

Successful Publishing on Smartphones: iOS vs. Android

Giordano Bruno Contestabile, PopCap Games
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We've Come a Long Way...

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1995
SMS



1998
WAP



2000
J2ME



2008
Smartphones!



But Mobile Gaming Finally Rules!

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Mega-Trends shaping the game market:

★ Mobile

★ Social



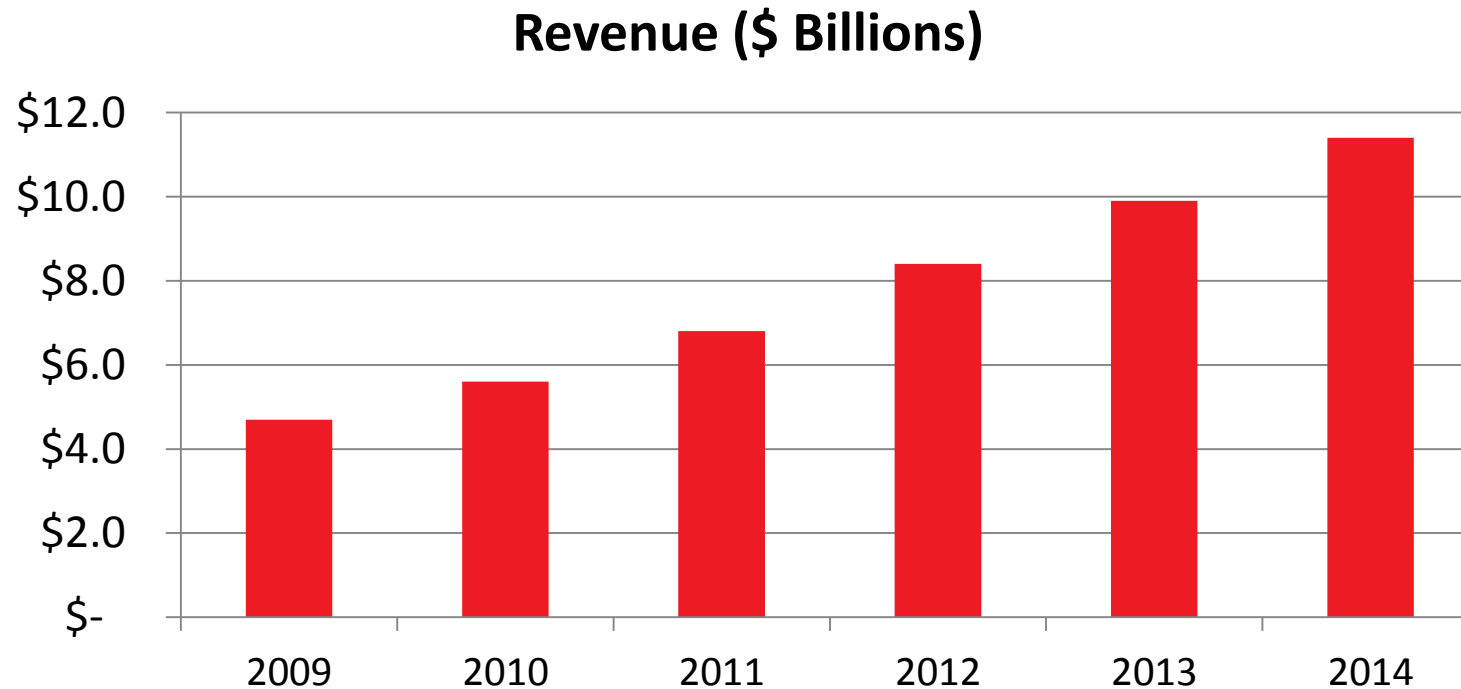
★ Connected

★ Cross-platform

Mobile is one of the four key trends, and a key enabler of the other three


The Mobile Gaming Market

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- ★ CAGR: 20%
- ★ Feature phone market disappearing

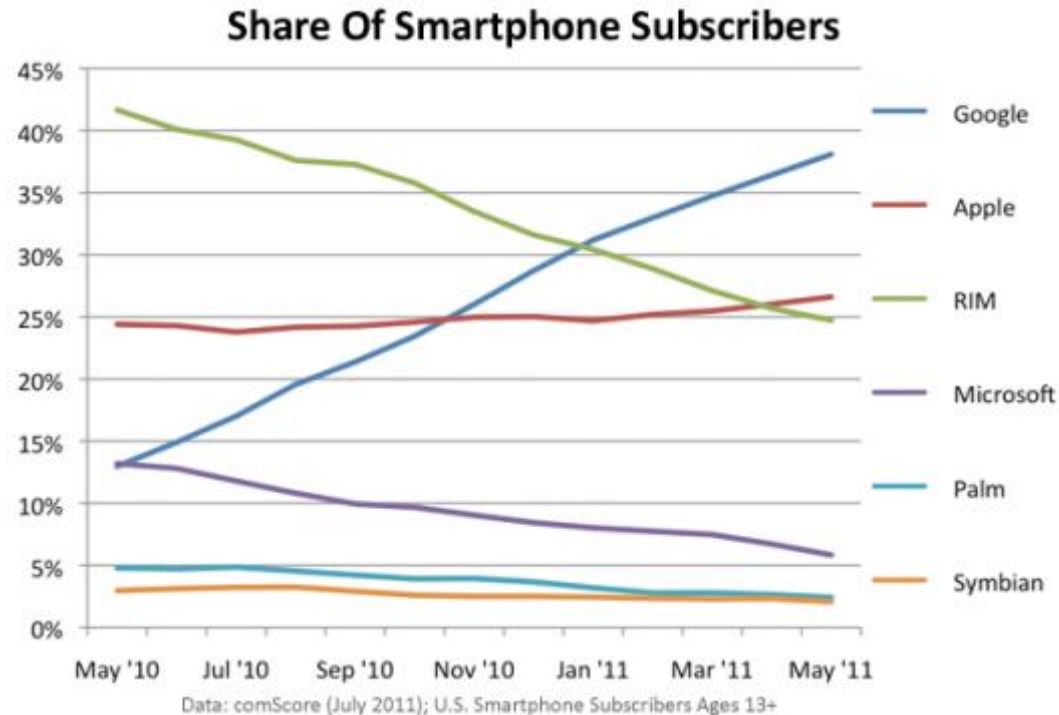




iOS / Android: A smartphone duopoly

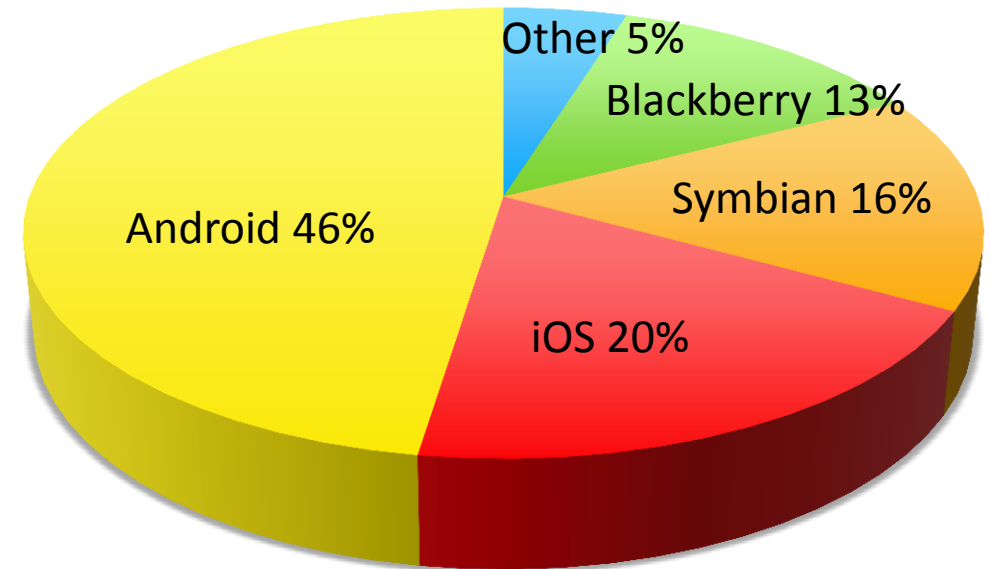
Android Explosion

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Leading by Volume in U.S.

Global smartphone shipments, Q2 2011



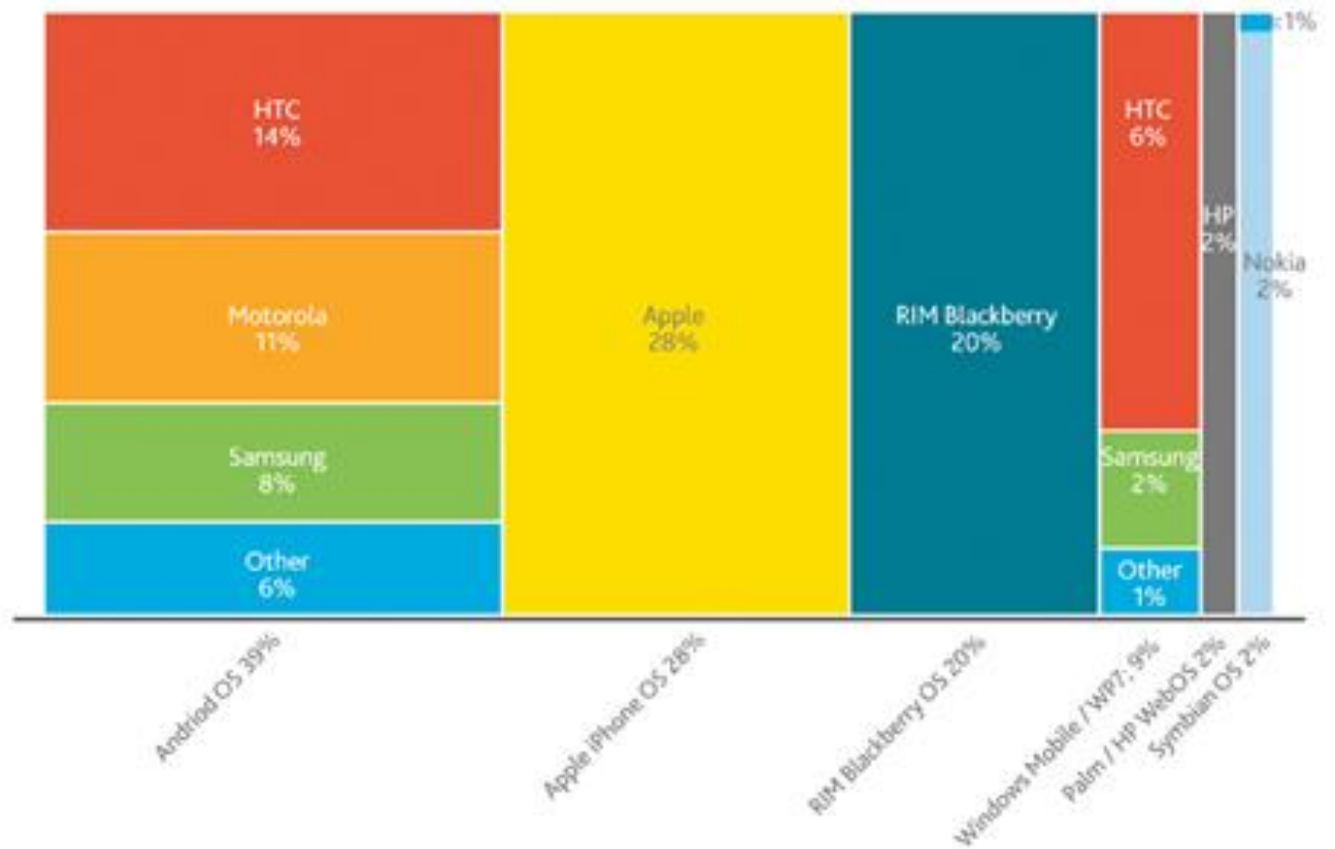
Soon Leading Worldwide

iOS vs. Android: One vs. Many

- ★ Apple is largest manufacturer by volume
- ★ Proliferation of device on Android leads to fragmentation

Manufacturer operating system share-smartphones

Q2 '11; postpaid mobile subscribers, n=20,202



iOS vs. Android

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Screen resolutions	3	3 (key resolutions)
Phone models	10	100+
Supported OS versions	2 (iOS 4, iOS 5)	4 (2.1, 2.2, 2.3, 3)
ARPU as % of iOS	100%	20%
Active user base*	150M	150M
Distribution Channels	1	10+
Ecosystem	Integrated	Fragmented
Platform	Closed	Open (?)

Selling games is not Apple's or Google's core business

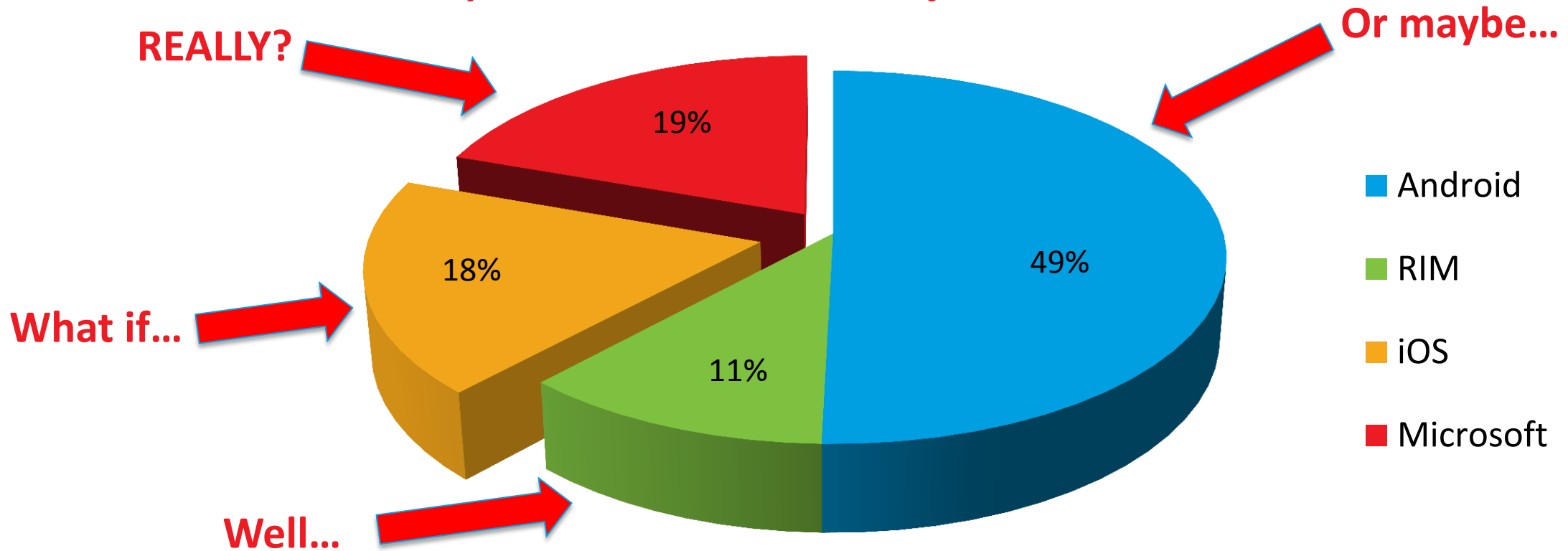


*Estimated

The Future (your guess is as good as mine)

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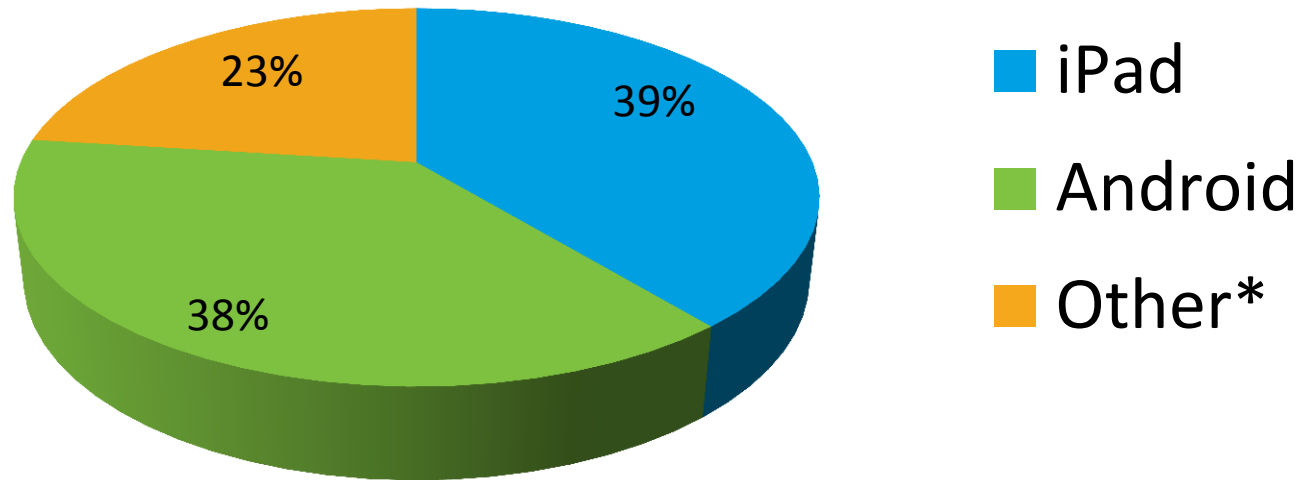
Smartphone Market Share Projections: 2015



Apple Will Lead in Tablets

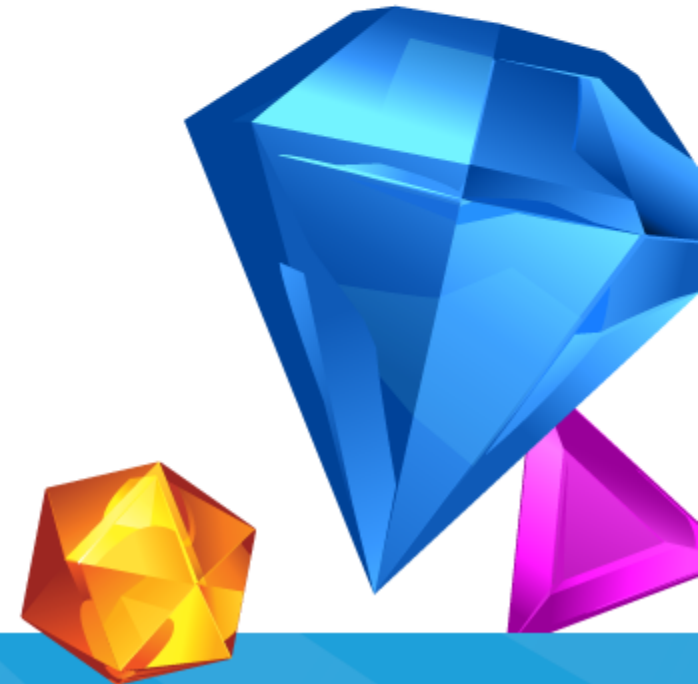
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Tablet Market Share Projections: 2015



Drivers: iPad head start + large software library

*Other = Windows, WebOS, RIM et al



Benefit of Integrated Ecosystem

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For customers:

- ★ Easier app discovery
- ★ Easier to buy apps/make in-app transactions
- ★ More quality control on apps

For developers:

- ★ Only one technical integration
- ★ Only one channel
- ★ Higher conversion rates, higher ARPU



Open vs. Closed

★ A closed platform makes your life easier:

- Less or no hardware/software fragmentation
- Easier transaction/payment process
- One channel to focus on

★ An open platform allows you:

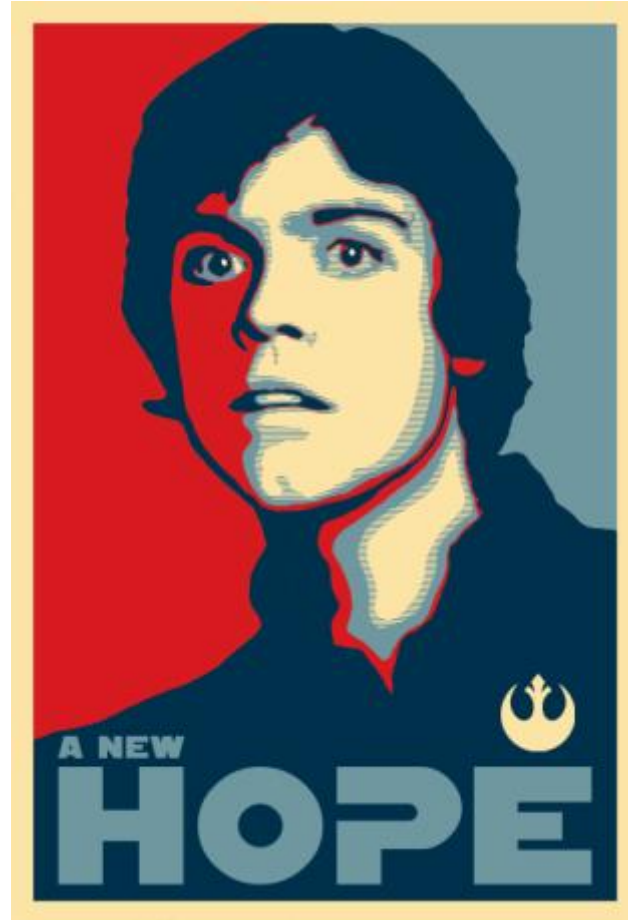
- To reach a wider audience
- More flexibility in terms of business models

What about cross-platform gaming?



HTML5

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For cross-platform gaming?



Business Models: A Radical Shift



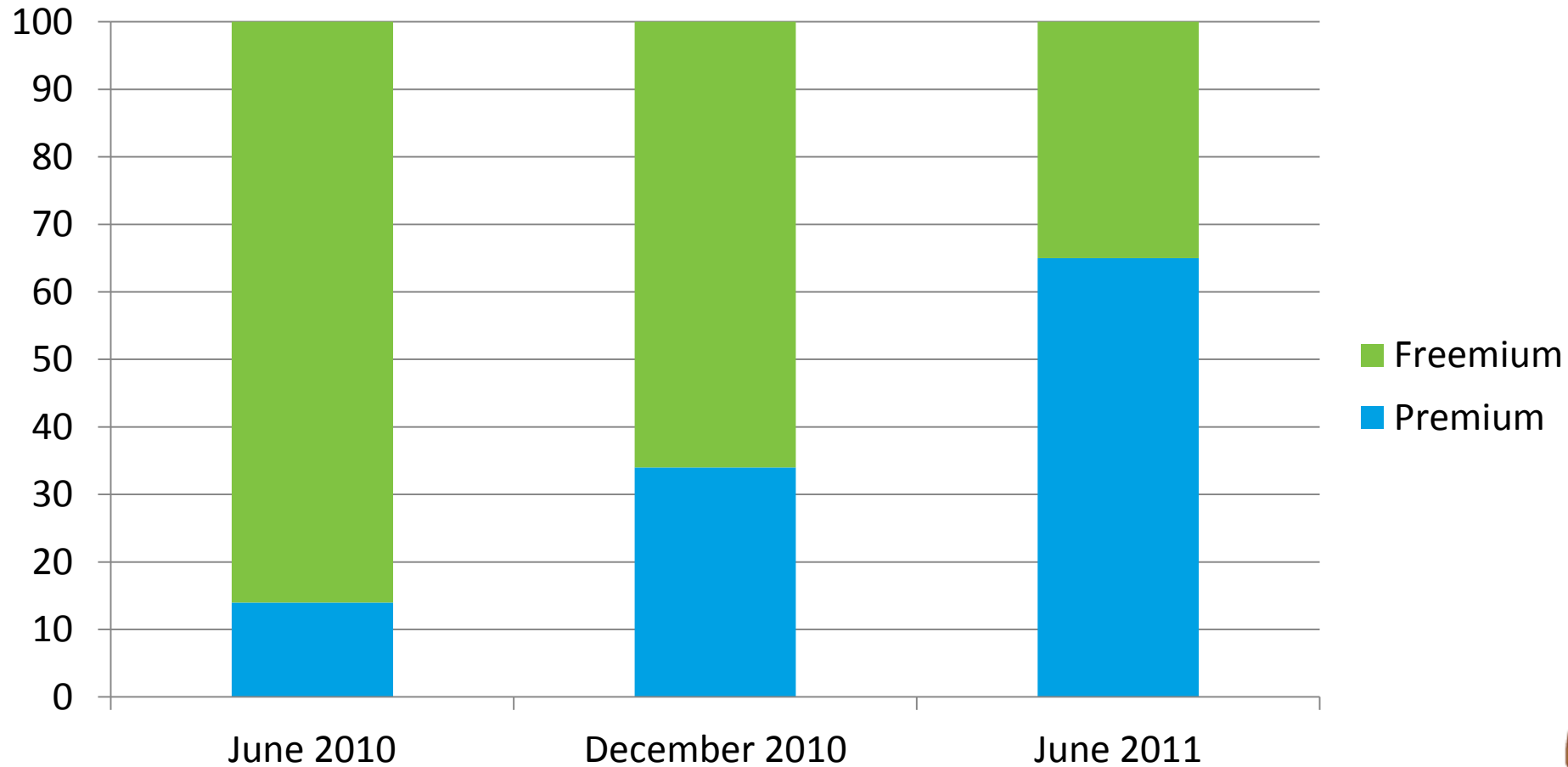
The Writing Is in the Chart

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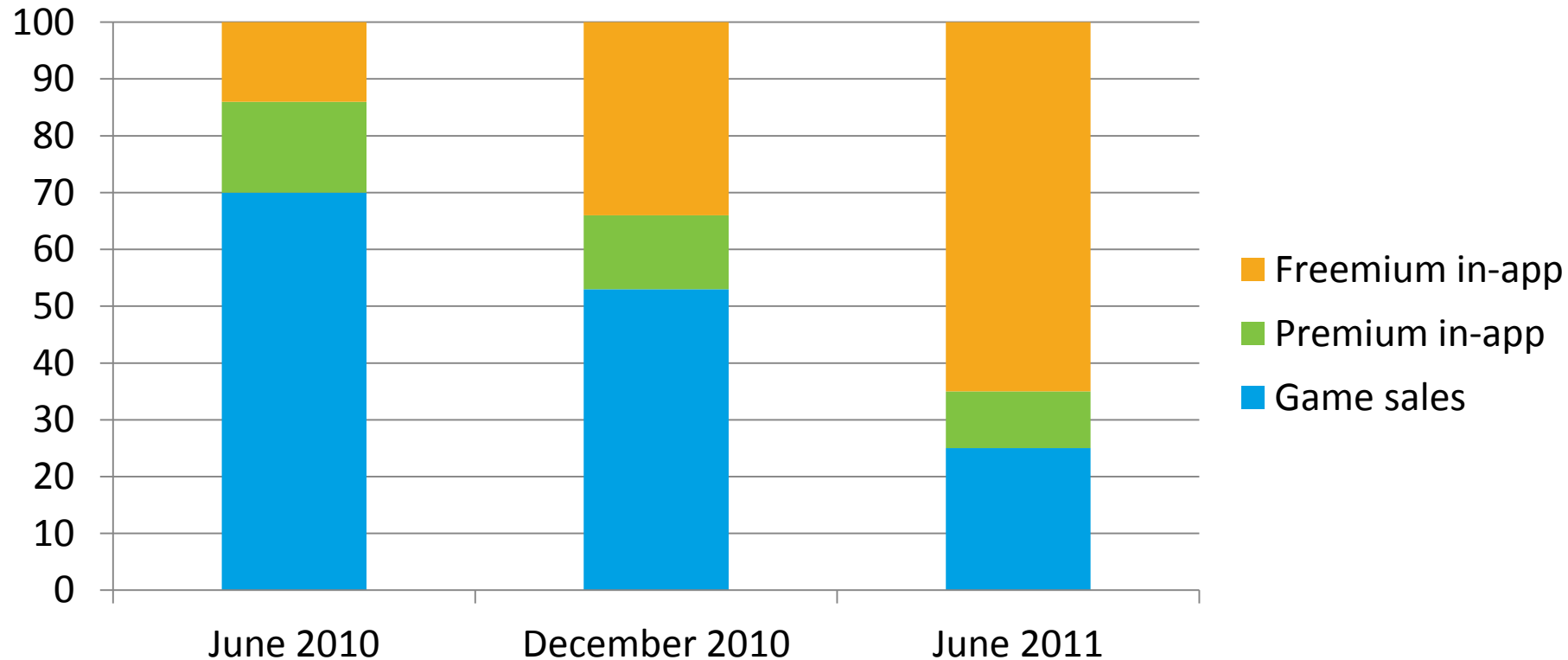
Freemium vs. Premium

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Game Sales vs. In-App

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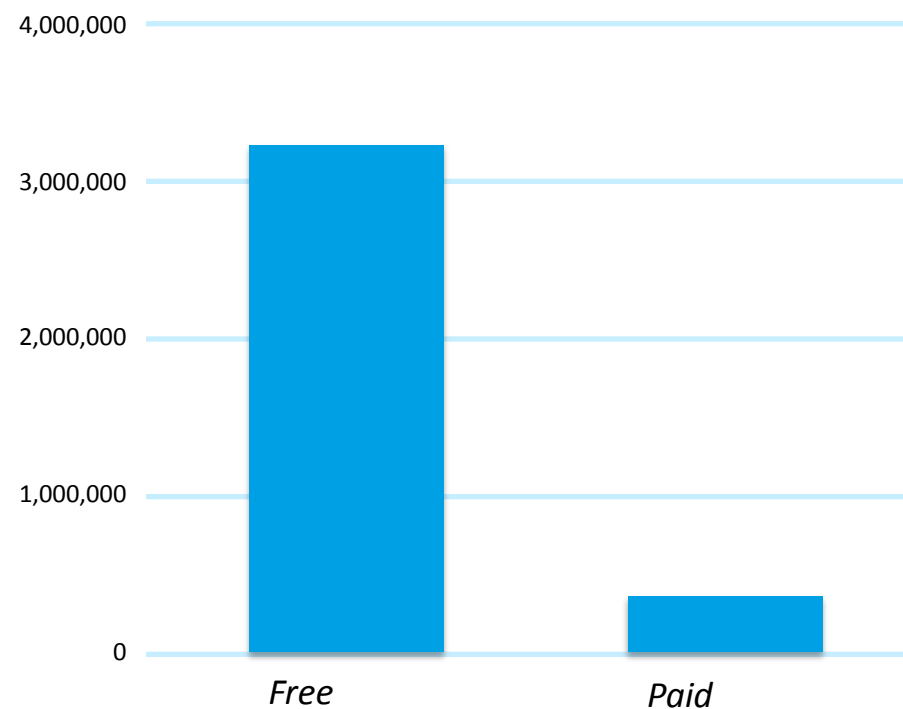


PopCap case: Bejeweled 2 + Blitz currently generating more revenue from Blitz coins than for game sales



Reach Drives Revenue

Download Volume Apple AppStore for iPhone
(December 2010), United States



Downloads Per Day (top 300 applications)

- ★ Free apps outpaced paid apps 30%+ in terms of growth June-December 2010
- ★ Wider reach enables in-app monetization and cross-selling opportunities

Three Kinds of In-App Purchases

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One-Time Purchase ANGRY BIRDS



- ★ 40% of Angry Birds customers purchased
- ★ 99¢ one-time purchase
- ★ Essentially a cheat code

Dual Currency SMURFS VILLAGE



- ★ One currency can be earned, one must be purchased
- ★ Spend currency to speed up cycles
- ★ Some items have to be bought

Single Currency INFINITY BLADE



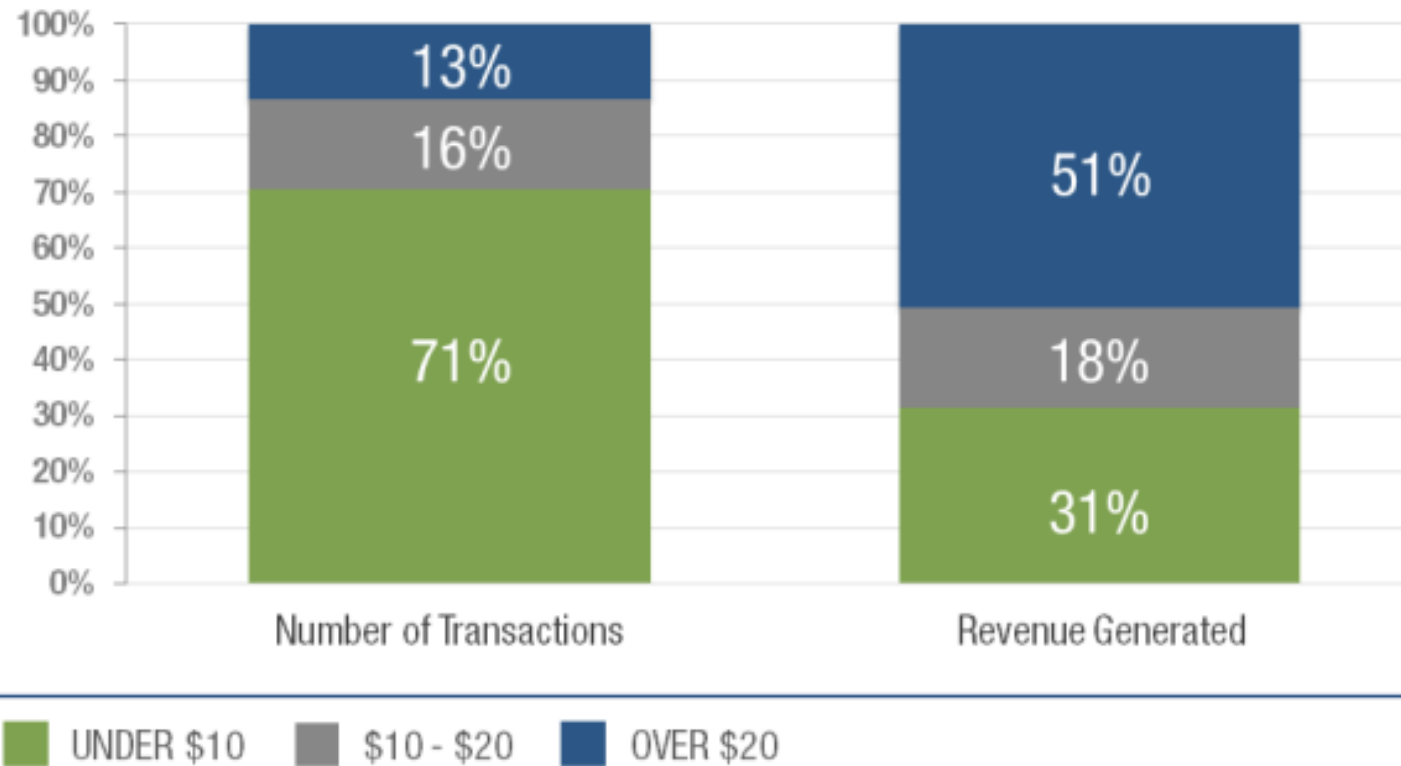
- ★ Use gold to buy items and upgrades
- ★ Item and upgrades can also be obtained by playing



Not Talking About Pennies

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In App Purchase Transaction Sizes vs. Revenue Generated



© FLURRY

Source: Flurry Analytics, Top iOS & Android Freemium Games, 3.5M User Sample



One Size Doesn't Fit All

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- ★ Not everything has to be freemium!
 - ...but 2/3 of the market are
 - Free games can gain traction more easily
- ★ Premium games should have
 - A strong brand, or
 - A very clear audience
- ★ “Tiny Wings” is one in a million



Publishing on Smartphones: A Few Tips



Most Important Thing: The Game

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Your game should be:

- ★ Fun
- ★ Distinctive
- ★ Easy to learn
- ★ Playable in short bursts



Focus!

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- ★ Choose one platform and focus on it
- ★ Default choice should be iOS: Proven ecosystem and promotional channels
- ★ Also consider:
 - Android: volume and long-term opportunity
 - iPad: premium games, tablet-specific games
- ★ Assess resources before going multi-platform



Choose Business Model Wisely *PopCap*

- ★ Choose business model early in game design
 - A freemium game should be designed as such
- ★ Your choices are:
 - Premium
 - Premium + in-app purchase
 - Freemium
 - Ad-supported



Should You Use a Publisher?

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- ★ Publishers:
 - Obtain placement through their relationships with platform holders
 - Drive traffic through their network
 - Provide SDKs and tools for social/viral features
- ★ They often require a revenue share, sometimes exclusivity
- ★ Examples: Chillingo, Openfeint, ngmoco
- ★ Success cases: Angry Birds, Cut the Rope



How to Market Your Game

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“Free App” Programs



Game Networks



Cross-Promotion



“Lite” Versions



Update Often and Provide Value

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Launch



EFIGS Localization



GameCenter



Zen Garden/
Mini-Games



Retina Display



Mini-Games
In-App Purchase



To Recap

- ★ **Make a fun game that can be played in short bursts**
- ★ **Focus on one platform**
- ★ **Consider HTML5 for cross-platform gaming**
- ★ **Choose business model early on**
- ★ **Cultivate your customers over time; cross-promote**
- ★ **Update often and provide value to customers**





Questions?

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