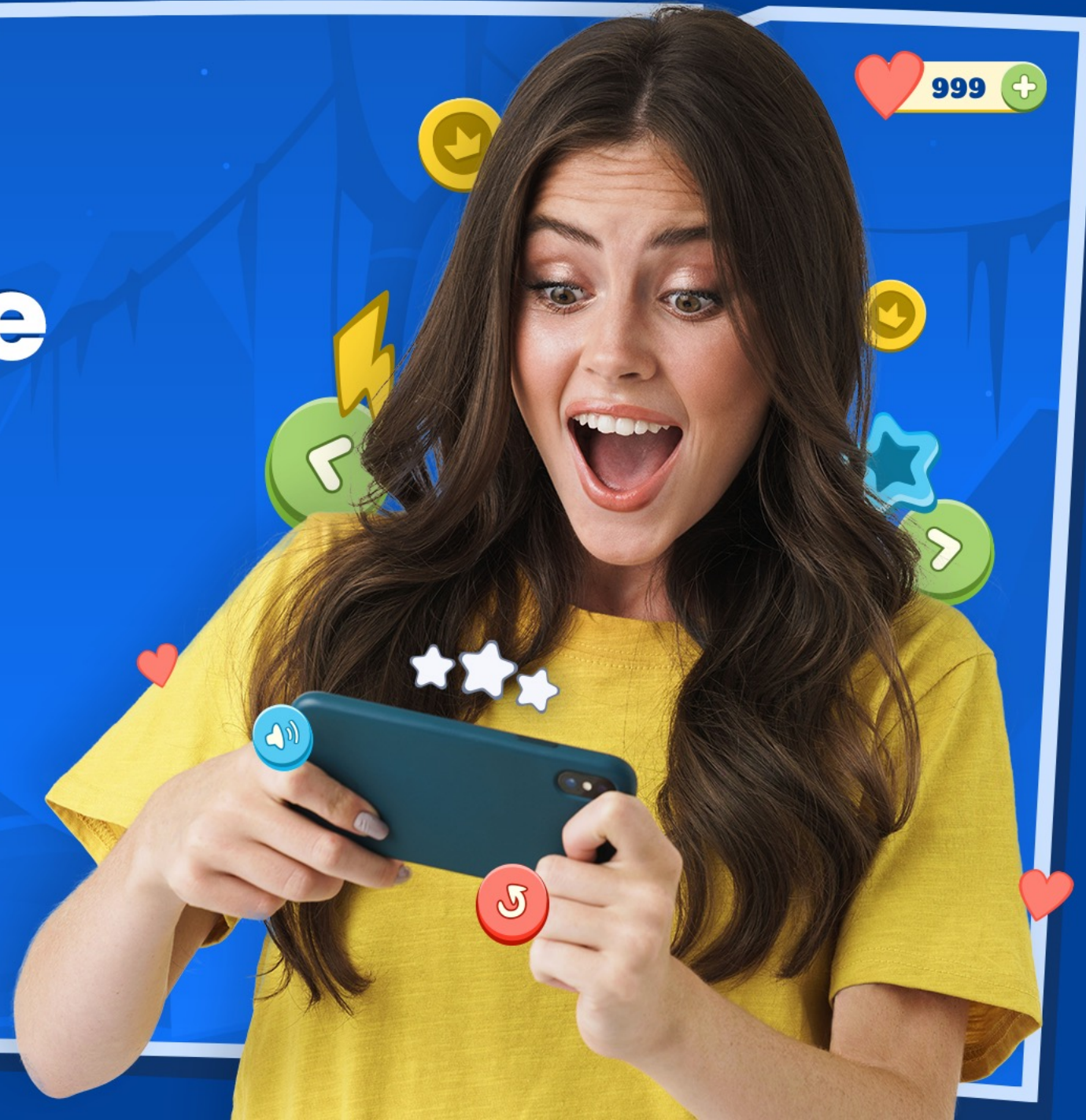


INMOBI

Mobile game advertising in 2022

Do marketers have
their game face on?

INDIA | SEPTEMBER 2022



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Research methodology

InMobi conducted this research study to better understand the attitudes, perceptions, and myths that advertisers across brands and agencies hold around advertising on mobile game apps.

The main objectives of this study was to:

Understand the current adoption of advertising on mobile game apps and preferred buying methods

Gain an in-depth understanding of the factors driving adoption and executional barriers

Bust the myths about advertising on mobile game apps



A sample of n=205 Indian Mobile Marketing Leaders recruited in July 2022

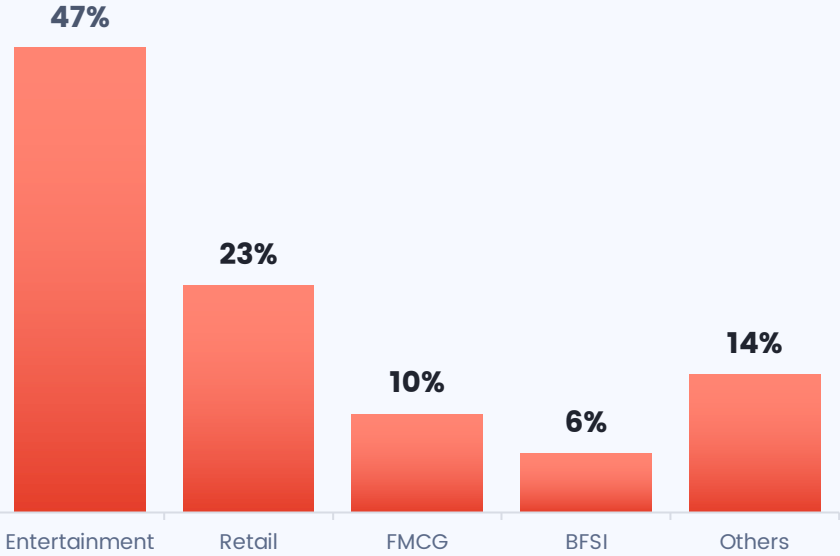


Respondents include senior leaders from brands and media agencies



Respondent profile

Responses by Industry Sector

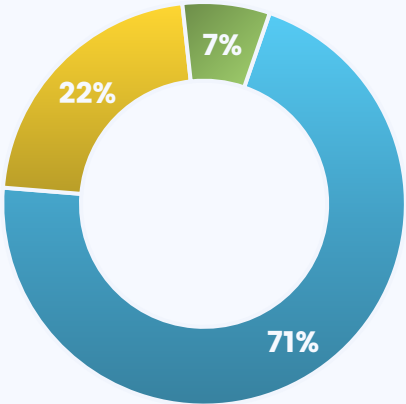


Responses by Advertiser Type



Responses by Company Size

- Large business (200 or more employees)
- Medium business (20 to 199 employees)
- Small business (less than 20 employees)



Overview

India is the second largest mobile gaming market in the world today. With over 9.33 billion mobile games downloaded¹ in 2021 alone, it is second only to China.

Over two years after the pandemic, Indians have clearly stuck to their habit of playing mobile games. It's a clear crowd favorite and popular amongst all age groups, genders and cultural backgrounds. 43% of India's gamers are women, and 31% are above the age of 45¹.

Needless to mention, such a diversified and engaged audience presents an unparalleled opportunity for advertisers. Through our report we try to evaluate if they are aware of the impact mobile game advertising can have on their brand building efforts, when leveraged right.

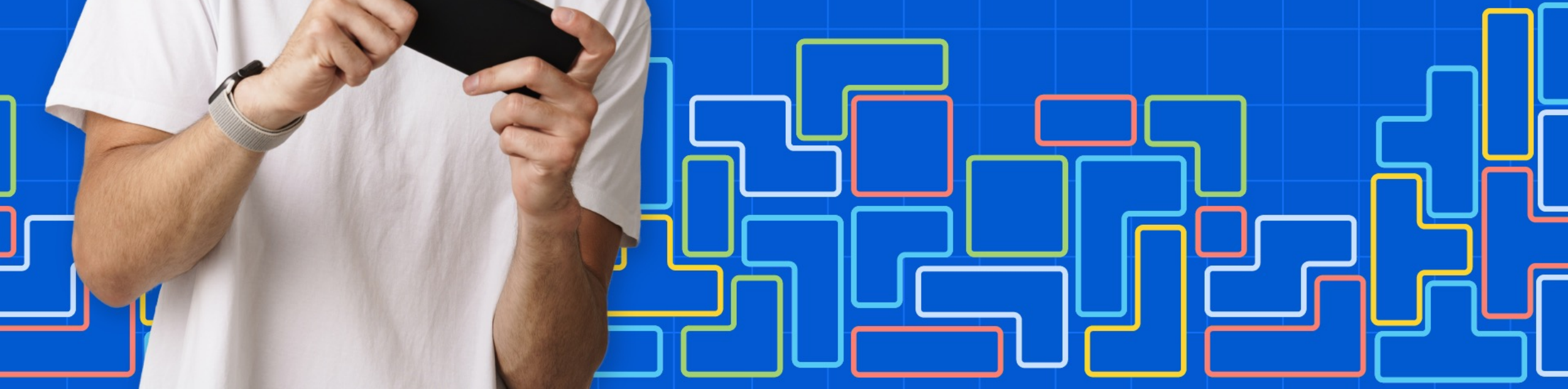
The following report reflects how brands and agencies in India are approaching advertising on mobile game apps, and the factors that are aiding and impeding widespread adoption.

1. Understanding India's Women Mobile Gamers, InMobi, 2021





Game on!
A look at the rapidly growing mobile
game advertising ecosystem

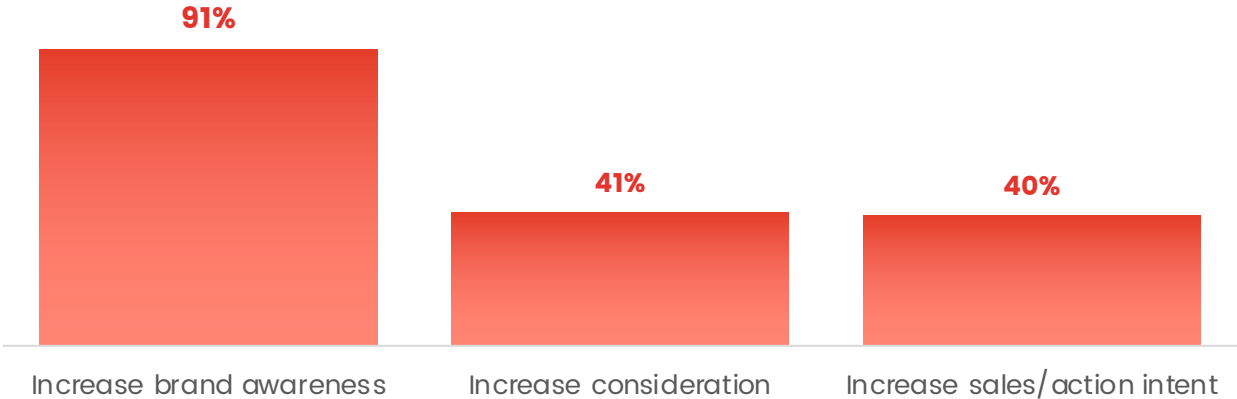


Brand awareness ranks on top

Since mobile game advertising is a relatively new channel for many, advertisers are dipping their toes with top of funnel objectives – like brand awareness – while experienced players are aiming for more nuanced impact.

Thanks to unique ad formats and highly-engaged cohorts, advertisers can not only create brand awareness, but also boost recall with gaming advertising. Leveraging the vast and diverse reach of gaming apps, marketers are bringing their brand front and center of their target audiences.

Q. What have been the objectives of advertising on mobile game apps that you've been involved with over the past year?

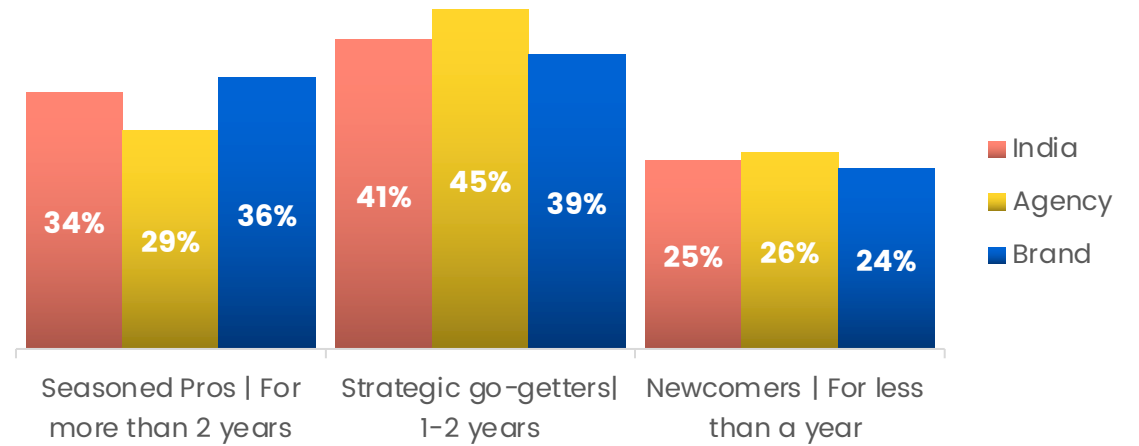


The rise of mobile gaming advertisers

Since the pandemic, the world has seen a gaming revolution. For every individual that has gotten hooked to the world of mobile game apps, there are brands who have directed marketing budgets towards the medium.

6 in 10 advertisers have started leveraging mobile gaming advertising only in the last two years – leading to **a two-fold increase in ad spends** since before the pandemic. This is a result of having witnessed engaged audiences, measurable solutions and hence, an increased ROI.

Q. Since when have you been advertising on mobile game apps?



Q. Since when have you/your main client been advertising on mobile game apps? | Sample size: 205



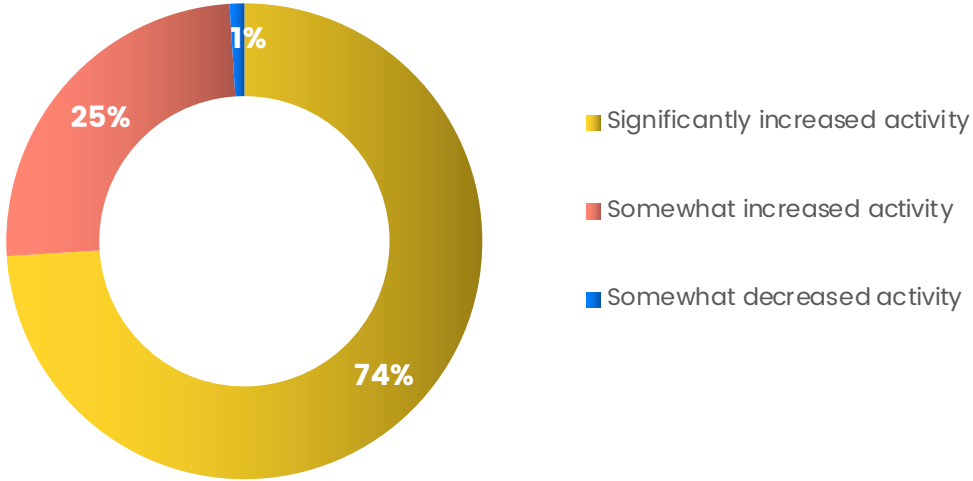
Gaming advertising spends soar

98% of gaming advertisers have claimed to increase their spends on mobile game apps in the past year, which shows in the whopping **2X jump in mobile gaming ad spends YoY³**. This increased activity not only captures the current sentiment of advertisers and their intrigue regarding gaming advertising, but also goes on to show the potential this emerging marketing channel possesses.

2x growth in ad spends on mobile game apps YoY³

32% growth in the average spending per advertiser on mobile game apps YoY³

Q. How has your/your client's activity and participation in game app advertising changed over the last 12 months?



Q. How has your/your main client's activity and participation in mobile game app advertising changed over the last 12 months? | Sample size: 205
 3. InMobi Platform Data, comparing data between Jan-Jul 2021 with Jan-Jul 2022.



Levelling up!

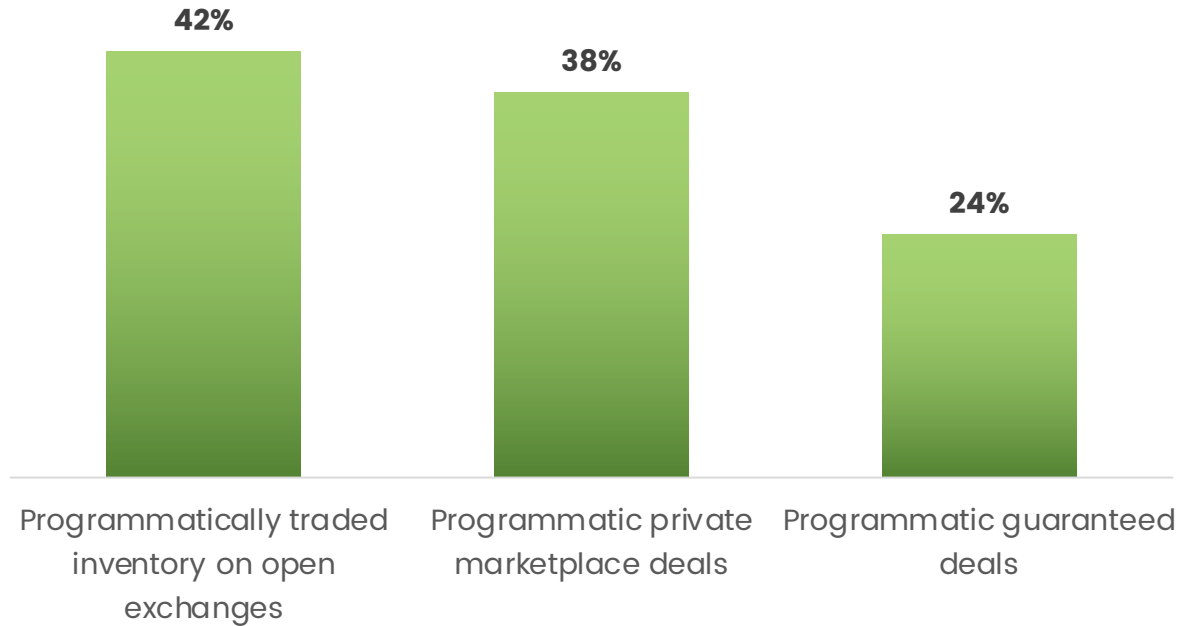
Capitalizing on mobile game ads with diverse formats and purchasing methods



Programmatic for the win!

Advertising on mobile game apps can be easily scaled and optimized using programmatic channels and hence, it remains a clear favorite for brands. Within the programmatic domain, the Open Exchange is the most popular method and Private Marketplace deals comes a close second. However, several advertisers in India still buy directly from publishers (wrongly) assuming that it is the primary way to advertise on mobile game apps.

Q. Which of the following advertising buying methods have you used for advertising on mobile game apps?



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Blended ads entice advertisers

Most explored formats amongst advertisers on mobile gaming ads include Rewarded Video, Playable Ads and Interstitials.

However, advertisers are keen to explore the relatively newer concept of blended in-game ads that mimic the feeling of real-life sports and games. Unlike conventional banners, they give advertisers the flexibility to advertise on different types of real estate within the game – such as billboards or buildings – and thus generate better recall through immersive advertising.

Blended in-game ads

is the most popular format that advertisers want to use in the future

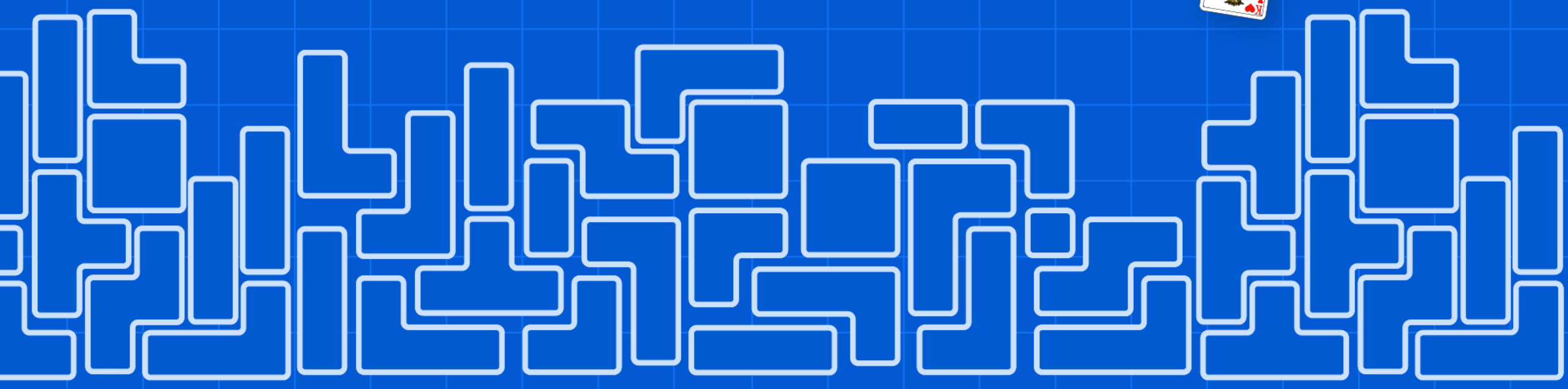
Most popular formats used by advertisers today

- #1 Playables
- #2 Rewarded Video
- #3 Interstitials



Playing their cards right

Optimizing for success with mobile game advertising



The five driving forces of adoption

Ad formats that are unique to mobile apps, allow for higher audience engagement thus driving continued interest from advertisers. When combined with the fact that gaming attracts a wide range of audiences, mobile game ads can be the one-stop shop to reach them.



Rank	Key drivers for Indian advertisers to advertise on mobile game apps
#1	Higher audience attention and engagement
#2	Better targeting and personalization
#3	Access to hard-to-reach audience segments
#4	Trusted brand-safe environments
#5	Innovative ad offerings



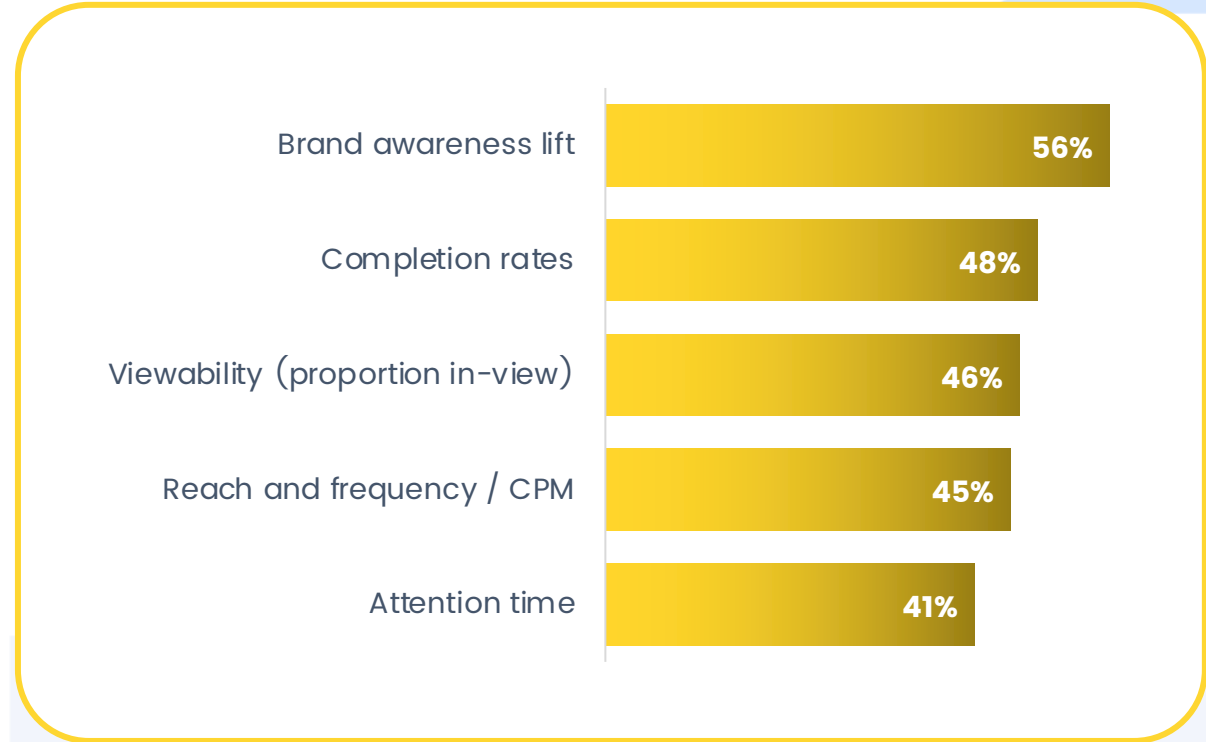
Q. What are the top 5 key drivers for continuing to use or recommend advertising on game apps? | Sample size: 205

Metrics that matter

Completion rates and viewability are the most sought-after campaign metrics to instantaneously understand the campaign performance.

However, it is the lift in brand awareness, usually calculated post-campaign completion, that is used as a benchmark for campaign success.

For agencies, brand safe, non-fraudulent impressions, reach & frequency trump viewability.



Q. What are the top 5 metrics that you use to assess campaign success for advertising on game apps? | Sample size: 205



Measures of success evolve with time

For veteran advertisers, brand awareness lift remains a key measure of campaign success. However, for incumbents with very recent exposure to mobile gaming advertising, short-term goals like reach, frequency and video completion rates are the primary ways to measure campaign success.



Q. What are the top 5 metrics that you use to assess campaign success for advertising on game apps?
 Q. Since when have you/your main client been advertising on mobile game apps? Sample size: 205

A whole new ballgame

Despite the explosive opportunity right in front of them, most marketers are hesitant to take the plunge and invest in mobile game advertising. They carry misplaced notions on the lack of personas, placements, engagement, and of course brand safety, but this couldn't be further from the truth.



Myth #1

Measuring ROI is a challenge with mobile gaming ads

39% of Indian marketers don't think there is enough evidence of ROI when advertising on mobile game apps, even though presence of effective metrics will prove otherwise. But is this the truth? Data from the survey and InMobi Platform go on to show how advertisers can effectively measure the success of every campaign strategized for game apps.

Reality #1

Gaming app ads come with measurable success metrics

Advertising on mobile game apps delivers better performance compared to non-game apps⁴

- ▶ 2x higher completion rates
- ▶ >2x higher engagement
- ▶ ~2x higher eCPMs

Advertisers are using a variety of methods to measure campaign success:

- ▶ 56% use brand awareness
- ▶ 48% use completion rates
- ▶ 46% use Viewability
- ▶ 45% use reach and frequency



Q. What are the 3 biggest barriers preventing more advertising investment on mobile game apps? | Sample size: 205

4. InMobi Platform Data, Jan – July 2022

Myth #2

Game apps don't work in the media mix

39% of Indian marketers are worried about finding funds to invest on mobile game apps after they have allocated budgets to other media channels and platforms. For some advertisers, mobile gaming advertising seems to be an afterthought rather than an experiment.



Reality #2

Gaming advertising enriches the media mix

Despite such concerns, advertisers are taking the plunge and spending on game apps. Data from the InMobi Platform shows 60% Y/Y growth in the volume of advertisers spending on mobile game apps³.

In India, in 2022 alone,

- ▶ 60% Y/Y growth in volume of advertisers spending on game apps³
- ▶ Ad spending on game apps increased by 2x Y/Y³
- ▶ Average spending per advertiser grew by 32%³
- ▶ 38% of advertisers today spend on mobile game apps⁴
- ▶ 34% of all ad spends were on game apps⁴

Q. What are the 3 biggest barriers preventing more advertising investment on mobile game apps? |

Sample size: 205

3. InMobi Platform Data, comparing data between Jan-Jul 2021 with Jan-Jul 2022.

4. InMobi Platform Data, Jan - July 2022

Myth #3

Game apps aren't brand safe

37% of Indian marketers are worried about problematic ad placements next to inappropriate content. Misconceptions on brand suitability, objectionable content, and reduced controls are some of the common concerns that advertisers hold, but does mobile game advertising have an answer to this challenge?

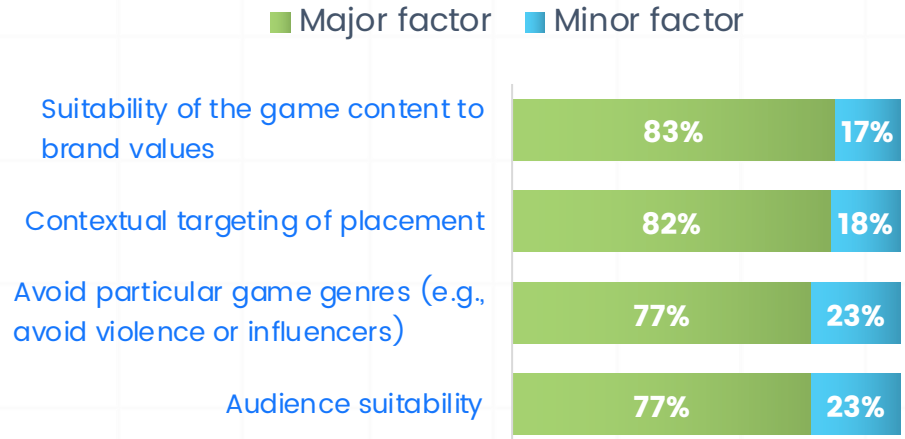
Reality #3

Gaming placements are moderated by strict guidelines

Given the vast variety in the world of mobile gaming, all brands need to do is choose specific genres that are relevant to their brand and audience and narrow down on apps with strict safety regulations.

1.6x

Growth in advertisers spending on video ad placements on mobile games³



Q. What are the 3 biggest barriers preventing more advertising investment on mobile game apps? | Sample size = 205
 Q. Which of the following considerations about ad placement are factors in your media decision? | Sample size = 205
 3. InMobi Platform Data, comparing data between Jan-Jul 2021 with Jan-Jul 2022.

Myth #4

It is expensive and challenging to create gaming ads

28% of Indian marketers find it challenging and expensive to create ad assets from scratch, and 92% of advertisers surveyed feel the need to develop tailored creatives for every campaign. Contrary to popular beliefs, multiple plug and play solutions can alleviate existing concerns, saving marketers time, effort and investment in the process.

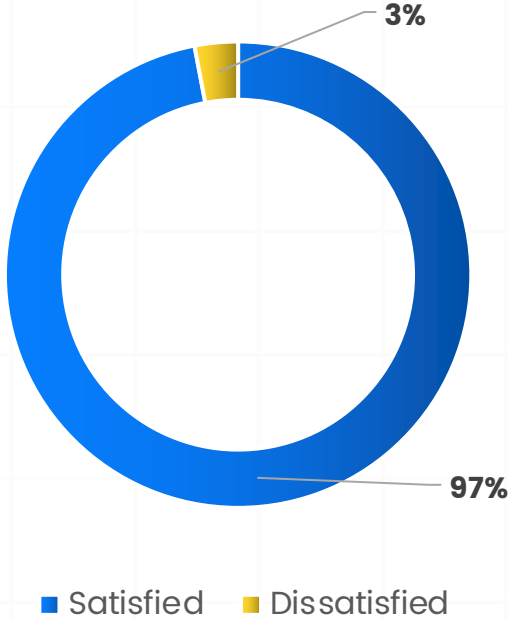
Reality #4

Plug and play solutions offer ease of use for gaming ads

- ▶ 40% of Indian advertisers, on an avg., understand that they can plug and play via programmatic solutions
- ▶ 1.6x growth in volume of video ad spends by advertisers on game apps Y/Y³
- ▶ 1.8x growth in volume of banner ad spends by advertisers on game apps Y/Y³
- ▶ 1.5x growth in video ad spends on game apps Y/Y³
- ▶ 2x growth in banner ad spends on game apps Y/Y³

In fact, 60% more advertisers have started spending on video ads on game apps³. Moreover, 97% of those advertising on game apps are satisfied with their experience and results.

Satisfaction levels with advertising on game apps



Q. What are the 3 biggest barriers preventing more advertising investment on mobile game apps? | Sample size: 205
 Q. How satisfied are you with the results of advertising on game apps in meeting your objectives?
 3. InMobi Platform Data, comparing data between Jan-Jul 2021 with Jan-Jul 2022.

Conclusion

In 2021, Mobile Premier League took over the Indian cricket team's kit sponsorship deal from Nike. This was a statement in itself – one that showed that the country's nascent gaming sector was going to witness a steady growth in the next decade.

India's gamers, creators and startups are riding the mobile gaming wave, and driving the overall gaming sector today. Mobile accounted for 83% of gaming revenue in 2021⁶, owing to smartphone adoption, wider and more affordable internet access, a volley of mobile-first games and a widespread popularity amongst Indians.

The break-neck speed at which this industry continues to grow has made advertisers sit up and take notice. More and more of them have included mobile game advertising in their media mix, encouraged by impactful results. As the audience reach continues to soar, ad formats get more diversified and ad spends continue to increase, mobile game advertising is turning out to be more than just a trend.

On the contrary, it looks like the game has just begun.

6. Mobile Gaming, India's \$5Bn market opportunity, BCG and Sequoia, November 2021

InMobi is a leading provider of marketing and monetization technologies reaching more than a billion consumers around the globe. With deep expertise and unique reach in mobile, it is the trusted and transparent technology partner for marketers, content creators, and businesses of all kinds.

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Integrated



Interested in learning more? Write to us at mobilemarketing@inmobi.com