

New consoles, games keep market growing

PARIS, FRANCE: The global video gaming market is set to grow 11.1% a year until 2017, boosted by a new generation of consoles and the increasing popularity of online games, according to Idate digital research and consultancy firm.



Online games are likely to overtake sales of physical games in the next three years. Image: Wiki Images

The market, estimated at €53.9bn this year, is expected to reach to €82.1bn in 2017, the France-based firm said in a report.

Sony, Nintendo and Microsoft, which are jostling for control of the gaming market, have each released the latest versions of their consoles ahead of the festive season shopping season.

"The wave of new devices is expected to keep the market buoyant until 2017," Idate said.

Home consoles like Sony's PlayStation or Microsoft's Xbox, which make up 31% of the market today, are predicted to have a 40% share by 2017.

Handheld consoles such as Nintendo's 3DS or Sony's PSVita, which have a share of about 22% in 2013, are projected to hold only 13% by 2017, in the face of increasing strong competition from tablets and mobile phones.

Smartphones, tablets, starting to dominate

"Smartphones and tablets offer a radically different experience, and in terms of the budget, the tablet is a significant competitor for the consoles," said Laurent Michaud, who is in charge of gaming research at Idate.

"The choice between the tablet and the console will determine the success of this generation of machines," he said, adding that offline computer games are expected to record an irreversible decline, while online games are emerging as market leaders.

"The increasing popularity of online games stems from the fact that they dominate the gaming industry in China and South Korea," Michaud said.

"They are games oriented towards 'Free2Play' and it is no surprise that they are gaining success because the games are good," he said, referring to the downloadable games.

One example is the online game Candy Crush which records 700m sessions a day and racks up daily sales of US\$850,000.

Online games are expected to record average growth of 11.4% while mobile gaming is seen growing by 12.2% annually between now and 2017.

Traditional game developers, which are used to selling physical copies of their games, have not been keeping pace with virtual games offered online and Michaud says many were slow to exploit the success of games played on social networks.

Source: AFP via I-Net Bridge

For more, visit: <https://www.bizcommunity.com>