deltaDNA®

Ad survey results 2017

An in-depth study of in-game advertising

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The study

When we first conducted the In-game Advertising Study in 2015, developers had a very uneasy relationship with ads, viewing them largely as a "necessary evil".

Since then, concerns over the effect of increased ad frequency on the player experience and player churn led to a crisis of confidence amongst developers and widespread concern over the effectiveness of their approach to ads.

This year we have repeated the survey, keeping the core of the questions the same so we can monitor trends, while including new questions which further explore the sources through which developers integrate ads within their games.

The results of this year's study are, as always, fascinating, but also paint a contrasting picture.

Generally, it's a positive story. We can see that developers are becoming a lot more comfortable with ads and now view them as an important monetization opportunity. They are also becoming increasingly more confident in their ad strategies; understanding how best to balance ads so that player experience and in-app purchase revenues are preserved.

However, game makers are also still fearful of increasing ad frequency per session and as a result, many are still leaving a lot of cash on the table. This is borne out by the fact that average ad revenues are still only a third of total game revenues.

So while we have made progress towards optimal in-game advertising, there is still a good way to go before game makers master the challenge.

Mark Robinson, CEO, deltaDNA


About deltaDNA

We love games and data, lots of it! Highly granular and transparent analytics are at the heart of deltaDNA's big data game analytics and real-time marketing platform.

DeltaDNA gives developers the tools to optimize games by analyzing player behaviors in detail, using the insight to micro-target players and deliver personalized game experiences in real-time.

SmartAds was launched in 2015, and it provides developers with the capability to analyze the effect of their advertising on player behavior, to provide a player-led experience. SmartAds also provides independent dynamic mediation covering 30+ ad networks.

What kind of games show ads?

A total of 345 game developers and publishers responded to our survey. The distribution of their primary genre is shown below.
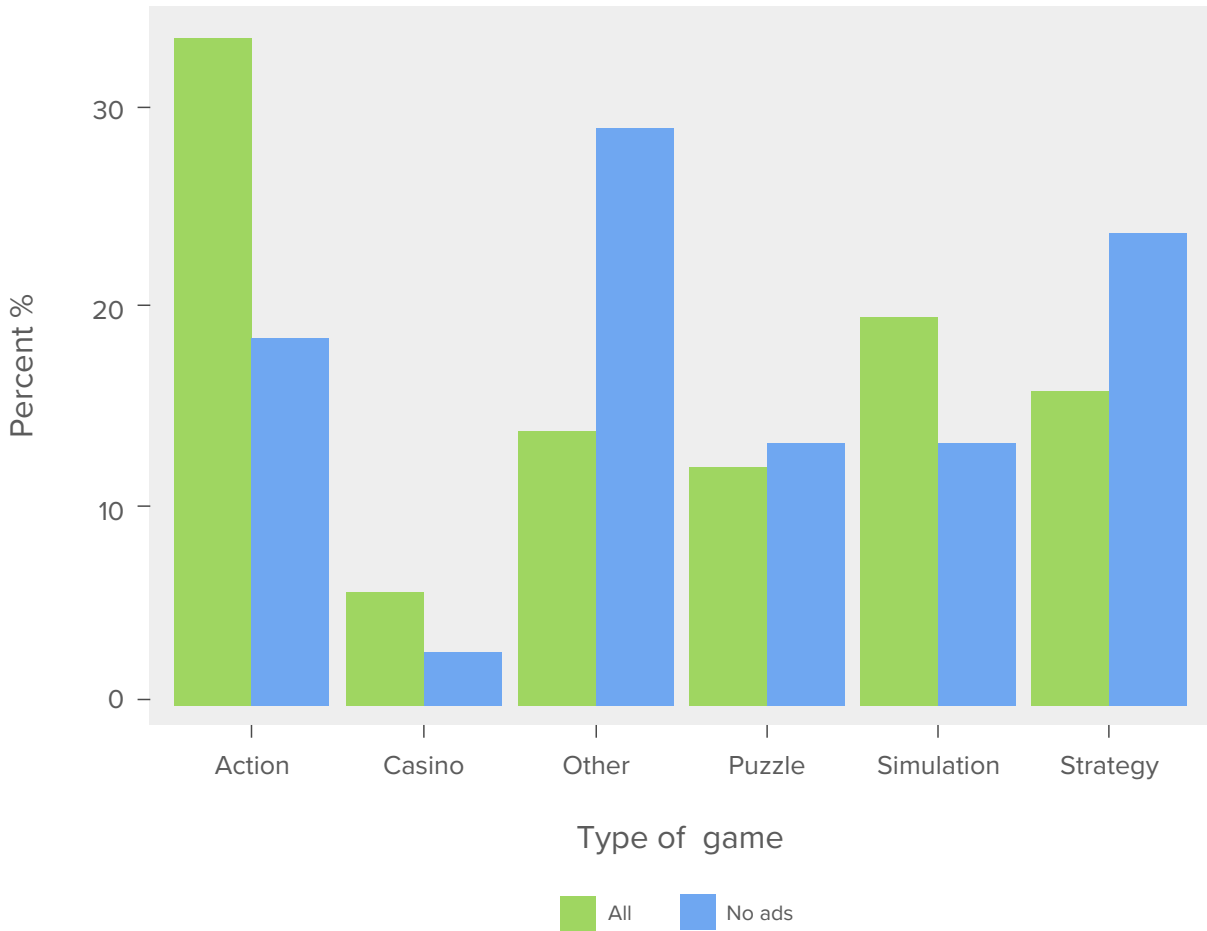
A good balance of genres are covered, with action games slightly over represented while casino games are a bit under-represented. While the focus of our survey was ads 12% of respondents do not actually show ads in their games. The genre of these games is shown in blue. Compared to the overall breakdown, Strategy games and 'other' genres are slightly more likely not to have ads.

What kind of ads do people use?

Mobile games have a diverse range of advertising formats to choose from, and often use multiple formats within a single game. In the data below, respondents were allowed to choose multiple options and so we can see not only the popularity of formats but also how games combine them.
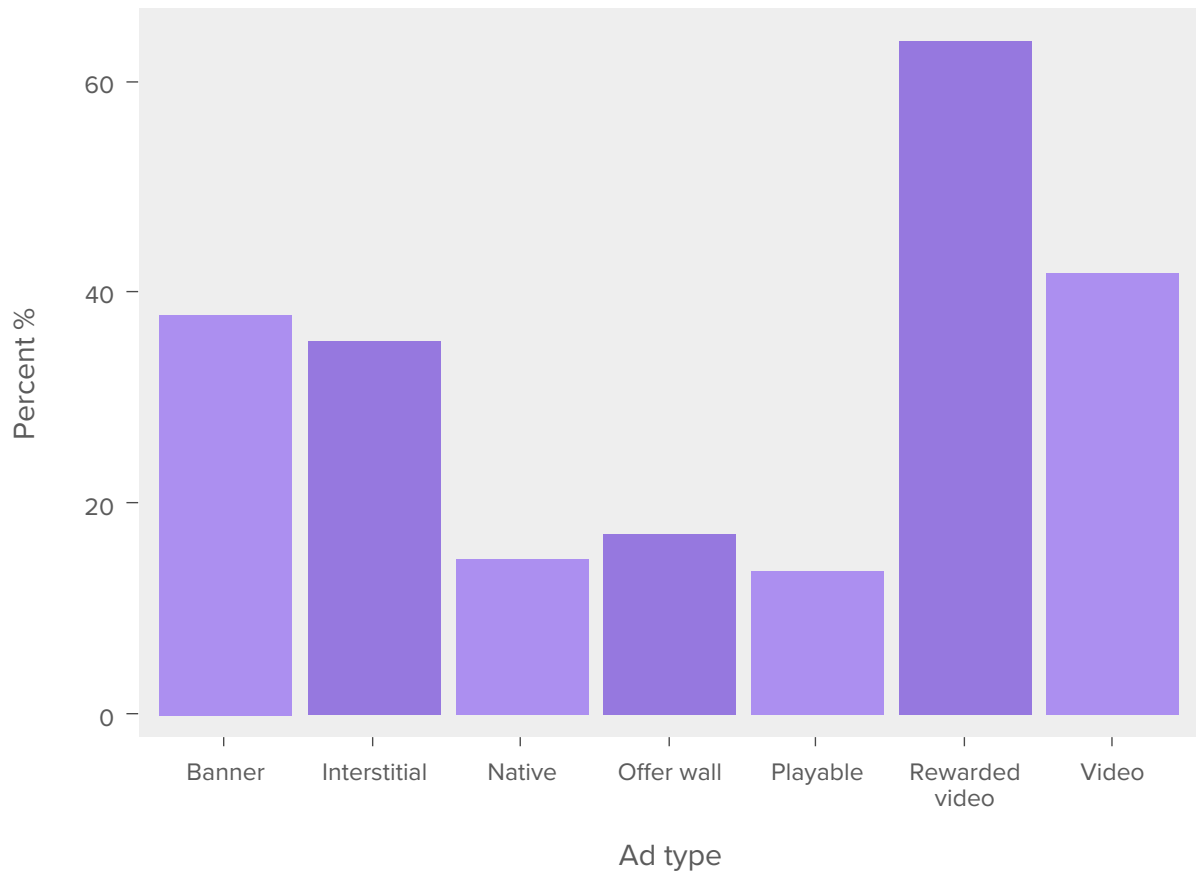
The most popular format for in-game advertising is rewarded video with over 60% of respondents using it. After that banners, image and video interstitials are also common with around 30-40% of respondents using them.

Overall, 62% of respondents choose multiple formats, up from 51% in 2016. The most common combination was rewarded video + interstitials. Incredibly 12% of respondents used four or more ad formats.

It is commonly accepted that casual and core games have totally different monetization strategies, and this extends to a usage of in-game ads. It is interesting to see how this impacts the format of ads used.
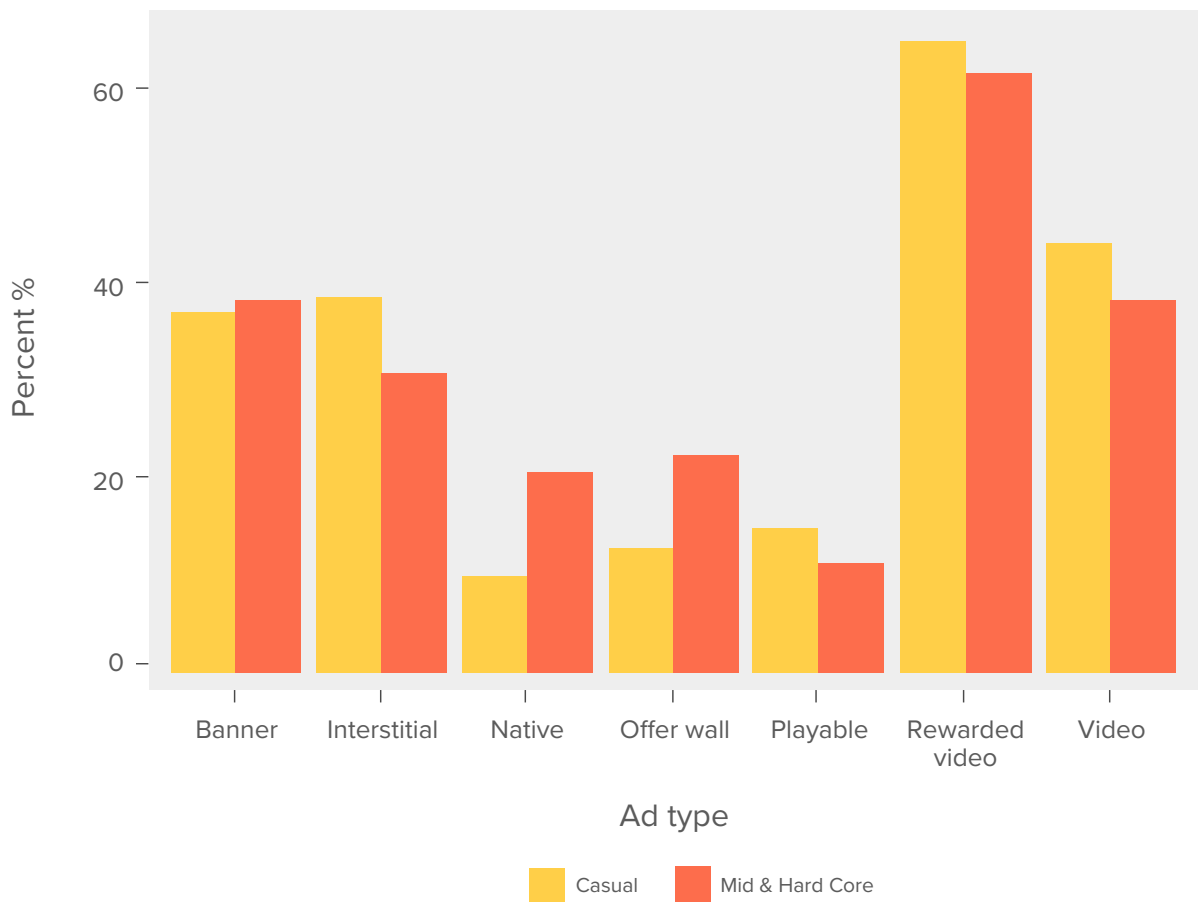

As we can see there is not a huge amount of difference between casual and core games, with rewarded video clearly on top for both types of games. Casual games are a bit more likely to use interstitials which makes sense as they commonly have a short and repetitive core loop that lends itself to interstitial ad 'breaks'.

While less than 20% of games use them, native and offer walls are twice as likely to be used in core games compared to casual ones.

Ad strategy

Casual games were the first to adopt in-game ads, with common usage in core games only appearing in the last year or so. This is mostly attributed to the rise of rewarded video, although as we have seen core games use a variety of ad formats.

The chart below shows answers to the question 'Which of these best describes your ad strategy?':
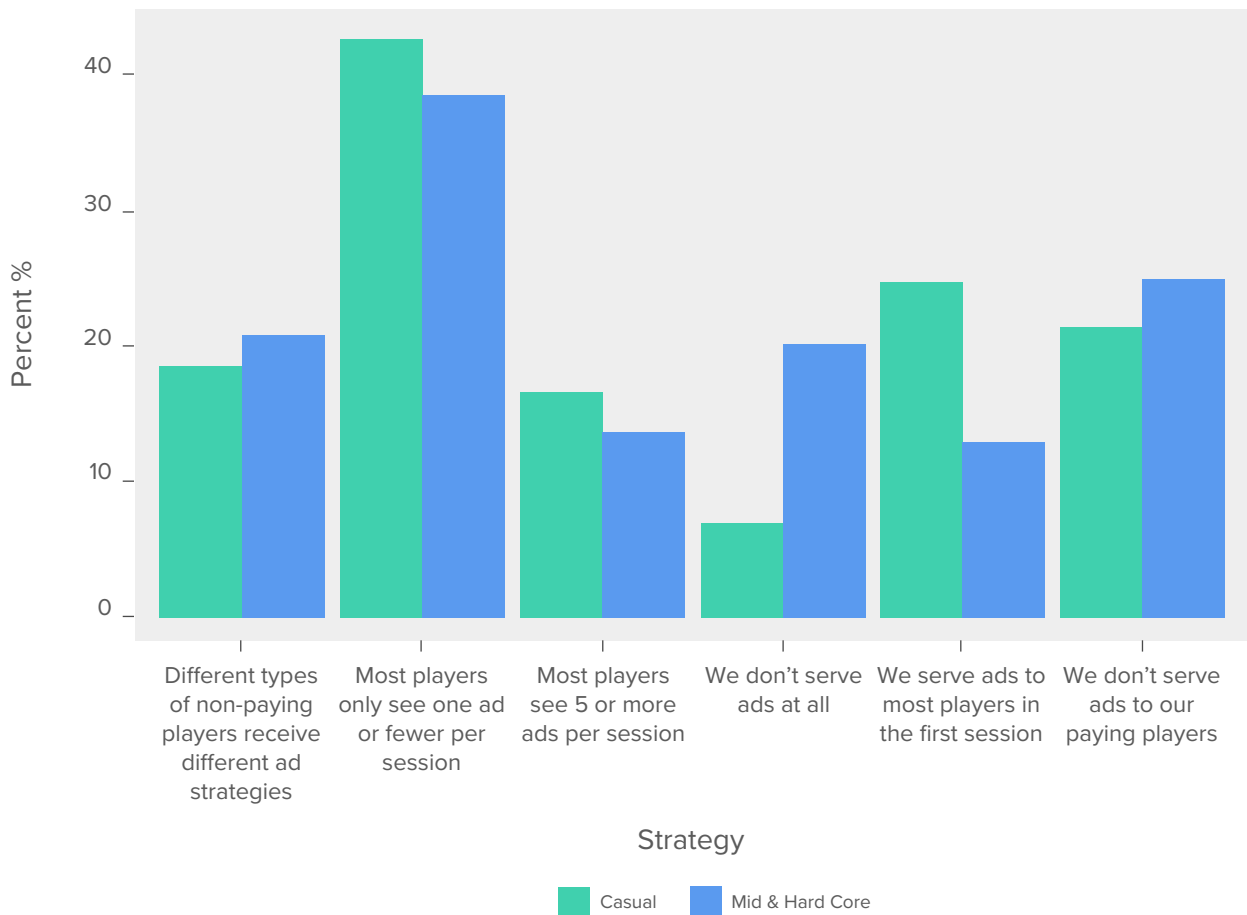

Naively we would expect the ad strategy to be very different between core and casual games. However, in both cases, the top response was that players only see one ad per session. This is quite a conservative approach and shows that across all games there is still some trepidation around ad frequency. Only 16% of casual games show more than five ads per session, similarly 14% of core games.

Aside from frequency, there are some clear differences in strategy. 20% of core games do not show ads at all, compared to only 7% of casual ones. Also, casual games are much more likely to show ads in the first session.

Ad frequency

This conservative approach is reflected strongly in the concerns respondents have when setting the frequency of in-game advertising. Below are responses to the question 'Which of the following factors concerns you when setting the frequency of ads?':
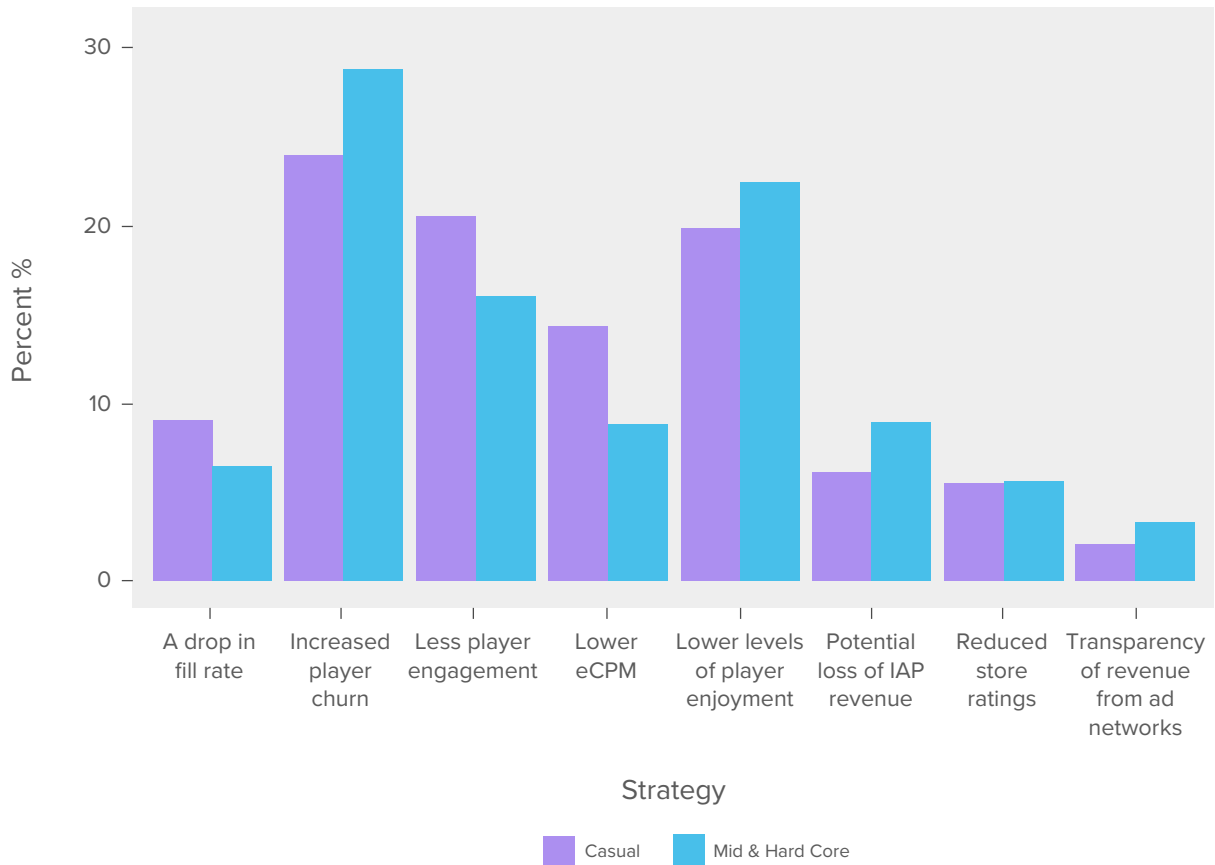
It is clear that developers are mostly concerned about the player experience with the top three responses regarding churn, engagement and enjoyment. Casual games are marginally more performance focused, with a larger fraction concerned about fill rate and eCPM compared to core games. Likewise, core games are more concerned about IAP revenue than casual ones.
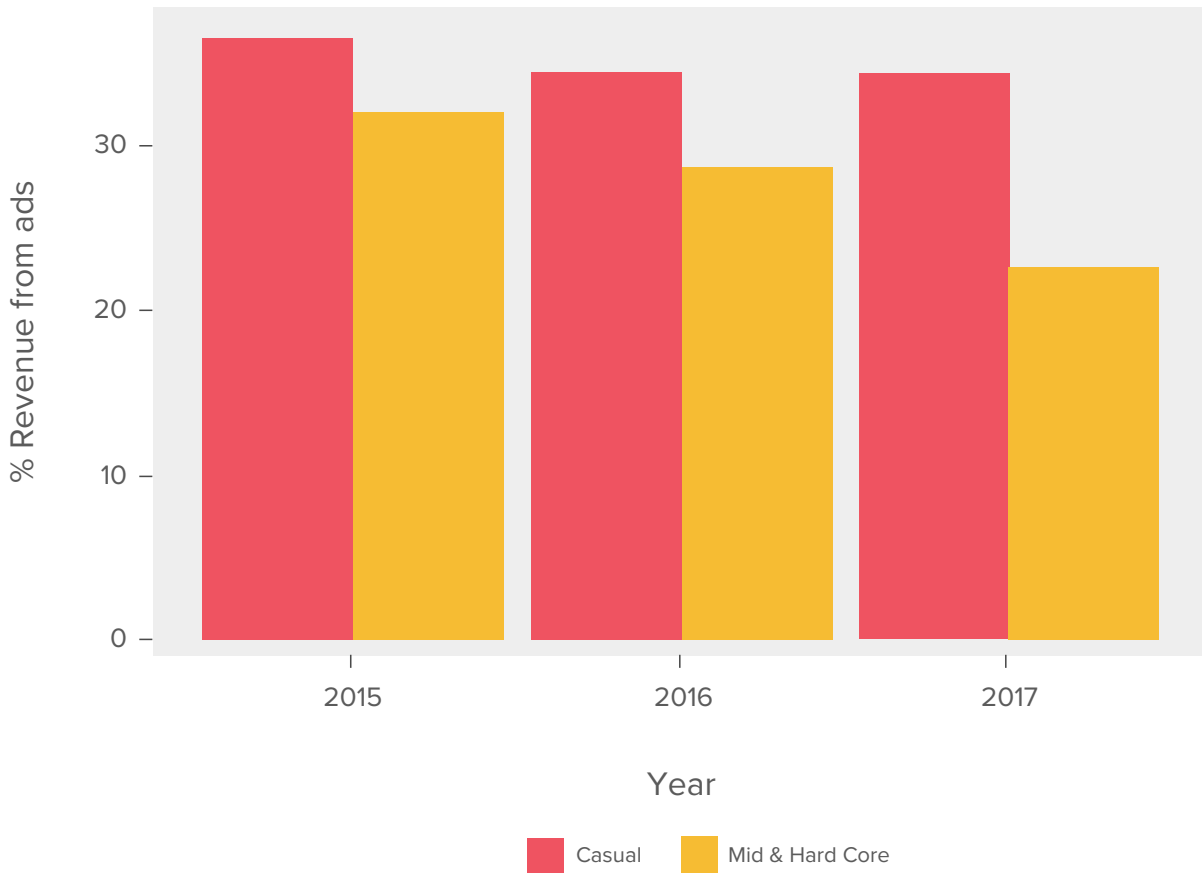
Ad revenue

Ultimately for in-game ads to be worthwhile they need to generate a significant amount of revenue. We asked developers what fraction of their revenue was generated by ads, with the results shown below:
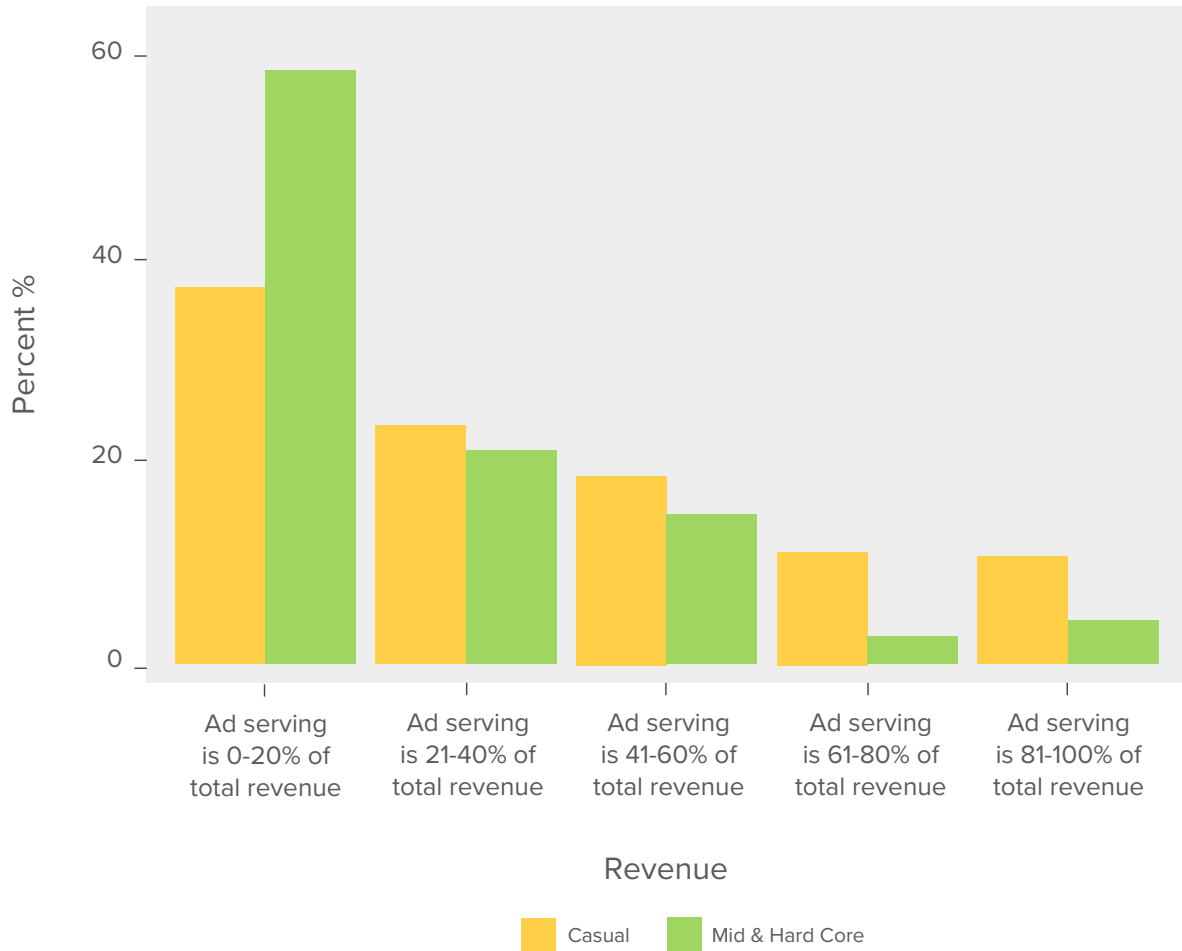
Most commonly games make less than 20% of their revenue from ads, with very few games making more than 60% of their revenue from ads. 21% of casual games and only 6% of core games are above this threshold.

Converting this data into a mean revenue fraction, we can look at the trend across the last three years. This is shown in the chart below:


Since 2015 we see a consistent decrease in the fraction of revenue generated via advertising. This seems somewhat counter-intuitive given the greater prevalence and technical advances in the ad space. This could be attributed to the growth of IAP revenue, especially on Android platforms.

Looking at the data we track on the deltaDNA platform, the typical ARPDAU of an Android title has increased from 9c to 15c in the last three years.

Ad sources

Developers have an array of options when it comes to sourcing ad impressions. Below are our respondents' answers to the question 'How do you access ads in your games?':
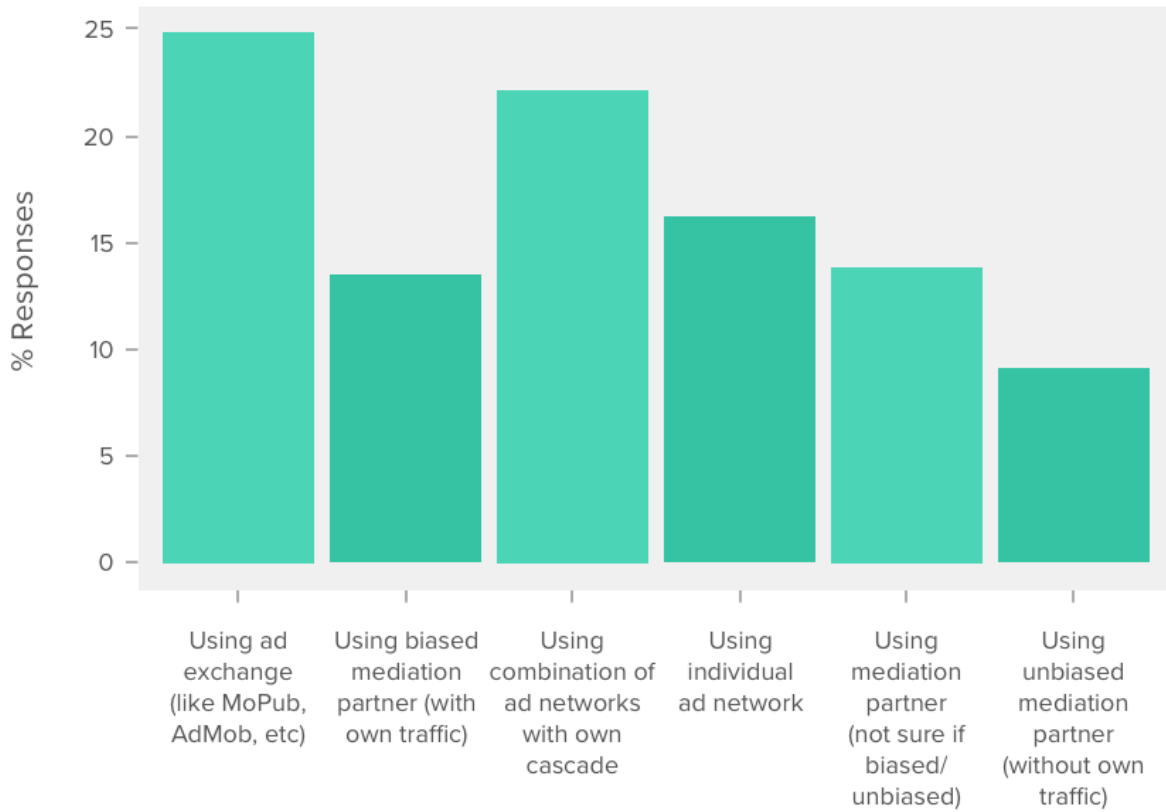
Research shows that most developers source ads directly through an exchange/single network or maintain a cascade of networks via their own cascade. Only 36% of developers use some form of 3rd party mediation.

Number of ad networks

Using multiple ad networks is essential to ensure fill and quality eCPMs across many platforms and regions. However, managing many networks is extremely time-consuming without making use of mediation services.
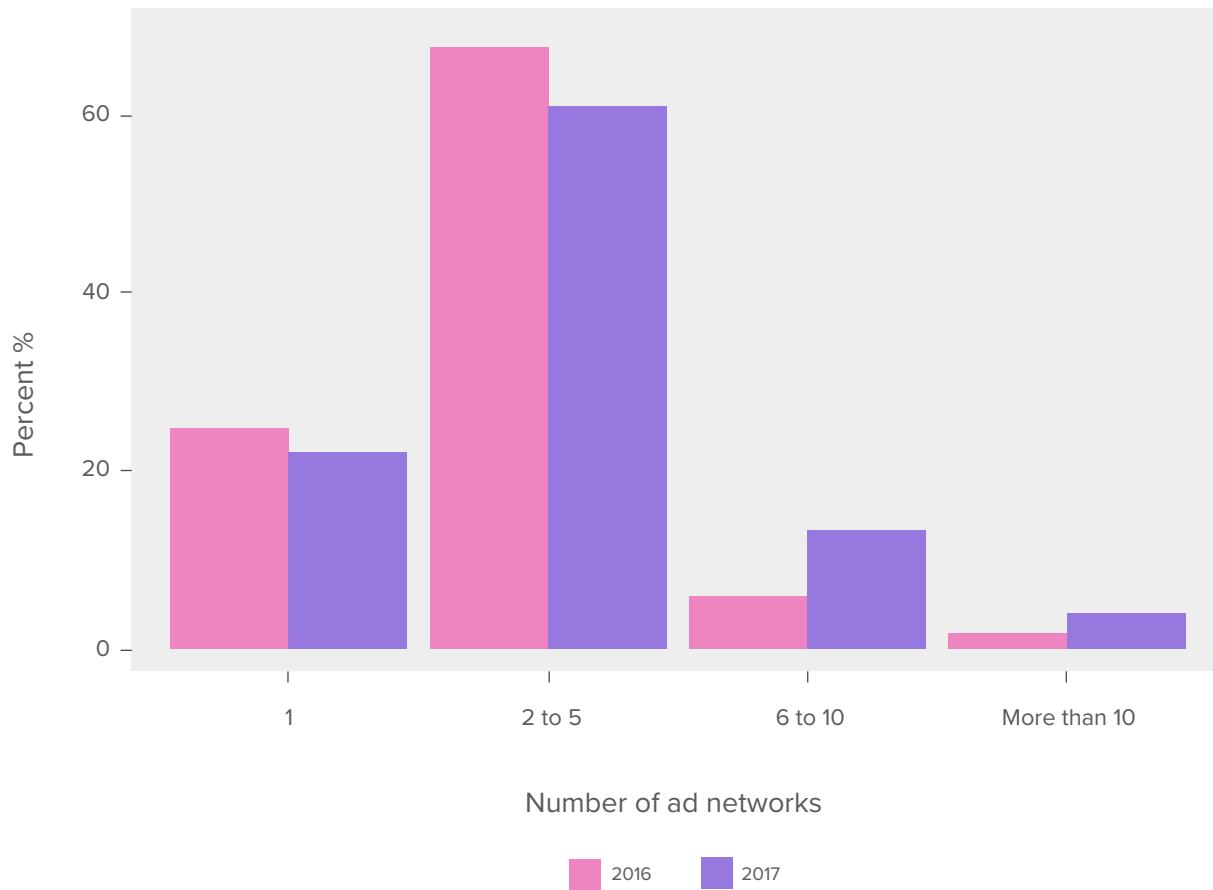
For these reasons, we see most developers settling on 2-5 networks to source ads from. However, this is typically not enough to truly optimize revenue and fill and so we see a big jump in the number of developers using 6+ networks. Only 8% of developers used 6+ networks in 2016, while 17% do in 2017.

Ad sentiment

It is interesting to see how developer sentiment towards in-game advertising has evolved in the last 12 months. Below are the responses to the question 'Which of these sentiments describe your attitude to in-game advertising?':
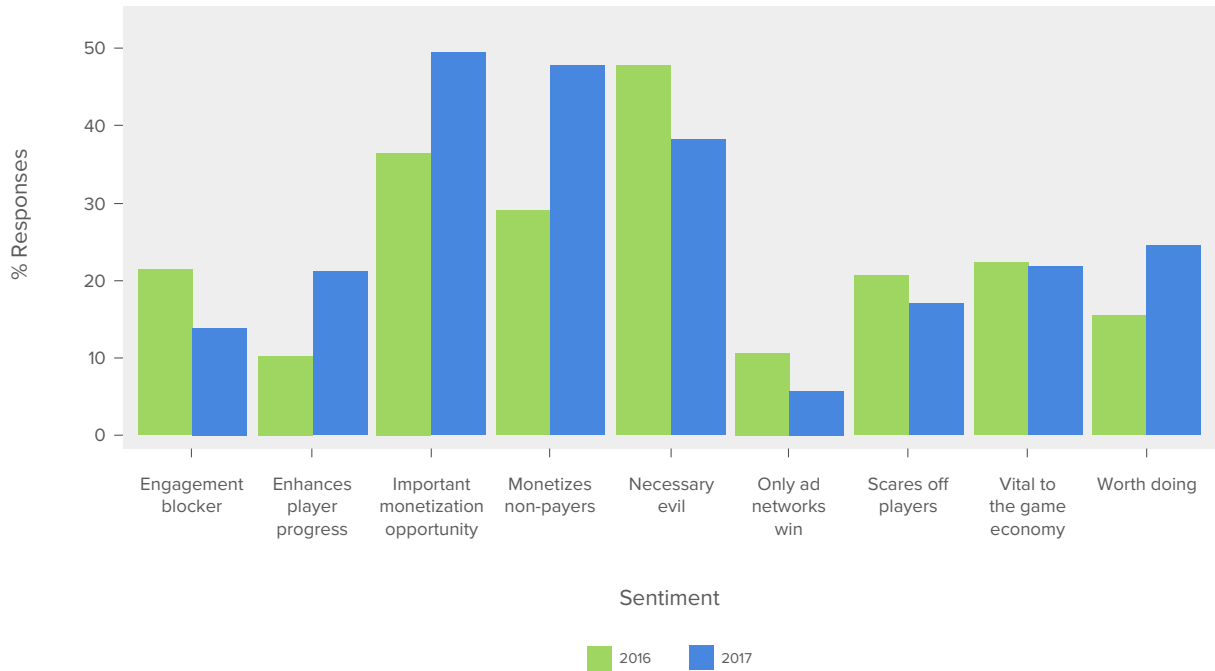

In 2016 the most common attitude towards ads was that they were a 'necessary evil'. While this is still a common response (35% of respondents), developers are starting to understand the monetization opportunity of ads, with monetization the focus of the top two responses in the 2017 survey.

We see other positive trends in less popular responses. The fraction of developers that think ads 'enhance player progress' has more than doubled to 21%, while the fraction that thinks ads are 'worth doing' has jumped from 15% to 24%. Similarly, negative sentiments like 'engagement blocker', 'only ad networks win' and 'scares off payers' have dropped significantly.

Ad approach

Finally, we asked developers how to they would describe their approach to displaying in-game advertising:
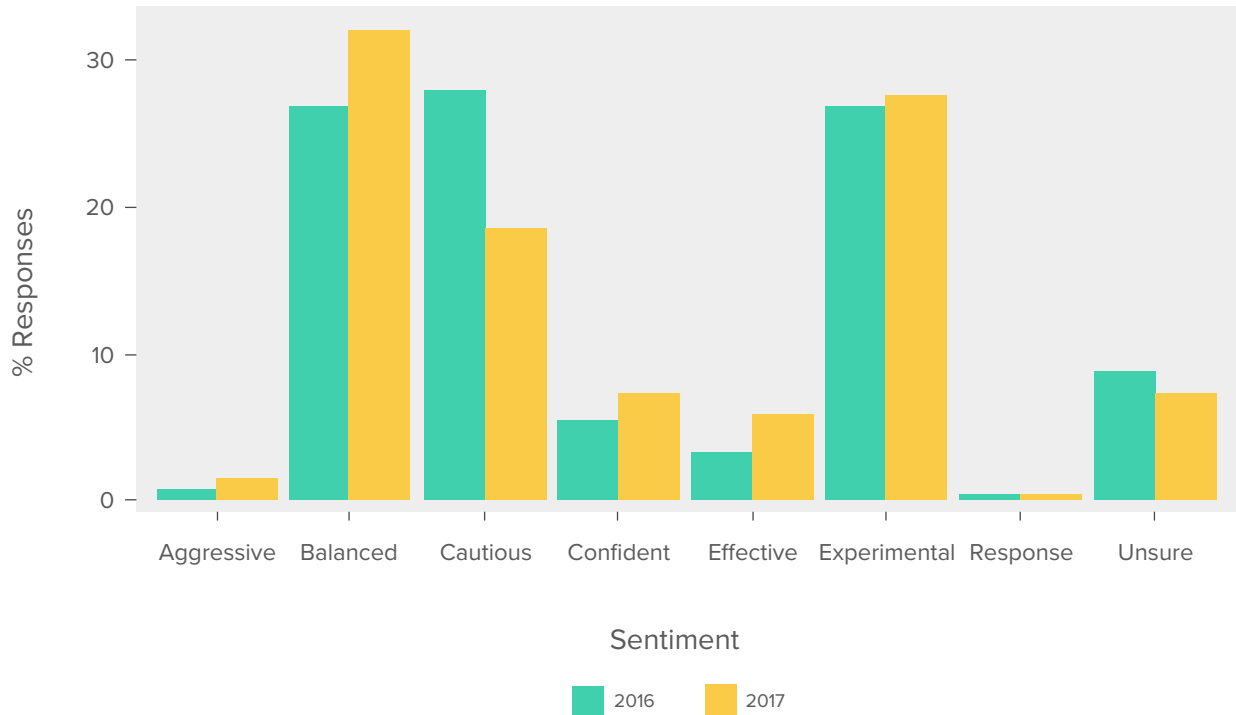
Again we see a shift from 2016, where the most popular response was 'cautious', compared to 2017 where the most common response is 'balanced'. Overall, developers seem to be more confident in their approach with responses like 'balanced', 'confident', 'effective' all showing increases from last year, whereas 'cautious' and 'unsure' show significant decreases.

Analysis and final thoughts

The biggest challenge for F2P developers will always be that 95% or more of players will never spend in-game. In-game advertising has always offered a clear way to monetize non-spenders, but the technologies and expertize required to utilize in-game ads in a way that benefits both game developers and ad networks are only now becoming widely available.

For game developers, this means understanding how to reward players for watching ads and integrating them into the game in a natural way that does not impact the quality of gameplay.

For ad networks and mediation partners this means providing quality and reliable ads that do not cheapen the gameplay experience and working closely with game developers to ensure ad placements are as efficient and player-friendly as possible.

The combined impact of this progress is seen in the results of this survey. Taking the most common responses from key questions, we get a picture that developers see ads as an 'important monetization opportunity' when used in a 'balanced' approach, driving 'up to 20% of revenue' by showing 'one or fewer ads per session' to ensure that they do not 'increase player churn'.

This is significant progress over 2016 where developers saw ads as a 'necessary evil' that they used 'cautiously', albeit with a similar revenue potential.

The next step is for developers and ad partners to work together to lift the revenues being delivered by in-game advertising. Already we can see this at the edges of our survey, with more developers using multiple and exotic ad formats, unbiased mediation and plugging into more (6+) ad networks.