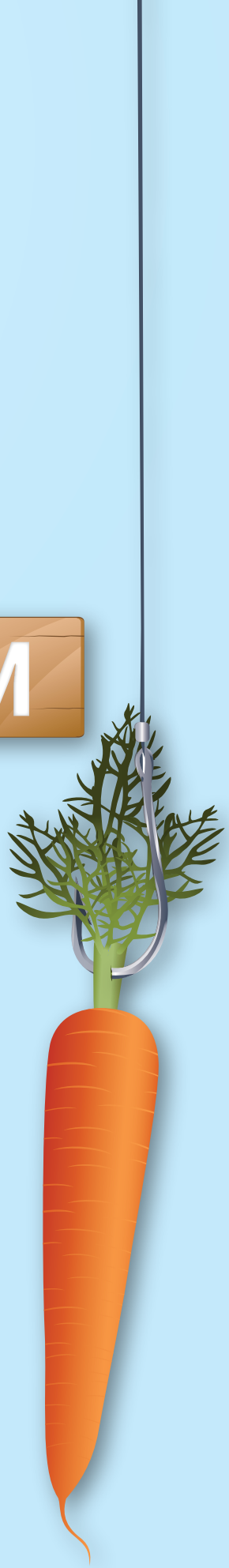
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BUILDING A STRONGER BETA PROGRAM THROUGH STRATEGIC TESTER REWARDS

A CENTERCODE WHITEPAPER



Introduction

Every beta test relies heavily upon its team of testers, which are often volunteers giving up their free time to help improve your product. As a result, one of the most challenging aspects of managing a beta test is finding creative ways to keep beta testers engaged and participating throughout your project. One of the most effective ways to keep testers engaged is by developing a strong and cohesive incentives strategy, which will both encourage testers to continue participating and reward them for all of their hard work.

With over a decade of experience managing beta tests, we've seen it all. This whitepaper is a collection of our proven best practices for properly incentivizing your beta testers. The result will be more eager testers, giving more useful and unbiased feedback which will improve your product and ensure a successful launch.

Is This Guide for You?

This guide is intended for individuals running private (also known as "closed") beta tests for products of nearly any kind, including hardware, desktop software, video games, mobile apps, and web sites. This typically includes beta managers, product managers, quality managers, and others tasked with executing a beta test in preparation for their product launch.

Free Resources: Our beta management library is full of resources for every stage of running a successful beta test. Download our Beta Glossary as a quick reference guide of industry terms used throughout this document. If you're looking for guidance specifically for running a public beta test, be sure to check out our Public Beta Test Whitepaper.

Traditionally, an incentives strategy revolved around selecting a gift to give your testers for their work, often taking the form of a release version of the product being tested, a gift card, or some other conventional prize. We've found, however, that this is just one piece of the puzzle. A true incentives strategy also considers the intangible rewards of beta testing, such as the exclusivity and the excitement of being involved in the company's product development process. If these intangible rewards are leveraged and messaged properly during a beta test, then your thank you gift truly becomes icing on the cake at the end of an already rewarding beta testing experience.

This whitepaper will help you do two things. First, it will help you build a tester experience that naturally incentivizes and motivates beta testers. Second, it will help you build a plan for selecting and distributing traditional incentives (such as a gift cards or products) to your testers to thank them for their hard work.

What Are Beta Incentives?

By definition, an incentive is simply something that prompts greater effort; a reward offered for increased productivity. In the context of a beta test, an incentive can be like the proverbial "carrot on a stick." This "carrot" may be a tangible reward, such as the beta product itself, a gift card, or a thank you note. It could also be an intangible reward, such as the satisfaction of the testing experience itself. Basically, an incentive is anything that communicates your appreciation for a tester's contribution and makes them feel valued. Incentives serve as subtle motivators to ensure testers stay engaged and continue testing, and reward them at the end by expressing gratitude for all of their work. If testers know they're going to be rewarded for their effort, they will be more enthusiastic and likely to submit their feedback in a consistent and timely manner.

Are Incentives Really *That* Important?

When leveraged correctly, incentives can play an influential role in your beta program. When implemented poorly (or not at all), incentives can derail not only your current test but future testing efforts as well. It's important to always remember that beta testers are fundamentally volunteers, not employees. They give their free time to test your product, and you acknowledging their commitment and demonstrating gratitude has a huge impact on their experience. It shows your beta testers how integral their feedback is to the product's development cycle, as well as its success, and that they're greatly valued by the company for their commitment and efforts during the beta test.

A well thought-out incentives strategy can strengthen and solidify your relationship with your tester community. At the same time, you must be careful not to compromise the integrity of your testers with expectations of free stuff, which could taint testers' objectivity and motivation. If you plan out and execute your strategy with precision, you will end up with a much more committed tester pool, ready and eager to help you build successful products.

Understanding Beta Tester Psychology

The psychology behind tester motivation is the core of a good incentives strategy. You need to understand why your testers are contributing their time to your test so that you can appropriately leverage the source of that motivation to maximize their participation.

Testers have different reasons for volunteering for your test, all of which can play a role in developing your incentives strategy. The profiles below illustrate the top reasons beta testers participate in our beta tests.

1. **Exclusivity Junkies** — Many beta testers enjoy testing because it's a chance to be one of a select few to experience a product before its release. These are the earliest of early adopters, and are motivated by the testing experience itself and enjoy being part of the beta test.
2. **Problem Solvers** — Finding a simple solution to a daily problem that someone may face in their life (personal and/or professional) may be the only reason some testers need to get involved in a beta test. They want to help shape a product that is very important to them and are motivated because improving your product will directly improve their life.

3. **Product Enthusiasts** — Many people find great satisfaction in knowing that they directly helped shape a product, particularly if it's something they already regularly use. In many cases, these testers are existing brand evangelists.
4. **Knowledge Hounds** — Some beta testers are motivated by wanting to build their skill set or learn something new. They're similar to the exclusivity-motivated testers, because they feel rewarded just experiencing the test. This is especially true for professional products used in the workplace.
5. **Social Networkers** — These testers like meeting and working with like-minded people. Beta testing is a chance for them to be part of a community with others that share their interests. Fostering community and building relationships is valuable to them.
6. **Freebie Seekers** — These beta testers are in it for the freebies that they expect at the end of the test. Their focus is on the prize at the end, rather than the development of your product.

Your testers may be motivated by some or all of these factors, but by considering why your testers are interested in your test you can develop a strategy that leverages these motivations to maximize their contribution to your beta program.

Building the Right Experience

From the initial planning stages of your test, one of the biggest initiatives you can take is simply making your testers feel valued and appreciated. This means building in intangible incentives throughout your beta process that show your testers how important their role is to your product's development. If you handle this concept correctly, you'll find that tangible incentives will become secondary and merely act as the cherry on top when your test comes to a close. Even better, positive reinforcement is virtually free. Testers will be so elated with how pleasant their experience was that they won't expect any additional reward. However, out of gratitude, we recommend always providing some sort of tangible gift to commemorate their experience.

Before Your Test

Your incentives strategy begins with selecting the right testers. We define "the right testers" as those who meet two important qualifications. First, they match the intended target market of your product. Second, they demonstrate clear signs of genuine enthusiasm for the opportunity.

Free Resource: For help building a solid strategy to recruit and select the best beta testers, download our Beta Tester Recruitment Kit. It walks you through everything you need to find and qualify potential beta applicants so you can kick off your beta test with a strong tester team.

As discussed above, many beta testers are primarily motivated by the testing experience alone, but some are motivated by the freebies they've come to expect. Design your recruitment strategy with this in mind. Beta candidates that communicate interest primarily in receiving gifts are usually not the testers you want.

This begins with careful messaging. When you're writing your email or landing page copy to entice beta candidates to apply, focus your messaging on the testing experience. Use phrases like "exclusive opportunity" and "work closely with the development team" to highlight the testing experience. Thank testers for their interest and express how much you're looking forward to their feedback.

Don't Give Specifics

There's a fine art to mentioning specific gifts during recruiting. If you tell testers what the reward is for their participation, they may get too excited and focus exclusively on the prize. On the other hand, they may also choose not to sign up because the prize simply isn't interesting enough for them. Either way, it's removing the focus from the beta test itself. At the same time, if you don't mention incentives at all, you could be missing a chance to show your testers that you value their participation and entice them to join. For the most part, we err on the side of mentioning gifts vaguely. Mention that testers will have the opportunity to **earn** a reward for their participation, but don't say what the reward will be. The exception to this rule is if you feel the benefit of mentioning the reward is enough to outweigh the possible negative effects, such as if your testers will be eligible (via either lottery or participation) to attend a launch party or win some other large prize.

After your messaging is in place, you want to qualify beta candidates so you can select the ones that are innately motivated. As part of your qualification survey, ask beta applicants why they want to be a beta tester for you. This will allow you to better measure a candidate's enthusiasm for testing your product. With this information, you'll be able to select testers who are excited and motivated to be part of your test from the very beginning. This will allow you to use your tangible incentives as merely an added bonus to boost participation. In other words, a very careful selection process should naturally result in a pool of quality testers. Then, launching a successful incentive program will turn good testers into exceptional testers.

During Your Test

Many beta tests see an initial burst of participation followed by a drop off as testers lose interest. So, from the moment your test begins you want to find creative ways to show your appreciation to your testers for the duration of the testing period. This will help your testers feel important and valued and thusly, motivated to keep up their initial level of participation. These can take shape in many different ways, but the primary purpose is the same: to communicate to your testers the value they're bringing to your beta program. These activities generally fall into three categories.

Gestures of Gratitude

These are opportunities to show your appreciation for your testers' time and contribution. They're small gestures that are easy to do, but are also easy to forget in the whirlwind of a beta test.

- Respond to submitted feedback with a "thank you" or "great idea." This lets testers know that you're listening to their opinions and they aren't just going into a black hole.
- Schedule short phone calls during your test with your top testers to ask about their experience and thank them for their specific contributions. These can provide valuable insights not only on the product, but also give you ideas on how you can improve your beta processes.
- Create a "top testers" group for your best contributors that gives them preferential access to future testing opportunities. This gives your testers something to aspire to and creates momentum for your testers to contribute at a high level, all while improving the long-term value of your beta program.

Open Communication

These are opportunities to show testers you value their participation by keeping them informed about how they're contributing to the success of the product.

- Publish updates on how their feedback is getting used. Even if the updates are brief it's a good reminder to testers that their feedback is contributing to the product's development in a real way.
- Hold conference calls where you can update testers on the product and get their feedback on your beta testing process. This is a chance to increase a sense of community amongst your testers.
- Ask for their opinions about other aspects of your business. Beta testers can be some of your biggest brand evangelists. Asking their opinion about the company's brand, image, and values is just another way to show you value their opinions, and you might be surprised by what they say!

Public Accolades

Everyone gets a warm fuzzy feeling when they receive acknowledgment for their work, especially in front of their peers. These are powerful opportunities to inspire your testers by showcasing your top contributors.

- List your top or most active testers within your beta community, on your company's website, or even within your final product (credits, documentation, etc.). This will inspire your testers to keep submitting feedback and participating. Just remember to reset any public leader-boards regularly, or testers may feel like they'll never be able to catch up with the current leaders and will simply give up.
- Mention all-star testers within beta management meetings and reports, then let these testers know they were mentioned. If your organization leverages transparency with their audience, you can even broadcast your team meetings to your beta testers. They may seem boring to you, but your testers will love peeking into how your company works and feel even more invested in the beta testing process.

Scoring Your Beta Testers

Giving your beta testers points for each activity they complete during your test is an easy way to see who your top testers are and to build things such as leaderboards or top tester groups. Our beta management platform makes it easy to either automatically or manually assign points to testers based on both qualitative (e.g. verified critical bugs) and quantitative (e.g. number of logins) metrics. You can then use these scores to recruit for future tests, distribute gifts, or decide who to shine the spotlight on at your next staff meeting.

All of these methods are designed to make your testers feel valued without distracting them from the beta test itself, because every activity is tied directly to their ongoing contribution to the test. Since these methods are also free and easy to implement, try to fit as many into your test as you can. These acts will compound to create a testing experience that truly and consistently engages your testers.

After Your Test

When your test is complete you don't want your testers to feel like yesterday's news. Make sure every tester leaves your test feeling appreciated and enthusiastic for the next testing opportunity to come around. There are a few methods you can use to accomplish this.

- **Send Thank You Notes** — Thank you notes are an easy, budget-friendly way to show appreciation for your testers. While a personal email is a start, a personalized physical note with a real signature on it can make an incredible impact. For testers that are motivated by the testing experience or the relationship to your community, this is a truly meaningful gesture that they won't soon forget.
- **Share Your Launch Plan** — Beta testers want to know what's going to happen with the product they helped improved. If you can, share with your beta testers what the next steps are with the product and when you're expecting to launch it. Don't forget, they've likely already signed non-disclosure agreements (NDAs), so they can't share the details with anyone anyway (and they've already demonstrated that they have the ability to keep quiet).
- **Use Them for Testimonials** — Your top beta testers will probably be your top brand evangelists as well. Ask them if you can use their opinions for testimonials or marketing materials. They will appreciate that you value their opinions enough to use them publicly, and you'll have new valuable assets to share with your marketing organization.

Many new beta managers don't consider how these small gestures can affect the motivation of their testers. Many even take for granted that their testers will just participate, and forget that they're volunteers that can get frustrated if they don't feel like they're being heard. By implementing these methods, you'll create an inviting testing experience that creates a foundation for a strong and successful beta program.

Selecting the Right Incentives

The other side of the coin to creating an appreciative beta testing experience is actually rewarding your testers for their hard work with a gift. While building a rewarding experience is imperative to a successful beta test, we also make sure that every beta test we run includes a reward that is commensurate to the contribution each tester made to the test. It's another way of showing that you value the time they put into your test. This part of your strategy involves three pieces: selecting the **right incentives** and giving them to the **right testers** at the **right time**. We'll address each piece in the coming pages, starting with selecting the appropriate incentive for your beta testers.

Selecting the appropriate reward for your testers' efforts can be a daunting task. Before you delve into selecting a particular reward, there are a few important factors that you will need to consider:

1. **Budget** — Getting a handle on your cost per tester is a good place to start. As a general starting point, we recommend giving each tester an incentive worth $25 for a standard two-week beta test. This may not seem like a great deal of money, but keep in mind that this is an extension of the intangible rewards detailed previously. We operate under the assumption that 100% of our beta testers are going to receive a reward and budget accordingly. Typical participation rates are around 30% for the industry, however, so consider your participation rate when budgeting. You should also plan on having a top tier of incentives for your very best testers (usually about 10%) that really go above and beyond.

"We operate under the assumption that 100% of our beta testers are going to receive a reward and budget accordingly."

2. **Test Length** — The length of your test should also influence how large or small the reward is. A couple days of testing is much different than a couple of months. The more time testers must invest, the more appropriate a larger reward becomes. Scale up your reward as the test gets longer. As we mention above, a benchmark we use is: $25 incentive for a standard two-week test. You may need to increase this if your test continues past what you (and your testers) had originally anticipated in order to maintain the same levels of engagement. A supplemental mid-test reward will offset any boredom or frustration your testers may develop during a long test.

3. **Intensity and Complexity of the Test** — If your product is complex enough to require hours of time each day, or you are asking for particularly extensive feedback from your testers, then you should consider a more enticing reward to ensure that they feel that their contribution was valued when the test comes to a close. As a baseline, we normally expect our testers to integrate the product into their daily lives, but to give an hour or two a day during the testing period to actively using the product and giving feedback. If you're expecting more than this, you should adjust your incentive value accordingly.

Free Resource: The return on investment (ROI) of beta testing is immense and since incentives have such a large impact on tester participation, they're are an important piece of that return. To learn more about the ROI of beta and calculate the ROI of your tests, download our Beta Test ROI Kit.

Activity: Included in this kit a powerful Incentives Calculator that will help you determine the appropriate budget for your beta incentives strategy. It looks at a variety of factors to determine your beta incentives budget, including test length, participation expectations, product complexity, beta unit quality, and MSRP. It will also determine whether your beta unit and/or the final production unit would make suitable incentives for your beta testers, helping you to build the best plan for rewarding your testers.

Your Incentive Strategy	
Incentive Budget	
Top Tester Tier	
Number of Testers	4
Cost per Incentive	$100
Tier Incentive Budget	$400
Regular Tester Tier	
Number of Testers	36
Cost per Incentive	$40
Tier Incentive Budget	$1,440
Total Budget	**$1,840**

Using the Product as an Incentive

For many tests, the best incentive may be the product itself. Often the best reward is to let them enjoy the fruits of their labor. This can either be the beta unit they tested or a production version of the product — depending on the state of the product at the end of the beta.

It's often tempting to just let testers keep the beta unit or version, since it means you don't have to collect them or handle distributing production versions, but there are some downsides you need to consider.

- The FCC has strict regulations regarding uncertified products being kept in the field (this is particularly important if the product uses any sort of radio component).
- If your beta version was buggy and faulty, your testers will not have a very positive user experience with your product after the test.
- The beta version of your product may include weaknesses which could cause security concerns if it remains in the wild post-release.
- Testers calling about support for their pre-release products or software may pose problems that your support processes aren't prepared to handle.
- Testers may attempt to sell the beta unit putting a pre-release and potentially faulty version of your product into the wild.
- The returned field-tested beta units may be valuable learning resources for your internal quality and engineering teams to explore.

As a result, it's often better to give testers a final version of your product as their reward, since they've already shown interest in your product. It can also be the most cost effective way to go, given that the production units themselves will only run you the production cost, which is typically substantially less than the perceived MSRP. If this is possible, then we recommend doing so. It's simple and you'll end up with a group of happy testers that get to enjoy the results of their work.

Supplementing Inexpensive or Free Products

The value of your product plays heavily into determining whether it makes a fitting incentive. Many desktop and mobile software products are free or very inexpensive and it's tempting to just give the final product to testers as their thank you after the test is over. However, this creates a dilemma for incentivizing beta testers, because the product is simply not enough to motivate testers to participate. While it may seem counter-intuitive, in scenarios where the product being tested is inexpensive, you need to over-incentivize your testers to contribute.

For example, if you're testing a 99 cent app that's designed to only be used for a couple of minutes at a time, it's going to be challenging to get testers to devote an hour a day for two weeks to really put the product through the wringer. Encouraging them with the fact that they'll get to keep the app at the end of the test is simply not going to cut it. Instead, you need to supplement with a larger reward, such as a $50 gift card, to entice testers to continue using the product and giving feedback throughout the testing period. This will show testers that you value the time they're putting into the test and that you want them to thoroughly explore the product.

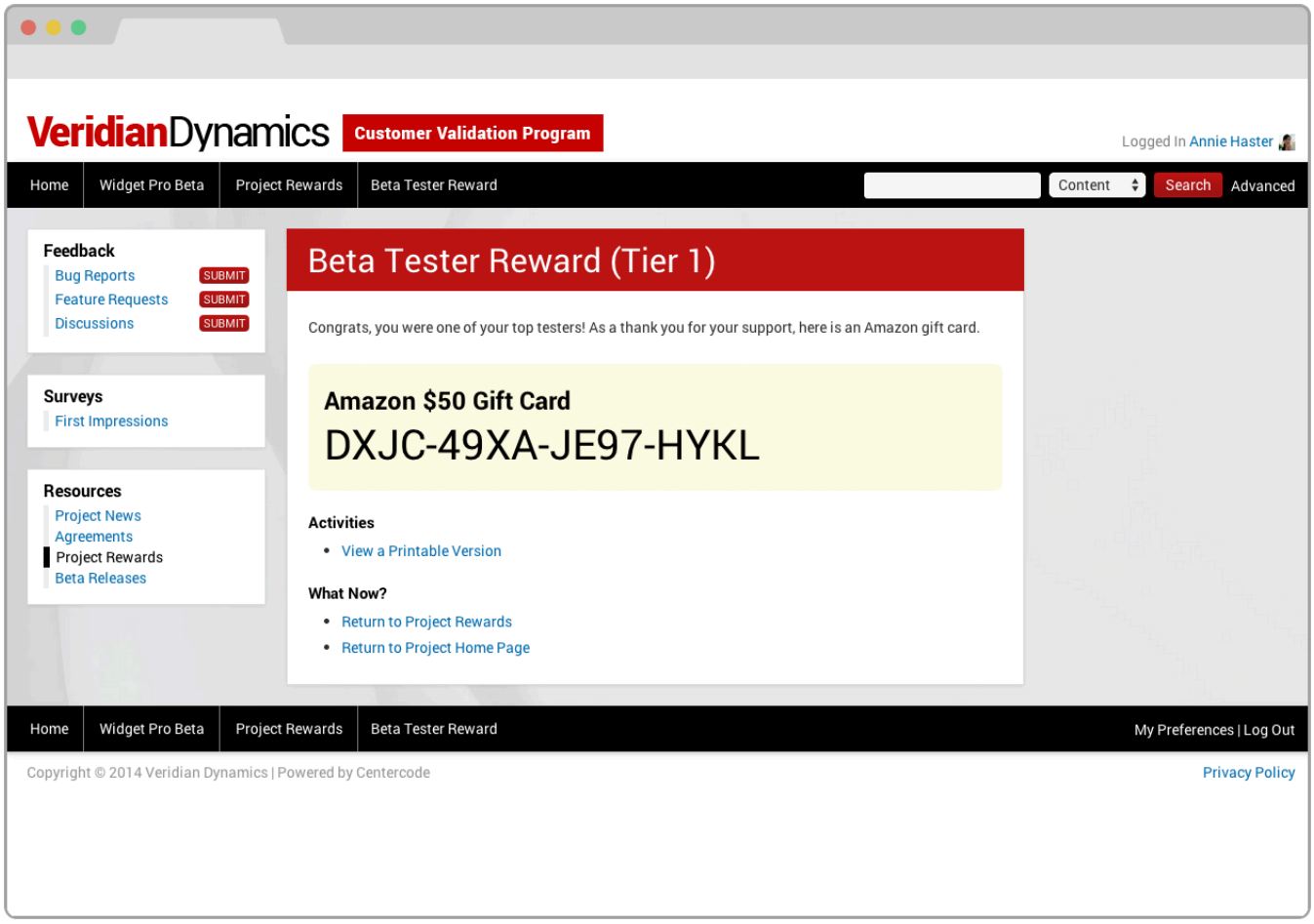
We've seen companies make this mistake countless times. They think that since their app is simple or free, they don't need to give testers a significant incentive. The result is bottom of the barrel participation rates and negligible feedback. Fundamentally, as the value of the product lowers, the value of the incentive needs to rise in order to keep testers engaged.

Other Reward Options

Giving your beta testers the product as their reward isn't always feasible or appropriate. Your product may be too expensive (or inexpensive), the product may be too buggy, or may not be released at all. Whatever the reason may be, there are many suitable alternatives. These alternatives can also be used to supplement your primary incentive if you have a lengthy test, are testing an inexpensive product, or are planning on having multiple tiers of incentives.

- **Your Other Products** — If the product being tested isn't an option, maybe something else that your company makes is. For example, if you're testing a mobile phone, some nice headphones could be a suitable gift. This can be a cost-effective way to go (rather than purchasing gifts) and will surely appeal to a group that's already interested in the products that your company makes. The downside is that you're limited to what your company produces.

- **Ancillary Products** — Other appropriately-priced products that either relate to or complement the product being tested are also good options. For example, if you're testing a laptop, perhaps a wireless mouse would be a suitable gift. This comes with its challenges, however, due to the fact that you will have to physically locate, purchase, and distribute these products to each tester, which can consume much of your time and budget.
- **Big Ticket Prizes** — You may want to invest some money in a couple big ticket items like iPads or paid trips, and have your testers compete for them either by holding a drawing or giving them to best testers. This will generate interest with your testers, but could also be frustrating to those who don't win if they end up getting nothing for their effort.
- **Gift Cards** — Gift cards are an easy way to show your appreciation without dealing with the logistics of physical gifts. They can also be a great way to supplement a free or inexpensive product. It's a good idea to make sure that the gift card itself relates to the item you are giving away (e.g. giving a $25 app store gift card with your mobile app). You can easily distribute codes via email or with your thank you cards. The Centercode platform also has a feature that will take care of this for you.



- **Product Discounts** — This is usually not the best option, because it requires testers to buy something to get their reward. This can sometimes look like you're pulling a "bait-and-switch" by only offering them the opportunity to buy your product as a reward. However, it may be the right option if you have a very expensive product or if you're testing a B2B workplace product. Even in these cases it would be a good idea to supplement the discount with a gift card or custom t-shirt to each individual tester to provide a more personal, substantial reward, and you should only use this tactic if you're confident that it would not appear to be a veiled sales attempt.
- **Personalized Gifts** — Beta testers love mementos of their testing experience. Custom tester team t-shirts, USB drives, and coffee mugs are a great way to put a personal touch on your reward while giving the tester something to hold on to as a reminder of their participation. There are several sites, such as Printfection, that will handle this process for you, allowing testers to pick from your branded merchandise and shipping their selections directly to them.

Make Sure Your Business Testers Can Accept Gifts

Some businesses have strict policies about employees accepting gifts from vendors. If you're testing a B2B product, confirm with your business sites what the rules are for gifts. Often there will be a limit on the value or type of gifts employees can receive. Asking your business sites during the planning stages of your test can help you avoid awkward situations when your test comes to a close.

Depending on your budget and product, some combination of these rewards will make sense for your beta test. While we do typically recommend using the product as the incentive (or part of the incentive) if possible, we've seen all of these rewards used with great success in numerous beta testing programs.

A Legendary Incentive

One of the best rewards we've ever seen was during a stress test that included 2,000 people for a popular video game. The company awarded — at random — an all-expenses paid trip to New York City for two testers to attend the video game launch party. The testers that won got to hang out with the creators of the game and received a shoutout at the party for their contribution to the test. While incentives of this magnitude are rare, they certainly create a lot of buzz within your tester pool and you can bet that your testers will be committed for years to come.

Incentive Selection Pitfalls

Selecting incentives for your beta testers has a couple pitfalls that you need to be careful to avoid so you don't set the wrong expectations for your testers or leave them with a bad taste in their mouths.

Don't Overdo It

Keep in mind that whatever you do in this test will set the bar for future tests. If you're overly generous with your incentives, testers will come to expect such extravagance in future tests. Word may also get around, which will also attract testers that are primarily interested in your rewards rather than your product. This could hurt the overall quality of your beta program in the long run. This is true with both hardware and software products. While it might seem obvious that a laptop is too large of a reward for a two week test, it may also be true that giving away $1,000 software is setting the bar too high for future tests. The calculator included in this kit will help you determine if your product is good fit for your final incentive.

Avoid Inexpensive Incentives for Expensive Products

If your product is on the more expensive side, then it would behoove you to give your testers a reasonably valuable incentive. The reason for this is that if your testers feel their incentive under delivers, you may have trouble getting your beta units back from them. Not to mention you risk tarnishing your company's reputation, not only in the minds of the disappointed testers, but through word-of-mouth as well.

Don't Pay Your Testers

Some companies want to pay their testers for each bug they find or piece of feedback they give. This is one of the biggest mistakes you can make in regards to incentives. By paying your testers, you put the integrity of their feedback at risk. You're essentially switching their focus from the product experience, to a dollar value. This may result in them exaggerating issues, making up bugs, lying to get into your test, or giving false praise. You cannot trust their feedback if there's money on the table. In addition, once an exchange of money is involved, testers become contractors, which means you'll have to deal with all of the tax implications that go along with that.

"By paying your testers, you put the integrity of their feedback at risk."

By avoiding these pitfalls and considering every option for incentives, you'll be able to select an appropriate gift or combination of gifts to thank your testers for their contribution to your development process.

Giving Incentives to the Right Testers

In addition to deciding what the incentives will be, you'll need to decide who will receive them. This involves determining the basic level of participation you require from your testers and how you plan to track it.

Setting Participation Requirements

You'll need to determine beforehand what level of participation is needed to receive an incentive and plan to reward all testers that reach that level. Don't include bug reports or feature requests in your participation requirements, for the simple reason that this may encourage testers to fabricate issues in order to look more productive. Rather, encourage activity in the form of surveys, tasks, forum discussions, journals, and daily logins. These are the activities that any tester can complete even if they aren't running into lots of bugs.

In Centercode Managed Beta Tests we require that testers log in regularly, complete all assigned tasks, and participate in other forms of discussion (forums, bug reports, journals, etc.). We clearly communicate these expectations, and then reward all participants who meet that level of activity. This approach can be challenging to budget for if you don't have an idea of your historical participation levels and cannot predict how many testers will meet your requirement, however if you assume 100% participation in each of your tests, the worst case scenario is a surplus. The Centercode platform automates all of the management involved in tracking participation for your testers, making this process much easier.

Don't Expect Too Much

It's tempting to expect a high level of participation from every tester (and we certainly hope you get that), but setting the participation level too high could frustrate your testers and ultimately result in lower participation rates. So instead, set the basic participation level at a reasonable place, and then give your testers that go above and beyond additional rewards to encourage that behavior. In our Managed Betas, we give additional rewards such as branded t-shirts and various popular gadgets to testers that far above the requirements, to show them we appreciate the extra effort.

Participation Requirement Pitfalls

Selecting which testers to give rewards to can have a couple of pitfalls to avoid.

Don't Tie Participation to Feedback

As mentioned above, you do not want testers to confuse "participation" with "feedback." They're two separate actions, and should be measured in different ways. If someone believes that by submitting a dozen bug reports they'll look like a superstar beta tester, then it's very likely that the "bugs" they're reporting will not be useful to you. Instead, communicate to testers that you're rewarding consistent participation in activities like forums, surveys, logins, and journals.

Don't Reward Testers that Don't Participate

Some companies will reward all of their beta testers with an incentive, regardless of how much they participate. This makes distributing rewards easy because you don't need to monitor or track participation. It can also be very expensive, since you're rewarding every single person regardless of how much feedback they gave (if they gave any at all!). It also completely undermines the goal of using incentives to maximize participation, as it devalues your testers and their involvement in your test. In order to get anything at all out of your beta incentives strategy, it's very important that you strategically reward your testers, instead of using a blanket approach.

Don't Reward Only the Top Testers

This approach is tempting for companies with limited budgets. They often want to only reward the top five testers or enter all testers into a drawing. In theory, this encourages all testers to participate as much as possible to get into that top tier. In practice, however, this approach almost always backfires. Some testers will get discouraged that they can't devote as much time to the test as others and just give up. Others will try to submit as much feedback as possible, burying you with irrelevant data. This approach results in participants dropping out and less relevant, usable feedback overall. It will also hurt you for future tests because testers that aren't in the top group won't feel like their contribution mattered and won't return. It's often customary to give additional rewards to your top testers, but you definitely want to give something to the rest of your participating testers to make them feel valued as well.

By strategically tracking the participation of your testers and rewarding them accordingly, you're building a truly merit-based incentives strategy. This will help reinforce the message that you value their contribution and are paying attention to the work they're putting into your test. The final piece of the puzzle is timing your incentives, which we'll discuss next.

Case Study: Advanced Incentives Techniques from Symantec

As a beta manager for Symantec, James McKey took his incentives approach to the next level. He used a number of methods from the previous sections to create a great testing experience, including calling top testers and thanking testers on the company's website. Below are a few unique methods that McKey employed to reward this testers. McKey advises trying out a variety of different methods to determine what works best for you and your community.

- **Ongoing contests:** McKey would hold weekly contests where he would reward the top five testers that week. The list would be displayed to all testers, then the contest would reset for the next week. A fresh opportunity each week fueled testers to continue participating.
- **Rewarding early birds:** McKey gave branded USB keys with "Symantec beta team" etched on them to the first 10 testers that responded to a new survey, which would get testers excited to submit their surveys early and gave them a branded token of appreciation to hold on to.
- **Big prizes at the end:** As part of the wrap-up for a test, McKey would award a big ticket prize, such as an Xbox or iPad to the tester that submitted the best bug. This would be judged by Symantec's product team and would serve the dual purpose of making sure testers submitted detailed bug reports and getting internal members at Symantec engaged in the test.
- **Keep one tester from hoarding all the prizes:** McKey's policy was that a tester couldn't get multiple prizes from any contest, which kept one superstar tester from frustrating everyone else who didn't have the same amount of time to commit to the test.

Distributing Incentives at the Right Time

Choosing the timing for discussing and distributing your incentives can be just as crucial as what you give your testers. As with everything else, it's closely tied with the psychology of beta tester motivation and important to consider before your test begins.

Wait Until the End

If you know what you're going to give your testers as a reward, it can be tempting to tell applicants right up front what the incentive is in an attempt to entice them to join your test. As mentioned earlier, this often has a negative effect on the beta test. It can result in attracting testers that are only interested in your reward rather than improving your product.

Providing details about the incentives once your test has started can have a negative impact, as well. If you tell your testers what the incentive is and they don't like it, they'll participate less or even drop out altogether. If they like your incentive too much, it may influence their feedback as they try to earn the incentive by giving more feedback or by trying to give the feedback they think you want to hear.

Don't tell your testers what the reward is until they've earned it. Beforehand you can tell them there is a reward and how to earn it, but not specifically what it is. Let the testers assume that you'll be fair to them — and then simply be fair to them. This serves two purposes:

1. It keeps the testers motivated (but still objective) throughout the test. Since they don't know what the reward is it can't bias their feedback, but since they know they will get a reward for their participation they stay motivated to contribute. The reward then becomes the icing on the cake at the end of the test for a job well done rather than a primary motivator.

2. It grants you flexibility. Things change during a beta test. You may have to end your test early or extend it beyond what you planned. If you don't tell your testers what the reward is, they won't have any expectations and you'll be able to change the incentive as needed. You'll also be able to reward testers differently. You can give your top performers better incentives without your average testers getting upset because they expected the fancy gift too.

Since many of your testers are likely taking part in your test because they like the testing experience and want to take part in improving your product, the good testing experience you've built is enough to keep them motivated throughout the test. Then the rewards you give out are a nice bonus.

Best Practices for Distributing Incentives

Just because you're at the end of the test doesn't mean it's going to be smooth sailing. Distributing incentives has some challenges you need to be aware of.

Wait Until You Have Everything You Need

Giving your testers their reward signals the end of the beta test for them as well, so you should make sure you don't jump the gun before you have everything you need from them. Decide what that final act of participation is (such as completing the final survey or returning the beta unit) and do not give the tester their reward until it's complete. This will give the tester that little extra nudge they may need in order to finish those final tasks in a timely manner.

The Sooner the Better (After the Test)

As a general rule, the sooner you can get your testers their rewards after the test, the better. Keep in mind that you will be extremely busy taking all of your new feedback into consideration for the next phase of your product development, so make sure not to forget about your testers at this point. Getting incentives to them quickly will also end the test on a positive note and give your testers a sense of closure.

Communicate Any Final Expectations

You know your testers are going to be paying attention when they get their incentive, so take this opportunity to communicate any last information you need them to know. This could (and should) include your gratitude, but also more practical matters. If you're letting your beta testers keep their beta units, for example, it may be a good idea to remind them of their confidentiality obligations, especially if you're concerned about leaks prior to launch. If you're giving your testers production versions of the product there may be a gap of weeks (or longer) between the end of the beta test and when they receive their release version of the product. Properly set their expectations to ensure that they don't feel forgotten, which includes an idea of timing and process for getting them a production unit.

The Long Term Value of Happy Testers

Beta test incentives can have an impact long after your beta test is over. By using your product or wearing your t-shirt, you're constantly reminding testers of the positive experience they had with your company. You're also cementing a long term relationship with potential brand evangelists who can be great resources for testimonials, feedback on released products, or future beta tests. Don't underestimate the staying power of the beta testing experience.

Conclusion

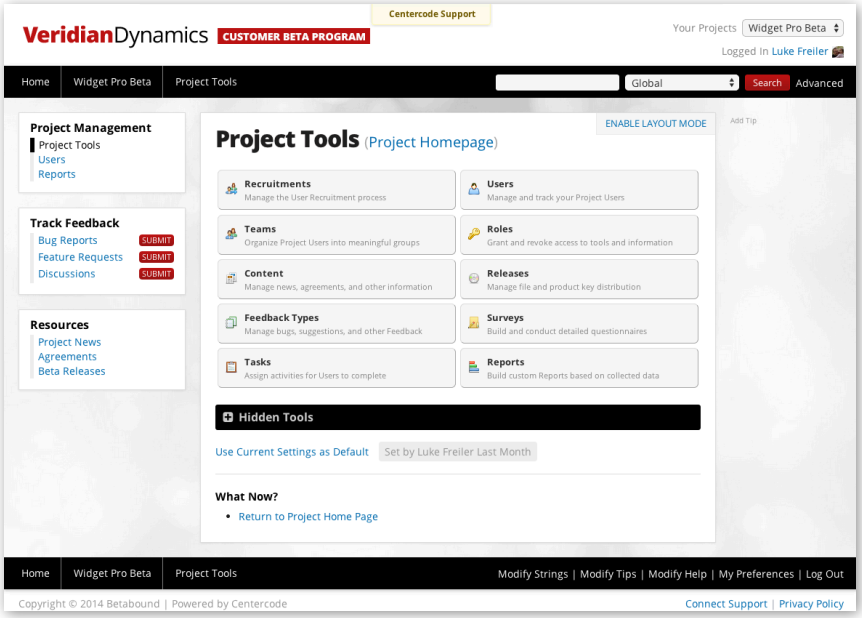
Incentives are a very powerful aspect of beta testing. If used correctly, incentives can motivate your testers to participate throughout your test, and create an enthusiasm for your company that continues long after the test is over. Using them correctly, however, requires building a strategy that makes your testers feel like a valued part of the development process. With a little creativity and forethought, you can leverage your incentives strategy to turn good beta testers into extraordinary ones, and cement beta testing as a fundamental part of your product development process.

How Centercode Can Help

Our beta testing solutions are designed to help you create a powerful and cohesive beta testing experience, resulting in better beta tests, and better products.

Our Beta Management Platform

The Centercode beta test management platform is a complete system for managing beta tests from start to finish. It's easily scalable and includes everything you need to recruit targeted testers, track participation, distribute incentives, and much more. You can schedule a demo to learn more and see it for yourself.



Our Managed Beta Tests

Our Managed Betas Team has the experience and resources to run any sort of beta test. We know how to create a unique and engaging test experience to ensure a successful beta test. We'll even build you a free beta test strategy prior to any commitments, which includes a custom incentives strategy.

Our Beta Testers

Betabound is our growing panel of over 90,000 prequalified beta test candidates that are always looking for new products to test. We've used this pool to execute hundreds of successful tests for products of all types. This panel is a free resource used by Centercode, our customers, and companies looking for beta testers.

Our Beta Management Library

We're constantly developing and publishing free high-quality beta resources in an effort to help improve beta programs everywhere. This includes both our beta test management blog and our growing library of eBooks, whitepapers, templates, and other beta-related resources.