

Welcome everyone, let's get started!

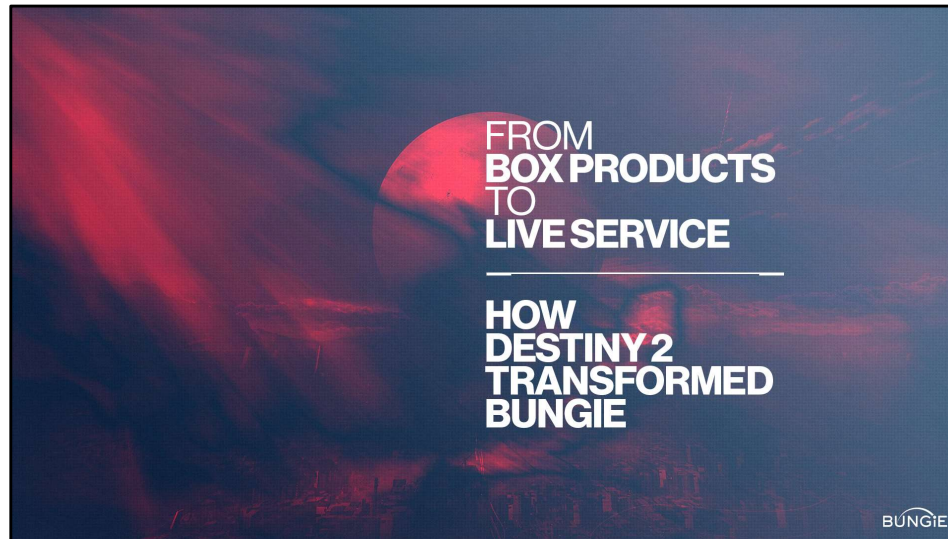


Let's get intros out of the way – I'm Justin Truman, and I'm the General Manager for Destiny 2

I've got about 20 years of gamedev experience on Console and PC, the last 12 years have been at Bungie working on Destiny

On Destiny I've worked in a bunch of different roles - Engineering, Design, Production, and Business, so my goal in this talk is to speak about Bungie's evolution as a studio in a really cross-discipline way

It's also worth saying – while I'm the one up here speaking, every learning in here was the collective contribution of so many talented and insightful folks at Bungie. The only part I'll take sole credit for is any mistakes or dumb statements I'm about to make.



And the evolution I want to talk about for the next hour - is our journey from our Box Product roots, to the Live Service team that we have today.

And this journey really catalyzed, in some PAINFUL ways, with the launch of Destiny 2.



So, way back in 2017, we launched Destiny 2



Destiny 1 at the time was still a thriving live service, but we had committed with our Publisher to releasing a full sequel to the Live Service we had just started nurturing 3 years prior.

So for us at Bungie, we knew if we were going to have to sequel, we wanted to do it right – and make something that we and the entire Destiny community were excited about.

We liked a lot about the original Destiny 1, but knew that it had a reputation as a somewhat flawed game, really fun, but also pretty nerdy and hardcore.



We wanted to turn that on its head and make a much more “Widely Appealing” version of Destiny.



We built a better campaign with a better narrative.

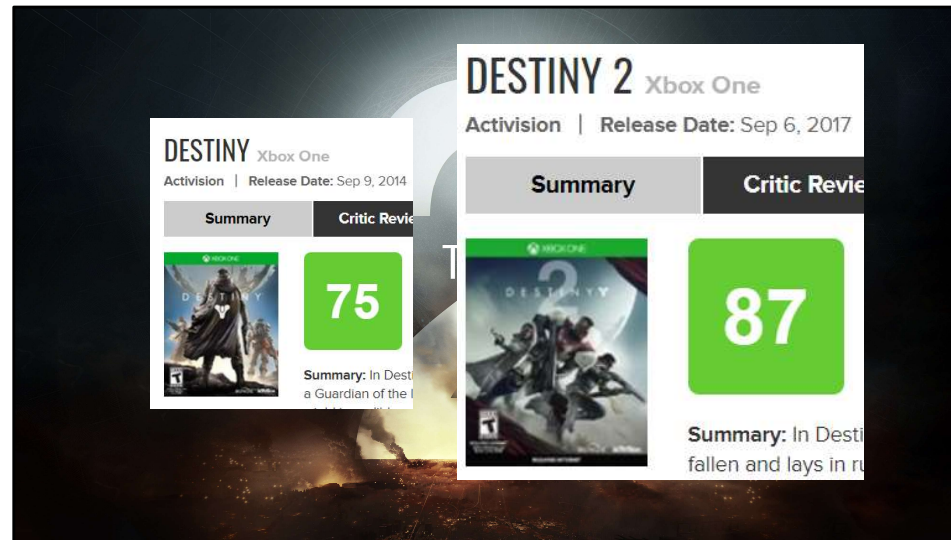


We tuned the rewards to be faster and more generous, with more instant gratification.

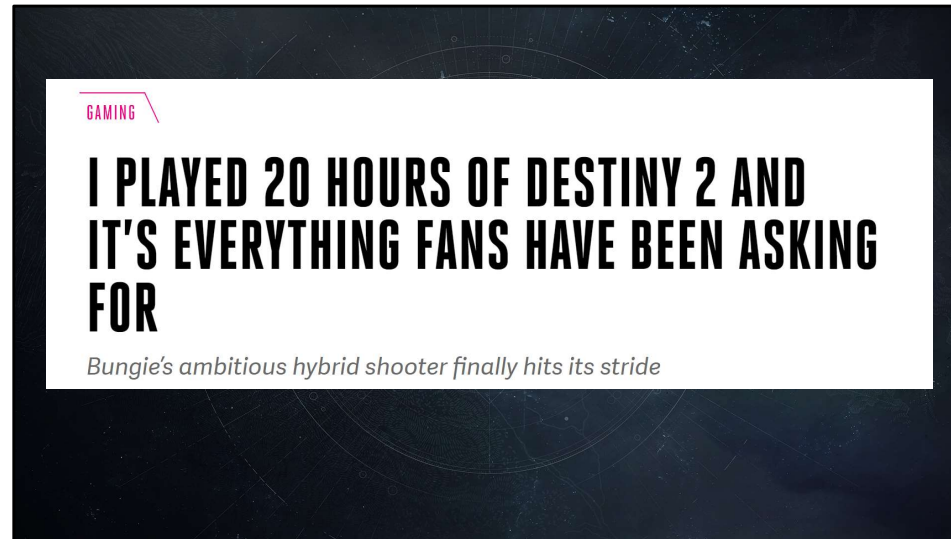
Our primary razor during development was that we wanted to “Put a 2 on the Box.”



You can kind of see here how it subtly informed the marketing treatment.

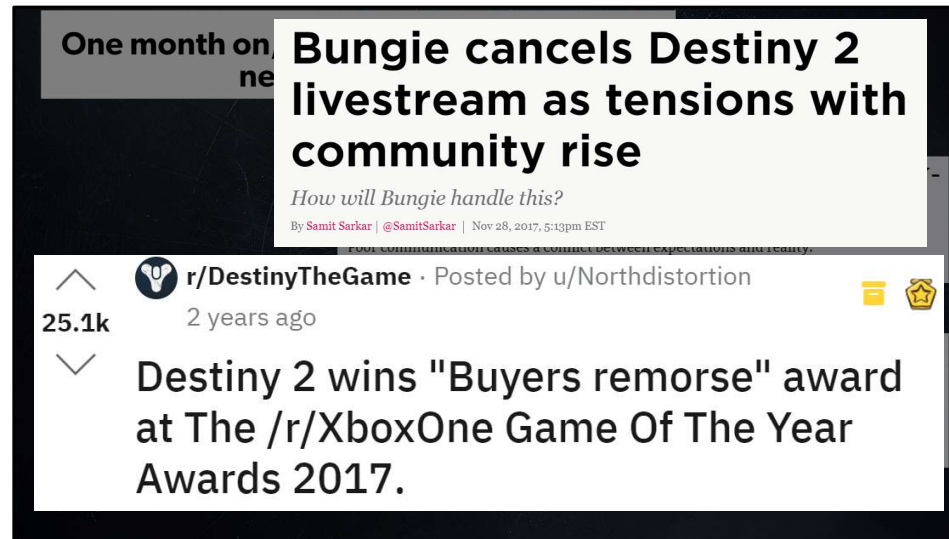


And we did it! We launched to great reviews – Destiny 2's metacritic was more than 10 points above its predecessor.



And our players and fans told us that we had made something more appealing, more polished, and more rewarding.

And that was also reflected by our in-game data – Destiny 2's player engagement was both broader (more players) and deeper (more hours) than it had ever been in Destiny 1...

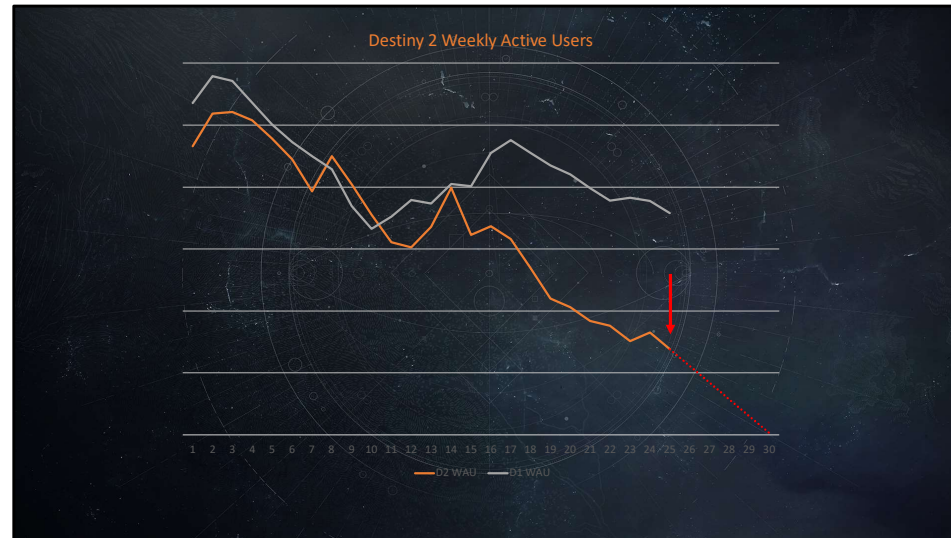


For about 6 weeks.

Issues started to emerge, with the first signs being our most avid hardcore community “running out” of content. This then rapidly spread to the broader, more casual players.

And eventually these problems spilled out of our community [click] and started creating a bad reputation for our brand in a major way, even amongst gamers who didn’t play Destiny.

And that threatened the total ecosystem of the game as we first frustrated and then shed our player base.



To show this visually, this was our weekly active users for Destiny 2 in the first few months and for comparison, this is what Destiny 1 looked like. So far so good!

But then this started happening.

And this moment, right here – in February of 2018, was f***ing terrifying.

So this graph shows the trend of our Weekly Active Users. And at the rate we were shedding players, we did the math, and if this continued for 5 more weeks, our entire player population would be gone.

We were, seriously, one month away from having to just close up shop on Destiny 2 altogether.

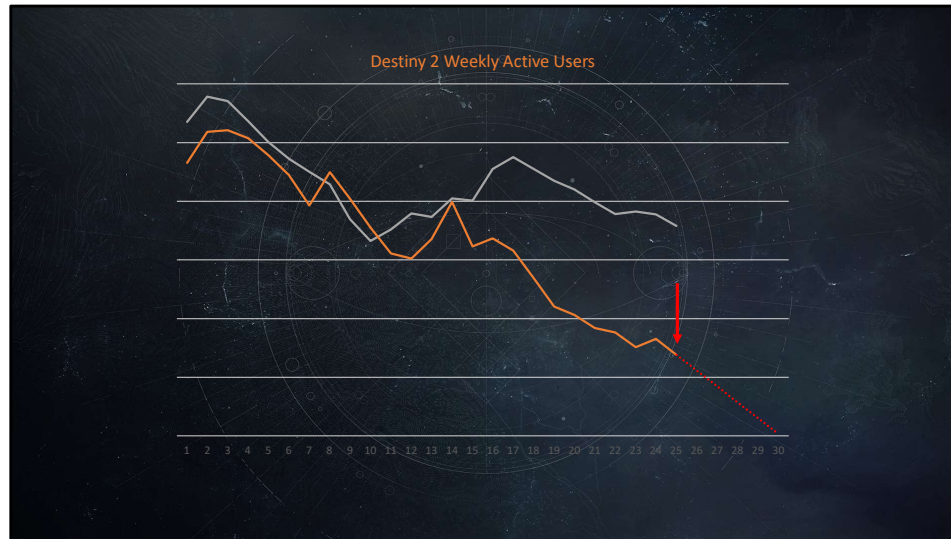
So, like I said, that was late February of 2018.



Now fast forward 4 years, and we are on track to have our most successful year ever in Destiny, in **2022**.

We've hit our highest critical and community reception in the history of our series, and are having our strongest business year in the whole history of the franchise.

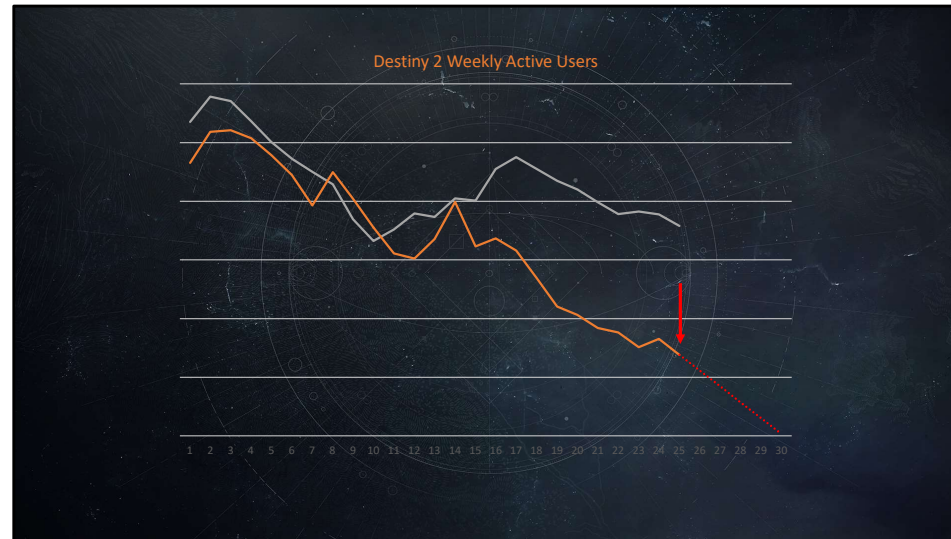
That's 5 years after launching Destiny 2, 8 years after the launch of the franchise – and that runs completely counter to the AAA peak-and-decay model I've experienced with any other game I've worked on in my career.



So what I want to talk about for the rest of this talk is what had to change about Bungie, to go from HERE



To HERE



And this moment – when we were literally 5 weeks from shuttering Destiny 2 as a product, was exciting, and intense, and terrifying, and I’ll talk about it some today.

But more than one moment, I want to talk about the long, multiyear process that this moment catalyzed – that required us rethinking many of our development practices and our studio culture from the ground up, over multiple years.

At its core, this is about the transition from a box product way of thinking and developing games, to a live service mentality.



So what do I mean when I say a Service mindset?

And not the PRODUCT definition –I think we all know what that looks like! But what is the MENTALITY, the CULTURE, the PRACTICES that let you win in this new environment?

So for the rest of this hour – I want to try to define what we had to learn, to get to where we are today.

And each of these transitions I'll be talking about were both hard to RECOGNIZE, and then hard to NAVIGATE as an organization - even after we understood them and could say them out loud.

And I think they're each pretty universal in application, so I'm hoping they will help anyone in the audience who is undergoing similar transformations on your teams.

But actually – we need to go back a step earlier. Because before we define the endpoint, we have to define the starting point!



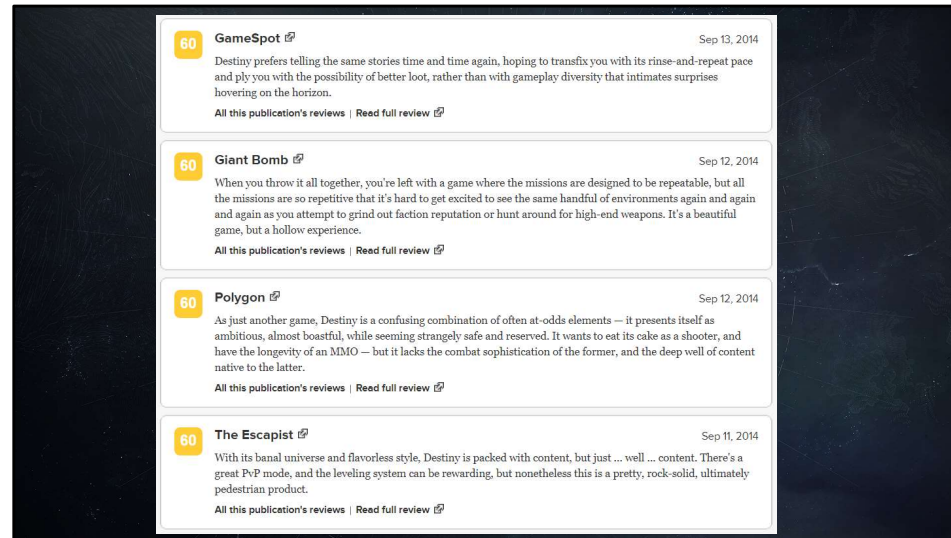
So what do I mean when I say the “Box Product mindset” for developing games?

And definitely for Bungie, Halo for us was our canonical example of a AAA box product.



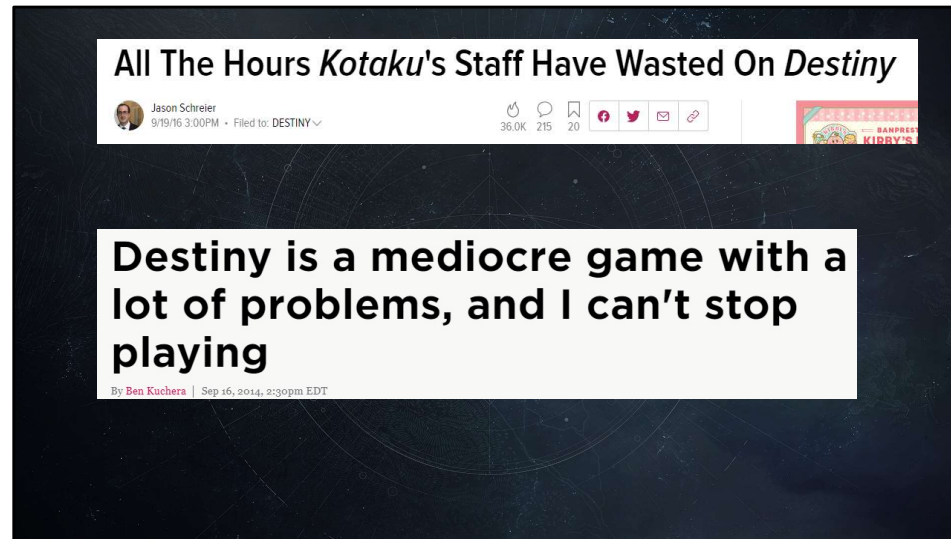
Cause when we built Halo, we found success on all axes – critical acclaim, broad popular appeal, cultural relevance, high sales, sustained player engagement.

Halo was a winner by every possible definition of success, which unfortunately meant we didn't have to think too deeply about which of those successes mattered most to us!



By contrast, Destiny was the first game Bungie made in well over a decade that didn't receive universal critical acclaim.

This was a big blow to us, and in many ways felt like failure.



What we didn't realize was that Destiny was a success in the ways that mattered

Engagement was the true measure of success for the Franchise, but we didn't know it yet

And a lot of our efforts to create a "better" Destiny 2, were because we had the wrong internal definition of success.

You can fix your reviews, fix your sentiment, and fix your sales, as long as you have engagement. As long as you have a community of players who care about and are passionate about your game.

Even when that passion is being expressed as anger or frustration. Like – anger is not the OPPOSITE of loving a game. Loving and Hating a game are like 2 degrees off from each other, and they both come from passion – from people who are HIGHLY ENGAGED. The opposite of Loving a game – the thing that will kill your game – is Apathy.



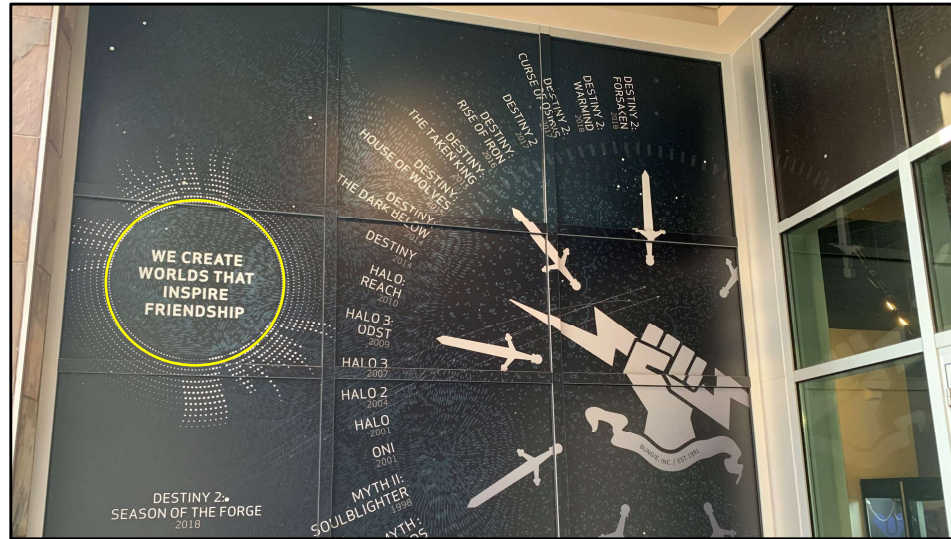
But I'm getting ahead of myself – so from way back in the Halo Days, all the way through Destiny 2 launch, our process was pretty straightforward:

- Hire the best talent in the industry
- Give them a lot of freedom to use their gut and their creative process to make what they consider to be the best game possible
- Release that product with a bang and a Halo sized marketing push
- Trust that success by every definition would follow

This was all summed up by our studio motto on the wall in front of our studio – “We make games we want to play.”

We believed that when you just trust your gut on making something “awesome”, making something you can't wait to play, that all the different forms of success you might want – critical acclaim, sales, engaged players, will just flow naturally and intuitively from that.

And this picture is old and grainy – it's an old picture I found on my cell phone, because we took down that motto a little while after D2 launch, as we evolved our view of what success meant.

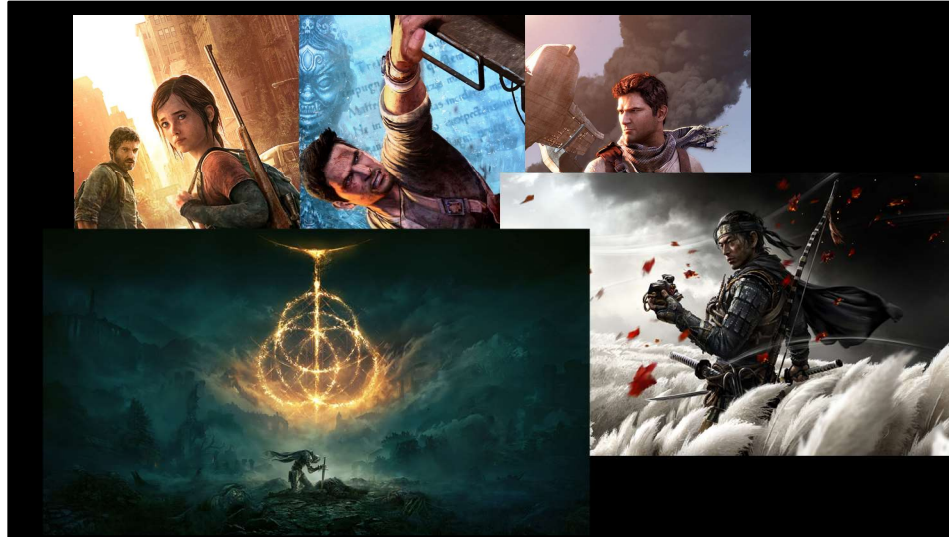


Our new studio motto is “We Create Worlds that Inspire Friendship”.

This new studio purpose has a lot of benefits over the old one, including the fact that “we make games ****we**** want to play” sounded a little too much like it was just gatekeeping for bald middle-aged white guys like me.

But besides adopting a more global and inclusive view, this is really about a shift away from that “Box Product Mindset” into the “Service Mindset”.

And I’m not talking about product design or business models! I’m not talking about F2P or microtransactions - I’m talking about something much more fundamental to how we think about success.



Like, if you think about the best AAA box product games out there – Last of Us, Tsushima, Elden Ring, there's plenty more I could throw up here.

Core to the Box Product mindset in these games is the goal of exceeding your expectations in every way, across every axis.

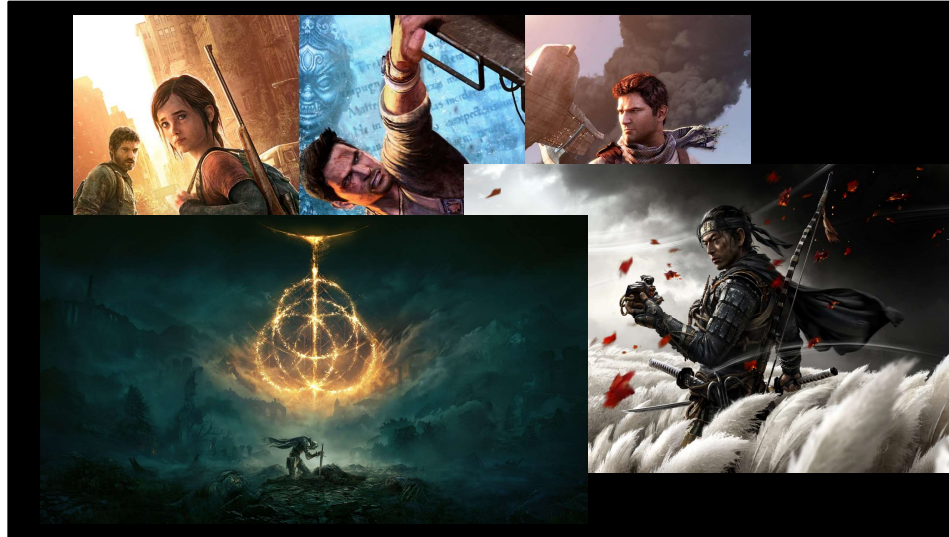
They blow your mind with their scale, their polish, their quality – at their best they often feel like almost “perfect games”.

And we all know that these products don't start perfect.



One of my favorite old quotes from a Pixar interview I love is “All of our movies suck at first.” Which sounds weird, almost incomprehensible when all we get to see is the near-perfect run of artistic products that come out of Pixar and now Disney.

But we’re all familiar with what the Creative Process is actually like – that nothing starts great! Making anything great is always about iterating through failure after failure, making it a little better each time, until you finally have something incredible.



And this idea – taking a game, or a creative idea, and doing all that iteration in secret at your studio until what you release is near-perfect, that’s what at Bungie we now call the “Box Product Mindset.”

You iterate and iterate and iterate, guided mostly by talent and your gut, until you have something amazing, and then you release it with a giant marketing explosion and hope it blows all the doors off.

And I’m not knocking this process – I have tons of respect for all these studios, and this “never miss” is why I originally applied to work at Bungie!

So I’m not criticizing, but I am setting up this definition in order to **contrast** it with a different approach, that we’ve now had to adopt for Destiny.

So if that’s the “Box Product” approach, what is the “Service” approach, by contrast?

More than anything else, being a Service is about being FAST.



For a Live Service, more than anything – more important than even Quality – a Live Service is about being FAST.

Back in like 2010, you could have a long-lasting, high-retention game just by having something super high quality, well balanced, and UNCHANGED that players keep coming back to for years and years.

But, to stay afloat as a Service TODAY you need to be constantly feeding your players, responding to their concerns, making the game better.

If Box Products are in the business of OVERDELIVERY, Live Service is the business of CONSTANT DELIVERY.

And to provide that constant delivery to your players, you need to be FAST – as fast as you can possibly be.

And so at Bungie, one of the key lessons we codified here to shift our mindset, is that...



Velocity is more important than position.

Your position is your game's quality right now. How good is it, what issues does it have, how much content does it have to engage your players? Those are all important, but so much MORE important is how fast can you change that position.

If your players need more content – how fast can you funnel it into the game?

If your game has an unbalanced meta - how long does it stay unbalanced?

If your community has a valid complaint, how quickly can you respond?

And this is why, in this important but unintuitive way, I'd rather have FAST than PERFECT. Because being Perfect, or even just being Great, is your current Position, but Fast is your velocity. A fast game will BECOME Great. But a great, slow game will very quickly fall behind.



Like, let's tease apart one tangible example for us – this shift in our mindset to focus on Velocity has meant that for our future games that we're building, we mentally shift our focus AWAY from launch.

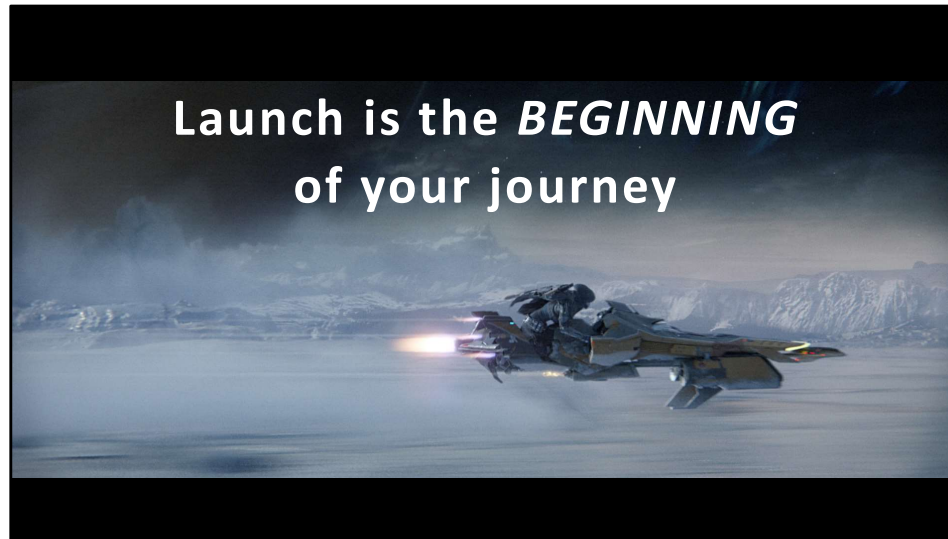
All our industry experience, all that box product training – has us traditionally laser focused on having the BEST possible game on the day it launches. But if you're trying to make a live service, you should actually deemphasize that launch. A MUCH more important question is what your roadmap and release tools will look like for the first year AFTER launch.

Cause you can launch with a game that blows people's minds and has super high polish. Or you can launch with lots of promise but a bunch of janky issues on Day 1. And the sifter that determines which of those two games is relevant 12 months later is – their velocity. How many updates came out? How much BETTER was the game getting each month? That's what builds and retains fans in 2022.

If you are optimizing for that, your position the day you "release" becomes less and less relevant, because it's just

one beat among many on your way towards a perfect game.

And the reality is – if you try to launch a new Live Service game in the Two Thousand and Twenties – a simple fact is **your game is going to suck at launch**. And that's ok! Launch is not the end of your journey – it's THE BEGINNING



NO new game, iterated on in secret for however many years, can beat the existing Live Services, that have been iterating directly with their communities for the last 5-10 years. You can't win that battle on day 1!

But if you're focused on your velocity, not your position at launch - the better challenge becomes how fast can you improve your game, once you are in that direct dialog with your community.

How quickly can you change your existing roadmap when you learn something in the Live Game? Can you deploy weekly patches? If you have a major exploit in the game, can you identify, then triage, test, AND DEPLOY a hotfix within 24 hours?

Because if you are focused on THOSE challenges – building up that Velocity before launch, instead of just focusing on your Position – then your game WILL get to PERFECT with shocking speed, and you'll be making a game that is perfectly tailored to YOUR growing community, and built to last.



And a bunch of this – the big cultural hurdle for your team and your organization, one of the main themes that I’m going to keep returning to – is about **Redefining Success**.

Like – what does Quality mean to you, and to your team? And I don’t just mean in terms of business goals – I mean in your BONES. In your HEART – why do you get up and go to work every day?

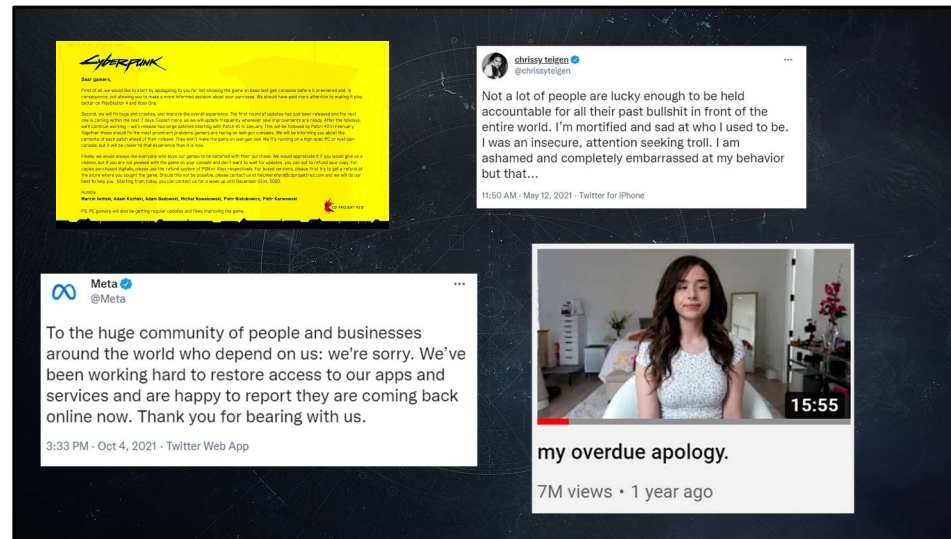
For us, it used to mean being perfect. Being impeccable, uncriticizable – that’s all part of that Box Product mindset.

But now, we’re instead focused on being FAST



The really tough part here though – is that to do that, you have to get comfortable with **Public Failure**. You have to get comfortable with all those failures and iterations and learnings that used to happen in secret, instead happening out in the open – in front of your players.

This tradeoff gives you speed – it lets you get feedback and iterate and get better faster. It makes the final product even better. But you have to be willing to take those lumps – which are a lot if your ego, your definition of success as an artist, is tied up in that mystique of only letting your failure happen in secret.



To give one more example in this space – I believe this shift to an ongoing service-oriented conversation, that’s happening in every sector, [CLICK] even with people’s personal brands, is why you’re seeing so many more public apologies. From corporations, from celebrities, whomever.

It’s more and more of that failure happening out in the open, and in success it means by embracing this Service Mindset you’re getting to a better position even faster through that feedback and critique and transparency, that’s honestly not optional anymore, to any highly visible brand.



Alright – so that was our first big learning.

Velocity is more important than position.



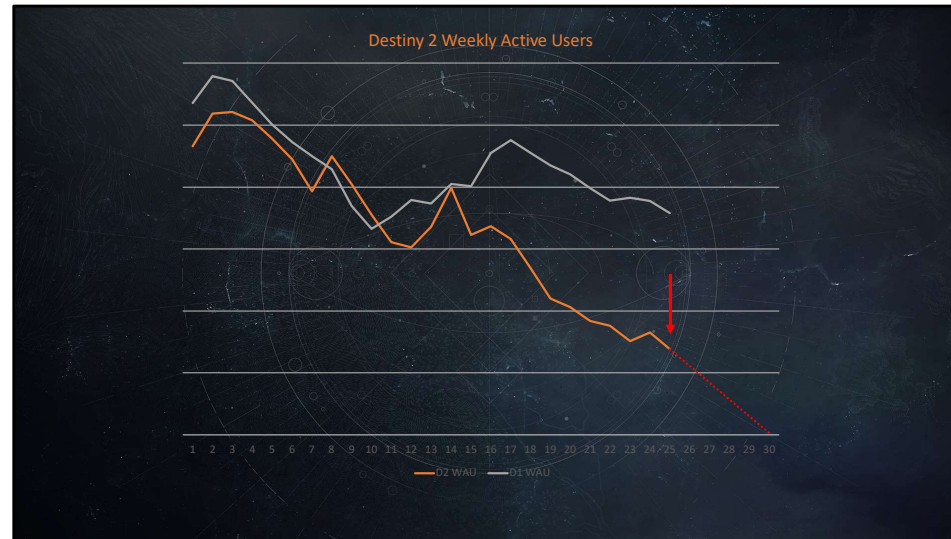
Ok, so for the next part – I want to dive in deeper into what it means to really REDEFINE success.

Like I was saying about the Halo days – when you're really successful, it's really easy to not bother with a precise definition here!

And I'd wager for most people in this room, you define success as some combination of two things

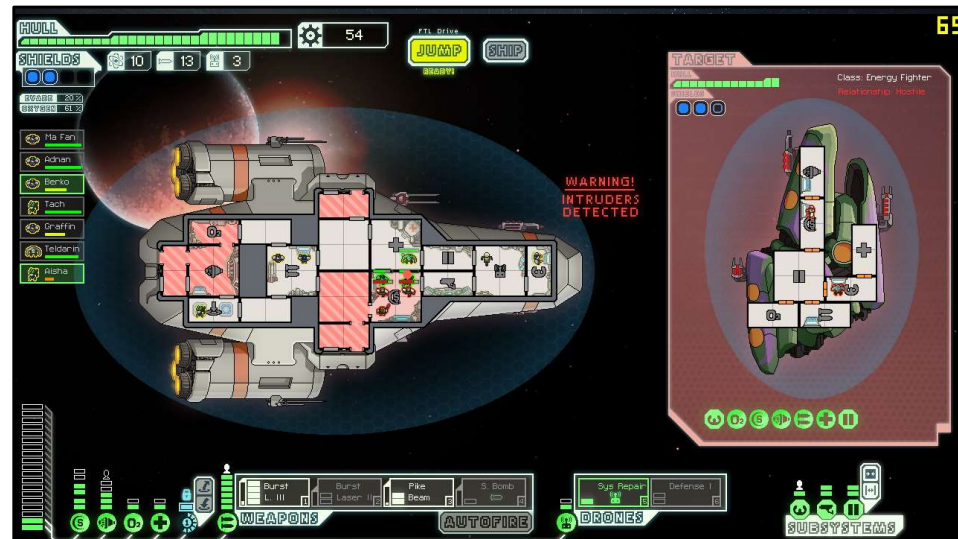
- Whatever your chosen version of "Quality" is – that could be Steam user reviews, or Game of the Year awards, or Metacritic – do people still use Metacritic? I dunno.
- And that's mixed with some definition of "Reach" – it could be financial success, or unit sales, or just how culturally impactful or "big" a game is.

But in order to adopt a Service mindset, we've had to get a LOT better at defining multiple axes of success, and doing it very precisely.



Let me start with our first tangible example – this was when we really started learning to break apart and be more precise in our definitions.

Remember this terrifying moment I was talking about, back in February 2018?



At the time, living through it it felt like a stressful, real-life version of FTL.

If your engine room is on fire, and your O2 is draining out through a hull breach, and your shields are down – what is most important to fix first?



And the mantra we came up with during that difficult year was First Trust, then Retention, then Revenue.



We realized our first priority was Player Trust.

We had assumed when we built Destiny 2 that players who ran out of content would just happily leave, and come back for the next expansion.

What they were actually doing was sticking around in all our online communities with megaphones, shouting to everyone to avoid this game cause it sucked! This was especially bad with streamers, because we had literally hurt their livelihood by making streaming Destiny a significantly less viable profession, so they would loudly (and understandably) shout their complaints to every viewer.

We knew we needed to solve these Trust issues first, so focused a lot of early work on trying to repair our reputation with our players and community, and influencers. We bumped to the top of the priority queue several early changes to the game - not because our designers believed they were the most important root causes of our engagement problems, but because they were vocal pain points, and addressing them first clearly indicated that

we were listening and responding to our community and doing our best.

This trust battle took us almost a full year, if I'm being honest, and that's also when we did stuff like remove all the MTX from some of our releases, taking multimillion dollar losses in the process, because the risk of losing more trust was MUCH worse at the time than the known loss in revenue.

The REASON we were able to eat that revenue loss was because we KNEW revenue was not our goal yet – Trust was. Revenue can come later.



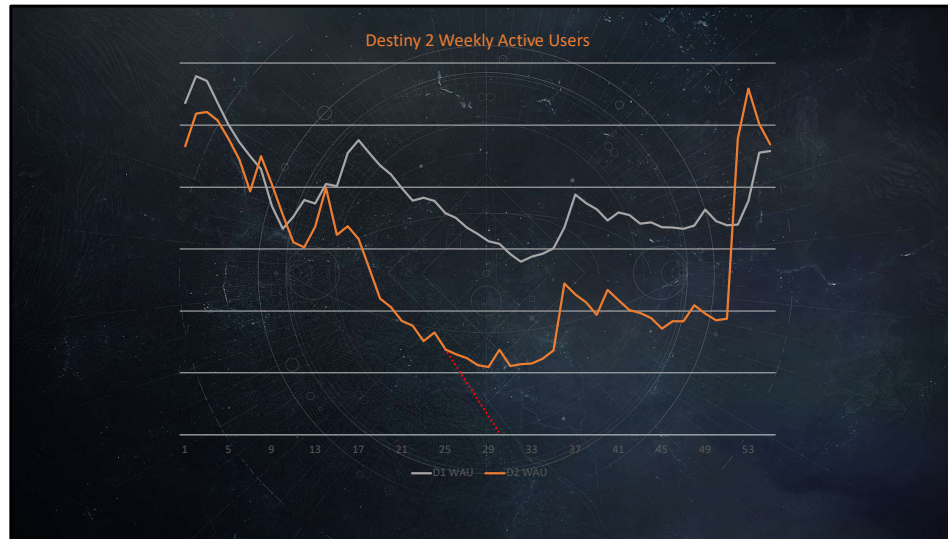
Once we had player trust and sentiment under control, we then focused on Retention.

This was the real focus of Forsaken



Forsaken's product focus – more than any other specific goal for that release, was to “fix the endgame”, to fix our retention, and ensure there were plenty of long term pursuits and content in Destiny 2 for our most hardcore players.

And this focus allowed the product to succeed! Not just being a great Expansion, but being the Expansion that Destiny 2 needed at that moment.



And it worked!

So this was that terrifying moment in February of 2018. But by the time Forsaken launched one year in, our Brand Trust was back on track, and our Retention had recovered from the precipitous drop after D2 launch.



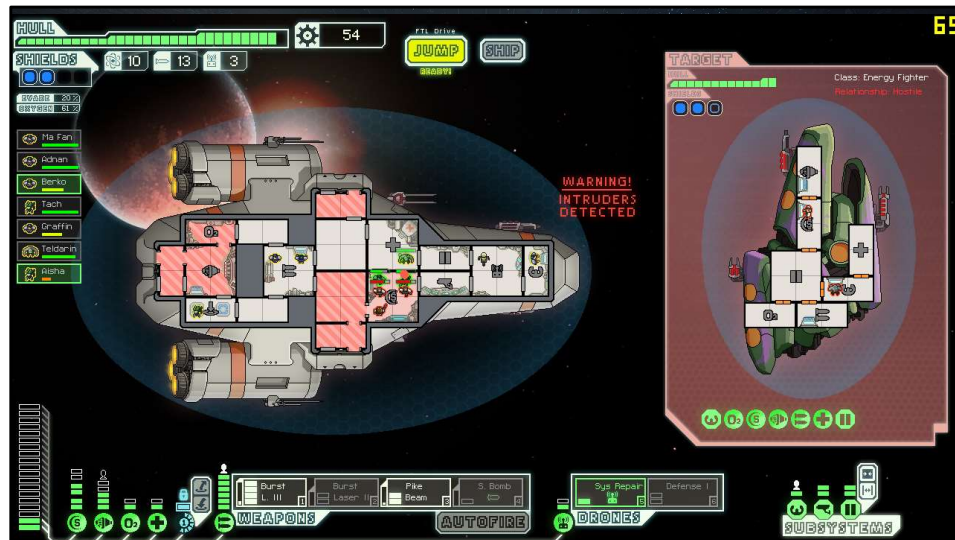
Only **after** we had solved for Trust and Retention did we then actually start paying attention to Revenue again



That was when we started experimenting with revenue innovation that we knew would ultimately be player wins, but were complex and needed to be built off of a foundation of trust and retention.

So this was when we started charting our course to get out of Loot Boxes and move to Direct Purchase, and to add a F2P entrypoint into the game.

These were all designed to further sustain the long term Destiny hobby, and have made our game better for all our players - but to go back to that FTL analogy



We knew it would be suicide to be messing with our shields when our O2 systems were down.



And I truly believe each of these different releases along this road would not have succeeded if we didn't have clear laser-focus each time on what our specific goals and definitions of success were.

And importantly – these goals change from release to release!

Ok – so that was a really simple example – 3 definitions of success, and layering them on one at a time. As we've iterated since then, it gets more and more nuanced.

KPI REPORT CARD			
METRIC	ACTUALS	FORECAST	% DIFF VS. FORECAST
VOCAL SENTIMENT RATE LAST WEEK	[REDACTED]		+17%
AVERAGE DAU	[REDACTED]		+2.0%
NEW PLAYERS			+12%
AVERAGE WEEKLY RETURN RATE			+9.0%
AVERAGE WEEKLY WINBACK			-2.0%
GROSS REVENUE	[REDACTED]		+19%
EXPANSION REVENUE			+24%
MTX REVENUE			-4.9%
ARPPDAU			-5.2%

Because we keep trying to build more and more precise definitions of success.

So for a more recent example –here’s one of our typical KPI report cards – I pulled this straight from one of our internal presentations not long ago.

KPI means “Key Performance Indicator” – quantifiable measurements of performance, measured against defined targets.

And we call it a “Report Card”, because while each release might have it’s own unique metrics we want to measure – like in The Witch Queen – “how much are people using the new Glaive weapon” - the “report card” is the baseline “grades” that every release is going to get no matter what.

It gives us a common language to discuss success every time.

So let me walk through each one, and what they mean to us.

First up – we have that Trust in Bungie, trust in our Game, and we measure in two ways.

One is Vocal Sentiment. What are people SAYING about us online – on Social Media, or on Twitch?

Vocal Sentiment is super important – because it's your reputation – but it is also often distorted by a relatively small vocal minority that get to control the conversation, for good or ill.

So to get beyond that vocal minority, we also do our own weekly surveys of player happiness using a Rate Last Week metric – we randomly reach out to a few thousand folks each week, and ask them to rate the last week of Destiny on a 1-5 point scale.

We've tried some different systems here – more subjective measurements, running Net Promoter Scores, but we've found Rate Last Week hits that sweet spot for us of rapid, precise data that lets us quantify “player happiness”

Between the two of these, you can get a good week-over-week tracking of both what players THINK of our game, and what they're **saying** they think about our game, which gives you interesting and different data about player trust.

Next we have the **lifeblood** of our game – our engagement. Our primary metric for this is our Average DAU – Daily Active Users. How big is our community that is willing to show up and play each day.

And you can measure this daily, weekly, or monthly – there's interesting nuance and different learnings you can pull from each of those measurements – but for our report cards, we like DAU because it's not very latent. You can get it within 24 hours!

And while DAU is ultimately one of the best indicators of health – it's like our blood pressure, it's not very actionable on it's own. To try to impact DAU, we have to go one layer deeper.

Because DAU is ultimately a function of how many players are entering each week, and how many are leaving. We measure this through New Players – brand new accounts that entered during a given week.

Weekly Return Rate – these are players that played last week and have returned this week to play again.

And Winback – these are players who did NOT play last week (could have been a 1 week break, or a 5 year break), but have returned to us.

You put these factors together and you see your funnel in and funnel out of players. And Importantly – each of these KPIs are going to be pushed differently. Typically the content that causes your engage players to stick around is QUITE different from the content that causes New Players to show up.

And on the Winback side we have even more slices depending on how long a player has lapsed, but we aggregate them all together for our report card.

So yeah – between new players, engaged players, and lapsed players, that's how we measure our blood pressure of DAU, to determine the most important health indicator.

And finally – we've got the Revenue we're trying to accomplish, made up both [click] unit sales, and microtransactions.

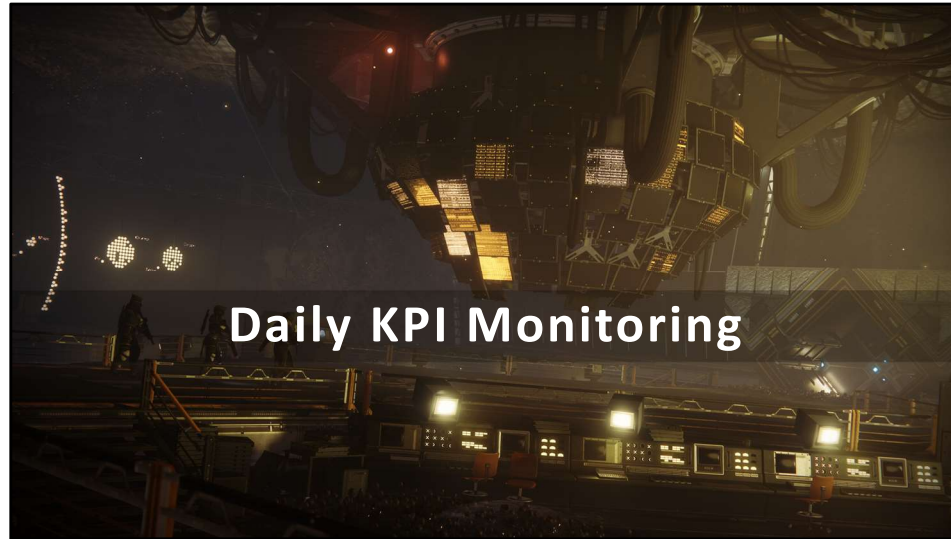
But importantly here, while we're tracking it daily, we aren't actually optimizing for Revenue! It'd be easy to make decisions that temporarily spiked our revenue and were very bad for the long term health of the game.

That's why we focus a lot MORE on our Trust, and our Retention.



Alright, so we're gathering this data, and bundling it up in Report Cards – but the data only matters if you're DOING something with it! The remaining step for us is about validating our hypotheses, and really unpacking and LEARNING from the data each release.

We have 3 main ways we use this data with different levels of latency – they range from very rapid and timely to very thoroughly analyzed but delayed:



So the lowest latency access - All these KPIs have dashboards that are live updated and visible to our whole studio every day. We have them up in the kitchens in our offices, and if you're remote you can login and see them in your browser

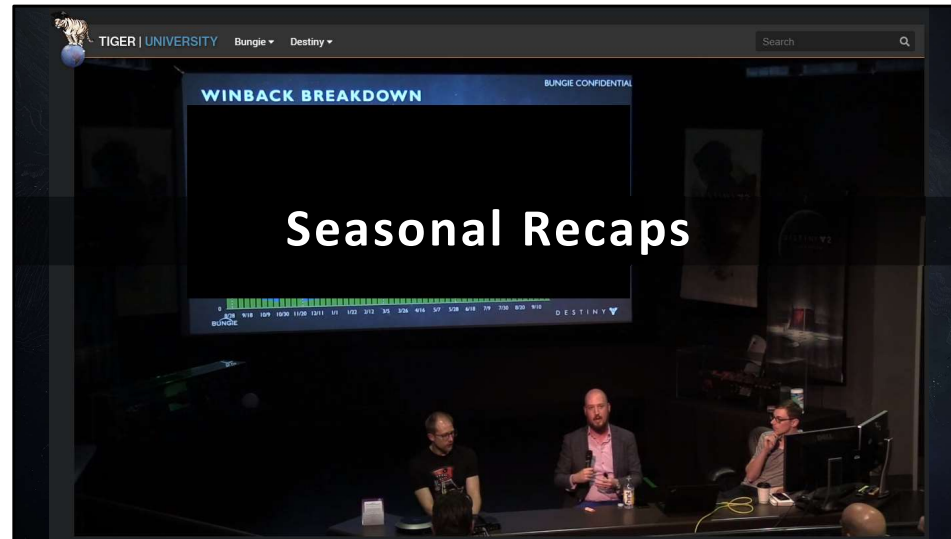
So at a glance ANYONE in our studio can see how we are trending against our KPIs for the year, the week , for the release, and that data is updated every single day.



We then do Live Ops Reviews of this data every 2 weeks, dissecting the performance of the last 2 weeks with the team. Importantly – the audience here is not just PMs or Analytics – we try to get all our Feature Leads, our Design Directors, our Art Leads – anyone making key creative decisions about the product, to prioritize attending these meetings every 2 weeks.

And in these meetings, besides going over our Report Cards, we do deep dives into specific, timely topics in the game. For example, we just launched our first Legendary Campaign with The Witch Queen – this was a Hard Mode you could opt into, so 2 weeks after launch we did a deep dive on how that feature performed and how players engaged with it.

We can then validate different experiments like this 3, 4 times across different releases, and our creatives then develop a VERY intuitive understanding of what types of creative approaches yield the results they want

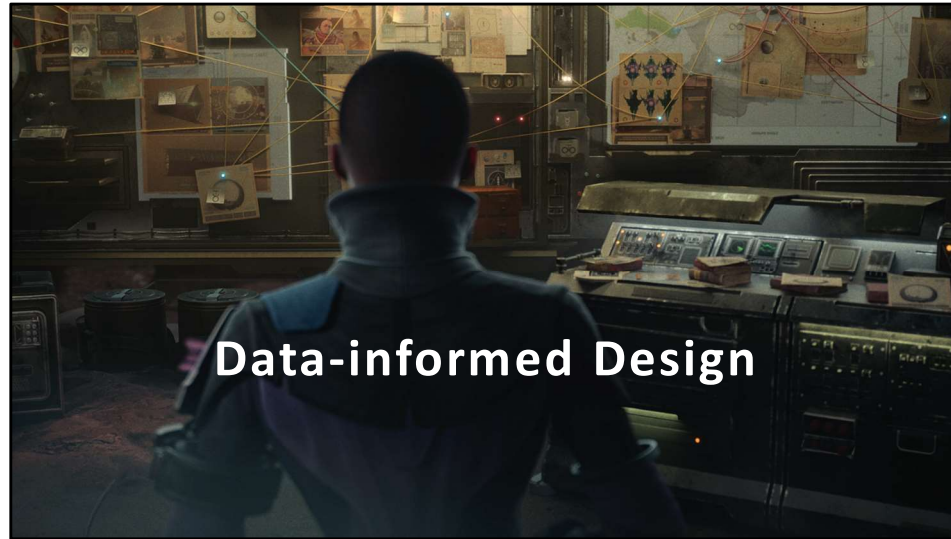


And finally, we have large, 2-hour lecture-style recaps we do at the end of every Season, recapping the all-up performance of every aspect of a Season or Expansion release, several months after it has gone live

This is where we get the most in-depth analysis, but also the most latency – since we spend several months building these presentations and consolidating our analysis

We then present these in our theater, and record them and put them all up on our streaming portal for any employee to watch – this picture was from one of our pre-COVID sessions, which is why none of us are wearing masks.

But they're basically our college-level courses on learning the Destiny Business, and become a great entrypoint for any employee to start understanding how exactly their work impacts our players at scale



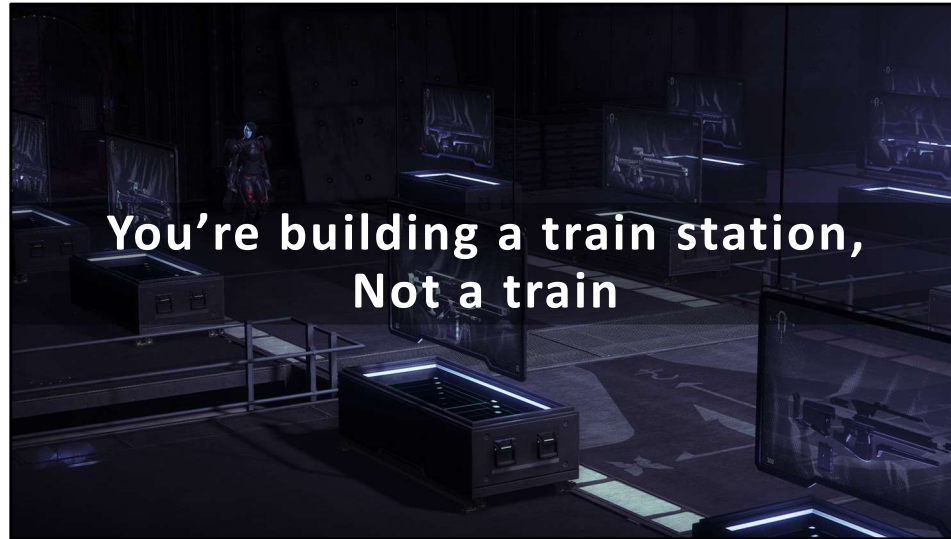
And what this all drives to – what we are trying to accomplish with this nuanced definition of Success, is to start doing **Data-Informed** Design.

It's not Data-Driven – we're not putting any guardrails on our creative process, or our team's vision. We regularly try radical new experiments that veer far away from our standard formula, and upset all our predictions. Our 30th Anniversary Pack was a great example of this – a VERY different product we built that was driven by the creative passion of the team more than anything else.

But even when we take those big swings, guided by creative vision, those creators then get to be Scientists. We PREDICT what we think will happen. We QUANTIFY those predictions. And then we VALIDATE whether the results matched our hypotheses.

And almost every release, through this process, we get at least one just shocking and surprising result back, that didn't match any of our hypotheses.

And I LOVE when this happens – because that’s when I know that we’re really learning and honing our craft. We’re discovering something that’s true about Destiny, or about our Community, that didn’t fit any of our shared conventional wisdom up until that moment. And we’re becoming better Designers, and better Artists, as a result.



Ok – so we’ve talked about Velocity, we’ve talked about Data, the 3rd major way I want to talk about Redefining Success is in the product itself.

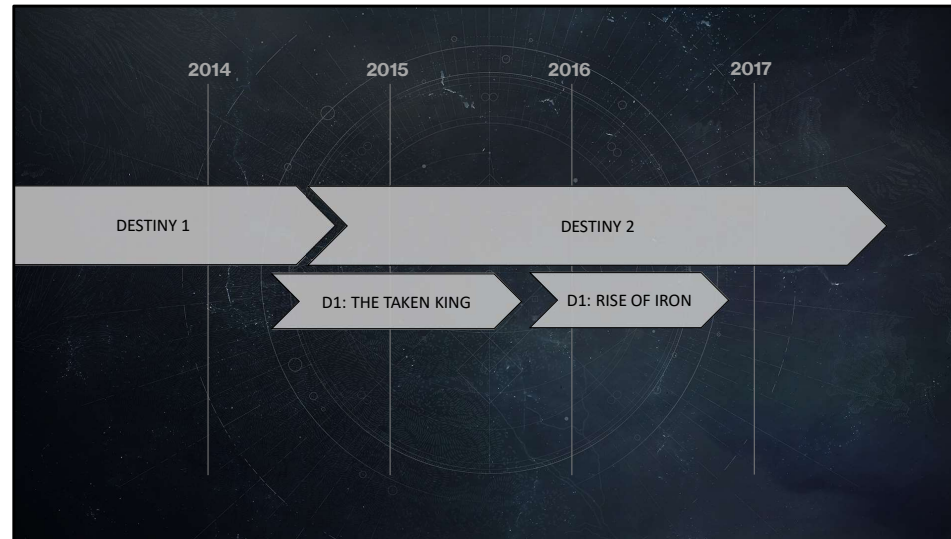
The way we talk about this mindset shift internally, is “You’re building a train station, not a train”.

So if you think of that Box Product mindset as building the most impressive, fast, luxurious new train that the world has ever seen. You’re poring over the details of the trim in every cabin, the friction on the wheels, everything to make that train amazing, AAA quality.

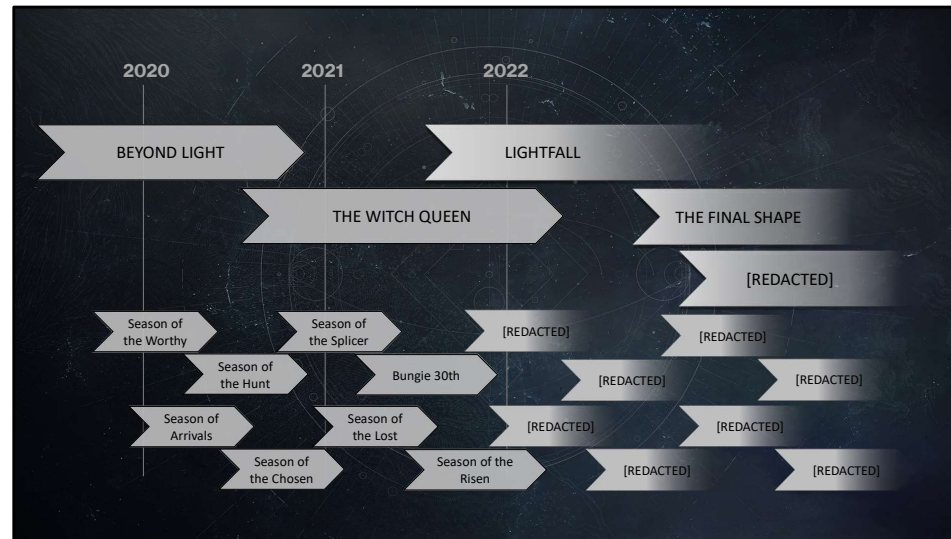
You probably have that intense push at the end of the project – whether it’s a targeted crunch, or just extra focus, where all anyone is thinking about is how to get the last few steps to a gold master, and a final, polished experience.

But as a Live Service, what you’re actually building is a Train Station. The moment that train has departed, you have

another one arriving. In fact, the track needs to be cleared for that next train BEFORE the previous one even departs.



This was an example of what our schedule looked like during Destiny 1 and Destiny 2 development. We built a couple expansions in parallel before Destiny 2, but otherwise, a fairly straight shot. We were building Trains.



And this is what it looks like today. At any given moment, we have 5-6 releases in various stages of development. And we're not a significantly larger team than we were when we were shipping Destiny 2! This has just been a dramatic scale up in schedule complexity, year over year, with largely the same team.

But what comes with that increased complexity – is yet another redefinition of what success looks like. Success for a great Train Station means predictability. It means scheduling rigor. It means no one has to do any heroics.

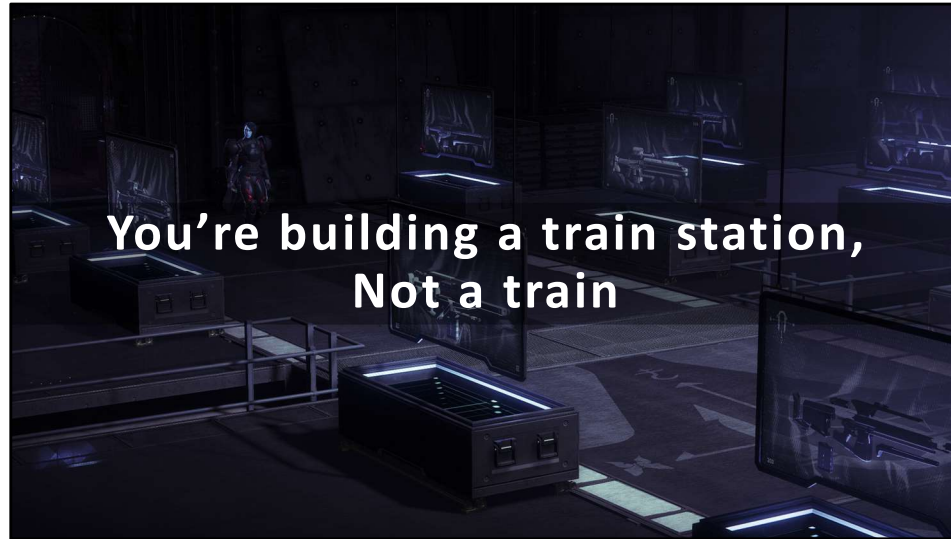


Like there's that great, maybe apocryphal Miyamoto quote – that a delayed game is eventually good, But a bad game is bad forever.

But once you're in a train station mindset – you actually have almost the opposite approach!

Because a delayed train doesn't just hurt that train – it potentially causes cascade failure and chaos in the whole station.

And the reality is, today - a bad game can be fixed.



I hope y'all are hearing the point I'm trying to make here – I'm not trying to dunk on Miyamoto or say that quality isn't important. But like the earlier point about velocity - it's that you don't GET the quality through perfectionism and heroics and overextending yourselves in any one moment. That's Train thinking, not Station thinking. Instead, you GET to quality through iteration, one train at a time.

Our Seasons in Destiny are the best they have ever been. So are our Expansions. And our Seasons got there quicker – despite being under much tighter schedule constraints, do you know why? Because we're on Season #16 already! We have been able to iterate so many times, as train after train passes through that station, to get where we are today.

But that also means, to keep the station running, you need to let trains go out the door that carry risk on them you might not be comfortable with. Or that have things you KNOW you could fix if you just backed up the whole station for a few weeks and did a heroic savings throw on. But we've had to learn NOT to do that – that that only makes things WORSE.



A tangible example that we've found here is with Crunch. Because now, a truism we have at Bungie is that on a Live Service, you're either [CLICK] NEVER crunching, or you're [CLICK] ALWAYS crunching.

If you put in that crunch-level effort (even when it's just individuals choosing that for themselves), you overextend yourself. You burn down that stamina bar, but unlike the big box products we're all used to building - where you could roll from that release to a nice relaxing preproduction phase where you can rest up for a bit - in a train station you're rolling STRAIGHT into production on another high pressure release. You won't get a chance to recover from that overextension. If you spent an extra week closing the last release, you've just lost a week on the current release.

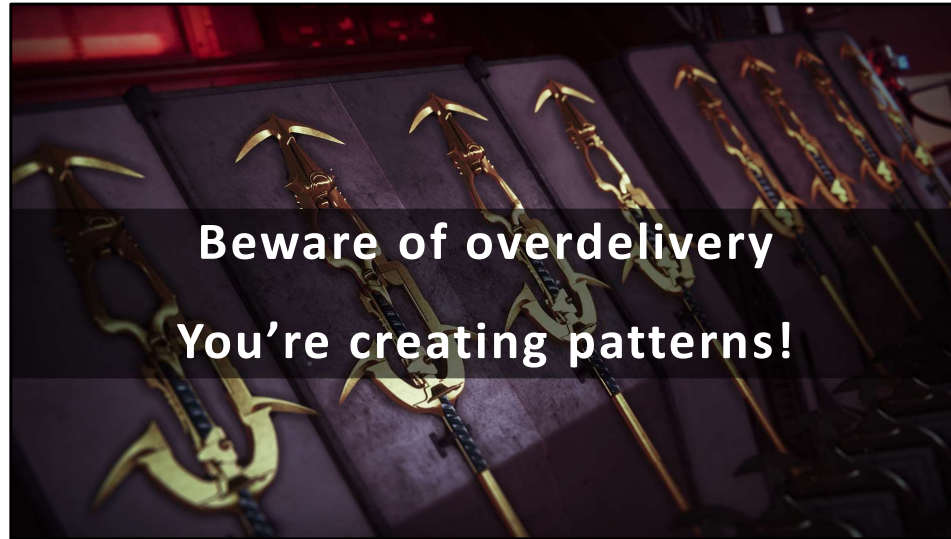
And in basically every case, we've seen this create cascading debt - where you're transferring it from one credit card to the next, and getting further and further in debt with the delays, or the crunch, or the pressure getting worse and worse each release. That leads to ALWAYS crunching.

The only way to combat that is with rigor. It's with dismantling the idea of heroics, of that leave-it-all-on-the-field final push to close a project. Instead, you just need to be disciplined, and constrained, and operate in a way that can be repeated, sustainably and consistently every release. That's the Train Station mindset.

Which – don't get me wrong, I'm not saying we've perfected this – I'm talking about the MINDSET here – the recognition that if you allow even a little bit of overextension to creep onto your team or your project, it's going to cascade and build release after release.

So the reality on the team is that this is a constantly ongoing battle, and we don't catch every case on every team.

But with each new release, we are trying to constantly, proactively identify the places where teams are overextending themselves – whether through their own passion or through leadership overscoping, but we have to actively help each team member to learn this lesson so that they can ultimately get onto that NEVER crunching path.



And here's the last, almost painful realization about Train Stations. Remember back when I said Box Products are in the business of overdelivery?

Overdelivery is actually DANGEROUS for a train station. With every release you put out there, you're setting a pattern for your community and your players. If we release an Expansion with 2 Raids – the next year folks will be UPSET if there is only 1 Raid. We've hurt the station by making a rogue decision in one train.

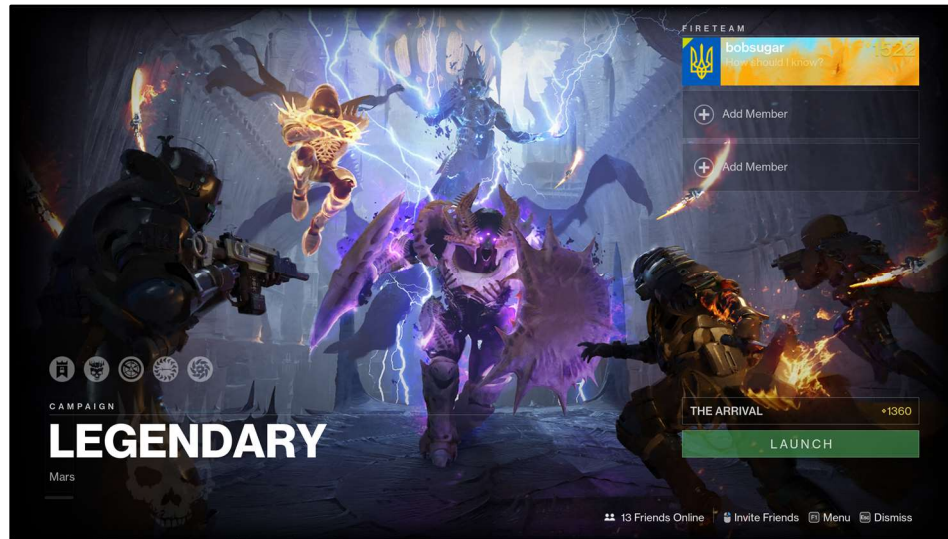
But at the same time – and this is why this lesson is painful, so much of quality and delight in our craft comes from overdelivery, right? From giving folks stuff above and beyond what they expected! We still want that – we still want to surprise and delight and sometimes overwhelm our players. But we need to be mindful of the patterns, and the implied future commitments we've set for ourselves each time.

This is TOUGH – and this is the one honestly we're still grappling the hardest with. It is HARD to tell a team, that has extra cycles and energy and want to do something amazing – that totally would be amazing and awesome for

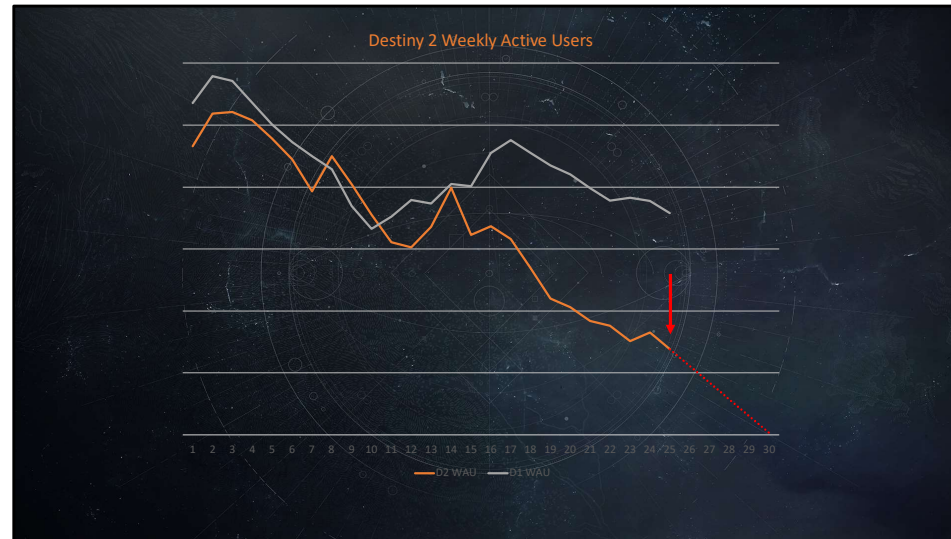
the game – to tell them “We should not ship this, because it is an overdelivery that will set us up for failure on future trains.”



To paint it in a more positive – proactive light, the lesson we’re still learning is that everything we deliver needs to be a blueprint. We need to understand how it will be repeated, and whether we can do that repeating sustainably. And if we CAN’T repeat the blueprint – or we don’t want to, we need to make sure player expectations are setup to match ours!



Like, a good example of this recently was our Legendary Difficulty for our Campaign. That was a cornerstone feature of The Witch Queen, and it's been really well-received! It also was a meaningful step up in the amount of work we have to do building a Campaign. And we knew that going in, so we designed it as a blueprint we can repeat in future Expansions, now that it's a proven success.



So yeah – returning all the way back to this moment in 2018.

At the time, it felt like it could be the end for us – for D2 altogether, but it was actually the inflection point that was the BEGINNING of us really understanding and embracing a Live Service Mindset.

This was the inciting incident, that led us to some big, multiyear shifts in our mindset. This is what helped us solidify a bunch of learnings, like



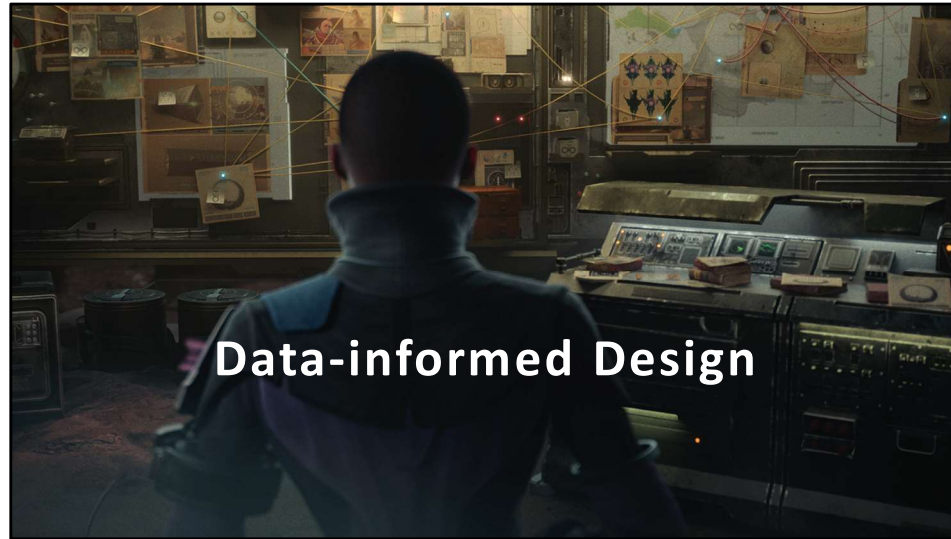
That your Velocity, is SO much more important than your current Position



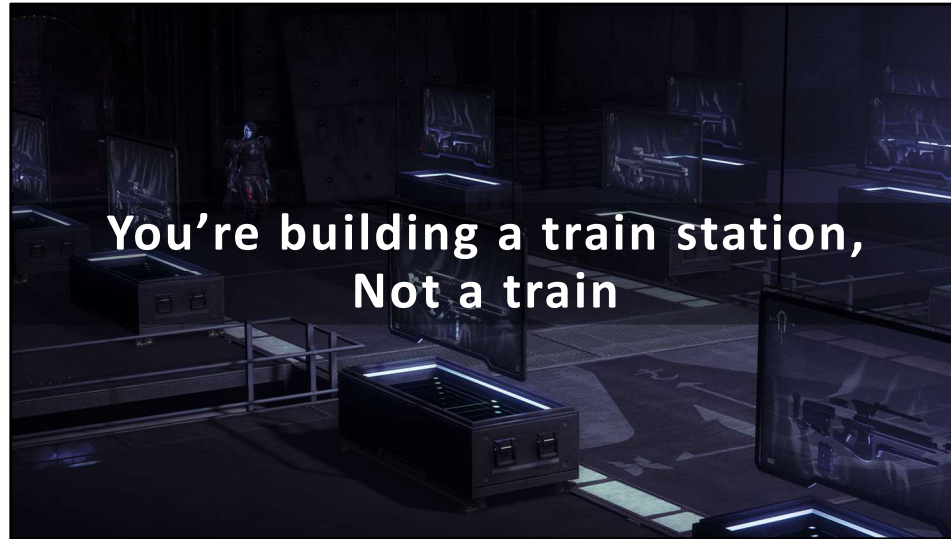
And that to achieve that velocity, we have to get REAL comfy with failing out in the open, in front of our players



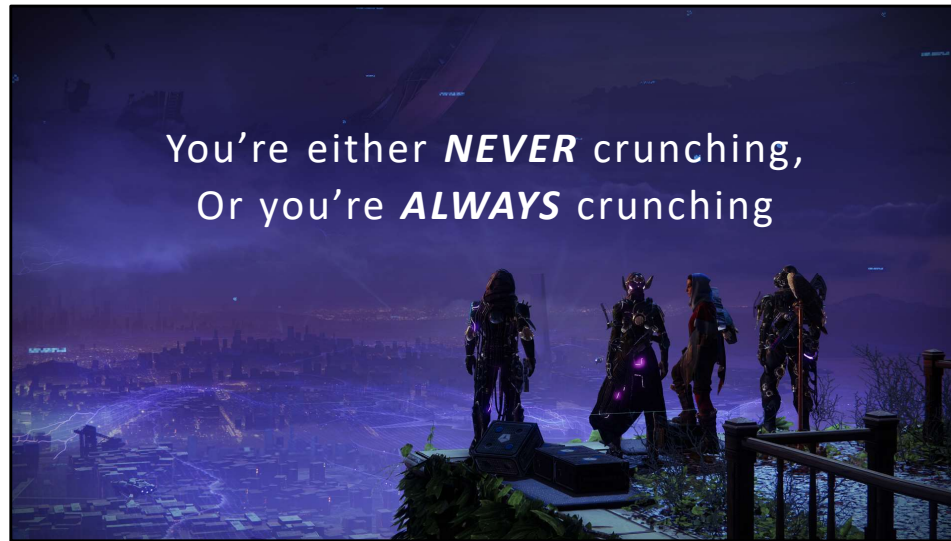
And that when you are in a Live Service crisis, prioritizing Trust, then Retention, then Revenue can get you out



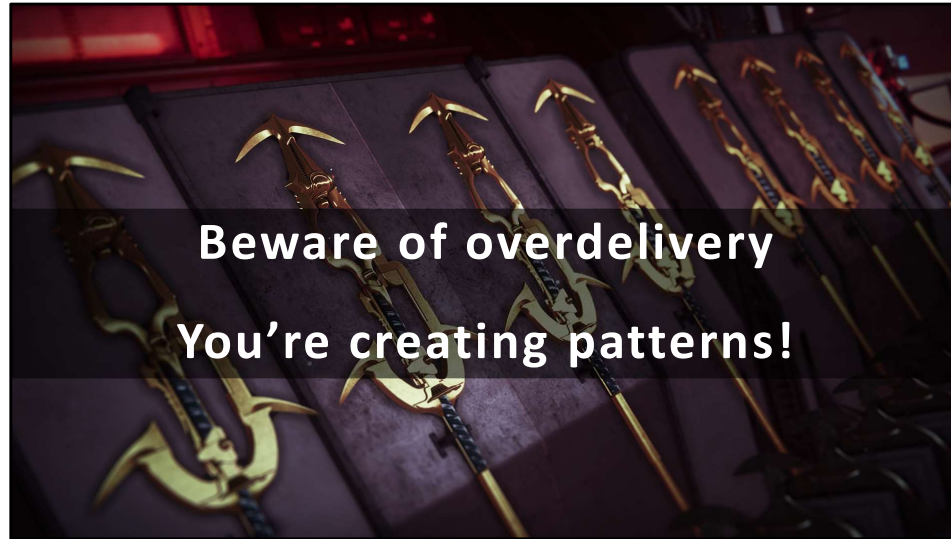
That you need all your Designs, and all your creative decisions, to be DATA-INFORMED – in nuanced and **quantifiable** ways



That we're building a train STATION, not a train



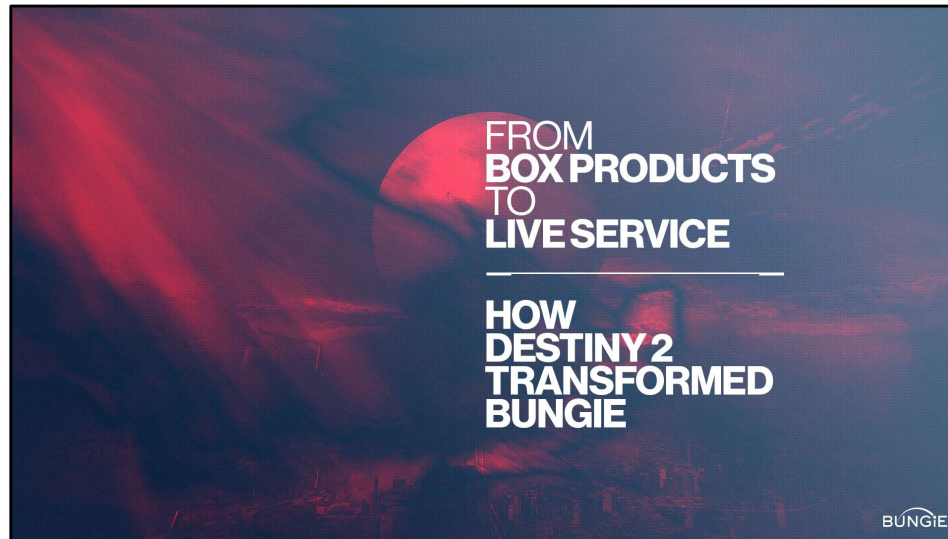
Which means you need to stamp out Crunch and all other forms of heroics



And beware of overdelivery that can cause future problems for your train station.



And ultimately all of these mindset shifts, what they really boil down to, is redefining what success means – what quality means – for your entire team and culture. But if you do that, I think any organization can make the transition from a history of great AAA Box Products, into the future of Live Service.



So yeah - I hope you've gotten some value out of the lessons we've had to learn in the space – because we paid for these lessons with a lot of scrapes and bruises and soul-searching, and I'm hoping that by sharing, you can get to the same destination with far fewer injuries!



And if you like what you heard, we'd love to have you on this learning journey with us, building the future of Live Service at Bungie!

We're hiring right now for almost every type of role imaginable, in both development and publishing, from entry-level to director-level, and we'd love to speak with you.

So yeah – thank you everyone! I think we have some time now for Q&A.