



GameCo

# 2017 Marketing Budget Strategy

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# Agenda

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- Current understanding and expectations
- 2016 Market Review by Geographic Region

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- Market Share Tendency
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# Introduction



## Goal

- Provide recommendations on 2017 Marketing Budget strategy considering geographic regions distribution and maximizing ROI.

## Current Understanding and Expectations

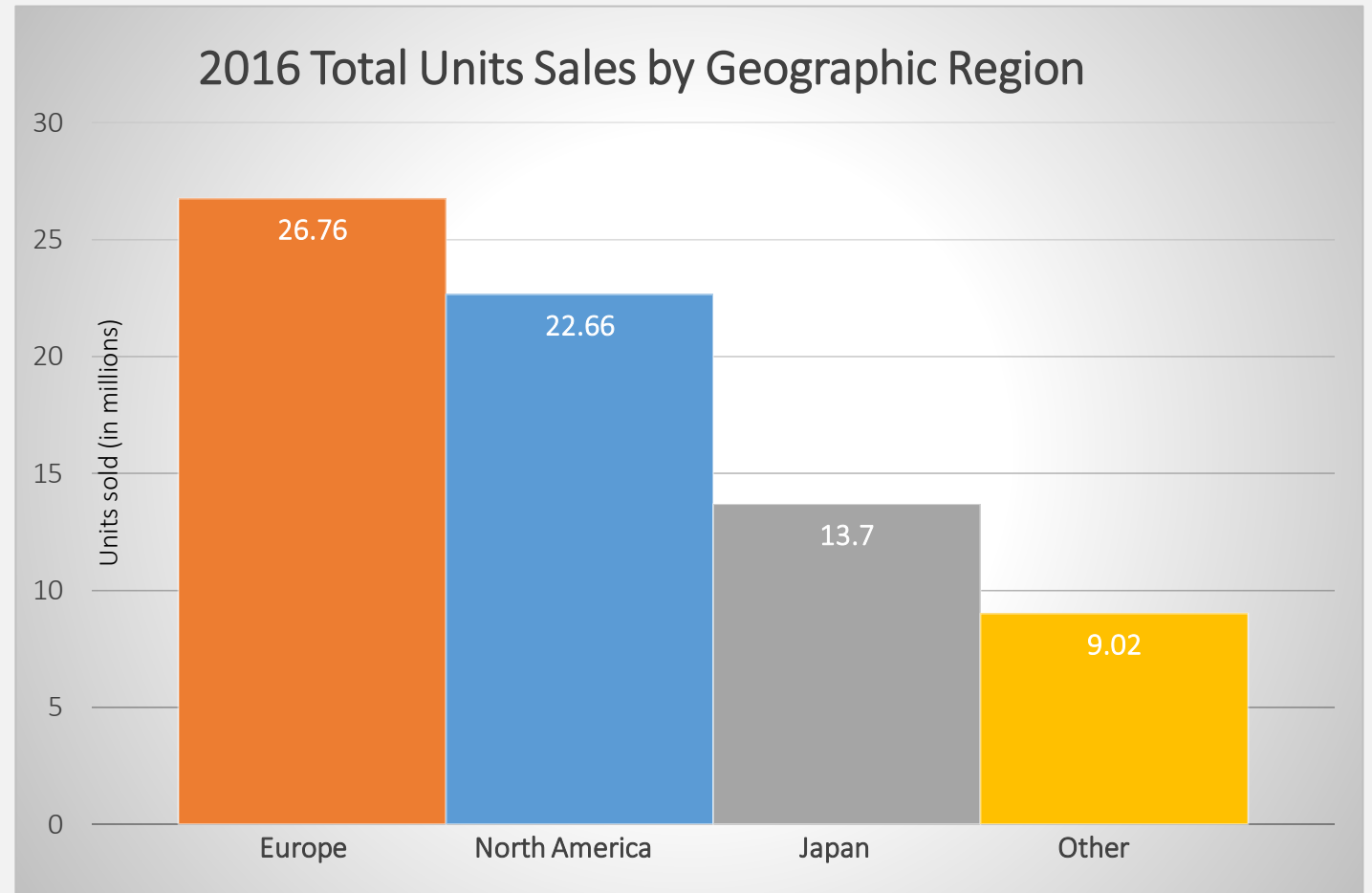
- Sales in various geographic regions have stayed the same over time.
- 2017 Marketing Budget will be based on 2016 market performance.



# 2016 Market Review by Geographic Region

The result of sales in 2016 is following:

- **Europe** has the largest games market sales in 2016, followed closely by **North America**.
- **Japan** market takes a third place.
- **Other countries** cumulative sales are less than the regions mentioned above.



# Market Sales Tendency

## ❖ 1980 – 1996

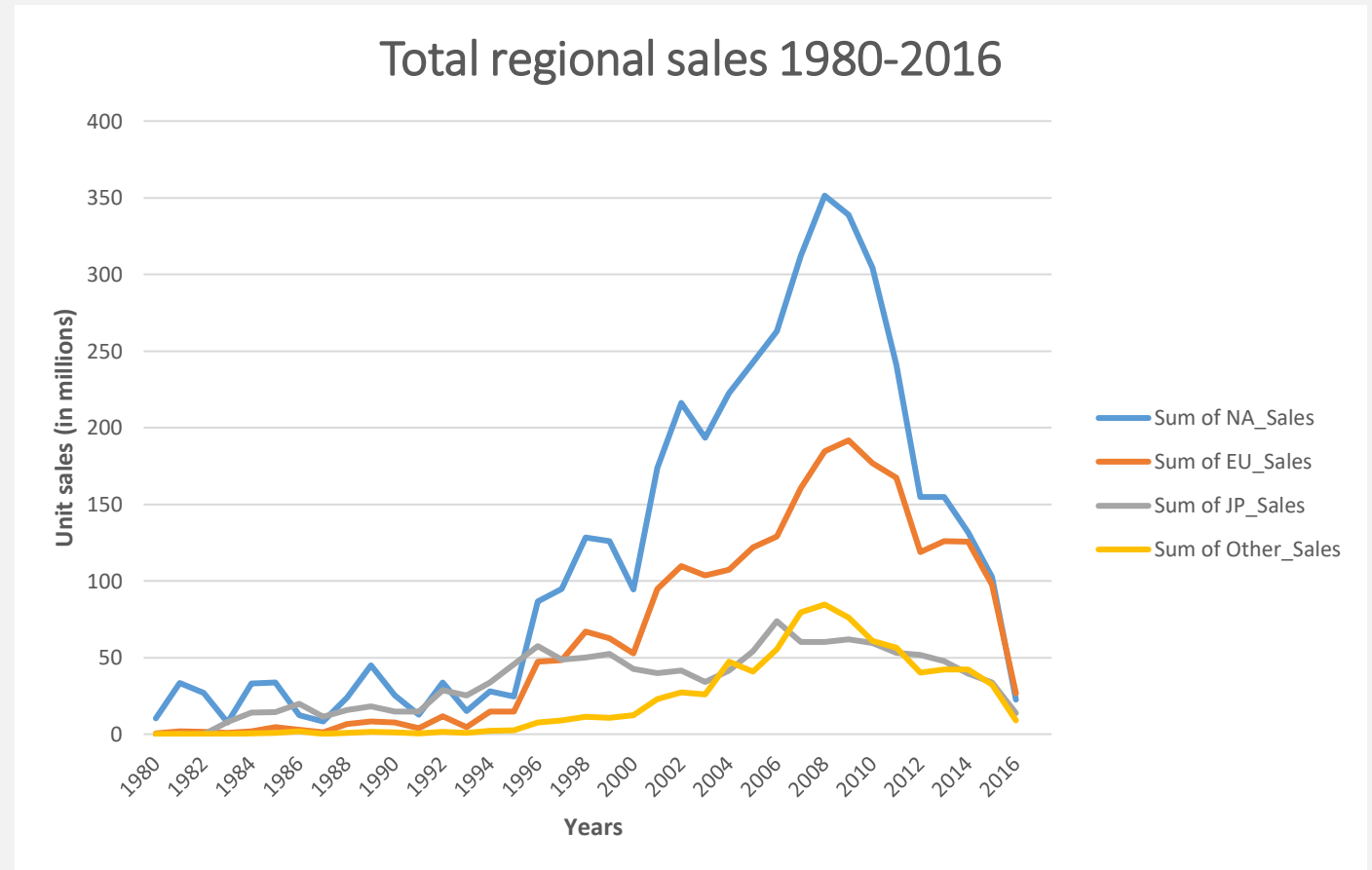
Sales across all regions show moderate growth, leading by North America and Japan (1992-1996)

## ❖ 1996-2008

Sales show rapid growth with occasional minor pullbacks in all regions, except Japan, where sales is stable with small rise. North American marker is the undoubted leader.

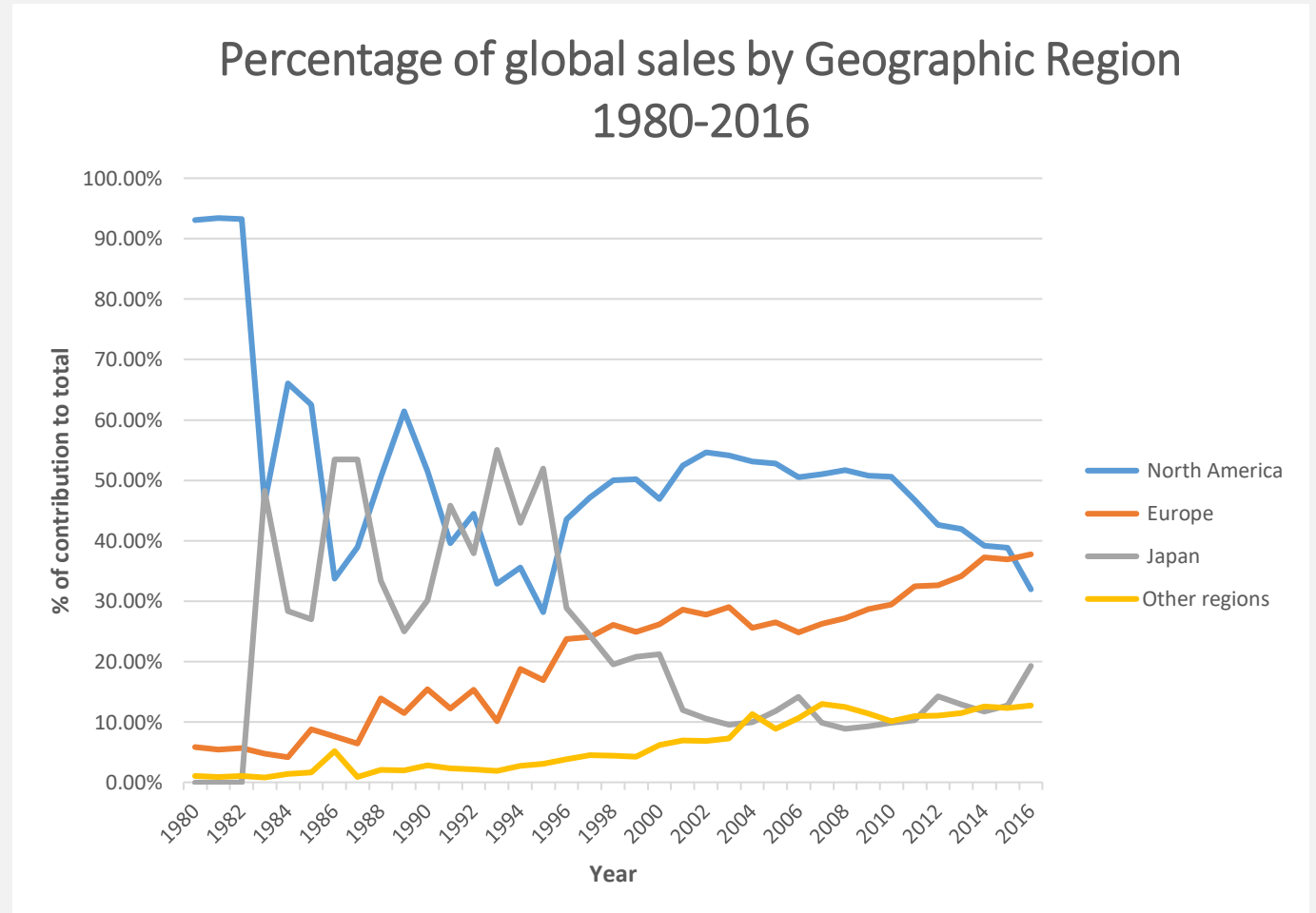
## ❖ 2008 – 2016

Sales in all regions are in constant decline since 2008 .



# Market Share Tendency

- **Europe** shows constant rise relative to global sales during all years. Besides, it took leading position in global market in 2016.
- **North American** market has occupied about half of global sales overall years. However, it shows a gradual decline their share last 6 years.
- **Japan** has been consistently low relative to global sales since 1996. Although, it notes that its share in global sales is growing during last 2 years.
- There is strong negative correlation between North American and Japanese market.
- **Other Regions** despite low volume relative to global sales, shows constant rise during all years.

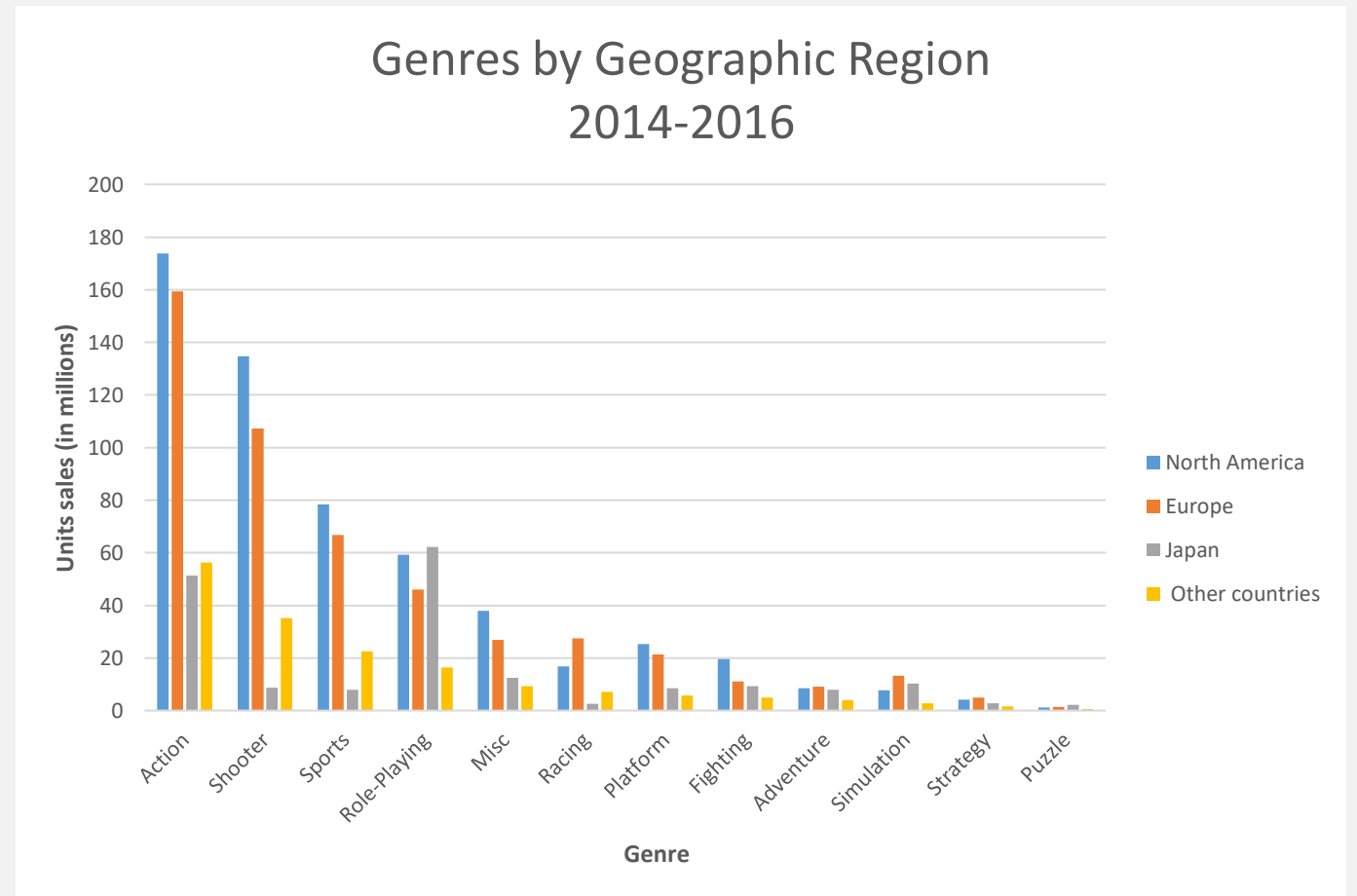


# Market Review by Genres

❖ The most popular genres last 3 years are:

- For **North America**: Action, Shooter, Sports, Role-Playing.
- For **Europe**: Action, Shooter, Sports, Role-Playing.
- For **Other countries**: Action, Shooter, Sports, Role-Playing.
- For **Japan** is Role-Playing and Action.

❖ The unpopular genres for all regions last 3 years are: Strategy and Puzzle.



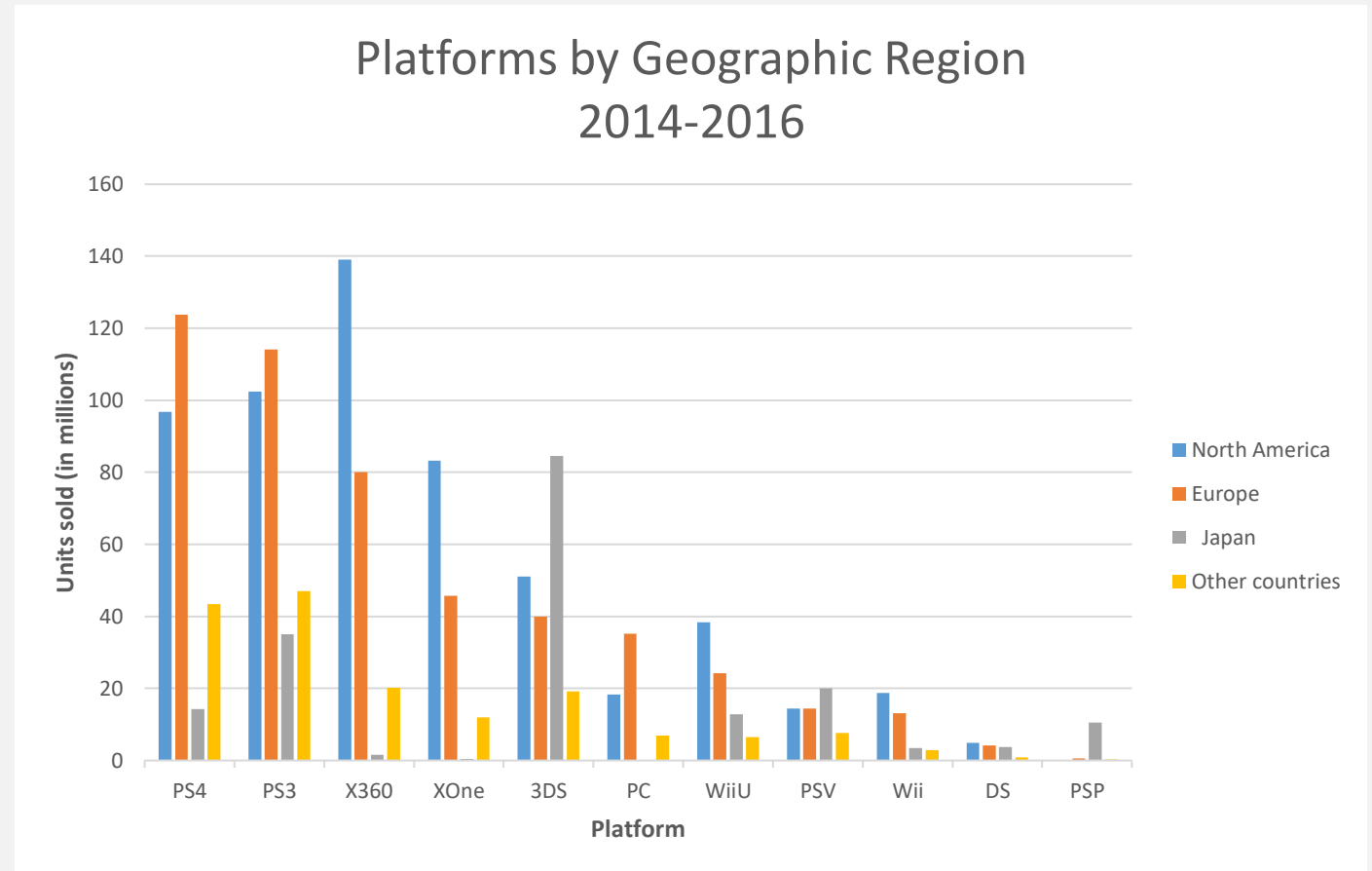
# Market Review by Platforms

❖ The most popular platforms last 3 years are:

- For **North America**: X360, PS3, PS4.
- For **Europe**: PS4, PS3, X360.
- For **Other countries**: PS3, PS4, X360.
- For **Japan** is 3DS, PS3, PSV.

❖ The unpopular platforms 3 years are:

- **North America, Europe and Other countries**: PSP and DS.
- **Japan**: PS and XOne.





# Summary



## Conclusions

- ❖ Sales in different Geographic regions are fluctuate over the time.
- ❖ There are two biggest market over years: Europe and North America.
- ❖ Games market has been declining in all regions since 2008.
- ❖ The last share tendency indicates:
  - North America market is decreasing.
  - Europe market is constant increasing.
  - Japan market is increasing.
  - Other countries market are constant increasing.



## Recommendations

- ❖ To allocate **2017 Market Budget** between geographic regions according to shares in global sales and considering previous tendency:
  - **Europe** - 35 % (as constantly growing 2016 leader and second biggest market over the years)
  - **North America** - 30 % (as the biggest market over the years in the decline stage)
  - **Japan** - 20 % (as third market in global sales in the growth stage)
  - **Other** - 15% (as the smallest constantly growing market)

- ❖ To pursue budgeting more games in these Genres:
  - **North America, Europe and Other countries:** Action, Shooter, Sports and Role-Playing.
  - **Japan:** Role-Playing and Action.
- ❖ To pursue budgeting more games these Platforms:
  - **North America, Europe and Other countries:** X360, PS3, PS4.
  - **Japan :** 3DS, PS3, PSV.



#### ❖ **Future analysis**

- As Market sales tendency shows constant decline since 2008, it is recommended conduct **Global market analysis** in order to establish the reasons of recession and advisable actions to recover it.
- As North American share of the global market has decreased, it is recommended conduct **analysis of North American market** in order to establish the reasons and advisable actions to recover it.

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