

# **FREE TO PLAY VERSUS PAY TO WIN**

**JAGEX**

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## INTRODUCTION

- WE'RE NOW ENTERING THE **6<sup>TH</sup>** AGE OF MMOS
- 1<sup>ST</sup> AGE, 1978-1985: WHAT WE NOW CALL MMOS ARE **INVENTED**
  - MUD, SCEPTRE OF GOTH, AVATAR, HABITAT, ...
- 2<sup>ND</sup> AGE, 1985-1989: **CREATIVE** FLOWERING
  - SHADES, GODS, FEDERATION II, MIRRORWORLD, ARADATH, ABERMUD, ...
- 3<sup>RD</sup> AGE, 1989-1995: GREAT **SCHISM**, STOCK MUDS, **GOLDEN AGE** OF TEXTUAL WORLDS
  - DIKUMUD, LPMUD, TINYMUD, MOO, MUSH, ...

## PROGRESS

- 4<sup>TH</sup> AGE, 1995-1997: **COMMERCIAL**  
POTENTIAL REALISED, **FORTUNES** MADE
  - DRAGON'S GATE, GEMSTONE JIL, NEVERWINTER NIGHTS, ...
- 5<sup>TH</sup> AGE, 1997-2012: 3D **GRAPHICAL** WORLDS,  
**SUBSCRIPTION** MODEL
  - M59, UO, LINEAGE, EQ, DAOC, WOW, LOTRO, SW:TOR, EVE, COH, TSW, GW2, ...
- 6<sup>TH</sup> AGE, 2012-?: **F2P** REVENUE MODEL
  - DDO, AOC, MANY OF THE ABOVE, ...

## FREE?

- THERE'S A **DIFFERENCE** BETWEEN **FREE-TO-PLAY** AND **FREE**
- MOST OF THE 1<sup>ST</sup> TO 3<sup>RD</sup> AGE WORLDS WERE **GENUINELY** FREE
  - “AND WORTH EVERY PENNY”
- **FREE-TO-PLAY** MEANS YOU DON'T **HAVE** TO PAY TO PLAY, BUT IMPLIES YOU **CAN** PAY FOR ... WHAT?
- THAT “WHAT” IS THE SUBJECT OF THE **REMAINDER** OF THIS TALK...

## RUNESCAPE

- RUNESCAPE HAS **ALWAYS** BEEN FREE-TO-PLAY
  - A TRAILBLAZER, BUT THE TEXTUAL WORLD ACHAEA GOT THERE FIRST IN 1997
    - IRON REALMS MAKES \$2M A YEAR PROFIT...
- IN RUNESCAPE, PLAYERS PAY FOR **COSMETIC** ITEMS ONLY
  - THEY HAVE NO TANGIBLE **GAMEPLAY** EFFECTS
  - CLOTHES, TITLES, PETS, EMOTES, DYES, HAIRSTYLES, ...
- YET THIS IS JUST **ONE** END OF A SLIDING SCALE
- THERE IS **MUCH** MORE YOU CAN CHARGE FOR...

## SLIDING SCALE

- **HERE ARE SOME OTHER IDEAS:**
  - SERVER TRANSFERS, CHARACTER RENAMES
  - TELEPORTS, FAST TRAVEL, FASTER MOUNTS
  - MORE POWERFUL CONSUMABLES
  - SPECIAL EVENTS
  - BAG SLOTS, BANK TABS
  - REMOTE BANK ACCESS, REMOTE REPAIRS, REMOTE SHOPS
  - XP GAIN BOOST, MAGIC DROP BOOST, CRAFTING BOOST
  - CHARACTER CLASSES
  - CRAFTING MATERIALS, CRAFTING RECIPES
  - HIGHER STATS
  - LFG QUEUE PRIORITY
  - ABILITY SLOTS
  - LEVELS, XP POTIONS
  - RECOVERY FROM DEATH POTIONS
  - BOSS NERFS
  - KICK-ASS GEAR

## PAY TO WIN?

- YOU **CAN** CHARGE FOR THOSE, BUT **SHOULD** YOU?
- WHEN DOES IT BECOME **PAY TO WIN**?
- THE ANSWER **ACTUALLY** DEPENDS ON WHAT **PLAYER TYPE** YOU ARE
- EXPLORERS & SOCIALISERS ARE **OK** BUYING XP
  - THEY DON'T TREAT THE MMO AS A **GAME**
  - ACHIEVERS WHO BUY DO SO **FURTIVELY**
- HOWEVER, EXPLORERS HATE **BOSS NERFS** AND SOCIALISERS HATE **LFG PRIORITY...**

## YOUR PROBLEM

- IT ALL DEPENDS ON WHAT JAGEX IS **ABOUT**
- IF IT'S ABOUT **GAMES** THEN YOU ARE **LIMITED** IN WHAT YOU CAN CHARGE FOR
  - YOU MAY **LOSE** SOCIALISERS AND EXPLORERS, BUT ACHIEVERS WILL **LOVE** YOU
- IF IT'S ABOUT **WORLDS** THEN YOU ARE LESS LIMITED
  - YOU **WILL** LOSE ACHIEVERS, THOUGH
- DO YOU WANT TO MAKE **GAMES** OR SIMPLY *SECOND LIFE* WITH CONTEXT?



## ADVICE

- I'M GOING TO FURNISH SOME **NUGGETS** OF ADVICE TO HELP INFORM YOUR DECISION
- THIS IS **GENERAL** ADVICE I GIVE WHEN ACTING AS A **CONSULTANT**
  - YES, I'D NORMALLY CHARGE YOU £4,000 FOR THIS...
- THE **FIRST** THING TO NOTE IS THAT AT THE MOMENT, LAUNCHING A **AAA** TITLE F2P IS LIKE LAUNCHING A **MOVIE** DIRECT TO VIDEO
- AAA TITLES LAUNCH AS SUBSCRIPTION, **THEN** GO HYBRID

## NUGGETS #1

- THE NUMBER OF **SYSTEMS** YOU CHARGE FOR SHOULD BE KEPT **LOW**
  - PLAYERS **RESENT** NICKEL-AND-DIMING
- **IN-CONTEXT** EXPLANATIONS FOR REAL MONEY EXPENDITURE **HELPS**
  - SENDING AN NPC COMPANION TO BUY A CAPTURED HUMAN **SOUL** TO **IMPRISON** IN YOUR SWORD BEATS A “BUY SWORD BUFF” BUTTON
- CHEATING **FEELS** LESS BAD IF IT'S **INDIRECT**
  - LOOK AT DUAL-CURRENCY SYSTEMS (GW2 GEMS)

## NUGGETS #2

- ENGINEERING A **PROBLEM** SO YOU CAN SELL ITS **SOLUTION** INFURIATES PEOPLE
  - IF PEOPLE SUSPECT YOU **BROKE** THE GAMEPLAY TO MAKE THEM BUY THE **FIX**, THEY **LEAVE**
- OUT-OF-GAME STUFF IS LESS **CONTENTIOUS**
  - EG. 3D PRINTOUTS OF THEIR CHARACTER
  - **BUT** VIEWS ON FAIRNESS STILL APPLY – NO 3D PRINTOUTS WEARING EPIC LBWT THEY DON'T HAVE?
- LIMITING ACCESS BY **TIME** IS **NOT GOOD**
  - THEY JUST SET UP A SECOND ACCOUNT OR QUIT

## NUGGETS #3

- SPECIAL EVENTS CAN ATTRACT A **PREMIUM**
  - REAL-LIFE **FREE** MUSEUMS & GALLERIES DO THIS
  - THE EVENT **DOES** HAVE TO BE SPECIAL, THOUGH, NOT SIMPLY “THIS WEEK’S” SPECIAL EVENT
  - IF YOU VIEW IT AS A PACKAGE TO GAIN ACCESS TO BETTER LOOT DROPS, PLAYERS **WILL** CARE...
- IF PEOPLE HAVE TO **QUALIFY** TO PAY, THEY ARE MORE **INCLINED** TO PAY
  - FEWER PEOPLE **CAN** BUY THE HAT THAT GOES WITH THE SNAKE-KILLING ACHIEVEMENT, BUT MORE **WILL**

## NUGGETS #4

- DIFFERENT **TYPES** OF PLAYER SPEND DIFFERENT **AMOUNTS** OF MONEY
  - AVERAGE REVENUE PER ACHIEVER IS **40 TIMES** THAT PER SOCIALISER
    - BUT IF SOME ACHIEVERS BUY, OTHER ACHIEVERS WILL STOP PLAYING
  - AVERAGE REVENUE PER EXPLORER IS **60 TIMES** THAT PER SOCIALISER
    - BUT THERE ARE FAR FEWER EXPLORERS THAN SOCIALISERS
- ON **NO** ACCOUNT MUST PLAYERS BE ALLOWED TO TAKE MONEY **OUT** OF THE MMO

## THE FUTURE

- A F2P MMO IN WHICH ONLY **3%** OF THE PLAYERS SPEND **ANY** MONEY AT ALL CAN BE MORE **PROFITABLE** THAN SUBSCRIPTIONS
  - THIS IS BECAUSE THAT 3% PAYS **CRAZY** MONEY
- HOWEVER, REVENUE BUILDS **SLOWLY**
  - SUBSCRIPTION MAKES MORE MONEY **INITIALLY** WHILE THE **CONTENT LOCUSTS** EAT IT UP
- WHALES ARE **LIMITED** IN SUPPLY AND WON'T **REMAIN** WHALES **INDEFINITELY**
- HOW LONG WILL THIS 6<sup>TH</sup> AGE **LAST?**

## CONCLUSION

- F2P IS EXPANDING **BEYOND** MERE COSMETICS
- WORLDS ARE BECOMING **LESS** GAME-ORIENTED
  - PLAYERS ARE BECOMING **ACCUSTOMED** TO THIS
- PERHAPS **TRUE** GAME WORLDS WILL BE **NICHE** IN THE FUTURE?
- SO: DO YOU WANT TO MAKE **GAMES** OR MAKE **MONEY**?
  - YES YOU WANT **BOTH**, BUT WHICH DOMINATES?
- OR IS THIS F2P BUSINESS ALL JUST A 4<sup>TH</sup> AGE STYLE **FLASH-IN-THE-PAN**?