

# Gaming is not a game anymore

By Ryan McFadyen

7 Jan 2022

Sawy marketers will embrace the fact that gaming is no longer just for gameplay. It has become the newest frontier for brands to engage meaningfully with an audience which is tech sawy and looking to be entertained...



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The global gaming market has been one of the fastest growing markets in the world for the past 10 years. In fact, in 2020, it was valued at \$173.7bn and is expected to reach a value of \$314.4bn by 2026.

Only recently, however, have marketers started to take note. While many have followed a traditional sponsorship approach and focused on the eSports category, as opposed to exploring the broader gaming category, the more successful brands within the space have addressed the lifestyle aspect of the category, tapping into the larger casual gaming audience and the trends gaining momentum within this sector.

Three major trends that will prompt brands to step in and gain significant traction within the market are 'embracing the metaverse', 'mixed realities' and 'more players, playing more'.

# Embracing the metaverse

The metaverse is a seamless virtual-reality space in which users can interact with a computer-generated environment and other users. Simply put, it is a space where you can live your virtual life the same way you live your physical life.



The metaverse explained
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Driven predominantly by gaming (with many stating that Roblox is the first beta version of a metaverse) companies such as Epic Games, Facebook and Google are betting big on the metaverse becoming a huge component of culture in the future.

Brands are gearing up to embrace the metaverse in different ways, tapping into micro trends within the current virtual worlds. One the biggest is direct-to-avatar (D2A) brands, an emerging business model selling products directly to avatars (and bypassing any supply chain management issues like dropshipping or the logistics of getting a physical product to a consumer's door).

Gaming platforms have seen \$2.5bn change hands in this way with fashion brands such as Gucci, North Face and Ralph Lauren selling virtual fashion collections and automotive brands such as Maserati and Aston Martin launching virtual cars.

### **Mixed realities**

Unlike augmented reality (AR) and virtual reality (VR), mixed reality (MR) integrates real-world objects within a virtual world to create new environments for gameplay.

Games like Pokemon GO adapted real-time location data from smartphones and the ability to augment images from cameras with game content to create a compelling and hugely popular augmented reality gaming experience.

KFC embraced this growing trend within China tapping into the hugely popular mobile game. Rather than working with the developers Onmyoji to create advertisements, the business turned 5,000 of its restaurants into in-game battlegrounds where users could collect rare and limited-edition ghosts.

In addition, KFC integrated elements from the game into physical locations into the game – art from the game featured in restaurants as did stylised buckets and an AR mechanic. As a result, three million KFC buckets were sold in three days, theme restaurants saw a 400% increase in traffic, and Onmyoji experienced a 17% increase in new users and a 7% uplift in daily active users.

### More players, playing more

With the growth of cloudstream gaming services, mobile games and internet penetration growth, more players are able to access gaming platforms for longer periods.

In South Africa, the wearesocial digital report 2021 showed that 30% of internet users between the age of 16 and 64 have a gaming console, and that they spend roughly an hour and 13 minutes playing games every day.

Lifestyle games are by far the most popular within the casual gaming market but sporting game FIFA is the most popular and the category far outperforms any other category.

Burger King embraced this trend with its Stevenage partnership while closer to home Toyota hosted the Toyota eSports challenge, winning the best social and digital campaign at the Sports Industry Awards.

# Responding in 2022

Savvy marketers will embrace the fact that gaming is no longer just for gameplay. It has become the newest frontier for brands to engage meaningfully with an audience which is tech savvy and looking to be entertained.

It is serving as a stage for entertainment (witness the host large scale music concerts (such as Travis Scott's Astroworld), fashion brand innovation and cultural development and social commentary (for example, we the people, a series of in game conversations about race in America).

Love it or hate it, tomorrow gaming will be to marketing what social media is today.

#### ABOUT RYAN MCFADYEN

Ryan McFadyen is Strategic Director at HaveYouHeard and a recognised trendspotter and guru. You can catch himweekly on Breakfast with Refilwe Moloto, or LinkedIn, or Instagram or follow HaveYouHeard's culture and trend resource on Instagram @thisisin How can brands create emotional resonance with their audiences? - 5 Apr 2022

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