**Lesson 02 – Game Monetization**

**Main objective**

Students will receive an overview of the different ways that video games are monetized in the industry. By weighing the different options at developer’s disposal, they will begin to formulate their own philosophy on game monetization.

**Standards**

* 9-12.IC.3 Impacts of Computing, Ethics
* 9-12.DL.2 Digital Literacy, Digital Use

**Lesson Structure/In class exercises**

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)

Instruction:  
There are many different styles of monetization. Review retail prices ($60 and $70 for major releases), DLC/micro transactions, battle passes, season passes, and loot boxes.  
  
Next, go into a little bit of a history lesson on Oblivion’s horse armor DLC back in 2006, which paved the way for cosmetic microtransactions in games, leading to all the different styles we have now.  
  
Briefly discuss the ethics of game monetization – it may feel unethical as consumers, but as game developers, we must weigh the different options in order for our games to make money and be successful.

Play this video: <https://www.youtube.com/watch?v=qX3xW6nO4zw>, which covers all of the mentioned styles of monetization in detail.

Group discussions:  
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.

Time to work on assignment:  
Students get the rest of class (if applicable) to work on their homework assignment.

**Resources**

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

**Assignments**

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.