

Systematic Analysis of The Video Game Industry



Carlos Marquez

What are the Limitations of My Research

NAICS CODES-Software

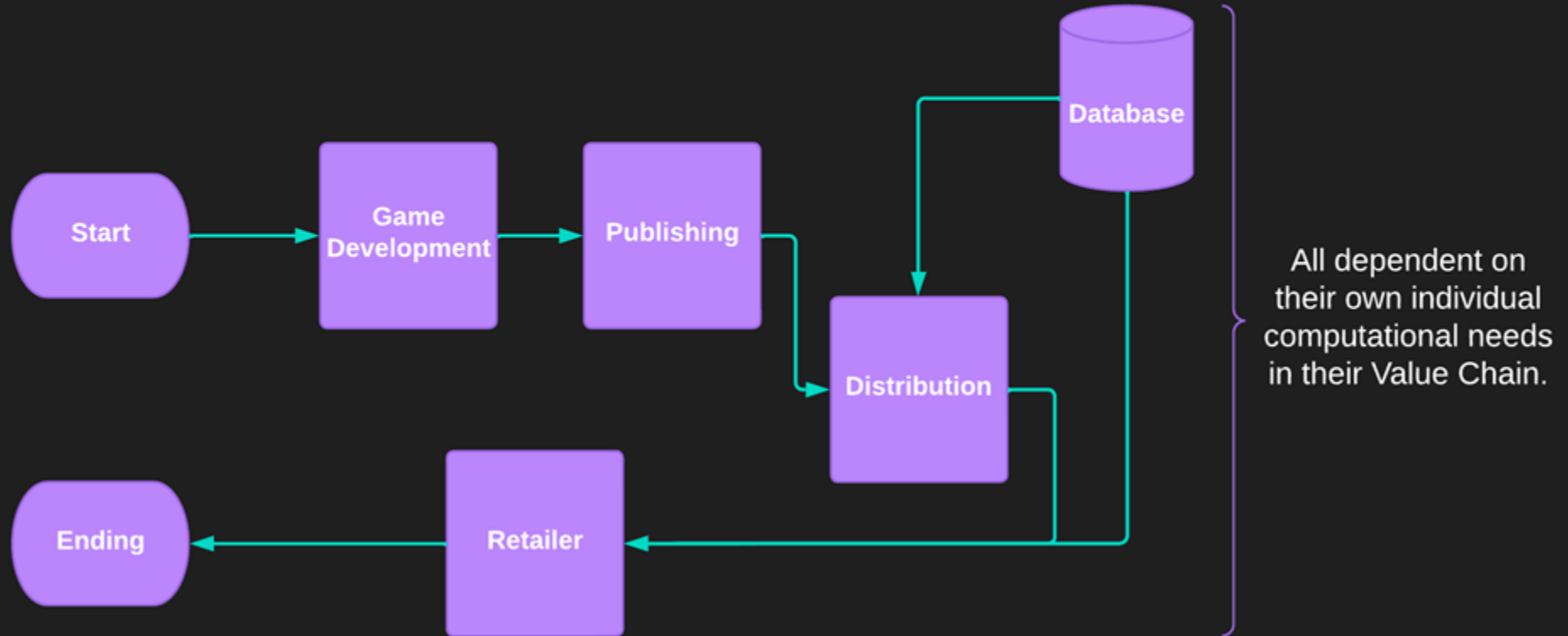
Complementary goods

- Video games are dependent on other technological industries and their output on the market such as graphic cards, CPU's (Central Processing Unit), and co-processors.

Goods Homogeneous or Differentiated

- Differentiated products with certain common attributes.

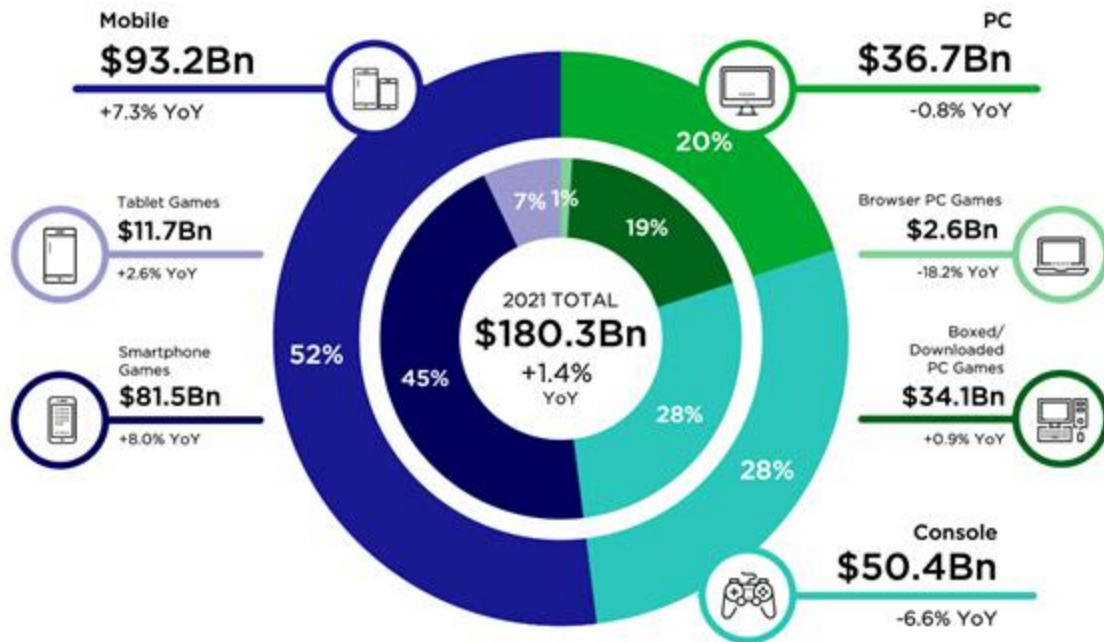
Value Chains





2021 Global Games Market

Per Device & Segment With Year-on-Year Growth Rates



\$93.2Bn

Mobile game revenues in 2021 will account for 52% of the global market

Source: ©Newzoo | Global Games Market Report | January 2022

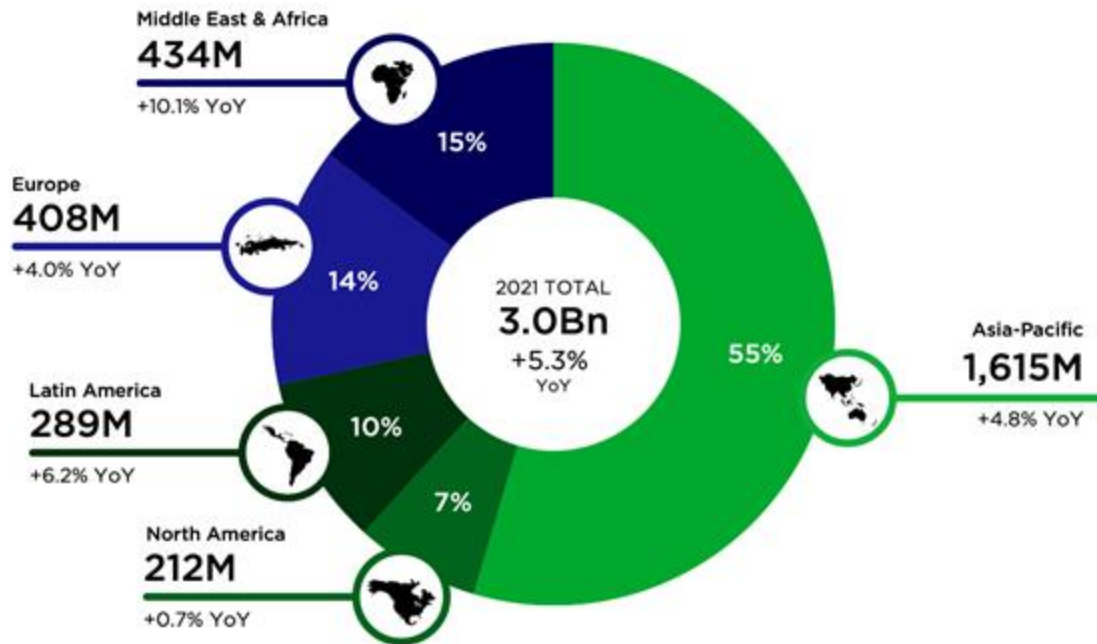
newzoo.com/globalgamesreport

Our revenues encompass consumer spending on games: physical and digital full-game copies, in-game spending, and subscription services like Xbox Game Pass. Mobile revenues exclude advertising. Our estimates exclude taxes, secondhand trade or secondary markets, advertising revenues earned in and around games, console and peripheral hardware, B2B services, and the online gambling and betting industry.



2021 Global Players

Per Region With Year-on-Year Growth Rates



55%

of global players are in Asia-Pacific, and the region still houses some of the fastest-growing markets worldwide

Source: ©Newzoo | Global Games Market Report | January 2022

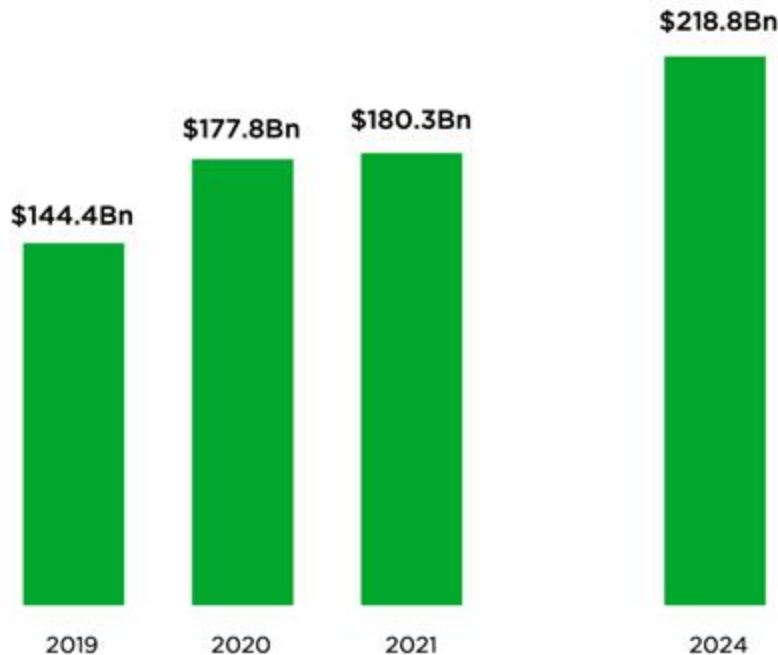
newzoo.com/globalgamesreport

Definition of players: anyone who has played games on PC, console, or mobile device in the last six months.



Global Games Market Forecast

Forecast Toward 2024



+8.7%

Total Market CAGR
2019-2024

Our revenues encompass consumer spending on games: physical and digital full-game copies, in-game spending, and subscription services like Xbox Game Pass. Mobile revenues exclude advertising. Our estimates exclude taxes, secondhand trade or secondary markets, advertising revenues earned in and around games, console and peripheral hardware, B2B services, and the online gambling and betting industry.

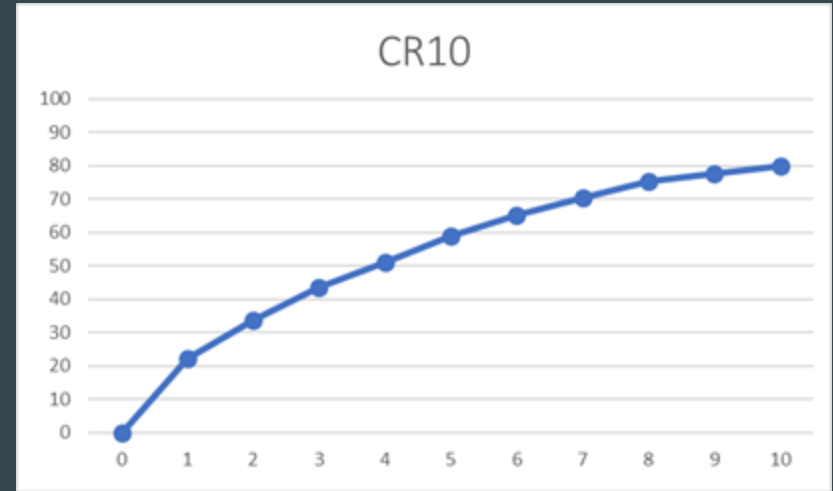
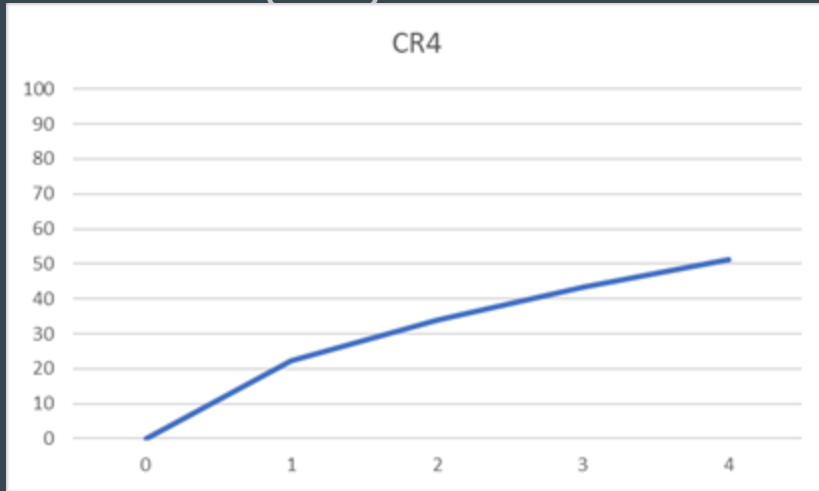
Source: ©Newzoo | Global Games Market Report | January 2022

newzoo.com/globalgamesreport

Market Structure - Q3 2021

Concentration (CR4)

Concentration (CR10)



HI 972.1649

Common Pricing Strategies

- Limiting reselling of goods between consumers
 - Piracy
- Bundling
- Initial price plus inside the game purchases z

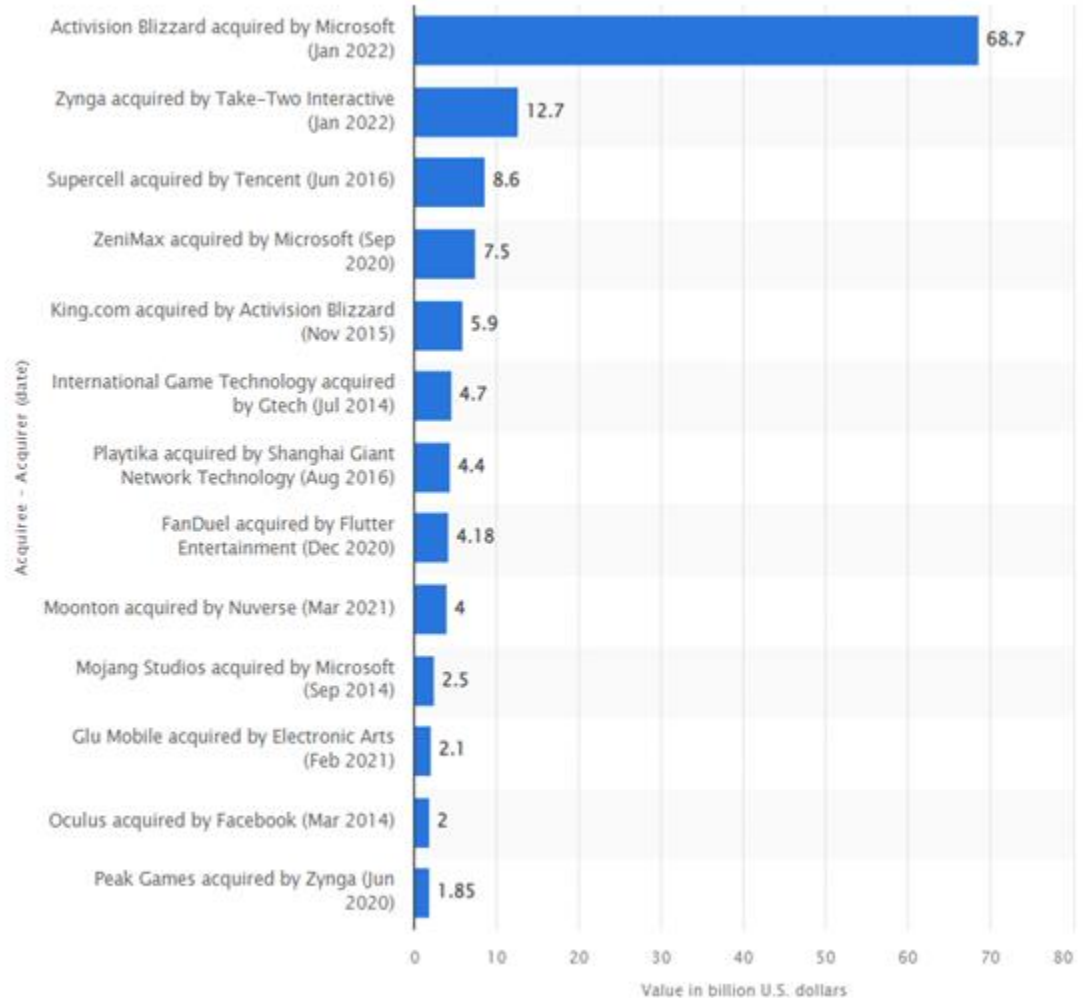


Nintendo Switch Bundle



Mergers and Acquisitions

- Xbox and Blizzard Acquisition of the firm.
- Frequency of acquisitions and mergers



References

<https://newzoo.com/>

<https://www.bls.gov/>

<https://www.theverge.com/22941636/microsoft-activision-blizzard-acquisition-sec-filing-came-together>