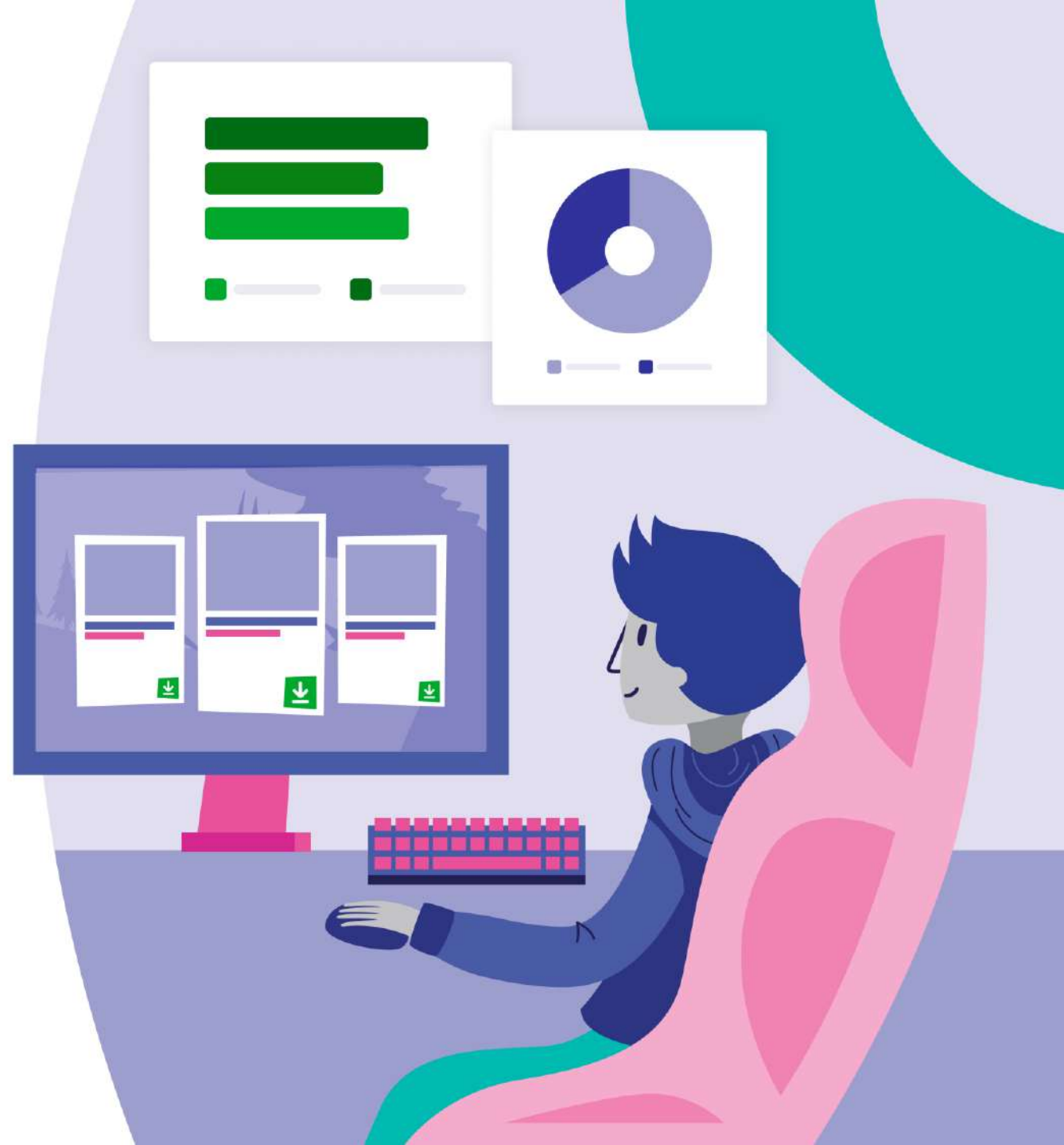




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# How DLC boosts engagement for PC and console games





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# Introductions & key takeaways

Game developers and publishers have long been using DLC, or downloadable content, to enhance the gameplay experience and provide additional content for their players. DLC helps attract (new) players and keeps them engaged with their favorite game franchises.

With the rise of live-service games, releasing a constant stream of new content has become increasingly important for developers and publishers alike. Successful DLC extends a game's longevity and allows game companies to generate additional revenue after the initial game release.

In this report, we analyze over 1,600 DLC releases on PC and console from April 2020 to April 2023 and zoom in on how DLC boosts engagement for games across various sizes (by player base) and genres. The report also features case studies on The Sims 4 and Dead Cells to show how free-to-play and premium games utilize DLC.

## Key takeaways:

1. In 2022, DLC sales accounted for **13%** of PC revenue and **7%** of console revenue in the US.
2. Overall, DLC boosted **monthly active users (MAU)** by **+11%** across PC and console.
3. **Medium-sized games** (250K-2M MAU in DLC-launch month) benefitted the most from expansion packs, with an average month-on-month **MAU growth of +22%**.
4. **Strategy** games experienced the highest MAU growth from DLC, followed by **Role Playing** and **Simulation** on PC and console.
5. By releasing a **free content update for The Sims 4 right before the paid “Growing Together” expansion pack**, EA achieved the most successful expansion pack launch week in the game's history.
6. On average, **30%** of Dead Cells' MAU in the DLC-release month were **new players**.

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# Methodology & terminology

## Methodology

### Contextual events

Newzoo's Game Performance Monitor contains insight into the various contextual events surrounding games, such as DLC and updates, and what the effect of these events is on engagement and viewership metrics.

All contextual events are added to our platform daily for 2,000+ games, with, on average, 5,000+ monthly events.

**For this analysis, we zoomed in on "DLC & Items," which includes the launch of DLC, expansions, or IAP items for a title on PlayStation, Xbox, and PC.**

This DLC and items analysis contains 239 unique titles and 1,668 unique content releases from April 2020 to April 2023.

### The analysis

We analyzed the month-on-month growth of monthly active users (MAU) from the month before the release to the release month.

**For the aggregate market analysis, if the DLC or items were released fewer than four days before the end of the month, we considered the content released in the next month.** The time for gamers to pick this up was too short, and the uptake in engagement usually came a couple of days after launch.

We excluded DLC launches that launched simultaneously with the main game and DLC that was launched in November 2020 alongside the latest consoles. DLC and item packages only containing any form of in-game currencies were removed. Titles that are or have been included on a subscription service like PS+ or Game Pass were omitted due to their different behavior and potential uptake.

To guarantee the quality of our analysis, games with DLC having 50,000 or fewer MAU were excluded as those contained many outliers.

**Based on the DLC launch month MAU, we divided the DLC launches into four buckets. Small means between 50K and 250K MAU, medium between 250K and 2M, large between 2M and 5M, and extra large over 5M.**

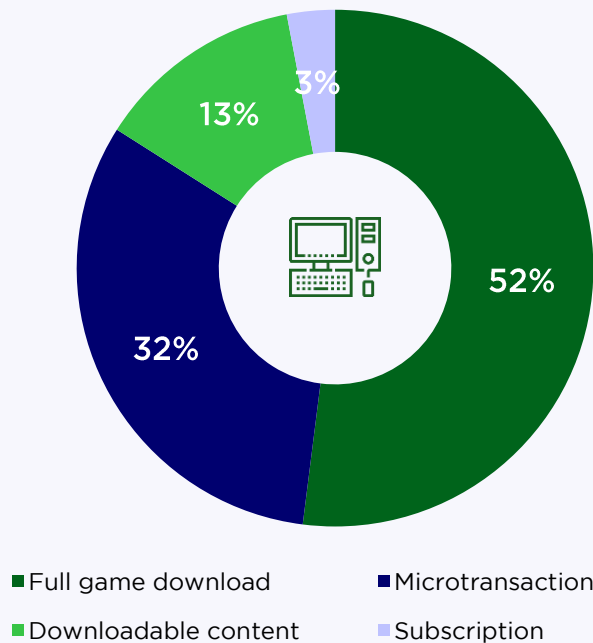
## Terminology

- **MAU (Monthly Active Users):** Players that opened the title at least once in the selected calendar month.
- **WAU (Weekly Active Users):** Players that opened the title at least once in the selected calendar week.
- **DAU (Daily Active Users):** Players that opened the title at least once on the selected calendar day.
- **MAU - new:** Monthly unique players that played the title for the first time in the selected calendar month.
- **MAU - returning:** Monthly unique players that played the title and have also played the title before the selected calendar month.
- **Lifetime players:** Total unique players that have ever played a title until the selected calendar month. Note: This does not include players on PlayStation 3, Xbox 360, or anything prior. New and lifetime players are determined by platform (e.g., PlayStation), not by device (e.g., PlayStation 5).

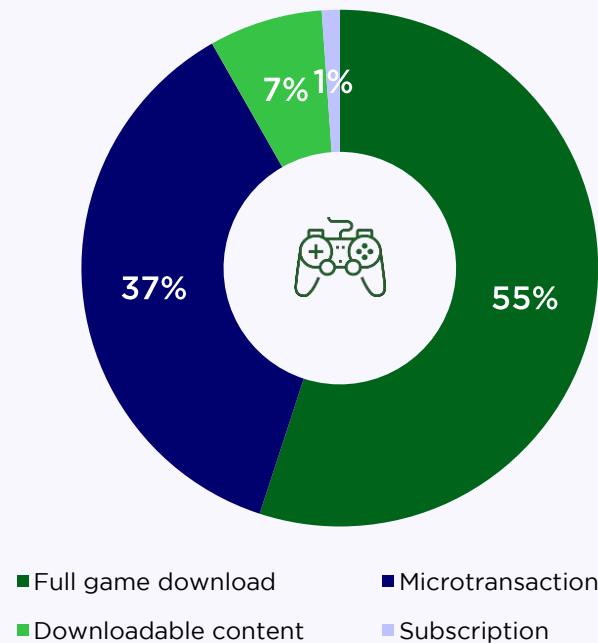
# In-game spending accounted for nearly 50% of PC and console revenue in the US

DLC generated almost twice as much revenue on PC than on console

Share of yearly PC revenue by category - US 2022



Share of yearly console revenue by category - US 2022



In 2022, revenue from premium transactions constituted over 50% of US spending on PC and console games.

Across the three in-game revenue streams, **spending on DLC represents the key difference between PC and console revenues**. PC players spent **nearly twice** as much on DLC in 2022 as console players.

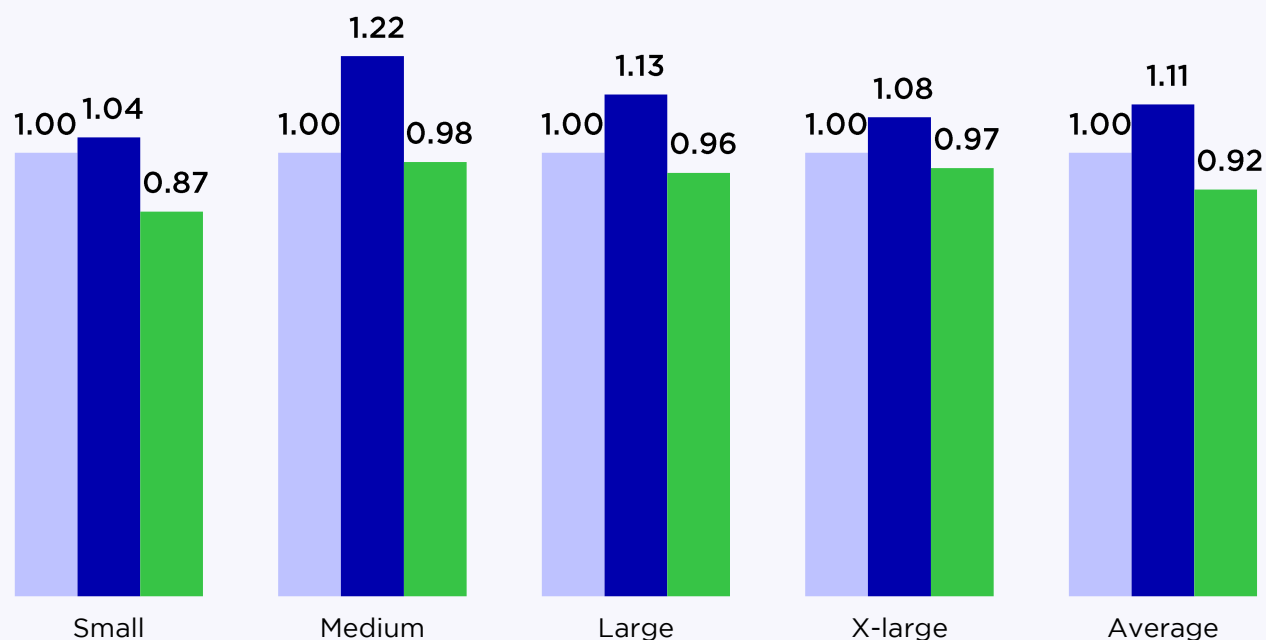
As the top-performing titles continue to double down on new ways to monetize and leverage the games-as-a-service model, we expect **non-premium revenue to grow faster** for both PC and console in the future.

# DLC launches boosted player engagement, but this dropped in the period after the initial launch month

## DLC performance index by game size (base: pre-DLC launch MAU)

PC & console | 37 major markets | April 2020 – April 2023

■ Pre-launch ■ DLC launch month ■ Post-launch



Small: games between 50K and 250K MAU in DLC launch month; Medium: 250K-2M; Large: 2M-5M, X-large: >5M.

## +11%

In 2022, DLC releases boosted MAU by an average of 11% across the 37 major PC and console markets.

DLC also proved to be the most effective for **medium-sized games**. These games saw an average month-on-month MAU growth of **+22%**.

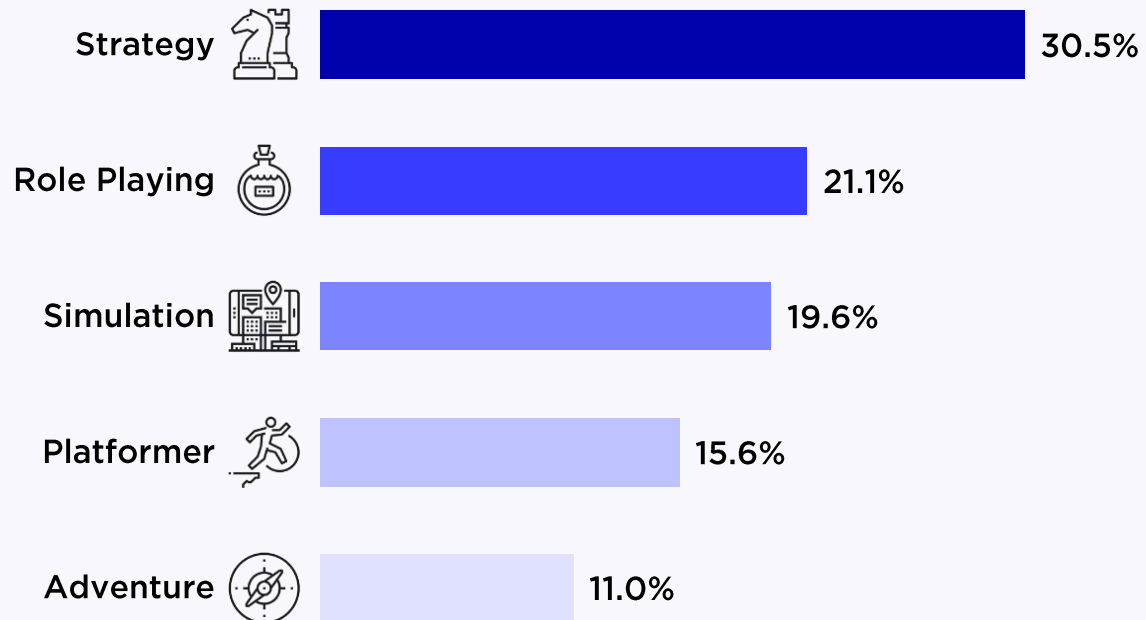
Interestingly, it is worth noting that there was a slight decline in MAU across all game sizes following the initial release month. This may indicate that players, after experiencing the fresh content, may have shifted their attention to other games or alternative forms of entertainment until new content was introduced.

# DLC launches boosted MAU for strategy games more than other genres

Launching meaningful and frequent DLC updates keeps your audience engaged longer

## Top 5 PC & console genres by DLC-driven MAU growth

PC & console | 37 major markets | April 2020 – April 2023 | Average MoM growth



On average, the 56 DLC releases for strategy games increased the MAU by an average of +30.5% the month after the release. With many live-service games active in the market, holding on to your audience longer is vital. **Launching meaningful additional content will attract many new and returning players.** This can eventually lead to further spending.

Paradox Interactive is an example of a strategy publisher getting a lot out of its content releases. **Through frequent content updates, it has been able to engage its audience longer.** The Europa Universalis IV expansion, Lions of the North, with the accompanying free content update, was among the best-performing DLCs by MAU increase within its genre.

**With an average increase of +21.1% MAU month-on-month, DLC releases in the role-playing genre ranked second.** On average, attracting over +20% more MAU per release shows the importance and success of DLCs within this genre. Two best-performing releases were Elder Scrolls Online: High Isle and Warframe's The New War.

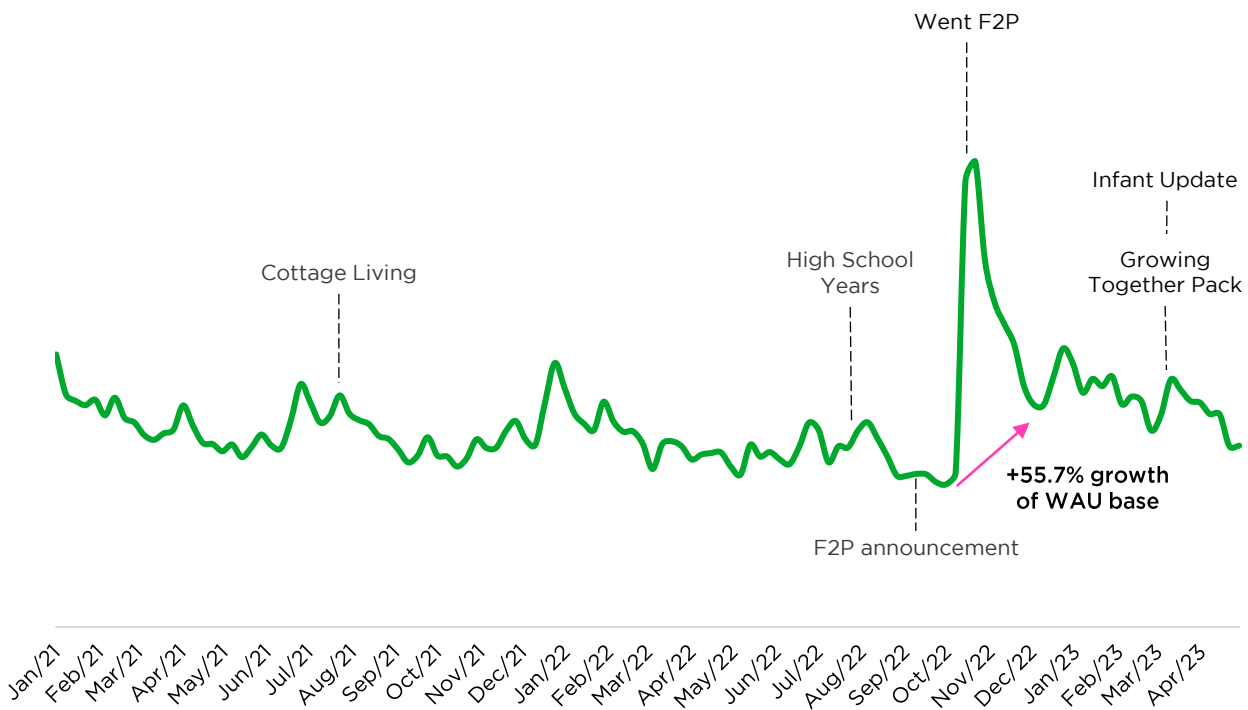
With nearly 200 items in our sample, the **adventure genre DLC releases drew in +11.0% more MAUs on average.** The Horizon Forbidden West: Burning Shores DLC saw the most considerable month-on-month growth. Critics and gamers alike responded positively to the update, which featured a new region and romantic storyline.



# The Sims 4 reached a broader audience by introducing a free content update before the paid expansion

## Key events & weekly active users (WAU)

PC & console | 37 major markets | January 2021 – April 2023



			
Release month	July 2021	July 2022	March 2023
WAU growth after content release	+9.8%	+9.3%	+16.7%
# of days the DAU exceeded the average pre-release DAU	~13 days	~13 days	~14 days

In March 2023, EA introduced the free “Infants” content update. Two days later, the company released the paid “Growing Together” expansion pack. The free content update introduced a **new life stage to the game**, while the paid expansion provided additional in-game items and features. This strategic update boosted **DAU by +17.8%**, drawing players’ attention to the DLC that was just days away without churning players with a price tag.

“Growing Together” is the first DLC since the game went free-to-play. When it became free-to-play, the game saw a **+189% growth in WAU** before settling at a **+56% higher WAU base** after the peak. The free-to-play model allowed “Growing Together” to reach a massive audience of new players when it launched. According to EA, “Growing Together” had the best-selling launch week since 2015, when the game launched its first DLC.

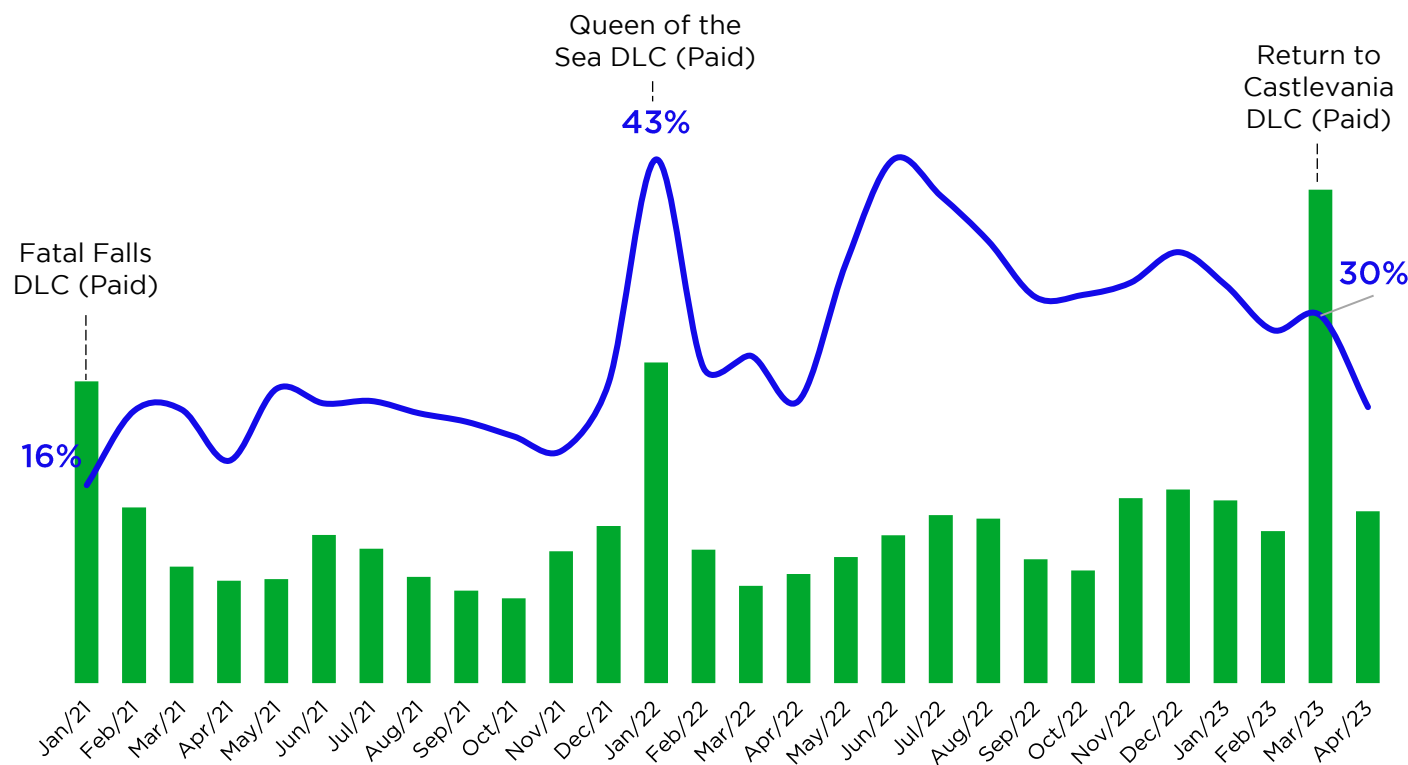
# The **Dead Cells** DLC brought in new MAUs, but a significant majority of players didn't (and may not) return

## Share of new players versus total MAUs

PC & console | 37 major markets | January 2021 – April 2023

● Total MAU

● New player share



## -12.3%

MAU declined -12.3% on average in the months with no content updates.

## 30%

Percentage of MAUs new to the game over the three DLC releases.

Since the beginning of 2021, Motion Twin has released 12 content updates for Dead Cells. **The average MAU increase across its three DLCs was +156%, with Return to Castlevania boosting it by +225% in March 2023.** In comparison, general content updates saw a +47% increase in MAU.

While MAU increases seem impressive, it's important to note that, on average, 87% of players didn't return to play Dead Cells DLCs. For general content updates, that percentage jumped up to 93%, while only 5% of players are active on non-update months.

In June 2022, the "Breaking Barriers" update **added a slew of accessibility features**, leading to a rise in new players without a large spike in overall MAUs.

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Performance scenarios		
Scenario	Forecast	Lifetime Players
High	Top 25%	15.5M
Mid	Median	4.6M
Low	Bottom 25%	1.5M



**Subgenre**  
Action-Adventure

**Game mechanics**  
Crafting

**Theme**  
Sci-fi

**Players**  
Online Multiplayer



Coverage of the top platforms including:



# Newzoo's Game Performance Monitor

Unlock the leading platform for tracking the engagement and revenue KPIs of PC and console games.



10,000+

Games tracked across PC, Xbox, PS, and Nintendo Switch



37

Global coverage with 37 markets, 8 regions



100+

Metrics including MAU, DAU, Lifetime Players, Revenue

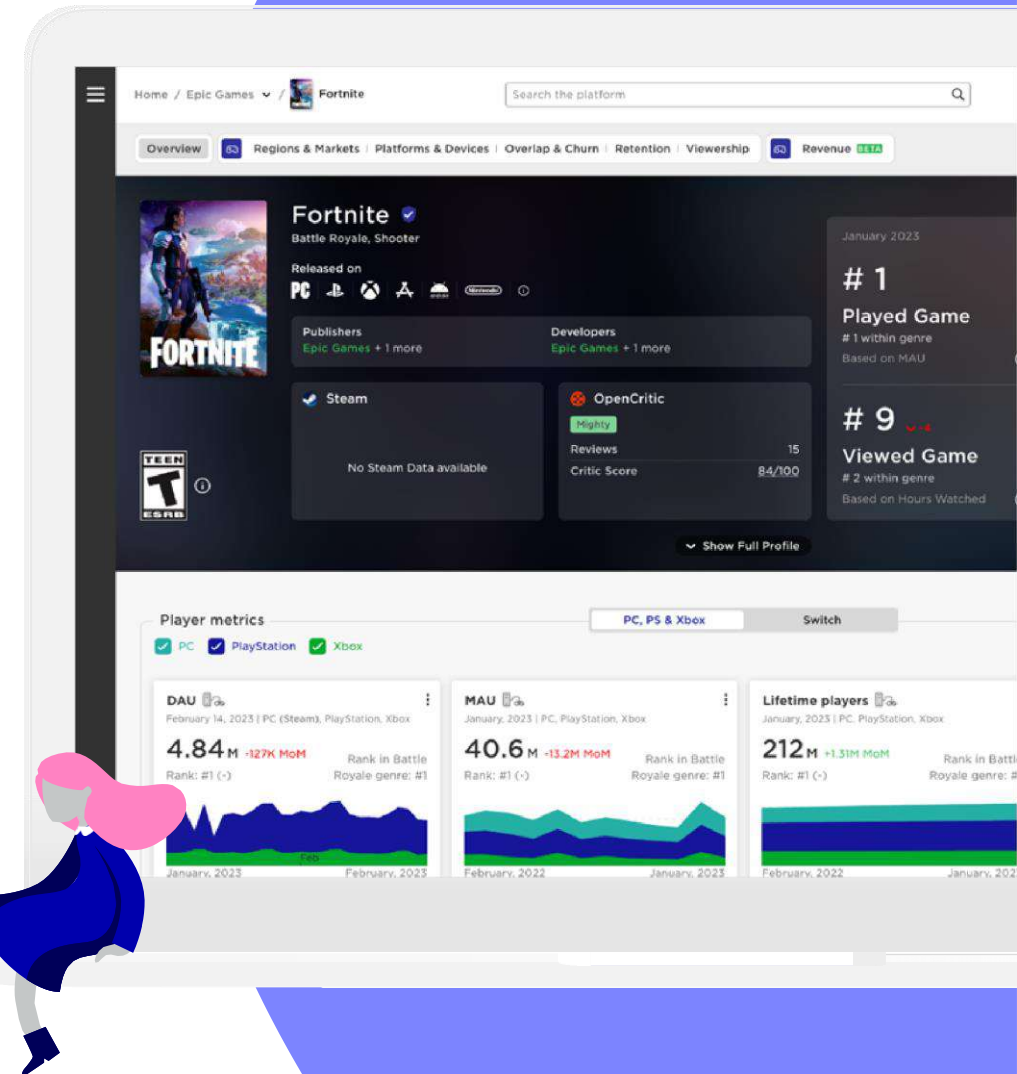
- ✓ Coverage of the top platforms



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- ✓ Gamer Overlap, Retention, and Churn between titles
- ✓ Tracking millions of players' behavior per platform
- ✓ Revenue and ARPU for 1000+ PC and console games in the US and UK
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- ✓ Easy-to-use dashboard & API access

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Take the tour





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Data. Research. Consulting.