Game Devs WFH Microtalk: GDC State of the Industry: Work From Home Edition Analysis

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Practice Leader, Games at Omdia

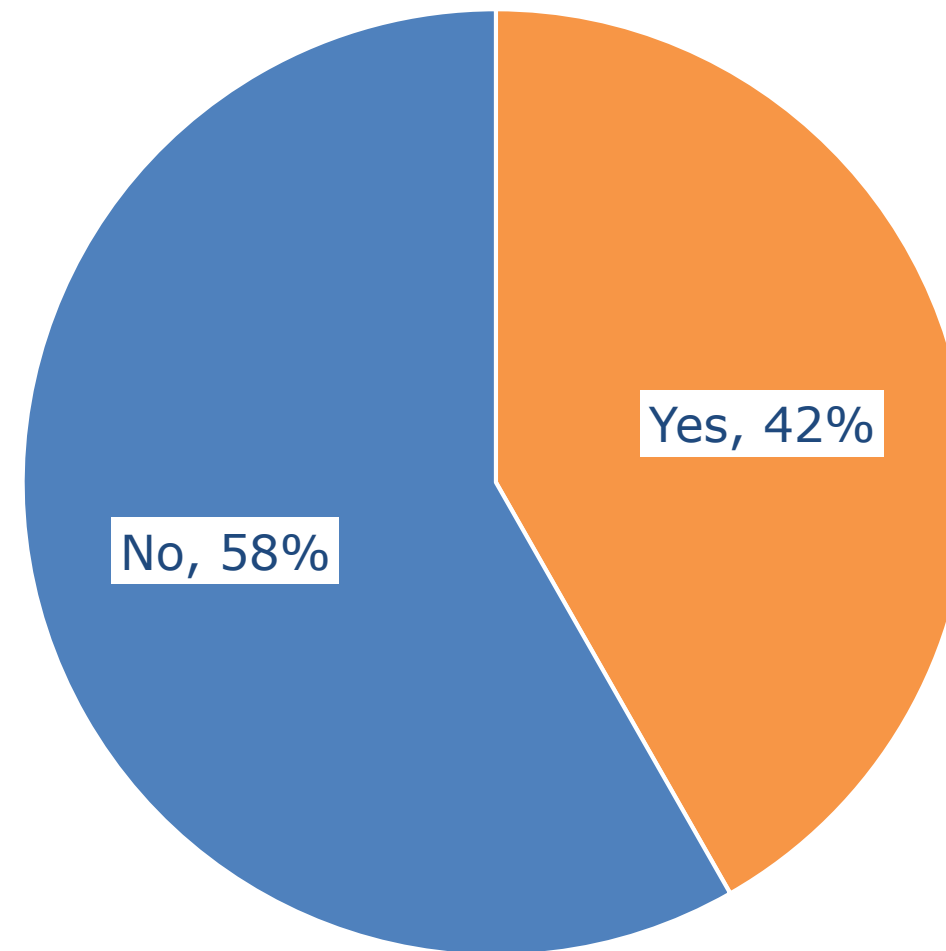# State of the Industry 2020: Work From Home Edition

> 2,426 people surveyed

> 56% of those surveyed were American

> 43% of those surveyed worked for companies of 10 or fewer people

> 18% of those surveyed worked for companies of more than 500 people

Production is mainly on track, but 42% of games have been derailed
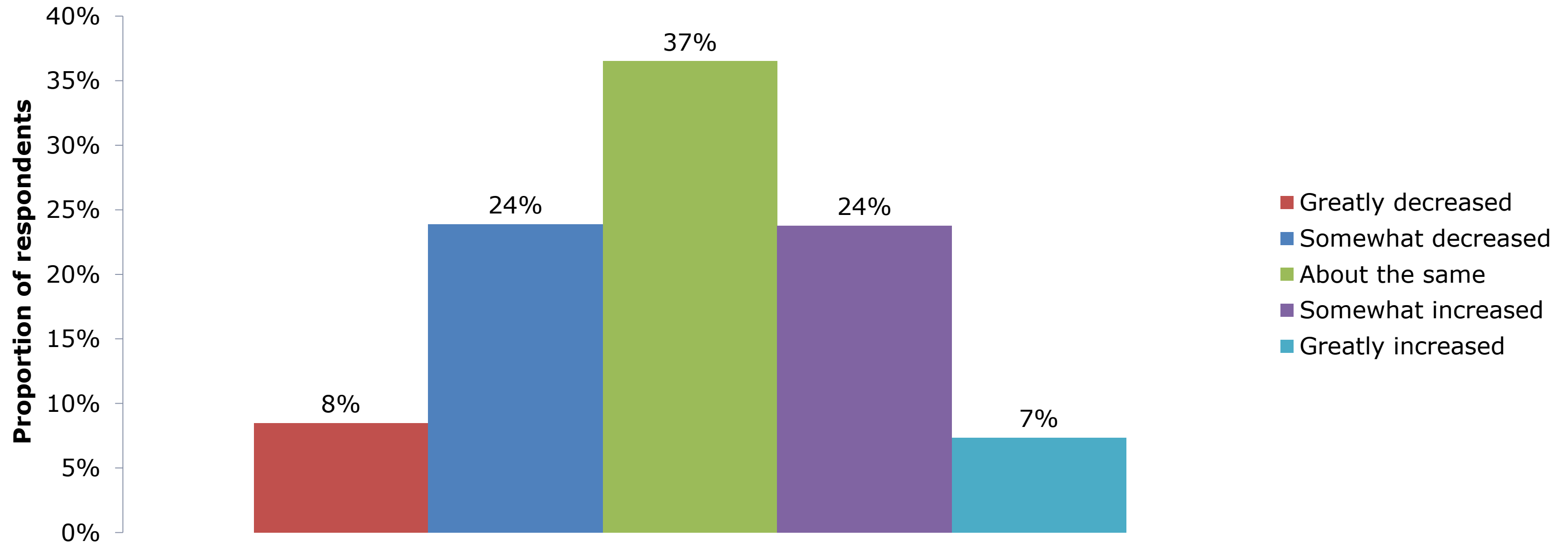
Q: Has your game suffered any delays due to the pandemic?

Yes, 42%

No, 58%

N = 1,516
Source: State of the Game Industry 2020: Work From Home Edition

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COVID-19's impact on business is strikingly balanced

Q: How do you feel the pandemic has affected your overall business?

N = 1,931
Source: State of the Game Industry 2020: Work From Home Edition

The home office: new working practices are set to continue…

97%

have worked from home during the pandemic

N = 1,878

Q: Did you have to switch to working from home from a physical office at any point due to the pandemic?

Source: State of the Game Industry 2020: Work From Home Edition

64%

will carry forward processes adopted during lockdown

N = 1,931

Q: Are there any new processes or practices you and/or your team has adopted during lockdown that will carry over post-lockdown?

Source: State of the Game Industry 2020: Work From Home Edition

51%

don't feel safe returning to an office for the foreseeable future or before a proven vaccine has been released

N = 1,299

Q: When would you feel personally safe to go back to work in an office?

Source: State of the Game Industry 2020: Work From Home Edition

66%

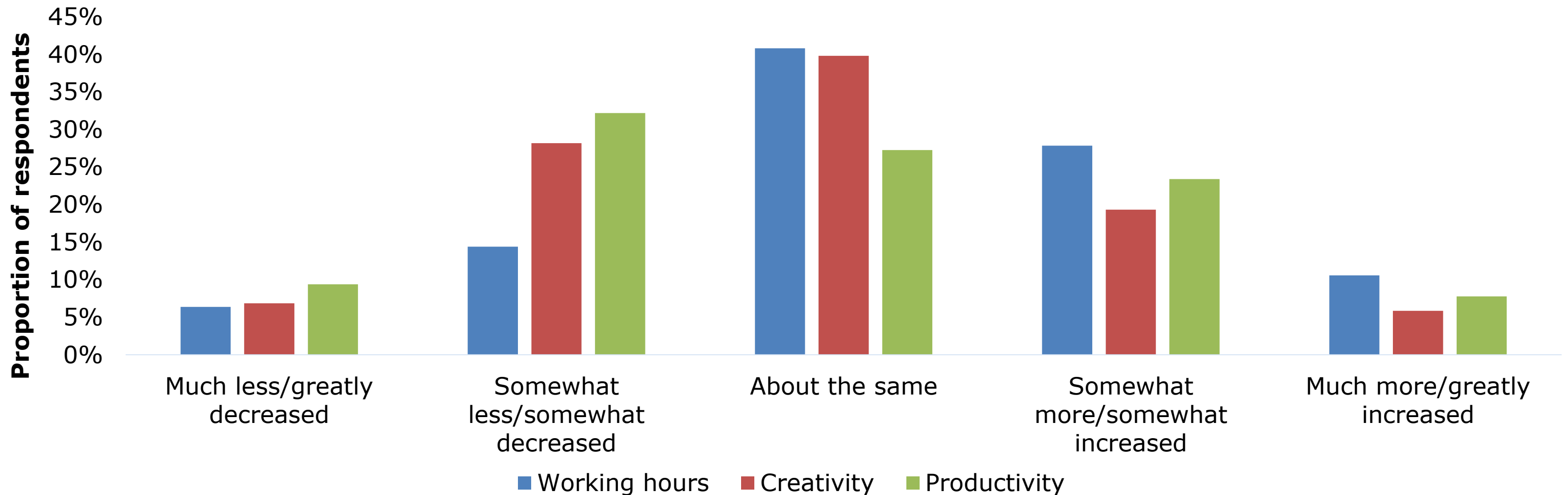of companies have reopening plans in place

N = 1,299

Q: Does your company have a plan for reopening?

Source: State of the Game Industry 2020: Work From Home Edition

…Yet this will impact work balance, creativity, and productivity

Impact of the pandemic/working from home on working hours, creativity, and productivity

Q. What has been the most prominent challenge your team faced?

Source: State of the Game Industry 2020: Work From Home Edition

Q. What's been the most difficult part of working from home?

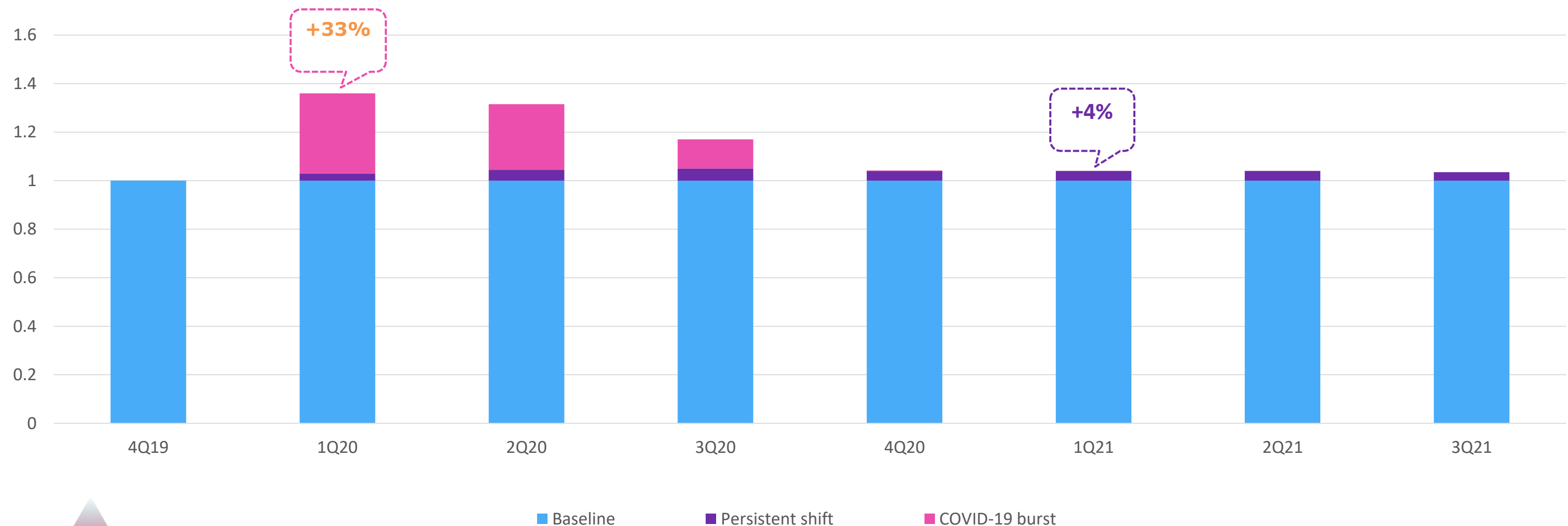Source: State of the Game Industry 2020: Work From Home Edition

Mobile active users: global

Mobile games daily active users (DAUs) - COVID-19 impact - global

Legend: Baseline, Persistent shift, COVID-19 burst

Source: Omdia

Mobile game downloads: global

Scenario forecast: Global downloads (m) of mobile games
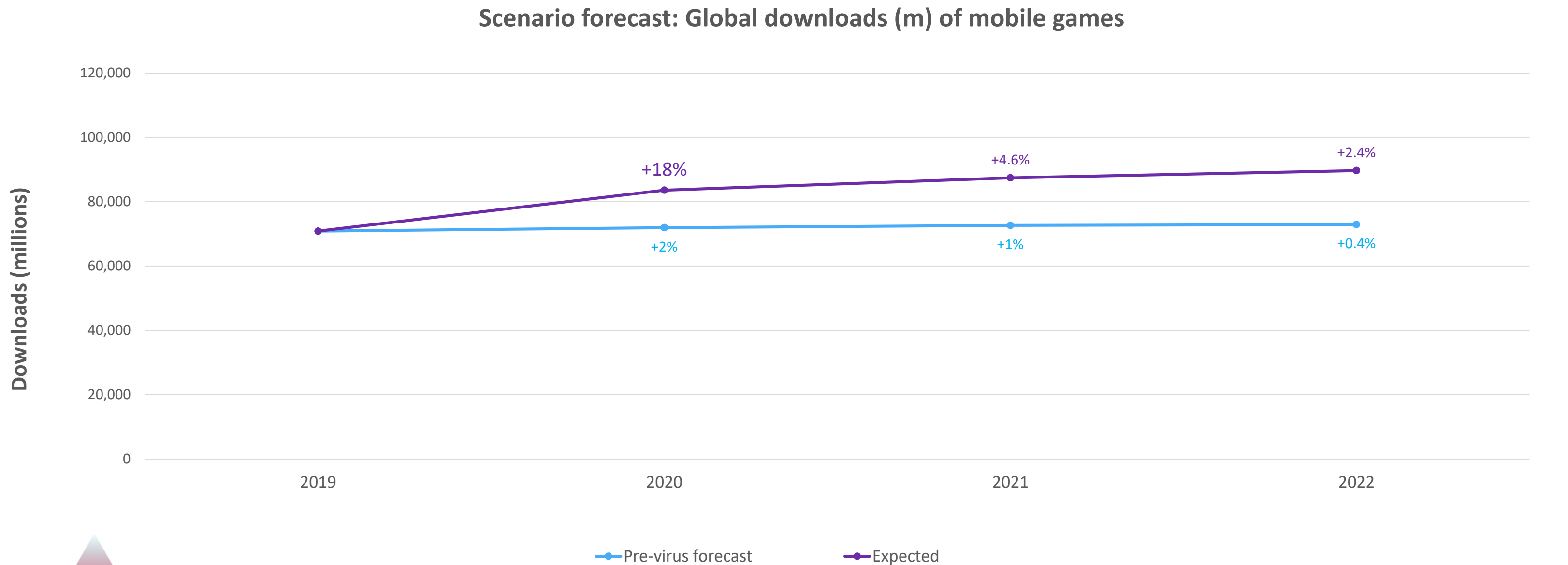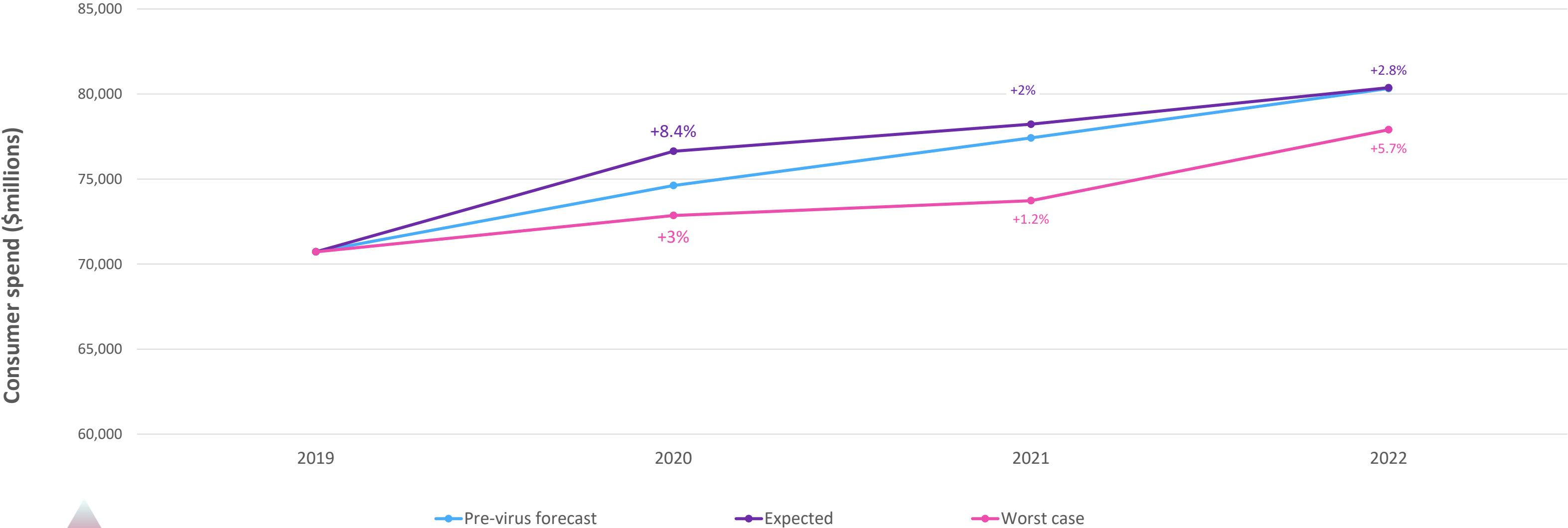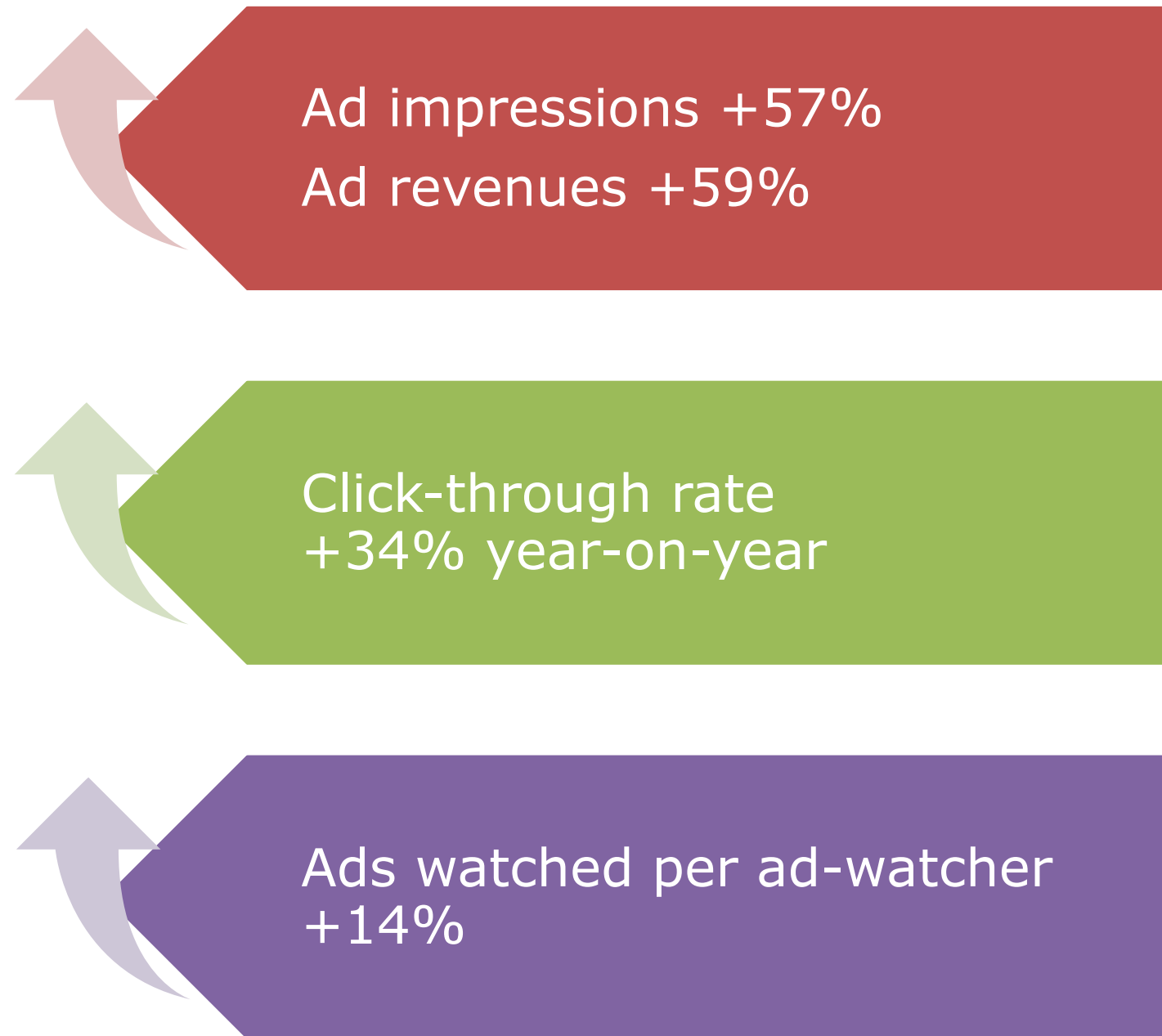
Source: Omdia

Mobile consumer spend: global

Scenario forecast: Global consumer spend ($m) on mobile games

Source: Omdia

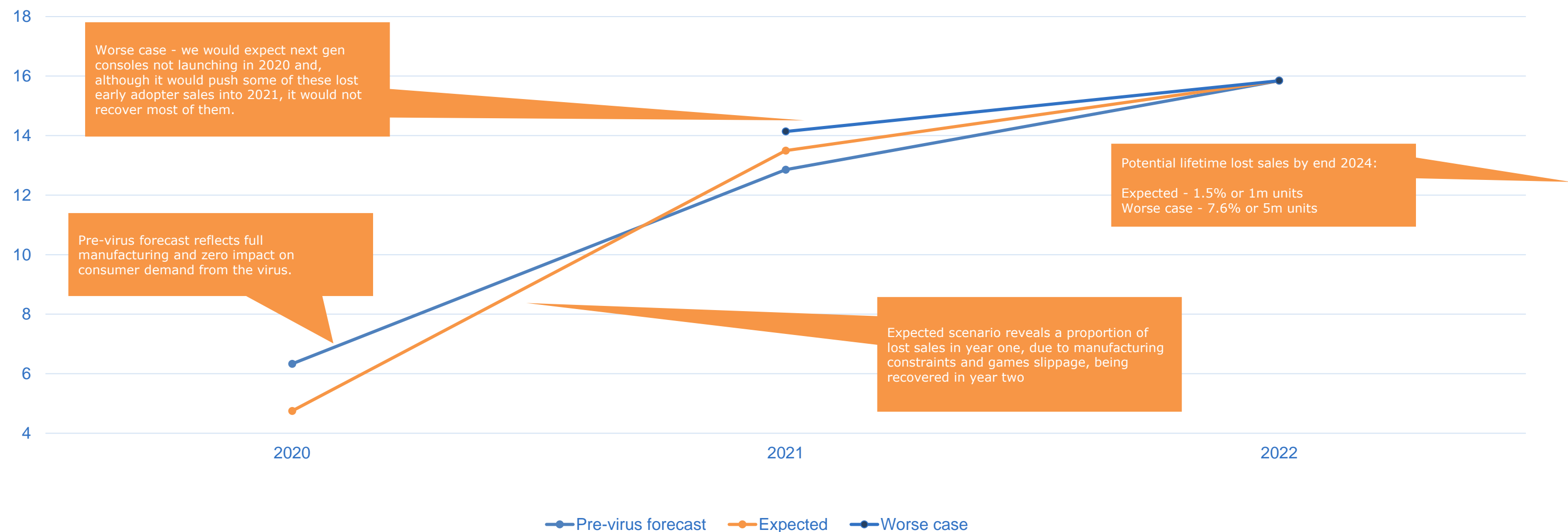# In-game advertising sees unprecedented growth

Ad impressions +57%
Ad revenues +59%

Click-through rate
+34% year-on-year

Ads watched per ad-watcher
+14%

Source: Unity

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COVID-19 impact on next-gen consoles

Scenario forecast: hardware sales volume (m) for PS5, on worldwide basis

Worse case - we would expect next gen consoles not launching in 2020 and, although it would push some of these lost early adopter sales into 2021, it would not recover most of them.

Pre-virus forecast reflects full manufacturing and zero impact on consumer demand from the virus.

Potential lifetime lost sales by end 2024:

Expected - 1.5% or 1m units
Worse case - 7.6% or 5m units

Expected scenario reveals a proportion of lost sales in year one, due to manufacturing constraints and games slippage, being recovered in year two

Pre-virus forecast   Expected   Worse case

Source: Omdia

Conclusion

Lockdown and games developers: a pronounced effect, but a mixed picture

Lockdown has been damaging to working practices, and the work/life balance

Games *players* have seen a big spike, and revenue a mini-spike

Opportunity to convert these new players to longer-term users

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Thanks for listening. Any questions?

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