

## The Potential Economic Ramifications of Changing Consumer Perceptions in the Free-to-Play Gaming Market: A Case Study of Grinding Gear Games

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### Abstract

When New Zealand based developer Grinding Gear Games (GGG) announced that Chinese investment company Tencent acquired a majority stake in its company, the news quickly spread across interrelated multimedia spheres. GGG was founded in 2006 as an independent games developer whose sole product, the action role playing game (ARPG) Path of Exile, was released using a free-to-play model. From the beginning, players contributed to the economic stability of the company by engaging in microtransaction purchases (MTX) which allow for cosmetic changes to the game (e.g., addition of an in-game pet or new coloring for a piece of armor). GGG's fan base has grown steadily. Company members have earned a reputation of openness and accessibility. Owner and lead developer Chris Wilson, for example, continues personally responding to community members via email or by posting and replying to gamers on the popular news aggregation site Reddit— where, in late May 2018 he announced the expanded partnership with Tencent. In less than twenty-four hours, almost 6500 replies were made to Wilson's original post. Other reaction threads were created. Popular gamers (streamers) broadcasting on their Twitch.tv channel devoted hours to discussing the ramifications of the deal. Through discourse analysis, the authors examine the top five hundred Reddit comments and interpret the results through an interdisciplinary theoretical framework. The resulting case study sheds light on consumption and production; more specifically, how consumer perception might impact the economic model of the company.

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