

# Research on Sustainable Development Strategy of Online Game Enterprises

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Abstract: This paper discusses the factors and mechanisms of mutual influence between game players and game enterprises with respect to the inescapable problem of player addiction in China's game industry, and proposes effective suggestions for the benign development of game enterprises by analyzing the influence of game players' consumption behavior ability and government regulation and punishment on the development of game enterprises. The research results show that the R&D cost of game enterprises to set up anti-addiction mechanism, the government's regulation and punishment on game enterprises and the consumption ability of game players all have an impact on whether game enterprises choose to set up anti-addiction mechanism or not.

Keywords: Game Industry; Anti-Addiction Mechanism; Development Strategy

#### Introduction

The development prospect of the game industry is very broad, and its high profitability drives the development of the overall information industry in China. At the same time, because of the extensive entertainment nature of games, a large number of potential consumers are tapped. In today's big data electronic era, virtual currency is one of the most used means of consumption<sup>[1]</sup>. Data from research studies show that gamers actually pay much more for games than they voluntarily pay for them. This suggests that there is a widespread problem of overconsumption in games. At the same time, positive and negative word-of-mouth of a game will affect the number of players of that game and will show a certain correlation. Positive word-of-mouth will increase the number of players and negative word-of-mouth will decrease the number of players. Therefore, game companies need to pay attention to the social impact of their own development strategies and their attractiveness to players, and optimize their development strategies in time to avoid the massive loss of users<sup>[2]</sup>.

#### 1. Current situation of the development of electronic information industry

As the public recognition of e-sports increases, more and more e-sports enthusiasts are blindly transferring their passion form e-sports to online games and find pleasure in online games by charging to get priority service. The rapid development of the electronic information industry provides technical support for the online game industry to expand its market share, and the public players' expenses on the game industry are gradually rising, and the game industry is on an upward trend as a whole.

Many domestic and foreign scholars have made useful exploration on the development of game enterprises from different perspectives<sup>[3,4]</sup>. It's found that the network effect among competitors in the online game industry is asymmetric<sup>[5]</sup> by mining and analyzing the potential benefits of supply and demand sides in the consumer market<sup>[6]</sup>. It also combines the perspective of online game marketing to restrain and manage the inducement mechanism of online games from multiple levels, and provides suggestions for constructing a reasonable online game consumption patterns<sup>[7]</sup>.

Most of the literature starts relevant research from the aspect of information technology and moral theory of the game industry, and lacks in-depth research on the inner connection between the strength of public supervision and government regulatory behavior. In the view of this, this paper analyzes the relationship between the public and game enterprises, explores the specific influence of the anti-addiction mechanism on the public and game enterprises under government participation, and then explores the development strategies for the good operation of enterprises.

# 2. Interaction relationship between game players and game industry under government regulation

In the game industry, there is a strong interaction relationship between the public, game enterprises and the government. Generally speaking, games developed by enterprises have a long life cycle, and if the game has strong innovation, the amount of game players will increase dramatically in the short term. After the game enterprise has been operating for a period of time, if the game provides negative guidance to the players, the government will take certain measures to regulate the game company in order to protect the social morality. Companies are taking steps to improve the content of their games in response to government regulation. This includes the establishment of anti-addiction mechanisms, which can effectively prevent the influence of gaming companies on social morals. At this point, the game players are faced with the choice of continuing or abandoning the game. Continuing to play the game would take a certain amount of time and financial expense. Since there is a difference between adult and underage game players, if the game has an anti-addiction mechanism, adult players will be less affected by it, but underage players will be more affected. Under the anti-addiction mechanism, underage players will be obliged to reduce the amount of time they spend playing games, and reducing the expenses of game playing.

#### 3. Influencing factors of game business development

#### 3.1 Consumption intensity of game players

To the enterprises, high consumption intensity means that they have stable revenue and there are disposable funds for setting up anti-addiction mechanisms of the game, while low consumption intensity will make the enterprises put the improvement of their own income in the first place, and there is a certain possibility that the enterprises will cancel the anti-addiction mechanism in order to gain considerable profits. Generally speaking, there is a correlation between consumption intensity and age group, the younger the age is, the less mature the consumption concept is. Underage players are under the control of their guardians in terms of spending amount and freedom to play, so their consumption power is lower. The consumption intensity of adult players is relatively higher, and whether they continue to play or not depends largely on their own choice. Therefore, the proportion of adult players in the game player group can reflect the consumption intensity of game players.

### 3.2 The government's supervision and punishment

The high punishment implies the improvement of social morale and online game environment, and the low punishment implies the decrease of social morale and online game environment. The government's punishment influences the strategy choice of game companies by affecting their revenue directly and impacts the behavior of game players indirectly through the strategy choice of companies.

In addition, when the content of the games online by the game enterprises will have a negative impact on the society, the government will certainly increase the regulatory efforts and punitive measures to ensure a good social climate. In the long run, enterprises will sooner or later face the economic crisis of not being able to make ends meet. Considering the long-term interests and development of enterprises, they should choose to set up anti-addiction mechanism. When the content of the games launched by the game enterprises does not have a negative impact on the society, the government regulation is rather small. However, if the game content of the game enterprises meet the interests of the players, and the game enterprises choose not to set up the anti-addiction mechanism, most of the players will be addicted to the game and thus affect the social morality, and the government will choose to regulate the game enterprises to improve the social morality regardless of whether the game content is positive or not.

## 4. Analysis of the development strategy of game enterprises

Game enterprises will put profits in the first place in the process of development. When the consumption experience of game players conflicts with the establishment of anti-addiction mechanism, game enterprises will choose to give up or weaken the role of anti-addiction mechanism out of luck. Similarly, when the establishment of anti-addiction mechanism has little effect on players' gaming experience, game enterprises will choose to establish anti-addiction mechanism to prevent the loss of government crackdown brought by the social trend of games.

Therefore, game enterprises can only gain short-term economic benefits if they choose against setting up an anti-addiction mechanism. For the long-term interests and development of enterprises, setting up an anti-addiction mechanism is a necessary choice for enterprises' healthy development. Government punishment is effective in the short term, but the long-term effect is not obvious. The whole process from the emergence to the decline of each game is cyclical. The survey finds that the main age group

of game players varies for each game, and as the age of game players increases, game players become more reasonable, and their consumption concept and life are no longer focused on online games or other entertainment activities, the corresponding expenses on games will decline and they tend to choose to give up games. At this time, game enterprises need to develop new game products or use young people's nostalgia to push out new games based on the original games if they want to maintain the original revenue state.

#### 5. Conclusion

This paper focuses on player behavior and strategy choices of game enterprises under government regulation, discussing the influencing factors and interaction mechanisms of them, and giving suggestions for the future development of game enterprises. For game enterprises, they should follow the management requirements of government policies, take social responsibility actively, and regulate game players' behavior by setting up anti-addiction mechanism to promote the healthy development of online game industry. The government should actively formulate relevant laws and regulations to promote the healthy development of game enterprises. Under the background of fast-developing Internet, the government can make necessary regulations on the quality of games that game enterprises intend to put into the market with the help of computer information technology to obtain positive social returns, maintain healthy social atmosphere and ensure the wholesome growth of underage groups. For players, they should control game expenses reasonably while getting certain satisfaction. As for households, parents can have more communications with their children, manage the time they spend on intelligent terminal devices, and help underage players raise positive interests, establish correct game concepts, and improve their self-control ability.

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