

Playdom Reveals Itself as the Developer of the #1 Game on MySpace

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The developer of the #1 game on MySpace, and 8 of the top 25 games on the MySpace application platform, is emerging from stealth mode tonight, and we have all the details here on Inside Social Games.

Playdom, formerly known as YouPlus, boasts Mobsters (13.4 million users), Bumper Stickers (10 million), Own Your Friends (9.5 million), Kiss Me (2.8 million) Poker Palace (2.7 million), Heroes (2.1 million), Sorority Life (1.6 million), and Rockstars (1.5 million) in its MySpace portfolio. Poker Palace and Sorority Life are already on Facebook, and more are coming soon—and an iPhone Mobsters game is already in the works.

The company has 37 employees—with plans to be at 100 by the end of the year—and is already profitable. They've raised no money, and co-founders Dan Yue (formerly employee #1 at Adify and a semi-pro poker player), Rick Thompson (former co-founder of Adify and Flycast), Chris Wang (formerly a developer at Google), and Ling Xiao (also of Google) say they don't have plans to do so.

So what have they been doing for the last year and a half exactly?

"We've been relentlessly focusing on what we think are killer engaging social games," Thompson told Inside Social Games. "Dan and his team have put in place an analytics platform for creating and improving these games quickly. We're doing a lot of testing and listening to our users. 10% of our product development cost goes to originally producing our games, and 10 times that goes into improving them."

Today, the company says they have 5.2 million daily active users and 21.8 million monthly active users, for a play rate (DAU/MAU) of 23%. Playdom says these numbers are higher for their RPGs.

And as you may expect, the company has been primarily monetizing through the sale of virtual goods—like hot cars, weapons in Mobsters, and the "little black dress" in Sorority Life. 50% of the transactions are done through direct payments, and 50% are done through affiliate (offer-based) marketing. Thompson said the company has optimized the transaction experience for its core purchasers (hard core players who bring in the most revenue), and is partnering with Offerpal Media, Super Rewards, and others.

"Some items are collectible goods, some are purchased for game play advancement, and some are bought because they're pretty. The motivations are different. For example, we used to have nothing but cars in our racing game. Then one day a user emailed us offering to pay us \$100 if we put a picture of his truck in the game. So we put a truck in the game and a lot of people bought it," Yue says.

The company's game strategy is to "Marry things that have worked traditionally in the games industry with the new aspects of the social environment and hope for the best. Everything we've come out with could be taken to the next level," Yue adds.

The company is now focused on improving its line of MySpace games and expanding onto Facebook and the iPhone. Poker Palace is already live on Facebook and is already in the Top 25 games list with nearly 2.7 million monthly active players.

Yue says Playdom is now splitting its design efforts 50/50 between MySpace and Facebook, with some effort going into iPhone development as well. Mobsters will be the company's first iPhone title, and will connect game play across platforms so that players can log in from their home computer or anywhere with a mobile internet connection.

However, Yue said he is frustrated that Apple has not made it clear what they are going to do with micropayments on the iPhone. Currently, Apple does not allow it, but Yue thinks now is the right time to get into the space.

Finally, Yue and Thompson say the company is actively hiring. Playdom is looking for developers, producers, and product managers.

Now that Playdom is public, expect to hear a lot more about them here on ISG!