DIGITAL TREE GAMES
TIME TO BRANCH OUT

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Business Plan 2012

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Executive Summary

Digital Tree Games was established in late 2012 and we endeavour to create small enjoyable games for the iPad and X-Box 360. Our objective is to successfully design and create games that are enjoyable and educational. Our main office is located in Limerick, but we can also be found working in such locations as Waterford and Wexford.

Business/Product

Digital Tree Games plan on making highly immersive games for the X-Box 360 and the iPad. Our games range from small pick-up-and-go type games to more in depth and educational/therapeutic type games.
At the moment Digital Tree Games is currently developing/designing two games, one for the iPad and X-Box 360.

Naval Battles

At present the game being developed for the iPad is called Naval Battles. The game will be a top down shooter styled game, player-v-computer, which we will develop for the iPad using Corona SDK. The art style of the game will be slightly cartoon like rather than strictly historically accurate.

The main game play will be naval combat based against enemy ships and ports. The player will use his or her vessel and its cannons to destroy enemy ships and ports, for which he or she will earn gold/experience, which he or she can then use to upgrade his or her ship or crew.

OT Connect

OT Connect is a game for the X-Box 360 which will utilise the capabilites of the Kinect. The game is still in the design process but essentially OT Connect is a game for the X-Box 360 Kinect that would help assist Occupational Therapists with clients that have physical and learning disabilites.

The game will be designed to specifically help improve children with learning (input, output, storage, and integration learning) and physical (mobility, visual, and hearing) dissabilites. With physical dissabilites, children might find such things as visual recognition, body position, and coordination difficult, with the help of the game we are currently designing, occupational therapists can use this game to help improve a childs lifestyle and rehabilitate children with such difficulties in a fun environment.

A lot of research goes in to designing a game such as this and it will have to be layed out carefully, but we believe here at Digital Tree Games that we can accomplish this.

Presently, our iPad game is in the introductory stage. It competes primarily based on its originality. Our future plans include successfully designing OT Connect in a year.

Business Description

Digital Tree Games is, by its very name, a small games development company whose objective is to successfully design and create entertaining games for casual gamers and games that are also educational/therapeutic. Digital Tree Games concentrates on designing and developing immersive games, at the moment, for two platforms, the X-Box 360 and the iPad.

Because there is such a wide ranch of mediums to develop games for, we decided on targeting one of the most popular portable gaming devices at the moment and a not so portable home entertainment system console like the X-Box 360.

By targeting two platforms which are so popular at the moment, we believe that we can build a reputation for Digital Tree Games and expand our market place by eventually expanding to other platforms like Android and the PS3.

The Market

Given the huge success of the video game industry and smartphone industry, we at Digital Tree Games saw the potential to design and develop for such a fast growing market. Also, mobile application development has become more and more popular because of its availability and convenience.

- **Marketing**

  A marketing strategy is a huge part of starting up a business, but every company will require a different marketing plan to get their products or services across to potential customers. A marketing plan is a vital part of a companies success, and it has been known that companies find starting a marketing strategy daunting because not everyone knows how to start one. A good marketing strategy is essential for every business to have. This will give you a clear direction as to where you should go with your marketing efforts, and will give you a better understanding of what marketing methods are going to reach your customers in the exact manner that you were hoping for.[1]

- **Target Market**

  Because one of our games will be an iPhone application there is a huge market for opportunity. eMarketer did out a survey in 2011 to discover the age range of people downloading applications for their smartphones. The survey results showed the 85% of people aged between and 18 – 24 have downloaded apps and 86% of people aged 35 – 44 have also downloaded applications. These results show that there is a large range of people that could be potential customers.

- **Resources**

  To produce the games we hope to deliver to potential customers we need to acquire the necessary development software to successfully create a high quality product. Such software we would need to create games that are compatible with certain OS's such as Microsoft Visual Studio for the X-Box and Corona SDK for the iPad. Also, we would require the devices, which we will be creating the games for i.e. the iPad, X-Box 360, and Kinect.

- **Resource List:**
  - <u>Devices</u>
    - iPad 2
    - iPad 3
    - iPad Mini
    - iPhone 3GS
    - iPhone 4/4S
    - iPhone 5
    - MacBook Pro
    - X-Box 360
    - Kinect

  - <u>Software</u>
    - Corona SDK
    - Microsoft Visual Studio 2010
    - Microsoft Visual Studio 2012
    - Xcode

  - <u>Other</u>
    - Apple Developer Account
    - X-Box Live Account

Competition

As there are a number of small game developing companies present in Ireland at this time, we have a number of potential competitors, a few of which I have listed below:

- **BatCat Games**

  BatCat Games is a somewhat newly established independent games developer situated in Dublin. Three passionate gamers founded BatCat Games in February 2012 because they decided they really wanted to keep the nail-biting, thrilling, and innovativeness of games like they were in yesteryears. http://www.batcatgames.com/blog/

- **Beep Blip**

  Beep Blip is situated in Derry/Londonderry and was established by two very enthusiastic and passionate gamers. So far Bee Blip Games only have one game on the market, Hungry Monster, which is for the iPhone platform. Beep Blip Games were founded in 2011. https://www.facebook.com/pages/Beep-Blip-Games/119114408164741?sk=wall

- **Glass Robot**

  Glass Robot is another newly established independent games company, founded in 2012 and situated in Dublin, who concentrates mainly on designing and developing highly entertaining mobile games for the Android and iPhone. Glass Robot don't just concentrate on developing games, they also create great mobile applications for professional companies who might wish to dabble in the iTunes and Android market place. http://www.glassrobotstudios.com/

- **Open Emotion**

  Open Emotion is a slightly older game development company, of which was established in 2010 and probably one of the most well known indie game developing companies in Ireland. Open Emotion is situated in Limerick, so it would probably be the most competition in terms of locality. Open Emotion started off developing games for small devices like the iPhone but in 2011 they ventured to larger consoles like the PSP and PS3 by creating a few PS Mini games. http://www.openemotionstudios.com/home-2/

Here at Digital Tree Games we believe that a healthy competition can help us thrive and achieve something successful.

Risk vs Opportunity/Rewards

The risks we associated with our company are as follows:
- As our company is only a start-up, for the first couple of years we will have a varying source of income and possibly even no income for periods of time
- Competing companies might sell their products cheaper then our own, which would increase the market competition and have a negative impact
- Because a start-up company requires so much with a return of very little, emotional stress can hinder the company's work flow and in turn have a negative impact on the business

We here at Digital Tree Games feel we can overcome all these risks and more because of the large scope of opportunities available to us:

- Because we started up our own business we have independence which allows for creative freedom on what we want to produce for our customers
- The opportunity to create our own unique games for a rapidly growing industry with exciting new prospects in terms of technology and scope
- Owning your own business allows for flexibility, you can work around what suits you and your lifestyle
- By designing and creating your own games/products that customers enjoy which brings great personal satisfaction
- The opportunity to get our foot in the door of an ever increasing industry that is rapidly becoming one of the highest earning markets in the world

Management Team

Digital Tree Games is lead by a small management team so far consisting of only Leah Barbour, CEO who co-founded Digital Tree Games in 2012 along with COO and Co-Founder Graham Curran. Both Leah and Graham study at the University of Limerick reading a degree in Computer Games Development. Graham would primarily be the team programmer where Leah's expertise would concentrate more on design.

Operations

We have developing facilities situated in Limerick, but we can also work from home in Waterford and Wexford. Presently we execute design and programming in house, while outsourcing official documents and marketing. At present, the number of full-time employees we have are two, Leah and Graham, and our products are dispensed by iTunes and by ordering online from our website.

Financial Projections

Our financial projections are done over the space of 3 years.

Expenses:

Expense	Monthly	Year 1	Year 2	Year 3
MacBook Pro				
iPad 2		€400		
iPad 3			€480	
iPhone 3GS		€200		
iPhone 4S		€400		
iPhone 5			€550	
X-Box 360 Elite			€200	
Kinect			€70	
X-Box Live Account			€35	€35
Windows PC		€1,300		
iPad Mini				€340
Advertising	€250	€3,000	€3,000	€3,000
Apple Developer Account	€8	€96	€96	€96
Travel	€80	€960	€960	€960
Branding				
Web Hosting	€6.70	€80.40	€80.40	€80.40
Rent	€550	€6,600	€6,600	€6,600
Utilities	€150	€1,800	€1,800	€1,800
Office Supplies	€40	€480	€480	€480
Office Furniture	€500	€1,000	€1,000	€1,000
Wages	€3,000	€36,000	€36,000	€36,000
Total	**€4,584.70**	**€52,316.40**	**€51,351.40**	**€50,391.40**

Income Year 1

Game	Number of customers per month	Income per customer	Total income per game
Naval Ships	10	€100	€12,000
OT Connect	5	€250	€15,000
		Total	€27,000

Income Year 2

Game	Number of customers per month	Income per customer	Total income per game
Naval Ships	18	€100	€21,600
OT Connect	10	€250	€30,000
		Total	€51,600

Income Year 3

Game	Number of customers per month	Income per customer	Total income per game
Naval Ships	27	€100	€32,400
OT Connect	20	€250	€60,000
		Total	€92,000

Year	Expenses	Income	Profit
1	€52,316.40	€27,000	-€25,316.40
2	€51,351.40	€51,600	€248.60
3	€50,391.40	€92,000	€41,608.60

Legend: Year 1, Year 2, Year 3

Categories: Expenses €, Income €, Profit €
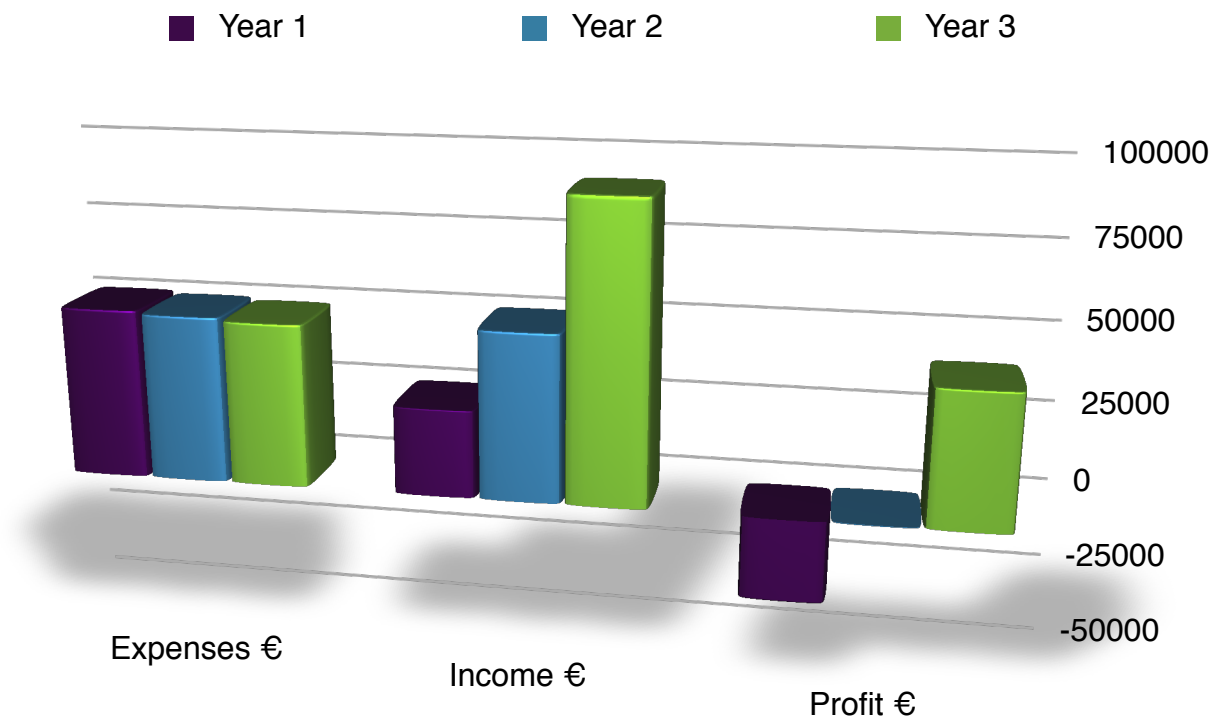
References

[1] DAASN (2010) Why a Marketing Strategy is so Important and How to Create One [online], available http://www.daasn.com/why-a-marketing-strategy-is-so-important-%E2%80%93-and-how-to-create-one/ [19/11/12]