



# Current State of the Russian Games Industry

- Konstantin Popov, President of the Russian Association of Developers and Publishers of Game Industry and Interactive Technologies
- Dmitry Lyust, Executive Producer, Biart Studio LLC



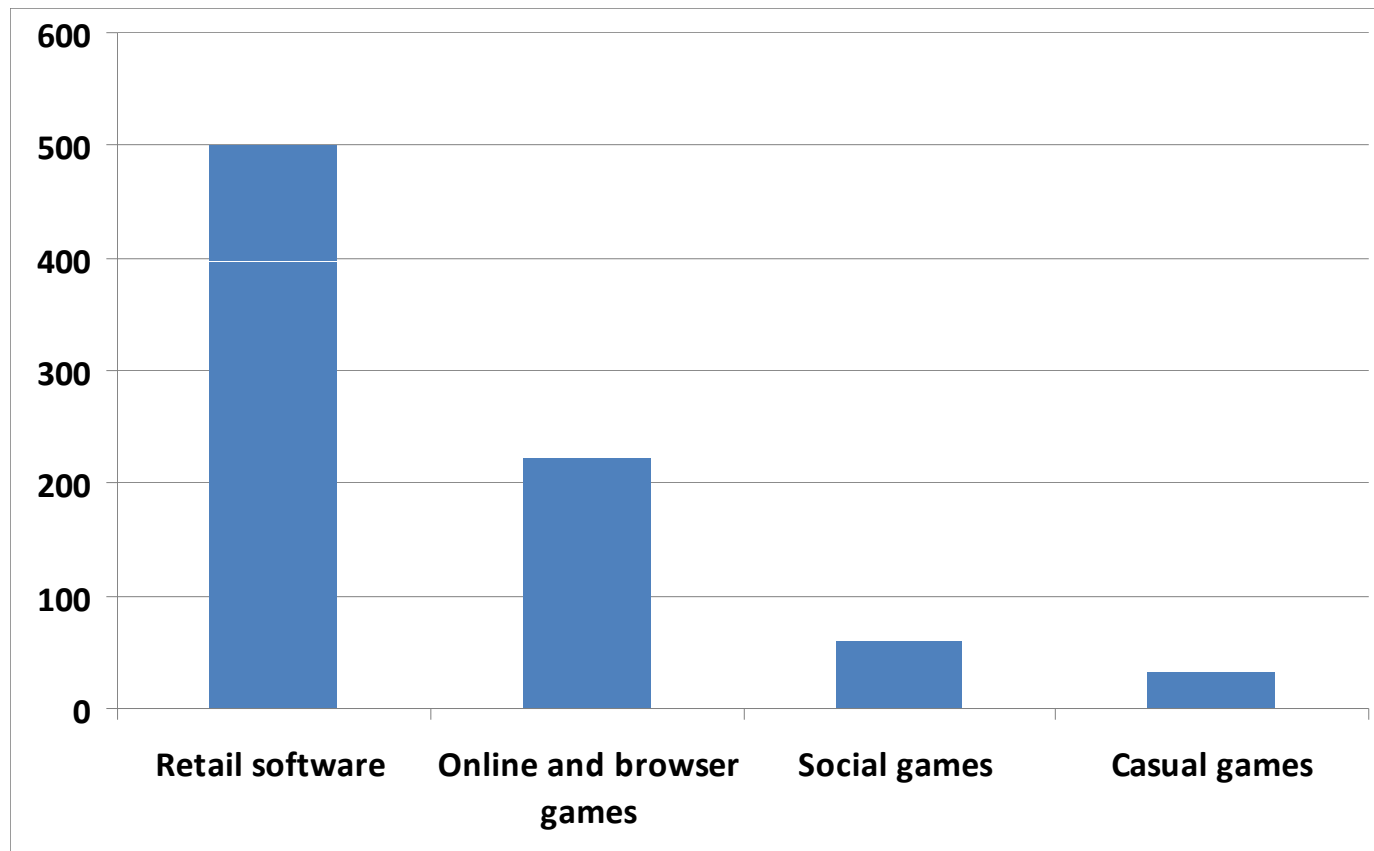
Cologne, 2010





# Russian Games Industry: Market volume

Millions USD



Total market volume - 820M USD



## Market overview

- PC games market dropped by 40% in 2009;
- Console games market shows 15% growth in 2009;
- 30% growth of casual games market in 2009;
- 10% growth of mobile games market in 2009;
- 70% growth of online games market in 2009. The online games market is going to be increased up to 400-410M USD in 2012.



## Retail

- Russian retail market is still dominated by PC Games with 80% market share;
- Console games share is 20% of the retail games market
- The average cost of a single PC game copy is 15 USD while the cost of a console game copy is 70 USD in average.



## Online Market: Overview

- Current share of Russian online market is 3% from the world market and makes up 223M USD;
- Russian online games market has grown by 66% in 2009: by 102% in the segment of client based MMO-games and by 11% in the segment of browser games;
- In 2009 share of client based MMO-games made up 164M USD, browser MMO-games – 59M USD.

(Source: J'son & Partners Consulting)



## Online Market: Audience

- Internet users CIS ~ 70M, Russia ~41M;
- Audience of online games in Russia ~6M;
- Daily internet audience in Russia ~ 24M;
- Daily audience of online games in Russia ~ 4M.



## Social Games: Networks

- VKontakte – 75M users, more than 3 300 applications;
- Moymir@mail.ru – 40M users, more than 700 applications.
- Odnoklassniki.ru – 45M users, more than 100 applications;
- Facebook – about 1M users.





# Casual Games: Overview

- Main market players are Alawar Entertainment, NevoSoft, IT Territory Casual, Realore Studios;
- In 2009 the casual game market made up 32M USD showing 23% growth;
- In 2010 the casual game market is expected to make up 42M USD showing 30% growth;
- The average cost of a single game copy is 7 USD;
- There is a strong interest to expand the casual games business covering alternative platforms as social networks, iPhone, Android, PSN, XBLA.

(Source: Kommersant. Business Guide, 2010)





# Trends of Russian game industry development

- Focus on online and casual games;
- Increase of companies that are shifting now their focus to international markets;
- Russian government sees the economic gain in games industry and plans to support and develop it.



# Russian game industry: Before

- Started in 90-s Russian game industry was oriented mostly on hardcore PC games;
- When console games became the most successful trend on the world market, Russian developers continued with PC games;
- Most of the development companies in Russia were focused on Russian publishers and Russian market with no attempts to establish direct communication with international publishers.

Conclusion: As a consequence of the world financial crisis many development companies in Russia were closed because their products became irrelevant for the market. Others focused on the development of social and casual games on the existing technologies.



## Russian game industry: Today

Independent companies appeared in Russia, which are developing games for next-gen consoles and have their own multiplatform technology. The most well-known are:

- Biart Studio (biEngine)
- Creat Studios (Creat Engine)
- Gaijin Entertainment (Dagor Engine)
- Saber Interactive (The Saber3D Engine)





# Russian game industry Today

- Over 50% of MMO and browser games and 90% of social games currently are local games developed in Russia and CIS;
- Russian developers starting to shift their focus on international social networks.





## Russian game industry: Development

- Ready-to-use multiplatform technologies with polished and clear pipelines made it possible to decrease the projects technical risks to minimum;
- Advanced up-to-date technologies make it possible to create games of highest quality in any genre and sphere;
- Innovative solution for browser games contribute to future Russian market growth. One of them - Alternativa3D engine with support of real 3D graphics and physics in Flash for MMO games -unique 3D MMO Flash solution.



# Russian game industry: Technologies

## Solution for console games – biEngine

Deep Black – upcoming for PC, Xbox 360, PS3 © Biart Studio LLC



## Solution for browser games – Alternativa3D

Tanki Online – publisher in CIS. © AlternativaPlatform





# All-Russian conference on game industry **ACGI** 2009





# Russian Association of Developers and Publishers of Game Industry and Interactive Technologies

## Association aims at:

- Forming strong relationships and collaboration with Russian government;
- Forming close international connections;
- Participating in innovative development of IT technologies in Russia;
- Participating in the state project "Skolkovo".







# SKOLKOVO

## Russian Silicon Valley

- Skolkovo is the future prominent research and development centre in Russia, called Russian Silicon Valley;
- The city of innovations will unite from 30,000 to 40,000 scientists and engineers;
- The Project offers various sources of finance, such as grants, seed funding, venture funding for the entrepreneurial companies of “business incubator” . (Source: [www.i-Gorod.com](http://www.i-Gorod.com))

RADIT puts forward the initiative to create a special games industry sector in Skolkovo. The participants will receive significant tax and customs benefits.



# ACGI 2010: FOCUS ON SOCIAL

- ACGI 2010 will be carried out on October 27-28, 2010 in Moscow;
- This year ACGI will be mostly focused on social networks and socialization of game and mobile platforms.

## EVENT FORMATS:

- Conference
- Speed networking
- Open Space





Q & A

WELCOME TO RUSSIA !



[www.radit.ru](http://www.radit.ru)