Chapter 3

Gaining Reward vs.
Avoiding Loss:
When Does Gamification Stop Being Fun?

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ABSTRACT

This chapter enhances the dyadic gain-loss concept by presenting findings of a research project on uncovering whether the efficiency component of gamification could be better attained by balancing a shift from gain to loss, or completely avoiding it altogether. The gamification of any system requires a good selection and balance of game design elements to make the overall experience fun, as well as gaming emotions to keep it intrinsically rewarding. However, if not designed properly, participators of a gamified system that expect the prospect of gaining rewards, may ultimately realize a shift of engagement from gain to avoiding losses any earned status, badge, experience, or popularity often defined within the periphery of the gamified system. Findings reveal changing levels of motivation within different participatory foci, where loss avoidance (punishment scenarios) generates more motivation than the prospect of gaining rewards.

INTRODUCTION

In February 2014, the town of Gukeng in Taiwan announced a campaign in which the residents of the town could collect cigarette butts from the streets and exchange 100 cigarette butts for a boiled egg from the municipality (Chung, 2014). By the end of April, the resident had already turned in around 700,000 cigarette butts in exchange for almost 7,000 eggs as a reward. The residents seemingly were so happy with the opportunity to gain free eggs for minor labor, the prospect of losing this merit pushed them into loss avoidance. After a while the residents of the town started cheating by collecting cigarette butts...
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from the neighboring towns, and as a result the municipality had to intervene and the gamified system was deteriorated.

In a research study highlighted by Poverty Action Lab, an experiment concerning hairdressers in Zambia tried to pinpoint the conditions under which the hairdressers would be more motivated to sell female condoms to their customers (Ashraf, Bandiera & Kelsey, 2014). It has been suggested that instead of monetary rewards, the hairdressers were found to be more motivated by a non-monetary incentive that consisted of a star badge reward which could be put up inside their shops. Similarly, the World Bank’s World Development Report 2015 suggests that rewards, particularly social and status rewards, can help shape behaviors, and these whole processes are slated as applications of gamification (Rafiq, 2014).

Gamification is often associated with utilizing gaming structures that include reward and incentive designs inside task systems that seem to be inherently unrewarding and low motivated. These systems may range from marketing campaigns that require consumer participation to learning, from HR trainings to boosting efficiency in a work place, from encouraging the use of a certain product to better management of online communities, from changing behaviors to social causes.

In the following sections, gamification is conceptualized with different definitions. Game system related challenges and rewards are framed to explain and understand the gamers’ motivations. Then, a summary of the concepts of regulatory focus and regulatory fit was given to comprehend gaining reward and avoiding loss within gamification. This is followed by a fictional gamified competition experimentation. Via randomized block design, subjects are manipulated for reward, punishment and a balanced competition environment, which later also involves the presence of cheaters. The main finding of the research revealed changing levels of motivation within different participatory foci. It was found that the loss avoidance (punishment scenarios) generated more motivation than the prospect of gaining rewards. The balanced approaches, on the other hand, generated significantly lower motivations than both rewards and punishments.

BACKGROUND

Approaches to Gamification

The idea of gamification draws both positive and negative feedback from researchers and professionals. It involves a range of applications from commercial (e.g. FourSquare) to humanitarian, including the discovery of protein algorithms in an online scientific game (Khatib, Cooper, Tyka, Xu, Makedon, Popovic, & Baker, 2011).

Jane McGonigal, in her TED talk (2010) and her following book (2011), claims that applying gaming structures into everyday problem solving could contribute to changing the world for the better. Accordingly, with gaming as a problem solving activity in which millions participate willingly on a daily basis, serious humanitarian issues could be transformed into gaming structures for which the said crowd would volunteer for resolution. For example, UNICEF’s TAP Project involves a gamified app to help or draw attention to water sanitation issues suffered by children around the world. TAP Project involves, gamers restraining themselves from touching their phones for 10 minutes a day, and if they fail they must donate 1 USD to help provide clean water to underprivileged geographies lacking it. Similarly, the “Half the Sky” mobile game developed by USAID, as a part of the Half the Sky Movement, aims to address oppression against women. Particularly, Family Choices and 9-Minutes mobile games aim to educate young girls