

Market Analysis Report

Project Elephants

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Overall Game Market

The games market in the United States continues to be booming. With over 200 million gamers in the US alone (*Newzoo's Key Numbers: Games, Esports, Mobile* 2018), 60% of the total population, the market is very healthy. Games have an incredible penetration in the market, with mobile games making up nearly half of that penetration.

With the US game industry's total revenue expected to reach \$40 billion in the next few years (Wijman, 2019) there is a lot of market to go around. But with the sheer number of games released each year any new game would be wise to differentiate itself from the pack to capture some small portion of the existing market.

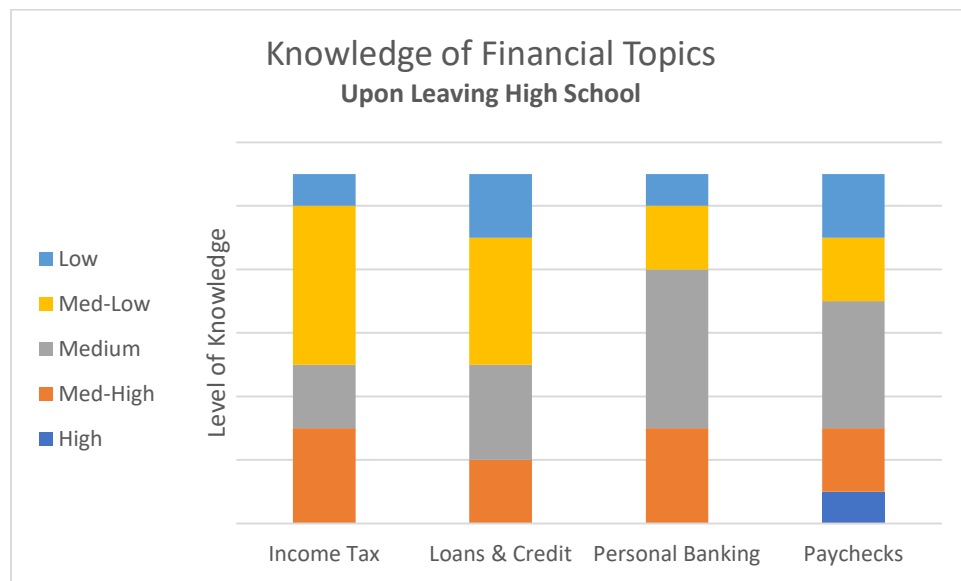
Educational Games Market

The educational games market is an old and still very niche subset of the overall games market. It is such a small market that it is generally bucketed together in the 'other' category when comparing genre sales. Games dating back to the 1980's have had educational leanings, such as *Oregon Trail* and *Where in the World is Carmen Sandiego*, but the most games considered educational mainly focus on peppering an otherwise standard game with factoids and trivia without aiming to teach a specific lesson.

Traditionally, games in schools have been primarily used as infrequent rewards or specifically to teach a very narrow subject like typing in short bursts during a library or technology class. Over time, and especially in recent years and with the release of titles like *Minecraft: Education Edition*, games have become a more common addition to the classroom, though they are still generally relegated to library periods or technology lessons. Video games are very rarely introduced as classroom assignments, and almost never are a part of a standard curriculum.

In addition to the untapped market of games in the classroom, the United States' education system has a notorious lack of financial literacy education. Of the people given a survey asking how comfortable they were with various financial topics upon the completion of their public education, over 75% were uncomfortable with or completely

unexposed to one or more topics. Of the respondents that were also parents of children age 13 or younger, 100% confirmed that they would be very comfortable with a standardized curriculum that contained video games as educational tools, and most would consider independently purchasing an educational game for their children that taught financial topics.



Project Elephants, which focuses on teaching first-hand financial literacy topics to children in short, class-length bursts, has a nearly untapped market to capture a portion of. As more and more schools adopt in-class gaming as a mode of teaching advanced topics, the potential target market for Project Elephants will continue to grow. With more than 20 million public school students in the 5-9 grade range nationally (US Census Bureau, 2019), more than 400 thousand currently in the target market of Arizona (Arizona Department of Education, 2019), and a lack of competitors both in the video game and education industries, Project Elephants has a distinct advantage in capturing massive market share both in Arizona and nationally.

Customer Definition

The target customer for Project Elephants encompasses three distinct groups: the parents, the students, and the educators. Engaging the students is extremely important, as they are the expected players of the game and without them it will not succeed as a product beyond the first wave of sales. Parents and educators are also

extremely important, as they are the expected buyers of the game either for their children or their classrooms and schools. Without proper brand identity and marketing strategy which appeals to all three groups, Project Elephants will not be able to act on the advantage they have to capture the target market.

Persona: The Student

Name: Danna

Age: 12

Occupation: Student (7th Grade)

Family: Jean (Parent, 41), Terry (Parent, 37), Donny (Sibling, 8)

Gaming: Plays mobile (Android) and handheld (Switch) games. Plays Pokémon GO on walks with their family. Prefers casual or puzzle games.

Education: 3.2 GPA, excels at English but struggles with math. Has a hard time paying attention during math lessons.

Danna is a middle school student in the 7th grade. They like school but struggle in some areas, especially math. They enjoy playing solo games on their Switch or their Android phone, but don't usually play PC or console games. Danna comes from a well-off family with a reliable income and large cushion of savings, so they never overhear their parents talking about household funds or financial topics.

Persona: The Parent

Name: Carl

Age: 28

Occupation: Welder, Uber Driver

Family: Gabby (Child, 9), Kurtis (Child, 11)

Gaming: Used to play games frequently when they were younger but hasn't had time to play games in many years.

Education: Dropped out of high school during senior year but received a G.E.D. a few years later.

Carl is a single parent who works two jobs to support his children. They have struggled to raise their children alone and are in significant debt due to high credit card interest and the frequent use of payday loans to pay incoming bills. Carl dropped out of

a public high school that had little to no financial literacy education and learned those lessons the hard way while raising their two children.

Persona: The Educator

Name: Francine

Age: 67

Family: Debbie (Child, 42), Toby (Grandchild, 10)

Gaming: Once heard that games cause violence.

Education: Degree in education, has been teaching in the same school district for 40 years.

Francine is a grandparent and lifetime primary school teacher who believes that video games cause violence. They believe phones, computers, and games have no place in the classroom regardless of content. Francine is very set in their ways, believing that bringing a video game into the curriculum is a slippery slope to kids playing “the Fortnite” all day instead of learning.

Brand Identity

In order to appeal to all three of the target audiences (students, parents, and educators) the brand identity of Project Elephants needs to meet a few specific requirements. While not an exhaustive list of attributes that the brand identity of Project Elephants needs to embody, these are foundational tent-poles of the brand identity.

Fun

As a video game brand, Project Elephants' identity needs to embody the spirit of fun. Not only does the game itself need to be entertaining to the target player-base, but the branding, marketing, and advertisements need to elicit a response of enjoyment from the entire target audience. If *The Student* doesn't see the brand as fun, they won't be inclined to seek it out from either their parents or teachers. If *The Parent* and *The Educator* don't see the band as fun, they'll be less inclined to believe that the students for which they hold buying power would find the product interesting. This is a double-edged sword though, as *The Educator* may see a brand identity that is too fun as inappropriate for the classroom setting, especially because that brand's product is in the form of a video game.

Proven

As an educational game brand, Project Elephants' identity needs to embody effectiveness in its application of education. The game itself needs to effectively convey its lesson in the expected session length, and proof of that effectiveness needs to be conveyed all the way through to the brand identity. While the brand identity of proven effectiveness doesn't affect *The Student's* opinion of the brand all that much, *The Parent* and *The Educator* will be most easily swayed by a brand that has products that are proven to be effective in teaching their topics. Without these buyers fully convinced that the brand's product will supply proven educational results, they will never agree to purchase the product on any notable scale. In order to appeal to the target buyers best, the brand identity of Project Elephants should keep its proven educational impact at the forefront.

Reliable

As a software product, Project Elephants' identity needs to embody reliability and stability, especially as its target market is the public-school system. *The Educator* and their fellow teachers and administrators are likely not well versed in debugging a software application which consistently crashes on school-administered hardware to any extent other than "turn it off and on again." Project Elephants as a piece of software needs to be as reliable, stable, and performant as possible to meet these demands, and the brand identity of Project Elephants needs to sell this reliability to the customer.

Projections

Tempered Scenario

Arizona public-schools entirely lack any standard financial literacy curriculum as well as any clear curriculum category into which financial literacy would fit, making any less-than-ideal scenario an extremely hard sell. Assuming Project Elephants fully delivers on its intended functionality and content, and based on the complete lack of competitors in the narrow marketplace, an extremely conservative projection of 15% market share is appropriate. If Project Elephants can secure contracts with a few dozen of the 200 school districts in the state, the sales could reach 60 thousand units.

Ideal Scenario

Under the ideal conditions, with Project Elephants delivering on all of its expectations, a strong brand identity, and an appropriate marketing campaign specifically targeting Arizona's educators and school administrators, the project should be able to project a conservative 50% capture of the target market. A complete lack of competitor and abundance of need for the product could easily fuel a market storm for the brand, so long as the would-be buyers know that the product should be in demand. This projection of 50% would result in over 200 thousand sales, well above the break even point for the project.

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