



# China's & Southeast Asia's Mobile Games Market

Every Piece of the Puzzle

Wybe Schutte  
VP Business Development



# Newzoo.

Wybe Schutte  
VP Business Development  
wybe@newzoo.com



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# Mobile Gaming Opportunities

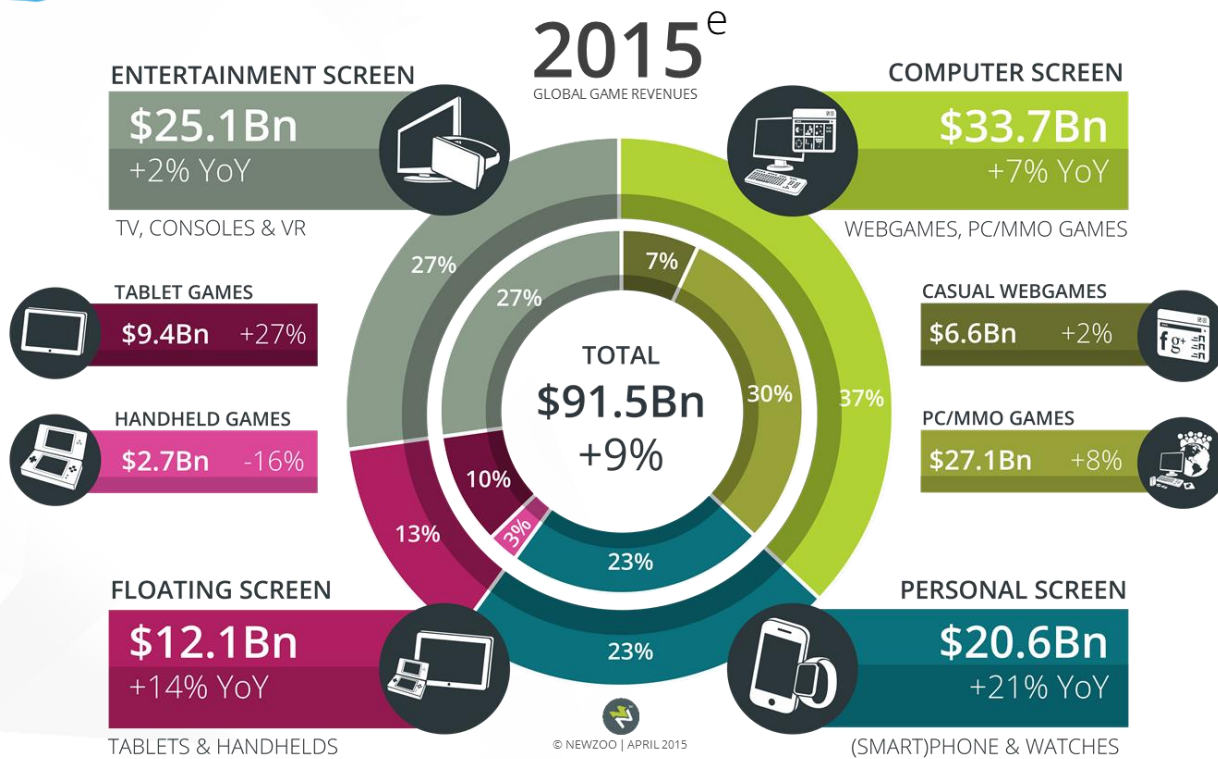
The Bigger Picture

# Mobile Takes One Third of the Market

Computer Screen Largest – Mobile Fastest Growing

## 2015 GAME REVENUES PER SCREEN

© 2015 Newzoo | Source: Global Games Market Report Premium



In 2015, Mobile Games Are Anticipated To Gross \$30Bn:

# 33%



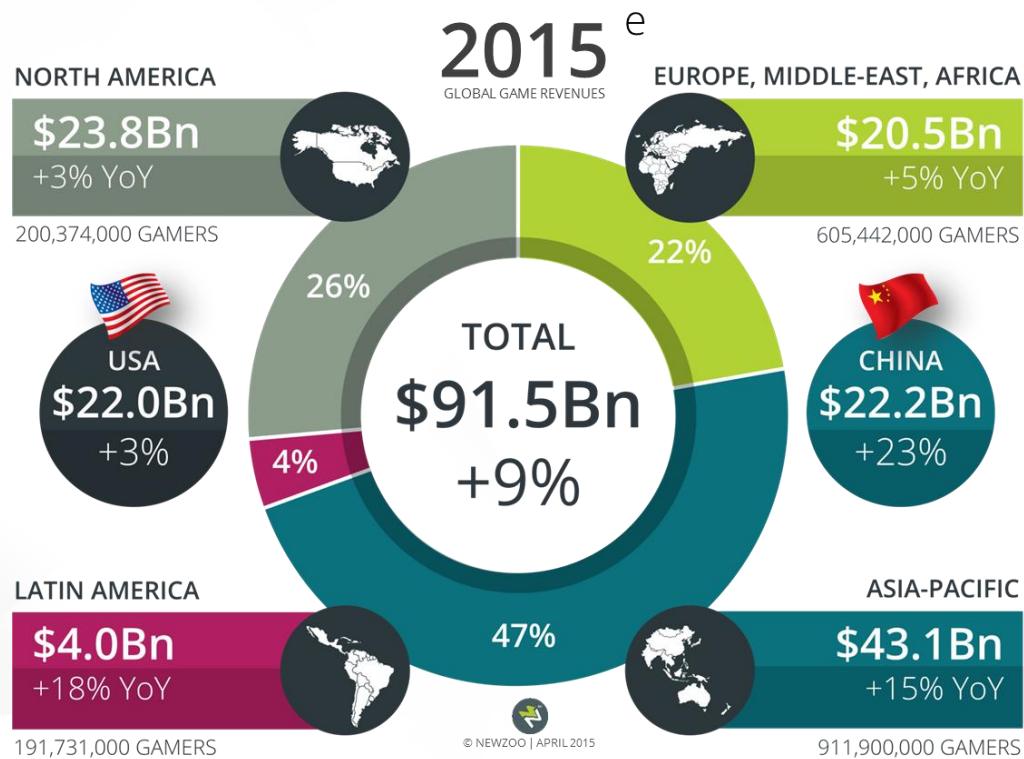
Of Global Games Market Revenues. 23% for Smartphones.

# China to overtake the USA in 2015

Apac largest mobile region

## 2015 GAME REVENUES PER SCREEN

© 2014 Newzoo | Source: Global Games Market Report Premium



In 2015, APAC Will Account For



# 56%

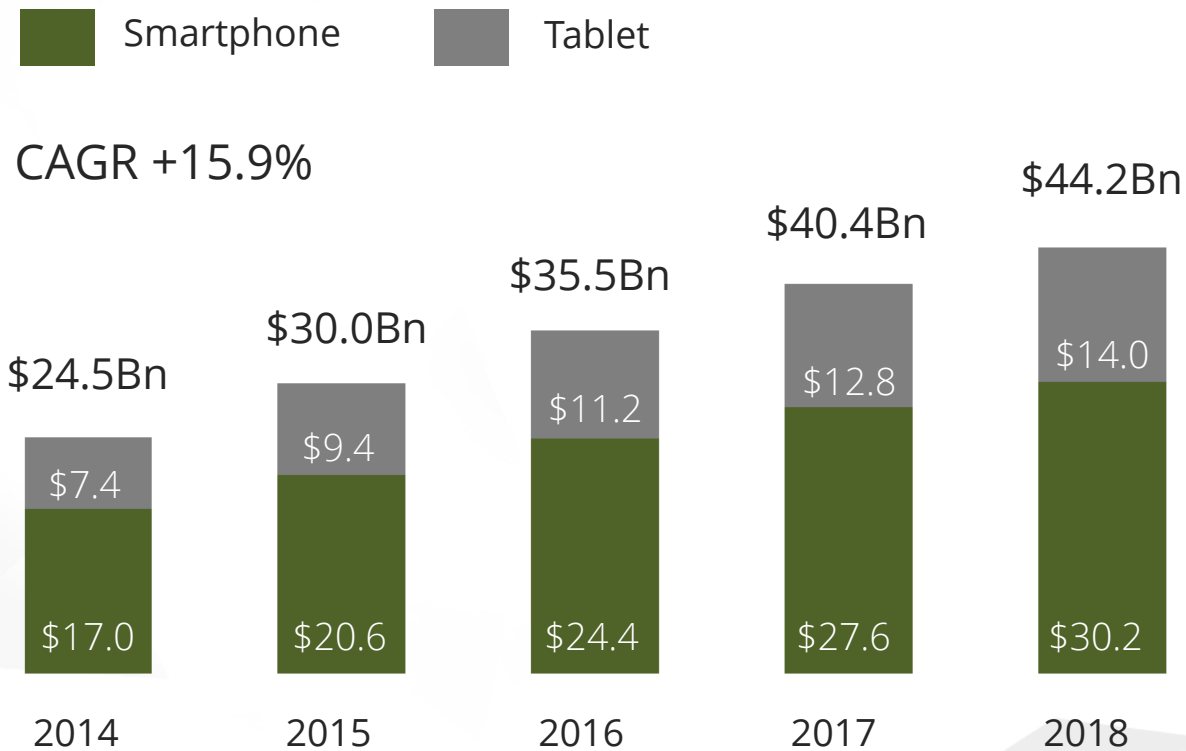
Of The Global Mobile Games Market



# Mobile Growth Towards 2018

CAGR of +15.9%

STRONG GROWTH WILL CONTINUE AS INTERNET & SMARTPHONE PENETRATION RISES



Mobile Games  
Will Reach

# \$44.2Bn

In 2018, becoming  
The largest segment



# 4 Major Trends

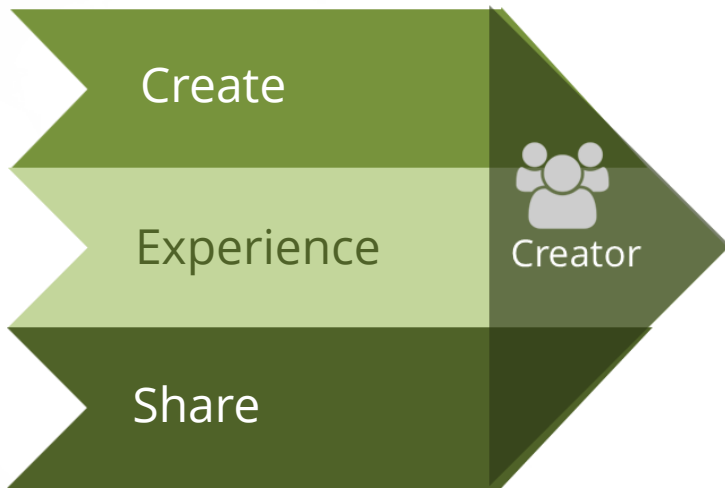
That influence the global  
games industry

# CONSUMER INVOLVEMENT

Create and Share

1

CONSUMER



## CONSUMER INVOLVEMENT

Consumers have been provided an abundance of new tools and platforms to create and share content with other consumers.

Young consumers expect direct involvement when it comes to games and media. They prefer watching content of other consumers above professional content.

KEY FACT:



98.2% of the views of the Top 20 YouTube videos were made by consumers

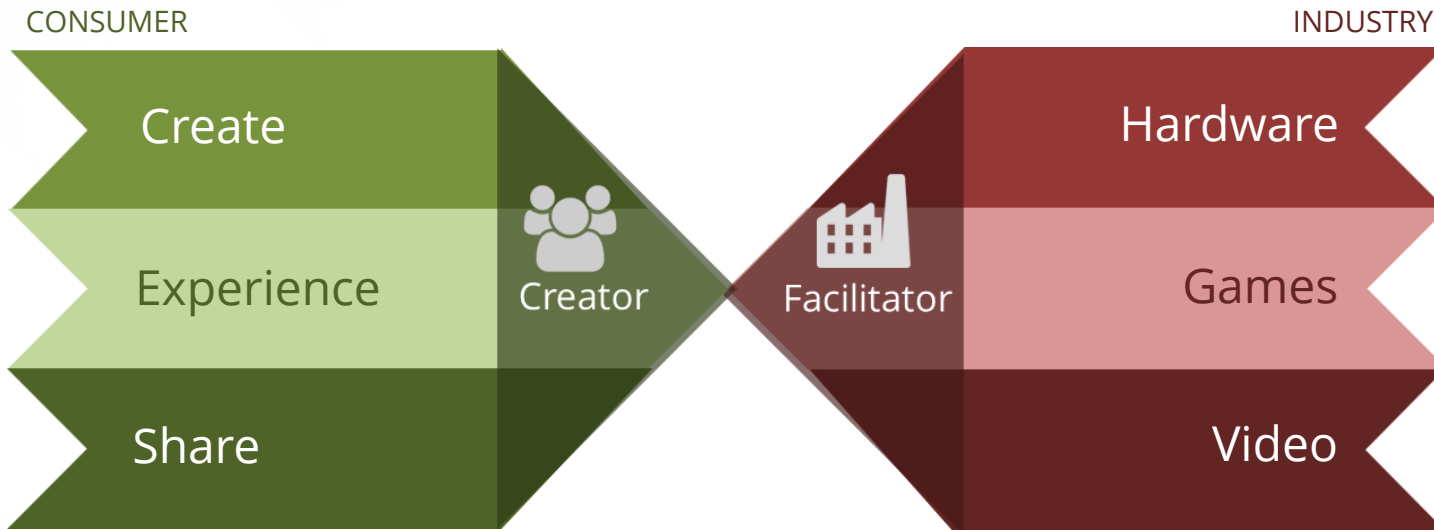


# GAMES BRANCH OUT

New revenue Streams and Opportunities

1

2



## GAMES BRANCH OUT

Games play a leading role in consumer-generated (video) content, eSports events attract millions of viewers and hardware increasingly converges with content.

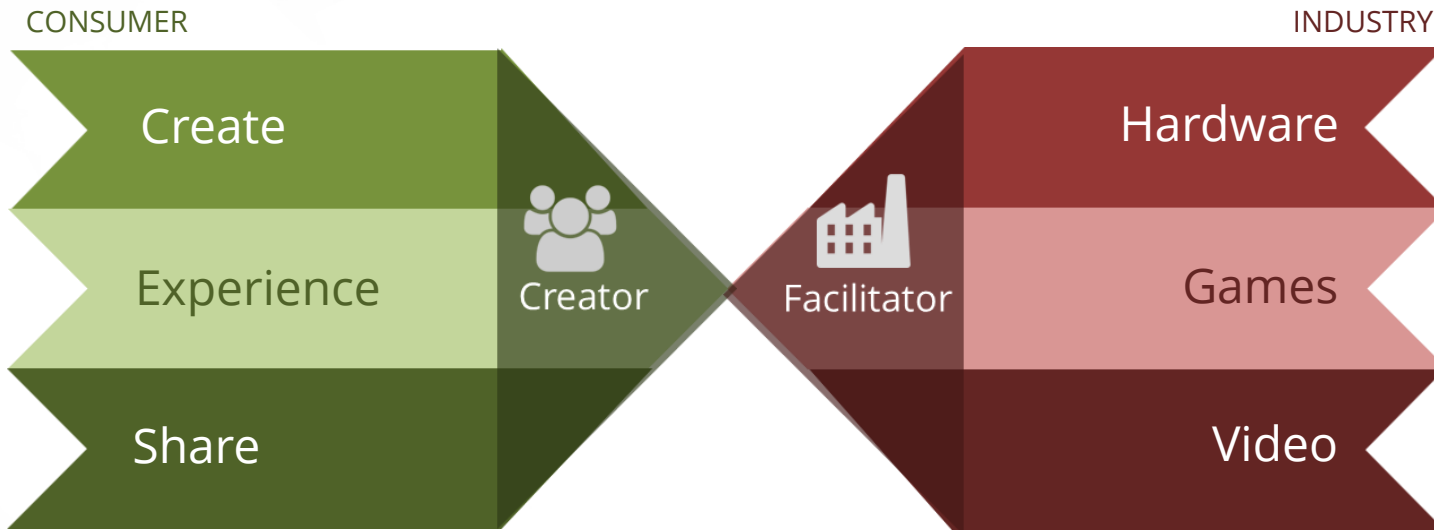
These changes provide the industry with new revenue streams and opportunities.

# GAMES BRANCH OUT

New revenue Streams and Opportunities

1

2



Lets Mobile Users Record & Share Gameplay & Reaches

# 180M

Mobile Devices Every Month  
With 40M Videos Shared to  
Date

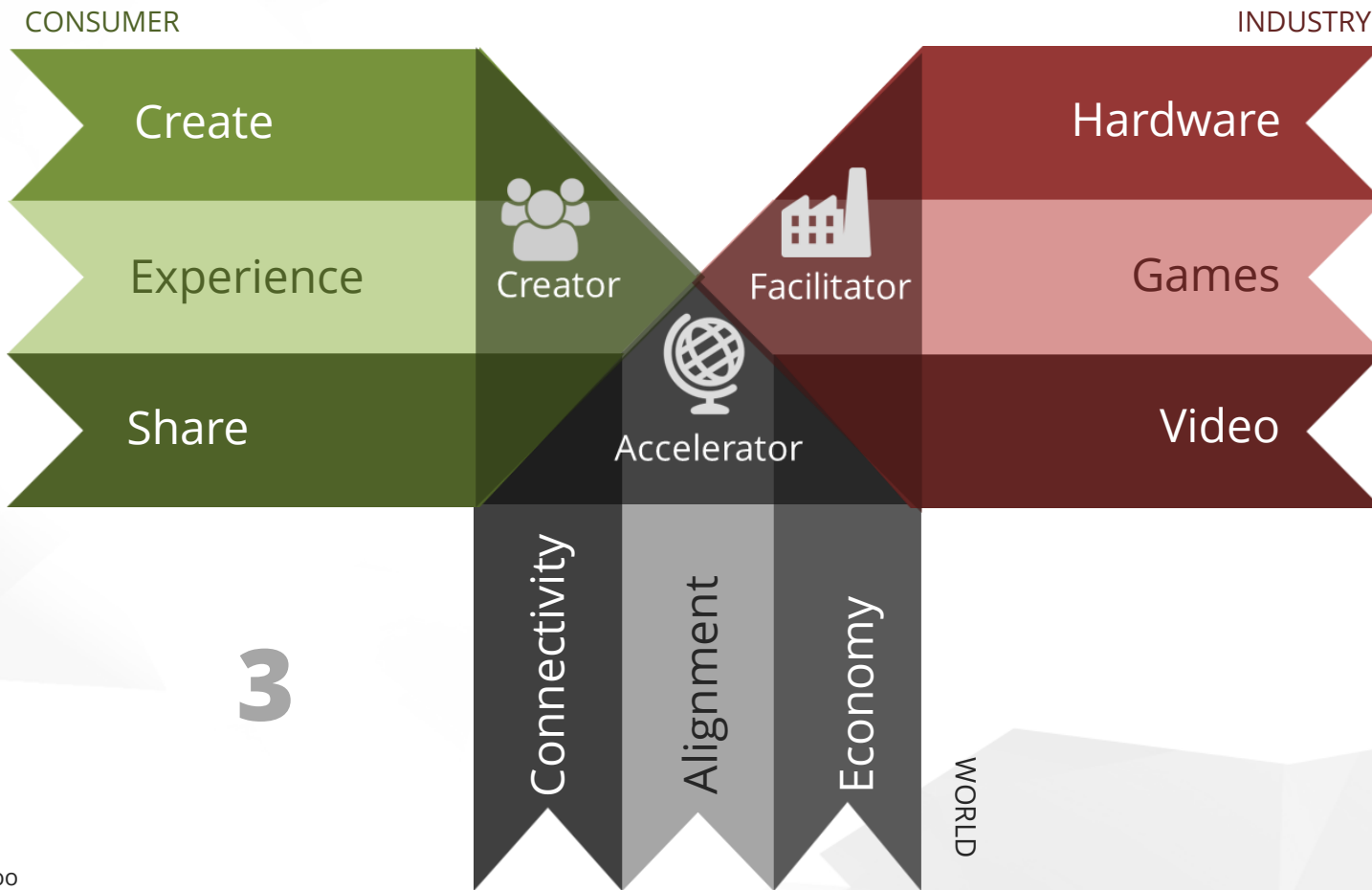
# TRULY GLOBAL MARKET

Global international roll-out strategies from day one

1

2

# TRULY GLOBAL MARKET



New game IP can prove equally popular in the US as in China.

International roll-out strategies of successful game companies take new growth regions into account from day one.

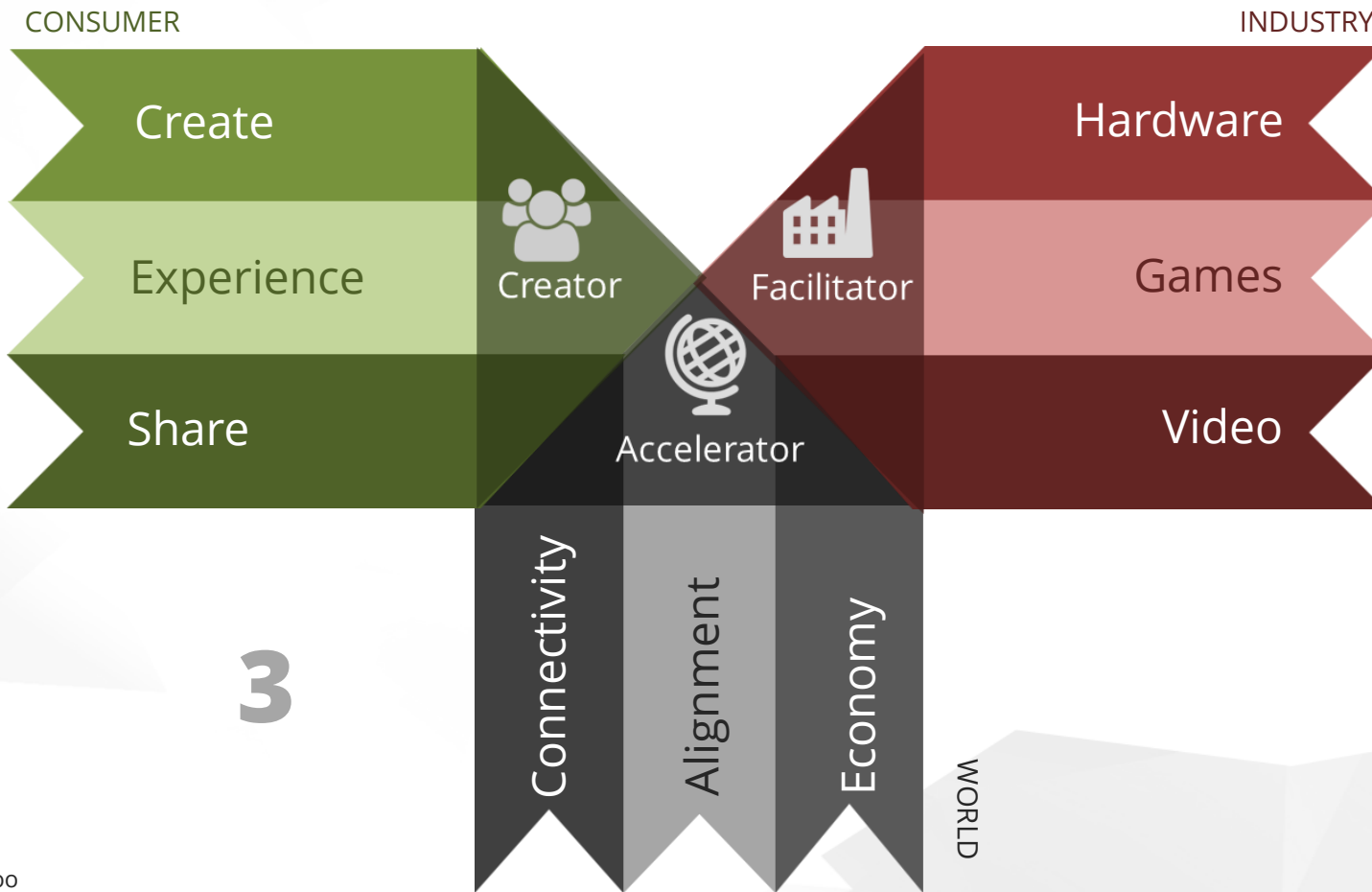
# TRULY GLOBAL MARKET

Global international roll-out strategies from day one



1

2



3

## Trivia Crack's Unprecedented Success

Illustrative to the fact this also applies to mobile games is the success of Trivia Crack, currently the #1 downloaded mobile game in various countries.

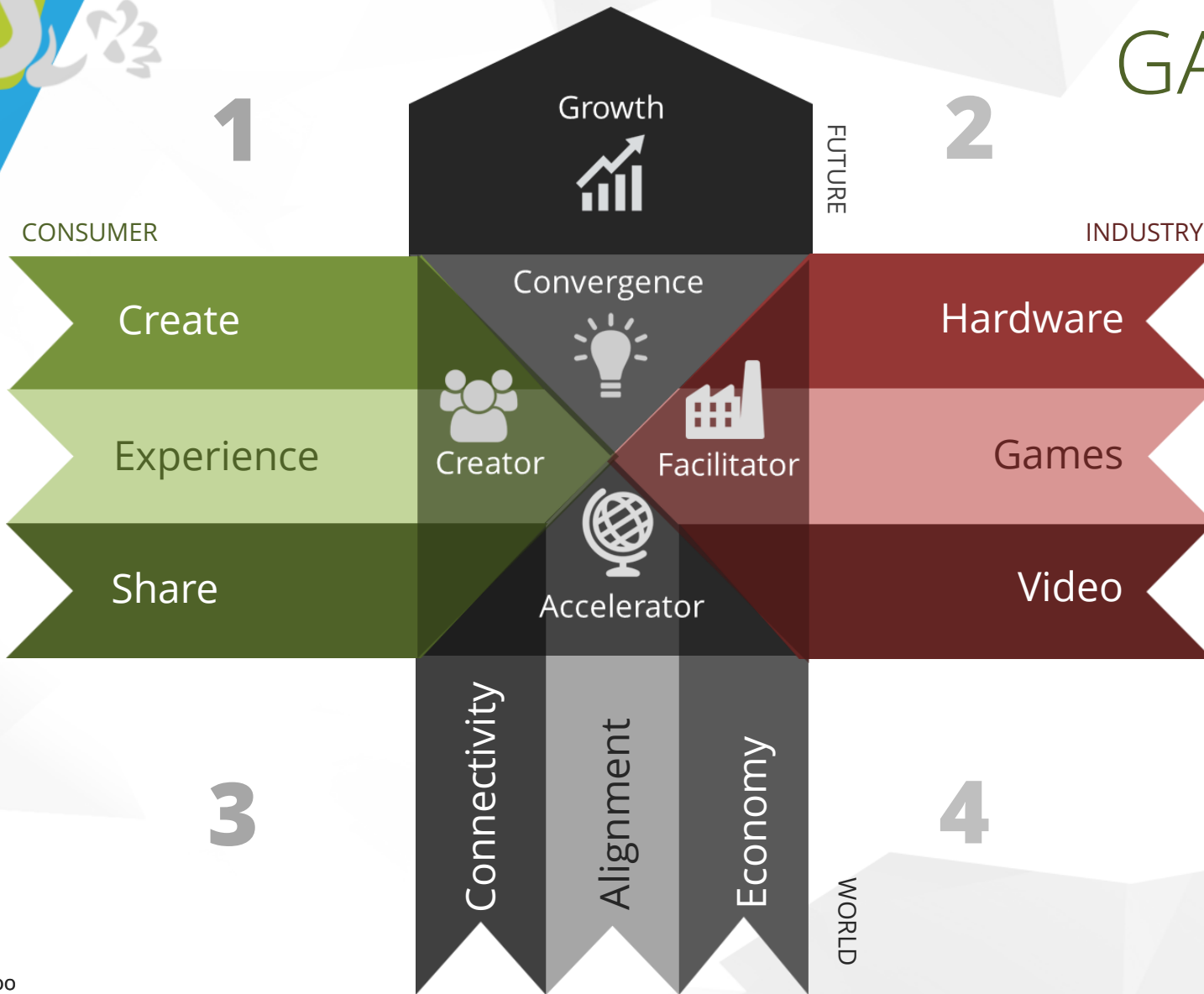
For 66-straight days, it was the most popular free download in Apple and globally has been downloaded over 130 million times.

It is managed by consumers themselves with consumers adding and moderating questions.

In January it generated \$600K per day evenly split between ad and consumer revenues.

# GAMES AS A SERVICE

Running your game as a service



# GAMES AS A SERVICE

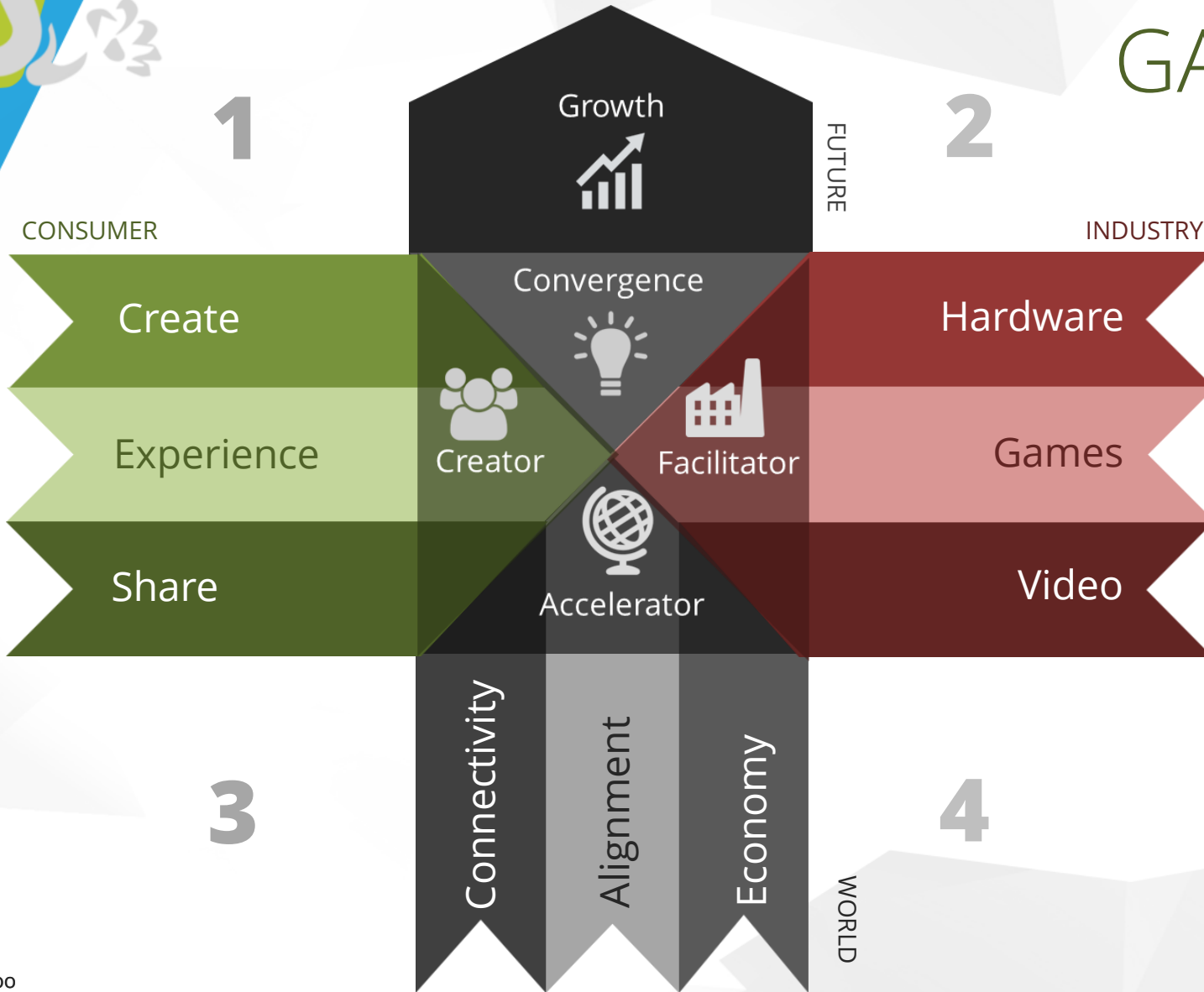
Free-to-play will disappear as a term in the coming years as every game will offer an array of ways to spend money and pricing becomes an integral part of the continuous marketing effort.

The trend that is here to stay and has disrupted the industry in the past years is the shift to running games as a service, requiring a different company set-up.

# GAMES AS A SERVICE

Running your game as a service

# GAMES AS A SERVICE



## EA's annual DLC revenue on course to hit \$1 billion

By Matthew Handrahan

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WED 27 AUG 2014 7:52AM GMT / 3:52AM EDT / 12:52AM PDT  
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**Extra content like Ultimate Team is really helping EA's bottom line**

EA expects revenue from DLC across its entire portfolio to reach \$1 billion by the end of the calendar year.

That figure was given to Bloomberg as it probed the significant boost in sales connected to extra digital content in franchises like Madden NFL. An EA spokesman confirmed that Madden DLC revenue increased by around 350 per cent in the last quarter - just one contributor to a revenue stream that is on course to hit \$1 billion in 2014.

EA's total digital revenue eclipsed \$1 billion back in fiscal 2012, but this milestone specifically relates to digital extras, best represented by the Ultimate Team initiative that has proved so popular among players of FIFA and Madden.

In the long-term, EA's strategy is to become a "100 per cent digital company," and the tipping point may not be so very far away. Speaking at a conference earlier this year, COO Peter Moore predicted that the company's digital revenue would eclipse physical sales within two years.

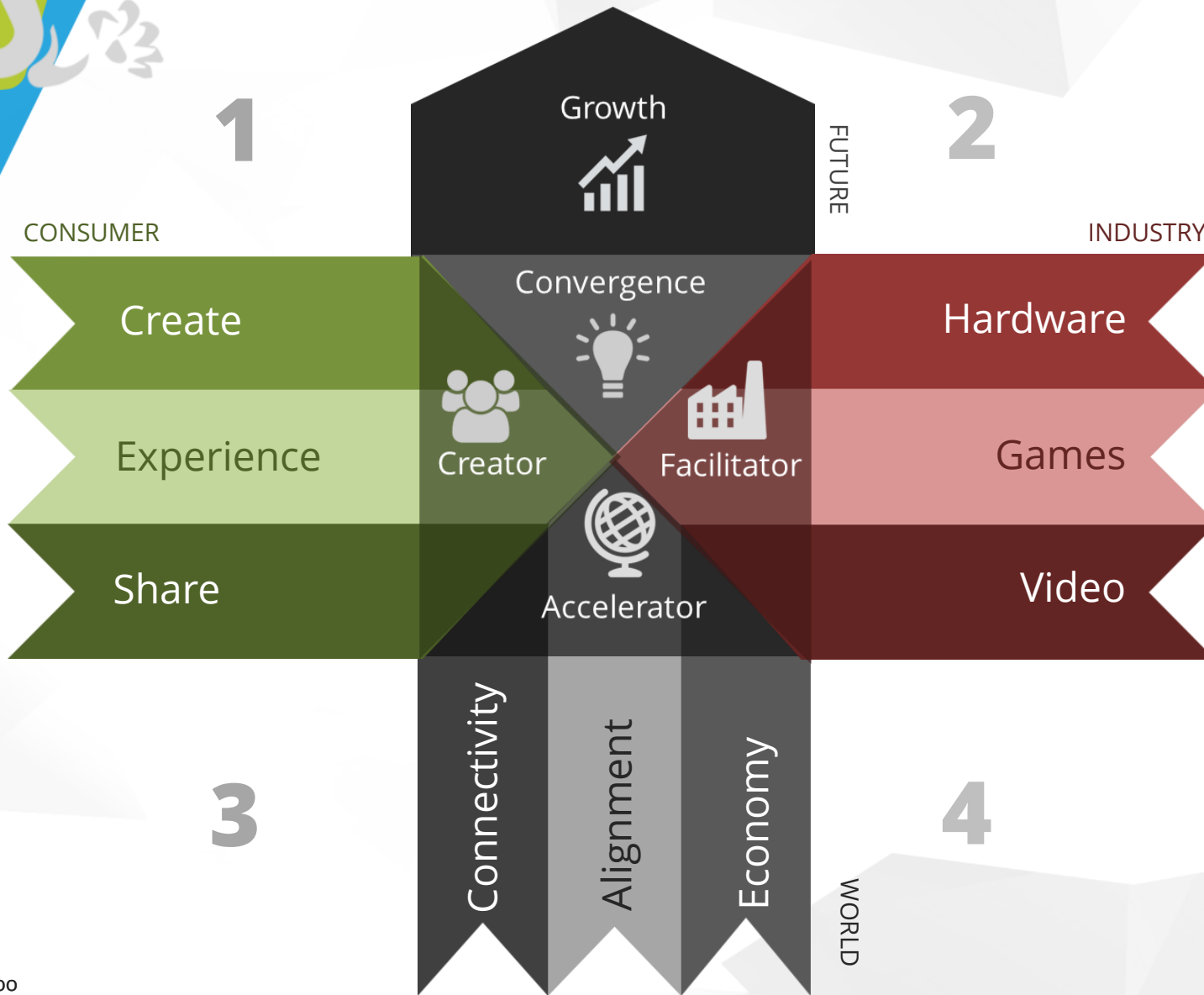


EA

# GLOBAL GROWTH

Will Surpass >100BN towards 2018

# GLOBAL GROWTH



2015  
\$91.5Bn

2018  
\$113.5Bn

202X?  
>\$200Bn

## 4 Trends

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1. Consumer Involvement
2. Games Branch Out
3. Truly Global Market
4. Games As A Service



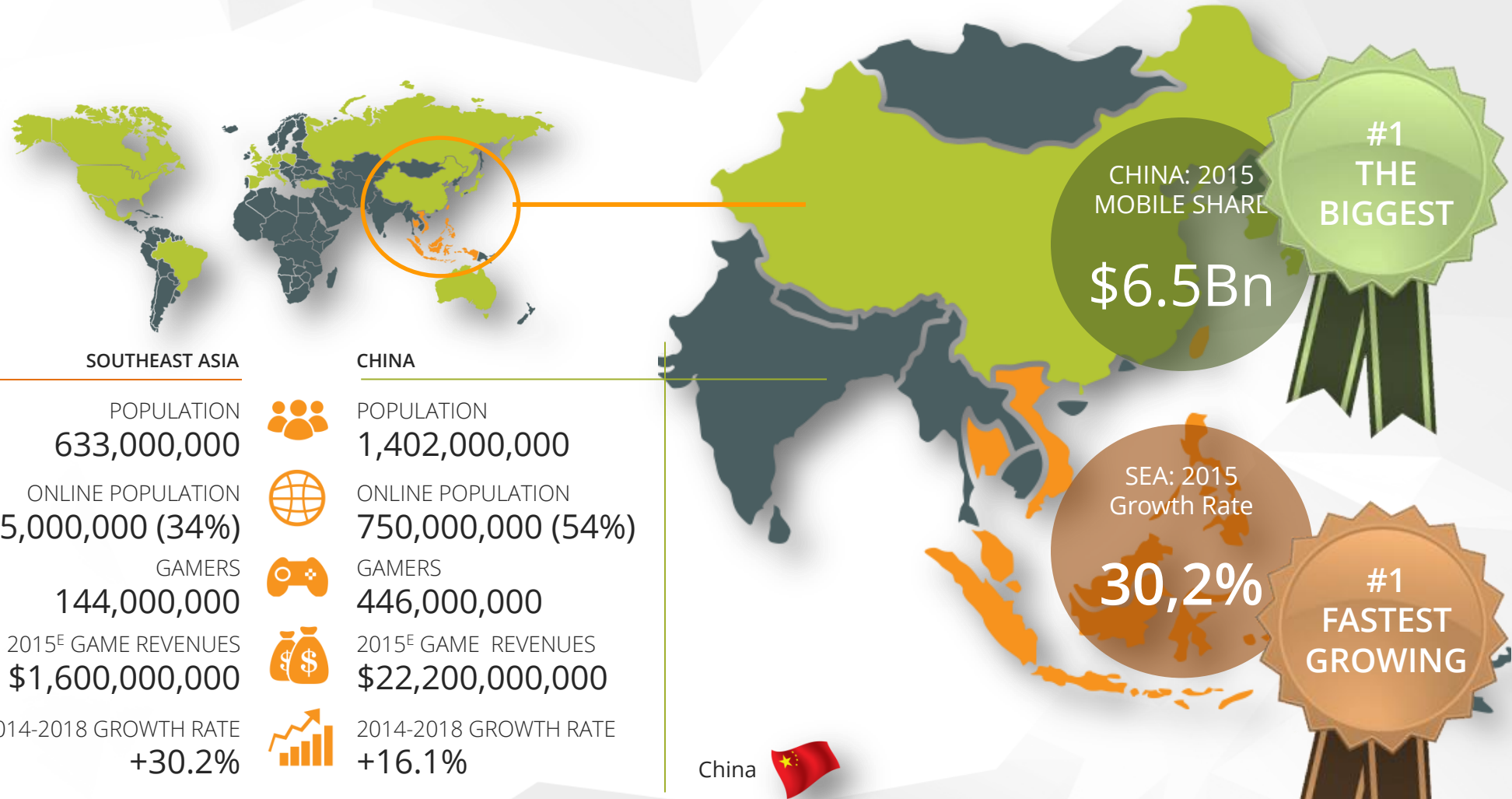


# China and Southeast Asia

Mobile Markets

# China & Southeast Asia in 2015

28% of worlds' population, 26% of game revenues in 2015



## THE BIG SIX

-  Vietnam
-  Malaysia
-  Indonesia
-  Thailand
-  Philippines
-  Singapore

## SOUTHEAST ASIA

POPULATION  
633,000,000

ONLINE POPULATION  
215,000,000 (34%)

GAMERS  
144,000,000

2015<sup>E</sup> GAME REVENUES  
\$1,600,000,000

2014-2018 GROWTH RATE  
+30.2%



## CHINA

POPULATION  
1,402,000,000

ONLINE POPULATION  
750,000,000 (54%)








GAMERS  
446,000,000

2015<sup>E</sup> GAME REVENUES  
\$22,200,000,000

2014-2018 GROWTH RATE  
+16.1%

# Taiwan and China in 2015



 TAIWAN		 CHINA
POPULATION 23,800,000		POPULATION 1,402,000,000
ONLINE POPULATION 20,000,000 (84%)		ONLINE POPULATION 750,000,000 (54%)
GAMERS 12,800,000		GAMERS 446,000,000
2015 <sup>E</sup> GAME REVENUES \$695,000,000		2015 <sup>E</sup> GAME REVENUES \$22,200,000,000
2014-2018 GROWTH RATE +8.1%		2014-2018 GROWTH RATE +16.1%

Source: Newzoo 2015 Report: Introduction to the SouthEast Asian Games Market.

# Top Mobile Countries By Revenues

China Number One

TOP COUNTRIES RANKED PER MOBILE GAME REVENUE 2015

© 2015 Newzoo | Source: Global Games Market Report Premium

Rank	Country	CAGR
1.	<b>China</b>	<b>43%</b>
2.	Japan	5%
3.	United States of America	19%
4.	<b>Republic of Korea</b>	<b>13%</b>
5.	United Kingdom	9%
6.	Germany	16%
7.	France	18%
8.	Canada	20%
9.	Australia	7%
10.	<b>Taiwan</b>	<b>25%</b>
11.	Russian Federation	21%
12.	Brazil	51%
13.	India	134%
14.	Italy	11%
15.	Mexico	62%
16.	Turkey	48%
17.	<b>China, Hong Kong SAR</b>	<b>52%</b>
18.	<b>Thailand</b>	<b>72%</b>
19.	Spain	9%
20.	<b>Malaysia</b>	<b>58%</b>

2014-2018 GROWTH RATE  
**+16.1%**

CHINA: 2015  
MOBILE SHARE

**29%**

\$6.5Bn

**#1  
THE  
BIGGEST**

2014-2018 GROWTH RATE  
**+30.2%**

SEA: 2015  
MOBILE SHARE

**52%**

\$832M

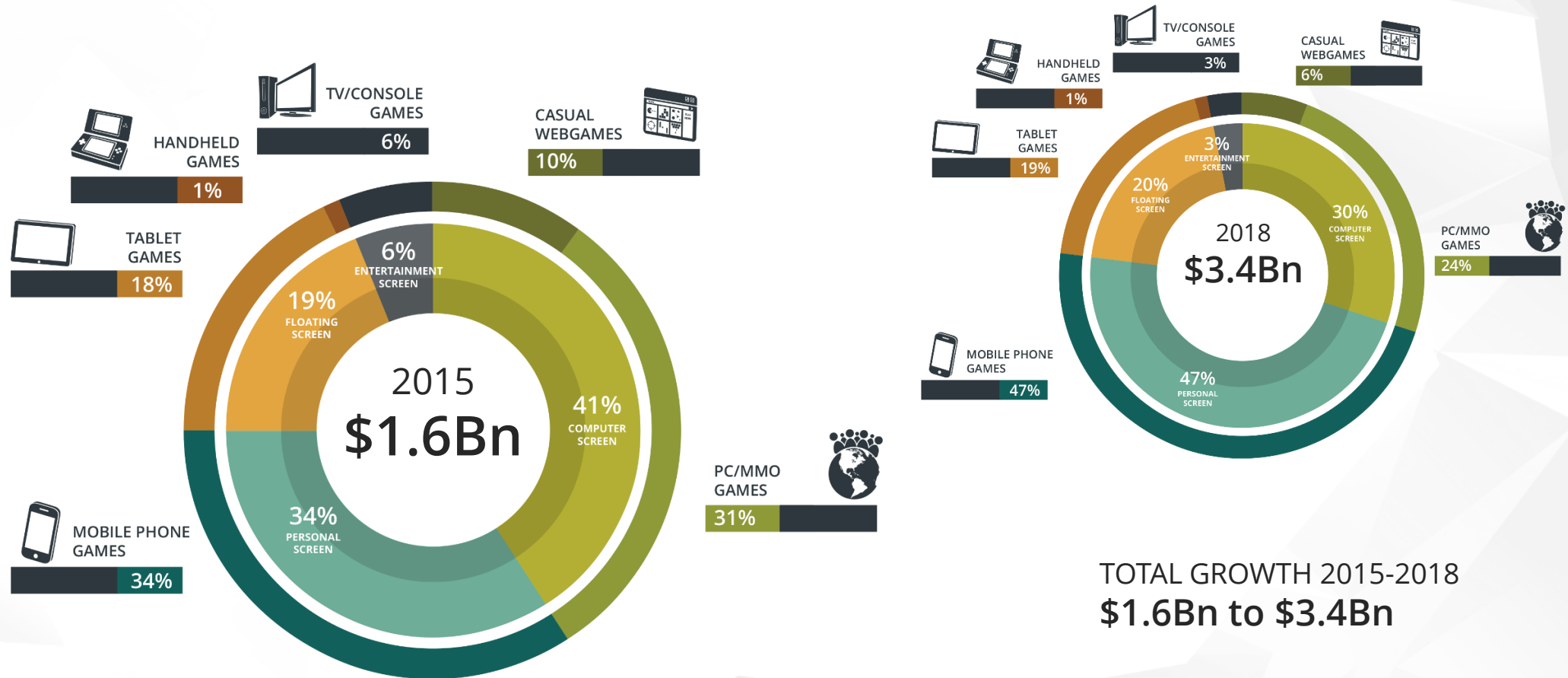
**#1  
FASTEST  
GROWING**



# How fast is Fastest growing? Southeast Asia

# Southeast Asia – Market Share

Total market doubles, mobile market triples in three years time



TOTAL GROWTH 2015-2018  
\$1.6Bn to \$3.4Bn

## KEY FACT

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Mobile Games Market SEA will  
grow from \$832M to

**\$ 2,200 Million**

by 2018



# How Big is The Biggest?

China



# China: Worlds' #1 Mobile Games Market

The Battle Between iOS and Android Heats Up in 2015



Rankings by  
**TalkingData**  
Mobile-Data-Value

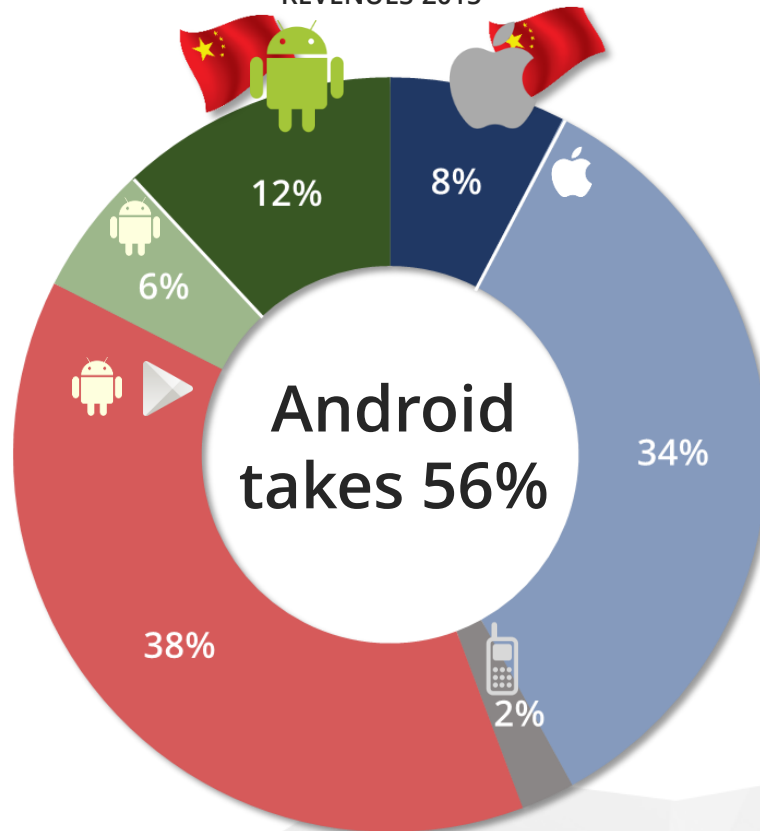
## Top 5 Android Games

By Revenues | China | May 2015

- 1 **Happy Lord (QQ Official)**  
*(Tencent)*
- 2 **Minecraft**  
*(Mojang AB)*
- 3 **Anipop**  
*(Happy Elements)*
- 4 **Fantasy Westward Journey**  
*(Netease)*
- 5 **Dota Legend**  
*(Longtu)*

## \$6.5Bn

CHINESE MOBILE  
REVENUES 2015\*



Rankings by  
**newZOO**  
games market research

## Top 5 iOS Games

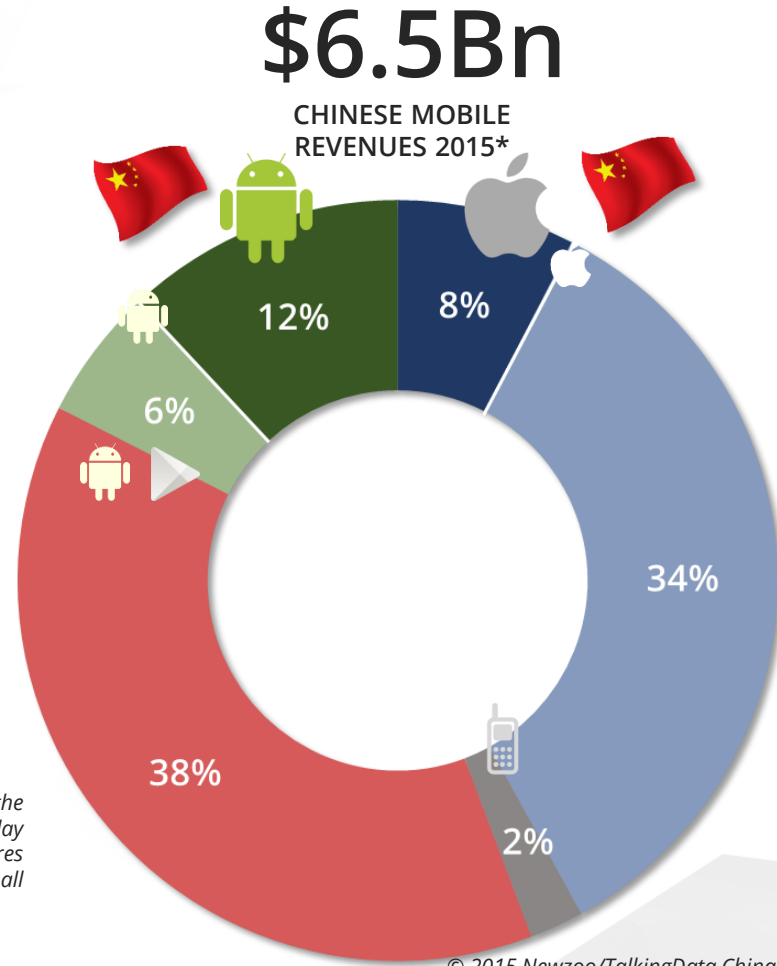
By Revenues | China | May 2015

- 1 **Fantasy Westward Journey**  
*(Netease)*
- 2 **WeFire**  
*(Tencent)*
- 3 **Shen Wu**  
*(Hero Network)*
- 4 **MU Miracle**  
*(Liu Huicheng)*
- 5 **WeFly**  
*(Tencent)*

# China: Worlds' #1 Mobile Games Market

The Battle Between iOS and Android Heats Up in 2015

BATTLE BETWEEN IOS AND ANDROID HEATS UP IN CHINA



The Chinese Mobile Games Market will grow to

**\$11.0Bn**

By 2018

\* China is included with the rest of world for Google Play and Feature Phone, as shares are very small

# Android Coverage: Genres

Popular genres – June 2015 China

JUNE

Rank	Game Genre (English)	Game Genre (Chinese)	Market Share	MAY	Growth
1	Casual	休闲游戏	49.9%	51%	-2%
2	Role Play	角色扮演	15.2%	15%	2%
3	Cards	卡牌游戏	8.8%	9%	3%
4	Strategy	策略游戏	5.6%	6%	-1%
5	Action	动作游戏	5.3%	5%	12%
6	Table	桌面游戏	4.5%	5%	-1%
7	Casino-Card	棋牌游戏	3.2%	3%	-2%
8	Puzzle	智力游戏	1.6%	2%	3%
9	Racing	赛车游戏	1.6%	2%	0%
10	Music	音乐游戏	1.4%	1%	1%
11	Online Casual Mini Games	小游戏	0.8%	1%	1%
12	Simulation	模拟类	0.7%	1%	7%
13	Adventure	探险游戏	0.6%	1%	0%
14	Sports	体育游戏	0.6%	1%	-4%
15	Casino-Dice	骰子游戏	0.1%	0%	-6%
16	Words Play	文字游戏	0.0%	0%	-6%
17	Education	教育游戏	0.0%	0%	10%
18	Family	家庭游戏	0.0%	0%	3%

Casual Genre  
takes

49,9%

Of the Chinese  
Android market

# iOS Coverage China: Genres

Popular genres – June 2015 China

JUNE

Rank	Game Genre (English)	Game Genre (Chinese)	Market Share	May	Growth
1	Casual	卡牌游戏	21.9%	22%	0%
2	Role Play	角色扮演	21.9%	22%	-1%
3	Cards	休闲游戏	19.3%	19%	0%
4	Strategy	策略游戏	9.3%	10%	-3%
5	Table	桌面游戏	8.4%	9%	-2%
6	Action	动作游戏	7.5%	7%	3%
7	Casino-Card	智力游戏	2.7%	3%	0%
8	Puzzle	模拟类	2.5%	3%	0%
9	Racing	棋牌游戏	2.2%	2%	-2%
10	Music	家庭游戏	1.8%	2%	-5%
11	Simulation	探险游戏	0.9%	1%	-4%
12	Online Casual Mini Games	小游戏	0.5%	1%	-1%
13	Adventure	赛车游戏	0.5%	0%	420%
14	Sports	教育游戏	0.3%	0%	0%
15	Family	体育游戏	0.1%	0%	12%
16	Casino-Dice	音乐游戏	0.1%	0%	2%
17	Education	股子游戏	0.1%	0%	1%
18	Words Play	文字游戏	0.0%	0%	6%

Top 3 Genres  
combined take

63,1%

Of the Chinese  
iOS market

KEY FACT

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For China

# Casual

Is the top Genre for iOS and Android



# Does size matter?

China vs Southeast Asia



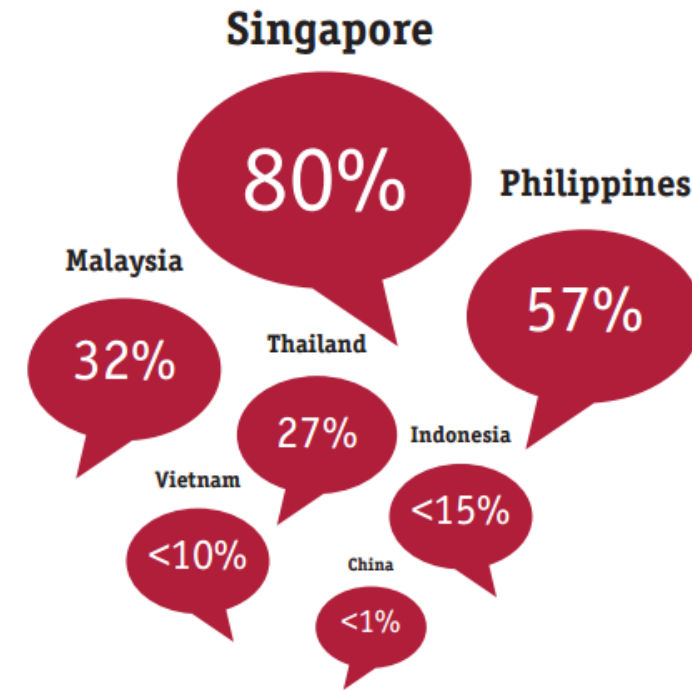
# Southeast Asia Could Be Easier To Enter...

## English Speaking Population

One reason for this is that all countries in the region are familiar with English as a language of international business and popular culture.

In Singapore and Philippines, English is an official language.

In Malaysia, English is an active second language and other regions widely use English in business.



Source: Newzoo 2015 Report: Introduction to the SouthEast Asian Games Market.



# Top 10 Grossing Apps

from Western Companies

Overall, half of the top grossing games in Southeast Asia are Western titles.

Western games are most popular in the Philippines, where they make up 65% of the top games.

King and Supercell are by far the most dominant Western publishers with their hit titles making appearances in every Top 20 ranking.

## # of Top Grossing Apps from Western Companies January 2015

### Indonesia Top 20

Apple	<b>13</b>   20
Google Play	<b>9</b>   20

### Phillipines Top 20

Apple	<b>15</b>   20
Google Play	<b>11</b>   20

### Thailand Top 20

Apple	<b>8</b>   20
Google Play	<b>6</b>   20

### Malaysia Top 20

Apple	<b>13</b>   20
Google Play	<b>11</b>   20

### Singapore Top 20

Apple	<b>11</b>   20
Google Play	<b>8</b>   20

### Vietnam Top 20

Apple	<b>9</b>   20
Google Play	<b>7</b>   20



# Southeast Asia Top 20 Grossing games

Region open minded for games from foreign developers



iPad  
Game



Malaysia  
MAY 2015



Publisher

1	<b>Clash of Clans</b>	<i>Supercell</i>
2	<b>Invasion™</b>	<i>Tap4Fun</i>
3	<b>Summoners War</b>	<i>Com2uS Corp.</i>
4	<b>Clash of Kings - Last Empire</b>	<i>ELEX Wireless</i>
5	<b>神魔之塔</b>	<i>Mad Head Limited</i>
6	<b>Candy Crush Saga</b>	<i>King.com Limited</i>
7	<b>DomiNations</b>	<i>NEXON M Inc.</i>
8	<b>Hay Day</b>	<i>Supercell</i>
9	<b>Dot Arena</b>	<i>Funplusgame</i>
10	<b>Pirate Kings</b>	<i>Jlly Button Games Ltd</i>
11	<b>Boom Beach</b>	<i>Supercell</i>
12	<b>Candy Crush Soda Saga</b>	<i>King.com Limited</i>
13	<b>Ace Fishing: Paradise Blue</b>	<i>Com2uS USA, Inc.</i>
14	<b>一代宗師之即刻武林</b>	<i>Ucube Games</i>
15	<b>Full House Casino HD</b>	<i>Memoriki Ltd</i>
16	<b>War of Nations™</b>	<i>Funzio, Inc</i>
17	<b>媚姬Online</b>	<i>Egame Company Ltd.</i>
18	<b>Cooking Fever</b>	<i>Nordcurrent</i>
19	<b>足球世界2015</b>	<i>Gameview Sdn. Bhd.</i>
20	<b>MARVEL Contest of Champions</b>	<i>Kabam</i>



iPhone  
Game



Vietnam  
MAY 2015



Publisher

1	<b>Pirate Kings</b>	<i>Jlly Button Games Ltd</i>
2	<b>Clash of Clans</b>	<i>Supercell</i>
3	<b>Summoners War</b>	<i>Com2uS Corp.</i>
4	<b>Heroes Charge</b>	<i>uCool</i>
5	<b>Hay Day</b>	<i>Supercell</i>
6	<b>Mộng Giang Hồ</b>	<i>JOINT STOCK COMPANY</i>
7	<b>Boom Beach</b>	<i>Supercell</i>
8	<b>Dungeon Hunter 5</b>	<i>Gameloft</i>
9	<b>Siêu Anh Hùng - Ký Sự Naruto</b>	<i>com.pocketGames</i>
10	<b>Beme - Game đánh bài online</b>	<i>Giang Chu</i>
11	<b>My Talking Angela</b>	<i>Outfit7 Limited</i>
12	<b>Candy Crush Saga</b>	<i>King.com Limited</i>
13	<b>DomiNations</b>	<i>NEXON M Inc.</i>
14	<b>Top Eleven 2015 - Football Manager</b>	<i>Nordeus</i>
15	<b>Clash of Kings - Last Empire</b>	<i>ELEX Wireless</i>
16	<b>NPlay</b>	<i>Toan Chinh Quach</i>
17	<b>Farm Heroes Saga</b>	<i>King.com Limited</i>
18	<b>BigKool - Game bài, Chắn phỏm online,</b>	<i>Phan Phuc</i>
19	<b>OMG!kingdoms!</b>	<i>Yi Liu</i>
20	<b>Darkness Reborn</b>	<i>GAMEVIL Inc.</i>



# Top 3 Grossing SEA Publishers By genre

China and Southeast Asia

Malaysia

Top 3 grossing SEA Publishers by genre

<i>Strategy</i>	<i>Arcade</i>	<i>Role Playing</i>	<i>Sports</i>
1 Supercell	EFUN COMPANY LIMITED	SQUARE ENIX Co.,Ltd.	Com2uS USA
2 Elex	Mojang	Com2uS	ELECTRONIC ARTS
3 IGG.COM	SNK PLAYMORE	Kimi Entertainment	Nordeus

Taiwan

<i>Strategy</i>	<i>Arcade</i>	<i>Role Playing</i>	<i>Sports</i>
1 Electronic Arts	King.com Limited	SQUARE ENIX INC	GAMEVIL USA, Inc.
2 Supercell	Illusion Labs	Mad Head Limited	Com2uS USA, Inc.
3 EFUN COMPANY LIMITED	Gameloft	Tin Man Games	MLB.com

## KEY FACT

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Overall

**50%**

of the top  
grossing games in Southeast  
Asia are foreign titles.



# Who am I targeting?

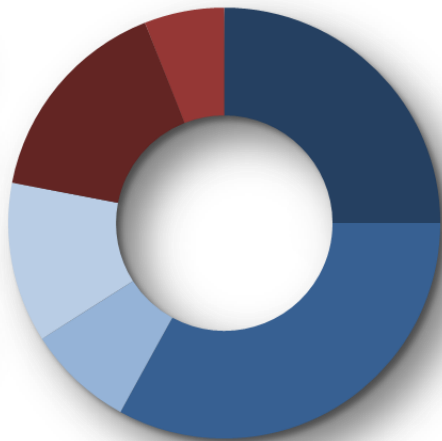
China vs Southeast Asia

# Who Are The Big Mobile Spenders?

Big Spenders in Southeast Asia versus those in China

SEA Big Spenders

FEMALE MALE  
34% 66%



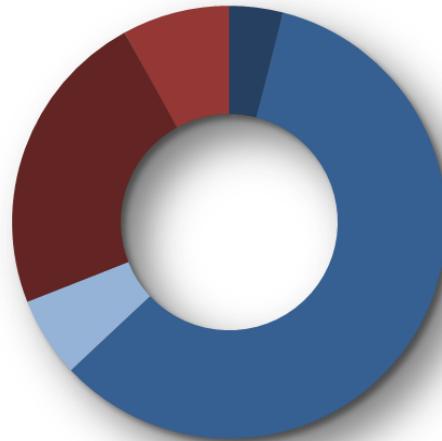
Male 10 to 20  
Female 10 to 20

Male 21 to 35  
Female 21 to 35

MALE 21-35  
33%

China Big Spenders

FEMALE MALE  
31% 69%



Male 36 to 50  
Female 36 to 50

Male 51 to 65  
Female 51 to 65

MALE 21-35  
59%

Of SEA *Big Spenders*, A Surprising

# 25%

Is Male Between 10 and 20 versus 4% in China.

# Who Are The Big Mobile Spenders?

Big Spenders in Southeast Asia versus those in China

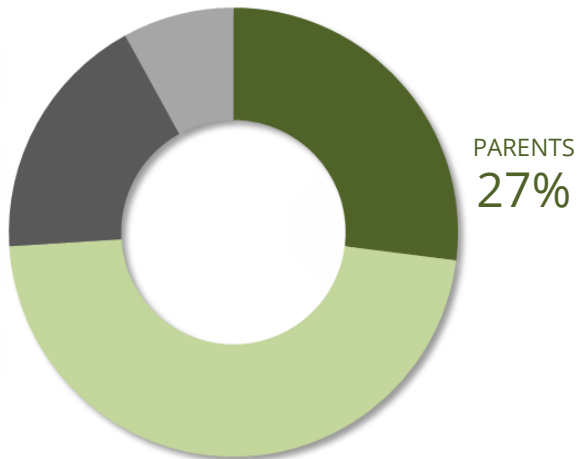
## HOME SITUATION OF BIG SPENDING MOBILE GAMERS | SEA VS CHINA

© 2014 Newzoo | Source: Newzoo Data Explorer



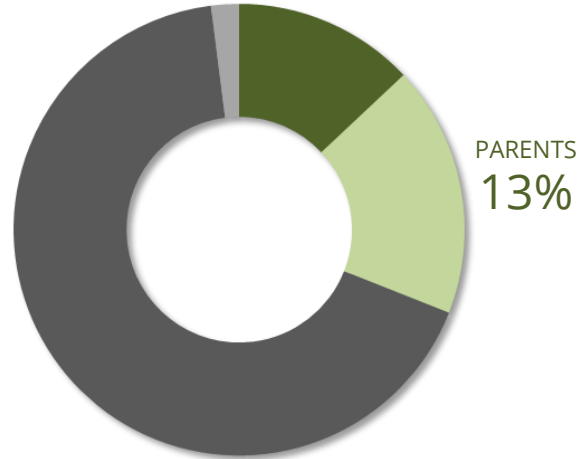
### SEA Big Spenders

NON-FAMILY 26% FAMILY 74%



### China Big Spenders

NON-FAMILY 69% FAMILY 31%



Of China *Big Spenders*, A very low

# 31%

Lives in a family situation versus 74% in SEA

■ Living together/alone with kids ■ Living with parents ■ Living together without kids ■ Living alone



**What will  
you do?**  
Your next step...

# When Choosing your strategy

1. Consumer want to create and share
2. Southeast Asia is the fastest growing market
3. Foreign Games Successful in Southeast Asia
4. Choose the right country for your game and genre



# How can we help you?



Wybe Schutte  
VP Business Development  
wybe@newzoo.com



## KEY NEWZOO PRODUCTS AND SERVICES USED FOR THIS PRESENTATION

### Global Games Market Report Premium

- Trends & Future Outlook
- Gamer and Revenue Projections
- All Business Models All Screens



### In-Depth Country Consumer Insights

- 25 Countries, 200+ Variables
- Online Analysis & Export Tool
- Custom Analysis Support



### China Mobile Games Monitor

- TalkingData/Newzoo Monthly Reports
- Device Brands, Models
- Stores, Games: Android & iOS

