

Having the right pedigree? A case study of an American Mobile game developer's transition to an indie business model.

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Abstract

The overall purpose of this study was to better understand the transition of a mobile games developer from a Co-Development business model to an Independent one by harnessing the framework of institutional logics. The paper is based on a case study of an American Mobile Game developer with operations in several geographical regions across the world. It was discerned that whilst the case company did adhere to some prescripts provided in the previous literature regarding business models in the video game industry the respondents made clear that much of the suggestions for application were highly resource contingent. Also, it was found how that access to and attaining success in the mobile games market may be more deceptive than mainstream concepts lead one to believe. This paper contributes to previous studies as it highlights the importance of taking into account not just technology changes but also the embedded experience of focal actors and other conditions that shape business models. It has been shown that the transition of Alpha Games to an independent business model can be seen as a response to different logics. This paper also contributes to the literature by providing an alternative view to the general tendency to exaggerate the role of technology in determining business models in the gaming industry and other technology-intensive industries. Finally, the paper also has practical implications specifically that managers and leaders should pay greater attention to the artistic nature of video game development and other technological work so as to best combine creative freedom, the business environment and corporate realities.

1. Introduction

This paper is about changes in the video game industry, specifically the widespread adoption of mobile gaming. Despite not being a very old industry, circa 50 years, the video game industry is one of the most profitable entertainment industries with revenues comparable to those of the film industry and multiple times larger than those of the music industry (Marchand & Hennig-Thurau, 2013). In about 25 years leading up to 2010, the video game industry grew yearly by between 9% and 15% (Zackariasson & Wilson, 2010).

After several decades of relative stability regarding market structure, players and business models, the industry has been disrupted substantially by the advent of mobile and online gaming (Thierry & Striukova, 2014). Mobile games are video games that are typically played on a mobile phone ("Mobile Gaming in Asia", 2017). That said, the term mobile gaming can also be used to refer to games played on any portable device, for instance a GameBoy, however this is not the definition we will be using ("Mobile Gaming in Asia", 2017). Specifically when we discuss mobile gaming it is Smartphone mobile gaming as opposed to feature phone games, which were devices which did allow access to the internet and store and play music however lacked the advanced functionality of a smartphone (which have some functions of a computer) ("Smartphone", 2022, "Feature phone", 2022). In the span of four years (2010-2014), the share of revenues absorbed by mobile games has increased from less than 6% to above 20%, while the share of console games has dropped from 71% to 62%, with online games, smartphones and tablet games were expected to reach over 57% by 2016 (Thierry & Striukova, 2014). Mobile gaming, whilst not yet surpassing the previous predictions, made up over 52% of the market and brought in over \$90 billion in revenue in 2021 (Allen, 2022).

Several studies suggest that the introduction of mobile gaming also has an impact on the structure and business models of game developers. New entrants into the market have put market incumbents in a challenging predicament as the 'rules of the game' have changed (Thierry & Striukova, 2014). Previously, leadership would be attained via technological innovation: 'the better the game, the bigger the gains' (Baden-Fuller & Haefliger, 2013). Mobile and online gaming, on the other hand, relate to very different gaming experiences and expectations that make technological innovation less relevant and require new strategies or approaches to gain competitiveness (Thierry & Striukova, 2014). Most importantly, several authors argue that mobile gaming implies the development of new business models (Ziljstra & Visser, 2012). Thierry and Striukova (2014), for example, argue that a new business model paradigm has emerged in the mid to late 2000s which is substantially different in nature, a 'many to many' paradigm whereby many (independent) developers, many devices and distribution channels, very low prices and subsequently a massive number of users, replacing the 'old' business model (or traditional) paradigm which prevailed from the early 1980s to the late 2000s, characterised by large studios producing games for consoles and PC and has been described as a 'few to many' model. Indeed, the viability of collective proprietary platforms operated by Google, Amazon and Facebook has resulted in a disruption of the business models traditionally associated with media companies would support the above claim that there is a shift in business model due to new technology (van Dijck, 2013; Fuchs, 2014). There are also several new entrants into the market enjoying rapid ascendance (such as King studios) which

would signify a consequential fundamental shift in the institutional power between actors (Nieborg, 2015). Thus, previous studies pertaining to the evolving business models in the gaming industry have shed some light on the effect mobile gaming has had on the video game industry such as the changing of the industry's structure, changes of the aforementioned business models and changes in balances of power among the actors.

The expansion of mobile gaming coincides with the evolution of new business models leads us to believe that mobile games lend themselves to a specific business model, provides a somewhat simplistic understanding of the dynamics and driving forces of the gaming industry as they tend to neglect the embedded experience of focal actors. This view also tends to be technologically deterministic, as if business models are determined by technological features, neglecting the social, historical and institutional context in which it takes place. Becoming indie is not purely a technology issue as some associated with this area of study would suggest. It is not only the technology which leads to the development of new business models. There are also other factors to take into account. Whilst the industry was previously more technologically driven, the parameters, power balances and other factors have changed in recent times, for instance, the internet's widespread proliferation has led to increased numbers of people beginning to think of societies as networks for instance. This feature or characteristic of technology is seen also as a way of organizing social life. Whilst technology is seen as a model of organizing things we can say just because you can now play on your smartphone anywhere doesn't mean this leads to the greater appeal of the indie business model.

Despite the seeming appeal of the mobile gaming market as fairly accessible and growing, the segment appears to already exhibit signs of increasing industry consolidation and the subsequent concentration of capital and power (Nieborg, 2015). Whilst the mobile segment is accessible it may be deceptively so (Nieborg, 2015). The aforementioned notion is even further developed by Nieborg (2015) who contends that the notion of 'a many to many' model is hardly applicable as he states when 'a handful of superstars camouflage the inherent power asymmetries and the strong winner-take-all dynamic constituting the political economy of the information economy' (Nieborg, 2015).

Nevertheless, a corpus of literature advocates that game developers should embrace or adopt the independent business model, see for example Zijlstra & Visser (2012). Whilst the literature provides some prescripts for developers it would seem this is mostly theoretical and therefore would merit examining what happens when mobile gaming companies are transformed and indie business models are shaped in practice. The purpose of this paper is therefore to create a better understanding of how mobile gaming companies are transforming their business models.

Drawing on the framework of Institutional Logics, this study will analyse the transition of a company from the Co-Development business model to an Independent model (herein indie will also be used) through the lens of institutional logics to make sense of how they operate with the different logics.

Mobile gaming opens the chance for different business models thanks primarily to the technology involved, therefore it should be clarified that new models of work and processes have been made possible by the advent of the new technology and its widespread adoption.

This paper argues that any approach which desires to make sense of the developments of the mobile game industry should take into account how business models may be seen as a response to contradictory and conflicting institutional logics.

To understand the transition from one model to another it is necessary to take into account the historical and institutional context and examine how the transition from one business model to the other takes place in practice. Extending this train of thought it has been posited that this change or transition could be perceived as a response to institutional logics which would also imply that actors take into account their history, and experience and combine the different logics in various constellations or configurations. So whilst the technology or changing environment perhaps makes possible certain avenues it likely indicates a more dominant driving force for instance the leader 'getting sick of the nonsense' attached to the previous way of doing things.

To provide support for such a claim this paper makes a study of Alpha Games, an American mobile game developer which is a good case as they are transitioning to the indie business model, they operate in the mobile gaming industry and simply said 'they are actually doing it'.

The paper consists of six sections, the literature review where the theoretical framework will also be elaborated, the methodology section where data collection and analysis will be articulated, the results and analysis section, the discussion and finally the conclusion section where contributions will also be discussed.

2. Literature review

A business model is a term used to describe how an organization or business creates, delivers and captures value, in economic, social, cultural or other contexts (Osterwalder & Pigneur, 2010; Geissdoerfer, Savaget & Evans, 2017). Business model construction and alteration is also referred to as business model innovation and is a part of business strategy (Geissdoerfer, Savaget & Evans, 2017).

Business models in the gaming industry

There are several studies exploring the nature and structure of business models relevant for the videogame industry. The literature pertaining to the various compositions and roles inhabited by publishers and developers within the video games industry has been delineated by Zijlstra & Visser (2012) and are summarised in the following paragraph.

- I. A studio can handle the duties of development and publishing by themselves, and the aforementioned authors label this 'independent development'. I too shall harness this definition.

- II. When publishers look for independent studios to handle the duties of development in exchange for partial or entire funding of the project is labelled contractual development, and I shall use this definition as well.
- III. Publishers have also been known to set up their own internal development studios or outright buy one, leaving them to fund, produce and publish the video games themselves.
- IV. There has also been the occurrence of video game console manufacturers establishing their own internal development studios.

According to Zijlstra & Visser, (2012), the choice made by the developers or publishers can have a serious effect on the performance of the company and the options available to them. Zijlstra & Visser (2012) found that in the model of yesteryear (circa 2000-2010) most independent developers had to get out and pitch game ideas to publishers in order to secure rights to develop an intellectual property (IP). This can be done by offering a demo which is a model which can demonstrate both what the studio can do with the respective characters and narrative at their disposal but also their technical and managerial prowess. This is not always the case as Corts & Lederman (2009) found that sometimes the process is reversed, and 'the hunter becomes the hunted' as the publisher can look for a studio to capitalize on an IP or create a game title.

It appears that contractual development can be viewed as when the studio fulfils the role of production (Zijlstra & Visser, 2012). Tschang (2007) defined this relationship as the development studios being on one side whereby their portion of the agreement is to conduct all creative duties from design to development whilst on the other side you find the publisher's responsibility lies in the provisioning of financing, distribution as well as resources for the testing of the game and resources required for actual development. In this traditional model, the responsibility for the marketing of the game's launch would lie in the purview and responsibility of the publisher (Williams, 2002).

Regarding how revenue is parcelled or divided the standard revenues to be earned by developers take the form of royalties from the publishers akin to what is done in the book publishing industry whereby authors typically work on advances against future royalties (Zijlstra & Visser, 2012). A noticeable difference in game development is that the royalties are cashed out based on meeting preset benchmarks serving to indicate progression toward completion of the project (Williams, 2002).

Publishers can have immense influence over the type of game a studio will make, with this influence coming to bear most frequently in the conceptualization or pre-conceptualization phases (Tschang, 2007). It has been found also that it is commonplace for publishers to retain the IP of games even when the original concept and creative input stemmed from the developers (Zijlstra & Visser, 2012). The contracts made between developers and publishers seem to provision terms skewed in the favour of the publishers whereby they tend to solely employ contracts of a shorter time frame (usually 2 years), which leaves studios in the unenviable position of being able to only cover their costs for the development process and shortly

thereafter (Zijlstra & Visser, 2012). The aforementioned has led scholars to find that studios find themselves forced or stuck in a relatively short product life cycle (Zijlstra & Visser, 2012).

Some scholars find that the structuration of the contractual development arrangement can indicate that is evidence of a ‘hold up’ problem (Zijlstra & Visser, 2012). The ‘hold-up’ problem as defined by Che & Sakovic (2018) in the New Palgrave Dictionary of Economics:

“Investments are often geared towards a particular trading relationship, in which case the returns on them within the relationship exceed those outside it. Once such an investment is sunk, the investor has to share the gross returns with her trading partner. This problem, known as hold up, is inherent in many bilateral exchanges.”

The publisher developer relationship has been described as a vertical market contracting relationship, whereby the party providing financing possesses an advantage regarding the control of IP when examining other avenues for revenue (such as franchising) leading some to conclude that the developed end product itself becomes relationship-specific (Zijlstra & Visser, 2012). Due to the aforementioned, some posit the approach of joint venturing or vertical integration to be a viable option to replace market contracting (Zijlstra & Visser, 2012).

Scholars find the aforementioned realities make the contractual based arrangement unfavourable to the development studios, despite most studios relying on publishers for resources (Zijlstra & Visser, 2012). Further exacerbating the woes of the studios operating under the traditional arrangement is that the financier or producer in such a relationship has a great deal of influence over the development process undertaken by the studio and tends to hamper the studio’s degree of differentiation (Porter, 1985). The aforementioned ‘hold-up’ problem has been connected to trust and can lead to cases of underinvestment from the developer side of the equation (Besanko et al, 2010).

Viewed from a theoretical microeconomics lens, the theory implies that a firm located lower in the supply chain (that is downstream) would fare better or be more efficient if they were to do all activities themselves which by extension of logic can be applied to independent video game development (Zijlstra & Visser, 2012).

One reality about the independent model is that without the publisher providing the funding for the development of games the budgets available for development projects will shrink greatly (Zijlstra & Visser, 2012). Whilst mobile games require a lot less investment, the technology needed to make these games still needs to be developed or acquired by some means (Zijlstra & Visser, 2012). Some companies constrained by smaller budgets choose to attempt to mitigate the aforementioned by licensing or buying middleware whereby they would reduce their costs than if they were to build their engines (Zijlstra & Visser, 2012). That said, some studios do opt to make their engines as they feel there is an opportunity in the control they retain and the possibility of licensing their engine out to other studios as a viable revenue stream (Zijlstra & Visser, 2012).

It has been advocated that if game development studios wish to continue down the path of increased independence, they will likely have to align their activities with the current service-oriented paradigm shift (Zijlstra & Visser, 2012). Among the categories that studios should pay attention to are specifically player-oriented services such as ‘maintenance of

environment' which concerns the actions related to making the playing of the game possible (Zijlstra & Visser, 2012).

These services will need studios to reconfigure their processes and will affect their resources and partnership needs (Zijlstra & Visser, 2012). It is worth noting that studios tend to only see money when the game becomes a hit (identified by Tschang (2007) as selling over 1 million units) and most games do not become hits (Zijlstra & Visser, 2012). Tschang (2007) also argues that most the innovative offerings from independent studios tend to lack the level of polish expected by the buying public, that is the product is not viable or sellable. In addition, it is believed that a general lack of resources seems to underpin the situation making it challenging for independent studios to persuade publishers of the profitability of the game (Tschang, 2007). Whilst there is no consensus yet regarding various levels of investment as some authors feel that expectations on returns are lower and therefore success can be measured differently as the investment too is smaller (Zijlstra & Visser, 2012). But by merely taking account of the independent value chain, with the advent of fewer parties being involved their supply chain developers do not have to share profits with the now absent publishers and retailers (more so relevant with consoles, PC and other more conventional videogames) (Zijlstra & Visser, 2012).

Of interest is that most studios are founded and managed by people lacking formal education degrees who possess paltry management knowledge, tend to not have a consistent strategy for their business and seem to prefer the route of hiring more programmers than a single manager (Teipen, 2008). Styhre, Zackariasson & Wilson (2006) found that aside from technical prowess or skill set the studios mostly fostered creativity which seems to reinforce the previous notion of preferring to hire programmers instead of managers.

The previously mentioned middleware approach seems to have the potential to aid the studio developer in the development process as the middleware engine can save time and resources of the studio (Readman & Grantham, 2006). Furthermore, it has been found that the current approaches engaged by the studios regarding purchasing or licensing middleware and the fashion in which they utilize it seem to serve as a form of proxy for strategy which is directed by resource exploitation whereas attempting purely market-based strategies would only yield short temporal advantages (Readman & Grantham, 2006).

The roles and types of partnerships within the video game industry have been examined by Osterwalder, Pigneur, Pijl, Smith & Clark (2010) who categorized the four different roles they can assume as such:

- I. Strategic alliances between non-competitors
- II. Co-opetition: strategic partnerships between competitors
- III. Joint ventures to develop new businesses
- IV. Buyer-supplier relations to secure a steady flow of supplies

Partnerships should be made in order to secure the supplementation of key business activities that the company performs (Osterwald et al., 2010). Partnership in this period should be more aligned with the shift to the aforementioned independent model of development, which

has been made further possible with the dawn of digital distribution (Zijlstra & Visser, 2012). However, with the exclusion of retailers and publishers from the new relationship, a gap in both knowledge and know-how is bound to materialise (Zijlstra & Visser, 2012). Companies whose customer base can be considered sophisticated, are located in a volatile market and highly competitive market, in addition to having a product of strategic importance or which may not be able to be standardised may be forced to leverage the skills and resources from outside parties (Coviello & Munro, 1997).

Partnerships & alliances

Some authors have discussed Nalebuf and Brandenburger's (1996) concept of the Value Net¹ as an alternative approach to Porter's five forces framework. The key differentiator between the two would be that in the Value Net one is in search of and examining opportunities as opposed to threats (Zijlstra & Visser, 2012). However, when such a notion of the Value Net is further scrutinized from a business model lens scholars find the need to call attention to what is called the Exchange Model² which articulates a perceived web of values which emanate from a company's core offering and goes to all other economic actors (Shi & Manning, 2009). It has been found that the Value created in the Value Net is not shared equally among all the partners involved in the undertaking or project. In the same study, it was found that competitors may cease to be or can be barely perceived as competitive if their strategies are founded on similar aims or intentions (Shi & Manning, 2009). Continuing the examination of the Value Net approach it was found when transaction components become integrated (for instance game content, product component etc.) and are delivered by distinct firms within a business model this can be economically appealing when certain conditions are met specifically when transaction costs are low (Amit & Zott, 2001). The transaction costs are mentioned as this would serve to reduce the threat of opportunism (Amit & Zott, 2001). In response to this, some have concluded that more stable and structured relationships would be necessary to mitigate the effects of the highly competitive nature of the industry (Zijlstra & Visser, 2012).

The transitory alliance

Continuing from the realization that from the aforementioned need for partnership initiatives stemming from the pursuit of a Value Net approach it has been found that flexibility of structure may be of import in the negotiations of these initiatives (Zijlstra & Visser, 2012). It has been found that shortened life cycles in volatile or turbulent industries can make it of greater importance that companies shorten the timeframe from creation to market introduction (Hagedoorn, 1993). Collaboration has been found as a means to accommodate the reduction of

¹ Value Net is also known as Coopetition Framework is an analytical strategy tool which combines strategy and game theory to describe and analyze the behaviour of multiple players within a given industry or market. The fundamental idea is that cooperation and competition can coexist as both are necessary and desirable when doing business ("Value Network Framework", 2022).

² The Exchange Model describes the added values a firm offers to the other economic actors in a market, including customer, suppliers, complementors, & competitors (Shi & Manning, 2009).

the time taken for the innovation process (the aforementioned middleware engine solution can be an example of such an instantiation) (Hagedoorn, 1993).

Within the literature, there seems to be a viable approach to partnership, or better said a form of partnership, within the video game industry specifically the Transitory Alliance. The Transitory Alliance's chief characteristics are that the alliance is to be short-lived and the agreement should not be based on any equity (specifically is a non-equity alliance) whose purpose is to focus on the completion of particular tasks in a very short timeframe (Duysters & de Man, 2003).

Of paramount importance to a transitory alliance is the acquisition of knowledge, that it is objective-oriented and that it is designed to enhance innovation by seeking out complementarities amongst available partners (Zijlstra & Visser, 2012). With a shift to a more service-oriented game development model, it is clear, (with the elimination of some participants in the process) that the endeavour will require a much more diverse set of competencies (Zijlstra & Visser, 2012). Building on already acquired competencies will likely be an effective way of harnessing the potential of such arrangements (Zijlstra & Visser, 2012).

Previous studies pertaining to the evolving business models in the gaming industry have shed light on the effect mobile gaming has on the video game industry, whilst valued it would appear somewhat simplistic to attribute this solely to the advent and proliferation of mobile gaming.

Other studies such as Lantano, Petruzzelli & Panniello (2022) whilst paying closer attention to how some firms in the video game industry innovate their business models also emphasize the technological factors, for instance, they discovered that the Sony Playstation began adopting or emulating the most promising traits of mobile gaming and integrating these into their current offering. An example of the previous would be their diversifying of the possible activities their users can choose to engage in with their mobile devices as they realised mobile game players are attracted by less time-consuming activities so they made "activity cards" whereby they break down their games into chunks or activities which allow users to jump right into a stage, match or location with just a few button presses (Lantano, Petruzzelli & Panniello 2022). Another good example would be the PlayStation 4's "suspend mode" designed to mimic how mobile devices are always turned on and guarantee immediate access to their applications (Lantano, Petruzzelli & Panniello 2022). However, as can be gleaned from the previous, this approach too tends to focus primarily on the harnessing of new technologies and platform features and attribute much change to the business models to the advent of new technologies (smartphones and digital proprietary platforms) as opposed to discerning why a company may choose to switch from a more Co-Development Business Model to an Independent Business Model and how the actors make sense of it. Furthermore, the study examines a dominant incumbent actor within the industry (Sony), hence would lead one to deduce that the prescripts, such as constantly examining the industry for opportunities is a resource contingent endeavour and likely not applicable to all firms in all situations.

The Value-Net, whilst a useful tool, unfortunately, also appears somewhat simplistic as it neglects the embedded experience of focal actors, and their ambitions and also it cannot explain how they respond to the competing institutional demands.

Whilst the contributions of previous studies are valuable, it would still seem that things are not as simplistic as put forth. Furthermore, some of the prescripts from said studies are not always viable to all actors. The consequence of such a simplistic view is that it becomes too objectivistic. What it means with the Business Model approaches and The Value-Net approaches is that they can be applied everywhere for every organization neglecting the historical and institutional context in which it takes place.

3. Theoretical framework

Institutional logics

The term institutional logics was introduced by Alford and Friedland (1985) to describe the contradictory practices and beliefs inherent in the institutions of modern western societies describing the capitalism, state bureaucracy and political democracy as the three competing institutional orders each possessing their various practices and beliefs that shape how individuals engage political struggles. The aforementioned authors would further develop their concepts in 1991 when they produced the core institutions of society, namely the capitalist market, the bureaucratic state, families, democracy and religion. Each of the previous core institutions has its central logic that constrains the means and the ends of individual behaviour and is considered constitutive of individuals, organizations and society at large (Friedland & Alford, 1991).

Jackall (1988) developed his separate concept of institutional logics defining them as ‘complicated, experientially constructed, and thereby contingent set of rules, premiums and sanctions that men and women in particular contexts create and recreate in such a way that their behaviour and accompanying perspective are to some extent regularised and predictable. Put succinctly, an institutional logic is the way a particular social world works.’ It is of import to note that Friedland, Alford and Jackall all view institutional logics as ‘embodied in practices, sustained and reproduced by cultural assumptions and political struggles (Thornton & Ocasio, 2008).’

Building on the fruit of the labour of the aforementioned authors Thornton and Ocasio (1999) would define institutional logics as ‘the socially constructed, historical patterns of material practices, assumptions, values, beliefs, and rules by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their social reality.’ The previous definition perceives a link between individual agency and cognition and socially constructed institutional practices and rule structures (Thornton & Ocasio, 2008). As opposed to Friedland and Alford’s structural and symbolic approach to institutional logics or Jackall’s structural and normative approach, Thornton and Ocasio (1999) integrated all three dimensions as they perceive them as both necessary and complementary

dimensions of institutions as opposed to separable structural (coercive), normative, and symbolic (cognitive) carriers, as put forth by previous approaches (Thornton & Ocasio, 2008).

It seems that only recently have scholars begun to tackle the notion regarding the role of nondominant logics (Goodrick & Reay, 2011). The literature has presented three explanations regarding relationships among multiple coexisting institutional logics: (I) among existing logic one is dominant and guides behaviour, (II) multiple logic battle with each other for dominance and (III) multiple logics differentially affect different actors, geographical communities or organizations (Goodrick & Reay, 2011).

The first explanation conceptualises the relationship among multiple or institutional logics in terms of a dominant and a subordinate (or secondary) logics which do exist but do not guide behaviour (Goodrick & Reay, 2011). It has been posited that based on the underlying expectations of competition between the various logics, subordinate logics have been presented as challengers that usurp previously dominant logics (Goodrick & Reay, 2011).

The second explanation of the relationship among multiple institutional logics is that of long-term competition during an extended transition period where multiple competing logics exist and a resolution is needed (Goodrick & Reay, 2011). In this conceptualising the multiple logics continue to battle until one gains supremacy and becomes the new dominant institutional logic (Goodrick & Reay, 2011). The period of battle can be perceived as an uneasy truce (Goodrick & Reay, 2011).

The third explanation posits that coexisting and competing institutional logics do not always resolve but rather that different logics can be associated with different actors, geographical communities or types of organizations. Some scholars have also demonstrated how separate and competing logics held by different sectors of an industry can result in variations in practices (Goodrick & Reay, 2011).

There are five ideal logics at play within the independent mobile games development business model of the Case company based on Freidson's (2000) corpus of work. Ideal types are abstractions, as Max Weber would state, a "pure case in which relevant features are distinct and unambiguous" (Goodrick & Reay, 2011). First, the Market Logic, where the consumer dictates the success of any competitor as the competition within the market is unregulated and free (Goodrick & Reay, 2011). Second, the Corporate Logic, where the work within a business entity is controlled from the top-down by managerial staff with a hierarchical structure (Goodrick & Reay, 2011). Third, the Professional Logic, where work would be organized if it were controlled only by the profession". If this logic were in its ideal manifestation professionals are the sole and ultimate controllers of the organization and the content of the work being done (Goodrick & Reay, 2011). Fourth, the State Logic, where employees/professionals work for the state which by logical extension makes the state the ultimate controller of knowledge and arbiter in the distribution of permissions (access granting) for the practising of professions, and the organization of the work.

In accord with Thornton (2004), this study harnesses the following definition for the Editorial logic:

“publishing is an organizational form that recognizes the importance of personal and re-lational networks in developing new authors and manuscripts, and it emphasizes the professional autonomy of editors, their freedom from the influences of management and hierarchy”.

I refer to this first set of ideal-type attributes as the editorial logic.

Artistic/Aesthetic Logic – Jones and Tarandach (2008) in their study establish the aesthetic logic (tabulated by Thornton & Ocasio (2008)) tying it closely to artistic and creative sensibilities. To sum up, the definition provided by the Merriam-Webster dictionary “Artistic// a work of Aesthetic value” proves apt so we shall harness this ideal type as the terms are closely related and some say that aesthetic is derivative of Art itself. In this ideal type, the artist would have ultimate control over the work and its organization. Google English dictionary provided by Oxford Languages (2022) defines an artist “as a person who creates paintings or drawings as a profession or hobby”, as the candidates involved in the study are all professionals this will be the frame harnessed.

Efficiency Logic – In the same study by Jones and Tarandach (2008), Thornton and Ocasio (2008) were able to tabulate the identified logic in question whereby it would seem this concept is closely related to the gaining of functionality or the effective and efficient use of a resource or facility. Thereby in this ideal type, the key focus and determinant of work and its organization would be the function or efficiency/effectiveness criteria. Efficient is defined by the Merriam-Webster dictionary as “especially: capable of producing desired results with little or no waste (as of time or materials) // an efficient worker” so we shall harness this frame as all candidates involved are also employed in the organization.

Both the Efficiency and the Artistic are nested within the Professional logic, which was elaborated along with the State Logic (which plays a much more dominant role in the Chinese mobile gaming industry providing competitive advantages and safeguarding the domestic industry from international competition as evidenced by Coe and Yang’s (2021) study of Tencent) as they are present however have not proved to be either primary or secondary logics but perhaps third-tier or tertiary logics.

It is relevant to discuss institutional logics when studying business models because a business model primarily explains how a firm operates in the market, however firms are also shaped by institutional forces, values, beliefs and experiences of focal actors. When firms change business models, it is not only in relation to developments in the market, it may also be in relation to institutional logics, or changing of said logics, and therefore business models could be viewed as a response to institutional complexity.

3. Methodology & data collection

This study will harness interpretive and inductive methods specifically interviews and document analysis with the intention of theory building (Pelz, 2022). In interpretative methods, the researcher begins with the data and attempts to derive a theory about the phenomenon of interest from the observed data.

As qualitative research is the study of social processes, by studying Alpha Games as an organization we are focused on studying a particular process. The organization serves as a 'window' through which one can observe this process (Czarniawska-Joerges, 2014; Silverman, 2014).

As I am studying the social process of transitioning from one business model to another, the focus is on charge-rebuttal sequences or simply said interactive units (Czarniawska-Joerges, 2014; Silverman, 2014). As qualitative research is often inductive as in this case, the appropriate sample was identified once the candidate phenomenon (transitioning from a co-development to an independent business model) was discerned (Czarniawska-Joerges, 2014; Silverman, 2014).

Alpha Games is a mobile games developer which has begun its transition to becoming an independent game developer, making it a viable sample for the study of the transition itself and thereby an avenue for examining how the various actors make sense of the process or perceive their reality.

Data collection was primarily in the form of interviews. The leadership of the company was interviewed including the CEO, Executive Producer and Chief Product Officer. The candidates were selected for interviews primarily as they are the leadership of the company, they possess a wealth of experiences within the industry and finally, accessibility was also a determining factor.

It was a good choice to select the aforementioned candidates as they provide a 'window' which offers a means of better understanding how the leadership makes sense of what is going on in their industry and how they wish to cope with different changes. As the candidates are all from the executive branch this may skew the findings towards a more corporate lens of viewing the situation and various changes, however other candidates were not available for interviews due to the current workload at the company.

Interviews were conducted remotely via the Zoom application. By conducting the interviews remotely there is a chance that subtle non-verbal cues may have been missed which could have further provided insight into the phenomenon in question, for instance, the level of comfort different respondents have discussing different aspects of the transition.

The interviews took a mixed-format approach, where they were semi-structured in nature possessing both open-ended and closed-ended questions, whilst granting the ability to further probe respondents' answers if necessary.

Adhering to the concept of naturalistic inquiry the social phenomenon of transitioning between business models was studied in its natural setting, a video game development studio transitioning between models.

As I was embedded within the social context being examined, I was part of the data collection instrument in the sense that I harnessed my observational skills, my trust garnered with the various candidates and my acumen and ability to extract relevant and correct information.

A point of note is that I currently work at the company being studied, which whilst may have fostered better rapport and provided for greater fostering of trust also could create the risk of biased interpretations. To avoid the biasing of data, advice from the master thesis mentors and supervisors was taken into consideration regarding the appropriate approach and the data also would be intentionally observed from a distance with the aim to ensure the validity of findings and interpretations.

The materials were interpreted and examined first by viewing the transition from the subjective perspectives of the various participants. The second level of interpretive analysis was focused on comprehending and understanding the participants' experiences so as to provide a thick description to communicate the why for the participant's actions or behaviours.

As much of the expressive language was kept intact to ensure that the emotions and experiences are viewed through the eyes of the participants so that readers can better understand and relate to said participants.

In regards to data collection, I mostly used the technique of interviewing but also the documentation technique whereby I studied external and internal documents such as emails, newspaper articles and websites to gain further insight into the phenomenon of interest and to corroborate other forms of evidence as advised by Pelz (2022). Specifically, over eight hundred and fifty pages of materials were examined including newspaper and magazine articles, various books and encyclopaedias, biographies, scientific articles, and trade journals in addition to video materials such as recordings from trade shows and video documentaries.

The research design may be seen as a case study, specifically an emblematic case³. Case research is a method of intensively studying a phenomenon over time within its natural setting in one or a few sites (Pelz, 2022). However, since the transition of the company towards an indie model is a process taking place over a considerable period of time, this case can only be retrospective, where respondents describe their experience of the transition in retrospect, with the associated risk of losing details and rationalising actions. Of the aforementioned techniques, interviews and secondary data may be employed to garner inferences about the phenomena that prove both rich, detailed and contextualised (Pelz, 2022). A weakness worth noting of the case research approach is that the inferences derived from the study rely immensely on the integrative powers of the researcher, thereby by extension of logic an experienced researcher may see concepts and patterns in the case that a novice will likely miss (Pelz, 2022).

The case research method is particularly appropriate for exploratory studies geared towards discovering relevant constructs in areas where theory-building is at the formative stages, for studies where the experiences of participants and context of actions are critical, and for studies aimed at the understanding of complex, temporal (why and how of a phenomenon) rather than factors or causes (the what) (Pelz, 2022). Regarding the level of study, this study was conducted on the organizational level and is a single case design, which is more appropriate at the outset of theory generation, if the situation is unique or extreme, if it is revelatory (i.e. the situation was previously inaccessible for scientific investigation which it seems this study,

³ The Emblematic Case: Single case studies which embody one or more key aspects of social action or social action process, in particular organizations (Silverman, 2014).

at least in regards to highly secretive and sensitive nature of the information the research is privy to) or if it presents a critical or contrary case for testing a well-formulated theory.

I have found a case company (Alpha Games) and participants, specifically a game development company and its management, who are in the process of implementing an independent game development model. This firm operates within the video game industry, specifically mobile games. To answer the research question, I relied mainly on primary data collected from interviews. At the same time, secondary data, i.e., observations, websites, newspapers, the games etc. were used to further my knowledge and to supplement or corroborate the primary data. In addition, newspaper articles and other media relating to the industry might also provide useful information that could influence the research and its focus. The data was subsequently triangulated and validated by comparing the responses of interviewees.

The target population of our study are the managers/leadership at Alpha Games who are currently in the process of transitioning from a Co-development business model to an Independent one.

Data analysis

Capturing logics

Capturing logics is a research process whereby one identifies, describes and measures institutional logics (Reay & Jones, 2016). It is critical to comprehend the various research approaches to capturing logics as most scholars discern and compare multiple competing logics that exist in an organization or field (Reay & Jones, 2016). The above situation is termed institutional complexity which arises out of institutional pluralism where different societal sectors are at play (Greenwood, Raynard, Kodeih, Micelotta & Lounsbury, 2011). As this research will be employing qualitative data the focus will be on “capturing” as opposed to measuring or operationalizing logics. The goal of this research is (a) capture in the sense to engage the audience’s interest in a topic and phenomenon and (b) capture as to “paint a likeness of” and expose a phenomenon via facilitating thick description⁴ (Reay & Jones, 2016). Reay & Jones (2016) identified three techniques which are currently being harnessed which are (I) pattern deducing, (II) pattern matching and (III) pattern inducing whereby they use the term pattern to ‘describe a set of symbols and beliefs expressed in discourse (verbal, visual or written), norms seen in behaviours and activities and materials practices that are recognizable and associated with an institutional logic or logics.’

This paper adopted the technique of “pattern inducing” it analysed qualitative data from a bottom-up, inductive approach (Reay & Jones, 2016). To harness this technique, the researcher must gather empirical textual data which can range from interview to direct observation (in this study I opted for interview) and can often include personal experience (Reay & Jones, 2016).

⁴ Thick Description - Intensive, small-scale, dense descriptions of social life from observation, through which broader cultural interpretations and generalizations can be made ("Thick description", 2015).

The first step was to transcribe and code the interviews in their entirety. The interviews were focused on retracing the development of the company, specifically to craft a chronology of events which resulted in the transition. I was able to find various instantiations of movement towards a more independent direction.

During the second stage, it was gleaned that the data seemed to go contradictory to the previous literature. An example of such would be how all participants interviewed bemoaned resources as a critical factor which can hinder developers from adopting the independent model. Another telling example would be the alluding to that of prerequisite pedigree, which could be viewed as prestige, which has been mentioned by all participants as a requirement for acquiring valuable marketing partners or collaborations. Furthermore, all participants discussed the importance of firm and personal reputation and most had serious critiques regarding their previous employers and collaborators.

In the final phase, I returned to look at the dataset seeking out evidence of different logics clustering the different text segments into meaningful categories which would be telling of the participant's behaviours which are guided by identifiable institutional logics. Once an explanation was developed regarding the patterns of behaviours and categories, I engaged in argument comparison to illustrate the different patterns in different points of time and different situations as advised by Reay and Jones (2016). The previous lead me to perceive the actions and behaviours of the participants and the organization as a response to competing institutional logics.

4. Case Study

The purpose of this study was to discern the 'why' of a phenomenon, specifically, why did a mobile games development company decide to transition from a Co-Development/Contractual Model to an independent business model and to make sense of such. The case examines the company from inception to the current period, with an emphasis on gleaning more information regarding how the leadership make sense of their environment and the changes to it, specifically to discern key drivers or motivators for their actions.

Co-Development at Alpha Games

Alpha Games is a multinational remote-first mobile game development company co-founded remotely in 2014 by two close friends who shared what seemed the right skill set, as mentioned by the CEO. The CEO (also co-founder) had been working in consultancy for several years, specifically aiding start-up companies entering online or tech related industries. After accumulating what the CEO felt was sufficient legal and business practice knowledge, he reached out to a close friend also engaged in the industry and they decided they could go into business together feeling their respective abilities complimented each other. The firm was registered and headquartered in Delaware U.S.A. with operations in San Francisco, on the Indian subcontinent and staff peppered throughout parts of Europe. The company is remote-first out of necessity as both the founders were in their respective countries and had their whole

lives there including family so it was a necessity which also yielded benefits as they were the ‘boots on the ground’ in the two main theatres of operations. The company was ‘bootstrapped’ indicating the two founders funded the entire business themselves and it wasn’t until recently that the company has become funded with outside capital.

The leadership of Alpha Games has a combined forty years of experience building and operating free-to-play games with substantial experience working on AAA titles and licensed Intellectual Properties (IP). To date, their games have garnered over ten million top-ranking downloads, north of fifty million dollars of gross revenue has been generated, their games are played in one hundred and thirty-two countries and their titles have earned north of two hundred fifty-thousand reviews with the average exceeding 4.7.

Under the Co-development model Alpha Games began by working for various companies on different titles, before earning a strong enough record that they were able to negotiate co-ownership of some games. Most projects took the form of the following example: a valuable IP held by a major TV/Film network was worked on in the traditional Co-development format whereby a Publisher secured the IP rights from the company and who would serve as the distributor whilst Alpha Games would develop the respective title. In this specific arrangement ownership, however, was not split. Working with a highly prized IP can create awareness for the developers in question, however, the revenue split is conventionally (as in this case) much in favor of the IP holder or publisher as stated previously in this paper.

Increased stability and status

The chief desire of the leadership of Alpha Games under the co-development model was to ensure greater stability for the firm. The EP⁵ was concerned regarding the money earning potential of indie game studios specifically articulating that regarding royalties that “they would sometimes get royalties” but those “can be dicey”, are definitely “not guaranteed” and “could sometimes have issues”. Furthermore, the EP also stated that he to some degree believes in the notion that studios need more stable and structured relations specifically alluding to a Publisher and Developer partnership, advocating that once you secure funding from a publisher one can “budget” and as long as they are “realistic” and “can in fact deliver the product in frame with this money” then they are in an advantageous situation as they basically are just “keeping it running”.

Both the CEO and EP emphasised the importance of collaboration facilitating shorter innovation process periods however, the EP cautions that if “you don’t have the experience, or the cred⁶, or the previous games, then it comes down to what’s your price and who’s looking”. He makes clear that “what you’re not going to get” is someone like Electronic Arts “to make you a new developer” for “one of their hot franchises” instead he states one must seek out “smaller” companies “maybe a start-up” which is “looking to save money and will take a risk on somebody new”.

⁵ EP – Short for Executive Producer

⁶ Cred is slang for Credibility.

With an eye out for opportunities for securing stability, the EP believes in the value of longer-term relationships, as opposed to short-term ones, where he provides an example of a specific studio which maintained strong relations with its publisher:

“I’m guessing at this point Sony owns Naughty Dog, but they have been working with them for decades, and I think it transitioned from, you know, hiring them to giving them some creative to giving them carte blanche to possibly having some kind of partnership or they own them.”[Executive producer]

The above statement would indicate that stability is relevant in securing creativity.

He goes on to further state regarding long-term relationships that a modicum of stability and security can be attained which can put the talent in a better head-space:

“If you think of, like, hiring a director for a multi-picture deal for example” then “the director is good” because he is thinking “OK, cool, I’m for the next eight or nine years I ‘m going to be making money and making movies.”[Executive producer]

The above statement reinforces the need for stability (both for the firms and the staff) in securing creativity as the EP makes clear, when an actor knows their income is secure for a period of time they can more confidently focus on what they do best for instance instead of attempting garner funding.

Aside from seeking stability, a chief desire of the CPO⁷'s was to build the status position of the company through growth, specifically stating that in regards to the biggest challenges of indie studios being “obviously resources” whereby large developers and publishers have “huge analytics departments”, have “specialists in each area” as well as “marketing divisions” whilst smaller studios tend to have “people with many roles wearing different hats”.

It would seem that the co-development business model was endorsed as it seemed to align with their motivations and desires for the organization. Thus, the primary driver during the Co-Development business model period was the desire to increase stability and to build up the status of the company.

Desire to build the competitive position of the firm

Also, a strong motivator observed during the beginning years of Alpha Games was the desire of the leadership to build the competitive position of the firm and increase profits.

The “CEO” when discussing the beginnings of the company made clear that “raising money for games” was “out of the question because I didn’t have the right pedigree, ~~if you will~~”. Adjusting to their situation and options the “CEO” was able to “convince some existing studios to take a chance including one of prominence” by stating “I can make games, I make their games for significantly cheaper than what they were spending on making games, and in exchange, we would co-own the games”. Thus, lacking the adequate renome to harness resources made it important to collaborate with others.

⁷ CPO – Short for Chief Product Officer

With the changing of the composition of the traditional model to the more modern period whereby publishers no longer assume the primary role of financing development budgets will shrink with an indication of the previous gleaned from the interview with the CPO whereby he mentions regards to IP, especially that “you give away so much” up to “sixty per cent” in some cases which greatly affects returns on investments which can be indicative of the leverage IP grants in the marketplace but also seems to suggest that the absence of the publisher may force developers into more challenging and demanding fundraising endeavours i.e. securing IP directly.

The CPO further articulates this with a telling example citing an IP-based game (external IP) of Alpha Games catalogue delineating:

“we’re probably getting, let’s say 25-50% of our organics⁸, minimum, maybe even more because of the name. Right? That’s why the game continues to get a lot of the free installs. If it was just Idle Gang, maybe we’re not getting that many installs.”[Chief Product Officer]

When discussing the viability of developers opting to work on more prospective platforms it would seem Alpha Games did such practices as the CPO and EP both had worked in the console game and PC game development before making the transition to mobile fairly early in its inception with the EP transitioning in 2013 to work at a large Japanese developer (already engaged in the mobile gaming market) and the CPO transitioning in 2010 citing “I knew mobile was going to be going up”.

Resolving technological challenges, increasing corporate client list & building of market position

Less potent desires of leadership were to resolve technological challenges, increase the corporate client list and build their market position.

Regarding corporate clients, the EP confirms this desire by highlighting the importance of publishers in financing stating that most studios would “get all their money from publishers”.

We find the best evidence that Alpha Games attempted the remedying technological issues during the beginning years of the company when they harnessed a middleware engine in the development of their titles before transitioning to the making of their engine which was confirmed by the CEO.

Desires for creative control, building up of personal reputations & increasing the prestige of the firm

Some second-order motivators or desires were discerned specifically the leadership’s strong focus on creative control and the desire to build up personal reputations and the prestige of the firm. There also was management's wish to build the Prestige of the studio’s offerings and the studio’s prestige.

⁸ Industry slang for Organic Users

The company entering the mobile market when they did, demonstrated a strong desire for attaining a strong market position, however, it can also be seen as a desire to attain prestige by entering the market as an earlier mover but which could also better position them to garner prestige down the line.

The focus paid towards creative control is suggested by the CEO specifically citing if working with valued IP (usually retained or secured by publishers historically) mentioned that approval rights need to be negotiated “smartly” as erroneous agreements can lead to litigation but also reinforces that with more parties involved complexity of the project increases as does the length taking “a lot longer” (Zijlstra & Visser, 2012). However the CEO also alluded to the app stores which are “very crowded”, but that also the app stores influence creativity as they “detail what type of game you can have or make”.

The chief characteristic of Alpha Games during the Co-Development period was a desire for increasing the firm’s stability, which was the top priority. Aside from the stability motivator among the leadership, they also focused on building the status position of the firm through growth. Other desires that were discerned but seemed of less relevance during the period for leadership were a desire to resolve technological challenges, increase the corporate client roster and build on the firm’s general market position.

Moving towards independence

The driver or motivators of leadership changed with the desire to resolve technological challenges and the wish to build a multidisciplinary firm as being of paramount importance. Due to the extended production periods, the involvement of external parties in the production, combined with less than favorable revenue split deals pushed Alpha Games to embark on the transition to an indie game developer. It was decided in 2021 that the company had garnered a strong enough track record and resources to begin making the transition. The result of this decision was the company began developing in-house titles with their own IP, in addition to venturing to secure additional funding for the company.

Resolving technological challenges

Indicative of the prior is found during an interview when the CEO states “we worked on a few projects together and a couple of them did really well, and kind of acted as the springboard towards us moving to do our own games and becoming a fully integrated, vertically integrated publisher/developer.”

Building multidisciplinary firm

Regarding the desire to build a multidisciplinary firm the CPO had alluded multiple times to resource constraints faced by indie developers and mentioned, “we don’t really have a marketing division” which is closely related to what the CEO mentioned that “it’s becoming more and more user-acquisition driven” and this role is filled by the aforementioned department.

The “CPO” seems suggestive of the aforementioned as he mentions being indie you tend to lack “a huge analytics department to look at everything” further elaborating he previously would have “a staff, ten people” who would say “I want to do this, this, and this data, and I’d get it regular. And I’d get it automated and there would be data mining to find more data, the more useful to give to me”. The CPO explains “right now we’re happy to get whatever we can get” reinforcing “its limited reporting compared to what I’ve had”.

Prestige & creativity

The move into an independent business model facilitated the desire to build the prestige of the firm and the team's reputation, placing a high value on creativity and building wealth for the developers/entrepreneurs themselves. According to the CEO, the transition offers a stronger sense of creativity present in the company and its culture. Evidence of the prestige focus is suggested when the CEO says “hey, if we’re, if we felt like what we were doing and the success our partners were having wasn’t rocket science and we were responsible for, like 90% of it, and if we were responsible for so much of the success why not do the whole thing ourselves.”

Building wealth and stability

The transition of the business towards independence also seemed to provide potential for building wealth, not only for the company, but also for the team members, the CPO explains:

“I have retirement money potentially if this company does well. Certainly, the opportunity for the upside cause I got tired of making millions and millions of dollars for the companies and getting \$10,000 bonus. So instead of putting my talents to making them money I’m putting talents to try and make myself money.”
[Chief Product Officer]

Another shift would be how the company began acting more to build stability of the firm, specifically Alpha Games has adopted the “safe” approach blending contractual/co-development work whilst slowly building up their in-house capabilities with an eye on developing their game engine as confirmed by the CEO. It was also discerned a desire to increase the firm’s prestige, evidence of this can be found in the CEO's “deciding to bring on a co-founder”.

During the transition period, Alpha Games was characterised by a strong focus on resolving technological challenges to a greater degree than they previously had been, however, the most potent desire of the leadership was to build up Alpha Games into a multidisciplinary firm. Another change observed was a focus on garnering prestige for the firm and team’s reputations, placing a higher value on creativity in addition to a marked increase in the desire to build wealth for the developers and entrepreneurs themselves. The aforementioned motifs were the primary reason for the leadership to decide to shift to the independent business model.

5. Discussion

In this paper, I have focused on developing an empirically grounded understanding of the transition of business models in the mobile gaming industry, by analysing the development of Alpha Games, an American mobile independent gaming developer.

Business Models which a firm or organization adopts can be perceived as a response to different logics inhabiting or influencing the actors in the firm or even field. From the previous one can deduce that as business models are a response to different logics, they will permit one to operate between different logics based on the model's attributes.

The story of Alpha Games suggests that the transition to a vertically integrated more independent model was also characterised by a shift of dominant logics, from a Corporate logic to a more Market dominant logic. From the period of the company's inception until the transition, the dominant logic was the Corporate Logic, evidenced by the previously elaborated desires for securing the stability of the firm, building of status position, generating profits and a marked desire for growth. The Market Logic was second in presence making it a second-tier dominant logic or better said a dominant subordinate logic as evidenced by leadership's desires to build up the competitive position of the firm and the desire for increased profits. The dominance of the Corporate Logic was primarily the focus on increasing the firm's stability and corporate clientele. Regarding the Market Logic it was visible in the increased focus on increased profits and establishing the firm's competitive position.

It was discerned that the struggle between logics yielded some slight winner in a sense as the dominant logic shifted from the Corporate to the Market logic. Thus, their response to the Corporate logic was avoidance as the bad experiences previously hampered the production process in addition to the creative freedom of the team. The response aside from the avoidance of the Corporate Logic was the enactment or the further engagement with the Market Logic.

As the analysis shows. when Alpha Games changed their model, it is viewed as them changing how they operate, which indicates the changing of the dominant logic. When the firm decided to go independent it was perceived that the experience of leaders became more salient an influence as the firm transitioned whereby the wish of leadership was to increase personal wealth and prestige in addition to the desired increase in profits motif also observed. Thus, the leadership's decision to switch to the independent business model is a response to the shifting of the dominant logic.

A strong motivator was that the leadership did not want to let 'this happen again', for instance how the CPO expressed he got weary of harnessing his talents for lacking reward. This is indicative of leadership becoming weary of how things were done under the previous model such as over-monitoring of their work by other parties, the extension of the production process due to interference from external parties (like IP holders), a lack of creative control etc. Perhaps the hierarchical structure may have been a rub as the CEO had alluded that there must be hierarchy however, in Alpha Games he wished for staff in different departments and varying levels of seniority to feel comfortable approaching each other regardless of rank and status. Also, during the leadership's tenure in the larger companies and studios where the dominant logic in the larger companies was also Corporate, the duration of exposure to working under

that dominant logic has worn on them as individuals. Control was also mentioned multiple times during the various interviews as evidenced in this section, which too proved an impetus for change as both the CEO and CPO alluded to control becoming an issue, especially when working with highly valued IP.

By Alpha Game's model seemingly switching to a more Artistic and Efficiency Logic could mean less of a focus on the other logics. So whilst they have moved to the indie model where they may enjoy for instance a larger modicum of control over the production process, they have now become more dependent on themselves to secure or hunt down sources of funding, as alluded to by various interviewees, especially by the EP who would articulate in previous years most developers would secure financing from larger publishers.

Consequences of the leadership's decision, leaving certain logics, and making new or 'hybrid' and different combinations of logics reflect how the members of the leadership were previously employed (as managers/designers/developers) to they are now in charge and are seeking to get what they feel they deserve.

Tracking the transition in a more iterative process thinking approach, it was found that Alpha Games went from working for companies or collaborating to a more Co-Development model where they shared ownership of the games whereby they were somewhat semi-independent. However, the need for good IP and a lack of artistic freedom seems to indicate that the Market logic may have been perceived as inefficient or less efficient than was desirable.

To unpack the aforementioned, a lot of time was spent working or negotiating with IP owners which as the CEO had mentioned can lengthen the production process. So whilst Alpha Games were an efficient workforce in regards to production, their current business model permitted the developers to become constrained and extended development times, which as indicated during the literature review leaves one with little money upon completing the product. The Co-development period is perceived as a hybrid of a different configuration. It was this partnership period which preceded the transition to becoming an indie studio leading to their desire to adhere more to or place a higher value on the Artistic and Efficiency logics.

Some of Alpha Games' actions and decisions did adhere to some of what was suggested by previous studies in some interesting ways, specifically for instance the firm harnessed a middleware engine as suggested by some literature (Zijlstra & Visser, 2012) but also went the less expected route of developing their game engine in-house. In addition to this Alpha Games leadership seemingly found the mobile gaming market an attractive field for their development skills with easier market access (if they get in quick enough) and their acumen for discerning that they could fare better than in the less profitable console game business many of them were part of (Lantano, Petruzzelli & Panniello, 2022). Though whilst Alpha Games did abide by some prescripts of previous studies the data also highlighted the need for further scrutiny as the interviewees articulated the resource contingent nature of many suggested paths to success i.e. creating thick descriptors of users to further exploit opportunities is less feasible for a smaller developer lacking a marketing department. Furthermore, just recently being discussed more in the mainstream would be how deceiving the appearance of market access for mobile

gaming as garnering visibility in such a crowded market has become more difficult and there are already signs of consolidation of both power and capital (Nieborg, 2015).

6. Conclusions & contributions

This paper set out to add to the existing body of knowledge pertaining to the understanding of how video game developers are transforming their business models, by analysing the case of an American mobile gaming company transitioning from the co-development business model to the indie business model. Drawing on the framework of Institutional Logics, this study contributes to previous studies in at least three different ways.

First, in relation to the literature that speaks of business models in the gaming industry, such as Zijlstra and Visser (2012). Previous studies focused on the evolving business models in the gaming industry, whilst providing some helpful insights proved somewhat simplistic as they attribute the changes in industry structure, business models and balances of power to the advent and proliferation of mobile gaming. Other studies have harnessed the Value-Net which unearthed previously neglected opportunities this approach was also simplistic as it failed to acknowledge the embedded experience of focal actors. As I have shown, it is also necessary to understand the role of other conditions that shape business models. In this paper, I have shown that the transition of Alpha Games, toward an independent game developer, may be seen as a response to a different configuration of institutional logics.

The findings also contribute by offering an alternative view to the general tendency to exaggerate the role of technology in determining business models in the gaming industry and other technology-intensive/driven industries. By following the development of the business model over time, it is possible to identify how focal actors engage in and respond to institutional complexity and the role of technology in such processes. Institutional Logics aid in understanding what drivers or motifs are perceived as most relevant by the actors involved. This approach differs from the business model approach popular in other studies, as it can provide a deeper understanding of the development of business models in the gaming industry since it provides an opportunity to explore the considerations of the focal actors, their motifs, experiences, and history and the possibility that any business model is a response to conflicting demands in the organizational environment. Secondly, the business model approach is geared primarily toward elaborating changes to the business model with an emphasis on providing prescripts for firms to make more money. What the industry-wide changes mean to the actors in the field means one thing and the means or how to achieve success with the advocated business model is another. Specifically, pertaining to the last Partnerships, Transitory alliances and vertical integration have been focused on and suggested as viable approaches to securing more revenue in the field (Zijlstra & Visser, 2012).

As shown, mobile gaming doesn't lead to a particular business model for a game company. The business model was not only determined by the technological features of mobile gaming. The introduction of mobile gaming technology rather alters the configuration of institutional logics in the environment to which business actors respond. Thus a transition towards an independent game developer may not only be seen as a result of a technological

change. What happens is that it rearranges the relevant institutional logics of the environment. It changes possibilities but is different for different stakeholders and their points of view. So the shifts in the dominance of institutional logics could also be seen as calibrations or switching of constellations of logics.

The study also has practical implications for managers in the gaming industry in general and mobile gaming more specifically. Managers should think about and pay closer attention to the artistic nature of video game development and other technological work. The importance of the findings indicated a strong desire of leadership to combine creative freedom and business environment and corporate realities.

This area of study merits further research with a large sample, and possibly from various geographical markets as some literature has also alluded to large differences which can be observed for instance in China compared to the US or European mobile games markets.

Regarding limitations of the study, due to its emblematic case study format make generalizability a challenging factor. Furthermore, quantitative research methods could also be further harnessed in an industry-wide examination which would likely prove fruitful if in turn one is examining a large sample of organizations transitioning from one business model to another. The element of secrecy embedded in high technology and volatile industries makes such studies from the within challenging, therefore this is a factor underpinning such a scientific venture which merits closer attention with the goal to somehow enhance trust and rapport between relevant participants and researchers.

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