



In-game ads poised for primetime

Advertising in games may get the audience but will brands invest in the format?

Screen Digest & GroupM examine the prospects to 2014

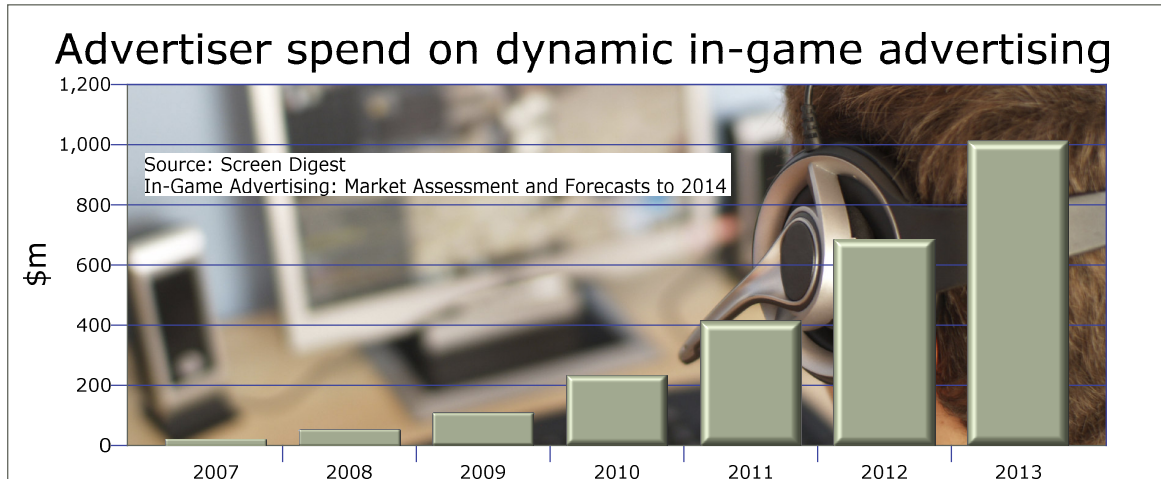
London 26th May 2009: While the conditions necessary for an acceleration of spending on in-game advertising are in place, many of the world's brands have yet to get serious about incorporating this emerging medium into their marketing strategies. In its latest report, *In-Game Advertising: Market Assessment and Forecasts to 2014*, media analyst Screen Digest (www.screendigest.com) reveals how video games' rising share of audience consumption and reach will make it impossible for brands to ignore.

In-game spending to reach \$1bn by 2014

An examination of the games advertising industry and a survey of digital planners from GroupM's global agency network indicate that a combination of audience media habits and the unique advantages of dynamic in-game advertising will drive spending to over \$1bn in 2014. As a proportion of global spending on digital advertising, Screen Digest believes dynamic in-game ads will account for around one and a half percent of annual spending in 2014.

While acknowledging short-term softness in ad spending in 2009, particularly on emerging formats, Screen Digest retains faith in the prospects for dynamic in-game advertising in the longer term. The format enjoys numerous qualities highly prized by brand owners and digital planners: scalability, accountability, high levels of audience engagement, positive brand associations in often highly-prized games

media and the opportunity to communicate with demographic groups that are proving increasingly hard to reach via other media.



Screen Digest Senior Analyst for Advertising, Vincent Letang, says “Dynamic in-game advertising offers brands the same accountability as other digital platforms but in a more controlled environment than social display media and through a more standardized value chain than mobile advertising. Like online video pre-rolls, in-game advertising fills a gap in online branding, bringing familiar formats such as virtual billboards and TV ads into the gaming experience.”

Adam Smith, Futures Director at GroupM, adds “Games are proven recession-beaters with an ad-funded online model that actually works. There are many ways in which advertising can help evolve business models for video games and we have only just begun to explore that potential. Given gaming is now a mainstream leisure interest, in-game deserves the same consideration as mobile and social media.”

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About this research

The report, *In-Game Advertising: Market Assessment and Forecasts to 2014*, examines the games advertising value chain and forecasts revenues going forward to 2014. It includes data from a detailed survey of GroupM digital planners on how they and their clients regarded in-game advertising and in-depth profiles of the major games advertising operators. It also reviews and forecasts the market for advertising on mobile games. Early adopters of in-game advertising, profiled in the report, include mainstream brands eBay, Kentucky Fried Chicken, Nike and the Barack Obama campaign.

About Screen Digest

Screen Digest is the pre-eminent firm of industry analysts covering global media markets. Headquartered in London, with offices in New York and Monterey, California, we employ a team of 40 specialist analysts covering film, television, broadband, mobile, cinema, home entertainment and gaming. Our online services and reports provide the information and analysis that hundreds of media companies worldwide base their decisions on. Most recently we have launched Global Media Intelligence (GMI), a new service which provides research and analysis specifically for media-focused institutional investors. www.screendigest.com.
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