

# Here Today, Gone Tomorrow: Why are Mobile Games Losing Loyalty?

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## Abstract

This paper uses the variety seeking behavior of users to understand why several of the mobile games are losing customers in a short period of time. There has been very limited research, regarding the short life cycle of mobile games and the failure of number of mobile games that performed well for a short period of time such Zynga. Users' may be looking for newer variety of mobile games because of their own characteristics or because of product characteristics. This research-in progress explores these two aspects to understand the loyalty of users' toward mobile games.

## Keywords

Mobile games, loyalty, variety seeking behavior

## Introduction

The popularity of Web 2.0 technologies along with social networking sites (SNSs) has made online games very popular. With the sky-rocketing use of smartphones, PDAs, or handheld devices, the size of mobile game market is also on rapid expansion (Zhou 2013). Also, the increasing ability of mobile devices to deliver quality wireless internet along with better graphics has led to a huge rise in mobile games (Soh and Tan 2008). The current market has seen numerous games characterized by multiplayer online games, real time interaction, media richness anonymity, etc. (Huang and Hsieh 2011). This has brought some of academic interest in the field of mobile gaming during the last decade (Feijoo et al. 2012). However, compared to the rapid development of mobile market in the last few years, such research on mobile gaming can be considered quite low. Most of the academic research studies on this field have been limited to design aesthetics in mobile context (Cyr et al. 2006), industry challenges and policy implications in mobile gaming (Feijoo et al. 2012), adoption of mobile games by consumers (Zhou 2013), consumer loyalty towards mobile games (Wakefield and Whitten 2006) etc. While studies on those areas are important and crucial to the success of mobile gaming industry, it is alarming to see very limited research regarding why some mobile games are losing loyalty. There has been very limited research, if any, regarding the short life cycle of mobile games and the failure of thousands of mobile games by losing loyalty to other alternatives.

The gaming industry has been a 'hit-driven' business dominated by big winners as 10% of published games generate 90% of revenue and only around 20% of games making profit (Dyer-Witthford 2004). There are more than 100,000 games in Apple's app store alone with introduction of 104 new games per day. It is scary to know that 99.9% of these games fail. Rovio Entertainment Ltd. Failed 51 times before getting success with Angry Birds game (SeekOmega 2012). The failure of Zynga after an enormous success in 2008, and the lost case of Temple run has not been discussed much in academic literature.

While the failure of mobile games can be related to many business factors like design or interface of the game, it is equally essential to study these reasons from the perspective of customers who buy these games. It can be studied from the view of personal characteristics and product characteristics that explains why loyalty is shifted from one game to another – thus, making one game fail while other succeed. Thus, this paper would study the factors that may be crucial to failure of the mobile games from

the customer's side/angle. This paper would take help from Variety seeking behavior theory proposed by McAlister and Pessemier 1982.

## **Theory Formation and Hypotheses Development**

When it comes to hedonic motives such as that of mobile games, individuals have higher probability or habit of novelty seeking (McAlister and Pessemier 1982). Some of the novelty seeking behavior may be assigned to multiple situations where the situations and context changes and so do the choices of people (McAlister and Pessemier 1982). Others are more direct in nature as customers seek 'novelty', 'unexpectedness', 'change' and 'newness' just because it is inherently more satisfying (Maddi 1968) and less boring (Fishbach et al. 2011).

Borrowing this theory to mobile gaming field, it can be safely said that there are multiple reasons why users switch from one game to another and show an exploratory purchasing behavior in mobile gaming market. Some individuals prefer 'change' or 'newness' while others may prefer newer 'challenges' and 'complexities' as mentioned by Variety seeking behavior theory. It is no secret that under certain conditions all the individuals needs variety in their lives (Faison 1977). Similarly, mobile gamers feel bored to play the same game after a period of time as they search for newer stimuli. Some of the customers switch the games because of the product characteristics and others will switch it because of their own personal characteristics.

### ***People Characteristics***

People have different characteristics and personality that motivate them to seek for variety (Shropshire et al. 2015). Such characteristics are usually personal in nature and may sometime vary depending on the product type as well (Mehrabian and Russell 1974). Thus, people with higher need for variety are more likely to engage in variety seeking behavior than the people with lower need for variety (Raju 1980). As such, customers with higher need for variety will switch the type of the games they keep playing over the period of time. Such individuals thrive for change. These higher variety seeking individuals usually have one of the following four sources of stimulation that acts as their motivation to seek variety (Hoyer and Ridgway 1984):

#### **New and unfamiliar stimuli**

A newer unfamiliar stimulus may bring new challenges. Players can experience anxiety and excitement when the skills and the challenges are perceived to be congruent and above a critical threshold (Csikszentmihalyi 1977). The need for uniqueness may result in the adoption of different games and alternatives. These are the individuals who get easily tired of the same day to day activities, same games and same mobile applications. If their skills exceed the challenges of the games they are playing, these players may become bored, and if the challenges exceed the skills, these players may become anxious. Thus, new games bring such challenges to the player which the older games may not do so. A person who favors new and unfamiliar stimuli will always be ready to try newer games.

H1: Individual who has willingness to experience new and unfamiliar stimulus would have lower loyalty on one mobile game

#### **Risk stimuli**

Some individuals love taking risk and be in uncomfortable situations just to challenge the complexity and see how far they could go (Raju 1980). It gives them a sense of satisfaction when they are able to successfully overcome a risky adventure or a newer challenging game in our context. While there would not be many such customers who like to take high risk, there would be ample of such customers who love trying new brand or products and risk the taste (Zuckerman 1979). Similarly, in the case of mobile gaming, people who love taking risk, would easily move on to another game for newer and better challenges and complexities. They don't mind paying for the mobile games despite not knowing in detail about how well this new game performs than the older one.

H2: Individual who has higher risk stimulus would have lower loyalty on one mobile game

### **Strength of preference**

Some consumers may prefer one brand over another. Those who have such preferences usually do not leave one brand for another (Van Trijp et al. 1996). For example, an Apple product fan stays with iOS while a Google product fan may not shift from Android to another brand. Similarly, a person who has strong preference of graphics or sound in mobile games may go with a certain brand name while choosing game and may not keep switching from one game to another. When a person is accustomed to playing Farmville and other games from Zynga, they may not want to switch to another brand.

H3: Individual who has low strength of preference would have lower loyalty on one mobile game

### **Involvement**

When the product has the ability to highly engage the individual, the variety seeking behavior will be very low (Assael 1987). People who are mentally and physically highly engaged in a game received certain level of satisfaction from that involvement and would not give up the satisfaction they have by having the product for a newer one. Same is the case with players playing a certain type of game. A complex game like Candy crush that has hundreds of level involves players to a very high level. Thus, a player of such games may find hard to leave the game for another game.

H4: Individual who has low involvement on a mobile game would have lower loyalty on one mobile game

### **Product Characteristic**

Each product has certain type of characteristic that differentiate itself from others. Such characteristics can be objective or subjective. Objective characteristics are those that do not vary from one person to another. Number of alternative available and inter-purchase frequency can be examples of it. Subjective characteristics are those that vary from people to people. For example, a product used by one person as hedonic may be used by others as utilitarian.

### **Number of alternatives**

When a product has number of alternatives available, then there is higher chance that the customers of it will seek for variety (Hoyer and Ridgway 1984). In products that have restricted choices and set of alternatives such as Gas, Tonic Water, laptops, etc., it is obviously difficult to engage in brand/product switching. However, in case of mobile games, there are more than 104 games coming to app store every day (SeekOmega 2012). This shows that each mobile game has huge number of alternatives available and thus, have lower loyalty from its customers.

H6: Mobile games that have higher number of alternatives have lower loyalty on one mobile game

### **Inter-purchase frequency**

When the inter-purchase frequency of the product is long, people like to stick with the same brand as compared to a situation where buyers get bored of purchasing the same item again and again (Hoyer and Ridgway 1984). When inter-purchase frequency is higher, there may be tendency of lower loyalty towards the product. Since mobile games are played every day by today's younger generation, they easily get tired of the same boring graphics, plays and tricks and thus, want to shift to a newer game when they have an opportunity.

H6: Mobile games that have higher inter-purchase frequency have lower loyalty on one mobile game

### **Hedonic features**

Products that are strongly associated with affective sensation such as food, soft drink or even mobile games generally display stronger variety drive than products that are utilitarian in nature. This happens because after the repeated consumption of products that gives hedonic value, it leads to satiation or boredom (Rolls 1986). Similarly, an individual who has been playing a specific mobile game may want get bored with it and want to try something new after a certain time period. This specially happens when they

have so many choices to play from. Since the mobile games are played just for enjoyment or pleasure and have many similar alternatives to them, players find it easy to go for another alternative game.

*H7: Mobile game that is higher in hedonic features (than Utilitarian) will enjoy lower loyalty from players.*

The research model (figure) is redacted for space purpose.

## **Research Method**

This study will use online survey method to collect the data and perform the empirical test of the relationship as suggested by the research model presented in the data. The survey for this study will be performed through Qualtrics. The respondents will be provided with the survey link to fill out the survey. The respondents will be allowed to fill out the survey at any place that has access to computer. Survey is one of the most popular research method in IS discipline (Palvia et al., 2003) and the use of online questionnaire for data collection is appropriate as it helps to answer the research questions in a clear manner and isn't time consuming as well.

## **Participants/Sample**

For scale validation purpose (MacKenzie et al., 2011; Sharma and Crossler 2014), this study will perform a pretest and pilot test with undergraduate students (over the age of 18) in the College of Business at a large university situated in U.S. The participation in the survey would be voluntary. Those who are willing to participate would receive extra credit and those not willing to would not be penalized. The student participants would be perfect subjects for our pilot test as they are generalizable to the population for which this measures are designed (MacKenzie et al., 2011). The pilot testing would help us to examine the psychometric properties of the scale, and to evaluate its convergent, discriminant and nomological validity (MacKenzie et al., 2011). We would also assess the goodness of fit of our model and assess the validity and reliability of the set of indicators at the construct level.

## **Data Analysis**

To test the structural model of this study and validation of the items of the study, we will be using Structured Equation Modeling techniques called LISREL. As all of the items used in the paper would be reflective in nature, the data will be assessed to test convergent validity, discriminant validity, unidimensionality, nomological validity and reliability using commonly accepted guidelines.

## **Discuss and Conclusion**

This study helps the IS field to understand why some mobile games are losing loyalty and thus failing. This paper uses the variety seeking behavior theory to understand how personal characteristics and product characteristics leads to shift in loyalty among mobile games. Previous studies have only focused on why customers are playing a certain mobile games and how there should be focus on design of such games. This paper will contribute to the IS field by looking at a completely newer topic of loyalty shifting among mobile games. This is a research in progress and thus, the data will be collected in coming months.

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