

Gamification



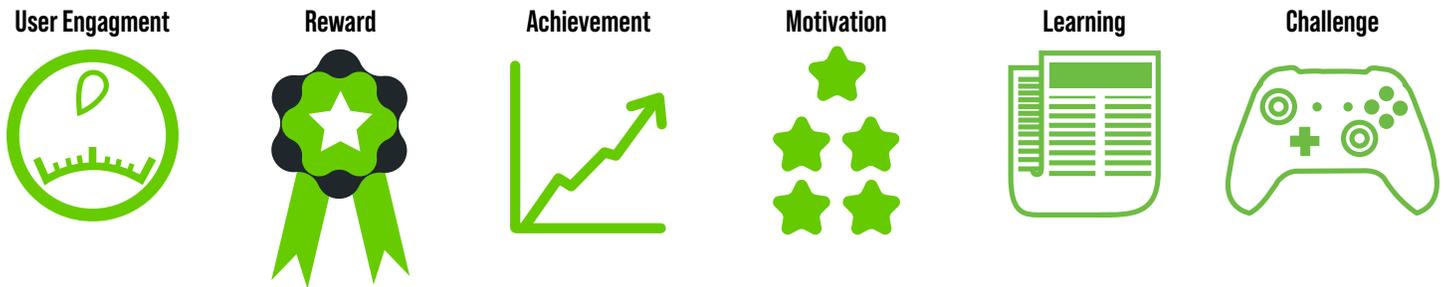
This Apex Gaming Network (AGN) document serves as an analysis for the use of gamification in advertising. This document uses statistical data from various global surveys, partner data from our premium game publishers, and Canadian data from the 2020 Real Canadian Gamer Essential Facts report (RCGF).

This AGN report will help brands, agencies, and marketers better understand the following topics about gamification advertising:

- > Gamification History
- > Value exchange advertising
- > Creating a playable ad unit
- > Strategic placement
- > Gamification benefits



Gamification is the strategic attempt to enhance systems, services, organizations, and activities to create similar experiences to those experienced when playing games to motivate and engage users.

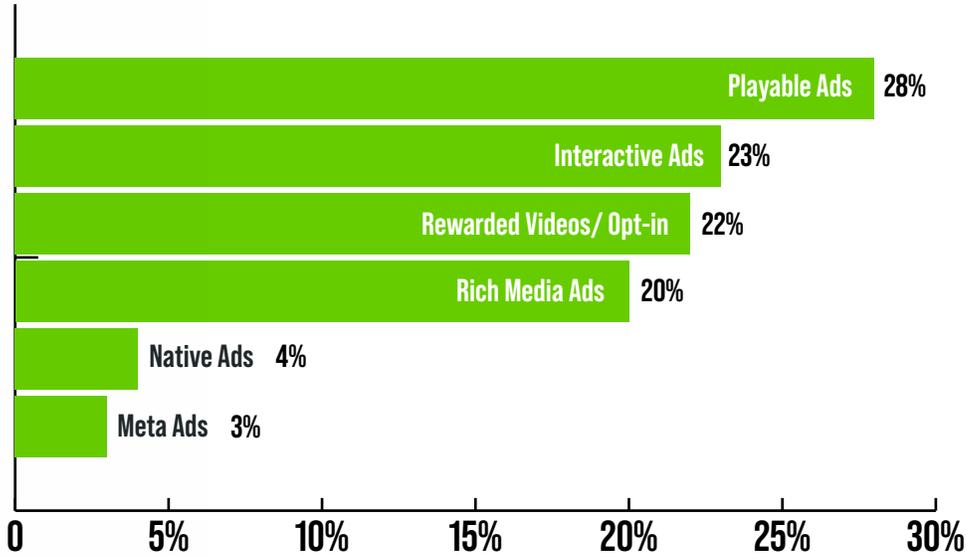


The original idea behind games was to motivate people to do things. Sports were created to get people fit, and board games such as chess were created to teach soldiers on strategic military action; all while having fun and being entertained.

Today, gamification has not changed. It continues to be a method used by many businesses to educate, encourage, and engage users and audiences. In the world of modern advertising, it is used by brands who want to encourage users to opt into advertising while rewarding them for their time in a seamless and subtle manner

Most Effective In-App Format According To US Agency Professionals, August 2018

% of respondents



Source: Fybe, "In-App Advertising" conducted by Sapio Research, Oct 11, 2018

The results of this advertising method speak for themselves as agencies who use gamification ads find them to be the most effective in-app ad format.

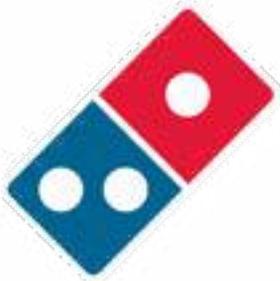
Gamification: Value Exchange Advertising

Gamification advertising is the creation of playable ad units within in-app environments. In short, they are ad units that consumers opt-into playing.

These ad units use interactive mechanics such as touch, flip, tap, and swipe features on mobile devices to provide the end user with directives through game mechanics and game dynamics which lead the target user to the accomplishments of business goals and objectives.

The main purpose of this ad type is to deliver brand messaging in a seamless way while catering to the most basic of human cravings: affirmation, reward, and recognition. The brands that effectively trigger these emotions can create and deliver advertising that is both memorable and impactful with consumers.

Through the process of gamification, brands provide rewards for consumer time and investment. This process of rewarded advertising is key to the basic transaction of asking people for their time.



Domino's Pizza created the gaming app Pizza Hero and increased sales revenue by 30% by letting customers create their own pizza with an app

<https://yukaichou.com/gamification-examples/gamification-stats-figures/>



Volkswagen got 33 million web page hits and 119,000 ideas through it's People's Car Project that lets people design their 'perfect car'.

<https://yukaichou.com/gamification-examples/gamification-stats-figures/>

Gamification: Making Ads More Compelling

Creating a playable ad unit is about driving consumer engagement.

When consumers participate and engage with a gamified ad unit they are learning about the business, the products, the services, and the brand without realizing it.



The true value of gamified advertising doesn't stop with the consumer. Consumer engagement with this ad type provides insightful data that can help influence marketing campaigns, and performance goals. Each interaction gives a better sense of what messaging drives the most interest.

Brands that successfully engage customers with this ad-type are doing so by following three main elements of playable ad units:

- > A tutorial
- > The experience
- > The end card



Tutorial

With the help of visual prompts, users receive instructions on how to interact with the ad. The instructions can be in the form of looped animation, a lead-in video, or simple text.

The tutorial length should flow with the nature of the app it appears in. For example, if the ad is displayed in a fast-paced game then the tutorial should be quick, letting users interact with the playable ad almost immediately.

A tutorial that takes too long will lose the attention of the user quickly and reduce engagements and click through rates.

The Ad Game Unit

The only goal of an ad game unit should be to create an enjoyable experience that end users want to engage. If the playable ad unit is a break from the in-app gaming experience, the ad should range from fifteen seconds to one minute.

Brand goals can either be conversion or awareness. Regardless of what the goal is, they will each focus on the following three categories:



Engaging Consumers

In the modern attention economy, winning over audience attention can be difficult to do. Which is why playable ad units are proven to be more effective. When properly executed, they allow consumers to opt into the ad experience and start playing with the ad immediately, keeping them captivated.

Marketing Messages

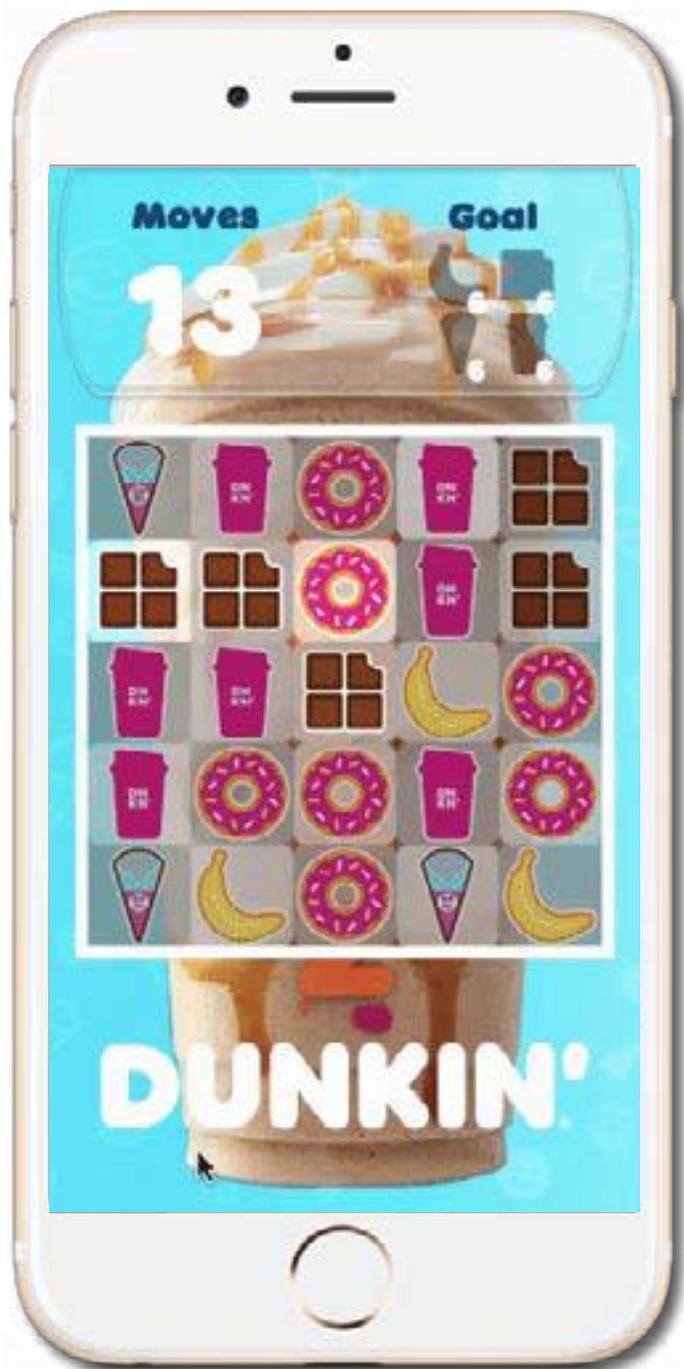
Playable ad units provide an opportunity for brands to advertise to their audience in a subtle and non-intrusive manner. This tactic provides consumers with memorable ad experiences that help them to better understand the features and benefits of a product and to remember a brand's messaging.

Call-To-Action (CTA)

Playable ad units can also be designed to fulfill full-funnel marketing within a single ad. The playable ad can drive action by enabling consumers to click call-to-actions that are embedded within the game-play and not just in the end card.

End Card

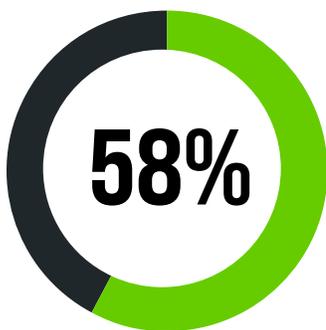
The final element of the playable ad unit is the end card, which can be customized for any brand and style of campaign. This final stage of the ad drives users to act, such as making a purchase, downloading a coupon, or clicking a learn more button and even signing up to email lists.



Gamification: Simply Unignorable

Ads are everywhere and in turn, so is ad block technology. The continued growth of ad block technology has cost brands and agencies billions of dollars in lost revenue across multiple devices. With custom playable ad units, brands can avoid falling victim to ad block technology by creating value in exchange for the end users time and rewarding them with an incentive.

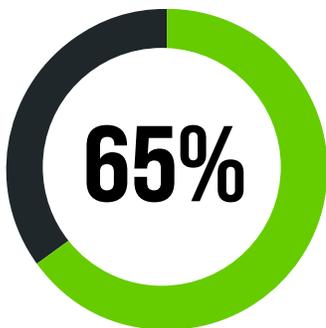
Recent global events have more Canadians at home and their time spent in-app on mobile has increased with many Canadians spending more time gaming. These consumers are naturally more receptive to opting into engaging with playable ads that highlight a brands message or product in a playful, engaging way that attracts their attention while also respecting their time.



58% of adults are playing more



80% of teens are playing more

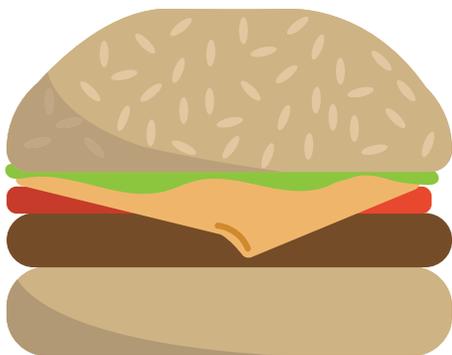


65% of adults find that gaming while supporting stay-at-home health measures makes them feel better.



78% of teens find that gaming while supporting stay-at-home health measures makes them feel better.

This form of advertising serves to benefit both the consumer and the advertiser, by filtering out end users that will not convert, leading to higher click through rates and a better return on ad spend. These ad types continue to grow in popularity and are used by businesses such as quick service restaurant (QSR) brands, auto manufacturers and retail.



DYK:

Burger King was one of the first non-gaming companies to use gamification advertising, with the launch of its Angriest Whopper game in 2015.

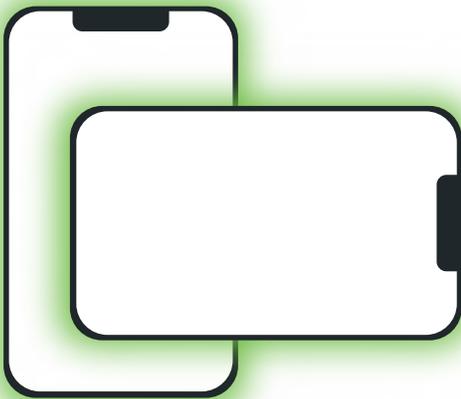
Gamification: The Benefits

Opt-in Advertising: Getting users that want to engage with an ad is a win for any advertiser. This sense of value exchange advertising greatly helps reduce friction between end users who want to continue the app experience without interruption and those that see the value in engaging with an ad dressed up as a mini game.

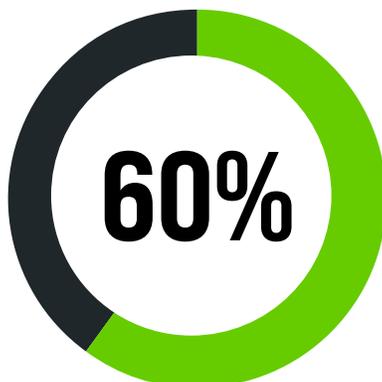
Users who engage with playable ads are more likely to continue engaging with a brand than users who are forced to sit through an advertisement. The users who want to engage with playable ads know what to expect from the ad ahead of time and opt-in to participate. This helps advertisers increase ROI by filtering out users who wouldn't enjoy the ad experience while also decreasing ad spend that would otherwise be wasted.

Insights: Playable ad units provide advertisers with insights to user engagement. The feedback received can be used to test, tweak, and optimize ads for minimum user engagement and click through rates. Some of the insights that advertisers can see and use are:

- > Click-to-open rates
- > Click-to-play rates
- > Swipe to play rates
- > Engagement rates
- > Time spent
- > Click-through rates
- > Replay rates
- > Share Rates



All playable ad units are responsive, and work in landscape and portrait mode across all smartphone makes and models, including tablets.



60% of Canadians play on multiple devices.

Gamification: Best Practice

Regardless of the ad type, brands and advertisers must always adhere to best practices when creating an ad campaign that meets KPI's and drives performance.

To ensure that all goals are met, brands and advertisers need to make ads intuitive, know the target audience, and ensure the playable ad unit is short and to the point. The final but most important best practice is to test, track, and optimize.

1 Increase and improve user engagement

2 Helps to grow brand awareness and loyalty

3 Helps to gather useful customer data

4 Increases conversion rates

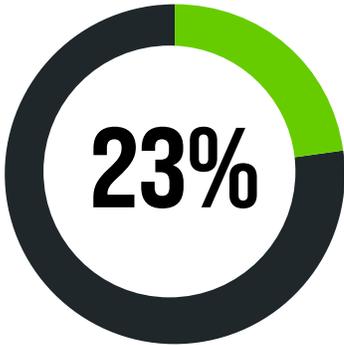
5 Makes the promotional offers more interesting

6 Educates the customer with your product or services

7 Helps to interact with customer more often

Gamification: Proven and Effective

Playable ads create an interactive and memorable experience that is scalable, authentic, and proven to be effective. They have many advantages over other ad formats but are the most effective in a world where consumer time on mobile increases every day.



Engaged customers represent “an average 23% premium in terms of share of wallet, profitability, revenue, and relationship growth compared with the average customer”.

[Why Customer Engagement Matters So Much Now](#)

At AGN, our years of expert experience in the mobile and digital advertising space along with our partnerships with premium game publishers, enables us to create bespoke advertising solutions for our clients.

AGN is the choice for many Canadian brands and is proud to be a trusted expert in ad technology, marketing, strategy, and optimization.

Learn how you can start using playable ad units in your advertising strategy. Contact us today.



Carlos Guevara

Marketing Manager

marketing@apexgamingnetwork.com | apexgamingnetwork.com