

Title: Microsoft's Acquisition of Activision Includes \$5.1B of Microtransactions Provides the Partnership and Business Case for GameStop's NFT Marketplace

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Activision (ATVI) reported earnings on 02/03, and 2021 was their best year ever. Looking at the year-over-year income statement, total revenue was \$8.80B.

[ATVI Financials, Annual](<https://preview.redd.it/nqb202rbvpg81.png?width=1403&format;=png&auto;=webp&s;=882d2518a91d8eb800d220364fe8d3b1453fb1c8>)

Of this, **Activision made a record \$5.1 billion from microtransactions in 2021** <<https://www.tweaktown.com/news/84421/activision-made-record-5-1-billion-from-microtransactions-in-2021/index.html>\>

[In-Game Net Bookings, Annual](<https://preview.redd.it/7dcwglqfvpg81.png?width=1500&format;=png&auto;=webp&s;=abcd9b57636aadce3d858765109b9f2f68c3e64d>)

These involved people buying in-game skins, unique items, drops, leveling up, and the like. Most of us that play games are familiar with this concept.

The kicker here is that MSFT/ATVI currently do not have a way for players to exchange these items with each other. But why would MSFT/ATVI choose to cannibalize their own cash cow by allowing players to sell their items?

The truth is, a marketplace would actually *increase* their revenue, if players were allowed to resell their digital items.

First, from every resale, MSFT/ATVI would be able to take a commission. Every time a transaction occurs, it adds to their bottom line.

Second, new unique items are always being created, and the players selling their old items are the very people that will be buying the new items.

Third, players will be more willing to buy these new items, with the knowledge that what they buy has intrinsic value, where they are able to resell on a marketplace, to get some money back to buy new items.

This is why GameStop's NFT marketplace is going to be the next digital innovation. NFTs are really just a buzzword. Fundamentally, NTFs are a digital ledger, where the ownership of your digital assets can be transferred to another party. This is no different than a physical ledger, such as a deed for a house, where you transfer the ownership of the house to another by take title (ownership).

GameStop's NFT marketplace is not about NFTs at all. NFTs are just the underlying technology. It is about the marketplace, and gives the power to the players.