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Global PC Games Market Report 2024

2023 Was a Stellar Year for Steam Games, But Can the Momentum Last into 2024?

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The Steam Games Market Today


The PC market continued to set records in 2023 with highest ever revenues, units sold, peak players online and number of games released on Steam


Summarizing 2023 in PC Games market

Key trends in the PC market in 2023


\$9.0Bn
Revenue Generated¹


580M
Games Sold


14,000
Games Released


33.6M
Peak Players Online

1 Record-breaking sales, driven by a strong slate of game releases

2 A standout year for RPG games, led by Baldur's Gate 3

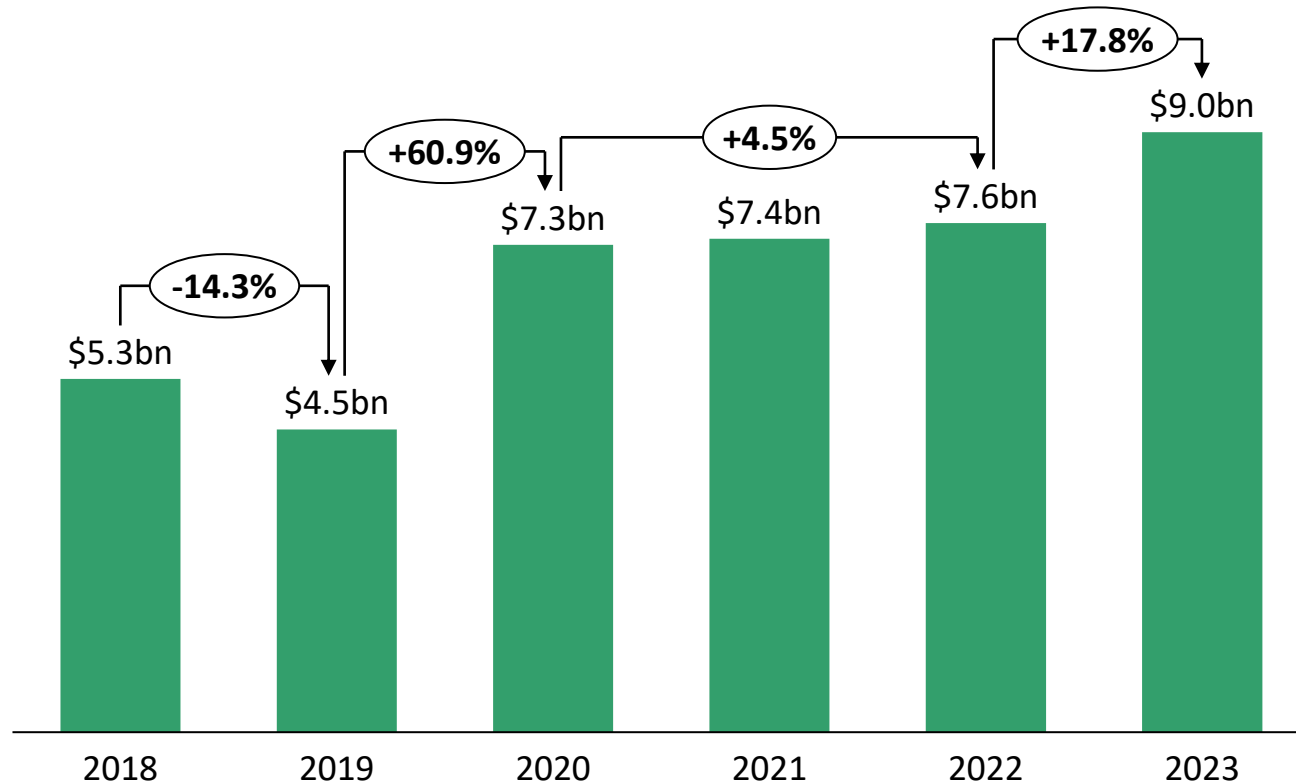
3 "Winner takes it all" market with top 10 games making up 61% of the revenue

4 Increased competition between top studios drives deeper discounts

5 Live-services games fell out of favour as premium story-focused games dominated

2023 was a stand-out year for Steam game performance as new game releases overperformed expectations, doubling in size since 2019

Steam Market Size, Full Game Sale Revenue (2018-23, \$bn)

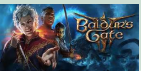











2023 saw strong revenue growth for Steam games

- **PC game revenues were fairly flat between 2020-22** as the industry was normalizing after the Covid-boom
- **2023 is the first significant year of growth** for PC, doing significantly better than the consoles
- **Growth was largely driven by a strong slate of new launches**, from Hogwards Legacy to Baldur's Gate
- **PC game sales were further boosted by lagging PS5 and XBX sales**, serving as an alternative to many gamers


The best performing games of 2023 tended to focus on quality, lack of microtransactions and creativity coming from small teams

Top 10 Released Games in 2023 by Units and Revenue

Top 2023 Releases by Units		
	#1	Baldur's Gate 3
	#2	Hogwarts Legacy
	#3	Lethal Company
	4	Overwatch® 2
	5	Sons Of The Forest
	6	Starfield
	7	BattleBit Remastered
	8	Resident Evil 4
	9	THE FINALS
	10	ARMORED CORE™ VI

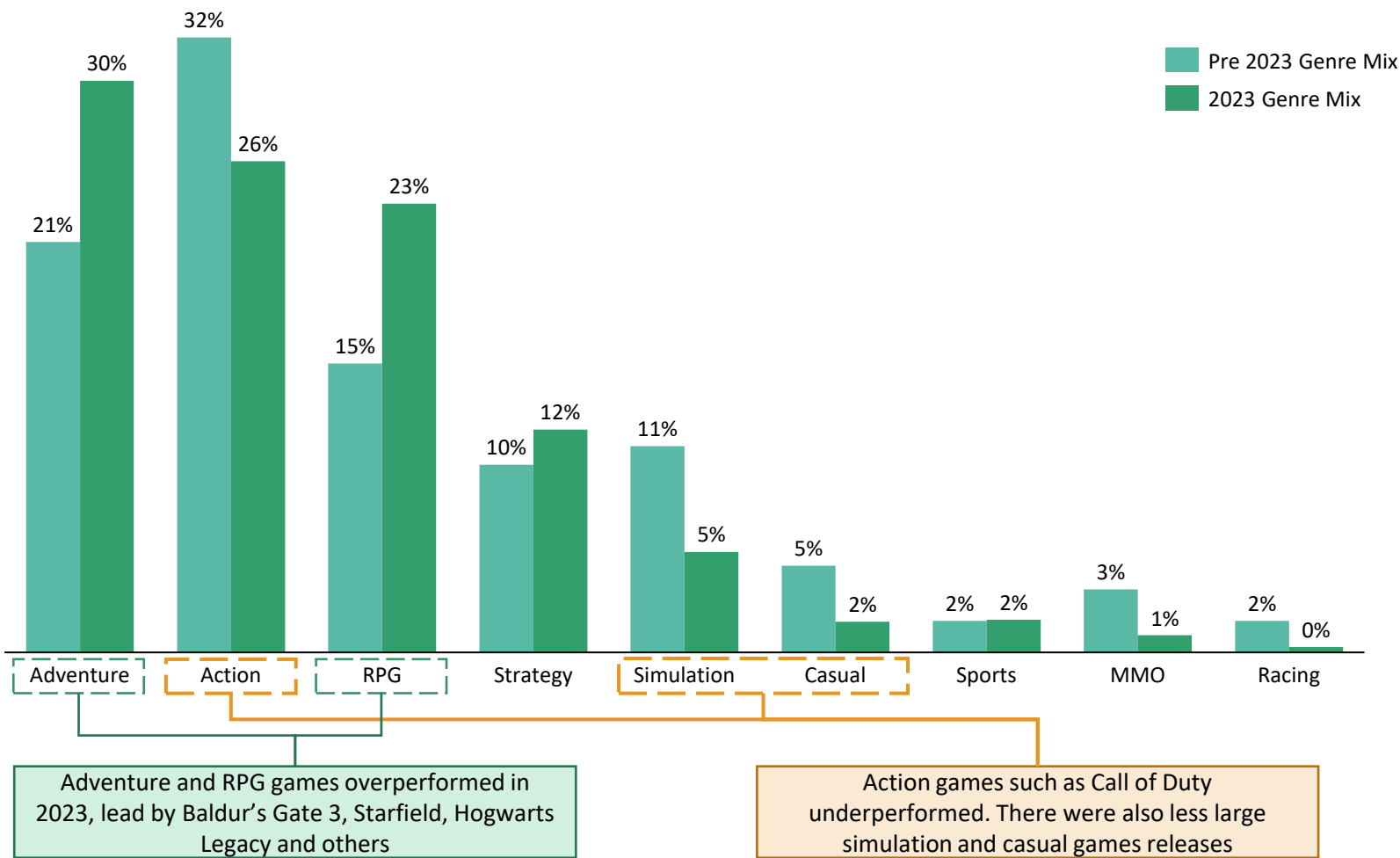
2023 Top Games Trends

Large Overlap	Large overlap between top lists – 7/10 games appear in both
Lack of Free-to-Play	Top games by units include only 2 Free-to-Play games, but 5 focus on multiplayer / co-op
Lack of Microtransactions	Great quality games with no microtransactions dominate the top releases by full game revenue
Big Games by Small Teams	4 of the games are developed by very small indie teams – from 1-16 people

Top 2023 Releases by Full Game Revenue		
	#1	Baldur's Gate 3
	#2	Hogwarts Legacy
	#3	Starfield
	4	Resident Evil 4
	5	Sons Of The Forest
	6	ARMORED CORE™ VI
	7	EA SPORTS FC™ 24
	8	STAR WARS Jedi: Survivor™
	9	Lethal Company
	10	Cities: Skylines II

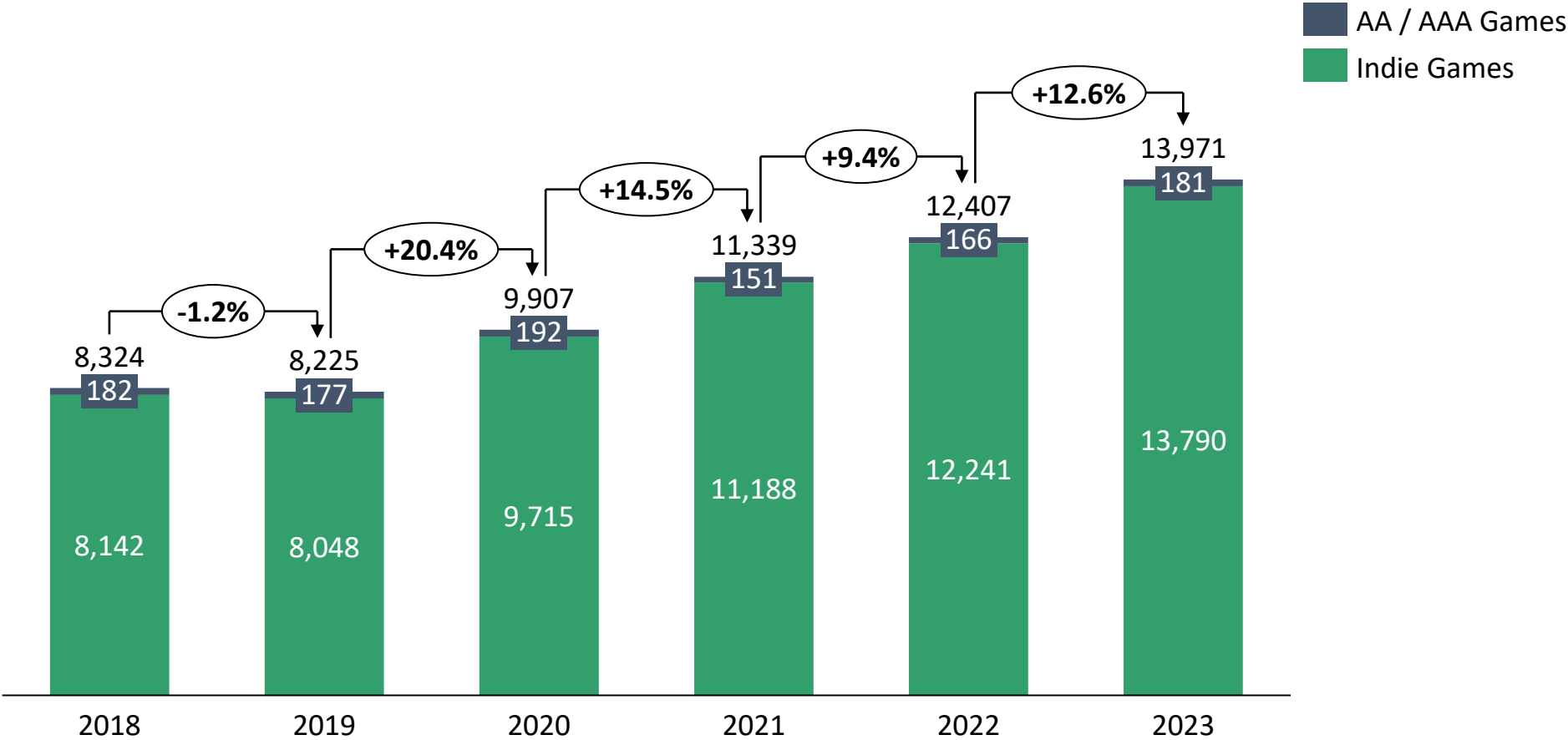
Action & Adventure games still dominate Steam, but RPGs had a great year in 2023; Simulation, Casual, and MMO genres lost significant market share.

Revenue Weighted Genre Mix of Games Released in 2023 VS Before (% of Total Full Game Revenue)



Number of games released on Steam has continued to grow fast since Covid, reaching almost 14,000 in 2023

Number of Games Released on Steam, by Year (2019-23, #)



Only a fraction of the 14k new games releases perform well. However, this still leads to hundreds of successful games every year

2023 PC Games Industry in Numbers

Almost 14,000 new games were released

Only 309 of the new releases were free to play games

Only 5% of the new releases made over \$100k¹

Out of all games, 930 made over \$1M in revenue¹

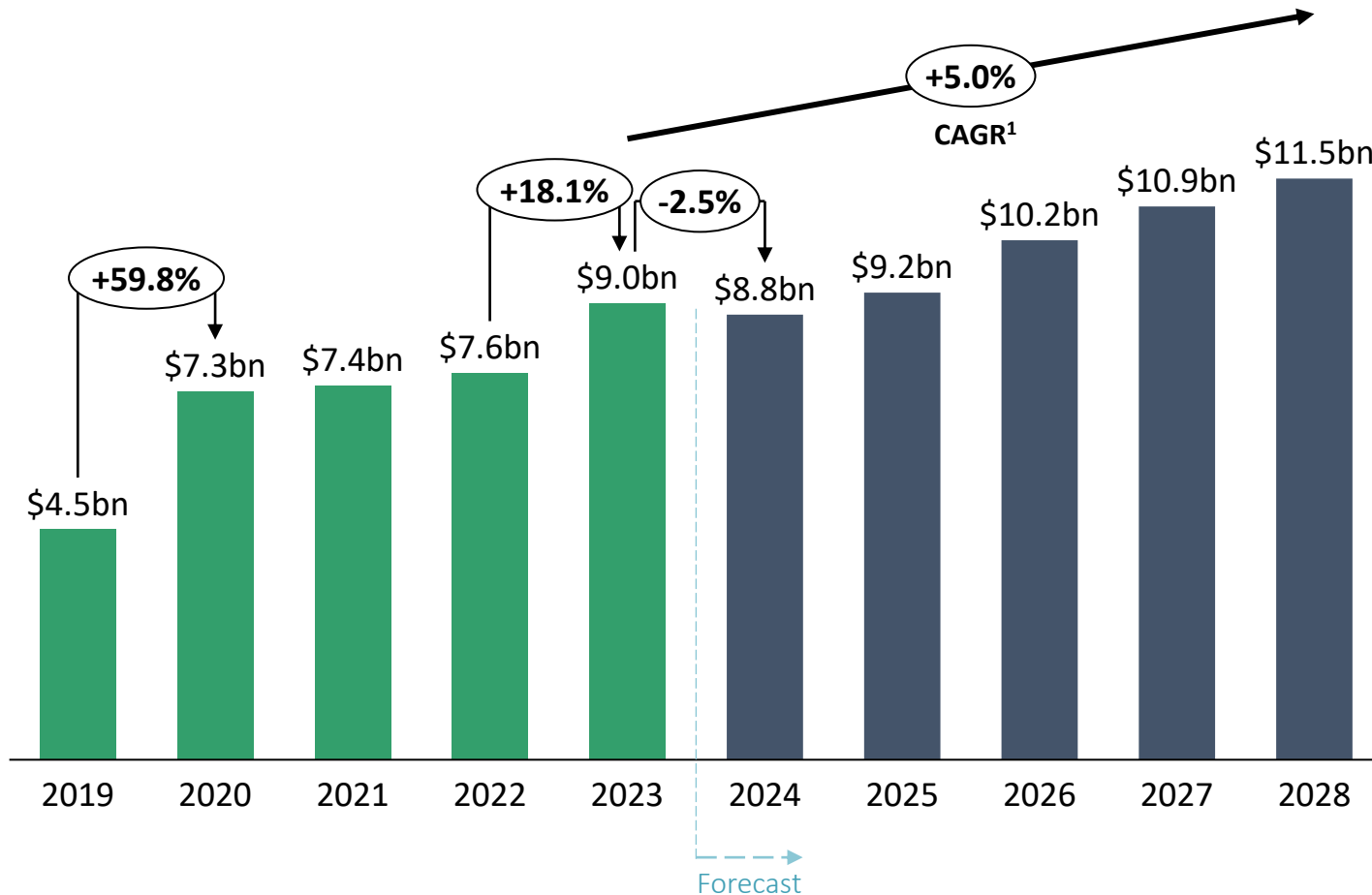
157 games made over \$10M and 20 made over \$50M

97 games had over 1M downloads

The Steam Games Market Forecast

2024 will be a challenging year before longer term positive trends take over and continue to boost PC games market performance

Steam Market Forecast, Full Game Sale Revenue (2023-28, \$bn)



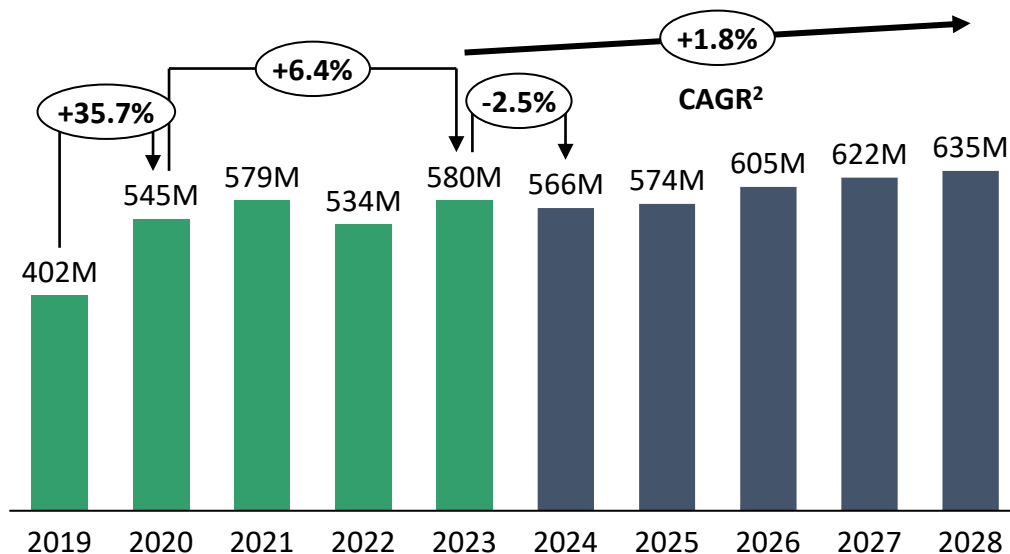
Tough 2024 before we return to growth

- **2024 PC game sales are expected to underperform VS 2023:**
 - Lack of strong game releases VS 2023
 - Loss of PC game market share to consoles as discounted consoles boost sales
 - Continued price pressure from players having increasingly large choice of free(ish) games through subscription services, free giveaways and steep discounts
- **PC games market is expected to pick up pace in 2025-2028 as longer term trends remain positive:**
 - Continued growth of Steam as a platform among global players, especially in developing countries
 - Strong slate of really big upcoming AAA games
 - More standout indie releases and growing interest towards high quality indie games
 - Continued trend to port historically console only games to PC (Eg Spider-Man, Horizon)

Slowdown of new user growth, but continued increase of average prices will drive the PC market forward at more moderate growth rates

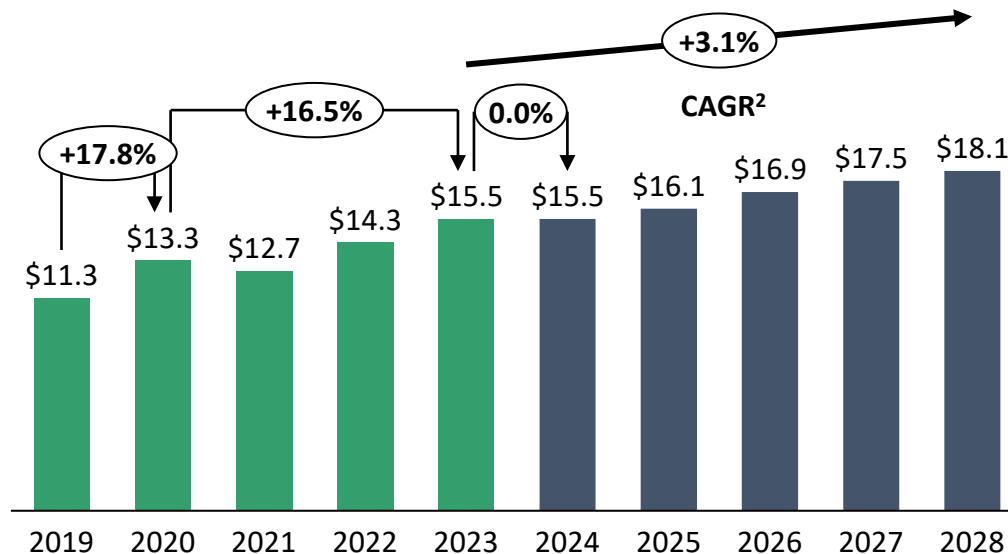
Drivers of Steam Market Performance – Units Sold and Price (2019-28, \$bn)

Total Games Sold on Steam (2019-28, Millions of units¹)



- Steam has seen a huge boost in active users since Covid, however, the growth has flattened in 2023
- Steam will continue to grow userbase over the next 5 years, albeit at lower than historical rates
- Lower user growth and a more casual mix of new users will limit the unit sales growth over the next years

Average Price of Games Sold (2019-28, USD)

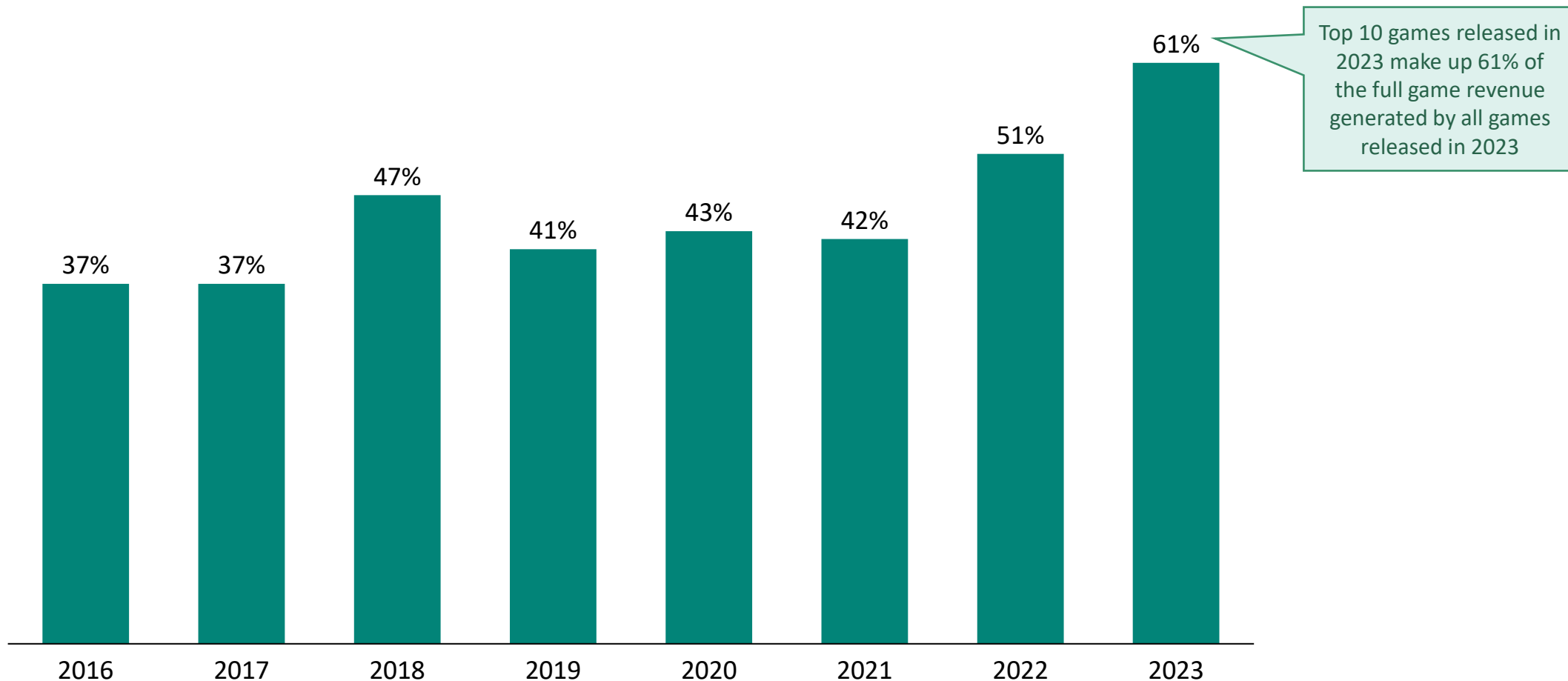


- Steam's average prices are still low compared to consoles – pushed down by high proportion of indie games and traditionally price sensitive user base
- As a result, there is still headroom for Steam games price growth despite the negative price pressures in the games industry
- Growth will come from concentration of purchases towards large AAA games being sold at \$70 as well as indie games starting to charge more

Market Concentration

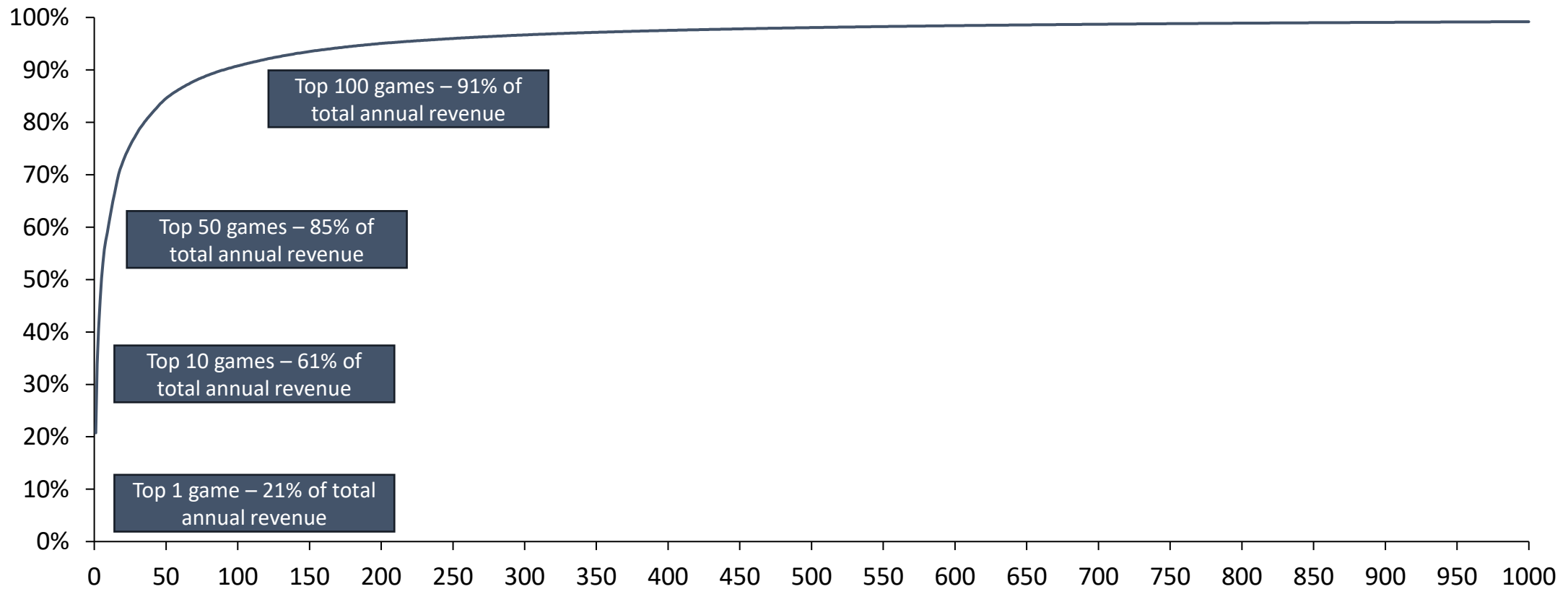
The PC games industry has become increasingly “winner takes it all” over the last 8 years

% of Revenue Captured by Top 10 Games Released that Year on Steam (2016-23)



In 2023, the top 100 released games accounted for 91% of the total revenue, while the remaining 13,871 games contributed just 9%

Revenue Distribution For Steam Games LAUNCHED in 2023 (Number of games and % of revenue they make up)



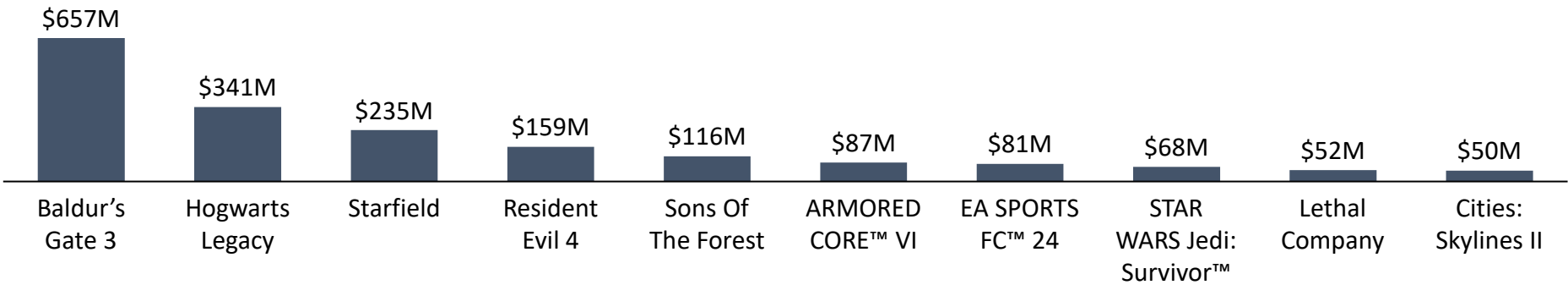
Games in 2023 and beyond

2023 was a year of massive open world RPGs – from D&D to wizards and space exploration

Top 3 Releases on Steam in 2023 by Gross Revenue

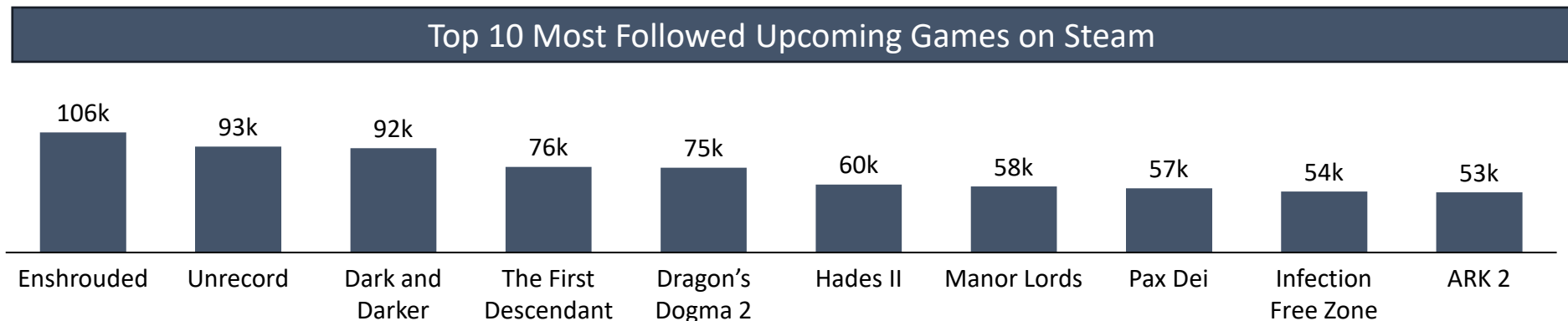


Top 10 Games Released on Steam in 2023, by Full Game Revenue



The most anticipated upcoming games come from a variety of genres and include both existing and new franchise titles

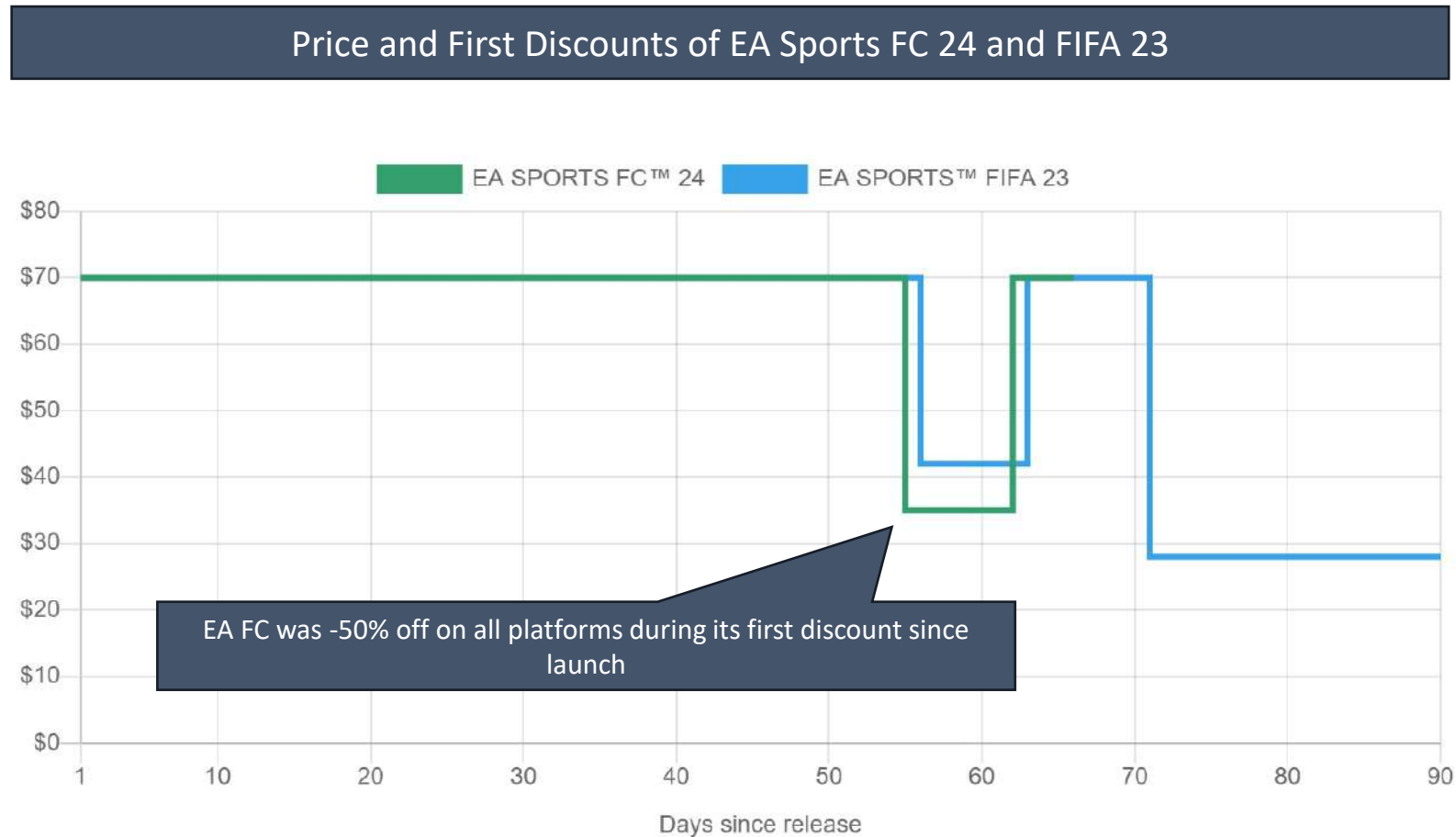
Top 10 Most Anticipated Upcoming Games



Evolving Strategies

Games like EA Sports FC have done deeper discounts than ever before during Black Friday

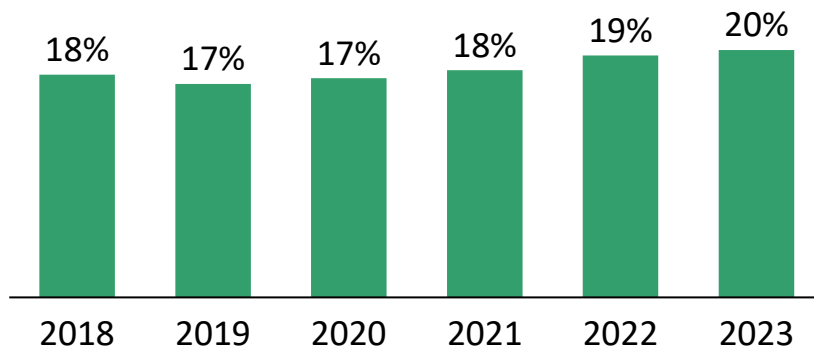
EA Sports FC 24 Discounting Strategy



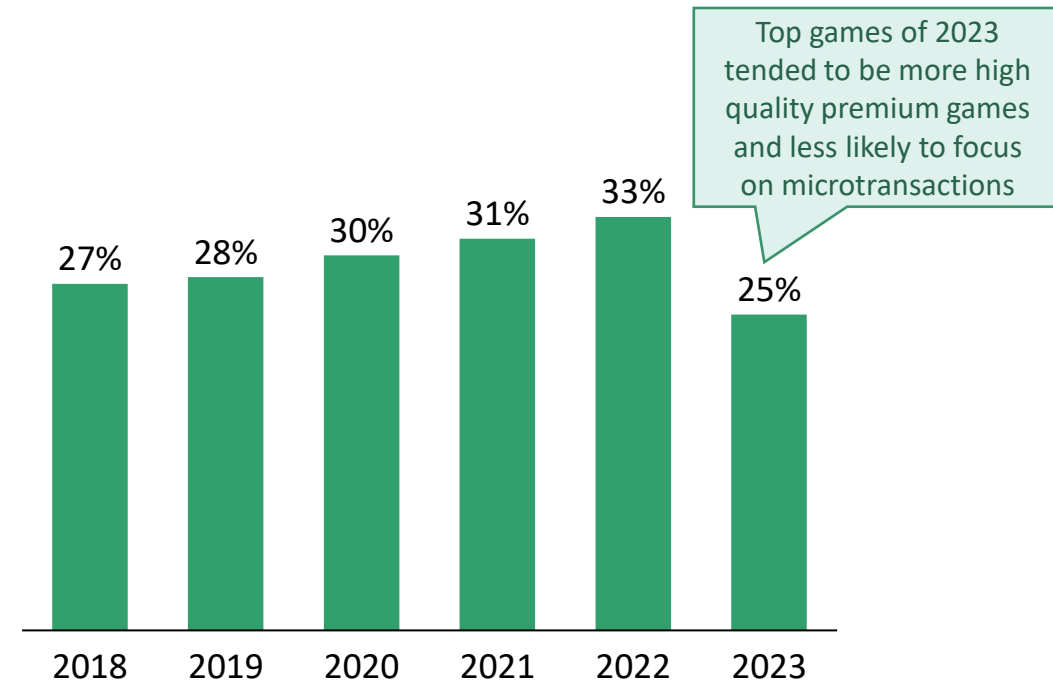
Microtransactions (MTX) share has continued to grow among larger games up to now. However, in 2023 only 6 of the 24 top games had MTX

Share of Games Using Microtransactions, by Year (2018-23)

Share of MTX For Games With Over 100k Units Sold



Share of MTX For Games With Over 1 Million Units Sold



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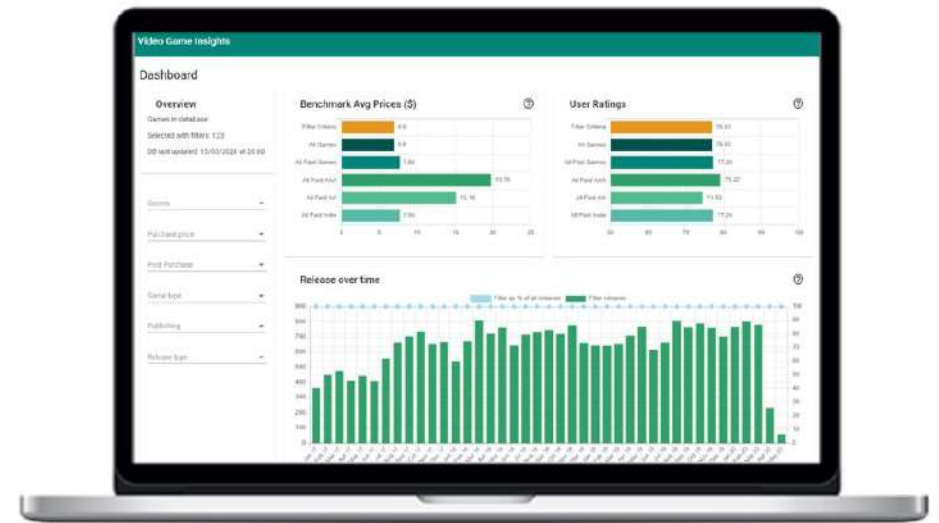
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Appendix

Definitions and methodology

Glossary

Terms	Definitions
AA/AAA games	Large budget games developed by massive teams and companies. AAA game budgets are typically over \$100M to develop
CAGR	Compound annual growth rate
CCU	Concurrent users – active players in-game
FtP	Free to play games
Full Game Revenue	Revenue from the direct sale of a game, excluding any DLC and MTX revenues
IAP	In-app purchases
Indie games	Games developed by independent studios. This covers a large range of studios from 1 person hobby projects to larger studios of a few hundred employees, but budgets still fall far short of the AAA game levels
MTX	Microtransactions
Unit Sales Estimate	Using different estimation methods, including an algorithm based on our internal database of actual sales and the Boxleiter method to get from Steam review numbers to estimated sales. Detailed overview of the method is highlighted in the section below
Revenue Estimate	Estimated units sold multiplied by the price at the time. This is gross revenue, including the Steam cut, but adjusted for local currencies, returned products and discounts

More information:

Definitions: <https://vginsights.com/about>

Methodology: <https://vginsights.com/insights/article/steam-sales-estimation-methodology-and-accuracy>

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