

E3 2011 Wrapup

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Background

For the past 15 years, the Electronic Entertainment Expo (E3) has served as the video game industry's gathering behemoth. Technology giants, production studios, hardware developers, advertisers, and boatloads of others converge on Los Angeles to be witness to the biggest announcements and unveilings that the industry has to offer. Sure, there are plenty of other gaming expos across the annual calendar showcasing highlights, but it is at the unparalleled E3 that the next year's future of video games is seen for the first time. When it comes to technology, even more so than CES (where revelations can be quite predictable), the expo is seen as historical in many regards, and for anyone involved in the gaming industry, no matter who they are or in what area their expertise resides, E3 is an absolute necessity.

E3 2011 was no different. With a slight increase in attendance from 2010 (46,800; up 1,200 people), and with over 200 exhibitors coupled with 120 retailers from over 18 countries, the CEO of the event's sponsor (the ESA – Entertainment Software Association) was correct in saying "This year's E3 propelled video games to the pinnacle of the entertainment world. The industry's innovation, creativity, and excitement combined to show the world the ultimate entertainment experience."

Overview

With E3 2009 marking the world's first look at Microsoft's Kinect, E3 2010 was all about the accessory's first games. Kinect's dance/sports/workout/general-fun-for-the-family type titles were fun to see and try, but gamers knew that year one would only be the beginning. Additionally, Sony and Nintendo only made secondary-type splashes that year while also crisscrossing each other in some senses: Sony displayed its Move accessory, an enhanced version of the Wii, while Nintendo unveiled its Nintendo 3DS, a modified version of 3D gaming that Sony helped create. Suffice to say, there was a heightened sense of expectation for 2011's E3 from all three console producers:

- What would be the next evolution of Kinect and would anything appeal directly to core gamers? What new content partnerships would Xbox LIVE reveal?
- Would Nintendo finally announce the second coming of the Wii, and if so, what advancements would be made? Would it somehow utilize the 3DS technology? Would a controller really have a touchscreen built into it? What new games would be announced for the 3DS, up until now a solid, yet unspectacular, seller (especially stateside, with just 700K handhelds being purchased)? Would Mario be involved?
- Would Sony address the recent problems it had with its network and what, exactly, would it be revealing?

For the first time in a couple of years, there was uncertainty clouding what to expect at E3, shielding the obvious and creating a haze of excited questioning amongst those not in-the-know.

However, when the curtain was pulled back, what gave way was a horizon of opportunity:

- Tech advancements of the current consoles and new devices
- New platform alignments from publishers extending out into social and mobile spaces (complete with E3 conference announcements – an absolute first!)
- All of the long-awaited sequels, spinoffs, sagas, content, characters, hardware, software, downloadables, sneaks, peeks, previews, reviews, and everything in-between

Excitement didn't just seep, but oozed, from the Los Angeles Convention Center.

With its moral highs (*GI Joes Vs. Pros* gaming competitions to raise money for troops and their families) offsetting its degrading lows (for the first time, a true oversaturation of scantily clad girls, finally crossing the line from being a part of the show to demeaning it) and all of the gaming-related entertainment one could possibly desire residing in-between, E3 2011 was, hands-down, one of the expo's most successful years yet.

Insights

Microsoft

Microsoft used E3 2011 to further its position as the go-to entertainment machine, revealing the next iterations Kinect usage, showcasing its most popular franchises, and introducing even more content partnerships to its platform.

The technology:

Microsoft launched Kinect with the vision of stretching the appeal of console gaming beyond the typical core-type player; with its tagline of 'You Are The Controller,' gaming was no longer limited only to those who knew how to coordinate multi-button summations to shoot or throw – now, everyone could play, no matter age, interest, or prior skill-level.

The launch was, of course, a massive success: Kinect sold over 10M units to become the fastest-selling technology product of all-time.

However, it was always in Microsoft's best interest not to alienate the core gamers that made Xbox live and breathe. And at E3 2011, Microsoft reassured its faithful core that that would not happen. Highlights included:

- *Mass Effect 3*, the finale of the RPG three-part series, will use Kinect's voice recognition technology to allow players to execute tactical assaults simply by calling them out
- *Tom Clancy Ghost Recon Future Soldier* will allow players to assemble guns with voice recognition. Call out 'long range' and a sniper weapon will be created from various parts. The words 'grenade launcher' will do the same. In all, over 20M variations of weapons can be created by the player, educating him/her on weaponry in the process. In a few years, when combined with 3D, gameplay may consist of players assembling weapons from thin air with true motions.
- EA titles such as *Madden*, *Fifa*, and *Tiger Woods* will all be Kinect-enabled. While real-life play of football and soccer cannot truly be mirrored or recreated with Kinect, a precise golf game makes perfect use of the accessory, especially considering that virtual golf ranges already exist

More Kinect-enabled titles that were announced spanned all gamer interests and ages. They included:

- *Ryse*, a Middle Ages-based game (think arrows and shields)
- *Forza Motorsport 4*: a realistic driving game (unlike the fake, yet still-fun, *JoyRide*)
- *Fable*, a magic-esque RPG game
- *Minecraft*, a first-person action/strategy game making its debut on-console after becoming a massive hit on PCs and handsets (a key insight into how games can take off nowadays)
- *Kinect Disneyland Adventures* will allow people of all ages to explore the park in a realistic fashion from their own homes while playing minigames and sharing their experiences through online upload capabilities. This is the first time that users can explore real-world destinations using Kinect, a truly groundbreaking maneuver and a genius marketing tool for Disney and future followers

- *Star Wars Kinect*, a game that appeals to sci-fi geeks/gamers, but will have to truly impress to win over such a demanding group
- *Sesame Street: Once Upon A Monster*, a kids' title featuring Elmo, Cookie Monster, and the whole Sesame Street gang (reflecting Microsoft's desire to reach the entire family with Kinect)
- *Kinect Sports 2/Dance Central 2* are both follow ups to the 'best of' Kinect's first round of games

Microsoft also announced:

- *Kinect Fun Labs*, an Xbox LIVE program allowing users to create distinct avatar versions of themselves
- *Kinect Sparkler*, an art program allowing users to draw 3D pictures (Kinect's first foray into the world of 3D, and a glimpse into the future, perhaps?)
- *Kinect Googly Eyes*, a program using object capture technology that allows users to scan an object and bring it to life in the game (one example included a skateboard, and there were other examples of additional content creation)

This three-piece of new technology further exemplifies the slow rollout of everything that Kinect can do. And to think...it's only the beginning.

The Titles

The console company seesawed back and forth between new Kinect announcements and franchise extensions. *Call of Duty: Modern Warfare 3*, *Gears of War 3*, and *Halo: Combat Evolved* Reissue were all announced before the house was brought down with a teaser trailer of a new trilogy piece within the *Halo* franchise, starting with...*Halo 4*. It was clear from these announcements that Microsoft has no intention of abandoning its lifeline in any sense.

The Content

There are two categories of announcements that Microsoft makes for Xbox each year at E3 nowadays. First, there is everything game-associated. Second, there is everything Xbox LIVE-associated. As the network continues to grow as a full-on entertainment channel, the console continues to add more content to its lineup. The announcements:

- The environment will be redesigned come Q4 to ensure that the entire experience is Kinect-enabled. Now, everyone can feel comfortable enjoying the full entertainment capabilities of Xbox LIVE without ever turning on a controller.
- YouTube will be coming to Xbox LIVE, increasing content by the millions. Perhaps all gaming content that resides within the video partner can now be ported to Xbox and shared and vice versa? Gamers could create their own channels to reflect their gaming experiences as they happen? And maybe players do not have to leave Xbox to share what they are playing? All possibilities for the future.
- Bing Search Engine, allowing people on Xbox LIVE to search for any content that they may want to find on the console. It is still being determined how branded content will fit into this should a brand have a presence on the console.
- Live TV, extending the already-present cord-cutting option that is available in Europe through Sky TV on Xbox LIVE.
- UFC Live, building a complete interactive experience around the league, its fighters, its content, and its video game title, as well as the events themselves. Fights will even be available for purchase on the platform in addition to pay-per-view in the future.

The Advertising Opportunities

In addition to the ones currently offered (buying impressions, creating content, building a BDE, and sponsoring Xbox-created programs), Microsoft announced five new types of ads called *NuAds*, to be featured on the console:

- Social :30s: video spots that can be interacted with socially. Ex: just say 'tweet' and the ad is tweeted
- Lead Generator: the user can ask for more info while a commercial is running
- Scheduled :30s: the user can set a reminder to do something in alignment with the ad
- Near-Me Locator: the user can ask for directions and other location-based info while watching the ad (using the Bing functionality)
- BDE Enhancements: BDEs will now be Kinect enabled, will allow brands to pull avatars of users into the experience while interacting with them, and will allow users to send info from a BDE to email accounts

Bottom Line

Microsoft has fallen way behind Apple and is now many steps back of Google in brand name technology. Where it may be looking now is at the TV set in everyone's living room. By exciting core gamers with extensions of their favorite franchises and incorporating aspects of Kinect that are truly mindblowing, Xbox will continue to have a firm grasp on their key demo. However, Xbox is slowly but surely making a grab at...everyone. Kids content and games, family content and games...as the younger set continues to become less and less familiar with commercials and wants something immediate, Xbox will have the resources to keep them entertained without the interruptions. The patents that they have on their *NuAds* crosses the threshold into interactive TV that the tech giant is clearly seeking, and should commercials as we know them today become more obsolete with younger generations, Xbox and Microsoft has something to offer advertisers. If Microsoft can ever figure out how to formulate Windows Mobile 7 on handset and port content over through the Xbox LIVE application, they will really be onto something. For now, they need to be content with the strides that they have taken so far, which truly are awe-inspiring and audience-broadening.

Sony

While Microsoft was busy announcing Xbox's evolution as an entertainment platform, Sony was busy exciting gamers with...(wow!)...actual games! Games. For gamers. At a gaming expo. What a concept!

The First Word

To get it out of the way, and because it was necessary, Sony Computer Entertainment of America's president and CEO Jack Tretton began the Sony press conference by immediately apologizing personally for any anxiety caused to gamers by its network outage. He then noted that 2010 was the strongest year for PS3 and that the console is only growing. Sony would bounce back bigger than ever, he promised! From there, it was time to move on...

The Games

Sony began announcing titles from its biggest exclusive franchise experiences that can only be had on the PS3. *Resistance 3*, *Starhawk*, *Sly Cooper 4*, and *Little Big Planet 2* Move-enabled DLC all got the crowd excited. *Uncharted 3's* 3D announcement precluded a cinematic, visually jaw-dropping, can't-believe-I'm-watching-a-video-game-and-not-a-movie trailer to the sequel of the 2009 Game of the Year. The list of releases went on and on, and other anticipated exclusives such as *Twisted Metal* and *The Last Guardian* weren't even mentioned in passing. As a gamer's console, Sony's announcements did not disappoint.

The New Handheld

Sony has not released a true successor to the PSP since its launch in 2004; the PSP Go was simply an (underselling) download-only version. This changed at E3 2011. However, upon being introduced to the new PS Vita system at

the Sony conference, gamers clearly were a tad bit skeptical: why would Sony invest in a new handheld that has touchpad capabilities when games can just be downloaded to an iPhone or Android handset for a similar experience? Well, the answer was received upon first game play: the iPhone or Android gameplay experience this is not. Sony is a technology company, and when a technology company creates a new handheld game system, that is what it truly is. A game system. Gameplay on the Vita is on its own level:

- The visuals, sounds, controls, and flow are that of a console, and the touch mechanisms are truly remarkable.
- The touchscreen on the backside adds an extra dimension to gameplay, as the entire physical system can be used for playing purposes.
- Sony learned from Nintendo's misstep with the 3DS and announced familiar franchise titles such as *Uncharted*, *Little Big Planet*, and *Virtual Tennis* to go along originals such as *Sound Shapes*, where gaming and music exists as one in a puzzle-solving/create-your-own-levels/never-seen-anything-like-it adventure.

Additionally, the price point will not faze anyone at \$250 (including wi-fi), with a \$50 3G option available, and the gameplay is transferable from the PSV to the PS3 and back.

With the PS Vita, Sony is clearly ready to step back into the handheld ring with champion potential.

The New Technology Options

Sony's two-player, split-screen elimination TV was so wow-inducing that it absolutely deserves a mention. In many games where two people are playing side-by-side at once, the screen is split in half in order to accommodate separate viewpoints and experiences. Not anymore. When playing on Sony's new TV, each player wears a different set of glasses that provides different viewpoints on the entire screen. No more having the screen split in half. One player sees one point of view, the other player, the other point of view. No obstruction from the split – the split, and the other player's point of view, cannot be seen. And just in case a player does want to flip, pressing a button on the glasses enables switching to the other point of view. Now gamers can play side-by-side with the full screen in view. Truly remarkable.

Bottom Line

Over the past two months, Sony went from making huge advancements with its console development to hitting a speed bump that very well may have derailed its competitors. With a stroke of luck due to timing, and some fantastic customer service promises, Sony was able to stabilize itself. By taking advantage of E3 with some awe-inspiring announcements and getting gamers enthused about what it is about to provide to them, Sony wiped off the tar it had accumulated from its network hack and polished itself off with the fantastic new shine of gamer excitement.

Nintendo

Early rumors heading into E3 had Nintendo announcing a new Wii console. There was even circulation on the internet as to what the controller would look like: a touchscreen-based unit that looked to combine elements of the 3DS into the controller itself. If the rumors held, Nintendo would be merging console-based gaming and handheld-based gaming into one.

Well, the rumors held to be true: Nintendo did announce the Wii 2, named the Wii U. However, the Wii U is not really a new Wii console, but essentially an addition to the Wii itself. The Wii remote will still be in play as the new system updates to 1080p, but the real factor here is the addition of the AR-driven touchscreen controller.

The controller is essentially a tablet with controller buttons/directional thumbpads built in along the sides. The controller can stream video back and forth between itself and the TV, allowing for game play to alternate between what is on the screen and what is on the controller. The controller itself is wi-fi ready, perfectly timed as Nintendo's online accessibility network has now been turned on. However, what is most impressive about the Wii U controller, what makes this unlike anything before imagined, is its use of Augmented Reality, first truly perfected by the Nintendo 3DS. The AR-enhanced controller now brings gaming off of the TV screen and in-and-around the room. Examples include:

- A golf game, where the controller is set on the floor, the Wii remote acts as the club, and the ball can be seen on the Wii U controller on the ground.
- A shooting game, where the enemies are no longer on the screen, but also to the left and to the right, as seen on the Wii U screen; such use of a 360 degree gameplay experience on a handheld-type screen was first seen on the 3DS's *FaceRaiders*.

There are many questions surrounding the Wii U: will all third parties embrace the new gaming experience provided by the Wii U, or will they stick with producing games that they know will be staples on the other two platforms (the guess here: it depends on Wii U sales; Activision and Ubisoft are already on board)? Will two controllers be able to be used at once and/or will the system be able to handle the power of two controllers? And finally...how will games use the new dimension that the controller provides (Mario, racing, Zelda, Metroid, etc)? Again, many questions to be answered in the next year, as E3 offered only but a peek behind Wii U's curtain. The surface has been revealed, but not even a scratch has been made. The risk is steep, the reward could be uncanny. Nintendo rarely fails and the possibilities are endless.

As for the developer's handheld units, they have not been left behind: new titles were announced for each portable surrounding Nintendo's biggest franchises and most recognizable characters.

Bottom Line

After originating motion-sensor gaming and the broadening of gaming to otherwise untapped demos, Nintendo's Wii quickly became a bookend, with the developer having to rely on updates of its classics in order to maintain interest. However, it's impossible to count the eldest scholar out, and Nintendo looks to revolutionize the gaming space once again by thinking outside of the linear 2D (box) screen. It is going to take some time to grasp the true functionality of the Wii U but with so much history on its side, it would be foolish to doubt Nintendo.

Publishers and Other Notables

While the Big 3 of console gaming always garner the most attention going into the expo, the third party publishers grab the spotlight the rest of the way. Let's take a look at the biggest announcements from the top tier players:

- EA
 - o First look at *Battlefield 3*, a first person shooter using technology that allows buildings to be destroyed upon shot (the first technology to exist like this, believe it or not)
 - o SSX FINALLY coming to Xbox 360 and PS3
 - o The Sims entering the world that it first began: Facebook (social gaming)
 - o The development of a linear platform across all gaming outlets for the majority of their titles, allowing players to engage in games across on-console, online, in-social, or on-handset and retrieve elements across each while moving from one platform to another by means of a singular login. EA will now be investing into each space heavily for each game they produce
 - o Online Star Wars world (think *World of Warcraft*)
- Activision

- Announced a free and paid-for online subscription service for *Call of Duty: MW3* featuring deep statistic tracking, access to downloadable content, social networking features, and a video series with "top Hollywood talent."
- Will also explore kids titles
- Ubisoft
 - Will publish games across each console while taking advantage of the technology that each individually offers (examples: *Mass Effect* with Kinect, *Assassins Creed 3D* with PS3, games for the Wii U)
- THQ
 - Will continue to produce urban-themed games such as *UFC* and *Saints Row 3*
 - Will produce *UFC Trainer* for Kinect
 - Announced and displayed *Margaritaville*, a social Facebook game in the image of *Farmville* with the music of Jimmy Buffett
- Konami
 - Will continue to focus on second-tier titles such as a *Glee* sing-along and soccer
- Take Two/2K/Rock Star
 - Balance of violent adult games (*Duke Nukem Forever*, *Bioshock Infinite*) with kids-focused titles like the Lego-esque Nickelodeon kids title for Kinect
- Capcom
 - An astounding preview of a new *Resident Evil* title was cinematic-like; other previews were quite weak as the company continues to milk the release of *Marvel vs Capcom 3* from last February

Pop culture characters and titles were also on full display, with franchise games featuring:

Spiderman, *Batman*, *Lord of the Rings*, *Lara Croft*, *Final Fantasy*, *Star Trek*, *Walking Dead*, and a Hulk Hogan wrestling game on Kinect (talk about using the gaming space to continue your legacy – and collect a residual check!).

Unique hardware accessories included:

- Nyko, a zoom lense attachment one can put on the Kinect to shorten the amount of space needed to play from 6-8 feet to 4-6 feet. Also works with other motion-sensor gaming devices.
- KorFX, an over-the shoulder body attachment that allows players (or film viewers) to feel full body reverberations. The attachment works with any audio outlet for any device and the examples shown of *Jurassic Park* and *Iron Man* were quite impressive with a high 'cool' factor.

Summary

With a number of questions going into E3 2011, the outcome could have been quite disappointing had nothing delivered. Quite the contrary: never has the future of entertainment looked so bright. With the gaming industry leading the charge, the technology surrounding entertainment is jaw-droppingly advanced at every turn. There are more selections for more people than ever before, be it titles, platforms, or outlets, and the makers of both the games and the systems continue to push the boundaries, and each other, in the name of both competition and gamer experience. Lastly, the merging of gaming and content continues to become one. The ultimate bottom line to sum up E3 2011: Never has entertainment, gaming and beyond, been so