TOP POST-LAUNCH CHALLENGES FOR MOBILE GAMES AND HOW TO FACE THEM



Every developer eagerly awaits the release of their mobile game in the hope of reaping the fruits of their hard labor, only to bitterly discover that they now face a new set of challenges. In <u>our latest report</u>, we specifically asked devs about them.

What did we learn?

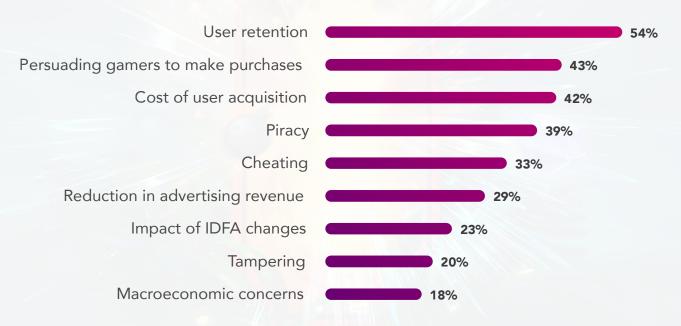
Read on to find out!



<u>Our latest global survey</u> was conducted in autumn 2022 in collaboration with Omdia on a group of 200 mobile game developers. They represent a wide range of geographies, device types and job roles, so it reveals a lot about the topics and trends that mobile game developers are facing globally on a daily basis.

When asked about their biggest post-launch challenges, this is what they answered:

Which of these are the biggest challenges for mobile gaming right now?



Source: "Mobile games development in 2022: trends, challenges and solutions", a report by Irdeto and Omdia

Let's examine the top 4 of these challenges one by one and see if we can find a solution.

Challenge I How do I improve the user retention rate?

User retention rates are critical for any app and mobile games are no different. Even though <u>nurturing existing customers is much cheaper</u> than acquiring new ones, it still remains a big challenge for developers. It is also the number one issue for the majority (54%) of mobile game developers who participated in our survey.

This concern is well-founded. The maturity of the market, with lots of games released every day, has made it more difficult than ever to attract new players and retain existing ones. Indeed, all mobile gaming genres experience a sharp decline in retention rate over time. In 2021, the average retention rate of mobile games on both Google Play and App Store dropped from 26% on the first release day to only 6% by day 30. The most recent data illustrates a grimmer reality: in the third quarter of 2022 the day-30 retention rate for mobile games was only 2.4%, according to Statista.

Considering most industries' retention rates are between 10 and 20% in the eighth week, the numbers recorded in the mobile game industry are startlingly low.

The Solution



The above may sound bleak but the situation is not hopeless. There is a lot you can do in order to keep it under control.

- 1. First of all, **start by creating a nicely designed, intuitive and engaging game** that makes a great first impression. Without it, no trick is going to help you.
- 2. Remember that a **personalized playing experience** is always more engaging, so allow your players to choose their names, avatars, music, backgrounds and whatever else is possible.
- 3. **Incentivize games** and develop your **own reward program**. Offer frequent rewards to retain users, e.g., coins, airtime and data packages, or shopping vouchers that can be used within your game. And if you can afford to go beyond that, offer them real-world vouchers.
- 4. Use **push notifications** to remind your players about your game and their status in it. Tell them what they have completed so far or how much time remains to move to the next level. If they feel they may lose their progress or have a solid idea of what is waiting for them, they'll be very likely to return.
- 5. Consider **extending premium services** to your most **loyal free users** or disabling ads for power players who have already made in-app purchases.
- 6. If you display **in-game ads**, make them **relevant and non-disruptive**. If they're smart and relatable, they will improve gamers' experience and decrease the risk of annoying them to the point where they want to leave your game and never return. Also, remember to go easy on your new players and allow them to engage with the game before introducing ads.

Your game may experience poor retention rates due to there being cheaters who ruin the fun for legitimate players. For a solution to that go to page 10.

Challenge II

How do I persuade players to make in-game purchases?

Microtransactions are one of the most common monetization models in Free-to-Play (F2P) games. However, convincing players to spend money on the games can be even more difficult than retaining them for an extended period of time. It is the second biggest challenge, named by 43% of our respondents.

Even though consumer spending on gaming apps has been steadily rising since 2019, this growth comes with a hefty price.

The average cost of turning a free user to a paying customer increased to \$43.88 in 2020, from \$35.42 in 2019 and \$28.05 in 2018. It is anticipated that this number will keep growing in the coming years. It just goes to show how difficult and costly it is for developers to convince F2P users to spend money on the games.

The Solution



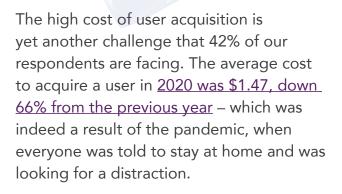
So, how do you respond to this one?

- 1. To persuade your players to make in-game purchases, you first need to **get your players hooked** with your gameplay. If they're not excited by your game, you'll not be able to encourage them to buy anything extra.
- 2. **Don't hasten it**. Let them play and enjoy the free version for some time before you suggest making a purchase. If they love it, they'll pay for more of it!
- 3. Employ **push notifications to remind** those who have abandoned their in-app purchases with details on what they were about to buy. It works in ecommerce as well as in mobile gaming.
- 4. Make sure you add proper descriptions for the items you offer. Your players will be more willing to spend if they understand how e.g., a powerup is used in the game. And don't forget that even small glitches in the purchase flow may result in a significant decrease of your converting users, so ensure a hassle-free purchasing experience within your app.
- 5. **Get your timing right**. Suggest an in-app purchase e.g., when they're about to reach their maximum free usage parameters or during their afternoon commute home.
- 6. Offer them things using what you know about them. Just like an online store, track their behavior, e.g., how they play the game, to offer them purchases that make sense for to them.
- 7. Don't spread your effort too thin. Focus your marketing on the most engaged players, i.e., the most likely to engage even more and purchasing extras. They will carry your business forward.

Remember: if your free players are not excited by your game, you'll not be able to encourage them to buy anything extra. If they love it, they'll pay for more of it! Just don't spread your effort too thin.

Challenge III

How do I deal with the rising cost of user acquisition?



Unfortunately, this beautiful outlook did not last long. The introduction of App Tracking Transparency (ATT) and Apple's decision to stop using Identifier for Advertisers (IDFA) – which altered how the mobile app sector could target and track advertising – have increased the cost of user acquisition for the mobile game industry. Despite offering numerous benefits to users, this has added more difficulties for mobile game developers.



The Solution



Here are your options:

- 1. Improve the way you identify and speak to your target audience. **Get to know them better before you try sell to them**. Creating buyer personas, establishing a consistent tone of voice and reaching your prospects on their preferred social channels are the key elements here.
- 2. **Shorten your sales cycle** by employing e.g., marketing automation or AI chatbots that interact with prospects in real time and move them quickly down the sales funnel.
- 3. Ask your existing players to spread the word and incentivize it your **loyal users are your best evangelists** and they'll be happy to help you in exchange for in-game rewards.
- 4. Increase average purchase value by using **up-selling and cross-selling techniques** if you already have their attention, use it to make them spend a bit more on additional/better products or solutions.

Remember: improve the way you identify and speak to your target audience, and use marketing automation or AI chatbots to move them down the sales funnel. Also, ask your existing players to spread the word about your game and incentivize it.

Challenge IV How do I fend off cybersecurity threats?

The next biggest group of concerns raised by our respondents centers around security, including piracy (39%), cheating (33%) and tampering (20%).

It comes as no surprise that developers see these threats as top-of-mind. Poor security measures for mobile games against cyber criminals result in significant repercussions for both developers and their beloved gamers, with lost monetization and a low retention rate being just two of them. Frustrated players who experience game balance disruptions due to security threats are more likely to leave the game and pick other titles with better security. Customers who leave your game mean no in-game purchases. In addition, they add to reputational damage and lower ratings. And a mobile game with a poor rating and negative reviews is of course less likely to attract new users.

The Solution



Addressing cybersecurity threats is a big one:

- 1. When it comes to protecting your game, you need to remember that there are many different angles of attack, so it is important that you have multiple layers of security. Optimal protection means securing your app against client-side attacks, network attacks and server-side attacks.
- 2. To protect your game from cheaters, adopt the most effective approaches to solve the problem. Start with smart design, using only authoritative servers and restricting clients to receiving only the data they absolutely need. Then invest in patch prevention use tools that encrypt and secure critical variables to enable gameplay elements to resist inmemory attacks. Tools that perform integrity verification of game files can prevent cheaters from tampering with game logic, data, or assets offline.
- 3. To prevent man-in-the-middle attacks and manipulation of player data, absolutely **use state-of-the-art encryption** (e.g., transport layer security) together with **certificate pinning**. Protection of the latter requires a number of measures to be taken into account; this is where app's integrity verification and anti-hooking comes into play.
- 4. **Obfuscate code** to make the cheat development process harder remember that in order to create the cheat an attacker first needs to understand the game logic.

You can also protect your game by applying two different kinds of solutions: anti-tampering (meaning: anti-piracy) and anti-cheat. Think of these solutions as protective layers added over your game.

- 5. **Using anti-tamper** prevents hackers from modifying game files (debugging, reverse engineering and changing the application) and distributing it outside of your control. It achieves that by e.g., hardening the existing Digital Rights Management (DRM) solutions and code obfuscation.
- 6. **Using anti-cheat** software helps to prevent players of online games played in multiplayer from gaining an unfair advantage through the use of third-party tools. You can think of it as your own game policing unit it keeps an eye on gamers, identifies cheaters, and if necessary, sanctions players, so that honest players can enjoy their game.

Bear in mind that a good anti-tamper product provider will require no source code modification of your game. And a quality anti-cheat solution will meet specific criteria: high detection quality, simple integration process, privacy compliance and a reasonable pricing structure to name just a few.

Act today!

With the mobile game industry growing at full speed, threats are circling around it like hawks. Fortunately, you are not left helpless against them. From smartand sustainable design, through timely sales and marketing techniques, to an effective anti-cheat and anti-piracy solution protecting your titles – your options are plenty.

Want to learn more about applying protective solutions to your mobile games? Just give us a shout!

Contact us for a free consultation

Denuvo by Irdeto is the world leader in gaming security, protecting games on desktop, mobile and consoles. Denuvo provides core technology and services for game publishers/platforms, independent software developers, e-publishers and video publishers across the globe, enabling binary protection for games and enterprise applications across multiple platforms. Denuvo's gaming security solutions prevent piracy and expose cheats in competitive multiplayer games, empowering publishers to innovate while also protecting their revenue, the integrity of their game, and the gaming experience. With a rich heritage of security innovation and rapid adaptation to the changing demands of the cyber security space, Irdeto is dedicated to being the security partner to empower a secure world where people can connect with confidence.