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Game Development in Ukraine: Industry Guide



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WHY GAMEDEV?

Newzoo forecasts that in 2018 the games market revenue will reach \$137.9 billion which is 13.3% more than in 2017. The revenue of the gaming industry today is bigger than the one of the movie industry and is closing to the revenue of the sports industry.

Leading research companies estimate that the games market will continue to grow in the coming years both in regards to revenues and the number of players. All this makes the game development one of the most promising investment sectors in the world.

A particularly rapid growth is observed in the mobile games market with a startling breakthrough happening during the last 10 years. In 2012, it accounted for the smallest market share, while in this year mobile games will generate more than a half of all revenues in the industry, namely \$70.3 billion.

Ukrainian game development industry is also evolving rapidly. Only in recent years more than 30 new game dev companies have appeared. Gamedev studios are present in almost all Ukraine's regions. At the same time, there has not been any research on the game development industry in Ukraine.

ACHIEVERS HUB together with UNIT.City Innovation Park has made the first attempt to create the map of Ukrainian gamedev companies and analyze the market situation.

We have conducted a large-scale survey among the local game development companies. The results of this survey laid the foundation for the following report. The report includes:

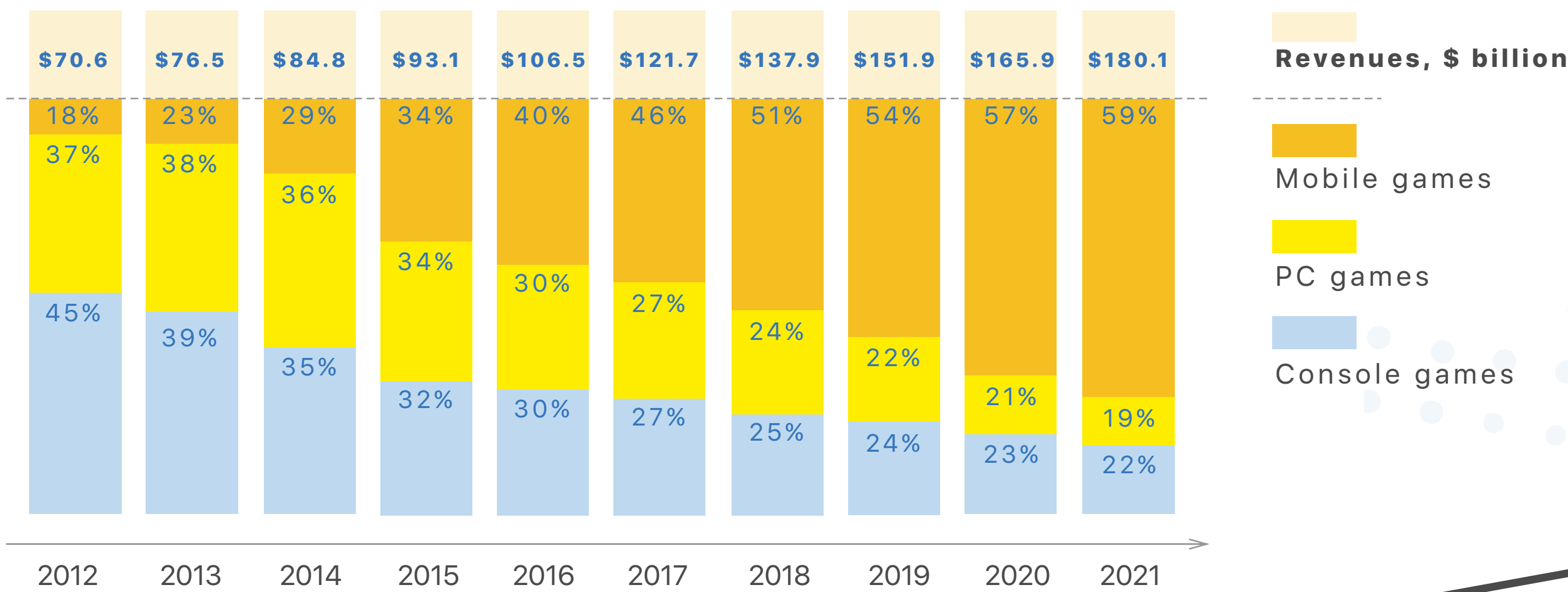
- How many companies are developing games in Ukraine and how many developers they employ?
- What is the year-by-year history of Ukrainian gamedev market?
- What is the geography of Ukrainian gamedev companies?
- What are the genres of the games developed in Ukraine, which platforms are they being developed for and which technologies are being used?
- What sources of funding do Ukrainian game studios use?

Over 70 Ukrainian gamedev companies participated in the first survey. In the editions to follow, we plan to involve more participants.

GLOBAL GAMES MARKET: THE UNLEASHED GROWTH

Source: Newzoo

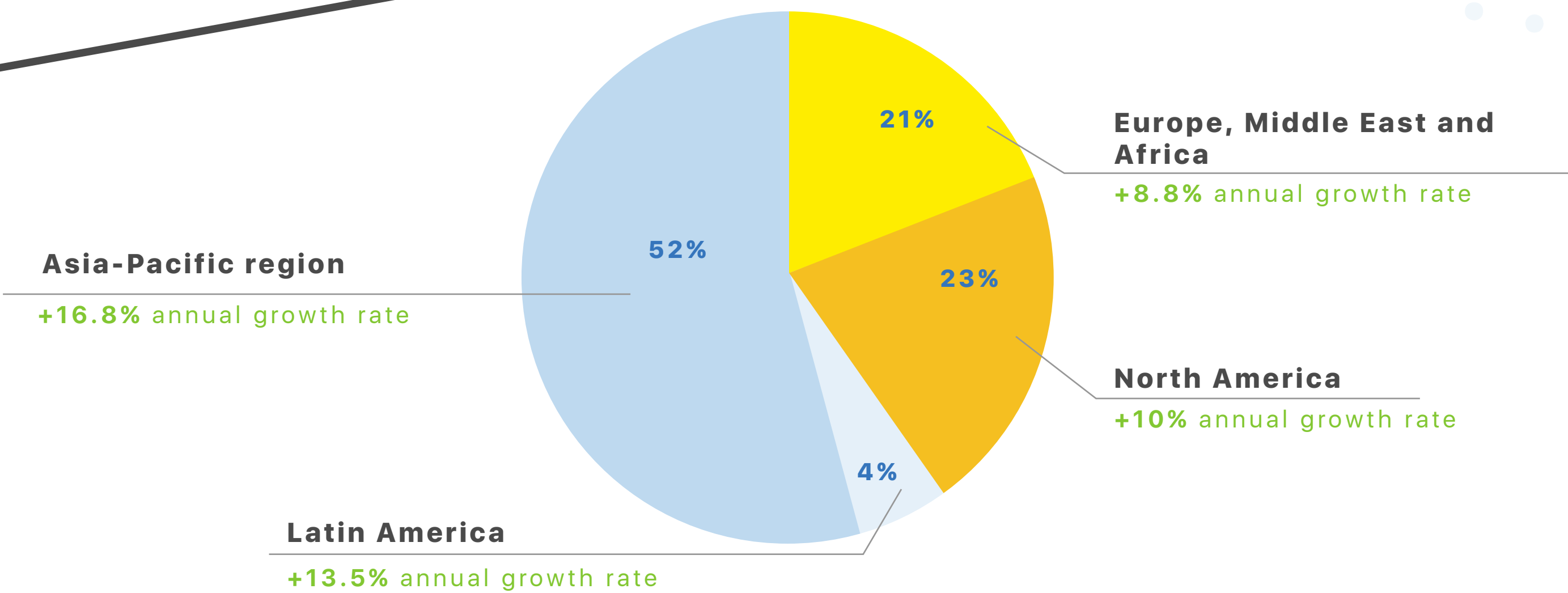
Compound Annual Growth Rate



Global Games Market Forecast for 2018





















Global market share










TOP 25 PUBLIC COMPANIES BY GAME REVENUES IN 2017

Source: Newzoo

Rank		Company	\$ Amount, M
1		Tencent+S23	\$ 18 120
2		Sony*	\$ 10 548
3		Apple*	\$ 8 037
4		Microsoft*	\$ 7 063
5		Activision Blizzard	\$ 6 513
6		NetEase	\$ 5 576
7		Google*	\$ 5 346
8		EA	\$ 5 095
9		Nintendo*	\$ 3 625

Rank		Company	\$ Amount, M
10		Bandai Namco	\$ 2 428
11		Netmarble	\$ 2 272
12		Ubisoft	\$ 2 208
13		Nexon	\$ 2 085
14		Warner Bros*	\$ 1 936
15		TakeTwo Interactive	\$ 1 914
16		Square Enix	\$ 1 743
17		Mixi	\$ 1 481
18		NCSOft	\$ 1 458

Rank		Company	\$ Amount, M
19		Cyber Agent	\$ 1 232
20		Konami	\$ 1 079
21		DeNA	\$ 890
22		Disney*	\$ 870
23		Perfect World*	\$ 868
24		Sega	\$ 860
25		37 Interactive*	\$ 858

*based on estimates

The revenues of the companies that develop and sell video games can reach billions of dollars. There is one company that has its software development office in Ukraine among the top 25 businesses with the highest revenues in the gamedev sector, Ubisoft. In 2017, this French game developer has earned \$2.2 billion.

THE TIMELINE OF UKRAINIAN GAMEDEV INDUSTRY: MORE THAN 10 YEARS OF DEVELOPMENT



THE MAP OF UKRAINIAN GAMEDEV SECTOR: AN INDUSTRY THAT EMPLOYS THOUSANDS OF DEVELOPERS

Number of Employees
in Ukraine

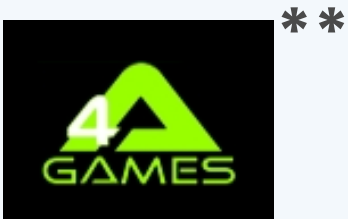
> 500
employees



100 - 500
employees



50 -100
employees



10-50
employees



< 10
employees



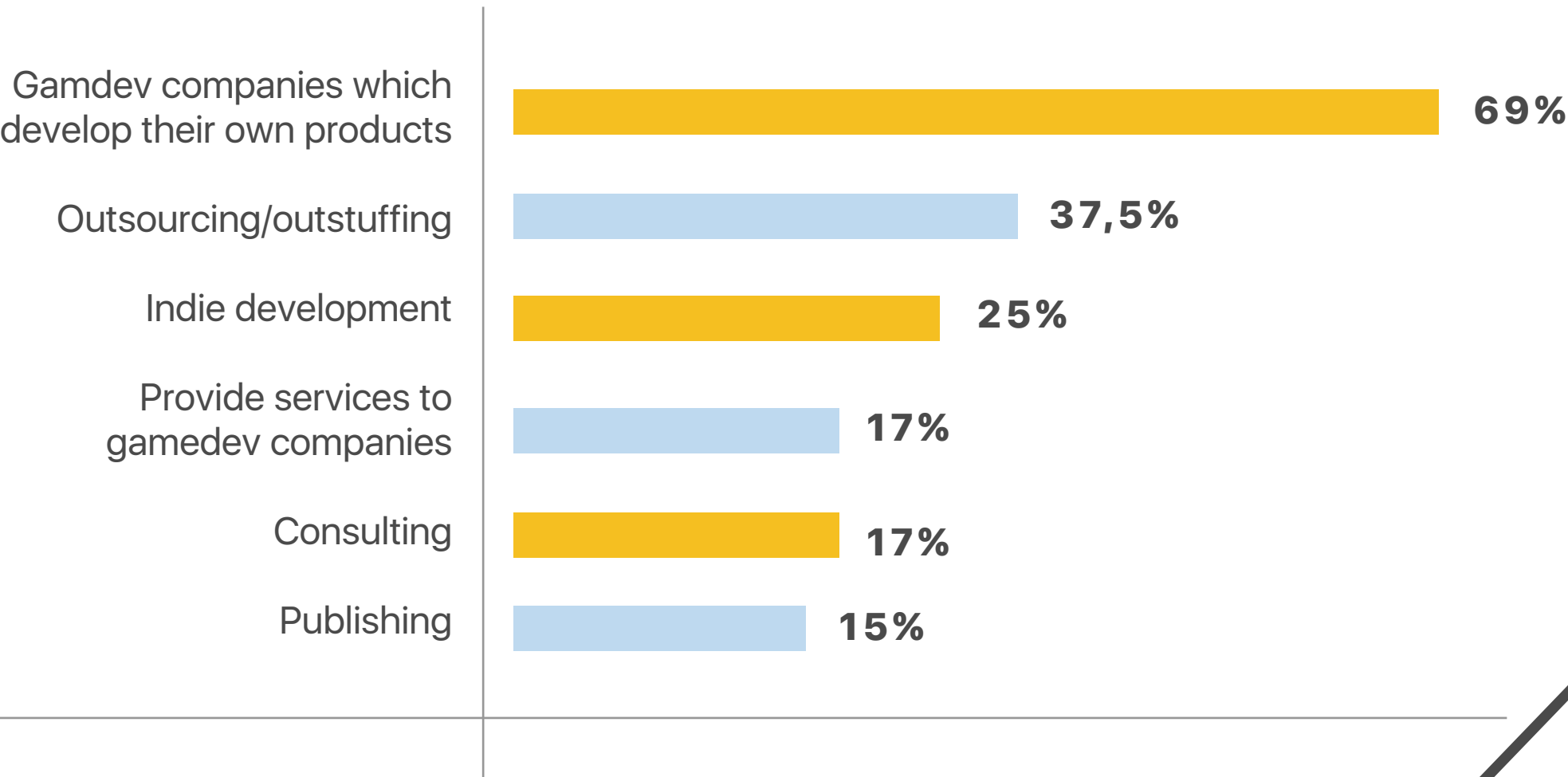
* global offices employees more than 500

** global offices employees more than 100

*** global offices employees more than 50

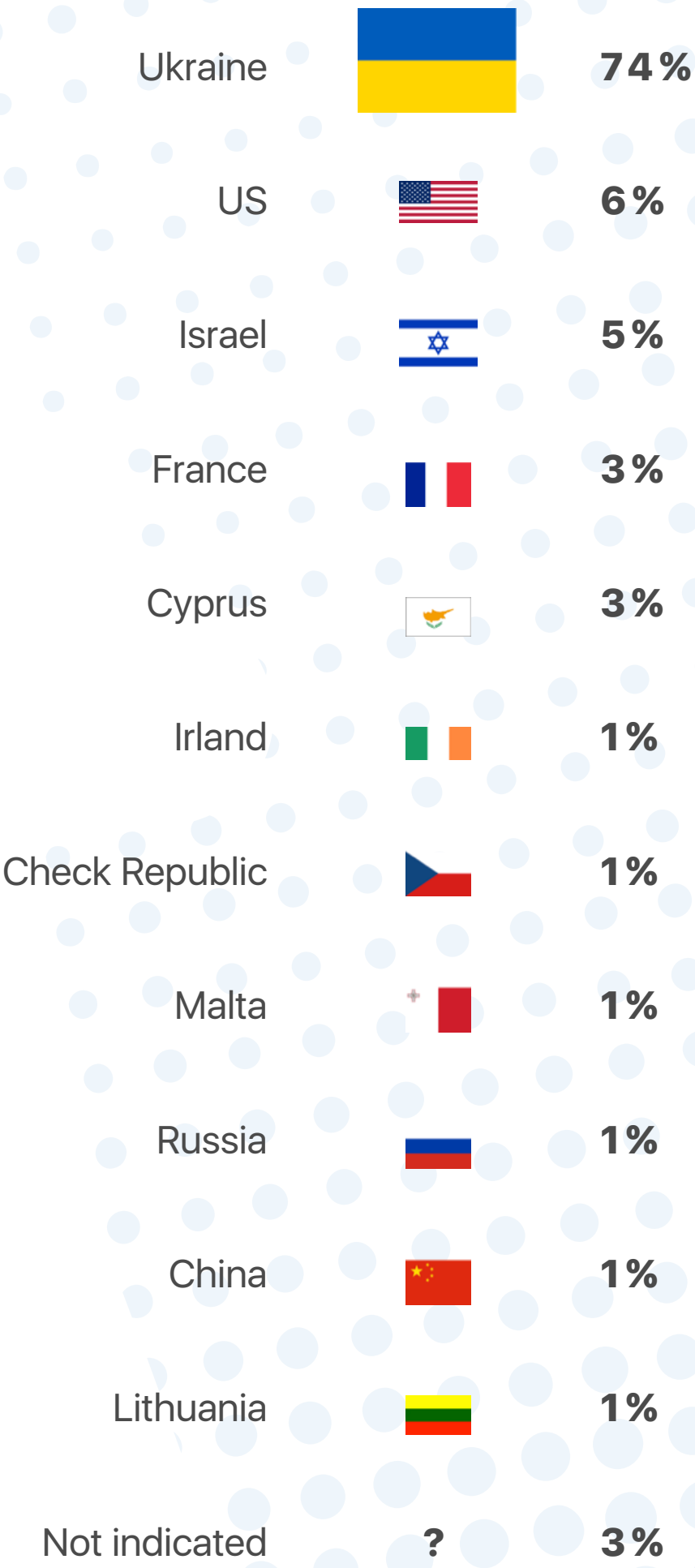
THE GAMEDEV INDUSTRY IN UKRAINE: PROFILE OF ACTIVITIES AND GEOGRAPHY OF HEADQUARTERS

The profile of activities of Ukrainian gamedev companies *



*The same company can be engaged in different types of activities

Countries where the HQs of the companies are located



THE MAP OF UKRAINIAN GAMEDEV COMPANIES*

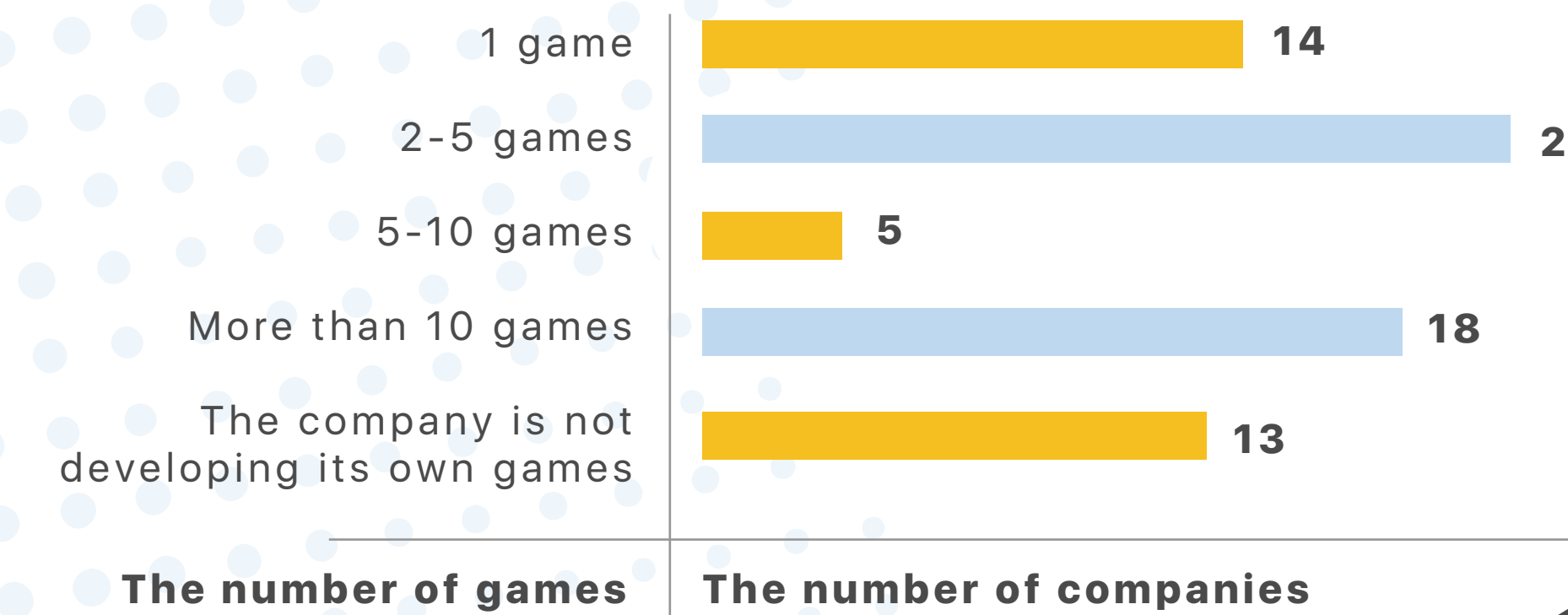


40% of gamedev companies in Ukraine have software development offices in Kyiv. Odessa takes the second place with 16% (17 companies). Other popular cities among gamedev providers are Dnipro (12 companies), Kharkiv (11 companies) and Lviv (6 companies).

***Only companies that participated in the survey are included**

THE GAMEDEV INDUSTRY IN UKRAINE: FUNDING SOURCES AND THE NUMBER OF GAMES RELEASED

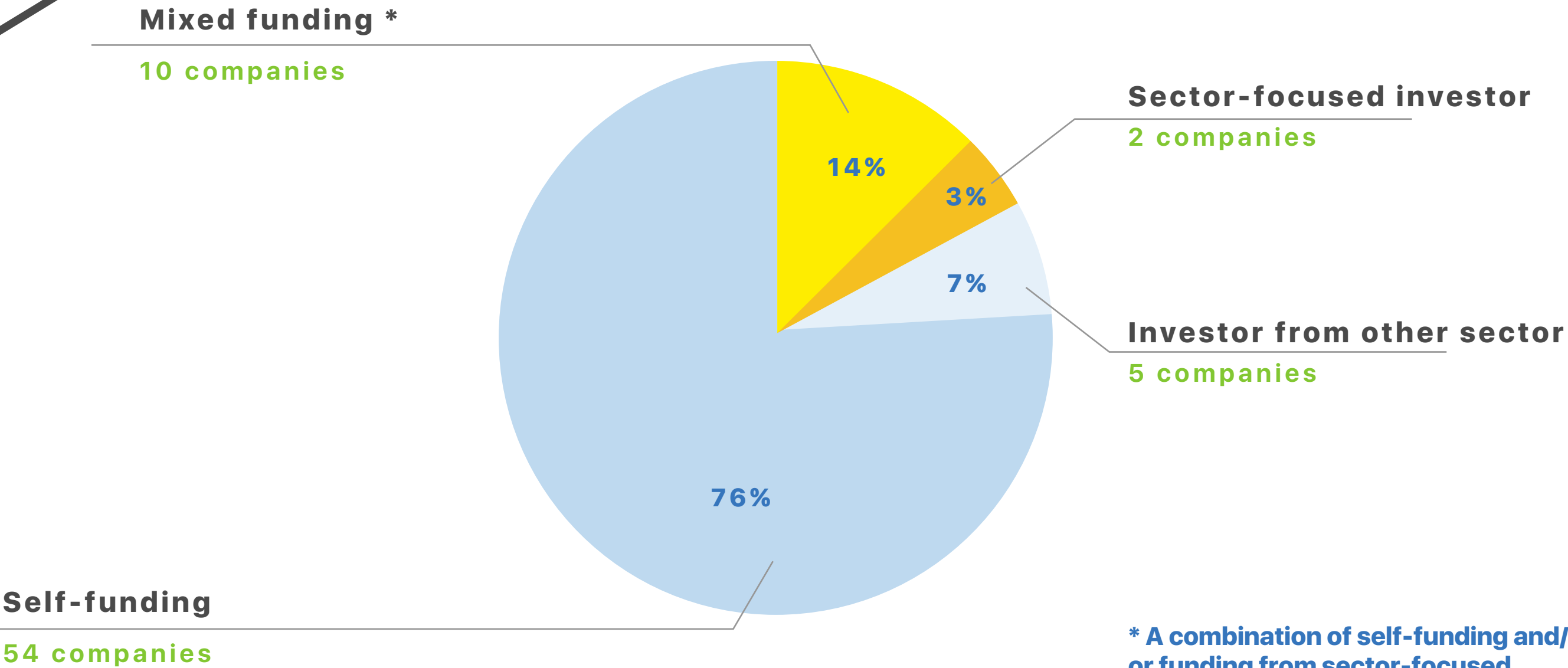
The Number of Games Released



The size and age of Ukrainian gamedev studios are quite diverse. 20% of the companies have only 1 game in their portfolio. At the same time, 25% have already released more than 10 games.

Funding Sources

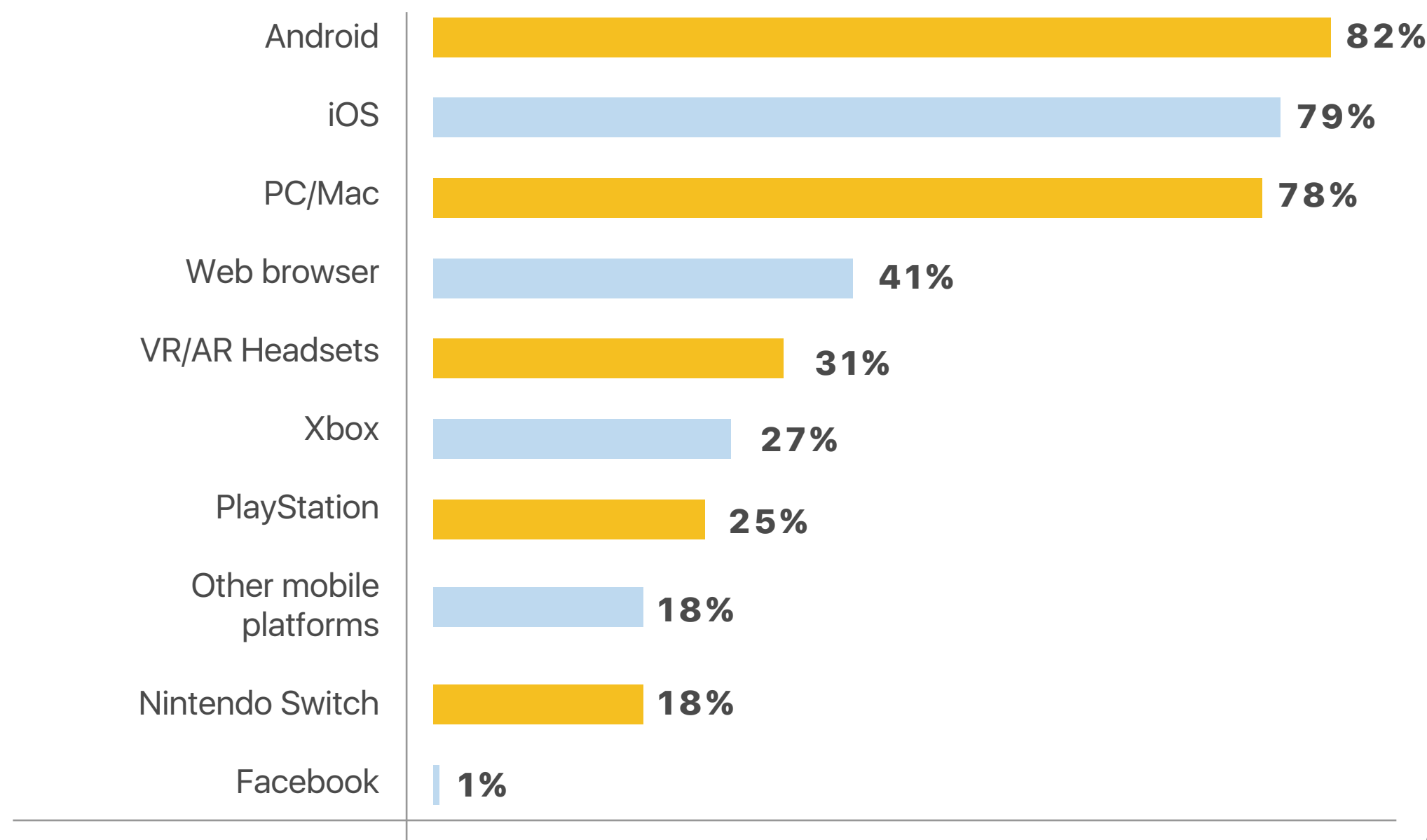
When it comes to funding, the picture is more homogeneous: more than 75% companies develop their business using money provided by their founders.



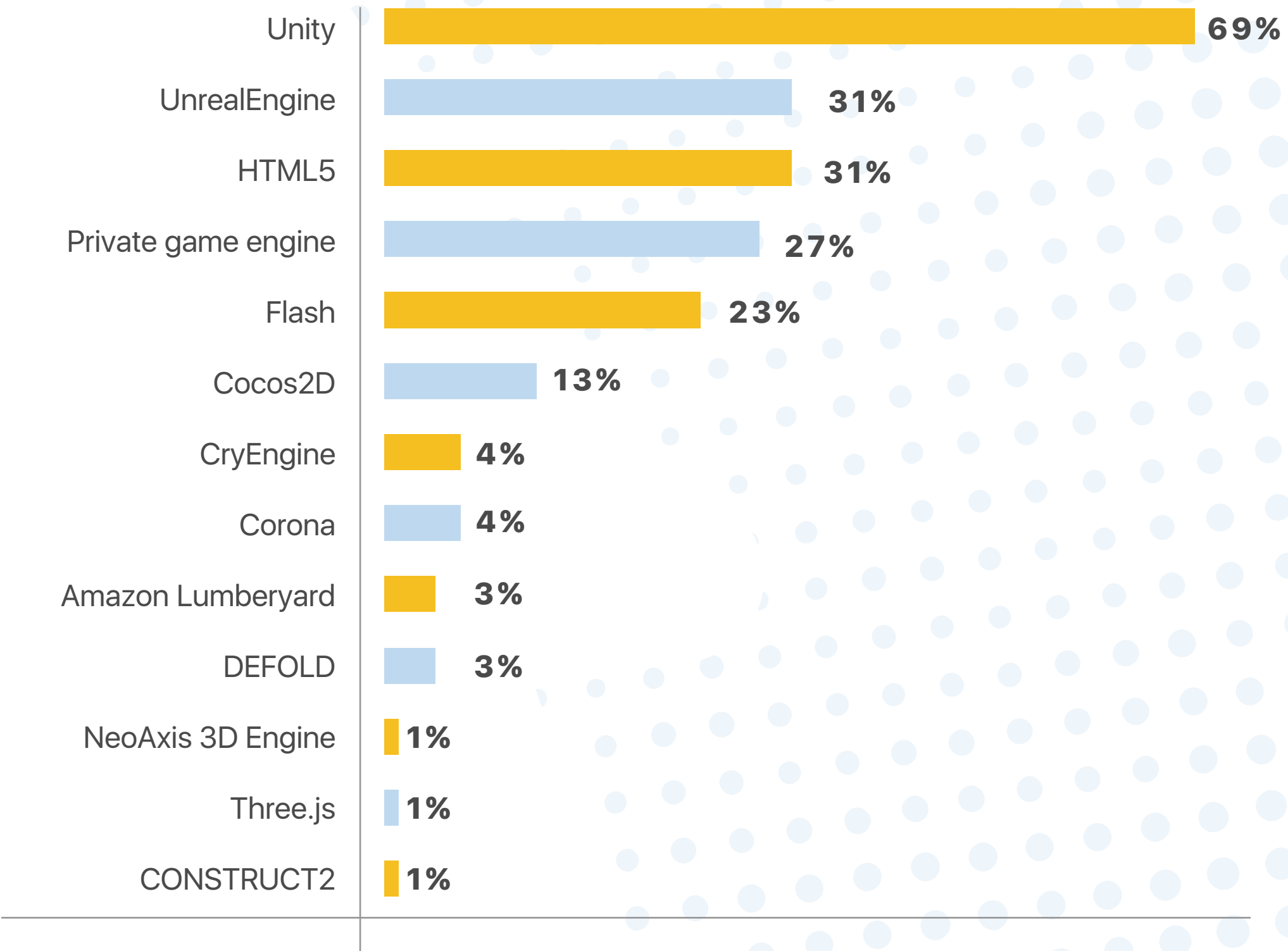
* A combination of self-funding and/or funding from sector-focused investor and/or funding from other sector investor and/or crowdsourcing

THE GAMEDEV INDUSTRY IN UKRAINE: PLATFORMS, TECHNOLOGIES AND GAME GENRES

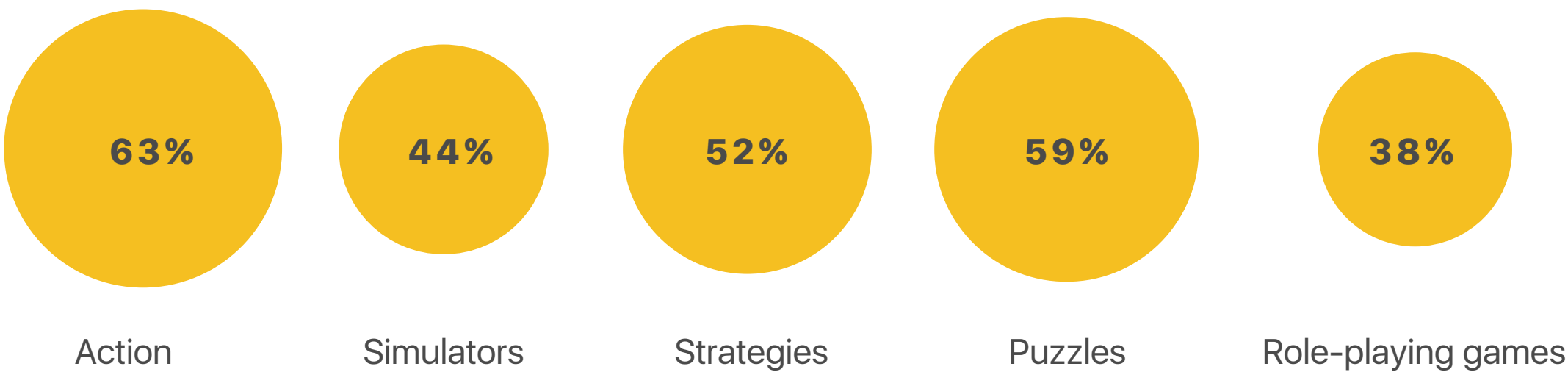
Popular Platforms
(companies share by platform)



Top technologies
(companies by game development technologies)



Popular game genres
(companies share by games genres)



This guide has been jointly prepared by ACHIEVERS HUB and UNIT.City Innovation Park, which surveyed more than 70 Ukrainian game development companies and processed the collected data.

We invite the participants of game development market to cooperate and participate in the next surveys.

The information will be updated on the UNIT.City gamedev page:
gamedev.unit.city.

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LET'S BUILD THE GAME DEVELOPMENT COMMUNITY IN UKRAINE TOGETHER!



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