

Sweepstakes Basics: What Marketers Need to Know About Sweepstakes Winners

Here is a list of our current affiliate partners and how we earn money

Sweepstakes winners need to receive prize notifications if you run a prize promotion, including sweepstakes, text to win, instant win and social media contest campaigns. In this sweepstakes basics guide, learn how to notify your sweepstakes winners. Plus tips for reaching out to sweepstakes winners over social media, email, postal mail, and telephone.

We'll also explain what to do if the sweepstakes winners don't respond to claim the prize, how to choose a new winner and share best practices for winner announcement. We give you everything you need to know to get participants to trust you and respond promptly!

Ready to jump in? Let's go!

IN THIS ARTICLE:

- What do marketers need to know to manage sweepstakes winners?
- How do taxes work for sweepstakes winners?
- What is a sweepstakes winner?

via GIPHY

What Is a Sweepstakes Winner?

A sweepstakes is a random drawing where participants enter for the chance to win a prize. In other words,

a sweepstakes winner is the person or persons who have won a prize.

How Sweepstakes Winners Are Chosen?

Sweepstakes winners are chosen in a random drawing. Sweepstakes feature both an element of chance and a prize. A sweepstakes may also offer multiple prizes and have multiple sweepstakes winners.

How Are Sweepstakes Winners Notified?

First and foremost, you want sweepstakes winners to respond promptly. Therefore, when you reach out to sweepstakes winners, make sure that you give them a reason to respond. Make clear, the following.

To help sweepstakes winners reply so you can award the prize:

- Make sure to spell their name right
- Provide the name of the sweepstakes Sponsor and their contact information
- Include the information that the sweepstakes winner submitted in the contest entry form so that they can recall your promotion
- Explain how to claim their prize
- End with a a short CTA says to do it immediately

Before you contact the sweepstakes winner, make sure:

- The sweepstakes winner is eligible to win, according to your sweepstakes entry requirement as stated in your sweepstakes rules and regulations
- You have permission to use their name as a part of the sweepstakes winner announcement
- Your promotion follows social media TOS (required before you post anything publicly on social media) which requires you to notify the winner directly before posting anything

Don't Forget to Contact Non-winners and Say Thank You

At the same time, you should also make sure to contact non-winning participants to let them know that they are not the winner. While these non-winners will be disappointed, you can soften the blow with a sweepstakes consolation prize, such as a discount or special offer only available to those who participated in the promotion.

Be sure that you create different list segments for non-winners and sweepstakes winners so that you can send them personalized marketing automation emails for your brand. Later, invite them to participate again when you next run a sweepstakes.

Subscribe Now:

via GIPHY

Be Transparent With Consumers About Sweepstakes Winners

It's important that you are clear with participants regarding the <u>winner notification</u> methods. Participants need to know what to expect from sweepstakes promoters when it comes to finding out whether or not they won.

Build customer trust by publicly announcing the sweepstakes winners and also benefit through:

- Your winner announcement shows prospects that your company is legit
- Winner announcements provide credibility and social proof for your brand
- Announcing the winner can provide a lift in your brand's reputation
- Announcing the winner helps to turn sweepstakes participant leads into sales.

The right way to do this is to explain in detail in your Official Rules. Sweepstakes eligibility requirements, winner notification, and winner drawing details are required by sweepstakes laws to be included in your sweepstakes rules. You can also provide a FAQ section on your sweepstakes web entry form that explains exactly how winner notification works.

via **GIPHY**

Here are some important tips that you should share with participants in your sweepstakes or contest:

- A legitimate sweepstakes will never notify you that you've won a prize by bulkmail or an unsolicited telephone call.
- A legitimate sweepstakes will not require you to purchase a product or pay any kind of fee to enter or claim the prize.
- The winner of a sweepstakes is selected at random. The sweepstakes sponsor doesn't have advanced knowledge of who will win before the winner drawing. Participants can not improve their odds.
- Purchasing products or making a donation never improves your odds of winning. All sweepstakes participants must have the same odds.
- Sweepstakes promotions just like other types of email marketing can insert your name into their emails to make you think the message personalized. So participants should verify that the promotion is a legit sweepstakes that they actually entered before they reply.

Make sure that you also let your participants and fans know that if they do not want to receive any further sweepstakes mailings from your brand, then can opt-out. Then provide the instructions on how to do so.

By being transparent on the sweepstakes winner drawing and winner notification methods, you can help participants to trust your promotion and respond faster if they win.

via **GIPHY**

How Do Prize Notifications Happen for Sweepstakes Winners?

All prize notification methods for sweepstakes winners must be clearly defined in your sweepstakes Official Rules. Prize notifications may happen in 4 ways:

1. Prize Notifications by Email

The sweepstakes sponsor may decide to notify the winner of the sweepstakes by email at the email address that the potential winner submitted in the entry form. During the campaign, in your sweepstakes follow-up emails, remind participants to look out for winner notification emails as the end date of the sweepstakes approaches.

2. Winner Notifications by Postal Mail

Many companies send prize notifications via mail. These winner notifications may be individually sent by the <u>United States Postal Service</u> (USPS) or by a delivery service such as UPS or FedEx.

Free Ad Maker for Social Media and Video Advertising

Create awesome ads for your sweepstakes or contest in seconds with the Adobe Express free ad maker. Customize your advertising by including trending images, high impact fonts, and high quality design assets. Create your ads now.

Get Started

ADVERTISEMENT

Remind participants to look out for any details they need to claim the prize, such as forms and an affidavit. That way they know exactly what to expect to separate your prize notifications from other bulk mailings as legitimate do not notify sweepstakes winners in bulk mailings.

3. Prize Notification on Social Media

A sweepstakes Sponsor may send a Direct Message (DM) to the sweepstakes winner to notify them that they have won a prize. This is typically done when companies run sweepstakes on social media platforms, such as Twitter, Instagram, and Facebook which offer DM features.

The sweepstakes winners must be notified individually first. Also a <u>screenshot</u> of a DM can provide <u>proof</u> that the sweepstakes winner was notified a public winner announcement is posted to the business page or profile.

4. Prize Notifications by Phone Calls

You may decide to notify participants via a phone call. However, with the proliferation of sweepstakes scams and telephone scams, this method is generally not recommended. However, prize notifications by phone are popular for radio sweepstakes and mobile sweepstakes. Make sure to tell participants upfront when to expect a phone call and where it will come from.

via GIPHY

Winner Verification: How Does It Work for Sweepstakes Winners?

A <u>sweepstakes company</u> will verify the prize win with the sweepstakes winner. Let participants know how the winner verification process takes place so that they have a foolproof method to determine if your prize notification is actually real. You should also make sure that the contact information for the sweepstakes sponsor is highly visible to build trust.

If you are sponsoring your sweepstakes promotion with the help of a sweepstakes company or judging agency remind participants that they can also contact them to verify the validity of the promotion. The better the transparency around your promotion, the more likely you are to get prompt responses from sweepstakes winners.

What Happens When Sweepstakes Winners Don't Respond?

So your brand sponsored a giveaway, but you haven't yet been able to contact the sweepstakes winners. What do you do next? What happens if the sweepstakes winners don't respond to the sponsor that let them know that they won?

Some consumers may be hesitant to enter your promotions because of sweepstakes scams. However, in this case, even if a participant entered your promotion, it may become difficult to award the prize. The answer to this starts with the prize notification.

via GIPHY

Here are a few of the reason why sweepstakes winners don't respond:

- "I thought it was a scam." This is where education can work in your brands favor to help your fans learn the difference between scams and legit sweepstakes. A sweepstakes FAQ page can answer a lot of their questions.
- "I didn't think I would win." This happens all the time with sweepstakes winners, especially if the grand prize is expensive. When notifying the sweepstakes winner, being transparent about the sweepstakes prize and the details of the prize delivery process will help to make them feel more at ease.
- "What does it cost?" Remind participants that they don't have to pay anything as sweepstakes winner to claim a prize because it's the law. All they need to do is work with your sweepstakes administration company to complete the winner verification process and sign necessary documents such as an affidavit.
- "What are the taxes on the prize?" Don't answer this question. Instead, remind the sweepstakes winner that they should contact a tax professional or accountant for tax advice. All that is required from them to claim their prize is that they will be issued a 1099-MISC form.
- "Can I exchange the prize?" If you want to allow sweepstakes winners to make changes during prize delivery, such as to give the prize to a friend or exchange it for another prize or cash, it should be in your Official Rules. Your sweepstakes rules should determine what happens in these instances so that participants agree on entry to your promotion that these are the rules.

You'll never be able to anticipate all of the potential objections that sweepstakes winners might have that make it difficult for you to award the prize. However, professional sweepstakes administration will help you to ensure that these instances are properly handled.

Based on process detailed in your sweepstakes rules, you are required to notify winners in a certain timeframe so that the can claim their prize. You should generally limit the duration of time that sweepstakes winners have to claim their prize.

via GIPHY

When Sweepstakes Winners Don't Respond Refer to the Official Rules to Choose a New Winner

If the sweepstakes winner doesn't respond, then the Official Rules should state that the Sponsor will select a new winner. This helps the sweepstakes Sponsor avoid legal problems and helps ensure a timely, public winner announcement. As far as how to follow-up with non-winner participants, don't spend a lot of time in your message with non-relevant information.

Instead, inform them that a new sweepstakes winner has been chosen and where to look for the public winner announcement. Keep this simple as well. There is no need to explain what happened other than that the sweepstakes winner did not accept the prize.

Skyrocket Your ROI with ar Annual Sweepstakes Marketing



SWE

Find the right sweepstakes

Use Sweepstakes Administration for Prize Notification, Winner Verification & Legal Compliance

Regardless of how you follow up with sweepstakes winners, make sure that you always use the same formats you used previously to contact them. That way you can log the number of attempts that were made to contact the sweepstakes winners. By referencing them, you'll be able to provide <u>proof</u> of a sweepstakes winner failing to claim the prize in time.

Participants get impatient when a sweepstakes ends and the winner is about to be announced. Furthermore, you are required to follow the Official Rules exactly with no changes to any promotion dates. Make sure that you continue your promotion as you had originally intended. If you are unsure how to manage choosing a new sweepstakes winner, have a sweepstakes administrator do it on your behalf.

Professional sweepstakes administration will also help to ensure data collection and privacy laws are followed for <u>legal compliance</u>. Mobile marketing laws must be also followed in the case of text to win sweepstakes, mobile app sweepstakes, and other promotions.

via GIPHY

Final Tips

Sweepstakes administration companies and legal teams already understand the benefits of publicly announcing sweepstakes winners. They also know how to do it correctly to avoid legal problems. Make sure that your sweepstakes winner verification process includes eligibility verification, liability releases, tax forms, UGC permissions, and more as required per federal, state, and local sweepstakes laws.

Looking for a sweepstakes company to help you with your next promotion? Sweepsify helps you find top sweepstakes companies in seconds. Create your free Premium account now to get started.

Share:

Read More