

Project 4 - Deployment Plan

At Team Awesome, we aren't a big studio, nor are we a small developer with a publisher. We are a small upstart indie game company ready to take on the world, and that means doing things at the offset as cheaply and as craftily as we can to maximize the return on our time investments into our product: GameCollection. Therefore we must, initially at least, maximize the least expensive options for increasing our face time with our target audience and using the internet, a near free resource these days, to spread the word about our product.

In the PC video game world, Steam is king. Knowing this, we have decided to submit our product to Steam's Green Light service in hopes that enough fan support will push our game onto the most popular PC gaming store in the world. Doing so means paying a \$100 Green Light submission fee and then waiting for a lengthy period of time while would-be buyers of our product vote on hundreds of current Green Light products they would like to see offered for sale in the store.

Therefore, while we wait for our product to be "Green Lit" we need to establish a secondary source of income as well as a central hub where fans of GameCollection can come for game related information and customer service. We have decided to go with the bluehost.com web hosting service which will cost \$147.15 annually and to use our personal emails for the time being to cut down on costs. Once we create a Steam Green Light page for our product, we will also be able to interact with our customers on their website. Games that have been "Green Lit" also have a Community Hub page with message boards.

While waiting for approval to move to the Steam Store, we will offer our product on our website using a popular payment widget from PayPal, this will allow us to sell the game on our website without forcing us to deal with nasty payment processing implementations. Each game sold on our website will cost us 2.9% + 30 cents to PayPal, which, compared to Steam's 30% is pretty nice; however the large number of users of Steam will eventually offset this seemingly crippling deficiency.

In the first month we plan to invest \$100 in the Steam Green Light program plus \$147.15 for our first annual subscription to bluehost.com's service. We have no idea how well our game will be received without some kind of a gentle nudge from the media, but if we try pricing our game competitively at around \$4.99 and we make at least 2,000 sales from our website, we will net \$9090.58. Not bad for a first month, but we intend to reinvest all of that money directly back into marketing the product.

In order to increase our user base, we'll need to start getting the word out as fast as possible to drive customers to our website. Social media platforms like Facebook's ad service would be a nice option for us but we may not be able to afford it quite yet. Around April of 2016, the average Cost Per Click (CPC) of a Facebook ad hovered around \$0.34

(<https://adespresso.com/academy/blog/facebook-ads-cost/>), meaning a measly 14 clicks would eat up an entire purchase's worth of profit. Bloggers on the other hand may initially offer their services for free, especially if we give some free copies of GameCollection to some Bloggers or a few popular YouTube channel runners. The great thing about software is it costs us less than a penny to send several copies of GameCollection out as gifts to people who are likely to talk about it to their fans or readers.

Our program is not suited towards console play and it isn't large or flashy enough for us to seriously justify the high costs buying a booth at either a popular video game or comic convention. For a rough estimate of those costs, just a table at Comic Con International in San Diego would cost us \$1000 plus fees for union related jobs at the convention site (Comic Con website, exhibitor application form) and the cost of air travel and hotel rooms for the three initial employees would be a minimum of \$1,656 per person, which includes flights and five nights at the closest Hotel to the convention center that isn't sold out (many were). The fees for just the table, the flights and hotel already approach \$6000 which would be a good portion of our first month's potential revenue.

Attending E3, the Electronic Entertainment Exhibition, would be fantastic for our exposure as it is one of the biggest video game exhibitions in the world and probably the biggest in North

America. The costs of attending E3 as an exhibitor vary depending on what part of the exhibition you want to be in and different areas have different levels of exposure to the wandering crowds. Getting onto the big floor with the smallest available square-footage costs a minimum of \$30,000 for \$600 square feet back in 2013

(<http://www.engadget.com/2013/07/16/breaking-down-the-cost-of-an-e3-booth/>), meaning the costs are sure to have risen since then. This doesn't factor in the costs of designing a building a booth to attract passersby from all of the booth brought to the show by multi-billion dollar companies like EA. Design and construction starts in the thirty thousands and rises from there into the hundreds of thousands of dollars. Attending a comic-book convention seems like a much better, if still unaffordable endeavor for our new and cash poor company.

One of the best investments we can make is in our website. If we can hold the interests of the few visitors who initially wander onto our site, we may convince them to buy our product, or better yet to tell their friends about us. To this end, it is imperative that we either create a very dashing website ourselves with our programmer know-how, or we can hire a professional web designer to create something that will keep customers from instantly walking out the proverbial door. The costs of a web designer vary, but executionists.com has an excellent article breaking down the costs of hiring a team to design a small business website

(<http://executionists.com/much-website-cost-2015/>). Their projected costs are from \$5,640 to \$11,400 and up depending on your business needs. Since we've already committed to primarily email interactions with our customers for now, we don't need a web forum or an email service. We can probably do okay with a single page website, provided we hire a talented designer who knows how to lay out our (for now) limited information in a way that is easy to navigate and understand. Investing at least \$4000 into our initial website would afford us a secure website with a decent design and a simple layout; according to the executionists.com article we might have enough in that budget to invest in a graphic designer.

We originally developed the product on Linux, however it seems likely our biggest market will be Microsoft Windows users. There is now a Microsoft Windows "app-store" where developers can package Windows applications as "apps" (what the difference is, I have no idea)

and sell them at an initially comparable rate to selling an app on the Google Play store, with the added benefit that it is a PC application! According to a 2013 article on a Microsoft developer blog (<https://blogs.msdn.microsoft.com/jennifer/2013/04/25/comparison-of-windows-store-vs-google-play/>) Microsoft takes the same 30% cut from sales as Google does on their store, however, after \$25,000 revenue, their cut decreases to only %20. This is still not as preferable to the PayPal option of 2.9% + \$0.30 per sale, but the potential exposure increase from being in a concentrated software store is again, a potential no brainer.

Let's look at other platforms besides Windows; since our game software is targeted towards PCs, the next logical platforms are Linux or Apple systems. Developing for Linux would be pretty simple since the software was originally developed on Linux, however exposure on Linux systems is much lower than on PCs. However, many customers like it when a piece of software is multi-platform, so the continued upkeep on our Linux builds may pay dividends later.

Localization of a piece of software can open markets up to many new customers that weren't available in the developers' home country. The cost of hiring native speakers to translate our software and its accompanying documentation, according to..., can range from \$ to \$ depending on the size of the project. Luckily the linguistic size of GameCollection is relatively miniscule. Instead of hiring a team of dedicated game localization experts, we can easily get away with taking advantage of the many inexpensive document translation services available. For example, costowl.com estimates (<http://www.costowl.com/b2b/translation-service-document-cost.html>) the cost to translate a document per word in the source material at around \$0.08 to \$0.40 per word depending on the target language and the complexity of the source material. As our documentation and readable software details is small, I estimate we have at most 8 pages worth of source documentation. If we stick to languages we would have an easier time maintaining the software in (available translators/customer base in target language). At the higher \$0.40 per word rate, it would cost us up to \$174 to add a new language to our program (at an average of 435 words per page). This is a very inexpensive way to add millions of people to our possible customer base and so is definitely a good strategy for our small company. Costs of maintaining our language base after further development can be assumed to

be less than or equal to the original invest since most source material would remain unchanged. Supporting additional languages with technical support would likely be the real problem since having access to fluent translators in any given language may choose problematic, however a quick Google search shows there is a plethora of available (and competing) online translation services. So while one on one technical support may be trickier, keeping our program in multiple languages becomes easier the fewer features there are in the program involving non-English languages.

In summary, our company is starting out small this first year, so costs need to be managed. Going to E3 is out of the question. However, attending Comic-Con as an exhibitor begins to look more attractive, especially when you consider it is the biggest North American comic-book convention with a large video game exhibitor showing every year.

Tallying costs for our first year of hosting on bluehost.com at \$147, and the cost for a decent website at around \$4000 dollars plus fees to PayPal for their processing services (estimating around 2000 purchases per month, conservatively), our revenue should be around \$54,540 for the first six months. If, by then, we have completed the Steam Green Light process and our product is available on their web-store, we can expect an increase in sales from 2000 to at least double that number, again conservatively. If we ship 2000 units from our own website and another from Steam during each of the next six months after that, our second half of the year should net a profit of \$16,966, having spent \$889.42 towards PayPal's service each half year and \$2994 towards Steams during the second half. If we invest \$6000 to send our representative to a comic-book convention (instead of a much more expensive video game only convention) we can expect to increase our customer base at least somewhat.

Our conservative total cost vs. profit, setting our price at \$4.99, during this time period will be:

First Six Months		Second Six Months	
Web Hosting	\$73.60	Web Hosting	\$73.60
Web Design	\$4000	PayPal (2000 units)	\$889.42
PayPal (2000 units)	\$889.42	Steam (2000 units)	\$2994
Steam Green Light Fee	\$100	Convention	\$6000
Revenue (2000 units)	\$9980	Revenue (4000 units)	\$19,960
Profit	\$4916.98	Profit	\$10,003
Conservative Year-End Profit (6000 units sold)		\$10,003	

Our optimistic outlook where we sell ten times as many units during each half year is:

First Half Year		Second Half Year	
Web Hosting	\$73.60	Web Hosting	\$73.60
Web Design	\$4000	PayPal (20000 units)	\$8,894.20
PayPal (20000 units)	\$8,894.20	Steam (20000 units)	\$29,940
Steam Green Light Fee	\$100	Convention	\$6000
Revenue (20000 units)	\$99800	Revenue (40000 units)	\$199,600
Profit	\$86,732.20	Profit	\$154,692.20
Optimistic Year-End Profit (60000 units sold)		\$241,424.40	

As we can see here, the expected return from selling games on Steam must be significantly higher than the returns expected from a developers website or there wouldn't be so many developers putting their wares on Steam. I found no good information for estimating this difference, so I estimated that they would sell the same number of units, although it is quite clear more customers looking at your product means a higher likelihood of a purchase.

The difference between the low estimate and higher estimate shows the value in shipping a higher number of units in order to lower the impact of the middle-man's fee.

In either scenario, adding localization of one or two languages to our program would be insignificant in cost and would probably more than make up the cost in sales the following half-year.