

Abstract geometric lines in the top left corner, consisting of several overlapping, irregular polygons and lines in a light beige color.

GAME CO. 2017 MARKETING BUDGET

Jose Hanchi

NORTH AMERICA AND EUROPE LEAD GLOBAL SALES

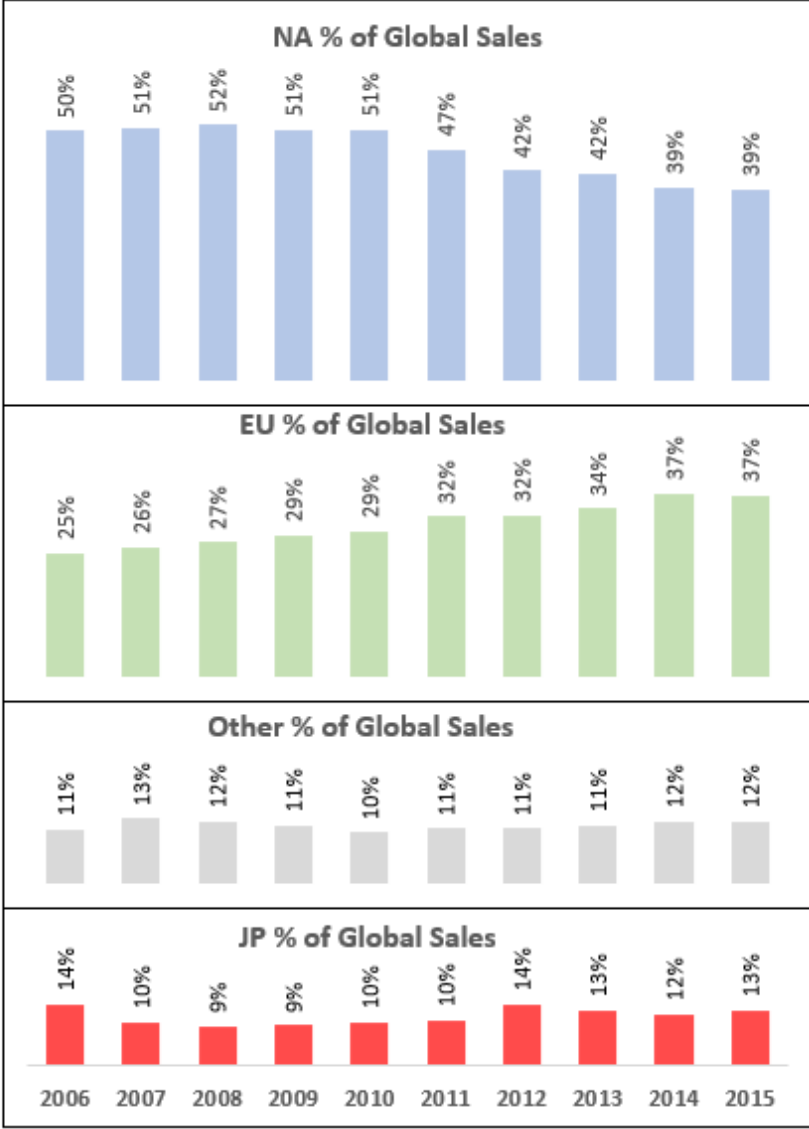
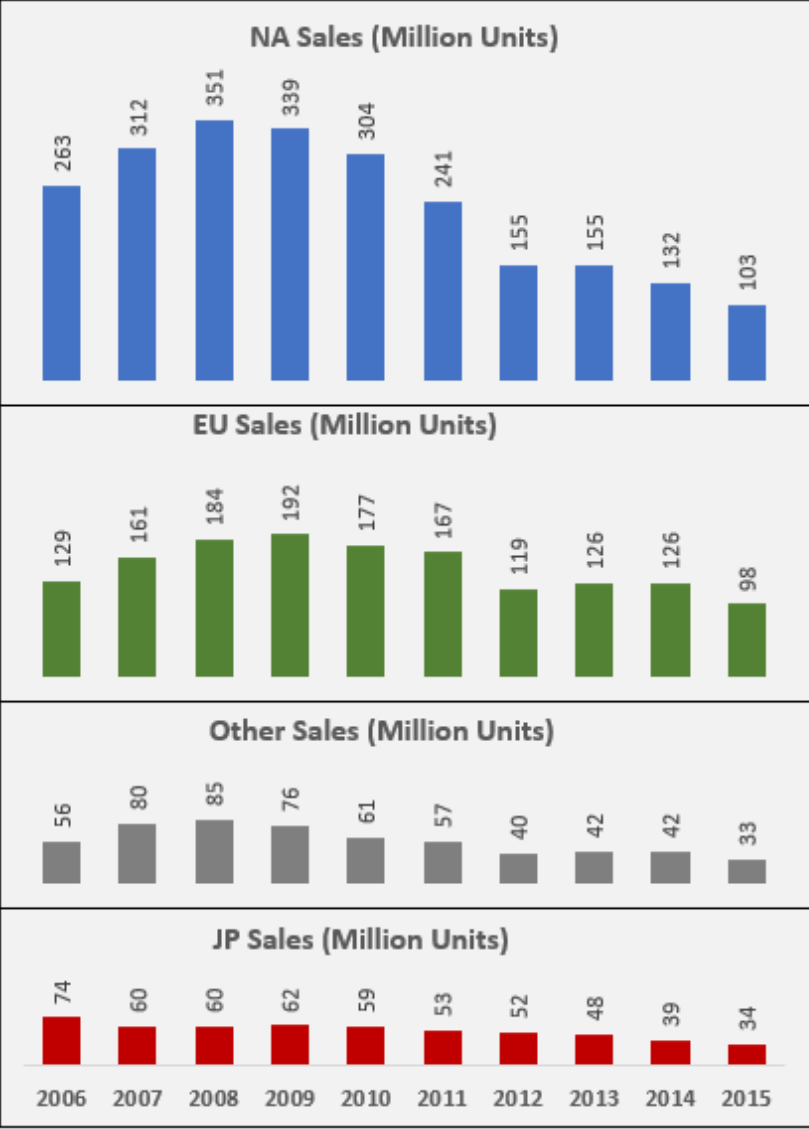
NA and EU have accounted consistently for 70% to 80% of global sales from 1997 YE to 2015 YE (*2016 figures are not yet final as of Oct/2016*).

EU share of global sales is increasing while NA is decreasing.

Other regions are experiencing a slow and steady growth –*further analysis required for insights.*

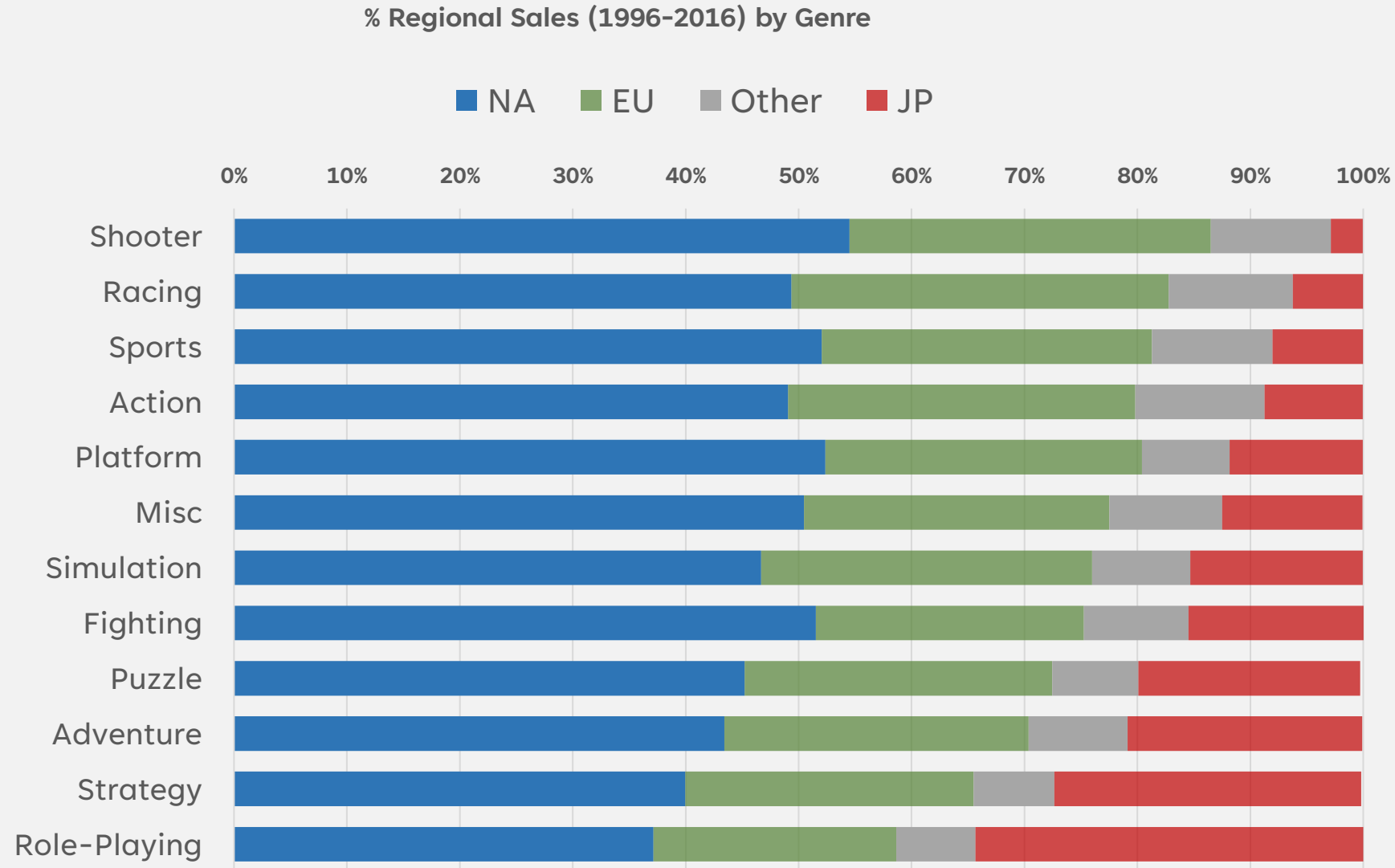
10-YR TREND – REGIONAL SALES VS GLOBAL SHARE

In-store
sales are
decreasing
since 2008



EU's share of
global sales
is on the rise

REGIONAL SHARE BY GENRE (1996-2016)



Genres at the top of the chart have the greatest NA+EU share

Genres at the bottom have the greatest JP share

MARKETING BUDGET RECOMMENDATIONS

- Respond to a shifting landscape
- Distribute 2017 marketing budget with a greater emphasis in EU: 40% EU / 40% NA / 10% JP / 10% Other
- For EU+NA focus on top 3 genres: Sports, Racing, Shooter
- For JP focus on top 3 genres: Role-Playing, Strategy, Adventure
- Start tracking details from Other regions of the world for further performance analysis. This will help determine what sub-regions or countries have the greatest opportunity for growth

REVISED UNDERSTANDING

- Sales in EU are gaining strength
- Given cultural similarities, EU and NA share top sales for 10 (out of 12) genres in which both have consistently >70% of global sales
- The JP market has an inclination for different genres –it is important to focus sales differently for this segment as well as develop a greater offering in these genres
- Sales data available shows a clear decline in sales. It is necessary to integrate data to track game sales in mobile platforms (phones and tablets) to have a better picture

TO DOS

- Follow the allocation of marketing efforts for a balanced EU+NA (40%+40%) and a balanced JP+Other (10%+10%)
- Integrate data of game sales in non-traditional platforms: mobile and cloud.
- Assess new competitors (cloud and streaming providers) to get a better picture of the total market
- Get more granularity from Other regions of the world, for example: Asian vs. European-like countries in the AP-region. Best approach is to track sales by country.
- Look into Africa as another region given its cultural differences.

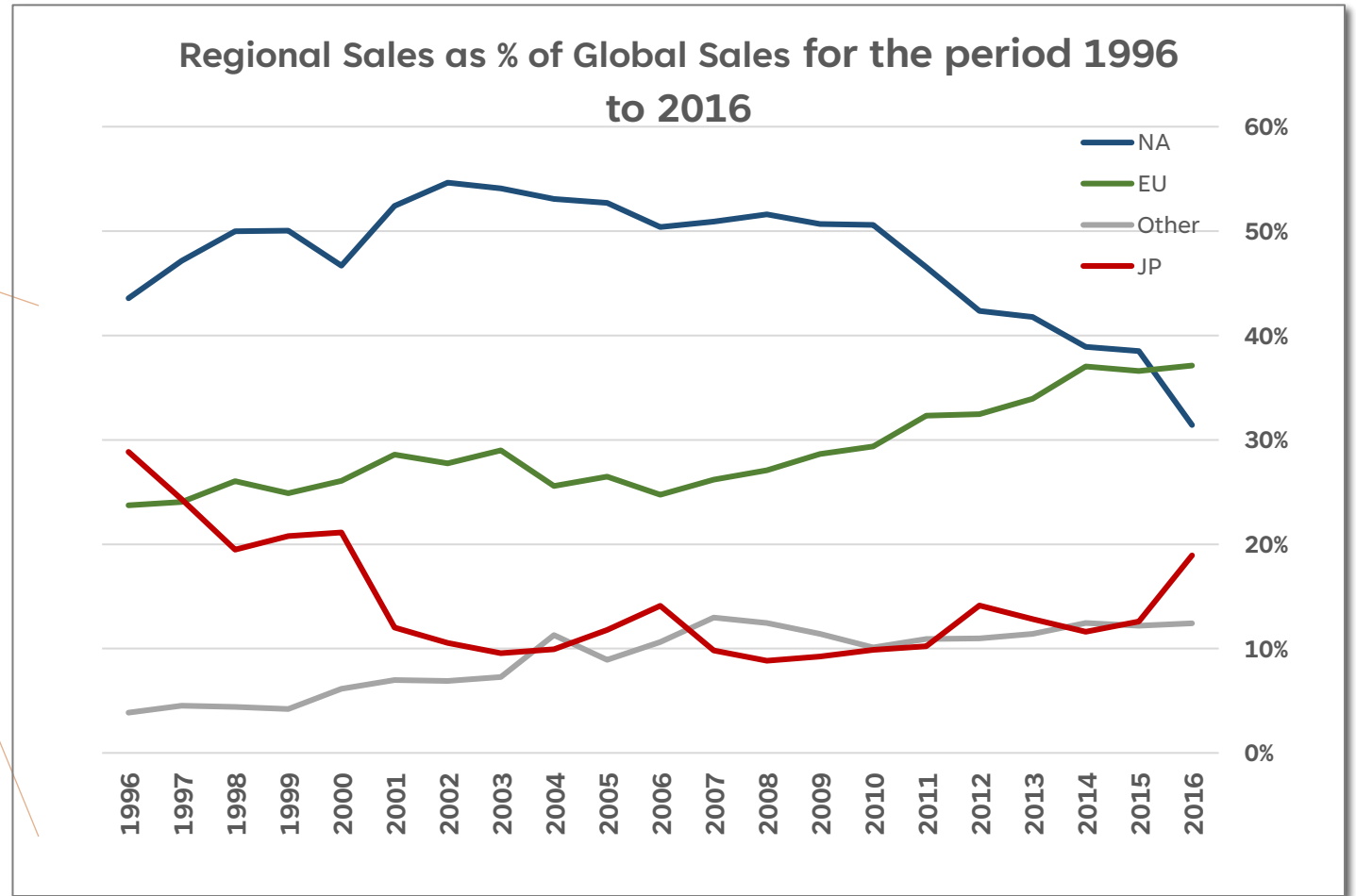


SUPPLEMENTARY SLIDES

GAME CO. SALES

REGIONAL
SALES

AS % OF
GLOBAL
SALES



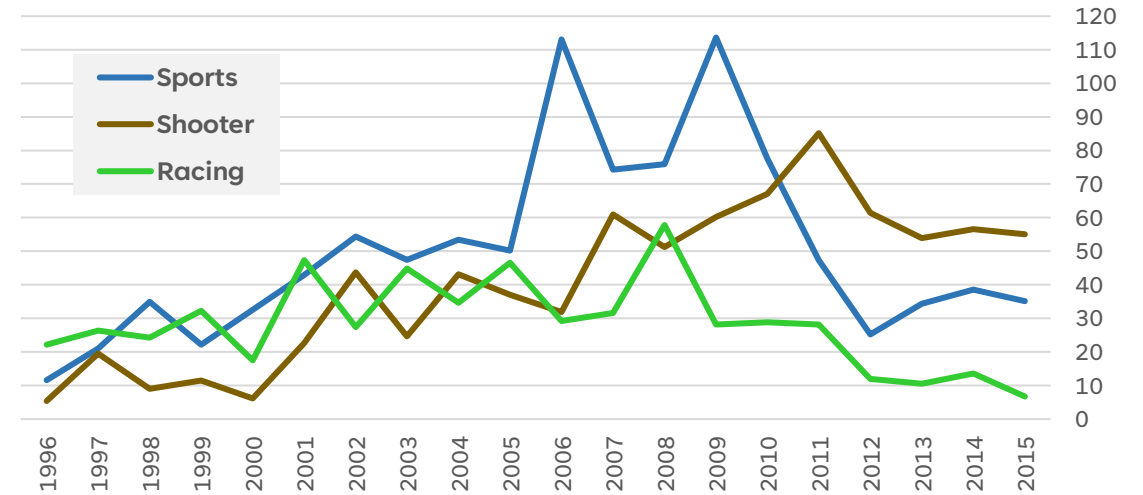
TOP 3 GENRES
SALES IN

NA + EU

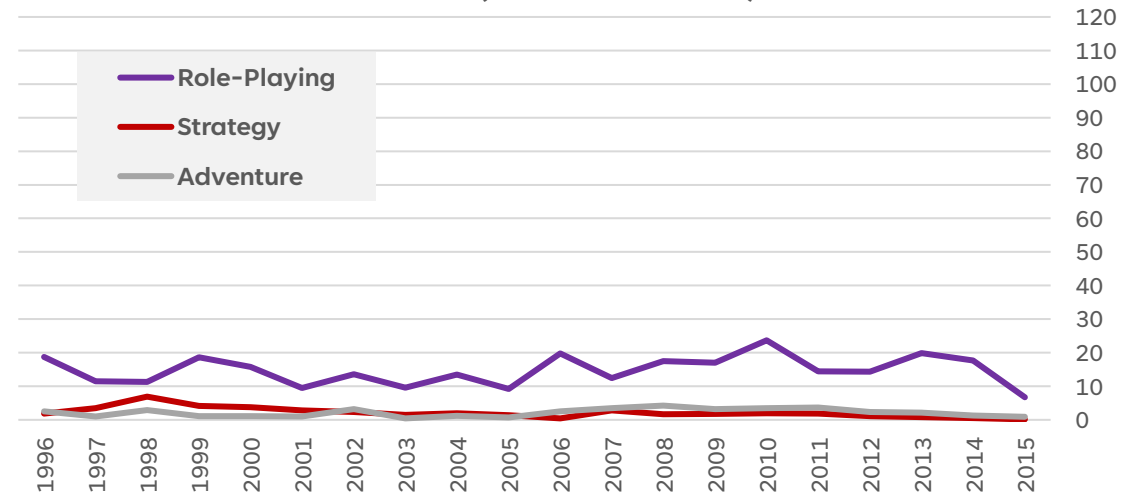
AND

JP

NA+EU Sales (Million Units) 1996-2016



JP Sales (Million Units) 1996-2016



DISTRIBUTION
(OR STATISTICS)

OF REGIONAL
SALES

FOR THE PERIOD
1996-2015

Statistics on Regional Sales				
1996 - 2015 sales (Million of Units Sold)				
	NA Sales	EU Sales	JP Sales	Other Sales
Q1 - 1.5 IQR	-70.4	-44.3	15.8	-46.6
Min	86.8	47.3	33.6	7.7
Mean	196.7	114.7	50.2	39.4
Median	183.8	114.3	50.9	40.6
Max	351.4	191.6	73.7	84.7
Q3 + 1.5 IQR	455.0	270.9	84.9	118.0