Life begins at 40:
6 Lessons we shouldn't forget from our first 40 years of gaming industry

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Younger generations don’t know us!

Many young aspiring developers are so into the future they can easily forget about the past.
The first commercial video game was

<table>
<thead>
<tr>
<th>Game</th>
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#1: What's old can be new again!

Often dismissing old games as 'primitive'

See beyond graphics and look at game play: many ideas can still be inspiring!
Using gravity force for bending our trajectories

SpaceWar!, MIT (1962)

Angry Birds Space, Rovio (2012)
Dual stick control for hectic shooting action

Robotron 2084 Williams (1982)

Minigore 1 and 2 (Mountain Sheep/Chillingo, 2009-13)
Free runners

Metro-Cross, Namco (1985)

Any endless running game so popular today
#1: What's old can be new again!

Critical play and knowledge of past games can be a gold mine for game designers to come up with original ways of implementing proven ideas.
#2: Innovation & Success don't happen by chance

1971: Computer Space

1972: Magnavox Odyssey

1972: Atari Pong
1996: Palm Pilot 1000

2003: Nokia NGage

2007: Apple iPhone
#2: Innovation & Success don't happen by chance

• The way to success is often paved by not so successful experiments.
• All our experiences are worthy and we can inspire each other.
• We need to share our knowledge to advance.
#3: K.I.S.S.

Keep It Simple, Stupid!
• DEPOSIT QUARTER
• BALL WILL SERVE AUTOMATICALLY
• AVOID MISSING BALL FOR HIGH SCORE
UI / UX are extremely important.

Everything should be as intuitive as possible.
#4: The Importance of Retrocompatibility

Every generation, console manufacturers wonder whether new systems should be backward compatible...
1982: Atari 5200

- Atari was afraid of cannibalizing 2600 sales
  - Delayed launch till November 1982
  - No retro compatibility
    - Atari tried to add it later, but it was too little, too late.
  - ~1 million units sold only
  - Discontinued in May 1984
But then...

- Commodore: Vic 20 and C64
  - claimed a “partial” backward compatibility between the VIC20 and the C64

- NES, SNES...
- SMS, MegaDrive...
- C64, Amiga...

- No backward compatibility, no problem!
Why?

- In the late 80-90:
  - platforms evolving fast
  - The new systems were so much more advanced that young players didn’t care.
## Last Generation

<table>
<thead>
<tr>
<th>Platform</th>
<th>Sales</th>
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<tbody>
<tr>
<td>Xbox</td>
<td>24.7m</td>
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<tr>
<td>PS2</td>
<td>157.7m</td>
</tr>
<tr>
<td>GameCube</td>
<td>21.74m</td>
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<tr>
<td>Xbox 360</td>
<td>79.2m</td>
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<tr>
<td>PS3</td>
<td>80.1m</td>
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<tr>
<td>Wii</td>
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Sales as of Oct 2013 - VGChartz.com
Today?

- **Rising costs**: AAA titles need a user base bigger than ever to be profitable.
  - selling just a few million units isn't enough anymore

- **New systems** need to cater to both new and old gamers alike to maximize user base

- **PS4 and XBox One** sales started very strong but will the early adopters be followed by upgraders?
  - Retro compatibility would definitely help to keep older players engaged, despite higher production costs
#5: We are in constant flux between Red and Blue Oceans: be ready!

Difficult to have sustainable growth. We have cycles of explosive growth followed by saturation and potential crashes.
Industry Crash (1977)

- Home Pong clones
Industry Crash (1983)
• First third party developer: great success!
Industry Crash (1983)

• Second third party developer: great success!
Industry Crash (1983)

- Anyone can make it! *(no, not really!!)*
Industry Crash (1983)

Pac Man:
- developed in 6 weeks
- 10 million user base
- 12 million carts...

E.T.:
- $25 millions for the license
- developed in 5 weeks
- 4.5 million carts...
Today... Danger!

130 new games released per day!

How to Avoid?

• If you are successful today, don't believe this will make you successful tomorrow as well!
• Keep a quality standard!
• Be Humble and Don't rush!
With great crashes, come great opportunities

New markets emerges
Be ready for the next blue ocean!

• New platforms?
  – Smart TV?
  – Ouya & new ‘open’ consoles?
  – VR?
  – Hybrids tablet/PC?
#6: Think out of the box!

- Reinvent your business to remain competitive when market conditions change

- **Case Study:**
  - Arcades: all the rage in the late 70s and 80s...
• Arcade:
  – declined since the late 80s and disappeared...
• ... or did they?
Causes:

- Competitions from Home based systems

- More violent games and a different crowd made the overall environment less suitable for kids and girls
Solutions?

- Start offering something ‘different’ to attract a new audience

**Sticker Picture Machines**: an updated version of the classic photo booth!
Solutions?

– Engage all the patrons: transform a game in an exhibition-like performance
Solutions?

– Competition is exciting but..
  • Avoid physical contact between players
    – During and after the game
  • Nobody wants to "lose face"
Think “Out of the Box”!

Move players on opposing rows of cabinets!
Conclusions

• #1: What's old can be new again
• #2: Innovation & Success don't happen by chance
• #3: K.I.S.S.
• #4: The Importance of Retro compatibility
• #5: Constant flux between Red & Blue oceans
• #6: Need to think out of the box!
Thanks for your kind attention!

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