



GAMECO MARKETING BUDGET PLANNING FOR 2017

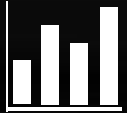
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GameCO

EXECUTIVE SUMMARY

COMPANY ASSUMPTIONS AND RATIONALE



MARKET STATUS AS OF 2016



REGIONAL TRENDS IN THE LAST 20 YEARS



REGIONAL GAME GENRES SALES



REGIONAL PLATFORM SALES



FINAL CONSIDERATIONS

COMPANY ASSUMPTIONS AND RATIONALE



The current understanding is that sales across different regions will stay the same in the next year.



Preliminary observations disprove the assumption, as global sales have fallen by 61% over the last decade

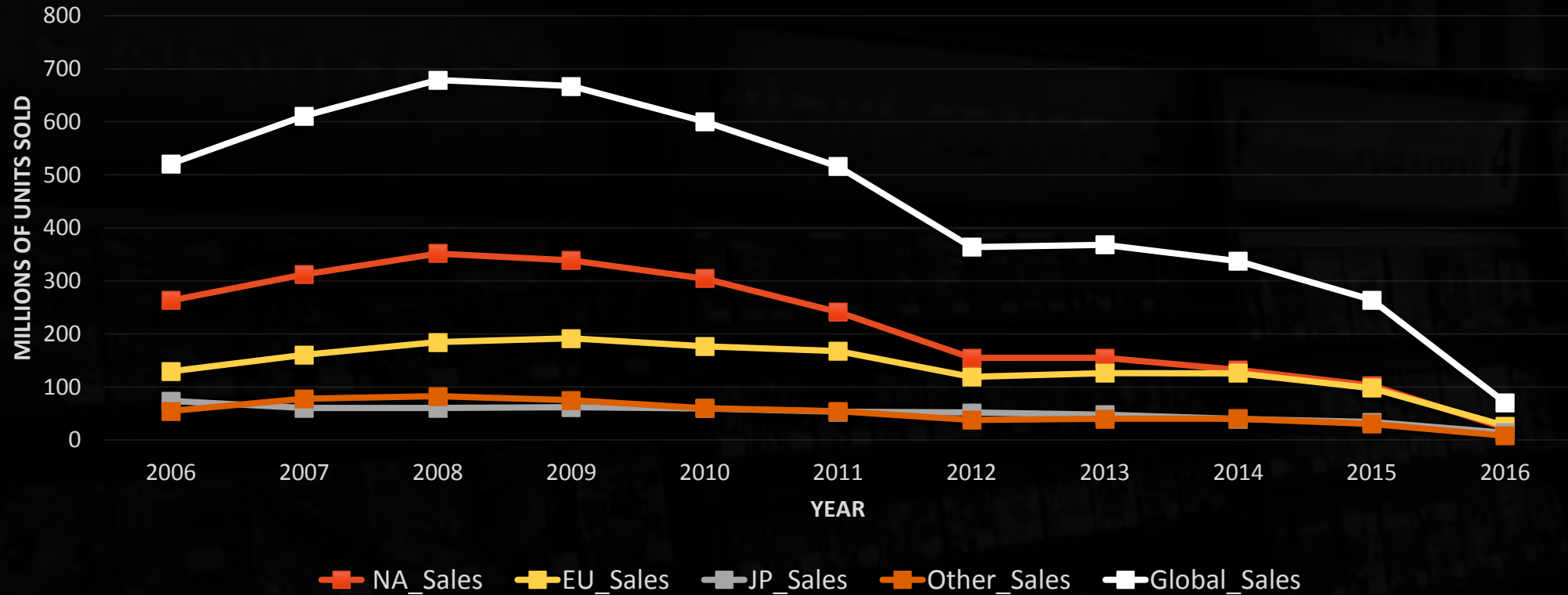


The objective is to further investigate this observation and provide recommendations on how the marketing budget should be allocated for 2017

REGIONAL SALES



Figure 1 – Total Sales 2006-2016

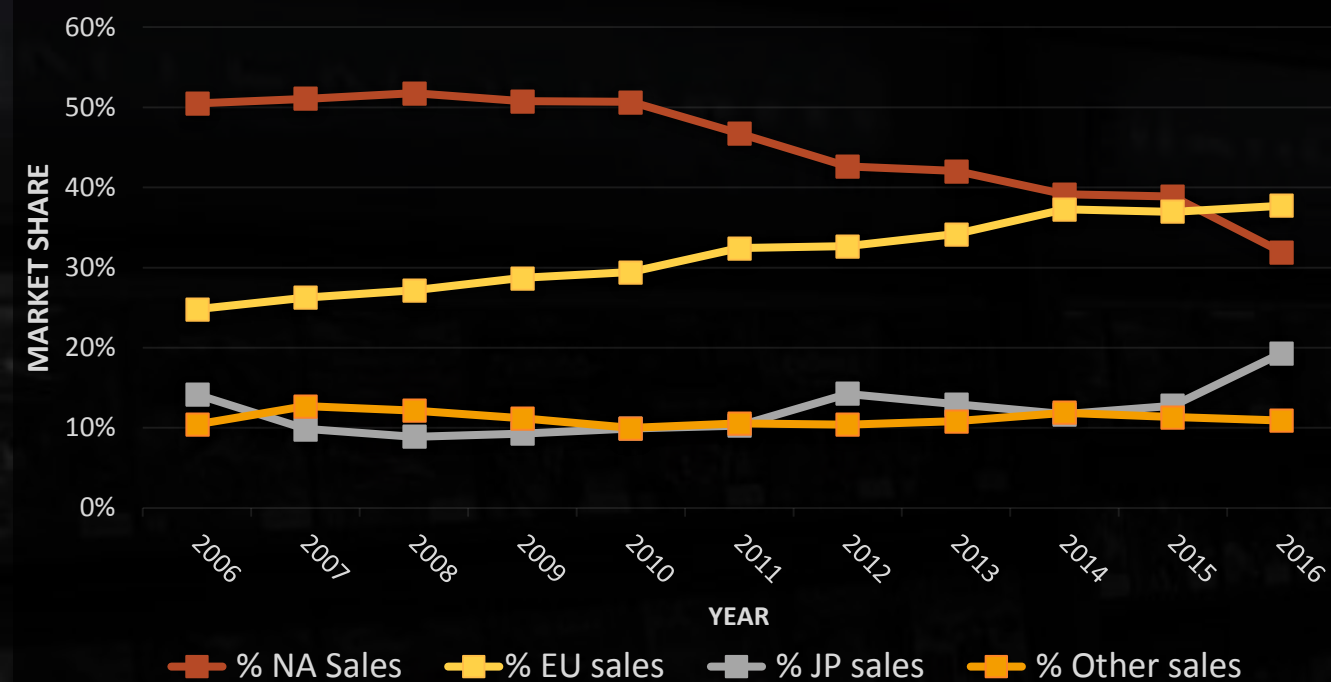


- **Global sales declined by 61% since peaking in 2008.**
- **The North American Market, which accounted for 52% of global sales at its peak, has been hit the most, plummeting by 71%**

REGIONAL SALES - continuation



Figure 2—Regional market shares 2006-2016



RECOMMENDATIONS



We should take advantage of the European Market momentum.



The North American Market still makes up 30% of global sales. A stronger marketing campaign could help regain strength in this Market.



The Japanese Market is slowly increasing, and so should be the budget allocated.

- European Market grew by an average rate of 1% every year
- North American Market lost an average 2% of market share every year

MOST SUCESSFUL GAME GENRES*



NORTH AMERICA

MILLIONS OF UNIT SOLD PER GAME

- 0.20 0.40 0.60

GENRE
Shooter
Platform
Sports
Racing
Misc

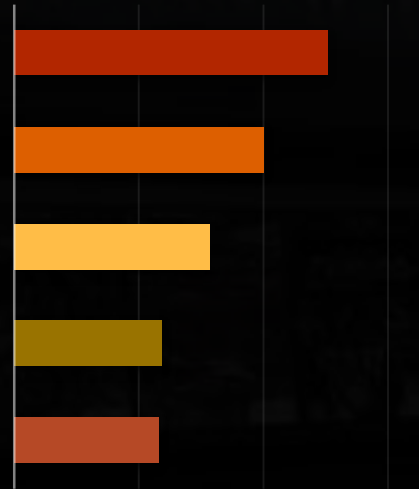


Figure 3

EUROPE

MILLIONS OF UNIT SOLD PER GAME

0 0.2 0.4

GENRE
Shooter
Platform
Racing
Sports
Action

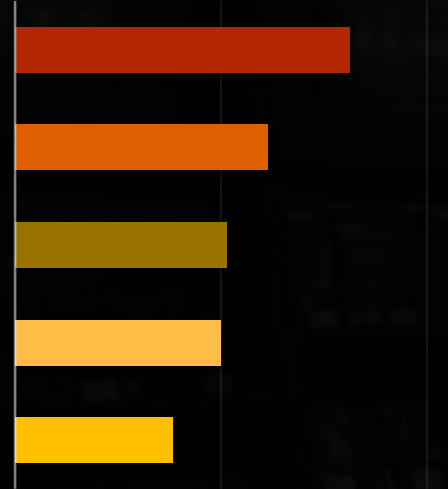


Figure 4

OTHERS

MILLIONS OF UNIT SOLD PER GAME

- 0.05 0.10 0.15

GENRE
Shooter
Platform
Sports
Racing
Action

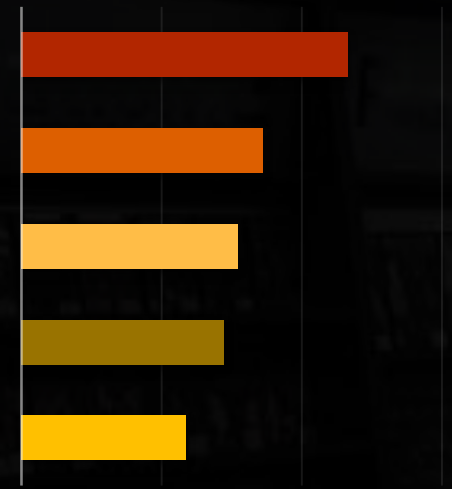


Figure 4

JAPAN

MILLIONS OF UNIT SOLD PER GAME

- 0.20 0.40 0.60

GENRE
Role-Playing
Action
Misc
Adventure
Sports

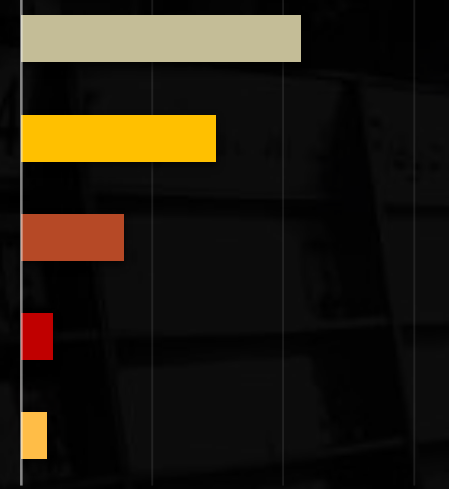
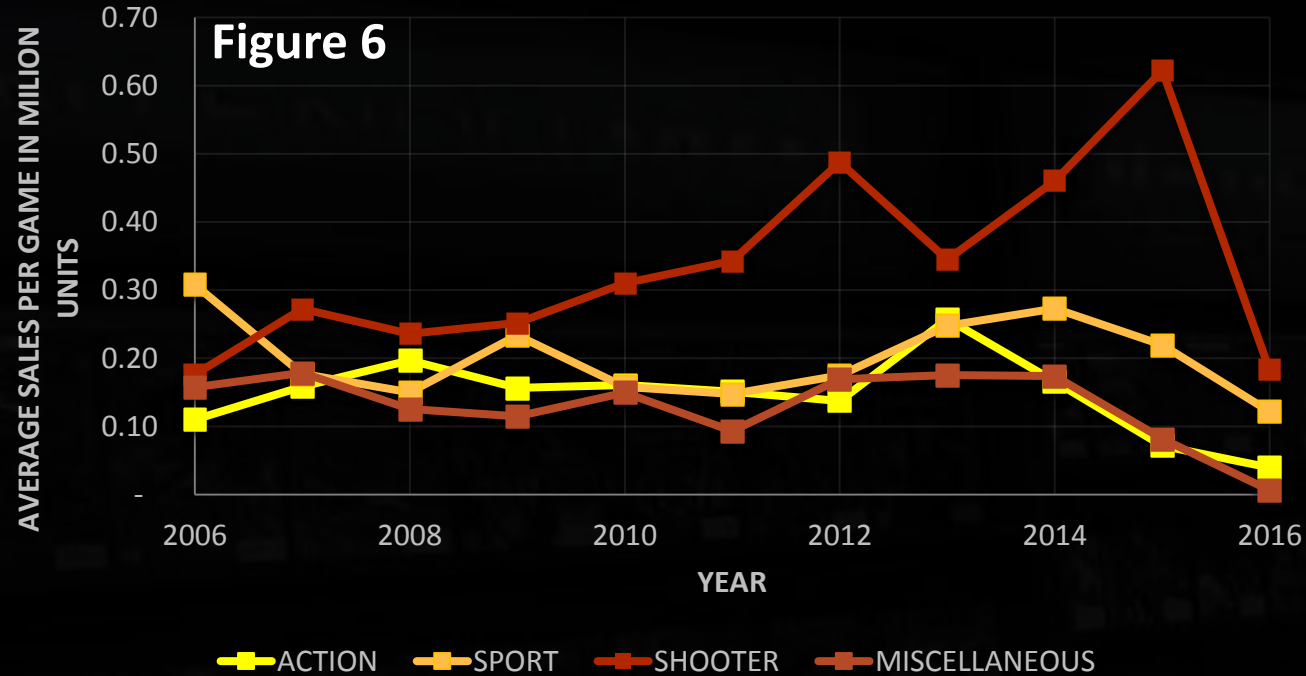


Figure 5

- Shooter games represent only 14% of NA, EU, and Others markets, but the average shooter game sells better than any other genre.
- In Japan ROLE-PLAYING games have 30% of the Market, and are also the most suscessful.

* Defined as highest average sales per game

MOST SUCESSFUL GAME GENRES - *continuation*



- Action games may have more total sales, but on aveage a shooter game sells 2.8 times better than an action game
- On average shooter game sales increased by 18% a year



RECOMMENDATIONS



I suggest to invest in the most sucessful genres, and not in the top-selling genre for each Region



Investing in SHOOTER games is the most efficient choice



Investing in ROLE-PLAYING games makes sense only for the Japanese Market.

MOST SUCCESSFUL PLATFORMS BY REGION 2011-2016**



NORTH AMERICA

AVERAGE SALES BY PLATFORM
IN MILLIONS OF UNITS

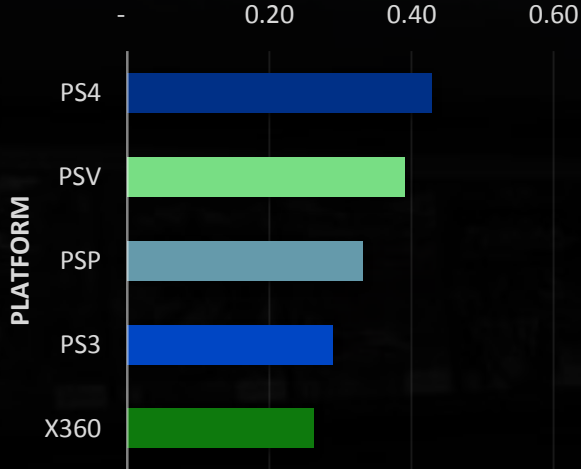


Figure 7

EUROPE

AVERAGE SALES BY PLATFORM IN
MILLIONS OF UNITS

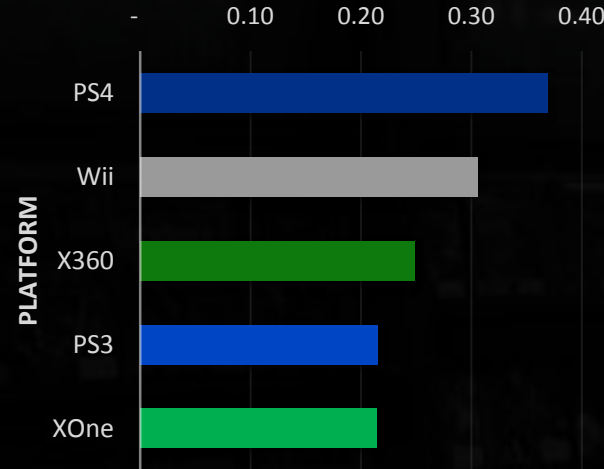


Figure 8

JAPAN

AVERAGE SALES BY PLATFORM IN
MILLIONS OF UNITS

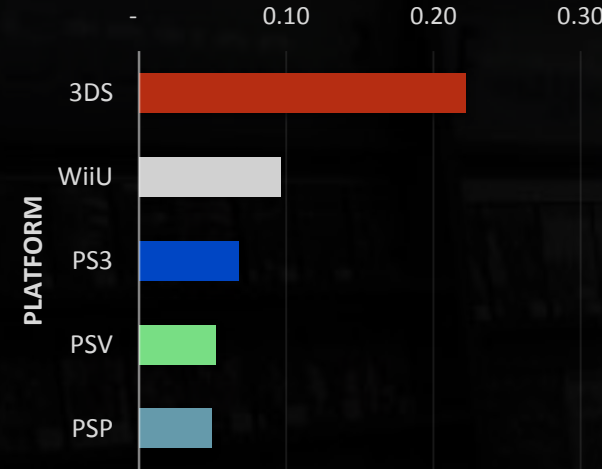


Figure 9

OTHER

AVERAGE SALE BY PLATFORM IN
MILLIONS OF UNITS

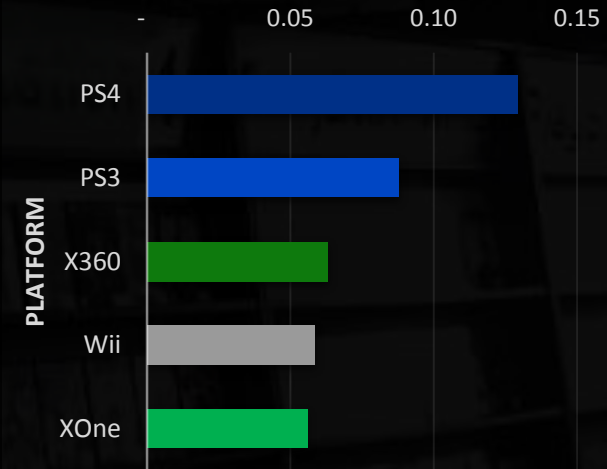
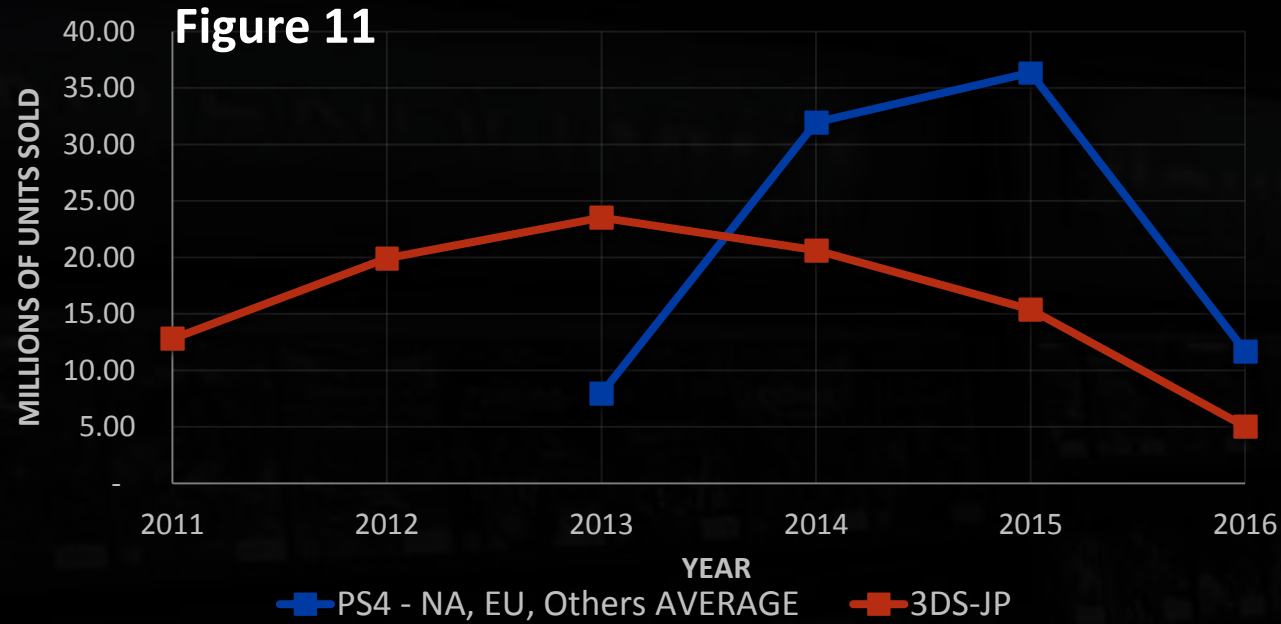


Figure 10

- Playstation4 sales represent only 17% of sales in its regional Markets, but its games sell the best.
- 3DS represents 40% of Japanese Market, and its games sell better than any other.

** Year of launch of the latest platform generation

MOST SUCCESSFUL PLATFORMS BY REGION 2011-2016**



RECOMMENDATIONS



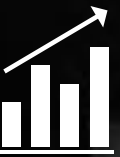
I Games for Playstation4 perform better in North America, Europe, and Others. This is the platform with the most potential investment returns





For the Japanese Market, we should focus on 3DS games

- Between 2013 and 2015 PS4 sales increased by 358%
- Between 2011 and 2015 3DS sales increased by only 20%
- Sales are decreasing. We should expect the launch of the next generation of platforms in the near future.

FINAL CONSIDERATIONS



 The assumption that the market would stay the same year by year has been disproved. Every aspect of the Market is evolving.

-  My recommendations based on the insights:
- Region: Top priority should be the European Market
 - Genres: Role-playing in Japan, and Shooter games in the rest of the World
 - Platforms: Nintendo 3DS for Japan, and Playstation4 for the rest of the World



QUESTIONS?

Thanks for Your attention