

Project Proposal

Business Case: Chrono Nexus

(Consolidating Player Retention and Market
Positioning Through DLC)

1.Business Justification	3
1.1 Background	3
Analysis of Options	5
1.3 Project and Deliverable Description	6
1.4 Ethical considerations and implications	7
2. Schedule Estimate, Budget Estimate & Financial Analysis	8
3. Development Approach	9
4. Risk and Quality	10
4.1 Uncertainty & Risk Analysis	10
4.2 Quality Metrics and measurement	10
Financial Exhibits	11
References	12

1. Business Justification

1.1 Background

PixelForge Games develops DLCs and console games. By developing crowd-pleasing titles (with a strong emphasis on storytelling, creativity, storytelling and visual design), PixelForge targets the considerable market segment that are console gamers, to secure strong positioning in the console gaming market. Their annual revenue is currently \$10 million.

3 of PixelForge's KPIs are retention-related; Week 1 (W1) Retention is to increase by 30%, Month 1 (M1) Retention by 25% and Three-Month (M3) Retention by 10%. These goals, as well as a \$1 million increase in revenue over the following 18 months, are the KPIs our project directly impacts.

Our project is the Chrono Nexus DLC, which will engages players through puzzle-solving, time-travel mechanics and historical settings. This gameplay that empowers players to change time period and historical settings (affording players creative decision-making), as well as a detailed narrative, follow PixelForge's broader mission of player immersion, directly bolstering W1, M1 and M3 retention as per the KPIs.

1.2 Current Situation and Problem/ Opportunity Statement

To date, PixelForge's existing folio of games has consolidated a loyal player base. The challenge then is increasing player retention and revenue. Currently, W1 Retention is at 20%, M1 at 10% and M3 at 5%. This low retention signals disparity between the game content and player impressions of the excitement the game has to offer over time (particularly in player engagement beyond their first interactions with the game).

Value Delivery:

A DLC offers players a new story-gameplay experience for an existing PixelForge title beyond their first playthrough, giving them significant incentive to revisit the title (i.e. player retention). In an example of DLC efficiently boosting monthly active users (MAU), DLC was the reason console and PC games saw an 11% MAU boost in 2023 (Buijsman, 2023, p.7). Likewise, the Chrono Nexus DLC will increase MAU by adding replayability to the existing title, without the high development costs that go into producing a new title from scratch.

Other successful DLC include EA's "The Infant Update" and "Growing Together" for The Sims 4, launched in 2023 within two days of each other. Weekly Active Users (WAU) increased by a milestone 16.7% (Byshonkov, 2023, p. 65).

Analysis of Options

1. Full Historical Accuracy in all game settings and events.

This addresses the issue of authenticity, but costs more due to extensive research and development, for moderate ROI. This approach appeals to too niche an audience (history enthusiasts) to meet the retention KPIs; the NPV would be -\$40,000, the ROI -11%, assuming a revenue increase of \$150,000 over 3 years.

2. Mixed Historical and Fantasy Elements

This combines historical accuracy with creative licence to allow players to influence events. This engages a broader audience by balancing player freedom with historical faithfulness. For moderate costs, there is higher ROI potential (12.5%). The NPV would be \$22,727, assuming a 3-year revenue uptick of \$300,000.

3. Fantasy-Focused Time Travel

This focuses on entirely fictional settings with minimal historical accuracy, targeting players preferring fantasy over reality. The benefits are lower staffing costs due to low emphasis on historical consultants and research, but this entails lower ROI from a narrower target audience. For a 3-year revenue increase of \$250,000, the NPV would be \$10,000, and ROI would just be 2.1%.

Conclusion

Option 2 is most viable, balancing the player needs of general gamers and history enthusiasts. This also has moderate costs compared to Option 1, with less imposing research requirements.

1.3 Project and Deliverable Description

1. Fully Developed DLC Content

This includes all narrative elements, time-travel mechanics, historical and fantastical settings, and player interaction options.

In-game analytics tools will track retention through player hours spent in-game and DLC completion rates, over W1, M1, and M3.

2. Enhanced Narrative with Branching Storylines

Engagement with time-travel/ story-branching mechanics can be tracked through in-game choices made and percentages of players experiencing different story branches.

3. Balanced Integration of Historical and Fantasy Elements

Players will encounter real historical figures and empires, but in a story with fantastical elements like time-travel.

This balanced integration will be evaluated through player satisfaction surveys, in-game forum comments and critical reviews. Percentages of players who engage with historical content versus fantastical elements will also be measured in-game.

1.4 Ethical considerations and implications

1. **Potential rewriting of history, showing cultural insensitivity and insincerity.**

One case study of this would be from the company Ubisoft, which received strong backlash from Japanese players for its game Assassin's Creed: Shadows. Symbols of royal feudal families (the Nobunaga and Toyotomi clans) were used.

These major cultural artefacts were replicated in inaccurate historical contexts (and without proper consent from their owners), despite Ubisoft billing the game as "historically accurate", angering the Japanese public. (頼むぜエディタ, 2024)

2. **Player Data Privacy**

Interactive and multiplayer features might have security vulnerabilities to mitigate. It is important to maintain player trust and comply with privacy regulations.

2. Schedule Estimate, Budget Estimate & Financial Analysis

2.1 Schedule Estimate

Chrono Nexus is to go live within 12 months, including a buffer of 3 months for any delays, including from troubleshooting the time-travel mechanics code.

Milestones:

Completion of Historical Research and Scriptwriting (3mo)

- Crucial for the game's narrative development.

Alpha Testing (6mo)

- For identifying and fixing gameplay bugs.

Beta Release (9mo)

- To collect player feedback and make final adjustments, ensuring the game meets player expectations before the official launch.

2.2 Preliminary costs estimate

NPV/ROI Calculation

Expected Revenue Increase: \$300,000 over 3 years

Maintenance Costs over 3 Years: $\$36,000 \times 3 = \$108,000$

- Maintenance includes updates, bug fixes, and player support, and is 15%, of the initial development cost, annually.

Total

$187,200 + 15,600 + 10,000 + 7200 + 20,000 = \textbf{\$240,000}$

Long-Term Value

Chrono Nexus is to open the door to further DLCs, and add to the game's/ franchise's overall staying power.

3. Development Approach

Chrono Nexus will be developed iteratively with agile methodology, allowing ongoing adjustment to gameplay/ game design according to continuous playtesting feedback. This is especially important for a game where player choices impact the story majorly.

4. Risk and Quality

4.1 Uncertainty & Risk Analysis

1. Historical Inaccuracies

Likelihood: Medium

Impact: Low

Response: Avoid

- Reviews with historians to prevent historical inaccuracies, and to produce a design manifesto with historical design guidelines for the development team to observe.

2. Buggy Time-Travel Mechanics

Likelihood: High

Impact: High

Response: Mitigate

- Allocate additional time in the alpha and beta phases for extensive playtesting and debugging.

4.2 Quality Metrics and measurement

KPI 1: Player Retention

Measured quantitatively through in-game analytics, by W1, M1 and M3.

KPI 2: Player Satisfaction

Measured qualitatively through post-release surveys and user reviews.

Financial Exhibits

Detailed Budget Breakdown

1. Staffing Costs

a. Game Coders:

Software developers cost \$90/ hour.

2 full-time developers working 40 hours per week for 6 months (26 weeks) costs:

$$2 \times 90 \times 40 \times 26 = \$187,200$$

b. Playtesters:

QA testers are paid \$60/ hour.

1 tester working 20 hours per week for 3 months (13 weeks) costs

$$60 \times 20 \times 13 = \$15,600$$

2. Licences

Unity Engine, Maya, Substance Painter and other software.

Estimate: \$10,000

3. Historical Research and Consultancy

Estimate: \$7200

4. Risk Management Budget

10% of the total project budget for unforeseen expenses

Estimate: \$20,000

References

1. 頼むぜエディタ. (2024, July 9). *I'm Mad At This Game, And So Are My Fans. #assassinscreed* [Video]. YouTube. <https://www.youtube.com/watch?v=ZwnFK24DuM8>
2. Buijsman, M. (2023, June 6). *How DLC boosts player engagement for PC and console games*. Newzoo. <https://newzoo.com/resources/blog/how-dlc-boosts-player-engagement-for-pc-and-console-games>
3. Byshonkov, D. (2023, July 5). *Game market overview June 2023*. devtodev. <https://www.devtodev.com/education/articles/en/492/game-market-overview-the-most-important-reports-published-in-june-2023>
4. IT Contractor Rates Guide Australia | Hays. (n.d.). <https://www.hays.com.au/it/it-contractor-rates-australia>
5. Kondo, S. (2024, July 4). *WE ARE MAD! JAPANESE SPEAKS UP: RACISM IN THE SHADOWS*. [Video]. YouTube. https://www.youtube.com/watch?v=JZ5_gjUWfTE