



Pangle x Newzoo:
Mobile Game Genre Report

Role-Playing Games

Comparing & Contrasting
Eastern and Western Markets

Intro to the Role-Playing Genre on Mobile

Its history, development, and recent trends

Newzoo and Pangle jointly published the first mobile game genre report in August 2021, focusing on the opportunities and differences of puzzle games in the Western and Eastern markets. In this second genre report, we deep dive into role-playing games (RPGs). Notably, role-playing is **the largest mobile game genre by revenues**, accounting for **22.1%** of the total mobile games market in 2020.

As suggested by the name, role-playing games enable players to play as characters in the virtual game world. The early popular RPGs were tabletop games, such as **Dungeons & Dragons** (1974) and **Traveller** (1977). Later, RPG titles came to PC and console, featuring similar game mechanics from early tabletop leaders, including the action RPG franchise **The Legend of Zelda** (1986), JRPG **Dragon Quest** (1986), and **Final Fantasy franchises** (1987). Most of these are **story-driven**, featuring characters with unique storylines. With technological developments, more and more RPGs emerged **on mobile devices**.

As the **worldview settings** are crucial in role-playing games, most top mobile RPGs are based on **previously successful IP** or **game franchises**. **Fate/Grand Order** (2015), based on the Japanese interactive story PC/console game **Fate/Stay Night**, was the top-grossing RPG in Japan in 2020. The franchise has evolved into a series of manga, anime, and novel adaptations. Meanwhile, **Marvel Strike Force** (2018) took advantage of the **Marvel IP** and became the top mobile RPG in the West.

In recent years, an increasing number of **high-fidelity** RPGs have come to mobile, featuring **complicated gameplay** and **advanced 3D graphics**, especially in the East. This has accelerated the **crossplay** trend. **NCSOFT**, a Korean game developer and publisher, launched the platform Purple to support cross-platform services for its MMORPG titles. Other newly released mobile-first RPGs, such as **Genshin Impact** (2020) and **Odin: Valhalla Rising** (2021), are now available on PC and/or console as crossplay titles.



22.1%

of global mobile games market revenues came from role-playing games in 2020.

Table of Contents

1. Overview of Role-Playing Games	5
a. Market Sizing	6
b. RPG Subgenres & Mechanics	8
c. Key Strategies in Acquisition, Retention, and Monetization	10
2. Role-Playing Gamers in Key Markets	15
3. Growth Opportunities With Pangle	18
a. User Acquisition	20
b. Hybrid Monetization	22
4. About & Appendix	23

Key Takeaways

Role-playing games in the West vs. in the East



US



UK



JP



KR

1

Role-playing is the top-grossing genre on mobile, with Eastern Asia contributing 72% to the global total.

Role-playing games accounted for more than 20% of global mobile game revenues in 2020, making it the biggest genre on mobile. Notably, RPGs are much more popular and influential in the East than in the West.

2

Many trending RPGs are based on established media IP or game franchises with a complete worldview.

IP-based role-playing games build a well-known worldview from the established IP, which helps boost organic traffic to the game. Around 50% of the top RPGs for key markets across the East and West are IP-based.

3

Although RPGs are historically IAP-only games, hybrid monetization is catching up in the genre.

Some RPGs now implement hybrid monetization to feature both in-app purchases (IAPs) and in-app advertisements (IAAs). Among various ad formats, rewarded videos are the most common format featured in RPGs.



1. Overview of Role-Playing Games

Revenue and key market developments



© Newzoo 2021

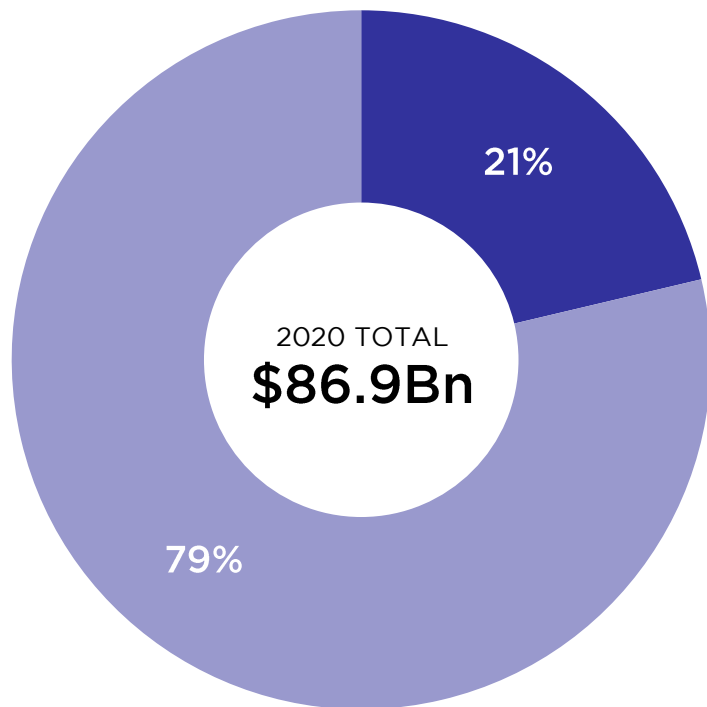
Role-Playing Is the #1 Grossing Genre on Mobile

The three Eastern Asian markets contributed to more than 70% of the global RPG revenues in 2020

2020 Global Mobile Game Revenues

Role-playing games vs. non-RPG

- RPG
- Non-RPG



\$18.5Bn

Global mobile role-playing game revenues in 2020

Top 3 Markets by Mobile RPG Revenues in 2020



China
\$7.84Bn



Japan
\$3.46Bn



South Korea
\$2.04Bn

Role-Playing Games Are More Influential in the East

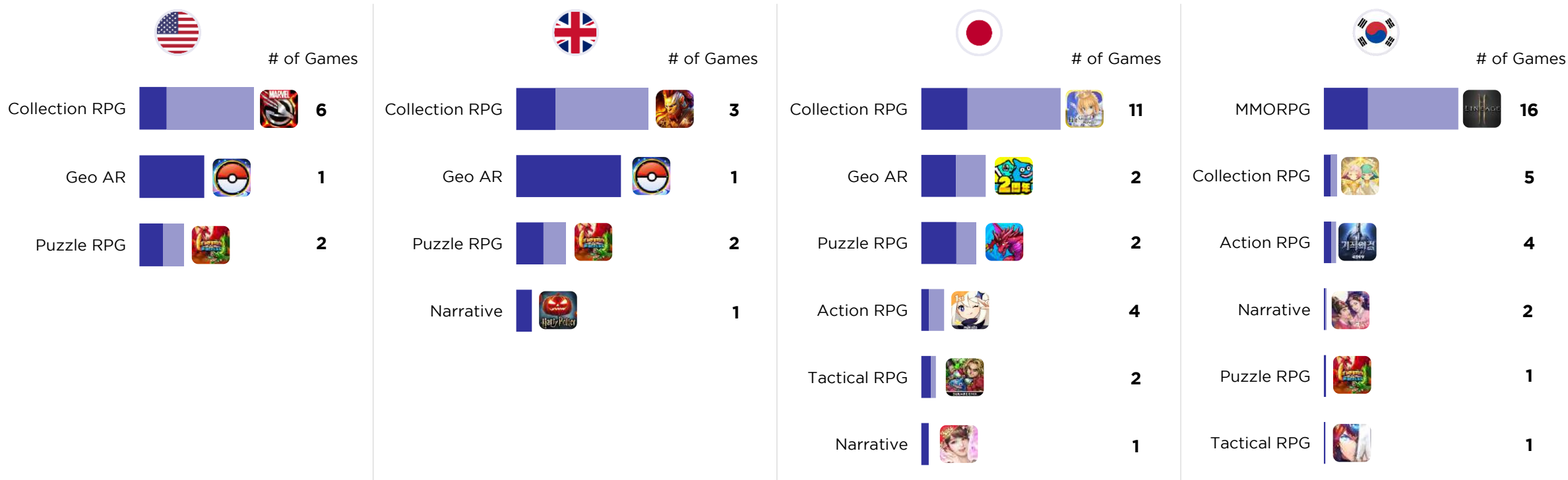
While Collection RPGs dominate in the U.S., U.K., and Japan, South Korea embraces core MMORPGs

Overall RPG Subgenre & Top Game Revenues

iOS & Google Play | 2020 | Among Top 50 Grossing Games













● Revenues of the top game

● Revenues of others



Eastern RPGs Feature More Mechanics, Creating Deeper Loops

Besides character-based mechanics, loot and gacha are common across RPGs, leading to more monetization opportunities

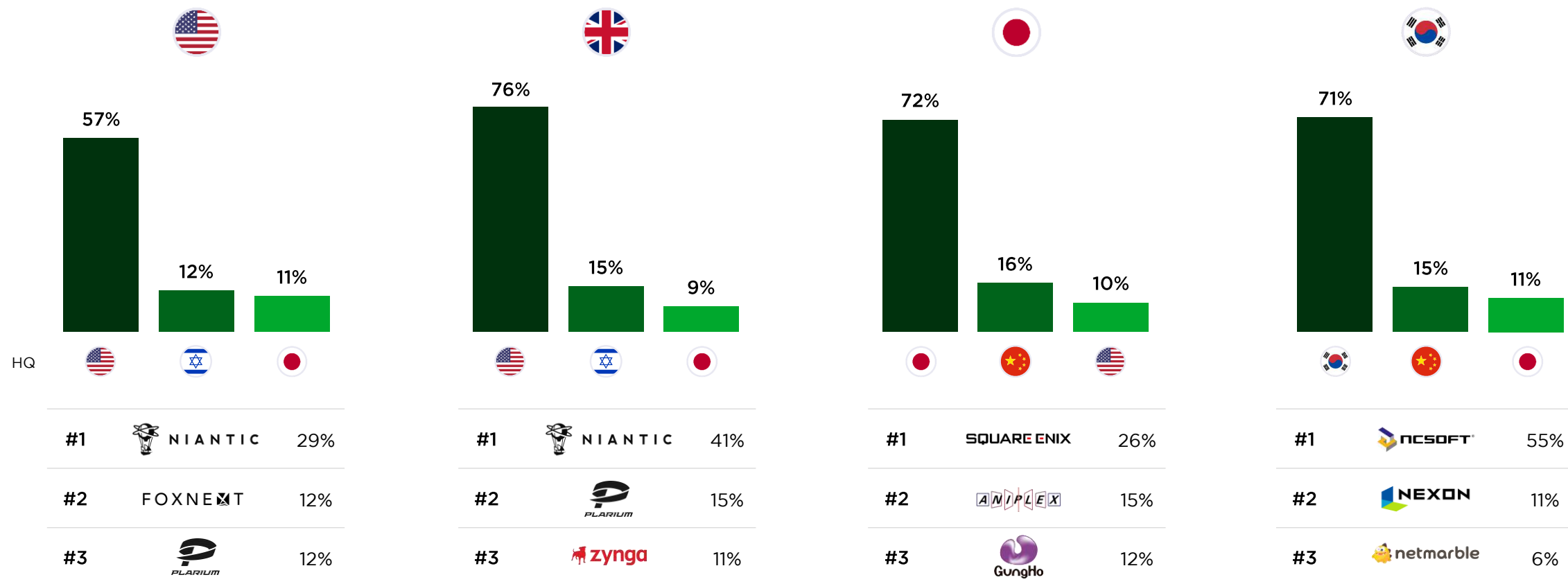
	Collection RPG				MMORPG				Puzzle RPG		Narrative	Action RPG	Geo AR
													
Character Progression (permanent)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Character Customization						✓		✓					✓
Character Collecting	✓	✓	✓	✓					✓	✓	✓	✓	✓
Loot (randomized)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	
Gacha	✓	✓	✓	✓					✓	✓		✓	
Cards				✓									
Combo Attacks				✓	✓			✓				✓	
Turn-based	✓	✓	✓	✓					✓	✓	✓		✓
Crafting					✓	✓	✓	✓				✓	
Puzzle Solving									✓	✓		✓	
Open World					✓	✓	✓	✓				✓	✓
Dialogue Trees											✓	✓	
Harvesting/Collecting					✓	✓	✓	✓				✓	✓
GPS-based													✓

The RPG Market Sees More Domestic Publishers

Most of RPG revenues are generated by publishers sharing similar backgrounds to the local market

Revenue Share by Publisher HQ Among Top-Grossing Role-Playing Games

Role-Playing Games Among Top 50 Grossing Games | iOS & Google Play | 2020



IP-Based Games Attract Organic Installs

Non-IP-based RPGs tend to promote through creative advertisements

Acquisition

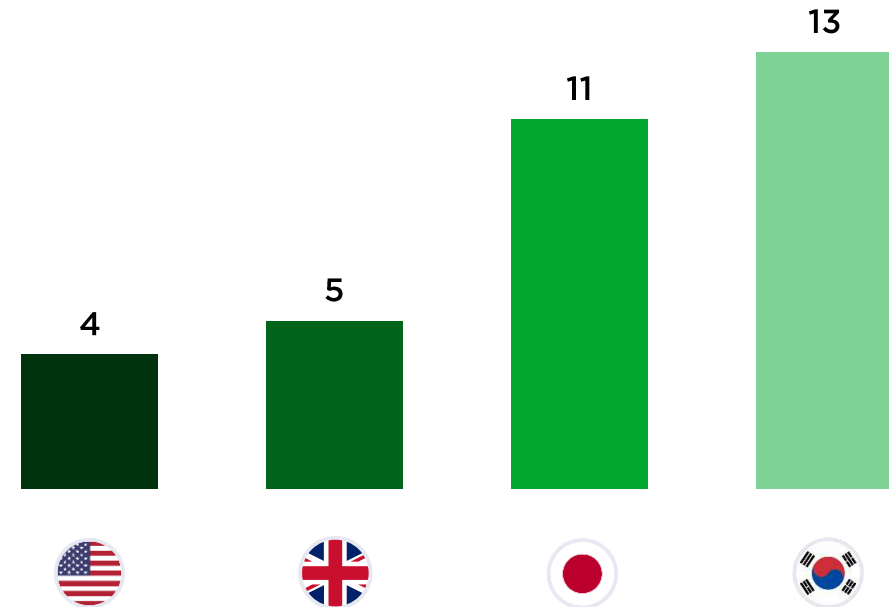
Many popular role-playing games are based on movie/book/anime IP, such as Dragon Ball Z Dokkan Battle, Star Wars: Galaxy of Heroes, and MARVEL Strike Force. These role-playing games build a **well-known worldview** from the established IP, which helps boost organic traffic to the game.

Meanwhile, the IP acquisition strategy also applies to games based on **existing game franchises from other platforms**. Game developers in South Korea have migrated multiple RPG titles from PC to mobile. In fact, South Korea's top two grossing mobile RPGs in 2020 are adopted from Lineage, the popular MMORPG franchise originally from PC. With players already familiar with the franchise and core gameplay, it is much easier for them to pick up complex MMORPGs on mobile.

For non-IP-based RPGs, publishers tend to promote them through **regional influencers** and **creative advertisements**. For example, the collection RPG RAID: Shadow Legends—among the top 20 RPGs in both the U.S. and U.K.—takes advantage of its high-quality creative advertisements and aggressive promotional campaigns via influencer marketing.

Number of IP-Based* Role-Playing Games

RPGs Among Top 50 Grossing Games | iOS & Google Play | 2020



*Including game franchises.

Regular Updates and Live-Ops Maintain Players' Interest

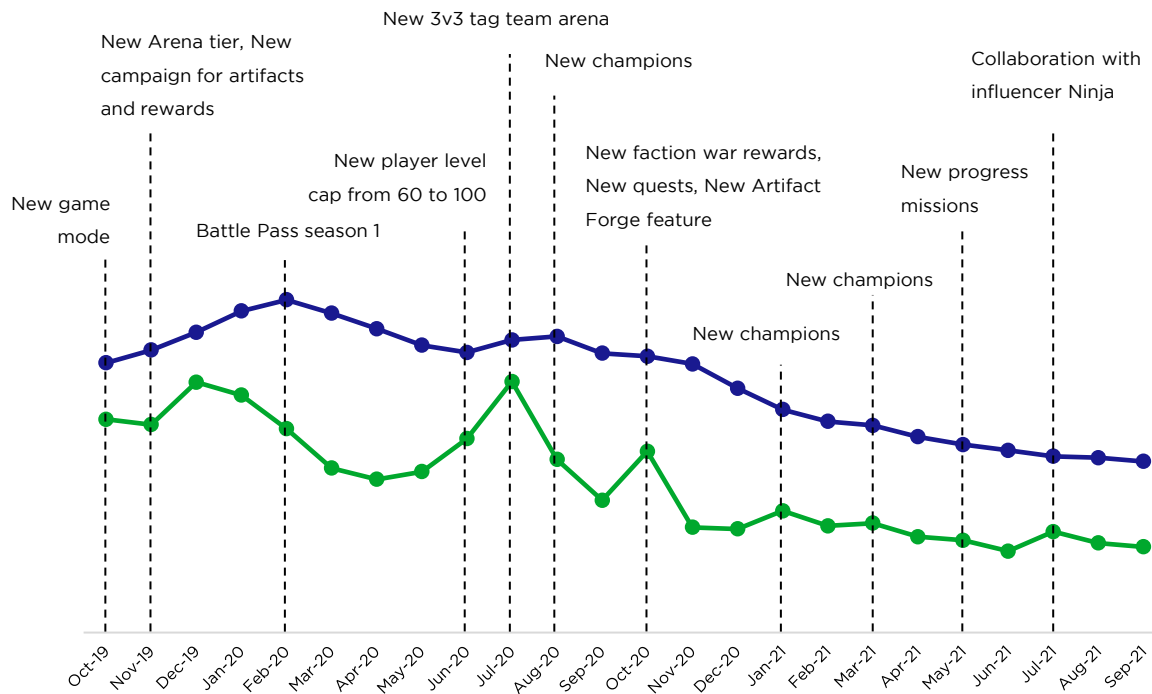
Collaboration events help casual RPGs retain its old players but also serve effectively in promotions

RAID: Shadow Legends: Downloads and MAUs

iOS & Google Play | Global | Oct 2019-Sep 2021



● MAU ● Downloads



Retention

According to Newzoo's Consumer Insights, one of the main reasons players choose role-playing games is to **explore the worlds and storylines of games** (see slide 15). To fulfill the need, RPG publishers are expected to update their games with new content regularly. However, as today's RPGs getting more and more complex, it is challenging to maintain a regular update schedule. Therefore, many role-playing games feature in-depth game content such as character collections/ascensions, weapon crafts/enhances, talents, and pet system. Meta-focused players will spend much of their time on **character progression**.

Social engagement through guilds or the PVP system is widely used in MMORPGs to keep the audience engaged. Lineage 2M, South Korea's top-grossing RPG in 2020, features clans and battle zones for the PVP mode.

In recent years, more and more RPGs have focused on **live-ops** through **collaborations** and **events**. Genshin Impact features new events and limited-time gacha pools to keep players interested. RAID: Shadow Legends introduced the famous streamer Ninja as a limited-edition character in the game. Nevertheless, Japanese RPGs focusing on storytelling and character design, such as Fate/Grand Order, take advantage of their successful **IP** and **anime UGC community** to retain players.

In-App Purchases Remain the Most Important Revenue Stream for RPGs

In-depth game content creates multiple monetization opportunities

In-App Purchase (IAP)

As role-playing games usually feature in-depth game content, **in-app purchases** are widely used. Among them, the **gacha mechanic** is an effective tool to motivate players to spend in the game, covering characters, weapons, pets, and other in-game resources. Normally, those gacha systems are only available via time-limited pools with a certain refresh time, featuring a “pity” system where players are guaranteed to get their target items from a certain number of gacha pulls. As seen in the Genshin Impact example, there has been a boost in IAP revenues nearly every time a new gacha pool is launched.

Many role-playing games now feature **subscriptions** or **battle passes** that motivate players to not only pay but also maintain active gameplay and social engagement with other players. Besides, **bundles** often serve as an additional resource for players to craft or upgrade characters. Another common monetization opportunity is the **limited energy** that players have to pay for extra energy to continue playing or participate in certain events.

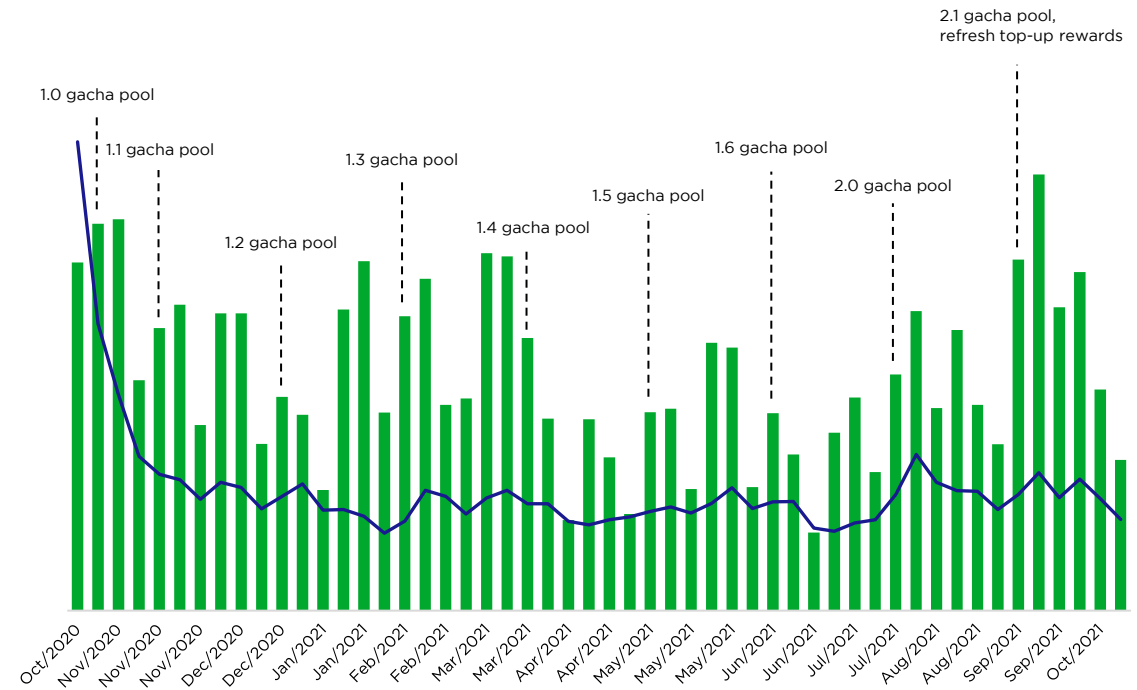
Compared to casual collection RPGs, MMORPGs feature more PVP mechanics that motivate players to pay for **character progression**. For example, in Lineage 2M, players must pay for a 100% guaranteed weapon enhancement; otherwise, they risk losing everything acquired earlier.

Genshin Impact: Weekly IAP Revenues & Downloads

iOS & Google Play | Global (excluding China) | Oct 2020-Oct 2021



● Weekly Revenues ● Weekly Downloads



RPG Players Are Open to In-Game Advertisements

Although RPGs are historically IAP-focus, there are opportunities to implement in-game ads

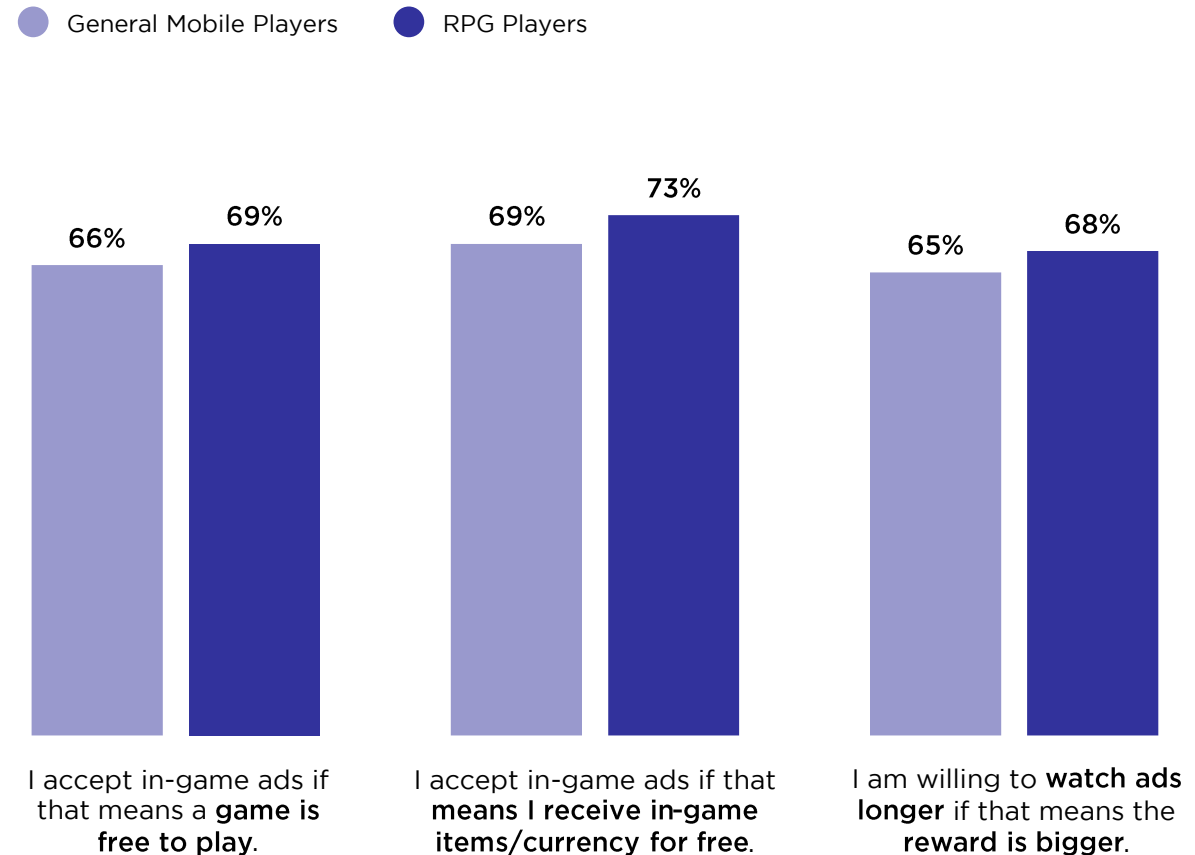
Attitudes Towards In-Game Advertising

Percentage of strongly/somewhat agree |
General mobile players vs. RPG players



83%

of RPG gamers accept in-game ads if they can benefit from playing the game for free, receiving in-game items/currency, or getting a bigger reward for watching ads longer.



Role-Playing Games Are Gradually Adopting Hybrid Monetization

Rewarded videos are the most common ad format due to its less disruptive nature

Hybrid Monetization

Although in-game advertising is less common than IAPs in role-playing games, it is gaining popularity as a way to effectively monetize non-paying users. Since RPG players prefer an **immersive gaming experience**, interruptive ad formats such as interstitial and banner ads are rarely used in role-playing games. Instead, **rewarded videos** and **native ads** are more common. In **native ads**, branded content appears seamlessly in the game world, as seen in the collaboration between Google and Genshin Impact.

Overall, **rewarded videos** are increasingly perceived as a **currency** in mobile games and the role-playing genre in adopting the trend. In popular RPGs such as Netmarble's The Seven Deadly Sins and Nexters' Hero Wars, players receive in-game items, currencies, and even gacha pull chances by watching ads. To minimize the disruptive impact, players are usually allowed to choose freely when and whether they want to watch ads.

Notably, as role-playing games are still IAP-driven, developers/publishers usually **set a limit to the daily number of ads** that a player can watch to secure IAP revenues. Nevertheless, the market is seeing an increasing number of role-playing developers invest in hybrid monetization. We expect to see more **undisruptive** and **innovative** ad formats coming from the space such as native ads and brand injections.



Besides the classic gacha pull, The Seven Deadly Sins provides players with one daily free pull via ad-viewing.



Hero Wars introduces rewarded videos (usually playable) to exchange in-game resources such as gems, gold, energy, and raid tickets.



The Seven Deadly Sins features daily rewards through rewarded videos, which is helpful to retain users.

2. Role-Playing Gamers in Key Markets

Player motivations and demographics



To Relax and Unwind Is the Main Reasons to Play Mobile Games

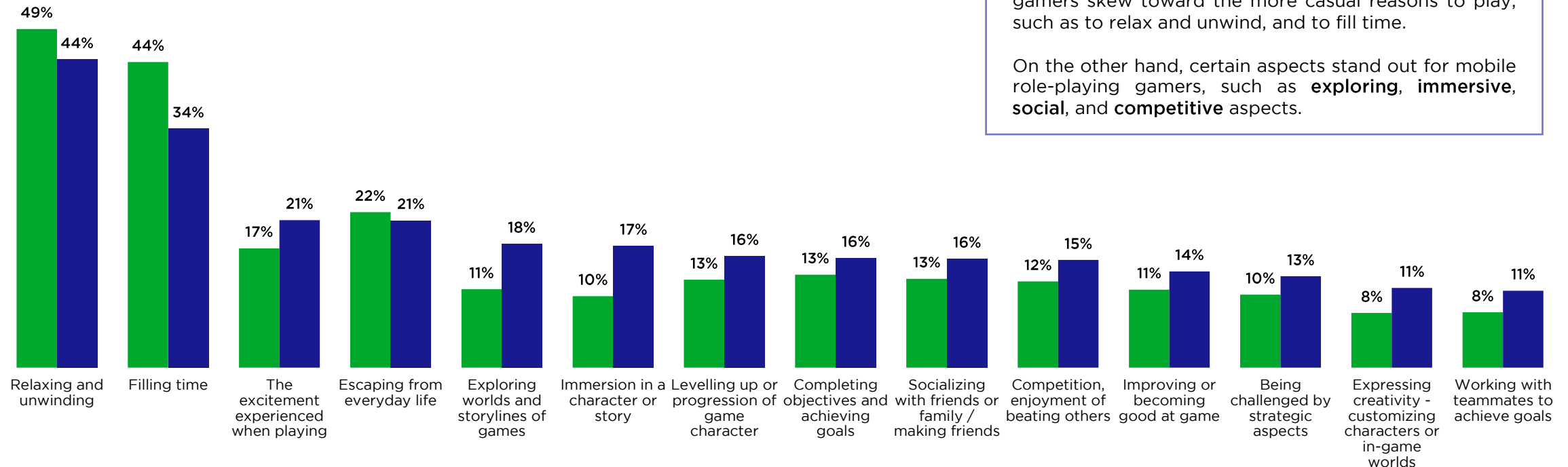


Aside from casual reasons to play mobile games, exploring and immersive aspects stick out to mobile role-playing gamers

Reasons for Playing Mobile Games

Sorted by Mobile Role-Playing Gamers

● General Mobile Gamers ● Mobile Role-Playing Gamers

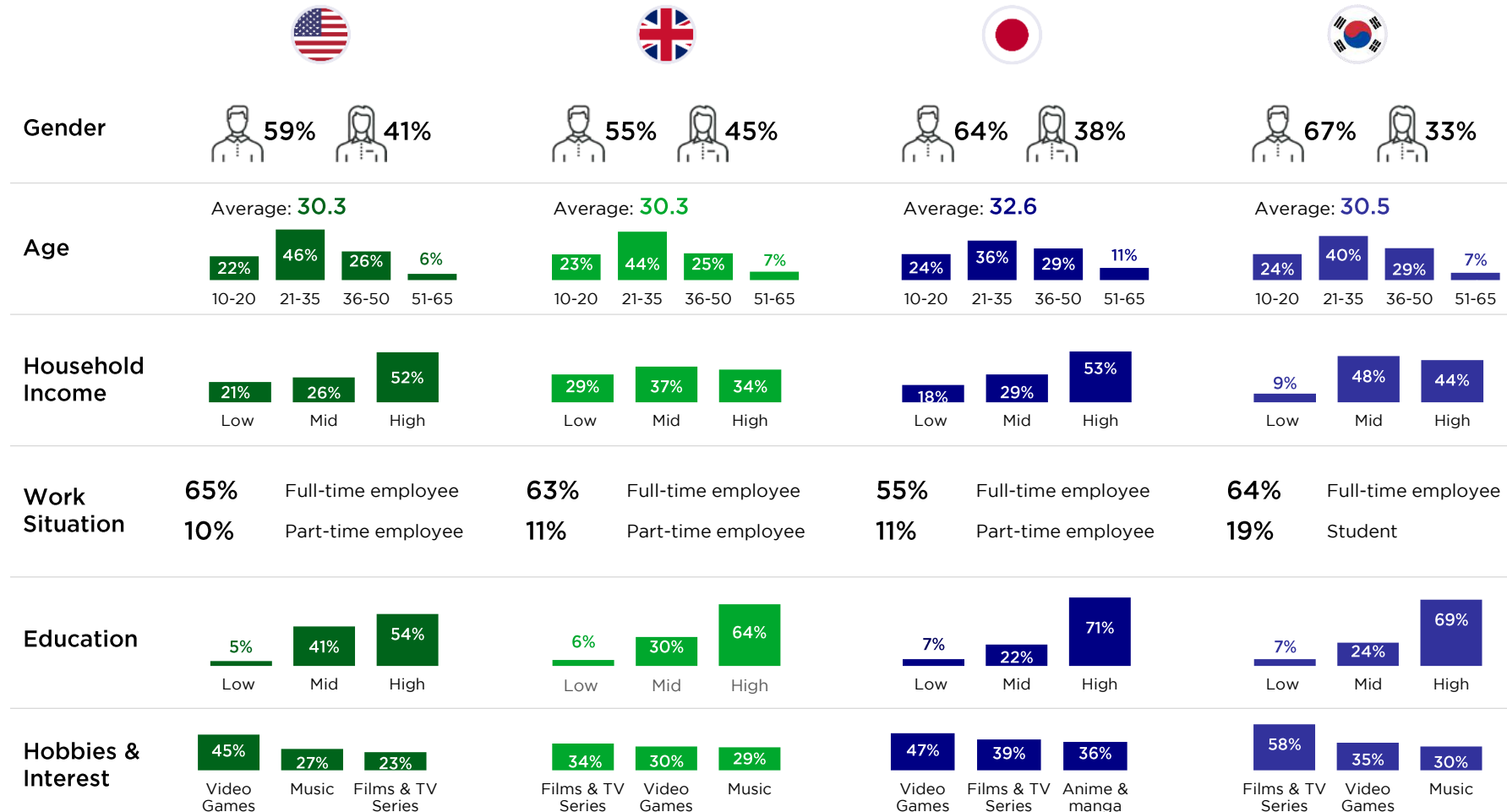


Although general mobile gamers and mobile role-playing gamers have similar reasons for playing mobile games, **some interesting differences appear**. Mobile gamers skew toward the more casual reasons to play, such as to relax and unwind, and to fill time.

On the other hand, certain aspects stand out for mobile role-playing gamers, such as **exploring, immersive, social, and competitive** aspects.

Role-Playing Games Are More Appealing to Male Gamers

Mobile Role-Playing gamers skew younger and higher (relative) education and income levels across the key markets



Across the four key markets, mobile role-playing gamers are similar demographically; they skew male, are full-time employees, have a mid-to-high income, and have video games among their favorite hobbies and interest. A key difference between the West and East is that **mobile role-playing gamers in the West are more gender-balanced, whereas the majority of role-playing gamers in the East are male**. In addition, South Korea stands out, with almost one-fifth of mobile role-playing gamers there being students.

3. Growth Opportunities With Pangle

Pangle's user acquisition and monetization strategy for RPG developers in 2022 and beyond



Opportunities for Role-Playing Games Amid Privacy Changes

The ongoing privacy changes in the mobile market have brought new challenges to RPG developers. Here are three ways developers are mitigating the fallout:

- 1. Optimizing game design to capture user value signals in the first 24 hours:** SKAdNetwork's 24-hour conversion value timer means getting user value signals early is critical for event- and value-based UA optimization. Viable strategies here include offering an IAP discount only redeemable within the first 24 hours and introducing battle passes earlier.
- 2. Diversifying monetization models:** Targeting very big spenders is now less dependable. Therefore, developers should look to diversify monetization options such as battle pass and smartly implemented ads such as rewarded videos.
- 3. Retaining high-value users:** As it is now more challenging to acquire new high-value users, retaining current players is vital. Viable strategies here include live operations, battle passes and other loyalty programs, and app remarketing.



Jason Wang
Product Lead, Pangle

User Acquisition Phase 1: Maximize Campaign Reach

Interactive ad design helps boost eCPM and reach a wide range of potential players for RPG developers

To maximize campaign reach, advertisers need to increase their UA campaign's **bid competitiveness**—or **eCPM**. A higher eCPM often brings more exposure to the advertisement. eCPM is calculated as:

$$\text{eCPM} = \text{Bid} * \text{CTR} * \text{CVR} * 1000$$

- **Bid** refers to the targeted amount of the bid
- **CTR** refers to the estimated ad click-through rate
- **CVR** refers to the estimated conversation rate of the event that the advertiser has optimized for (among users who have clicked through the ad)

It is, therefore, crucial to **improve CTR*CVR to achieve high eCPM** for any mobile game ad campaign. According to Pangle, **playable ads** typically generate **high CTR*CVR**, thanks to the **interactive** nature of the ad format. In particular, **playable ads featuring core game mechanics** are more likely to attract core fans of the game.

For example, **Kyuteijokan**, a Japanese RPG that targets female gamers, managed to increase bid competitiveness after introducing playable ads to its UA campaign. Kyuteijokan's playable ads which were interactive, featured simple gameplay, and highlighted the intriguing story resulted in a **+210% growth in eCPM** compared to previous non-playable campaigns on Pangle. The **click-through rate** saw a jump of **+150%**.



+210%

Kyuteijokan showed the **character customization gameplay** in its playable ads, leading to +210% increase in eCPM.



+650%

Another RPG allowed players to choose **different personalities for characters** in the playable ads, resulting in +650% growth in eCPM.

User Acquisition Phase 2: Target High-Value Users

The ultimate goal is to achieve high ROAS

1 PREPARE

Post back **in-app events** data to TikTok Ads Manager in order to automatically optimize your campaign to target higher-value users and optimize user acquisition campaign performance with Pangle (audience network) placement. Events can include FTUE (first-time user experience), in-game purchases, players reaching certain game levels, and more.

2 ACCELERATE LEARNING PHASE

At the early launch stage, when there isn't enough data to automatically optimize your campaign to target higher-value users, advertisers can specifically target hardcore gamers using Pangle's **audience package** (available in Japan and Korea).

3 FIND YOUR CORE FANS

After 3-7 days, advertisers need to take into account the growth of both new players and in-app purchases. Advertisers may try different ways to reach core fans of your game. Besides the audience package, advertisers can **set upper funnel events** such as reaching certain levels **as the optimization goal** or **leverage the lookalike function** to reach target groups.

4 REACH HIGH-PAYING USERS

Lastly, when there are enough in-app events and conversion data, advertisers can directly optimize their cost per purchase and ROAS with the feature "**in-app event optimization (iAEO) for purchase**".

+40%

A role-playing game achieved massive success in South Korea after adopting Pangle's strategy.

After accumulating enough in-game purchase events and conversion data from step 1-3, the game ended up with a +40% increase in ROAS by using iAEO feature in step 4.

Monetization: Hybrid Monetization Is on a Rise

When should role-playing games show more rewarded videos?



As seen on Slide 14, more and more role-playing games are adopting **hybrid monetization**. And among all ad formats, **rewarded videos are the most common IAA option for RPG developers**.

The main purpose of IAA is to monetize non-paying users but even for paying users, not every one of them generates significant revenue. And even if they do, games might still benefit from ramping up the rewarded video ads. So how should game developers decide whether to show more of them?

All it takes is a simple comparison. First, calculate the average revenue each user generates from making in-app purchases over a set period, and then, compare it to the average revenue they generate from watching rewarded video ads over the same period. Specifically, the process looks like this:

- 1 Multiply your **rewarded video ad impressions per user per day** by your **eCPM/1000**. This is your average revenue per user (**ARPU**) from rewarded video ads.
- 2 Divide your **total revenue from in-app purchases** by your **total number of users**. This is your **ARPU from in-app purchases**.
- 3 **Compare the two ARPU values**. If ARPU for rewarded video ads is higher, then it's a good idea to show more rewarded video ads.



About





The destination for games market insights.

We are the world's most trusted and quoted source for games market insights and analytics. We help some of the world's largest entertainment, technology, and media companies target their audience, track competitors, spot opportunities, and make strategic and financial decisions.

www.newzoo.com



Where Apps Thrive.

Pangle is the go-to-place for monetizing apps, attracting users, and pushing boundaries of creativity. Established as the leading mobile advertising platform in Asia, Pangle enables global app developers to maximize earnings through exclusive TikTok For Business demand, and advertisers to reach out to a massive audience.

www.pangleglobal.com

Why Pangle Matters?

Monetization

For developers: the smarter way to earn more

1

Exclusive access to
TikTok For Business ad demand

2

Maximize revenue via
In-app bidding
(support ironSource, MAX and Mopub)

3

Popular ad formats:
Rewarded/Interstitial video
ads/Native ads/Banner ads

4

UA-MO growth loop
support

User acquisition

For advertisers: supercharge your user growth

1

Algorithm driven ad tech

2

In-app event optimization
(purchase, retention, etc.)

3

Support playable ads with
built-in potential

4

Free playable production
and adaptation tools



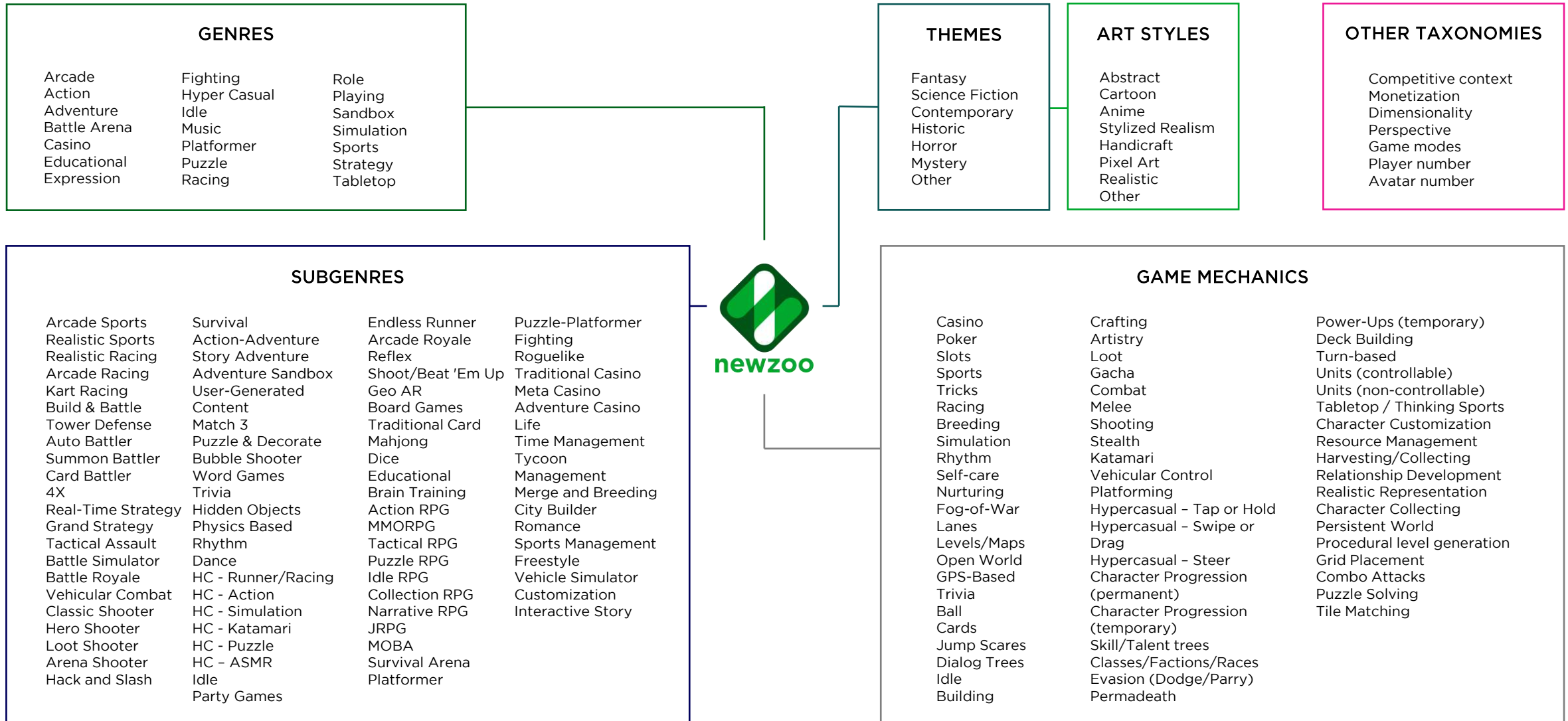
Appendix

Newzoo Games Taxonomy & Consumer Insights Terminology



© Newzoo 2021

Newzoo Games Taxonomy



Newzoo Consumer Insights Terminology

Income and Education Brackets | Newzoo Consumer Insights – Games & Esports 2021

Income Brackets

Country	Time Period	Low	Medium	High
United States	Yearly	< \$40,000	\$40,000 - \$75,000	\$75,000
United Kingdom	Yearly	< £28,000	£28,000 - £49,000	£49,000 >
Japan	Yearly	< ¥4,000,000	¥4,000,000 - ¥7,000,000	¥7,000,000 >
South Korea	Yearly	< 20,000,000 KRW	20,000,000 - 60,000,000 KRW	60,000,000 KRW >

Education Brackets

Country	Low	Medium	High
United States	Elementary school. Middle school, Incomplete Secondary (high school) Education	Secondary (high school) Education, Some College, University, Technical School, or Further Education, Associate's Degree	Vocational or Technical Degree, Bachelor's Degree, Master's Degree, Doctoral or Professional Degree
United Kingdom	Combined Junior and Infant School (Primary school) / Infant School, Junior School, Incomplete Secondary Education (Below GCSE / O Level)	Secondary Education Completed (GCSE / O Level / CSE or equivalent), Secondary Education Completed (A Level or equivalent), Some Vocational or Technical Qualifications	Vocational or Technical Qualifications Completed (e.g., HND, NVQ), University Education Completed (Undergraduate Degree e.g., BA, BSc), Postgraduate Education Completed (e.g., Masters), Doctorate, Post-doctorate or equivalent (Higher Degree)
Japan	中学校を卒業 しました, 中等教育未終了 (中学卒業以下)	中等教育修了 (中学卒業または同等レベル), 大学または職業学校中退	職業資格または専門的資格取得 (職業専門コース、専門学校など), 大学教育修了 (学位: 文学士号、理学士号), 大学院教育 (大学院など), 博士号、博士課程終了後または同等レベル (上級学位)
South Korea	중학교졸업, 중등 교육을 마치지 못함(예: 고등학교 중퇴)	중등 교육 마침(예: 고등학교 졸업), 일부 대학 과정 또는 직업 교육 수료(예: 자동차 정비) 직무 능력 인증 과정 또는 전문가 양성 과정 마침(예: 물리치료사), 대학	직무 능력 인증 과정 또는 전문가 양성 과정 마침(예: 물리치료사), 대학 과정 마침(예: 학사), 대학원 과정 마침(예: 석사), 박사 또는 박사 후 과정 마침(예: 박사)



Pangle x Newzoo:
Mobile Game Genre Report

Role-Playing Games

Comparing & Contrasting
Eastern and Western Markets