

Approach to Global Game Market

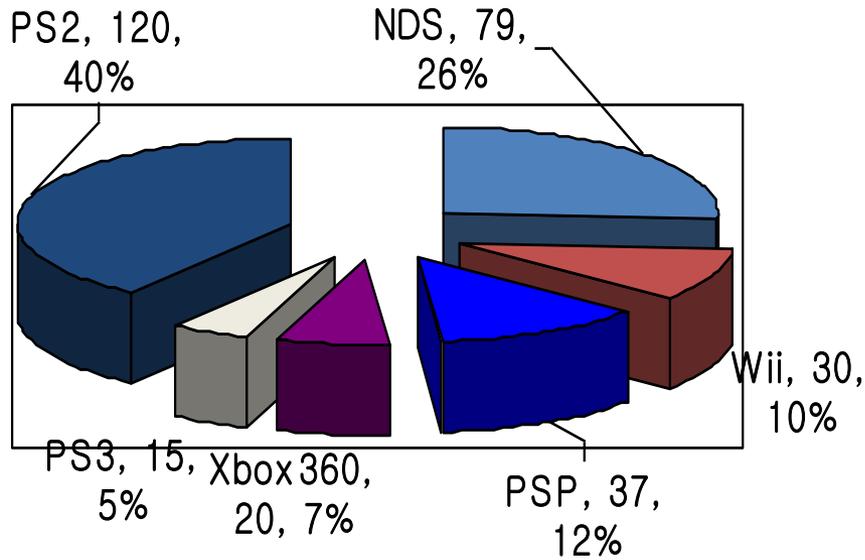
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1. Global Game Market

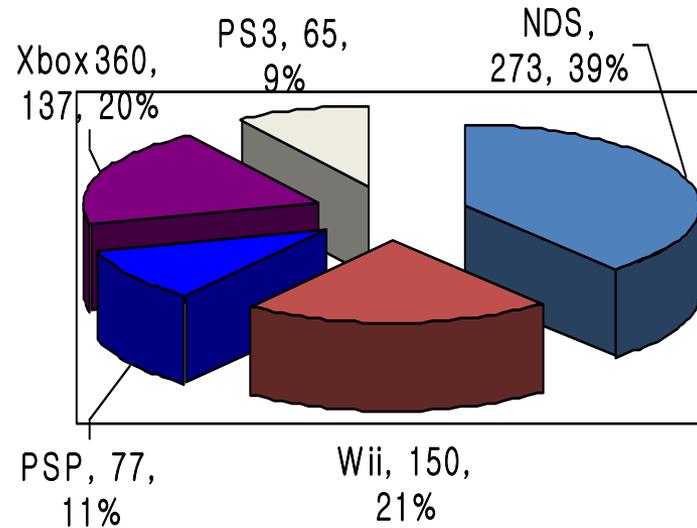
Hardware

[Unit: Million pcs]



Game Software

[Unit: Million pcs]



2. The games for home use sell well during recession

➤ The game show in Germany

- ✓ The game show was held in Germany from August 24 and more than 200 thousand people visited.
- ✓ This number is 3 times as many as 3 years ago.

➤ Tokyo game show

- ✓ Tokyo game show was held from October 10 to 12 for four days.
- ✓ Two days was for business man and other two days was for users.
- ✓ More than 190 thousand people visited.

➤ Growth rate of game hardware

- ✓ The sales in 2007 is 1.5 to 1.6 times as much as 2006 in Europe.
- ✓ The sales went up by forty percent in the USA.
- ✓ The sales went up by 8 percent in Japan..

➤ Game market

- ✓ The total sales in the world of both software and hardware was 47 billion US Dollar in 2007 and it will be more than 50 billion US Dollar in 2008.

3. The reasons why sales is expanding (1/2)

❑ Interesting software

- ✓ More and more interesting software is being developed.
- ✓ For example, there was no Kara OK box but now people enjoy Kara OK using a Playstation 2 and 3. The name of title is the called Sing star. It sold 13million pcs. The real singer is on screen and players feel as if they were real singer.
- ✓ The Guitar hero from Activion Sold more than 20million pcs for 3 years..

❑ Software for DS and Wii

- ✓ Software for DS and Wii are being sold so well and those software make the market expand.
- ✓ DS software are mainly for private person and Wii software are mainly for family use .
- ✓ Software for DS and Wii make use of this peculiarity, and made adults and women who have never played games before play games.
- ✓ 2 million pcs of Nintendog were sold in Japan and 20 million pcs were sold in the world.

3. The reasons why sales is expanding (2/2)

❑ Game in the real Life

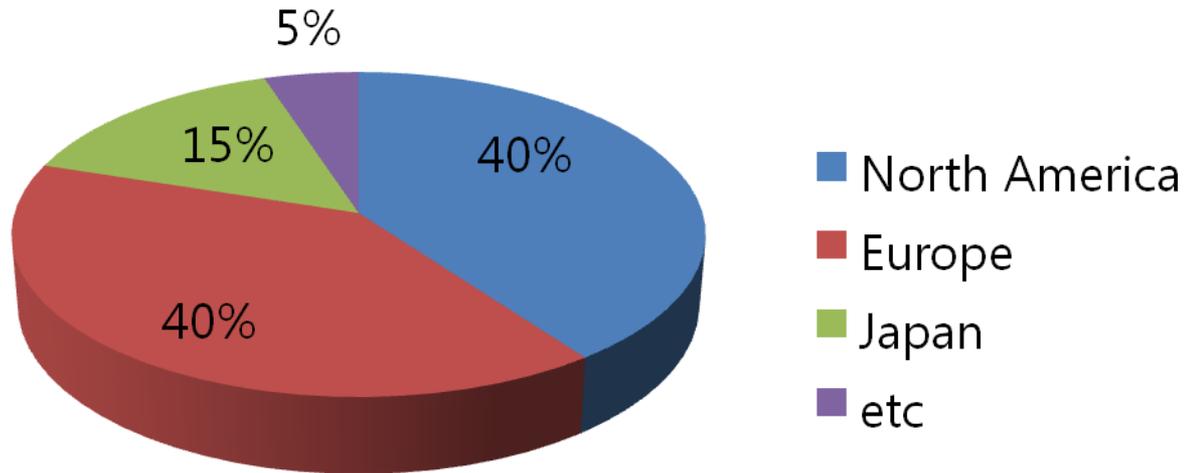
- ✓ In the baseball park located Seattle , USA, the Audiences can order food and drinks using DS with lan . They can also see the baseball players data and the results of other games through DS. They can chat each other by sending e mails.
- ✓ In Japan. Railroad company does the delivery service of transfer , weather forecast etc to DS.
- ✓ A lot of young ladies and house wives play Wii fit using balance board to improve their health.
- ✓ A four big book publishing company are planning to deliver the comics Using wii..

❑ New Hardware

- ✓ This is not a new hardware but the new type of DS, DS-I will be launched soon. Player can play games using a camera and download a music. More DS software will be sold for this new hardware.
- ✓ I pod touch is also popular now and software may sell a lot for this hardware. More than 800 pcs of software like Soccer, golf, playing guitar have already been sold for it .

4. Global Market Share (1/3)

Market Share



4. Global Market Share (2/3)

❑ Japan , USA and Europe

- Japan use to be the center of game business but USA and Europe are now.
- The sales amount of Activision is 3 billion US dollar and that of UBI is 1.65billion .
- On the other hand , the sales amount of Konami is 1.8 billion US dollar and that of game business of Bandai Namuco is 1 billion .

❑ The sales report of each hardware

[Unit: Million pcs]

	Japan	USA	Europe & other
DS	24	26	32
Wii	7	15	12
Xbox360	0.8	13	8
PS3	2.4	6	7
PSP	10	14	14

4. Global Market Share (3/3)

❑ The software sales last year

[Unit: Million pcs]

	Japan	USA	Europe & other
Software	45.3	183	183

- Total number of the world is 411.3 million pcs and Japan's share is only 11%.
- USA and Europe & other has the share of 44.5% each..
- You can tell how big share USA and Europe has.

5. I recommend you develop the game for DS

◆ Nintendo dog	19,000,000 pcs
◆ New Super Mario Brothers	15,000,000 pcs
◆ Pokemon	15,000,000 pcs
◆ Brain Training	14,000,000 pcs

- I suggest you develop games for DS, Wii ware and I pod touch in Korea.
- The games for X BOX360 and PS3 cost at least One million US Dollar.
Usually it costs 5 million , 10 million US Dollar.
- The development cost for Wii ware and I pod touch may be 50 thousand US dollar.
- But we are not sure how much we can sell at the moment .
- So I recommend you develop a game for DS and sell in the USA and Europe.

6. Approach to Global Market (1/3)

How to get order

- A. You make a game design and ask the publisher to invest.
(There is not much risk for you but the reviewing is very strict)
- B. You develop a game on your own risk and sell the finished game.

royalty and Minimum guarantee for average game

Retail price in the USA

- US\$19.99 ~ \$34.99

6. Approach to Global Market (2/3)

How to proceed

- You send a sample and the publisher will reply in 10–20 days and you start negotiation.
- * Payment condition ;
- * Publisher takes 10–14 days to get the approval from Nintendo.
- * It is important to supply bug free rom to get the approval as soon as possible.
- * Publisher may give you a penalty if your schedule is late
(They ask you to put it in the agreement)
- Rom approval is done in Korea, Japan, USA and Europe separately.
(Bug may often occur in Wi-Fi system)

6. Approach to Global Market (3/3)

Followings may be useful for you when you develop a DS game

A Do not spend too much money.

Especially do not spend too much money for graphics.

B Use small rom size as much as possible. OEM Rom cost is depend on rom size .

C Ideas are most important . Spend time to find a good game idea.

D Puzzle game may not be good.(There are already too many puzzle games)

E Do not copy other game. The game which has originality is best.

G RPG games are not so popular for DS in the USA and Europe.

The game should not have too much texts.

5 languages(English, German, French, Spanish and Italian) version is needed for European market.

G The theme is related with your life.

Brain training, cooking, cosmetic, animal(pet), music etc. Note that 50% of the players are girls from 6 to 12 years old.

H Games should not be too difficult . Players want to play without reading a manual.

7. Weekly Hit chart in Europe

http://www.chart-track.co.uk/index.jsp?c=p/software/uk/latest/index_test.jsp&ct=11002

감사합니다.