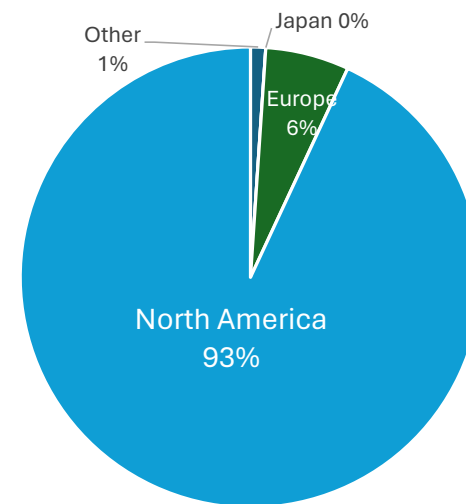


Has the global video game market stayed the same?

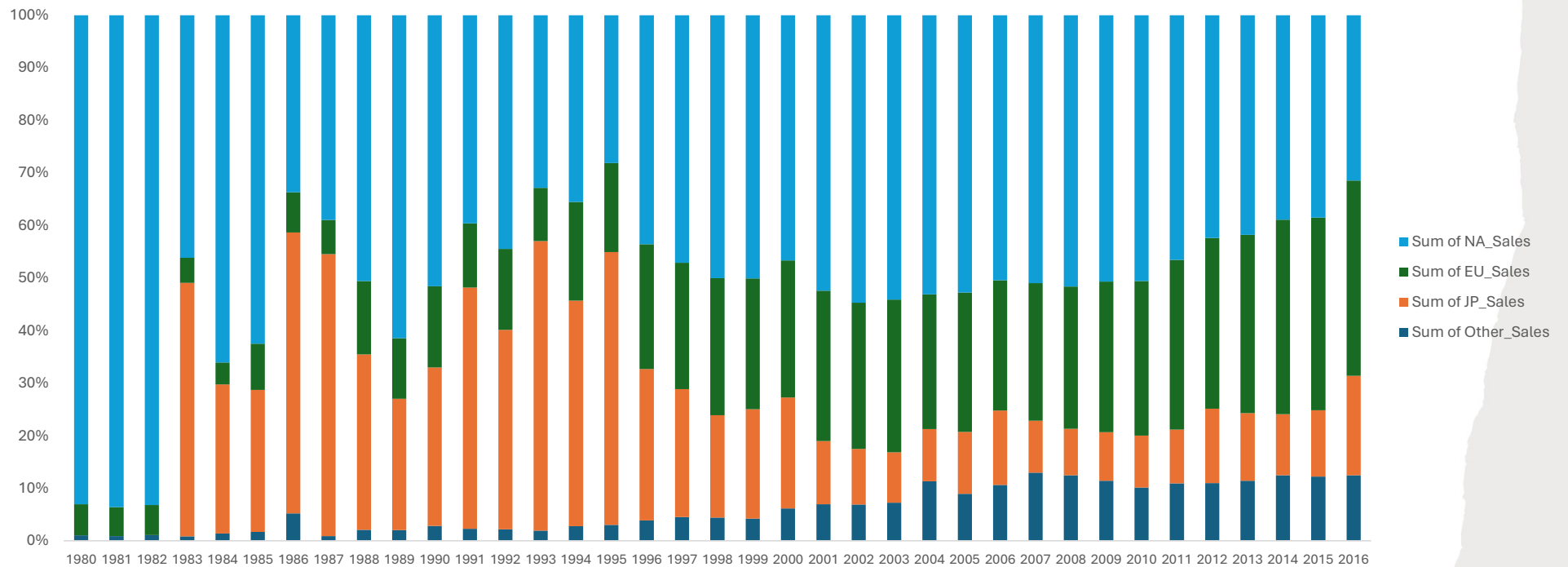
Global video game industry is made up of four regions: **North America, Europe, Japan and other**. In 1980 when the sales data was first started to collect, the **North America** region had the hegemony in the market, contributing most of the global sales (93%) and it stayed so for another 2 years.

Regional sales contribution in 1980



However...

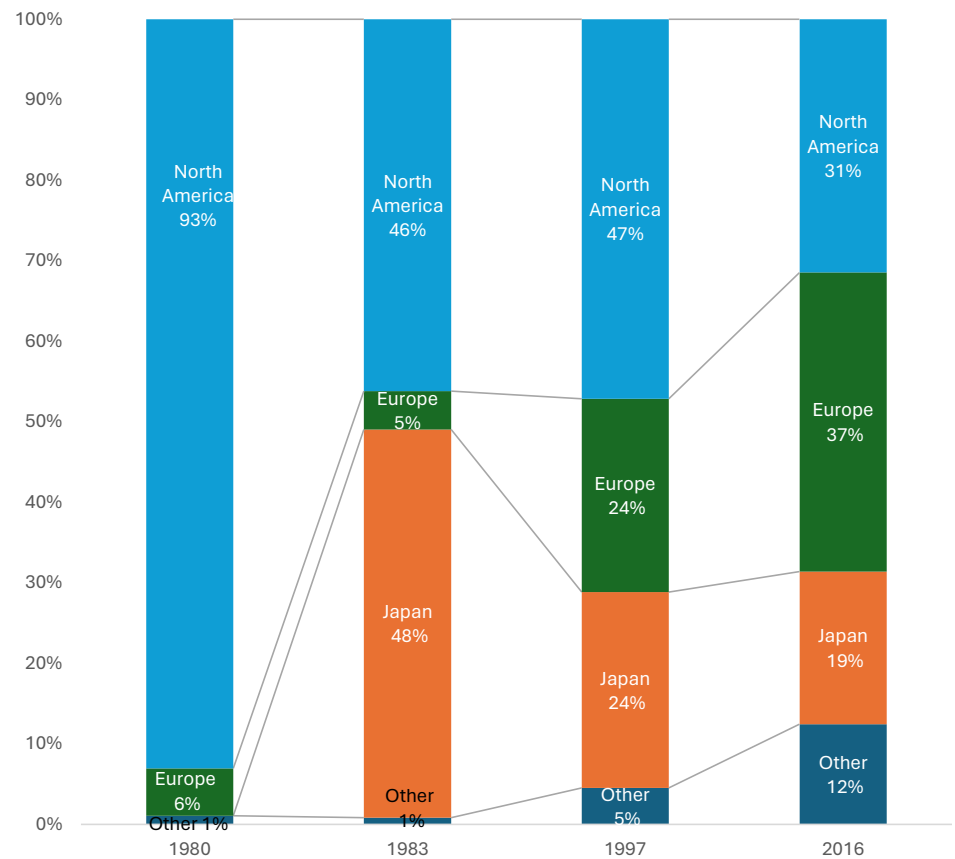
As time goes, **Japan**, **Europe** and “**Other**” regions made appearance.



Clearly, things have changed.

- In 1983, Japan eclipsed the sales of North America.
- In 1997, Europe sales increased to level of Japan.
- As of 2016, Europe leads the global sales with the largest share of 37% and an emerging market, the “other” region counts for a double-digit sales share.

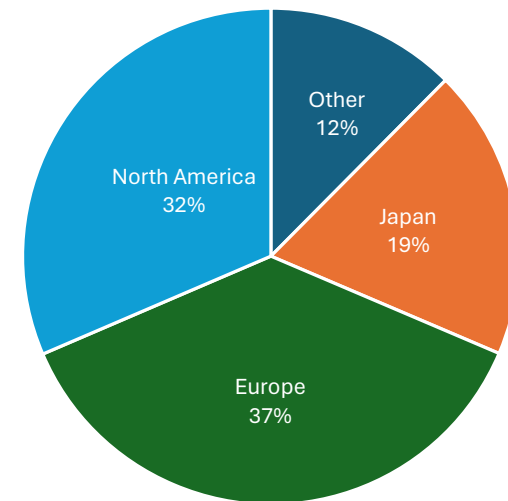
Milestones of global video game market development



It's a colourful world!

As compared to the early days, in 2016, the video game industry has become diversified. Now, there is no longer a single region dominating the global sales, rather **all regions make a fair contribution.**

Regional sales contribution in 2016



Recommendation

1. **Realignment of marketing budget** - Existing ratio of marketing budget distribution is to be realigned to the latest (2016) regional sales contribution.
2. **Be aware of media costs** – Media costs vary from country to country. In a country for instance, 100 marketing dollar can get GameCo a decent advertising banner space for a month but in another country, it cannot bring much. Country specific Cost per Click (CPC) data is a good yardstick to start with and is obtainable online, or often via media (buying) agencies that the company work with.
3. **Remember to collect performance data** – The redistribution of marketing budget will mean that there will be regions that will be granted marketing budget for the first time. Ensure to set up a proper data collection process for all campaign/activity performance for further analysis.