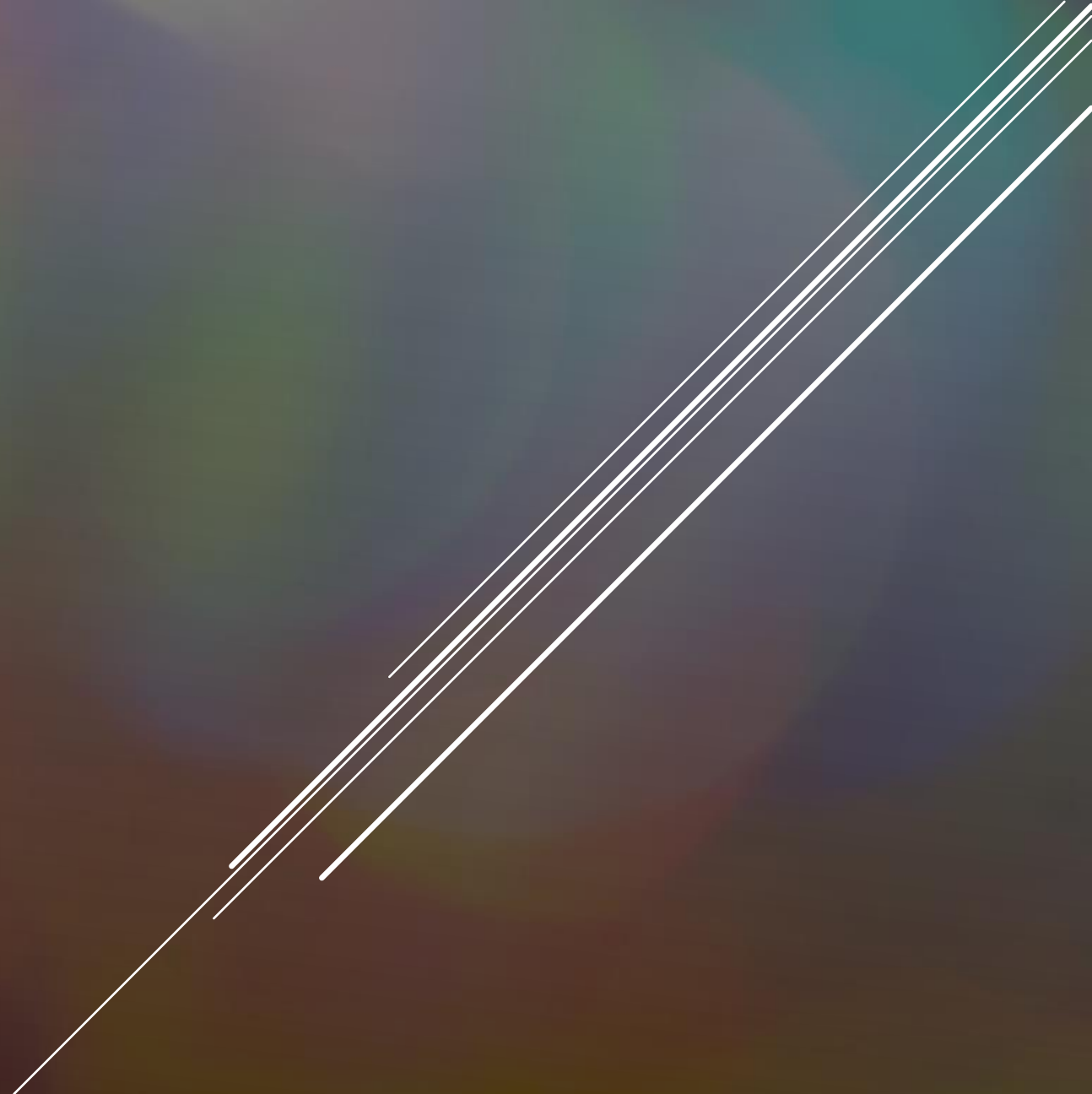
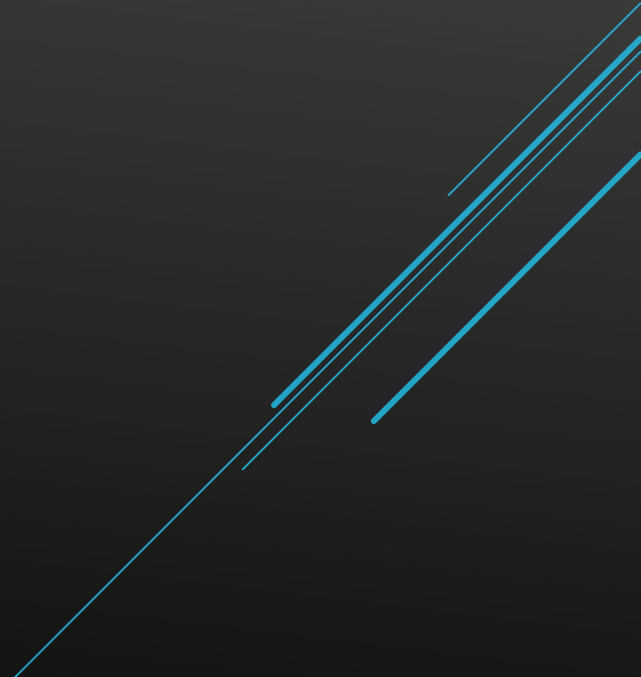


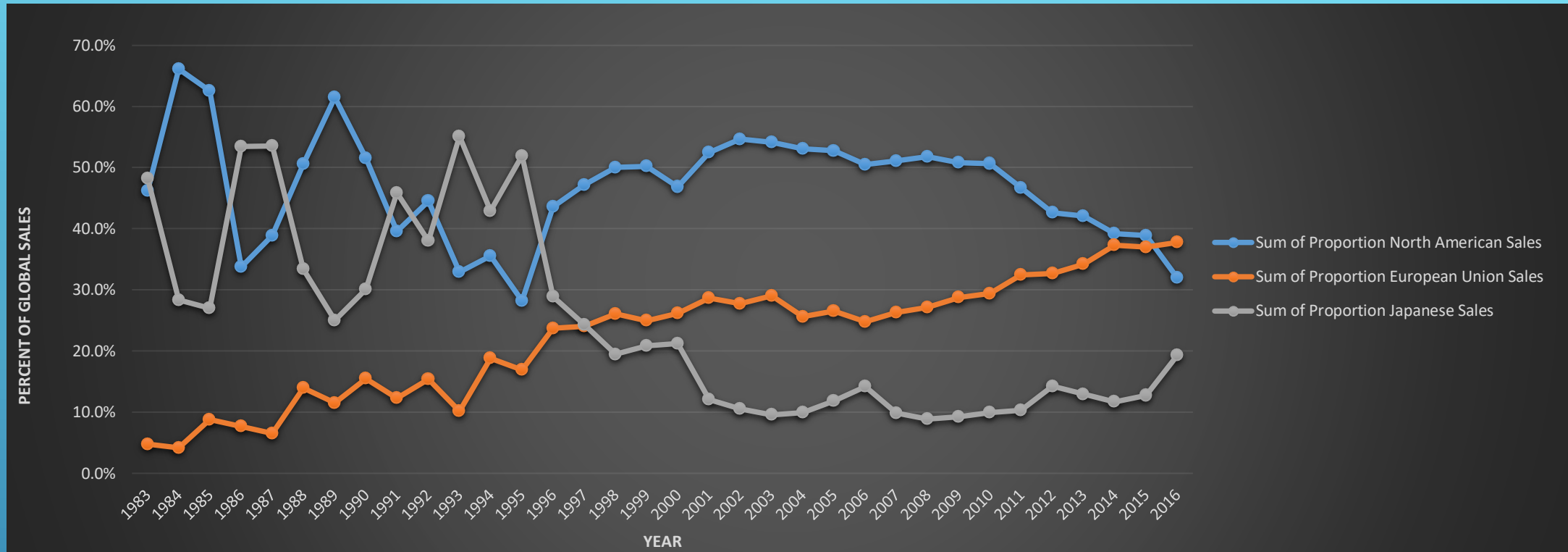
# GAMECO

New worlds to explore



# CURRENT UNDERSTANDING AND BELIEFS

- The proportion of Global Sales for each region has remained the same over time.
  - Sales of physical game media is the optimal revenue driver for the industry.
- 
- Several parallel teal lines of varying lengths and slopes are positioned in the bottom right corner of the slide, creating a modern, abstract graphic element.

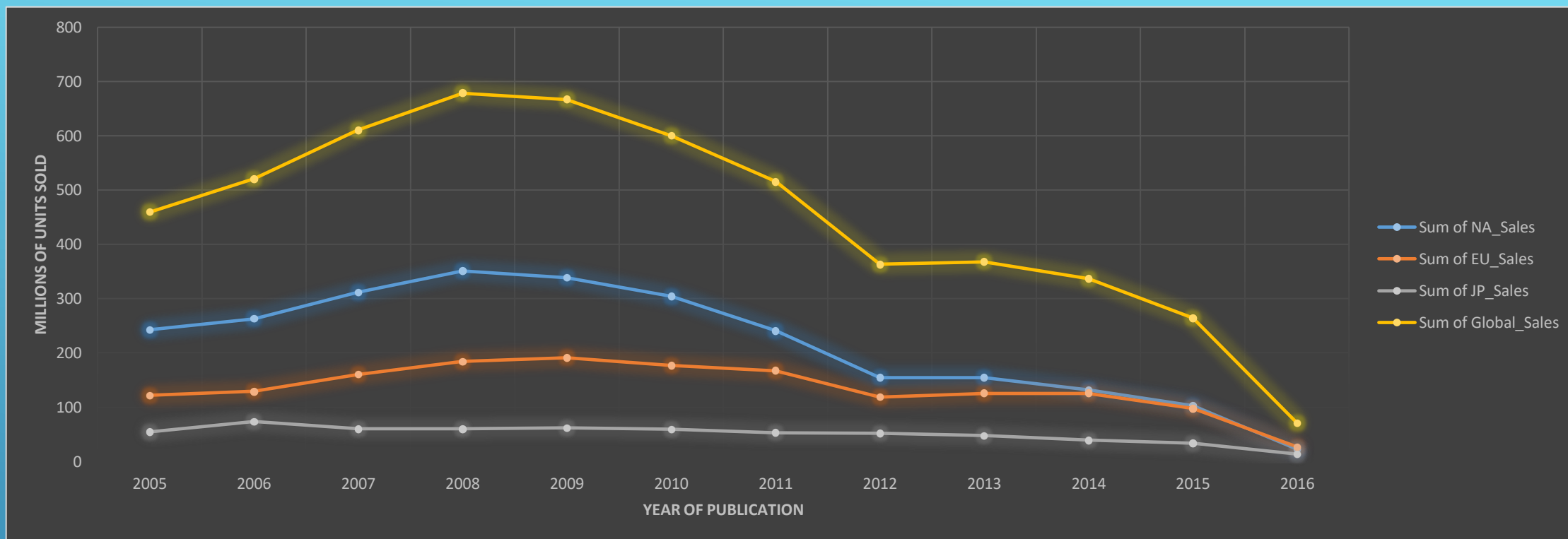


## REGIONAL SALES AS A PROPORTION OF GLOBAL SALES 1983 - 2016

# REGIONAL SALES AS A PROPORTION OF GLOBAL SALES 1983 - 2016

- ▶ What the data tells us about the proportion of sales:
- The proportion of Global Sales for each region has not remained the same over time.
  - The proportions of Global Sales for North America and Japan have consistently mirrored each other.
  - The proportion of Global Sales for the European Union has consistently increased over time.
  - The most relevant window for predictive strategy would start with games published 2005 and later.





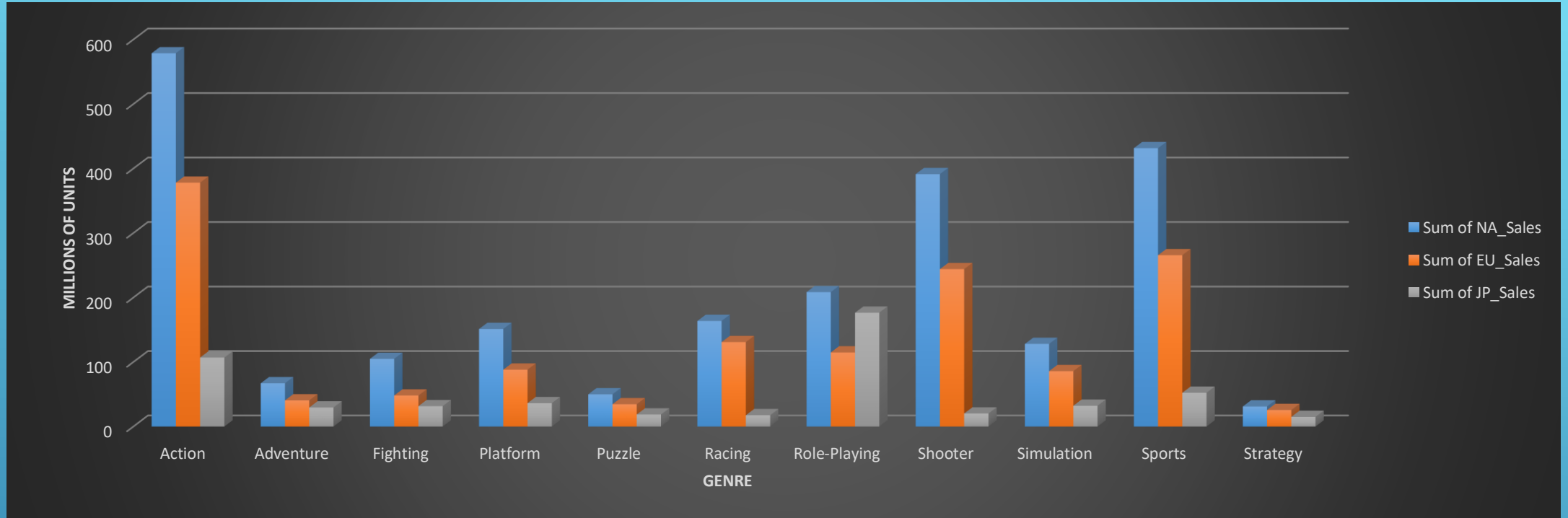
TOTAL SALES  
2005 - 2016

# TOTAL SALES 2005 - 2016

► What the data tells us:

- Sales of physical media have decreased globally since 2008.
  - What happened?\*
  - Downloaded games became more globally available across all platforms beginning in 2006.
  - Broadband internet availability and usage increased at approximately the same time.

\*Our data provider noted in the description of their process that as digital game delivery increased the data became less reflective of actual units sold.



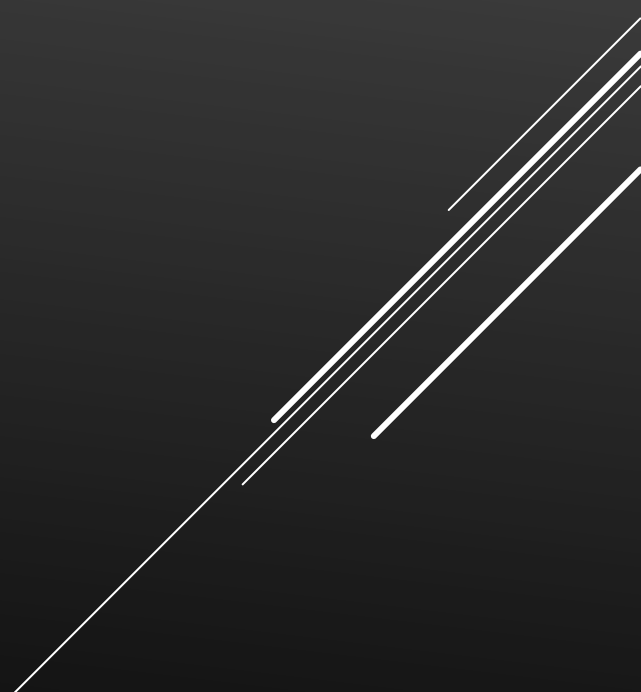
# REGIONAL SALES BY GENRE

## 2005 - 2016

# Regional Sales by Genre

## 2005 - 2016

- ▶ What the data tells us:
- Several Game Genres are clearly more popular than others.
  - The most popular genres globally are:
    - Action, Sports, Shooter, Role-Playing
  - The least popular genres globally are:
    - Strategy, Puzzle

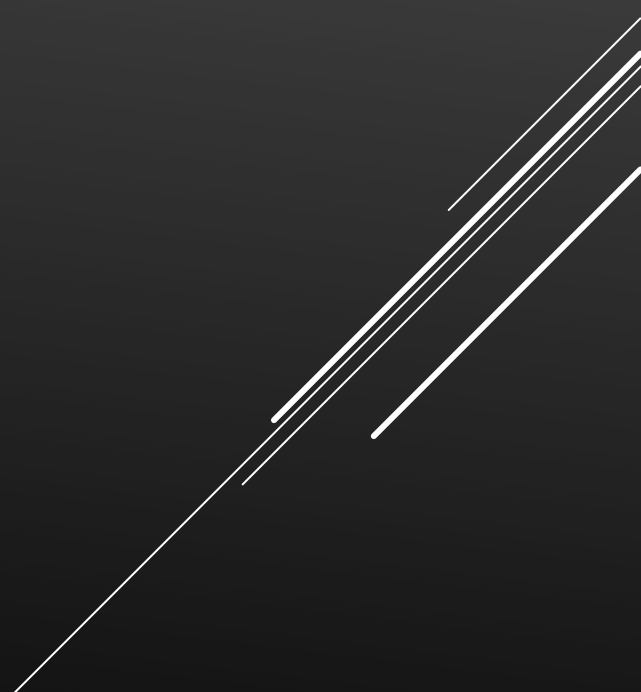




# NEW WORLDS TO EXPLORE

► What the data tells us:

- The European Union has been and continues to be an expanding market for gaming.
  - Three of the four genres recommended for increased development have been very popular in the EU.
  - The fourth genre, role-playing, is the fifth most popular in the EU.
- North America remains the dominant market across all genres.
- The Japanese market appears to be the weakest market in all markets except Role-Playing.




# NEW WORLDS TO EXPLORE

- ▶ The marketplace has changed:
  - Digital sales and downloaded content is growing in popularity across all markets.
  - Multiple sales/revenue generation models have become more prevalent in the global marketplace:
    - Free to play (F2P) models with microtransactions.
      - No upfront purchase for the customer
      - Add on purchases for smaller amounts are available for additional content or features.
    - Subscriptions
      - Per title subscriptions incur a monthly or annual fee for unlimited play and software updates.
      - Services that incur a monthly fee to allow play of several titles in a manner similar to per title subscriptions.



# RECOMMENDATIONS

- New title development should be focused more on the most popular genres.
    - The least popular genres should be considered for complete phase out.
  - Marketing should be more concentrated in developing the European Market while maintaining the North American Market.
    - Marketing in Japan should focus on role-playing and action games.
  - Changing market conditions should be considered:
    - More focus should be placed on digital sales and downloaded content.
    - Free to play and subscription models should be referred to development for feasibility in new titles.
    - Existing relationships with brick-and-mortar outlets should be revisited.
    - Complete phase out of physical media should be considered.
- 
- A series of four parallel white lines of varying lengths, slanted upwards from left to right, located in the bottom right corner of the slide.