

Understanding what Drives Video Games Sales



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Introduction

- Since 2007, the video game industry doubled its market value from 70 billion USD to 140 billion USD across.
- This is largely due to the introduction and mass production of mobile games.
- Our goal is to understand the market for consoles and game sales since 2007 and model it in such a way for a small start up video game developer to be successful.
- Our metric for success is a model that accurately predicts global sales.



Initial Findings

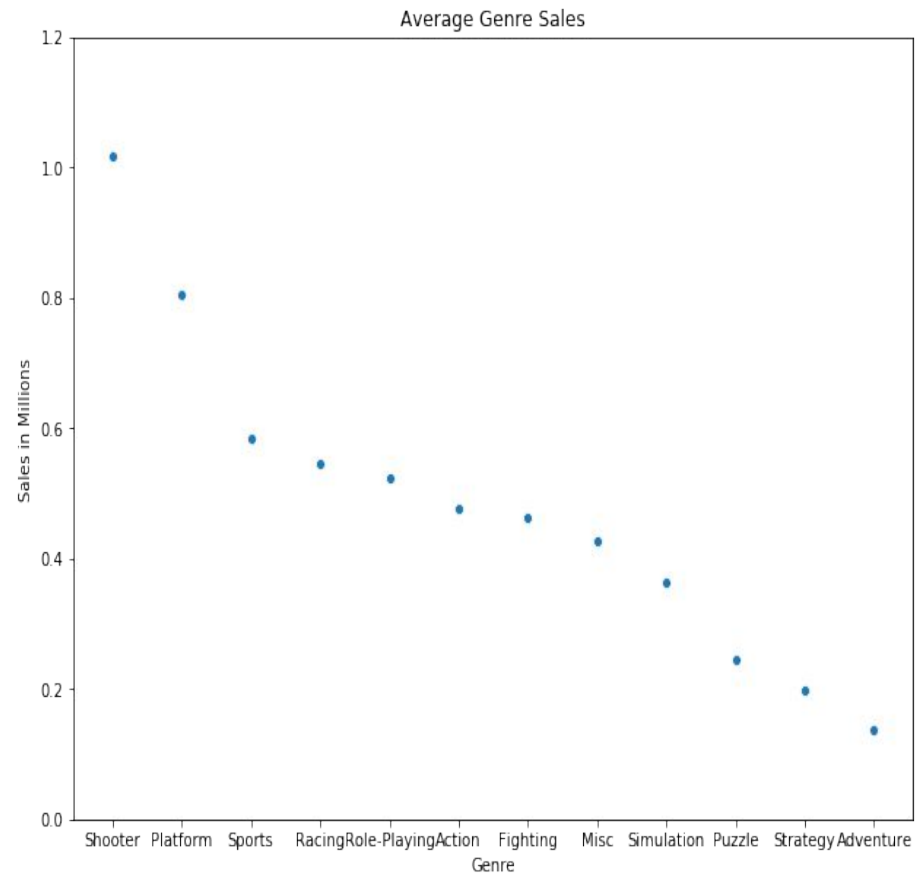
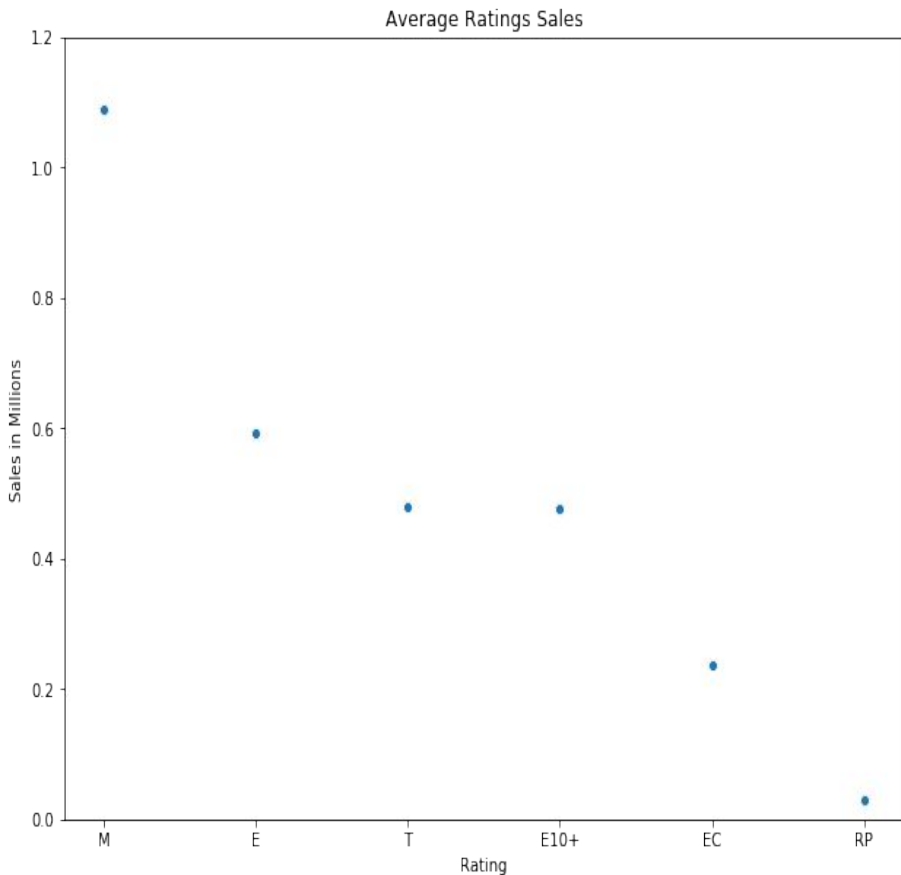
We found there was a noticeable difference between genre and rating in terms of average sales.

We noticed there were big differences in platform sales of each game as well.

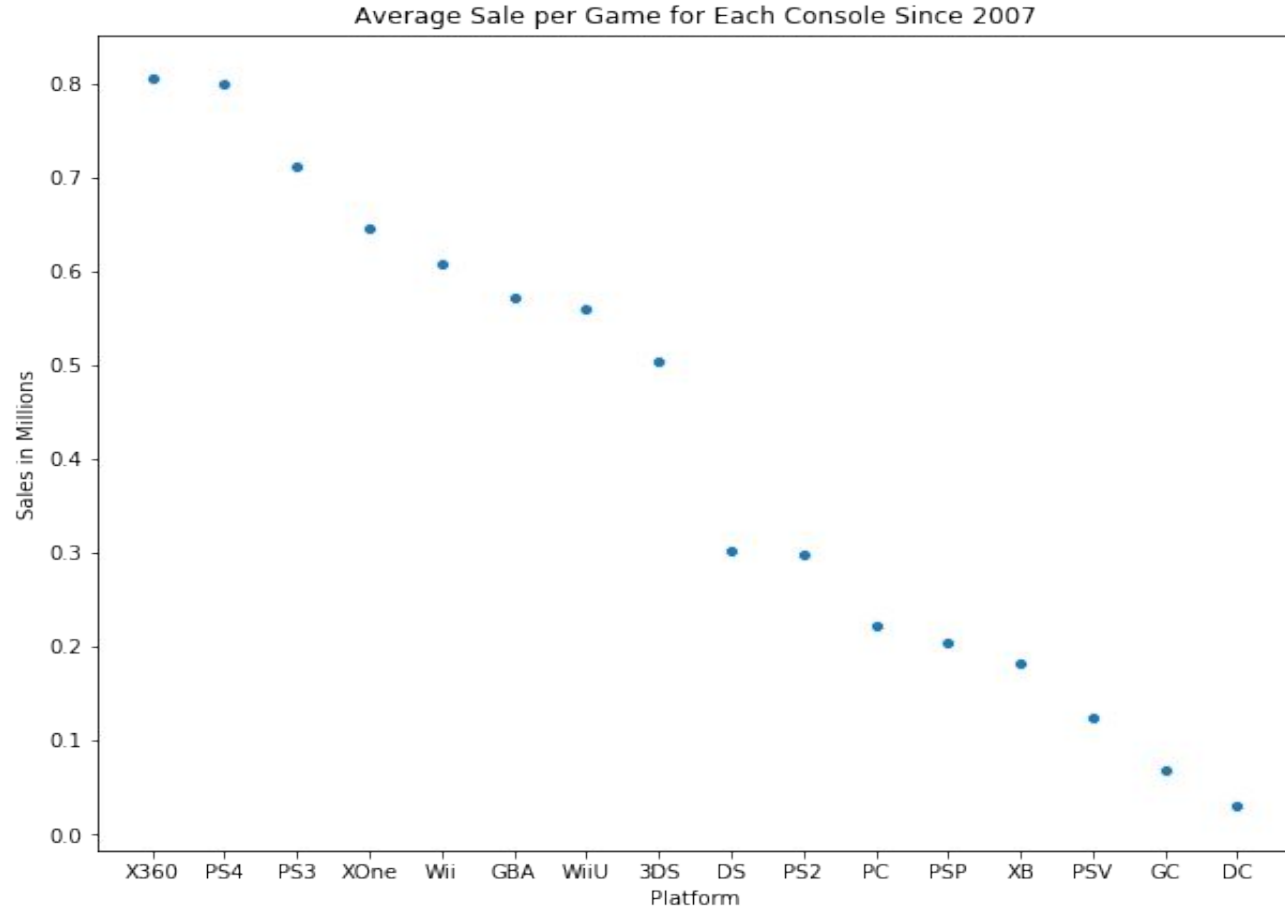
Our data did not contain how much money each game profited, but did include sales.

We will be looking at the global sales when we refer to how well or poor a category did.

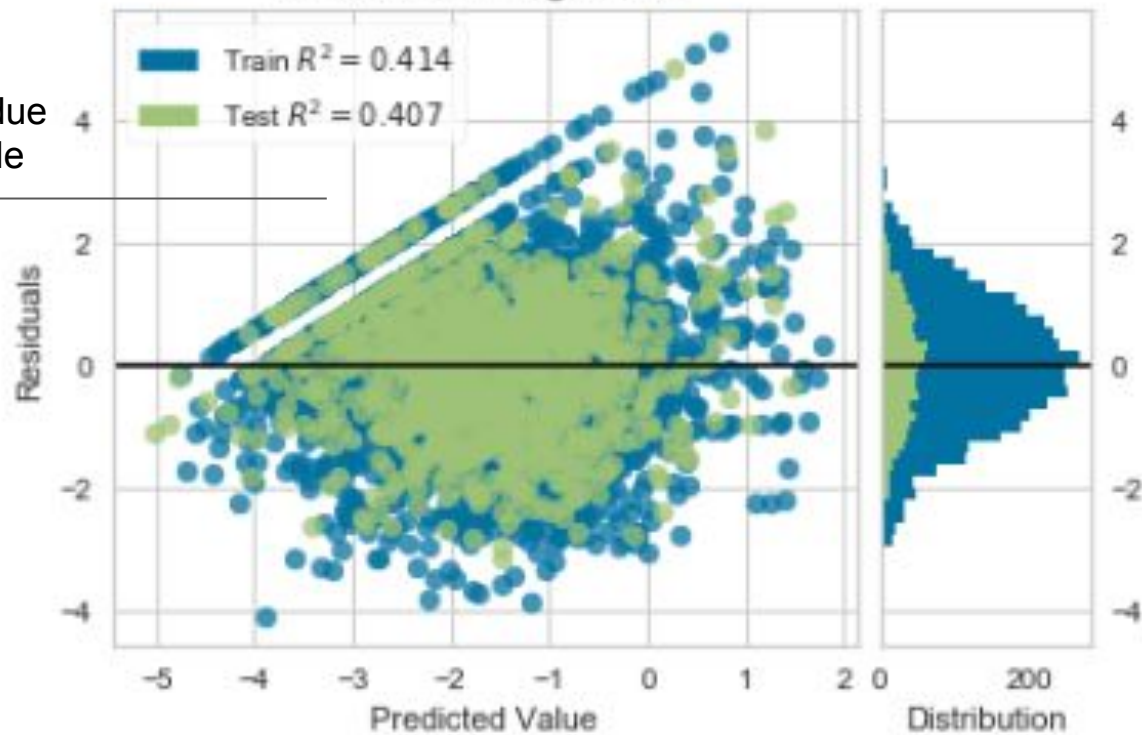
Genres and Ratings vs Average Global Sales



Average Sale per Game Organized by Platform



Residuals for Ridge Model



Missing values due
to hidden variable

Conclusion



Based on our findings, a small start-up video game developer should create a shooter, rated M on the ps4.

Shooters, on average produce more sales than their competitive genres.

A rated 'M' game draws in more sales than other ratings.

Games released on the ps4 will be the most current for the time period and have higher average sales than other platforms in today's market.

Further Analysis:

For a better understanding of our data, we need more information such as development budget, hours developed, company size, marketing budget, web traffic, popularity.

These are important to a game's outcome and would alter our results. Instead of sales, we can use profitability and a larger company could mean a bigger budget to produce a game.