Microsoft Casual Games to offer developers additional revenue opportunities with new ad-share program

by Bend Weekly News Sources

Initiative aims to encourage innovative game development by sharing advertising profits from MSN Games' Casual Game titles

Microsoft Casual Games today unveiled plans to share a percentage of in-game advertising revenue from MSN Games with its casual game developers. Starting today, developers of Web-based titles hosted on MSN Games, one of the world's largest online casual games portals, are eligible to take advantage of the new Ad-Share Program. Designed to help foster increased innovation in the casual games space, this progressive program also empowers casual game developers with a much-needed new revenue stream.

"Casual game developers traditionally operate on a limited revenue model, typically receiving a set fee from downloadable titles or a small royalty associated with game subscriptions," said Chris Early, studio manager for Microsoft Casual Games at Microsoft. "Now, by sharing in-game advertising revenue, we're allowing a more diversified business model that gives our partners more resources to create new, innovative titles for the 13 million people we see every month on MSN Games."

Each year the Microsoft Casual Games team secures hundreds of advertising commitments for MSN Games from the world's top online advertisers. One of the most successful and largest portals for in-game advertising, MSN Games brings the power of its dedicated advertising team to developers participating in the Ad-Share Program.

Available immediately to interested developers, the Ad-Share Program will extend to eligible Web-based titles available for play on MSN Games. Funds will accrue monthly, with developers sharing a percentage of the gross revenue received from the advertisements shown during online gameplay for their title(s), including ads served during the loading screens at the start of a game or in between levels, as well as ads placed in or around the game window during gameplay. Microsoft Casual Games estimates that the developers of the five most popular titles on MSN Games participating in the Ad-Share Program are likely to share nearly $250,000 annually, based on current in-game advertising revenue rates.

The newly launched program includes titles for Windows XP and Windows Vista operating systems and offers casual game developers advertising revenue incentives at two levels:

*Level I requires little to no change in the development and submission process and offers developers 10 percent of the total in-game advertising revenue generated by their title(s).
*Level II offers developers an increased advertising revenue incentive of 20 percent and requires a few additions to the game development process, such as localization, Entertainment Software Rating Board ratings, and

the creation of a "deluxe" game experience that offers players at least
10 hours of engaging free Web-based gameplay.

 The additional criteria for Level II developers benefit both consumers and savvy advertisers. The additions aim to encourage the creation of better, more dynamic games that offer a longer and more immersive gameplay experience. Consumers receive more innovative content and revitalized gameplay at no charge, which engages players for a longer period of time each time they visit the MSN Games site. Longevity of visits and engrossing content are attractive factors to online advertisers looking for innovating new methods of reaching their target audiences.

Developers who want to enroll in the program should contact their Microsoft distributor, such as Oberon Games Inc., for Game Developer Kit details for Level I and Level II titles. In addition, independent developers may contact Microsoft at MCG@microsoft.com for program details.

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