MAXPOINT

A Multiplayer Industry: Gaming's Early Adopters and Latecomers

{A MaxPoint Interest Index}

The gaming industry offers significant opportunity for the creative agencies and in-house advertisers that promote its products. In 2012 alone, retail sales of gaming hardware, software, and accessories totaled $13.26 billion.[1] As the industry continues to grow, it becomes increasingly important for advertisers to know where to find gamers and what motivates them to buy.

With this in mind and amidst the backdrop of the 2013 Game Developers Conference—the world's largest professionals-only industry event—MaxPoint took a closer look at two especially important types of gamers: the early adopters and the so-called latecomers. These two distinct types of consumers have specific buying preferences, demographics, and online search behavior that distinguish them from the general gaming audience.

Gamers: An Overview

Before focusing on early adopters and latecomers specifically, it's important to get a feel for the general gaming audience. At the latest count, 40% of all gamers are female.[2] Adult gamers are also seasoned players; on average, an adult gamer has played computer and video games for 12 years.[3]

Gamers also share similar online search behavior and purchase histories. Among their online search topics, you'll find *Assassin's Creed*, *Halo*, *Minecraft*, *PlayStation*, *World of Warcraft*, and *Xbox*. In their shopping baskets, you'll find game controllers, gaming consoles, personal computers, tablets, and of course, video games from retailers such as Best Buy, RadioShack, and h.h. gregg.

An advertiser tasked with promoting a gaming product can use this general knowledge about gamers to lay the foundation for his next digital ad campaign. Gamers' demographics, online search behavior, and purchase histories can be especially useful as the advertiser develops compelling ad creative and determines where to place his ads. However, he should be cautious. Advertising *based solely* on the general profile of a gamer (although a common starting point), doesn't fully take into account the nuances of the gaming industry.

Gaming's digital advertisers can achieve greater success by targeting specific types of gamers. This leads us to the early adopters and the latecomers.

Early Adopters

Early adopters are just what they sound like: gamers who use the newest technologies. They purchase the latest gaming equipment and stay informed about current gaming trends. In neighborhoods with a high concentration of early adopters, shoppers also tend to be:

- Single
- Homeowners
- Those with bachelor's or master's degrees
- Those who make $60,000+ per year

A quick search of early adopters' online search histories reveals the "general" gaming keywords noted above in addition to keywords that indicate a heightened interest in new and developing technologies, such as *3D printing*, *Apple iWatch*, *Google Glass*, *Lytro camera*, and *iPhone 5S*.

And it's not just who these early adopters are but also where they live. Our research shows that neighborhoods with a high concentration of early adopters can be found in the following cities:

- Boston, MA
- Dallas, TX
- Fairbanks, AK
- Fort Smith, AR
- Hartford, CT
- Los Angeles, CA
- Louisville, KY
- Milwaukee, WI
- New York, NY
- Parkersburg, WV
- Philadelphia, PA
- Phoenix, AZ
- Rapid City, SD
- Rockford, IL
- San Diego, CA
- San Francisco, CA
- Terre Haute, IN

Gaming's early adopters are those most likely to sign up for pre-release email updates, to be members of beta test groups, to pre-order the newest games, to consistently consume industry news sites, and to stand in line for the most in-demand technologies and games. In these ways, early adopters are markedly different from gaming's latecomers.

Latecomers

Unlike early adopters, latecomers prefer time-tested technologies over the latest and greatest gaming hardware and software. They limit their purchases to proven equipment and casually stay informed about new industry developments. In neighborhoods with a high concentration of latecomers, shoppers tend to be:

- Married
- Homeowners
- Those with less than a college education
- Those who make less than $60,000 per year

Neighborhoods with a high concentration of latecomers can be found in the following cities:

- Bangor, ME
- Birmingham, AL
- Charleston, WV
- Clarksburg, WV
- Fargo, ND
- Greenville, NC
- Johnstown, PA
- Knoxville, TN
- Lubbock, TX
- Minneapolis, MN
- Oklahoma City, OK
- Quincy, IL
- Sacramento, CA
- Savannah, GA
- Spokane, WA
- Tri-Cities, TN
- Wichita Falls, TX

What This Means for Advertisers

Hyperlocal digital advertising gives advertisers the ability to reach gamers with specific interests and purchase behaviors that are most compatible with the products the advertisers are selling. In addition to precise targeting, it maximizes an advertiser's return on investment; by reaching only those neighborhoods with his ideal shoppers, an advertiser eliminates ad waste and ensures that his message is put in front of the right people in the right neighborhoods across the country.

When Ubisoft launches *Assassin's Creed IV: Black Flag* next year, it will get the most out of its digital advertising if it takes a hyperlocal approach. Why? Because as our research shows, there are clear types of gamers: those who will rush out to get the new game (the early adopters) and those who will instead opt for an older version, such as *Assassin's Creed III* (the latecomers). An ad that encourages shoppers in "early adopter" neighborhoods to pick up *Assassin's Creed IV: Black Flag* from their local gaming stores will likely be successful; if run in "latecomer" neighborhoods, however, the same ad may fall flat. Instead, an ad that offers a discount on *Assassin's Creed III* or another time-tested version may resonate with and generate higher response rates in "latecomer" neighborhoods.

If the distinction between early adopters and latecomers is any indication, the gaming industry's consumers are considerably different. Within its ranks are gamers with specific interests and buying patterns who live in certain neighborhoods (and not others) across the country. As such, advertisers can ensure that they get the most out of their budgets by consistently taking a hyperlocal approach to their digital advertising efforts.

MaxPoint in Action

Using the data from this Interest Index, we executed a digital advertising campaign on behalf of a media rental company, targeting latecomers likely to rent video games in neighborhoods near its retail locations. The ads offered a promotional coupon for a free rental and resulted in a response rate nearly four times the industry average.

MaxPoint also leverages its knowledge about gamers in campaigns for portable gaming consoles, video games, and accessories, including vibrating controllers and headsets.

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1. NPD Group
2. Entertainment Software Rating Board
3. *Ibid.*

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AVERAGE 12 YEARS The average adult gamer has played computer and video games for 12 years.
(Entertainment Software Rating Board)

40% of all gamers are female.
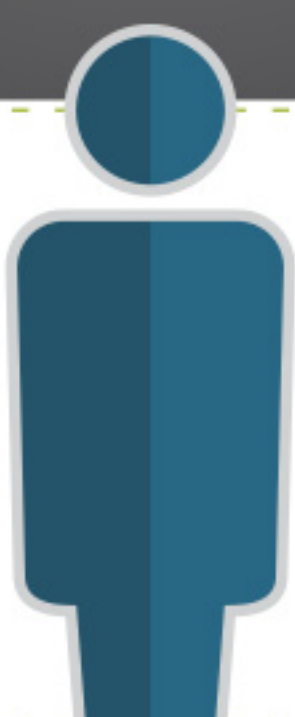(Entertainment Software Rating Board)

$13,260,000,000 Retail sales of gaming hardware, software, and accessories in 2012
(NPD Group)

early adopter
a gamer who uses the newest technologies

+ Single
+ Homeowner
+ Bachelor's or master's degree
+ Income: $60,000+ per year
+ Strengths: purchasing the latest gaming equipment; staying informed about the newest gaming trends

latecomer
a gamer who prefers time-tested technologies

+ Married
+ Homeowner
+ Less than a college education
+ Income: <$60,000 per year
+ Strengths: limiting gaming purchases to proven equipment; casually staying informed about gaming developments

{ online topics }

What gamers search for online:

→ Assassin's Creed
→ Halo
→ Minecraft
→ PlayStation
→ World of Warcraft
→ Xbox

What early adopters also search for online:

→ 3D printing
→ Apple iWatch
→ Lytro camera
→ Google Glass
→ iPhone 5S

{ purchase data }

What gamers purchase:

→ game controllers
→ gaming consoles
→ personal computers
→ tablets
→ video games

Where gamers shop:

→ Best Buy
→ RadioShack
→ h.h. gregg

{ where to find early adopters }

Early adopters can be found in select neighborhoods here:

🔍 Boston, MA
🔍 Dallas, TX
🔍 Fairbanks, AK
🔍 Fort Smith, AR
🔍 Hartford, CT
🔍 Los Angeles, CA
🔍 Louisville, KY
🔍 Milwaukee, WI
🔍 New York, NY
🔍 Parkersburg, WV
🔍 Philadelphia, PA
🔍 Phoenix, AZ
🔍 Rapid City, SD
🔍 Rockford, IL
🔍 San Diego, CA
🔍 San Francisco, CA
🔍 Terre Haute, IN

Fairbanks, AK 218 households
Philadelphia, PA 800 households
San Francisco, CA 496 households
Terre Haute, IN 1,408 households

Neighborhood Snapshots
total households in highlighted neighborhoods

{ where to find latecomers }

Latecomers can be found in select neighborhoods here:

🔍 Bangor, ME
🔍 Birmingham, AL
🔍 Charleston, WV
🔍 Clarksburg, WV
🔍 Fargo, ND
🔍 Greenville, NC
🔍 Johnstown, PA
🔍 Knoxville, TN
🔍 Lubbock, TX
🔍 Minneapolis, MN
🔍 Oklahoma City, OK
🔍 Quincy, IL
🔍 Sacramento, CA
🔍 Savannah, GA
🔍 Spokane, WA
🔍 Tri-Cities, TN
🔍 Wichita Falls, TX

Bangor, ME 412 households
Johnstown, PA 557 households
Lubbock, TX 862 households
Sacramento, CA 356 households

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