

STREETS[®]
MEDIA

Please Press Start:

Your Ultimate Guide to Owning
Your Own Gaming Business



Contents

- 3.** Introduction
- 5.** How to go single player and start your business
- 6.** Does your business have extra lives?
- 7.** Setting out your business battleplan
- 8.** Your business strategy guide
- 9.** Setting a marketing budget
- 13.** Can your business benefit from tax reliefs?
- 14.** Improving your gold coin
- 17.** Levelling-up productivity
- 18.** Make sure you have a mentor
- 21.** Contact information

The year is 2005. The generation of PlayStation 2 and Xbox are winding down, ready to pass on the baton to the next-generation of consoles.

Franchises such as 'God of War' and 'Metal Gear Solid' have come out with their latest instalment, blurring the lines even more that crosses games with art, and games as cinematic, absorbing and filmic. It's inspiring to many out there, thinking that they can also go from sketching out levels to making a fully-featured game that will inspire even more in the years to come on streaming services.

Around this time, Streets Media, gaming sector specialist financial and tax advisers, also began, starting a multifunctional service for entrepreneurs or individuals wanting to start their own ventures.



Starting out like this can be anxiety-inducing, stressful, and full of self-doubt. But there's an inherent reason why this path has been chosen, and above all, it's going to be fun.

It helps if there's a way of guiding you through the process and pitfalls, similar to a tips-book in a games magazine that used to frequent the store shelves back in the day.

Over the years, people have decided to take the plunge and go self-employed, and figures from March 2019 [show](#) that a record high of five million have cast off the shackles of working for someone else and research only shows that it's going to grow even higher in this decade of the New Twenties.

In 2020, we have become bombarded by access to information. Whether it's search engines, YouTube, social media or podcasts. We now try to relate it to ourselves, in order to turn it into a kind of 'guiding light' to help us through this journey.

However, when it comes to going it alone in a business of your own, the best way is a straight-up guide. Just like the kind when you were stuck on a level in Tomb Raider. This is why we've decided to show you the early ropes, to give you a 'training level' of sorts, in setting up your own business below.



How to go single player and **start your business**

Photo Credit: Jose Gil, Unsplash

First of all, congratulations. You've taken your first step into the wider world of business and running your own business.

But it's not just about announcing it on a social network of your choice; it's creating a partnership with a group of talented and trusted specialists. These are the people you will be working with throughout your journey, who will be your watchers, the Luigi to your Mario or the Tails to your Sonic. Their skills will prove essential in more situations than you will probably ever know.

One of these key partners will be HMRC, or Her Majesty's Revenue and Customs. By registering as being self-employed, you will be required to tell them of the date of when you first set up a business. Eventually, you will be updating this with information from your accountant.

The accountant is the other important guide here, as they will be able to help you with finances, commercial advice and that all-important tax bill at the end of the financial year. Think of this role as your spirit-guide. They are your Aku Aku, your Sonic Bubble-Shield, your wise man from Zelda. They will always be on hand to give you advice and push you in the right direction when struggling with the books in the business.

The next step is deciding the legal entity for your business, given the nature of the industry and how ventures are funded and ultimately sold it is most likely that you will form a limited company require you to 'go' to Companies House and registering a business name and to form a company. We recommend having a name that has a link to the objective of the company. In this case, we will be looking at setting up a games company.

With that premise, let's say our favourite game was Sonic the Hedgehog. Famously, he likes to collect rings and 'Chaos Emeralds', and the series is most known from its 'pixel' era on the SEGA Mega Drive.

With that, let's call this example company 'Chaos Pixel'.

Does your business have **extra lives**?

Photo Credit: Artem Bryzgalov, Unsplash

We now have a name, but what do we want 'Chaos Pixel' to achieve? Why? Where? Who for?

Research, research, research. It's fantastic to follow a passion, but without insight into how your business could make its own mark in the games industry, you will have ended your journey before it even starts.

The points usually boil down to this:

- Why this market?
- What are you planning to release?
- Who will it appeal to?
- Will you still be in love with the idea two years down the road?

One great example is Ed McMillen. He was involved in a game called 'Super Meat Boy', designing it with his ex-business partner ten years ago. The end of their journey is documented in 'Indie Game: The Movie', and [a great scene](#) exemplifies why their business had legs.

It wasn't just passion, but a way of discovering that so many out there had a nostalgia for game design from the earlier days of the Nintendo Entertainment System, something that took them back to what got them into gaming in the first place. The game came to be one of the most successful of the year, with a sequel currently in development.

Spend a month at least, ideally before you commit to being self-employed or starting your company, of just pure research. Sign up to a new cloud service like Dropbox or OneDrive, and only use it for research to start with.

Throw any ideas or inspiration in. Send out questionnaires or even a simple demo of the game you want to develop. Gain feedback from trusted partners, even those outside of the industry. It's great to talk about the idea, it's another, much more brave step, to show it.



Setting out your business **battleplan**

With some entrepreneurs, they see a business plan as a letter to themselves. A blueprint of what they want to achieve, how they're going to achieve it, and a rough estimate for when. This should be done after the market research has been undertaken, as the idea may not be realistic or feasible once this part has been done.

But it also creates some realism in the business; it's how achievable the business can be in its first year.

Ask yourself:

- Will it be able to make money?
- Can it demonstrate its goals in an effective way?

There are some great templates on [this .gov website](#), but a good first step will be to write down the main points of what you want to achieve.

Once you've done this, a business plan will have a better chance of being cohesive and an alluring read to potential investors and employees. You should also take this time to review the plan with your chosen accountant to iron out any potential creases.



Your **business** strategy guide

Photo Credit: Alexey Savchenko, Unsplash

Time for the battle plan. Similar to Role-Playing-Games like Final Fantasy and Skies of Arcadia, where there always has to be a plan in motion, with the right magic items and levelled-up characters to be able to be in a winning position to win the fight.

The same applies here in business for 'Chaos Pixel'; how are you going to go from just being one person making the game, to releasing the game, responding to the reviews and comments, and then working on a subsequent patch to fix any bugs that players have notified you about?

This can easily be organised and set out in a 'waterfall plan', where the above tasks can be set out sequentially, but able to be done step-by-step, so nothing is missed throughout the project's lifecycle.

This methodology comparison by ['GetApp'](#) goes into detail on how a waterfall management style can be beneficial for new businesses and how to implement it.

We can set out a plan like this:

1. Prototype App
2. Complete gameplay to the first level, then hand to testers who will have signed up via your website
3. Look to hire a sound designer
4. Hire a PR or creative agency to help with the marketing message and strategy

Continuing with this can help give you structure, and a goal to aim for with every step. Time management will also be well-utilised here, as you may have already set yourself a deadline for the game to be complete. The more planning you engage in, the less challenging the endgame will be when you hit 'publish'.



Setting a marketing budget

Photo Credit: Shutterstock, Unsplash

You may already have a plan in place for 'Chaos Pixel', and you're now deep in the midsts of the project you have been prototyping for weeks. By now, there should at least be an early plan for marketing; just how are you going to spread the word?

From the second step of 'Writing a Business Plan That Works', a lot of this budget will be based on the business plan in question that you set out all those weeks ago, even though it may feel like months now.

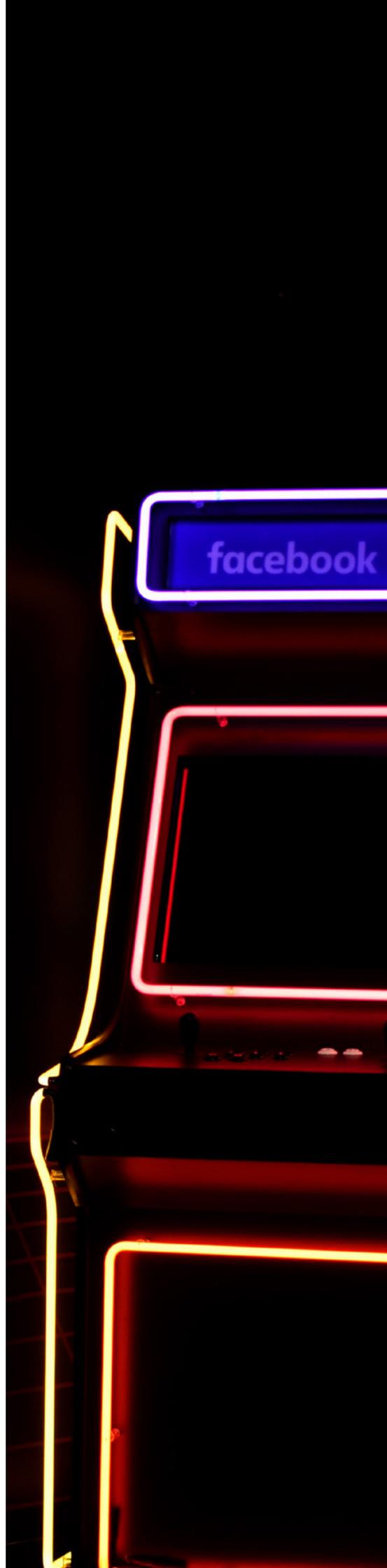
A marketing budget wholly depends on where you're going to spend it. It can range anywhere from £100, to £100,000. But with social media, streaming platforms, and gaming bars, a lot can be done without having to spend the majority of the budget.

Remember, this really depends on the audience you are seeking, what the game or product you are producing is and where you intend to market it, to begin with, but consider the following:

I. Don't spend the majority on promoted posts on social media

This can be a common pitfall when trying to market something online. You will have probably already seen the posts and YouTube videos of how this is a sure-fire way to increase engagement. But it isn't an easy win. A lot of this will be coming from you. From talking to people who will be willing to share info about the game on their social media, podcast or Twitch stream. You may even be lucky enough to be offered the chance to be a guest on a related show to talk about your background and inspiration and share how it led you to set up 'Chaos Pixel' and develop this game. This kind of publicity is essential.

If you are seeking an online strategy when it comes to digital marketing, trusting experts is a much more productive way to approach this. Facebook, Instagram and Google Advertising come with their own unique required sets of skills, methods and techniques to garner success. This is not something to be recommended for even the technically-proficient as it is a learned, complex school of thought and isn't something that can easily be dipped into.



II. Set up events, or attend some!

Now that you've set up advertising through the social channels, alongside appearing on podcasts and Twitch streams, there's plenty of networking to be done in person. There's been a terrific rise in gaming bars in the last five years, where people can meet up and play the best version of Mario Kart on a Nintendo 64, but they always host events.

With this, there are great opportunities here to enquire about hosting a preview event for 'Chaos Pixel', and even launch parties for it as well. Having a face behind the game will really help give potential customers an idea into why certain decisions on the gameplay and the design were taken, and these events are usually a one-off cost for them to host events like this for an evening or two.

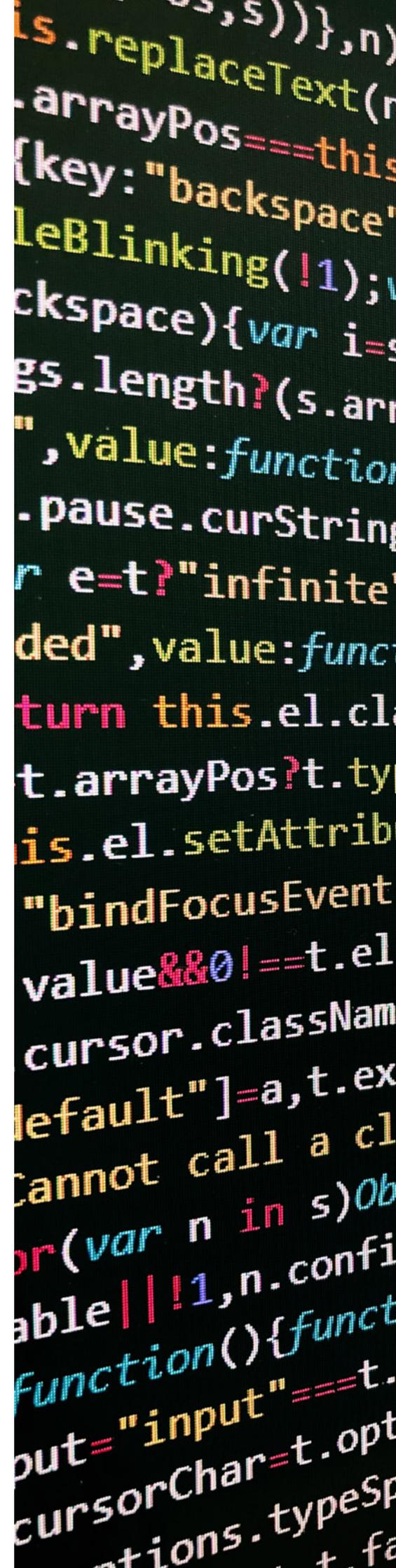


III. Delegate the task if its seemingly too much

There will be times where everything may feel like an uphill climb, and the focus on this particular task may feel daunting, especially if you're more of an introvert. This is a proven [problem encountered by many entrepreneurs](#) and needs to be taken seriously.

But health is a major factor to take care of when going for a dream like this. So look to use the budget to hire a media agency or a dedicated person to deal with this for you. That way, you can focus on the business side and the development of the game. You can then give pointers to the PR and marketing side along the way, in the form of new screenshots, or a trailer, but leave the creative elements and execution to those who specialise in this as their day-to-day occupation.

Ultimately, the budget may be small, it may be huge, but it will mostly depend on the research and the amount of time you want this marketing campaign to last. The main thing to do is make it count because usually with a new product, it only has one chance to make a good impression.





Can your **business** benefit from tax reliefs?

One of the main aims when starting this journey is making sure that your overheads are at a minimum. All that you do, everything you spend, is dependent on the business and the project. It might sound obvious, but you should always make sure you are staying within your budget. To stray too far may mean you deplete funds quickly that were meant for other elements of your project.

This may come as a surprise to many, but any application, be it a game or a word processor, is programmed using a computer and a dedicated application. We will go with the fact that as you're currently reading this, you have a full comprehension of technology.

Depending on the time that you bought it when you established the business, you can claim this as a 'Capital Allowance'. [As explained here](#), you can claim on certain purchases and gain some of that amount back after the next tax year, as it can be justified as a business expense.

You may find yourself initially working from your own home due to the costs of an office and that initial outlay, however, this comes with its own expenses and you often need permission from a landlord to run a business from rented accommodation.

This can also incur other costs as well as having to process allowable expenses. Whether you own the property or not, insurance is a cost that will need to be considered, as well as registering with your local authority for permission to run a business from home.

Again, this can be looked much more into detail with an accountant, and anyone of us here at Streets Media can help see just what can be possible to claim back.

Improving your gold coin

Let's be realistic; the point of setting up 'Chaos Pixel' wasn't just to be free of the tedious nine to five job and do things on your own terms, but also with the belief that you could generate a bigger profit than your monthly paycheck.

We're under the impression that you've been wanting to make this game for years now. You've already painstakingly thought of the levels, the design, the two-player mode, the creative use of power-ups, and maybe even an expansion pack if things really take off.

In this first year of your business, it's always good to look at the long-term plan. Whether that's year two, three and so forth, there are always opportunities on the horizon.

The games industry is always valued high, it's estimated that the global industry could be worth \$300 billion by 2025. The trick, however, is not to simply hope that a game, once published will fly simply because it is good. To make enough to remain profitable, a combination of marketing, continual additions and creating a culture around a game is essential.

Continued innovation and publishing truly amazing games has meant some studios have been able to make crazy amounts of money. Team17, the developers of classics like the Worms and Overcooked series was valued at more than £230 million when it became a public company in 2018.

So how to do this for yourself?

Well, with games, there will always be a demand from players for more content if a game really takes off, even if your current narrative for your creative vision means there might not be.

DLC (Downloadable Content) is a method of expanding a game in different ways. By buying this add-on, it can feature new levels, improved power-ups, and new characters that give the existing game an entirely new and explorable perspective. Players can buy this for a small fee, usually half the price of the full game, and they will gain access to it straight away.



A great example of this is the 2017 game '[Sonic Mania](#)'. After enjoying universal acclaim for bringing the series back to its roots to the 2D-platforming, an expansion pack called 'Sonic Mania Plus' was released the following year, featuring new characters, a twist on existing levels and improved multiplayer options.

It should also be noted that an expansion pack isn't the only thing that can boost a developer's income. There's a great demand for the music and soundtrack scores of games. From orchestras playing [game music](#) to vinyl releases of more cult games, gamers want to hear music from the universes they have already explored in many situations, so to have that available would also be a great addition and can sometimes open up whole new avenues. Think merchandise, limited runs of exclusive content and unending possibilities.

If your music is a big hit, there may even be covers of it on YouTube being posted, which could then in-turn bring in more sales. Sharing covers via social media can lead to more publicity for your own original soundtrack and revenue could also be generated from this peripheral element of your product. Capitalising on any interest in your own content can only lead to good things for your business. Make it part of any follow-ups such as sequels or new expansions and you have even more streams of income.

The best kind of marketing a project in the gaming industry can be summed up in three simple steps:

HINT > TEASE > RELEASE

Doing this in a short amount of time can have a big impact. However, this doesn't just apply to the game, but to these other avenues too. There's no harm in possibly hinting at something within the game,

or reaching a hidden section that leads you to a discount code of the expansion pack or soundtrack.

Someone could share it on social media, thinking its a 'glitch' and in turn, it could go viral. The most obvious one is to look into a new instalment of the game. Whether that's a prequel or a sequel featuring the same character, it could be influenced from the comments of fans from the first game, and perhaps even bring it to other systems, from smartphones to other consoles. There's a lot to be said for listening to and pre-empting your audience.

Overall, there are so many opportunities that are there to help that balance sheet but don't try to do them all. Again, plan them out, research the ones you think make sense and have longevity to them. Test some out and see what sticks.



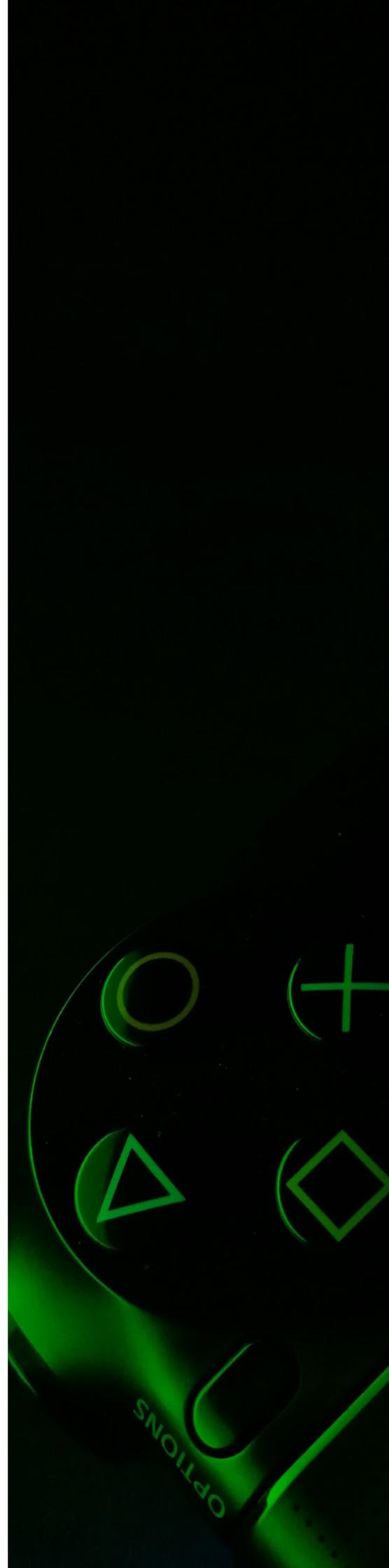
V I.I A Time Crisis

There will be a few months after your release of being in 'maintenance mode', where bugs and issues with gameplay will be fixed, DLC will be worked on, improved, tested and released, alongside keeping in the loop of turning up at networking gaming events, interacting with fans on social media, and perhaps using the main character of 'Chaos Pixel' in other games as 'special appearances'.

Fighting games, for example, are big in the 'esports' category. Hundreds of thousands are spent on tournaments, and the games featured are supported for years. These are called 'Season Passes', where refinements to certain characters and their moves, alongside new characters, are introduced to a game that may have been released back in 2018. A great example of this is Bandai Namco's ['Dragon Ball FighterZ'](#).

The 'third season pass' launched on the 25th February or £20, which gives players six new characters when they're out, spread across 2020.

The other factor here, is making sure that the demand is still there for the game, and then the focus can be sought for an expansion pack or a sequel.





Levelling-up productivity

There will be times where productivity will slow down. It will become so difficult for inspiration and drive to finish part of the game, that self-doubt and anxiety will creep in and can stall the project.

Working from home may be a possible cause if it's been the only place you've sat at in the house for the last week. Solitude is great for the soul, but can only be healthy for so long.

The best thing to combat this is to simply arrange meetings. Network. Talk to your community.

In most situations, the business and the project can be brought up, and from places you previously thought impossible for inspiration, it can strike, giving you the drive to finish the tasks.

There are also myriad management applications that can help keep track of your productivity. From Trello to [Fantastical](#), and even to smart speakers like Alexa, there are options to set gentle reminders of what else can be done during the day, and while you're trying to relax in the evening, away from it all, an idea may strike.

Hot-desking is another potential help in productivity. Working in a different place can give you another kick to try out something with the project, and with the rise of these in most cities across England, a flat-fee can be paid to secure a desk among others in your situation at an office and easily work in your own time, but with a group of like-minded people, and free coffee.



Make sure you have a mentor

As we mentioned earlier, there's a lot to be said for having a mentor, most hit franchises in gaming have a hidden hero or guide, giving you hints and tips on how best to progress. The same is true in business. Your accountant, particularly if you've picked a specialist, is there to answer your every question and to be there if you have concerns regarding any step of your adventure into business.

But what can a specialist accountant add to your real-life equivalent raiding party or clan? What special moves or powers does an accountant possess?

DEVELOPMENT

Starting with a seed of an idea, a specialist accountant can take you through to market exploitation and the development of the business.

VIDEO GAMES TAX RELIEF (VGTR)

Many won't be immediately aware of a tax relief for the development of video games. A tax guru can take you through the VGTR application and let you know how much allowable spend to include in the claim, in alignment with the criteria. Think of it as a game's tutorial that if you spend time listening to, means you are more prepared for the rest of the experience. An accountant versed in Setting up Special Purpose Vehicles (a dedicated company) to support the Relief's application.

YOUR LIAISON CHEAT CODE

A specialist accountant can be your liaison and guru when it comes to acting on your behalf in terms of communication. If you've never spoken to the likes of the British Film Institute (BFI) for sign-off of an application or communicating with HMRC. After all, if you're still learning the controls and you have an elite player on your team that knows the shortcuts and ways to progress faster, why would you try attempting it yourself? You'll also need a specialist VGTR specialist lawyer so an adequately-prepared accountant will already have reliable contacts in this regard.



Photo Credit: Ben Neale, Unsplash

PREPARED FOR BATTLE?

Specialist accountants who have a particular talent for gaming clients will draw on their experience to help you support you and your business. At level one, this may include reviewing your business plan and financial forecasts. With level two looking at what business structure is most appropriate to your venture. Progressing to the next level, level 4, could include support around taking on staff, guidance effective remuneration planning or advice on VAT and other digital taxation matters relating to trading internationally. At an even higher level support will be given on more specialist tax, personal financial planning, even the sale of the business.

PICK YOUR SQUAD

You'll need to pick your team carefully, but this also comes with challenges. A good accountant, versed in gaming tech companies, will be able to help you realise methods and policies that will mean you retain key employees. This includes dealing with introducing Employee Share Schemes and deciding on pay scales, bonuses and other remuneration planning for directors and key personnel.

SHIELDS UP!

There are several elements you'll need to protect yourself against those who might want to capitalise on your ideas and success. Help with Intellectual Property (IP) protection and valuation can prove essential in the long-run. You don't want the world to see your idea and rush out an inferior version before you get a chance to develop something after all. The same goes for game and merchandising licences, an accountant worth his salt will have the contacts in place to make this happen quickly.



COLLECTING COINS

One of the key hurdles on the way to developing a business is raising finance. This not only includes venture capital, business angels and crowdfunding, but any further capital needed along the way. A firm of Chartered Accountants will help you develop a financial strategy over time. At the end of your journey, or as the credits roll for you, business sales and growth through acquisitions can also be elements that are leaned on heavily.

SELECT YOUR WEAPON

You'll need lots of elements to make it through your gaming journey and general business support comes as another string to the accountant's bow. This includes bookkeeping, payroll, bookkeeping and keeping on top of management accounts. It also includes seasonal and important milestone requirements for business such as the end of year accounts, audit and tax returns.

TAX NEED NOT BE TAXING

The role of your trusted adviser will include guidance on tax reliefs you can claim. They too will assist you with preparing and filing tax returns, including Self Assessment Returns for Directors and Corporation Tax Returns for the company.. Support will also include advice on VAT and PAYE. With a the trend to making tax digital support will also be given on digital reporting and filing under the HMRC's Making Tax Digital programme.

As you can see from the extensive list above, you might be the hero of your adventure, but a specialist gaming accountant is invaluable when riding into battle. Going alone is strictly at your peril!



Photo Credit: Element5 Digital, Unsplash

Thanks for playing!

We've now come to the end of the guide. It should at least give you the foundation in setting up the business you've been thinking about for years. But of course, it's not the end of this story. It never ends; this is just a first chapter in making sure that you're seizing your chance in making your business stand out and shine.

We really recommend having a chat to us [here](#) to see how we can help you further in this journey.

[Check out our range of expertise here](#)



📞 0203 463 5900 ✉ info@streetsmedia.co.uk
🌐 streetsmedia.co.uk 🐦 @StreetsAcc 📺 Streetsacc1
📘 @StreetsCharteredAccountants 🌐 /streets-chartered-accountants

STREETS[®]
MEDIA