



**MARKETING IN CHINESE ONLINE GAMES BY ANALYZING “WORLD OF
WARCRAFT” & “DUNGEON & FIGHTER”**

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MARKETING IN CHINESE ONLINE GAMES BY ANALYZING “WORLD OF WARCRAFT” & “DUNGEON & FIGHTER”

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ABSTRACT

Title: MARKETING IN CHINESE ONLINE GAMES BY ANALYZING “WORLD OF WARCRAFT” & “DUNGEON & FIGHTER”

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Major: Business Administration

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World of Warcraft was a hugely popular online game. It is indisputable that this game has lagged far behind Dungeon & Fighter in revenue, which is only operated in China and South Korea.

The reason for this is obviously related to the application of marketing in online games.

By qualitative and comparative analysis of marketing strategy of these two games in Chinese market, using the questionnaire survey, experience summarizing, expert interviews and other methods, the research shows that the main reason for the decline in World of Warcraft income is lagging operating mode, game quality decline, the lack of marketing, etc.

Dungeon & Fighter, by contrast, has steady income growth, which benefits from the free game operation mode, the game inside the product structure of props complete, high frequency and no gap promotional activities.

The research concluded that, although the income of online games depends on the quality and playability of game products, the impact of marketing is more profound. The richness of marketing activities greatly affects game revenue and customer activity, how to transform the huge amount of zero paid players for low paid players become the focal point of profit growth.

It can be said that in the online games, like traditional industrial products, its quality determines lower limit, and its marketing determines upper limit.

Key words: Marketing, Online game, World of Warcraft, Dungeon & Fighter

摘 要

题目： 以《魔兽世界》和《地下城与勇士》为例研究营销在中国网络游戏的应用

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_____ 20 / _____ 7 / _____ 2018

风靡全球的网络游戏《魔兽世界》，其收入远远落后于《地下城与勇士》已经是不争的事实，然而后者仅仅定位于中国和韩国市场。这其中的原因显然与营销在网络与戏中的应用脱离不了关系。本文通过对《魔兽世界》和《地下城与勇士》在中国地区的营销策略进行定性、对比分析，使用了问卷调查、经验总结、专家访谈等方法，发现《魔兽世界》收入下滑的主要原因是运营模式落后、游戏质量下滑、营销手段匮乏等。相比之下《地下城与勇士》的收入稳中有升，得益于免费游戏的运营方式、游戏内售道具丰富带来的产品结构完整、高频率无间隙的促销活动等。通过研究，得出结论，网络游戏的收入虽然依赖于游戏产品的质量和可玩性，但营销的影响则更加深刻，营销活动的丰富程度极大地影响了游戏的收入和客户活跃度，如何将数量巨大的零付费玩家转换为低付费玩家成了利润增长的重点。可以说，网络游戏同传统工业产品一样，质量决定了它的下限，营销决定了它的上限。

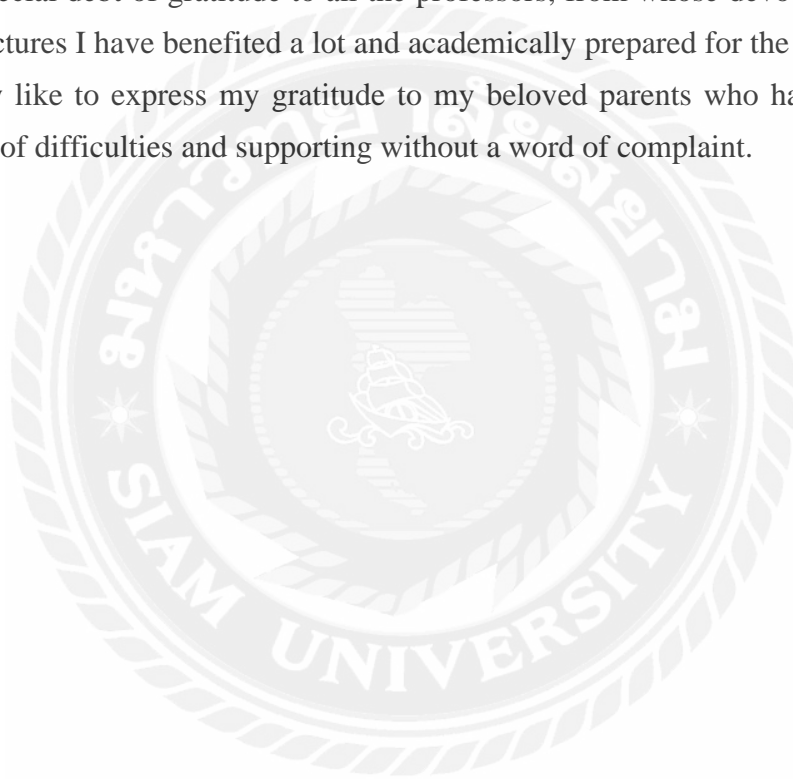
关键词： 营销 客户端游戏 魔兽世界 地下城与勇士

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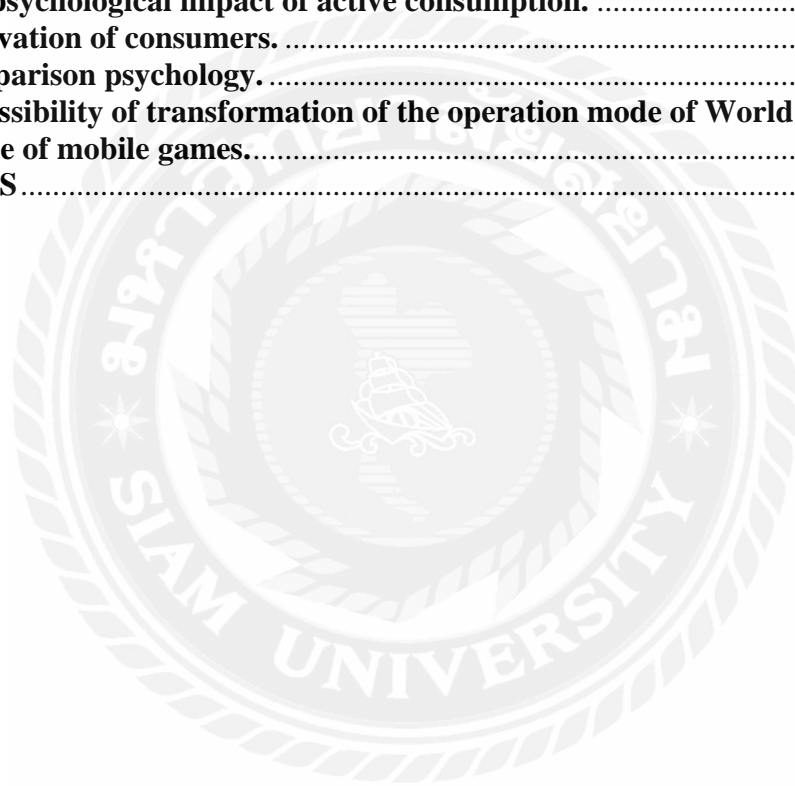
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1. INTRODUCTION

1.1 Research Background

In 1981, IBM listed the first desktop PC, which we usually call PC. The history of the Internet can be traced back to the Cold War era. Although the history of mankind is only a few decades in the past, computers have marked the arrival of the third industrial revolution. In 1989, China began to build the Internet, and the first national TCP/IP Internet ---CERNET demonstration network was completed in 1994, marking the beginning of China's entry into the Internet era. The wheel of history is rolling forward, once in the western countries popular table games have come to the world of electronic computers, the popularity of the network, electronic games gradually enter the era of network games. The first real online game was traced back to 1969, when Rick Bromi wrote a game called Space War for PLATO (Programmed Logic for Automatic Teaching Operations), which was born eight years ago in the first computer game, "space war" at the Massachusetts Institute of Technology. The difference is that it can support remote connection between two people. The Empire, launched in 1974, is the first game that allows 32 people to play online simultaneously. This online game mode has become the standard mode of modern real-time strategy games. The 1975 Oubliette is a dungeon game. The famous role playing game "Wizardry" is the source of the rapid expansion of the online game market, stimulating the development of the Internet service industry. Online games began to enter the toll age, and many consumers were willing to pay high. The cost of playing online games. From \$12 per hour in the island of Kaiser to \$6 per hour on the Genie platform, the main charging way for the second generation of online games is per hour, although there is a special case of monthly billing, but it fails to form a climate. With the development of time, the "network Genesis" was officially launched in 1997, and the number of users quickly broke through the 100 thousand mark. Internet Genesis uses a monthly payment, and most of the previous online games are charged in hours or minutes (usually for a period of free time before charging). The first goal of a game operator is no longer on how to make players spend more time in the game, but on how to keep and expand the game. Since then, large network games have become the mainstream.

In China, after the mud word game, after the opening test of World of Warcraft in 2005, it officially entered the era of large-scale online games. World of Warcraft, with its unique game content and game quality, has been the champion of online drug games. As a representative of time card fees, World of Warcraft's income is the first few years. Shi Yuzhu, a Chinese marketing master, relies on the sales of famous brains in the country. In 2006, "Journey" opened the beginning of free and prop charges in China, and even players recharge 20 million yuan in the game. This mode of operation has become the master of Chinese network games in the future. Later, the Tencent, which started with the exchange software QQ, began to become the leader of the Chinese online game world. The League of Legends, Dungeon & Fighter, and Cross Fire quickly became the third one on the income list.

With the progress of science and technology, the era of smart phones has arrived. Although online games on the PC platform are still being updated and evolved, user churn is an indisputable fact to the mobile gaming market. But it's clear that online games have not

come to the end of the day, especially in China, a big country with PC, which still plays a mainstay in the whole game industry.

In 2017, the total output value of China's game industry was 218 billion 960 million yuan, of which network games (client games and mobile games) contributed 201 billion 100 million yuan to RMB income, of which the total income of client Games was 69 billion 660 million yuan, accounting for 34.6%. In 2017, China's online game user stock market characteristics were obvious, and the growth rate continued to slow down. Among them, the number of client game users is about 150 million, which is basically the same as 2016. Although the increment of network game users slows down, the proportion of the core users is increasing, the user's game aesthetics and the positive consciousness are promoted as a whole, which provides a good development opportunity for the independent games of quality games and creative play, and the poor quality games will be gradually eliminated from the market.

Facing the strong rise of the hand tour market, the Internet tour of the client has not given out of its own market, which is entirely due to the different audience and even overlap of the hand tour and the end tour. The competition relationship between the two is not obvious, but it complements each other and promotes. However, the marketing of the lifeline of the game is one of the knowledge, and the giant World of Warcraft is going down the downhill year by year. The same age of "Dungeon & Fighter" is still in the top three of the net income in China, and even listed in the World of Warcraft in the world net income.

The design of online games can range from simple text-based environments to the incorporation of complex graphics and virtual worlds. The existence of online components within a game can range from being minor features, such as an online leaderboard, to being part of core gameplay, such as directly playing against other players. Many online games create their own online communities, while other games, especially social games, integrate the players' existing real-life communities.

Online games have attracted players from a variety of ages, nationalities, and occupations. Online game content can also be studied in scientific field, especially gamers' interactions within virtual societies in relation to the behavior and social phenomena of everyday life.

The assumption that online games in general are populated mostly by males has remained somewhat accurate for years. Recent statistics begin to diminish the male domination myth in gaming culture. Although a worldwide number of male online gamers still dominates over female (52% by 48%); women accounted for more than half of the players of certain games. The report Online Game Market Forecasts estimates worldwide revenue from online games to reach \$35 billion by 2017, up from \$19 billion in 2011.

1.2 Research Questions

1.2.1 Why is World of Warcraft in decline? Is there a possibility of a return to the top?

1.2.2 How long can Dungeon & Fighter prosper?

1.2.3 What are the advantages of free online games?

1.3 Research Objective

1.3.1 Explore the factors that influence the income of online games.

1.3.2 Explore the advantages of free online games.

1.3.3 Summarize the operation rules behind Chinese online games.

1.4 Research Hypothesis

1.4.1 Game quality, operation mode and marketing methods have a profound influence on the revenue of online games in China.

1.4.2 The decline of World of Warcraft is not inevitable, but is due to a long-term decline in the mode of operation and the quality of the game.

1.4.3 The underground city and the warriors maintain today's profit level with excellent marketing and good game quality.

1.4.4 The operation form of free online games conforms to the laws of China's online game market.

1.5 Scope of Study

1.5.1 Scope of content: the impact of marketing on Chinese online client games.

1.5.2 Case scope: World of Warcraft China server and dungeon & warrior China server.

1.5.3 Time range: 2005 to present.

1.5.4 Regional scope: mainland China.

2. LITERATURE REVIEW

2.1 Marketing

2.1.1 Marketing

Marketing is defined by the American Marketing Association as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large." The term developed from the original meaning which referred literally to going to market with goods for sale. From a sales process engineering perspective, marketing is "a set of processes that are interconnected and interdependent with other functions" of a business aimed at achieving customer interest and satisfaction. Philip Kotler defines marketing as :-marketing is about Satisfying needs and wants through an exchange process. The Chartered Institute of Marketing defines marketing as "the management process responsible for identifying, anticipating and satisfying customer requirements profitably. "A similar concept is the value-based marketing which states the role of marketing to contribute to increasing shareholder value. In this context, marketing can be defined as "the management process that seeks to maximize returns to shareholders by developing relationships with valued customers and creating a competitive advantage."

2.1.2 Market segmentation and targeting.

Kotler as ford, GE, many multinational companies such as AT&T, IBM marketing consultant's identity and experience, enabling him to relatively fair and objectively evaluate the nations, and the success of the industry enterprise marketing paradigm. He took the inspiration from these successful marketing examples and further sublimated it into the theory and principle of marketing. For example, he said, the German Mercedes in high-end cars, hero, but Japan's Lexus (now known as Lexus) he is afraid to challenge, the quality of their car and Mercedes, but prices are much lower. It also shows that companies are not necessarily big, and they can also make good profits in the professional market.

2.1.3 Marketing ADAPTS to network development.

The use of electronic computer and the rise of the Internet, to the traditional marketing has brought a new revolution, many companies set up web sites on the Internet, to carry out various forms of online marketing activities, good results have been achieved. Online marketing is also known as online marketing, where manufacturers use E-mail to deliver information, perform business, and advertise on the Internet to establish their own products and corporate image. The network business is based on internationalization, it breaks the boundary and provides convenience for the marketing activities of enterprises. To this end, Kotler presents an equation: new technology + old institutions = expensive institutions. Kotler thinks, in the new economic era, marketing agencies also to adapt to the development of the Internet, digital can greatly enhance the aging and accuracy of information, companies should establish the characteristics of the network system for their industry.

2.1.4 Let customers get more benefits.

In "marketing management", Kotler emphasizes that the comparison between the efficiency of a product understood by consumers and the expected value of a product determines the degree of customer satisfaction. If the product is less effective than the customer expects, the buyer will not feel satisfied; If the performance meets expectations, the purchaser will be satisfied; If the performance exceeds expectations, the buyer will be pleasantly surprised. First, make a commitment to the efficiency that can be provided, and then provide more than the promised performance to please the customer and get the loyalty of the customer. Kotler points out that customer loyalty is far more important than market share, and the primary goal of marketing is to constantly improve customer loyalty. In the formula of customer benefit, the value (V), brand value (B) and relationship value (R) of the market are the number of the number and the addition; The cost of marketing (C) and time cost (T) are negative and subtraction. In contrast, you should give customers more benefits.

2.1.5 Improve old products and develop new products.

Increasing the practical function of products is an effective means to expand sales. Kotler gave an example of his own experience. He changed four tables: three years for the first time to buy a Japanese table, see the is it with a calculator, but in less than six months, because the company launched a can store 50 number of watch; Seven months later, Kotler changed his watch again, because they added universal time to the table... In the future, he said, they will be equipped with mobile phones, fax machines and so on, and I will exchange them because they are all I need. The secret of Japanese companies' success is to keep updating, to meet the new needs of consumers. As a result, Kotler has repeatedly warned the company's operators that they take a lot of risk if they don't develop new products. In the consumer's needs and taste changes, technology changes with each passing day, increasingly shorter product life cycle, domestic and foreign companies under the condition of increasing competition, outdated products will be eliminated, resulting in the company. However, in the development of new products, we should also pay attention to the following problems: although the idea is good, it is too high for the market size. The actual product did not meet the design requirements; Regardless of the negative conclusion made by the market research, the leaders of the enterprise pursue his product development plan. Product development costs are higher than expected.

Product market positioning error.

2.1.6 Enterprise's "five-dimensional positioning" rule.

Kotler thinks, the enterprise marketing function is: it identifies customers' needs and desires, determine the enterprise can provide the best service of the target market, and design appropriate products, services and programs, so that these markets need to be able to meet. Thus, Kotler focuses on the "five-dimensional positioning" law of enterprise marketing. He points out that in terms of marketing, companies need to position themselves on five attributes: product, price, ease of use, value-added services and customer experience. He gave each attribute a score of: 5 (dominance), 4 (as opposed to others), 3 (medium), 2 (medium), and 1

(poor). According to Kotler, an excellent company is at the top of one attribute, and on another attribute it is now above average (as opposed to others) and is in the middle of the other three attributes. The score distribution pattern of excellent companies is: 5, 4, 3, 3 and 3. A 5 point represents a particular strength, while 4 shows the difference between the company and other companies. 3 points indicates that the company's other comprehensive strength is not weak either. Kotler cautions, don't expect everything is superb, if you're looking for they were all five points, also may make the company in the marketing investment is too large, increase the cost, this will reduce the profitability of the enterprise.

2.2 PC (personal computer)

A personal computer (PC) is a multi-purpose computer whose size, capabilities, and price make it feasible for individual use. PCs are intended to be operated directly by an end user, rather than by a computer expert or technician. Computer time-sharing models that were typically used with larger, more expensive minicomputer and mainframe systems, to enable them be used by many people at the same time, are not used with PCs.

2.3 Internet

Internet is the global system of interconnected computer networks that use the Internet protocol suite (TCP/IP) to link devices worldwide. It is a network of networks that consists of private, public, academic, business, and government networks of local to global scope, linked by a broad array of electronic, wireless, and optical networking technologies. The Internet carries a vast range of information resources and services, such as the inter-linked hypertext documents and applications of the World Wide Web (WWW), electronic mail, telephony, and file sharing.

2.4 Online game

An online game is a video game that is either partially or primarily played through the Internet or any other computer network available. Online games are ubiquitous on modern gaming platforms, including PCs, consoles and mobile devices, and span many genres, including first-person shooters, strategy games and massively multiplayer online role-playing games (MMORPG).

2.5 Client game

game client, it is relative to the 2012 "web game" produced by the new and full name is "client" game, which is one of the traditional rely on to download the client, network game playing on the computer.

2.6 World of Warcraft (WOW)

It is the first online game created by Blizzard Entertainment, a famous game company, is a massively multiplayer online role-playing game. Game with the company product real-time strategy game World of Warcraft plot for the historical background, relying on Warcraft historical events and heroes, World of Warcraft has a complete history background time line. Players take risks in World of Warcraft, complete tasks, new adventures, explore unknown worlds, conquer monsters, etc. The original agent in mainland China was the ninth city, and the limited test was started on the afternoon of March 21, 2005, which was officially commercialized on June 6 of the same year. On June 7, 2009, China's regional operators changed to NetEase.

2.7 Dungeon & Fighter

It is a free role-playing 2D game developed by NEOPLE, a Korean online game company, which was released by Samsung and officially launched in South Korea in August 2005. In China it is represented by Tencent. The game is a 2D scroll-type horizontal version of the online game, which inherits the characteristics of many domestic players and arcade games. With the role of the role as the center, combined with copies, PVP and PVE, it has the same equipment and level changes as other online games, and has more than 500 equipment and props. Each character is equipped with 8 props, which can allow up to 4 players to play a team challenge level in the game, as well as 4 vs 4 PK.

2.8 Online game marketing

Online game marketing has the same principle as traditional product marketing, but in many ways it is very different. The theory of marketing has been perfected by several generations of scholars. But marketing changes with The Times, and the birth of a new era is bound to bring new marketing methods. As a product of the new age, the study of the marketing of online gaming is a minority, and most scholars are far from the Internet, so the research on the online game marketing is slow, and a few of the research points are scattered, difficult to be systems.

2.8.1 Brand effect

Online games are developed by electronic games, with intellectual property rights, real value and all attributes of commodities. The online game has a shelf life, but the shelf life has no specific time, and the brand is a guarantee of the guarantee period. The brand ensures that online games can get stable operation, high quality service and continuous updating. Enterprise brand effect to attract customers compared with the traditional commodity appeal is poorer, especially free online games is popular in China, this form of traditional free trial, first after use to buy goods, so the game than the brand of quality for the player has more attractive. Network game preservation sex is very poor, it is difficult to have investment potential, belongs to consumer goods, and some of the games product in a monopoly position in the industry and other products are difficult to produce pressure of competition, to its so brand narrowed. The online game industry belongs to the entertainment industry, which has the

nature of service, so the brand has some influence on it. Meanwhile, the enterprise brand is also the guarantee of the game quality.

2.8.2 Operation mode

The network game relies on the operator to maintain the server to guarantee the basic operation, the maintenance server has the considerable cost, also is the network game industry's main cost. At the beginning of the game was born from the network, operators to choose the time pay a form, whether early "Keith Wallace island", "network genesis or later, the World of Warcraft, or is China's early" legend ", "a Chinese Odyssey", "Fantasy Westward Journey", etc. So-called time card, full name is "virtual consumption integral prepaid phone CARDS", is stipulated in the service company in the form of cash for virtual points (points), through the consumption of virtual points (points) to enjoy the company of service of a form of money to pay.

Time card also refers to the time card, is the network game common billing card mode, the player buys the time card, obtains the corresponding game time. Usually a card can only be used once and must be activated (recharge). The appearance of time card shows the application of marketing. Time card game is the nature of the preloaded, is to the virtual currency of the conversion, but this kind of transformation has the irreversibility, although the players on the value and there is no actual loss, but the cash is already into the game company. At the same time, the time card is always fixed and cannot be changed with the demand of the player. Therefore, it is always greater than the actual demand. The marketing master Shi Yuzhu has raised his popularity in China by relying on "receiving only brain platinum". After entering the online game industry, he created the operation mode of "journey" free online games and props fees, and started the new operation mode of Chinese online games. This model has changed the focus of online game marketing. Once online game marketing products are electronic game, how to promote growth in the number of players, promote degree and so on, and the form of free online games to give up the sales of video game itself, instead of video games into a platform, the goods inside the platform to develop, both focus on the marketing of value-added services. This form does not necessarily apply to all parts of the world, but its application is by no means the first. China's Yunnan province tourism administration in order to build a complete chain tourism economy, actively promote the transportation cost is reduced, even launched 1-yuan group mode to increase the attraction to passengers, thereby increasing traffic in Yunnan province. Although the increase in passenger flow did not result in a big increase in the profits of tourism, it ensured the original profits while driving the growth of other industries in Yunnan province.

3. RESEARCH METHODOLOGY

3.1 Research Design

3.1.1 For problem 1.2.1.

This paper analyzes and summarizes the reasons why World of Warcraft decline is based on system analysis and questionnaire survey. Through the questionnaire survey data collection, SWOT analysis and case analysis were used to analyze the reasons for the decline of World of Warcraft.

3.1.2 For problem 1.2.2.

In this paper, the analysis of the long-term prosperity of Dungeon & Fighter will be analyzed and summarized by systematic analysis and questionnaire survey. By collecting data through questionnaires, SWOT analysis and case analysis were used to analyze the reasons why "Dungeon & Fighter" persisted through the analysis of reasoning.

3.1.3 For problem 1.2.3.

This paper aiming at the problem of free online games why is prevalent in China, will use the case analysis, qualitative analysis, through the World of Warcraft and Dungeon & Fighter represents two kinds of online game operation mode of the comprehensive comparison and analysis, from the profitability, political factors, corporate brand, such as game content for comparison, the advantage of allowing free games.

3.2 Research methods

The research methods adopted in this paper are system analysis, case analysis and experience summarization.

3.2 Data Collection.

This paper collected data source network, including Baidu, World of Warcraft's official website, official website "Dungeon & Fighter, the China Internet network information center, through questionnaire to collect some data.

3.3 Research Tools

In this paper, the tools for analyzing digital data are SWOT analysis and questionnaire. SWOT Analysis is a useful technique for understanding your Strengths and Weaknesses, and for identifying both the Opportunities open to you and the Threats you face.

4.RESULTS

4.1 Analysis of World of Warcraft

4.1.1 What is sold in World of Warcraft: analysis of major profit points?

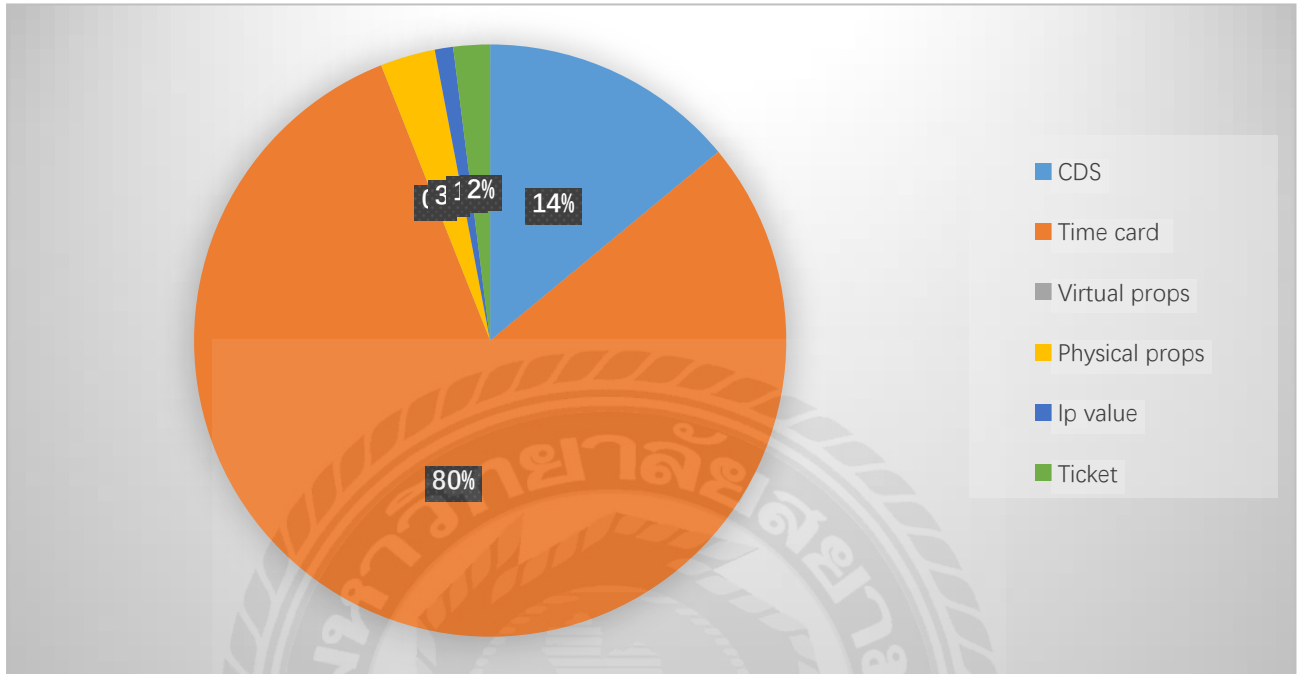


Table 4.1.1.1 Percentage of income 2005 in World of Warcraft

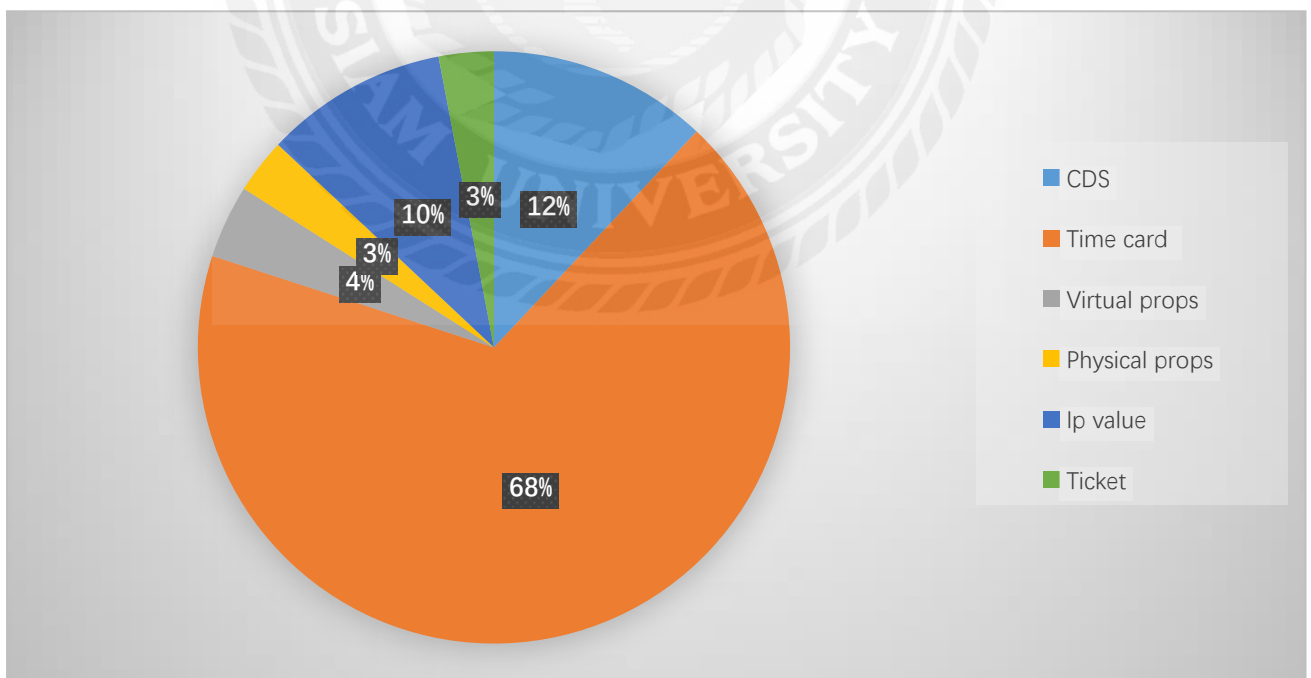


Table 4.1.1.2 Percentage of income 2011 in World of Warcraft

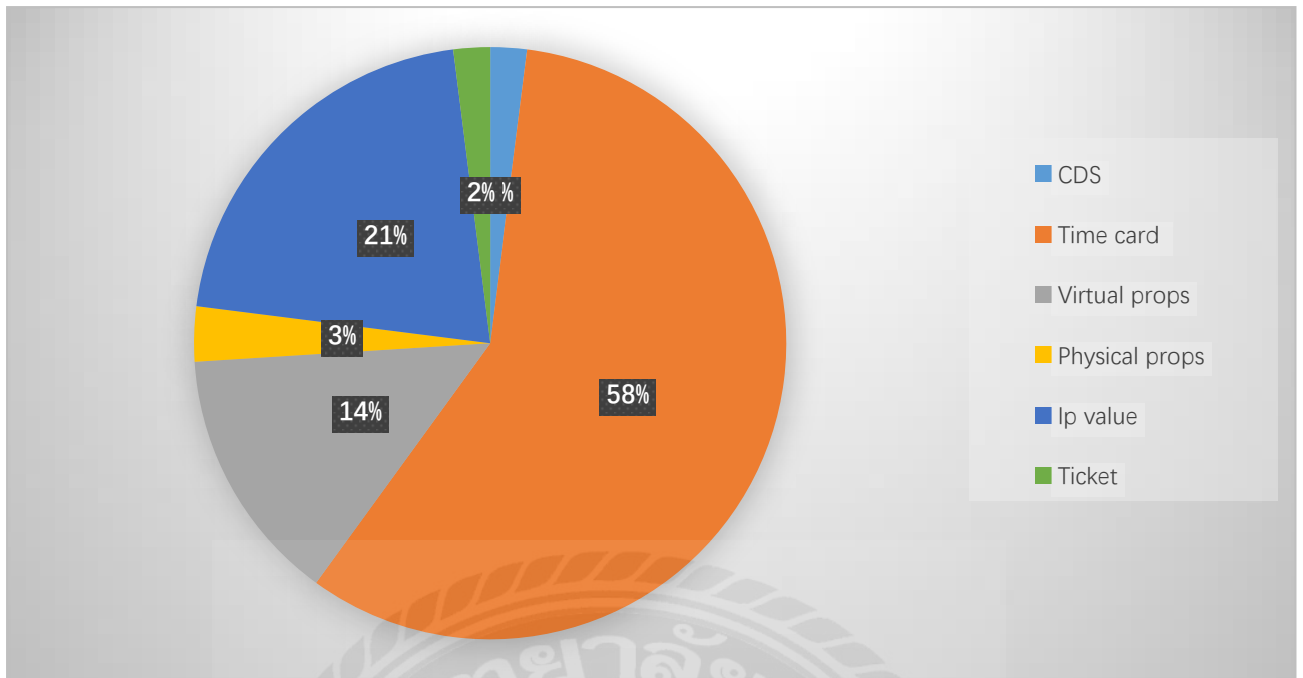


Table 4.1.1.3 Percentage of income 2017 in World of Warcraft

The profit points of World of Warcraft include: the sales of CDS, which are based on the new version of the game; Time card sales; Sales of virtual props and physical props; Ticket revenue from the competition; IP derived value, such as the production and distribution of World of Warcraft movies. According to the data released by Blizzard company in different years, the profit generated by time card sales is always a huge percentage in different periods, which is the most important and core profit point.

And there's a reason why Blizzard have been and are left well alone - the clout that comes with this mind-blowing statistic: "Blizzard Entertainment [which has "over 9.3 million subscribers" to World Of Warcraft] has projected calendar 2007 revenues of \$1.1 billion, operating margins of over 40% and approximately \$520 million of operating profit."

4.1.2 Changes in game quality and online population of World of Warcraft

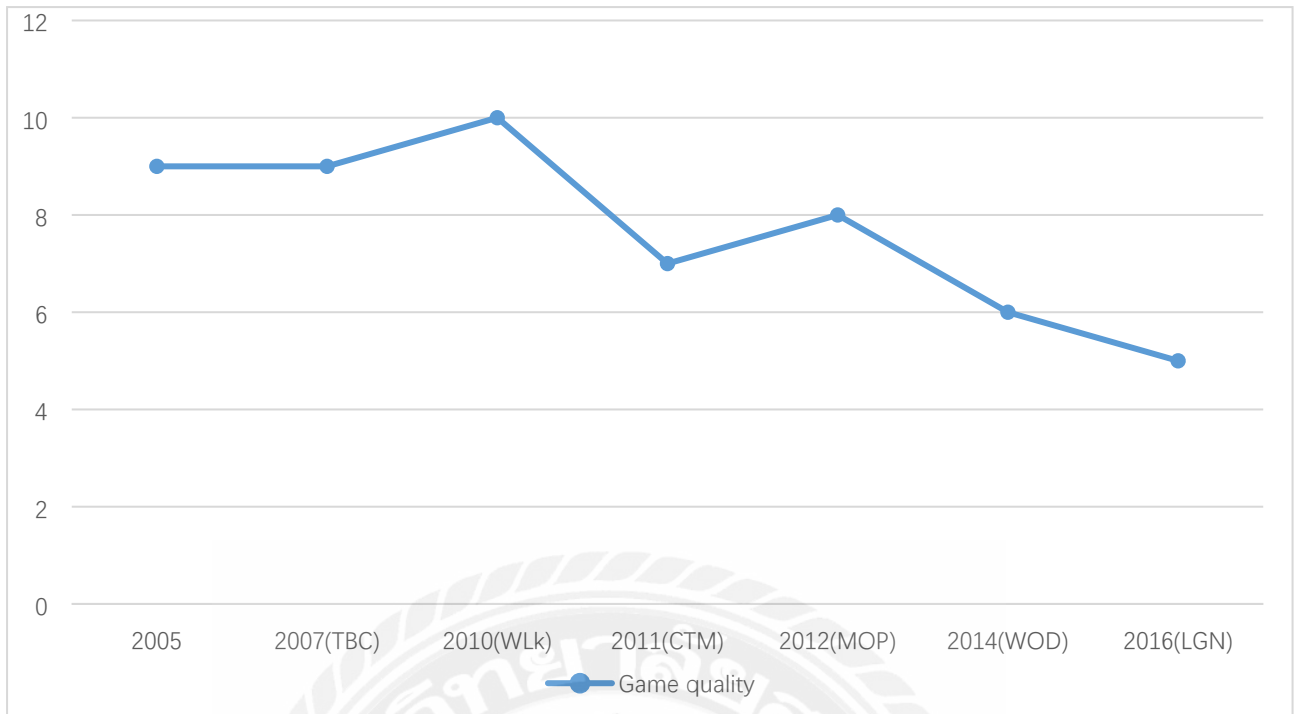


Table 4.1.2 Quality changes in World of Warcraft

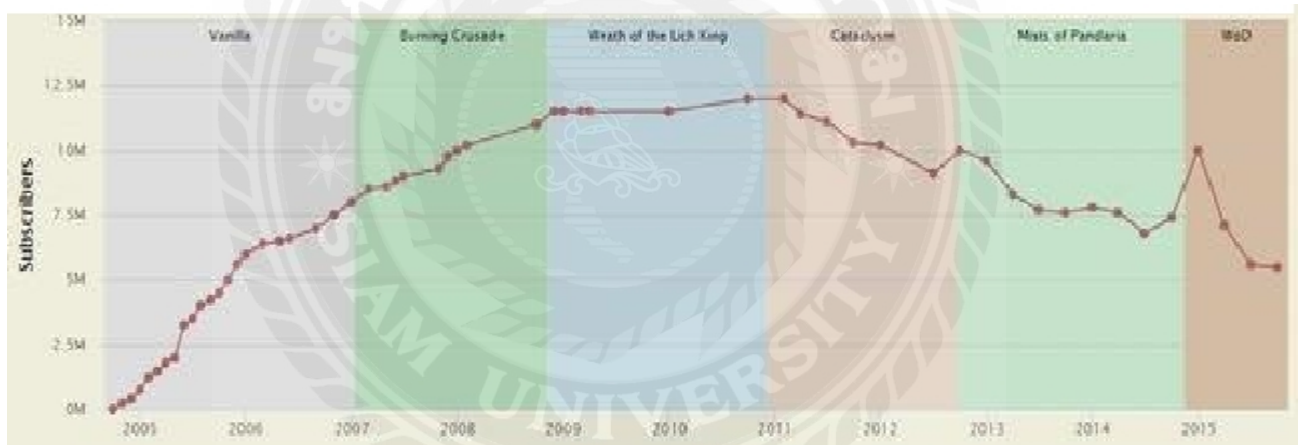


Table 4.1.2 Population changes in World of Warcraft

The quality of the game was quantified, and the change curve of game quality was obtained through questionnaire and expert interview. From this analysis, the game quality of World of Warcraft has been steadily increasing, and then the overall quality of the game shows a downward trend. From the table can be concluded that the World of Warcraft have obvious changes in the number of users with the quality, although with the released a new version of the user population rebound to a certain extent, but soon had a precipice type slide. As a game production company, Blizzard has a strong brand effect on users, but the quality of the game is the fundamental reason for the number of users.

4.1.3 Revenue changes in World of Warcraft.

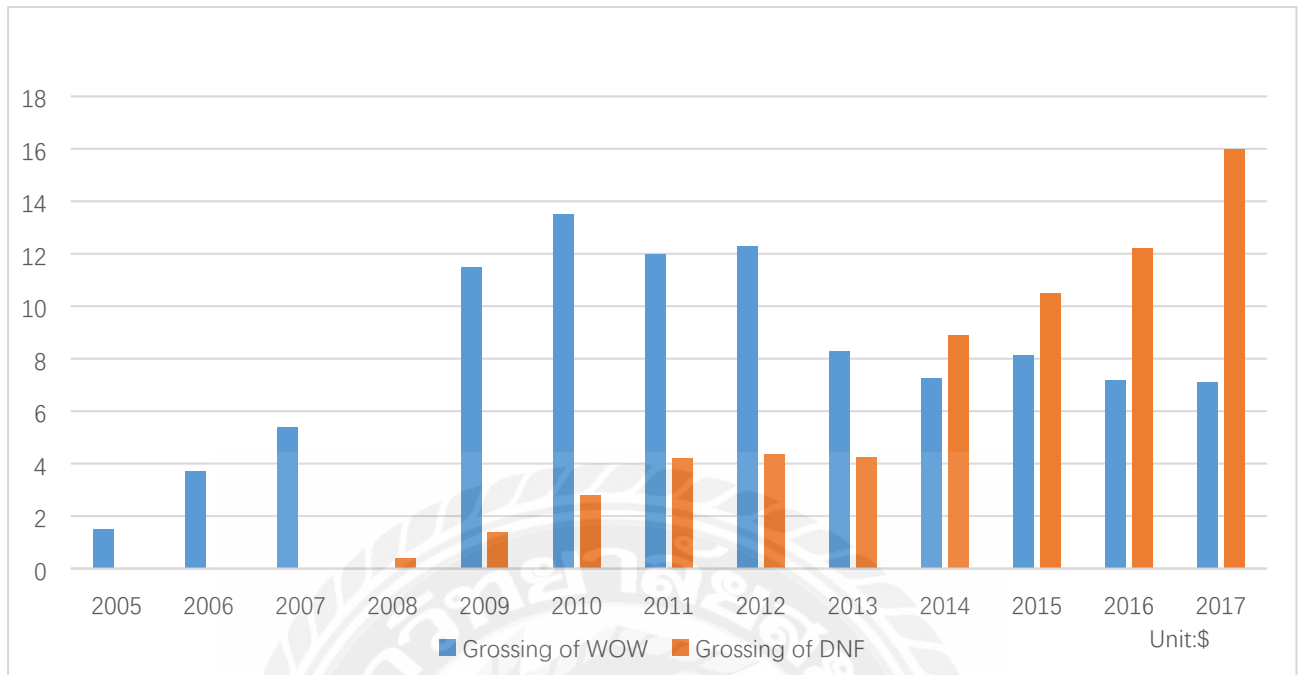


Table 4.1.2 Grossing changes in World of Warcraft

By Blizzard official data, we can see in the World of Warcraft income into curve, when the expansion the Wrath of the Lich King Peak, then present the downward trend.

4.1.4 Overall analysis

The game quality of World of Warcraft has a profound impact on the number of users and the online time of the game, thus affecting the income. As a representative game product of time card fees, World of Warcraft relies heavily on the online time of players, and its essential reason is that World of Warcraft relies heavily on its own game quality.

4.2 SWOT analysis of World of Warcraft

Strengths :1. It has been operating in mainland China for 13 years, with a large number of loyal fans, and the early players now have strong consumption ability. Blizzard represents the standard of game quality. After years of development, World of Warcraft has developed from a simple game product into a culture. 4. Rich game plot and malleability. 5. China's agency operator is an experienced NetEase company. 6. Monthly card payment, only the payment of monthly card no mandatory consumption. 7. The most powerful game equipment can be obtained by spending online time by improving skills. 8. There is a variety of gameplay, immersive game experience, not only a game, but also a world. 9. The problem of game version lag has changed with the change of the agent carrier. 10. Capital strength is one of the hallmarks of Blizzard.

Weaknesses: 1. Although it has a long history of operation, early players have been far from the game area and it is difficult to return. 2. The quality of the game continues to decline, and the quality of the game has not improved after the change of multiple versions of the game and accumulated over many years, which has damaged the players' confidence. 3. The game version changes quickly and the game equipment devalues seriously. The plot of the game goes to a dead end. 5. The game takes too long, and elite players and casual players can't find balance in the game. 6. The threshold of the game is high, so it is necessary to participate in the highest level of the game experience through the step equipment upgrade. Too little promotion. 8. Single consumption point, high consumption player cannot be satisfied in it.

Opportunities: 1. The current version of the game is coming to an end, and the new version of the game is about to be released, and the number of players will always bounce back when the new version of the game is released. 2. Other MMORPG games have already been withdrawn from the market competition. World of Warcraft is the only one of this type of game. 3. After many years of playing MOBA games, the players have already developed aesthetic fatigue and the temperature is down. The release of World of Warcraft has drawn new fans and old fans back to the game, and filming continues. 5. The hosting and promotion of Blizzard Entertainment.

Threats: 1. Game mode is a copy challenge and player confrontation, occupying the time, can not attract office workers such a fragmented player. 2. The technology of mobile phone platform is perfect, strong rise, market share becomes the overlord, and is becoming the mainstream of the online game market. 3. It is very difficult to transplant to mobile phone platform. 4. The quality of the new expansion is difficult to guarantee. Games such as the league of heroes, Dungeon & Fighter, and watchman are continuing to thrive without any sign of market cooling. 6. New games like "desperate to survive" grab players' game time and market share. 7. The battle.net platform created by Blizzard has been flat and has not injected new power into World of Warcraft. 8. The STEAM game platform's popularity in China has been spread with the popularity of "the desperate survival", and it has grabbed the Chinese market.

4.4 Case study of World of Warcraft 1

As early as 2005 World of Warcraft just entered China, this new generation of online games that have already been in the international community big red and purple is undoubtedly anticipated by the players. At that time, World of Warcraft's agent in China, the ninth-city company, announced that it was working with Coca-Cola in cross-border cooperation. On July 2, 2005, when the network game is not because the World of Warcraft appeals to youth craze, with electronic drug stigma, Taiwan's most popular idol group S.H.E as spokesperson change characters of warcraft vs orc boss landed China highly political advertising CCTV channel one. With Coca-Cola positioning teenagers under the target consumer market, the Coca-Cola company cooperate with the9 limited company in promotional activities, for the World of Warcraft in China has greatly increased the visibility. Coca-Cola, Blizzard and 9 cities complementary advantages of tripartite cooperation mode breaks through the traditional

5. CONCLUSIONS AND DISCUSSION

5.1 Comparative analysis between World of Warcraft and Dungeon & Fighter

	World of Warcraft	Dungeon & Fighter
Market size	the global	China and South Korea
Game quality	excellent	excellent
Operation mode	time charge	free but props charges
The cost of the ultimate gear	time	time and money
Marketing activities	less	always

Table 5.1 Comparative analysis of World of Warcraft and Dungeon & Fighter

As electronic games take time era, World of Warcraft revenue decline is indisputable fact that, through the research of paper can be concluded that the World of Warcraft depend on the number of players, which charge fees, in addition to profit very little. To make a profit, Blizzard has to let players consume the CARDS in their hands, allowing players to spend more time in the game world. To this end, Blizzard continuously develops new copies and game difficulty, develops the achievement system, designs certain randomness to encourage the player to repeat the activity, encourages the player to carry on PVP and so on. But over time, the designer's ideas dried up, the game into an infinite loop, in the "pan Dali the mystery" version of the game, the game designer to design the concept of daily tasks. Daily tasks occupy this player's time, and the task reward has a strong irreplaceability, so it becomes a game that players have to do without any fun. More and more such examples, which represent the declining quality of game in World of Warcraft, are inevitable. Although similar things in the World of Warcraft has been going on for several versions and a few years' time, but apparently come to an end the World of Warcraft distance is far, the gold-lettered signboard of Blizzard still let the players have confidence in it and look forward to.

World of Warcraft to stimulate players into the game copy for the equipment, to keep the game on a higher frequency of version update speed, almost half a year to open new version of the game and equipment level. By contrast, the "Dungeon & Fighter", which has been upgraded to a maximum of two years, has been slow. Game version of World of Warcraft quick change also means that once the current game version does not conform to the player's taste, so players don't need to wait for too long can usher in the next expansion pack. This is one reason why the number of players in each new expansion pack has rebounded significantly. However, as the game version is not improved over the years, the number of back-flow players is decreasing and Blizzard's brand effect is being lost.

"Dungeon & Fighter", which relies on props to get rich, has a market size that is nothing compared to World of Warcraft. As a south Korean companies to develop the game, Dungeon

& Fighter once trying to enter Japan, southeast Asia, Taiwan, America, Oceania and other global markets, finally ended in failure, agents face in some areas of the game close the server agonies. What's interesting is that the global revenue of Dungeon & Fighter is far greater than World of Warcraft, depending on the Chinese market. Just compare the Chinese market, World of Warcraft profit is time to pay, around the mall, mounts the sale of virtual items, such as the profit year did not change, only likely virtual items during the holiday season discount promotions. While the profit point of "Dungeon & Fighter" is only the sales of virtual props, its virtual props are miscellaneous, and there are more different promotional activities in the whole year.

The root cause of the decline in World of Warcraft income is the decline in the quality of the game, the loss of users, and the payment of time to the operating model, which ultimately leads to a sharp decline in revenue.

Dungeons & warriors has also experienced a decline in game quality and loss of users, but has benefited from the free game's operating model, avoiding a sharp drop in revenue.

5.2 Factors that influence online game revenue.

This paper concludes that the main factors influencing online games include political factors, economic factors, product quality and operation mode.

5.2.1 Political factors.

To network game industry in China, is neither support nor oppose the easing of the environment, to the starting point of all network game a relatively fair, but some of the games such as "desperately" because they do not conform to China's socialist core values and the delay time to enter the Chinese market. "Player Unknown's Battlegrounds" type of game continues to be popular in China, with the creation of imitations. The "Knives Out", produced by NetEase, replaces the original bloody killing game with military exercises, which is in line with China's political demands.

5.2.2 Economic factors.

In terms of economic factors, China's rapid economic development, greatly satisfy the people's material life and spiritual demand continues to fill the expansion, the demand for entertainment is, the height of the "network game industry rapid development provides a fertile soil, the improvement of people's income, per capita disposable income of constant innovation, make consumers more willing to consumption in the network game industry.

5.2.3 Product quality.

Online games are not a one-time mass consumption, but a continuous small amount of consumption, so the need to rely on product quality to attract consumers to repeat consumption.

This feature is more prominent than any other industry. To judge the quality standard is different from general products, including concept design, image design, design of music, drama, playing resistance, harder, and so on, a variety of products and the combination of art, but affects the quality of the game's biggest factor is the resistance to play, the factors on the quality of game occupies a decisive position. "DOTA2" and "hero" is the same type in the two games, the concept design, image design, music, and so on aspect difference is no more, and resistance to play DOTA2, even better, but the former in global income is less than the latter, because the latter on the harder is low, low barriers to entry to attract more potential customers.

5.2.4 Operation mode.

Operation mode has a profound influence on online gaming revenue, the current global PC network game income ranked the top three were "the League of Legends", "Dungeon & Fighter" and "Cross Fire", popular in the global market "DOTA2" and "Overwatch" only ranked seventh and eighth. "Dungeon & Fighter" and "Crossing Fire" have only been so popular in China that few other countries and regions have ever seen them. As the representative, the operation mode of the "League of Legends" will free online games to the peak, at the same time, relying on the "League of Legends" brand to develop the derivative industries such as electronics, forming good economic scale and effect, thus obtained considerable economic income. Free online games are more likely to attract Chinese users than the time-paid operating model, and the Chinese market is the world's largest PC market. The free game model has excellent marketing space and direction, while the time payment has little to do with marketing.

5.3 Reasons for the prevalence of free online games in China market.

5.3.1 Piracy in the Chinese market.

As the world's largest PC platform, the Chinese market offers the world's largest number of users, and how to attract Chinese users means more global revenue. Why in China, with many years of network game product is among the top three "League of Legends", "Dungeon & Fighter," Cross Fire "this game is far from the top quality production, resistance to play free online games also is not the world's first? Can this model be replicated in other countries? China is a country with a poor copyright awareness, and there was a time when piracy was rampant, and the result of pirated games was that no Chinese consumers were willing to pay for video games. It can be said that the pirated culture that Chinese video game consumers have cultivated for a long time determines the demand of Chinese players for free online games.

5.3.2 The psychological impact of active consumption.

Although with the development of the era, network game has replaced the single-player game, relying on quality to attract Chinese players the game of consumption in order to enter the game, but with the emergence of free online games, lower barriers to entry will users grab and go. The consumption psychology that tries to buy again is popular in Chinese player's heart. The effect of active consumption and compulsive consumption on players affects the

consumption concept of players. Obviously, free online games with whenever you don't even consumption can business model has won the player of the heart and trust, while the time pay need players have to into consumption is allowed to enter the game, and this kind of consumption also has timeliness, once the date is invalid.

5.3.3 Cultivation of consumers.

Once upon a time "Dungeon & Fighter as primary school student's games," hero ", "Cross Fire" also has a similar name, in the mobile client performance of Arena Of Valor is referred to as" the pupil glory." But World of Warcraft, once the number one player in the world, is not being named as a primary school student in the Chinese market.

High quality games often mean that the long run, the time span can be a network game players even primary school students to college students, this is from zero income growth to the period of high income, it also means that the player will shift from zero consumption for high-end users. The number of such users is not small in China's online game market. The zero threshold for free games undoubtedly attracts such users into the game, and as time goes on, users mature and invest. Free online games have a natural advantage in cultivating consumers. In contrast, the time paid operation mode rejected this part of the consumer group, and the higher entry threshold directly rejected the entry of "primary school" players.

5.3.4 Comparison psychology.

Once upon a time, free online games meant that consumption could become the top of the game, and the early time-paid game "Fantasy Westward Journey" was no exception. Spending means faster access to more powerful equipment, which spurs players to keep up with the joneses. The emergence of World of Warcraft, changed the Chinese network game consumption can strengthen game concept, excellent technology and to play the game for a long time to become the promotion role, only two factors of strength, for online games into the competitive elements, for then the rise of e-sports industry shop down the road. This model soon got free online games, including "League of Legends", "Dungeon & Fighter," Cross Fire ", the top three market of online game products, develop and enlarge its competitive element, "hero" and even the e-sports industry one of the most important one annulus. "Dungeon & Fighter" is not the only game in the three products, and it is so that its competitive elements have become the main content of early marketing campaigns. With the game release, Dungeon & Fighter cancelled the in-game store sells super equipment, all available resources are put into the game in the free market, for a time it can become a top player created may be, it also profoundly affected the confidence of the players of the game and trust. The comparison psychology of the players has been transformed, from the early consumption comparison to the competitive confrontation, so that the comparison psychology has had a positive impact.

5.4 The possibility of transformation of the operation mode of World of Warcraft.

Since the free game model is available in China, is it feasible to charge the World of Warcraft from time to property? From the results, this will help the new players to enter, so that the game products will be transformed, and the user positioning will be planned again. This will also cost some old players. The props for the new free games have already been turned into props that don't affect the balance of the game or even the ornamental props. Converted into a free game, World of Warcraft if sales of game items must not be Xu Qiuxing consumers such as power equipment, extra copy into The Times, but mainly skin and dyeing ornamental props. But influence the root cause of the game revenue is still a quality game, outline model takes temporary solution not effect a permanent cure, even may form cannot attract new players lose their old bad situation again, so change the operation mode is used.

5.5 The rise of mobile games.

Two-thirds of the world now has a mobile phone in their pocket, and apparently a lot of them are spending money on games. A new report from industry analyst found that mobile games revenue exceeded PC and console revenue for the first time ever in 2016.

The mobile games market grew 32 percent to reach \$38 billion last year, and according to market analyst New zoo, will reach \$65 billion in 2020. In China, tech giants Tencent and NetEase both doubled their revenue. NetEase overtook Tencent as the No. 1 mobile publisher last year, but Tencent is still the largest gaming company in the world and has a huge presence in not just mobile but in the PC gaming world as well with subsidiaries like League of Legends studio Riot. It reported a 58 percent increase in Q1 this year and is currently valued at \$316 billion.

DFC examined over 30 companies in its report, and found that casual and social casino games have started to peak in the mobile space. Now the market will move toward increasingly complex games, which means that there will be even more crossover from PC and console publishers moving forward.

Large companies like Square Enix have already been making a big push. It's brought its popular Hitman series to mobile with Hitman Go, its title Final Fantasy Brave Exvius has been downloaded more 20 million times, and it's teamed up with MZ (Game of War) to make a Final Fantasy XV massively multiplayer online mobile game.

DFC taps Activision Blizzard and Electronic Arts as the ones to watch on small screens for significant growth in the future. Both show up in the 2016 top mobile publishers ranking by market researcher AppAnnie, with Activision at No. 5 and EA at No. 13. Activision's revenues were \$6.61 billion last year, up 42 percent from 2015. This was due in part to its acquisition of the hugely successful mobile studio King, which developed the smash hit Candy Crush.

The market economy of mobile game has grown year by year, and it has exceeded the market of end-game. Competitive relationship with both, but because the game platform, game

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