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The big interview: Tim Sweeney on why players should embrace Epic Games' store

Epic loot.

Interview by [Martin Robinson](#), Deputy Editor

Updated on 21 March 2019

Last December Epic released its own digital games store, and now over three months later it boasts some 85 million players. Fortnite has helped, of course, as has its offering of a free game every two weeks, but most controversially it's been through its acquisition of exclusives - such as 4A Games' Metro Exodus - that it's gained most notoriety. In the wake of the announcement of Google Stadia, and at Epic's own keynote at GDC where it announced a \$100,000,000 fund for developers, we caught up with Epic founder Tim Sweeney to talk through the current state of play.

Obviously the big talking point this week has been Google's Stadia - you've obviously been briefed and are very involved in it! What's your take on it?

Tim Sweeney: I'm very excited. Unreal Engine fully supports it, we've been working with them on a technical capacity on this for a very long time. It's exciting to put 10 teraflops of computing power in front of every device of every size in the world. It's going to present interesting new options for games - and it's going to create some new opportunities and challenges for engineers and game designers. We were having this conversation earlier - the Battle Royale genre couldn't have existed 15 years ago because computers weren't fast enough, you couldn't have had that big an environment, you couldn't have had 100 players on one simulation, but now it's possible. You have to realise what increasing hardware performance, new arrangements of computers and networks, new genres will be possible that aren't possible today, and we're going to have to invent them.

From your position, it's exciting because the opportunities with the Unreal support, but also with the Epic Store it's surely a threat?

Tim Sweeney: We live in a multi-platform, multi-ecosystem world now. We see heavy Fortnite engagement across multiple platforms, all these different stores and platforms they need to connect together and support players playing across their favourite devices in their different ways. The best solution for playing a game might be different for someone in a city than someone in a rural area with less cable and internet access. It's a challenge for us, and all platforms and stores and ecosystems to work together to make everything work for all gamers.



Epic's GDC keynote included a look at Quixel's Rebirth, an impressive showcase for UE4.

So it's not an existential threat to stores for people to have the ability to go straight from a YouTube video into a game experience at the click of a button?

Tim Sweeney: No, it's another great option. The state of gaming changes over time, right, and we're all going to have to keep up. It might be the way that people play games, and Google won't have the only one.

I wanted to talk a bit more about the store. The numbers you announced today (some 85 million users) suggest it's been a success. Was a store always part of your plan, did the success of Fortnite expedite that?

Tim Sweeney: In 2012 we decided we wanted to move away from releasing big single-player games from the Gears of War era to creating online games that we release and continuously improve for a very long time. That was when development on Fortnite started - it was a very long development cycle. We realised that we wanted to have our own complete ecosystem for publishing, for online systems in addition to the Unreal engine. When we began building it, we released the first Epic Games launcher in 2014 along with the Unreal engine, posted a couple of our old games. It's always been our intention to turn that into a storefront for everyone - but it took a long time to build up everything we needed to do that successfully. It needed to be really close to the release of these Epic Online Services - which we built for Fortnite, for Paragon, all upgraded to be useful to independent developers. The combination of that and the store took a long time. Fortnite has been a critical factor in making this level of success possible. The fact we have 85 million players in our ecosystem is, to a large part, down to Fortnite's success, as well as the releases of our free games. Unexpectedly, there's been a high level of success to some of our exclusive releases, like Metro. In the early days for the store we recognised the importance of exclusives, but whenever we projected the Steam sales of a game it was always a fear at Epic whether we'd be able to achieve anywhere near those numbers ourselves. To see we've exceeded them in a number of cases has been great.

It's encouraging for those looking to join the store too, I'm sure.

Tim Sweeney: It proves not that the Epic Store is awesome - it's that games come first, and that a great game will succeed wherever it's sold. It proves that developers have the real power in the industry, and that where developers go customers will go with them. That's an important lesson, it helps prove our sense of the 88/12 revenue split

we've pioneered. This is a situation where the developer makes by far the majority of their revenue and profit of their game. It's also healthy for us - we'll make a few per cent. So yay us, but it's not like we're marking up our costs by a factor of three or four or five. It's a great trend for the industry, and more power to the developers.

It's not without controversy. We just had the story up on Eurogamer about Control and the Outer Wilds now being Epic Store exclusives, and people aren't happy about it, going as far as saying Epic is killing PC gaming, and asking how is this putting the customer first.

Tim Sweeney: Well now we're working with partners like Humble to open up their ability to sell access to Epic Store games without any revenue share for Epic. It's up to developers to sell through Humble, and in the future hopefully more highly reputable digital store partners to expand options for purchasing. Epic's big motive here is to fix the supply side economics of the game business, right. It's not a sexy objective.

I understand gamers not appreciating that, these are things that are invisible to you. How much of your money goes to a developer, how much goes to Valve - you just can't tell, as a gamer. As a developer, it's critically important to your livelihood - the difference between 70 per cent and 88 per cent can be the difference between going out of business or growing. Very few developers have a 30 per cent profit margin. This isn't some small difference to them. They have all the costs of building their game, paying their employees, marketing their game, paying for user acquisition. For most games, the store makes more profit than the developer makes. It's critically important to fix that - popular or not, it's a strategy that's necessary and it's proving to work.

Was that one of your main motivations in launching the storefront - to redress the balance?

Tim Sweeney: Oh absolutely - when we decided to build games this way ourselves, one of the very first decisions we made was whether to go on Steam or launch ourselves. The economics of being on one of these 30 per cent stores, when you have all those other costs, it's a very stark decision for a developer to make, and it weighed on us for a very long time. Now we've reached this level of success, and the level of success we've had with Fortnite, we're committed to making those decisions a lot easier for other developers.

Let's Play Fortnite Battle Royale - WAIT... THIS ISN'T PUBG?!



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In terms of making the decision easier for bigger companies - how aggressively have you been pursuing these exclusives, how much money does it cost to secure these big deals with Ubisoft?

Tim Sweeney: In all cases, developers were really genuinely excited about the revenue split and what that meant for their economics, also their control over their store page and the fact that no other games would be on their pages - it'd be a much more direct relationship with their customers. Launching the store, we've helped developers in various ways, such as making minimum revenue guarantees - so that Epic is taking the risk as to whether they'd perform better or perform worse than they would on Steam. These are all the result of long-running discussions between Epic and our partners. But we've been investing very heavily in it - and we're very encouraged with the results that we've seen, and are very encouraged about the future.

From the dev side there's a key point of differentiation that makes it really attractive. From a customer, what's the point of differentiation that makes it more attractive?

Tim Sweeney: Well, we have fewer features! [laughs]. The free game every two weeks is one of the big consumer benefits from it. You come back and get these games, you're building up a library without spending any money. And these are great games, some big, some small. And that's a nice thing. We're building more and more features over time and evolving the platform. There's also the recognition that you're helping developers have a better business than elsewhere, and that we're supporting creators. We're trying to facilitate a whole load of things that will make gaming healthier for everyone.

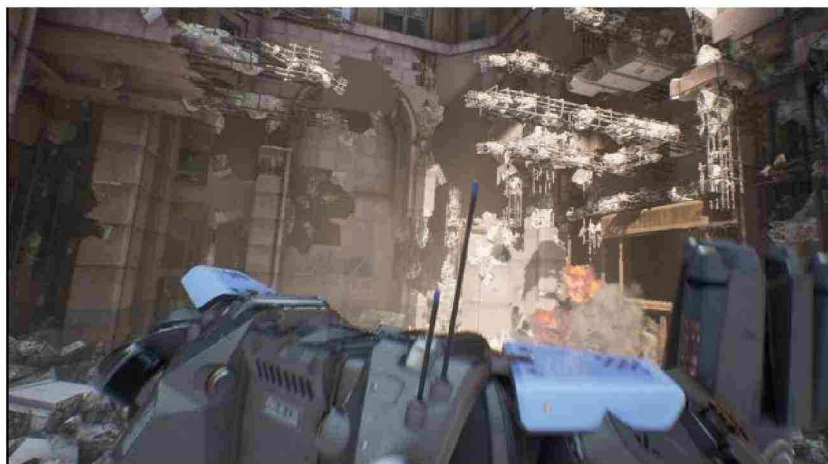
What are your plans for the future in terms of community features?

Tim Sweeney: We've a big one we've put on our website now! You can see everything we're working on now, we've just launched a ticketing system so developers can choose to provide direct support to customers, we're working on a review system that will be opt-in for developers, we're working on a lot of other systems. See the road map! That's just the beginning. It won't necessarily evolve how every other store has evolved. If you look at game distribution at large, North America and Europe it's all centred around these storefronts. If you look at Korea, game distribution is socially driven with chat programmes driving game awareness - in China it's wechat, a social network rather than a storefront. Looking at Fortnite, the way the game's evolved, digital ecosystems will evolve over time too.

Something Valve has come under fire for recently is policing, and Valve's unwillingness to get in the way of certain games getting up there. What's going to be your approach?

Tim Sweeney: There are two parts to Epic, and we have two different philosophies towards this. First of all we're making creative tools like the Unreal Engine, we make them available to anyone for any legal purpose, and we've no authority or right to judge what you're doing and say whether or not you're allowed to do it. It's like Microsoft Word - Microsoft doesn't say you can't write about anarchy in our word processor!

But when Epic is selling a product to customers, we feel we have a responsibility to moderate for a reasonable level of quality, and also a reasonable level of decency. And so we won't be selling games that are really low quality, we'll have a human review every game and make a basic quality decision about things that are submitted. And we'll avoid porn and games that are primarily designed to create controversy as their business model. We don't feel bad about that - the PC's an open platform, if we tell a developer no they can still distribute their game to their website or any other number of outlets.



Chaos was a showcase for some impressive new UE4 features.

Some of what you've announced - the MegaGrants that's offering up \$100,000,000, the revenue split - almost feels like it's coming from some place of philanthropy. What's your guiding motivation - is it just to make as much money as possible, or is it some higher cause?

Tim Sweeney: Well you know I think the best companies can nurture both together, right? The Unreal dev grants, we had a five million dollar fund distributed over four years with no strings attached to projects that we thought we could help. And it helped a lot of developers with content creation, hiring, marketing, it helped a lot of developers achieve success. A small amount of money contributed to Astroneer helped them sell more than a million copies on Steam. We see us helping developers in the early stages and taking risks alongside them helps develop the whole ecosystem.

It's that kind of long term view of things. We don't have a team of accountants analysing each grant tracing the revenue that's coming back to Epic. Rather we'd look at helping everyone as a whole on worthy projects, and that's going to produce some successes and advances.

Another thing alongside that is you're running the world's largest game with Fortnite. Is there an element of social responsibility that comes with that?

Tim Sweeney: It's a miraculously positive community. At the scale it's really unprecedented having such a positive group of players playing a positive experience and a lack of major controversy around. That's partly set by the spirit of Fortnite, which is a fun, quirky experience that doesn't take itself too seriously. When you're eliminated, half the time you're laughing because what happened was hilarious. We've learnt a lot from that, and from the experience of other games that have become negative - we and the way we make decisions about our ecosystem, how we approach things and how we make decisions about what we do and don't do has a really profound effect on that.

There's one element that I know that some people find icky - it seems almost unfair to single out Fortnite because this is a majority of video games - it's a very light-hearted game with cartoony characters who are wielding very realistic guns which is problematic. Do you see that as an issue, is it something you can address?

Tim Sweeney: Well there's Fortnite creative mode that doesn't have guns, there's a wide variety of experiences - and we're always looking to interesting ways to engage beyond gameplay. I think it's something that's a part of human conflict - every movie that's covered war or human conflict has to address these issues. If you do it responsibly and with the right tone then it doesn't have adverse side effects any more than playing cowboys and indians in the 1940s or playing Fortnite today.

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Martin is Eurogamer's features and reviews editor. He has a Gradius 2 arcade board and likes to play racing games with special boots and gloves on.

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