Do users think in-game marketing is effective?

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ABSTRACT

Purpose – The purpose of this paper is to explore if users think in-game marketing is effective or not. This paper will thereby study if users have experienced advertisement in games and if this has affected them. The paper will furthermore study how game users react when they explore advertisement in games and if they think in-game marketing is effective in marketing purposes.

Design/Methodology/Approach – This is a descriptive and deductive study built on both secondary and primary sources. The secondary sources that are used are scientific articles, located by using the databases Science direct, Scopus, Web of Science and Google Scholar. There are also books and websites used as secondary sources. The primary sources are assembled by an empirical survey consisting of 313 people and their opinions about in-game marketing.

Implications/Findings – The study shows that the most users think that in-game marketing is an affective method in digital games.

Originality/Value – Since using both secondary and primary sources, this research study provides an answer to what users think about in-game marketing and if they think it is an effective method. According to the study the most users think in-game marketing is an effective place to make commercial.

Keywords – In-game marketing, in-game advertising, brand.

Paper type – Research paper.

1. Introduction

In-game marketing has been in games since the late 1980s (Reuters, 2002) and the industry has growth incredible in the past decade (Williams, Consalvo, Caplan & Yee, 2009). Since the audience and popularity of digital games is fast growing, in-game marketing has become extremely important for companies (Sparks & Chung, 2016). Digital games are no longer only played by young males (Williams et al., 2009) but have evolved into an enjoyment for millions of people from different socio demographic backgrounds (Entertainment Software Association, 2011). Because of the large amount of users in both genders (Yang, Roskos-Ewoldsen, Dinu, & Arpan, 2006) has in-game marketing not only got attention from companies but also from the academic and the industry community (Poels, Janssens & Herrewijn, 2013).

Since in-game marketing has become so popular, this study attempts to investigate if users think in-game marketing is effective or not. The study also attempts to answer if users have been affected of in-game marketing and if they think in-game marketing is okay in games or if they dislike this kind of advertisement.

2. Review of previous research

In-game advertising, or in-game marketing is a placement for brands and ads integrated in video and computer games (digital games). The video and computer game industry are an attractive advertising vehicle for companies (Yang et al., 2006) and are now a mainstream entertainment industry played by both men and women in different ages (Williams et al., 2009). It is apparent that the companies especially would be willing to pay for in-game advertising when the same target group appeals to the brand and when the brands are relevant to the game (Nichols, Farrand, Rowley & Avery, 2006). When companies place their brands in games, they are helping the game producers to reduce costs at the same time as they gain access to the loyal costumers to the brands (Schneider, Systems & Cornwell, 2005). *Figure 1* shows some factors that inspire the location of brands in games.
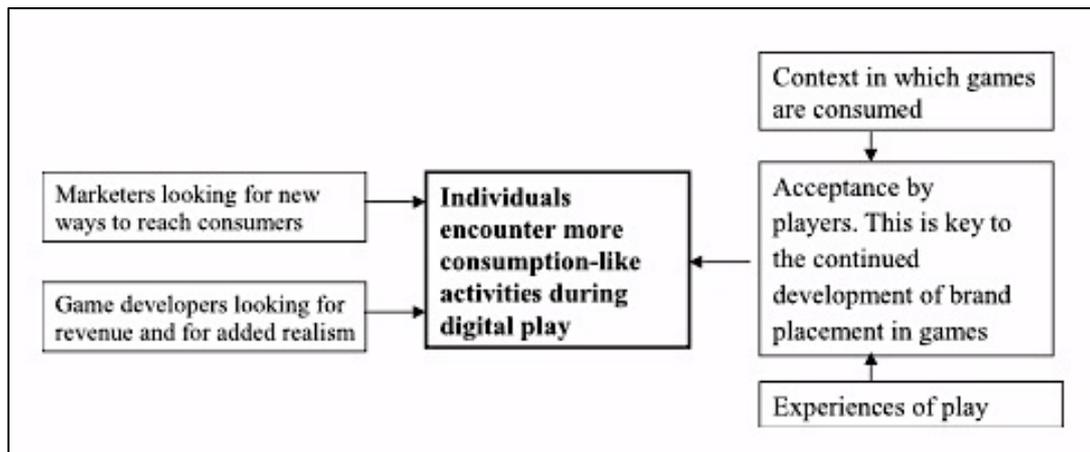
Figure 1. *"Factors encouraging the placement of brands in digital games"* (Molesworth, 2006 p. 356).

The advertising in games has influence on the meaning of the games and can also be shaped by them. Some games uses brands as central to the shows game and other games uses brands products as prizes and rewards that the player need through the game for playing it successfully (Nelson, 2002; Roehm, Roehm & Boone, 2004). More outlying product placement's appears to look like advertising and sponsorship where the products separately appears from the games main entertainment aspect, but are still placed within the games show (Gould & Gupta, 2006). Studies have shown that the rate of recognition and recall of the brand is higher when the brand is a part of the game, unlike when the brand is a part of the background (Dardis, Schmierbach & Limperos, 2012; Yang & Wang, 2008). Brands that are irrelevant to the games story may lead to a higher rate of recognition and recall because of the fact that gamers do not expect these brands in the game, and can therefore be attracted to them (Balasubramanian, 1994; Lee & Faber, 2007; Törn & Dahlén, 2008).

The placements of brands in video and computer games can enhanced realism to the games (Yang et al., 2006; Nelsson, 2002; Nelson, Keum & Yaros, 2004; Toh & Leng, 2014) and therefore make the player to evoke an imagination (Gupta & Gould, 1997; Nebenzahl & Secunda, 1993). An example is when famous sport figures are aided by a brand placement, like Tiger Woods in Cyber Tiger (Nelson, 2002). The realism can be an important part in games because *"...the real provides a necessary basis for creating a fantastic milieu that absorbs the consumer"* (Martin, 2004, p. 137). Most game-players do not seem to consider brand-placements as deceptive and have not a

critical attitude about the brand-placements in games (Nelson, 2002; Gupta & Gould, 1997; Nebenzahl & Secunda, 1993). Nevertheless can extremely irrelevant brands lower the realism of the games and therefore irritate gamers (Lewis & Porter, 2010).

Two studies about sport games showed that players could recall 25% till 30% of the brands directly after they had played the game, and 10% till 15% of brands, five months after (Nelson, 2002). Player's memory for brands placement affects higher levels of immersion in games (Grigorovici & Constantin, 2004). Although if the gamers are being exposed for brands and after cannot directly remember or recognize brand names in in-game marketing, the brands may still influence the gamer with familiarity and preference for the brands (Auty & Lewis, 2004; Molesworth, 2006). Communications with brands in games that produce positive impresses may therefore give the player a greater attitude to the brand than non-interactive game-marketing communication with brands (Molesworth, 2006). Studies have shown that there are a positive relationship between the players' familiarity with the brands in in-game marketing and the rates of recognition and recall of the brands (Leng, Quah & Zainuddin, 2010; Schneider et al., 2005). Consumers also choose products to build daydreams (Molesworth, 2006). These daydreams can in turn be enticed by in-game advertising (Campbell, 1987). Video- and computer games can make the gamers block out physical involvement from the outside world (Jennett, Cox, Cairns, Dhoparee, Epps, Tijs & Walton, 2008; Murray, 1998). The games can therefore separate the players from their everyday life and allow the gamers to consider that there can be more than one reality to live (Poster, 1995). In this way it becomes realistic because they know that the brands they see are real, which in turn can be explained by product placement (Molesworth, 2006).

Studies about the effectiveness on in-game marketing have shown that distinction of the brand within the game, the brand's correspondence and the roll of the brand in the game have an affecting on the recognition and recall rates of the advertisements in games. For example a big and colourful banner in a racing-game, which is well visible, have a positive effect on recognition and recall rates. It is also a good idea to place the brands in those places in a game where the player can se it repeatedly at a prominent location (Schneider et al., 2005; Lee & Faber, 2007; Keat, 2011).

By some studies, there is a difference between the gender when it comes to attitudes about in-game marketing and brands (Lewis & Porter, 2010; Yoo & Peña, 2011). While other studies have shown that there is no important difference between genders when it comes to the rates of recognition and recall of in-game marketing (Leng et al., 2010; Keat, 2011). When it comes to differences in ages and the effect on in-game advertisement, a few studies shows that an older segment has lower rates of recognition and recalls than a younger segment (Stephens, 1982; Fung & Carstensen, 2003) which means that there can be differences among dissimilar age groups (Toh & Leng, 2014).

3. Method
This research paper is a descriptive study built on both secondary and primary sources. It includes videlicet both previous research from scientist and new empirical studies. The secondary research has substantially been written to develop a literature background for the primary research. Trough the secondary research has information been found about what in-game marketing is and why the method is used by

companies. This fact is fundamental to know when to found out if users think in-game marketing is effective. The theoretical framework was collected from scientific articles, books and websites that treated the subject. The scientific articles are founded at the databases Science direct, Scopus, Web of Science and Google Scholar. The articles are also peer-reviewed which means that two or more experts in the relevant topic area have evaluated them. The experts are doing this at the request of the journal editor to see if the articles have potential to be published (Rowland, 2002). The books I used were founded at the Halmstad University library and on Google Scholar. The literature is referenced after the method APA (American Psychological Association). The design of this study is elaborated to review and operate variables that require an answer to the research question (Kallet, 2004).

The primary sources that are used are a questionnaire survey, which was made through Google Drive Forms. The survey consists of six questions and was posted on Facebook. Google Drive Forms is a simple and good-looking platform for surveys, which make it easy for the respondents to answer it. Facebook was selected because it is an appropriate channel to use when to reach out to many people in short time. When the survey was published, only people who play games were asked to answer it. But this is not a guarantee, due all people on Facebook had access to it. There were people from several different places in Sweden that had access to the survey. The respondents represented, in this way, both men and women, in different ages and with different experience. This was given the survey a high reliability and validity. The respondents were also anonymous which may have increased the number of respondents answered the survey. All questions in the survey were marked with an asterisk, which means that the respondent must answer the question to conclude the survey. The data was collected to answer the question "Do users think in-game marketing is effective?". The data of the survey can also be useful in further research. The survey consisted of six questions, which made it easy for the respondents to answer it. It is also more likely that more people will answer the survey if they know that it will not take much of their time. The survey was in Swedish to make it easy to understand for the respondents and to avoid any misunderstandings. According to Evans & Mathur (2005) Internet is a simply tool to publish a survey at a low cost. It is also a good place to obtain information from respondents living in different places. Other opportunities with an online survey is that respondents can answer it when and wherever they want. They can take the time they need to answer the questions and it is also time-efficient to publish the survey on Internet because you reach the target group fast (Evans & Mathur, 2005).

3.1 Survey questions
The six questions in the survey were as follow:

1. *Gender?* - The first question was about gender and the respondents were given the alternatives "male" and "female". This question was needed to find out if there were any differences between genders in the further questions.

2. *Age?* - The second question was about age and the respondents had six alternatives to choose among. These were "0-15", "16-30", "31-45", "46-60", "61-75" and "76-". Those alternatives were given so every respondent could select an answer that fitted their age.

3. *Have you experienced in-game advertising?* - The third question was about experience of in-game marketing. The respondents could choose among the

answers "yes", "no" and "don't know". This question was asked to se how many of the respondents that ever have experiences in-game marketing and therefore se if it is common among the respondents or not.

4. *Have you ever purchased a product that you've seen before in a game? -* In the firth question the respondents were asked to answer if they ever have purchased a product that they have seen in a game. The answers they could chose among was "yes", "no" and "don't know". This question shows if the respondents ever have been so affected by in-game marketing so they also have purchased a product.

5. *Do you accept in-game advertising? -* The fifth question was about if users think it is okay with in-game marketing. The answers to choose among was "yes", "no" and "don't know". The answers to this question are telling what people think of the subject.

6. *Do you think in-game marketing is effective? -* The sixth question was about the effectiveness of in-game marketing. The purpose with this question was to se what the respondents think about in-game marketing and if they further think that this method has an effect on users. The answers to choose among was "yes", "no" and "don't know".

After the questions four, five and six there were a possibility to leave comments. This was possible so the respondents could develop their answers if they wanted to, or explain if they had any other opinions about in-game marketing.

4. Empirical data
The empirical data is made by a survey, which was based on six questions. There were total 313 persons that answered the questionnaire survey. The data of the survey will be presented below in text and figures.
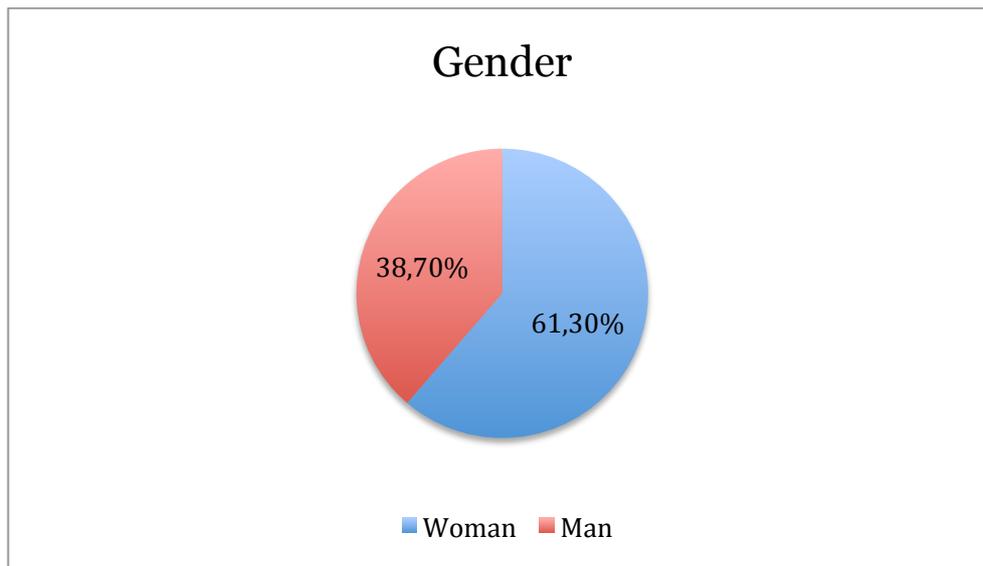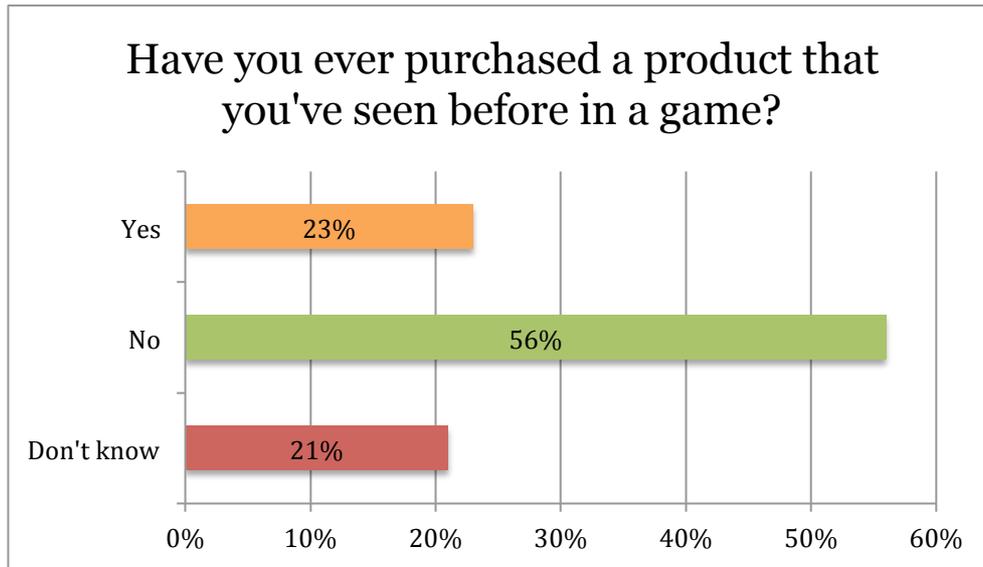

Figure 2. Of the 313 respondents were 191 women and 122 men. This shows that there were more women than men that answered the survey, which needs to take under consider in the results.
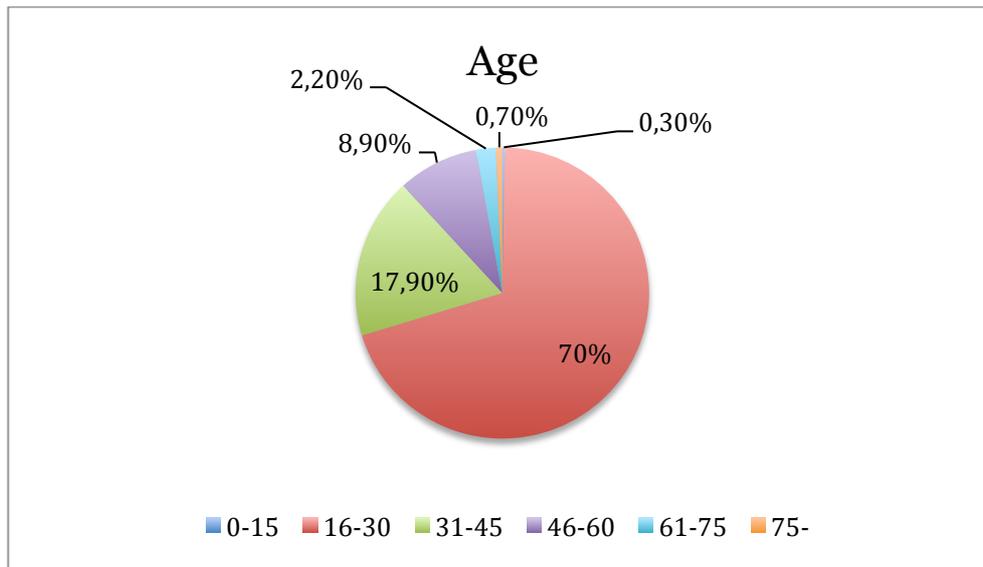
Figure 3. In the survey was 1 respondent in the age 0-15. There were 220 respondents in the age 16-30, 56 respondents in the age 31-45, 27 respondents in the age 46-60, 7 respondents in the age 61-75 and 2 respondents in the age 75-. This shows that there were mainly respondents in the age 16-30 years that answered the survey.
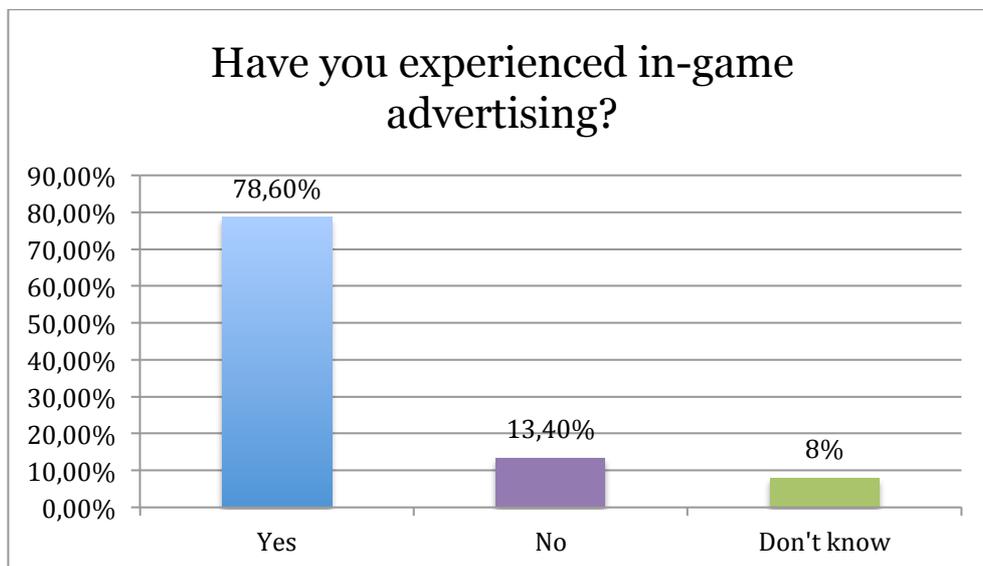

Figure 4. Of the respondents that answered the survey-questions 246 have experienced in-game advertising, 43 have not and 24 respondents don't know if they have experienced this kind of advertising or not. This shows that the larges amount of the respondents has experienced in-game advertising.

Have you ever purchased a product that you've seen before in a game?

Yes	23%
No	56%
Don't know	21%

0% 10% 20% 30% 40% 50% 60%

Figure 5. Of the 313 respondents have 72 purchased a product that has been seen in a game before. 178 respondents have not and 63 respondents don't know. This shows that it is a large amount of respondents that have not purchased a product seen in a game, but there are still 72 respondents that have done this. Below this question there were a possibility to leave comments. The comments were "*It is possible that I have bought a product I have seen in a game without knowing it, for example Coca Cola or Fanta*". And "*I have bought some things that I later saw in a in-game advertisement*".

Do you accept in-game advertising?

12,10%

21,40%

66,50%

■ Yes ■ No ■ don't know
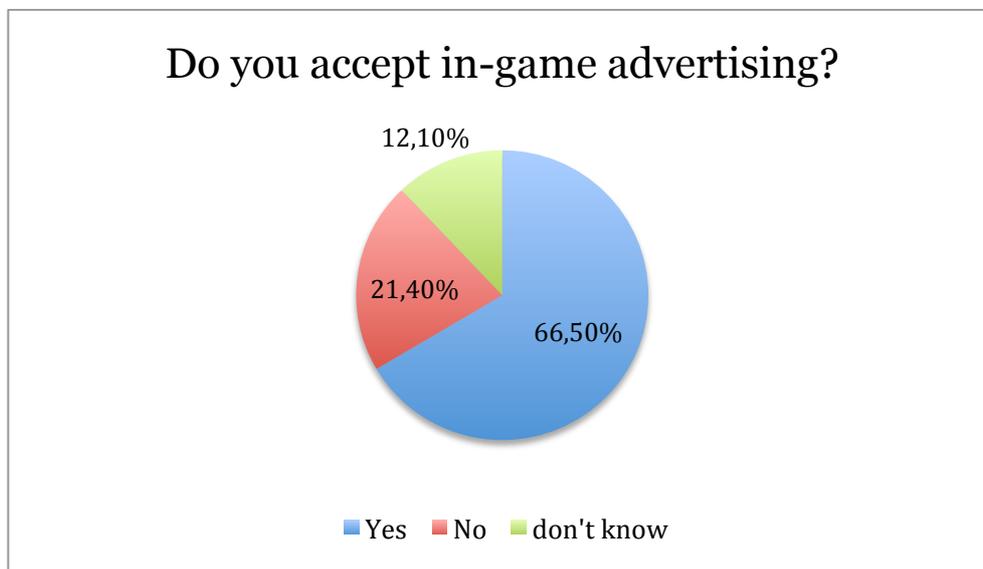
Figure 6. This figure shows that there are 209 respondents that accept in-game marketing, 67 respondents do not and 37 respondents don't know. Below this question there were a possibility to leave comments. The comments were "*It is okay if it makes the game better*". And "*It is okay if the marketing fits the game and is not disturbing*".
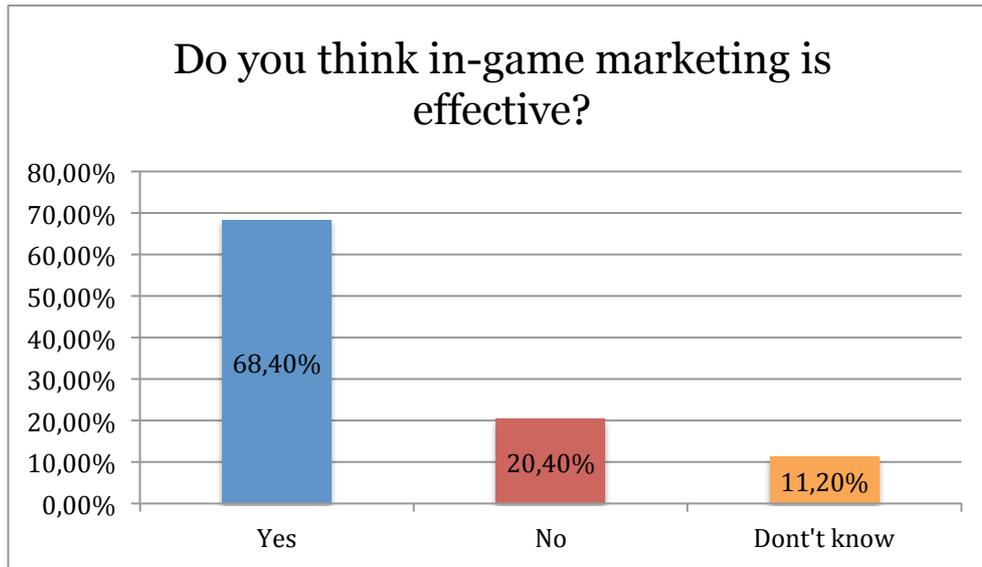
Figure 7. Of the 313 respondents do 215 think that in-game marketing is effective, 64 think it is not effective and 34 don't know. Below this question there were also a possibility to leave comments. The comments were "*I think it is effective without the gamers notice*" and "*I think it is very effective when it is recurrent in the game*".

5. Results

The results from the survey shows that the majority of the respondents are between 16-30 years and females. According to Williams et al. (2009) are digital games played by both men and women in different ages. Because of the large amount of users these games also reaches a wide-ranging population, according to Yang et al. (2006). Other studies have shown that there can be a difference between the gender in attitudes about brands and in-game marketing according to Lewis & Porte (2010) and Yoo & Peña (2011). But Leng et al. (2010) and Keat (2011) says that there are also some studies that say the opposite. Differences among age have also been studied and according to Stephens (1982) and Fung & Carstensen (2003) exist differences among dissimilar age groups when it comes to the effect on in-game advertisement. There are studies that say that an older population has lower rates of recalls and recognition than a younger population.

The most respondents, 78,60 %, have experienced in-game marketing while they have played a digital game. But the majority, 56 %, have not purchased a product after the exposure of in-game marketing. When the brand is a part of the game and not only in the background, the rate of recall and recognition of the brand is higher according to Dardis et al. (2012) and Yang & Wang (2008). The person that plays the game can also gives an higher rate of recall and recognition if the brand are irrelevant to the game and the person do not expect the brand to be in the game according to Balasubramanian (1994), Lee & Faber (2007) and Dahlén (2008). The players' familiarity with a brand and the rates of recall and recognition creates positive relationships according to Leng et al. (2010) and Schneider et al. (2005). The brand may also still influence the gamer after playing a game even if the gamer cannot directly remember the brand, according to Auty & Lewis (2004) and Molesworth (2006). This can be associated with the comment "It is possible that I have bought a product I have seen in a game without knowing it..." from the survey.

There are 66,50 % of the respondents that accept in-game marketing, which means that the majority think that it is okay to being exposed for brands while playing a digital game. According to Nelson (2002), Gupta & Gould (1997) and Nebenzahl & Secunda (1993) most players do not consider in-game marketing as deceptive and therefore do not see it as something negative. A comment from the survey was "It is okay if it makes the game better". According to Yang et al. (2006), Nelsson (2002), Nelson, Keum & Yaros (2004) and Toh & Leng (2014) the placement of brands in digital games can enriched realism to the game. But if the brand is very irrelevant to the game, it will instead lower the games' realism according to Lewis & Porter (2010). Another comment from the survey was "It is okay if the marketing fits the game and if it is not disturbing". The in-game marketing can have influence on the games meaning. In some games are the brands used as central to the shows' game and in some games as rewards and prizes according to Nelson (2002) and Roehm, Roehm & Boone (2004).

The majority, 68,40 %, thinks that in-game marketing is an effective method in digital games. Two comments in the survey about the effectiveness were "I think it is effective without the gamers notice" and "I think it is very effective when it is recurrent in the game". According to Schneider et al. (2005), Lee & Faber (2007) and Keat (2011) is it advantageously to place the advertisement where the player can see it repeatedly at a noticeable location. Digital games can make the gamers build daydreams (Molesworth, 2006) and separate from their everyday life (Poster, 1995). In this way advertisement in games are effective because of the fact that the game becomes realistic when the gamer sees the brands and knows that they are real according to Molesworth (2006).

6. Conclusion

To conclude, digital games are played by both men and women in different ages and therefore are in-game marketing directed against a big target group. Out of this study, there are more people that have experienced in-game marketing than have not. But the majority have not purchased a product direct after this. Though, in-game marketing can influence the gamer a time after the exposing. When the brand is not only in the games background but a part of the game, the rate of recognition and recall are higher. The brands irrelevance of the game can also produce this effect and instead create a positive relationship to the brand. But it can also lower the games realism.

The majority of respondents accept in-game marketing and according to review on previous research most players do not consider in-game marketing as something negative. When brands are seen in games the placement can enrich realism to the game and it is even more effective if the brand is placed where the gamer can see it repeatedly. Out of this study, the most users accept in-game marketing and think it is an effective method in digital games.

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