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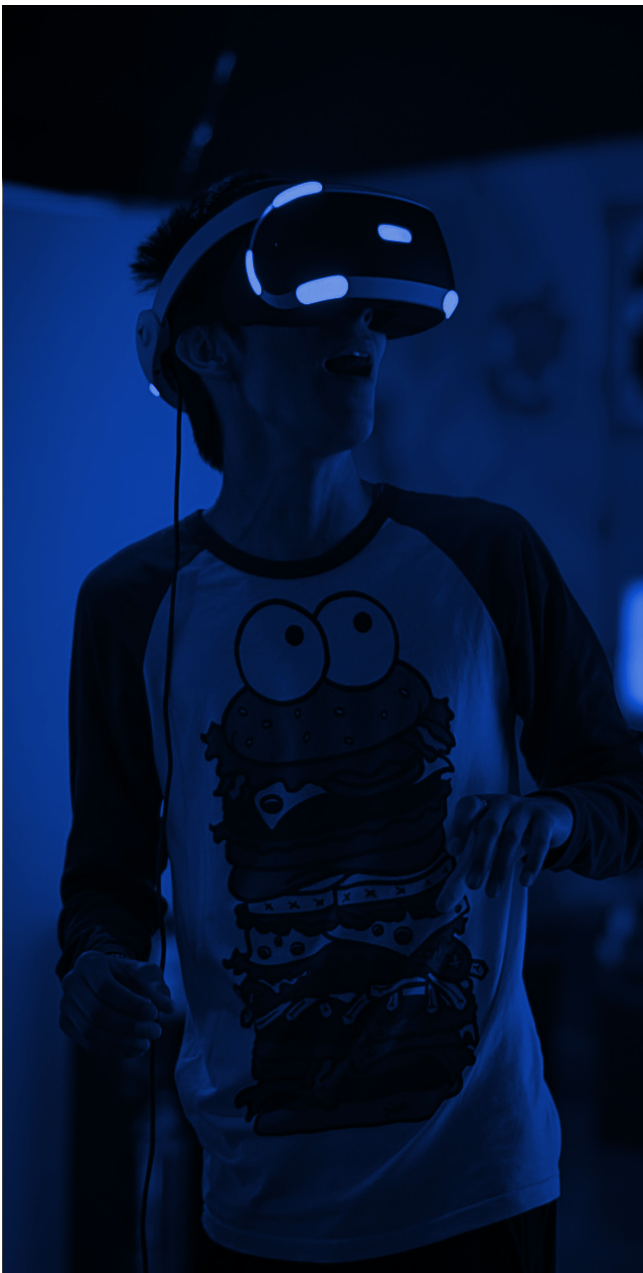
Gaming & Advertising

**The perfect partnership that could
be so much more.**

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The gaming industry has overtaken both the music industry and Hollywood, and the advertising demand is increasing. Advertising in free mobile games is the most predominant format, but how far can you go?



The Facts

With the introduction of free games such as Fortnite totalling over 200 million active accounts, the gaming industry is becoming increasingly popular among advertisers. But that's not the only reason advertisers find them appealing.

Let's take a look at the numbers.

In 2018, over [50 billion hours](#) of gaming was watched on YouTube, whilst Twitch's (a video live streaming service) figures were still an impressive [9.3 billion hours](#) watched. In 2019, Fortnite provided two of the biggest gaming events of the year, streamed live on both Twitch and YouTube.

The Fortnite World Cup had a total of 2 million views across both platforms and became the largest prize pool in Esports history, with the winner, [Kyle 'Bugha' Giersdorf](#), receiving a staggering 3 million dollars at just 16 years old.

Free apps and games that turned to advertising for revenue

Social media

Although the majority of social media platforms are free to use, it has become a distant memory to use it without advertising. Scrolling through your feed or watching a short video will indefinitely contain an advertisement.

WhatsApp

Renowned for its stance against ads within the app, it seems they've given into the demand by introducing ads that take up your entire screen starting in 2020.

Flappy Bird

Originally released as a free game, the overwhelming response in the form of downloads left the developers no choice but to include advertising during the game.

What advertisers are currently doing in gaming

Similarly to Instagram influencers, streamers are as popular among the gaming community. To the average gamer, the streamer is the most relatable persona as they're doing what the viewer loves - playing games.

But to advertisers, they have become the perfect answer to product placement. Streamers, across all sites, have gained such a following across social media that they have become as big or even bigger than the game itself.

For example, [Ninja](#) (Tyler Blevins) has gained over 40 million followers across YouTube, Twitter and Instagram, among other platforms.

But how are they advertising?

When visiting a stream, you are greeted with a prestitial advertisement before you can access it. Streamers then have the option to run ads pre-roll and mid-roll, but companies have recently preferred the form of sponsored streams. Recent examples include the release of Call of Duty: Modern Warfare, Infinity Ward opted to pay streamers to become a #CodPartner and stream the game's launch to increase their sales. Various companies, including [Hershey's](#), [Uber Eats](#) and [Red Bull](#), have also sponsored streams.

The dilemma that advertisers face with this format is the option to subscribe to the streamer - by paying a minimum of £5 a month, the viewer can remove ads entirely from the stream. The question is now, if people are removing ads from being seen, how do you get the attention of the gaming audience?

The answer could be as simple as targeting the games itself. If over 60 billion hours of gaming are watched per year, how many hours are people actually playing games and what percentage do not watch gaming entirely?

So how do you target console gaming?

The idea

Free-to-play games are becoming a formality due to the success of Fortnite. Companies, including EA, have followed in Fortnite's footsteps and also released free-to-play games, including the largely successful Apex Legends. Although, it is not limited to just these types of games, with many paid games including FIFA and GTA V containing in-game paid extras. But how do you maintain the success if consumers are no longer paying for the cosmetics or extras that the game offers?

In-game advertising.

Currently in console and PC gaming, there are elements of advertising, but not to the extent that the player would notice during their gaming experience. An example of this would be the introduction of Frank Ocean's 'Blonded' Radio in GTA V, or the advertising boards in FIFA 20.

The biggest problem advertisers face within gaming is the game developers are looking to

avoid a dramatic loss in players for what is being advertised. So you have to be contributing as much as you would be getting out of it.

Well, it's all in the strategy. The ad placement has to be strategic and more importantly relevant to its audience, it can't just be placed. It needs to feel natural in-game, but not too natural that it goes unnoticed.

The other problem is how do you get consumers on board with ads in the game? Many consumers have the option to buy a subscription to avoid advertising, which is precisely what purchasers get with console gaming. So how do you combat that? Will consumers pay £30 for a game including ads in contrast to the standard £50 game? It's a difficult question to answer.

Let's take a look at the possibilities to advertise in a variety of games.



Fortnite

- **In-game events** – Fortnite has evolved how gaming is perceived since its release, especially with the introduction of live events. Marshmello (DJ) created a virtual concert live from one of the game's popular destinations, including live voice overs and promotions in the build-up to the event, with an estimated 10 million players attending. The opportunity to create an event with Fortnite would be a costly endeavour, but the results would be astounding.
- **Item Shop** – The Fortnite item shop is updated daily with prices for cosmetics rising to roughly £20 for the most expensive items with the likes of Marvel releasing collaborative cosmetics for the launch of the Avengers: End Game. It's interesting that the likes of Nike and Adidas haven't considered launching a new clothing line in-game before physical release.



GTA V / Second Life

- **It's the real world** – GTA V and Second Life have the potential to be the best marketing platform. Based in the real world, the opportunities are endless.

Advertising on billboards in-game could be as likely to be noticed as in the real world. Creating your shop in the game selling your products is also an opportunity.

FIFA (Sporting Games)

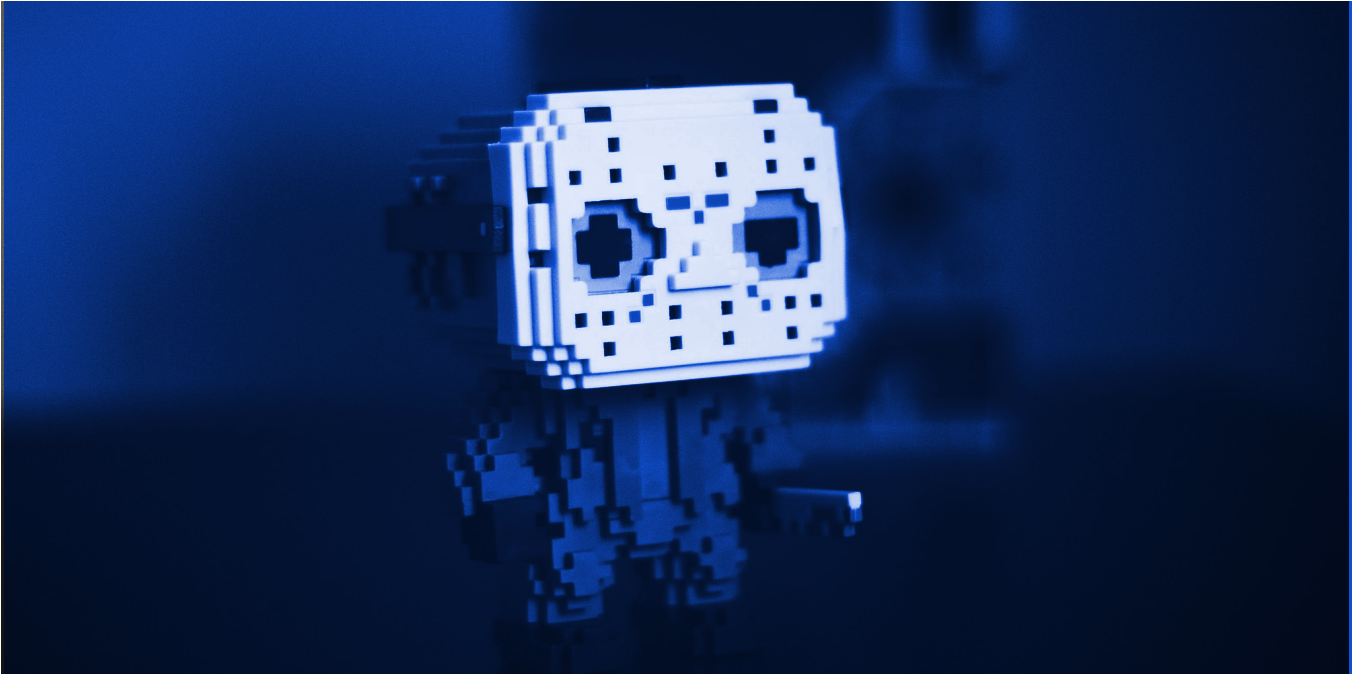
FIFA's biggest game mode Ultimate Team is currently under fire for potentially exposing younger children to gambling through FIFA packs. The premise of packs is simple. With virtual or real money, you open packs to try and get the best players possible. Although the higher rated players are less likely to attain, the younger players are drawn in by that possibility and continue. Countries, including Belgium, have already begun banning the 'pack' feature in the game.

So how do they continue to make money after release if their main source of income is under scrutiny?

- **Half-time advertising** – In modern day football, at the end of each half and before the game begins, viewers are used to seeing advertisements. Could gamers become accustomed to viewing ads during half-time in the virtual world of football?
- **Sky Sports and BT Sport partnership** – In-game, the Premier League already advertise real upcoming fixtures and results. With this opportunity, companies including Sky and BT could showcase the games that will be shown on their selected channels each week.
- **Exclusive clothing** – Fifa advertise kits, boots and various styles of clothing in a selection of game modes. With this already evident to the user, could sporting companies begin to release new clothing exclusively in line with the game's release, giving game purchasers early access to these new lines?



SOURCE: [Techradar](#)



Minecraft

- **Create a server** – Minecraft has always been at the top of the gaming algorithm on YouTube even with the introduction of Fortnite. The biggest selling point for users of the game is joining servers with your friends, especially themed worlds, including Disney and Pokemon. Creating your own server showcasing your brand will bring players to your world and introduce them to your ideas.

The Sims

- **Expansion packs** – Sims release expansion packs for the game regularly to keep players engaged and emerged within the world. Creating an expansion pack surrounding that will immerse the players into your brand, making it the perfect selling point for this game.

Using the practice effectively

- **Knowing your audience** – Gen Z are about to control 40% of the consumer market and understandably the gaming industry is one of the best formats in which to target them. Being creative, exclusive and subtle when advertising is key to attracting Gen Z, therefore there is the need to engage with them and not advertise directly to them.
- **Know the top games** – Knowing the most popular games is not just about checking the most popular purchases on the store. Typically the most popular games are known to come from the viewing figures on streaming platforms.
- **Knowing the biggest releases** – Keeping an eye on events such as E3, which takes place annually in June will give an insight into the audience's reaction to upcoming games throughout the year. Alternatively, games such as Fifa and Call of Duty have annual releases and have consistent purchases.
- **Esports** – Esports is a growing industry, with many of the tournaments being viewed more than a select number of actual sports. Therefore sponsoring the most viewed Esports tournaments (League of Legends, Fortnite) will elevate your brand from association with that game.
- **Free-to-play** – With regards to free-to-play games, the audience of stereotypical gamers are used to some form of advertising when not paying for a game, meaning the inclusion of advertising would not be surprising, leaving the potential for advertisers to become creative with how they do it and create an experience that players will want to talk about.

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