

Regional Distribution Deals: A Rescue for Indie Game Developers

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THE MOONWALLS







BOHEMIAN KILLING

- Release date: 07.21.2016
- Copies sold: ~35 000

Developer: The Moonwalls **Publisher:** Libredia Entertainment Genre: Adventure, Indie Languages: English, Polish, Japanese, French, Italian, German, Spanish - Spain Tags: Indie (42), Adventure (41), First-Person (29), Choices Matter (26), Detective (25), Alternate History (24), Mystery (24), Walking Simulator (24), Crime (23), Drama (23), Steampunk (22), Thriller (22), Story Rich (20), Singleplayer (18), Exploration (18), Historical (17), Atmospheric (16), Interactive Fiction (16), Puzzle (16), Great Soundtrack (16) **Category:** Single-player, Steam Achievements, Full controller support, Steam Trading Cards, Captions available Release date: Jul 21, 2016 Price: \$12.99 **Old userscore:** 67% **Metascore:** 55% **Owners**: 20,000 .. 50,000 Followers: 3,204 Peak concurrent players yesterday: 2





Press Start to Play the Future



EFFECTS

- Four business proposals.
- Three contracts signed.
- Professional Japanese translation and full Japanese voice-overs for free.
- New contacts and experience.
- The Idea.



What is The Idea?





SUMMARY

- New source of income.
- New language versions with no additional costs.
- Region-specific age ratings with no additional costs.
- A chance for additional sales in the future.



What kind of a deal can I get?





You

POSSIBLE DEALS

- Profit sharing.
- Upfront payment for Steam keys:
 - Bundles.
 - Test amounts.
 - Bigger amounts.



SELLING STEAM KEYS - RISK

- Example:
- 10 000 * 0.20 USD = 2000 USD
- $10\ 000 * 9.99\ USD * 65\% = 64\ 935\ USD$

-62 935 USD

What happens to your keys, and why most of them won't be redeemed on Steam?



ADDITIONAL PROFITS

- Advance payment (for a profit sharing deal).
- Region-specific language version free of charge (possible exclusivity period).
- Region-specific age rating free of charge (if required by law).
- Registration in a region-specific tax office (if required by law).



Does it really work? Is it really worth it?





STATISTICS

- 15 trade-events (USA, Canada, Europe, China, Japan, South Korea).
- 32 regional distribution deals.
- 6 new language versions, and a full Japanese voice-over free of charge.
- 2.4x bigger profits from regional distribution deals than from Steam.



STATISTICS - MORE DETAILS #1

- 14 deals with upfront payment for Steam keys (average price per key: 0.24) USD).
- 0 deals with upfront payment for Steam keys, and additional profits.
- 18 profit sharing deals (12 with advance payment).
- 2 profit sharing deals granting new language versions free of charge, and without advance payment.



STATISTICS - MORE DETAILS #2

- 3 deals granting help with region-specific age ratings free of charge (2) without any advance payment).
- 1 deal granting help with registration in a region-specific tax office (Japan).
- 1 deal with exclusivity period (6 months from the release).
- 3 deals with exclusive rights for the distributor (all with advance payments).



TIMELINE - 2016 AND 2017





Is it really worth it?

TIMELINE - 2018







COSTS

- Travel and accommodation costs.
- Trade-event costs (standard fees, and possible ways to lower them):
 - Indie booths.
 - Government funding.
 - Game development foundations and organizations.
 - Official selections/competitions/prizes.



How to choose the right tradeevents and potential partners?



You

TRADE-EVENTS

- Different types of trade-events (by size, theme, and target audience).
- Different countries (why language family, culture and habits should matter to you).
- Business vs. Public days (not as obvious as you can think).
- Meeting systems (why it can ruin your plans).



POTENTIAL PARTNERS

- How to use meeting system effectively, and why it is worth to check it everyday?
- Why searching by tags/types of companies is a bad idea?
- Why flexibility in choosing potential partners is crucial?
- How to write a perfect message and get an appointment?
- Why time and date of a meeting is important?



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How to prepare myself for such meeting?





CHECK THE COMPANY

- Find the store page (and references on other websites).
- Verify the store page (scope of services and products).
- Verify the social media (it's not always Facebook!).
- Buy a similar game and compare (version, languages, content, services).
- Find your friends and ask (you may be surprised).



CHECK THE COUNTRY

- Knowledge of foreign languages.
- Region-specific rating systems.
- Popularity of other stores.



CHECK THE PERSON

- Check this person's position in the company.
- Find this person in social media (Linkedin is your friend).
- Learn as much as you can (interests, hobbies, education, employment history).
- Ask yourself a question is this person my target customer?



How to negotiate the best deal possible?



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You

WHAT TO EXPECT

- No-one will give you a good deal (without your effort).
- Both sides represent their own interests (don't expect generosity).
- Time is money (you usually have an hour to convince them).
- You are neither the first nor the only one they are negotiating with.



CHOSEN NEGOTIATION TACTICS

- Operation Self-confidence (I know myself and my game).
- Operation Knowledge (I know what to expect).
- Operation Overwhelm (I can surprise you, and leave you breathless).
- Operation Reticence (don't lie, just don't tell everything).
- **Operation Trial Balloon and Operation Dead Fish.**
- **Operation Brooklyn Optician.**

How to evaluate a contract?





You

WHAT TO EXPECT

- Common mistakes (and how to avoid them).
- How to secure yourself (the best practices).
- When do you need to hire a lawyer (and why so early)?
- Why contracts are so complex (and why you should read The Art of War by Sun Tzu)?



CONFLICTS - MY OWN EXPERIENCE

- Flexibility is a key to agreement (how I had to remove alcohol usage from Bohemian Killing).
- The art of communication (how I saved the lost deal).
- How to break up respectfully (how I had to say goodbye).



Do you have any last tips?





SUMMARY

- Regional distribution deals can save your business!
- Choose trade-events and potential partners wisely.
- Prepare for every meeting.
- Learn to negotiate.
- Hire a lawyer.
- Be self-confident, respectful to others, and remember that communication is a key.







THANK YOU. Mahaj Marcin

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