

Chapters *To Go*



How to Sell More Stuff!: Promotional Marketing that Really Works

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Chapter 2: Sweepstakes and Contests

INTRODUCTION: MAKING SWEEPSTAKES CONSUMER RELEVANT

Based on *PROMO* magazine's Industry Trends Report (2004), the use of sweepstakes and their companion technique, contests, has not been growing when compared with other types of sales promotion activities. Yet sweepstakes and contests are still very important tools for sales promotion managers. And as we explain in the following chapter, they can be even more important in the future. But increased use and market performance can come only if the sweepstakes and contests are properly developed and employed in the marketplace.

Several reasons explain the lack of growth in sweepstake and contest usage. Obviously, the huge monetary payouts now offered in various state-sponsored lotteries have made traditional prize packages that can be offered by individual marketing organizations seem paltry by comparison. A \$1 million grand prize just doesn't mean much anymore in the face of multi-million-dollar payouts by the lottery folk.

But it's likely the sweepstakes and contest structures of traditional promotional programs are equally to blame. Today, customers and consumers want instant satisfaction and gratification. Marketers want instant sales and profits. So whereas sweepstakes and contests can be designed to deliver on the sales portion of the equation, the immediacy issue is more difficult. It just takes time to develop a sweepstakes promotion. Time to plan and implement. Time to generate the entries. Time to select and notify the winners. That's part of the reason we've seen the rapid growth of so-called instant sweepstakes promotions. Those are the sweepstakes and other promotional programs that are now widely used by the fast-food chains, such as the Monopoly game developed by McDonald's and the instant win promotions being offered on products ranging from shaving cream to batteries. These quick reward programs are structured to provide the possibility of winning a major prize instantly, clearly an attempt to overcome the delay in winner selection and notification generally found in traditional sweepstakes promotions. Consumers sometimes win even major prizes instantly, and marketers get the almost instant sales boost they are seeking. Looks like a win-win combination.

Sweepstakes and contests can be effective promotional activities if the sales promotion manager keeps four key strategic-planning issues in mind.

1. A sweepstakes or contest is great for calling attention to a product or service for which there is nothing new to advertise or promote. If properly developed, a sweepstakes can differentiate and raise interest in what is otherwise a commodity product, service, or even business proposition. So if the product or service needs a short-term shot in the arm with consumers, channel members, the salesforce, or whomever, a properly designed sweepstakes can often provide a boost or can at least raise the product or service out of the mass in a crowded marketplace.
2. A corollary to getting attention is the ability to tie the product or service to such current events as golf tournaments, NCAA football, or the World Series—events that enjoy limited time, but do have consumer interest. All offer ways for the brand to take advantage of the inherent consumer attention to these events and generate interest and excitement for the brand. Of course, the key element here is that the event or activity should have some relationship to the product or service being promoted.
3. Sweepstakes and contests are not normally thought of as strategic brand-building techniques, but with the proper planning, they can be. For example, the ongoing sweepstakes conducted by Publishers Clearing House (PCH) have become a cultural icon in American business as has the Pillsbury Bake-Off and the variations of the Bud Bowl for Budweiser tied to the Super Bowl. And under-the-cap sweepstakes and reward programs have built value for brands and organizations ranging from Pepsi-Cola to motor oil. So sweepstakes *can* build brands and can build them over time.
4. A sweepstakes or contest, if properly developed and clearly communicated to participating customers, can be a relatively inexpensive way to build a customer or prospect database. By having customers identify themselves through entries in the sweepstakes or contest, the marketer can gain valuable information on the profiles of those consumers who enter and, by implication, those who are, or might be, logical prospects or customers for brand sales now and into the future. Given the critical nature of customer identification, a sweepstakes can be an efficient way to gain that knowledge.

The biggest challenge for the promotion manager is designing a sweepstakes that helps build brand value over time. That brand building comes from setting clear promotional objectives for the sweepstakes program. And setting objectives starts with identifying which or what kind of customers or prospects the sweepstakes should attract. For example: Is the sweepstakes program designed to reward present customers for their loyalty or to encourage new customers to try the

product or service? A different type of program can be designed to do either. Is the structure of the sweepstakes planned to get "off-the-shelf" promotion in a crowded retail aisle or to encourage customers to visit a specific retail location? Different promotional approaches are needed to accomplish those goals. Is the sweepstakes designed to involve the channels or retailers with some sort of matching prize, or is it designed only for the end users? It's asking these types of strategic questions that helps the promotion manager develop an effective sweepstakes or contest.

Sweepstakes and contests are more than just finding a neat prize and putting together a drawing. It's the strategy behind the sweepstakes development that really matters. Indeed, often a \$100,000 prize package can be enhanced so that it appears to be worth millions to the right customer or the right audience. But that takes planning and thought—both key elements in developing effective sweepstakes or contest programs. —Don E. Schultz

OVERVIEW

A sweepstakes can be one of the most economical promotions because the prize cost is spread across all the *nonwinners*. Most participants receive nothing, as opposed to a coupon or discount, where every redemption costs. And the prize cost is fixed.

This chapter reviews the various types of sweepstakes, detailing each one's objectives, advantages, and disadvantages. It reviews legalities and provides sample documents. It also outlines principles, applications, suggestions, and cautions so your sweepstakes leaves nothing to chance.

DEFINITION

Three factors determine whether it's a sweepstakes, a contest, or a lottery:

1. Prize: You get (or *may* get) something.
2. Chance: You may or may not get the prize based on an element of luck.
3. Consideration: You have to pay or do something "exceptional" to qualify for the prize.

Legally, you can have two of the above but *not all three*:

- A sweepstakes is a *chance* promotion in which a participant can *win* a prize (through luck). There is no "consideration" because participants cannot be required to purchase to enter.
- A contest is a *skill* promotion, in which a participant may *earn* a prize through a demonstrable skill. "Consideration" (payment to enter) is legal because there's no element of chance but rather an element of skill. (Like a recipe contest.)
- A *lottery* has all three elements: a prize, consideration (pay to enter), and chance (luck). That's gambling, and it's not allowed!

Sweepstakes and contests are exempt from illegal lottery status, because each meets only two of the three criteria that constitute a lottery. If you run a contest and require a purchase, be sure you hire a sweepstakes attorney to make sure you comply with various state regulations. You may need to include a purchase requirement disclosure in some states, and a few may not allow you to require a purchase based on the nature of the "skill." State regulations frequently change, so make sure the statutes are current.

OBJECTIVES BY CATEGORY

Packaged Goods

Typical objectives:

- Awareness
 - Borrowed interest through prize
 - Theming and image enhancement
 - Involvement (for example, write a slogan on an entry form or say "Supersize Surprise" to the cashier)
- Seek product (such as match game piece to display and win)

- Impulse purchase/trial (such as in-pack instant win announcement)
- Tiebreaker in purchase decision
- Continuity purchase (such as collect and win game)
- Display placement—retail participation
- Information (such as "Write product attribute on entry form")
- Data capture (through entry forms)

Retail

Typical objectives:

- Awareness
 - Borrowed interest through prize
 - Theming and image enhancement
 - Entry's involvement tactic (match ad's entry number to display number or collect and win, for example)
- Traffic (instant win announcements)
- Cross-store traffic (entry devices in key locations)
- In-store destination (i.e., featured item or display)
- Salesperson interaction (such as "See salesperson for entry")
- Transaction size (such as everyone wins family meal discount, or the more items you buy, the more chances)
- Staff performance (incentive contest)
- Staff retention (ongoing incentive)
- In-store excitement—customer and staff
- Goodwill—PR
- Data capture (through entry forms)

Performance Incentive—Sales, Service, Distribution

(See [Chapter 12](#), "Performance Programs," page 311.)

Performance/incentive programs typically are contests; however, they can also incorporate sweepstakes with entries earned for performance.

Typical objectives:

- Sales performance
- Focus on new product launch
- New distribution goals
- Display/signage placement
- Program/product learning
- Purchase by distributor/end user

- Employee performance
- Employee retention

COMMON SWEEPSTAKES OBJECTIVES BY TACTIC

(See also, itemized tactics below, plus objectives listed above.)

TACTIC	OBJECTIVES
Drawing— entry form	Awareness; package/store visit for entry form; ease of execution
Program learning/ data entry	Added awareness of specific product benefits; added data capture; ease of execution
In-store sweepstakes	Display placement; retailer involvement; in-store excitement and traffic
Match display	Display placement and traffic
Match package	Package placement; package registration; traffic; package interaction
In-pack/on-pack Purchase; winner announcement	package attention; display placement
Watch/listen and win	Media tie-in impact/economies; media merchandising; program learning; awareness; retailer participation (advertised promotion); purchase (depending on tactic)
Radio call-out/ call-in	Media tie-in impact/economies; media trade-outs; program learning; awareness; retailer participation; purchase (sometimes)
Coupon/refund entry	Purchase; data capture
Collect and win	Continuity purchase; visit or performance
Game structure	Awareness; involvement; continuity purchase; program learning; immediacy/ excitement
Mystery shopper	Involvement; awareness; on-site performance; program learning; field survey/ activity
800/900#	Immediacy; involvement; impact; program learning; data capture; purchase (depending on tactic)
Internet code number	Involve consumers with Web site; motivate purchase for code number; tie-in with other Web partners; economize through digital

ITEMIZED TACTICS

1. Drawing—Entry Form

Definition Winner selected by random drawing of entries

Advantages

- Variety of turnkey applications
- Data capture capability
- Product learning (request product attribute be written on entry)

Disadvantages

- Entry requires considerable involvement
- Delayed winner announcement—less immediacy and motivation to participate
- Mail-in entry requires postage and effort—reduces participation
- Entrants fear junk mail
- No purchase incentive
- No performance requirement (other than product learning capability)
- Narrower market—only profiles who fill out entries
- Entry box requires valuable space plus staff execution
- Professional/hobbyist entrants (such as retirees and charitable organizations) send alternative entry 3x5 cards
- Media-delivered, mail-in entry form excludes any product involvement or store visit

2. Program Learning/Data Entry

Definition Entry requests product (or personal) information, thus educating entrant (or gathering entrant data)

Advantages

- Builds awareness of key product attributes
- Captures consumer data
- Motivates applicants to submit forms
- May qualify entrants—those who are interested and participate are targets
- Can generate product trial in "demo entries" ("Visit our site, navigate, and win")

Disadvantages

- Consumer data do not represent a cross section
- Additional effort reduces participation
- Requires expense and task of organizing and evaluating data
- Entrants fear junk mail
- Limitations on how much entrants will do also limits value of the information received
- Requires more space and clutter in communication materials—lost readership

3. IN-PACK INSTANT WIN (ALSO, ON-PACK)

Definition Participants informed immediately if they won through an announcement in (or on) the product.
"No purchase necessary." Write-in alternative to receive free game piece (In some states, retailer must stock alternative entries.)

Advantages

- Encourages impulse purchase
- Tiebreaker among competitors
- Custom seeding winners only (versus nonwinning announcements) to ease manufacturing concerns
- Minimal consumer effort encourages participation
- Adds product excitement
- Accountability: finite number of winning pieces
- Package announcement reaches all shoppers—not reliant on point-of-sale
- Turnkey for retailer
- On-pack or in-pack entry can also deliver product message or offer

Disadvantages

- On-pack entries may be violated, particularly by retailer, if everybody wins a coupon; removing announcement should deface package
- Shoppers may open pack or tear off announcements without purchase, but weigh the odds of isolated cases against overall benefits
- Food-safe inks required for food packaging
- Announcements with glue, rub-off area, or other should be tested for unique applications (such as freezer, product reaction, hot trucks, etc.)
- Winning announcement should avoid fraud through:
 - Using different typeface and size for different prize levels—minor prize winners may forge major prize announcement typeface
 - Coding winners with invisible fluorescent ink signatures or secret symbol
 - Assurance that winning game pieces cannot be deciphered by holding them up to daylight window, computer-generated sequential patterns, printer employees, and so on
- In-packaging/on-packaging machinery may inhibit production and can be costly
- Advertising and signage timing must match product distribution

- May require suffix code and system to control distribution so promotional packs don't arrive in ineligible regions or countries

4. Coupon/Refund Entry (Drawing)

Definition Discount device, such as coupon or refund, doubles as sweepstakes entry

Advantages

- Can increase redemption of coupon or refund
- Draws additional attention to discount offer
- Participant carries physical reminder of promotion
- Combines costs of two elements: coupon/refund and entry
- Data capture—name and address on entry
- Program learning (request product information on entry)
- Turnkey for retailer

Disadvantages

- Lead time—from retail redemption through clearinghouse to drawing—allowing at least three months from coupon drop to drawing date
- Marketers often prefer slippage over high refund redemption
- Requires added involvement to participate
- Delayed winner announcement—less motivating than instant win
- Narrower market: only profiles who fill out forms
- Some may be confused by dual tactic coupon or fear getting junk mail

5. Match and Win

Definition Participant must match game piece's number, logo, or other symbol to a separate matching vehicle, such as a display, package symbol, TV/radio announcement, and the like, and if symbols match, participant wins

Advantages

- Directs participant to point-of-sale, product package, TV ad, or other
- Traffic potential encourages retailer to participate in vendor display program
- Participant carries reminder of promotion (i.e., game piece)
- Instant win announcement increases participation
- No winner if winning entry is held by nonplayer, which is very likely (Allows second-chance drawing that can be positioned as a separate event at minimal cost)
- Accountability: finite number of winning entries
- Turnkey at retail (if winning claims are processed by mail)

Disadvantages

- Limitations in seeding winning entries:
 - Extra steps to print magazine page with winning symbol; the rest with nonwinners
 - Some vehicles, like daily newspapers, cannot seed winning symbol
- Requires two elements: entry and matching vehicle
- Extra security steps as winning symbol appears on display (or other)
- May be confusing to consumers—clearly demonstrate how to play
- Nonwinners may claim/believe their entry is a winner—have written policy and consolation announcements
- In-store shoppers (without media-delivered entries) cannot participate—consider in-store drawing entry possibly for unclaimed prizes

6. Watch/Listen and Win

(also see "**BROADCAST CALL-OUT/CALL-IN**" below)

<i>Definition</i>	Participant must match game piece's number, phrase, or other symbol to a separate broadcast-delivered (or Internet) announcement (Same principle as " Match and Win " above) <i>Example:</i> You received lucky number 85, and if you see that number during the Acme Movie broadcast, you win
<i>Advantages</i>	<ul style="list-style-type: none">■ Draws attention to broadcast sponsorship, advertising, and so on■ Excellent outreach and impact, such as on-air winner announcements■ Extends frequency and impact of media advertising (may negotiate media and prize contributions)■ Program-learning potential—player must acknowledge product attribute/slogan■ Adds human interest with live interaction of players on radio/TV■ Encourages retailer to participate, particularly with media mentions■ Participant carries reminder of promotion if game piece is used■ Instant win announcement increases impact and participation■ Does not necessarily require game piece security
<i>Disadvantages</i>	<ul style="list-style-type: none">■ Requires significant and coordinated media campaign■ Media often limited to one station and/or network program—narrows reach■ May not drive traffic to package or display as with other match and win alternatives■ Limitations in seeding winning entries (in match and win version— see previous tactic)

7. Scratch and Win (Or Other Reveal Device)

<i>Definition</i>	Game piece reveals winner (or nonwinner) announcement when participant scratches off or opens announcement area
<i>Advantages</i>	<ul style="list-style-type: none">■ Fun, involving, player-friendly tactic that increases participation■ Can draw additional attention to coupon■ Can increase traffic■ Can be structured as a game (see "Game" below)■ May be positioned as everybody wins game if players get coupons or offers■ Accountability: finite number of winning game pieces■ No winner if winning entry is held by nonplayer (Allows second-chance drawing that can be positioned as a separate event at minimal cost)■ Can be turnkey at retail (if winning claims are processed by mail)
<i>Disadvantages</i>	<ul style="list-style-type: none">■ Additional production cost for game pieces■ Requires secure distribution of game pieces■ Execution often neglected or abused by retail staff—may not hand out cards or hand out too many per patron■ Susceptible to misredemption with staff rubbing off numerous cards (everybody wins offers)■ Not necessarily tied to purchase

8. Collect and Win

<i>Definition</i>	Participants win by collecting game pieces to complete a word, row, puzzle, and so on; often has excellent odds for low-level prizes, but only one major prize-winning symbol is distributed
<i>Advantages</i>	<ul style="list-style-type: none">■ Continuity of purchase and/or traffic and/or performance■ Vests consumers as they near achieving a reward

- Program learning—collectible words, phrases, or pictures communicate message
- In-pack/on-pack game pieces motivate purchase
- Participant retains reminder of promotion—game pieces and collector card
- Ability to achieve minor prize in short time increases participation
- Players may group together, trading game pieces and thus add participation and awareness
- No winner if winning game piece is held by nonplayer, which is very likely. (Allows second-chance drawing that can be positioned as a separate event at minimal cost)

Disadvantages

- Limited to frequently purchased products/services
- Considerable effort to play, possibly limiting participation
- Requires distribution and retention of considerable materials
- Considerable production costs
- Added logistics distributing two elements—game piece and collector card
- Susceptible to being open-ended, so print finite number of winning pieces
- Shoppers may open pack or tear off game pieces without purchase
- Food-safe inks required for food packaging
- Pieces with glue, rub-off area, or other should be tested for unique applications (such as freezer, cola reaction to in-can inks, hot trucks, etc.)
- Winning game piece should avoid fraud (see "Match and Win" section above)

9. Game

Definition

A sweepstakes with game elements, such as bingo spin-offs, trivia, slot machine spin-offs, and the like. Instant winner pieces also frequently incorporated

Advantages

- Game aspect adds fun, involvement, and increased awareness of both the promotion and the product
- Game and collector tactic builds continuity of traffic and/or purchase
- Vests consumers as they near achieving a reward
- Program learning—word, phrase, or picture communicates message
- In-pack/on-pack game pieces motivate purchase
- Participant retains reminders of promotion—game pieces and board
- Instant win overlay capability increases impact and participation
- No winner if winning game piece is held by nonplayer, which is very likely (Allows second-chance drawing that can be positioned as a separate event at minimal cost)

Disadvantages

- Collector tactic limited to frequently purchased product
- Can be confusing, requiring participant to study rules and lose interest
- Effort intensive, possibly discouraging participation (though "Monopoly" is McDonald's most successful sweepstakes promotion)
- Production costs of multiple or elaborate game pieces
- Requires distribution and retention of considerable materials
- Added logistics if distributing two elements—game piece and board
- Susceptible to being open-ended, so print limited number of winning pieces
- Shoppers may open packages or remove on-pack game pieces without purchase
- Food-safe ink required for food packaging

- Pieces with glue, rub-off area, or other should be tested for unique applications (such as freezer, cola reaction to in-can inks, hot trucks, etc.)
- Winning game piece should avoid fraud (see "Match and Win" section above)
- Nonwinners may claim/believe their entry is a winner, so have written policy and consolation announcements prepared

10. In-Store (On-Premise)

Definition A sweepstakes conducted by and in the store (though often under-written by a packaged goods vendor)

Advantages

- Tie-in benefits for packaged good and retail partners
- Packaged good partner may secure floor display as retailer shares spotlight
- Retailer can drive program and solicit several vendor partners to fund it
- In-store excitement
- Goodwill and PR—drawing can be an event
- Opportunity for salesperson to interface with customer
- Can drive traffic to store plus desired department
- Data capture (through write-in entries)
- Program learning (request product attribute be written on entry)
- Participation—better odds of winning in one store and prize immediate

Disadvantages

- Labor intensive
- Vendor program may be left unsupervised by retailer and staff
- Not cost efficient compared with national programs
- May not provide incentive to purchase
- May not provide performance requirement
- Narrower market—only those in store who fill out forms
- In-store entry box requires space
- Prize small compared with national programs—less motivating
- See comments under "Drawing" tactic (page 20)

11. Prize Board

Definition A board with secured pull tabs (or other device) that reveal prizes when pulled; typically, one of the pulls is a major prize

Player earns pull through performance or drawing entry

Advantages

- Involving, fun game tactic
- Exceptional tactic for on-premise incentive programs and in-store sweepstakes minievent
- Board allows impactful graphics and theme
- Pull occasions can be events
- Effective incentive tactic with:
 - Defined performance objectives to earn pulls
 - Finite accountability—each board is worth a fixed value that can only be redeemed with qualifying performance
 - Game board on wall is program reminder

- Remote site execution with systemwide control (each board represents one accountable budget)
- Continuity game
- Often cost, time, and labor intensive:
 - The qualifying sweepstakes to earn pulls
 - The prize board event
- Qualifying sweepstakes' delayed reward may lessen impact and participation
- Pull-tab board production costs
- Prize offering limited to the number of pulls on the board
- If one of first participants pulls the grand prize, the remainder of the program loses momentum

Disadvantages

12. Mystery Shopper (Spotter)

- Definition** Winner spotted/announced through personal contact, either by identifying a mystery person or by being identified by one
- Minor performance may be required (e.g., "If we spot your car with our bumper sticker, you win," or "If you spot our person and say, 'Acme is best,' you win")
- Advantages**
- Can reach all targets and locations directly—consumer, trade, employee, purchasing agent, end user, and so on
 - On-location spotters offer additional capabilities, such as handouts or PR
 - On-site employee incentive, as workers anticipate spotter visit (Random, *isolated* IRS audits motivate *all* taxpayers through this principle.)
 - Program learning—require that participant say phrase to qualify
 - Radio spotter extends broadcast media excitement
 - Enables vendor to tie in with retailer
 - Publicity extensions
- Disadvantages**
- Time, cost, and labor intensive
 - Potential for nonparticipation by those who (1) believe odds are against their personally encountering mystery shopper (2) or feel awkward approaching a stranger who may or may not be the mystery shopper
 - Less reach than other sweepstakes entry vehicles
 - Potential for mistrusting mystery shopper—a stranger
 - Requires exceptional communication to alert people how to win and remember details
 - Broadcast execution is limited to station's audience

13. Broadcast Call-Out/Call-In

- Definition** Broadcast medium receives call from, or makes call to, entrant to announce winner or do on-air quiz
- Advantages**
- Exceptional awareness through broadcast media with an entertaining deejay versus a "canned" announcer
 - Leverages media advertising
 - Vendor can tie in retailer
 - Involvement, both by entrant and vicarious listener/viewer
 - Program-learning capability—participant must identify slogan and so on
 - Can require visit to product/location for entry
 - Can motivate purchase with in-pack/on-pack entry distribution
 - Tie-in and prize trade-out opportunities

Disadvantages

- Time and labor intensive—numerous elements, details, and partner negotiations
- Requires media commitment on market-by-market basis
- Broadcast medium is limited to single station's audience
- Clutter potential amid numerous "cash call" programs
- Not necessarily a sales motivator, unless entry can be tied to visit or product purchase (which may be too labor intensive)

14. 800/900 NUMBER

Definition

Participant phones in to:

- Discover winning number/word (match and win)
- Punch in Touch-Tone code to see if it wins
- Provide name and address for entry

Advantages

- Opportunity for interactive messaging
- Easy entry and instant win announcement capability increases participation
- Effective data capture technique

Disadvantages

- Toll-free number and reply system costly
- Potential for unwanted repeat callers, such as children enjoying Santa
- Difficult to motivate purchase or performance
- Limitations in seeding match and win entries

15. Internet Code Number (And Other Internet Tactics)

Definition

Participants receive code number, visit sponsor's Web site, and enter code to see if they win

Note (Internet can offer several sweepstakes tactics, including games.)

Advantages

- Motivates purchase if code is delivered via product
- Involves participants with brand's Web site
- Can be an interactive game format—entry earns game play
- Internet partners can provide prizes, including downloads and discounts
- Can be a continuity tactic
- Instant win tactic can increase participation
- Easily tracked by hits and capable of building database with entry data requests
- Can be cost efficient through paperless medium

Disadvantages

- May drive participant to Web site instead of the store
- Setting up system is costly
- Internet clutter, including sweepstakes
- Surfers fear getting spam
- Hackers may break prize code system
- Each entry code must be hidden from common view
- Limits audience to proactive Internet users
- Requires considerable effort, including being at a computer, on the Internet, even remembering to enter, which lowers participation

- Hard copy instant win games are more compelling

16. Contest

Definition

Requires skill to win and, as such, may require purchase to enter

Many marketers do not require purchase to enter contests

Technically, skill may be to calculate (*guess*) the number of jelly beans in a jar, or skill may also be subjectively judged, as in recipes, photos, or beauty contests (Note: Definition of skill may vary by state.)

Ties must be run off

Note (Some states may not allow a purchase requirement in some instances, so consult a sweepstakes lawyer.)

Advantages

- Can require purchase
- Can reinforce product positioning or usage, such as a recipe or photo contest
- Program-learning capability
- Involving, particularly with easy challenge, such as calculating number of jelly beans in jar (anyone can guess)
- May encourage point-of-sale placement, as with recipe contest and grocery products
- Sales/performance incentive
- Publicity with winner setting example of product usage or superiority

Disadvantages

- Requires exceptional effort to participate, thus limiting participation
- Expensive—judging and evaluation of *every* entry. Also a runoff in case of a tie
- Labor intensive for marketer
- Market may be limited to those who are sufficiently skilled and prone to enter competition
- Possible discontent of nonwinners
- Some states may not allow a purchase requirement in some instances. Consult a sweepstakes lawyer.

17. Long Shot (Also Hole-in-One)

Definition

A \$1million+ prize may be funded for substantially less through difficult, low-odds skill requirement and insurance policy.

Skill may be a golf hole in one, basketball half-court free throw, solving difficult problem in limited time, and so on.

Typically, a qualifying sweepstakes is conducted to select a finalist—for example, the sweepstakes winner may receive a trip to the Final Four (a great prize) *and* a chance to shoot a million-dollar basket

Advantages

- Offers exceptional prize value, increasing excitement, and participation at nominal cost
- Excellent publicity event
- Can leverage sponsorship of the long shot event (Final Four, PGA, etc.)
- Can reinforce product positioning
- Prequalifying *contest* can require purchase or performance
- Prequalifying sweepstakes/contest is a promotion in itself
- Exciting topspin to otherwise traditional sweepstakes—win a car *and* chance to win a car a year for life!

Disadvantages

- Additional costs and tasks, such as securing insurance, location clearances, staging the event, and so on
- Twofold nature adds expense and effort (prequalifying sweepstakes/contest and hole-in-one event contest)
- Contest version expensive—judging and evaluation of *every* entry (if prequalifying contest is utilized)
- Market may be limited to those who are sufficiently skilled to enter— others then feel unqualified

"INSTANT WIN" DOESN'T MEAN INSTANT WIN (BUT OFTEN MEANS INSTANT SALES)

The accepted meaning of *instant win* is that the participant *learns* he or she won instantly (with a scratch-off card, for example) but may receive the prize later. Instant win typically enjoys greater participation than delayed-winner tactics. Put an instant win announcement in a candy wrapper and you'll sell a lot more candy bars than you'll sell with an entry form. In a 2003 IMI International study published by *PROMO* magazine, 53 percent of respondents said instant win sweepstakes influenced their purchasing decisions.

Source: "Industry Trends Report," *PROMO* magazine, April 2003 (<http://www.promomagazine.com>), a Primedia publication.

Considering that two-thirds of grocery store purchases are made on impulse, the instant win tactic can sway a lot of new purchase decisions that other tactics may not influence.

HAVE A SECOND CHANCE SWEEPSTAKES AT MINIMAL COST

The odds of having a winner in some sweepstakes are low. If 20 percent of customers participate in a collect and win game, there's an 80 percent chance the single grand prize winning piece will be handed to a nonparticipant who'll toss it in the trash.

So offer a "second chance" sweepstakes for unclaimed prizes and enjoy what amounts to a second sweepstakes at very little additional cost. This can be a simple drawing. You can run a match and win sweepstakes with the game piece delivered in print media. Then offer a mail-in sweepstakes at retail for any unclaimed prizes. That way, you'll reach both your media target (building traffic) plus any in-store shoppers who never saw your print ad.

PRIZES

Cash, cars, and travel are the most popular prizes. Cash is king but not the best choice for marketers for these reasons:

- It's the most expensive. Other prizes are available at wholesale at the same time you boast the retail value. You can also negotiate tie-ins, for example, swapping media mentions for prizes. (Sometimes a discount warehouse can match the price you paid for merchandise, so the "perceived value" benefit is lost.)
- Cash is spent and forgotten. Incentive program studies reveal cash winners often don't remember what they purchased with their cash, whereas virtually everyone remembers the specifics behind their merchandise rewards. (However, if the premium fades or falls apart, it's a bad reflection on your brand.)
- Merchandise may be selected to thematically reinforce your product's image or benefit. Cash cannot. Merchandise can even carry your brand logo.

Cash can be effective if it's a huge sum, such as \$100,000 or \$1 million. A long-shot sweepstakes (above) lets you offer a prize you can't really afford. However, it may not reinforce your brand, and the long shot's difficult challenge may not be motivating.

Merchandise doesn't enjoy the universal appeal of cash; it's subject to personal taste, and the consumer may already own the item. (A premium-based reward program should consider a range of rewards.) A shopping spree prize at a tie-in retailer can deliver cash, merchandise, and tie-in benefits. Ideally, prizes should be aspirational—things we'd love to own but don't allow ourselves to indulge in. It's one thing to win a kitchen appliance but quite another to win the appliance *plus* an Eating Lite Island Cruise with Emeril.

Two Philosophies: Lots of Prizes versus a Hero Prize

Insight

Don't make the prize so elaborate you can't describe it in a quick headline.

Should you focus on one humongous prize or increase everyone's odds with lots of lesser prizes? Ideally, both, otherwise focus on the major prize. Even nonlottery players play when the prize soars. Conversely, research reveals people participate in fast-food sweepstakes partially because they know their odds are good at winning a simple food prize—and they might just win the big prize. You might offer lots of low-level prizes with unique appeal, like commemorative coins or baseball cards in one out of ten boxes. The collector aspect adds appeal.

If you want to offer 100 (or less/more) secondary prizes, make them fun and indulgent items that reinforce your brand.

Not everyone wants a butler. Research often reveals surprising, but consistent, insights. For example, heartland cooking moms don't want "millionaire" lifestyle prizes—no maid service, butlers, limousines, even fancy cars. Likewise, middle-Americans tend to prefer domestic travel prizes, not exotic foreign locations (in pre-9/11 studies).

Partner Prizes

You may negotiate free or discounted prizes through "trade-outs." An auto maker may provide a free car if sufficient, targeted advertising and point-of-sale supports the sweepstakes. See "Negotiating Advertising for Prizes or Rewards" on page 296 in [Chapter 11](#), "Tie-ins."

Taxes

Prizes are taxable and the responsibility of the winner. Taxes on a major prize are considerable, and winners should be advised. If nothing else, issue a 1099 to winners of prizes valued \$600 or over (retail value). Also, consider adding extra cash to a noncash prize to help the winner pay taxes. (However, the extra cash is taxable.)

Cash Alternatives

Cash alternatives are especially good if the winner can't afford the noncash prize's taxes. However, consider the wholesale price you negotiated versus the retail value the winner expects. (See the cash prize comments above.)

Unclaimed Prizes

Many winning game pieces are unwittingly discarded by nonparticipants, so many prizes go unclaimed. Some states require all prizes be awarded, if necessary to alternative winners. See "[Have a Second Chance Sweepstakes at Minimal Cost](#)" on page 33.

Other Prize Considerations

- Consider the winner's ability to use the prize. Urban apartment dwellers can't use a swimming pool. Southerners don't need snowmobiles.
- "Everyone wins" increases participation and good vibes—they didn't lose. A free cola-with-combo-meal-purchase coupon gives you a repeat customer. (However, don't send consumers a "You're a Winner" announcement for this kind of "everyone wins." Numerous states prohibit misleading announcements that make the consumer think he or she is a select winner.)
- How will the prize be delivered? For example, how does a rural winner get to the major airport? How does the car get to the winner from the factory? If there's a tie-in retailer, are there stores in all regions? If secondary prizes are free Dairy Queen treats, has every franchise signed off with the promotion?
- Is the prize safe and reputable?
- If a secondary prize is to be fulfilled by the retailer, that retailer may want full retail, not wholesale, reimbursement. Otherwise, the prize represents a lost sale.
- If a prize is not of significant value, some regulations may not be applicable. Check with a sweepstakes lawyer for prizes over \$600. These require filing a 1099 tax form with the retail or market value.

THE WINNERS

Insight

If you're targeting kids with a sweepstakes, say, "You *could* win . . ." For adults you may be OK with "Win . . ."

Notification

At drawings, the winner typically need not be present to win, which increases entries and goodwill. However, in trade

shows, sales meetings, and other "limited-to" events, you might require the entrant's presence. It helps draw a crowd to the booth and drawing. (See [Chapter 12](#), "Performance Programs," page 311.)

Publicity

In ongoing or yearly sweepstakes, featuring winners communicates that winning is possible and real. It also promotes goodwill.

Names of major prize winners must be made available to the public through mail-in requests. (See details in rules section on page 48.)

Restrictions

Consider restrictions on who can win; for example, exclude minors from automobile prizes. The sponsor's employees should not be eligible. Winners must typically be residents of the United States (or the continental United States) and may be restricted to your limited trade area. Release of liability should be required in the event there's an accident involving the prize. (See the rules section on page 52.)

Affidavits

See forms that begin on page 49 through the end of the chapter.

PARTICIPATION AND RESULTS

Ongoing studies reveal that roughly one-third of the people polled participate in sweepstakes.

A Few Dynamics at Work

Insight

"Skill" in a contest that requires purchase is subject to interpretation. Guessing how many jelly beans are in a jar is not skill. Calculating them through mathematical clues may be.

There is no way to isolate what elements make a given sweepstakes successful, because too many variables are interacting. Consider:

- Sweepstakes tactic, such as drawing entry versus match and win versus instant in-pack win, and so on
- Sweepstakes tactic as it relates to the product, packaging, distribution, traffic patterns, turn rate, point-of-sale presence, and so on
- Prize value
- Prize appeal (varies by region and target)
- Number of prizes
- Collect to win versus single purchase
- Environment—fast food versus hardware, or soft drink versus apple juice
- Ease or difficulty of participating
- Execution throughout system
- Timing
- Category performance
- Competitive activities
- Advertising support

- Advertising creative effectiveness
- Target market's propensity to participate
- Weather

In-Pack Announcements

In-pack packaged goods sweepstakes can deliver a 10 to 15 percent sales increase, occasionally 30 percent with TV advertising support. Soft drinks may reach 10 percent with TV advertising support. Soft drink studies indicate six out of seven promotion participants play "under-the-cap" (UTC) games— 35 percent of carbonated soft drink users. Participants under the age of 25 tend to be frequent players with a 50 percent male/female breakdown.

Match and Win

According to several marketers, adding a match and win element to a coupon can increase redemption 20 to 30 percent. (The same results are reported in coupons that double as drawing entries.)

Watch and Win

Similar sweepstakes techniques can feed off each other, maybe because when they all emerge at the same time, they mutually educate consumers on how to participate. Watch and win hit a peak of activity in the 1990s, like the following example:

- *Tactic:* Get game piece at a major mass merchandiser and in circulars. Compare number with numbers announced regularly during TV program premiers.
- *Prizes:* 12 minivans, dream Hollywood vacations, TVs, and VCRs; millions of logo mugs
- *Results:*
 - Premier episode ratings up 28 percent versus year ago
 - A 39 percent awareness of *Major Dad* the day before it premiered
 - Repeat viewing of new shows 43 percent versus 37 percent viewership for rivals' networks
 - Mass merchandiser sales up 6 percent during promotion versus same period previous year, though the promotion was half as long

800# Telephone, and Now the Internet

The 800-number promotions were once a rage, but they may have been the case where too much participation is bad. Many marketers found them too costly; and simply calling a marketer and hearing their pitch didn't translate to sales.

At this writing, similar Internet techniques are popular. They may cost less, but again they may suffer clutter and less selling impact than do point-of-sale programs. Studies also show that surfers fear spam.

Caution!

Estimate conservatively, especially if you're projecting results based on another marketer's rosy results released in a trade magazine. Most companies aren't eager to share the knowledge they gained through the hard work, heavy investments, and considerable risk they took executing their sweepstakes promotion. Why should they inform their competitors? Question those who do. Also, companies don't boast losing promotions. All too often an ambitious spokesperson inflates a promotion's results for his or her self-promotion.

A Ninja Turtle fast-food promotion was a national award winner whose premiums had to be liquidated because the award committee wasn't informed the company overprojected the demand. An Olympic lapel pin program won Best Promotion of the Year honors, but a soft drink company that based projections on the award winner's numbers failed miserably because the results had been inflated, and the pins had to be liquidated. Prominent point of sale drove the sales, not demand for the pins. And the retailer charged participating brands for the pins, so it suffered no losses.

One pizza brand manager banned sweepstakes because "they don't work." Meanwhile, the upscale sister brand successfully ran a series of match and win sweepstakes. Perhaps the first brand manager used a write-in entry, which had far less impact.

Insight

Ivory's legendary soap-carving contest grew out of kids' disdain for soap, including irritated eyes. PR pioneer Edward L. Bernays got kids to love the unperfumed, floating soap through the contest.

A motor oil brand claimed sweepstakes didn't work because its scratch and win sweepstakes failed. But how do you deliver a scratch and win card on a motor oil package? The brand subsequently ran an under-the-cap sweepstakes, which worked so well it repeated the promotion in subsequent years.

Consider all the dynamics at the beginning of the "Participation and Results" section on page 37.

Incentive program sweepstakes. See [Chapter 12](#), "Performance Programs," page 331.

GUIDELINES AND CAUTIONS

AMOE: Don't Require Purchase to Claim a Prize

Sweepstakes prizes cannot require purchase either to enter or to claim a prize. With in-pack sweepstakes, for example, provide an alternative means of entry (AMOE). Post rules with an address or phone number to receive a free game piece in the mail. *Important:* one stamped envelope per request.

Control Your Media and Distribution

If your sweepstakes is not available everywhere, be sure your media plan and promotional communication don't include those unavailable states.

Advertising and Communication

- Typically, the prize should receive greater emphasis than should the product, because greed and borrowed interest drive the results. The theme and prizes, however, should reinforce your product and image.
- In-pack instant win packaging should clearly announce: "Instant winner game piece inside!" It can be the tiebreaker on the shelf that ensures your product stands out even if the display doesn't get up.
- Official rules or abbreviated rules should appear in all sweeps announcements (see "Official Rules" section on page 47). A "NO PURCHASE NECESSARY" announcement should be prominent with instructions for entering in lowercase.
- Entry-pad backings should have "Sorry" copy in case entries run out. It may simply state entries have run out or detail an address or Web site to enter.

Creative Challenge

Sweepstakes require exceptional creative to keep so many requirements clean and simple. Typically, you have to devote prominent space to the following:

- Headline (*Win this . . .*)
- Sweepstakes title
- Major prize graphic
- Secondary prizes
- Brand's product
- Official rules (lots of space, though you may be able to use abbreviated rules)
- How to enter—your desired action

- Entry or game piece
- Current advertising slogan
- Logo

Deadline Guidelines

- *Bonding* (in states requiring bonding): Two to three months prior to sweepstakes, but some sweepstakes' legal firms may be able to significantly expedite this process.
- *Sweepstakes announcement to trade, salesforce, and so on*: Allow time to book orders and displays; base it on the lead times your company's system typically requires.
- *Typical sweepstakes' entry duration*: One to two months—allow a grace period of one or two weeks for late entries.
- *Entry drawing*: After entry deadline and grace period. (If a coupon doubles as entry, allow three or more months for the drawing since the coupon has to be processed through grocer and clearinghouse systems.)
- *Winner notification*: Three weeks from sweepstakes' close date to the notification letter receipt. Allow two more weeks for winner to reply.
- *Public notification of winners list*: Six weeks after first winner is drawn (allowing time if first winner is somehow disqualified).
- *Prize redemption*: At least four weeks, preferably six weeks after first winner is drawn, allowing time for verification and alternate winner selection (if necessary). *Note*: Vacation prizes should allow winner time to schedule vacation.

Fraud and Security

If a fraudulent entrant happens to win, you may never know. It's unfortunate that an honest entrant didn't win, but the business results should remain unaffected. Nevertheless, do everything you can to give every honest participant a fair shot.

Sweepstakes clubs share sweepstakes information through newsletters and Web sites. Members are legal participants trying to win prizes through an alternate-entry requirement. They look for sweepstakes with high odds (such as restrictive entry requirements or rule mistakes) and then enter the alternative write-in drawing. Rules should include "Only one entry per household" plus "Only one entry per stamped envelope." If you're collecting a database, sort out any repeat addresses (many judging houses don't bother).

Prior to distribution, the winning instant win entries should be coded. Use signatures or exclusive emblems in invisible ink. Also print major prize announcements in different type sizes and/or faces than for lesser prizes. That way a minor prize winner cannot forge his or her winning typeface to match a major prize's typeface.

Use a bona fide, insured sweepstakes printer with these precautions:

- Shuffle game pieces as they are printed, obscuring where winning entries will be stacked and shipped.
- Avoid predictable patterns of winning numbers/symbols.
- Use thick paper to prevent "candling"—holding the game piece up to light to reveal the announcement inside.
- Consider emptying the facility of all unauthorized personnel when a winning press run is under way.
- Confirm that the foreman understands the details.

Test a sampling of game pieces. Examine them in sunlight and test glues or peel-offs the same day and several days later. Will your game piece survive freezing or hot temperatures and humidity? Will the product react with the print? Will the entry feed through mailing or packaging equipment? Will game pieces be crushed in the packaging process? Will an in-pack or on-pack entry slow down production? Duplicate every condition your entry will go through.

Make sure that removing an on-pack entry also defaces the package to discourage printing and retail workers from removing entries. Make your entry difficult to duplicate, especially if it's match and win. Ask the printer for advice.

The printer or agency should have errors and omission insurance to cover any print production or typographical errors and other unforeseen problems. Consider insuring your company as well. Have your lawyer review the printer's policy.

Make sure the policy covers accidentally printing too many winners. (Have a backup PR plan with consolation rewards and possibly a drawing to win an even greater prize than the original.)

Insight

The Florida Glitch. Florida's reputation may be lacking in presidential elections, but the state is very strict about sweepstakes. You may consider a separate ad printing just for Florida. (You can compromise your national ad to meet Florida's requirements.) To avoid printing complete rules on your half-page ad, consider such nonspecific phrases as, "Watch for our promotion on specially marked packages." (If you show the prize, you may have to print all the rules.) Also, you need to file a bond prior to the sweepstakes.

Avoid an open-ended sweepstakes in which the number of winners is not finite. For example, don't offer prizes to everyone who predicts an upcoming sporting event's score.

Hire an outside judging agency, thus relieving you of the responsibility.

Consider limits on free entries—one per visit; one visit per day; one entry per stamped, self-addressed envelope.

Don't rely on independent distributors or store personnel to distribute game pieces. Those entries may wind up in a bowl at customer service where anyone can grab a handful.

Review the official rules requirements detailed below:

Safety

- Use food-safe inks for entries where necessary.
- Kid prizes must be kid-safe, including passing through the "choke test" and others.
- Consider age restrictions.
- Don't offer potentially dangerous prizes—nothing sharp for kids.
- Make sure Release from Liability forms are signed by major prize winners.

BUDGETING

Sweepstakes sound more expensive than they are because most participants lose and receive nothing. There is no formula for how much a sweepstakes will cost, but there are known factors to consider. Calculating your sweepstakes' potential boils down to the following, which is based on funding your sweepstakes strictly through incremental profits:

- What are your *incremental sales* goals?
- What are the profits those incremental sales will generate?
- What percentage of those profits can you allocate to a sweepstakes?
- Reality check 1: Use the "**Materials and Services List**" on page 46 to project a rough idea of the sweepstakes cost. Will the budget from incremental sales' profit pay for it?
- Reality check 2: Use the best historical information and research you can to determine if your particular sweepstakes tactic will generate the sales. Remember, simply getting a display up or increasing store traffic can boost sales dramatically, and if the sweepstakes accomplishes that, you win.

Insight

Once upon a time a farmer could only afford a mule to plow with. But the mule couldn't plow all the fields in time for planting. So the farmer set up a pricey Kool-Aid stand, and each expensive serving came with a drawing entry to win

gardening equipment. Soon, he had enough money for a down payment on a tractor. Then he awarded the "gardening equipment" prize: the old mule. "Wasn't everybody upset?" his wife later asked. "Nope, just the winner, and I gave him his money back."

Establish Criteria

- What are your objectives—display placement? employee activities? traffic? trial? repeat visits? shopper attention? new product/feature awareness? Are your prize and entry requirement sufficient to meet these objectives?
- What are your base sales without a promotion and how much can you invest to increase those sales and profits? (See list in [previous section](#).)
- How will the event be communicated to the field and buyers? Costs?
- Can part of your budget come under the advertising budget?
- What measurable criteria can be used for an evaluation of the sweepstakes?

Payout

- What are your incremental sales/profit objectives?
- What percentage of the above can be allocated to the promotion?
- Project the sweepstakes' incremental sales, based on:
 - Past experience—similar tactic/program
 - Consideration of all dynamics—timing, display placement, competitor activities, overlays, pricing, and so on
 - Whether the projected cost of the sweepstakes meets the budget (See "[Materials and Services List](#)" below.)
 - Whether the projected incremental sales/profits minus cost meet the goal

Materials and Services List

- Prizes and fulfillment
- Legal and judging
- Insurance
- Bonds (in applicable states)
- Official rules sheets
- Winners' list
- Affidavits (see below)
- Advertising and media
- Sales communication materials and presentations
- Program communication materials:
 - How-to sheets for field, stores, salespeople, and so on
 - Brochures—trade, sales, and consumer
 - Newsletters
- Displays and signage—header cards, shelf talkers, counter cards, table tents, banners, and so on

- Detail people, if necessary, to place signage
- Entries—tear pad, in-pack, handout, scratch and win, fill out and mail, and so on
- On-pack announcements
- Ad kits and slicks
- Buttons, flags, balloons, and so on
- Dealer loaders
- Warehousing, cartoning, packing, and shipping of prizes (See "Premium Programs," [Chapter 10](#), for guidelines.)
- Post office box
- 800 number and/or Web site
- Alternate entry receipt and processing (for "No Purchase Necessary" mail-ins)
- Requests for winners list (postage and typewritten sheets)
- Requests for official rules/regulations (postage and typewritten sheets)
- Business reply permit (for returning affidavits to your firm)
- Any database you may want to collect, process, and evaluate
- Employee time to orchestrate and administer the above materials and services

OFFICIAL RULES AND RELATED DOCUMENTS

Note Certain states have their own sweepstakes requirements, which may be covered in the following all-encompassing checklist. However, state regulations change, so have a sweepstakes legal firm scrutinize your rules.

Sweepstakes Official Rules Checklist

Don't input your official rules verbally to a writer or lawyer. Before contacting an expensive lawyer, type an itemized document that explains how to enter, prize descriptions, who's qualified, and so on, so that everything is clear. That way you only pay to have the legal firm rephrase your document in legal terms. Use this checklist of 25 items as a guideline:

- _____ How to enter
- _____ How and when winners will be determined
- _____ No purchase necessary (alternate means and limitations, such as one stamped envelope per entry)
 - _____ One entry per stamped entry; one entry per household
 - _____ Requests must be received by _____
- _____ Limitations: age, region, U.S. citizen, and so on
- _____ Independent judging agency whose decision is final
- _____ All properly claimed prizes will be awarded (if desired)
- _____ Second-chance opportunity for unclaimed prizes (where applicable)
 - _____ "If winner has not responded in 15 days, another winner will be drawn."
 - _____ Second drawing may be conducted
 - _____ Request for entry (such as scratch-off card) may be made by mail—one per stamped, self-addressed envelope)
 - _____ Postage not required in some states
- _____ How to redeem prize: normally, certified mail, return receipt requested Claim by _____
- _____ How winner will be notified: "Winners will be notified within 21 days of close of sweepstakes."
- _____ Not responsible for lost, stolen, late, or misdirected mail

- _____ Prizes nontransferable—no cash or substitution of other prizes (option) One prize per family, organization, or address
- _____ Open to U.S. residents—*(or whichever states you select)*—except for employees, immediate families, agencies, affiliates, carriers, and manufacturers of sweepstakes materials
- _____ Must be 18 years old or older to enter (optional)
- _____ Winner required to sign affidavit of eligibility and release from liability
- _____ Winner(s) required to sign release for right to use photo for promotional considerations without compensation
- _____ Void where prohibited or restricted by law (federal, state, and local laws apply) Consult a sweepstakes lawyer for individual state regulations
- _____ Void if entries are tampered with, forged, mechanically altered, or in any way irregular
- _____ No facsimiles accepted
- _____ All entries become the property of _____
- _____ Not responsible for printing, typographical, or other errors
- _____ Liability for irregular game piece limited to issuance of a replacement game piece (if applicable)

Note If you distributed hundreds or thousands of instant win announcements, you may want to include: If by reason of a printing or other error, more prizes are claimed than the number set forth in these official rules, all persons making valid claims will be included in a random drawing to award the advertised number of prizes available. No more than the advertised number of prizes will be awarded

- _____ Total number of prizes, value of prizes, approximate odds of winning major prize (either calculated based on entries distributed or add "Odds dependent upon number of entries received")
- _____ To receive major prize winner list, write _____ after _____ and before _____
- _____ Taxes are sole responsibility of winner
- _____ Sweepstakes ends _____
- _____ Entries must be received by _____
- _____ Entries become property of sponsor
- _____ Sponsor's right to amend, modify, or terminate promotion
- _____ No Internet liability (regarding fraud, faulty transmission, damage, etc.)
- _____ Internet entry is deemed made by holder of e-mail account (Internet)
- _____ Times and time zones policy (Internet)

(SWEEPSTAKES TITLE)

Official Entry Form

Complete this Official Entry Form and send it to: (Address—P.O. Box)

(Name)

(Address)

(City)

(State)

(Zip)

(Phone)

NO PURCHASE NECESSARY: Entry must be received by _____. See
Official Rules on back of this entry.

[Optional program-learning element: To win an additional \$1,000, complete
this phrase: Acme Widgets are the only widgets with patented _____.]

“SORRY COPY”: Appears at base of tear pad when entries run out

Drawing Entry Example

SORRY!

There are no entries left. To enter the _____ Sweepstakes by mail,
send a stamped, self-addressed 3×5” card to:

_____ Sweepstakes

(P.O. Box)

(City, State, Zip)

Or visit our Web site at _____.

Hurry! Entries must be received by _____.

SWEEPSTAKES WINNER FORMS—MAJOR PRIZES

Winner Announcement—Sample *Purpose*: To notify mail-in entrant he or she has won prize and how to claim prize.

(Date)
 (Name)
 (Address)
 (City, State, Zip)
 Dear (Name):
 CONGRATULATIONS!

Your entry has been drawn as the (prize description) prize winner in the (sweepstakes name), sponsored by (company).

Attached are three forms: (1.) Consent and Release; (2.) Waiver of Liability; and (3.) Affidavit of Eligibility and Tax Assignment. You must complete and return these forms to us within 15 days of this letter's date. Your prize cannot be awarded without completing and signing these forms. Accordingly, please execute the enclosed documents and return them to us in the enclosed preaddressed and prestamped envelope.

Upon receipt of the forms, we will contact you again with instructions on how to claim your prize.

On behalf of (company), we thank you for participating.

Sincerely,
 (Name)
 (Title)

Enclosures: Consent and Release Form
 Waiver of Liability Form
 Affidavit of Eligibility and Tax Assignment Form

Affidavit of Eligibility and Tax Assignment—Sample *Purpose:* To assure that person receiving the prize meets the criteria and to protect company from any related complaints.

AFFIDAVIT

DATE _____
 STATE OF _____
 COUNTY OF _____

I, _____, being duly sworn say:
 (Name: First, middle initial, last)

My Social Security number is _____. I reside at _____
 (Street Address) (City) (State) (Zip)

I am submitting this affidavit with the understanding that it will be relied on to confirm my eligibility in the (promotion name) sponsored by (company name).

I represent that I am not an employee of (company name) nor its contractors, affiliates, suppliers, distributors, and advertising, promotion, or judging agencies). I am not a member of the immediate family of any such employee or person nor am I connected with them in any way.

I understand that I am solely responsible for applicable income or other taxes or fees on any prize.

SIGNED _____ WITNESSED _____
 (Contestant signature) (Witness signature)

Date _____

_____ If winner is under the age of 18,
 (Birthdate: Month/Day/Year) a parent or guardian must also sign

_____ (Signature of parent or guardian)
 (Area code/Home phone number)

_____ (Area code/Occupation phone number)

Waiver of Liability—Sample *Purpose:* To protect company from liability and resultant lawsuits should a winner suffer damages associated with the prize, including damage claims by third parties against the winner.

WAIVER OF LIABILITY

In accepting the (sweepstakes title) prize of a (prize), I hereby acknowledge the following:

1. That I for myself, my minor children _____, (Name) _____, and _____, my heirs, executors, (Name) _____ (list additional children on back of this page) and administrators, hereby waive, release, discharge and agree to hold harmless (company name) and (agency) and their respective officers, directors, employees, agents, successors and assigns, and anyone authorized by any of them, from any and all losses, damages, costs, expenses, rights, claims, demands and actions which I, my minor children, my heirs, executors or assigns may have arising from my participation in and/or my use of the prize awarded to me in the (sweepstakes title) promotion, including but not limited to personal injuries, death, disability, property damages, and attorneys' fees and expenses for litigation and settlement. I and my minor children also agree to indemnify and hold harmless (company) and (agency) and their respective officers, directors, employees, agents, successors and assigns or anyone authorized by any of them from any and all losses, damages, costs, expenses, rights, claims, demands and actions which any other party may have against me arising out of my participation in and/or use of the prize awarded to me in said promotion, including but not limited to personal injuries, death, disability, property damages, attorneys' fees and expenses of litigation and settlement and that I further shall hold (company) harmless from any taxes or other assessments imposed on me as a result of my ownership and use thereof.
2. That I hereby agree that (company) and (agency) have neither made, nor are in any manner responsible or liable for, any warranty, representation or guarantee, expressed or implied, in fact or in law, relative to any prize, including but not limited to its quality, fitness for particular purpose, or mechanical condition.
3. That I understand the activity of travel (or specify other prize/activity) involves risks and dangers and I am cognizant of such risks and dangers. I warrant that I am a licensed driver and that I am fully capable of participation in motor travel and I willingly assume all risk of injury as my responsibility. (Preceding assumes car is prize or vacation includes rental car—modify according to actual prize.)

4. That I am of legal age and have every right to contract in my own name.
5. That I have read or have had read to me each and every word of the foregoing prior to its execution and am fully familiar with the contents thereof.

PRINT FULL NAME _____

SIGNATURE _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

SOCIAL SECURITY # _____

Subscribed and sworn to before me this _____ day of _____

(Witness)

Consent and Release—Sample *Purpose*: To allow the company to advertise and publicize the prize winner without paying rights or fees. It also protects the company from any complaints or actions by third parties resulting from making public the winner's name.

WINNER CONSENT AND RELEASE

I hereby give (company), its successors and assigns, and those acting under their permission and upon their authority, the right to take photographs of me; and the right to use my voice, name and other likenesses based thereon, with or without my name, for business, trade or any other lawful purpose whatsoever as it pertains to the promotion of their (sweepstakes name) and the right to copyright the same. I waive all right of inspection and release (company), its successors and assigns from any and all liability arising out of the use of my name and likeness pursuant to this Consent and Release.

PRINT FULL NAME _____

SIGNATURE _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

SOCIAL SECURITY # _____

Subscribed and sworn to before me this _____ day of _____

(Witness)

Parental/Guardian Consent and Release—Sample *Purpose*: Same as above Consent and Release in situations where a minor is the winner.

PARENTAL/GUARDIAN CONSENT AND RELEASE

I, the undersigned, hereby warrant that I am the parent or guardian of _____, a minor, and have full authority to authorize and grant the attached Consent and Release which I have read and approved. I hereby release and agree to indemnify and hold harmless (company), (agency), their successors and assigns, from and against any and all liability arising out of the use of such name, voice and likeness pursuant to the above Consent and Release.

PRINT FULL NAME _____

SIGNATURE _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

SOCIAL SECURITY # _____

Subscribed and sworn to before me this _____ day of _____

(Witness)

Prize Claim Form—Sample *Purpose*: To instruct the winner how to claim his or her prize.

PRIZE CLAIM FORM

(Date)

(Name)

(Address)

(City, State, Zip)

Dear (Name):

Congratulations again on winning the (prize description) in the (sweepstakes title) sponsored by (company).

We have received your three preapproval forms and this letter will explain how to redeem your prize.

(Describe how to claim prize—is it already being shipped UPS? Is it through a travel agent or local car dealer? Be sure to include any tracking or verification details.)

Thank you for participating and enjoy your prize!

Sincerely,

(Name)

(Title)