

SEAsia mobile gaming to generate \$7.0 billion by 2019: report

June 23 2015

Southeast Asia's mobile gaming revenues are expected to grow six-fold to over \$7.0 billion in the next five years thanks to smartphones and high-speed Internet access, an industry report said Tuesday.

Revenues only crossed the \$1.0 billion mark in 2014 but are expected to rise at a compounded annual growth rate of 48 percent until 2019, making Southeast Asia the fastest-growing region for the industry, business consultancy Frost & Sullivan said.

The growth is being "driven by the rapid increase of broadband users, usage of smart devices and social media," it said in a press statement.

Southeast Asia's more prosperous economies such as Singapore and Malaysia largely account for the bulk of current mobile gaming revenues, but other countries are quickly expanding, the statement added.

"This is changing quickly, however, as markets like Thailand are now over 50 percent smartphone markets and Indonesia and Vietnam are also rising rapidly," the statement said.

"By 2019, we believe that [smartphone](#) usage will become mainstream in the region."

However, one major impediment to the industry's growth in Southeast Asia is the difficulty in making payments online.

"As a region, credit card penetration is extremely low," it said, noting that the credit card penetration rate is less than 10 percent in all countries surveyed excluding Singapore and Malaysia.

"This makes purchasing virtual goods extremely difficult for most gamers in the region," it said.

"Clash of the Clans", made by Finland-based company Supercell, is the favourite mobile game in Southeast Asia, mirroring the global trend, the consultancy said.

But Chinese and Korean games are also popular, the report said.

© 2015 AFP

Citation: SEAsia mobile gaming to generate \$7.0 billion by 2019: report (2015, June 23)
retrieved 22 May 2024 from <https://phys.org/news/2015-06-seasia-mobile-gaming-billion.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.