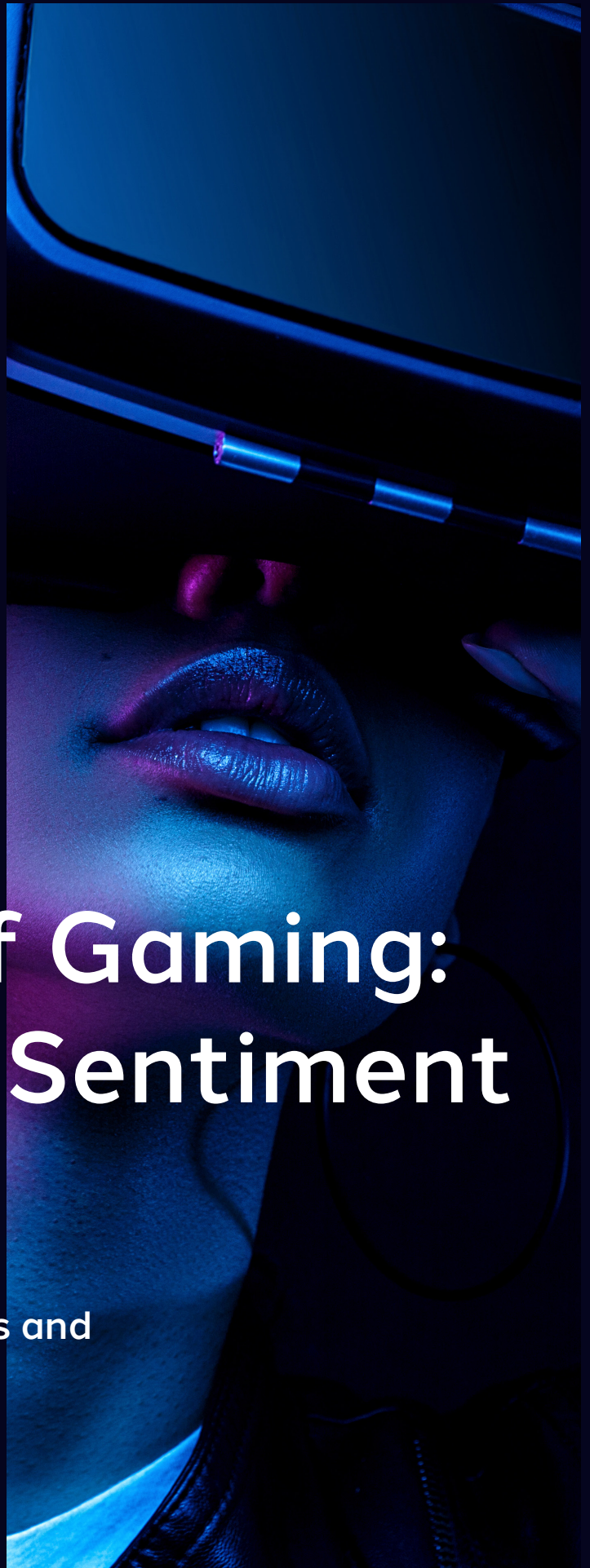**dentsu** | Navigator

# The Rise of Gaming: Consumer Sentiment Study

## U.S. consumer expectations and implications for brands

January 2022

# Top Consumer Insights

## Future games will compete with social networks.

While most seek escapism and entertainment in gaming (60%), videogames are now also seen as vehicles for self-expression, socialization and community belonging. Puzzles/Trivia games are the most played, but they are favored by Boomers, while Gen Z is more open to a variety of gaming genres.

## Games are seen as positive, open spaces for self-expression.

Younger consumers are more comfortable expressing themselves in games than in real life. Most consumers today describe gaming communities in positive and inclusive terms.

## Gaming's growth is far from being over.

Gaming's growth has been exponential and it is expected to continue. Almost 9 in 10 U.S. consumers game. Mobile has been a critical factor in gaming's growth. However, gamers who use mobile devices to play most often spend less on gaming than those who prefer consoles, computers and V.R. sets.

**01 TOP CONSUMER INSIGHTS**

## Gaming culture and the expectations for what playing video games can entail have transformed.

60% of consumers are interested in 'play-to-earn games.' Two-thirds tuned in to watch others play in 2021 and more than a third (35%) state that they are likely to live-stream their own gameplay next year.

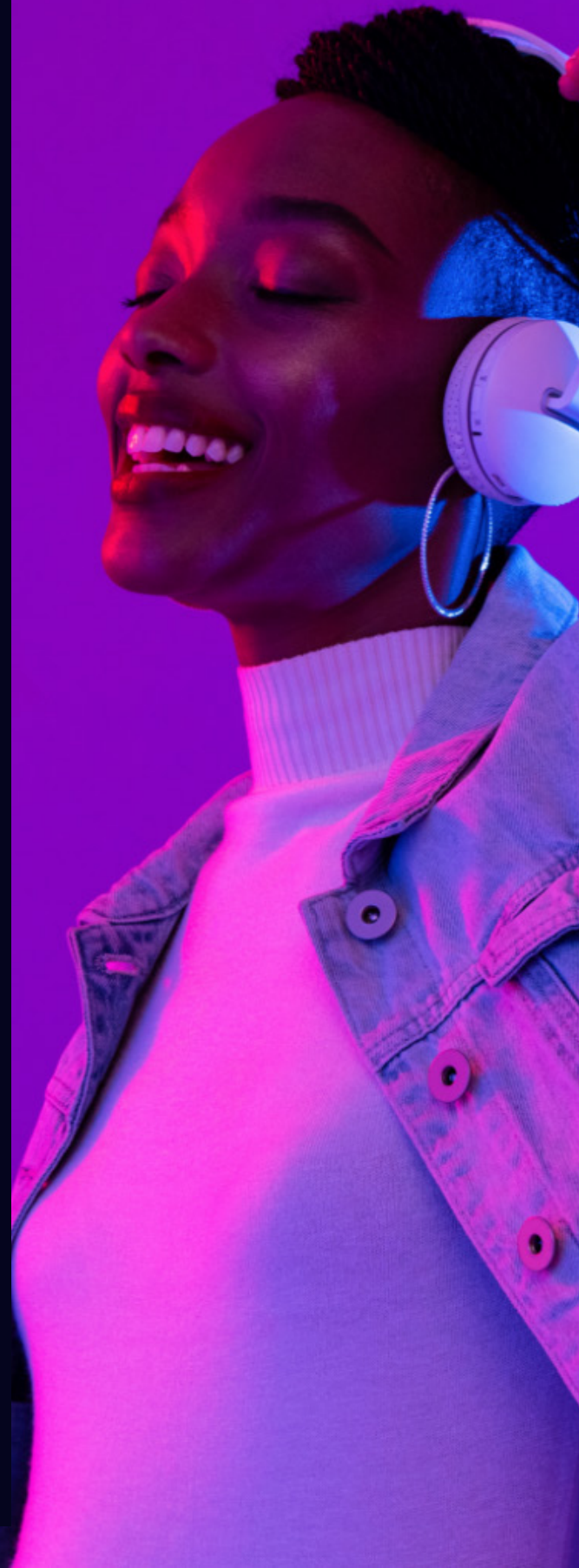## Brands are welcome in the gaming environment.

Two-thirds of U.S. consumers feel positively about brand integrations within games and almost half (48%) said they purchased a brand after seeing it featured in a videogame. Food, beverage and sports apparel companies are the non-endemic brands consumers would like to see integrated within video games the most.

02

# The Pervasive Growth of Gaming

In recent years, gaming has experienced substantial growth in popularity, becoming one of the most widespread forms of entertainment. In 2019, Netflix CEO Reed Hastings claimed that, from a competitive standpoint, the popular subscription service lost more viewers to Epic's popular battle-royale videogame Fortnite than to HBO.[1]

In the last two years, gaming has become an even more pervasive activity because of the changes in our lifestyle caused by the pandemic.

Only 13% of adult consumers say they do not play video games at all. Our survey found that 45% play every day, 33% at least once a week and 8% monthly or less. What used to be considered by most a pastime for the young is now an activity that all generational cohorts engage in: Millennial consumers are most likely to game every day (53%), but even among Boomers, the cohort least likely to play daily, this figure is still considerable (35%).

# Almost 9 in 10 U.S. consumers play video games

## Mobile has democratized gaming.

When players were asked what device they game on most often, 55% said mobile/tablet. In contrast, a quarter chose videogame consoles and only 3% chose a V.R. set.

While the majority of all respondents selected mobile devices as most used for gaming, the preference is largely driven by older generations and female gamers: 64% of Gen X, 62% of Boomers and 66% of women.

## Gaming has outgrown the stereotypes associated with the typical gamer.
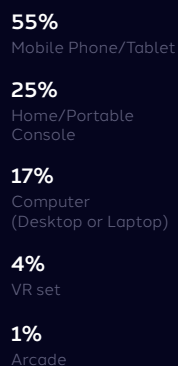
49% of those who play every day are women (vs. 40% among male gamers). Brands should be mindful of this if planning an activation that contemplates showing gamers or gaming as an activity, as stereotypical representations will feel inauthentic to this audience.

## Time spent gaming is on the rise.

57% of gamers say their gameplay increased in 2021 and 37% expect their gameplay to continue to increase in 2022 (vs. just 10% who said their gameplay decreased in 2021 and only 14% who expect their gameplay to decrease in 2022).

Heavy gamers were significantly more likely than occasional gamers to say the time they spent gaming increased in 2021 and to expect that time to increase further in 2022.

### Devices used most often to game:

**55%**
Mobile Phone/Tablet

**25%**
Home/Portable Console

**17%**
Computer (Desktop or Laptop)

**4%**
VR set

**1%**
Arcade

**75% of players spent some money on gaming in 2021**

The number of consumers who spent money on gaming in 2021 is more than double among Gen Z (89%) and Millennials (85%) than it is among Boomers (42%). In fact, 1 in 10 Gen Z gamers said they spent more than $1,000. Brands who are targeting this audience should consider that gaming is where a substantial amount of Gen Z spending occurs today and that making products available through in-game experiences (through coupons and codes that can be redeemed in physical locations) could be a good way to capture not only attention, but also disposable funds that have been converted into in-game currencies. 77% (104i) of heavy gamers spent any money on gaming in 2021, compared to 59% (80i) of occasional gamers.

**Unsurprisingly, players who use mobile devices most often spend less than other gamers, who play with home/portable consoles, desktop/laptop computers or V.R. sets.**

## Gaming spend is expected to keep growing.

Just over half (56%) of consumers do NOT expect their spending on gaming to change in 2022. 31% expect spending to increase while just 13% expect spending to decrease.

**40% of Millennials and 36% of Gen Z expect their spending to increase in 2022. 35% of heavy gamers say the same.**
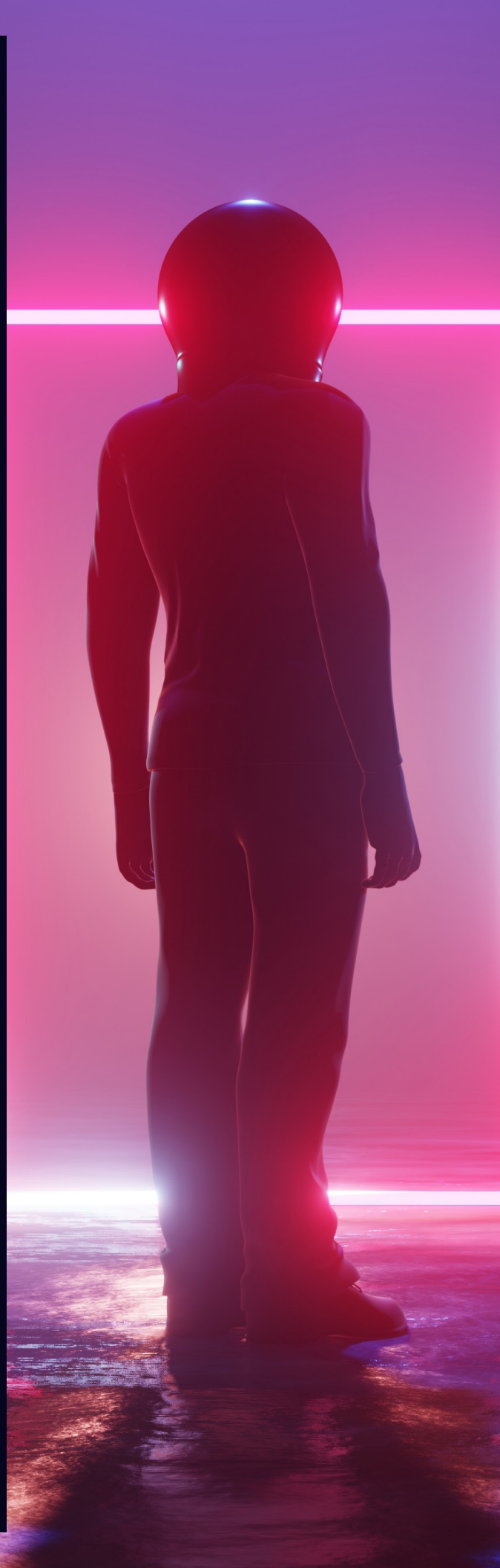
Spending increases are expected to take place primarily in console, computer and VR-based gaming: only 24% of players who game most often on mobile devices expect to increase their spending in 2022, while as many as 42% of the players who game most often on either console, computers or V.R. sets expect to spend more this year than they did in 2021 (20% of them forecasting that their spend will increase substantially). Based on this data, brands may consider that the videogames that are designed for computers, consoles and V.R. sets could be better suited to allow for product exploration, while in the mobile experience consumers may be more willing to turn their attention to an ad in exchange for an in-game booster that would normally require an unwelcomed add-on fee.
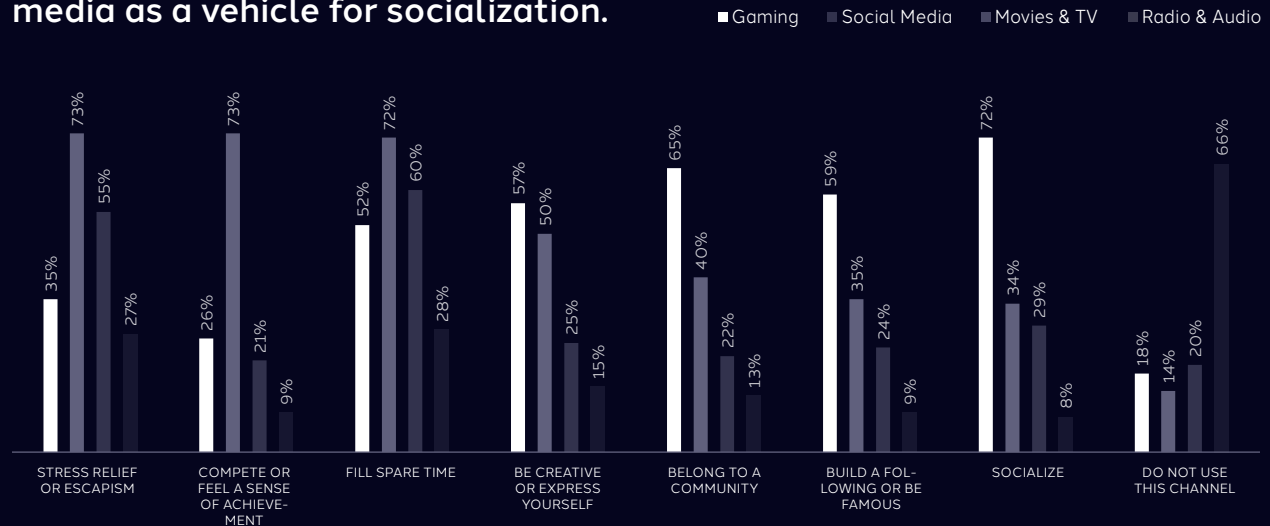
**03**

# The Drivers of Gaming's Popularity

**What are the motivations behind gaming's growth? In the 1990s and early 2000s, gameplay used to be primarily an individual activity, but in recent years online gaming has turned gameplay into an element of socialization and sometimes even spectacle, with the emergence of esports and streaming platforms like Twitch.**

Escapism & entertainment (60%) are indicated as primary motivations for gaming by U.S. consumers, But socialization (29%), competition (26%), self-expression (25%) and belonging to a community (17%) are also significant motivations indicated.

Compared to other media, gaming is considered better suited to escapism than Movies & T.V. (73% vs. 55%). It's regarded as a better way to fill spare time (73%) than both Movies & T.V. (59%) and social media (52%). Social media are preferred by most (57%) for creativity & self-expression, but gaming is a close second (51%).

## Gaming is only second to social media as a vehicle for socialization.

■ Gaming   ■ Social Media   ■ Movies & TV   ■ Radio & Audio

**STRESS RELIEF OR ESCAPISM:** 35%, 73%, 55%, 27%

**COMPETE OR FEEL A SENSE OF ACHIEVEMENT:** 26%, 73%, 21%, 9%

**FILL SPARE TIME:** 52%, 72%, 60%, 28%

**BE CREATIVE OR EXPRESS YOURSELF:** 57%, 50%, 25%, 15%

**BELONG TO A COMMUNITY:** 65%, 40%, 22%, 13%

**BUILD A FOLLOWING OR BE FAMOUS:** 59%, 35%, 24%, 9%

**SOCIALIZE:** 72%, 34%, 29%, 8%

**DO NOT USE THIS CHANNEL:** 18%, 14%, 20%, 66%

**03 THE DRIVERS OF GAMING'S POPULARITY**

### Different genres are often associated with different motivations for playing.

The most popular type of game, Puzzle/Trivia games, do it all: they are preferred to fill spare time (46%), relieve stress/escape reality (41%), compete/feel a sense of achievement (41%) and socialize with friends (33%).
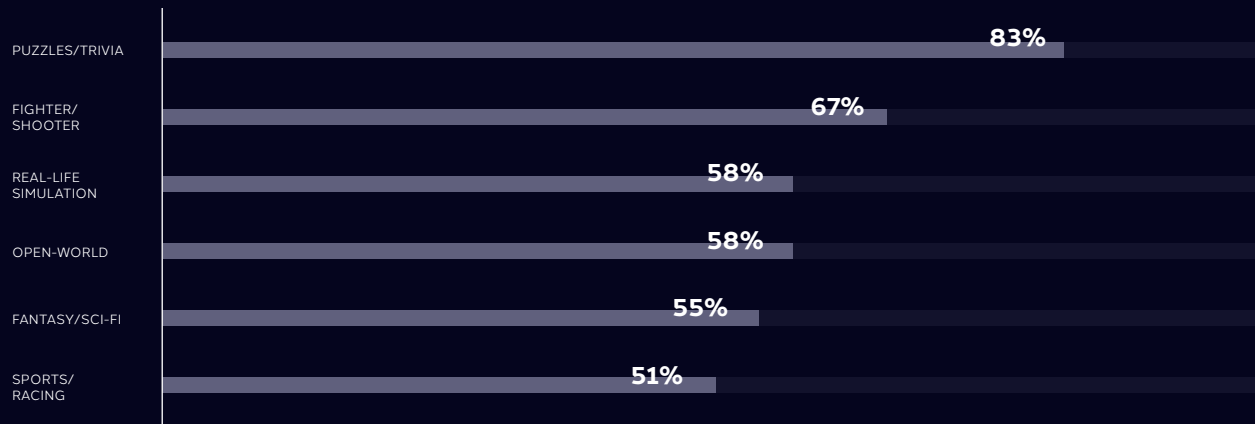
Interestingly, the top reason for playing Real-life Simulation games is 'to be creative/express myself' (35%), followed by 'relieve stress/escape from reality' (32%).

### Different generational cohorts are driven to specific gaming genres by different motivations:

Boomers fill spare time with Puzzles while Gen Z finds expression and fulfillment in a variety of genres.

Boomers are significantly more likely than other generations to game to fill spare time (75%) and concentrate their gameplay on Puzzles/Trivia (86%) than other genres like Open-world games (31%) or Real-life Simulation (19%). Brands considering gaming activations targeting this audience should take note of this genre preference, but also consider the mindset at play.

## Puzzles/Trivia games are the most popular in terms of genre.

| Genre | |
|---|---|
| PUZZLES/TRIVIA | 83% |
| FIGHTER/SHOOTER | 67% |
| REAL-LIFE SIMULATION | 58% |
| OPEN-WORLD | 58% |
| FANTASY/SCI-FI | 55% |
| SPORTS/RACING | 51% |

**03 THE DRIVERS OF GAMING'S POPULARITY**

Gen Z gamers are the generation most likely to play a range of games (85% play Puzzles/Trivia, 83% play Real-life Simulation, 75% play Open-world). Gen Z players also over-index on gaming 'to be creative/express myself' (36%), compete/feel a sense of achievement (34%) and gaming to build a following/be famous (19%).

## On the other hand, motivations for gaming and genre preferences remain consistent among both male and female gamers.

Female gamers are slightly more likely to turn to games to fill spare time and relieve stress/escape reality (63% vs. 59%), while male gamers are slightly more likely to see gaming as a place to socialize, compete and find community.

Female gamers are more likely than their counterparts to prefer playing Puzzles/Trivia (89% vs. 78% among males) and Real-life Simulation games (63% vs. 50%). Still, they also engage in Fighter/Shooter games (60% vs. 69% among males) and Fantasy/Sci-fi games (51% vs. 59% among males). This trend is driving many to challenge how female characters are usually represented in these gaming genres[2] and question whether the gaming industry is adequately structured to serve this growing customer segment: a recent study estimates that 84% of the top Executives in this sector are male.[3]

04

# The Evolution of Gaming Culture

**The 2007 Seth Gordon documentary The King of Kong: A Fistful of Quarters focused on a controversy that took place in the niche phenomenon of competitive arcade gaming, as an out-of-work engineer attempted to challenge in 2003 a record high-score on the popular Nintendo game that had been standing since 1982. The film depicted an underground culture of eccentric characters who videotaped their gameplay for hours at a time to compete.**

Less than fifteen years later, gaming tournaments are commonplace and events like The League of Legends World Championship in 2019 have attracted more viewers across all platforms than the Super Bowl the same year.[4] Streamers like Nickmercs have more than 3 million followers and earn more than $1.5M in subscriptions per year.[5] Gaming culture has not only grown, but it has also completely transformed.

## Younger gamers feel more comfortable expressing themselves in games than in real life.

52% of gamers agree: "my gaming identity is a better reflection of myself than my real-world identity." This figure rises to 65% of Gen Z gamers and 60% of Millennial gamers. 56% of gamers agree: "I feel more comfortable expressing myself in gaming than in the real world." This figure rises to

77% of Gen Z gamers and 64% of Millennial gamers. This figures are particularly relevant for lifestyle brands seeking to understand this audience further or considering to create in-game equivalents of their physical products available for use and/or purchase: Nike has recently announced a partnership with Roblox to launch 'Nikeland', an in-game environment where Roblox players will be able to dress their avatars with branded skins.[6]

# 60%

**of gamers are interested in 'play-to-earn' games.**

This figure rises to 72% of Gen Z gamers and 69% of Millennial gamers. 35% of heavy gamers are "very interested" compared to just 17% of occasional gamers. Brands are starting to take notice: in June 2021 Burberry announced a partnership with 'play-to-earn' developer Mythical Games.[7]

# 65%

**of gamers tuned in to watch others play in 2021.**

This percentage rose to 89% of Gen Z and 77% of Millennials gamers, many of whom watched multiple times a week (Gen Z: 57%; Millennials: 47%) and expect the time they spend watching other play to increase this year (Gen Z: 47%; Millennials: 41%). This is driving several brands to invest in influencer marketing campaigns leveraging streamers.[8]

# 36%

**of consumers are likely to live-stream their own gameplay in 2022.**

47% of Gen Z and Millennial gamers agree, respectively.

Potential live streamers tell us they prefer YouTube Gaming (57%), followed by Facebook Gaming (45%) and Twitch (39%).

Interestingly, Gen Z is particularly bullish on Twitch (55%), narrowly taking second to YouTube (59%), while Facebook falls out of favor (37%) with this cohort.

## Consumers' opinion of gaming communities and representation in gaming is improving.

In the past, the gaming world has been at the epicenter of the controversy around negative online behaviors, especially with the #GamerGate online harassment campaign that started in 2014; some even maintain that sexism and misogyny are intrinsic to gaming culture.[9] In recent years, the major console brands have agreed to work together to address the issue by creating safer spaces for their customers.[10]
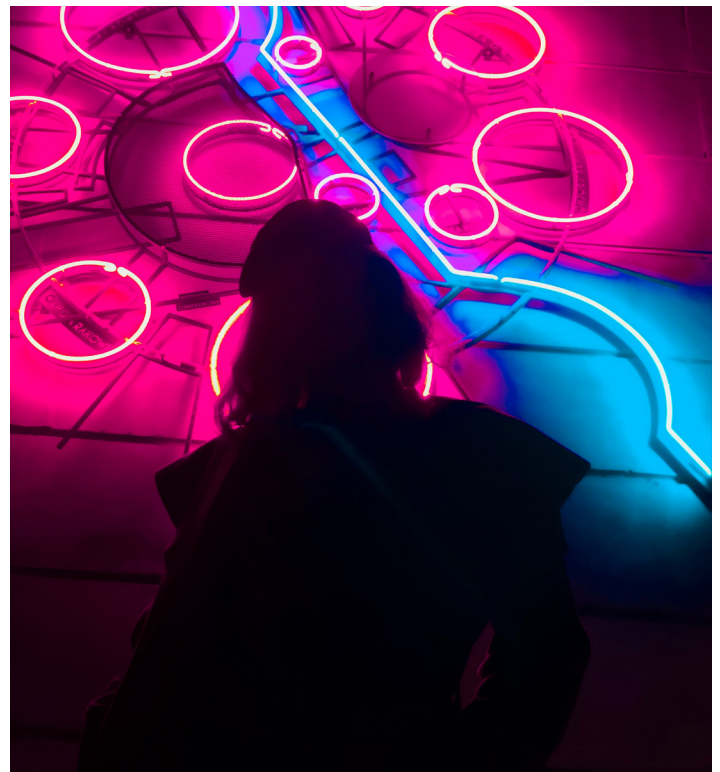
Today, U.S. consumers describe gaming communities in inclusive, positive terms and feel that representation of female, diverse and queer populations is adequate.

## Among diverse cohorts, Black gamers especially interact with communities.

Male and female gamers are more or less equally likely to engage with gaming communities (76% vs. 72%). Black gamers are significantly more likely (93%) to do so than the general population (75%) and Asian gamers are slightly more likely to do so (77%).

Both female gamers and gamers of color largely view gaming communities positively and a majority of diverse cohorts feel represented in gaming spaces. In particular, 85% of Black gamers feel represented in gaming communities and spaces. However, more can be done to increase representation among women, Asian and Hispanic gamers.

| | |
|---|---|
| SUPPORTIVE | 37% |
| RESPECTFUL | 34% |
| DIVERSE | 30% |
| N/A | 26% |
| INCLUSIVE | 23% |
| EXCLUSIVE | 20% |
| TOXIC | 11% |
| BIASED | 9% |
| HOMOGENOUS | 8% |

**05**

# Gaming and Brands

**At a time when interruptive advertising in network television has become less effective as a result of the emergence of streaming platforms and new viewing habits, brands are quickly realizing that gaming is one of the most effective channels out there in terms of earning consumers' attention. For example, a Lil Nas X performance in Roblox was attended 33 million times.[11]**

This is why brands like Balenciaga are partnering with popular battle-royale games like Fortnite[12] and others like Nestlé are activating campaigns that reward consumers for purchasing physical products like Hot Pockets with in-game or streaming platform currencies.[13] But how do consumers feel about brand integrations in gaming?

# 66% of Gamers

**feel positively about companies and brands in-game.**

However, most consumers say their feelings depend on whether the branded integration makes sense (22%) or unlocks a benefit for them (19%).

27% of gamers have clicked on a brand advertisement in-game, 26% have searched for more info on a brand they saw advertised and 22% have interacted with integrated branded content.

**05 GAMING AND BRANDS**

**Ultimately, 48% of gamers say they have purchased a brand after seeing or interacting with that brand in-game, rising to 59% for Gen Z and 61% for Millennial gamers.**

Fewer players among 'mobile gamers' are positive about brand integrations (58% vs. 75% among players who prefer consoles, computers and V.R. sets).
More 'mobile gamers' tend to be indifferent (21%) to brands integrating into games compared to players who game more often on consoles, computers and V.R. sets (12%). This may be due to the fact that mobile devices allow for less visual real estate and branded content featured in games played on mobile feels more intrusive to the gaming experience or ends up interrupting it altogether.

**Attitudes towards purchasing brands featured in gaming largely depend on the device used to play.**

While 58% of gamers who play on consoles, computers and V.R. sets state they are likely to purchase, only 39% of 'mobile gamers' agree.

When asked to name companies they would like to see advertise or integrate into games, consumers mentioned food, beverage and sports apparel brands in particular, as well as tech and gaming companies.

06

# Key Implications for Marketers

### Align gaming activations with consumer motivations.

When considering an investment in gaming, remember that not all forms of gaming are the same or carried out because of the same motivations. Playing a Puzzle/Trivia on a mobile device is a very different activity from spending hours wandering in an Open-world game played on a console, computer or V.R. set. Different genres have more appeal with specific consumer cohorts, so make sure your brand is integrated within a relevant context for your target audience.

### Gaming is quickly becoming a go-to place for younger consumers to socialize in.

As such, campaigns with an element of community building or timely response to buzz and cultural conversation tend to be most successful. However, it's crucial that the integration of products and services feels authentic to the audience's culture, either because of adjacency to the I.P. or genre of the game or because of benefits provided in exchange for attention.

### Gaming influencers (or streamers) are a trusted source for this audience.

Gaming is now also a spectacle on par with marquee sporting events and streamer recommendations are sometimes more effective than traditional sports athletes' sponsorships because gamers perceive streamers as peers whose endorsements are spontaneous and authentic. When considering an activation that relies on gaming influencers, remember that they are most convincing when the brief is straightforward and the sponsored content is, to an extent, unplanned.

### Gamers welcome brands into their environment.

In-game brand integrations are best received if they are not interruptive but rather provide some perk or become part of the exploratory mood many gamers seek in experiences like Open-world games or Real-life Simulations.

# References & Further Reading

1. Netflix says it's more scared of Fortnite and YouTube than Disney and Amazon.

2. Gender struggles: Female representation in videogames.

3. Gaming industry: Please wait… Gender balance loading.

4. Esports viewership vs sports in 2020.

5. The gamer rich list.

6. Nike teams up with Roblox to create a virtual world called Nikeland.

7. Burberry announces partnership with Mythical Games.

8. Dentsu Advertising Week NY 2021 Rewind.

9. Sexism and misogyny are gaming's status quo.

10. Microsoft, Nintendo, and Sony unite to create safer online spaces.

11. Lil Nas X's Roblox concert was attended 33 million times.

12. High digital Fashion drops into Fortnite with Balenciaga.

13. Dentsu Advertising Week NY 2021 Rewind.
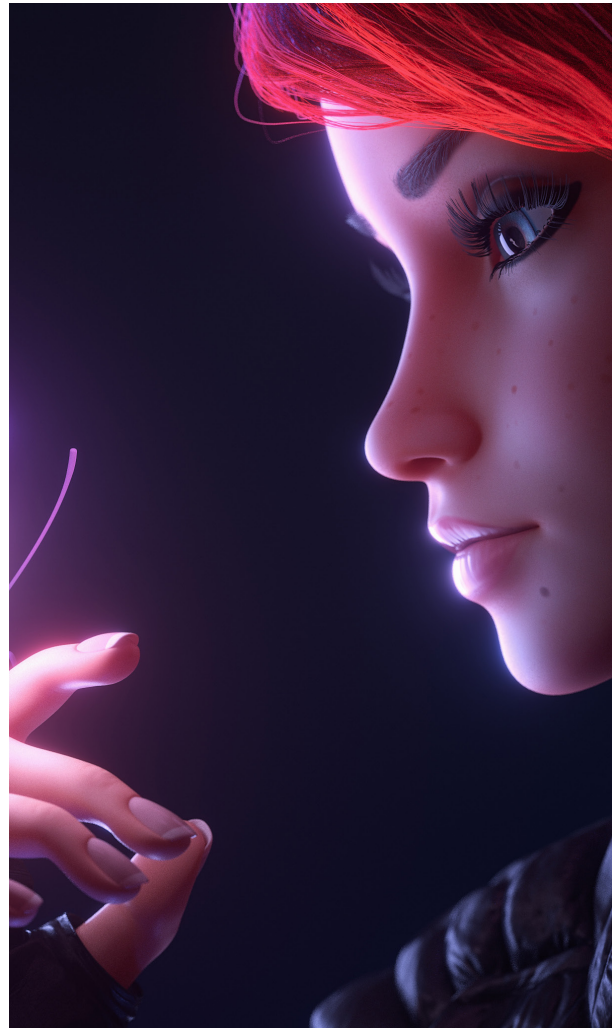
## About the study

The survey is administered each month through Toluna, an online research panel. Conducted by dentsu, this survey is distributed among a random sample of 1,000 respondents, 18-years-of age or older and residing in the United States. The survey garners an equal number of male and female respondents and controls for nationally representative weighting across race and ethnicity (using the latest publicly available U.S. Census numbers).

## About dentsu gaming

At dentsu, we believe that everyone is a gamer – a community connected across borders around the things they love. Our global network was built to bring gaming's explosive growth to our clients through innovative partnerships, products and solutions. We bring together passionate, multifaceted expertise to help bring incremental value to clients through mutually-beneficial relationships with game publishers, partners and platforms. Visit **dentsugaming.com.**

## About dentsu

Part of the dentsu group, dentsu international is made up of six leadership brands - Carat, dentsuX, iProspect, Isobar, dentsu mcgarrybowen, Merkle and supported by its specialist brands. dentsu international helps clients to win, keep and grow their best customers and achieve meaningful progress for their businesses. With best-in-class services and solutions in media, CXM, and creative, dentsu international operates in over 145 markets worldwide with more than 45,000 dedicated specialists.