

# and profiting from! Balancing Your Game Economy

#### Lessons Learned

Dan Hart, October 10, 2011



#### Arkadium







- Creating and Balancing a Profitable Social Game Economy:
- Case study: <u>Mahjongg Dimensions Blast</u>: Peak: 1.5MM MAU; 260K DAU; Current 964K MAU; 135K DAU
- Creating and balancing a fremium game economy following the basic structure of top social and emerging mobile games



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## What Kind of Game Economies?

- Casual Social and Mobile Freemium Games with
  - Asynchronous play
  - Dual Currency economies (with another system often thrown in)
  - Players buying and selling with the game (not between each other)
  - Open systems players bring cash to the table (as much as they want!)
  - Player to player gifting and cooperation



## **Planning for Monetization**

Four Steps of Monetization

- Scope and Nature of Design
- Mechanics of Monetization and Virality
- In Game Communication
- Economy Balance



#### **Key Equation**



![](_page_6_Picture_0.jpeg)

# Mahjongg Dimensions - Blast

Case Study

#### The Game

![](_page_7_Picture_1.jpeg)

![](_page_7_Picture_2.jpeg)

![](_page_8_Picture_0.jpeg)

#### **Boosts**

![](_page_8_Figure_2.jpeg)

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![](_page_9_Picture_0.jpeg)

## **Player Demographics**

- Female 35+
- From the United States
- Speaks English (US, UK, AUS)

![](_page_9_Figure_5.jpeg)

![](_page_9_Picture_6.jpeg)

![](_page_10_Picture_0.jpeg)

Diagnosis

- Over-rewarding: Sources > Sinks AND low buy/earn ratio
- Sinking boosts was slow
- Game was getting dated vs. newer FB arcade games
- No long term engagement model except love/addiction

Prescription

- Balance by
  - Constrain sources
  - Increase usage (sinking) of boosts
- Update the game look/feel/features
- Ad a leveling system and other engagement features

![](_page_11_Picture_0.jpeg)

#### Updated the Game

![](_page_11_Picture_2.jpeg)

![](_page_12_Picture_0.jpeg)

#### **Constrain Earned Boosts**

![](_page_12_Figure_2.jpeg)

![](_page_13_Picture_0.jpeg)

#### **Major Changes**

![](_page_13_Figure_2.jpeg)

![](_page_14_Picture_0.jpeg)

- Increase prices
- Remove very low priced and low selling items from store
- Emphasized marketing seasonal content added context

![](_page_14_Picture_5.jpeg)

• Created <u>a bonus for bigger spenders</u>

![](_page_14_Picture_7.jpeg)

Still plenty of roadmap to hit (merchandising, virality, item variation, collections, story)

![](_page_15_Picture_0.jpeg)

Impacts

- Daily game plays per user increased by **35.7%**
- Gifts sent/user. +68.63%
- Item sales +52.87%
- Boost usage by +31.82%
- ARPU for item sales **+123.23%**.
- Transaction value/purchase +195.53%
- Boost economy is balanced in fact, there is more daily sinking than earning

![](_page_16_Picture_0.jpeg)

![](_page_16_Picture_1.jpeg)

![](_page_17_Picture_0.jpeg)

![](_page_17_Picture_1.jpeg)

#### Definition

- System of resources;
- and the manufacturing, trade, distribution and consumption of goods and services
  - People
  - Resources
  - Currencies
  - Commerce/markets
  - Infrastructure
  - Guiding hand (That's Us!)

![](_page_18_Picture_0.jpeg)

#### Bodie, California

![](_page_18_Picture_2.jpeg)

![](_page_19_Picture_0.jpeg)

![](_page_20_Picture_0.jpeg)

![](_page_21_Picture_0.jpeg)

#### Inside a Social Game

![](_page_21_Picture_2.jpeg)

![](_page_22_Picture_0.jpeg)

## Framework of a Social Game

Common Characteristics of Top Facebook Games

- Dual currency engagement currency and real money currency
- Repetitive action (core loop) with a built in engagement currency grind
- Game arbitrated by goals/missions/quests Players are heavily guided
- Liberal use of pop-ups/overlays to communicate
- Everybody wins!
- Easy early progression followed by rapid deceleration of the XP curve
- Constant earning and sinking of engagement currency
- Deliberate grind for non-paying players
- Frequent trade-offs between time (waiting) or paying

![](_page_23_Picture_0.jpeg)

#### Slow Progression, Sell Speed

![](_page_23_Picture_2.jpeg)

![](_page_23_Picture_3.jpeg)

![](_page_24_Picture_0.jpeg)

#### Repetitive Loop System with Sources and Sinks

Buy a habitat, dragon, building, decoration (Sink)

![](_page_24_Picture_3.jpeg)

By Backflip Studios

Complete Goals, Groom environment, Grow dragons by feeding, Add Items (Sink and Source) Place and Hatch your Dragon (wait or pay) or Place and complete item (wait or pay)

#### Top In-App Purchases

1.	Pile of Gems	\$1.99
2.	Sack of Gems	\$4.99
3.	Pile of Cash	\$0.99
4.	Bag of Gems	\$9.99
5.	Sack of Cash	\$1.99
6.	Pile of Food	\$0.99
7.	Bag of Cash	\$4.99
8.	Sack of Food	\$1.99
9.	Bag of Food	\$4.99
10.	Box of Gems	\$24.99

Collect cash and food from Environment (Source)

> Gems = Real Money 4 Cash = Engagement Food = Resource

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![](_page_25_Picture_0.jpeg)

#### **Key Equation**

![](_page_25_Picture_2.jpeg)

![](_page_26_Picture_0.jpeg)

#### Balance

![](_page_26_Picture_2.jpeg)

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![](_page_27_Picture_0.jpeg)

#### Create a Model

- Include all sources and sinks
- Normalize to one currency
- List all items and actions and their source or sink value
- Create an activity model that pulls values from these sheets
- Model for several player types by time or level
- Make your best guesses
- Launch
- Analytics: Monitor Adjust Monitor Adjust ...

![](_page_28_Picture_0.jpeg)

#### Do's and Don'ts

#### Over-Reward

- Integrate the economy deeply into the game and thoughtfully decide what is for hard currency only the game is the economy; the economy is the game
- Tailor items to a variety of player motivations (advancement, fun, addiction)
- Create items for different user segments; Sell a variety of item types (Functional, Decorative, Access)

![](_page_29_Picture_0.jpeg)

#### Some Do's and Don'ts

> Sell items that are consumable/destructible

- Sell items with Attributes (stat or ability boost)
- Merchandise well (sales, limited time or quantity goods, level locks/exclusivity)

![](_page_29_Picture_5.jpeg)

![](_page_30_Picture_0.jpeg)

![](_page_30_Picture_1.jpeg)

# Questions?