GAMETRACK: results QUARTER 3 2012

17% OF U.S. POPULATION PLAY ACROSS A COMBINATION OF PACKAGED, ONLINE AND APPS, SHOWING CONSIDERABLY HIGHER LEVELS OF ENGAGEMENT THAN IN EUROPE

Report released by Ipsos MediaCT highlights this, together with other fresh insights

Gamer levels in the United States are higher than in the main European markets, with half of the French population gaming, and around a third in the UK, Germany and Spain. Despite the strong gaming levels, the report confirms that the main challenge of the industry remains to capitalise on low-revenue gaming, such as social and apps, which take a large percentage of gaming time and acquisition volume, but provide little to the bottom line.

GAMETRACK – 1 YEAR ON

In October 2011, the Interactive Software Federation of Europe (ISFE) commissioned Ipsos MediaCT to run *GameTrack*, a new multi-country tracking survey designed to provide a complete view of the video games market. 12 months on, the project has expanded from an initial launch in the UK, France and Germany, to include Spain from Q2 2012, and the USA from Q3 2012. Currently, a syndicate is being formed with the intention of collecting data in Russia as of Q1 2013.

OVERALL GAMING LEVELS

Looking at the results from Q3 2012, GameTrack demonstrates that playing video games is widespread across each market. The incidence of gaming (cf. graph 1) is highest in the US, where 68% of the 6-64 population play games, compared to 49% in France, 35% in the UK, and 33% in both Germany and Spain (all 6+ population).

The high levels of gaming in the US might be explained, at least in part, by the greater uptake of online gaming (cf. graph 2). 48% of Americans (6-64) game online, compared to 26% in France, 19% in the UK, 15% in Germany and 14% in Spain (all 6+). Though there are several types of online gaming experiences driving this, the strongest contributor is games played directly from browser/game sites (27%), which is much higher than we see in other markets.

DIFFERING LEVELS OF CONVERGENCE

Because GameTrack measures different ways that people play games, it's possible to explore the amount of overlaps that exist across the distinct categories of gaming (cf. graph 3). In all markets there are significant levels of convergence, but this is most notable in the US, where 17% of gamers aged 11-64 play 2 or more gaming categories (packaged, apps and online). In the European markets it is much lower, ranging from 5% of gamers in the UK to 2% of gamers in Germany (both 11+).

Amongst kids, gaming across categories is more common than it is amongst adults, pointing to a future gamer comfortable playing across different platforms. Kids' convergence is strongest in the UK, where 36% of kids play all categories. This is some way ahead of Germany, where for example, only 9% of kids play all three categories. The US doesn't have quite as much difference between adults (17%) and kids (22%) playing all three gaming types.

WHICH DEVICES DO GAMERS USE?

In all markets, there are some similar broad patterns of playing on different devices (cf. graph 4). PCs and laptops are most popular, together with consoles, followed by smartphones. In the UK and Spain, consoles compete with computers for usage, whereas in the US, Germany and France, the latter leads. Nintendo devices are popular with kids, together with computers and laptops. We would expect to see even more tablets acquired over the Christmas period, which could see gaming on these devices really challenge portables in the first quarter of 2013.

GAMETRACK CORE METRICS

Looking across the GameTrack core metrics – time, acquisition volume and value – it's clear how the video games market varies across these (cf. graph 5). In all countries the total value (ranging from nearly $2bn in the US to $0.13bn in Spain) is largely driven by packaged – though this share has fallen consistently quarter on quarter in the UK and in the last quarter in Spain.

Apps lead share of acquisition volume in all markets except Germany, though the small share they contribute to value illustrates the degree to which most of this is risk-free, cost-free acquisition.

In terms of share of gamer time, in all markets this is split across packaged and online, with less time spent gaming on apps. By country, the share of time for online gaming is greater than packaged gaming in the US whilst in all four European markets packaged leads.

There have been some hints across the quarters that online as a gaming category is beginning to monetise more effectively but online, together with apps, is posing some interesting challenges to the market when considering the disparity between their share of value, and their share of volume and gamer time respectively. Social gaming offers an acute demonstration of one of these disparities. By way of example, in France, over 16% share of time is spent on social games, whereas in value terms it has less than 1% share.

SUMMING UP

12 months on from GameTrack being commissioned, the results from the study over the last four quarters point to a fascinating, shifting, fragmenting, and increasingly complicated market. The aim of GameTrack is to use a robust methodology and framework to explore and capture these shifts, cutting the data in a multitude of ways in order to offer insight into the type of gamer that is more likely to embrace gaming on different platforms. Ultimately we hope that this can illuminate the potentials in the market by bringing a sharper focus on the new formats that people use to game as well as more traditional ways.

RESEARCH APPROACH / STUDY BACKGROUND

From its inception, it was a critical requirement that GameTrack should provide a robust and realistic measure of the size of the video games market in each country. Central to this is the research method – a combination of in-home face-to-face interviewing and online self-completion surveys (cf. graph 6-7). The survey includes respondents aged 6 and over (with parents assisting children with the survey). Each month, 1,000 surveys are completed in each country using each of these two methods, to provide quarterly bases of over 6,000 surveys per country.

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For more information, please contact:
The Interactive Software Federation of Europe (ISFE)
dirk.bosmans@isfe.eu
+32 2 612 17 79
www.isfe.eu

Ipsos MediaCT
ashish.prashar@ipsos.com
+44 20 7347 3452
www.ipsos-mori.com

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ISFE – The Interactive Software Federation of Europe (ISFE) comprises 11 major publishers and 16 European trade associations. It was established in 1998 to represent the interests of the sector towards countries of the European Economic Area, international institutions and the general public. http://www.isfe.eu

To find out more about GameTrack, please contact Gametrack@ipsos.com