

# Gamification In Customer Success

Proven strategies to increase stickiness, prevent churn and Grow the business!



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# Gamification Theory In Customer Success: Building Stickiness & Preventing Churn

One of the best kept secrets in marketing is the use of Gamification.

Why are games and playing games addictive?

Because, it appeals to one or more of eight core drivers of the human psyche, which are the foundation of human behavior. Gamification is the use of selective techniques to appeal to one of 8 core drivers of human motivation which are:

- 1 Epic Meaning
- 2 Development & Accomplishment
- 3 Empowerment, Creativity & Feedback
- 4 Ownership & Possession
- 5 Social influence and Relatedness
- 6 Scarcity & Impatience
- 7 Unpredictability & Curiosity
- 8 Loss & Avoidance



These 8 factors are also grouped into a gamification framework referred to as “Octalysis”.

Gamification strategies such as rewards, progressive levels in game play, redeem points, social playing, and social sharing of scores/status appeal to the gamer in every person. The same strategies are heavily used in marketing to B2C segments to drive demand (top of the funnel leads) and also to move customers further up the buying funnel. That is a known.

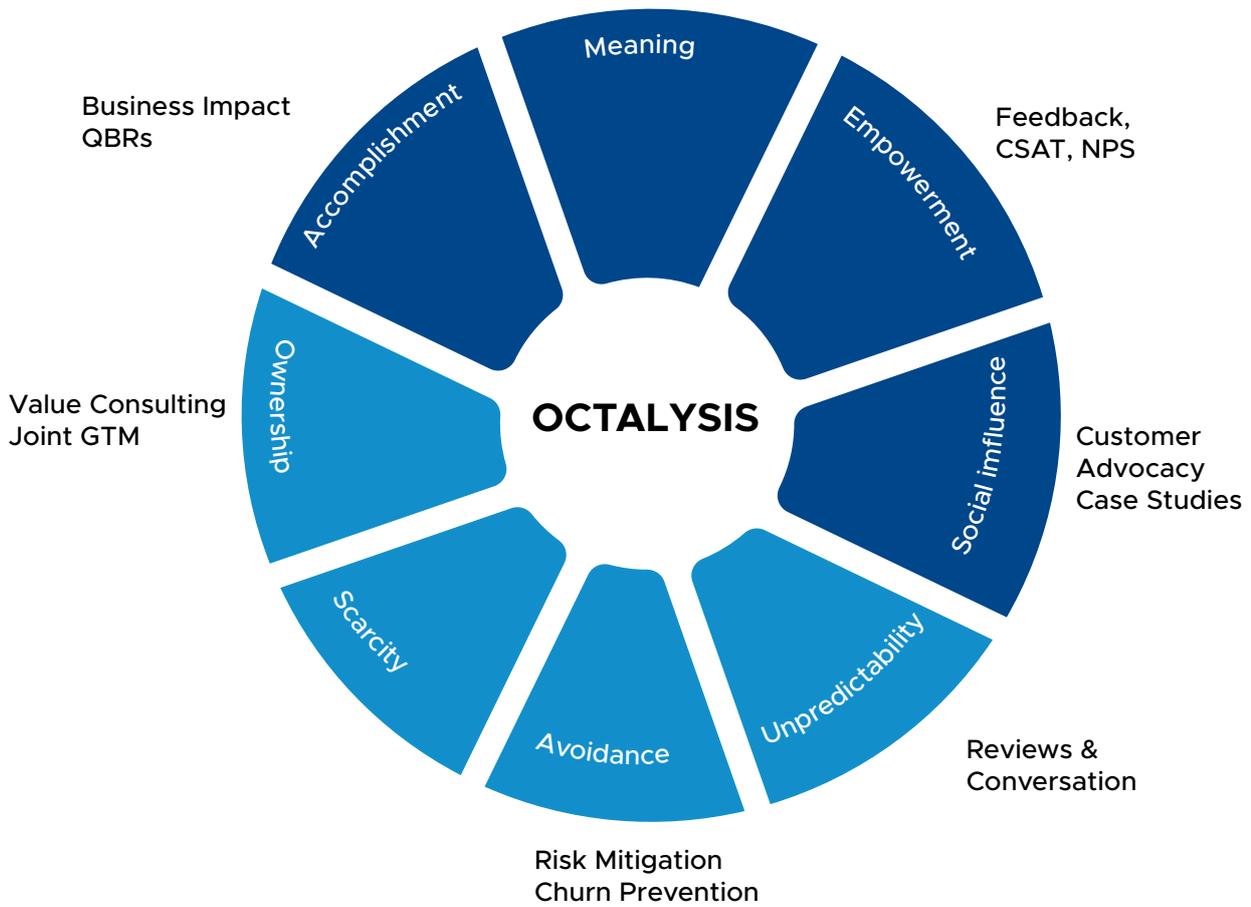
However, can customer success leverage the same principles in moving customers up the value pyramid? Research says that it is definitely possible.

Whether one realizes it or not, customer success marketing/customer advocacy teams are already mapping key activities that directly relate to the gamification octalysis.

- 1 Communicating the direct impact of your product on customer’s business objectives and drive a sense of accomplishment in your key sponsor or stakeholder
- 2 Feedback adopted into the product roadmap giving them a sense of ownership
- 3 Sharing of success through case studies, Net promoter score creating social relevance
- 4 Time bound discounts and rollout, limited time offering creating rewards



The octalysis framework for Customer success, when mapped to the current CS metrics, looks like this:



At the positive side of the spectrum, are indicators such as Advocacy, CSAT feedback, Impact and Value consulting.

At the negative side or the bottom half of the octagon are metrics such as Risks, Legal, Churns, Exits etc. The octagon is designed such that the top half metrics focusses on positive metrics related to growth and the bottom half is designed for negative metrics (Churn).

### Mapping Gamification to CS Led Growth

Can Gamification strategies be used to prevent Churn and Grow business thro Customer Success?

Yes, and it is a two-step process.

### STEP 1: IDENTIFY YOUR STAKEHOLDER AND FIND WHAT CORE METRIC DRIVES THEM

The first and foremost aspect in this, is to identify the stakeholder that you are dealing with. The one with decision making and purchasing power. And, to answer clearly - what gamification metric drives that stakeholder.

Empowerment? Social status? Ownership? Epic meaning? What?

Connecting a stakeholder “personality” with their Core driver, is critical for a mutually beneficial Customer Success partnership. Furthermore, this builds stickiness, which can result in Churn reduction and in expansions/upsells. The Table below is a starting point.

	Primary Driver	Secondary	Secondary
C-Suite	Epic Meaning	Empowerment	Social Influence & Relatedness
VP of Engineering	Empowerment & Creativity	Ownership & Possessions	Development & Accomplishment
VP of Sales	Scarcity & Impatience	Social Influence & Relatedness	Ownership & Possessions
VP of Marketing	Social Influence & Relatedness	Unpredictability & Curiosity	Empowerment Creativity & Feedback
Procurement	Loss & Avoidance	Accomplishment	Scarcity & Impatience
Legal	Unpredictability & Curiosity	Loss & Avoidance	Ownership & Possessions

A stakeholder driving Epic Meaning (Elon Musk for e.g.) is not very interested in Loss & Avoidance measures. Whereas a person in Legal is very keen on preventing Loss and avoidance due to any kind of conflicts. A CEO's major drive to buy could be most likely to accomplish Epic Meaning, Empower or to exert social influence, all of which mark an industry leadership with the product. However, a person responsible for just one function such as Marketing could have very different drivers such as driving traffic to the website and increase top of the line funnel. Therefore, when selling, it is very important to play to what drives the person. As the person goes up the value ladder in the buying chain, their priorities change from lower level meaning to higher order meaning.

**In a CS context:**

When aiming for expansions & upsells - A head of engineering, is more likely driven by Ownership. A marketing head is driven by social status, a sales head is driven by empowerment and a CEO could be driven by Epic Meaning. Understand what makes them open their wallet – mostly it is in the top half of the gaming Octane.

When addressing churn, or a negative situation - the head of engineering is driven by Quality concerns, a Sales Head is considering price points and legal is concerned over IP rights. Talk in a way that addresses these concerns when dealing with in churn situations or have the bottom half in mind.



## STEP 2: MAP THE CORE DRIVER TO A TANGIBLE BUSINESS METRIC.

Mapping the Core driver to the stakeholder’s business metric drives for the highest impact and stakeholder return. It helps to create a value position in a way that appeals to what drives them for the highest impact and stakeholder return.

It is important to remember that even with great preparation, there can be outliers and exceptions. The following table is the best indicative business metric mapped to the Core drivers.

Core Driver	Business Metrics that Matters
Epic Meaning	Global Impact, Company culture, Social Impact, Customer loyalty, Uplift, P/E to shareholders, Employment
Development & Accomplishment	Product development, Acceleration, First mover advantage, Innovation, R&D, Competitive wins
Empowerment, Creativity & Feedback	Design, Diversity/Inclusion, New campaigns, Automation, Performance, Product quality, Customer satisfaction
Ownership & Possession	Equity, Global expansion, Acquisitions, Market share, Industry domination, Leadership position
Social influence & Relatedness	Social media growth, Community expansions, word of mouth, Partner programs
Scarcity & Impatience	Discounts, Pricing, Risk mitigation etc.
Unpredictability & Curiosity	Risk Avoidance
Loss & Avoidance	Legal mitigation, Legal protection, IP rights

Combining the two and now identifying gamification methodologies to the same metrics, we now have an enhanced Octalysis therefore with more creative ways of rewarding, redeems, social status etc.



Enhanced Octalysis with more creative ways of rewarding, redeems, social status etc.

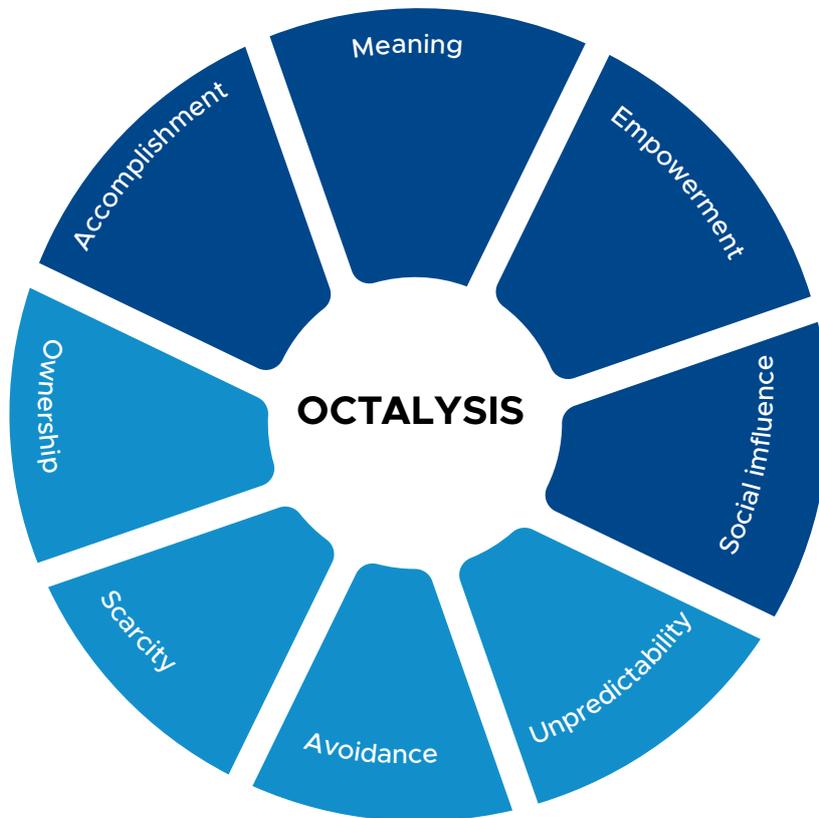
Old: Business Impact  
QBRs

New: VIP/  
Platinum  
Status, Free  
Support  
Hours

Old: Feedback,  
CSAT, NPS

New: Customer  
referral scores  
&  
benefits

Value Consulting  
Joint GTM  
New: Value  
Consulting  
free Consulting  
hours  
free product  
trials



Customer  
Advocacy  
Case Studies

New: Community  
building with  
Customer team

Risk Mitigation  
Churn Prevention

New: Informal  
Communication  
Channels, AI

To increase customer stickiness beyond what is currently done, here are some recommendations that we could start doing to promote with a reward/level system with our customers to build more stickiness:

Old: Feedback/CSAT/NPS

New: Referral scores & rewards

When a customer gives a good NPS which actually translates into a new deal, maintaining a referral score card and passing back some of the benefits as in discounted prices is not a bad idea.

Some companies do not appreciate incentivizing for referrals as it dilutes the purpose of the referral, but, when a referral really lands in a deal, discounting the customer further in the next deal negotiation is not a really bad idea. That way, the entire organization benefits instead of just one person.

Old: Customer Advocacy & Case studies

New: Community building around the product line

The most compelling way to make an impact on a product with the customer is through community.

This could be any kind of online community such as a LinkedIn page, Tik-Tok videos, or even an online joint event to target customers in a partnership mode.

Old: Joint GTM motion done by sales teams

New: Value Consulting, Free support hours

Customer success often needs to involve solution architects in consulting the customer about the product, trends in industry, roadmap, industry & company strategy etc.

Free consulting hours to customers, by a team that deeply analyzes and understands the product, framing it in alignment with customer's overall vision and strategy could get you great stickiness as well.

Old: Risk Mitigation Plan, Churn prevention approaches

New: Competitive presentations done in informal setup

Don't make formal. Formal makes serious situations even worse. Cutting straight to the chase and making it very obvious that the conversation is all about business and renewal is wrong.

Instead, the use of humor and light talk even in the worst of negotiations has helped diffuse frustration and close the deal. Use humor as a means to motivate the buyer to stay in the game and to have them think of you as an ally to solve a joint issue rather than you as someone in the opposite side.

## CONCLUSION

The whole conclusion arising out of our extensive analysis is that, at the core of it, gamification octalysis can be extended to just about any function and customer success is a prime candidate.

