

# New consoles, online games to keep market soaring to 2017

December 8 2013, by Lucie Godeau

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Youth look at a screen presenting a game for the new Xbox One game console on November 22, 2013 in Paris

The global video gaming market is set to grow 11.1 percent 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.

The [market](#), estimated at 53.9 billion euros (\$73.8 billion) this year, is expected to soar to 82.1 billion euros 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 Christmas 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 percent of the market today, are expected to have a 40 percent share of the total market in 2017.

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

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

"The choice of purchase between the tablet and the console will determine the success of this generation of machines," he said.



The joystick of the new Sony Playstation 4 video game console is put on display in a shop in Paris, France, November 29, 2013

The offline computer [game](#) is expected to record an irreversible decline, while this year online games are emerging as the leader.

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

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

One example is the [online game](#) Candy Crush which records 700 million sessions a day and racks up daily sales of \$850,000 (630,000 euros).

Online games are expected to record average growth of 11.4 percent while mobile gaming is seen progressing by 12.2 percent annually between 2013 and 2017.

Traditional game developers which are used to selling physical copies of their games on discs, have not been keeping pace with virtual ones.

Many were slow to exploit the phenomenal success of games played on social networks.



Customers play Nintendo's portable videogame console at a Tokyo electronics shop on October 30, 2013

In December 2012, only Electronic Arts, Ubisoft, Namco Bandai Games, Konami, Take Two Interactive and Disney Interactive Studio were present on Facebook.

They have also been slow to join on the smartphone and tablet bandwagon.

In December 2012, only Electronic Arts and Square Enix were among the top revenue generators on Apple's App Store. And only Electronic Arts and Take Two Interactive had games that ranked in the top 20 by revenues.

On Android Market, none of the traditional game developers had games on the bestsellers' list.

IDATE sees these key players producing fewer and fewer blockbusters, which are also becoming more and more expensive to make.

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