

Available online at www.sciencedirect.com**ScienceDirect**

Journal of Interactive Marketing xx (2016) xxx–xxx

**JOURNAL OF
INTERACTIVE
MARKETING**
www.elsevier.com/locate/intmar

Gamification and Mobile Marketing Effectiveness

Charles F. Hofacker^{a,*} & Ko de Ruyter^b & Nicholas H. Lurie^c
& Puneet Manchanda^d & Jeff Donaldson^e

^a Florida State University College of Business, 821 Academic Way, Tallahassee, FL 32306-1110, United States

^b Cass Business School, City University London, 106 Bunhill Row, EC1Y 8TZ London, UK

^c University of Connecticut School of Business, 2100 Hillside Road Unit 1041, Storrs, CT 06269-1041, United States

^d Ross School of Business, University of Michigan, 701 Tappan Street, Ann Arbor, MI 48109-1234, United States

^e GameStop, Inc., 625 Westport Pkwy, Grapevine, TX 76051, United States

Abstract

A variety of business sectors have been buffeted by the diffusion of mobile technology, a trend that presents a variety of difficult challenges but interesting opportunities to marketers. One such opportunity is gamification, which, one hopes, will enhance appeal to mobile consumers. Our sense from both personal experience and the literature is that the gamified mobile apps currently offered by firms mostly miss the mark. We provide a systematic overview of game design and note how principles derived from that field are highly applicable to gamification in mobile marketing settings. We are aided by the work of Schell (2008), whose Elemental Game Tetrad Model allows us to offer a coherent look at how gamification should affect mobile marketing outcomes.

© 2016 Direct Marketing Educational Foundation, Inc., dba Marketing EDGE. All rights reserved.

Keywords: Gamification; Gaming; Mobile; Retailing; Game design; Story; Mechanics; Aesthetics; Technology

Introduction

Mobile marketing, defined as, “the two-way or multi-way communication and promotion of an offer between a firm and its customers using a mobile medium, device, or technology,” (Shankar and Balasubramanian 2009, p. 118) is quickly becoming a mainstream activity. Industry analysts point to an increase in all categories of mobile marketing spending with eMarketer (2013) claiming a 10-fold overall increase between 2010 and 2015. It is estimated that 20% of Google’s search revenue can now be attributed to mobile (Sterling 2015). Twitter has reported that 86% of its advertising revenue now comes from mobile (Sullivan 2015). U.S. mobile advertising expenditures are expected to grow from \$29 billion (49% of

digital ad spending) in 2015 to \$66 billion (72% of digital ad expenditures) by 2019 (eMarketer 2015a). Mobile coupons are thought to be used by more than 40% of US companies with more than 100 employees as of 2015 (eMarketer 2015b).

There is no reason to expect the above-cited growth in mobile marketing to slow down. In fact, we observe a further proliferation of mobile devices, particularly in the developed world. Devices now span form factors from basic feature phones to smart phones, through “phablets” to tablets. Wearables figure to add complexity to the mobile marketing mix as the smartwatch market alone is expected to reach \$32.9 globally by 2020 (Kohli 2015). Emerging technologies such as beacons (Martin 2014) will likely shift marketing spending even further toward mobile if they prove effective.

Many businesses are therefore affected by the mobile marketing and mobile technology trends discussed above but perhaps none more than retailing (Shankar et al. 2010). Annual global mobile retail purchases are expected to surpass \$700 billion and account for 30% of online purchases by 2018 (Juniper Research 2014). The portability of mobile devices

* Corresponding author.

E-mail addresses: chofack@business.fsu.edu (C.F. Hofacker), Ko.De-Ruyter.1@city.ac.uk (K. de Ruyter), lurie@uconn.edu (N.H. Lurie), pmanchan@umich.edu (P. Manchanda), jeffdonaldson@gamestop.com (J. Donaldson).