



Video Game Market Sales Analysis

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Introduction

In this analysis, by analyzing historical video game sales data, an insight has been tried to made to give an opinion to distribute marketing budget among the regions to maximize return on investment.





Objective: Making recommendations on how to approach 2017 and beyond by using historical data of video games.



Data: Historical sales of video games that sold more than 100,000 copies, spanning different platforms, genres, and publishing studios.



Audience: GameCo Executives





Current Assumption

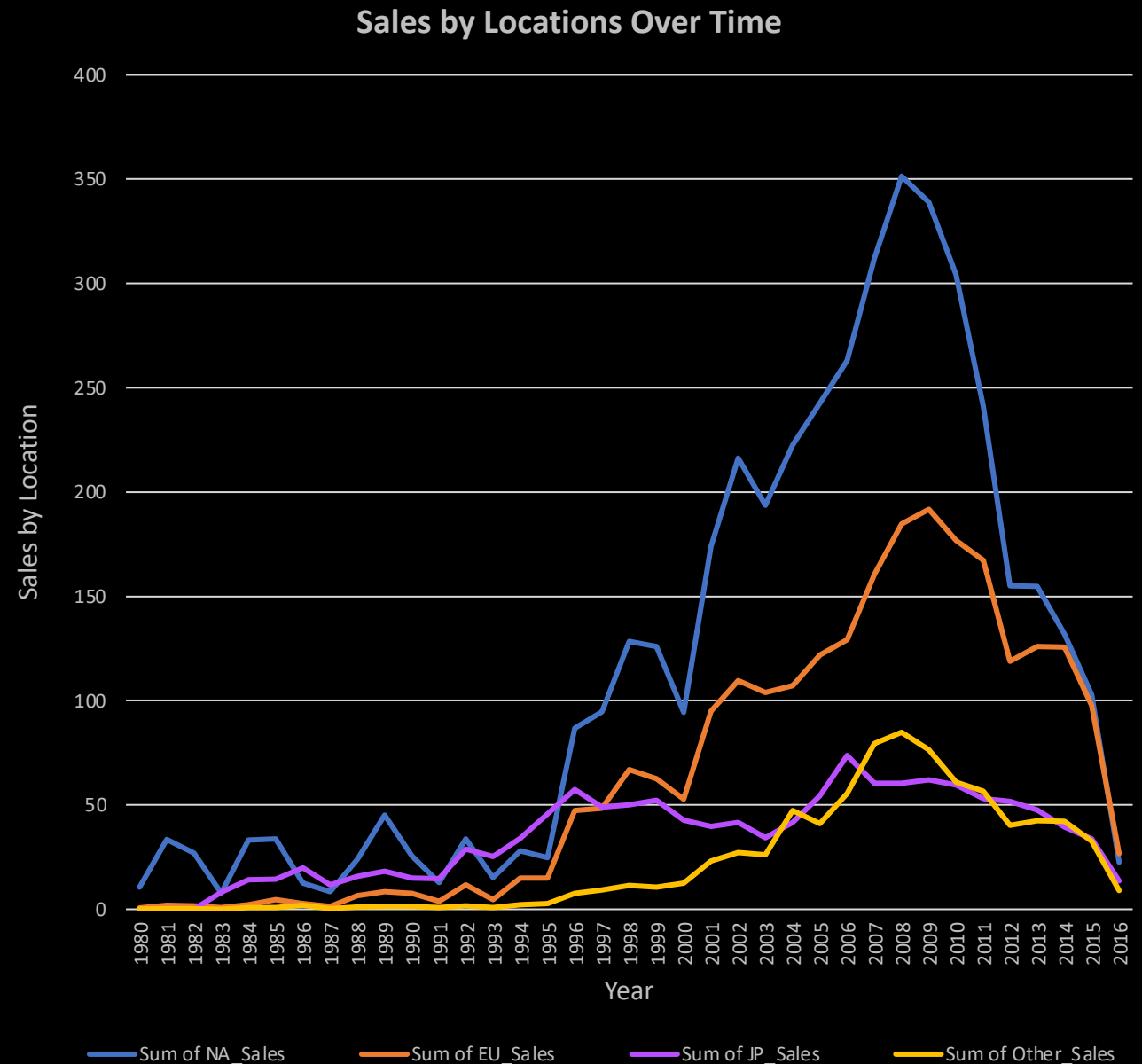
GameCo's current assumption of sales to various geographic regions is that they have remained the same over time.



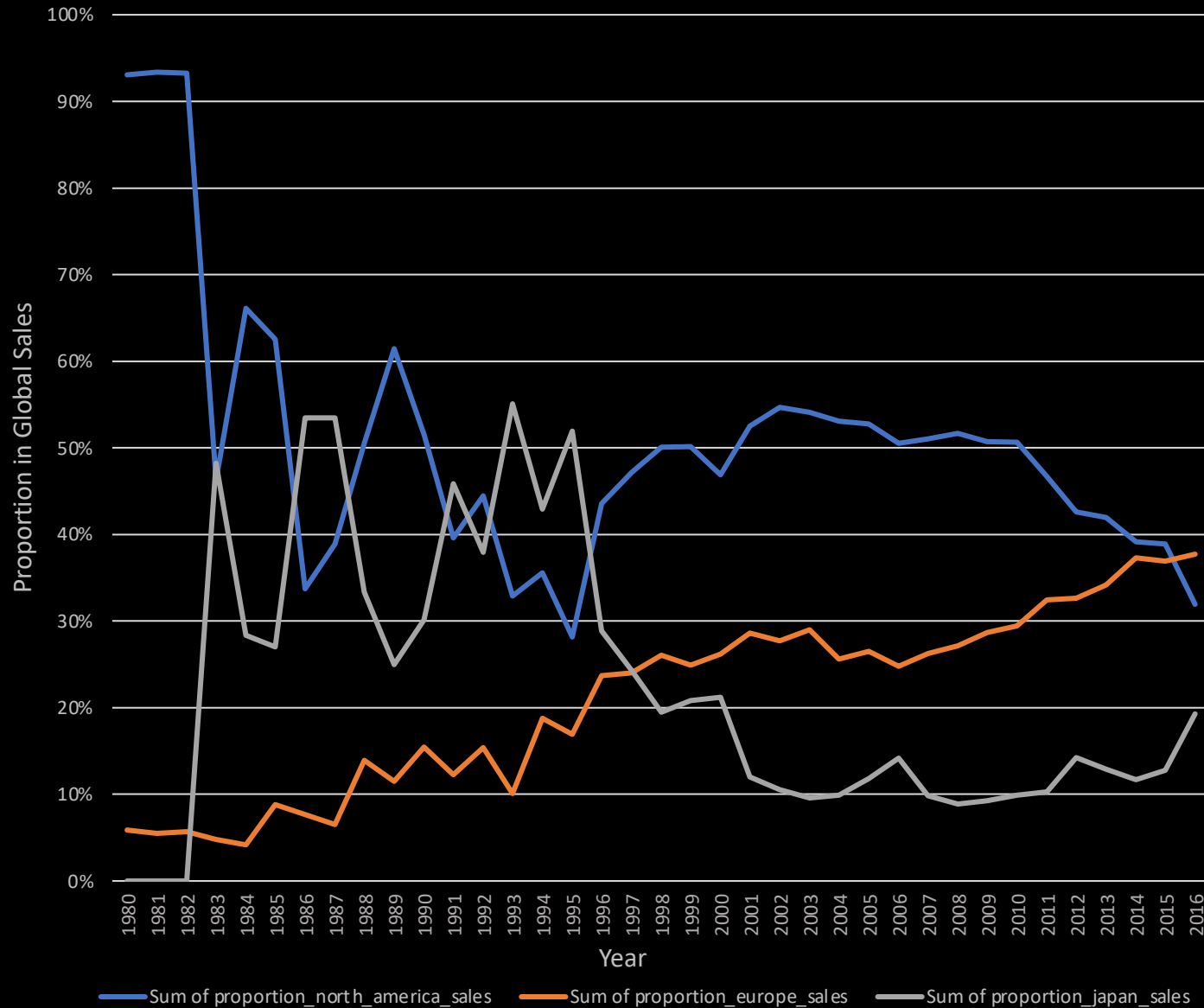
- As we can see on the chart, video game sales fluctuated in the range of 0 and 50 million bands until the mid 90s. After 1995, an upward acceleration is observed in sales, especially with the sales in North America exceeding the 50 million mark.
- In the same way, European sales are following North America. Although there were short fluctuations over time, the upward trend in sales continued until 2008. After the peak in 2008, sales entered a downward trend that continues with a strong acceleration.
- What the data show us here is inconsistent with the current assumption. In this case, the current assumption needs to be reconsidered.

NA: North America EU: Europa JP: Japan

The numbers represent units sold in *millions*.

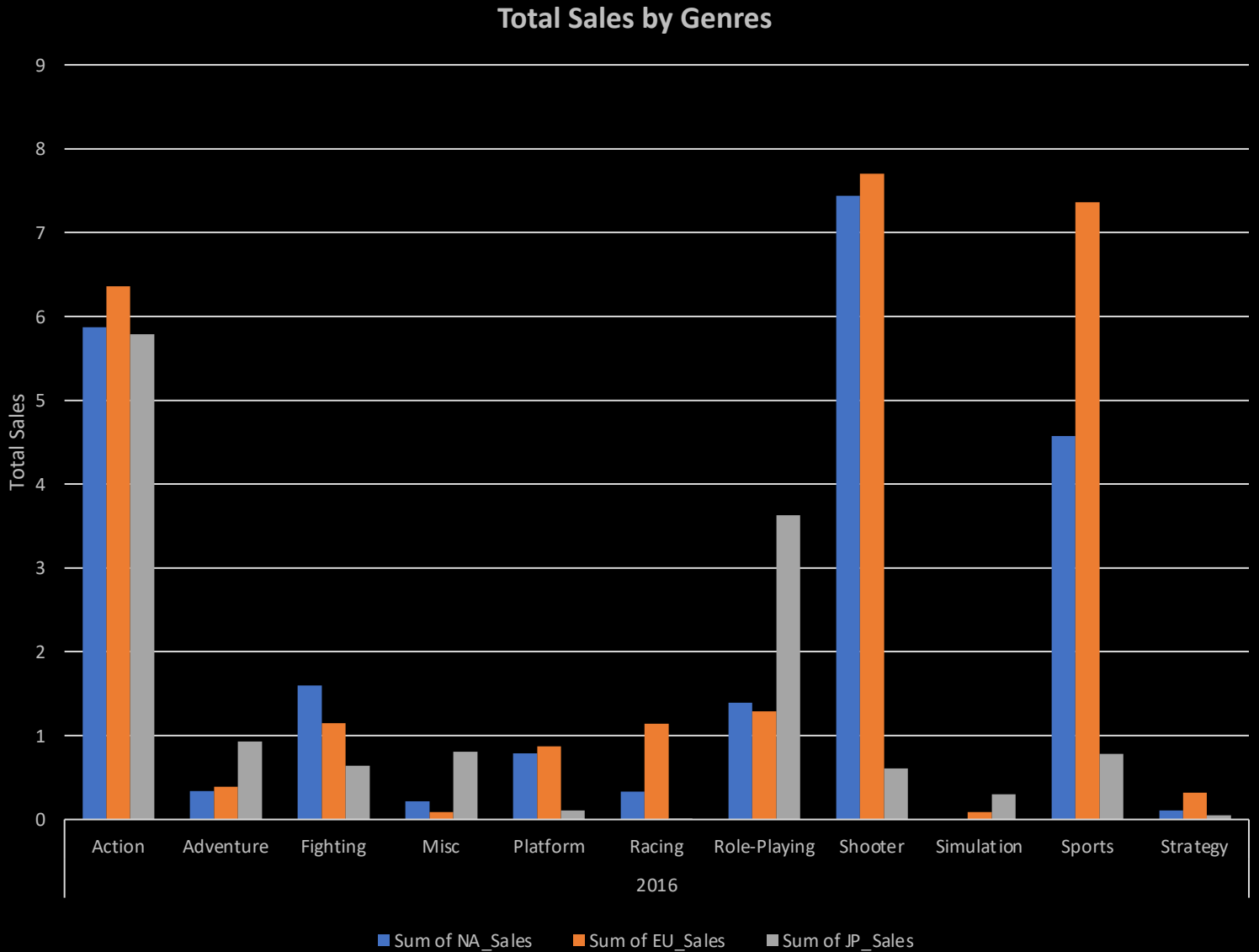


Market Share Proportions in Global Sales by Years



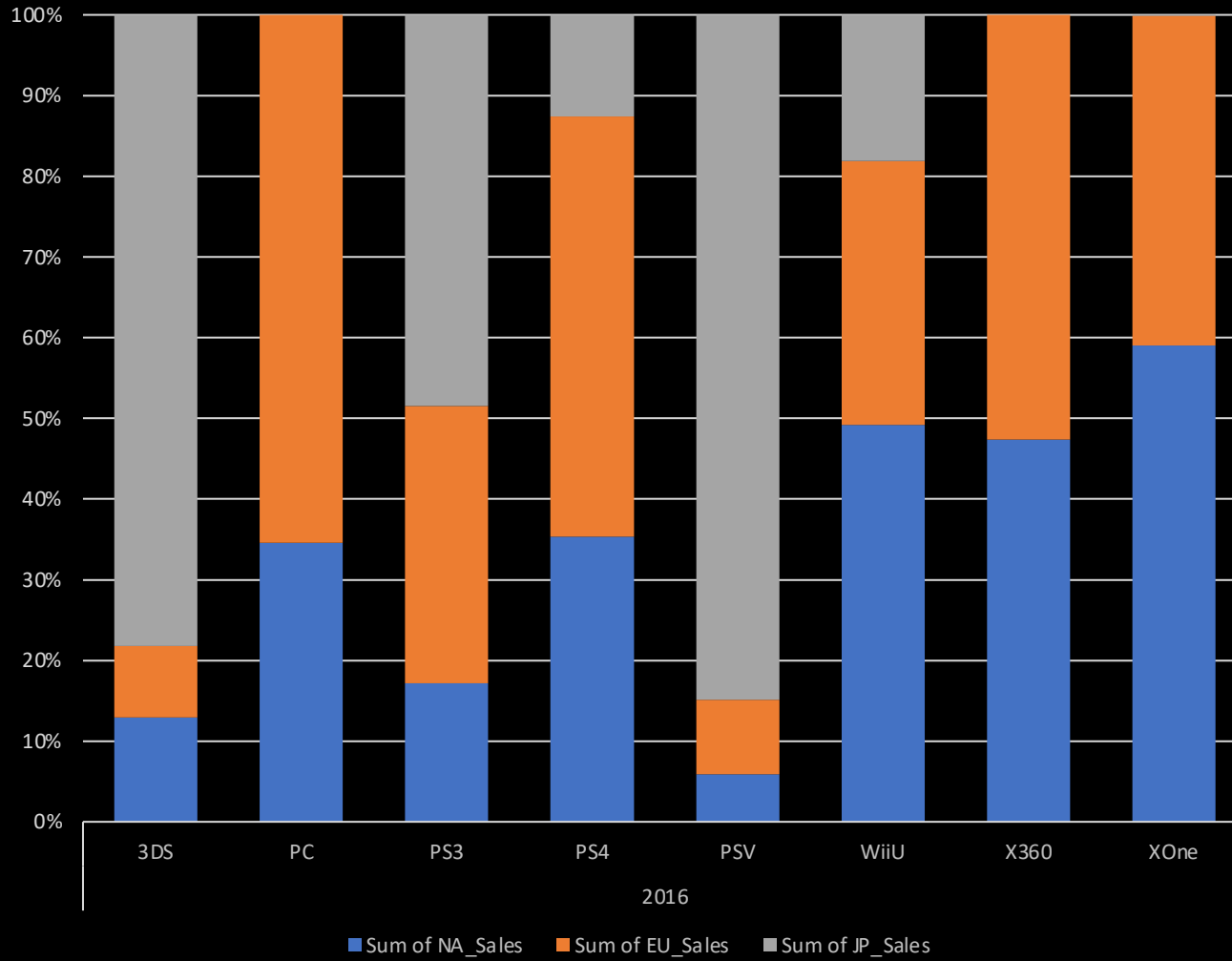
- When we glance at the side chart, it's clear that the market share proportions of NA, EU and JP have not been remain constant over time, on the contrary, they've been changed constantly. However, within this unstable structure, it can be determined that EU sales showed a constant increasing trend over a long period of time.
- Based on this information, It can be noticed that sales have not remained constant over time but have changed. In the light of this evidences, we can come to conclusion that the current assumption about the market lose validity.

- It is located on the chart that total sales in different regions happened of each game genre in 2016.
- From this point of view, it can be interpreted that the genres that contain action and excitement attract the attention of customers in general. On the contrary, the strategy and simulation game genres have never been in demand lately.
- Besides, surprisingly no sales were made in the puzzle genre last year.





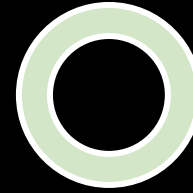
Market Rate of Platforms in 2016



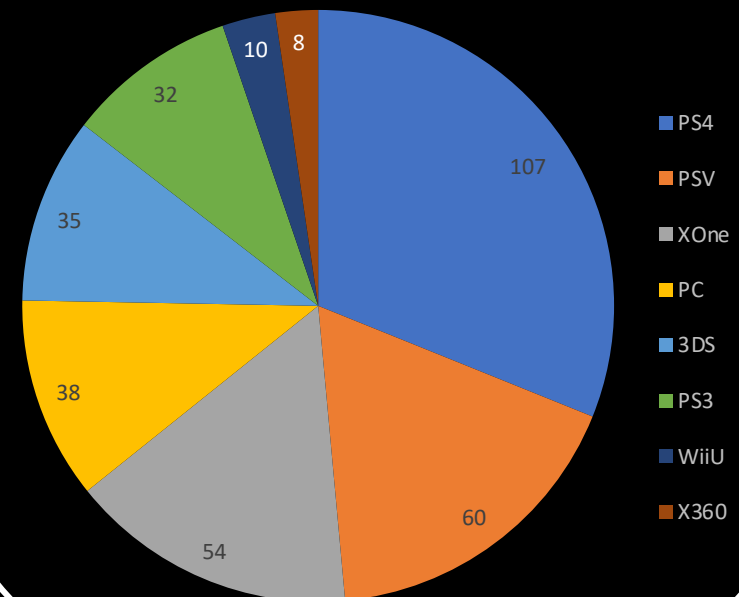
- Based on information about platform sales from last year, North America is the leader of the sales made on the PS4 platform. And we can see that most of the sales on DS and PSV platforms are in Japan. On the contrary, there was no sales on PC, X360, XOne platforms last year in Japan.
- In the light of this information, it can be deduced that the sales of different platforms also vary in different locations.



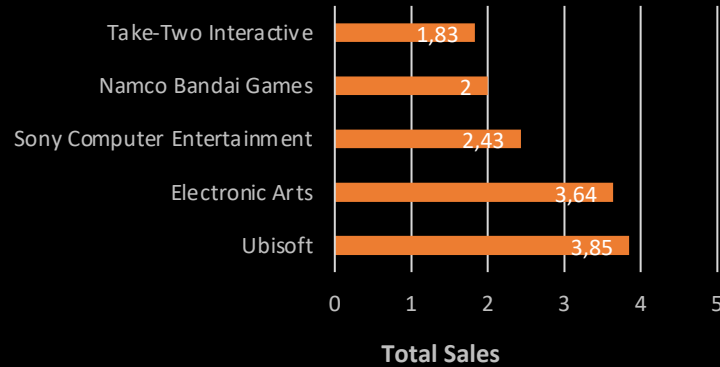
On the chart, there is information about how many games were published on which platform last year. It seems from the chart that the most of game was published on PS4 last year, followed by PSV and XOne, respectively. And the lowest game release was on the X360 and WiiU platforms.



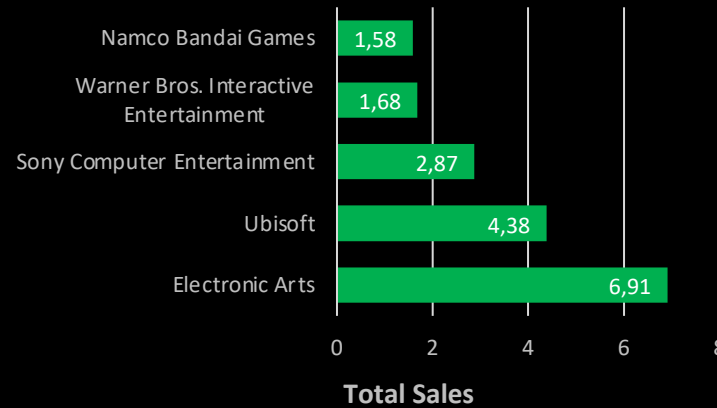
Total Number of Game Published in 2016



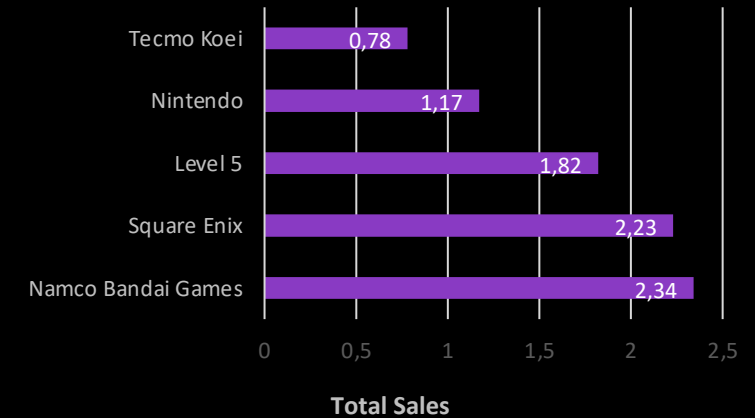
Top 5 Publisher in North America Sales



Top 5 Publisher in Europe Sales



Top 5 Publisher in Japan Sales



- On each chart above, there is information about the publishers, which are in the top 5 in sales last year in North America, Europe and Japan, in order.
- It shows us that the same publishers generally get the market shares in North America and Europe while different publishers dominate the market in Japan. So that Electronic Arts and Ubisoft publishers have been popular in European and North American markets, but Namco Bandai Games and Square Enix publishers have taken the leadership instead of these publishers for the Japanese market.

Recommendations

GameCo may consider the following recommendations in order to increase the profit rate in the near future and beyond;

- If they have the intention to develop a new game, they should prefer the action genre which has high sales rates in all three major regions. Except this, shooter genre is the best choice for North America and Europe.
- They should prefer to produce new games for PS4 and XOne platforms in North America and Europe markets, and the PSV platform in Japan.
- They should work with Electronic Arts and Ubisoft publishers in the European and North American markets, but Namco Bandai Games and Square Enix publishers should be preferred in the Japanese market.



Thank you

