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ANALYSIS OF IN-GAME ADVERTISING DEVELOPMENT PERSPECTIVES IN UKRAINE

Experts in marketing always have to look for new ways of promoting goods and services. In this context computer games have high potential. The quantity of hours spent on playing grows each year. The number of people involved into virtual reality of games also increases. For businesses this target audience becomes more and more attractive. That's why in-game advertising (IGA) gains popularity.

According to NDP Group, 72 % the USA citizens play video games (64 % in 2007). The average age of players is 32. In our country 51% of citizens play computer games, and the most of players are 10-34 years old. So, we have not such a big rate of gamers in Ukraine, but our potential can be used by advertising companies very effectively. The average gamer spends from 3 till 15 hours a week in both countries, that's why it is enough time for to acquaint people with advertized production.

The earliest known IGA was a computer game Adventureland in 1978, which inserted a self-promotional advertisement for its next game, Pirate Adventure. The earliest known commercial IGA occurred in 1991 when a spot for Penguin biscuits appeared in James Pond – RoboCod.

Since then in-game advertising has started to get popularity among advertisers, and this industry began to grow at enormous rates. If the volume of the market of game advertizing in the USA was \$56 million in 2005, it has grown to billions by 2010. World publicity expenses in video games were \$3.1 billion in 2010 and, according to some forecasts, they will increase to \$7.2 billion by 2016.

As for Ukrainian in-game advertising, it has started to appear regularly since 2005. This year expenses of advertisers in this sphere reached a level of 5-6 million dollars. This figure looks rather modest in comparison with \$5 billion of general advertizing expenses. And this sum increases every year. Today, income from in-game advertizing accounts for 35 % of the whole advertising market in Ukraine. This amount is likely to increase as the wave of popularity of this kind of ads came to our country not so long ago. So, we have a good perspective of developing in-

game advertising in Ukrainian market.

Such type of advertising attracts continuous interest. There are special agencies which develop innovative ideas on placing advertising in video games. Google, being one of the leading world advertisers, has started a special service called Google In-Game Advertising. Special research was conducted, proving the efficiency of this kind of advertising and its advantages in comparison with TV commercials. In particular, it argues that people often spend more time playing computer games than watching TV, and the brands which appear on the PC monitor can be remembered better.

Unlike noisy advertizing on TV and pop-up banners on web sites, advertising in computer games irritates people much less. As researchers found out, "gamers" aren't almost confused with advertizing, especially if it doesn't distract them from game. A lot of players responded to the ad positively – especially when it gave them possibility to play free of charge.

According to the results of the research every second gamer considers that advertizing makes computer games more realistic and only 21 % have the opposite opinion. Thus, more than a half (54 %) are assured that advertizing in game draws attention, and only 17 % don't agree with it. These figures prove the fact that in-game advertising is an effective kind of an advancement of goods, but, unfortunately, it is not so popular in our country in comparison with the USA.

Advertising in computer games has shown considerable progress during 20 years of its existence. If the first advertizing of such kind appeared only in the form of a company logo somewhere on the background, now advertisers have a weight of possibilities for presenting the product in an original way.

One of the most widespread ways is advertising introduction in a game background. More often, such method is used in racing games: advertising is located on billboards in the drawn cities, on racers` clothes and cars.

The advertised product can directly participate in the game. The founders of Sims 2, for example, have developed special applications with which help players buy clothes for their game characters in H&M shop or furniture – in IKEA.

A commercial can be shown during the process of game loading. It is also possible to promote a product by placing a free version of a popular game on its website, as Google did for example, in order to induce users to download their new browser Google Chrome.

Creating games for the specific product is considered to be a new, especially promising direction of in-game advertising. More often, there are free flash-games which are accessible on the Internet.

Demand on in-game advertising grows, and the market is still very far from saturation in Ukraine. However, video games have already had time to turn to a competitive media platform. According to the experts, the potential of the advertising market in computer games is huge, it can be estimated hundred millions and even billions dollars annually. In conclusion it must be said that our country has all possibilities to make in-game advertising the most profitable sphere of this market.