

Computer Games 2014

Introduction

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Agenda



- Business of Games
- Age ratings

Gaming Business



AAA Games

- Considered as premium game projects
- Big budget, broad market, high quality
- Large teams, exhaustively tested, etc.

AAA Games - Examples



- Assassins Creed III
 - Ubisoft, Action adventure
 - 2 ½ years development
 - Big development team
- NFS: Most Wanted
 - EA, Criterion
 - Racing



AAA Games - Examples



- Assassins Creed III
 - AAA -> a lot of work!
 - [Video on historical context and design pitch]

Gaming Business



Indie Games

- Independent video games
- Created without (big financial) support of publishers
- Typically relies on digital distribution

Indie Games - Examples



- World of Goo (2D Boy)
 - <http://www.worldofgoo.com/>
 - on site, Steam, Wii Ware, Mac Games Store, ...
- Braid (Number None)
 - <http://www.braid-game.com/>
 - Xbox, Steam, ...
- Journey(thatgamecompany)
 - <http://thatgamecompany.com/games/flower/>

Indie Games - Examples



- Jellyfisher - Soccer Blitz
 - 50,000 downloads on Google Play in 8 months
 - 250\$ in game ads revenue + 30\$ & in-app purchases
- Supercell - Hay Day and Clash of Clans
 - 29.4 million active users per day
 - \$ 5.15 million revenue per day



Games Ranking (Turnover)



iPhone-Spiele (nach Umsatz)

Pl.	Titel	Entwickler	Modell
1	Clash of Clans	Supercell	Freemium
2	Candy Crush Saga	King	Freemium
3	Empire: Four Kingdoms	Goodgame	Freemium
4	Hay Day	Supercell	Freemium
5	Die Simpsons: Springfield	Electronic Arts	Freemium
6	Top Eleven	Nordeus	Freemium
7	Quizduell	FEO Media	Freemium
8	Game of War – Fire Age	Machine Zone	Freemium
9	Megapolis	Social Quantum	Freemium
10	Lords & Knights	Xyrality	Freemium

Stand: 3. Januar 2014

Google-Play-Spiele (umsatzstärkste)

Pl.	Titel	Entwickler	Modell
1	Clash Of Clans	Supercell	Freemium
2	Candy Crush Saga	King	Freemium
3	Die Simpsons: Springfield	Electronic Arts	Freemium
4	Empire: Four Kingdoms	Goodgame	Freemium
5	Hay Day	Supercell	Freemium
6	Top Eleven	Nordeus	Freemium
7	Hobbit: Kingdoms of Middle-Earth	Kabam	Freemium
8	Megapolis	Social Quantum	Freemium
9	Jungle Heat	My.com	Freemium
10	Pet Rescue Saga	King	Freemium

Stand: Januar 2014

Gaming Business Models



Gaming-Businessmodelle gestern, heute, morgen

	Kunden	Entwicklungskosten	Kosten Kundenerwerb	Umsatz	Trend
	Konsole 200 Mio.	10+ Mio \$	Werbung	100 Mio. \$	➔
	Facebook 600 Mio.	100.000+ \$	1,20 \$	100+ Mio. \$	↘
	Internet 1,6 Mrd.	100.000+ \$	1,40 \$	100+ Mio. \$	↘
	Mobile 4,5 Mrd.	10.000+ \$	< 0,1 \$	10 Mio.+ \$	↘

Quelle: eigene Darstellung nach Bigpoint Zahlen

Gaming Business



Roles in the Games Development Process

- **Game Studio**
 - creates the game
- **Publisher**
 - production & QA
- **Distributor**
 - digital, on media

Game Studio - Examples



- Harmonix
- Naughty Dog
- Bungie
- EA Sports
- Quantic Dream

Publisher - Examples



- Electronic Arts
- Capcom
- Konami
- MTV Games

Distributor - Example



- EA Distribution
- Valve
- Sony
- Microsoft
- GOG

Distribution Media



Digital distribution

- Typically means “online” distribution

Digital media based distribution

- Blue-Ray, DVD, UMD, cartridge, etc.

Hybrid methods

- DVD with online registration
- Codes, cards, etc.

Distribution - Steam



- Created & maintained by Valve
- Supports indie games to AAA
- Includes community features
- Manages DRM (one online client)



Distribution - Xbox Marketplace



- Focus on indie, arcade and classic games
- Supports on demand downloads
- Based on virtual money (MS Points)
- Includes community features
- Manages DRM (one Xbox)



Distribution - PSN



- Focus on “smaller” games
 - indie, arcade, minis, PSP, etc.
- Supports on demand downloads
- Includes community features
- Manages DRM (one online, **2** installations)



Distribution - GOG



- Provides “old” games
- Working digital copies
- DRM free
- No community features
 - besides rating, collaborative filtering & comments

gog.com

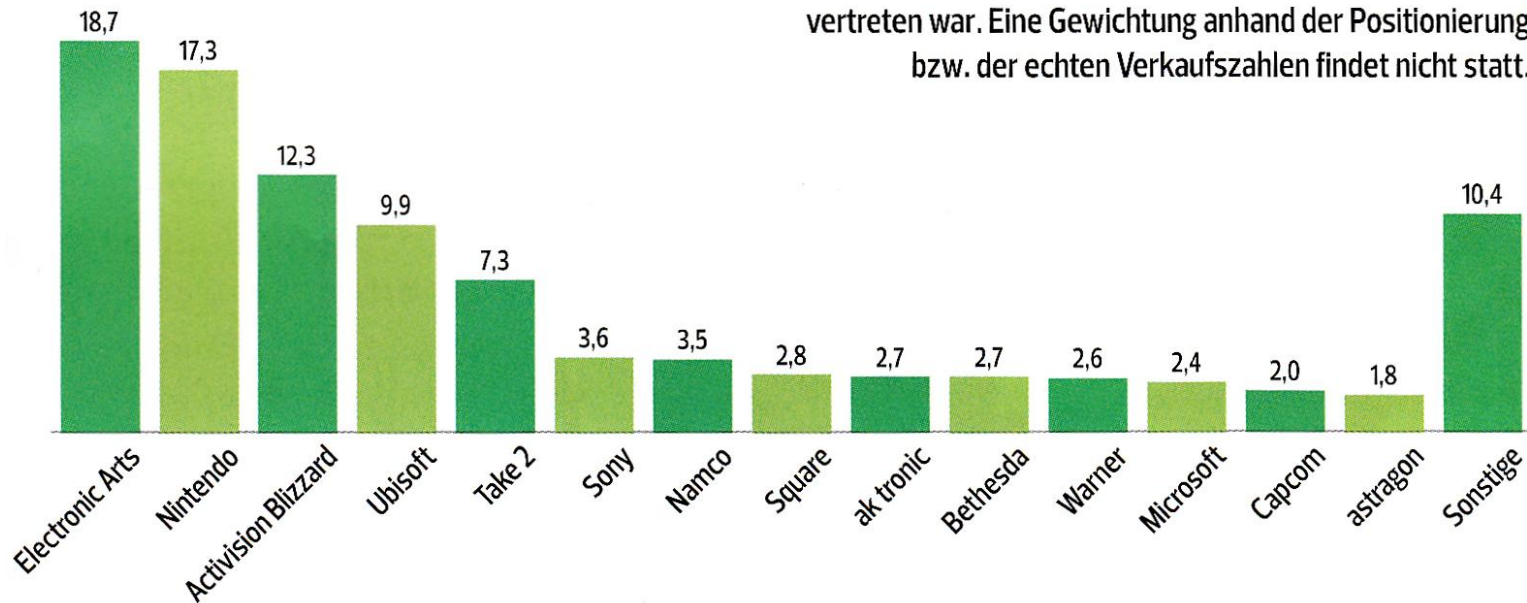
Game Business: Numbers 2013 (DE)



Labelanteile Top 100 Best-Selling

(vom 01. Januar bis 29. Dezember 2013, in Prozent)

Die Labelanteile geben darüber Aufschluss, wie oft ein Publisher in den Top-100-Best-Selling-Charts von media control vertreten war. Eine Gewichtung anhand der Positionierung bzw. der echten Verkaufszahlen findet nicht statt.



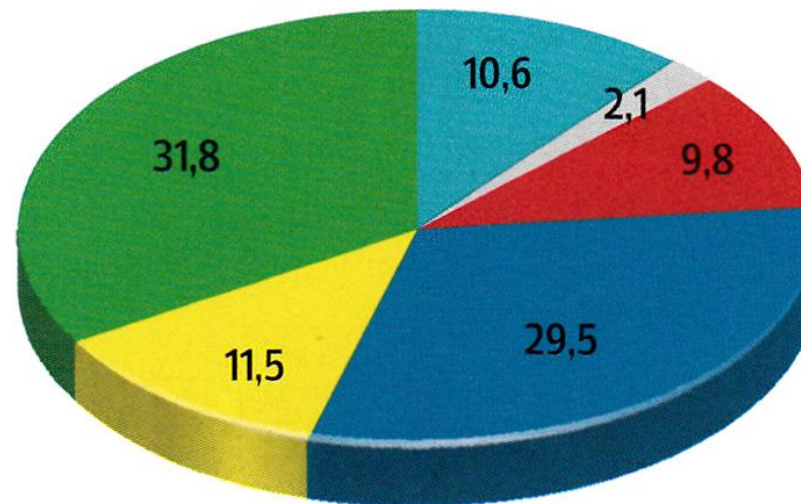
Game Business: Numbers 2013 (DE)



Anteile Plattform Top 100 Best-Selling

(vom 01. Januar bis 29. Dezember 2013, in Prozent)

Wii NDS 3DS PS3 Xbox360 PC

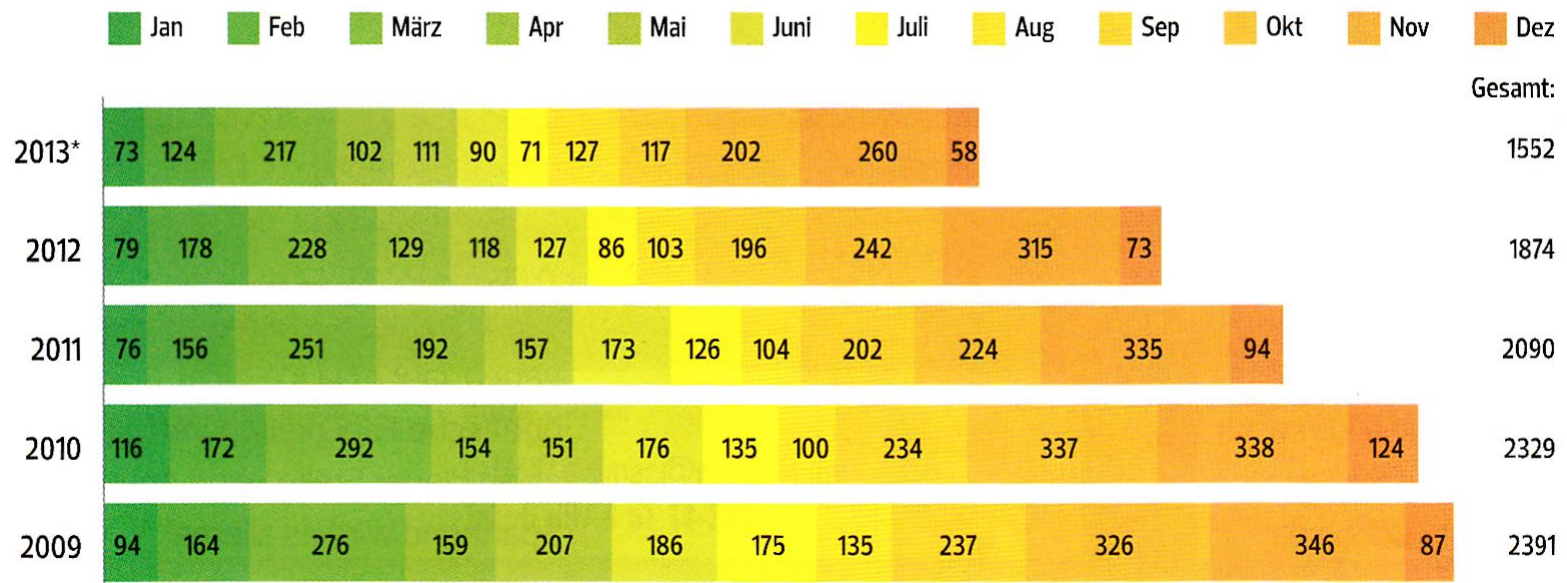


Game Business: Numbers (DE)



Gesamtzahl Releases nach Monaten 2009–2013

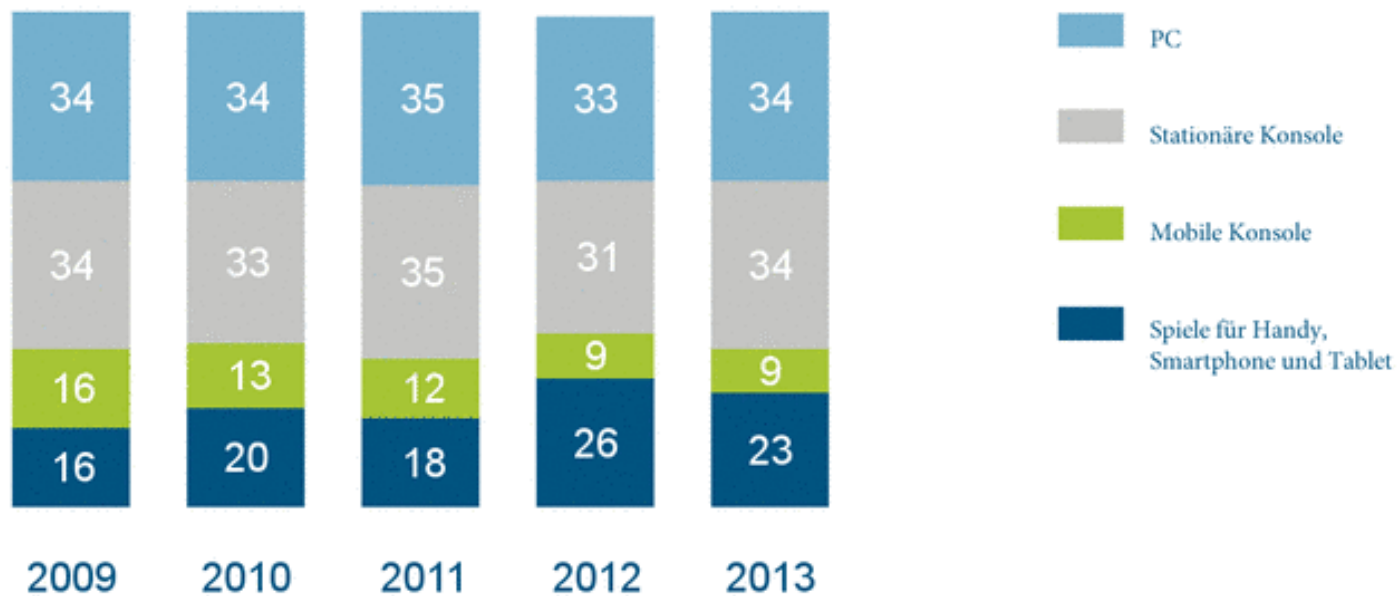
**Basis: gemeldete Spielereleases mit konkretem Releasedatum, exklusive unbestimmt angekündigter Titel*



Game Business



Prozentualer Anteil verkaufter Spiele für PC, Konsole und mobile Endgeräte



Game Business



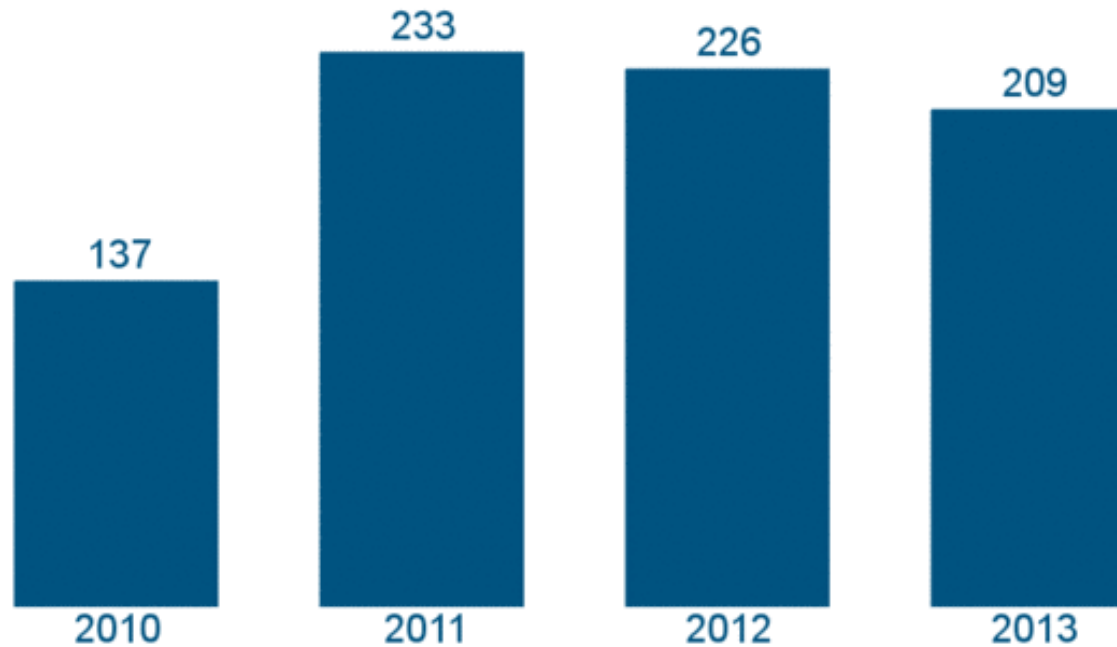
Absatz und Umsatz von Spielen für PC, Konsole und mobile Endgeräte

		2012	2013	2012 vs. 2013
Gesamt	Verkaufte Spiele in Mio. Einheiten	73,8	69,5	-6%
	Umsatz in Mio. Euro	1501	1470	-2%
	Ø Preis in Euro	20,36	21,16	4%
PC	Verkaufte Spiele in Mio. Einheiten	24,7	23,5	-5%
	Umsatz in Mio. Euro	464	392	-15%
	Ø Preis in Euro	18,82	16,69	-11%
Stationäre Konsolen	Verkaufte Spiele in Mio. Einheiten	23,0	23,5	2%
	Umsatz in Mio. Euro	818	862	5%
	Ø Preis in Euro	35,58	36,71	3%
Mobile Konsolen	Verkaufte Spiele in Mio. Einheiten	6,7	6,2	-9%
	Umsatz in Mio. Euro	180	176	-2%
	Ø Preis in Euro	26,65	28,55	7%
Spiele für Handy, Smartphone und Tablet	Verkaufte Spiele in Mio. Einheiten	19,3	16,3	-15%
	Umsatz in Mio. Euro	38	39	4%
	Ø Preis in Euro	1,96	2,42	23%

Game Business



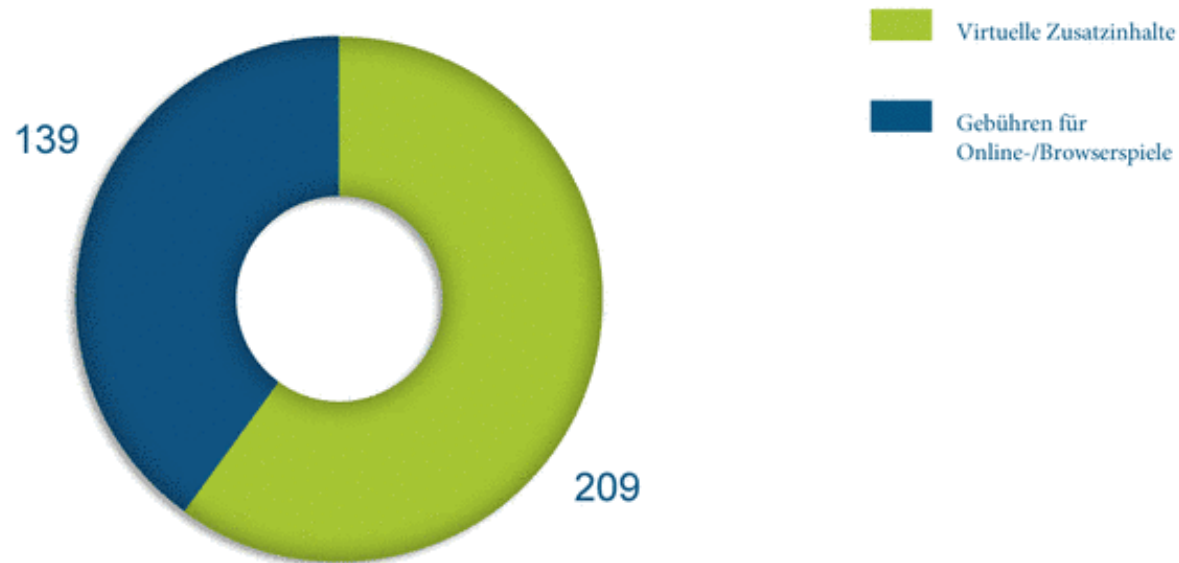
Umsatzentwicklung mit virtuellen Zusatzinhalten



Game Business



Umsätze durch Abonnementgebühren für Online-/ Browserspiele
und virtuelle Zusatzinhalte im Jahr 2013



Business Model: Bigpoint



- Online Browser Games
 - Bigpoint.com biggest German gaming portal
 - In the top 3 gaming portals world wide
- Publisher
 - Development (bigpoint.com & selbst), licensing
- Content Provider
 - e.g. Sevengames
- Developer
 - own game studio



Business Model: Bigpoint



- 54 browser games
 - with 2013-03-11
- More than 300 million registered users
 - with 2012-12-04, <http://bigpoint.net/press/>
- Selling virtual goods
 - Micropayment



Business Model: Bigpoint



Business Model: Bigpoint



Business Model: Bigpoint



FARMERAMA

1. Artikel auswählen 2. Bezahlart 3. Angaben 4. Bestätigen

Spielwährung

50 Tulpgulden	1,99 €	
300 Tulpgulden Spare 16%!	10,00 €	
750 Tulpgulden Spare 16%!	25,00 €	
1.500 Tulpgulden Spare 18%!	49,00 €	
3.300 Tulpgulden Spare 25%!	99,00 €	
50 Tulpgulden Zahlbar per SMS	2,00 €	
50 Tulpgulden Zahlbar per Telefon	3,63 €	

Gesamt:

Weitere Angebote

Spielwährung Premium Starter-Kit Specials

(c) 2011 Bigpoint GmbH | Impressum | AGB | Status & Vorteilspakete | Support | Promocode aktivieren | Tulpgulden tauschen

Business Model: Bigpoint



The screenshot shows the Farmerama website interface. A large, white, 3D-style banner with an orange border is placed diagonally across the top, displaying the text "4,99 € per month". The website header features the "FARMERAMA" logo on the left and a row of various national flags on the right. Below the header is a navigation menu with buttons for "Viehzucht", "Stadt", "Farmerweiterungen", "Premium-Vorteile", "Forum", "Spielregeln", "Support", and "Zurück". The main content area is titled "Premium-Vorteile" and contains the following text:

FARMERAMA bietet Dir ein Vorteilspaket an, das „Premium-Paket“. Alle Premium-Pakete können monatlich abgeschlossen werden. Jeder Spieler kann die Dauer seines Premium-Pakets wählen:

- 6 Monate
- 12 Monate

Below this, the "Premium-Paket" section lists several benefits:

- Gute Kunden – Du bekommst jeden Tag doppelt so viele Aufträge!
- Dickes Auftragsbuch – Speichere statt 10 bis zu 20 Aufträge im Bauernhaus!
- Großer Misthaufen – Dein Misthaufen hat das doppelte Fassungsvermögen!
- Unendlicher Wassertank – Dein Vorrat an Wasser wird nie ausgehen!
- Mehr Ressourcen – Beim Ernten profitierst Du von einer 5% höheren Chance, tolle Ressourcen zu bekommen.
- Große Nachbarschaft – Du kannst nun bis zu 24 Freunde zu Deinen Nachbarn machen.
- Wilde Wiese & Ziergarten – Der Zugang zu beiden Flächen wird Dir freigeschaltet.
- Wachturm – Mit dem Zugang zum Wachturm kannst Du aktivieren, dass das Unkraut auf Deiner Farm sofort gejätet wird und Deine Bäume automatisch abgeerntet werden.

Business Model: Gameloft



- Publisher and developer
 - mobile games
 - console games
- Develops for
 - Java, Brew, Symbian
 - WiiWare and DS, HTML5, Smart TVs
 - Microsoft's Xbox LIVE Arcade, PC, Mac
 - Apple's iPod, iTouch and iPhones



Business Model: Gameloft



- 28 studios
- 5,000 developers
- 1,000 cell phones models supported
- 208.3 million € sales in 2012

Business Model: CryTek



“From AAA Retail to AAA Online”

- Product: Box vs. Service
- Gamers: Who will pay?
- Process: Gold Master vs. Open Beta+

AAA Online: Product Characteristics



- Communication is key issue
 - The community is always right
 - responsiveness
- Iterate forever (almost)
- Path to fun is critical
 - Instant fun vs. learning curve
- Virtual goods vs. boxed game

AAA Online: Gamers



- SHEEP (90-95 of 100)
 - Love shiny content, enjoy game horizontally
 - Do not dig deep into levels, features or difficulty
 - Make up the community - both in demographic and size
- WOLVES (4-9 of 100)
 - Fans, dig vertically into game & appreciate depth
 - Enjoy online games in the same way as box buyers
 - Spend money to save time, not to dress up
- WHALE (0-1 of 100)
 - Wealthy, spends \$\$\$ per month to show off
 - Wants to get everything quick, spends also to speed up
 - Buys everything contributes most to *avg. revenue / user* (ARPU)



Where to go?



According to C. Yerli:

- Almost every AAA retail game can be transformed into a F2P game, in-game economics
- If not from scratch F2P, establish hybrid solutions now
- The minimum: Prepare your retail release for a follow up F2P release

Agenda



- Business of Games
- Age ratings
- Game Taxonomies

Entertainment Software Rating Board (ESRB)



- For interactive entertainment industry
 - North America
 - Non-profit, self-regulatory
- Goals
 - Assignment of ratings
 - Enforcement of advertising guidelines
 - Help in ensuring online privacy practices

ESRB Ratings Process (1)



- Ratings Process
 - in final stages of development
 - prior to a game being released
- Publishers submit
 - responses to ESRB questionnaire
 - supplementing with lyric sheets, scripts, etc.

Pan European Game Information (PEGI)



- European “ESRB”
- Fully supported by the European Union
- Focus on protection of minors
 - Does not rate challenge or educational value



PEGI Ratings



Unterhaltungssoftware Selbstkontrolle (USK)



- German institution
 - based on the law on protection of minors
 - very strict in Germany (e.g. mail order)
- Games w. USK rating are sold in AT & CH
 - Although PEGI is used there
 - Just one version with German translation





- Games considered “jugendgefährdend”
 - Are not rated by the USK but by the “Bundesprüfstelle für jugendgefährdende Medien”
 - Get on a list of media harmful for minors
 - Cannot be advertised in stores and media or sold to minors
- Criteria

“... vor allem unsittliche, verrohend wirkende, zu Gewalttätigkeit, Verbrechen oder Rassenhass anreizende Medien sowie Medien, in denen (1) Gewalthandlungen, insbesondere Mord- und Metzelszenen selbstzweckhaft und detailliert dargestellt werden oder (2) Selbstjustiz als einzig bewährtes Mittel zur Durchsetzung der vermeintlichen Gerechtigkeit nahe gelegt wird.”

Assignment



- Readings
 - The Ups And Downs Of The Casual Gaming Market (tsa)
- Watch
 - How Hard could it be - The Story of a cinematic by Brian Kindregan (Blizzard Entertainment)
- Downloads on the web page