For an interview with CEO Scott Davis, please email support+CEO@qonqr.com

Sample Interview

Today we are speaking with Scott Davis, the CEO of a mobile gaming company called QONQR (pronounced Conquer). QONQR calls itself the geospatial game of world domination. You can learn more about the game at <u>www.TheWorldInPlay.com</u>. The app, "QONQR: World In Play" is available on iPhone, Android and Windows Phone.

QONQR is the first location-based game of its kind, allowing players to battle in an invisible war for realworld towns and cities. Right now, players from every corner of the world are using their phones to capture their hometowns, joining factions to patrol their cities, and strategizing massive assaults to control the world. Today, QONQR players have captured over 1 million towns and cities in every country in the world. Since 2012, player activity has covered over 35% of the populated earth, including 100% of the nearly 200,000 towns and cities in the United States.

INTERVIEWER: I understand QONQR is a location-based game. What makes QONQR different than other GPS-based games?

SCOTT: We have a core principle we use in our development of the game that has shaped much of what we do, which we believe is key to our success.

"Don't make gamers move to play the game, let them play wherever they happen to move"

It is very subtle but an important criteria to how we approach features. Very early on we identified a core problem with most location based games, especially multiplayer games. We coined this problem the "Hyper-local empty room problem". Many GPS-based games made players move to a specific GPS location to achieve an objective, and you had to get close, maybe 25 to 50 feet. This meant there had to be many objectives, perhaps dozens in a square mile. Otherwise objectives were too far apart for a player to travel between them. The probably with "battling" for locations like this is that you A: Have to be exactly there. B: With so many locations there were not enough players to keep the location interesting. "The room was empty when I visited it, so I left."

Games like this need rapid saturation. They need hundreds or thousands of players to join the game simultaneously in a city. Otherwise the first few players join, find no one to play with and quit, the cycle repeats forever, and saturation is never achieved to make the game fun. You need to have millions of dollars in marketing budget to achieve this necessary saturation, and so far the most successful company with this type of game spent millions to do it.

We took a different approach. We use macro locations, an entire town or city. Then we let you battle for that city from 30 miles away with a standard attack, and up to hundreds of miles if you buy missiles. This really eliminates the saturation problem for all metro areas, and even for rural players, there is an option to build a huge empire for hundreds of miles, while supporting players in their battle from hundreds of miles away.

INTERVIEWER: Is battling for a city something you have seen games do before?

SCOTT: No, not really. Early on we were urged to file a patent on our game mechanics and as such we needed to do some market research. We found some others had come before us and claimed to have built a game where you could "battle for your city", but the games didn't really know anything about your city. They had broken the map into latitude and longitude grids or allowed players to create areas on the map that was their territory based on some GPS coordinates, but the game itself had no idea what was under the GPS coordinates.

We took an approach where the game knew there was a town at your current GPS coordinates, it knew which town it was, what state/province it belonged to, and again, that town's country. This allowed us to build leaderboards for not only the town, but the state and country as well. It also gave us the ability to set up social sharing so players could easily brag about capturing Minneapolis for example. This was key to our success in the early day.

INTERVIEWER: That doesn't sound like a very big difference. Did it really make a difference with players?

SCOTT: We think so. Look, if you want to piss someone off, insult their home town. We all have tremendous pride in where we grew up, where we went to college, where we've been on vacation, and where we live today. Places in the world have incredible emotional importance for us. Those places have names. If you are going to build a game that lets you battle for those places, the game should know the names of those places. There is a natural switch that is flipped in people's psyche when they find out that someone is trying to invade their home town. That is a very powerful motivator, compared to seeing there is an unnamed circle on a map that is mostly over the place where you live.

We have nearly 3 million towns, cities and villages in 250 countries and sovereign territories around the world. You can search for them by name in the game and find who controls that town. I've met many people over the years and told them about QONQR. I always ask, "Where did you grow up?" Some chuckle and say, "Oh I grew up in a tiny little town, it won't be in your game." Every single time, their little town is part of our game. This is especially true in the United States where we have twice as many towns as there are zip codes. Our data for international countries (other than Western Europe) isn't as good, especially for suburbs that are "newer", but the small remote villages and towns are often in our database.

INTERVIEWER: I have to ask about Pokemon Go. What is your reaction to the competition?

SCOTT: First, you can't really think about Pokemon Go as a competitor just because it is also a locationbased game. Everything is my competitor. In mobile gaming, you play when you have 5 minutes with nothing else to do. That means school, work, kids, dinner, shopping, everything is a competitor, that keeps people out of my game. So... we built QONQR with a primary engagement targeted to 1-2 minutes to complete a "game cycle", then you can get back to your life. Of course many players will spend hours in chat and messages talking to other players and strategizing massive attacks, but we intentionally built QONQR to fit into your life throughout the day. Many of my players play Pokemon Go and several other games throughout the day. It isn't the same as console gaming where you are going to dedicate 2 hours of your day in one big time block. Many gamers play several mobile games in the same day.

In general, I'm excited about Pokemon Go. For years I've heard investors and experts say, "GPS gaming will never work." Now I have an example to prove them wrong. Personally I think Pokemon Go might be the best mobile game ever built for the Explorer gamer demographic. It breaks many of the core game design principles we have at QONQR, but Niantic had the marketing budget to get past those issues that has killed other indie game studios our size. More than anything else I think Pokemon Go. But they were not Pokemon, and they didn't have millions of dollars in advertising to put the game in everyone's hands at the same time. I think there are many big brands out there looking at what happened with Pokemon Go and saying, "We need that for our brand." Actually, I'm kind of counting on it. I think we are in a prime position to be acquired by a big brand looking for a location-based gaming platform.

INTERVIEWER: What do you mean when you say the "Explorer Gamer Demographic?" Who are explorers?

SCOTT: Oh, sorry. At QONQR we think about features through the lens of the Bartle Index. Richard Bartle is a PhD, professor, and gaming professional who has spent most his career in Massively Multiplayer Online games (MMO). The "Bartle Taxonomy of Player Types" is based on a paper published by Bartle in 1996. It is sort of like the Meyers Briggs test to identify what type of video game player you are. It divides players into 4 quadrants; Killers, Achievers, Socializers, and Explorers. There is a pretty decent Wikipedia article on the topic and many online personality tests you can find.

QONQR initially fell heavily in the Killers quadrant, but over time we are moving closer and closer to the center of this matrix. Being more balanced helps player retention and recruitment.

I think Pokemon Go has been the best Explorer-centric game on mobile ever. It wasn't hard to see that. Everywhere you went for a few weeks, there were people walking and looking at their phones. You knew they were playing Pokemon GO. The Explorers are those that love the story and the ability to retell the story. They want to find the hidden things. Think back to Zelda and Super Mario Brothers on Nintendo. Did you burn every bush and blow up every rock in Zelda looking for hidden caves? Did you break every brick in Super Mario looking for hidden mushrooms and coin blocks? That was the explorer in you. Pokemon Go has only one or two features that satisfy the Killer and Achiever demographic, and all "Social" happened outside the game, mostly though IRL (In Real Life) interactions.

Unfortunately, the Explorer demographic has the shortest retention rates because they quit games once they feel like they have experienced everything (they don't need to be the best), and explorers usually spend the least money of all the demographics in a game. Niantic is a Google company, and it is clear their titles are built to collect GPS data. For that purpose, you need to get the Explorers playing your game, because they will actually move. However if you are a game company interested in making revenue from the game, not selling the data, targeting the Explorer demographic is a risky play.

INTERVIEWER: How did you get started in gaming? You seem to know much about the psychology of gaming. Did you go to college for game design?

SCOTT: No, I don't have anything you would call "formal" training, but like all entrepreneurs you work hard to become an expert in your industry. My undergraduate degree was a double major in Math and Computer Science with an Engineering minor. Then in my 20's I earned an MBA in Startup Business, New Venture Management was the official name.

Like most programmers, I've spent too much time playing games and put a little time towards tinkering with coding some simple games, but QONQR is the first "real" game I've been involved with. QONQR was sort of an accident. My partner Justin Peck pitched the idea at Startup Weekend in St Paul, MN. "There should be a game where you can use your smartphone to battle for your home town." This was back in September of 2010.

It was just under 48 hours from the time we had written the first line of code until we had people playing the game. It was pretty simple. You joined one of three factions, Whiskey, Tango, or Foxtrot (WTF). Using a simple mobile web app, you could launch attacks against any zip code in the United States, as long as you were standing in that zip code. We also had a real-time web app that would show which team controlled each zone with live updates. We were selected as the Startup Weekend winner, but we were so tired from lack of sleep, we were really more excited about going home to sleep. We had to work at our real jobs in the morning.

INTERVIEWER: So what happened following after Startup Weekend?

SCOTT: As part of the prizes for winning the weekend, we earned a table at Midwest Venture Conference in Chicago, to pitch our company. We only had 10 days to prepare. We extended our nosleep weekend into a no-sleep-week-and-a-half. Our pitch at the conference received two types of responses from investors. "You built this in 10 days? How the hell did you do that?" or "Your startup is only 10 days old? What the hell are you doing looking for investors already?" We made a couple of connections but for the most part it was way too early to be there.

In December Justin informed us he had submitted QONQR to SXSW's Startup Accelerator competition in Austin, Texas. We were selected to pitch on stage with 8 other startups in the entertainment division. We had personally put \$6000 into QONQR and used just about all of it to get to Austin and rent a booth in the gamer conference area. All other startups we were competing against had over \$1 million in either raised investor capital or earned revenue. We were seriously outclassed. We did not win SXSW Accelerator, but the main sponsor was Microsoft Bizspark, and we seemed to be their favorite. Several of the Microsoft folks, had commented that they felt our presentation and product was the best, but the sponsors didn't get to vote. We spent a long time talking with them and made some very strong connections.

We had a booth in the gamer pavilion at SXSW. Here we were with some crappy posters we had printed at Kinkos and an 8 foot folding table, while next door, PlayStation had huge flat screens and Dolby 7.1 surround sound showing off their latest title, Thor. It was almost comical. We would stop anyone who walked by and pitch our little mobile game. With no marketing or advertising, we had amazing success. At the end of 3 days, our players had captured cities in 20 states, 10 countries and 4 continents. This is

where we first understood the concept of "going viral". When you captured a city you could tweet, "I just captured Austin, Texas," with a link to our website. The internet took it from there.

INTERVIEWER: Was that the turning point for QONQR?

SCOTT: Yes, it probably was one of the major benchmarks for us. We watched the beta we had built for SXSW for a few months. When we saw that people were playing the game for hours on end, and hadn't quit for months, we realized we had something. Three of the six developers (founders) who had been part of the beta development quit our jobs and started working on QONQR full time. We did some part-time consulting work to pay the bills. Nine months later, we released QONQR 1.0 on iPhone and Windows phone.

INTERVIEWER: Sounds like you had to bootstrap to get QONQR 1.0 out the door. You didn't have an investor?

SCOTT: No, we never found an investor. Even today we are 100% founder owned. We tried for a while. The feedback we received was typically something like: GPS-based games have never worked: You don't have any experience building games; You are in the wrong part of the country; You (the founders) are too damn old.

It was a challenge to get people outside of Minnesota to give us any interest. In 2011, Minneapolis was still considered "fly-over country" for all east and west coast investors. Inside Minnesota, no one really understood gaming and it was baffling to most that we could think we could make money with a "free game". Almost no-one in Minnesota understood the freemium model back then.

INTERVIEWER: You mentioned Windows Phone. Why did you release for Windows Phone and not Android?

SCOTT: We tried to do iPhone, Android, and Windows Phone. I was the Windows Phone developer for our team. I had been running a monthly Silverlight developer user group in the Twin Cities for years and Windows Phone apps were built in Silverlight. We probably would not have done WP if it hadn't been for my experience on the platform.

Android just takes longer to build. Every developer I've ever talked to who has done both iOS and Android development agreed. iOS and WP made our initial 1.0 launch, while Android was behind, but it was in progress.

However, after our 1.0 release, Justin had gone to a startup conference and met with an investor from Lightbank, one of the primary investors of GroupOn. He had formerly been with EA before joining Lightbank. So he understood mobile and gaming. He asked us, "Why would I give you my money to do smart things, when I already see you doing very stupid things? You can make a 10X return on iPhone, maybe a 1X return on Android, and Windows Phone doesn't exist." His advice to us was to put 100% of our development into iPhone and kill the other platforms. His advice put us in a tailspin. We did kill the Android app based on his advice, and the team wanted to kill the WP app, even though it was already in the marketplace. I lobbied to keep the app alive, since it was my baby. In the end the team struck a deal. I could only work on the WP after 10pm and on the weekends. If I could keep it on life support, we would keep releasing it. At the time, building for WP7 was actually about 2-3 times faster than iOS, and the app could keep up. It was a good thing too. Windows Phone is the only reason we are still in business today.

INTERVIEWER: What do you mean? How did Windows Phone keep you in business? Did Microsoft pay for your development?

SCOTT: Yea, most people don't get that. Even the "smart" investors and industry "experts" didn't understand it until I explained. The investor from Lightbank wasn't wrong. His advice was good advice as long as it came with a million dollar check. But as nothing more than free advice it was terrible and almost killed our company. No one gets traction in iTunes without spending tens of thousands of dollars a month to force their game to the top of the charts through "buying customers" with ads and programs that have "guaranteed installs". Well, unless you get struck by lightning, like Flappy Bird, but you can't bet on that.

For a company that doesn't have the funds to buy customers, your odds of being successful in iTunes is nearly zero. However Windows Phone Marketplace had not been corrupted by big money. Good games could get traction without spending hundreds of thousands on ads. At one point, QONQR was on the first page of most popular strategy games in the Microsoft Store, and we were gaining thousands of downloads a day. More than 10X the downloads we were seeing on iPhone.

Here is the thing that investors never understood. Every Windows Phone user knows 20, 30, maybe 40 people with an iPhone. You get your Windows Phone users for free, and they recruit their iPhone friends. Every Windows Phone user we acquired for free, who then recruits iPhone friends saves me hundreds, potentially thousands of dollars of iPhone advertising. Nearly every user in QONQR for the first 2-3 years could be traced back to a Windows Phone recruiter. Windows Phone is truly the only reason we are still in business today. And no, Microsoft didn't fund our Windows Phone development, like they did with many major titles.

INTERVIEWER: So financially QONQR has been a huge success without an investor?

SCOTT: That depends on your definition of huge. QONQR crossed the \$1 million in gross revenue a year ago. That is a huge accomplishment. There is no debate that making that much money on a product that is free is a big deal. But a million bucks doesn't go as far as most people think, especially when you have employees. Plus, Apple and Microsoft take at least 30% right off the top for all purchases (over 50% in some international markets). QONQR made enough money for me to take a salary 1 of the past 4 years. I worked for free for about a year and a half, then the next year I earned a salary that would be about 80% of what I could have made in a "real job". After that I hired another employee (bringing our total to 3 full time) and gave up my salary to keep him on staff for the next year and a half. For the past two years, we have invested 100% of our profit back into the game to pay employee salaries and hosting

costs. Financially, the last two years have been a struggle, but that is what you sign up for as an entrepreneur.

INTERVIEWER: Does that mean that QONQR isn't growing?

SCOTT: It is growing today, but for almost 2 years we were shrinking. Two years ago we decided we needed an Android release and were limping along paying a part-time Android consultant to help up finally wrap up the 1.0 release we had put on hold. We also realized that we were dying trying to maintain 3 different sets of code to support 3 different mobile clients.

About that time, a company called Xamarin released a major update to their cross platform product that would allow us to write the application once and run it on iPhone, Android, and Windows Phone with over 90% code reused. We jumped in with both feet and started the rewrite almost immediately after their product was released.

It took us nearly 2 years to rewrite the product in Xamarin (recently purchased by Microsoft). In the end it was a mistake. What should have taken 8 months, took over twice as long. The product wasn't ready to support an application as complex as ours. It is now. Today it is a pretty stable product and it is finally working as we thought it would when we started. But... when you play on the cutting edge of technology, you bleed, and we bled, a lot.

The unexpected delays resulted in almost no new features for 2 years. Gamers don't tolerate that well and we lost 75% of our daily player activity from our peak. We finally have our new release "QONQR: World in Play" in the stores on all three platforms and new features are rolling out monthly. Player activity is up, and we are working hard to regain the traction we had before, and then move beyond. Not only has Android opened up 80% of the smartphone market for us, but with a single codebase, we can get new features out on all phone much more quickly than ever before.

INTERVIEWER: What would you have done differently if you could do it over again?

SCOTT: I've spent many hours thinking about this. If I knew then what I know now I would not have rewritten QONQR as a 2.0 release. We did quite a bit of research on cross platforms solutions before we chose Xamarin. Unity was the best candidate for us in every way except one. It is the platform on which many, probably most, mobile games are built. However, there was no support for a map in Unity at the time. Our game needs a map. QONQR without a map just wouldn't make sense.

I would have started a brand new app that contained most of the new features we want for QONQR 3.0. We would have built the game in Unity and by the time those features that were not dependent on a map were completed, we would have been ready to do the 2.0 migration. Unity has a map control now, but it didn't when we started 2.0. We needed a map. In hindsight, it would have been better to just wait. But how could you know? We looked at many other cross platform solutions, but those that were more mature suffered from significant security limitations.

INTERVIEWER: Security? What do you mean?

SCOTT: Most people don't really think about it, but it takes a ton of security to protect your game. I think we may have twice as much security as most banking apps. Before QONQR, I spent most of my career building big enterprise systems for corporate. We have much the same security on our servers as most financial institutions, and we protect the data as it crosses the internet in the same ways. However no one goes to jail for hacking a game, like they would for hacking a bank, which dramatically raises our risk profile.

The other big risk to every game business is someone stealing your app and republishing it. This happens every day, probably hundreds of times per day. It is a trivial matter for a veteran developer to download an app, open up the source code, replace all the images and sound files, and even replace some of the text in the game. Then the app can be published. Sadly Apple, Google, and Microsoft do almost nothing to protect companies from app theft. Windows Phone 7 encrypted application packages, but package encryption was removed with Windows Phone 8, no one I've talked to knows why.

INTERVIEWER: I never considered this. How do you protect yourself?

SCOTT: Some of these things are solved for us because most of the game logic is controlled on the server. Many developers make the mistake of allowing the logic running on the phone to make decisions about game outcomes. For example, if the logic that runs on the phone decided how much gold you have in the game, it is a trivial matter for a knowledgeable hacker to give themselves millions of gold through directly modifying the memory on a rooted Android or jailbroken iPhone. Nearly everything in QONQR is controlled or verified on the server, which reduces our risk. This make our server platform very big and expensive, but it is key to the integrity of our game.

We also take steps to protect our code and verify the legitimacy of all network communications, but I can't say much more than that. Basically you have to assume anything you send to the phone will not be private. It just won't. Your code, your data, it is all at risk until Apple, Google, and Microsoft do more to protect the app developers.

For QONQR, we have historically spent 30% of our time and money stopping bad players from doing bad things. That is not only to stop cheaters, but also reduced the impact of negative players that post vulgar content or obscene aggressive messages. That is a huge investment for any company, but especially one with only two developers.

INTERVIEWER: What is the craziest hacker you have caught so far?

SCOTT: We had a player who built a physical robot with an electrostatic finger to play the game for them while they slept, auto attacking a city. So now we have an "anti-robot" feature in the game that randomly prompts players to do a swipe gesture in a random location on the screen. We've already had to change this feature once because someone pointed out that we used a red and green color to indicate the right and wrong spot to swipe. A robot with a color sensor could defeat the test.

INTERVIEWER: Wait, so you only have 2 developers?

SCOTT: Right. We have a large cloud infrastructure and have built mobile clients for 3 different mobile platforms. While we had many developers help us build the first version of QONQR, nearly everything in our system has been rewritten over the past two years by two developers, myself and one other developer I hired a few years ago, right out of college.

INTERVIEWER: How are you able to do so much with such a small staff?

SCOTT: Part of it is that we are small and therefore agile. Having an all-developer team has its disadvantages, but one of the benefits is that decisions don't go through committees of people with layers or approvals and the need to revisit decisions frequently.

It also helps that we use a 100% Microsoft technology set. While we need to have deep knowledge of the iPhone and Android operating systems, keeping all our code in the Microsoft world, makes things go faster and will make it much easier to hire new staff that can work across the entire product.

INTERVIEWER: Why did you choose to use Microsoft instead of an open source technology?

SCOTT: I'd love to be able to say we do more open source, but I can't afford it. Open source is one of those badges of honor for most developers. It sort of defines you as that altruistic community participant. Like volunteering to pick up trash in the park to make our neighborhood a better place. Who wouldn't want to do that? The problem is that open source is often free like a free puppy is free. We've tried to do some open source initiatives multiple times at QONQR. One ended up costing us \$45,000 in consulting fees before I finally pulled the plug. Time and again we found that getting something for free is often more expensive and less secure in the long run than paying for a product with rigorous testing and dedicated support.

Plus in today's world, Microsoft is more open source than most people think. Github recently released data that showed Microsoft had more open source contributors than any other company, including Google, and technologies that were once considered open source like Java are now less open source than .Net. Microsoft's .Net framework and most of its components were opened sourced years ago.

Also Visual Studio is free for a company our size and we received free hosting in Azure for a while as part of their Bizspark program for startups. It is pretty hard to argue against Microsoft for startups these days. Pick the tools that you are the most comfortable with as a developer. There are many ways to build a good product these days.

INTERVIEWER: What advice do you have for others who might be trying to start a game company?

SCOTT: Oh my. We don't have that kind of time. You have to build a free game. Try to make a game that has player to player recruiting. Understand where your game falls in the Bartle Index and make sure that is the right place for you. Don't build anything until you think hard about how a hacker/cheater could

ruin the feature for everyone else. It is easier to keep a player than it is to get a new one, so understand your retention metrics. In your free game, create some hugely beneficial upgrade that is \$0.99 that anyone who plays the game for more than a couple weeks would be stupid not to buy. Only build things that fit in your arms.

INTERVIEWER: Wait, your arms?

SCOTT: Sorry, ARMS: Acquisition, Retention, Monetization and Self-Preservation. If you are considering building a feature and it isn't getting new players, keeping the ones you have, increasing your revenue, or reducing your pain/costs of running the business, you probably shouldn't build it. Too many times we waste time on, "You know what would be cool." Cool doesn't pay the bills. It needs to be more than just cool. As developers we can run down a rabbit hole way too deep on something that is cool when we should pull up, make it "good enough" and move on to something with more meat on the bones. Save "cool" for the times when you have a little extra bandwidth or when you can justify rolling it into a feature that does fit in your ARMS. Don't get me wrong, your game needs to be "cool". But if a feature is nothing more than eye catching for a few minutes, and doesn't get people to talk about it (acquisition), get them to so some action again and again to keeping seeing it (retention), and doesn't make people want to buy it (monetization), it doesn't fit in your ARMS.

INTERVIEWER: Is ARMS something you made up at QONQR or did you borrow that from somewhere?

SCOTT: Yes, I made it up. We were having too many conversations about why we should build something in the early days, so I came up with ARMS to focus our conversations.

INTERVIEWER: You said something about a 99 cent feature. Can you explain that a bit more?

SCOTT: Sure. This was a piece of advice I got from a game analyst several years ago. There are many gamers who will never spend money on an app. Never! This happens on Android the most, but all platforms have users like this. Some games stop players at some point if they don't spend any money. This is pretty harsh and usually destroys your rating on the store. A great way to address this issue is to create an upgrade for \$0.99 that is so good anyone who has played the game long enough to have an emotional investment in their progress would be silly not to buy. It can be tricky to achieve game balance if the upgrade is too overpowered, especially for the new players who aren't yet committed to the game. To solve this problem you can give the amazing feature to new players for free for a limited time or until they reach a certain level.

The trick is to "break the seal." A player that has spent \$1, is much more likely to spend \$5. As a modern game developer we can no longer expect people to pay for their entertainment up front. It is up to us to prove that our games are good enough, and players have gotten enough entertainment from the app that you have "earned" that first \$1.

INTERVIEWER: Interesting. Do you have other revenue tricks?

SCOTT: Well, it really isn't a trick, as much as understanding why people decide to spend money in games. In mobile gaming there are only a handful of ways to make money. First, you need to have a free initial experience. I maintain freemium is the best, but some disagree. In freemium you should sell persistent upgrades. These are the things people buy first because they last forever. Most game companies will make most of their money on consumables because there is no limit to how many you can buy. These are the things you buy, use once and they are gone. Often these types of consumables are to reduce wait time, like instant refreshes or speed boosts. There are many ways you can incorporate one-time use items into a game. Cosmetics are another way to add a category of items to sell. Typically these are permanent upgrades but don't need to be. Cosmetics don't change anything about the game mechanics, but are all about showing off. It gives the player the opportunity to look unique or stand out among their peers. Don't underestimate the power of cosmetics. It was an area we initially ignored. I've since met many game companies making 30-50% of their revenue on cosmetics. Finally there are subscription models. Subscriptions are sort of the Holy Grail for any company, not just games. Dependable revenue that usually extends a players spending beyond the time a player will actually use the subscription, just like your gym membership. Subscriptions can be tricky to incorporate into your app and maintain balance. Not all games can pull off a subscription model, it seems to be especially difficult for mobile games.

INTERVIEWER: You mentioned understanding retention metrics. Can you expand on that?

SCOTT: Well, it can be really hard to understand why people stay or quit in a game. The answer is almost never simple. When you try to simplify it into tidy little buckets you'll often make bad assumptions. The most important thing is to understand your retention numbers. Where are people quitting? What are the patterns? We did this analysis early and found a huge discrepancy between those who quit between level 9 and 10 and those who quit between at any level after. It turns out that we had a flaw in our leveling mechanics in the early days and it was as hard to get from level 9 to 10, as it was to get from level 10 to 20. Huge flaw in our game design!

Beyond finding issues, it is good to know just how long people are playing your game. For example: we did some data analysis recently and found some interesting statistics for those who played QONQR for at least 7 days. 44% will play QONQR for at least 1 year, 23% play for at least 2 years, and 11% played for 3 years or more. These are unprecedented statistics for a mobile game. Now that we know these numbers, we can focus on what keeps players for years, and how to move more players past that 7 day mark.

INTERVIEWER: Wow! Why do so many QONQR players play for years?

SCOTT: That is not as easy to answer. Any answer to that is going to be full of anecdotes and assumptions. We believe much of it has to do with the social nature of the game. People don't easily leave games that will result in leaving friends behind. Many gamers are very social people, but perhaps not in real life. They make friends easily in a social games and share their lives openly. Walking away from a game often means leaving great friendships with people "just like me" behind.

Part of the success of QONQR, and the related longevity may also be related to the nature of the game content. The players are the content creators. They change the dynamics of the battles every day. It isn't up to the game developer to give the player something new to do every week. Players move around the world and capture cities in places they don't normally play, new players arrive daily to change the balance of power. Whether this is part of our retention or not, it is super helpful to a small indie game studio and gives us more time to add new features and game content before players run out of things to do.

INTERVIEWER: Do you get many ideas for new features from your players?

SCOTT: Yes, tons of ideas. Although that probably isn't anything new for any game company. We actively engage with our players daily. Years ago I started using a group chat application and invited some of my most active players to the rooms so I could get a pulse of what people are doing and saying about the game. This group grew over time and became my liaisons between myself and other players. It included players who had spent a lot of money, those that had spent nothing and players from more than a dozen countries. I communicate with them daily. One of the new features we added to QONQR 2.0 was in-game chat, and I try to spend time in global chat multiple days a week to engage with players when I have time. I try to be accessible to players as much as I can.

INTERVIEWER: Does that feedback ever get negative?

SCOTT: Of course. It happens often.

INTERVIEWER: How do you handle it?

SCOTT: Everyone has a right to their opinion and I have no place to say they are wrong, unless they are claiming something that factually isn't true. For example sometimes people will claim that we are giving away free currency to their enemies or blindly turning an eye on cheating to people who spend money. In those cases I do tell people they are wrong.

However there are many times when people will just say our game sucks or is badly broken and we have no idea what we are doing as game developers. Sometimes I agree with them. We can't accomplish all our goals in a single release and there are some things we know need significant improvements. Not everyone has an Activision sized budget, and expecting an indie game studio to push features as quickly as the big studios is a real expectation many people have, until a conversation with me causes them to think about it. Communicating with the players has never hurt us more than it has helped. Often just listening to someone's complaint is all it takes to turn a harsh critic into a promoter of your game. Very few game companies let their players feel like their voices are heard.

INTERVIEWER: Why do you think more game companies don't communicate directly with players?

SCOTT: HR or marketing policy. Fear of criticism. It takes a ton of time away from building the game. There are lots of excuses not to do it. The hardest one is fear of criticism. If you want to build a game you really need to have thick skin. I used to laugh about some of the early iPhone reviews we would get. Our initial release was very light. There were so many features missing. I admit it wasn't very impressive. In the Windows Phone store we would get reviews like, "Not a bad idea, needs a lot of work. Could be a great game someday if they make tons of improvements." In the iTunes store we would get a mile-long thesis of how terrible and awful the game was and how no one should ever pollute their device with such garbage of a game even though it cost nothing to play. I would often say that Steve Jobs taught everyone with an iPhone to expect perfection and nail you to the wall if they didn't get it, no matter if it was free.

But seriously though, some people just can't handle criticism and your game is your baby. Maybe you know your baby is ugly, maybe you don't, but some people just can't deal with hearing people say it. I still get lots of criticism of QONQR as a terrible game. Most people assume that every game should be fun for them, otherwise it isn't a good game. No game can be fun for every player. It would be foolish to try and build a game that everyone loves. People are just too different. Some people think it is their job to be a critic and find the flaws in everything, other lack that maturity to think objectively. Whatever the case may be, as a game developer you need to learn to listen and pull out the good advice where you can and let the rest go. Don't let it get to you. Try not to fight back. You will find your fans. They are the ones that count the most. Despite the constant criticism I get, I fall back on comfort that some people have played QONQR nearly every day for 4 years. That has to count for something. Sorry if you weren't blown away in the first 15 minutes you tried it and decided to label it "bad".

INTERVIEWER: Do you have any final advice for indie game developers?

SCOTT: Mobile gaming is a very, very hard industry. I've worked in the insurance and "Internet of Things" industries and even worked for a company conducting research to cure cancer. This is the hardest software I've ever had to write. Stopping hackers, building a highly scalable app, managing hundreds of millions of records of data, and balancing a virtual economy with multiple currencies are just a few of the challenges we didn't think about when we started this weekend project. Owning a game company sounds like fun, and sometimes it is, but be ready for all the pain that comes along with it. Do your research and understand the investment and commitment it will take to succeed. Oh, and get lucky. I'm the first to admit that QONQR owes our success to luck as much as anything else. Many people say that you make your own luck, and I believe that is true and you can increase your chances of getting lucky, but it is still luck.