Game Monetization in Japan

Why and how is it different from Western countries



Team



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PG | PLAYMOTION | MUST PLAY GAMES



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20 Years Game Development Exp.

zynga | BLIZZARD ENTERTAINMENT | Bethesda





OVERALL REVENUE

1	Candy Crush Saga — KING	—
2	Roblox — ROBLOX	—
3	Coin Master — MOON ACTIVE	—
4	Pokémon GO — NIANTIC	—
5	Royal Match — DREAM GAMES	△
6	Evony — TOP GAMES	▽
7	Bingo Blitz — PLAYTIKA	—
8	Homescapes — PLAYRIX	△
9	Jackpot Party — SCIENTIFIC GAMES	▽
10	DBZ Dokkan Battle — BANDAI NAMCO	△

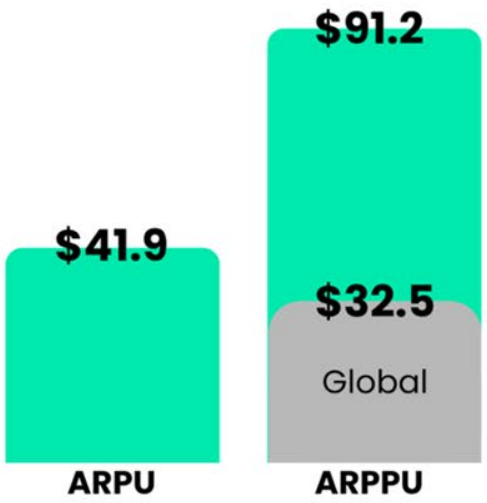
OVERALL REVENUE

1	Uma Musume Pretty Derby — CYBERAGENT	—
2	Monster Strike — MIXI	△
3	Dragon Quest Walk — SQUARE ENIX	△
4	Fate/Grand Order — SONY	—
5	Puzzle & Dragons — GUNGHO	▽
6	Heaven Burns Red — WFS	△
7	Pokémon GO — NIANTIC	△
8	Genshin Impact — MIHOYO	△
9	Arknights — HYPERGRYPH	△
10	Blue Archive — YOSTAR	▽

Source : Sensor Tower July 2022, overall App Store + Google Play Revenues

Japan Market

2017 Monthly Revenues in Mobile Game of Japan vs Global



JAPAN'S TOP FIGURE

MOBILE GAME

innovation, high-quality content, and dedicated player base a global leader in the mobile gaming market

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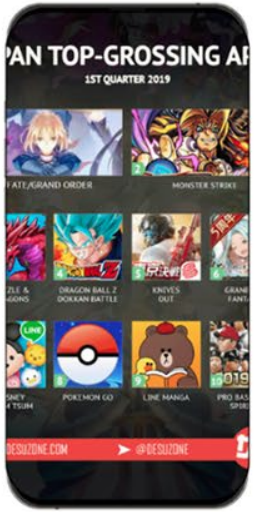


global market

in ARPU



compare to other sectors



- RPG
- Casual
- Simulation
- Card
- Action
- Puzzle
- Sport
- Casino

JAPAN ARPU (AVERAGE REVENUE PER USER) IS *4X* HIGHER COMPARED TO OTHER MARKETS

Source: https://asoindex.io/mobile-growth/why-arpu-in-japan-surpasses-other-countries
(Original data from Statista.com)

Simple vs. Complex

Japanese players are part of a highly mature gaming market that values depth, layered progression, and systems that reward skill and dedication.

Simple

Complex











Area of Opportuniy

For game developers targeting the Japanese market, success often comes from leaning into complexity rather than streamlining it

General Concepts

While In-N-Out's simple menu reflects a Western preference for streamlined choices, Japan's ramen shops, like Ichiran, embrace deep customization—mirroring a cultural appreciation for mastery, personalization, and layered decision-making



VS



Customization

CHOOSE WHAT YOU REALLY WANT!

Streamlined

LESS OPTIONS, EFFECTIVE DECISION-MAKING

Applicable Gaming Concepts

Instead of streamlining for simplicity, Japanese games often embrace complexity
and offer players a wide array of decisions, not just in gameplay but
also in purchases, where having multiple options enhances engagement and player investment



VS



More is Better!
18 HARD CURRENCY
PACKAGE OPTIONS

Simplified
6 HARD CURRENCY
PACKAGE OPTIONS

Applicable Gaming Concepts

Since the gameplay isn't simplified, fully understanding the system requires players to engage deeply with the text, as key context and mechanics are conveyed through detailed explanations.



VS





Ability Tooltip

DEEPER, COMPLEX GAMEPLAY
REQUIRES MORE EXPLANATION

Unit Tooltip

VISUALIZED GAMEPLAY
MECHANICS, LIMITED DEPTH

Spending Behaviors

The psychology behind spending on microtransactions in mobile games varies significantly between different cultural contexts, particularly when comparing markets as distinct as Japan and the USA. These differences are rooted in cultural attitudes towards gaming, spending habits, and the perceived value of digital goods.

To successfully monetize in Japan, U.S. developers must adapt their strategies to local spending behaviors, recognizing that Japanese players value depth, choice, and long-term engagement—factors that heavily influence their purchasing decisions.



Microtransactions - American User Behavior

A brief look at how American users will engage with monetization in your mobile game

Value Proposition

AMERICAN GAMERS ARE OFTEN DRIVEN BY A CLEAR VALUE PROPOSITION WHEN IT COMES TO MICROTRANSACTIONS. THEY ARE MORE LIKELY TO SPEND ON TRANSACTIONS THAT OFFER A PERCEIVABLE ADVANTAGE OR ENHANCEMENT IN THE GAME, SUCH AS TIME-SAVING FEATURES, EXCLUSIVE CONTENT, OR COMPETITIVE EDGES.



F2P

THE FREEMIUM MODEL IS WIDELY ACCEPTED IN THE US, WHERE GAMES ARE FREE TO PLAY BUT OFFER IN-APP PURCHASES FOR ADDITIONAL CONTENT OR FEATURES. BUT, PLAYERS SENTIMENT CAN REACT QUITE NEGATIVELY IF THE GAME IS SEEN AS PAY-2-WIN BECAUSE OF HOW UNFAIR THE GAME WILL BE OR REQUIRE LOTS OF MICROTRANSACTIONS TO PROGRESS.



Expression

MICROTRANSACTIONS OFFER PLAYERS THE UNIQUE OPPORTUNITY TO PERSONALIZE THEIR GAMING EXPERIENCE, TAILORING IT TO THEIR INDIVIDUAL PREFERENCES AND STYLE. PURCHASING COSMETICS THAT ALIGN WITH THE PLAYER'S PERSONA OR PURCHASING CHARACTERS THAT RESMBLE THEIR IDENTITY THE MOST.



Microtransactions - Japanese User Behavior

Exploring the 'why' behind users' spending on microtransactions reveals that factors such as game type and audience demographics significantly shape purchasing behavior, alongside various psychological drivers

Gacha

THE "GACHA" SYSTEM, AKIN TO CAPSULE-TOY VENDING MACHINES, IS PREVALENT IN JAPANESE MOBILE GAMES. PLAYERS SPEND MONEY FOR A CHANCE TO OBTAIN RARE ITEMS OR CHARACTERS, WHICH IS DEEPLY INGRAINED IN JAPANESE GAMING CULTURE. THIS MODEL CAPITALIZES ON THE EXCITEMENT OF RANDOMNESS AND THE COLLECTIBLE NATURE OF THE REWARDS.



Character Affinity

JAPANESE GAMERS OFTEN FORM STRONG ATTACHMENTS TO GAME CHARACTERS, WHICH DRIVES SPENDING ON ITEMS OR FEATURES THAT ENHANCE THESE CHARACTERS OR ALLOW FOR DEEPER INTERACTION. THE NARRATIVE DEPTH AND CHARACTER DEVELOPMENT COMMON IN JAPANESE GAMES FURTHER THIS ENGAGEMENT.



Spending Habits

JAPANESE PLAYERS HAVE A HIGH EXPECTATION TO SPEND IN MOBILE GAMES, AS MONETIZATION IS DEEPLY INTEGRATED INTO THE EXPERIENCE. UNLIKE SOME WESTERN MARKETS, SPENDING IS SEEN AS A NATURAL PART OF PROGRESSION, FROM GACHA PULLS TO CHARACTER UPGRADES.CAUTIOUSLY, JAPANESE GAMERS VIEW SPENDING AS A NATURAL PART OF PROGRESSION AND ENGAGEMENT.



Monetization Gaming Concepts

Gacha Experience

JAPAN ESTABLISHED HOW MONETIZATION CAN BE EFFECTIVE VIA THE USE OF GACHA PACKS - WHICH HAS BEEN WIDELY ACCEPTED WITHIN THE JAPANESE GAMING CULTURE

JAPANESE PLAYERS ARE WILLING TO PURCHASE GACHA PACKS FOR A 1% DROP RATE, WHICH CAN BE QUITE EXPENSIVE





Optimized Experience

JAPANESE PLAYERS ENGAGE DEEPLY WITH GACHA SYSTEMS, WHICH ARE SEAMLESSLY INTEGRATED INTO LIVE-OPS CONTENT TO DRIVE LONG-TERM ENGAGEMENT. MEANWHILE, U.S. DEVELOPERS HAVE INTRODUCED FEATURES THAT SOFTEN THE GACHA EXPERIENCE, REDUCING NEGATIVITY WHILE MAINTAINING EXCITEMENT—OFFERING VALUABLE INSIGHTS INTO BALANCING MONETIZATION AND PLAYER SATISFACTION WITH LIVE-OPS.

Gacha Features

- BAD LUCK PROTECTION (PITY SYSTEM)
- CONSUMABLE ECONOMY
- DUPLICATES USAGE
- HERO SHARDS

KEY QUESTION: HOW CAN US DEVELOPERS LEARN FROM JAPAN-STYLE GACHA + CONTENT PIPELINE?

Example: Best Practice Monetization in Japan

- LIVE-OPS STRATEGIES VARY BY COUNTRY; FOR EXAMPLE, JAPANESE PLAYERS EXPECT BI-WEEKLY EVENTS AND FREQUENT GACHA UPDATES
- COLLABORATION EVENTS FEATURING ANIME IPS ARE EXTREMELY POPULAR IN JAPAN.

COMMON JAPAN TRENDS



- IN JAPAN, GACHA AND EVENT UPDATES TYPICALLY OCCUR BI-WEEKLY, WITH CO-OP CONTENT OFTEN TAKING PRIORITY OVER PVP.
- SEASONAL EVENTS, SUCH AS CHRISTMAS AND SUMMER, ARE ESSENTIAL, AND LARGE-SCALE UPDATES ARE COMMONLY RELEASED FOR ANNIVERSARIES

COMMON AMERICAN & EUROPEN TRENDS



- IN EUROPE, LARGE-SCALE EVENTS AND UPDATES OCCUR EVERY FEW MONTHS, WITH PVP CONTENT BEING PARTICULARLY POPULAR.
- TO KEEP THE GAME FRESH, IT'S ESSENTIAL TO RELEASE MAJOR CONTENT UPDATES AT REGULAR INTERVALS AND INTRODUCE NEW FEATURES.

Example: Best Practice in Japan



- JAPANESE USERS ARE NOT ACCUSTOMED TO PVP IN THE EARLY STAGES OF GAMEPLAY

- JAPANESE USERS GENERALLY PREFER AND FEEL COMFORTABLE WITH:
  - STEP-BY-STEP TUTORIALS RATHER THAN BEING GIVEN FULL FREEDOM TO EXPLORE THE GAME.
  - EASY MODE WITH MINIMAL RISK EARLY ON, ALLOWING PLAYERS TO EASE INTO THE GAME BEFORE FACING REAL CHALLENGES.
  - MULTIPLE NPC BATTLE OPPORTUNITIES TO BUILD CONFIDENCE, INSTEAD OF REQUIRING PLAYERS TO SPEND RESOURCES (E.G., COINS) IN THE FIRST FEW BATTLES.
  - CO-OP PLAY WITH DOMESTIC USERS, RATHER THAN BEING IMMEDIATELY PLACED IN GLOBAL PVP BATTLES.

IN MOST JAPANESE GAMES, PVP CONTENT IS LOCKED AT THE START AND ONLY BECOMES AVAILABLE ONCE CERTAIN CONDITIONS ARE MET. AT THE VERY LEAST, PLAYERS CAN ENGAGE IN PVE CONTENT BEFORE TRANSITIONING INTO PVP BATTLES.



PROFESSIONAL BASEBALL SPIRITS

PVP UNLOCKS AFTER LEVEL 20



BLUE ARCHIVE

PVP UNLOCKS AFTER QUEST STAGE 6-1

Thank you

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GLOBAL GAME DEVELOPERS