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Report

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# E-Merging Media

COMMUNICATION  
AND THE MEDIA ECONOMY  
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## Logical marriage of video and computer games with the Internet.

### 1.3.3 Developmental Perspectives for Concepts of Utilisation

Additional contents as use-options

With the release of a cinema film as a video or DVD, the consumers have the option of determining the place of use and possibly obtaining their own copy of the film. Relevant to the debate over the problem of bootleg copies is the fact that many consumers acquire a pirate copy to have an option for use in their bookcase, possibly without ever using it. If they had to pay the actual costs for this option they would probably do without it. The value of the option of use apparently does not justify the purchase of the authentic product in the opinion of most consumers. Enlarging the offer on DVDs with additional material such as bonus scenes, games, etc., on the other hand, creates an added value that can lead to a decision to buy the product. This bundling of offers on a data carrier or in a retail unit can result in an attractive offer for the customer. Consequently, DVDs that besides the original film contain additional material and possibly new functions such as online access or a character data bank are located at the threshold of the second level: digital products open up new options for use that are connected with the original offer as regards content but are embedded in an independent technical context.

Along with films, computer and video games have continuously gained in economic importance over the last thirty years.

#### Online gaming

*Steve Jones*

Increasing popularity of cross-media games

The emergence of the Internet has opened a new dimension for the already flourishing market of computer and video games. In the late 1990s video games and the Internet made a logical marriage, because the Internet is an interactive medium, and games, by their very nature, are interactive. Internet games have become so popular that major gaming software companies (Nintendo, Sony, etc.) produce Internet-ready video game consoles. Thus, unlike years past, multi-player games can be played online as well as offline. While quickly adopted by gamers in the USA, console penetration in Europe has lagged behind the use of mobile phones and PCs for online gaming. Datamonitor (2001), however, predicts that by 2004 consoles will become the predominant stream of online gaming revenue in Europe. Datamonitor also forecasts that wireless gaming alone Europe by the year 2005, with four out of five mobile phone users playing games on their phone. However,

will account for US \$6 billion in they note that in 2001, 87% of wireless gaming revenue came from the Asia-Pacific region. Importantly, in the USA adoption of online gaming consoles has correlated with adoption of broadband, and thus an increase in consoles in Europe may portend a significant rise in demand for always-on broadband Internet access in Europe.

During the last several decades, video, computer and Internet games have emerged as one of the most popular forms of entertainment, particularly among adolescent youth. Young people in the USA spend an average of 20 minutes per day playing video games.<sup>18</sup> This figure compares to Drotner's finding of the same average for U.S. children but of 57 minutes per day for children in Denmark, 44 minutes per day for children in the U.K., and 36 minutes per day for children in Spain.<sup>19</sup> For many children around the world, video games have become a large part of educational, social and cultural experience.

And, just as clearly, video games have emerged as one of the most popular forms of entertainment in the United States. In 2000, 35 percent of U.S. residents surveyed identified video games as the most entertaining activity (television came in second at 18 percent); over 219 types of computer and video games were sold in the United States; and the video game industry reported sales of over US \$6.5 billion.<sup>20</sup> These figures are expected to grow as high-speed broadband Internet access facilitates networked game play.

A reported 60 percent of people in the United States play video games, with 42 percent of game console users under 18 years of age, 37 percent between 18 and 35 years old, and 21 percent over 35 years old.<sup>21</sup>

According to the Pew Internet and American Life Project, 66 percent of U.S. teenagers play or download games online.<sup>22</sup> While 57 percent of girls play online, 75 percent of boys reported that they play Internet-games. This finding contrasts with the adult online population, in which online game playing is generally more popular with women than with men.<sup>23</sup> According to the Interactive Digital Software Association (IDSA), an organisation that serves and surveys the gaming industry, a remarkable 79 percent of online gamers are age 25 or older.<sup>24</sup> Online gamers are not only more likely to be women than men, but they are smarter and richer than the average Net user according to at least one survey by the IDSA.

"Cross-Age"

18 See Jensen 1999

19 See Drotner 2001

20 See IDSA 2001, as cited in Sherry et al. 2001

21 Ibid.

22 See Lenhart et al. 2001

23 See Walsh 2000

24 See Lindsay 2000

Chapter 1.3  
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Research deficits in online gaming

The survey shows that more than 88 percent of online-gamers have some college education and that nearly 40 percent have household incomes of at least US \$60,000.<sup>25</sup>

Despite the fact that online gaming is one of the fastest growing entertainment industry branches, there is remarkably little data on the development and acceptance of this new medium and even less about its impact on adults. Market research tends to focus on game adoption and revenue and is largely predictive. Research by social scientists tends to focus on potential social problem areas, such as gaming addiction, social isolation, or emerging violence and aggression, primarily in children 18 years and younger. So far, studies dealing with everyday use and the integration of gaming in children's social lives are still neglected, as are studies into the aesthetic, commercial and technological elements of online gaming. As a medium, online gaming is already superseding television viewing among children and adults in some corners of the world, and if only for that reason demands serious attention.

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In the year 2001, computer and video game sales again exceeded the turnover of the whole film industry.<sup>26</sup> By coordinating the marketing activities for games and films, the effects of one product can be passed on to another. Thus, in the case of the trilogy of the film version of "The Lord of the Rings," a release policy was agreed upon by the game and film companies for a period of three years (the films premiered at Christmas each time). After the film has left the cinemas and the retail copy appears on DVD, the first game is put on the market in versions for PCs and game consoles. The game is also playable in networks. The DVD and the games are two offers that make it possible to lead the consumer thematically into the Internet. In addition, when it comes to selling the product there are numerous options available for combining diverse products with one another and selling them together. A demo version of a video game on a DVD could be a freebie that grabs the attention of people who do not usually play. Melodies for mobile phones could also be an attractive free gift on a music CD. The compilation of the package contents can be oriented towards the new terminals: owners of a multifunctional terminal like the Xbox or PlayStation2 can use packages that contain DVDs, video games and music CDs; computer users might be won over by the combination of a DVD, a computer game, a print studio with film motives for making T-shirts, and access to online offers.

<sup>25</sup> Ibid.

<sup>26</sup> See IDSA 2002