Effectiveness of In-game advertisement in brand awareness

Introductory presentation

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Agenda

1. In-Game advertisement
2. Brand awareness
3. Brand recall & Brand recognition
4. Why brand awareness?
5. The research question and hypothesis
6. The conceptual model
7. Methodology
During the last decades, video-games use has developed into a massive activity. Video Games is a medium where the consumer’s eyes are always on the screen.

In-game advertising is about in-game product placement with examples like a character wearing a Puma t-shirt or the outfield wall of a football field having advertisements.

http://www.youtube.com/watch?v=m5ZnDme_t9k

It began in the very early days of the movies with the incorporation of branded products in silent films, progressed into the medium of television in the 1950s, and then in the 1990s moved into the online game environment (Villafranco and Zeltzer 2006).
Analysts predict that commercial placements in games will become a five billion dollar industry (Leeper 2004) and Nielsen has announced it will start gauging effectiveness of game brand placements (Gough 2004).

Product placements are less obtrusive and therefore media users are less likely to develop the so-called persuasion knowledge" (Friestad and Wright 1994) and psychological reactance to these commercial messages (Edwards, Li, and Lee 2002).

Friestad and Wright s (1994) persuasion knowledge model" posits that when users recognize and identify a message as a persuasive communication attempt, they process it differently had they not been aware of its commercial intent.

While engaging in mental counterarguing, scrutinizing, or rejecting the message (Law and Braun-LaTour 2004), they may get distracted from the message disengage from the communication"
Shapiro, MacInnis, and Heckler (1997) showed that an ad displayed adjacent to a to-be-read text in a scrolling computer display influenced awareness of an existing brand, even though the task deliberately limited attention to the ad and thus the ad itself was often not remembered.
Ferrand et al. (2007) consider brand awareness to be related to the recognition of a brand, any components that make up its image. It also signifies the Strengths of the brands presence in the minds of consumers.

Two types of brand awareness:
- Brand Recall
- Brand Recognition
People who can name brands and events on demand when given a product or event category, it reflects familiarity due to past exposure to the brand (Aaker, 1996).
Brand recognition is when customers can name a brand/event after they are shown a list of brand or service categories. Interviewed people know the brand when they see it, but they don’t necessarily recall without seeing it (Aaker, 1996).
Why brand awareness?

- Raising brand awareness ensures that when consumers are making a purchase the brand will be among the consideration set.
- High brand awareness can affect directly the choice of brands in the consideration set and result in a purchase

Source: Adapted from Franzen & Al. (1999).
Effect Model

- Receivers are aware of and knows about a product or a brand.
- After this, they are able to develop feelings or emotions towards it.
- At the end, action in form of a (repeating) purchase will occur.

*The David and Steiner traditional order Hierarchy of Effect Model (adapted)*
The research question:
- How does In-Game advertisement affect the brand awareness of the advertised brand?

The hypothesis:
- **H1**: Game play generate higher In-Game advertisement awareness.
- **H2**: There is a positive correlation between the Advertised brand and the Game type.
- **H3**: Game type affects the contribution of In-Game advertising in Brand awareness
- **H4**: In-Game advertising contributes positively in brand recall
- **H5**: In-Game advertising contributes positively in brand recognition
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H2: There is a positive correlation between the Advertised brand and the Game type.
H3: Game type affects the contribution of In-Game advertising in Brand awarness
H4: In-Game advertising contributes positively in brand recall
H5: In-Game advertising contributes positively in brand recognition
Methodology

- **Qualitative research:**
  - Structured literature review
  - Case studies

- **Quantitative research:**
  - Survey
  - Data analysis
  - Multivariate statistics
Thank you for your attention 😊

Should you have any questions or remarks, please contact us on info@g10.com