



March 11, 2013

Agenda:

- **Article of the Week** – Influence of Business Models on Game Design *by Chris DeLeon*
- **Reflection** – Dinner With Jaclyn Simmons
- **Dream Job Application Assignment**
- **Reminders**
 - Remember to register for the talk with Marshall Seese (April 6th) on Eventbrite
 - 2nd Checkpoint Presentation – April 1st
 - 6 weeks remain before the Showcase!
- **Have a good Spring Break!**

Article of the Week

Influence of Business Models on Game Design *by Chris DeLeon*

<http://www.hobbygamedev.com/adv/influence-of-business-models-on-game-design/>

I wrote this for a [thread at game-design.org](#) (an extremely new developer forum in [semi-open beta](#) – I figure anything on [r/gamedev](#) can't be too secretive, right?) about the ethics of microtransactions. It seemed suitable to share here as well, though since it originated as a forum post it's even more casual than I tend to go for on this blog.

I feel like we're not giving past game design a very realistic or fair view, and that some additional context here might help for the sake of perspective.

In addition to being one of the earlier replies in this discussion, this is also a perfectly common position to hear from designers talking about this question:

> I don't have an ethical problem with microtransactions, except where a game is designed to manipulate people into spending extra money.

Open disclosure: I personally don't play social games, games with microtransactions, or free-to-play.

But I did grow up playing a lot of arcade games, and NES/SNES ports of arcade games. A lot of today's game designers, since we grew up playing that stuff, idolize and admire that era of games.



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Those games were absolutely designed to manipulate people into spending extra money. Ninja Gaiden and Final Fight showed our hero about to get buzzsawed or blown up if we didn't continue. A lot of the games that were two-player co-op, for example Marble Madness (and this is something Mark Cerny said outright at GDC a few years ago) were specifically made 2-player simultaneous so that the game could chew through twice as many coins at the same time – and the 4-player TMNT, Simpsons, and X-Men games clearly thrived for (and were likely made for) the same reason. Coin-driven games are also where Nintendo-hard came from, because the hard Nintendo games were typically ports of games that had been designed for arcades (or at least by arcade game designers), i.e. intended to kill off the player within a few minutes (in the tradition of Donkey Kong, Asteroids, Centipede, Defender, Joust, Q*Bert, Pac-Man, Missile Command, Tempest...).

Street Fighter II made the defeated fighter look beat up and shamed after the match, even with built-in (textual) trash talk. To challenge someone else to earn back your pride would cost another coin. To practice and become become skilled enough to win when challenging someone else was going to cost even more coins. I think part of the game's success even as a console game came because when it hit SNES and Genesis arcades were still socially active (read: relevant to business) places, and the home version gave us an edge from being able to practice without burning through change. That's what got me excited about it being a pretty faithful recreation of the arcade game when I was a kid – otherwise I certainly didn't care nearly as much then as I do now about accuracy of emulation/ports for its own sake.

In the even earlier console market on a separate design trajectory than the arcades, Atari Adventure and Pitfall hit on the point that for home games a longer play session might be desirable, and that's the direction that Zelda and Dragon Warrior / Final Fantasy later popularized even further. While it's not nearly as common anymore due to the ability to download online demos (though I hear it technically still happens in places, and via a few mail services that I don't know anyone actually using), recall that people used to rent the full games for a couple of days at a time from Blockbuster, or Liberty, or Hollywood Video or whatever. That reinforced that games of a certain length were destined to be rented instead of bought, dictating a certain genre and length of content in order to translate to sales.

When games shifted to a shareware/episodic model in the early 1990's with id Software's Wolf3D and Doom popularizing that as a sales channel, that favored certain lengths and genres to be able to upsell people effectively to buy the full versions. Companies that tried to used that model who didn't heed certain design patterns may have still gotten downloads but not sales – I personally know a ton of



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people that played Snood, but no one that paid a penny for it, it was like the WinRAR of downloadable games at the time.

Briefly, expansion packs were a common way companies tried to diffuse the massive costs of developing new engines and IPs, without going to the full length of generating expensive sequels with higher expectations. We've seen a shift away from that toward more granular DLC, but the same kinds of design and production discussions are still happening, just about, "What kind of game can we make for which DLC will work well" instead of about genres that players would buy an expansion pack for.

Steven Kent, in *The Ultimate History of Video Games* [sic], explained that Pokemon – an IP that a whole generation adores – was an idea executed by Nintendo because it would get Game Boy players to buy and use Gamelink cables. (I.e. in case the theme being "Gotta catch'em all" didn't make it sufficiently clear, the Pokemon franchise was explicitly designed to manipulate people into spending extra money.)

The goal of MMO's is to keep people tied up enough in continually added content and their social obligations that they won't cancel their subscriptions. The goal of addictive little mobile games is to get people to keep pulling up the game frequently enough when standing in line or waiting for the bus or before class to get others around them to notice them playing and ask about it (I'm looking at you, Angry Birds).

The method of a game recouping its costs dictates certain priorities in its design. Games that capitalize on a channels affordances become the highest grossing in their category, making them the most recognized brands and the designs most copied by peer companies in an effort to split that pie.

When I first heard anything about microtransactions in the United States, before the iPhones or Facebook apps, it was from a (at the time fellow) AAA developer telling me that someone had finally found a way to get China to pay money for software. The Chinese players would pirate full games, there was simply no way to sell them \$60 USD retail, that's not how that part of the world works/worked. However they *would* willingly throw down a few pennies here, a nickel there, even a dime to get temporary boosts and benefits in their games. Bam, just like that, a billion more potential customers just fell within the industry's sights. Not long after that, developers discovered that character customization microtransactions were often more palatable to Western gamers that were typically more obsessed with meritocracy and expression of individuality.



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When we get into games as players, we don't necessarily think about the connection between the game's design and how that connects to its method of payment. We just play the games we like. When the dominant economic models that games get paid for change, then the design principles that are successful within those markets change, and we may find that our tastes were left behind or become niche, while products we don't care for suddenly become the primary interest of new companies making the next wave of games.

I know some people that really, truly, genuinely enjoy playing social games on Facebook, that feel like microtransactions are a perfectly acceptable and normal part of play. They don't like the kind of games I like. I prefer the old arcade game level of difficulty – I turn to pinball machines to feed my antiquated tastes (as much designed to manipulate people out of their quarters if anything was) – and I realize that doesn't suit everyone's tastes.

I acknowledge though that the games I grew up playing were often designed with the economic models of their time in mind, and that the same is true now, only the methods and timing and nature of payments have just changed. The types of games designed to seek profits in these new and different conditions and payment schemes haven't necessarily been my cup of tea, but they clearly appeal to a lot of other people.

It seems almost as though the metaquestion actually [being discussed here \[link back to the original thread\]](#) is something along the lines of: what are players who got into games for how they used to be designed (as a function of formerly dominant payment schemes) ok with in games that rely on microtransactions?

To the extent that many players of microtransaction games – I even suspect most players playing those games – weren't and aren't actually players of "core gaming" releases on HD consoles, arcades, or top-of-the-line PC rigs, but were instead maybe the sort of player who liked Peggle and Diner Dash and WiiSports or computer MahJongg, it seems like this line of discussion risks skewing our priorities as designers even further toward satisfying our own interests based on the types of games that we grew up playing. We're probably not a particularly representative sample of the players that microtransaction games seem to genuinely appeal to.