

# ADWEEK

VOICE

## It's Time for Brands to Stop Ignoring the Mobile Gaming Market

By 2020, it's expected there will be 213 million smartphone gamers

By *Welby Chen*

There is still a disconnect between where users spend their time and where advertisers spend their money. Research shows that 78 percent of smartphone users use game apps daily, logging an average of six and a half hours a week trying to raise their score, conquer the world, manage resources or complete a mission. The most popular mobile gaming related apps in the United States as of May 2018, according to Statista, were Google Play Games and IGN, followed by Candy Crush Saga, Pokémon Go and Words With Friends. At the same time, the global mobile app market is experiencing remarkable growth. During Apple's annual Worldwide Developer Conference earlier this month, Apple announced \$100 billion had been paid to app makers over the past 10 years.



78% of smartphone users play mobile game apps daily.

Getty Images

Despite a projected market growth of \$143.5 billion by 2020 and the hours logged in mobile games, according to eMarketer, brands account for only 15 percent of the total ad spend.

When the App Store first opened, there were real limitations and valid concerns for brand advertisers not to invest their budgets in the gaming app market: not the right audience, not the right format, not the right measurement tools. But as we celebrate the App Store turning 10 years old, let's remember a lot can change in a decade—starting with the players.

## Meet the players

The typical “mobile gamer” is not who you think it is. Fifty-five percent of mobile gamers are female, one in three mobile gamers is 45-plus, 54 percent of the worldwide population plays mobile games at least once per month and gaming audiences have significant disposable income. With “gamers” being such a diverse group, mobile gaming (and in-app) environments offer an incredible opportunity for brands to increase their ROI. What's more, 73 percent of game users are happy with the ad-funded model of app games” that can be attributed, in large part, to rewarded video's value exchange.

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### Rewarded video

Rewarded video ads typically play between levels in a mobile game, allowing users to unlock the next level or in-game perks by watching an ad. This type of opt-in advertising is entirely initiated by the users,

to engage with brands on the gaming apps they play most. In some ways, rewarded video is the pre-roll video of the mobile gaming environment. By giving players the choice to see the ad, advertisers can maximize brand recall and brand affinity throughout the game. For example, a fashion brand could implement an opt-in video showcasing their summer collection and reward the interested viewer with in-game currency or bespoke perks for watching the ad, creating a positive brand association.

While rewarded video is a lucrative mobile ad unit, there are a variety of other in-game formats including interstitial, banners and native ads. Traditionally, these ads are more interruptive. Rewarded video is a great alternative for publishers concerned about user experience, because it offers users an extra boost to continue playing without having to interfere with the flow of the game.

## Mobile web is not the same as in-app

Advertisers reading this and thinking to themselves, ‘I have mobile web. Why do I need in-app?’ are perhaps unaware of the in-app benefits. Mobile apps are integrated with customers' devices, ensuring publishers and

advertisers can leverage key data signals to seamlessly connect a relevant message to the right user. Also, rewarded video units are a full screen, opt-in engagement with high viewability rates. This larger canvas means advertisers can be much more creative when communicating their message. A shrunken banner ad simply won't have the same impact as a full screen, interactive ad experience.

A recent study by location intelligence company Cuebiq shows in-app ads are even more effective than web ads with driving in-store traffic. Technology like MRAID (mobile rich media ad interface definitions), VAST (video ad serving template) or VPAID (video player ad-serving interface definition) can be leveraged for viewability measurement, meeting a key requirement for brand advertisers.

MRAID, in particular, helps creative agencies and rich media shops build creative that runs via a range of publisher mobile apps. The IAB's Open Measurement SDK also makes measurement easier and more efficient by offering one SDK through which various third-party measurement vendors can measure. This eliminates the need to have direct SDK integrations with each app.

## Game on

By 2020, there will be 213 million mobile gamers in the U.S. That's 77 percent of mobile phone users. It's time for brand advertisers to start investing in the mobile gaming environment.

That said, we're in an era where customers expect something in exchange for their attention. Innovative ad formats, like rewarded video, stand as a perfect value exchange for users. Brands, be the hero and help your customer get stronger, better, richer, faster or have more resources to survive. They will remember you for it and thank you later.



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