VIDEO GAMES AND THE SHIFT TO A MIRCOTRANSACTION BASED MONETIZATION SYSTEM

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October 7, 2025

Audience Justification Statement

The audience that I am going to be speaking to in this essay is my older brother, David Smith and our mutual friend, Throne Amaris.

I grew up playing video games with my brother and we have both become gamers as we have grown up and have played different games. Both of us also play games and interact regularly with Throne. I already know that the two of them are going to be familiar with the different terms and ideas that I am presenting. They cannot do a whole lot within the industry to change anything but we can have a meaningful discussion about this shift in monetization and how that has influenced the games and communities that they are in. They both already have a pretty set idea and opinion on this topic so if I can, I would like to inform them on a more academic level and either reinforce their opinion or change it with the new facts provided. I am going to use an informal tone to connect with them and keep my language consistent with what they have experienced in the past.

David and Throne are both very analytical people, so I am going to use logos to speak with them as I have experienced that their brains respond better to that. I am also going to use pathos to have them connect with the broader community sentiment regarding this and have them reflect on their own experience when it comes to microtransactions and a live service game model. I am going to then boost my ethos with the two of them and show them that I have done research into this topic and can have an academic and meaningful conversation with them about this topic and I can grow closer to them as friends.

Essay

I am sure that you have noticed a shift in how you spend your money in the last decade and a half or so while playing different video games. I did a bit of research into this shift, and I want to present the sources and ideas I found in a condensed version and talk about their strengths and weaknesses as sources and what rhetorical appeals they used to speak with their audiences.

I was able to find three main sources regarding this topic. First, a paper discussing the rise of three types of video game monetization between 2010 and 2019 in the form of cosmetic transactions, pay to win microtransactions, and loot boxes. Second, a source discussing a general player experience around predatory and aggressive forms of monetization and the lack of player representation in regulations and fair consumer practices. Lastly, a source comparing the amount of time spent on the development of a game and how many copies the game sold to come up with a general critical reception score.

Similarities:

This paper does not have a whole lot of similarities to any of my other sources because it is SO data driven and is more about the change rather than the effects. The other sources that I am planning to use look more into the mental health side of this change and the pros and cons of this. As well as the predatory aspects of this type of monetization. Though they do all share an overarching message that video game monetization has changed.   
DIFFERENCES:

This article mostly talks about exposure rather than any of the consequences. Which is still helpful because YES it does show that there was a shift and a change in games over the 2010s. One thing that is starkly different is that this paper does not really take a stance or anything, it just wants to give you the facts and nothing else really, which for the sake of this paper can be a good thing because I can then use that to show that correlation and how the community affects it.   
STRENGTHS AND WEAKNESSES:

I have already touched on this, but this paper is going to be such a strong source to have for my paper because it talks about the shift in a much more data-based way. It is strong for showing that growth for Steam Desktop gamers but does not do an excellent job of showing the WHOLE market. Not only that but it is only the most popular games of each of those years rather than the smaller less popular games. Which for the sake of the paper is not a terrible thing. I think that focusing on popular games is the best way to go, but I think that if I can I want to find another source that highlights a different audience and can show a broader range of gamers, rather than just Steam Desktop gamers of the most popular games.

APPEALS:

This paper relies heavily on logos, using statistics and data to show what they were looking for and how they found it. By doing so, this also adds ethos of the paper showing that they know what they are talking about, and they can back it up. However, this paper does not have a whole lot of pathos in it. It struggles to connect to that human emotion and use that for an argument. Which is all right because I can use the other sources that I have to cover that.

ANNOTATED REFERENCES

Source #1: “The changing face of desktop video game monetisation: An exploration of exposure to loot boxes, pay to win, and cosmetic microtransactions in the most-played Steam games of 2010-2019”

This source is about the rise of exposure microtransactions in the most popular steam games between 2010 and 2019. David Zendle, Rachel Meyer, and Nick Ballou got this paper published in a peer reviewed journal called *PLoS One.* The authors conducted an empirical quantitative study by creating a program that would sort through player numbers from SteamDB.

The main point of this source is that between the years of 2010 and 2019, the games played on Steam increasingly used loot boxes and microtransactions compared to the one-time purchase of a product. The researchers developed a system that calculated the average amount of exposure a player had to cosmetic microtransactions, pay to win microtransaction and loot boxes rose significantly in certain cases. They looked at public player counts and calculated the exposure percentage for each of these categories. Their takeaway was that pay to win microtransactions rose slightly until 2015 then fell to low levels of exposure in 2019. Compared to cosmetic microtransactions and loot boxes, which jumped to over 70% of gamers being exposed to these types of monetization.

I am going to use this source to show there has been a rise in microtransactions. I am going to use this to talk about how games started to implement this and how they tried to do so. I am going to use this source to show the main reason pay-to-win microtransactions were not popular is because of the community reaction to them. This leads to their replacement in the form of cosmetic microtransactions and loot boxes.

Source #2: Predatory Monetisation? A Categorisation of Unfair, Misleading and Aggressive Monetisation Techniques in Digital Games from the Player Perspective

The main point of this source is that there is range of monetization techniques that player communities view as more problematic and harmful to their experience. Elena Petrovskaya and David Zendle wrote it and got this peer reviewed and published in the scholar journal called *Journal of Business Ethics.* They conducted empirical quantitative research by asking players about their experiences and observations of a time when they perceived a transaction to be “misleading, aggressive or unfair.”

The relevant ideas in this source and something that I really want to focus on is how it goes into depth about regulation and policymaking surrounding video game monetization. The source talks about how a significant amount of these experiences gathered from players show signs that the games are not following existing UK regulations surrounding consumer rights and regulations. The source talks about how the player side of this discussion is often, left out in these discussions and how policy needs to take that into account.

I am going to use this source in my essay to enhance the point I am making that players and communities are a huge part of the story when it comes to video game monetization. I will use this source to show that there has not been a whole lot of player feedback when it comes to these decisions regarding policy or other types of regulations. This source also talks about how the regulation surrounding video games has focused on loot boxes and that there is more research that needs to be conducted surrounding the other types of monetization. I am going to use this source to show that there have been some legal things surrounding the shift to a live service and microtransaction based video games but that players are really the focus when it comes to this shift.

Source #3: Relationship between development and quality of video games.

The authors who published this source in the *Journal of Physics: Conference Series* were N M Ritzki, A Mukharil, and Y A Hermawan. They conducted empirical qualitative research in their study that looked at the amount of time spent developing a video game and the number of copies sold to find a perceived critical reception.

The purpose of this source is to compare the quality of a game and the amount of time spent developing the game. To do this, the source looks at 20 different video games from different genres from multiple different AAA developers in the last 10 years and compared the success of the game to the development process and marketing of said games. The main finding that they had was that a video game’s quality does not, in fact, translate to a longer development cycle. The source does talk about how the video game industry is constantly changing and evolving and thus the success of a game is also constantly changing and evolving.

I am going to use this source to further prove my point that video games and how well they do are dependent on the community reaction surrounding a game and the release of said game. I am going to use this source to talk about how the video game industry is ever changing and there are a significant number of different factors surrounding a games release that can affect how well it does.

I personally have experienced this happening a lot where people look back on a game that came out with so much love and joy but if that same game had come out today, the same people who loved that game would think that it was bad. For example, when *World of Warcraft: Classic* came out, the fans and community were BEGGING for the developers to make no changes to the game and fully release it in its original form. (#nochanges) However, when they started to play that version, they started to want different things and eventually trusted the developers to make #somechanges. Anyway, just a personal example of how audience perception of a game can really changes how a product is received. (How the audience is feeling and what the market is missing is going to really be something to think about when releasing a game).

References

Petrovskaya, E., & Zendle, D. (2022). Predatory Monetisation? A Categorisation of Unfair, Misleading and Aggressive Monetisation Techniques in Digital Games from the Player Perspective: JBE.*Journal of Business Ethics, 181*(4), 1065-1081.

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