



The Business and Management of Games
USC School of Cinematic Arts

CTIN 458 Instructor: Robert Nashak

Rnashak@gmail.com

Office Hours over Zoom: Fridays from 2:30 to 3:30 and by appointment

Office Hours Zoom Link: <https://usc.zoom.us/j/8046130992>

Course Description:

For students preparing for a career in videogames and/or digital entertainment, this course provides a broad understanding of the worldwide games industry. It also introduces students to the business essentials necessary to successfully bring games to market. With 3 billion gamers spending nearly \$175 billion on games in 2022, the games industry is playing an increasingly dominant role within the digital entertainment landscape. We'll look at how this enormous market is being reshaped by the ongoing revolution in how all media is produced, funded, and distributed. For game makers, understanding the business of games is a critical skillset now that developers are taking on more and more of the responsibilities that used to rest on the shoulders of game publishers. For students going into other areas of entertainment, the course will show that knowledge of the business of games is necessary for a proper understanding the overall entertainment industry.

As a way of deepening your understanding of the course material, you will be asked to come up with an original idea for a video game product or service based on current marketplace trends. As the semester proceeds, you will apply the content of the course as you develop that idea and progressively build a world-class pitch presentation.

The course introduces marketplace dynamics across the industry including console, PC games, mobile, virtual reality, augmented reality, Esports, MMOs, the metaverse and more. You will be introduced to what is required to successfully bring games to market such as establishing market demand, identifying target

customers, player acquisition, retention, and monetization, and more. With a focus on entrepreneurialism, we'll cover a range of business, management and legal issues, methods for pitching and getting products funded, legal issues pertaining to intellectual property and developer agreements, product development methodologies, as well as business start-up nuts and bolts. No prior knowledge of the games industry is required.

Meeting Information:

Lecture, Participation and Discussion: 3 hours

Evaluation of student performance:

The course will have weekly assignments building up to one final project. Students will be graded based on their ability to successfully apply in-class content. Students will also be graded on the professional quality of their final pitch deliverable.

Graded Assignments:

- 1) Half-way through the semester, students will submit the first half of their final pitch presentation.
- 2) Final Presentation: in-class pitch followed by final presentation submission on the day of the class's final exam.

Learning Objectives (please see below for a more complete set):

- 1) Deepened understanding of the worldwide video games market
- 2) Familiarization with the business essentials necessary to successfully bring games to market
- 3) Professionalization skill development:
 - a. Crafting professional presentations and pitches
 - b. Developing tools for career development (resumes, cover letters, portfolios, networking, working with teams, etc.)

Prerequisites:

No prerequisite courses. Please note that experience playing videogames or interest in playing games is NOT required.

Grade value will be apportioned as follows:

Participation	20
Mid-Term Project	30
Final Verbal Pitch Presentation	10
Final Project Pitch Deck	40
Total:	100

Course content:

Week 1: Introduction to the Course

Lecture/discussion: Syllabus review. High-level games market overview in the context of the overall entertainment industry. The 4 key communication points needed to win funding or get a project greenlit. The elements of a professional pitch deck. Introduction to the pitch deck template and why creating your own pitch is an effective way to learn “The Business and Management of Games.”

Deliverable for Next Week: Play some games!

Week 2: Game Market Dynamics (1/2)

Lecture/discussion: Quick history of video games from 1950s to 2010s – and predictions for the 2020s. Overview of all platforms where games are played. How world-wide games revenue has grown over time across all key platforms: console, PC, mobile, cloud gaming, VR. Some key trends to inspire big thinking as you start developing the product or service idea you will pitch in this class.

Deliverable for Next Week: Using the product snapshot slide from the pitch template, present two potential products or services you’d like to pitch this semester. You’ll pick one of these or come up with a brand new one by Week 4.

Week 3: Game Market Dynamics (2/2)

Lecture/discussion: Overview of the games market across all key worldwide territories. Overview of the demographics of video games. Summary of key long-term trends. Where to find games market data and how to read and interpret it.

Deliverable for Next Week: Revised Product Snapshot slide

Week 4: Market Analysis, Customer Identification and Market Sizing (1/2)

Lecture/discussion: Are you a game developer or a game publisher (evolution of responsibilities)? Are games products or services? What's a market? How do you decide whether an idea is worth pursuing? Identifying strong market demand.

Deliverable for Next Week: First pass at Market Dynamics Slides

Week 5: Market Analysis, Customer Identification and Market Sizing (2/2)

Lecture/discussion: Customer identification by demographics and psychographics. How to analyze market opportunities across the games space. How to size the market opportunity for your product or service.

Deliverable for Next Week: Second pass at Market Dynamics Slides

Week 6: Brands, Opportunity, Mission, Vision – Finding the X

Lecture/discussion: We'll review your product snapshots slides and hunt for the X. Why defining Opportunity, Mission, Vision will help you find the X. What is a brand? How thinking of your product or service as a brand can help unlock the X.

Deliverable for Next Week: Make a pass at the Vision slide in the pitch template.

Week 7: Professionalization Week – Finding your personal X

Lecture/discussion: Presenting

You: best practices with resumes, cover letters, portfolios, interviewing (phone, zoom, in person), professional networking, career pathing (entrepreneur vs intrapreneur, established companies vs. startups). Finding your personal X.

Your pitch presentation: the art of slideware design, professional writing, writing for your target customers, balancing graphics and text, verbal pitching, expressing your brand equity, how to write great game overviews. Pitching to investors vs. pitching to publishers vs. pitching for greenlight.

Your start-up or game dev team: Building your founding team, deciding what makes your team unique, finding your team's X.

Deliverable for Next Week: First product overview slide.

Week 8: Engagement, Retention and Monetization

Lecture/discussion: Games vs. gamified systems (aka gamification). Intrinsic vs. extrinsic motivation. Fun=learning. Game=goals, rules, interesting challenges, feedback and mastery. Introducing engagement and retention and why they're key metrics from a business perspective.

Deliverable for Next Week: Midterm deliverable – drafts of the following slides from the template are due: title slide, product snapshot, market dynamics, vision, product overview.

Week 9: Engagement, Retention and Monetization

Lecture/discussion: Overview of monetization models including F2P, premium pricing, subscriptions, in-app purchases, etc. Intro to the Free-to-Play model. Monetizing around the core loop in the F2P model. The importance of in-game analytics.

Deliverable for Next Week: Competitive Landscape slide

Week 10: Marketing/Player Acquisition (1/2)

Lecture/discussion: Brief history of game marketing. Marketing vs. promotion. Marketing as a strategy. Marketing basics in the PC/Mac, mobile, and console games space. Indie marketing resources. Player acquisition in crowded digital marketplaces—the problem of discovery. Importance of marketing analytics and metrics.

Deliverable for Next Week: Company Snapshot slide

Week 11: Marketing/Player Acquisition (2/2)

Lecture/discussion: The 3 types of player acquisition (Paid, Owned, and Earned). Basics of PR and working with the media.

Deliverable for Next Week: One amazing guerrilla marketing idea for your product or service (designed to create WOM and designed to express your brand equity).

Week 12: Cost, Scope, Schedule

Lecture/discussion: Cost, scope, schedule interdependencies. Product development timeline key milestones (Alpha, Beta, etc.). Team resourcing basics and how to start thinking about game development costs. Overview of game development roles and functions. In-house vs. independent contracting. Intro to project management and the crucial role of the producer. How agile and agile-like methodologies respond to the problem of scope.

Deliverable for Next Week: Marketing Slides

Week 13: Need-to-Know Business Basics: Intellectual Property, Legal Agreements, Privacy, and Start-up Basics

Lecture/discussion: Intellectual property: protection, value creation and digital footprints. Let's demystify copyright, trademarks, patents, trade secret. Why it's time to start caring about contracts. (NDA's, Developer Agreements). Overview of running games businesses, including fund-raising, team recruitment, etc.

Deliverable for Next Two Weeks: All Slides

Week 14: Pitch Presentations

Students present

Week 15: Pitch Presentations

Students present project pitches

LEARNING OBJECTIVES:

Upon successful completion of this course, students will be able to:

1. Explain the business essentials necessary to successfully bring games to market
2. Create an original idea for a video game product or service based on current marketplace trends
3. Describe current marketplace dynamics across the industry, including console, PC games, mobile, virtual reality, augmented reality, Esports, MMOs, the metaverse and more
4. Describe the worldwide video games market
5. Developing tools for career development (resumes, cover letters, portfolios, networking, working with teams, etc.)

6. Describe the 4 key communication points needed to win funding or get a project greenlit, including the elements of a professional pitch deck
7. Describe how world-wide games revenue has grown over time across all key platforms: console, PC, mobile, cloud gaming, VR
8. Describe the games market across all key worldwide territories, the demographics of video games and key long-term trends and where to find games market data and how to read and interpret it
9. Describe customer identification by demographics and psychographics. How to analyze market opportunities across the games space. How to size the market opportunity for your product or service
10. Develop a world-class pitch presentation: the art of slide design, professional writing, writing for your target customers, balancing graphics and text, verbal pitching, expressing brand equity to investors vs. pitching to publishers vs. pitching for greenlight
11. Describe the role of establishing market demand, identifying target customers, player acquisition, retention, and monetization, to successfully bring games to market
12. Describe monetization models including F2P, premium pricing, subscriptions, in-app purchases
13. Describe marketing basics in the PC/Mac, mobile, and console games space, indie marketing resources. player acquisition in crowded digital marketplaces—the problem of discovery
14. Describe project management and the crucial role of the producer, how agile and agile-like methodologies respond to the problem of scope
15. Explain the role of Intellectual property protection in value creation including copyright, trademarks, patents, trade secret, NDA's, Developer Agreements

Missing an Assignment, Incompletes:

The only acceptable excuses for missing an assignment or taking an incomplete in the course are personal illness or a family emergency. Students must inform the instructor before the assignment is due and present verifiable evidence in order for a make-up to be scheduled. Students who wish to take incompletes must also present documentation of the problem to the instructor before final grades are due.

Note for students with disabilities:

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester.

A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to us as early in the semester as possible. DSP is located in STU 301, and is open 8:30am-5:00pm Monday through Friday. The phone number for DSP is (213) 740-0776.

Academic Integrity:

The School of Cinema-Television expects the highest standards of academic excellence and ethical performance from USC students. It is particularly important that you are aware of and avoid plagiarism, cheating on exams, submitting a paper to more than one instructor, or submitting a paper authored by anyone other than yourself. Violations of this policy will result in a failing grade band be reported to the Office of Student Judicial Affairs. If you have any doubts or questions about these policies, consult “SCAMPUS” and/or confer with the instructor.

Harassment, sexual misconduct, interpersonal violence, and stalking are not tolerated by the university. All faculty and most staff are considered Responsible Employees by the university and must forward all information they receive about these types of situations to the Title IX Coordinator. The Title IX Coordinator is responsible for assisting students with supportive accommodations, including academic accommodations, as well as investigating these incidents if the reporting student wants an investigation. The Title IX office is also responsible for coordinating supportive measures for transgender and nonbinary students such as faculty notifications, and more. If you need supportive accommodations you may contact the Title IX Coordinator directly (titleix@usc.edu or 213-821-8298) without sharing any personal information with me. If you would like to speak with a confidential counselor, Relationship and Sexual Violence Prevention Services (RSVP) provides 24/7 confidential support for students (213-740-9355 (WELL); press 0 after hours).

Statement on Academic Conduct and Support Systems

Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on [Research and Scholarship Misconduct](#).

Students and Disability Accommodations:

USC welcomes students with disabilities into all of the University's educational programs. The Office of Student Accessibility Services (OSAS) is responsible for the determination of appropriate accommodations for students who encounter disability-related barriers. Once a student has completed the OSAS process (registration, initial appointment, and submitted documentation) and accommodations are determined to be reasonable and appropriate, a Letter of Accommodation (LOA) will be available to generate for each course. The LOA must be given to each course instructor by the student and followed up with a discussion. This should be done as early in the semester as possible as accommodations are not retroactive. More information can be found at osas.usc.edu. You may contact OSAS at (213) 740-0776 or via email at osasfrontdesk@usc.edu.

Support Systems:

Counseling and Mental Health - (213) 740-9355 – 24/7 on call
studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call
suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press "0" after hours – 24/7 on call
studenthealth.usc.edu/sexual-assault

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office for Equity, Equal Opportunity, and Title IX (EEO-TIX) - (213) 740-5086
eetix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298
usc-advocate.symplicity.com/care_report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office for Equity, Equal Opportunity, and Title for appropriate investigation, supportive measures, and response.

The Office of Student Accessibility Services (OSAS) - (213) 740-0776
osas.usc.edu

OSAS ensures equal access for students with disabilities through providing academic accommodations and auxiliary aids in accordance with federal laws and university policy.

USC Campus Support and Intervention - (213) 821-4710
campussupport.usc.edu

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity, Equity and Inclusion - (213) 740-2101
diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call
dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call
dps.usc.edu

Non-emergency assistance or information.

Office of the Ombuds - (213) 821-9556 (UPC) / (323-442-0382 (HSC)
ombuds.usc.edu

A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.

Occupational Therapy Faculty Practice - (323) 442-3340 or otfp@med.usc.edu
chan.usc.edu/otfp

Confidential Lifestyle Redesign services for USC students to support health promoting habits and routines that enhance quality of life and academic performance.