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THE SECRET TO MEASURING COMMUNITY ENGAGEMENT, PARTICIPATION AND LOYALTY

White Paper
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White Paper: The Secret to Measuring Community Engagement, Participation and Loyalty

An Introduction to Steve's Net Engagement Score™

Steve Bocska has 17+ years of direct experience in the video game industry, having designed and produced several AAA games for Disney Interactive, Electronic Arts, Sega, and Ubisoft that have generated sales in excess of \$650 million. Steve is CEO of PUG Interactive, an award-winning company that uses gameplay principles and technologies to solve challenging business problems. Founded in 2008, Pug Pharm offers a complete, end-to-end approach to get communities active and engaged -- creating fun, playful places that foster and measure community identity, reputation, and status.

Abstract

The world's most successful businesses all recognize the importance of maximizing community engagement. But without a way to quantify engagement, it becomes impossible to gauge success. Steve's Net Engagement Score™ (SNES) proposed here intends to quantify the health of your organization's relationship with its community. The SNES makes it possible to start building, evaluating, and measuring the impact of engagement programs within your customer or employee community.

The Big Problem

One of the most nightmarish questions a business can find itself asking is: How did we lose our community?



A few short decades ago, community retention, loyalty, and motivation were distant afterthoughts in the business world. But today, engagement is the *single biggest primary competitive driver* keeping the world's most successful companies ahead of the pack in their categories. These include top global brands like Starbucks, Amazon, Apple, Google, Netflix, Hyatt, Oracle, Charles Schwab, KPMG, Salesforce, LinkedIn, DocuSign, Compuware, Trend Micro, CA Technologies, Accenture, JP Morgan, Convergys, and Sitel, just to name a few. Each of these companies have adopted “engagement” as a core strategic priority and their resulting success speaks for itself. Of course, the problem is unless you work at these companies most people don't even know what a fully engaged community looks like—or what to even look for—because they've never been able to quantify engagement.

Big Trends in Community Engagement

A number of converging trends have created an urgent need for companies to build, foster and measure community engagement. The first of these trends is fickle communities and fleeting loyalty. Building a workforce, customer community, or salesforce is hard. But retaining and motivating them is even harder. If your community members aren't fully engaged with your organizational goals then the negative impact on revenue, productivity, sales and costs can be severe.

Second, people are constantly online with the average adult spending 5.9 hours per day on connected devices. We're never out of reach and don't want to be. Why is this? One of the key reasons is because it provides a channel for validation, connection, recognition. Digital feedback loops today are almost instant, so if you're not supporting your community with highly personalized instantaneous feedback, you're not properly addressing this need and desire.

And third, SaaS technology infrastructure has dramatically brought down the cost of delivering engagement solutions online. Cloud hosting, rapid deployment and efficient development tools have revolutionized the industry. What used to cost hundreds of thousands or even millions of



dollars to set up, build, host, deliver and support can now be done for a fraction of the cost and more reliably.

The trend we see for the next 5 years is top companies continuing to rise above their competition by applying affordable, cost-effective technologies to engage with communities to achieve higher loyalty, motivation, performance and insights. The community will experience more personalized and relevant experiences while the companies themselves will enjoy a higher return on investment on the engagement programs and campaigns.

All this leaves us with an urgent need to develop a reliable tool to measure successful engagement and business results consistently across various projects towards calculating this return on investment.

Steve's Net Engagement Score™ (SNES)

Steve's Net Engagement Score™ is a method for measuring the engagement health of the community. Created by Steve Bocska, a renowned engagement veteran with an extensive background in game design for triple-A blockbuster video games, SNES combines psychological and behavioral elements that reflect a community member's interest and attention towards some meaningful focus into a single useful metric.

Beginning with the numerator, we'll use raw interactive actions (or choiceless clicks) as the base. This value reflects the *non-engaging interactivity* of the experience, often confirmation clicks or basic navigation with very little freedom of choice.

$$SNES = \frac{\text{Raw Interactive Inputs (aka clicks)}}{\text{Raw Interactive Inputs (aka clicks)}}$$



An important side note here, in the early 1990's "clicks" were the defacto measure of engagement for online communities. It was believed that getting an online user to click on a button or interface element represented valuable interest or intent. While that may be true in some isolated cases, we know better today with most regarding "clicks" as an unreliable means of measuring anything other than a willingness to overcome a (sometimes contrived or artificial) interface barrier. Even worse, the abuse and misuse of this metric has been rampant for years, leading to it becoming an unreliable measurement of engagement.

The first numerator factor is "interesting choices" made available to the user:

$$SNES = \frac{\textit{Interesting choices}}{\textit{Raw Interactive Inputs}}$$

The notion of "interesting" choice is very important because it means the options presented to the user are contextually significant. When a user makes a choice, it reveals a meaningful preference. These choices can come in many forms. The most basic of these are explicit choices whereby the person is asked to self-select into a broadly defined user category ("Select Novice, Advanced, or Expert" or "Do you want to be a fighter, wizard, or archer?"). At the other end are more complex and implicit choices—ideally presented in a fun or interesting sequence—which reflect a subtler and usually more insightful preference. These are often chosen from a larger pool of options and/or are carefully presented to reveal a user's psychographic attributes such as attitudes, interests, beliefs, values, opinions, and lifestyles ("Select a Quest category: Art, Sports, Games, etc." or "Pick any 3 badges to add to your profile: cell phone, bible, bicycle, love, family, assault rifle, cheeseburger, Armani suit, etc.").

The next factor in the numerator is the "consequences" of these interesting choices.

$$SNES = \frac{\textit{Interesting choices} \times \textit{Consequences}}{\textit{Raw Interactive Inputs}}$$

Consequence is a measure of the *impact of a choice*. It can have long-term implications and is an extremely important consideration when trying to heighten engagement. The power of consequence in stimulating user focus and attention is an area of rich study in the interactive game industry and has been covered elsewhere, in particular relating to the role temptation, consequence and dilemmas play in driving engagement. One such article, also by this author, can be found [here](#).

Quantifying consequence requires a sophisticated understanding of the psychological drivers in action and how those drivers impact the focus and attention of the user. Some consequences can be trivial, like the minor annoyance of making a poor choice causing you to restart a quest or level and lose a few minutes of effort. Other consequences can be quite dramatic and severe, involving great risk to power, wealth or even life. For SNES™, we use expert assessment to quantify consequence on a pre-defined 10-point scale ranging from “inconsequential” to “extreme.”

The final numerator factor is time pressure or sense of urgency.

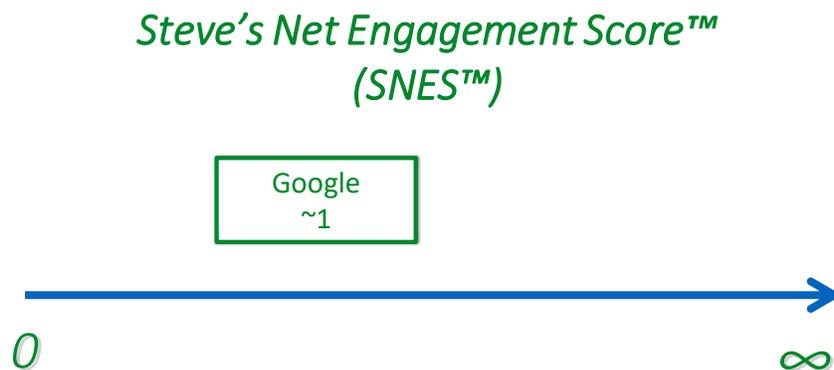
$$SNES = \frac{\textit{Interesting choices} \times \textit{Consequences} \times \textit{Time Pressure}}{\textit{Raw Interactive Inputs}}$$

Time pressure is a well-studied psychological stress that occurs when there is a real or perceived lack of time available creates to complete a task or obtain a result. The result of time pressure is

typically heightened awareness and a narrowing of focus. When time pressure is low, engagement is reduced since a user can take their time and give calm, careful consideration of their options. But when time is scarce, engagement is heightened as reactions tend to be more instinctive and prone to choices that could lead to regretful outcomes. For SNES™, we use expert assessment to quantify time pressure on a pre-defined 10-point scale ranging from “no time pressure” to “immediate response.”

Application of SNES

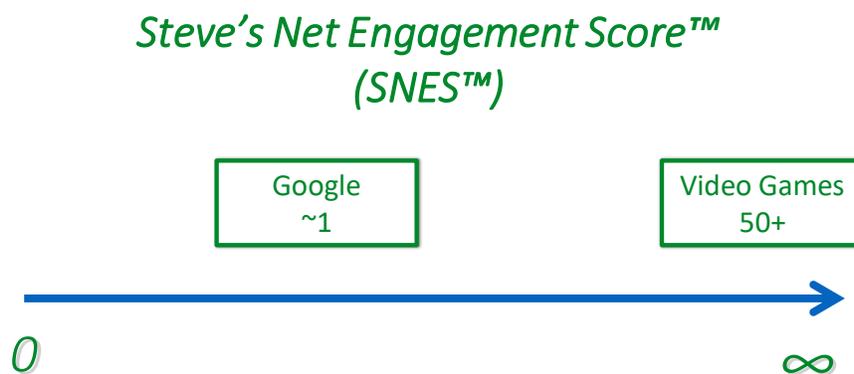
By maximizing the numerator (interesting choices, consequence, and time pressure) and minimizing the denominator (raw clicks), you can heighten engagement. But let’s start with the “Google” base case, where one interesting choice (your search term in Google) is followed by a single acknowledgement “click” on the SEARCH button. This creates an SNES of 1 (or 1 divided by 1):



Google now presents us with several interesting search results. We make a choice and click one of those results (again, $SNES = 1 / 1 = 1$), and keep heading down the steady path of light engagement until we run out of interesting content or decide it’s a nice day to go for a walk.

Now even Google searching can be made more engaging just by adding either greater “consequence” or higher “time pressure.” Imagine your house was on fire and you’re using Google to find the fire department. It’s still *one* interesting choice and *one* click to search, but the consequence is higher (10) and the time pressure is greatly increased (10). This would now create a much higher SNES ($(1 \times 10 \times 10) / 1 = 100$) than when you were searching for kitten videos earlier in the day.

Now let’s look at the other extreme, high engagement, specifically video games. The convention in many blockbuster games is roughly the same, from shooters to sports games to action strategy games. There’s usually a simple introductory sequence with a login or a few clicks. Then, once you’re in the game, you are faced with often hundreds or even thousands of rapid-fire interesting choices per hour that have high consequence (at least within the context of the game world) and high time pressure. The SNES numerator gets very large while the denominator stays quite small creating higher values. Indeed, in the world of videos games where the goal is “engagement for the sake of engagement,” there is virtually no limit to how large the SNES can become.



Video games are in a class of their own, the gold standard of engagement. After all, the product is pure entertainment – engagement for the sake of engagement, with no underlying business outcomes required (other than having customers pay money to play the game).

It's important to note that there is a zone within the SNES spectrum that exists below the Google base case. So-called "clickbait" articles are notorious for requiring repeated meaningless interactions for a user to access to the information they're interested in. Unlike Google, which would very faithfully give me direct access to "jaw-dropping photos" of your favorite celebrities, clickbait articles present a frustrating 37-page slideshow. You've only made one interesting choice (clicking on the article), but now each slide-advancing click is increasing the SNES denominator, while the numerator holds steady.

Steve's Net Engagement Score™ (SNES™)



A clickbait website is deliberately *not* meant for engagement. The sole purpose is to find the user's threshold until they actively *disengage*, thereby maximizing the number of pages they view in the process (even if they never get to see the 37th "jaw-dropping" picture of Jennifer Aniston).

The final zone of the SNES spectrum is by far the most interesting, that being gamification. Gamification is not a utility like Google. Nor does it sell pure entertainment. It exists in a middle-ground where engagement is used to drive a valuable business outcome.

Steve's Net Engagement Score™ (SNES™)



One big advantage gamification projects have is a preexisting relationship that's already motivating—from employee communities with an obligation to their employer to customer groups that have a relationship with a brand or a product. Gamification adds a layer of engagement on top of that nucleus by presenting mechanics and interfaces that make it possible to exploit the motivational psychology that makes games like this successful. These include things like collaboration, competition, vanity, prestige, collection, and completion. Each one of these mechanics presents many opportunities to introduce interesting choices, consequences, dilemmas, and time pressure to drive engagement and keep communities more motivated, loyal and satisfied.

Conclusion

It's very simple: without measurement, you can't gauge success. A reliable methodology can determine the health of your organization's relationship with its community and the SNES can help you achieve this. It's only through metrics like this that it's even possible to start building effective programs for improving engagement within your customer or employee community.

But assessing your gross SNES is just the beginning. Once you have this measurement, you still need to break it down by the various engagement triggers—all the choices, consequences, time,



clicks—to build a granular model to assess the effects and impacts of these different engagement touchpoints.

Next, you need to look at the “impact” side of the engagement funnel, at your critical business drivers—purchases, conversion rates, referrals, retention, calls-to-action, and other KPIs—and map them against broad organizational impact, and ultimately, ROI.

Leveraging Steve's Net Engagement Score™ (SNES) and its deep industry knowledge, PUG Interactive helps organizations with large communities build effective engagement strategies. Want PUG to help you determine the health of your community engagement? You know you do. Contact info@puginteractive.com today for a free consultation.

About PUG Interactive

PUG Interactive is a leader in providing gamified engagement solutions for enterprise, delivering playful, purposeful community engagement to the world's top brands. By combining proven video gameplay design experience and its proven Picnic™ platform technology, PUG Interactive delivers high-performance retention, loyalty, and motivation solutions for large audiences and enterprise applications.