

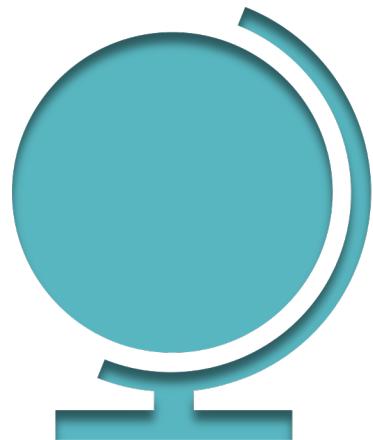
2018 Data-based Marketing Budget Recommendation

GameCo

Our Opportunity + Today's Purpose

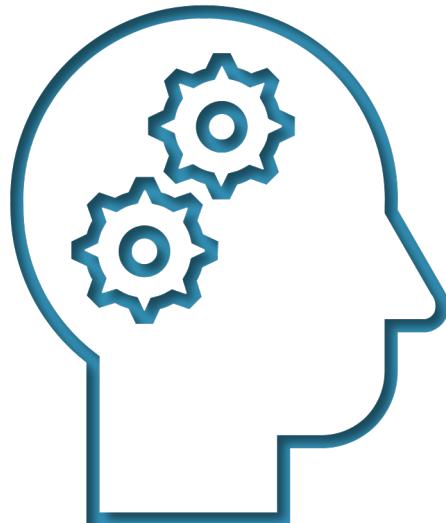
As a new video game company, GameCo has the opportunity to enter the market and **position itself intelligently** in the development of **new games**.

- Review market history and current trends
- Translate market trends into actionable insights
- Recommend 2018 marketing budget focus for maximum ROI



Current Historic Market Understanding

Market History Review



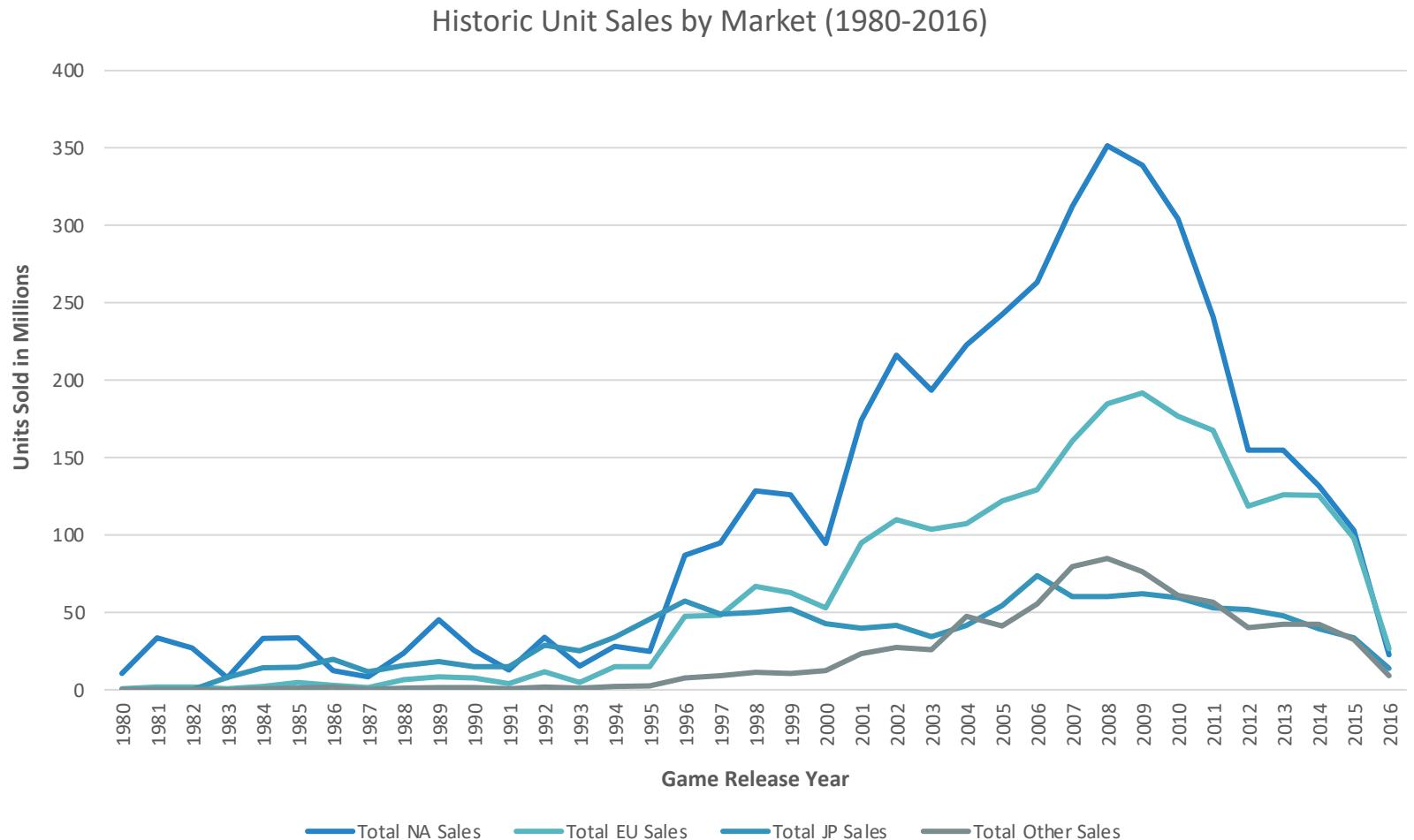
GameCo's **current understanding** of the video game market is that sales trends have **stayed relatively the same** over time across regional markets.

Historic Market Sales (1980-2016)

Market History Review

Reality:
Sales volumes
across each
geographical
market has seen
drastic changes
over time.

The market is
fickle.



Leverage Trends for Maximum ROI

Market History Review

Given shifting market trends, GameCo should **strategically focus** its marketing budget by **matching current trends** to maximize return on investment.



What to watch:

- geographical sales patterns
- genre trends
- competition

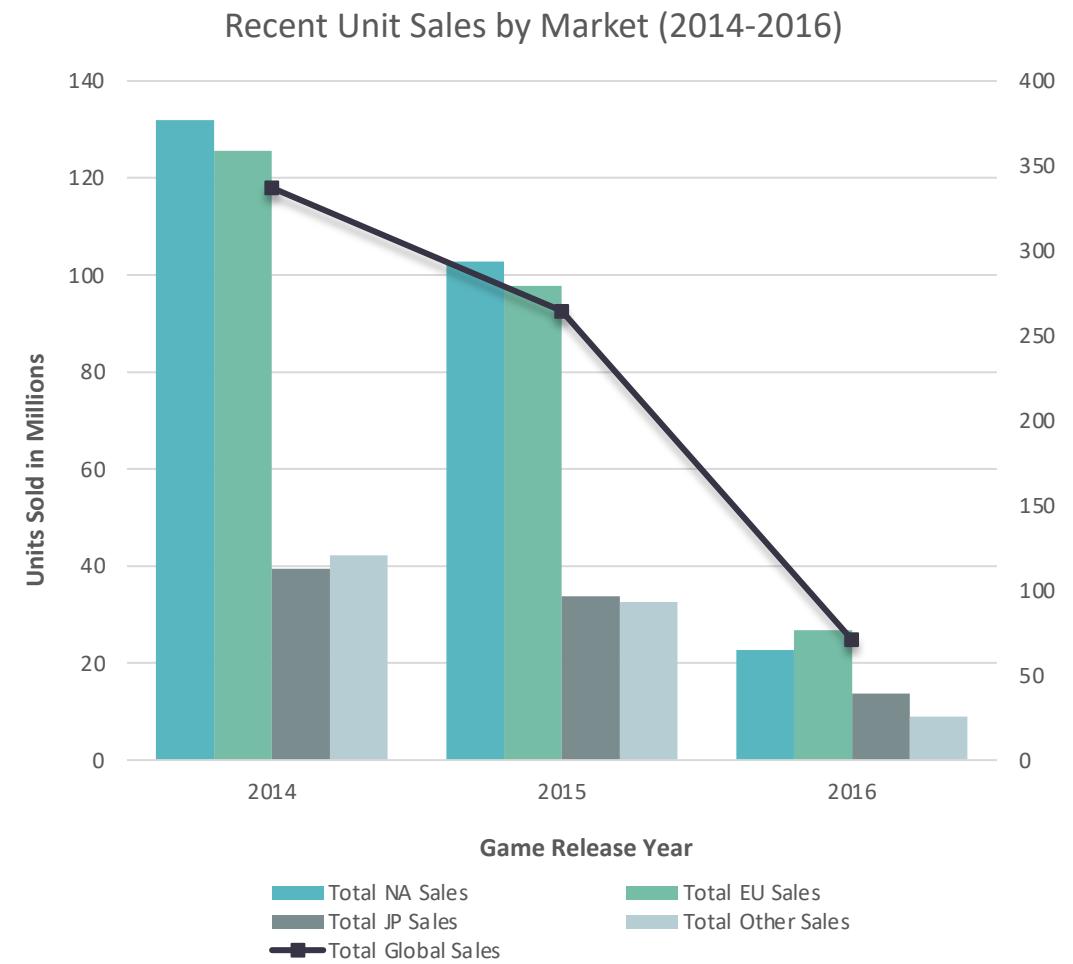
Current Sales Trends by Region

Current Market Review

Recently, there has been a shift in both **volume overall** and in **market dominance**.

- Global sales have gone down and market share is more balanced
- North American and European market sales have been trending down and dropped significantly from 2015 to 2016
- The EU now has the highest sales across all markets
- Other market sales has dipped drastically.

Action: Tailor budget by market, focus on primary.

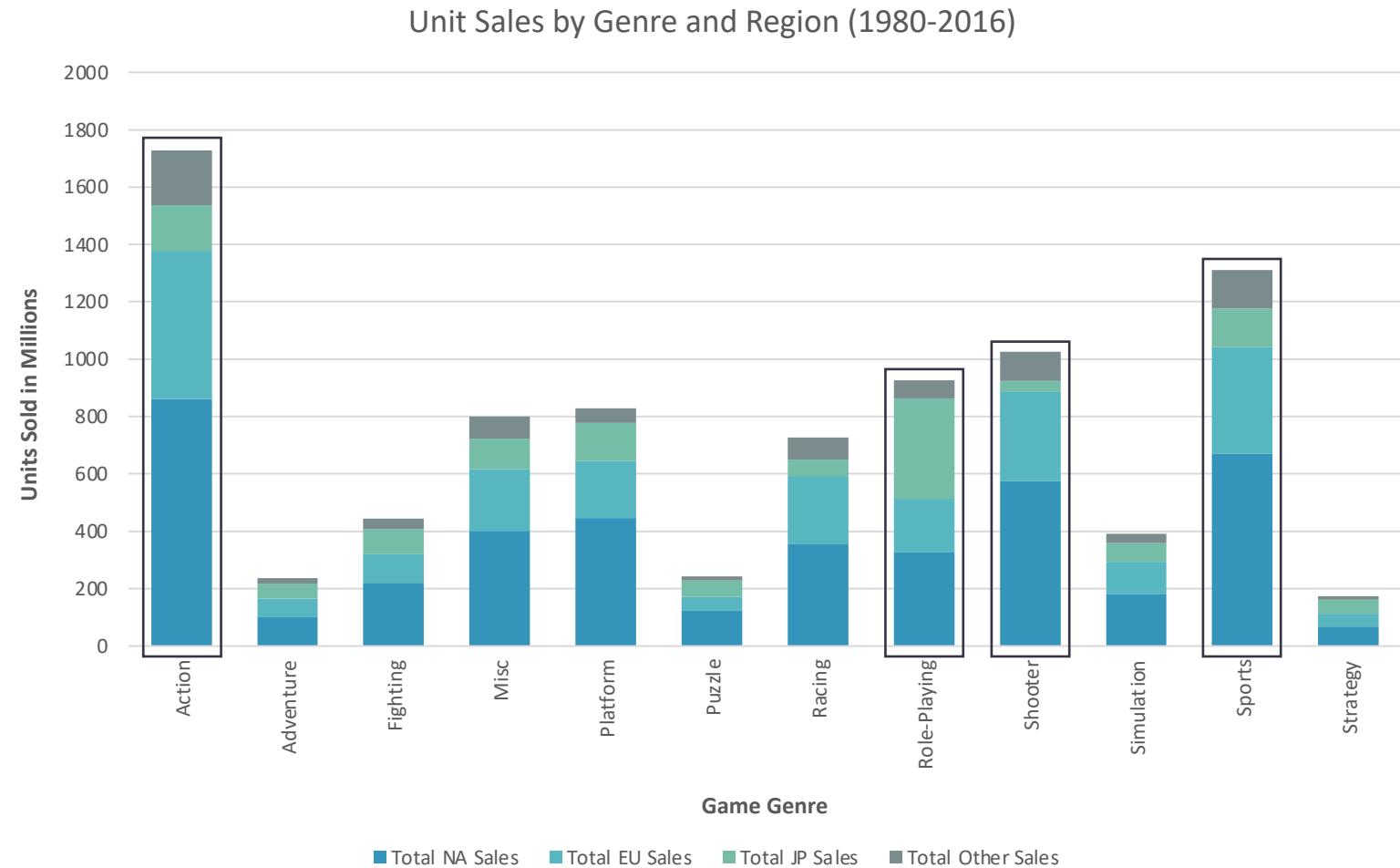


Historic Sales Trends by Genre (1980-2016)

Current Market Review

There are **four historically dominant genre favorites** across all markets:

- Action
- Sports
- Shooter
- Role-playing

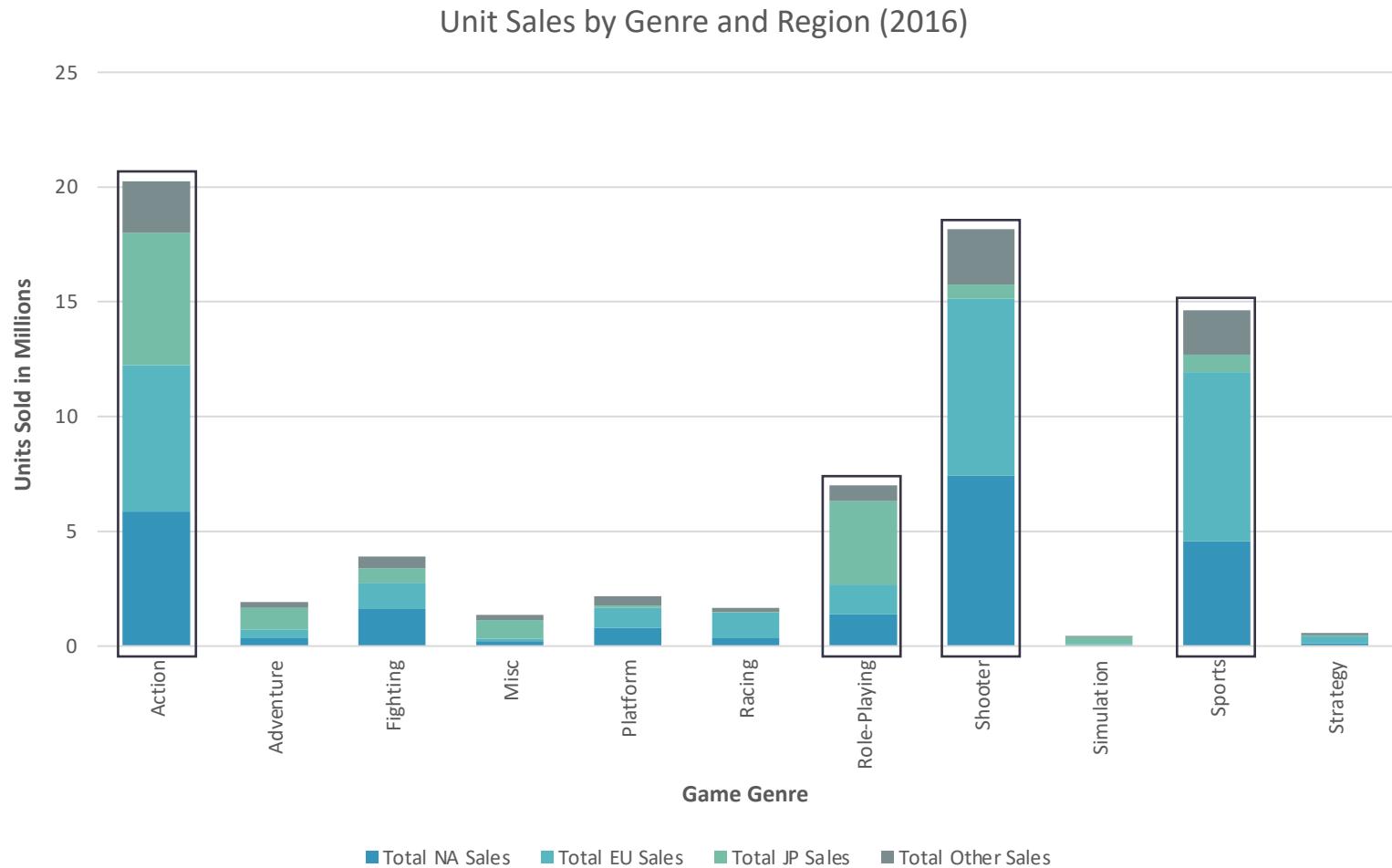


Current Sales Trends by Genre (2016)

Current Market Review

These genres are also the **four favorites** in 2016, indicating that they are lasting favorites.

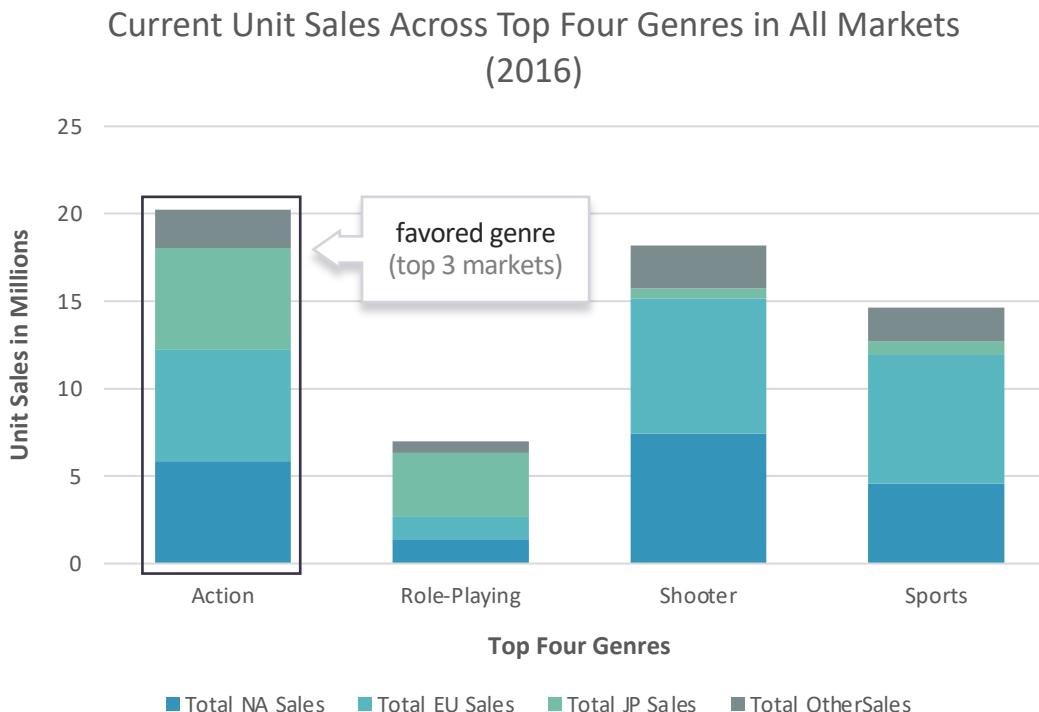
Action: Focus on most popular genres to kickstart success.



Genre Focus for All Markets

Current Market Review

By combining current **market trend + genre trend** insights, we can maximize ROI.



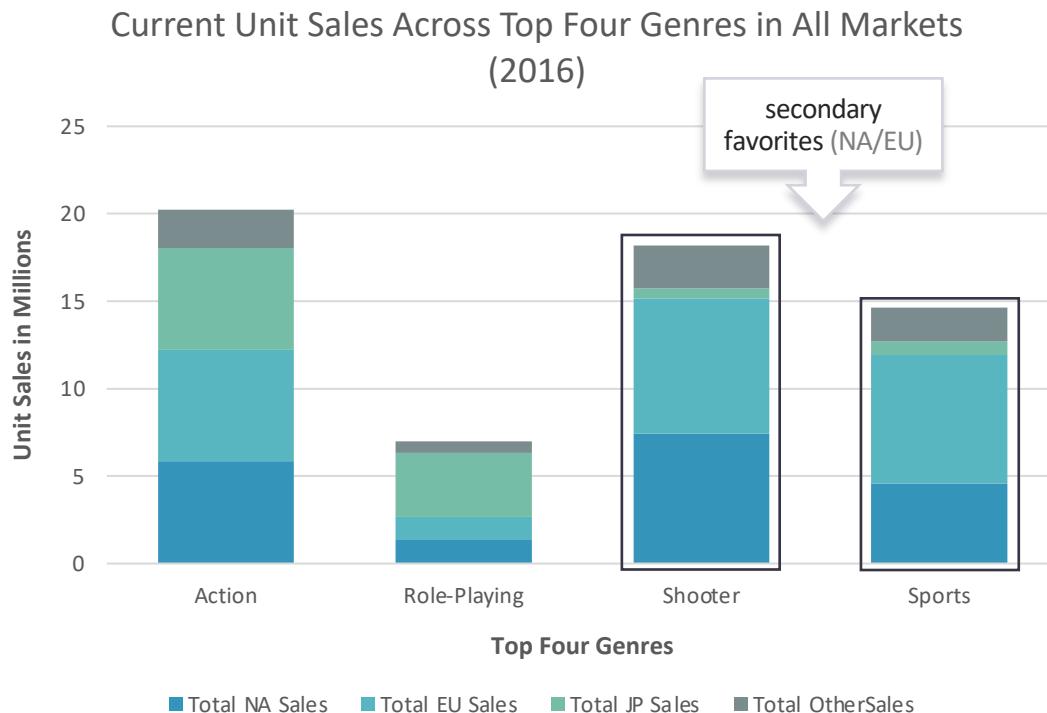
Action games generated the highest sales across all markets in 2016 with **similar sales** in each primary market.

Putting marketing budget towards this genre in the primary markets should generate a consistent ROI.

Genre Focus for All Markets

Current Market Review

By combining current **market trend + genre trend** insights, we can maximize ROI.



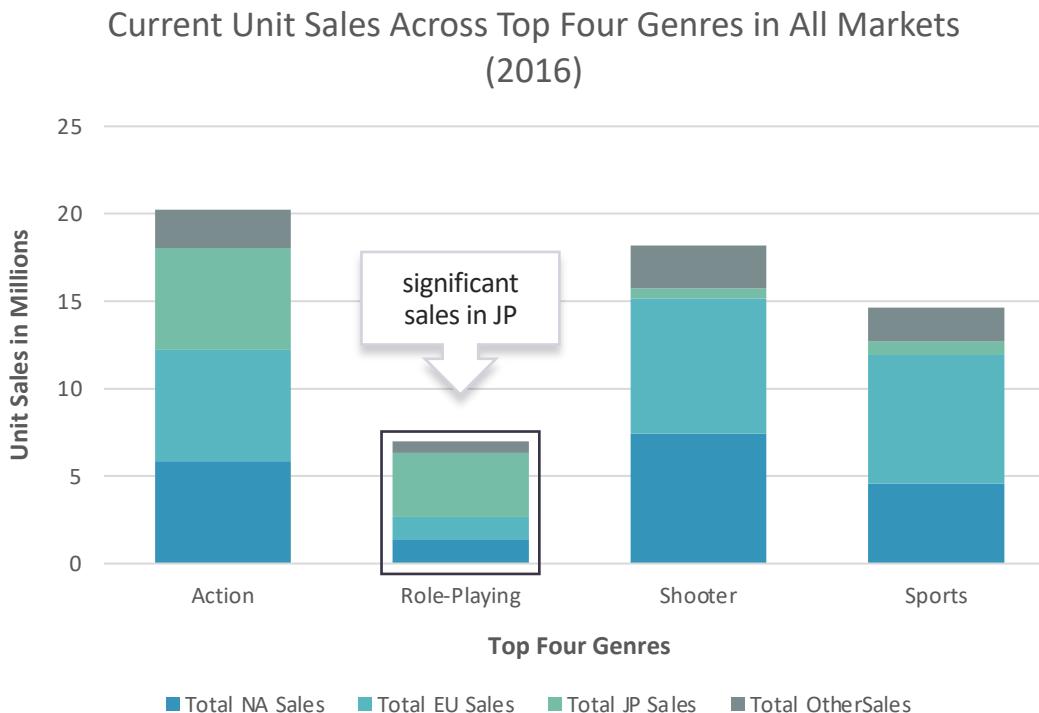
Shooter and sports games also show high sales overall with significant interest in both the **NA and EU markets**.

Putting marketing budget towards these two genre in NA/EU should also generate a consistent ROI.

Genre Focus for All Markets

Current Market Review

By combining current **market trend + genre trend** insights, we can maximize ROI.

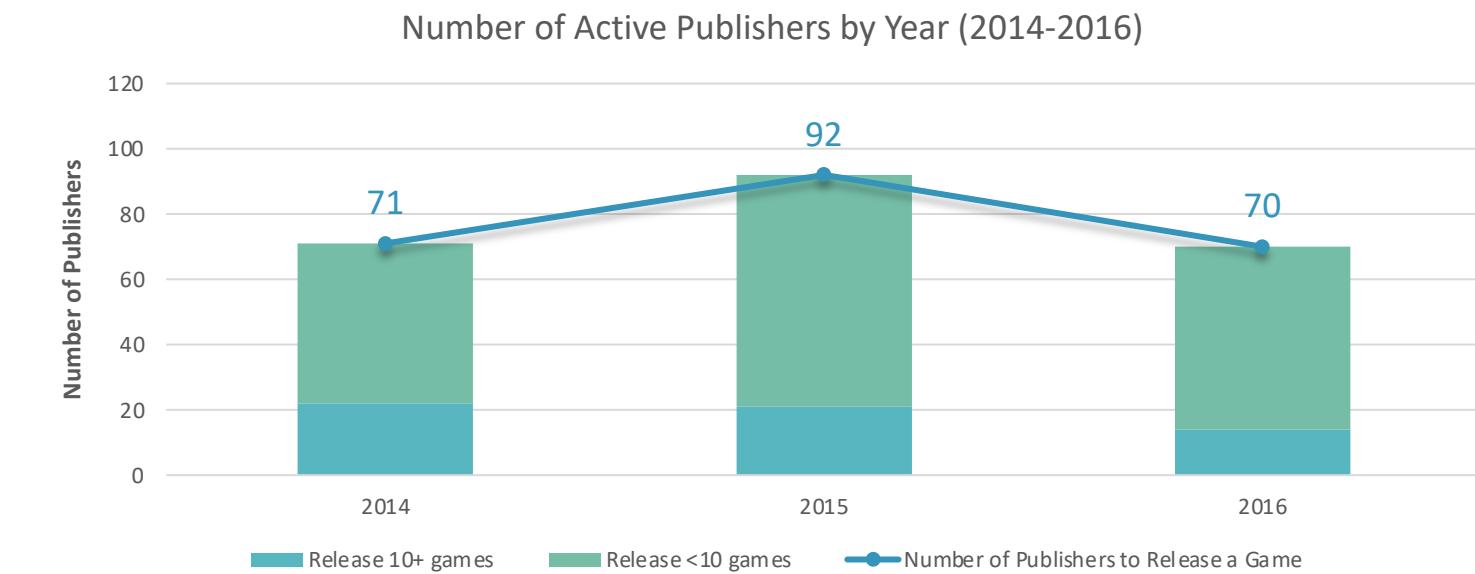


Role-playing games, while lowest generating among the top four genres, generates significant interest in the **JP market**.

Putting marketing budget towards this fourth genre should also generate a consistent ROI when focused in the JP market.

Competitive Outlook for All Markets

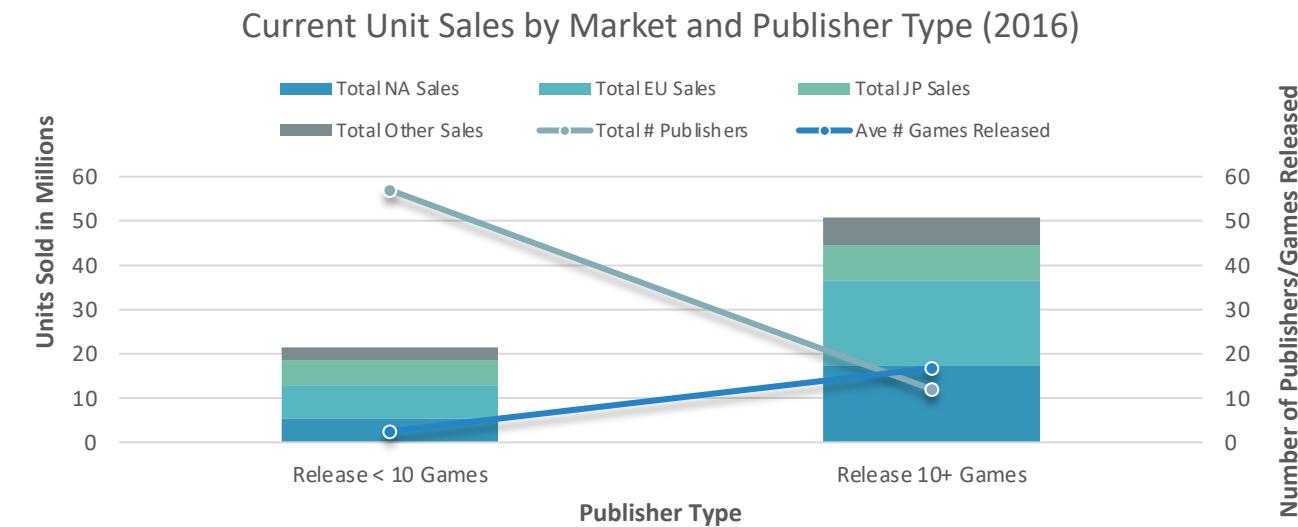
Current Market Review



- Active publishers (releasing games) vary each year.
- Different publishers enter, exit, and sometimes re-enter the market.
- Can be challenging to get a pulse on competition.

Competitive Outlook for All Markets

Current Market Review



- The amount of competition (active publishers) varies by market
- Total unit sales are greater for publishers that release 10+ games
- On average, those publishers released 17 games in 2016

Action: Focus on NA and EU markets where competition is low, but unit sales are high (for publishers releasing 10+ games)

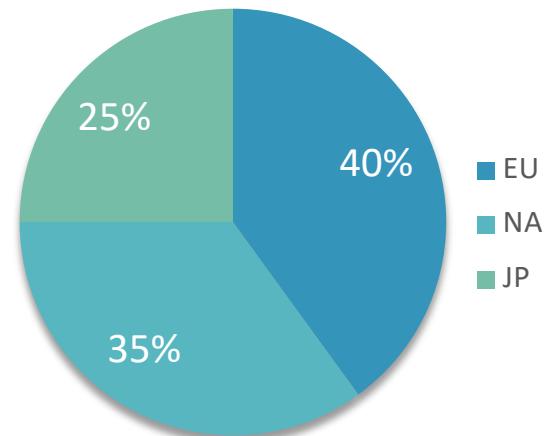
Recommendation Summary

By leveraging historical sales data to understand the **competition, geographical patterns, and genre trends**, we can optimize the company's return on investment from inception.

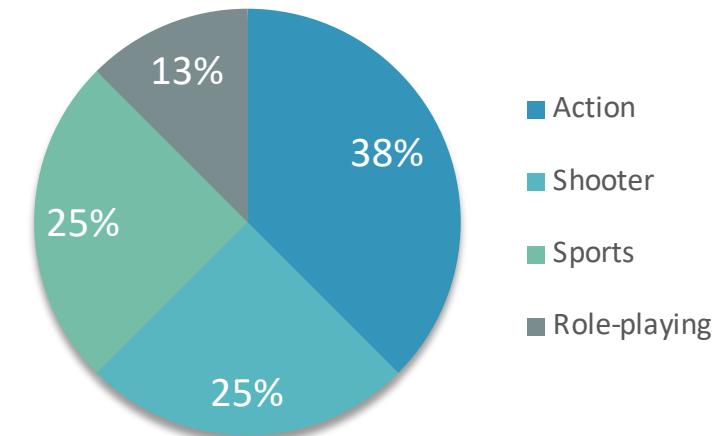
Action Summary:

- Maximize ROI by focusing 2018 marketing budget across **three primary markets** with a **focus on four genres** that will generate the most unit sales.
- Aim towards **releasing 10+ games per year** as development schedule and budget allows

Recommended Budget Allocation by Market



Recommended Game Focus

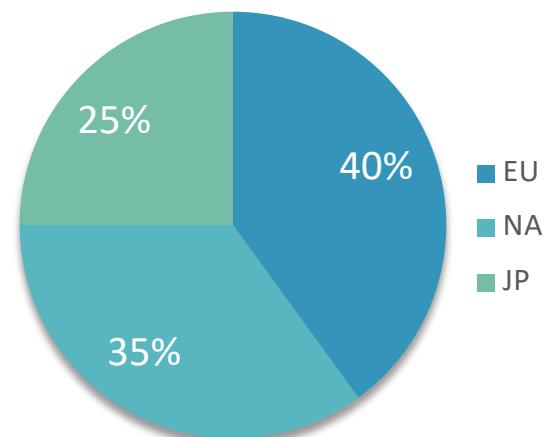


Recommendation Summary

Allocate majority (75%) of budget to **two largest markets (EU/NA)**, with a slight tip towards the EU as they are the primary consumer as of 2016

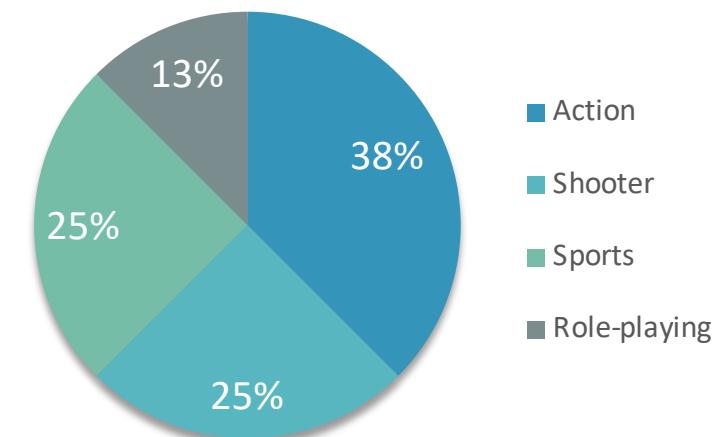
- Will contribute to sales in **three of four top genres**:
 - primary consumers of **Shooter** and **Sports** games
 - also contribute significantly to **Action** genre purchases
- Have the lowest number of **competitors**

Recommended Budget Allocation by Market



Strategic Logic for Recommendation

Recommended Game Focus



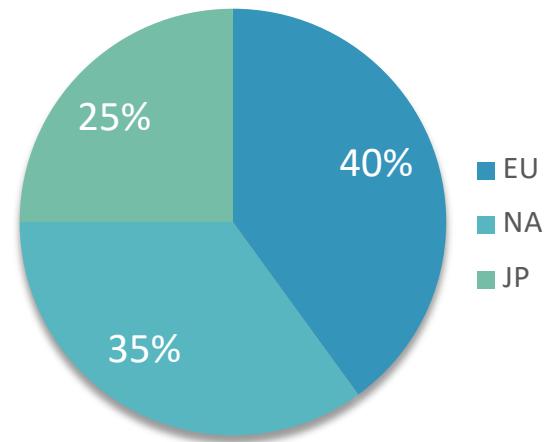
Recommendation Summary

Allocate smaller portion (25%) of budget towards **smaller JP market**

- Will contribute to sales in **two of four top genres**:
 - primary consumer of **Role-playing games**
 - also contribute significantly to **Action** genre purchases
- Has the highest number of **competitors**

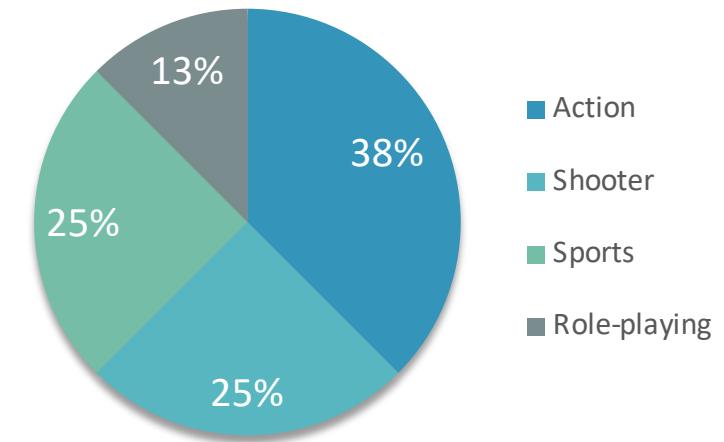
By aiming to release 10+ games per year, GameCo **maximizes its reach** across the markets and genres

Recommended Budget Allocation by Market

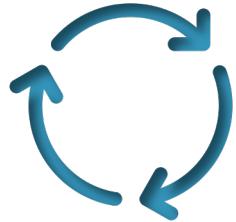


Strategic Logic for Recommendation

Recommended Game Focus



Additional Recommendations



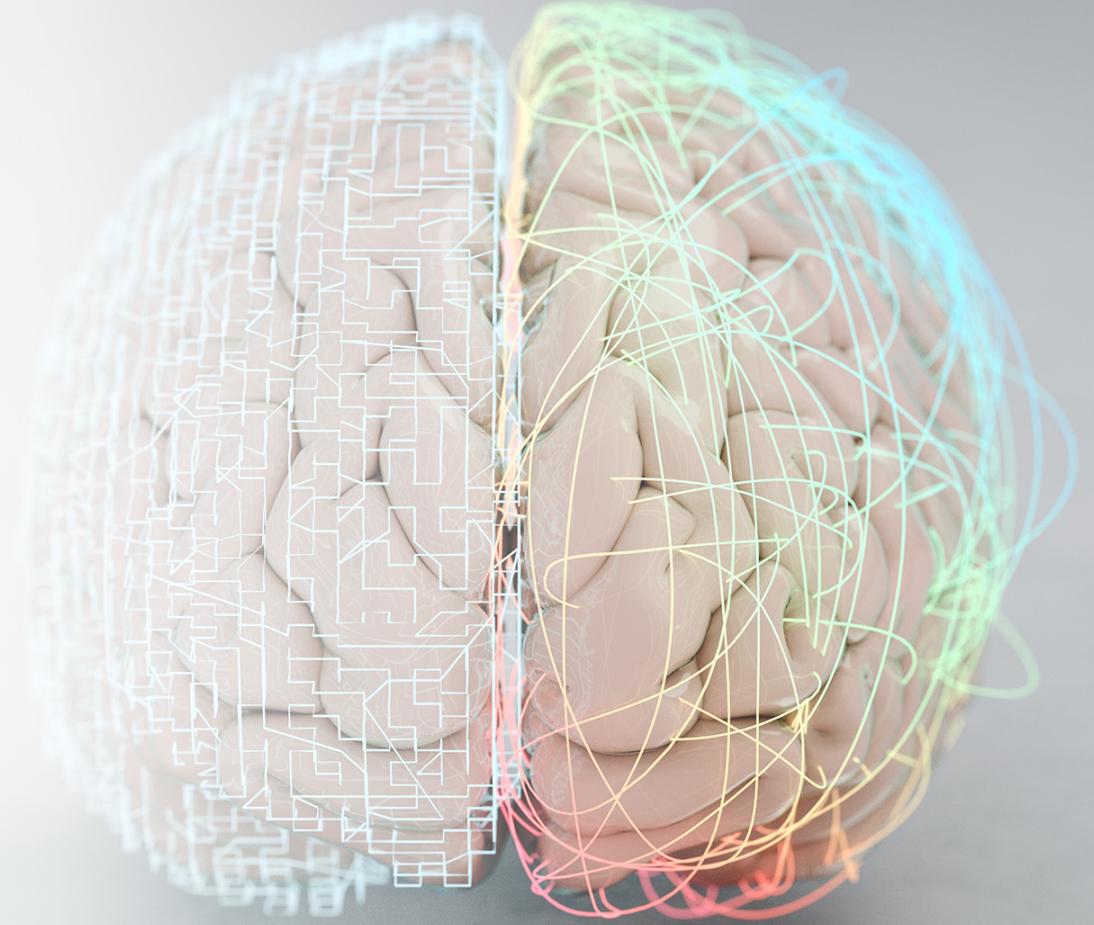
Re-evaluate market regularly to shift marketing focus with trend.



Consider expanding budget to other genres and secondary markets as company grows.

Questions?

Thank you.



Project Notes

Appendix

Premise

As a new video game company, GameCo has the opportunity to enter the market and position itself intelligently in the development (publishing) of new games.

By leveraging historical market data to understand the competition, geographical trends, and genre trends, we can optimize the company's return on investment from inception.

This analysis leverages insights from those three components to make a recommendation on budget allocation and genre focus for game development.

Executive Notes of Curiosity for Project

- Genre performance (VP of Marketing)
- Competitive landscape to identify gaps and opportunities (SFO)
- Geographical swings/patterns (Sr VP of Sales)

Data Documentation/Notes

Appendix

- Data source: VGChartz
(<https://www.vgchartz.com/methodology.php>)
- Data set provided covers unit sales (in the millions) of video games (for games that sold more than 10,000 copies) from 1980 to 2016
- I defined publisher as the developer of the games
- Year indicates the year the game was released for purchase
- When defining patterns across genre, year, or geography, data that was indicated as N/A or unknown were removed since there was no definitive way to categorize them to contribute to any patterns/trends