

# LEVELING UP

## **A Marketer's Guide To How to Win at Mobile Games**

An MMA Mobile Gaming  
White Paper

October 2017



# Introduction: Who Plays Mobile Games and Why Marketers Should Reach Them

As with so many things, the face of gaming has changed in a mobile world.

The key, for advertisers, is to realize it, but many of them haven't yet. Though estimates of advertising spend in mobile games are not easy to come by, mobile app data and insights company App Annie predicts that they could attract \$39.8 billion in advertising revenue globally during the course of 2017, or about 18 percent of the \$223.7 billion in digital ad spending eMarketer expects this year. But despite the widespread enthusiasm for gaming, ad spending in it would account for only seven percent of the \$584 billion, eMarketer expects will be spent overall on advertising in 2017.

Forty billion dollars may seem like a high level of ad spend, but, as this report details, it doesn't match the level of user engagement or time spent with the medium. In 2017, 192 million Americans will play mobile games. *The truth is that men and women of all ages play mobile games daily.* It's time to debunk old myths about the real face of the mobile gamer.

Yes, almost everyone plays mobile games – an estimated 1.9 billion people worldwide, according to Newzoo – but tellingly, most of us deny it.

In fact, Tapjoy's *Modern Mobile Gamer* research report from earlier this year finds:

**Although consumers from every age, gender, country and background play mobile games consistently, more than two-thirds of them do not consider themselves “gamers.”**

Why is this the case? Because after several decades of “gaming” being associated primarily with console-based platforms – such as xBox and Playstation – many advertisers (and consumers) still view the face of gaming as a male teenager, hunkered down in his parents' basement and playing *Assassin's Creed* on a console. No wonder advertisers have a hard time seeing this market for its full potential.

In addition to not realizing the diversity and strength of the audience, most brand marketers have been slow to advertise in mobile games because they don't understand how to do it effectively, and they have the misperception that mobile games offer low quality inventory.

In the near-term, this misalignment between perception and reality creates an opportunity for advertisers looking to reach key targets by investing in mobile gaming. However, that could change quickly. As this report was being drafted, one of the biggest players in mobile gaming – King, maker of the wildly popular Candy Crush Saga, among others – began placing advertising in its games again after a four-year hiatus.



That’s a major shift from what it said back in 2013, when - upon exiting the ad business - the company said it wanted to maintain its “#1 focus around delivering an uninterrupted entertainment experience for our network of loyal players.”

King’s shift comes not only as marketers wake up to the size and scope of the mobile gaming market, but as mobile gaming companies discover more user-friendly implementations, moving away from the interruptive experiences that once gave this monetization channel a negative reputation and kept major game companies from participating. This report aims to help marketers level up, letting them in on what they need to know to harness this relatively untapped advertising opportunity with assurance, solving publisher, marketer, and consumer challenges with mobile games. It aims to:

- Demystify the true mobile gaming market and its unique mindset.
- Correct marketer misperceptions about advertising in mobile gaming.
- Examine the creative formats and media ecosystem in mobile gaming and other in-app advertising.
- Uncover best practices that separate experienced advertisers in the mobile gaming space from newcomers.

## Level One: Learning the Players in the Global Gaming Market

When Molly is waiting in the school parking lot for her daughter’s soccer practice to end, more often than not, she pulls out her smartphone and starts to play Game Circus’ Coin Dozer, which recreates the experience of a casino “coin pusher” game in a mobile environment.

When she runs out of coins, the game offers her a variety of options to continue including the option to view an advertiser’s video to earn more. Meanwhile, her daughter, Kate, is more inclined to pass the time on the drive home by playing Subway Surfer, a rather different mobile game, but one where the dynamic of rewards-for-viewing remains.

Kate’s dad, Eric, has recently become hooked on a multi-player car-racing game. For fun, he “shares” a branded beverage with other players and receives a reward for sharing the message. He usually plays on the train on his way home from work.

As for Eric’s Dad, Ken, he spends his time waiting at the doctor’s office playing mobile crossword puzzle games. Advertisers sometimes offer him clues in exchange for an advertising message, but sometimes he makes a micro-payment to get the hints he needs.

“Welcome to the world of the modern gamer, which spans across generations, sexes, and genres.”

What’s stunning about the statistics surrounding mobile gamers is their consistency.

No matter what study is referred to – for this guide, we looked at reports from Tapjoy, Game Circus, Chartboost, Jun Group, and Mary Meeker at Kleiner Perkins, among others -- they report strikingly similar findings:



- **The mobile gaming market is roughly a 50/50 split between men and women**, with some research skewing markedly higher towards women. As just one example, Game Circus reports that the skew for its Coin Dozer game is 60 percent female/40 percent male; another casino-themed game, Taps for Riches, is the opposite.
- **The age range skews much older than teens**, with many surveys reporting that the broadest band of gamers are those between 25 – 54. Mary Meeker’s 2017 annual report on Internet Trends put the average age of the gamer at 35, and Jun Group research says that more than half (56 percent) of mobile gamers are age 35 and over.
- **They prefer the freemium model, which gives them control**. A study from Tapjoy released in June 2017 showed that more than half of consumers prefer freemium apps with rewarded advertising over paid apps or traditional ad-supported apps. Freemium games allow consumers to download an app for free and then have the choice to access premium content by either paying for it or engaging with rewarded ads.
- **They are high income**. According to May 2017 research from Chartboost, most mobile gamers in the U.S. earn more than \$50,000, with 37 percent earning more than \$75,000. Forty-two percent have discretionary income of between \$30-50,000.

## Engagement: How Big and How Involved?

Socioeconomic statistics only tell part of the story with respect to describing the attractiveness of the mobile gaming audience. The market’s size also makes it highly desirable.

As was mentioned earlier, the size of the mobile gaming audience worldwide has been put at 1.9 billion and is as high as 192 million in the U.S.



But, more importantly, it's highly engaged. Sure, few of us self-identify as gamers, but our behavior belies that notion. More statistics:

- **56 percent** play more than ten times per week (Tapjoy, 2016).
- **69 percent** play three to five times per day (Tapjoy, 2016).
- Baby boomers are just as likely to play a mobile game at least once a day as Centennials, at **48 percent** (AdColony, 2017).
- In the U.S., people who play mobile games play an average of **55 minutes** per day (Tapjoy, 2016).
- Games are the #1 app category across all ages and genders, and women prefer gaming apps slightly more than men (Jun Group, 2017).
- **55 percent** of people play mobile games daily, and **60 percent** of women play daily (Jun Group, 2017).
- **51 percent** of people play mobile games for more than **30 minutes** daily (Jun Group, 2017).

Additionally, gamers are known to engage in long in-app sessions, with typical game sessions lasting almost eight minutes, according to Statista, significantly longer than the 4.35 minute average for all apps. Gaming sessions are typically more frequent as well, since gamers will check back in repeatedly during down time throughout the day. All this provides brands with an environment of fully-immersed users who are predisposed to actively engage with an ad, especially if it's presented as a part of the core experience of the game.

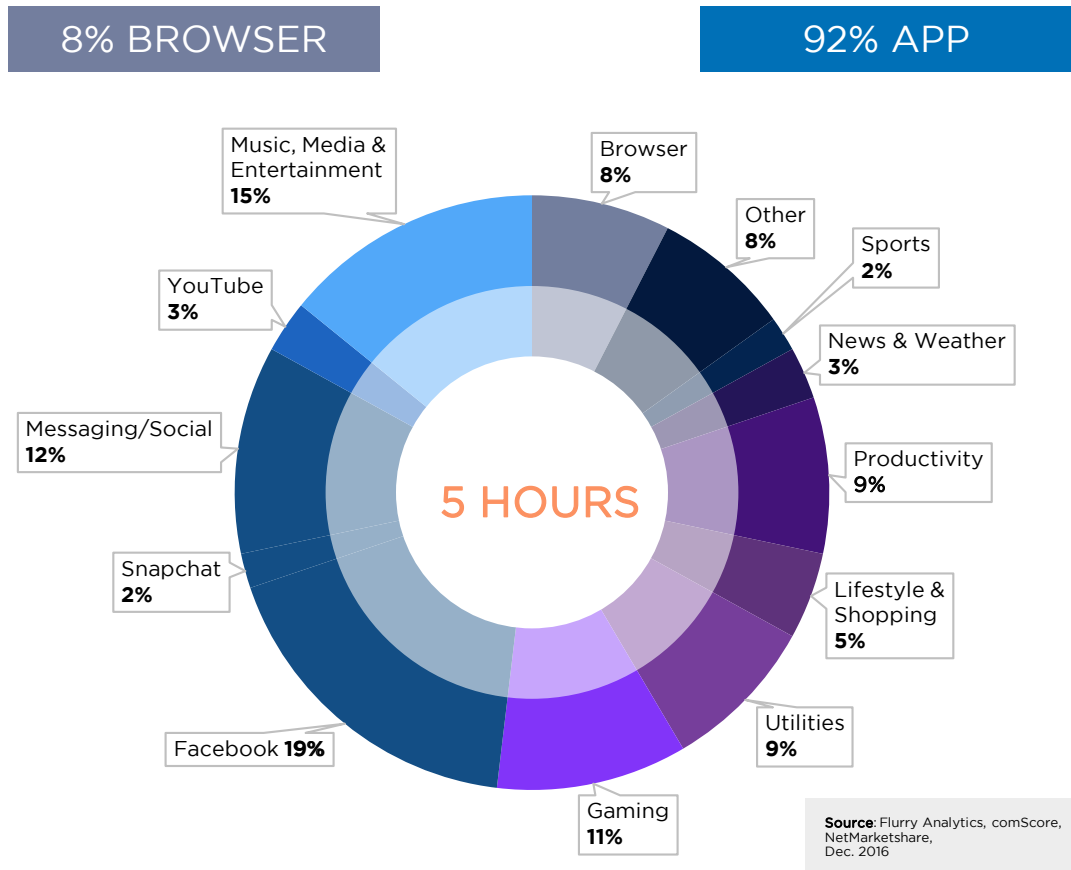
## Engagement: Mobile Gaming Compared With Other Smartphone Activity

Another way at looking at mobile gamer engagement is to examine their use of other channels.

According to data from Flurry Analytics, mobile browser activity has been eroding over the last few years, descending from 20 percent during Q1 2013 to only eight percent by Q4 2016. All told, U.S. consumers now spend five hours per day on their mobile devices! The plethora of messaging and social apps make up one-third of that use, and media, music and entertainment apps take up another 15 percent. Gaming is the third most popular activity people engage in on their phones (but it is also the #1 installed category of apps from Apple and Google), taking up 11 percent of daily time, and outranking apps focused on productivity and utility, lifestyle and shopping, news and weather (three percent), YouTube, and sports.

Where does that other screen – TV – fit into the picture? According to data released in May 2017 by eMarketer, U.S. adults are now consuming media for 12 hours and seven minutes, with four hours being devoted to TV. Some of that time is spent multimedia-tasking, or having at least two channels going at once. In fact, the 2016 Tapjoy survey found that more people said they like playing games while watching TV (70 percent) than in any other context.

## US Time Spent By App Category



## Engagement: The Mobile Gamer Mindset

People in the midst of playing a mobile game are in a good mood. 😊

In fact, they are in a notably better mood than when they are on social apps, even though they spend more time on those. According to the data from Tapjoy:



Mobile gamers are more than twice as likely to report being “relaxed” (59 percent) than when they are on social apps (27 percent).



They report being more than three times more “focused” while gaming (35 percent) as when they are on social (11 percent).



Thirty-four percent report being “happy” when they are playing a mobile game, as opposed to only 21 percent saying they are happy while on social.



Conversely, they are somewhat more likely to report negative emotions while on social, with eight percent saying they are “stressed,” as compared with five percent while they are playing mobile games.

This dovetails with research from AdColony, which found that people are more likely to be in a good mood when they play mobile games (77 percent) than they are when in other apps (news was 70 percent; social, 59 percent).

Jun Group's research shows that the number one reason women play mobile games is to relax, with 37 percent of respondents feeling this way. Additionally, 25 percent of men play mobile games to relax. This is an important finding for brand advertisers because they will reach a relaxed and happy audience, a captive and receptive audience to engage with. Hulu reports that people who are relaxed tend to watch more ads, and ExactDrive reports that people are in an 'engaged' mode when relaxing and killing time.

Generally speaking, it's unusual to see the consumer's mood studied as part of an analysis of media channels – but the fact that mobile game players describe themselves as relaxed, focused and happy has ramifications for the effectiveness of mobile advertising. When used appropriately in a mobile gaming environment, it can result in a trifecta of wins – for the publisher, advertiser and consumer.

## Level Two: How Marketers Can Work Through the Maze of Misperceptions

Because the marketing world underinvests in mobile gaming, despite some very positive attributes, it's important to discuss the misperceptions that are still keeping the market from going full throttle. These revolve around three main themes:

- 1 Concerns about the quality of the audience
- 2 Concerns about the quality of the inventory
- 3 Concerns that gaming is not a brand-safe environment

Based on interviews with a number of executives in the space, here are some counter-arguments, serving to debunk the category's challenges.

**1 Concerns about the quality of the audience**  
As was emphasized earlier, the mobile gaming audience has, in fact, grown way beyond the traditional "gamer" to encompass all ages and income levels. As one person interviewed for this paper said, this is important because the attention economy is in play. Marketers are struggling to gain, and hold, the attention of their targets – maybe it's because they're busy playing games.

**2 Concerns about the quality of the inventory**  
In the past, advertising in games tended to be interruptive, and that less-than-satisfactory way of serving ads made it a non-premium environment. Additionally, because the gaming category itself has monopolized advertising in mobile games, many brand advertisers have also believed that gaming inventory is only suited to performance KPIs, like app-installs. The fact is that formats such as video – which is commonly used in rewarded advertising – can be used to hit upper funnel KPIs just as it always has. Brands are also beginning to realize that rewarded video has guaranteed viewability since users must opt-in to watch, and that users are very aware – and fine with – the *quid pro quo* that gives them rewards for watching. Beyond that, game inventory also represents the largest pool of in-app inventory available today. For brands looking for scale, it's impossible to discount gaming inventory.

**If brands want to access in-app audiences, they will have to buy gaming inventory simply because gaming dominates the app ecosystem. Brands that exclude gaming from their advertising strategies have a severely limited pool of inventory to play with.**



### Concerns that gaming is not a brand-safe environment

In fact, gaming is one of the most controlled environments in the digital space, since – especially with robust targeting available against specific demographics – there is little chance of a brand suddenly appearing next to objectionable content, such as a negative comments thread or fake news. Since most mobile ad formats are full-screen, there is no ancillary or unexpected content disrupting the brand experience.

While many of the concerns marketers have about the mobile gaming space can be debunked relatively easily, it's still true there's no such thing as a problem-free advertising marketplace.

As with other components of the digital ad system, marketers have to also remain vigilant about making sure their partners are being transparent about reporting – and/or seek third-party validation of campaign metrics, so they have assurance ads are running where they think they are.

Also, while ad fraud is less of an issue right now in the mobile gaming environment marketers need to maintain awareness; malicious activity is on the rise in the mobile app world. A February 2017 study from Clicksmobs showed that as demand for in-app inventory has grown, so too has fraud. Thirty-nine percent of all fraud directed at apps was focused on gaming.

Still, in a world where premium inventory is hard to come by, consumers are hard to reach, and the world is full of sketchy content, advertising in mobile games presents an opportunity to find high-quality customers in safe spaces where they are spending a lot of time. In-app game inventory can solve a lot of a brand's keenest pain points today.

## **Level Three:** So, You've Decided to Play in Mobile Games

Maybe after studying the wide swath of the mobile gamer audience, and their mindset, you've decided you want to play. The purpose of this section is to walk marketers through how creative and media works in this environment.

### Creative: Definitions of Mobile Game Ad Formats and Placement Types

Many advertising techniques in mobile game advertising are familiar from the web, and particularly from in-app advertising, but these definitions look to view each through the context of being within a gaming environment.



One primary consideration when reviewing the terms below is that some are ad formats - a type of unit such as a video ad or rich media; and others are placement types -- which are ways of presenting an ad to a user. For instance, the same 15-second video unit could be served as an interstitial, briefly interrupting game play, or as a rewarded ad, offering the user a reward for viewing. As is true throughout advertising channels, some formats and placement types work better in certain contexts than they do in others.

## Ad Formats

### Advergames

This is the common term for a game that has the brand as its centerpiece but other terminology is sometimes used to describe it, such as custom branded games. Gameloft, for instance, has worked.

*FWIW:* These are highly engaging and obviously involve a high level of interaction with the brand. As inherently native ad units, they don't transfer easily to other contexts.

### Banner Ads

The oldest ad form in online marketing, in-app banner ads run on the top or bottom of the screen.

*FWIW:* This format's limitations have been well-documented in desktop; in mobile, the size of the mobile screen further limits their efficacy, because they become easy to ignore. May be best for short branded messages or in-app alerts.

### Full-Screen Display

As the name implies, these are display ads that take up the entire screen.

*FWIW:* As with other ad formats, a lot of how well these ads are received depends on placement.

### In-Game Advertising

These are custom campaigns that embed the brand into an existing game. More commonplace executions are putting branded signage on race cars or on the borders of a soccer field within a game, but more elaborate examples of in-game advertising include the brand in gameplay. Zynga, for instance, integrates branded levels into existing games.

*FWIW:* As with advergames, these are custom, and with in-game advertising, in particular, executing a branded integration requires working closely with the game developers. It's certainly not something that can be put together through a traditional network ad buy and is unique to the individual game. Because they are so specialized, they may also include custom metrics. When Electronic Arts' *Need for Speed* game included a Samsung "wrap" that players could use to adorn their car, the brand built in metrics that were able to determine how many users saw those vehicles.

## Case Study: Gameloft/Kellogg

One best practice for advertising in mobile gaming environments is to integrate into the gaming experience in a way that is also not interruptive. Kellogg's has been doing this within some of Gameloft's properties through branded Minigames (aka advergames) for cereal products including Froot Loops and Frosted Flakes that offer users reward points for playing. The games appear at a natural break in game play, offering the user five points for playing the branded game.

Said Ambi Kanthasamy, Associate Brand Manager, Kellogg: "The challenge with kids advertising is in engaging them with brand experiences that feel authentic and consistent with the way they consume and digest media. The MIGs from Gameloft not only allow us to reach kids in their environment but also provide a brand experience that's breakthrough."

"Gameloft has provided immersive brand experiences in the MIGs for Kids which has delivered strong engagement results," added Daniel Kalymon, Strategy Manager, Starcom.



## Playable Ads

These are highly interactive ads that, for instance, allow users to try out a game within the advertising experience and then give the user the option of installing it.

*FWIW:* While traditionally popular with gaming advertisers, other brands are moving into the territory, with a number of categories leveraging the interactive elements to significantly increase brand recall and ad engagement. One such campaign for a major CPG brand saw 45 percent engagement with the playable ad, and over 76 percent of those who engaged chose to complete the mini-game in the ad, proving the appeal and stickiness of interactive ads like playables. That said, user reaction to playable ads is mixed. In a recent AdColony consumer sentiment survey of users in the U.S. and Europe, 23 percent found these ads acceptable, 37 percent were neutral, and 40 percent deemed them unacceptable.

## Ad Placement Types

### Interstitials

As on the web, these are either video or display ads that run within the in-app experience, taking up the entire screen for a limited amount of time at a predetermined interval.

*FWIW:* The good news is that a user in the middle of a game finds an interstitial impossible to ignore. The bad news comes when these are interruptive to the gaming experience, and the user's attention is focused on finding and hitting the "X" in the ad's corner so it can be shut down.

### Pre-Roll

In a gaming environment, this is a video ad that runs before the beginning of a gaming experience.

*FWIW:* This placement type has its benefits because a user waiting to play a game is a captive audience. However, pre-roll tends to perform lower than some other placements. A recent AdColony survey of mobile publishers showed that pre-roll ranked last among eight ad types in terms of user experience and eighth out of 12 in terms of being viewed as an effective monetization method.

### Rewarded Ads

These are any type of ad format that rewards the user for viewing the unit. (They also sometimes go by other names, such as "value exchange", "payoff", or "opt-in" ads.) Unlike incentivized ads, these units reward users for their time, not their actions. In other words, someone who watches a rewarded ad but does not click or otherwise engage with the ad still receives the reward after the ad completes.

Some reward types include:

- In-game currency
- In-game items
- Limited time boosts
- Limited access to premium content



Events that may trigger a rewarded ad can include, but are not limited to, when:

- A user runs out of something important to game play (lives, an item, etc.)
- A user exhausts the free content available, such as after a certain number of articles, after a certain level in the game, or after any other time or content-based constraint
- A user opens the app after a certain period of time has passed (daily, hourly, etc.)

Ways that users are alerted to these offers include:

- Modal messaging that pops up within the app
- Push notifications
- Messaging within the app's menu system
- Indicators within the gameplay user interface
- Natively-integrated indicators within the gameplay itself
- Full-screen in-app messages
- Banner in-app messages

Rewarded ads take advantage of the fact that most users don't want to pay for boosts and other gaming items; the advertiser is footing the bill for those items in return for the user's attention.

*FWIW:* There is never only one way to ensure engagement.

“However, the evidence is strong that rewarded ads are the best way to engage the mobile gaming audience because they lie at the sweet spot in between the publisher's need to monetize, the advertiser's need to ensure that the target engaged with the ad in a brand-safe environment, and the consumer's desire to keep engaging with the game.”

Here are data points from some recent surveys:

**AdColony:** Rewarded ads were far more acceptable than any other of seven formats in a recent survey, with almost **40 percent** of consumers viewing them as acceptable and another **31 percent** being neutral about them. The next most acceptable ad unit was playable ads at **23 percent**.

**Jun Group:** Jun's data shows that its Value Exchange (i.e. rewarded) ads beat Nielsen Mobile benchmarks for awareness by **3.5X** and purchase intent by nearly **5X**. Not surprisingly, consumers surveyed by Jun showed high levels of receptiveness to this type of ad.

**Tapjoy:** Its data on rewarded ads from June 2017 shows its users prefer the model **4-to-1** over standard pre-roll (for more, see *Planet of the Apes* case study on pg12).

**Unity Technologies:** Its research showed almost **80 percent** of players said they are interested in interacting with video ads in exchange for in-game rewards.

### Video Ads

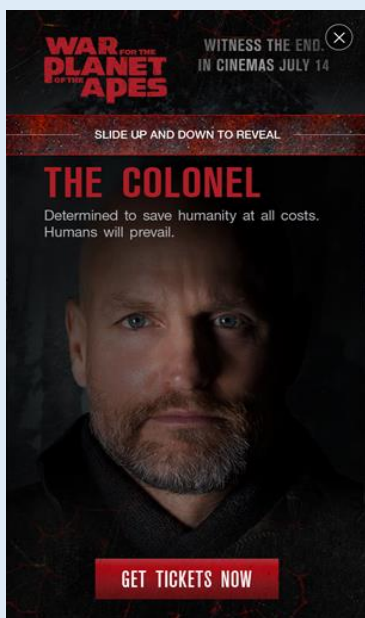
In-app, these serve as another form of full-screen engagement. As in other uses of video in the digital ecosystem, these tend to run shorter than they do in TV, but lengths vary. In general, the MMA's SMOX studies of cross-marketing effectiveness have indicated that a 15-seconds video is more effective in mobile environments than a 30-seconds, but some in the gaming space, including AdColony, have found the sweet spot to be at a non-standard length, such as between 22 and 28 seconds. The Tapjoy study referenced above says, "The study also found that videos are far and away consumers' favorite type of rewarded ads on mobile—preferred by at least 6X over playable ads, app installs, surveys and other types of advertising offers.

*FWIW:* In general, users like video ads better than other forms of engagement, but a lot depends on context. These do well in a rewarded environment, but as interstitial or pre-roll, they suffer from some of the same problems as other ad units, simply because they are interruptive.

### *Case Study: Rewarded Video for War for The Planet of the Apes*

A summer 2017 campaign created for the theatrical release of War for the Planet of the Apes demonstrated how rewarded video and a compelling creative execution can produce powerful results.

The campaign, which used Tapjoy's Interplay™ Character Slider Unit, aimed at driving awareness and ticket sales among the film's target audience across 16 different countries. The unit introduced the user to the film through a full-screen trailer, followed by an end card with an interactive slider. The user could then engage with the film's characters by dragging the slider up and down to reveal new character descriptions and movie scenes. After the interaction, the user was encouraged to click to purchase tickets.



The rewarded video and fun interactive video ad experience - which users could activate during their gameplay - drove an 88 percent video completion rate and a four percent click-through rate to purchase tickets - a rate 3.5 times higher than industry-wide CTR's for mobile video pre-roll campaigns\*.

"Our goal was to deliver exceptional results in both awareness and affinity for the film, while driving measurable performance in the form of trailer views and click-throughs," said Izzy Hedges, EVP of International Media at Fox Studios' media agency Vizeum. "Having worked with multiple movie studios over the last 13 years, I'm surprised that there isn't more investment in this sector. Rewarded gaming enables studios to hit an already-engaged audience with content we know they want to engage with. You only pay once you've achieved a full view- and for long form content advertisers particularly that's a huge win. It's difficult to understand why people aren't investing in this more significantly."

\*Innovid; 2016 Global Video Benchmarks; February, 2016

## Media: A Look at the Mobile Game Advertising Ecosystem

Many of the players in the mobile game advertising ecosystem are the same companies you'd find in the digital and in-app advertising ecosystems; mobile gaming is essentially a subcategory of in-app. As always, Google and Facebook are top players; Facebook has, of course integrated gaming into its platform, and therefore, into its ad products, and Google aggregates mobile gamers through its AdMob network. Both offer gaming-friendly ad formats.

By and large, however, the ecosystem that powers mobile gaming inventory is not a uniform marketplace. There is plenty of overlap between those who specialize and those who don't.

Publishers in this ecosystem – i.e. the companies that build the gaming apps – are far more likely to employ a freemium model, where some customers pay, and some don't. Also, depending on the size and scope of the publisher, they may handle at least some ad sales in-house, though most work with the major ad networks as well.

The main pivot point is that being successful at advertising within mobile games requires understanding the unique context in which ads are being served. Rewarded ads are one example of this, although it should be noted that rewarded video is catching on in non-gaming apps as well, customized to the app. Wherever rewarded ads are running, marketers have to be particularly sensitive to the flow users are in and respect it. Deciding whether to serve up an ad just when a gamer is about to kill off an opponent (don't!) is a situation most advertising platforms don't have to think about.

## Level Four: Beast Mode – Seven Best Practices for Playing the Mobile Game

Even though mobile game inventory is new to many advertisers, the channel has some definitive best practices that can shorten the learning curve.

**The key is to respect the user's experience and mindset and make that the guiding principle for marketing decisions.**



Based on interviews with people throughout the mobile gaming ecosystem, we've identified seven best practices:



1

### Only run ads during natural breaks in the game

Perhaps obvious, but it bears repeating: there is no better way to annoy a user than to serve up an interstitial right when the user is on the verge of solving a puzzle or winning a race. If an ad appears at the wrong time in the experience it doesn't matter how good it is.

2

### Take advantage of the entire screen

Whether you are running display, rich media or video, utilize the full screen, because it's far more impactful.

3

### Prepare to leverage video, both vertically and horizontally

Yes, it's safe to assume that video is more engaging in mobile games just as it is everywhere else, but do it right by serving ads in alignment with how the game is played. While vertical video is catching on because of channels like Snapchat, most games are played horizontally. It's a simple thing, but consumers don't want to shift their phone to watch an ad.

4

### Keep it short

Many advertisers re-use assets when they are advertising in in-app environments, but think twice before running your 30-second commercial. In the context of gaming, a half a minute is a long time. Marketers can also think of augmenting short video with things like rich media, quizzes and other elements to make the experience more interactive.

5

### Say it without audio

Whatever format you use, make sure that the message can be communicated without audio. Again, it's about context. Someone commuting on the train to work or playing while in line at the grocery store is very likely to have the audio off, so make that reality the default in your creative decisions.

6

### If possible, incorporate reward-based formats

As we said earlier, the evidence says that reward-based formats that give users game-based incentives to engage with your ad are superior to others. To cite even more evidence, recent research from Dr. Manuel Garcia-Garcia, Senior VP/ Global Research and Innovation at the Advertising Research Foundation showed that so-called "payoff" ads make users more likely to lean into them instead of pulling away from them. He found that compared to pre-roll, in-stream and pop-up ads, payoff ads:

- Have the highest brand recall among users, at 33 percent.
- Are the least likely to be quickly avoided, with 68 percent of users opting in.
- Are the least likely to result in user willingness to pay for an ad blocker.
- Are the greatest (by far) in terms of increasing positive emotions after viewing.

Additionally, they have remarkably high completion rates, which for some campaigns are more than 90 percent.

7

### For in-game advertising, fully integrate into the game

This requires working closely with the game team on truly holistic integrations that build the brand into how users interact with the game. Plastering the game with logos doesn't cut it. Game development teams know their players better than some people know their pets. Leverage it.

When a marketer advertises in a game, it will encounter a user who is in an active mode, highly focused, engaged and in a good mood.

*Even though advertising is by its very nature interruptive, best practices for advertising within games revolve around integrating advertising into the experience in a way that it isn't getting in the way of what the user is in the app for: to play a game.*

## Level Five: Win! Win! Win!

By way of this marketer's guide to winning at mobile games, we hope we've given you the building blocks that will help you get the most out of the money you invest in this exciting — and relatively underutilized — channel. What gives it so much potential is that the model solves problems for publishers, marketers and consumers that few other channels do.

- ✓ For publishers, it provides a robust revenue stream that recognizes that most of the user base would rather not pay for mobile game experiences.
- ✓ For marketers, it solves crucial problems.
  1. It is family-friendly and brand-safe.
  2. Ads have high viewability because they are in-app and there are very low levels of fraud.
  3. Because users are highly engaged and like the rewarded, opt-in ad model, they are less likely to use ad blockers.
- ✓ For users, it means the opportunity to play games for free; many studies show that they are fine with honoring the *quid pro quo* that advertising model which allows their games to be free-to-play.

Gaming inventory provides a unique opportunity to run ad formats that truly make good on the promises of mobile and digital.

To close, we'd like to take a moment to also reflect upon the fact that what we are seeing in gaming now — both in terms of the games themselves and the advertising formats they are spawning — is in line with the growing trend of gamification throughout the online world. In her 2017 annual report on Internet Trends, Kleiner Perkins' Meeker cited Interactive Games as one of the biggest trends, a “motherlode of tech product innovation/evolution + modern learning.”

This has led to a gamification of services, as companies ranging from Airbnb to Peloton to #slack have incorporated gaming elements, from winning badges, to competing with other users. Gaming elements such as reputation and rankings, upgrades and level-ups all have become a part of what satisfies us as consumers. Advertisers who tap into this model are bound to see rewards, in the form of consumers who will happily engage with brands — only if they play on their terms!



From rewarded videos to playable ads, mobile games provide an environment specially suited to formats which make consumers the center of the experience as opposed to a passive observer.

## Acknowledgements

Special thanks to the MMA Mobile Games Committee and the following MMA member companies who contributed to this paper: AdColony, Electronic Arts, Jun Group and Tapjoy. Also we thank the other members of the Committee for their support: AppsFlyer, Immersion and TAB. Thanks also to Chartboost, Game Circus, Gameloft, Ironsource and King, each of which provided their invaluable insights to this paper. And finally, kudos to Catharine Taylor, our veteran writer and fellow mobile gamer!

### About the Mobile Marketing Association (MMA)

The MMA is the world's leading global non-profit trade mobile marketing association comprised of more than 800 member companies, from nearly fifty countries around the world. Our members hail from every faction of the mobile marketing ecosystem, including brand marketers, agencies, mobile technology platforms, media companies, operators and others. The MMA's mission is to accelerate the transformation and innovation of marketing through mobile, driving business growth with closer and stronger consumer engagement. Anchoring the MMA's mission are four core pillars; to cultivate inspiration by driving innovation for the Chief Marketing Officer; to build the mobile marketing capabilities for marketing organizations through fostering know-how and confidence; to champion the effectiveness and impact of mobile through research providing tangible ROI measurement; and to advocate for mobile marketers. Additionally, MMA industry-wide committees work collaboratively to develop and advocate global best practices and lead standards development. For more information about the MMA please visit: [www.mmaglobal.com](http://www.mmaglobal.com).