An Empirical Study of Adoption and Loyalty of Multiplayer Online Video Games Players

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The goal of this project is to evaluate the factors that affect a player's initial adoption and continuous play of multiplayer online games through an empirical research and create an optimal model of game features and release strategy for game publishers. In the new era of electronic entertainment, video games become one of the fastest-growing areas. Worldwide video game market totaled $93 billion in 2013 (Gartner, 2013). In particular, online multiplayer video games, such as World of Warcraft, offer exciting features in social aspects and human intelligence and increasingly become one of the most popular and profitable game types. These multiplayer online games are played over internet, in which a very large number of players interact with one another within a virtual world. Publishers of these games generate revenue through initial one-time setup fee and ongoing subscription fees if players are loyal and continue to subscribe to the game.

To understand players' motivation for both initial adoption and their ongoing loyalty, we employ and extend Ryan's Self-Determination Theory (SDT). SDT is a general theory of human motivation and the choices people make with their free will and full sense of choice. It includes three universal, innate and psychological needs that motivate a self to initiate behavior: Need for Competence; Need for Autonomy; and Need for Relatedness. This theory has been used to explain player's passion for game in general.

We believe that these needs can have different impacts on a player's adoption and loyalty of online multiplayer games. Some players may be attracted initially to a game and quickly lose interests and stop playing. Others continue to play the game for an extended period of time, helping with the revenue of game publishers. In addition, we suggest that there are other needs, such as financial reward, that affect a player's motivation.

Some of our hypotheses are that although all three needs may contribute to the adoption of a game by players, the need for competence and need for autonomy are the determining factors while the need for relatedness will gradually become a dominant factor to motivate a player to continue to play once the player start enjoying the companies of other players in the virtual world. Another hypothesis is that in addition to these needs, financial reward is also becoming a crucial factor in both the adoption and the loyalty of a game play for some players. "Gold farming" is playing a multiplayer online game to acquire in-game currency that other players purchase in exchange for real-world money. People in China and other developing nations have held full-time employment as gold farmers. In 2005, The New York Times stated that there were over 100,000 full-time gold farmers in China alone. In addition, making some profits to offset the cost of playing the game also motivate some non-professional players to continue in the game play.

Understanding the players' motivation and different needs can help game publishers offer better games with attractive features and good releasing strategies and therefore help maximize revenues. For example, if the need for autonomy plays an important role in a player's initial adoption, then in the marketing literature, the publisher should emphasize more on flexibility and the degree of choice over tasks and goals as a game design. If relatedness is important in securing long term subscription, then publisher needs to have good strategy to improve players' social experience in the games. There have been some researches to explain why players play video games. Our research differs by having a focus on the differences of adoption and loyalty and the impact of different needs on them. In addition, we use financial reward factor to explain certain choices and behaviors.