Executive Summary

Advertising Effect Research on In-Game Advertising

Eyetracking-Analysis of Advertising Effects in Computer Games, Gaming Habits, Trends

Scientific evaluation of brand awareness inside and outside computer games and guidance for developers and advertisers in view of future developments.

A study by
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gamematrix

Research Department
11 Prozent

Introduction by the research leader, Carsten Szameitat

In-Game Advertising and Brand Awareness

Just as the technology changes, the members of the target group grow up into well-funded adults. Half of the 50 million “Sims” players even are female. In this setting, most of the gamers show a high acceptance of advertising. This is why Electronic Arts recently offered a download of a Pepsi drinks machine on the “Sims” website. About one million computer game players accepted this gift gratefully. They wanted to use the original drinks machine in the virtual world they were constructing, to give it a more realistic look.

The first big deals were made. In 2002 McDonald`s and Intel willingly paid two million dollars to participate in “Sims Online”. In Activision´s game “True Crime: Streets of LA” the protagonist is exclusively dressed up in Puma outfits. The publisher also made a deal with Quicksilver for following game titles.

In Ubisoft`s action game “Splinter Cell” the secret agent Sam Fisher takes a Wrigley`s chewing gum before starting his deadly mission. More and more manufacturers of branded products provide budgets to invest into this new medium – for example car manufacturer Chrysler is said to spend ten percent of its advertising budget on in-game advertising.

Most recent studies predict eGames are going to be the big hit of the following years.

A turnover of 2.9 billion Euros up to 2009 and the strong expansion of broadband internet indicate the onset of a boom in online-gaming. The growing fascination with games, the emotionality and the option to play games with friends via the internet makes the cash tills ring. Online gaming alone is expected to create a turnover of 913 million Euros. Mobile gaming is gradually developing into an important sector of the games market. In addition to this, playing games on mobile phones, mobile game consoles and the introduction of new device generations by market leaders Sony, Microsoft and Nintendo are further stimulate the market growth.

The blending of music, entertainment and eGames allows new approaches marketing advertising.

Crossmedia contents can generate new buying impulses and this trend has to be considered in order to reach the consumer in the future. Regarding spendings on advertising, eGames already compete with established media like print, TV and internet. This means that a new way of thinking is required in advertising agencies. New ventures emerge, fully concentrating on marketing in computer games: in-game advertising agencies. They are able to place measurable ads quickly and easily.
Considering this trend it is obvious that the big game developers expect exorbitant growth rates and advertising gains. Yankee Research Group expects a total turnover of 800 billion US $ in 2009. At present 200 million US $ are spent in equal shares on advergaming (advertising games) and in-game advertising (advertising in games). This clearly shows the potential of the market. All partners involved have to decide how to deal with advertising in and around eGames. There is a need for an information advantage to be able to conduct innovative advertising and customer communication in the future.

The Pitfalls …

Even though the new medium has become very interesting for advertisers because of its range and quality of the target group: Some rules have to be observed, otherwise there is a risk of doing damage to the brands involved. Many projects by internationally operating advertisers already show how things should not be done. Advertisements that do not fit into the context or do not provide more realism to the setting of the game or even obstruct the game’s flow, might ruin the whole effort and generate irreparable damage.
Yet, if all parties involved observe the rules, there is a good chance to be successful.

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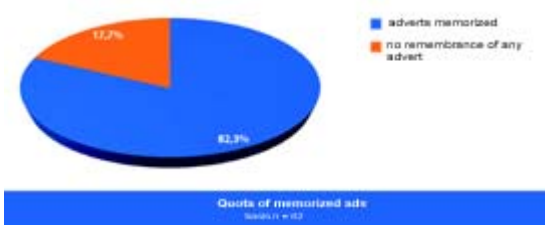
The study deals with the subject of In-Game Advertising in an experimental manner, by analysing two exemplary video games, a race driving simulation and a soccer game. The core data were gathered by means of a tool that is well established in scientific research on advertising effects: the eye-tracking technique. In addition to the collected data on the demographic background and behaviour of the probands, the analysis offers extensive material for interpretation.

According to representative studies, the target group reached by this channel totals 10.7 to 12.2 million males and 6.3 to 7.5 million females at an age between 14 and 39 years. Taking into account their online-gaming habits, about 3.7 million people in Germany could be addressed by in-game advertising. The market prognoses are consistently positive and assume further growth.

In the course of the study, 65 probands were monitored while and after playing two different computer games (a car racing simulation and a soccer simulation). The gender quote was about 3:1 (males:females). 70 percent of the probands were aged between 21 to 30. There was an equal number of singles and probands living in a partnership involved. More than 60 percent of all probands stated to be casual gamers; non-playing probands and avid gamers formed the minority.



Quota of adverts remembered by the target group.

The probands use about 16 percent of their leisure time for gaming and prefer to play on personal computers. Game consoles are barely represented and no favourite can be identified. Car racing simulations and ego-shooters are the favoured genres in the sample. Sport simulations are also very popular. When it comes to playing, the probands prefer offline single-player games.

The attitude towards advertising can be described as neutral to positive. The essential point is how advertising content and media fit together and how relevant the advert is for the consumer. It is also important that the flow of the game must not be interrupted by advertising.

The quote of memorized adverts in this study amounts to more than 80 percent with an average of 1.8 remembered brands and about 90 percent of correct namings. Here probands with little gaming experience and avid gamers deliver poorer results. The group in between showed mainly concentrated on the essential game content. Probands older than 30 years have the best memory; this can be ascribed to the extended experience, these test persons have with the cognition of advertising.

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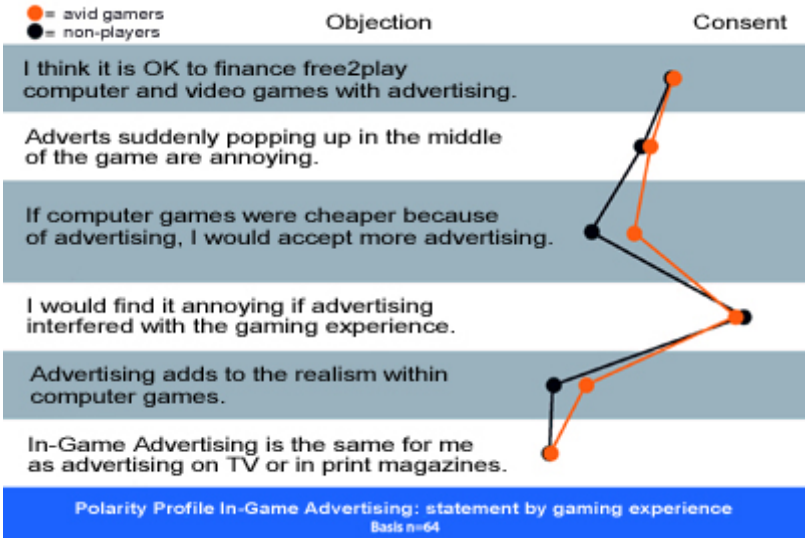
For the evaluation the collected demographic data, the data on based and unbased memorization and the data of the eye-tracking analysis were used. Measuring the duration and frequency of sight fixation, the best and the worst advertising effect could be identified in both games. Placement is the key element, which explains why some advertisements do not get much attention or are not remembered, even though they are constantly present in the field of view. This does not depend on the level of brand awareness.

The study also shows, in which gaming situations the advertising content is optimally perceived, so that the effect of the advertising effort can be maximized. In both games there were differences between the particular game phases and situations regarding the frequency and duration of advertising fixation.

These results are especially important considering the risk that the consumer might refuse the advertised brand. If the advertising is presented at the wrong time or place, it just does not catch the player´s attention in the best case. In the worst case the player might even develop a disliking for the advertised brand.

Finally, the study makes some general statements on in-game advertising by comparing the two games. It provides recommendations for the design and placement of advertisings. The study addresses developers of computer games on the one hand and advertising agencies wanting to expand their knowledge on in-game advertising on the other hand.



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Eye-tracking Analysis as a Means to Visualise the Effects of In-Game Advertising

Costs: 800 Euro plus VAT and shipping
Languages: English, German
Hardcover: 196 pages, coloured,

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