



Video Game Market Analysis: GameCo

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Project Motivation

GameCo wants to use data to inform the development of new games and believe that sales for the various geographic regions have stayed the same over time. We will check the validity of this hypothesis in the context of data. We would also like to understand the current situation better by:



Understanding the game genres that are popular and genre that are not popular



Understanding the top competition that we will face and opportunity for growth

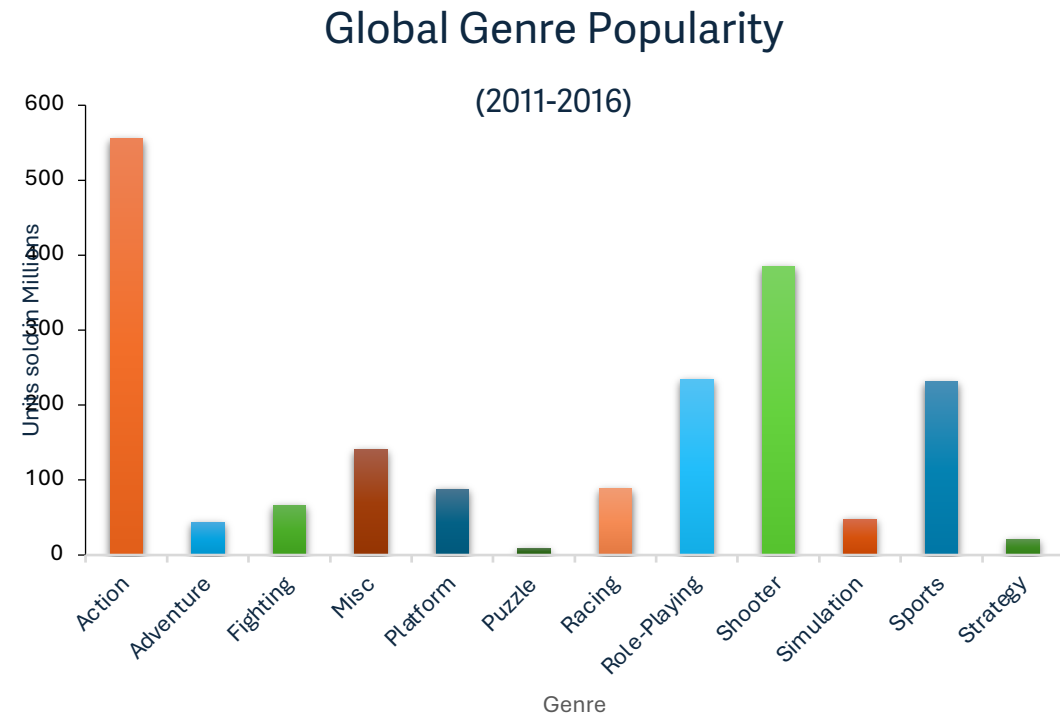
Understanding Sales(1980-2016)

- ❖ In all the cases, median is less than average, indicating that average sales is higher due to outliers
- ❖ Globally, 75% of the titles have seen a sale of less than 420,000 units
- ❖ And in all regions, 75% of the titles have seen a sale of less than quarter a million

	North America	Europe	Japan	Other	Global
Average sales (millions)	0.267	0.147	0.078	0.050	0.54
Median (millions)	0.08	0.02	0	0.01	0.17
3 rd Quartile	0.24	0.11	0.04	0.04	0.42

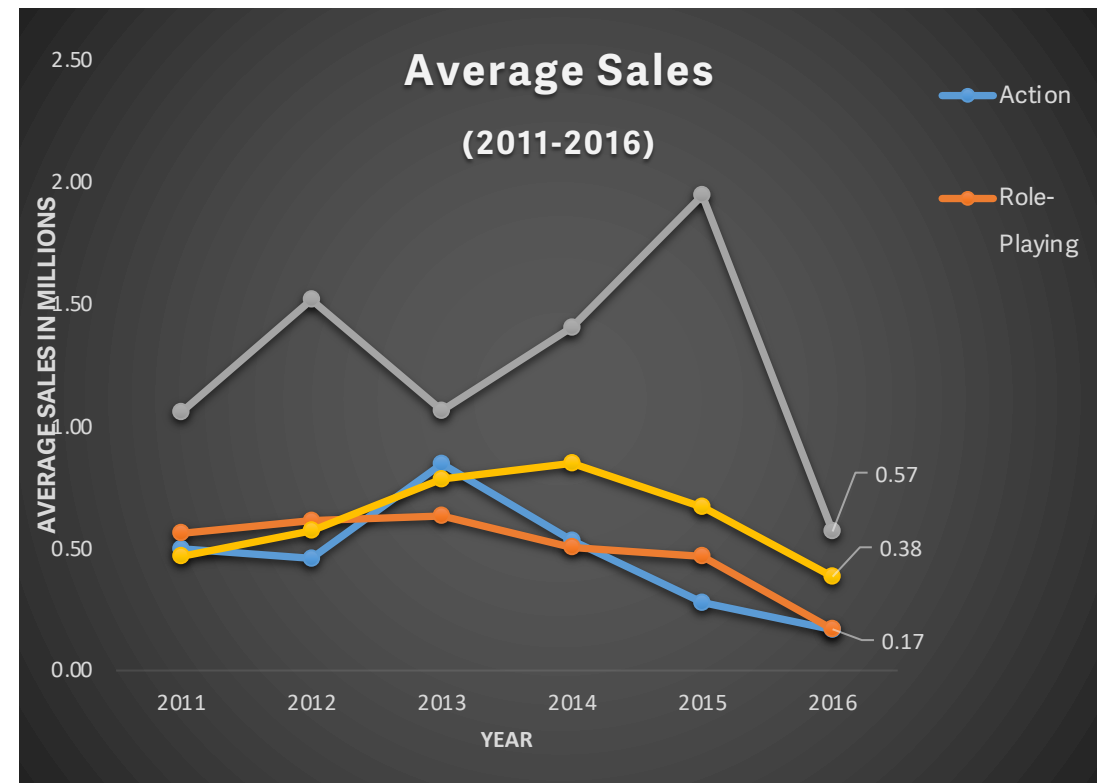
Genre Popularity

Globally, the most popular genre was Action with a total sale of 555.85 million copies sold, the second was Shooter genre with total sale of 385.39 million copies sold, the least favourite genre was Puzzle with 10.06 million copies sold, and the second last was Strategy with a sale of 22.03 million copies sold.



Global Average Sales For Top 4 Genre

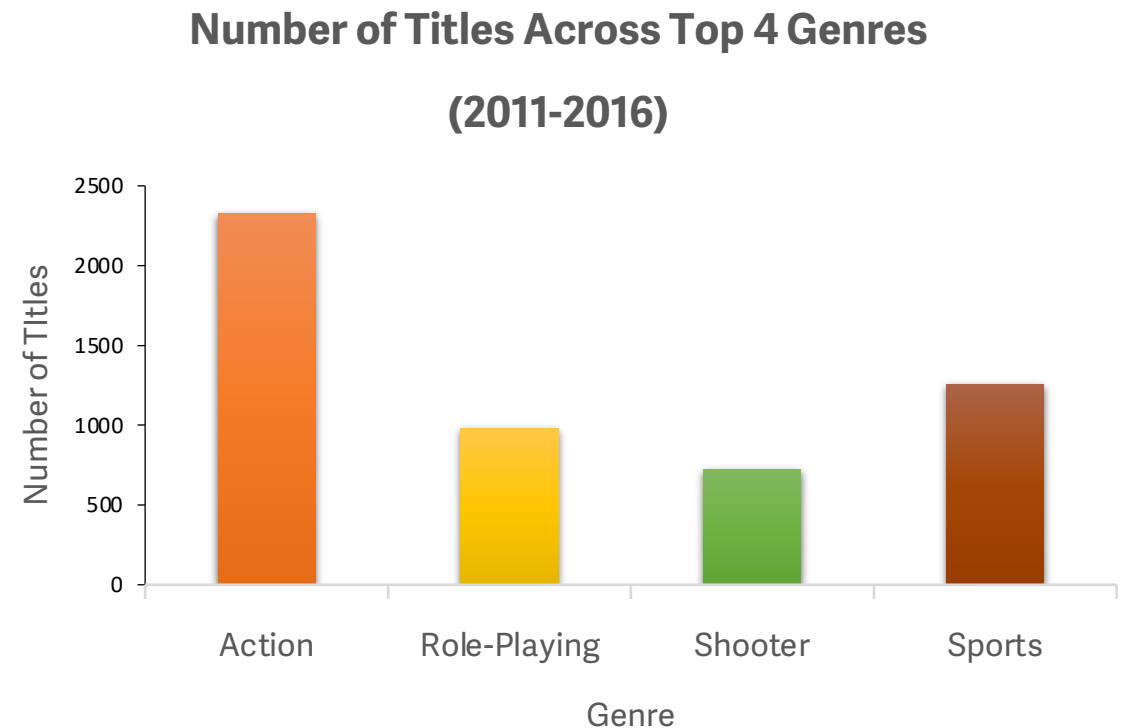
- Among Action, Shooter, Role-playing, and Sports, average sales of shooter were highest with staying above half a million units and average sales for Sports were second highest with approximately 380 thousand units in 2016
- Average sales for action genre were least among the top for genres with about 170 thousand units
- The average sales for action, sports, and role-playing genre decreased overtime



Why total sales of Action genre was so much higher than other top 4 genres and average sales was lower?

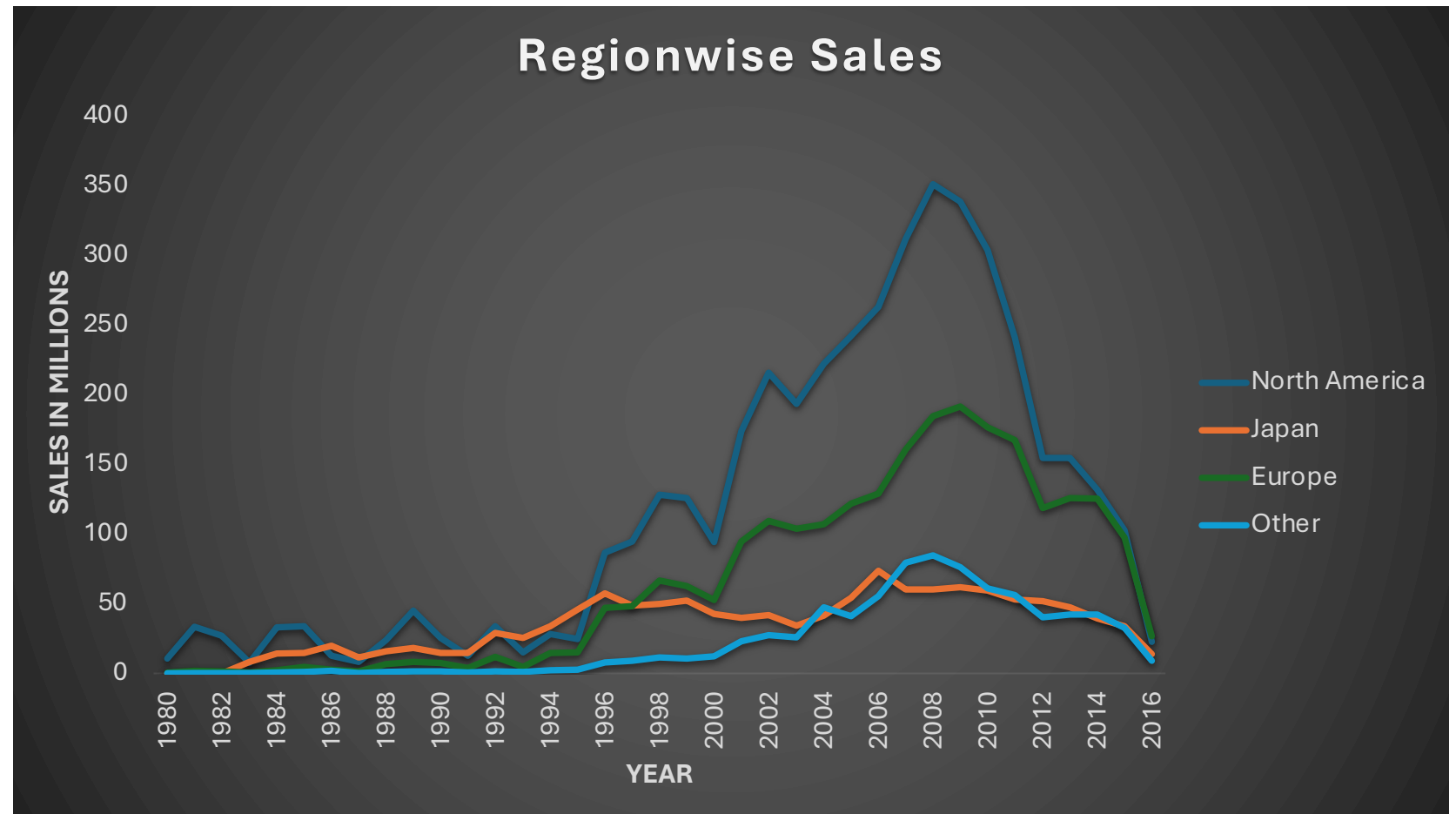
As we have imagined that the sales of Action genre were higher due to number of action games produced.

- There were 2327 titles under Action genre, more than 3 times the number of titles released under Shooter genre
- Shooter genre had only 723 titles



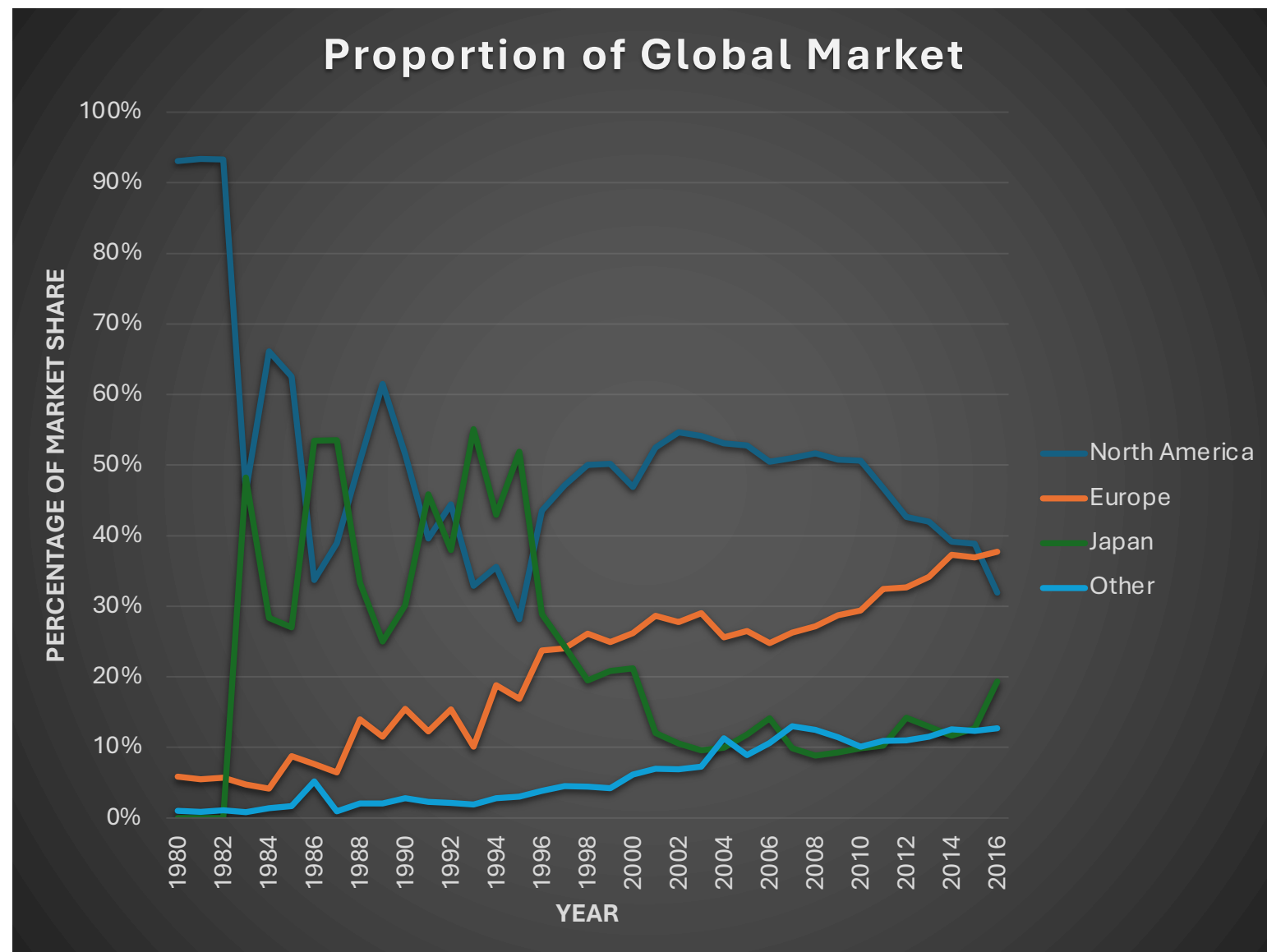
Market share of each region

- The graph shows and increase in sales for all regions till year 2008-2009
- Then sales in all regions fell- dramatically in North America and Europe.



Market share by regions (2006-2016)

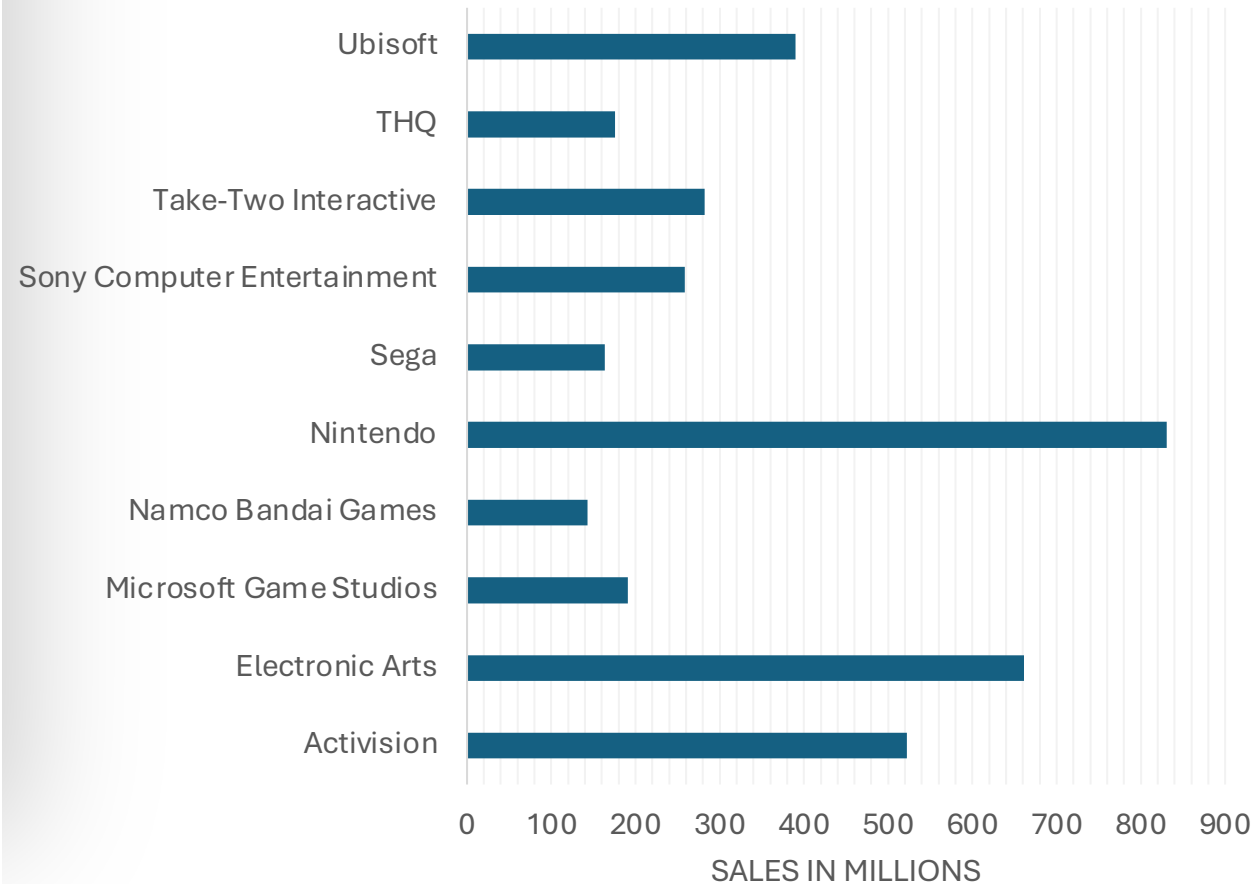
Sales in North American region had dropped from 93% to 32% whereas sales in Japan and Europe had increased. Moreover, present market share (2016) of Europe (38%) and North America (32%) is closer than ever in history



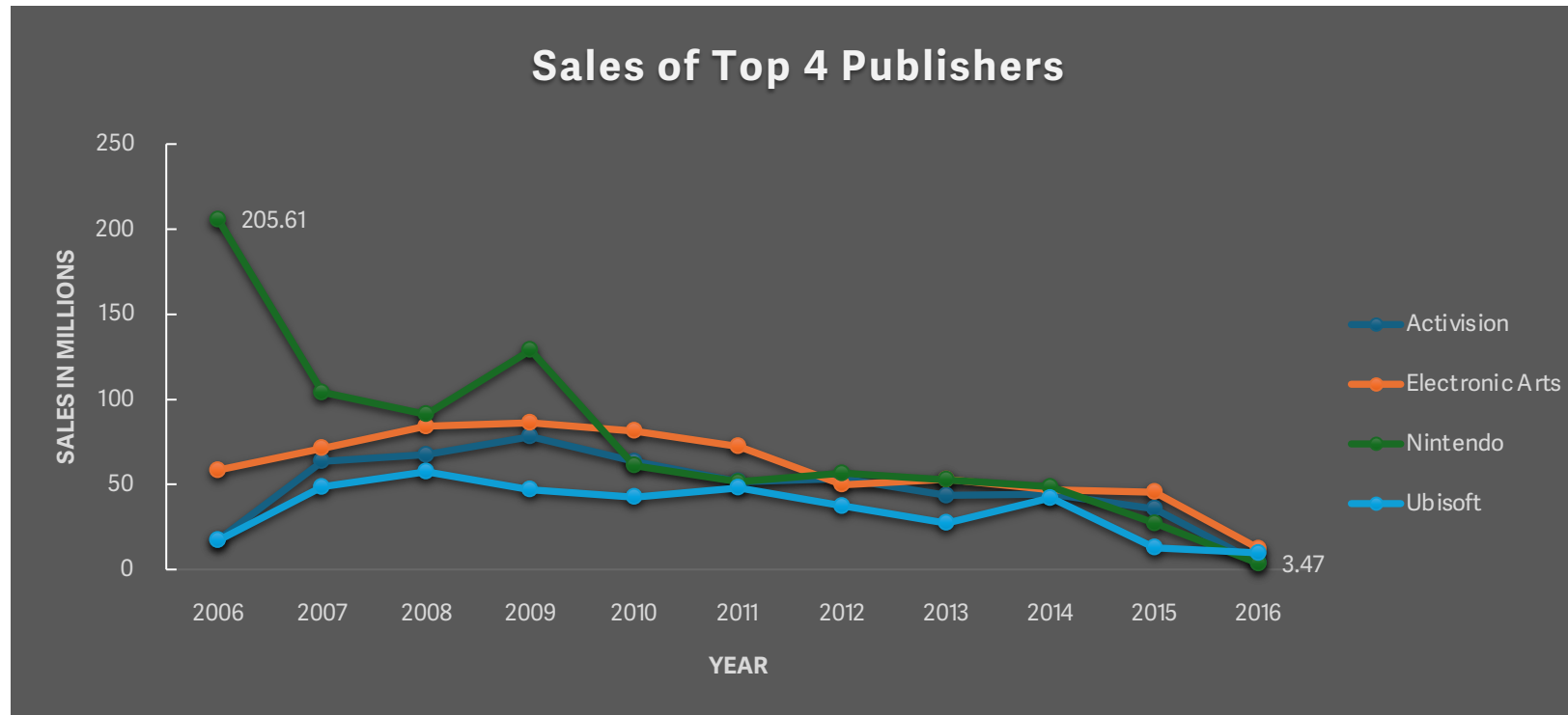
Competition in this Market

In the past 10 years, Nintendo was the highest selling publisher (830.96 million), followed by Electronic Arts (660.98 million), followed by Activision (522.09 million), followed by Ubisoft (390.12 million)

Top 10 Global Publishers
(2006-2016)



Sales of Top 4 Publishers

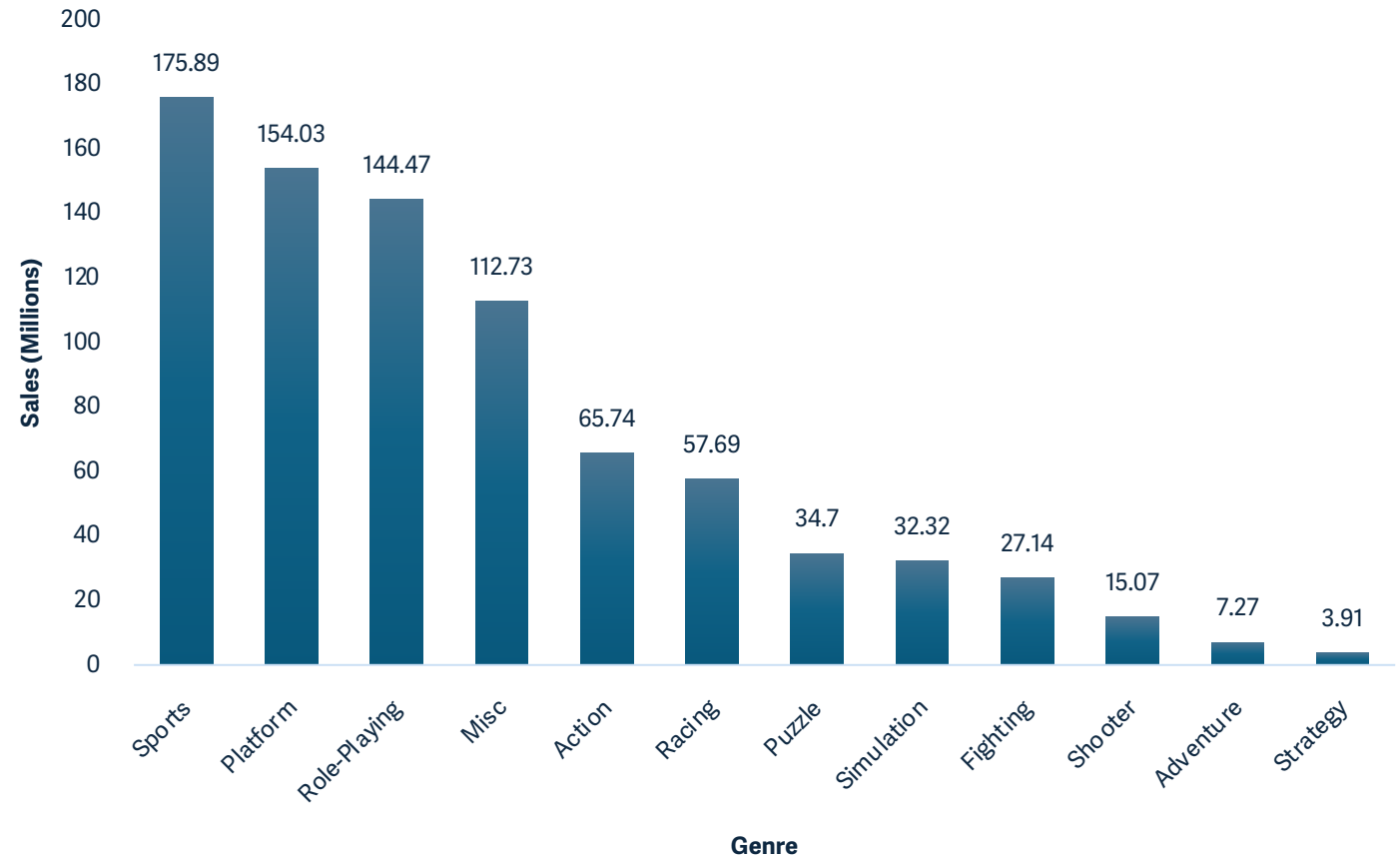


Sales for each of them fell considerably, **highest selling publisher, Nintendo, became the least selling publisher** in 10 years span from 205.61 million sales to just 3.67 million sales

Nintendo Sales

- The total sales figure for **Nintendo** was **830.96** million between 2006-2016, out of which more than half the sales (474.39 million) came from three **genre namely, Sports, Platform, and Role-Playing**.
- As we have seen earlier, Sports and Role-Playing were among the top 4 genre by sales.

**Genre Popular on Nintendo
(2006-2016)**



Revised Understanding

- ❖ Considering the data presented it challenges the assumptions we made earlier that all the regions hold the same share of market. North America holds 32%, Europe 38%, Japan holds 19%, and other holds 11%.
- ❖ Action, Shooter, Sports, and Role-playing were the top selling genres. Action having the maximum number of sales due to more titles released and Shooter had the maximum average sale for a title.
- ❖ Nintendo, Electronic Arts, Activision, and Ubisoft has been the top publishers in last 10 years.
- ❖ Nintendo lost the most market share, sales dropped by approx. 98.2%.
- ❖ Sports, Platform, and Role-Playing were the top selling genre for Nintendo.



Recommendations

- ❖ We recommend that GameCo focus more on Action, Shooter, Sports, and Role-playing genre as these were top selling genre with special attention to shooter genre
- ❖ GameCo could also focus more on genre such as Sports and Role Playing as they were top selling for Nintendo to capitalize on the opportunity
- ❖ Europe and North America are having most of the share of global market and more attention to these markets could be given





Thank you!

Do you have any questions? Email me or let's connect on LinkedIn.

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