GDC®

Reinventing a Developer
Going from Early Hits to Enduring Success

Ben Liu
CEO, Pocket Gems

Pocket Gems

War Dragons
Category defining synchronous multiplayer 3D game

Episode
Pioneering interactive mobile-first storytelling platform

2015

2013

2011

2009

Tap Zoo
First animal collection game on mobile

Tap Pet Hotel
First tower game on mobile

Paradise Cove
First exploration simulation game on mobile

Campus Life
Category winning dollhouse game on mobile
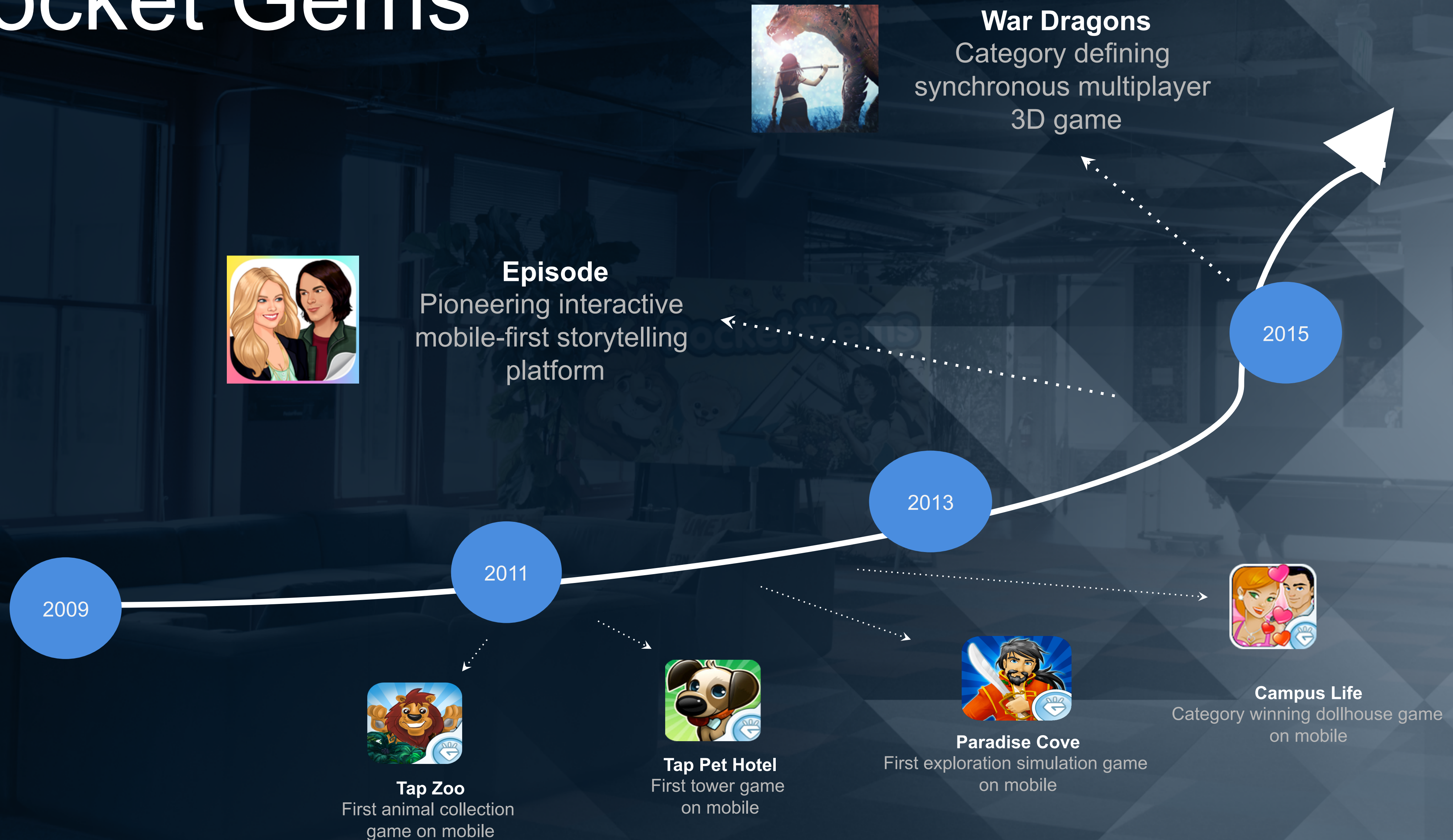
Pocket Gems

What Happened in 2012?

Push: change was starting

- Anecdotes from players
- Metrics deteriorating

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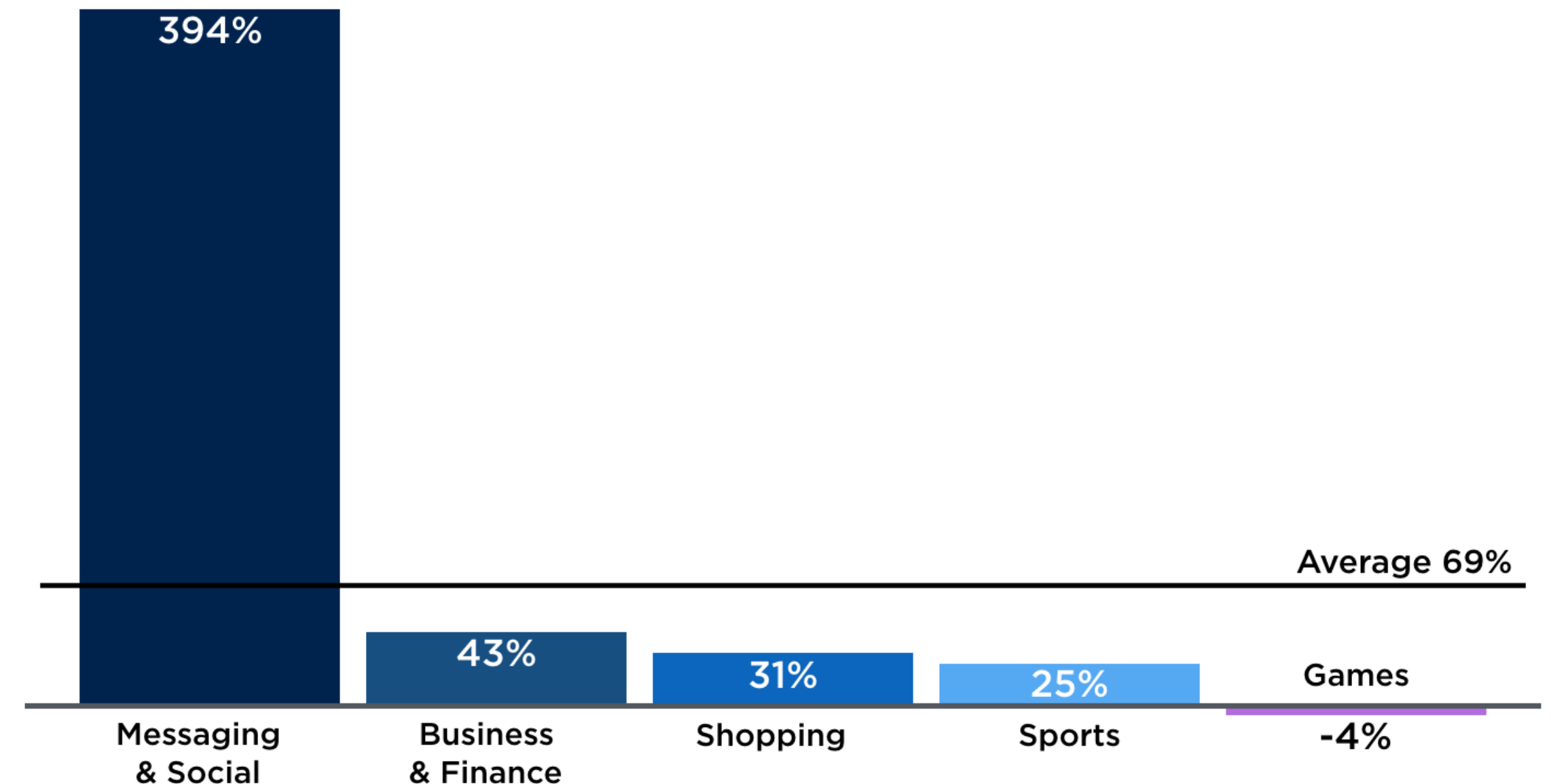- Anecdotes from players
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Pull: opportunities in new areas

- Synchronous games in 3D worlds
- Mobile storytelling

Similar Forces at Work Today

› Push: Mobile maturation + consolidation
  – Remains a hits-driven industry, harder to create a hit game
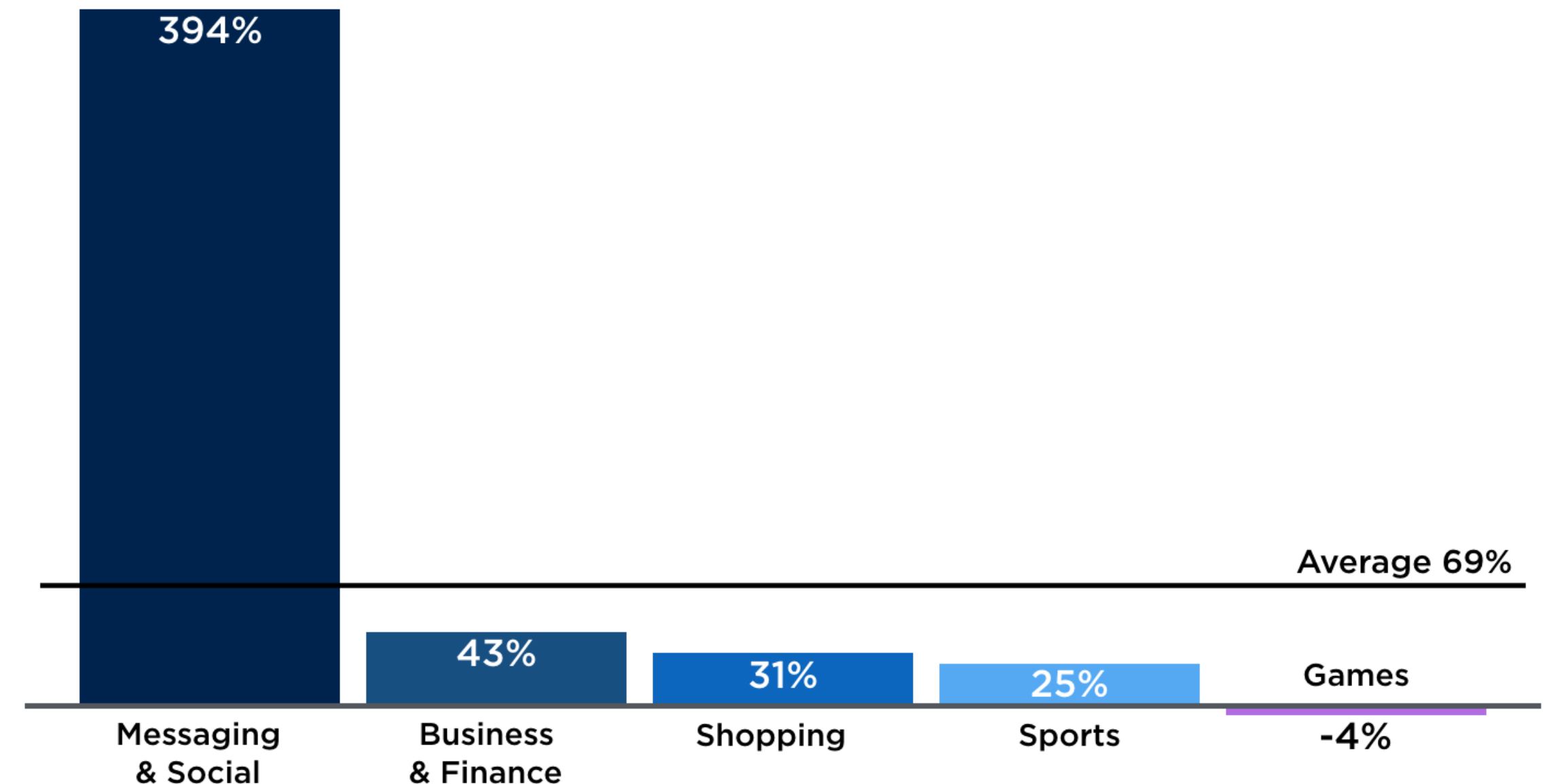 – Games saw time-spent decline by 4% year-over-year in 2016 (Flurry)

Mobile App Time Spent Grows 69% Year-Over-Year

394%				
Messaging & Social	43% Business & Finance	31% Shopping	25% Sports	Games -4%

Average 69%

FLURRY   Source: Flurry Analytics, 2015-2016 Year-over-Year Time Spent Growth

Similar Forces at Work Today

› Push: Mobile maturation + consolidation
  – Remains a hits-driven industry, harder to create a hit game
  – Games saw time-spent decline by 4% year-over-year in 2016 (Flurry)

› Pull: Market growth, rise of new categories, new devices
  – New device capabilities
  – iOS saw strong revenue increases in 2016, jumping 49% (Apple)

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Reinventing Pocket Gems

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1 Re-recruiting our team

2 Creative leadership

3 Keeping existing players happy

4 Baking in financial runway and flexibility

5 Finding complementary talent

6 Keeping morale high and preserving our culture

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Re-recruiting our Team

› We did everything we could to get buy in from everyone on the team and approached each individual as if we were recruiting them into the company for the first time

› Successful recruiting is all about communicating a clear vision for the organization's future and matching it up an individual's interest with a specific role

| New direction decided with team | Planning begins | Board meeting with investors | Development on War Dragons starts | Development on Episode starts | Episode Launches | War Dragons launches |

2012   **2013**   **2014**   **2015**   **2016**   **Today**

Challenges

No one likes change

Uncertainty around strategy

Getting ready for tough times

Tough Questions that Came Up

(04/15) How are we planning to brand ourselves as a company with games like War Dragons and IPs like Mean Girls and Demi?

(06/15) What's the plan to set up Casual to execute our vision to build the best games with the same vigor as Core?

(1/16) Now that Casual has been scaled down, will we ever make casual games again? If not, what does that mean to those who enjoyed working on casual games?

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Everyone Seeing What You See

> Overshare information

  – Dashboards

  – All-hands

  – Office hours

 – One-on-one meetings

> No surprises

Some People Left

> We were candid about the new direction and had a lot of heart to hearts

> Not everyone was up for the challenge and some team members decided to part ways

> We accepted it and had departures on good terms

Transitioning Our Team

> We had to start towards a longer term vision when it wasn't fully defined and allow time for our team to take full ownership of it

> It happened in stages
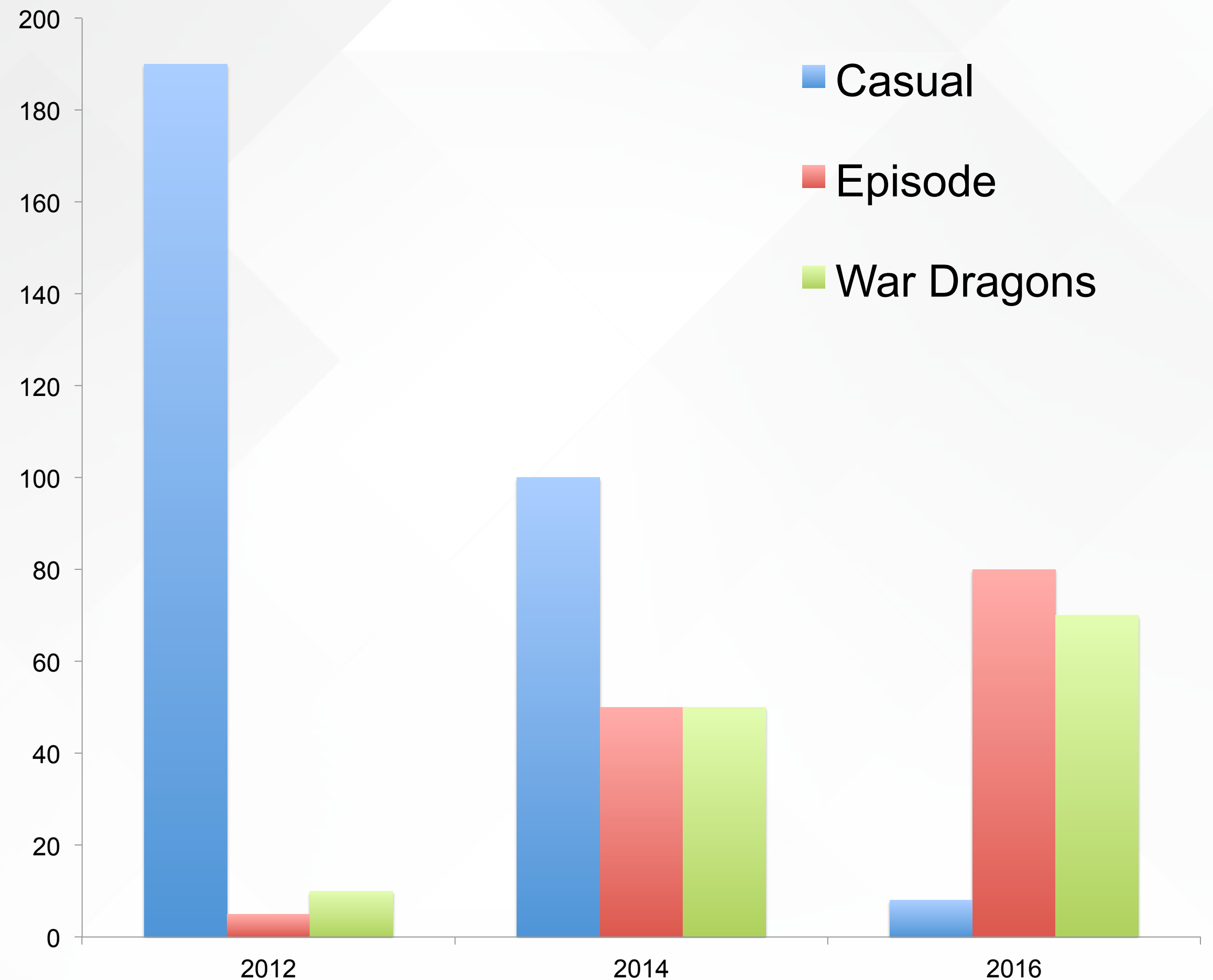
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Keeping Existing Players Happy

- > We did everything we could to minimize the impact on our players

- > Some of our best casual players have become foundational community members for Episode and War Dragons
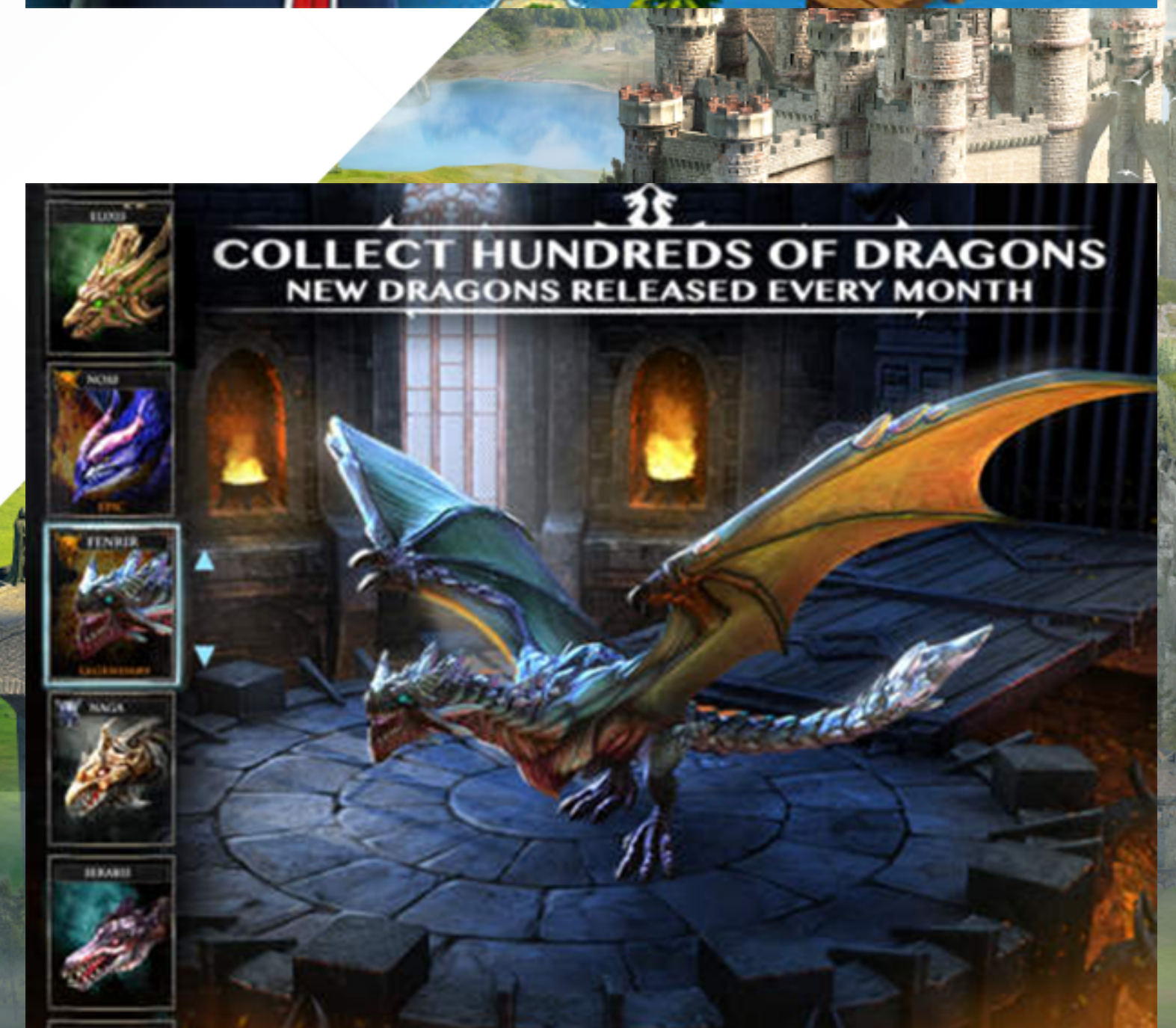
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Baking in Financial Runway and Flexibility

> Bootstrapping means being able to fund future projects with existing projects

> Small product development teams with people who can do multiple functions, this also applies to other parts of the company

NO LAYOFFS

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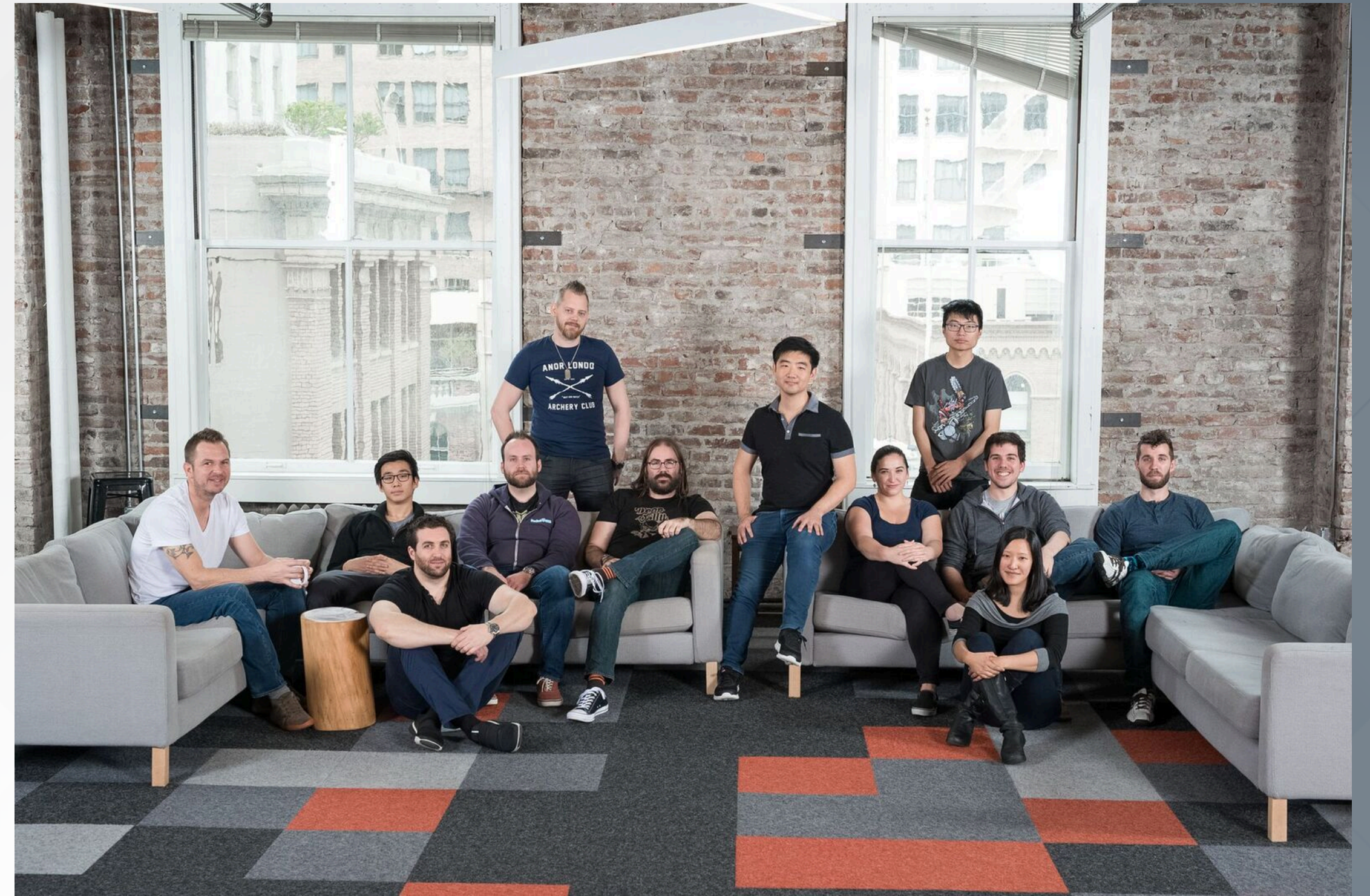**4** Baking in financial runway and flexibility

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Finding Complementary Talent

> We believe the great products of the future will be built by teams combining the pioneers of mobile and the great craftspeople of the industry

> Examples of entirely new roles we needed:
>   – Level Design
>   – 3D Art
>   – Graphics Programming
>   – Game Design
>   – Episode Originals

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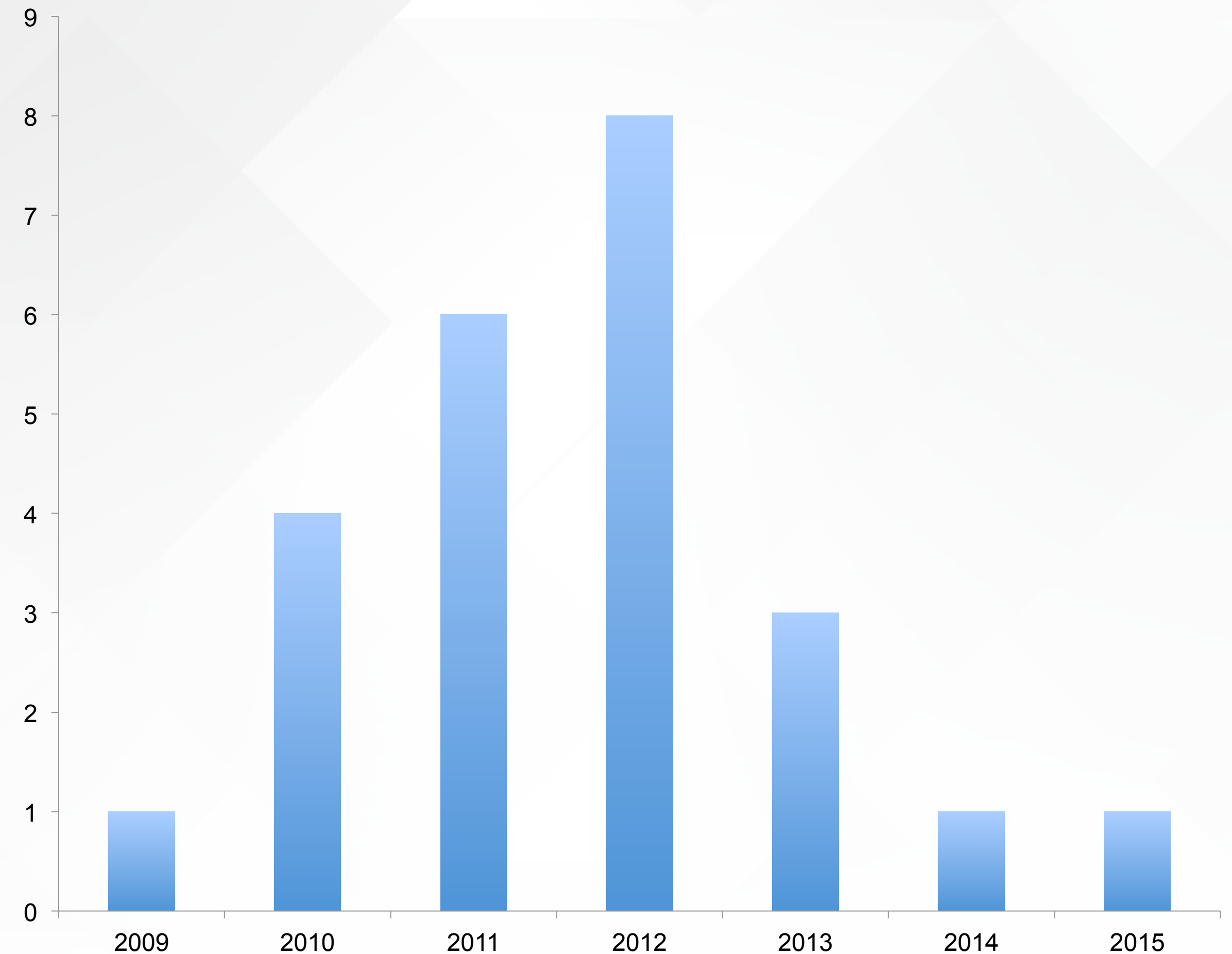
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Keeping Morale High

> Change is really hard and there are a lot of dark days (as it is for all new startups)

> Long stretches of time between product launches

> Mobile products are rarely overnight successes
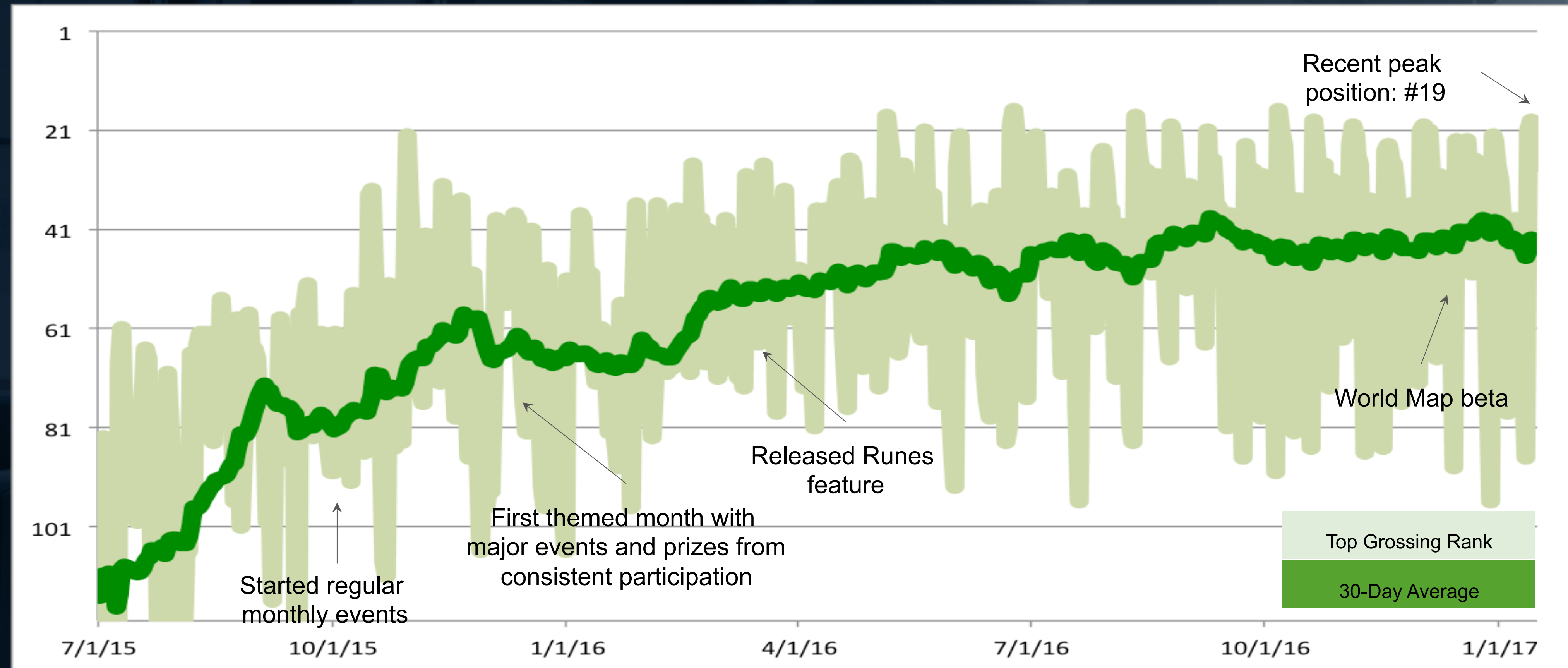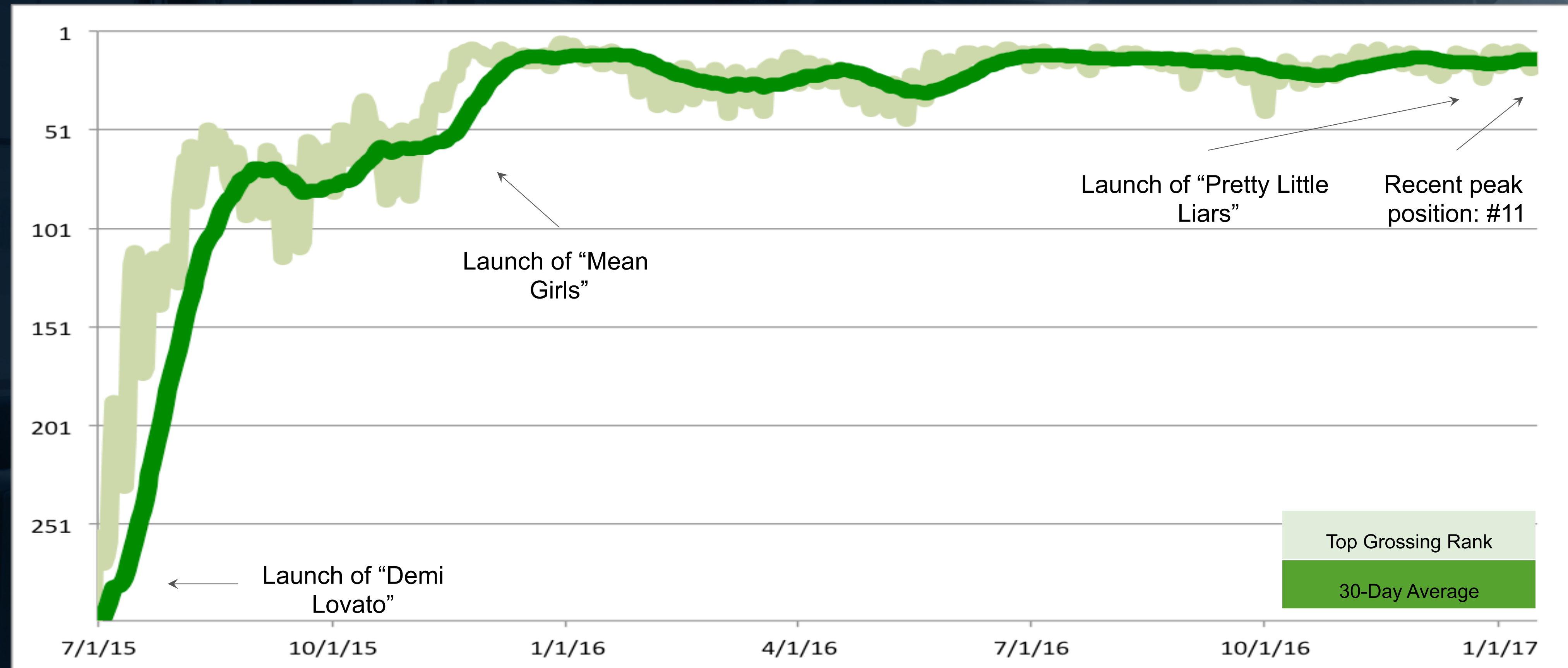
Game Launches Per Year

Preserving Culture

> All of our projects in company's history have at some point looked like abject failures

> We never gave up

> We got the company unified behind our new products
>   – All-hands demos + product / tech updates
>   – Company-wide playtests
>   – Share early data findings when possible

Case Study: War Dragons

Recent peak position: #19

World Map beta

Released Runes feature

First themed month with major events and prizes from consistent participation

Started regular monthly events

Top Grossing Rank

30-Day Average

Case Study: Episode

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   - Do everything you can to get buy in from everyone on the team
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2. Successful change depends on making the change deeply rooted in everyone associated with your company both internal and external
   - Do everything you can to get buy in from everyone on the team
   - Do right by your players no matter what
3. Be conservative when it comes to managing your business
   - Build in time to make changes
   - Work steadily towards being able to fund future projects with existing projects and never get away from this balance
   - Be creative with hiring

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4. Don't ever give up

Questions?