



MONETIZATION DESIGN

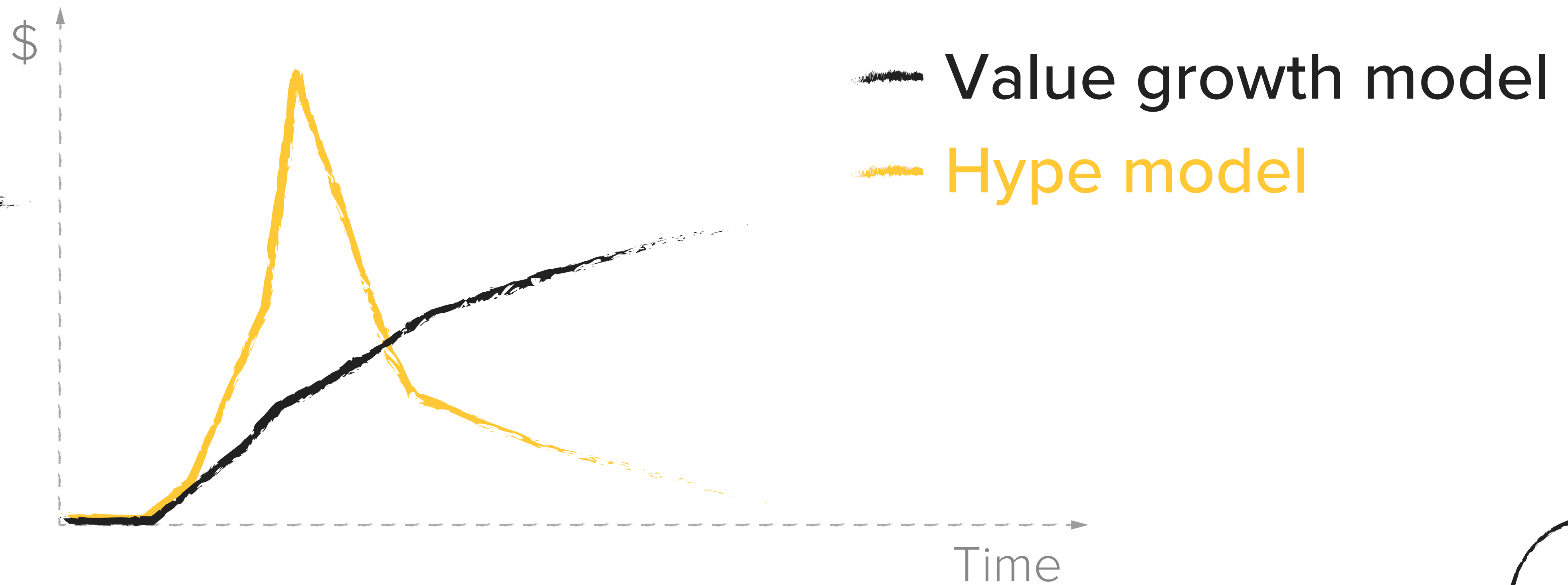
The Dark Side of Gacha

Vladimir Krasilnikov — CPO at Pixonic

About War Robots

- **6v6** team PvP about giant robots
- more than **100 000 000** installs
- about **1 500 000** DAU

2 ways of **making money** on game features



What's this?

Hype model is about:

- Creating a need that is possible to fulfill
- Instantly showing its value to players

Value growth model is about:

- Creating a need that is impossible to fulfill
- Continuously showing its value to players

Which one is better?

Hype model

- + Quick returns
- + Easy to measure the rate of success
- + Easier to design
- Less stable, highly volatile
- Short-term
- Harder to control

VS

Value growth model

- ROI takes time
- Takes more time to evaluate
- Harder to design
- + More stable, predictable
- + Long-term
- + Easier to control

Which one is better?

Hype model

- When you need returns **FAST**



VS

Value growth model

- When you're ready to wait to get **MORE**



Hype model example: gacha in WR

- You need to have a lot of **low-value items**
- Every use of **gacha** has to lead players to their goals
- **Illusion of randomness** is better than real randomness

Design of **gacha** in WR

First introduced on Halloween 2016 as a part of the event:



- One type of chests
- Event currency required to use gacha
- Event currency can be earned in battles
- Multiple chests in one tap

Design of **gacha** in WR

2nd iteration, **New Year 17:**



- Each chest has to lead to players' goals
 - superchest progression added
- Creating “social pressure”
 - winners are announced
- More value to prize pool
 - hard currency is added

Design of **gacha** in WR

3rd iteration, **Lunar New Year 17:**



- Differentiated approach: let players choose their stakes — 2 more chests added
- Game community signalled for questionable way of selling content

Design of **gacha** in WR

4th iteration, WR Birthday, April 17:



- Try to avoid adding new currencies — chest are now opened with hard currency
- Spending/winning gold has created a loop — further balance tweaks to increase loops

Design of **gacha** in WR

5th iteration, **July 4th**:

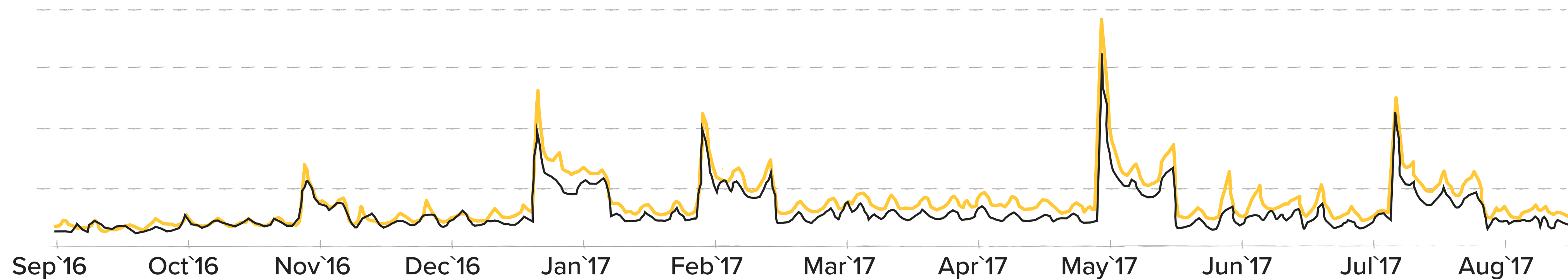


- Negative perception of the community — step back to event currency but with loops

Impact from event-based **gacha** in WR

- Continued as a part of most of the WR events up to **2017**

Resulted in revenue spikes every time:



Permanent **gacha** in WR

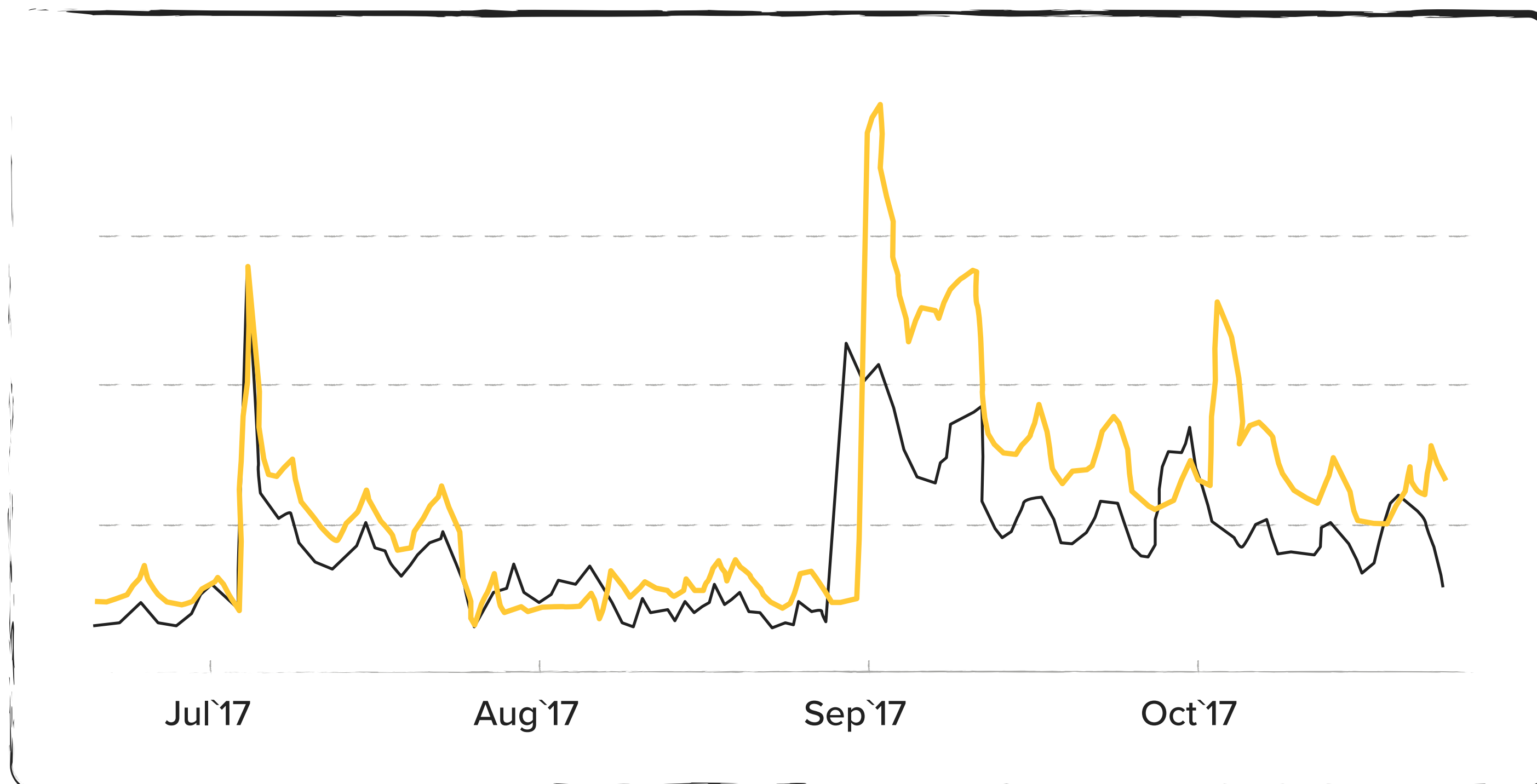
Introduced in September 2017:



- Special currency (keycards)
- Colors represent time-limited seasons
- Keycards from previous seasons are compensated in other currencies

Permanent **gacha** in WR

Introduced in **September 2017:**



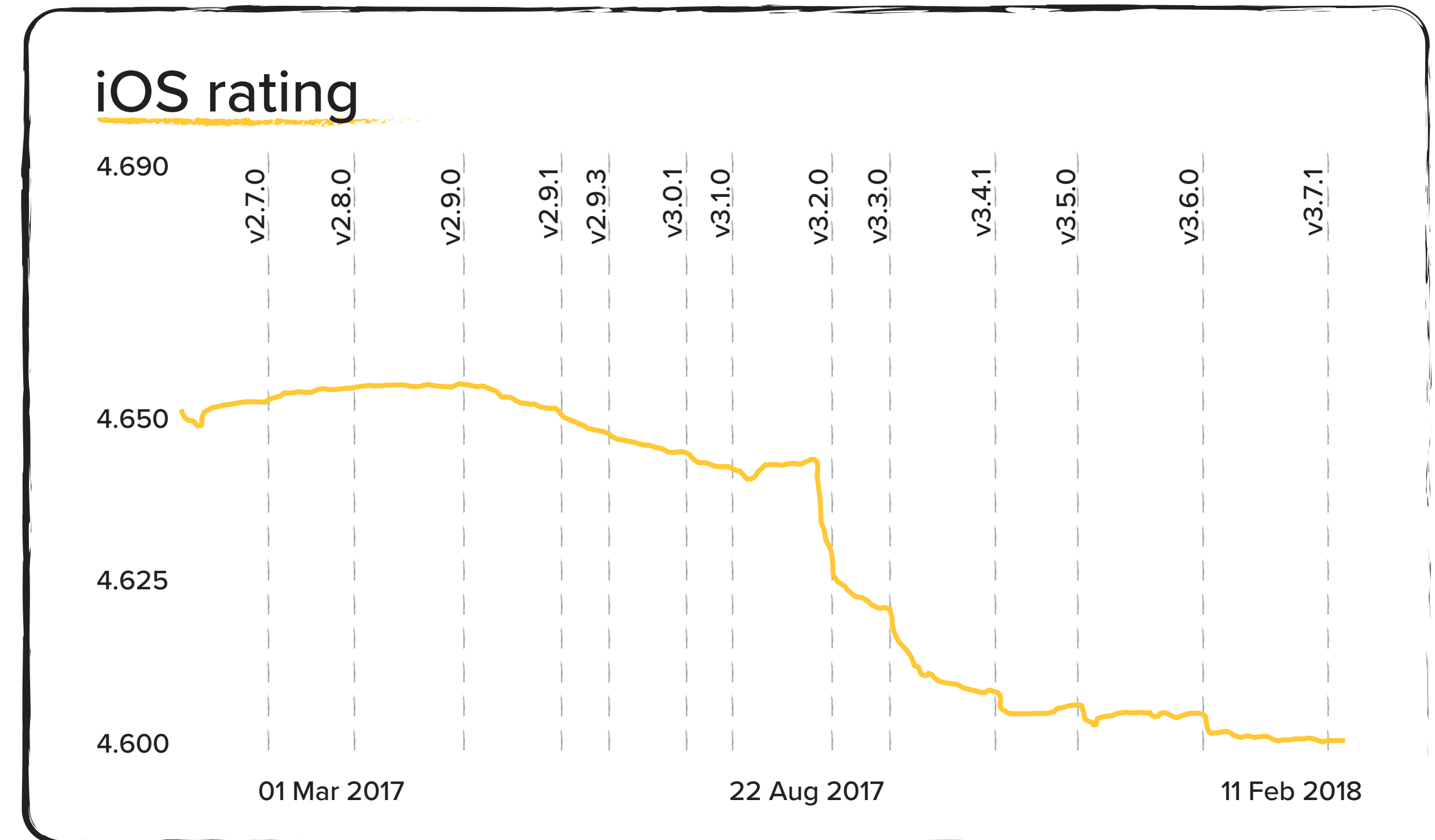
- 2-3 times increase of revenue
- New plateau for WR

More experiments with monetization

- Wild offer system
- Other versions of indirect sale systems (lottery, monopoly-style);
- Components system as a fuel for indirect sales

Changes in perception of **lootboxes**

- Media scandal around SW: Battlefront 2
- Lots of negative feedback about changes in War Robots
- Game metrics haven't showed any problems, except that one:



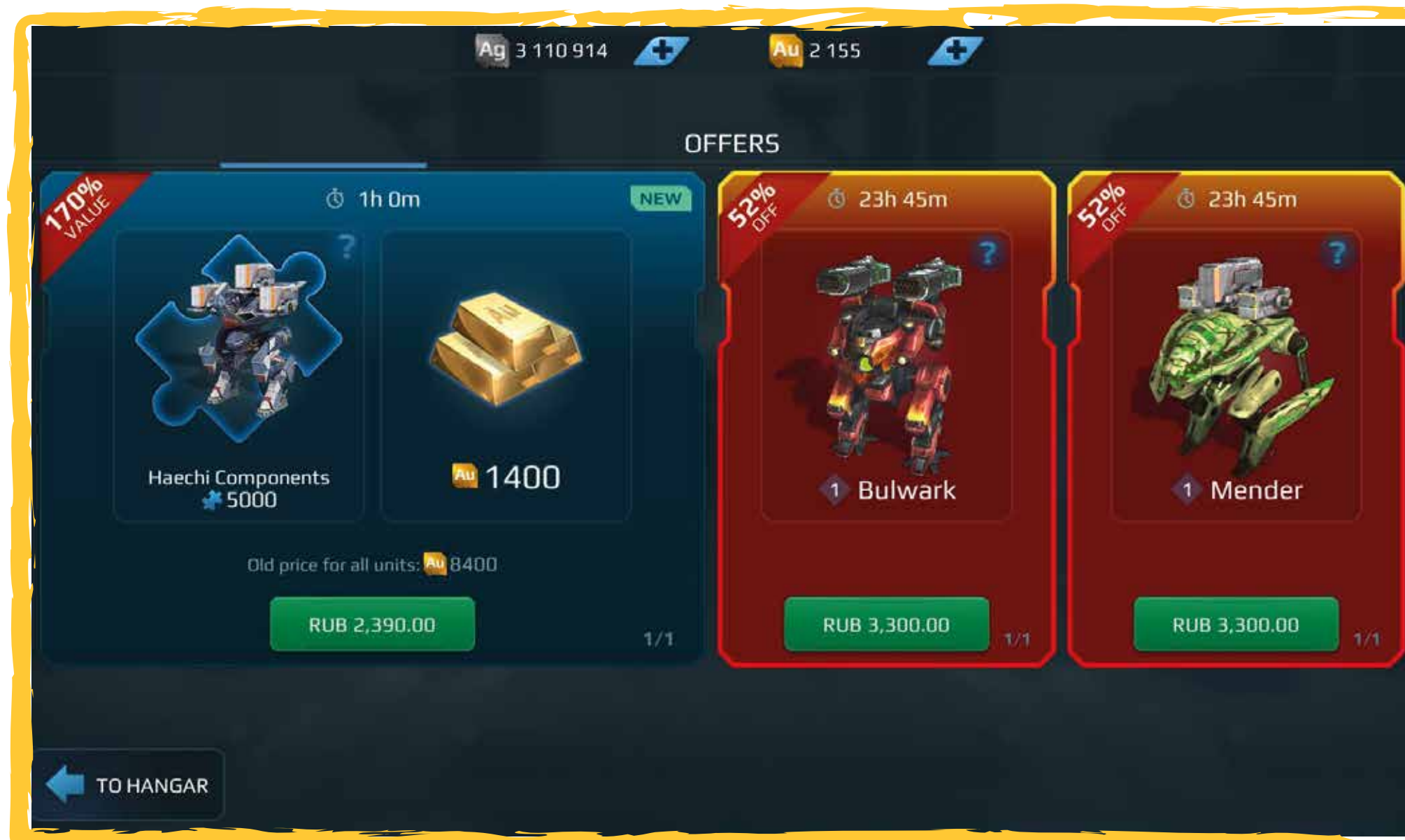
Collateral damage

We've won in terms of money, but what we've lost?

- Team morale was very low: people started to be ashamed of what they're doing
- Our user rating got a blow, small but significant
- Important features with low immediate impact on revenue were put on hold
- For the first time we realized we're doing something wrong

Value growth model example: **Wild offers**

- A system that generates offers for players based on their payment history, style of play & in-game behaviour within boundaries set by game-designers.



It can offer:

- Robot setups
- Equipment
- Resources

Design Pillars of **Wild offers**

**Iterative approach:
from grapeshots
to sniper aiming**

Buy this elephant.

No.

Buy this mouse.

No.

Buy this triceratops.

No.

Buy this lion.

Yes.

Buy this comb for lion's mane.

No.

Buy this paw scraper.

No.

Buy this cardboard box.

Yes.

Design Pillars of Wild offers

Bargaining principle:
the more you bargain
the lower is the price

Buy this item for 19.99

No.

Buy this item for 17.99

No.

Buy this item for 14.99

No.

Buy this item for 9.99

Yes.

Buy this stuff for 34.99

No.

Buy this stuff for 29.99

No.

Buy cheaper stuff for 19.99

Yes.

Design Pillars of **Wild offers**

Randomness
to avoid predictability

Buy these robot & gun for 19.99

No.

Buy Mars for 1799054654.99

No.

Buy your sanity for 14.99

No.

Buy this robot for 9.99

Yes.

Buy crazy horse for 34.99

No.

Buy 1\$ for 0.99

No.

Buy this gun for 19.99

Yes.

Design Pillars of Wild offers

- **Real target offers**
- **Noise offers**

A chat interface with a black border. It contains eight yellow offer bubbles and eight grey response bubbles. The offers are: 'Buy these robot & gun for 19.99', 'Buy Mars for 1799054654.99', 'Buy your sanity for 14.99', 'Buy this robot for 9.99', 'Buy crazy horse for 34.99', 'Buy 1\$ for 0.99', and 'Buy this gun for 19.99'. The responses are: 'No.', 'No.', 'No.', 'Yes.', 'No.', 'No.', and 'Yes.'.

| Offer | Response |
|---------------------------------|----------|
| Buy these robot & gun for 19.99 | No. |
| Buy Mars for 1799054654.99 | No. |
| Buy your sanity for 14.99 | No. |
| Buy this robot for 9.99 | Yes. |
| Buy crazy horse for 34.99 | No. |
| Buy 1\$ for 0.99 | No. |
| Buy this gun for 19.99 | Yes. |

Wild offers drawbacks

Problems:

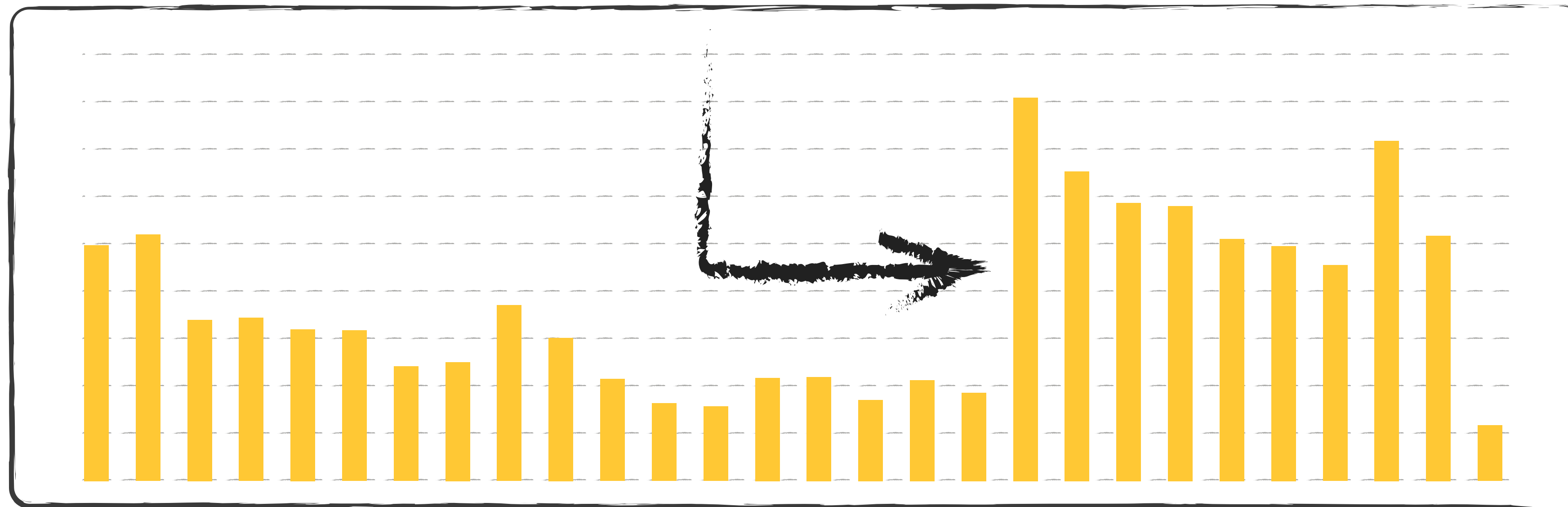
- Lots of data generated, hard to analyze
- Revenue cannibalization
- Hard to understand players needs

Solutions:

- Segmentation (rating, payment history etc.)
- Discounts & value control
- Reliable triggers of changes in demand

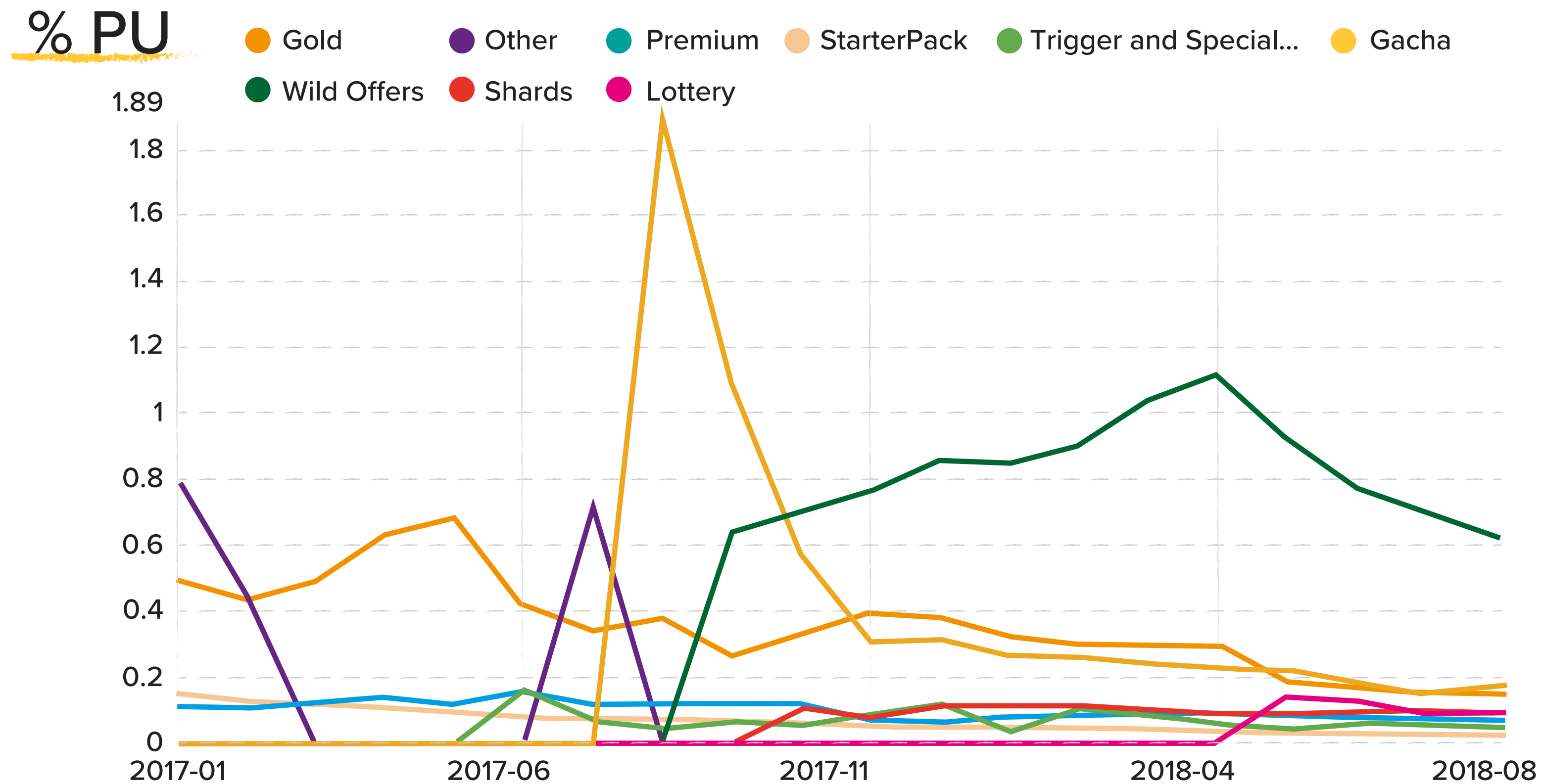
Wild Offers: Optimization

- Frequency of generated offers increased
- Faster movement from **1\$** to **99\$** offers
- First offer cap increased to **19.99\$**



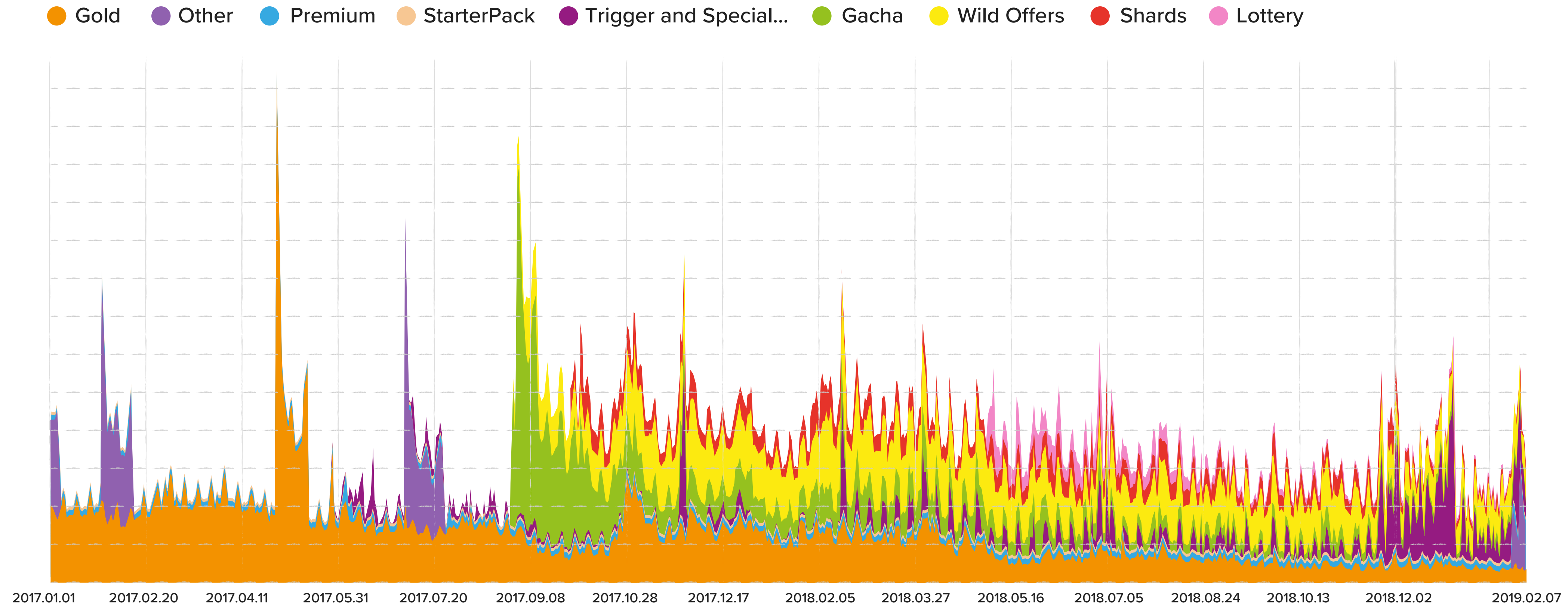
WR PU% Comparison:

Gacha vs Wild Offers



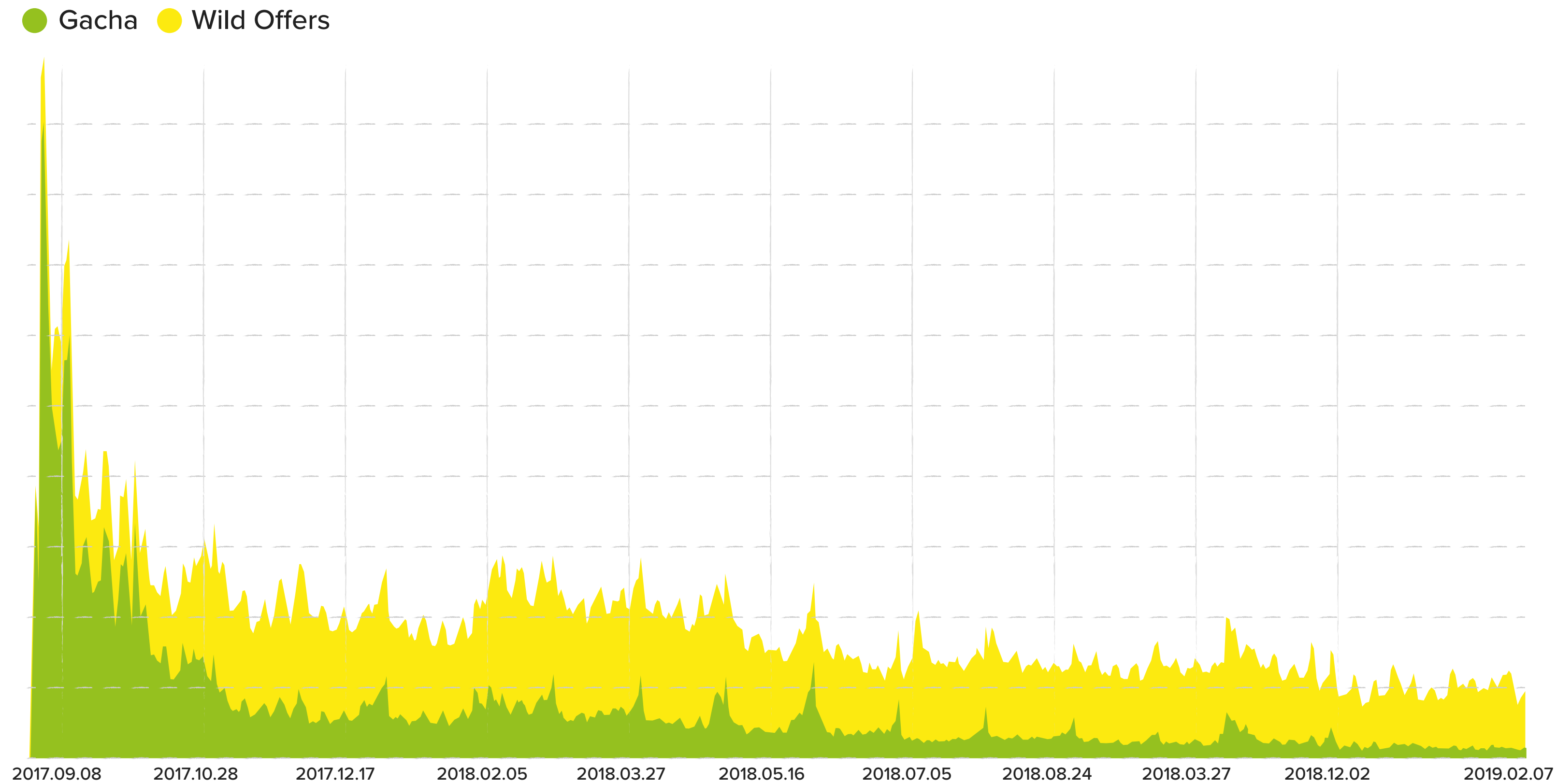
WR Revenue Comparison:

Gacha vs Wild Offers



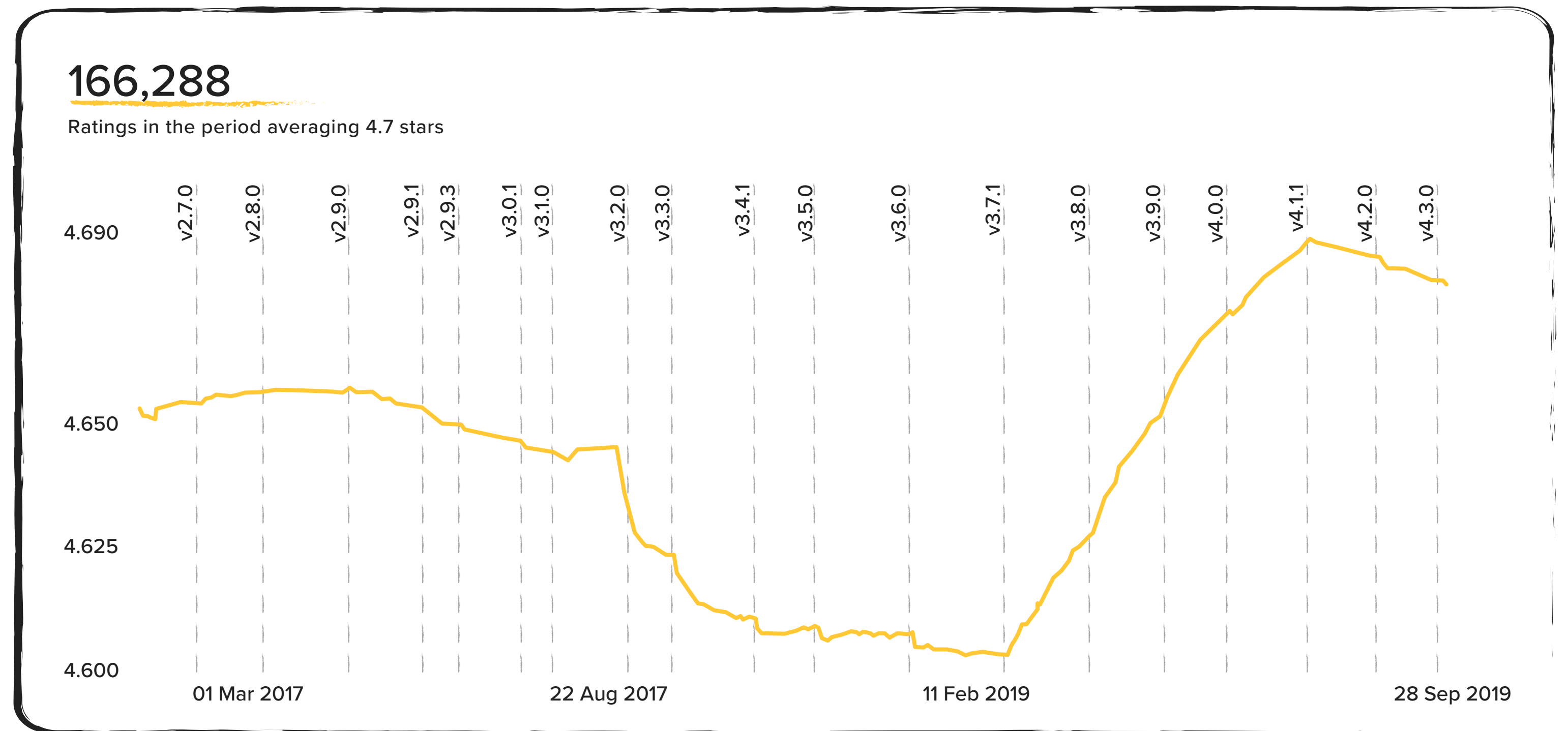
WR Revenue Comparison:

Gacha vs Wild Offers



New approach: Results

- Internal team crisis faded away
- User rating is higher than ever before
- Revenue is more stable and predictable



Lessons Learned

- Long-term planning of every feature: think of what it will become in **1-2-3 years**
- **Don't underestimate the influence** of your community on the minds of your team
- **Uncontrollable growth is bad** both for your studio and your games

THANKS FOR WATCHING!

Please ask me something right now!

krasilnikov@pixonic.com