SAN FRANCISCO, Sept. 16 — Advertisers are increasingly integrating soda cans, cellphones, food and other products into movies, television shows and even rap songs. Now big-league product placement is coming to video games, where consumers will not just see these items, but interact and play with them — and eat them.

One of the largest makers of video games, Electronic Arts, plans to announce this week contracts worth more than $2 million — thought by industry executives to be the biggest ever in the game industry — that integrate products from McDonald's and Intel into a video game to be released this fall. The game will let players be nourished by virtual Big Macs and communicate using computers emblazoned with the Intel logo.

The game, called The Sims Online, is the latest version of one of the most popular games ever, having sold some 17 million copies. The object is to control virtual characters as they go about their everyday lives.

The game's use of products advances a nascent trend in which game makers have created characters that use Nokia phones, slip on Dole bananas and drink Bawls Guarana, a highly caffeinated beverage. And the development demonstrates the impact that digital technology, in particular the ability to present and manipulate vivid graphics, is having on the integration of commercial messages into every facet of media. It is an evolution that some critics complain blurs the line between entertainment and advertising, but that advertisers say gets them into an increasingly intimate environment with consumers.

"This is the next frontier of product placement," said Ann Lewnes, who is in charge of co-marketing for Intel, the world's largest maker of computer chips. "It's very engaging. You're not just watching products, you're actually using them."

Reinforcing the trend's emergence, on Tuesday, Activision, another game maker, will release Kelly Slater's Pro Surfer in which the main character searching out the perfect wave will communicate using a Nokia mobile phone. David E. Anderson, director of business development for Activision, said the deal
was among the "steady increase of six-figure deals" the company was seeing.

"We are a credible, very legitimate, viable medium," he said. "Consumer product companies of the weight of Coca-Cola, Nokia and DaimlerChrysler are seeking us out."

Until very recently, it was the other way around; game makers sought out the advertisers, and in some cases compensated them for the use of their logos. Indeed, video games have a rich tradition of showing the names of actual products, but their inclusion was done to appeal not to advertisers, but to game players. Specifically, in sports titles, game makers have sought to emulate real life and create a sense of authenticity by integrating commercial banners in stadiums, on racing cars, boats and athletic shoes.

In the last several years, the economic relationships have begun to change as game makers and advertisers have struck co-promotional deals — in some case with advertisers bartering to get their products in games. In Activision's new game Street Hoops, signs advertising Sprite appear on billboards and passing buses; in exchange, Sprite will distribute 40 million to 50 million bottles and cans with Street Hoops logos this fall. In MX Superfly, a dirt-bike game from THQ, players will see copious banner ads for Tang, under a deal in which Kraft Foods, the maker of Tang, paid for television spots featuring the game.

Vivendi Universal Games plans soon to distribute Run Like Hell, a violent first-person shooter game where players can enhance their health by drinking virtual Bawls, a drink that in real life contains more than twice the caffeine of Coca-Cola. In exchange, the drink's maker will promote the game on cases of Bawls.

The turning of the economic relationship in video games comes as advertisers in general have looked for new ways to capture the increasingly scattered attention of consumers. On television and in movies, they are integrating commercial products into television sets, or even pay to have onscreen characters wear particular clothes or use identifiably branded items.

The integration of advertising into entertainment has been furthered by technology, but in some ways advertisers feel it is being necessitated by the fact that technology is making it more difficult for them to reach consumers. For instance, television viewers are able to bypass commercials either by using remote controls or by recording shows on digital video recorders that skip over advertisements. Also, the lure of the Internet and video games is stealing viewers' attention from other forms of media, and, in turn, their advertisers.

Advertisers say that video games could help them reach a huge audience. The industry, with $6.4 billion in annual revenue in 2001, is approaching the size of the $8.4 billion movie industry.

The Interactive Digital Software Association, an industry trade group, said that as of 2000, 60 percent of Americans age 6 and older play video games, and that in 2001, more than 225 million video games were sold, for consoles and for PC's.
John S. Riccitiello, president and chief operating officer of Electronic Arts, said, "We're finally getting to the point where our audience is big enough, and competition among advertisers is big enough, that people are putting money up."

Richard Guest, an account supervisor at DDB Chicago, McDonald's advertising agency, said video games present a way to "reach a difficult-to-reach audience — teens and young adults."

"They tend to be very savvy about marketing messages and very jaded at times," he added. "Any time you can reach them in a way that is contextually relevant to their lives is very important."

When Electronic Arts brings out The Sims Online "sometime in the autumn," according to the company, McDonald's will be integrated into the lives of characters in a variety of ways. Players, who will interact with each other through the Internet from their own PC's, will be able to direct their characters to eat Big Macs, fries, and Quarter Pounders with Cheese. They also will be able to purchase virtual kiosks from which they can sell McDonald's food, and, if they amass enough wealth in the game, become virtual McDonald's franchise owners.

The company declined to say how much it paid for the sponsorship. Electronic Arts said the deals with Intel and McDonald's constitute a "multimillion-dollar" package, but declined to break down the specific amounts being paid by each sponsor.

The development has given Tom Adkins food for thought, and criticism. Mr. Adkins, the deputy director of Commercial Alert, a nonprofit agency that advocates keeping commercialism "in its proper sphere," said the growing use of advertisements in video games is inherently deceptive because consumers "don't know they're paying $40 for a video game that's got advertising in it."

He said the development showed the growing merger of editorial and advertising content and the trend of "advertisers monopolizing cognitive space."

As for The Sims Online and McDonald's, he said the advertising is disingenuous. "If the characters got fat and had high cholesterol, it would be a more accurate depiction of what the products actually do," he said.