



GOING BEYOND CROWDFUNDING

Crowd funding is.....

- A. A great way to fund a new project
- B. An opportunity to build your community early
- C. A mine field
- D. Not for everyone



The Art of Crowd Funding

- Just like any type of business, it is about pitching a product with underserved demand.
- Crowd funding isn't just about raising money and going away; you must build a community.
- Interacting with and getting feedback from your community is invaluable to making sure you meet the demand.
- Allow backers to not only pre-purchase the end product, but to participate in the journey.

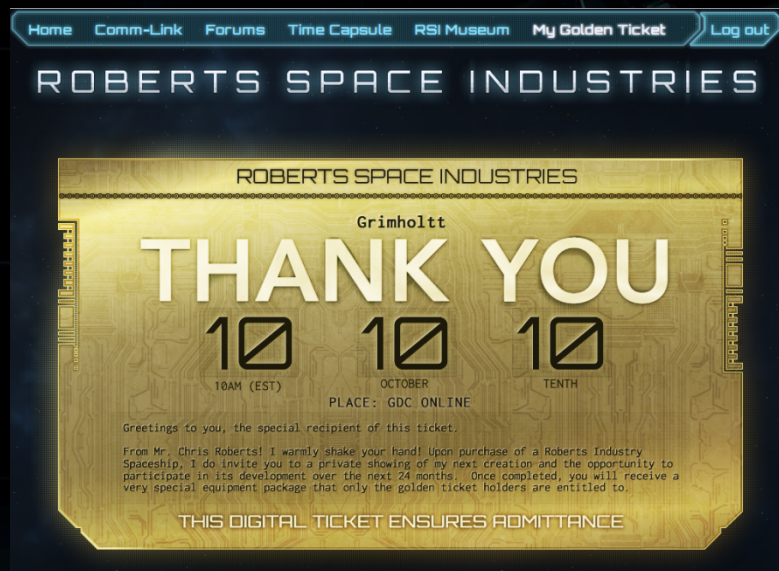


**Towards the end of 2011
started R&D on my first game project in 10 years**

**On October 10th,
2012
I announced to the
world what it was...**



Where We Started...



- Planned to demonstrate demand to a group of pre-committed investors. If we could raise between \$2 and \$4M we had commitments to cover the rest of the estimated budget (\$12–14M at that time).

- On September 10th 2012, we put up a teaser site before the actual announcement, to gauge initial interest. 10,000 people signed up



Where We Started...

- On October 10th, 2012 we revealed Star Citizen with the trailer and prototype at GDC Austin. 40 days later at the completion of our first crowdfunding campaign, we had raised:
 - \$4.1MM through our website
 - \$2.1MM through Kickstarter
 - Shattered every stretch goal we had set.



- After this we realized that we had a chance to make the game we wanted without needing an investor or publisher at all!



Star Citizen: The First Year



Where We Stand Today...

Our direct campaign
to fans has generated
more than \$24 million

+

Our Kickstarter campaign
broke all stretch goals
and generated
\$2.1 Million

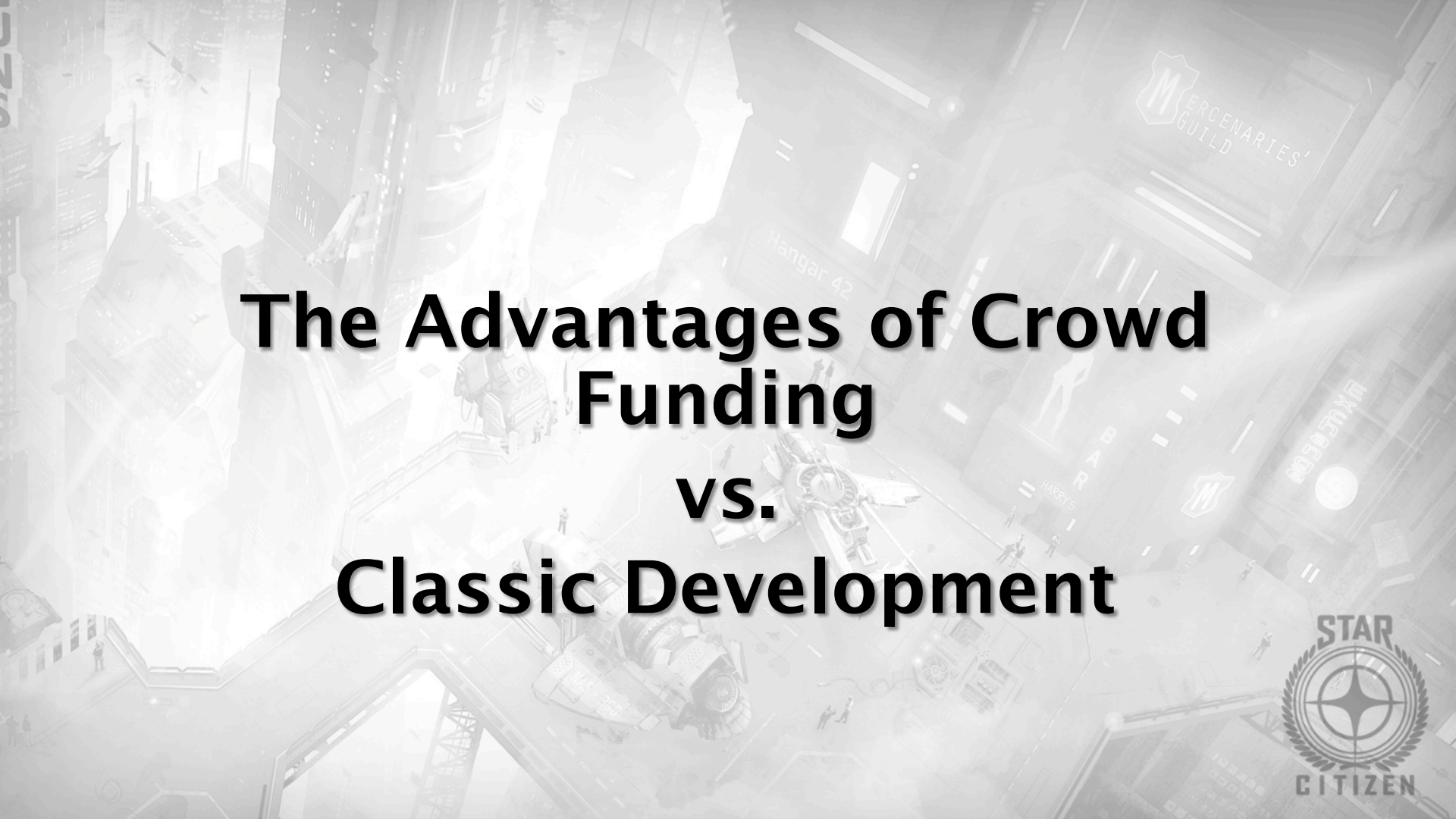
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Total from both campaigns
More than \$26 million



Needless to say, we were blown away
by the support of our fans and backers.





The Advantages of Crowd Funding vs. Classic Development



PC Value Chain: circa 1998

- Developer (Home rolled engine, production tools)
- Publisher Green Light Process (What gets made/financed)
- Publisher Marketing (How consumers are engaged)
- Publisher Sales Rep (Managed retail relationships)
- Retail Buyer (What gets brought into retail)
- Retail Staff (Consumer Recos)
- Player

**Development Talent 5 steps
removed from customer**



New Value Chain:

- **Development Team**

Direct communication ensures products meet the needs of customers, minimize waste and maximize efficiency. Less noise. Better signal.

- **Player**

**Direct Relationship
Between Creative Talent and Players**



Traditional Retail vs. Crowd Funded Projects:

	Traditional PC Model:	Direct PC Model:
Development:	\$12 (20% royalty)	\$48 to \$51
Marketing/PR:	\$9	\$6
Sales Promotion:	\$9	-
Retail Margin:	\$12	-
Publisher Margin:	\$18	-
Kickstarter / Payment Processor Fees:	-	\$3 to 6
	\$60	\$60

Direct PC publishing model allows RSI to put over **4x** the resources in game development vs. other costs associated with the traditional box-product publishing model.



**So how do I connect with my
potential audience?**



Use an Established Platform...

Kickstarter (or Indiegogo)



- Good for initially building a community
- Has a built-in audience and support network (good for marketing and PR) but just for the length of the campaign, typically 30 days
- KS not necessarily optimal for interacting with your growing community
- Comment threads are much less interactive than traditional forums
- Once the campaign is over, no way to bring in new



Or Build Your Own



- Direct contact with your community
- Give you control of the medium and the message
- Allows you to customize your rewards to the game NOT the Kickstarter format
- Keeps more of the funds pledged by backers (97% versus 90% or less)



Building a Community



- Grab their attention and keep it past the 30-day campaign!
- Launch with a content plan; constant updates keep your project in the news
- Empower your users; your backers' passion is your best marketing tool



**What we do to take it to the next
level...**

**(\$20M+ after the initial crowd
funding campaign and counting)**



Focus on Community: Our Sauce

- We have established a dedicated and passionate community of nearly 300K space sim fans
- Our fans are involved in the design process and included in decision making through discussion forums and polls
- These fans have pledged

more than \$26 million
towards the early
development of the project

Some stats about our backers

- 69% are over the age of 25
- 89% game on a desktop
- 81% built their own PC
- 75% have 8 GB of RAM or more
- 29% intend to use Oculus Rift
- 58% own at least one console

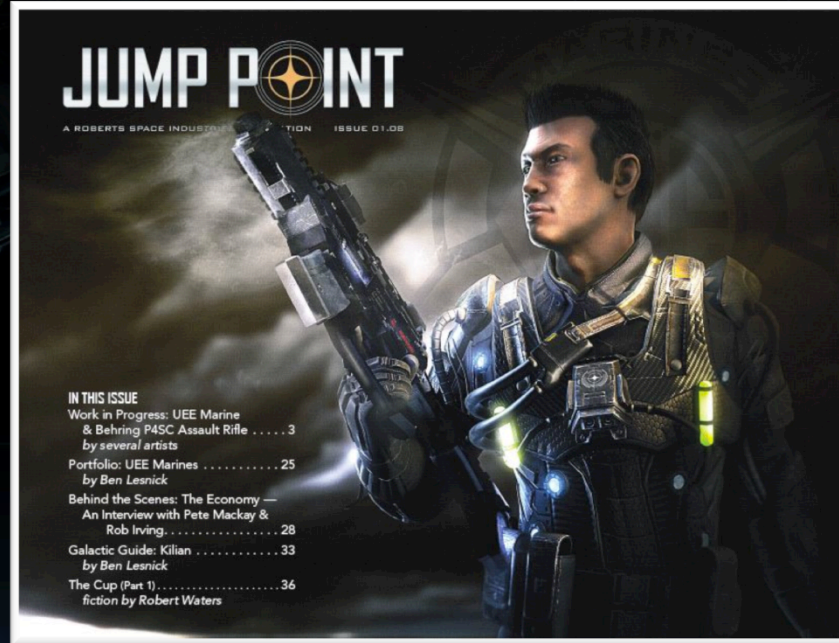


STAR CITIZENS
292,090



How do we keep the community engaged and having fun?
Ongoing and regular content releases!

Monthly newsletters



Daily Content Releases



Make Backing Fun!

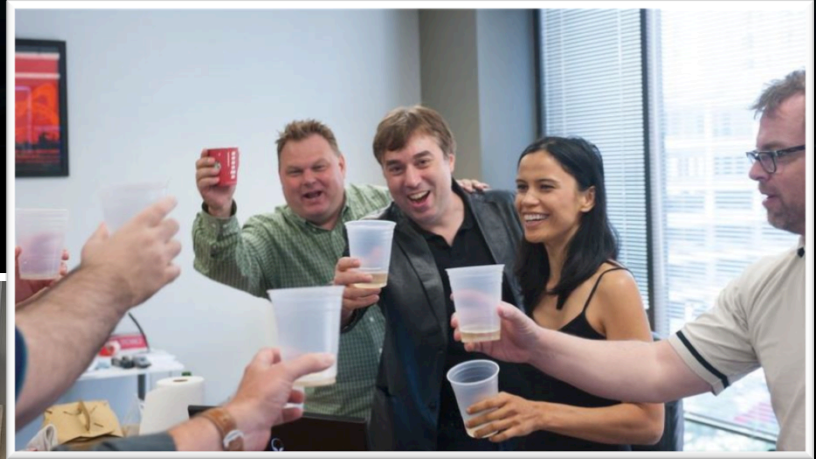
- Create events around new content reveals. For every spaceship introduction we create a full in-fiction brochure, like you would receive from a car dealership, along with in-engine commercial using the actual game assets.
- Live events to interact and share with the community on a real-time basis
- With constant content – behind-the-scenes footage, development updates, polling fans on features, meet-the-team interviews, etc. – gives backers something to sink their teeth into along the way.
- These events have attracted many new members to the community. 60% of the funds raised since April have come from entirely new backers, growing the community.



Live

Streams

Nov 17th 2022 24hr live
stream - raised \$1.5 million



Live

Streams

June 28th 2013 24hr live stream
- raised \$688K

- Combination of live events and promos generated \$4.3 million in one month period (6/22 - 7/22)



1 Year Anniversary Celebration

- Helped raise \$5 million+





THE NEXT GREAT STARSHIP

- Modding competition for players to create a space ship that will be part of Star Citizen
- \$30,000 grand prize
- Weekly live elimination rounds
- Major sponsors – Alienware, AMD, Autodesk, Crytek, YouTube
- Winning team announced on the eve of E3 live on RSI YouTube channel



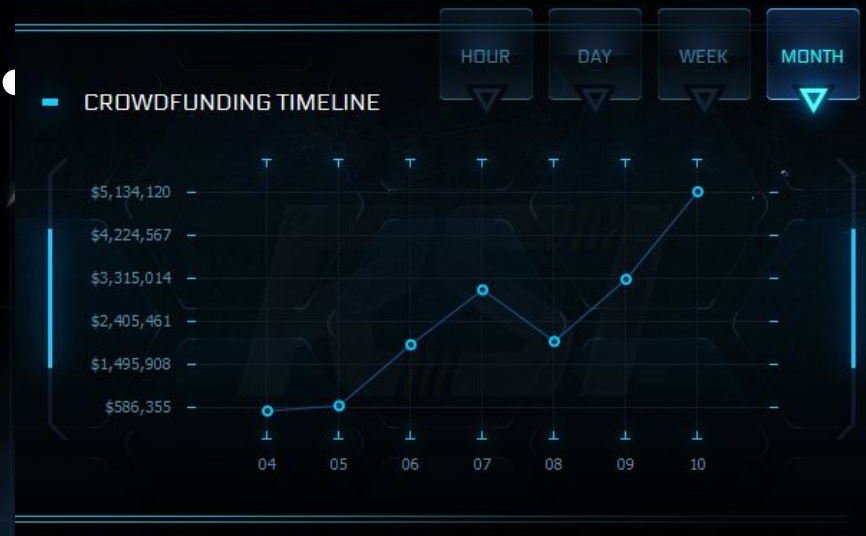


AAA quality promotional brochures
and



One year since our crowd funding campaign began...

- *Star Citizen* is raising funds faster than ever



Why?

- Great content
- Regular information flow about SC and the process of building the game.
- A community that continues to be engaged and invest in the universe
- New fans still being added daily





**Involve Your Community by
Sharing Your Work!**



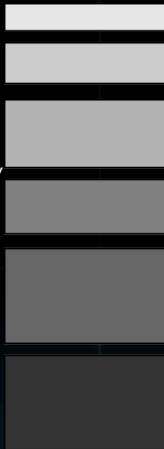
Staged Development : Share as You Go

Traditional PC Development

- Development risks are back-end loaded.
- Consumer feedback addressed post launch
- Will it be fun?

Launch

Design, Development, and Technology risks surface late in development process.



RSI Staged Development:

- Core game systems tested early
- Consumer feedback incorporated early
- More engaging process for all stakeholders

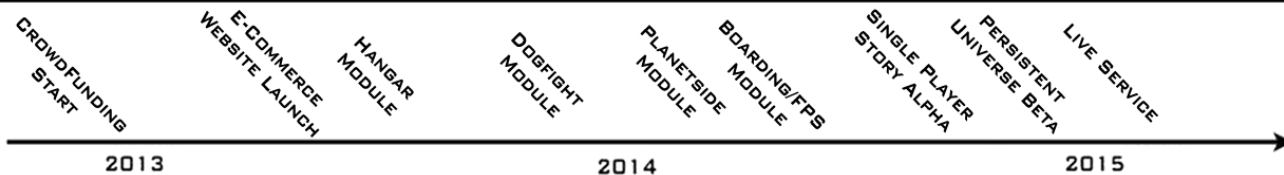
Hangar App Dogfighting Beta Live



Staged Development:

USING A BLENDED PLAN OF AGILE METHODOLOGY FOR FEATURE DEVELOPMENT AND WATERFALL METHODOLOGY FOR PRODUCTION, ALONG WITH TRIED AND TESTED MIDDLEWARE SOLUTIONS, THE TEAM PLANS TO RELEASE PLAYABLE MODULES AS THEY ARE COMPLETED.

Module	Features
HANGAR MODULE - AUGUST 2013	VIEW AND CUSTOMIZE SHIPS IN YOUR HANGAR AND SOCIALIZE WITH FRIENDS
DOGFIGHT MODULE	TAKE YOUR SHIPS INTO SPACE AND FIGHT! (MOBA)
PLANETSIDE MODULE	MORE ADVANCED SOCIAL PLAY ON THE PLANETARY LEVEL
BOARDING/FPS MODULE	BOARD SHIPS AND TAKE ON YOUR ENEMIES IN FIRST PERSON COMBAT
SINGLE PLAYER STORY ALPHA	ALPHA VERSION OF SQUADRON 42
PERSISTENT UNIVERSE BETA	EARLY MMO RELEASE
LIVE	FULL RELEASE OF ALL LAUNCH CONTENT W/ FULL COMMERCIALIZATION



First Module Released – August 2013

The Hangar Module



And there's more to come

—

The Dogfighting Module

Second modular release scheduled for a staged rollout from the end of this year through the early part of 2014



Our Goals

Be the first ever AAA game funded solely by its fans.

Capitalize on the strengths of the PC as an open platform with more power than consoles.

Build a thriving community ahead of our launch...

...and WITH OUR COMMUNITY AS PARTNERS, strive to create the Best Damn Space Sim Ever!



Wrap-up

- Excited about PC gaming and the opportunity to bring something fresh and new to Space Sims.
- Tremendously thankful to our fans and backers for their support. We couldn't do it without them!
- Welcome everyone to join in on the fun!
www.robertsspaceindustries.com

