Changing the Paywall in Single-Player Games

Faculty of Arts
Department of Game Design

Max Barnell
Degree Project in Game Design, 15 ECTS Credits
Game Design and Programming
Supervisors: Masaki Hayashi, Jakob Berglund Rogert
Examiner: Iwona Hrynczenko
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Abstract

Game companies are always looking for more ways to increase consumers and their revenue as well as how consumers purchase games. Several business models have been introduced that this thesis will look at, free-to-play, adding downloadable content to existing games, freemium and premium games.

This thesis attempts to provide answers to what business models there are available for game developers and how that would influence the development of the single-player games to lower the point of entry for the consumers. It will focus on narrative single-player games and will use the business models to try and answer the question.

A survey was handed out that investigated the respondent’s reaction to changes for BioShock Infinite developer by Irrational Games. The models were presented and compared to how the respondents reacted to the questions.

Together with how companies are releasing games now this thesis came to the conclusion that in order to lower the entry point, the games need to be split and released episodically, together with increased downloadable content that added further playability to the game.

Keywords

Business Models, Game Design, Paywall, Single-player, Entry Barrier.
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1 Introduction

This paper focuses on changing the initial paywall\textsuperscript{1} of narrative single-player games on computer and console that consumers face each time they want to purchase a game. Paywall refers to the wall made out of a money transaction a consumer has to make in order to enjoy a certain activity or object. It investigates what business models there are available to game developers and what effects these would have on the games.

1.1 Background

Single-player narrative games have a history of being buy to play, purchase a game and be able to play all its content without limitation. The price for a single game has risen steadily in the last year and years past, from 2013 to 2014 the cost of games rose from being $49.99\textsuperscript{2} in 2013 to $60\textsuperscript{3} in 2014.

This is because of the increased development costs and the need for return of investment. The development cost for games have risen from one million in 1996 to five million and up today\textsuperscript{4}, going as far as costing $115 million to develop and $150 million to market\textsuperscript{5} as was the case with GTA V developed by Rockstar Games\textsuperscript{6}.

This paper examines alternative business models that can be used to lower the entry barrier and also decrease the development cost of games.

1.2 Theory

In their paper, The New Business Logics of Video Games: Triple Evolutionary Processes in Perspective\textsuperscript{7}, The authors investigate value chains, ads and products within games, marketing of games and the uses it has for publishers, different types of games such as advergames and alternative reality games. They focus on the publishers’ side of view and how different value chains can be used and in what context they are used. They mention that ads and products within games have to be done so as not to break the immersion of the game world.

\begin{itemize}
  \item \textsuperscript{4} http://www.nbcsnews.com/id/3078404/ns/technology_and_science-games/t/top-video-games-may-soon-cost-more/#.U5FxvPm1YSM
\end{itemize}
RPGs (Role-Playing Games) are typically well suited for alternative business models and to survive without the traditional buy to play. Narrative single-player games tend to mostly refer to role-playing games and other story based games such as adventure games. The difference between the two genres is that in adventure games the decisions that the player can make is usually limited, while in role-playing games the player usually can interact and change the world via missions, dialogue with non-player characters, combat and other features.

2 Purpose

Contrary to The New Business Logics of Video Games: Triple Evolutionary Processes in Perspective, this thesis will investigate business models for decreasing development time and how to lower the entry barrier cost for consumers.

To investigate this several methods have been used. It studied the demo, why it worked before and why it potentially does not work anymore, how social games handle their revenue stream and why that cannot be an option for the computer and console and what different business models there are.

A survey was conducted that focused on BioShock Infinite and which was compared to an already free-to-play game: Path of Exile. The survey served as the basis for acknowledging or disproving the business models.

3 Limitations

This thesis mainly examines two games: BioShock Infinite (third installment) developed by Irrational Games and Path of Exile developed by Grinding Gear Games. It examined aesthetic items, items that will let the player enjoy the game in a better way and the ability to buy items which in turn makes the player either more powerful within the game or make the player gain the ability to increase their limit when it comes the number of items they can store at any one point. It will look at episodic releases, freemium and premium as well as downloadable content.

The thesis does not examine multi-player, or games that is not narrative single-player games or not on the computer or on a console.

With social games this paper only examines mobile and Facebook games.

4 Method

A number of different methods were used in order to gather the data required to investigate the question. The primary method was a survey and a case study of BioShock Infinite. Secondary method was to compare BioShock Infinite with Path of Exile which already is free-to-play. Tertiary was the use of outside sources that acts as corroboration for examined results.

4.1 Study of Business Models

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BioShock Infinite currently uses a buy to play business model with additional content the consumers can buy as downloadable content. It requires a one-time investment to procure the game with no additional fees aside from optional downloadable content.

This paper has focused on a specific set of business models that attempts to use them to investigate the question. It focuses on episodic releases, freemium and premium content, social games as well as downloadable content.

Episodic releases are a release schedule that can be divided into seasons and episodes, freemium and premium are free-to-play games with premium content that can be purchased with money. Freemium is a soft pay wall where the consumer gain entry for free and can buy perks within the game, premium is a hard pay wall where there is an initial fee to gain entry and where there is additional content to procure through in-game purchases. Social games is games found on mobile phones and Facebook.

4.2 Case study survey focused on BioShock Infinite

BioShock Infinite is the first of two games that was used to test out the hypothesis when changing the point of entry for a game.

It is a first-person shooter game where the player takes on the role as Booker DeWitt who accepts an assignment to go and retrieve a girl named Elizabeth. To do so he has to travel to a city in the skies and get her back. The game involves shooting with weapons and casting spells with something called vigor. Vigor is a substance the player digests and by doing so gains special powers like being able to levitate objects, turn enemy machines to your side, to create a shield around the player and so forth. At the players disposal there are other accessories such as a grappling hook to jump from lamp post to lamp post or other protruding objects in the environment.

We investigated how its point of entry could be lowered, as well as if there was any difference when it came to single-player games opposed to multiplayer games or Massive Multiplayer Online Games. Comparisons to the mobile and Facebook market were also made, primarily looking at models used in those segments and if they could be applied to BioShock Infinite.

4.2.1 Choosing the Games

BioShock was chosen because of its focus on linear storytelling and that it did not have a multi-player part. For comparison Path of Exile was chosen, it was chosen because of its opposite of what BioShock is. It is an online game that has no entry barrier but a lot of premium content.

4.2.2 The Questionnaire

The questionnaire was conducted online and SurveyMonkey⁹ was used to distribute and collect the answers. It was handed out to people online and most of the target audience group was game design students. Game design students were chosen because of their potential additional viewpoint as being aspiring professionals in the field and that they could be more open-minded to different business models because of it.

5 Business and revenue models

During the history of video games there have been attempts to gain more consumers by changing the paywall either by making the initial game session free or lowering the price for the entire game.

To understand how BioShock, Path of Exile and other games work, a brief understanding of the business models they use is required. Especially because of the wide variety of effects they have for the consumers and how the entry barrier is in each of the business models.

These business models were chosen because of their popularity among publishers and are the ones that are prevalent, either now or have been in the past. Both positive and negative ideas from the business models will be brought up and give a picture of how the market looks.

5.1 Buy to Play

Buy to play refers to the concept that the consumer pays a set price to obtain a game and then have access to the full game without limitations. Buy to play games can have additional content released later that cost money but they are optional. BioShock Infinite was released as a buy to play game. Consumers paid $59.99\(^\text{10}\) to gain access to the game. Once obtained the consumers could play through the entire game without any additional fees. Buy to play has a large entry barrier due to its nature of one-time purchase and that companies rely on sales alone to gain revenue.

5.1 Episodic Releases

Episodic releases refer to the concept of releasing the game over a set amount of episodes, much like TV-shows do it.

The Walking Dead is a game that uses episodic releases as a release plan. For the makers of The Walking Dead, using an episodic release method is something they do on a regular basis\(^\text{11}\) and they do it as TV-shows would do it, having a season that is divided into different episodes.

Telltale Games charges for a whole season upfront\(^\text{12}\), they receive money from the first episode and they also gain revenue for all future releases in that season with the initial purchase. The consumers know it will be released in small chunks\(^\text{13}\) and they treat it like a TV-show and even play it together with other people – even though it is a single-player game\(^\text{14}\).

With episodic releases the initial price can be lower to start playing the game and with lower price comes more consumers.\(^\text{15}\) They also gain revenue while they are working on sequential episodes, thus requiring less risk and investment to gain revenue.


\(^{13}\) http://www.telltalegames.com/walkingdead/season2-faq/ [Accessed 15 April 2014]


5.2 Downloadable Content

Games have adopted a concept that lets the player purchase additional content after a game’s initial release (Downloadable Content or DLC). There are several different types of content that is being used this way. Depending on genre it can range from clothes and furniture in The Sims 3 to new story in Skyrim. Companies use it as a way of primarily gaining revenue but also to increase the playability of their game.

Day one DLC means that the day the game is released there is also new downloadable content to purchase for those that want to. There are several reasons why this can lead to critique.

One of which is that the consumers aren’t professional game developers, they don’t understand why there is a day one DLC. That one of the reasons that it is there is that when a game reaches a certain stage, some people find themselves done with the project as a whole. Sometimes those people are placed to add additional content that was not planned – and still is not – to be in the initial game. So they might end up being done with the additional content when the game is to be released and rather than sit on the content for a few weeks it gets released at the same time as the original game.

Bethesda released a downloadable content for their game The Elder Scrolls IV: Oblivion. This downloadable content was only horse armor and it did not bring with it any gameplay at all. The initial response was an outcry from the community, but as time went on that type of downloadable content became the norm, aesthetic content became that which was the most accepted form of downloadable content.

Bethesda charged $2.50 for the downloadable content and still had sales in 2009, as well as coming in at the ninth spot in their most purchased DLC since launch.

The positive of having a day one DLC is that there are more content at the start when the game is initially released. It can also be used as incitement with pre-ordering the game or as a bonus for purchasing the game within x amount of days.

With downloadable content, the chance to get whales is also introduced. A whale is a consumer that spends more than the average consumer and is the one that the company wants to attract because of their spending habit. It is not uncommon for a whale to be able to spend more than $1000 on a single games in-game store.

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5.3 Freemium and Premium

Freemium games and other online content is something that is contrary to buy to play, free to start playing or using and that has in-game items, content, benefits that can be procured inside the game or other online content. Many massive multi-player online games use a freemium model and it is becoming more and more prevalent in the online market. It is not used in a wide degree in single-player games. Freemium games often have tiered levels for users, the first one, the free tier has the basics: (E.g. Play up to level 95, classic races and classes). The second tier is premium tier where they gain (E.g. two additional character slots and they can carry five gold on a single character as well as gain faster login). The last tier is VIP, to go to VIP consumers has to pay a monthly fee and gain additional benefits.

The free tier in games tends to have the lowest amount of benefits necessary to still being able to join and enjoy the game, it also is restricted in what can and cannot be done within the game. In Lord of the Rings Online’s free tier the player can only have one character per server and their gold carrying capability is limited to one gold.

Premium content is also used as a bonus to the consumers that purchase a more deluxe variant of the game, such as a Digital Deluxe or Collector’s Edition. Consumers gain in-game items or content and sometimes they also gain real world items that is included in the box that is exclusive to that Edition. One such item was the night vision goggles that were included in the Call of Duty: Modern Warfare 2 with the Prestige Edition.

Some games like Dungeons and Dragons Online has a whole smorgasbord of premium gameplay content where consumers can buy additional content to enjoy within the game that is outside the normal play experience. These typically include exclusive items that can only be acquired when playing said content.

The freemium and premium business model was born in South Korea with their PC bangs that players hanged out in and that in turn changed how they consumed games, from having subscription based business models to paying a fixed amount based on the time they played in the PC bang. This subsequently gave rise to real-money-trading (RMT) and eventually premium items that could be procured in-game. Real-money-trading is a model that lets consumers purchase in-game items for real world currency and is often referred to items that enhances the power of the consumer’s character.

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32 Culture and Business of PC Bangs in Korea, Games and Culture 2008 3: 26
In the 2000’s the free-to-play business model was introduced to the western market via Runescape\(^{33}\) (a browser based Massive Multiplayer Online Game) and later to the audience that play massive multi-player online games in another medium than in the browser thanks to Turbine\(^{34}\). Their income in games such as Dungeons and Dragons Online rose with 500 percent\(^{35}\). They also changed how in-game items were acquired and what could be procured.

\[\text{“We wanted to make sure that the play experience wasn’t cheapened by the store being there. Nothing you can buy gives players a concrete advantage over others in terms of progression.”}\[\]

\[\text{“Everyone can play through the content without ever getting anything from the store, and they’ll have a fine time of it. What we’re pretty proud of with the whole system is the fact that the player owns any content they buy.”}\[\]

\[\text{“If you buy a content pack from the DDO store, on the other hand, it’s yours forever, regardless of whether you’re currently subscribed or not. If you’re normally a VIP and have a rough month financially, you can go back to the free-play model and still play what you purchased in the store.”}\[\]

Turbine changed it so that when a consumer purchased content from their online store for Dungeons & Dragons Online they could play that content whenever they wanted. It did not end if they cancelled a subscription they had in the game or by any other mean. Compared to having a subscription model where you could only enjoy the content if you continued to purchase a subscription each month.

Freemium has a low entry barrier as it is free and premium content that lets the company gain more revenue for small items or larger story content.

### 5.4 Demo

A demo is a small playable part of a game that is given out to the public to be played for free.

The demo had the prevalent era during the infancy\(^{37}\) of the internet, when gaming magazines were the only way to get news regarding games. Usually there would be a CD attached to the magazine or book that contained different demos’ for new and old games\(^{38}\).

It was primarily there so that consumers could try out the game and eventually buy the game\(^{39}\), another reason the demo existed was to let the consumer know that the game would install and run on their machine\(^{40}\).


\(^{37}\) With infancy of the internet I am referring to when the general public started to use it in a broader fashion.


\(^{40}\) \url{http://www.puppygames.net/blog/?p=1394} [Accessed 03 April 2014]
The biggest advantage to having a demo earlier was to turn testing players into payable consumers and in the end, make a profit from it. Taking a look at Puppy Games which did demos long after everyone else stopped, from 2010 to 2013 consumers that tested the demo and then went on and made a purchase made up six percent of sold games. But if you just examine the last year, the sold games that were made with a consumer previously testing the demo, then they only made up one percent of sold games.

5.5 Social Games

Most apps sold on the App Store has a price point of €0.99, $0.99 or SEK 7, this was decided by Apple in 2013 and has been the norm since then. Games on mobile have different versions, one free version that displays ads while playing and another that costs money to procure and the consumer do not have to look at ads while playing.

An in-app purchase is a method that lets consumers buy additional content inside their game and some games rely on this to get revenue.

What most of them have in common is that they try to make the game accessible to the broad audience to gain as many downloads as possible to climb the ladder in each app store. The ladder is a top-list for each genre and is the first thing a consumer sees when entering that genre in the app store. The higher up a game is the more exposure it gets to consumers per automatic. To reach the top the game need people to download the game and each download increases the counter and the top-list is sorted by downloads, going from highest to lowest.

Most games on mobile and Facebook are designed to be played for a short duration at a time, this is because a smartphone is used on average, 58 minutes a day and only eight percent of that is spent on playing.

Since the games on social media has to be short, give a lot of replayability they do not have that long of a development time and cost as games on the computer and console that most of the time wants long play-sessions.

6 BioShock and Path of Exile - Comparison

Path of Exile is an action role-playing game, which main focus is to kill hoards of monsters so that the player can get new items. This is done repeatedly and the story in the game is secondary compared to BioShock’s story which is the center of the game.

It is a freemium game and contains premium content that the consumers can purchase to gain alternative effects of spells and aesthetics of items and more. Because it is free to start playing, the entry barrier to start is reduced to zero which allows more people to try it than

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41 http://www.puppygames.net/blog/?p=1394 [Accessed 03 April 2014]
42 http://www.puppygames.net/blog/?p=1394 [Accessed 04 April 2014]
might have been possible if it had been buy to play. The premium content allows whales to spend as much money as they want into the game, unlike the buy to play model that only lets consumers make a one-time purchase. It is also a multi-player game that can be played with up to five people together or be played solo.

BioShock on the other hand is buy to play and is reliant on actual sales to gain returns on their investment. They have four downloadable contents, two of which is story and the other two is items and other aesthetic objects. This limits the potential spending the whales can do within the game and the entry barrier is higher due to the initial price point of the game.

Both BioShock and Path of Exile has downloadable content, in Path of Exile this is called premium content and is several items\(^{47}\) that the consumer can purchase how many times they like, while in BioShock it is a bit larger like Burial at Sea\(^{48}\) which is an additional smaller story and new environments to explore. Once a consumer buys a downloadable content in BioShock there is no need to purchase the same one again. Additional purchases of the same downloadable content yields no extra benefit unlike Path of Exile. BioShock also have a pack that the consumer can buy that contains almost all of the currently released downloadable contents\(^{49}\). The Season Pass\(^{50}\) is one such pack, it contains both the episodes of Burial at Sea and four exclusive items.

In Path of Exile the notable content a consumer can purchase is extra tabs\(^{51}\), this lets them store more items that can be used on the characters or other characters without the need to sell items because of being full and in BioShock it is the Season Pass that includes items and other upgrades that makes the character more powerful. They both let players do what would be impossible to do without them.

BioShock has a linear story that takes the player from place to place to reach the end of the game. Path of Exile has a similar build to their story. Players cannot interact and change the story in either of the games. The difference is that when the story ends in Path of Exile the players can still continue playing the game and with BioShock when it is over then the game ends and the players cannot continue playing the game unless they start over again.

To be able to continue playing the game lets the players use their downloadable content more than if the game would end once it is finished. Again, letting the whales make even more purchases thanks to the endless playability of Path of Exile.

This all leads to Path of Exile having a very low entry point to start playing the game with a lot of purchase options for players to enjoy and especially whales to take advantage of. While on the other side BioShock relies on initial sales and a large entry barrier to get people to play the game with no incitement for whales to keep on spending.

7 Results

The result of the survey that was conducted will be presented and explained. Both the questions that is specific to BioShock and more general questions.


7.1 Survey

The survey’s goal was to examine how people would react to changes made to BioShock Infinite and what potential changes the game could do to facilitate more purchase options and lower the entry point for the game. All the questions asked relied on that BioShock was free-to-play and instead would be relying on different options to gain revenue.

The survey was answered by 54 people, whom 22 percent of respondents were female. The majority of them were in the age range of 20-25 by 56 percent, second highest range was 26-30 with 28 percent.

Most of the respondents did not play mobile or Facebook games with 48 percent and most of those that played games on mobile or Facebook did so for 0-10 hours per week with 41 percent of the respondents.

When it came to their play habits either or both on PC and console it was more scattered, 37 percent played for 0-10 hours a week while 30 percent played it for 11-20 hours. The number of respondents that play longer than that makes up 24 percent.

37 percent of respondents regularly purchased games; of those that did not regularly purchase games 46 percent sometimes did purchase games. 61 percent usually purchased one game a month and 22 percent never bought games.

7.2 General Survey Results

**Figure 1. Evaluation of respondents values of different in-game alterations.**

<table>
<thead>
<tr>
<th>Rate the statements below from 0 to 10, where 0 is don't agree and 10 is completely agree, 5 is indifference towards the statement. Have in mind that the game is free and that it is a single player game when answering the statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would play games on PC/Console that had in-game purchases</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>7</td>
<td>0</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>13</td>
<td>5,57</td>
</tr>
<tr>
<td>I wouldn't mind seeing adds in my game during loading screens</td>
<td>17</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>5</td>
<td>0</td>
<td>3</td>
<td>7</td>
<td>1</td>
<td>7</td>
<td>4,39</td>
<td>54</td>
</tr>
<tr>
<td>I would be ok with having adds placed around the environment in a tasteful and fitting way</td>
<td>20</td>
<td>4</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>3,83</td>
<td>54</td>
</tr>
<tr>
<td>I would buy content that enhanced the story in the game</td>
<td>15</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>9</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>4,39</td>
<td>54</td>
</tr>
<tr>
<td>I would buy content that enhanced my power in the game</td>
<td>26</td>
<td>8</td>
<td>8</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>2,56</td>
<td>54</td>
</tr>
<tr>
<td>I would be ok with having limited life and more life could be gained with time and/or money</td>
<td>24</td>
<td>9</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3,04</td>
<td>54</td>
</tr>
<tr>
<td>I would be ok with being able to purchase new skins(clothes, armour etc) for enemies, myself or other NPC’s</td>
<td>9</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td>9</td>
<td>3</td>
<td>12</td>
<td>6,07</td>
<td>54</td>
</tr>
<tr>
<td>I would be ok with being able to buy more powerful weapons</td>
<td>29</td>
<td>5</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2,65</td>
<td>54</td>
</tr>
</tbody>
</table>

52 See Appendix A for further statistics about gender, age and play habit.
The respondents were asked to answer a number of statements and rate their agreement towards them ranging from 0 to 10. The highest accepted statement was “I would be ok with being able to purchase new skins (clothes, armor, etc.) for enemies, myself or other NPC’s”, unlike how they responded with being able to purchase power within the game which rated at the bottom of the responses. The lowest statement “I would buy content that enhanced my power in the game” was also the opposite and would indicate that the respondents are less inclined to purchase content that would give them advantages within the game that would otherwise be impossible to gain.

The respondents were mostly negative about seeing ads during the loading screen but it was divided and is something that could be done if done right. They were more positive about seeing ads during the loading screen than they were with having it on the screen all the time while playing the game.

Very few would be okay with any of the statements if there was a purchase option for the game to get rid of all of them.

**Figure 2. Evaluation of ads in computer-/console games.**

Most respondents through that it would be too distracting to have ads run on the screen similar to how free to play games have it on mobile phones. Unlike having ads run during loading screens which would be done when changing areas (figure 1), having ads permanently on the screen would be viewed when actually playing the game as well.
The majority of respondents didn’t want the game to be able to post updates on Facebook as is possible on mobile and Facebook games.

### 7.3 BioShock Infinite Survey Results

The surveys second part focuses on BioShock Infinite and elements that pertains to that game specifically. It tries to see how the respondents feel about changes that could be made to certain areas in the game. This is the extreme case as BioShock Infinite is a first-person shooter game with a very story centric design with little replayability.
Figure 4. Evaluation of purchasable upgrades.

Figure 4 shows respondents’ answers to the question if upgrading weapons could be changed from how it currently is in the game into a model that would be satisfactory for a free-to-play game. The majority of the responses did not want to invest money to upgrade their weapons. Unlike being able to purchase aesthetic content that was more favorable in figure 1. Some were favorable towards having a limited number of upgrades for each playthrough, increasing the cost of upgrading weapons and incorporating a model that is used in mobile and Facebook games; increase the cost and make money collected be worth more and make it possible to buy in-game currency with real money to be used to upgrade weapons. Lastly a part of the respondents did not agree with any of the allowed answers.

Source: Survey, see appendix
Figure 5. Evaluation of purchasable difficulty levels.

Source: Survey, see appendix

Most of the respondents did not want to block difficulty through purchase options. Some wanted normal to be the locked difficulty if difficulty was locked with the rest having low answer frequency. Some did not know.

Figure 6. Evaluation of purchasable story.

Source: Survey, see appendix
The vast majority wanted to have full access to the story from the start in BioShock Infinite. The rest was scattered on other answers. Irrational Games have already divided the story when it comes to their downloadable content, how the respondents would respond to this is unknown.

**Figure 7. Evaluation of ads incorporated inside the user interface.**

![Chart](image)

Source: Survey, see appendix

The majority of respondents thought that incorporating ads into the UI would be too intrusive to the game. The respondents was also asked to look at images depicting boxes, signs and other in-game advertisement from make-believe companies and was asked if they thought that changing them to be real companies would impact their immersion. Together all answers roughly received half positive and half negative, making no apparent answer obvious.

### 7.4 Survey Summary

The respondents was most positive about seeing aesthetic items added as downloadable content within a game and was not very positive about seeing items that gained power for the player. Ads that were shown throughout the game incorporated onto the screen did not receive positive feedback, they were more positive about having ads placed during a loading screen than when they played the game.

Many of the respondents wanted to have full access to the story from the start and they did not want difficulty within the game to be locked.

### 8 Discussion

Buy to play is a limited business model in the sense that it limits how consumers can spend their money. It also limits the revenue a company can achieve as the income is directly linked
to the number of sales a specific game achieves. Unlike freemium there are no or very limited amount of accessories that can be acquired via downloadable content and whales is something that cannot be used to increase the revenue. The entry point for buy to play games is high, because of their reliance on sales for income, the price for the game has to be higher than it would if it had any other business model.

As was stated in the theory that role-playing games would have a strong connection to alternative business models, to be able to lower the entry point and to make the game more accessible to a larger audience the price has to go down. Because narrative single-player games is so friendly towards alternative business models then the buy to play model has to be modified, there can still be an initial purchase for the game but at a lower price, it also have to be able to take advantage of the whales and make the most revenue out of them as possible.

Episodic releases together with a large quantity of downloadable content would be ideal for this. It gives the company potential to release a game in smaller chunks over a larger time span. But as was seen in the survey in figure 6, if it would be okay to split the story into smaller sections, most of the respondents did not want this and they wanted to have access to the whole story from the start. BioShock gave the whole story with the initial purchase of the game, but with their downloadable content story, Burial at Sea, they split it into two episodes: Burial at Sea episode 1 and Buried at Sea episode 2. This goes against how the respondents of the survey wanted the story served. Either the respondents in the survey are not target groups for narrative single-player games or they misunderstood the question.

Using the episodic business model lets the company have multiple options for consumers to purchase the game. The game can be sold episode by episode for a higher price than normal. It could be bundle together and be sold as a whole season before the season has been made, making every purchase indicative of the popularity and success of the game. Other options that can be used is to be able to purchase more than one episode at a time and gain a discount on each episode, letting people who know they want to buy more episodes yet do not have the funds to acquire a whole season at once and give more options that lets them lower the price for their game by a little bit.

Episodic releases could also potentially decrease the initial development cost without gaining revenue for the game. Many of the graphical parts for episodes to come can be done at a later stage and only objects and code that is necessary for the first episode have to be done for the initial release. The same holds true for other time and development cost investments. This lowers the risk a company has to take by making the company gain revenue faster than with a buy to play model where all the content has to be produced before the company can see any revenue.

As with Path of Exile that has a lot of single items as downloadable content and those items can be bought repeatedly and be used again and again making it ideal for whales to spend their money at. Downloadable content for the game should focus on adding single items that add special effects for spells and other effects, new skins for non-player characters and the character itself, thus giving as much choices as possible for the consumer to customize the game to their own taste.

The survey also asked the question if they would purchase content that increased their power within the game and if they would purchase content that added aesthetics to the game. The first one got mostly negative responses while the second one received the highest of all the statements. Irrational Games released a downloadable content that included both of those. It had new items, items that increased the power for the player, more upgrades for weapons and vigor’s. Since it contained both, players that do not want to purchase items that increases their power within the game, but would like to buy items that added aesthetics to the game, would be forced to accept it if they wanted the aesthetic items. Further investigation into how
the reactions and sales impact the downloadable content by having a combined stock with the downloadable content would be warranted.

Having both aesthetic items and items that give the consumer power within the game sold in the same pack while still selling each of them on their own, could potentially make consumers that want aesthetic items but not powerful items shy away from purchasing the pack. It would be better to give other options to saturate other consumer’s needs. Allowing them to buy the items one by one is such an option. That lets the consumer that do not want powerful items to just focus on aesthetic items and those that want powerful items can still get what they want with the original pack.

Freemium also lowers the entry point and the point of entry is non-existent, the only requirement is to get the game and start playing. But as was seen with the demo as a business model, giving players a game or a small section of a game for free does not equate to more income, statistics from Puppy Games suggest that a very small amount of income came from those that tested the game first in a demo, namely one percent. Freemium in single-player games can be seen as a demo for the game, the potential income from freemium is solely reliant on additional content and each new player does not translate into a new consumer. Very few players would be converted to consumers with the demo as a source for freemium and the risk versus reward would be too high to justify a release for a single-player game as freemium.

The survey also touches on subjects that are more frequently used by social games, namely ads. In games on the computer and console, ads is most commonly seen in sport games, this is because there are ads in those sports in real life so they can use that to gain revenue from the companies that gets to be placed there. This is harder to do in games such as BioShock that has none or little real world associations and uses fake companies as ads. They could use real companies to advertise in their games but it would probably be difficult for people to run around seeing Coca Cola ads in their fictional game. As was stated in The New Business Logics of Video Games: Triple Evolutionary Processes in Perspective, if they were to introduce ads within the game, it would have to be done to such a degree that it felt believable and did not break the immersion or conflict with the story.

The respondents in the survey was more positive to seeing ads during loading screens and combined with that they do not want ads while they are playing suggests that if there has to be ads, then having it during loading screens is the preferred method.

Letting the game publish achievements to Facebook as mobile and Facebook games does it did not receive positive responds either in the survey (figure 3) and can be connected with that players want different experiences when it comes to mobile and Facebook games versus computer and console games. As was seen, the play sessions for both mediums differ with mobile and Facebook having short sessions and computer and console having longer.

Having the consumers pay to unlock difficulties was also investigated (figure 5) and most respondents were negative to it. People prefer different things, and so it also is with how they want to play games. Locking difficulty will force some people to have to pay money to be able to enjoy the game the way the want it to be and can therefor lead to them not playing the game at all.

The respondents wanted full access to the story from the start; they were not okay with having any of the options seen in figure 1 if there was a purchase option to get rid of it all. All this together give rise to questions that questions the respondents understanding of the survey. It feels unrealistic that any game would give access to the entire story, specially BioShock for free and why they think that a free game should allow access to the full story is unknown, also the respondents goes against the business model of freemium and premium that uses purchase options to be able to get rid of additional purchase options that can be made within the game and allows the player access to that with a one-time payment. This together give rise to
uncertainty with the responses made for these questions and the sum of it is that the responses gain little credibility in that field.

8.1 Reliability of the survey

There is no data in the survey that tells us what type of gamer the respondents are so it is impossible to know how they spend their time in-game. The survey tells us how often they play games and how often it is on the separate mediums. It does not delve deep with how they would react to episodic releases and what types of release schedules they would prefer.

8.2 Reliability of business models

The business models use mostly sources that are not academic. They take real world examples and how they are applied and try to explain them. They use examples that have used them successfully and do not take up any eventual companies that have tested and failed with the business models.
9 Conclusion

Different business models have been explained and discussed for narrative games. Freemium was seen as a demo for the game and that does not have a lot of conversion rate to paying consumers. Episodic release is the preferred business model to lower the entry point for consumers together with a wide selection of downloadable content to satisfy the potential consumers that are whales and at the same time give the company more revenue from them.

Irrational Games story focused downloadable content for BioShock uses episodic business model and is divided into two parts, the economical result of that is unknown. The price is probably lower for each episode than it would have been if done as one episode.

They also had downloadable content with both aesthetic items and items that gave more power to the player. This might make the consumer that does not want powerful items shy away from such packs.

Social games business model was not well received when asked about it from a computer and console games viewpoint, which could indicate different target audiences.

Ads within games on the computer and console are not something that players want according to the survey. If they had to have it they would prefer to see it during loading screens but if it does not have to be in the game then it should not be there.

The players do not want the game to publish achievements to Facebook as some social games do.

Together with ads that suggest that the business model that is used for mobile and Facebook games is something that would not be beneficial for games on computer and console.

This study has shown that episodic releases let the company reduce its risk by gaining revenue earlier and lowering the entry barrier for consumers.

Further research might explore more in-depth how a game would be affected with episodic releases, to do this the game has to use two business models, episodic releases and one other, preferably buy to play.

Another research area is to have single-player games be freemium and if it would be a profitable model to use.
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Turbine, *How do I upgrade my Free LOTRO subscription to Premium or VIP status? How do I subscribe to LOTRO VIP?*,

Turbine, *Dungeons & Dragons Online Market*,


**Games**

BioShock Infinite (2013), *Irrational Games*

Dungeons & Dragons Online (2006), *Turbine*


Lord of the Rings Online (2007), *Turbine*

Path of Exile (2013), *Grinding Gear Games*

Runescape (2001), *Jagex*

The Elder Scrolls IV: Oblivion (2006), *Bethesda*
The Elder Scrolls V: Skyrim (2010), *Bethesda*

The Sims 3 (2009), *Electronic Arts*
Appendix A

A complete list of all questions and responses follows in this appendix. Certain figures are not presented in the main text and can be found here for further reading.

Q1 What is your gender?

Q2 How old are you?
Q3 How many hours per week do you play games on your phone/Facebook?

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't play games on my phone</td>
<td>20%</td>
</tr>
<tr>
<td>0 - 10 hours</td>
<td>40%</td>
</tr>
<tr>
<td>11 - 20 hours</td>
<td>20%</td>
</tr>
<tr>
<td>21 - 30 hours</td>
<td>8%</td>
</tr>
<tr>
<td>31 - 40 hours</td>
<td>1%</td>
</tr>
<tr>
<td>More than 40 hours</td>
<td>1%</td>
</tr>
</tbody>
</table>

Q4 How many hours per week do you play games on PC/Console?

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't play games on PC/Console</td>
<td>20%</td>
</tr>
<tr>
<td>0 - 10 hours</td>
<td>40%</td>
</tr>
<tr>
<td>11 - 20 hours</td>
<td>20%</td>
</tr>
<tr>
<td>21 - 30 hours</td>
<td>8%</td>
</tr>
<tr>
<td>31 - 40 hours</td>
<td>1%</td>
</tr>
<tr>
<td>More than 40 hours</td>
<td>1%</td>
</tr>
</tbody>
</table>

Q5 Do you regularly purchase games?

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>30%</td>
</tr>
<tr>
<td>No</td>
<td>20%</td>
</tr>
<tr>
<td>No, but sometimes</td>
<td>50%</td>
</tr>
</tbody>
</table>
Q6 How many games do you purchase per month?

![Bar chart showing game purchase frequency]

- Neuer buy games: 1
- 1 game: 2
- 2-3 games: 3
- 4 or more games: 4

Average Response Count: 54

Q7 Rate the statements below from 0 to 10, where 0 is don't agree and 10 is completely agree, 5 is indifference towards the statement. Have in mind that the game is free and that it is a single player game when answering the statements.

- I would play games on PC/Console that had in-game purchases
- I wouldn't mind seeing adds in my game during loading screens
- I would be ok with having adds placed around the environment in a tasteful and fitting way
- I would buy content that enhanced the story in the game
- I would buy content that enhanced the power in the game
- I would be ok with having limited life and more life could be gained with time and/or... 
- I would be ok with being able to purchase more skin(s) (clothes, armour etc) for enemies, maps...
- I would be ok with being able to buy more powerful weapons
- I would be ok with all of the above if there was a purchase option to get rid of it all

Rate the statements below from 0 to 10, where 0 is don't agree and 10 is completely agree, 5 is indifference towards the statement. Have in mind that the game is free and that it is a single player game when answering the statements.

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Rating Average</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would play games on PC/Console that had in-game purchases</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>17</td>
<td>0</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>13</td>
<td>5,57</td>
<td>54</td>
</tr>
<tr>
<td>I wouldn't mind seeing adds in my game during loading screens</td>
<td>17</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>5</td>
<td>0</td>
<td>3</td>
<td>7</td>
<td>1</td>
<td>7</td>
<td>4,39</td>
<td>54</td>
</tr>
<tr>
<td>I would be ok with having adds placed around the environment in a tasteful and fitting way</td>
<td>20</td>
<td>4</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>3,83</td>
<td>54</td>
</tr>
<tr>
<td>Question</td>
<td>Yes</td>
<td>No</td>
<td>Don’t Know</td>
<td>Answered Question</td>
<td>Skipped Question</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-------------------------------------------------------------------------</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would buy content that enhanced the story in the game</td>
<td>15</td>
<td>4</td>
<td>4</td>
<td>9</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would buy content that enhanced my power in the game</td>
<td>26</td>
<td>8</td>
<td>8</td>
<td>3</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would be ok with having limited life and more life could be gained with time and/or money</td>
<td>24</td>
<td>9</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would be ok with being able to purchase new skins(clothes, armour etc) for enemies, myself or other NPC's</td>
<td>9</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would be ok with being able to buy more powerful weapons</td>
<td>29</td>
<td>5</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would be ok with all of the above if there was a purchase option to get rid of it all</td>
<td>16</td>
<td>6</td>
<td>5</td>
<td>2</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Q8** Looking at social games that are free, they tend to have adds that run on the bottom of the screen. Would something similar for PC/Console be distracting?

![Graph showing responses to Q8](image1)

**Q9** Would you agree to let the game post achievements and other feats you accomplish in the game to Facebook and other social media in order to gain free marketing? Your reward for this could be points that can be spent on in-game things like more life.

![Graph showing responses to Q9](image2)
Q10 Would changing the image above to be real corporations while still maintaining the general theme and style of the sign break the immersion?

Surveyed: 49  Responded: 5
Q11 Would changing the image above to be real corporations while still maintaining the general theme and style of the sign break the immersion?
Q12 Would changing the image above to be real corporations while still maintaining the general theme and style of the sign break the immersion?

Yes: 49%  
No: 50%  
Don't know: 1%

---

Q13 Would changing the image above to be real corporations while still maintaining the general theme and style of the sign break the immersion?

Yes: 49%  
No: 50%  
Don't know: 1%
In Bioshock Infinite you can upgrade your weapons. In the free version of the game this could be limited; you might not be able to upgrade the weapons without investing money into the game. How would you like to see it done if something like that was implemented? (More than one answer can be chosen)

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Must invest money to be able to upgrade</td>
<td>4,1%</td>
<td>2</td>
</tr>
<tr>
<td>Able to upgrade without investing money</td>
<td>71,4%</td>
<td>35</td>
</tr>
<tr>
<td>Have a limited amount of upgrades that could be used for each playthrough</td>
<td>20,4%</td>
<td>10</td>
</tr>
<tr>
<td>Have a limited amount of upgrades that could be used, once used up they were</td>
<td>2,0%</td>
<td>1</td>
</tr>
<tr>
<td>Increase the cost of upgrading, make money be purchasable like coins in mobile/</td>
<td>20,4%</td>
<td>10</td>
</tr>
<tr>
<td>Facebook games while still being able to upgrade through farming</td>
<td></td>
<td></td>
</tr>
<tr>
<td>None of the above</td>
<td>20,4%</td>
<td>10</td>
</tr>
</tbody>
</table>

answered question: 49
skipped question: 5

Q14 In Bioshock Infinite you can upgrade your weapons. In the free version of the game this could be limited; you might not be able to upgrade the weapons without investing money into the game. How would you like to see it done if something like that was implemented? (More than one answer can be chosen)
Q15 Another way to gain revenue is to block difficulty. In Bioshock when you start the game you can select the difficulty. What difficulty, if any, would you like to see as standard and the rest being purchasable?

Svarande: 48  Respande over: 6

Q16 Bioshock is built around a story, if the game was free that story could be more hidden and would not be available with the basic game. How would you like to see the story being handled?

Svarande: 49  Respande over: 6

Q17 Would having ads incorporated into the UI be too intrusive?

Svarande: 48  Respande over: 6
Q18 In what area of the screen from the images above would be the most appropriate place to put the ad in?

Svarades 4B  Hoppade overs 5
Corrections

Question 7 had an error, instead of going from 0-10 as answers it goes from 1-10. I decided to treat the answers as 1-10 instead of 0-10 and still have 5 as indifference. This means that there could have been misinformation with this question but it would be impossible to know if it would have been any difference.