

Humboldt University Berlin

Institute of Marketing

Marketing Seminar “Consumer Behavior in Online Games”

Syllabus WS 2020/21

Dr. Vlada Pleshcheva

1 Course Description and Objectives

This marketing seminar focuses on reviewing the studies of consumer behavior in online and mobile (video) games. This focus is motivated with rapid changes at the global digital media market, with video games being its most significant segment that accounts for 54.2% of revenues (as of 2019) and ranks as eleventh in terms of profitability in the world. Online and mobile (video) games represent the main driver of the global video games market due to technological developments of mobile devices and improved penetration of internet connection.¹ Most mobile and online games are subscription-based, offer free options for players, and include in-game purchases to enhance the players’ experience with a game. As a result, questions on the monetization of games, product and pricing strategies, social influence, and network effects in the gaming environment have gained significant research interest in marketing to unravel the factors influencing player’s economic behavior and decision-making. In this seminar, we will conduct a literature review leveraging concepts of marketing management and economic theory to examine various forces underlying the consumer behavior in the online game setting and to derive implications for optimal strategies for firms.

Learning Outcomes

By the end of the course students will develop:

- Ability to systematically and independently address a research topic
- Competence in critical evaluation, identification, and summarizing of relevant studies
- Understanding of managerial implications derived from the studies
- Skills in identifying and discussing limitations of the research as part of an analytic report

2 Prerequisites, Number of Participants and Registration

The successful completion of the courses “Customer Analytics and Customer Insights” or “Advanced Marketing Modeling” is a prerequisite for enrollment. The maximum number of participants is 20. To apply for this seminar, students must register (starting **October 19 until October 30, 2020**) for the course by sending an e-mail to contact@vlada-pleshcheva.com.

3 Course Web Page

Course material will be made available in the Moodle system of the Humboldt-University Berlin. The Moodle key will be distributed in the first seminar session (**November 06, 2020**).

¹<https://www.statista.com/outlook/203/100/video-games/worldwide?currency=eur> (accessed: March 20, 2020)

4 Course Grading

The students will work together in small groups (two or three students, depending on the final number of participants). Groups will be set up once and will remain unchanged for the duration of the course. Each group will be responsible for presenting and leading the discussion of the selected topic during the semester.

The course grade will be based (100%) on a written seminar paper (20 pages plus appendix) per group. Written seminar papers must be sent to contact@vlada-pleshcheva.com before the deadline expiration (see schedule below). Only pdf-files will be accepted. All submitted documents must contain the names and matriculation numbers of all group members. The seminar papers will also be presented in class.

Each group has to submit the first concept/structure for the seminar paper before **December 11, 2020 (23:59)**. Failure to provide this will result in failing the seminar. The written seminar papers and the corresponding presentations must be submitted until **February 05, 2021 (23:59)**.

5 Seminar Topics and References

The final list of topics and references will be determined based on the number of participants. This will be done after registration in the first class meeting. Each group will choose one topic for which the literature review and critical assessment of the applied methodology will be performed. The presentation schedule will be finalized during the second class. Some initial references will be provided for each topic. However, students will have to search for additional literature. The details on further literature will be discussed during the course.

Potential Topics:

- Exploring the drivers of purchase behavior within online games
- Investigating implications of virtual currency in digital games
- Retention, conversion, monetization - finding the right balance
- Pricing strategies in the presence of freemium options and networks effects
- Measuring the customer referral value
- Evaluating the contagious behavior within a social network in online games
- Distinguishing effects of homophily and social influence on consumer behavior
- Estimating the effect of the network evolution on marketing strategies
- Predicting product adoption probabilities within online games
- ...

List of references will include:

1. Jo, W. et al. (2020) ‘Protecting Consumers from Themselves: Assessing Consequences of Usage Restriction Laws on Online Game Usage and Spending’, *Marketing Science*, 39(1), pp. 117–133.
2. Guo, H. et al. (2019) ‘Selling Virtual Currency in Digital Games: Implications for Gameplay and Social Welfare’, *Information Systems Research*, 30(2), pp. 430–446.
3. Bapna, R. and Umyarov, A. (2015) ‘Do Your Online Friends Make You Pay? A Randomized Field Experiment on Peer Influence in Online Social Networks’, *Management Science*, 61(8), pp. 1902–1920.

4. Wang, J., Aribarg, A. and Atchadé, Y. F. (2013) ‘Modeling Choice Interdependence in a Social Network’, *Marketing Science*, 32(6), pp. 977–997.
5. Ma, L., Krishnan, R. and Montgomery, A. L. (2015) ‘Latent Homophily or Social Influence? An Empirical Analysis of Purchase within a Social Network’, *Management Science*, 61(2), pp. 454–473.
6. Däs, M. et al. (2017) ‘Customer Lifetime Network Value: Customer Valuation in the Context of Network Effects’, *Electronic Markets*, 27(4), pp. 307–328.
7. Sawhney, M., and Zabin, J. (2002) ‘Managing and Measuring Relational Equity in the Network Economy’, *Journal of the Academy of Marketing Science*, 30(4), pp. 313–332.
8. Appel, G. et al. (2019) ‘On the Monetization of Mobile Apps’, *International Journal of Research in Marketing*. Online access: doi: 10.1016/j.ijresmar.2019.07.007.
9. Rutz, O., Aravindakshan, A. and Rubel, O. (2019) ‘Measuring and Forecasting Mobile Game App Engagement’, *International Journal of Research in Marketing*, 36(2), pp. 185–199.
10. Lehmann, D. R., and Esteban-Bravo, M. (2006) ‘When Giving Some Away Makes Sense to Jump-start the Diffusion Process’, *Marketing Letters*, 17(4), pp. 243–254.

6 Tentative Schedule

Time: Friday, 16:15 – 18:45

Venue: **All seminar classes take place virtually on Zoom. A zoom link will be provided via email for all registered students.**

Credits: 6 ECTS \approx 150 to 180 hours workload

Date	Content
30.10.20	Deadline for email application to the seminar
06.11.20	Introduction and course logistics
13.11.20	Group formation and topic selection
20.11.20	Advisement session
27.11.20	Advisement session
04.12.20	Advisement session
11.12.20	Advisement session
	Deadline for the first concept/structure of the paper (by 23:59)
18.12.20	Advisement session
08.01.21	Advisement session
15.01.21	Advisement session
22.01.21	Advisement session
29.01.21	Advisement session
05.02.21	Advisement session
	Deadline for seminar papers and presentations (by 23:59)
12.02.21	Seminar presentations
19.02.21	Seminar presentations
26.02.21	Seminar presentations + course wrap-up