

Czech University of Life Sciences Prague

Faculty of Economics and Management

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Bachelor Thesis

Electronic distribution of computer games

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Declaration

I declare that I have worked on my bachelor thesis titled "Electronic distribution of computer games" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 24.02.2021

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Elektronická distribuce počítačových her

Souhrn

Práce se zabývá elektronickou distribucí her pro PC. Je v ní vysvětlena osobní preference, typologie hráčů, her a herních žánrů. Dále se zabývá digitální distribuční platformou Steam a to konkrétnějším způsobem. Práce nadále vysvětluje fenomén eSports a crowdfunding počítačových her na internetových kampaních (Kickstarter a Startovač) a také analýzou prostředí, vývojem her a překážkami vstupu na trh. Teoretická část práce se také zabývá internetovými stránkami pro nákup her (G2A, Kinguin), kde lidé kupují hry od ostatních lidí.

V praktické části je zjišťováno za pomoci čtyř metod vícekritériálního rozhodování, pro výběr optimální herní platformy pro nákup her. V práci je dále analyzována (pomocí primárního průzkumu a dalších poskytovaných průzkumů) aktuální situace lidí k nakupování her online se zaměřením na to, proč a jakou metodu při nákupu počítačových her on-line preferují.

Klíčová slova: Počítačové hry, Marketing her, Hry, Herní průmysl, Digitální distribuční platforma, Steam, Crowdfunding, Kickstarter, Startovač

Electronic distribution of computer games

Summary

This thesis deals with the electronic distribution of computer games industry. Personal preference, typology of players, games and game genres are explained. Then the Steam digital distribution platform is described more specifically. The thesis also deals with the eSports phenomenon and crowdfunding of computer games on internet campaigns (Kickstarter and Startovač), environmental analysis, development of games and barriers to entry market. The theoretical part deals as well with internet websites to purchase a game (G2A, Kinguin) where people purchase games from other people.

In the practical part is determined through four methods of multi-criteria decision on selection of an optimal game platform for computer game purchase on the internet. The practical part also analyses (with the help of survey and other provided surveys) the current situation of relation of people to computer game on-line purchases with focus on why and which method they use.

Keywords: Computer games, Game marketing, Gaming, Game industry, Digital distribution platform, Steam, Crowdfunding, Kickstarter, Startovač

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1 Introduction

Digital games are very robust and rapidly changing industry with full of potential. The game industry is growing every year and it has already become one of the largest global entertainment industries, producing billions of dollars in revenues every year and providing jobs to communities across the world. Games are big business, they are key of technological development, beloved or hated product of contemporary entertainment industry, waste of time and what is important the tool of education. It is possible to purchase games on many online stores at this time. When pandemic covid-19 hit hard whole world this year people started spending more time at home. For this reason, the author chose the topic of the thesis of electronic distribution of games.

In this part of the thesis, digital distribution platform Steam developed by Valve Corporation will be described. Firstly, this part of bachelor thesis will address a concept Steam Greenlight and Steam Early Access and at the end it will explain the functioning of Humble Bundle program.

The second part of the thesis will focus on internet websites to purchase a game online – in particular (G2A, Kinguin) where people sell to other people, environmental analysis, development of games and barriers to entry market.

Crowdfunding is nowadays also becoming increasingly popular. Crowdfunding is a method of financing projects or companies based on the direct participation of a broad audience. Thanks to globally successful internet platforms, such as Kickstarter, Indiegogo and Startovač the crowdfunding process becomes even easier, faster and more improved.

2 Objectives and Methodology

1.1 Objectives

The main objective of the thesis is to analyse and create overview of digital distribution in computer games. Analyzing areas that need to be considered when planning marketing of digital games and media strategy (platform, distribution, types of players in gaming industry and the possibilities of participation and use of social networks).

Thesis has following partial goals:

Firstly, mapping the important principles of digital games marketing and its customers.

Secondly, evaluating and comparing proposed distribution platforms.

Thirdly, proposing and evaluating an optimal option for electronic distribution of a new computer game

1.2 Methodology

The first part of the thesis is based on the study and analysis of information resources. Where digital distribution platform Steam is characterized and classified. Then in the thesis, the principle of operation of this platform is also explained, followed by analysis of two major internet websites offering same type of service, which is selling computer games on the internet (G2A and Kinguin).

The first part of this thesis also characterizes and summarizes the characteristics of two main crowdfunding campaigns.

The second part is done with the use of multiple attribute decision making method (MADM) which is the decision-making process when several attributes are considered for evaluation of alternatives. Particularly the scoring method will be used. The very important thing which cannot be forgotten is to connect following survey and research and make descriptive statistics. Based on the theoretical results of the practical part, final conclusion and recommendation will be formulated.

Overall, however, this work will deal with what is not included in any way in detail in printed literature, and therefore lacks detailed and relevant information sources in book form. Primarily Internet resources will be used and a significant part of the work is based on consultations with people in the field of electronic distribution of games. The final goal is to provide relevant information to work on this topic in the near future and thus contribute to a deeper treatment of this issue.

3 Literature Review

1.3 Introduction to game industry

Why should we deal with digital games? Games are big business, they are the engine of technological development. Digital games are growing phenomenon, which has a very significant impact on the structure of the world. The development of digital games is a rapidly growing entertainment industry with high demands on artists, whose outputs and activities have major impacts on society.

1.3.1 Preference and typology of players

We can use different player segments according to several benchmarks. The variety of games, stylizations, genres and game systems is rich and it is common for player to fit into more categories. Between players are commonly used terms casual x hardcore player. Hardcore players who are willing to invest in the game several dozen hours and the duration of one game block may take several hours. Casual players play rather occasionally few minutes/hours during pauses. The type of players greatly affects the type of game they want. There are different scales or sets of preferences for each player:

- The amount of time a player is willing to invest in game.
- Demand for control a device such as keyboard and mouse, gamepad, touchpad.
- Preference of game genre like RPG, Puzzle, Sports, Action, MOBA (Multiplayer online battle arena) etc.
- Stylization preference for example fantasy, sci-fi, real world and others.
- Demand for different game difficulties.

1.3.2 Typology of games and game genres

The number of genres and game typology in the industry can be overwhelming for some people. Games can be action, strategic, racing, sports, storytelling, logical or just described casual games or games for huge number of players called Massive Multiplayer Online (MMO). If we focus on commonly sold games, we find that preferred game genres are different across game platforms. For example, Playstation4 game console is flexible (we can find a variety of games from action, storytelling to logic games) but robust strategic games (such as Age of Empires 3, 2005) are more often based on PCs. Mainly because they are easier to play with the mouse and keyboard.

Bigger difference is when comparing large consoles and mobile devices such as smartphones and tablets. It is clear that on mobile phones will be more popular logic games and applications that do not require precise control.

Knowledge of genre typology and player preferences is the basis for understanding the customer. Knowledge of the given game genre helps to share information about the game to the right player. Especially for starting independent developers it is less risk to target their game to smaller part of audience than to target everyone. By understanding communication network and where information is shared from the developer to the player and especially between players themselves the developer gets a map of the communication knowledge which he will use to promote his work.

Steam Genres	
Free to Play	Massively Multiplayer
Early Access	Racing
Action	RPG
Adventure	Simulation
Casual	Sports
Indie	Strategy

Table 1 Genre Distribution by Steam, 2020

1.3.3 Analysis of the environment

The fact that most of the game project in crowdfunding is connected to the PC is especially important for the Czech Republic. The Czech Republic has traditionally been a PC country. According to the 2015 survey the classic computer or notebook with the capacity to play games own more than 80% of Czech players, while consoles only 17% approximately. ⁽⁵⁾ US compared to Czech Republic have traditionally been more popular playing on consoles. ⁽³⁾

1.3.4 Monetization in games

The way how games are charged have significantly changed over the last several years. Most of the people have access to the internet combined with games it has opened completely new market.

Monetization of games sets overall communication with players with certain obstacles or limits. It promotes whole game marketing of one-time paid product or a game that is free-to-play with charges for virtual items. Both methods are the same but the marketing strategies are different.

In the gaming industry we can find different ways of monetization. The most common one is called “buy to play” when customer purchases game for a certain amount of money and has it available at any time. We can identify several more ways to monetize computer games. ⁽⁶⁾

- **Buy-to-play:** + Add-on DLC (downloadable content) which comes out after the basic game and extends whole game.
- **Free-to-play:** The main goal is availability to play for free but game content or other items in the game which help with progress are monetized. For example. Aesthetic accessories, pets, steed, storage etc.
- **Pay-to-play:** A player has to pay a monthly fee for playing the game. The best example is MMO genre. Not every MMO game is Pay-to-play but some of them are such as World of Warcraft.
- **Freemium:** The Basic content of the game is free to play but other items and content are monetized. ⁽⁶⁾

1.4 Game development

Digital games are created in different teams. A typical developer company consist of the following roles: CEO, programmer, designer, graphic designer, sound engineer and tester. The smaller the team is the more roles for fewer people. Game development is usually more demanding for artists and creative people. The first step is usually when video game companies are recycling ideas for games which were already developed few years ago. The users are amazed by new graphics, top functionality of the new graphics with and all the modern hardware capabilities. Or companies just hire creative teams to create different ideas. The second consists many groups and teams cooperating and interacting with each other. First there is need to hire software engineers, project architects, producers and designers for every team for direct development process. Writers and artists for all the preparation work like look and act of the main character. When the game production is based on some idea that's already known for the audience then the team members work only on the particular version of the original idea. All these details and preparations are crucial for video game to be a success. Biggest concerns come with detailed and very accurate storyline where we have to introduce fascinating story line and bring the logic to the game. The third step is about creating the game's final blueprint. Lead architects and project leaders interact with producers and design leaders on schedules creation and cooperation arrangement of all team participants. Technical specialists focus on function of the game and listen to opinions of the producers, designers and managers. Programmers code the movements, create the game's library, engine software, implement big data technologies and make the best of AI. The fourth step is to present a complete project and test it out. Here comes QA specialist that is skilled to test a game in various procedures to find all bugs and test the game under load. ⁽⁷⁾

1.4.1 Barriers to entry the market

For independent developers, the main barrier to entry the market may be not only uncertain project funding or the lack of experience but also the prices of developer licenses which incur quite high cost to the business in the past years. Another significant barrier to entry the market may be the approval process with distribution platform providers. On the other hand, the quality of games claimed by producers was justifies, especially at a time when there were no digital distribution platforms, when all games had to be compressed on CD or DVD.

1.4.2 Game Analysis

Because of great competition and the nature of the game environment it is important for the creator and seller of games to know how players are playing their games. As everyone can try a game, the most important for each player are first minutes of playing. The first encounter with the game has to draw players into the game. Main game principles are: the game must be fun to play and cannot be too frustrating. It is extremely important for a developer to know how long the first game lasted, when and why the player has turned off the game etc. These statistics can be monitored easily due to the digital character of the game. As a result, these collected data methods are used in the gaming industry to improve games. Especially in free-to-play model where are monitored not only game metrics but also customer metrics which are numbers of currently playing players and sold game pieces.

As El-Nasr et al (2013) describe possible analytical approaches to process data obtained through game analytics. It divides game analytics into 3 different approaches according to the purpose of the analysis. ⁽²⁾

- **Strategic Analysis** - Focus on global view of how the game should develop based on player and business model analysis.
- **Tactical analysis** - which can be used mainly for game design and game debugging, such as simple testing of newly added game mechanics.

- **Operational Analysis** - Used for immediate monitoring and evaluation of the game status (headquarters at MMO). Suitable for situations where the goal is to respond to real-time player behavior (for example, by changing difficulty).

1.5 Steam



In the world of computer game industry, it's really hard to find a bigger giant than the Steam developed by Valve Corporation. Which is universal digital gaming platform specializing in the PC game market, which has over 125 million active users⁽⁸⁾ and with 13 million concurrent users.⁽⁹⁾ These users can play game through their own digital library that is tied to a user account rather than a computer, which in practice means that the user can purchased products download to multiple devices several times. Steam also provides players with multiplayer services to connect to players from around the world and play multiplayer games. A key part of Steam is also a store where players can buy games to their library or send them to friends as a gift and through which marketing communications of game titles are also displayed to certain users. Offering discounts and there is also a possibility to watch their trailers or downloading a demo for a limited period of time or content limited version of the game.

In general, discount packages and digital distributions are usually an essential distribution channel for independent developers. The most popular between players are definitely summer and winter discounts where players can choose games, they like across many distribution platforms. These events on Steam are often the cause of the game's overall profitability

Title	Release Date	Price (€ EUR)
Cyberpunk 2077	10.12.2020	59,99
Among Us	06.11.2018	3,99
Counter -Strike: Global Offensive	21.08.2012	Free to play
Doom Eternal	20.03.2020	59,99
Grand Theft Auto V	14.04.2015	30,00
Monster Hunter: World	09.08.2018	29,99
Read Dead Redemption 2	05.12.2017	59,99
Fall Guys: Ultimate Knockout	04.08.2020	19,99
PLAYERUNKNOWN'S BATTLEGROUNDS	21.12.2017	29,99
Tom Clancy's Rainbow Six® Siege	01.12.2015	29,99

Table 2 List of 10 Globally top games sold on Steam 2020 by gross revenue⁽²⁰⁾

1.5.1 Steam Greenlight/Direct

Steam greenlight was a system that enlisted the community's help in picking some of the new games to be released on Steam. Developers were posting information, screenshots, and video for their game and looked for a critical mass of community support in order to get selected for distribution. Steam Greenlight also helped developers to get feedback from potential customers and started creating an active community around their game during the development process. There should be noted out that every game that developer asked for was not automatically available to the Steam store, and Valve has shifted the bigger part of the responsibility for choosing the games which should be on the steam to the community. Nowadays Steam Greenlight got replaced by Steam Direct which is based on set of digital paperwork, personal or company verification, and tax documents similar to the process of applying for a bank account. ⁽¹⁰⁾

The question is why hasn't it always worked that way?

Because over the years that Steam has been selling games, the release rate of games on Steam continued to grow significantly. During that time, there was a group of people making tough choices on which games to release on Steam. That group has attempted to pick the games they felt the community would most want to see on Steam. That's why Steam Greenlight was created which was a big step forward in every way.

1.5.2 Steam Workshop

Steam Workshop is, based on official Valve description (2007). „*The Steam Workshop is a central hub of player-created content and tools to publish, organize, and download that content into games. Different games will utilize the Workshop in different ways. Some games, like Team Fortress 2, allow you to create and submit new items (such as hats, weapons, badges, boots, and more) for consideration to be incorporated into the actual game. Other games like Elder Scrolls V: Skyrim allow mod authors to publish their work directly to the Workshop, and let players subscribe to mods they want to use in their game.*“⁽¹¹⁾

1.5.3 Steam Early Access

Steam Early Access or “Preliminary Approach” works with the idea of selling a game that is not finished yet. A Player usually buys a title for a smaller amount of money than the final version, discuss it with developers and suggest improvements or mistakes on official forums. However such a purchase involves many risks such as the game will not be completed or the studio will change it that much so player will not like it anymore.⁽¹²⁾

1.6 Humble Bundle

While the largest digital distributor for PCs is Steam. Major competitor in PC with some Steam synergy is Humble Bundle store which started traditional e-shop in November 2013. Humble Bundle works mainly on the basis of charity action packs of selected games where each customer chooses how much the price of a given package is divided amongst the charity, developers and providers. The price of the package is based on pay what you want, but at least 1\$. One of the most successful packages so far was being sold in August and it was Humble Origin Bundle which collected over 10 million of dollars.

The Humble Bundle was also used by the Czech independent studio Amanita Design. In May 2013 was sold 92,553 packages consisting Botanicula, Machinarium and few others for an average price of 9\$. Sales reached to 822,000\$ which is over 16 million CZK based on exchange rate in May 2013. Information about the money divided between developers, charities and service providers is unfortunately not available.⁽¹³⁾

1.7 Crowdfunding

Crowdfunding is a term that describes how to get funds for a particular project with the help of community on the principle of public collection. The term is mostly not used for charity projects as the concept of a public collection could sound. This type of funding is most aggregated around crowdfunding sites. The most popular foreign are Kickstarter and Indiegogo. In the Czech Republic it's Startovač. Popular crowdfunding areas include technological innovations and creative industries such as digital games, music, theatre and dance.

The model is simple: a project creator sets a fundraising goal, deadline and optional set of reward for supporters. If the goal is reached by the deadline, then everyone is charged via Amazon Payments and the supporters get their goodies. If the goal is not reached nobody is charged. It's all or nothing. This is a way of financing the project but at the same time the campaign itself is an important marketing tool for building a community before the full project is realized.

Crowdfunding suddenly becomes an interesting option for those players who are looking for new mechanics and experiences, in general those that are not too commercially attractive to large studios and publishers. These players often do not want to settle for very low production value, which is sometimes associated with smaller publishers and projects of an independent character. Crowdfunding can make original, unconventional or old-school projects, which would be hard to get a big financial investment because of the uncertainty of whether they are interested in being funded even at the level of big game titles. For many contributors a feeling of nostalgia is a very important factor in promoting the campaign for example when the game is similar to what they used to play in their childhood.

The fact that most creators of crowdfunded games choose a PC platform is not a coincidence. The development and release of a PC game generally saves large amount of money and computers are more powerful which offer developers more freedom. Each game on the console must pay a mandatory fee to the company that owns the console. (Sony for PlayStation, Xbox for Microsoft etc. This fee may have range from 10 to 20% of the final price of the game.

There are Different types of crowdfunding depending on how the selected money is handled after the crowdfunding campaign. In the creative industries there are mostly All or Nothing (AoN) or Keep It All (KiA).

All or Nothing (AoN) – At the beginning of the campaign each project sets a limit on the selected funds. Once this limit is reached the project receives all the selected money after deducting transaction and using service fees. If the limit is not reached the money remains with supporters.

Keep It All (KiA) – In this type of collection all the selected money is in the project even if the campaign was not successful. If it fails to succeed despite the failure to realize the project it is up to the project promoter to return the money to the individual supporters. ⁽¹⁴⁾

Crowdfunding sites	Type	Creation date	Country
Kickstarter	AoN	2009	US
IndieGoGo	KiA/AoN	2008	US
Startovač	AoN	2013	CZ

Table 3 Overview of 3 Crowdfunding sites

Title	Amount Raised (\$ USD)	Platform	Category
Pebble Time - Awesome Smartwatch, No Compromises	20 338 986	Kickstarter	Design
COOLEST COOLER: 21st Century Cooler that's Actually Cooler	13 285 226	Kickstarter	Technology
Frosthaven	12 969 608	Kickstarter	Tabletop games
Pebble 2, Time 2 + All-New Pebble Core	12 779 843	Kickstarter	Design
Kingdom Death: Monster 1.5	12 393 139	Kickstarter	Games
Flow Hive: Honey on Tap Directly From Your Beehive	12 212 833	Indiegogo	Technology
Critical Role: The Legend of Vox Machina Animated Special	11 385 449	Kickstarter	Animation
Pebble: E-Paper Watch for iPhone and Android	10 266 845	Kickstarter	Design
The World's Best TRAVEL JACKET with 15 Features BAUBAX	9 192 055	Kickstarter	Design
The Wyrwood Modular Gaming Table: Coffe & Dining Models	8 808 136	Kickstarter	Tabletop Games
Exploding Kittens	8 782 571	Kickstarter	Games
OUYA: A New Kind of Video Game Console	8 596 474	Kickstarter	Games
Snapmaker 2.0: Modular 3-in-1 3D Printers	7 850 866	Kickstarter	3D Printing
Travel Tripod By Peak Design	7 410 425	Kickstarter	Design
THE 7th CONTINENT - What Goes Up Must come Down	7 072 757	Kickstarter	Tabletop games

Table 4 Top 15 Most successful crowdfunding campaigns, 2020⁽¹⁾

KICKSTARTER

- Kickstarter

As it was mentioned before Kickstarter is currently the main crowdfunding site.⁽¹⁵⁾ According to Kickstarter's own data 13 million people have backed a project, over \$3 billion has been pledged over this platform and over 124 thousands projects have been successfully funded. Kickstarter is used to support creative projects. The Kickstarter website mention that is it only a platform and service which has nothing to do with development of the projects and benefits from a flat rate of 5% of the selected amount only in the case of successfully funded projects.

Restrictions and rules for submitting a project on Kickstarter are not extensive but they exist. Apart from the condition that projects must be creative there are also geographical barriers because only developers from certain countries such as (USA, Canada, Great Britain, Australia, New Zealand, Netherlands, Sweden, Denmark, Norway and Ireland) are allowed to submit their project.

The Kickstarter project page consists of a description of the project, final amount of money, counter of the remaining time of the campaign and counter of collected money from supporters. If project within 30 days does not collect the required amount of money, it is unsuccessful and money is returned to the supporters. Supporters can also find a list of goals and individual amounts of money which supporters must dedicate to the project to obtain specific rewards. All these goals are set by the project developers themselves and can be a key to their success or failure. The project ends after the expiration of the total campaign time and not when the requested amount is collected. With successful collection of needed money there are additional goals called "stretch goals" to motivate other supporters to their project in the time remaining to the end of the project.

In the description of the project definitely should not miss a video. It is not the author's responsibility to create one and paste it into the page but even in basic Kickstarter instructions the video is strongly recommended. Statistically projects with video in it had over 80% success and the remaining project without it are much less successful.

An important component in the project is update tab where project developers can easily communicate with the audience. Next to the update tab there is a section where site visitors and supporters can comment on a specific project. In this way a simple and efficient communication between the developer and potential customer can take place directly on the project page. ⁽¹⁶⁾

- **Startovač**



Startovač is very similar to Kickstarter. It works on very similar basis only with smaller user base and smaller financial resources. However, the structure of the page is almost the same. There can be find the counter of time, required amount of funds, amount of money collected from supporters. Startovač benefits from a flat rate of 5% to 9% of the selected amount only in the case of successfully funded projects. Startovač unlike Kickstarter focus on Czech and Slovak projects. Site is described as platform that maximizes assistance to projects and provides them publicity and advices. The greatest advantage and an important part of Startovač is extremely easy communication between developers and audience during whole project. ⁽¹⁷⁾

Most successful projects at Startovač are not computer games unlike at Kickstarter but projects about board games, travelling, shooting films and writing books. One of the most successful projects on Startovač is project called “Trabant across the Pacific” which collected over 2.8 million CZK (around \$112 000). ⁽⁴⁾

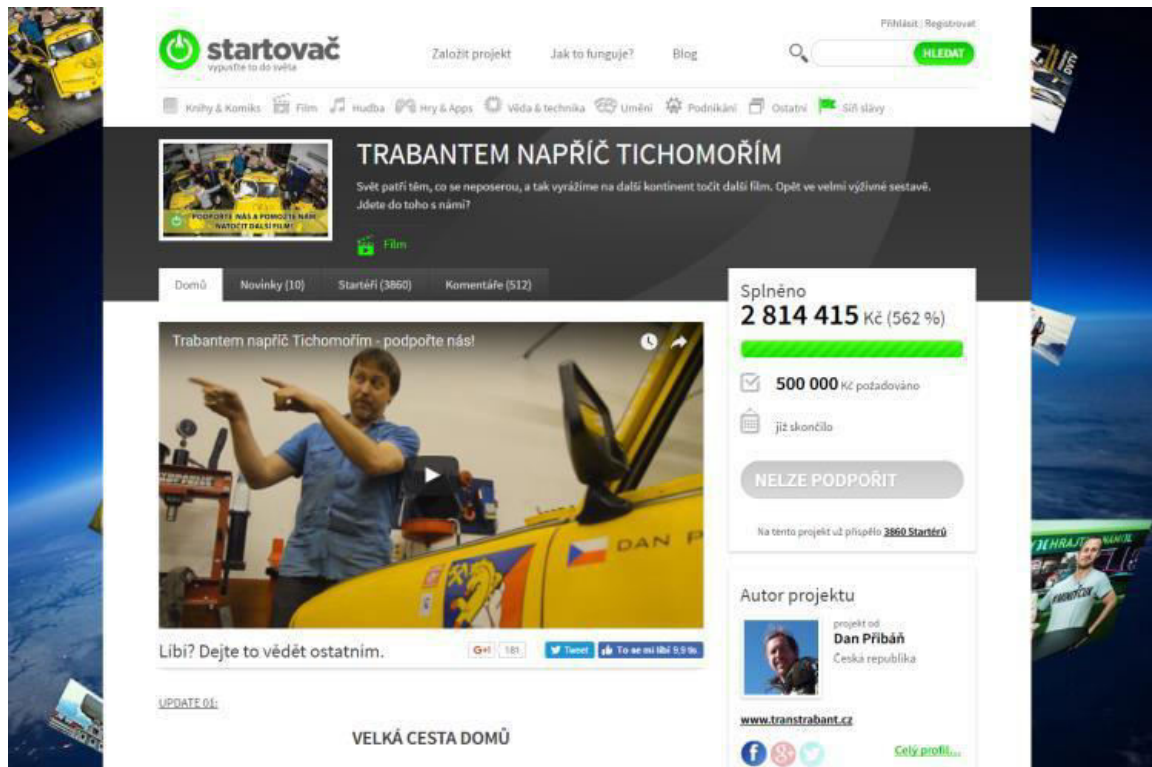


Figure 1 Project Trabant across Pacific, 2020. ⁽⁴⁾

1.8 Internet websites to purchase a game online

- G2A



G2A is one of the fastest growing digital gaming marketplaces. This is reliable and safe with biggest selection of digital gaming products and low prices for online purchases around. G2A is not only a place to buy games, it's also a great place to sell almost any kind of digital goods.

- Kinguin



Internet website Kinguin is, based on official description. “Kinguin is one of the world’s largest online marketplaces selling video games, software and in-game items. We have a built a platform to connect merchants directly with their target audience to provide products at the best possible prices for customers while ensuring great returns for merchants. Since its founding in 2013, Kinguin has grown to support over 5 million active customers.” ⁽¹⁸⁾

4 Practical Part

In this practical part was found out what kind of marketplace is the best alternative to choose, if we are interested in customers purchasing game on the internet. MADM which is acronym of decision-making method was used, particularly the scoring method when several attributes are considered for evaluation of alternatives. Scoring method was chosen as the best option for knowledge sharing, efficiency and specific for individual criteria. The important thing which couldn't be forgotten is to connect following survey and research and make descriptive statistics of the sample.

1.9 Research

We conducted research amongst 3 different online marketplaces:

1.	The first one is digital distribution platform called Steam developed by Valve Corporation. Which is one of the largest digital distribution platforms for PC gaming with the biggest selection of digital gaming products around. Users purchasing titles through Steam or through Steam keys from third-party vendors
2.	The second Kinguin.net is online marketplace that provides sellers and buyers the possibility to trade digital game keys and in-game items at a fair price without need of an innovative platform.
3.	The third G2A.com is reliable marketplace with one the best video game deals. G2A.COM is a place to buy but also to sell games. As a seller on G2A Marketplace, there is possibility to sell almost any kind of digital goods in a fast, and secure way. Such as game keys, skins and DLCs or gift cards.

Domain experts of all three marketplaces were asked to fill the same online questionnaire. Based on given numerical answers each article was evaluated on a scale from 1 to 10, where 10 stands for the best and 1 stands for the worst. Results were compared based on 4 main factors except price of the game which are important for every marketplace selling computer games on the Internet: Number of games on the marketplace, Game/Key delivery period, Safety and Popularity among customers.

- Number of games on the marketplace stays for number how many game titles is online marketplace currently offering to customers.
- Game/Key delivery period means how long customer has to wait before getting the game/key after purchasing the game.
- Safety stays for how safe for customer is getting the game, when purchasing the game on online marketplace.
- Popularity among customers means how often customers purchasing the games from their online marketplace.

Table 5 Evaluation of the surveyed internet marketplaces

	Number of games	Game/Key delivery period	Safety	Popularity Among customers
Steam	10	10	10	10
Kinguin	7	6	8	5
G2A	8	7	9	6

Source: Own research

1.9.1 Use of scoring method for multiple criteria problem

Since we have collected data from domain experts of all three marketplaces, we were able to use scoring method from 1 to 10 to see the results. Where 10 stands for the best and 1 stands for the worst.

Table 6 Scoring method

	Number of games	Game/Key delivery period	Safety	Popularity Among customers	Sum
Steam	10	10	10	10	40
Kinguin	7	6	8	5	26
G2A	8	7	9	6	30

Source: Own research

Based on the results of scoring method, we can clearly say that Steam is the best alternative to choose. This result was not surprising at all since Steam platform has the longest history compared to other two internet marketplaces; customers have possibility to choose from every game title which they are interested in and also without a chance of being scammed by not getting purchased game online.

1.10 Survey

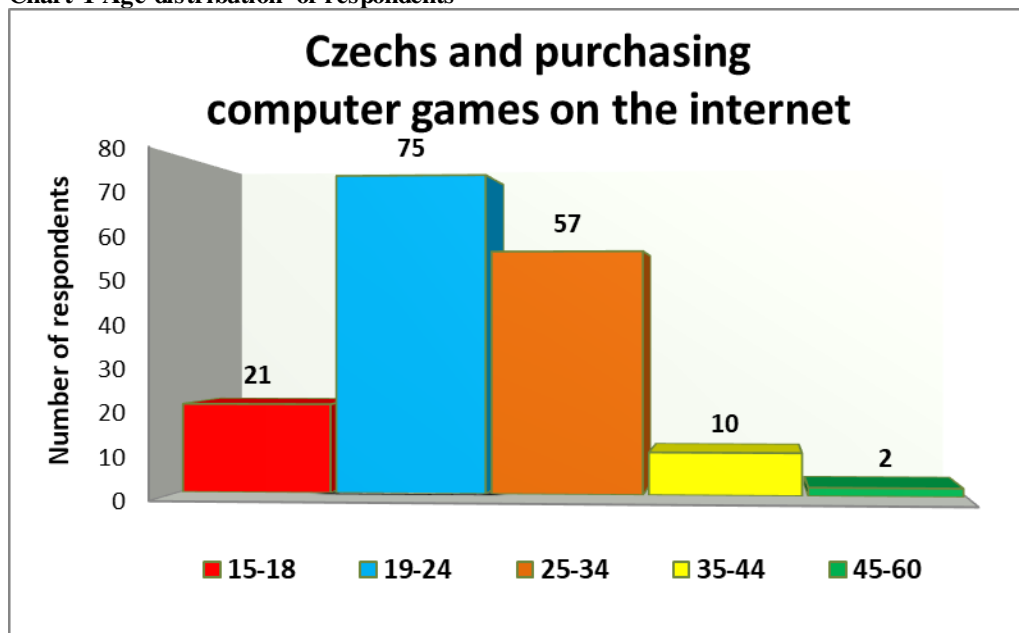
Secondary research was done using survey on the internet. This survey was done to find out which marketplace for selling computer games on the internet is preferable among customers. Survey focused more on the buying habits of the Czech population when purchasing computer games online. To build the survey the certified service “mojeanketa.cz” was used, which allows creating online internet survey. Author unfortunately didn’t manage to collect data from foreign respondents because most of them are from Czech Republic and the author wasn’t able to collect so much data. So, the author has decided to create a survey in Czech language and then translate results in English.

A non-probability sampling approach was adopted since the purpose was to identify users' preferences and behaviours, not to test statistical hypotheses. Firstly, respondents among students who likely played computer games were asked to fill in the questionnaire. Secondly, all respondents were asked to reach out their peers to increase the sample size.

In total, 165 of valid responses were collected at the end of the questionnaire. According to the Denscombe (2010), the snowball sampling is effective for building a reasonable-sized sample especially in small-scale research projects such as the bachelor thesis.

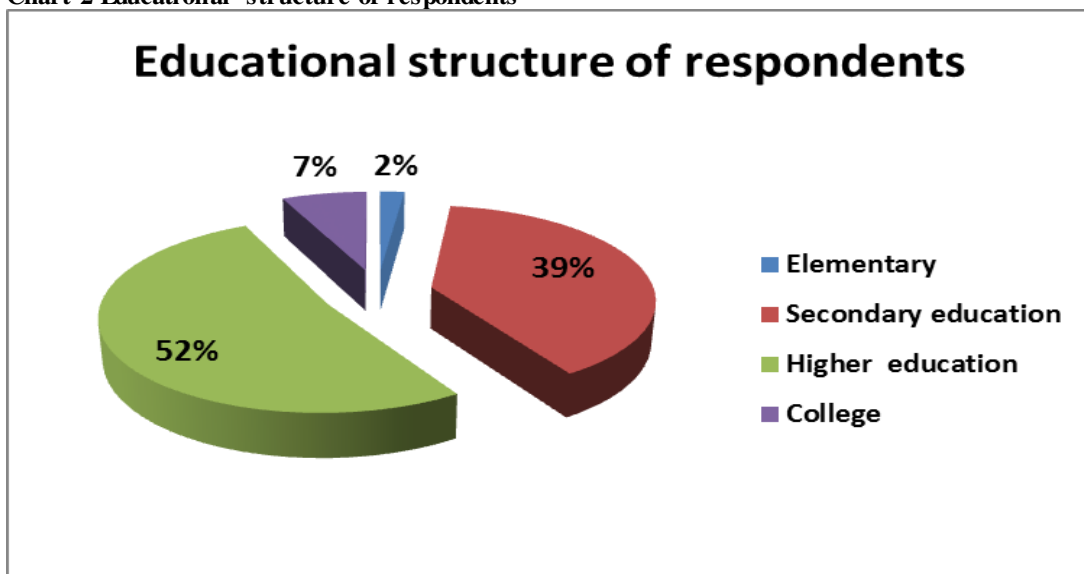
Build a survey after the required registration was a very simple and intuitive. After writing the question, which allows the option to be open or closed, it is necessary to choose the logical branching for the question. Survey was first sent to limited number of respondents to determine whether all questions are understandable and grammatically correct. The following chart shows the age distribution of respondents.

Chart 1 Age distribution of respondents



Source: own adaptation survey

Chart 2 Educational structure of respondents



Source: own adaptation survey

From charts no. 1 and 2 we can clearly see that the obtained structure of respondents by age and education to reflect the underlying structure of internet “gaming” population not even the structure of the Czech population, but is transferred towards younger and more educated people. It is obvious and normal that the younger generation buy and play games online more frequently than older generation who plays games time to time just to relax. The second fact, which may affect the conclusion in this work, is the education of the respondents. In this survey surprisingly prevail of university-educated people, who make something around more than two-thirds.

1. Have you ever purchased computer game on the internet?

The first question that respondents had to answer was whether they ever purchased computer game on the internet. All respondents have previous experience purchasing games on the internet. The reason for this is primarily addressing Internet population.

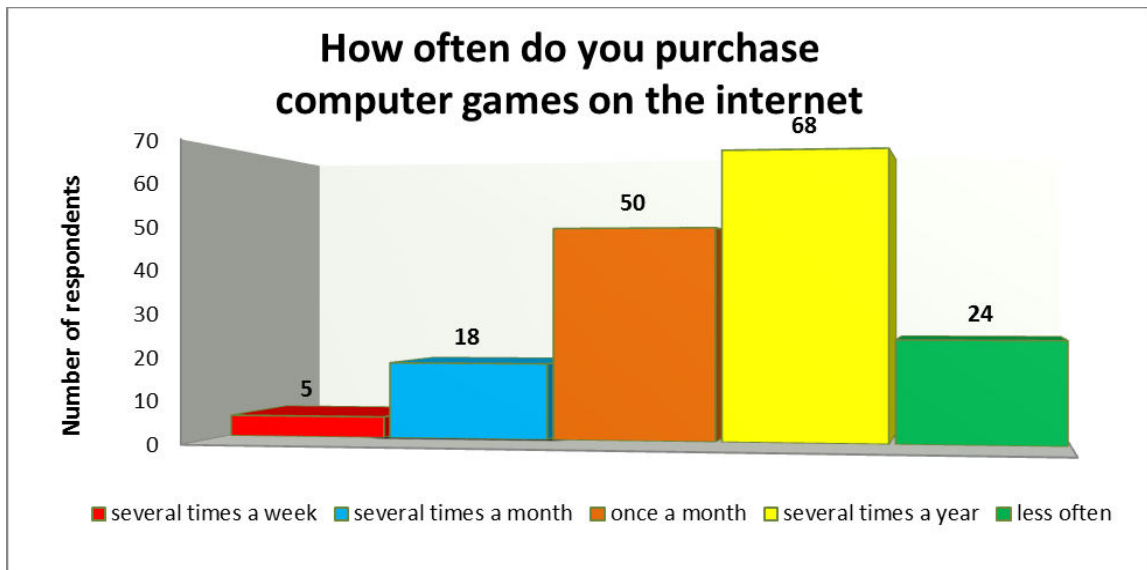
2. What kind of computer games do you purchase on the internet?

The second question that respondents could answer was what kind of computer games they buy on the internet. Almost two thirds of respondents purchasing new action game titles which come out and any kind of game they can play with friends. Last third of respondents purchase mostly racing and adventure games.

3. How often do you buy computer games on the internet?

The results for this third question are shown on the graph below.

Chart 3 How often respondents purchase computer games on the Internet



Source: own adaptation survey

From the graph we can observe that the most respondents are purchasing game several times a year (41%), few once a month (30%), less often (15%), (11%) several times a month and remaining (3%) several times a week.

4. What kind of Marketplace selling computer games on the Internet comes into your mind first?

When we look at another question, what kind of Marketplace selling computer games on the Internet comes into your mind first – it is primarily dominated by Steam platform. It explained that in the field of computer games marketing it is the biggest competitor for electronic computer games distribution with its largest inventory and guaranteed quality.

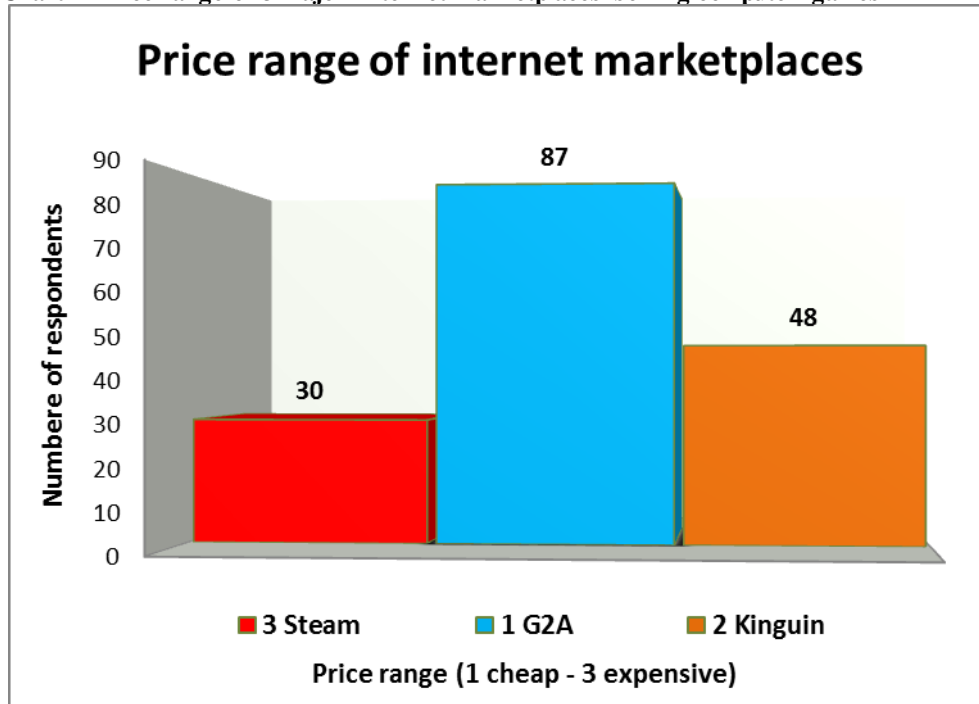
5. Arrange roles how important are for you when purchasing game on the internet.

In next question respondents had to arrange four main factors from 1 – the most important, to 4 – least important when purchasing computer games on the Internet. Almost every respondent answered that the most important factor when purchasing computer game on the internet is price. Second the most important for many of the respondents was Safety. Next factor which was more important for respondents was popularity of internet

marketplace among the customers and least important was game/key delivery period. This result was not surprising at all when customers want to pay least price for the same product and getting it safely even if they have to wait for getting computer game.

6. Arrange Internet marketplaces based on price range

Chart 4 Price range of 3 major internet marketplaces selling computer games



Source: own adaptation survey

Before analyzing the answers to this question, I will use the earlier responses from the previous question, where most of the respondents answered that the most important factor when purchasing game online is the price. Chart 4 above show which Internet marketplace is selling computer games for lower prices. We can observe that most respondents are well informed about the prices of computer games on the Internet. In fact, G2A is selling computer games for lowest prices and Steam for higher prices.

7. Do you have an account at one of the marketplaces selling computer games on the internet? If yes at which one?

Another question, do you have an account at one of the Internet marketplaces selling computer games every respondent except one responded that they already have created an account at one of the Internet marketplaces selling computer games. Over 65% of the respondents have created an account at Steam platform, 23% at G2A and the rest 12% at Kinguin.

8. What was the reason creating an account at one of the marketplaces selling computer games on the internet?

This question was connected with previous question in survey to find out what was the reason for respondents to create an account at one of the internet marketplaces selling computer games. Majority of respondents answered that only reason why they created an account at one of the marketplaces was getting discount coupons time to time and notifications when is the game they want on sale.

9. Did you ever have personally or one of friends a problem when buying computer game online?

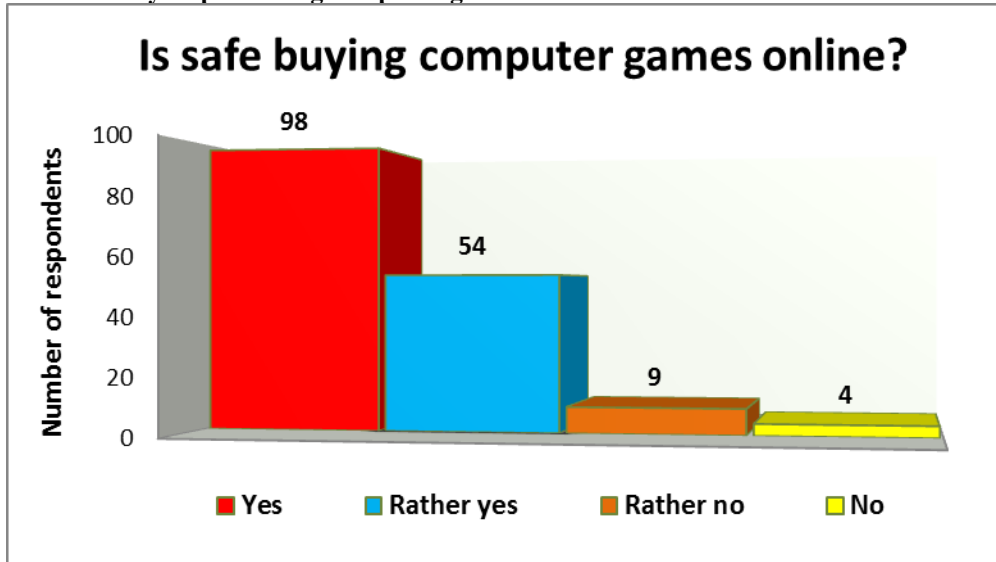
When we look at this question, where respondents had to answer if they personally or one of their friends had a problem when buying computer games online. 94% of respondents never had a problem with such a thing, remaining 6% of the respondents responded that they had a problem with Kinguin and few with G2A.

10. Did you bear full amount of the loss you incurred during purchasing computer game online or were you refunded?

All respondents that they already have experience with this problem got refunded immediately after explaining the problem to support.

11. Do you consider as safe buying computer games online?

Chart 5 Safety of purchasing computer games online



Source: own adaptation survey

Looking at the graph above it is evident that over 92% of respondents consider purchasing computer games rather safe compared to remaining 8% who would rather eliminate a risk and stop purchasing computer games online.

5 Results

Focusing on comparing online marketplaces selling computer games (not platform), we can clearly see in scoring method that G2A online marketplace has better results in all the alternatives over the Kinguin. It was probably result of game titles which G2A can offer and customers feeling safe actually getting the game after the purchase. Why Steam has dominated in every category is the fact that on Steam only developers can sell their games compared to other two online marketplaces selling computer games where people from around the world can sell their games/keys to other people.

Although there may be a lack of other online marketplaces selling computer games, the author dares to claim that there is not even needed in the current state of competition. Steam currently benefits from its market position and maintains the existing community with new features and client stability. Still, there is a threat of further competition.

Main assumption was that the dominant marketplace or platform selling computer games on the internet is Steam and other marketplaces selling computer games on the internet occupy only a marginal share. When processing a survey, thesis has been drawn to the conclusion that confirmed this assumption. It's clearly seen from results of survey dealing with this area among respondents who completed survey, dominated by just Steam platform. The survey confirmed assumption that in addition to Steam other marketplaces selling computer games on the internet occupy an insignificant share.

When we look at the results of scoring method and survey and connect them, we can clearly say that main assumption was confirmed. The dominant platform for selling computer games on the internet is Steam and other two are used only in case of costumers lacking of interest about safety and willingness to wait for the game.

6 Conclusion

In the first part of the thesis a theory has been analyzed and created an overview of digital distribution in computer games. Has been dealt with analyzing areas that need to be considered when planning marketing of digital games strategy platform, distribution, types of players in game industry. However, all these areas have been described from very detail point of view. And if we take a look on the results of survey, where people prefer to purchase computer games from marketplaces on the internet, we can conclude, that there is some connection between this fact and the fact, that Internet marketplaces offer computer games for lower prices than retail stores.

Also, game development and barriers to entry the market with game analysis have been described. Digital distribution platform Steam has been explained and functioning of concept Steam Greenlight, Steam Early Access and Humble Bundle program.

The last chapter of the theoretical part was devoted to crowdfunding campaigns Kickstarter and Startovač and two major internet websites G2A and Kinguin selling computer games on the internet.

In the second part of thesis have been dealt with another objective of this work. Has been worked with information from primary research that have been conducted and has been also used the internet research.

Valve is a pioneer in the digital distribution of gaming content. By introducing Steam first, it has gained an undeniable advantage in the market. Since it is a stable service that is constantly updated and allows players to have convenient access to their games which are collected in one safe place, there is no reason for users to leave the platform until a competitor with a significantly better offer. The current competition came to the market with a significant delay compared to Steam, but also lags behind not only with range of goods but also with the absence of its own client to activate the game keys.

Overall, these findings should be definitely useful for developers who want their game to penetrate the market and for people looking for internet marketplace where to buy computer games.

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Appendix

Češi a nákup počítačových her na internetu

Cílem tohoto průzkumu je získat informace o tom, jak, proč a kde Češi nakupují počítačové hry na internetu

Vyplnění tohoto dotazníku by Vám nemělo zabrat více než 5 minut.

Předem děkuji za Vaši spolupráci a ochotu k vyplnění tohoto dotazníku.

S pozdravem

Adam Vodák

Vložte text:

Věk

Nejvyšší dosažené
vzdělání

1. Nakupovali jste již počítačové hry na internetu?

Ano

Ne

2. Jaký druh počítačových her nakupujete na internetu?

3. Jak často nakupujete hry na internetu?

- Několikrát týdně
- Několikrát za měsíc
- Jednou za měsíc
- několikrát za rok
- méně často

4. Jaký internetový obchod Vás napadne jako první, když se řekne nákup počítačových her na internetu?

5. Jakou roli pro Vás hrají následující aspekty při rozhodování o koupi počítačové hry na internetu?
(Seřadte podle důležitosti: 1- nejdůležitější a 5 - nejméně důležité)

- ▼ Cena
- ▼ Bezpečnost
- ▼ Doba doručení klíče/hry
- ▼ Popularita mezi zákazníky

6. Seřadte prosím internetové obchody , jak je vnímáte podle cenového rozpětí.
(1 nejlevnější, 3 nejdražší)

	1	2	3
Steam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G2A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kinguin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Máte založený účet u některého z internetových prodejců počítačových her?
Pokud ANO tak u kterého?

- ANO
- NE

8. Z jakého důvodu jste si tento účet založili?

9. Měl jste někdy Vy osobně či někdo z Vašich známých problém při nákupu počítačové hry online?

ANO

NE

10. Nesli jste plnou výši ztráty, ke které došlo při nákupu počítačové hry online či jste byl refundován?

Nesl jsem plnou výši ztráty

Byl jsem refundován

11. Považujete nákup počítačových her online za bezpečné?

- ANO
- spíše ANO
- spíše NE
- NE

Pokračovat

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Information about your website/platform

I would like to ask you to fill a short questionnaire about your website/platform.

Filled information will be used for my bachelor thesis research.

Thank you for Your time.

Adam Vodák

student of Czech university of Life Sciences in Prague

Please enter your information:

name of
Website/Platform

1. Numbers of games being sold on your website/platform

2. Time period how long does it take to deliver game/key to customer?

3. How many times did you experience that customer didn't get their game/key in time?

4. How many games did you sell in 2020?

Continue