



capital games

Video Games & Creative clusters



How the Video Games Industry has change ?

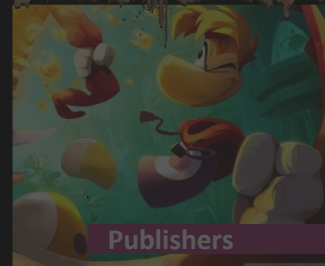


Digital
Distribution

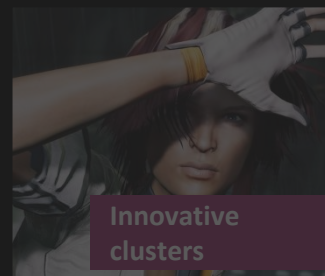


New Business
Models

II



Publishers



Innovative
clusters

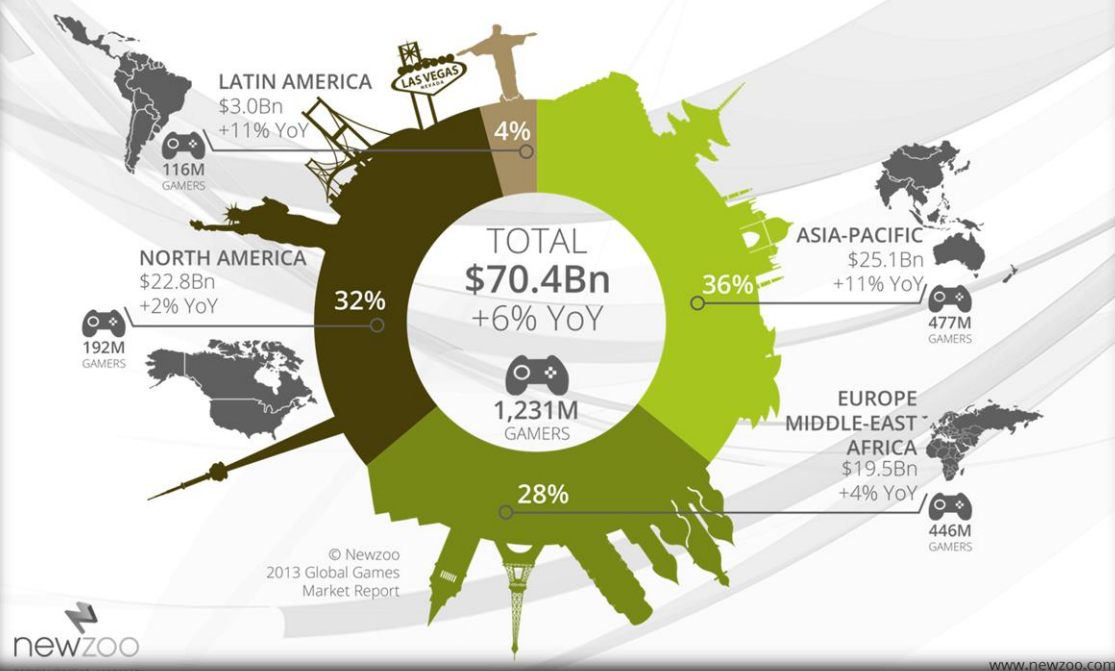




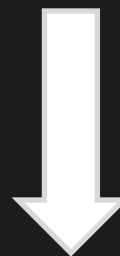
INTRODUCTION

PRESS START

The Global Games Market | Per Region | 2013E



- **\$52Bn** spent on video games in **2011**



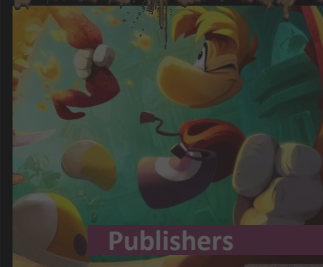
- **Up to \$76Bn** in **2016** (IDATE)



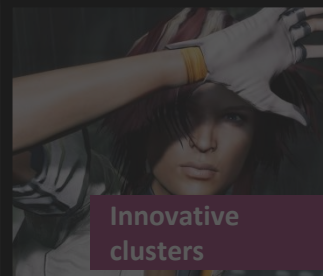
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1st cultural industry in France, before movies and music

- \$3,2 Billion





INTRODUCTION

PRESS START



25 millions active players

- 57,2% plays on smartphone and tablet devices
- 45-50% are women
- 30 years old average



New games for generations of gamers

- **Casual games** (More accessible, designed for short sessions)
- **Connected games** (Multiplayers, social features)

Nowadays video games reach everyone, regardless their age, gender, or social class



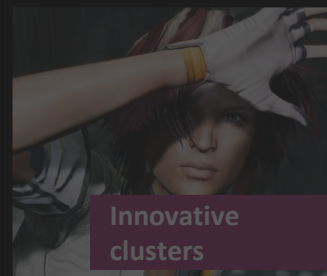
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TO SUM UP

PRESS START

- A growing **dematerialized distribution of content**
 - For new players, on new platforms, through innovative business models
- This situation is the result of **profound changes in the industry** over the last decade
 - New studio/publisher relationship
- How **video game clusters** can be usefull in this context ?



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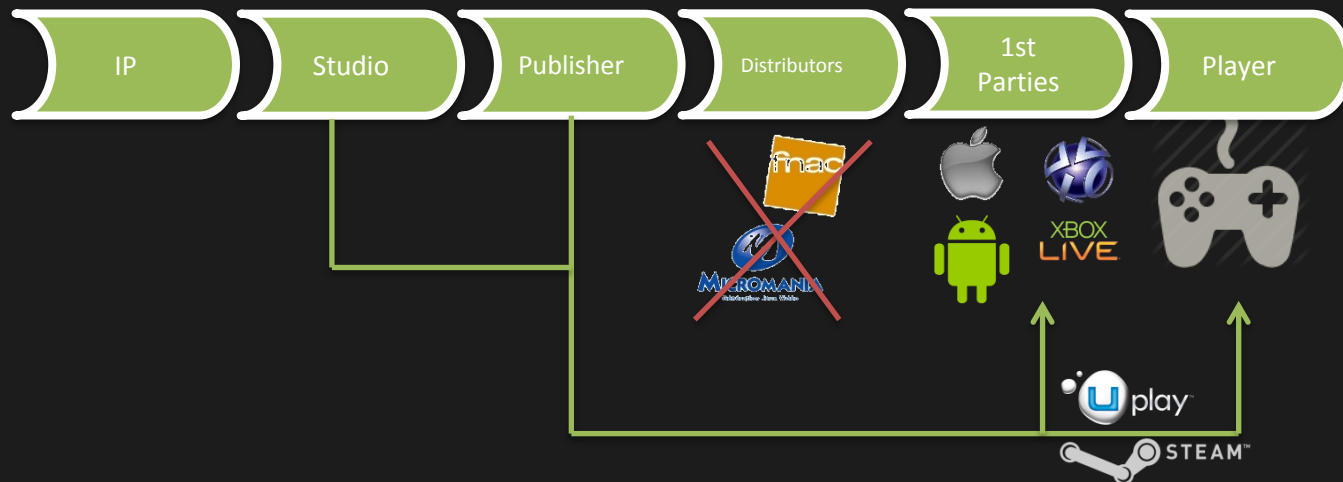
DEMATERIALIZATION ?

PRESS START

The Video Game value chain :



Digital distribution : accessing a game without physical medium through downloading or streaming:



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PRESS START

WHY DIGITAL DISTRIBUTION ?

Long live the long tail :

- Frequent digital rights updates to face piracy.
- Games always available on each stores.
- Opportunity to destroy the second-hand market.
- To reduce game prices
- A chance to efficiently target your audience

Fictive exemple : multiple offers for one game



Full game
\$70



Solo game
\$30



Multiplayer
game
\$40



1st mission
Free



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WHY SELF-PUBLISHING ?

PRESS START

An easier access to market :

- Immediacy on digital stores
- Lower production costs (from 10-50k€ for mobile games to millions for AAA consoles games), and game prices reduced.
- Direct impact on the community

Most important : Studios can conserve their IP

But in terms of visibility, is there a concrete difference ?



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PRESS START

WHAT'S THE ROLE OF A PUBLISHER ?

Importance of marketing :

- Dedicated marketing team / press relation / community managers
Data analysts / Market studies
 - These skills are fundamentals, especially in a digital market where it's easier to release a game

Reality of the mobile market: Approximately 8 000 new games and applications released every weeks. How can independant studios can possibly gain visibility without huge marketing expenses?

Through new business models!



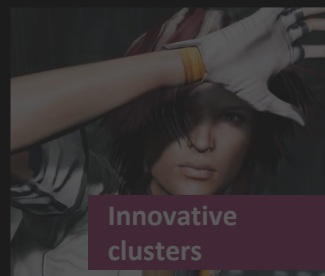
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PRESS START

A LAND OF OPPORTUNITIES

New way to think the relationship with consumers

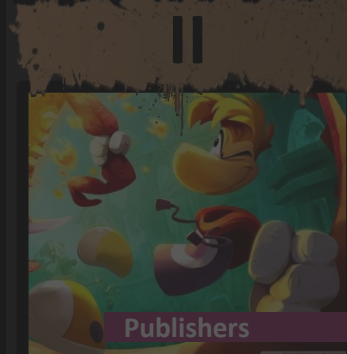
- **F2P (Free To Play)** : Completely free gaming experience. Contain micro-transactions within the game
 - Exemple : Farmville (Zynga) / Candy Crush (Kings) / Criminal Case (Pretty Simple) / Clash of Clans (Supercell)
- **Episodic** : The gaming experience is split into multiple episodes
 - Exemple : Walking Dead (Telltale)
- **Freemium** : Completely free to play Game. Remuneration through advertising
 - Exemple : Flappy Bird (Nguyễn Hà Đông) / 2048 (Gabriele Cirulli)



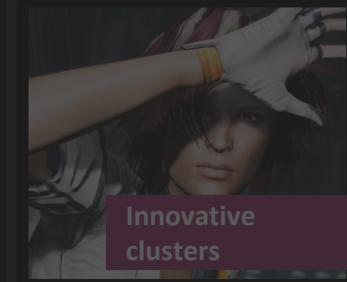
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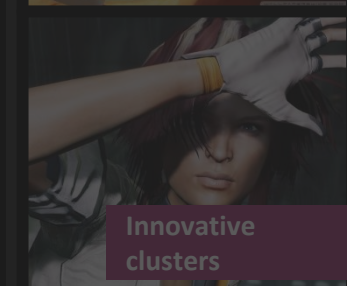
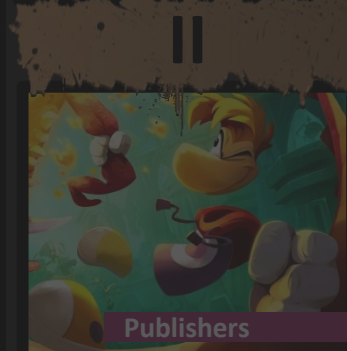
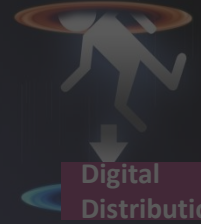


BUT STILL PERFECTIBLE

PRESS START

But those business models are still new, and capable of improvement

- European Commission has recently asked the industry to clarify the F2P model :
 - Can we actually talk about a free to play game if the game experience differ between paying users and those who don't buy anything ?
 - In order to protect consumers, players should be aware of all the micro-transactions implemented in the game before playing it
 - When all the game experience is oriented to hold players and make them frustrated enough to pay, it can lead to addiction.





PRESS START

DO WE STILL NEED PUBLISHERS?

Create a game is expensive :

- On the newest consoles, create a game takes several years
- Exemple : GTA V => 5 years and \$265 millions

The risk is too high for a publisher :

- **Star System Model** : a few AAA franchises gather 90% of the publisher investment.

Easier to self-publish a game on the new console generation :

- Consoles now accept F2P games
- Investment fund for independant developpers are elaborated by console manufacturers.



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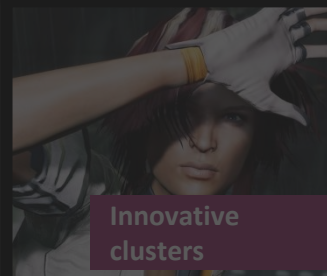


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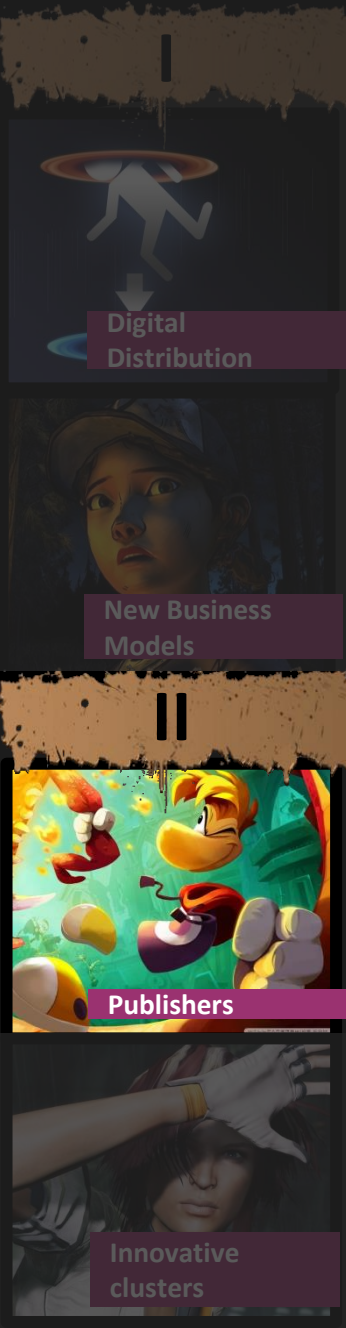
E3 2014

PRESS START

E3 : world biggest video game convention (June 2014)

A few new franchises announced :

- Better to have a few hits instead of truly innovative games
- Exemple : Watchdogs announced during E3 2011 and released in 2014





INNOVATIVE CLUSTERS

PRESS START

Through all these mutations, how a regional video game clusters can be usefull?

Cluster : A group of the same or similar elements gathered or occurring closely together.

We aim to :

- To gather the french industry (studios, publishers, schools, middleware companies)
- Create and share a strong network among our adherents
- Help our members through dedicated local actions :
 - Marketing & communication
 - Research & Development
 - Ethics
 - Human Ressources
 - Export
 - Financing

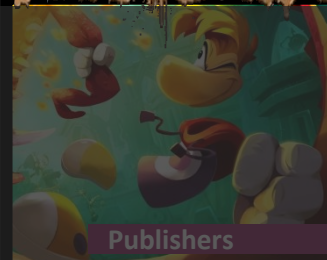


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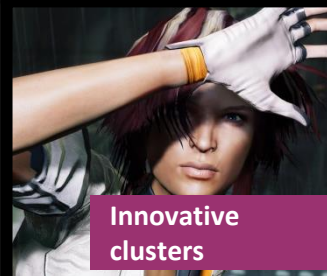


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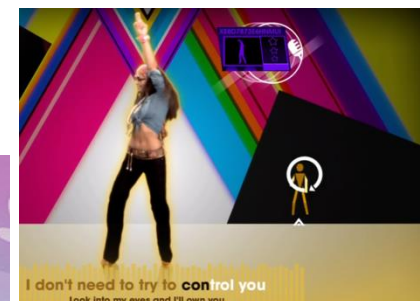


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ONE UNIQUE VOICE FOR THE PARISIAN REGION





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