



Integrated Project on Pervasive Gaming
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Work Package WP4: *Business and Organisation*

Deliverable D4.4: Business Guidelines

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EXECUTIVE SUMMARY & HOW TO READ THIS DOCUMENT

This document is a strategy analysis. It is to be read in two parts. Part One is a high-level brief on the issue of marketing a new product. The main target group is communication strategists, planners, and brand managers. It presents empirical, qualitative market research, on the concept of pervasive games and puts – briefly - the result of that research into two economic-science perspectives; that of new-concept marketing, and that of start-up corporate growth strategy. The perspective mirrors the commercial reality that pervasive games will face.

Part two is the updated guidelines. They are shaped and updated accordingly to the results of this process and the findings described in Part One.

In the next WP4-deliverable to follow this one D.4.5 (towards the summer of 2006) will be presented suggestions and ideas for how to move forward based on the situation-analysis done in this deliverable.

The core of the results is that the concept of pervasive games is in a situation of a vaguely defined category need. The result of that is that the situation is not yet mature for straight-up advertising and marketing, but instead ripe for “spin”, and media framing carefully wrought by IPerG. This situation is a double-edged sword. If used correctly it can be utilized for building solid brand-equity with little financial cost. What has to be spent instead of large amounts of financial resources is carefully considered message planning and integrated public relations execution. To do so will require cooperation between work packages.

Put very shortly; pervasive games are where the Mp3-player was before the iPod. Iperg is in a position where we can create the iPod and own the concept accordingly. Or some one else can.

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Abstract (for dissemination)	<p>The concept of pervasive games is in a situation of a vaguely defined category need. The result of that is that the situation is not yet mature for straight-up advertising and marketing, but instead ripe for “spin”, and media framing carefully wrought by us in IPerG. This situation is a double-edged sword. If used correctly that situation can be utilized for building solid brand-equity with little financial cost. What has to be spent instead of large amounts of financial resources is carefully considered message planning and integrated public relations execution. To do so will require cooperation between work packages.</p> <p>Put very shortly; pervasive games are where the Mp3-player was before the iPod. Iperg is in a position where we can create the iPod and own the concept accordingly.</p> <p>This document is a strategy analysis. It is to be read in two parts. Part One is a high-level brief on the issue of marketing a new product. The main target group is communication strategists, planners, and brand managers. It presents empirical, qualitative market research, on the concept of pervasive games and puts – briefly - the result of that research into two economic-science perspectives; that of new-concept marketing,</p>
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1 INTRODUCTION TO D.4.4 - PART ONE

This introduction was in the first iteration of this document, and it is still very valid:

“-Increasing the innovation and competitiveness of European leisure industry is one of the key objectives of the IPerG project. It is expected that the innovative techniques and applications developed within IPerG will lead to commercial use and it is therefore imperative that Business Guidelines are established and followed within the showcases.

These guidelines cover the following areas:

- *Known business issues: experiences from the “real world” of selling mobile pervasive games.*
- *Target Groups: Identifying and understanding the business rationale associated with different target group and game genres.*
- *Legal Guidelines: List legal issues that all showcases should be aware of. Showcases are responsible for complying with laws that apply to their games and game events.*
- *Ethical Guidelines: description of how ethical issues should be handled in the showcases.”*

New for this iteration is a thorough research of how the concept of pervasive gaming is seen on the market as of the autumn of 2005. This market research follows up on theoretically based predictions that were made in D.4.2

2 ON TERMINOLOGY

In this paper we will often use the term “*retail*”, that term is in this report to be read both in the conventional sense as: shops selling game products on plastic silver discs, packaged in colourful plastic and cardboard boxes; and also as: e-shops on online www-portals, like e.g. Jamba www.jamba.se Aspiro www.inpoc.se ; SMS-land www.smsland.dk etc. Retail in this document means simply, the party whose whole business is to take in an item (bought or on commission) and for monetary remuneration distribute those items to private individuals. When the term “*mobile entertainment industry*” is used only parties such as e.g. Jamba, Aspiro, and SMS-land etc, are meant.

The terms “spin” and “media framing”¹ as they are used is used in this document might need some further clarification. Both terms are here moulded into the term “spin” and used interchangeably as a term for public relations, as a term for “framing”, and as a term for a sales technique. The motivation is that in all those situations the term represents a technique (or an effect) that builds the mental positioning as part of the brand building process.

“Spin” is thus an effect or a tool, which generates intended or non-intended (mis) understandings of pervasive games. It can be used against the concept of pervasive games, or it can, be within IPerG, used for the purpose of promoting pervasive games. In either case the project benefits from increased awareness of “spin”. The guidelines are to be read with that in mind.

1 Severin W.J. & Tankard J.W. Communication Theories Longman 2001 ; Goffman E. Frame Analysis Harvard University Press 1974

In communication theory, spin is a process of selective control over media content or public communication. It can also be a case when selective control over a certain issue is lost, and based on values and emotions in society an issue takes on a life of its own.

3 BASES FOR THIS DOCUMENT – THE RESEARCH

For this iteration of the document the authors have performed a survey of a twenty - something business managers in the games- and mobile content industry, done depth interviews with managers in the mobile entertainment industry, depth interviews with former players of BotFighters, and depth interviews with managers in the interactive advertising industry. We have also read numerous documents and articles, and done one four day long field test of the pervasive, location based game City Mission, and three shorter tests, the players of which has afterwards been subjected to three workshops.

We also view some of the history of Its Alive and Botfighters in the light of a case study.² To this has been added the authors' own experiences of PR, advertising strategy, and mobile entertainment marketing, (from e.g. <http://www.waponeline.com>).

This document is relatively focused on the issue of pervasive games in the shape of location-based games on the mobile phone platform. However, we believe we can from the basis of our work state something about the status the concept of pervasive games has, with the general public, and in the marketplace the first – possible- commercial spin offs from Iperg will find themselves in.

This document is a highly condensed digest of the research results; more publications of the results will appear in later documents.

This research leads to conclusions for as well the issue of marketing pervasive games in the business to consumer perspective, and also for the issue of corporate growth strategy in a business-to-business perspective for an imagined small independent game studio.

We have had two research questions:

- 1) What are the unique strategic issues, when building pervasive game brand equity³ in the minds of consumer?
- 2) What are the unique strategic issues facing an imagined independent pervasive game studio, when building corporate equity in a business-to-business perspective?

These are dealt with below in one chapter each.

4 THE CONCLUSIONS SEEN IN THE CONSUMER AND MEDIA PERSPECTIVE

Research question one: *What are the unique strategic issues, when building pervasive game brand equity in the minds of consumer?*

Here follows a summary of the conclusions on marketing of pervasive games in the business-to-consumer perspective. The conclusions are presented in the shape of a certain marketing- and communications theory, a theory that is generic for all kinds of

² Denzin Norman K. & Lincoln Yvonna S. Handbook of qualitative research Sage publ, UK 2000

³Jean-Noel Kapferer The New Strategic Brand Management: Creating and Sustaining Brand Equity Long Term (2004)Kogan Page

marketing. Please bear with us, a moment, towards the end of this chapter the relevance of this theory chapter will be clear.

If a product is to be sold, there are always five specific communications effects that must be achieved if a consumer is to switch from brand A to brand B, or – in the case of new previously unknown products, such as e.g. pervasive games, switch from nothing at all to brand A. This according the Rossiter & Percy chain of integrated communication & promotion.⁴ The Rossiter & Percy chain of integrated communication & promotion is a large construction, comprising the whole chain of strategy relating to all forms of persuasive communication.

According to the Rossiter & Percy chain of integrated communication & promotion, communication effects are relatively enduring mental associations connected to the brand, in the prospective consumers' mind, that are necessary to predispose action. Expressed in a nominal way the five are:

1. **Category Need** – Buyers acceptance that the category (of products or services) is necessary to remove a perceived discrepancy between the current motivational state and the desired motivational state. At this stage, there is no brand identification in the mind of the consumer. This stage is usually problematic for e.g. new technological products (such as pervasive games). A workaround is to try and attach the new product to some existing category, but that is a short-term solution diminishing the new product.
2. **Brand Awareness** – Buyers ability to identify the brand *within the category* in sufficient detail to make a purchase, or in roles other than that of purchaser, recommendation, choose, use etc. If a brand is weak on this level a consumer will find no reason why a particular brand can meet the Category Need.
3. **Brand Attitude** - Buyers evaluation of the brand with respect to its perceived ability to meet the current relevant motivation. This is the most complex of the five constructs. A brand attitude can interplay with self-image and lifestyle issues in quite a complex way. E.g. many people boycott Coca Cola and Mc Donald's' for personal ideological reasons. For such people it can be assumed that the boycotted brand would measure very high on a scale of simple brand awareness, but they are far from the universe of potential consumers, quite the contrary.

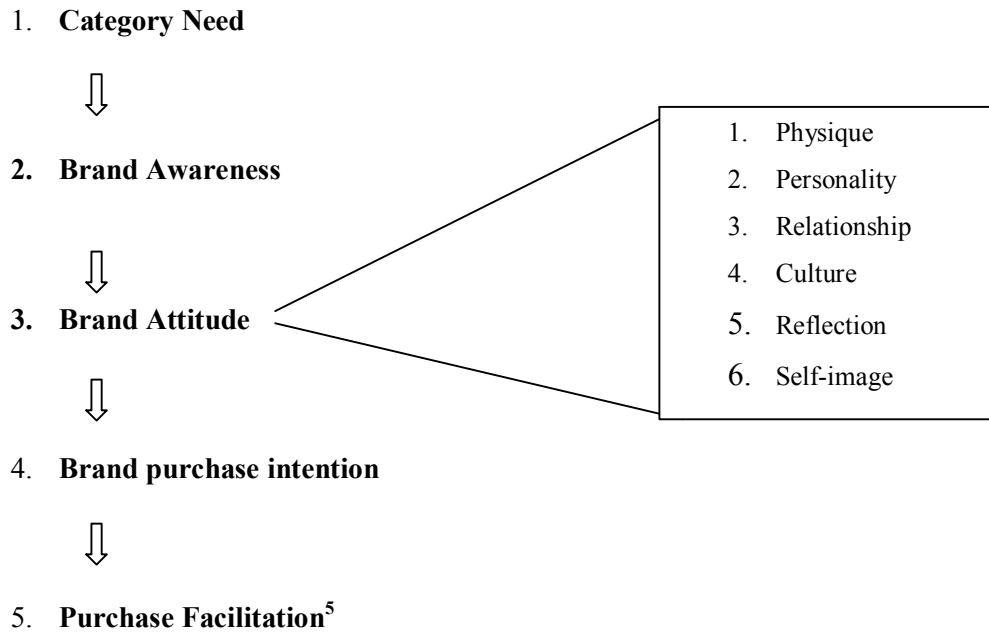
Such people have an image of themselves and an image of the brand, that put together, results in brand boycott behaviour. So it can be assumed that when doing market research just asking the respondents e.g. “-do you like this brand”, is too simplistic, so a complementary theory for explaining brand attitude is needed.

Such as Jean Noël Kapferers', theory of the six faceted “Brand Prism”. Put extremely briefly, that theory measures the attitude towards a brand in terms in terms of the “sender”(brand holder), with concepts of “physique” and “personality”, the recipient (consumer,) with concepts of “reflection” and “self-image”, and the interface between sender and receiver with concepts of “relationship” and “culture”. The strength of the theory is that it offers a framework for considering a consumers unconscious, or maybe for the self-image unseemly, attitudes towards a measured brand.

4. **Brand purchase intention** – Buyers self-instruction to purchase the brand.
5. **Purchase Facilitation** – An assurance that other marketing factors will not hinder purchase. These are basically, product, price, place and personal selling.

⁴ Rossiter and Percy *Advertising Communications and Promotions Management* (McGraw-Hill International Ed.1997)

Fig 1 emphasises the hierarchical ordering of the five, a higher necessitating a lower, with the six facets as subsections of the third, - Brand Attitude.



Now to the point of this, - the communication effects are *hierarchical*. If a previous effect is not fully developed in the prospective consumers mind, the later ones will not appear.

If the first “Category Need” is weak, then doing an advertising campaign with the aim of e.g. enhancing the “reflection” factor of “brand attitude” is a waste of time, money and opportunity. This was extensively elaborated upon in D.4.2. For the concept of pervasive games the research has shown that the first step, “category need” is very vaguely defined in the consumer’s minds. This is so because pervasive games still has no clear need-category to align themselves to.⁶

Once again, in our research for this iteration of these guidelines we have made a lot of findings that will be elaborated upon in forthcoming releases from WP4. But all our findings can be boiled down to this: in the eyes of the marketplace the concept of pervasive games remains very vague on the level of “Category Need”. This is the root of the matter as well in the B2B-perspective as in the B2C-perspective. This defines the distribution issues and retail issues as well as advertising, PR-issues and to a large extent also ethical issues.

Such a situation is not unique in the history of marketing. It has happened many times. It is a situation that is both an opportunity as well as a risk. The digital camera and the Sony Walkman started in a similar situation, and so did the Sony Mini Disc, and the Digital Audio Tape.

⁵ To be elaborated on in D.4.5, to be published summer of 2006.

⁶ Lange, Fredrik, & Wahlund R. (1997) *Planerade och oplanerade köp : konsumenters planering och köp av dagligvaror* Research report - Ekonomiska forskningsinstitutet vid Handelshögskolan i Stockholm ISBN: 91-7258-462-9

Unique for Iperg is that we have a weak-category product that exists within a larger category “Games” that has strong connotations in the public eye. This makes for a situation that is highly fertile for “spin”, both positive as well as negative.

That is to be read and seen as a background to those business guidelines that concern the image in the public eye.

Very simply put the concept is “up for grabs” like the Mp3-player market was before the iPod.

5 THE CONCLUSIONS SEEN IN THE CORPORATE-GROWTH PERSPECTIVE

Research-question two; *what are the unique strategic issues facing an imagined independent pervasive game studio, when building corporate equity in a business-to-business perspective?*

Report D.4.2 handled issues of some business building tools like e.g. GPS, terminal based, cell-ID, platforms & handset adaptations, cross media interfaces, time factors in content distribution, content aggregators, web-portals, independent web distribution, billing, pros and cons of premium SMS, payment “aggregators” credit card payments, mobile operator payment API and scratch cards and issues with too high pricing of LBS (Location Based Services), leading up to a direct recommendation for an independent pervasive game studio to align themselves closely with a mobile telecom operator. That will be continued upon in D.4.5.

That was then this is now.

Those results are of course still very valid. However after having done the research for this report we issue some caution that should be observed when launching a mobile-phone based pervasive game together with a mobile telecom operator, if the launch is done as an operator-branded service, and/or with some degree of being a proprietary service for that operators’ customers only..

It is clear from the history of Its Alive, seen as a case study, is that the way they aligned themselves closely to one telecom operator in one territory (Sweden) was an initial blessing, but in the longer term a business strategic problem.

The basic product that mobile telecom operators deliver is basically a quite generic service, in a downward pricing spiral, with an increasing number of actors entering the market. So a mobile telecom operator has to be able to offer something the competitors does not have, as a way to brand their own network and create non-product positive connotations.

But to be part of such an agenda may not be the most beneficial agenda for an independent pervasive game company. It could mean that only the subscribers to that one single telecom network can play the game, in that country, seriously hampering the quantitative growth of player numbers, hampering revenues for the independent pervasive game company, and also, and maybe more problematic, hampering growth of player numbers for a MMOG. To illustrate this situation take a look at internet-based MMORPG:s. Imagine that in the UK only BT-internet subscribers would be able to play WoW? Or in Sweden and Finland only Telia-Soneras’ internet customers would be able to play Everquest, or that Electronic Arts, or Ubisoft would develop a game and

consider selling the whole game to France Telecom or Turkcell? That does sound somewhat absurd, but it is a common situation in the area of mobile entertainment.

On the other hand, the portals and mobile entertainment companies, like e.g. the mentioned Jamba, Inpoc and SMS-land, just like an imagined pervasive game independent studio, are all about making money. But the portals and mobile entertainment companies want to make money *fast*. They often do not have the economy to market a game, and then wait for it to grow organically, slowly pick up speed and gain player traffic. What the portals and mobile entertainment companies want is, a sure-fire quick, immediate, winner. They know what current products made them money under 2005, and they will stick to those products (i.e. ring tones and java games) for 2006, and as long as possible. They can take a small risk, but only over the course of some weeks, not several months.

And at the moment Java games and ring tones show no signs of being a sated market, which is sobering indication for ambitions to put pervasive games in the distribution channel of portals and mobile entertainment companies.

5.1.1 Implications of the findings

The necessity to make money fast can be a hamper for pervasive games in relation to the mobile entertainment companies. New products vague in category belonging, as pervasive games have been identified to be, typically take time to grow. Like the mobile telecom operators, the mobile entertainment companies are always looking for new services, but the mobile entertainment companies are less willing than the mobile telecom operators to take risks with new services.

In any case in the short and medium term the “operator” of the games whoever it might be, must be a party that has the ability to generate a lot of “traffic”, and also has the “muscle” to take a financial risk, because to reach the necessary good mass of players fast, takes marketing. And that is one of the biggest expenses for a portal or a content aggregator in mobile content.

To take the risk and try out a new type of game with no track record, no proven success in a previous version, nor any “Harry Potter”-style well-known IP, is a big almost scary step to take, and foremostly an uncertain step to take. This because a company can only manage to do a certain total amount of advertising, so to remove one of a number of known big-sellers from the ad-systems, and put in a new unproven (pervasive, location based) game can kill a mobile entertainment company.

This not only because of the direct advertising costs, but also because of lost revenue from the big-seller, and lost market position, together adversely affecting shelf-share in stores for the whole company line of products. This defines the industry perspective of pervasive games at the moment.

So for the distribution sector of the mobile entertainment companies, the new (pervasive location based) product must be a sure hit. This is not a problem unique for pervasive games, but for a conventional game-product the level of risk can be known and calculated. A pervasive game remains an “X-factor,” in an industry with small margins and easy copying of concepts.

So once again the reasoning comes down to the “Catch-22” that the mobile entertainment companies need to see from other places that the games work *first*. That, or they need to be very big and solid, like usually only the mobile telecom operators are.

But for an independent pervasive game company, there is a risk to align themselves too closely with a telecom operator as the case of Botfighters shows. But that lesson is actually a timeless problem for any expansive entrepreneurial company/product, in any sector. To grow fast with one strong initial customer, or to go it slow and build an own more diversified customer base, that is a strategic problem that is found in basic textbooks at any business school.

But for the games industry that classic business strategic problem is exacerbated by the “critical mass factor”, a good MMOG game needs several thousand players to be a good fun game to play. Few things are more boring, almost sad, than a deserted and desolate MMORPG.

So the problem adds up to; can a mobile entertainment companies, if they are not a mobile telecom operator, reach out and gain the necessary sort of player numbers - fast enough? And can a deal with a mobile telecom operator be made, that allows the game to be non-proprietary and allows the independent game studio to enter into deals with also other mobile telecom operators? And allows the independent game studio to fully own the end-customer/player relationship?

Though still, in the short term, we believe that there are two similar but slightly different ways forward for an imagined independent game studio. The mobile telecom operators can take the risk to implement and market a location based pervasive game. They have a big potential customer base, they have the size and they money to give the games some time to grow, not forcing the games to have an immediate success, but the imagined independent game studio, must be wary of not becoming a proprietary product.

A second way forward could be to enter into cooperation with large target-group communities, e.g. Friendster, Linked In, Lunarstorm etc. They also need to offer their members new value-added services, and the independent pervasive game studio gets access the community’s member stock. In this case the studios run a lesser risk of becoming a proprietary product to a mobile telecom operator, and still gets access to a large community of potential users. The community operators also usually have high quality life style profiling of their members, making psychographic targeting possible.

The drawback is the risk of becoming a proprietary product to the community instead, and the financial muscle of a community can be assumed to be smaller.

Both routes offer similar advantages and drawbacks, but to different degrees.

6 ISSUES OF VALUE FOR MONEY – CONSUMER PERSPECTIVE

As a spin-off from the research into the two research questions we also got some results on how consumers experience value for money in today’s mobile services in general. It is included here since it logically brings together issues of consumer brand equity and corporate equity.

So what preconceptions, based on consumers experiences of mobile content in general, will the marketing of a pervasive game -fairly or unfairly - have to face?

We have found that from a consumer perspective mobile phone, the current on-line and mobile download services of 2004 and 2005, in general, are seen as complex to use and more pricey than they are worth generally taking more money, than the value they offer.

In the focus groups this opinion was strong and shared by all, even though only a few actually had downloaded any mobile content at all, and those few who had, very little so.

In the focus groups when the participants were questioned deeper on this issue none could really give a grounded estimate for what various services actually cost. The estimates varied greatly, with the only common denominator being that none actually had any idea of what mobile content really costs. There was just a clear and strong feeling pervading both groups that mobile content services are not good value for money.

It was also seen as important to know the true costs of mobile usage, and actually a *feeling* of control is more important than actual control. In the play-tests preceding the focus groups, the respondents had played the game on borrowed phones, not having to worry about, or even know, the monetary cost of playing it. When asked, hypothetically about how they would use the game, in their own real life, if they had to pay for it, those who ran their phones on cash-cards, stated that they would restrict their gaming more and more, depending on how long it had been since the last refill of the cash-card. This since it was very important for them not to be left with a totally depleted cash card and a “cut off” phone, for the time until a refill could be made. However they could consider “gaming away” more uninhibitedly, soon after a refill. It can therefore be expected that a cash card based player will show a cyclical play pattern. This is of course related to feeling of opacity about pricing of mobile services.

Part of this feeling seemed to come from the quite low knowledge of the true costs for just owning and using a mobile phone. For some of them, the opacity of costs for mobile services, came from the deal they had, that the phone is paid for through the telecom operators bill, and for 12 – 24 months is “locked” to that certain telecom operator. Generally the perceived opacity of pricing for mobile content was a source of great annoyance for participants in both groups and a definite turnoff for all of them. This might reflect negatively on anything in mobile services including pervasive games.

It is known that electronic consumer gadgets such as iPods, mobile phones etc, are more than just an object, they are also life style and fashion statements. This was clear from both focus groups. Such objects are usually consumed as a case of “hedonic consumption”⁷, and it might not be unreasonable to assume that content for such hedonically consumed objects is also in some way is a reflection of the hedonic consumption of the original product, maybe even more so. To lock in consumers, and have opaque pricing leads not only to annoyance, but can be assumed to destroy the pleasure aspects of hedonic consumption.

7 Ponsonby S.; Boyle E. The 'Value Of Marketing' and 'The Marketing Of Value' in Contemporary Times –A Literature Review and Research Agenda; Journal of Marketing Management, Volume 20, Numbers 3-4, 1 April 2004, pp. 343-361(19) <http://www.ingentaconnect.com/content/westburn/jmm/2004/0000020/F0020003/art00004> See Also Kahneman D.(ed.) (2003) Well-Being: The Foundations of Hedonic Psychology Russell Sage Foundation New York USA

7 INTRODUCTION TO D.4.4 - PART TWO; UPDATED GUIDELINES FOR PRODUCING AND MARKETING PERVASIVE GAMES.

These are the updated guidelines. In Part One, was presented the research that has been done, and the analysis of it. This has gone into these guidelines. The guidelines are here presented topically, but to a large extent they intertextually relate to each other.

8 GUIDELINES FOR ISSUES TO BE INCLUDED IN RESEARCH DESIGNS

Psychographics

In the previous iteration of these guidelines it was highlighted that psychographics and sociographics should be used when defining future target groups.

Evaluation and update; in the showcases up till now, little consideration of psychographic and sociographics target group definitions has been taken. It has maybe not yet been necessary. However as we move into test situations with larger groups of test subjects, and maybe free and public beta-testing, WP4 stands by and emphasises the recommendation to use such groupings when designing the experience of the game.

If and when we move into free, public beta-testing of showcases, such research issues must be addressed. The new findings on the issue of Category Need (chapter 4) only make the issue more pressing.

Gender Action Plan

When defining the target groups please do ensure to address the gender action plan defined in the description of work. That is an important and defining issue also for the issue of “spin” of ethical issues as a positive/negative branding tool.

9 GUIDELINES FOR ISSUES OF GAME DESIGN.

Take responsibility for players and non-players

During design, you must think through the risks that people face from your game and provide solutions to deal with them.

Games – all sorts of games but computer games in particular - are very frequently considered harmful. We did get questions along these lines already during proposal evaluation, and the results of spin and category (chapter 4 and 7) emphasises this issue. Even though much of this criticism is misinformed, IPerG will also be exposed to it.

Some of the risks may be higher – or lower – for pervasive games than for traditional computer games. For this reason, social adaptability is a fundamental research issue for IPerG. Go through this list, and select those that may apply for your showcase – and since we are not fully aware of all risks yet, make a conscious effort to identify further risks informed by the design you have chosen. If you identify a risk, find a way to deal with it and document how this was done.

- **Responsibilities for non-players/bystanders.** Avoid:
 - o ‘Stalking’ (following people around that are not themselves gaming)

-
- Situations that are directly hazardous for non-players
 - **Player hazards.** Avoid direct hazards for players such as
 - Again ‘Stalking’
 - From public visibility and follow-up press
 - Hazards from the environment, e.g. traffic, heights, getting locked in
 - Don’t encourage illegal or challenging behaviour (e.g. stripping in the streets or buying drugs)
 - In event-based games, your responsibilities for gamers are very far-reaching. You must be prepared to develop technology to support participants with help (e.g. if they get lost) and supervise the game session full time.
 - **Do players run a risk of losing touch of reality?** (E.g. the risk that somebody takes the game for real and actually shoots somebody) Highly realistic pervasive games may increase this risk compared to the same game in a virtual setting.
 - **The copying factor?** Will people use game events as an example and use the same approach to a real-life problem (e.g. to kill or blackmail somebody)? Again, highly realistic pervasive games may increase this risk compared to the same game in a virtual setting.
 - **Game addiction?** Make a conscious design choice on what the game design should achieve in terms of addictive behaviour. Take
 - Financial responsibility – don’t make games financially addictive so that players can lose a lot of money on repeated gaming
 - Social responsibility –we should avoid to create games that cause the gamer or his/her closest social contact network to believe that the gamer games too much and cannot quit gaming even if he/she tries to.

Why? Taking responsibility for players and non-players is a fundamental research issue for IPerG and part of the DoW. But it is also important in order to avoid all of the three ethical risks that the project face

Evaluation and update; when moving into test situations with larger groups of test subjects, and maybe even free public beta-testing, this must be addressed.

On ease of use

Try and make the game simple, easy to use and easy to market-communicate –not only at interface level, but also *at a conceptual level*. They have to be quick and fun to get into, so to facilitate hedonic consumption,

Evaluation and update, see chapter 6.

Shallow game experience creates poor public impression:

When we select small-scale demonstrations to use at expos and conferences, it is very important that passers-by do not get a bad impression of the IPerG project from just looking briefly at the demonstration. For expos and conferences make an effort on the presentation material and interface with WP:s 4, 5, and 2 on the issue of film production for expos and conferences.

Avoid stereotypes

Avoid prevalent stereotypes in games, especially those that are under heavy criticism.

Avoid stereotypes even if their purpose is to provoke reflection or to challenge the stereotype. Examples:

- The bimbo (the hypersexual avatar)
- First person shooters
- Highly realistic violence
- Racial or religious stereotypes

Why? Stereotypes become stereotypes precisely because they are easily recognised. This means that at a brief encounter with the game (such as during an expo), the stereotype will be immediately recognised but the context that is intended to provoke reflection may pass unnoticed. The result is that the game creates a bad impression from a brief experience.

Game Genres and platforms.

In the previous iteration of this document, the issue of game genres was highlighted. We believe all IPerG participators are now familiar with that issue so we will not dwell on it. The findings on the issue of Category Need makes the game genre issue no less important, on the contrary in the “category need” situation, we are issues of well known genres will have primacy in the minds of the consumers, when trying to understand a pervasive-game concept

Competition

In the previous iteration of this document it was said that showcase game design should aim to be unique and avoid reuse of existing game design whether it is commercial games currently on the market or under development, or ongoing game design in research projects. The risk we want to avoid is that some project comes up with a more complete demonstrator or a commercial product showing the same features as one of our showcases. An issue is business intelligence – how do we know what is ongoing, especially on the commercial side?

1. In the background work, you must refer to a set of similar projects (at least one) and describe how your design is different.
2. Each design must be shown to the commercial partners to get feedback on this issue.

And this remains sound advice that should be followed, even more so the longer Iperg progresses.

Evaluation and update; see D.4.3 and to some extent D.4.2 that lists a large number of pervasive games that already are available on the market. Specifically watch closely at <http://homepages.nyu.edu/~dc788/conqwest/> when considering pervasive games advertising a mobile telecom operator.

10 GUIDELINES FOR ISSUES OF CORPORATE GROWTH, PRICING ETC.

10.1.1 On market research

Do market research on every game, and let outside users in, maybe in the shape of workshops and through focus groups with non-researchers. As soon as possible make arrangements to interface with applied communications-strategy research on each individual showcase, so if and when the showcase hits the market as a game, the divide can be smoothly overcome.

10.1.2 On issues of (future) pricing

Allow the end consumer full transparency of pricing, and great ease of impulsive shopping, so to facilitate hedonic consumption, see chapter 6.

10.1.3 On issues of (future) business models

In the short and medium term, design distribution- and business models for a niche game with hard-core fans i.e. *relatively* few players that are very committed to game with distribution outside of the mainstream. Keep this “guerrilla model” until the mainstream market-infrastructure has fully understood how to fit pervasive games into their ways and means. (See chapter 5) As a bonus, the mental concept of location based games will then be yours.(see chapters 4 and 6)

10.1.4 On retail

Think about, and design for, unexpected and unconventional retail alliances.(see chapter 5)

10.1.5 On models for (future) product architecture

In the medium term design for two different kinds of usage situations, to in the future be two different product lines:

- a) For the everyday play situations and everyday usage, what is needed is to change the business view of pervasive games. Smaller “simpler” games are needed. Games that are not necessarily location based, GPS-based or MMOG. If so they can be marketed and distributed in all the regular ways, in printed ads and in portals.
- b) And for the more immersive kinds of games, design the business models and game models to be more of a life style weekend relaxation product, than a game. Games of this kind maybe compete more with other leisure activities like going to the café, or with ice-skating if you are in Stockholm in the winter, something else in other cities. Maybe surfing in Sidney, Australia. Games of that kind could be e.g. City Mission, or Bot Fighters, and aimed at the mobile telecom operators. Implications of the above findings

11 GUIDELINES FOR ISSUES OF EVENT DESIGN, IN THE PERSPECTIVE OF SPIN AND FOR DESIGN OF (FUTURE) CONSUMER RELATIONS.

11.1.1 Negative publicity:

Some of our demonstrators will attract media attention. As researchers, we are used to mainly positive press but with a game-oriented project we should also be prepared for negative press, doing the recommended workshops in coordination with WP:s 4, 5 & 2, can give such preparation and build good long term relationships with mainstream mass media.

11.1.2 Get clearance;

To deal with the risk of negative spin, the Executive Board will have to discuss the suggested game designs at an early stage. This will lead to some advice on how to handle this risk for game designs that are perceived as potentially dangerous.

11.1.3 Align with partners' own ethical guidelines:

Some partners, especially the commercial partners, have their own ethical guidelines. The ethical guidelines used in the IPerG project should be consistent with partners' guidelines. If IPerG challenges these we run a risk of losing partners, so as a minimum, align with partners' own ethical guidelines.

11.1.4 Be prepared by building local relationships with stakeholders;

There can be no one single ethical guideline; some moral entrepreneur might always find a way to interface with media to create negative spin and build its own brand equity, by damaging game-brand equity. Instead invite in the moral entrepreneurs at an early stage and interface with them.

11.1.5 Do research & form your own opinions

See to, that you really know from market to market, from country to country, from showcase to showcase and from product to product, what is acceptable to do or not to do. Not only legally, but also for the sake of social norms.

Evaluation and update; when doing our research for this report, (chapter 3) there were clear indications that the retail industry had one level of ethical tolerance. The general player public had another and more restrictive ethical opinion.

So just because a reseller or a potential business partner thinks that e.g. the use of “none players” is acceptable does not mean that actually reflects the end users, or the law of that country. So use simple local workshops, your own local surveys, and your own local market research, invite local privacy advocates and ethics stakeholders to seminars to get outside influences and minimize any risk of groupthink. By doing so you will have a good chance of getting indications if your opinions are way of.

11.1.6 Treat ethically challenging content cautiously.

From a previous iteration of the guidelines:

“-Showcases must be able to motivate their reasons for addressing ethically challenging subjects, and the results must maintain very high quality. Content that is morally, emotionally or politically challenging will invariably give rise to some form of conflict for individuals and parties outside the IPerG project as well as the IPerG partners. Without any attempt to rank them, subjects such as communism, the Israeli-Palestinian conflict, 9/11, abortion, paedophilia, combining sex and violence are sensitive and bound to provoke strong reactions. This is not a reason per se to avoid such subjects, but it is a reason to be very careful when approaching them. The resulting game must be defensible from the position of ‘this is good art’. ‘This is just a game’ is a very weak defence and should be avoided!

A particular issue for pervasive games is challenges arising from the physical game location. For example, it would be more politically sensitive to stage “the Perseverance⁸” in Estonia than in Sweden, and just about anything staged in ground zero will be emotionally and politically challenging. (From the IPerG perspective, it is more appropriate to investigate this type of challenges than any generally challenging subject, because the former brings IPerG design issues in focus.)

Similar concerns apply to themes that only are taboo (e.g. torturing soft furry animals with large eyes), although challenging taboos is usually only seen as bad taste. It is difficult to strive for “good art” and at the same time challenge taboos.

***Why?** Challenging subjects increase press coverage, and it is unlikely that all reactions will be positive if the subject is challenging. Be prepared to explain both why you bring up a sensitive subject – and how it is done.”*

12 LEGAL GUIDELINES

In the previous iteration of this document it was said that the legal guidelines described in this section should be seen as inspiration and are based on German and Swedish law. D5.3 will provide a list of EU-directives pertinent to pervasive games. Please ensure that IPerG initiatives do not conflict with the listed or any other known legal issues. This also relates to guideline 5.1.4 about building relationships with local stakeholders.

12.1.1 Legal Guidelines - general:

Each showcase is responsible for abiding by any local laws that may affect their games. Showcases should seek legal advice if there are any doubts as to the legality of any aspect of the games. .

⁸ The Perseverance was a live action role play scenario played during the IPerG kick-off. The scenario was placed in Estonia in 1944 and depicted in particular the Russian army as ‘bad guys’. This would be politically challenging in Estonia where a large part of the population is Russian.

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- **Morality** (morality laws vary considerably from country to country, ensure that you are aware of the laws affecting you games and avoid illegal activities)
 - **Protection of minors** (if you wholly or partially target an age group below 18 you will have to take further precautions based on your local laws)
 - **Personal rights** (Photo, video, speech, personal information can not be distributed or broadcasted without informed consent, get such informed consent from each player)
 - **Copyright laws** (Authors, especially of architects if photographs of some kind are taken to be used, observe closely any brands that might be in such photographs)
 - **EU regulations** on protection of personal data and informed consent

12.1.2 Mobile Game Legal Guidelines:

- **Personal data** (storage and distribution of personal data, including blue-tooth ID's etc. are legally prohibited in most EU countries⁹, please check your local laws for details)
- **Positioning** (Positioning needs user consent in all EU countries however the need for consent differs from country to country please check your local laws)
- **Storage of Data** (Storage of data may not be legal in your country, in others the max. duration of storage data may be defined)
- **Game Area** (Please see Event Guidelines)

12.1.3 Computer Games Legal Guidelines (Console & PC):

- **PG Parental Guidance** are given in some countries this means that games with blood or explicit language may be ranked at age 16 or 18 which means that the game should not be made available to minors, in some countries it is also illegal to show red blood. Please check console game guidelines for example, Pan European Game Information¹⁰ to ensure your game design does not conflict with local console game laws (having in mind that not everything that is permitted by law is ethically reasonable) Mogul E Azam right by the side of the Royal Theatre
- **Personal data** (storage and distribution of personal data, including blue-tooth ID's etc. are legally prohibited in most EU countries, please check your local laws for details)
- **Personal rights** (incl. domestic authority please look for local descriptions)
- **Storage of Data** (Storage of data may not be legal in your country, in others the max. duration of storage data may be defined)
- **DRM** (Redistribution of content)

⁹ http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/l_201/l_20120020731en00370047.pdf

¹⁰ <http://www.pegi.info/rating.jsp>

- **Intellectual and Industrial Property Rights** (software patents, obstruction and black-mailing, design and utility patents, trademarks)

12.1.4 Events Legal Guidelines:

- **Game area** (cameras in public areas might affect personal rights)
- **Hotspot technology** can be legally limited
- **Responsibility** for the participants in event-based games, consider any legal effects of guiding people to certain places.
- **Insurance issues**
- **Roads traffic regulations**, police law, right of assembly issues.
- **Locations** (data protection in the electronic communications sector)
- **In many countries** “breach of the peace”, or other forms of creating a public disturbance is considered an offence, be aware of that.

And this remains sound advice that should be followed

Evaluation and update; an issue that is outside of IPerG but still a warning for us is that the Hot Coffee debate led to that game being, for legal reasons withdrawn from the market in Australia. In that country no game can be sold without a certification. The incident led to the certification being withdrawn. The intent was never to wholly ban the game. But since there was no way for the certification system to handle the situation, no new certification could be issued, ergo leading up to the game being banned from the market, though no one wanted it to be.