



Business Strategies Formulation for Video Games in Iran

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Extended Abstract

This research is conducted aim to develop business strategies for video games in Iran. In this research, through analysis of this industry, appropriate business strategies are presented. To achieve this goal, after reviewing the literature on the field of strategy and strategic management, different aspects of the video game industry have been analyzed by looking at its situation in Iran and using qualitative methods such as interviewing experts and the Delphi technique. Based on this, information on the strengths and weaknesses, opportunities and threats have been gathered in this field in Iran. After this stage, business strategies that are necessary to improve conditions of this industry in Iran, have been developed and formulated through SWOT analysis and using the multi-stage framework of the research. The results are also presented in the form of four strategies and seven bedder solutions.

Keywords: Delphi technique, environmental analysis, game industry, strategy formulation, video games

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INTRODUCTION

One of the major fields in digital media and of course in cultural industries is the video game industry. This industry has two obvious sides. One of them is the economic side that has grown to such an extent that the revenues of this industry surpassed a large industry like cinema. The other is the cultural side. Anyway, the video game is a cultural product, naturally has specific cultural aspects and influences that, these influences is deeper due to the type of interaction between audiences with this medium. Hence, the study of this industry and different aspects of it is important because of both cultural and economic aspects.

Despite the great growth of this industry in the world, the video game industry has not grown as it should be in Iran and has a long distance to reach the top level in the world. Therefore, the main issue of this research is that what strategies should be employed by Iranian game companies to accelerate their development to be able to use the economic and cultural benefits of this industry well?

PURPOSE

The main purpose of this study is providing business strategies to profitability and development of the video game industry and subsequently the growth of the game industry in Iran.

METHODOLOGY

Information about environmental conditions of the game industry in Iran has been gathered through interviews with experts and then, information has screened by using the Delphi method. Afterward, initial strategies have obtained based on SWOT analysis. In the next step, initial strategies have evaluated by a panel of experts and ultimately the final list of strategies have obtained.

RESULTS

The results of the research are obtained in the form of 4 final strategies and 7 bedder solutions.

Final strategies:

- 1) Small game production (especially for mobile platform) aimed to publish in the global market
- 2) Game production with Islamic criteria aimed to publish in neighboring countries and Islamic countries' market
- 3) Game production based on unique local content
- 4) Redesign international samples based on internal concepts and contents for the domestic market
- 5) Bedder solutions:

- 6) Use the differentiation strategy for the domestic market and attract Iranian audiences by new ideas
- 7) Promoting business management knowledge among corporate executives
- 8) Employing high-quality human resources in terms of management knowledge within companies
- 9) Improving content aspects game quality by employing expert people in these fields.
- 10) Developing human resource unit in corporations to attracting, organizing and retaining of human resources
- 11) Attract distributors to participate in the production
- 12) Reduce investment on big projects and investment on small games for mobile platforms

DISCUSSION

As mentioned, environmental factors of Iran's game industry obtained and then, based on SWOT analysis, proper strategies provided. Of course, with the consideration that the purpose was promoting game companies within this industry and this market, the provided strategies are business strategies. It is also necessary to note that the strategies provided based on strengths and opportunities in the industry level. It is obvious that to implement these strategies correctly, each company should consider a different way of execution and details, based on its requirements and the fields in which it operates. On the other hand, it should be noted that some of the better solutions, as seen above, are more in the level of functional strategy than business strategy, but given that these solutions derived directly from SWOT matrix, and also have direct effects on the business of game companies, these solutions have been emphasized in this research.

CONCLUSION

In general, the proposed strategies and better solutions can be considered in order to solve two problems: One is the correct orientation of game companies in production, and the other is organizing and systematizing their work processes. Because these two problems can be considered as major problems of the Iranian game companies. In fact, these two items are two important bases of industrial activity. Therefore, the game production process, as an industrial process, is dependent on systematic work process and correct orientation of production too. Hence, this subject has been taken into account in the formulation of strategies and solutions.

NOVELTY

The main innovation of this research is providing executable strategies and solutions for game companies. Such results have seen rarely in previous studies and



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researches in Iran. The previous researches have usually focused on studying and introducing problems merely or at most have spoken about what the upstream and government institutes should do, and there are no executable strategies and solutions to be done by game companies. While this research has focused on providing executable strategies and solutions for game companies that, the companies can promote their position in the video game industry through implementing them.



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