

Cultural Preferences in Online Gaming Leadership & Management Strategies for International Expansion

Yimeng Qi

Human Behaviour, McMaster University, Hamilton Ontario, L8S 4L8, Canada

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Abstract: As the gaming industry continues to expand globally, cultural adaptation has played an essential role in ensuring success across diverse markets. This study explores how cultural preferences influence leadership and management strategies in international game expansion. It examines the balance between globalization and localization, and analyzes how gaming companies adapt game design, monetization models, leadership and management strategies to fit different cultural contexts. Through a case study of Honor of Kings, this research highlights how Tencent modifies hero names, skins, and monetization strategies to align with player expectations in various regions. Additionally, it explores how market-driven adaptation and workforce management help gaming companies operate effectively on a global scale. The findings emphasize the importance of cross-cultural leadership, strategic decision-making, and inclusive management practices in building successful multinational gaming platforms. By understanding and adapting to cultural preferences, gaming companies can enhance player engagement, increase market competitiveness, and grow successfully in global markets. This study provides insights for game developers and industry leaders to expand their games to diverse global market while maintaining a consistent brand identity.

1 INTRODUCTION

The Globalization of online gaming has significant impact on the development of game design and marketing. More and more games are facing not only the domestic market, but also the worldwide market. As video game is aiming to reaches diverse audiences, cultural adaptation becomes significant to increase player engagement and retention. Understanding cultural dynamics is crucial for companies to establish a strong presence in international markets (Cerezo-Pizarro et al., 2023).

The success of a game in international markets depends not only on effective marketing but also on how well it aligns with local player expectations. Cultural differences shape the way players interact with and understand games, which is essential for developers to consider cultural factors in game design. Cultural preferences such as language, aesthetics, and values play a significant role in influencing player satisfaction. Before a game is published in a specific region, the company should ensure its relevance and suitability for local players who live in a distinct cultural environment. To successfully attract these players, game developer have to localize and integrate

cultural elements into the game to make it consistent with local tradition. Thus, game localization in different regions have become a crucial phase in game production (Pyae, 2018).

A major challenge in global gaming is how to balance standardization and localization. Standardization allows companies to maintain a uniform brand and reduce development costs of a game, but a one-size-fits all approach might not attract players in different cultural back-ground (Divya, 2024). Thus, it is significant for game developers to consider how cultural preferences affect player engagement and how should leadership teams strategize localization while maintain standardization of the game.

This study explores the impact of cultural preferences on leadership and management strategies in international gaming expansion. The purpose of this research is to define cultural preferences and analyze how they influence gaming behaviour, aesthetics, mechanics, and monetization. By examining regional differences, this study examines how gaming preferences vary across cultures and how they shape player engagement. Additionally, this research investigates the role of globalization and localization in gaming leadership and decision-making, as well as

how cross-cultural leadership helps to build strategies in multinational gaming companies and their impact on international teams.

Furthermore, this study evaluates real-world examples, such as *Honor of Kings*, to illustrate effective leadership approaches in game expansions. It also examines how gaming companies management strategies to adapt cultural differences. The findings aim to provide valuable in-sights for industry leaders and developers in successfully expanding games to international markets while maintaining a consistent brand identity.

This study is based on a literature review of academic research, industry reports, and case studies. It provides insights for game companies to adjust their leadership and management strategies to adapt cultural preferences to increase player engagement. Additionally, it explores how these strategies can be effectively applied to support the global expansion of games, ensuring their success in diverse international markets.

2 CULTURAL PREFERENCE IN ONLINE GAMING

Understanding cultural preferences is essential for game developers to create a multinational game environment. These preferences influence various aspects of gaming, from design elements to player interactions. By recognizing and adapting to these differences, developers can design games that make players feel both immersive and relatable to players from diverse backgrounds.

2.1 Definition of Cultural Preferences in Digital Entertainment

Cultural preferences in digital entertainment related to the specific tastes, values, and practices that different cultural groups show on media content, including video games. These preferences have an impact on player engagement and satisfaction level in video gaming. Cultural evolution theory suggests that when design media or game context, it is essential to consider cultural contexts, because cultural factors have a significant connection with human behaviour and cultural transmission (Acerbi, 2023).

2.2 Differences in Gaming Behaviour and Aesthetics in Different Regions

Gaming Behaviour and aesthetics preferences vary across regions, which can reflect different

cultural backgrounds and societal norms. This can be shown in game design. For example, in China game designers tend to use traditional Chinese elements in domestic games, and games like *Genshin Impact* were created based on Chinese folklore and religious stories which became the most popular games in China (Wang, 2023). However, in contrast, games in Brazil may incorporate energetic and festive nature of Brazilian culture. In the Brazilian game “*O Seresteiro*”, it combines samba music and dynamic gameplay. These differences underscore the importance of the key role of cultural preferences in shaping game designs in diverse regions.

2.3 Impact of Cultural Preferences on Game Mechanics and Monetization

Cultural preferences significantly affect game mechanics and monetization strategies. In this case, game mechanics should be tailored to adapt different regional preferences (Kuo et al., 2022). Additionally, monetization plays a crucial role in shaping the success of the profitability of game development (Divya, 2024). Monetization in a game often affected by economic and political factors in different regions (Markopoulos et al., 2024). For example, in China game mechanics and monetization are heavily emphasized. LiveOps, which includes continuous updates, in-game events and real-time player interactions, is popular in China (Ahmand, 2024). Moreover, there are strict regulations in Chinese games, like daily login rewards, first-time spending bonuses, and limited loot boxes for minors, but in other regions players tend to enjoy more flexible game structure and rely more on self-regulation and consumer choice.

3 LEADERSHIP STRATEGIES FOR INTERNATIONAL EXPANSION AND CASE STUDY (HONOR OF KINGS)

Leadership Strategies in global game expansion aim to balance globalization and localization in game design. Globalization has contributed to cultural diversity in video games. Developers integrated elements from different cultures, historical events, and places to create immersive experiences that connect with players from all over the world. Localization, on the other hand, ensures games feel natural and familiar to players in different regions. Localization is more than just translation; it involves

adapting character designs, voice acting, cultural references, and monetization models to align with local player expectations. This process ensures that games not only maintain their core gameplay experience but also feel authentic and relevant to audiences from different cultures. While globalization helps games reach more people, localization enhances its connection with players by making it culturally and contextually appropriate.

3.1 Globalization vs. Localization in Gaming Leadership

Game companies must decide how much localization is necessary while maintaining a consistent brand image (Dodaro, 2015). Globalization allows developers to expand their brand efficiently, while localization ensures cultural relevance. The challenge for gaming leaders is finding the right balance---over-localization may fragment brand identity, while under-localization might make it feel foreign to regional players. A well-balanced approach is to keep the core experience standardized while adapting key elements to fit different cultures and player expectations. For example, while many games maintain universal gameplay mechanics, some regions may require adjustments in difficulty levels, game pacing, or social features to better align with local gaming. Leadership in balance globalization and localization is about making strategic decisions. Game leaders have to oversee market research, cultural adaptation, and branding consistency to ensure the game expands successfully without losing its core players. For instance, Tencent's leadership in Honor of Kings' global expansion emphasizes cultural preferences, which still maintaining the game's core experience as one kinds of Multiplayer Online Battle Arena (MOBA) game. Moreover, successful marketing strategies are made by the leaders to decide whether to use local influencers, e-sports events, or regional festivals to attract more players.

3.2 Cross-Cultural Leadership in Multinational Gaming Companies

If the game designer wants to make a game that aims to expand it to different regions while balancing globalization and localization, a cross-cultural team should be developed. A diverse team brings unique perspectives, helping create games that resonate with players from different cultural backgrounds. Honor of Kings (HOK) is a prime example of how a cross-cultural team enables successful game expansion.

Tencent's international team worked closely with localization experts to adapt hero names, visual aesthetics, and in-game mechanics, ensuring that the engagement of players from different regions while maintaining its core identity.

Effective leadership is required to incorporate those cultural differences in the team, and integrate them into product design. Leaders with high cultural intelligence can foster inclusive environments that welcome diverse talent and perspectives (Florez, 2023). Cultural intelligence refer to a person's ability to understand, adapt, and respond effectively when interacting with people or cultural elements in culturally diverse settings (Ang et al., 2015). In HOK's global expansion, Tencent demonstrated cultural intelligence by modifying character backstories, voice acting, and themes to align with different regional audiences. By sharing diverse ideas in a cross-cultural team, the game will encourage players from different cultures to connect and engage.

Cross-cultural game jams and collaborations further enhance this process, offering developers hands-on experience in different game development practices and terminology (Park et al., 2023). Additionally, the leader will be able to address discrimination and celebrate diversity actively (Florez, 2023). Cross-Cultural Leadership also encourages localization. The leaders should adapt storylines, characters, and visual elements for different markets and modify game mechanics and monetization to localize the game in order to fit regional preferences (Lin et al., 2023). In Honor of Kings, the Chinese version features historical and mythological figures familiar to domestic players, while the international version offers more accessible free skins and promotional rewards to attract a wider audience.

By embracing cross-cultural leadership, gaming companies can build stronger global connection, create more inclusive experiences, and expand successfully into new markets. Tencent's ability to adapt HOK for different regions while maintaining a consistent brand identity shows the effectiveness of cross-cultural leadership in the gaming industry.

3.3 Case Study: Honor of Kings

Tencent's Honor of Kings (HOK) is one of the most successful mobile MOBA games, originally developed for the Chinese market. To expand the game in globalization, Tencent made significant adaptations in hero names, skins, and collaborations to align with different cultural preferences and player expectations. The contrast between the Chinese and

International versions highlights how the game's leadership team balances globalization and localization in game design.

One example of this adaptation is the renaming of historical and cultural figures. In the Chinese version, *Wang Zhaojun* is named after a real historical character from the *Han Dynasty*, who was known for her diplomatic marriage to the *Xiongnu* (Han Dynasty's enemy) and her association with tragic beauty. However, in the international version, she is renamed *Princess Frost*, a name that reflects her ice-themed abilities rather than her historical background. This renaming helps Western players connect with the hero's skills rather than requiring prior knowledge of Chinese history. By making these changes, Tencent ensures that *Honor of Kings* remains immersive and engaging across different cultures.

Another major difference lies in the skin system and monetization strategies. In the Chinese version, many premium skins must be purchased, often through limited-time events or seasonal passes. For instance, *Da Qiao's* exclusive annual skins require direct purchases in game. But in the international version, some of these previously premium skins are given away for free as part of global promotions, making them more accessible to a wider audience. This adaptation aims to fit player spending habits across markets and attract new players outside China.

Additionally, the international version has exclusive collaborations that do not appear in the Chinese version. For example, the *Jujutsu Kaisen* collaboration skins, which is featuring anime characters, were released in international version but not in China. While Japanese anime is highly popular in China, licensing agreements and regional content regulations often influence which collaboration are introduced in different versions of the game. Meanwhile, the Chinese version of HOK frequently collaborates with traditional Chinese cultural elements, historical figures, and local celebrities which reflect a different approach to increase player engagement.

Beyond in-game content adaptations, *Honor of Kings* has also expanded its presence in global e-sports. The game developer separate e-sports tournaments for Chinese and international servers, in order to create a competitive scene for different players. The tournaments brings together top players from different countries and give them a stage to compete professionally while introducing the game to new audiences. When viewers see players from their own competing, they naturally feel more connected and engaged with the game. These tournaments help to attract new audiences, encourage engagement, and

strengthen HOK's reputation as a global e-sports title. This leadership strategy of promoting e-sports programs, not only enhances player loyalty but also ensures sustained international growth for the game.

By changing game design strategy and adapt cultural preferences in different regions, HOK successfully balances standardization and localization, ensuring that HOK remains engaging for players worldwide. Additionally, with the promote of e-sport tournaments, Tencent further strengthen HOK's global presence, and enhance player engagement.

4 MANAGEMENT STRATEGIES TO ADAPT TO CULTURAL VARIATION

In the global gaming industry, effectively managing cultural differences is crucial for success. Inclusive organizational culture, market-driven adaptation and workforce leadership should be considered in the management strategy to enhance cultural adaptation for video games.

4.1 Organizational Culture and Its Role in Global Game Development

A strong organizational culture is essential in global game development, as it promotes a positive work environment, fosters creativity, and enhances operational efficiency. A report by the International Game Developers Association (2021), mentions that companies investing in employee well-being, open communication, and inclusivity tend to have more successful and sustainable work cultures. People tend to be more innovative when they are working in a relaxed and creativity plays a vital role in game design. Encouraging open communication will help employees to discuss their creative ideas, and when team members feel comfortable to express their thoughts, they are more likely to explore new mechanics, unique storytelling element, and innovative gameplay features in designing a game that towards worldwide.

4.2 Market-Driven Adaption in Management

In the competitive gaming industry, market-driven adaptation plays a crucial role in ensuring a game's success across different regions. Game companies must analyze player preference, market trends, and

regional regulations to modify game to make it fit in certain region. From the case study, the research showed that Tencent's adaptation of Honor of Kings in international markets, where adjustments were made to hero names, monetization models, and skin availability to fit different cultural preferences. By adapting to player preferences, Honor of Kings secured the #2 position in global game download growth (Sensor Tower, 2024).

Beyond content adaptation, market-driven strategies also shape how game designer adjust game mechanics, user interface, and social features to fit regional preferences. Designers might adjust game difficulty based on regional preferences, for example, some Asian markets may prefer more challenging gameplay, while Western audiences might favor a more balanced approach. Changing gameplay pacing is also normal in market-driven strategy, for instance, mobile games in Asia often have faster progression and more frequent rewards compared to Western markets.

4.3 Workforce Management in Game Company Operations

Effective workforce management is a critical factor in the successful international expansion of game companies. As game development becomes more globalized, companies must ensure that their teams operate efficiently, adapt to different markets, and align with regional expectations. In international game expansion, involving local teams in game development is as important as welcome talent from different backgrounds.

One key aspect of workforce management is integrating local expertise into global teams. While centralized decision-making helps maintain standardization, local teams provide in-sights into cultural preferences which is vital for game localization. Game developer from different regions contribute to diverse storyline, character design, and game mechanics that appeal to local audiences. When develop international version of a game, to localize it, a successful company is not just translating the contexts, but also adapting narratives, art styles, and user experiences to fit cultural contexts.

Additionally, effective workforce management ensures smooth collaboration between global and local teams. When everyone has a clear role and open communication, it is easier to balance globalization and localization. Local team works to shape content align with their culture preferences, refine storyline, characters and game mechanics to fit in their local context, in order to attract more audiences. At the

same time, global team help with maintain flexible and core game identity, ensuring that while the game adapts to different markets, it still feels like part of the same universe. By combining local insights with global strategies, the game companies can navigate the complexities of international expansion while building strong adaptable teams.

5 CONCLUSION

This study examined the impact of cultural preferences on leadership and management strategies in the international expansion of the gaming industry. The finding highlight the importance of balancing globalization and localization to ensure that the game is attractive and relevant to players from diverse backgrounds. The case study of Honor of Kings (HOK) demonstrated how Tencent successfully adapted game elements such as hero names, skins, monetization models, and e-sports tournaments to fit different cultural expectations while maintaining a unified brand identity. This approach reflects how cross-cultural leadership, market-driven adaptation, and workforce management play a crucial role in facing the challenges of international game expansion.

One of the main challenges discuss in this study is how to find the right balance between standardization and localization. While standardization allows companies to maintain a consistent brand and reduce costs, excessive standardization can lead to a lack of cultural relevance in foreign markets. However, over-localization may weaken a game's core brand identity and make operations more complicated. This study suggests that for a game to succeed internationally, leaders should embrace different cultures, localize wisely, and use flexible business models to fit different markets while keeping the core gaming experience.

The research also underscores the importance of workforce management in global gaming companies. Bringing in local experts helps developers create game mechanics, marketing strategies, and monetization models that match regional preferences. When global and local teams communicate well and work together, companies can better connect players, expand in-to new markets more smoothly, and grow sustainably. A diverse team also helps make games more culturally adaptive and engaging, ensuring that players feel connected to the game experience. By fostering an inclusive work environment and keeping open communication, companies can increase player

engagement, strengthen their market presence, and support long-term success.

This study has significant implications for game developers and industry leaders. Cultural preferences is not only essential for improving player satisfaction and retention but also for making it easier to expand to international markets. Companies that focus on cross-cultural leadership, market-driven adaptation, and workforce development are more likely to create games that can attract worldwide players. By using local knowledge and player feedback, gaming companies can keep improving their strategies to better fit different markets.

However, this study has certain limitations. The research is based primarily on a literature re-view and a single case study, thus, it might lack of generalization across the entire gaming industry. Future research could explore a broader range of case studies across different gaming types and different companies to gain a more comprehensive understanding of international game expansion strategies. Moreover, further research should incorporate player perspectives and quantitative data on cultural adaptation to provide deeper insights into how cultural preferences influence gaming behaviour and monetization strategies.

In conclusion, growing a game globally requires leaders to find the right balance between adapting to different cultures and keeping a strong brand identity. By improving leadership strategies, workforce management, and localization efforts, gaming companies can design games that can create inclusive and immersive gaming experiences that resonate with players worldwide which can help the game succeed in the global market.

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