game to make it even more engaging, and quickly determine whether your strategy is producing the desired results.

The following are some top-line results observed in customers using Oracle Social Marketing Games Cloud Service for their social gaming efforts:

- **Sharing.** Masterlock found that 50 to 100 percent of the players of its social game were sharing the brand through a combination of in-game sharing and Like-gating. (See the Masterlock case study on the following pages.)

- **Engagement.** Data from customers using Oracle Social Marketing Games Cloud Service shows that brand engagement (that is, time spent on-page) increases tenfold on the launch of a social game. That same data reveals game revisit rates of 75 percent.

- **Acquisition.** Data from customers using Oracle Social Marketing Games Cloud Service indicates that when it comes to a brand's average "cost per Like," the investment of launching a branded social game represents a savings of up to 60 percent.

Figure 2. Masterlock used this social game to engage fans and promote a new product.

Case Study 1: Masterlock

Global padlock maker and security expert Masterlock was interested in using a branded game not only to acquire and engage fans on its Facebook page but also to promote its new product, an innovative, touch-style combination lock. Using Oracle Social Marketing Games Cloud Service, the product managers executed a Facebook fan acquisition and engagement campaign that included a custom branded game based on the Simon Says game engine for Masterlock's Facebook page.

By the time the game had been live for 155 days, Masterlock had seen 28,599 unique visitors and acquired 18,260 new fans—with 100 percent of players sharing with their friends. That means that every 1,000 people driven to the game brought in an additional 650 through viral channels.

Demonstrating deep engagement with the brand, people spent an average of 2 minutes and 47 seconds playing the game—with more than 8 percent returning to the page to play again. Best of all, Masterlock was able to donate US$25,000 to the Breast Cancer Research Foundation through the game during October 2011's National Breast Cancer Awareness month, with motivated players donating US$1 per level.
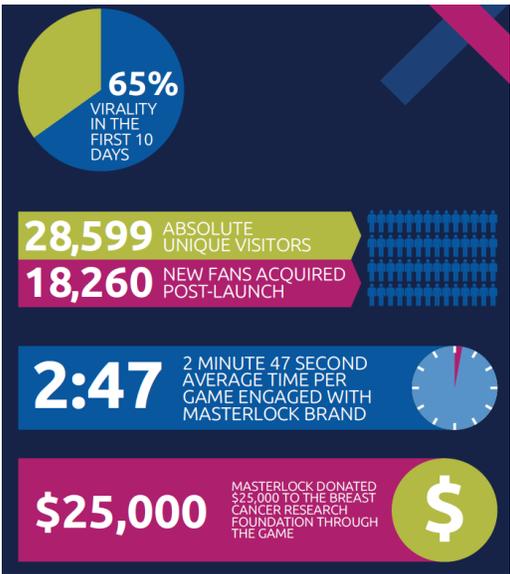
Figure 3. Results for Masterlock's branded game.

Case Study 2: Dial

Dial was interested in not only acquiring and engaging fans on its Facebook page but also promoting its new NutriSkin Lotions product with a branded game.
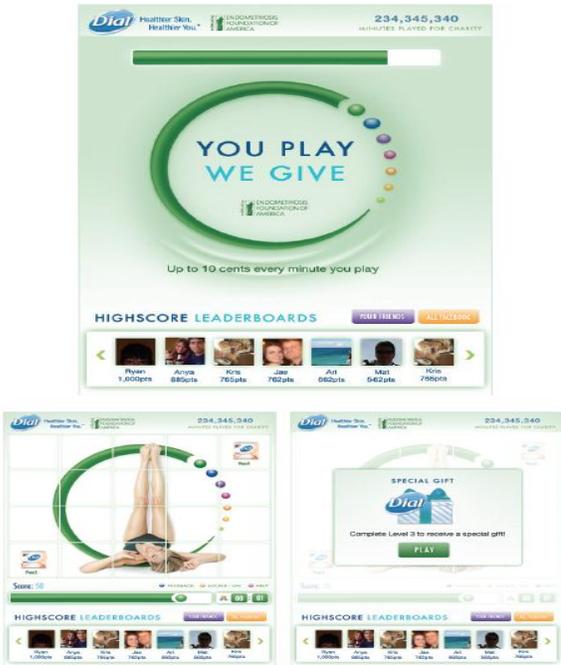

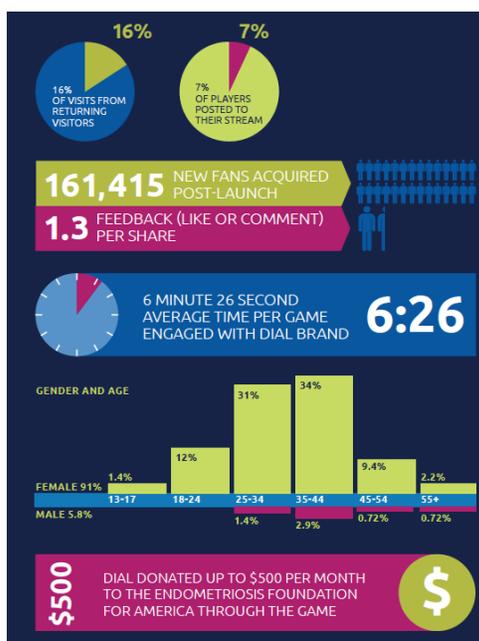Figure 4. Dial's branded game allows players to donate up to 10 cents per minute played.

Figure 5. Results for Dial's branded game.

Using Oracle Social Marketing Games Cloud Service, brand managers executed a Facebook fan acquisition and engagement campaign with a custom branded game based on the Memory Card game engine for Dial's Facebook page.

By the time the game had been live for 197 days, Dial had acquired 161,415 new fans (up 301 percent from the prior period)—thanks in large part due to sharing from the game. For example, 7 percent of players shared the game with their friends, and every post from the game received 1.3 feedbacks (a Like or comment from a friend).

In addition, players spent an average of 6 minutes and 26 seconds playing the game (engaging deeply with the brand), with more than 16 percent of visits coming from returning players. The demographic breakdown of those playing the game was heavily female, with 65 percent of the leader board consisting of 25- to 44-year-old women.

Best of all, Dial was able to donate up to US$500 per month to the Endometriosis Foundation for America through the game, allowing players to donate up to 10 cents for every minute they played.

Conclusion

The verdict is in: Social games are one of the most engaging forms of content that brands can be involved in. Recent Facebook changes make showing up in fans' news feeds more important than ever, so easy and addictive interactive content such as social gaming can be a valuable part of a comprehensive fan engagement strategy.

To use social gaming to drive brand engagement, organizations need to

- Adapt social gaming strategies to brands and overall marketing strategies

- Analyze game performance and adjust social gaming strategies to drive better results

- Use white-labeled games that can be branded quickly and easily (rather than develop games from scratch)

- Develop branded social games that encourage sharing via news feeds

- Keep social game audio and visuals simple and pleasant

- Integrate branded added-value elements (or other engaging content) with social games to connect brands with fans organically

- Incorporate charitable giving within branded social games to quickly increase engagement and provide high-profile exposure for brands' charitable giving platforms

- Market branded social games via Facebook ads to promote immediate play and engagement

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