

Digital Content Marketing as Business Strategy for Japanese Video Game Company in the Network Society

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ABSTRACT

This study examines how CapCom, a company in the Japanese video game industry, increased its sales through digital content marketing. Japan is one of the countries that has strength in the global economy in various aspects of the economy, one of which is the video game industry. The video game industry in Japan has gone through several periods ranging from the arcade era to the handheld era. CapCom is one of the Japanese companies engaged in the video game industry. The company focuses its business on digital content marketing. This is also CapCom's effort to increase its sales. This research uses Castells' theory of network society and Koiso and Kanttila's concept of digital content marketing with a leathervative research method and document analysis obtained from online sources. Based on the analysis of data collected from various sources, CapCom's effort to increase its sales through digital content marketing is by utilizing global networks for various marketing purposes. Then, CapCom also tends to emphasize value-added services by offering DLC (downloadable content) on its digital content to increase sales and consumer loyalty to the company.

Keyword: CapCom, Video Game, Masyarakat Jaringan, Digital Content Marketing, Value Added Service

INTRODUCTION

Japan is both powerful in the context of globalization and has a strong presence in the global economy. This global economic strength has been followed by an increase in the country's profile in the globalized world, especially in popular culture. The expansion of communication technologies and developments such as cell phones, manga, anime, and video games as well as Japan's acquisition of global film and music production, have propelled Japanese popular culture around the world (Allen & Sakamoto, 2006). In the regional context, in East Asia, Japan is not only a leader in economy and industry, but also a country that has significant cultural influence, especially popular culture (Otmagzin, in Chen, 2013). One example of Japanese popular culture that also extends globally is video games. Video games are generally produced by commercial companies although there are also companies whose form of production is semi-public or public. Video games are part of a broader cultural and creative industry that encompasses various aspects such as culture, information, communication, economy and more. Identifying and obtaining data

on companies in the video game industry is a challenge. Official statistics often categorize gaming companies alongside the media, communications, telecommunications, toy industry, software, and information technology industries. Despite the challenges in obtaining accurate data on statistics from the video game industry, the video game industry has experienced significant growth in sales, revenue, and number of players (Kerr, 2017).

The history of video games dates back to 1889 in Japan when Yamauchi Fusajiro founded the Marufuku Company (which later became Nintendo) to manufacture and distribute Hanafuda cards (Japanese card games). Not only in Japan, the history of the emergence of video games also occurred in the United States in 1958 after the invention of an interactive video game machine that could play games such as table tennis with oscilloscope media. Then in 1961, MIT (Massachusetts Institute of Technology) students invented the Space Wars game that could be played with computers at that time. Starting with the video game, then followed by the emergence of companies engaged in the same field such as Namco, Sega, Atari, and other companies. The Nintendo company, which initially sold Hanafuda games, evolved into selling game consoles (Kent, 2001).

1971 Arcade era	Business Basics Confirmed <ul style="list-style-type: none"> • First in the USA, Japan took the lead after the Crash of 1983 • Roughly up to the early 1980s (birth of Famicom)
1983 2D era	Market Expansion Period <ul style="list-style-type: none"> • The heyday of 2D graphics • The transition from 8-bit to 16-bit occurred during this period.
1994 3D era	Drastic change in industrial structure <ul style="list-style-type: none"> • The peak of the Japanese game industry & the start of its downfall • Coincided with the spread and establishment of 3D graphics
2006 Handheld era	Handheld game consoles become mainstream for home use <ul style="list-style-type: none"> • Reasons: Soaring development costs and aging users • Social games on mobile phones become a social issue.
2012 Smartphone era	Changes in the competitive environment <ul style="list-style-type: none"> • Center of the market: from home use to smartphones • Market relationship: from co-evolution to competition

Figure 1. Video Game Industry Era
Source : (Koyama, 2023)

The gaming industry in Japan started with arcade games. However, that changed and the gaming industry in Japan moved to home video game consoles. Then, the video game industry in Japan entered the 2D or two-dimensional era. In this two-dimensional era, there was a transition from 8-bit to 16-bit computer architecture. Then when entering the 1990s, the game industry in Japan experienced major changes in its technology and business environment where video game consoles became the main focus in the video game industry in Japan and also Japan entered the 3D Era or three-dimensional era using 3D graphics technology. This era also saw an expansion in the use of disk media (CD-ROM, DVD-ROM) in game development and business models. An example is the emergence of PlayStation consoles that use this technology. In 2006, the 3rd generation PlayStation console or PlayStation 3 was released. Following this, the Japanese game industry entered the handheld era which only lasted a few years. This handheld era was dominated by Nintendo's Nintendo DS and PlayStation's PlayStation Portable (PSP). However, the emergence of smartphones in Japan became a significant element of change in the gaming industry in Japan with the release of Puzzle & Dragons (Pazudora パズドラ). From 2012 to the present, the game industry in Japan entered the smartphone era, which is characterized by intense competition between markets. Online platforms such as Steam (a game buying and selling platform) have also created strong competition with PCs or computers. Currently, the gaming industry in Japan is still in a state of flux (Koyama, 2023). Advances in computer technology have

eliminated the performance gap between home video game consoles and other platforms for playing video games. Today's home consoles are as powerful as computers, while handheld video game consoles are no more powerful than smartphones. The evolution of video games in terms of technological advancement has been linked to the increase in game development budgets and the complexity of the content produced (Koyama, 2023).

Video games have also evolved into a significant industry in global cultural influence and Japan has also played a key role in this. The video game industry, which originally started in western countries such as the United States, has now also been displaced by the dominance of Japanese game companies such as Nintendo and Sony, which also dominate the game market in the United States. The development of the video game industry in Japan is also one of the reasons why Japan has become a cultural exporting country based on the link between technology and culture. This was followed by government initiatives to promote cultural exports (Chen, 2013). Playing video games can be done using a variety of different devices. Broadly speaking, the most commonly used devices in playing video games today are PCs (personal computers, such as laptops, computers, etc.), consoles (Nintendo Switch, Sony Playstation, etc.), and smartphones. The number of players of the three types of devices will certainly differ from country to country.

Video games are generally produced by commercial companies although there are also companies whose form of production is semi-public or public. Video games are part of a broader cultural and creative industry that encompasses various aspects such as culture, information, communication, economy and more. Identifying and obtaining data on companies engaged in the video game industry is challenging. Official statistics often categorize gaming companies alongside the media, communications, telecommunications, toy industry, software and information technology industries. Despite the challenges in obtaining accurate data on statistics from the video game industry, the video game industry has experienced significant growth in sales, revenue and number of players. Market research reports estimate the value of the video game industry to be approximately USD 52 Billion in 2009. This growth is also supported by the development of online games (Kerr, 2006). Companies in Japan engaged in the game industry are not only limited to the production of game consoles, but there are also companies engaged in the production of games. One such company is CapCom.



Figure 2. CapCom Company
Source : www.capcom.co.jp

CapCom was established in 1979. CapCom is engaged in the production of games or game software. The main businesses run by Capcom are planning, developing, manufacturing, selling, and distributing video games, games for smartphones and also games for arcades. CapCom is the producer of several well-known game series such as Resident Evil, Street Fighter, Devil May Cry, and Monster Hunter. The sales figures achieved by CapCom can also be said to be large with an increase in consumer market figures from 2020 to the forecast to 2024.

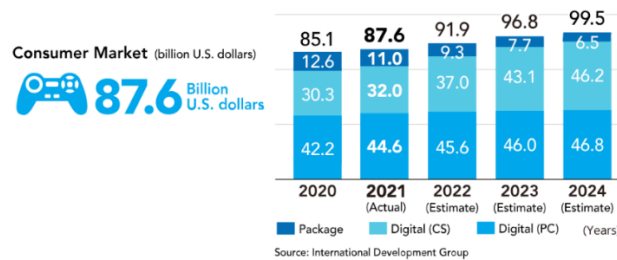


Figure 3. CapCom Consumer Market Reaches 87.6 Billion U.S. Dollars in 2021

Source : <https://www.capcom.co.jp/ir/english/business/market.html>

In running its business, CapCom has a business strategy to improve its marketing. The business strategy recently launched by CapCom is called Growth Strategy. The business strategy is carried out by CapCom to focus on Digital Content, which promotes its digital strategies by working with investor relations to create a sales profit standard of 30 billion units per year, E-Sports & Amusement, which focuses on increasing awareness of intellectual property, expanding the fan base or fandom, and the consumer revenue cycle, and Multiple-usage Content, which focuses Capcom on becoming a digital content company with a scope beyond video games.

RESEARCH METHODS

The qualitative research method was chosen in this study to deeply understand how the digital content marketing strategy implemented by CapCom can increase their sales. According to Cresswell (2009), qualitative research is very relevant in this context because this method allows researchers to explore and understand the meaning that individuals or groups give to certain phenomena, which in this case is the digital marketing strategy carried out by the CapCom company. Through this approach the researcher can explore the complex aspects of CapCom's strategy including understanding its products, where they are sold, the process of selling the products, promotions, and the pricing of the products themselves. The data sources used in this article are cited from various sources such as books, previous studies, online documents from company websites, online documents from e-commerce sites, and other online media sites.

RESULT AND DISCUSSION

Network Society Theory, network Society theory explains the transition to a society structured around digital communication networks, emphasizing the flexibility, global interconnectivity, and transformative impact of information technology on social organization and individual behavior. Network Society theory argues that society is undergoing a fundamental transformation due to the rise of information and communication technologies (ICTs) beginning in the 1970s. These technologies form a new technological paradigm that, while not defining society, is strongly influenced by it and in turn reshapes social structures. This theory argues that technological advances, particularly digital communication networks, enabled the formation of a new form of social organization: the network society. This society is characterized by its reliance on networks, which are adaptable and flexible structures that can coordinate complex tasks through decentralized yet interconnected components. Unlike past societies, where power and production were dominated by centralized and hierarchical organizations, network societies allow for more global and interconnected forms of interaction, transcending traditional boundaries (Castells & Cardoso, 2005). Network society was also conveyed by Van Dijk. According to Van Dijk (2006), the network society emphasizes information processing and exchange through social and media networks. These networks require units such as individuals, groups, and organizations (Van Dijk, 2006). One example of this is the transformation to digital form in the

video game industry, which is evident in the fact that video games can be purchased directly through certain digital platforms without any physical form. Previously, video games were only available in physical form such as cassettes or CDs that had to be purchased at stores that sold them. However, with the advancement of digital technology, video game players can purchase and download video games directly through platforms such as Steam, PlayStation Store, and other platforms. These purchases are digital and allow instant access without waiting for delivery if the product is in physical form. This reflects the flexibility and efficiency of a networked society that allows the distribution and consumption of video games to be connected globally through the internet.

From a theoretical perspective, the network society revolves around the concept of interconnected nodes forming dynamic and adaptive systems driven by technological advancements. In the context of organizational structures (as related to companies in this study), the network society redefines social structures by linking human relationships with activities such as production, distribution, and consumption through technology-mediated interactions. The network society provides a model for understanding contemporary social organization and its implications for global socio-economic and cultural dynamics (Castells, 2000). In the theory of the network society, several key aspects can serve as a theoretical framework :

a. Economic Transformation

Economic productivity relies on the creation and management of knowledge through digital means. Business activities, including trade, distribution, and technological innovation, operate on a large scale and simultaneously. The business structure of a company is flexible, depending on collaborative networks between firms and individuals, blurring boundaries related to space and time.

b. Cultural and Media Landscape

The network society is shaped by digital systems characterized by flexibility, interactivity, and media consumption. Media no longer deliver messages unidirectionally but also target segmented audiences through digital platforms, creating a virtual culture.

c. Flexibility of Time and Space

Social and economic activities occur through global networks, unrestricted by fixed geographical locations, reflecting spatial flexibility. Technological advancements compress time and rearrange its sequence (Castells, 2008).

Digital Content Marketing Concept, Digital Content or Digital Product can be defined as an object consisting of bits (binary digits) that are then distributed over electronic channels, regardless of the specific technology used, such as wired or wireless networks. The word “distributed” in the definition includes many things such as the process of sending the object to the customer or client. Then, the distributed object is downloaded to enable the display and utilization of the content or product. The distribution process and the acquired entity (content or product) itself are in digital format. Digital content distributed over wireless networks is referred to as “value-added services”. Digital content can also be regarded as software products (Koiso-Kanttila, 2004). Digital Content Marketing was also introduced by Bradley (2012) under the term Digital Goods Business (DGB). This concept involves selling intangible products in digital formats through the internet. It simplifies the relationship between producers and consumers by reducing business channels. Additionally, according to Bradley (2012), DGB plays a crucial role in balancing supply and demand, facilitating transactions, and providing business services within the digital economy (Bradley et al., 2012). Koiso and Kanttila (2004) also talked about the 5Ps, namely product, place, process, promotion, price which are defined as :

a. Product

In the product section, the use of binary digit-based formats enables the integration of different types of information in a single system. When these elements are accessible from multiple perspectives, it changes the nature of communication itself (Castells, in Koiso-Kanttila, 2003). Buyers also have greater freedom in purchasing digital products because they are flexible. For example, instead of buying an entire CD, individuals can purchase individual songs (Fischer, in Koiso-Kanttila, 2003). In other words, the buyer

has the freedom not to buy the whole product, but can also buy small parts of it according to the buyer's needs or preferences.

b. Place

Electronic proximity and accessibility illustrate how changes in the concept of place affect the timing of digital product purchases. The combination of e-proximity and accessibility allows consumers to choose when to make purchases more flexibly, as access to products can be done at any time through electronic channels.

c. Process

Navigation interaction relates to the progression of activities within an e-store and when interacting with digital products. However, this aspect is crucial because when it comes to digital content or products, there is no direct human interaction between company employees and customers during the process. Digital interfaces play an important role in guiding customers and informing users about what to do and how to proceed with the purchase. Providing clear and intuitive navigation is important to facilitate a seamless user experience and ensure customers understand the options available.

d. Promotion

Technology-based targeted persuasion can align with consumers' content choices, enabled by channel interactivity and digital downloads. The ease of switching between digital product suppliers is increasing, so a business needs to offer tangible benefits to retain its customers. For example, a video game company can promote its products digitally by providing tangible benefits to retain customers amidst the ease of switching between different online game providers. One way is to offer demo content so that buyers can experience a small part of the product they are about to buy.

e. Price

In relation to pricing, the pricing strategy may be unit price pooling or access-based pricing, and smaller prices may be aggregated into larger amounts for the purpose of diversion. In certain cases, digital products or digital content are offered for free with the aim of generating revenue through alternative means.

The business strategy with a focus on promoting digital content aims to achieve long-term global sales by increasing the digital ratio in core consumer sub-segments. Rowley (2008) highlights key characteristics of digital content or digital products from a product perspective, shaping their economic and practical use :

1. Contextual Value

Digital content has no fixed value; its worth depends on how and when users interact with the product.

2. Reproducibility and Multiplicability

Digital content can be copied and shared in large quantities. This feature raises concerns about intellectual property rights and content security.

3. Interactivity

Digital content drives changes in systems by enabling interaction. It is often integrated with other data to inform decisions or create new products.

4. Repackageability

Content can be reshaped into various formats to suit different audiences.

5. Delivery and Technology

Technology determines how digital content is distributed, depending on network capacity and device compatibility. Mobile devices, for instance, may limit access to certain types of content.

6. Perishability

While digital content itself does not deteriorate, its relevance may fade over time. Its value can fluctuate as cultural trends change, prompting the need for content archiving.

7. Tangibility

The core of digital content is intangible, though it can be packaged into physical formats like DVDs or CDs for distribution (Rowley, 2008).

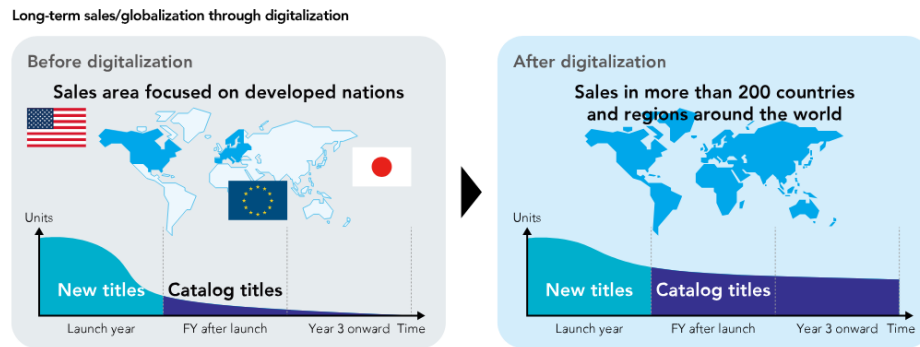


Figure 4. CapCom Sales Before and After Digitalization

Source : <https://www.capcom.co.jp/ir/english/data/oar/2021/coo.html>

As seen from the figure above, there is a difference in CapCom's sales where before digitization, unit sales were at a high level but only in the initial year of launching the unit and the following year sales tended to comply. However, after digitization, Capcom's unit sales did not experience as drastic a decline as before digitization. One of CapCom's sales focus is to sell content that is not available in conventional game stores. Digital content sold by CapCom is generally in the form of video games released by CapCom, but CapCom also sells additional digital content such as DLC or Downloadable Content.



Figure 5. CapCom's Game Titled "Monster Hunter Rise : Sunbreak"

Source : <https://www.nintendo.com/us/store/products/monster-hunter-rise-plus-sunbreak-deluxe-switch/>

One of the video games released by CapCom entitled "Monster Hunter Rise: Sunbreak" is a game that can be played on several platforms such as computers, Nintendo Switch, Xbox, and PlayStation. Broadly speaking, this game only sells the base game, "Monster Hunter Rise" and Sunbreak becomes digital content that is sold separately or can also be referred to as DLC or downloadable content. To play the game, consumers are not required to purchase all packages of the game including the Sunbreak DLC. However, if consumers do not purchase the additional digital content, they will not be able to unlock the entire game. At the beginning of the game's release, CapCom also released a demo version that could be played for free. This is also one of CapCom's strategies in carrying out its strategy in the digital content field. One other example is by holding digital events on platforms like YouTube.

Digital Content Analysis on CapCom Products

If we look at CapCom's digital content products, one of which is a game titled "Monster Hunter Rise" as well as its additional digital content, Sunbreak, it can be said to be digital content or digital product. According to Koiso-Kanttila, digital content is an object consisting of bits that are then distributed through electronic channels, regardless of the specific technology used. The additional content of "Sunbreak" also corresponds to the concept of digital content marketing according to Koiso-Kanttila, which is an object that can be downloaded for product utilization. The additional

content is also a value-added service. To analyze CapCom's digital content, it can be seen through the 5P concept in digital content marketing :

a. Product

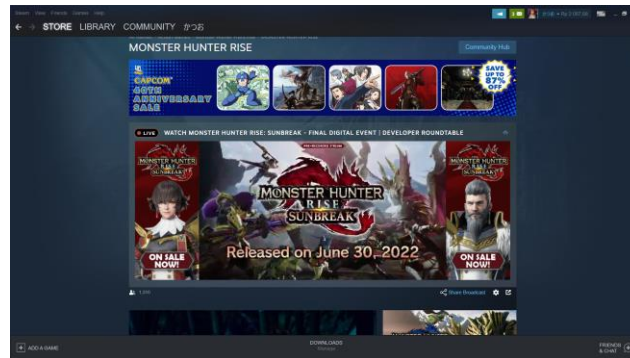


Figure. 6 Steam (video game e-commerce platform) page Showing CapCom Product
Source : <https://store.steampowered.com>

The definition of product in Koiso-Kanttila's digital content marketing concept is that the use of binary digit-based formats allows the integration of various types of information in one system. The binary digit-based format used by CapCom is that the games sold by CapCom itself are in digital form that can be purchased and then downloaded to the user's device, instead of buying physical products of the game such as CD-ROM, DVD-ROM and others. Not only that, CapCom also gives its buyers the option to purchase the base game alone or with additional digital content.

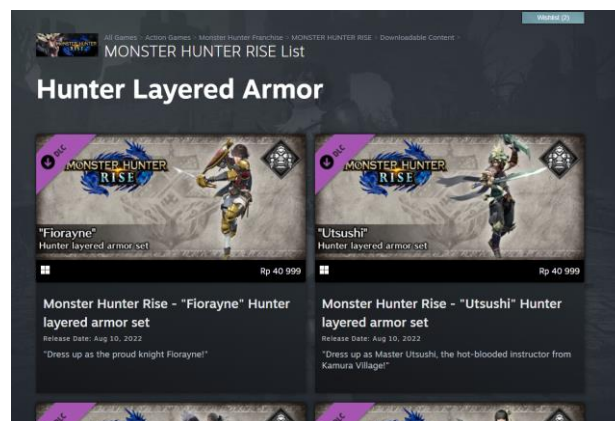


Figure 7. Steam Page Showing Additional Digital Content from the Game “Monster Hunter Rise”
Source : https://store.steampowered.com/dlc/1446780/MONSTER_HUNTER_RISE/list/90062/

The image shows a page on the Steam platform that provides additional digital content for the game titled “Monster Hunter Rise”. The page says “Hunter Layered Armor”. The digital content is a product that is merely a “cosmetic” product for players' characters in the game. They are sold separately from the base game that can be purchased. This shows that not only the essential product can be purchased, but buyers can purchase separate products according to their own preferences. As another example, in Free-to-Play games on smartphones, players do not pay to download or access the game. Instead, transactions occur through in-app-purchases made during the game. One type of in-app-purchases is cosmetics for video game characters, which are only available for a limited period of time. Some cosmetics can be obtained for free or purchased (Khaled & Iskandar, 2022).

Digital transformation in the video game industry, particularly in the case of CapCom, can be linked to Manuel Castells' theory of network society. Castells explains how the shift towards a

society structured around digital communication networks has changed various aspects of life. According to Castells, in a network society, the production and distribution of products are increasingly connected through global digital networks, where information and communication play a central role. This is evident in CapCom's strategy of converting game products from physical formats (such as CD-ROM or DVD-ROM) to binary digit-based digital formats. This switch allows for the integration of different types of information in a single system, which is in keeping with Castells' concept of digital communication networks. By selling the game digitally and offering additional content such as DLC, CapCom not only utilizes a global distribution network but also creates an ecosystem where the product can be accessed anytime and anywhere through a digital network. This reflects the essence of a network society where accessibility and interconnectivity are key factors in the digital economy. In addition, the option to purchase the base game or with additional digital content illustrates the flexibility and personalization desired by consumers in the era of the network society. Castells emphasized that digital networks allow consumers to participate more actively in selecting and modifying products or services, and CapCom facilitates this through offerings tailored to individual consumer preferences.

b. Place

The definition of place is closely related to the accessibility of customers in accessing digital products. In the context of CapCom digital products, it can be accessed through conventional game stores or platforms that sell CapCom products digitally. CapCom products sold on digital buying and selling platforms allow buyers to purchase CapCom products anywhere. In relation to the concept of place in the digital marketing of CapCom products, Castells (2005) argues that modern society is increasingly structured around digital communication networks, where physical space and time are becoming less and less relevant in terms of social interaction, economics and consumption. CapCom's digital transformation in terms of product accessibility relates to this theory. CapCom products, such as video games, can now be purchased and accessed anytime and from anywhere through online platforms such as Steam, PlayStation Store or Nintendo eShop, without reliance on physical space or conventional stores. Castells mentions that the network society blurs geographical boundaries and facilitates immediate access to products and services. This is reflected in CapCom's strategy, which leverages digital platforms to enable consumers to access their products worldwide, regardless of the buyer's physical location. By relying on a global digital network, CapCom is able to reach a wider range of consumers, improve distribution, and create a more flexible consumer experience.

c. Process

The process definition has a focus that there is no direct interaction between the customer and the company. According to Koiso-Kanttila, the role of digital interface also plays an important role in the process of buying and selling digital products. CapCom uses a digital interface in the form of an online game buying and selling platform called Steam. Not only this platform, CapCom also provides facilities for Nintendo Switch consoles to buy games not in physical form, but in digital form to be played directly with the console. When linked to Castells' (2005) theory of network society, CapCom as a company reflects Castells' idea of digital networks that connect consumers and producers through digital interfaces that replace traditional interactions that require face-to-face or physical media. With this digitization, CapCom not only creates efficiency in product distribution but also facilitates a faster and more flexible consumer experience, in line with the structure of a network society that relies on digital communication technology to connect various aspects of life.

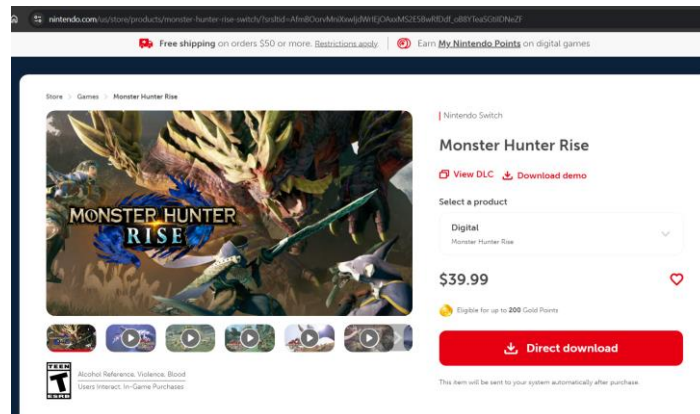


Figure 8. Online Page to Buy CapCom Digital Product for Nintendo Switch Users

Source : https://www.nintendo.com/us/store/products/monster-hunter-rise-switch/?srsltid=AfmBOorvMniXxwIjdWrIEjOAxMS2E5BwRfDdf_oB8YTeaSGtiIDNeZF

The image is of the page for purchasing CapCom digital products for Nintendo Switch users. Through the website, players of the “Monster Hunter” game using a Nintendo Switch console can purchase them directly from the website and then use the “Direct Download” feature to download the purchased digital products onto their console devices.

d. Promotion

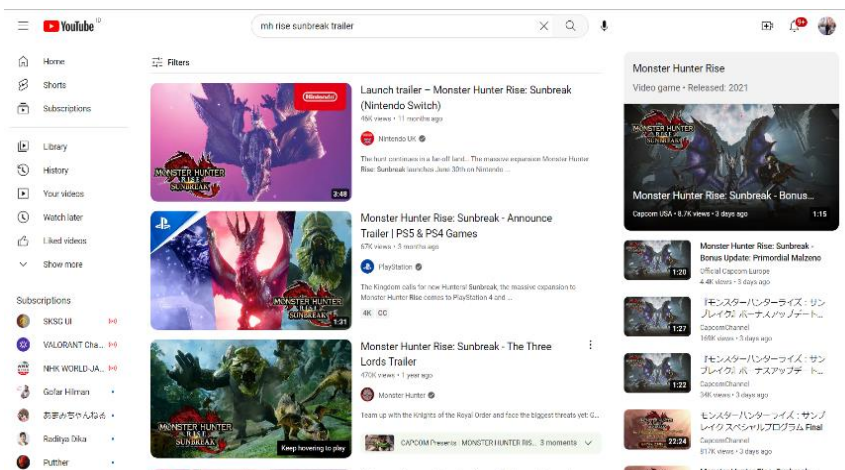


Figure 9. CapCom Video Trailers of their Products on YouTube

Source : https://www.youtube.com/results?search_query=monster+hunter+rise+sunbreak+trailer

The definition of promotion is that technology-based targeted persuasion can be aligned with consumers' content choices, enabled by channel interactivity. In the context of CapCom's digital content, the company uses various platforms to promote its products. Most notably, it uses the medium of YouTube. CapCom regularly releases footage, game demonstrations of its products in the form of video games that not only provide information, but also attract the audience's attention with attractive visuals. In the context of digital product promotion, CapCom utilizes various technology-based platforms such as YouTube to interact directly with global consumers. Promotion through video footage and game demonstrations on this medium not only provides information, but also creates strong visual appeal, aligned with individual consumer preferences. CapCom also uses technology to direct promotions tailored to its target audience, leveraging global connectivity to build more interactive and dynamic relationships with consumers. This digital promotion strategy reflects how digital communication networks not only extend the reach of promotions but also allow companies to connect more closely with audiences around the world.

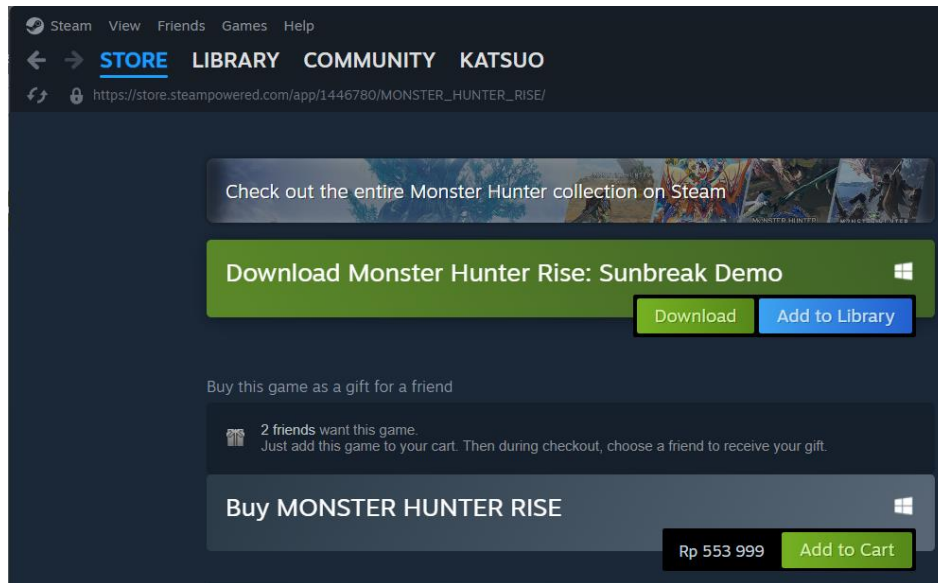


Figure 10. Steam Page Showing Demo Feature for “Monster Hunter Rise : Sunbreak”
Source : https://store.steampowered.com/app/1446780/MONSTER_HUNTER_RISE/

Another technology-based promotion was also carried out by CapCom by providing a demo facility. This demo facility allows potential buyers to experience playing video games made by CapCom without having to buy. However, because it is only a demo, prospective buyers do not get the whole game only part of it. With this demo facility, a loyalty relationship between the CapCom company and the buyers of its products will be built. In a network society, economic and social interactions no longer require direct involvement but are facilitated by digital media. By giving potential buyers access to experience a portion of the product through a demo, CapCom is leveraging digital networks to create a more interactive and personalized experience. This facility is not only a promotional strategy, but also a tool to build consumer loyalty, in line with Castells' view that digital communication networks facilitate stronger and more sustainable relationships between companies and consumers. The interactivity created through demos reinforces connectedness in the digital world and allows companies like CapCom to forge closer relationships with its global consumers.

e. Price



Figure 11. Game Package Offered by CapCom
Source : <https://store.steampowered.com/sub/692570/>

In the definition of price, it relates to the aggregation of unit prices of products and the smaller prices of products can be aggregated into larger amounts. In the context of the CapCom company, it sells its games by offering a package of one video game with additional content in it. As seen in

the image above, on the page CapCom sells its products through the Steam platform not only the base game product, but the company also sells additional content in a package called “Deluxe Kit” which contains additional content in the form of items that are only cosmetic in nature in the game. The connection with the definition of price based on the example is that CapCom company in pursuing the sale of digital content, they collect digital products with individual quantities into a separate package with a different price if the products combined in one package are sold in individual form. CapCom utilizes digital platforms such as Steam to sell games in packages that include additional content, such as Deluxe Kits with cosmetic items. This strategy reflects the network concept that facilitates flexibility in product offerings and pricing, where various digital elements can be combined into a single package to increase product value and attract consumers. According to Castells (2005), network society enables more complex and personalized economic interactions through digital networks, where companies can tailor price offerings according to consumer preferences. In this case, CapCom utilizes its global distribution network to sell products with a wide variety and prices, making it easier for consumers to access products according to their needs and budget. The incorporation of digital content in a single package not only improves distribution efficiency but also reflects the network society's ability to integrate various digital components into a more connected consumption experience.

CONCLUSION

CapCom's transformation to a digital form in the video game industry successfully improved its marketing strategy by focusing on digital content such as the video game itself and DLC (downloadable content). Before digitalization, CapCom's game sales tended to decline after its product release period. However, after digitization, sales remained stable due to the strategy of selling digital content accessed through various platforms. CapCom offers consumers the flexibility to purchase base games and then add digital content separately as a value-added service. This adds value and broadens the gaming experience for consumers. This strategy is also in line with Castells' network society theory which emphasizes the accessibility of products through digital networks which is also a key factor in the digital-based economy. In the context of the network society, CapCom's promotion and distribution of digital content shows how the company utilizes global digital networks to reach a wider audience and interact with consumers directly. The use of platforms such as YouTube for virtual promotions and the provision of game demos increases engagement and loyalty for its customers. Furthermore, the offering of digital content products in the form of packages or add-on items also shows how the company can bring together digital products in a single value unit that reflects flexibility in a networked society.

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