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Monograph

# Gamification for SMEs: The secret to training and retaining customers

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01.

# Introduction

Gamification is a **strategy that involves using typical game elements in non-game activities** to increase participants' motivation. This approach has gained popularity in recent years due to its ability **to transform routine tasks into more dynamic and engaging experiences.**

In the context of SMEs, gamification offers a great opportunity to stand out from the competition. By integrating dynamics and game mechanics, companies can **better capture consumers' attention**, increase customer loyalty, and enhance their satisfaction **[REF-01].**

The concept of gamification has been trendy for many years. In 2012, the TIC research company, **Gartner, predicted that gamification would become a key trend in 2020, forecasting that 70%** of leading technology companies would use it to improve employee performance and engagement **[REF-02].**

According to **Mordor Intelligence,** a market research company, the size of the global gamification market is estimated to be **$15.43 billion in 2024, and it is expected to reach $48.72 billion in 2029 [REF-03].** These figures indicate that gamification will solidify as a growing business strategy in the coming years.

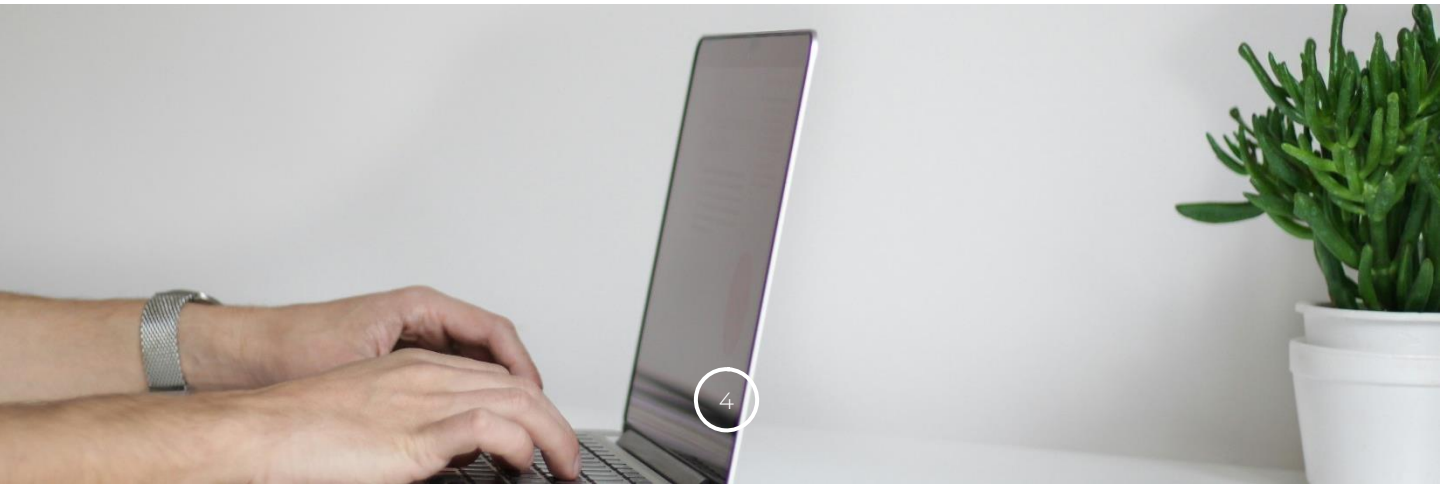
02.

# Discovering the different gamification methodologies

An SME can adopt gamification in various ways, depending on the **objective and type of SME.** Among the most notable methodologies are:

**Reward and achievement systems**: These are accumulation systems where a user, employee, or client **collects a type of currency created by the company** (points, credits, etc.) through which they can **access different rewards or benefits.** Generally, the more points accumulated, the better the possible rewards available to the participant.

This **encourages recurring use by the client or employee**. This type of gamification program is very common in companies such as *Starbucks* with its *Starbucks Rewards,* where customers accumulate points for each purchase and can redeem them for free drinks or discounts. Airlines with mileage accumulation systems use a similar methodology.




**Challenges and competitions among users**: Another effective gamification methodology is the use of challenges and competitions to encourage participation. Through this technique, users or clients compete with each other to complete tasks or achieve specific goals, which increases the level of engagement. Participants can earn rewards within the community for their achievements, which not only promotes individual effort but also fosters interaction among users.This methodology is used, for example, in running apps like Strava, where users can participate in weekly or monthly challenges, comparing their performance with that of other athletes [REF-03].

**Legal systems**: Another very popular element in gamification is the structure of levels, which are unlocked as the client or participant progresses. This is especially common in training applications, as it is a highly effective way to monitor progression and advancement. Moreover, it serves to reward or motivate the user for their effort and dedication in leveling up.This technique is used by apps like Duolingo, which encourages its use as you continue to progress.

03.

# How can gamification help improve customer loyalty?

In the field of marketing, gamification is used to create interactive and fun experiences that foster loyalty to the brand. Some ways to apply gamification to enhance customer loyalty include:

**Creating brand-related games to promote products or services:** An example of this is the "Whopper Detour" campaign by Burger King. In this campaign, customers could unlock a Whopper offer—Burger King's signature hamburger—for only $1, but with one condition: they had to be near a competitor's restaurant, McDonald's, for the offer to activate in the Burger King app.This strategy not only generated interest in the promotion but also played on the element of surprise and rivalry between brands, turning the interaction with the app and the brand into a fun and unique experience [REF-04].


*Source: Campaigns of the World*

**Including rewards and challenges in loyalty programs to encourage participation**: Sephora, through its Beauty Insider Rewards program, uses additional rewards and special challenges to keep its customers engaged. Users can earn points with their purchases and participate in activities such as writing reviews or testing new products, which generates constant interaction with the brand and strengthens loyalty [REF-05].


Source: *Cosmetics24h*

**Using game elements, such as levels or points, to motivate users to complete actions or tasks**: Adidas has applied this strategy through its Adidas Running app. Adidas invites users to participate in physical activity challenges, such as running a certain distance or joining virtual races, rewarding them with virtual medals and prizes when they reach their goals.Additionally, it allows users to compete with friends or runners worldwide, increasing motivation to keep using the app and engaging more with the brand. This dynamic not only reinforces a sense of achievement but also creates a community centered around Adidas [REF-06]

These are examples of how major companies have applied gamification to **increase participation, generate interest, and improve brand perception.**

One of the biggest challenges for SMEs is to **build customer loyalty**, and gamification is an **economical and simple way** to achieve it. Below are some of the benefits an SME can expect when starting to use this strategy:

**Greater participation:** By incorporating game elements, customers feel more motivated to interact with the brand. Challenges and game dynamics encourage customers to actively participate rather than remain passive spectators, which increases their frequency of interaction with the brand.

**Greater retention:** Offering rewards helps keep customers engaged with the brand over time. Through gamification, companies can ensure customers return repeatedly to continue earning points, completing levels, or unlocking new benefits. This strategy not only increases retention but also enhances the client's overall experience, constantly motivating them to keep participating.

**Greater virality:** One of the most powerful features of gamification is its ability to go viral. Games, challenges, and achievements that customers unlock can easily be shared on social media, increasing the brand's visibility and attracting new customers. Additionally, users tend to share their achievements, creating a recommendation effect and extending the campaign's reach [REF-07].

04.

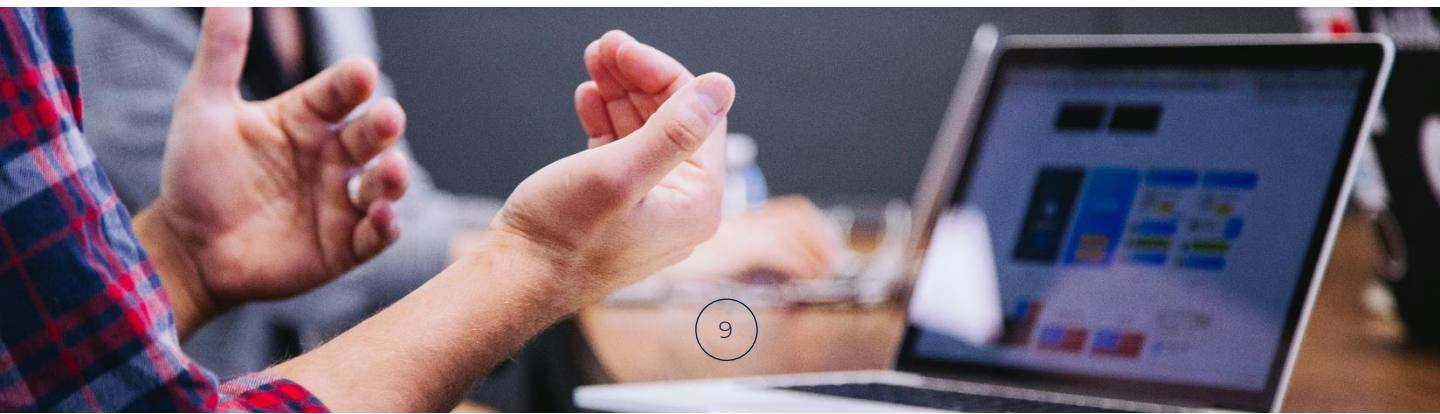
# Gamification for employee development

One of the main challenges faced by many organizations, including SMEs and freelancers, is ensuring **that their employees are trained effectively**. The daily workload can make it difficult for employees to dedicate time to training, which leads to **training and development issues within companies.**

For this reason, gamification presents itself as an attractive and motivating solution, transforming the learning process into something more dynamic and engaging. This approach introduces challenges, rewards, and game mechanics that motivate employees, fostering a training environment in a community setting that is much more stimulating than individual learning.Below are three success stories of how major companies have used gamification in this area:

## Ford

A good example of how gamification can impact employee training is the case of **Ford Canada**, which implemented a gamification strategy in its training program. As a result, the use of the training portal **increased by 47%,** demonstrating the power of gamification to capture and maintain employee attention**[REF-08].**



## AstraZeneca

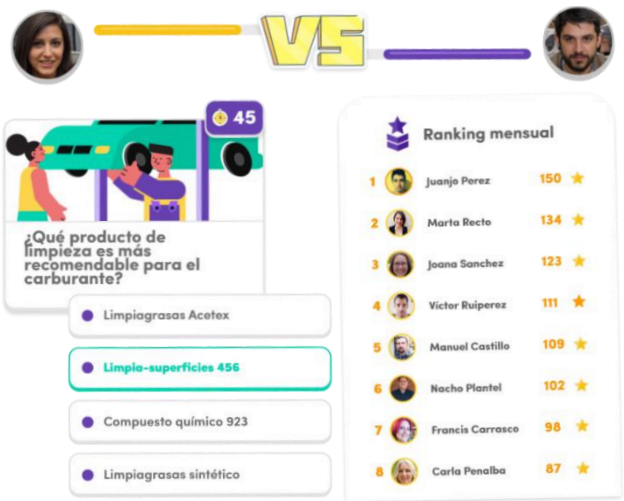
Another interesting case is that of the pharmaceutical company **AstraZeneca**, which **used gamification to familiarize its employees with the products they commercialize**. They developed a game where employees advanced by completing mini-training modules on the new products.At the end of the process, participants faced a simulation of an event with journalists, answering questions about the products. Despite the activity being voluntary**, 97% of sales agents participated, and 95% completed the courses,** demonstrating the high level of engagement generated**[REF-09]**.


*Source: Learningpark.io*

## Galderma

Similarly, the dermatology laboratory **Galderma,** created by Nestlé and L'Oréal, faced a lack of interest from its sales agents in training on the product catalog. To address this issue, they implemented a gamified game that included **questions and sales simulations in real-world scenarios**.

Through this approach, **92% of the sales team actively participated**, overcoming the lack of motivation and achieving better training results **[REF-07].**




Source: *Learningpark.io*

These examples demonstrate that gamification can **transform training within companies**, motivating employees to actively participate and significantly improving learning outcomes, even when the training is optional. For gamification to have a positive impact on an SME, it is essential to identify the **key elements** that make the experience both attractive and effective.

Among these elements are

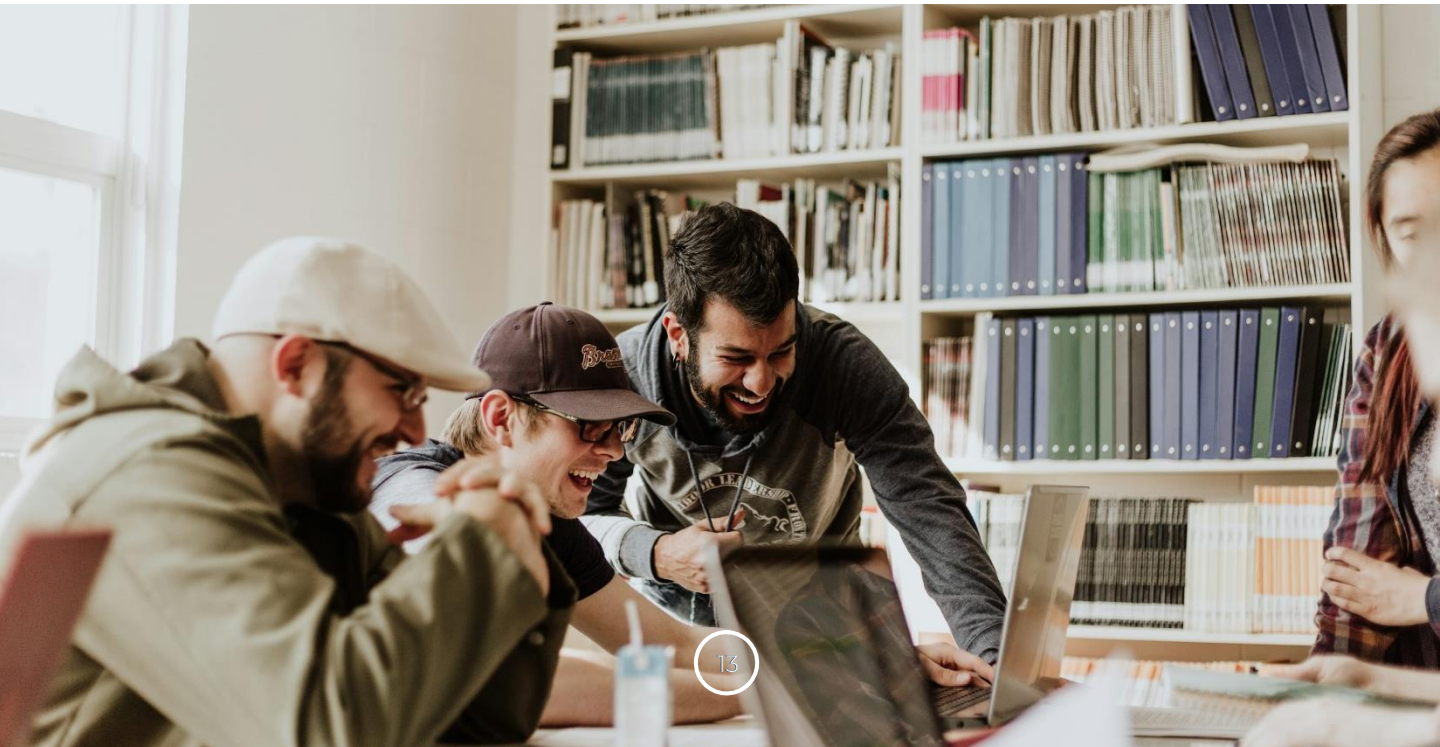
- **Points:** Represent a way to track user progress or achievements.
- **Medals or badges:** Rewards given for reaching specific goals.
- **Leaderboards::**Promote healthy competition by displaying user scores compared to others.
- **Levels**: Allow users to advance through different stages of the game, usually associated with increasing difficulty or prestige.
- **Narrative:** Games often include a storyline or context that engages users, giving them a deeper reason to participate.

In the mentioned cases, all these elements are present, making gamification an effective tool to motivate employees and generate positive results within the organization. If an SME decides to implement gamification elements in employee training, the **main benefits** they can expect are as follows:

- **Talent retention:** Gamification dynamics help retain employees by making personal and professional development more appealing, which increases their engagement and satisfaction.
- **Employee motivation:** By incorporating games and challenges into daily tasks, employees feel more motivated and less frustrated, improving their overall disposition toward work.

- **Better knowledge retention:** Gamification facilitates learning, as people retain information better when they are having fun. Gamified training programs achieve greater participation and better knowledge retention.
- **Reduced dropout rates in training:** By making courses more engaging, gamification reduces dropout rates, increases participation, and improves the effectiveness of training programs.
- **Encourages healthy competition:** Games with specific goals promote healthy competition among employees, fostering effort and personal development.
- **Improves the work environment:** Game dynamics encourage interaction among colleagues, creating a more collaborative and positive work environment.

In conclusion, gamification in training offers great opportunities for SMEs, allowing them to improve their employees' performance in an attractive and effective way, which in turn positively impacts productivity and talent retention.



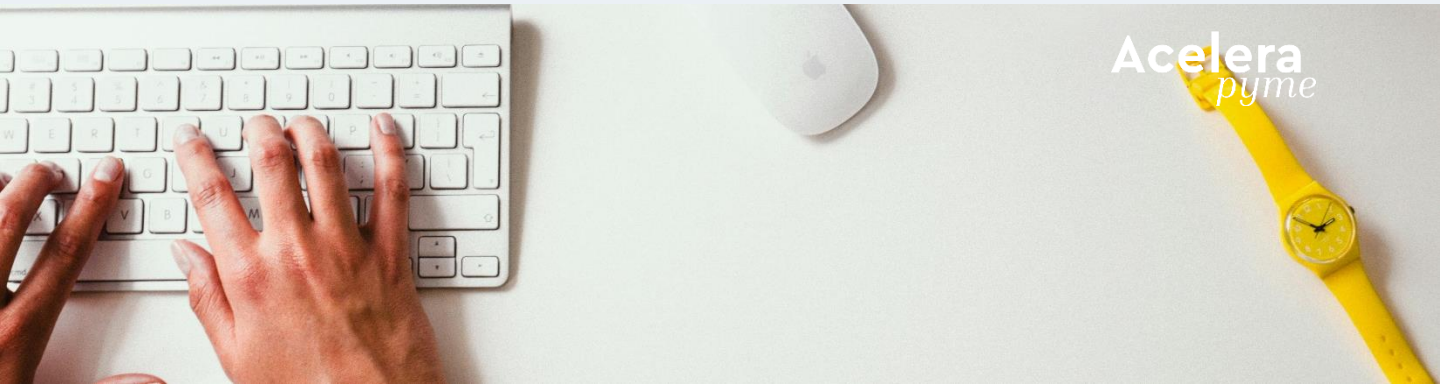
05.

# How to implement a gamification strategy in SMEs

Gamification is an effective tool that can be used both to **retain customers and motivate employees.** Below is a **guide tailored to foster customer loyalty** through gamification, but a similar process can be followed for working with internal teams

1. **Define objectives.** The first step is to establish the goals you want to achieve. For loyalty, the focus might be on increasing customer retention or encouraging repeat purchases. These objectives will determine the design of the gamification strategy. If the focus is on motivating employees, the objectives could center on improving productivity or optimizing training processes..

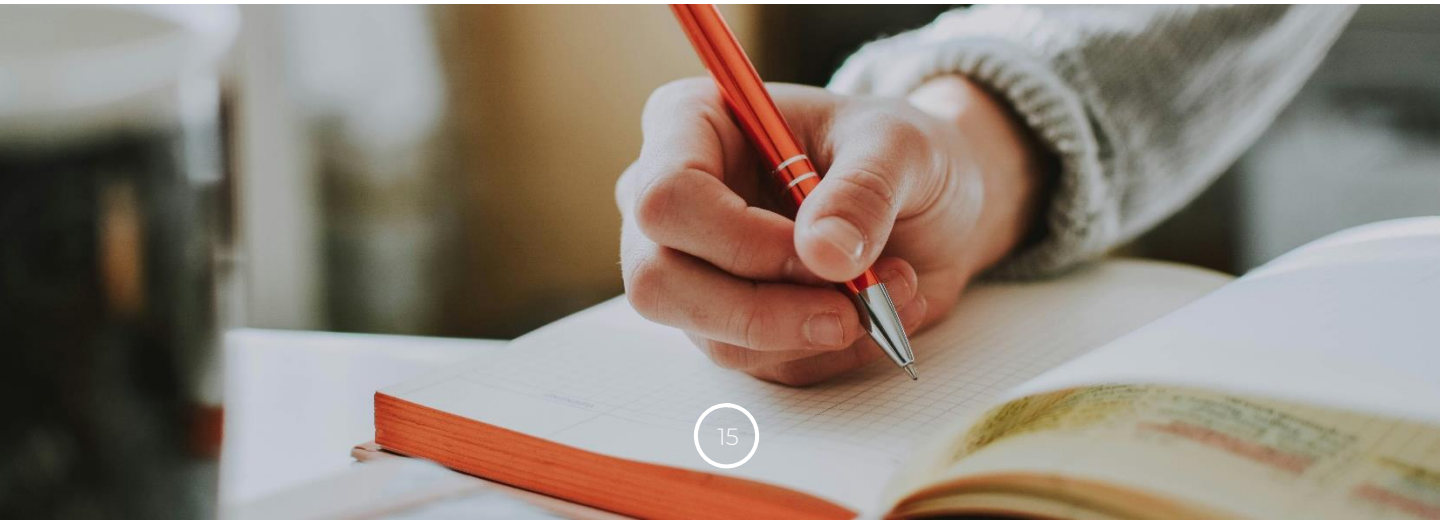
2. **Know your audience**: For a gamification strategy to be effective, it is essential to thoroughly understand your target audience. Analyzing customer preferences, motivations, and behaviors will help design personalized and engaging experiences. Understanding what types of rewards they value most is key to encouraging active participation. If gamification is aimed at employees, conducting surveys or feedback sessions can help identify what factors motivate them.





3. **Design the game experience.** With clear objectives and a deep understanding of the audience, the next step is to design the game experience. Mechanics such as points, levels, badges, and rewards can be implemented, ensuring that the goals are achievable and the rewards appealing. In an internal context, for employees, specific challenges related to their performance or projects can be designed.

4. **Evaluate available tools in the market.** Before implementing the strategy, it is important to select the right tools to effectively manage gamification. The next section will discuss three possible tools, but there are many more options available in the market that might be better suited for the specific needs of each SME. To do this, it is essential to evaluate the platform that best fits the SME's needs, considering both functionalities and cost.



5. **Implement a reward system.** Rewards are essential in any gamification strategy. They can include discounts, exclusive products, personalized experiences, or points that clients or employees can redeem for benefits. The reward system should be designed to keep clients engaged over the long term. For employees, public recognition, bonuses, or additional incentives can be offered for achieving objectives.

6. **Measure and adjust the strategy.** Once gamification is implemented, it is essential to measure its impact. It is necessary to analyze whether the initial objectives have been achieved. Using analytical tools will help obtain precise information and identify areas for improvement. Adjusting the strategy based on the results will allow for optimization and long-term effectiveness [REF-10].

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06.

# Platforms to boost gamification in an SME

To effectively implement gamification elements in companies, there are various platforms or tools available that can facilitate the process.

## Learningpark

**Learningpark** is a gamification tool focused on employee training. With it, employees not only complete online courses but also **participate in games** designed to reinforce and evaluate the knowledge acquired during and after training. These challenges range from classic multiple-choice tests to more original proposals, such as decoding secret codes based on course content or engaging in adventures and simulations.

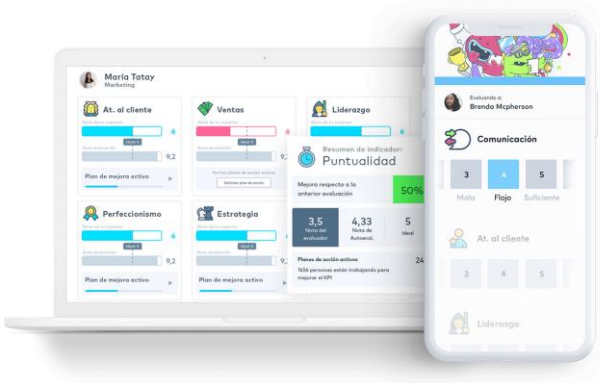
As employees progress through these games, they earn points for their team, accumulating opportunities to achieve a major reward at the end of the process. Additionally, the platform adapts to the size of the SME and offers different prices depending on the plan.

**For licenses of up to 100 users, the price is 15€/year per user.** For larger teams, different packages are available starting at 3,990€/year, which include licenses, updates, and access to mini-games content **REF-10].**


Source: *Learningpark*

## Zeppelean

Zeppelean is a platform that uses gamification to make **feedback exchanges more engaging for employees.** Tasks are transformed into missions, rewarded with virtual coins and stickers that employees can collect as they achieve positive results.This dynamic not only promotes proactivity but also motivates employees to pursue better results in a fun way. The tool **is priced at 160€/month for up to 50 users [REF-11].**



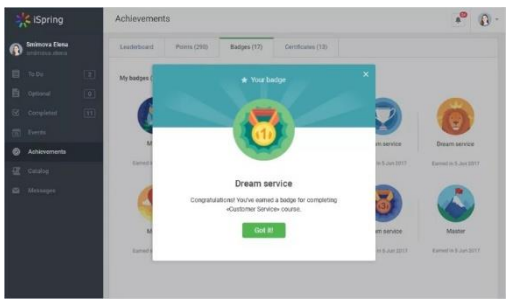

Source: *Zeppelean*

## iSpring Learn

**iSpring Learn** is an eLearning platform designed for the **management, creation, and implementation of training and professional development programs.** This system offers a gamified approach that is particularly useful in corporate environments where continuous learning and skill development are essential.

One of the most notable aspects of iSpring Learn is its **ability to offer interactive evaluations and conversation simulations**, personalized according to the scenarios and characters the company requires. Users can participate in exercises where learning becomes more dynamic thanks to the inclusion of elements such as points, achievements, and activities, encouraging employees to complete training modules and improve their performance. This tool is ideal for companies looking to enhance the training experience through gamification, maintaining employees engaged and committed to their development.

In terms of costs, iSpring Learn offers plans that vary depending on the number of users. **Its price starts at €2.98/month per user**, also offering a free trial for businesses that want to explore its functionalities before purchasing a full plan**[REF-12].**




Source: *iSpring Learn*

07.

# Conclusions

Gamification has established itself as an effective strategy to improve both **customer loyalty and employee motivation** in SMEs. By using game-like elements such as points, levels, rewards, and challenges, companies can transform everyday interactions into **dynamic experiences** that enhance engagement. For customers, this strategy increases loyalty and promotes **active participation**, creating an emotional connection with the brand. Rewards should be tangible and emotional to drive users to interact and remain loyal to the company, amplifying its presence through social media and other channels.

In the internal sphere, gamification has a significant impact on employee motivation by making **learning and training more attractive**. By introducing dynamic elements like competition, clear goals, and rewards, it fosters a work environment where employees are more committed to their tasks, improving overall productivity and workplace atmosphere

For gamification to be effective, it is crucial to establish clear objectives, understand the audience, and **design game experiences that maintain long-term interest.** Once implemented, it is essential to measure its results and adjust the strategy based on the data obtained to maximize return on investment

In conclusion, gamification not only improves performance and employee satisfaction but also offers a **competitive advantage** that is key in today's business environment.

08.

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REF-12] – iSpring Learn Crea cursos con las soluciones e-learning de iSpring

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