

Online Gaming - China - September 2019

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This report looks at the following areas:

- Smart TVs: advanced entertainment centres
- Online gaming as social channel
- Make gamers happy to spend more

The online gaming market enjoyed robust growth with a CAGR of 21% between 2014 and 2017, but suffered a drop in the growth rate in 2018 to 5% because of a licensing freeze. Over the next five years, the market will continue to grow at a slower rate of around 10% affected by new regulations. The dominance of leading companies will become more pronounced as they become actively involved in setting industrial rules. Small companies need to seek new blue ocean markets like niche foreign markets to survive or join the ecosystems of leading companies. As for the consumer, Chinese online gamers are open to playing multiple game genres and show high purchasing power for gaming related products and services. The key unmet need is the social feature of online games, which should be a focus for all game genres.

Innovation in the gaming market should increase its focus on gaming content and social features without being limiting to particular game genres, as Chinese online gamers are open minded towards multiple game genres.

This Report identifies the opportunities and challenges in the online gaming industry based on consumers' gaming habits and attitudes. This Report investigates Chinese online gamers' gaming devices, gaming time, game genres played, spending on gaming, information channel for new games and attitudes towards gaming.



"With the dominance of smartphones and mobile gaming, easy-to-play games are the prevailing trend in the mass market and are primed for further penetration in lower tier cities and new internet users."

– Kaye Huang, Research Analyst

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