Alan Cabiness

Professor O’Donnell

IT 231

5 April 2017

IT231 – Assignment 1

A virtual economy with few regulations and no large competition opens opportunities for entrepreneurs. The purchase and sale of digital video game items has grown exponentially in the last few years. Putting a price tag on video game customization was a novel concept that developers started toying with a few years ago. Now, virtual items that do not even help a player be better at a game can sell for thousands of dollars. While the volume of items sold and traded is high, there are few marketplaces that users can use to securely covert these items to cash. My proposal is to create a unified platform for buying and selling video games and their in-game items for virtual currency. Users can fund their balance on the website by trading in physical video games, new or old, digital game codes, and in-game items. This balance can then be used to buy other items, whether from the same game or not. Since users have diverse interests, it is likely that some people would sell their childhood games for new ones and vice-versa.

The company would need various systems to operate. There would need to be a database of items that can be sold and their value. There would need to be another database of users and their balances. There would need to be bots for users to trade their in-game items to. Some live appraisers would need to be present to check validity of digital codes and to appraise the value and condition of physical items.

The target customers for this business are typical PC gamers that play games where in-game items are present. The niche that this site fills that others do not, is the ability for users to order, sell, and trade physical games too. The market for retro video games is huge right now, and not many people are aware, we will be able to offer fair values to customers for their childhood games and be able to re-sell them for a large profit margin. This also allows users who are feeling nostalgic to acquire copies of older games in trade for their digital items. Having one balance that can be used for anything on the site makes users more likely to shop with us since they have more options.

One of the harder parts of starting this business will be acquiring an inventory to start with. Once more users join and begin trading in, this will not be a problem, but a good inventory will need to be available on launch to entice initial users. I imagine the development of this system will take around 250 hours. This would equate to $25,000 of development investment.

Mockup:

