

Online Marketplaces

IAN OLDS



Video game Markets

Two Types

- Items
 - Started with in game trading
- User Created Content
 - Started with modifications

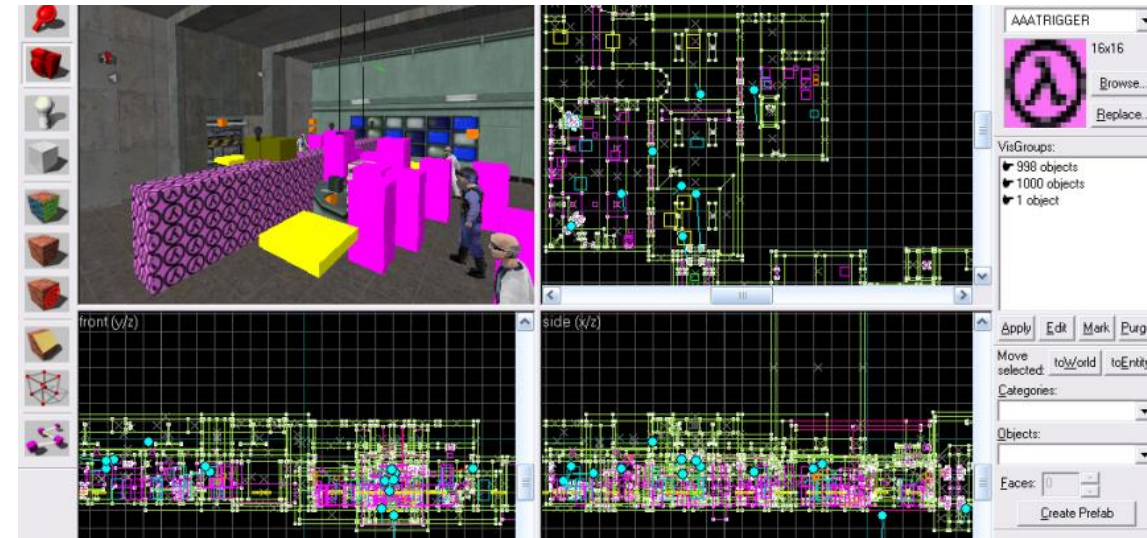
Companies Host Marketplaces

- Take a cut, about 10-30%

Background

Key Information

- Who would buy an online item?
- What do you mean by content?
- What is a Mod?
- What types of games have markets?
 - MMO?
 - FPS?
 - Cosmetics?



Item markets

MMO's

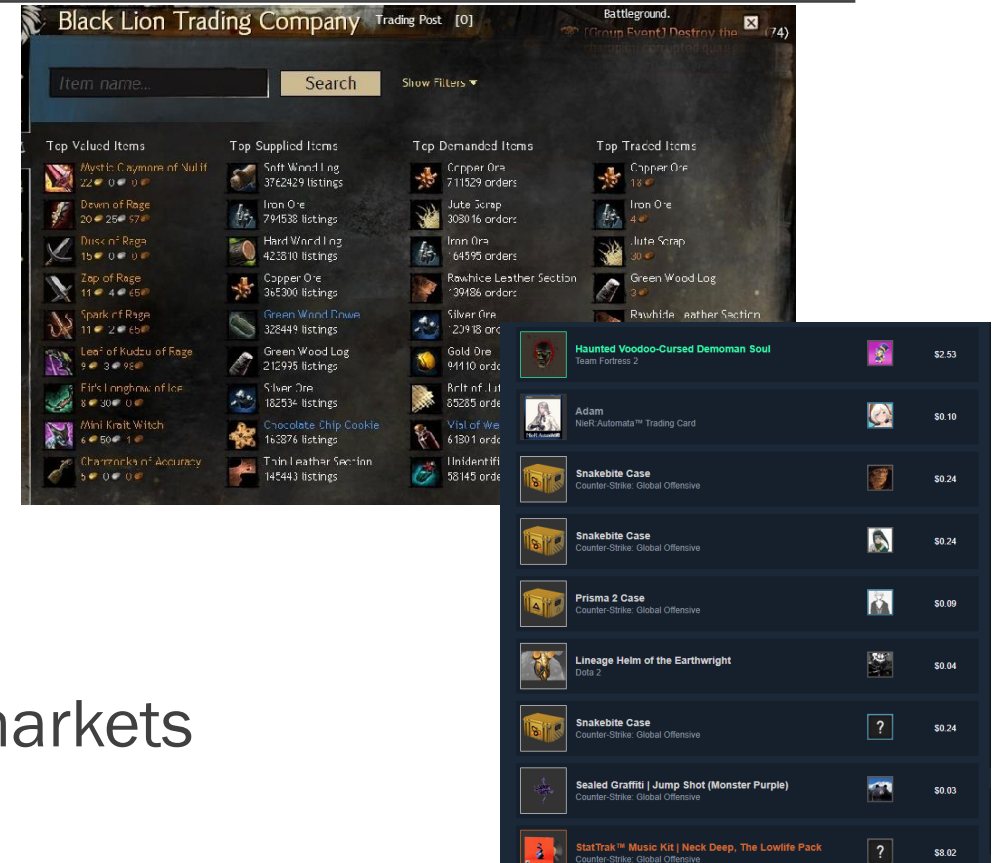
- In Game free markets
- Does not fund developers directly

Steam

- Community market sells Items for USD
- Popular for loot boxes

Third parties

- Not much rules and regulations, Black markets



Pros / cons of Item Markets

Pros

- They allow an economic aspect of games
- Allow for game ideas like skins to be profitable
- Can teach economic aspects to players

Cons

- Allows Shady tactics that would be illegal in the real world
- Encourages loot box mechanics

Ethics of item markets

Utilitarianism

- This does more good than harm so it is ethical

Social contract

- Users agree on a social contract with third parties that is commonly broken

Key questions

- Should companies host the market?
- Should there be no in game trading?
- Are third parties able to be stopped?

Content Markets

Steam

- Both AAA and Indie made games

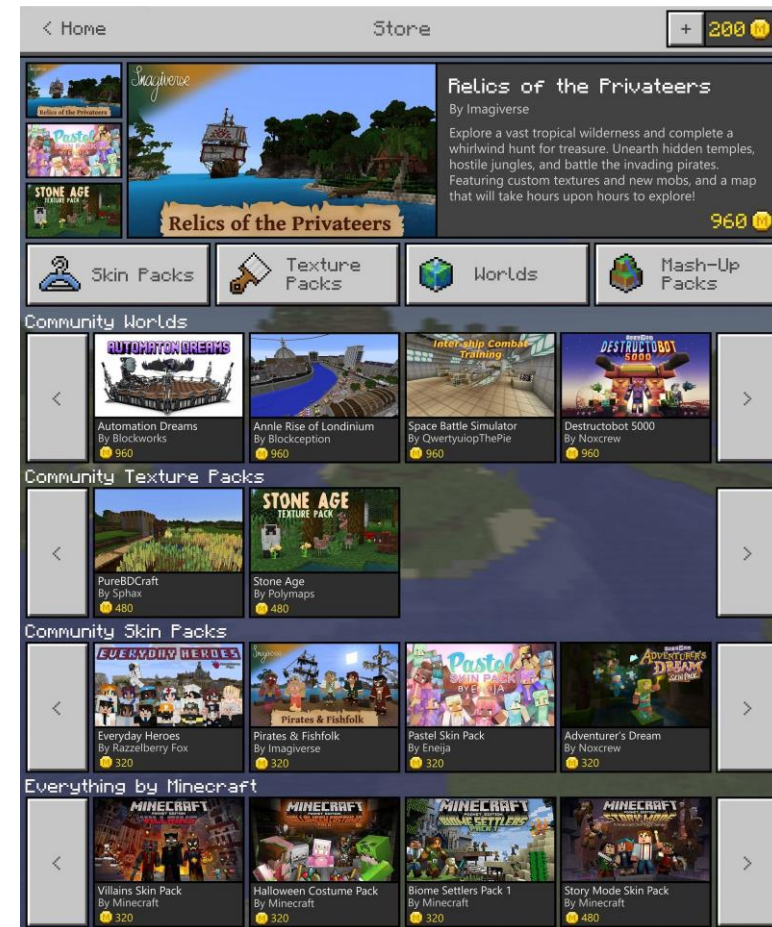
Minecraft

- Curated list of developers

Third Parties

- Mods
- Use PayPal/Patreon

And the Largest of all...



Roblox



Pros/cons of Content Markets

Pros

- Allow users to make money
- Higher quality third party creations
- Gives life to the game

Cons

- No legal way to ensure safe environments
- Companies encouraged to get more content faster from non-employees
- Allows Illegal practices because of its online nature

Ethics of content markets

Utilitarianism

- Complex
- Most have good experiences
- Encourages bad actors

Key questions

- Should companies host the market?
- Should there be no sale of Mods?
- Should third Party modders be stopped?

Conclusions

Item Markets Allow Games to explore new ideas

- Learning about economics
- Free to Play*

Content markets allow games to explore even more ideas

- Needs to be regulation or oversight
- Third parties help bring life to the game