



FOR IMMEDIATE RELEASE:

CHINESE MOBILE GAMES MARKET EXPECTED TO REACH \$1.2 BILLION IN 2013

Growth is forecast at 46% from 2012 to 2017

SAN JOSE, Calif. – September 4, 2013 – Niko Partners, the leader in Asian Games Market Intelligence™, today announced the availability of *Chinese Mobile Games Market Report 2013*, the latest market update. The report includes detailed data on the mobile games market size and forecast, installed mobile handset details, popular Chinese mobile games titles analyzed in partnership with Beijing-based App Annie, mobile gamer behavioral data from Niko's quarterly surveys of 4,000+ gamers, and data on 370 million smartphones analyzed in partnership with Beijing-based Umeng Analytics.

Key takeaways from Niko's *Chinese Mobile Games Market Report* include:

- China's mobile games market revenue was \$750 million in 2012, predicted to grow to \$1.2 billion in 2013, representing a CAGR of 46% from 2012- 2017.
- A surge in popularity of games on smartphones in late 2012 resulted in a sharp decline of usage of casual and social online games on the PC platform, as gamers shifted to gaming on mobile devices.
- Roughly 500 million smartphones are expected to be active in China by the end of 2013, up from 100 million in early 2012. These smartphones are taking advantage of the fast migration of users to 3G and faster networks, which is creating a ripe environment for increasingly engaging games.

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- It is imperative for Western developers to understand and adjust their games for Chinese gamers and the complex distribution environment prior to attempting to launch a game in China.
- The most popular category of mobile games is casual/trivia, but more intense games such as role-playing and strategy games will gain importance over time on the mobile platform.
- There are more than 80,000 development studios in China working on mobile games, releasing 100+ games per day with companies finding it increasingly difficult to stand out in the crowded market. However, this is a very dynamic market with rapid consolidation expected.

“Mobile games make up the fastest growing segment in the Chinese games market and have taken market share from PC based casual and social online gaming,” said Kevin Hause, senior partner of Niko Partners. “However, the decline in PC spending has not yet materialized on the mobile side. With 80,000 developers and hundreds of app stores the market is currently very fragmented, and heavy competition means gamers don't need to pay for games. We expect to see consolidation in the coming year.”

The combination of data from Niko, Umeng Analytics and App Annie enabled Niko’s analysts to see the areas of growth and concern in China’s market. As a result, this report provides one of the most detailed looks at the constantly changing Chinese mobile games market. Niko’s analysis of China’s mobile segment, demonstrated to be taking share from the PC online game



segment, is critical for any mobile or online game company, mobile or PC hardware maker, components maker, service provider, or institutional investor with an eye on China.

The 36-page report with 27 data exhibits is available now for \$4,000 at

nikopartners.com/researchstore. The report is automatically sent to Niko's annual subscribers, who receive all of Niko's published reports as well as consulting services. In September the company will publish *China's PC Online Games Market Mid-Year 2013 Update Bulletin*. The company also publishes a free newsletter, Niko News, a weekly digest of the most important news and analysis on the games market in Asia, culled from dozens of news sources in multiple languages. Subscribe at nikopartners.com.

ABOUT NIKO PARTNERS

Niko Partners is the leader in Asian Games Market Intelligence™, specializing in the Chinese and Southeast Asian game markets. Founded in 2002 and in its 11th year of detailed analysis on the Chinese market, the firm conducts syndicated and custom research studies on Chinese gamers, Southeast Asian gamers, online games, offline games, consoles, handhelds, regulatory issues, piracy, development, online operators, distribution, and retail. Niko Partners also offers consulting services including focus groups, partnership selection, market opportunity analysis, custom surveys in cities throughout China and the Asia-Pacific region and customized data analysis. The goal of the research and strategic advisory services is to help understand the market, strategically enter or expand market share, and continue to profitably grow within China and Southeast Asia's impressive markets.

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The company is based in Silicon Valley and Shanghai, and its clients include worldwide leaders in game software, hardware, and services, as well as hedge funds, media companies, trade associations, and management consulting firms, all of whom have a vested interest in a thorough understanding of the games industry in Southeast Asian and China.

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