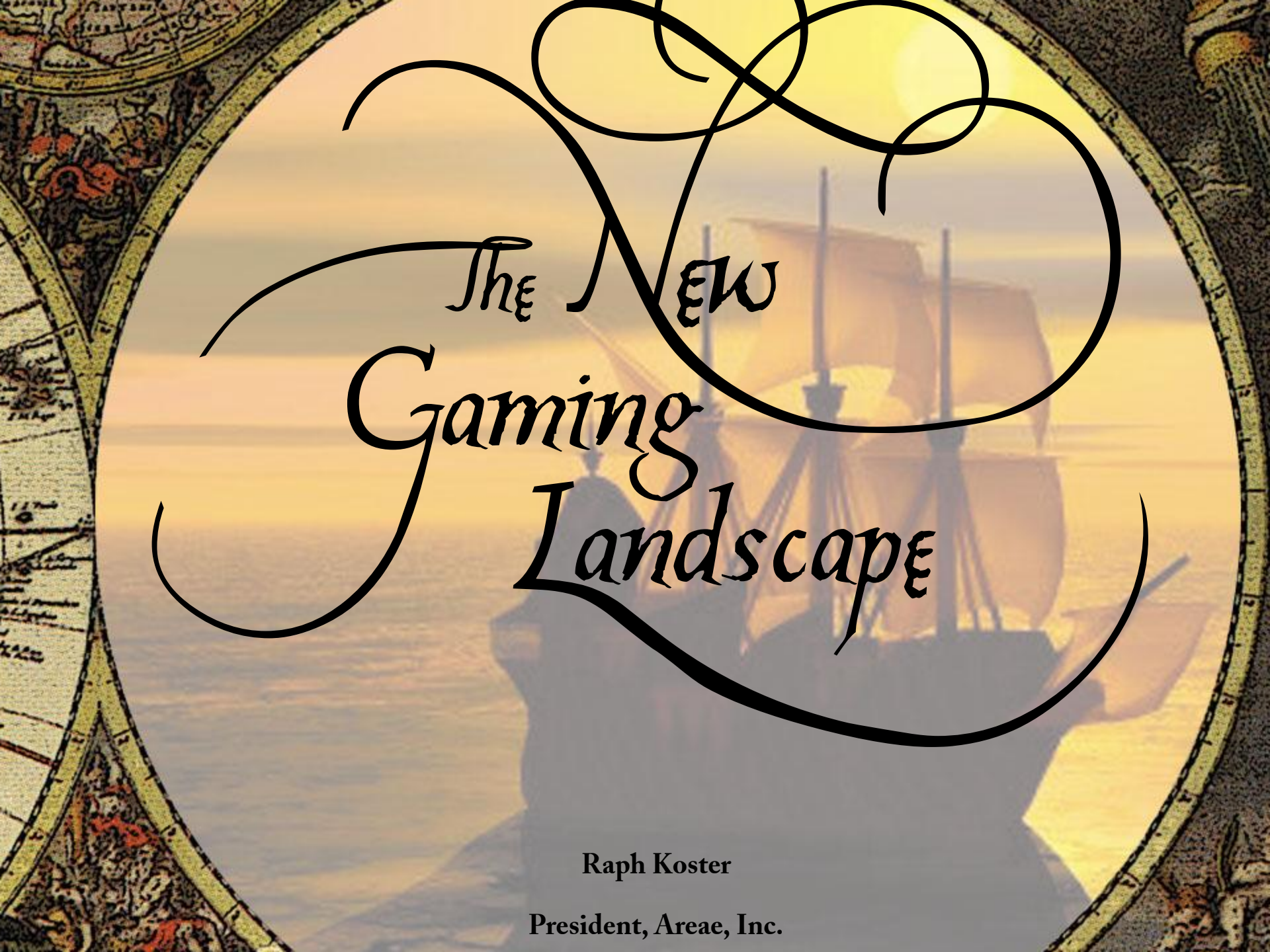




The NEW Gaming Landscape

Raph Koster

President, Areae, Inc.

Who I am

☼ **A game designer**

⚓ *Ultima Online*

⚓ *Star Wars Galaxies*

☼ **A writer about games**

⚓ *A Theory of Fun for Game Design*



Why I am talking about this

☼ I have spent my whole career at large companies.

🚢 *Electronic Arts*

🚢 *Sony*

☼ But I don't think they are the future anymore.



An analogy

All of our maps have been wrong

☀ We have all been like explorers looking at early maps of the world.

🚢 *We thought we knew where things were, and where the dragons were.*

🚢 *In fact, we didn't really know how to measure yet.*



Our Home Country

We all have biases towards our homes

☀️ **We grow used to how our market operates**

☀️ **We make assumptions about our audience based on the people we currently sell to**

Partly because we are the same as those people



We adapt to our native lands

We assume that things are part of our nature when they are only part of our circumstance

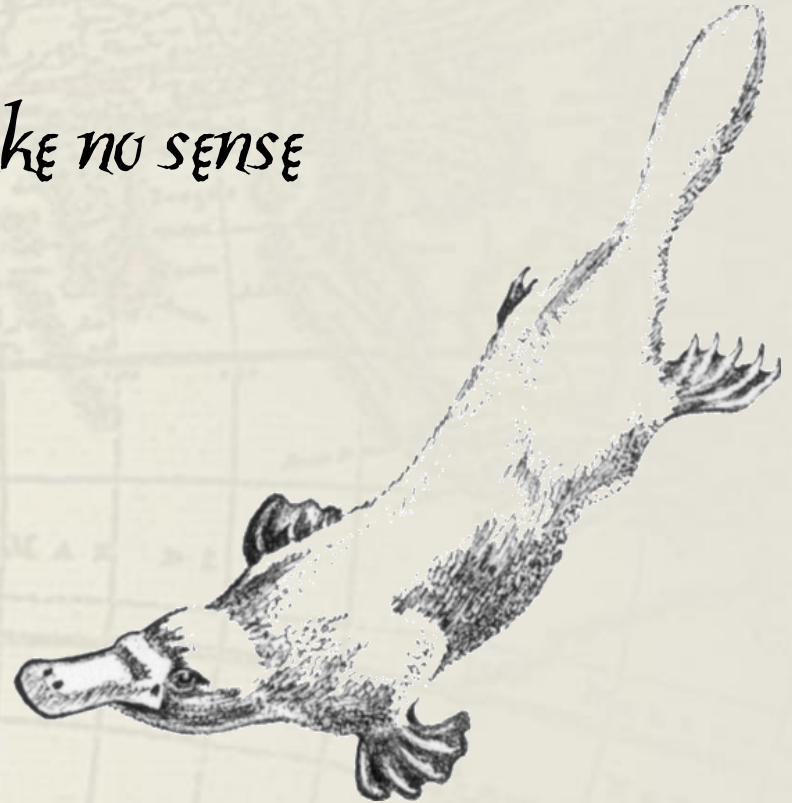
- ☼ **Depth of games**
- ☼ **Emphasis on visuals**
- ☼ **Emphasis on story**
- ☼ **Single-player**



Evolution and Adaptation



*Some of our adaptations make no sense
in the wider world*



Our specific adaptations

We have specialized towards a few factors

☀ Narrative games

🚢 *Which demand high content loads*

🚢 *Which demand large teams*

☀ “Broadcast” style content

🚢 *Which requires hits*

🚢 *And strong authorial control*

🚢 *And control over the playback mechanism*



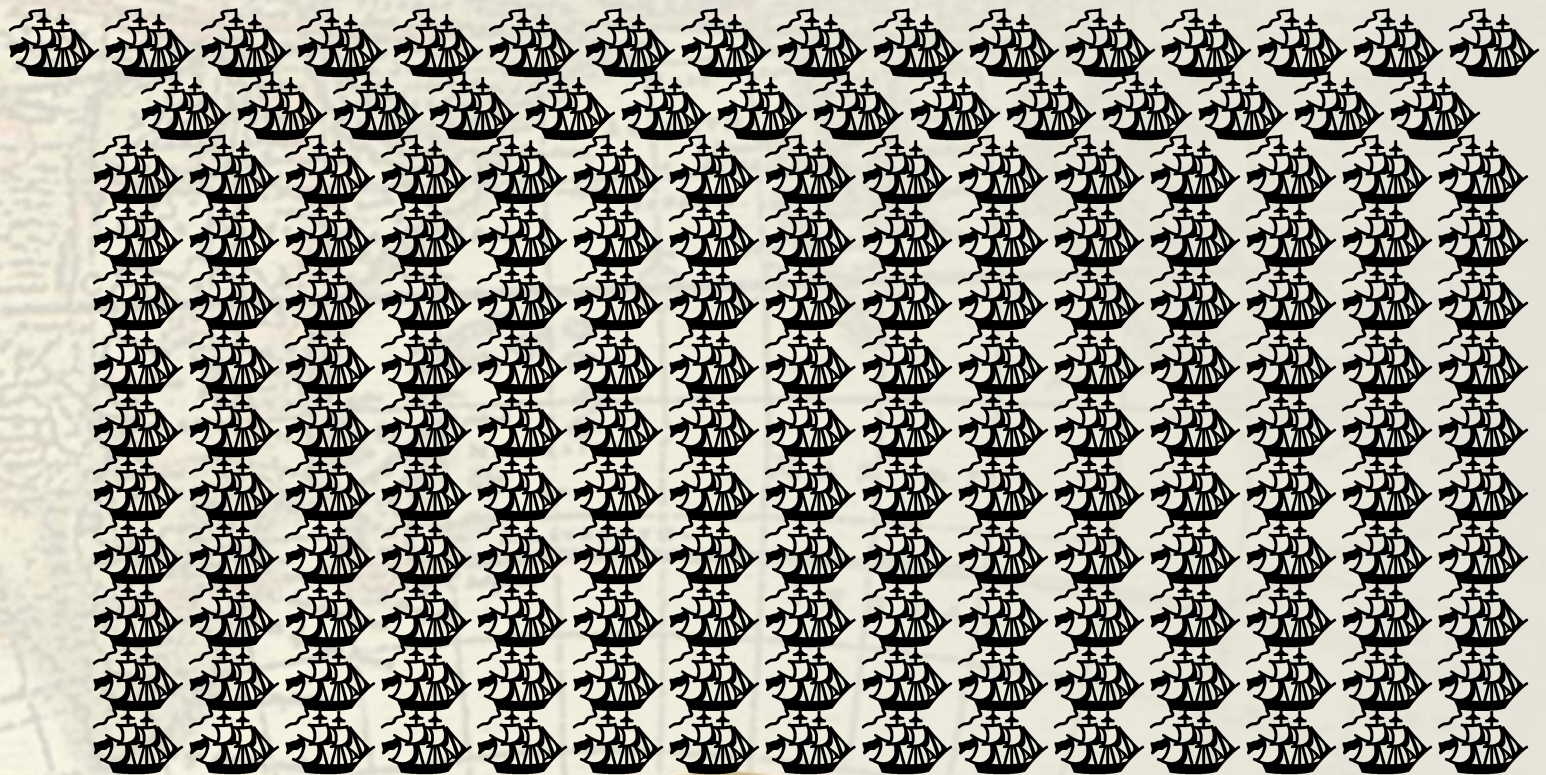
Team sizes

Our teams have grown dramatically



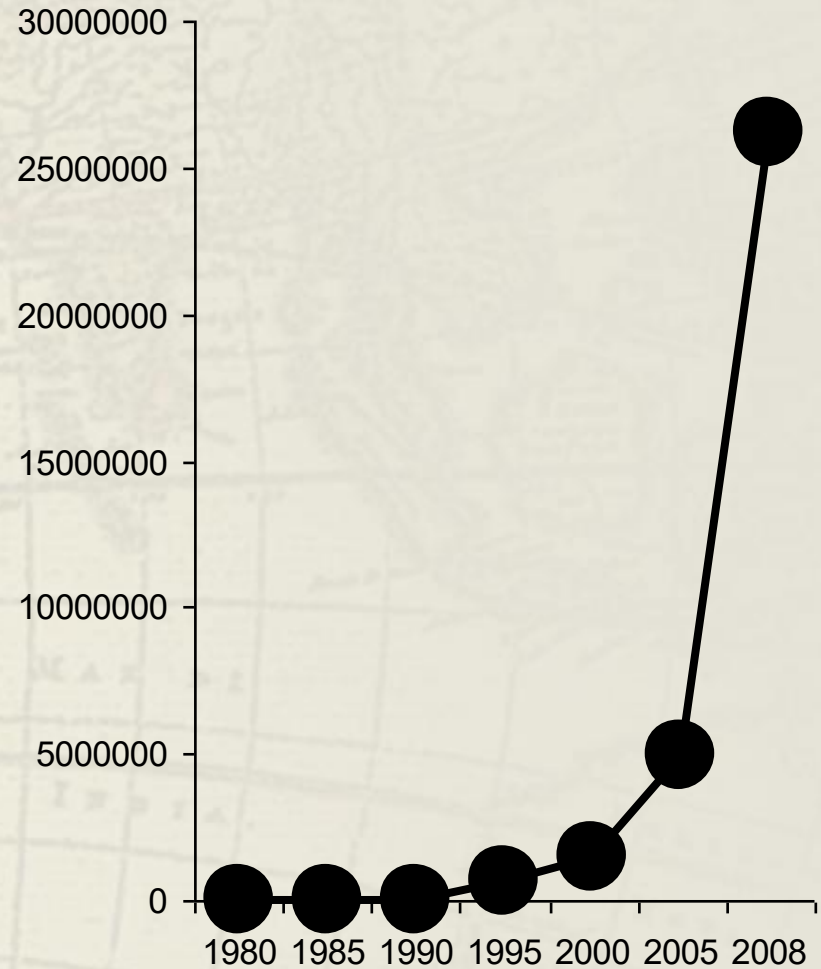
Team sizes

Until we have reached sizes that are difficult to manage



Content volume has risen dramatically

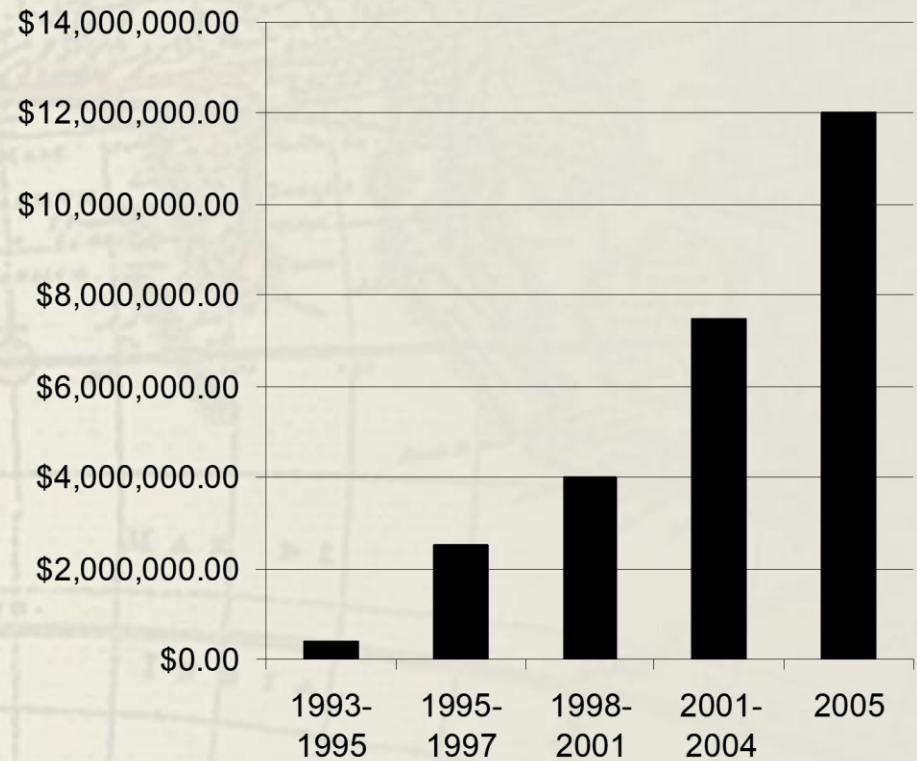
☼ **We make 40-150 times the amount of data that we did in the early 80's.**



Costs

Land in hand

Costs rise



We cannot afford our own industry

☀ **Budgets have risen 22x**

☀ **The volume of content has gone up 40-150x**

☀ **This means we have only become six times more efficient.**



Budget then dictates audience size

☀️ We must “open big” to recoup.

🚢 *Half of a movie's total audience sees it in the first week.*

🚢 *This means marketing spend is also enormous.*

🚢 *It discourages us from trying innovative titles.*



Blockbusters are the past

Their success owes more to marketing than to quality

☀️ **“Most of the time there is no relationship between how good a film is and how many people turn out to see it.”**

🚢 *New York Times, Nov 5th, 2005*



Single Player games

Historically there are almost no single player games

✱ **Solitaire games**

✱ **Puzzles**

✱ **Some forms of physical challenge**

And yet that is our industry



Classic games are symmetric

Both sides have the same game to play

✱ **Pong, tennis, chess, go, checkers, etc.**



Computers introduced asymmetry

✱ **Space Invaders, Pac-Man, Donkey Kong**



All games are becoming networked

Single player gaming is going away in favor of

- ✱ **Persistent public profiles**
- ✱ **Constant connectivity**
- ✱ **Awareness of other users**
- ✱ **Spectation**
- ✱ **Cooperative problem-solving**



The audience behaves differently

☼ **Today, cellphones kill a bad movie the day it opens**

☼ **Today's youth are not inclined to listen to broadcasted media**



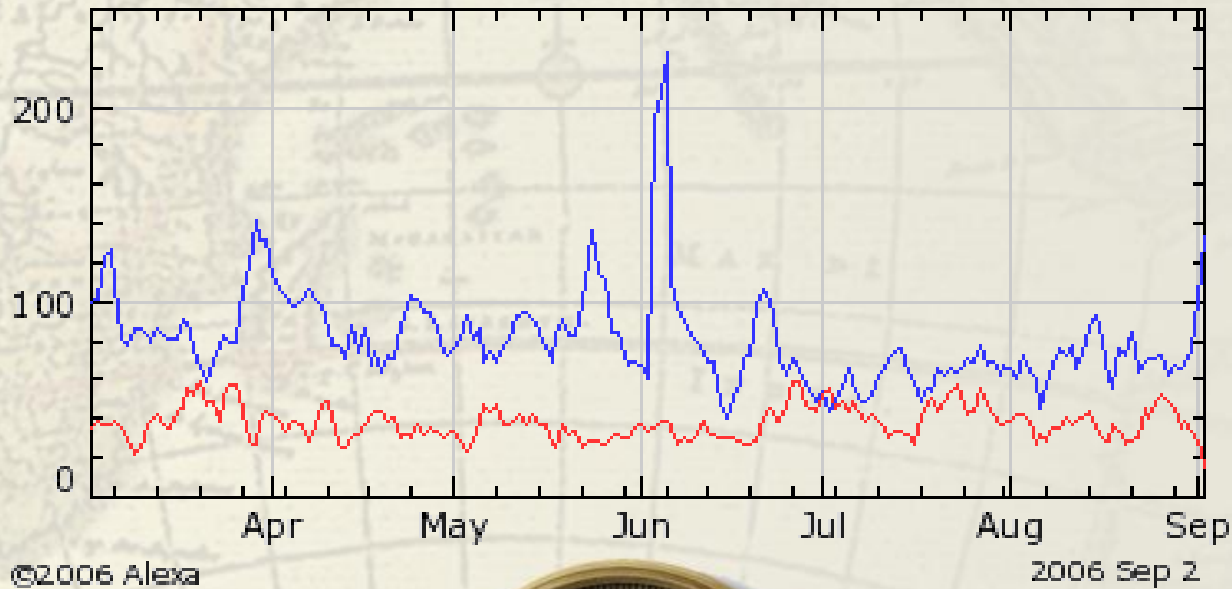
The new publisher

Today a web portal may have more audience than a classic videogame publisher

Daily Reach (per million)

jayisgames.com

thq.com



PC is the hot segment

Half of PC game revenue comes from networked games

☼ Casual games

☼ Downloadable games

☼ MMORPG

☼ Microtransactions/item sales



The user participation pyramid

- ☼ 100% users
- ☼ 10% synthesizers
- ☼ 1% creators



High volume participation

50 million Americans create web content

✻ **Blogging**

✻ **Web sites**

✻ **Contributing to sites**

✻ **Submitting artwork, photos, stories, videos**

 *Pew Internet report*



*The New
&
Continent*

The Web

Defined by very different qualities than our industry

- ☼ **Tags, not categories**
- ☼ **Participation, not publishing**
- ☼ **Trust in users, not authority**
- ☼ **Data, not code**
- ☼ **Services, not products**
- ☼ **Niches, not blockbusters**
- ☼ **Mashups, not perfection**



Harness the interests of the users

☼ “Users pursuing their own ‘selfish’ interests build collective value as an automatic by-product.”

🚢 *Tim O'Reilly*



Key technologies

Ratings

Rankings

Reputation



Surrender the power

Fail fast and fail often

- ✱ Users are treated as co developers
- ✱ Google discards 80% of tested features
 - ✱ They often prototype and deploy in two weeks
- ✱ Flickr releases patches as fast as every half hour

Mashups

- ✱ “Creativity in assembly.”



For us all games are massive engineering efforts

✱ **The Web is built out of small reusable pieces**

✱ **Self-describing data formats (XML)**

✱ **“Small pieces, loosely joined.”**

The Web technology is above the level of a single device



Low shelving cost means huge selections

✻ **Titles remain available forever**

✻ **Players find niche titles that delight them**

Hits are smaller these days



We build from bad specs

- ✱ Design documents are analogous to creating a film from the director's commentary

We have no stage gate process

- ✱ We don't try many small ideas
- ✱ Instead, we commit early
- ✱ Vertical slices are our sample chapter



- ✱ Metrics are not for tuning a game, but for understanding how people use and relate to your product.
- ✱ The Web provides enough content to make the typical content creator superfluous.
- ✱ Everyone is a creator. The question is “of what?”



Web to Game

Niche titles

not hits

Value is in performance

not recordings

Games are services

not product

Portals

not publishers



Developers should ask

- ☼ **How much longer will we sell console titles?**
- ☼ **Or will we be “shows” on a channel on a console?**
- ☼ **Will we give away content to drive service value?**
 - 🚢 *For example, achievements or microtransactions?*



How to retain customers

- ☼ Loyalty-driven sites
- ☼ “Clubs”
- ☼ Demographically targeted portals
- ☼ Niche-driven aggregation
- ☼ Networks combining the above

There are no websites you buy in a store



The landscape is noisy

☀ **Celebrity is one of the ways to stand out**

🚢 *Teams or individuals*

🚢 *But generally, individuals surface, whether that is fair or not. It's just human nature.*

☀ **You are seeking ways for people to identify with you**

🚢 *Spokespeople must stand for a lifestyle*



We think games are content

**But games are not content, they are systems that
content lives in.**

☼ They are models, and content is “extra”:

🚢 *Statistical variation*

🚢 *“Dressing” up the underlying math*



Gamers love overcomplication

- ☼ **Core gamers call small games “minigames” – which is insulting!**
- ☼ **Casual users don’t have the time to invest in your complex system.**
- ☼ **Games make assumptions that you know all the prior art!**



- ❄ Small is beautiful, big is expensive and more likely to fail
- ❄ Iterate with metrics
- ❄ Design documents are mostly a waste of time
- ❄ Use digital distribution to niches
- ❄ User generated content
- ❄ Lifestyle branding and celebrity
- ❄ Open platforms

