Digital Distribution Creates Opportunities for Indie Gamemakers

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An independent video game is generally defined as a game developed without the financial support of a major publisher. Although the definition remains a matter of heated <u>debate</u>, indie games are becoming more important than ever to a gaming industry that relies on smaller developers to fill niche genres, attract new players, and take chances on experimental concepts and designs.

Nevertheless, the proliferation of <u>digital distribution</u> options might play the largest and most vital role in the <u>recent</u> <u>success</u> of indie games. From the mobile market to online gaming hubs, digital distribution has reinvigorated the market by increasing the ways developers can get their titles in front of potential players. Of course, digital platforms are not a cure-all. Indies must negotiate with a new breed of gatekeepers and worry about recognition in an increasingly crowded marketplace. How these issues are resolved will help shape the gaming industry in the years to come.

Here are five things you need to know about independent

video game distribution:

- 1. The mobile video game market is the most exciting and fastest growing of the current distribution options for indie developers.
- 2. The Internet-enabled, home computer market allows the most variety and flexibility for independent game distribution.
- 3. Proprietary consoles offer less flexibility and autonomy to indie developers than other platforms.
- 4. Independent game festivals help indie developers network with other developers, find distribution deals with publishers, and mingle with other professionals in the video game industry.
- 5. The trend of bundling indie games takes advantage of paywhat-you-want pricing and viral marketing to maximize sales and get indie games in the hands of the most possible players.
- 1. The mobile video game market is the most exciting and fastest growing of the current distribution options for indie developers.

Once kings of the handheld market, Nintendo and Sony continue to <u>cede</u> the mobile market to iOS and Android devices, despite new hardware in the form of the 3DS and Vita, respectively. While getting indie games on the mobile market is easy, getting noticed amidst the hundreds of thousands of applications and games available at any given time is much more difficult. In this way, the mobile market is simultaneously the best and the worst place to distribute an indie game.

Many indie developers refer to success in the mobile market as

a lottery because of the sheer number of games available and the difficulty users have discerning quality products from cashgrabs. Other <u>challenges</u> include promoting your game and getting featured by Apple. A lot of iOS users do not have credit cards, 88 percent of games downloaded are <u>free</u>, and Apple, like all portal gatekeepers, takes a <u>30 percent cut</u> of all revenues.

Indie developers can increase their chances of success by using smart design strategies, like advertising past games within newer games, allowing social networking integration with Twitter and Facebook, and including compatibility with community-orientated services like Apple's Game Center or OpenFeint.

Additionally, tactics like strategic meta tags, icon choice, and a gripping game description are other factors to consider when submitting games to the App Store. Many of the games on iOS and Android rely on the freemium economic model. With this approach, more people tend to download the free game, although profit depends on a certain percentage of this audience buying in-game virtual goods or upgrades.

2. The Internet-enabled, home computer market allows the most variety and flexibility for independent game distribution.

Started by <u>Valve Software</u> in 2002, <u>Steam</u> is now one of the most important online game portals and communities for the digital distribution of game software and multiplayer gaming. With a customer base of 30 million players and growing, Steam has become the de facto online gaming hub for the enthusiast

audience. Valve has cultivated a service that is friendly to indie game developers, especially in comparison to Microsoft's options, and encourages a collection impulse in its users, increasing the sales of lesser-known titles during its seasonal discount events. With fluid pricing that fluctuates according to market trends and developer whims, Valve has created an ideal place for indie developers to reach potential customers. Unlike many distribution portals, Valve offers flexible revenue sharing and does not have a fixed percentage that it pockets from each sale; instead, Valve negotiates a unique deal for each developer. Valve does not share its sales numbers or its revenue stream very often, but few developers have complained about their relationship with the enigmatic software developer.

Facebook looked like a potentially <u>lucrative market</u> for indie game developers in 2008 and 2009 but has since been dominated by big name companies like Zynga and Electronic Arts' Playfish. While distribution is still possible via the popular social network, many indie developers are <u>skeptical of success</u>, especially since successful games tend to have a homogeneous design and revenue in this space is almost entirely collected through the freemium, micro-transactions model, a model that offers the basic game experience for free while charging users small fees for virtual goods that enhance the experience. This model has a history in East-Asian Massive Multiplayer Online games, and is widely used by companies like <u>Tencent Holdings</u>. The danger for some indies in relying on this model is that it depends entirely on very large audiences for profits,

although <u>new data</u> suggests more users than ever are purchasing these items.

Finally, independent developers can offer their games on their own websites. Do-it-Yourself indie developer Anna Anthropy, author of Rise of the Videogame Zinesters, has offered her avant-garde games for free on her website for years. Unfortunately, this severely limits the developer's audience reach--without large marketing funds, they lack the automatic recommendations and community word-of-mouth that game portals like Steam provide.

3. Proprietary consoles offer less flexibility and autonomy to indie developers than other platforms.

Consisting of Microsoft's Xbox Live Arcade (XBLA), Sony's PlayStation Network (PSN), and Nintendo's WiiWare, the console market can be lucrative, but without a publisher to fund marketing, an independent game can quickly be lost within an ever-growing sea of game titles. Many suggest PSN is the best place for console indie games, a sentiment that Sony seems bent on encouraging with the announcement of its \$20 million, three-year investment in indie development for its platform. In addition to XBLA, Microsoft launched an Indie Games portal on its service in 2008. The only barrier to getting an indie game accepted in this space is community peer review. However, like the mobile market, the lack of quality control results in dozens of clone games that try to capitalize on the success of the most popular titles. At the moment, Microsoft's Indie Games portal is dominated by *Minecraft* clones. Moreover, many developers who contribute

games to this portal <u>complain</u> their efforts are buried within the Xbox Live interface and poorly promoted by Microsoft. By far the least popular of the three console platforms for indie development has been Nintendo's WiiWare service.

Generally looked at as a <u>failure</u>, indie developers <u>Team</u>

<u>Meat</u> and <u>Icon</u> have suggested the portal has too many limitations and unfair restrictions.

While each console manufacturer provides a space for indie games, they do so to bolster their brand, expand their digital game libraries, and diversify their revenue sources, not necessarily to benefit individual indie developers. As a result, many developers have become <u>disillusioned</u> with the promises made by the platform holders. Additionally, getting through the bureaucratic process platform holders call "quality control" is not as developer-friendly as Steam, Apple's App Store, or the Android Market, all of which have a much faster approval process. Revenue sharing also differs by platform holder, and trying to find any developer to discuss the percentage the platform holders take is difficult (Microsoft supposedly takes 30 percent). Finally, the console market is hit driven, so a little bit of success can snowball an indie title into popular recognition, such as The Behemoth's successful Castle Crashers game that has sold millions across XBLA and PSN; however, with only mild success, an indie game can just as easily fade from public knowledge.

4. Independent game festivals help indie developers network with other developers, find distribution deals with publishers, and mingle with other professionals in the

video game industry.

<u>Indiecade</u> is often described as the Sundance of the video game industry. With a cultural ethos framed around sharing and cultivating fresh, innovative, and artistic ideas and talent, Indiecade has grown to be a hot spot for indie game developers looking to connect with other struggling developers and promote their projects as they grow. In 2009, Indiecade moved from Bellevue, Washington to Culver City, home to major Los Angeles players in film and video games, and expanded to a three-day event. Similarly, the <u>Independent Games</u> Festival (IGF) has been celebrating independent game development since 1998. With the strength of the Game <u>Developers Conference</u> behind it, IGF has resulted in many distribution deals for independent developers. For instance, after winning Excellence in Visual Art and Technical Excellence awards at 2010's IGF, the dark and moody *Limbo* saw a successful launch on Microsoft's Xbox Live Arcade during its Summer of Arcade promotion and has since sold over 1 million copies across various platforms including PlayStation 3 and Steam.

These two conferences, among others, can be instrumental to landing publishing deals if an indie developer wants to get his or her game out to the widest audience possible and secure vital marketing funds. Festivals offer exposure, free promotion, accolades, and the opportunity to network with other developers facing the same economic and structural hurdles. While not a distribution method exactly, festivals and public exhibitions should be considered important steps toward getting an indie

game in the hands (and minds) of the audience.

5. The trend of bundling indie games takes advantage of pay-what-you-want pricing and viral marketing to maximize sales and get indie games in the hands of the most possible players.

Inspired by the packaged-game sales on Valve's successful Steam online game portal, the Humble Bundle packages indie games together and allows customers to pay what they want to purchase them. Splitting the proceeds between developers and charities and relying on the word-of-mouth, viral tendency of such sales to spread across social networks, the first Humble Bundle in 2010 brought in nearly \$1.3 million. Each subsequent bundle has earned more money than the last. In the wake of Humble Bundle's success, other indie bundles have sprouted up, including Indie Royale, Indie Corona Bundle.

A designer, critic, and Professor at Georgia Institute of Technology, Ian Bogost examines the "bundle" phenomenon, suggesting bundles act as inflated promotional campaigns that pray on the collection-oriented mentality of computer game players to temporarily boost sales and revenue. Bogost reminds readers that the companies operating the Humble Bundle and other bundle variants might very well be invested in the promotion of independent video games, but they also are businesses interested in maximizing profits. Arguably, they have been very successful at that, leading some to wonder if indie bundles are the <u>future</u> of independent game distribution.

Accordingly, developers should not consider bundles the savior of indie games too hastily. It is not clear what roles quality and nepotism play in the bundle selection process. Furthermore, as Bogost advises in his examination, "Bundles are not just transparent storefronts through which indie developers enjoy fame and success; they are also poised to alter the ecology in which games get created and used." In other words, distribution strategies have the potential to affect the entire games industry and can lead to new production practices and player engagement.