

Promotional games . . . the petrol companies made them the hot marketing tool of 1984, The Times made them the acceptable face of marketing

Why games became big business

The story of a marketing boom. John Chambers, MD of Don Marketing, opens a 27-page report

Promotional games are undoubtedly the hottest marketing tool of 1984.

When *The Times* newspaper decided to use an up-market bingo-style game to boost circulation, it was clear that games had finally become the acceptable face of marketing. And they have taken off this year largely because of the decision by Shell and the other major petrol companies to mount an intensive forecourt promotional battle for market share, using games, ranging from Shell's Make Money to Mobil's version of the Scrabble board game.

In July, a second round of promotions was initiated by Shell with the Mastermind promotion—a new match-up game developed and structured by us. All these add up to a £30 million injection of spending by the petrol companies. Last year they spent nothing on

such promotions. So, why have promotional games suddenly become such big business?

The answer is that games have been growing in popularity for several years. This is as a consequence of better and more secure printing technology, as well as renewed public interest. The surge of public lotteries operating in the late 1970s whetted the consumer's appetite.

John Player's Spot Cash promotion, in 1979, proved just how highly successful promotional games could be in boosting sales. Its success led to a major row with rival cigarette companies, which eventually wound up in the House of Lords.

But what has spurred on the popularity of games in the 1980s is a combination of factors set against a background of recession. Consumers have reacted to the harsh

realities of life in a number of ways. They have demanded good value in products and services because of financial stringency, yet have been more critical of the services and products retailers provide. Price cuts are no longer an automatic solution to all marketing problems.

And price cuts can erode a brand's perceived value. "Value for money" can quickly become "cheap and nasty" in the consumer's mind. Moreover, price cuts as a marketing option often have the unpleasant effect of rebounding and embroiling consumer product manufacturers and retailers in a vicious price war, causing damaging long-term effects on profit margins and profitability.

Promotional games offer a real alternative. They can be produced for far less than the cost of a price

cut, yet can still achieve an improved consumer perception of the brand without damaging its long-term credibility. The attraction of games to the petrol companies is clear, since the millions spent on games pales into insignificance beside the cost of even a small price reduction, on the huge volumes of petrol sold. A full-scale price war at the pumps could cost up to ten times more than the games.

The new generation of skill linked games can initiate real consumer involvement in the promotion, because they demand some genuine thought and effort. They can even involve the whole family and add an entertainment value to the product.

Successful games have three key elements — talkability, playability, and heart-stopping effect. Talkability is the infectious word-of-mouth excitement triggered by

the launch of a good, stimulating game. Playability is the powerful compulsion to try it over and over again — even after a win.

The heart-stopper element is when the consumer, casually playing a game, suddenly realises he is very close to a major prize.

The Great Guinness Challenge had all three elements. It was a sports quiz game which ran in 22,000 pubs in the summer of 1982, with considerable success. Every Guinness buyer was given a game card. They had to establish the predominant qualities of a group of eight sportsmen, who were revealed by scratching off the protective covering.

The gamester had to choose, for example, an expert panel's ranking in four different areas of eight famous midfield footballers' ability. Easy with contemporary footballers, but younger fans would ▶

The clear trend today is towards promotional games of skill with every card a potential winner

◀ know little about Tommy Docherty's skill at throw-ins.

The game card had four columns, A, B, C and D, and contestants had to find four win symbols out of eight chances in each column. For a column A win, the prize was another free game; for a column B win, 20p off a pint of draught Guinness, and winners in both columns could try their skill in column C, for minor cash prizes. And — this is where the heart-stopper element came in — they then had to choose whether to risk their column C prize by attempting column D, which offered a much larger cash share-out of £30,000.

The game was even more popular than Guinness had hoped. It established interest, created goodwill and is said to have added 30 per cent to sales of draught Guinness.

Putting together a successful promotional game is not easy. There are the security aspects of printing it, the calculations of the likely number of winners — to avoid an embarrassing and potentially fatal liability — and the avoidance of legal pitfalls to be considered. There is also the question of what type of game is best suited to a particular marketing effort. There is one to suit every product or service, although promotional games fall into two main categories. There are the "no purchase necessary" games, where skill is not involved, and the "skill" games which require the competitor to buy a product or service.

The no-skill games of chance promotions have to be offered to all consumers who want to play, irrespective of brand purchase, to avoid falling foul of the lotteries regulations. These types of game have been developed from the instant lotteries run by sports clubs, charities, and local authorities in the late 1970s, and usually involve a simple scratch card, or winning ticket, enclosed in an envelope.

Most of these game cards are predetermined losers, and there is nothing consumers can do to influence their chances of winning a prize. Winning cards are seeded to ensure an even distribution of winners, but also to limit the total pay-out to a specified figure.

They have a limited play value since the game is over in seconds, and the customer is usually a loser. Interest and enthusiasm tend to evaporate within days with this type of promotional game, with the consequence that game cards are often given away in handfuls. Some can even end up lying on the floor, unplayed.

However, such games do have a traffic building role for retailers of high volume goods or services, such as supermarket chains or petrol stations. They are more attractive to the garage owner or retailer than more complex, with-skill games because it is important that the game is over in seconds, to avoid congestion on the forecourt or at the check-out.

The Shell Make Money promotion sought to combine the advantages of a quick, traffic-building



Chambers . . . 'the experts must rise to the challenge of creating new concepts'

game with playability appeal. Each visitor to a Shell station — whether or not he or she bought petrol — was given one half of a special banknote, worth from 50p to £10,000, in a sealed envelope. On subsequent visits, other envelopes were collected by customers who won when they collected matching halves which made a complete note.

Thus, repeat traffic was built up, but there were no long delays at forecourts. And motorists were anxious to get as many half-note envelopes as possible.

The first Make Money game, in the mid 1960s, was a runaway success. There were even ads in the classified columns as people advertised for matching halves.

Shell's decision, in 1984, to return to promotions rather than price cuts, was greeted in a similar blaze of publicity. There was even press comment about the lengths people were prepared to go to find matching halves. So the promotion had talkability.

It also had the heart-stopping element. Motorists who already held £100, £1,000 or £10,000 half notes knew that the next envelope could lead to a sizeable win.

While Shell's game was an exceptional success, the clear trend is towards promotional games of skill. With these, every card is a potential winner. Competitors use their knowledge in relevant subjects, or exercise visual skills, to increase their chances of winning. And even losing gamblers can enjoy playing.

It has been observed that contestants respond to a popular subject with considerable enthusiasm which actually builds throughout the promotion. Some retain losing cards to accumulate knowledge — which can increase participation and interest in the closing weeks of a game.

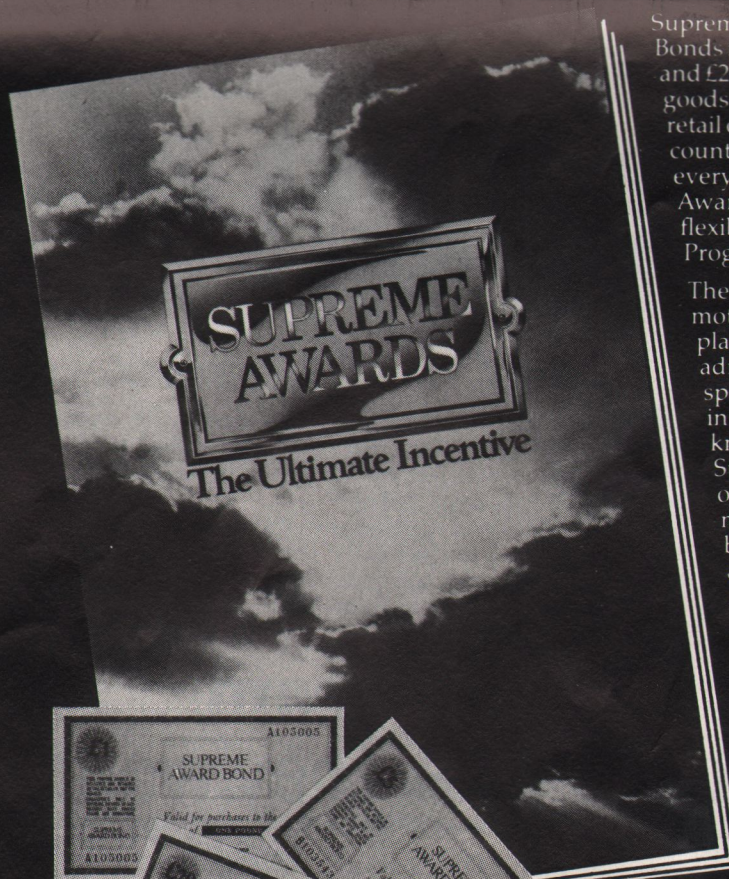
Regular competitors very often play as a team, and pool their knowledge. Syndicates are sometimes formed to combine effort. In the face of such determined chal-

lenges, it is vital that companies offer only a shared pool of, say, £25,000 prizemoney. Otherwise, if large prizes are guaranteed to all winners, some experienced gamblers may "break" the game and ensure they win every time.

Typhoo Tea, for example, was recently reported as facing a cash payout running into hundreds of thousands of pounds because its promotional game guaranteed that winners received a £5, £10 or £20 cash prize, rather than a share of a prize amount. Expert competitors, realising this, formed syndicates which bought several thousand packs of tea-bags to enter the games, hoping to recoup their outlay many times over in prize money. The dangers should have been foreseen.

To avoid such disasters, it is advisable to involve a specialist game designer or consultant in the promotion. And, although the establishment of a prize fund pool ▶

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PREMIUMS & INCENTIVES SPECIAL REPORT

Many blue chip companies still seem to be prepared to put their money and reputations at risk

◀ should eliminate the need for insurance against over redemption, such insurance can usually be relatively cheaply obtained — provided the underwriters have confidence in the games company responsible. And, if the game is insured, it is an indication that it is relatively hazard free, since insurers know the pitfalls that can trap the inexperienced promoter.

A hurriedly withdrawn game can generate almost as much bad publicity as a share-out where each winner receives a derisory share rather than a handsome sum, and is almost as bad as the loss caused by over redemption. Yet many blue-chip companies are prepared to put their money and reputations at risk by using agencies inexperienced in this complex and specialised activity.

The most successful efforts result from close co-operation between games specialists and the client's advertising or promotional agency. This can ensure a cost effective package which includes all elements of advertising, point-of-sale promotion and public relations. The Guinness and Shell games demonstrated this.

Skill games are best used to create maximum brand awareness



Games . . . one to suit every product

or extend a customer's visit. For example, the Japanese photographic company Konishiroku wanted to boost brand awareness of its Sakura film with both customers and the trade. It therefore launched a "Sakura super-spot share out" scratchcard game,

previously not used in the photographic industry and easy to promote. A game card was given with each film bought.

This was a perspective game. Contestants were shown a shop window with nine dots representing nine Sakura film packs.

This was then compared with the identical window photographed from a different perspective. Contestants were invited to uncover the nine panes of glass out of a total of 36 panes which would then show the word Sakura if they had correctly judged the new perspective.

If this was achieved without uncovering more or fewer than nine panes, they would win a share of the £25,000 prize pool and qualify for a tie-breaker competition with prizes including an Austin Maestro for the winner.

The promotion, which we developed in co-operation with Marketing Drive, was a success. 130 new retail trade accounts were opened by Konishiroku during it, and sales of Sakura film rose by more than 80 per cent. More than 1.2 million cards were distributed, and 10,000 successful entries were received.

This game highlights the crucial importance of printing techniques for game promotions. As does the Guinness one, for which ten million game cards were printed, and the Shell one which required some 60 million Make Money envelopes.

New techniques have significantly improved the security of

printing and the scratch-off materials are virtually impossible to breach, even with the most sophisticated methods. The choice of game will influence the printing effort involved, but the multiple-choice games necessitate computer printing methods, because every card has to carry a different pattern of winning marks. Advances in printing technology have been so rapid that, earlier this year, Cinzano was able to run a scratch off, instant win game printed on the inside of bottle labels.

Once printed, the game needs to be distributed in such a way as to guarantee security and ensure the maximum impact. Promoters must ensure there are limited opportunities for collusion among participating outlets, and try to spread the winners fairly. The Shell Mastermind game, for example, produces an average of 40,000 winners every day, 15 for each filling station.

So, although 1984 is definitely the year of the game, it is also the year in which promotional games companies must rise to the challenge of creating new and exciting concepts, to satisfy the aroused appetites of enthusiasts who make up an important target market among consumers. ■

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