Global game market

Games generate $152 Bn in 2019 [Global Games Market Report]

2019 GLOBAL GAMES MARKET
PER REGION WITH YEAR-ON-YEAR GROWTH RATES

- **EUROPE, MIDDLE EAST & AFRICA**
  - $34.7Bn
  - +11.5% YoY
  - 23%

- **LATIN AMERICA**
  - $5.6Bn
  - +11.1% YoY
  - 4%

- **NORTH AMERICA**
  - $39.6Bn
  - +11.7% YoY
  - 26%

- **ASIA-PACIFIC**
  - $72.2Bn
  - +7.6% YoY
  - 47%

2018 - $138 Bn   2017 - $109 Bn   2016 - $99 Bn

48% of all consumer spending on games in 2019 will come from the U.S. and China.

Source: ©Newzoo | 2019 Global Games Market Report
newzoo.com/globalgamesreport
Global game market

PC games = 21%
Indiepocalypse

Steam releases worldwide!

Don’t compare with big hits years ago

Amnesia: The Dark Descent (2013)

- Game costs 360 000$ to make
- 710 000 units sold
- 1 360 000 units with bundles
- ~10 000 people a month purchasing for full price
- Revenue exceeds 10x the budget
Steam Direct

Previously: Steam Greenlight

- Pay 100$ for Greenlight publishing fee
- Get your game approved by community
- Get the right to publish any game on Steam

Now: Steam Direct (Starting from June 2017)

- Pay 100$ to release a game
- Recoup the publishing fee once the game has made at least 1000$

In August 2017: 25 games released every day
In February 2018: 40 games released every day
Extra 300 games every month
Steam Greenlight

Pros:

● Incentive to do early marketing
● Worst games got filtered out

Cons:

● Shady practises
The Old Normal (before 2017 summer)

Average game on Steam:

- Sold 500 copies (500 median, 3700 mean)
- Made 2000$ in revenue (2000$ median, $18000 mean)

In the first month of sale

At an average price of 7$ (7$ median, $8.30 mean)

Source: https://www.youtube.com/watch?v=WycVOCbeKqQ (No More Robots GDC talk)
The New Normal (after 2017 summer)

Average game on Steam:

- Sold 50 copies (50 median, 2000 mean)
- Made 250$ in revenue (250$ median, $25740 mean)

In the first month of sale

At an average price of 5$ (5$ median, $7 mean)

Source: https://www.youtube.com/watch?v=WycVOCbeKqQ (No More Robots GDC talk)
The New Normal (after removing the crap)

Average game on Steam:

- Sold 2000 copies (2000 median, 10 000 mean)
- Made 12,500$ in revenue (12 500$ median, $110 000 mean)

In the first month of sale

At an average price of 12$ (12$ median, $13 mean)

Source: https://www.youtube.com/watch?v=WycVOCbeKqQ (No More Robots GDC talk)
Early Access

Average game on Steam:

- Sold 3000 copies (+1000 compared to the overall)
- Made 24 500$ in revenue (~2x compared to the overall)

In the first month of sale

At an average price of 15$ (+3$ compared to the overall)

Source: https://www.youtube.com/watch?v=WycVOCbeKqQ (No More Robots GDC talk)
Does having a publisher helps

Average game on Steam:

- Sold 6000 copies (+1000 compared to the overall)
- Made 52 350$ in revenue (~5x compared to the overall)

In the first month of sale

At an average price of 15$ (+3$ compared to the overall)

Source: https://www.youtube.com/watch?v=WycVOCbeKqQ (No More Robots GDC talk)
Reality

93% of PC developers don’t make enough money to survive

- You should have a plan

Source: https://www.youtube.com/watch?v=WycVOCbeKqQ (No More Robots GDC talk)
Marketing

**Selling** = delivering messages personally

**Marketing** = multiplying the message

Marketing is saleswork that has been multiplied

The **mere-exposure effect** is a psychological phenomenon by which people tend to develop a preference for things merely because they are familiar with them.
Marketing

Emotions sell!

But the buyer needs a logical reason and explanation to justify his emotional decision.

Case study following 1400 advertising campaigns measuring the economic success of campaigns sorted by emotional content.
Appeal

Most important emotion: Happiness

“Happiness is the main driver for social media sharing”
Marketing Mix for Indie Games

http://www.pixelprospector.com/the-marketing-guide-for-game-developers/
The Game

- Core
- Uniqueness
- Name
- Updates

Don’t try to balance out things you are bad at instead do what you are good at!
How indie games get discovered, evaluated, bought, played, talked about, and followed.
The Funnel

Marketing Plan

Marketing is not about persuading people who don’t like your game.

It’s about identifying, finding and connecting with the fans that have the highest predisposition to like it!

● Marketing planning should **start early**
● Who is the target audience?
● Keywords
● How is your game unique?
● Elevator pitch
● Go-to-market
● List of YouTubers, streamers and press contacts
A brand is a promise to consumer -> what will consumer get when the purchase your product!

Your core message?

Your brand must look the same

Webpages, Calling Cards, Staff, Office, Values, Packaging, Invoice ...
Make your game marketable

- 2 for 1 → Every player brings a friend.
  - Spends more money
  - Takes part of real world events
- Build the core demographic
- Something to think/talk about when not playing
  - In game economy
  - Seasons / content updates
Publishing

● **Self-Publishing** – 1/100 000 succeeds, you control the IP
● **Find publisher** – Publisher takes a portion of revenue
● **Get request proposal from publisher** - publisher asks his game to be made
Publishers

Publisher revenue share range 30% - 90%
- Chinese publishers → 90%
- Small publishers → 30-40%
- Bigger publishers → 50%

Publishers nowadays do not want to invest in development.
What to keep in mind when dealing with publisher

- Do not give away your IP
- Let the publisher list the things they will do
- Specify the consequences (also for the publishers)
- If you can not find a publisher it might be because of the game
Indie game marketing

First few weeks -> most sales

● 2.5x 1st week ~ 1st month
● 5x 1st month ~ 1st year

Begin your marketing campaign the moment you have something that illustrates mechanics and look of your game.

But do not post unpolished screenshots!
Indie game marketing

Marketing starts with:

- **Simple landing page** - Sing u to my mailing list, email, social media links
- **Social Media** - Facebook page, Twitter profile
  - Use peak hours 11am and 11pm EST
- **A development blog** - gamers love to read about personal struggles. Good way to prove that the game is coming along.
- **Cut a trailer** - About 1 minute, and meat as fast as possible (single most important thing to get people excited)

[Link to additional information](https://gamedevelopment.tutsplus.com/articles/marketing-your-indie-game-the-single-most-important-thing-to-learn--gamedev-7157)
Trailer

This trailer cost just 500$

And got over 1,000,000 views

The publisher (Paradox Interactive)
Trailer

Explosions!
Pricing

Indies charge ~$9 on average per title on Steam. Most titles don’t get beyond 21,000 sales (including sales and bundles).

“Under-pricing up front hurts your ability to earn over the long-term”

http://www.gamesindustry.biz/articles/2017-08-23-indie-game-pricing-more-art-than-science
Success story - Cook, Serve, Delicious!

Made with Game Maker

**Spent $5,500** on art and music + **$2,500** dev tools + **$1k** advertising

Original price **$15**

Released October 2012

Rough start (**$900** first week)

**GiantBomb** Quick look video -> **$7,400 sales**

**Grand total** (including mobile sales) = **$28,000** (**$17,000 profit**)
Directed pricing
Other marketing ways

- **Gaming Booths** - Events like [PAX](https://www.paxwest.com) and [IGF](https://www.indiegame.org). In Estonia: [Game Dev Days](https://gamedevdays.ee) and [Games Night](https://www.gamesnight.ee)

- **Crowdfunding** - [Kickstarter](https://www.kickstarter.com) and [Indiegogo](https://indiegogo.com) can direct a lot of people to your web page

- **Contacting press** - Journalists sometimes publish articles for free. Do not forget to send working copies of your game.
Popular ways of marketing

● Alternative Reality Game - take the player outside of the game world
● Online Marketing -
  ○ fewer gamers are watching television.
  ○ Traditional banners don’t work.
  ○ Active present in gaming shows, live streams etc.
● Indie Marketing -
  ○ Uses bit of humor
  ○ Extreme game concepts
  ○ Active interacting with fan through social media eg. Reddit
Alternative Reality Game

Example: Halo 2 “I love bees”
Alternative Reality Game

Example: Halo 2 “I love bees”

- Started from a message in the Halo 2 trailer
- Message lead to beekeeper website
- Beekeeper asked help to restore his hacked site
- Participants located payphones across USA
- Participants answered questions
- Participants were given early access to Halo 2 multiplayer
Presskit

- It won’t give you media attention but you’ll have to have it

http://dopresskit.com/
Reddit marketing

**Redditors Hate You** (Reddit Marketers)

- You can’t be a marketer, you have to be a redditor
- Only share with the community if you think it’s awesome
- No Double Dipping
- Don’t let your first posts be a promotion
- Don’t Over-Promote

If you do it right other users may do your work for you!

Collect data about your players

30 minutes of idle gameplay: https://optimatica.eu/scavenger

Questions:
1. Should I make an extended version?
2. Would you purchase an extended version for mobile or Steam?
3. Leave your feedback about your game
4. Leave your e-mail (if you want to get updates)

4500 answers over 5 months (only posted once to Reddit)
Use cases - Minecraft

- **Notch published a lot of blog posts** during the development of the game, sometimes two a day or more.
- **Most blog posts were short**, just a few lines
- **He was asking for feedback.** "Please remember to give me some feedback!" And when he got feedback, he showed that he appreciated it.
- In 2009, he wanted to sell the alpha version of Minecraft for 9.95 Euro, 14.95 for the Beta, and 19.95 for the final version. He also wanted a free demo.
- **He spent a lot of the time playing the game.** "It's very important to me that the game is actually fun and the only way to make sure they are is to play with it."


First screenshot posted to Tigsource ->
Use cases -> Kingdoms and Castles

Market test early and continuously

- **1mo** (and onward) post gifs on twitter
- **3mos** - Steam Greenlight Concept

Step 1 - Post on twitter, test the waters

**Success Criteria:** getting retweeted 25+ times

After a few tries, got there with this gif (25 retweets / 40 likes):

Another success (129 retweets / 417 likes):

Youtube talk: [https://www.youtube.com/watch?v=NpkLUolgcXQ](https://www.youtube.com/watch?v=NpkLUolgcXQ)
Use cases -> Kingdoms and Castles

Step 2 - Get into the top 100 ideas and generate 50+ comments

Youtube talk: https://www.youtube.com/watch?v=NpkLUolgcXQ
Use cases -> Kingdoms and Castles

Made it into the top 100 ideas and results went beyond expectations:

![Comments](image)

Fergus  Sep 2, 2016 @ 8:06am
This looks awesome. I hope I can play this sometime soon. Looks to be my kind of game tbh

WackoDesperado  Sep 2, 2016 @ 9:43pm
Yo this looks awesome I’d defiently buy it!

NooDles  Sep 7, 2016 @ 8:57pm
Dude I will willingly pay for this..

Should we commit to making this game? Yes.

Youtube talk: [https://www.youtube.com/watch?v=NpkLUolgcXQ](https://www.youtube.com/watch?v=NpkLUolgcXQ)
Use cases -> Kingdoms and Castles

Step 3 - Commit 6 months of dev time to prepare:

- Crowdfunding campaign
- Real Steam Greenlight run

**Scope Criteria:** Being Greenlit and level of success of crowdfunding

Crowdfunding -> 108 767$ of 15 000$ goal

Youtube talk: [https://www.youtube.com/watch?v=NpkLUolqcXQ](https://www.youtube.com/watch?v=NpkLUolqcXQ)
Use case -> Dwarf Block

Every saturday is a marketing day!

- New update video
- Posting on social media (tigsourse, FB, Twitter, etc)
- 1 post in a bigger community (Reddit, FB developers group)
- Keeping a marketing log

Week 6:
Regular stuff: youtube, facebook, twitter (video + screen), subreddit, discord, Tigsourse.
Reddit posts:
1. DevBlogs:
   https://www.reddit.com/r/devblogs/comments/ap52y4/dwarf_block_devlog_week_6_experimenting_with_a/
2. IndieGames:
   https://www.reddit.com/r/indiegames/comments/ap57fy/devlog_6_experimenting_with_a_currency_free/
GameDev show and test FB post:
https://www.facebook.com/groups/GameDevShowAndTest/permalink/2474952572534083/

Week 7:
Regular stuff: youtube, FB, twitter, subreddit, discord, Tigsourse.
Twitter & FB two-part math question:
https://twitter.com/JaanusJaggo/status/1096782287260258304
Indie Game Developers FB post (video):
https://www.facebook.com/groups/IndieGameDevs/permalink/101558055000926573/
Reddit (Devblogs):
https://www.youtube.com/watch?v=17n048Ty7A0&feature=youtu.be

Week 8: Marketing materials
Graphical material: logo, background art, a 3D miniature castle
Steam page
Landing page https://dwarfblock.com
Trailer video
3 gameplay gifs and 8 new screenshots
Twitter posts 2x
IndieDB overhaul
Itch IO page: https://perfoon.itch.io/dwarf-block
Devlog video and usual stuff (Tigsourse, share in facebook & twitter)

Week 9:
Shared my failed steam review in Estonian community, in here:
https://www.facebook.com/groups/IndieGameDevs/permalink/10155823293531573/
and on Twitter:
https://twitter.com/JaanusJaggo/status/1100136370444603394
Tried to add a link to my game to a trending comic in Reddit: (bad move)
https://www.reddit.com/r/comics/comments/avdhh2/spurer/ehgo040/
Weekly video and tigsourse dev blog and shared on usual places!
Trending dwarf selection image on Twitter:
https://twitter.com/JaanusJaggo/status/11026850860492288
and Reddit:
https://www.reddit.com/r/IndieGaming/comments/axe09x/new_dwarf_designs_for_dwarf_block_game_which_ones/

Week 10:
Video and shared in usual places. Tigsourse devlog.
GameDev Show and Test post:
How NOT to market your indie game

- Don’t post too detailed stuff
- Don’t play the “Top secret project” game
- Accept feedback with gratitude
- Don’t have your Facebook page outdated
- Don’t wait with spamming the press until your game is released

www.gamasutra.com/blogs/DushanChaciej/20131107/204257/How_NOT_to_market_your_indie_game.php
Localization

*Video game localization* -> process of transforming video game to be sold in a new region (different country).

**Processes:**
- Text assets
- Recording new audio
- Altering art assets
- Creating custom packaging
- Cutting out portions of game -> cultural sensitivities
Cultural localization
Translating Steam games

1. **Russian** – Second largest language. 18% of all Steam downloads. Prefer PC over Console.
2. **Spanish** – almost 6% of Steam Gamers. European spanish localization and mexican spanish localization.
3. **Brazilian Portuguese** – Brazil and Mexico will together account for 72% of the total revenue in Latin America.
4. **German** – Highest game revenues in Europe.
5. **Chinese**
Task

Make a marketing plan for a game.

Task budget: 3000 eur.

- Describe the campaign
- Which resources do you need?
- How would you spend your budget?