

## Attitude towards Online Advergame: An Empirical Study among Saudi Consumers

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### Abstract

*As a result of the increase of computer games and high speed internet connections, in-game advertising plays a significant role in this domain. Advertisers' anticipate that in-game advertising will be an important marketing method that may enable them to reach targeted consumers. Consumers' attitudes toward in-game advertising, how consumers think about online advertising and the impact of these attitudes on brand image will be investigated in this study. In order to test the attitudes, several factors such as entertainment, customer engagement, and attitude toward advergames in general are included. The outcomes and results will be discussed at the end of this study. Discussion, implications, conclusion, limitations and future studies are to be provided.*

**Keywords:** In-game advertising, Brand image, online advergames, Consumer engagement, Entertainment.

### Introduction

In fact marketers and manufacturers have applied new form of ads to gain consumer acceptance. In-game advertisement was new trend that attracted companies to place products. Recently, the game industry has become an attractive and significant tool in the global marketplace (Yang, 2006). This encourages many companies to adopt advergames as a part of the marketing methods.

Nevertheless, research in advergames are more recent and still limited (Kinard and Hartman, 2013). Studies in advergames have discussed advergames content (An and Kang, 2014; Lee et al., 2009; Moore, 2006; Paek et al., 2014; Quilliam et al., 2011). Less attention has been given to investigate the effect of attitudes towards advergames to brand image.

This study aims to shed light on the in-game advertising and investigate the relationships among various variables (brand image, entertainment and customer engagement). Moreover, marketers have decided to enter the in-game advertisement area (Hsu & Lu, 2004). Accordingly, this paper intends to better understanding of the games using and what the practitioners' attitudes are toward online advertising and advergames particularly.

### Research Problem Statement

The current study aims is to examine the relationships between the attitude towards online in-game advertising and brand image, entertainment and customer engagement among Saudi context.

### Research Objectives

The research aims to:

- Illustrate the impact of attitudes toward the advergames on brand image.
- Explain the influence of customer engagement as a mediating on the attitude toward both advergames and brand image.
- Clarify the mediating effect of entertainment on the attitude toward both advergames and brand image.
- Figure out the relationship type between attitudes toward advergames and the study variables.

### Research Questions

- To what extent do the attitudes towards advergames affect brand image?
- How does the level of entertainment influence the attitude toward advergames?
- How does the level of customer engagement influence the attitude toward advergames?
- Do attitudes toward the advergames affected by customer engagement and entertainment?

### ***Significance of the Study***

The in-game advertising becomes an interesting choice for companies to place products in. Both marketers and producers advergaming are creative and innovative channel to communicate with their potential audience. This paper will take the subject of the evolution of rapidly growing industries and establishment of competitive advantages. The study will contribute also by deeply investigate the game players' attitudes towards in-game advertising.

### ***Literature Review***

The gaming industry has become a significant revenue generator in the entertainment business (Kent, 2001). Historically, the first video game was introduced in 1950 (Kent, 2001). It is expected that the video game industry will maintain its fast growth (Lai & Huang, 2011). In this section, the literature will be reviewed in the aspects of in-game advertising, attitude toward advergaming, brand image, entertainment and relevance.

### ***In-game Advertising***

A new way of advertising is to deliver the advertisement message through video or computer game. The major goal is to provide a means to virtually interact with products and increase the brand awareness (Hernandez and Minor, 2015). This form of advertising is called in-game advertising (IGA). Digital In-game advertising (DIGA) consists of two different types of in-game advertising used in games. Practically, the dynamic placement is the advanced type of in-game advertising. It works by an Internet connection that helps marketers insert any changes at any time to the advertisement into the game (Nelson, 2002).

In-game advertising is divided into two distinct categories: advergaming and brand integration. Usually, online advertising is much concerned with both meta-categories. Thus, the definitions of the two categories and how they are used online will be elaborated below in details.

Advergaming, in definition, is one form of Internet advertising which combines two aspects together. This type of advertising seeks to promote products by placing the advertising in online games (Grossman, 2005). It is a combination of a commercial message and a game used for the sake of product promotion purposes. Moreover, the unique advantage of advergaming is that it makes the consumers communicate with the product in an interesting, enjoyable and interactive way. Advergaming enhance brand awareness and long term relationship between the consumer and the product (Nielsen et al., 2004).

Vanhala et al. (2015) studied the peculiarity of computer game organizations and their human resources. They observed that one or more developers and the core team are formed over a game designer, partners and outsourcing changes. More than that, in advergaming the use of language is minimized. A unique environment is offered in advergaming for Internet audiences (Hernandez and Minor, 2015).

### ***Attitudes toward Online Advergaming***

Online advergaming is a new technique used by marketers to enrich advertising messages (Gould and Gupta, 2006). An attitude toward advergaming is defined as: "an affective construct assessing favorable or unfavorable consumer predisposition toward the advergaming itself resulting from active user/game interaction" (Hernandez et al., 2004).

Nelson's (2002) was the first study found on product placement in-games which explored the use of digital games context to place the products in it. The study investigated the consumers' feeling about game placement and found that consumers accepted the products and had a general positive attitude toward placement in games.

Additionally, some studies found positive relationship between attitudes toward advertising in general and placement in games was confirmed. More than that, these studies found that people who have negative attitudes toward advertising will have negative attitudes toward product placement using games (Hernandez et al., 2004; Winkler & Buckner, 2006; Yang, M. et al., 2006).

From the cognitive learning point of view, attitudes are the results of information evaluation to any object. The conceptual model of attitudes illustrated that attitudes are the sum of evaluation of the beliefs toward an object. Using cognitive theory to interpret the attitudes has its benefits like reducing the ambiguity and gaining the knowledge but on the other hand it is time consuming. Therefore, consumers are often unwilling to participate in mental activities that may weaken the message's content (Garbarino & Edell, 1997; Lai & Huang, 2011; Stoughton, 2005).

Another studies figured out that consumers enjoy attracting new media especially for hedonic purposes. Games offer a kind of learning processes. It enhances the experience by continuous repetition to the favorable attitudes. The involvement in games can make consumers believe the stated message with classical condition exposures and affect consumers recall, attitudes and other brand outcomes (Folkvord et al., 2015; Stanley, 2006; Verolien & De Pelsmacker, 2010).

## Brand Image

Brand image was defined by Keller (1993) as "perceptions about a brand as reflected by the brand associations held in consumer memory". Also, brand image is the key driver of brand attitude, brand acceptance and brand equity. Therefore, the main purpose of marketing activities is to influence consumers' attitude towards a brand to establish the brand image in consumers' mind.

The attractive trends towards interactive and brand-centered using advergames were found as immersive opportunities that can strengthen brand images, studies confirmed that heavy gamers' memory were found more significant compared to infrequent players (Mallinckrodt and Mizerski, 2007; Yang et al., 2006).

On the other hand, contradictory results showed some differences among video game between experts and non-gamers' experience and level of recall among (Boot et al. 2008; Chaney et al., 2004).

## Entertainment

According to the Entertainment Marketing Association (2004), all types of brand placements such as TV, movies and in-game advertising share some similarities. All these types are marketing communication methods used to build brand equity, awareness and also increase profits. In fact, another similarity between the previous types is the entertainment factor. While they are watching TV or playing a game, consumers enjoy watching brands (Chen & Wells, 1999).

Entertainment is the ability to fulfill the audience's need of entertainment, escapism and diversion. It has the ability to enhance online consumers' experience. In addition, it is the main communication exchange driver in gratifications research. According to Lee (2009), perceived enjoyment and interaction may affect people's intention to play online games. This study was an extension for the TPB to predict how prior experience and perceived enjoyment explain the intention to play online games. A proposed model based on the technology acceptance model (TAM) was developed to examine the perceived enjoyment. Therefore, the proposed model shows that the players have enjoyment reasons and high intention to play interactive online games. Found by (Ferrazzi et al., 2003; Gao, 2004), there is a positive correlation between entertainment and attitudes toward online advertising.

## Customer Engagement

Consumer engagement is an essential factor in recent marketing literature. Consumer engagement offers a base of customer relationship marketing (Fournier, 1998). Thus consumer engagement will add value by supporting the increasing customer interactive and the nature of consumer relationships (Laurence et al., 2015; Vivek Beatty and Morgan, 2012). They define it as "the intensity of an individual's participation in and connection with an organization's offerings or organizational activities, which either the customer or the organization initiates". Consumer engagement has been defined as "a psychological state that occurs through interactive, co-creative consumer experiences with a focal agent/object" (Brodie et al., 2011a, p. 2). More than that, engaging consumers beyond core purchase situations they will exhibit different roles and behave with the value co-creation logic (Vargo and Lusch, 2004). Recently, consumer engagement is becoming one of the key objectives of marketing. Positive implications were recorded of consumer engagement for brand performance (Brodie et al., 2011a, 2011b). However, the literature on consumer engagement shows that customer engagement is critical in network governing service relationships. It is a multidimensional concept that expresses relevant cognitive, emotional and/or behavioral dimensions (Ingrid, 2015; Velitchka et al., 2014).

## Research Model

This study was based on the following proposed model:

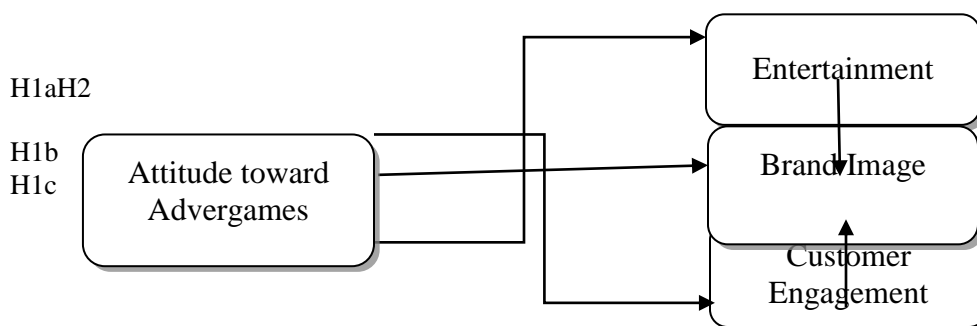


Figure 1: Proposed Model

## Research Hypotheses

**H1a:** There is a positive and significant relationship between attitudes toward advergaming and entertainment

**H1b:** There is a positive and significant relationship between attitudes toward advergaming and brand image

**H1c:** There is a positive and significant relationship between attitudes toward advergaming and customer engagement

**H2:** There is a positive and significant relationship between entertainment and brand image

**H3:** There is a positive and significant relationship between customer engagement and brand image.

## Methodology

### Sampling Frame and Data Collection

Data for this study was collected via a survey. The sample was from diversity of consumers with different ages, gender, educations, and occupations in Saudi context. Surveys were administered to participants by email. Participants were informed with the purpose of the research. Participants were informed that their responses would remain confidential. No monetary incentive was provided. A number of 200 questionnaires were distributed, the valid questionnaires were 143 which were used in the analysis. Thus, the response rate is 71.5 %.

### Scale development and measurements

To commence the measurement process, the scales used in this study have been sourced from literature. Then, entertainment was measured by seven-item modified scale proposed by Leung (2003). Attitudes toward advergaming were measured by four additional items adapted from Hernandez et al. (2004). Brand image is measured by an eight-item scale, which is adopted by Salinas and Jose (2009). Customer engagement was measured by nine items adopted from social engagement scale. Demographic variables were added in separate part of the questionnaire.

### Measure validation

Statistical procedures were taken to validate the measures included assessments of reliability as well as content validity. Pilot study was conducted to measure the modified scale as well. Several statistical techniques were used in this paper in order to test the data. Regression analysis and Analysis of variance (ANOVA) were used to examine the relationship between the independent variables and to figure out the hypothesized relationships.

## Data Analysis

### Reliability Analysis

In order to ensure the reliability of the study tool, we used internal consistency reliability through Cronbach's alpha test. According to table (1) the overall reliability value is (0.93) which is an acceptable level of reliability.

Table (1) Cronbach's alpha value

Variables	Cronbach's alpha value
Attitude towards Advergaming	0.79
Entertainment	0.75
Customer Engagement	0.78
Brand Image	0.81
Total	0.83

### Statistical Analysis

The main objective of the study was to explore the Attitude towards advertising in online games. In order to achieve the objective and come up with result, the study based on calculated means for questionnaire items which built according to Likert scale as following:

1. 1 to 1.80 strongly disagree, which means that does not affect.
2. 1.81 to 2.60 disagree, which means there is a weak effect.
3. 2.61 to 3.40 neutral, which means there is Median effect.
4. 3.41 to 4.20 agree, which means there is a significant impact somewhat.
5. 4.21 to 5 strongly agree, which means there is a huge impact.

The standard deviations and mean level for each questionnaire item. The results showed that the mean scores were range from 2.50 – 3.26 and the standard deviations were between (1.02- 2.45). Accordingly, the most items in the domain of median level.

Table (2): Means and Std.Deviation for Questionnaire dimension

	Mean	Std. Deviation	Mean Level
Attitude towards Advergemes	2.67	0.89	Median
Entertainment	2.71	0.90	Median
Customer Engagement	2.78	0.91	Median
Brand Image	3.02	0.85	Median

Table (2) represent that the mean and Std. Deviation for research dimension. The means for all dimension is median mean level, whereas the highest mean level is for brand image dimension.

**Hypotheses Testing**

**H1a,b,d:** There is a positive and significant relationship between attitudes toward advergemes and (brand image, entertainment and customer engagement).

In order to test this hypothesis, Pearson correlation test was used as follow:

Table (3): correlation test for hypothesis 1

		Entertainment	Customer Engagement	Brand Image
Attitude towards Advergemes	Pearson correlation	0.62	0.48	0.52
	Sig	0.00	0.00	0.00
	N	143	143	143

According to table (3), it is present the correlation between (Entertainment, Customer Engagement and Brand Image) and Attitude towards Advergemes. Based on result there is a median positive relation between these factors. As well as the highest relation is between Attitude towards Advergemes and Entertainment. So we can accept the alternative hypothesis which state “There is a positive and significant relationship between attitudes toward advergemes and (brand image, entertainment and customer engagement)”.

**H2:** There is a positive and significant relationship between entertainment and brand image.

In order to test this hypothesis, Pearson correlation test was used as follow:

Table (4): correlation test for hypothesis 2

		Brand Image
Entertainment	Pearson correlation	0.49
	Sig	0.00
	N	143

Table (4) showed that the relationship between Entertainment and Brand Image. Pearson correlation value between these factors are (0.49) which indicate to median positive relation with significant level less than 0.05. Accordingly, we accept the hypothesis.

**H3:** There is a positive and significant relationship between customer engagement and brand image

In order to test this hypothesis, Pearson correlation test was used as follow:

Table (5): correlation test for hypothesis 3

		Brand Image
Customer Engagement	Pearson correlation	0.52
	Sig	0.00
	N	143

Table (5) showed that the relationship between Customer Engagement and Brand Image. Pearson correlation value between these factors are (0.52) which indicate to median positive relation with significant level less than 0.05. Accordingly, we accept the hypothesis that state there is a positive and significant relationship between customer engagement and brand image.

Table (6): Hypotheses Results

Variables	Sig.	Result
Attitude towards Advergames	0.00	Supported
Entertainment	0.00	Supported
Customer Engagement	0.00	Supported
Brand Image	0.00	Supported

Table (6) shows the results of all hypotheses testing, they all are supported.

### **Findings and conclusion**

The analysis results shows positive relationships between all the assigned hypotheses. Accordingly, there is a positive and significant relationship between attitudes toward advergames and (brand image, entertainment and customer engagement). This supported the previous studies findings which found high association between the attitude and in-game ads (Ferrazzi et al., 2003; Folkvord et al., 2015; Gao, 2004; Stanley, 2006; Verolien & De Pelsmacker, 2010). The study confirmed the positive relationship between both entertainment and customer engagement with brand image in the Saudi context. This study concluded that it is acceptable by consumers to have ads in-games which has a positive image and encourage customer engagement.

### **Limitation**

The study certain limitations, first, not all the online games have ads. Second, most of those who play games are young people which may have different mentality than eldest people.

### **Future Studies**

For future studies it is advisable to replicate this study from the organization perspective. Replication in other context is needed for generalization. Furthermore, the online in games advertising may be studied in comparison with the traditional advertising tools.

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