

# ADVERGAMING MARKETING – A NEW AND EFFECTIVE BRAND COMMUNICATION TOOL

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**Abstract:** *Currently, there are many effective marketing communication tools, such as social media marketing, email marketing, video marketing, content marketing, and influencer collaborations. However, the recent boom in the online gaming market has created a significant opportunity for marketers to implement marketing communication activities through online games (commonly called Advergaming Marketing or simply Advergaming, hereinafter abbreviated as Advergaming). Advergaming is a process that combines advertising and gaming, merging marketing communication with games as forms of both entertainment and culture. To effectively leverage the benefits of Advergaming, theoretical issues such as its definition, business benefits, methods, and application in brand communication must be clarified. Using appropriate scientific research methods, such as desk research and theoretical development, the author will clarify theoretical issues related to branding and brand communication through online games. Key points for applying Advergaming to brand communication in businesses today will also be proposed.*

**Keywords:** *brand communication, marketing communication through online games, Advergaming, Advergaming Marketing.*

## **I. Introduction**

The COVID-19 pandemic has transformed global operations, with one of the most significant shifts being lifestyle and human behavior. This shift has, in part, “propelled” the rapid growth of the gaming industry. According to Newzoo’s forecast, the number of online players worldwide, commonly called ‘gamers,’ increased by over 8% compared to 2020, reaching 2.8 billion in 2021. This growth generated \$189.3 billion in revenue for the market, with Asia

accounting for nearly half (48%) of global gaming revenue. Notably, the growth rate of electronic gaming reached an average of 13.9%. In Vietnam, the gaming market achieved impressive figures: downloads and time spent on gaming apps increased by 40% in the first quarter of 2020. The 18 to 30-year-old segment saw the largest increase among the target audience for games. According to research by Niko Partners and Google, revenue from online games in Vietnam grew by 16% in 2020 compared to 2019.

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The emergence of new users has driven growth in the global gaming market, and the gaming ‘paradise’ is expected to become even more popular and widely favored. The increasing fragmentation of mass media—such as TV commercials and banners—and the declining effectiveness of television advertising have compelled brands to seek more effective ways to reach their target audiences. Currently, only 33% of Gen Z watches television, while more than half of Gen Y subscribes to cable TV. Both generations are increasingly choosing streaming services over traditional TV. These trends have created a new online media space that attracts businesses and provides a platform for companies to connect with younger audiences by understanding their media consumption and behavior.

According to the In-Game Advertising Market Research Report (Allied Market Research, 2021), this market was valued at \$6.8 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 11%, reaching \$17.6 billion by 2030. As a result, Advergaming has become increasingly prevalent, offering fertile ground for businesses to explore their brand communication strategies.

## II. Research Methodology

The primary research method is theoretical research (desk research), which involves gathering reliable information on Advergaming and its application in brand communication. The goal is to identify fundamental advertising concepts for the study’s theoretical foundation. In addition, the author employs the theory development method, which is conducted by collecting and comparing data to identify, construct, and connect concepts, thereby forming a scientific theoretical framework.

## III. Research Findings

### 3.1. Theoretical Framework

#### a) Brand

Currently, many different concepts of a brand are viewed from various perspectives. Some equate a *brand* with a *trademark*, while others distinguish between the two. In Vietnam’s legal system, there is no specific concept of a brand; instead, terms like trademark, trade name, geographical indication, and designation of origin are used. According to Tran Thi Thap (2021), a brand can be viewed from three perspectives: marketing, application in commercial life, and intellectual property. In this study, the author focuses on the brand from a marketing perspective. The traditional approach, as defined by the American Marketing Association (AMA), states: “*A brand is a name, term, design, symbol, or any combination of these, that identifies the goods or services of one seller and distinguishes them from those of other sellers.*”

#### b) Brand Communication

Brand communication is the process of bringing a brand closer to customers by introducing and promoting the distinctive, recognizable features of the brand, products, and services of the business. These marketing strategies help consumers increase their awareness, trust, and affinity for the brand, ultimately leading to higher conversion rates and successful sales.

Brand communication offers numerous benefits to businesses in their market development efforts, including the following: 1) Establishing Long-term Brand Value: Investing in a brand communication strategy can bring substantial and lasting success to a brand. Specifically, businesses can establish their brand’s value and express it through

communication activities that garner customer goodwill and trust. Additionally, an effective brand communication strategy that leverages impactful imagery and messaging can stimulate consumer purchasing desires, resulting in significant revenue generation and enhancing the brand's competitiveness in the market.

2) **Enhancing Brand Value:** The value of a brand lies in the trust and influence it holds over consumers. The process of brand communication rapidly increases these brand values through various channels. Besides boosting the brand's value, it also enhances the perceived value of the products offered under that brand.

3) **Building Loyalty:** If customers are satisfied with the products or services provided by the business, the brand communication strategy will continuously keep them informed about the latest programs and products from the company. This strengthens the bond between the customer and the brand, leading to repeat purchases in the future. Once customers trust the products or services, they may even become brand ambassadors, spreading positive word-of-mouth for the brand.

Two primary forms of brand communication are employed to impact the brand: directly and indirectly significantly. The choice of which form to use depends on the business's circumstances.

**Direct Communication:** This traditional form of communication involves deploying a team to physically visit crowded areas, such as residential complexes, markets, and supermarkets, to introduce the product and brand. The scale of communication is not necessarily dependent on the business's resources.

**Indirect Communication:** This form of communication is widely applied and increasingly popular. Through advertising on radio, television, social media, and

other channels, businesses can easily and effectively promote their brand quickly.

### *c) Online Communication Tools for Brand Development*

Every business aspires to promote its brand and garner significant consumer acceptance widely. To effectively advertise a brand, businesses can employ one or a combination of several methods (Nguyen Thi Hoai An, 2023):

#### *Social Media Marketing:*

Social media marketing offers a highly effective avenue for brand promotion. With millions of daily users, social media platforms provide brands with extensive user bases. Social Media Marketing enables businesses to identify potential customers and leverage this advantage when advertising products. Each social media platform—Facebook, Instagram, Pinterest, Twitter, LinkedIn, YouTube—offers unique benefits. The first step for businesses is to select and determine which platform best suits their target audience. Paid social media advertising is the next step to accelerate brand promotion campaigns.

#### *Video Marketing:*

Today, users increasingly prefer video content. Regardless of a company's size, video marketing can be utilized effectively. Creating unique videos that attract the target audience and posting them on channels like YouTube, Facebook, and TikTok is an efficient way to promote the brand and drive website traffic. Businesses can also create brand advertising videos for social media profiles, blogs, or websites.

#### *Email Marketing:*

Email marketing might seem traditional and monotonous, but obtaining customers' contact emails is challenging. Customers who are interested in a business's products or services will leave

their emails. Businesses must capitalize on this potential contact by creating high-quality content that attracts and persuades, leading to conversion value.

*Content Marketing:*

Content is at the core of every advertising campaign. Customers are more likely to trust a brand that provides them with high-quality, practical, and valuable content. Once quality content is created, businesses should utilize organic search tools or search engine optimization (SEO) to build brand credibility in customers' eyes gradually. Continuously updating content and monitoring performance helps improve conversion rates and enhances brand promotion. Content marketing can be applied across multiple platforms, including unpaid social media, email, websites, blogs, and paid advertising.

*Influencer Marketing:*

Collaborating with influencers is an excellent way to promote a brand. Influencers are prominent figures with a significant impact in specific fields. With large followings, any brand can collaborate with influencers to create an advantage. Once a business has built trust, it can invite influencers to participate in brand advertising. Leveraging influencer networks can increase growth opportunities. This long-term partnership

benefits the brand, helping the business expand and increase revenue.

*Advergaming:*

Advertising within games is a powerful way for businesses to enhance their presence. Three key factors make this method indispensable: high engagement, broad demographic reach, and user-friendly advertising experiences.

*d) Brand communication through online games - Advergaming*

Advergaming is a blend of the words "advertising" and "gaming" (Sharma, 2014), making it a process that combines advertising with entertainment in the form of playing video games (Hernández et al., 2004).

Advergaming is a marketing approach where a brand is integrated into a game through in-game items or other means. This method goes beyond simply placing a brand's logo within a game; it involves creating an experience where the brand and the game's narrative are seamlessly intertwined. This integration forms a powerful combination of entertainment and marketing, allowing companies to subtly and effectively market their products or brands.

According to Dinko Jukic (2019), Advergaming is categorized into two types based on virtual reality and brand aspects.

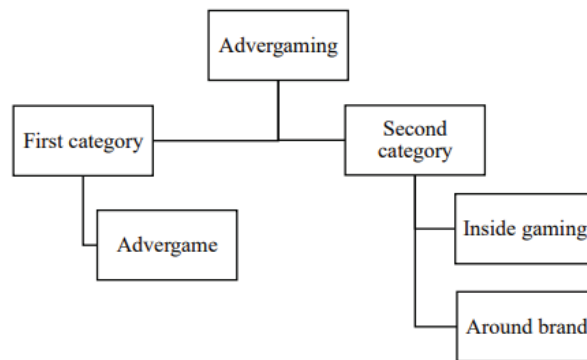


Figure 1: Classification of Advergaming

Source: Dinko Jukic, 2019

The first category is the original microgame, developed specifically to promote the company's brand. These games often appear on the company's website or are distributed for free via mobile devices. The primary purpose of these games is to enhance brand awareness (Addis et al., 2013). Some consumers use these type-one games solely for entertainment, and such games cannot be considered cultural artifacts (Griswold, 2013) of a society or as games that consumers engage with as part of a cultural experience (Huizinga, 2016). Additionally, consumers may be concerned about using their personal information and trust in the brand, as they believe such methods may collect information about their preferences. Research by Wottrich et al. (2017) indicates that customization, brand trust, and privacy concerns in advergaming positively impact the persuasive effectiveness of these games.

The second category consists of games specifically created to advertise a brand or product, with the brand or product as the central feature of the game (Winkler & Buckner, 2006). In this case, delivering the advertising message is of utmost importance (Steffen et al., 2013).

This study will analyze Advergaming's benefits, challenges, and effective implementation in businesses.

### ***3.2. Potential of Advergaming in Contemporary Brand Communication***

Advergaming is an emerging form of advertising in which video games are designed to promote a brand's product or service. With the rapid advancement of digital technology and the growing trend of online entertainment consumption, Advergaming has become a crucial tool in the communication strategies of many global brands.

Globally, Advergaming has witnessed significant growth and

diversification in its forms. Major corporations like Coca-Cola, McDonald's, and Nike (with the Nike Shox email game campaign), as well as Ford (using racing games to advertise its new car model—the Ford Escape), have pioneered the use of Advergaming to create innovative and effective advertising campaigns. These games are not only developed not only for mobile platforms but also for consoles and personal computers (PCs), providing players with a rich experience.

In Vietnam, advertising has yet to develop as strongly or become as popular as globally, but it is beginning to show positive signs. As traditional advertising forms become increasingly saturated and online advertising is seen as an optimal method, market analysts believe that Advergaming holds more significant potential and effectiveness. Despite this potential, the application of Advergaming in Vietnam still faces many challenges. High development costs and a need for more technical resources are significant barriers. However, with the rapid growth of the gaming industry and the increasing number of internet users, Advergaming is predicted to become an important trend in the near future. Some major brands, such as Vinamilk, Biti's, and KFC, have experimented with and implemented advertising campaigns to attract young customers and enhance brand recognition.

### ***3.3. Benefits and challenges of Advergaming***

In contrast to traditional advertising, Advergaming is interactive and engaging, and its use positively correlates with marketing outcomes. Researchers often describe Advergaming as blurring the lines between entertainment and commercial messaging (Vanwesenbeeck et al., 2016). Indeed, fully integrating a brand or product into the entertainment experience facilitates the transfer of

positive effects from the game to the brand (Redondo, 2012). Below are the benefits that Advergaming offers to businesses:

- *Increased brand awareness:* Advergaming provide a novel way to capture consumer attention and make your brand memorable (Hernández et al., 2004).

- *Strengthening customer relationships:* The interactive nature of Advergaming fosters emotional connections, which can turn casual consumers into loyal customers, forming positive attitudes toward the promoted brand (Ping et al., 2010).

- *Support for data collection:* Data collection can provide insights into customer behavior and preferences, aiding in personalized marketing. It also helps identify your current target market and how you can expand your market reach.

- *Driving conversions and sales:* The application of Advergaming can streamline the purchasing process and deliver a positive, memorable shopping experience.

- *Cost efficiency:* Depending on your chosen platform and game design, Advergaming offers cost-saving opportunities compared to traditional marketing tactics, such as events and sales calls.

- Besides its positive aspects, Advergaming also faces several challenges: *Ad blocking:* The increasing use of ad blockers means that not all target audiences may be reachable if you rely on pop-up or in-game advertisements.

- *Negative publicity:* Advergaming can disengage consumers instead of attracting them if poorly executed. This often occurs when the target audience

and marketing objectives are not clearly defined.

- *Low return on investment (ROI)<sup>†</sup>:* Measuring the effectiveness of your advergaming in terms of ROI can be challenging. If your goal is to increase brand awareness, you will need to implement ways to measure success effectively.

### ***3.4 Methods for implementing Advergaming in brand communication***

Advergaming, or advertising through video games, is a powerful tool in modern brand communication strategies. To maximize the effectiveness of Advergaming, the following methods should be applied:

#### *First, define objectives*

Setting clear and specific objectives will guide the advertising strategy and determine the success of the business. Common objectives include brand awareness, user engagement, and data collection.

#### *Second, understand the target audience of brand communication*

Ensure that the game aligns with the demographic characteristics of the target audience the business aims to reach. Consider their preferences, habits, and preferred gaming platforms. Businesses should conduct market research and use this information to customize an advergame that captures the audience's interest and produces the desired results. Additionally, businesses must select platforms and devices appropriate for the identified target audience.

#### *Third, balance brand promotion and gameplay*

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<sup>†</sup> ROI is an abbreviation for "Return on Investment," a metric used to measure the net profit ratio to the total initial investment cost.

While the brand is central, the gameplay should not be compromised. The game must remain entertaining to maintain user interest. Striking a delicate balance between brand promotion and offering an engaging game is essential. An engrossing game will ensure sustained user interest and create a positive association with the brand.

*Fourth, use advanced technology*

Advanced technology such as Augmented Reality (AR) creates an interactive experience that blends the virtual and real worlds, enhancing brand appeal and recall. Virtual Reality (VR) provides a fully immersive experience, allowing players to interact with the brand in a vivid 3D environment.

*Fifth, integrate with other marketing tools*

Combine different types of Advergaming or integrate Advergaming with other communication channels (as discussed in section 3.1) to create a comprehensive and consistent campaign. Alternatively, use games to drive loyalty programs, such as offering rewards or bonus points for completing in-game tasks.

*Sixth, measure effectiveness*

Track key metrics such as player return rates, playtime, engagement levels, and conversion rates to assess the campaign's effectiveness. Collect and analyze player feedback to improve and adjust the advertising strategy. Analyzing this data will provide insights into what works and what does not, enabling continuous refinement of the gaming experience to optimize it for the company's marketing goals.

*Seventh, consider return on investment (ROI)*

Although Advergaming can be costly, the potential returns in brand

recognition, loyalty, and data collection can be substantial. Businesses should regularly assess the ROI to ensure the effort remains profitable and aligned with the company's overall marketing strategy.

Advergaming is an up-and-coming tool in brand communication, offering numerous benefits in engagement and brand recognition. To achieve the highest effectiveness, brands need to clearly define objectives, thoroughly understand their target audience, design engaging games, leverage advanced technology, continuously analyze and optimize, integrate with other marketing strategies, carefully measure effectiveness, and thoughtfully consider ROI.

## **V. Conclusion**

Advergaming is a relatively new marketing concept, with the primary goal of building brand awareness and creating a positive association with the brand's products. As brand awareness increases, customer engagement often rises, which typically leads to higher sales. This article analyzes the concept and characteristics of Advergaming for businesses and provides methods for applying it in brand communication. Although Advergaming still presents certain limitations when applied within businesses, the author believes it is a promising new trend due to its ability to retain the brand and product in players' minds over the long term. If combined with a compelling brand marketing strategy, Advergaming could create new trends within the community. With the vigorous development of the online marketing market and the emergence of highly interactive games, this form of marketing is poised to become an effective strategy for brand managers in Vietnam.

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## MARKETING THÔNG QUA TRÒ CHƠI TRỰC TUYẾN (ADVERGAMING MARKETING) – CÔNG CỤ TRUYỀN THÔNG THƯƠNG HIỆU MỚI VÀ HIỆU QUẢ

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**Tóm tắt:** Hiện nay, có rất nhiều công cụ truyền thông marketing hiệu quả, có thể kể đến như: marketing qua phương tiện truyền thông xã hội, marketing qua email, marketing qua video, marketing nội dung, cộng tác với người có tầm ảnh hưởng ... Tuy nhiên, sự bùng nổ của thị trường trò chơi trực tuyến (game online) gần đây đã mở ra cơ hội rất lớn để những người làm marketing triển khai các hoạt động truyền thông marketing thông qua trò chơi trực tuyến (thường được gọi là Advergaming Marketing hay chỉ đơn giản là Advergaming, sau đây viết tắt là Advergaming). Truyền thông marketing thông qua trò chơi trực tuyến / Advergaming là một quá trình bao gồm quảng cáo và chơi game, là sự kết truyền thông marketing với trò chơi như giải trí và văn hóa. Để có thể tận dụng một cách hiệu quả những khía cạnh lợi ích mà Advergaming mang lại thì các vấn đề lý thuyết như Advergaming là gì, lợi ích của Advergaming đối với các công ty kinh doanh, phương pháp và vận dụng các phương pháp Advergaming trong truyền thông thương hiệu nên như thế nào – là các vấn đề cần được làm rõ. Bằng những phương pháp nghiên cứu khoa học phù hợp như nghiên cứu tại bàn và phát triển lý thuyết, tác giả sẽ luận giải và làm sáng tỏ những vấn đề lý thuyết có liên quan đến thương hiệu, truyền thông thương hiệu, truyền thông thương hiệu thông qua trò chơi trực tuyến, và đề xuất những điểm cần chú ý khi áp dụng Advergaming vào truyền thông thương hiệu của các doanh nghiệp hiện nay.

**Từ khóa:** truyền thông thương hiệu, truyền thông marketing thông qua trò chơi trực tuyến, Advergaming, Advergaming Marketing.

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