iDGS
INDIAN DIGITAL GAMING SOCIETY

ANNUAL REPORT
2023

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IDGS – THE VOICE OF INDIAN GAMING INDUSTRY

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NURTURING INDIAN GAMING!

TRUSTWORTHY PARTNER

Adopting a not-for-profit approach, engaging with industries, focusing on inclusive growth, promoting exports, and providing reliable hand-holding support.

SERVICES

Offering diverse services, in research, consultancy, publications, online platforms, gaming exhibitions, international conferences and education, empowering and enhancing Indian brands.

WHO CAN JOIN

Indian game studios, developers, investors, academia, gamification experts, game research organisations, gaming services providers, skill providers, etc.

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EMPOWERING INDIAN GAMING!

VOICE OF INDUSTRY

Actively advocating, collaborating, catalysing growth, prioritising capacity building, championing "Vocal for Local," and emphasising innovation.

VISION

Envisioning and Embodying the spirit of 'India First' and 'India Rise,' uniting as 'One Voice, One Industry' to drive responsible gaming and harness technology for a robust gaming experience.

PROMISES

Making assurances, optimising business opportunities, facilitating growth, creating new synergies, ensuring a free flow of ideas, and strengthening India's story.

PRESIDENT'S
STATEMENT

Rajan Navani
President,
Indian Digital Gaming Society (IDGS)

Dear Members,

I t is with immense pleasure and pride that we present the annual report of the Indian Digital Gaming Society (IDGS) for the year 2022- 2023. This year has been transformative, both for society and the digital gaming industry as a whole. As we reflect on the progress made and the challenges overcome, we are filled with gratitude towards all our members, stakeholders, and partners who have contributed to the success of our endeavors.

The IDGS was founded with the vision of promoting, supporting, and advancing the digital gaming ecosystem in India. Over the years, we have strived to build a community that fosters creativity, innovation, and inclusivity in the gaming world. This year, we continued on this journey, making significant strides to achieve our mission.

Highlights of our work in 2022 -2023:

The IDGS engaged with policy advocacy, with government and business leaders throughout the year for an ideal environment for the gaming industry. We emphasized the benefits of gaming for the economy - generation of jobs, technological advancement, and developing skills. IDGS took the initiative to launch the thorough newsletter known as "The Gaming News of India."

We established eight working groups to address the needs of all gaming segments, and we are now working on research papers for Esports, Games Studios, and Developers, Academia and Skill development. These papers will offer important insights into the gaming market and its potential. These papers contribute to a better understanding of the dynamics of the industry while assisting stakeholders in making informed decisions. Also, plans to organize IDGS workshops, seminars, and webinars to advance the abilities and knowledge of game developers, player, and enthusiasts. These programs sought to encourage young developers, develop talent, and address skill gaps.

WE WILL KEEP WORKING TO MAKE THE GAMING INDUSTRY MORE DIVERSE AND INCLUSIVE. ORGANIZATIONS THAT ENCOURAGE DIVERSITY AND EFFORTS FOR GAME DEVELOPMENT FROM UNDER REPRESENTED COMMUNITIES ARE PART OF OUR MEMBERSHIP

In our capacity as proponents of responsible gaming, we planned a Six City Gaming Conclave program to connect with the gaming communities in different states. We have also worked with other organizations to spread awareness of the value of playing responsibly. Our efforts centered on enlightening students, gamers, and instructors about constructive gaming processes. The IDGS Gaming Conclave will keep providing gamers, developers, and business professionals with an opportunity to interact, exchange ideas, and work together. Networking and knowledge sharing will be encouraged during this event.

One of IDGS's major values is inclusivity. In 2023, at the India Gaming Show (IGS), held at Pragati Maidan, New Delhi, from 16 – 18 February 2023, which was inaugurated by the Honorable President of India, an all-Women Gamer Esports activity was organized. We will keep working to make the gaming industry more diverse and inclusive. Organizations that encourage diversity and efforts for game development from underrepresented communities are part of our membership.

None of these accomplishments would have been possible without the collective efforts of our members, dedicated team, partners, volunteers, and supporters. We extend our heartfelt gratitude to each and every one of you for your unwavering commitment to the cause of digital gaming.

As we move forward, we are excited about the prospects that lie ahead. The Indian gaming industry has immense potential, and we are determined to keep pushing boundaries, creating opportunities, and elevating the gaming experience for all.

Thank you for your continued trust and support.

Sincerely,

Rajan Navani
President, Indian Digital Gaming Society (IDGS)

HIGHLIGHTS OF WORK IN 2022 – 2023
BY INDIAN DIGITAL GAMING SOCIETY (IDGS)

POLICY ADVOCACY

The Indian Digital Gaming Society (IDGS) has been forefront in promoting the Indian gaming sector. IDGS has actively participated to support the gaming sector and address crucial regulatory issues, such as,

IT (Intermediary Guidelines and Digital Media Ethics Code) Rules 2021 Amendments:

In order to address the particular requirements and issues of the gaming sector within the parameters of the IT Rules, IDGS has been proactive in interacting with stakeholders and leaders. To establish an important distinction between the real-money gaming (RMG) industry and the video game industry, the organisation has submitted amendment recommendations. It's essential to make this difference in order to avoid needless regulation that might impede the development of reputable video game companies while adequately governing RMG platforms.

Framework to Promote Gaming business in States: IDGS acknowledges that there is potential for the gaming business to flourish in a number of Indian states. The society has aggressively encouraged the creation of beneficial state-level structures and regulations to support the development of the industry. By working with state governments and other relevant organisations, IDGS hopes to foster the development and growth of gaming-related businesses, resulting in economic benefits and the creation of jobs.

Data Protection and Privacy Bill (DPDP):As data privacy and security become increasingly important in the digital age, IDGS has engaged with discussions surrounding the Data Protection and Privacy Bill (DPDP). The organization emphasizes the need for balanced and clear provisions that safeguard user data while not unduly burdening the gaming industry with compliance challenges. IDGS aims to ensure that the bill's provisions are pragmatic and in line with the industry's dynamics.

IDGS will continue its efforts to design rules and regulations that support the industry's development while assuring ethical and responsible practises in light of the digital gaming sector's rapid expansion and growing impact on the economy.

IMPROVED MEMBERSHIP

Through its Membership Working Group, the Indian Digital Gaming Society (IDGS) has made tremendous progress in creating a solid and active community within the gaming sector. It emphasises the work done by the IDGS Membership Working Group to increase member involvement and create a strong gaming community, which led to a remarkable 100% increase in membership between the years 2022–2023.

WAY FORWARD

For Building a Stronger Gaming Ecosystem in India, IDGS continuous its work towards the society's strategic goals and plans as it continues to play a crucial role in the development of the gaming industry. The IDGS is steadfast in its commitment to promoting regulations that favour the expansion of the gaming sector. The society will continue to communicate the issues and goals of the gaming community to policymakers and other stakeholders, fostering an environment that is favourable to innovation and company growth.

Expanding its footprint, IDGS aims to strengthen relationships with state governments across India. By collaborating on initiatives, policies, and events, the society intends to contribute to the establishment of gaming-friendly ecosystems at the regional level, fostering economic growth and job creation.

IDGS recognizes the importance of networking and collaboration in a dynamic industry. The society plans to establish robust networking platforms like IDGS Gaming Conclave that bring together gaming enthusiasts, professionals, and stakeholders. These platforms will encourage knowledge sharing, partnership building, and the exchange of ideas that fuel industry growth.

Taking the Indian Gaming Industry Global, with its sights set beyond borders, IDGS envisions taking the Indian gaming industry to the global stage. By showcasing local talent, innovations, and products at international events and platforms, the society aims to raise the profile of the Indian gaming ecosystem on the global map.

- MoU's Signing with Overseas Counterpart Organizations: IDGS seeks to foster international collaboration by signing Memoranda of Understanding (MoUs) with overseas gaming organizations. These agreements will facilitate knowledge exchange, best practice sharing, and joint initiatives that contribute to the advancement of the global gaming industry.

- Participation at Global Events: IDGS is keen on representing India's gaming prowess at prominent global events and conferences. By participating, presenting, and engaging in discussions, the society aims to establish itself as a key player in the international gaming arena and contribute to global dialogues on gaming trends and innovations.

To cater to the diverse aspects of the gaming landscape, IDGS established specialized Working Groups that focus on specific verticals. These groups will delve into niche areas, driving growth and excellence in their respective domains. IDGS Working Groups are:
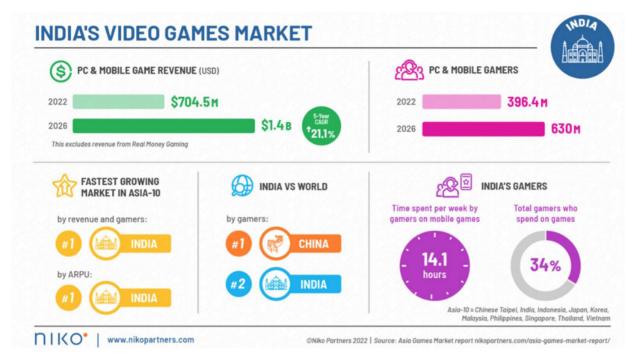
1. Esports
2. Game Studios and Developers
3. Gaming Services
4. Publishers
5. Gaming Investors
6. Academia / Gamification
7. Hardware and New Technology
8. Membership

The IDGS intends to establish awards that recognise outstanding achievements to the gaming industry. These honours will raise the bar for the gaming industry and encourage innovation in addition to recognising accomplishments.

The Indian Digital Gaming Society (IDGS) seeks to stimulate expansion, innovation, and recognition within the gaming sector and is well-positioned to define a bright future for the Indian gaming ecosystem. The society's futuristic mindset emphasises its commitment to fostering a healthy gaming industry in India and beyond.

INDIA GAMING
MARKET 2023

INDIA'S VIDEO GAMES MARKET

PC & MOBILE GAME REVENUE (USD)
- 2022: $704.5 M
- 2026: $1.4 B
- 5-Year CAGR ↑21.1%

This excludes revenue from Real Money Gaming

PC & MOBILE GAMERS
- 2022: 396.4 M
- 2026: 630 M

FASTEST GROWING MARKET IN ASIA-10
by revenue and gamers:
- #1 INDIA
by ARPU:
- #1 INDIA

INDIA VS WORLD
by gamers:
- #1 CHINA
- #2 INDIA

INDIA'S GAMERS
- Time spent per week by gamers on mobile games: 14.1 hours
- Total gamers who spend on games: 34%

Asia-10 = Chinese Taipei, India, Indonesia, Japan, Korea, Malaysia, Philippines, Singapore, Thailand, Vietnam

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India's gaming market was valued at $704.5 million in FY 2022, and it will be worth $1.4 billion by 2026 as it clocks a compound annual growth rate (CAGR) of 21.1 per cent. There are 396 million gamers in the country. The number of gamers is expected to touch 630 million by FY 2026, growing at a CAGR of 9.7 per cent. India recorded 15 billion downloads in FY22 to become the largest consumer of mobile games in the world. It is home to more than 900 gaming companies. Nearly 48 per cent of gamers spent money on mid-core games, while 65 per cent of paying gamers said they made in-app purchases at least once. In FY22, mid-core games were the fastest-growing gaming category, achieving growth of 32% and grossing combined revenues of $550 million.

By 2026, India will be in the top 15 game markets globally in terms of market value and second biggest market in terms of user base.

Gaming Sector includes – Game Development, Animation, IT, Hardware, Esports, Software, PC & Mobile Games, Cloud Gaming, AR & VR, Blockchain, Web3, Academia, Gaming café, Cosplay, Skilling, Metaverse.

THE ASIA-10 GAMES MARKET

MOBILE AND PC GAMES REVENUE
- 2022: $35.9 B
- 2026: $41.4 B
- 5-Year CAGR ↑3%

MOBILE AND PC GAMERS
- 2022: 788.7 M
- 2026: 1,063.6 M
- 5-Year CAGR ↑8.3%

ASIA-10 MARKETS
CHINESE TAIPEI, INDONESIA, MALAYSIA, INDIA, SINGAPORE, THAILAND, JAPAN, VIETNAM, PHILIPPINES, KOREA

LARGEST MARKETS BY REVENUE
- over 77% of revenue
- JAPAN
- KOREA

LARGEST MARKET BY PLAYERS
- over 50% of gamers
- INDIA

FASTEST GROWING REVENUE 2022/2021
- INDIA growth rate ↑31.8%
- INDONESIA growth rate ↑10.5%
- THAILAND growth rate ↑9.5%

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IDGS SPOTLIGHT 2023

Honorable President of India, Droupadi Murmu graced the India Gaming Show 2023 inauguration of the exhibition

With one of the world's largest youth population, India is on the road to becoming a gaming superpower. Driven by this spirit and building on the successes of the past four editions, IGS 2023 was held concurrently with IETF 2023. The Show featured technological breakthroughs, latest games by indie developers, animation, gamification of product and services, eSport, AR, VR, gaming zones, start-ups, skill & skill Development, Digital India, and Make in India, all under one roof

Given the expanding career options in the gaming sector, many young people are joining the sector to earn their livelihood. Future developments in the Indian gaming industry will be driven by technologies like AI, VR, and Metaverse, which will play a critical role in developing India's creative economy

Skyesports Grandslam-LUNA marks a historic step in Indian esports. For the first time ever in India, we hosted the all-female LAN event at Windows 11 Skyesports Grandslam powered by AMD.

This is great for Indian esports and this is a milestone that will be a trendsetter for others to follow. The response has been overwhelmingly positive, motivating both players and Skyesports to continue advancing the cause. As a market leader, Skyesports is proud to have initiated this unique and pioneering IP for #WomeninEsports.

The fourth edition of Indian Gaming Conference, themed 'Defining New Frontiers: The Future of Gaming in India', was held concurrently with the IETF 2023, where domain experts emphasized on the collective responsibility of all the stakeholders to develop the gaming ecosystem in India to realise its full potential in boosting India's creative economy to the next level and leveraging the sector to achieve global economic goals

NURTURING GAMING STUDIOS FOR GLOBAL SUCCESS @ **IGS 2023**

The India Gaming Show 2023 held an Investor Meet and Startup Demo Session to discuss the future of gaming in India, with a focus on the casual gaming landscape and the gaming studio business. The session explored how investors can nurture gaming studios and produce globally successful games. Critical success factors for creating games that can travel internationally were also discussed. Here are some lessons for young gaming studios that were gleaned from the discussions at the session

Be aware of the cognitive dissonance that can occur when seeking funding. Investors often want to see rapid growth, but this can be a trap for gaming studios that focus too much on user acquisition at the expense of building quality games.

Instead of focusing solely on growth, consider building high-quality games with potential for IP development and monetization. This can help your studio stand out from the competition and build a sustainable business model.

Be aware of the unique challenges and opportunities of the Indian gaming market. While it is a large and growing market, it also has its own particular cultural and regulatory factors that need to be taken into account.

Seek out advice and mentorship from experienced professionals in the industry. Learning from the successes and failures of others can help you avoid common pitfalls and build a successful gaming studio.

Focus on building original IP: Building an original IP can be more advantageous in terms of cost per install and user acquisition, as opposed to building a commodity product. The cost per install for a commodity product will be higher and will decay faster, while the cost of acquiring one more user for original IP will come at a much slower pace over time.

Build a strong team: The games business is a knowledge economy business, so having the best talent in the country and a dense talent team is crucial for success. A small team with six people who know what they are doing can do way more damage and cause more growth than 600 people who sort of know what they're doing.

Look for underserved markets: It's a great opportunity for developers to start in markets that are underserved, such as India. While other developers have way more capital and knowledge, building something for an underserved market can be a good strategy.

Focus on lifetime value: As with any other software business, it's important to focus on cost per install versus lifetime value. This means understanding how much it costs to acquire a user and how much you can get out of that user over their lifetime.

To succeed in the hyper casual gaming market, it is crucial to have a large pipeline of resources, including game developers who can constantly come up with new ideas and prototypes to test through a standard five-step process. This process involves testing click-through rates, cost per install, retention numbers, and monetization for three days and lifetime value. However, given the unpredictable nature of the market, it's impossible to know for sure what will work, and thus the only way to scale a hyper casual business is to have a lot of content to test. It's a risky business, but with the right strategy and resources, it can be highly profitable.

The next 25 years will be crucial for India, and I believe that its youth will shape the country's future. There is no doubt that gaming is one area where young people connect with digital, with so many things to learn about and contribute to. I also believe that we should discuss the rise of eSports in India, because ultimately, it is the gamer who derives joy and entertainment from being a casual gamer and then becoming a professional. And I believe that journey is, once again, providing more opportunities for young people to participate, even from a financial standpoint.

Rajan Navani, CEO, JetSynthesys and President, IDGS

India has a large base of talented game developers and the potential to create unique new IPs. While there may be a gap in some areas of talent, there is still a lot of untapped potential in the Indian game development industry. The role of the government in nurturing and leading the gaming industry is important, as we have seen in East Asian countries. However, it is also important for private companies to invest in the industry and for the industry itself to create a culture of innovation and collaboration.

Sean Hyunil Sohn, CEO, Krafton

The gaming industry has been growing rapidly and is expected to continue to do so. The increasing adoption of new technologies like 5G will only accelerate this growth. The highly engaged nature of gamers also presents a unique opportunity for brands to connect with their audience. As gamers spend a significant amount of time daily playing games, brands can use this time to engage with them through in-game advertising, sponsorships, or even branded content.

Girish Menon, Head Strategy, JetSynthesys

We used to read so much about why gaming is going to take everything forward. But what we've seen is that this generation, they want to do everything around gaming. So for them the reference of life is: what are they playing? Or what are they watching. So either they're playing a game, or they're watching somebody play a game.

Piyush Kumar, Founder, Rooter

This is the golden era of gaming that we are entering in. Access to gaming devices has become very ubiquitous. Technology is improving hardware is improving. Connectivity has played a big role in where we are today.

Sidharth Kedia, CEO –Gaming , NODWIN

Today we know that the gaming has become more like a sports. I mean, we do expect that at least in a few years or now, either at Asian Games level or in the Olympics, there will be some kind of eSports event which will start taking place. That's the direction in which the gaming has moved over the last many years.

Sudhir Goel, Chief Business Officer, ACER

LEADERS SPEAK

Games will become more intricate, complex, and cinematic in the future. And with technologies such as AR VR, cloud gaming, and others entering the scene. This will be transformed through a very, very fast-paced or very, very rapid technological innovation.

Mukesh Bajpai, Marketing Head, AMD India

For the past 15 years, I've been a gamer. I've spent the last ten years in the industry. Surprisingly, I attended the India Gaming Show for the first time in 2017 as a caster. From 2017 to now, I've seen the show grow by leaps and bounds. I've seen these venues get bigger and bigger, more tech-centric, with some really big brands coming in.

Zerah Gonsalves, CEO, LXG

Unlike previous generations, Gen Z has been exposed to technology and the internet from an early age, and many have grown up with smartphones, social media, and other digital tools as integral parts of their daily lives. This has led to a different set of values, expectations, and behaviors, such as a preference for instant gratification, a desire for authenticity and transparency, and a tendency to multitask and consume information quickly.

Dr. Shrisha Sathe, Psychologist

DEFINING NEW FRONTIERS: KEY TAKEAWAYS @ **IGS 2023**

The Indian Gaming Conference 2023 highlighted several key insights regarding the facets of gaming and its impact on India's creative economy. Here are some of the key takeaways from the show

- The show emphasized the significance of India's large and growing population of young people in shaping the country's future, as gaming is an area where they can connect with digital technology and learn new skills. Furthermore, new technologies such as web 3.0, XR, VR, and AR are opening up new opportunities for monetizing gaming, and India has the potential to become a global leader in gaming due to its strong ecosystem and expertise in new age technologies.

- IGS 2023 also highlighted that Gen Z, a massive audience in India with a population of around 375 million, is a digital-first generation and that gaming is a significant part of their entertainment and engagement. Brands need to create content that is relevant, engaging, and authentic to Gen Z's values and interests, as they value social connections and forming and maintaining relationships.

- The show explored new opportunities for Indian gaming, indicating that the global video game industry is worth over $180 billion, with India accounting for just a billion dollars of that. The gaming industry in India is dominated by mobile games, whereas the PC was the main platform in Korea and China, indicating the importance of understanding the gamer mindset in different cultures to build successful games.

- The gaming industry in India is expected to grow at a CAGR of 12% annually for the next 5-6 years, and technologies like AR, VR, and cloud gaming will likely drive further innovation and growth. Finally, the conference highlighted the importance of industry and government actions in promoting gaming and creating more opportunities for growth, such as events showcasing competition and interest in gaming and companies taking steps to make mobile gaming more mainstream in India

- IGS 2023 showcased technological breakthroughs, latest games by indie developers, animation, gamification of product and services, eSport, AR, VR, gaming zones, start-ups, skill & skill Development, Digital India, and Make in India, all under one roof.

- The major focus of the gaming industry is on generating a talent pool of game developers and increasing cost-competitiveness.

- The rise of female participation in the gaming industry is a welcome global trend.

- The introduction of 5G technology will enhance the gaming industry as a whole.

- The Indian gaming sector is at a watershed moment in the gaming business, and the industry exchanged new ideas, innovation, imagination, and best practises at IGS 2023 that will define the future of gaming in the country.

- The government can play a key role in making gaming a significant sector, given the massive size of the market and the global possibilities.

Conclusion

The Indian gaming industry has immense potential for growth and innovation, fueled by the country's large population of young people and its expertise in new age technologies. The rise of Gen Z and the advent of new technologies such as AR, VR, and cloud gaming present new opportunities for the industry to flourish. To fully realize this potential, it is important for all stakeholders, including industry players and the government, to work collectively and responsibly to develop the gaming ecosystem in India. By doing so, we can leverage the gaming industry to boost India's creative economy and achieve global economic goals, while providing young people with opportunities to connect with technology, learn new skills, and build successful careers.

GLIMPSES FROM INDIA GAMING SHOW 2023

NOTES

IDGS – MEMBERS

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INDIAN DIGITAL GAMING SOCIETY

Voice of Indian Gaming Industry

The Indian Digital Gaming Society (IDGS) is a non-profit umbrella organisation of various stakeholders in the Indian Digital Gaming Ecosystem. Formed under the aegis of the Confederation of Indian Industry (CII) in 2018, IDGS has emerged as a proactive advocate, promoter, and facilitator for the development of a healthy gaming ecosystem and the promotion of responsible gaming in India. The Society collaborates with industry and academic experts to optimise industry development capabilities and facilitate industry growth through Policy and Progress Advocacy, Market Research, Emerging Technology and New Opportunities, Export Promotion, Indigenization and Innovation, and Education and Skill Development.

Since its founding, the IDGS has focused primarily on organising India Gaming Shows, Gaming Conferences, taking part in Gaming Sessions, and publishing newsletters and reports. To take its ideas further, the Society has created eight working groups, which will be responsible for policy recommendations, conduct the membership drive and numerous other activities for strengthening and enhancing the Gaming sector.

Website:
www.gaming4good.in and www.gamingsociety.in