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Millennials drive mobile gaming

Rise of teenage groups with purchasing power offers big growth potential for anime, comics and games firms

By OUYANG SHIJIA

ouyangshijia@chinadaily.com.cn

Mobile gaming is growing stronger in China as the millennials' purchasing power increases, according to a report.

The gaming market grew by 23 percent year-on-year to 203.6 billion yuan (\$32.2 billion) in China in 2017, said a survey report by the Game Publishers Association Publications Committee, also known as the GPC.

It is backed by the China Audio-Video and Digital Publishing Association, Gamma Data Corp and International Data Corporation or IDC.

The report noted that mobile gaming accounted for 57 percent of the total game sales and reached 116.1 billion yuan in 2017.

This suggests the mobile gaming segment will gradually play a more important role in the overall gaming market.

Currently, China has 583 million gaming players, mostly those born in the 1990s and 2000s, a group referred to as millennials.

The report found that, compared to the people born in the 1990s, those born in the 2000s are more active in the game market.

As of 2016, nearly 10 percent of mobile gaming players were teenagers born in the 2000s.

Chen Rui, chairman of popular Chinese video-sharing platform Bilibili, said there was a clear difference in the demand for cultural content from the younger generation and their parents.

"The increased material wealth, high-quality education environment and the access to Internet services have enabled the young generation's diversified and personalized cultural needs."

High-definition smartphone displays, innovative mobile Internet technologies and software make on-screen watching and playing more convenient and pleasurable.

Xiao Hong, CEO of Perfect World Co, a Chinese movie and gaming firm, said in an interview with online gaming portal 17173 that the digital-era teenagers are more tech-savvy and have stronger free will compared to their parents.

"Today's teenagers have a strong personality and have different hobbies. We need to offer a wide range of products and employ different promotions to cater to their specific needs."

According to Xiao, the rise of teenage groups with purchasing power



Women players vie for the 10,000 yuan (\$1,580) prize money in a mobile games competition organized by a shopping mall in Taiyuan, capital of North China's Shanxi province. Most of China's mobile game players were born in the 1990s and 2000s. HU YUANJIA / FOR CHINA DAILY

"We need to offer a wide range of products and employ different promotions to cater to (teenagers') specific needs."

XIAO HONG
CEO, Perfect World

32.2

billion dollars

Value of China's gaming market in 2017

offers anime, comics and games, or ACG, firms big potential for growth. Perfect World is tapping into these markets, he said.

Gamma data shows the ACG gaming market was expected to be worth 15.98 billion yuan in 2017, up 45 percent from the previous year.

In 2016, Perfect World launched a new mobile game called Mengjianji to target female ACG users and has reportedly made it to the top four among the most downloaded apps on Apple's iPhones.

Consultancy firm CI Consulting, based in Shenzhen, South China's Guangdong province, said there were more than 300 million ACG

57

percent

China's mobile games market as a proportion of the total sector in 2017

fans by the end of 2016 and their passion would create a market worth 600 billion yuan by 2020.

Dong Minna, an analyst at Beijing-based Internet consultancy Analysys, said the whole industry chain surrounding ACG culture was at the early stage of development, and the market would kick into a higher gear after three to five years.

"These young groups have a high degree of loyalty to things they really like, such as the ACG culture. And they also tend to be picky about content and services. But once they select a specific ACG platform, they will be willing to pay for those they love, such as playing related games."

As unforeseen problems pop up, major gaming companies are adjusting strategies to better cater to the young generation. For example, not all teenagers can balance school life and games. Some even get addicted to it.

In early 2017, Chinese Internet titan Tencent Holdings, best known for its WeChat messaging service and gaming, unveiled its Tencent games guardian platform to help parents to manage their children's gaming behavior, such as time and consumption management and reminders.

Li Tao, a Beijing-based gaming designer, said that while playing games excessively may lead to addiction, some particular games can boost mental skills, creativity and curiosity in children and develop their interest in new fields.

"I'd say parents should choose suitable mobile games for their children," Li said.