

Chapter 23

Online Gaming: Demographics, Motivations, and Information Processing

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ABSTRACT

Online gaming has become a major part of our culture. In order to understand this new media in our society we must examine the motivations for playing these types of games and how that impacts individuals processing of information. This book chapter sets out to examine those motivations and how motivational processing influences in-game content during game play. More importantly how individuals recognize, process, and evaluate information relative to their motivations for playing an online game. Furthermore, this chapter not only explores the product-related segmentation variables, but also demographic segmentation variables. Thus, taken together variables such as motivations, demographics, and game features allows us to paint a clearer picture of the: who, how, and why of online gaming.

INTRODUCTION

Video and computer games are big business. In fact, it was estimated by the Entertainment Software Association (ESA) that sales for computer and video game software reached about \$11.7 billion in 2008. Blizzard Entertainment, the developers behind the game *World of Warcraft* announced in 2007 that they had recruited over 9 million subscribers to that particular game (van Lent, 2008). Not only do individuals have to pay

a one time fee to purchase the game (\$50-\$60), but they also must pay a monthly subscription fee to play that game online. According to van Lent if you do the math that's nearly \$1.5 billion dollars annually! The success of online games has even spawned console systems (i.e., X360 & PlayStation 3) and video games that allow users to connect to the internet and compete or play with other users in a multiplayer format.

The gaming industry certainly takes its sales figures seriously. A person only needs to look at the amount of money developers spend upon marketing their games, which is usually about

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the same amount of money it takes to produce that game (Nussenbaum, 2004). Thus, if a game takes anywhere from \$12 million to \$20 million to create, then this same amount needs to go into marketing that game through multiple advertising campaigns in order to ensure that the game makes a profit. According to Nussenbaum the increase in costs has game developers seeking secondary revenue streams through online subscription fees and in-game advertising. Gaming industry leaders speculate that the amount of money spent on in-game advertising could reach \$2 billion dollars by the year 2010 (Shields, 2006). In fact there is an advertising corporation called Massive (<http://www.massiveincorporated.com>) that caters solely to advertising within video games or in-game advertising. This trend was not lost on the part of politicians. For instance, newly elected President Barack Obama spent roughly \$44,000 on in-game advertising between October 6th and November 3rd in 2008 for multiple Xbox 360 games (Miller, 2008). The advertisements sponsored voting early and were featured within 17 video games for the Xbox 360 (Sinclair, 2008). The amount spent on these advertisements seems relatively small in comparison to the entire amount put towards running a presidential campaign. However, the return on the investment would seem to be worthwhile, especially if you asked John McCain.

The increase of in-game advertisements certainly brings up important questions related to how individuals process information while playing a video game. Even more important is how that information is processed when it occurs simultaneously with game content. Audience analysis certainly could give us some insights into the answers to the previous questions. According to Livingstone (1999) "As audiences become less predictable, more fragmented or more variable in their engagement with media, understanding the audience is even more important for theories of social shaping, design, markets and diffusion than, perhaps, was true for older media" (p. 62). Thus, understanding the audience and their moti-

vations for play is the first step in gaining knowledge about how content within a video or online game is processed. As academics and industry professionals we need to understand a) what is online gaming, b) who plays online games, and c) what are individual's motivations for playing online games. In order to suggest new directions in gaming research we need to understand the phenomenon that we are studying. Furthermore, the demographic characteristics of online gamers may not be as easily presumed as once thought and therefore not as easily targeted as predicted. Therefore, this chapter will integrate what online gaming is along with player demographics in order to better understand motivations behind playing online games. Once these motivations are understood we can get a clearer picture of how individuals process information during game play.

WHAT IS ONLINE GAMING?

Online games have been referred to as MMORPG's, which stands for Massively Multiplayer Online Role-Playing Games. However, online games have also been referred to as massively multiplayer/multiuser online (MMO's), massively multiplayer online game (MMOG's), or massively multiplayer online persistent world (MMOPW's) (Chan & Vorderer, 2006). MMORPG's have been defined as "a persistent world... that exists independent of the user" (Yee, 2005, p. 4). Users create their own graphical avatars and interact in an online world with other users and their avatars. Users can login or logout anytime, but the world still exists online and is open to numerous users. In fact, an interesting aspect of these games is the fact that most MMORPG's include a minimum of about 2,000 users (Yee). Thus, these virtual environments at any one point in time can house numerous avatars and characters.

Long before the word MMORPG was a part of our vernacular; games played over the internet were referred to as MUD's (Multiple User Do-

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