

Landscape Report 2017

The Most Significant Information of Digital Games Consumption in Iran



Ministry of Culture
and Islamic Guidance



IRAN
COMPUTER &
VIDEO GAMES
FOUNDATION



DIREC
Digital Games Research Center

Knowledge Directs Differences



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Importance of Research for Active Individuals in The Video Game Industry

The more we move forward, the more it becomes evident that cultural industries in Iran need to get restudied and redefined. Cultural industries in Iran, if taken seriously and planned thoroughly, can see such growth, that in a not so distant future it will become an integral part of country's gross domestic product. Today, in fields of tourism, theater, music, handicraft, visual arts, video games, etc. we are able to supply, not only our country but the other countries in the regional market as well, which could also serve as a solution to other aspects of the economy, like employment. But this whole idea may somewhat be more true for video games which could be considered a more progressive form of cultural industries. Over the years, this art form has experienced a huge amount of growth, so much that many titles that result from it contribute a significant amount to cultural development, socialization and education. Video games have become a bold aspect of our children's daily lives; children that will one day sit behind the wheel and steer country's economy and culture.

Thankfully, Iran Computer and Video Games Foundation (IRCG) has initiated a few positive steps in the field of video game research, and we're hopeful to establish a research center for video games with an approach to future studies.

Gathering and publishing of accurate statistics and real, raw information to be used by policymakers and other people active in the field of video games is one of IRCG's duties. The results of such research may also help the private sector to plan their investments more carefully.

To meet the objectives of the doctrine of resilient economy, the ministry of culture and Islamic guidance's goal is to empower Iranian developers with financial and legal aids. In this regard, other governmental bodies should unite to help the field of video game development in Iran grow and manifest itself as an example of cultural industries.



Hussain Entezami

Senior assistant for the minister of culture and Islamic guidance



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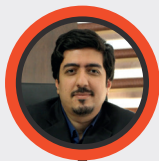
Today, the axis of societal and cultural changes and transformations that occur is technology. The video game industry, one of the most important technological industries, has always looked to the future.

Our country is not exempt from these changes and that's why IRCG has initiated and sustained a survey program of Iranian gamers in the recent years and has now presented the society with its results. We believe that these results should be comprehensively scoured by sociologists, psychologists and cultural policymakers of the country and its conclusions be used to determine the future orientation of this industry in Iran.

A quick glance at the results of this survey is enough to prove that the effective factors and the indicators of this field are changing and evolving rapidly. From the angle of culture and the aspect of pastime, take into notice that the time Iranians spend playing video games has increased from 79 minutes a day in 2015 to 90 minutes a day in 2017. This goes to show that the penetration rate of video games in Iranian families is experiencing a rapid growth. The number of players has also gone up from 23 million people in the year 2015 to 28 million people in 2017. The average age of the players has decreased from 21 to 19 and finally, from the market and financial aspect, we see an increase in revenue from 460 billion Tomans in 2015 to 920 billion tomans in 2017.

Contemplating on these statistical indicators may force us to change our perspective on this industry. All these changes in a two-year window proves that rapid changes are occurring and to conduct a future plan for this industry, we need to make use of the results that this comprehensive survey offers.

IRCG calls on all interested experts and researchers to engage in this program and help us analyze the results of the survey.



Hassan Karimi

President of Iran Computer and Video Games Foundation

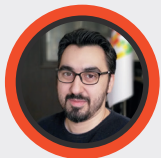


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Iran digital games industry has found its path to make progress step by step. Large-scale events such as TGC, TGF, IGL, and DGRC have provided a vast field for this creative industry in various aspects in Iran. Iranian game developers are located in the brightest historical period of their competition in the international market by far. International market penetration and presence in the unsaturated local market based upon a sustainable competitive advantage are two main drivers for game developers to develop high-quality games. A powerful network of researchers in different academic disciplines is forming in order to upgrade the knowledge base of the industry. Essential infrastructure has been established for knowledge and technology transfer. Gradually, investors are attracted to the rapid acceleration in digital games economic growth and other potentials of this media industry. The emergence of creative and young brands has led to forming a fresh game journalism that plays a key role in the industrial development. In this situation, periodic and regular surveys can help drawing digital games consumption status and measuring consumption trend changes. The Landscape Report 2018 is an abstract of national survey results that have conducted by DIREC at the beginning of 2018.



Seyed Mohammad Ali Seyed Hosseini
DIREC CEO

Landscape Report 2017

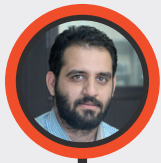
The Most Significant Information of Digital Games Consumption in Iran



How This Research Has Been Done?

Information which is available in this report is analyzed based on the national survey conducted by DIREC throughout Islamic Republic of Iran with the sample size of 8000. For conducting an accurate survey, a compound sampling “Stratified-Multistage Clustering” is implemented which comprises metropolitans, cities, and rural areas. Also, in order to facilitate to read this report, all statistics and numbers are rounded as much as possible.

“2017 Landscape” report shares the most important Iranian gamers’ information in the year 2017. It must be noticed that a “gamer” is a person who plays the digital game at least one hour in a week with at least one of the main game platforms including Mobile, Console, and Computer.



Pouyan Nejadi

Director of Statistical Analysis

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AT A **GLANCE**

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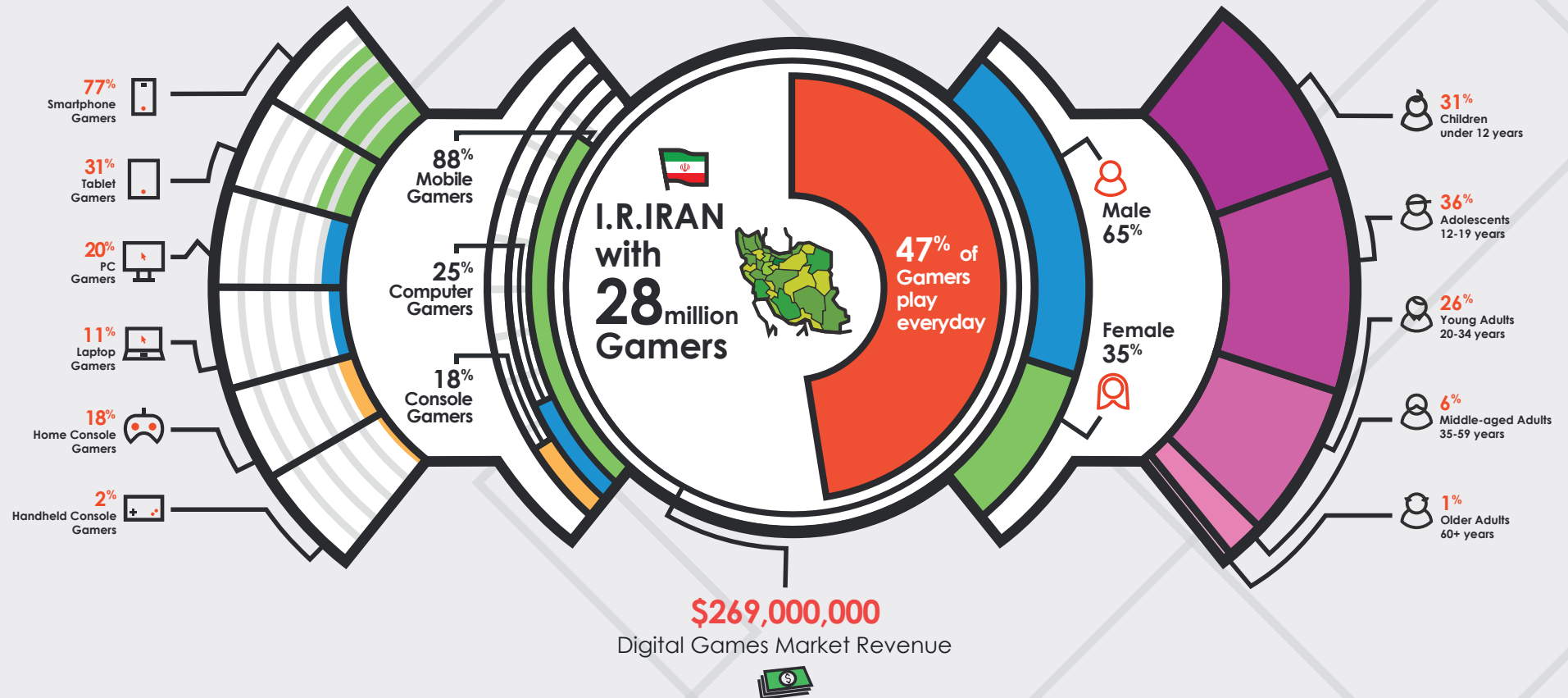


WHO **WE** ARE?

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AT A GLANCE





WHO IS PLAYING?



Iran population:
81 Million¹

35 persons out of 100 are gamers.

24 women out of 100 are gamers.

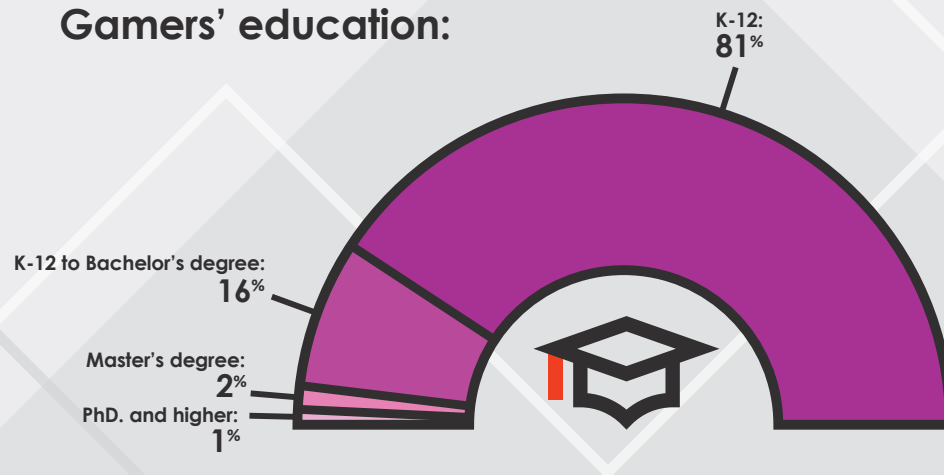
45 men out of 100 are gamers.

There is an average of **1 gamer** in each household.

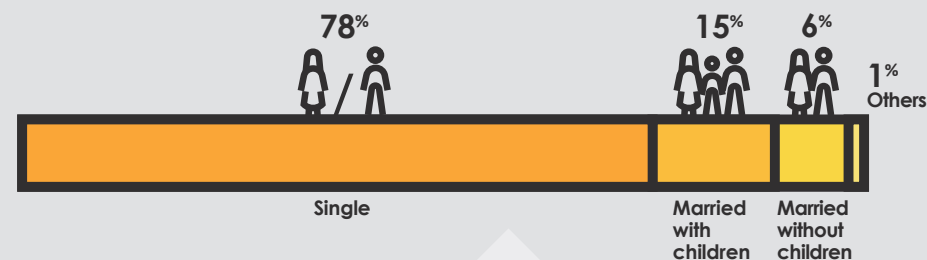
The average gamer is
19 years old.

1. Estimated based on data of Statistical Center of Iran

Gamers' education:



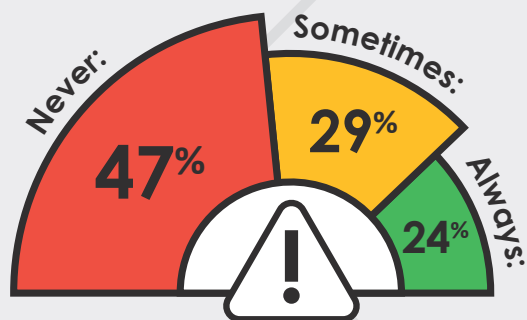
Marital status:



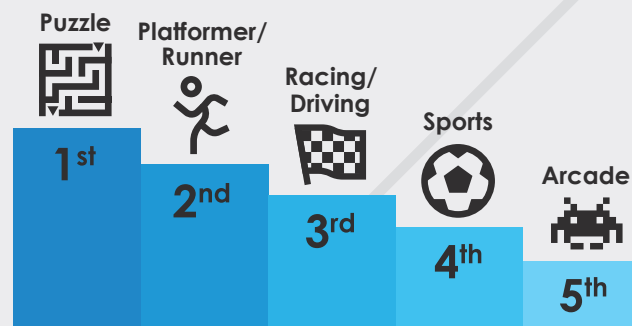


WHAT THEY PLAY?

How Much Do Gamers Notice to Game's Rating?



Top 5 popular genres:



Top 10 popular games:





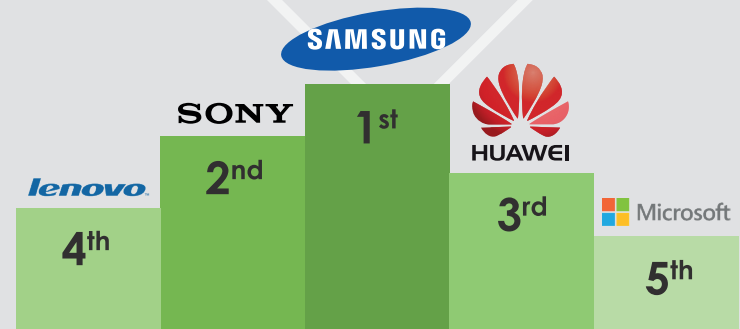
HOW THEY PLAY?

Digital gaming for Iranians is
31 minutes
per capita per day.

The average gamer spends
90 minutes
for gaming per day.



Top 5 popular brands of gaming hardware:



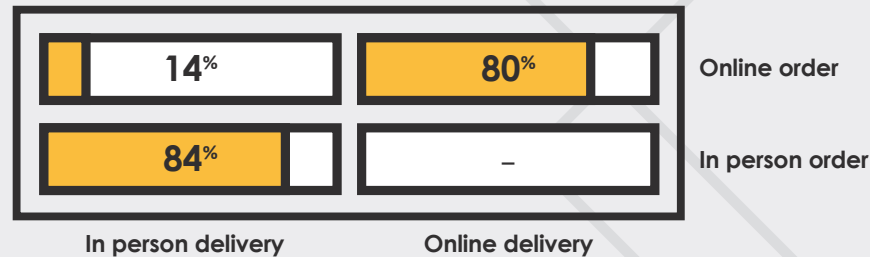


HOW THEY PLAY?

Iran's internet penetration rate: **70%**¹

84% of the gamers have internet access and **48%** of them play online.

Penetration rate for different methods of accessing to the games²



Internet access methods:



¹.Internet World Stats

².In this matrix, different methods of accessing to the games are reviewed. "Order" is for different methods of searching, choosing, & requesting the games. Based on this, "Online order" includes ordering a game on the internet at digital markets, websites, social networks, etc. For "In person order", choosing the game from the local stores or by interacting with friends and family can be considered. On the other hand, receiving the game with the help of internet connection is "Online delivery". On the contrary, the ways like exchanging the game's installation file or purchasing it from stores are coined as "In person delivery". Although it should be emphasized that both free and non-free games are included in this matrix.

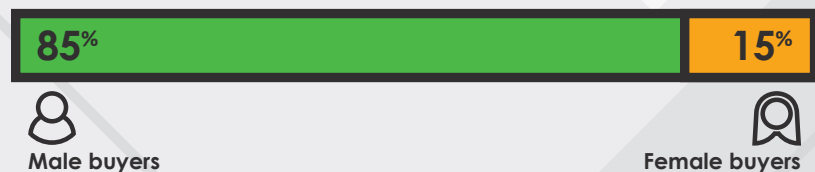


HOW THEY BUY?

GDP: **418.88 B\$**¹

GDP Per Capita: **5090 \$**²

18% of the gamers are game (software) buyers³.
The average buyer is **18** years old.



Market share of local games⁴
out of the total digital games market
revenue is **6%**
(**5%** in 2015).

Market share of local games
out of the 115.4 M\$ game (software)
market revenue is **14%**
(**11%** in 2015).

¹ & ² International Monetary Fund (April, 2018)

³ Iran currently does have a copyright law but it only offers protection to domestically created works and it is not extended to international issues. As a result, there are several ways to access the games, for instance, downloading games, exchanging files, etc. Hence, some of the gamers don't pay for games and use alternatives. At the same time, some of the purchases are made for non-original copies. Therefore, based on DIREC's definition, "Buyer" is a gamer who pays for in-app purchases or accessing the games (either original or non-original copies).

⁴ "Local games" consist of locally developed and localized games.



HOW THEY BUY?

2017 Digital games market revenue breakdown

\$269,000,000¹

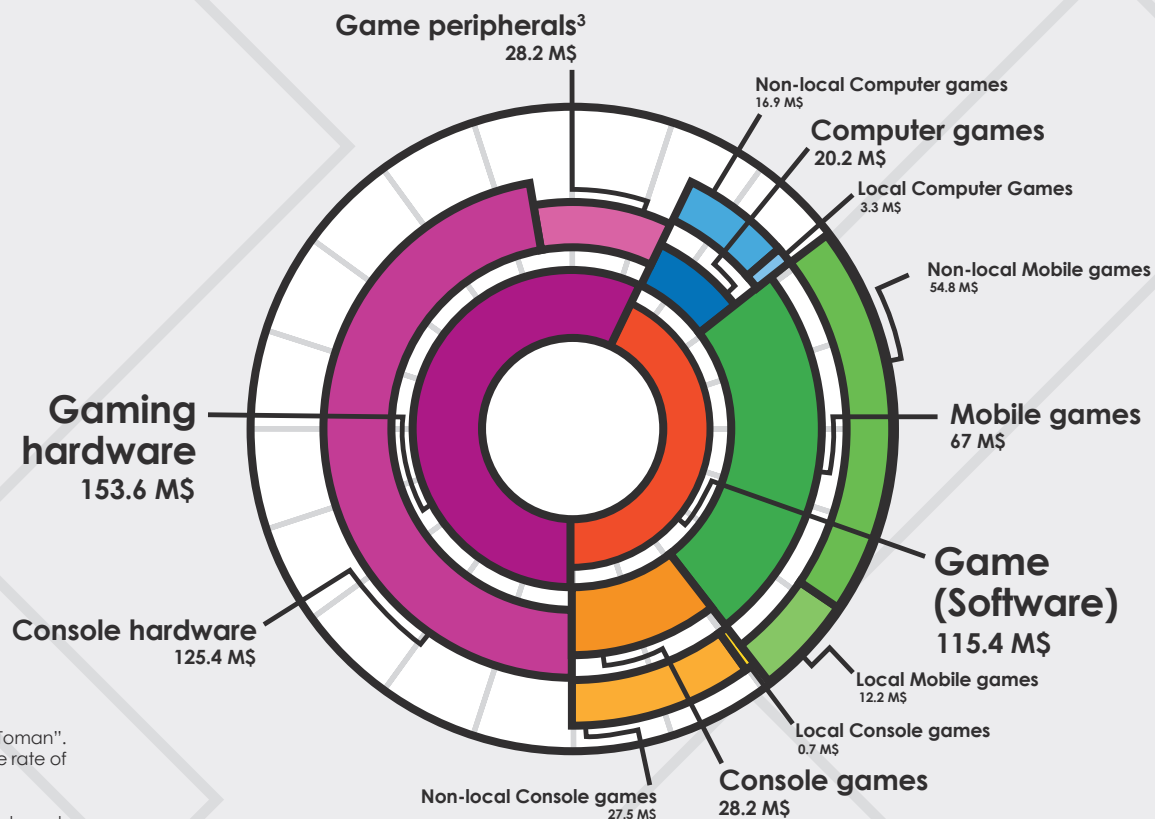


Total digital games market revenue²

1.The actual revenue is estimated by the common Iranian currency which is "Toman". Subsequently, it has been exchanged to USD based on the average exchange rate of 0.000292 (Central Bank of Iran).

2.This number consists of buying games, game peripherals, and console hardware.

3.Game peripherals include devices such as gamepad, headset, mouse, keyboard, etc. which has been purchased with the intention of gaming.





HEADING FORWARD

“Landscape 2017” is the first report of the new DIREC’s national reports. Although the detailed information will be published about Iran’s digital games market in triple “Close-up” reports, based on what we read in “Landscape 2017” there are some trends to point out.

First, total market revenue has been doubled in 2 years. Although this scale-up is influenced by the heavy inflation and USD fluctuations, this growth also shows the great potential for market expansion. Considering the increase in the local games market, this promotion is even more attractive.

Second, after a solid growth period of the average age of the gamers (from 16 years old in 2010 to 21 years old in 2015), we are facing a new generation of under 18 gamers that reduced the average age to 19 and can reflect a good image of future with more audience for game media.

Third, the large effect of Console platform in market revenue is undeniable. Especially with a focus on SONY’s latest gaming console, PS4, we had a considerable increase in market revenue of both gaming software and hardware. The least advantage of this event is the change in gamers’ lifestyle and their intention to buy original game copies which is a window of opportunity for local developers. I hope that with the help of all the key actors including policymakers, developers, publishers, researchers, media, and etc. this would be a gate for entering to the knowledge-based economy.



Hamed Nasiri

Industrial Research Manager



WHO WE ARE?

Iran Computer and Video Games Foundation

IRCG is a sub-organization and the trustee of the ministry of culture and Islamic guidance to carry out programs and activities related to the art-industry of video games and to strengthen and reinforce the educational basis of the workforce and also to play an overseeing role in this field.

Today, video games as products both artistic and industrial, have broad cultural and economic impacts. Therefore, it seems crucial that we take heed to this industry and define some duties and goals for the higher organizations of the country to help it grow. Aside from policy-making and macroplanning, the majority of duties and goals of Iran Computer and Video Games Foundation can be described in four categories of aid, education, supervision, and research:

Aiding the country's video game industry

The video game industry all across the globe is progressing at a frantic speed. Meanwhile, those Iranians who work in this field face numerous challenges; problems that are further escalated by sanctions and the fact that this industry is relatively young in Iran. So, it seems necessary to have an organization at the heart of the situation to support the people active in the field and manage the status.

IRCG is doing a lot to support domestic developers, like strengthening the infrastructures of domestic video game industry and paving the way for Iranian developers to introduce their products to more people and media outlets. One thing that IRCG has done, is holding multiple events to make it easier for domestic developers to connect with investors and key individuals of the international video game scene.

Education for developers

Despite all the imposing problems and limitations, Iran has a significant number of talent in the video game history. IRCG has always taken steps to increase the facilities and education available to developers and to create the optimum conditions for them to flourish.

Holding courses, workshops and domestic educational classes, conducting international exhibitions, sending-out people to educational courses abroad, and compilation of books and essays are some parts of what IRCG does to help further develop the informational strengths of Iranian developers.

Supervising development and publish

A part of IRCG's duties is overseeing the content that gets created or released to the domestic market. This organization tries to amplify Iranian-Islamic themes and elements represented in the industry.

Maintaining the financial and moral rights of the developers requires close supervision of development and release of the products. IRCG opposes distribution of illegal and counterfeit video games, issues holograms for legal titles, issues publishing licenses and classifies games based on age restrictions. All of these bring us closer to achieving our supervising goal.

Conducting research and compiling accurate statistics of the industry

Aside from all of the above-mentioned duties, IRCG as an organization tasked with managing the video game industry in Iran does also conduct research and surveys in this regard. Video games make drastic cultural and societal impacts and to really understand these impacts, we need to take research into different cultural and societal areas seriously.

In order to get information about the current situation of the video game industry firsthand, not only we need to conduct accurate surveys, but we also need to analyze the acquired data through up-to-date methods with matching standards. On the other hand, taking into consideration the huge revenue of video games, we need accordant research in the market to really grasp the financial potential of this field. IRCG does its best to hold conferences, publish comprehensive reports and scientific research at different cycles, such as quarterlies, periodicals, and monthlies to reach its research goals.





WHO WE ARE?

Digital Games Research Center

DIREC Group

In the growing market of digital games industry, particularly in Iran and Middle East, knowledge and accurate information seems requisite. This information is vital for analyzing regulations, policies, industry status, competitive environment, consumer preferences and other business development indexes.

Digital Games Research Center (DIREC) has been established to develop research in gaming industry since 2015. DIREC has made interactive connections to universities, developers, publishers, and media. Not only DIREC enhances research areas in gaming industry through these connections, but it also has access to an accurate and wide range of data by promoting the communications and implementing the periodic and sectional surveys. The most important survey of DIREC about gamers' behavior is the periodic nationwide survey with thousands of gamers in metropolises, cities and rural areas of Iran. Subsequently, conclusions by statistical approaches are generalized to cover all regions and segments. DIREC is presenting a variety of reports in digital games area, and it also conducts tailored research for its national and international customers. Moreover, DIREC is encouraging business intelligence by organizing analytical events, conferences, workshops and webinars in the game area.

DIREC is the official center for digital games industry statistics and reinforcement of the theoretical basis of games studies in Iran.

DIREC Publications

The following titles have been published by DIREC:

- **Landscape Report: The Most Significant Information of Digital Games Consumption in Iran**

This short report presents the most important information about consumers, such as the number of gamers in Iran, market size, preferences of gamers, the number of online gamers, etc. "Landscape Report" is being published periodically and it can be accessed globally and entirely free.

- **Close-Up Triple Reports for Mobile, Computer, and Console Platforms**

Markets and insights indicate that more detailed and precise information is required for analyzing consumer preferences based on different platforms. Therefore, DIREC has published a triple report for Mobile, Computer, and Console platforms to look deeper into factors. Clustering based on playing time and expenditures, gamers' lifestyles, access ways to games, payments, and other factors are presented by details in these three reports. "Close-Up" reports express great detailed information about gamers in three platforms and it gives profound realization to readers about gamers' tastes.

- **The Phenomenon of Year Report**

Some of the games in particular platforms hog the limelight on special periods, and they attract lots of people to themselves. Researching on these games and identifying the reasons for their success can explicit the road of becoming a phenomenon. As a result, DIREC focuses on these famous cases, presents precise information to show all dimensions and reasons of these games prosperity.



WHO WE ARE?

Digital Games Research Center

• 100 Facts About the Ecosystem of Digital Games in Iran

The key players, such as developers, distributors, supervisors, researchers, and other relevant ones perform important roles in most industries. This report provides broad insight about these players and presents what has been going on last years in Iranian digital market and game industry.

• Collection Quarterly

"Collection Quarterly" is about the most important statistics and information of digital games in the world. Each report is the collection of expressed global sources insights about digital games markets and trends. Hence, publishing this report result in introducing authentic references, and recent events about developing, distributing, and consuming.

• Monthly Journal of Game Studies: Insights

"Insight" is the spectacular publication of DIREC. The monthly journal of "Game Studies: Insights" are published for academic researchers who seek knowledge about digital games. Actually, these issues impress the researchers who try to develop the borders of scientific game studies. Each volume works on a special topic of digital games, such as learning, violence, addiction, economy, genres, etc. The presented volumes are based on international articles, journal papers, books, thesis, and other represented scientific facts. "Insight" advises researchers about the main scientific core studies of digital games.

• Other Reports and Infographics

DIREC also presented a variety of reports and infographics on other different subjects, including statistical analytics on global digital games publications, statistical data and information about Tehran

Games Festivals, E-Sporting in Iran, employment in games industry, functional training, advertisement by games, digital games foresight in Iran, and other dimensions related to digital games area.

DIREC other Activities

Besides publishing reports and issues, DIREC other activities can be expressed as:

- Reinforcing theoretical and scientific basis in digital games area by connecting to universities, research centers, and by supporting research both financially and scientifically. DIREC is also encouraging research by holding annual "Digital Games Research Conferences (DGRC)" in Iran.
- Information consulting to national and international corporations for developing their activities in industry
- Implementing research projects for policymaker organizations, developers, and publishers

DIREC Customers

Based on DIREC different activities, a wide range of corporations, organizations, and foundations can be considered as our customers:

- Policymakers and managers
- Games developers, publishers, national and international distributors
- National and international investors and VCs
- Complimentary industries
- Media
- Researchers and academics



DIREC is the official center for digital games industry statistics and reinforcement of the theoretical basis of games studies in Iran. You can contact us via:

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