Gareth Lewis & Dr Michael Scott

Introduction

"Research is formalized curiosity, it is poking and prying with a purpose."

— Zora Neale Hurston

"Listening is hearing the needs of the customer, understanding those needs and making sure the company recognizes the opportunity they present."

— Frank Eliason

"Innovation needs to be part of your culture. Customers are transforming faster than we are, and if we don't catch up, we're in trouble."

— Ian Schafer

In this assignment, you will research business models for your COMP240 project and present a business case. Specifically, to:

(i) explore the market and possible routes to market for your game;
(ii) and to compare two business propositions, recommending which you think will be the most successful commercialisation strategy.

Making games is a business. For the most part, game studios exists to make money. There are many business models, each having its own constraints and viability—even for those soley interested in games for art. All game developers must eat and sleep! To maximise your chance of success in the games industry and to confer some of the entrepreneurial agency that Falmouth University is famed for, this assignment will help you develop an appreciation for the commercial forces behind game development. An evaluation of a market and the construction of a business case will expose some of these forces.

> **Role-Play Scenario:** Your current group is taking the game to market using `Itch.IO` as the sole distributor. You estimate the game will sell 10,000 units and agree a minimum net profit of £5 per unit, once pricing and other costs have been assessed. You anticipate production will require six more months to make the game polished and functionally complete. After which, you have several game ideas you would like to develop. So far, the team enjoys working together and you all feel that you are getting good results.
>
> Until this point, the team has run 'under the radar' by working remotely and drawing benefits during development. However, an opportunity has presented itself which would enable everyone to: (i) get paid; (ii) have a real company with an office to work in; and (iii) be able to tell people that they are real game developers. A publisher likes the look of your game and is proposing a deal (see the additional guidence section). It is your job to conduct a strategic evaluation of the two business options (to stick with self-publishing or to go with the publisher).

This assignment is formed of several parts:

(A) **Present** a 5-minute market evaluation and business case that will:
   i. **outline how** lucrative the target market is, with reference to relevant business concepts and elements of the business canvas;
   ii. **contrast** self-publishing to the deal offered by the publisher;
   iii. and **recommend** which business proposition to pursue.
(B) **Write** a draft 14-page report which will:
   i. **evaluate** the market **and** the two routes to maket;
   ii. **investigate and contrast** the two business models;
   iii. as well as **justify** the **most** appropriate business case.
(C) **Write** a final 14-page report that will:
   i. **revise** any issues raised by your tutor and/or your peers.

Team Niche extensively marketed their game at events such as *PAX* prior to and during its KickStarter campaign. It was funded.

Assignment Setup

This assignment is a **business task**. There is no GitHub repository. Use any word-processing, graphics, and/or desktop publishing tools as well as the platform(s) of your choice to prepare your presentation slide-deck and report.

Part A

Part A is a **single formative submission**. This work is **individual** and will be assessed on a **threshold** basis. The following criteria are used to determine a pass or fail:

(a) Business modelling is adequately addressed using CANVAS;
(b) The self-publishing and publisher-deal models are suitably compared;
(c) A recommendation is made, with at least some sensible justification.

To complete Part A, prepare a 10-20-30 style presentation. Create exactly 10 slides for your slide-deck using a tool of your choice. Leverage details specific to the game you are working on to formulate a sensible a business model and recommend one of the two propositions. You are presenting to publishers. So, tell us your decision and justify why. Practice your argument and discuss the options with your peers ahead of your presentiation slot in Week 7. Then, attend the scheduled presentation session.

You will receive **informal feedback** from your tutor within 3 working days after the session.

Part B

Part B is a **single formative submission**. This work is **individual** and will be assessed on a **threshold** basis. The following criteria are used to determine a pass or fail:

(a) Submission is timely;
(b) Enough work is available to conduct a meaningful review;
(c) A broadly appropriate review of a peer's work is submitted.

To complete Part B, prepare a draft version of the business report. This is quite an extensive piece, so ensure that sufficient time has been allocated to, both: (i) explore and refine the underlying business models that will underpin your recommendation; and (ii) prepare a well-structured and visually interesting business report. Ensure this is made available as a `.pdf` document and up-loaded to LearningSpace ahead of the peer-review workshop in Week 8. Then, attend the scheduled session.

You will receive **peer feedback** within 3 working days after the session.

Part C

Part C is a **single summative submission**. This work is **individual** and will be assessed on a **criterion-referenced** basis. Please refer to the marking rubric at the end of this document for further detail.

To complete Part C, revise the market evaluation and business case report based on the feedback you have received. Take care to ensure the recommendation is clear and sufficiently justified by the body of the report. Then, upload the report to the LearningSpace. Please note, the LearningSpace will only accept a single `.pdf` file.

You will receive **formal feedback** three weeks after the final deadline.

Additional Guidance

It is critically important that you carefully review the details of the deal offered to you by the publisher in making your decision:

> **Publisher Deal:** The publisher will fund up to 12 months (about £100k of development) using the current team through an advance that will be recouped against sales. There is a local business park that can accommodate the whole team and provide suitable development machines and associated resources for £1200 per calendar month.
>
> The game will be initially release on Steam at a gross price of £15. The publisher will commit a further £50k marketing advance that will be also be recouped against sales. The publisher estimates that the game should sell between 30-50,000 units and once the initial advances have been recouped, there will be a 50:50 royalty split. Once the game meets the upper end of the sales targets (40,000 units), console ports will be triggered. This will be a go / no go decision after 3 months of sales data and the PC version will be launched as soon as it is complete.
>
> For console ports, the publisher will provide a £50k advance for development of PS4, XboxOne & Switch skus. It is expected that all 3 versions can be turned over within 6 months and a skeleton team of 2 programmers and a producer / designer will be required working across all platform skus. The publisher will manage all sku testing.
>
> On completion, the publisher will commit a further £150k marketing advance to ensure that the game will get great coverage on release. Console targets suggest an average of 20,000 sales per platform with average net revenue of £5 per sale and this would be split 50:50 once advances had been recovered. The developer would retain ownership of the current IP, though the publisher would retain the right of first refusal on publishing future development work with the IP. Further work on novel IP would be discussed on completion of the console versions.

Use the *Business CANVAS* as an analytic framework to frame your recommendation. It will be presented as a professional management report. The page count may seem intimidating but, in terms of prep, is broadly equivilient to the essays you have written until this point. Indicately, the report should include:

(a) Front Cover
   i. This should be a single page with your company and game name.
(b) Excutive Summary
   i. Report Highlights (1 page, but only about half-a-page of content)
(c) Market Evaluation
   i. Game Value Proposition (1 page);
   ii. Marketing Personas (at least 4 personas across 2 pages).
(d) Route to Market — Self-Publishing for PC Release
   i. Market Position and Route to Market using `Itch.IO` (1 page);
   ii. Revenue Spreadsheet (1 page).
(e) Route to Market — Publisher-Deal for Console Release
   i. Market Position and Route to Market using Publisher (1 page);
   ii. Revenue Spreadsheet (1 page).
(f) Development Plan
   i. PC Development (1 page);
   ii. Console development with a reduced headcount (1 page);
   iii. Development cash-flow (1 page).
(g) Conclusion
   i. Assumptions and risks (half a page);
   ii. Accuracy and/or relevance of publisher information based on your game (half a page);
   iii. Recommendation and justification as to whether to accept the publisher offer (1 page).

FAQ

- **Is this a mistake?**
  If you have discovered an issue with the brief itself, the source files are available at:
  `https://github.com/Falmouth-Games-Academy/bsc-assignment-briefs`.
  Please make a pull request and comment accordingly.

Additional Resources

- `http://voyager.falmouth.ac.uk/vwebv/holdingsInfo?bibId=687701`
- `http://voyager.falmouth.ac.uk/vwebv/holdingsInfo?bibId=1079269`
- `https://www.youtube.com/watch?v=mt3povGsIGw`
- `https://unilearning.uow.edu.au/report/4bi1.html`
- `https://hbr.org/2014/07/the-right-way-to-present-your-business-case`
- `http://voyager.falmouth.ac.uk/vwebv/holdingsInfo?bibId=293746`

Marking Rubric

Criterion	Weight	Refer for Resubmission	Basic Proficiency	Novice Competency	Novice Proficiency	Professional Competency	Professional Proficiency
Basic Proficiency Threshold	40% (Threshold)	Parts A—C have not been submitted, are incomplete, or are unsatisfactory. No recommendation is provided.	Parts A—C are complete. There is at least some allusion to a recommendation. Evidence to suggest that business ethics were considered as a factor in the decision. All criteria are met at the basic proficiency level.				
Depth of Insight into the Market and the Business Propositions	20%	Little to no depth of insight and/or analysis into commercial feasibility. No personas included.	Some depth of insight into one or both of the business propositions and its/their commercial feasibility. At least two broadly sufficient marketing personas are described.	Modest depth of insight into the market and commercial viability. At least two adequete marketing personas are described. Adequete insight from the underpinning market research used to construct a sound business case.	Much depth of insight into the market and commercial viability. At least four adequete marketing personas are described. Much insight from the underpinning market research used to construct a sound business case. Insights suggest some level of commercial awareness.	Considerable depth of insight into the market and commercial viability. At least four appropriate and detailed marketing personas are described. Considerable insight from the underpinning market research used to construct a critical business case. Insights suggest an appropriate level of commercial awareness.	Significant depth of insight into the market and commercial viability. At least four appropriate and detailed marketing personas are described. Significant insight from the underpinning market research used to construct a critical business case. Insights suggest a highly appropriate level of commercial awareness.
Adequacy of Analysis of Propositions	20%	Little to no analysis has been presented. No evidence to suggest knowledge of the business canvas.	Some analysis has been presented. The business canvas is referred to.	Moderate analysis has been presented. Elements of the business canvas have been leveraged sufficiently. A recommendation is made reasonably clear.	Much analysis has been presented. Elements of the business canvas have been leveraged sufficiently. Recommendations are clear and are somewhat justified.	Considerable analysis has been presented. The business canvas has been leveraged adequetely. Recommendations are lucid and have been justified appropriately. Key limitations of the analysis are explicitly acknowledged.	Significant analysis has been presented. The business canvas has been leveraged adequetely. Recommendations are lucid and have been justified with much detail. Key limitations of the analysis are explicitly acknowledged.
Appropriateness of Business Writing	20%	Little to no evidence for mastery of written communication skills. Considerable spelling and/or grammar problems. Little to no structure.	Some evidence of mastery of written communication skills. Many obvious spelling and/or grammar errors are present in places. Some structure. Some sentences and paragraphs are well constructed.	Modest evidence of mastery of written communication skills. Some obvious spelling and/or grammar errors are present in places. Modest structure. A modest proportion of the sentences and paragraphs are well constructed. There is a clear executive summary and closing statement.	Much evidence of mastery of written communication skills. Few obvious spelling and/or grammar errors. Much structure. Most sentences and paragraphs are well constructed. There is a clear and well-constructed introduction and conclusion.	Considerable evidence of mastery of written communication skills. Close to no obvious spelling and/or grammar errors. Considerable structure, leveraged to effectively highlight the argument and key takeaway points. Nearly all sentences and paragraphs are well constructed. There is a clear and well-constructed introduction and conclusion. All in-text citations and quotations are correct.	Significant evidence of mastery of written communication skills. No obvious spelling and/or grammar errors. Significant structure, leveraged to effectively highlight the argument and key takeaway points. All sentences and paragraphs are well constructed. There is a clear and well-constructed introduction and conclusion. All in-text citations and quotations are correct. Active voice is prevalent. Grammar is leveraged deliberately to draw attention to salient points.