WEB SHOP SUCCESS STRATEGIES: EXCLUSIVE CURRENCY

A how-to and best practices series of guides for game developers interested in earning more revenue, gaining control of user data, and nurturing closer relationships with their players.

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INTRODUCTION

In the growing mobile gaming market, direct-to-consumer (D2C) solutions have emerged as a transformative ecommerce trend, inspiring developers and publishers across diverse gaming genres to evolve their monetization strategies. The surge of D2C shopping via web-based payment gateways stems from game businesses' desire to retain a larger revenue share and optimize costs, particularly in a fluctuating mobile games market economy.

As the COVID-19 pandemic-fueled purchase surge subsides and competition for users intensifies, mobile game developers face unique challenges. Rising acquisition and retention costs and evolving platform regulations have created a landscape where developer expenses often outweigh revenue. This situation spurred publishers and developers to seek innovative solutions to maintain profitability and drive growth. In this quest, **web shops** – with the right approach – have emerged as a beacon of hope.

WHAT THIS GUIDE COVERS

Many web shop methodologies exist, each catering to specific game genres and monetization models. Drawing on an analysis of over 150 web shops Xsolla helped launch in the past 2 years, we compiled a comprehensive guide series packed with invaluable insights, practical tips, and potential risks to consider. Available as a series of downloadable ebooks, this roadmap will equip you to navigate the intricacies of **web shop implementation and successfully launch web sales for your mobile game**.

In the first edition of our web shop series, we focus on "**web-exclusive currency**" – a high-impact, resource-efficient approach that has proven to boost game revenue significantly. With minimal time and effort required for implementation, this strategy is well-suited for a wide range of mobile games.

Read on to gain a comprehensive understanding of these topics:

- The essence of web-exclusive currency and its advantages;

- How to ensure your game is a good candidate for this strategy;

- Seamless implementation of this concept – within the game and on the web – ensuring a smooth and effective rollout;

- Nurturing player motivation for web-based purchases: How to create compelling incentives that drive players to purchase through your online shop;

- Bridging the gap between your game and web shop: The best method for transitioning players from the immersive game environment to the web shop – while maximizing conversion rates;

- Measures of success: Learn how to identify and track key metrics that reveal the success and growth areas of your web shop implementation.

With this e-book as your guide, you can leverage the power of web-exclusive currency, unlock new avenues for revenue growth in your mobile game, and gain expertise for more effective implementation, transforming your web shop into a driving force for long-term success.

STRATEGY FOCUS: WEB-EXCLUSIVE CURRENCY

A web-exclusive currency strategy seamlessly blends the mechanics of a web shop with the existing in-game monetization model. This integration requires subtle adjustments to in-game economy, which may seem daunting at first glance. However, upon closer examination, it is a straightforward and easily manageable process.
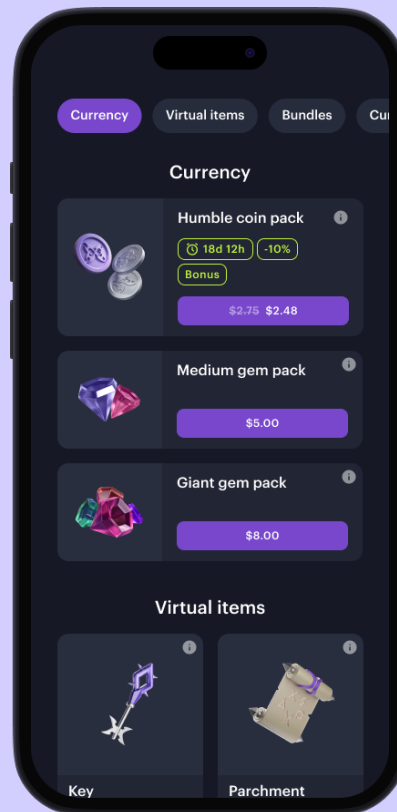
A GAME CHANGER
FOR MOBILE GAME MONETIZATION

In mobile gaming, the web shop is a powerful tool to enhance revenue generation and player engagement. Web-exclusive currency stands out for its effectiveness and ease of implementation: Unique currency, exclusively available through the web shop, effectively "funds" players to purchase in-game offerings. This virtual currency is an intermediary between real-world funds and in-game purchases, offering players a more advantageous way to acquire game items and enhance their gameplay experience.

When web shops become the sole source for players to acquire this exclusive currency, it effectively consolidates player purchases onto a single platform and provides developers with a clear view of their revenue streams.

THE BENEFITS OF ALTERNATIVE CURRENCY

A web-exclusive currency strategy offers many advantages that position it as a compelling choice for mobile game developers. Let's dive into 3 of the key benefits.

- **Minimal resource requirements.** The web-exclusive currency strategy demands minimal resources and financial investment. Xsolla offers a comprehensive toolkit that streamlines the implementation process. This toolkit includes a ready-made website template, intuitive customization tools, and a seamless catalog uploading feature, empowering you to establish your web shop without significant resource allocation.

- **Rapid financial returns.** A web-exclusive currency approach helps you generate financial results quickly. By effectively engaging with the game's community and fostering a vibrant ecosystem around the web shop, many developers experience a rapid uptick in revenue streams. Of course, success hinges upon your ability to cultivate a community that embraces the web shop as an integral part of your game's ecosystem.

- **Sustainable revenue growth.** The strategy has the potential to unlock a substantial increase in revenue, generating over 10% additional revenue for the game. Two factors drive this revenue boost: platform commission savings and increased high-value purchases. By channeling player purchases through the web shop, you can circumvent the fees typically associated with in-app purchases, which translates to direct revenue gains. Additionally, because platform pricing regulations do not constrain it, a web shop provides an environment conducive to higher-value transactions, as players are often more inclined to make larger purchases when using web-based payment methods.

As the volume of paying traffic redirected to the web increases, the revenue benefits of alternative currencies become more pronounced. Developers can reap the rewards of expense savings on a larger scale while enjoying a surge in high-value purchases which culminates in a sustainable revenue growth trajectory and enhances the game's long-term financial performance.

MOTIVATIONAL DRIVERS FOR WEB-BASED PURCHASING

Understanding the following drivers that lead players to purchase on the web is crucial to effectively incentivize traffic, purchases, and returning users to your online shop.

- **More affordable (5-10%)** to buy game offers with web shop currency.
- **Players remain motivated** to repeatedly return to the web shop for in-game purchases.

By addressing these motivators through a combination of these key drivers, you can create a compelling web shop experience that fosters player engagement and drives sustainable revenue growth.

WEB-EXCLUSIVE CURRENCY AND YOUR GAME

The effectiveness of web-exclusive currency hinges upon the specific characteristics of the game and its target audience. To determine whether this strategy aligns with your game, consider the following factors:

- **In-game monetization.** Games with a complex and deep monetization structure, featuring hundreds of offers with dynamic targeting based on multiple conditions, are well-suited for the web-exclusive currency strategy and typically generate a significant portion of their revenue from currency sales.

- **Web shop catalog.** Games with a web shop catalog focused on exclusive currency ensure you can draw players to your shop motivated by value rather than being overwhelmed by a vast array of in-game items.

- **Target the right audience.** The web-exclusive currency strategy is particularly effective in targeting whales and paying players – individuals inclined to make in-game purchases. Xsolla Web Shop transforms dolphins, players who make occasional in-app purchases, into whales by offering exclusive deals and attractive incentives.

- **Game type.** Core and hardcore games are ideal candidates for this approach. These game types feature a deeper level of engagement, making players more receptive to the value offered via the web. Genres like shooters and strategy games, like Kiss of War from Tap4Fun, and RPGs like Age of Magic from Playkot are prime examples.
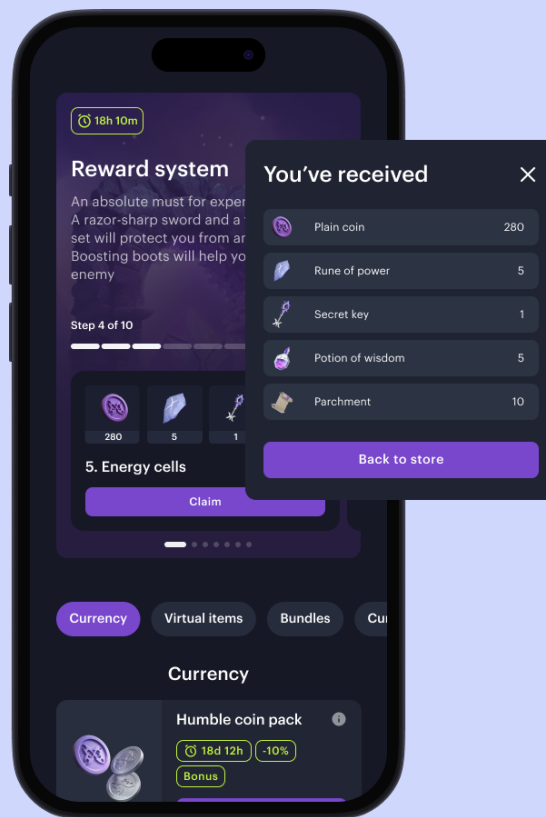
- **Engagement and retention mechanics.** Robust mechanics to acquire and retain players can also complement web-exclusive currency, fueling player interest and repeat purchases. Added-value propositions, attractive discounts, and rewarding loyalty programs can stimulate players' attention and drive long-term web shop usage.

- **Ease of operation.** The web-exclusive currency strategy is relatively easy to implement and manage, requiring minimal operational overhead. Xsolla Web Shop provides a user-friendly platform that streamlines the setup and administration, enabling developers to focus on creating compelling content and driving player engagement.

In complex genres with diverse offers and intricate player behavior, the challenge of synchronizing catalogs for a web shop is addressed through an alternative currency solution. Players can use web shop currency to purchase in-game offers, particularly effective for RPG/strategies genres.

INTRODUCING ALTERNATIVE CURRENCY TO PLAYERS

Introducing web-exclusive currency for purchase requires strategic execution to sync it with the game's economy and incentivize players to shop via the web. Here are a handful of proven methods.

LEVERAGE EVENTS

Events are ideal catalysts for syncing web-exclusive currency with your game. Carefully crafted moments of excitement and anticipation naturally draw players' attention, creating a receptive environment for unveiling the new form of money.

Events typically generate a substantial marketing push through various community channels, effectively raising awareness of the web shop among your player base. This widespread exposure piques players' curiosity about the new shop and its potential rewards.

Events often feature exclusive, earnable, and purchasable content that players eagerly await. By making limited-time event offers available exclusively for web currency, developers can effectively encourage players to visit the web shop and try the new buying method.

ESTABLISH PRICE PARITY

You should establish a clear price parity between real-world funds and web-exclusive money to foster user adoption of web-exclusive currency. Each in-game offer should have two corresponding prices: one in real-world currency and the other in web-exclusive currency. However, to incentivize online purchases, the exchange rate should favor the web currency, meaning that players should receive more in-game value for the same amount of money when purchasing web-exclusive currency than real-world cash.

On average, a 5-10% discount for web-exclusive currency purchases is considered an effective enticement. This tangible savings acts as a powerful motivator, encouraging players to make the switch and enjoy the benefits.

SIMPLIFY THE TRANSITION FROM IN-GAME TO WEB

To ensure a smooth shift to web-exclusive currency, you should provide clear and concise instructions to players, explaining the benefits and how to acquire it. Pop-up messages, in-game tutorials, and community announcements can all serve as effective communication channels for educating players about the new exchange method.

You can also consider implementing a conversion bonus during your initial rollout phase to reward players for converting their existing in-game currency, accelerating their transition to the new currency system.

IN-GAME TO WEB: HOW TO SHIFT SHOPPING BEHAVIOR

Launching a web shop without effectively informing and engaging your player base is akin to setting sail without a compass – a venture destined for uncertainty. To ensure your web shop's success, reach out to your existing in-game player base – a treasure trove of potential web shop patrons. These brand-dedicated individuals are already engaged with your game and recognize the value you offer. Tap into this resource by indirectly communicating the benefits of your web shop through blog posts, social media, and other methods that do not conflict with app store policies.

- **Guide with clarity and transparency.** Consistency and transparency are crucial to building trust with your players and communicating the value of your shop.

- **Make entering your web shop seamless.** Ensure your web shop link is prominently displayed on all your official channels: website, social media platforms, and other relevant online touchpoints. Players should be able to easily transition from your game to your web shop.

- **Educate first-time visitors.** Treat first-time visitors to your web shop as valued guests. Consider them as 'tourists' who need guidance and understanding and make it easy for them to understand the purchasing process.

- **Harness the power of whales.** Identify and engage with 'whales' within your game - those high-spending players who hold significant influence among their peers. By convincing them, you can tap into their influence to spread awareness and encourage other players to explore your web shop.

WEB SHOP DYNAMICS: ONGOING OPTIMIZATION FOR SUSTAINABLE SUCCESS

Unlike a static product, a web shop always evolves and requires continuous operational attention. This web shop strategy relies on core resources during launch when the creation and release of new web-exclusive currency take center stage. The relative simplicity of operating this type of shop over time allows for a leaner team structure. You should get comfortable with ongoing optimization to sustain and enhance your long-term success.
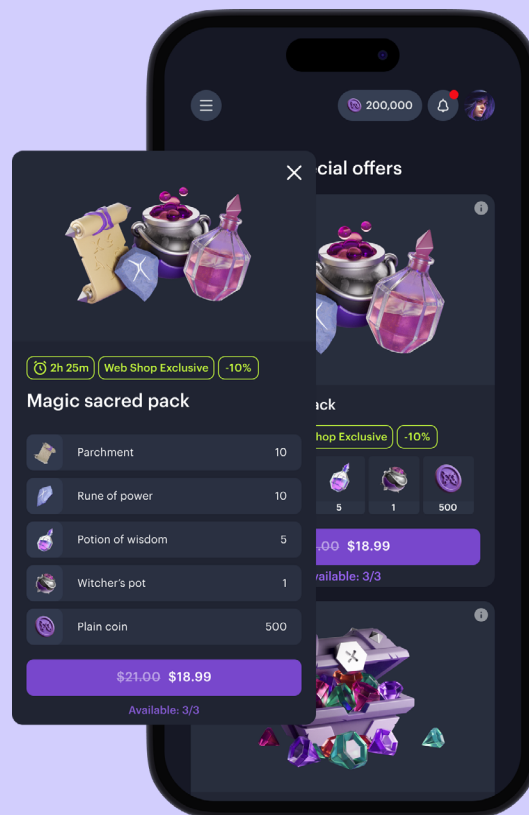
POST-LAUNCH OPTIMIZATION: REFINING PERFORMANCE

Once your web shop launches and you gather initial metrics, your focus should shift to performance improvement. While regular updates to currency packs are optional, gradually introducing additional retention and engagement mechanics is highly beneficial.

- **Tiered rewards programs:** Encourage repeat purchases and foster loyalty by implementing a tiered rewards program that motivates players to reach higher spending milestones;

- **Limited-time offers:** Convey a sense of urgency and excitement by introducing time- and quantity-limited offers with exclusive benefits or discounts;

- **In-game promotions:** Integrate web shop promotions seamlessly into the game itself, indirectly highlighting the benefits and value of purchasing through the web shop;

- **Targeted email campaigns:** Segment your player base and send personalized email campaigns that promote relevant web shop offerings based on their purchase history and preferences;

- **Social media:** Lean on social platforms to engage with players, promote web shop offerings, and address any concerns or questions they have.

BALANCING RESOURCES TO SUPPORT SUCCESS

While a web shop strategy prioritizes in-game content development during the post-launch phase, it's crucial to allocate sufficient resources to support web shop operations. This includes tasks such as:

- **Monitoring and analyzing performance:** Regularly track your shop's metrics to identify areas for improvement and optimize the web shop experience;

- **Maintaining security:** Implement robust security measures to protect player data and financial transactions;

- **Customer support:** Provide prompt and responsive assistance to address customer inquiries or concerns;

- **Adapting to market trends:** Stay abreast of emerging trends in the gaming industry and adjust your web shop strategy accordingly to maintain relevance.

By effectively managing resources and implementing ongoing optimization strategies, you can ensure that your web shop remains a thriving enjoyment hub.

BEST PRACTICES

MEASURES OF SUCCESS

Success is more than just a one-size-fits-all concept for ecommerce. Each web shop has its unique identity, target audience, and business goals, so the metrics that define success will vary from one store to the next. However, certain indicators can provide valuable information about the health and performance of your online business.

It's crucial to analyze your performance to industry standards, competitors, or even your own historical data. By establishing these comparisons, you can gain a deeper understanding of your web shop's strengths, weaknesses, and areas for improvement.

Drawing upon our extensive experience with Xsolla Web Shop projects, we recommend a goal that mirrors the success of Xsolla partners who achieved success with their online stores:

30-40%
Capture rate

10%
Incremental revenue added

>60%
Conversion from login to purchase

>5 PURCHASES
Average of monthly purchases per user

While quantitative metrics provide valuable data, it's equally important to consider qualitative insights gained through customer surveys, feedback forms, and direct customer interactions. User feedback can help you understand the underlying reasons behind your data, allowing you to make informed decisions to improve customer experience and continue driving growth.

CASE STUDY: RPG STRATEGY GAME

A popular RPG strategy game successfully applied the web-exclusive currency pack mechanic by promoting a bonus for purchasing hard currency on their web shop. The reward, which is an additional amount of hard cash, increases in proportion to the value of the purchase. This incentive has been particularly effective, with over **50% of web shop revenue generated from packs priced above $100. The most expensive pack, priced at $960**, has proven to be a significant contributor to this revenue stream.

TIPS AND TRICKS

When planning your web shop launch, consider offers that provide greater incentives than in-game deals for players to purchase through your online platform.

- **Capitalize on virtual currency packs.** These packs should offer significant value compared to in-game currency purchases and entice players to switch.

- **Optimize pack sizes and pricing.** Limit your web-exclusive currency pack offerings to a manageable range - ideally between 6 and 8 packs - to focus on promoting and optimizing a select few options rather than overwhelming players with too many choices.

- **Target big spenders.** Incorporate packs priced above $100 to entice whales and dolphins. These packs should offer a substantial bonus or discount to justify a higher price. Aim for a premium of 5-10% compared to the equivalent in-game currency purchase.

- **Avoiding discount traps.** While discounts may seem appealing to attract customers, excessive discounting can hinder your web shop's revenue potential. Instead of deep discounts, consider implementing a loyalty program that rewards whales for their patronage. Offer tiered rewards based on their purchase history, providing them exclusive benefits and incentives as they spend more.

- **Harness the power of rewards.** Introduce a reward system that incentivizes players to purchase through your web shop. Award points for each purchase, allowing players to accumulate these points and unlock valuable rewards. This system not only encourages players to repeat purchases; it also enhances player engagement and loyalty.

- **Embrace a multi-channel approach:** Remember the importance of marketing when promoting your web shop. Just as you would for game updates, dedicate similar efforts to your web shop updates with email campaigns, social media posts, direct communication, and more to inform players about new offerings, promotions, and updates.
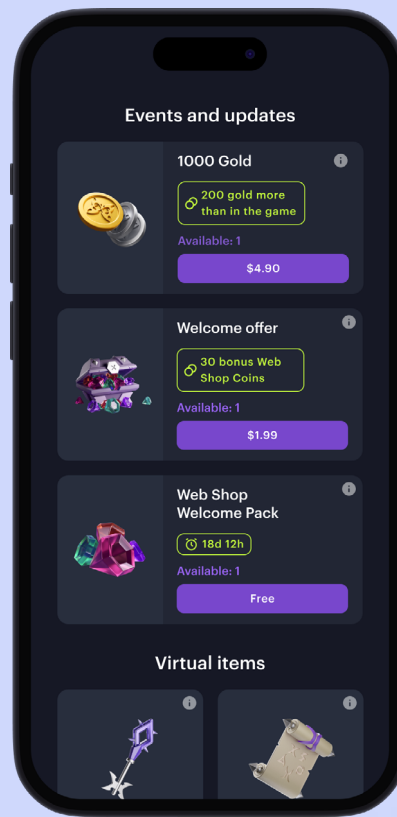
- **Sync in-game events to web shop content.** Establish a connection between in-game events and web shop content updates, creating a seamless and integrated player experience that encourages players to explore your web shop and discover its value.

- **Create a purchasing habit.** By implementing these strategies, you can effectively cultivate a habit of web buying among players. This approach will redirect a portion of the payment traffic away from third-party platforms, helping to reduce the fees associated with those transactions.

It's not just necessary to update the catalog and add offers. It's important to synchronize this with in-game events, holidays, seasons, etc. After all, it is important for us to maintain the player's usual rhythm of shopping, or to change his habit and teach him to buy on the Internet.

WHAT'S NEXT?

By utilizing the tips and strategies in this ebook, and with the right approach to development, implementation, and ongoing strategy of a web shop, a company can:

· **Increase your game's revenue by reducing platform and app store fees;**

· **Multiply the number of paying users;**

· **Boost the average transaction size;**

· **Improve player engagement and retention metrics.**

Keep an eye on our website and social media for links to future ebooks with techniques and mechanics to help you optimize your web shop for long-term success.

Xsolla Web Shop is a comprehensive tool for increasing your game's income. If you're ready to take your monetization strategy to the next level, book a meeting with one of our game commerce experts. We're here to help your game business thrive.