

MARKET SURVEY

Despite the bad press that scratch cards have received over games that have gone wrong, they remain popular with the public. Nick Purdom investigates

UP TO SCRATCH

Scratch cards have had a chequered history since they first appeared in petrol station promotions in the US in the '60s. Despite their continued popularity, sometimes the games have gone wrong, hitting the headlines and leaving the promoters with red faces.

One of the most notable disasters took three years for agency KLP to resolve with its then client, Asda. The retailer claimed that its 1984 bingo-style game card promotion failed because some Asda Cash Cards were not properly silver-coated and the winning numbers showed through. KLP, which maintained the fault lay with the German printer, was sued by Asda. Eventually, the agency issued Asda with £340,000 in credit notes while the retailer agreed to withdraw its claim for damages and settled its outstanding account with KLP.

Disaster games

Other disasters that have entered into promotional folklore are Typhoo's 1984 Cashpot, which was cracked by a syndicate which discovered the winning patterns in a game of chance; Esso's 1985 Noughts & Crosses, which was withdrawn after just one week when 17 people claimed they had won the single first prize of £100,000; and Guinness' Master of Pure Genius in 1989, where some punters found they could uncover boxes with crosses in them simply by rubbing a dry thumb across the coating.

But while there may have been a few disasters, there have also been countless successes. John Donovan, managing director of Don Marketing, an agency specialising in promotional games, says he has supplied more than a billion game pieces without any problems. He counts Shell's Make Money game (said to have raised sales by 25%) and the Great Guinness Challenge (which boosted sales by 30%) among his biggest successes.

Playability factor

However, the consensus in the trade is that scratch cards have passed their peak of popularity. Pubs and petrol stations are still the favoured environment. "They create a degree of theatre in pubs – the playability factor draws people together, and there's the excitement once everybody's decided on an answer of seeing if they're right," says Sue Day, business group director of agency FKB, which still produces scratch cards for drinks trade clients.

Donovan says: "I can't see anything replacing them. Other techniques have been tried, such as lift-off windows, but people don't like bits of card falling in their car, and scratch cards are a more secure format." Don Marketing's most recent scratch card campaign for Shell is Aqua-Valet, where punters scratch off

Having shelved its Collect & Select promotion, Shell's 1991 Star Trek scratch card campaign featured the first Star Trek series. It coincided with Star Trek's 25th anniversary, Paramount launching a new series and BBC screening the original 1979 episodes

boxes in columns, winning from 25p off a car wash right up to a free wash.

Newspapers also continue to use scratch card campaigns. The *Daily Mail* has just finished running its Own National Lottery Game, with a bingo-style mechanic where readers scratch off numbers on their card from those printed daily in the paper and try to make a line of 10 to win prizes from £5,000 to £100,000. "This is the first time we have used scratch cards for a while, but they always interest readers," says Andrew Cappart of the *Mail's* promotions department. The *Sun* and *Evening Standard* have run similar promotions.

Easy for the retailer

But scratch cards are not only used in high profile consumer promotions. "We did a lot of research into different types of promotion, and believe that scratch cards are the simplest form – they are easy for the retailer to handle and are something we could sell to our ► 20



suppliers," says Martin Williams of Spar Landmark's promotions department, which has just run a trade promotion using scratch cards. The Stock 'N' Trade mechanic involved answering a quiz question to obtain a cash discount, with bigger prizes, including a top prize of a Vauxhall Rascal van, for people who collected cards with different symbols. "It created a lot of retailer interest, and we obtained more supplier support than we needed," says Williams.

Sink or swim

Despite their continuing popularity, the long-term future of scratch cards is uncertain. "It's a long time since I've seen an innovative one - people are putting their creative talents to other types of promotion," says KLP director Sally Pounsford.

Sue Day of FKB believes they may be superseded by other types of reveal technique, and technology has already made possible promotions such as 'Is there a car in this can?'.

However, there is one event that could lead to a revival of the scratch card technique, or prove to be its swansong. When the Government's National Lottery gets under way next year it is expected that the instant win lower-value prizes will use a £1 scratch card.

Printing problems

Printing scratch cards is a specialist business, and there are few printers in the UK able to undertake the task. Three of the biggest scratch card printers are Henry Booth (Hull),

William Sessions (York) and J Howitt (Nottingham).

The text on the cards is normally printed using traditional litho methods, but because of the millions of variations required in games of chance this requires hi-tech machinery capable of producing variations with no noticeable differences in colour or registration.

Coated card is favoured because absorbent card soaks in the base release lacquer used to prepare the card for the latex material - the scratch element - which can lead to problems in scratching this off. Silk screen printing is used to obtain the right weight of latex to obliterate the text, but new techniques such as acrylic and wax are being developed.

High security

Common problems are show-through and the latex scratching off too easily or not at all. Any variation in print or colour can also help discerning punters to detect winning cards.

As well as dedicated machinery, printing scratch cards also requires good organisation and high security. Cards with potential high-value prizes have to be "seeded in" so that they are evenly distributed. And it is vital that nobody involved in the printing and distribution is able to detect these cards.

Print runs can range from 500 up to 100 million. Lead times can be as short as a week for the smaller runs, but proportionately longer for the very high volumes, perhaps 6-8 weeks.

Price tends to be about 2p each for runs up to 10 million, and about 1p for longer runs, with another 2-3p on top for the prize fund. □

Top: Spar Landmark's promotions department researched different promotional mechanics, concluding that "scratch cards are the simplest form - they are easy for the trade to handle, and something we can sell to suppliers". This Stock 'N' Trade mechanic involved retailers answering a quiz question to obtain cash discounts and prizes.

Below: Domino's drive to capture the pizza delivery market featured a scratch card game as part of its biggest ever below-the-line spend. Customers answered three true or false questions. Correct answers won the prize shown under a panel, including a car, bikes and HMV vouchers.

THE LAW

The law in this area is particularly complex and promoters are advised to take legal advice and get themselves adequately insured.

There are two points to note. Games of chance must not be dependent on the requirement to spend money and purchase a product, otherwise they constitute a lottery, which should be seen as a no-go area for promoters.

Games that require you to spend money before you are issued with them have to be skill games if they are not to be deemed lotteries and subject to the strict regulations applying to these. Thus, the cards typically handed out when you buy a pint in a pub are almost always quiz games.

According to Philip Circus, legal adviser to the ISP, the most important thing with scratch cards is to make the rules absolutely clear. Eligibility, rules, prizes and how to claim should be clearly stated on the card. Common clauses include: cards altered or tampered with will be declared void; if more than the stated number of boxes is uncovered the card is invalid; and printers' errors invalid.

Circus is not in favour of putting the responsibility down the line with the printer. "These types of clauses should never be a substitute for good quality control systems," he believes. And he warns: "The screw-up factor can lead to adverse publicity - there's always a lot of interest in promotions cock-ups."