

Pokémon GO



1. Do you have any favorite video games that you play or apps that you play/use? If so tell me about them.

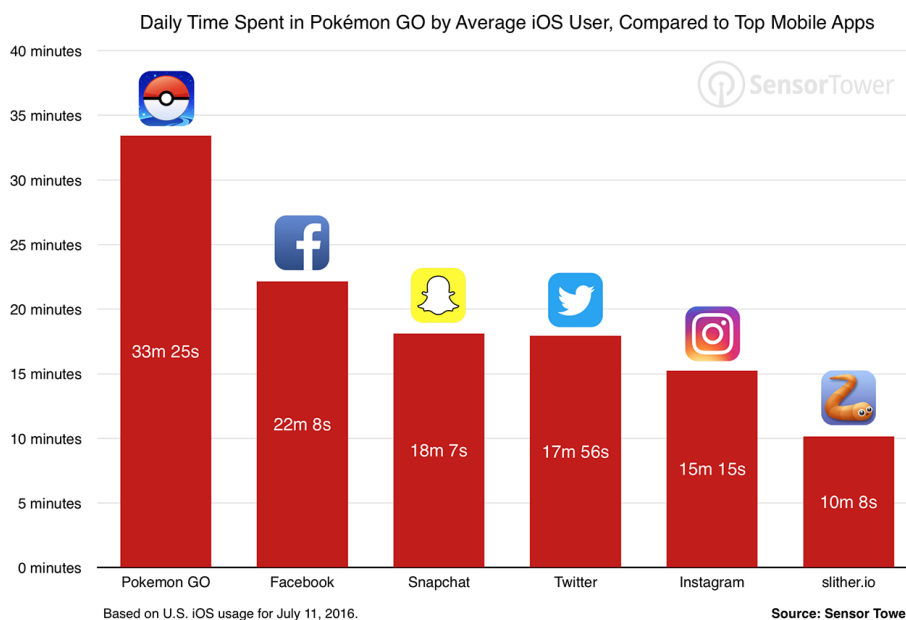
There is an amazing new way to game with your phone that involves using what is called augmented reality (AR). Instead of staying at your home with your laptop or Game Boy, you walk around to real places near where you are, watching the app on your phone, and try to find and capture little virtual critters.

Pokémon GO was introduced in the United States, Australia, and New Zealand on Wednesday, July 6th. Reports say that the game has already been downloaded 15 million times in its first week.

Pokémon Go is free, so the app must **not** be making money right? Wrong! The app sells coins to help players advance through the game faster. The coins come in different sized packs. A pack of 100 coins costs \$0.99. There are larger size packs of coins available as well. It has been reported that during the first nine days the app had an average of 21 million daily users spending a total of 1.6 million **each day** on in-app purchases (like Poké coins, Poké balls, Poké lures, and Poké egg incubators).

2. About how much was the average user spending on in-app purchases?
3. If the app continues to earn the same daily, phenomenal amount, how much will Pokémon Go generate on in-app purchase alone in one year?

Downloads are one thing, but success is often defined by engagement in the app. Not only are a lot of people downloading Pokémon GO, they seem to love it and spend lots of time playing it. Check out the data below.



4. Which of these apps do you or members of your family use?
5. Would you have expected different apps on the top mobile apps chart? Please explain.
6. Make at least 3 quantitative observations or comparisons from the data. List them below.
7. In-app purchases are not the only way that Pokémon Go could generate income. Money Nation made these estimates about its earning potential. Use what you've calculated so far to fill in the ten-year potential earnings of Pokémon Go.

Money source	Potential earnings per year
In-app purchases	
Ad revenue	\$16,863,000,000
Total potential made in a year	
Total potential made in 10 years	

8. *What about the data plan on my phone?* If I keep playing Pokémon Go will I have any data left on my monthly smart phone plan? The Pokémon Go app uses around 5 to 10 MB per hour. At that rate how long can you play if you have 1 GB, 2 GB or 3GB of monthly data?

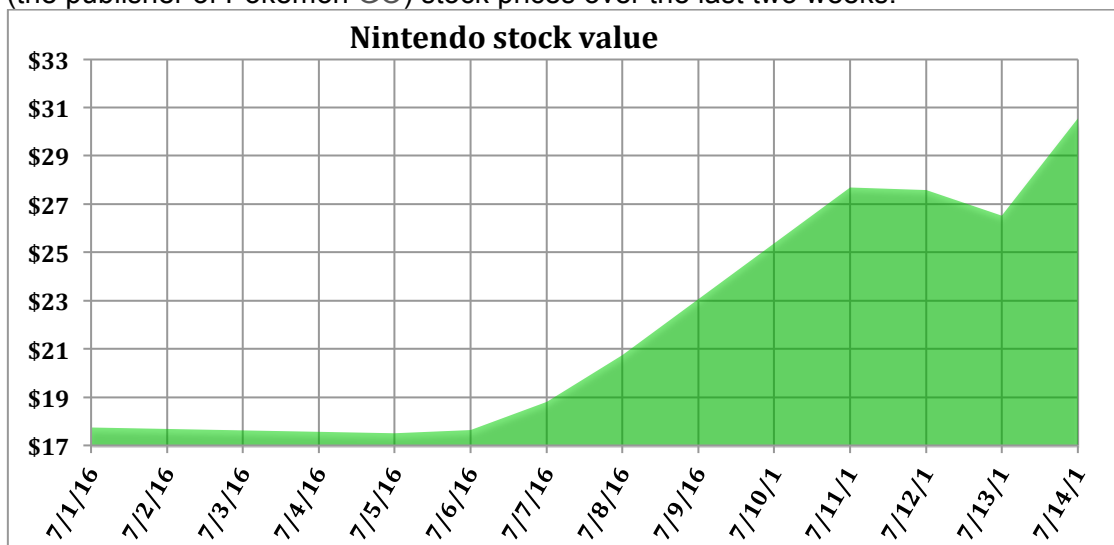
One study showed that the average Pokémon GO session lasts about 100 seconds and that users play for about 48 minutes per week.

9. Explain what kind of effect this play should have on a data package.

T-Mobile made the news by announcing that Pokémon GO streaming time will not count against their customer's data plans.

10. What are some pros and cons of this decision?

Not only can you have fun playing Pokémon GO, you could also get rich from it too. Below we have data on Nintendo's (the publisher of Pokémon GO) stock prices over the last two weeks.



11. What do you notice?

Pretend that you had have some money invested in Nintendo: Tell me how many shares of Nintendo stock you had on July 5th and how much it would have been worth on July 15th. How much did you make in those two weeks? By about what percent did the stock increase over those two weeks?

Sources: <http://www.wsj.com/articles/relax-pokemon-go-isnt-eating-your-data-plan-1468436983>
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