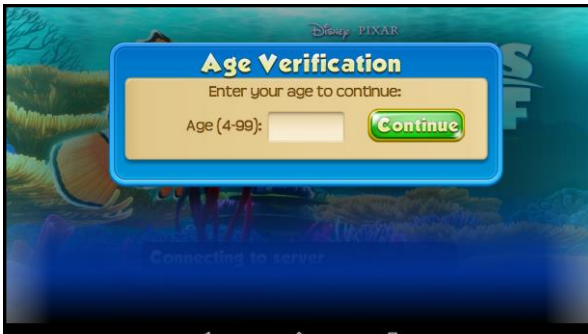
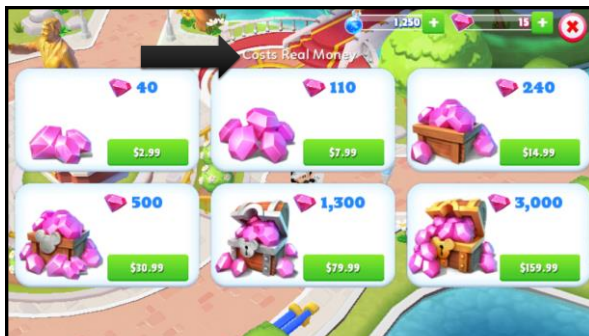


Gamblification of Games

TRICKS USED TO FINANCIALLY EXPLOIT KIDS AND THEIR PARENTS ONLINE





Monetisation, Coercion and Gambling

- ▶ Monetisation – the mechanisms by which a game makes money. Can be benign, can be destructive
- ▶ Coercive monetisation – mechanisms for getting players to spend in-game that rely on psychological tricks or obscuring information from the player
- ▶ Gambification – the presence of gambling games or gambling mechanisms within a game
- ▶ 'Freemium' / F2P / Free-to-play – games that rely on 'micro-transactions' and 'in-app purchases' to make money

Player Spending

- ▶ The business model behind games has evolved rapidly over the last decade – towards 'freemium' games
- ▶ The average paying player on mobile games spends \$86.50 per year on in-app purchases
- ▶ This is heavily skewed by a few big-spenders (known as whales in the industry)
- ▶ In fact, 70% of revenue comes from 10% of players (source: Tapjoy, game monetization platform)
- ▶ Spending is highly varied from game to game

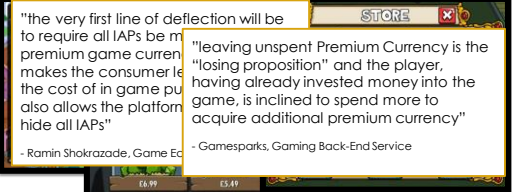
Per-player Spending by Game (2015)

- ▶ Minecraft - \$6.50
- ▶ Candy Crush Soda Saga - \$66.24
- ▶ Clash of Clans - \$112.99
- ▶ Big Fish Casino Free Slots - \$232.67
- ▶ Game of War: Fire Age - \$549.69

Tools of the Trade

- ABSTRACTION
- PLAYING ON EMOTION
- 'THREAT' GENERATION
- DODGY DEALS
- REWARDS

Abstraction

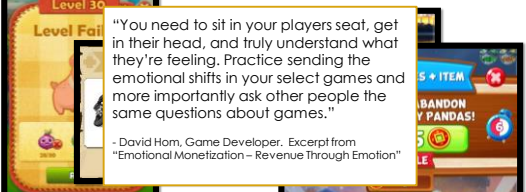


"the very first line of deflection will be to require all IAPs be made in premium game currency. This makes the consumer less aware of the cost of in game purchases and also allows the platform to hide all IAPs"

"leaving unspent Premium Currency is the "losing proposition" and the player, having already invested money into the game, is inclined to spend more to acquire additional premium currency"

- Ramin Shokrzade, Game Economist
- Gamesparks, Gaming Back-End Service

Playing on Emotion



"You need to sit in your players seat, get in their head, and truly understand what they're feeling. Practice sending the emotional shifts in your select games and more importantly ask other people the same questions about games."

- David Ham, Game Developer, Excerpt from "Emotional Monetization - Revenue Through Emotion"

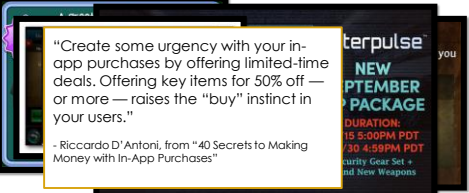
'Threat' generation



"The key here is to maintain the anxiety but obfuscate the source of that threat so that the developer or platform provider will not be blamed for their actions."

- Ramin Shokrzade, Game Economist

Dodgy Deals




"Create some urgency with your in-app purchases by offering limited-time deals. Offering key items for 50% off — or more — raises the "buy" instinct in your users."

- Riccardo D'Antoni, from "40 Secrets to Making Money with In-App Purchases"

Rewards

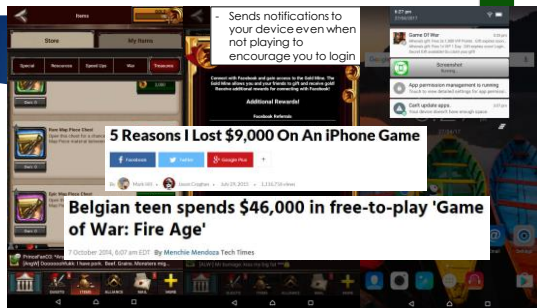
"Random rare treasure acquisition ("rare drops") kick in near the maximum levels to maintain interest – which is exactly what animal trainers advocate when they talk about switching to rewarding randomly once the desired behaviour is established"

- Chris Bateman, Game Designer and Consultant




Game of War – Fire Age

- ▶ \$40 Million on Kate Upton series of advertisements
- ▶ Average player who makes purchases in game spends ~\$550
- ▶ Average daily income of ~\$770,000 USD
- ▶ The perfect combination of coercive monetisation tactics..



Sends notifications to your device even when not playing to encourage you to login

5 Reasons I Lost \$9,000 On An iPhone Game

Belgian teen spends \$46,000 in free-to-play 'Game of War: Fire Age'

October 2014, 6:07 am EDT By Mariche Mendosa Tech Times

From Gaming to Gambling

FORMS OF GAMBLIFICATION
RISK FACTORS

Forms of Gambification

- ▶ Non-monetary gambling within a video game (e.g. Grand Theft Auto series, many roleplaying games)
 - ▶ Accustoms young people to gambling systems
 - ▶ Presents it as low-risk, exciting and desirable
- ▶ Non-monetary ('Free to play') versions of traditional casino games, e.g. blackjack, slots, roulette etc
 - ▶ Conditions young people to see gambling as exciting, low risk
 - ▶ Has skewed payouts compared to money-based gambling – giving an incorrect sense of players' chances of winning
 - ▶ Bypasses regulations due to not offering cash payouts

Forms of Gambification

- ▶ Gambling in parallel to video games (e.g. Counterstrike skins gambling)
 - ▶ Works exactly like traditional online gambling
 - ▶ Bypasses regulations, since in-game items are considered to have no monetary value
- ▶ Gambling mechanics within non-gambling games
 - ▶ Acclimatises young people to gambling mechanics, variable reward etc.

Risk Factors for Transitioning

- ▶ Early exposure to gambling
- ▶ Gender
- ▶ Minority status
- ▶ Personality
- ▶ Using gaming as a coping mechanism
- ▶ Greater life stressors
- ▶ Existing mental health issues
- ▶ Poor interpersonal relationships
- ▶ A history of spending money on in-app purchases

Interventions

REFERRAL OPTIONS
EDUCATION
FOR PARENTS

Potential Warning Signs

- ▶ Gambling screening tools can be easily adapted to this issue
- ▶ Unexplained debts or financial difficulties
- ▶ Secretive/deceptive around their use of phone/internet
- ▶ Secretive/deceptive around their financial situation
- ▶ Reluctant or unwilling to not check phone while engaged in other activities
- ▶ Phone frequently making 'notification' noises
- ▶ Looking at their phone right now, this instant

Referral Options

- ▶ Gambling Helpline: 1800 858 858
- ▶ Online counselling: <http://www.gamblinghelponline.org.au/>
- ▶ Salvation Army Bridge Programme: <https://salvos.org.au/need-help/addiction-services/>
- ▶ Face-to-face counselling: Brisbane and Redlands: Relationships Australia - (07) 3423 6955
- ▶ Private psychotherapists/psychologists/counsellors

Self-Management

- ▶ Online self-assessment: www.olgannon.org/self_tests_on_gaming_addiction
- ▶ Offline support groups: <http://gaaustralia.org.au/>
- ▶ Online support groups: www.reddit.com/r/stopgaming
www.olgannon.org
<http://forum.gamblinghelponline.org.au/>

Education

- ▶ Educate young people about how games are deliberately exploiting them:
 - ▶ Playing on their emotions
 - ▶ Hiding the true cost of purchases
 - ▶ Escalating costs over time
 - ▶ Threatening them with loss
 - ▶ Offering misleading deals
 - ▶ Trying to pressure them by creating urgency
 - ▶ Pressuring them to keep playing

For Parents

- ▶ Make sure you understand how kids' devices are configured – don't allow them to save credit card details
- ▶ Educate young people on different types of monetisation
- ▶ Limit access to 'freemium' games or those that contain coercive monetisation or gamblified elements
- ▶ Take time to understand what kids are playing and why
- ▶ Be alert for the types of tricks and techniques games use to create revenue
- ▶ Get outside help if needed

Contact

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