

# 00\_Overview of the Videogame Industry

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Aim: What kind of roles are there in a video game development team?

## Do Now

What has been your favorite part of this course so far? What have you liked creating? List a few specific things you liked about it and share with your classmates.

# Broadly speaking the roles can be divided into categories

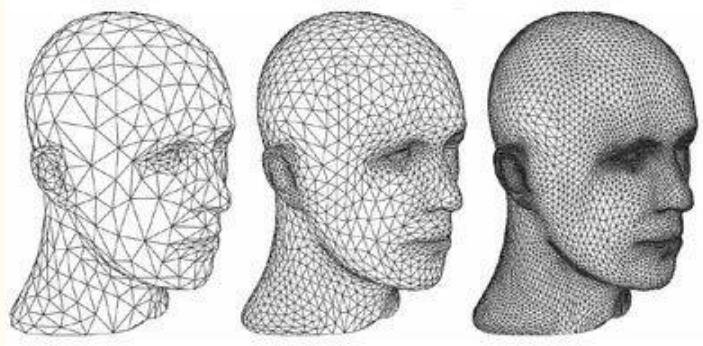
Broadly speaking, the roles can be divided into categories:

- Art
- Design
- Programming
- QA/Production

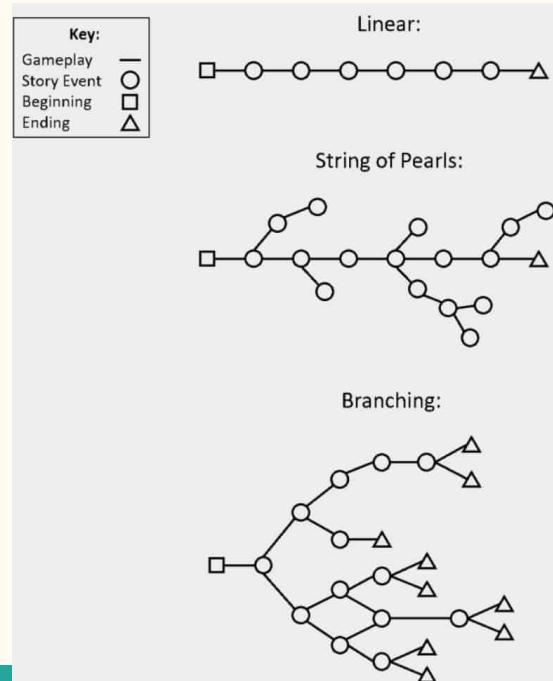


# Art

- visuals, graphics, animations
- story, character design, writing, world building
- sound design, music

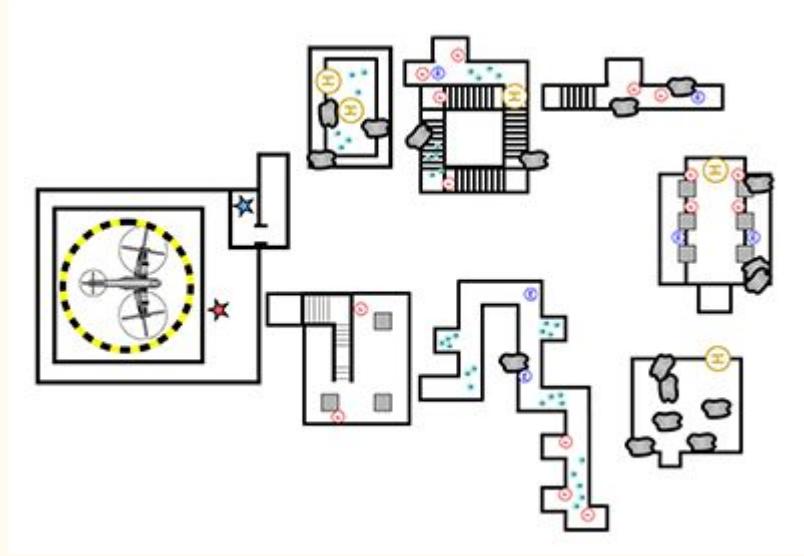
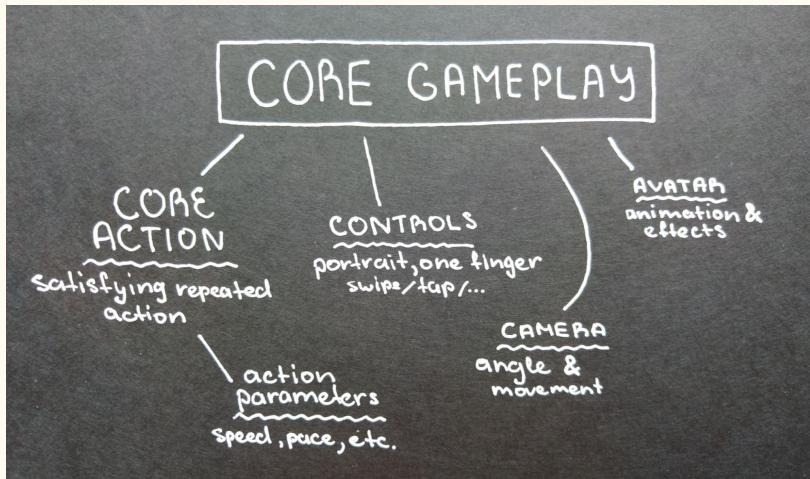


[Zorin and Schröder, 2000]



# Design

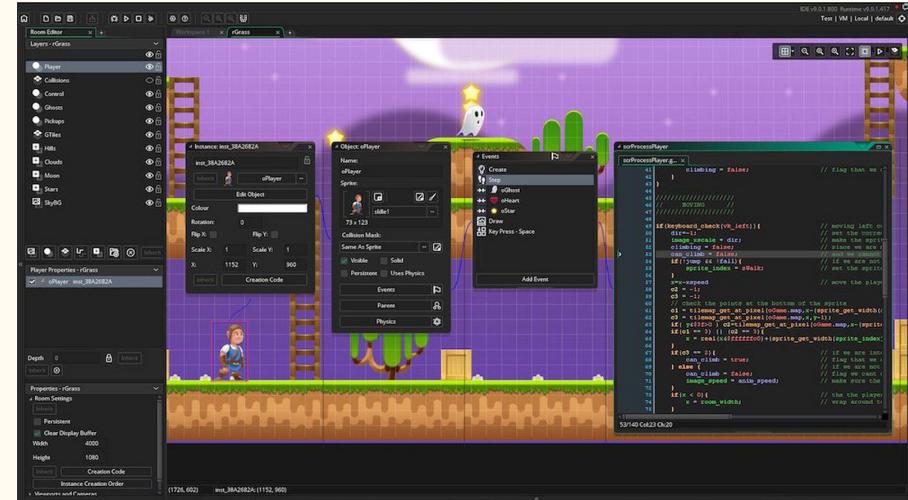
- game play design
- level designs
- turning ideas into reality
- aesthetics
- pacing



# Programming



- writing code to give the designs and art life
- developing the way the players will be able to interact with the world
- creating prototypes



# QA/Production

- making sure development is on schedule
- play testing to iron out bugs
- taking care of budget, contracts, marketing, etc



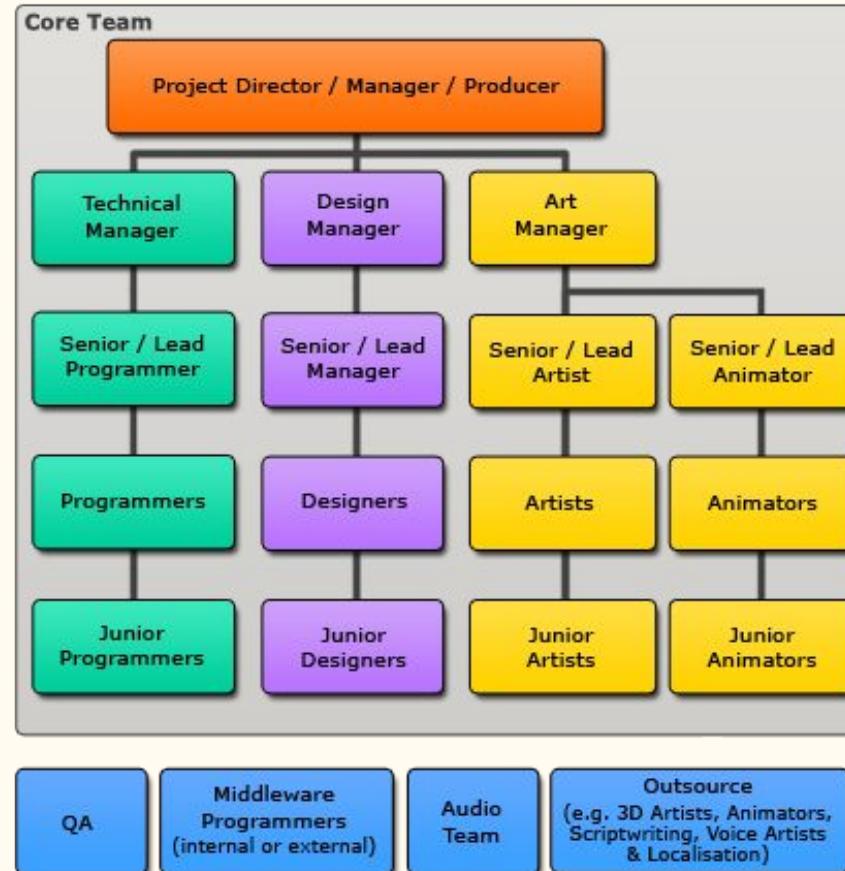
Adobe Stock | #393548877



# Specific job titles may include:

- Game designer
- Game artist
- Sound engineer
- Game programmer
- Game level designer
- Game tester
- Game producer

# Depending on the size of the company...



We'll talk about game studio sizes tomorrow!

# Class discussion

From your experience in this class thus far and from what you have seen today, what kind of career would you be most excited to have in the video game industry?

# Homework

Post on Google classroom – Restate your opinion on what kind of career you might want to have in the game industry in the future. Look up the kinds of salaries for those kinds of positions. Does this affect your decision on your choice of career?

Reply to 2 others of your classmates' posts.

# 01\_Indie, AA and AAA studios

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Aim: What are the different sizes of game studios, and what sets them apart from one another?

Do Now:



# Cave Story - an Indie Game

- Originally released on Windows on December 20, 2004
- Would later be re-released/remastered for the Wii, DS, 3DS, and Nintendo Switch
- The original game was made over the course of 5 years
- **This game has a ONE-person development team –**  
Daisuke “Pixel” Amaya was the game designer, programmer, art director, music composer, story writer, all in one!

Please give this game a try! The original game is free!



# Indie studios

- “Indie” stands for “independent video game”. These studios (or in many cases, small teams), usually don’t have a publisher. If they do, the publisher is backseat.
- Full creative control
- Small budgets (a few thousands of dollars usually)
- Innovative gameplay
- Very, very large pool of different genres
- Usually restricted to digital releases



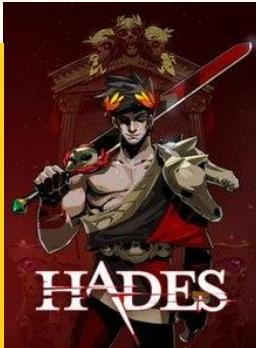
There are discussions around the definition of an indie game however, on what really constitutes as one... you can read about it in your homework!

# AA studios

- A step above indie studios:

These companies have a bigger budget (maybe a few million) and bigger teams, and usually a publisher that assists in the development process

- Decent quality production values and production values
- Still maintain most of their creative freedom, meaning that they are able to bring new/unique ideas to the table
- Essentially the middle child



# AAA studios

- Produce the biggest of the hits. High budget (dozens to hundreds of millions of dollars, not including marketing costs), and large game development teams (50-400 employees) run by the biggest companies in gaming
- Cutting edge graphics and production value
- Usually franchises their games
- Sell millions of copies and are the talk of the industry (lots of traction on Twitch/YouTube, etc.)



# Number of Games Released on Steam Worldwide from 2020 to 2022, by developer type



# Class discussion

Which of the three kinds of studios would **YOU** want to work in?

# Homework

“Flame war” – Google classroom debate

<https://www.destructoid.com/geoff-keighley-explains-why-dave-the-diver-has-been-nominated-as-an-indie-game/>

[https://www.youtube.com/watch?v=dzgP3Y\\_U-gQ](https://www.youtube.com/watch?v=dzgP3Y_U-gQ)

Choose either of the above resources (or both!) and read/watch it. Take a stance on what you think is right in each case, and explain your reasoning in detail.

For the article: Is Dave the Diver an indie game? To you personally, what qualities does a developer/game need to be considered indie?

For the video: Is Nexon in the right to sue Ironmace studio, or should Nexon let Ironmace be?

Next, you will respond to at least 2 other of your classmates' posts, **except you MUST disagree with their points.** Be respectful, but also give a good argument for the opposite side. You may even agree with their post, but think of ways to play devil's advocate for the other side.

# 02\_Game Monetization

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Aim: How do games make money? What kind of monetization model would I prefer for my game(s)?

Do Now:

How much money do you spend on games on average? (Both mobile and otherwise)

# Game monetization

There are currently many different ways that video games can make money.

Traditionally, there is the retail price of paid video games (\$60 or \$70 for major releases). As the industry has aged, however, more and more styles of monetization have been introduced.

- DLC/microtransactions
- loot boxes
- battle passes
- season passes

These forms of monetization also make it possible for free to play games to exist.

History lesson...

## The Elder Scrolls IV:Oblivion - Horse armor

In 2006, for \$2.50 you could dress your horse up like this!



## ORIGINAL GAME



## EXPANSION PACK

30\$



EXPANSION PACK

30\$



## ORIGINAL GAME



## EXPANSION PACK

40\$



## Shop

Recommended

Gift Shop

Paimon's Bargains

Crystal Top-Up

First-time buyer bonus available only once



Bonus +3280 Genesis Crystals US\$49.99

Bonus +6480 Genesis Crystals US\$99.99



Bonus +1280 Genesis Crystals US\$29.99

Customer Service



1999

2005

## ORIGINAL GAME



DLC 15\$

DLC 15\$

DLC 15\$



MICROTRANSACTIONS  
\$15\$  
\$100\$  
\$30\$  
\$10\$

DLC 15\$

DLC 15\$

DLC 15\$

GameStop  
EXCLUSIVE

ORIGINAL GAME

GameStop  
EXCLUSIVE

BEST BUY  
EXCLUSIVE

LAST-GEN

NEXT-GEN



# Is monetization evil?

On the consumer side, it may seem like these types of cosmetic microtransactions are unethical, as it forces consumers to pay more and more money for the product.

How else would video games make money though?

As a game developer, you will want to weigh the many different options at your disposal (as well as what works with the kind of game that you develop), in order to make a profit – and sometimes a living.

# Monetization Madness- How Games Make Money

From the YouTube channel, Extra Credits/Extra History:



<https://www.youtube.com/watch?v=qX3xW6nO4zw>

# Class discussion

In your opinion, what is the “right way” to include microtransactions in games?  
Would you include microtransactions in your game? – if so, describe your idea to the class.

# Homework

Just like in Lesson 01, we will be having another “flame war”.

Read these articles on loot boxes:

<https://www.forbes.com/sites/jasonwosborne/2023/05/25/how-loot-boxes-in-childrens-video-games-encourage-gambling/?sh=788ea75b5653>

<https://hbswk.hbs.edu/item/the-15-billion-question-have-loot-boxes-turned-video-gaming-into-gambling>

Answer these questions and explain your opinion: Are loot boxes ethical, or not? Would you include loot boxes in your video game in hopes to get more money from your customers?

After you make your first post, reply to 2 others but make sure that you **disagree** with their point.

# 03\_Games as a service

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Aim: What is a Games as a Service model? What are the pros and cons of developing a game like this?

Do Now:

What are some games that you have played for a long time (1 year+)? List the reasons why you continue to play them, and also think about what we learned yesterday – how does the game make money?

# What exactly is Games as a Service?

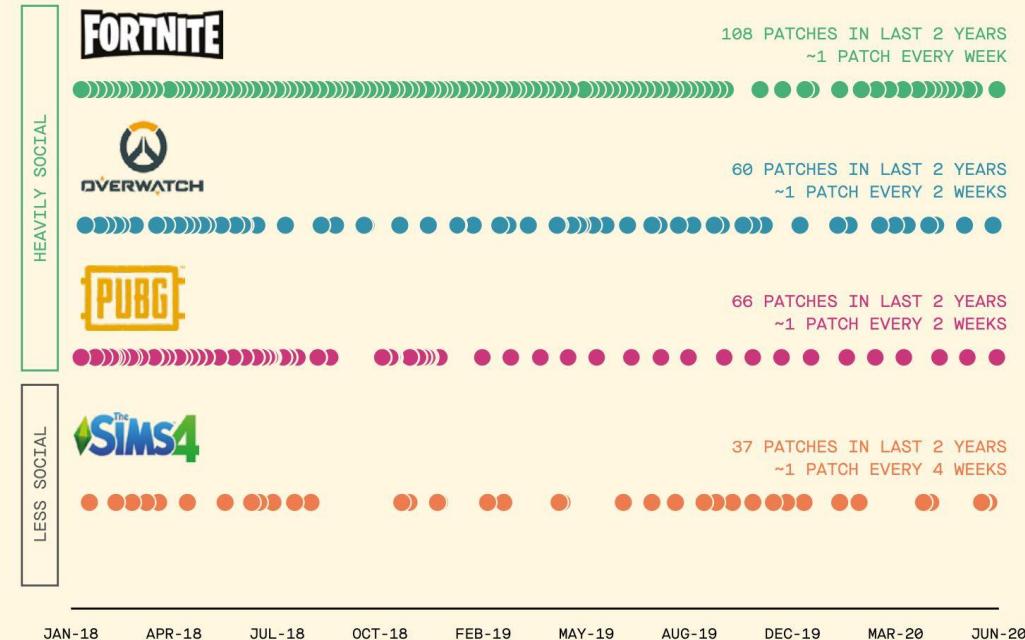
- Games as a Service (GaaS) is a business model for game development that allows a game to thrive long after it's initial release
- Developers release updates to these games frequently (weekly or monthly), and often they have lots of opportunities for monetization through these updates in order to maximize the revenue from the game. Some pay for the game through microtransactions, while other games have a subscription based payment
- By continuing to build and develop for one game, developers don't need to reinvent the wheel or make sequels to be successful, they simply need to keep their wheel running



## **WOW Expansion List**

1. World of Warcraft (2004)
  2. Burning Crusade (2007)
  3. Wrath of the Lich King (2008)
  4. Cataclysm (2010)
  5. Mists of Pandaria (2012)
  6. Warlords of Draenor (2014)
  7. Legion (2016)
  8. Battle for Azeroth (2018)
  9. WoW Classic (2019)
  10. Shadowlands (2020)
  11. Burning Crusades Classic (2021)
  12. Wrath of the Lich King Classic (2022)
  13. World of Warcraft: Dragonflight (2022)
  14. World of Warcraft: The War Within (TBA)
  15. World of Warcraft: Midnight (TBA)
  16. World of Warcraft: The Last Titan (TBA)

## UPDATE CYCLES FOR SOME OF THE MOST POPULAR GAMES SINCE JANUARY 2018



Sources: IGN, Overwatch Fandom, PUBG Gamepedia, and The Sims Fandom (data accessed July-November 2020)

# Criticism of the model

Because of its reliance on maintaining player's attentions (FOMO) and perpetuation of monetization to get consumer's money, Games as a Service has gotten a lot of criticism and is generally unliked by many people.

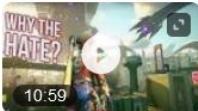
Does it make sense for a game to not technically “end”? Do you feel like the purpose of these games is just to make money?

▶ Videos :



"Games as a service" is fraud.  
YouTube · Accursed Farms  
Apr 25, 2019

11 key moments in this video ▾



Why Almost Everyone HATES Live Service Games?  
YouTube · gameranx  
Mar 15, 2023

7 key moments in this video ▾



Great Games Are Killing Games as a Service Games (GAAS)  
YouTube · Ginger Prime  
Sep 29, 2023

[View all →](#)

Not all GaaS are successful either... there are a LOT of failures that tried to use the model.

# Group discussion

Do you play any games that would be considered a GaaS? What are they/what do you like about them, and do you recommend playing them?

Do you think they are ethical?

# Homework

Google Classroom discussion:

Do some research to learn more about Games as a Service, and then make a post based on what you've found. You will also need to respond to at least 2 of your classmates' posts with something you agree or disagree with, as well as something that you learned from their post or resonated with.

- Summarize what Games as a Service is -- What are the developer's/company's objectives when they make these games? Feel free to reference any specific video games to illustrate your point.
- State your opinion/choose your side on Games as a Service. Do you like these kinds of games/agree with the practice? Do you think it is ethical?
- Some other questions you may choose to answer are: Would you ever work for a company in order to work on a live service game? Do you judge others who play live service games/should they be judged?

Remember to respond to at least 2 of your classmates' posts!

# 04\_Unit Final Project intro

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# Aim: Final project introduction, and choosing student groups!

## Do Now

Think about the topics we have been discussing this past week thus far.

Pick one that you really liked/enjoyed and list 2-3 reasons why you found it interesting.

## Turn and talk

Turn and talk to your partner and within your table about what you wrote down for your Do Now.

Did you have similar thoughts? Did your peers remind you of anything?

We will discuss as a class in a few minutes.

# Final project/presentation

- Groups of 3-4, presentation should be 5-7 minutes long
- Select a topic covered in this unit (or an entirely new topic) and make a presentation on it. It can be in the form of a:
  - slideshow presentation
  - video essay
  - comedy skit/sketch/video
- As a reminder, here are the following topics covered in this unit:
  - Game development team structure in a professional environment
  - Digital storefronts/launchers (Steam, Epic game store, Riot Games client, Xbox/PlayStation stores, App store/Google Play)
  - Game monetization
  - Marketing, PR, and Community building
  - Video game journalism/reviews
  - AAA studios vs AA studios vs indie studios
  - Games as a Service lesson

You may analyze specific games or scenarios related to a topic, or perhaps dive deeper in analysis on a topic.

- More detailed instructions are posted on Google Classroom

# Make your groups!

Decide on the topics that you would be interested in using for your presentation.  
Please also figure out logistics with your group members (how to contact each other, who will be working on which parts of the presentation, etc.

You have the rest of class to do this, as well as perhaps starting to work on it!

In the meantime we will watch:

<https://www.youtube.com/watch?v=WXA559KNopI>

\*The channel Extra Credits we saw before are great examples of video essays to take inspiration from! <https://www.youtube.com/@extracredits/videos>

# Homework

Your homework is to finalize your presentation plan with your group this weekend.

Decide on a topic and your group members, and outline what your presentation will look like.

**ONE PERSON NEEDS TO MAKE A POST ON GOOGLE CLASSROOM!**

Details are on our Classroom stream

# 05\_Video game Journalism

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Aim: What is video game journalism? How does its existence affect the game development process?

Do Now:

What are some video game review sites that you know of? When you want to know if a game is good or not, who do you trust?

# Group discussion

Share what you wrote for your Do Now with the class! What is your go-to resource to research a game that interests you?

# Game reviews/journalism

As video games have gotten more popular these past couple of decades, there has been an increased demand for reviews and journalism around video games.

People want to know if certain video games are good before they buy them, as well as read about the latest news in the industry.

Recognize any of these review sites? →

Some of the most notable are Metacritic and IGN



\*This isn't a serious chart\*

# Scores

As such, critics scores have become very important considerations for consumers. Review sites use them as a metric for how good a game is, usually on a scale from 1-10 or from 1-100, just like Rotten Tomatoes does for film/movies.

Because of the importance of these scores, there are also cases of review bombing done by user scores and not approved critics.



96



E POKEMON MYSTERY DUNGEON: EXPLORERS OF SKY REVIEW

BAD

NINTENDO DS WII U

4.9



E IMAGINE: PARTY BABYZ WII REVIEW

GOOD

7.5

# YouTubers/Streamers

YouTube reviewers are also very noteworthy. I'm sure you have seen videos on the platform reviewing games, some of who also give scores just like review sites do. Even Twitch streamers, that just play the games for viewers, play a big part in how a game is received.

These E-celebrities have a lot of traction and influence on how the public views games. Often times, they even receive money from game developers/publishers in order to play/review their games.



# Controversies

Over the years, there have been a number of controversies surrounding video game journalism and reviews.

- Back door paid reviews
- Embargos that make reviewers rush to play a game to put out a review
- Reviewer blacklists
- Discrepancy in scores due to bias
- Political alignments influencing reviews/coverage

We won't be discussing it in this class, but there was an incident called "Gamergate" in 2014-2015 that heavily involved video game journalism.

# In the perspective of game developers...

As game developers, you obviously want game reviewers and YouTubers to view your game favorably. It will help spread word of mouth for your game and get more people to buy it, which begs the question...

## Group discussion:

Do you appeal to game reviewers when developing your game, and try to attract what you think they will give a good score for? Or do you maintain your artistic freedom?

# Homework

Think of a video game that you really like. Find a review on it online – either an article review on one of the big review sites, or a video review on YouTube. Also, look up the Metacritic score of the game.

Make a post with all your findings. Do you trust what these people have to say about the game? Do you agree with their points – and are there any points that you disagree with? Consider whether or not there may be foul play involved in the review as well, either in the form of a paid review, bias from the author or the website, etc.

Use the rest of the time to work on your presentations!

# 06\_Marketing, PR and Community building

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Aim: What are ways to market video games, as well as build communities/fanbases?

Do Now:

What are some video games that you know a lot about, but have never played any of? How did you come to learn about it?

# Large scale advertisements

- Billboards
- TV commercials
- Anime/TV shows
- Awards shows/Games shows
- Music videos with famous artists
- Collaborations between different IPs



576 million views!



Nintendo Direct

E3



# Marketing

Unless you are working on a AAA game, it will be difficult to get widespread advertisements, such as posters/billboards, TV commercials, and collaborations with big name music artists.

Some other ways that games are marketed are through social media, as well as YouTube/Twitch videos. The more buzz a game makes online, the wider the audience it will reach!



We talked about E-celebs yesterday!



# Building fan communities

You can also build your own fan communities as developers by reaching out to fans of your games in forums, or creating a Discord server/Twitter account as a sort of newsletter.

Everyone has to start somewhere!



Welcome to the Steam Discussions

Everyone is invited! The Steam discussions are for everyone, new and advanced user alike!

Searching is key! Before you post a question, use the forum search feature to determine whether your topic has already been covered.

Do not start flame wars! If someone has engaged in behavior that is detrimental to the discussion – spamming, harassment, etc – report the post and we'll take a look.

Search discussions

Steam Forums Game Forums Tools & Servers

Steam Forums

FORUM	LAST POST	DISCUSSIONS
New to Steam	Just now	155,256
Help and Tips	2 minutes ago	589,236
Suggestions / Ideas	Just now	83,922
Steam Discussions	3 minutes ago	60,422
Steam for Mac	Just now	16,031
Steam Mobile	58 minutes ago	18,424
Steam Community	9 minutes ago	66,366
VAC Discussion	14 minutes ago	259,808

LINKS & RESOURCES

[View Discussion Guidelines](#)  
[View Online Conduct Rules](#)

STEAM FEATURE DISCUSSIONS

Steam Trading Cards Group	394,974 discussion threads
Steam Client Beta	64,492 discussion threads
SteamVR	32,241 discussion threads
Steam Deck	20,395 discussion threads
Steam Universe	14,936 discussion threads
Steam Community Market	13,782 discussion threads
Steam for Linux	12,781 discussion threads
Steam Remote Play	9,842 discussion threads
Steam Labs	7,192 discussion threads
Big Picture	4,365 discussion threads
Steam Broadcasting	4,263 discussion threads
Steam Music	2,922 discussion threads

# Homework

Low stakes assignment – Where do you keep up with news about game(s) that you like? (Discord servers, Reddit, other online forums, etc.) Share your positive or negative experiences and recommend things to people on a Google Classroom post!

Use the rest of the time to work on your presentations!

# 07\_Digital Storefronts

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Aim: Why are there so many digital storefronts for games?  
What makes them different from one another?

Do Now:

Where do you usually purchase your games from? Do you know anything about how much of your money goes to developers and publishers?

# Video game storefronts

Back in the day, games only came on discs or cartridges, but in our modern era, you can buy games digitally through storefronts.

For consoles, you generally only have one option, although Xbox and Playstation do offer subscriptions that allow you to “rent” games for the duration of the subscription.

Otherwise, consumers purchase games digitally through these storefronts.

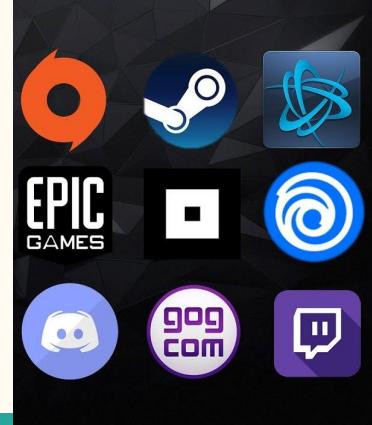
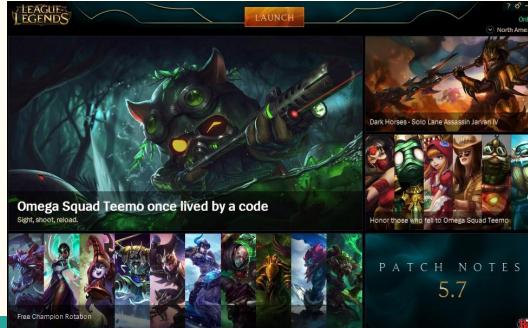
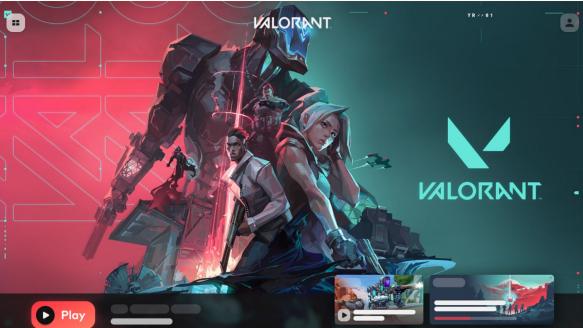


# PC launchers/storefronts

On PC, however, things get much more muddied because it's less centralized.

The largest store is Steam (which some view as a monopoly), but many game publishers use their own launcher or attempt to use their own store.

If you play games like Valorant/League of legends or Overwatch, you'll probably have noticed these different launchers.



Typically, these major storefronts take a 30% cut on sales of each game.

This money is revenue for the storefronts, but also used to pay for upkeep of the store as well as pay any licensing fees for listing your game there.

<https://www.ign.com/articles/2019/10/07/report-steams-30-cut-is-actually-the-industry-standard>



# GAME RETAILER CUTS COMPARED

A BREAKDOWN OF WHAT PERCENTAGE MOST MAJOR STOREFRONTS TAKE FROM THE SALE OF A GAME.

## PC STORES

STEAM

**30%**

25% AFTER \$10M EARNED  
20% AFTER \$50M EARNED

EPIC GAMES STORE

**12%**

HUMBLE STORE\*

**25%**

15% TO HUMBLE  
10% TO CHARITY OR  
BACK AS STORE CREDIT

ITCH.IO

DEVELOPER'S  
CHOICE

GOG

**30%**

MICROSOFT STORE

**30%**

## CONSOLE STORES

PLAYSTATION STORE

**30%**

(INCLUDES LICENSING FEE)

XBOX GAMES STORE

**30%**

(INCLUDES LICENSING FEE)

NINTENDO eSHOP

**30%**

(INCLUDES LICENSING FEE)

## MOBILE STORES

APPLE APP STORE

GOOGLE PLAY STORE

**30%**

(INCLUDING IN-APP PURCHASES)

## PHYSICAL STORES

GAMESTOP

AMAZON

BEST BUY

WALMART

**30%**

ALL RATES WERE RESEARCHED AND VERIFIED BY IGN FROM SOURCES WITHIN THE GAMES INDUSTRY OR THE RETAILERS THEMSELVES (AS OF 8/31/2019).

\* DISCLOSURE: HUMBLE BUNDLE IS OWNED BY ZIFF DAVIS, THE PARENT COMPANY OF IGN. HUMBLE BUNDLE AND IGN OPERATE COMPLETELY INDEPENDENTLY, AND NO SPECIAL CONSIDERATION IS GIVEN TO HUMBLE BUNDLE FOR COVERAGE.

# Steam vs Epic Games: the “console war” of PC

As you may have noticed, Epic Games Store (provider of Fortnite), had the lowest percentage cut at 12% of all stores.

Tim Sweeney, CEO of Epic Games, wants to give more money to developers for the games that they create.

He takes issues with how much market share Steam has, and has been trying to fight it by paying developers to list their games exclusively on the Epic Games Store, which he can do with all the money that Fortnite makes.

This sometimes makes it more difficult for consumers, as their games are split between different storefronts. Epic Games Store also does not have as many features as Steam does, notably lacking things like a shopping cart, user reviews, etc.



Tim Sweeney, CEO

# EPIC GAMES STORE REVENUE SPLIT



\* DOES NOT INCLUDE UNITY UP-FRONT LICENSING FEES

● STORE %

● UE4 %

● DEVELOPER %

\*Image from 2019

# Homework

Read these articles, which expand upon the Epic game store vs. Steam feud:

<https://www.theverge.com/2019/4/16/18334865/epic-games-store-versus-steam-valve-pc-gaming-console-war-reimagined>

<https://www.pcgamer.com/epic-games-store-self-publishing/>

Take a stance – which store do you think has the moral high ground? Do you think it is right for Epic Games to have exclusive games and deals? Is Steam’s “monopoly” bad for the industry? If you were releasing a game, what storefronts would you be open to releasing your game in?

Respond to two other classmates’ posts.

Use the rest of the time to work on your presentations!

# 08\_Final Project group work

How are your presentations coming along?



# Work on your projects!

# 09\_Final Project Presentation

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# Notes to take for presentations

1. One thing you found interesting or didn't know before
2. One thing that you agree with, or one thing that you disagree with
3. Any and all questions that you might have!

# Homework

- Short reflection post on Google Classroom
- Short reflection paper (half a page/2 paragraphs minimum, double spaced)

Details are posted on Google classroom.