Facebook Gaming

Games Marketing Insights for 2022

INSIGHTS FOR A NEW ERA OF GAMES ADVERTISING

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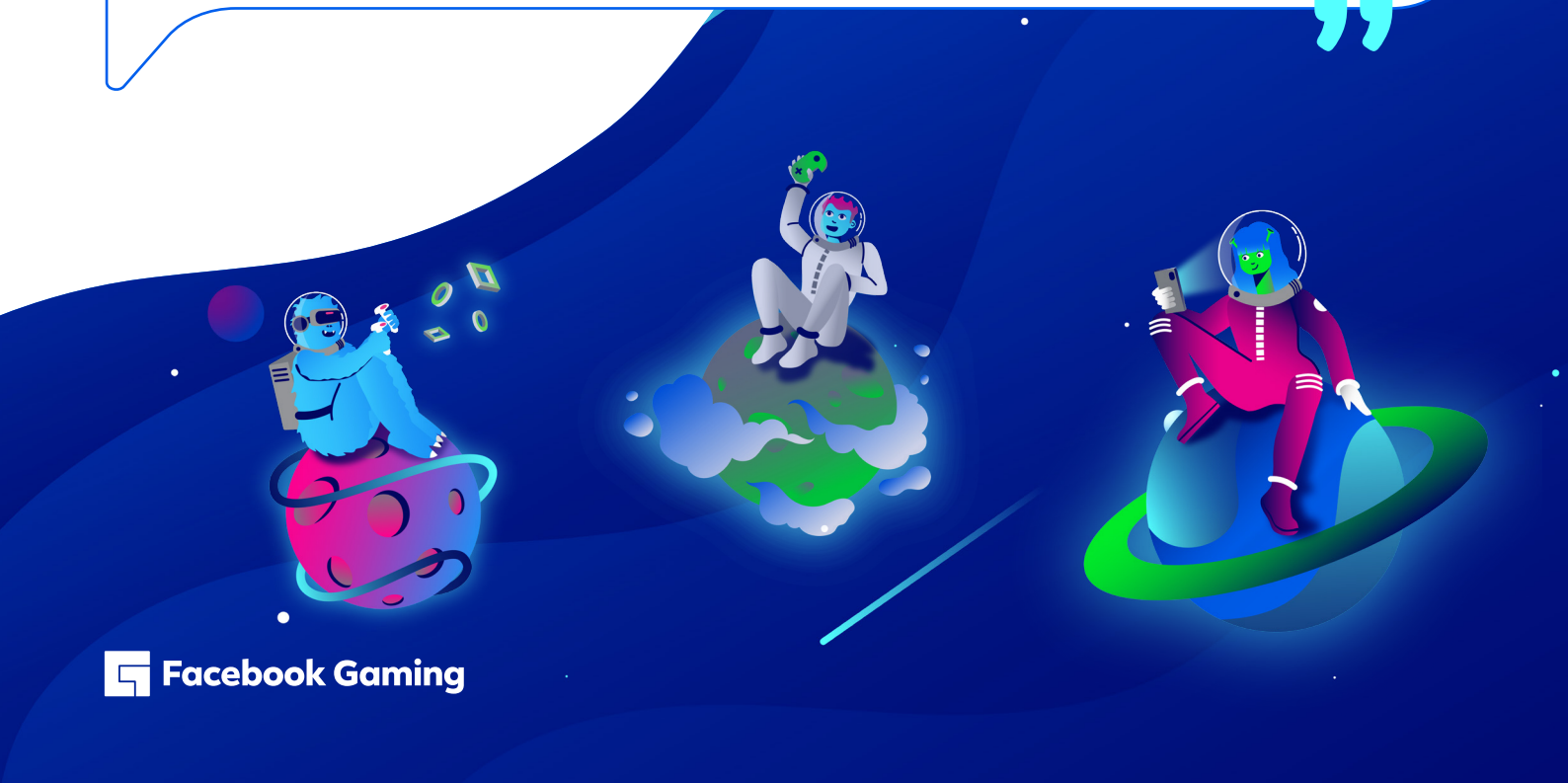
Introduction

Welcome to the 3rd annual Games Marketing Insights report from Facebook Gaming. This year, as we move toward a new paradigm of games marketing, we provide insights and perspectives on what games marketers will need to respond to and what we expect to see from first movers in 2022. Our goal is to offer analysis for games marketers that helps inform business practice for a significantly changed gaming ecosystem.

To deliver on this, we've conducted refreshed research to not only see how the global player base has evolved from 2020, but to unearth even more about them—from what they expect to see gaming companies deliver, to what they value within their gaming experience. We will see how diverse the global gaming audience has become and discuss the importance of authentic representation and inclusion in an era where diversity in gaming matters and presumption no longer delivers real results.

With billions of people playing, watching and streaming, the industry is booming. However, it's also at an inflection point: limitations to Direct Response campaigns impact common marketing practices and change must be welcomed. As such, later in the report we form a hypothesis for how successful gaming businesses can adapt their organizational structure to excel in a landscape where third-party data will be less available and where meaningful connections with players will be the marker of success.

> This year our Games Marketing Insights for 2022 report covers a broader range of topics than in previous years. Our ambition with this report is to address developments in the increasingly complex games advertising ecosystem and provide insight and guidance for the months ahead.
>
> **Tim Lion, Head of EMEA Gaming Marketing at Meta**



Executive summary

The global gaming audience continued to evolve in 2021

Millions of players who joined the gaming universe in 2020 continue playing in 2021[1].

Compared to our previous report, some behaviors such as playing time, spending habits and genre preference have shifted.

Gaming Groups, live streaming, emerging platforms and technologies continue to have an impact.

The global gaming audience is increasingly diverse

Underrepresented groups make up a large percentage of this audience.

Authentic character representation is key to building meaningful relationships with players, however it requires a thoughtful approach.

Gaming companies will benefit from creating (and taking responsibility for) inclusive and safe gaming environments.

The advertising landscape is at an inflection point

Regulatory and platform changes across the industry have impacted usual performance-driven marketing practices.

A connected first-party data strategy will be imperative to a game's long-term success. Consideration for the potential player and their holistic gaming experience is key.

As pure performance marketing adapts to consumer's privacy expectations, upper-funnel marketing and insight-driven marketing will become increasingly important.

[1] Newzoo "Global Games Market Report 2021" July 1, 2021

01 The evolving gaming landscape

2020 showed us that the global pandemic advanced the gaming universe in a myriad of ways. Most notably, it led to an influx of new players. Underpinning last year's report was a commissioned survey across 9 markets, undertaken to determine behavioral trends since the onset of the Covid-19 pandemic.

4 major markets stole our focus: the UK, the US, South Korea and Germany. Each showed significant changes in key areas such as age, playing habits and community, between gamers who were new to the market and established gamers already active before the pandemic.[2]

As the world responded to shelter-in-place and physical distancing measures, the audience grew significantly.

> Millions of people started gaming during the pandemic and they continue playing to this day. Understanding shifting patterns in their behaviors, motivations and preferences, is key to successfully building and maintaining close relationships with them.
>
> **Rick Kelley, VP, Global Gaming at Meta**

Gaming Audience Growth Since March 2020

2021 sustained this growth

US	UK	S.KOREA	GERMANY
28M NEW GAMERS	8.6M NEW GAMERS	9.4M NEW GAMERS	6.5M NEW GAMERS
28% ↑ mobile gaming audience growth	50% ↑ mobile gaming audience growth	34% ↑ mobile gaming audience growth	34% ↑ mobile gaming audience growth

Source: Facebook Gaming, Games Marketing Insights for 2021 report

[2] Facebook Gaming, Games Marketing Insights for 2021 report

1.1 Advancing player trends

This year, we revisited similar user trends to understand how they might have evolved. The results of our study[3] portray an audience that continues to differ from pre-pandemic gamers and, in many ways they suggest how the landscape is moving. In this section, we indicate how consistent trends (=) and changing trends (⇄) have progressed.

Age trends remain consistent across all markets (=)

In line with last year's findings in the US, the UK and Germany, the majority of new gamers remain younger than established gamers. South Korea remains an anomaly—more established players fall into the younger cohort than new players.

Study design

SURVEY RESPONDENTS

5711

COUNTRIES ANALYZED

United States (US), United Kingdom (UK), Germany (DE), South Korea (KR)

TIME PERIOD

October 2021

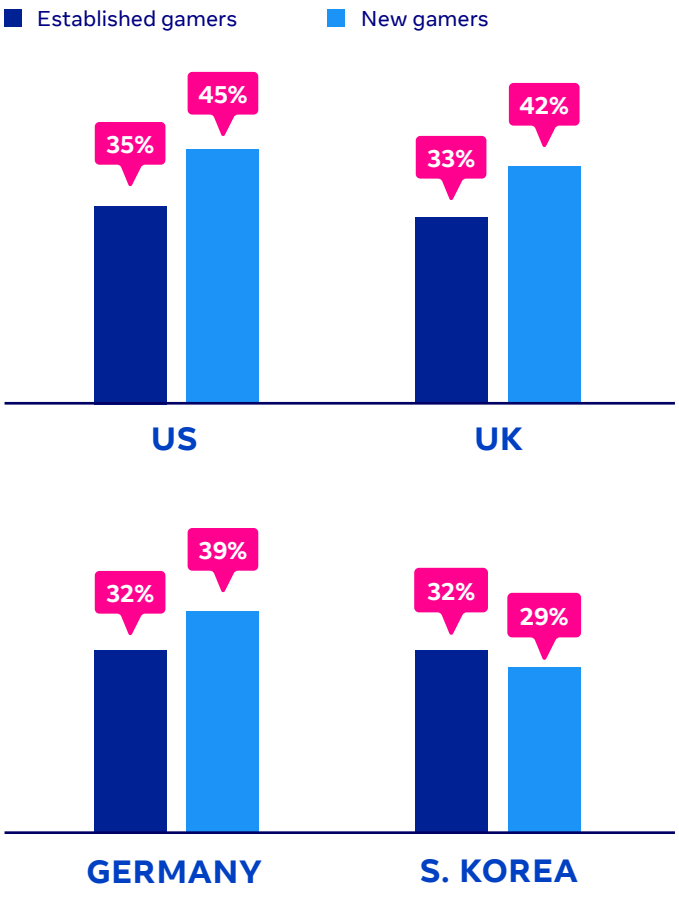
COHORTS

All participants were divided into one of 2 cohorts:

- **New Gamers:** Those who only started playing since the onset of the pandemic (January 2020 – June 2020)
- **Established Gamers:** Gamers who have been playing since before the onset of the pandemic (before January 2020)

AGE DISTRIBUTION

Percentage of Gamers 18-34 (vs. 35+)

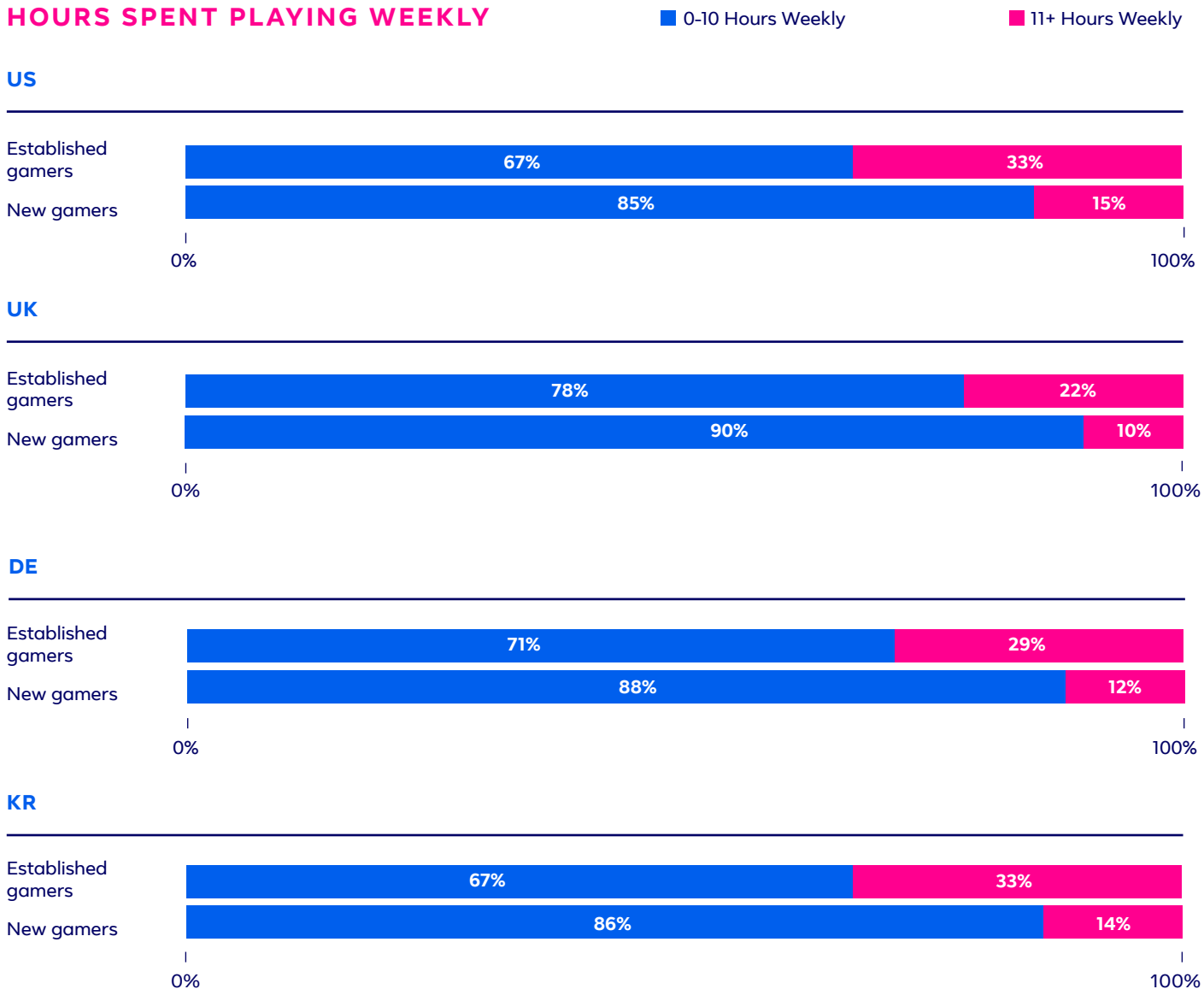


[3]Meta-commissioned survey of 5,711 respondents across the US, UK, Germany, South Korea by YouGov, October 2021

New gamers play less hours per week

In contrast to our 2021 insights, research indicates that new gamers spend less time playing per week than established gamers. Taking the US as an example, only 15% of new gamers report playing more than 11 hours per week compared to 33% of established gamers.

HOURS SPENT PLAYING WEEKLY

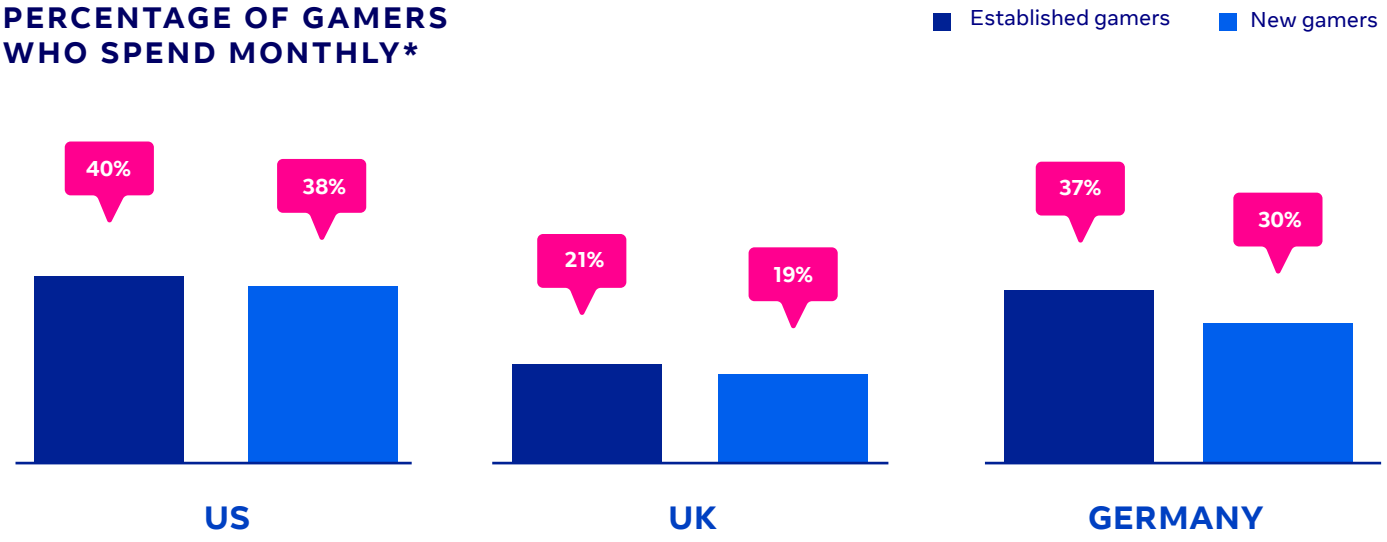


Established gamers spend more than new gamers

Established gamers in the US, the UK and Germany don't just play more, they also spend more. This is a shift from what survey respondents indicated at the height of the pandemic, when new players showed a higher propensity to spend more than established players.

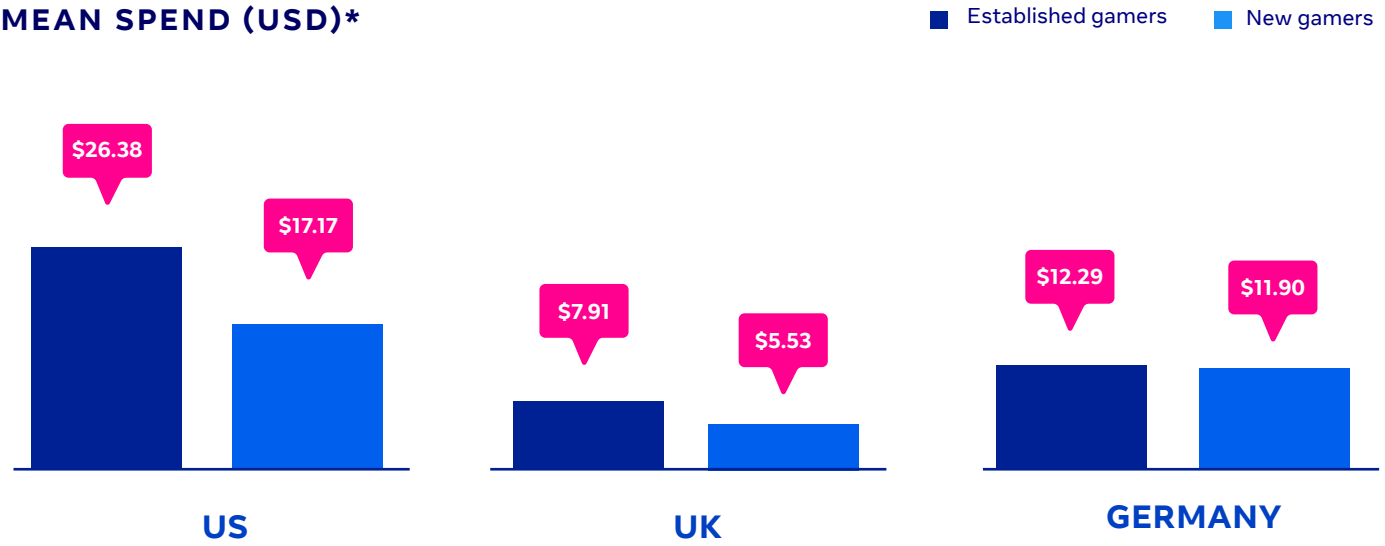
PERCENTAGE OF GAMERS SURVEYED WILLING TO SPEND

PERCENTAGE OF GAMERS WHO SPEND MONTHLY*



*Data not collected for South Korea

MEAN SPEND (USD)*



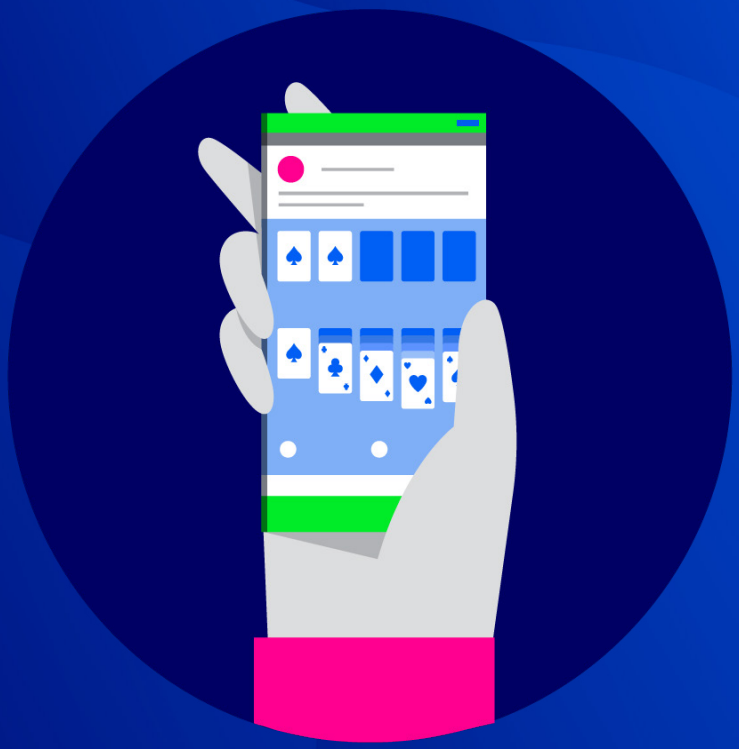
*Data not collected for South Korea

However, consistent with our 2021 insights, both cohorts across all markets prefer free-to-play, ad-supported games above any other monetization model.

PREFERENCE ON MONETIZATION MODEL

■ Established gamers ■ New gamers

	US		UK		GERMANY		SOUTH KOREA	
Ad-support models	43%	43%	51%	49%	43%	46%	32%	42%
Game purchase, no ads	15%	15%	16%	18%	18%	16%	16%	13%
Free-to-play with IAP	18%	15%	16%	13%	15%	16%	22%	21%
Battle Pass	17%	18%	12%	14%	16%	16%	19%	16%
Monthly fee for game bundles	6%	10%	5%	7%	9%	6%	11%	8%



Player motivations— cohorts play for different reasons

Playing and spending motivations differ between established and new players. Both cohorts often play just to pass the time. However, relieving stress is especially important for established players.

MOTIVATORS FOR PLAYING

■ Established gamers ■ New gamers

US

	Established gamers	New gamers
Passing time in between my daily activities	59%	43%
Relieving stress	47%	35%
Feeling accomplished because I completed something challenging	20%	14%
Immersing myself in a character or another world	14%	9%

UK

	Established gamers	New gamers
Passing time in between my daily activities	68%	54%
Relieving stress	44%	36%
Feeling accomplished because I completed something challenging	17%	12%
Immersing myself in a character or another world	9%	5%

GERMANY

	Established gamers	New gamers
Passing time in between my daily activities	44%	35%
Relieving stress	42%	31%
Feeling accomplished because I completed something challenging	13%	7%
Immersing myself in a character or another world	13%	9%

SOUTH KOREA

	Established gamers	New gamers
Passing time in between my daily activities	59%	49%
Relieving stress	61%	51%
Feeling accomplished because I completed something challenging	28%	16%
Immersing myself in a character or another world	21%	6%

Genre preference evolves as popularity grows for core experiences

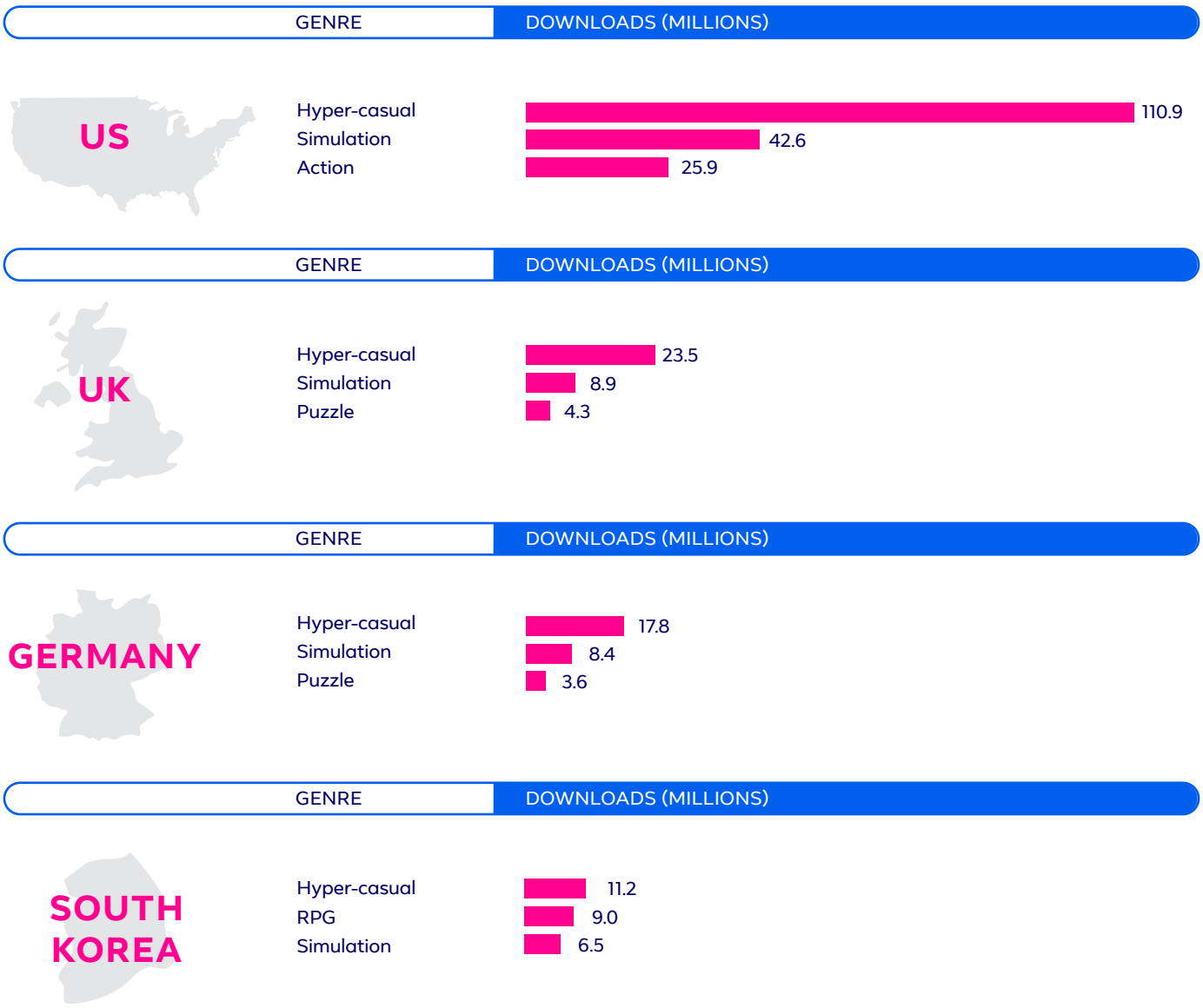
It's important to note that genre preference is also evolving. Hyper-casual games are still the fan favorite, but games that offer a more immersive gaming experience are gaining momentum.

Looking at data from AppAnnie[4] to track downloads between August 2020 and August 2021, we found that:

- Hyper-casual, Simulation, and Puzzle remain the top downloaded games in the US, the UK, and Germany
- However, in South Korea, RPG replaces Puzzle to make the top 3

[4]AppAnnie GameIQ data of US game downloads by genre, August 2020 - August 2021

OVERVIEW OF PREFERRED GENRES



Source: AppAnnie GameIQ data of US game downloads by genre, August 2020 - August 2021

While still the most popular, hyper-casual games did see a slight decrease in downloads YoY across all markets. In 2020, they made up 38% of all gaming downloads in the US. However, that number has fallen to 36.4% in 2021.

This could possibly be a result of changes to the ads ecosystem driving up acquisition costs, to which hyper-casual publishers are comparatively sensitive. Another factor may be that the majority of new gamers that remained in the ecosystem have expanded their preferences, seeking more immersive experiences from core gaming genres such as Action, RPG, Strategy, Simulation, and Sports.

To adapt to this change, hyper-casual publishers are pivoting towards the emerging hybrid-casual genre by building meta gameplay features. As we will see in section 2.2 **The importance of inclusivity**, these features, such as character customization and progression systems, aim to drive longer-term retention.

1.2 The collaborative gaming experience

As trends evolve and the gaming universe expands, delivering a holistic gaming experience requires new consideration. In particular, live streaming, Gaming Groups and the advancement and accessibility of AR and VR encourage an audience that is compelled by collaborative gaming.

Live streaming is as important as ever

Two years ago, with the world at a standstill, live streaming surged as people looked for ways to combat restlessness—they needed stimulation, entertainment and, importantly, camaraderie. Streaming continues to attract new audiences, with platforms such as Twitch and Facebook Gaming reaching new highs in Q2 2021.[5] Interestingly, streaming time on these platforms exceeded that experienced during the perceived height of the pandemic. This suggests that watching others play is now an established form of media consumption. The potential for gaming creators to play a key role in upper-funnel brand marketing is greater than ever.

TOTAL HOURS WATCHED ON PLATFORMS [IN BILLIONS OF HOURS]

Source: Streamlabs & Stream Hatchet Q2 2021 Live Streaming Industry Report

[5]Streamlabs & Stream Hatchet Q2 2021 Live Streaming Industry Report

Gaming Groups welcome more players

Further in 2021, Facebook Gaming Groups continued to drive significant engagement. With the influx of new player involvement, the number of Facebook Gaming Groups hit over one million and are now composed of 350 million members. In May alone, Gaming Groups collectively saw 1.7 billion total engagements.[6]

1M+
Gaming Groups on Facebook

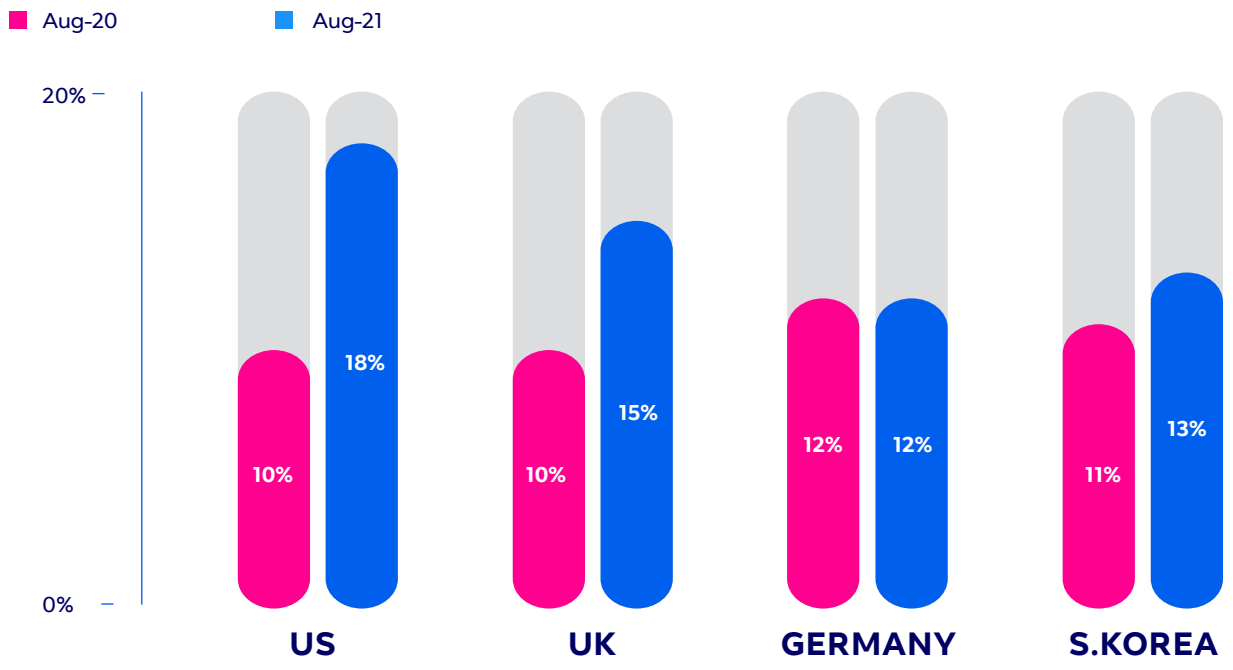
350M+
members in Gaming Groups on Facebook

1.7B+
total engagements on Gaming Groups on Facebook in May 2021[1]

Cloud technology continues to soar

Cloud technologies are popular, especially among Gen Z. This is particularly true in the UK and the US, where YoY the percentage of streaming time increased from 10-15% and 10-18% respectively.[7] As it negates the need for expensive gaming hardware, cloud streaming services seem to be attracting a younger user base.

GEN Z CLOUD GAMING PENETRATION



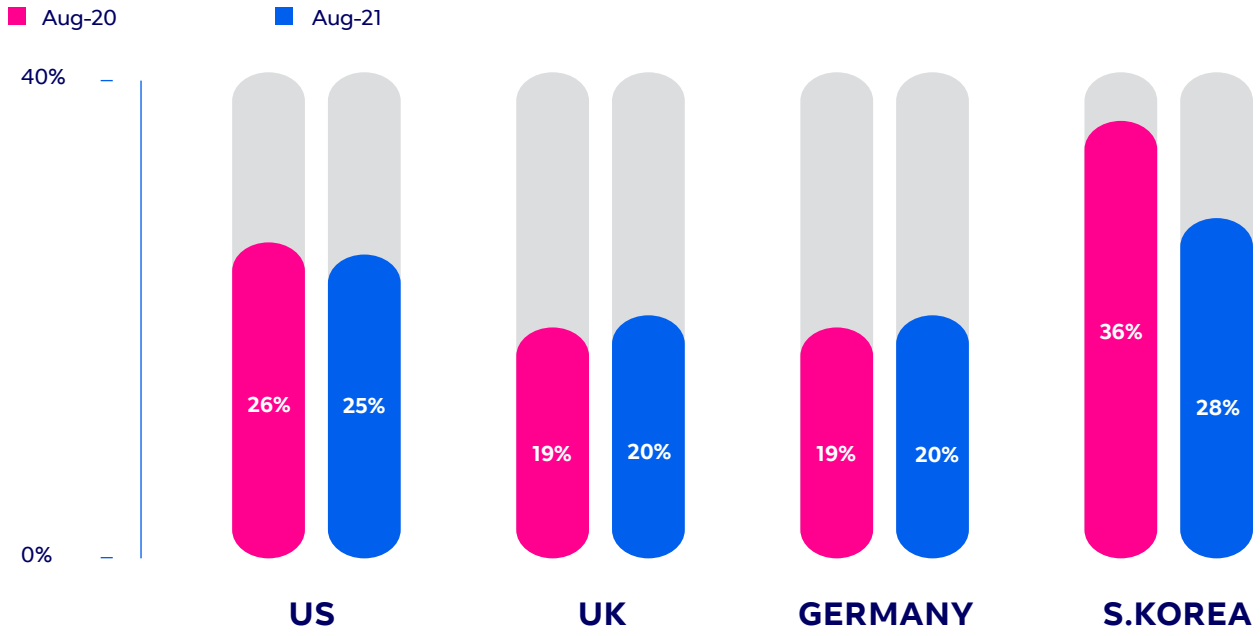
[6]Meta internal data, 2021

[7]Industry Micro-Shifts Monthly tracker by Kantar Profiles (Meta-commissioned online survey of general population respondents ages 18+ (N=14350 across 7 waves fielded 5/5/2-020-8/11/2021, N=2000 per wave)

The metaverse is set to enhance an already booming universe

AR and VR have penetrated the mainstream thanks to an increase in high quality, standalone devices. During the early days of the pandemic, at least 1 in 5 gamers across all markets used VR headsets to play games.[8] This trend has maintained its momentum in 2021 with the exception of South Korea. Further, in Q3 2021, we saw a 2.8x increase YoY in gamers joining AR/VR product-related Facebook Groups.[9]

PERCENTAGE OF GAMERS SURVEYED WHO HAVE USED VR FOR GAMING



Source: Industry Micro-Shifts Monthly tracker by Kantar Profiles (Meta-commissioned online survey of general population respondents ages 18+ (N=14350 across 7 waves fielded 5/5/2-020-8/11/2021, N=2000 per wave)

WEB3, NFTS, THE METAVERSE, AND GAMING

The global gaming industry continues to be the proving ground for new technologies and platforms. AR/VR adoption is driven by gaming and we expect to see the industry continue to lead the way in other emerging technologies. NFTs already empower the growth of play-to-earn models and are expected to be the backbone of asset ownership as a whole. Digital assets such as these have the potential to make in-app purchases more profitable not just for the gaming industry but app developers too. Web3, cryptocurrencies, NFTs and, of course, the metaverse will most likely inform game development before impacting players. But there is little doubt that, once again, gaming will be on the forefront of how new technology ultimately becomes mainstream. Read more on AR/VR with the **Facebook IQ New Dimensions of Connection** report.

Facebook IQ New Dimensions of Connection

[8] Industry Micro-Shifts Monthly tracker by Kantar Profiles (Meta-commissioned online survey of general population respondents ages 18+ (N=14350 across 7 waves fielded 5/5/2-020-8/11/2021, N=2000 per wave)

[9] Meta internal data, 2021

1.3 Key takeaways

01
Gaming behavior patterns continue to shift

Time spent and the propensity to monetize flows back toward established gamers. But preference for ad-supported models remains high across both cohorts. Further, mixed monetization models and a diverse genre portfolio are expected to have the most audience appeal.

02
Core motivations are stable

The motivations for playing remain similar but "relieving stress" becomes more significant to established gamers.

03
Genres are evolving

As gaming becomes an entertainment mainstay, players seek more complex experiences, as seen in the rise of core genres.

04
New gaming spaces are key

Gaming further extends beyond the single player experience, with watching, discussing and belonging becoming increasingly important to the experience. This engagement amplifies the importance of upper-funnel brand marketing as a significant contributor to player retention.

02 Diversity in gaming

> Over the last year, we've found that new gamers can find games through organic discovery. But in an ideal world, gaming companies will be able to recruit and drive new players to their games through inclusive advertising that resonates with them.
>
> **Catherine Flynn, Director, Global Gaming, Audiences and ESG Marketing at Meta**

Study design

SURVEY RESPONDENTS

6045

COUNTRIES ANALYZED

United States (US), United Kingdom (UK), Germany (DE), South Korea (KR), Brazil (BR)

TIME PERIOD

Jul-Aug, 2021

MOBILE GAMER DEFINITION

Adults 18+, play 3+ hours gaming per week and at least some games played have human characters.

COHORTS:

- **Total gamers**
- **Diverse gamers:** Black, Native, Asian and Pacific Islander, Hispanic and Latinx, Middle Eastern, and other non-white ethnicities in the US, UK and Brazil
- **LGBTQ+ community**
- **Women & non-binary**

At the center of the gaming ecosystem lies a gaming population that encompasses a spectrum of ethnicities, ages, genders, sexual orientations, and abilities. This presents gaming companies with a massive opportunity to nurture a representative and inclusive gaming environment. With this in mind, as part of Facebook IQ's latest Industry Perspectives **"Overcoming the Diversity Gap in Mobile Gaming"**, we commissioned research to better understand the mobile gaming audience with underrepresented groups such as, the LGBTQ+ community, women and people who identify as non-binary in particular focus. [10]

Overcoming the Diversity Gap in Mobile Gaming

[10] Meta-commissioned survey of 6,045 respondents across the US, UK, Germany, Brazil, South Korea by HarrisX, July-August 2021

2.1 Value through diversity and representation

Our research showed that games that are designed with diverse representation in mind offer a more immersive and engaging experience to all mobile players. This is especially true for people across surveyed markets who identify as LGBTQ+.

PERCENTAGE OF GAMERS SURVEYED THAT WOULD FEEL MORE CONNECTED, MORE IMMERSED OR PLAY THE GAME MORE, IF THE GAME FEATURED MORE CHARACTERS 'THAT REPRESENT YOU OR PEOPLE LIKE YOU':

	US	UK	DE	BR	KR
Total gamers	71%	68%	60%	83%	78%
Diverse gamers	82%	88%	*	87%	*
LGBTQ+ community	75%	84%	72%	95%	82%
Women & non-binary people	66%	61%	56%	85%	73%

*Data not collected for diverse gamers in Germany and South Korea

Further, we found that a secondary effect from being inclusive is the potential for more spend on downloads and in-game features. For example in the UK, 79% of surveyed players who identify as LGBTQ+ would be more likely to download or spend money on a game if it featured characters that better represented them.

PERCENTAGE OF MOBILE GAMERS SURVEYED WHO WOULD BE MORE LIKELY TO DOWNLOAD, BUY OR MAKE PURCHASES IN THE GAME, IF THE GAME FEATURED MORE CHARACTERS THAT 'REPRESENT YOU OR PEOPLE LIKE YOU':

	US	UK	DE	BR	KR
Total gamers	68%	61%	55%	81%	75%
Diverse gamers	76%	83%	*	84%	*
LGBTQ+ community	72%	79%	67%	89%	83%
Women & non-binary people	62%	55%	49%	81%	72%

*Data not collected for diverse gamers in Germany and South Korea

Currently, what mobile gamers would **like** to see in games and what they **do** see are vastly different. For example, in the US, only 35% of mobile gamers surveyed say that their personal identity is represented in the characters of the mobile games they play (UK 29%, DE 21%, BR 37%, KR 37%), and even fewer respondents say that their identity is represented in mobile gaming ads (US 21%, UK 14%, DE 8%, BR 15%, KR 17%). To deliver on expectations around diversity, inclusive games and the ads that support them are the table stakes for publishers moving forward.

2.2 The importance of inclusivity

It's becoming more apparent that many people want mobile games to better reflect their lived experiences. This can be delivered through more accurate representation in gameplay, or a greater, more diverse inclusion of characters.

WHAT DO SURVEYED MOBILE GAMERS EXPECT PUBLISHERS AND DEVELOPERS TO DO?

	US	UK	DE	BR	KR
Include people from diverse backgrounds as characters in the game	76%	74%	58%	89%	72%
Accurately represent people from diverse backgrounds	75%	72%	56%	83%	70%
Include characters that represent people like me in a positive way	76%	69%	53%	87%	66%

However, representation must be authentic and characters as true-to-life as can be. There isn't a one-size-fits-all approach to delivering authentic representation, but there is one obvious course of action to address it—customization.

Let players truly express themselves by giving them the option to choose:

- Gender identity
- Physical appearance
- Physical abilities
- Personality traits or otherwise

Customizable characters are particularly important for story-driven genres where immersion within character roleplay is often central to the enjoyment of the game. For example in:

- First-person shooters
- Role-playing games
- Action and adventure games
- Strategy games

The data shows that customization adds to the overall gaming experience, increasing the potential to boost downloads, retention and spend.

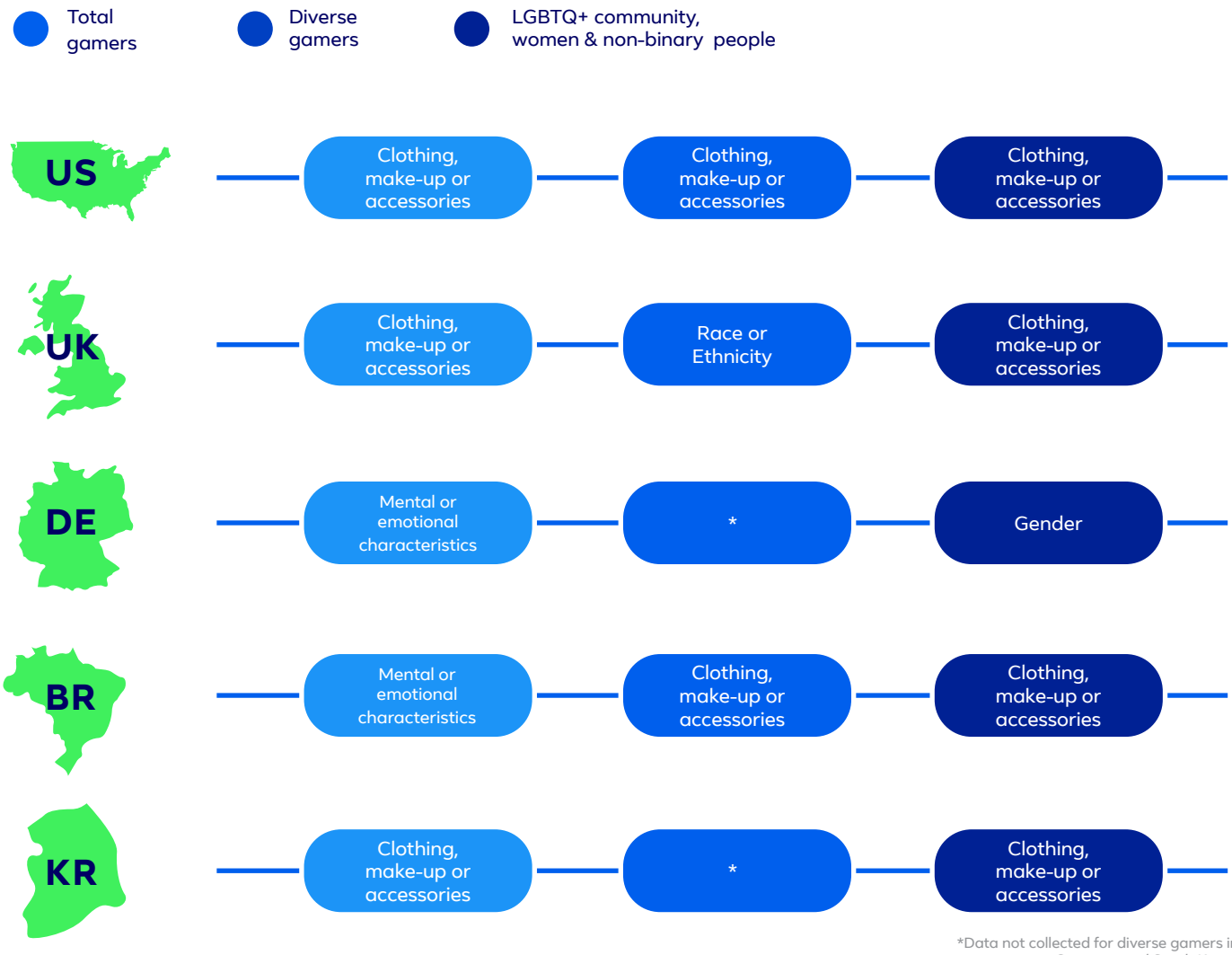
Across all markets the majority of surveyed mobile gamers enjoy an ability to customize the in-game experience and view games with greater customization tools as higher quality.

PERCENTAGE OF MOBILE GAMERS SURVEYED ACROSS MARKETS WHO AGREE THAT...

	US	UK	DE	BR	KR
I enjoy creating or customizing characters/environment/world in mobile games	74%	66%	57%	79%	60%
Mobile games that offer more character customizations are higher quality	62%	57%	50%	75%	54%

Further, in the US, 45% of mobile gamers surveyed agree that they would spend more money on a game with more character customizations (UK 42%, DE 30%, BR 59%, KR 45%).

WHAT'S THE MOST IMPORTANT CHARACTERISTIC FOR YOU TO CUSTOMIZE IN MOBILE GAMES (EXCLUDING PHYSICAL ABILITIES)?



*Data not collected for diverse gamers in Germany and South Korea

SAFE GAMING SPACES

Advancing representation as delicately as possible is rooted in careful and deliberate approaches. This comes with a risk as customization features can accentuate safety concerns. In the US, 37% of mobile gamers say they'd be worried about increased harassment from other players if the game featured more characters that represented people like them (UK 39%, DE 35%, BR 46% , KR 34%). Given this challenge, it's important to advance inclusivity while ensuring gaming environments are safe—especially for members of traditionally marginalized groups. This is addressed further in the Global Gaming Alliance's dedicated white-paper "Taking responsible gaming to the next level".

Closing the diversity gap can begin at the source: having more diverse voices participate in the design and creation of games and advertising ultimately helps to improve representation across the entire gaming universe. This should be an important consideration for games companies in 2022 as **71% of people working in the industry perceive** inequity towards others based on gender, age, ethnicity, ability or sexual orientation.[11]

The Global Gaming Alliance (GGA) is a forum that brings together select clients and partners across the gaming industry to exchange ideas and solve problems.

While the industry has created an effective suite of responsible gaming solutions, it endeavors to achieve even more in this ever-changing landscape. As such, this white-paper—"Taking responsible gaming to the next level"—explores what the GGA is investing in and what it recommends to ensure the welfare of players, employees, and the gaming industry at large.

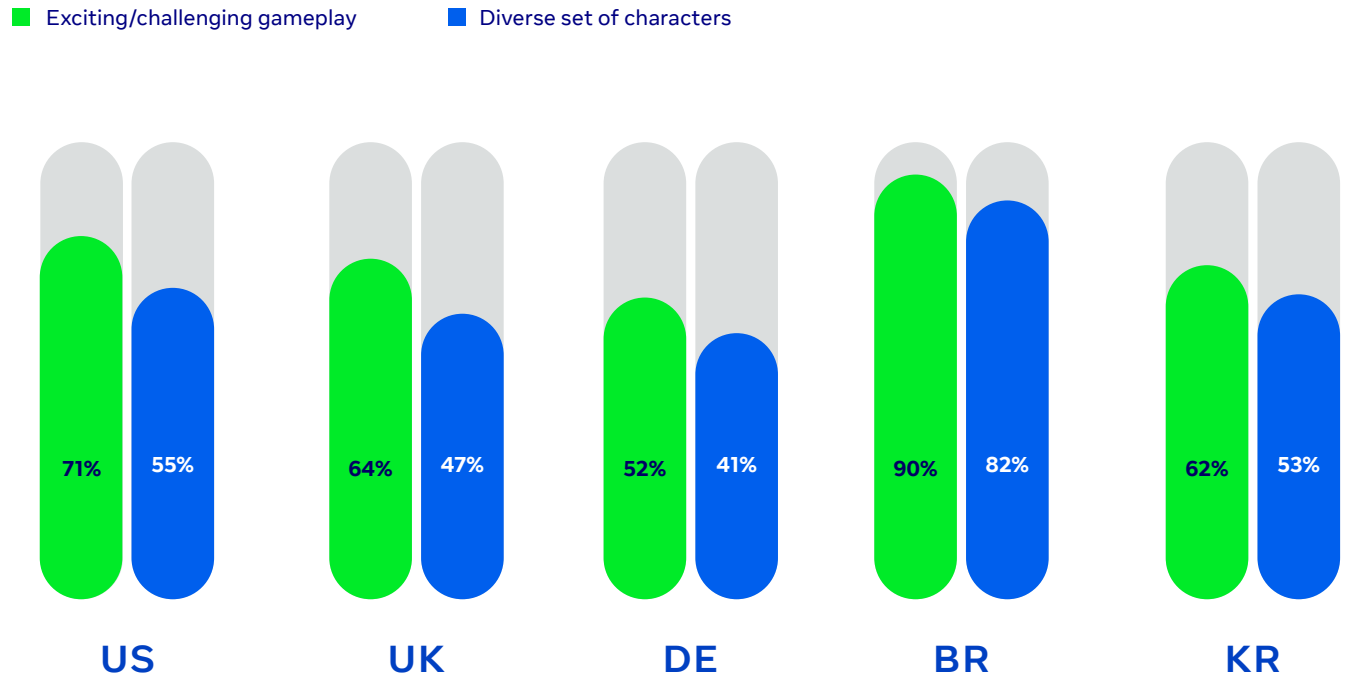
Taking responsible gaming to the next level

[11] IGDA Diversity Satisfaction Survey, Facebook Gaming, Oct 2021

2.3 Authentic representation in advertising

Parallel to accurate in-game representation, embedding diversity and inclusion into advertising while still accurately reflecting the game, creates a greater chance to connect with new and high-value players.

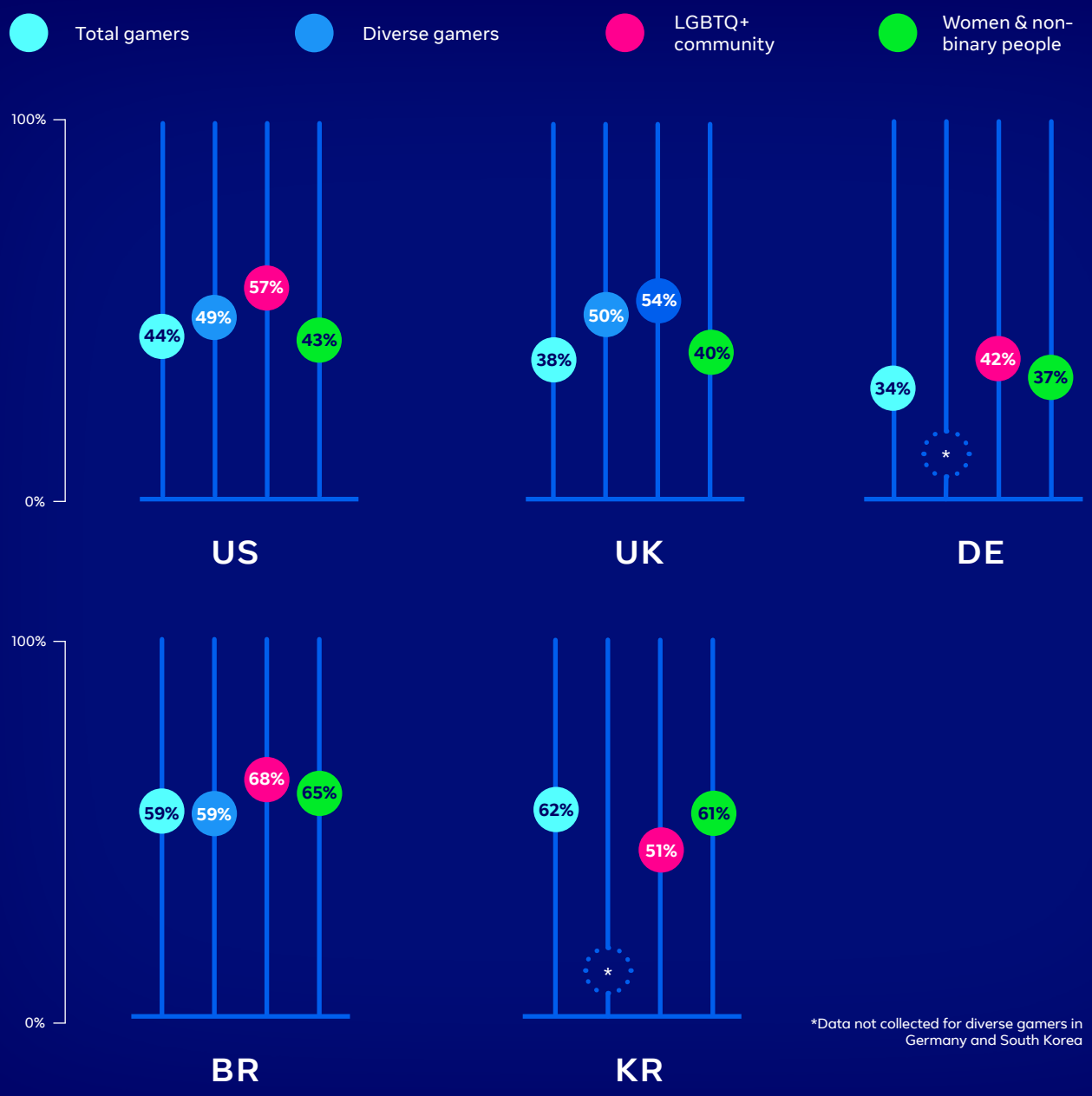
MOBILE GAMERS SURVEYED SAY THEY ARE LIKELY TO DOWNLOAD THE MOBILE GAME WHEN THE AD FEATURES THE FOLLOWING...



However, half or more of mobile gamers across markets surveyed say they're unlikely to download a game if they see an ad portraying people in a stereotypical way (US 51%, UK 48%, DE 60%, BR 46%, KR 58%).

The same sentiment remains true for player expenditure—a significant number of players would spend less on a game if they felt that the ad presented clichéd characters.

PERCENTAGE OF MOBILE GAMERS SURVEYED WHO WOULD SPEND LESS MONEY ON THE GAME IF THEY SAW STEREOTYPICAL/CLICHÉD REPRESENTATION IN MOBILE GAME ADVERTISING:



Incorporating elements that elevate diversity and inclusion—such as featuring a diverse set of characters or showcasing a story arc that subtly nods to differing experiences—encourages engagement and helps to alleviate issues associated with misrepresentation. These steps also help to relieve the repetitiveness of advertisements. This is a pain point to consider as **56% of gamers say nearly all or many mobile game ads they see are repetitive.**[12]

[12] Online survey responses of 1,323 mobile gamers in US, from "Mobile Gaming Behavior Post COVID-19" by Interpret (Facebook IQ-commissioned online survey of 13,246 mobile gamers ages 18+ across BR, CA, DE, FR, JP, KR, UK, US, VN Jul–Oct 2020). Populations are estimates.

2.4 Key takeaways

01

Inclusive environments help drive player engagement

Games with diverse and authentic representation create a more inviting and enjoyable experience. Gamers who feel represented are more likely to stay. Therefore, inclusivity becomes central to long-term retention.

02

Foster diversity and inclusion through intersectionality and customization

Provide carefully considered and nuanced character traits using features such as "sliding scales". Further, avoid misrepresentation by developing feedback loops with underrepresented gaming communities.

03

Authentic advertising plays an important role

Using elements that elevate diversity and inclusion in your ad creative can help to address some of the currently existing shortcomings, such as ad fatigue and repetitiveness.

03 Building valuable connections

> With all the dynamic developments in our ecosystem, we believe the key task for successful marketers and organizations will be to move away from models that once worked and quickly find appropriate approaches that take into account these market dynamics. Advertisers who invest in a true understanding of their potential customer and who speak to their deeper motivations and interests will be on the fast track to scale.
>
> **Peleg Israeli, Director, Head of Gaming, Creative Shop at Meta**

In an effort to meet the expectations of an increasingly complex marketing ecosystem, games advertising is rapidly evolving. Governments are implementing new regulations and companies are updating their policies to respect people's choices around privacy. While this is welcomed industry-wide, it requires a reevaluation of long-standing advertising mechanisms.

A growing and more diverse audience offers a huge opportunity to connect with and build new gaming fans, however, to fully realize this opportunity and mitigate the impact on media performance, businesses must rethink how they reach their audiences. Until recently, the "call & response" data feedback loop of DR marketing has underpinned the success of traditional games advertising. But now, businesses will benefit from building first-party relationships with their consumers themselves—an area that represents a paradigm shift for most games marketers.

3.1 Owning first-party relationships

Games marketers can build prolonged and meaningful connections—helping to bolster user acquisition and retention—if they own first-party relationships with players. This begins with offering ways for players (within your game and beyond) to securely and willingly share data in exchange for something they value.

OF US MOBILE GAMERS WHO INDICATED THEY WERE UNCOMFORTABLE WITH SHARING DATA, THEY WOULD BE MOTIVATED BY:[13]

45% by in-game rewards

35% by easier login/account creation

35% in-game deals

What's in it for the player?

Gaming businesses can reciprocate value to users by offering:

- Exclusive rewards
- Promotions and updates
- Easier account creation
- Continued play across multiple devices
- Better security and customer support

[3] Meta-commissioned survey of 1010 18+ US consumers by Angus Reid Group, September 2021.

A valuable experience is not limited to the game itself. Understanding that every new and existing touchpoint is an opportunity to turn potential players into loyal fans is key to driving performance in the new era of games advertising. Creating valuable touchpoints with your users and centering performance around people builds trust between players and brands:

60% **of people with high brand trust say they're comfortable sharing data such as their email address or phone number with the brand, and further, they pay attention to the brand's communications[14]**

Creating first-party relationships with your customers allows businesses to be more authentic and have more meaningful connections with people throughout the marketing funnel.

For more information on how to successfully build your first-party data strategy, download the **Building direct connections with players** playbook. Alternatively, visit the **Reimagining games advertising** hub for more actionable insights.

Building direct connections with players

Reimagining games advertising

[14] Edelman. Trust Barometer Special Report: In Brands We Trust. June 2020

3.2 Ecosystem changes call for innovation

Ads ecosystem changes have precipitated a new strategic imperative for the games industry: to maximize DR results through means that are independent of browser and device IDs. While not yet empirically proven, our functional experts believe that this can be achieved by employing effective upper-funnel brand marketing alongside proven practices such as app-install or value optimization-focused marketing strategies.

With this in mind, we expect brands to incorporate specialist roles into their teams, creating a business model more akin to a traditional advertising agency. These include marketing strategists and planners, creative architects (for creative ideation), and a dedicated production team. These roles will, for the first time, be fundamental to the games marketing funnel. While this represents uncharted territory for many games marketers, we believe that it delivers an enormous opportunity; early movers can differentiate themselves from commoditised and homogeneous behaviors in games advertising. These roles will help to drive success by addressing different areas of expertise including:

- Audience planning
- Ideation
- Production
- Data analysis

01 Marketing Strategists and Planners

Marketing Strategists and Planners undertake the complex role of researching people-based insights to guide creative production. Developing a deep understanding of their prospective audience is key to success in this domain. A consideration for geographic market differences, the classification and needs of the gamer, is imperative when answering focused questions such as:

- **Who is my audience and why do they play?**
- **Is their identity represented accurately in the game?**
- **What are their adjacent interests and triggers?**
- **What do they value and how might they want to be rewarded when playing?**
- **What ads outside of the gaming ecosystem do they respond to?**

In an enhanced marketing organization, we foresee the decoupling of two areas: ideation and production, both delivered respectively by Creative Architects and a dedicated production team.

02 Creative Architects

Using the insights delivered from the Marketing Strategists, Creative Architects build at the intersection of people, product, ideas and platforms. They're responsible for ideation and relevancy across marketing channels, drafting innovative and user-focused concepts which are then developed further by the production team.

03 Creative Production

The Creative Production function remains important to producing multiple variations of mid and lower funnel ad units. It will need to flex its muscle and deliver clearer, more consistent visual executions that strengthen the brand identity. The team must build creatives in response to the insights provided by the Marketing Strategists and Creative Architects, in formats proposed by the UA team. As such, Creative Production will be informed by a broader scope of considerations than previously and must maintain the ability to iterate quickly in the always frenetic world of games advertising.

04 Media Buying

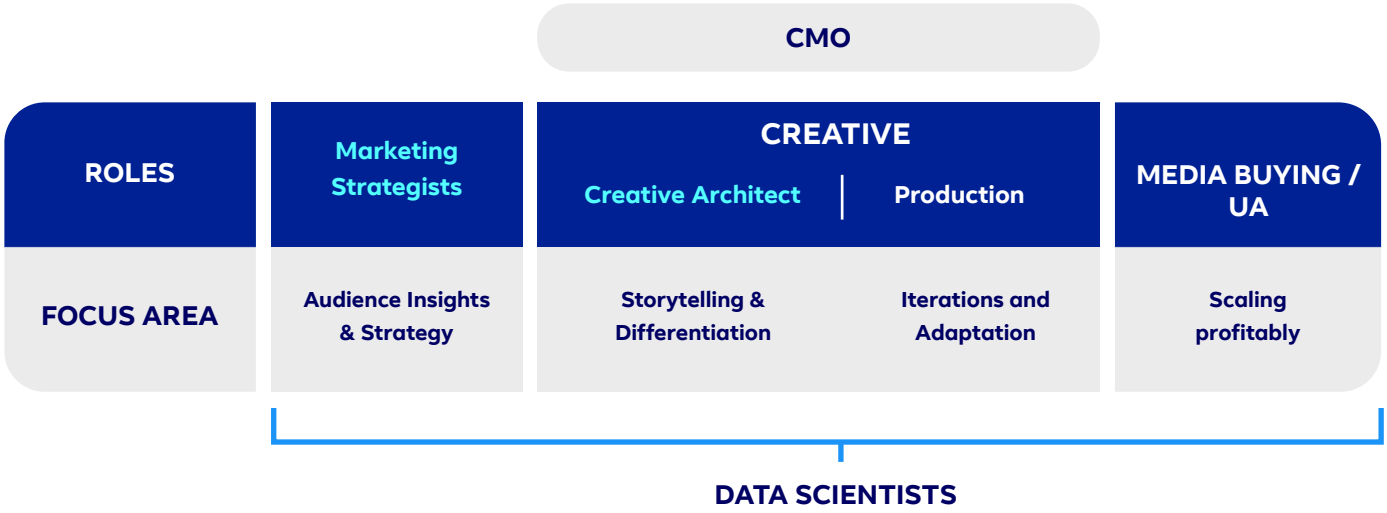
Of course, User Acquisition teams still play a pivotal role within the organization. However, they will no longer own the full ad loop, from creative iteration to user acquisition and analysis. Rather, collaboration with the other marketing roles informing media placement, performance optimization and effective scaling will be their predominant focus. As such, their scope should increase to cover full-funnel media buying.

05 Data Scientists

By understanding the monetary value of different user segments, Data Scientists will help to inform the creative brief put together by the Marketing Strategists. They will help to analyze the quality of users brought in by the UA team and forecast their future profitability. With priority now given to user privacy and upper-funnel marketing, they should readdress the effectiveness of existing strategies and adapt measurement strategy to anchor on incrementality. This can be achieved by embracing the varying results between measurement models rather than trying to reconcile them into a single source of truth.

REIMAGINED ORGANIZATIONAL STRUCTURE

- Roles that enhance the marketing model
- Data Scientists should inform decisions that other departments are making



As measuring DR campaigns has become more challenging, it's crucial that data scientists, marketing strategists and UA teams remain in constant communication with each other. With the correct strategic framework, and a collaborative effort between all teams, data can be modeled into precise and effective decision making formulas that drive effective long-term relationships.

3.3 Key takeaways

01

Incorporate brand marketing into usual marketing practice

In light of the recent ecosystem changes, incorporating upper-funnel marketing tactics with DR mechanisms can drive long-term results.

02

Place audience insights at the core

Generate audience insights and enhance the gaming experience by offering players a meaningful exchange of value. With limited third-party data available, building a connected first-party data strategy helps to inform marketing procedure.

03

Update organizational structures

Include specialized roles such as marketing strategists and planners into your marketing team. Further, enhance ad effectiveness by elevating ideation and decoupling it from production.

04

Adapt performance measurement tactics

Close integration between measurement teams, data scientists, creative and planning functions creates a holistic view of performance and a valuable feedback loop. Strategic measurement practices lead to more informed and impactful marketing decisions.

Conclusion

Gaming continues to be one of the largest forms of media consumption in the world and its momentum shows no sign of slowing down. Nevertheless, in 2022 it's at a significant inflection point. Increasing expectations regarding privacy and representation from a growing, more diverse and sophisticated player base, means it is time to adapt to a new paradigm of games marketing.

Those who are willing and able to own the relationship with players, create authentic experiences within and beyond the game, and implement audience-insight driven marketing, will be at the forefront of success.

It will be a seismic year and at Facebook Gaming we remain committed to supporting our partners on their journey—aiming for success today while looking ahead to prepare for what's next. Our mission is to bring the world's gaming community together and to help businesses build, grow and monetize their games now and for the years ahead.