Gaming for Behavior Change

— Adam Dole,
  Design Researcher

Learning to Play the Game

The success of a new product or service relies on more than just new features and functions, bells and whistles, or a creative campaign—these fail to deliver long term brand loyalty because they do not create behavior change over time. Games, however, engage consumers and build value around products and services. How can design principles leverage game-like mechanics to create greater value for products and services?

Method

Behavioral Change: The New Competitive Advantage

It is becoming harder and harder to predict what factors will drive the success of a new product or service, as consumers face more and more choices these days. Success is contingent upon more than just engineering-driven features and functions, new product bells and whistles, or a creative campaign. Ultimately, none of these factors by themselves ensure market success because they cannot predict consumer behavior or reaction. Despite a sense of short term achievement and perhaps stimulating initial consumer interest, they fail to deliver long term brand loyalty.

Instead, successful products and services identify and understand our deeply seated natural tendencies and the ways in which they can be used to change our behavior. By leveraging game-like mechanisms to satisfy these needs and tendencies, we can create behavioral change across a broad spectrum of pressing issues, from healthcare and finances to philanthropy and conservation. Games engage consumers and build value around products and services, creating a powerful competitive advantage.

Game-Changing Benefits

An estimated 3 billion hours are currently spent on gaming every week. By age 21, the average American will have spent more than 10,000 hours playing video games — the equivalent to 5 years of work at a full time job! The total amount of time that World of Warcraft has been played is 5.93 million years. Game designer and researcher Jane McGonigal makes the case in her 2010 TED talk that games inspire people the way real life does not, raising the question: what is it about games that enables this extraordinary degree of engagement?

Several studies have sought to unlock the psychological attrac-tion of game play, but what is abundantly clear is that the whole gaming industry has been growing rapidly. Casual gaming company Zynga recently surpassed 100 million unique monthly visitors with the release of their viral hits Mafia Wars and Farmville, giving them an estimated valuation rumored to be $4 billion.

One/Games create urgent optimism.Two/Games create tight social groups. Three/Games create blissful productivity.Four/Games create meaning.

— Jane McGonigal,
Game Designer and Researcher

Psychological Attraction

and

Leveraging Game-like Mechanics

Designing for Change

Understanding how our needs and desires drive our behavior is an essential first step in developing a successful design strategy. This means increasing attention on directing and delivering value to users at the emotional level, instead of relying on basic functions as value propositions. The Hierarchy of Needs (see diagram on p4) is a helpful consideration in designing for change; products and services that reach higher tiers on the pyramid result in more meaningful behavior change.

The Hierarchy of Needs can be used to increase engagement, strengthen brand equity and expand influence in the market, but a product or service must extend beyond its intended use to be truly successful in these efforts. This requires recognizing opportunities that are part of an extended use case and identifying adjacent needs that can be addressed through continued engagement with the product or service. The end goal is always to provide customers with a reason to continue their engagement over time. Weight Watchers successfully achieves this by reaching customers through online communities, in the supermarket, by mobile, and at local meetings, helping them reach and maintain weight loss goals over time.

Because one size rarely fits all, a product or service should strive to provide more value over time by allowing consumers to satisfy additional needs. A beneficial interaction, such as a game-like experience, is more likely to prompt a change in behavior as users get value, simultaneously benefitting the business providing the product or service.

The highest level of consumer engagement and brand loyalty comes from positive experience. By reflecting the way people want to act, a product or service more effectively changes attitude and behavior. As the foundation for tribal mentality, behavioral change sustains and enhances the usage and success of products or services. In sharp contrast, myopic growth strategies depend on introducing more product features and functions without regard to a consumer's behavior or continued engagement over time. Engaging behavioral change through the understanding of human behavior is a powerful design strategy that provides a competitive advantage.
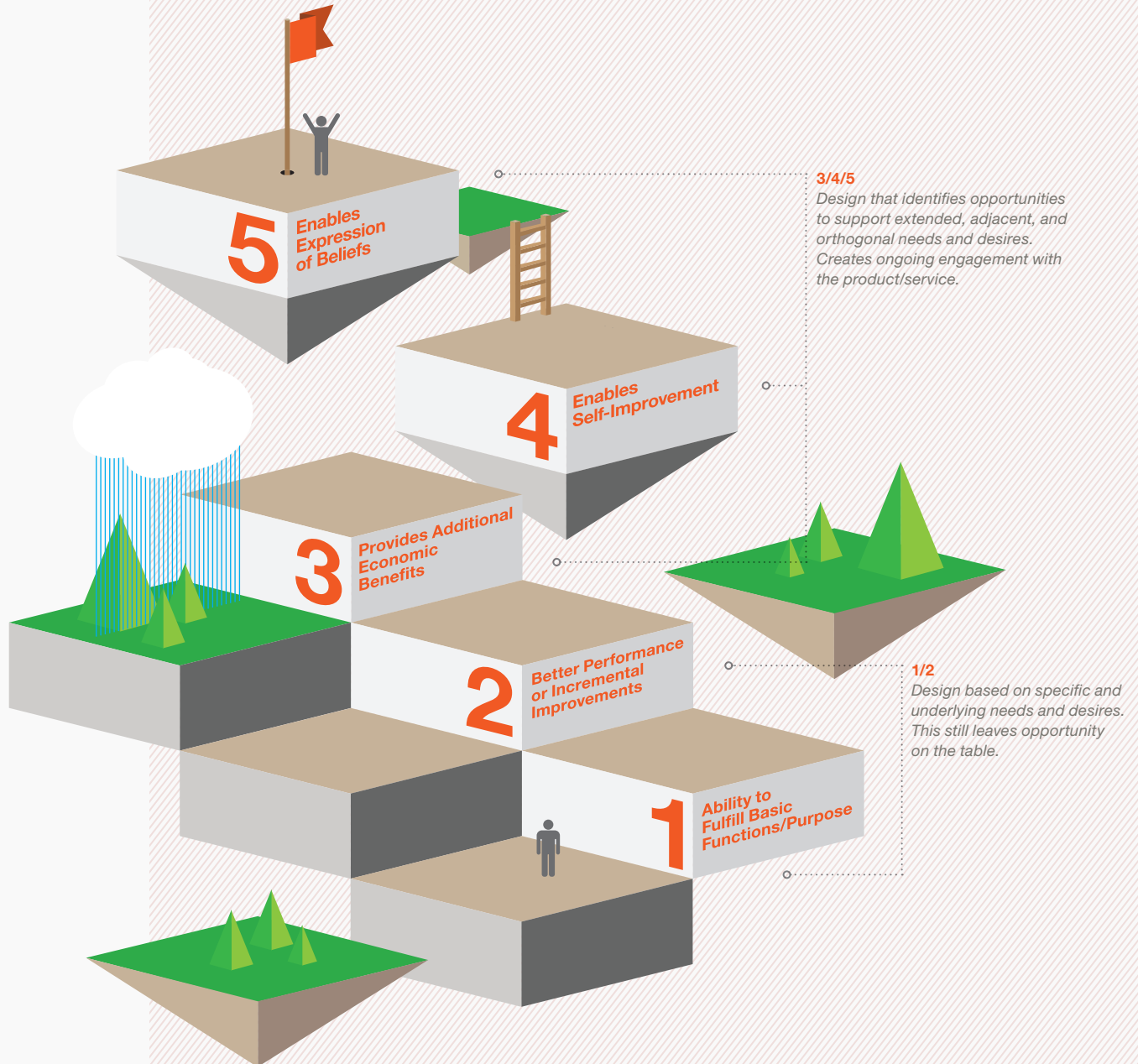
By age **21,** the average American will have spent more than **10,000** hours playing video games.

Hierarchy of Needs

Hierarchy of Needs

and

Designing for Change

5 Enables Expression of Beliefs

4 Enables Self-Improvement

3 Provides Additional Economic Benefits

2 Better Performance or Incremental Improvements

1 Ability to Fulfill Basic Functions/Purpose

3/4/5
Design that identifies opportunities to support extended, adjacent, and orthogonal needs and desires. Creates ongoing engagement with the product/service.

1/2
Design based on specific and underlying needs and desires. This still leaves opportunity on the table.

Examples of Success

Value

Expression of Beliefs

Self-Improvement

Economic Benefits

Improved Performance

Intended Use

Designing for Engagement

Designing for Needs

Elapsed Time

and

Designing for Change

Playing with Money

There are several examples of successful products and services that use or have used gaming principles to achieve market success. One example is Mint.com, a financial management tool that leverages gaming principles to successfully capture and expand its market. Following its launch in 2007, Mint.com fundamentally changed the experience of financial management, by making the tracking of personal finances fun. In so doing, Mint.com created a new market, targeting people who viewed financial management as a formidable task without ever achieving tangible results.

The service rewards users for activities that keep their "financial fitness" in check, similar to how gamers earn achievements in video games. By saving money, avoiding bank fees, or coming in under budget, the user collects Mint points that contribute to a total financial score. Users identify financially responsible behaviors (the right behavior) and avoid financially irresponsible behaviors (the wrong behaviors) to maximize points received while competing with others with similar goals. Visual feedback informs users on how to improve their financial performance, and ultimately achieve their financial goals.

While other companies tried to compete with more sophisticated features and the latest financial add-ons, Mint.com beat the competition by creating a product based on understanding human behavior and changing that behavior. Intuit, themakers of Quicken, recognized that they were losing their competitive advantage to a start-up targeting a new and growing demographic and acquired Mint.com for $170 million in 2009.

4 Critical Attributes
Design Attributes For Creating Behavioral Change

Using gaming principles to change people's behavior is not limited to any one sector. Creating new products and services that enable positive behavioral change applies to all industries. However, it requires a thorough understanding of that sector's Hierarchy of Needs. In order to maximize consumer engagement and achieve brand loyalty in any industry, utilizing gaming elements to change behavior relies on 4 critical design attributes: entertaining, competitive, visual, and rewarding.

1. Entertaining

Make it fun and entertaining. What if your health insurance company decided to use gaming principles to create a healthcare experience that was actually fun? Nintendo's Wii console engages people in exercise through a new and entertaining game experience. Exercise is a by-product of the experience, which is perceived as play rather than work. Nintendo effectively converted "no pain, no gain" into "have fun, will exercise." The American Heart Association and Nintendo recently announced a first-of-its-kind strategic partnership designed to help people create healthy lifestyles through physically active play.

2. Competitive

Make it competitive for users. Nike+ is a small device that records the distance and pace of a walk or run. Nike+ also allows runners to meet and challenge other runners, ask questions, and give feedback. The corresponding Nike+ website includes a user-generated challenge gallery, a route naming tool, iPod compatibility, a distance-traveled club, and fastest 5K club. Imagine the impact if utilities giant PG&E used their smart meters to create neighborhood competitions that incentivized lower energy consumption, where competing households could earn discounts on their monthly bill?

3. Visual

Make it visual. When Toyota began visualizing fuel consumption for drivers in their Prius models, they created a "fuel economy game," allowing the driver to minimize gas usage with real time information. The phenomenon is known as the Prius Effect. How might household appliance manufacturers, such as GE, tap into such insights from the auto-industry to not only sell more products but help promote environmental consciousness while doing so?

4. Rewarding

Make it rewarding. Research shows that financial rewards are not effective at encouraging sustained, long-term behavior change. Rewards that create social value tied to a meaningful cause are more effective over the long term and have a greater likelihood of encouraging others to do the same. RecycleBank is a web-based service designed to promote recycling. Families accrue points based on the weekly amount of materials recycled; these points can be redeemed for discounts at over 1500 national businesses. Freerice.com is an online trivia game that donates rice to the United Nations World Food Program for each correctly answered question, and has donated over 80 billion grains in just 3 years.
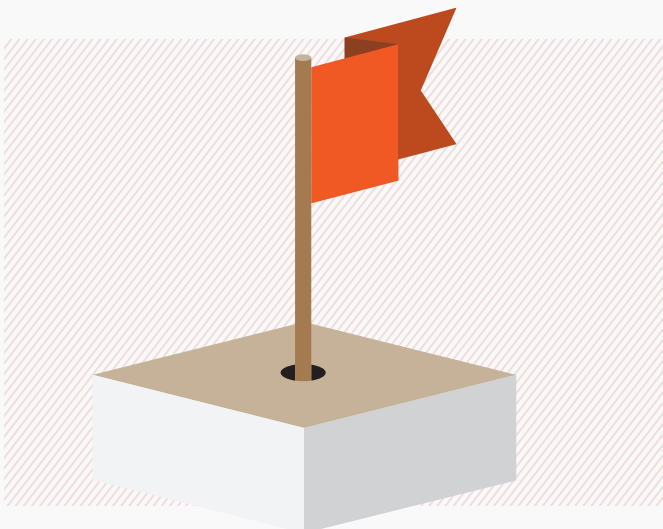
Well Played

Inspiring positive behavioral change is a key driver of customer engagement, brand loyalty, and sustained market growth. The explosive growth of social gaming is well timed to intersect with the need for new platforms that incorporate behavioral change into design strategy. Designing products, services, and business models for behavioral change is the new competitive advantage. Gaming has the power to instigate behavioral change, and the potential to impact the solutions to some of the world's most pressing social problems, such as healthcare and philanthropy.

The Consumer
as King(pin)

next

This is the
Fifth Issue

More to come

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By Adam Dole, Design Researcher

About the Author

Adam is a design researcher based out of Method's San Francisco studio. He brings a hybrid background in psychology and design strategy to his work in identifying opportunities for new products, services and businesses. Most recently, Adam has been pursuing his interest in redefining the perception of healthcare through design. You can follow @adamdole on twitter, where he actively discusses designing for positive behavior change.

About 10x10

2010 marks Method's 10 year anniversary, and we are only looking forward. Written by our own industry leaders, the 10x10 series focuses on game-changing topics that fundamentally impact today's brands and their search for new revenue streams.

10×10

About Method

Method is a brand experience agency with offices based in San Francisco, New York and London. Our clients are best described as owners of progressive, era-defining brands, and include Google, Comcast, Nordstrom, Sony, Samsung, Nokia, Microsoft, Time Warner, Intel, and BBC. Collaboratively, we help them create products, services and businesses that are smart, beautiful and extendable.

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