

GameCo Video Game Industry Marketing Analysis

David Carpenter
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Agenda

1. Introduction
2. Analysis
3. Summary and Recommendations
4. Appendix

Introduction

The background of the slide is a solid blue gradient. On the right side, there is a series of concentric, semi-circular arcs in a darker shade of blue. Scattered across these arcs and the background are numerous small, light blue dots, creating a pattern reminiscent of a fingerprint or a stylized orbital system.

Objective and Questions to Answer

Objective: I am an analyst for a video game company that wants to collect insights from its data in order to inform about the development of new video games. Perform a descriptive analysis to create a better understanding of the market.

- Questions:**
1. Are certain types of games more popular than others?
 2. What other publishers will likely be the main competitors in certain markets?
 3. Have any games decreased or increased in popularity over time?
 4. How have their sales figures varied between geographic regions over time?

Management's hypothesis

Video game sales have remained the same over time and across geographic regions.

Start with “Why?”

Why is it important to either prove or disprove the hypothesis?

We need to understand the video game market in order to know where to focus marketing budget in 2017 in order to maximize ROI.

Analysis

The background of the slide is a solid blue gradient. On the right side, there is a series of concentric, semi-circular arcs in varying shades of blue, creating a ripple effect. Scattered across these arcs are numerous small, light blue dots, resembling a stylized fingerprint or a data visualization.

Current state of global video game sales

Video game sales have fluctuated on a year-over-year basis



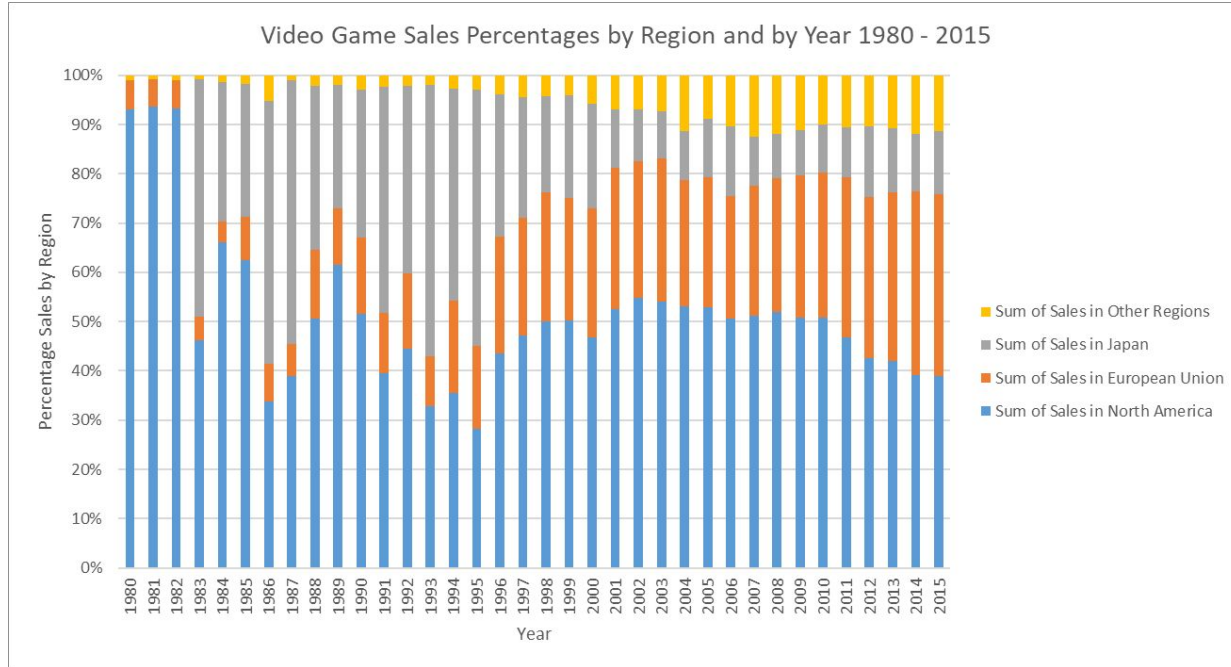
Annual sales increases reached a peak of 127% between 1995 and 1996.

Conversely, the maximum annual sales decrease occurred between 2011 and 2012 when sales fell by 30%

From 1980 to 2008 global sales increased by 6000%

Current state of video game sales by region

Annual changes in video game sales are also present in different regions



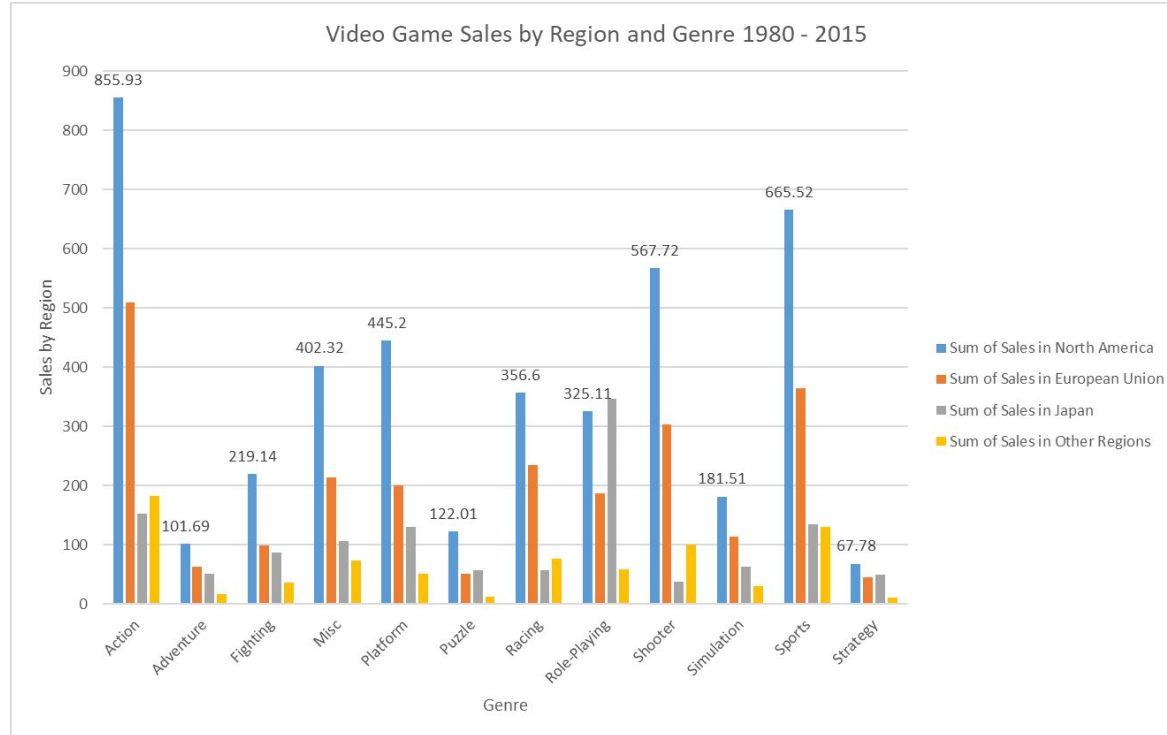
Market share in North America and Japan comprised between 80 to 90% in the 1980s and 1990s.

However, sales in the European Union and other regions have consistently increased and now make up almost 50% market share and are increasing year-over-year.

Sales in North America have decreased every year since 2008.

Current state of video game sales by genre

Video game sales also vary by genre and by geographic region

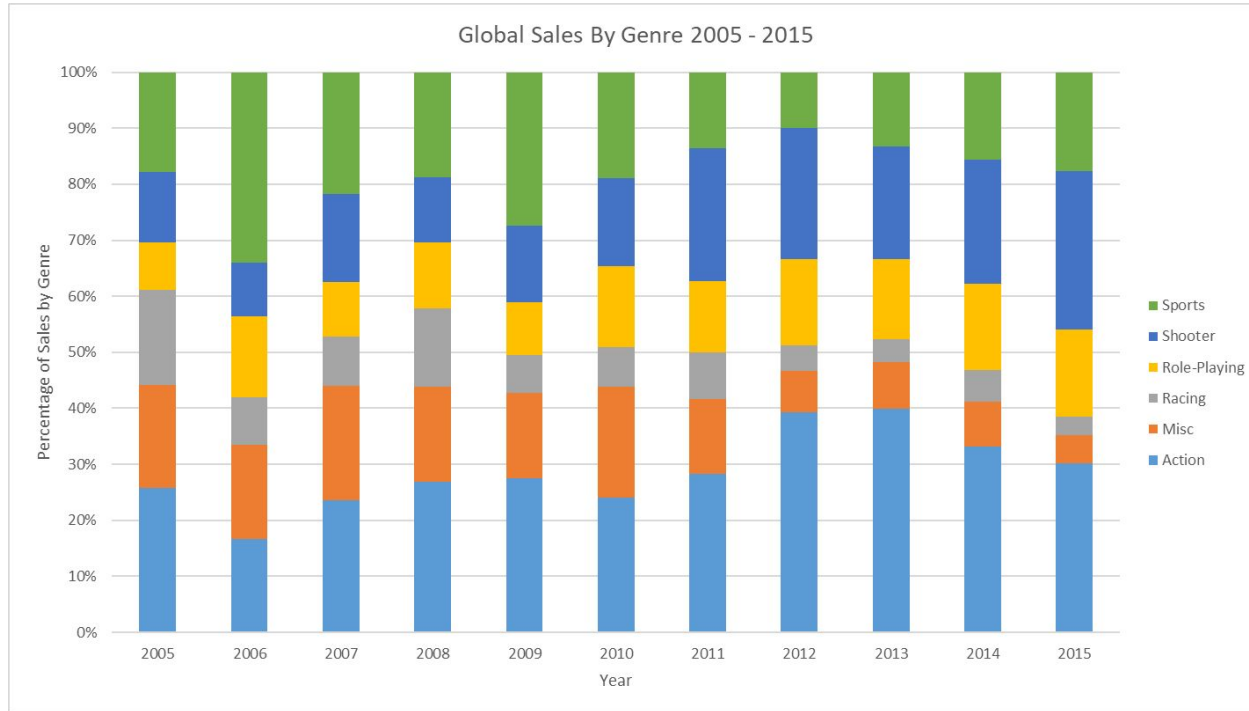


Since 1980, some genres have sold more units than others.

Some general trends exist such as popularity of action games in North America and the European Union and little popularity of strategy games worldwide.

Current state of video game sales by genre

Global video game sales for all genres over time



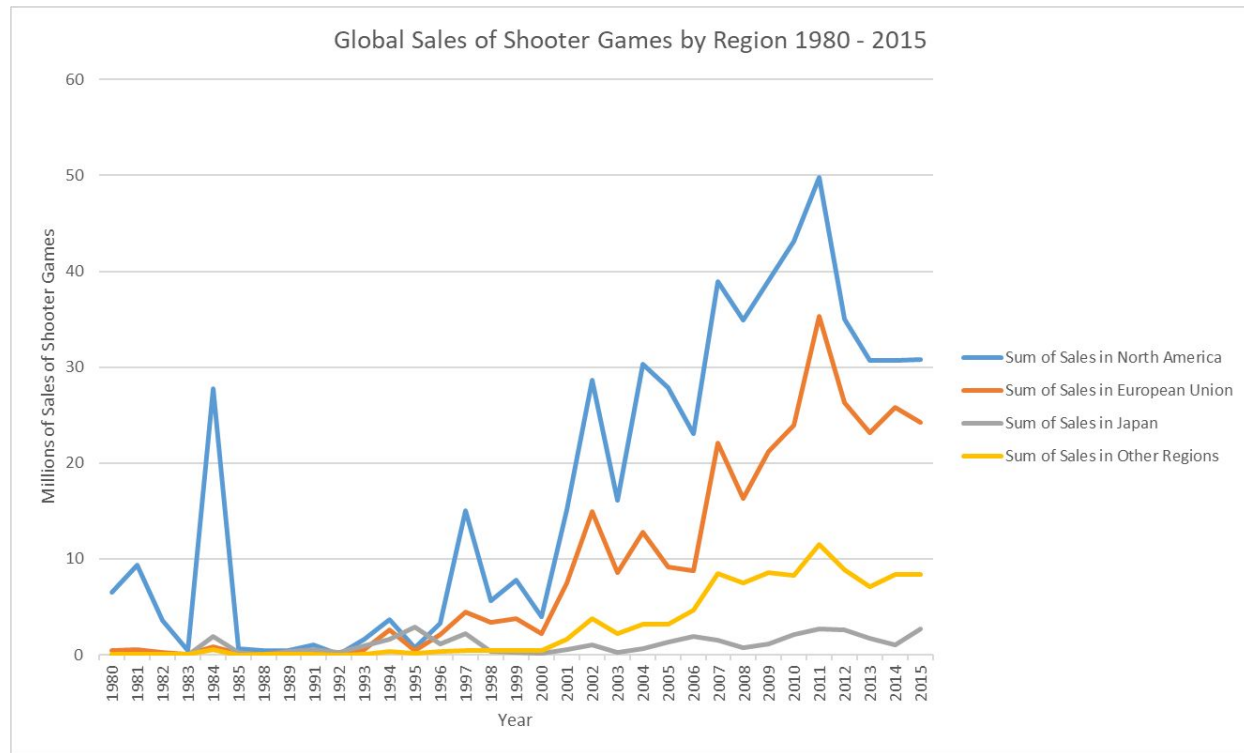
Global sales of various genres vary by region and changes over time.

Sales of Action games have generally maintained annual sales.

Sales of Shooter games are generally increasing in annual sales.

* Only the top 6 genres are shown; see slide 21 for the complete graph.

Where are video game sales increasing?

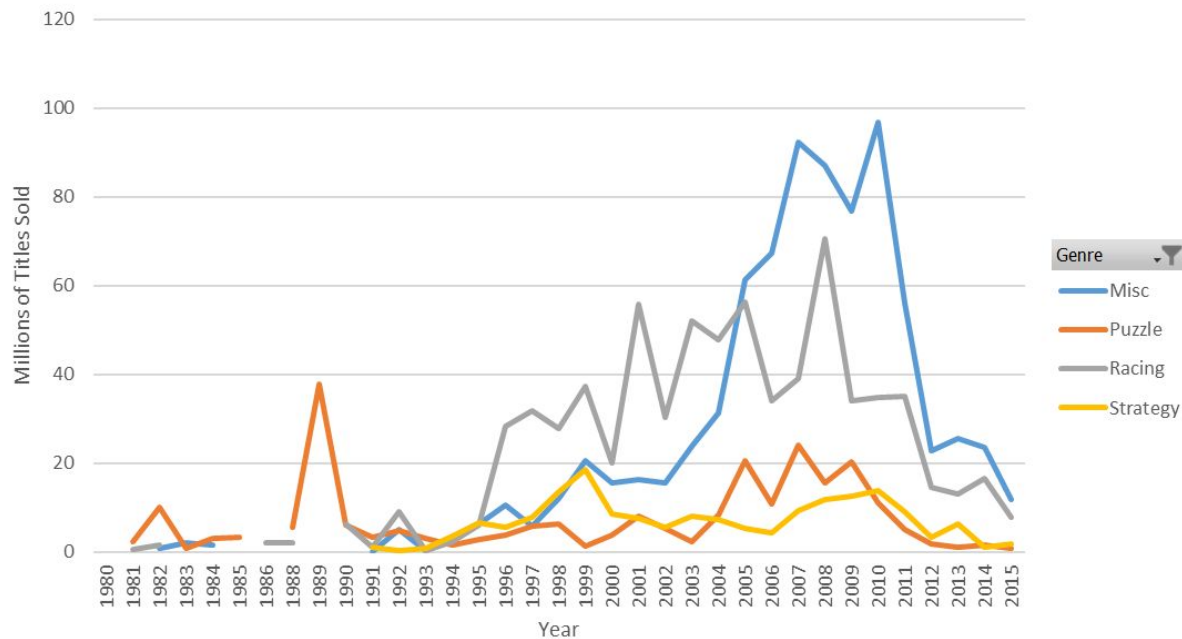


Shooter genre games are generally increasing in sales in all regions over time.

Shooter games account for almost 30% of video game sales globally (see slide 7).

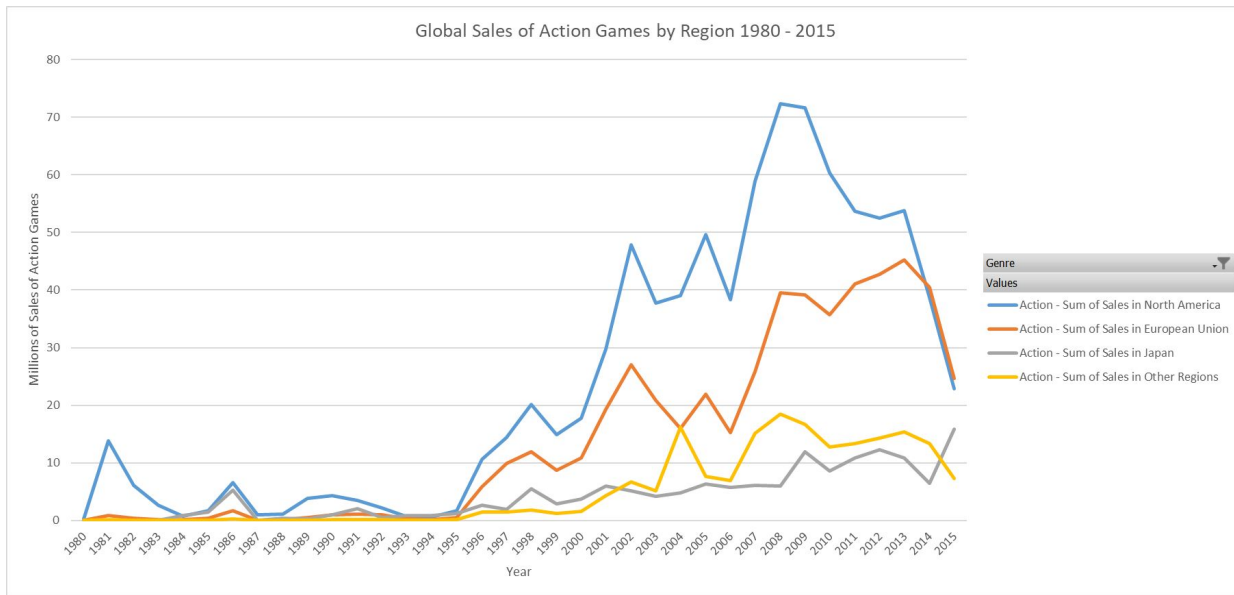
Where are video game sales decreasing?

Global Sales of Low-performing Genre Types 1980 - 2015



Sales of Miscellaneous, Puzzle, Racing and Strategy games make up a small market share and are decreasing in volume in all regions worldwide.

Where do video game sales need further investigation?



Sales of Action games have accounted for the majority of sales across all genres in recent years.

Sales accounted for about 30% of global sales in 2015.

However, sales have been falling rapidly in past years and more investigation is needed to determine why.

See slide 7 for Action game sales compared to other genres.

Summary and Recommendations

Summary

Main insight:

- Video game sales have not remained the same over time and across geographic regions.

Additional insights:

- North America maintains the position as the leader in video game sales at around 40% of global sales. This number is slowly decreasing over time.
- After the North American and European Union regions, Japan is positioned in 3rd place in global video game sales. It's percentage of sales has remained mostly unchanged for about 7 years. The other region will likely overtake it in the coming years.
- The European Union and other regions are increasing their share of the global video game market and combined, will likely comprise more than 50% of global video game sales in the next few years.

Revised hypothesis

Original hypothesis:

Video game sales have remained the same over time and across geographic regions.

Revised hypothesis:

Video game sales vary greatly by region and by genre. GameCo's marketing budget should be spent differently across various regions to maximize ROI by investing in video game genres that are more popular than those that are not on a region-by-region basis.

Recommendations

Increase the marketing budget for:

- Shooter games in North America, European Union and other regions.

Decrease the marketing budget for:

- Miscellaneous, Puzzle, Racing and Strategy games worldwide.

Maintain the marketing budget for:

- Action games worldwide.

Thank You

Questions? Feedback?

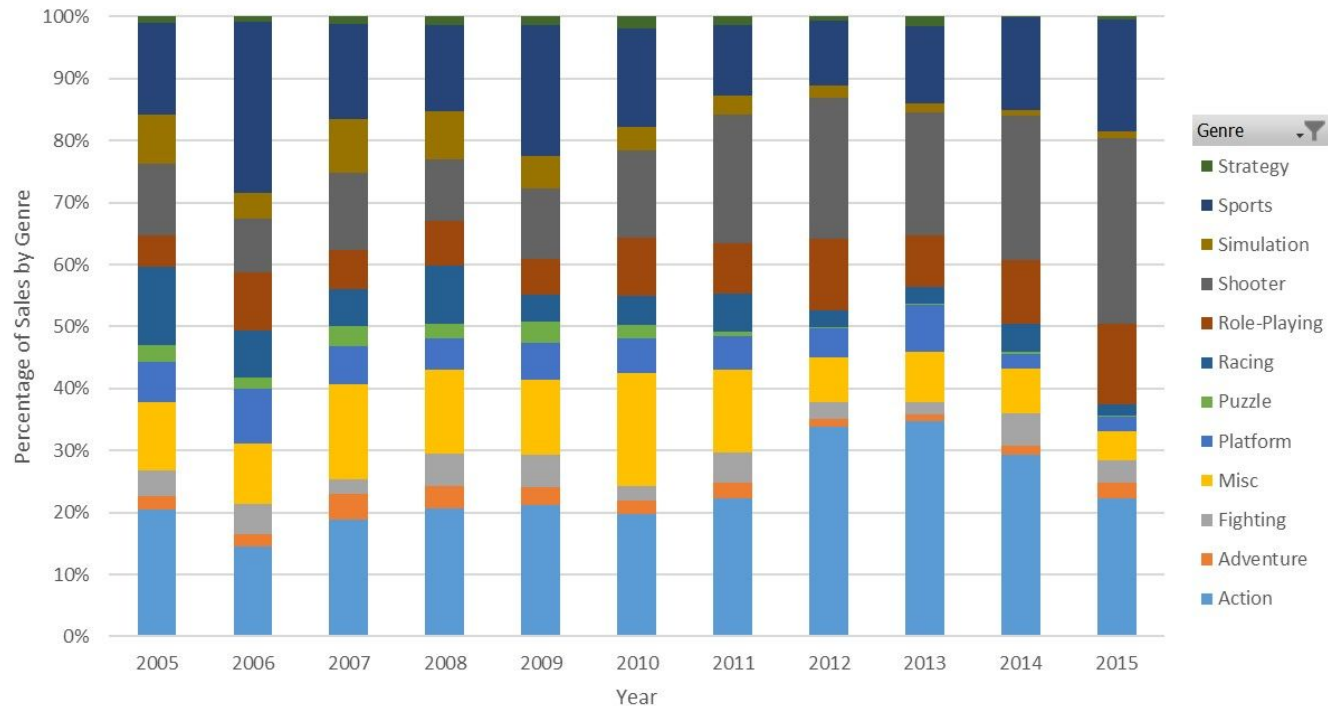
Appendix



North American Sales by Genre

Sum of NA_Sales

North American Sales By Genre 2005 - 2015

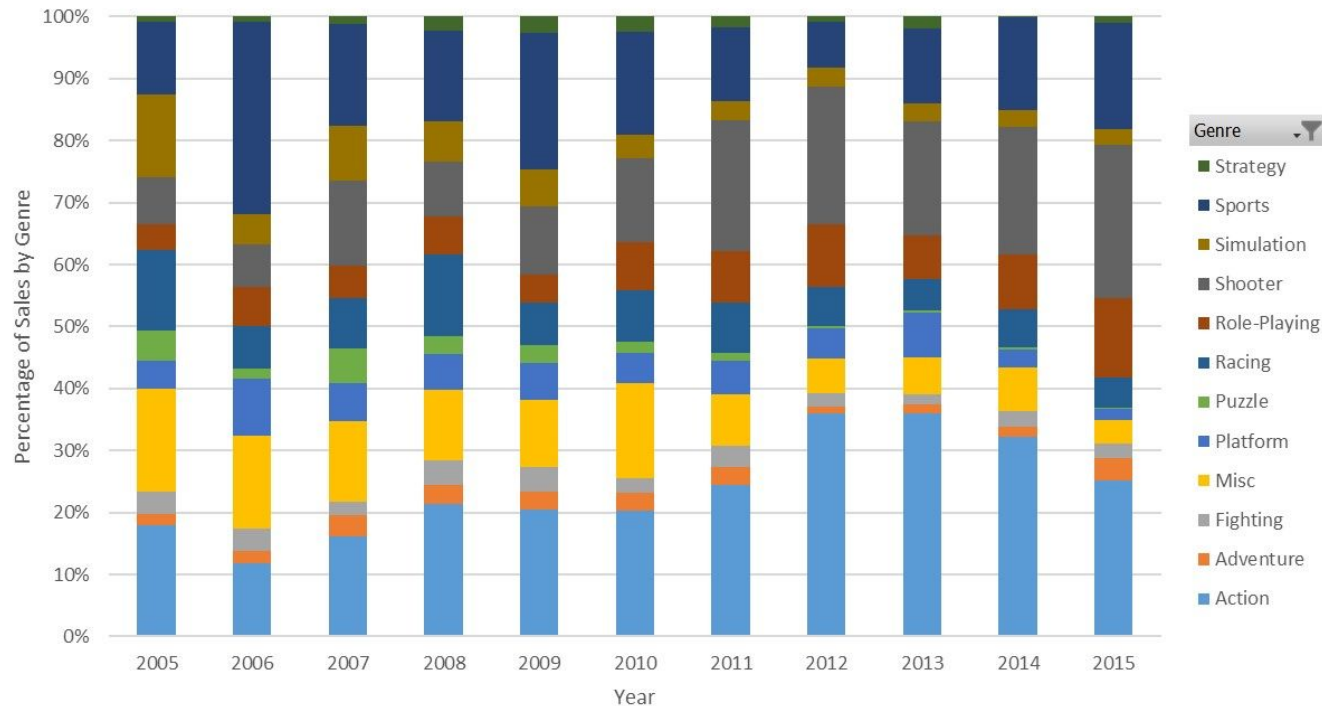


Year

European Union Sales by Genre

Sum of EU_Sales

European Sales By Genre 2005 - 2015

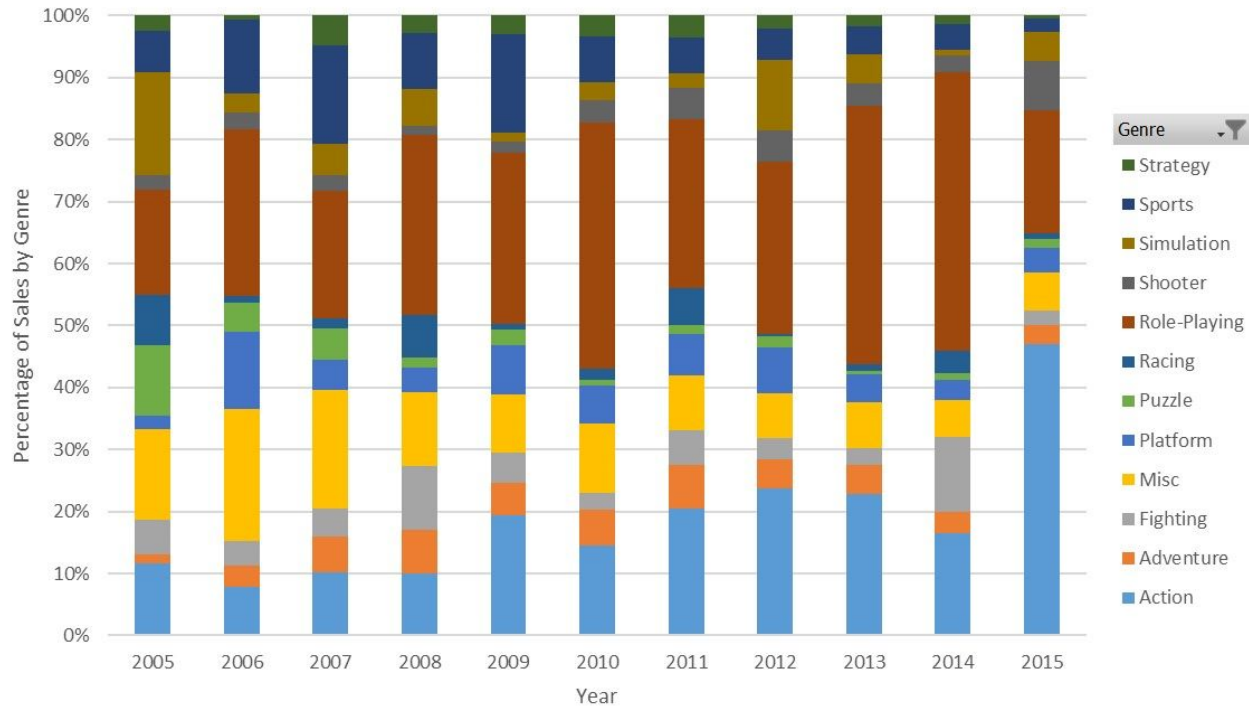


Year

Japanese Sales by Genre

Sum of JP_Sales

Japanese Sales By Genre 2005 - 2015

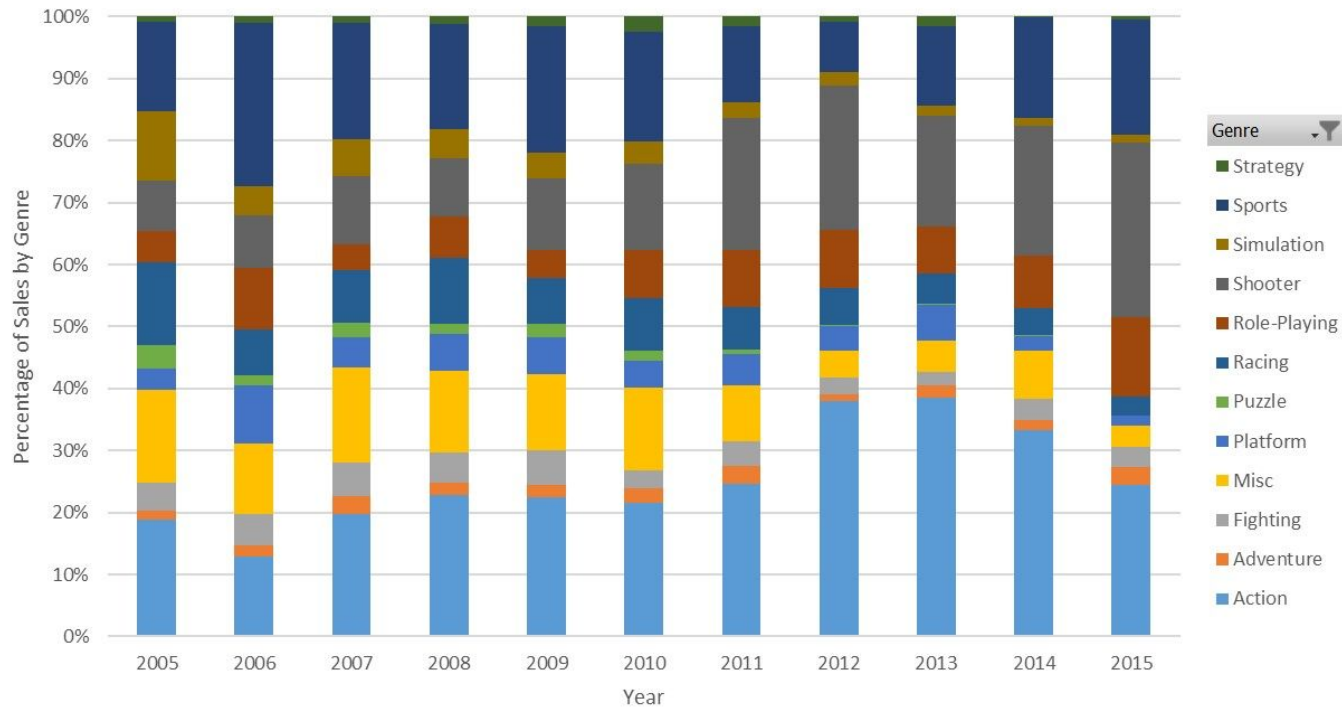


Year

Other Regions Sales by Genre

Sum of Other_Sales

Other Region Sales By Genre 2005 - 2015

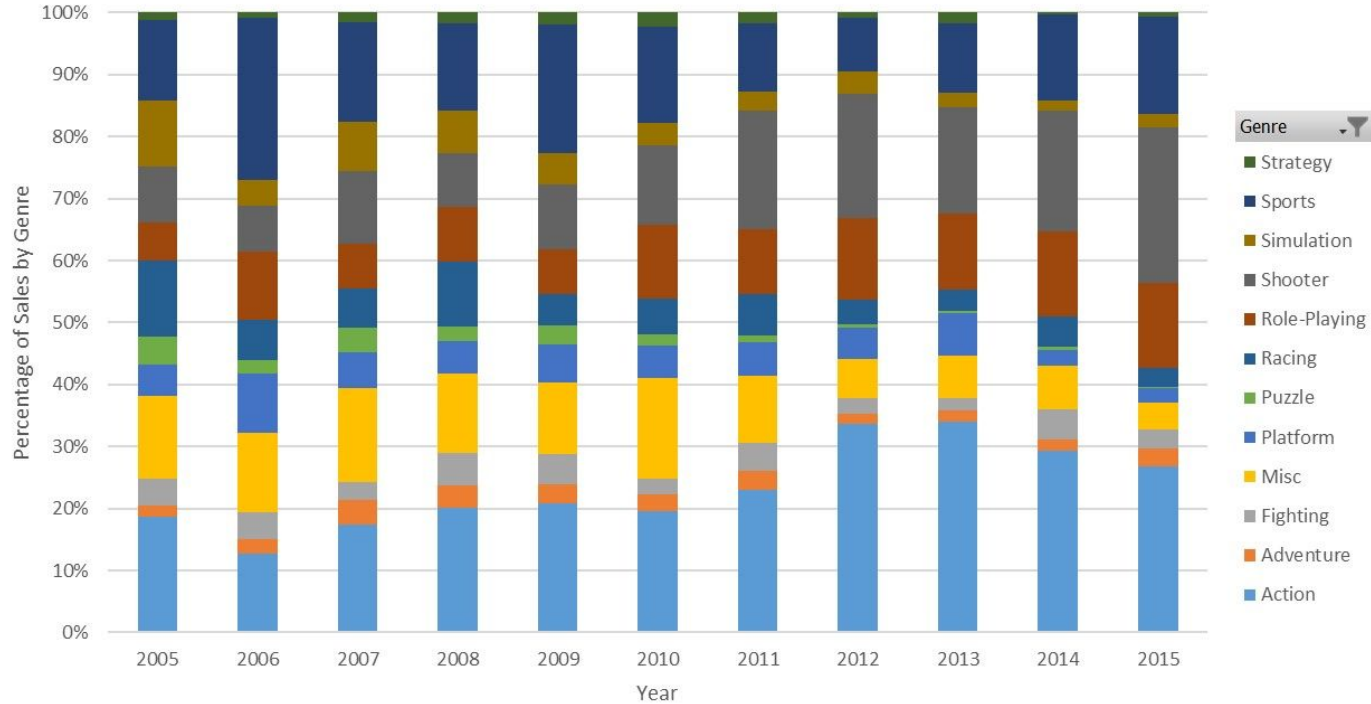


Year

Global Sales by Genre

Sum of Global_Sales

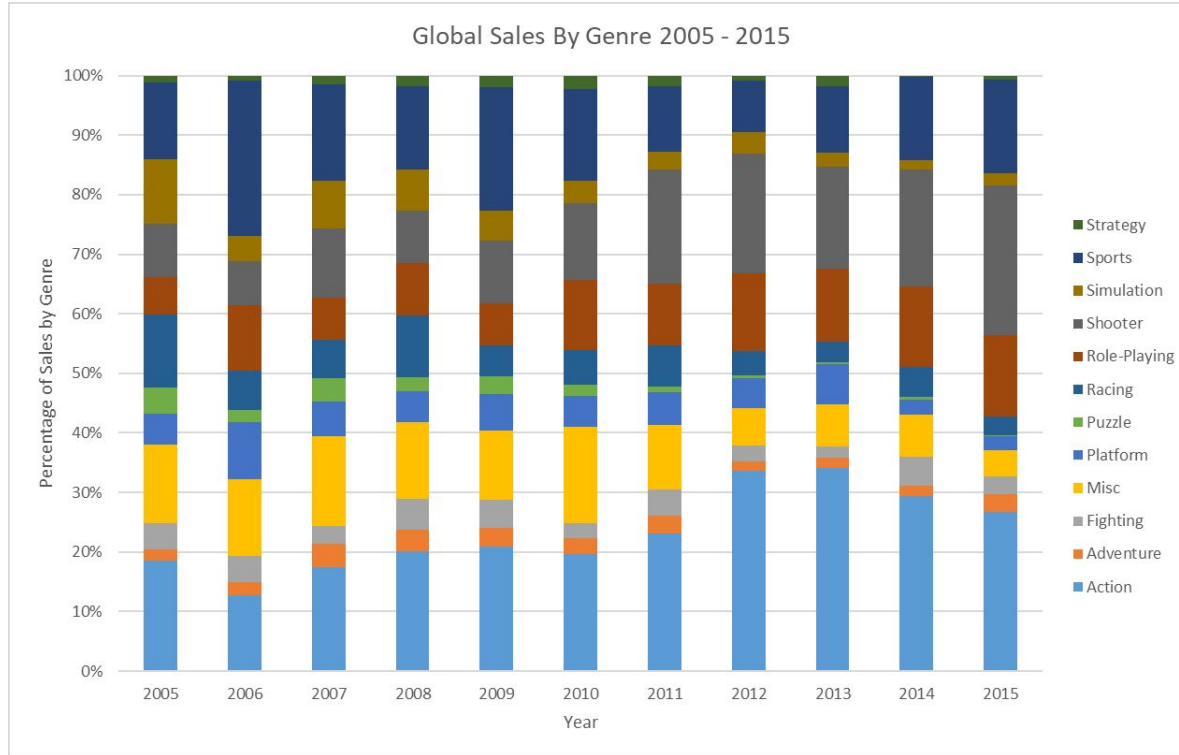
Global Sales By Genre 2005 - 2015



Year

Current state of video game sales by genre

Global video game sales for all genres over time



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Links

Presentation template:

https://docs.google.com/presentation/d/1OFaDA5MBYDyfWpfhmzFseQE1wwEGtDoWjkmhAfkvmHc/edit#slide=id.gb30bb4f95a_0_72