Sensor Tower

The State of Gaming 2024

An analysis of the current mobile gaming market trends

Objective:
The aim of this report is to deliver a detailed examination of the mobile gaming landscape throughout 2023. We intend to delve into a granular analysis that spans multiple stores, geographic markets, and game genres, among other facets.
The year 2023 marked a period of notable transformation within the industry, characterized by shifts in market dynamics, the evolution of live operations practices, the emergence of new game genres, significant workforce reductions, challenges in user acquisition, and innovative IP collaborations. In this report, we will thoroughly investigate and interpret the data behind these developments, articulating a clear view of the state of mobile gaming during a year of considerable change.

Mobile Gaming **Market Trends**

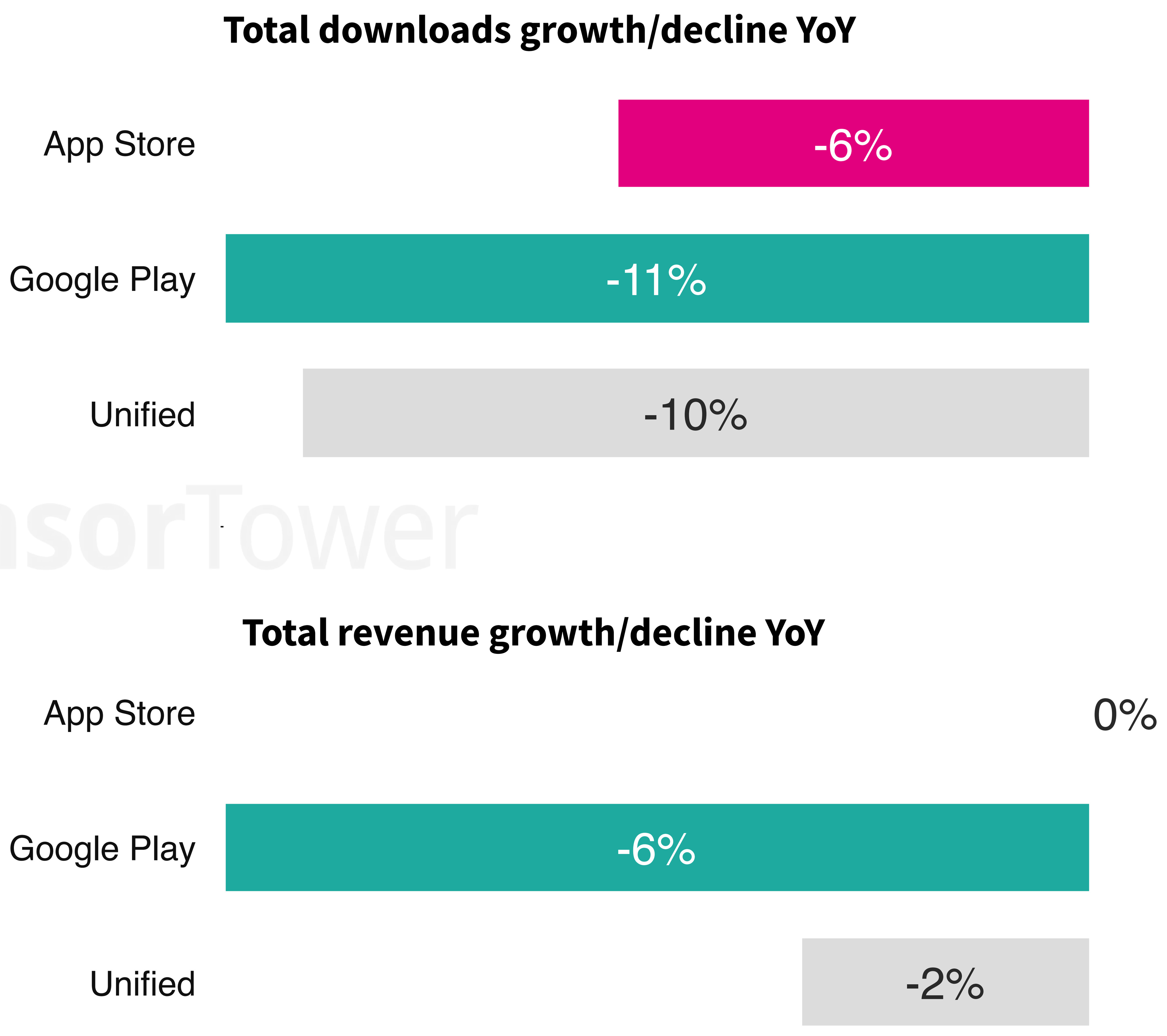
Mobile Gaming Market Trends

6.2B App Store 2023 Downloads

33.2B Google Play 2023 Downloads

$33.8B App Store 2023 Revenue

$19.2B Google Play 2023 Revenue



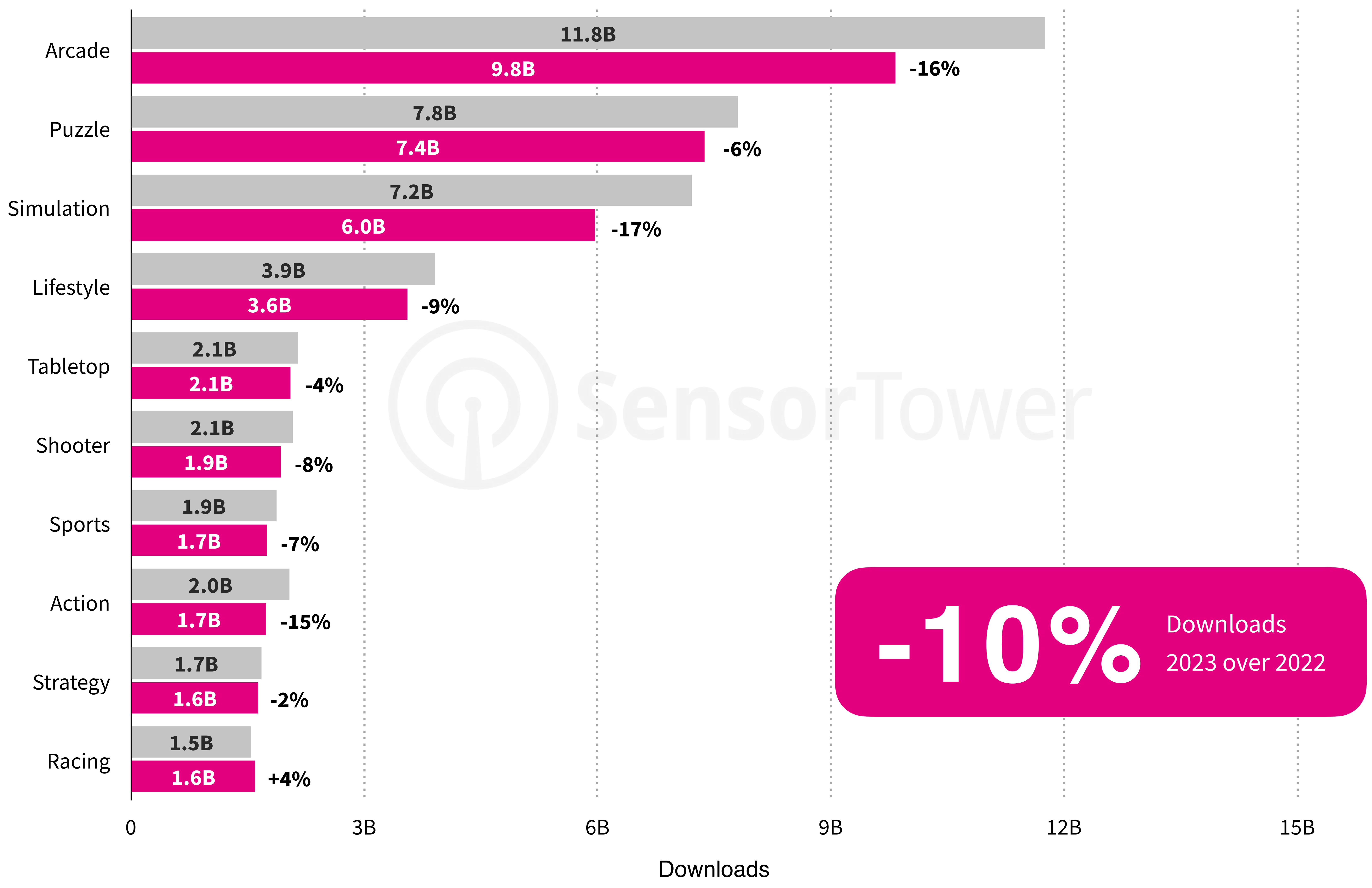
2023 was a challenging year for the mobile gaming market. A year-over-year comparison shows a downturn in total worldwide downloads across both major stores. Specifically, the App Store saw a 6% decrease, while Google Play experienced a more pronounced 11% reduction.

Gaming revenue declined by 6% on Google Play, while App Store revenue was flat.

These macro-level declines are predominantly driven by the business performance of games on Android. A deeper exploration of micro-trends reveals a more complex picture, with notable outliers and winners in some genres, regions, publishers, live ops and marketing practices.

Downloads decline; evergreen games grow

Top 10 game genres by downloads - *Worldwide, App Store and Google Play*



The mobile gaming market in 2023 saw a 10% decline in downloads year-over-year, largely due to rising user acquisition costs, highlighting the challenge publishers faced in connecting with target audiences.

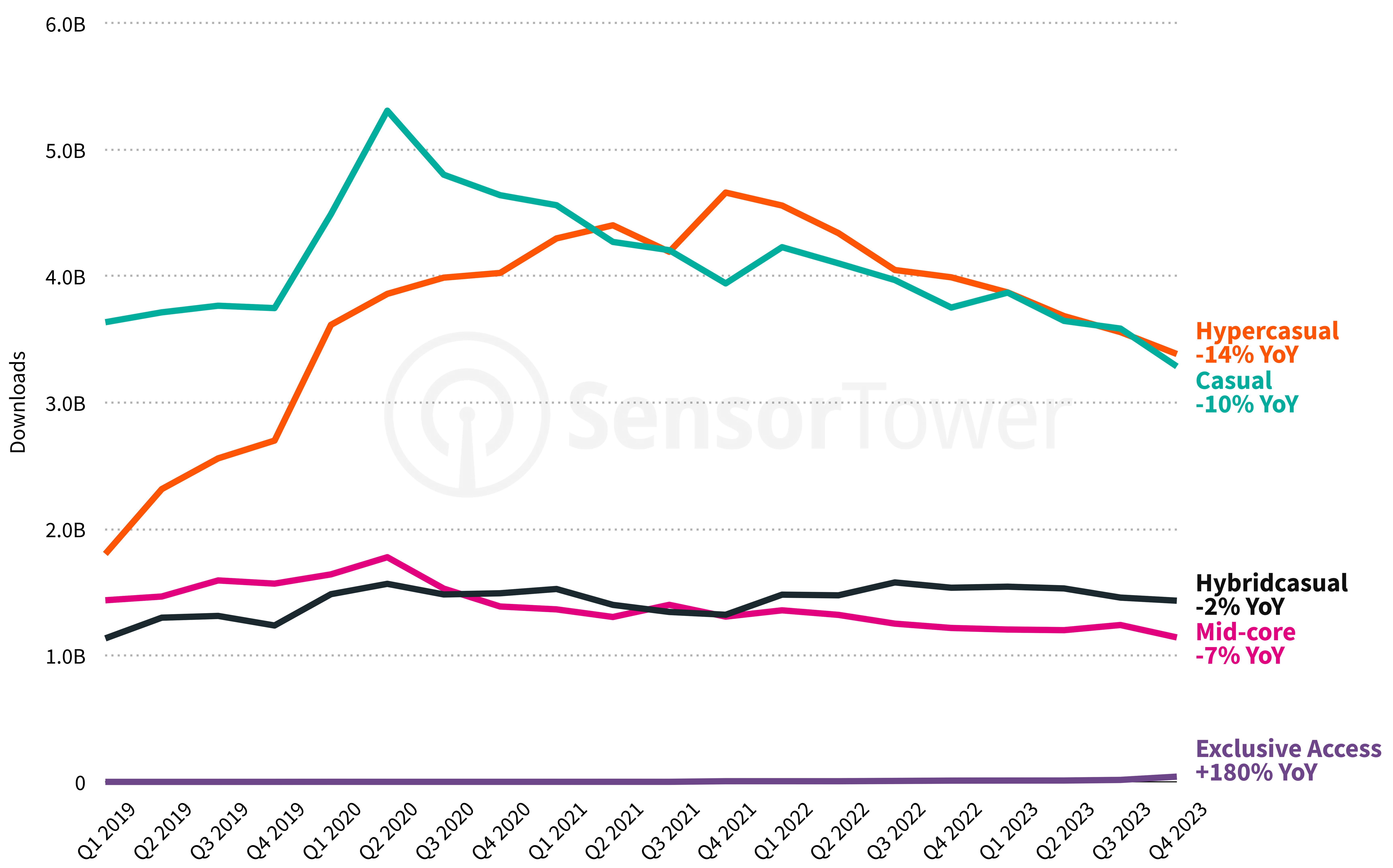
The puzzle genre fell by only 6% YoY, thanks to new games like Block Blast and Royal Match, and established hits such as Candy Crush and Gardenscapes. Puzzle remained strong by focusing on retaining its current user base through events and live operations. This strategy proved to be one of the most effective of the year, demonstrating the importance of keeping existing players engaged.

Tabletop games also held up relatively well with just a 4% YoY decline, as popular titles like Ludo King and Uno! continued to attract players. The success in these genres emphasizes the effectiveness of brand recognition in reducing user acquisition costs.

Genres such as Simulation (-17%), Action (-15%), and Arcade (-16%), experienced significant drops. These genres, traditionally fueled by Hypercasual downloads, are the most affected in part because increased CPI (Cost Per Install) affects smaller margin games the most.

Downloads returning to pre-pandemic levels

Product model downloads - *Worldwide, App Store and Google Play*



The pandemic era triggered a sharp increase in downloads, particularly within the Casual player base, coinciding with the emergence of Hypercasual gaming as a global phenomenon. This surge was driven by people worldwide seeking entertainment during lockdowns. However, those peak days have passed, and the industry is now transitioning into an era characterized by rising costs per install and market saturation in the mobile gaming space.

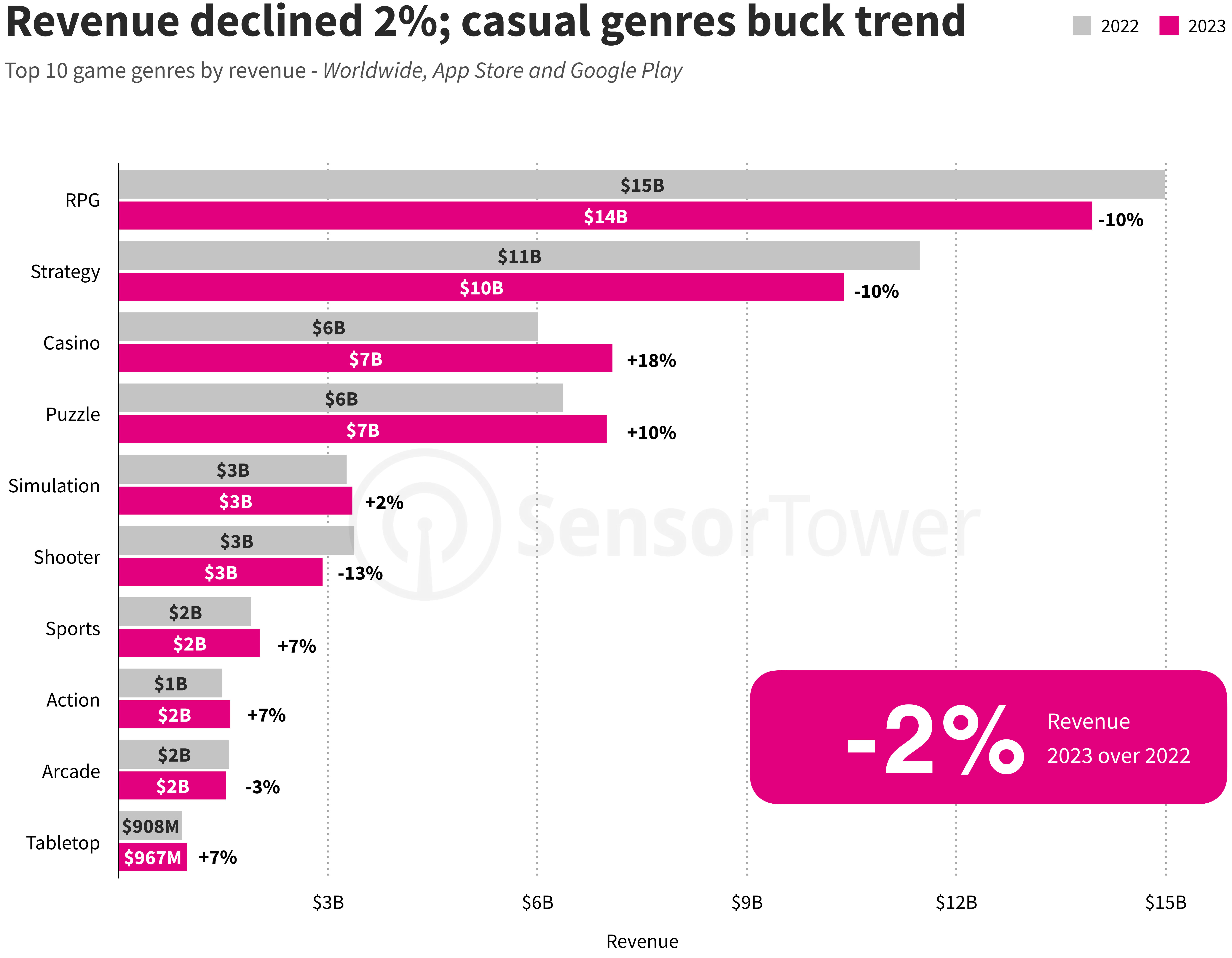
The Hypercasual segment, featuring games such as "Snake.io," has suffered a 14% YoY decrease, while the Casual category has also seen a downturn, with a 10% YoY decline.

Hybridcasual games—a blend of Hypercasual aesthetics, simple gameplay, ad-based revenue, and in-app purchases—represent a bright spot despite a slight 2% YoY dip in downloads. Titles like "Magic Tiles 3" and "Survivor.io" exemplify this model, resonating with users through their accessible mechanics and dual monetization strategies.

Exclusive access games like those offered through Netflix's subscription are beginning to make an appearance, though they currently hold a minor market share.

Revenue declined 2%; casual genres buck trend

Top 10 game genres by revenue - *Worldwide, App Store and Google Play*



In terms of revenue, we see a slight overall decline of -2% YoY, yet the distribution within various gaming genres has shifted significantly.

Casual games, tailored for a broad audience with straightforward mechanics, usually aim to sustain player engagement to boost revenue. The trend on this chart highlights a growing success in monetizing casual players, contrasting a revenue decline for genres targeting the Mid-core audience.

Casino genre outperformed with an 18% YoY increase, notably due to "Monopoly Go" by Scopely.

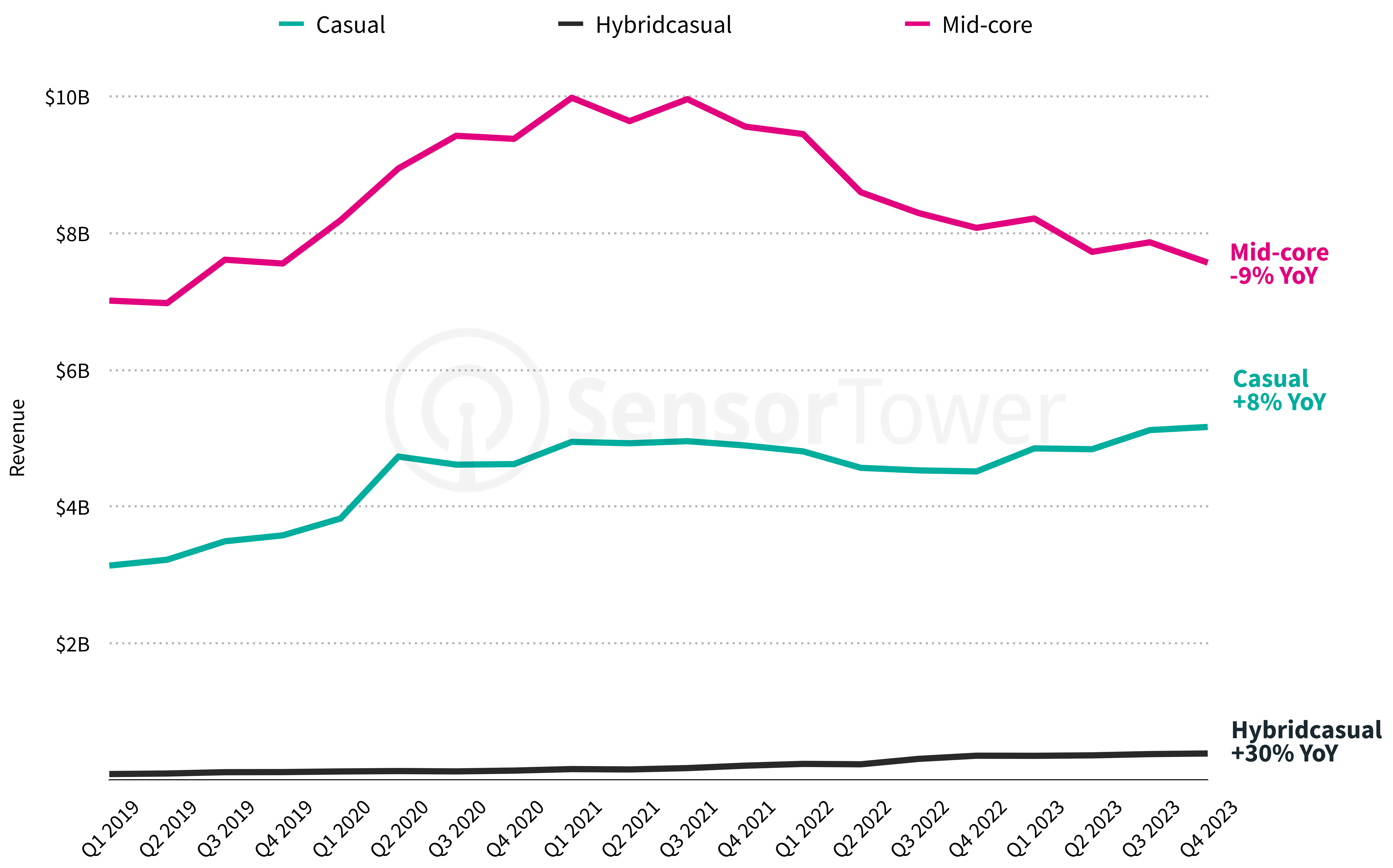
Puzzle category also saw a 10% YoY increase, with strong contributions from "Candy Crush" and "Gardenscapes". These are evergreen casual games that successfully retained and monetized their existing player base.

Action genre reported a 7% YoY rise, with Hybridcasual titles like "Survivor.io" effectively retaining players and increasing revenue.

Mid-core genres such as RPGs, Strategy, and Shooters declined by 10% to 13% YoY.

Casual revenue grows 8%

Product model revenue - *Worldwide, App Store and Google Play*



In examining the product model landscape, the trend toward "casualization" becomes increasingly evident.

Casual players typically seek out light-hearted, straightforward games that provide a quick entertainment fix and a sense of progression. This demographic don't often identify as "gamers" in the traditional sense.

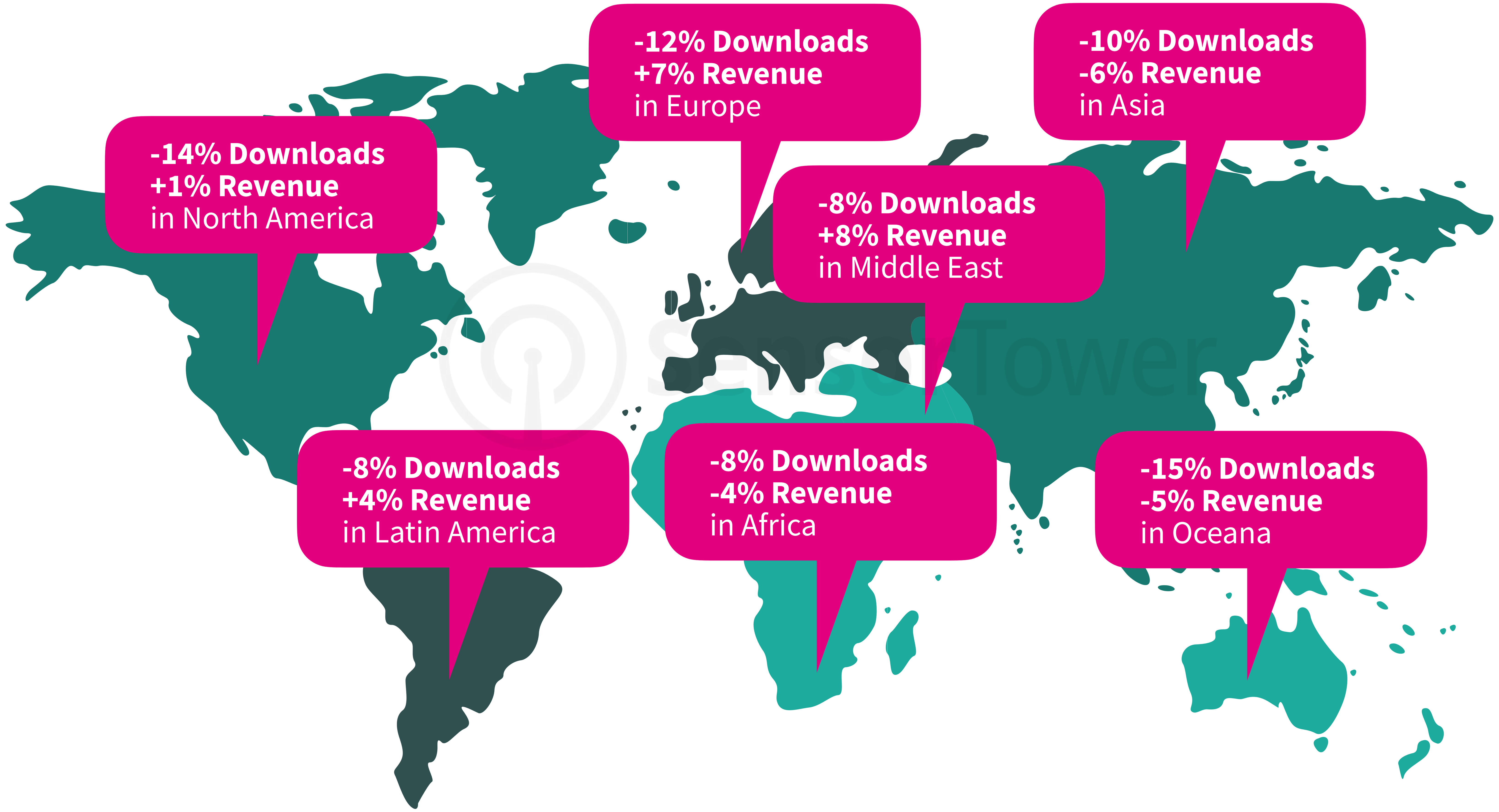
In contrast, Mid-core players crave experiences with greater depth, like "Diablo: Immortal" or "League of Legends: Wild Rift". These players expect an engaging experience with significant character progression. Historically, Mid-core players invest more time and money into games than Casual players, but their preferences make them harder to connect with as an audience.

In today's market, where digital advertisers face many challenges in effectively reaching their target audiences, the trend is shifting towards catering to casual gamers. Mid-core games are beginning to feel the impact of this shift as is evidenced by the -9% decrease in worldwide revenue. This is what we refer to as the "casualization trend."

A notable consequence of this trend is the rise of the Hybridcasual product model, which has seen an impressive 30% YoY increase in revenue. This success is because of the model's blend of Hypercasual visuals with engaging gameplay, complemented by Mid-core elements like extended progression systems and monetization strategies.

Revenue up in most regions outside Asia, despite downloads decline

Downloads and revenue growth by region 2023 - *App Store and Google Play*



Note Regarding Download Estimates
Our estimates include worldwide downloads for iPhone, iPad, and Google Play in 2023. Apple apps and Google pre-installed apps are excluded. We report unique installs only. Android estimates do not include third-party stores.

Despite a global downturn of 10% YoY in downloads and 2% YoY in revenue, regional distribution of these figures reveals some intriguing trends.

The Middle East reports an 8% increase in revenue, primarily driven by Mid-core strategy games such as "Whiteout Survival" and "Rise of Kingdoms."

Europe saw a 7% rise in revenue despite a -12% fall in downloads, with casual puzzle games like "Candy Crush" and "Gardenscapes" leading the charge.

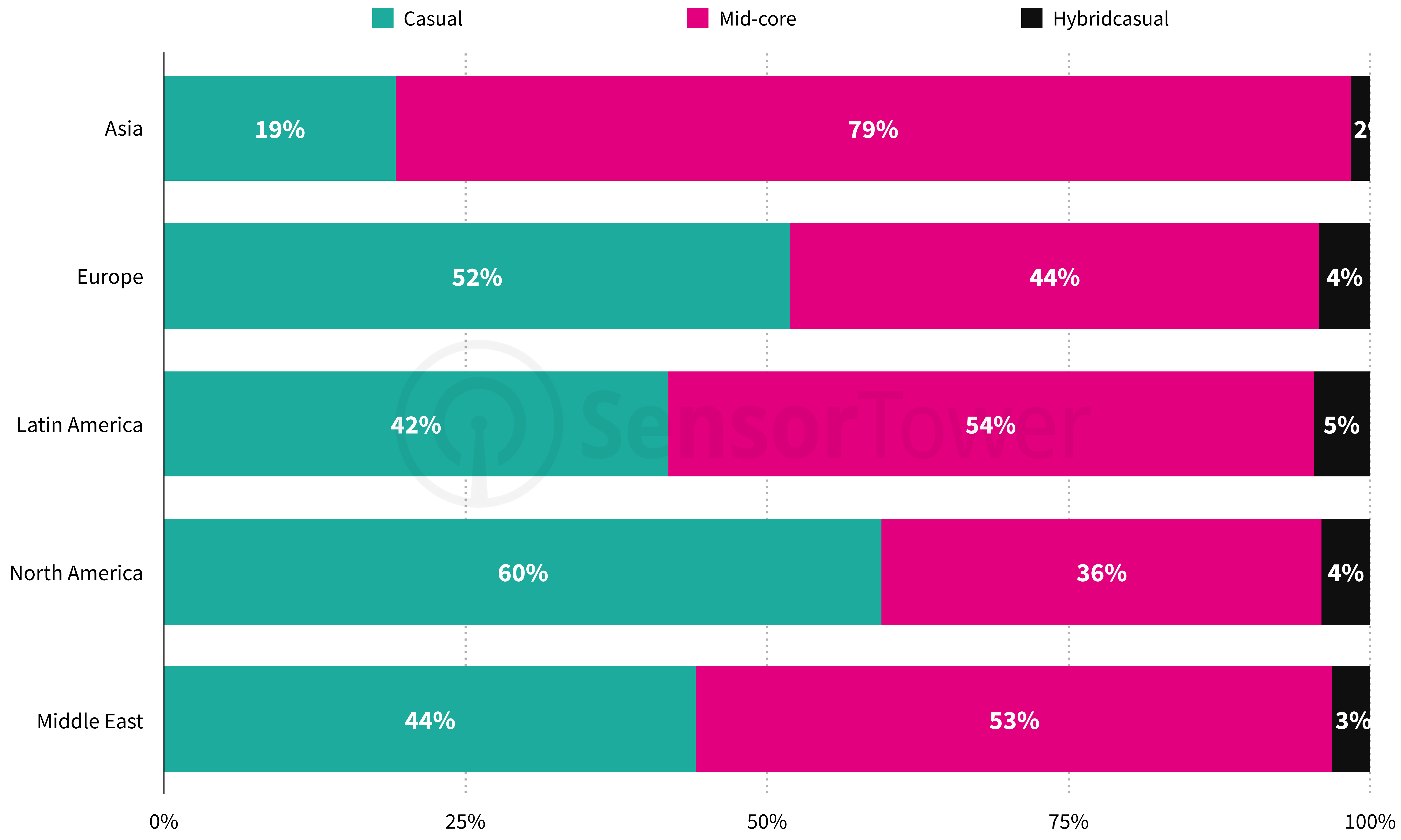
Latin America experienced a 4% revenue boost from Mid-core shooter titles such as "Call of Duty: Mobile" and "Garena Free Fire"

Conversely, North America and Europe are grappling with significant drops in downloads, attributed to escalating user acquisition costs.

Asia is also experiencing a notable contraction, with a -10% decrease in downloads and a -6% decrease in revenue.

Europe and North America lean casual; Asia, Middle East, and Latin America lean Mid-core

Product model market share by revenue 2023 - *App Store and Google Play*



To conclude our examination of macro market trends, we focus on the distribution of revenue market share by product model, segmented by region.

Europe and North America exhibit a preference for casual gaming, while in Asia, the Middle East, and Latin America there is more overall spend on Mid-core titles. Mid-core games like “Garena Free Fire” and “League of Legends: Wild Rift” have found meaningful traction in these markets over the past years, indicating that Latin America and the Middle East present growth opportunities for Mid-core sub-genres.

Latin America has the biggest share of revenue of Hybridcasual games, with Brazil contributing a substantial portion. Overall, Hybridcasual games maintain a reasonably consistent market share worldwide, ranging between 3% and 5%.

Regional top 10 rankings vary widely.

Top mobile games by revenue - *Worldwide, App Store and Google Play*

Note: Game for Peace is the China only version of PUBG MOBILE.

	Asia	North America	Europe	Middle East	Latin America
1	Honor of Kings (Tencent)	MONOPOLY GO! (Scopely)	Coin Master (Moon Active)	PUBG Mobile (Tencent)	Garena Free Fire (Garena Games Online)
2	Game for Peace (Tencent)	Candy Crush Saga (Activision Blizzard)	Candy Crush Saga (Activision Blizzard)	Yalla Ludo - Ludo&Domino (Yalla Technology FZ-LLC)	Roblox (Roblox)
3	Genshin Impact (miHoYo)	Roblox (Roblox)	Gardenscapes (Playrix)	Roblox (Roblox)	Coin Master (Moon Active)
4	Honkai: Star Rail (miHoYo)	Royal Match (Dream Games)	Roblox (Roblox)	Royal Match (Dream Games)	Candy Crush Saga (Activision Blizzard)
5	Monster Strike (mixi)	Coin Master (Moon Active)	Royal Match (Dream Games)	Whiteout Survival (Century Games)	Call of Duty: Mobile (Activision Blizzard)
6	Three Kingdoms Tactics (Alibaba)	Pokémon GO (Niantic)	Homescapes (Playrix)	Rise of Kingdoms (Lilith)	EA SPORTS FC (Electronic Arts)
7	Justice Online Mobile (NetEase)	Gardenscapes (Playrix)	PUBG Mobile (Tencent)	Candy Crush Saga (Activision Blizzard)	Royal Match (Dream Games)
8	Uma Musume Pretty Derby (CyberAgent)	Jackpot Party (Light and Wonder)	MONOPOLY GO! (Scopely)	Ludo STAR (Gameberry Labs)	Gardenscapes (Playrix)
9	Fate/Grand Order (Sony)	Township (Playrix)	Clash of Clans (Supercell)	Coin Master (Moon Active)	Stumble Guys (Scopely)
10	Lineage M (NCSOFT)	Evony (TOP GAMES)	Fishdom (Playrix)	Texas Hold'em Poker: Pokerist (KamaGames)	Clash of Clans (Supercell)

Six of top ten publishers by revenue growth launched a new game in 2023

Product model market share by revenue 2023 - *App Store and Google Play*

Genre: Casual / Mid-core

Top publishers by absolute revenue growth		Top revenue growth game		Genre
1	Scopely	MONOPOLY GO!	NEW	Casino (Casual)
2	Dream Games, Ltd.	Royal Match		Puzzle (Casual)
3	Century Games	Whiteout Survival	NEW	Strategy (Mid-core)
4	miHoYo	Honkai: Star Rail	NEW	RPG (Mid-core)
5	Playrix	Gardenscapes		Puzzle (Casual)
6	Shiyue	Chang'an Fantasy	NEW	RPG (Mid-core)
7	TUYOO	Fish Shooting Battle		Casino (Casual)
8	Bytedance	Crystal of Atlan	NEW	Action (Mid-core)
9	WEMADEONLINE	Night Crows	NEW	RPG (Mid-core)
10	Hortor	Fish Kingdoms: Idle Games		RPG (Mid-core)

In 2023, there were significant shifts in top growing publishers, with both new entrants and established names achieving remarkable success.

Leading the charge in terms of growth was Scopely, which after being acquired by Savvy Games earlier in the year achieved global success with "MONOPOLY GO!".

Dream Games executed a highly effective user acquisition campaign to elevate "Royal Match" to great success. Their ingenious puzzle design and outstanding retention of casual players set "Royal Match" apart, far exceeding market expectations.

Century Games showcased their ability to distill the essence of 4X Strategy games for a casual audience with "Whiteout Survival". They also dramatically exceeded market predictions.

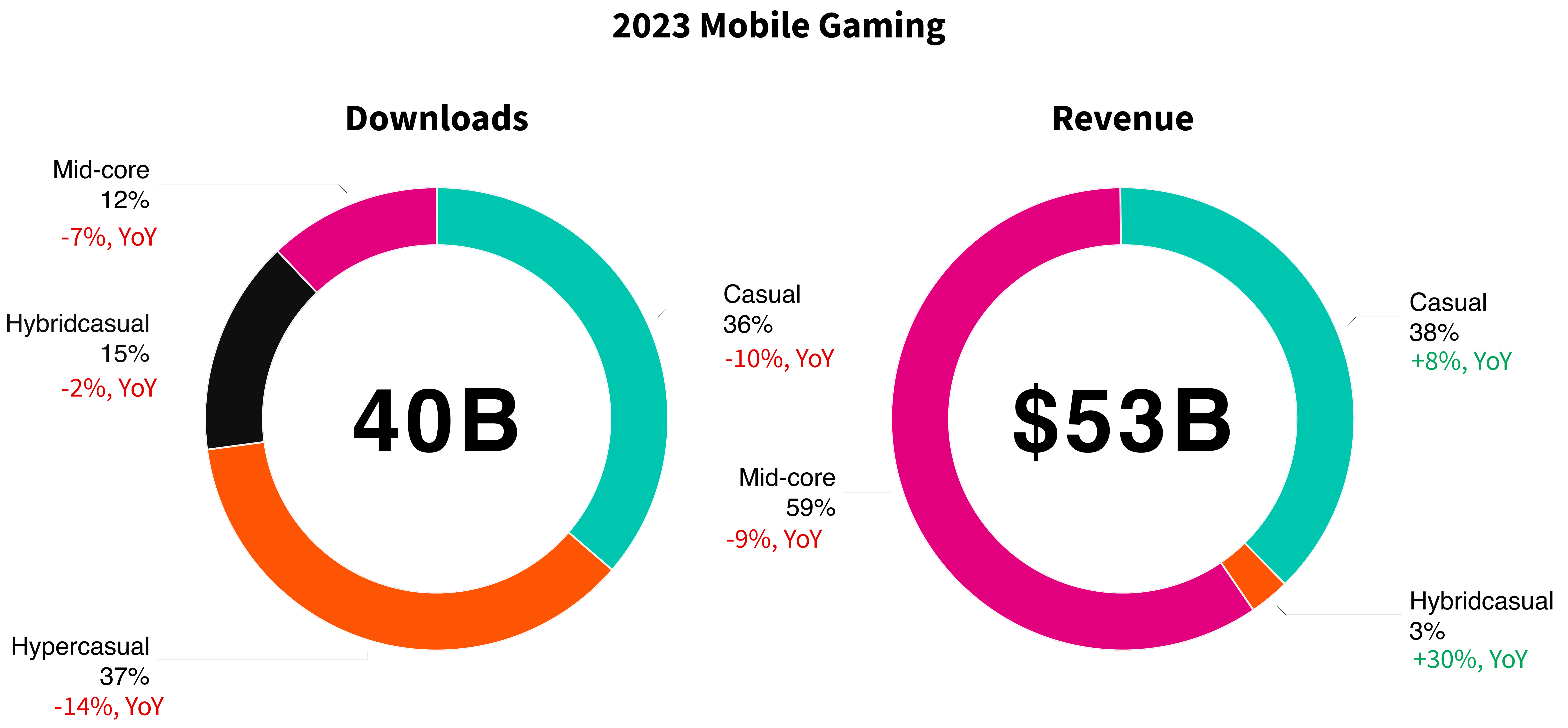
Playrix continued to expand its beloved franchises, with "Gardenscapes" gaining considerable momentum in 2023.

A noteworthy observation is that seven of the top ten publishers by revenue growth in 2023 are based in Asia, suggesting from where future market leaders could originate.

Furthermore, six out of ten top publishers by revenue growth launched a new game this year. Despite the increased challenges in introducing new games to the market, the potential rewards remain substantial.

Product Model **Breakdown**

Product Model **Breakdown**



In 2023, mobile game downloads were led by Hypercasual games, accounting for 37% of downloads. While Hypercasual games have been dominating downloads for a number of years, 2023 may have been the final one, declining by -14% YoY.

Casual games performed similarly, making up 36% of downloads, followed by Hybridcasual games at 15%, and Mid-core games at 12%.

Mid-core games are the top revenue contributors at 59%, but their share is decreasing. In contrast, Casual games are growing steadily, now accounting for 38% of total revenue. Despite making up only 3% of the revenue, Hybridcasual games are also seeing an increase year-over-year.

MONOPOLY GO! and Royal Match break into top five Casual games in 2023

In a casual gaming market that has seen the same leaders dominate for four years, 2023 brought a wave of change with two new games introduced into the Top Grossing charts.

Top five casual games by revenue - *Worldwide, App Store and Google Play*

Note: Most casino genre games are classified as having a casual product model.

Chinese publishers dominate the top five Mid-core chart 2023

In the Mid-core market, where Gacha is the prevailing monetization mechanism, APAC spearheads revenue, with four out of the top five top games being oriented towards the East.

Top five Mid-core games by revenue - *Worldwide, App Store and Google Play*

Note: Most casino genre games are classified as having a casual product model.

Hybridcasual top five remains highly dynamic

Despite the Hybridcasual term only being coined recently, games embodying its principles have long existed. The top charts for this model see frequent changes, highlighting the competition and innovation within this category.

2019-2023, Annual Downloads - *WW, App Store and Google Play*

	2019	2020	2021	2022	2023
1	aquapark.io, Voodoo, 150M	Tiles Hop EDM Rush Music Ball, Amanotes, 170M	Join Clash, SUPERSONIC STUDIOS, 150M	NEW Stumble Guys, Scopely, 180M	Race Master 3D, SayGames, 110M
2	Tiles Hop EDM Rush Music Ball, Amanotes, 150M	NEW Join Clash, SUPERSONIC STUDIOS, 160M	Magic Tiles 3, Amanotes, 130M	NEW Race Master 3D, SayGames, 130M	Stumble Guys, Scopely, 100M
3	Sniper 3D, Wildlife Studios, 145M	NEW Brain Test: Tricky Puzzles, SUPERSONIC STUDIOS, 150M	Tiles Hop EDM Rush Music Ball, Amanotes, 120M	NEW Piano Fire, Adaric Music, 100M	Magic Tiles 3, Amanotes, 95M
4	Crowd City, voodoo, 125M	Magic Tiles 3, Amanotes, 150M	Sniper 3D, Wildlife Studios, 100M	NEW Traffic Rider, skgames, 100M	NEW Hill Climb Racing, Fingersoft, 90M
5	Magic Tiles 3, Amanotes, 125M	Sniper 3D, Wildlife Studios, 135M	NEW Hill Climb Racing, Fingersoft, 95M	Magic Tiles 3, Amanotes, 100M	NEW My Perfect Hotel, SayGames, 90M

Top Hypercasual game downloads are down 30% from 2019

Hypercasual developers are transitioning towards the Hybridcasual domain. Supersonic Studios successfully maintained two games at the top of the charts for two consecutive years.

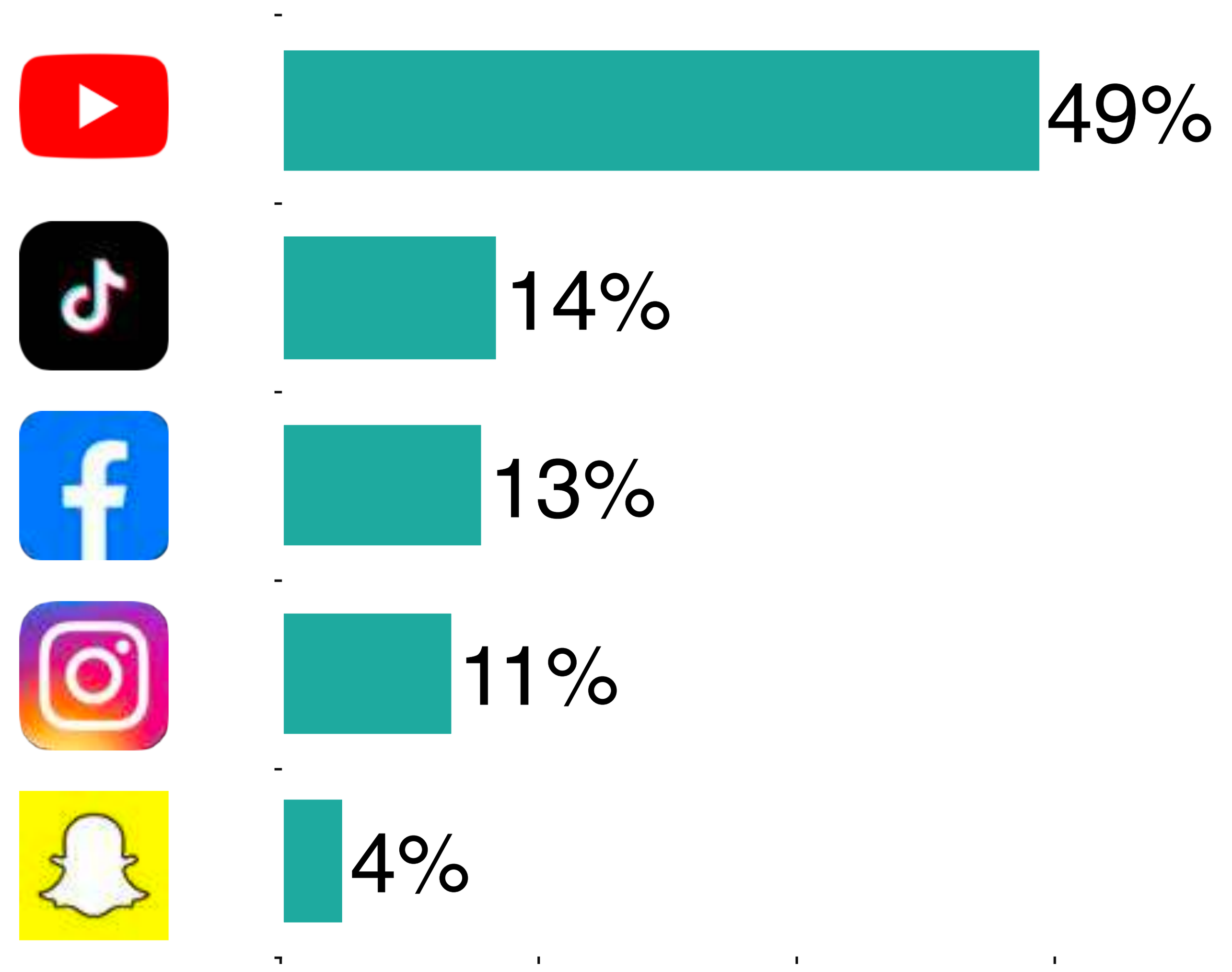
2019-2023, Annual Downloads - *WW, App Store and Google Play*

	2019	2020	2021	2022	2023
1	Fun Race 3D Azur Interactive Games 220M	NEW Hunter Assassin Ruby Games AS 205M	NEW Bridge Race SUPERSONIC STUDIOS 175M	Bridge Race SUPERSONIC STUDIOS 130M	NEW Block Blast! Hungry Studio 140M
2	Color Bump 3D Azur Interactive Games 200M	NEW Brain Out EYEWIND 180M	NEW Hair Challenge Take-Two Interactive 150M	NEW Going Balls SUPERSONIC STUDIOS 100M	Bridge Race SUPERSONIC STUDIOS 110M
3	Run Race 3D Azur Interactive Games 160M	NEW Save The Girl! AppLovin Corp 155M	NEW Count Masters: Crowd Runner 3D Tap2Play 130M	NEW Merge Master: Dinosaur Monster Homa Games 100M	Going Balls SUPERSONIC STUDIOS 105M
4	Sand Balls - Digger Puzzle SayGames 160M	NEW Worms Zone .io Azur Interactive Games 130M	NEW Phone Case DIY Embracer Group 120M	NEW DOP 4: Draw One Part SayGames 90M	NEW Indian Bikes Driving 3D Rohit Gaming Studio 100M
5	Stack Ball 3D Azur Interactive Games 155M	Fun Race 3D Azur Interactive Games 130M	NEW High Heels! Take-Two Interactive 120M	NEW Tall Man Run SUPERSONIC STUDIOS 90M	NEW Attack Hole - Black Hole Games Homa Games 80M

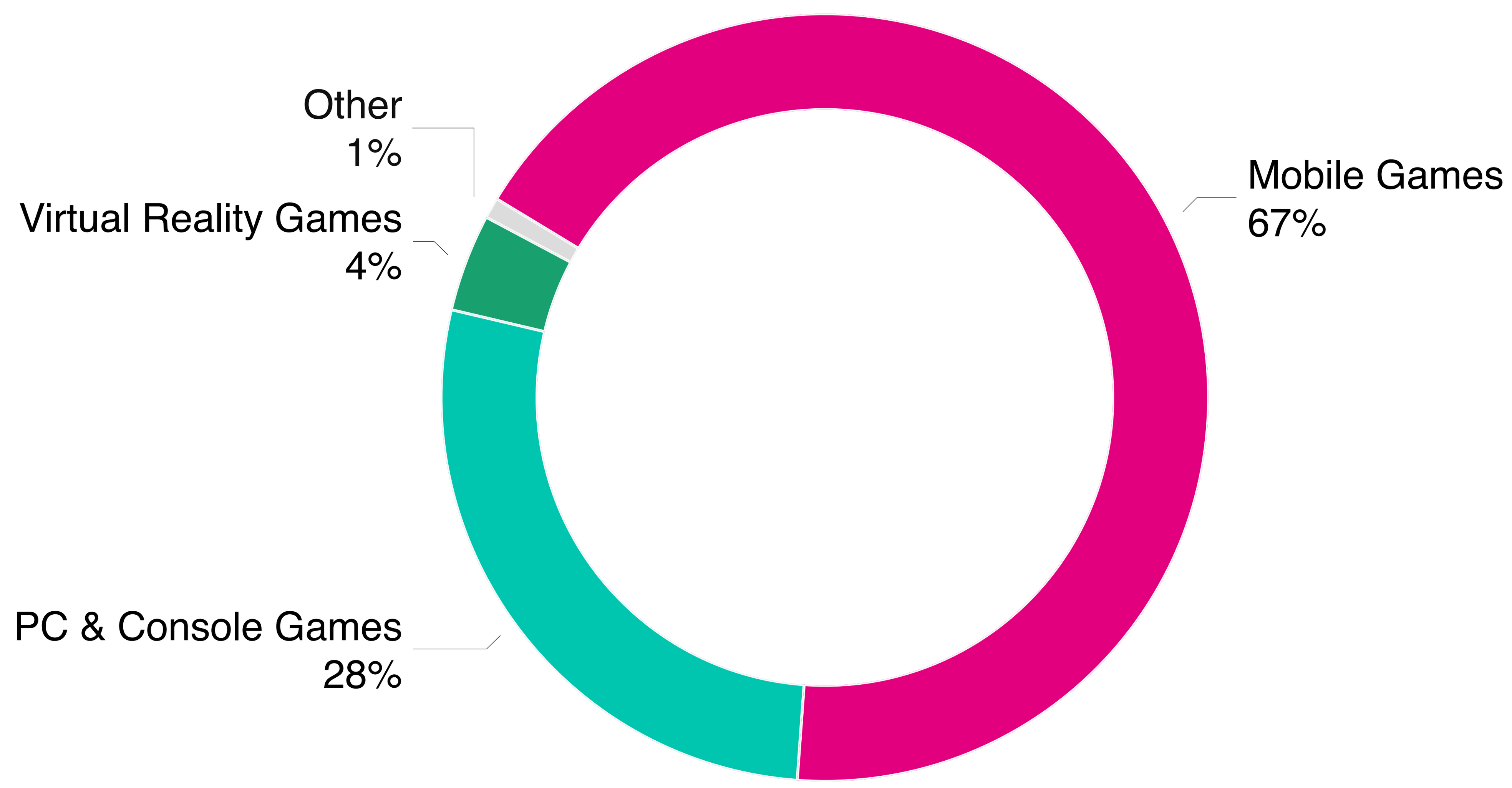
Marketing **Trends**

Marketing **Trends**

Top social ad networks by US gaming spend 2023



US digital ad spend breakdown 2023



In mobile game publishing, the optimization of digital advertising strategies is crucial for success. Mobile games command a dominant 67% share of global gaming ad spend, with PC and console games trailing at 28%. Across top social media platforms, YouTube leads in the US, earning 49% of total gaming spend.

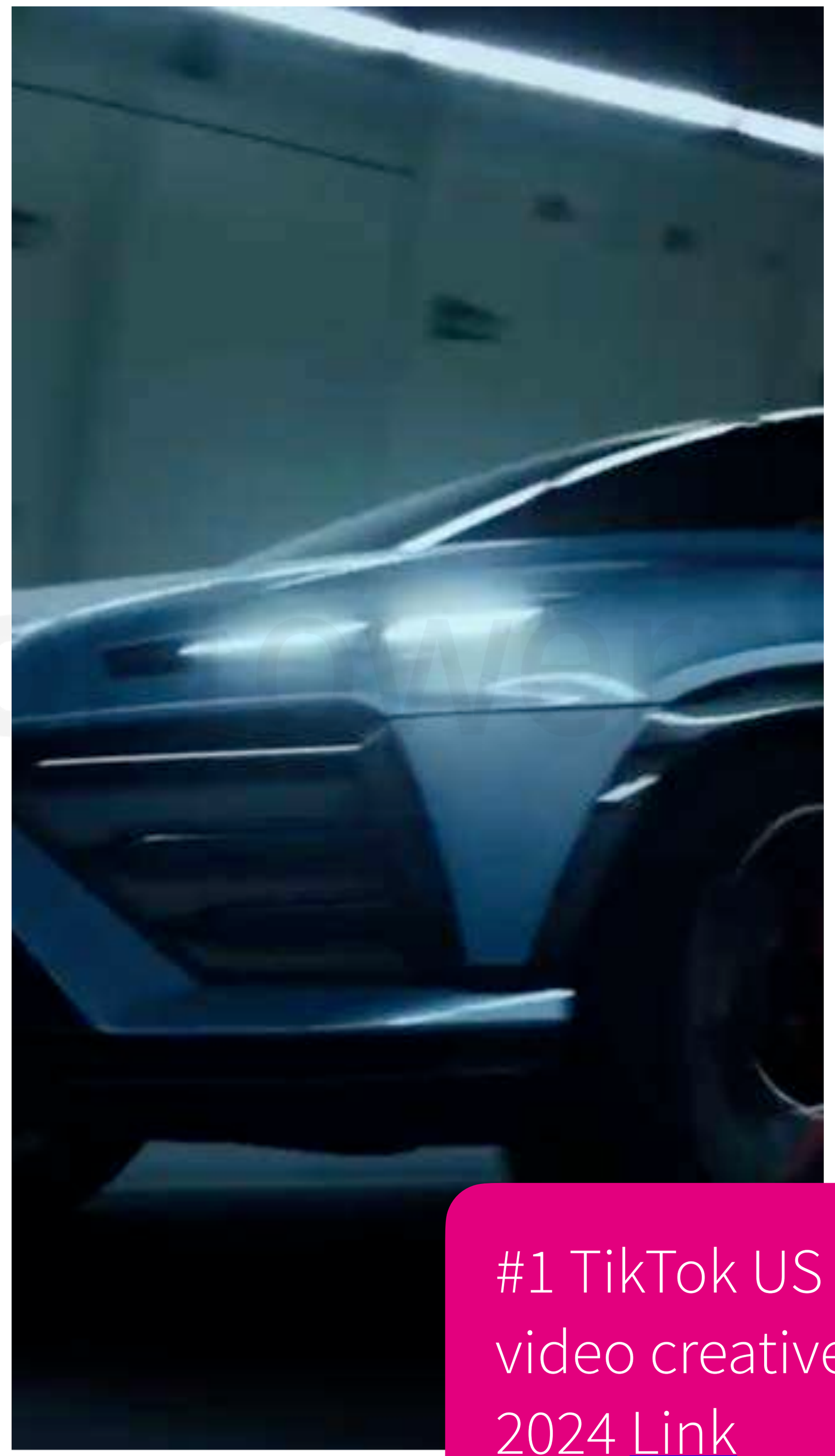
Let's explore some of the most successful practices of 2023 and the emerging trends for effective advertising in the coming years.

Brands and IPs offer a new frontier of opportunities for games

Roblox (#4 mobile game by 2023 worldwide revenue) partnered with world renowned brands throughout 2023.

Selected brands with Roblox custom experiences in 2023

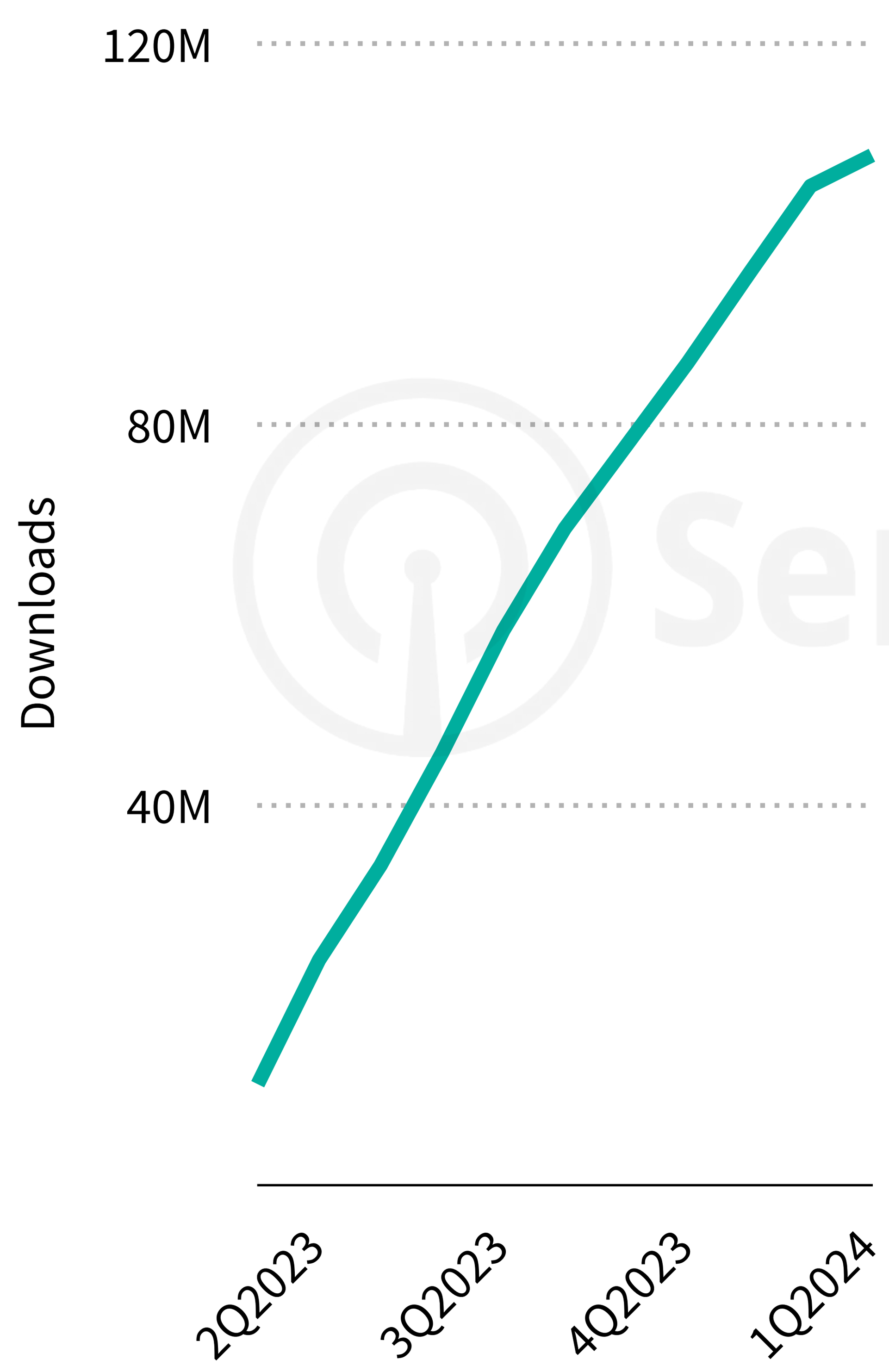
The top gaming creative on TikTok in January 2024 was this Lamborghini x Roblox ad.



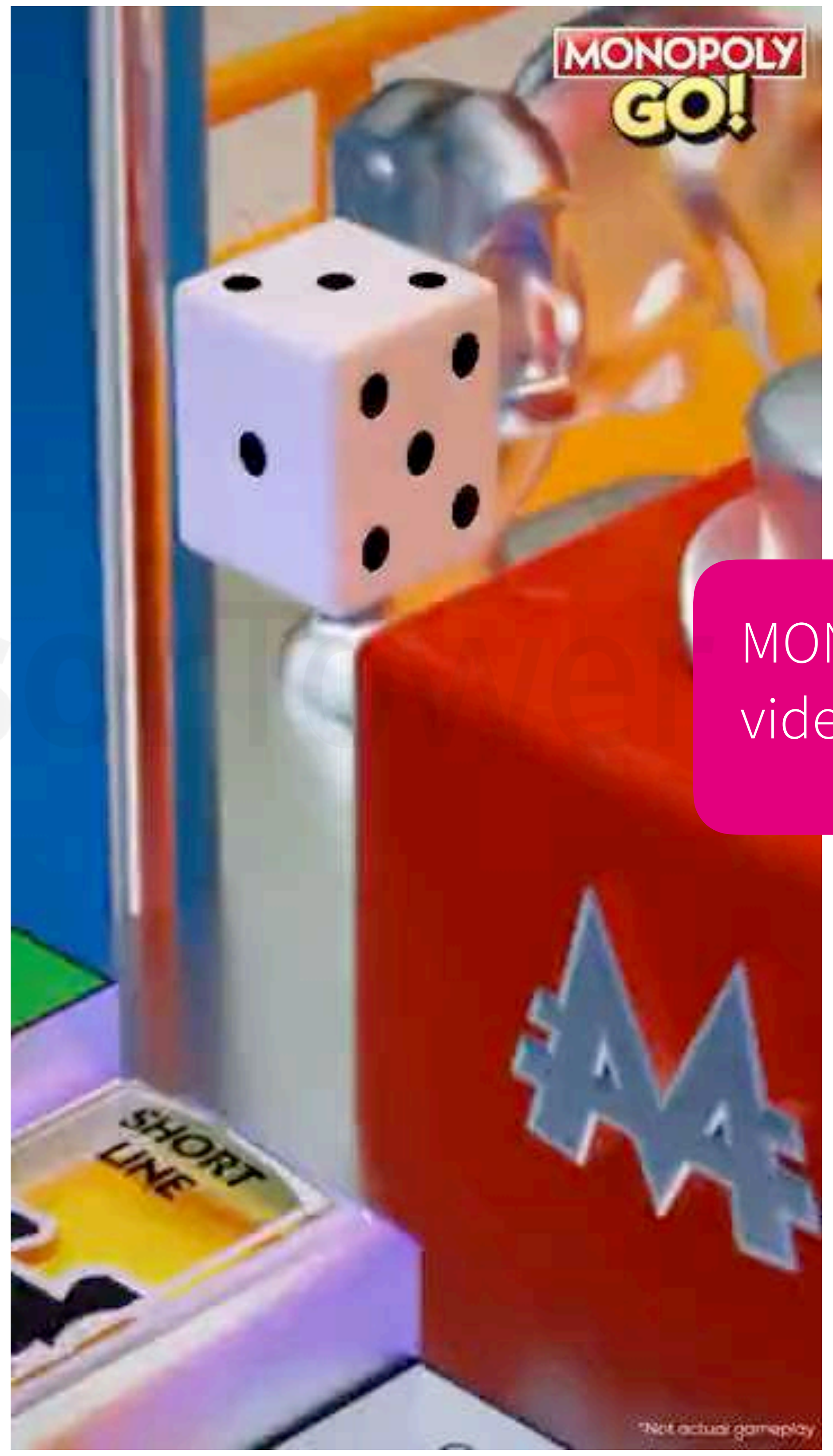
#1 TikTok US gaming video creative January 2024 Link

MONOPOLY GO! has driven over 100 million downloads and less than a year post launch leveraging its IP

MONOPOLY GO! cumulative downloads



All MONOPOLY GO! creative feature recognizable IP elements.

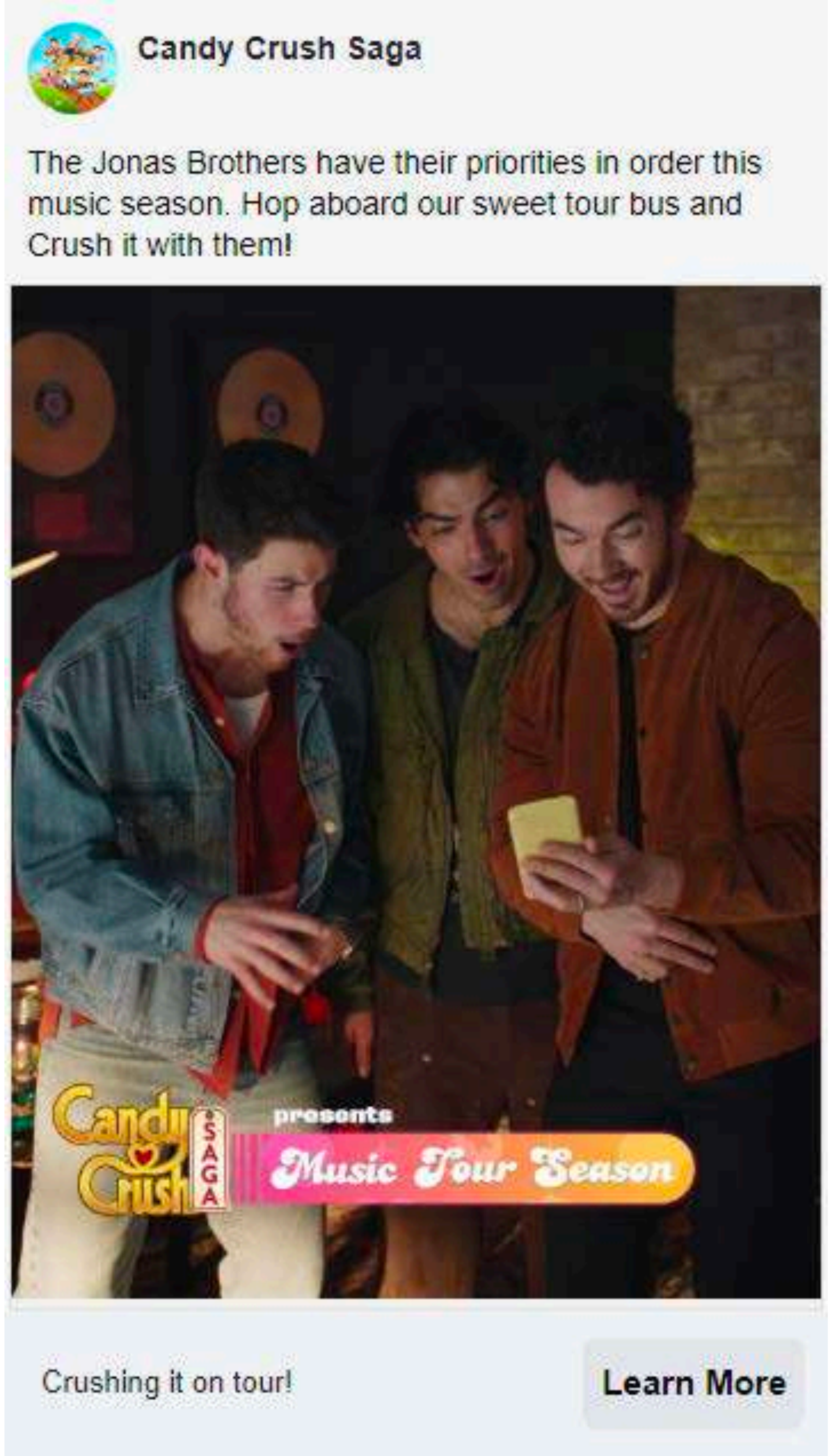


MONOPOLY GO! top video creative 4Q2023

Celebrities, influencers, and user generated content make waves in creative strategy

Games can leverage celebrity and influencer audiences.

Candy Crush Saga (#1 game by 2023 US revenue) partnered with the Jonas Brothers for an ad campaign and an in-app event.



Stumble Guys (#1 Platformer Runner by 2023 US revenue) partnered with Mr. Beast.

User generated content (UGC) has low production costs but organic feel

Royal Match (#2 fasting growing game by downloads 2023) uses low production cost UGC ads frequently.

Link

 |

Reengagement campaigns saw success in 2023

Gardenscapes' downloads reached a three year high in April 2023.

+270%

Downloads
April 2023 over April 2022

+64%

Revenue
April 2023 over April 2022

Gardenscapes utilized reengagement campaigns heavily in this period.

Peak impression timeframe: April 2023 - June 2023

Peak impression timeframe: May 2023

World of Tanks Blitz' downloads reached a three year high in December 2023.

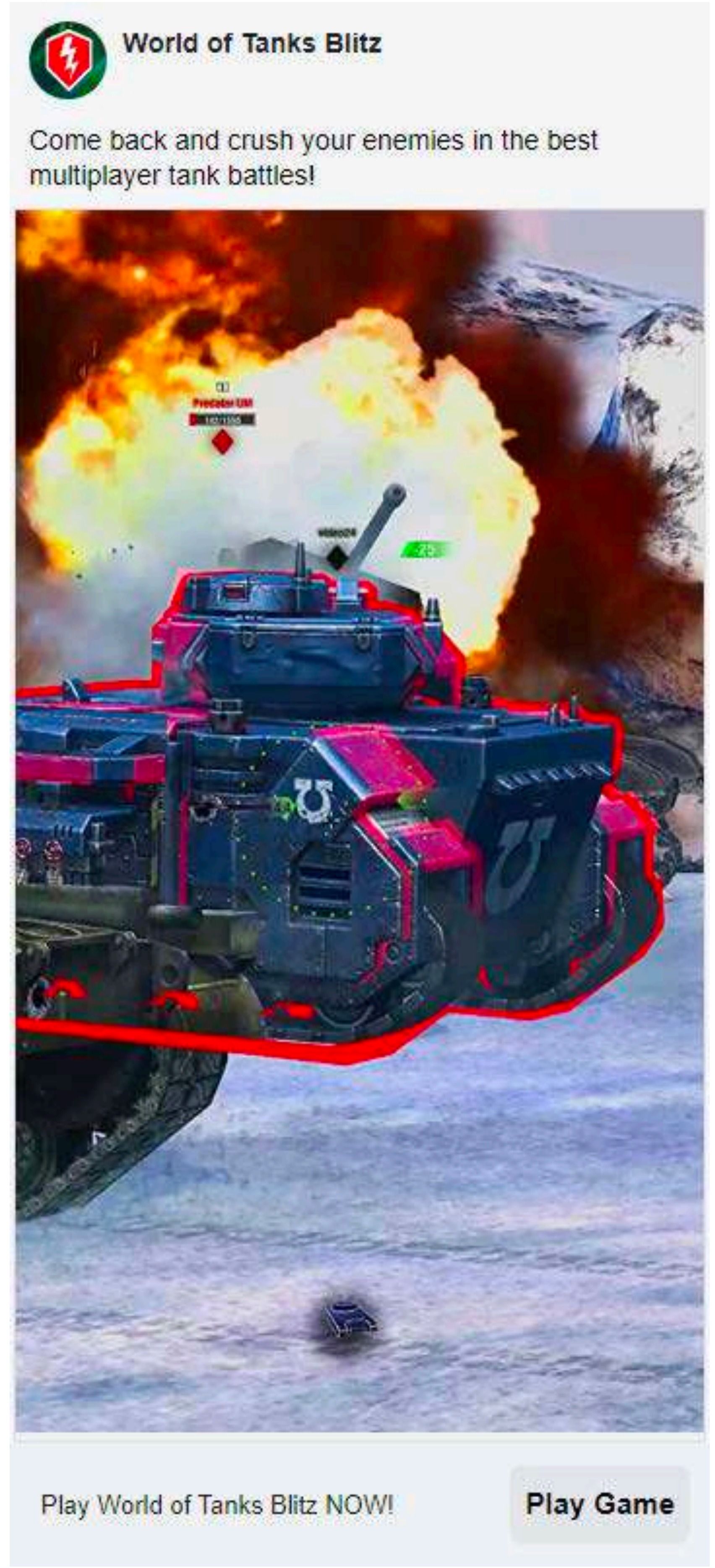
+75%

Downloads
December 2023 over December 2022

+6%

Revenue
December 2023 over December 2022

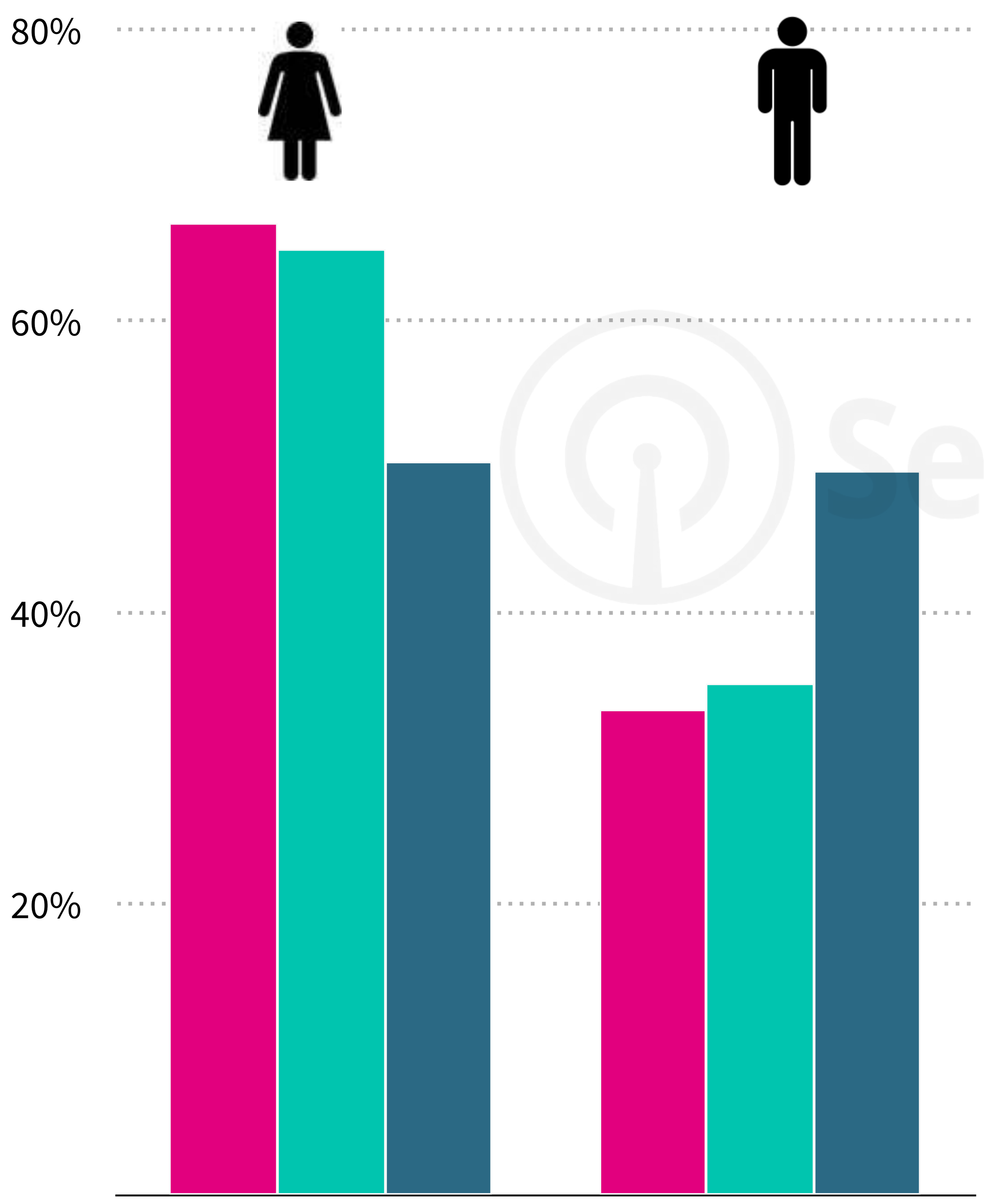
World of Tanks Blitz' top creative during this time retargeted previous players.



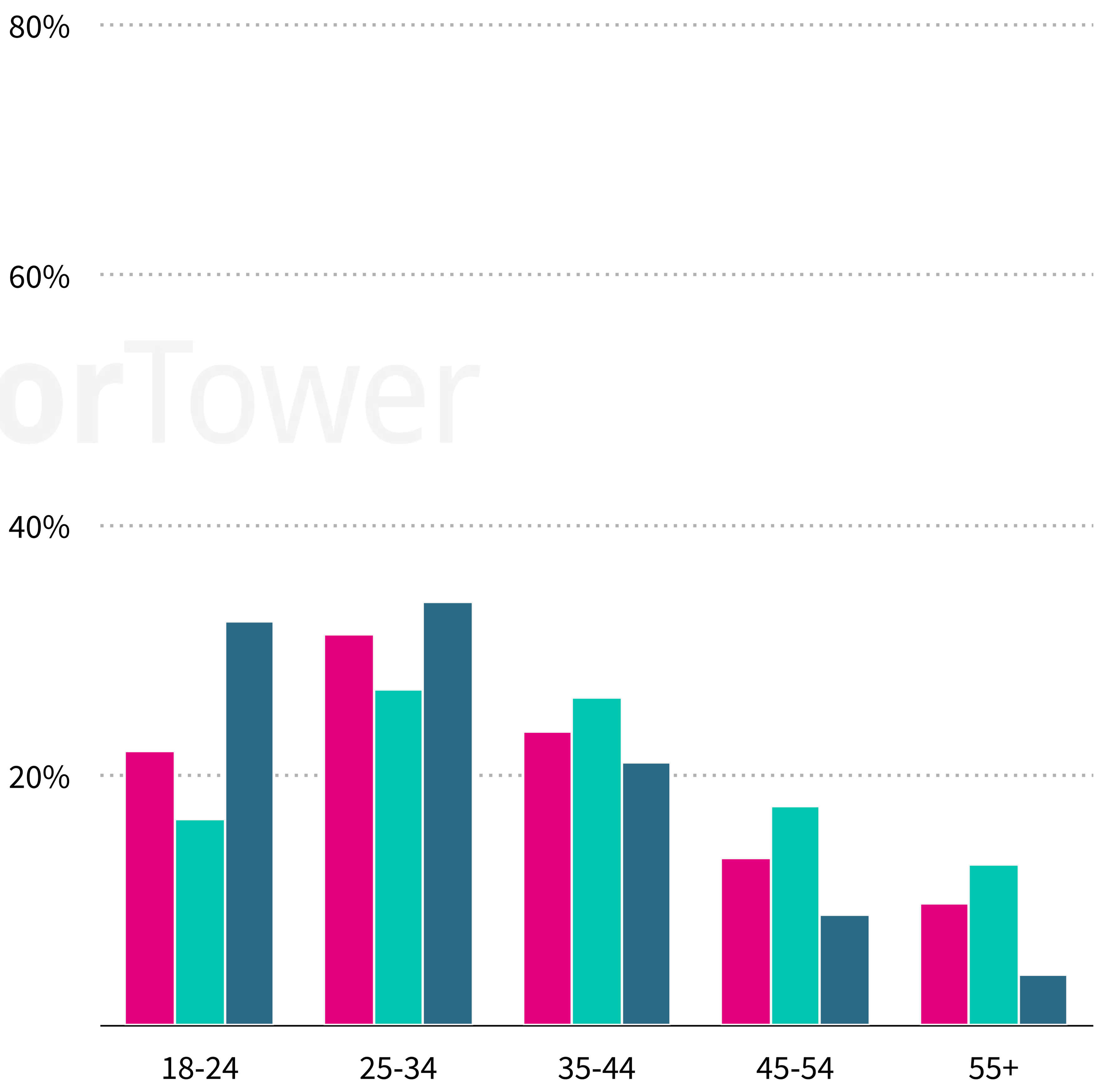
US core gamers are evenly split between women and men; casual gamers skew older

Hypercasual Gamers
Casual Gamers
Core Gamers

Gaming personas by gender
US 4Q2023



Gaming personas age breakdown
US 4Q2023



With Sensor Tower's new Audience Insights product, we're able to analyze the demographics of gaming audiences with new more precision than ever before. Contrary to the prevailing stereotype that gamers are predominantly teenage boys, our data reveals a different story.

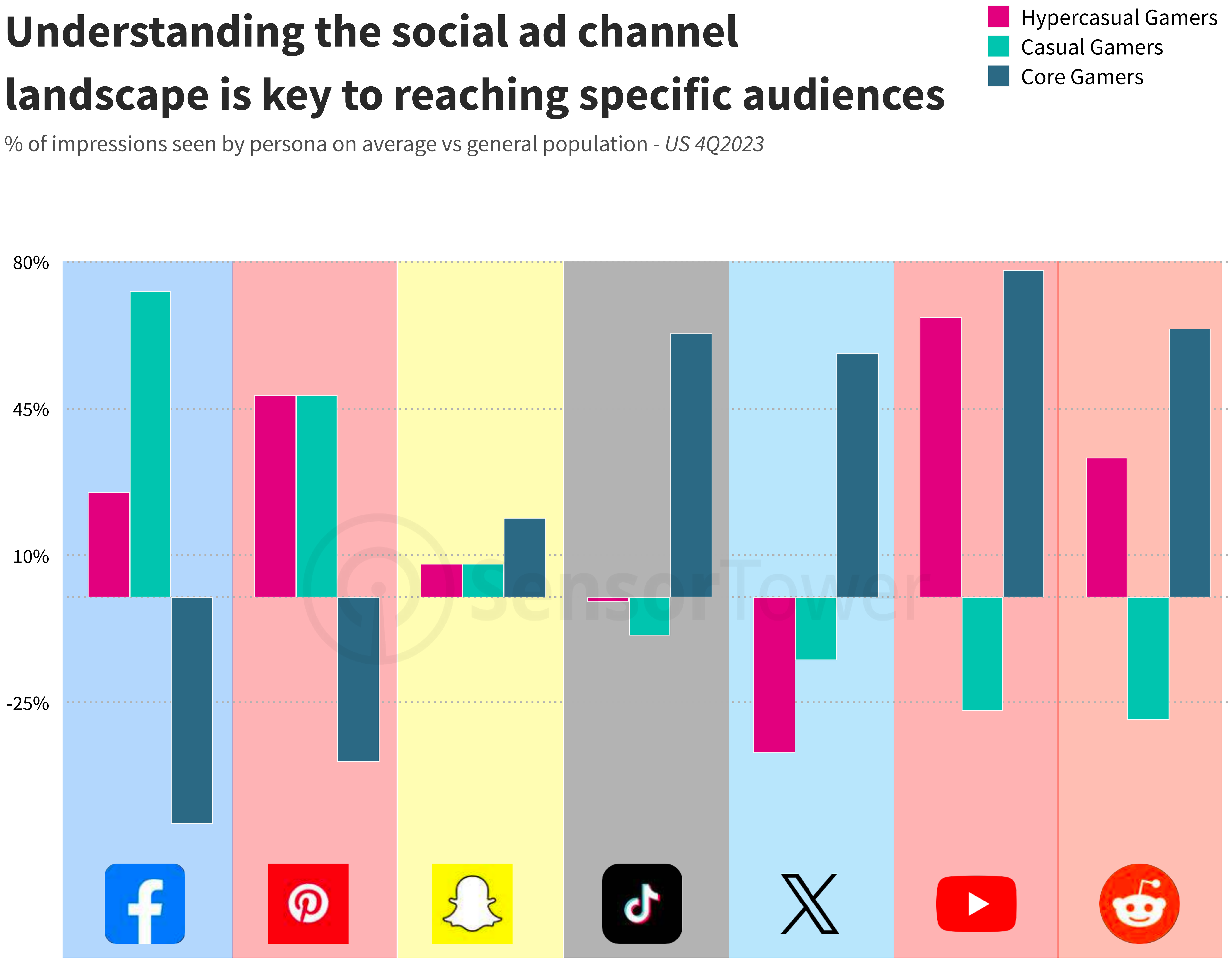
Over 60% of Hypercasual and Casual gamers in the US are female, and the Mid-core gaming audience on mobile has reached gender parity.

The dominant age group among players is 25-34 years old, with Hypercasual and Mid-core gamers skewing younger, and Casual gamers becoming older.

While some of this data reaffirms what mobile gaming industry professionals already know, it sets the stage for an intriguing look at how these demographics intersect with advertising data...

Understanding the social ad channel landscape is key to reaching specific audiences

% of impressions seen by persona on average vs general population - *US 4Q2023*



By integrating Audience Insights with ad network metrics, we can accurately gauge the marketing potential of each channel. Comparing the percentage of impressions a specific gaming persona receives versus the general population reveals critical insights.

YouTube emerges as a key advertising channel for Mid-core and Core games, though it falls short in reaching Casual gamers. However, Hypercasual and Hybridcasual developers have successfully utilized Google Ads on YouTube to reach their target audience effectively.

TikTok's short-form video format aligns well with Core gamers. Despite the success of numerous Hypercasual and Hybridcasual publishers with TikTok campaigns, they are only reaching a fraction of their potential audience at the moment.

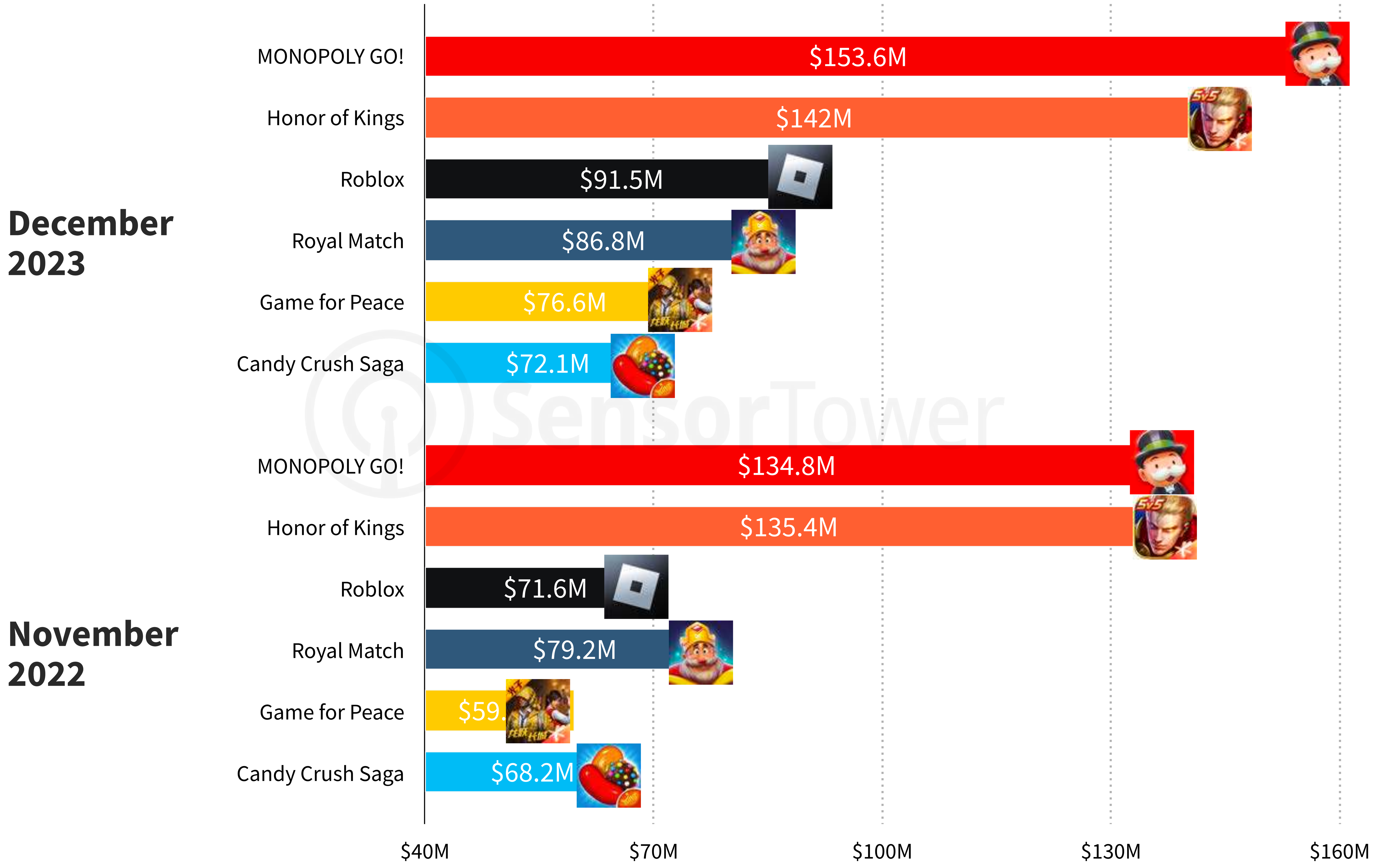
Facebook and Pinterest, on the other hand, are preferred platforms for reaching the predominantly female Casual gamer demographic.

This overview offers a snapshot of the comprehensive analysis possible through Audience Intelligence, highlighting the strategic use of digital platforms to connect with diverse gaming audiences.

Gaming **Insights**

MONOPOLY GO! dethrones Honor of Kings

Monthly revenue of top six games by revenue in December 2023 - *Worldwide, App Store and Google Play*



"Honor of Kings" has long dominated the charts as the highest-grossing game globally. However, the exceptional success of "Monopoly Go" in December 2023 disrupted this trend.

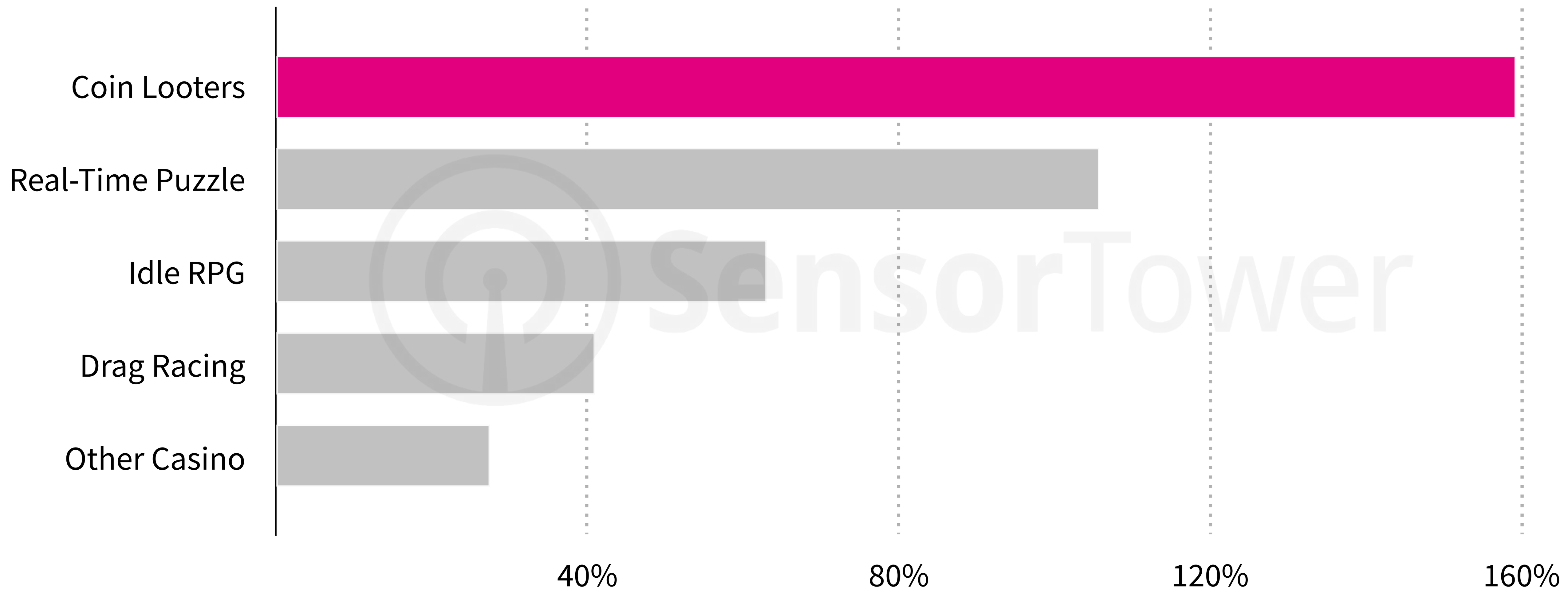
"Monopoly Go" effectively leveraged its intellectual property, merging it with the compelling core loop of the Coin Looter sub-genre*. The game also capitalized a robust social competitive challenge that aligns with the IP's brand characteristics. This strategic blend, coupled with a vigorous marketing strategy and dynamic live operations, culminated in one of the most significant mobile game releases the industry has ever seen.

**Coin Looters are defined as games with a random-based mechanic at the center of the game experience, that are "casualized" with meta features such as base building and decoration. These games usually have an art style that appeals to casual audiences. Examples of the sub-genre include "MONOPOLY GO!," "Coin Master," and "Dice Dreams™"*

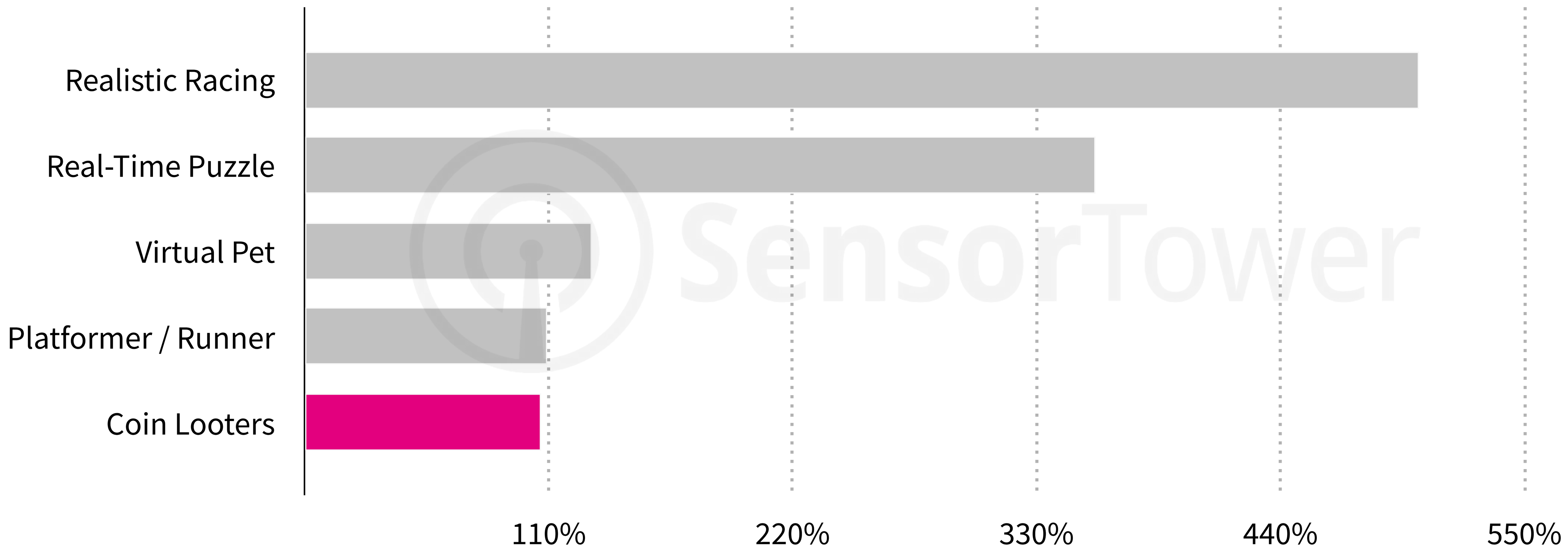
Note: Sensor Tower does not track 3rd party app stores in China.

Coin Looters hit the jackpot

Top 5 sub-genres by Download % growth - *Worldwide, App Store and Google Play*



Top 5 sub-genres by revenue % growth - *Worldwide, App Store and Google Play*



Top contributor

MONOPOLY GO!
Scopely

Tetris
PlayStudios

Hero Wars: Alliance
NEXTERS

Drift 2 Drag
HyperMonk Games

Rush: Ludo, Carrom Game Online
Hike Private

Top contributor

Racing Master
NetEase

Triple Master 3D: Goods Match
Starfun Studio

Pokémon Sleep
The Pokémon Company

Eggy Party
NetEase

MONOPOLY GO!
Scopely

Coin Looter sub-genre saw phenomenal growth in both downloads and revenue that was significantly propelled by “MONOPOLY GO!”.

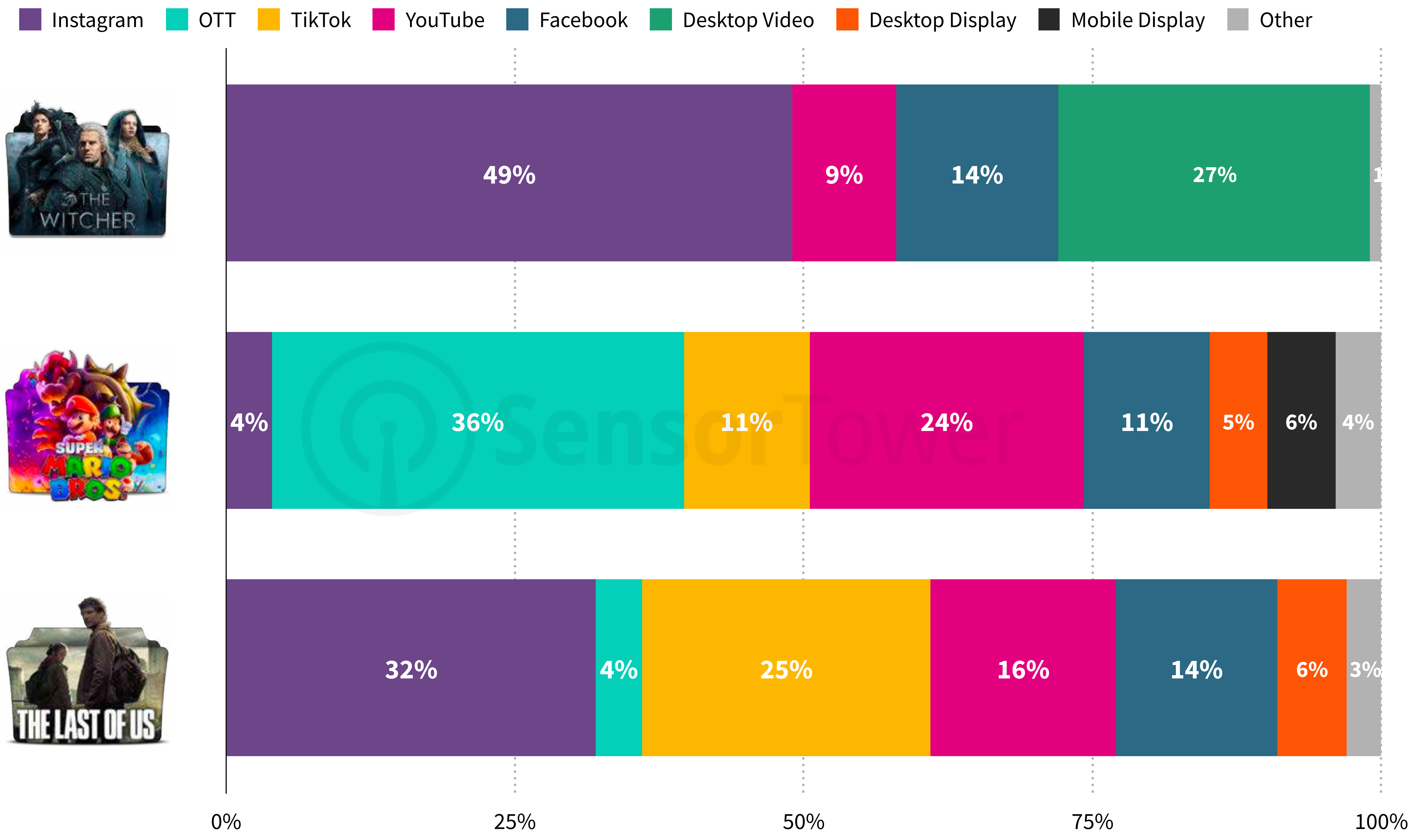
Real-Time Puzzle, led by PlayStudios’ “Tetris," experienced a notable surge, doubling its downloads in 2023.

Idle RPGs also witnessed a 60% growth in downloads YoY, with games like "Hero Wars: Alliance" achieving this success by cleverly marketing themselves as Hypercasual in their advertising campaigns.

Realistic Racing, featuring titles such as "Racing Master,” saw a dramatic fivefold YoY revenue growth.

Gaming IPs make the transmedia leap

Digital ad spend breakout, selected gaming transmedia movies/shows
US, 14 days before release + initial release day + 14 days post release



Note: Time frames are based on The Witcher Season 3 and The Last of Us first episode release.

Throughout 2023, a key theme that emerged is transmedia.

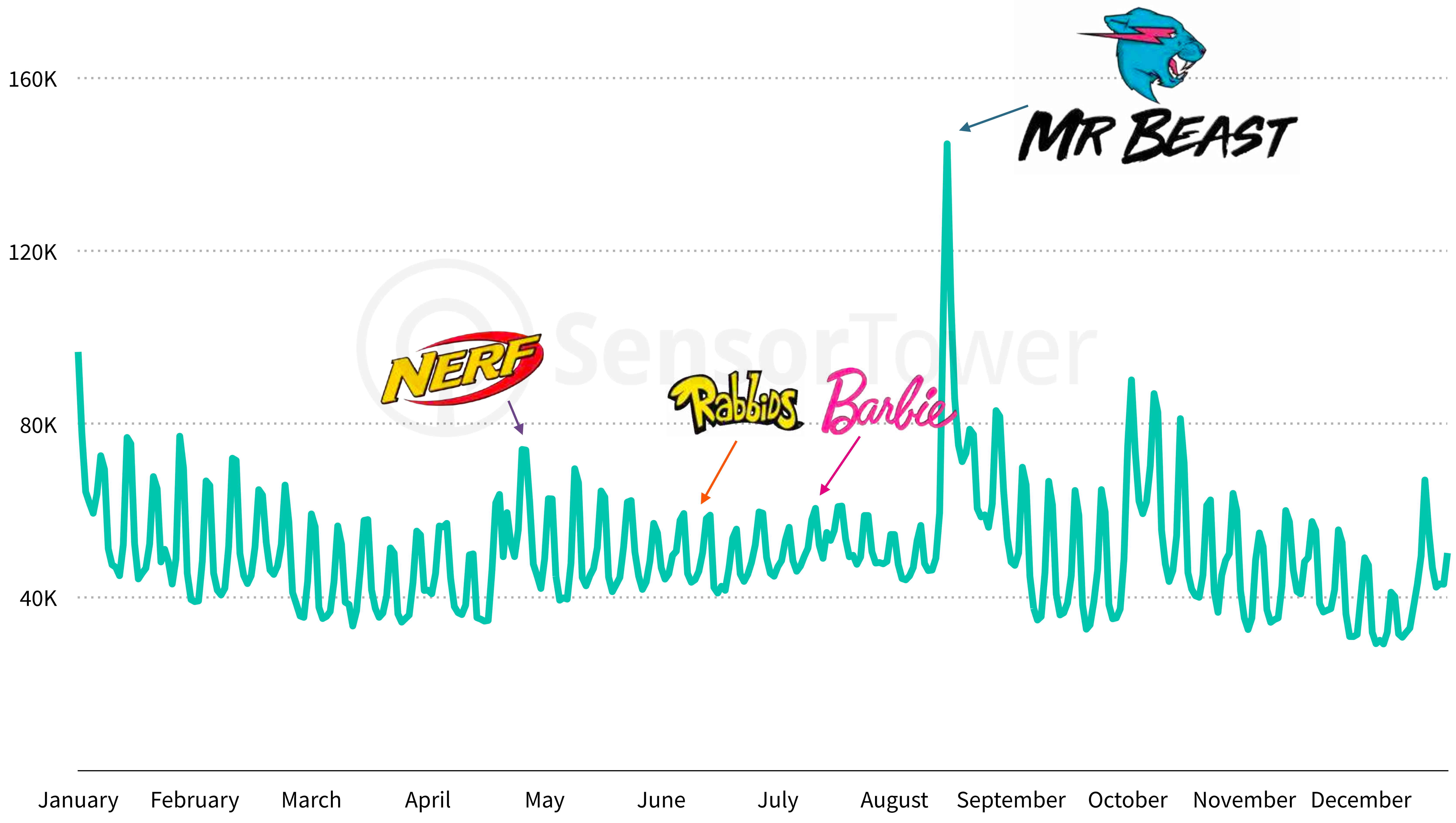
Transitioning gaming IPs into film and television gives the new content a head-start by tapping into an existing audience. It also introduces these rich game worlds to new audiences, potentially driving a new cohort back to the original games.

This chart details the digital ad spend across various channels for selected transmedia entertainment projects. For instance, Netflix's "The Witcher" focused its ad spend predominantly on Instagram (49%), while HBO's "The Last of Us" split its budget between Instagram (32%) and TikTok (25%). The "Super Mario Bros." movie leaned heavily on OTT (36%) and YouTube (24%).

Furthermore, cross-pollination of content across different media offers another avenue to monetize, through licensing deals, merchandise, and increased game sales driven by the heightened visibility of the IP. This success is prompting major entertainment companies to venture into the gaming industry, with Netflix launching its own studios and acquiring games for its subscription service, and Disney announcing a partnership with Epic.

Stumble Guys take a page from the Fortnite playbook

Daily Stumble Guys downloads with event collaborations
2023 Worldwide, App Store Only



A prominent trend in 2023 is the strategic collaboration between gaming IPs and non-gaming entities for in-app events.

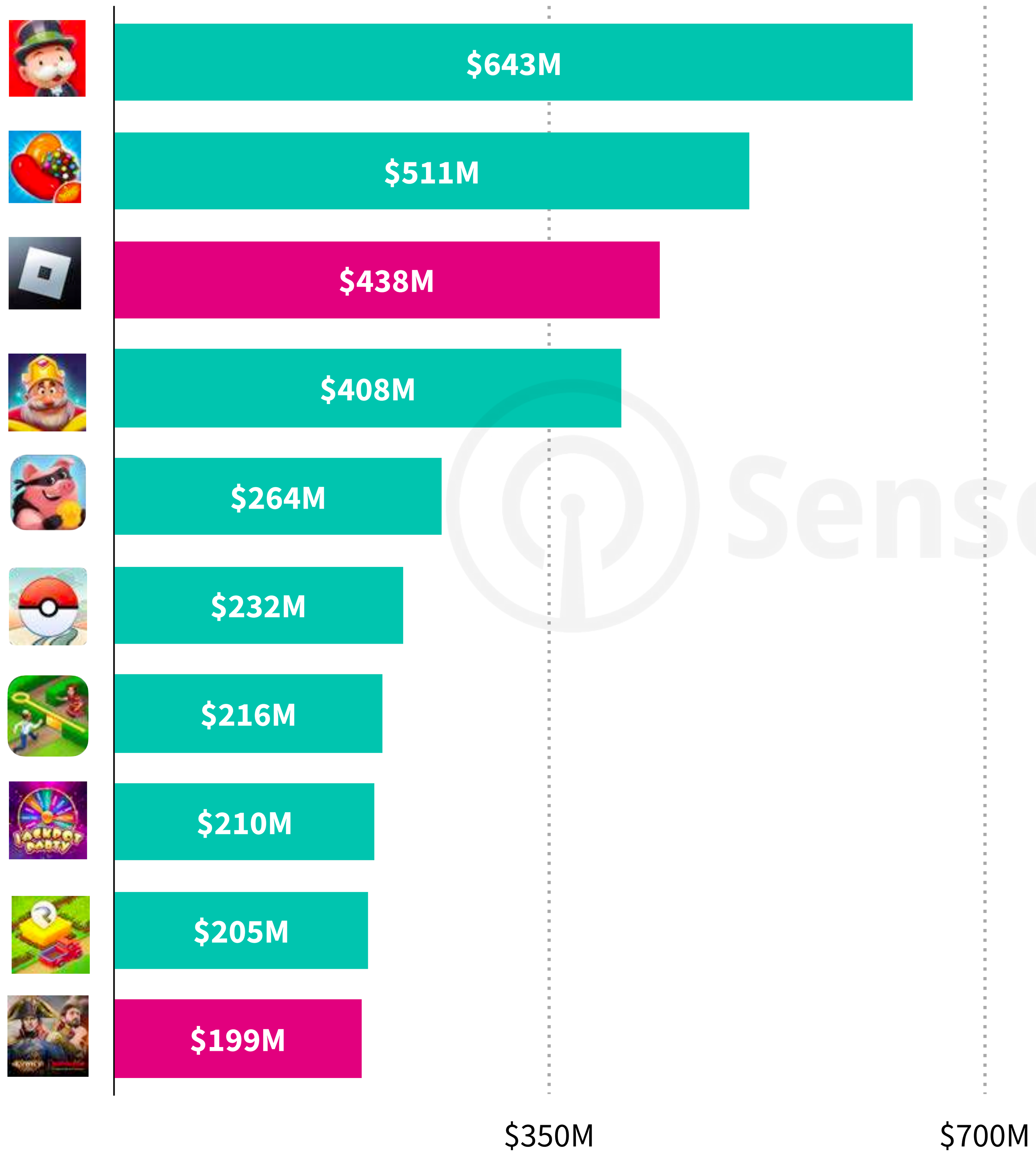
"Stumble Guys" is an exemplary case: an original gaming IP that has hosted numerous collaborations with brands from outside the gaming world, including Hot Wheels, NERF, Barbie, and Mr. Beast, through limited-time live operations events. These events typically last a week, introducing new themed content such as IP-specific cosmetic items (skins), new maps, and gameplay modifications.

For example, the NERF collaboration introduced a first-person shooter mode and a NERF-themed map to the game. These partnerships have markedly succeeded, excluding the Barbie collaboration, which saw minimal impact on new downloads possibly due to audience misalignment. There was a 120% surge in downloads during the first week of the NERF event and a 20% rise for the Rabbids collaboration's first week.

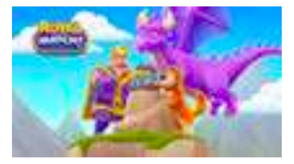
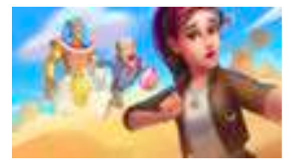
However, the Mr. Beast collaboration outshone these, boasting a 600% increase in downloads. Launched on July 17, 2023, this event introduced Mr. Beast game modes, a special map, and 'Beast Bucks'—a limited-time currency for purchasing Mr. Beast themed in-game items. Accompanying special event missions and leveraging Mr. Beast's vast influence resulted in significant PR and marketing exposure, substantially boosting the game's visibility.

Live Ops events are more vital than ever

Top 10 Games by US revenue in 2023,
App Store and Google Play



Top 2023 in-app event

Promotional Image	Event Name	Revenue Lift	Revenue Generated
	Baking Partners!	+250%	$2.3M
	Don't miss the festive finale!	+70%	$2M
	Cinnamon Star Cookie	+80%	$4M
	Dragon Nest	+100%	$3M
	Halloween with Coin Master	+70%	$800K
	Timeless Travels!	+250%	$1.5M
	Egyptian expedition!	+95%	$1M
	New Casino Slot Available Now!	+140%	$1M
	Christmas Miracles	+150%	$1.3M
	Napoleon Collaboration Begins	+310%	$1.5M

In today's competitive gaming environment, with user acquisition costs on the rise, leveraging Live Ops and events has become essential for retaining and monetizing existing user bases.

Developers and publishers are increasingly focusing their budgets on risk-averse strategies, reverting to proven methods such as in-app events, which have shown significant effectiveness.

Keeping players engaged demands the introduction of new elements on a weekly basis, a requirement that has deeply influenced the game production process. As a result, development teams are now often split between focusing on live operations and traditional development tasks.

Our analysis of the top 10 games by gross revenue in 2023 revealed the high-impact role of in-app events in revenue generation. For instance, the "Timeless Travels!" event in Pokémon Go resulted in a 250% lift in revenue within the first three days, amassing over $1.5 million.

Similarly, titles like "Gardenscapes" have effectively leveraged weekly events throughout the year, consistently securing their place among the top-grossing charts.

Note:
Revenue figures are gross revenue (including the cut taken by Apple or Google).
"Revenue Lift" looks at the growth in revenue on the App Store within a three-day window around the event's start.
"Revenue Generated" is the total revenue generated within the first three days on the App Store in the US.

2023 Asian market snapshot

-10% Downloads 2023 over 2022

-6% Revenue 2023 over 2022

Top Genres

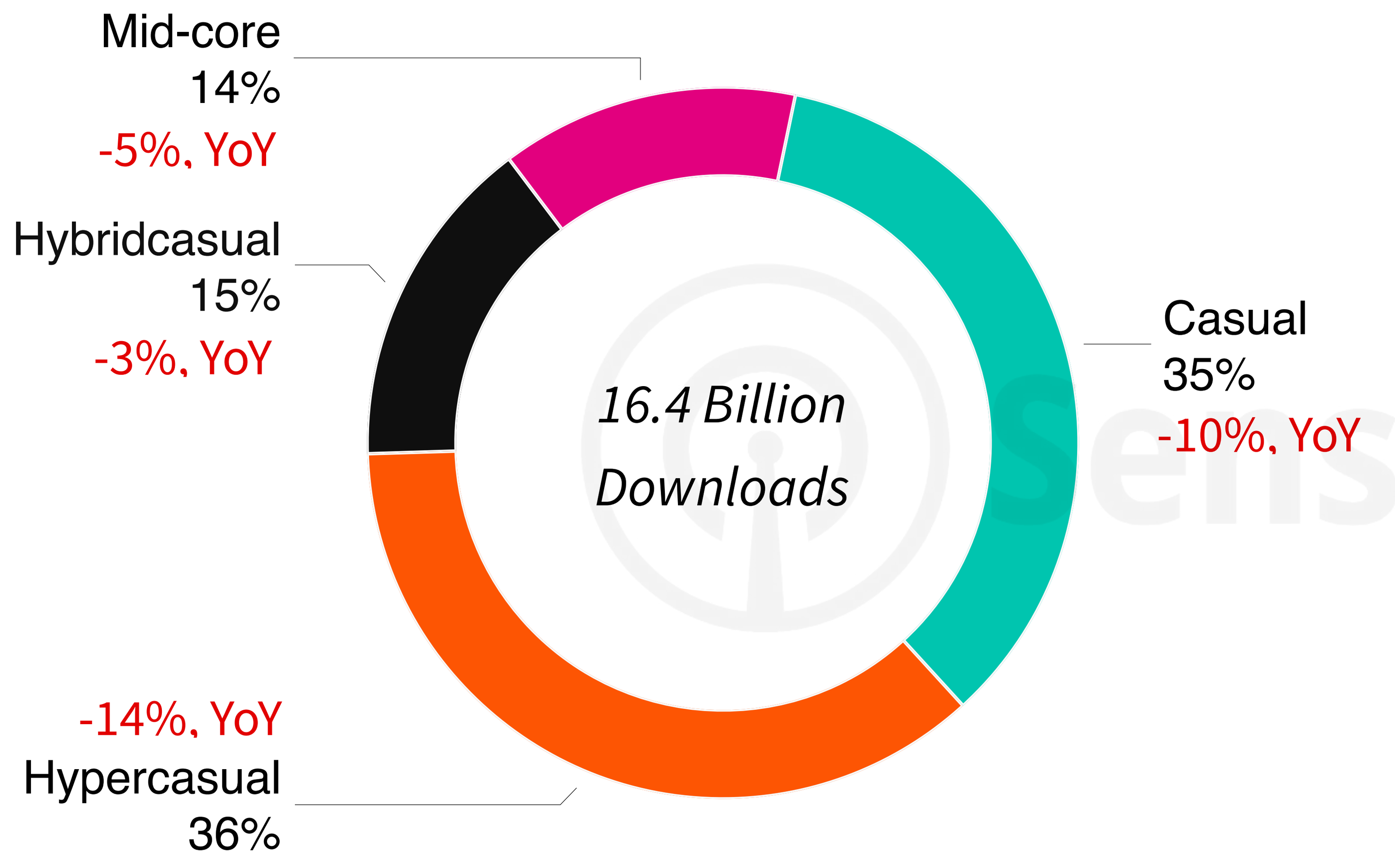
1	RPG	-
2	Strategy	-
3	Shooter	-
4	Casino	-
5	Puzzle	-

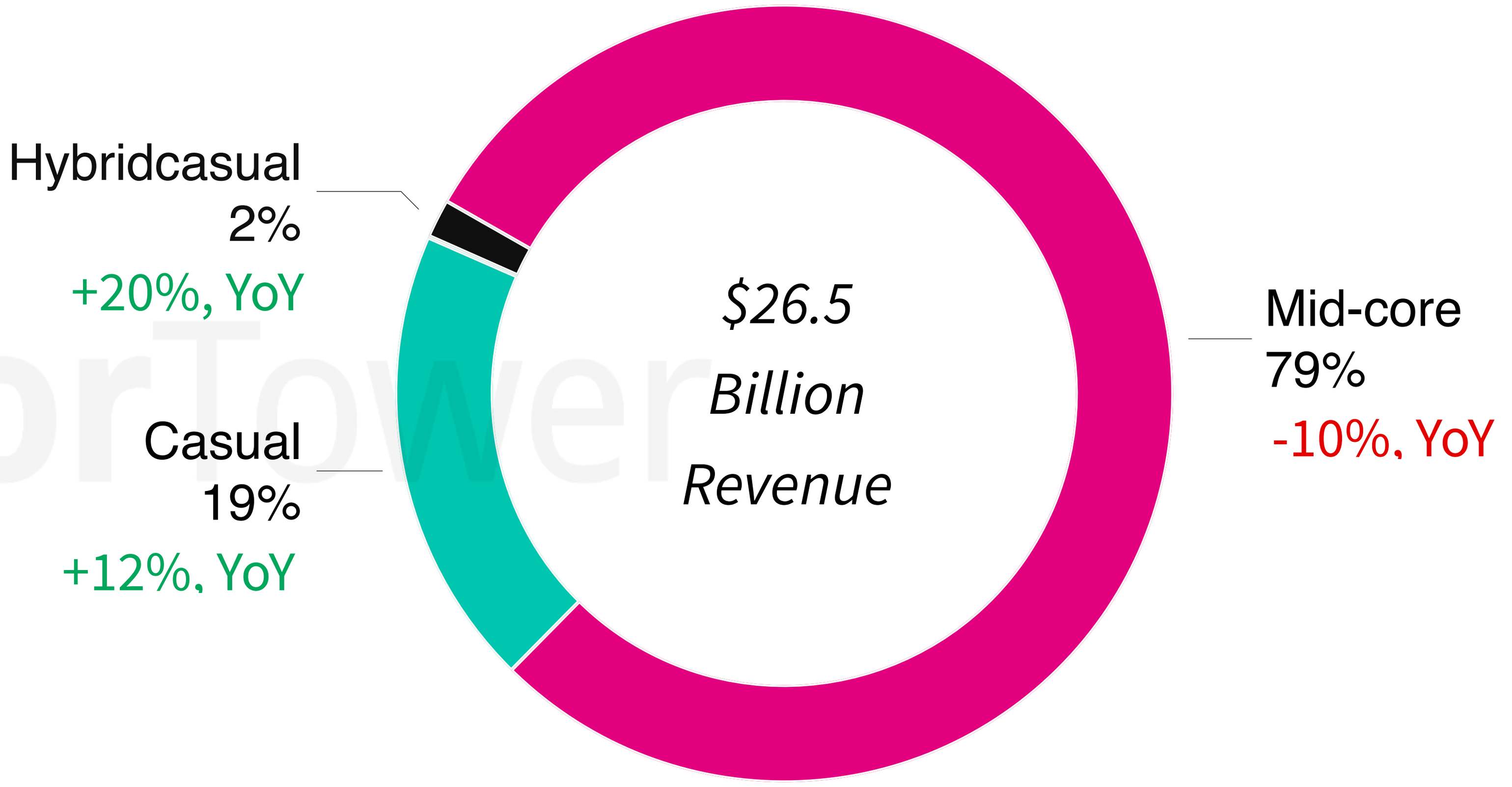
Top Publishers

1	Tencent	-
2	NetEase	-
3	miHoYo	-
4	NCSOFT	-
5	Konami	NEW

Top Games

1	Honor of Kings Tencent	-
2	Game for Peace Tencent	+1
3	Genshin Impact miHoYo	-1
4	Honkai: Star Rail miHoYo	NEW
5	Monster Strike mixi	NEW



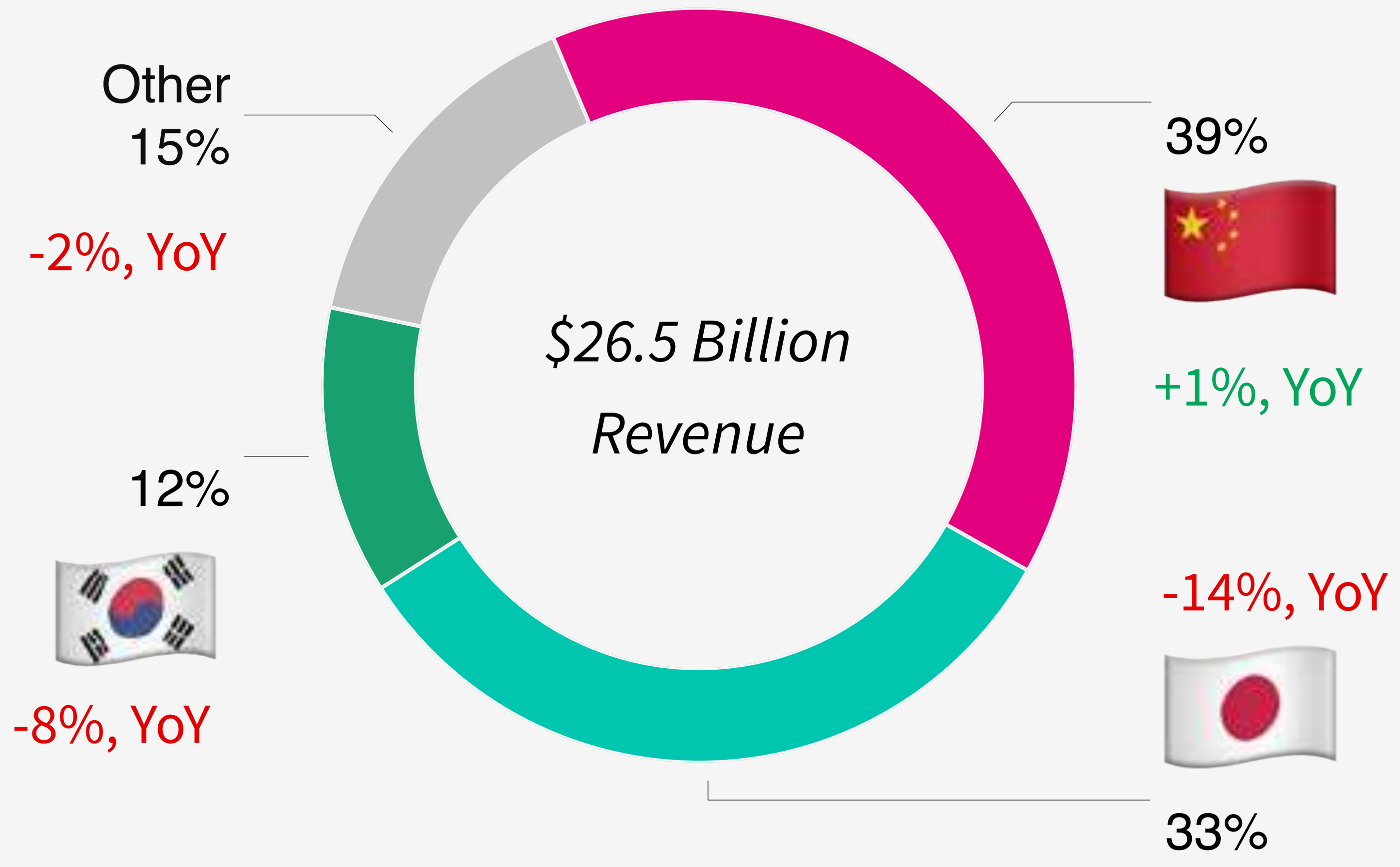


The Asian market experienced a -10% YoY decline in downloads and a -6% YoY decline in revenue. With internal competition escalating, an increasing number of Asian developers and publishers are shifting their focus toward Western audiences. This marks a strategic pivot in their approach to global expansion.

The Gacha-based monetization model remains dominant, widely accepted culturally and driving the success of Mid-core titles, which generate 79% of gaming revenue in the region. Casual games account for 19%, while Hybridcasual games make up just 2%. Local industry leaders Tencent, NetEase, and miHoYo continue to top the publisher rankings.

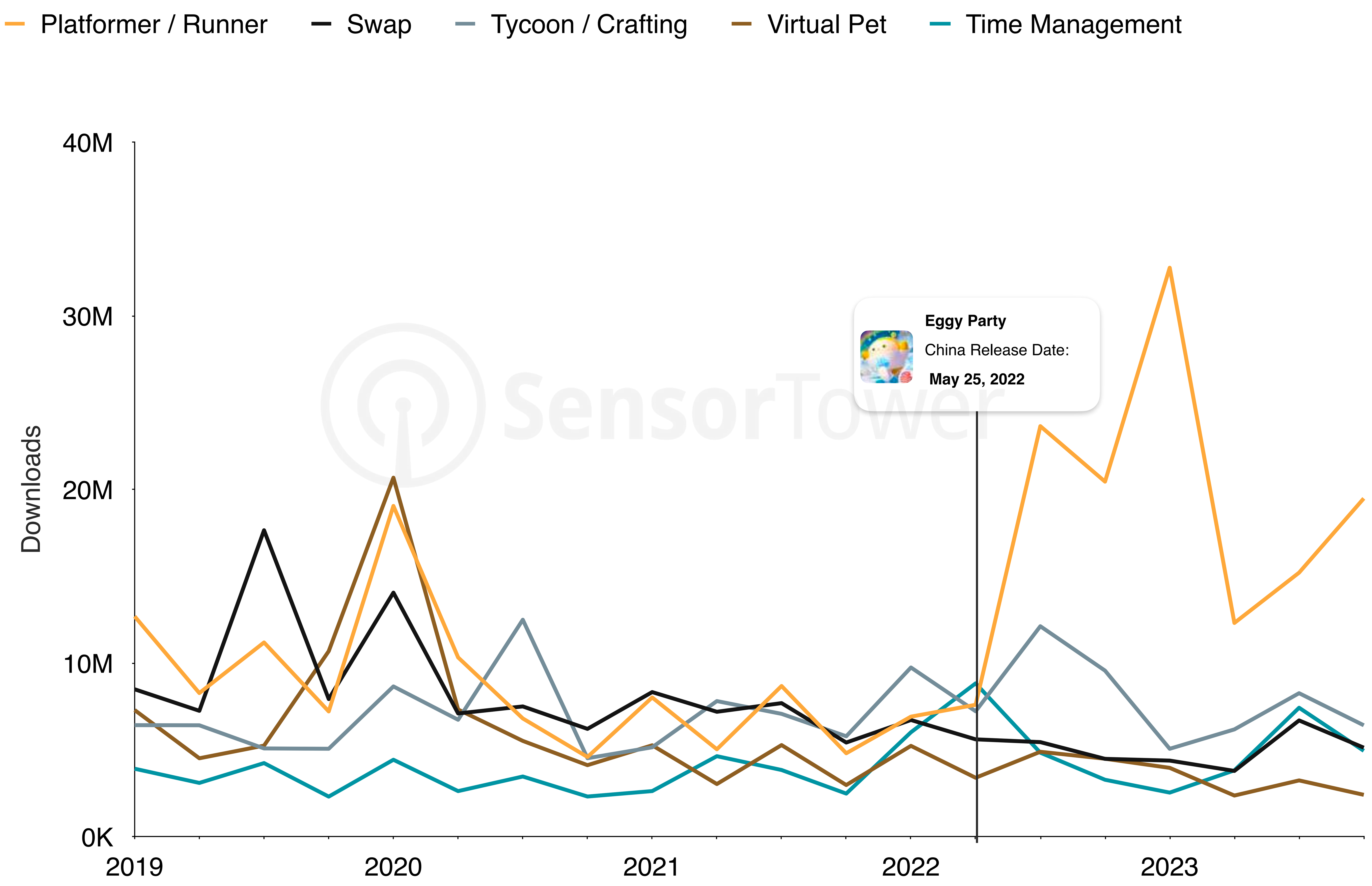
Broken down by country, China contributes 39% of Asia's revenue, with Japan accounting for 33%, and South Korea representing 12%.

Note: Game for Peace is the China only version of PUBG MOBILE.



Eggy Party reshaped the platformer/runner landscape

Top five sub-genres by downloads - *China, App Store only*



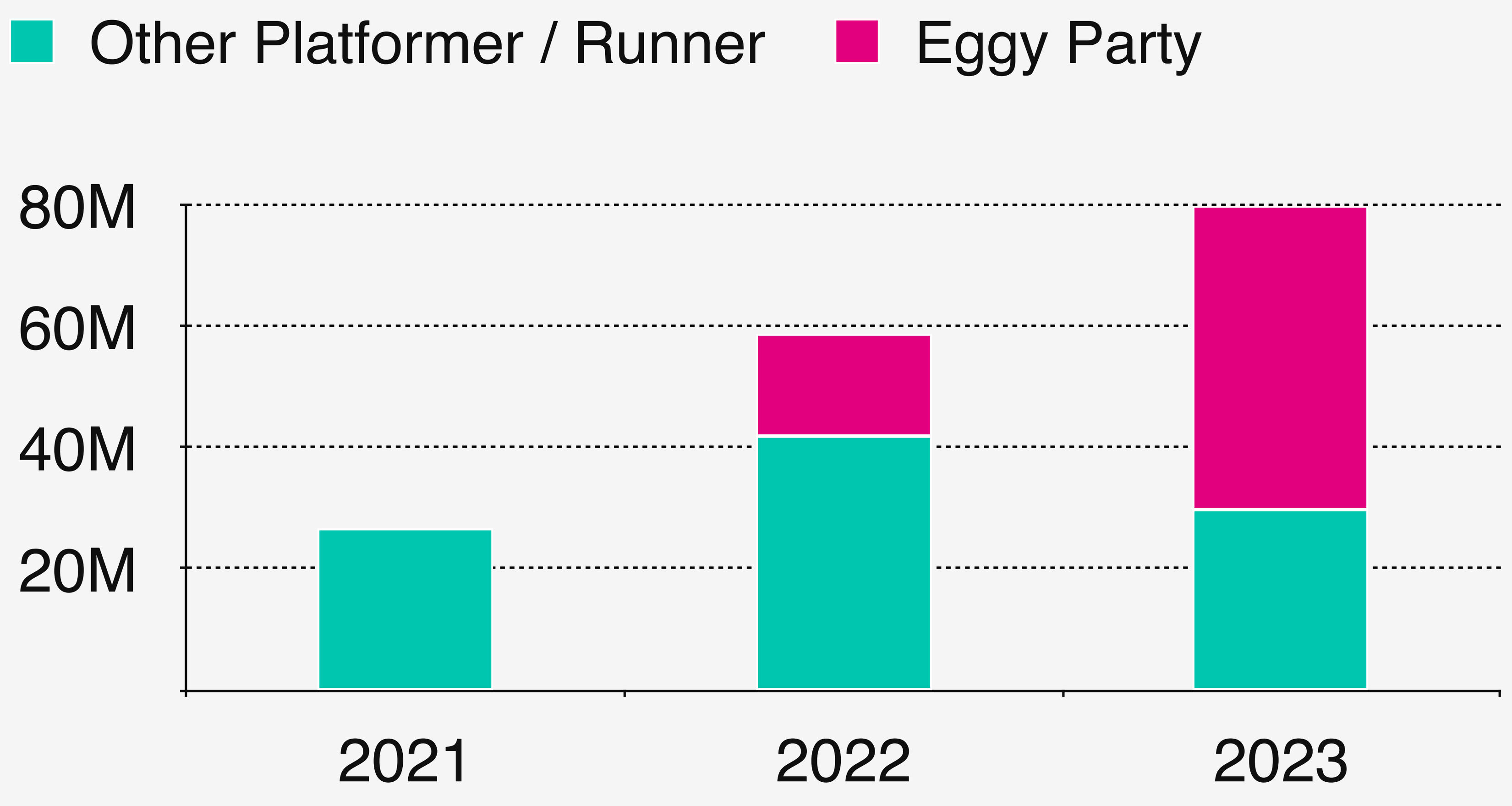
One game that achieved remarkable success in China is "Eggy Party," NetEase's response to the Western hit "Stumble Guys."

"Eggy Party" is a Platformer/Runner game enriched with a vibrant social party component, where players navigate 3D cartoon characters through a series of entertaining mini-games alongside friends. Adding a unique twist, "Eggy Party" incorporates a user-generated content feature, blending elements of "Stumble Guys" with "Roblox."

This innovative combination sparked a social media frenzy, positioning "Eggy Party" as a dominant force in China's casual gaming landscape throughout most of 2023 and inspiring a wave of competitors throughout the year.

Eggy Party share of Other Platformer/Runner sub-genre downloads

China, App Store only



2023 Europe market snapshot

-12% Downloads YoY

+7% Revenue YoY

Total revenue in Europe in 2023 - *App Store and Google Play*

Top Genres

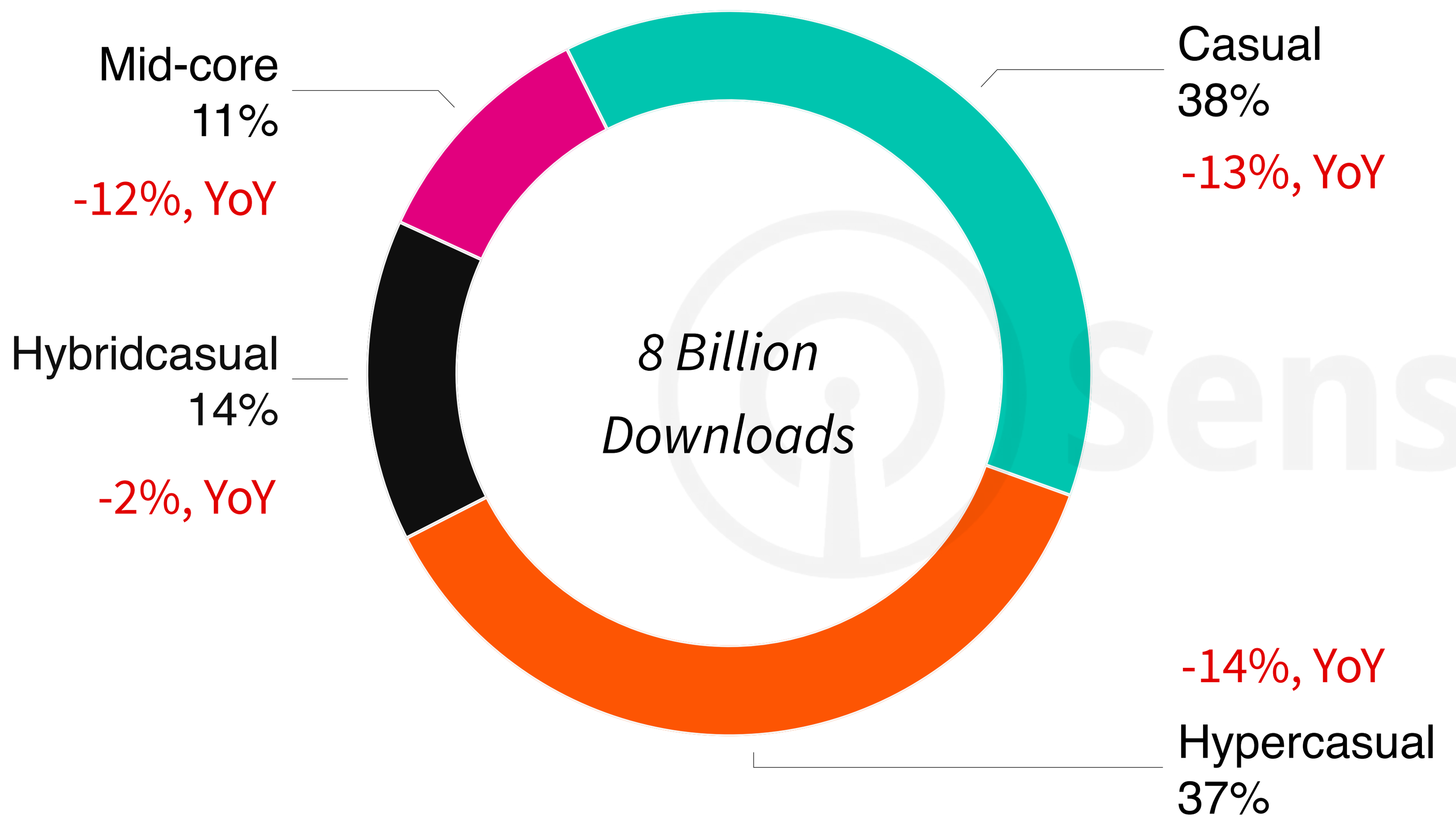
1	Puzzle	+1
2	Strategy	-1
3	Casino	+1
4	RPG	-1
5	Simulation	-

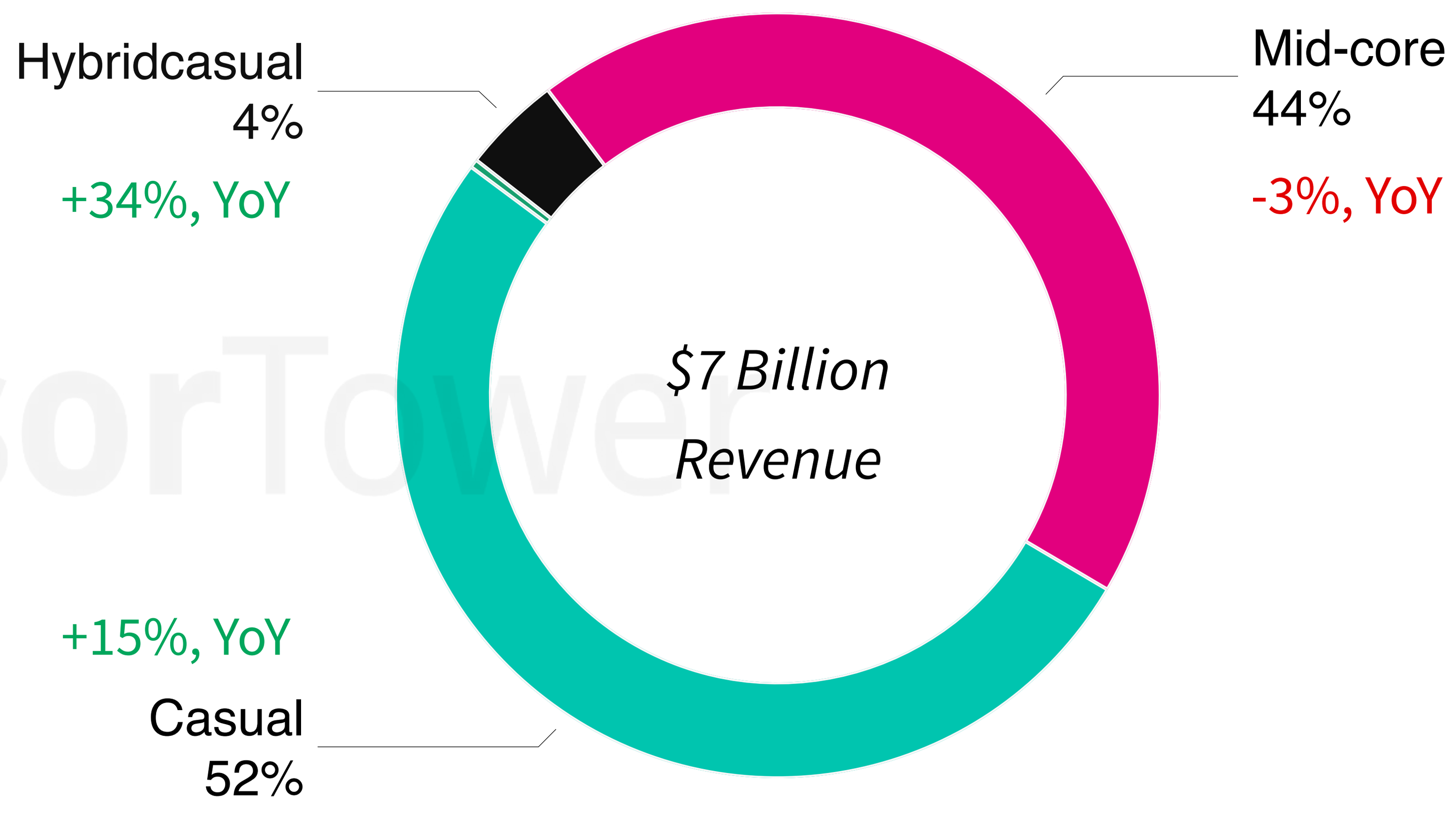
Top Publishers

1	Playrix	-
2	Activision Blizzard	-
3	Moon Active	-
4	Take-Two Interactive	+1
5	Supercell	-1

Top Games

1	Coin Master Moon Active	-
2	Candy Crush Saga Activision Blizzard	-
3	Gardenscapes Playrix	+2
4	Roblox Roblox	-1
5	Royal Match Dream Games	NEW





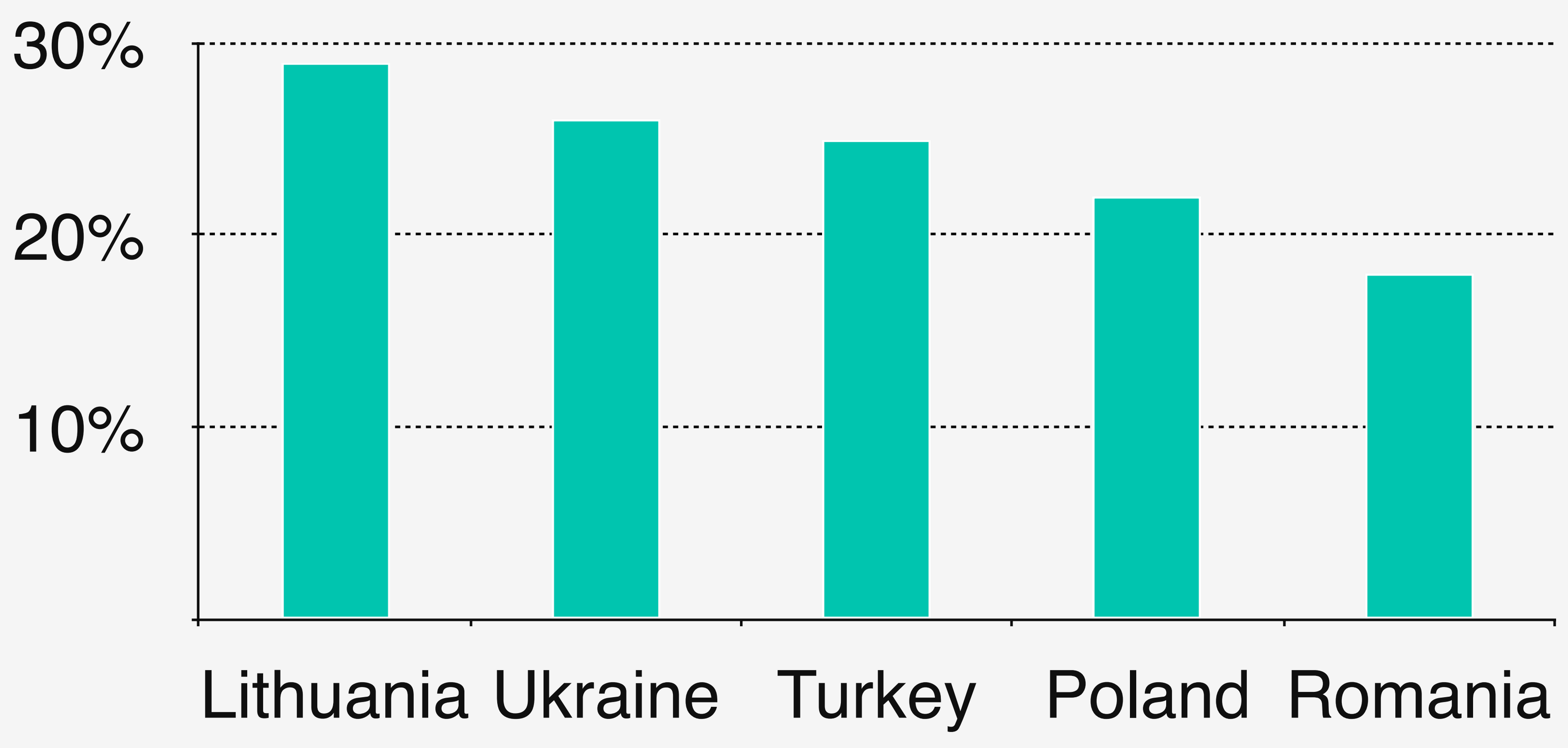
The European market shows -12% year-over-year decrease in downloads, yet a 7% increase in revenue driven by Casual games such as "Coin Master," "Candy Crush," "Gardenscapes," and "Royal Match."

This result can be attributed to “casualization” and effective seasonal events strategies. Rising CPI in Tier 1 countries leads to fewer installs, but publishers are countering this by enhancing existing games' value through Live Ops, boosting revenue.

Casual games are the dominant force in Europe, making up over 52% of gaming revenue, with Mid-core games at 44%, and Hybridcasual games at 4%.

Interestingly, "Monopoly Go" strategically avoided focusing on Europe, opting instead to target regions with more favorable CPI and concentration environments.

Top 5 European countries by YoY revenue growth



Genshin Impact is the most dominant game by sub-genre revenue concentration

Most concentrated sub-genres

Sub-genre	Top Game	Revenue Market Share
Open World Adventure	Genshin Impact *miHoYo*	86%
Sandbox	Roblox *Roblox*	82%
Build & Battle	Clash of Clans *Supercell*	81%

Least concentrated sub-genres

Slots	Jackpot Party *Light and Wonder*	7%
4X Strategy	Three Kingdom Tactics *Alibaba*	8%
MMORPG	Justice Online Mobile *NetEase*	9%

Coin looter case study

Year	Top Game	Revenue Market Share
2023	MONOPOLY GO! *Scopely*	47%
2022	Coin Master *Moon Active*	82%

One common inquiry we receive is, "Which sub-genres are most concentrated?" Meaning, which sub-genres are dominated by a single game that captures most of the revenue? Our comprehensive data, alongside our Game Intelligence and Game Taxonomy tools, can answer this question.

Here's a brief overview of some notable examples, listing sub-genres alongside their top game and the revenue market share of that game within the sub-genre.

Mid-core games such as Open World Adventure, Sandbox, and Build & Battle are among the most concentrated, where a single game often accounts for 80% of market share.

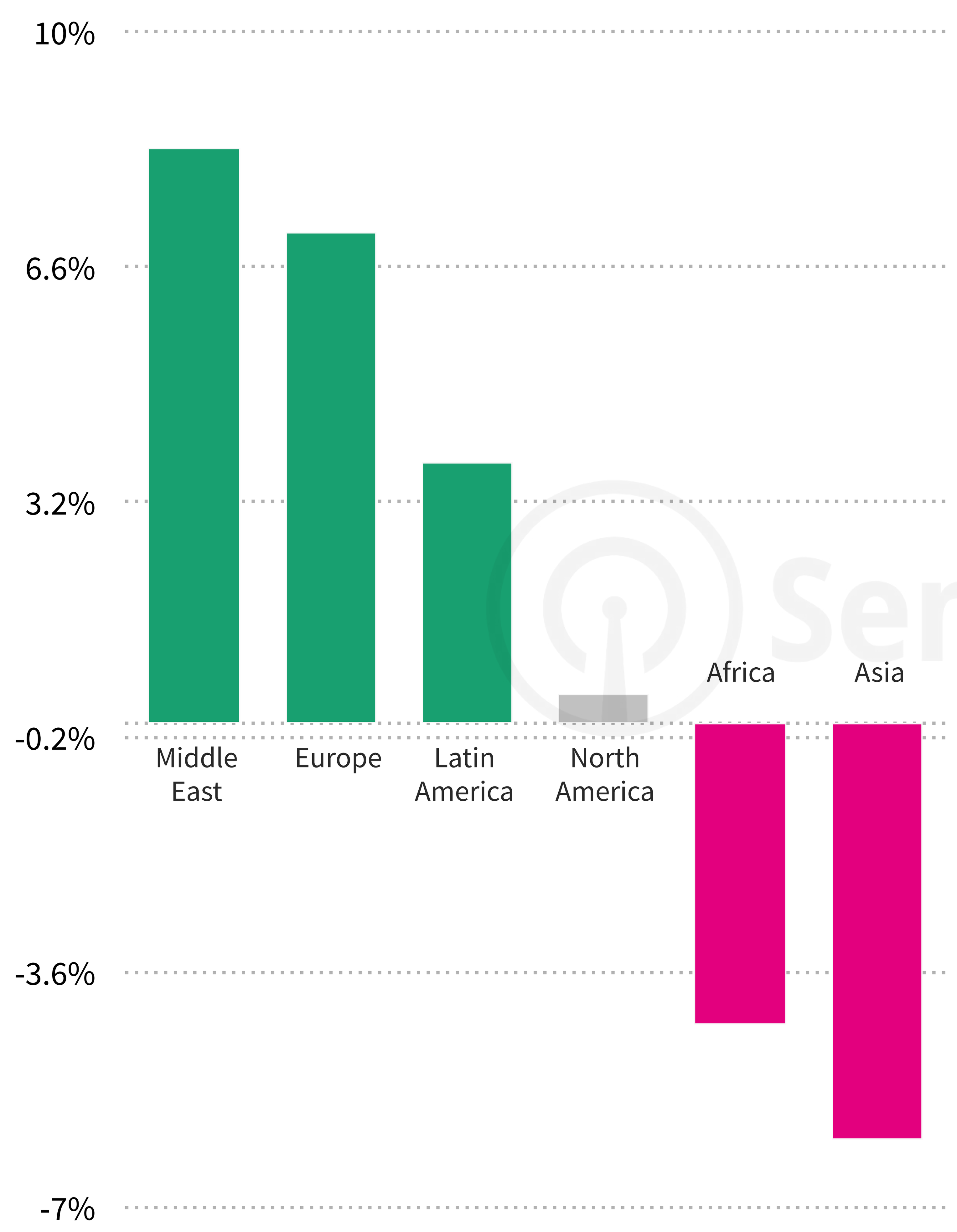
Conversely, there are sub-genres with intense competition where no single game holds more than 10% of the market share, such as Slots, 4X Strategy, or MMORPGs.

Additionally, we present a case study on Coin Looters, highlighting the sub-genre's shift in dynamics. "Coin Master" previously dominated this niche with 82% of the sub-genre's revenue in 2022. However, "Monopoly Go!" emerged as a formidable contender, capturing 47% of the revenue in 2023, thereby reshaping the competitive landscape of the sub-genre.

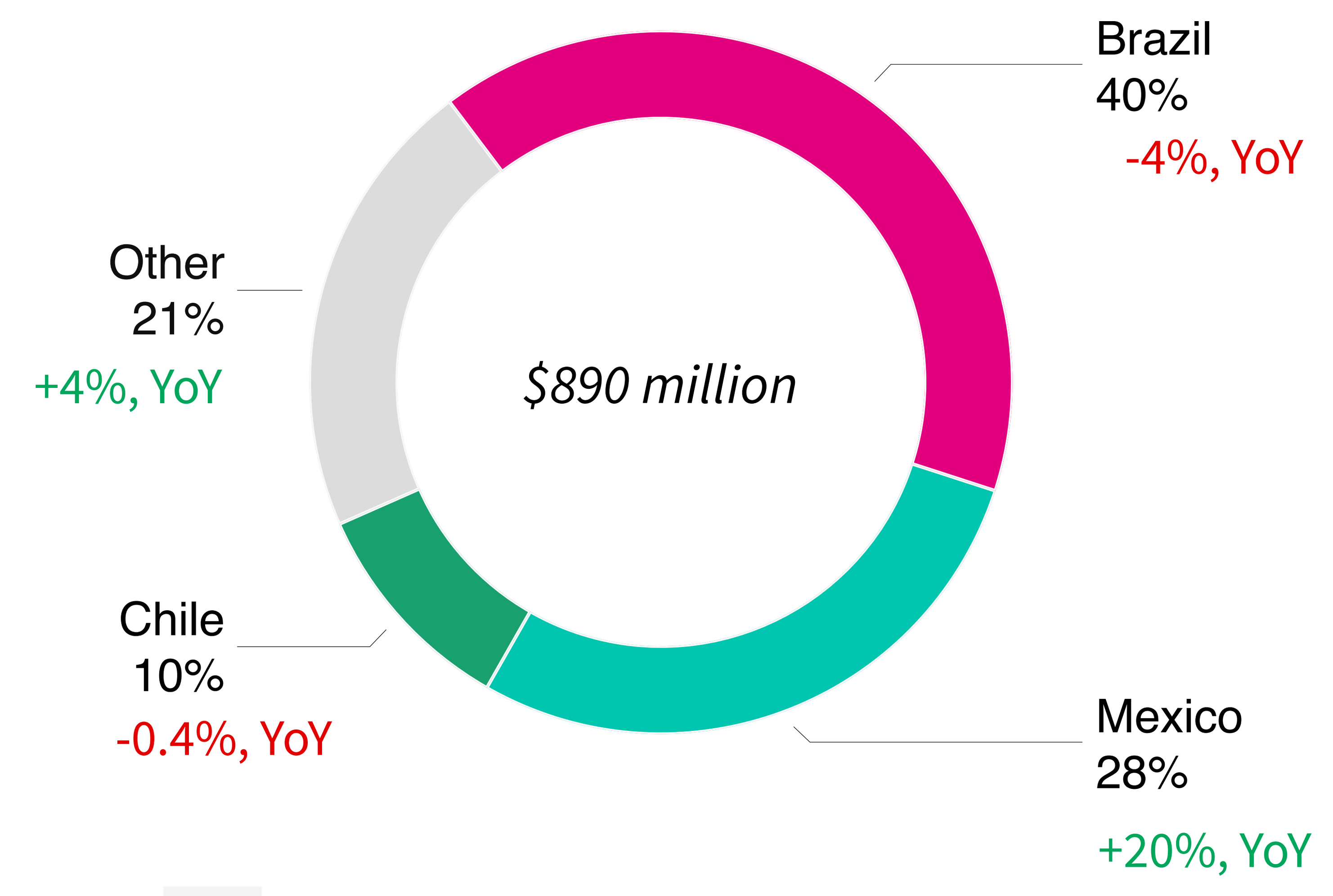
Middle East, Europe, Latin America revenue grows in 2023

Revenue growth/decline YoY 2022-2023

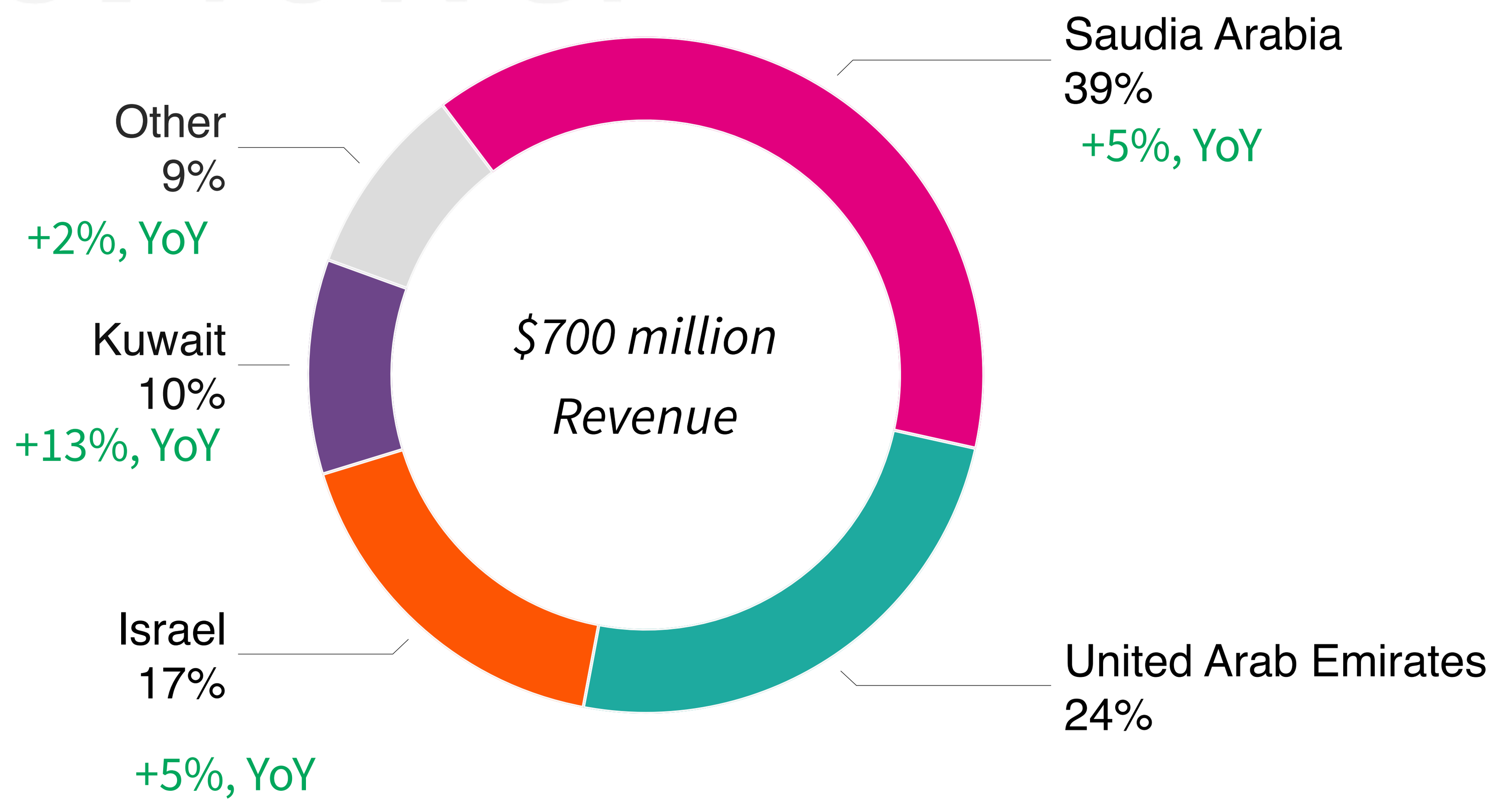
App Store and Google Play



Latin America revenue 2023



Middle East revenue 2023



Revenue growth is evident in emerging markets like the Middle East and Latin America.

Brazil has risen to become the third-largest country by downloads in 2023, trailing only the US and India, and it ranks 13th in revenue. This is part of the growing importance of the LATAM gaming market.

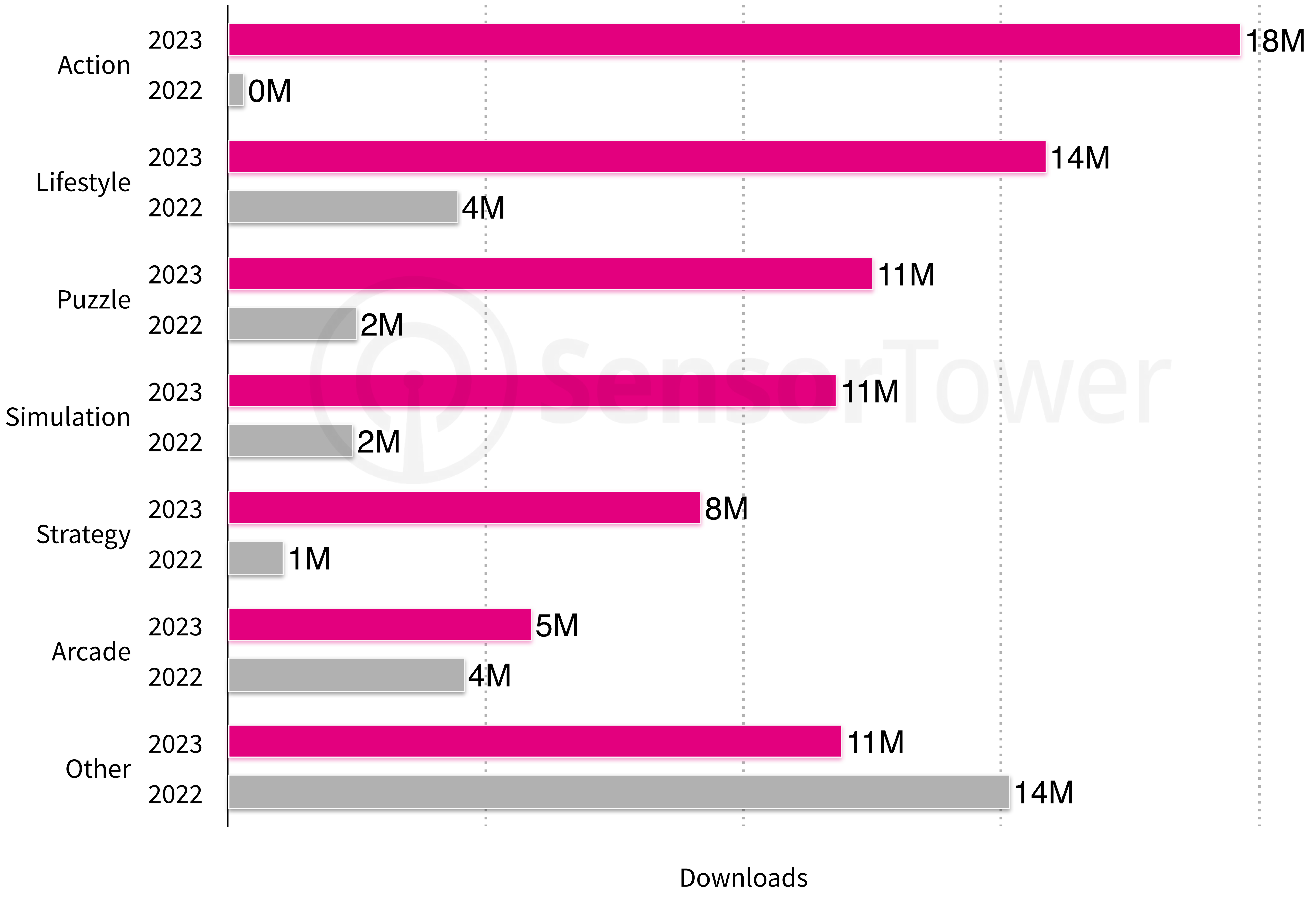
Interestingly, LATAM has even outpaced Europe in downloads, as user acquisition strategies pivot towards regions with lower costs per install (CPI).

The Middle East, particularly Saudi Arabia, has seen increases in both downloads and revenue, in part aligned with the country's expanding role and interest in the mobile gaming landscape.

External game subscriptions see positive momentum

+194% Netflix Games downloads YoY

Netflix Games downloads by genre - 2023, Worldwide, App Store and Downloads



Top contributor

- GTA: San Andreas
- THTH: Love is a Game
- Storyteller
- SpongeBob: Get Cooking
- Bloons TD 6
- Sonic Prime Dash
- Asphalt Xtreme

External game subscriptions significantly grew in 2023.

Major players such as Apple with Apple Arcade, Google with Play Pass, and Netflix with its gaming subscription have all pursued a similar concept—a subscription service that offers a unique selling point and access to a curated library of games.

Netflix has achieved some initial success in 2023. By incorporating popular games like "GTA: San Andreas," "Storyteller," and "Bloons TD 6" into their service,

Netflix managed to boost its gaming downloads by 194%. However, there's still a significant journey ahead if they aim to compete with more established publishers, as these downloads currently account for only a small fraction of total game downloads.

The future of these subscription models remains uncertain; while they are experiencing growth, it is slow and often unprofitable. This emerging landscape presents a challenging yet potentially rewarding avenue for the gaming industry to explore further.

Conclusions

Key Takeaways: Overall

In 2023, the mobile gaming industry saw declines in downloads and revenue, particularly on Google Play. Despite this, some market segments managed to grow.

Live Operations and focusing on existing users proved effective for casual genres, showing the value of engaging existing players to avoid paying rising user acquisition costs.

Hypercasual games faced significant drops, while Hybridcasual games showed resilience, benefiting from hybrid monetization strategies.

The industry is moving towards casualization, with Mid-core games struggling to connect with their audience due to advertising challenges.

Casual games are dominating in Europe and North America, while Mid-core titles are preferred in Asia, the Middle East, and Latin America.

Key Takeaways: Marketing

Brands and IPs collaborations work.

A strategy initiated by Epic with Fortnite a few years ago, has become more crucial than ever. This approach not only mitigates rising user acquisition costs but also resonates with user habits shaped by social media consumption, creating a mutually beneficial relationship between game publishers and brands/IPs.

Celebrities, influencers, and user generated content are key new creative strategies.

In a similar vein, the rise in social media consumption is reshaping how we interact with all forms of entertainment, which has affected game marketing. These marketing practices must evolve to focus more on content creation methods to effectively reach their target audience.

Key Gaming Insights

Monopoly GO!AT of 2023

Scopelys strategic use of IP and innovative gameplay mechanics propelled it to unprecedented success, overcoming global trends

Sub-genre Winners

Coin Looters, Real-Time Puzzle, Realistic Racing, and Idle RPGs sub genres found growth in 2023, driven by innovative marketing strategies

The Rise of Transmedia

Game IPs transition to movies/series to engage and expand audiences, driving cross-media monetization and prompting giants like Netflix and Disney to invest in gaming

Brand/IP Collaborations Work

Games collaborating with non-gaming brands and IPs achieve significant success, boosting downloads and revenue for both parties.

Live Ops: A Proven Strategy

Amid rising acquisition costs, the gaming industry pivots to Live Ops and in-app events to retain and monetize existing player bases

Asian Market Declines

Asia's gaming market faced a -6% revenue drop and a -10% download decrease, and Asian developers shift their focus towards Western markets

Europe Faces Concentration

Europe's market sees -12% downloads decline but 7% revenue increase, driven by casual games and Live Ops strategies amid rising CPI challenges

Emerging New Markets

Middle East and Latin America revenue rises partly because of lower CPIs. Brazil and Saudi Arabia are key countries

EGS Still Small

External Game subscriptions like Netflix or Apple Arcade are on the rise in popularity but still too small to matter

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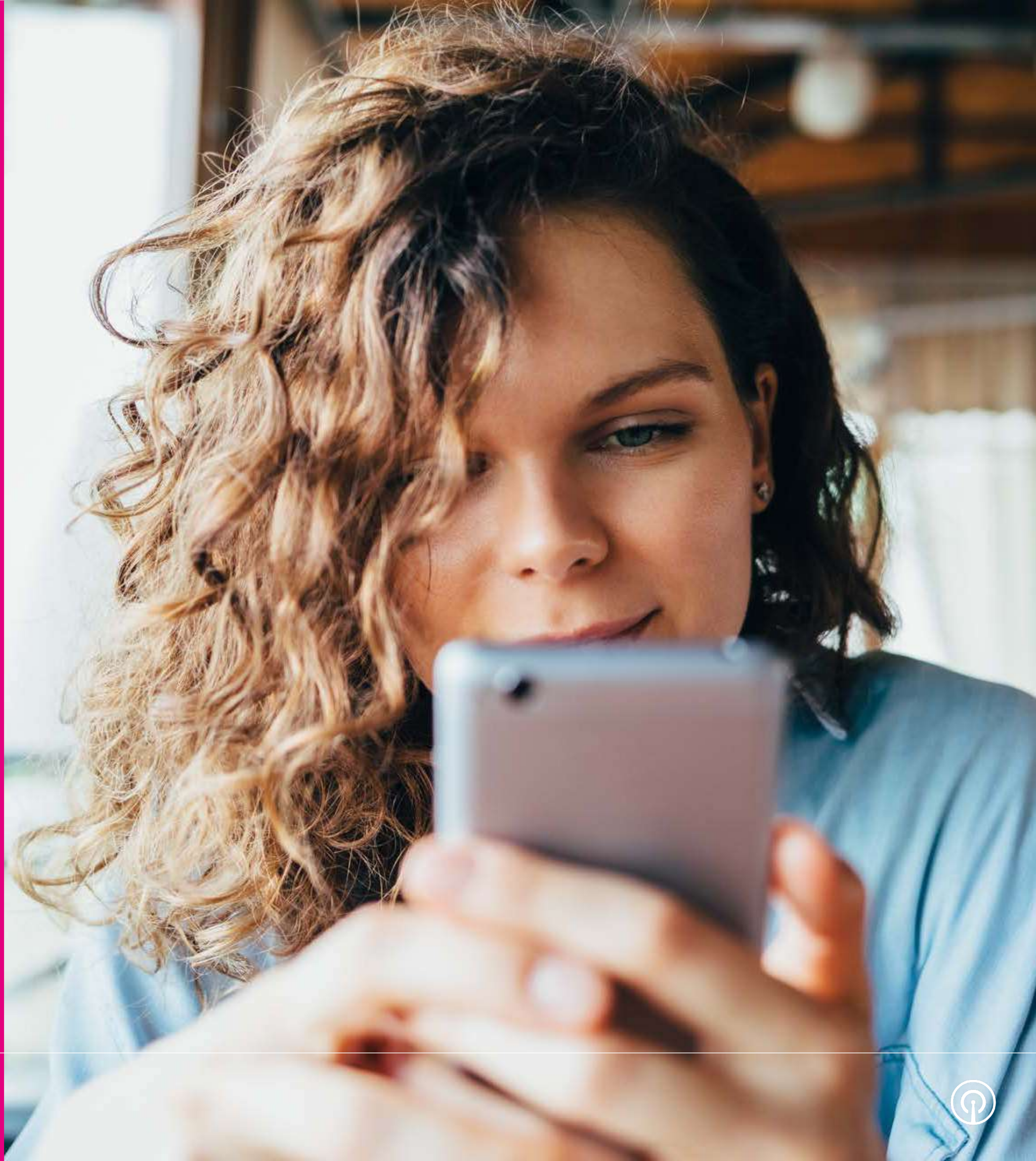

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