

**THROUGH
EGDF
YOU CAN
REACH**

more than
600
game studios

in
12
European
countries

that employ over
17000
game industry
professionals

UK, AT, DE, FR, DK, FI, NO, BE, NL, LU, ES, IT

**EGDF IS A
TRADE-
ASSOCIATION
(SME) THAT
FOCUSES ON**

**Policy
development**
participates processes developing
policy recommendations that support
game developers

Dissemination
disseminates the best
practices, new standards,
new tools etc.

Elaboration
elaborates game developers'
mutual positions (technology,
content)



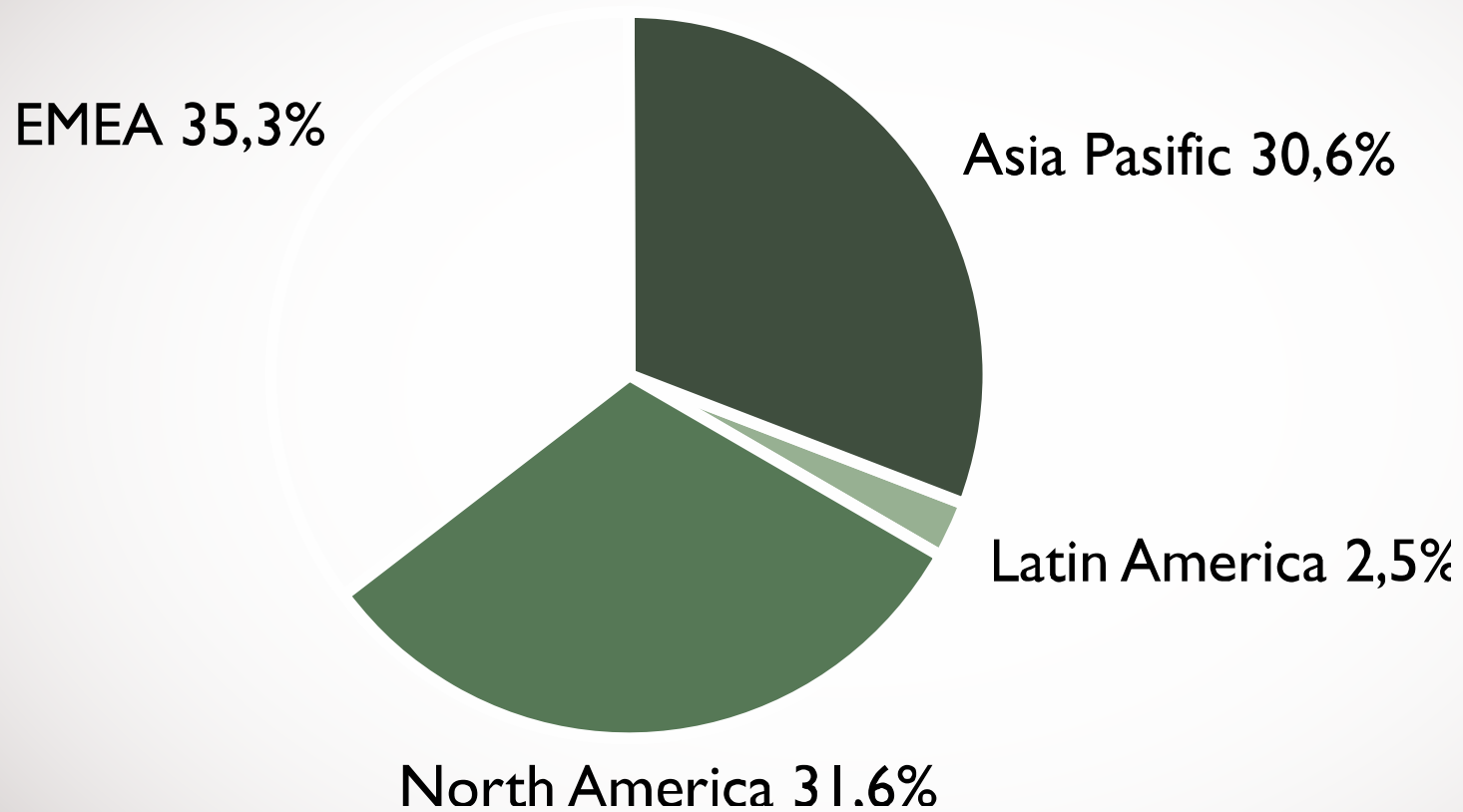
European
Games Developer
Federation

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THE GAMES INDUSTRY IN EUROPE

- The new online & mobile business models are a true opportunity for Europe.
- The transition of the European Games market into an online games market has opened a number of recent opportunities to online game companies from Korea.
- Europe is not only a lucrative market, but also a partner when it is about merging cultural and technological innovation.
- Games are an important cultural, and economic and an innovation driver
- Europe hosts some of the brightest and most successful developers worldwide
- Europeans have a special cultural taste. Europe could benefit more from its production efforts, its cultural heritage and its technical skills





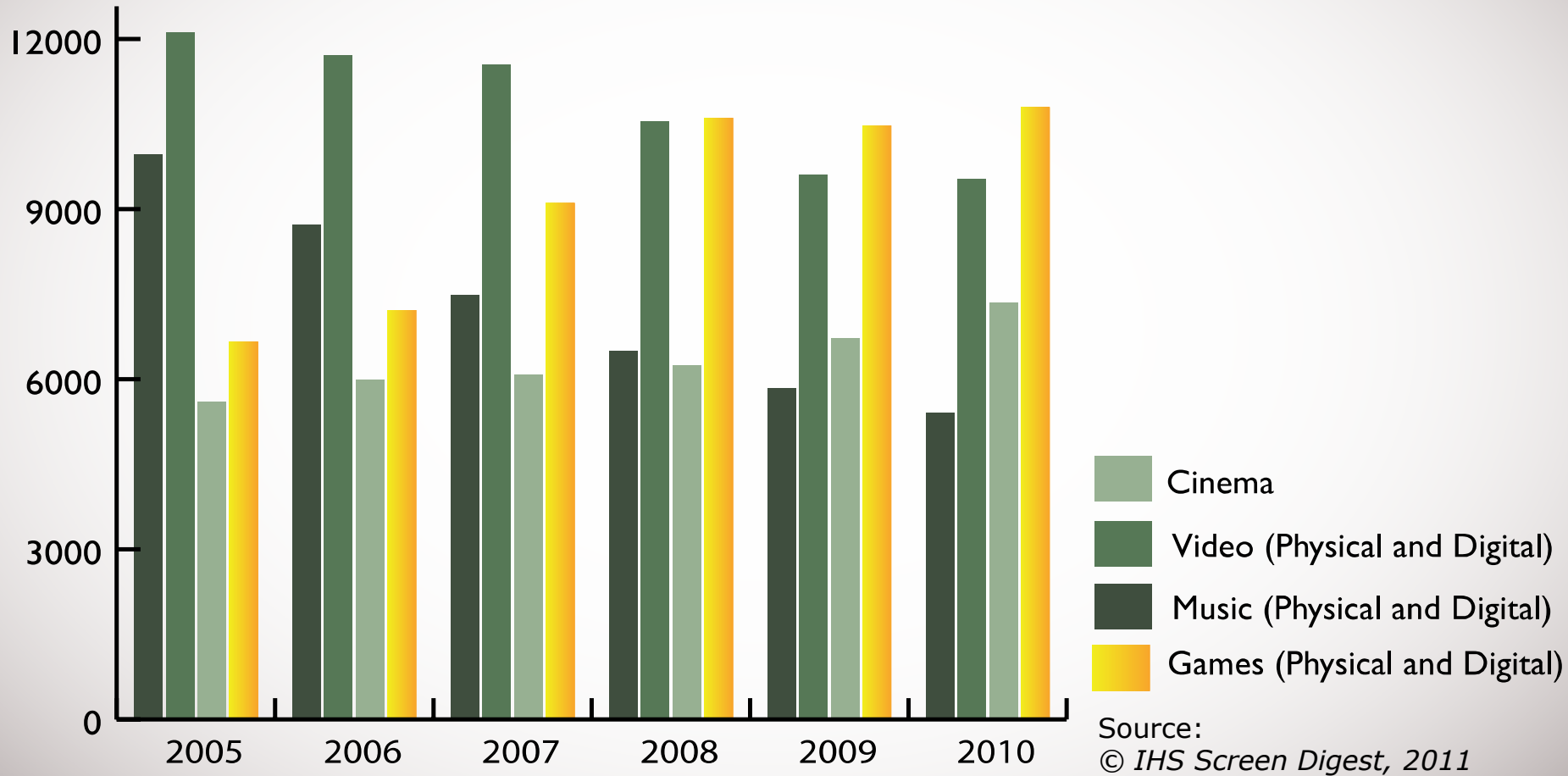
Source: PwC 2008

Global video game market by region



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Consumer spending on entertainment media (€m)

VIDEO GAMES AS ECONOMIC DRIVER

Spill over effect on hardware and network

Trend:

The games sector has enjoyed 2 digit per year per decades and will continue.

Main reason in recent times:
Rapid and „piracy proof“
development of online gaming

But:

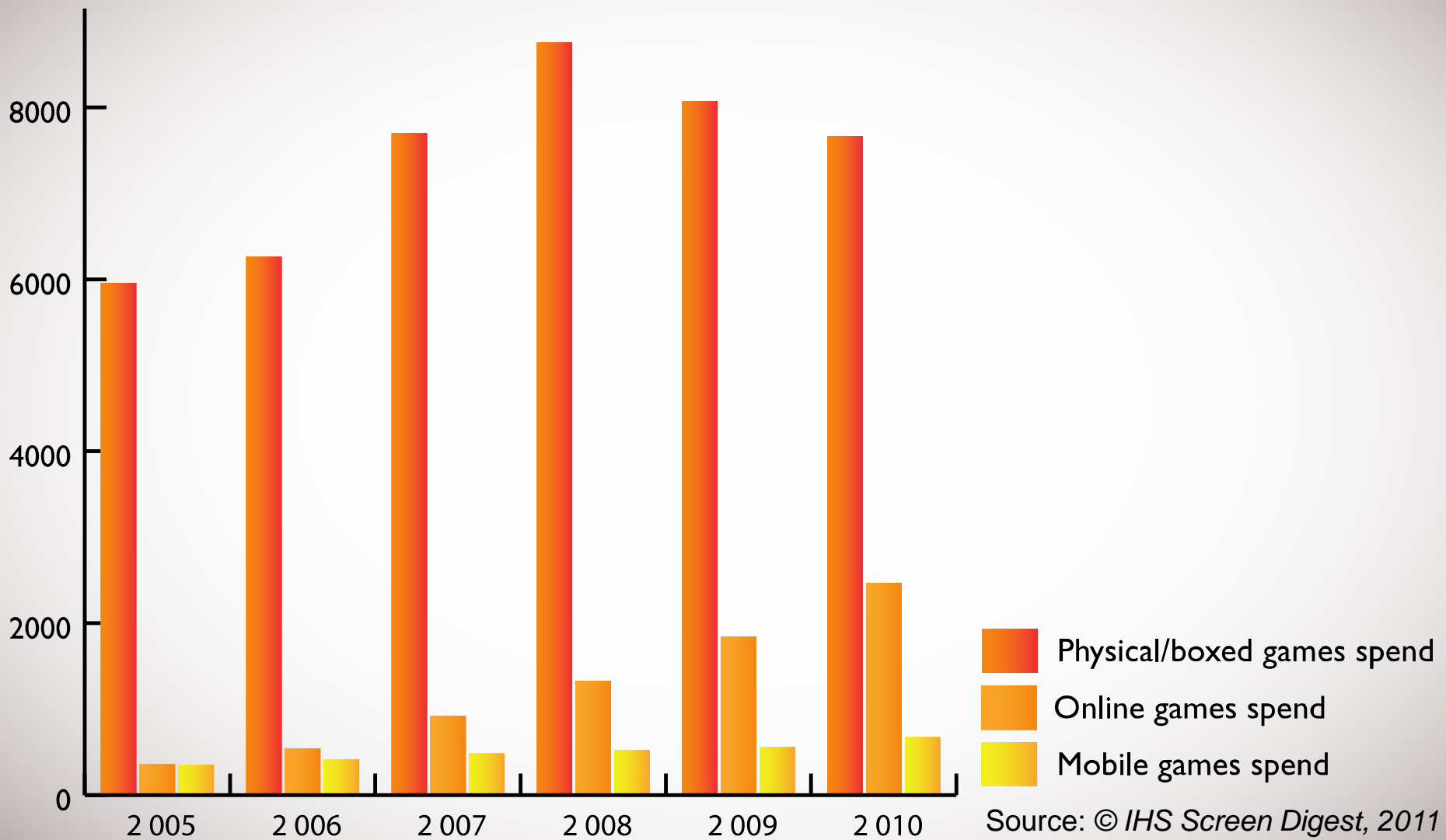
Game development is still very risky. Especially at the beginning of the value chain. Innovation risks are multiple.

EGDF Research links:

Mobile: <http://www.mobilegamearch.eu/>

Online: <http://www.cng-project.eu/>

Culture: <http://www.keep-project.eu>



European consumer spending on games (€m)



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Keep in mind 1/3 of Chinese population

	Bigpoint (DE)	Gameforge (DE)	Ankama (FR)	Jagex (GB)	Sulake (FI)
Founded	2001	2003	2001	2001	2000
Employees	about 700	about 450	about 460	about 375	about 270
Turnover €	140 million (2010)	Over 100 million (2009)	40 million (2010)	40 million (2010)	56,2 million (2010)
Registered users	194 million	200 million	30 million	170 million	210 million

Source: *ICO Partners 2011*

Size of leading online games studios in Europe



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Value chains of video game industry



VIDEO GAMES AS CULTURAL DRIVER

Games as cultural heritage, still very risky

- Form of culture in its own right, they are no longer a marginal form of culture
- Games are influencing the imagination and thinking structures of generations
- More and more significant in the way we
 - Perceive Values
 - Organize structures
 - Express ourselves
 - And learn

Many games do not only inspire films, books etc. but instigate new forms

It is happening now that:

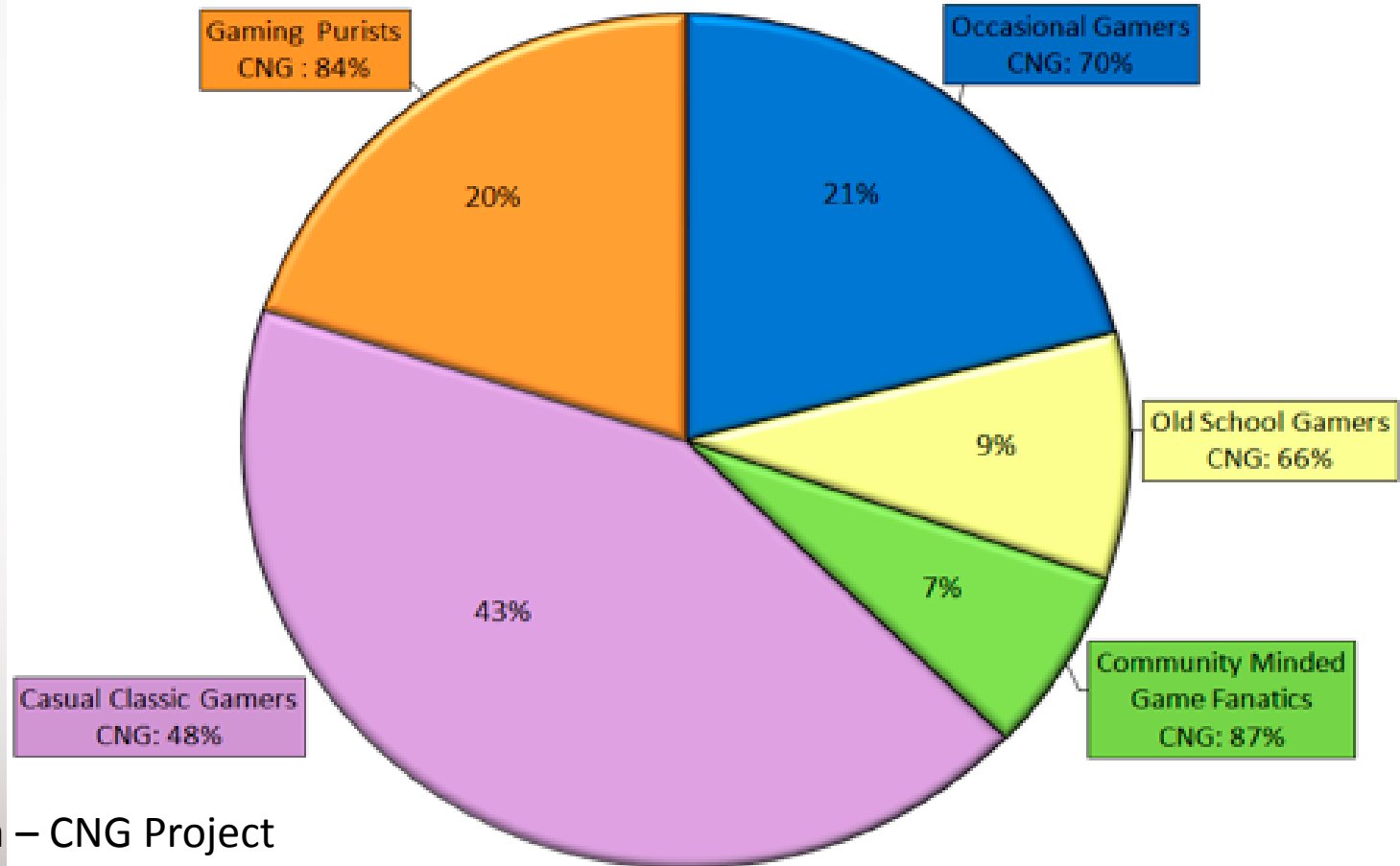
- Games are recognized officially as true form of cultural expression
- Games become a member of its own right of the culture programmes

Europe produces very good and valuable games like Heavy Rain, Alan Wake, Angry birds etc.



The European Online Gamer

How does he look like ?



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Study still ongoing

The Profile of the European hard core

How does he look like ?

Community Minded Game Fanatics	Gaming Purists
<ul style="list-style-type: none">•Youngest, low education•Driven by combination of factors, highest in Socialisation•Mainly PC•RPG (WoW), Strategy, 27h pw•High MMO players (friends)•Heavy users of internet and its social communities•Heaviest producers of game related content•Mostly shared on video-sharing websites like YouTube•High interest in all CNG functions	<ul style="list-style-type: none">•Young, mostly males•Driven by Competition (fair), Exploration, Socialisation•Totally PC•RPG, Action, 27h pw•High MMO players (online familiars)•Very active on online communities•Likely to create game related content – video (no 3d objects)•Sharing on dedicated websites (e.g., gaming forums)•High interest in CNG video/communication functions

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The Profile of the European casual

How does he look like ?

Occasional Gamers	Old School Gamers	Casual Classic Gamers
<ul style="list-style-type: none"> •Young, slightly more females •Driven by Fantasy, Competition (cheat), Boredom/Fill time • Console (PC), mainly alone •Action/adventure, 9h pw •Fairly active on social communities • Tend to access than create game content •CNG: customisation and communication functions 	<ul style="list-style-type: none"> •Over 30 years old •More educated/employed •Driven by Fair competition, Exploration – not for boredom •Mainly PC (Mobile), 10h pw •Strategy, Puzzle •Friends only •Active on forum/blogs •Fairly frequent creators of game content •Interest in CNG: video and communication functions 	<ul style="list-style-type: none"> •Older, bigger cluster •More likely to be unemployed •Driven by Boredom, not by Socialisation •Console (PC), single player, 9h pw •Puzzle, Simulation •Fairly active on social communities •Low content creation •CNG: lowest interest (customisation)

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VIDEO GAMES AS INNOVATION DRIVER

VIRAL INNOVATION WORKS

- Games serve as model of innovative content, services and business models
- Games sector is leading the way into the innovation ecosystem of tomorrow
- Innovation means more than R&D prolonged to market, design thinking and more, it means capturing a dream

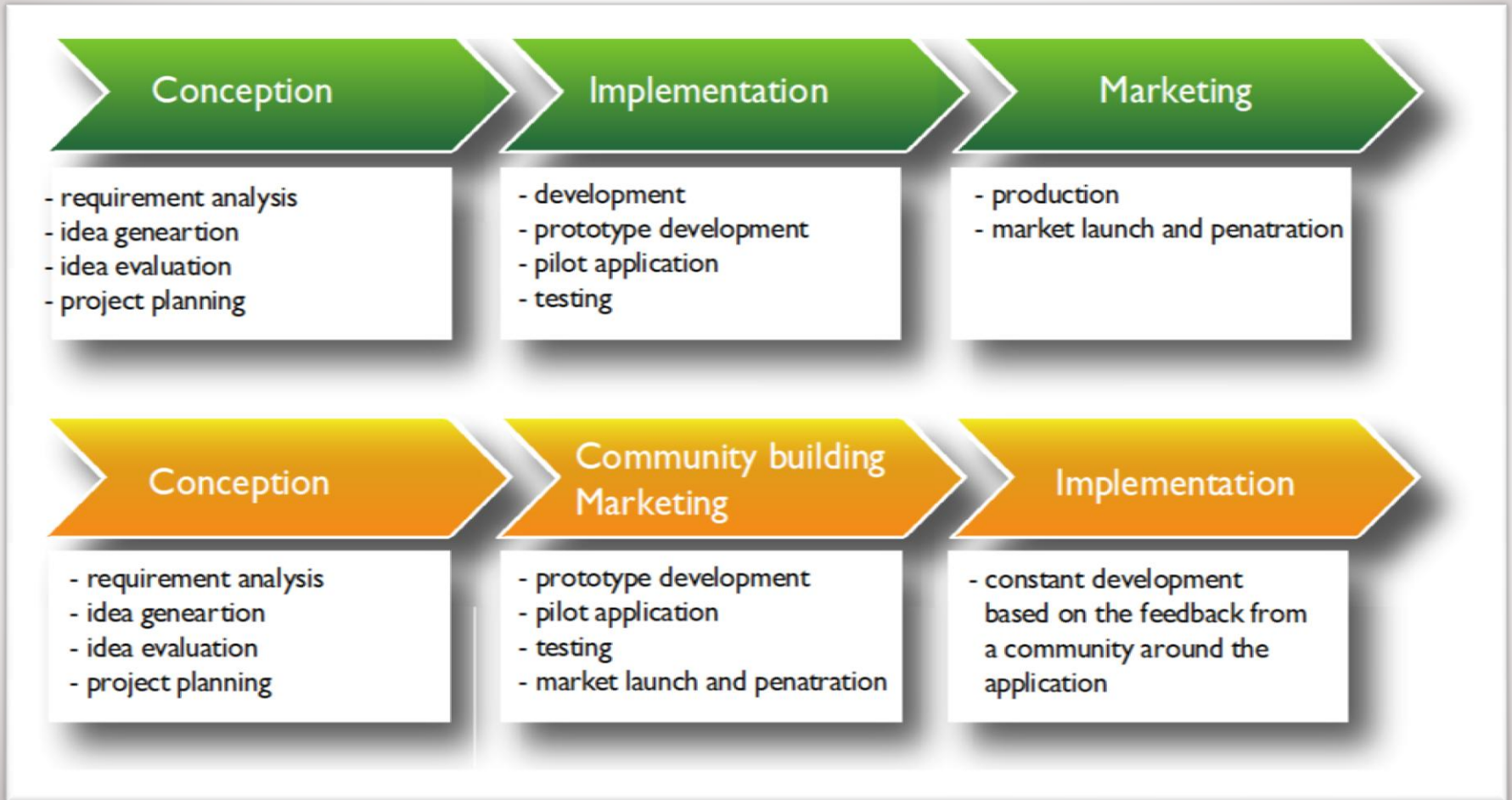
Games are showing the way for the digital shift

Therefore:

Existing funding schemes should open themselves more for the game development

Innovation should be defined larger

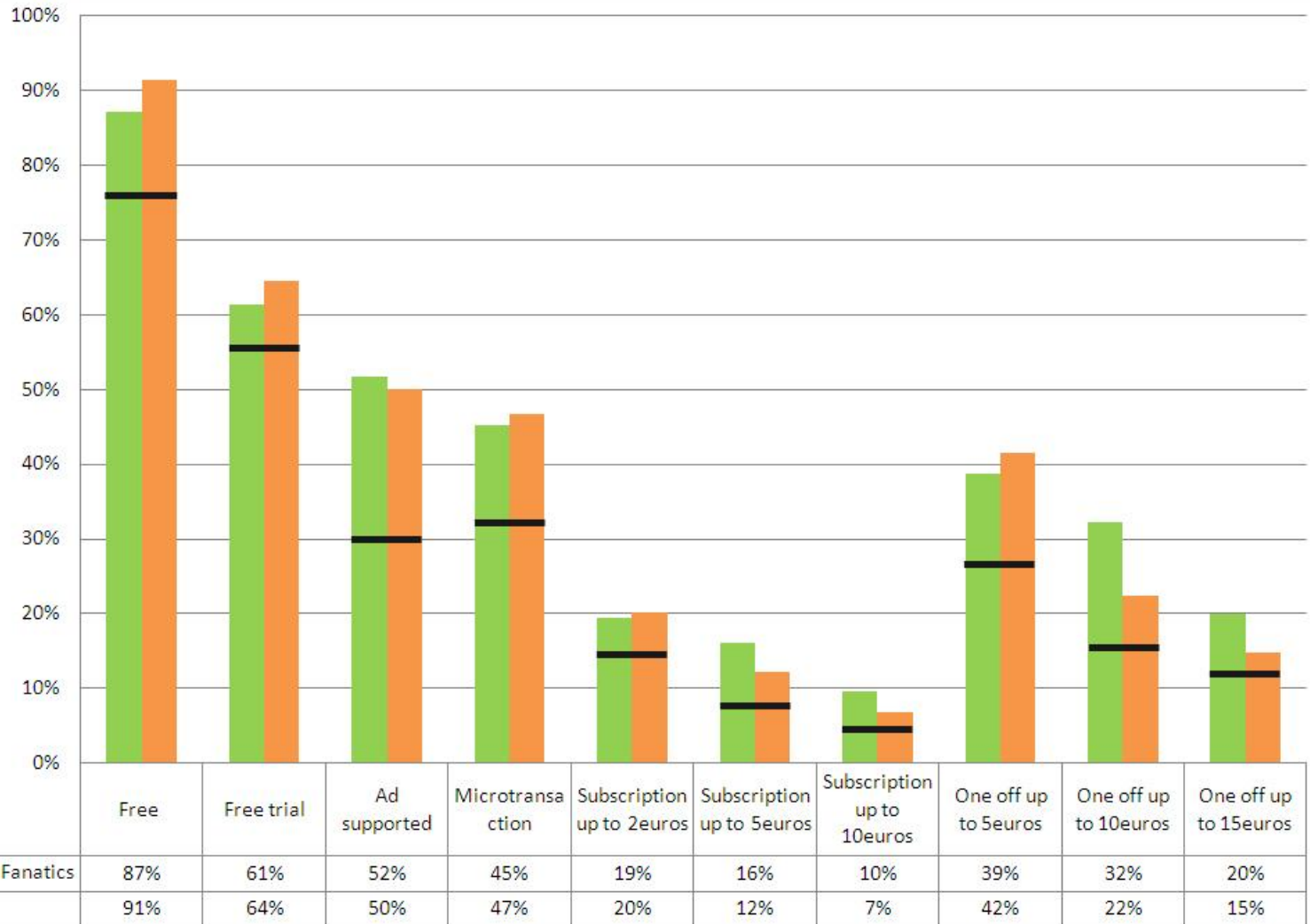




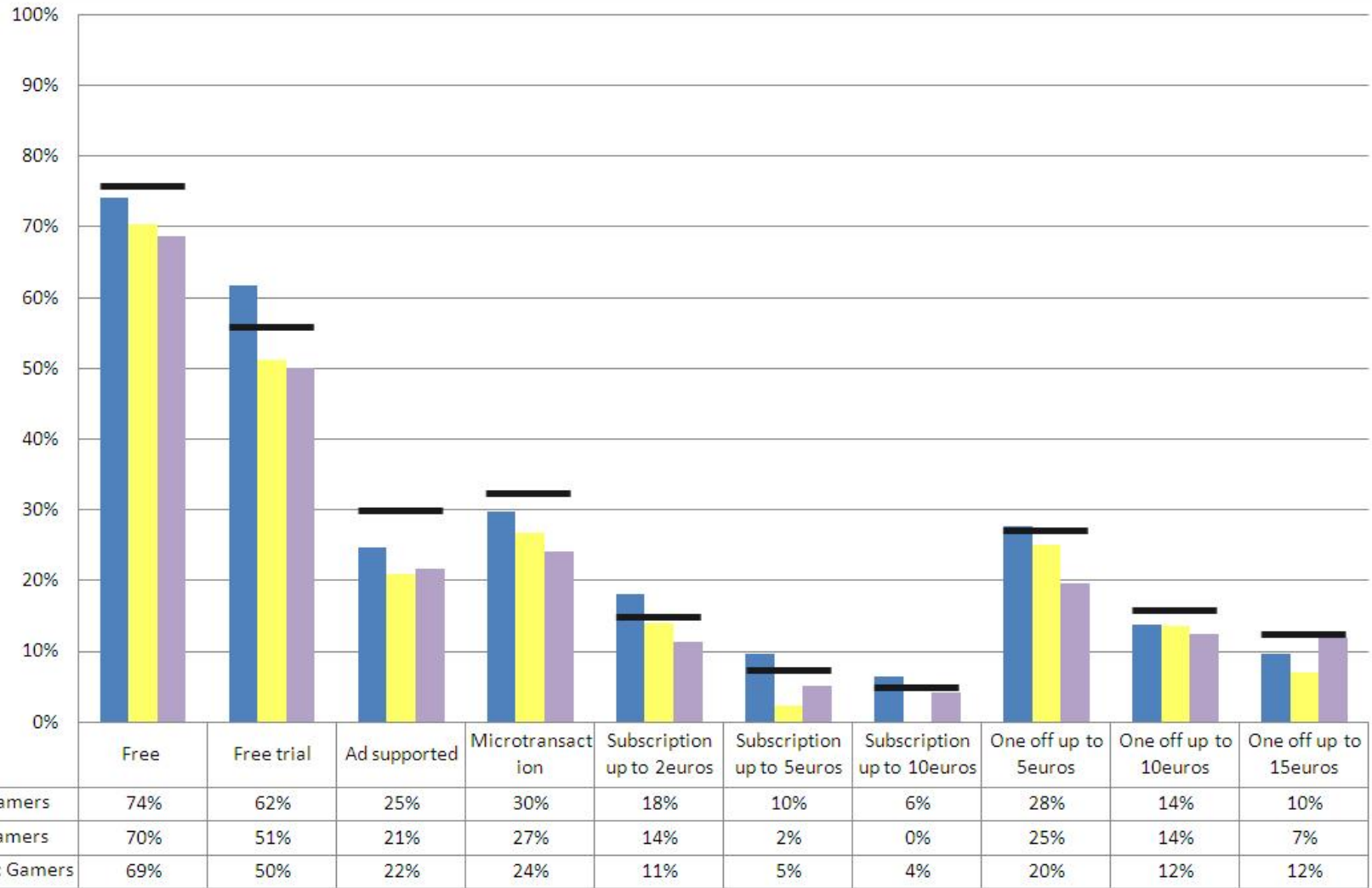
Viral innovation process



Business Models Feedback Hard Core



Business Models Feedback Casual



Any questions left ?

Email to: Malte.Behrmann@egdf.eu

Thank you !