2024 AFRICA GAMES INDUSTRY REPORT








Karmzah
Run
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WELCOME NOTE

Foreword

When I was invited to attend the Brazil Indie Games Festival earlier this year, I realized I needed to learn more about the games industry in Brazil. Upon research, I came across the Brazil Games Industry Report put together by Abra Games, I read through it on the long flight from Lagos, via Paris to Sâo Paulo and gained valuable insights that informed my discussions during the trip.

Similarly, I had the opportunity to visit Helsinki, Finland. Although I was aware of the ecosystem built there, I knew very little about the games industry in Finland overall however, very much like Brazil, I found a report by Neo Games that outlined the state of the industry, its key players, challenges, and opportunities.

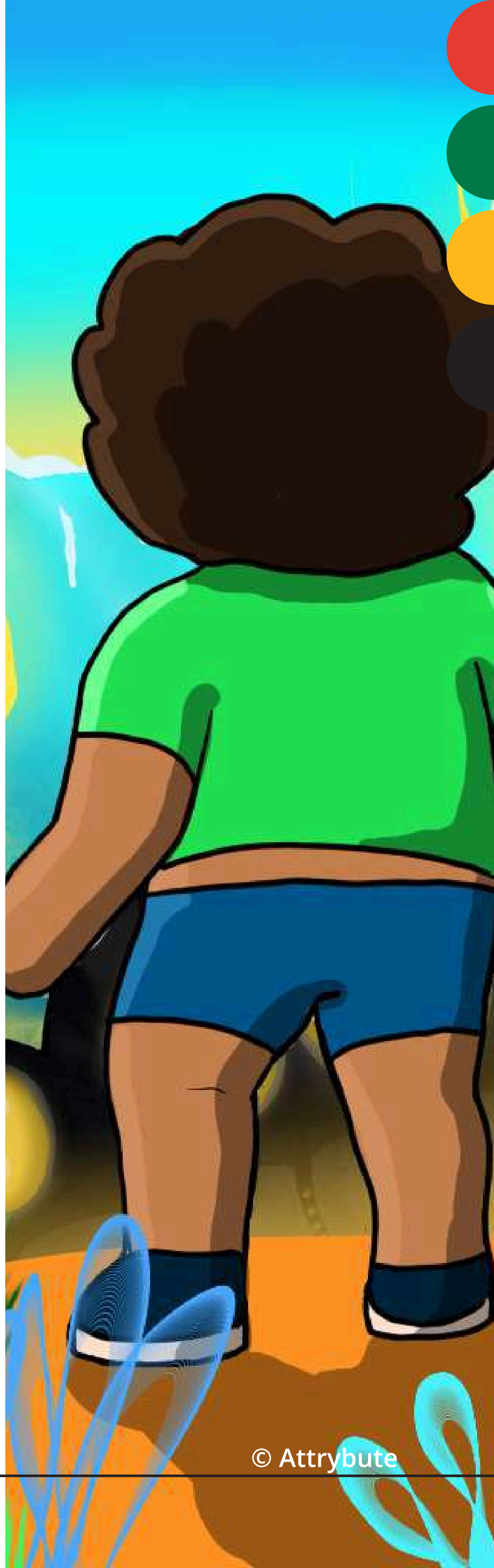
It was at this time I realized how a lack of a comprehensive report on the African Games Industry could hinder its growth and progress. As many African studios move to the global stage to engage with publishers, investors, and policymakers, few of them understand the makeup of the market, it's geographic spread, key players, risk areas, challenges, growth opportunities, thereby hampering their decision-making process.

I didn't just want to dream of a time when such a comprehensive report will be accessible to key decision-makers who can influence the growth trajectory of our industry, I was determined to create it so that when any of my colleagues finds themselves on the world stage, they can use this report as a reference for anyone looking to explore opportunities in the market.

I feel incredibly proud of the work my team and partners have done to get this report published. We are keen to explore ways we can improve this report and we welcome opportunities to engage in meaningful dialogue with governments, educational institutions, policymakers, investors, etc.

We see this report as a starting point and invite your feedback as you read through, on ways we can improve. We hope you enjoy reading this report, as much as we enjoyed putting it together.

Hugo Obi
Founder & CEO, Maliyo Games



INTRODUCTION

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This Report Provides...

- An overview of the global games industry, because in order to better and analyse our market, we must look to similar or more mature markets in the industry, understand their economic activities, the various players in the ecosystem, recent developments in technology, consumers, culture exportation and culture participation.

- An overview of some regional and emerging markets to understand their similarity with the African industry and how key stakeholders can identify and replicate factors contributing to their growth.

- Key African demographic and market insights on the African continent. Readers will understand the mobile ecosystem and internet penetration trends, particularly as it relates to the effect of foreign culture on consumers and games being developed.

- An understanding of Africa through its culture, questions around what games are people playing and who is paying? Who's making games in Africa? The challenges and opportunities available within the industry, such as policies and enabling business environments.

- A challenge to the bias and public opinion against games and how these can influence the development of the industry as sought.

- A challenge to the bias against Africa, the continent and underlying assumptions as we present verifiable facts and encourage readers to embark on their research to understand the region.

Who This Report Is For

General Public

This report is aimed at clarifying any bias towards the industry, by helping the **public** realize the potential career opportunities in games (both as players and developers). While there isn't yet an official demography of Africa's game players, the genre of games they consume and the devices they prefer, this report is relevant to this consumer group in particular. African gamers have the potential to influence numerous industry stakeholders and have a vested interested in the success of the industry.

Games Industry

Indie & Game development studios sit at the heart of the ecosystem and are strategically positioned to take advantage of the cultural export inherent in their games. These individuals or organizations set the pace for growth in the industry and define the creative and cultural trends that define African games.

There have been myriad difficulties in building up **talent** as well as retaining them in the long-run within the African games industry. We also highlight the role of policymakers and investors in supporting the talent development pipeline through relevant and well-designed training initiatives and regulatory instruments.

Investors

Investment in the games industry is quite different from traditional investment options. Oftentimes, game investors are either successful entrepreneurs within the games industry or are game makers or enthusiasts. In this report, we'll provide information on the investment terrain unique to the games industry, in Africa and around the world. We'll look at how **investors (domestic and foreign)** can examine the major trends and appreciate the investment potential within these new and developing games markets.

Policy Makers

Policymakers (including Government, NGOs, Civil Society & Developmental Agencies) are key levers for change in any business environment. This report highlights regulatory gaps that need attention, such as the development of the talent pipeline, which begins with a strong tertiary and vocational educational system. Additionally, building a conducive investment environment with targeted policy development should help foster public participation in the industry.

How To Read This Report

This comprehensive report addresses both general and technical aspects of the video games industry.

A colour code has been developed to help the reader focus on material most relevant to them. As such, if you're an investor for example, you can easily navigate this report and zero in on pages that include a green label on the right side.

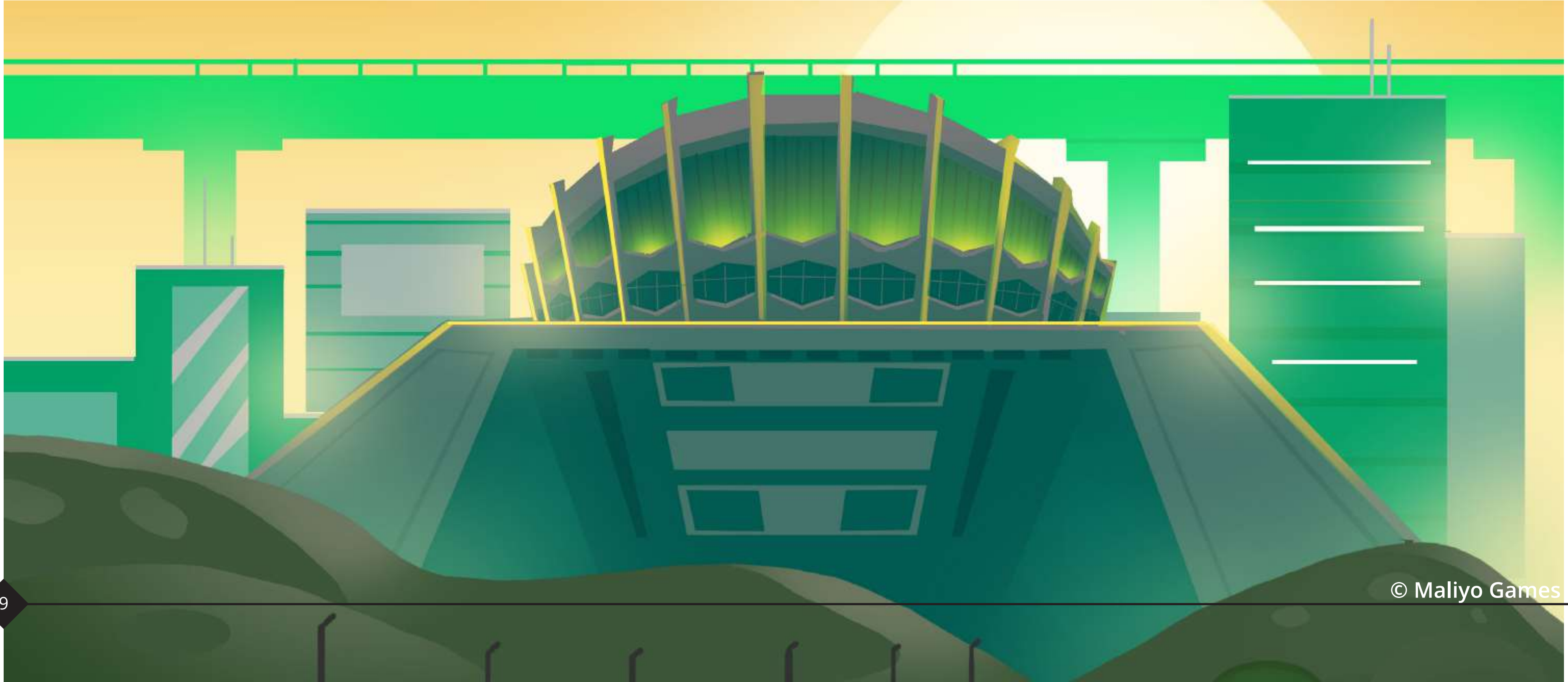
With this structure, you will be able to quickly access useful information and understand the many ways you can support the industry or get involved. If you want to expand your knowledge of the industry, you can also explore other aspects of the industry by reading materials designed for other groups.

General Public

Industry

Investors

Policy Makers



UNDERSTANDING THE VIDEO GAMES INDUSTRY

© Unknown

Terminology: Games Vs Gaming

For the purposes of this report, we will refer to 'games' as opposed to 'gaming' in all aspects describing the output and the activities of the industry. While, historically, games have been played across the continent, we note that there are negative and nuanced connotations related to this terminology.

This Report will reference 'games' as the primary term in reference to the output, products or activities related to the African game development industry. This is done to avoid a confusion of terms, and negative cultural connotations, resulting from the terminology currently in use in relation to legalized gambling and the virtual sports betting sector, which is often referred to as 'gaming' in some African jurisdictions.

While gaming may have come to encompass a broad categorisation of a wide variety of activities, the authors of this Report emphasise that the sole focus of this study is on games that are skill-based and whose outcomes are not determined by the wagering of money or other items of value in a chance-based scenario developed by highly-skilled professionals including developers, artist, designers, animators, data analysts, and many more.

Given the recent proliferation of gaming across the continent, it is not surprising that cultural perceptions in many African societies relate 'gaming' activities as those also produced for entertainment on mobile phones or consoles. However, this cannot be further from the truth.

A thriving 'games' industry can be a wholesome contributor to economic growth and development through the creation of global IPs and well-paying jobs.

As this report will show, targeted interventions and investments can ensure that games studios and ecosystems have a net-positive gain on their host countries and society at large.

© Kiro'o Games

Games Value Chain

In a world where the games industry is evolving quickly, Africa's game development ecosystem has emerged as a vibrant and promising sector with immense potential. Understanding the general makeup, challenges, and opportunities of this growing industry is crucial for its continued success. The African games industry Value Chain, included below, is subject to the key institutional players.

Intellectual Property and Brand Owners

They own the brand or intellectual property (IP) rights for which a game is being developed and, in general, receive a licensing fee as a share of the revenue. One of the most popular advantages of this is the exploitation of copyright. While copyright grants protection to stories, artworks, drawings and the like, creators or owners can aways license the use of same on other platforms such as mobile games

Games Publishers

A publisher essentially takes the game to market by utilising an established channel of distributors and marketing activities planned around the game.

Game Developers and Studios

Game studios often comprise of a team of developers and designers responsible for designing, developing and testing a game. They also undertake operations to ensure smooth running of the game by releasing regular updates and fixes to the game.

Games Distributors

A Distributor makes games available through their platforms. A majority of games by the African game developers are distributed through the major App stores. Considering the structure available for this value chain, we can explore:

1. Exclusive distribution rights of foreign IP within a region, 2. Distributor of exclusively African, or Nordic IPs/games, and 3. Distributor of both foreign and regional IPs/Games

Advertisement Networks

The industry is a payload for advertisement agencies. This enables the placement of advertisements through proprietary industry networks. In fact, games, depending on their popularity, provide an avenue for ad revenue and have unique levels of reach for different audience segments.

The Educational Sector

This is one of the crucial conditions for talent development within the industry. Across the world, policymakers and educational institutions have designed interventions to ensure that there are training and educational institutions or programs that instill the training and necessary skills required to equip the next generation of game developers and designers.

The Payments Sector

The global social online gaming market is an industry with net-worth of more than USD$ 300 billion.[1] Given the magnitude of the opportunity, many companies are positioned to grab a piece of the action. The key to success in this sector is creating opportunities for gamers to pay with the options and alternatives, locally

Media, Music & the Entertainment Sector

The Entertainment sector is quite pivotal to the industry as a potential revenue driver. As in other markets, game developers can partner with movie studios to adapt popular releases (such as "Transformers", "Pacific Rim" "Gangs of Lagos" or "Mami Wata") into a complementary game franchise. In essence, the proliferation of African movies on the global scale can further drive the adoption of these games and movies.

The Streaming Sector

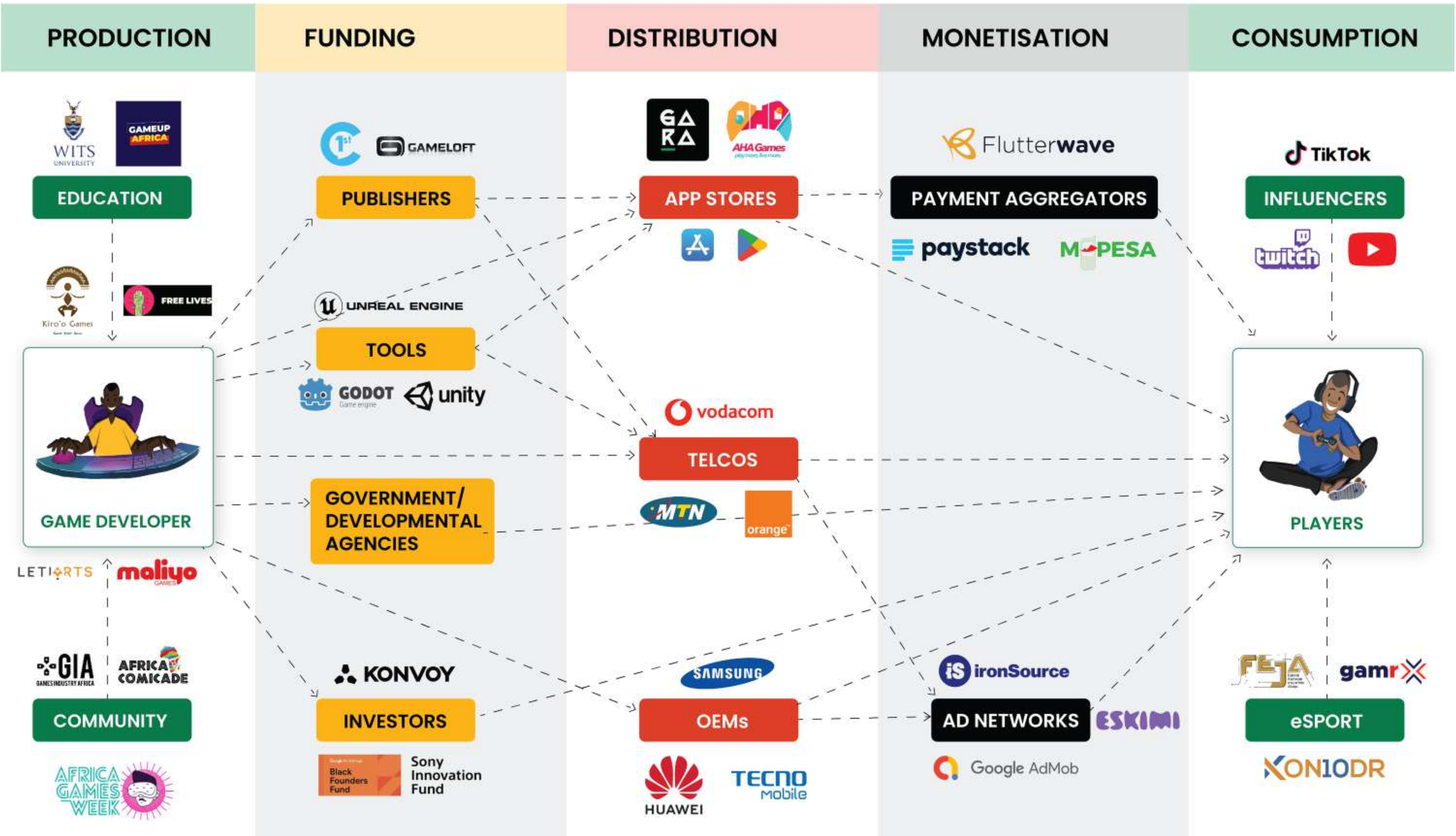
The games industry in Africa has recently evolved to include Esports and the streaming of live gameplay. Currently, we have teams that compete in Esports tournaments at a global level and it's worthwhile to note that there is participation across the genders in most competitions.

Merchandising

Merchandising is the presentation and promotion of goods that are available for purchase for both wholesale and retail sales. It is a lucrative tool for companies looking to cultivate their brand, improve the experience of customers, compete with others in the sector, and ultimately, drive sales.

1. Mordor Intelligence, 2022 Gaming Industry Size & Share Analysis Growth Trends Accessed: October 2023 <https://www.mordorintelligence.com/industry-reports/global-gaming-market>

The Video Games Value-Chain in Africa



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Revenue Models

To understand how money is made through games, one must understand their revenue models. Overall, there are two principal models: free-to-play games and paid (premium) games. It should also be noted that some of these revenue models can be combined in the context of a given game (e.g., a premium game with in-app purchases)

Free-to-Play:

These games are typically sold with no upfront payments – but are subsequently monetized by other means (see below). To succeed, they need large audiences and correspondingly large marketing budgets. These games are typically of most interest to private investors, as they can experience exponential revenue growth.

In-App purchases (IAPs):

Developers can offer users in-game rewards and services in exchange for real money payments. These purchases include: coins, extra moves, extra health, power-ups, skins, and bonus levels. This revenue source has become an important tool, as game developers can leverage disposable income amongst players and consumers.

In-game advertising:

Given often only a few, dedicated users tend to make in-app purchases, developers can also include in-game advertising. There are several ad formats including user-initiated ads (e.g., rewarded videos and offerwall ads), where users are rewarded for completing specific tasks), as well as system-initiated ads (e.g., banner ads and interstitials ads designed to be placed between content).

Paid Games (Premium):

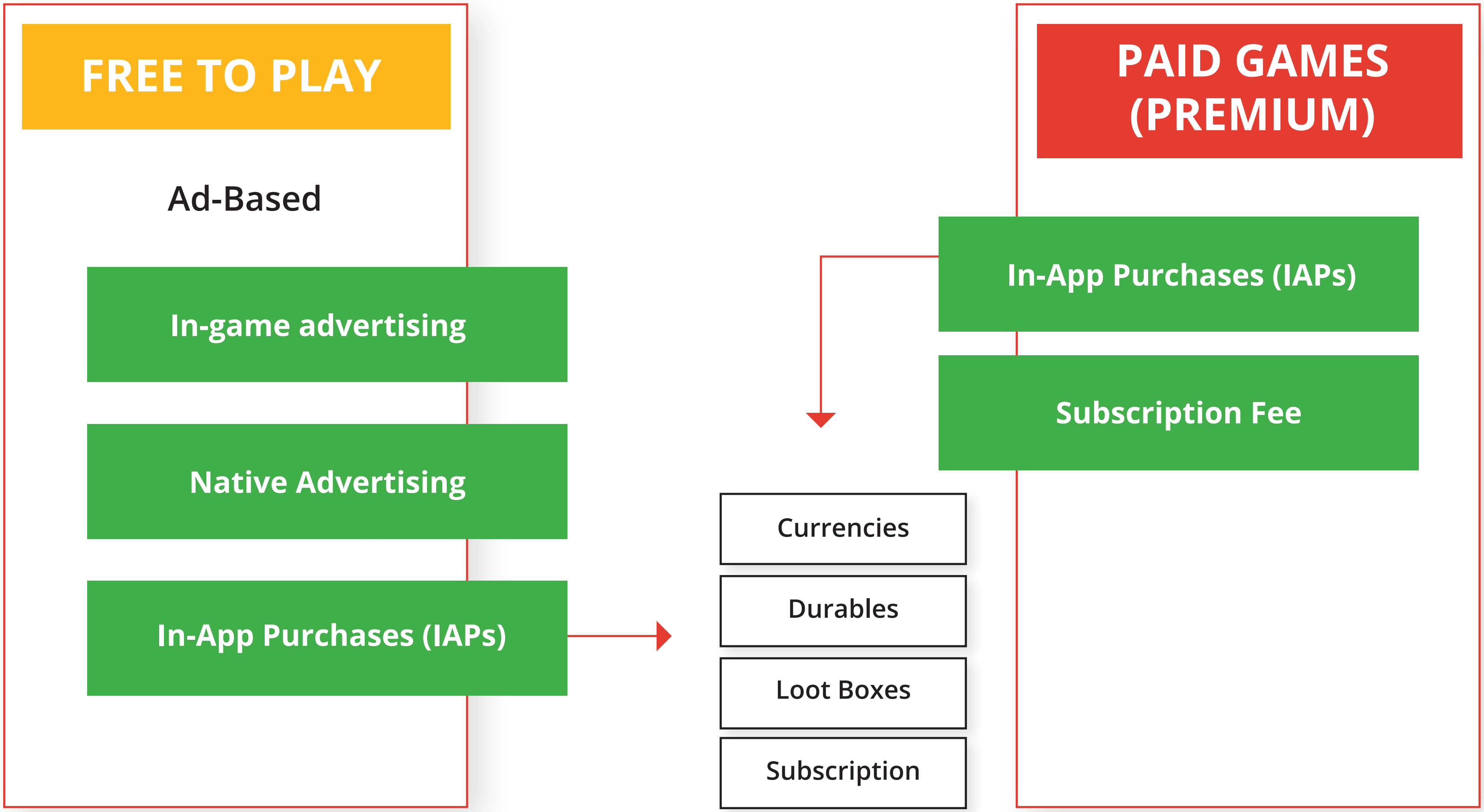
Developers can sell their game on digital storefronts for a one-time payment. Typically, the most successful premium paid games are those with a strong value proposition (e.g., a widely known brand or intellectual property) and/or limited competition providing the same characteristics and quality within the genre.

This model can limit the market potential of a game, as there are only so many ? – and the payment can be a significant barrier to player engagement. At the same time, some consumers (especially in mature markets) prefer predictable investments in their games – rather than paying piecemeal over time.

Other Options:

There are a few other ways developers can monetise their games such as **subscription services**, where users pay weekly or monthly fees for access, **game licensing,** where game IP owners can sell rights to their games to aggregators, **work-for-hire**, where developers offer their time as a service to develop games and many more.

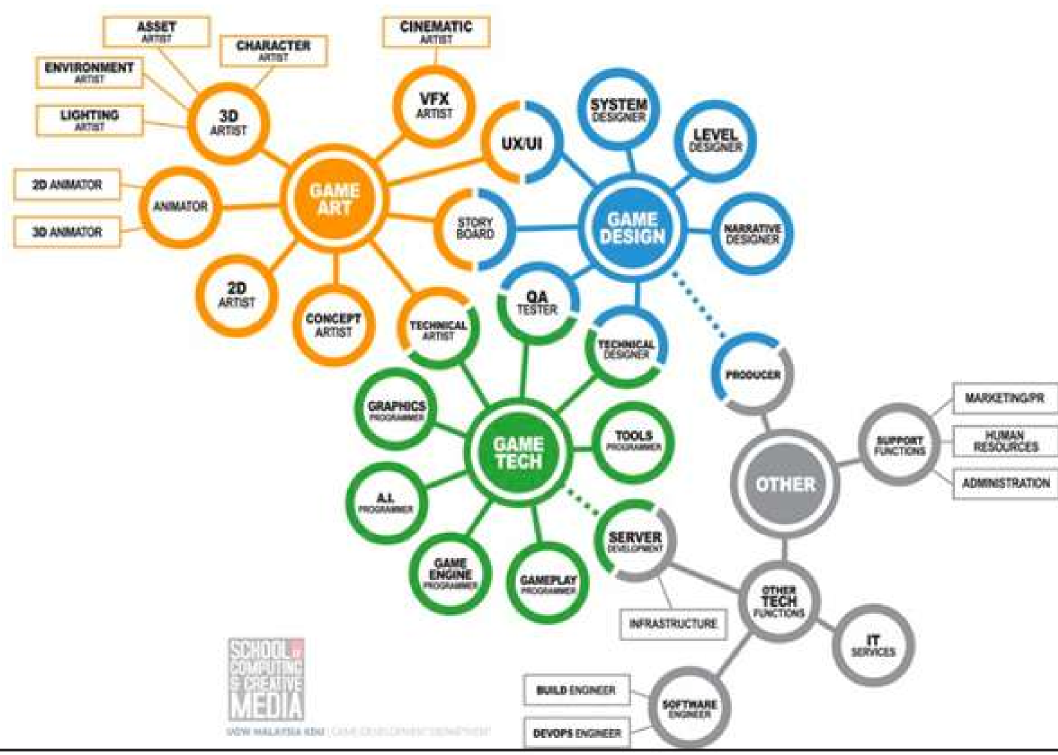
Games Revenue Model



Talent Requirements For Game Production

There is a wide range of skills required to make video games. From the people who write the code (developers & programmers), to those who create the music (sound designers). There are also the artists who create the beautiful visuals (2D & 3D artists) and designers who articulate the interactive gameplay mechanics within a game (game designers). Working alongside are the professionals responsible for the vision for the game (producers) and those who make sure everyone knows what they're meant to do (project managers).

There is a group of people who ensure that the game actually works as expected (Quality Assurance engineers), then you have the people who define the characters, world, and story of the game (narrative designers). There's an army of analysts who study what's happening in your game (data engineers). Finally, there is a group of people who ensure that your players know about your game (marketing team). These are only a few of the people required to make a game come to life, all of whom are highly-skilled and well-paid specialists.



GAMES AS A BUSINESS

© Fak'ugesi Festival

The Global Industry

The market for games is a global market. Games made anywhere can be sold everywhere, thanks to digital storefronts. The global games industry is currently worth US$250 billion [2].

The number of mobile players reached 2.7 billion in 2022 [3], while user penetration (the percentage of the total population playing games) is expected to reach 54.5% by 2027 [4].

The pandemic caused a boost in the number of people playing video games but also created its own challenges for the industry.

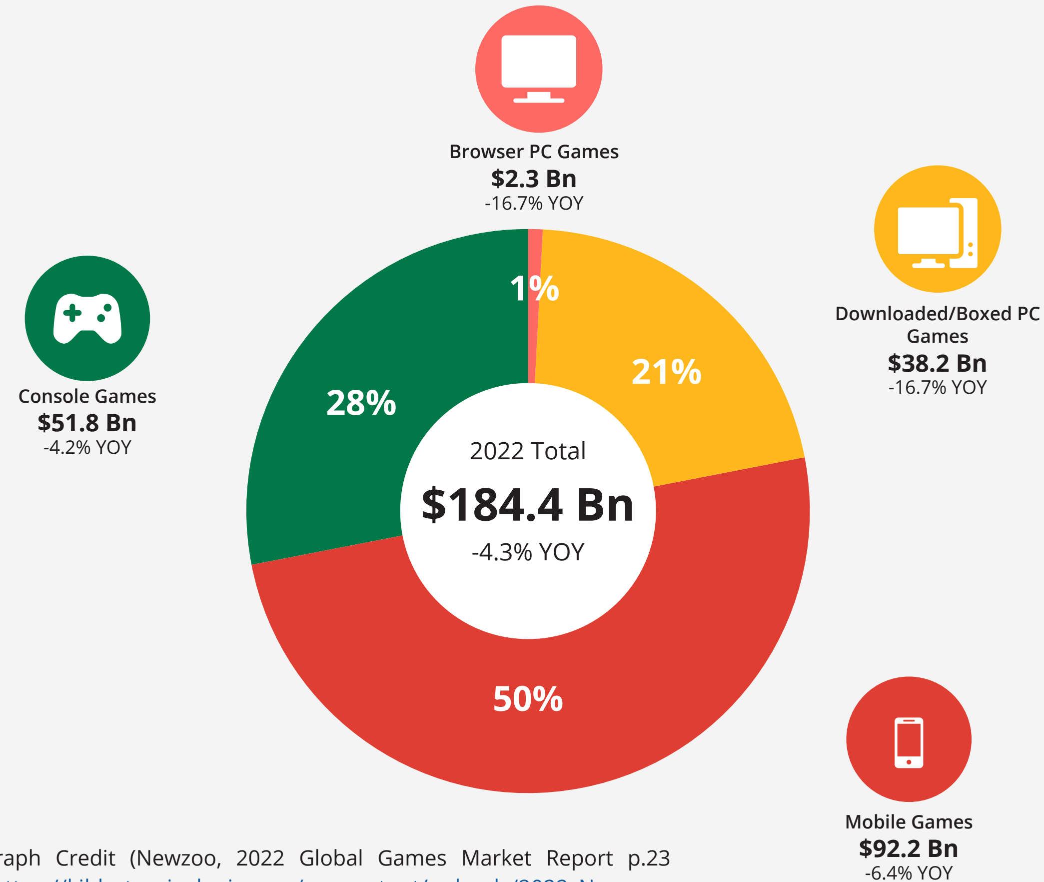
2. Statista.com, Market Insight Video Games Worldwide Accessed: November 2023 <https://www.statista.com/outlook/dmo/digital-media/video-games/worldwide>

3. Sophie McEvoy, 2023 Newzoo: Global games market expected to increase 2.6% in 2023 Accessed August 2023 <https://www.gamesindustry.biz/newzoo-global-games-market-expected-to-increase-26-in-2023#:~:text=The%20global%20games%20market%20is,0.8%25%20increase%20compared%20to%202022.>

4. Newzoo, 2022 Games Market Decline 2022 Accessed: October 2023 <https://newzoo.com/resources/blog/the-games-market-will-decline-4-3-to-184-4-billion-in-2022>

2022 Global Games Market

Per Segment with Year-on-Year Growth Market



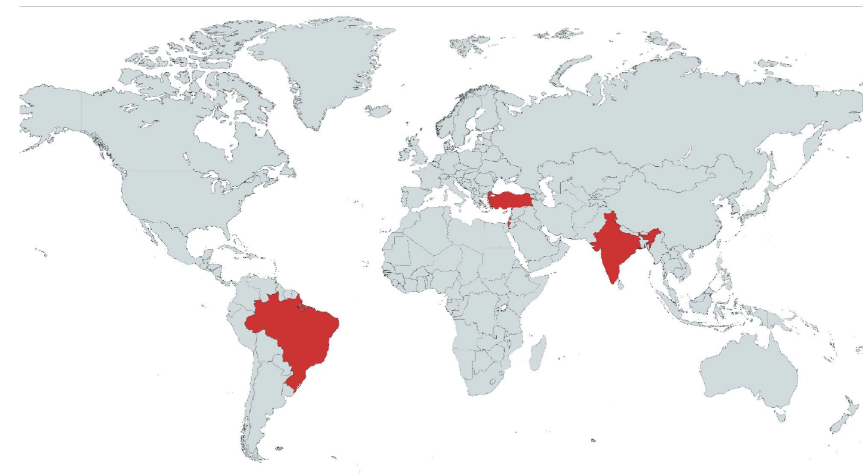
Graph Credit (Newzoo, 2022 Global Games Market Report p.23 <https://kibbutzpsicologia.com/wp-content/uploads/2022_Newzoo_Free_Global_Games_Market_Report.pdf>)

New Markets For Games

Although the games industry in Africa is comparatively small at present, experience from other regions suggests that it is possible to grow a cluster of video game businesses and activity.

This section briefly explores successful models in four regions that have recently emerged as strong players on the global video games stage:

These examples illustrate the potential and dynamism of secondary video games markets (i.e., beyond Europe, North America and Japan) and establish inspiring pathways towards strong and sustainable video games industries.



Brazil

India

Israel

Turkey

Brazil

Brazil has a fast-growing game industry with over 1,000 active studios across the country including in São Paulo, Brasilia, Rio de Janeiro, and elsewhere. Collectively they account for 57% of international revenue within the industry, employing more than 12,000 workers.[(5)] According to Tiago Bianchi,[(6)] as of 2022, the number of game development studios in Brazil has reached a record high of 1,009 companies. This represents a growth of 152 percent in comparison to 2018, when only 375 studios were registered in the country, and 133 registered in 2014. Brazil remains the leading games market in Latin America, with a revenue of around US$1.3 billion in 2022.[(7)]

Key Facts & Figures

Population	216,503,350
Average age	33.6
GDP per capita	$8,917.7
Official language	Portuguese
Estimated workforce of the video games industry	12,000 employees
Revenue (USD)	$1.3 Billion (2022)

5. Brazil Games Export Program, Abra Games and Apex Brasil, 2022 Brazil Games Industry Report: 2022 Accessed August 2023 <https://www.brazilgames.org/uploads/5/6/8/0/56805537/abragames-en.pdf>

6. Tiago Bianchi, 2023, Latin America: leading gaming markets 2022, by revenue Accessed September 2023 <https://www.statista.com/forecasts/500035/gaming-revenue-countries-latin-america>

7. Brazil Games Export Program, Abra Games and Apex Brasil, 2022 Brazil Games Industry Report: 2022 Accessed August 2023

Major Studios

AQUIRIS
ANIMVS
KOKKU
XBOX GAME STUDIOS
HOPLON
Firehorse
DOUBLE DASH STUDIOS
umbu Games
WILD LIFE

India

The India Games Market size is expected to grow from USD 3,020.24 million in 2023 to USD 6,256.52 million by 2028, at a CAGR of 15.68% during the forecast period (2023-28).[9] The country is predicted to rank among the top market locations for the games industry due to having one of the most significant youth populations in the world.[10] Indian games raised $2.8 Bn from domestic and global investors between 2018 and 2023. Funding increased by 380% from 2019 and 23% from 2020[11]. More interestingly, India has produced three games unicorns: Dream 24x7, Dream 11 and Mobile Premier League.

Key Facts & Figures

Population	1,429,484,609
Average age	28.7
GDP per capita	$2,388.6
Official language	Hindi, English
Estimated workforce of the video games industry	N/A
Revenue (USD)	N/A

9. Mordor Intelligence, Gaming Industry In India: Size & Share Analysis Growth Trends ccessed: August 2023 <https://www.mordorintelligence.com/industry-reports/india-gaming-market>

10. Medhansh Bairaria, 2023 Navigating the Tax Maze: Assessing the Impact of 28% GST on Indian Gaming Companies Accessed: August 2023 <https://www.linkedin.com/pulse/navigating-tax-maze-assessing-impact-28-gst-indian-gaming-bairaria>

11. Mordor Intelligence, Gaming Industry In India: Size & Share Analysis Growth Trends ccessed: August 2023

Major Studios

Israel

The Israeli industry is a relative newcomer to the global video games scene but has reached significant accomplishments within a short period of time. It has grown from a nascent industry in the early 2000's to one that has produced success stories on a global scale such as Playtika, Plarium, CrazyLabs, Ilyon and more recently, MoonActive. The Israeli game industry currently boasts of an average of 200 companies involved in the ecosystem with an estimated number of 14,000 employees.[12] In this market, mobile is the most popular platform for game publishing. Israel is home to many game development companies operating in different segments, accessing different audiences around the globe. The revenue of the Israeli market was estimated to be ~USD 9B in 2021[13]. From 2016, the total revenues have increased by ~800%, which represents a CAGR of +55%.[14]

Key Facts & Figures

Population	9,183,097
Average age	29.1
GDP per capita	$55,540
Official language	Hebrew, Arabic
Estimated workforce of the video games industry	14,000 employees
Revenue (USD)	$9 Billion (2021)

12. AL-MONITOR, 2022 Israel's Gaming Industry Continues Expansion. Accessed: August 2023 <https://www.al-monitor.com/originals/2022/05/israels-gaming-industry-continues-expansion>

13. CTech, 2022, Israel gaming industry reached $8.6 billion in revenue in 2021 Accesssed August 2023 <https://www.calcalistech.com/ctechnews/article/bko11adfoq>

14. CTech, 2022, Israel gaming industry reached $8.6 billion in revenue in 2021 Accesssed August 2023 <https://www.calcalistech.com/ctechnews/article/bko11adfoq>

Major Studios

BeachBum MOONACTIVE

CrazyLabs HUUUGE

PLARIUM

Turkey

The digital games industry in Turkey began to grow in the late 2000s, but really took off in the 2010s with the increase in popularity of games that can be played on mobile phones and tablets. Turkey has a pretty high smartphone and regular phone usage rate. 81% of the adults play a mobile game, and of the mobile players in Turkey. More specifically, with respect to android games in Turkey, there are over 2,943 Turkish publishers among 192,025 game publishers on Google Play. Turkish publishers offer over 10,893 games among 531,946 games on Google Play. The industry has experienced an influx of investment at various stages. Dream Games received an investment of $ 255 million in January 2022, increasing its valuation to $2.75 billion.(15) In March 2022, Metaverse Game Studios raised $10 million from an investment round led by Pantera Capital.(16)

Key Facts & Figures

Population	85,845,333
Average age	38.1
GDP per capita	$11,930
Official language	Turkish, Kurdish and Arabic
Estimated workforce of the video games industry	N/A
Revenue (USD)	N/A

15. AllCorrect Game Content Studio, 2022 The Gaming Market in Turkey.Accessed: August 2023 <https://allcorrectgames.com/insights/the-turkish-game-market/>

16. Danielle Partis, 2022, Dream Games raises funds $255m ar $2.75bn valuation, Games Industry Biz: Accessed: August 2023 <https://www.gamesindustry.biz/dream-games-raises-usd255m-at-a-usd2-75bn-valuation>

Major Studios

Revel, TaleWorlds, Spyke, Fomo Games, Metaverse Game Studios, Mad Byte Games, Dream, Peak

Key Takeaways

- The global games Industry is a complex, global ecosystem and relies on an intricate value chain of institutional players.
- While there are other currencies at play, the global games industry relies on the US Dollar (US$) for a majority of revenue payments.
- There are various different revenue models that entrepreneurs, developers and studios can use to monetise their game.
- There is strong opportunity for growth in new and emerging markets, particularly those in Africa and Latin America.
- Asia and North America are leaders, globally, in terms of revenue generation and market size.
- The African games industry can glean from proofs of success in other emerging markets, using insights from these jurisdictions as a standard for growth.
- Even as snapshots, these markets provide inspiring paths of success for all games industry stakeholders on the African continent.
- These markets, individually and collectively, offer opportunities to learn and avoid the pitfalls of their experience in building vibrant (and profitable) games ecosystems.
- It's important to note that Asian games industry is vast, encompassing both mature and emerging markets. For example, China, South Korea and Japan have very advanced gaming markets, comparable to those in North America and Europe. On the other hand, those in Thailand, Indonesia and Malaysia are still growing, similar to the trajectory observed in parts of Africa.

PREPPING THE SCENE FOR AN AFRICAN GAMES INDUSTRY

© Africacomicade

Cultural Context

Entertainment and culture are closely knit factors that influence social behavior and norms. It is also important to note that entertainment is almost always impacted by culture. There has been debate around concerns with respect to the influx of western culture into the African entertainment sphere. Nevertheless, it has been proved, time and again, that culture is integral to entertainment and vice versa.

This true for the African games industry, in particular. Over a relatively short period of time, new avenues for collaboration between markets and sectors has emerged. With growing access to the digital world, games have allowed people from all over the world to connect and interact with each other, while providing a powerful platform for new communities to build. Online games have allowed players to meet and play with people from different backgrounds, cultures, and countries, breaking down barriers and promoting interaction between people who might never have met otherwise.

Micro-cultures also emerge. For example, every game developed by a studio is influenced by cultural perspectives and sensibilities of the developers and their organization’s imperative. This shapes and forms, in many instances, the theme of the games published.

Once these games are exported to different jurisdictions and purchased by players, there is not only an endorsement but a receptive exchange of culture influencing, in tandem, new language and even creative expression. In this way, the games industry is a potent tool within the entertainment sector that drives effects on music, fashion, slang, language, and every other relevant cultural experience.

©“Motherhood and African Art” exhibition at the Baltimore Museum of Art

Music

Music is an integral part of African culture and has been the soundtrack to the continent's rich history. From the rhythms of West African Afrobeats that incorporate drumming to the soulful melodies of South African Amapiano, one of the country's most popular musical exports, thanks to its unique blend of House, Jazz and Kwaito rhythms. African music is as diverse as its people. The continent has produced some of the world's most renowned musicians, including Fela Kuti, Miriam Makeba, and Youssou N'Dour.

According to Spotify, the online music streaming service, the track Calm down by Nigerian pop star, Rema featuring American songstress Selena Gomez, is the most streamed Afrobeats song on Spotify in 2023. Veteran Nigerian sensation, Davido, was included as a headline act during the opening ceremony of the FIFA World Cup 2022 in Doha, Qatar.[17]

Similarly, there has been a collaboration between Burna Boy, a popular Nigerian recording artist, and Rockstars Games to provide a soundtrack to the popular Grand Theft Auto (GTA) game. Other notable new generation African musicians include Diamond Platnumz from Tanzania, Nasty C from South Africa, and Sauti Sol from Kenya. Diamond Platnumz is known for his unique blend of Bongo Flava, a style of Tanzanian music that fuses traditional Tanzanian melodies with modern Afrobeats, pop and hip hop. Nasty C has been making waves in the South African music scene and was even appointed as an ambassador for the South African-based game publisher, Carry1st.

A similar phenomenon is also emerging in the global games industry where African artists like Fireboy DML have their music as soundtracks for FIFA21, a popular franchise from international game giant, Electronic Arts.

17. Sunny Green Itodo, 2023 Rema's "Calm down" tops Spotify's Afrobeats songs of all time Daily Post, Accessed: August 2023 <https://dailypost.ng/2023/06/22/remas-calm-down-remix-tops-spotifys-top-10-afrobeats-songs-of-all-time/>

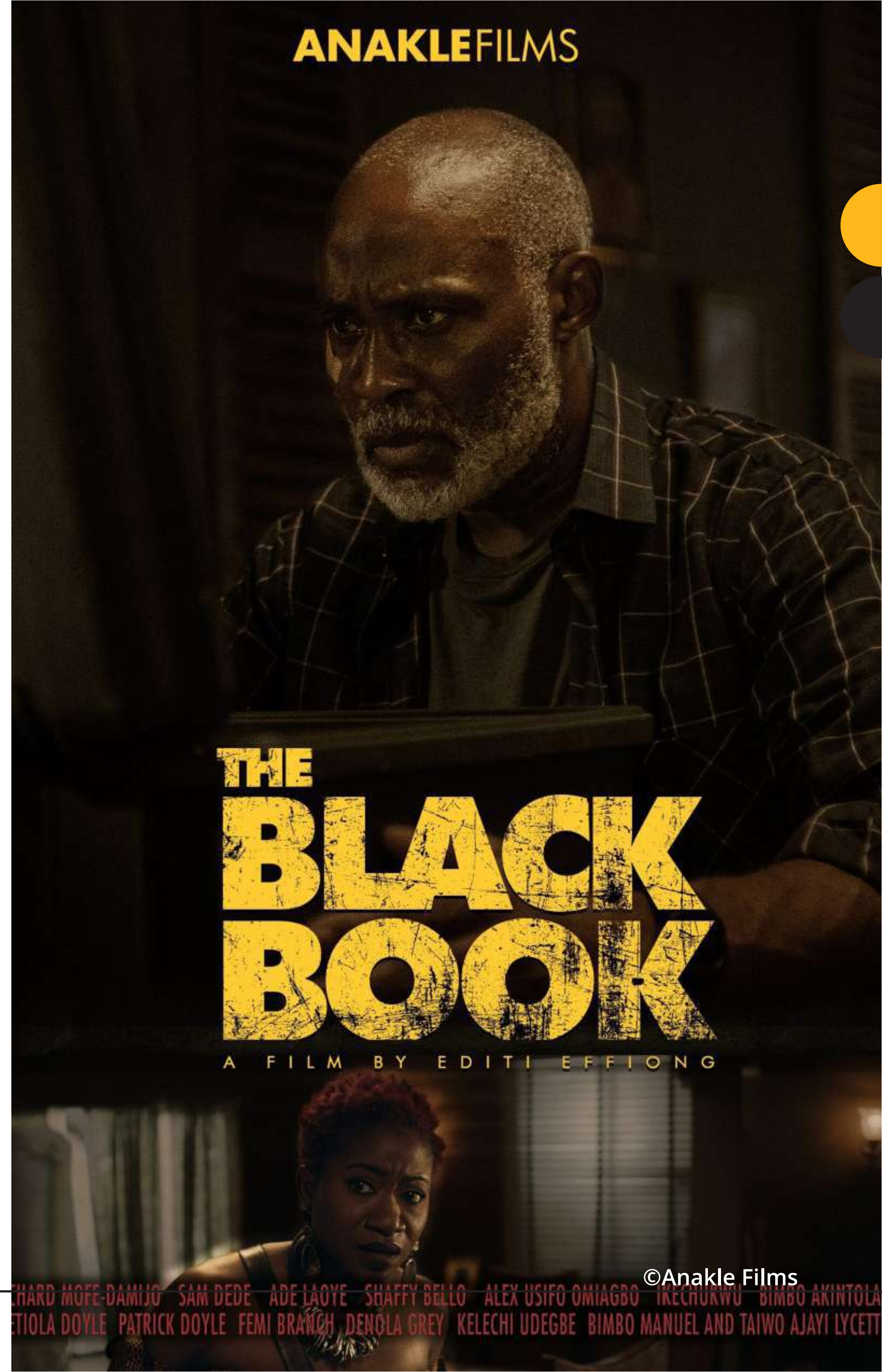

©Fak'ugezi Festival

Film

In recent years, the Nigerian film industry, popularly known as Nollywood, has experienced explosive growth, becoming the second largest film industry in the world in terms of output, second only to India's Bollywood.

According to the Pan African Federation of Filmmakers (FEPACI), the industry generates US$5 billion in annual revenue out of a potential US$20 billion.[18] Nollywood films are known for their high-energy plots, colourful costumes, and larger-than-life characters. Despite challenges such as piracy and lack of funding, Nollywood continues to thrive, producing thousands of films each year that are enjoyed by millions of viewers across the continent and beyond via distribution platforms such as online streaming services like Netflix, Showmax and Amazon Prime.

18. Linda Klaassen and Mila Ibrahimova, African Film: a Booming Industry Accessed: August 2023 <https://en.unesco.org/courier/2022-1/african-film-booming-industry>



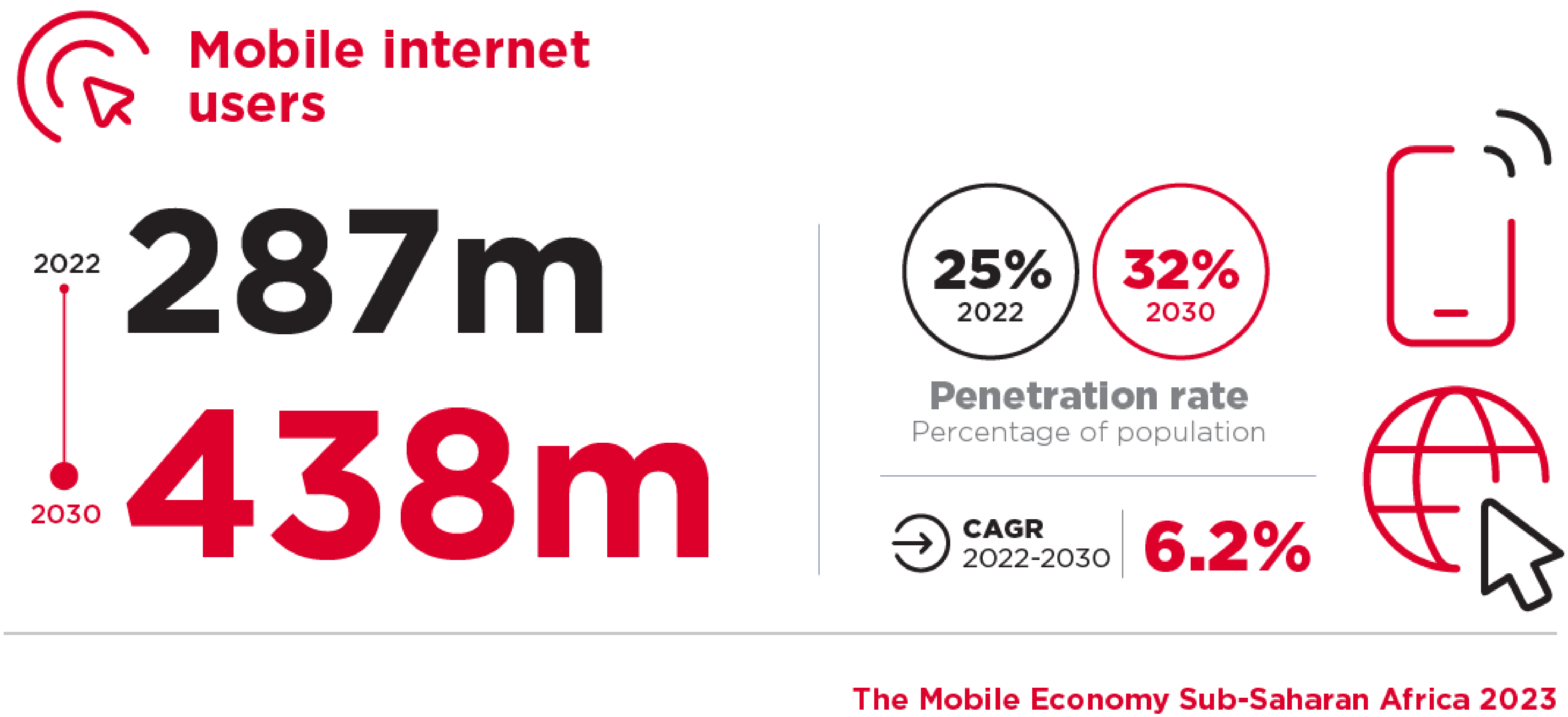
©Anakle Films

Internet and Smartphone Penetration

The introduction of mobile phones in Africa in the early 2000s revolutionised communication and connectivity on the continent. Today, mobile phones are everywhere in Africa, with many people relying on them for a range of activities, from connecting to the internet and using social media to making payments and accessing government services. As a result, the growth of Africa's mobile and internet markets has been significant in recent years, with the number of internet users on the continent increasing rapidly.

According to a report by GSMA, in 2021, there were 515 million unique mobile subscribers in Sub-Saharan Africa, and this number is expected to reach 613 million by 2025.[19]

19. GSMA, 2023, The Mobile Economy Sub Saharan Africa. .Accessed: August 2023 <https://www.gsma.com/mobileeconomy/sub-saharan-africa/>



Population Age And Growth

The African market is made up of a young population, with a median age of 19.7 years, which is much younger than the global median age of 30.4 years [20] [21].

Africa is expected to be the only region in the world where its population will continue to grow significantly in the coming decades, with projections suggesting that it could double by 2050.

As a consequence of these trends the African market is growing in buying power for many consumer products and services, including games.

The continent's population is diverse, with over 3,000 distinct ethnic groups and more than 2,000 languages spoken.

2023 Polulation Pyramid

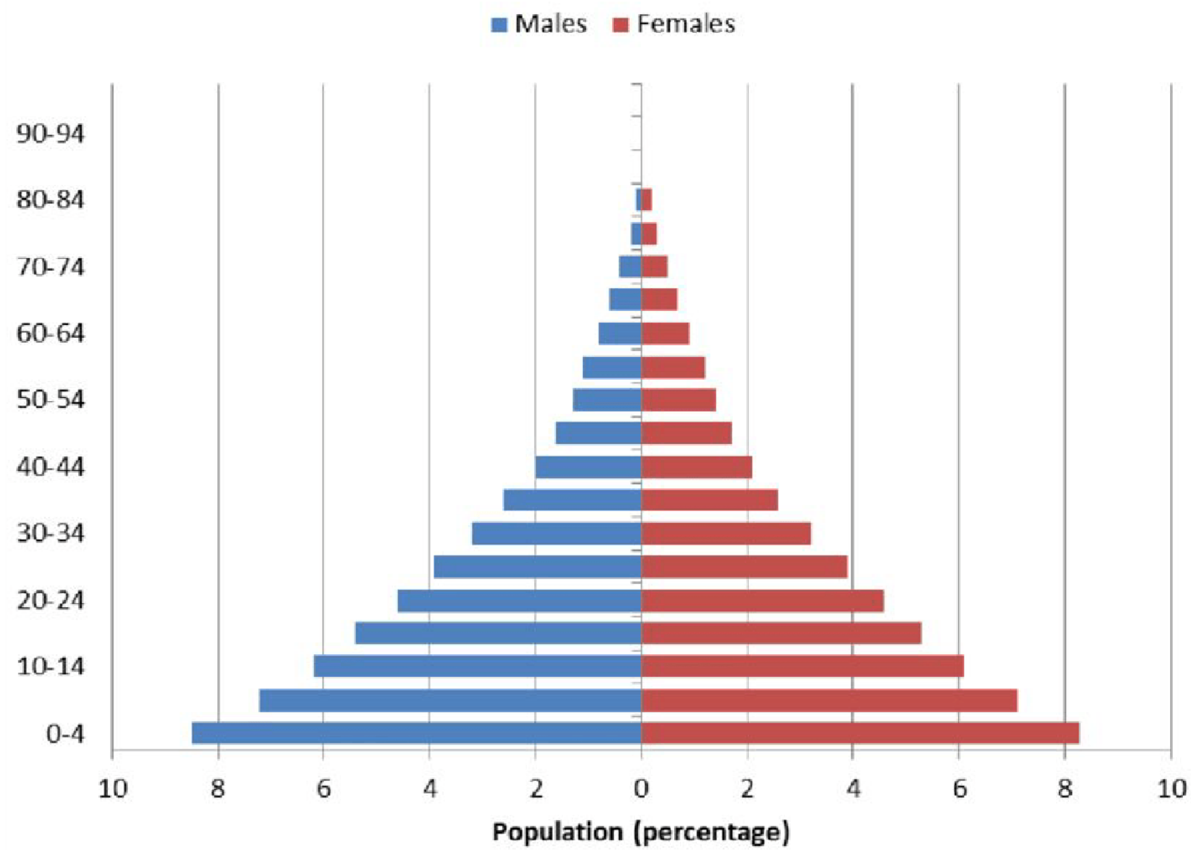


Image source: CIA World Book

20. Worldometer, Africa Population, Accessed July 2023 <https://www.worldometers.info/world-population/africa-population/#:~:text=Africa%20ranks%20number%202%20among,117%20 people%20 per%20mi2).>

21. Anna Richie and Max Roser, 2019, Age Structure: The Global Population Pyramid Accessed July 2023 <https://ourworldindata.org/age-structure#:~:text=The%20global%20median%20age%20has,bracket%20between%2025%20and%2065.>

Language

Language is an important aspect of culture as it transmits not only words but also values, laws, and cultural norms, including taboos. It's a way to express and reinforce cultural identity.

The African population is largely English and French speaking with a few other languages spoken in different regions of the continent. Swahili is the most spoken indigenous language with approximately 200 million speakers in South and East Africa. Africa mostly in Tanzania and Kenya.[22, 23, 24]

In West Africa, Hausa has the largest number of speakers with approximately 115 million speakers mostly in the Sahel region, as well as Yoruba which is spoken by approximately 50 million people across Nigeria, Togo and Benin.[25]

Arabic dialects, including Egyptian Arabic, follow with approximately 100 million speakers found in North Africa. French is one of the major colonial languages spoken in Africa, with a majority of speakers concentrated in West and Central Africa. Finally, Zulu is the most popular language in South Africa with approximately 27.3 million speakers and Xhosa following closely behind.[26]

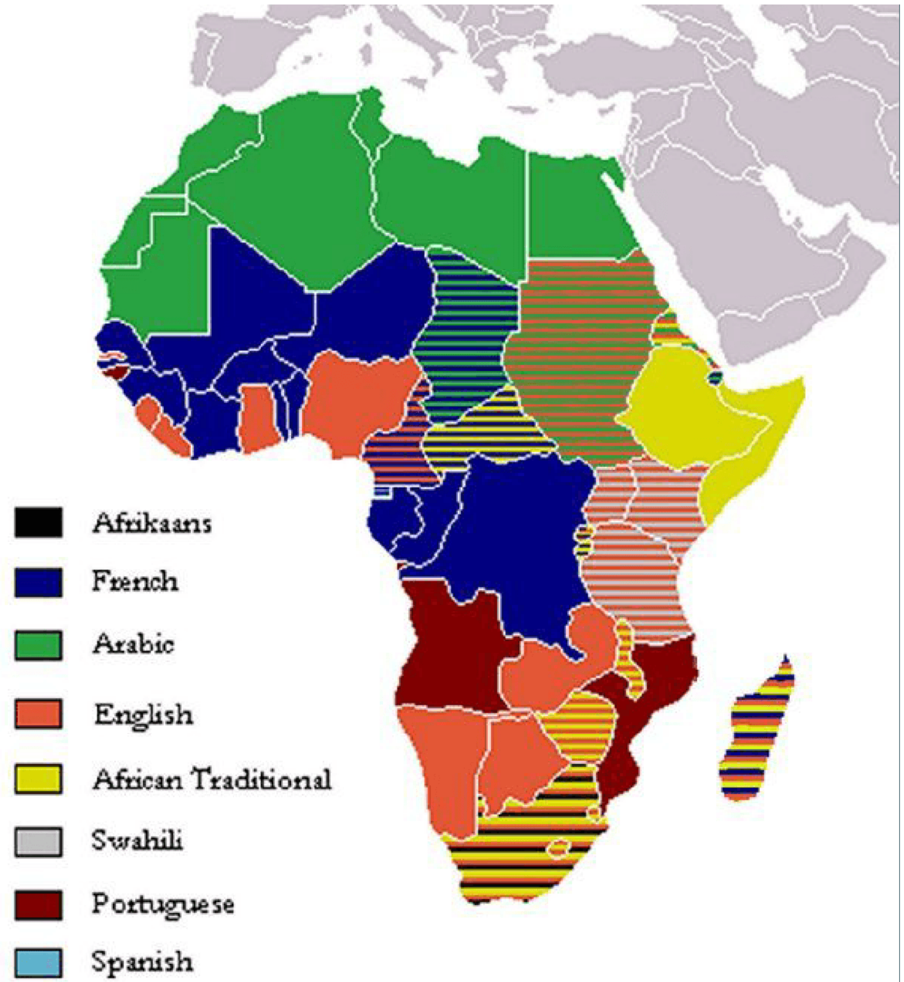
22. Dana Hooshmand, 2020, The Nine Most spoken languages in Africa. Accessed July 2023 <https://discoverdiscomfort.com/most-spoken-languages-in-africa/#heading_colonial>

23. Dorcas Famoriyo, 2022, 5+ swahili-speaking countries in Africa: Your #1 easy guide Accessed: June 2023 <https://ling-app.com/sw/swahili-speaking-countries-in-africa/>

24. Africa Renewal, The Sahel: Land of Opportunities Accessed June 2023 <https://www.un.org/africarenewal/sahel#:~:text=The%20Sahel%2C%20the%20vast%20semi,as%20it%20is%20of%20challenges.>

25. Edeh Samuel Chukwuemeka ACMC, 2022, Most spoken languages in Africa 2023: Top 14 Popular Accessed: June 2023 <https://bscholarly.com/most-spoken-languages-in-africa/#:~:text=Yoruba%3A%20Yoruba%20is%20one%20of,Gambia%2C%20Togo%2C%20and%20Benin.>

26. Logic Publishers, 2023, 11 most spoken languages in South Africa 2024 .Accessed: June 2023 <https://www.logicpublishers.com/most-spoken-language-south-africa/>



Key Takeaways

- The African Games Industry is uniquely placed to not only inspire but instigate new cultural movements and exports, from the continent to the world. With the recent rise and popularity of African cultural and creative products, across the genres, it may be a new lucrative avenue for economic development and wider societal prosperity.

- Games developed with African themes and other cultural elements offer new opportunities for creative expression while providing new avenues for employment for both artists and game-makers from around the continent.

- Africa's rich diversity is also an opportunity for game-makers, with a myriad of communities, cultural and language groups to appeal to across geographies.

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THE STATE OF PLAY

Overall Consumer Spending

According to Newzoo's 2023 PC & Console Gaming Report, Africa and the Middle East contributed US$2.5 billion in the Global PC and Console spending in 2022 with a 2.9% year-on-year growth rate.

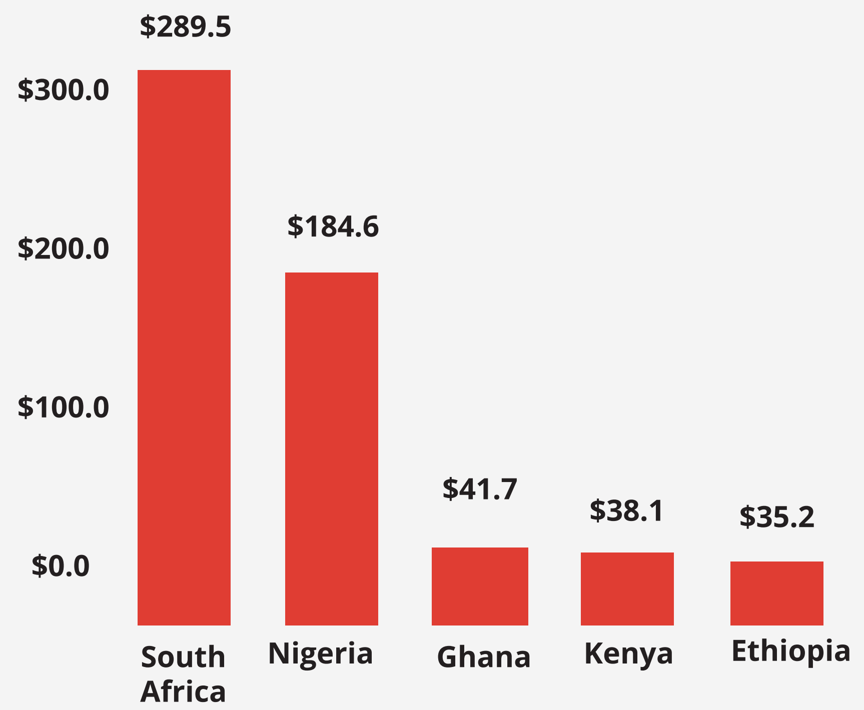
On average, Africans spend around US$6/year on games with the majority of spending taking place through in-app purchases. South Africa has an average revenue per gamer of ~US$12/year, similar to Brazil's ~US$11-12/year. While Nigerian, Ghanaian, Kenyan, and Ethiopian gamers range between ~US$2-5/year.[27]

The growth of mobile games globally presents big opportunities for Africa as a mobile-first continent. Digital Virgo projects that mobile game revenues in the continent will grow by a compound annual growth rate of 13.11% by 2025.[28]

27. Newzoo, 2023, PC & Console Gaming Report 2023 Accessed: September 2023 <https://resources.newzoo.com/hubfs/Reports/PC%20and%20Console%20Report/2023_Newzoo_PC%20%26%20Console%20Gaming%20Report.pdf?utm_campaign=2023-03-all-PC%26Console%20report&utm_medium=email&_hsmi=249310249&_hsenc=p2ANqtz--AJjQftKPrO6AzQ0pbU1nZrSVBeWAMLtkmmgAE0nCT32SqVrSK-2A9PYvfuwCqCdVYQG7cGOVBh45v9oTmfBQrCDhkqQ&utm_content=249310249&utm_source=hs_automation>

28. Digital Virgo, 2022, Mobile Gaming in Africa: a real growth lever for Telecom Operators Accessed: September 2023 <https://www.digitalvirgo.com/mobile-gaming-africa-telecom-operators/#:~:text=The%20mobile%20gaming%20revenues%20in,27%25%20between%202020%20and%202025.>

2022 African Video Games Revenue (Millions)

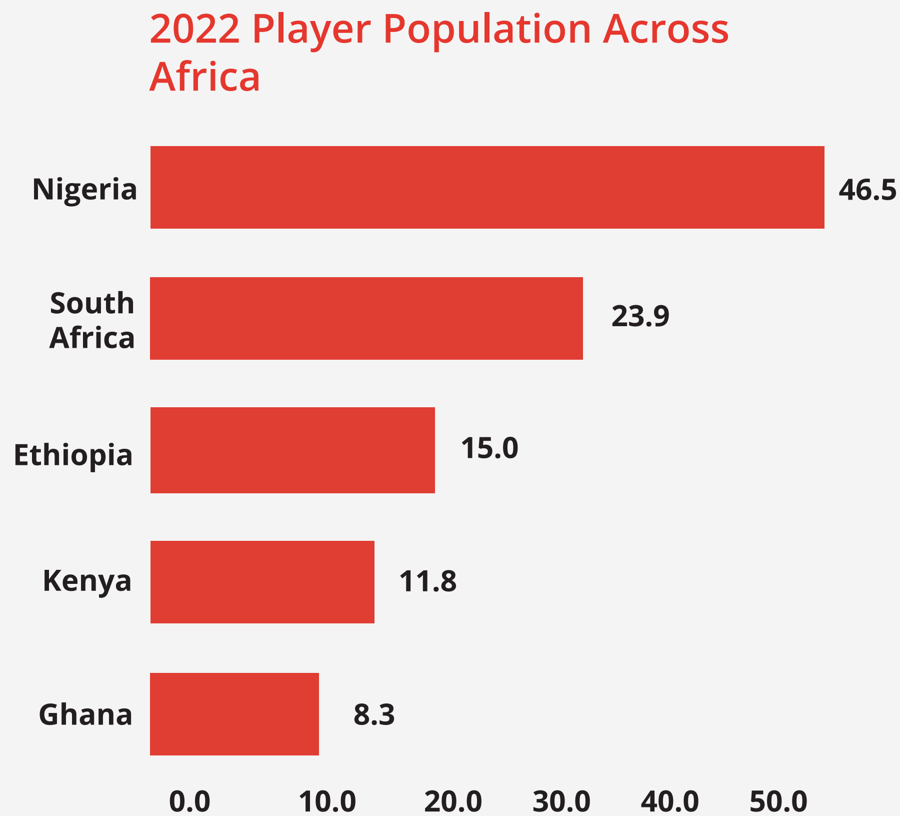


African Gamers

The African games market has grown considerably in recent years. According to projections from a report by Newzoo and Carry1st, Sub-Saharan Africa's gamers are poised to spend US$ 1 billion on games for the first time in 2024.[29]

The report also shows there has been a rise in gamers in Sub-Saharan Africa from 77 million in 2015 to 186 million in 2021. With 24 million gamers, South Africa tops the continent having 40% of its population playing followed by Ghana's 27%, and Nigeria's 23% in second and third places. Kenya and Ethiopia finish fourth and fifth in the continent with 22% and 13% of their population identifying as gamers, respectively.

29. Vbassey, 2021, Gaming in Sub Saharan Africa more than doubles, Games Industry Biz Accessed: September 2023 <https://gamesindustryafrica.com/2021/11/29/gaming-in-sub-saharan-africa-more-than-doubles/>



Top 5 African Countries with Large Player Population

Mobile Games

Mobile games are the most popular games in Africa. According to the report commissioned by Newzoo, of the approximately 186 million total gamers in Sub-Saharan African countries, 177 million, or 95% of these players use mobile devices.[30]

Moreover?, of the 186 million players mentioned, 34% of them, approximately 63 million, pay for games. Popular game genres include action, adventure, and sports games. In 2022, Africa's total gross in-app purchase revenue was approximately US$ 285 million.[31] [32]

With more affordable smartphones and high speed internet being increasingly accessible to the large young population of the continent, it's no surprise that in 2022, $778.6 million of the total games revenue in Sub-Saharan Africa was from mobile games. This accounts for almost 90% of all games revenue in the region.[33]

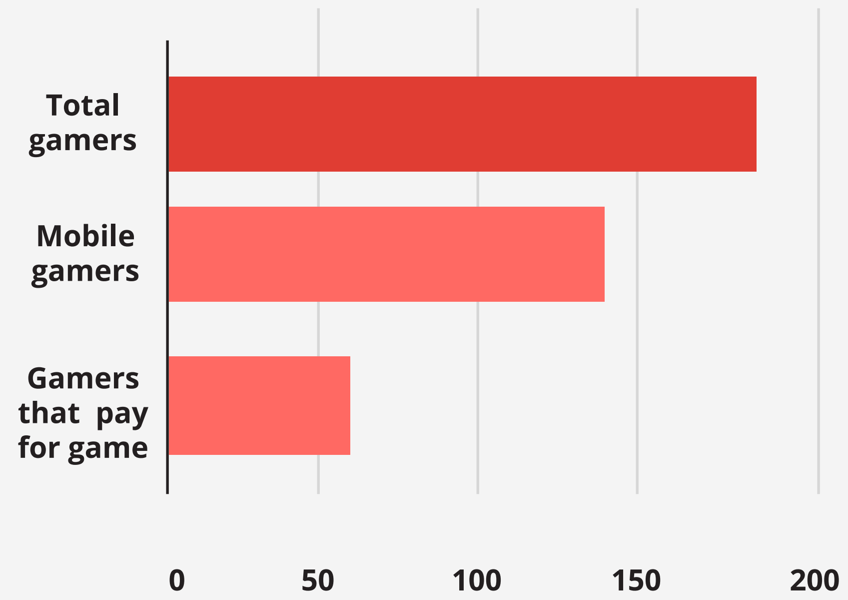
30. Aaron Orr, 2021, 95 Percent of gamers in Africa choose mobile, says Newzoo Accessed September 2023 <https://www.pocketgamer.biz/news/77614/95-per-cent-of-gamers-in-africa-choose-mobile-says-newzoo/>

31. Newzoo, 2023, PC & Console Gaming Report 2023 Accessed: September 2023 <https://resources.newzoo.com/hubfs/Reports/PC%20and%20Console%20Report/2023_Newzoo_PC%20%26%20Console%20Gaming%20Report.pdf?utm_campaign=2023-03-all-PC%26Console%20report&utm_medium=email&_hsmi=249310249&_hsenc=p2ANqtz--AJjQftKPrO6AzQ0pbU1nZrSVBeWAMLtkmmgAE0nCT32SqVrSK-2A9PYvfuwCqCdVYQG7cGOVBh45v9oTmfBQrCDhkqQ&utm_content=249310249&utm_source=hs_automation>

32. Digital Virgo, 2022, Mobile Gaming in Africa: a real growth lever for Telecom Operators Accessed: September 2023 <https://www.digitalvirgo.com/mobile-gaming-africa-telecom-operators/#:~:text=The%20mobile%20gaming%20revenues%20in,27%25%20between%202020%20and%202025.

33. Abhimanyu Kumar, 2023, Africa's Mobile Gaming Market and Carry1st Accessed: September 2023 <https://naavik.co/deep-dives/africa-carry1st>

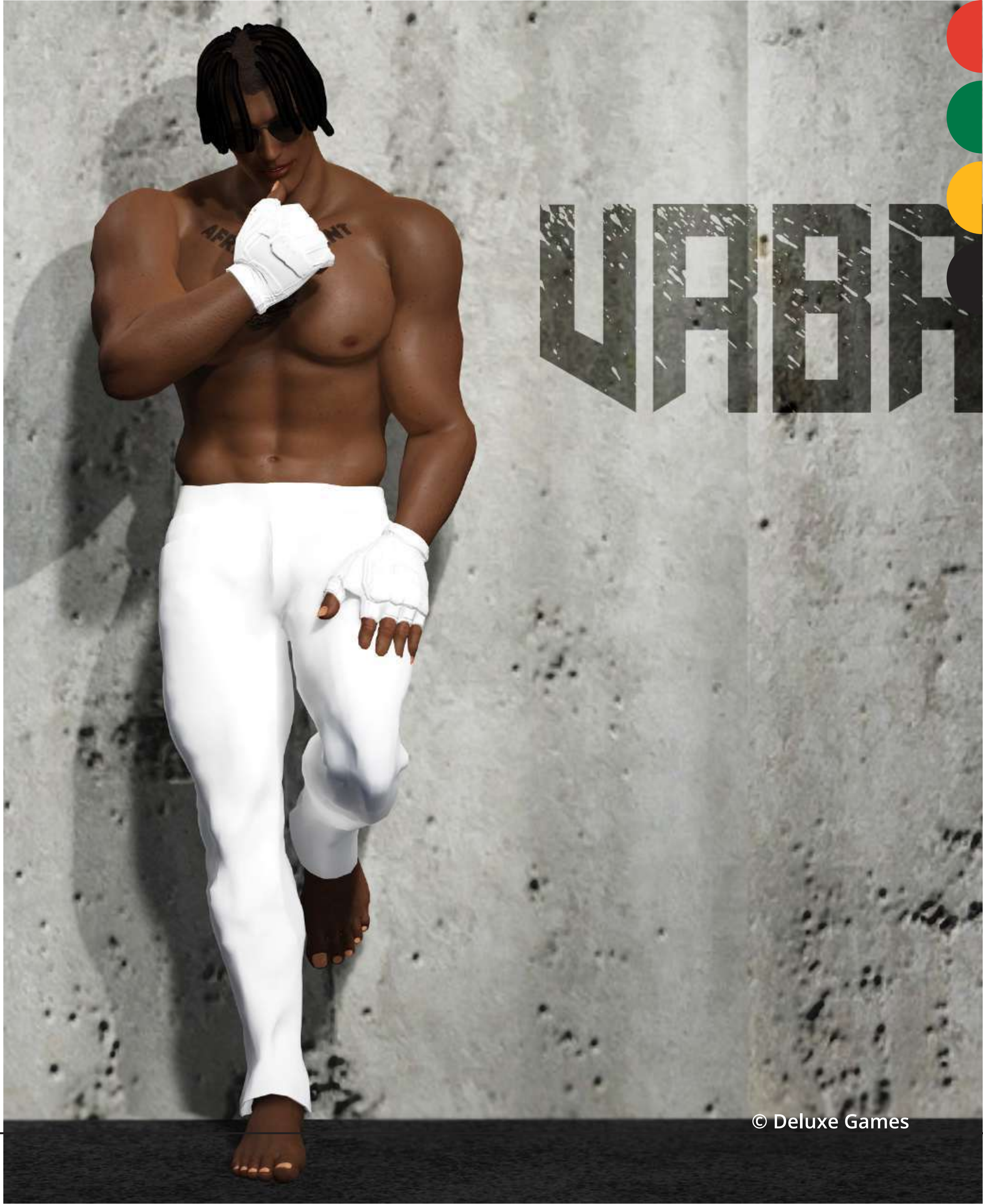
Consumer Behaviour[1]



A History of the African Video Games Industry

The African games industry has witnessed significant growth and development over the years, with notable contributions from pioneering companies such as Leti Arts, Maliyo Games, Celestial Games, Qene Games and Kiro'o Games, to name a few. These companies have played a crucial role in shaping the landscape of African game development and introducing unique game experiences tailored to the African and global markets.

More recently, there is a broader distribution of emerging studios and hobbyist game developers, but major game development studios that have been active for many years tend to be found in major technology hubs in Africa. We will briefly look at North, East, Central, West, and Southern Africa based on the United Nations geoscheme for Africa.



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HISTORY OF THE AFRICAN GAMES INDUSTRY

1993-2023

1993

Celestial Games, South Africa (1994)
Celestial got an early start in the industry with their PC game Toxic Bunny.

Ubisoft Casablanca, Morocco (1998-2016)
The Moroccan subsidiary of game giant Ubisoft worked on over 26 games in their time.

QCF Design, South Africa (2007)
Their award-winning title Desktop Dungeons Rewind was remastered in 2023

2003

Kiro'o Games, Cameroon (2009)
Their flagship title has spawned the Aurionverse across different media.

Leti Arts, Ghana (2009)
Pioneers in the African game development space still making waves.

Free Lives, South Africa (2012)
Known for indie games that are ridiculously fun, brutal and even beautiful.

Sea Monster, South Africa (2011)
Making meaningful content as the largest impact game studio in Africa

Digital Mania, Tunisia (2012)
Their casual competitive game Warshmallows can be found on PC and Switch.

24Bit Games, South Africa (2012)
A technical game development studio based in Johannesburg run by industry veterans

A.N Games, Egypt (2013)
A cross platform studio with projects ranging from 2D games to mixed reality

2013

Maliyo Games, Nigeria (2012)
Well known in the mobile game space with a library of over 50 games.

Nuked Cockroach, Tunisia (2014)
Focused on delivering fun action packed games for both PC and mobile.

Lomay Games, Madagascar (2015)
Put Madagascar on the mobile gaming map with their racing game, Gazkar.

Nyamakop, South Africa (2015)
Their game Semblance was the first African made game on the Nintendo Switch

Weza Interactive, Kenya (2017)
Focused on bringing authentic African experiences to all players

Carry1st, South Africa (2018)
Africa's leading publisher of mobile games hailing from Cape Town, South Africa.

Kayfo Game, Senegal (2019)
A diverse team from Senegal with a focus on mobile games.

JoinPlay Games, Cameroon (2020)
Bringing afro-fantasy to life through underrepresented African culture.

Usiku Games, Kenya (2019)
games studio from Nairobi hat is dedicated to socially esponsible games.

ene Games, Ethiopia 2019)
studio creating culturally mmersive experiences to hare with the world.

imension 11, Nigeria 2021)
Nigerian independent studio ocused on 3D games by fricans.

2023

Source: The African Games Industry Report

Key Players by Region

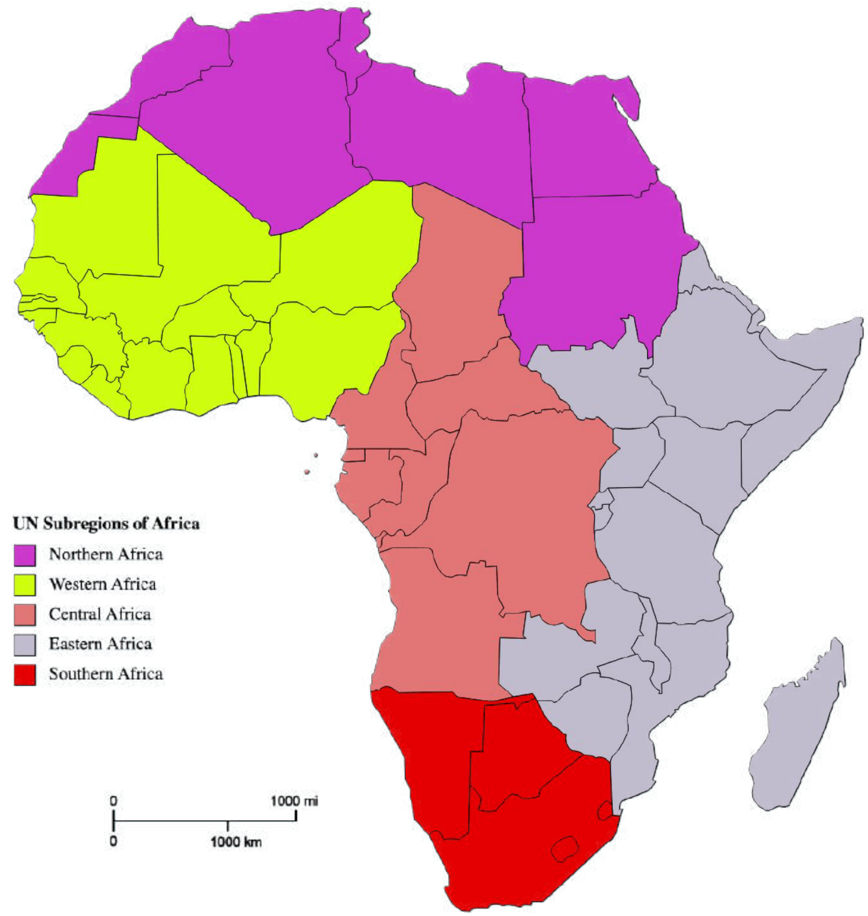
In **North Africa**, not only have locally owned studios shaped the game development scene but the region was once home to an office of a massive game development giant with Ubisoft Casablanca in **Morocco**. There is a wealth of experience in this region that hosts developers who have worked on all platforms and various projects from hyper casual mobile hits to blockbuster games. Some studios of note include DigitalMania and Nuked Cockroach from Tunisia, Jana Games from **Algeria**, as well as Instinct Games, AN Games Studio and Gimzat Inc. from **Egypt**.

West Africa has a history of successful pioneers in the mobile game development space with some of the most successful mobile game developers on the continent such as Leti Arts from Ghana and Maliyo Games from **Nigeria** that were founded in 2009 and 2012, respectively. Other major studios from the region that are still active include Kayfo Games from Senegal. As one of the fastest-growing regions both demographically and economically, this region is also the home to many indie game developers and emerging games companies.

An often overlooked region, **Central Africa** has some shining examples of video game talent and great original intellectual property being developed. Kiro'o Games from Cameroon are well known for this with their 2016 release, Aurion: Legacy of the Kori-Odan. The much-acclaimed PC game has spawned the AurionVerse (an offshoot franchise) which includes a mobile game called Kajuta Gem Fighters.

East Africa has long been known to house key movers in technology and business on the continent. Early works include the 2007 game "Adventures of Nyangi" by Wesley Kirinya, and "Nairobi X" created by Black Division Games in 2015. Wesley Kirinya, from Kenya, would later collaborate with Eyram Tawiah, from Ghana, to found Leti Arts. **Kenya** is also home to the Nairobi Game Development Center, a co-working space that supports the needs of developers in the area.

The **Southern African** game development scene is dominated by eclectic game development studios that have succeeded on many platforms. The history here begins with games as far back as Toxic Bunny released in 1995 by Celestial Games. The recent landscape includes indie studios like Free Lives, Carry1st, and versatile studios like Sea Monster. **South Africa** also houses educational institutions with dedicated games and digital media programs.



More information in Appendix .

Investments & Acquisitions

- **Carry1st**
  The South African startup closed $27 million in pre- Series B round this year, to develop, publish new games and expand its product "Pay1st". This investment was led by Bitkraft Ventures with participation from other VC first such as: a16z, Konvoy, TTV Capital, Alumni Ventures, Lateral Capital and Kepple Ventures. It may interest you to know that Carry1st was also involved in another acquisition in the course of the year as it acquired "Gabeta" a product of Qene Games (a notable African Games Studio). The activities of Carry1st is a testament to the Vertical acquisition possible within the games ecosystem in Africa.

- **24-Bits**
  The indie studio acclaimed for the joint development of Memoir Blue, Neon White etc. has been acquired by its long lasting Co Production Partner Annapurna Interactives Studio. The acquisition, formalized after a longstanding partnership, solidifies Annapurna's commitment to fostering game development and innovation and the resolve of 24 Bit Games to maintain top notch engineering and development. This recent acquisition was recorded at an undisclosed fee and it also a pointer to the fact that collaborative work with African studios is as lucrative as it can get, and players within the ecosystem can leverage the available market to what ?

- **GameHub Senegal**
  The government doesn't intend to be a hub for video games production and this what has been implemented ? in partnership with the French Embassy in Senegal alongside other studios. More interestingly, 300 thousand euros has been invested for the creation of this hub and The Senegalese government intends for senegal to become was a result of partnership between the French Embassy in Senegal and the games studio Masseka. This investment sum will be tailored towards making the hub both an incubator and a development studio.

- **Konvoy Capital**
  The VC Firm has been actively involved in funding within the African games ecosystem. In 2021, the firm led a $6 million series A round in Carry1st, with participation from other VC firms. The firm is known for its investment in the video gaming industry's infrastructure, technology, tools and platforms. It extended its investment into Carry1st in 2023 for its pre-series B round.

- **Sony Ventures**
  The Tokyo conglomerate is investing $10 million to support early-stage startups in gaming, music, film and content distribution in Africa. In addition to its effort, the company has entered into a collaboration with the International Finance Corporation (IFC) to provide financial support and leverage to foster growth within the African entertainment industry

- **GBarena and Galactech**
  In January 2023, the Egypt-based esports platform GBarena acquired Tunisia's Galactech for $15 million, in the form of a share swap. The deal helps GBarena expand into promising North Africa market.

- **Game Art Academy**
  Maliyo Games received funding support from the French Embassy in Nigeria to deliver training to artists looking to explore opportunities in the games industry. The Art Academy is a talent development pipeline aimed at training the next crop of games art designers alongside an avenue for placement and growth.

Talent Development & Acceleration

- **Google GameUp Africa (2021 - Present)**
  This is an annual online training program for entry-level game developers. The program is designed to take participants from zero skills, to building games such as endless runners, match 3 and platformers, through a progressive game development learning curve. Participants learn to develop, refine and package games for Android and the Google Play Store. Since its inception, Google has been a flagship partner with Maliyo Games.

- **Xbox GameCamp (2023 - Present)**
  Xbox Game Studios Game Camp was founded in 2020 on the belief that extraordinary talent resides everywhere. The goal of the program is to enable people from traditionally marginalized communities and non-traditional backgrounds to realize their potential in the games industry and grow thriving games communities and industries in places all over the world.

- **CrazyHub Cape Town (2021)**
  CrazyHubs are hyper & hybrid-casual game accelerators where developers around the world get the opportunity to learn everything they need to know to build a hit game.

- **Black Game Developer Fund (2021 - Present)**
  The Black Game Developer Fund is an annual fund designed to help empower Black game developers to take that next step and move their compelling game vision forward. Initiated by Humble Games, the BGDF (Black Game Developer Fund) is targeted specifically at independent black game developers to enable them to take their project to the next level, or even just get it off the ground.

- **Spiel Fabrique Co-Production Marketplace (2021 - 2022)**
  SpielFabrique is a Franco-German accelerator focusing on young game studios. In order to facilitate networking between African and European studios, and collaborative project development, SpielFabrique will offer mentorship in game design and business with a focus on monetization, marketing, financing and publishing. This is to ensure African studios are co-production ready.

- **Digital Labs Africa (2017 - Present)**
  Created in 2016, Digital Lab Africa is an initiative of the French Institute and the French Embassy in South Africa. DLA is the first platform dedicated to creative content (immersive realities, video game, animation, music, digital art) linked with innovation in Africa.

Ecosystem Development

- **Africa Games Week (2019 - Present)**
  This is a premium business event in Africa for the video game industry. Developers, content creators, and industry leaders come from across Africa and the globe to connect, engage and grow the African game Industry.

- **Africomicade (2020 - Present)**
  Africacomicade is a platform that brings together enthusiasts and digital creatives across the games, animation, comic, and movie industry in Africa via insightful events such as conventions, game jams and much more.

- **Tshimologong (2021 - Present)**
  Tshimologong is wholly owned by Wits University, and catalyses the transformation of Braamfontein into a premier technology destination to raise the profile of African digital innovation by inspiring new talent and addressing rising youth. In 2017, it launched its flagship incubation and acceleration programme with the support of JP Morgan Chase bank and have since incubated 105 startups and 172 entrepreneurs.

- **Others (2023)**
  The Nigerian government recently launched a national technical training initiative and for the first time, game development is part of the government's national talent strategy. Ashesi University in Accra, Ghana, introduced a game design course, working with a local studio, Leti Arts, to train software engineers in game design. In Senegal, Kayfo & Masseka Games recently opened Game Hub Senegal to train and help young creative teams produce games with the support of the French Embassy in Dakar.

Key Takeaways

- There is flourishing regional activity lead by independent game studios and game-makers, each with its own flair and idiosyncrasies.

- There is a thriving games ecosystem already in place with a number of talent development initiatives and industry gatherings supported by major local and global names.

- There is a major opportunity for African gamers, evidenced by the sheer number of the player population. This coupled with ongoing industry initiatives can transition this group in to more active contributors to the game industry (e.g., from players to developers).

- Monetization remains a crucial lever for growth. The data suggests that players are spending on games, however, these figures are lower than in more mature games markets.

THE AFRICAN GAME DEVELOPER SURVEY

© FEJA, Paradise Game

Methodology

In a world where the games industry is evolving at lightning speed, Africa's game development ecosystem has emerged as a vibrant and promising sector with immense potential. Understanding the general makeup, challenges, and opportunities of this growing industry is crucial to unlock its complexities. To ensure the report presents an accurate picture of the African games industry, we designed a comprehensive survey to gather information that will shape decision-making and strategies within the African games ecosystem. The study also delves deeper into the challenges faced by game developers and studios, including access to funding, infrastructure limitations, distribution hurdles, and cultural nuances.

The survey was meticulously crafted as a web-based questionnaire, with the primary objective of conducting an exhaustive analysis of the African games market. Its purpose is to contribute to the evolution of this vibrant industry. To facilitate data collection, we employed an online questionnaire format. This accessible format allowed participants, including developers, studios, and games enthusiasts from across Africa, to seamlessly engage with the survey. The survey was extensively distributed via various social media platforms to reach a diverse audience.

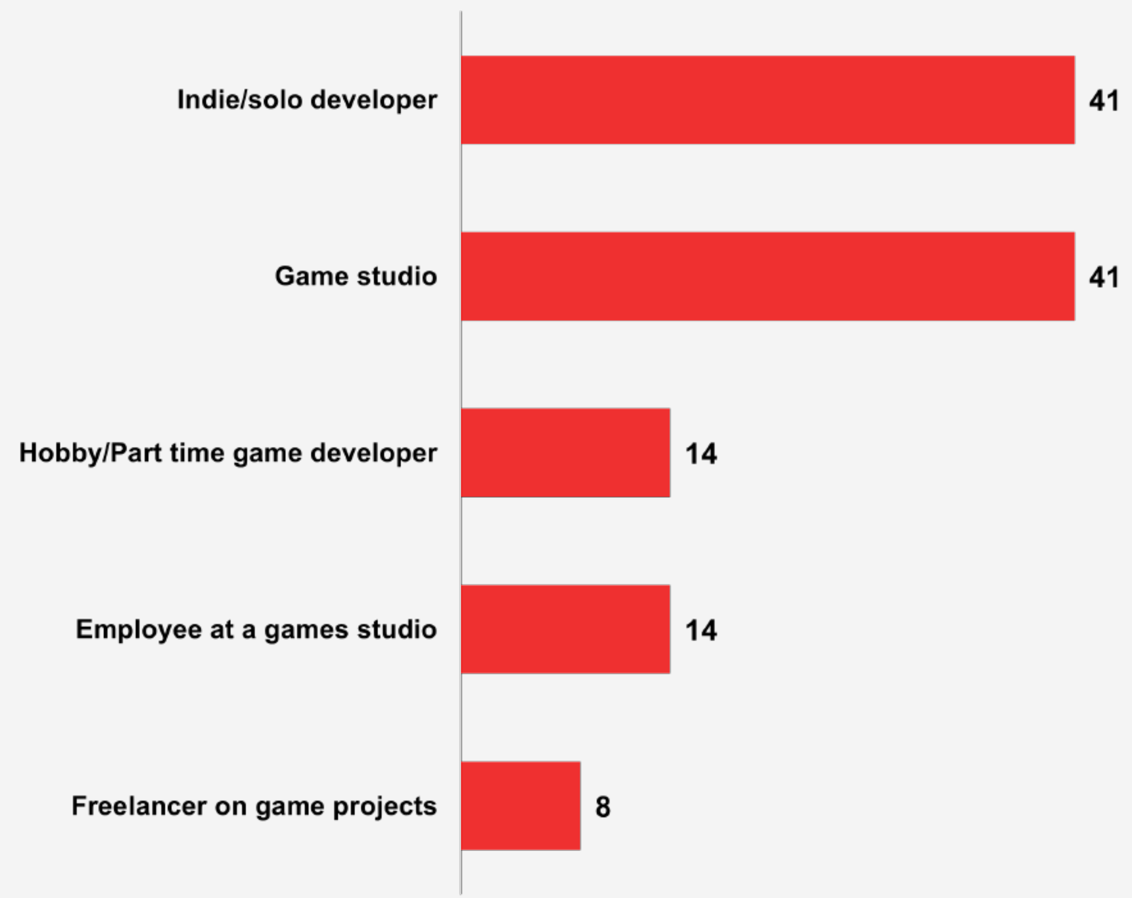
The Africa Games Developer Survey was conducted online from April to May 2023. Full analysis was completed in Q3 2023. Findings from the survey can be found in this report.

Profile

41 (34.7%) of the respondents are **game studios and 41 solo developers,** having the highest percentage of all respondents.

This reflects the growth and demand for skilled professionals in various roles, such as programmers, artists, designers, and sound engineers, to bring games to life.

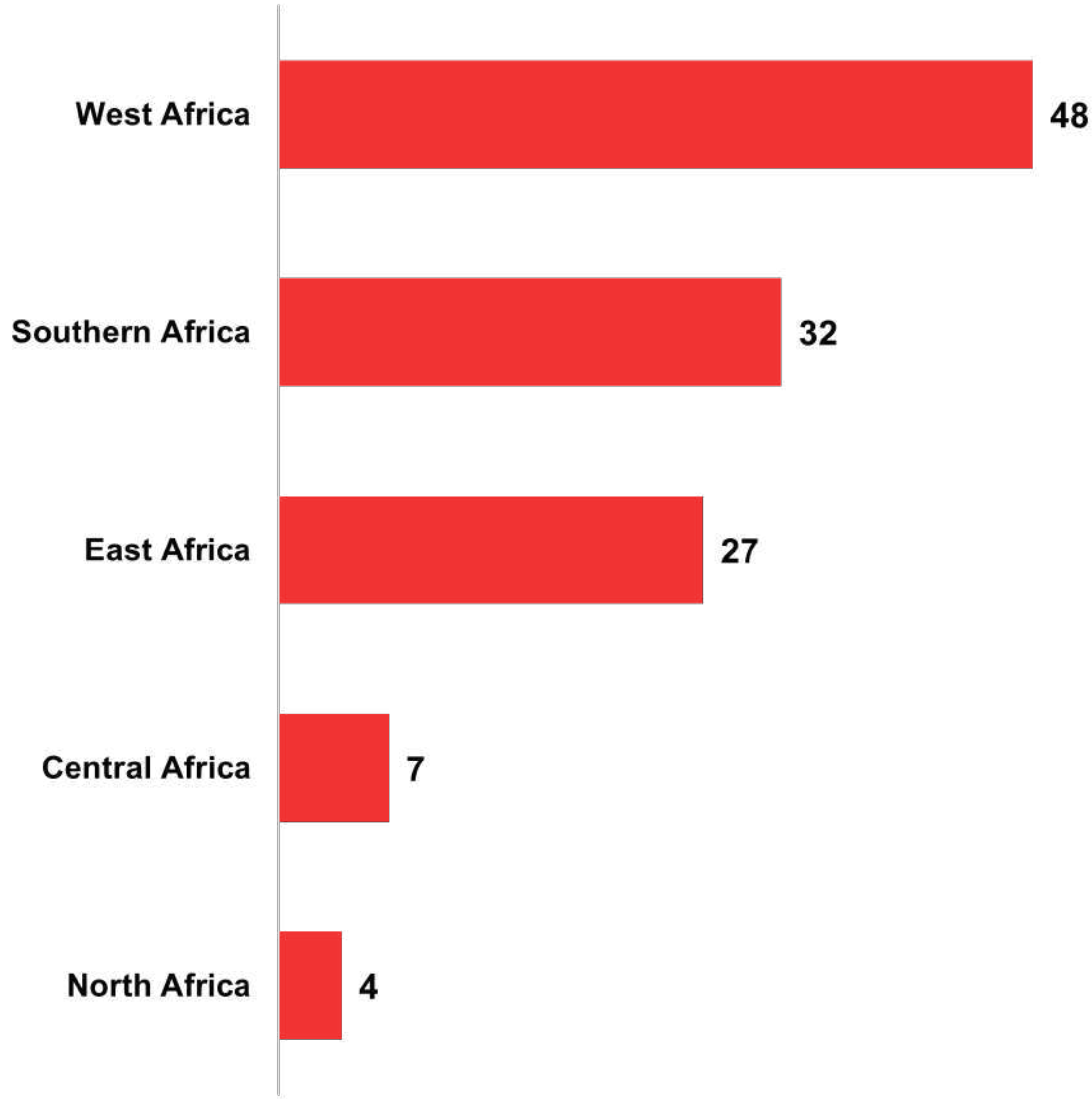
Overall, the survey results paint a vibrant picture of the industry, showcasing a diverse community of developers, artists, freelancers, and enthusiasts who are collectively shaping the world of African game development.



Participants by Regions

In the vast and culturally rich continent of Africa, game development and games enthusiasts are thriving in various regions.

Respondents (individual developers and video games studios) came from all regions of Africa. West Africa had the most contributors with **48 (41%)** of respondents. The came South Africa at **32 (27%)**, then East Africa with **27 (23%)**, Central Africa recorded **7 (6%)** and, finally, North Africa with **4 (3%)**.

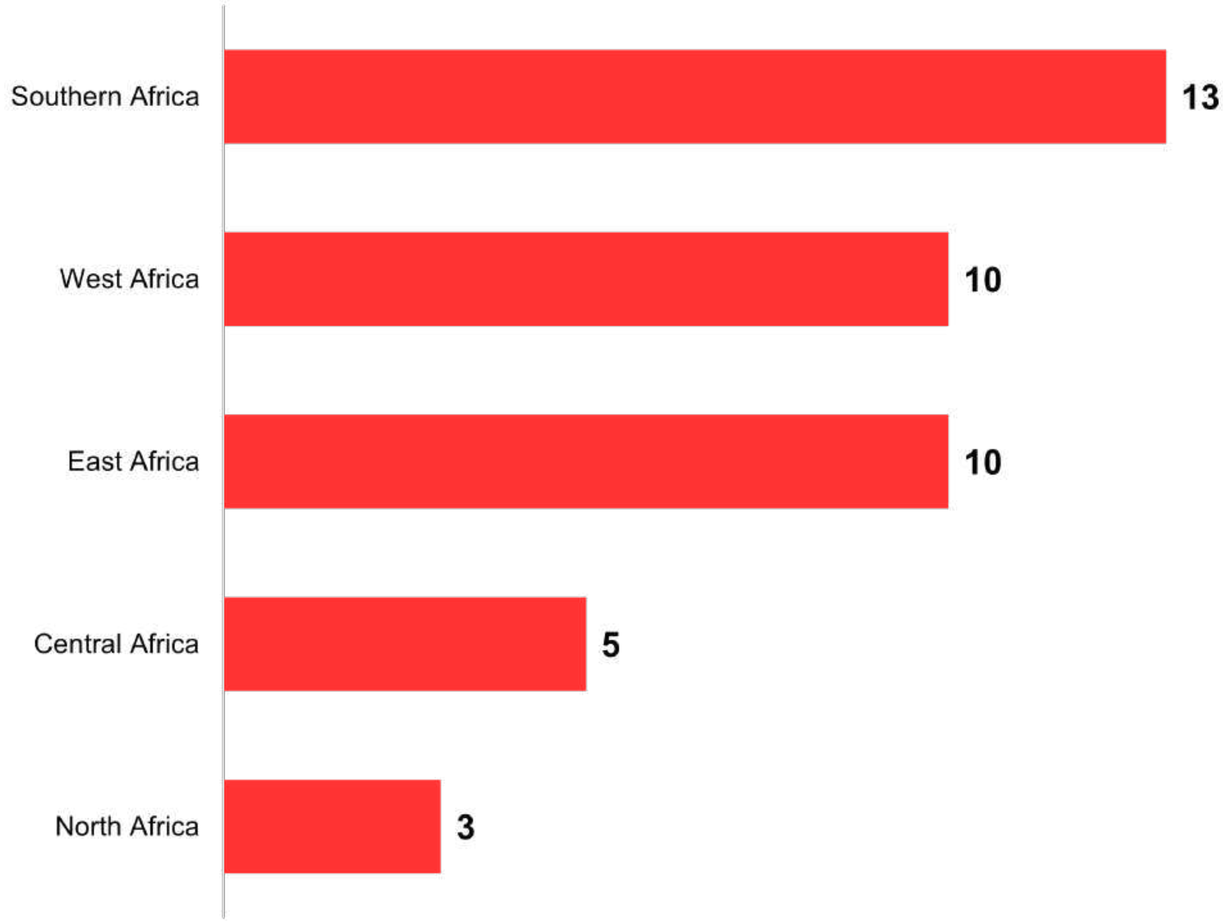


Studios by Regions

Southern Africa **13 (32%)** is the most dominant region in terms of the number of game studios, followed by West Africa 10 (24%) and East Africa **10 (24%),** which share an equal percentage. Central Africa **5 (12%)** and North Africa **3 (7%)** have a relatively smaller representation in the surveyed population.

The distribution of game studios across regions can be influenced by various factors, including the availability of resources, talent pool, access to technology and infrastructure, government policies, and the growth of the games industry in each region.

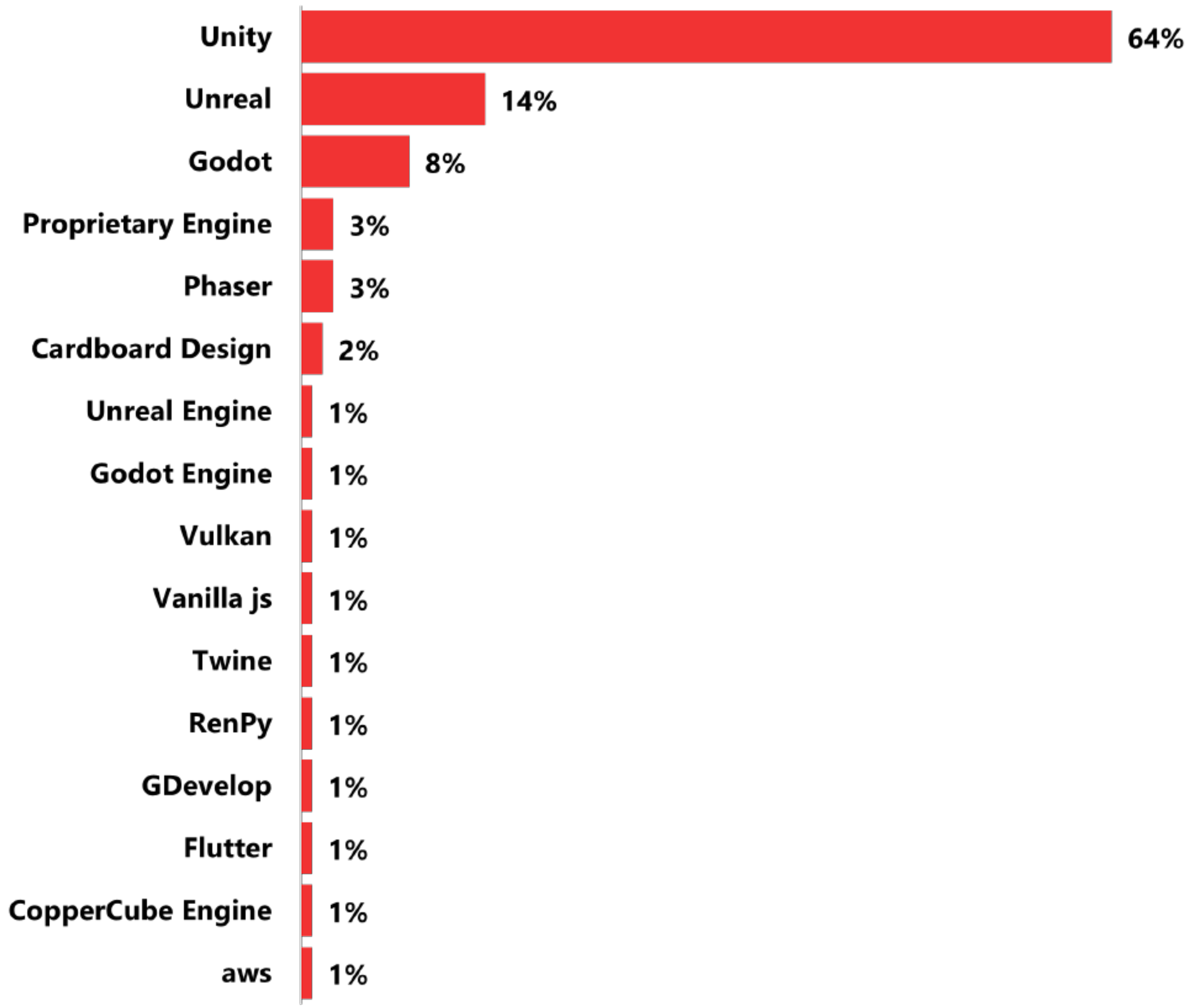
The African studios are mainly small to medium-sized enterprises, with a notable 24 (59%) of respondent companies counting more than five employees.



Development Engines

The survey shows the dominance of Unity as the primary engine of choice **(64%)** for a significant majority of game developers. Its versatility, ease of use, and broad support have solidified its position as a preferred engine across the game development community.

On the other hand, Unreal **(14%)** and Godot **(8%)** also stand out as prominent choices among the surveyed developers, the diversity of engine choices highlights the dynamic and innovative nature of the game development industry, where developers have a wide range of tools to choose from each tailored to different styles of games and individual development preferences.

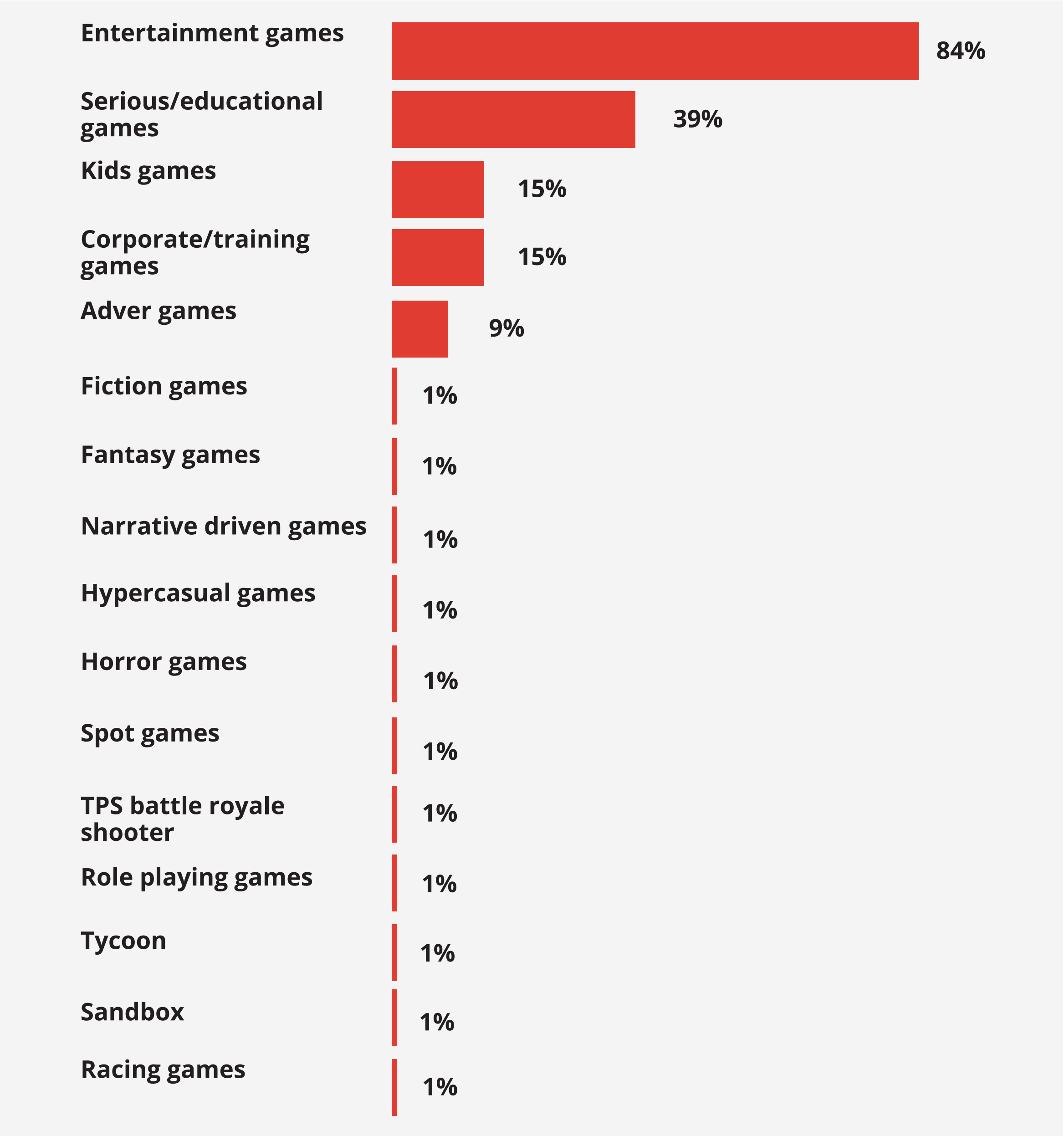


Games Categories

A significant majority of game developers create multiple categories of games. However, **99 (84%)** create entertainment games. These are games designed primarily for enjoyment, fun, and leisure purposes. They encompass a wide range of genres, including action, adventure, puzzle, simulation, and more.

46 (39%) of the respondent also create serious/educational games, **18 (15%)** create kids games, **18 (15%)** create corporate/training games, and **11 (9%)** create adversarial games.

This diversity reflects the varied interests, target audiences, and objectives of game developers, contributing to the richness and innovation in the games industry.



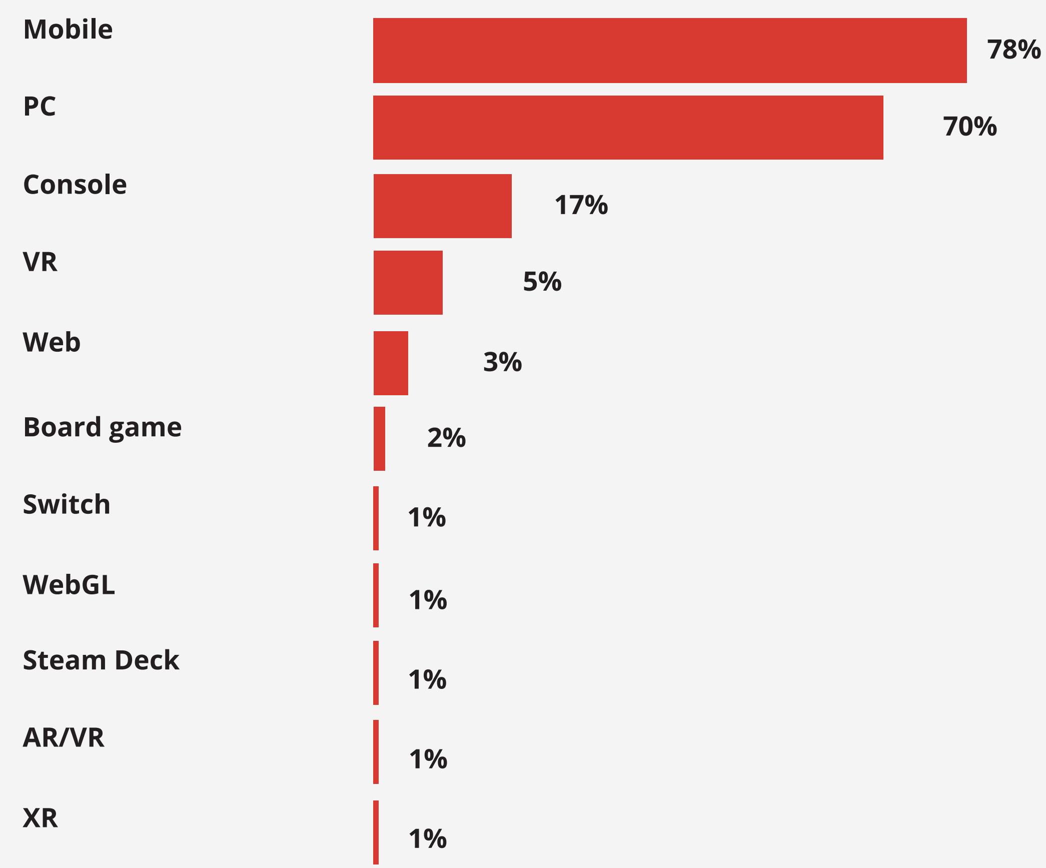
Games Platforms

The Mobile and PC games platform have a high significance in the game industry as majority **92 (78%)** of the game developers build games for **Mobile** while **83 (70%)** build games for **PC**.

Mobile and PC game popularity can be attributed to the widespread use of smartphones and the accessibility of mobile games to a broad audience, and robust games ecosystem for a wide range of game genres and experiences.

Developers also have a substantial focus on building games for game consoles, with **20 (17%)** targeting this platform, while **6 (5%)** build virtual reality **(VR)** games.

The overall data reflects the versatility of the game industry, where developers target multiple platforms to reach diverse audiences and offer a wide variety of experiences across different devices.

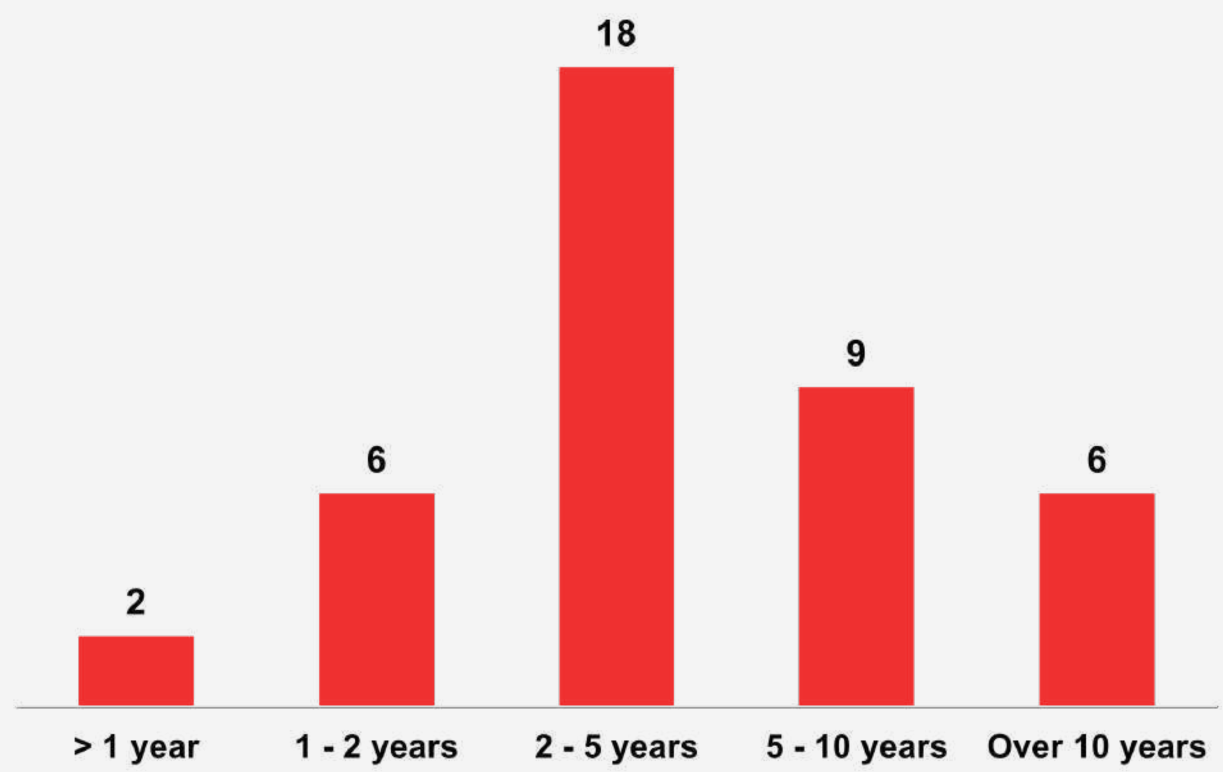


Experience

There is a diverse range of operating durations among the surveyed individuals, indicating that there is a mix of new and well-established businesses within the game development industry. Some businesses have been operating for a relatively short time, while others have a more extended history. 26 (63%) of respondents indicated having five years of experience or less.

Duration of operations can provide insights into the maturity and stability of game development studios. Established studios with a longer operating duration may have accumulated valuable experience, while newer studios may be focused on growth, innovation, and establishing themselves in the competitive global games market.

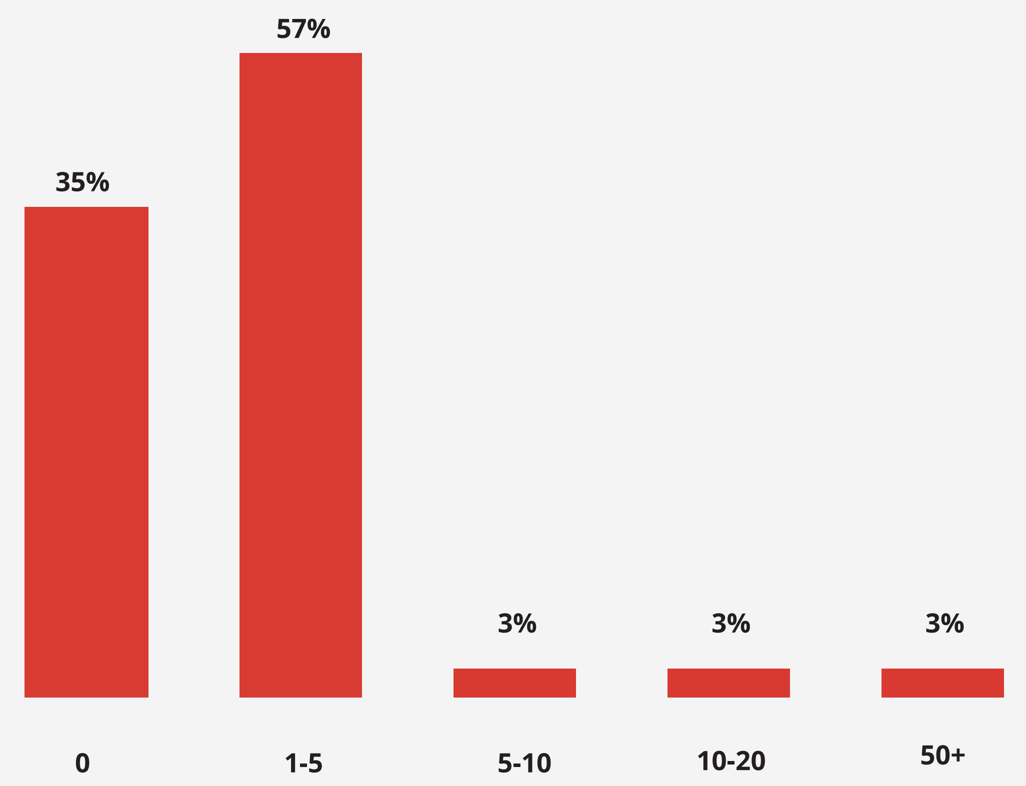
From our analysis, we must note that, as it relates to the African Games Industry, there is no ideal age for a game studio. This is because some studios are successful almost immediately, while others take years to find their footing. It can be assumed that relatively older game studios understand the market better than newer ones. However, this is just one of many factors to consider while rating the success of a game studio on the African continent.



Published Games

The majority of respondents, **44 (57%)**, indicates that a considerable portion of the surveyed individuals have published at least 1-5 games while a lesser percentage have published more. **27 (35%)** of the respondents have not yet released a game for public consumption.

Respondents are at different stages of their game-development journey, and their publishing experience may vary based on factors such as project scope, resources, and personal or professional goals.

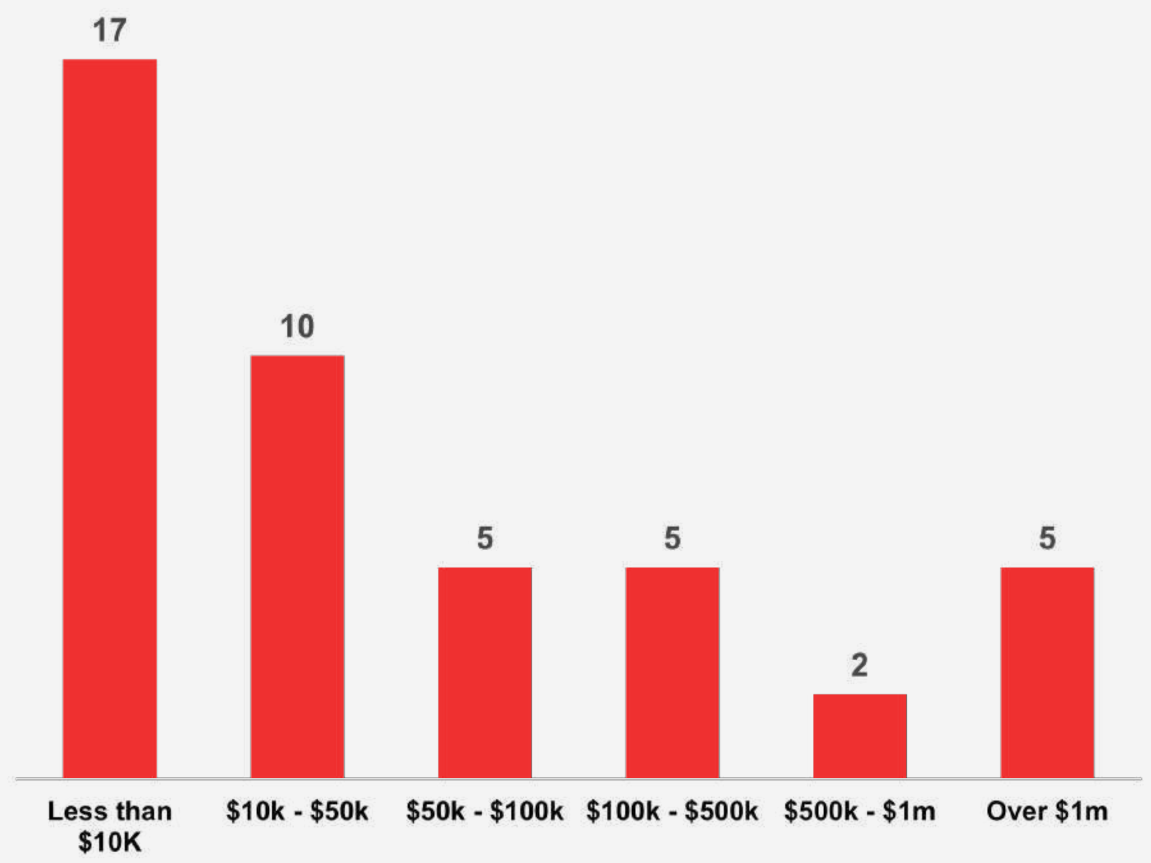


Investment

As the games industry often requires significant investment to produce projects, it is important that games companies have access to investors.

The survey revealed that only **70 (59%) of respondents have ever secured external investment in any of their past projects.** This finding suggests that there is a lack of informed investors with a focus on the African Games market – or that there are few investable companies – or both.

Of those companies that have been successful in raising external investment, 57% raised less than US$100,000.

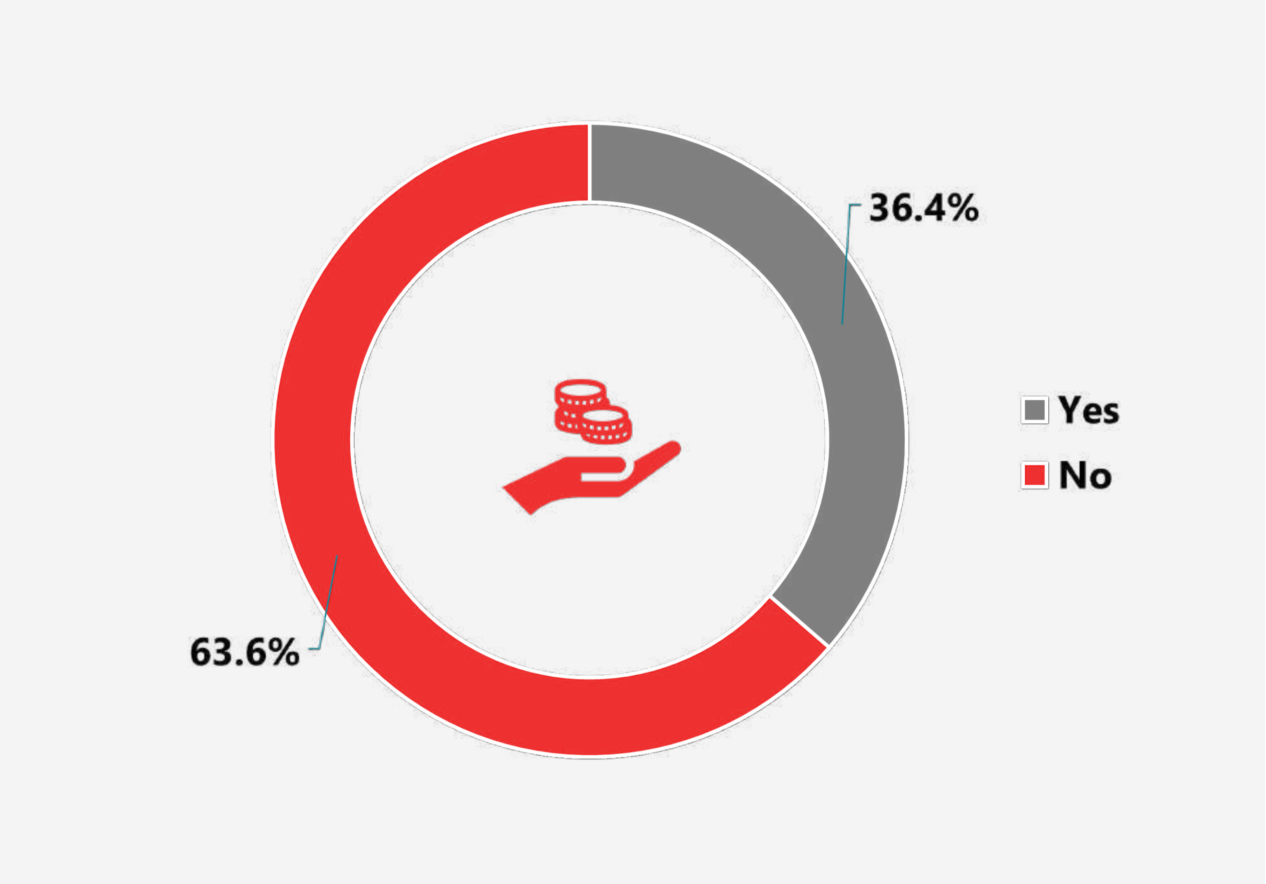


Income

Only **28 (36%)** of respondents indicated earning income from their game development activities. This figure suggests that the industry still consists of mainly hobbyists who are dependent on other sources of income.

Participants that generate revenue through their game development activities also have game development as their main source of income while other respondents who do not currently earn income from making games may derive income from other professional endeavors.

The majority of the respondents, 40 (52%), indicated that the entirety of their income originated from inside their country of residence. This means that they have not yet generated any export income. In rare cases, respondents have indicated that a considerable share of their income is coming from international sources.

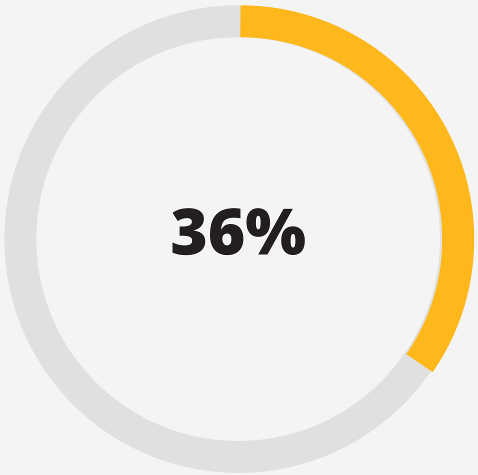


Access To Support

At times, games companies also access forms of government programmes or other types support to overcome particular challenges.

In the African context, it is very rare for companies to receive funding from government sources, with only 3% of respondents indicating that they had ever done so. At the same time, only **43 (36%)** of respondents had applied or participated in any accelerator or other support programme.

Taken together, these finding suggest that there are few support options for African games companies – and even fewer that are specifically designed for the games sector. It may also be true that what programmes that do exist are not being effectively communicated to the African games companies that could make use of thm.



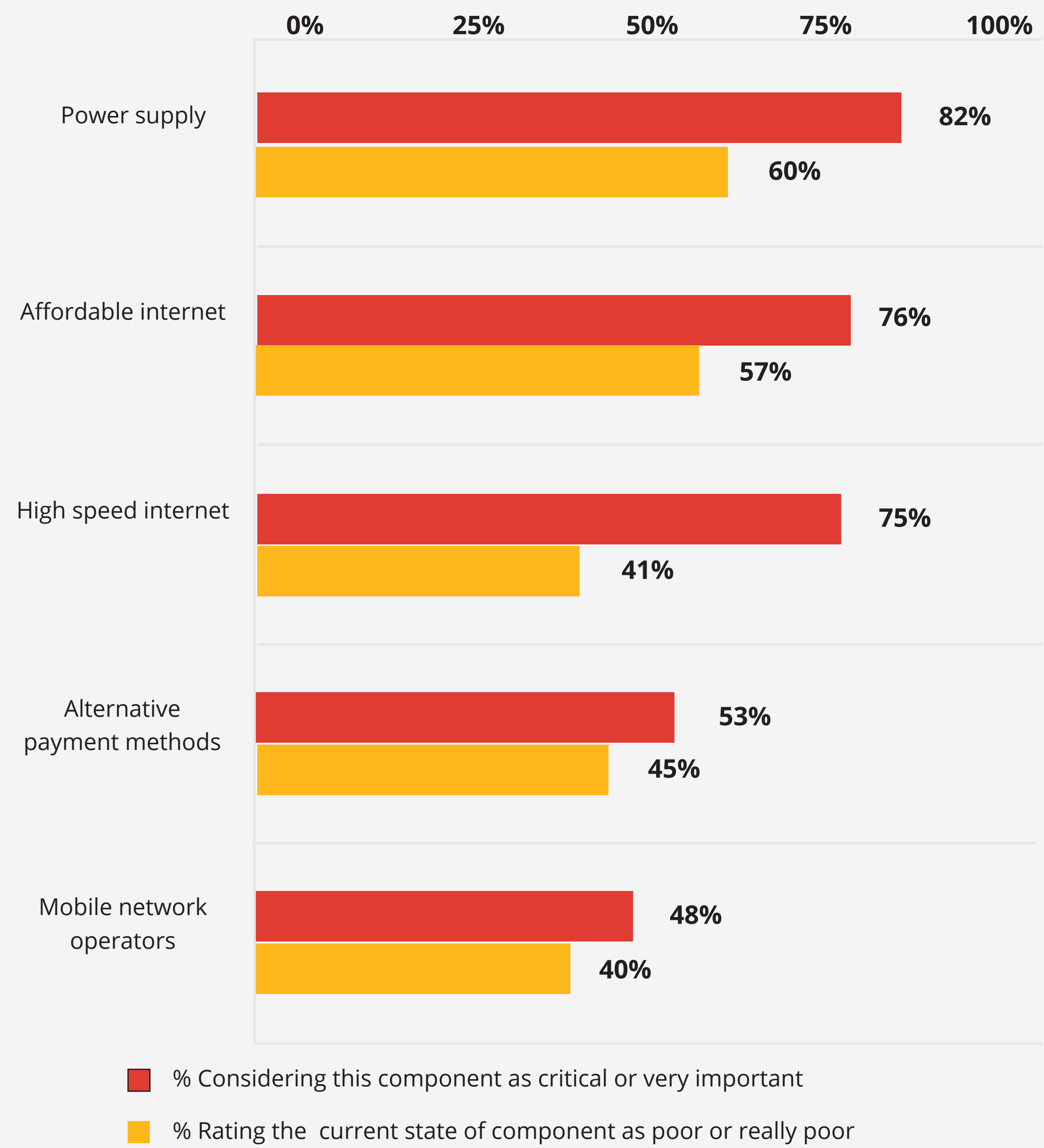
HAD EVER APPLIED TO A SUPPORT PROGRAMME

Infrastructure

Survey responses confirm that reliable infrastructure is a critical first step towards the development of a video games industry.

More than **three quarters** of respondents identified stable power supply and affordable, high-speed internet as critical or very important to their video games activity.

However, respondents also shared concerns about the current state of infrastructure in their region. **71 (60%)** estimate that power supply is poor or really poor and **67 (57%)** indicated that access to the internet is not affordable from where they connect and work. These figures suggest important avenues for improvement when it comes to connectivity and electric grid at national and regional levels.



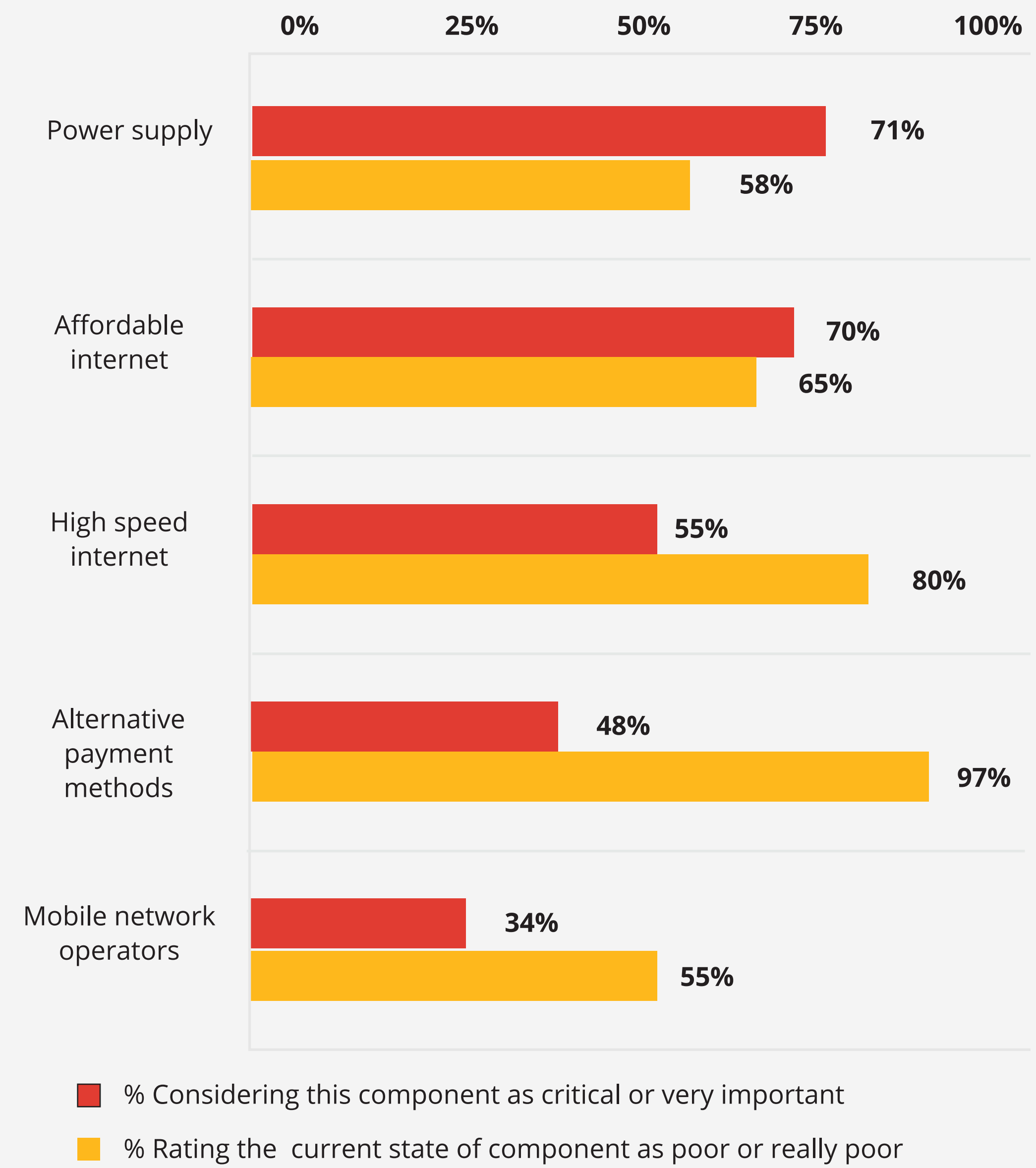
Industry connection and collaboration

The survey also shines a light on other barriers to growth, notably collaboration within the industry and the support ecosystem.

Training opportunities are key to developing specific skills required by games development as confirmed by **88 (71%)** of respondents. However, **38 (58%)** estimate that there is a crucial lack of opportunities to hone their skills.

Community events open the door to collaboration, innovation and creativity, yet **77 (65%)** of respondents find the current offer poor or really poor.

There are also gaps in the support ecosystem. **94 (80%)** identified important shortfall when it comes to industry associations, which play a key role in advocacy and creating a strong collaborative fabric, and **almost all respondents** flagged the lack of support from their government.



Key Takeaways

- **Stable power supply** is crucial for maintaining productivity, reducing downtime, and ensuring continuous development and delivery of games to the market. The presence of a substantial percentage of respondents who perceive power supply as critical or very important suggests that addressing power supply challenges is a priority for fostering a thriving games industry in the country.
- **High-speed internet** enables game developers to access and share resources, conduct research, participate in online communities, and stay up-to-date with the latest industry trends. It also affects the ability to efficiently download and test games, collaborate with team members, and engage with players in real-time.
- **Affordable internet** enables game developers to reduce operational costs, reach a broader audience, and stay competitive in the global market. It also affects the ability of players to access and enjoy games, participate in online communities, and engage with games content.
- **Mobile operators** play a crucial role in providing the infrastructure for mobile games, including data connectivity, internet services, and access to app stores. They enable players to download and play games, engage in multiplayer games, and access game content on the go. Respondents who consider mobile network operators as important or very important suggests that these operators are important partners in the games industry's growth and expansion.
- **Alternative payment methods,** such as mobile money, digital wallets, and localized payment gateways, are essential for expanding the reach of games to a broader audience. They cater to players who may not have access to traditional banking methods or credit cards, making it easier for them to purchase in-game items and access premium content. Respondents suggested that these methods are considered valuable tools for improving the monetization and accessibility of games.

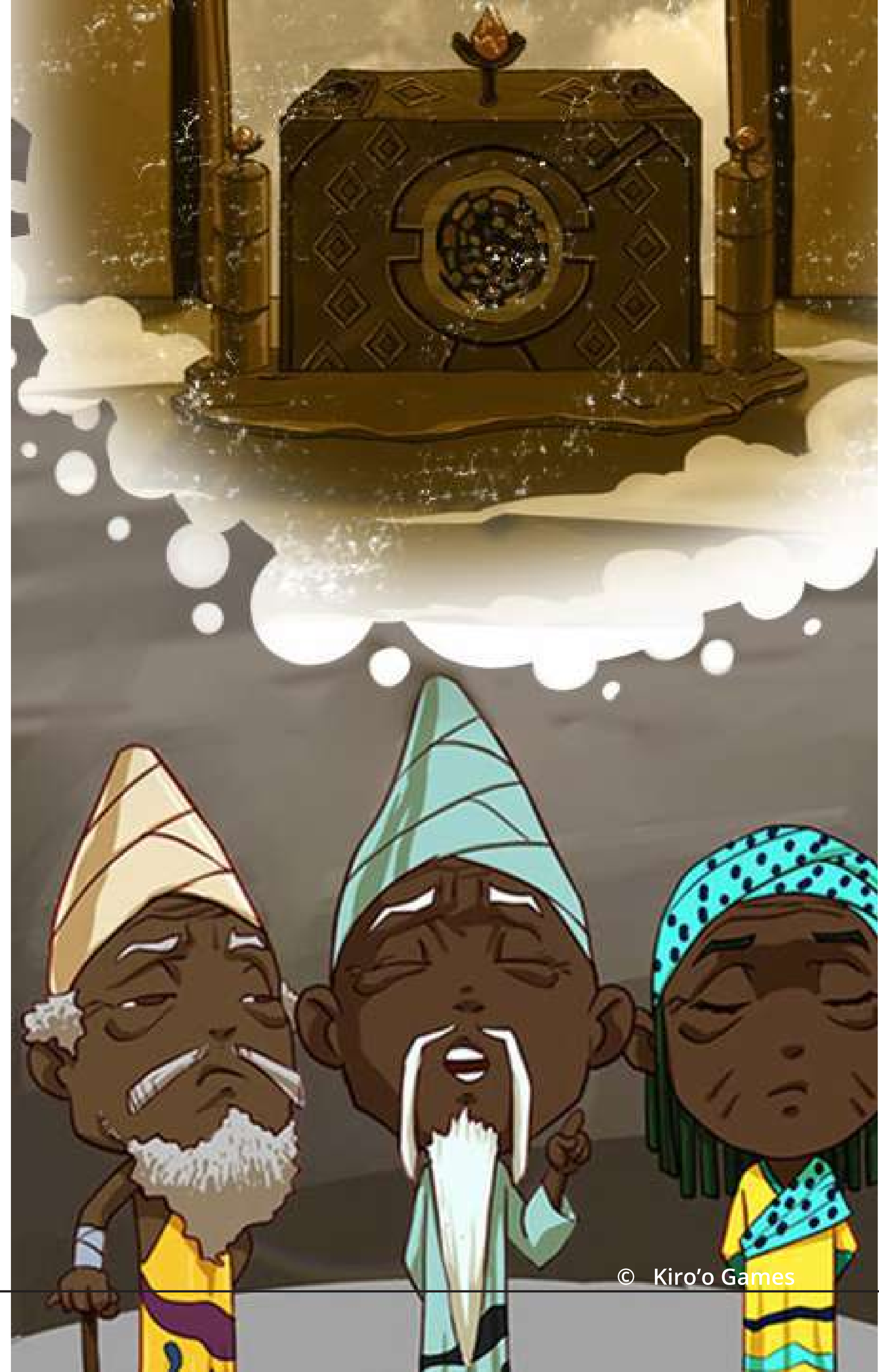
FINAL WORD

Why support the African Games Industry?

This report highlights the potential impact of interventions at various levels to support the continued growth of the African games industry. These can be led by each of the stakeholder groups: investors, game-makers/studios, policymakers and the general public (including game consumers). As observed in both advanced and emerging markets outside the continent, collaboration and cooperation between each of these groups is a crucial lever for continued innovation and progress for the industry.

For example, game-makers and studios can make market information readily available to inform both investors and policymakers in decision-making. The outcome of these decisions directly impacts the general public and games consumers, adding value to the industry's products as well as creating viable and sustainable career pathways for talent. The overall outcome of this could be flourishing games industry which can have a net-positive impact on any economy; creating high-value jobs and a ready export market through the digital realm.

Interventions, when well-constructed and efficiently designed, generate meaningful economic, social, and cultural impacts. A sustainable and vibrant video games industry can create direct and indirect impact on education and employment, boost the local economy, support investment attraction, help share local stories to the world, and unlock creativity and innovation.



Impacts Of A Successful Video Games Ecosystem

In fact, once the five factors are in place, all stakeholders can benefit from a successful ecosystem:

General Public

- Viable and exciting careers
- Attractive job opportunities
- Africa-made cultural products

Investors

- More investment-ready African projects
- Streamlined matchmaking with investment targets
- Reinforced knowledge on the economics of video
- Games resulting in more informed investments

Video Games Studios

- Easier access to junior and senior talent
- Vibrant creative community
- Numerous collaboration opportunities
- Facilitated access to investors and markets

Policy Makers

- Increased employment of high-skilled workers
- Significant economic impact (revenue, taxes)
- Cultural exports and influence
- Increased foreign direct investment

Factors Of A Successful Video Games Ecosystem

Five ingredients (one prerequisite, infrastructure, and four growth catalysts) mutually reinforce each other to create a successful and sustainable video games ecosystem for all parties

- Reliable Infrastructure
- Pathways to Success
- Talent Pipeline
- Informed Investors
- Connected Collaborative Industry

Reinforces	Pathways to Success	Talent Pipeline	Informed Investors	Connected Industry
Pathways to Success		Inspiring stories attracting new talent	Evidence of maturity, and robust track record	Positive momentum, creates mentors
Talent Pipeline	More chances for success stories emerge		Teams that will be successfully deliver projects	Rich, diverse and comprehensive sector
Informed Investors	Increases chances of success	Provides capital to hire top talent		Facilitates partnerships, sponsored events
Connected Industry	Facilitates the dissemination of success stories	Stimulates collaboration, informed training institutions	Facilitates matchmaking and centralizes education	

Seizing Opportunities

The five success factors can help unlock Africa's bright future in video games development. While there are many opportunities waiting to be seized and partnerships to be created to strengthen the creativity and entrepreneurship of a young and promising market, a few are presented below.

Pathways to Success	1 Learning from other emerging jurisdictions while avoiding some of their challenges 2 Vibrant, innovative and successful other creative industries 3 Increasing number of game studios and developers
Talent Pipeline	1 Growing interest in – and passion about – the African games industry 2 Presence of core competencies in game development, including game design, development, and art 3 A relatively young demographic with a strong interest in games (as user or talent) 4 Educational institutions looking more seriously into game development courses and specialized programs
Informed Investors	1 Promising regional video games revenue forecasts 2 Large mobile market (and alternative payment methods), facilitating the access to games and creating 3 opportunities for high-potential investment targets Encouraging signs of interest from investors
Connected Industry	1 Public and public/private initiatives to support African game developers 2 More instances of studios merging and partnering, of regional industry celebrations (awards and festivals), and collaborative advocacy

REPORT CREDITS

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Who Sponsored This Report?

The Africa Games Industry report is brought to you by Maliyo Games, a pan-African games development studio headquartered in Lagos, Nigeria.

Since its founding in 2012, Maliyo Games has been dedicated to crafting games that capture the unique diversity, vibrancy, and rich storytelling traditions of the African continent.

With a diverse team of talented developers, artists, designers, storytellers and producers across Africa, the studio has grown into a leading force in the African game development landscape, creating games that are enjoyed by players of all backgrounds.

Maliyo has invested in building a framework for the development of a thriving games ecosystem in Africa through initiatives such as the GameUp Africa developer training, and the Game Art Academy programme.

With a deep-rooted commitment to innovation, creativity, and inclusivity, Maliyo Games is committed to delivering high-quality games that captivate players in Africa, and around the world.

Be Part of the Development of an Emerging Industry

To effectively harness the opportunities presented by the game development industry across Africa, participation will be required from many interested parties. With the combined efforts of policy makers, investors, industry and the general public, we can unlock the far-reaching benefits of this global industry.

While it might make sense for some to take leadership roles in given areas, there are potential actions that could be taken to involve each type of stakeholder for each success factor.

Our goal is to build a stronger, sustainable and vibrant games industry in Africa that creates jobs and drives economic growth for the continent

If you would like us to present the findings from our report to audiences at global events, to collaborate with us in a future report, engage with us to produce a similar report for your country or region, or you just want to tell us what you think about our report, please reach out to Samuel or Marie.

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