

# From Japan to China: The Evolution of the Gacha Model and Cross-Cultural Communication Research

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**Abstract.** The Gacha mechanism originated from Japan's twisted egg culture and gradually evolved into various card payment models with the development of smartphones. This study explores the formation and evolution of the Gacha mechanism in Japan, as well as its localization adaptation process after entering the Chinese market. The research results indicate that although there are differences in regulatory policies and social disputes between China and Japan, the Gacha mechanism still thrives at the commercial level and has undergone multiple mechanism adjustments driven by policy intervention and player feedback. In addition, research has found that the transparency process of the Gacha mechanism not only improves market fairness, but also promotes its commodification, shifting players' focus from "whether probability is fair" to "whether price is reasonable", which in turn leads players to question manufacturers' pricing strategies. This study focuses on systematically studying the transmission path of the Gacha mechanism from Japan to China and its localization adaptation.

**Keywords:** Gacha model; cross-cultural communication; localization adaptation.

## 1. Introduction

The Gacha mechanism originated from Japan's twisted egg culture, originally referring to plastic-wrapped twisted eggs, which were later transplanted to mobile games and commonly used to describe a mechanism of using in-game currency or real money to obtain random virtual items. In recent years, this mechanism has attracted widespread attention and controversy worldwide, and has continuously adapted and evolved in different cultural environments. In recent years, research on the Gacha mechanism has mainly focused on behavioral economics, game theory, and market price discrimination, exploring how manufacturers can design card drawing systems to optimize profit models. Gan used Prospect Theory to construct a behavioral economics model, suggesting that players exhibit cognitive biases when facing low-probability events. Manufacturers can use this psychological characteristic to increase their willingness to consume by hiding true probabilities and creating the illusion of "near winning". They also studied how the "minimum guarantee mechanism" can alleviate players' loss aversion and increase payment rates [1]. Chen and Fang used Stackelberg game theory and Markov Decision Process (MDP) to analyze how manufacturers formulate optimal Gacha mechanisms. They believed that manufacturers should design a "continuous spending until the goal is achieved" card drawing mode to maximize user payments. They also studied the differences in revenue between different Gacha structures, such as sequential card pools and banner card pools [2]. Cao et al. focused on empirical research and analyzed how Gacha manufacturers use big data for price discrimination. They pointed out that manufacturers can achieve differentiated pricing by adjusting individual probabilities, pushing personalized gift packages, and exploring the impact of Chinese market regulation on these strategies [3]. Current research mainly focuses on optimizing Gacha's business model, while there is relatively little research on how Gacha spreads, adapts to regulatory policies, and evolves player acceptance in different countries. Therefore, this study attempts to fill this gap by comprehensively reviewing the formation and dissemination of the Gacha mechanism in Japan to China, and analyzing its adjustment process in different regulatory environments, to more systematically understand the global development trend of the Gacha mechanism.

This study explores the evolution path of the Gacha mechanism in the Japanese market and analyzes its localization adaptation process in the Chinese market, to fill the systematic analysis gap in existing research on the cross-cultural dissemination of the Gacha mechanism. In addition, with the application of the Gacha mechanism in different markets and changes in its regulatory environment, the game payment model is gradually showing a trend from probabilistic opacity to commercialization. This study provides a new theoretical perspective for understanding the long-term development of the Gacha business model by sorting out this evolution process.

## **2. Performance of Different Countries**

### **2.1. The Mechanism Evolution of Gacha in Japan**

#### **2.1.1. Early (around 2012)**

PUZZLE&DRAGONS is a representative mobile game among the early Gacha systems. At the same time, some social games adopt the Complete Gacha system, which means that players need to extract different types of props and collect them before exchanging for rare props. However, due to its inducing consumption characteristics similar to gambling, the system was deemed illegal in Japan in 2012 and subject to strict regulation [4]. The success and controversy of these early works laid the embryonic foundation for the "gacha" payment model in the Japanese mobile game industry.

#### **2.1.2. Mid-term(2012-2018)**

After the ban of Complete Gacha, the Japanese mobile game market began to adjust the card drawing mechanism and gradually promote the transparency of the Gacha mechanism. In 2016, the "Angela Incident" in "Blue Fantasy" became an important turning point in the Gacha mechanism. Due to the high amount of funds invested by players to extract the limited character "Angela", it has sparked social controversy and strong criticism, forcing Cygames to introduce the "pity system" (i.e., a guarantee mechanism) to alleviate players' dissatisfaction. At the same time, discussions within the industry about Gacha probability disclosure are gradually heating up, and game developers are beginning to proactively disclose their extraction probabilities in response to market regulation and player pressure [5].

#### **2.1.3. Current situation (2018-present)**

After entering 2018, the Gacha mechanism gradually became standardized in the Japanese market, and the guaranteed system and probability disclosure have become the basic configurations of mainstream games. The vast majority of top manufacturers actively incorporate the "pity system" mechanism in new games and indicate the probability of obtaining various items on the card drawing page, to reduce social disputes and player complaints, and improve the transparency and credibility of the game. As mechanism compliance becomes an industry consensus, the core controversy of the Gacha mechanism is gradually easing, and manufacturers' design focus is shifting from "whether it is transparent" to "how to optimize user experience under the premise of transparency". The characteristics of this stage are that the system tends to stabilize, the pace of change slows down, and the mechanism design enters a new stage of detail optimization and operational balance.

### **2.2. Introduction and Localization of Gacha in China**

#### **2.2.1. Early imitation and market introduction (2013-2015)**

This stage is the initial introduction period of the Gacha mechanism in the Chinese mobile game market, characterized by the mechanism being transplanted from Japan, lacking localization adjustments, and exploring a revenue model centered on "high payment for rarity". Manufacturers often adopt the mechanism framework of successful Japanese products and introduce card drawing systems to quickly establish a monetization path, while also cultivating players' initial understanding of the "card drawing" model. However, a unified mechanism and standard were not formed during this period, and the card drawing system was still in the stage of "trial and error" and "direct imitation".

As one of the early domestic mobile games to try the gacha system, "My Name MT" was inspired by the gacha mechanism in "PUZZLE&DRAGONS" and achieved profitability through a high payment model for rare characters. Its commercial success has verified the feasibility of the Gacha mechanism in the Chinese market [6]. In 2013, Shanda introduced the Japanese mobile game "Diffuse Million King Arthur", further strengthening domestic players' understanding of the gameplay of "character collection+random selection", and also attracting more manufacturers to pay attention to the potential of the card drawing mode in profitability [7].

### **2.2.2. Mid-term regulatory intervention (2016-2019)**

After entering 2016, the Gacha mechanism experienced a significant turning point in the Chinese market, with the core features of this stage being the formal intervention of policy regulation and the passive adjustment of mechanism design. While the mechanism is widely used, players have criticized the opaque probability of card draws and the lack of a minimum guarantee. The government has also begun to pay attention to the potential risks of card drawing systems on underage consumption behavior.

In this context, in 2016, the Ministry of Culture issued the "Regulations on the Management of Online Games", which for the first time required game companies to disclose the probability of card draws and set goals such as improving system transparency and reducing induced consumption [8]. As the representative of the anime mobile game at that time, Onmyoji had not disclosed its probability in its early stage and lacked a minimum guarantee mechanism, which caused a large number of players' dissatisfaction. Under policy pressure, manufacturers have gradually introduced mechanisms such as soft guarantees and attempted to improve the transparency of these mechanisms to cope with the dual pressures of regulation and public opinion.

### **2.2.3. Local deepening and market feedback (2020-present)**

This stage is the local deepening period of the Gacha mechanism in China, showing a trend of gradually standardizing the mechanism, more rational player cognition, and manufacturers actively optimizing design to maintain user stickiness. Under the dual influence of policies and communities, the card lottery mechanism is evolving towards a more transparent and reasonable direction.

In 2020, the global launch of Genshin Impact was regarded as the landmark event of the Chinese Gacha game. Its success not only improves the international recognition of the Gacha mechanism, but also urges domestic manufacturers to reassess the commercial value of the mechanism [9]. With the accumulation of players' consumption experience, criticism of the card drawing system continues to rise, and the demand for more fair and controllable voices has become mainstream. In response to market feedback, manufacturers continuously fine-tune their mechanisms. For example, in 2024, Xishanju's "snowbreak: Containment Zone" adjusted the original 50% UP mechanism and introduced the "100% guaranteed acquisition" rule, clearly ensuring the return on investment for players. In the same year, Genshin Impact also introduced the mechanism of "capturing light", which increased the probability of acquiring UP characters from 50% to 55%, further reducing the uncertainty of card drawing, reflecting that manufacturers have begun to take "price rationality" into account in the core consideration of mechanism design [10].

## **3. Commercialization of Gacha Mechanism and Changes in Player Cognition**

### **3.1. The Evolution Path of Gacha Mechanism Transparency and Commercialization**

#### **3.1.1. Key changes in the Gacha mechanism in Japan**

Research has found that the Gacha mechanism in Japan has changed from no guarantee and opaque probability, through regulatory intervention and increased transparency, to a standardized guarantee mechanism. After transparency, manufacturers have to optimize the consumer experience under the premise of fixed probability, which promotes the evolution of the Gacha mechanism from "probability game" to "product purchase". From the ban of Completed Gacha in 2012, to the "Angela

Incident" in 2016, which pushed for the disclosure of card drawing probabilities, and then to the mainstream adoption of a minimum guarantee mechanism after 2018, the Gacha mechanism gradually became standardized, and product attributes became increasingly clear.

### **3.1.2. Localization, adaptation, and regulatory impact of the Gacha mechanism in China**

Unlike the Japanese market that relies on industry self-discipline and player tolerance, the evolution of the Gacha mechanism in China presents a localized adaptation process under a strong regulatory background. This process is not only reflected in policy-level norms, but more importantly, in the mechanism adjustments and local transformation of product design made by manufacturers in the face of Chinese player culture, consumer cognition, and market feedback.

In China, players are generally price sensitive, have strong demands for "fairness", and tend to view game payments as a consumption behavior that "should have clear returns" rather than a random investment based on luck. Therefore, although regulatory policies such as the "Regulations on the Administration of Online Games" released in 2016 have forced the disclosure of card drawing probabilities, what truly drives the Gacha mechanism to continuously adjust is the continuous feedback and collective public opinion pressure formed by players on community platforms. If manufacturers do not respond to this pressure promptly, they often face the risk of user churn and reputation collapse.

The Gacha mechanism has gradually shown three trends in localization adaptation: firstly, mechanism design has shifted from completely random to predictable, with a guaranteed system becoming a standard feature in most games and adapting to local player expectations; Secondly, the payment model emphasizes more on "cost-effectiveness" and "stage returns", and players have gradually formed a consumption decision-making model guided by "expected costs"; Finally, manufacturers began to focus on reducing user dissatisfaction through data feedback, community maintenance, and product rhythm control, rather than simply relying on card draws to stimulate profits. For example, after Genshin Impact implemented the "patio" mechanism in the global market, it still introduced mechanisms such as "capturing light" to improve controllability according to the feedback of Chinese players.

### **3.2. From "Probability Game" to "Commercialization Pricing"**

After the transparency of the Gacha mechanism, players' consumption behavior has undergone significant changes, with the focus shifting from "whether the target item can be extracted" to "whether the extracted price is reasonable". This cognitive shift has prompted manufacturers to adjust their payment design, gradually evolving the Gacha mechanism from a probability-based game model to a "pricing consumption" model that is closer to traditional commodity transactions. Players can calculate the expected cost of obtaining target items based on the disclosed probability, so their consumption decisions tend to be more rational rather than relying on impulse or pure gambler psychology. Manufacturers have also begun optimizing Gacha designs to maintain long-term consumer willingness, such as introducing more refined minimum guarantee mechanisms and increasing opportunities for free draws to reduce negative experiences caused by probability fluctuations.

### **3.3. Long Term Effects of Gacha Transparency**

After the transparency of the Gacha mechanism, its long-term impact is reflected in fundamental changes in players' consumption patterns and adjustments to manufacturers' profit models. At the player level, transparency has made the phenomenon of "stone hoarding" increasingly common, where players hoard in-game currency and wait for more cost-effective card pools to make purchases. This change in consumption habits has led players to no longer invest funds arbitrarily, but to make more rational decisions based on the evaluation of long-term returns, resulting in a certain impact on the short-term revenue model of manufacturers. In response to this trend, some manufacturers have adopted the method of regularly launching "limited replica pools" (which allow players to extract

virtual items that cannot be obtained outside of a specific period) to stimulate players who hoard in-game currency to make purchases during specific periods. For example, *Arknights Tomorrow* periodically opens limited-time UP pools offering high value, allowing players who hoard resources to concentrate on consumption at specific time points, maintaining the game's long-term profitability.

#### **4. Insights**

The different evolution paths of the Gacha mechanism in the Japanese and Chinese markets indicate that the dissemination of digital entertainment products in the global market is not solely dependent on technology or business models, but is constrained by multiple factors such as culture, regulation, and market environment. The success of the Gacha mechanism depends not only on probability control or paid design, but also on whether manufacturers can adjust their operational strategies according to different markets. Regulatory policies, player culture, and payment habits in different markets will have a profound impact on the ultimate form of the Gacha mechanism.

This indicates that the cross-cultural dissemination of digital entertainment products is not simply a business model replication, but a dynamic adaptation process. Taking the Gacha mechanism as an example, the Japanese market emphasizes industry self-discipline, and players have a high acceptance of high fees. Therefore, the Gacha mechanism still maintains strong randomness after transparency. In the Chinese market, with the intervention of government regulation, manufacturers must make more optimizations, such as increasing probability transparency and adding minimum guarantee mechanisms, to meet players' concerns about fairness and price rationality. With the growth of public opinion in the player community, the Gacha mechanism may further develop towards a "transparent pricing+probability reward" model in the future to mitigate the backlash over the mechanism's perceived gambling elements.

More broadly speaking, the global dissemination model of the Gacha mechanism can provide a reference for other types of games and digital content. When entering a new market, manufacturers cannot simply replicate existing business models, but need to analyze the cultural characteristics, policy environment, and user behavior of the market and make corresponding adjustments. For example, in the European and American markets, due to stricter gambling regulations, manufacturers may prefer to adopt a combination of "battle orders+subscription system" or "direct purchase+limited time card draw" to reduce regulatory risks. In addition, the future Gacha model may further combine artificial intelligence and big data analysis to provide more accurate personalized pricing for users, making the card drawing system more in line with the payment ability and consumption habits of different players.

#### **5. Conclusion**

This study explores the evolution of the Gacha mechanism in Japan, how it spreads to the Chinese market, and how transparency drives its commercialization process, thereby shaping players' perceptions of consumption. Research has found that the evolution of the Gacha mechanism has been driven by different factors in different markets: the adjustment in the Japanese market is mainly influenced by player public opinion and industry self-discipline, while changes in the Chinese market rely more on mandatory government regulatory intervention.

In addition, research has found that the Gacha mechanism is not simply replicated in cross-cultural communication, but undergoes deep localization adaptation. In Japan, the Gacha mechanism relies on scarcity and probability incentives, while in the Chinese market, manufacturers need to adjust their operating models under transparent regulation to meet players' demands for fairness and reasonable prices. This change reflects the dynamic adaptation strategy of digital entertainment products in global market dissemination, that is, in different market environments, game mechanics will be influenced by multiple factors such as culture, policies, and player behavior, and will adjust during the dissemination process.

Overall, although the evolution paths of the Gacha mechanism in China and Japan are different, their ultimate trend is towards greater transparency and compliance with market norms. In the future, with the tightening of global regulatory policies, the Gacha mechanism may need to be further optimized, such as introducing clearer minimum guarantee mechanisms, reducing high consumption barriers, and even exploring new business models to adapt to market changes and increase player acceptance. This study not only provides a new analytical framework for the cross-cultural dissemination and transparency process of the Gacha mechanism and its impact on players' consumption cognition, but also provides a theoretical reference for the adaptive dissemination of other digital entertainment products in the global market.

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