



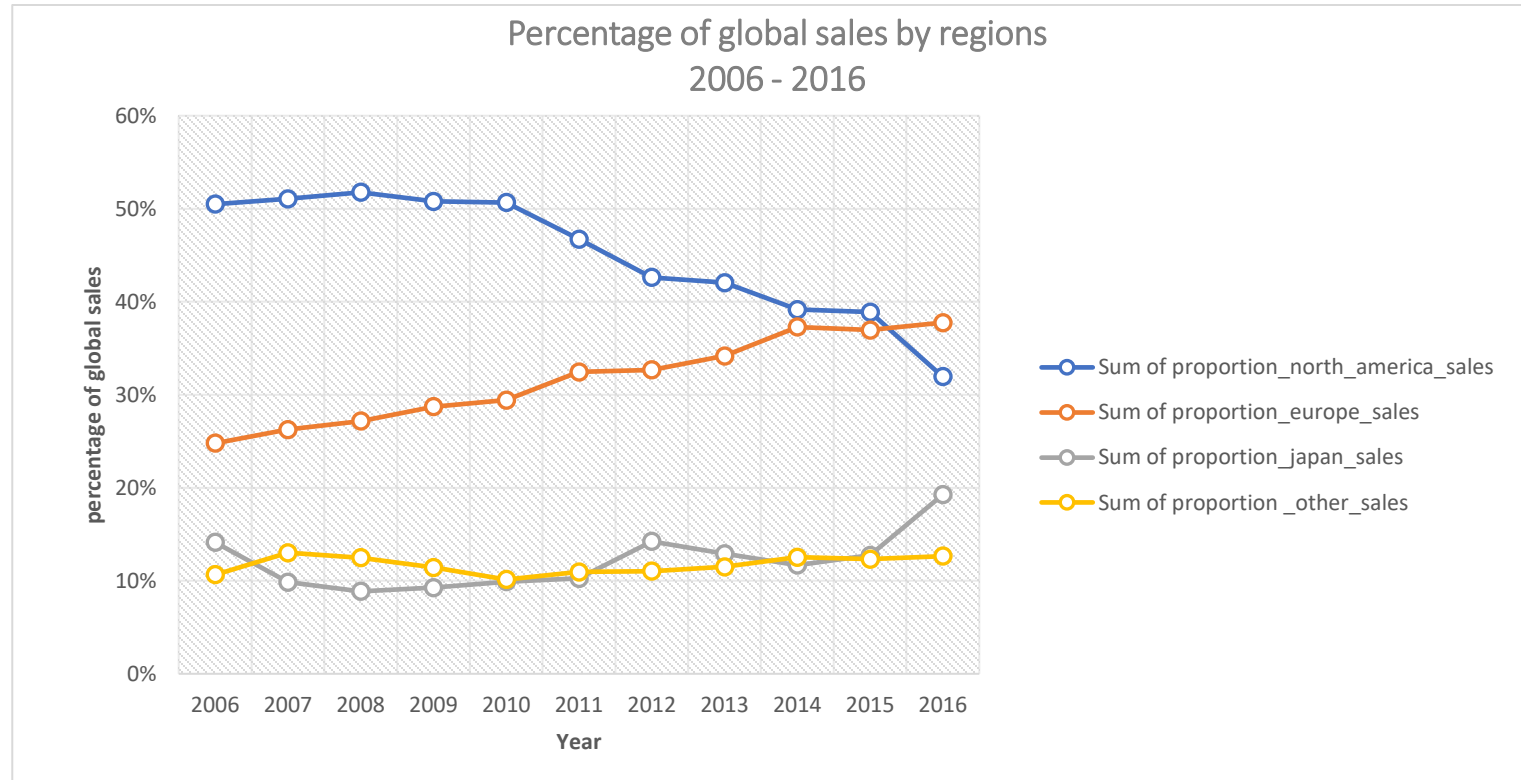
Gamco

Marketing Budget Strategy for 2017

November 22, 2023
Gal-Erdene Gantulga

Current understanding

Our current understanding of video game sales assumes that sales for various geographic regions have remained consistent over time.



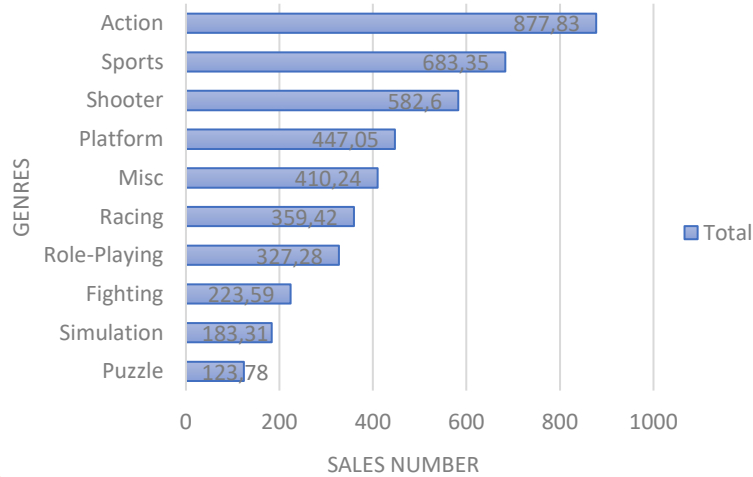
However, the data reveals a significant deviation from this assumption in the year 2016. In reality, North American sales are experiencing a sharp decline, while, in contrast, Japanese sales are on the rise. This discrepancy challenges our existing assumptions.



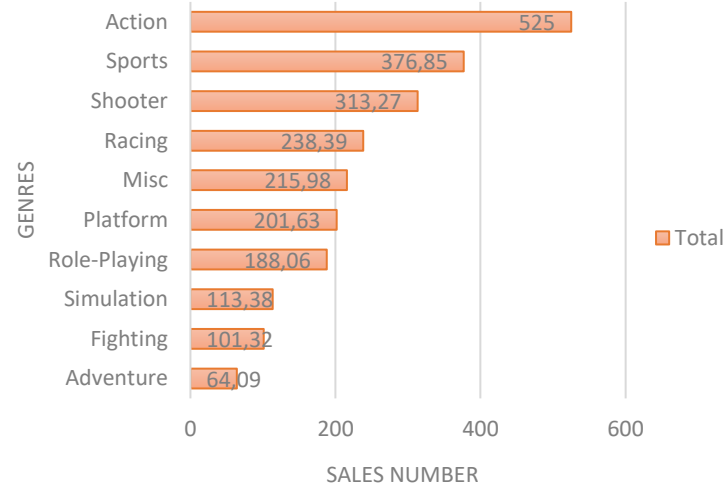
Market review by Genres



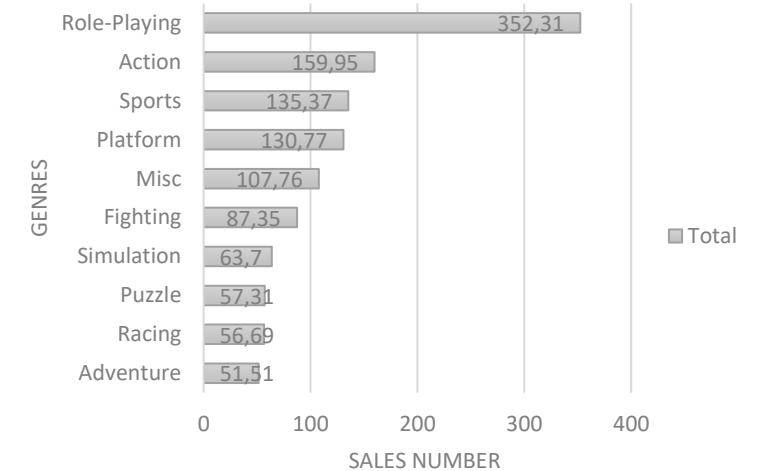
Top 10 genres in North America



Top 10 genres in Europe



Top 10 genres in Japan



Top 3 most popular genres in each region

Action Sports Shooter North America

Action Sports Shooter Europe

Role-Playing Action Sports Japan



According to our data analysis, it is evident that the genres with the most promising investment potential in 2017 are Action, Sports Shooter, and Role-Playing.

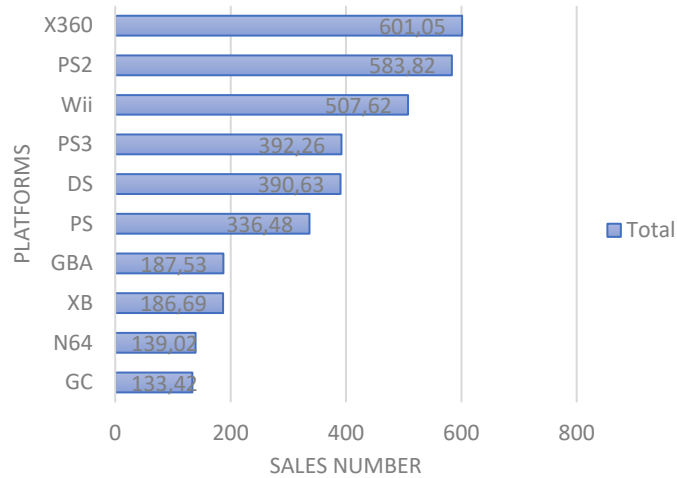




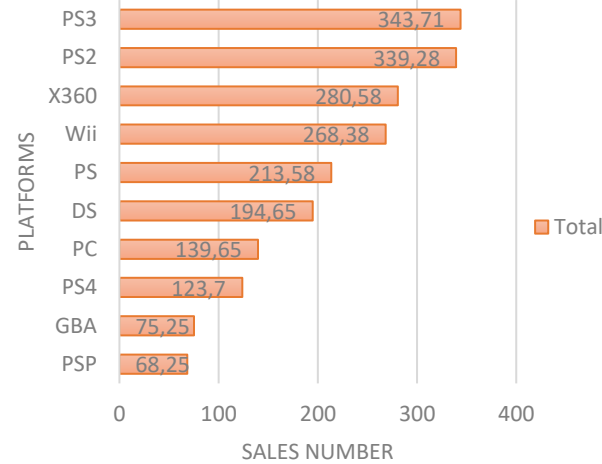
Market review by Platforms from last 5 years



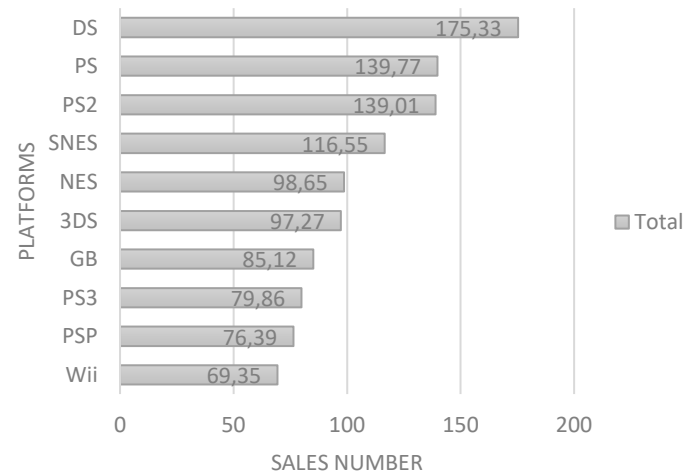
Top 10 platforms in North America



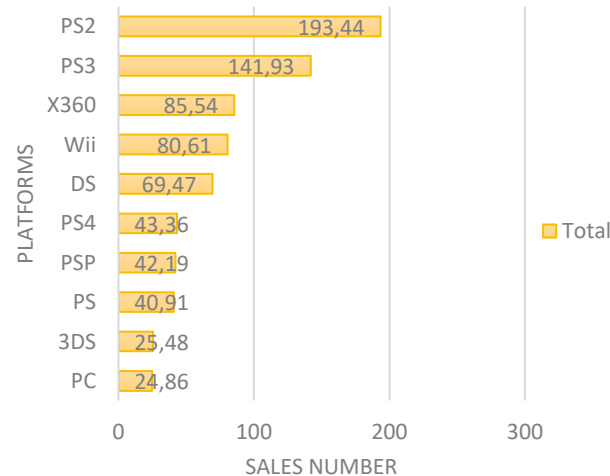
Top 10 platforms in Europe



Top 10 platforms in Japan



Top 10 platforms in Other regions



Given the evolving market trends, it is advisable to focus our efforts more strategically on these platforms within their respective regions.

Top 3 most popular platforms in each region

X360 PS2 Wii North America

PS3 PS2 X360 Europe

DS PS PS2 Japan

PS2 PS3 X360 Other regions



Summary

Market Trend

- Sales in North America are declining, and may account for 25% of global sales in 2017. Conversely, sales in Japan are rising. It's advisable to allocate less budget to North America and prioritize the growing Japanese market.
- Our data indicates a continued gradual increase in Europe through 2017. Japan and Europe appear to be more promising for investment.
- I wouldn't recommend investing in other smaller regions, despite their expected 12% contribution to global sales. This is because they tend to follow the trends set by the three major markets.

Recommendation

Best genres of games to allocate resources are: **Action Sports** and **Shooter** for all three markets and **Role-Playing** in Japanese market

Best platforms to allocate resources are:

PS2 in all three market,
X360 in North America and Europe
PS3 in Europe
DS PS in Japan