AudioMob

Audio Ad Engagement in Mobile Games.

In this document we share the key findings from independent research and testing commissioned by AudioMob.

The research explores how consumers perceive the monetisation of mobile games through various existing advertising models such as video and banner - and the new 'in-game audio ad' format.

We have also provided a case study looking at Warner Music Group's use of the AudioMob platform to promote a new single release, and the impact audio ads had on that campaign.

Who is this report for?

This report is for anyone looking to understand the latest developments and opportunities around advertising to the global mobile gaming audience - and particularly via the newly emerged in-game audio ad format. This research will help advertisers, brand owners, marketers and others in related fields better, understand the potential and suitability of audio ads to their campaigns - and as such provides insight with regard to planning future campaigns. The report also provides a general overview of the in-game ads landscape today.

Why do the findings matter?

In-game mobile ads provide an opportunity for brands to connect with a global mobile gaming audience of 2.8 billion players. As such, they allow games to be published for free to consumers, enabling game companies to monetise by serving users ads in-game. While other game monetisation models exist, such as premium (the user paying upfront to access the game) and in-app purchases (where a free game lets players spend real money on in-game items), advertising has become a dominant and successful form in the space. However, a players' relationship with these ads - and their perspectives on them - can significantly impact how successful those games are alongside a given ads' reach and impact.

Free mobile games endeavour to monetise by engaging and retaining players. The more frequently players visit a given game - and the longer the period they have a relationship with that game, stretching out for days, weeks or even months - the more ads will be served and viewed in total. That has a positive impact on both brand reach and game monetisation.

However, if ads frustrate or intrude on players' experiences, they can push that user away from the game, ending engagement and retention - even developing potential negative associations with a brand.
Video ads and visual banner ads are the most established form in mobile games - but in most cases by far those examples prevent the user from playing while they are served. While there are alternative approaches - consider 'in-play' forms where a video could be placed in context within a game world (perhaps on a video billboard placed in a game's world) - there can be challenges in measuring engagement.

As such, audio ads present the potential to lift monetisation and ad engagement without interrupting gameplay, by running in the background as a user plays. The research detailed below was conducted to explore the reality of that potential. The findings provide an independent perspective of mobile game players' attitudes on various forms of in-game advertising, as well as their opinions on audio.

How was the research conducted?

The findings shared here are based on collaborations with third-party organisations; market research and data analytics firm YouGov surveyed 2,200 respondents on attitudes to mobile game monetisation, while digital assurance service Go Live Test conducted thorough focus group behavioural testing.

Additional insights are based on real-world, working examples of the deployment of AudioMob's technology, which went live in Q1 2020. This report details the real impact of the audio ad format, rather than projections of potential.

What is AudioMob?

AudioMob lets brands connect with the global audience of highly engaged mobile gamers, by offering a means to place audio ads in free-to-play mobile games. The AudioMob format is the first of its kind and provides a powerful alternative to conventional interruptive video ads. AudioMob's non-intrusive audio ads let mobile users continue to play a game as they engage with a brand.

Find out more at **www.audiomob.com.**

Most people dislike video ads in mobile games: YouGov found that 86% of UK adults are not in favour of seeing them.

Key Takeaways: Framing the Audio Ad Opportunity:

- Significant numbers of players listen to music while gaming on mobile: YouGov counted 61% in the case of 18-to-24-year-olds, dipping down to 49% for 24-to-34-year-olds. Older players listen to music while gaming in lower numbers, with 44% of those aged 35-to-44 years old doing so, compared to 34% of those in the 45-to-54-year-old group. It is worth noting here that younger players currently make up a larger proportion of the overall mobile gaming audience.

- More users prefer audio ads to video ads or IAP (In-App Purchases): The YouGov study revealed that while 18% of mobile users prefer video ads in games, 26% favour IAP, and 28% see audio ads as their preferred monetisation model.

- Most people prefer audio ads to video ads in mobile games: Go Live Test found that was the case for 75% of mobile users. The remaining 25% felt indifferent to audio ads, indicating a higher likelihood of adoption over resistance.

- All players continue to play while hearing an audio ad: With 100% of users studied by Go Live Test continuing to play, it is clear that audio ads do not affect or deter gameplay.

- Every player that hears an audio ad with a clickable banner recalls the advertised brand. 100% of players in the focus group assembled by Go Live Test noticed the audio banner ad on the screen, and all could recall what was being advertised.

- A player clicks through on an AudioMob ad once every 1.4 listens, demonstrating remarkable engagement. That figure dwarfs click-through rates seen with other in-game mobile advertising options, such as static banners, where CTRs (Click Through Rate) of 0.08% are more common.

Why not traditional ads?

Video and banner ads have successfully monetised numerous mobile games over the years. But video ads present a major challenge for game companies and brands. In taking over the screen of a phone to run, they block play. That can frustrate players, causing negative association with brands and games, ultimately damaging user retention within a mobile title. And lower retention means lower monetisation. Traditional banner ads in isolation, meanwhile, are less intrusive, but have limited engagement. Audio ads, meanwhile deliver brand impact without interrupting play.

The following feedback captured from the Go Live Test focus group validation presents common responses and reactions to audio and video ads in mobile games.

- Responses to audio ads: When asked why he preferred audio ads to video ads, a male user said: "because you can continue what you're doing, you still hear the ad but there's no disruption to the game."

- Clickable audio banners and ad recall: Here a small interactive visual element is displayed alongside an audio ad. Users consistently know that they can interact with the companion banner ad; 100% of players in the Go Live Test focus group noticed the banner ad on screen and could recall what was being advertised.

- Video ads: When asked whether they clicked on the screen while a video ad was playing, a male user said "I clicked to sort of see how long the time was until it went down, I always try to skip ads."

100%

of players in the Go Live Test focus group noticed the banner ad on screen and could recall what was being advertised.

28%

see audio ads as their preferred monetisation model.

Case study:
Warner Music Group

Warner Music Group (WMG) selected AudioMob to promote Joel Corry and MNEK's new single Head & Heart to mobile game players.

The aim was that WMG could reach more potential customers aged 18-to-30 years old in the US; particularly those in the New York, Los Angeles, Chicago and Miami regions. WMG opted to go with audio ads supported with a small interactive visual banner that could take users to a landing page for the single, targeting devices with their audio detected as being on. That effort delivered the following results at 10 days.
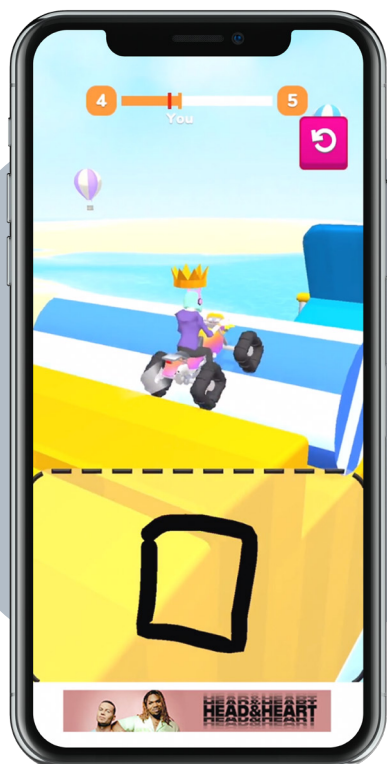
$0.34
Cost per click

12%
Closed / muted ads

75%+
Ad completion (with adss kippable) 32%
(Industry standard skippable ads completion 4% - 8%)

1.78%
Average CTR (approx. 1,000% increase)
Traditional banner ad standard CTR = 0.01% - 0.3%

1.8%
Bounce rate on destination page
(Avg. bounce rate 40% - 60%, with 20% traditionally considered as positive)

The results speak for themselves. A 1000%+ increase in CTR over traditional banner ads is significant. We were also able to optimise the ad after the campaign started, further leveling up its impact. A towering CTR, impressive ad completion rate and minimal bounce rate offers a connection with those 2.5 billion engaged users few other options can demonstrably prove. **To learn more about the Warner Music Group project, you can check out the case study here.**

AudioMob's time serving game developers and brands have confirmed our belief in the power and impact of the concept of an audio ad platform. Along with Warner Music Group, Sony, Ministry of Sound and FMCG brands have used AudioMob , while respected game developers including Kwalee and 9th Impact have integrated AudioMob into their games. If you are interested in learning more about our platform, are considering using it to monetise your game or promote a brand, or if you had anything to ask, we'd love to hear from you.

So please drop us a line at **contact@audiomob.com**.