



LEVEL
10

BGA

PLAYBOOK THE REWARD REVOLUTION

2026

Loyalty Reward



WHY THIS PLAYBOOK ?

For years, PGC London has served as the essential rendezvous for gaming entrepreneurs to take the "temperature" of the industry and discover where the collective focus is shifting. During PGC London 2026, a clear theme emerged from the panels and hallways: the old model of high-volume, "one-sided" transactions is failing.

I have based this research on the insights gathered at these conferences, witnessing firsthand how the conversation has pivoted away from simple user acquisition toward a deeper understanding of player psychology. Today's players act as "digital citizens" who recognize their attention and time as their most valuable and finite currencies.

The Objective: Authority through Evidence

My goal with this playbook is to provide gaming companies with the relevance and authority they need to navigate this shift. We are moving beyond speculation and buzzwords by bringing Web3 and blockchain into the conversation as practical solutions for industry-standard KPIs.

To do this, I have leaned on the support of our members at the Blockchain Game Alliance (BGA). By sharing their real-world KPIs around engagement and retention, we can demonstrate that blockchain is not a replacement for good game design, but a powerful catalyst for:

- Frictionless Value Exchange: Turning player effort into tangible, verifiable rewards.
- Intent-Driven Acquisition: Moving from "motivation to download" toward long-term loyalty filters.
- Sustainable Monetization: Building "muscle memory" and habituation through ownership and transparency rather than frustration.

This document is intended to be an actionable blueprint. It is for the executives and growth leads who recognize that in 2026, long-term viability is no longer about how many people start playing today, but about giving them a compelling, rewarding reason to come back tomorrow.

THE REWARD REVOLUTION

A PLAYBOOK FOR NEXT- GEN GAME GROWTH

INTRODUCTION : THE EVOLUTION OF PLAYER PSYCHOLOGY

Users now recognize that their attention and time are their most valuable currencies, meaning they expect a tangible return on their investment.

In this landscape, players have become "digital citizens" who recognize their attention and time as finite, valuable currencies. Consequently, they no longer accept simple, one-sided transactions; they expect a tangible return on their investment of time and data

During PGC London 2026 on a panel on rewarded UA, experts noted that while the reward model has existed for 10 years, it has only exploded in the last two years because consumers now "expect something in return" for their data and time.

***If I'm giving you my attention,
if I'm giving you my
engagement, my time—
which is the most important
and the most expensive
currency that everybody has
– they expect something in
return***



Best Practices for navigating the rewarded UA Space. PGC 2026

▶ Watch the panel on YouTube

Recent data perfectly illustrates the new psychological reality of the modern "digital citizen." **XBorg**, after analyzing over a million fan interactions across diverse gaming communities, uncovered a foundational truth: engagement must be treated as an economy, not a simple gamification layer.

When developers rely solely on traditional gamification (where players accumulate points merely to climb a leaderboard) engagement inevitably hits a ceiling and decays. To satisfy the modern player, there must be a functional economy where the "earning" side builds the habit, and the "spending" side provides the motivation.

This economic mindset reinforces the psychology of the conditional payer, who demands a tangible return for their effort. If the value exchange breaks down, the results are deeply damaging. XBorg's data shows that offering rewards players do not want (or creating reward tiers that are technically reachable but practically impossible) does not just act as a neutral feature; it actively erodes trust. When a system makes a promise that feels hollow, players mentally check out, making poorly designed rewards worse than having no rewards at all.

“Engagement must be treated as an economy, not a simple gamification layer.”



The Trust Funnel and The First 48 Hours

To establish the high-intent value exchange necessary for long-term retention, developers must understand that the first 48 hours decide everything. The most critical action in this window is not forcing players to complete complex new tasks, but guiding them to make a psychological investment by linking an account.

Data shows that 97% of activated users in successful ecosystems link at least one account, creating an identity shift where the player signals to themselves, "I'm the kind of person who engages with this community".

This initial commitment sparks a progressive "Trust Funnel." Players consistently grant access in predictable layers: leading with their public social identity (Twitter), moving to community (Discord) and consumption (Twitch), before finally integrating their private gaming identity (Steam, Riot, etc.). Each step represents a deeper layer of trust. Developers who recognize this pattern can stop optimizing for shallow, one-off quest completions and instead build their entire infrastructure around deepening this long-term relationship.

"97% of activated users in successful ecosystems link at least one account."



THE PSYCHOLOGY OF THE "CONDITIONAL PAYER"

Beyond standard spending habits, data has uncovered a critical segment of users known as "conditional payers". They are non-spending individuals who are willing to convert if the transaction conditions make the purchase feel earned through effort rather than simply bought with cash. A great case study explained by Like Michas from Goplay during PGC London 2026 indicates that these users are three to five times more likely to convert when they can use "earned effort points", derived from real-world physical activity like walking 10,000 steps to cover a significant portion (50% to 75%) of an in-game purchase.

Psychologically, humans assign a unique value to physical effort that triggers mechanisms like the sunk cost fallacy and loss aversion; once a player has "put in the work", the reward feels earned and real, making them reluctant to "waste" that investment by failing to complete the transaction. This model effectively bridges the gap between digital rewards and real-world value, turning latent, in this case physical, effort into an active engine for monetization.

[Session: From Steps to Spending: A New Motivation Loop That Turns Player Movement Into Engagement...](#)



THE PSYCHOLOGY OF THE "CONDITIONAL PAYER"

To truly activate the "conditional payer," developers must understand exactly what these players consider a worthy return on their effort. They are not looking for cheap dopamine hits; they are looking for meaningful value that justifies their time. Recent data from the 2025 Mobile Gaming Loyalty Index perfectly illustrates this shift, showing a massive preference for tangible, high-utility returns over fleeting perks.



Source: 2025 Mobile Gaming Loyalty Index

This data mathematically validates the conditional payer's mindset: if they are going to put in the work, the reward must have real, verifiable impact on their experience.



THE PSYCHOLOGY OF THE "CONDITIONAL PAYER"

Also we should, now than never, advocate for treating a game as an ongoing service focused on providing a "reason to come back tomorrow" rather than just a reason to start playing today. Games now establish the foundation for their entire "Reward Revolution" framework and signal a move away from "acquisition" as the primary focus and structures the playbook around:

- The Mindset Shift: From product to service.
- The Design Philosophy: Utilizing dynamic, event-oriented, and "time-boxed" systems.
- The Core Mechanics: Implementing specific, measurable actions like economy rebalancing and habit-building loops (daily bonuses, 90-day windows) to build "muscle memory" and boost LTV.
- The Outcome: Turning retention into a powerful, sustainable growth lever rather than a mere cost of maintenance.

It essentially sets the stage, defining the why (long-term viability is about retention, not just acquisition) and the what (dynamic design, habit-building) that the rest of the playbook will detail.



MARKETING AUTHENTICITY & THE NEXT STEP

Modern games marketing is undergoing a fundamental transformation — moving from high-volume clickbait to authentic, performance-oriented messaging that respects the player's intelligence. All marketing, whether influencer campaigns or brand partnerships, must be evaluated through the lens of long-term value. Players who see themselves reflected in the messaging are more likely to become high-quality, retentive digital citizens.

THE NEXT STEP IN THE REWARD EVOLUTION

As the traditional gaming ecosystem evolves to meet new player expectations, studios are actively moving beyond basic in-app points to offer rewards that feel genuinely earned and universally valuable to the modern digital citizen.

This is where Web3 infrastructure seamlessly enters the equation. Rather than replacing existing models, blockchain technology acts as a powerful catalyst — enabling frictionless micro-transactions, interoperable ecosystems, and verifiable digital ownership that delivers the tangible, real-world value players now demand.

In the chapters ahead, we break down how leading studios and infrastructure providers are turning this philosophy into measurable growth: lower UA costs, multiplied retention, and new monetization models. This is the actionable blueprint for the next generation of rewarded play.



CHAPTER 1

THE STRATEGIC SHIFT : From Installs to Intent

a. Rewards as a Loyalty Filter

This fundamental shift in player psychology, where attention and time are traded as primary currencies, is forcing a complete overhaul of growth strategies. We are seeing a move away from the traditional "motivation to download" model, which historically focused on short-term incentivized installs, toward long-term loyalty programs that view the player journey in terms of months and years rather than days.

By offering rewards for deep-funnel milestones, such as reaching level 20 within a 90-day window, developers can effectively align their own growth objectives with the player's intrinsic desire for progress and tangible value. This approach transforms the user acquisition funnel from a series of disjointed incentives into a sustained, value-driven partnership where long-term engagement becomes the new benchmark for success where long-term engagement becomes the new benchmark for success.

This isn't just an emerging theory; it is the new reality on the ground. To hear exactly how this dynamic is playing out for top publishers, take a listen to this recent panel discussion where industry leaders break down the new psychology of player loyalty.



Modern rewarded platforms do more than just drive installs; they act as a high-intent filter. Players who are unengaged will simply drop off during the early stages, ensuring that the remaining audience reaching those deep-funnel milestones is highly committed to the game.



MEMBER SPOTLIGHT : PLAYFULL

Playfull demonstrates this by addressing massive external friction during the user acquisition phase. For games with heavy technical requirements such as The Sandbox, which requires downloading a large desktop client traditional display ads drive a click and merely hope the user navigates the complex setup alone.

Playfull transforms this funnel into a guided, mission-based value exchange. By tracking and rewarding users at every step (signup, client download, and first play), Playfull ensures that the players who finally enter the game possess exceptionally high intent. During The Sandbox's Season 6 campaign, this deep-funnel targeting acquired over 23,000 new players and achieved a 65%+ lower CPA compared to traditional search and social channels, perfectly validating the shift from basic incentive to genuine loyalty.

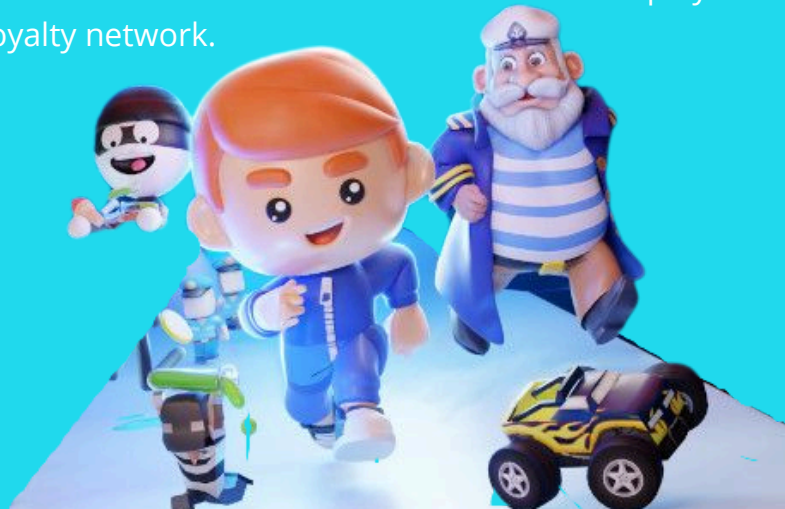


To see how a loyalty filter operates at scale, we can look at the pilot project that laid the foundation for **TapNation's** upcoming "Offerwall 3.0". Rather than forcing players through high-friction onboarding to earn rewards, they utilized familiar social logins to invisibly create blockchain wallets under the hood.

This being only made available if the players want to own their profile. When the players join the game, TapNation automatically creates a guest wallet to remove all friction.

By removing the friction, the "Reward Mode" itself became the ultimate behavioral filter. Players who chose to engage with these mechanics inherently demonstrated high intent. This seamless pilot allowed TapNation to quickly create 3 million wallets in 12 months while naturally isolating and retaining a highly committed base of 527,000 Monthly Active Users (MAU).

The rewards didn't just buy installs; they acted as a successful filter that is now validating their broader shift toward an interconnected player loyalty network.



The First 48 Hours: Activating the Trust Funnel

While traditional acquisition focuses on the moment of download, driving long-term loyalty requires obsessing over the immediate onboarding window. Data across over a million fan interactions from XBorg reveals that what a player does in their first 48 hours predicts whether they will still be around a month later.

The operational takeaway is blunt: early funnels should not prioritize complex quests, but rather focus ruthlessly on guiding players to make a single, high-intent commitment.

- The Commitment Signal: From Anonymous to Invested: The most powerful filter for player intent is the act of linking a social or gaming account. In highly successful ecosystems, 97% of activated users link at least one account, and 42% link two or more. This provides verified behavioral data that is fundamentally more valuable than an anonymous user clicking a reaction.
- Navigating the Trust Funnel: Nearly every fanbase shares its identity in specific, progressive layers: they lead with their public social identity (Twitter), move to community identity (Discord), then to consumption identity (Twitch), and finally link their private gaming identity (Steam or Riot). Organizations that successfully transition to true loyalty build their entire strategy around deepening this collected data.



When **Voya Games** was preparing for the launch of Angry Dynamites, they didn't just ask users to passively follow their accounts. Using **Snag's** social questing infrastructure, they required 100% verified actions across X, Discord, and Telegram. By integrating these APIs seamlessly, they created an uninterrupted player journey from the very first social quest directly to in-game reward redemption. This perfectly illustrates the power of the Trust Funnel: by verifying identity across multiple platforms, they built a highly engaged audience that skyrocketed their Discord from 9,000 to nearly 64,000 members

- b. The High Intent “Value Exchange”

Ultimately, the High Intent 'Value Exchange' marks the moment a player transitions from a passive consumer to an active stakeholder. It is the precise point where a user calculates that engaging with a game's broader ecosystem (whether by reaching a deep-funnel milestone or opting into a reward layer) directly and meaningfully accelerates their personal goals within the game.



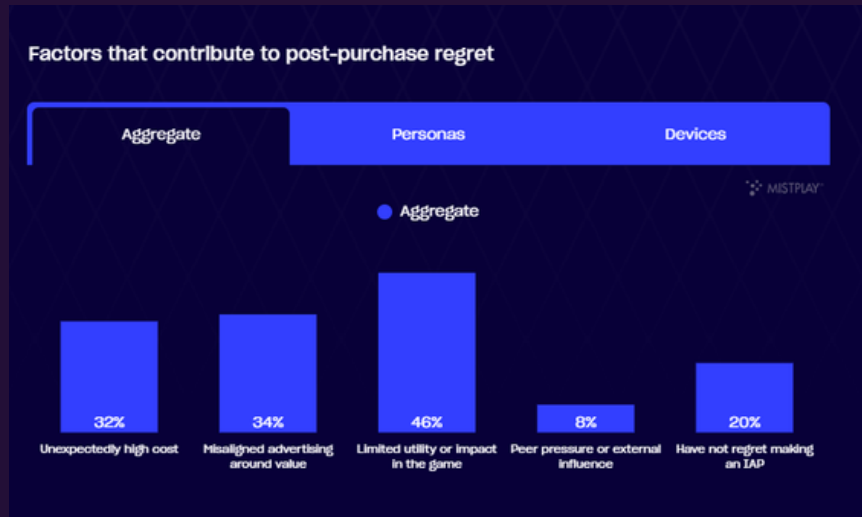
In this new landscape, the industry is pivotally moving away from "monetizing frustration" (the practice of using friction or paywalls to force transactions) and is instead focusing on monetizing positive engagement that rewards player effort and progress. Experts emphasize that when a game honors this "trust agreement" by providing a reciprocal experience, it builds trust capital that directly translates to nearly double the revenue of toxic or extractive environments.

This evolution requires an operational commitment to transparency and a tech-forward approach that treats monetization not just as a financial layer, but as a core product decision designed to sustain long-term loyalty.

When this trust agreement breaks down (when developers lean too heavily into extractive monetization or fail to deliver on the promised value) the result is immediate buyer's remorse.



This remorse is the ultimate killer of long-term retention. Understanding exactly why players regret spending their money highlights exactly what the High Intent Value Exchange must actively avoid.



CASE STUDY : TAPNATION

Measurable Success

A pilot project with Impressive results

| | Arbitrum | | Polkadot | |
|----------------|----------|-------|----------|-------|
| Retention D7 | +37% | +42% | +17% | +61% |
| Total Playtime | +38% | +58% | +23% | +62% |
| Total Revenue | +95% | +106% | +90% | +103% |

Total
3M
Wallet created in 12 months and 253k MAU

What that proves

- Adoption**
Wallet creation becomes frictionless
- Revenue**
Instant liquidity drives a ~2x Revenue Uplift
- Retention**
Financial stake increases D7 Retention by +42%

When a game publisher genuinely honors the "value exchange" by giving players tangible value for their time, the players reciprocate. TapNation proved this during their pilot phases by moving beyond closed-loop Web2 currencies that hold no real-world value. Instead, they integrated high-performance Web3 infrastructure, specifically utilizing Arbitrum and Sequence (two blockchains) for titles like Monster Squad Rush and Cornhole League, alongside Polkadot for Webmaster and Color Water.

This specific tech stack transforms mobile games from simple entertainment into vibrant, interactive ecosystems. The embedded wallet technology completely removes the friction of traditional crypto (no browser extensions or complex seed phrases required), allowing players to access "Reward Mode" via standard social logins like Gmail or Apple. Beneath the surface, By utilizing this technology to stop the monetization of frustration and instead monetize positive, rewarded engagement, the financial impact was undeniable.

The Engine of Habit: Dynamic Daily Leaderboards

To actively stretch the engagement window and transform short-term interest into a daily habit, TapNation utilizes a highly scalable, competitive mechanic: the Dynamic Daily Leaderboard. Rather than handing out one-off rewards, they engineered a continuous loop that incentivizes daily "reusability."

Here is how the mechanic operates:

Core-Loop Scoring



Players climb the ranks strictly through core game activities, such as completing levels or winning PvP match-ups. This ensures the reward system directly amplifies core gameplay rather than distracting from it.

Elastic Reward Tiers



To maintain a healthy competitive balance, the system doesn't use a rigid payout structure. Instead, the reward pool dynamically scales with the volume of participants, paying out to anywhere from the Top 100 to the Top 500 most engaged daily users.

Core-Loop Scoring



Currently, top players are compensated with partner tokens at the end of every daily cycle. However, to further honor the frictionless "value exchange," TapNation's roadmap involves transitioning these payouts to stablecoins.

MEMBER SPOTLIGHT : MAPLESTORY UNIVERSE

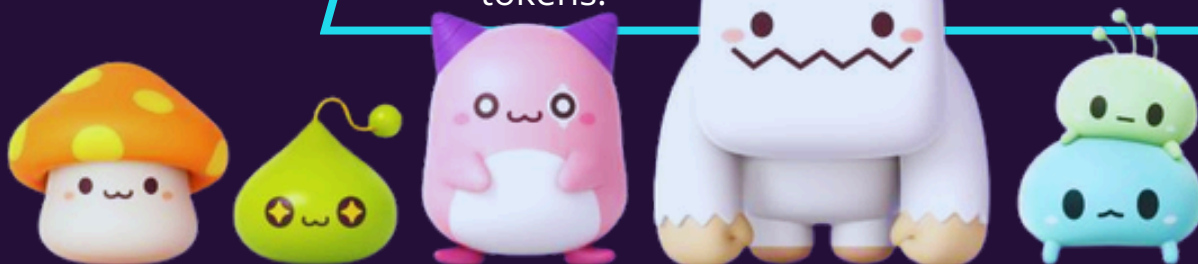
For years, the Free-to-Play (F2P) and ad-supported models felt like an "everybody wins" scenario. However, as noted earlier in this playbook, the old model of high-volume, "one-sided" transactions is failing. Players are experiencing profound ad fatigue and expect a tangible return on their invested time and data.

While Web3 has long promised "digital ownership" as the solution, traditional developers have rightfully remained skeptical, viewing blockchain economies as volatile, speculative casinos rather than actual games. MapleStory Universe (MSU) shatters this stigma by proving that blockchain infrastructure can drive massive, sustainable revenue strictly through genuine gameplay.

Here is how MSU successfully activates the "conditional payer" at a AAA scale:

The Utility- Driven Reality Check

In early Web3 titles, token activity was heavily driven by financial speculation. MSU flips this entirely: nearly 90% of ecosystem revenue is driven by in-game utility, underscoring strong, usage-led demand. By May 2026, the ecosystem generated over 48 million NXPC (US\$31 million+). This proves that the vast majority of money flowing through the game comes from genuine gamers interacting with core mechanics, not investors flipping tokens.



Monetizing Effort, Not Frustration

The conditional payer converts when a transaction feels earned through effort. In MSU, players acquire NFTized items directly through gameplay, such as defeating monsters and completing quests. Because players put in the work to acquire these items, spending resources to upgrade them feels meaningful. In fact, players have spent over 11.9 million NXPC (approximately US\$15 million) primarily on item enhancements.

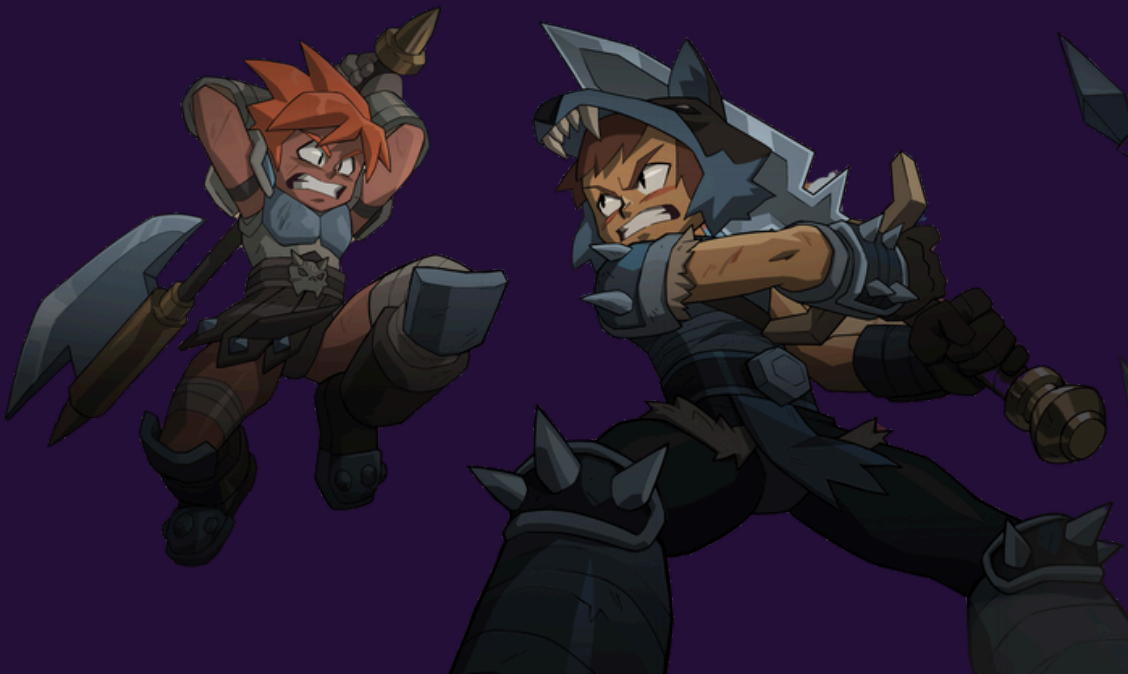
Securing the Ecosystem

By bringing historically massive grey markets on-chain, MSU allows unofficial item trading to happen securely and openly within the ecosystem, benefiting both players and the platform

When developers stop relying on ad-wall friction or speculative mechanics, and instead utilize transparent, usage-led demand models, they build a highly committed community that spends because they want to, not because they are forced to.

MEMBER SPOTLIGHT : OLDERFALL

Beyond giving players true ownership of their in-game assets, we are already seeing games successfully integrate blockchain to power highly active competitive reward ecosystems. Partnering with the Web3 tournament platform N3mus, one title, Olderfall, has already hosted 96 tournaments to date. This competitive scene is driving massive engagement, generating 25,000 total enrollments with an average of 200 sign-ups per tournament. By distributing a consistent weekly prize pool of 750 USDC, totaling \$30,000 in rewards since March 2025, the game has cultivated a loyal and highly motivated player base, proving the absolute viability of on-chain, stablecoin rewards for long-term community retention.



CHAPTER 2

THE MECHANICS : Driving Long-Term Retention

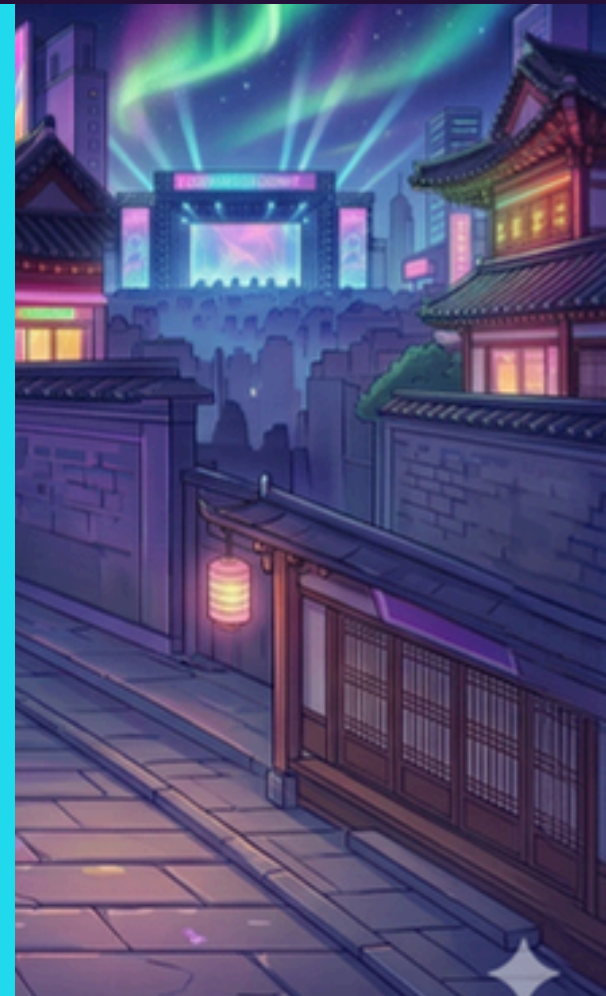
- a. Stretching the Engagement Window

The industry is undergoing a strategic pivot in how it structures player incentives, shifting focus from short-term acquisition to mid-term habit formation. Rather than viewing rewards as a temporary onboarding tactic, developers are reclassifying rewarded engagement as a continuous loyalty loop designed to stretch the player's lifecycle well into their first month and beyond. Data suggests that once a player remains actively engaged through this 30-day window, they build the core habits necessary to continue playing and spending long after the initial reward funnel has ended.

MEMBER SPOTLIGHT : TAPNATION

The traditional issue with rewarded play apps is that they limit scale and often only work well for IAP-monetized games, making it hard for ad-monetized titles to absorb the costs. TapNation solved this by utilizing embedded in-game rewards directly within titles like Idle Bank.

By integrating ZBD's lightweight SDK as an example, players earn real-money rewards via the Bitcoin Lightning Network inside the game itself, rather than through a separate app. This continuous, native reward loop drastically extends the engagement window. The underlying power of this embedded model is undeniable: across pilot projects, embedding financial stakes increased Day 7 (D7) retention by up to +61% and total playtime by up to +62%. Furthermore, new titles utilizing this exact embedded reward technology have seen Day 30 (D30) retention climb by up to +355%



MEMBER SPOTLIGHT : XBORG

XBorg's data also highlights the necessity of stretching engagement through the "off-season" when core activity naturally dips. Instead of padding the off-season with forced busywork that drops completion rates, XBorg found profound success in shifting to identity-building quests (like sharing playlists, voting on designs, or showcasing avatars) and leveraging the psychology of scarcity through exclusive, limited-time rewards to maintain a sense of belonging

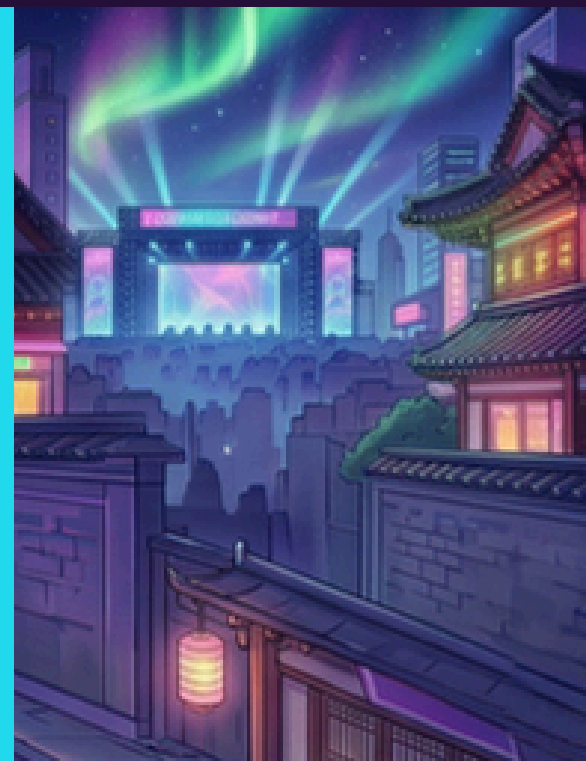
- b. Complementary Side Quest Design

In modern game economies, successful rewarded user acquisition functions best when it operates as a parallel loyalty program. Rather than pulling the player away from the experience, the most effective retention platforms use milestones that seamlessly complement the main gameplay, effectively acting as "side quests." Increasingly, developers are utilizing blockchain as the invisible infrastructure to power these external missions, using it to drive both passive loyalty and active reactivation without disrupting the core game loop.

MEMBER SPOTLIGHT : TAPNATION

Building Passive Loyalty

TapNation is executing this side-quest philosophy perfectly through their partnership with Unique Network on the Polkadot ecosystem. Rather than building speculative trading marketplaces, TapNation utilizes non-fungible tokens (NFTs) as achievement-based digital assets. Once players hit specific milestones in games like *Color Water Sort* or *Webmaster*, they unlock these assets, which act as VIP Passes granting exclusive benefits. Importantly, these are not heavily branded as complex crypto assets; instead, they function as invisible infrastructure for player identity and ownership that blends perfectly into the existing player journey. This creates a highly engaging, complementary side quest that rewards long-term progression without disrupting the core loop.



While TapNation uses blockchain-powered side quests for ongoing, passive loyalty, Playfull executes this concept by treating external missions as active, incentivized rescue operations. A core weakness of traditional display advertising is the inability to retarget users based on specific in-game milestones. When players hit the mid-game "grind" and inevitably churn, Playfull uses Web3 infrastructure to deploy highly personalized side quests to bring them back.

During their partnership with The Sandbox, Playfull identified segments of users who had stalled early in their progression. By issuing specific missions that rewarded players for returning and completing exact actions, Playfull drove a +29% increase in progression from Level 5 to 10 and a +21% increase from Level 15 to 20. This proves that blockchain-backed mission structures are essential infrastructure for patching "leaky buckets" and pushing players through major friction points.

MEMBER SPOTLIGHT : XBORG

XBorg's analysis of over a million interactions reinforces this by emphasizing the need to reward existing behaviors rather than forcing new ones. A quest like "Play 5 ranked games" feels effortless to a player-heavy fanbase, seamlessly building the habit loop.

Furthermore, XBorg advises developers to stop using one-size-fits-all quest templates and instead segment fanbases: "viewer-heavy" fans prefer social quests (watching streams, Twitter), while "player-heavy" fans overwhelmingly prefer in-game achievements

MEMBER SPOTLIGHT : ANGRY DYNAMITES & SNAG

And complementary side quests do not have to wait for the main game to launch. To ignite community excitement before Angry Dynamites hit mainnet, Voya Games launched Project Voyager, a lore-rich prequel mini-game. Powered by Snag's no-code backend, they deployed over 100 daily, weekly, and special missions that rewarded players with currencies tied directly to the upcoming main game's economy. This proves that immersive social questing can act as an advanced habit-building loop, transforming early excitement into a self-sustaining community

- c. Progression-Driven Referrals

Traditional referral programs often fail because they reward the mere act of sharing a link rather than genuine gameplay. During the Project Voyager campaign, Snag implemented a progression-driven referral engine that merged recruitment with core game progress.

Players earned 3% of every referred user's currency, but crucially, they also received scaling bonuses tied to their own in-game performance. This created a powerful dual incentive: players had to grow their network to unlock invites, but they also had to level up to boost their earnings.

Every new player became both a contributor and a multiplier to the game's ecosystem, creating a high-velocity growth loop



- d. 2.6x ROAS Optimization: By leveraging advanced AI-driven ad stacks and modern value optimization models (such as those recently updated by Meta), developers can stop guessing creative success. Optimized campaigns have been proven to yield a 2.6x increase in Day-7 ROAS while triggering an 80% drop in cost per install.
- e. Boosting the Bottom Line via D2C:

As player acquisition costs rise, transitioning high-intent users to Direct-to-Consumer (D2C) web shops has emerged as a vital strategy for maximizing Lifetime Value (LTV). By shifting transactions away from native mobile ecosystems, developers bypass the standard 25% to 30% platform fees imposed by Apple and Google. In the most successful market models, this fee avoidance serves as the primary financial engine for the reward revolution. Rather than simply absorbing the margin savings, leading studios leverage these funds to reinvest directly into the player, typically offering 15% to 25% bonus virtual currency to incentivize the shift to the web shop.

Transitioning players to a Direct-to-Consumer (DTC) web shop allows developers to bypass the 25% to 30% platform fees taken by Apple and Google. This fee avoidance is the financial engine of the reward revolution: studios utilize these massive margin savings to reinvest in the player, offering 15% to 25% more value or bonus virtual currency in the web shop to incentivize the shift and drive long-term LTV.



Building Monetization Habituation (The Appcharge Insight)

This migration strategy is not solely about immediate margin improvement; it is a structural mechanism designed to build monetization habituation. Once a player is convinced to navigate to an external storefront, the operational goal is to establish what Omer Torok-Arlosoroff at Appcharge identifies as the "muscle memory of spending."

Navigating away from the game to make a purchase introduces significant friction, making the first transaction the hardest to secure. However, Appcharge data reveals that once a player completes their third distinct transaction in a web shop, there is an 84% probability they will convert into a habitual buyer. Therefore, offering substantial D2C rewards and discounts operates as a highly strategic investment, one specifically designed to push players past this three-purchase threshold, permanently locking in a higher LTV and maximizing long-term studio revenue.



Protecting the Spending Habit: Stabilizing ARPU Through Demand-Driven Pricing

Establishing the "muscle memory of spending" is only the first step; retaining that habit requires economic trust. In traditional gaming, developers tightly control the item supply, often artificially inflating it to drive short-term revenue. This "black box" approach inevitably undermines player trust by devaluing the in-game assets players have already spent time and money acquiring. If a player knows their purchase will be devalued by an upcoming patch or cash-shop drop, their spending habit breaks.

MapleStory Universe (MSU) proves that Web3 infrastructure can solve this by replacing opaque inflation with a transparent, self-regulating market that strictly enforces scarcity through smart contracts.

To build sustainable monetization habituation, MSU implemented a Demand-Driven Pricing system:

Market-Dictated Costs: All in-game transactions and enhancement prices are determined by true market economy principles. If many players are enhancing certain items, the cost of enhancement automatically increases. Conversely, if fewer players choose to enhance an item, the cost decreases.



2

Deflationary Value Protection: To further protect the player's spending power and align token supply with platform activity, MSU introduced a quarterly burn mechanism that transparently removes 20% of ecosystem-generated revenue from circulation.

The Financial Proof: Rock-Solid ARPU For traditional developers, the fear is that open markets lead to volatile, unpredictable revenues. MSU's on-chain data entirely refutes this. Because the economy self-regulates based on actual player utility rather than central developer inflation, **MSU's Average Revenue Per User (ARPU) held incredibly steady at 56-67 NXPC.**

This proves that transparent, demand-driven economies do not cause volatility. Instead, they foster a high level of economic trust, locking in predictable, long-term player spending habits and stabilizing Lifetime Value (LTV).






CHAPTER 3

COMPARATIVE PERFORMANCE : Traditional vs. Optimized Reward Funnels

- Day 1 Retention: When deploying optimized reward flows, developers have seen Day 1 retention hit over 70%.

Playfull's intelligent performance optimization provides a concrete, real-world benchmark for this standard: their campaign for The Sandbox generated a phenomenal 73.8% Day-1 retention rate, vastly outperforming the industry average by ensuring players are actively engaged and rewarded from their very first interaction

Why Playfull Beats Display Advertising

- **Deep Funnel Performance**
Display ads drive a click and hope users explore the funnel on their own. Playfull guides and rewards users every step of the way to complete the events that drive retention—download, first play, reach level 10, etc.
- **Speed**
Display ads require constant creative production—different formats, A/B tests, refreshes to combat fatigue. With Playfull, campaigns are improved quickly and no expensive design resources are needed.
- **User Quality**
Quality users are increasingly annoyed by ads and hide behind AdBlock. Playfull believes in rewarding and empowering players which means they opt-in to play and are excited to discover new games.

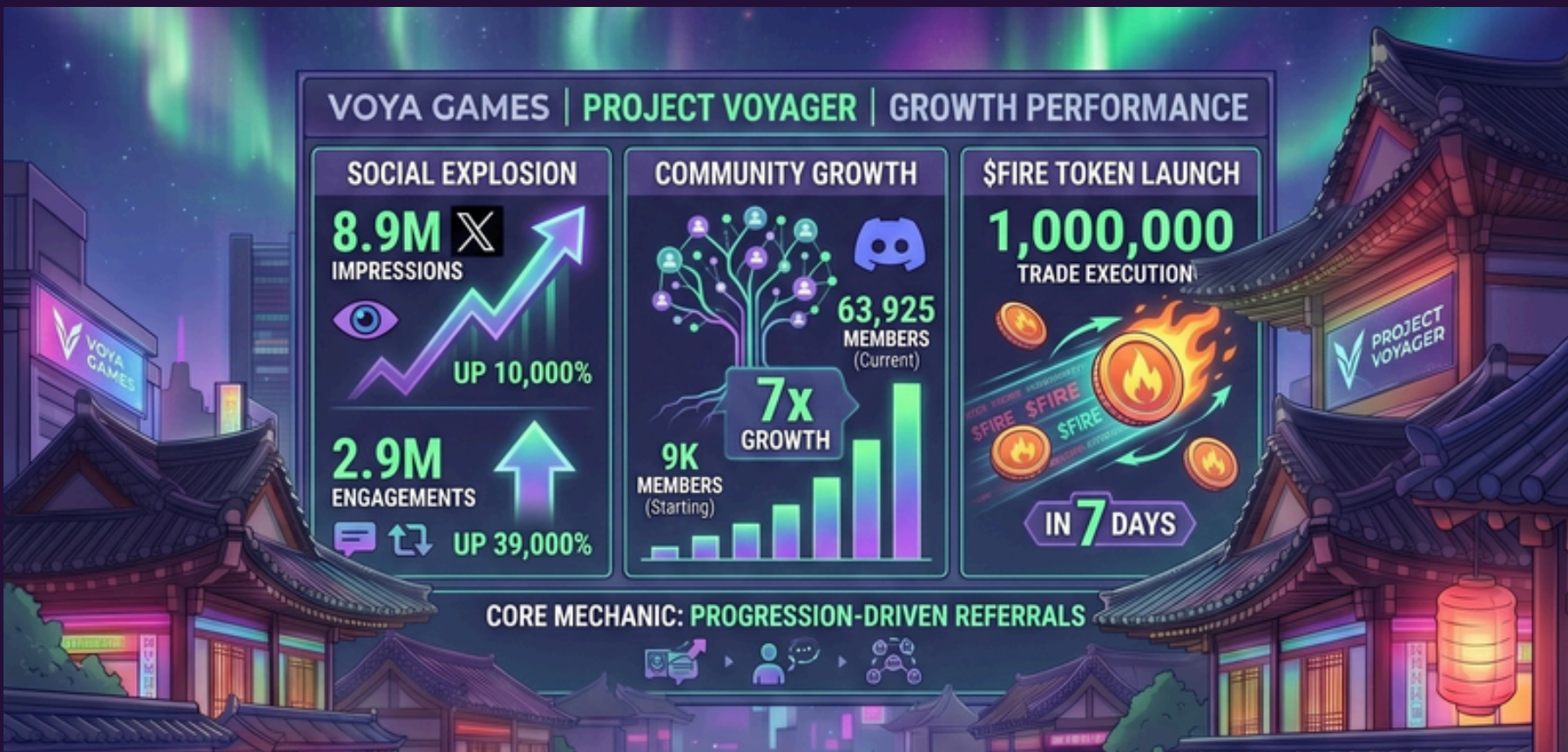
- Day 30 Retention: This strategy prevents the "reward cliff" drop-off, pushing long-term Day 30 retention to almost 20%.
- Payer Conversion: By optimizing the reward funnel and providing higher incentives at traditional player churn points, the number of users making a deposit within their first 7 days jumped from 9.7% to a staggering 17%.

CHAPTER 3

COMPARATIVE PERFORMANCE :
Traditional vs. Optimized Reward Funnels

MEMBER SPOTLIGHT : ANGRY DYNAMITES & SNAG SOLUTIONS

This high-intent social questing model generates massive financial momentum. Because the Project Voyager community was built on verified engagement and progression-based referrals, the momentum carried directly into the launch of Voya Games' \$FIRE token. In just seven days, the launch drove a 10x increase in transaction volume on Ronin's Katana DEX, alongside 1,000,000 trade executions. This demonstrates that treating pre-launch engagement as an active economy, rather than simple marketing, directly powers long-term token demand



CASE STUDY

ANGRY DYNAMITES X FISHING FRENZY

For executives and growth leads looking to solve the escalating Customer Acquisition Costs (CAC) and retention drop-offs of traditional advertising, cross-game interoperability represents the next frontier of high-intent acquisition. The live collaboration between Angry Dynamites and Fishing Frenzy serves as a definitive proof-of-concept, validating the core ROI and retention models outlined in our playbook.

Before analyzing the results, it is important to understand the mechanics of this collaboration. Angry Dynamites and Fishing Frenzy are two distinct games operating on the same blockchain. To drive cross-pollination, the developers hosted an event with the following flow:

- **The Import:** Players of Angry Dynamites' Craft World mode were allowed to import "\$FISH," the native currency of the completely separate Fishing Frenzy game.
- **The Utility:** The imported \$FISH was not just a static asset; players had to spend it to purchase "worms": the essential foundational resource required to play the Craft World event.
- **The Loop:** As players spent \$FISH, the revenue was pooled into a dynamic prize fund. Players then used their "worms" to engage in time-based gameplay to climb the "Masterpiece" leaderboard and win a share of that prize.

With this context in mind, here is how this single event generated \$300,000 in trading volume, converted 15,000 paying participants, and directly validates the four foundational pillars of the Reward Revolution:



CASE STUDY

ANGRY DYNAMITES X FISHING FRENZY

1. Validating the Strategic Shift: From Installs to Intent

- The Playbook Principle: The modern ecosystem requires treating the entire player experience as a dynamic value exchange. Rewards should act as a behavioral filter to ensure the audience is highly committed.
- The Case Study Proof: By allowing players to port their earned value (\$FISH) from one game into another, the event disrupted isolated economies. Because the imported token had real functional utility, it acted as the ultimate behavioral filter. Players were actively engaged in a positive value exchange, bringing high-intent users into Angry Dynamites rather than just chasing cheap, unengaged installs.

2. Validating Complementary Side Quest Design

- The Playbook Principle: Successful rewarded user acquisition must act as a loyalty program that runs in parallel with the core game, effectively acting as a complementary side quest.
- The Case Study Proof: Instead of pulling users out of the game to complete unrelated tasks (like watching ads or taking surveys), the imported \$FISH token was required to purchase the "worms" needed to start the event's production loop. This seamlessly integrated the cross-game reward as a complementary mission that drove the core gameplay forward.



CASE STUDY

ANGRY DYNAMITES X FISHING FRENZY

3. Validating the Engine of Habit: Dynamic Leaderboards

- The Playbook Principle: To transform short-term interest into a daily habit, games must use highly scalable, competitive mechanics like Dynamic Daily Leaderboards where the reward pool scales with participants.
- The Case Study Proof: Angry Dynamites perfectly executed this by utilizing a dynamic prize pool directly funded by player spending. Furthermore, developers implemented the "Masterpiece" leaderboard with forced, time-based gameplay loops. This prevented high-spending whales from simply buying their way to the top with massive amounts of \$FISH, ensuring that daily habits and actual gameplay were the true drivers of success.

4. Validating Comparative Performance & ROI

- The Playbook Principle: Deeply customized reward flows demonstrate massive, undeniable metric uplifts compared to traditional ad campaigns.
- The Case Study Proof: The hard KPIs from this event prove that Web3 interoperability delivers superior financial outcomes. By driving 1,100 peak daily installs, attracting 15,000 paying participants, and generating \$300,000 USD in trading volume, the cross-pollination of assets yielded a massive return on engagement that standard Web2 funnels struggle to match.

