Ads in Gaming Research

The Professional Nerds

Motivating people to interact with ads

To motivate people to interact with ads, one can turn to satisfying individual basic psychological needs

<u>Autonomy</u>: feeling like you have control and a choice and taking control of those choices
<u>Competence</u>: Having a level of challenge and completing, increasing confidence in ability
<u>Relatedness:</u> Feeling connected to others around you

Motivation through psychology

It would be advantageous to have ads that players can choose to interact with, are interlinked with some sort of challenge, and make them feel connected through information. My suggestion would be to have ads that players can choose to do to give them a power up, or restart a level that they lost. Another one would be an ad that the player chooses to do that they can interact with and play. Set it up by "play this interactive ad from our sponsor and earn rewards." People appreciate transparency and honesty, so I feel if there was an option that explained "interact with our sponsor to help us," it would work well.

**Have some kind of stat such as "### of people click on this ad and earned this reward, just like you" on the ad. This would be in a before gameplay ad.

*Thank the player for interacting with the ad afterwards.

Mobile Game Marketing in App Stores

The economic challenges of recent years have affected the growth of iOS and Android platforms in 2022. Despite this, game app developers continued to invest a significant amount of $27 billion in advertising their gaming apps. The impact of this investment was evident in the installation rates, with Android game app installations increasing by 7.9% while iOS installations declined by -5%. This decrease in iOS installations can be attributed to consumers' response to Apple's new privacy policies. According to the State of Gaming (2023), the US market saw a significant increase of 19% in Android app installations, in contrast to a 1% decrease in iOS installations.

54% I don't have to spend any money to play

43% I can use ads to earn rewards and bonuses

38% I learn about new games through ads

Types of Ads - Video Ads

- player gets an award or boost for watching the ad.
    Generates high revenue per thousand impressions.
    Typically increase user retention because users are
    enticed to spend more time on the app.
    62% of app developers saw user retention maintain or
    increase upon the introduction of rewarded video
    advertisements.

Types of Ads – Interstitial Ads

- full screen ad that covers entire interface of the app. Users have the option to skip the ad after watching it for a certain amount of time. Can either be static, interactive video, or gifs

Displayed at transition points in an app flow, such as inbetween levels. Make sure the player is experiencing the ads as a break in the action.

Shouldn't surprise or obstruct use of the app

Types of Ads - Playable Ads

- users can interact with and get a sample of another app before installing it.

    Needs tutorial of how it works.

    Give time to the user to figure out how to play it.

    Clear call to action for the user to download the game to continue playing.

    YouTubeVideoExample

Types of Ads: Banner Ads

- passive ads that are anchored at the free space at the top or bottom of the screen and link to site
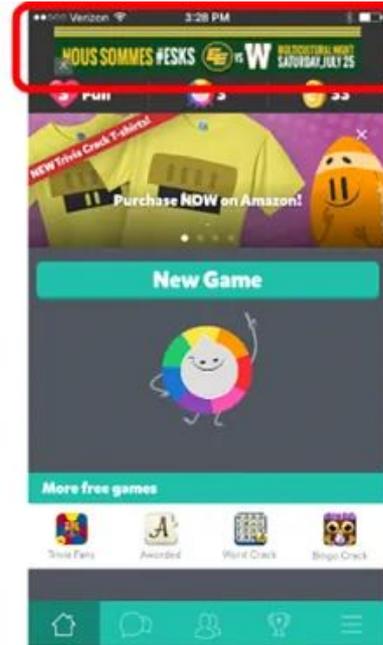
(Trivia Crack)

(Words with Friends)

Types of Ads = Reward Ads

- **Rewarded Ads** = When the player interacts with an ad, they are rewarded with what would usually be premium paid content in the game.

Mobile advertising spending will reach nearly $413 billion by 2024

In the year 2021, the amount spent on mobile advertising worldwide surged to an unprecedented $288 billion U.S. dollars, marking a significant increase of 26.6% from the previous year. This record is expected to be surpassed in the near future, as experts anticipate a continued rise in the realm of mobile marketing. Projections indicate that by 2023, the global industry is expected to reach a staggering $339 billion, with further growth anticipated to reach nearly $413 billion by 2024.

BusinessofApps
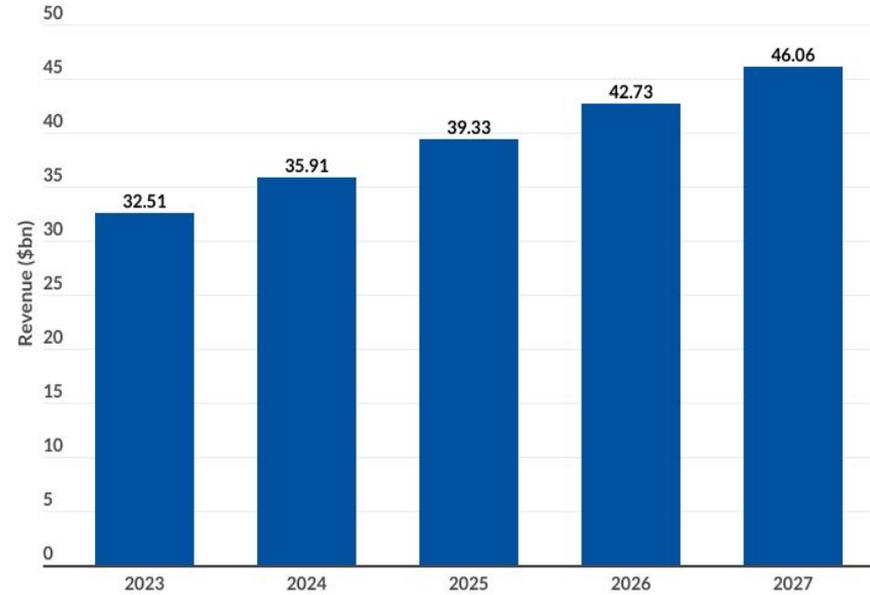
Specific Examples = Archero

1) When watching the ad, the player gets extra energy. Seen inbetween levels

2) The player can click to have an option to watch an add to get loot (gear and weapons). Seen in one of the home menu screens

3) The player can watch a video to spin a wheel to get prizes of ingame currency. Seen inbetween levels.

4) The player can watch an ad to obtain a powerup for their current playthrough. Seen inbetween levels.
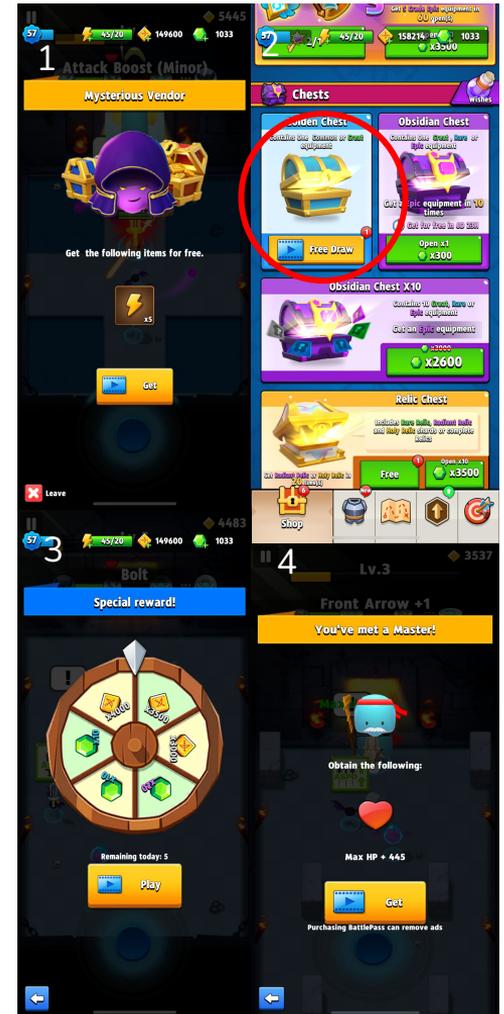
Specific Examples - Subway Surfers

Specific Examples – Interact with ads and get rewards

Hearthstone: Players can watch short video ads to earn cards and gold.

Words With Friends 2: Watch 2 Win - by watching an ad, players can earn in-game rewards such as coins or powerups.

Crossy Road: Optional Video Ads that players can watch after losing to continue their game.

Jetpack Joyride: Watch ads after crashing to continue, or before gameplay, watch ads to double rewards received that playthrough.

Specific Examples – Ads integrated in gameplay

Kim Kardashian Hollywood: interact with virtual versions of real - world brands and products. Game features in-game stores where players can purchase virtual items such as clothing.

Asphalt 9: Legends: Events or challenges where players can compete for rewards sponsored by real-world brands. Has limited time races or tournaments with the particular theme being around a brand or product, and players are given exclusive rewards to participate.

Sim FreePlay: Players can purchase virtual items from real world brands to decorate their home and character

FIFA Mobile" Ingame events and challenges sponsored by real world brands, players can compete for rewards themed around the sponsor's products or services. Also includes limited time player cars and jerseys

Daily Login Rewards

Ad Placement - Before Gameplay

Think about how the user is feeling and thinking when deciding what ads goes where. What is leading up to the ad? Don't overwhelm.

- **Before Gameplay =** expose users to a rewarded video ad before the game begins gives users the opportunity to gain an immediate advantage in their game.
    - Reminds players that there are rewards waiting for them
    - **I suggest putting an optional "watch ad" option before entering a certain gameplay area in Tanbii, giving the player a boost.

Ad Placement - During Game Breaks

- **During Game Breaks** = serve as a natural break in the game
    - Helpful for gamers who may need extra rewards or tokens to get to the next part
    - Players are rewarded for both playing the game and interacting with the ad
    - Crucial to have it as a balance of placing ads during breaks in the game.

Ad Placement - Post Gameplay

- Give a player to interact with the ad after they lost a level, and encourages the user to not give up on the level, and thereby the experience with the app.It helps reengage the user.
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The US is expected to spend over $240 billion on mobile advertising

- It has been forecasted by experts that by the conclusion of 2022, the United States' expenditure on mobile marketing is projected to exceed $240 billion, a substantial increase from the $189 billion spent in 2019. Although growth is anticipated to decrease slightly by 10.4% this year, the trend of continuous, steady growth in mobile marketing spending is evident in the United States.

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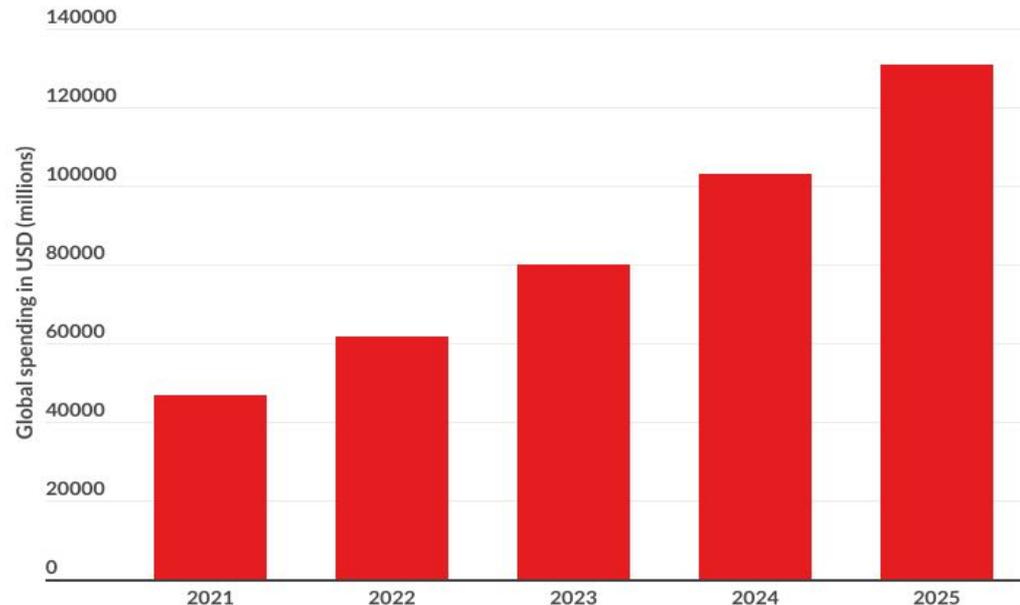
The US is the leader in mobile advertising

-   In terms of mobile advertising expenditure,
    the United States surpasses all other
    countries. China follows closely behind as
    the second-largest mobile advertising
    market in 2020, with a value of $72.2 billion.
    Noteworthy mobile marketing markets also
    include Thailand, experiencing a significant
    annual growth rate of 46%, and India, with a
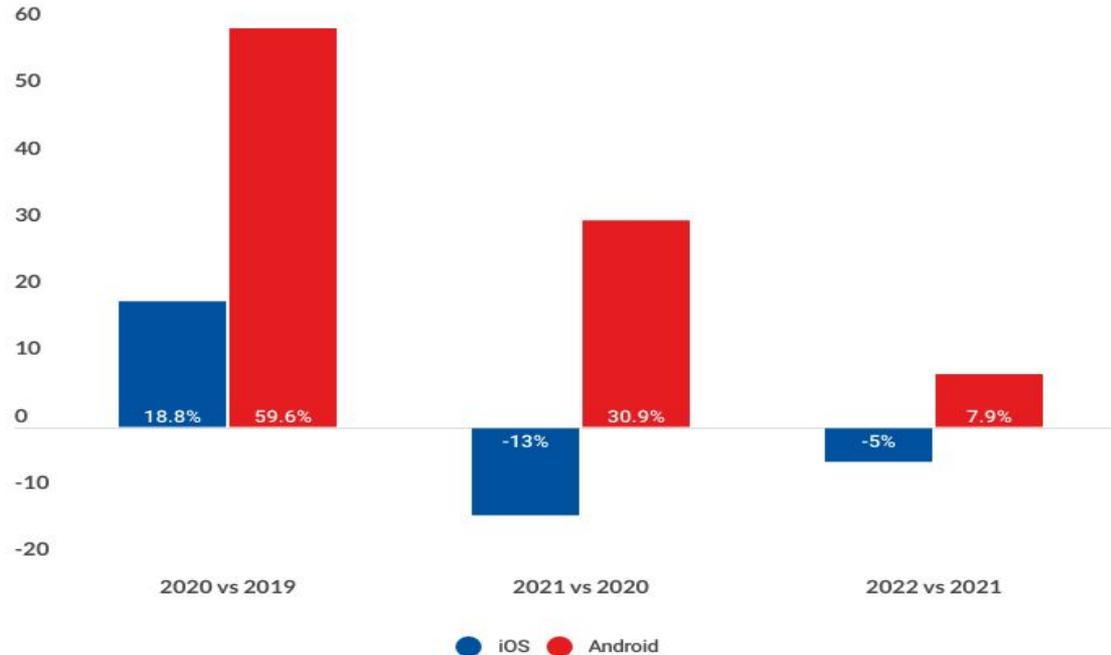   growth rate of 42%.
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Forum Research - Watching an ad to get a reward : Is there a way to make it less of a chore?

- "A strategy that I've seen for incentivized ads is to first provide an in-game reward that IS integrated into the player experience, like reaching a powerup in a side scroller, and layering the ad experience on top of that, eg. "doubling" a reward. You can pick up an invincibility powerup that'll last 15 seconds, and you're prompted to watch an ad which will bump that up to 30. A LOT of people will want to squeeze value out of their powerups, and those that don't will feel less violated by the ad prompt because they're getting a reward anyway."
- Let the user pick the add and give reward based on the add
- Puts ads where in-game shops are
- Tie achievements and progress with interacting with certain types of ads - such as playable ads
- Ad themed mini game - the better you do in the mini game, the better the reward

Mobile Devices used in retail spending in the US is totals 31%

- In the year 2020, statistics revealed a significant increase in eCommerce expenditures within the United States, reaching a staggering $47.8 billion. More than 30% of these transactions were conducted through mobile devices, indicating a shift towards convenient and accessible shopping methods that no longer require a traditional desktop or tablet.

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Bar chart showing percentage changes for iOS and Android:
- 2020 vs 2019: iOS 18.8%, Android 59.6%
- 2021 vs 2020: iOS -13%, Android 30.9%
- 2022 vs 2021: iOS -5%, Android 7.9%

Legend: iOS (blue), Android (red)

The world's population relies on mobile devices, with usage rates reaching 66%

- Based on reliable patterns and data from smartphone usage, it is anticipated that mobile traffic will surge by 25% by the year 2025. This significant growth in traffic is expected to be driven by the rise in video consumption and the enhanced capabilities for streaming on mobile devices.

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What Type of Information Are US Internet Users More Likely to Look for on Their Smartphones Instead of Speaking to a Store Associate?
% of respondents, March 2019

Customer reviews on a product or service
69%

Comparable products or services to what I am considering purchasing
58%

Product specifications
55%

Deals or discounts on products or services I am considering purchasing
53%

Whether or not I am eligible to receive any exclusive offers
44%

Availability of an item I cannot find in the store
40%

Return policy or product warranty
33%

No answer
18%

Note: ages 18+
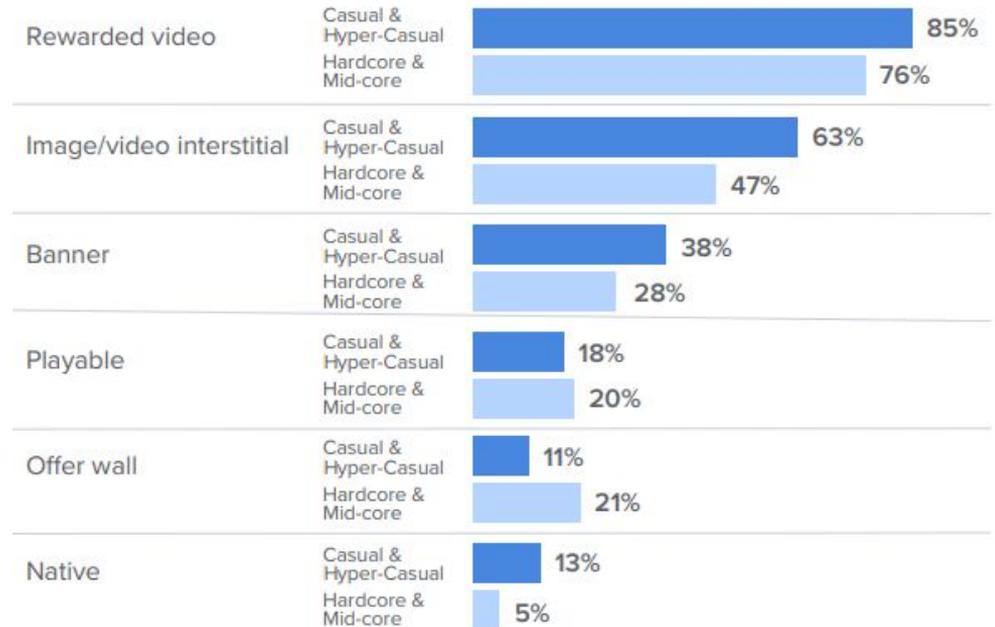*Source: RetailMeNot survey conducted by Kelton Global, April 30, 2019*
247227
www.**eMarketer**.com

79% of successful Mobile Marketing is mobile video advertising

- Investing in mobile video ads is considered reliable due to the fact that a high percentage of people actively engage with them. Close to 80% of video ads shown on mobile devices are viewed throughout the designated timeframe, which is particularly remarkable given the typical human attention span of under 8 seconds.
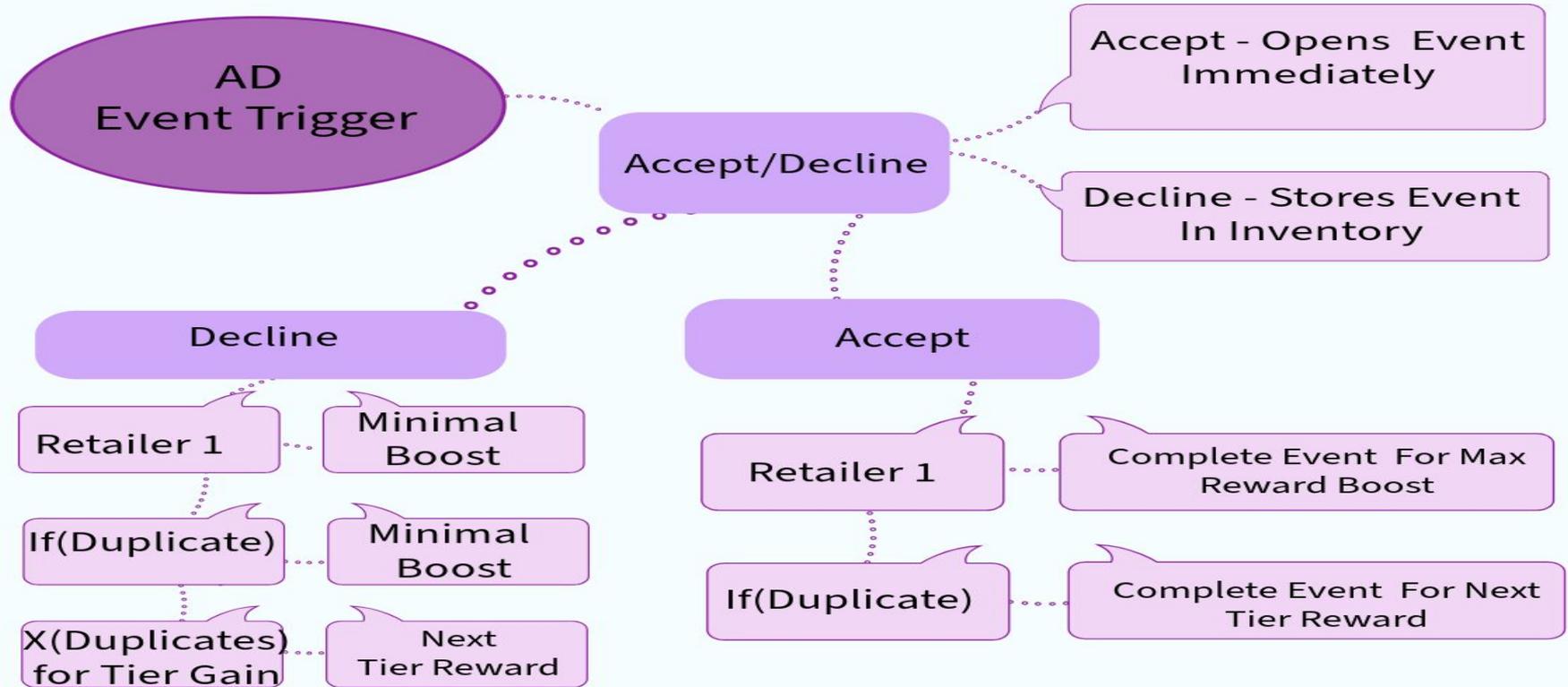
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Ad Type	Segment	Percentage
Rewarded video	Casual & Hyper-Casual	85%
	Hardcore & Mid-core	76%
Image/video interstitial	Casual & Hyper-Casual	63%
	Hardcore & Mid-core	47%
Banner	Casual & Hyper-Casual	38%
	Hardcore & Mid-core	28%
Playable	Casual & Hyper-Casual	18%
	Hardcore & Mid-core	20%
Offer wall	Casual & Hyper-Casual	11%
	Hardcore & Mid-core	21%
Native	Casual & Hyper-Casual	13%
	Hardcore & Mid-core	5%

Ideas Document

This is a link to a google document with our ideas of implementing ads in Tanbi

https://docs.google.com/document/d/1RYARVL7VBvK7fSbK1jaM7Hz8dzHmeVWpdCRxLd3YLsE/edit
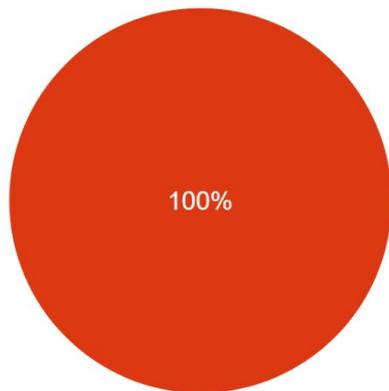
Ideas Document – Ad Event

Survey Results

Do you like ads in your video games?

5 responses

- ● Yes
- ● No
- ● Don't Care

100%

Survey Results

- Mobile Games are typically the most associated with ads within gameplay

- Free to play games will also fall under this category as well

Survey Results – Negative

- When they interrupt gameplay

- They break immersion
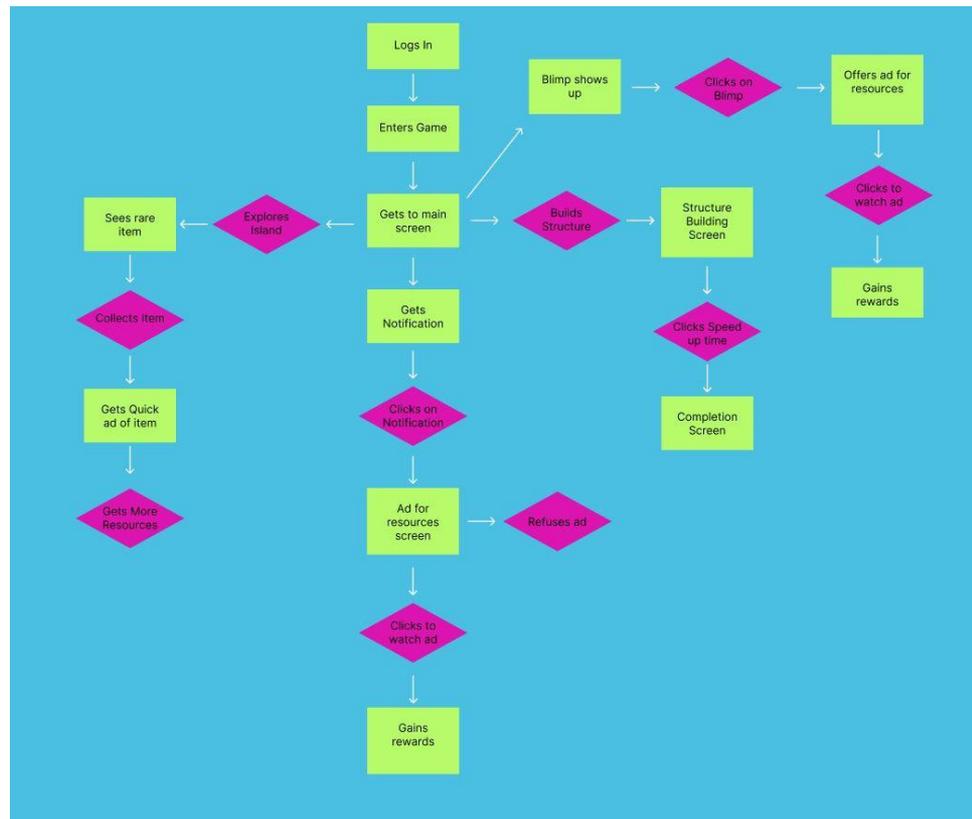
- Making it a pit stop for the user

- Placement of ads

Survey Results - Neutral

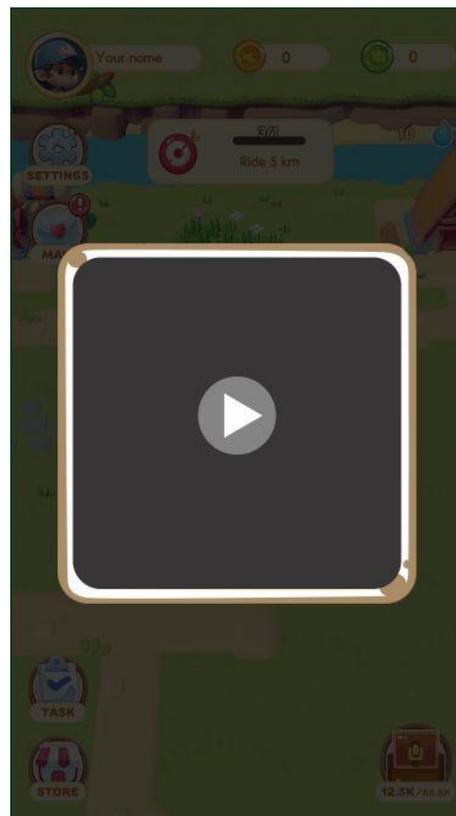- Expected with free games

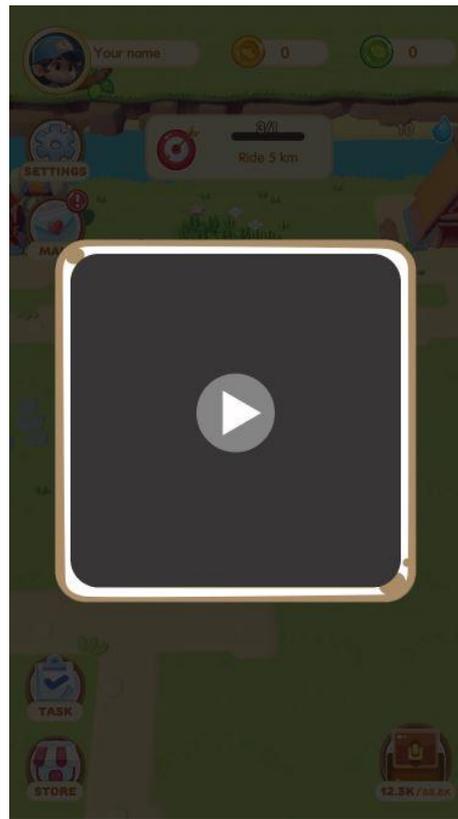- As long as non intrusive

Survey Results - Okay

- To speed up task

- Not annoying

- Ads for own product
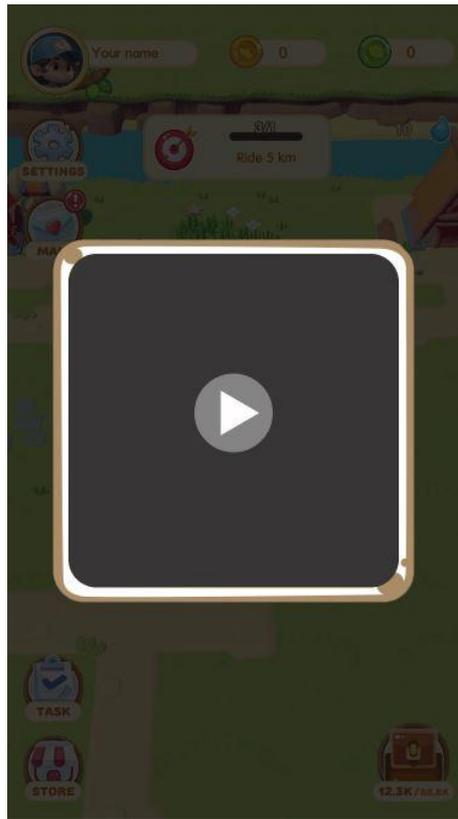
- Given a choice

- Get in-game Rewards

User Flow

Reward Ads

Structure Ads

In-Game Buff

Conclusion:

With the information above, it can be concluded that rewarded interactable ads are the best way to go. Ads should be used to help the player.

<u>Before gameplay</u>, one can have the option to have an ad to give player loot, powerups, or opportunity to get double rewards in their current run. Additionally, to layer a psychological aspect onto implementing ads, one can say something along the lines of "interact with this ad from our 'amazing' sponsor, and get a reward." People appreciate transparency and honesty. Furthermore, have some kind of stat such as "### of people click on this ad and earned this reward, just like you" on the ad.

<u>During gameplay,</u> one can have the option to interact with ads inbetween rounds to give the player power ups, heal them, or get bonuses.

<u>After gameplay</u>, one can interact with an ad after the player dies to continue their run.

Conclusion, cont.

Ads can also be used for:
- Watch an ad to cut or complete the time of building a structure
- Users interact with a banner or blimp to get updates on advertisers or ingame updates. After interacting, they get resources and/or exclusive deals.
- Promotional events with retailers. There is an exclusive level/content that is based on the retailer.
- Have ingame events/challenges/tournaments sponsored by brands where the players get exclusive rewards.

I believe using ads should be a mix of video and interactable interstil ads. This way, the player doesn't get tired of just experiencing one type of ad

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