Entering the Competitive Marketspace – an Analytical Deep Dive

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Where to begin?

What We Know:

➔ There are four very successful games in the market space

➔ The data about how these games are doing

➔ Initial data about small launch of game in beta

What We Want to know:

➔ Should we release the game in beta?

Current Market Space

Total Revenue Generated
  ◆ Action Games
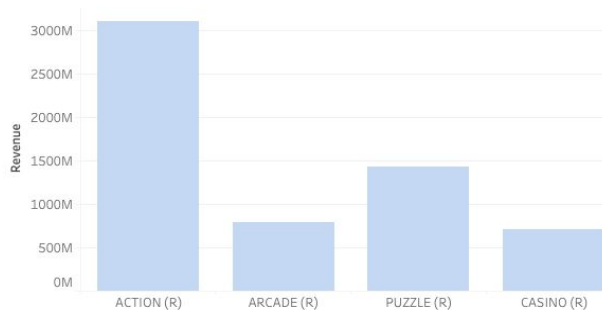
Total Game Downloads
  ◆ Action Games

Revenue per User
  ◆ Casino Games

Should we release the puzzle game?
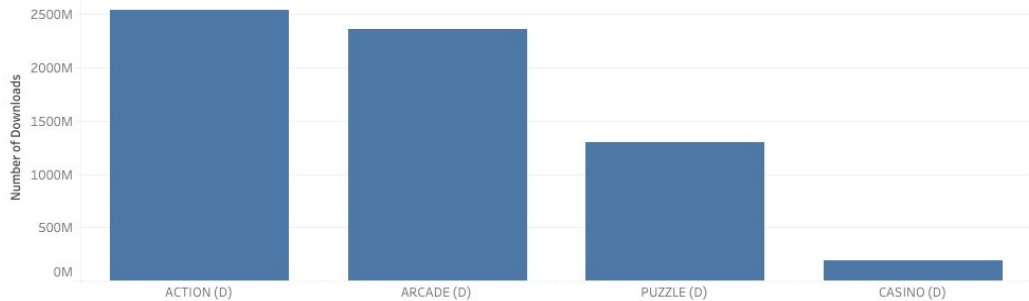
Current Market Space and Trends of Sensor Tower Games
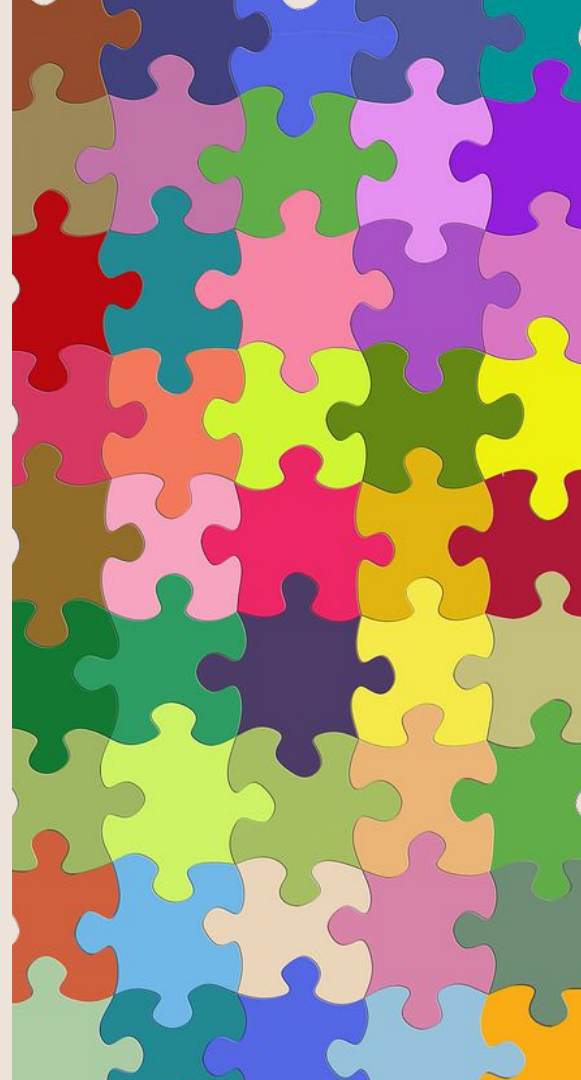
Total Revenue Generated across ST Game Types

Revenue Per User across ST Game Types

RPU CASINO	3.843
RPU ACTION	1.221
RPU PUZZLE	1.101
RPU ARCADE	0.335

Total Number of Game Downloads across ST Game Types

Based on preliminary data, a puzzle game would not do well in this market space.

Predictions of Success – D90 and D180

Revenue

Predicted Revenue= –3,068.89 + 555.37 (*Day*)

    D90 Predicted Revenue= –3,068.89 + 555.37 (90) = $46,914.41

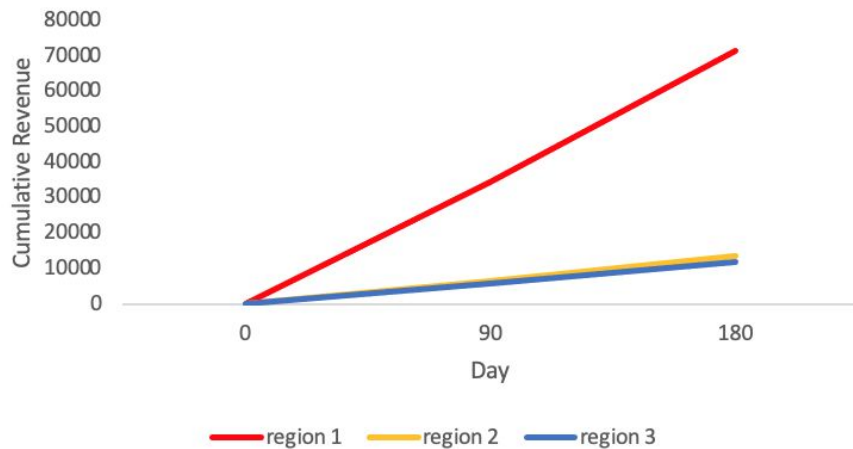   D180 Predicted Revenue= –3,068.89 + 555.37 (180) = $96,897.71

User Count

Predicted User Count= –907.57 + 885.97 (*Day*)

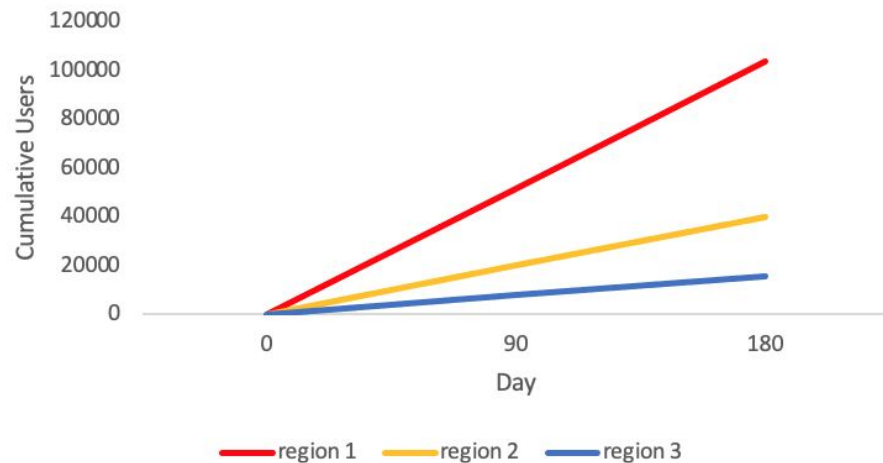   D90 Predicted User Count=–907.57 + 885.97 (90) = 78,829

    D180 Predicted User Count= –907.57 + 885.97 (180) = 158,567

Region Breakdown

Comparing Revenue Per Region
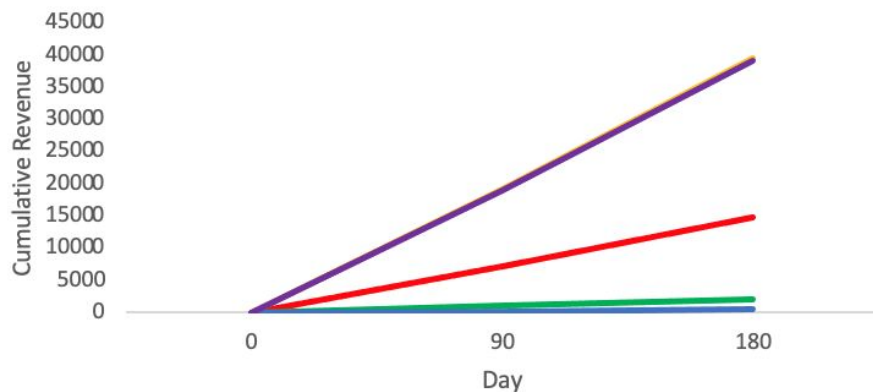

Comparing User Count Per Region
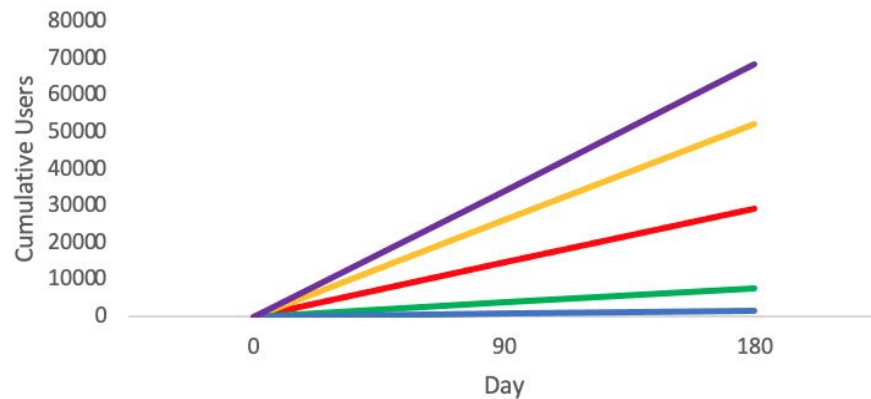
Network Breakdown

Comparing Revenue Per Network

Comparing User Count Per Network

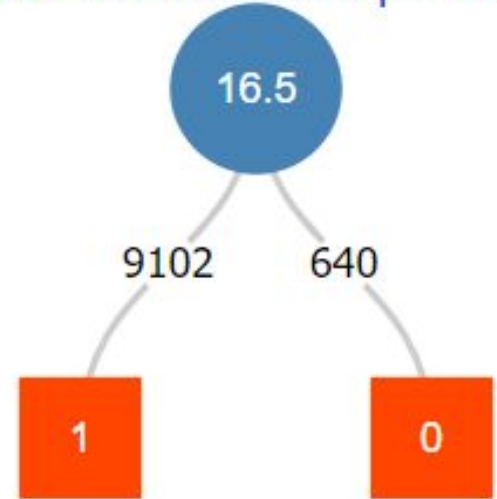# User Engagement
Will a user churn or not?

$$Odds(Churn = 1) = e^{5.07 - .26(Number\ of\ Sessions) + .36(Region1) + .51(Region2) + .17(Network1) - .23(Network2) - .38(Network3) + .09(Network4)}$$

➔ The chance that a user churns decreases by approximately 23.2% with each additional session played by a user.

➔ Region and Network of user origin are not significant predictors

➔ Number of sessions a user engages in is the best predictor of whether or not a user will churn.

Cumulative sessions per user

16.5

9102   640

1   0

User Engagement

➔ By the end of 31 days, there were approximately 28,000 users.

➔ The average retention rate was 19.0%

➔ The average churn rate was 81.0%

➔ The average retention rate for internationally released games is around 32 % (Statista)

Churn and Retention Rates over Beta Period

— Day n Retention Rate   — Churn on Day n
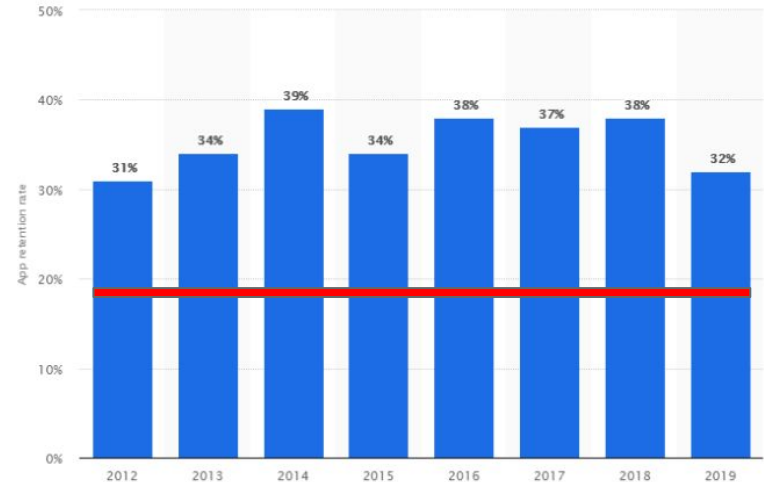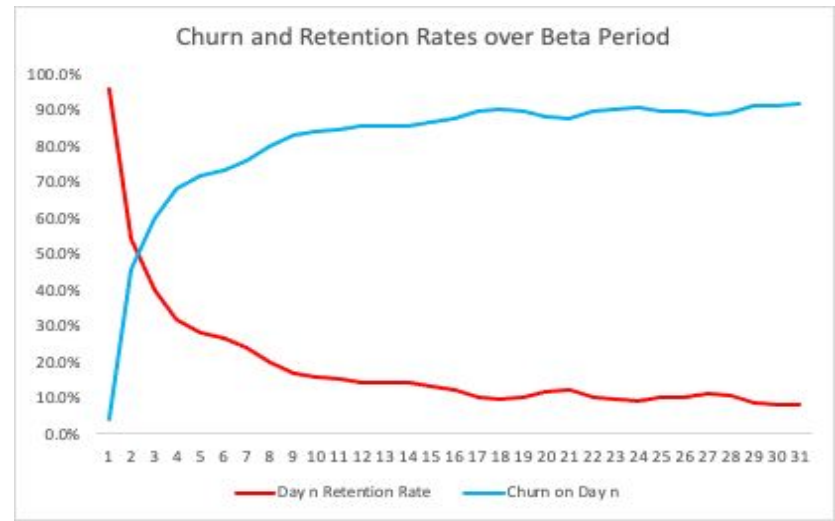
The performance of the puzzle game in beta shows lack of promising growth.

How do we compare?

Revenue Per User (RPU)
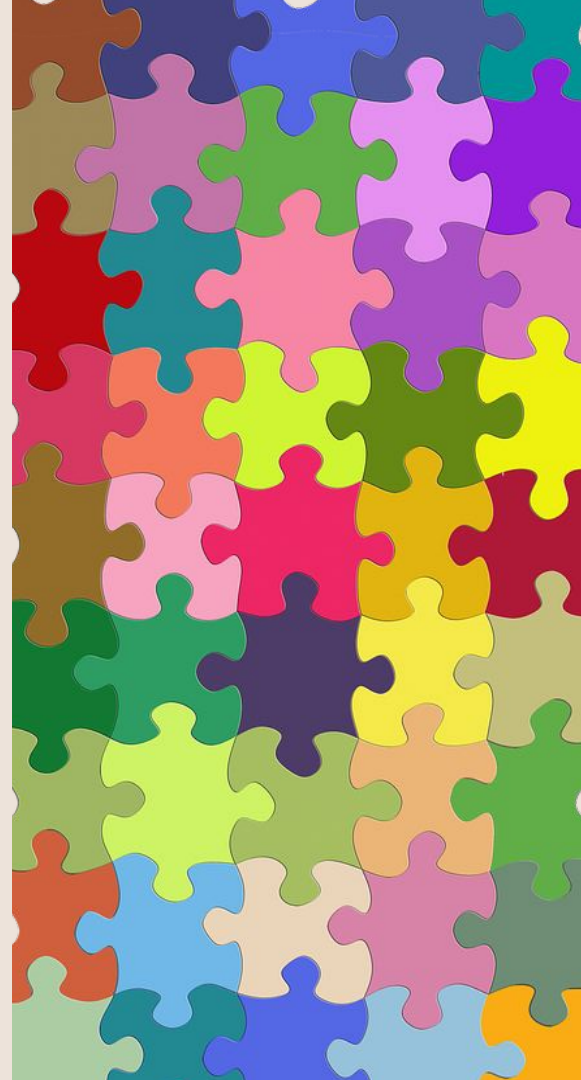
- Compared the 3 regions our game was released in to 3 random regions of our competitors

- We are doing well with our RPU

RPU of Brick n Balls by regions compared to our regions

Region 1	$	0.65
Region 3	$	0.60
Region 2	$	0.31
British Isles	$	0.16
Scandinavia (excl. Iceland)	$	0.13
Central America	$	0.05

RPU of Hello Neighbor by regions compared to our regions

Region 1	$	0.65
Region 3	$	0.60
Region 2	$	0.31
Scandinavia (excl. Iceland)	$	0.20
British Isles	$	0.16
Central America	$	0.11

RPU of Diamond Diaries by regions compared to our regions

Scandinavia (excl. Iceland)	$	0.73
Region 1	$	0.65
Region 3	$	0.60
Region 2	$	0.31
British Isles	$	0.25
Central America	$	0.01

RPU of Simon's Cat by regions compared to our regions

Region 1	$	0.65
Region 3	$	0.60
Region 2	$	0.31
Scandinavia (excl. Iceland)	$	0.28
British Isles	$	0.22
Central America	$	0.02

How do we compare?

Revenue and User Count

- Our puzzle game falls in last place for both revenue and user count

- Not only is our revenue low but our costs are extremely high

  - Projected revenue on day 180 is **$96,897.71**

  - Projected advertising cost on day 180 is **$457,233.87**

  - -78.80 % return on investment

Revenue on Day 180

User Count on Day 180
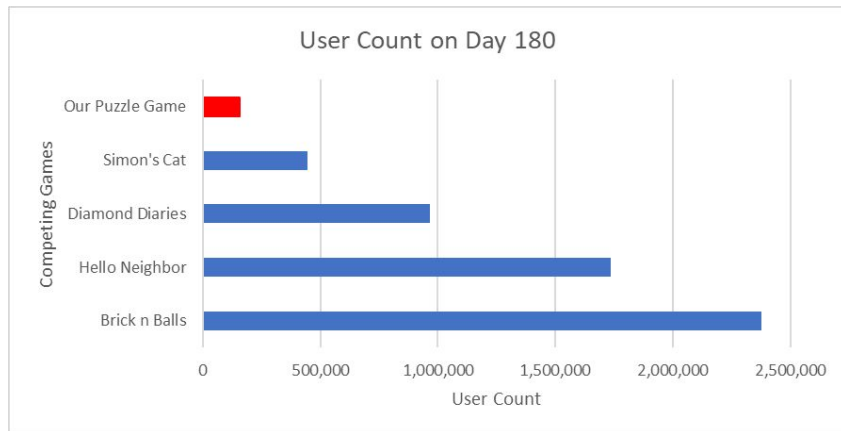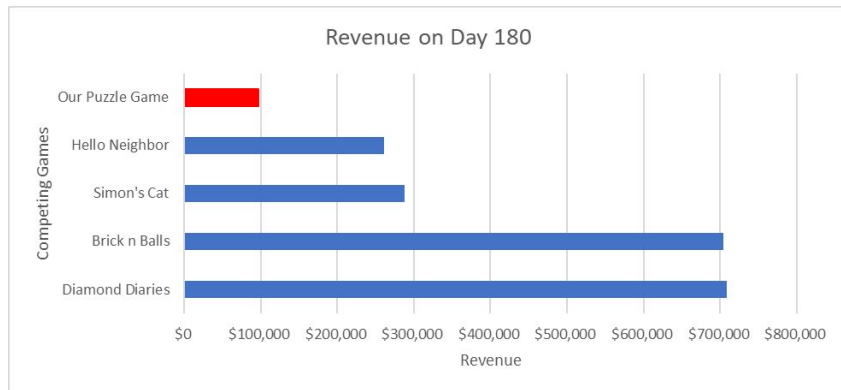
90 Day Stats	Predicted Total User Count	Predicted Total Revenue	RPU		% of Market Revenue	% of Users
Brick n Balls	1,184,665	$358,436.00	$	0.30	34.89%	38.94%
Diamond Diaries	530,058	$344,343.00	$	0.65	33.52%	17.42%
Simons cat	214,978	$139,727.00	$	0.65	13.60%	7.07%
Hello Neighbor	1,034,129	$137,849.36	$	0.13	13.42%	33.99%
Gamein Beta(Mult.Regression)	78,829	$46,914.41	$	0.60	4.57%	2.59%

180 Day Stats	Predicted Total User Count	Predicted Total Revenue	RPU	% of Market Revenue	% of Users
Diamond Diaries	967,071	$709,092.08	$0.73	34.43%	17.01%
Brick n Balls	2,374,866	$704,475.70	$0.30	34.21%	41.78%
Simons Cat	447,636	$288,009.47	$0.64	13.99%	7.87%
Hello Neighbor	1,736,267	$260,869.36	$0.15	12.67%	30.54%
Gamein Beta(Mult.Regression)	158,567	$96,897.71	$0.61	4.71%	2.79%

How do we compare?

Final Decision: A puzzle game should not be released.
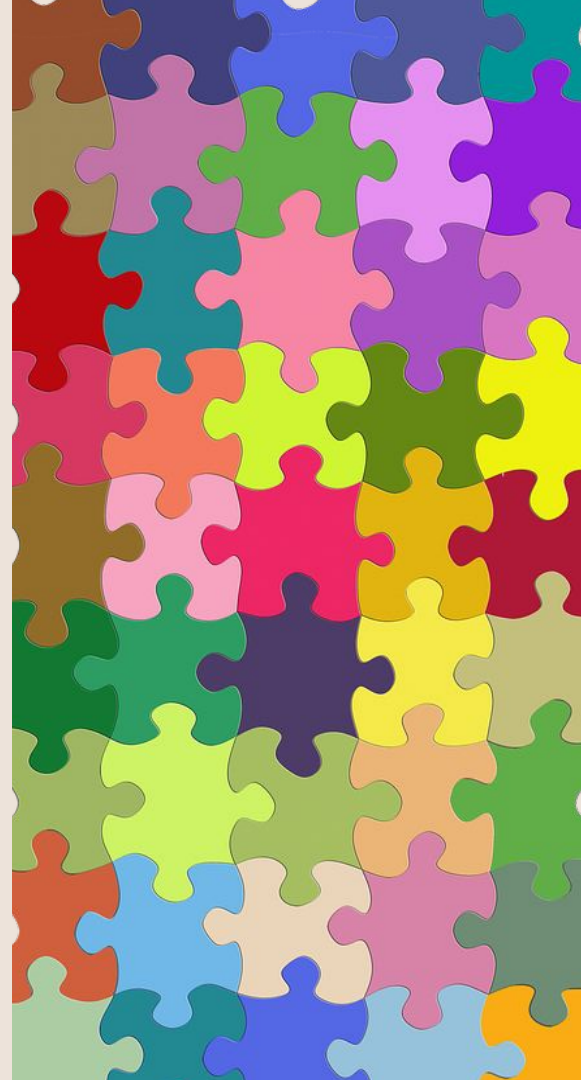
What We Can Do to Reach the Goal

- Potential consumers in world launch
- Enhance Advertisements
  - Improve target market
- User feedback

References

Chart from Statista Research:

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Statista Study
- https://www.statista.com/statistics/751532/worldwide-application-user-retention-rate/

Upland Localytics Study
- https://wappier.com/blog/the-big-list-of-mobile-app-retention-rate-statistics