

# Sales Pitch

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-- Risks & Rewards

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## Team Members

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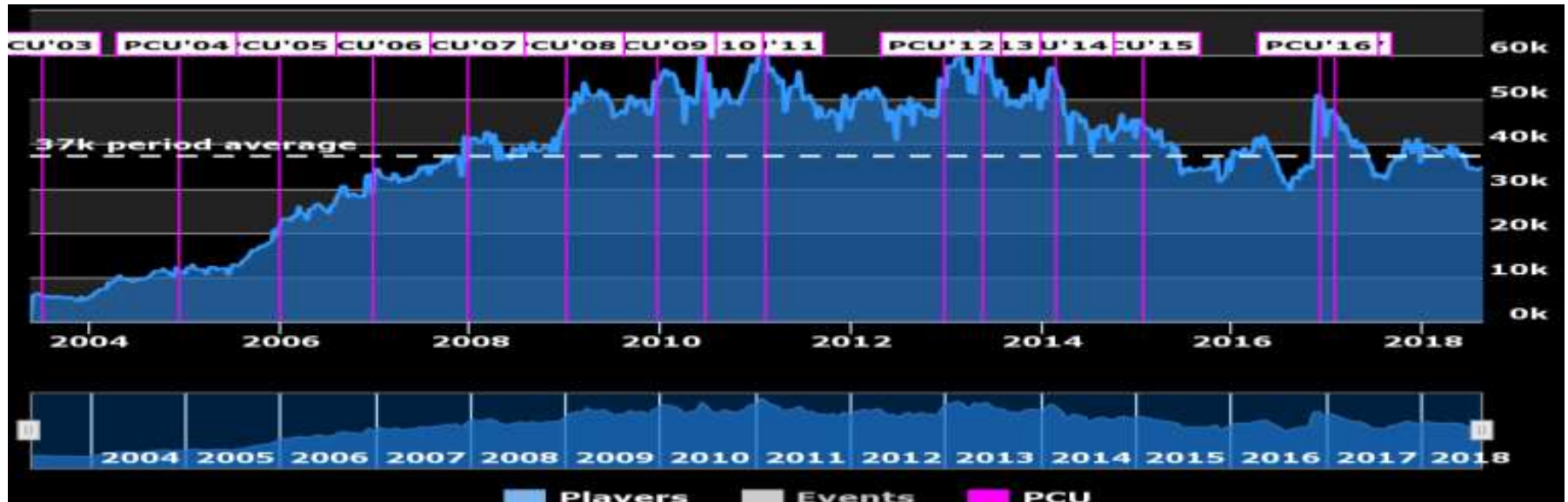
Sparsha Hanumanthe Gowda

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**Professor:** Aron Lindberg

# Intro - Eve Online

- EVE Online is a space-based, virtual world multiplayer online game.
- How many people play EVE Online ?



# Risk and Rewards - What?? Why??

**Risk** - “Risk is the possibility of losing or gaining something which results from a action (Planned or Unplanned).”

**Why take risks?**

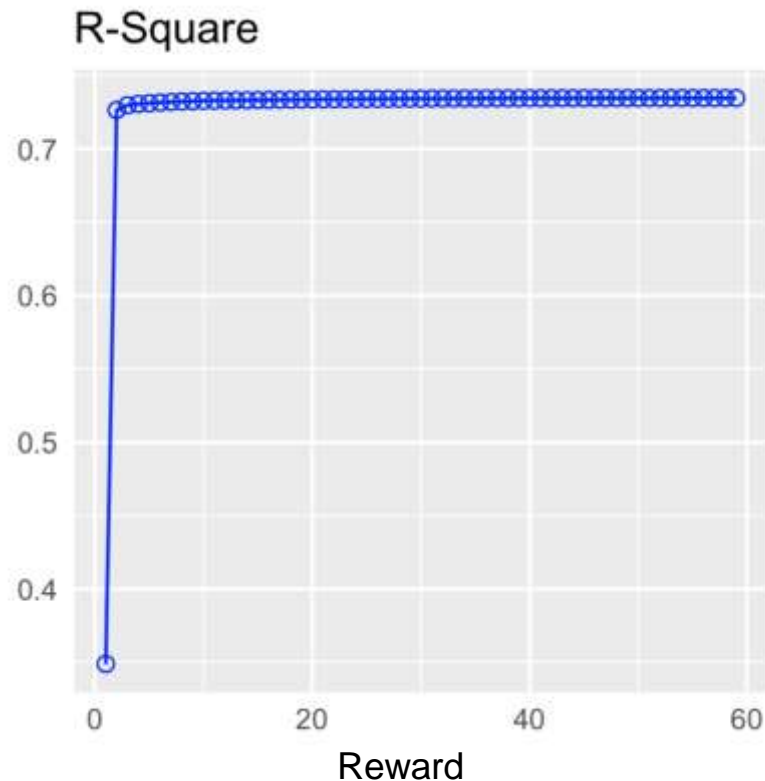
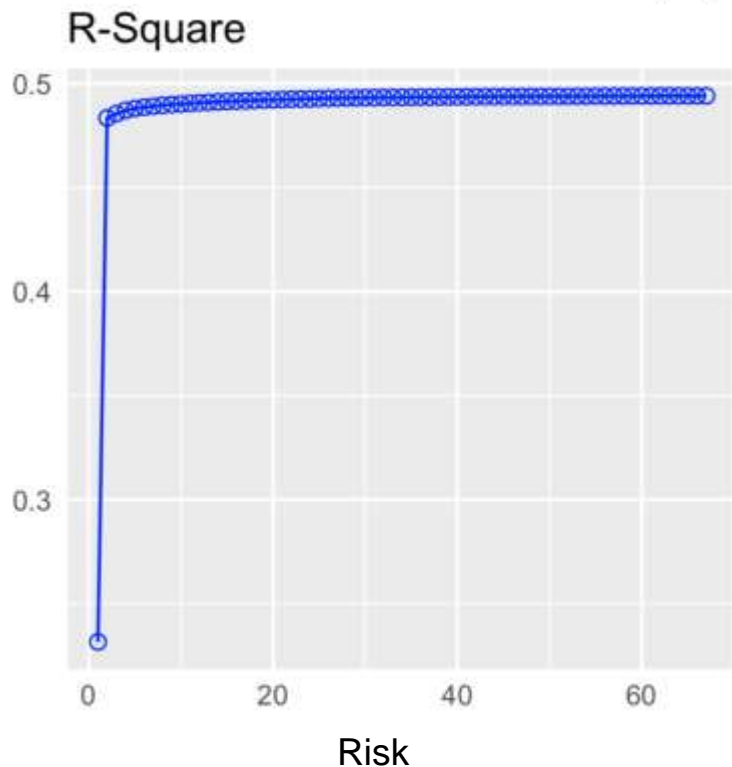
- There's no innovation without taking risks
- Risk-taking is not betting everything

**Rewards** - “Something given in effort of one's achievement or efforts.”

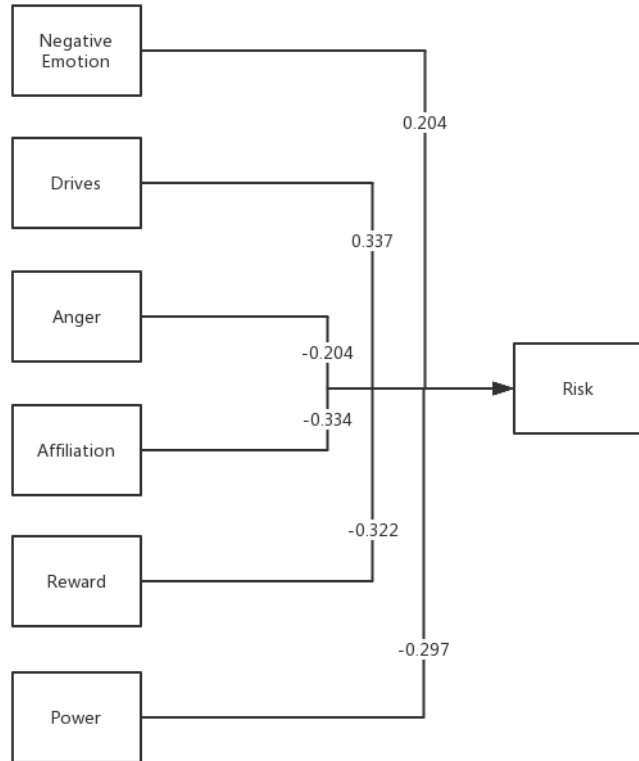
**Why are rewards important?**

- Builds loyalty and honesty amongst players
- Strengthens the company's reputation.

# Data View - Forward Selection



# Data -- Risk



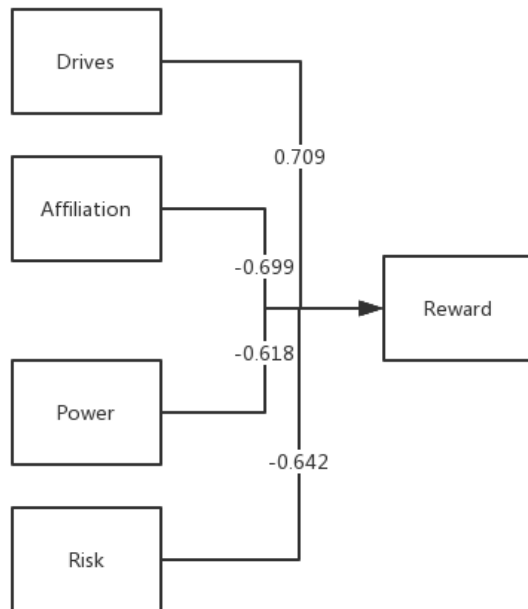
R squared:0.4495

Coefficients:

	Estimate	Std. Error	t value	Pr(> t )	
(Intercept)	-0.1608100	0.0041755	-38.51	<2e-16	***
negemo	0.2040104	0.0008911	228.93	<2e-16	***
drives	0.3373628	0.0009291	363.11	<2e-16	***
anger	-0.2043611	0.0013992	-146.06	<2e-16	***
affiliation	-0.3339003	0.0012959	-257.65	<2e-16	***
reward	-0.3223842	0.0011365	-283.66	<2e-16	***
power	-0.2966659	0.0010881	-272.66	<2e-16	***

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# Data -- Reward



R squared:0.6677

## Coefficients:

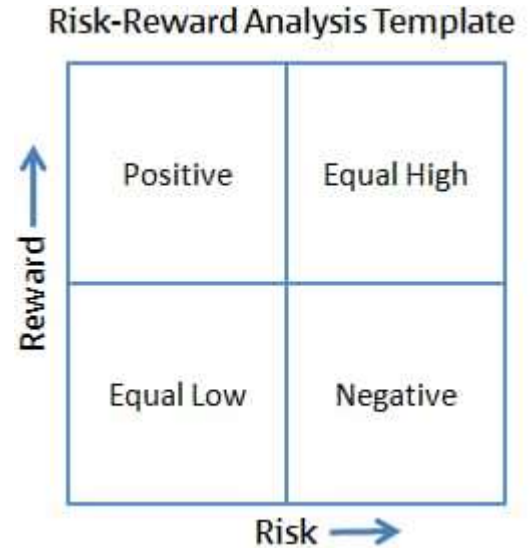
	Estimate	Std. Error	t value	Pr(> t )	
(Intercept)	-0.2818599	0.0056254	-50.1	<2e-16	***
drives	0.7092664	0.0008885	798.3	<2e-16	***
affiliation	-0.6996679	0.0015496	-451.5	<2e-16	***
power	-0.6178862	0.0012776	-483.6	<2e-16	***
risk	-0.6424115	0.0019851	-323.6	<2e-16	***

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# Hypothesis - Risks

- **High risk - High reward.**
- Most eve online players want the game developer's to nurture high risk gaming environment to keep the game dangerous and compelling to preserve existing players rapt.
- Identify and emphasise the factors to stimulate/**cultivate** high risk factors in gaming environment.
- Identify the factors which hinder the players to perform high risk maneuvers and **eliminate** it.



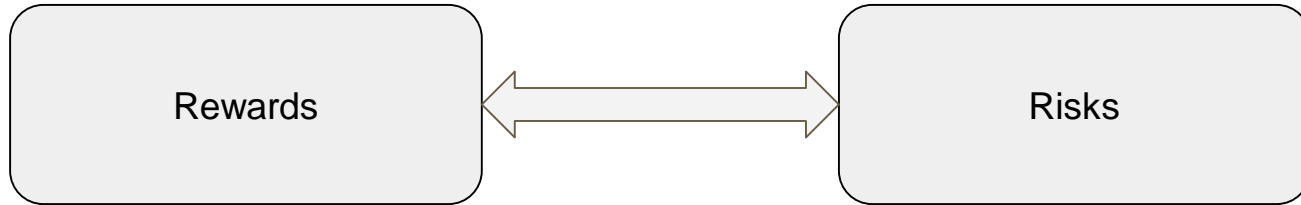
## Hypothesis - Rewards

- **Player Retention**
- Players feel gratified when they are rewarded in any form post performing a hulking task in-game.
- Providing players with rewards such as in game credit **ISK** (Interstellar Credits) or other form of advantage makes them hooked to the game.
- Identify the key factors involved in keeping the players hooked to the game through rewards
- Also **new players** can be rewarded with ISK to promote risk factors to existing players
- **Player retention** and new **player acquisition** through maintaining high risk and providing high reward will **economically benefits the firm.**

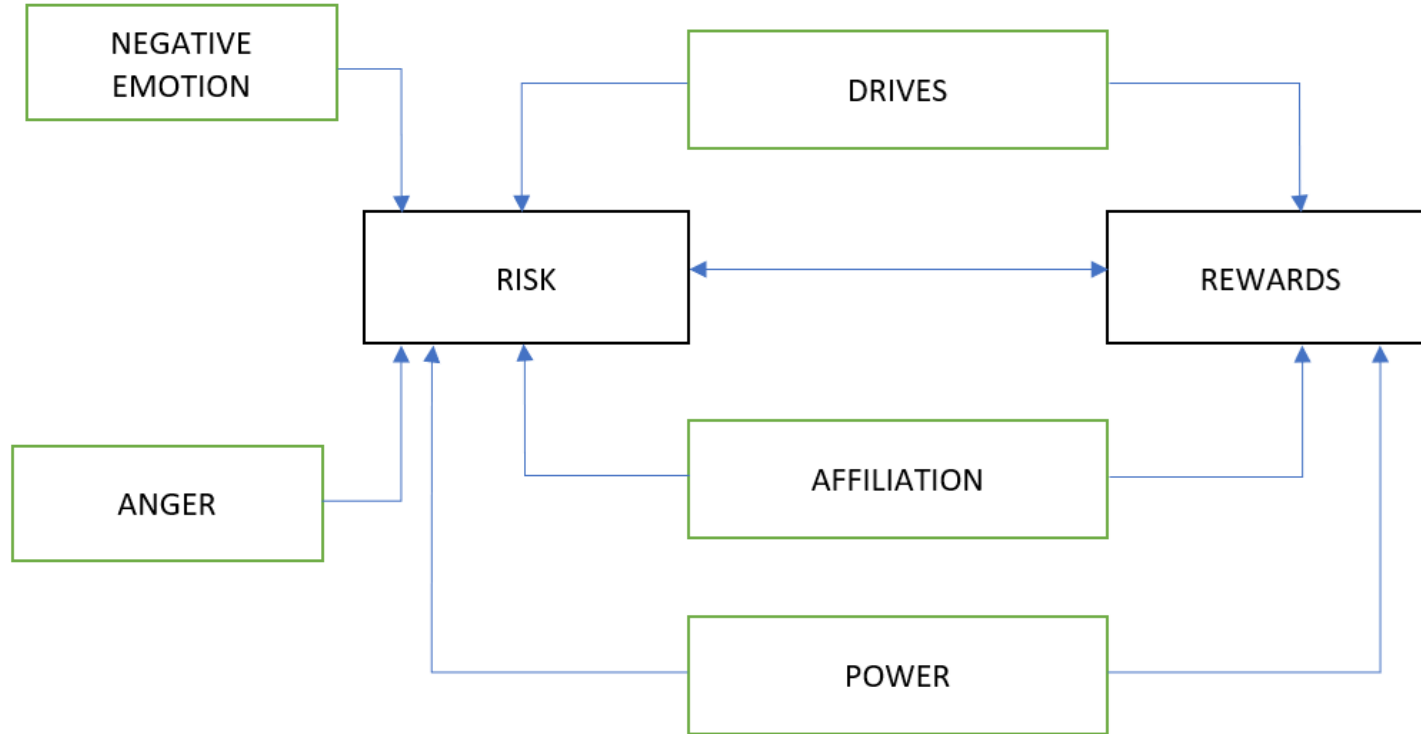


# Correlation

- Rewards and Risks are highly correlated



# Model -- Risk & Rewards



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# HIGH RISK, HIGH REWARD

2007-12-21 - BY SVARTHOL - EVE NEWS



Gambling as a pastime has continued to grow across the cluster and is finding increasing popularity amongst capsuleers as a result. More and more so-called "gambling dens" are being set up by this elite class in areas where there is no legislation to govern them or regulators to monitor their activities.

Most commonly, this has taken the form of private fluid router networks. There are countless arrangements of this type, rendering it effectively impossible for the more questionable establishments to be found and dealt with. For a more traditional feel, some betting games are even hosted aboard any vessels at a capsuleers' disposal. Ships that can move out to low-sec and nullsec security areas whenever they choose have been able to operate with impunity, free from CONCORD and Customs intervention.

Those in the Caldari State's gambling industry are understandably displeased with this latest development. Gambling is a huge part of all empire's entertainment industries, but nowhere is this more true than in the State. Industry officials frequently decry the risks and problems associated with black market gambling. Those in the Federation and other empires are quick to question their motives however; pointing to frequent allegations and indeed widespread perceptions that the State has a robust and healthy black-market gambling industry of its own.

# Current suggestion of users to improve EVE



## Slowing down the decline of EVE

■ Communications Center ■ General Discussion

4 Replies ▾

8 ❤️ 🔗



Runa Yamaguchi

1 ✎ 28d

1. Make wars matter by giving corps/alliances something real to fight over (ie ore).
2. Stop catering to the "it's my right to be able to own a stations worry free" types
3. Make life hard/challenging again for the NS folks with less JFs
4. Titians should be like unicorns...not mosquito. Set ore levels accordingly (see point #1)
5. Fix FW FFS
6. entice players out of HS with more riches in LS (also less riches in HS)
7. PI needs a whole rework...too passive...

...there are more of course...

2 Replies ▲

1 ❤️ 🔗

# Recommendations

1. Having good challenges in the game will keep the users involved
2. Create a better user interface and instructions to help the new player understand the platform
3. Ccp must improve the existing sovereign system and improve the rewards provided when risks are undertaken by users
4. Risk and rewards are directly dependent which helps to predict the future ROI
5. Analyse the usage of the variables in the comments to identity a strong strategy to increase rewards

# Conclusion

Through the considered theory one can infer that reward and risk do impact the company's revenue and market. Major priority is to be given in building a solid flexible strategy to make the game interesting to avoid stagnation. A balanced risk and reward model would be helpful to create a strong sustainable economic condition.

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# Thanks You

— Any Question? —

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