ANNUAL SURVEY OF VIDEO GAMES IN FRANCE

2021 EDITION

SNJV

Syndicat National du Jeu Vidéo

ANNUAL SURVEY OF
VIDEO GAMES
IN FRANCE

2021 EDITION

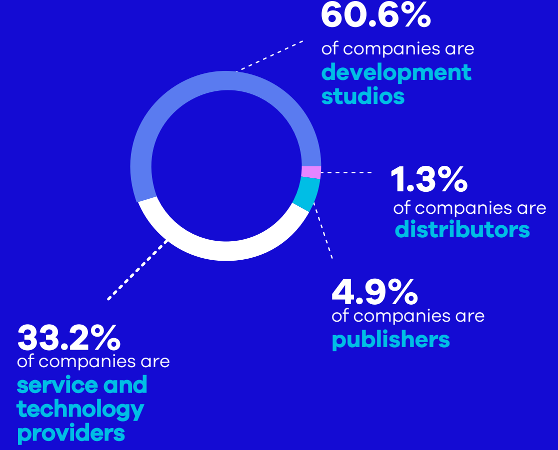
CONTENTS

Methodological reminder

The SNJV report provides a representative picture of the sector. It is concerned with the production activity of its nationals, their economic and financial health, and employment. The survey of 1200 verified and qualified companies (excluding associations, specialized public support systems, and educational establishments) took place between May 3 and June 30, 2021. The questionnaire was distributed by SNJV with the support of regional video game associations. The questionnaire was self-administered online. The rate of participation reached 17%.

In this report, whenever "companies" are mentioned, reference is made to all respondents to the survey, regardless of their primary activity (publishing, development).

Primary activity of companies set up in France



Key takeaways for the year 2021

11.3 FTE*
on average in France
amongst studios of fewer than 100 employees

80%
of salaried employees have **permanent contracts**

22%
women
on staff in development studios

Recruiting in the sector

580 to 800
new jobs
created within companies

480 to 650
new jobs
in development studios

87% of companies have **less than 30 FTEs** in 2021

There are **27 FTEs** on average in development studios

as well as **11 FTEs** on average in companies with less than 100 FTEs

1350 games are **in production** in 2021

92% of which are **original creations**

And **55%** of video games currently in production **will be released** by the end of the year.

77%
of studios create **independent** video games

44%
of studios are **less than 5 years old**

*Full-Time Equivalent (FTE)

Key takeaways for the year 2021

700 development studios have been counted in 2021
versus **500** in 2019

36.5%
of **revenue** for the studios was made **internationally** in 2020

18% of studios
report revenues **in excess of €1M**

41% of companies have relied on **regional aid** as a source of financing

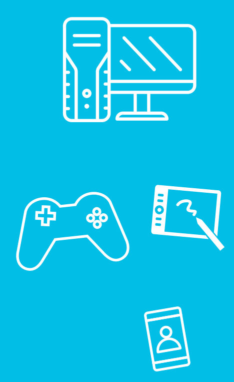
Following the health crisis

48% of companies have resorted to financial aid

63% have seen reduced production

SIGNIFICANT IMPACT FROM THE CIJV REFORM*

29.5%
of companies applied for a CIJV in 2021



80.5%
of studios favor the PC

France is considered the **2nd** **most attractive country** after the United States

*Video Game Tax Credit

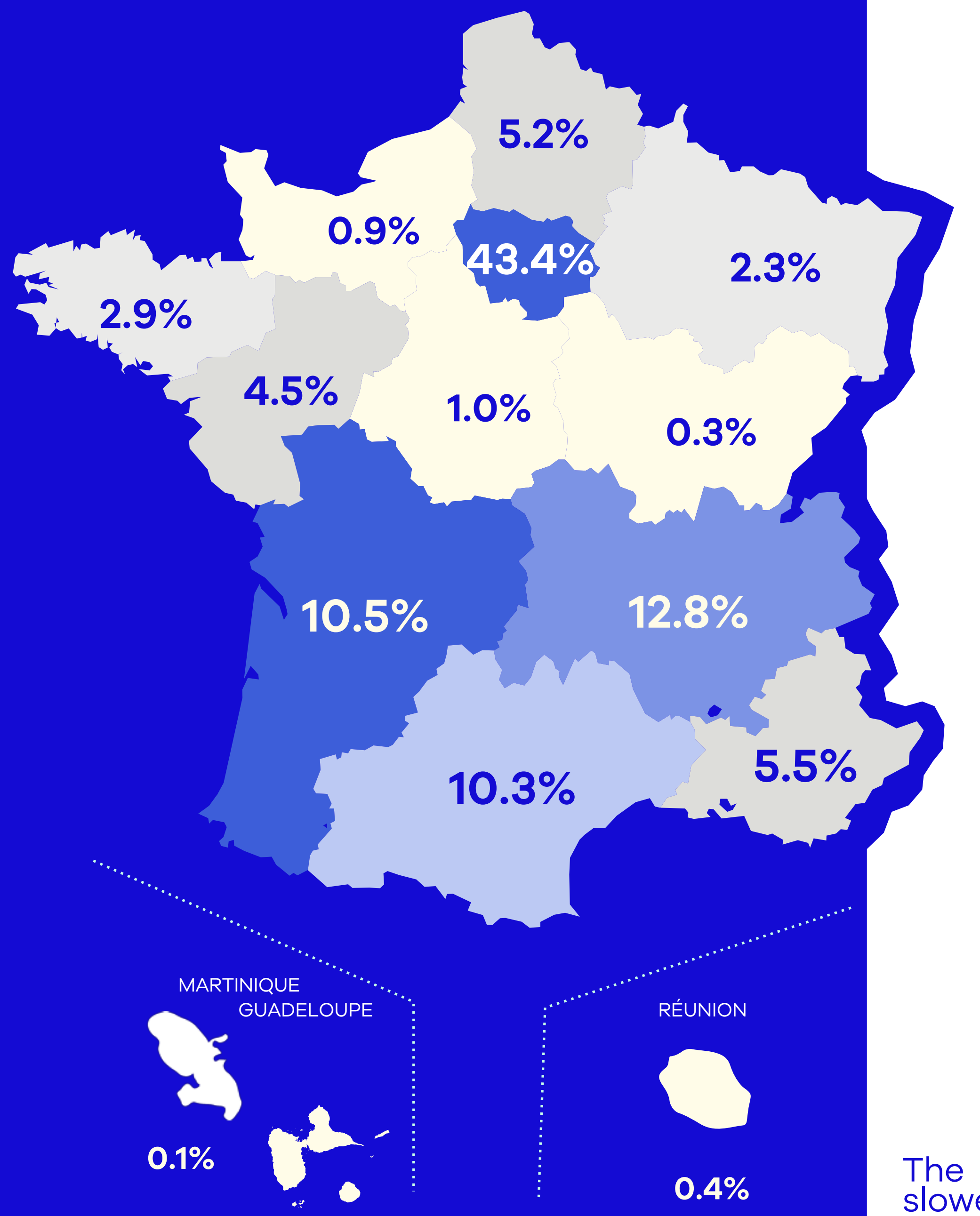
CHAPTER 1

Production and the Economic Fabric

Percentage of video game companies by region

REGIONAL BREAKDOWN OF ESTABLISHMENTS IN THE VIDEO GAME SECTOR*

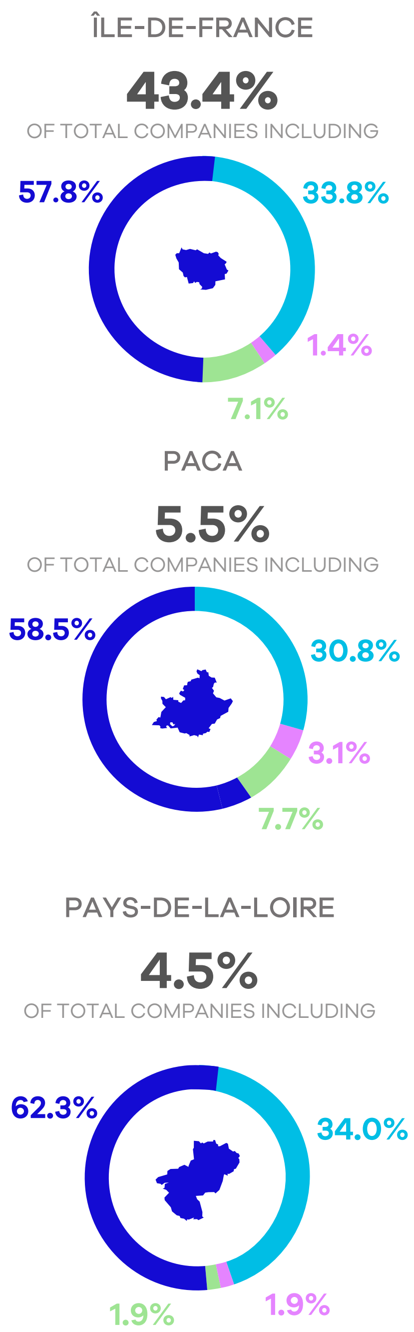
Currently, more than 700 of the 1200 companies in the video game sector are studios

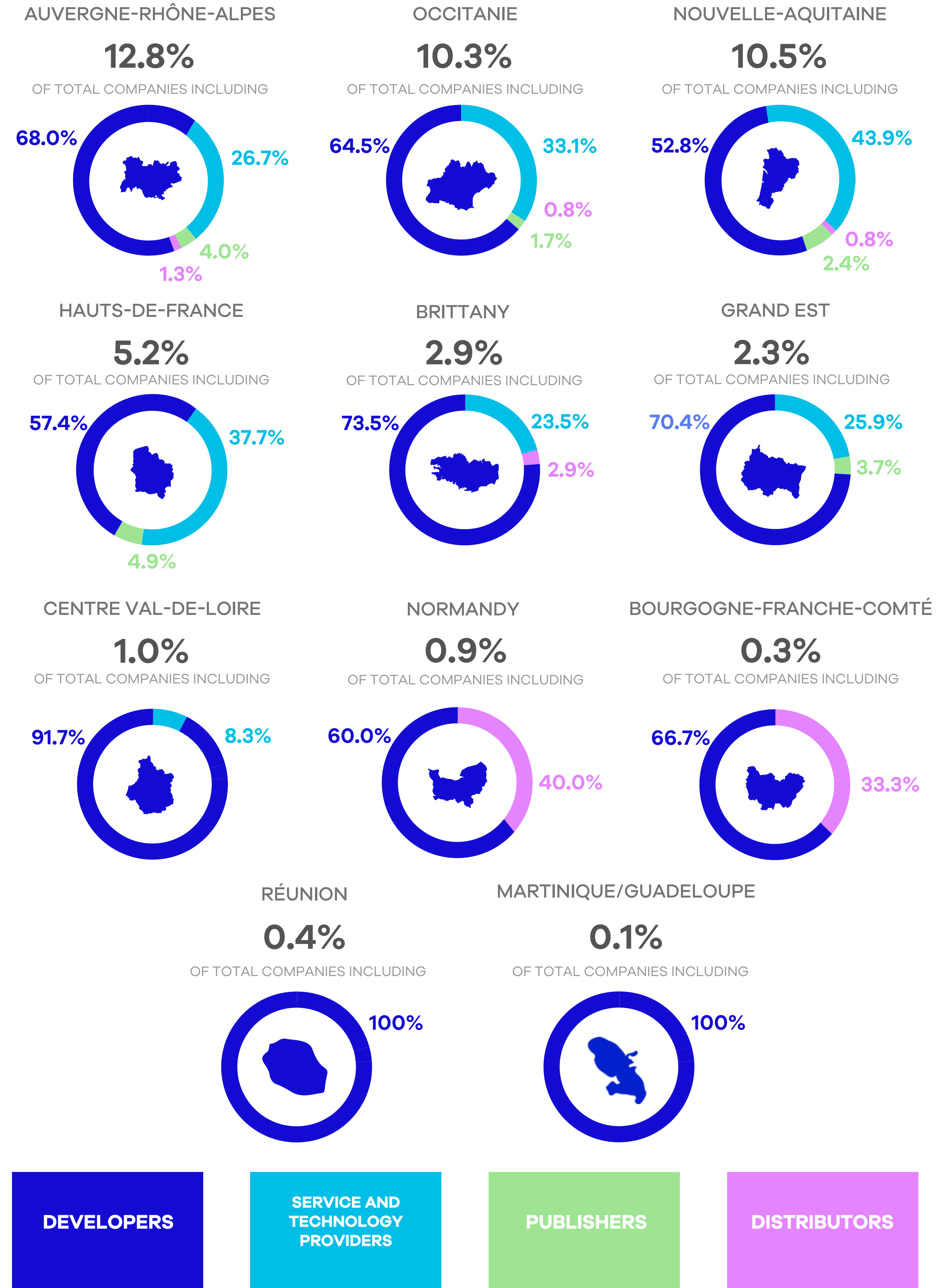


*Are counted : publishers, developers, distributors, service and technology providers

Are not counted : local groups, training organizations, self-employed workers

Distribution of video game companies by region*



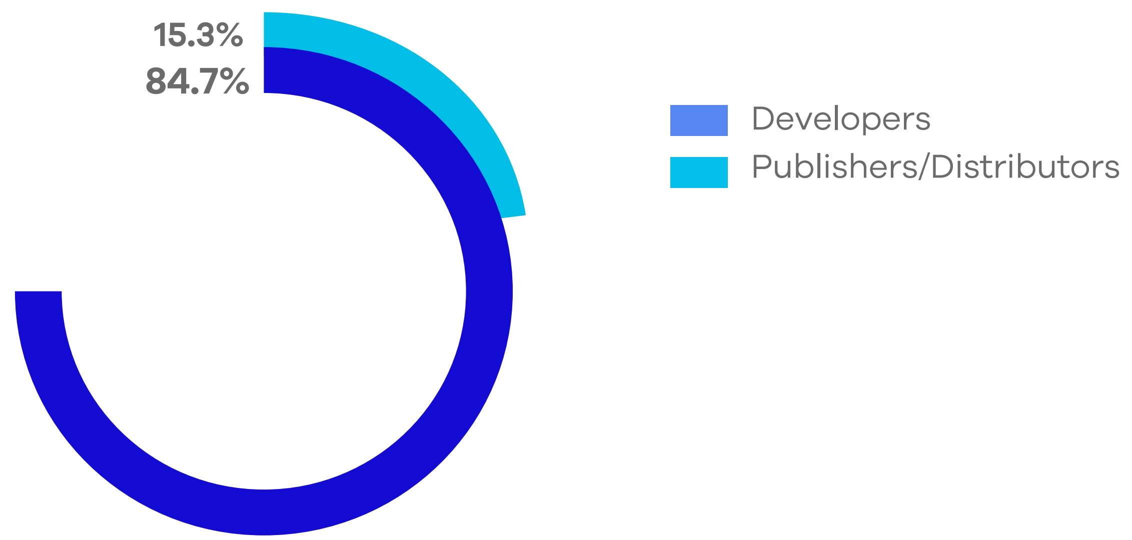


The health crisis has not slowed the dynamic creation of video game development studios in France. Net studio creation recorded a growth rate of 28.8% between 2019 and 2021.

Production activities dominate the sector

PRIMARY ACTIVITY AMONGST COMPANIES WHICH RESPONDED

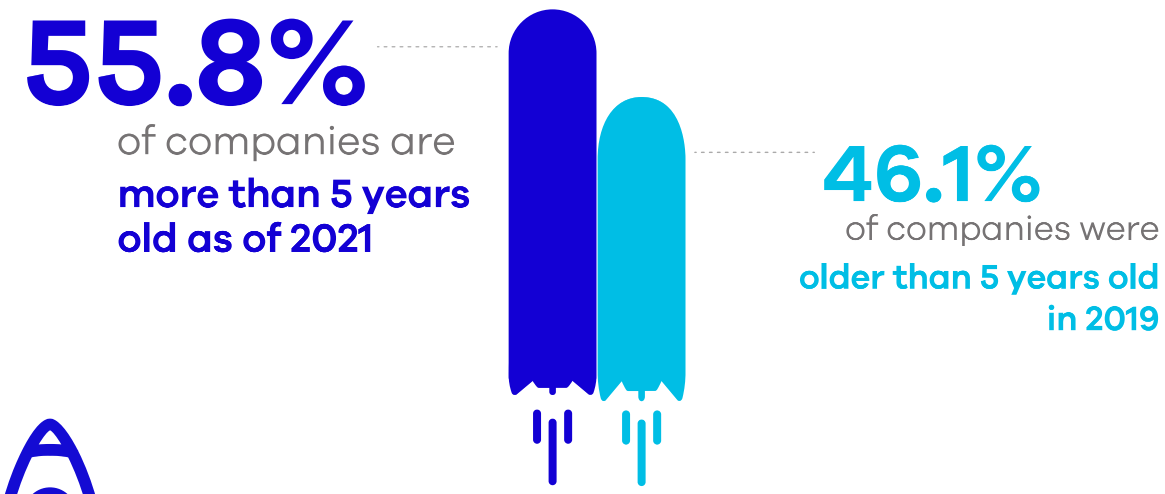
An increasingly substantial network of businesses focused on production activities



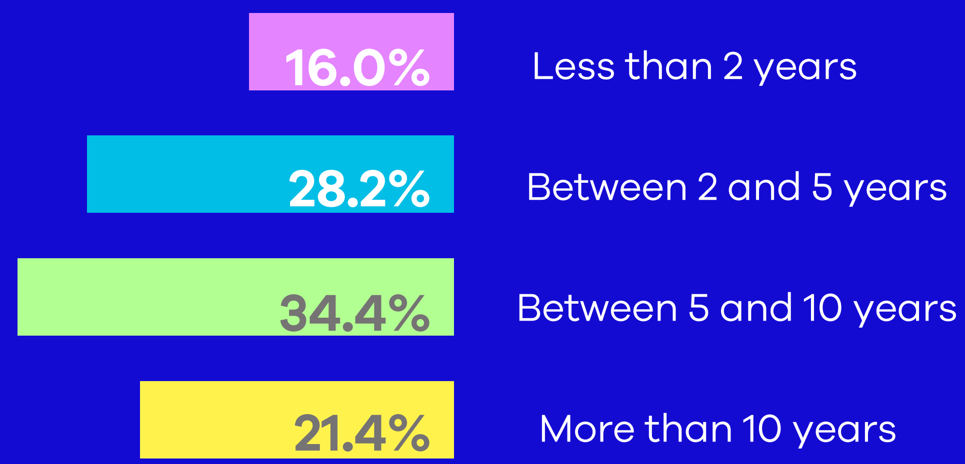
Presently, 2/3 of video game companies in France are development studios

This is the result of a cultural heritage that encourages creation. Equally, it is the result of the work of schools and universities in the territory, which cultivate talent within the industry. It is ultimately the direct outcome of a veritable boom in creation.

Consolidating the economic fabric

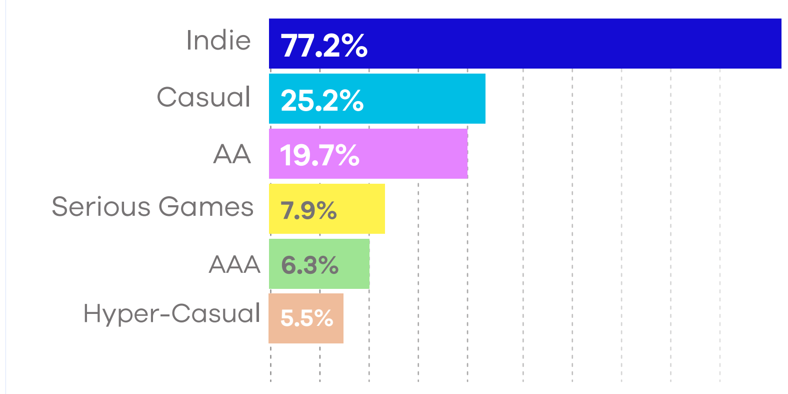


DISTRIBUTION OF DEVELOPMENT STUDIOS BY YEARS IN EXISTENCE

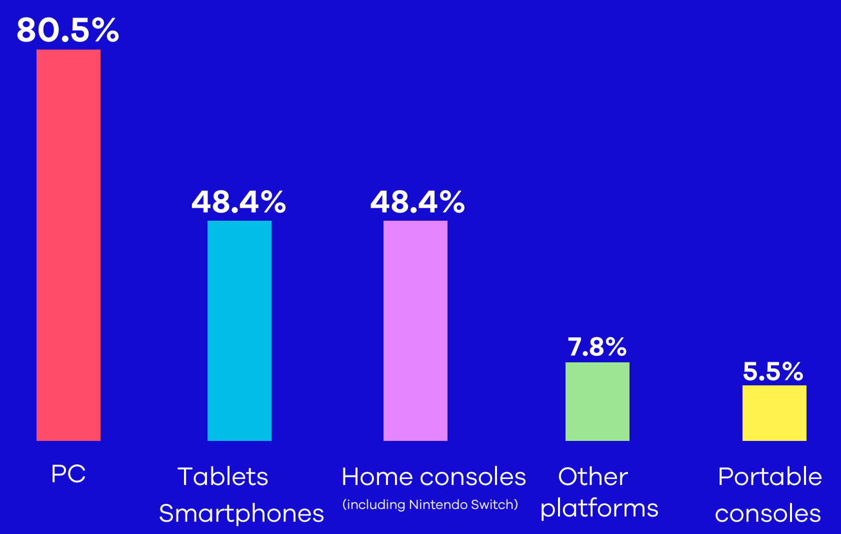


The majority of studios are focused on the production of independent video games

TYPES OF GAMES DEVELOPED BY STUDIOS



PC remains the preferred platform for studios



PRODUCTION AND THE ECONOMIC FABRIC

A growing production of video games

1350 games ĔĒċċÔøĕñĪʓäø

PRODUCTION

in 2021
+16% compared to 2020

92% of which are **original creations**
up from **75% in 2020**

And **750 titles** will be **on the market** **in 2021**
55% of ĕâþďÔʓäøʓĈċþĐĔĒĕäþø

96%
of studios developing a game this year **are developing at least 1 new IP***

2.3
games on average **developed per studio** in 2021

* intellectual property

Industry trends

VIRTUAL REALITY & AUGMENTED REALITY

Nearly **1 in 10 development studios are working on a VR game project**

120 VR GAMES are currently in development in France in 2021

Nearly **15% of development studios are working on an AR game project**

60 AR GAMES are currently in development in France in 2021

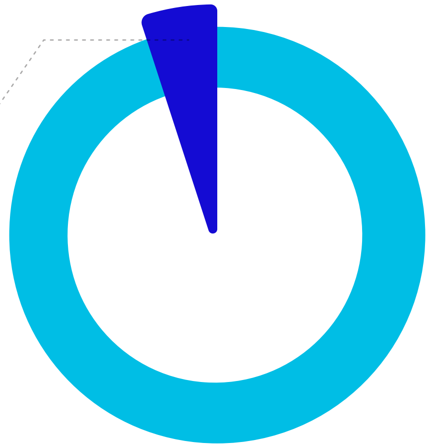
ESPORTS

12.5% of **studios have at least 1 competitive game in their catalogue**

A SIGNIFICANT INCREASE
+5.5 points compared to 2019

BLOCKCHAIN

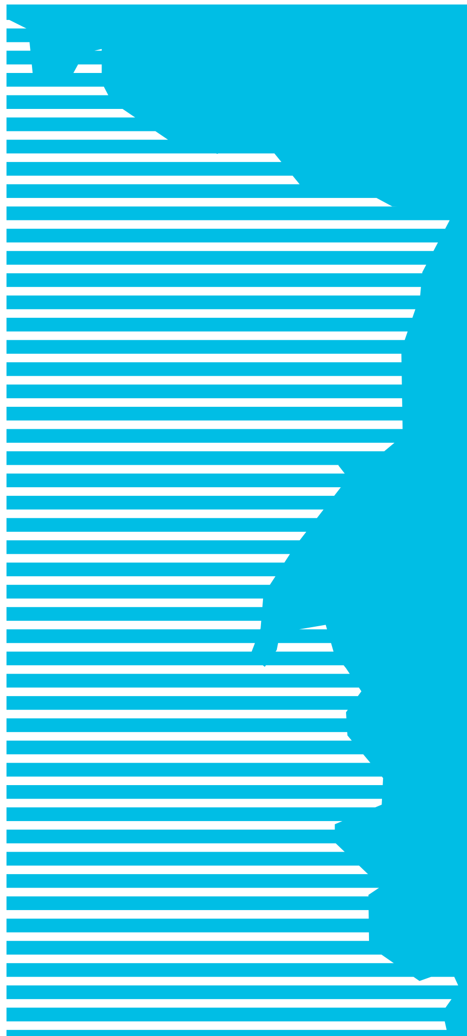
4%
of studios integrate blockchain in the development of their games



More and more studios are looking to publishers

53%
of development studios **used a publisher** in 2021 versus **39%** in 2020

47%
of development studios **marketed their games themselves** in 2021 versus **60%** in 2020



A shift in favor of publishers : a little over half of all development studios state they do not market their games themselves, but rather rely on publishers to market their games

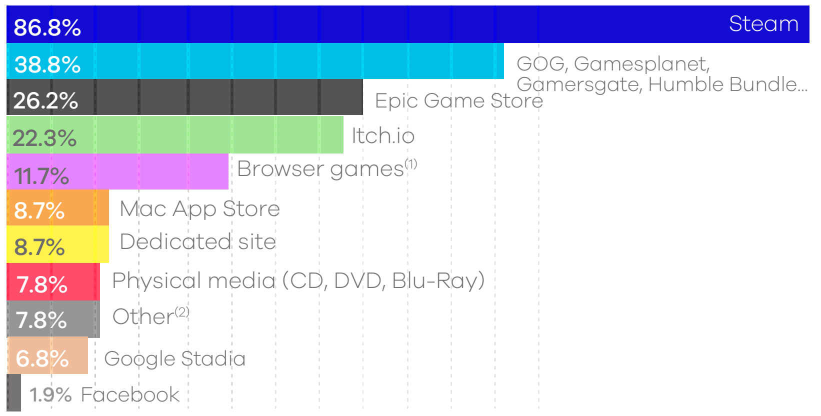
A digital distribution

GAME DISTRIBUTION PLATFORMS IN 2021

PC

Steam reinforces its domination

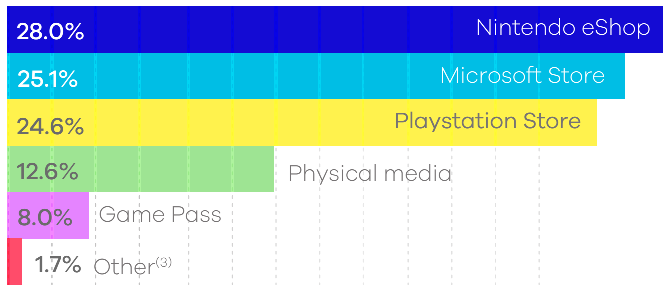
Epic Games confirms its position as a front-end competitor, and Itch.io makes a place for itself in the PC distribution landscape.



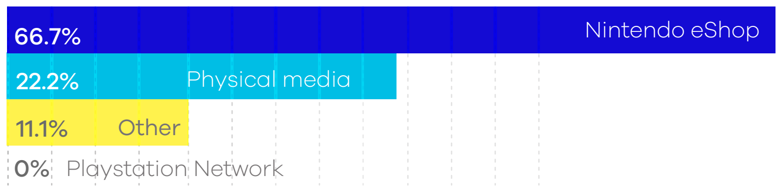
HOME CONSOLES

Nintendo eShop consolidates its position

With the success of the Switch, the Nintendo eShop has become an attractive option to the point of supplanting the PSN for French studios.



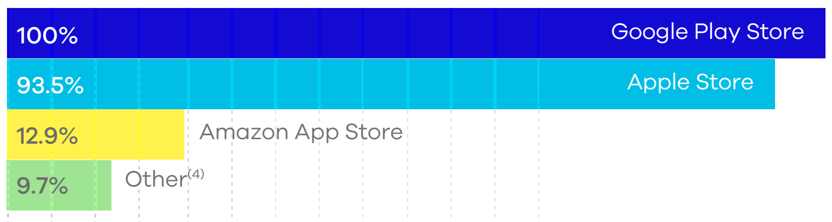
PORTABLE CONSOLES



TABLETS/SMARTPHONES

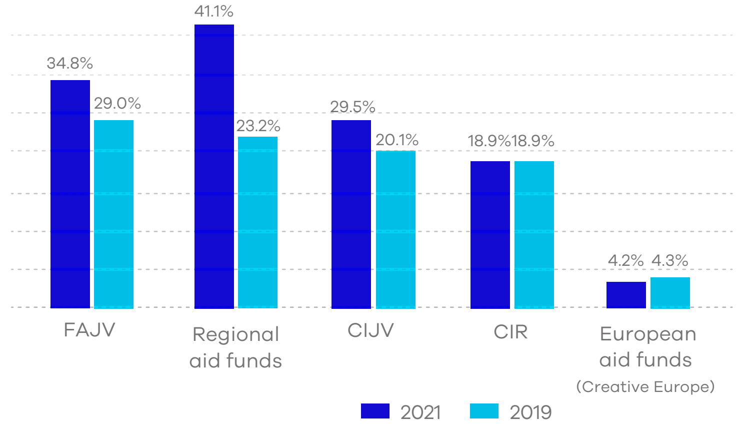
Amazon still challenging Apple and Google

Google Play now more appealing than Apple's App Store as a mobile game platform.



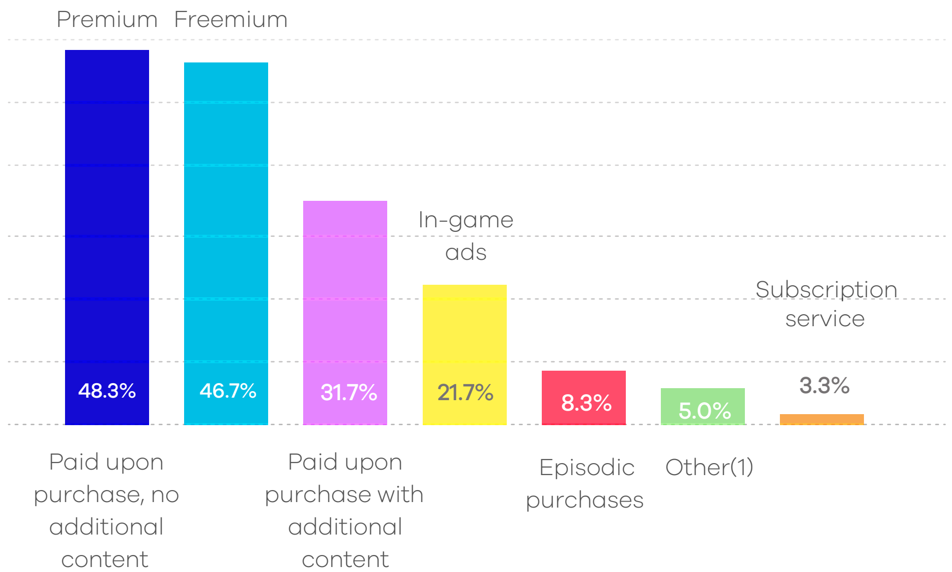
(1) Flash and in-browser games (Kongregate, BigFish Games, Miniclip...)
(2) Cloud gaming, VR stores, B2B distribution, Windows Store
(3) Ouya shop, Leap Motion, Play Market, U Play
(4) Phone service providers, Amazon Appstore, Microsoft Store, Facebook Messenger

SHARE OF PRODUCTION AID USED BY DEVELOPMENT STUDIOS



BUSINESS MODELS ADOPTED BY DEVELOPMENT STUDIOS

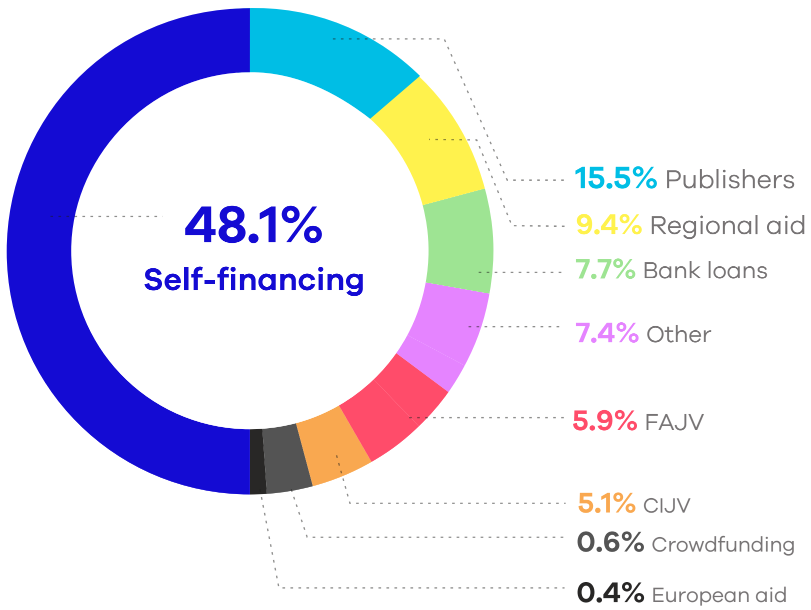
Premium is down compared to 2019 (where nearly 60% of studios preferred it) in favor of freemium, which has gained 10 points in 2 years. Premium nevertheless makes up 41.5% of the catalog of French studios versus the 20.4% of freemium.



Self-funding still makes up almost half of the production budgets committed by studios: nevertheless in decline **(50%)**

48.1%

BREAKDOWN OF FINANCING METHODS FOR DEVELOPMENT STUDIO BUDGETS



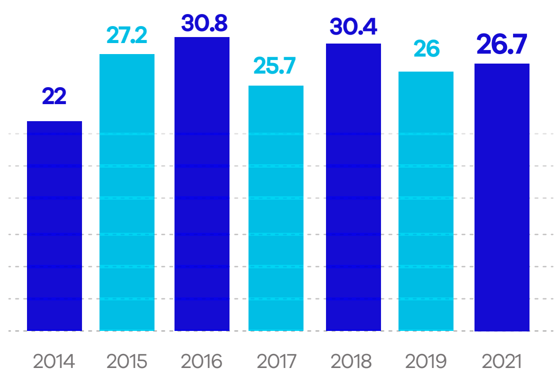
(1) MEDIA Program, CIR

CHAPTER 2

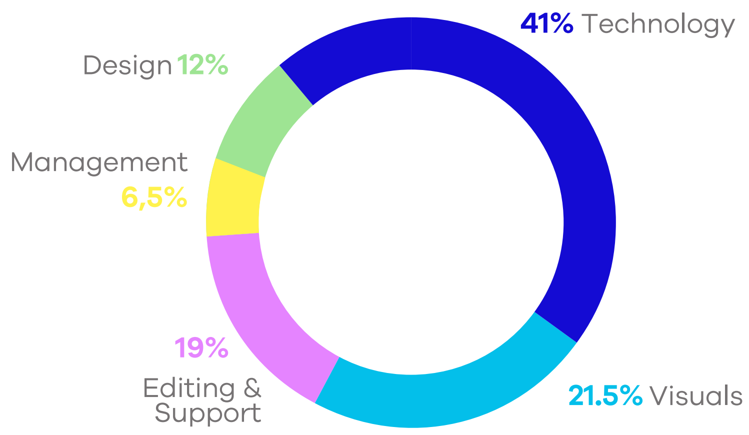
Employment

Stabilization of long-lasting, skilled employment

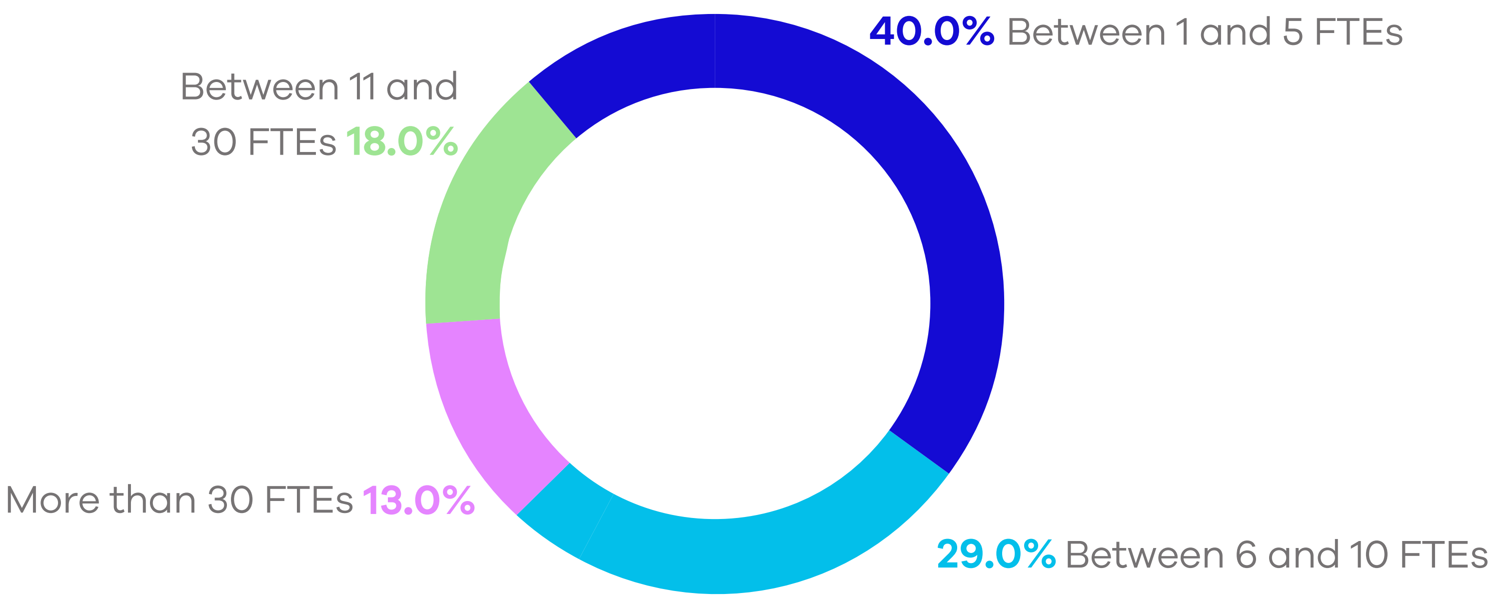
AVERAGE TOTAL STUDIO WORKFORCE SINCE 2014



BREAKDOWN OF WORKFORCE ACCORDING TO JOB CATEGORY



BREAKDOWN OF STUDIOS BY FTE (FULL-TIME EQUIVALENT EMPLOYMENT) BRACKET



Gender diversity in the industry

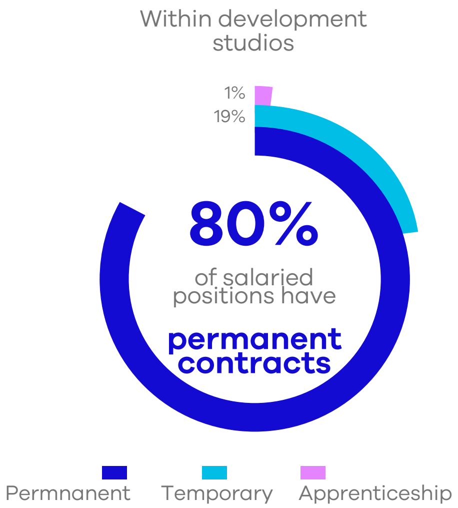
Strong growth in the proportion of women in the industry

22%
women
in development studios

versus
19%
in 2020
+3 points

But only
11%
women in **company management in 2020**

Dynamic job creation that continues to endure



62%
of companies
made hires
in 2020

An estimated **580** to **800** **new jobs** were created by the end of 2020

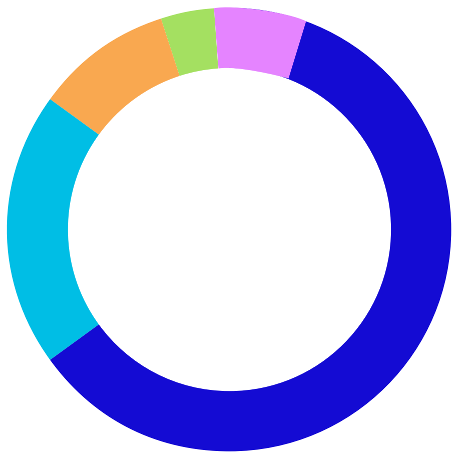
Of which **480 - 650** were involved in **game development**

CHAPTER 3

Companies and their Economic and Financial Situations

Company revenue experiencing growth:
A larger volume of studios outperforming

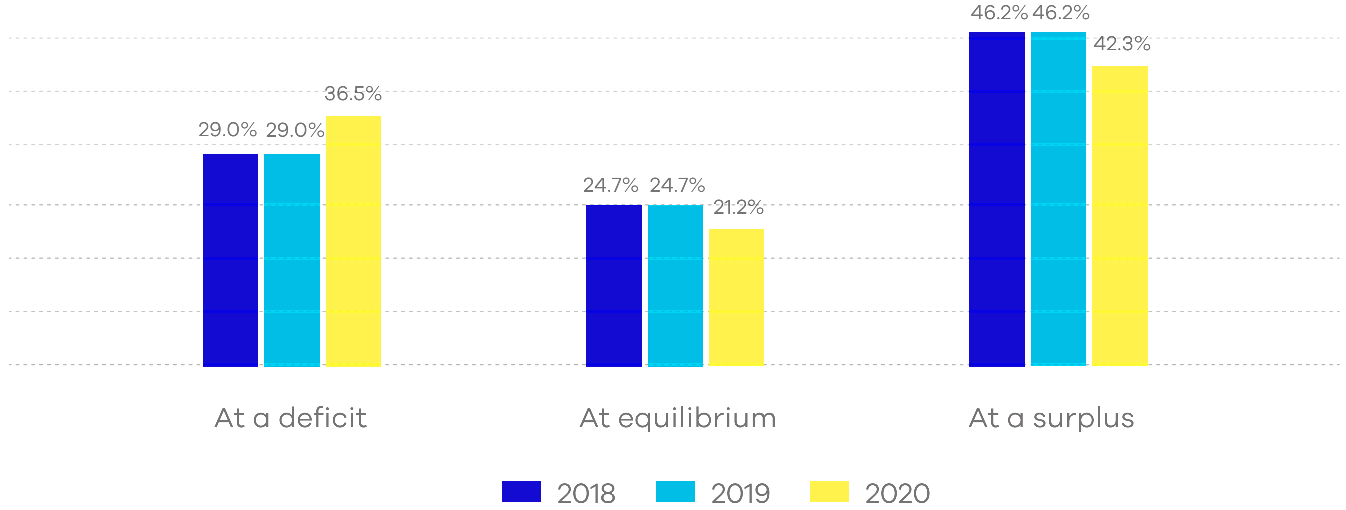
BREAKDOWN OF STUDIOS BY REVENUE



61.7% Less than €300k
18.1% Between €300k and €1M
10.6% Between €1M and €5M
3.2% Between €5M and €10M
6.4% More than €10M

20% of development studios have **revenues in excess of** **€1M**
+ 5 points

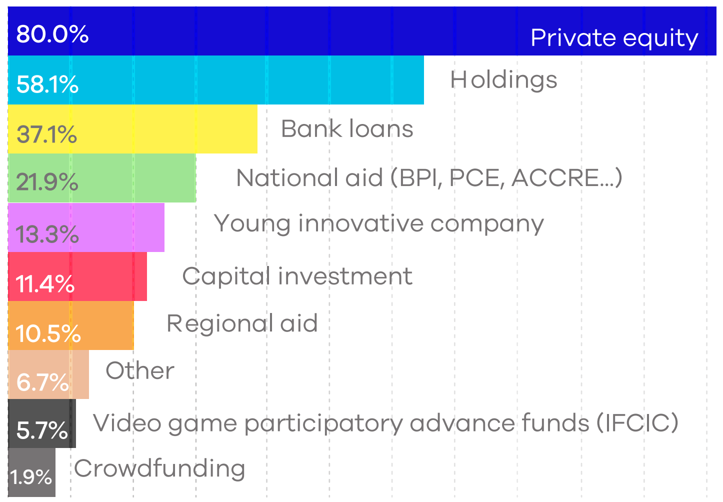
BUT THE COMPANIES' FRAGILE SITUATION PERSISTS



Studios are feeling the impact of the health crisis, resulting in 36.5% of them saying they are running at a deficit in 2020 - a rate which has not been reached since 2014.

Various financial sources behind company growth

FINANCIAL SOURCES OF THE COMPANIES INTERVIEWED



A continually strong interest in the private funding of growth

Fundraising

8%

raised funds in 2020

28%

intend to do so in 2021

Banks are more involved with development studios

Bank loans

37%

borrowed loans
+14 points since 2019

51% are approved with ease

12% are approved with difficulty

An industry focused on exports

36.5% of revenue by studios will be made **internationally**

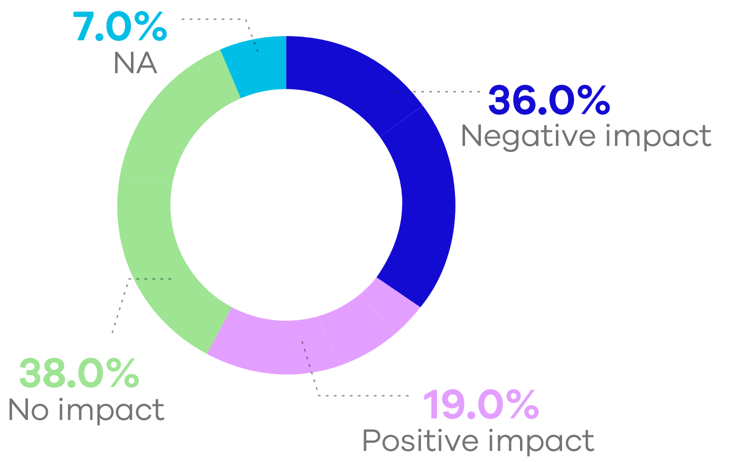
In 2020, companies and development studios devoted 17% of their annual operating budget to international development, compared to 12% in 2018 and 18% in 2019.

CHAPTER 4

The Impact of Covid-19 on the Industry

An overall negative financial impact

THE EFFECTS OF THE HEALTH CRISIS ON COMPANY REVENUES



Companies that have experienced a **positive impact** have seen revenues **increase** an average of

17%

Companies that have experienced a **negative impact** have seen revenues **decrease** an average of

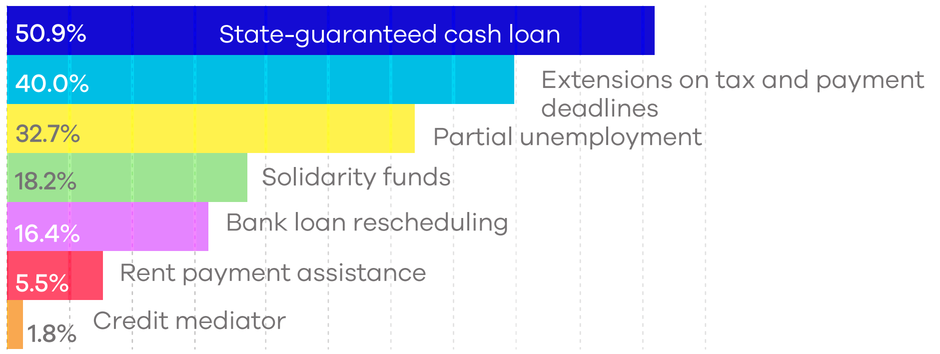
39%

A mixed opinion on the aid put in place

48% of companies have relied on one or more support systems during the crisis

52% of companies believe the aid and support systems offered by the government were adequate

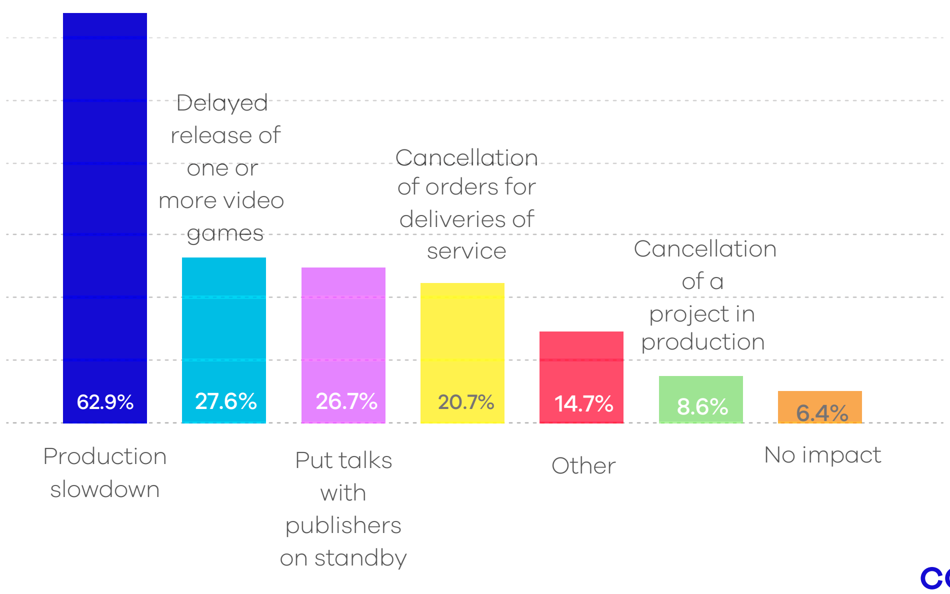
THE AID SYSTEMS FAVORED BY THE COMPANIES IN THE SECTOR



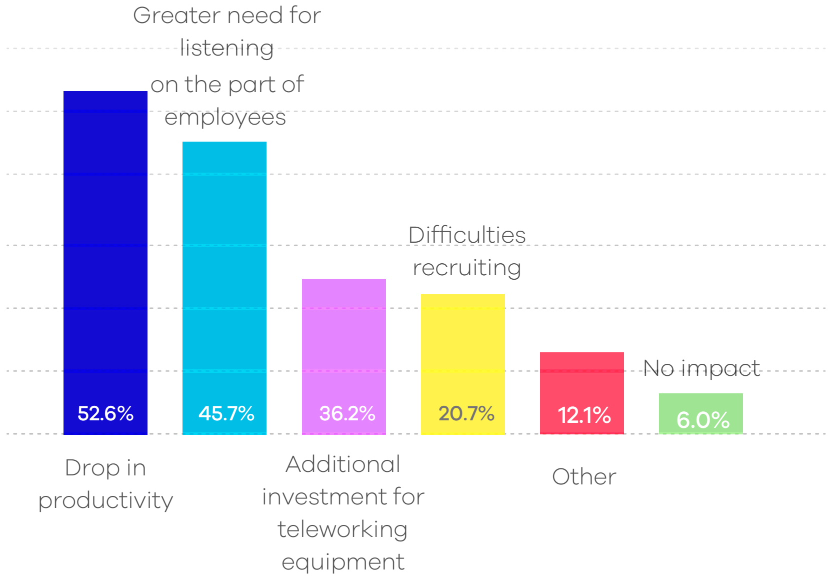
THE IMPACT OF COVID-19 ON THE INDUSTRY

Varied consequences for the industry

COVID-19'S IMPACT ON PRODUCTION



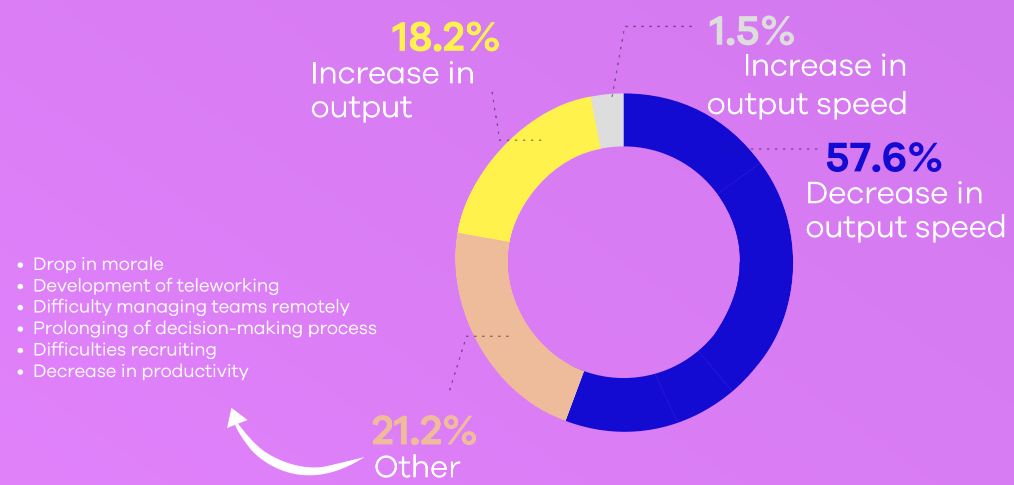
COVID-19'S IMPACT ON THE ORGANIZATION OF WORK



56.5%

of companies believe the crisis will have an impact on their activity in 2021

NATURE OF COVID-19'S IMPACT ON OUTPUT IN 2021



CHAPTER 5

Outlook

Reinforced optimism despite the context of the health crisis

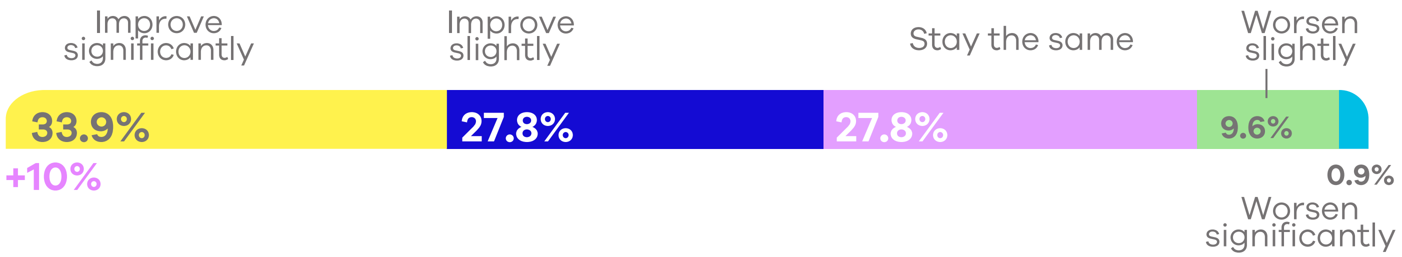
89% are "very confident" or "somewhat confident" **in regard to their company**

+6 points

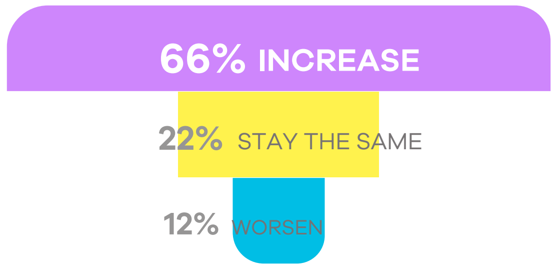
94% are "very optimistic" or "somewhat optimistic" **in regard to the French video game sector**

+9 points

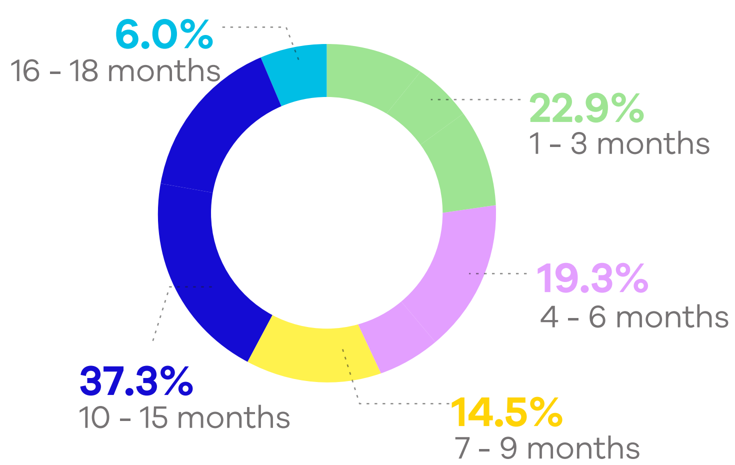
IN THE COMING YEAR, COMPANIES' SITUATIONS WILL...



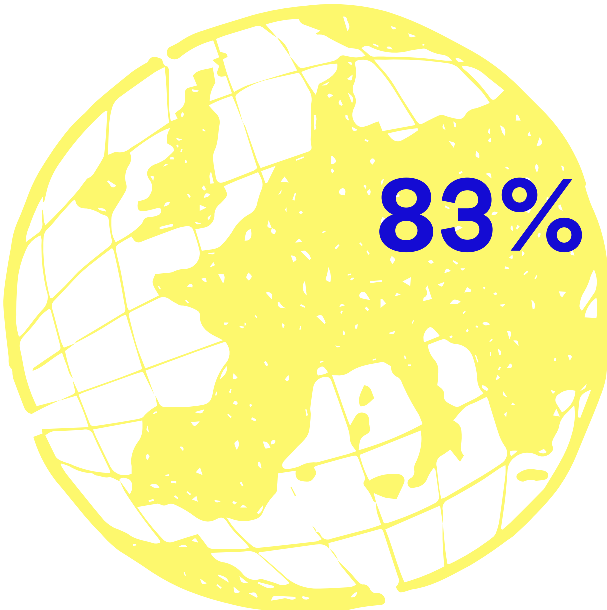
OVER THE NEXT 12 MONTHS COMPANIES' REVENUES WILL...



THE FINANCIAL VISIBILITY OF COMPANIES REMAINS WEAK OVER THE MEDIUM-TERM



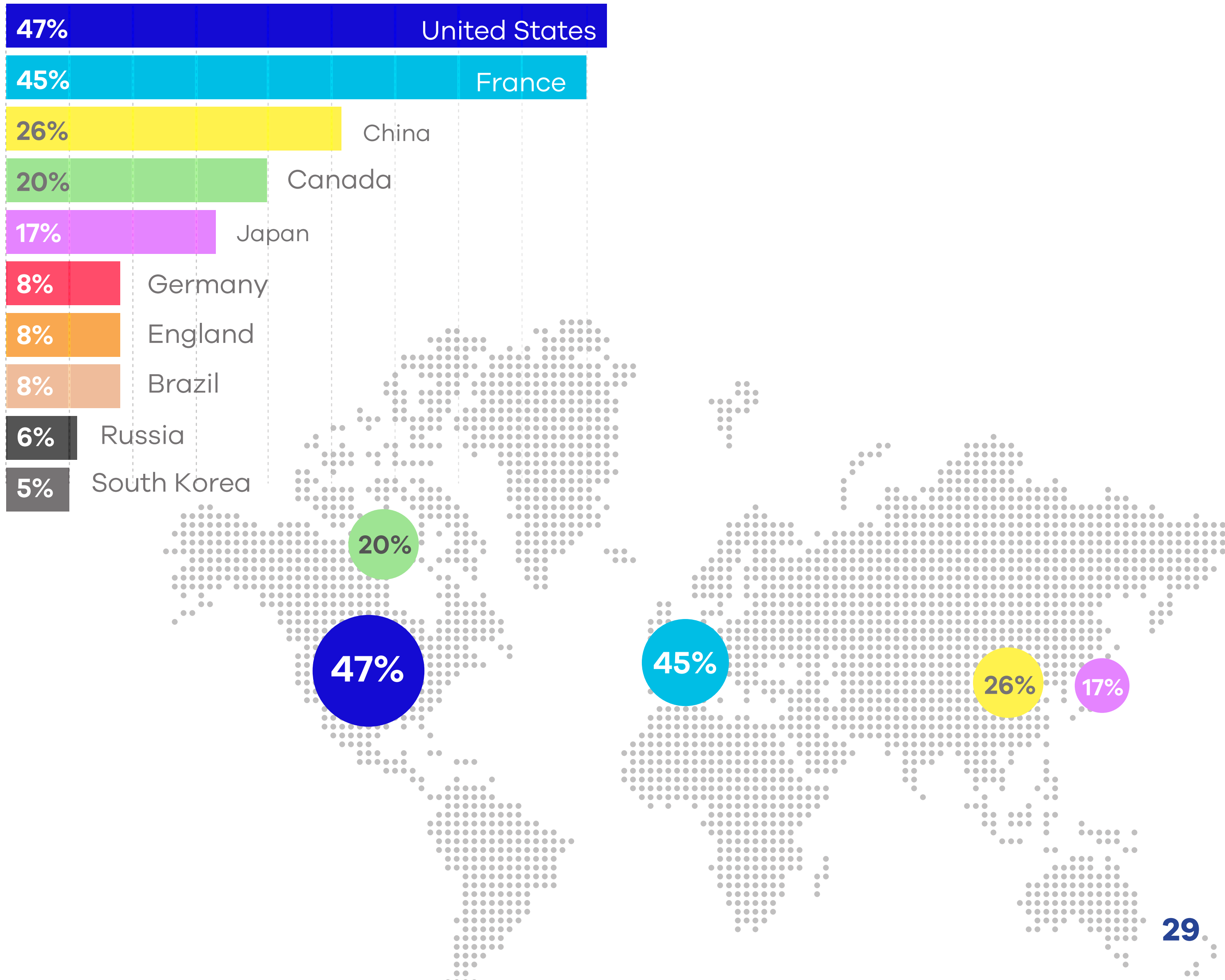
France remains the more attractive option for French studios



83% **think that France is an appealing country to grow their businesses**

+4,6 points compared to 2019

THE 10 COUNTRIES DEEMED THE MOST APPEALING BY FRENCH COMPANIES



SOURCES

No.	Page	Graph name	No. of respondents
1	10	Primary activity amongst companies which responded	170
2	11	Distribution of development studios by years in existence	131
3	12	Types of games developed by studios	127
4	12	Development platforms favored by studios	128
5	16	Distribution methods by studios for personal computers	
6	16	Distribution methods by studios for home consoles	62
7	16	Distribution methods by studios for mobile phones, smartphones, and tablets	62
8	17	Share of production aid used by development studios	95
9	17	Business models adopted by development studios	60
10	17	Breakdown of production financing methods for development studio budgets	
11	19	Average total studio workforce since 2014	97
12	19	Breakdown of workforce according to job category	93
13	19	Breakdown of studios by FTE (Full-Time Equivalent employment) bracket	
14	20	Breakdown of studio workforces by type of contract	98
15	22	Breakdown of studios by revenue	122
16	22	Financial situation of studios at year's end	122
17	23	Financial sources of the companies interviewed	105
18	25	The effects of the health crisis on company revenues	115
19	25	The aid systems favored by the companies in the sector	55
20	26	Covid-19's impact on production	116
21	26	Covid-19's impact on the organization of work	116
22	26	Nature of Covid-19's impact on output in 2021	66
23	28	Level of confidence of respondents in the future of their companies	115
24	28	Opinions on the future of the corporate video game sector in France	115
25	28	Outlook for companies in the next 12 months	115
26	28	Evolution of company revenues in the next 12 months	115
27	28	Financial visibility of companies in 2021	83
28	29	The 10 countries deemed the most appealing by French companies	106

A product of SNJV
Icons credit The Noun Project: lastspark, asianson.design, Mike Rowe, Massupa Kaewgahya, Randomhero, Dinosoft L, Lemon Liu, Gabriele Malaspina, Alina Oleynik, Shashank singh, LAFS, jafar, Carpe Diem, Julien Meysmans, supalerk laipawat, Maxim Kulikov, Guadeloupe by freevectormaps

About SNJV

Created in 2008, following on from the Association of Multimedia Works Producers (APOM), the French Video Game Trade Association (SNJV) represents companies and professionals throughout France's video game industry. It works for the promotion, growth, and competitiveness within the industry, as well as for the appeal of the territory. The SNJV's objective is to enable video game production companies established in France to accelerate their development and sharpen their competitive edge amongst strong international competition.

Contact

contact@snjv.org
46, rue Saint-Lazare
75009 PARIS

snjv.org

ANNUAL SURVEY OF

VIDEO GAMES

IN FRANCE

2021 EDITION

Contact

contact@snjv.org
46, rue Saint-Lazare
75009 Paris

snjv.org

Syndicat National du Jeu Vidéo