



The debate over microtransactions isn't really about money at all

Opinion

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by [Eron Rauch](#)

From gashapon to *Star Wars: Battlefront II*, Westerners are steadily having to reevaluate what a game is really 'worth.'



In 1981, it was still barely DayGlo orange dawn over the decade that would see the death of such luminaries as Roy Fokker, Tasha Yar, and Sturm Brightblade. In simmering absence between *Empire Strikes Back* and *Return of the Jedi*, a fearsome beast **was born**, inscribed with the slogan: "COMPUTER GAMES THINKERS PLAY." As primordial fandom waited breathless in the space rent by Darth Vader's lightsaber and his utterance "I am your father!", the equally glossy box of *Dunjonquest: Upper Reaches of Apsahi* whispered something that would echo through the ages in equal infamy: "Expansion Module / Requires game program from *Temple of Apsahi*."

If someone had fallen into a wacky '80s-style cryogenic pod after finishing that expansion and awoken 36 years later, they would gaze upon a delirious landscape of pocket-sized supercomputers, self-driving cars, and an epidemic of something called "microtransactions." At the top of the news: fans are in open revolt about having to pay extra money to use digital Darth Vader toys in a new *Star Wars* videogame!

All this while, in an economy far, far away...

Just across the Pacific the economies of our top trading partners in Japan, Korea, and China, have also matured, and their populations have come to love geeky things and technology too.

In Japan, the neon booming '80s and early '90s led some people to fetishize new media products. The *otaku*, as they called themselves, made their life's work gaining knowledge about and collecting merchandise from the rapidly blossoming anime, manga, movies, and game industries.



 ZOOM

A row of gashapon machines in Japan. (Photo: [Guillaume Flament](#))

Amongst their many curious habits, *otaku* could be seen pumping rolls of 100 yen coins into rows of vending machines originally aimed at children. These *gashapon* (sometimes styled *gachapon* or, bafflingly, "lucky dip") machines randomly spit out toys from media series in a plastic capsule. If the gods smiled upon your pilgrimage to Tokyo's electronics district Akihabara, you might get a figure of your favorite character, or even better, an ultra-limited recolored version, sparkling plastic-gold. The more you spent, the more you chances you had.

This model crept into global consciousness in 1998 in the guise of *Pokemon's red and blue Gameboy cartridges*. The game itself directly combined the creator's love of insect collecting and the thrill of seeing what you got out of *gashapon's* plastic balls. *Pokemon* also applied this randomized rarity to its equally popular collectible card game, rife with scintillating special edition cards secured with reverence in archival slips.

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Blitzball VS. PC Bangs

Like their fellow youth around the globe, South Korean children in the late 1990s and early 2000s were increasingly immersed in a rich media landscape. Unlike boom-time Japan, South Korean growth was far from reaching the levels that sustained *otaku* collector habits. Even by 2003, an average household in Seoul only had about \$500 annually to spend on entertainment, culture and non-clothing, non-food purchases.

For some perspective, as Pokemania subsided and Toonami rolled onto the televisions across the America, *Final Fantasy X* was released in 2003 for \$50 for the Playstation 2, itself costing \$299. Which means just buying a copy of *FFX* and the system to play it would have come to about 70% of an average Seoul household's entertainment budget for a year!



A PC bang in South Korea. (Photo: Hachimaki, [Wikimedia Commons](#))

With that little free money, if you were a kid in Seoul at this time, you too would have jumped at the chance to plunk down some spare change and get to play the newest videogames. In the shopping centers and side alleys of rapidly changing Seoul, businesses met this demand in the guise of the ubiquitous PC bangs—pay-by-the-hour cybercafes. It's certainly different than the American model of curling up solo in a basement with a controller for a weekend-long delve into airships and blitzball, but it makes perfect sense for the economic realities of South Korea in 2003.

While Seoul transformed into a gleaming megacity in fast-forward, local company Nexon was trying to figure out how to make games and money in this consumer environment so different than that which supported Blizzard's lovingly-packaged collector's editions. *Maple Story* was Nexon's unexpected behemoth, a sprawling side-scrolling role-playing game that was completely free to download. But its breakthrough was expanding the typical RPG actions of spending gold and experience points to real money. Anyone could play, but for a few cents, you could grab a whole host of upgrades, power-ups, and fun knick-knacks like virtual pets.



Maple Story (Nexon, 2003)

A blog entry on Gamasutra by Korean MMO developer Yong Hee Kim describes the free to play logic in a pretty straight-forward way: **basically**, in crowded low-income markets, you offer the game for free with a combination of in-game microtransactions for items and boosts, coupled with low cost *gashapon*-style randomized loot boxes. Then players spend what they can, and bingo-bango, you have a surprisingly steady revenue stream even if 99% of players **never pay a dime**. Indeed, though Nexon is quite guarded about its financial details, it has mentioned that its average yearly revenue per paying user had reached \$17.87 in **2011**—not even a third of the suggested retail price of grabbing a new console or PC game.

As the Bird's Nest stadium welcomed the world for the 2008 Olympics, the disposable income of the urban Chinese population was even lower than Seoul in 2003, and **by 2020** will still only "be close to South Korea's current standard of living but still a long way from its level in some developed countries, such as the United States (about \$35,000) and Japan (about \$26,000)." Thusly, a few cents at a time, F2P, freemium, *gashapon*, loot crates proliferate as the normal way for hundreds of millions of young players to pay for videogames.

The Looming Shadow of Revenue

Returning home to 2017 America, we arrive back at the release of *Star Wars Battlefront 2*. This videogame [included some microtransactions](#) that, for instance, “allowed players to save time by paying extra money to accelerate the ‘unlock’ of major characters like Darth Vader.” It was met with furor amongst certain fans claiming, “the company is unfairly compelling consumers to spend more money for content that should be part of the initial \$60 game price.”

Even over at typically measured *Waypoint*, you have a [timely article](#) by Patrick Klepek which while technically about *Clicker Heroes*, is clearly a proxy conversation about *Battlefront 2*. Klepek pleads with videogame companies and publishers: “The latest trend in developing new revenue streams for games...will, in the minds of many players, convince them the game has been deliberately tinkered to push them into paying money. Even if the game *hasn't* been made that way, the revenue shadow lingers. It's natural.”

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“It’s Natural” to Whom?

I’m not saying there aren’t a bunch of greedy folks trying to bilk audiences out of their money. Look around at the rest of America—see those signs for *Boss Baby*, Juicero, or Spirit Airlines? Hell, look no further than how many [Flappy Bird clones flooded the market](#) in a single day after news sites spotlighted it. But despite the current outcry in certain corners of Western videogame fandom that certain types of DLC or F2P games are “unnatural,” the goal of these conservative fans is neither about upholding ethical standard for videogames nor watching over upstanding players’ pocketbooks: it is about defending territory claimed by a community amidst a changing media landscape.

Was it a ham-fisted move to combine monetization schemes familiar to core audiences and broader F2P audiences? For sure! But in another way it makes total sense.

“Community, far from being a model of inclusion, is a very precise exercise in exclusion; a device to monitor the border,” is how critic Helen Molesworth [once described](#) the main insight of Catherine Opie’s art. Viewed from this perspective, you can see that *Battlefront 2* was a powder keg ready to blow. It took a cultural place with incredibly tightly monitored borders (*Star Wars* and AAA games) and added elements derived from the very people they defined themselves against.

Klepek explicitly showcases this defensive construction when he indicates that American gamers are right to be suspicious that games that use F2P and DLC models, out of a belief that, amongst other things, their difficulty has “been deliberately tinkered [with] to push them into paying money.” The charade that only certain nefarious games (games seen to be played by foreigners or women) are hoodwinking players into paying money—which implies that others are not—is just plain silly: I mean, come on, you’re really going to tell me that *Dead or Alive Xtreme Beach Volleyball* isn’t “deliberately tinkered” with from concept to packaging to push a specific community to pay money for it?

Was it a ham-fisted move to combine monetization schemes familiar to core audiences and broader F2P audiences? For sure! But in another way it makes total sense, given the incredible rise in popularity of franchises that used to be the epitome of geekdom: Not only *Star Wars*, but the likes of *Star Trek*, *Marvel*, and *Harry Potter* all draw massive audiences from outside geek culture. With over 100,000,000 North Americans alone going to see *The Force Awakens*, why wouldn’t game companies and publishers drift a bit toward doing business the way those general audiences consider normal?

Of course, for the formerly dominant demographic in videogames, any reminder that their status as the barometer of “normal” is in question—any suggestion that the \$60 all-inclusive game is the real cultural anomaly—will feel frighteningly abnormal.



Star Wars: Battlefront 2 drew fire for its heavily segmented and monetized unlockable content.

Are some of these microtransaction systems [predatory](#)? Hell yes. But so are sugar and fat-laden snacks stacked up in colorful rows in the movie theater when you go see the newest *Star Wars*; so are the tchotchkes piled high at Disneyland for kids to shake at their parents after watching someone dressed as Darth Vader fight on stage... So are selling endless branded flow-state dopamine drips for princely sums.

Spoiler alert: Predatory capitalism is all about selling you useless, possibly bad-for-you stuff. It is what America and most of its global trade partners do, from microtransactions to variable interest housing loans to short-selling stocks. And in all of this, we're choosing to spend our time fixating on how much worse it is that some young adult spent that extra \$20 on loot crates rather than a \$20 Funko Pop Vader? We're choosing to spend our limited time on Earth [arguing about](#) whether it is the extra few bucks for swanky horse armor that makes a game purchase "frivolous," all the while totally ignoring the fact that spending \$60 to be super-wizard-knight is the very definition of frivolous in the first place?

It's ridiculous to act as if we can somehow pin down a magic fraction-of-a-cents-precise number for what's OK for someone to spend on videogames or any other media content. The idea that if we can train consumers to get a slightly better deal when buying a specific product, we've somehow solved the mystery of our relationship life, the universe, and videogames once and forever, patently absurd.

The Moon and the Prince

As these monetization fires have raged in recent months, I can't shake the ramifications of something the creator of the beloved *Katamari Damacy* said at the recent IndieCade festival. Taking a drink of sake from where he sat uncomfortably on stage, Keita Takahashi meekly but firmly proclaimed, "I don't want people to spend a lot of time with videogames."

In that light, I can't help but feel that these bloody battles over the future of videogames are basically two equally parochial arguments. They boil down to whether it is better to kill your genre-appropriate dragons in one \$60 payment or in 60 \$1 increments—whether it is better to get a cool Luke Skywalker skin by buying loot boxes or from skillfully moving your avatar around an expensive digital swamp to "earn" it.

Are these really my only choices for how to spend my time and engage in conversation if I am a fan of videogames?



Star Wars: Battlefront 2

I get it, money is important, but damn, it feels like dollars and cents are all fans (and the media) want to talk about in regards to videogames: About if they got their money's worth; who's overpaid; which microtransaction pisses them off most. From the outside, you'd almost think everyone who has an opinion about videogames was a venture capital investor in the industry.

But there have been so many ways that we've gotten and played games even within my short lifetime, from throwing quarters down the gullet of arcade machines, to mainframes, to renting cartridges, to Steam sales, to warez, to free-to-play, to those shitty LCD handheld sports games, and [dozens and dozens of more](#). In all of those categories, there were games that enthralled me and games that I found banal.

Besides, the [technological fallacy](#) principle shows that it is a fiction new technologies wholesale replace old technologies. [Ebooks have hardly replaced paper](#), and LPs are selling like gangbusters in 2017! Alex Layne [said this so well](#): "Games have changed; they've become broader, appeal to many different playstyles, and they've become extremely diverse... Hopefully we can continue to support these changes, rather than criticizing them for not living up to our childhood memories of games." The big-budget \$60, 60-hour game is hardly going to end in our lifetimes.

Basing our valuation of videogames on one economic indicator or another, focusing our community conversations over whether certain ways of paying are "normal" or "predatory" is looking at videogaming in the most menial, superficial, and trivialized manner. This is just nitpicking over our preferred delivery mechanism for our media consumption habits. [People have been doing that](#) since at least 1829 in France when newspapers started running serial novels like *The Three Musketeers*. But it's not like regular novels have gone anywhere, and trying to run a spreadsheet value study of how much you paid for a novel has nothing to do with what makes great novels move us.

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Life Outside the Spreadsheet

Of all the people I thought I'd agree with, I never thought it would be the CEO of Nexon, Owen Mahoney, who during [what seems like a slightly exasperating 2014 interview](#) dropped the

following, “A lot of what people describe as change... are changes in platforms, changes in gameplay styles that people like and don’t like, and changes in marketing. Why is it in the game business that we insist on talking about everything but the game?”

I’m sure it’s good for marketing teams that videogame fandom is forever honing our sensibilities of what we’ll pay for what content—that certainly makes their job of giving us targeted products easier. But why, when I talk about videogames as cultural products or, gasp, as art, does the conversation keep boomeranging back to an accountant’s-eye view about what percentage off would justify purchasing the game during a Steam sale?

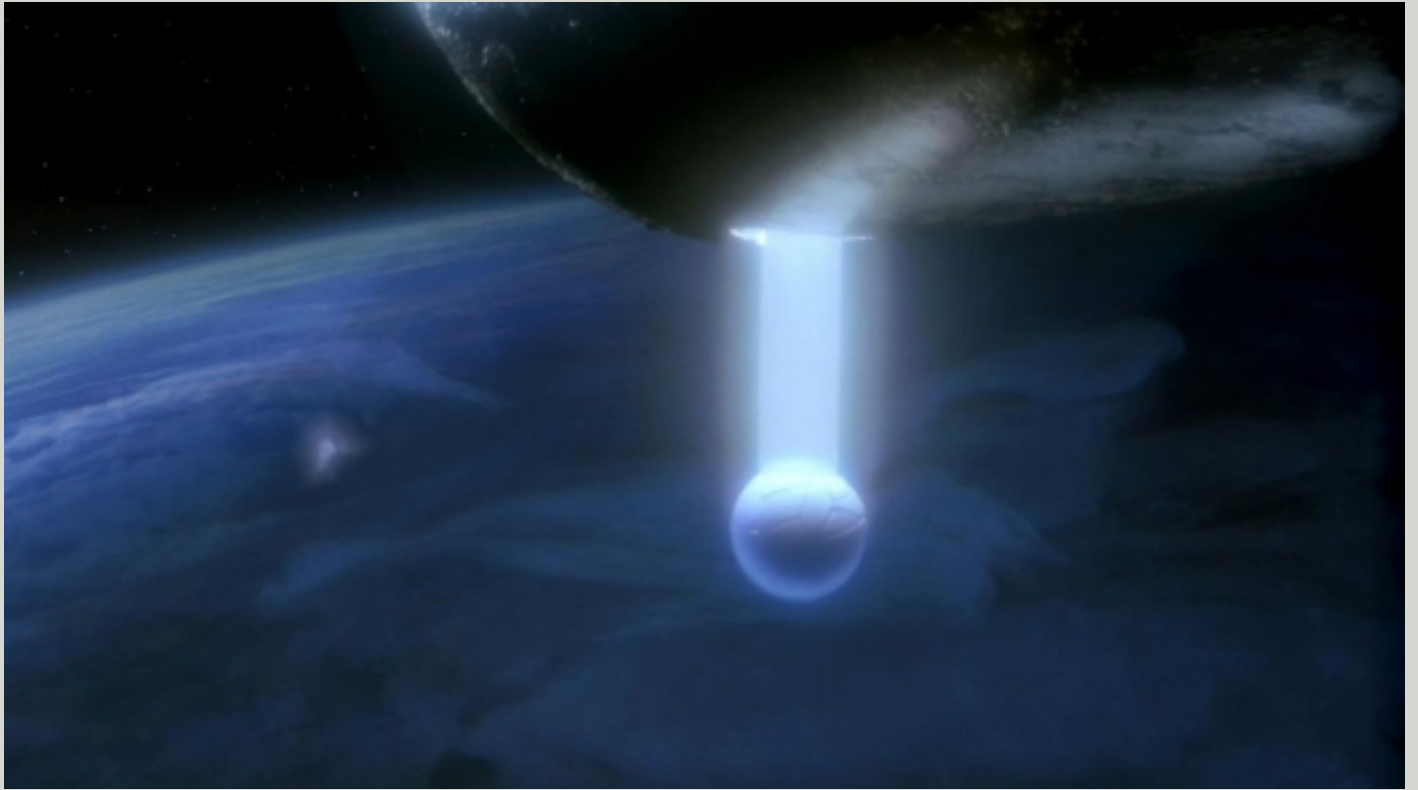
We, as a community born of a passion for games, have come to mimic the worldview of the investors.

Maybe that’s why Takahashi’s heretical statement about choosing to do something other than videogames is so incredibly necessary to hear. It is a reminder that our choices are infinitely broader than picking between payment plans for an endless future of *Star Wars* videogames—that despite all the instance of hot-takes, monetization schemes are hardly new, nor are they necessarily exploitive. It is a reminder that have endless options for what to do with our time, and if we chose spend our time playing a videogame we have endless ways to determine why that experience is valuable.

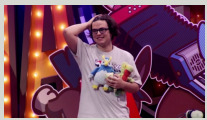
What is exploitive, or more precisely, insidiously self-exploitive, is that as videogame fans, we’ve shackled our community’s identity to our skill at discerning between nearly identical products, not to our skill of engaging deeply with them. We’ve taken up arms to defend the ever-shrinking borders drawn by advertisers, and in the process we, have cut ourselves off from huge swaths of the medium. We, as a community born of a passion for games, have come to mimic the worldview of the investors, staying at the office counting coins on Christmas Eve alongside Scrooge rather than sharing a newfound videogame or even just enjoying dinner with our friends. While it’s all well and good to call out toxic practices in the industry, our obsession with defining everything in our community by its economic value has alienated us from the very things we have been seeking all along.

#	POKEMON (SERIES)
#	STAR WARS (SERIES)
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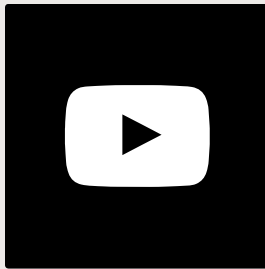
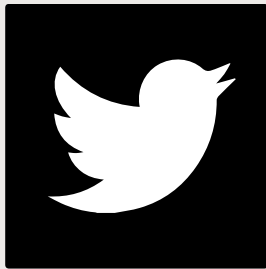
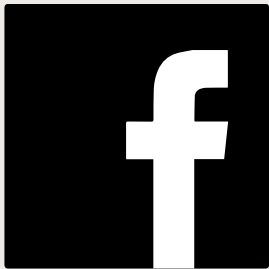
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