

Insta-Gaming:

A Proposal to Expand Game Subscription Programs

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Summer 2020

Executive Summary

As game streaming services thrive in the modern digital market, so does its influence on major gaming companies. On June 25, 2020, Entertainment Arts (or EA) announced that their video game subscription program, EA Access, would hit the digital shelves of Steam, a popular gaming database where users can buy and download computer games. This new partnership brings some of EA's most popular games to a new market but doesn't go about meeting EA's weakest target demographic, Gen Z.

To address EA's reputation with this younger demographic, we propose adding EA Access to the mobile marketplace. For those that don't know, EA Access is a subscription-based program where members can pay an affordable rate in order to gain access to a wide selection of EA games. Bringing EA Access to the handheld market would invite younger gamers into the Entertainment Arts family.

With a budget of \$1,550,620, we will not only launch and advertise a mobile-friendly version of EA Access for both Android and iOS, but we will also create an incentive and an instructional course for budding mobile developers to create games under the EA banner. These costs will cover the expenses necessary to manage and maintain both the app and website.

Situation Analysis

Entertainment Arts (or EA) has global brand recognition that can be used by both the company and acquisitions, however, it currently is difficult to easily utilize this as a positive marketing factor for EA products. After years of growth, the company was cursed with the connotation of being the “boogeyman” of gaming. Their history and push to become a publisher rather than a developer (or well-established studio) has created the assumption that this successful company is disingenuous: that employees of EA care more about money rather than the quality of their game and game-service products ([Dring, 2019](#)).

According to survey results from the 2018 American Customer Satisfaction Index, EA was ranked the fifth most-hated company in the United States ([Stebbins, 2018](#)). The public opinion about EA comes from years of criticisms; in the past as EA has been known to purchase and shutdown popular game studios. They have also been at the forefront of producing burnout and crunch culture work environments, while pushing unhealthy gaming habits for children (i.e. Loot Box Gambling) ([“Criticisms of EA”, n.d.](#)).

Despite its negatives, EA has a networth of \$22.9 billion while making \$5.1 billion alone in 2018. Its success financially shows its popularity and placement in the industry as of one of gaming’s household brands ([Scully, 2020](#)). Not only does the company have a monopoly in publishing and distributing both sports and Star Wars-related video games products, but they also own popular acquisition companies including Bioware, EA Sports, Respawn Entertainment, and DICE ([“Company Structure”, n.d.](#)).

EA recently made the decision to offer EA Access, a video game streaming program, through Steam, a digital distribution service. The goal of this collaboration was not only an attempt to reach the 90 million concurrent active accounts used by the service, but to also spread the reach of EA products and subscription programs through the digital market ([Lanier, 2019](#)). This opportunity is great for the company since it makes products published by the company easier to obtain, however, it diminishes the benefits of using other EA services.

Target Audiences

EA's reputation with fans of gaming is difficult to fix, instead the goal of the forthcoming marketing plan and objectives should target EA's weakest target demographic, those aged 13-21 ("[Inclusion & Diversity](#)", n.d.). People within this untapped demographic align themselves with Gen Z and make up a significant population for gaming. According to research done by the Pew Research Center, approximately 90% of Gen Z "...say they play video games of any kind (whether on computer, game consoles or cellphone)" ([Anderson, et. al, 2018](#)). EA should focus on this newer demographic since it will soon "...represent the largest U.S. consumer population at 82 million people" ([Elsey, 2019](#)).

Gen Z

- People born between 1997-2012 (7-22) ([Dimock, 2019](#)).
- Consumer Behavior ([Wood, 2013](#)).
 - 1. Highly focused on products that innovate.
 - 2. Incentivized by convenience.
 - 3. Strong desire for guaranteed security.
 - 4. Tendency towards escapist realities.
- Gen Z are digital natives ([Dorsey, 2020](#)).
 - 95% of Gen Z own a smartphone.
 - 83% of Gen Z own a laptop.
 - 78% own an advanced gaming console (e.i. Xbox, Playstation, Nintendo Switch, etc.).
 - 57% have a desktop computer (e.i. Mac, PC, etc.).
- More than 50% of Gen Z use Instagram, Youtube, and Snapchat ([Green, 2019](#)).
- Gen Z represents one quarter of the U.S population ([Dill, 2015](#)).
- Approximately 14.4% of Gen Z who represent those that "say they have played video games" have played an EA video game.

Gen Z: 13-17 (10%)

- Younger Gen Z are less likely to drop out of high school (on a national average, only 6.1% of youth ended their academic career) ("[High School Dropout Rates](#)", n.d.).
- Less likely to be working (only 18% of those aged 15 to 17 are employed) ([Parker, et. al, 2020](#)).

Gen Z: 18-21 (6%)

- 57% of older Gen Z (those aged 18-21) are enrolled in a two-year or four-year college program ([Parker, et. al, 2020](#)).
- 45% of those who enrolled in a college program were also employed ("[Youth Employment](#)", 2019).

The Plan

Goal: To expand EA Access (a video game subscription service) to mobile smartphones in order to create an incentive for younger gamers to play EA's wide selection of mobile games.

Objective 1: Create and develop a mobile-friendly subscription of EA Access for mobile marketplaces.

- Tactic 1.1: Select EA's most popular video game titles to include in a digital library for easy access.
- Tactic 1.2: Create an application that manages a consumer's subscription plan and games to download.

Objective 2: Develop an advertising campaign for Gen Z consumers by offering both affordable subscription deals and the widest selection of mobile games produced by EA.

- Tactic 2.1: Offer a reduced subscription price for both high-school and university students.
- Tactic 2.2: Create short and attention grabbing EA Access video advertisements for popular Gen Z social media applications (e.i. Instagram, Youtube, Snapchat, Tiktok, etc.).
- Tactic 2.3: Iterate and mediate possible problems prevalent in the current ad campaign in order to improve the relationship between EA and their weakest target demographic.

Objective 3: Incentivize indie developers to create innovative mobile game titles for inclusion in EA Access.

- Tactic 3.1: Create a clear and insightful digital presentation that not only presents the benefits of publishing through EA but also helps indie developers obtain understanding in the publishing process.
- Tactic 3.2: Create and set up an online application process for developers to fill-out if they're interested in publishing their game through EA.
- Tactic 3.3: Monitor the development process of selected applicant titles while creating future advertisements to include in the ongoing ad campaign.

Budget

EA Access Mobile App(s)		
- iOS App (Creation & Maintenance) (Cleveroad, 2018).		\$108000
- Apple Store Fee (1 Year Plan) (Mackenzie, 2012).		\$1188
- Android App (Creation & Maintenance) (Cleveroad, 2018).		\$108000
- Google Store Fee (Mackenzie, 2012).		<u>\$25</u> +
	SUBTOTAL	\$217213
Create Video Advertisements		<u>\$25,000</u> +
	SUBTOTAL	\$25,000
Advertisements		
- Instagram (WebFX, 2020).		\$55007
- Youtube (" Youtube Ads, n.d. ").		\$821000
- Twitter		
- Trend (WebFX, 2020).		\$200,000
- TikTok (" How Much do TikTok Ads Cost? ", n.d.).		<u>\$82,100</u> +
	SUBTOTAL	\$1,158,107
Digital Presentation on Video Game Publishing		
- Powerpoint (SlideTeam, n.d.).		<u>\$300</u> +
	SUBTOTAL	\$300
Online Application Portal Process for Publishing (WebFX, n.d.)		
- Web Design		\$100,000
- Maintenance		<u>\$50,000</u> +
	SUBTOTAL	\$150,000
	TOTAL	\$1,550,620

Challenges

1. **Challenge:** In 2018, EA was considered the fifth most-hated company in the United States ([Stebbins, 2018](#)). EA shouldn't focus on gaining new fans and should rather focus on repairing its brand image and reputation through the promotion and sale of its products and services.

Refutation: EA has always been working on improving its brand image. The company's past actions and frustrations from those fans have harmed our brand character. The initiatives and charities we participate in ("[Outreach and Community Impact](#)", n.d.), the affordable deals we offer, and the commitment we make ensuring the safety of our employees will slowly improve our brand's reputation. The marketing plan provided represents one of the many strategies being utilized to show the authenticity of the company and attempts to build an audience with a market that is unfamiliar with EA's past.

2. **Challenge:** Roughly, 25.8% of Internet users use ad blocking plug-ins ([Guttmann, 2019](#)). Why should we solely focus our efforts on social media advertising if it will end up getting blocked by a quarter of our target demographic?

Refutation: The advertising efforts are solely focused on social media applications. It is impossible to block ads when using an app ([Cassidy, 2018](#)). Ads may still appear on the web version of Youtube, however, the primary focus of all advertisements will be directed towards mobile users. On click, these ads will direct the user to their respective smart device app store.

3. **Challenge:** 65% people skip online video as soon as they get the chance. 76% considered it an ingrained behavior if given the option to skip the ad ([Handley, 2020](#)). If they're unable to skip the ad, they will only watch it for 5.5 seconds if it's 15 seconds and 7.4 seconds if it is 30 seconds. How can you guarantee our target audience will actually watch the ads?

Refutation: On specific social media sites, ads are unskippable. On Youtube, ads that are less than thirty seconds are unskippable. Skipping ads is also inevitable and it's impossible to guarantee a viewer will actually focus on watching the ad as it plays. Designing advertisements around the skip button is an example of a marketing trick that can make the ads memorable. For example you could place the brand logo next to the skip button. 20 percent of people remember an advertiser when its branding was by the skip button ([Handley, 2020](#)).

4. **Challenge:** Why are you spending more money on the mobile apps instead of the website? EA is a well-known brand and the application for publishing may cause traffic that will cost us more in maintenance.

Refutation: The website only needs to handle applications for developers. Only 3% of college graduates have a degree in computer science, a necessity to understand the pipeline and process of game development ([CSEDWeek, n.d.](#)). The website shouldn't be getting intense traffic and will provide all information needed to developers if they qualify for the EA Original program.

Conclusion

If we continue to wait, we will lose the opportunity to connect with an emerging market that will soon "...represent the largest U.S. consumer population at 82 million people" ([Elsely, 2019](#)). This generation is more connected to the mobile space than any other. By creating advertisements, producing products designed for it, we establish a relationship with the younger generation that will go towards improving our own reputation as a company that cares about gaming.

Mobile Message

1. For \$0.99 on the first month, gain instant access to EA Access, gaming's largest digital library of high-quality mobile video games. Txt STOP to opt out of SMS.
2. Gaming on a budget has never been easier, sign up for EA Access today to play EA's best. Download our new app at [LINK](#). Txt STOP to opt out of SMS.
3. Bored? Why not spend some time playing EA's best? Join EA Access to play EA's newest mobile exclusives. [LINK](#). Txt STOP to opt out of SMS.

E-Blast Letter

The E-Blast Letter will appear on the next page.