ESSENTIAL VIDEO GAME NEWS

MARKET - CONSUMPTION - USE
JULY 2017

ESSENTIAL
VIDEO GAME NEWS

MARKET - CONSUMPTION - USE
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Video Gaming: A Leisure Activity for Everyone

52% of French people play regularly.

70% of French people play occasionally at least.

54% of men, 46% of women.

34 average age of a video gamer.

35 for men, 33 for women.

Percentage of gamers by age group:

- 10-14: 95%
- 15-18: 91%
- 19-24: 88%
- 25-34: 79%
- 35-44: 78%
- 45-54: 55%
- +55: 38%

How people play:

- Home consoles: 61%
- PC gaming: 59%
- Smartphone: 50%
- Tablet: 34%
- Handheld devices: 27%
- Online broadband or cable: 8%

Breakdown of gamers by platform:

Gaming frequency:

- Play every day or nearly every day: 28%
- Play regularly (at least twice a week): 25%
- Play occasionally (2 to 3 times a year): 28%
- Play from time to time (2 to 3 times a month): 21%

Source: SELL / GFK “The French and Video gaming” survey Based on 1,002 people aged between 10 and 65, October 2016
**VIDEO GAMING: A LEISURE ACTIVITY FOR EVERYONE**

The history of video gaming in France dates back to the 1980s. The last twenty years have seen the industry and how it is used change dramatically. Gaming has slowly become generalised, entering every French home.

In the early 2000s, only 20% of the French population said they played video games, a large proportion being men with an average age of 21. Seventeen years later - and this has been proven in the last few years - one out of every two French people now say they play video games with almost equal sexual parity and an average age way over 30.

### 2005 vs 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Regular Gamers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>29%</td>
</tr>
<tr>
<td>2016</td>
<td>52%</td>
</tr>
</tbody>
</table>

Source: GfK 2005 Gamers Study and GfK/Sell Study, October 2016

### French Habits vs Gamer Habits

**French Habits (in hours per week)**

- Watch Television: 21.4 hours
- Listen to the radio: 9.1 hours
- Listen to music: 7.5 hours
- Read books: 3.8 hours
- Play on the smartphone and tablet: 3.7 hours
- Watch videos (DVD, Blu-ray, VOD, streaming): 4.3 hours
- Read newspapers and journals: 3.5 hours
- Go to the cinema: 1.1 hours
- Surf the web: 28.1 hours
- Watch videos: 18.3 hours
- Play on the console and PC: 5.1 hours
- Read newspapers and journals: 2.6 hours
- Go to the cinema: 1.3 hours

**Gamer Habits (in hours per week)**

- Surf the web: 28.3 hours
- Watch television: 18.1 hours
- Listen to the radio: 8.4 hours
- Listen to music: 9 hours
- Watch videos: 5.5 hours
- Read books: 3.6 hours
- Play on the smartphone and tablet: 5.1 hours
- Play on the console and PC: 5 hours
- Read newspapers and journals: 2.6 hours
- Go to the cinema: 1.3 hours

Source: SELL / GfK “The French and Video gaming” survey based on 1,002 people aged between 10 and 65, October 2016
2016 MARKET REPORT

SALES FROM THE FRENCH VIDEO GAME MARKET

3.46 BILLION EUROS

HARDWARE MARKET + SOFTWARE (PHYSICAL AND DIGITAL) + ACCESSORIES + MOBILE GAMING

63% CONSOLE

Hardware, software and accessories

29% PC GAMING*

Ecosystem

Hardware, software and accessories

8% MOBILE GAMING

Ecosystem

*Hardware (sales of PCs fitted with high-performance graphics cards), software (physical, digital) and accessories (mouse, keyboard, screen) for PC gaming

+4% MARKET GROWTH

CLOSE-UP: MARKET SEGMENTS

BREAKDOWN OF TURNOVER IN EURO MILLIONS

2016 MARKET GROWTH

CONSOLES + PC GAMING + MOBILE GAMING (PHYSICAL AND DIGITAL MARKET)

Source: SELL estimation, using GfK panel data at end 2016

HARDWARE MARKET

1,692 1,593

1,067 1,058

1,593 1,692

SOFTWARE

280 280

260 260

260 260

MOBILE GAMING

435 406

406 406

406 406

ACCESSORIES

Source: SELL estimation, using GfK panel data at end 2016

HARTWARE MARKET + SOFTWARE (PHYSICAL AND DIGITAL) + ACCESSORIES + MOBILE GAMING
CLOSE-UP
MARKET SEGMENTS

3.46 BILLION EUROS

Mobile gaming software: 8%
Console hardware: 17%
PC gaming physical software: 3%
PC gaming digital software: 12%
PC gaming accessories: 1%
Console physical software: 22%
PC gaming hardware: 13%

SOFTWARE SALES (IN VALUE)
by platform

64% Console
14% PC gaming
22% Mobile gaming

SOFTWARE DETAIL (IN VALUE)
physical and digital

46% Physical PC gaming + Console
14% Mobile gaming
40% Physical PC gaming + Console
14% Mobile gaming

DEVELOPMENT IN SALES

TOTAL ECOSYSTEM*
HISTORY IN MILLION EUROS

3.46 BILLION EUROS
+4%

*Ecosystem Console + PC gaming + Mobile gaming, physical + digital

Source: SELL estimation, using GfK panel data at end 2016

Source: SELL estimation, using GfK panel data at end 2016
CHAPTER 2

THE 2017 FRENCH VIDEO GAME MARKET
### 2017 Market Report

Sales from the French video game market

**Hardware (sales of PCs fitted with high-performance graphics cards), software (physical, digital) and accessories (mouse, keyboard, screen) for PC gaming.**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware (Consoles + PC gaming)</td>
<td>2,017</td>
<td>2,017</td>
</tr>
<tr>
<td>Software (Consoles + PC gaming)</td>
<td>2,017</td>
<td>2,017</td>
</tr>
<tr>
<td>Mobile Gaming</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>Accessories (Consoles + PC gaming)</td>
<td>2016</td>
<td>2017</td>
</tr>
</tbody>
</table>

**Breakdown of turnover in euro millions**

<table>
<thead>
<tr>
<th>Segment</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware</td>
<td>582</td>
<td>624</td>
</tr>
<tr>
<td>Software</td>
<td>154</td>
<td>166</td>
</tr>
<tr>
<td>Mobile Gaming</td>
<td>112</td>
<td>118</td>
</tr>
<tr>
<td>Accessories</td>
<td>135</td>
<td>166</td>
</tr>
</tbody>
</table>

**Market Growth**

+14%

**1.29 Billion Euros**

MARKET FOR HARDWARE + SOFTWARE (PHYSICAL AND DIGITAL) + ACCESSORIES + MOBILE GAMING

**61%**

**30%**

**9%**

**Console Ecosystem**

Hardware, software and accessories

**PC Gaming**

Hardware, software and accessories

**Mobile Gaming**

Ecosystem

*Hardware (sales of PCs fitted with high-performance graphics cards), software (physical, digital) and accessories (mouse, keyboard, screen) for PC gaming.*

**Source:** SELL estimate, using GfK panel data.

**Market data W01-W22 2017 vs W01-W22 2016**

**CONSOLES + PC GAMING**

**+14% Turnover for global market**

**Close-up: Market segments**

**Source:** SELL estimate, using GfK panel data.

**Market data W01-W22 2017 vs W01-W22 2016**
### Console Ecosystem

**Breakdown of 2017 Turnover in Euro Millions**

- **26%** 206 Million Console Hardware
- **58%** 458 Million Console Software
- **16%** 129 Million Console Accessories

**Source:** SELL estimate, using GfK panel data, *Market data W01-W22 2017 vs W01-W22 2016

---

### Development in Sales*

**Hardware** (Home Consoles + Handhelds)

- **+37%** 206 Million Euros

**Total Established Base 2017** **40.4 Million Consoles**

**Software** (Physical and Digital)

- **+6%** 458 Million Euros

**Accessories**

- **+22%** 129 Million Euros

**Top 5 Segments**

01 **Prepaid Cards**

02 **Controllers**

03 **Headsets**

04 **Virtual Reality**

05 **Hybrid Toys**

**+1 place**

**-1 place**

**=**

**+1 place**

**-1 place**

*Includes: home consoles, handheld consoles and retrogaming

**Source:** SELL estimate, using GfK panel data, *Market data W01-W22 2017 vs W01-W22 2016
**PC ECOSYSTEM**

**BREAKDOWN OF 2017 TURNOVER IN EURO MILLIONS***

- **+15% MARKET GROWTH**
  - **47% 176 MILLION** PC GAMING HARDWARE
  - **10% 37 MILLION** PC GAMING ACCESSORIES
  - **43% 166 MILLION** PC GAMING SOFTWARE

**DEVELOPMENT IN SALES***

**HARDWARE**

- **+20%**
  - **176 MILLION EUROS**
  - **38 MILLION EUROS** DESKTOP PC
  - **138 MILLION EUROS** LAPTOP PC

**SOFTWARE**

- **+7%**
  - **165 MILLION EUROS**

**ACCESSORIES**

- **+28%**
  - **37 MILLION EUROS**
  - **+30%** GAMING MONITOR
  - **+25%** GAMING MOUSE
  - **+27%** GAMING KEYBOARD

---

*PC gaming includes: Software (physical/digital), Hardware (sales of PCs fitted with high-performance graphics cards), Accessories (mouse, keyboard, screen) for PC gaming.

Source: SELL estimate, using GfK panel data.

*Market data W01-W22 2017 vs W01-W22 2016.
The 2017 French video game market will be a historic year for the video game market!

The very positive perspectives announced in February 2017 are confirmed. With 14% market growth for this first period and the wealth of new innovations revealed at E3 for release in the second half of the year, the sector is preparing for a record year, bolstered by the three ecosystems: consoles, PC gaming and mobile gaming devices. The wealth and energy of each ecosystem creates a virtuous circle for all segments: hardware, software and accessories. The unequalled offer for gamers and the development of different gaming modes are slowly making the boundaries between gaming practices disappear; this marks the opening of a new era in video gaming.
BUYING HABITS IN FRANCE

CHAPTER 3

SPECIFIC CHARACTERISTICS VS CLASSIC CONSUMER PANELS?

A consumer panel is a permanent and representative sample of the French population which systematically declares all its purchases in the categories concerned.

SAMPLE

15,000 PANELLISTS OVER THE AGE OF 10
representative of the French population, and qualified by their multimedia equipment, media habits, etc.

ANALYSIS SCOPE


HISTORY

Data available since JULY 2013, for a broad total panel.
BUYERS OF CULTURAL GOODS IN FRANCE IN 2016
As a percentage of buyers

**Source:** GFK – ENTERTAINMENT Consumer Panel

<table>
<thead>
<tr>
<th>Media Type</th>
<th>10-14 yrs</th>
<th>15-29 yrs</th>
<th>30-39 yrs</th>
<th>40-49 yrs</th>
<th>50+ yrs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Books</strong></td>
<td>8%</td>
<td>22%</td>
<td>15%</td>
<td>14%</td>
<td>42%</td>
</tr>
<tr>
<td><strong>Video Games</strong></td>
<td>13%</td>
<td>33%</td>
<td>21%</td>
<td>16%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Music</strong></td>
<td>7%</td>
<td>19%</td>
<td>17%</td>
<td>17%</td>
<td>41%</td>
</tr>
<tr>
<td><strong>Videos</strong></td>
<td>8%</td>
<td>22%</td>
<td>18%</td>
<td>17%</td>
<td>35%</td>
</tr>
</tbody>
</table>

THE VIDEO GAME BUYER IN FRANCE IN 2016
As a percentage of buyers

67% of video game buyers are under 40

As a comparison:

- **Books:** Men 44% | Women 56%
- **Videos:** Men 48% | Women 52%
- **Music:** Men 43% | Women 57%
SNAPSHOT OF A VIDEO GAME BUYER
As a percentage of buyers

54% men
56% women

MORE MALE BUYERS...

56% bought for another person
44% purchase for themselves

WHO BUY FOR OTHERS...

46% women

AND MORE FAMILY-BASED

58% with children
42% without children

THE BUYER IN STORE/ONLINE IN 2016
As a percentage of buyers

IN-STORE PURCHASES

BOOKS
VIDEOS
MUSIC
VIDEOS

39%
39%
59%
59%

49%
41%
51%
41%

ONLINE PURCHASES

BOOKS
VIDEOS
MUSIC
VIDEOS

42%
42%
50%
50%

40%
40%
54%
54%

58%
58%
56%
56%

Source: Consumer panel 10 and older, GfK France, full year 2016

Source: GFK – ENTERTAINMENT Consumer Panel

Men
Women

Individuals living with children
Individuals not living with children
VIDEO GAMES: MOSTLY GIVEN AS PRESENTS
As a percentage of buyers

<table>
<thead>
<tr>
<th></th>
<th>ONLINE PURCHASES (MARKET SHARE AS % OF SPENDING)</th>
<th>IN-STORE PURCHASES (MARKET SHARE AS % OF SPENDING)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOOKS</td>
<td><img src="chart1.png" alt="Graph" /></td>
<td><img src="chart2.png" alt="Graph" /></td>
</tr>
<tr>
<td>MUSIC</td>
<td><img src="chart1.png" alt="Graph" /></td>
<td><img src="chart2.png" alt="Graph" /></td>
</tr>
<tr>
<td>VIDEOS</td>
<td><img src="chart1.png" alt="Graph" /></td>
<td><img src="chart2.png" alt="Graph" /></td>
</tr>
</tbody>
</table>

IN-STORE PURCHASES (AS % OF PURCHASES BY VOLUME)

- **Books**:
  - Impulse purchase: 32%
  - Intentional in-store purchase: 10%
  - Intentional game purchase: 14%
  - Intentional genre purchase: 43%

- **Video Games**:
  - Impulse purchase: 5%
  - Intentional in-store purchase: 29%
  - Intentional game purchase: 9%
  - Intentional genre purchase: 57%

- **Music**:
  - Impulse purchase: 32%
  - Intentional in-store purchase: 9%
  - Intentional game purchase: 9%
  - Intentional genre purchase: 51%

- **Videos**:
  - Impulse purchase: 55%
  - Intentional in-store purchase: 7%
  - Intentional game purchase: 12%
  - Intentional genre purchase: 26%

Source: GFK – ENTERTAINMENT Consumer Panel
CONSOLE GAME / PC GAME: TWO COMPLEMENTARY WORLDS

93% OF HOMES WITH CONSOLES ALSO HAVE A PC

63% OF HOMES WITH A PC ALSO HAVE A CONSOLE

AVERAGE AGE OF PURCHASERS

CONSOLES 33
PC GAMING 31

CONSOLE GAMES / PC GAMES: TWO COMPLEMENTARY WORLDS

As a percentage of buyers

**CONSOLE GAMES**

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Men (%)</th>
<th>Women (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 - 14</td>
<td>31%</td>
<td>14%</td>
</tr>
<tr>
<td>15 - 29</td>
<td>22%</td>
<td>18%</td>
</tr>
<tr>
<td>30 - 39</td>
<td>18%</td>
<td>16%</td>
</tr>
<tr>
<td>40 - 49</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>50 AND ABOVE</td>
<td>13%</td>
<td>15%</td>
</tr>
</tbody>
</table>

**PC GAMES**

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Men (%)</th>
<th>Women (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 - 14</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>15 - 29</td>
<td>40%</td>
<td>42%</td>
</tr>
<tr>
<td>30 - 39</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td>40 - 49</td>
<td>14%</td>
<td>15%</td>
</tr>
<tr>
<td>50 AND ABOVE</td>
<td>15%</td>
<td>14%</td>
</tr>
</tbody>
</table>

**CONSOLE GAMES / PC GAMES**

<table>
<thead>
<tr>
<th>Gender</th>
<th>CONSOLES</th>
<th>PC GAMES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>Women</td>
<td>47%</td>
<td>53%</td>
</tr>
</tbody>
</table>

**Individuals living with children**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>44%</td>
<td>56%</td>
</tr>
<tr>
<td>Women</td>
<td>41%</td>
<td>59%</td>
</tr>
</tbody>
</table>

**Purchase for oneself vs. another person**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Women</td>
<td>54%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: GfK – ENTERTAINMENT Consumer Panel
### Buying Habits in France

**Console Game / PC Game: Distinct Intentions to Buy**

<table>
<thead>
<tr>
<th>Category</th>
<th>Console Games</th>
<th>PC Games</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical Games</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Console games</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>PC games</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>Intentional game purchase</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>Impulse purchase</td>
<td>58%</td>
<td>39%</td>
</tr>
</tbody>
</table>

**Digital Games**

<table>
<thead>
<tr>
<th>Category</th>
<th>Console Games</th>
<th>PC Games</th>
</tr>
</thead>
<tbody>
<tr>
<td>Console games</td>
<td>7%</td>
<td>12%</td>
</tr>
<tr>
<td>PC games</td>
<td>16%</td>
<td>19%</td>
</tr>
<tr>
<td>Intentional genre purchase</td>
<td>16%</td>
<td>19%</td>
</tr>
<tr>
<td>Intentional in-store purchase</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td>Impulse purchase</td>
<td>65%</td>
<td>58%</td>
</tr>
</tbody>
</table>

*Source: Consumer panel aged 10 and above, GfK France, full year 2016*

---

**Console Games: Intentional Game Purchase**

<table>
<thead>
<tr>
<th>Category</th>
<th>Console Games</th>
<th>PC Games</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical games</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intentional game purchase</td>
<td>58%</td>
<td>11%</td>
</tr>
<tr>
<td>Intentional genre purchase</td>
<td>25%</td>
<td>13%</td>
</tr>
<tr>
<td>Intentional in-store purchase</td>
<td>6%</td>
<td>13%</td>
</tr>
<tr>
<td>Impulse purchase</td>
<td>65%</td>
<td>39%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Digital games</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intentional game purchase</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td>Intentional genre purchase</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>Intentional in-store purchase</td>
<td>7%</td>
<td>12%</td>
</tr>
<tr>
<td>Impulse purchase</td>
<td>7%</td>
<td>19%</td>
</tr>
</tbody>
</table>

*2 Out of 3 Digital Purchases Are Intentional Game Purchases*

*Source: Consumer panel aged 10 and above, GfK France, full year 2016*
PC GAMES: VARIATIONS ON INTENTION TO BUY

As a percentage of buyers

### PHYSICAL GAMES
- 39% Intentional game purchase
- 13% Intentional genre purchase
- 40% Intentional in-store purchase
- 9% Impulse purchase

### DIGITAL GAMES
- 58% Intentional game purchase
- 11% Intentional genre purchase
- 19% Intentional in-store purchase
- 12% Impulse purchase

**40% of physical purchases are intentional in-store purchases**

**58% of digital purchases are intentional game purchases**

Source: Consumer panel aged 10 and above, GfK France, full year 2016
### Console Game / PC Game: Sources of Knowledge

As percentage of purchases (volumes)

<table>
<thead>
<tr>
<th>Console Games</th>
<th>PC Games</th>
</tr>
</thead>
<tbody>
<tr>
<td>18%</td>
<td>6%</td>
</tr>
<tr>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>15%</td>
<td>19%</td>
</tr>
<tr>
<td>9%</td>
<td>17%</td>
</tr>
<tr>
<td>8%</td>
<td>20%</td>
</tr>
<tr>
<td>7%</td>
<td>13%</td>
</tr>
<tr>
<td>7%</td>
<td>2%</td>
</tr>
<tr>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Specific Gift**

- In-store by chance or browsing an online store
- Word of mouth (family, friends, colleagues...)
- Online advertising
- An article or review (press, online)
- The official website of the author, publisher, artist, director, etc.
- TV advertising
- Advertising in the physical store or online store (posters, screens, decoration)
- Through discussions on social media (Facebook, Twitter...)
- Through specific advertising around an article
- Through a catalogue or store leaflet

**Review of Article**

- Specific gift
- In-store by chance or browsing an online store
- Word of mouth
- In-store by chance or browsing an online store

**In-store by chance or browsing an online store**

- Word of mouth

**Word of Mouth**

- Specifically asked for by the person for whom it was bought
- Through discussions on social media (Facebook, Twitter...)
- In-store by chance or browsing an online store
- Word of mouth

**Advertising in the physical store or online store (posters, screens, decoration)**

- Through specific advertising around an article

**Through a catalogue or store leaflet**

**Source:** Source: GFK – ENTERTAINMENT Consumer Panel
CONSOLE GAME / PC GAME: PURCHASE SEASONALITY

As percentage of purchases (volumes)

Source: GFK – ENTERTAINMENT Consumer Panel

CONSOLE GAMES / PC GAMES: PURCHASE SEASONALITY

As percentage of purchases (volumes)

Source: GFK – ENTERTAINMENT Consumer Panel

CONSOLE GAMES:

- Attracted to this style / genre of game: 28%
- Recommended by my peer group (friends, family, colleagues...): 17%
- Low price, special offer: 16%
- The appeal of a licence, series, artist, author, etc.: 9%

PC GAMES:

- Attracted to this style / genre of game: 40%
- I was specifically asked for this game: 24%
- Low price, special offer: 23%
- The appeal of a licence, series, artist, author, etc.: 12%

CONSOLE GAMES:

- Jan: 10%
- Feb: 0%
- Mar: 5%
- Apr: 10%
- May: 10%
- June: 15%
- July: 20%
- Aug: 15%
- Sep: 13%
- Oct: 9%
- Nov: 8%
- Dec: 0%

PC GAMES:

- Jan: 10%
- Feb: 12%
- Mar: 10%
- Apr: 9%
- May: 5%
- June: 23%
- July: 0%
- Aug: 9%
- Sep: 9%
- Oct: 9%
- Nov: 8%
- Dec: 0%
Chapter 4

Video Game Buyer Profiles per Distribution Channel

Number of Customers per Distribution Channel

In millions of video game buyers

Source: Source: GfK – ENTERTAINMENT Consumer Panel

Large Specialised Culture Store

- 2.3 million

Online

- 2.6 million

Video Game Specialists

- 2.7 million

Supermarket

- 3 million

Physical New Video Games | 2016
**VIDEO GAME BUYER AGE IN FRANCE IN 2016 PER DISTRIBUTION CHANNEL**

As a percentage of buyers

<table>
<thead>
<tr>
<th>Distribution Channel</th>
<th>10-14 year-olds</th>
<th>15-29 year-olds</th>
<th>30-39 year-olds</th>
<th>40-49 year-olds</th>
<th>50 and above</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPERMARKET</strong></td>
<td>13%</td>
<td>25%</td>
<td>26%</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>LARGE SPECIALISED CULTURE STORE</strong></td>
<td>11%</td>
<td>31%</td>
<td>23%</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>ONLINE</strong></td>
<td>13%</td>
<td>33%</td>
<td>21%</td>
<td>18%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>VIDEO GAME SPECIALISTS</strong></td>
<td>12%</td>
<td>46%</td>
<td>16%</td>
<td>17%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**58% of video game buyers in specialist stores are under 29**

**Source:** Source: GFK – ENTERTAINMENT Consumer Panel

---

**VIDEO GAME TYPE IN FRANCE IN 2016 PER DISTRIBUTION CHANNEL**

As a percentage of buyers

<table>
<thead>
<tr>
<th>Distribution Channel</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPERMARKET</strong></td>
<td>46%</td>
<td>52%</td>
</tr>
<tr>
<td><strong>LARGE SPECIALISED CULTURE STORE</strong></td>
<td>57%</td>
<td>58%</td>
</tr>
<tr>
<td><strong>ONLINE</strong></td>
<td>43%</td>
<td>42%</td>
</tr>
<tr>
<td><strong>VIDEO GAME SPECIALISTS</strong></td>
<td>45%</td>
<td>48%</td>
</tr>
</tbody>
</table>

**A more feminine target in supermarkets and very masculine target online and in specialist gaming stores**

**Source:** Source: GFK – ENTERTAINMENT Consumer Panel
**HOME SITUATION OF BUYERS OF CULTURAL GOODS IN FRANCE IN 2016 PER DISTRIBUTION CHANNEL**

As a percentage of buyers:

- **SUPERMARKET**: 65%
- **LARGE SPECIALISED CULTURE STORE**: 57%
- **ONLINE**: 56%
- **VIDEO GAME SPECIALISTS**: 58%

*Individuals living with children*:
- **SUPERMARKET**: 35%
- **LARGE SPECIALISED CULTURE STORE**: 43%
- **ONLINE**: 44%
- **VIDEO GAME SPECIALISTS**: 42%

*Individuals not living with children*:
- **SUPERMARKET**: 57%
- **LARGE SPECIALISED CULTURE STORE**: 43%
- **ONLINE**: 42%
- **VIDEO GAME SPECIALISTS**: 42%

A more family-based target in supermarkets.

---

**EXCLUSIVITY OF BUYERS OF CULTURAL GOODS IN FRANCE IN 2016 PER DISTRIBUTION CHANNEL**

As a percentage of buyers exclusive to the channel:

- **SUPERMARKET**: 49%
- **LARGE SPECIALISED CULTURE STORE**: 43%
- **ONLINE**: 52%
- **VIDEO GAME SPECIALISTS**: 43%

Online video game buyers are more faithful to that channel: 52% of them only buy online.

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**PHYSICAL NEW VIDEO GAMES | 2016**

*Source*: Source: GFK – ENTERTAINMENT Consumer Panel

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**VIDEO GAME BUYER PROFILES PER DISTRIBUTION CHANNEL**
A EUROPEAN VISION OF VIDEO GAMING PRACTICES

The European Gametrack survey by the IPSOS Institute is an online survey of 6,000 respondents representing the population and aged between 6 and 64 years old. This survey and its results provide a view that is complementary to the work of SELL on the French market.

Chapter 5

Sources: GameTrack / IPSOS / Q4 2016
A European vision of video gaming practices

**Breakdown of European gamers by platform (6-64 years old)**

- **Home consoles**: 29% France, 21% Spain, 39% Germany, 27% United Kingdom
- **Handheld consoles**: 16% France, 11% Spain, 9% Germany, 10% United Kingdom
- **PC**: 39% France, 22% Spain, 18% Germany, 23% United Kingdom
- **Smartphones**: 27% France, 20% Spain, 19% Germany, 14% United Kingdom
- **Tablets**: 11% France, 11% Spain, 11% Germany, 9% United Kingdom

**Breakdown of European gamers by age group (6-64 years old)**

- **6-10 years old**:
  - France: 84%
  - Spain: 75%
  - Germany: 75%
  - United Kingdom: 75%

- **11-14 years old**:
  - France: 85%
  - Spain: 86%
  - Germany: 76%
  - United Kingdom: 78%

- **15-24 years old**:
  - France: 78%
  - Spain: 81%
  - Germany: 81%
  - United Kingdom: 81%

- **25-34 years old**:
  - France: 63%
  - Spain: 56%
  - Germany: 46%
  - United Kingdom: 46%

- **35-44 years old**:
  - France: 61%
  - Spain: 57%
  - Germany: 36%
  - United Kingdom: 35%

- **45-64 years old**:
  - France: 37%
  - Spain: 18%
  - Germany: 31%
  - United Kingdom: 15%

Sources: GameTrack / IPSOS / Q4 2016
PEGI

Video gaming is a passion for increasing numbers of players, young and old alike. Like television and cinema, there are tools which allow gamers and parents to play “responsibly” thanks to the PEGI rating.

Just before the summer holidays and free days ideal for all kinds of fun and games, the Union of Video Game Publishers (SELL) is launching a campaign and giving parents advice on how to manage their children's gaming.

Published in a selection of French magazines and newspapers, the campaign provides three simple rules to make sure that gaming remains a pleasure for the whole family.

SELL has invested a budget of €400,000 from June to September to broadcast this message through advertorials in the French press: ELLE, Famille et Education, La Revue des Parents, L’Obs, Marie Claire, Mon Quotidien, Petit Quotidien, Psychologies magazine, Sport & Style Version Femina and Télérama.

The campaign is focused around 3 rules and good practices:

- Check that the game is suitable for the child’s age
- Set a limit on screen time
- There is nothing like gaming with your children to understand how and what they are playing.

A responsible industry

Chapter 6

A responsible industry

There is an age for everything and there is a video game for every age.
PEGI SA is offering a new training course for people who work in shops that sell video games. It’s an e-learning tool, an online course about the PEGI system, the different ratings and the legal context for selling games in France.

This e-learning tool for retailers is on a European level and is being rolled out in different countries with translated modules containing country-specific information.

The objective is to provide interactive training accessible via PC, smartphone or tablet depending on the possibilities for the retailers. The lesson includes information, visuals and animations about the PEGI system, ratings and their criteria, the links between the age logos and the content descriptors, content types, PEGI rules and also national laws. The module lasts approximately 30 minutes.

**WHAT ARE THE ADVANTAGES FOR RETAILERS?**

Employees are fully trained and understand the PEGI ratings and local laws about age classification and the protection of minors.

Consumer questions are answered better

Subscribing to this training demonstrates a company’s sense of responsibility.

The e-learning course will earn the store a PEGI certificate as well as individual certificates for the employees.

The training is free, quick and easy to access.

For PEGI SA, the objective is to boost information about PEGI ratings, game content and national policies in the stores, and receive support for the system from the retailers.

**THE E-LEARNING CONTENT IS AS FOLLOWS:**

**About PEGI**
(age categories and content descriptors, rating process, statistics, detailed criteria and content)

**PEGI in retail**
(the logos, packaging, how to deal with consumer questions and manage complaints)

**A test**
(to earn the participant his or her PEGI training certificate.)

**The principles of PEGI and national legislation**
(European situation, national laws, distribution charter in France)
**PEGI ANALYSIS OF THE 2016 OFFER***

69% PERCENTAGE OF GAMES RATED PEGI 12 AND BELOW

50% PERCENTAGE OF GAMES RATED PEGI 7 AND BELOW

31% PERCENTAGE OF GAMES RATED PEGI 16 AND 18

---

**PEGI SALES ANALYSIS**

MARKET SHARE IN 2016

<table>
<thead>
<tr>
<th>IN UNITS</th>
<th>IN VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td>34%</td>
</tr>
<tr>
<td>14%</td>
<td>12%</td>
</tr>
<tr>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>30%</td>
<td>33%</td>
</tr>
</tbody>
</table>

---

Source: GfK 2016 panel data

*Physical market
CHAPTER 7

THE VIDEO GAME ECOSYSTEM

THE VIDEO GAME INDUSTRY

DESIGNERS
PUBLISHERS
STUDIOS
DISTRIBUTORS

VIDEO GAMING
CHAPTER 8

SELL
THE UNION OF VIDEO GAME PUBLISHERS
THE MISSIONS OF SELL

The Union of Video Game Publishers (SELL) was founded in 1995 by key players on the video game market. To support the growing video game industry and its accessibility, video game professionals (console manufacturers, game publishers, accessory manufacturers, etc.) needed to speak with the same voice. Following the example of the Interactive Software Federation of Europe (ISFE) which defends the interests of the video gaming sector on a European level, SELL immediately became the primary contact for French public institutions, the media and different associations.

In twenty years, SELL has taken many decisive actions to ensure video gaming is recognised as one of France’s favourite leisure activities. This success is not solely down to the quality of games sold by SELL members. Aware of their responsibilities to gamers and their friends and families, in 2003 SELL members implemented a simple, complete and independent video game rating system: PEGI (Pan European Game Information). SELL expressed the industry’s desire to be responsible through the PEGI rating system and through an information resource for parents (PédagoJeux).

Under the presidency of Jean-Claude Ghinozzi (Director of the Retail Sales and Marketing Division for Microsoft France) and Emmanuel Martin (SELL General Delegate), in 2015 this commitment to society became concrete with the PEGI system’s approval from the French Home Secretary as the rating system for video games in France.

SELL’s main objective is to promote video games and gaming with the general public, national and European stakeholders and the authorities. For this, SELL organises two shows every year, the Interactive & Digital Entertainment Festival (IDEF) and Paris Games Week (PGW), federating the main operators in the video game sector.

IDEF is a trade fair. Ever year, all of the video game industry comes together there. Over three days, they present industry buyers with gaming trends and new products and services which will create a buzz for the Christmas season. Furthermore, panels, conferences and round tables introduce and explain new usages and new technologies which will move the video game industry forward, an industry which is enjoying constant growth.

Paris Games Week is a general public show. Over five days, hundreds of thousands of gamers, their families and friends will play and discover the latest titles, technologies and peripherals for the Christmas season. Even though it is open to all and has events suitable for every audience, Paris Games Week has an area specially designed for younger gamers: Junior PGW. There, children and parents can discover games, accessories and activities specially designed for a younger audience. PGW is also an opportunity to meet some of the colleges offering courses in video gaming and digital design. Finally, the world’s third largest video game show couldn’t forget the professionals! Game Connection is a space where industry professionals can meet and discover creations and offers which will hit the headlines in the coming months and years.

SELL also has a vocation to defend the interests of its members and, more generally, all of the video game sector. This includes software publishers, console manufacturers, accessory manufacturers and also development studios and colleges offering video game courses.
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*Warner Interactive*