



Because Apple demands high quality games driven by high lifetime value, you must be at the top of *your* game, synthesizing monetization, retention, and virality.

Monetization

With apps, and especially games, you are selling an experience. It is the emotion of the user that creates the purchase. The following things have a huge impact on your app's monetization:

- Lifetime Value (LTV) . LTV is the average revenue from any given user. Games that succeed are generally driven by a high lifetime value. If your LTV is greater than your cost per acquisition (CPA), then your game is a success, because it allows you to buy advertising.
- Daily Active Users (DAU), Monthly Active Users (MAU), Average Revenue Per User (ARPU), Average Revenue Per Daily Active User (ARPDau), and Churn (“measure of the number of individuals or items moving out of a collective group over a specific period of time.”).
- Decisions about what to sell center around the four Cs: content, convenience, customization, and competitive advantage.
- Monetization in mid-core games is often motivated by progress acceleration.

Other ways to increase monetization are to improve product quality, increase content, upgrade graphics, and fix the bugs. Consider adding more items for sale, and streamlining the shopping experience so that there are not too many clicks between opening the app and completing a sale. Event-Based Marketing centers around events such as tournaments, seasonal events, limited time offers, etc. Ads matter, too. Have them, but do not over do them to the point where the game is no longer fun.



Retention and Engagement

It is crucial to engage users and keep them returning to your app. In addition, engagement is measured by Apple's algorithm, and affects your ranking. There are several features to build in that will increase retention and engagement. Expect retention rates of 40% at day 1, 20% at week 1, and 10% at month 1.

- Core Loop is a series of actions that you repeat. For example, you fling birds, knock over walls, kill pigs, get points, win levels, and then repeat from the beginning. Successful core loops must be:
 - Easy to learn
 - Contained within 3 to 6 steps
 - Absent of spoilage, wilt, or rot, within the narrative
- Energy Mechanic is a game life that you renew by either paying money, inviting friends, or waiting to receive more energy.
- Replay Factor is enjoyment of the next level when the core loop is repeated.
- Soft Currency is resources collected within the game, like treasure chests, tools, etc.
- Hard Currency is resources that cost money within the game.
- Depth and Strategy have their place in a successful core loop, because they are the factors that will engage and retain your whales (big spenders). Sometimes, skill requirements can substitute for depth or strategy.
- Possibilities also allow interest to regenerate within the game.
- Session Length depends on the type of game you're making. You want your games to be consumable in bite sized chunks, with the ability to play for long periods of time.



- Habit is important to retention. It makes the game easy to regularly pick up and put down—compatible with users' daily routines.
- Closure is allowing the player to feel comfortable ending a session.
- Progression is the most important feeling to imbue in simple and complex games alike.
 - First Time User Experience (FTUE) requires a series of graduated experiences so as to not overwhelm new users. Start quickly and easily, then slow down with dramatic difficulty. Make the progress obvious both visually and experientially.
 - Goals and Achievements give a sense of progression and are also a game mechanic for increasing engagement. They are basically merit badges and create all the associated motivation and sense of accomplishment.
 - Game Play Balancing allows you to balance average session length through analytics. It solves bottlenecks and gets technical. It usually happens post-launch, when you can observe where users drop off.

Virality

Virality is measured by the K Factor: # invites x invitee conversion rate. A K Factor greater than 1 indicates that you are growing. To increase your K factor, create opportunities for users to:

- Invite their friends; and
- Collaborate with their friends, which will encourage them to invite their friends; and
- Compete with their friends.

Bottom line: do not force virality too hard, because, like advertising, too much will interrupt enjoyment of the game.



Recap

Good game design leads to engagement and retention, and engaged and retained users lead to monetization and virality.

- Model and deconstruct the best games.
- Download and play the top three purely for the purpose of having fun. Notice where you are excited, frustrated, or any other experience.
- Identify the core loop and how progression is added.
- Break down the rest of the game step-by-step. Note the visual feedback, goals and achievements, virality, and monetization.
- Take that blueprint, and apply it to your game.