ABSTRACT

A thesis compiles and congregates large number of theories and concepts together to bring forward new insights which are useful to the industry and academia. This thesis titled “Study of Advergaming as a tool to build Emotional Customer Loyalty and its implication on Marketing Returns” brings together new applications of Advertising techniques in the light of ascendency of new media and considers its scope and usefulness. Any marketing tool can be evaluated by measuring the type of engagement it creates and the possibility of its converting an engagement into a purchase and hence bringing about a return on the money invested. This is the way my thesis combines and connects the concepts of Advergaming with emotional engagement and loyalty to evaluate the returns on investment.

Advergaming is basically a tool which has surfaced as a customer engager. These are online games which entertain the gamers and also subtly bring about brand awareness, recall and engagement. History shows the success of these games in specific demographics while we explore the utility of this tool across all possible industry and demographics.

This thesis has been divided into 5 chapters where each chapter links and leads to the next one.

The first chapter introduces the concept. It starts from the history of advertising and maps it all the way to the virtual advertising techniques of today. The evolution of the various techniques of advertising have been in sync with the changing technology platforms of the world. This chapter also discusses the concepts of emotional customer engagement and loyalty describing its importance and usefulness. Further we discuss here how MROI is calculated in virtual marketing platforms and how the usefulness of one technique over the other is evaluated.

The second chapter plunges into the existing literature on the topics. It is further segregated into four sections and starts by discussing about the concept of gamification and how it has linked to Advergames. The existing theories which were useful to study and analyse the concept of emotional loyalty and MROI in the light of Advergames have been detailed and explored in this chapter. This chapter also picks up multiple
existing frameworks and concludes with the four main constructs of the study i.e. Game Engagement, Brand Attitude, Emotional Customer Loyalty and Purchase Intention.

The third chapter details the research methodology approach. It picks up the research gaps which were highlighted in the previous chapter of literature review and then build research objectives which are intended to close or minimize these gaps. Around these research objectives, we also build fourteen different hypothesis which would test the proposed model. In this chapter details of the research methodology which have been used here have also been detailed along with description of the pilot study and the process of the main study. In order to achieve these objectives, an Advergame was selected and administered to – respondents via emailers. After playing the game the respondents filled out the survey questionnaire online. Associations and relationships between various parameters and variables were identified using simple correlations and regression. Cluster analysis helped in identifying the demographic profile of the potential customer for Advergames. Further tools such as ANOVA(Analysis of Variance), Chi-Square, independent sample t-test were used to concretise on the relationships between the different variables. A final framework is proposed with the help of structurally modelling the various constructs and identifying a relationship between them.

The fourth chapter enlists all the research objectives and statistically tests all the hypothesis one by one. It analyses the data from various perspectives and concludes hypotheses. Here we are able to statistically test the proposed model and also bring up equations which would define the output of the model.

Using the various objectives and hypothesis as a medium, the thesis brings to light that a strong emotional connect and loyalty can be created towards a brand by using an appropriate Advergame that would build high level of game engagement. Advergames have been historically used for a limited age group and product category, but the thesis highlights that the potential customers for this type of advertising are infact women in the age-group of 30-44 years. It has also been identified that the use of Advergames was indeed leading to a positive brand attitude and also an increased purchase intention. These further went on to indicate that use of Advergames is having a positive return on marketing investment. Advergames have been found to be most successful in
entertainment industry and are now seeping in various industries other than food related or children related industries.

In the last chapter we conclude with the insights from the data which has been analysed in the previous chapter and come up with a final result for the thesis which is in the form of a framework showing the relationship between game engagement and purchase intention and hence an increase in MROI. This framework is further simplified in the form of equations which can be used by any researcher for further study and can be used by marketers to identify the validity of the Advergame tool in their perspective. This thesis concludes with managerial and theoretical implications of the study and the framework which may be used by the students and marketers of tomorrow.

Keywords: Advergames, New Media, Emotional Customer loyalty, Marketing Returns on Investment (mROI), online games, Game Engagement, Purchase Intention