

## What Are the Differences Between Sweepstakes and Contests?

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Sweepstakes and contests are different. Trying to decide whether to run a sweepstakes or social media contest?

Both of these promotions are highly effective for attracting new fans on social media. They can even help you engage with existing customers for a sales boost.

However, to ensure compliance with sweepstakes laws and that you are actually selecting the right type of sweepstakes or contest for your needs, you should know the differences.

Here is an overview of the major differences between a sweepstakes and contest.

#### IN THIS ARTICLE:

- What type of sweepstakes or contest to run?
- Sweepstakes and contest legal definitions
- How a sweepstakes or contest administrator help you choose

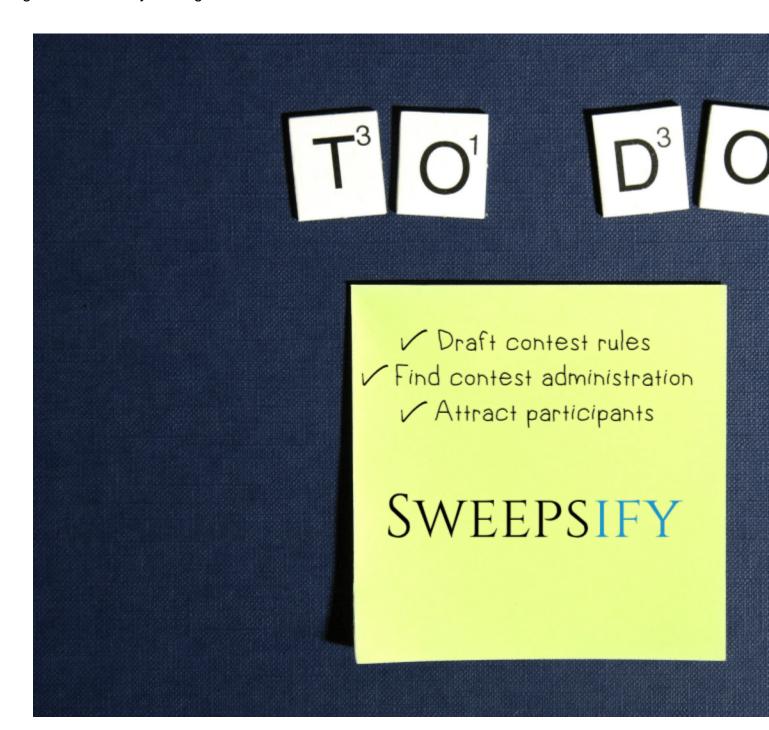
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# 1. Design The Right Promo for Your Needs

Choosing whether to run a sweepstakes or social media contest shouldn't be about choosing a type of promotion. Instead, thing about what your audience actually wants in a free giveaway.

Are they mostly one-time customers? Do they need to purchase your product on a subscription basis? Does your product or service inspire creativity in your audience?

All of these are questions that you should consider before you hire a sweepstakes administrator or contest manager. They can then help you through the planning and design process to ensure that the campaign is designed to hit all of your target metrics.



# 2. Sweepstakes vs. Contest: They Have Different Legal Definitions

Although the words, 'sweepstakes' and 'contest' are often used interchangeably by sweepstakes participants, they have different technical and legal definitions.

A sweepstakes is a game of chance without any element of consideration, namely a purchase or cash

payment. All sweepstakes offer free entry, typically beginning with the sweepstakes participant completing an entry form. In order to be considered as a legal sweepstakes, the sweepstakes winner(s) must be selected randomly.

Contests require more effort for participation and they are are considered as a game of skill.

Most contests are typically free to enter because they are often other requirements that the participants will need to invest in order to participate, such as a drawing or writing contest.

Other examples of contests are viral video contests, essay contests, and photo contests.



# 3. Know Sweepstakes Law

This often the most difficult aspect of choosing a sweepstakes vs. contest for a brand. That is because of the myriad of federal, state, and local sweepstakes laws that may apply to the promotion.

Brands must also comply with the Terms and Conditions of the most popular social media platforms, including Twitter, Facebook, LinkedIn, TikTok, Instagram, and YouTube.

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### 4. Reach Your Audience

Everybody loves to win free stuff. However, in order for your sweepstakes or contest to be successful, you need to know the audience that you are trying to reach. Also consider how much time they would be willing to spend on following your promotion.

A sweepstakes or contest co-sponsor might also be useful if you are looking to tap into another brand's audience in order to attract customers to your brand. Video contests are one of the most popular types of contests and attract participants in any niche.

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# Next Steps

It's not hard to see that things can get complicated if you opt for a completely custom designed promotion. As a result, we highly recommend having a <a href="mailto:sweepstakes">sweepstakes</a> company or contest marketing company review your official rules first.

This will help to ensure that your promotion is actually considered as a sweepstakes or contest in all of the jurisdictions where your promotion will be made available. A contest may change a contest entry fee.

Looking for a sweepstakes marketing 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.

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