

Gaming as a new marketing platform

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Gaming, including online gaming, as a hobby has seen incredible rapid growth over the last few years, with lockdown and Covid-19 just acting as accelerants. Shifting drastically from niche cliques into extensive mass markets, alongside gaming's growth comes new opportunities for brands to align appropriately and turn the sector into a lucrative playing field for brands and organisations to explore.



Today, gaming is a <u>billion-dollar industry</u>, setting the trend in motion for brands to spread awareness within popular games and platforms. Big brands have started to create interactive marketing tactics – and some have wielded great results in their efforts. However, the passion and power of gamers' enthusiasm can either make or break brands who try and enter their world without having the right context.

Let's dive into what the gaming industry looks like as a whole.

Before 2020, the gaming industry had already seen <u>9% year-on-year growth</u>. Add lockdown to the equation and we see this as an industry that will grow by 30% by 2023. Looking at the African continent, <u>South Africa</u> is definitely one of the largest video game markets. There are more than 11 million gamers in South Africa alone, and that number increases as access to certain platforms becomes easier. South Africa's gaming majority is moving towards social gaming, the free-to-

play revenue model with in-game purchases. <u>In-game purchases</u> enable players to only buy parts of the game they want, giving them the chance to sample and enjoy a game for free and to tailor their gameplay experience by purchasing extra content.

Esports gaming, also known as competitive gaming, is also booming in South Africa, with a revenue of R46m in 2018. It is expected to soar to R138m by 2023 due to far better internet connectivity, access and speeds. Worldwide, eSport gaming is hugely popular as competitive gamers join large, event-style competitions and go all out for large cash prizes. The eSport space has become completely professionalised with sponsorships, and ambassadors and icons are becoming worldwide stars almost overnight based on their scoring and successes. It makes sense then that sources state the growth spurt of eSports has led to advertisers looking for ways to capitalise within this sector. Brands such as Coca-Cola and Mercedes-Benz moved eSports from their experimental marketing budgets to core sponsorships, resulting in an estimated 34% growth boost in eSports gaming during 2019 alone.



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So, who are brands and marketers targeting in the gaming industry today?

As per a study by <u>Global Web Index</u>, there's a new demographic that has taken significant interest in gaming. This unexpected audience happens to be the older generation in the 55–64 age group; they mostly use mobile apps to play solo games or play games with their children and grandchildren during lockdown. We see an impressive 32% rise in this market.

Female gamer numbers have also shot up by 14%, where previously, non-gaming females spent more time gaming with partners, subsequently resulting in getting hooked on the hobby. Other consumer insights show that the motivators for what drive people's interests in gaming are excitement and challenge seeking, as well as gaining strategic skills.

There are new gaming enthusiasts that entered the gaming market since the pandemic for a 'wonderful escape'. Gaming audiences are also viewing their gaming time as a good way to socialise online with new people when isolated in lockdown conditions and beyond.

What platforms are the best for brands to market on?

The top three gaming platforms are PC, console and mobile gaming. PC games provide a reliable gaming foundation; however, growth is slow compared to other platforms. Although there are a wide variety of games available to play on PC formats, gaming PCs are quite pricey and require a very stable internet connection for the best user experience. PC gaming is possibly not the best platform for brands to market on based on the slower growth of the platform. In other words, mobile and console gaming are impeding the growth of the PC gaming market.

Console gaming has seen an incredible increase in recognition, especially since the upsurge in technical sophistication, and now forms a relevant part of the home entertainment ecosystem. It's the fastest growing gaming platform; however, advertising for console games is more difficult than for PC or mobile games as digital advertising cannot reach the console directly.

Mobile gaming is seeing immense growth because of the ease of access to cellphones and because it currently has the largest market share. The mobile platform is the easiest way for marketers to get involved, with at least 69% of the global population choosing this platform for their gaming. With advertisers seeing spectacular gaming growth, they are sitting up and taking notice of this medium as a platform to create significant brand awareness. However, many games on mobile devices are very poor in quality and are not popular amongst eSports players or aficionados.

Examples of marketing excellence in the gaming sector

Pokémon Go

<u>Pokémon Go partnered with The North Face and Gucci</u>, giving players the chance to deck their virtual selves out in designer clothes. The game also had instructions on how players can get the real merchandise to match their in-game personas.

Louis Vuitton

<u>Louis Vuitton</u> designed the case for the League of Legends World Championships trophy and introduced fashionable skins in gaming, which could be purchased by players for their in-game avatars.

KFC Philippines

KFC Philippines built its own island on Animal Crossing, complete with a restaurant, and invited players to search the island for Colonel Sanders. Those who found him were able to win free real-world food.

Fortnite

In April 2020, hip-hop megastar <u>Travis Scott collaborated with Fortnite</u> to offer players an in-game concert played at preadvertised time slots. Users could find concert posters on walls within the game or social media. Once logged in to the game, users were treated to a stunning visual experience that featured Travis's giant hologram.

Times have changed from when gaming was stereotyped as a playground for geeks and high school dropouts. The audience has expanded so widely that advertisers have seen the potential for more than just niche audience responses. Gaming is serious business. This common pastime should no longer be taken lightly. Where passion exists, authentic opportunities will arise for the right brands.

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