CHAPTER 1

INTRODUCTION

1.1 Research Background

Mobile technology usage has already been a part of how society spend every day in their daily life activity. According to the market tracker iSuppli Corporation (2010), smartphone shipments are expected to rise 105 percent within a five-year span, from 246.9 million in 2010 to 506 million units in 2014. We can utilize smartphones to connect with ourselves in various sorts of exercises whenever and anywhere. With the support of a better internet providers to able users with 3G and 4G features, also increases the demand of new mobile applications, it leads to one of the usages of mobile technology refer to entertainment purpose.

Most people from all ages who use mobile device play mobile games in this era, what's interesting is how some games could attain the intention from the mobile device users to play the game. A whole new perspective comes when we talk about mobile social games, a game application that let people interact within the game. Not only it provides a great interaction within, it also easy to approach and playable with friends

Among the South east Asia Countries, Indonesia dominates the total mobile game market with 30.7 million players, of which 49% are payers (mobile games in or out purchases). Even Thailand and Singapore, two of the biggest contributors in game development, have a smaller number of players and payers compared to Indonesia (Umi et al., 2018).

This study aims to dig in the intention to play to the understanding of how the variables adopted, which are – network externalities, individual gratifications and the mobile device features of socially interactive games can help service providers design their games to satisfy players more effectively. The lack of this type of study in Indonesia of how variables attached in this research, contribute to a specific social games developer this research is titled "AN EXAMINATION OF NETWORK EXTERNALITIES AND OF USES AND GRATIFICATIONS ON THE PEOPLE INTENTION TO PLAY MOBILE SOCIAL GAMES IN INDONESIA"

1.2 Research Problems

In light of the clarification and past research referenced in the explanation part over, this exploration of research problems is figured as follows:

1. Does network externalities have a positive effect on the intention to play mobile social games?

2. Does network externalities have a positive effect on individual gratification?

3. Does network externalities have a positive effect on time flexibility?

4. Does individual gratifications have a positive effect on the intention to play mobile social games?

5. Does time flexibility have a positive effect on the intention to play mobile social games?

1.3 Scope of research

The scope of research created to avoid digression in this research is

as

follows :

1. The variables that used in this research are; network externalities, individual gratification, time flexibility as the independent variables and user intention to play as dependent variable. Those variable's adapted by previous research conducted by Wei and Lu (2014) with the title "Why do people

play mobile social games? An examination of network externalities and of uses and gratifications".

2. The subjects or respondents for this research are the mobile device users whose actively use mobile device especially who ever heard or tried mobile social game application at least once who lives in Yogyakarta.

1.4 Research Objective

As indicated by the examination issue figured over, this exploration objectives are:

1. To examine the effect of network externalities on the intention to play mobile social games.

2. To examine the effect of network externalities on individual gratifications.

3. To examine the effect of network externalities on time flexibility.

4. To examine the effect of individual gratifications on the intention to play mobile social games.

5. To examine the effect of time flexibility on the intention to play mobile social games.

1.5 Research Contribution

The purpose of this research study for the expectation to contribute in some aspects based on the problem and objectives, there are:

1   For the organization, the importance of understanding how network externalities, individual gratification and time flexibilities can affect the customer intention to play. Useful to improve their service design become more effective to satisfy players (users)

2   For readers, specified to be an extra knowledge of how the needs and motivations of the players of mobile social games can help game designers and marketers develop more successful games and increase their advertising effect

3   For researcher, providing more aspects to examine the mobile social games included; network externalities, individual gratification and time flexibility towards the user's intention

1.6 Research Structure

According the systematic writing structure, this research will be consist of 5 chapters. Those chapters are :

Chapter 1   **Introduction**

This chapter consist of background of the research, the research problem, the research objectives, the research contribution and the research structure.

Chapter 2   **Literature Review**

This chapter consist of the basic theory, the related previous research and study, definition and explanation of terms, the research framework and the hypothesis development.

Chapter 3   **Research Design**

This chapter consist of the method explanation, the research sampling, the data sources, the variable, the data collection and the analysis method.

Chapter 4   **Data Analysis & Discussion**

This chapter consist of the explanation of data analysis and the discussion of the research result.

Chapter 5   **Conclusion and Suggestion**

This chapter consist of the conclusion, the limitation and the suggestion.