

Using SWOT Analysis to Explore the Element That In-Game Advertising Affect People's Purchase Intention

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Abstract. In-game advertising (IGA) is a relatively new type of advertising that has evolved in recent years. It has received much attention from the advertising sector, and its success may be ascribed to its exceptional delivery effect. This research aimed to discover how IGA influences consumers' purchasing intentions. This article employed the Theory of Planned Behavior (TPB) and the SWOT analysis for further investigation. According to the findings of this study, the pertinence, diversity, and acceptability of commercials by consumers increase people's purchase intention. In contrast, its rigid form, lack of participation, and compulsion would result in consumer loss. Nevertheless, certain methods for improving consumer intent, such as using game avatars as spokespersons for in-game marketing. Nonetheless, a lack of standards and a failure to perform in all areas of the sector have a negative impact on an individual's purchasing intention. As a result, the consumer's mindset influences people's purchase intention when it comes to IGA utilities. The other contributing factors in this and others.

Keywords: SWOT, in-game advertising, purchase intention.

1. Introduction

1.1 Research Background

With time, video games have steadily replaced other forms of entertainment. Aside from traditional products and point card sales, video game operators anticipate increased revenue from the new business method. Because advertisers have similar needs, they eventually try to focus on putting adverts in the game as a marketing form. IGA was founded in America in 1987. During that time, there was an infinite supply of excellent and classic video games. In Adventure Land, the publishers advertised their next game, Pirate Adventure. The early stage of IGA is primarily static. It was included during development and cannot be modified after the game is launched.

For example, the Verizon Wireless Advertisement in Mind Killer, which placed the Verizon logo on road billboards during production, was unchangeable once the game disc was released. IGA progressively evolved into a dynamic form as the years progressed. In-game, dynamic advertising gives sponsors greater flexibility and more opportunity to collaborate to improve earnings. PUBG Mobile, for example, has displayed the Foxconn and 7-11 logos on its important buildings. In-game dynamic games additionally feature interstitial advertising, contextual advertising, rewarded video advertising, playable advertising, and advergaming, in addition to the native banners mentioned above. IGA research has a lengthy history, including the orientation of IGA's operation pattern, development prospect evaluation index, and how to push technological boundaries. As a developing industry, market prospects and the quick rise of IGA's development potential are becoming increasingly important to the industry. As more businesses understand the potential of IGA as a new financial model, the media value of game platforms is gradually being examined. IGA will become an important source of money for game operators since there must be an infinite number of business prospects behind many consumers. Despite extensive research on IGA, there are several problems. Jordan, for example, has focused on IGA, investigating three varieties of it [1]. Shani concentrated on IGA efficiency, determining how it could be improved [2]. Furthermore, Etermax BG focuses on development and covers the IGA's four decades of innovation [3].

1.2 Research Gap

Despite many studies on IGA, the technical constraints and difficulty in conducting efficiency evaluations have become the key issues in its development route. To date, most in-game advertisements have remained at the level of performance from images and goods that lack interactivity. Video games are simply a platform for displaying items and transmitting promotional information. Consumers cannot go directly to the website for product details, as they do with web adverts. At the same time, advertisers cannot evaluate the effectiveness of their advertising based on click rates, conversion rates, and other data such as Google Advertisements, Facebook ads, and marketing. Are there study gaps on how IGA influences consumers' propensity to buy, given the limits of the information? Consumer purchase intent can assist advertisers in thinking about how to increase the efficiency of advertising to maximize revenue. It can also assist consumers in identifying the rationale of their purchasing behavior to reduce wasteful consumption.

1.3 Fill the Gap

This study will be based on TPB and will compare rational behavior theory. Thus, this study will discuss the impact of IGA on customers' purchasing intentions from four perspectives: attitude, subjective norm, and perceived behavior intention, and then determine the impact of IGA on consumers' purchasing intentions.

2. Literature Review

2.1 Theory of Planned Behavior

TPB research has a long history. Icek Ajzen's initial proposed TPB in 1988 was based on Ajzen and Fishbein's 1975 theory of reasoned action [4]. Because Ajzen discovered that human behaviors are not entirely dependent on their desires; rather, they are regulated. As a result, he completed the Theory of Reasoned Action (TRA) by adding a new concept - "perceived behavior control," which refers to an individual's perception of the ease or difficulty of accomplishing a specific behavior, in other words, reflecting experience and expected obstacles and then developed it into a new behavioral theory research model [4].

The most significant distinction between TPB and the theory of research behavior is that TPB overcomes the constraint that the theory of reasoned behavior cannot fully explain the limitations of behavior that are not entirely controlled by the will.

Attitude, subjective norm, perceived behavior, and behavioral intention are four primary influences on TPB. Attitudes are a person's expressed opinions on whether or not they are likely to act favorably toward a certain object or idea. Second, when talking about how people feel pressured to participate in a certain behavior, we're talking about the subjective norm. It can be characterized as perceived pressure from significant individuals or groups, such as parents, spouses, friends, coworkers, and so on, on whether the action should be performed.

The term "perceived behavioral control" is used to describe the extent to which an individual feels they have the freedom to behave in accordance with their own goals and objectives, as opposed to external circumstances like the availability of resources, incentives, or legal mandates. An individual's sense of control over the circumstances under which a given activity can be performed is known as "perceived behavioral control." Therefore, even if people wish to do something, they will eventually be unable to do it because they lack the ability to direct the allocation of available resources. Furthermore, self-efficacy and outside resources can be used to separate the limitations of perceived behavioral control into two groups. The first one refers to being conscious of one's capacity to carry out the behavior. The latter, on the other hand, refers to the presence and severity of resource limitations that may affect a person's decision to engage in a particular behavior. Fourth, behavior intention describes a person's propensity and level of participation in a certain behavior as well as the

psychological acuity of their action during the choice-making process. TPB works primarily in the fields of sustainability, public relations, healthcare, and sports management [5].

2.2 Important Results

Numerous researchers have used TPB to examine the connection between subject norm and purchase intention and have found that there is a connection between subjective norm and purchase intention. For example, in 2010, Marina Ham developed three models that demonstrate the predictive efficacy of attitudes, perceived behavioral control, and subjective standards. She later confirmed that all three predictors significantly influenced people's plans to buy environmentally friendly foods [6]. After a few years, an essay looked at several aspects of purchasing or acquiring food commodities in Klang Valley in 2017 and found that topic norms and purchase intention had a positive correlation [7]. This same conclusion was reached by Gia and Ho, who added to the cognitive-affective model by investigating the relationship between the subjective norm and its contingency factors in the cognitive-affective model and the purchase intentions of local consumers with respect to a foreign footwear brand [7].

In 2018, Jayani set out to identify the social commerce and technology-related factors influencing consumers' intents to make online purchases [8]. After a few years, Nathalie and colleagues examine the key factors that lead to online purchase intent among consumers in an emerging market and discover notable differences from those of consumers in an established market. Utilizing digital platforms and expanding globally has implications for business [9].

According to the general agreement, there is a strong correlation between attitude and purchase intention. Consumer intention is significantly shaped by attitude. Azahari Jamaluddin, for instance, found in 2013 that a gap in the factor influencing the tendency to buy online is still unclear. He did some research and found that trust was a good indicator of the likelihood of making an online purchase. The likelihood that respondents will make an online purchase increase with their level of website trust [10]. Yi Jin Lim researched factors influencing online purchase intention among university students for two years, testing variables such as attitude, subjective norm, trust, purchase intention, and conduct, and came to the same conclusion [11]. Similarly, Mahmoud Saleh discovered that attitude has an impact on buying intention. He conducted research on sponsored brands' purchasing intentions, corporate social responsibility perceptions, and linkages between event and brand attitudes in Saudi Arabia. Additionally, he found that brand attitude and event attitude positively impacted corporate social responsibility and corporate brand image. Additionally, it was found that corporate brand image and corporate social responsibility image had a favorable effect on sponsored brand purchase intention [12].

2.3 Summary

This research, taken together, highlight a key role in how TPB influences consumers' purchasing intentions. As technology advances and the Information Age spreads, this paper should explore how TPB could be acted out on the internet, particularly through video games. An examination of how the IGA affects people's purchasing habits.

3. Method

3.1 Research Design

Various methods are utilized to measure how IGA influences people's purchase intention; each has advantages and downsides. On the other hand, this study will follow Michael Porter's procedures, employing the SWOT analytical method. SWOT analysis is a method of analyzing internal and external competitive settings and conditions. SWOT analysis is broken into four sections: "Strengths", "Weaknesses", "Opportunities", and "Threats". The internal competitive environment is the focus of the strength and weaknesses study, while the external competitive environment is the focus of the opportunities and threats.

Because IGA offers evident advantages and disadvantages compared to traditional advertising, qualitative approaches provide an excellent way of analyzing consumers' purchase intentions. Furthermore, the advertising sector has risen quickly as an active market since 1980. As a result, there are several possibilities and numerous dangers, making SWOT analysis simple. Aside from the examples above, several researchers have employed SWOT analysis to study the advertising sector in their writings. Using SWOT analysis, Amanda L. Webster, for instance, calculated how far the advertising agency was from its ideal state [13].

3.2 In-Gaming Advertising

IGA can be displayed in two ways. The first is using in-game features that overlap with the real-world effects of advertising media. For instance, replenishing supplies, store signs and billboards, and so on. The second type of advertisement is based on a gaming occurrence.

As a new advertising method, its emergence provides some struggling gaming firms with a glimpse of hope, allowing them to increase revenue and better their survival by utilizing IGA. The global mobile gaming income surged by 57% during the COVID-19 epidemic in 2019-2021. In 2021, global IGA revenue reached 115.1 billion US dollars, representing 46% of total revenue. According to Adjoe, global IGA revenues will increase by more than 20% to \$147.6 billion by 2025 [14]. Dara MacCaba, executive president of TMRC Research China, an advertising Devaluation firm, stated that "at the IGA, the advertisement can be efficient for 24 hours, and the majority of the recipients of advertisers are gold clients between the ages of 18 and 34." As can be observed, when compared to television, online games are more appealing to young people. Furthermore, there are other shortcomings that IGA must address, such as technical hurdles and the message's passive acceptance by the participants.

3.3 SWOT Analysis

Strength. In digital marketing contexts, IGA first captures detailed information from consumers on the enrolling page, which develops an invisibly valuable database. Furthermore, the many servers are often segregated according to geographical locations, making the distribution of online gaming players have a distinct regional nature that may be easily targeted. Individuals' purchase intents can be optimized with the tailored IGA. Furthermore, great advertising entails more than just display. The target audience must remember the product, learn about it, and use it when necessary. The benefit of IGA is that it increases the audience of the advertisement to understand the product while also having a specific experience process of development, strengthening the interaction between the advertisement and the target audience; it not only makes the target audience of the advertisement have a visual understanding but also through the online game to understand its function, deepening the target audience's cognition of the advertisement. The absence of engagement is precisely the issue that traditional advertising methods face. A single product is difficult to persuade. Therefore, IGA stands out from the pack in terms of increasing gamers' buy intent. After all, the online game is a sublimation of real life, and many products and things in the game overlap with the function of the natural world based on people's understanding ability to form a virtual civilization on the network.

Nonetheless, the degree of freedom is significantly greater than in the real world. This provides us with a diverse set of media kinds from which to sell goods based on what the advertiser is looking for in the game. Simple modifications in advertising media can significantly impact people's purchase intention; for example, a high-tech product advertisement will have a greater impact on an LCD screen than on a newspaper. Finally, the strength of IGA that can benefit purchase intention is that it is focused and diverse, and the target population is more receptive to advertising.

Weakness. The current form of IGA tends to shift the state of real-world advertising into the state of online games. In contrast, its principal form of advertising remains fixed media advertising display. The most notable difference between IGA and reality is that it can manage the power of the functions of each location in the game map and other associated auxiliary game settings, making certain advertisements necessary for participants in the game. As a result, it will arouse public displeasure and put the players on the defensive, negatively influencing their purchasing intentions. Furthermore,

while contemporary in-game commercials are interactive to some level, the interaction is mainly between advertising and game media. Advertising is still not generated at the player's request, and the player frequently passively accepts in-game adverts. When determining the clicking rate, IGA consumers tend to be lower when compared to website advertising, as demonstrated by the degree of targeting used by players. Above all, the advertising format is too rigid, and the natural relationship between marketers and the targeted advertising group has not been realized. Advertisers have modest choices to adjust adverts after launch, according to the existing IGA, depending on how the game players change. It directly reduces the effectiveness of advertising and the buying intention of target customers.

Opportunity. There is a market gap due to the unavailability of dynamic IGA technology. IGA, including endorsements, is still mostly concerned with bringing commercial posters from the real world into the game. As a result, the endorsement fee becomes an inescapable cost. However, leveraging the game's intellectual property as a spokesperson can help to cut advertising costs while also assisting game producers in making a profit. When focusing on players vs idols, the game role as a spokesman tends to receive greater support, and it is also more appropriate for the game's virtual environment, making the advertisement more natural. According to TPB, the game's intellectual property lessens the marketing's commercial objective, making it more acceptable to individuals. In conclusion, leveraging game avatars as spokespersons for in-game advertisements might improve customer willingness while decreasing advertising expenditures.

Threaten. Instead of concentrating their efforts on commercial operations such as advertisement sales, IGA providers are attempting to control unknown games to eventually profit from them. High levels of elimination characterize the gaming sector. Advertising companies always invest a lot of money to incorporate the game. However, market reception has been negative, and advertising providers are working hard to integrate the game. As a result, an excellent opportunity for advertising sales is lost. This problem causes an overabundance of low-quality in-game advertisements, progressively decreasing players' purchase intent and making them impatient with the game itself.

Furthermore, in-game advertisers leverage game creators and carriers to use their built-in technology. This disadvantages advertising and carriers. It is difficult to collaborate with others once a game manufacturer has chosen an IGA agency. Game developers must expend considerable effort in comparing the quality of technology, the amount of technology placement, and the ability of built-in advertising to sell advertisements. Too much time spent on this causes a high likelihood of neglecting advertising quality, which gives competitors an advantage while also negatively impacting the gaming industry. Aside from the preceding, a lack of standards and a failure to perform in each sector of the industry influence people's purchasing intentions by lowering the quality of IGA.

4. Results & Discussion

Overall, it can be observed that IGA has solid targeting, a diverse mode of delivery, and strong acceptance in the target market. Furthermore, the chance for game IP spokespersons can increase people's purchasing intent. However, certain flaws exist, such as compulsiveness, a lack of involvement, and an overly rigid advertising format. The in-game advertiser's business model is risky for the entire market.

Above all, my research has led me to conclude that attitude is the most important factor influencing people's purchasing intentions. Customers will be motivated to buy if you have a pleasant attitude. As a result, the IGA should aim to give players pleasant feelings, such as enhancing the attraction and diversity of advertising forms to improve customers' views and lessen advertising compulsion. Otherwise, developing avatar endorsement technology, arranging advertiser operation modes, and increasing the efficiency of advertising result detection. In 2017, Jim proposed that attitude is everything in advertising [15]. According to the report, modest modifications in advertising attitude and form can substantially impact people's purchasing intentions. According to my research, while advertising mentality remains incredibly vital in notably offline marketing, the choice of advertising

media is as significant as time passes. Customers should benefit from some of the attention brought to the advertising. Nonetheless, several writings share this paper's viewpoint.

By studying the relationship between consumers' attitudes and the effect of product placements on memory in the IGA, Yu discovered in 2011 that when the product in the game is placed demonstratively and illustrative, players will be easier to remember the product, and their purchase intention will be promoted [16].

5. Conclusion

The study investigated the influence factor of the fluctuation of persons' purchasing intention when confronted with the IGA in the context of the IGA's immature development and lack of efficiency measurement. To begin, this essay separated the five aspects of TPB theory: attitude, subjective norm, behavior intention, perceived behavioral control, and behavior and compared them to the theory of reasoned action. To further the IGA study, the review linked the theory with purchasing intention and used attitude as the research topic.

The study then used the SWOT analysis method to examine the IGA market's strengths, weaknesses, opportunities, and threats and coupled it with existing research and theory. The conclusion may be that the consumers' attitude toward IGA is primarily responsible for the positive coefficient of purchase intention.

The paper's contribution identifies how IGA influences consumers' purchase intentions and expands on the applicability of influencing customers' attitudes in digital marketing. Furthermore, based on customer behavior research, advertisers can devise a tailored strategy for increasing the effectiveness of their advertisements by minimizing their aversion to them. Nonetheless, due to theoretical limitations, the influence aspects of people's purchase intention are not explored thoroughly. Furthermore, this review avoided the type of IGA that could impact the effectiveness of advertisement placement.

Furthermore, this review avoided the type of IGA that could impact the effectiveness of advertisement placement. As a result, more factors influencing customer purchasing intentions must be evaluated to complete the IGA research.

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