



GAMECO

2016 ANNUAL REVIEW

Looking ahead with confidence

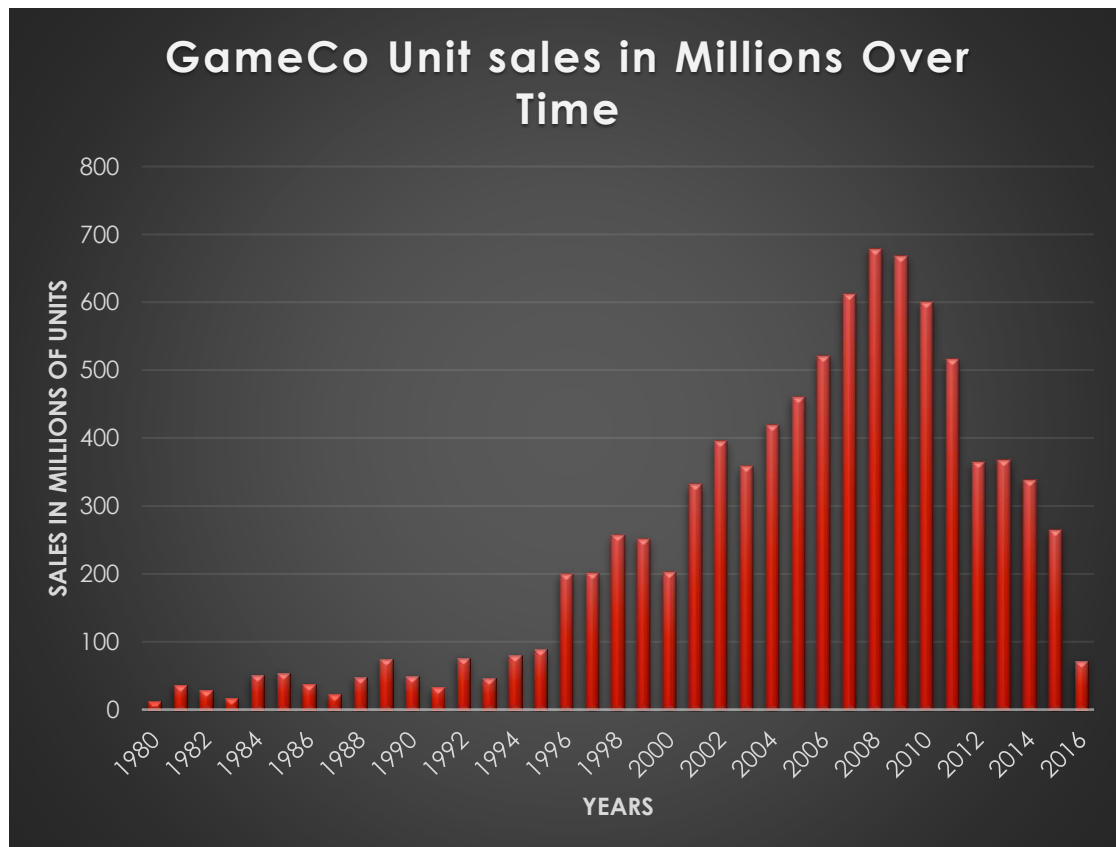
No gamers left behind



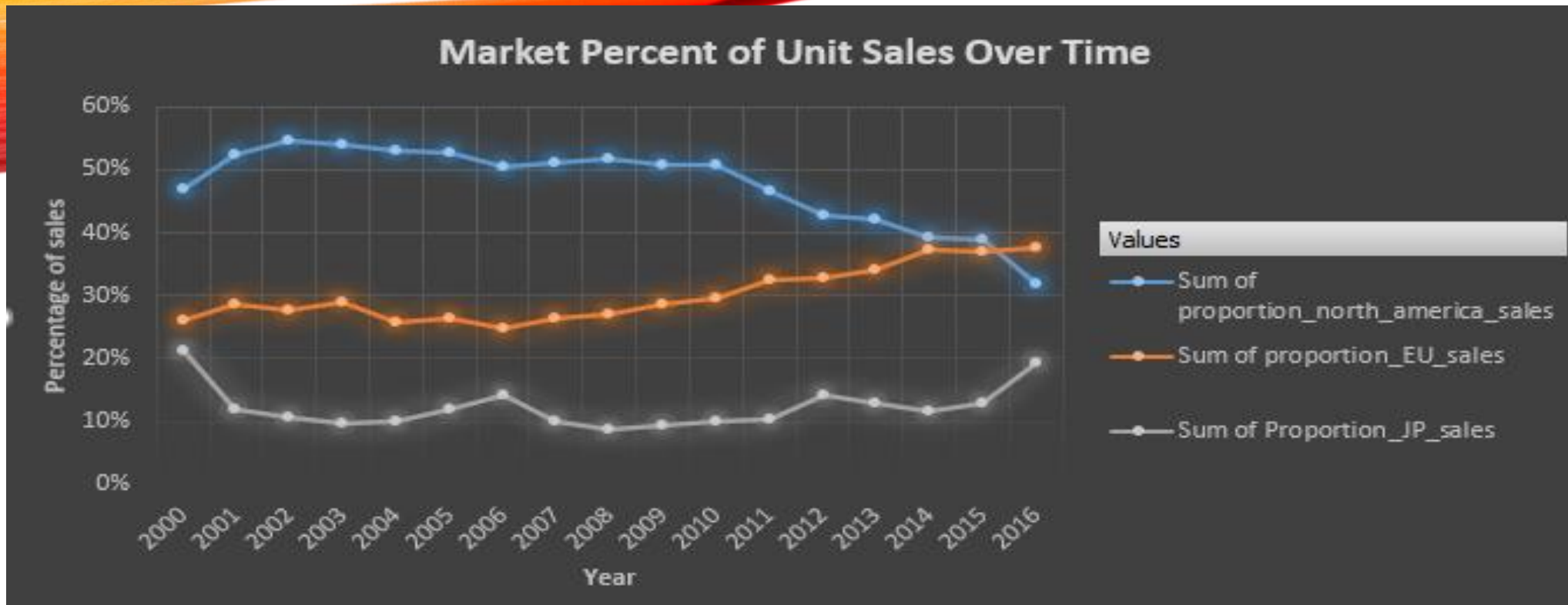
GAMECO BASE ASSUMPTION

- All geographic regions have stayed consistent over time for the company in terms of sales.

GAMECO HISTORY SINCE THE YEAR 2000



- There was great growth from 2000 to a peak in 2008 at 7 billion units.
- Since 2008 the market has seen a decline as a whole for GAMECO with a small resurgence from 2012-2013.
- Gameco is currently at a 16 year low with the opportunity to position for growth going forward.



REGIONAL SALES DATA OVER TIME

Starting in 2000 North American sales owned the highest percentage of the market, followed by Europe, then Japan.

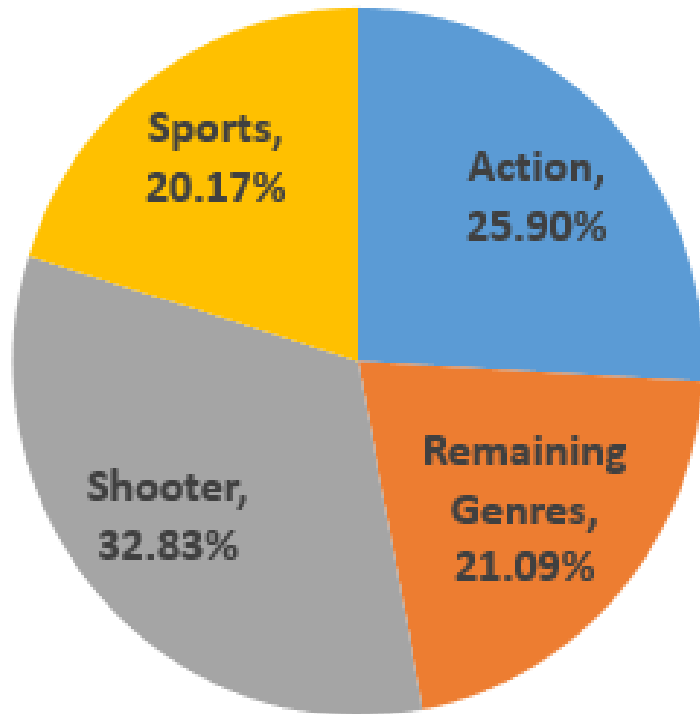
The US began to decline in percentage of sales starting in 2010 while European sales have steadily increased since 2006 causing a reposition by 2016.

As of 2016, Europe is now the top percentage of sales and trending higher. North America comes in the second slot and is trending lower, and Japan is in 3rd but is trending towards an increase.

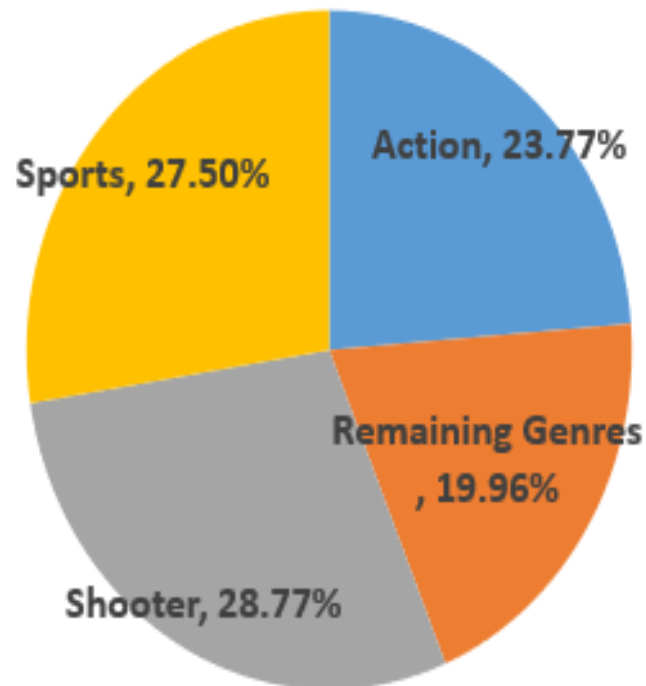
Gameco should be paying attention to the shift from North America to Europe being the largest dominant percentage in sales. This shift signals the need for a change in focus.

2016 SALES AS A PERCENT BY REGION

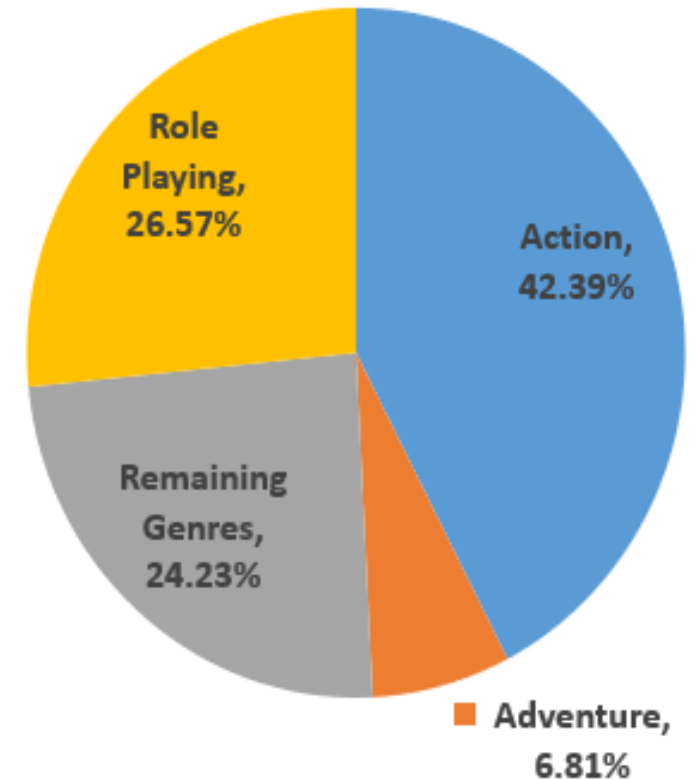
North America



Europe



Japan



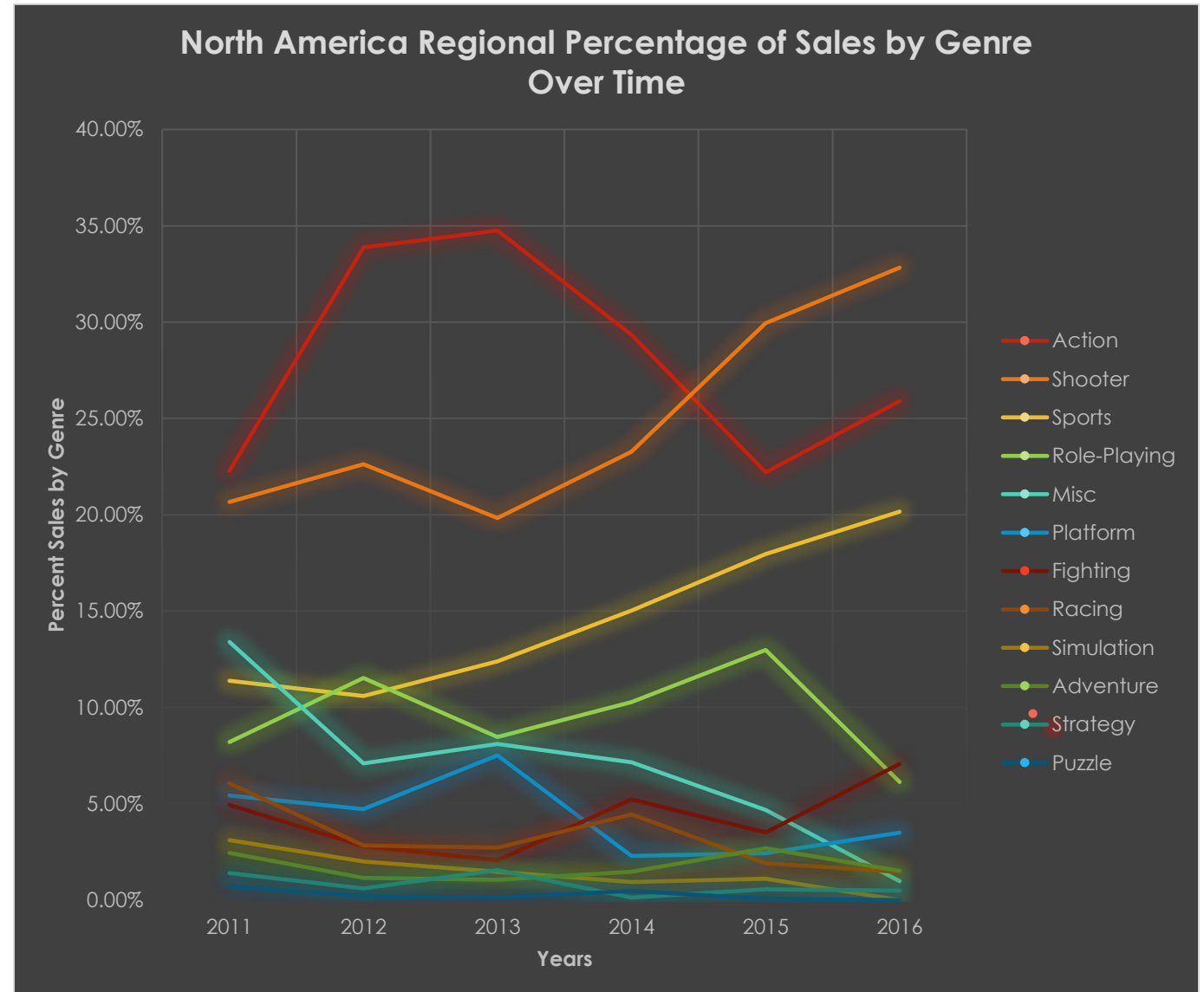
NORTH AMERICA: GENRE PERFORMANCE OVER TIME

Since 2014, the 3 highest performing genres of the sales for this region have been Action, Shooter, and Sports

There was a swap in the leaderboard from 2015-2016 where the Shooter over-took Action.

The sports Genre has seen consistent increase since 2013 but it still remains solidly in the 3rd position.

Gameco should pay close attention to this shift and prioritize more of the marketing budget on shooter games to keep up with the new demand, while secondarily promoting Action and Sports above the remaining genres.



Row Labels	Action	Shooter	Sports	Role-Playing	Misc
2011	22.29%	20.67%	11.39%	8.21%	13.40%
2012	33.89%	22.63%	10.58%	11.52%	7.09%
2013	34.75%	19.84%	12.39%	8.46%	8.10%
2014	29.35%	23.28%	15.02%	10.28%	7.15%
2015	22.20%	29.95%	17.95%	12.98%	4.68%
2016	25.90%	32.83%	20.17%	6.13%	0.97%
Grand Total	28.14%	22.83%	13.10%	9.78%	8.70%

NORTH AMERICA: GENRE % OF TOTAL SALES DATA FROM 2011-2016

Action, Shooter, and Sports genres have remained consistently the top 3 in the North American region with no recent variance from that trend.

When summed over the 2011-2016 period, these genres make up 64.07% of the sales generated by the North American region.

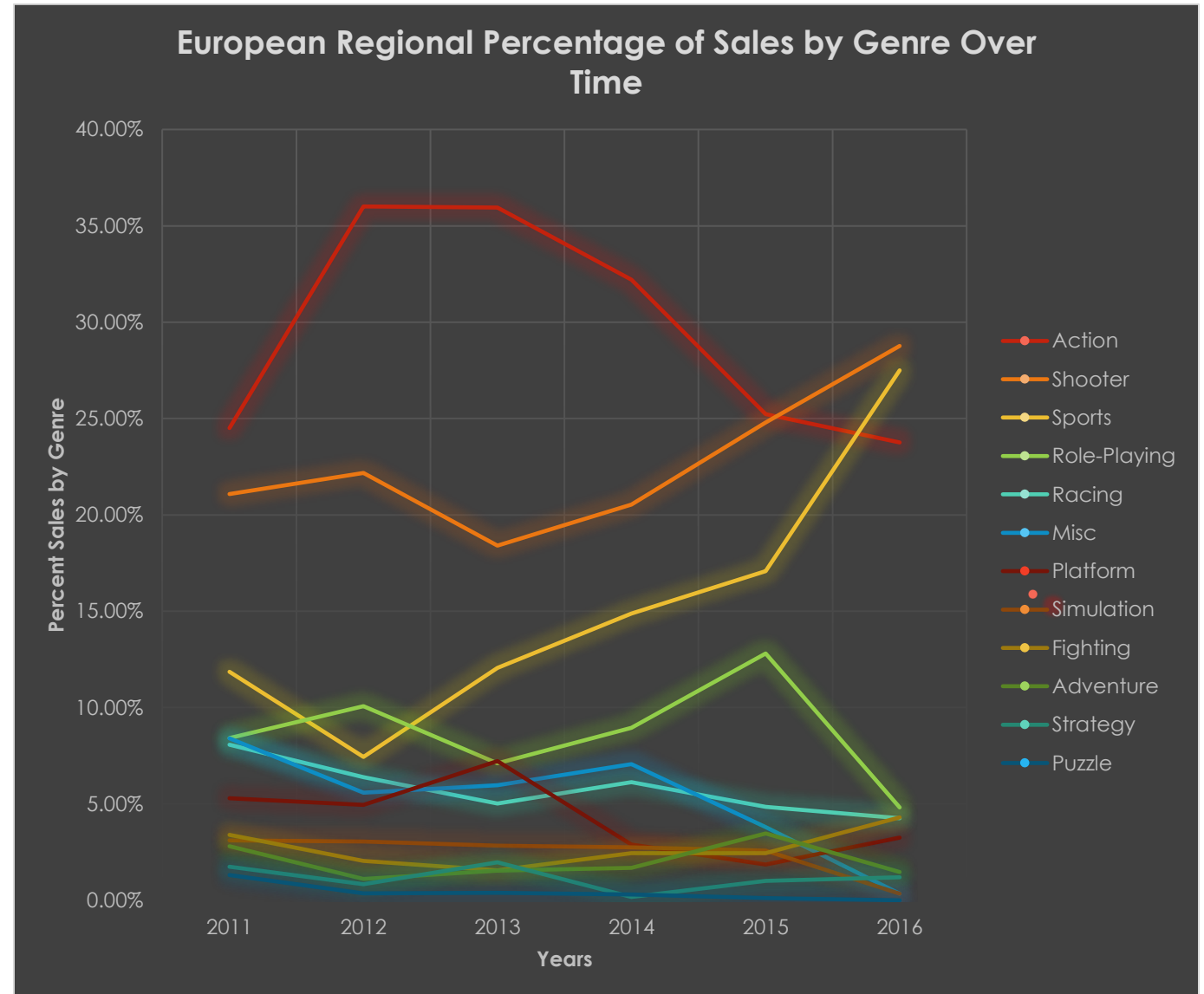
This indicates that these genres are a solid and stable revenue source for GAMECO in North America and the genres that should be promoted in advertising the most.

EUROPE: GENRE PERFORMANCE OVER TIME

Europe and the US have much of the same top 3 genres: Shooter, Sports, and Action being clearly in the lead.

There was a shift in top sales positions from 2015-2016 where the Shooter Genre took over as first, and Sports is now second, followed by action in 3rd.

Since Action was the overall leader in sales until 2016 and is now third, a pivot in resources should be carried out to put more emphasis on Shooter games since the interest in Europe is now focused on this genre.



Row Labels	Action	Shooter	Sports	Role-Playing	Racing	Misc
2011	24.51%	21.09%	11.86%	8.42%	8.07%	8.41%
2012	36.02%	22.18%	7.43%	10.08%	6.38%	5.58%
2013	35.95%	18.41%	12.05%	7.11%	5.03%	5.96%
2014	32.22%	20.54%	14.88%	8.95%	6.13%	7.06%
2015	25.23%	24.80%	17.08%	12.81%	4.85%	3.80%
2016	23.77%	28.77%	27.50%	4.82%	4.26%	0.34%
Grand Total	30.28%	21.53%	13.08%	9.07%	6.19%	6.17%

EUROPE: GENRE % OF TOTAL SALES DATA FROM 2011-2016

Action, Shooter, and Sports genres have remained consistently the top 3 in the North American region with no recent variance from that trend.

When summed over the 2011-2016 period, they make up 64.89% of the sales generated by the North American region.

This indicates that these genres are a solid and stable revenue source for GAMECO in Europe, and the genres that should be promoted in advertising the most.

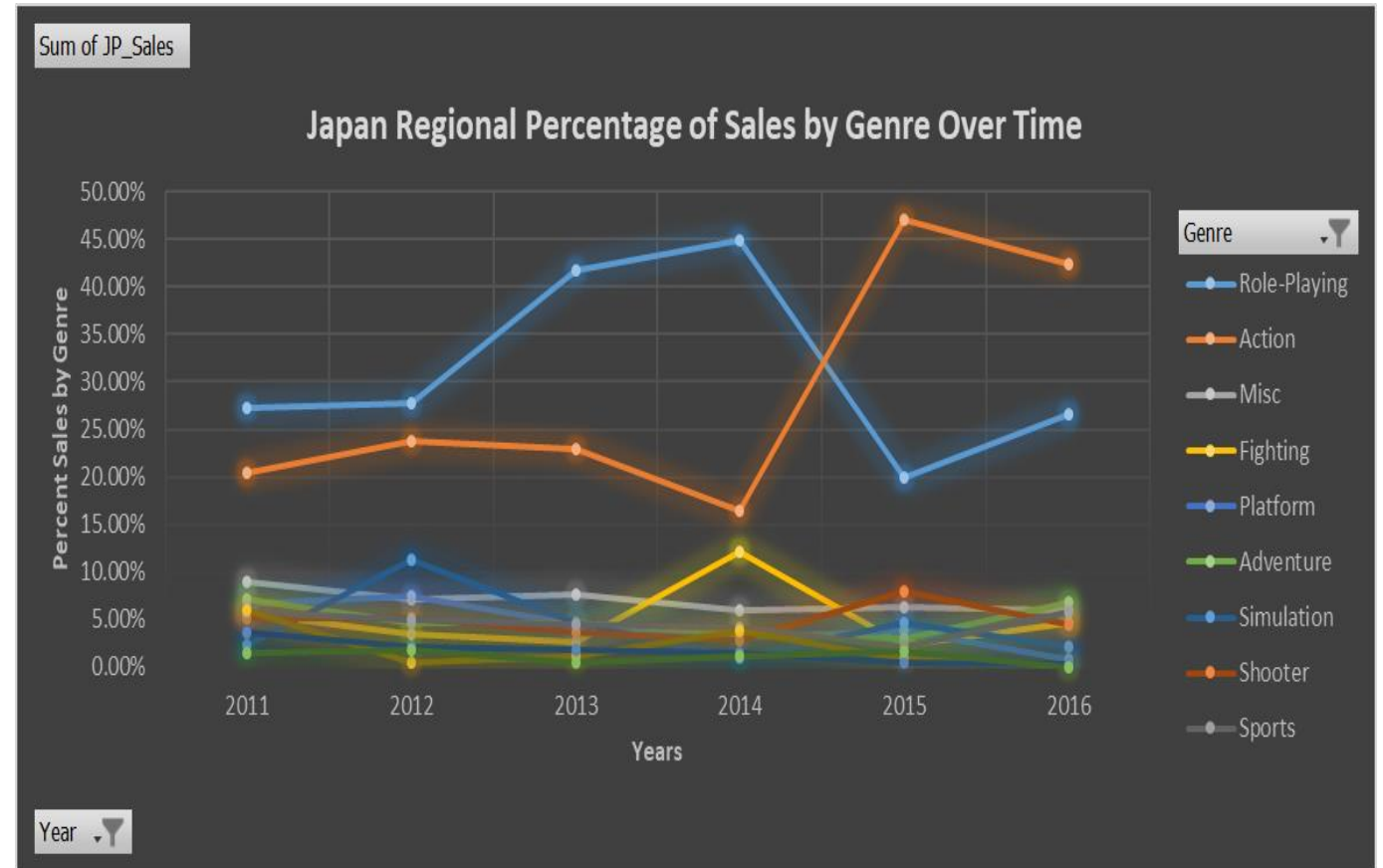
JAPAN: GENRE PERFORMANCE OVER TIME

Role playing and action games have remained dominant in this region since the year 2000.

There was a shift in 2015 where action games jumped into first over the Role-Playing genre.

While history would have told us to focus on Role-Playing games, Japan more recently has been more interested in Action games, and this pivot should throw up a flag to refocus marketing strategies.

Remaining genres have been in a dance for the third and below position and will be discussed further on the next visual.



Row Labels	Role-Playing	Action	Misc	Fighting	Platform	Adventure
2011	27.25%	20.43%	8.95%	5.55%	6.59%	7.08%
2012	27.81%	23.77%	7.07%	3.46%	7.42%	4.68%
2013	41.77%	22.88%	7.53%	2.69%	4.37%	4.58%
2014	44.88%	16.47%	5.98%	12.16%	3.19%	3.45%
2015	19.92%	47.06%	6.24%	2.35%	3.83%	2.97%
2016	26.57%	42.39%	5.93%	4.69%	0.81%	6.81%
Grand Total	32.10%	25.99%	7.22%	5.12%	5.05%	4.87%

JAPAN: GENRE % OF TOTAL SALES DATA FROM 2011-2016

When summed from 2011-2016 the three highest genres for sales in Japan are Role-Playing, Action, and Misc and they make up 65.31% of the total regional sales from this period.

One thing to pay attention to as referenced by the red arrow above, is that the adventure genre has been on the rise from 2015-2016 doubling in its percentage of overall sales for Japan.

Role playing, Action, and Adventure have been the most consistent performers over time and this is where the most marketing should go to, with a 4th slightly lower emphasis on the Adventure genre because of its recent surge in sales.

RECOMMENDATIONS BASED ON THE FACTS

The original baseline assumption that regional sales have stayed the same over time is not correct, and there needs to be a shift in thinking.

Since Europe seems to be stable and consistently growing in percentage revenue for the company GAMECO, it would be wise to invest more in campaigning in North America and Japan to encourage growth.

With Japan on the rise in percentage of sales and the North America trending downward, GAMECO needs to re invigorate those regions and re instill interest in the gaming market with targeted marketing.

In North America and Europe, a focus on Shooter, Sports, and Action genres will help to rouse interest while catering to what is popular. Specifically, the shooter genre has shown dominance in the market in these two regions.

In Japan, in order to cater to interests GAMECO should be focusing on Role Playing, Action, and Miscellaneous genres, with a fourth focus on Adventure since it has been trending higher in 2016.

