



Inquiry into IT Pricing

House of Representatives Committees

To Whom It May Concern:

Please accept the following as my submission into the Inquiry into IT Pricing.

I work as a freelance web developer based in Melbourne, so I tend to deal with a lot of digital related expenses for software and software-as-service. I'm exposed to the world of IT pricing and notice the discrepancies that discriminate Australian consumers on a daily basis.

The majority of these discrepancies in my experience deal with forms of digital content such as downloadable music, media, and games.

This particular submission is in regards to the pricing differences from publisher EA (Electronic Arts) on the Sony Playstation Network in Australia, compared to that of the same providers in the USA and abroad.

I have found numerous differences in prices for products sold to Australians from EA via their 'Origin' digital sales store (<http://store.origin.com>) as well as in game micro transactional products sold via EA published games. Further details are below.

"Mass Effect 3" (PS3/PC/Xbox)

One clear example of this is in the PS3 console game "Mass Effect 3". The game features an online store where users can purchase purely digital content known as 'packs' to boost their engagement within the game and unlock various items.

These packs are sold in different pricing tiers and essentially unlock random items within the game using a random number generator. A similar scenario would akin to purchasing a pack of trading cards, with more expensive packs promising greater chance of rarer cards.

In the Australia, these packs sell at a vastly greater price than in the US. For content that is purely digital and sold via the in game store, which triggers a transaction on the Sony Playstation 3 PSN (Playstation Network). An example of this pricing discrepancy is below.

Mass Effect 3 Pack	Australian Price (AUD)	US Price (USD)
"Veteran Pack"	\$1.75	\$0.99
"Jumbo Equipment Pack"	\$2.45	\$1.49
"Spectre Pack"	\$3.45	\$1.99
"Premium Spectre Pack"	\$4.95	\$2.99

US Pricing details can be found here:

[http://masseffect.wikia.com/wiki/Mass Effect 3 Multiplayer/Store](http://masseffect.wikia.com/wiki/Mass_Effect_3_Multiplayer/Store)

This may not seem like a great deal of money, but these packs are designed to be micro transactions within the game and to be purchased in volume, so a couple of dollars difference can easily turn into \$50-\$100 difference for a piece digital content that is delivered the same way no matter where in the world (as it is not tangible physical content that requires any form of shipping).

It is my view that there should be no reason in this instance for such a large discrepancy in pricing on the console game 'Mass Effect 3', developed in Canada by BioWare and published by EA for PC/PS3/Xbox 360. I feel that Australian consumers are simply being discriminated against. The EA servers are accessed by all users world wide, so that matchmaking can occur between all players in the multiplayer mode globally. This means that there is no additional cost for EA to serve data to Australian users. The store transactions themselves, which are credit card payments, are handled by the Playstation Store, again this is the same worldwide, so no pricing discrepancies should exist their either.

I have contacted BioWare in regards to this via their official forum (social.bioware.com). The forum thread in question was locked and closed (<http://social.bioware.com/forums/forum/Mass-Effect-3/Mass-Effect-3-Multiplayer-Discussion-/Pack-Prices-in-USA-vs-Pack-Prices-in-Australia-and-elsewhere-13837107-1.html>).

I also asked them via the official @masseffect twitter account, again, without response

To me this is only one example of this publishers discrimination in pricing against Australian consumers, and if the Origin store is browsed as a US user further pricing discrepancies can be found VS the Australian version of their store.

Thank you for your time.

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