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Holin Lin and Chuen-Tsai Sun

*Games and Culture* 2011 6: 270 originally published online 7 May 2010

DOI: 10.1177/1555412010364981

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# Cash Trade in Free-to-Play Online Games

Games and Culture

6(3) 270-287

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DOI: 10.1177/1555412010364981

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## Abstract

The rapidly expanding “free-to-play” online game payment model represents a huge shift in digital game commercialization, with cash payments for virtual items increasingly recognized as central to “free game” participation. In this article, the authors look at implications of this trend for gameplay experiences (especially in terms of immersion, fairness, and fun) and describe a fundamental shift in player self-perceptions as consumers rather than members of a gaming community. This change is occurring at a time when the line separating game and physical worlds is becoming less distinct. The new business model entails a subtle but significant reduction in consumer rights awareness, which explains why some members of the greater gaming community are negotiating a new sense of fairness and arriving at a new consensus regarding legitimate gameplay.

## Keywords

cash trade for virtual goods, free-to-play, magic circle, fairness, commercialization of digital media

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## Introduction

In sharp contrast to the subscription model previously used by massively multiplayer online game (MMOG) producers, many companies are offering their products for free or eliminating subscription fees and instead basing their profits on sales of virtual props and equipment.<sup>1</sup> According to the Institute for Information Industry of Taiwan, Taiwanese players have been migrating to free games in growing numbers since 2004 (Lin, 2005; Liu, 2006, 2007). Statistics from 2006 indicate that two of the top three online games in Taiwan were free-to-play;<sup>2</sup> by the end of the following year, the numbers had increased to 9 of 12. Similar figures have been reported for the Japanese market: according to the Japan Online Game Association, the average Japanese monthly subscription gamer spent ¥1,223 per month in 2007 (lower than in the preceding 3 years), while free-entrance players spent an average of ¥4,676 per month (a sharp increase from 2006).

Free game players can purchase game points at convenience stores, video game retail stores, bookstores, net cafés, and other real-world outlets and use them (or cash) to purchase props from game Web sites, telecommunication sites, or portal sites. Players can also use cash or points to purchase items from virtual shopping malls via game interfaces. Purchasable items belong to two categories: (a) functional or instrumental props that increase the offensive or defensive power of characters and their pets (e.g., increase character vehicle speed, double or triple experience accumulation speed, repair weapons, or retain experience value upon a character's death) or (b) decorative or expressive props for altering character or pet appearances and for enhancing social or communication tools that allow players to broadcast accusations, love proclamations, or congratulations to each other.

Whereas the subscription online game payment model allows for limited outside exchanges of virtual goods via "black markets" that are disavowed or outright banned by game companies, exchanges of props and points in free games is both officially supported and deliberately embedded in game design. This flies in the face of game world independence, considered by many a critical component for maintaining fairness and sustaining gameplay immersion. The free game link between the virtual gaming and physical economic worlds is thus viewed by many as a severe threat to the central meaning and value of online games: an escape from contemporary life into ongoing and perhaps evolving fantasy worlds. Researchers are trying to determine how formal commercial mechanisms endanger the potential for game-based enchantment. For instance, what is the effect of knowing that you can escape from a mob of high-level monsters up to the very last second by clicking on a shopping icon at the bottom of a game screen? At the same time, it is important to avoid reducing the meaning of free games to a new business model, because they can also be interpreted as representing a digital economic format that profits from community interaction. We will use the transformation of economic profit from game sales or subscription fees to operational game components to address two issues: the influence of economic exchanges on fantasy-based online gaming experiences and the

ways that players and gaming communities cope with and respond to the new emphasis on such exchanges.

## Immersion, Fairness, and the Magic Circle

Our jumping-off point for investigating the effects of cash purchases on immersion and fairness is Johan Huizinga's *magic circle* concept (1938), which has been elaborated on and defined by Salen and Zimmerman (2004) as "a special place in time and space created by a game" (p. 79). Game researchers often describe it as the primary motivation for players to enter game worlds. He argues that maintaining the magic circle requires adherence to two concepts: the presence of a world independent of the everyday physical world and the preservation of game world order via adherence to game-specific and general gaming rules. The first is directly connected to a player's sense of immersion and enjoyment, with Huizinga using the term "disinterestedness" to characterize nonordinary play features, and Csikszentmihalyi (1997) using the term "autotelicity" to analyze flow mechanisms involved in immersive processes. Both terms infer self-containment, suggesting that game immersion stands apart from or even opposite to the utilitarian characteristics of the physical world. Huizinga also asserts that rules and order are strongly linked to a player's sense of fairness—in his words, "It may be that [the] aesthetic factor is identical with the impulse to create orderly form, which animates play in all its aspects." The aesthetic experience is at the core of magic and imagination. Once rules and order fail to preserve a sense of game world fairness, the promised aesthetics disappear and the magic circle breaks down.

It is possible for the independence and fairness concepts to lose their power when players use real-world money to buy virtual products. Worries over tangible economic resources hold the potential to endanger the sense of immersion, to trigger beliefs that other players regularly buy their way to success, or to build distrust of game companies (previously viewed as rule enforcers) as self-interested participants in the "money game." However, gaming scholars are offering divergent views of commercial relations between game and real worlds. In his analysis of real-world political and economic threats to games and players, Castranova (2004) observes that lines between "game" and "not-game" are becoming increasingly difficult to draw, underscoring our underestimations of the importance of boundaries between artificial and physical worlds. He suggests that failure to properly deal with these boundaries may result in the loss of gaps through which players escape real-world pressures. Huizinga (1938) portrays these gaps as temporary opportunities for limited perfection in an imperfect world. In his discussions of the means (especially economic) through which real-world interpretations subtly push their way into artificial worlds, Castranova also notes that in some countries, a player's nontaxable virtual property is protected by real-world laws. Player advantages resulting from this paradox may provide external forces with opportunities to penetrate the magic circle and threaten the fantastic nature of gameplay. In a similar manner, built-in formal

commercial mechanisms such as cash trades for game-related goods may further blur magic circle boundaries and damage the sense of immersion that sits at the core of online gaming.

Although Salen and Zimmerman (2004) agree with Castranova's (2004) contention that sustaining the magic circle is critical to gameplay, they believe the primary threat to the circle is player disrespect for game rules, not the invasion of commercial mechanisms—in other words, as long as players show respect for game rules, they perceive magic circle boundaries as sufficiently strong to prevent the overmixing of game and real worlds. In this regard, Salen and Zimmerman have identified five types of players: *standard*, who acknowledge the authority of rules; *dedicated*, who are motivated to master rules; *unsportsmanlike*, who adhere to operational rules; *cheaters*, who regularly violate implicit rules and tend to break operational rules; and *spoil-sports*, who have no interest in adhering to rules in any form and who therefore cause magic circle breakdowns. As part of their description of spoil-sport players as “representative of the world outside the game,” (p. 275), Salen and Zimmerman use the metaphor “unleashing a virus” to describe how such behavior ruins the magic circle.

Others argue that game world insulation is neither important nor desirable to the preservation of pure gaming experiences. In challenging previous notions regarding the magic circle, Copier (2005) argues that her colleagues overemphasize the natural distinction between inside and outside worlds and tend to idealize the magic experience in gaming. She instead suggests that the act of creating game spaces connects rather than separates the imaginary fantasy world of games from ritual worlds constructed by history, religion, and daily life experiences. She also believes that answers to game-related research questions must emerge from an understanding of how players treat and construct game spaces rather than reliance on the presence or absence of a magic circle—that is, “the space of play is not a given space but is being constructed in negotiation between player(s) and the producer(s) of the game but also among players themselves” (p. 8).

Copier's (2005) suggestion that gaming experiences are reinforced by connection rather than separation between game and physical worlds requires a sophisticated analysis of dimensions in which the two worlds meet. Whereas Copier's concerns entail cultural, historical, and daily life dimensions, Castranova's (2004) boundary concept places greater emphasis on outside invasions of political and economic power. He has support from Salen and Zimmerman (2004) regarding his emphasis on the ways in which the magic circle stresses a sense of fairness as signified by game rules. In contrast, Copier's cultural and life aspects have no connection to the idea of fairness.

Our research focus is on the economic invasion/connection concept and its impacts on immersion and fun, acknowledging that the characteristics of contemporary MMOGs make relations between the magic circle, immersion, and fun much more complex than they are in simple console or PC games. First, a MMOG “persistent world” has the potential to last for a long time, with the most dedicated

players investing huge amounts of time and other resources to manage what is for them a “second life” over the course of weeks, months, or years. Such prolonged engagement among multiple players naturally creates value for desirable game-related goods and platforms for economic exchanges. Accordingly, black markets have existed for almost as long as online games themselves, although on a smaller scale and with less erosion of magic circle boundaries. There is plenty of space in which to debate the legitimacy of such cash trades in terms of assets ownership and the unknown (but perhaps measurable) effects of such trades on fairness and immersion.

Bartle (2004) uses a designer’s perspective to analyze the various effects of economics, laws regarding virtual goods, and gaming imagination on exchanges among players. In explaining his opposition to such exchanges, he argues that players do not actually possess virtual goods because of End User Licensing Agreement guidelines. For virtual goods to become real goods, game companies would have to accept custodial responsibility for maintaining the value of those goods—a task that Bartle believes is impossible because it is sure to trigger player resentment. Furthermore, he reminds us that one foundation of magic imagination is that character status reflects player status. If game producers hold the power to distribute equipment, treasure, or character level, that power could easily result in a situation where all players become heroes. As part of his definition of fairness, Bartle writes,

A high-level character isn’t just a high-level character: it’s a marker of player status. If it’s worn by someone not entitled to wear it, that very seriously annoys those who are entitled to wear it. It says something about a player’s achievements: it’s non-transferable (p. 17).

Bartle concludes that game world commodification holds great potential to kill interest in the large majority of players: “When poor people can’t even role-play being rich, they’re going to be disheartened” (p. 20).

Taking a very different approach from Bartle’s, Taylor (2006) regards MMOG users as productive players who collectively contribute to their respective game worlds and who therefore have the right to voice their opinions regarding in-game outcome and product ownership. She questions the prevailing views of game rules as representing core values and of players as mere consumers who can simply leave if they are not satisfied. She instead views players as producers who pay real costs and who deserve partner status in terms of game world intellectual property. She also disagrees strongly with portrayals of users as passive accepters of rules, instead preferring images of active participants in creating magic imagination and shared immersion. In short, Taylor believes in a collective player agency that not only contributes to creating value for game products but also presents itself in the form of active player self-management of immersion and enjoyment.

This background illuminates complex relationships among three issues: game insulation from the outside world, game fairness as supported by rules, and individual and collective senses of immersion and fun among players. Previous discussions

of these perspectives have generally overlooked the fairness and fun dimensions, neglecting the idea that gameplay fun is not merely a reflection of physical reactions to game challenges and stimuli but also of how players recognize fairness and how communities arrive at a consensus on legitimate and illegitimate gaming behaviors. These issues are not entirely embedded in game design or determined by game rules but are shaped by active player participation.

A representative example in MMOGs is cheating—finding system loopholes, taking advantage of ambiguous rules, creating new rules, and so on. Whereas cheating generally symbolizes disrespect for game rules, some cheating behaviors are not viewed as ruining fairness and therefore do not attract across-the-board criticism from gamers. In a few special cases, cheating behaviors are viewed as enhancing players' senses of immersion and fun (Kuecklich, 2004). These types of cheating behaviors can change players' perceptions (e.g., spatial and temporal experiences) about game worlds and increase the number of options through which players discover their agency, thereby creating gaming experiences defined and determined by a mix of the system and players.

It is important to remember that MMOGs are ongoing worlds without clear endings or absolute losses and wins. Multiple player types with different gaming goals coexist in these worlds, meaning that some cheating behaviors are simultaneously viewed as tolerable and as evidence of spoil-sport activity. For example, serious players tend to view players who hide behind bots as spoil-sports who should be expelled because “they do not play fair,” but players who are more concerned with socializing may simply ignore bot activity. When game companies transform external bots (as products of creative cheating) into internal bots (as avenues for monetary profit), player communities may react along a continuum ranging from acceptance of game development and game rule expansion, to ambivalence, to resentment against perceived exploitation. Player dialogues and discussions about these controversial issues not only depict individual differences and opinions but also represent collective efforts to figure out the impacts of commercialization on game worlds and to update perspectives of gameplay legitimacy. Our goal here is to analyze collective player opinions to understand the structure of fun in a more sophisticated manner.

## Data and Method

To build an understanding of how player communities perceive and respond to free game commercial mechanisms, we collected comments posted on two of Taiwan's most popular game bulletin boards: Gamebase and Bahamut.<sup>3</sup> Secondary sources were game magazines and player interviews. From these data, we culled information on the influence of free game market trends on fairness and immersion and attitudes toward increased commercialism in virtual fantasy game worlds. We discovered that the two bulletin boards have distinct participant populations and discussion cultures with the younger and less experienced Gamebase members having more easygoing and spontaneous discussions. In contrast, Bahamut attracts older and more experienced hard-core players.

Gamebase data were collected between May and December of 2006—a period that witnessed a sharp increase in the number of free-to-play games entering the market and consequent discussions and arguments about them. Because Bahamut documents are purged after 2 months, our analysis of major discussion threads was limited to November and December. Searches using the keywords “free game” (in Chinese) generated 1,216 items, 891 considered relevant to our research (deleted items were primarily free game advertisements). Among these, many consisted of a single word indicating that the writer was “pro” or “con” free games but with no clarifying detail. We removed these posts based on our interest in studying community-based discussions rather than conducting a simple opinion poll; therefore, our final analytical sample consisted of 597 items sorted by claim or argument category: primary complaints, demands, and supportive statements. As shown in Table 1, the ratio of pro:con comments was much more negative on Bahamut (102:343 vs. 301:470 for Gamebase), but the distributions of basic arguments were similar across the two bulletin boards (Figures 1 and 2). According to our informal observations while coding posts, players who opposed free games gave more detailed and insightful.

## Findings and Analysis

In this section, we will discuss the main arguments that we read or heard, categorized according to six themes and a small number of miscellaneous points.

1. *Fairness.* The main difference between monthly payment and free games is that all players in the first category have equal status and those in the second can be divided into two groups: those who truly pay nothing and those who purchase virtual items. According to dissenters, this results in an inherently unfair situation of “one game, two experiences.” They view time as the great equalizer among monthly payment players—whether rich or poor, all have equal amounts of time, and those who spend more time playing and honing their skills generally become stronger than those who do not. In free games, success in killing monsters does not provide access to the best equipment; because those tools must be purchased with real money, poor players will always be at a disadvantage. Free game supporters respond by arguing that a truly fair game does not exist—in other words, fairness in online games is illusory. They also argue that free games provide a sense of fairness for two specific groups of players: those who cannot afford to pay monthly fees<sup>4</sup> and those who have money but little time due to work and other responsibilities.

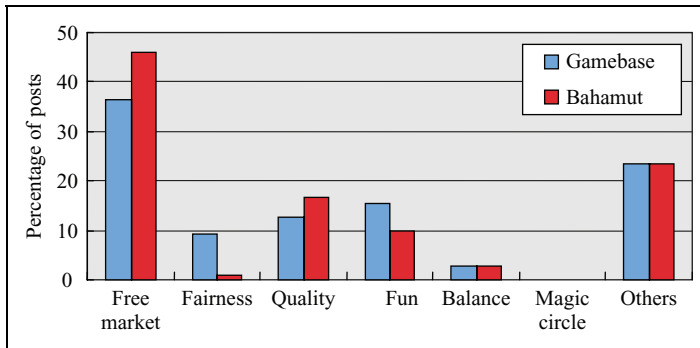
Developing a sense of fairness in competitive gaming depends on a combination of visibility and situation. When defeated in head-to-head combat by opponents holding powerful weapons that are clearly purchased for cash, many players are likely to feel a sense of unfairness. On one forum, we read an argument that it is acceptable for players to upgrade their levels more quickly using purchased items but with one important exception: PK (“player killing” or dueling) situations, where truly “free”



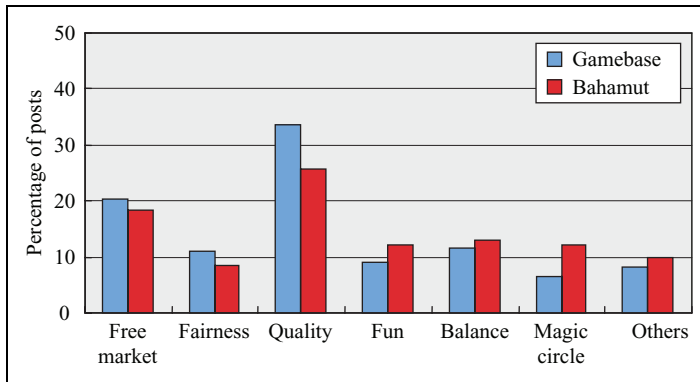
**Table 1.** Positive and Negative Player Attitudes Toward Various Aspects of Free Games

N (Row %) <sup>a</sup>		Free Market	Fairness	Quality	Fun	Balance	Magic Circle	Others	Total
Pros	Gamebase	110 (36.5)	28 (9.3)	38 (12.6)	46 (15.3)	8 (2.7)	0 (0)	71 (23.6)	301 (100)
	Bahamut	47 (46.1)	1 (1.0)	17 (16.7)	10 (9.8)	3 (2.9)	0 (0)	24 (23.5)	102 (100)
	Subtotal	157 (39.0)	29 (7.2)	55 (13.6)	56 (13.9)	11 (2.7)	0 (0)	95 (23.6)	403 (100)
Cons	Gamebase	95 (20.2)	52 (11.1)	158 (33.6)	42 (8.9)	55 (11.7)	30 (6.4)	38 (8.1)	470 (100)
	Bahamut	56 (18.5)	26 (8.6)	78 (25.7)	37 (12.2)	39 (12.9)	37 (12.2)	30 (9.9)	303 (100)
	Subtotal	151 (19.5)	78 (10.1)	236 (30.5)	79 (10.2)	94 (12.2)	67 (8.7)	68 (8.8)	773 (100)
Total	308 (26.2)	107 (9.1)	291 (24.7)	135 (11.5)	105 (8.9)	67 (5.7)	163 (13.9)	1,176 (100)	

<sup>a</sup> Because some documents contained more than one major point, the number of arguments exceeds the number of documents.



**Figure 1.** Distribution of reasons for supporting free games.



**Figure 2.** Distribution of reasons for opposing free games.

players are at an obvious disadvantage. Although expressing disappointment over what they claim to be unfair advantages, dissenters also acknowledge the need for game companies to earn profits—a paradox that weakens the power of their argument and legitimacy of their discontent. The fact that some players pay so that others can play for free weakens their appeal for fairness.

2. *Fun*. Dissenters who emphasize fun focus on how free game designers make play less fun for users who do not pay. They are much more likely to critically analyze marketing tactics used by game companies to promote virtual items and to argue that companies purposefully create significant differences between players who are willing and who are not willing to buy products. Specific arguments are that unwilling players require much more time to increase their skill levels, and therefore must endure long stretches of boring, restricted, and handicapped gaming experiences. However, players who buy virtual items may lose

the sense of fun they feel from showing off their skills. One user cynically commented, “When chatting with others about how I obtained this equipment, can I tell them the truth that I bought it with overtime money from my job?”

We read many complaints from players who had killed numerous monsters in a free game but who still needed to spend real money to get the best treasure items. Typical comments in this regard were “Once there’s no chance to get really good treasure items, the surprise vanishes,” and “Obtaining rare treasure by killing monsters is like winning the lottery. Buyable treasure items ruin that pleasure.” As an extension of this argument, dissenters also claim that players who are willing to purchase items lose a significant degree of pleasure by doing so—that is, purchased achievements encourage players to overlook interesting game details to the degree that even PK activity can lose its sense of competition and excitement.<sup>5</sup>

However, free game supporters emphasize player diversity and what they describe as an increase in the variety of potential sources of fun in free games. They refute the idea of player achievement or game fairness serving as foundations or natural sources of fun. In arguing that MMOGs differ from simple board games such as monopoly (with their clear rules and standard winning strategies), they stress the freestyle characteristics of MMOGs. Because there are rarely obvious standards for proclaiming that a player has “won” a MMOG, users can enjoy establishing and achieving their individual goals. Thus, players who are only interested in killing some free time or making friends are unlikely to be concerned about character level or strength. In addition, experienced players frequently skip over the early stages of character development, others take pleasure in showing off their wealth by decorating their characters, and still others are motivated to try as many free games as possible before choosing one to be serious about. Supporters therefore believe that free games have great value because they give players multiple opportunities and ways to experience games (and therefore, to have fun) at a minimum cost.

3. *Order and quality.* Another frequently expressed argument against free games is the perception of decreases in gameplay quality, with many discussion board participants complaining that free games attract too many griefers—bullies, harassers, bot users, public channel flooders, monster robbers, cursers, and so on. An argument we read and heard repeatedly is that structural problems are to blame for the decline in gameplay in general and among free games in particular. Dissenters complain that free access to game accounts encourages rule violations and infractions against community norms that are increasingly difficult to punish and control. They note that monthly payment game masters have the power to erase an offending player’s account or to lock out a character, but free games have no equivalent because the design emphasis is on making it easy to create new accounts and characters. Another problem cited by dissenters is the lack of motivation on the part of game companies to manage game worlds, with the general perception being that companies do not care about quality or service

because many players are not customers. They believe that this structure makes it useless to complain about any game-related matter.

We came across very few refutations of these arguments by free game advocates, with the most common counterargument being that grief play is a common phenomenon in all MMOGs, not just in free games.

4. *Maintaining the magic circle.* We were surprised at how sporadically this argument appeared on discussion boards, with the most senior players being the most concerned about the magic circle and the only ones capable of describing how free games inflict damage on magic imagination, game immersion, and fun. Dissenters expressed two main arguments in this area, the first being that player imagination and immersion are at risk, regardless of whether a player purchases virtual items.<sup>6</sup> Those who buy such items must accept that their achievements are not “real” and those who do not buy them will always believe they will never be able to “beat the rich guys.” Their second argument is that calculations involving real money cannot help but interfere with a player’s gaming experience.

We noted that few players made clear distinctions between buying game items with virtual versus real currency, with the first serving as an example of gaming behavior and the second of shopping behavior—two very different mental states. When playing monthly payment games, users only need to worry about making payments before entering. In contrast, free game players are constantly confronted with decisions regarding purchases and available funds, exchange rates between real and virtual currency, and cost-benefit calculations—all of which interfere with the relaxed enjoyment of a game.

5. *Free market issues.* Players on both sides voiced support for the legitimacy of free market activity and based their arguments on that logic. The user-pay principle was the most frequently quoted reason for supporting free games, with axioms such as “there is no such thing as a free lunch” appearing frequently. Even dissenters were accepting of the argument that “game companies need money to run their businesses and they need to earn money to survive.” Several supportive free game players noted that all users are given adequate information about a game’s payment model before making a selection; therefore, companies should not be accused of deceit or coercion. Accordingly, written documents—especially “end user license agreements”—are considered by many as contracts between willing parties. Supporters also argue that games must possess certain elements of fun, regardless of the marketing model, otherwise players will switch in large numbers to games they consider more enjoyable. In other words, if a free game survives, a considerable number of players must find it fun and worth the money.

Another commonly stated argument is that as long as a game provides basic functionalities so that players who pay nothing can still participate, game companies should be viewed as keeping their promises and therefore allowed to collect fees for game-related products. Finally, some gamers noted that virtual items have always been traded among players and therefore control of such items by a game company simply legalizes the practice and reduces the risks involved in black market transactions and the potential for disputes.

Still, many dissenters who support the user-pay principle and its free market foundation accuse game companies of misleading players in game-related ads—specifically, failing to make it clear to all players that the games are not really free, but only free of monthly payments, and that players who want to participate fully at a high level will eventually have to spend more on products than they would on monthly fees. One player observed that a specific game company has embedded some items in quests so that cash expenditures are required to complete them. Another player offered this analogy: “Imagine a noodle shop claiming that its noodles are free, but the cost of chopsticks exceeds that normally found for a bowl of noodles.” The resentment increases when players learn that many items for purchase have expiration dates.

6. *Gameplay balance.* After free market issues, this argument—a general value statement that also touches on fairness and fun—achieved the greatest consensus between supporters and dissenters. In gameplay, balance is commonly defined as the coexistence of players with different gaming motivations or goals. According to this concept, all player types should have equal opportunity to survive in and enjoy all game worlds. Acknowledging that the term *gameplay* is both vague and context dependent, we believe the concept does encompass the idea that game design should respect the needs of players who are willing and who are not willing to spend real money. This is a subtle point, because both sides apparently agree that players who are unwilling to spend money should not feel that “no payment equals no fun,” but at the same time they believe that pay-to-play users must sense that their money is well spent.

Free game detractors and supporters agree on two points: topmost treasures should not be made available for purchase, and sales and purchases of decorative items should not be restricted. However, the two sides disagree on the feasibility of achieving a balance, with dissenters believing that game companies have no incentives to maintain one and in fact have strong incentives to disrupt it. They argue that the selling of decorative or less important items that are generally collected by slaying monsters cannot generate sufficient income; therefore, game companies are increasingly promoting the sale of more powerful and valuable items, which will inevitably destroy the balance of gameplay. They believe that achieving a natural balance is much easier in monthly payment games.

Free game supporters counter that as long as game companies make transparent efforts toward self-regulation and finding a balance that allows poor players to

survive, there is no problem. Another argument they make is that larger numbers of online players means smaller numbers of more affluent ones, thus limiting their influence on gameplay. A third supportive argument is closely tied to the free market argument: the existence of an open and public market gives all players equal opportunities to purchase items, unlike past situations in which much smaller numbers of players participated in black market trades.

7. *Miscellaneous arguments.* Secondary arguments focus on two closely related topics: whether players are in control of gameplay or controlled by games, and the influences of rational allocations of time and economic resources on game or game type selection. The first category extends the basic debate over which type of game is better to include judgments about which type of player is better. Free game players who purchase virtual props are criticized as being money-rich but skill-poor—that is, “penny wise and pound foolish” in giving up the true focus of gameplay in return for real-money purchases. In response, free game supporters claim that the best free game players are those with the self-discipline to restrain their impulses to purchase tools and status. By extension, dissenters are accused of lacking self-control as evidenced by their fear of the temptation to purchase game items—that is, they need a system to regulate their behaviors.

The control argument evolves into discussions of what constitutes a reasonable amount of playing time and commitment to a game. Free game supporters believe that they are most capable of reaping the benefits of a business model that offers more game selection and time allocation options and that the monthly pay model puts pressure on users to play to avoid feelings of “wasting money,” thereby increasing the odds of gameplay cutting into time normally allocated for school-, work-, or family-related activities. They argue that free game players are spared this sense of “getting the most value” and can therefore fully enjoy the time they do spend playing and use the money they save from making monthly payments to purchase virtual items—what they view as a positive example of self-discipline and rational calculation.

## Discussion

Our focus in this section is on four areas in which free games are exerting impacts on online gaming, with potential implications on leisure culture in general: player self-recognition, player perspectives regarding game consumption, player attitudes toward game communities, and the relationship between access and inequality. The four dimensions share one commonality: a belief in the legitimacy of free market principles. In some cases, the arguments presented by free game supporters were less sophisticated and eloquent than those offered by the dissenters, but the supporters found strength in the argument that all participation in a free market—virtual or real—is voluntary.

### *Making the Switch From Player to Consumer*

Free games are legitimizing (and monopolizing) what monthly payment game players perceive as underground or black market activity: the buying and selling of virtual goods. However, whereas black market exchanges are bidirectional between players, free game exchanges are unidirectional—players can purchase items from game companies but cannot sell them back. Accordingly, player self-images are changing from community membership to market consumption, and players are therefore adjusting to new relationships with game providers. Dissenters and supporters alike still have the right to file complaints about game rules but not about allegedly misleading information in advertising. They can challenge virtual items as being overpriced, but they cannot challenge the idea that such items should be available for purchase. They can argue that a game is losing quality in terms of game goods but not that the overall gaming world is breaking down.

Furthermore, the emerging structure and ambiance of game consumption is making consumers less visible, thereby decreasing their awareness of consumer rights in a subtle but significant way. The anonymous and dispersed qualities of the gaming community block its self-recognition as a unified population with consumer rights. However, individual free game players simultaneously (and paradoxically) recognize themselves as *de facto* consumers and free riders. A substantial percentage may be upset to learn that they actually pay more to play than they would for a monthly subscription game, but the marketing effort to promote new games as *free* has so far been successful in creating a collective consciousness in which free game players defend their decisions to avoid the standard gaming business model.

### *From Renting to Pay-Per-Play*

Online game designers have tried different payment mechanisms as their products have grown in popularity. Concurrently, online players' perceptions about gaming activities have experienced subtle but fundamental changes. In comments posted on game boards and during interviews with players, we frequently came across the analogy "in a playground you buy one ticket for all tricks" to describe the monthly payment system, and "in a theme park you get free entrance but pay for each trick" to describe free games. According to this analogy, monthly subscription game players are similar to game renters in that they enter prepaid game worlds and become fully immersed, perhaps, motivated by the thought, "I want my money's worth." In contrast, free game players make multiple "to pay or not to pay" decisions that entail internal debate between saving money and the idea that "as long as I'm already here, I should have some fun." In other words, free game player immersion in the magic circle is affected by a series of calculations, evaluations, decisions, and reevaluations between in-game and out-of-game worlds.

### *Fairness: Negotiation and Acceptance*

As part of his definition of fairness, Bartle (2004) asserts that “the status of the character should reflect the status of the player behind it.” He therefore opposes exchanges of virtual items between players, believing that player achievement (as signified by avatar level) should be nontransferable. Although the free game practice of formally selling virtual items does not involve trades between players, it still violates this principle. We believe the free game system’s challenge to fairness exceeds that of private trades between monthly payment game players because it entails real-world inequalities, especially because monthly payment players can make virtual item purchases with real money without being noticed, but when free game avatars wear the necessary equipment to beat monsters or solve quests, they are easily identified as having made the requisite purchases—that is, game inequalities are made clearly visible.

In terms of fairness, the basis for legitimacy among new games is maintaining balance, as opposed to the earlier emphasis on not breaking established rules. During our research, we discovered that the admittedly vague “game balance” concept is viewed by many as central to the complex issues involved in the subscription-versus-free game debate. We learned that game companies (whose representatives frequently appear on game discussion boards to respond to player questions and to explain their policies) and players (with a broad range of interests and opinions) are fully engaged in public discussions of the balance issue. In the current environment of “one game, two types of players, two kinds of gaming experiences,” the two sides are currently negotiating game designs that address the needs of pay-nothing players, buy-things players, and game companies, and we noticed a number of forum participants calling for mutual respect and constructive opinions to make paying players feel that they are getting their money’s worth and nonpaying players feel a sense of fairness. An emerging consensus seems to be acceptance of decorative prop purchases but keeping channels for acquiring skills and rank open and equal for all players. Issues still under negotiation include whether purchasable items should have expiration dates, whether such items should last longer than those earned from quests, and whether items that are available for purchase should be made available via in-game activities for those players who do not want to spend money.

### *The Poor or Rich People’s Game?*

Beyond the realm of game worlds, the concept of real-world economic inequalities was used by both sides as a rhetorical weapon. At the core of these exchanges was the question, “Are free games ‘the poor people’s games’ because no access fee is required, or are they ‘the rich people’s games’ because of the advantages they give to players who have more resources?” We agree that free-to-play games reduce the initial costs of gameplay and therefore hold the potential of attracting new players



who otherwise would not be able to participate. However, we also believe that they diminish game commitment because they make it so easy to enter and leave games. The free-to-play model may support experimentation in the game selection process, but it may also amplify indecision on the part of players wanting to focus on one specific game.

## Conclusion

Under severe competitive pressure to lure new users and to retain old ones, a growing number of game companies are adopting a free-now, buy-later business model for their MMOGs. One result is confusion in the gaming community regarding ownership and player self-perceptions. According to our observations, game renters and subscribers have a stronger sense of community membership than pay-per-play users, with renters viewing all game aspects as objects to be experienced and enjoyed. In contrast, the actions of free game players resemble those of consumers in general.

Whereas subscription MMOG players tend to express anger toward cheaters who violate an unwritten social consensus, free game players are more likely to believe that such protests are useless, that they have no right to protest, or that they have no reason to complain. Even though players might agree with the argument that a sense of fairness is compromised in free games, they might not complain to game companies due to their perception that “this is a free game, what can you ask for?” This rationalist attitude may also explain why those who disparage free games do not complain about consumers of free game virtual items in the same manner that they criticize “Taiwan Dollar Warriors”—a term used to describe monthly subscription gamers who purchase items on the black market. Instead, it appears that free game dissenters are finding it difficult to refute the idea of “take it or leave it” according to free market principles. This is indicative of a significant shift in the collective game community mind-set from player to consumer.

## Notes

1. Although some free play games still require money to purchase game software, the prices for these one-time purchases are so low that they cannot be considered entrance thresholds. Using admittedly incomplete statistics, Lee (2006) estimates that “20% of [Taiwanese] players purchase virtual props with cash” (p. 152).
2. The company that sells the top game in Taiwan, *Lineage I*, has retained the subscription model. The second and third most popular games, Huang Yi Online and MapleStory, are free (Wu, 2006). However, the most popular game, World of Warcraft, has retained its top position while adhering to its original subscription model. See URL (retrieved October 3, 2008): <http://www.gamebase.com.tw/mybase/mirza/diary/read/53026>.
3. See URLs (retrieved October 3, 2008): <http://www.gamebase.com.tw/> and <http://www.gamer.com.tw/>, respectively.

4. Some comments contained mentions of real-world identities such as students or housewives, thereby emphasizing their lack of monetary resources.
5. For instance, in some games, players can buy pills to reset their characters' capacities and to change initial character preferences. These products equalize differences among characters, resulting in reduced game world diversity.
6. Of course, negative influences on sense of immersion did not begin with free games. When Taiwanese players log on to a game server, they always see warning messages about illegal virtual currencies and virtual item fraud. These and many other large and small factors interfere with game world immersion.

### Acknowledgement

The authors thank for the financial support from National Science Council of Taiwan, R.O.C. We also want to thank Yu-Hao Lee, who is currently involved in the program of Media & Information Studies, Michigan State University, for his contributions in providing general background in free-to-play online games, and sharing his observations on related gaming phenomena.

### Declaration of Conflicting Interests

The author declared no conflicts of interest with respect to the authorship and/or publication of this article.

### Funding

The author(s) disclosed receipt of the following financial support for the research, authorship, and/or publication of this article: This research was sponsored by National Science Council of Taiwan, R.O.C through Project NSC 98-2410-H-002-061-MY3.

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