

GameCo

Insight Analysis of Game Sale Behavior
Across the Geographics Regions

Objective

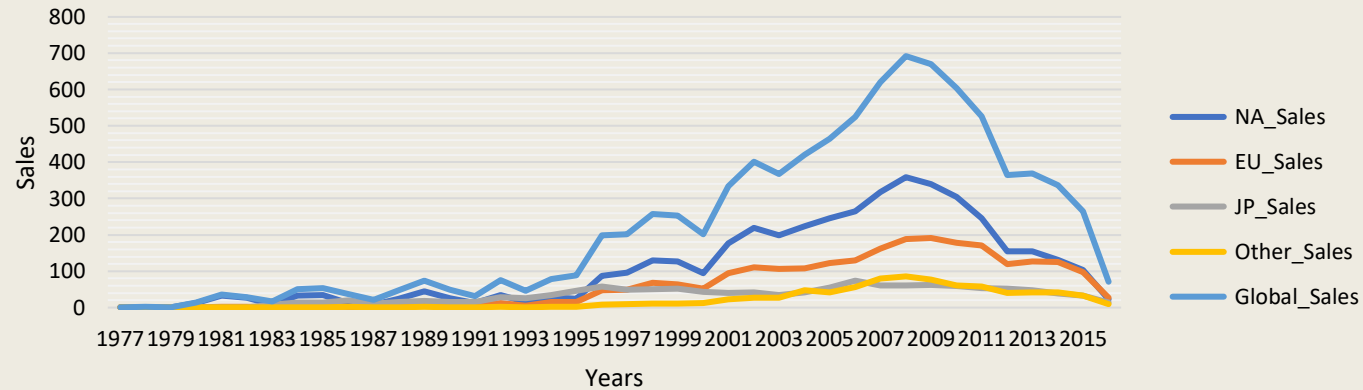
The purpose of this insight analysis is to provide a look and better understand how video game sales are behaving across the geographics regions.

GameCo's current understanding and expectations of video game sales is that they will remain the same across geographics regions.

Trend of Gaming Sales Over the Years

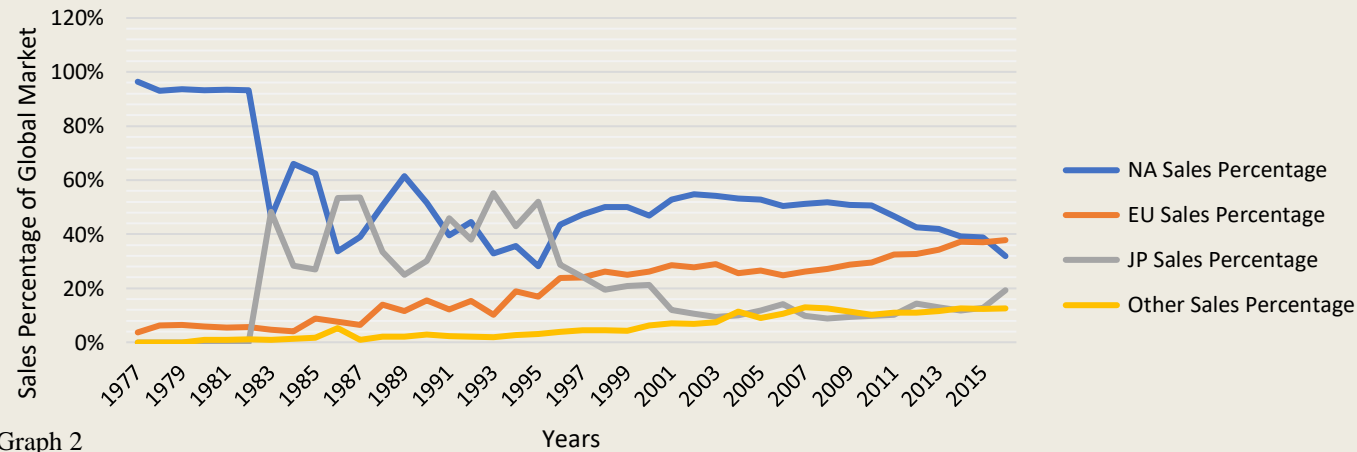
Graph 1

Yearly Sales Trend of Game Sales



- The current understanding needs to be revised as markets have not remained the same over the years.
- Graph 1: Sales show a decline in market sales from 2008. But, looking at graph 2, EU markets show a gradual growth overtaking JP in 1997 and recently in 2015.
- Graph 2: EU market shows an increasing trend and could prove to be a promising viable market.
- Graph 2: Shows a recent increase in JP during 2015 hinting the region could possibly be picking up to be another potential market.

Percentage Of Regional Sales By Year Of Global Market



Graph 2

Popular Gaming Genres Over the Regions

- Data Table 1: Depending on region, genre popularity is subject to change and GameCo should tailor the genre to appropriate region.
- Action, Shooter, and Sports genre games are the best performing in NA, EU, & Other region market.
- Role-playing, Action, and Sports genre games are the best performing in the JP market.
- Chart 3: Action games have begun to show an increase in popularity in the JP market from 2010-2016.
- Focus efforts on games relative across all markets to ease marketing budgets and focus on games such as action and sports genres.

Game Genre	NA_Sales	EU_Sales	JP_Sales	Other_Sales	Global_Sales
Action	874.85	524.38	159.87	192.72	1747.44
Adventure	104.25	63.99	51.55	19.14	236.77
Fighting	223.33	101.19	87.15	37.85	448.28
Misc	407.69	215.19	106.73	79.21	805.26
Platform	446.93	201.62	130.65	52.07	831.11
Puzzle	123.04	50.7	56.68	13.65	243.44
Racing	358.68	237.65	56.62	77.62	730.26
Role-Playing	326.79	187.81	351.76	63.06	925.95
Shooter	578.25	312.79	38.23	102.93	1032.32
Simulation	181.95	113.23	63.68	33.45	390.53
Sports	679.22	375.75	135.37	136.23	1325.21
Strategy	68.61	45.27	49.43	12.12	174.91
Total Genre Sales	4373.59	2429.57	1287.72	820.05	8891.48

Data Table 1

Genre Sales By Region

Sum of NA_Sales

Sum of EU_Sales

Sum of JP_Sales

Sum of Other_Sales

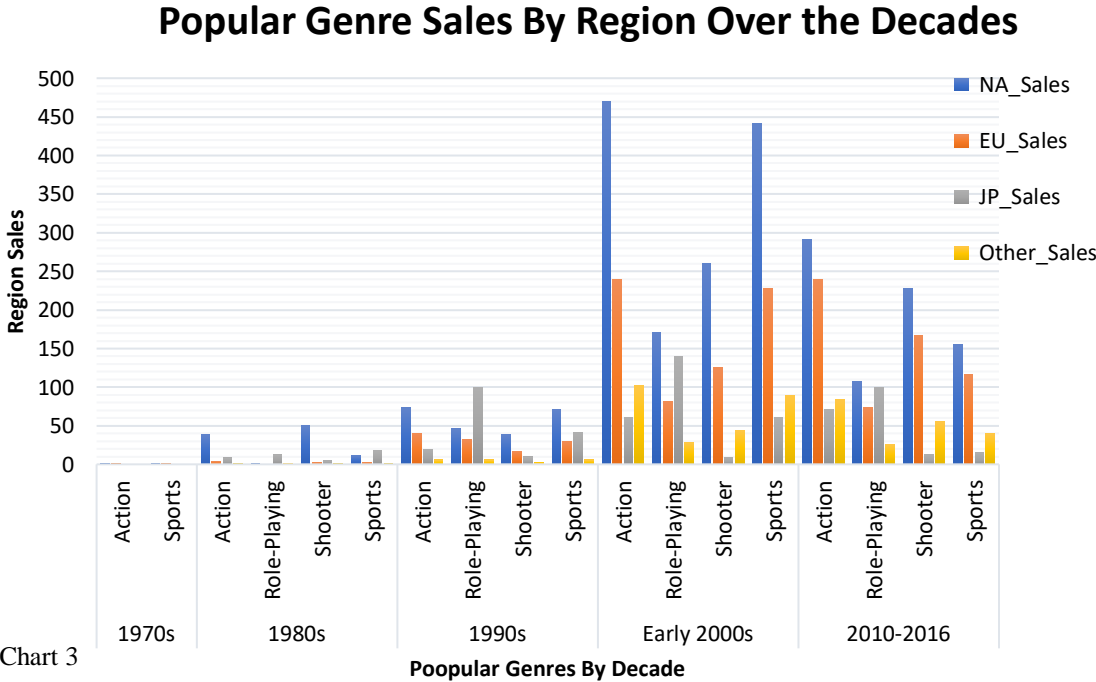


Chart 3

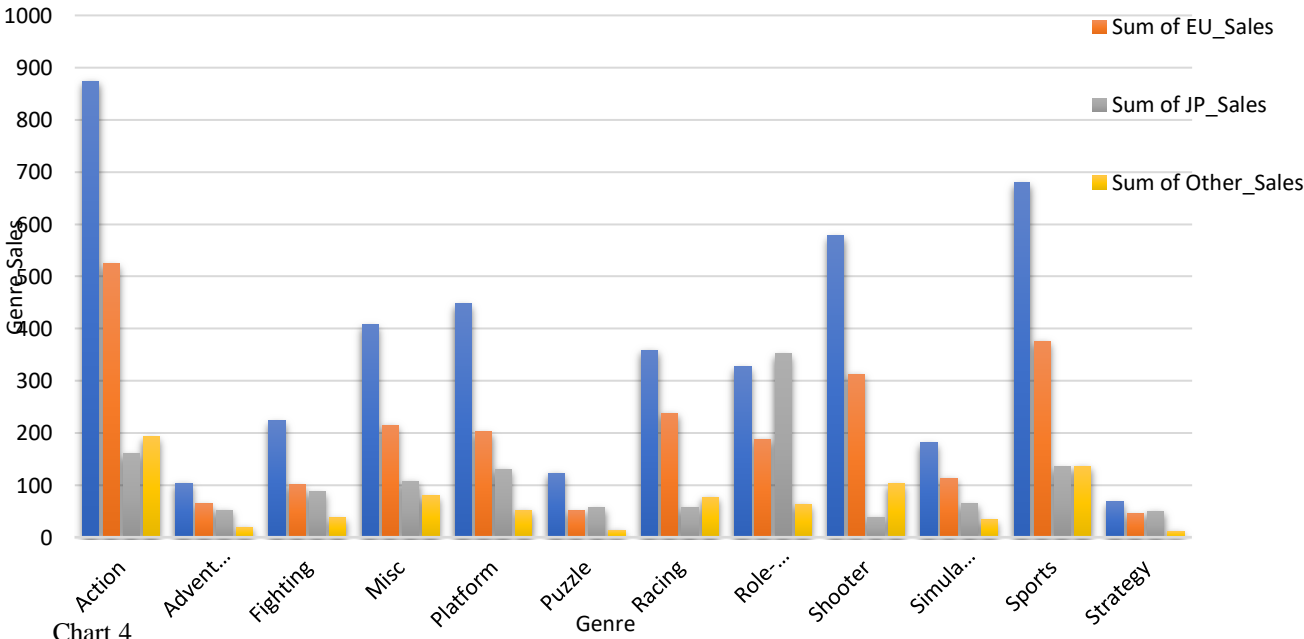


Chart 4

Competing Publishers in the Market

- Data Table 2: GameCo will have to overcome six other leading publishers in the most popular genres.
- Electronics Arts is leading in NA, EU, and Other market region, while in the JP region we see that Nintendo is the leading competitor and Electronic Arts being one of the lowest in sells of that region.
- Chart 5: Electronics Arts holds the global majority of market sales in these popular gaming genres and will be the biggest competitor for GameCo to overcome.

Data Table 2

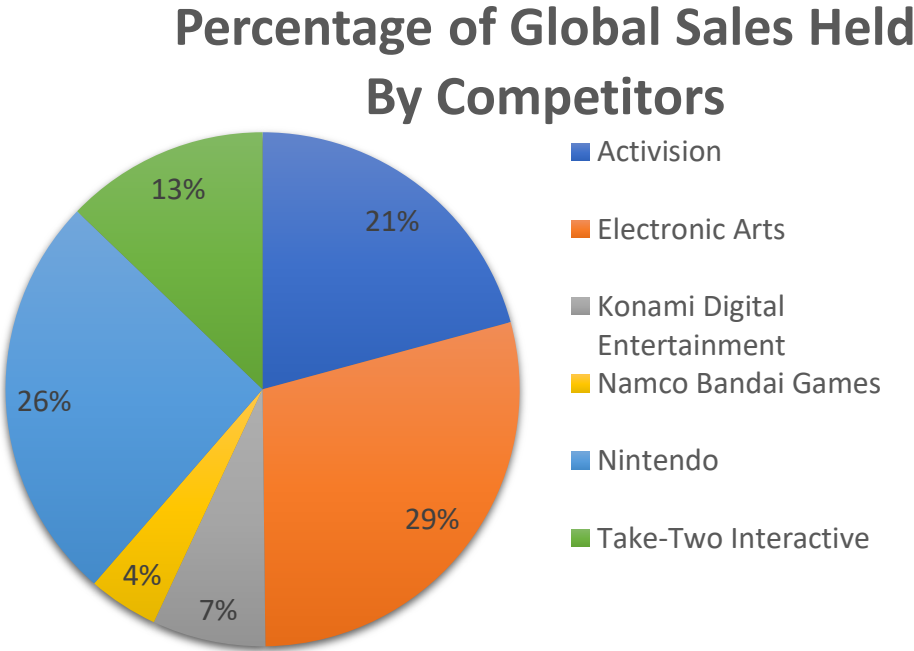


Chart 5

	NA_Sales	EU_Sales	JP_Sales	Other_Sales	Global_Sales
Activision	337.12	178.22	6.15	60.73	582
Electronic Arts	499.01	309.66	12.55	113.37	934.54
Konami Digital Entertainment	49.64	54.33	66.39	24.82	194.86
Namco Bandai Games	30.5	21.06	68.23	9.87	127.11
Nintendo	392.83	208.72	202.93	48.49	852.41
Take-Two Interactive	202.71	109.2	5.59	52.24	369.64
Total Sales	1511.81	881.19	361.84	309.52	3060.56

Competitor Regional Market Sales Held

Percentage of Region Market Sales Held By Publishers of Popular Genres

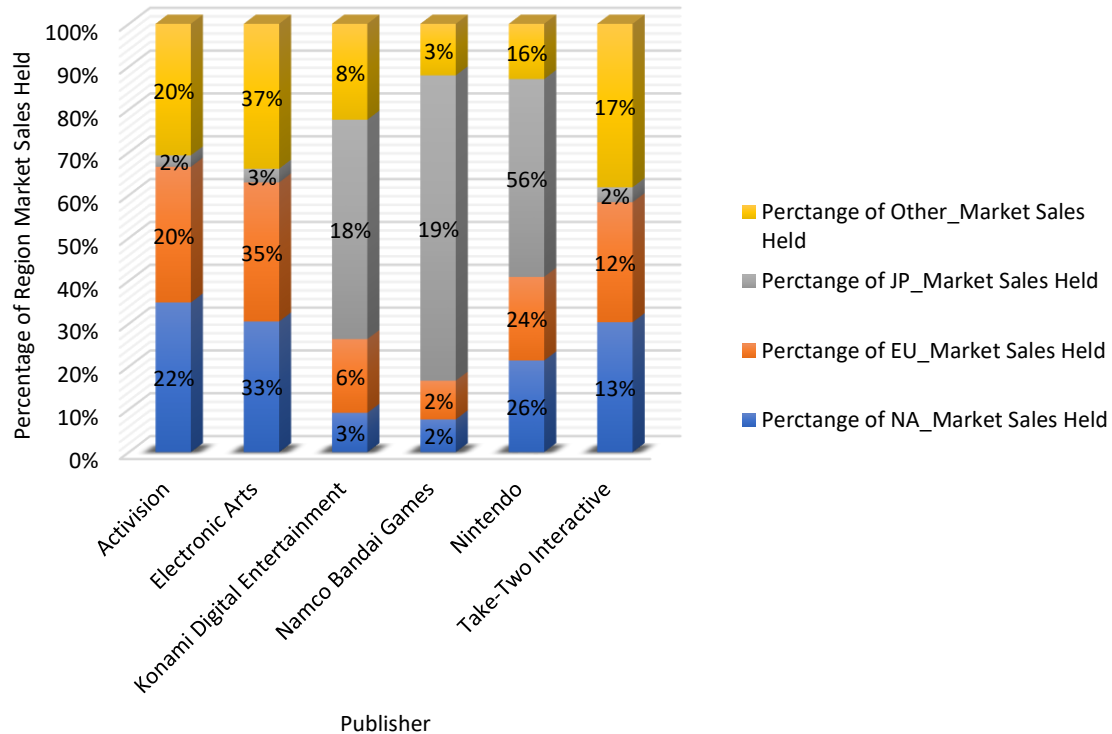


Chart 6

- Within the NA market, Electronic Arts hold 33% of the NA market, 35% of the EU market, and 37% of Other market sales in popular genres.
- In the JP market, Nintendo holds a commanding presence with 56% of the market sales.
- Based on the individual market sales held, Electronics Arts is going to be the biggest competitor. While in the JP market, Nintendo is dominating the market sales.

Summary of Insight

- The sales trend of games over the years has not remained in a constant in the various sales regions. While sales saw a steady increase from 1977-2008, the gaming market has seen a steady decline in overall sales as of late.
- Looking closely at individual region sales, NA market has seen around a 60% drop in its sales since its start in 1977 and around a 20% drop since its peak in 2008. The JP market has also been showing a downward trend over the years with a 30% decrease in sales from its start in 1983.
- The most potential market appears to be the EU market as there seems to be a subtle increasing trend over the years. The EU market itself has steadily been climbing over the years and has been able to overtake the JP market in 1997 and the NA market in 2015.
- Sales from Other market regions were at a slow gradual increasing trend and seem to have remained reasonably steady over the last recent years.
- Popular genres have varied by region, but have seen Action, Shooters, and Sports as the most popular in the majority of the markets being those in NA, EU, and Other market regions with Action games being the most popular. JP region saw a slight difference in its popular genres being Action, Role-playing, and Sports with Role-playing being the most popular in the region.
- Within these markets, the biggest competitors to face will be Activision, Electronic Arts, Konami Digital Entertainment, Namco Bandai Games, Nintendo, and Take-Two Interactive. While these will be the biggest competitors, their market sales held vary by region. However, Electronic Arts is holding the most sales globally amongst these competitors at 29% of the market sales.
- Within individual markets, Electronic Arts was seen as the main competitor amongst majority of the market as it holds a large percentage at NA 33%, EU 35%, and Other 37% market sales, but only 3% in the JP market. Nintendo holds most of the JP market sales at a dominating 56%.

2017 and After Recommendations

- To put focused effort on the EU market as it shows the most potential with the only market having an increasing sales trend.
- To develop games focused on the popular EU game genres with those being Action, Shooters, and Sports focused games.
- Focus marketing and advertising efforts in EU market on Action, Shooters, and Sports developed game titles.
- As Other market regions showed a steady trend as of late, GameCo should explore this as a secondary focus to penetrate potential markets and obtain a larger market held segment in these areas for further profit sales ahead of competitors.
- JP market could be further followed as market may increase and company can put forth Action and Role-playing games to obtain a small portion of the market. As Nintendo has a commanding presence in this market, it may be difficult to penetrate, but may be a decent non-primary market for side capital for the company to gain extra sales profit.
- NA market is a declining market with no recent trends and heavy competition in the market. This market would not be recommended at this time to try and penetrate as a focused market but could be used in combination with those developed marketing and advertising efforts for Action, Shooter, and Sports games to obtain some further sales.