

# Virtual Products, Real Profits

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*WSJ*

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- Zynga Inc. is among tech industry's hottest companies
- It gets people to buy a bunch of things that don't exist

- Zynga product managers discovered that players bought a translucent anglerfish at six times the rate of other sea creatures
- The company had artists whip up a set of similar imaginary sea creatures with translucent fins and other distinctive features
- They charged real money for the virtual fish, and players snapped them up at \$3 to \$4 each

# Free games

- Traditional videogame companies create games they think players will like
- Zynga offers free games, then studies data on how its audience plays them
- At the heart of the whole process is Zynga's ability to analyze reams of data on how players are reacting to its games

- Over 95% of Zynga's players never spend a nickel on its games.
- But its audience of 150 million unique monthly users is so large ... generate big bucks for the company.