

COLUMNS

Learning at the intersection of gaming, video and the cloud

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There are a number of leading trends that all marketers need to start paying attention to, including consumers' desire to access content such as video and games across any device, to virtually look over each other's shoulder while participating in virtual or physical activities, and their desire to participate and contribute to the evolution of a product, try before buying and so much more.

This piece, through the lens of gaming, highlights how these trends are coming to life and concludes with the key takeaways and insights that everyday marketers can leverage in their own business.

Ad agencies embracing video

Time is money. Nobody probably understands this better than ad agencies paying for commercial air time.

During the past Super Bowl, a 30-second commercial cost \$4 million. However, what is interesting is that despite the huge chunk of change, ad agencies are finding that 30 seconds for a commercial is not enough.

According to a study published by eMarketer, "During last year's Super Bowl, 60-second-plus placements accounted for a massive 40 percent of all paid ads during the game. This was up from 29 percent in 2013 and 27 percent in 2012."

Ad agencies have identified a trend that correlates increased viewer engagement with increased ad duration.

In addition to longer ads, the use of live streaming video to drive brand engagement is also a growing marketing trend.

Companies in the television industry are not the only ones recognizing the benefits of live streaming video. The gaming industry is as well, and it is mobile.

Lax gamers: Watching gaming video seems to be bigger than gaming itself

According to a Worldwide and Idate survey published by Statista, the market value of gaming hardware such as Xbox and PlayStation are decreasing.

Meanwhile, mobile and online computer software are steadily increasing over the next three years.

As a result, many companies are capitalizing on this transition and focusing their efforts toward software and mobile development.

Ubisoft, a technology leader in deploying cloud-enabled media services, gained a lot of recognition in the video

game industry for its popular game, Assassin's Creed.

The company is continuing to engage viewers with a service called Watch and Play over its new cloud gaming platform, Ubitus.

Video gamers use Watch and Play by dropping a link on social media platforms which allows their friends to see them playing the game live. Viewers are able to interact with the player, comment, make suggestions and even join the game if so desired.

This service is great for avid video game players. But where Ubisoft has really excelled is targeting lax gamers.

The idea of watching people play video games is also popularized in the new hit series, Hero's Reborn. One of the main characters is a video gaming celebrity whom millions watch play online.

Lax gamers are video game players who enjoy playing video games, but primarily do so via their computers or smartphone in contrast to avid video gamers who own one or more video gaming consoles.

Ubitus has recently announced a new tool for gaming marketers, Click2Play, which attracts an entirely new market segment.

Unlike the traditional gamer where games were only available through a console or computer, now, with Click2Play, anyone can play a game through their smartphones or related devices without the need for a download. Everyday marketers can find some good takeaways from this.

How Click2Play is capitalizing on lax gamers by being cloud-based

We had the pleasure of speaking with John Rizzo, senior vice president of products and innovation at Ubitus Inc., earlier this month. He was able to elaborate on how the company's new product, Click2Play, is bringing lax gamers back into the market.

Click2Play allows gamers to click on links promoted in social media to immediately play the game from their computer, smartphone or tablet. No download or installation is necessary full-game access is then regulated by the game publisher.

Generally, users are able to play a game for free for two minutes before being prompted to buy the game. This is a great example of leading-edge experiential marketing.

With Click2Play, publishers can leverage social media to not only deliver their promotional message, but can also bring the actual game experience to life to the gamer across any media.

Click2Play has two key benefits that are attributed to its great success with game publishers in Japan and South Korea.

The first benefit is the elimination of the threat of piracy. Nobody can pirate a game if they cannot even download it. Thus, this risk is avoided entirely.

The second benefit has to do with government regulation.

It is very difficult for gaming companies to get approval for games from the Chinese government. Given that an extensive amount of Ubisoft's business comes from Asian countries, this is an issue.

The Chinese government is more likely to allow streaming games versus downloading games, because they can regulate and even take the game offline if deemed necessary.

Furthermore, by being completely cloud based, the Click2Play games are able to feature new attributes not originally thought possible in previous console models.

The first of those features is called just-in-time delivery. Now gaming companies can deliver a game before the game is entirely finished.

Why would anyone want to buy an unfinished game you might be wondering? Mr. Rizzo was able to explain this by providing an example.

Suppose you buy a game before it is entirely finished, the last few levels are not complete yet. With the new just-in-time delivery feature, the developers can actually finish the game based on user feedback.

Since the game is entirely cloud based, the developers can monitor the game features to see what users enjoy the most. They can then analyze the data collected to make sure that the end of the game includes the characteristics that will delight players the most.

This creates "a level of connectivity that you don't normally have with games," Mr. Rizzo said. "Game developers can change games using back-level APIs very easily. This allows them to insert real-time ads while you're playing a game."

That does not mean that gameplay gets interrupted for an ad. It means that the billboard in the background of your soccer game will have a relevant ad for a sporting goods store near you.

Corresponding to Ubisoft bringing gaming directly to people's devices, Comcast is also tapping into the video game market with a similar method.

Comcast recently partnered with EA Games to bring gaming to any Comcast subscriber via an X1 cable box.

Subscribers simply use their mobile phone or tablet as a controller to play. Although there are only a few games available for play, this is simply the beginning.

What this means to the everyday marketer

While gaming models such as those discussed above may not resonate with the average marketer, there is much to be learned from them.

Consumers want to have access to experiences across all channels. By leveraging live video and seamlessly integrating it into social media with a simple link, trialing, viewing and experiencing an offering occurs faster than ever before.

Moreover, more consumers want to lurk and view versus actively contribute.

As Mr. Rizzo said, "The cloud provides a lot of flexibility in what developers are able to do."

The vast majority of marketers need to learn from this and begin to capitalize on this growing trend of allowing consumers to lurk, experience and trial a product before they buy by using digital technology.

The offers can also be easily managed, scaled and localized to the region and the individual.

THESE INSIGHTS are just the tip of the iceberg compared to the possibilities available with the features of cloud services and the effect that marketing automation is having and the practice of marketing.

There is a difference between knowing and understanding.

It is important for marketers to not just acknowledge, but understand the effect that the new capabilities are having on marketing.

Once understood, individual marketers and their teams can start developing the ability and skill to use and deploy them in service of their customers.

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