



# GAMES: IN-GAME ADVERTISING

As the video game playing population expands and diversifies, in-game advertisements and advergames are expanding as well. DFC Intelligence, a video game and entertainment research company, estimates the in-game advertising market will grow to \$7.2 billion globally by 2016.

## STRATEGIC ADVERTISING

The first examples of in-game advertising were static, or unchanging, consisting of virtual billboards, or in-game product placements. Artists or programmers placed these advertisements, which could not be altered, directly into a game. The first example came in the 1978 computer game Adventureland by Scott Adams, who inserted an advertisement for his then-forthcoming game Pirate Adventure. The trend continued throughout the 1980s and 1990s when Anheuser-Busch, Inc. and Adidas Ltd., included advertisements in Bally Midway's Tapper and Moby Game's FIFA's International Soccer. In 2002, South Beach Beverage Company (SoBe) paid Ubisoft Entertainment to have the main character in Tom Clancy's Splinter Cell: Double Agent reach for a SoBe drink when he got thirsty in the hope that players would do the same.



## DYNAMIC ADVERTISING

Advances in technology now allow in-game advertising to be more interesting and entertaining. Many of today's in-game ad campaigns use dynamic advertising, which can be changed over time and tailored to geographical location or time of day, allowing more flexibility for time-critical campaigns.

Dynamic advertising also allows ad companies to track and receive information from a player's console about the advertisement. Advertisers can record data — such as time spent looking at the advertisements, the most-viewed advertisements and viewing angles — to determine the most successful ads, which provides valuable insights for future campaigns.

**\$7.2 billion**

Expected global market, in dollars, for in-game advertising by 2016, according to DFC Intelligence.

New console technologies also enable gamers to interact with advertisements. Microsoft

Corporation launched a new suite of advertising tools called NUads in 2012 for its motion-sensing Kinect for Xbox 360. NUads allow gamers to use voice and motion commands to access additional information about



the product or service advertised, post messages about an advertisement on Twitter, and view maps of nearby retail locations.

These virtual techniques translate to real-world results for companies. In 2013, Microsoft announced that the first wave of NUads used by several top advertisers, including Subway Restaurants and Toyota, saw double-digit engagement levels as compared to traditional TV advertisements. On average, 37 percent of viewers engaged with NUads when prompted with the option to vote in an online poll, and 71 percent casted a vote.

### ADVERGAMING

Advergaming refers to the practice of using a video game to advertise a product. Usually, the games feature a company's products. According to Jupiter Media Metrix Research, 50 percent of recipients who receive an advergame will play it for an average of 25 minutes.



Home Shopping Network, Inc. (HSN) added an online HSN Arcade to its main website in hopes of attracting customers. Site visitors may choose to play one of 25 different games while viewing live streaming video of HSN's main television channel. One game, *Today's Special Puzzle*, is a jigsaw puzzle that pictures an item HSN features repeatedly within a 24-hour period. Those who complete the puzzle the fastest are eligible to receive a variety of prizes. In addition, Redken, a hairstyling products company, sponsored a video game for Nintendo's Wii and DS platforms that teaches players hairstyling techniques while exposing them to Redken's products.

Food and beverage companies also use video game advertising to attract customers. Kraft Foods launched an online social game, *What's Your Hunger 'Tude*, to market its new product "Ritz Crackerfuls" to a younger market. The choose your own adventure-style game takes about 90 seconds to play and encourages players to share their experience to their friends, further increasing Kraft's reach.

Other companies incorporate game-like elements into their broader marketing campaigns. Ford Motor Company launched a "Start More Than a Car. Get More Than a Test Drive." program in 2011 that incorporates interactive game-like elements into a test drive of the 2012 Ford Focus. Potential customers navigate a test track outfitted with electronic markers and receive scores based on the accuracy of their driving. Drivers also hear the sounds of a crowd cheering when they precisely hit a target.

### PRODUCT DEVELOPMENT



## 1983

The year Anheuser-Busch, Inc. first included advertising in Bally Midway's game Tapper.

## 35

The average percent of players that could recall advertised brands in a controlled study of car racing video games, according to research from Miami University.

In some instances, games provide inspiration for companies to develop new products. Chrysler Group LLC began selling a limited edition 2011 Jeep Wrangler *Call of Duty: Black Ops* model based on Activision Blizzard, Inc.'s popular video game by the same name. The vehicles featured graphics from the game on their roofs and front quarter panels.

In addition, Konami Digital Entertainment partnered with merchandising company Musterbrand to develop a line of clothing based on *Metal Gear Solid: Peace Walker*. Musterbrand previously worked with Sony Computer Entertainment and Eidos Interactive to develop similar lines based on their respective game series, *Gran Turismo* and *Deus Ex*.

