



MICRO-TRANSACTION IN VIDEO GAMES

A Dissertation Submitted to the University of Wales in Partial Fulfillment of the
Requirements for BA (Hons) Digital Media Game Design

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ABSTRACT

A micropayment can be called as an transaction that is made of less than twelve united states dollar and it can be also called as a transaction that is made of less than twelve Australian dollars but these were originally originated to some smaller sums of money practically thinking of less than one united states dollar .These transactions are generally made for transacting virtual goods largely in video games only available online .These things help people to trade on the internet an also will be optional for advertising profits .these also make the games very interesting to play but there is also a disadvantage like the more money you have higher chances of winning but these transactions makes the games so interesting to play and also can everyone afford for these transactions for video games .Nowadays nearly all videogames have micro transaction .All the platform video games have micro transactions but in some different ways . Some you can only play if you pay some you can play without paying but you have to wait for using that feature to use.

DECLARATION

I hereby attest that this thesis is presented in researcher's own words and sentences to the best of researcher's ability .It includes no substantiate sentences that will leave out for researcher's achievement of researcher's degree or diploma at any other educational institution, other than the direct acceptance built for this thesis Any offering made to the study by others, with whom Researcher have processed at **ICAT Design and Media College**, or in another place, is certainly widely recognized in the thesis.

SIGN - - - - -

DATE- - - - -

BONAFIDE CERTIFICATE

Certified this Dissertation titled “**MICRO TRANSACTION IN VIDEO GAMES**” is the Bonafide work of Venkatesh babu chilaka, who carried out the dissertation under our supervision. Certified further, that to the best of our knowledge the work reported herein does not form part of any other thesis or dissertation.

Signature of guide- - - - -

Signature of head of the department- - - - -

Name:

Name:

ACKNOWLEDGEMENT

This dissertation “**Micro transactions in video games**” was very challenging and Researcher enjoyed it a lot. Researcher thank researcher’s faculty Mrs.Priyanka.R for giving me full support and guidance to finish this dissertation successfully .Her assistance and lead helped me for a major role in the successful completion for this dissertation.

I also would like to thank my parents and friends for the support and keep faith in me throughout completion of my Thesis.

TABLE OF CONTENTS

CHAPTER 1-INTRODUCTION	1
AIM.....	2
STATEMENT OF THE PROBLEM	2
PURPOSE OF THE STUDY	2
RESEARCH QUESTIONS.....	3
TYPES OF MICRO TRANSACTIONS	5
PAY FOR UNLOCKING CONTENT	5
PAY FOR PLAYING.....	6
CHAPTER 2- LITERATURE REVIEW	7
BOOKS	7
DOCUMENTS	8
ARTICLES AND ONLINE INFORMATION	9
CHAPTER 3-RESEARCH METHODOLOGY.....	11
SCOPE AND LIMITATION OF THE STUDY	11
ASSUMPTIONS	11
SAMPLING	11
MARKET POTENTIAL ON PLATFORM.....	12
AUDIENCE REPORT	12
QUANTITATIVE RESEARCH	13
INTENTION OF THE STUDY	21
GOALS TO BE ACHIEVED BY QUANTITATIVE METHOD	21
CHAPTER 4 – EVOLUTION	22
EVOLUTION OF MICROTRANSACTION	22
VIDEO GAMES	23
CHAPTER 5 – PAYMENTS	24
CASH PAYMENTS.....	24
CARD PAYMENTS	25
CHAPTER 6 – APPLICATION	26
SINGLE PLAYER.....	26
MULTIPLAYER.....	27

CHAPTER 7-TOOLS	29
XBOX LIVE.....	29
PLAYSTATION NETWORK	30
NINTENDO NETWORK.....	30
GOOGLE PLAY.....	32
APPLE APP STORE.....	33
CHAPTER 8 - CATEGORY	34
SHARE-WARE.....	34
FREEMIUM	34
FREEWARE.....	35
CHAPTER 9 – CONSEQUENCES.....	36
POSITIVE CONSEQUENCES	36
NEGATIVE CONSEQUENCES	36
CHAPTER 10 – COST	38
FIXED COST.....	38
VARIABLE COST	38
CHAPTER 11 - PSYCHOLOGICAL EFFECTS.....	40
CHAPTER 12 – IMPLEMENTATION IN THE PROJECT	41
CHAPTER 13 - RECOMMENDATIONS AND CONCLUSIONS	42
BIBLIOGRAPHY.....	43
ARTICLES AND ONLINE REFERENCES.....	44

LIST OF FIGURES

Figure 1 MICRO TRANSACTION	3
Figure 2 SURVEY	13
Figure 3 VIDEO GAMES	23
Figure 4 CASH PAYMENT.....	24
Figure 5 CARD PAYMENT	25
Figure 6 SINGLE PLAYER	26
Figure 7 MULTIPLAYER	27
Figure 8 XBOX LIVE	29
Figure 9 PLAYSTATION NETWORK.....	30
Figure 10 NINTENDO NETWORK	30
Figure 11 STEAM	31
Figure 12 GOOGLE PLAY	32
Figure 13 APP STORE.....	33

CHAPTER 1-INTRODUCTION

Some will pay or simply say to a fellow gamer buy some additional Add-on for a particular videogame or pay some money online to get some extra lives, extra armour, power, colourful clothes etc. What is that money called who will take that money from you who will give the extra Add-ons to you for paying are you getting the benefit or the person you are paying getting the profit. This is called as micro transactions. A micropayment can be called as a transaction that is made of less than twelve united states dollar and it can be also called as a transaction that is made of less than twenty Australian dollars but these were originally originated to some smaller sums of money practically thinking of less than one united states dollar .These transactions are generally made for transacting virtual goods largely in video games only available online How it all started as Downloadable contents and expansion packs for video games. Gamers has to buy an original game and play it till the end the expansion packs basically expand the story or the levels of a video game. DLC packs Or downloadable contents are different from expansion packs these downloadable contents basically offers a new character to the game or a new costume, weapons to the existing video game which players already own it. Generally expansion packs cost higher than the downloadable contents. To pay for these packs or downloadable contents digitally you are paying in a virtual world called the World Wide Web (WWW). Some use the credit or debit card every time .some have accounts for the game they are playing to use the debit or credit card details entered once so each time you buy something in the game the money goes directly from your pocket. We have options here for example you are playing a game and you are in level one there is a sword that is unlocked only at level 50 but you can also pay some amount of money to buy that sword and use it at level one itself but will this give you more

interest to play the game we will see here what are these called and where and how are these widely used day to day

AIM

The aim of this thesis is for learning and experimenting of the micro-transactions in video games and to explain the theoretical part with the coding and logics of it in detail with analysis and explains how to use micro transactions in a video game

STATEMENT OF THE PROBLEM

The problem with this researcher is new to this advanced modern era of mobile gaming with micro transactions to create micro transactions the researcher has to know about the basic logic and the balance between the video game and the transactions, so the researcher has to start from the ground up.

PURPOSE OF THE STUDY

- ❖ Increasing replay ability

- ❖ Free games without micro transactions

- ❖ Kids should not spend money on games without parental guidance

- ❖ To have a subscription based transaction for a bundle of games

- ❖ Changing the current methods of micro transactions to next gen gaming
- ❖ The benefits for the price paid

RESEARCH QUESTIONS

- ❖ What is micro transaction?
- ❖ What are the types of micro transactions?
- ❖ Which types of games uses micro transactions?
- ❖ What are the advantages of micro transactions?
- ❖ What are the disadvantages of micro transactions?



Figure 1– Micro transaction

The Xbox live is the multiplayer gaming service designed for Xbox gaming console by Microsoft here the amount for micro transactions paid to afford this service is not through by credit or debit cards instead the players have to buy a Xbox live membership cards which are available on stores players have a unique code on these cards which entered online to get some Microsoft points here the players has to use these points to make micro transactions

PlayStation network is the multiplayer gaming service for the PlayStation console users by Sony computer corporation this service uses two types of payment the players can enter their debit or credit card directly by creating a PlayStation account here or they can also use a special feature called wallet in this the players have to buy PlayStation card in the stores and top up the wallet for micro transactions

Nintendo network is the multiplayer gaming service designed for the Nintendo consoles by Nintendo here the players has to use their debit or credit cards to buy Nintendo points first then the players has to use those points for micro transactions

Steam is the multiplayer gaming service for personal computers in which the players have to pay by using credit or debit cards directly to the steam by creating a steam account to download video games, add-ons and micro transactions

Google play is the online electronic digital media store provided by google for android devices this app provide not only games but other applications too for download but the players has to use their credit or debit cards directly to purchase the application and the in-app game contents or the micro transactions

Apple app store is also an online electronic digital media store provided by apple for apple line up devices here also this app is used to download applications from this application this app also makes users to pay for the in-appointments or the micro transactions directly by using the credit or debit card of the player

TYPES OF MICRO TRANSACTIONS

There are three types of micro transactions basically used by all the type of video gamers these micro transaction enable players to enjoy the game in many different ways but these are the common three types of micro transactions used nowadays by many players but we have to think before we act as if we should pay only if it has a value

- ❖ Pay for unlocking content
- ❖ Pay for winning
- ❖ Pay for playing

PAY FOR UNLOCKING CONTENT

This is the very popular classic model of micro transaction that everyone may know here the standalone game is separated from the additional content or a demo version of the game is given to the players if the players like it they can pay for the full game with the whole part called bundle or the standalone version of the game which doesn't include the Add-on packs or the downloadable contents these type of micro transactions are generally accepted by people because most of them will only play the basic game and they are used for playing the downloadable content this type of paying for unlocking content is quiet transparent it doesn't stop players from enjoying the basic game they may buy the additional content if they are interested or else not but in some games the case can go sore like if u but the additional package only you may know the untold story and some the gamers biggest questions

❖ **PAY FOR WINNING**

These are basically like cheat codes from researcher point of view. The person who is going to pay more can win easily and take advantage of other players. These basic techniques involve as the players should pay for extra energy, more powerful weapons and special abilities which are not available in the base game. Here, the players use their debit or credit cards to buy in-game money which later can be used for buying the special in-game items. These types of micro transactions are not like by everyone. Some think that the benefits should not be bought by money but only by spending time and playing hard in the game another point of criticism leads to “why would players have to play the game then just pay if you are going to win and you already know you are going to win if you have better equipment than your opponent” A study shows that nearly more than half of the revenue in mobile gaming sector is only by micro transactions. Many of the parents complain that their children used their debit or credit cards and transacted huge amount of money on these micro transactions leading to heavy bills to their parents

PAY FOR PLAYING

This is also a classic method for micro transaction. This is derived from the arcade machines so every time you run out of time you should pay for playing the game again but in this modern era this has been changed a little bit some games have time in it. If you lose a round in that game you have to wait for some time to play the game again instead to skip the time the player has to pay a certain amount of money to skip that particular time to play the game again. For example if a player is playing a car game in that the player breaks the car and he has to wait for 2 hours to get the car repaired instead he can pay some X amount to skip the time and race the car again. If some player is addicted to that game he may lose some huge amount of money in that game. This type of micro transaction have mixed criticism some wait and play some pay and play and some delete of that game and go on with some other equal game.

CHAPTER 2- LITERATURE REVIEW

While doing the study on this thesis Researcher have made an extensive research and read a lot of professional books, articles online with tutorials and some study materials about micro transactions of the past, present and future games.

Mentioned below the review of those

BOOKS

1907 | Andrew Carnegie | **the transaction of business: how to win fortune** | Forbes and company

This book teaches about the business of transactions making a fine balance between the consumers and the trader it also helps by giving the old methods of the business transactions. These methods can also indulged in micro transactions and this book also teaches us dealing others inside the business and dealing with the business itself

1901 | Algernon warren | **commercial knowledge: A manual of business methods and transactions** | John Murray Albemarle street

This book explains about the trade system after the 19th century with the revolution of commercial law with more importance to a tax payer if this book is merged with micro transactions it explains us the tax behind these transactions

1880 | C Frusher Howard | **Howards art of computation and golden rule for equation of payments for schools** | Library of the university of California

This book explains how the price should be quoted for equally and correctly for all the trade with the correct computation for division, exchange etc. Everyone who is willing to price their own products should read this book must.

DOCUMENTS

Title: Adding random gameplay elements

Publisher: Unity 3D

This document teaches us to get started with the elements of in game with random time management the engine has its own code to simulate the items with seamless integration to the engine this document also helps us to shuffle the in game elements

Title: secure SMS payment model

Publisher: hanyharb, hasanfarahat and Mohamed ezz systems and computer engineering faculty Azhar University

From this document we can understand the secure method of online micro transactions with a minimum number of cryptography usages this method also explains the fast way of cashless transactions without the help of paper money

ARTICLES AND ONLINE INFORMATION

Name: **Steam works micro transaction**

Site: http://www.steamgames.com/steamworks/ov_micro.php (Accessed: 25-4-2014)

This site explains about the integration of the micro transaction system inside the game with the help of steam server so the players can manage the items without leaving the game

Name: **Are micro transactions in gaming always that bad**

Site: <http://metro.co.uk/2014/02/24/are-microtransactions-in-gaming-always-that-bad-4313980/> (Accessed: 25-4-2014)

This site explains how micro transactions came into the world of video games and the disadvantages of video games with the flow of how much money is being spent on video games

Name: **Does Anybody Really like Micro transactions?**

Site: <http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

This site explains about the micro transactions in future game and the current games are the new methods that have been incorporated into the game and Researcher learnt about how to use the micro transaction method correctly

Name: **Micro transactions**

Site: <http://www.penny-arcade.com/patv/episode/microtransactions> (Accessed: 25-4-2014)

This site explained about the detailed process of micro transaction from how it originated till the advantage and disadvantages through a detailed video

Name: Electronic commerce with micro transactions

Site: <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

This site explained about the technology behind the micro transactions and the revolution made by e-commerce through micro transactions

CHAPTER 3-RESEARCH METHODOLOGY

This research is done by quantitative method in which pilot study is done followed by offline and online surveys which includes friends, family and general public. The online survey is done for the purpose of to make sure the purpose of the game would be accepted by all and to help for choosing the platform also. A study was also made for the type of graphics the game play uses and the type of view for the game. The final platform selected was android

SCOPE AND LIMITATION OF THE STUDY

In this thesis we are just seeing about the introduction and the purpose of micro transaction with the advantages and disadvantages of micro transactions and we will move on to the topic of “micro transactions in video games”.

ASSUMPTIONS

The assumptions for this theory is to explain about the micro transactions in video game and to make a game in a select platform for an action educational role playing game and to make the character collect coins without micro transactions these type of games night not be challenging and interesting

SAMPLING

By the help of this sampling researcher can find out many solutions to the research questions with the help of ordinary video gamers. This research thesis will also help other designers and

developers to initiate micro transaction in their video games without making the players to quit the game

MARKET POTENTIAL ON PLATFORM

Finally Researcher made a decision to go on with the android platform and it has a high number of user rather than the other operating system users android is also safe and secure it also helps in developing the game easily because android is an open source platform android games also have an higher percentage in rise of the mobile gaming industry than other platforms especially in India so Researcher went to some places rushing people to find out that today people do not have to spend a lot on android devices the average price of an android device is roughly around 5000Rs and the application in android market is more than the other operating system marketplace. There is also a main advantage that is the game can be developed on common operating system windows it is also user friendly and easy interface compared to the other software

AUDIENCE REPORT

We did a research to find out the interest in video games among people and to find out which platform games people are willing to play more and to find out how many of them like educational games and nearly 80% of them like educational games and many of them like mathematics then we gave some like they like which type of environment, will they like action games, will they allow their children to play action games and will they play a game for its graphics or story this report helped us a lot in making the game taking decisions when

designing and developing the game then we made a market study for the popularity of video games and many people choose the android gaming platform

QUANTITATIVE RESEARCH

For the pilot study Researcher made both online and offline survey from friends, family, and common people to make sure that the game has to accepted by all and the game has to be like by all and Researcher prepared some questions to help me design and develop researcher game.

1



Figure 2 survey

1

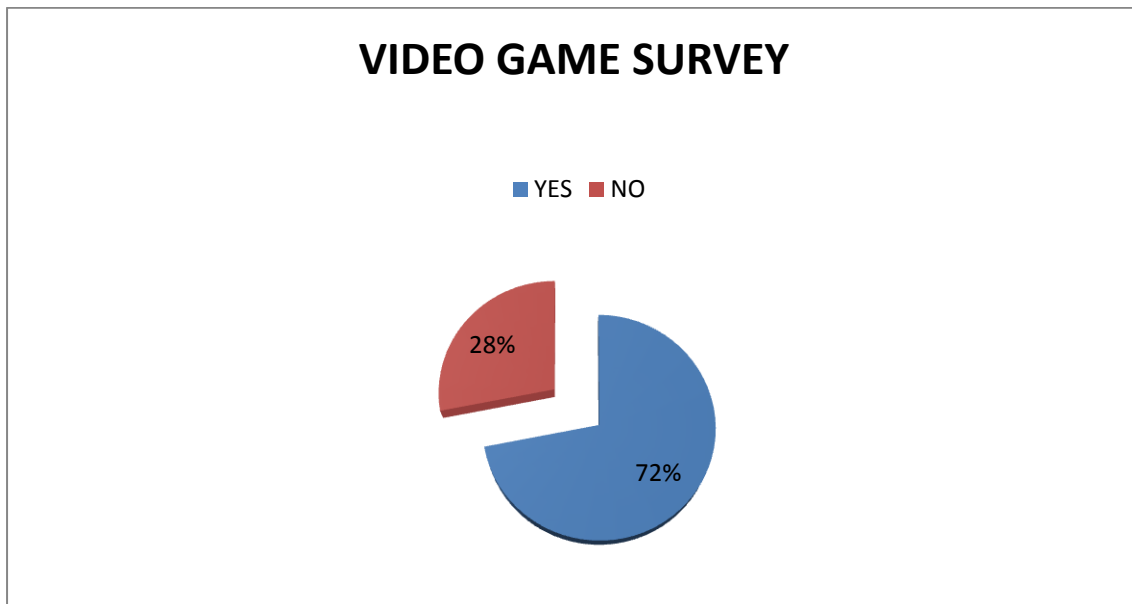
Sampling - Random

Sample -78(40 offline & 38 online)

The queries are

❖ Do you like handheld gaming?

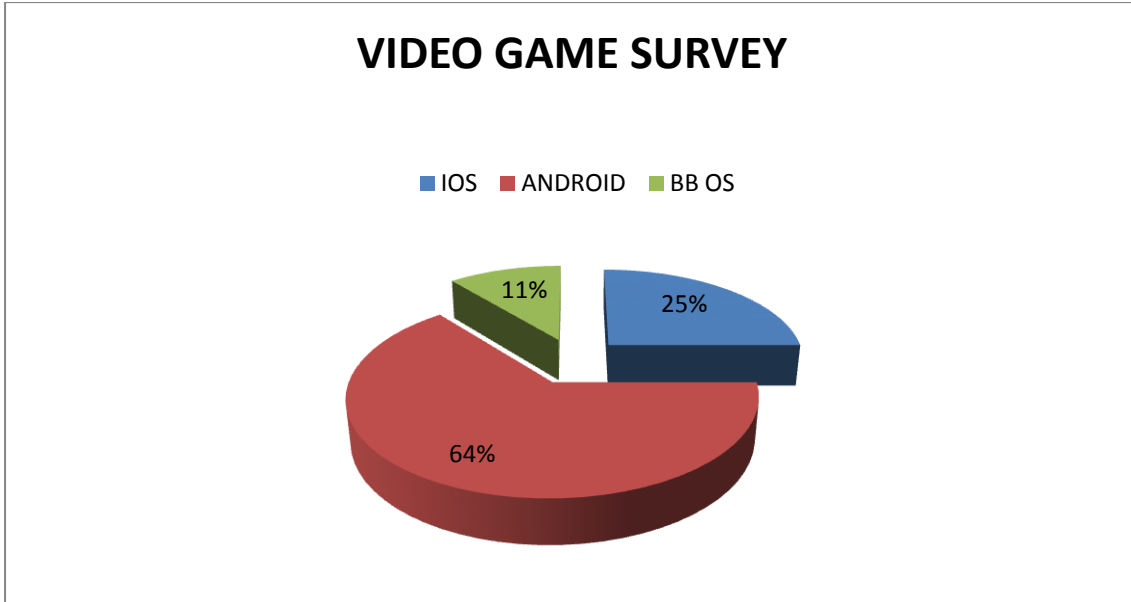
Yes no



According to the above question do players love handheld gaming survey it is proved that many of them like handheld gaming by this Researcher am sure that Researcher can continue to develop researcher game for a hand held device

❖ Which mobile operating system do you like?

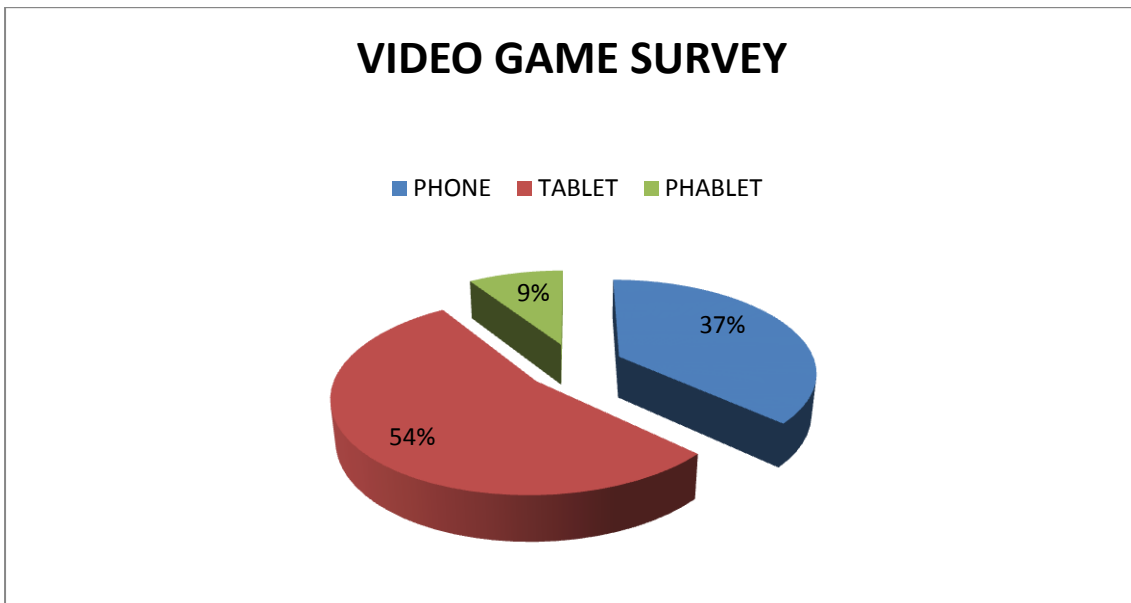
IOS Android Blackberry OS



According to the above question for the selection of operating system to researcher's game many of them have selected the android platform it is also easy for me to develop and port an android game because android is an open source operating system

❖ Which type of hand held devices you would prefer to play games?

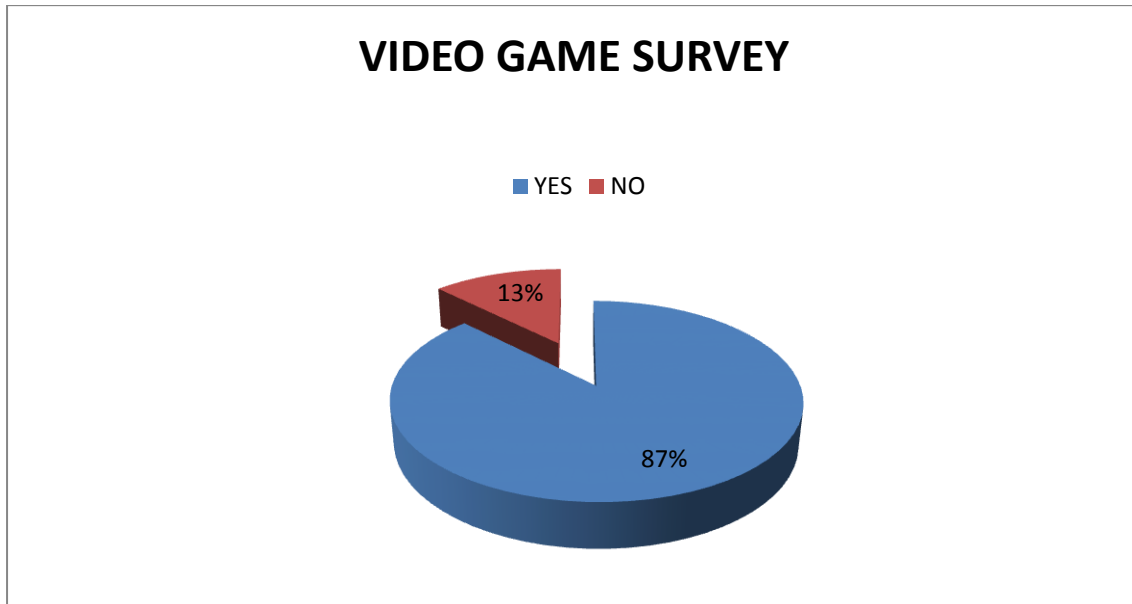
Phone Tablet Phablet



According to the above question for selecting the device type many of them have selected tablet for mobile platform gaming Researcher to have decide to go on with a tablet device because the advantages are too high for a tablet device

❖ Do you like isometric view for video games?

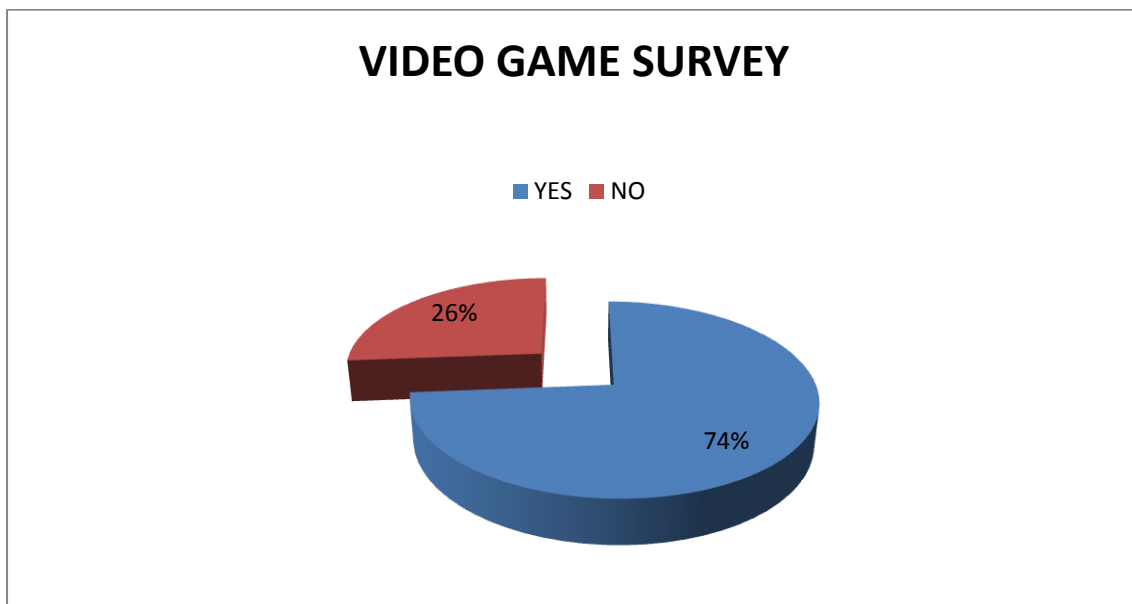
Yes no



According to the above question for selecting the game view and camera type many of them have accepted the isometric view the game would be cool in isometric view rather than side view or third person view

❖ Do you like Strategy genre video games?

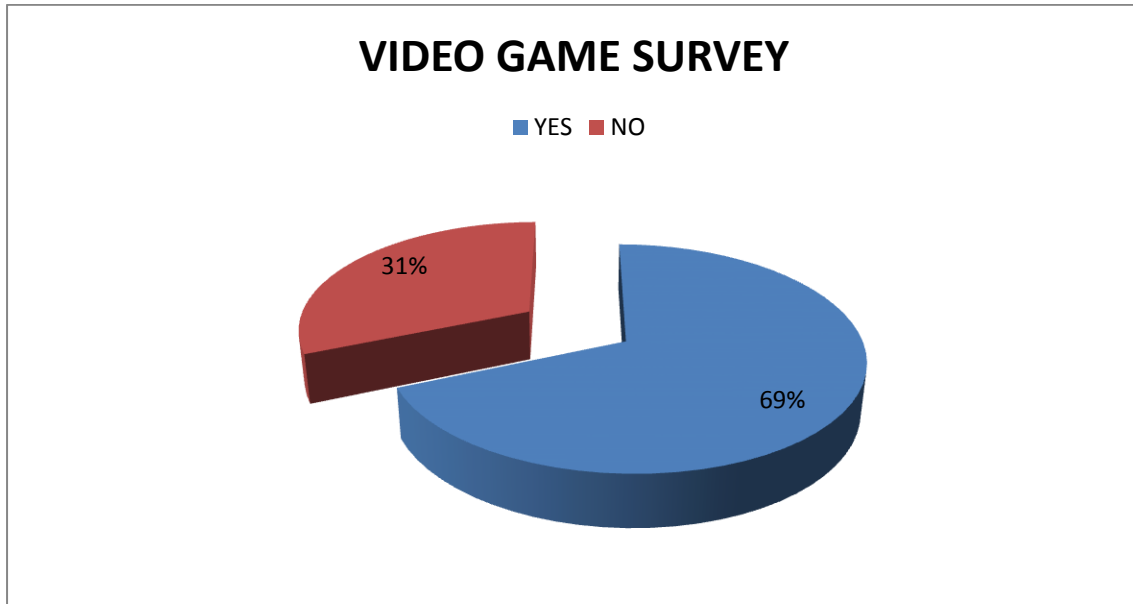
Yes no



According to the above question for selecting the strategy type gameplay many of them have accepted that they like the strategy type games for playing on a mobile device

❖ Do you like action in video games?

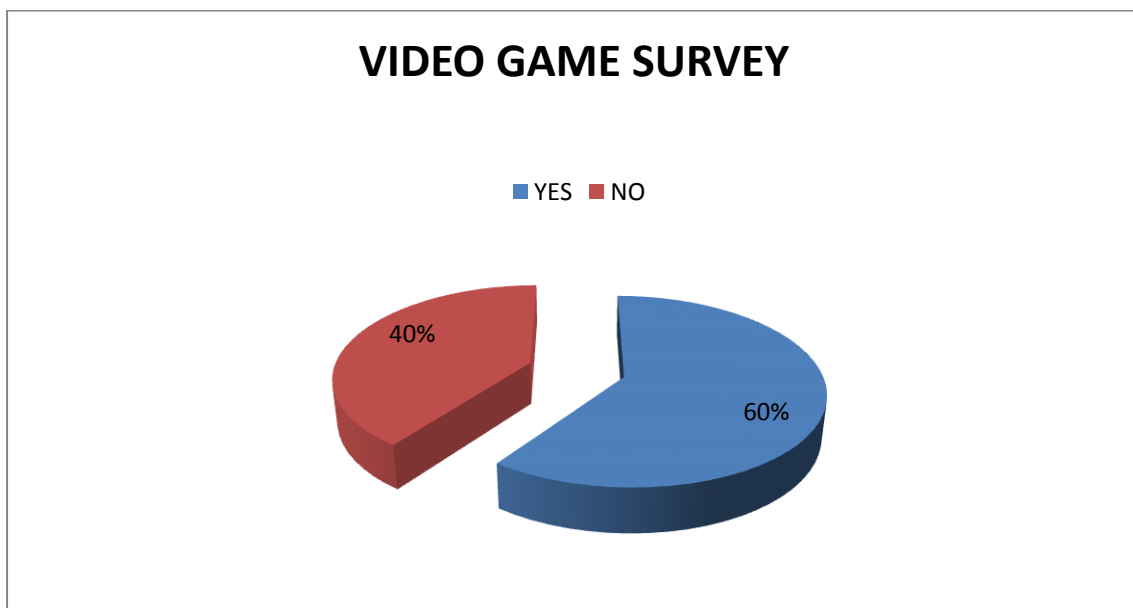
Yes no



According to the above question for keeping action in video game many of them have accepted to keep action sequences and movements in researcher's game

❖ Do you like educational games?

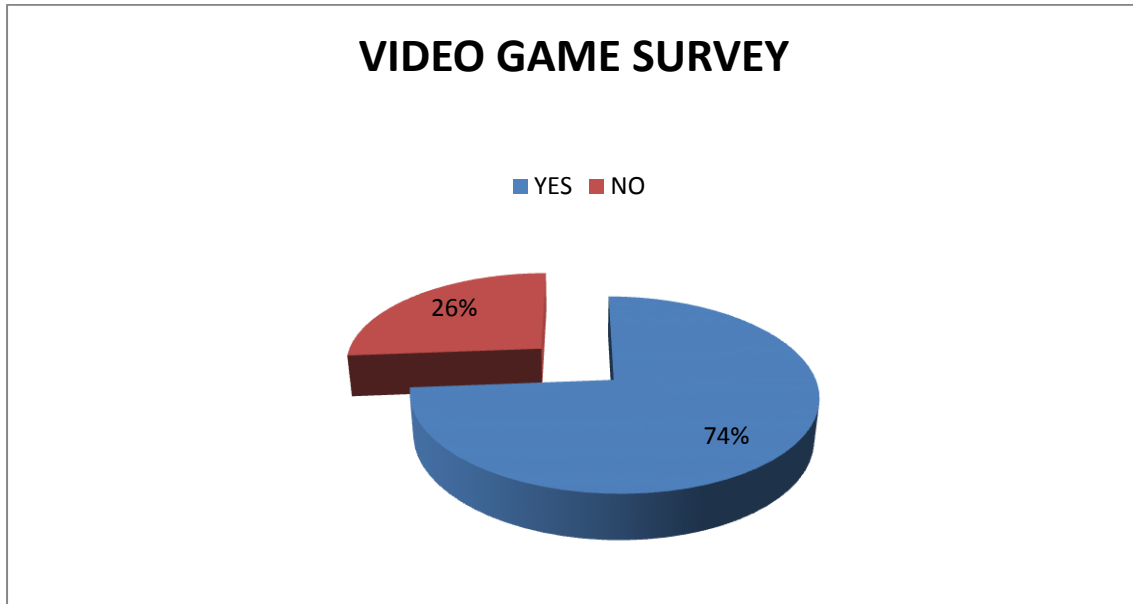
Yes no



According to the above question for making researcher's game an educational game many of them like educational games nowadays so Researcher can proceed with an educational game.

❖ Do you like mathematics?

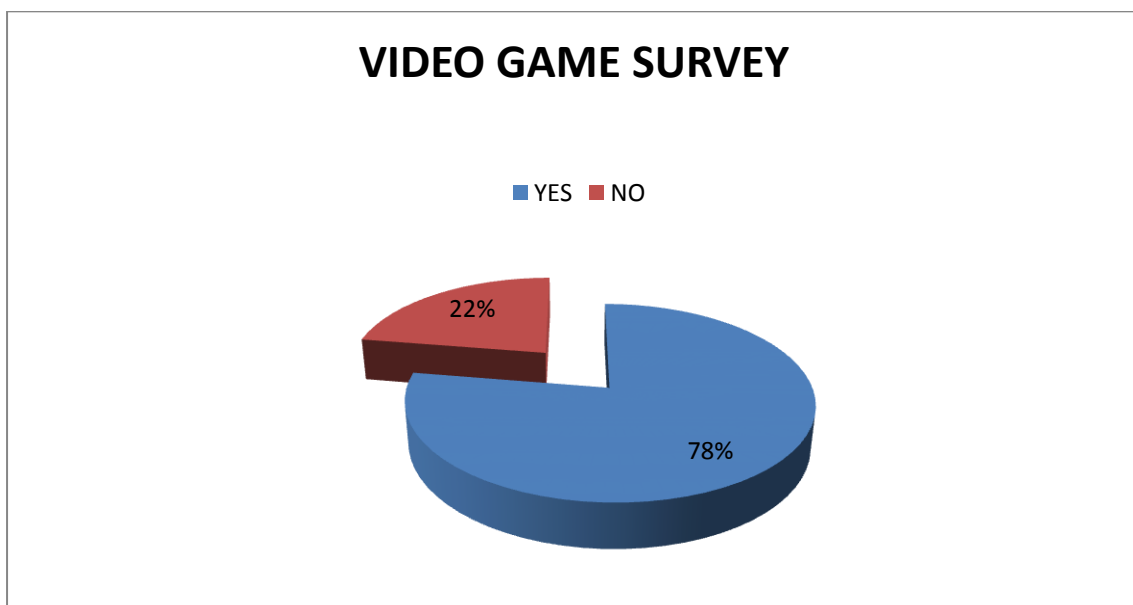
Yes no



According to the above question for an educational game Researcher have selected mathematics for researcher's game but everyone may or may not like mathematics but many of them like mathematics which is told by this survey

❖ Would you play a game for its story?

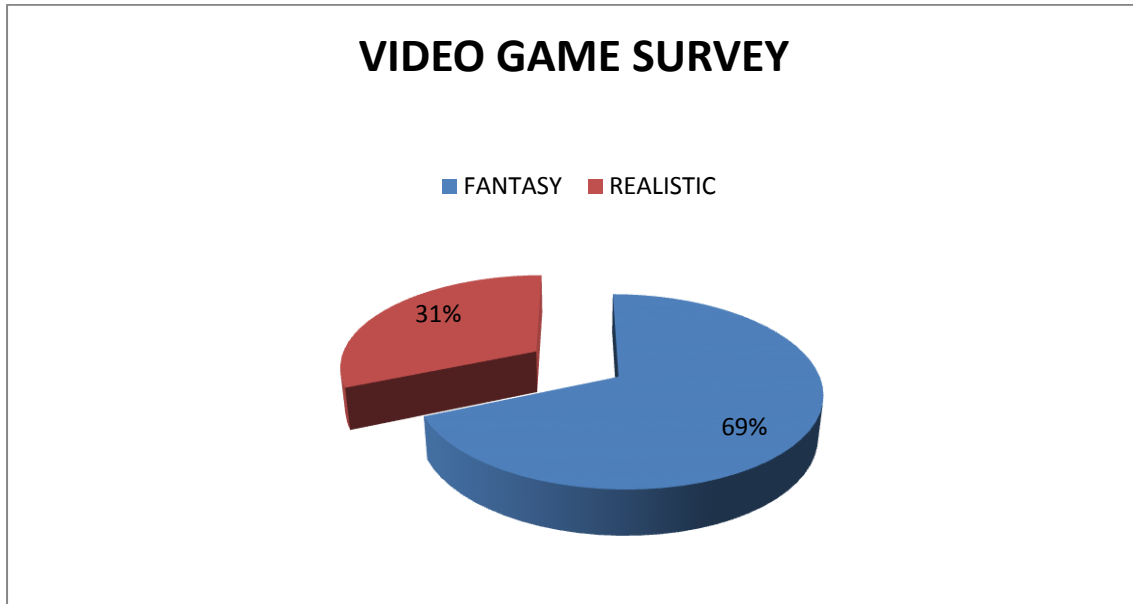
Yes no



According to the above question many of them have told that they don't only play games for gameplay but they play for its story also this has led me to develop a story

❖ Which game environment do you like?

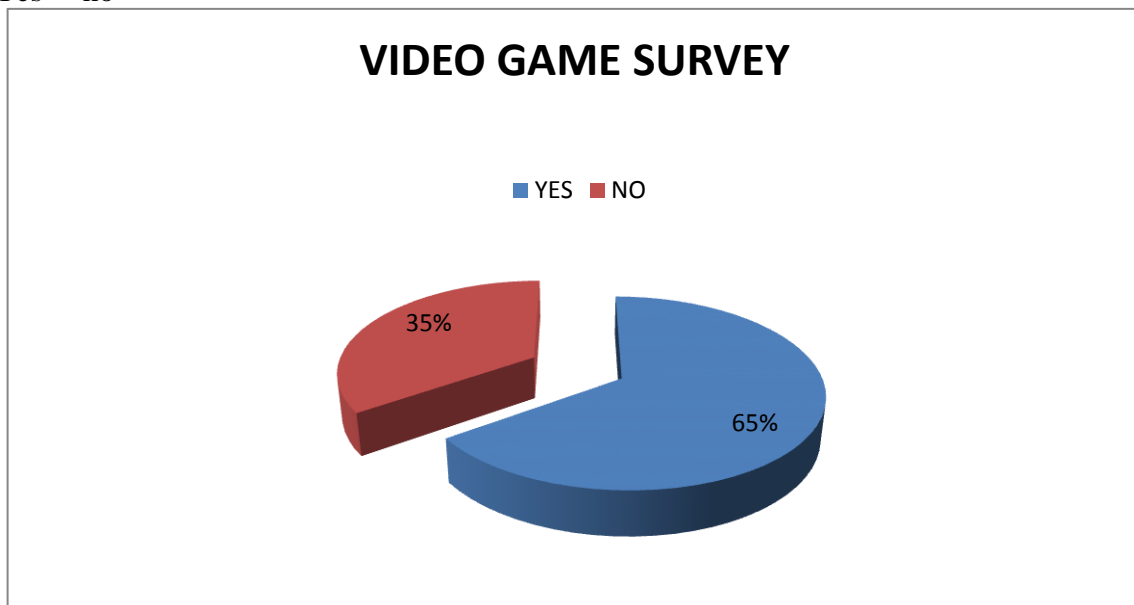
Fantasy Realistic



According to the above question for designing levels many of them like fantasy based levels which lead me to design fantasy levels

❖ If a video game helps for your education will you play it?

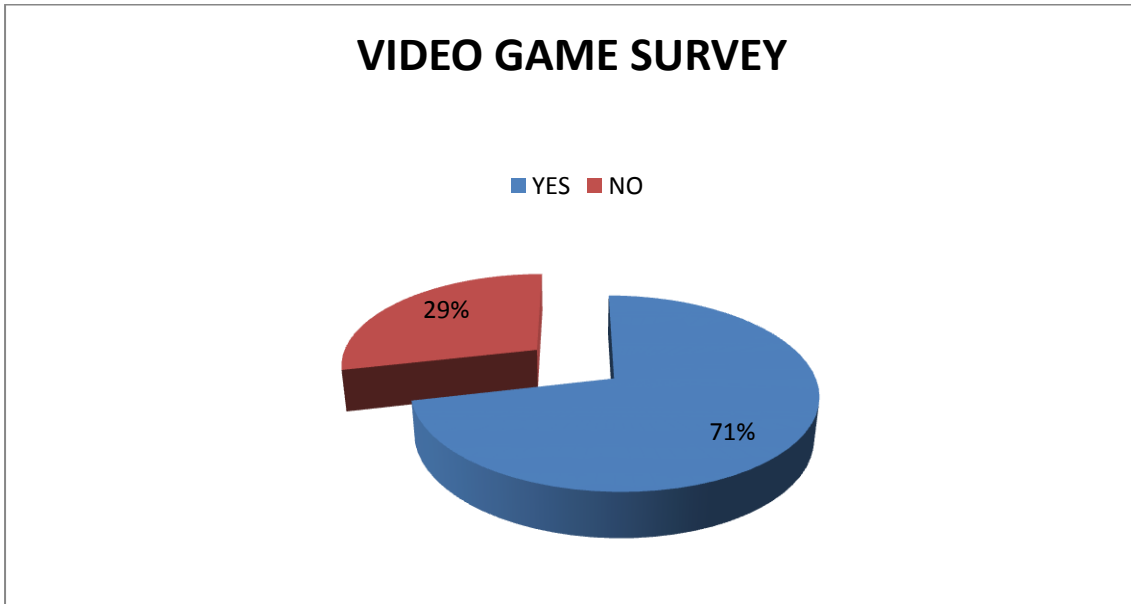
Yes no



According to the above question it helps the player in mathematics so everyone are willing to play if the game is helping them in their education

❖ Imagine if u has kids will you allow them to play educational games?

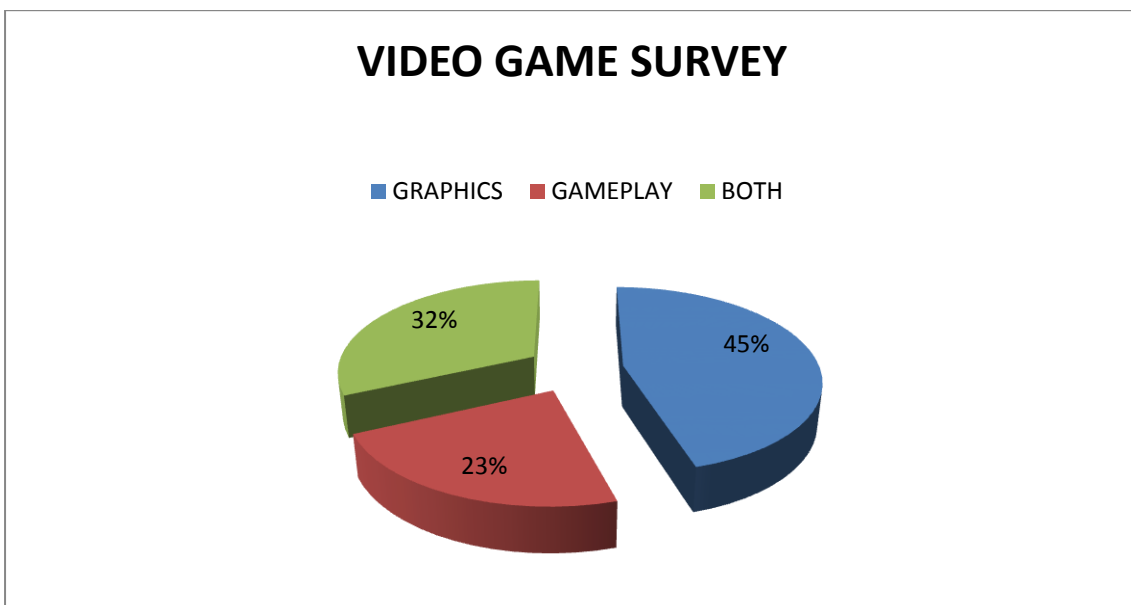
Yes no



According to the above question will the players allow their kids to play educational games many of them have accepted that they will allow their children to play an educational game?

❖ Will you play a game for its graphics or gameplay?

Graphics Gameplay Both



According to the above question Researcher have asked about the quality of the game of graphics or gameplay but many of them like a good gameplay and more of they need good graphics and gameplay well mixed.

INTENTION OF THE STUDY

- ❖ To find the market potential of the android market for the present and to the future gaming industry
- ❖ To make an action educational and fun based role playing game
- ❖ To narrate the story and how it is important in a role playing game
- ❖ To find out whether audience like mathematics or not

GOALS TO BE ACHIEVED BY QUANTITATIVE METHOD

- ❖ To create a role playing educational game
- ❖ To prove that the game's story won't make any harm to anyone
- ❖ To find out the majority like platform and finally Researcher selected android
- ❖ To know about the popular genre used now a days
- ❖ To know that everyone will like educational games or not

CHAPTER 4 – EVOLUTION

We are going to cover up large topics in this chapter from how it all happened in the video games the evolution of micro transactions and the background materials of these types of transactions

EVOLUTION OF MICROTRANSACTION

Since early 70's and 80's people were having a variety of schemes to introduce payment method inside the computer network, the discovery of internet changed this scheme by getting beyond the point. In around 1999 everyone began to use internet and allowed market places inside the internet it helped people to discover products and services across the globe then the traders found to capture the credit card details of the buyers to provide them with adequate service of selling goods and service among the network this how people started using money on the internet but what is the small money used called they are called the micro transaction A micropayment can be called as a transaction that is made of less than twelve United States dollars and it can be also called as a transaction that is made of less than twelve Australian dollars but these were originally originated to some smaller sums of money practically thinking of less than one United States dollar. People began to use credit cards and debit cards online to buy everything which things can be bought over internet and they reach home. The small amounts during the sale and discount period people spend a lot of money on goods and services like 0.99\$ offer immediately any one can give a dollar to that product

VIDEO GAMES

It all started by expansion packs the video game developers began selling the extension of an original game like extension of a story or playing the game with new character for half the price of the original game then internet made a change in video games these packs can be downloaded online and they are called the downloadable content every gamer started buying these online by using their credit or debit cards video game developers made people to buy the in game content also buy these payments. Micro transactions also make the games very interesting to play but there is also a disadvantage like the more money you have higher chances of winning but these transactions makes the games so interesting to play and also can everyone afford for these transactions for video games .Nowadays nearly all videogames have micro transaction .All the platform video games have micro transactions but in some²different ways. Some you can only play if you pay some you can play without paying but you have to wait for using that feature to use.

3



Figure 3 – VIDEO GAMES

² <http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

³ <http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

CHAPTER 5 – PAYMENTS

Payment is the most important method in the history of human time everyone should pay for everything to get something it involves a system where you give something to get something it also defines the needs and the wants by the amount you spend but here we see about the payment for the micro transactions in video games

4



Figure 4 CASH PAYMENT

CASH PAYMENTS

This is a paper form. Payment by cash is the simplest way micro transaction in console video games has this type of cash payment method which is very easy for the people. The method is so simple people who like to do cash payments should buy the cards in stores and get a unique number this has to be entered in the consoles and they will get points for spending these points can be used for purchasing in game content for example Xbox users have Microsoft points for their console these users must give cash and buy membership cards the cards have a code number and these users should use to get Microsoft points and to use them to get the benefits of the points. The player can use this feature till the points are over

⁴ <http://www.usgamer.net/articlesdy-really-like-microtransactions> (Accessed: 25-4-2014)



Figure 5 CARD PAYMENT

CARD PAYMENTS

This is an electronic form. Players have to create accounts on their video game console and they have to give their credit or debit card details every time they buy something the console uses the information on the system and sends it to the seller the players then have to use their respective passwords to complete the buying it is a hassle free method the bills are paid only once during the end of the billing cycle the players can buy anything inside the virtual world using their credit or debit cards. This form of payment is popular in European countries. The player can use this feature till the funds are available ⁶

⁵ <http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

⁶ <http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

CHAPTER 6 – APPLICATION

Micro transactions takes place everywhere in the internet people use them for subscription for some newspapers, offers on products, lucky draws, investments, trading of products and services, donations etc. they are used in games also but they are used in different ways for different types of game play we will see here about the single player and multiplayer type of game play

7



Figure 6 SINGLE PLAYER

SINGLE PLAYER

In some single player games micro transactions are available but they are in different types the common methods include of special character unlocks, extra story mode or an extra level to play with. These types of micro transaction are very popular among the game industry because the players have their own choice to pay only for the basic game later on they have the option to buy or not. This type of micro transaction doesn't has potential to make more profit than expected because the extra feature have to like by the gamers and these extra features only change the visuals but not the game play⁸

⁷ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

⁸ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

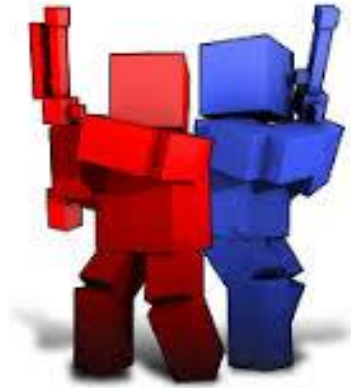


Figure 7 MULTIPLAYER

MULTIPLAYER

In multiplayer games also micro transactions are available in different forms for different games the common micro transaction is buying of weapons and special powers in different games these always make a lot of profit and there is also skin packs different costumes for the in game characters etc. These are also bought by players who think to show off usually this type of micro transactions make decent amount of profits. There are also some compulsory micro transactions in some games. The person who is going to pay more can win easily and take advantage of other players. These basic techniques involve as the players should pay for extra energy, more powerful weapons and special abilities which are not available in the base game. Here, the players use their debit or credit cards to buy in-game money which later can be used for buying the special in-game items. These types of micro transactions are not like

⁹ <http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

by everyone. Some think that the benefits should not be bought by money but only by spending time and playing hard in the game another point of criticism leads to “why would players have to play the game then just pay if you are going to win and you already know you are going to win if you have better equipment than your opponent” A study shows that nearly more than half of the revenue in mobile gaming sector is only by micro transactions

CHAPTER 7-TOOLS

Every player has to use some type of tool to do the transaction for his game there are many common tools used by many game console companies which enable the players to make the micro transactions very easy and user friendly. These are the common tools used by gamers.

10



Figure 8 XBOX LIVE

XBOX LIVE

The Xbox live is the multiplayer gaming service designed for Xbox gaming console by Microsoft here the amount for micro transactions paid to afford this service is not through by credit or debit cards instead the players have to buy a Xbox live membership cards which are available on stores players have a unique code on these cards which entered online to get some Microsoft points here the players has to use these points to make micro transactions.

¹⁰ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)



Figure 9 PLAYSTATION NETWORK

PLAYSTATION NETWORK

¹²PlayStation network is the multiplayer gaming service for the PlayStation console users by Sony computer corporation this service uses two types of payment the players can enter their debit or credit card directly by creating a PlayStation account here or they can also use a special feature called wallet in this the players have to buy PlayStation card in the stores and top up the wallet for micro transactions



Figure 10 – NINTENDO NETWORK

NINTENDO NETWORK

Nintendo network is the multiplayer gaming service designed for the Nintendo consoles by Nintendo here the players has to use their debit or credit cards to buy Nintendo points first then the players has to use those points for micro transactions

¹¹<http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

¹² <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions> (Accessed: 25-4-2014)



Figure 11 STEAM

STEAM

Steam is the multiplayer gaming service for personal computers in which the players have to pay by using credit or debit cards directly to the steam by creating a steam account to download video games, add-ons and micro transactions

¹³ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)



Figure 12 GOOGLE PLAY

GOOGLE PLAY

Google play is the online electronic digital media store provided by google for android devices this app provide not only games but other applications too for download but the players has to use their credit or debit cards directly to purchase the application and the in-app game contents or the micro transactions

¹⁴ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)



Figure 13 APP STORE

APPLE APP STORE

Apple app store is also an online electronic digital media store provided by apple for apple line up devices here also this app is used to download applications from this application this app also makes users to pay for the in-app contents or the micro transactions directly by using the credit or debit card of the player

¹⁵ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

CHAPTER 8 - CATEGORY

There are three types of video games categories in this free to play segment this free to play segment in the video game industry is the most massive opening to micro transactions video game industries have planned and segregated these categories to know which category will give them more profit but some companies have not made to make profit in one category we will see that which one that is.¹⁶

SHARE-WARE

This is the category makes the game free for some period of time and then the game should be paid the cost of the game to buy the game once the free time is over here the gaming companies may or may not get profit because the player should like the demo part played by him to pay for the full part of the game here the choice of payment lies in full control of the player only

FREEMIUM

This is the category where micro transactions take more advantage this is derived from the arcade machines so every time you run out of time you should pay for playing the game again but in this modern era this has been changed a little bit some games have time in it. If you lose a round in that game you have to wait for some time to play the game again instead to skip the time the player has to pay a certain amount of money to skip that particular time to

¹⁶ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

¹⁷play the game again. This is where the addicted players try to pay for the game the gaming industry makes a lot of profit in this category only.

FREWARE

This category is also where profits may take place or not because in this category the game is given fully free with unlimited time to play but it has only the basic functions of the game one or more special features may be locked and cannot be used by the user who doesn't pay for this game usually a player who pays for this type of game is called a premium customer where he gets all the features of the game and offers on the next release too usually ¹⁸

¹⁷<http://www.usgamer.net/articles/does-anybody-really-like-microtransactions> (Accessed: 25-4-2014)

¹⁸ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions> (Accessed: 25-4-2014)

CHAPTER 9 – CONSEQUENCES

The micro transactions have potentially reached every gamer in this world but these transactions have positive and negative consequences for the users. But how do users experience this. The game developers had made lot of changes to these transactions

POSITIVE CONSEQUENCES

Paid users can be given with more game content to enjoy with they can also compete with others easily game developers are also ready to create more content for the paid users and also the players are also ready to pay for the extra content an average gamer will also think that paid content will be more exclusive so in order to maintain that the developers should keep the content more enhanced with more features we will make sure that the users will only pay for their wanted content but not the whole bonus package so keeping the stuff independently will help. The users may not have to keep the physical copy of the bonus content so they can be accessed anywhere they want. Some bonus include of giving out the exclusive content before the release of the actual game for the paid users¹⁹

NEGATIVE CONSEQUENCES

There is also a negative side for micro transactions the people who have time to unlock will play and unlock the content the people who will pay for the content doesn't have time to unlock so there is no time to play which will gradually leave to players not enjoying the game. The players who are willing to pay will get the advanced and powerful content soon dominating the unpaid users leaving the unpaid users to quit the game this will also lead to

¹⁹ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

the decrease in number of users of the game. This type of consequence will usually take place in free to play games

CHAPTER 10 – COST

All these micro transaction are based on a very important thing costs. This cost tells the players how much they are spending on each game they are playing. A good cost effective method for the game developers will also save a lot for developing the game a balance in the investment will also lead the developers to give discount on the game to attract more players to buy the game. If the cost is not balanced both the developer and the player will get into loss but Researcher am researching mainly on the user and explaining from the user point of view

FIXED COST

Every player has these fixed costs for gaming like the player has to buy all the electronics which include Television gaming console, gaming pc, operating systems some may also have fixed cost on physical units of the games like they will only buy 10 games a year maybe it's not that so fixed it can change another include of subscriptions that are done by the players for example thirty dollars a year for discounts on the original cost of the game given by some companies and it also include rental of the physical medium of the game because the rent may not change ²⁰

VARIABLE COST

Variable costs include the micro transactions done by the player for the in game content these costs might change because they may have discounts on the prices and the prices will change from game to game. These costs also include the bills of the player like the bank bills for

²⁰ <http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>
(Accessed: 25-4-2014)

which the credit or debit cards used, the electricity bills for the game equipment used and the internet bills. This cost will also include the physical medium of the game if the player buys the games whenever he needs it.

CHAPTER 11 - PSYCHOLOGICAL EFFECTS

These psychological factors include the satisfaction of the players which tells about whether the player satisfies or not for the given money for the in game content. The effects of the players include the unfair distributions that only the players with cash dominate the other players who do not invest cash by getting special equipment and more power before the unpaid players have to take some time to play and unlock. For example if a player is playing a car game in that the player breaks the car and he has to wait for 2 hours to get the car repaired instead he can pay some X amount to skip the time and race the car again There is also other effect of both paid and unpaid player had to leave the game because the paid player buys all equipment and plays with it soon and quits the game. The unpaid player thinks that the game can only be played by the paid player by not getting the equipment for defeating the paid player in game and quits the game. Like this both the players will get unsatisfied with the —game sooner or later. It is like a shortcut to money rich players and a time consuming factor for money less players but there is both advantage and dis advantage for the gamers using micro transaction²¹

²¹<http://www.computerweekly.com/feature/Electronic-commerce-with-microtransactions>

(Accessed: 25-4-2014)

CHAPTER 12 – IMPLEMENTATION IN THE PROJECT

The goal of this research is to Increasing replay ability Free games without micro transactions kids should not spend money on games without parental guidance have a subscription based transaction for a bundle of games Changing the current methods of micro transactions to next gen gaming The benefits for the price paid. But in researcher's game this project Researcher have not implemented any micro transaction method inresearcher'sgame except to just collect coin for fun but the players cannot use the coin on anything the main goal is just to collect coin. Researcher have not kept any micro transaction method because the game is for educational purpose and the game is also for kids only the game is fully free it is not implemented on the three categories of freeware, shareware or freemium method because kids may not have money to invest in the game and the fun factors may also be missed and because Researcher don't want the case of kids increasing their parents bill by using their credit or debit cards



CHAPTER 13 - RECOMMENDATIONS AND CONCLUSIONS

After all the research in this thesis obtained from the above Researcher have learnt a lot about micro transactions and also got an idea of what a micro transaction is used for and how in video games like other researchers Researcher have started from the base of micro transactions Researcher have learnt the process of how to indulge players to pay for the game and Researcher have learnt about all the types of micro transactions and the tools used by the gamers for micro transactions Researcher have given the types of micro transactions in which Researcher have explained the advantages and disadvantages also. Researcher have explained about the survey taken by me for the game Researcher am working on and how survey has helped me a lot in choosing the right path for making researcher's own game. Then Researcher have explained about evolution of micro transactions then the payment which explains how to pay for micro transactions and the research goes on to the tools used for micro transaction with application of it in single player and multiplayer video games that leads to the tools used by the gamers for transactions and then the research continues to the cost factors, consequences, psychological effects on the players. After this has helped me a lot on micro transactions Researcher have planned to keep these types of transactions in researcher's future projects.

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