Current Station and Development of China's Online Game Industry

Jiashu Xu

Tsinglan Dongguan, Dongguan 523000, Guangdong, China

Abstract: As a part of the entertainment industry, the economic interests generated by the online game industry occupy an important position in the cultural industry. This paper divides the online game industry into three parts: web games, computer client games and cell phone client games, and discusses its historical origin, current situation, development and prospect, finding compelling reasons of its status, which will contribute to a two-pronged solution. From the development process of China's online game industry, the study can find its deficiencies and advantages. In digging deeper into its advantages and disadvantages, solutions will be demonstrated and provide a reference significance.

Keywords: online game industry, development, question

1. Introduction

Online games are a burgeoning way of entertainment, which includes literature, art, music, history, etc. Its development boost the development in other related industries. During the process of development, powerful companies like Tencent, SNDA-US, OurGame, NCTY-US began to embark on the road of research and development, operation, sales and promotion, forming an industrial chain. Meanwhile, it also breeds questions such as virtual property protection, product homogenization.

2. Definition of Online Games

Online games refer to a sustainable individual multiplayer online game that uses the Internet as the transmission medium, the game operator's server and the user's computer as the processing terminals, and the game client software as the information interaction window, which is aimed at realizing recreation, relaxation, communication, and achieving virtual achievements[1].

3. Emergence and Development of Online Games

3.1 The emergence of online games and their oversea development

The widespread use of the Internet has made the market start to face the global scope, at this time, the service platform or operator that online games rely on is also tending to be complex, no longer single. Developed independently by Archetype in the fall of 1996, Meridian 59 blew the lid off the third generation of online games. Unlike previous MMOs, Meridian 59 and Cyber Genesis rejected the traditional hourly or minutely rate and adopted a monthly subscription. This shift puts expanding the game's user base as the primary goal of MMO operators.

The new generation of online games is characterized by the development of mobile games, with the maturity of mobile game technology, mobile games with the advantages of portable, convenient and other advantages of mobile game-like user demand is growing. 2015, the State Administration of Press, Publication, Radio, Film and Television (SARFT) approved the publication of about 750 games, the client games accounted for 11.2%, web games accounted for 32.8%, and the mobile game was 49.7%. According to the information from Yi Guan International, mobile games are the most popular free/paid applications among domestic mobile Internet users. 78.4% of mobile Internet users have played mobile games; among paid users, 46.9% have purchased mobile games[2].

3.2 Development of Online Games in China

In September 2003, online games were formally included in the National 863 Program, and the government has increased its support for the online game industry in terms of funds and policies. But strictly speaking 2005 to 2007 is the stage of development of China's online game industry, China's online games began to embark on the road of independent research and development.The number of teams engaged in independent game research and development has increased from 73 in the previous year to more than 120 in 2005, and the number of medium and large-sized online games developed has reached 192, an increase of 83 compared with 109 in the previous year. Driven by a series of measures to encourage and promote the

publication of original national online games, such as the implementation of the "China National Online Game Publishing Project" by the General Administration of Press and Publication in 2007, the actual sales revenue of China's online games in 2007 amounted to RMB 10.57 billion. Among them, the actual sales revenue of China's self-developed national online games amounted to RMB 6.88 billion, accounting for 65.1% of the actual sales revenue of the online game market. In addition to self-developed online games in the market has a weighty position, web games mainly for white-collar workers web games are also gradually emerging.

The industry chain of online games is mainly composed of online game players, online game operators, online game developers, supplemented by Internet cafes, online game sellers, online game peripheral products, online game software and so on. Online game developers have started to integrate R&D and operation, while online game sellers have also made full use of the era of network information explosion to minimize the intermediate sales links, as far as possible, directly to consumers[3].

4. The analysis of China's Online Games Development

4.1 The analysis of Client Game's Development and Current Situation

Client games are an essential part of online games, with holding more than 50%stoke in whole market. However, it has developed steadily since 2014, which was a sign of decrease. The operation of client games are mainly controlled by Tencent and Netease. Tencent has a variety of games, covering almost all mainstream games in the market. Moreover, NetEase relies on its strong independent research and development capabilities to gain a foothold in the market. Its Fantasy Journey to the West series and Westward Journey of Great Words are both well-reputed, top-quality masterpieces.

Despite the emergence of some excellent games in 2014 and 2015, most of the game users are still keen on World of Warcraft, League of Legends and other large client-based online games. The decline of client games is linked to the diminishing utility of computers. There is no denying that the usefulness of cell phones is gradually increasing, and they can even replace computers in many places. And compared to the mobility of mobile games at any time, client games can only be confined to sitting in front of the computer, which is very inconvenient.

But now client games have also found a new outlet, which is the e-sports market. The e-sports market has been developing rapidly in recent years, with the development of e-sports tournaments as well as live streaming platforms on the one hand, and the development of casual and competitive client games on the other. The emergence of tournaments and live-streaming platforms is beginning to change the false perception that online games is a detriment, which is just a waste of time. Casual and competitive games are more closer to life, making them generally acceptable to the public. The public's interest in these games has also made the game-related derivative products sought after by the public, such as various game dolls and TV dramas adapted from the games, which make the industry chain of online game industry richer and more complete.

4.2 The Analysis of Mobile Game's Current Situation and Development

There are two main types of mobile games, one is simple to operate, with puzzle small games, both online and standalone, is the first choice to kill time. Subscribers kill time through those small games. The another one is primarily an adaptation of a client game, or a game similar to a client game. This kind of game product compared to the client game to operate a little more simple, online time and a little more than the demand for stand-alone game[4]. The most typical game of this type is NetEase's Fantasy Westward Journey hand-tour version. According to incomplete statistics, the 2015 profit of the hand-tour version of the Fantasy Westward Journey is 1 billion. And the Fantasy Westward Journey hand-tour version was only officially launched in March 2015. Compared with the client game of Fantasy Westward Journey, the hand-tour version of the game has more users. Cell phone online games do not need to sit in front of the computer for a long time, so the hand-tour version of the Fantasy Westward Journey has more users, from the minors who just went to elementary school to the middle-aged people in their forties and fifties. And the main audience for client-side games is limited to young people between 18 and 28, as they are the only ones who can afford to spend so much time on games. However, the disadvantage of mobile games is that they cannot attract more fixed and loyal users. And high-end client game accounts can be traded for hundreds of thousands or even millions of dollars, but mobile game accounts are difficult to trade at a more ideal price.

5. The Existing Problems of Online Games

5.1 Internet private services, plug-ins and the protection of virtual property on the Internet

Private service is a web server that is set up without the authorization of the copyright holder and after illegally obtaining the server-side installer. The most typical private service incident is the leakage of the source code of "Legend" in

Korea in 2002, and the private service of "Legend" was circulated everywhere on the Internet for a while, which brought huge economic losses to the Korean company and the Shanda Group, which acted as the agent of "Legend" at that time. The proliferation of private services can be detrimental to all three parties. The first party is undoubtedly the game development companies as well as the game operators. Private services can directly divert users from the game itself causing financial losses. The second party is the user of private service. On the surface, it seems that by using a private service, they can avoid certain aspects of the charges. But in the long run, in the irregular game site or even use the illegal game site of the private service, the game user's own rights and interests are difficult to be protected, including the user's private information leakage problem and the protection of virtual property, if the proliferation of private service, will cause huge economic losses to these companies, and the game developers, operators will not be willing to invest a huge amount of money, to promote the whole network game industry development and progress.

Plug-in refers to the use of computer technology for one or more online games, by changing the software part of the program produced by the cheating program. The use of plug-ins makes it difficult to protect one's rights and information privacy.

To fully fix those problems, governments and individuals should make joint effort. Governments should bring legislation into force to regulate the market. Online game users should cultivate legal spirits to protect the environment of online games[5].

5.2 Online Game Addiction and Social Orientation Bias

Since its generation, it has suffered copious misunderstandings and prejudice. It's as if playing the game is a complete non-starter and a time-suck. There is no denying that online games do bring negative effects to young people. Playing online games for too long has led to a large sum of reports of sudden death, and the prevalence of mobile games in recent years has led to many teenagers using their parents' cell phones to invest thousands of money in games without their parents' approval. Not to mention the negative effects of online games on students' studies and on the efficiency of office workers. All of these adverse effects have made many people avoid online games like a tiger or wolf.

In this regard, South Korea has decreed an online curfew on this phenomenon. Minors are prohibited from logging into online game sites 24-0, while China has adopted more stringent rules to prevent minors from becoming addicted to puzzles, and minors are allowed only two hours of game time per week, which has effectively ameliorated the problem of online game addiction among teenagers.

But the key solution lies in channeling, not blocking. The truth is that people are all biased against online games. It is just a tool, a tool people use for leisure and relaxation, and there is nothing wrong with tools at any time. What is wrong is that people do not make good use of this tool, including some people who take the opportunity to use these tools to seize high profits without regard to the impact on the public. First and foremost, it is significant have a correct understanding of online games and set proper epitome for young people. For those who disregard the public interest, government have to set up relevant laws and regulations to punish them severely.

5.3 Product homogeneity, lack of core technology

Online game is a very high threshold industry, his core is technology. And our country has not done enough in this area. Many of the popular games nowadays are proxies or imitations. For example, "Peaceful Elite", which is particularly hot now, is undoubtedly a parody of "Jedi Survival". Electronic Arts (NASDAQ: ERTS, or EA) developed the online game Star Wars OL at a huge cost, the game was created over four years, it is estimated that more than 200 full-time game staff participated in the production of the game, it is estimated that EA's investment in the game is more than $80 million; and predicted that the total expenditure on the production of the DVD installment of the game and the distribution of the game is 20 million dollars; and predicted that the total expenditure on the production of the DVD installment of the game and the distribution of the game is 20 million dollars. It is estimated that EA invested more than $80 million in the game; and it is projected that Star Wars OL will cost $20 million to produce, sell, and distribute the DVD installations of the game. This is a good example of how it takes not only a large number of online game developers, but also a large amount of money to develop a good game product.

The core of the whole game product development process is the network game developers, but China's network game R & D related talent is seriously lacking. Some game makers compete with each other maliciously for this reason, without considering mutual cooperation between companies, resource sharing and benefit sharing, but digging each other's talents with high salary and not focusing on cultivation.

As a result, Game development company should highlight internal training of employees , share resources with competitors, to make a double-win.

6. Conclusion

In the advent of sophisticated technology, online game industry has no alternative but to catch this trend. As mentioned above, there are three main obstacles that need to be tackle with. The development of online game industry in China is a systematical project involving government departments, online game developers and operators, upstream and downstream related enterprises, online game consumers and enthusiasts. Sound regulations, correct guidance, sufficient research and development investment and perfect industrial chain will play an essential and positive role in the sustained, rapid and healthy development of China's online game industry.

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