Gartner

Press Release

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Gartner Says by 2014, 80 Per Cent of Current Gamified Applications Will Fail to Meet Business Objectives Primarily Due to Poor Design

Gartner Special Report Examines Trends in Gamification

Analysts Discuss Key Issues During Complimentary Webinar, "Gamification Trends and Strategies to Help Prepare for the Future" on 28 November

STAMFORD, Conn., November 27, 2012 — As gamification moves from the leading edge to more widespread use by early adopters, now is the time to understand and evaluate this important trend, according to Gartner, Inc.

Gamification is currently being driven by novelty and hype. Gartner predicts that by 2014, 80 per cent of current gamified applications will fail to meet business objectives primarily because of poor design.

"The challenge facing project managers and sponsors responsible for gamification initiatives is the lack of game design talent to apply to gamification projects," said Brian Burke, research vice president at Gartner. "Poor game design is one of the key failings of many gamified applications today."

"The focus is on the obvious game mechanics, such as points, badges and leader boards, rather than the more subtle and more important game design elements, such as balancing competition and collaboration, or defining a meaningful game economy," Mr Burke said. "As a result, in many cases, organisations are simply counting points, slapping meaningless badges on activities and creating gamified applications that are simply not engaging for the target audience. Some organisations are already beginning to cast off poorly designed gamified applications."

Gamification is the use of game design and game mechanics to engage a target audience to change behaviours, learn new skills or engage in innovation. The target audience may be customers, employees or the general public, but first and foremost, they are people with needs and desires who will respond to stimuli. It is important to think of the people in these target audiences as "players" in gamified applications.

While game mechanics such as points and badges are the hallmarks of gamification, the real challenge is to design player-centric applications that focus on the motivations and rewards that truly engage players more fully. Game mechanics like points, badges and leader boards are simply the tools that implement the underlying engagement models.

Gamification describes the use of the same design techniques and game mechanics found in all games, but it applies them in non-game contexts including: customer engagement, employee performance, training and education, innovation management, personal development, sustainability and health. Virtually all areas of business could benefit from gamification as it can help to achieve three broad business objectives 1) to change behavior; 2) to develop skills; or 3) to enable innovation. While these objectives are very broad, more opportunities may emerge as the trend matures.

Changing Behaviors - The most common use of gamification is to engage a specific audience and encourage them to change a target set of behaviours. By turning the desired behaviour change into a game, people become engaged and encouraged to adopt new habits. For example:

- Brands can leverage gamification to engage consumers to better understand their products, and become advocates for the brand to provide product endorsements, and drive customer loyalty.
- Companies can use gamification to improve employee performance and to motivate adoption of new business processes.

Developing Skills - Gamification is increasingly being used in both formal education and in corporate training programmes to engage students in a more immersive learning experience. While many approaches are being used, they can generally be divided into two categories:

- Building a game layer on top of lesson material, where competition and/or collaboration between students is encouraged with game mechanics such as points for actions, badges for rewards and leader boards for competition.
- Turning the lesson into a game, where in addition to the game layer of points and badges, simulation and animation is used to immerse the students in the environment and allow them to practice new skills in a safe, virtual environment that provides immediate feedback.

Enabling Innovation - Innovation games are typically structured quite differently than games designed to change behaviour or develop skills. Innovation games use emergent game structures that provide the goals, rules, tools and play space for the players to explore, experiment, collaborate and solve problems. Innovation games generally use game mechanics to create a more engaging experience, but the key is to engage lots of players, solving problems through crowdsourcing.

"As gamification moves from being leveraged by a limited number of leading-edge innovators to becoming more broadly adopted by early adopters, it is important that CIOs and IT leaders understand the underlying principle of gamification and how to apply it within the IT organisation," said Mr Burke.

Additional information is available in the Gartner Special Report "Gamification: Engagement Strategies for Business and IT". The Special Report can be viewed at

<u>http://www.gartner.com/technology/research/gamification/</u>, and includes links to reports and video commentary that examine the impact of gamification on organisations.

Mr Burke will provide additional analysis during the Gartner webinar, "Gamification Trends and Strategies to Help Prepare for the Future" on 28 November at 1:00pm and 4:00pm UK time. To register for this complimentary webinar, please visit

http://my.gartner.com/portal/server.pt?open=512&objID=202&mode=2&PageID=5553&resId=2191918&re f=Webinar-Calendar.

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