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Effect of microtransactions in video games on brand perception and loyalty



Summary

This thesis explores how microtransactions in video games relate to the concepts of brand perception and brand loyalty. Firstly, an introduction into a recent controversy surrounding the game publisher EA was presented. It provided the necessary context into the topic. Then, an overview of relevant theory from the subject of marketing was given. A thematic review of the existing literature on the topic of marketing in video games was made. 11 semi-structured interviews were conducted in order to gain further understanding of the issue presented. Lastly, a suggestion for further research was given.

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1. Introduction

In 2016, Richard Garfield, a game designer most famous for creating *Magic: The Gathering* which is considered to be the first modern collectible card game, published a manifesto heavily criticising game models which have purchases in them that are open ended and target the most vulnerable players.

He calls those games “skinnerware” and argues that they are wrong because they prey on the people easily addicted to games, who commonly do not have the extra money to spend on the game. Still, they are the ones that those types of games make their money from. He equates those in-game mechanics with gambling and calls them out for being morally wrong.

He also argued that, ultimately, those types of mechanics will lead to worse games. Since that way, creators of the game can earn more money by preying on the weak, they will. If people continued playing those types of games they will only be seen as a success, leading to more of those games being created (Garfield, 2016).

1.1. The EA Controversy

On August 4th, 2017, nearly a full year after Garfield predicted “skinnerware” mechanics will appear more in games, demanding money for a full game experience, developer Monolith Productions announced that the game *Middle-earth: Shadow of War* will have loot boxes (randomized packs, that can be either earned through gameplay or purchased with real money, containing more content for the game) which are not purely cosmetic, but can also contain experience point boosts or better gear. The fans were not pleased (Jackson, 2017).

In September of 2017, the ire against microtransactions and loot boxes intensified. With games such as *NBA 2k18* being riddled with microtransactions and *Destiny 2* containing loot boxes that were purely cosmetic, the fans got more and more angry about pay-to-win mechanics and loot boxes being random, effectively making them gambling (Jackson, 2017).

Then, in November of 2017, the public outrage towards loot box mechanics in games started to snowball with the game *Star Wars: Battlefront II* becoming playable in a pre-release trial period for subscribers to EA Access (Jackson, 2017). The game featured a complex system of loot crates, crystals, battle experience points, crafting parts, credits, and “Star Cards”. Some early players calculated that, in order to unlock some popular characters like Darth Vader, 40 hours of gameplay

were required. Other way to achieve the same result and unlock those characters was to pay 80\$ (Robison, 2017).

EA tried to remedy the situation by communicating through social media. To be more precise, EA's community team posted to Reddit, where most of the discussion about the in-game microtransactions was taking place. In the span of 24 hours, their justification of microtransactions became one of the most downvoted comments on Reddit (Schreier, 2017).

This is the full comment they made:

EACommunityTeam -667814 points · 6 months ago 🏆 94

The intent is to provide players with a sense of pride and accomplishment for unlocking different heroes.

As for cost, we selected initial values based upon data from the Open Beta and other adjustments made to milestone rewards before launch. Among other things, we're looking at average per-player credit earn rates on a daily basis, and we'll be making constant adjustments to ensure that players have challenges that are compelling, rewarding, and of course attainable via gameplay.

We appreciate the candid feedback, and the passion the community has put forth around the current topics here on Reddit, our forums and across numerous social media outlets.

Our team will continue to make changes and monitor community feedback and update everyone as soon and as often as we can.

Share Report Save Give gold

Figure 1.1 Response to the users' outrage about the Star Wars: Battlefront II; Source /u/EACommunityTeam, available on: https://www.reddit.com/r/StarWarsBattlefront/comments/7cff0b/seriously_i_paid_80_to_have_vader_locked/dppum98/ (2017)

Brandwatch criticised their response, claiming that EA should have noted the negative feedback and responded to the issue with action more swiftly. If they had acknowledged their mistake sooner and showed that they were listening to the community, they might have done more to quell the damage (Joyce, 2017).

The sales of the game during the last quarter of 2018 fiscal year did fall short of the expectations, with nine million copies sold, as opposed to the predicted ten million. The company's chief financial officer claimed that he blamed the controversy for low sales (Sarkar, 2018).

Despite the low sales, EA reported to have a record year, with revenue growth of 6.2% and profit growth of 7.9%. They predict further growth in the next year (Makuch, 2018).

They claim to have learned from their mistakes as well, and that they continuously work on improving the game. They also claim to have taken significant steps to better understand the mechanics behind monetization and loot boxes before games even get to the market and that they

will apply knowledge gained through the controversy not only to improve *Star Wars: Battlefront II* but their future games as well (Webster, 2018).

Although this was the biggest and most recent controversy surrounding monetisation of EA's games, it is not the first time they made such decisions for their games. In 2008, they introduced Ultimate Team to their *FIFA 09* game. It was (and still is) a system based on microtransactions, designed to be reminiscent of trading card games, where players can exchange real money for trading cards, or players, assembling a team with which to play the game. In short time it gained popularity attracting more and more players to the game (Sarkar, 2014).

However, in the light of recent controversy, some FIFA players started complaining about microtransactions in the game. But, since the majority of FIFA players are more casual than the target players of *Star Wars: Battlefront II*, they are less likely to be bothered by microtransactions. Another aspect is that more adult players do not have the time needed to grind out points in-game, and have disposable income to spend, making them more likely to purchase things in-game. The FIFA Ultimate Team system is unlikely to change, because most players love it and consider it fun, all the while making EA billions of dollars (Yin-Poole, 2017).

Another game worth mentioning is EA's *Need for Speed: Payback*. It is another game that has been heavily criticised for in-game microtransactions and hiding progress behind a paywall. Some reviews even noted how the game was "ruined by loot boxes" (Dingman, 2017). What is notable about that title is how a player can literally exchange cards purchased with in-game currency for a roll on a slot machine and a chance to get a new card which may be better than the old one (Ashraf, 2017).

1.2. Loot boxes and gambling

The EA controversy brought about discussions about whether the laws should change to reflect how video games, which are traditionally seen as marketed to children, promote loot boxes which can be seen as promoting gambling. Loot boxes are considered as predatory, seducing people with bad odds and nice presentations (Bailey, 2018).

Loot boxes have also been compared to packs of sports cards or trading card games such as *Magic: The Gathering* or *Pokémon*. Those games were subjected to unsuccessful lawsuits in the past, based on similar gambling claims (Bailey, 2018).

Many US states have turned on loot boxes, with Minnesota introducing a bill which would prohibit sales of video games that contain loot boxes to people younger than 18. The bill also calls for a stern warning on the packaging, notifying the buyer that the game contains gambling-like mechanisms which may expose user to a significant financial risk and have adverse psychological effects (Bailey, 2018).

Hawaii representative, Chris Lee, spoke out against loot boxes in games, specifically *Star Wars: Battlefront II*, calling it a “Star Wars-themed online casino, designed to lure kids into spending money”. He proposed legislations that would prohibit the sales of video games featuring loot boxes to minors. He called people to unite and stand up against those types of video games (Plunkett, 2017).

In Europe, the Dutch gaming authority examined the loot box mechanics in ten games and found that loot boxes in four of the games examined can be considered gambling. Therefore, those games will now require a gambling licence to operate in the Netherlands. It also concluded that all of the games examined could be addictive and called for modifications of loot boxes, such as removing the visual effects and taking measures to exclude vulnerable groups such as minors. If the companies in question do not take those measures, as of June 20th, 2018 they could be subject to fines or a ban (Yin-Poole, 2018b).

The Belgian Gaming Commission looked at four games containing loot boxes and found only one not violating the country’s gambling legislation. Belgium’s Minister of Justice stated that those games which were found in violation of the gambling legislation are illegal and demanded that they remove loot boxes from those games. Otherwise, the publishers may risk a fine up to 800,000 euros and a sentence of up to five years in prison. This investigation was prompted by the *Star Wars: Battlefront II* controversy. The four games examined were *Star Wars Battlefront II*, *FIFA 18*, *Overwatch* and *Counter-Strike: Global Offensive*. Out of those, only *Star Wars* wasn’t found violating the gambling legislation, because the publishers removed loot boxes due to public outcry by the time the game was examined (Yin-Poole, 2018a).

1.3. Problem Formulation and research questions

In the light of these recent events, this research will focus on examining the impact they have on consumers. By using relevant theoretical models and reviewing the literature on the topic of video games and marketing, it will aim to look at the impact microtransactions in video games have on concepts such as brand perception and brand loyalty.

When looking at the issue of microtransactions in video games there are several questions that present a certain gap in current research. Those questions are:

1. *What are the players opinions about microtransactions in video games and companies utilising microtransactions?*
2. *How do players feel about other game monetisation models?*
3. *How do players perceive in-game advertising?*
4. *Are the players loyal to the brands and companies making them?*

Those questions were deemed to be relevant to the research topic. They all touch upon the subjects of brand loyalty and brand perception in the context of pricing mechanisms of video games. It is believed that this study will provide some insight into those questions.

The structure of this research will be following:

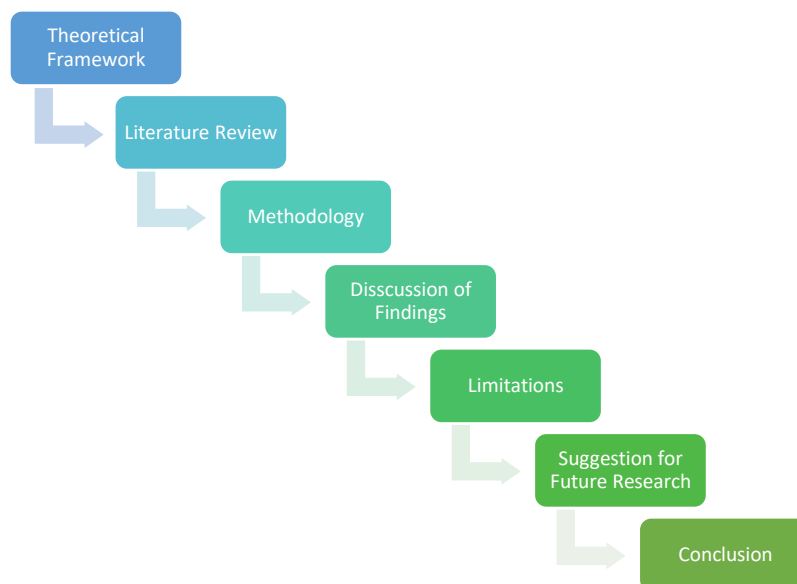


Figure 1.2 Research structure; Source: Own production

2. Theoretical Framework

While exploring pre-existing literature on the subject of video games is important, to structure this thesis further, some theoretical framework on various aspects of branding will also be explored. That is done in order to not only ask the right questions in this research, but to ask questions that are relevant to marketing concepts this research aims to explore.

2.1. Consumer-based brand equity

Brand equity can be defined as a way of expressing the strength and duration of a brand (Egan, 2015). It may also be regarded as the sum of future profits associated with the brand discounted over time. While those are simple ways to calculate brand equity, *Interbrand* uses a more complex system, where four criteria are evaluated to calculate brand equity. Those are: financial, market, brand and legal analysis (Egan, 2015).

Customer-based brand equity (CBBE) is defined as the differential effect that brand knowledge has on consumer response to the marketing of that brand (Keller, 2012). In other words, CBBE relates to how customers perceive a product and the way that product is marketed when the brand is identified, as opposed to when it is not. CBBE of a brand will be positive when consumers react more favourably to a product when the brand is identified, where CBBE will be negative if they react more favourably to the product's counterpart where the brand is unnamed or fictitious (Keller, 2012).

Consumers sometimes have different opinions for the branded and unbranded versions of identical products. In those cases, it is obvious that the knowledge of a brand influenced their perception. Since it happens with almost all product types, this indicates that impression of a brand influences the perceived product performance (Keller, 2012).

CBBE occurs when consumers have high levels of familiarity and knowledge of a certain brand. Therefore, raising brand awareness and establishing a positive brand image is crucial in having a positive CBBE. Brand awareness is especially meaningful because, in some cases, it alone can have a positive impact on how consumers perceive a certain brand (Keller, 2012).

In some cases, as the one where research focused on the hotel industry, positive CBBE had a direct impact on hotels' financial performance. Brand awareness, brand loyalty and brand image were directly linked with financial performance, where strong brand equity may cause a significant

increase in revenue, while low brand equity can damage potential sales flow (H. Kim, Gon Kim, & An, 2003).

2.2. Brand Awareness

Brand awareness consists of brand recognition and brand recall. Brand recognition is the consumers' ability to recognise a certain brand as the one they've been exposed to before, while brand recall is the consumers' ability to retrieve the brand from memory when given the product category or a purchase or usage situation as a cue (Keller, 2012).

There are many advantages to raising consumers' awareness of a brand. Aside from strengthening brand image, strong awareness of a brand makes it more likely that consumers will consider that brand when making their purchase decisions. It can also influence their final choice, where consumers are more likely to choose more familiar and well-established brands (Keller, 2012).

That is particularly the case when it comes to less experienced consumers, where it becomes a prevalent factor when faced with a new decision task. It is also a factor among consumers who are only familiar with one brand offered. When faced with such situations, consumers are less likely to sample other brands and more likely to pick the one they are familiar with (Hoyer & Brown, 1990).

Some research even suggested that, besides strong brand awareness leading to enhanced value judgements, increased purchase intention and decreased search behaviour, it may also be a way to avoid placing your product in higher product classes in order to succeed. In some cases, this strategy may be sufficient to generate high customer value perceptions that could result in increased product trials and market retention (Oh, 2000).

Creating and building brand awareness is done by increasing the consumers' familiarity with various elements of a brand, such as its logo, symbols, name, slogan etc. The more familiar the consumer is with those elements, the more they are aware of the brand and find the brand easier to recognise and recall. However, improving brand recall must also be done by linking the brand with certain product categories or other purchase and consumption cues. Strong links between the brand and the category are especially important if the brand changes through mergers, acquisitions or extensions (Keller, 2012).

2.3. Brand Image

Once brand awareness has been raised, marketers must think about putting more emphasis on creating a strong brand image. That can be done by creating marketing programs that link strong, favourable and unique associations to the brand in the consumers' memory (Keller, 2012).

Brand image can be defined as the consumers' mental image of an offering of a certain brand (Dobni & Zinkhan, 1990), and also as a set of perceptions based on consumers' associations with the brand (Keller, 2012).

Brand attitude can also have a strong effect on brand image (Faircloth, Capella, & Alford, 2001). Brand attitudes are often used as a basis of the brand choice because they are consumers' overall evaluations of a brand (Keller, 2012). Which is why, besides having an impact on brand image, they can also indirectly affect brand equity (Faircloth et al., 2001). That impact is visualized in the following figure:

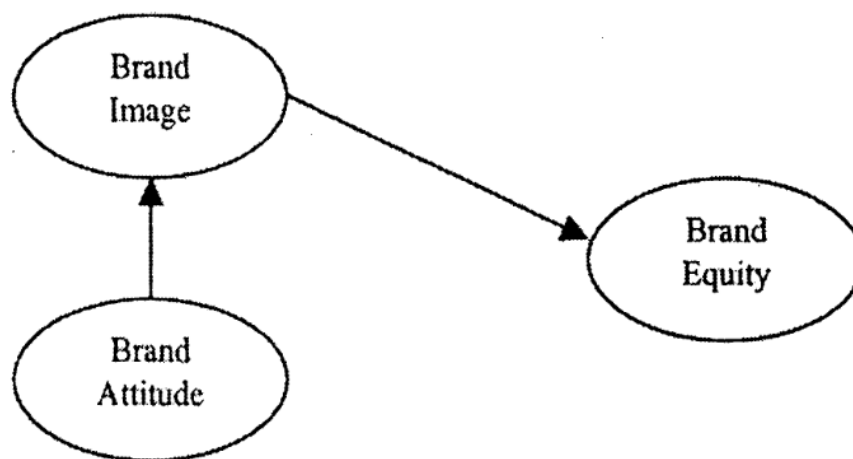


Figure 2.1 Brand Equity Model; Source: Faircloth et al., 2001

As it can be seen, it is sort of a chain reaction, where positive brand attitude positively influences brand image, consequently having an impact on the overall brand equity.

Brand image was also found to be linked with self-image. In other words, if a perceived image of the brand is similar to the self-image of the consumer, they are more likely to be favourable with their brand attitudes and future purchase intentions (Graeff, 1997).

2.4. Brand loyalty

When creating brand loyalty, it is important that the products meets, if not surpasses, consumers' expectations. Strength, uniqueness and favourability of a brand are three dimensions that result in strong brand loyalty among consumers (Keller, 2012).

The strongest affirmation of brand loyalty will occur when the customers are engaged in the brand. In other words, customers will be most loyal when they are willing to spend either time, energy, money or other resources past the initial purchase or consumption of a product (Keller, 2012).

Brand loyalty can be divided into true brand loyalty and spurious brand loyalty (Bloemer & Kasper, 1995).

True brand loyalty is defined as “the biased (i.e. non-random), behavioral response (i.e. purchase), expressed over time, by some decision-making unit, with respect to one or more alternative brands out of a set of such brands, which is a function of psychological (decision making, evaluative) processes resulting in brand commitment” (Bloemer & Kasper, 1995).

Spurious brand loyalty is defined as “the biased (i.e. non-random), behavioral response (i.e. purchase), expressed over time, by some decision-making unit, with respect to one or more alternative brands out of a set of such brands, which is a function of inertia” (Bloemer & Kasper, 1995).

These two types of brand loyalty are vastly different. The main difference is that the truly loyal consumer is committed to the brand and will repeatedly purchase the same brand. Spuriously loyal consumer is more prone to change brands, because their loyalty is not a commitment, but merely a result of inertia (Bloemer & Kasper, 1995).

Brand equity, value and quality are all factors that influence brand loyalty. Trust plays an important role in creating brand loyalty as well. In order to create loyal customers, enterprises should offer various and valid reasons for consumers to always choose their products by getting into the world of consumers. That way, complete loyalty can be achieved (Erciş, Ünal, Candan, & Yıldırım, 2012).

Social media can play an important role in creating brand loyalty as well. By establishing meaningful relationships between the company and the consumers, facilitating connections

between the consumers themselves and by sharing information, they can enhance their relationship with customers, therefore enhancing their loyalty towards their company or brand (Laroche, Habibi, & Richard, 2013).

Trust in a brand and brand loyalty are connected as well. In fact, it has been suggested that brand loyalty is the chain linking brand trust with the market performance part of the brand equity. That means that, the more trustworthy a brand is, the more loyal its customers will be to it consequently capturing more of the market share (Chaudhuri & Holbrook, 2001).

Overall, it can be concluded that various aspects of brand equity have a varying effect on how customers perceive the brand. Being knowledgeable of how consumers perceive the brand can help companies gain more customers and retain the customers they already have. Brand awareness, image and loyalty all play their part in the brand's success, and mismanagement of those could lead to its failure.

3. Literature Review

The literature review for this thesis was conducted by searching ProQuest and Emerald databases using keywords: *video games, entertainment software, AAA games, computer games, segmentation, demographics, branding strategies, pricing strategies, advertising, product placement, perception.*

Results were limited to only include results in English, on the topic on marketing and only results that were scholarly journals that were peer-reviewed.

After evaluating the results based on the relevancy of the topic, they were then organised into a literature review matrix taken from Muna (2016). The articles were organised into four themes: segmentation, branding, pricing and advertising in video games. Those will make up the sub-chapters of this literature review. Full table can be found in the Appendix.

3.1. Segmentation of Video game players

When it comes to advertising and video games, as with any other thing, properly identifying the customer segment is crucial in order to plan the marketing activities. In their research on personality traits and life satisfaction among video game players, Chen, Tu, & Wang (2008) surveyed 500 video game players and found out that most of their respondents were female (53.2%), less than 25 years old, students (71.8%), single and with the monthly income of 312 USD or less. However, when observing online and offline video game use in adolescents, Smohai et al. (2017) found most of the video game users to be male (71.4%). They also distinguished between video games played online and offline, finding that online video games have an increased chance of overuse and social isolation within the player base.

Adams (2013) argues that, in the United States, more adult women (31%) than teenaged boys (19%) play video games, while also arguing that men and women do not differ that much when it comes to personal interests. However, he notes that video game designers tend to treat male and female players as separate species with not much in common.

When analysing players of sports video games, Kim & Ross (2006) identified seven motivation dimensions - knowledge application, identification with sport, fantasy, competition, entertainment, social interaction and diversion. Their research indicated that the pattern of sport video game use is more active and purposeful than that of traditional media. Furthermore, in their research, Kim,

Walsh, & Ross (2008), found that the majority of sports video gamers fall into the demographic of 18-34 year old males. In their study, they distinguish between light, moderate and heavy gamers, based on the weekly hours spent on playing sports video games, with light players playing for less than two hours, moderate gamers between two to nine hours and heavy gamers playing for more than nine hours.

Adams (2013) notes that the time spent playing is different among male and female players. He states that men have more leisure time and money to spend on gaming and tend to regard gaming as a serious hobby. According to him, men are more likely to spend 60\$ on a video game on the first day of the release than women are, something that will be further discussed in the Pricing subchapter.

Women tend to fracture their time between playing games and doing other things, therefore playing for half an hour to two hours, instead of spending five hours playing a game (Adams, 2013).

When examining the demographics of fantasy and reality based virtual worlds, virtual worlds being computer-generated, 3D worlds where users can interact among each other and the environment (Sanchez, 2009), Phillips Melancon (2011) found various differences between both the demographics and strategies of brand entry among those different worlds. Those differences can be seen in the table below.

VE type	Summary user profile	Potential products/services	Brand entry strategies
Reality VE (examples: Second Life, There.com, Habbo Hotel, The Sims)	Motivational types: motivated by the relationship factor (looking to form social ties to other users of the VE that include discussion of real lives), immersion factor (highly attentive to details and lore of the VE), and escapism factor (desire to shut-out problems and stresses of real life) Demographic: slightly more female consumer base, 41 years old, married, income of \$20-\$40K Usage: highly involved in VE, averages two to four hours daily in world, has participated in world one to three years, only player in household, has seen in-world advertising and has slightly better attitude toward in-world ads	Products that facilitate social grace or attractiveness (virtual cosmetics, clothing, feature-enhancing products), "social lubricants" such as alcohol, friend or mate-finding services for avatars Entertainment products that provide activities/escape in VE that feel consistent and have a good fit with the VE (travel, dining, entertainment, fantasy goods)	Brand entry that facilitates interaction and engagement between avatars, provides opportunities for socializing, venues for chatting, i.e. liquor brands setting up virtual cocktail hours in world Immersion motivation suggests that the creation of the virtual product or place must be consistent with lore of the VE
Fantasy VE (examples: WoW, Entropia Universe, EVE Online)	Motivational types: achievement (need to achieve and display high status in VE), manipulation (desire to dominate other users), immersion, escapism Demographic: slightly more male user base, early 30s, married, income of \$40-\$60K Usage: averages two to four hours daily in world, has participated for one to three years although some have been involved in VE over four years, plays with other individuals in the household (spouse/children), has little experience with in-world ads and to date has a poor attitude toward in-world ads	Products that allow outward display of power/status/superiority. Products or services suited for improving physical performance (supplements, workout equipment/gyms, athletic gear) or that elevate an individual's sense of superiority in game (luxury goods, high end/aspirational brands) Product/service offerings must be adapted to fit to lore of VE (i.e. a car brand such as Ford Mustang might offer a battle horse in WoW to defeat opponents)	Any strategy that allows users to "win" points towards higher status, perhaps rewards for loyal brand users in the currency of the VE Exclusive areas/offerings for players at higher levels only Creation of brand contests where avatars can battle each other and then "win" higher status symbols for the VE

Figure 3.1 User profiles and brand entry strategies of virtual worlds; Source: Phillips Melancon (2011)

As it can be seen, while women slightly prefer virtual worlds based in reality, males prefer fantasy virtual worlds. It can also be seen that the player base of fantasy virtual worlds has a generally lower income and is slightly younger than the one of virtual worlds based in reality (Phillips Melancon, 2011). However, it should be noted that some of the fantasy virtual worlds, such as World of Warcraft (WoW) are considered games and are called Massively Multiplayer Online Role-Playing Games (MMORPGs), while others that are more reality based, such as Second Life, though similar to MMORPGs are not considered games even though they are interactive and games exist within them (Sanchez, 2009).

Overall, it can be said that the market segments in video games largely depend on the type of video game. When it comes to so-called "casual games", such as online games as well as mobile games, the main segment will be adult women (Chen et al., (2008); Adams, (2013); Phillips Melancon, 2011)). However, where bigger games are concerned, such as sports and action games, which usually take more time to play through and cost significantly more, the main segment are males aged 18-35 (Y. Kim et al., 2008; Smohai et al., 2017)

3.2. Branding of Video Games

To explain the issue of branding of video games a distinction has to be made between AAA and indie video games. While AAA video games usually have large production and marketing budgets and a dedicated and diverse development team, indie games are games with small budgets and teams consisting of only several, or even one, developers (Mathews & Wearn, 2016).

Mathews & Wearn (2016) found through their research that, when it comes to video game advertising, consumers place the most trust in their friends and family and the least trust in TV adverts. They state that consumers place more trust in YouTube advertising than TV advertising.

Marchand & Hennig-Thurau (2013) note the importance of branding in video games, stating that 90% of the top 20 best-selling games in 2011 were sequels. They compare sequels in the gaming industry to the ones in the movie industry, where sequels serve as brand extensions. Big companies, such as EA, started seeking external branding expertise to appeal to niche markets (Banks, 2008).

It is important to note, however, that despite being compared to movies, video games are different because they require active engagement from their users. They are interactive, the engagement lasts longer, in some cases even indefinitely, and their software is more expensive and has a learning curve (Alpert, 2007).

In their research on brand loyalty among users of PlayStation and Xbox consoles, Marticotte, Arcand, & Baudry (2016) suggest that console manufacturers should work at attracting and retaining their customers early, because those customers are not only more likely to remain loyal to the brand, but also more likely to reject and even “trash-talk” rival brands. Results of their research and their conceptual model linking brand loyalty with the desire to harm rival brands can be found below.

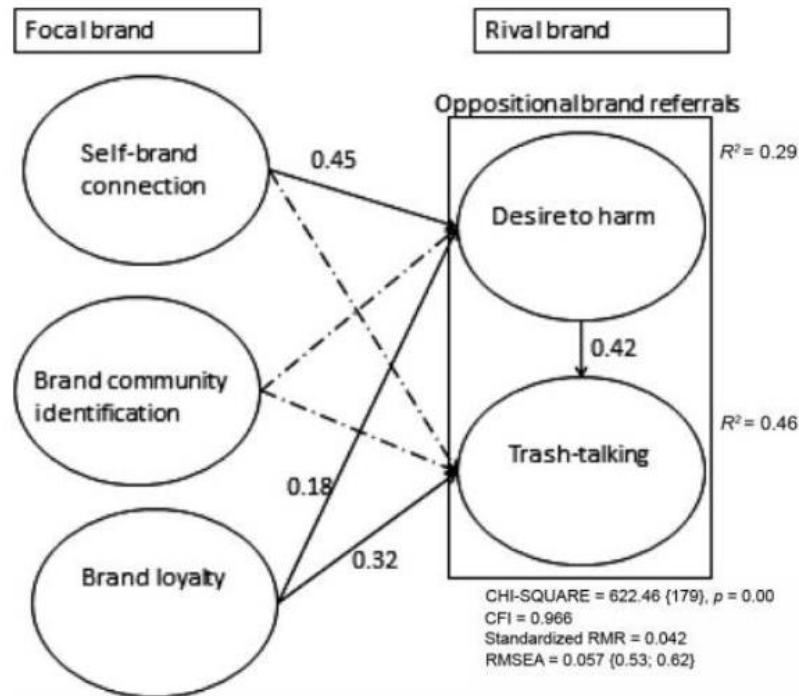


Figure 3.2 Structural model linking brand loyalty with the desire to harm rival brand;
Source: (Marticotte et al., 2016)

As it can be seen, there is a strong connection between brand loyalty and the desire to hurt rival's brand. Trash-talking can also be explained by that desire. Those results suggest that console players have a strong sense of loyalty towards their preferred brand, going so far as to want to actively hurt other, rival brands (Marticotte et al., 2016).

Brand loyalty is an interesting concept to be explored relating to the children demographic. Brands that make the effort to correctly brand to young consumers can begin to create life-long loyal users of the particular brand. Another thing to consider is that, when children like a particular brand, they are more likely to endorse it to all their friends and family, creating a buzz and increasing sales (Mininni, 2007).

However, some authors suggest that loyalty to a particular video gaming system, such as a PC or various consoles may stem from purely financial reasons. The cost of such systems can be quite high, which may be a reason why consumers only choose to own one or two gaming systems (Mathews & Wearn, 2016).

3.3. Pricing strategies of the video game market

There are two separate business models in video games centred solely on how the games are priced. The first one is pay to play (P2P), which can be divided into three stages – monetization (buying the game), acquisition (discovering the gameplay) and retention (continued enjoyment and repeated playing of the game). The other one is free to play (F2P), where the game itself is free, but the objects in the game are monetised. The goal of F2P business model is acquiring a large user base which will, through continuous engagement, be more likely to purchase objects in-game. That is why F2P is more complex of the two models (Davidovici-Nora, 2014).

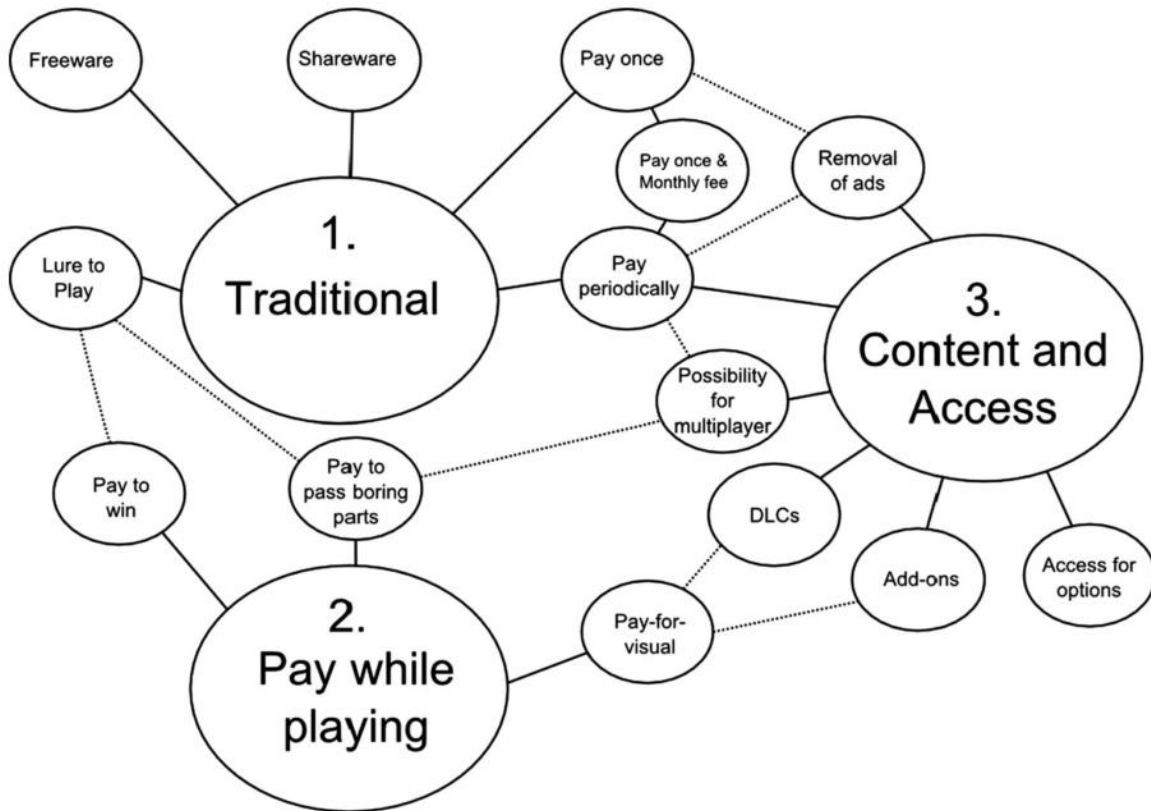
Hamari & Järvinen (2011) differentiate between three business models, each with their own different pricing strategies and customer relationship emphasis:

Game type	Primary Revenue	Pricing	Design emphasis	Relationship emphasis
Boxed games	Retail	Single price	Attractiveness, lot of initial content	Acquisition
Game as continuous service	Subscriptions	Time-based pricing	Long term engagement	Retention
Free-to-play / Social games	Virtual good sales, in-game advertising	Microtransactions	Virality, incentivising game mechanics	Acquisition, retention, monetisations

Figure 3.3 Game type comparison; Source: Hamari & Järvinen (2011)

As it can be seen, the different games have different pricing strategies and design and relationship emphasis. They argue that, as the business models in the gaming industry develop, the paradigms of game design shift. Game design is diffusing into various services, all with the goal of acquiring and retaining customers (Hamari & Järvinen, 2011).

However, (Kimppa, Heimo, & Harviainen, 2016) divide the pricing of video games into three models and their respective sub models: Traditional, Pay while playing and Content and Access. A detailed chart of those pricing models can be seen below.



some will import content into the game through purchases of real-life action figures and other merchandise, therefore requiring more than a one-time payment. On the other hand, the additional content in those instances is not crucial for the game progress and is fully optional (Heimo, Harviainen, Kimppa, & Mäkilä, 2016).

Freeware games are another seemingly straightforward model, where the consumer gets the game for free. However, usually those games are shorter or incomplete, serving only as a sort of advertisement for the bigger game that is yet to be released. Nonetheless, the consumer is not lured in any way into paying for that version of the game. Shareware could be considered another form of freeware, where an off-the-shelf game releases the first few chapters of the game for free as a demo (Kimppa et al., 2016). When it comes to games serving as advertisements, it is argued that shareware model is more straightforward, because it serves as a fairer representation of what the full game will be able to do, while making it transparent that the full game will have to be paid for (Heimo et al., 2016).

Lure-to-pay is another interesting model where the pricing model relies on the sunk-cost fallacy. It offers a large portion of the game for free and after the player has spent a significant amount of time playing the game locks further progress or some of the game content behind the payment wall, forcing the player to pay if they want to progress. Most modern games and especially mobile games fall into that category, along with almost all freemium games. Some of the games even change the rules after some time has passed, making the players pay for what they believed to be a free game (e.g. World of Tanks) (Kimppa et al., 2016). When it comes to freemium models, some authors (H.-C. Huang, 2016) view it as an opportunity to counteract the law of diminishing returns, creating network connections within their user base, while attracting a large number of users through free content. The freemium business model can be seen here:

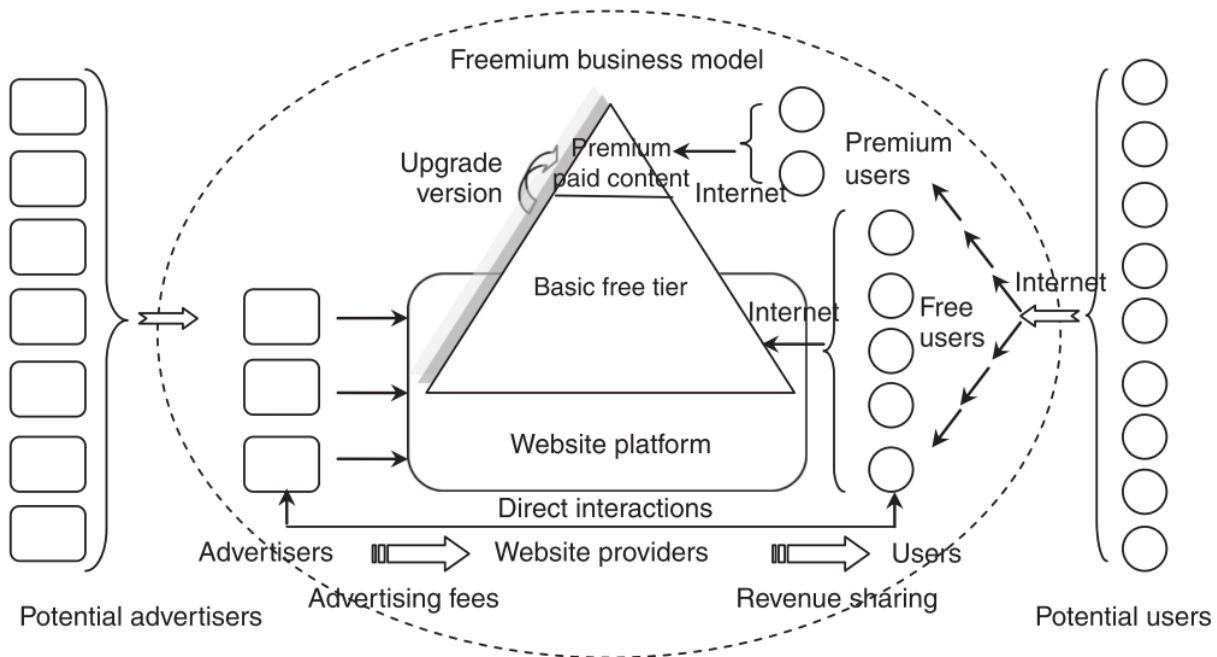


Figure 3.5 Freemium business model adoption; Source: (Huang, 2016)

As it can be seen, freemium models require free services to be available to all users, with additional paid content turning some of the free users into paying users. In other words, free content attracts users thus creating a market for paid content. Some video game companies, such as Electronic Arts (EA) believe that this business model is the base for future profit (H.-C. Huang, 2016).

Not all authors believe that freemium games are all positive. In fact, many argue that luring players with free content and then making them pay to unlock further progress is malicious in both the intent and the consequences as it creates a compulsive addiction to the game (Heimo et al., 2016; Kimppa et al., 2016). Harviainen, Ojasalo, & Nanda Kumar (2018) argue that the freemium mechanic in games is almost always flawed in some way, because it affects gameplay and progress through the game, which can be frustrating to the players. On the other hand, some authors argue that well-managed monetization of freemium games can have a positive impact on retention. Crafting new items, offering paying items for free or making it possible for players to craft items can increase virality and monetization, ultimately increasing player's satisfaction, while badly managed e-shops and monetization strategies that do not fit the gameplay can have the opposite effect, meaning that even an engaged player willing to pay will not be inclined to do so (Davidovici-Nora, 2014).

Finally, pay periodically model is a model in which players pay every month, three months, half a year or a year at a time. While no fees are hidden it can be seen as problematic because it can cause a psychological dependency. However, in this model, players get what they are expecting and the player is typically not fooled into thinking they would be getting anything more than that (Kimppa et al., 2016).

3.3.2. Pay while playing (Pay to win, Pay to pass boring)

Both Pay to win and Pay to pass boring pricing models are similar in a way that they require the player to allocate their resources (usually some form of in-game currency) in order to optimize their gameplay – either to shift the balance of the game so that the players who spent the most have the most advantage over other players, or to skip the “boring parts” of the game which require repetitive actions to amass the in-game currency (Kimppa et al., 2016).

Some authors consider Pay to win systems cheating in an institutionalized form, because that model does not reward the best players but rather those who are willing to pay the most (Heimo et al., 2016). Others note that it is, essentially, bribing the system in order to win (Kimppa et al., 2016).

The players are often unhappy with the Pay to win system as well (Harviainen & Hamari, 2015). In EVE Online, when CCP tried to introduce microtransactions into the game, players became so upset that they even protested in-game, destroying many of the in-game assets (Steinke & Millage, 2014). Research on EVE Online also showed that players do not value the process of making in-game currency, describing the process as tedious.

While operating based on the same principle of paying to progress through the game, Pay to pass boring is a bit of a different model, because it requires players to pay in order to skip ahead to the more enjoyable parts of the game. What is interesting with this model is that it can be enforced by either the game provider or by a third party, such as, for example, Chinese or Mexican in-game resource miners (Kimppa et al., 2016). Unlike Pay to win model, this model does not make the player's in-game character better by paying real-life money. Some might even argue it makes the player less skilled because they sometimes pay to skip some parts of the game designed to improve the player's skill (Heimo et al., 2016).

3.3.3. Content and access (Content, Access)

Lastly, the third model is Content and access. They are the pricing methods that are seen as more contemporary, even futuristic, and encompass things such as downloadable content (DLCs), new gaming content, access to some in-game options, possibility for multiplayer or removal of some unwanted game content such as advertisements. While those are some pretty straight-forward pricing strategies, DLCs can be seen as immoral by some because they add a significant portion of the content after the game has been released, diminishing the gaming experience and even possibly rendering the game unplayable in some instances (Kimppa et al., 2016). Nowadays, some companies offer their game for a fixed one-time payment, but then shortly after the game's release (sometimes even on the same day) they offer additional DLC for additional fees (Heimo et al., 2016).

3.4. Advertising in video games

The placement of brands inside video games is called "in-game advertising" (Yang, Roskos-Ewoldsen, Dinu, & Arpan, 2006). There is prominent and subtle ad placement (J.-H. Huang & Yang, 2012; Terlutter & Capella, 2013), animated and static billboards (J.-H. Huang & Yang, 2012) and in-game product placements (H. Chen & Deterding, 2013).

While some researchers found that in-game advertisements affect the explicit memory of gamers and that brand recall and recognition is higher in games with a slower pace (Kureshi & Sood, 2009), others found that in-game advertising only has a small effect when it comes to explicit memory. It is suggested that, because of the interactivity of video games as a medium, gamers get distracted from noticing the in-game advertising (Yang et al., 2006).

Prominence of in-game advertising is divided into prominent and subtle ad placement. Prominent ad placement is when the brand is placed in the focal area of viewing or is included in the central game play. Subtle brand placement is when the brand is put in the background or in a peripheral area. Prominent ad placement could be construed as negative due to players being aware of the ad placement and developing negative feelings toward the brand (Terlutter & Capella, 2013; Peters & Leshner, 2013).

Experience may be another key component when it comes to placement of in-game advertising. When it comes to differences between prominent and subtle in-game advertising, experienced

players showed no significant difference in brand recall between prominent and subtle in-game advertising, while inexperienced players reported higher recall of prominent advertisements as opposed to subtle in-game advertising (Vashisht & Pillai, 2016).

When it comes to the type of advertising in video games, it is possible to place advertisements on billboards in game. Those billboards may be animated or static. While animated billboards have been shown to generate higher brand recognition, the standard for billboards in video games has been static billboards (J.-H. Huang & Yang, 2012). Billboard placing strategy can be advised when placing the advertisements in-game due to them being placed close to the focal point, therefore attracting consumer attention and generating positive attitudes (Karisik, 2014).

Factors affecting on...	Explicit memory	Attitude and acceptability	Other effectiveness measures
product/ brand related	<ul style="list-style-type: none"> product type (symbolic, tool and enhancement) brand origin (local (+)) 	<ul style="list-style-type: none"> ethically charged goods(-) 	
respective medium related	<ul style="list-style-type: none"> introductory footage to game (+) game genre (shooting/sport games, role playing/strategic games) 		<ul style="list-style-type: none"> implicit memory: auditory distraction(-)
execution related	<ul style="list-style-type: none"> incongruency between the product and the game content (+) 	<ul style="list-style-type: none"> strong thematic connection between game and brand (+) 	<ul style="list-style-type: none"> incidental exposure: high proximity (+)
gamers' characteristics	<ul style="list-style-type: none"> experience (+) game skill (+) moderate game involvement (+) pre-existing positive attitude (+) 	<ul style="list-style-type: none"> positive attitude towards advertising (+) psychological arousal (+) 	<ul style="list-style-type: none"> purchase intention: positive attitudes towards placements (+)

Figure 3.6 Factors influencing effectiveness of Video Game Product Placement; Source: (Karisik, 2014)

As it can be seen, there are multiple factors influencing the effectiveness of product placement in-game. While that type of brand placement can have strong positive connotations due to the players' investment in playing the game, therefore associating the brand with that positive experience as well, the downside could be the distracting nature of video games that could lead to lower brand recall later on (Karisik, 2014).

Brands placed in-game can give consumers a sense of freedom that pop-up advertisements lack (H. Chen & Deterding, 2013). While this study found that pop-ups have a higher recall among players, it also noted that they are evaluated less favourably and as more intrusive than in-game product placements. It has also noted an increase in purchase intention among relevant products placed in-game.

When it comes to product placement in games, Zhu & Chang (2015) noted that familiarity with the product was crucial when interacting with it. Players who were familiar with the product showed positive emotion when interacting with the product, while those unfamiliar with it did not. Positive emotions regarding products lead to higher purchase intention.

Overall, while some players may recognise the importance of advertisements in video games, noting that they lead to lower prices of games, they are critical of commercial practices and blatant consumerism. Those practices are especially concerning since children are one of the major targeted groups of video game consumers (Poels, Janssens, & Herrewijn, 2013).

4. Research Methodology

In order to structure and guide this research through all of its phases, an adaptation of the “research onion” proposed by Saunders, Lewis, & Thornhill (2009) has been made. It will help structure this chapter on methodology, as well as guide the collection of primary data later on. This framework will be implemented to help facilitate the notions proposed in this research and their application into real life.

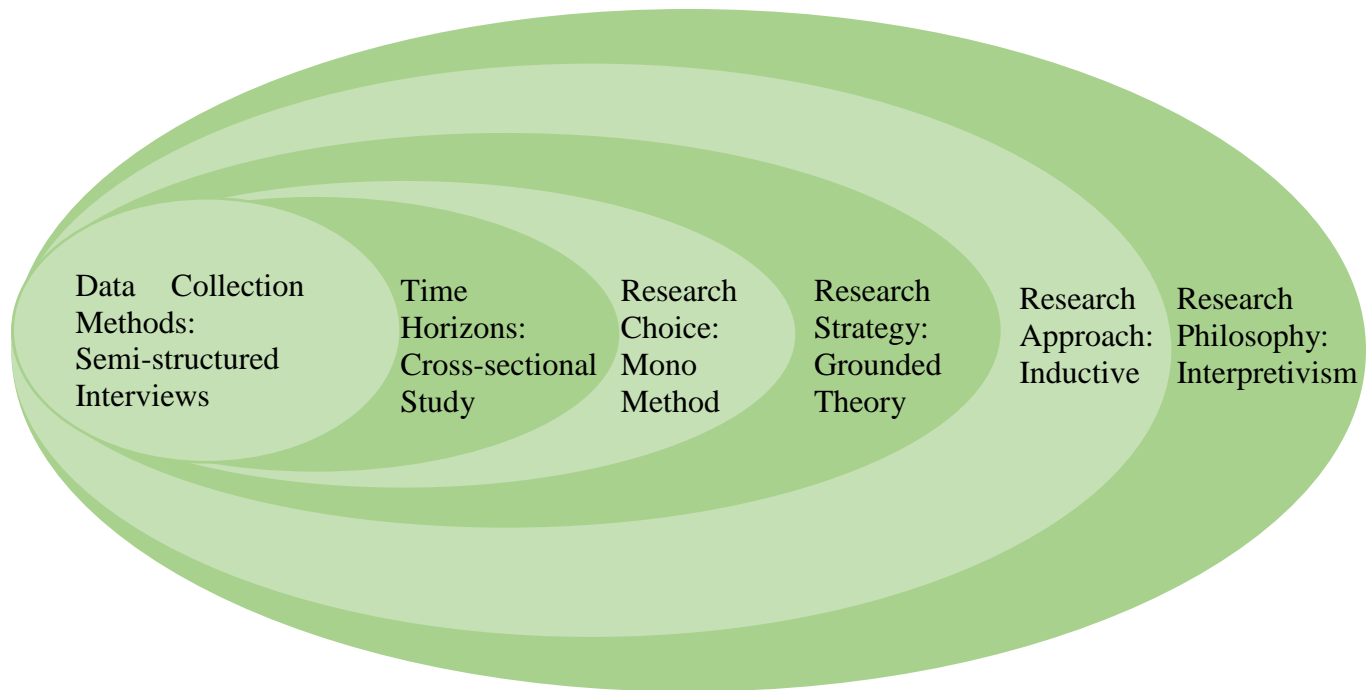


Figure 4.1 Methodological Structure; Source: Adapted from Saunders et al. (2009)

This chapter will explain in-depth the methodological approach outlined above. It will justify why particular philosophical perspectives and research methods have been chosen and establish the foundation upon which the collection of primary data will be made, and findings will be processed.

4.1. Research Philosophy: Interpretivism

Saunders et al. (2009) distinguish between four different research philosophies: positivism, pragmatism, realism and interpretivism. This research will adopt interpretivism as its research philosophy.

According to Saunders et al. (2009), interpretivism advocates the necessity of observing the differences between humans and emphasises the importance of differentiating between research conducted on humans as opposed to research conducted on objects such as trucks or computers.

Adopting an empathetic stance is crucial, as it is important to enter the subject's world and observe things from their point of view. Seeing how this research aims to observe the video game players and their reactions towards various forms of pricing and advertising in video games, their point of view is seen as important.

Interpretivism emphasises the need to understand the meaning of peoples' experiences, their definitions of situations they are involved in. It sees people as active and not passive participants in what happens to them and strives to understand, rather than explain (Kuada, 2010).

A good summary of the interpretivist philosophy was given by Hudson & Ozanne (1988). In a figure below, that summary can be seen.

Assumptions	Interpretive
Ontological	
Nature of reality	Socially constructed Multiple Holistic Contextual
Nature of social beings	Voluntaristic Proactive
Axiological	
Overriding goal	"Understanding" based on Verstehen
Epistemological	
Knowledge generated	Idiographic Time-bound Context-dependent
View of causality	Multiple, simultaneous shaping
Research relationship	Interactive, cooperative No privileged point of observation

Figure 4.2 Summary of the interpretive approach; Source: Hudson & Ozanne (1988)

Hudson & Ozanne (1988) argue that the interpretivist approach views understanding as a process, not as an end product. Researchers may state their interpretations (present understandings) at certain points in time, however the process of understanding is a never-ending process. That is

another argument for using the interpretive approach, as the aim of this study is to understand the players' perceptions of certain aspects of video games, while accepting that that understanding may change over time.

Another thing that Hudson & Ozanne (1988) state is important when doing interpretive research is the context. The phenomenon must be observed in its natural setting and investigators must feel at home in that setting. This is why this research will strive to understand and present its findings within their respective context.

When conceiving the act of interpretation as an ontological condition, as opposed to methodological device, the inquirer is put on the same plane as what they inquire into (Schwandt, 1998). That enables them to gain deeper understanding of the subject of inquiry.

Interpretivism is a good approach when it comes to business and management research, especially in fields of organisational behaviour, marketing and human resource management. That is mostly because business situations are complex and unique, originating from a particular set of individuals and circumstances coming together at a particular time (Saunders et al., 2009).

However, interpretivism as a research philosophy has its downsides. Most of the critique stems from it being a subjective approach and subject to researcher's bias (Primus, 2009). Some argue that because our perception is limited, our knowledge of the world is partial (McAnulla, 2006). It is also noted as a limitation that interpretivist researchers must start with some pre-conceived notion and some prior knowledge of the subject they are researching in order to fully understand the findings of their research (Weber, 2004). Byrne (1998) even goes as far as to calling interpretivism "far fetched and exaggerated".

Despite the shortcomings listed above, interpretivism is still considered the philosophy best suited for this type of research. Though subjective and reliant on the researchers' interpretation, it will help to answer all of the why questions posed in this thesis and aid in gaining deeper understanding of the thesis' topic and its underlying context.

4.2. Inductive approach

In the previous sub-chapter, it was noted that the context of the research phenomenon is important, which is why the research approach will be inductive. Inductive approach to research is particularly concerned with the context in which events take place (Saunders et al., 2009). In this particular research the context is the pricing of video games, advertising in video games and how both of those factors influence the players' perception of said video games and companies making them.

Thomas (2006) suggests three main purposes underlying the development of general inductive analysis approach:

1. to condense extensive and varied raw text data into a brief, summary format;
2. to establish clear links between the research objectives and the summary findings derived from the raw data and to ensure that these links are both transparent (able to be demonstrated to others) and defensible (justifiable given the objectives of the research);
3. and to develop a model or theory about the underlying structure of experiences or processes that are evident in the text data.

The main differences between inductive and deductive approach are that the inductive approach emphasises gaining the understanding of the meanings humans attach to events, close understanding of the research context, collection of qualitative data and a realisation that the researcher is part of the research progresses. Inductive approach also has a more flexible structure that permits changes to the research emphasis and is less concerned with the need to generalise (Saunders et al., 2009).

4.3. Grounded Theory

“The term grounded theory refers to a set of methods for conducting the research process and the product of this process, the resulting theoretical analysis of an empirical problem. The name grounded theory mirrors its fundamental premise that researchers can and should develop theory from rigorous analyses of empirical data. As a specific methodological approach, grounded theory refers to a set of systematic guidelines for data gathering, coding, synthesizing, categorizing, and integrating concepts to generate middle-range theory.”

(Charmaz, 2007)

Grounded theory could best be described as “theory building” and is particularly helpful for research where researcher seeks to predict and explain behaviour. (Saunders et al., 2009). Given how this research aims to explain behaviours related to purchase decisions in video games, grounded theory is seen as the most fitting research strategy.

It is important to note that in grounded theory data collection starts without the formation of an initial theoretical framework (Saunders et al., 2009). A grounded theory should both explain and describe, and while it may give some predictability, it is only limited to specific conditions (Corbin & Strauss, 1990).

Grounded theory should not be used to test hypotheses, but rather to make statements about how actors interpret reality (Suddaby, 2006). It is best used when there are no hypotheses to be tested, or when proposed hypotheses are too abstract to be tested in a logical, deductive manner.

Considering this research uses interpretivist research philosophy and inductive methods, grounded theory is thought to be the best choice regarding research strategy.

4.4. Time Horizons

Given that this research is time constrained and with a fixed deadline, the research will be cross-sectional. That means that the research focuses on a particular phenomenon at a particular moment in time (Saunders et al., 2009).

However, besides the research itself having a strict timeline, the choice to utilise a cross-sectional study makes sense given how the phenomenon in question (microtransactions in video games) has only recently been put into the spotlight. Given its recency, this cross-sectional study aims to shed light on the feelings and thoughts of consumers while the controversy mentioned in the Introduction to this thesis is still fresh in their mind and while they can relate that story to the questions being asked.

4.5. Research choice and data collection

Qualitative interviewing is considered to be a flexible and powerful tool that enables researchers to capture the voices and the ways people make meanings out of their experiences (Rabionet, 2011).

There are six stages in conducting a qualitative research (Rabionet, 2011):

1. Selecting the kind of interview
2. Establishing the ethical guidelines
3. Crafting the interview protocol
4. Conducting and recording the interview
5. Analysing and summarizing the interview
6. Reporting the findings

These steps will be used as a guideline in planning out the research outline and the steps that should be taken during each phase of research.

This research will use semi-structured interviews in order to gain new understandings on the topic of pricing in video games. Interviewing is one of the most widely employed methods in qualitative research, and semi-structured interviews are one of the two main types of interviews (Bryman & Bell, 2011).

In semi-structured interviews, the interviewer has a list of questions on topics they want covered. That is often referred to as an interview guide. While the interviewee has a lot of leeway in how they reply to question, and while the interviewer may stray from the guide in order to touch upon certain topics, most of the questions will always be asked, usually using similar wording (Bryman & Bell, 2011).

When it comes to creating an interview guide, there are several steps one must take to ensure the interview guide is comprehensible and logical. While the term interview guide may refer to anything from a short list of memory prompts of areas to be covered to a more structured list of questions to be asked during the semi-structured interview (Bryman & Bell, 2011).

However, no matter what kind of interview guide is employed, the steps in ensuring the interview guide is usable are following (Bryman & Bell, 2011):

- creating order among topic areas to ensure the flow of questions
- formulating questions so they help answer research questions
- using comprehensible and relevant language
- not asking leading questions
- recording general (age, gender) and specific (years employed, years involved in a group, etc.) information in order to contextualize information

Using an interview guide helps researchers to develop and explore research themes in order to see whether they can identify and test the relationships between them (Saunders et al., 2009). In this research, when designing an interview guide, the following framework was adopted:

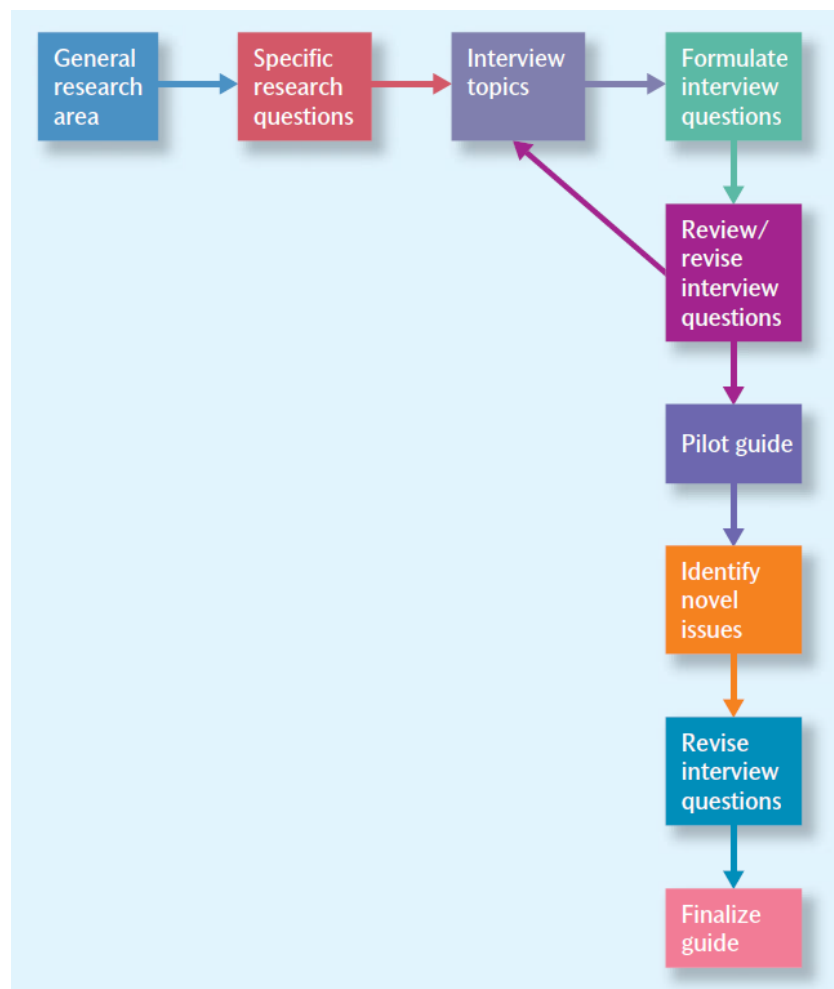


Figure 4.3 Formulating questions for an interview guide; Source: (Bryman & Bell, 2011)

The full research guide used when conducting semi-structured interviews can be found in the Appendix.

Asking the right questions is also of importance when creating an interview guide. Leech (2002) defines different types of questions as follows:

- Grand Tour Questions
- Example Questions
- Prompts

He also notes that it is important not only to ask the right kinds of questions, but to give the respondent room to talk. Interrupting the respondent and trying to control the interview too much may lead to skipping important, unexpected points.

Kvale (1996) defines nine different kinds of questions:

- Introducing questions
- Follow-up questions
- Probing questions
- Specifying questions
- Direct questions
- Indirect questions
- Structuring questions
- Silence
- Interpreting questions

When designing questions for the interview guide, the framework pictured on the following page has been adopted in order to logically link the research questions with the interview guide itself and to ensure that all of the research questions will be answered.

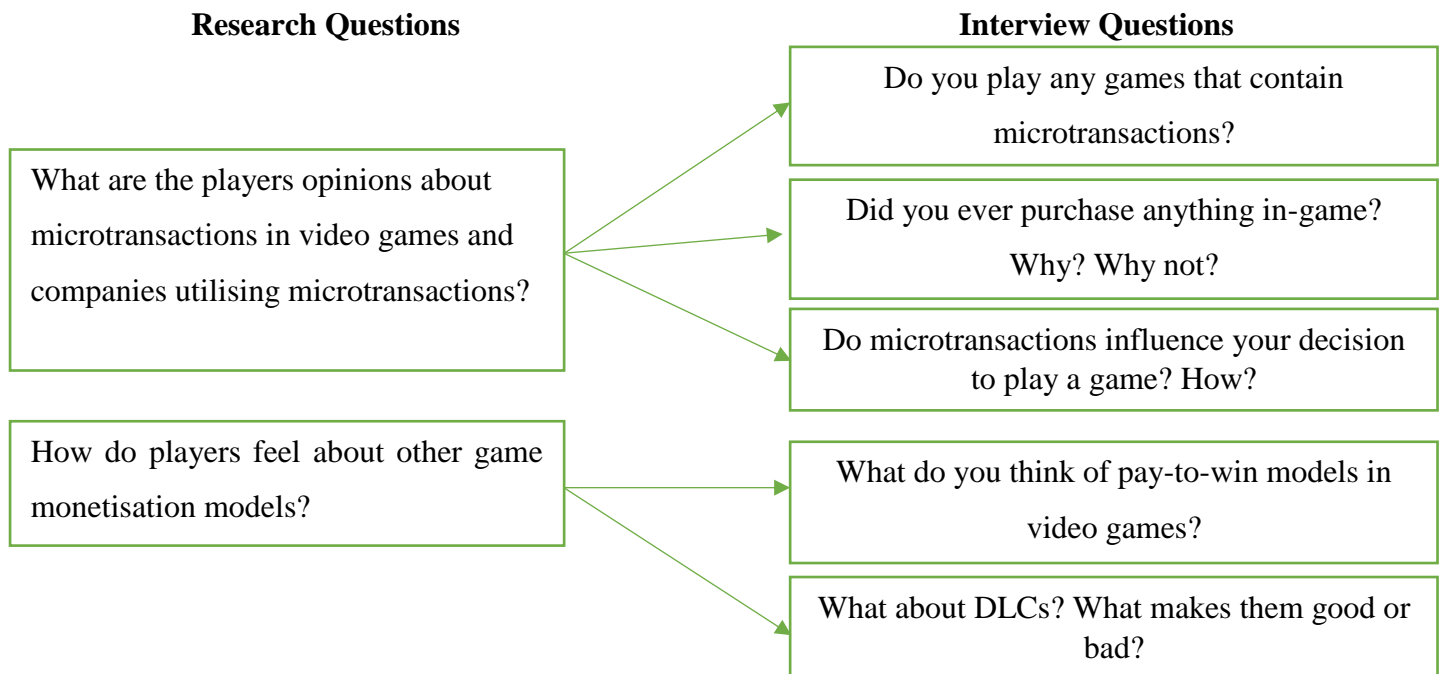


Figure 4.4 Relating research questions and interview questions; Source: Adapted from Kvale (1996)

Above is just an example of the process, and not the full interview guide which can be found in the Appendix.

Besides picking the right questions, picking the right sample is important as well. In this research, non-probability sampling will be employed. To be more precise, the sampling method used will be purposive sampling. Purposive sampling enables researcher to use their judgements in order to select the cases that will best answer the research questions. It is best used when adopting a grounded theory approach and working with small samples. While the data gathered from that type of sampling in most cases cannot be generalised, it can be used to illustrate key themes (Saunders et al., 2009).

Since this research aims to explore the effect of microtransactions on brand perception and brand loyalty, the context of video games is crucial. That is why the sample selected for this research consists of active players of video games, who will be familiar with the terminology used in formulating the interview questions and in-game mechanics mentioned.

The data will be gathered using face to face interviews. The interviews will then be transcribed to ensure that no part of the interview is left to memory and that the process of coding and result analysis will properly represent what was said during the interviews.

As it is collected and transcribed, the data is also coded. The data will be coded using grounded theory, in which the data is broken down into component part. Those parts are then given names. Unlike coding in quantitative research, qualitative research coding relies on researcher's interpretations of data to shape their emergent codes (Bryman & Bell, 2011).

5. Findings and Discussion

The following chapter will discuss the process of coding and the results of conducted semi-structured interviews. The aim of the interviews was to gain deeper understanding into the process of making a purchase decision related to video games, the perception of various monetisation methods in games and how the concept of brand loyalty relates to video games.

Firstly, the coding process will be discussed, the methods used in coding and the key themes that emerged through the coding process. Then, those key concepts will be discussed, and the findings will be presented in the context of the research questions posed and the overall theme of the research. Finally, a conceptual framework will be suggested based on the findings.

5.1. The coding process

The process of coding in inductive research is done by narrowing down the raw text into multiple segments. Those segments are then labelled to create categories. The categories are divided into upper and lower level categories. While the upper level categories are likely to be derived from evaluation aims, lower level categories are derived from multiple readings of the raw data. After being divided into categories, the categories are then examined to eliminate redundancies and create a few key categories to be analysed (Thomas, 2006). The full process can be seen in the chart below.

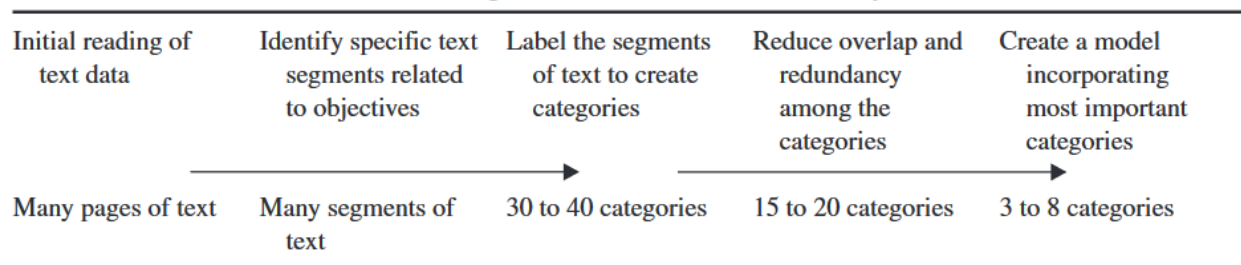


Figure 5.1 Coding process in inductive analysis; Source: Thomas (2006)

The key themes identified through this research are:

1. Game acquisition
2. Microtransactions
3. DLCs
4. Advertisements
5. Brand loyalty

The following themes were used to develop a framework through which they will be analysed. The framework was adapted from Basit (2003). It implements both the key themes and their accompanying categories.

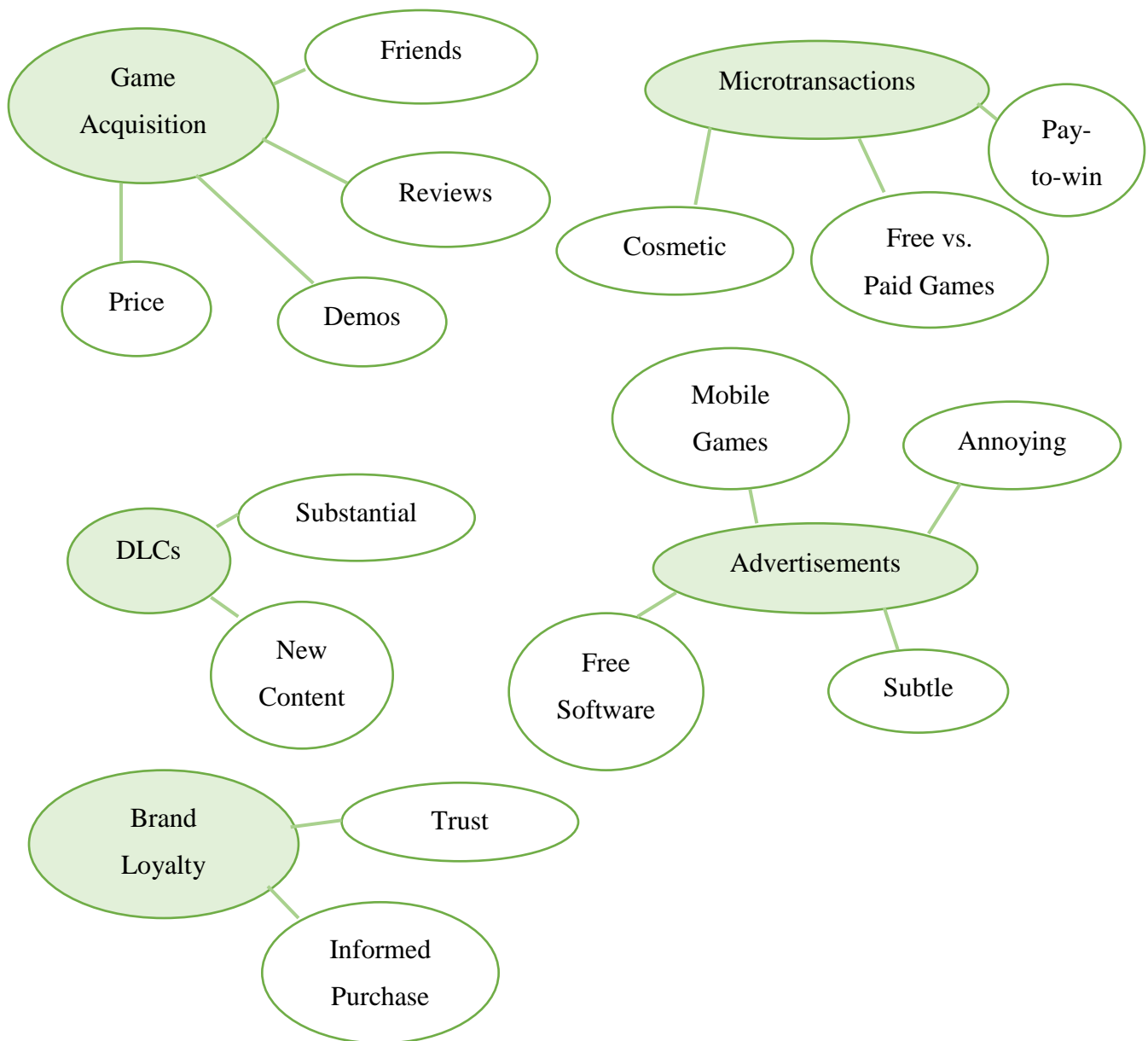


Figure 5.2 Themes and Categories; Source: Adapted from Basit (2003)

5.2. Game Acquisition

In order to understand how microtransactions influence consumer perception and, ultimately their decision on whether or not to purchase a game, it is important to note how they usually decide on game purchases.

The first thing worth noting is that most of the interviewees like to be informed about the quality of the game prior to purchase. Word of mouth, both electronic and physical, plays a significant role in those purchase decisions. They stated that they look into online reviews as well as friend recommendations prior to purchase.

“Sometimes on YouTube, there's like, trailers and if it looks cool I might get it.” (Interviewee 3)

“It's mainly through, like, word of mouth.” (Interviewee 4)

“I watch gameplay videos, twitch streams...I ask my friends about the games I think about buying.” (Interviewee 6)

“...I look at reviews of relevant communities and critics whose opinions I value.” (Interviewee 7)

“I follow a large amount of people on social media like Twitter or YouTube that have something to do with video games.” (Interviewee 8)

“Mostly I go by a recommendation from a friend (...) I always check gameplay records, screenshots and some reviews...” (Interviewee 9)

However, there is also a social aspect when deciding to buy a game. A lot of interviewees noted that what their friends are playing is a significant factor in game purchase decisions. With a lot of games today having some form of a multiplayer, playing with friends is what might attract some to purchase a game.

“...if my friends are playing something, so you know, you can play online with them.” (Interviewee 3)

“...a lot of my friends they play one game and then I also start playing it.” (Interviewee 4)

“...if I pay for a game it's because I play with my friends (...) I don't play by myself multiplayer games.” (Interviewee 5)

Price was another major point that some interviewees stated affected their purchase decisions. They noted the importance of sales, or buying multiple games in so-called bundles, where they can get multiple games in so called “bundles”. The bundles are priced flexibly, where the customer decides how much they want to pay for a specific bundle, with more items being unlocked at a higher price point (Humble Bundle, 2018).

“I’m actually quite conservative so I don’t really pay for games. A lot of those I play for free.”
(Interviewee 5)

“Well, I usually buy them in bundles, like Humble Bundle and stuff.” (Interviewee 10)

“...but it’s mostly just whatever is cheapest. Like, I never buy anything that’s over maybe 5 pounds. (...) I only really buy games that are very cheap, you know. I’m not shelling out, what, 60 dollars or whatever they cost, 60 pounds, same sort of thing. I’m really buying them only when they are on sale.” (Interviewee 11)

However, not all interviewed had a favourable outlook on bundles. Interviewee 1 noted that:
“...you get, like, one game that you want, and there’s like four or five other games and you think: “Oh, that’s a heck of a deal.” And you never play them.”

Some interviewed said that demos also played a part, because they allowed them to try out the game prior to purchase.

“...whether there is a demo or not, that’s actually quite important (...) it’s almost a right to be able to, like, try the game beforehand.” (Interviewee 1)

“...and you can try it. You can try a trailer...” (Interviewee 5)

What was interesting was the subject of online piracy Interviewee 1 touched upon. Because it was important for them to try out the game beforehand, they admitted to resorting to piracy when the game demo was unavailable.

“...about game demos. I know it sounds very double moralic, but I have never pirated a game and not bought it afterwards if I genuinely believed they needed to have some money for the product because it was good. Like I know a lot of pirates say that, but I will openly admit that I have pirated a lot of stuff simply because you either don’t have a demo or you have a demo that shows all the good stuff of the game and then when you purchase it it’s horrible, so a lot of times, so that’s why

I think I have five or six hundred games in my steam library to make up for it, because I generally ...My rule of thumb is if it's good, then you need to pay for it.” (Interviewee 1)

Lastly, what was interesting was that, despite claiming to like being well informed prior to purchase, some interviewees admitted to impulsively purchasing a game just because it seemed like it would be something they enjoyed.

“...generally, I just go to the store and like: "I wanna have a new game", and then I find something there.” (Interviewee 2)

“...other times I just, I happen to be walking by the game store and I check the store out and I see something that I'm like: "Maybe that's cool and I'll try it"” (Interviewee 3)

Despite that, it can be concluded that most of the interviewees liked to be well-informed prior to purchase and will rarely buy a game without reading the reviews, watching gameplay videos on YouTube. The only notable exceptions are the games that come recommended by friends as well as the games that can be played with them.

5.3. Microtransactions

The majority of those interviewed had a negative opinion about microtransactions in video games. However, most of them made a distinction between content hidden behind a paywall and pay-to-win mechanics and in-game purchases that are purely cosmetic and fully optional.

“I have a hard time with, like, games like Call of Duty, where you buy the game and afterwards you have to buy, like, a lot of DLCs with new map packs. But if you take a game like League of Legends, they have like kind of, they were kinda like first to do it, to have, like, pure cosmetics, then I can see a point in spending money on the game because, a game like League of Legends, if you were to pay it, it would be retail 300 DKK, and then you could spend those on cosmetics in-game to support the developers if you want, but I think it has its place.” (Interviewee 1)

“...if it's cosmetic then I don't care. But if it's the gameplay per se I would...yeah... (...) I think for if it's only cosmetics I think that's fine. It's up to the player, it doesn't diminish the, like, gameplay experience.” (Interviewee 4)

“I dislike microtransactions in games that are other than skins for characters and stuff like that.” (Interviewee 6)

“Games need to make money, and I don't mind them. I mean as long as not paying for them doesn't affect my enjoyment of the game. Cosmetics are almost always okay.” (Interviewee 8)

“I absolutely do not encourage the pay-to-win model. It's highly unfair. Cosmetic upgrades and non-essential things can pass but allowing someone to be good at the game by simply spending the most money is ridiculous and absolutely unfair to other players.” (Interviewee 9)

The majority of negative opinions was mostly focused on the pay-to-win mechanics, with most of the interviewees expressing some extent of outrage at that type of monetization model, especially in games which you already had to pay for. Some even went so far to outright call it cheating.

“...this is horrible because that's kind of cheating. That's cheating. It's not...the game should be you have to do it on your own. Paying for it is just being lazy.” (Interviewee 2)

“...if you have to pay to win that would... that would diminish the other players experience just to, like, make your own better per se and also I feel like it's cheating in a way.” (Interviewee 4)

The cheating accusations are in line with what some other authors called those systems in their work (Heimo et al., 2016; Kimppa et al., 2016)

Only two of the interviewees did not see the pay-to-win model as something negative, with one interviewee admitting that they would and had already paid to win.

(Would you pay to win?) *“Yeah, I usually do. Well I can also see why people are frustrated by it. But then again as long as there is the option to, where there is still the option to win without paying but maybe have to work harder I think it's fine.”* (Interviewee 3)

“I don't really mind them. Like, as long as the game publisher and developer are transparent about it, I'm fine with it.” (Interviewee 7)

Interviewee 9 reflected upon the predatory nature of microtransactions: *“...microtransactions are definitely economically justified for the developers. but not for the player. Because you give, like, endless amounts of money for silly things that you own virtually and only for the specific game. That's highly unreasonable in my opinion. They are just a mean way off pulling out small quantities of money from gamers by luring them to buy things they think they need for a small price, but the problem is there is never an end to it and if you don't have a high sense of self control you end up giving more money for that game than for the fifty-sixty dollar game on Steam.”*

This is highly relevant to the response given by the Interviewee 5 to the question whether they ever paid for anything in-game: *“The pack I bought was to keep up with my friends. That's the only reason I bought it. (...) that particular game, a lot of content is hidden behind a paywall.”*

Interviewee 10 introduced the distinction between pay-to-win and pay-to-compete models:

“A: Ok, and what do you think of pay-to-win models in video games?”

B: I hate that. I really hate that. But I don't think that, like, pay-to-compete is a problem.

A: Can you give an example of this pay-to-compete?”

B: Hearthstone. You can, like, get everything for free but, I you, like, want really good decks or all the cards you have to, like buy a lot of packs and stuff like that.

A: And you don't think that's pay-to-win?”

B: No because.... oh man, it's complicated...you can, like, get everything for free but you have to, like, grind and play bad decks and stuff like that. But it's not like you can't win without paying a, I don't know, thousand dollars to buy packs. You just have to grind. But if you, like, pay, you just get the good decks faster.”

Based on this definition, it can be concluded that the pay-to-compete model was introduced in the Literature review as pay-to-pass-boring, in which you pay in order to skip ahead towards the more enjoyable parts of the game (Kimppa et al., 2016).

What is possibly the most interesting finding is that, despite the majority of the interviewees claiming how they view microtransactions as mostly bad things that influence gameplay in a negative way (Interviewees 1, 2, 4, 5, 6, 9 and 10), eight out of ten people interviewed said to have purchased something in-game in the past, and all of them claimed to be happy about their purchase.

Overall, it can be concluded that, while microtransactions in video games are seen as something negative and pay-to-win game concepts are frowned upon, unless the game consists of nothing but microtransactions, consumers will still purchase it and even buy in-game content for real money.

5.4. DLCs

According to the interviews conducted DLCs are seen as a more favourable alternative to in-game microtransactions. What was important when distinguishing between good and bad DLCs was the amount of new content those DLCs added into the game.

“I think it makes them good if, like, the ...and that of course is a matter of perception but if the base game is large enough and like after, like, a decent amount of time, it's been up for a year, like, a new map pack which they developed afterwards is set to appear and you can buy it as a DLC.” (Interviewee 1)

“I like them. If it gives you something new, something new to enjoy, then yeah, I like that. So for GTA IV for example, they released a couple of these packs which are, like, completely new storylines and everything. I liked that a lot. So, I'd pay for that, yeah.” (Interviewee 2)

“I think as long they bring some, like, good content to the table, and as long as the game without the DLC is still, like, a complete game, they're fine.” (Interviewee 3)

“I think DLCs are a great way to expand games. I mean, if it's a game I enjoyed, and I want more of it I will always be happy to see new DLC.” (Interviewee 8)

However, the interviewees recognised that not all DLCs add substantially new content to the game. Some are seen purely as a money-grab from the developers, hiding portions of the game behind a payment. It is a finding that was recognised in the literature review as well (Heimo et al., 2016; Kimppa et al., 2016).

“...what Call of Duty made in, I can't remember, it's Black Ops 2 or Modern Warfare, is they presented the game with a lot of maps, and at the end they made it into, like, DLCs. Or Destiny did the same.” (Interviewee 1)

“I'm quite against DLCs too but I think that's because I don't play too many games with DLCs, so I don't quite get the idea of releasing a game and then releasing more content to the game hidden behind a paywall. (...) I played Diablo for some time and then the new DLC came out and a lot of content was hidden behind this DLC. So, you could still play the game, with all the other people, but the ones who have played the DLC was obviously quite ahead of you.” (Interviewee 5)

“I'm against them. The only exception is Witcher 3. Those DLCs actually built up the story, instead of being integral to the story or giving nothing worthwhile.” (Interviewee 6)

“...most often than not DLCs take high amounts of money to give you things you are supposed to already have in the base game and that is not fair in my opinion. They also put players with less money at a disadvantage when playing CO-OP or online games that require you to have all the DLCs to be able to play with your friends.” (Interviewee 9)

To conclude, the interviews support the findings in the literature review, where DLCs are seen as viable and straightforward business models. Most of the interviewees saw them as a way to rejuvenate old games by adding new content to them. However, they are weary of developers using DLCs as a way to divide the game into smaller fractions, so they can charge consumers multiple times for what should have been one game. While, when it comes to microtransactions, the skins and other cosmetic additions are seen as a positive thing, in DLCs those same cosmetic changes are viewed very negatively.

5.5. Advertisements

Intrusive advertisements in games are seen unfavourably among those interviewed. However, most accept them as “necessary evil” of free games, mostly on mobile platforms. At most, if they are in the form of pop-up advertisements and banners, they are considered annoying.

“...sometimes they can get annoying, depending how often they pop up, but I can kinda understand why they do it because it's a way for them to make some money. So I don't have a big problem with it.” (Interviewee 2)

“I think banners are annoying. Like, if they are, like, on mobile games and it has a banner where it has a message (...) I hate them with free games as well. But you kinda forgive them for it cause it's a free game.” (Interviewee 3)

“Adverts like on android mobile games are annoying.” (Interviewee 6)

“...some of them are annoying, but, like, I understand why they are there.” (Interviewee 10)

“...I have some games that I actually quite enjoyed playing that I feel are completely ruined by ads, also in the mobile space. And there are some games that I played that have ads, but I just don't mind at all. And it really comes down to, do they try to, like, interrupt the main flow of gameplay, for example, there's quite a few that will try to show you as many ads as possible without losing you as a player.” (Interviewee 11)

These claims are supported by pre-existing research on the subject of in-game advertising. Intrusive advertisements, while highly visible and easily recalled, can generate strong negative feelings towards both the advertised product and the game it is advertised in (H. Chen & Deterding, 2013; Peters & Leshner, 2013; Terlutter & Capella, 2013).

More interesting is the attitude of the interviewees towards subtle ad placement, such as on in-game billboards or in-game product placement. A some of the interviewees reported seeing them as a positive thing that added to the realism of the game world and expressed no negative feelings towards the brands advertised that way.

“...if it's subtle like in GTA for example, I don't know if they have advertising, like, proper ones, but, if you have billboards in the game and it's in the city, I actually, like, I actually think it's kinda nice because it adds kinda realism to it.” (Interviewee 3)

“Product placement can be cool” (Interviewee 6)

“I have no problem with them as long as they blend in seamlessly into the experience.”
(Interviewee 7)

“I played a lot of games that have fictional companies and things advertised in game in form of posters, billboards and radio commercials, stuff like that and they are kinda fun and enriching the

fictional world. If they decided to put real company commercials in game and make them fun and, like, they are part of the fictional game world I wouldn't mind it at all.” (Interviewee 9)

“...Fallout and Bethesda they have a lot of fictional companies which advertise in their game. So I think there's something to be said to the fact that advertising is a part of the world so it needs to be represented in some way. And I think if you're gonna do it like that, then it doesn't really matter to me if it's real companies or not, you know.” (Interviewee 11)

Some participants did note that even subtle ads could be overwhelming if done excessively. While in moderation, they do not have an issue with them, too many of them would subtract from the gaming experience instead of enriching it.

“Maybe they would be cool but, like, too many of them would be annoying. Like, if every game suddenly had millions of ads and stuff like that.” (Interviewee 10)

“...there's a game that has, like, Nvidia on billboards and stuff like that and that hasn't bothered me too much, but I mean, there really is this abstract question of what is tasteful. 'Cause it's certainly possible to be overeager and do it too much, know what I mean.” (Interviewee 11)

When faced with the question of whether they would pay to remove the intrusive in-game ads, the responses were quite mixed. While some participants stated that they would not, because they do not mind them that much, others claimed that they would, but only if the game was engaging enough to warrant it.

“...and I have no count on how many apps and games on the mobile phone platform that I have bought after I tried them with ads and I was like: "This is actually a great concept, I mean it's great fun and it works well enough that I want to pay money." I think just last week I paid 40 DKK for an app for my phone so that I could do, like, signs in handwriting at the documents, at pdf files.

So that's, it's a good thing when it's used right, but I don't like those, I don't even have an example, I play them so rarely, like, if it's something that I cannot get around, or if I feel like there is not enough content in the game. Candy Crush could be like a genius example of this. I mean that's not so much content in the game that I would want to purchase it, and still it has too many advertisements that I want to continue playing it. So I think I played Candy Crush for 10 minutes or something and I was like: "Yeah ok, now I've used my time, watched stars or whatever is there and off It went again" (Interviewee 1)

The attitude towards in-game advertising changed drastically when the participants were asked on their opinion of paid games that still had intrusive advertisements placed in them. Most respondents reacted extremely negatively to those types of games.

"If it's a paid game, like, I would be quite irritated if there were constant ads because once you kinda expect to not have to deal with that." (Interviewee 3)

"If you had to buy the game first and then watch advertisements I would say that's a... I would feel maybe a little cheated." (Interviewee 4)

"That really does bother me if I paid for it. I feel like, if I'm paying for something you can't have an advertisement as well. That's kinda double dipping a bit too much..." (Interviewee 11)

There are numerous ways to advertise within video games. While some players might get annoyed by the prominence of advertising, the most interesting conclusion that can be drawn from these interviews is that most of the people interviewed truly liked the idea of subtle ad placement.

5.6. Brand Loyalty

When it comes to brand loyalty, trust is something that is noted as the most important thing. While most participants did not have any developers that they would blindly purchase the game from, there were some they mentioned as being loyal to, as well as some companies they claimed to distrust.

“...it's a matter of trust really. Because if I have to spend like 500 DKK in a AAA title it has to be off the bats good. Like it's very very rare that I would purchase something at the start of its game period because first of all I don't play computer games, like, very schedually, like very regularly. It's mostly, like, I binge play for a week or something, when I'm off exam period or something, so I can wait until it gets cheaper. But second of all, in my opinion there's also not a lot of games that has enough content to, like, make up for the 500 DKK price tag.” (Interviewee 1)

“...he makes incredible games so from that aspect, you know...I mean he probably from the only video game developer where I'd consider pre-buying a game from just because I know his games are, like, always good.” (Interviewee 4)

“But I'm quite a sucker for something like World of Warcraft. When they release an expansion, I have to try it for myself. And that's loyalty I think, but it's mainly to this only developer. It's only for Blizzard.” (Interviewee 5)

“I consider myself loyal to some video game developers because I love their work and love the way they operate in terms of quality and delivery of things they promised. Such developers are rare but they deserve my respect and support. They show that they are not here to grind money by sending out half-baked products and smothering you with flashy materials that you forget as soon as you stop playing. They create games with gamers experience in mind. Memorable works of art that give them recognition and love from the community. And that is the business model I approve and support. Earnings through quality and not quantity.” (Interviewee 9)

“...there are some developers I tend to avoid because of multiple reasons. Such as decreased quality in making games, extremely high prices for their games, tons of DLCs and microtransactions which they make you buy to have even a decent feel of the game. Oh, and also their inability to listen to the community. They don't listen to the player base and have a crippling slow feedback which doesn't allow them to fix the problem in time making them lose players rapidly

but that does not seem to bother them as they will launch a new half-baked product soon.”
(Interviewee 9)

These answers sum up quite well the issues of trust and lack of trust which makes the participants loyal to some companies while actively avoiding others. It is a finding that closely relates to the concept of brand trustworthiness and brand loyalty being linked together and the concept of trustworthiness having a direct impact on market share (Chaudhuri & Holbrook, 2001).

This research found that the choice of the pricing model, utilisation and placement of in-game advertisements and trustworthiness of game developers all have an impact on brand perception and brand loyalty. Because of the informed nature of video game consumers and their unwillingness to blindly purchase a game before informing themselves of the gameplay mechanics and possibly even trying out the game prior to purchase, the companies must ensure they are seen as trustworthy and transparent. That is the key towards expanding and maintaining a loyal player base.

6. Limitations

Even though this thesis tried to be as thorough and as objective as possible in every step of the research process, it is still not without its limitations. One of the main issues is the lack of generalisation.

6.1. Generalisation

The nature of conducting semi-structured interviews is such that, usually, they cannot be utilised to make statistical generalisations (Saunders et al., 2009). Because this thesis aimed to gain in-depth understanding of the issues posed in it, semi-structured interviews were used in order to make it possible. Because of the focus on the context of the research, the ability to make statistical generalisations was sacrificed.

6.2. Reliability

Another limitation of this study is reliability. Reliability refers to the ability of the results to be replicated (Saunders et al., 2009). Because the semi-structured interviews are not strictly guided by the questions posed in the interview guide, sometimes more resembling informal conversation, the reliability of this research could be questioned. This has tried to be mitigated by recording in detail every step of the research process through transcribing everything that was said during the interviews.

6.3. Validity

Validity refers to the extent of accuracy to which data collection methods measure what they were intended to (Saunders et al., 2009). As with reliability, the issue with the utilisation of semi-structured interviews is that the open-endedness of the questions results in conversation flows that may affect the accuracy of research methods.

6.4. Bias

The use of interpretivism as the research philosophy means that this research was approached to subjectively and therefore it is subject to researcher's bias (Primus, 2009). The use of purposive sampling added onto that bias, because the researcher chose the participants for the study based on strict criteria. Diminishing the bias was tried to be achieved by not projecting neither verbal nor non-verbal cues onto the participant during this research.

7. Future Research

This thesis aimed to relate some of the branding and marketing concepts to the context of video games. Though limited by small sample size and lack of academic literature on the subject of video games, it did manage to produce results that were backed up by existing literature.

The topic of video game industry is a difficult one to cover. The industry is quickly growing and fast-paced, so that the research that is relevant today may be outdated tomorrow. The paradigms within the industry shift constantly (Zackariasson & Wilson, 2010).

This research managed to link the concepts of brand equity with the pricing models within the video game industry. There are multiple options for the direction of further research.

Firstly, while this study covered a wide range of games, its primary focus was on AAA video games. Further research into the relation of pricing strategies and brand equity in mobile game market would be beneficial, because it would cover a larger population, therefore the utilisation of surveys in order to gain a larger sample size could be executed.

Secondly, further research on subtle advertisement placement in AAA video games could yield some new insight on the topic. While the results of this research implied that players find subtle advertising in video games fun and beneficial to the immersion into the game world, the sample size was too small to generalise those findings onto a larger population.

Lastly, a longitudinal case study of the use of microtransactions in AAA video games, might provide some answers as to how the controversy surrounding *Star Wars: Battlefront II* impacted not only EA as a company, but also the implementation of microtransactions in non-freemium video games. Such study may be especially beneficial if more countries move towards restricting the sales of video games containing loot boxes to minors.

8. Conclusion

This thesis was inspired by the recent controversies surrounding the monetisation models of video games. With multiple news sources reporting on the public outrage regarding the use of loot boxes purchased with real money in games that already cost a significant amount of money and many countries proclaiming those loot boxes can be seen as gambling, it seemed relevant to examine the topic within the context of marketing.

This study examined both the academic literature related to the topic of marketing in video games and the underlying marketing theory that can be applied to those cases. It provided a clear synthesis of various pricing and advertising models used in video games.

Semi-structured interviews were conducted in order to gain an in-depth understanding of the interconnectedness of various aspects of brand equity and the pricing and advertising models used in video games. While the findings cannot be generalised, they provide the opinions of video game players about those models and how they relate to their purchase intent and loyalty to certain companies and brand developers.

While the use of microtransactions in video games is seen as predatory both in the relevant literature and the conducted interviews, it was found that not all microtransactions are seen that way. It was also found that the use of subtle advertising in games is viewed in a positive light and that trust is the main component of loyalty toward game developers and production companies.

<https://www.humblebundle.com/about>

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10. Appendix

Appendix 1: Thematic Literature review

Theme	Reference	Aims	Methods	Context	Results/Conclusions	Strengths/Limitations	Implications
Advertising	(Vashisht & Sreejesh, 2015)	-explore the effect of brand placement strength on gamers' brand recall as moderated by gamers' prior game playing experience and game involvement in the context of advergames	-a 2x2x2 between subjects measures design	-brand placement in games	-inexperienced gamers report high brand recall in prominent brand placements than subtle brand placements -inexperienced gamers with low game involvement playing an advergame with prominent	-only two levels of brand placement strength -game involvement	-advertising managers should think about designing advergames

					brand placement report high brand recall		
Advertising	(Zhu & Chang, 2015)	-examine the effects of interactions and product information on the initial purchase intention of social gamers in the context of product placement in social games	-questionnaire	-product placement in social games	-interaction with product and sociality affect the positive emotion -and the positive emotion affects the social gamers' product interest in the actual product	-the big difference among the extant cases under the product category -the present study used product interest to describe the psychological response	-future industrial and academic research of product placement

Advertising	(Chen & Deterding 2013)	-explore how college-aged consumers perceive and interpret product placement in the context of social games	-in-depth interviews	-product placement in games	-participant understanding is interdependent with their interpretation of the website or game	-focused on college students -investigated at a specific site	-product placement regulation should focus on the limitation of the amount of product placements in the context of social games
Advertising	(Karisik, 2014)	-review, categorize and analyze exhaustively the existing product placement literature	-literature analysis	-product placement in media	-product placement studies on all three media used mostly US based data -majority of studies concentrated on effectiveness	-availability of literature -studies conducted on particular countries or measures -biased findings	-advancement of knowledge for both academics and practitioners

					through explicit memory or consumer attitude		
Advertising	(Vashisht & Pillai, 2016)	-to examine whether there is any difference in persuasion of brands embedded in advergames	-a 2x2x2 between subjects measures design	-brand placement in games	-significant difference in ad-persuasion between slow and fast games -interaction between nature of the game and brand placement	-localized research -limited number of advergames selected	-slower advergames might be better for high brand awareness
Advertising	(Terlutter & Capella, 2013)	-distinguish between stimulus characteristics of the game as well as of the advertising that lead to psychological responses toward	-literature review	-branding in games			

		the game and the brand and to actual behavior toward the game and the brand					
Advertising	(Peters & Leshner, 2013)	-effects of game-product congruity and product placement proximity on advergaming players' brand memory, brand attitude, game enjoyment, and future intention to play	-a 2x2 repeated measures experiment	-product placement in games	-players' implicit memory improved for congruent games only	-limited play time -attitude measurement	-brand marketers who design advergaming must be careful when combining multiple game features within a single advergaming

Advertising	(J.-H. Huang & Yang, 2012)	-the effects of ad type and the relevance between the advertised product and the game content on player's memory and attitude towards the ad	-a 2x2 factorial experiment	-ad types in game	-animated billboard ads generated higher ad recognition -that low game/ad relevance has a more favorable effect on ad recognition,	-two levels of animations -two measures to assess the effectiveness	-use animated and less relevant billboards for higher recognition
Advertising	(Poels, Janssens, & Herrewijn, 2013)	-investigates beliefs that players of digital games hold toward the practice of in-game advertising	-online survey	-attitude towards in-game advertising	-hedonism, materialism and price reducing contribute to the attitude toward in-game advertisements	-findings may be influenced by other game genres -limited identified medium-specific factors	-theory building -practical considerations of digital games as an important yet underutilized advertising medium.

Advertising	(Kureshi & Sood, 2009)	-to examine the effect of in-game placements on the explicit memory of Indian gamers and understand their attitude towards this form of communication	-questionnaire	-in-game placement	-in-game placements do affect the explicit memory of gamers -Indian players have a positive attitude towards placements in this medium	-further research using different combinations of games is required to confirm, expand and generalize the findings	-ad placement in games should be considered by companies for cost effectiveness
Advertising	(Yang, Roskos-Ewoldsen, Dinu, & Arpan, 2006)	-study explicit and implicit memory for brands among college students	-a 2x2 mixed experimental design	-memory for brands after video games	-college students have low levels of explicit memory for brands -show implicit memory for	-does not address the complexities of studying explicit memory	-attitudes can be primed without previous exposure

					brands in games		
Branding	(Hamari & Järvinen, 2011)	-examine the mechanics of game design in social games that are used in building customer relationship	-literature analysis	-building customer relationship	-in general, acquisition is not radically different from marketing techniques -retention mechanisms do not leverage social behaviour of users as much	-lack of a more systematic and taxonomic framework	-traditional way of thinking about game design is no longer sufficient when the design of engaging mechanics needs to meet with business goals

Branding	(Mathews & Wearn, 2016)	-why gamers purchase certain video games -influence of their friends on their decisions .	-online survey -questionnaire	-video game marketing	-most trust in friends and family -significant friend influence	-ignores the economic factors of game purchases	-advertisers should try to convince family and friends to influence an individual
Branding	(Mininni, 2007)						
Branding	(Alpert, 2007)	-adress the industry knowledge gap	-literature review	-overview of the entertainment software industry	-literature is slow in addressing this industry -basic marketing issues must be researched	-limited scholarly literature	-marketing should start exploring the entertainment software industry (video games)

Branding	(Marticotte, Arcand, & Baudry, 2016)	-build on the notion of brand evangelism by examining how brand relationship variables regarding one brand	-online survey	-brand evangelism	-desire to harm the rival brand is positively associated to participation in trash-talking	-online sample bias -did not take into account the specific characteristics of the various communities	-refraining from interfering in online communities and letting others do the job might sometimes be a perfectly sound strategy for companies faced with trash-talking
Pricing	(Steinke & Millage, 2014)	-study Eve Online	-surveys -interviews	-online video games	-community is the main selling point	-highly biased research	-potential market expanding
Pricing	(Kimppa, Heimo, & Harviainen, 2016)	-examination of lure-to-pay and play to pass systems	-literature overview	-new payment methods	-the more modern the payment method, the harder it's to say if it's	-no knowledge of the gamers perspective	-developers need to be aware how harmful their pay model might be

					beneficent or harmful		
Pricing	(Heimo, Harviainen, Kimppa, & Mäkilä, 2016)	-explaining the business logic of free-top	-literature overview	-free-to-play business models	-free-to-play models might prove harmful and unethical	-lack of player perspective	-developers need to be ethical
Pricing	(H.-C. Huang, 2016)	-probe into the development of the dimensions of the freemium business model and validate the measurement	-questionnaire	-free-to-play business models	-the freemium business model can be divided into basic free tier, two-sided markets, revenue sharing, service convenience, and network effect	-lack of freemium study -potential Common Method Variance problem	-the freemium business model overthrows the law of diminishing returns of the traditional economy

Pricing	(Harviainen & Hamari, 2015)	-discuss the ways in which information acts as a commodity in massively multiplayer online role-playing games	-meta-theoretical analysis	-real money trade in video games	-players can decide to withhold information as to not diminish the play value of others	-no player input	-when researching information is as important as items
Pricing	(Harviainen, Ojasalo, & Nanda Kumar, 2018)	-examining the service design of freemium game pricing	-service design workshops	-free-to-play business models	-players look at purchases as rewards for developers -design quality important for player retention	-the multi-step service design	-service design process and methods can be used in the pricing of mobile games
Segmentation	(Phillips Melancon, 2011)	examine motivational, usage, and demographic differences in	-online survey	-consumer behaviour	-fantasy virtual environment users are motivated by achievement	-small sample -low respond rate	-marketers should mind what demographic uses which

		virtual environments			and manipulation		virtual environment
Segmentation	(Smohai et al., 2017)	-test the applicability and the measurement invariance of the previously developed Problematic Online Gaming Questionnaire	-questionnaire	-consumer behaviour	-online gamers were more likely to score higher on overuse	-convenient sampling -low respond rate	-parents can help mitigate overuse by switching the children from online to offline games
Segmentation	(Chen et al., 2008)	-researches whether online game players with different personality	-questionnaire	-consumer behaviour	-except for neuroticism demonstrating negative influence, openness to	-online game player of the Taipei region	-online game providers might start designing games according to

		traits achieve life satisfaction in online gaming			experience and conscientious ness positively and significantly influence life satisfaction		character traits
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Appendix 2: Interview Guide

1. What kinds of games do you usually play?
2. Which platform(s) do you play them on?
3. How do you decide on which games to purchase?
4. Do you play any games that contain microtransactions?
5. Did you ever purchase anything in-game? Why? Why not?
6. Do microtransactions influence your decision to play a game? How?
7. In your opinion, are microtransactions ever justified? When?
8. What do you think of pay-to-win models in video games?
9. What about dlcs? What makes them good or bad?
10. How do you feel about advertisements in games?
11. Would you ever pay to remove advertisements?
12. Does the difference between game being free or not influence your perception of in-game advertising? In which way?
13. How do you feel about not obvious advertisements in games, such as billboards within the game, or products placed in-game?
14. Do you consider yourself loyal to any video game developer? What makes you loyal to them?
15. Are there any developers you actively avoid? If yes, why?

Appendix 3: Transcription of conducted interviews

Interview 1:

A: Ok, here we go, you ready?

B: Yeeah

A: Just a second...ok...so what kind of games do you usually play?

B: That's quite a wide question. Anything from RPG-s to shooters to hack-n-slash, simulators...

A: Ok...Which ones do you prefer?

B: Shooters!

A: Shooters?

B: Yeah.

A: And which platforms do you play them on?

B: Mmm PC mostly.

A: Mostly PC. And how do you decide which games to purchase? Like, what influences your decision?

B: Erm, what information is available, whether there is a demo or not, that's actually quite important, because in these days of piracy I feel like, I mean, it feels, it's kinda, I mean it's not a right, it's almost a right to be able to, like, try the game beforehand. The problem with the demo is normally you only get the best parts of the game so when you actually go and purchase it, it will be like, rubbish. I've tried that several times. Eerm, but, but mostly, like, other people's preview, that's what I feel like is most, erm, it's like most trustworthy.

A: So, you trust most, like, previews from other people, (B: Yeah, usually) like, unknown, not, not friends or, like?

B: Yeeah, it depends, I mean I have also been notified of some games from my friends, but usually it's, like, when I see something that I like I'll go and see what's, like, the general feel of it because

I can also have, like, a friend that thinks that game is great but then the game, like, for an extended period of time have not been, like, bug-fixed or anything, can be an issue, but users are quite keen to catch up on that and mention it in their reviews, so..

A: Yeah, fair enough. Ok, and do you play any games that contain microtransactions?

B: Oh yeah...

A: And how do you feel about those?

B: Personally, I never, I've never used them...

A: So, you never purchased anything in-game?

B: Well it depends what you define as purchased because, like, if you take Counter Strike as an example, you get these crates and sprays and what not, weapon skins that, that you can then sell to people for real money, and I've done that and then I've purchased something, like, in-game, for the money I earned, or saved through that, but I've never posted any of my own money into the game, like with the intend of purchasing

A: Why not?

B: Because for, at least for the games I play, It's because you don't, like, you don't need it to succeed. I don't like pay-to-win games. As such, mostly, all of the games I play where there are microtransactions, it's purely cosmetics.

A: Ok, that's fair enough. And do you, like, does the existence of microtransactions influence your decision to play a game? Like, will that be a factor whether you are going to play a game or not?

B: No, only, as I said before, if it influences my odds of winning against other players. Then I will steer away around it. That's why I don't play a lot of video games. Battlefront is a great example, where you pay to win. I don't like that, like, in my opinion, if you purchased a game then you should have access to the full game or it should be like a DLC which everyone can, like, buy because it's, like, new content.

A: Yeah...Do you think that, like, microtransactions are ever, like, justified in games?

B: To be honest, yes. I have a hard time with, like, games like Call of Duty, where you buy the game and afterwards you have to buy, like, a lot of DLCs with new map packs. But if you take a game like League of Legends, they have like kind of, they were kinda like first to do it, to have, like, pure cosmetics, then I can see a point in spending money on the game because, a game like League of Legends, if you were to pay it, it would be retail 300 DKK, and then you could spend those on cosmetics in-game to support the developers if you want, but I think it has its place.

A: And what do you think about, like, does it matter if you, like, paid for the game, and then you get, like, additional microtransaction or the whether the game was free and then like, because League of Legends is free right? And you know, microtransactions are basically, like, you know thing, you didn't have to buy the game just to buy more stuff, cosmetic or not, so what's your, do you think that, like influences, like, your perception of the game in a way?

B: Well influences is such a harsh word, I mean at some point yes, and I think it's much more nice to see that like the company that developed the game purely because they thought that it would be a great game, it would be fun, and then you can pay if you want, that's also why something that's Path of Exile is still existing, because it's also a game that was, like, brought along by interest at first and then people could support it. And people are supporting it because it's still a great game. It also leads up to, like, another question whether it would be supported in the long run, because that's also in favour of the free to play games cosmetics, if the game has steady income they will of course keep developing the game.

A: Yeah, definitely. Ok, and you already said what you think about the pay to win model, so, what about DLCs? What do you think about DLCs? Like, what makes them good or bad?

B: I think it makes them good if, like, the ...and that of course is a matter of perception but if the base game is large enough and like after, like, a decent amount of time, it's been up for a year, like, a new map pack which they developed afterwards is set to appear and you can buy it as a DLC. Quite contrary to what Call of Duty made in, I can't remember, it's Black Ops 2 or Modern Warfare, is they presented the game with a lot of maps, and at the end they made it into, like, DLCs. Or Destiny did the same. Soo..

A: And how do you feel, like, about advertisements in games?

B: Advertisements for products in-game or for, like, products outside the game, like, in the real world?

A: Products outside the game. Just like, you know, brands advertising in-game.

B: I mean, if it's subtle, if it's because it's like something that would normally appear in the game, like, if you're in a street in-game and like the billboard says some commercial, I don't...I like I know...but like quite contrary to, like, research, but I don't look at it.

A: You think you don't look at it.

B: I played a dozen of games where my friends afterwards noticed me: " Have you seen, like, there's like a Sony commercial at that intersection!" or something in Grand Theft Auto or something, like, a placed advertisement and I just said like: "No."

A: Really? That's something you commented on with friends? You know, advertisements in-game?

B: Yeah, because, like, my issue is, like, if you have advertisements in-game that feels placed, like, that are not part of the natural environment, it's something that; ok, like Siemens wanted a dishwasher, so there is a Siemens dishwasher there, like maybe it doesn't make sense there, but they bought the commercial space so. That's kind of an issue to me

A: And what about, like, those kinds of, like, mobile, like, pop-up advertising? Which is you know not as present in video games, like, PC video games, but on mobile, especially those pop-ups and banners and stuff like that...How do you feel about those and also does it affect your perception of those types of adverts whether the game was free or not?

B: I'd say that, like, to some extent I like the model that you can have, like, at least for the Android platform, I don't know how it's on other, but I have Android so of course, that's my point of view, but at least to my perception, it's good that you can create, like, a game or an app maybe that you can release and then you can say: "Ok, this is paid for by the advertisement you have to see before you get to use the app or the game." But also, say, that's the better way in my opinion than doing a demo, you can get the entire game if you click, or if you watch the advertisement, you don't watch them, but you let it scroll on your screen. Because, it's better than a demo, because, you get,

like, the full content, and I have no count on how many apps and games on the mobile phone platform that I have bought after I tried them with ads and I was like: "This is actually a great concept, I mean it's great fun and it works well enough that I want to pay money." I think just last week I paid 40 DKK for an app for my phone so that I could do, like, signs in handwriting at the documents, at pdf files. So that's, it's a good thing when it's used right, but I don't like those, I don't even have an example, I play them so rarely, like, if it's something that I cannot get around, or if I feel like there is not enough content in the game. Candy Crush could be like a genius example of this. I mean that's not so much content in the game that I would want to purchase it, and still it has too many advertisements that I want to continue playing it. So, I think I played Candy Crush for 10 minutes or something and I was like: "Yeah ok, now I've used my time, watched stars or whatever is there and off It went again."

A: Soo, in a way you would, if the game offered enough content you would actually, pay to get rid of advertisement?

B: Yes! Definitely!

A: That's nice. And do you consider yourself loyal to any video game developer? Like, you know, a video game creator, video game company?

B: By which definition of, like I would blindly purchase they send out?

A: Like, not, maybe not blindly purchase but it is something you would purchase even without maybe trying it just because you know it's probably going to be good.

B: I mean, purchase is...I would never ever pre-purchase a game because I've seen so many incidents now of unfinished games, like: " Oh we have to get it done at this stage", and then they send out a game that's basically unplayable and then: "Yes but it was released so now we'll just spend the entire week bug-fixing so that you can actually get to play it" and I think that's bullshit. I think that the only company that in my optics did it right was, like, CD Project Red when they released Witcher 3. They actually said, like, a month or two prior that: "We won't make it in time, so we'll delay the release of the game for five months more, or four months more, but then you'll get the prime game and it will work at release". So, I'm not blindly purchasing a sequel, just because the prequel was good.

A: Ok, but what makes you, like, like a certain developer or a certain company? Like, what are the factors that, like, you think that are good? What makes you, like, excited about their games?

B: I think it's mostly that they deliver what they advertised for and that, that, it's mostly their reputation. Like, if you have a game developer that promises a whole lot, and then at the bare end they cut a lot of content away or convert it into DLCs, then I'm prone to not purchase it. Like I don't think I've purchased a Call of Duty game since Black Ops, and Black Ops was also shit at release. So, another great example could be the latest Batman game called Arkham Knight or something. I mean they released it and it turned out it was a bad port from the console, so it was basically unplayable, so they withdrew it again and that makes me be very very cautious when purchasing a product from that developer, because, you know, they are, like, not trustworthy.

A: Ok, you kind of answered my last question. Like, are there any developers that you, like, actively avoid and why?

B: That would be the untrustworthy developers. Also, I think, that's mostly like, it's a matter of trust really. Because if I have to spend like 500 DKK in a AAA title it has to be off the bats good. Like it's very very rare that I would purchase something at the start of its game period because first of all I don't play computer games, like, very schedually, like very regularly. It's mostly, like, I binge play for a week or something, when I'm off exam period or something, so I can wait until it gets cheaper. But second of all, in my opinion there's also not a lot of games that has enough content to, like, make up for the 500 DKK price tag. I mean it's mostly like: "OK, if you want to play it at the very release date you have to pay top dollar", and then if you wait four months or something, five or six months you get it at a pretty hefty discount.

A: Do you have, like, any additional comments, like, on any of the topics that we touched upon?

B: Yeah, the bit about the demo, about game demos. I know it sounds very double moralic, but I have never pirated a game and not bought it afterwards if I genuinely believed they needed to have some money for the product because it was good. Like I know a lot of pirates say that, but I will openly admit that I have pirated a lot of stuff simply because you either don't have a demo or you have a demo that shows all the good stuff of the game and then when you purchase it it's horrible, so a lot of times, so that's why I think I have five or 6 hundred games in my steam library to make up for it, because I generally ...My rule of thumb is if it's good, then you need to pay for it.

A: But that's, like, become like, a pretty common practice. Like, you know, torrenting a game before actually buying it. Like, no one just blindly buys a game anymore.

B: No, of course.

A: Except for like Humble Bundle and stuff like that...

B: Yeah, but that's mostly because you get, like, one game that you want, and there's like four or five other games and you think: "Oh, that's a heck of a deal." And you never play them. But I also think that the reason that it's become a common practice purely because, now you have the possibility and it's like the small guys justice. If you don't want to pay for the game or if you have a game like Batman, where it was, like, unforgiving the way they released it. Then no way I will purchase that game, I mean, I just don't want them to have any of my money.

A: That is also fair. But I mean, like, and I remember, and this is kind of off-topic, but like, when Hotline Miami came out, like, and then the developer actually was, really like, regular on the comment section of Pirate Bay for his game, like, giving advice how to, like, do some bug fixes and stuff like that, and that was really, like, kind of interesting.

B: Yeah of course. Of course. I also know a Dutch person, the guy that's made Minecraft, he also said, like, he made a public comment that, he asked people that: "If you like Minecraft but don't have the money, then pirate it. And then if you ever get the money and think that I've earned it then pay it afterwards, like, purchase it afterwards." And a lot of people have, like, Minecraft was one of, at least in my view, one of the games that blooms because, you had, like, this open environment and people would pirate it and you would play around at the LAN party and then they had the price point done just right, like it cost 100 DKK or 150 DKK which meant when you got home, you would be like: "OK, so if I want future updates and don't want the hassle of, it's Java based, things would get bugged eventually and they would get fixed." If you wanted that you only had to pay 150 DKK, so I just, I think I played it at a LAN party and then I purchased it right away.

A: Does that make you, look at a developer more favourably? If they are not a type of person who get all up in arms about piracy and things like that, but are actually working with the community to make their game better?

B: Yes. Definitely, definitely. I think that's also one of the major points of, at least CD Project

Red, where they said like, for, I can't remember, but their protection department: "Yeah, we need to get super pirated, because then we can do this and this, like Assassins Creed style where you make a single player game but can't play it without internet, otherwise we won't know if you pirated it", instead they said: "Ok, we will put as little copy protection as possible, because we trust that the players out there will purchase it if it's worth the money." And they earned tremendously, I think, it's one of the games that earned the most money next to Grand Theft Auto V and such so...

A: So, do you think it's generally like, proof that if people like the game they'll want to support the developers with, no matter that they already have the game, like, the pirated version?

B: Come again please?

A: Like, if people like the game they're still going to buy it, just to, like, support the developers. Do you think that's like, the majority of cases?

B: To be honest it's like, I think, it's mostly true. I have a lot of friends of mine who also pirate games and afterwards purchase them. When they are like: "Yes, it's a good game and I'll purchase it right off the bat." And also, because we have all tried, like, purchasing a expensive game and that was before Steam had the refund policy and then you were like: "Oh, now I'm stuck with shit and I have no means of trying it beforehand so..."

A: And do you think the developers have become more or less trustworthy in the recent year?

B: It depends on the developers because there's been like, there's two parts of the pole in reality. There is the EA way where you get less and less trustworthy and there's also, like, CD Project Red and a lot of indie developers where they are like: "Yeah, I mean, this game...I don't have the money to make the cover protection, but I don't want to either, so you can just have it and pay me if you like it, don't pay me if you don't." So I think it's also in part in regard to, like, the possibility now people are really able to see YouTube videos, gameplays and reviews, like, if you go back seven years ago, there weren't as much of it, and it would mostly be like super famous streamers who would make their opinion and I have also quite often come to disagree with like a streamer when they're like: "This is generally a great game", and I'm like: "No, there's some mechanics that you favour and that makes you blind to its other mistakes."

A: That's nice, thank you.

Interview 2

A: So, what kinds of games do you usually play?

B: GTA...probably, probably the only game I played a lot. Well, there's Mortal Combat obviously...

A: Ok, which platform do you use to play video games?

B: Usually only on PlayStation.

A: And how do you decide on which games to purchase, like, what's the process between, like, deciding to buying a game actually?

B: That is...I don't know... I usually...It's been I while...I usually just went to the store and was, like, going through some games seeing if something looked like I'd possibly like it.

A: So, you don't read like reviews or anything like that?

B: Sometimes, but it's not like... no, sometimes I did, yeah, but generally I just go to the store and like: "I wanna have a new game", and then I find something there.

A: That's, an adventurous approach to it. Do you play any games that contain microtransactions?

B: Not that I know of.

A: Did you ever purchase anything in-game?

B: I don't know. Like does, like, these extension packs count? Probably, right?

A: Not really, but, like, kind of?

B: Yeah, so then, no.

A: Why not? Well, like, would you ever buy anything in-game?

B: Usually no. If you can get it for free and just have to watch some advertisement for example to kinda get it for free I would probably do that, rather than paying.

A: Ok, but what if you couldn't, like, would you buy anything if it didn't give you an option to watch advertising instead of paying?

B: If I reaaally liked that game, if I'm really into that then yes.

A: And do microtransactions influence your decision to play a game?

B: Yeah.

A: How?

B: Sometimes I stop playing the game.

A: Really?

B: Yeah.

A: So you just stop: "I'm not going to play this game."

B: Yeah. If it's like a game I enjoy but it's not, like, my favourite thing right now, and I don't have to play it, I'm just annoyed by that. So I stop playing, yeah.

A: In your opinion, are microtransactions ever justified?

B: Yeah, sometimes they are?

A: When?

B: >long pause< I don't know, when you get some good extras which are actually helpful, which make the gameplay more valuable for you. If it makes the game better.

A: Ok, and what do you think of pay-to-win models in video games?

B: Pay-to-win? So you pay in order to win the game? I hate that.

A: Yeah, you basically pay for an upgrade, like, you know, like, with Star Wars: Battlefront 2. You know, you pay in order to skip the grind.

B: No, this is horrible because that's kind of cheating. That's cheating. It's not...the game should be you have to do it on your own. Paying for it is just being lazy.

A: Ok, what do you think about DLCs, what makes them good or bad? And those are like the extensions.

B: DLC?

A: That's the, that's the extension, you know, like, downloadable content that comes after the game has been released. Some companies do it, like, as big, like, you know upgrade packs, and some companies do it on a more regular basis.

B: Yeah, yeah I know. I like them. If it gives you something new, something new to enjoy, then yeah, I like that. So for GTA IV for example, they released a couple of these packs which are, like, completely new storylines and everything. I liked that a lot. So, I'd pay for that, yeah.

A: And how do you feel about advertisements in games?

B: I can...sometimes they can get annoying, depending how often they pop up, but I can kinda understand why they do it because it's a way for them to make some money. So I don't have a big problem with it.

A: Would you ever pay to remove them?

B: Probably not. Depends on how annoying they get.

A: Does the difference between the game being free or not influence your perception of in-game advertising? And in which way?

B: Yeah, definitely. If the game is free I don't mind advertisements that much. If I paid for the game in the first place, I don't wanna see any advertisement, because I already paid for the game.

A: Ok, and how do you feel about not obvious advertisements in games, such as like billboards within the games or product placement in games?

B: I don't mind that.

A: You don't mind that?

B: No. Cause it's very subtle, it doesn't annoy you, it's not like in your face, so it's ok.

A: Do you consider yourself loyal to any video game developer?

B: Mm. (No)

A: Ok, and are there any developers you actively avoid?

B: No.

A: Ok, thank you

Interview 3

A: Ok, let's go. What kinds of games do you usually play?

B: Mainly action games, like Call of Duty and stuff...

A: And which platforms do you play them on?

B: PlayStation 4.

A: Only PlayStation 4 and nothing else?

B: I have played on the PC, Mac and PC, but I haven't played on them for years now.

A: Ok, and how do you decide on which games to purchase?

B: Sometimes on YouTube, there's like, trailers and if it looks cool I might get it. Other times it's just like, if my friends are playing something, so you know, you can play online with them. And then other times I just, I happen to be walking by the game store and I check the store out and I see something that I'm like: "Maybe that's cool and I'll try it"

A: Do you play any games that contain microtransactions?

B: Yeah, I have Star Wars: Battlefront 2. (laughs)

A: And how do you feel about microtransactions?

B: They don't really bother me that much, 'cause I usually buy them.

A: Really? Why do you buy them?

B: 'Cause they usually give, like, some sort of benefit to the game, like, better item, or something. And they are usually not that expensive so it's not, like, such a big deal.

A: Do they in any way influence your decision to play a game?

B: Like, whether I choose to buy a game because it has microtransactions or what?

A: Yeah. Or not. Whether you decide not to choose a game because it contains microtransactions.

B: Not so much because I only have one or two games that have them. And I think it's kinda a recent thing, so not really that much. I guess, if there's too many though I'd probably be considering not buying the game because it gets annoying.

A: Are they justified, the microtransactions?

B: I think in some cases they are.

A: Like in which cases, can you give me an example?

B: I think it comes down to how good the game is. If the game is really good, even without them, and it's playable, I think it's fine to have some. But if the whole game revolves around them and you can't really play the game fully without the microtransactions I don't think they are fully justified.

A: Ok, and what do you think of pay-to-win models in video games? Would you pay to win?

B: Yeah, I usually do. Well I can also see why people are frustrated by it. But then again as long as there is the option to, where there is still the option to win without paying but maybe have to work harder I think it's fine. As long as it's not a necessity.

A: What about DLCs? What makes them good or bad?

B: Well that really comes down to how good the DLC is. I'd say, if the DLC is a significant part of the game, like, ok don't quote me on this, I'm not sure, but I think Star Wars: Battlefront 2 or something where like...I don't know if it's DLC but it's something, you have to buy some things, so you can play a lot of the original Star Wars characters, so in that case I think it's a little bit...

A: Yeah, but they're loot boxes I think.

B: Yeah, well I don't know. I think as long they bring some, like, good content to the table, and as long as the game without the DLC is still, like, a complete game, they're fine.

A: Ok. And how do you feel about advertisements in games?

B: You mean, like, videos you have to watch to play or what kind of advertisement?

A: Yeah, both that and more subtle advertisements like billboards or banners?

B: Like in GTA you have the billboards?

A: Yeah. Like, and how do you feel about those versus those mobile games where you have to watch an advertisement.

B: I hate that where you have to watch that 'cause it's really annoying.

A: What about banner advertising? Does that bother you?

B: I think banners are annoying. Like, if they are, like, on mobile games and it has a banner where it has a message. But I think if it's subtle like in GTA for example, I don't know if they have advertising, like, proper ones, but, if you have billboards in the game and it's in the city, I actually, like, I actually think it's kinda nice because it adds kinda realism to it. But I think in general maybe I find them quite annoying.

A: Yeah, and does it make a difference whether the game was free and then has had ads or whether you had to pay for the game and then it had ads? Like, does it make a difference in how you perceive and how you feel about the game?

B: I think it again depends on what kind of ads, are they really in your face, I hate them with free games as well. But you kinda forgive them for it cause it's a free game. If it's a paid game, like, I would be quite irritated if there were constant ads because once you kinda expect to not have to deal with that.

A: Well would you pay specifically to remove ads?

B: Probably not.

A: Why not?

B: Cause if it has ads I'm likely not gonna play the game much anyway. So I don't really want to spend money on that.

A: And do you consider yourself, like, loyal to any video game developer?

B: I mean, I have a lot of games by some producer.

A: What makes you loyal to them?

B: It's not so much cause it's loyal, It's because I like the game and you know, their sequel but I don't, like, I don't follow them and I don't buy something just because they made it so no, I wouldn't say I'm loyal to them.

A: And are there any developers you actively avoid? Like, you're never gonna buy their game.

B: No, not really.

A: Ok. And do you have any additional comments?

B: No.

A: Ok, that's good, thank you.

Interview 4

A: What kind of games do you usually play?

B: First person shooters, like Counter Strike, mostly. I've also played League of Legends, which is like, a MOBA I think you call it. Then, Age of Empires...that's all.

A: And which platforms do you play them on?

B: PlayStation 3 and... I've used PlayStation for most of my life and then computer, sort of, last couple of years.

A: Ok, and how do you decide on which games to purchase?

B: It's mainly through, like, word of mouth. So, like, a lot of my friends they play one game and then I also start playing it. That's basically how it's been throughout my whole life.

A: Do you read reviews or anything like that?

B: No, not really.

A: How about gameplay videos? Do you watch those?

B: Yeah, a lot.

A: And do they, like, influence your decision to buy a game or play a game?

B: Yeah. Yeah it's happened before, I bought the game after watching the gameplay review.

A: Ok, and do you play any games that contain microtransactions?

B: No, not microtransactions. I mean Counter Strike has, like, a way you can buy, like skins and, like, make prettier guns and...

A: Yeah, but that is a microtransaction. If it's for within the game...

B: Yeah, then I suppose yeah.

A: And did you ever purchase anything in-game?

B: Yes, I have.

A: How come?

B: It was actually for FIFA and that was way back in the day, FIFA 10 I think, so that was almost 8 years ago. And you buy these...you can make your own team by playing for packs or buying the packs so, like, gold, silver and bronze packs and you would get, like, certain players and then I bought the gold packs.

A: And were you happy with the purchase?

B: I mean yeah, it was fun beating up other people on the internet, online. I thought it was fun.

A: And do microtransactions influence your decision to play a game? And if yes, how?

B: I would say yes if you have to, like, purchase something in order to progress faster in the game. But if it's cosmetic then I don't care. But if it's the gameplay per se I would...yeah...

A: And are microtransactions ever justified in your opinion?

B: I think for if it's only cosmetics I think that's fine. It's up to the player, it doesn't diminish the, like, gameplay experience.

A: And what do you think about pay-to-win models in video games?

B: I, pay-to-win I don't like.

A: Why don't you like it?

B: Because if you have to pay to win that would... that would diminish the other players experience just to, like, make your own better per se and also I feel like it's cheating in a way.

A: What about those where you, don't like, you can pay to win, or you have the option of, like grinding to win?

B: Grinding to win like World of Warcraft?

A: Kinda, like, you know, where you pay to skip the grinding.

B: The grinding...in the game World of Warcraft that would be part of the game is grinding. I've also played the 2D game like that reminds a little bit of World of Warcraft where you have these classes called Maplestory and you also have to grind a lot. And that was a big part of the gameplay experience per se, so I would say that's also, like, cheating.

A: But what about, like, ok, so Star Wars: Battlefront 2 is, like, the most recent example where you had to play for forty hours before you could, in order to unlock some characters or you could pay.

B: Yeah, I wouldn't buy a game like that.

A: You wouldn't?

B: No. Also, like, most people have said it's not a very good game besides that and also that you have to, like, that you can pay to get in front. I think it's unfair.

A: Ok, and what do you think about DLCs? What makes them good or bad?

B: DLCs....that really depends. I mean whether or not they bring something new, story. I played a stealth game called Dishonored and I bought the DLCs, I thought they were really good because they brought a whole new aspect to the game, like a whole 'nother storyline. And you know you could spend like a number of hours on it. So I think DLCs are justified if they, like, give enough or give a lot extra gameplay or storylines or whatever.

A: And how do you feel about in-game advertisements?

B: In-game advertisements? I don't think I've ever seen an in-game advertisement. Not that I remember.

A: Would you ever pay to remove advertisements if you've seen them?

B: No, I don't think so.

A: No? Why not?

B: I mean that of course depends on how many ads we're talking about but...like I've said I've never really noticed any in-game advertisements, so it doesn't really bother me.

A: Ok and this is kind of, like, more focusing on let's say mobile platforms, stuff like that, but in those types of situations, do you think it makes a difference on whether the game was free or not? Like, when it comes to advertisements, like, whether the game itself is free and then it has advertisements or you paid for the game and you still get advertisements. Would that, like, affect your perception of the game and of the developer?

B: I mean, if the game was free and there was advertisements I would understand it. If you had to buy the game first and then watch advertisements I would say that's a... I would feel maybe a little cheated.

A: What about those, like, subtle advertisements when you have, like, this whole game world and then there is a billboard somewhere or there is like a product placed somewhere?

B: I would also feel like that's... would perhaps influence the game a little or the game experience anyway.

A: In which way? Positive or negative?

B: Like say you are playing World of Warcraft and you saw a billboard that says: "Drink Pepsi", you know that would sorta ruin the gaming experience because you're sorta like in that world and if something from our world was in it that would sorta ruin it.

A: What if it were like GTA for example?

B: I mean, I think I've seen advertisements from other games from the same developer in the game, so I mean I would understand it, I mean wouldn't like it, but I wouldn't, like, not buy a game for that reason.

A: Ok. And do you consider yourself loyal to any video game developer?

B: Video game, yes, Hideo Kojima, he made the Metal Gear Solid Series, I like his games a lot. And I would probably buy...

A: What makes you loyal to him?

B: I mean, he's just a... I mean the Metal Gear Solid series that he made has been, like, a factor in my, like, gaming life and he makes incredible games so from that aspect, you know...I mean he probably from the only video game developer where I'd consider pre-buying a game from just because I know his games are, like, always good.

A: So you would, in other situations, you would never pre-purchase a game?

B: No, I don't think so actually.

A: And are there any developers you actively avoid?

B: Konami.

A: Why?

B: Because they f***** over Hideo Kojima by suddenly firing him and just taking all his s***. I tend to avoid Konami games also because they, like, discontinues a lot of their popular, like, gaming series, like, Castlevania and Silent Hill, like, just out of the blue basically. I don't really understand that.

A: Ok, do you have any additional comments on the topics that we've discussed? Something you'd like to say? Something you think is relevant?

B: No, but if I had to sum my comments up it would be that microtransactions are ok as long as they are purely for buying, like, cosmetic stuff, not for, like, advancing yourself in the gameplay.

A: But even if the game was, like, you paid, like, a lot of money for the game and then you have those things that you have to, like, pay for additionally?

B: Yeah, that would feel like a scam more than anything.

A: Even if it were cosmetic?

B: I mean, if you had to pay for, like, some cosmetics...if you had to pay for it I would still consider it a scam if you bought a game and it was optional to buy cosmetic stuff, I wouldn't feel like that was cheating.

A: Ok, well, thank you very much.

Interview 5

A: Ok, so...What kind of games do you usually play?

B: What kinds of games?

A: Yeah.

B: I play a lot of single player games and I play some multiplayer games, they are MOBA games and they are MMORPG-s.

A: Ok, and which platforms do you play them on?

B: I play them on my Windows computer. Is that what you're looking for?

A: Yes. whether you play them on a PC or a PlayStation you know...

B: Yes I exclusively play on the computer.

A: Fair enough. How do you decide on which games to purchase?

B: I'm actually quite conservative so I don't really pay for games. A lot of those I play for free. I play World of Warcraft as well, which I pay for. And if I pay for a game it's because I play with my friends.

A: Ok, based on friends' recommendations? Something like that?

B: Yes. And what my friends are playing. I only play World of Warcraft if my friends are playing. I don't play by myself multiplayer games.

A: Ok, do you read any reviews, watch gameplay videos, stuff like that?

B: Nope.

A: Ok. And do you play any games that contain microtransactions?

B: Yes. Oh, I lied. I play on my mobile phone as well.

A: Ok, that's good.

B: And there's a lot of microtransactions.

A: Yeah, yeah, there truly is. And did you ever purchase anything in-game?

B: Yes, I actually did.

A: How come?

B: Because it was too good to pass on.

A: Really? What was it?

B: I play something called Castle Clash with my friends and one of my friends he uses a lot, a lot of money on it. So it's really hard to keep up and that was a really, really, really good pack I had to buy. And it was like, 5 dollars.

A: And were you happy with your purchase?

B: Yes. Actually, I was. I'm quite against microtransactions. I don't believe in locking gameplay behind money. To be honest.

A: Ok, but you still, like, supported it by buying it.

B: Yes. The pack I bought was to keep up with my friends. That's the only reason I bought it.

A: And do you feel a lot of it? Like peer pressure to keep up? To, you know...they pay, so you pay so...

B: Yes, and that particular game, a lot of content is hidden behind a paywall.

A: And do microtransactions, like, the existence of them influence your decision to play a game?

B: Yes.

A: How?

B: The games I play, like, if I buy something...let's say in World of Warcraft there's microtransaction and perhaps you buy the membership. When you buy the membership, you get all the content. So there I'm supportive. But if you have to buy something to get something exclusively, I'm quite against it.

A: Ok, and do you think that microtransactions are ever justified?

B: No.

A: No? Never?

B: Never. No. Because, the way I think microtransactions work is, should bring income to the company, right?

A: Yeah.

B: So, a lot of games don't have commercials, they have free gameplay, but you're locked behind a paywall right? And there's so many ways you can earn money from games. And I know for a fact that some of the highest revenue companies are mobile games based on microtransactions so they're obviously quite popular, but I'm quite against it. And I know a lot of my friends are against it as well, but I think in communities where you only play on your phone it's quite well sought after.

A: And what do you think of pay-to-win models in video games?

B: If I didn't make myself clear enough I think it's the worst direction that games are heading as of right now. I like microtransactions for cosmetics. Because then you have a choice.

A: So, are those justified?

B: They are justified because they don't give an advantage. But they are...you can customize if you'd like to play. So, it's optional, but hiding things behind a paywall you have to buy to participate...and that I don't like.

A: Ok, what about DLCs? What makes them good or bad?

B: I'm quite against DLCs too but I think that's because I don't play too many games with DLCs, so I don't quite get the idea of releasing a game and then releasing more content to the game hidden behind a paywall.

A: Ok.

B: I played Diablo for some time and then the new DLC came out and a lot of content was hidden behind this DLC. So, you could still play the game, with all the other people, but the ones who have played the DLC was obviously quite ahead of you.

A: Ok, but then what about sequels?

B: Sequels I like. And they are different in the fact that you get a lot more...if let's say you buy a game and you play it and you really like the content and then they, then they make a sequel, they

make...they justify making the game by making so much content that it can be released as a new game. A lot of DLCs, they don't release new gameplay or well they do release some gameplay but they release new characters and stuff like this. And new things you can do, but not gameplay as per se.

A: And also, like, you mentioned you play a lot of your phone, so this is actually got to be quite relevant for you, but what do you think about advertisements in games?

B: I can...I would rather have advertisements than microtransactions. And that's choosing between two evils.

A: So you would never pay to remove advertisements?

B: No. I would say it depends on the price and it depends on how much I play the game.

A: Ok. And does it make a difference if, like, a game, and this is especially, like, relevant to mobile games, like, whether the game was free and then there were ads or whether you paid for the game and then there were ads?

B: Yes.

A: How?

B: Because the model is quite different I think. The free model with advertisement is to bring in revenue and that's okay because you have costs from development and you have costs from maintenance and stuff like this. But if you purchase the game it should cover these costs so the advertisements must be pure revenue right?

A: Yeah.

B: I don't think there's much more to say to that.

A: Ok, and how do you feel about not obvious advertisements in games? Placed products in games?

B: I must say, I never actually quite have seen hidden advertisements. As you do in film right? In films you see a lot of product placement. Perhaps there is in games as well, but I have not noticed.

A: Ok, and do you consider yourself loyal to any video game developer?

B: Loyal...that's quite a rough answer. If you think in the sense that you try a game and you like it and then they release a new one that you have to buy it, then I don't consider myself quite loyal. Because I played some games that were really, really, really good and then the sequel came, and you can try it. You can try a trailer and you can try...sometimes I see videos, like, of other gameplay and you can see the game is really, really bad then I wouldn't buy it. But I'm quite a sucker for something like World of Warcraft. When they release an expansion, I have to try it for myself. And that's loyalty I think, but it's mainly to this only developer. It's only for Blizzard.

A: Yeah. It's still loyalty.

B: Yes.

A: Because, you know, you're going to try it out for yourself.

B: I probably am gonna try it. Most likely. I have tried all the expansions so far.

A: Ok and what if they, like, made a sequel that was so horrible that just, like, you know, you just had to pay to win and it was just awful...would you still buy their next game after that one?

B: I think it depends. But the company I support, they would never do that. They would never, ever ever do that.

A: Ok, and are there any developers you actively avoid?

B: No.

A: So you're open?

B: I'm open to all developers as long as they don't violate the trust there is between players and the developers.

A: Ok, well, that's pretty much it unless you want to add something or comment...

B: No.

A: Ok, good. Thank you very much.

Interview 6

A: Ok, so, what kinds of games do you usually play?

B: I play a variety of games, mostly MOBAs and simulations.

B: Which platforms do you play them on?

A: I play on a PlayStation 2, PlayStation 3, Nintendo DSi and PC.

A: And how do you decide on which games to purchase?

B: Well I watch gameplay videos, twitch streams...I ask my friends about the games I think about buying. Price is also a factor, although a minor one.

A: Do you play any games that contain microtransactions?

B: Yes.

A: And did you ever purchase anything in-game?

B: Yes. I have bought various skins in League of Legends. I liked them, and I wanted to support the developers since I enjoy their game.

A: Were you happy with the purchase?

B: Yes, I mean, I still play the game, so it was worth it.

A: Ok. How about microtransactions? Do microtransactions influence your decision to play a game?

B: They usually put me off. I dislike microtransactions in games that are other than skins for characters and stuff like that.

A: But do you think that microtransactions are ever justified?

B: I think they are. Especially in multiplayer games. Visual microtransactions are ok, like the skins I mentioned before. Microtransactions in single player games are a big no-no.

A: And what do you think of pay-to-win models in video games?

B: I think that's cancerous developer behaviour.

A: That's a bit harsh.

B: I mean it really is so. I really don't understand why would anyone make or play a game like that.

A: What about DLCs?

B: I'm against them. The only exception is Witcher 3. Those DLCs actually built up the story, instead of being integral to the story or giving nothing worthwhile.

A: And how do you feel about advertisements in games?

B: Hmm, depends.

A: How so?

B: Product placement can be cool. Adverts like on android mobile games are annoying.

A: Would you ever pay to remove advertisements?

B: No, I don't think so, no.

A: Is there any difference in, like, advertisements in free games and paid games?

B: I can tolerate most advertisements in free games. I will not tolerate any in a paid game. I think that if I have paid for the game I deserve to have it without ads

A: You already mentioned product placement. Do you feel that way about other not obvious advertisements? Like on billboards within the game and stuff like that?

B: I've already said, if done properly, I have nothing against them. I don't think I can add something else to that.

A: Ok, and do you consider yourself loyal to any video game developer?

B: Not really.

A: How about developers you actively avoid? Are there any developers like that?

B: I wouldn't really say so. I really think I give every developer a fair chance and I don't think I blindly favour someone.

A: Ok, those are all the questions. Do you perhaps have any additional comments?

B: I don't think so.

A: Then we are done. Thank you for your time.

B: You're welcome.

Interview 7

A: Ok, so what kinds of games do you usually play?

B: Hmm, I play RPGs, turn based strategies and city builders.

A: And what platform do you play them on?

B: I play them on PC and PlayStation 4.

A: And how do you decide on which games to purchase?

B: Well I look at the price, I look if the game has some acclaim, or fame or whatever and I look at reviews of relevant communities and critics whose opinions I value.

A: Ok, interesting. Do you play any games that contain microtransactions?

B: Yes.

A: And have you ever, like, bought something in-game?

B: Yes.

A: Why?

B: Because I felt it would add to my experience of playing the game.

A: But do microtransactions influence your decision to play a game? And how?

B: Well, I try to avoid them if they are required to, like, fully experience the game.

A: And do you think microtransactions are ever justified?

B: I believe so, yes. However, they need to have...they need to be well integrated and have a non-critical role in the game mechanics.

A: What do you think about pay-to-win models in video games?

B: I don't really mind them. Like, as long as the game publisher and developer are transparent about it, I'm fine with it.

A: Really?

B: Yeah, I mean, as long as everyone knows that the game is made that way that's, like, their own decision to make a game like that.

A: And you don't think that's cheating?

B: No, I mean, take EVE online. Nothing is stopping you from buying, like, a thousand mercenary players to protect you or stuff like that. I mean, I would never pay that kind of money or play a game like that, but if everyone is ok with it when they start the game that's their problem right?

A: Right. And what about DLCs? What makes them good or bad?

B: I think DLCs should be an evolution of what expansions used to be. They should not be made up of content that was in the original build of the game and taken out, like maps or skins or stuff like that.

A: Ok, but what about advertisements. How do you feel about them?

B: I have no problem with them as long as they blend in seamlessly into the experience.

A: Would you ever pay to remove advertisements from a game?

B: I don't think so, no.

A: And does it make a difference if there are in-game advertisements if the game was free or you paid for it?

B: Yes. I think if the game is free advertising can be a viable underlying business model. But if I paid for the game I don't think I would like them.

A: But what about not obvious advertisements? Like billboards or product placement?

B: I'm fine with them. They can be ok.

A: Ok. Do you consider yourself loyal to any video game developer?

B: Yes.

A: What makes you loyal to them?

B: I have, like, higher expectations of quality from their games. I mean they made really good games before so I expect them to make good games in the future too.

A: And are there any developers you actively avoid?

B: No, I mean, if the game meets my criteria I will buy it regardless of who the publisher is.

Interview 8

A: Ok, can we start?

B: Yes.

A: What kinds of games do you usually play?

B: I like games that allow me to express myself creatively, so some of my favourite genres are base builders, city builders, sandboxes. Basically all games where you can build your own base of operations like survival games, stuff like that. Oh, and real time strategies and grand strategies.

A: And what platforms do you play them on?

B: I play most of my games on a PC but I also play games on my phone, Nintendo Switch, PS3 and PS Vita. I play a lot of games.

A: I can see. And how do you decide on which games to purchase?

B: Well, I follow a large amount of people on social media like Twitter or YouTube that have something to do with video games. I also look at gaming expos and cons like E3, Pax...I don't know...Blizzcon, Gamescom. That's how I usually find games that could interest me.

A: Ok, and do you play any games that contain microtransactions?

B: Yes, Hearthstone among others.

A: Why Hearthstone?

B: I've been playing it since the beta, so for like 4 years or so and I just stuck with it.

A: And did you ever purchase anything in Hearthstone? Or any other game? And why?

B: Yes. I felt like I was getting enough enjoyment out of the money I was spending and I wanted to support the developers.

A: And do microtransactions influence your decision to play a game?

B: Yes.

A: How?

B: Well if the game is not free and it has microtransactions that affect gameplay I will think twice before I buy it.

A: Would you say microtransactions are ever justified?

B: Yes, absolutely. Games need to make money, and I don't mind them. I mean as long as not paying for them doesn't affect my enjoyment of the game. Cosmetics are almost always okay.

A: And what do you think about pay-to-win models in video games?

B: I don't enjoy those types of games.

A: And DLCs? What do you think about them? And what makes them good or bad?

B: I think DLCs are a great way to expand games. I mean, if it's a game I enjoyed and I want more of it I will always be happy to see new DLC.

A: How about advertisements in games? How do you feel about them?

B: I don't mind advertisements in games.

A: And would you ever pay to remove advertisements from a game?

B: No.

A: But would it make a difference if the game is free or if you paid for it? How would you feel about advertisements in those games?

B: I don't think I would mind them. It's their decision to put them there and it's my decision if I want to play it.

A: Fair enough. What about not obvious advertisements in video games? Like billboards or product placement?

B: I don't mind them at all, I think they're fine.

A: Ok, and do you consider yourself loyal to any game developer?

B: Well...I have, like, a few developers I like and follow but I don't consider myself loyal to them. If they make a bad game, like, a game that doesn't appeal to me, or a game in a genre I don't like I just wouldn't buy it.

A: And are there any developers you actively avoid?

B: No, I'm pretty open minded.

A: Do you have anything you would like to add or comment or...

B: No.

A: Ok, then we're done.

Interview 9

A: Ok, so, what kinds of video games do you usually play?

B: Mostly I play RPGs. Those are my favourite but I also like real time strategies, turn based strategies and MMOs as well.

A: And what platform do you play them on?

B: I play them on my PC. I am not a big fan of consoles.

A: Ok. How do you decide which games to buy?

B: That's a tricky question. Mostly I go by a recommendation from a friend or a tested franchise but I always check gameplay records, screenshots and some reviews to be sure that I am going to like the game. I sometimes browse Steam platform to check out if there's anything worth my time as well.

A: How about games with microtransactions? Do you play any game that has them?

B: I did play some games with microtransactions.

A: And have you ever purchased anything in those games?

B: I did sometimes buy in-game stuff. It's because I get lured by them. I know it's silly but sometimes a few dollars here, a few dollars there...it makes me happy. But I'm aware that it's an illusion.

A: Do microtransactions influence your decision to play a game?

B: Truth be told I love it when I have the ability to upgrade my game experience with official content. But I do despise those in form of microtransactions I prefer them in form of game expanding DLCs. Although one would think it's better to have the game include all the intended stuff, but It gives you a special feeling of enhancing and prolonging your experience with the game if you get introduced to new stuff after you tried it all in original game. But I would prefer games without microtransactions.

A: But are microtransactions ever justified?

B: In my opinion, yes, microtransactions are definitely economically justified for the developers. but not for the player. Because you give, like, endless amounts of money for silly things that you own virtually and only for the specific game. That's highly unreasonable in my opinion. They are just a mean way off pulling out small quantities of money from gamers by luring them to buy things they think they need for a small price, but the problem is there is never an end to it and if you don't have a high sense of self control you end up giving more money for that game than for

the fifty, sixty dollar game on Steam.

A: And what do you think about the pay-to-win model?

B: I absolutely do not encourage the pay-to-win model. It's highly unfair. Cosmetic upgrades and non-essential things can pass but allowing someone to be good at the game by simply spending the most money is ridiculous and absolutely unfair to other players.

A: Ok. Now, what about DLCs? You already mentioned them, but what would make them good or bad?

B: I like DLCs when they are in form of good old expansions and give you a meaningful, like, enrichment of the base game. But most often than not DLCs take high amounts of money to give you things you are supposed to already have in the base game and that is not fair in my opinion. They also put players with less money at a disadvantage when playing CO-OP or online games that require you to have all the DLCs to be able to play with your friends.

A: Now, what about advertisements? How do you feel about advertisements in games?

B: I did not see advertisements in the games I play but If I did I would be really angry about it. In free games it is acceptable to see advertisements and I can live with that. But in paid versions I absolutely don't want to see any.

A: And would you pay to remove advertisements?

B: As I said I don't often play free games and I am not bothered by the advertisements there. But if I wanted to pay for the free game that would not be to remove advertisement but to gain full access to all of it's features. So in short, no, I would not pay to solely remove advertisements.

A: Does it make a difference if advertisements are in free games or played games? I mean, you already kinda answered that question but would you like to expand on it?

B: As I said if a game is free I can tolerate in-game advertisement but if I paid for the game then I think the advertisements have no place to pop up in the game because I paid for the game and the developers should be able to finance their work through payments for their products.

A: What about not obvious advertisements in video games?

B: Well, subliminal messages mostly don't reach consciously to you while you play so I don't really bother with those but if the developers decided to incorporate advertisements into the game in form of in-game design I wouldn't mind. I played a lot of games that have fictional companies and things advertised in game in form of posters, billboards and radio commercials, stuff like that and they are kinda fun and enriching the fictional world. If they decided to put real company commercials in game and make them fun and, like, they are part of the fictional game world I wouldn't mind it at all.

A: Do you consider yourself loyal to any video game developer?

B: Yes, I do. I consider myself loyal to some video game developers because I love their work and love the way they operate in terms of quality and delivery of things they promised. Such developers are rare, but they deserve my respect and support. They show that they are not here to grind money by sending out half-baked products and smothering you with flashy materials that you forget as soon as you stop playing. They create games with gamers experience in mind. Memorable works of art that give them recognition and love from the community. And that is the business model I approve and support. Earnings through quality and not quantity.

A: And are there any developers that you actively avoid?

B: Well, there are some developers I tend to avoid because of multiple reasons. Such as decreased quality in making games, extremely high prices for their games, tons of DLCs and microtransactions which they make you buy to have even a decent feel of the game. Oh, and also their inability to listen to the community. They don't listen to the player base and have a crippling slow feedback which doesn't allow them to fix the problem in time making them lose players rapidly but that does not seem to bother them as they will launch a new half-baked product soon. They take multiple franchises and they just launch game after game without giving the games a soul. But even they realize they can't keep this up forever.

A: Ok, thank you very much.

Interview 10

A: Ok, let's start. What kinds of games do you usually play?

B: Hmm, let me think. I think I mainly play action games but like, I also play indie games and simulators and stuff. All kinds of games really. Except horror games.

A: And which platforms do you play them on?

B: On the PC and sometimes I, like, borrow a PlayStation 4.

A: Alright, and how do you decide on which games to purchase?

B: Hmm, good question. I usually, like, play older games because my PC is always a bit old.

A: Ok, but how do you find them? Do you, like, read reviews or maybe watch YouTube?

B: Well, I usually buy them in bundles, like Humble Bundle and stuff. But yeah, I watch YouTube gameplays or Twitch. I really find them through, like, browsing or suggested videos, you know...

A: Yeah, ok. And do you play any games that contain microtransactions?

B: I don't think so. Not at the moment. Maybe I would if my PC was, like, better.

A: And which games with, like, microtransactions would you play?

B: Hmm, I think...Hearthstone, maybe League of Legends....card games mostly.

A: Why those?

B: I think they are, like, good free games. You can have fun and, like, not pay if you don't want to.

A: That's interesting. And how do you feel about microtransactions?

B: I don't really like them but, I don't, like, hate them.

A: Why you think that?

B: I don't know. Maybe because I never, like, felt like I have money to purchase any of them. Yes, they are cheap, but I can like pay for free so why pay?

A: Do they influence your decision to play a game?

B: Eeh. Maybe a little, yeah. Like mobile games and stuff, I don't like microtransactions in those

games.

A: And are they justified, the microtransactions? I mean, you said you don't like them in, like, mobile games.

B: Yeah, yeah, I can understand why they exist. But I don't like them. I mean, like, some games it's ok, but...you know there are games where you, like, if you don't buy something you have to wait or stuff like that.

A: Ok, and what do you think of pay-to-win models in video games?

B: I hate that. I really hate that. But I don't think that, like, pay-to-compete is a problem.

A: Can you give an example of this pay-to-compete?

B: Hearthstone. You can, like, get everything for free but, I you, like, want really good decks or all the cards you have to, like buy a lot of packs and stuff like that.

A: And you don't think that's pay to win?

B: No because.... oh man, it's complicated...you can, like, get everything for free but you have to, like, grind and play bad decks and stuff like that. But it's not like you can't win without paying a, I don't know, thousand dollars to buy packs. You just have to grind. But if you, like, pay, you just get the good decks faster.

A: Ok, that's...interesting. What about DLCs? What makes them good or bad?

A: DLCs... well if they're, like, skins or maps or stuff like that they are bad. But if they are like, legit expansions, then they're good. I mean it depends on whether it is free or not. Free skins are good.

A: Ok. And how do you feel about advertisements in games?

B: I don't really know. I mean, some of them are annoying, but, like, I understand why they are there.

A: And how about more subtle advertisements like billboards or, like, product placement?

B: I think I wouldn't mind those. Maybe they would be cool but, like, too many of them would be annoying. Like, if every game suddenly had millions of ads and stuff like that.

A: What about banner advertising? Does that bother you?

B: Like those on mobile games?

A: Yes.

B: Yeah I guess so. But they are I think only in free games so, can't really complain or anything.

A: Would it make a difference whether the game was free and then has had ads or whether you had to pay for the game and then it had ads? Like, those mobile games...

B: I think it would. I think it would. Like, if I pay for your mobile game I don't want ads.

A: And would you pay to remove them?

B: Like on free mobile games?

A: Yeah, or AAA games. I mean any game.

B: Well I don't think I would pay to remove them in a mobile game, like, it would have to be a really good game. And AAA...I think it would be bad if you had to pay to, like, remove ads in AAA games. I mean you pay a lot for them already so...

A: And do you consider yourself, like, loyal to any video game developer?

B: I don't think so, no. I mean there are some that make really good games all the time but I wouldn't, like, blindly pre-order because of that.

A: Interesting. And are there any developers you avoid?

B: Hmmm, also no. I mean there are some developers like EA or like, hmmm, Ubisoft that are kinda bad. But it's not like I wouldn't, like, play any game they make.

A: And why are they, like, bad? What makes them bad?

B: Well...I think they are, like, become too big for their own good, like, they have these games that

are very liked but they make them worse every time. Like Assassins Creed or, like, FIFA. Oh, and they like have those platforms where you have to, like, make an account and then you can play their games. You can't like, just have Steam but you have to have their platform and that's, like, really annoying.

A: Ok, do you have any additional comments?

B: I don't think so, no.

A: Then we are done. Thank you.

Interview 11

A: Ok, so, you ready? What kind of games do you usually play?

B: Like, strategy games...4X stuff...

A: Ok, and which platforms do you play them on?

B: On the PC.

A: And how do you decide on which games to purchase?

B: I mean, to be honest, I listen to reviews but it's mostly just whatever is cheapest. Like, I never buy anything that's over maybe 5 pounds.

A: Yeah, but among, like, cheap games, how do you decide on which...because I mean there are a lot of cheap games.

B: Certainly, there's a lot of them. But typically, I'm...literally reading review sites and listening to people on YouTube, whatever they're playing. And also, just recommendations from friends. I mean it's seen as pretty typical thing.

A: Ok, and do you play any games that contain microtransactions?

B: It's a good question. Yeah, I have, in the past at least.

A: And did you ever purchase anything in-game?

B: Yes.

A: How come?

B: How come?

A: Yeah, what made you say: "Yes, I'm gonna purchase something in-game."

B: Just 'cause I, like, did play the game and I understood quite well by this point what was gained from it, you know. I mean, and I was like: "Ok, I'll have that." It was essentially, like, a miniature version of a DLC, if that makes sense. It just provided a new way to play the game, if you imagine.

A: And speaking of DLCs, what makes them good or bad?

B: I mean again, It's the same thing, you don't wanna DLC that's just cosmetic or something, you want something that gives you more of the same game but with some element changed in it. So, like, experience the same familiar framework but with some new tweak added to it.

A: Ok, and do microtransactions influence your decision to play a game?

B: That's a good question and I think I would say yes.

A: How?

B: I mean, you kinda, gotta put yourself in a mindset what kind of game you want to play, you know what I mean, because certain microtransaction I find most of the games that have them are specific ware. I certainly believe that I it's possible to do without that, but, as it is currently it's almost like a genre. Or like a subgenre, you know. So yeah, I mean in the same way that I decide whether I want to play a strategy game I would decide whether I want to play a game that has microtransactions in it. It's sort of an implicit understanding what that entails.

A: Are microtransactions ever justified in your opinion?

B: Well, yeah, I mean having purchased them and played a game for quite a long time with them in... yeah, I think it can work.

A: When?

B: It's basically just gotta be something that is gonna make you...I mean there's always the discussion around pay-to-win or whatever, right. And specifically, is it possible to have them not do that. And the answer is yes. And I mean most people go with cosmetic stuff but what I actually had was a... I was playing, you know, World of Tanks. And this game has some interesting stuff. Unfortunately, there's a lot of debate about it, but the way they're at least aiming to go is for the microtransactions thing to be significantly worse, but also, like, gimmicky. Like, whereas the ones that you play without that are supposed to be better, but, sort of more broadly focused, you're a jack-of-all-trades, whereas these things are all-in on one stat or one thing that makes them inflexible and worse but, you know, if you wanna play something just to have a laugh, sure, that's why you do.

A: And what's your opinion of pay-to-win models?

B: It's interesting 'cause they're quite big in Asia, but here, people just don't accept it. And I mean, it's basically the same to me, just don't accept it, I don't understand how it can be fun for those that aren't paying, which are the vast majority of people, you know.

A: And what do you think, like, you know when you have this, like, game that's quite expensive, right, and then the game kinda entices you to make an additional purchase. What do you think about that? Like, you know where it's not maybe, not pay-to-win, it may be just cosmetics but you already paid for the game and you paid quite a substantial amount of money for the game and then you still have those kinds of things added on.

B: I mean...what I was saying earlier, I mean I only really buy games that are very cheap, you know. I'm not shelling out, what, 60 dollars or whatever they cost, 60 pounds, same sort of thing. I'm really buying them only when they are on sale. And so, with this kind of thing I don't really feel like they owe me that much, you know what I mean. Like if it's free, or if it's five pounds doesn't really make that much of a difference to me.

A: What about advertisements in games?

B: Advertisements? That really does bother me if I paid for it. I feel like, if I'm paying for something you can't have an advertisement as well. That's kinda double dipping a bit too much but like with the....

A: What if it's subtle? What if it's like a product placed here or billboard, you know in the world?

B: I mean that's an interesting one. In the UK product placement in any media is banned, and so I don't think I really experienced that enough to say whether or not that would bother me. You know...

A: Yeah, but what about, for example, like, billboards? In games with, like, billboards in them?

B: Yeah, I think I've seen some stuff. For example, there's a game that has, like, Nvidia on billboards and stuff like that and that hasn't bothered me too much, but I mean, there really is this abstract question of what is tasteful. 'Cause it's certainly possible to be overeager and do it too much, know what i mean.

A: Do you think, because like I had a comment before, that it adds on to the realism of the game if done correctly?

B: Yeah, well, I think that's an interesting point. And I mean you certainly see, like for an example in, like, Fallout and Bethesda they have a lot of fictional companies which advertise in their game. So I think there's something to be said to the fact that advertising is a part of the world so it needs to be represented in some way. And I think if you're gonna do it like that, then it doesn't really matter to me if it's real companies or not, you know.

A: Ok, and does it make a difference in your opinion, like, what if the game is free and then it had ads? Is that justified?

B: Yeah...and that's an interesting thing certainly. The mobile space, that's where it's going, right?

A: Yeah.

B: But uh, I have some games that I actually quite enjoyed playing that I feel are completely ruined by ads, also in the mobile space. And there are some games that I played that have ads, but I just don't mind at all. And it really comes down to, do they try to, like, interrupt the main flow of gameplay, for example, there's quite a few that will try to show you as many ads as possible without losing you as a player. So, if you complete a bunch of levels really quickly, then they wait several levels before they show you an ad. But if you take a long time, they will show you one every level. I mean they have these, sort of, subtle system out. And I mean that's really annoying because it

really just takes away from the fun having to wait every couple of hours. But if it's like, at the bottom while I'm playing or something, if it's not actually intruding on the game anyway then I don't really think it's too much of a problem.

A: Yeah and would you ever pay to remove them?

B: Now that's an interesting one. I don't know if I would. I mean I certainly never have, but I have paid to remove ads on Spotify which I think is sort of similar. And I've done that for a couple of years now, so I don't know. I guess if I was stuck to one game for a really long time I might. Like, the reason I decided with Spotify is, like, I mean, I've already spent hundreds of hours of my life listening to these ads and I know every single one by heart and all that and it's like: "Ok, I'm gonna pay." And I think to that point if I was ever invested in a single game long enough that happened to have ads then I would. But most of the games that I play don't have ads anyway. That I play for a long time, so it doesn't really...

A: And do you consider yourself loyal to any video game developer?

B: Yes.

A: Who? Why?

B: Paradox. Just because they make strategy games, but they specifically make them, I think with quite a different mentality to a lot of other people. And I think a lot of other developers are trying to go for this idea of, like: "We're gonna make it as simple as possible so as many people wanna play as possible", and they almost go in the other direction and they're like: "We're just gonna make all of the cool ideas that we have." And it gets ridiculously complicated. There's some sort of hilarious things like, people always say that they have terrible tutorials and they never really fix them or anything so people always say that for example: " You have to have a degree to play them", or something stupid like that. And they even have stupid little bugs that go for months or years without getting fixed, like, there is game that they've had out for six or seven years that I've played a lot, where if you go into a game and then go back to the main menu, it was broken for a while. And the only workaround they could find is to shut down the entire game and the restart it again. But they're still adding loads of content and they've never managed to just fix this what would really seem like a obvious and crucial flaw. But I mean it's sort of goes that they've really

sort of focus on the aspect, stuff I personally like. I assume they must hire people that like that kind of games that I like, I don't know.

A: Ok and are there any developers that you actively avoid?

B: Now, that's a more interesting one. I don't know. I mean certainly there are developers that are notorious but I feel like if they would turn around and release a game and somebody would just tell me: "Oh, you should try this", and it look like something I would like then I would play it, you know what I mean. I feel like I just look at the games more than anything.

A: Yeah. So that's generally it. Do you have anything you'd like to add or anything you think is important to be said on the topic?

B: I don't know. It's certainly a big space, a big industry and whatever so there's all sorts of discussions to be had but I don't know s**** so...

A: Yeah, fair enough. Thank you very much.