Chapter 21 Building Customer Relationship through Game Mechanics in Social Games

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ABSTRACT

This chapter examines mechanics of game design in social games that are used in building customer relationship. The developments in the game industry towards service orientation, and increased emphasis on social design, have resulted in overlap of game design and business design. This chapter examines the junction of these domains in contemporary social games, by studying how game design is used in pursuing business goals of the related business models.

Several virtual worlds and social games are examined with the support of secondary data provided by experts in the field. The identified mechanics are then categorised and analysed in the context of business model literature on customer relationship building.

The results provide several game mechanics that are located in the union of game design and business planning. Moreover, the results imply a new approach to game design in general by exemplifying how the traditional way of thinking about game design is no longer sufficient when the design of engaging mechanics needs to meet with business goals.

INTRODUCTION

Simple entertainment, such as quizzes and games, are a driving force in social networks in terms

of business development. This becomes evident when taking a look at the most popular Facebook applications (see Appdata.com): games frequent the list. For example, in the beginning of February 2010, 7 out of 10 of the top applications in

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Title	Publisher, country	Type ²
FarmVille	Zynga, US	Resource management and simulation
Café World	Zynga, US	Resource management and simulation
Petville	Zynga, US	Caretaking
Mafia Wars	Zynga, US	Social RPG
Happy Aquarium	Crowdstar, US	Caretaking
Happy Island	Crowdstar, US	Caretaking
Gangster City	Playfish, UK	Social RPG
Restaurant City	Playfish, UK	Resource management and simulation

Table 1. Social games referenced in this study

terms of daily users can be classified as games, and this has been the case consistently over the last two years.

The term 'social games' has become prevalent, and it is usually used for referring to game products on Facebook. Even if the term has been contested, with 'viral games' suggested as a more appropriate term, we will use 'social games' due to its widespread nature.

In terms of the games industry, social media analysts are predicting that social games are threatening the market of so-called casual games (popular downloadable games like Bejeweled and Peggle by PopCap Games, etc.). This prediction is based on social games' extensive virality, accessibility, and scalability (Mayer 2009).

As we will see, most of the revenues from social games come from the sales of virtual items that can be played with in the game. In 2009, the virtual goods business reportedly reached \$1 billion in the US alone and the worldwide market size is ranging between \$5-7 billion (EightPlusStar 2009). Analysts predict that worldwide social games revenues will reach \$1.3 billion in 2010¹. This shows that so-called social games are a significant business, which is developing and transforming rapidly and therefore warrants continuous study.

The empirical part of this study consists of examination of interaction mechanics used in service design of social games. Most of the studied games (Table 1) have been published and maintained on the social networking service Facebook, and they represent a sample from the ten most popular games in the network at the time of writing. In addition, we bring forward examples from games by the three market leader developers at the time of writing, Zynga, Playfish, and Crowdstar, which demonstrate interesting solutions in the context of the article. These mechanics are further mapped in relation to customer relationship stages, namely categorised under what customer relationship stage the mechanic attempts to progress.

Social games provide a prime case for studying customer relationship building in game businesses as the social game products heavily implement mechanics in game design itself that are targeted to driving customer relationship. This nature of social games is also one of the most significant reasons for social games adopting social networking services as platforms. They provide many of the essential viral capabilities in acquiring new users and for using players' contacts as part of the gameplay.

In the following chapter, literature on customer relationship building in general is examined, together with previous work on social online services. Business model conceptualisations will also be examined to find how customer relationship is currently taken into consideration. The third chapter describes several customer relationship 16 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: <u>www.igi-global.com/chapter/building-customer-relationship-through-game/53938</u>

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