

THE GAMES INDUSTRY IN BERLIN-BRANDENBURG

An examination of the economic factor

GOLDMEDIA GMBH STRATEGY CONSULTING

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On behalf of:

medianet
berlinbrandenburg

Funded by:

medienboard
BerlinBrandenburg





INDUSTRY STRUCTURE

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THE GAMES INDUSTRY IN BERLIN-BRANDENBURG CONSISTS OF 301 COMPANIES, OF WHICH 60% ARE DEVELOPERS.

COMPANIES
IN TOTAL

301

CORE MARKET
COMPANIES

2016: 138*

182

SERVICE
PROVIDERS &
ESPORTS

119

PUBLISHERS
ONLY
2%

DEVELOPERS ONLY
23%

19%

6%

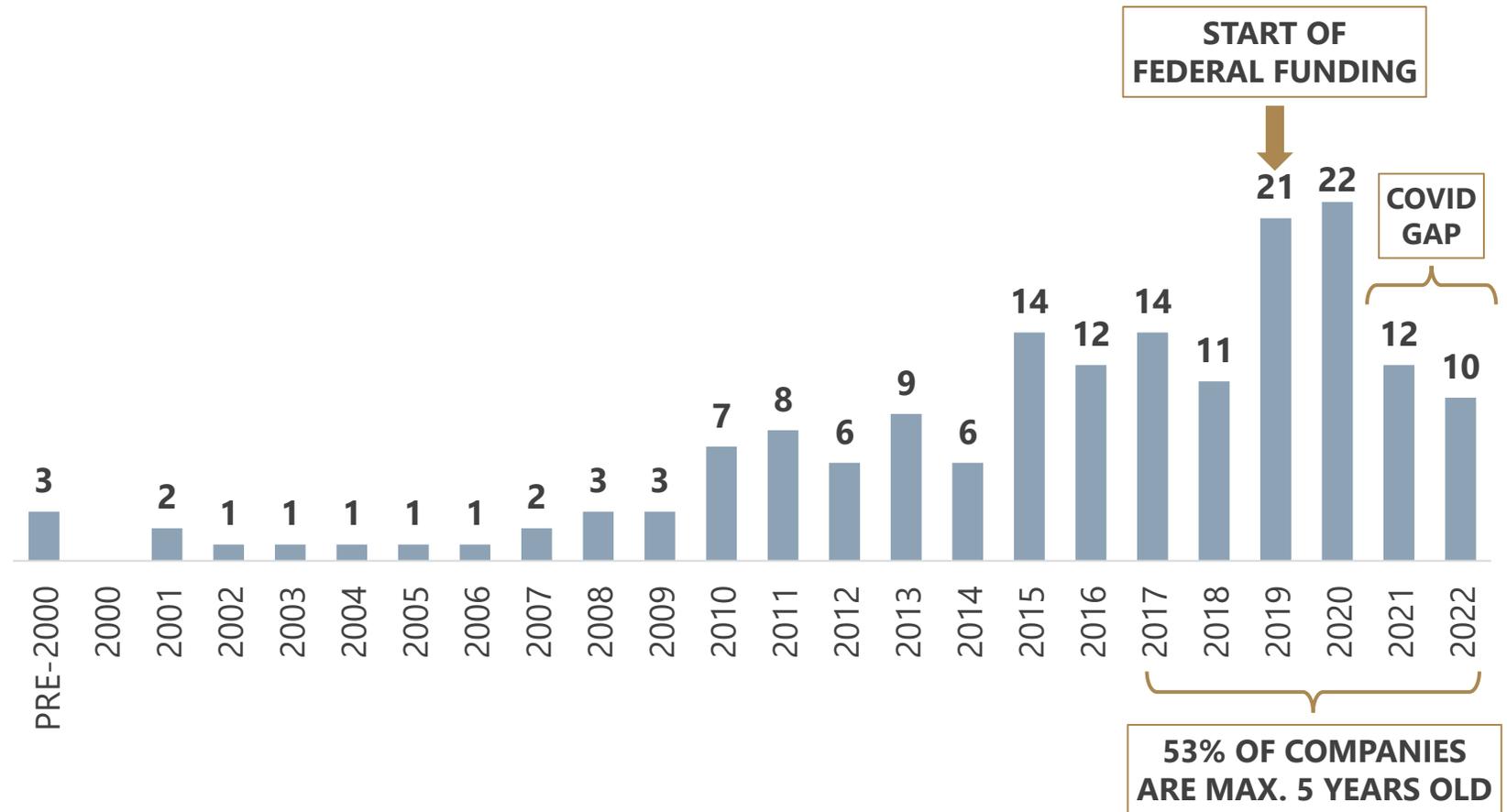
9%

SERVICE PROVIDERS
ONLY
31%

ESPORTS
9%

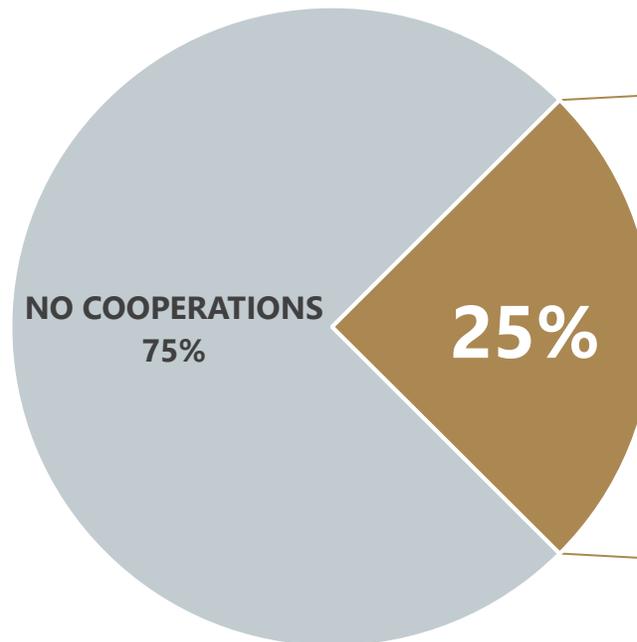
Sources: Goldmedia research commissioned by medianet 2022, Crunchbase, gamesmap, Mediabiz, Online Games Datenbank, Startup Berlin, Startupdetector, WirtschaftsAtlas, HMS (2018): Die Computer- und Videospieleindustrie in Berlin. *Companies in the core market of Berlin.

THE GAMES INDUSTRY IS YOUNG. THE AVERAGE AGE OF THE CORE MARKET COMPANIES IS 6.4 YEARS.



Source: Goldmedia research commissioned by medianet 2022.

25% OF GAMES COMPANIES IN BERLIN-BRANDENBURG COOPERATE WITH COMPANIES OUTSIDE THE GAMES INDUSTRY.



GAMES COMPANIES COOPERATE WITH VARIOUS INDUSTRIES, INCLUDING:

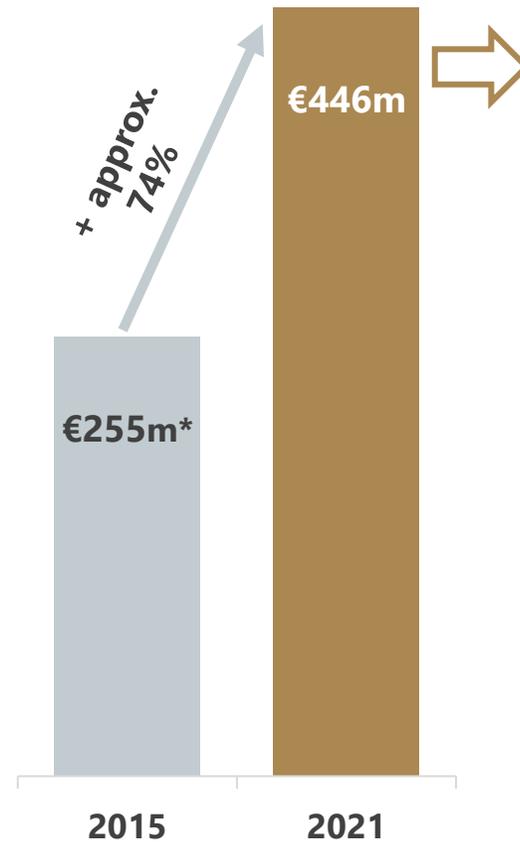
- MEDIA: FILM, MUSIC, PUBLISHING HOUSES**
- PHARMA**
- TECH**
- EDUCATION**
- TOURISM**
- CONSTRUCTION**
- EVENT INDUSTRY**
- ENVIRONMENT**
- AUTOMOBILE**
- ...



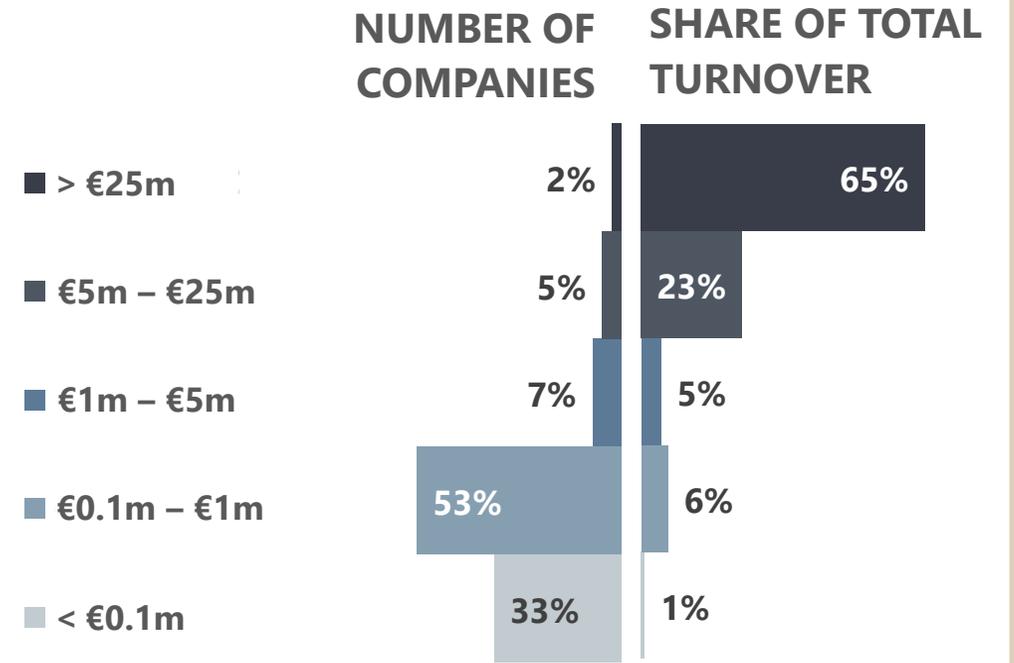
TURNOVER AND FUNDING

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THE COMPANIES IN THE CORE GAMES MARKET IN THE CAPITAL REGION GENERATE ALMOST €0.5 BILLION.

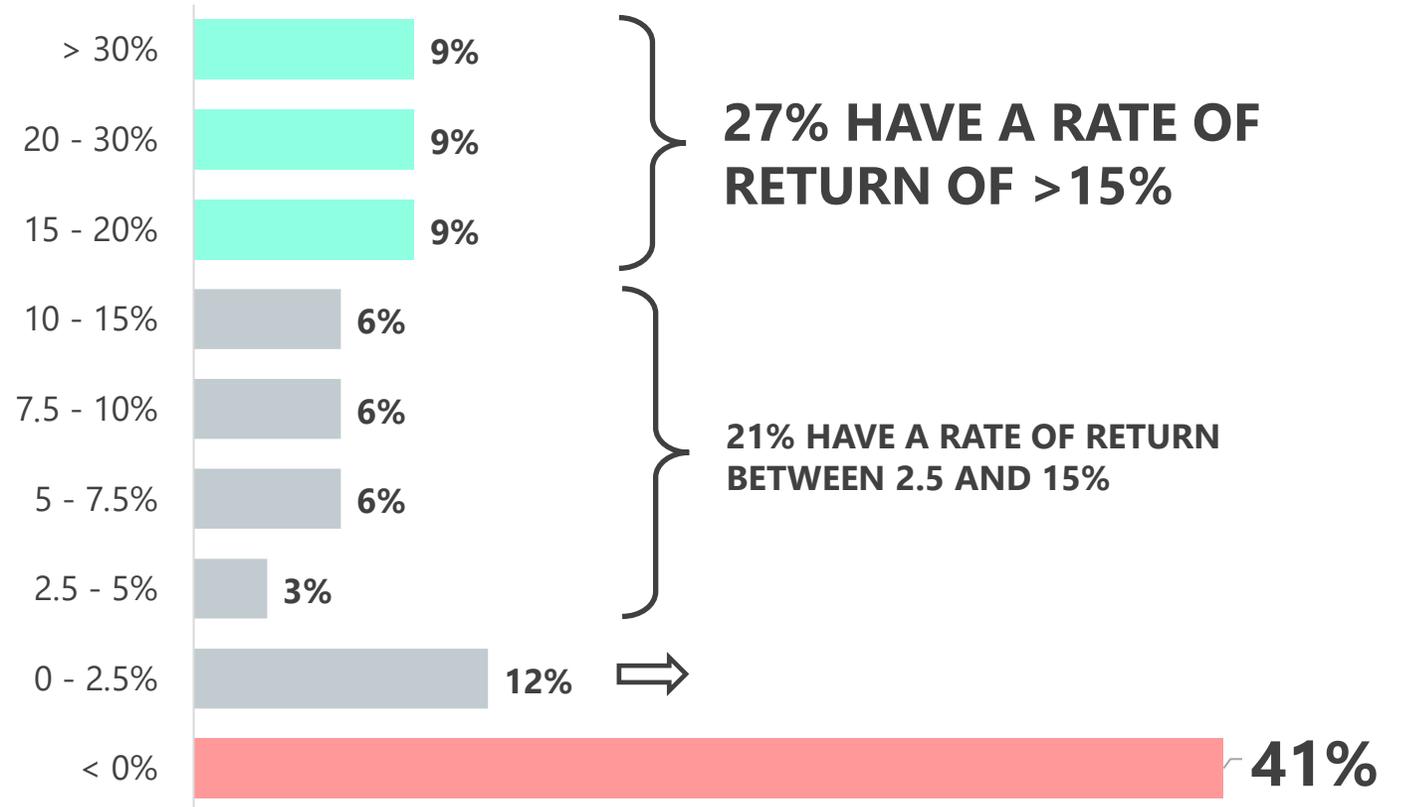


**€446 MILLION INDUSTRY TURNOVER (2021)
= 12% OF THE GERMAN TURNOVER**



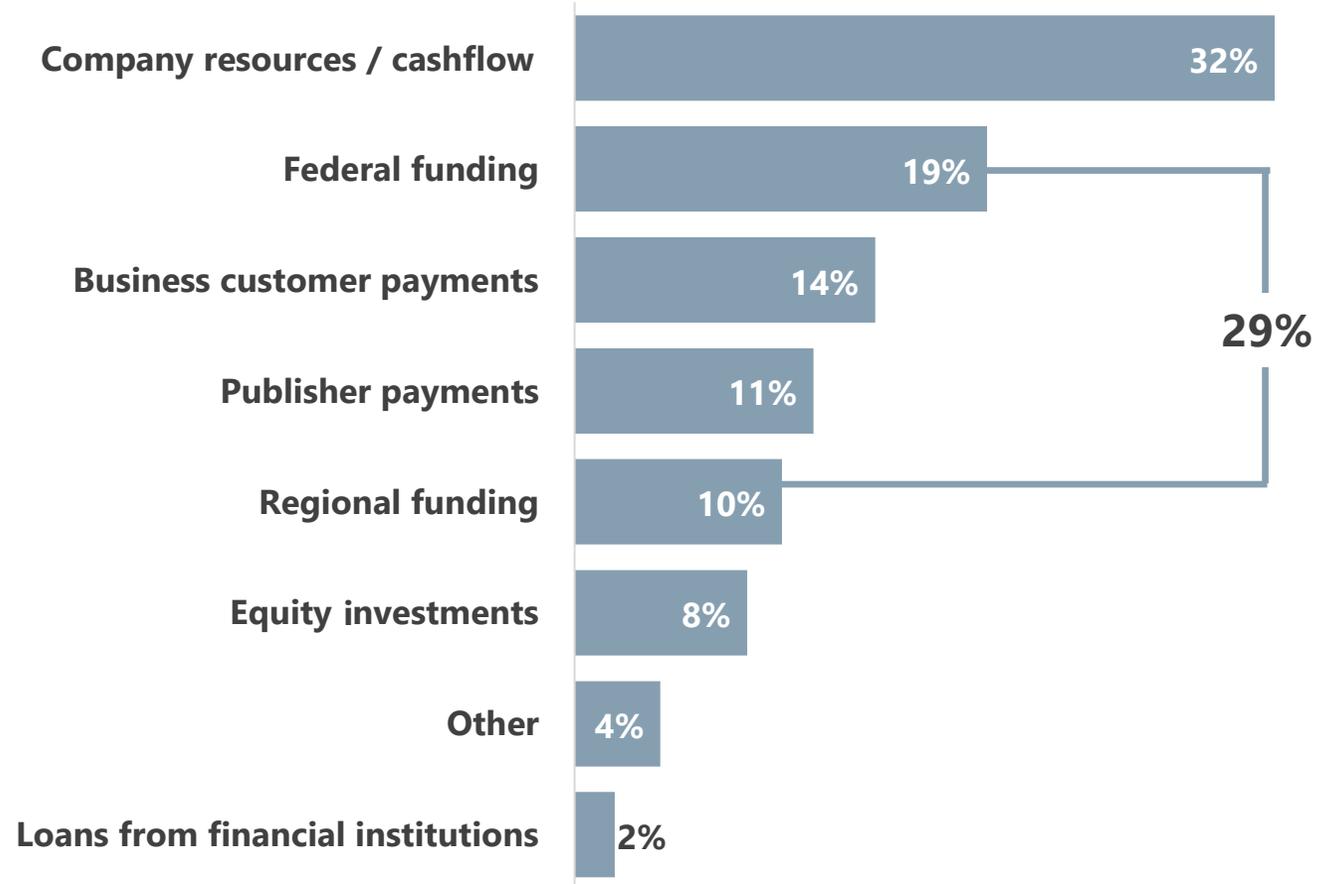
Note: These are (mostly net) games company turnovers and not trade sales or retail sales.
Source: Goldmedia research commissioned by medianet 2022. *Turnover in the core market of Berlin.

27% OF COMPANIES HAVE A RATE OF RETURN OF OVER 15%. HOWEVER, 41% HAVE A NEGATIVE RATE OF RETURN.



Source: Goldmedia research commissioned by medianet 2022.

FEDERAL AND REGIONAL FUNDING IS AN IMPORTANT FINANCING SOURCE FOR GAMES COMPANIES IN BERLIN-BRANDENBURG.



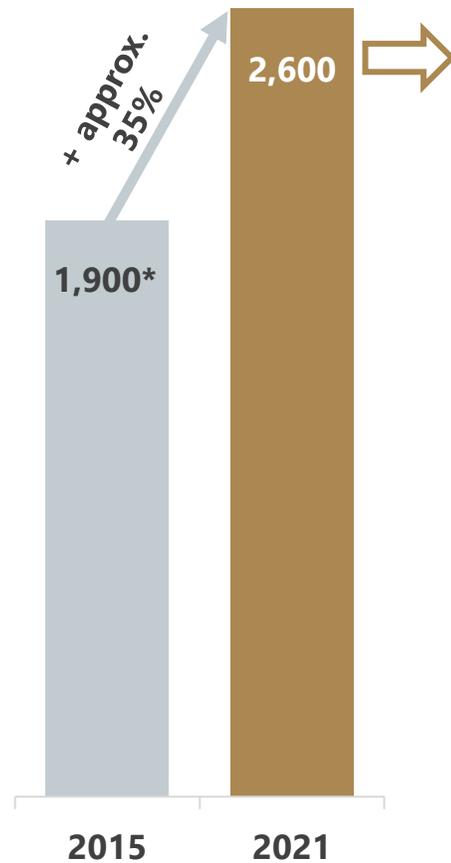
Source: Goldmedia research commissioned by medianet 2022.



EMPLOYMENT

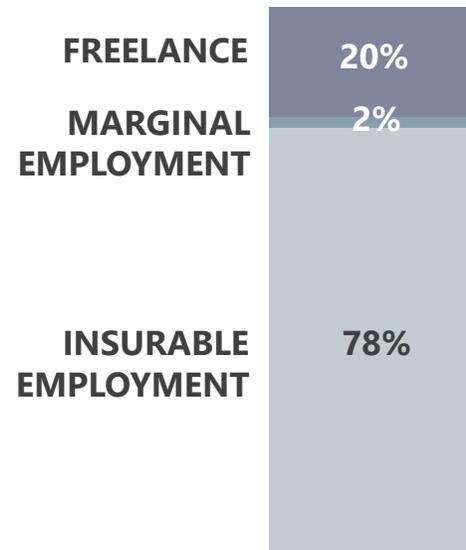
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2,600 EMPLOYEES WORK IN BERLIN-BRANDENBURG'S CORE GAMES MARKET. 70% OF THEM ARE MALE.

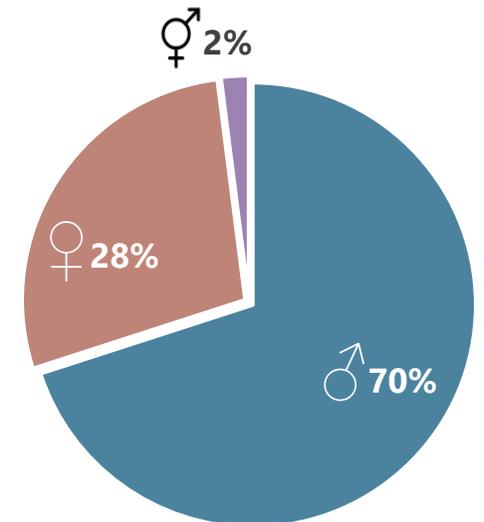


**2,600 EMPLOYEES IN THE CORE GAMES MARKET
= 22% OF GERMAN GAMES EMPLOYEES**

TYPE OF EMPLOYMENT



GENDER OF EMPLOYEES

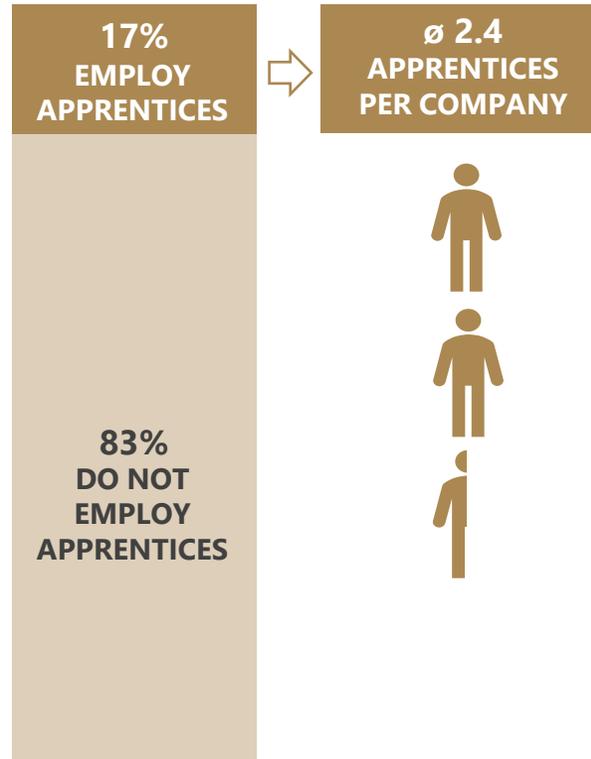


Source: Goldmedia research commissioned by medianet 2022. *Employees in the core market of Berlin.

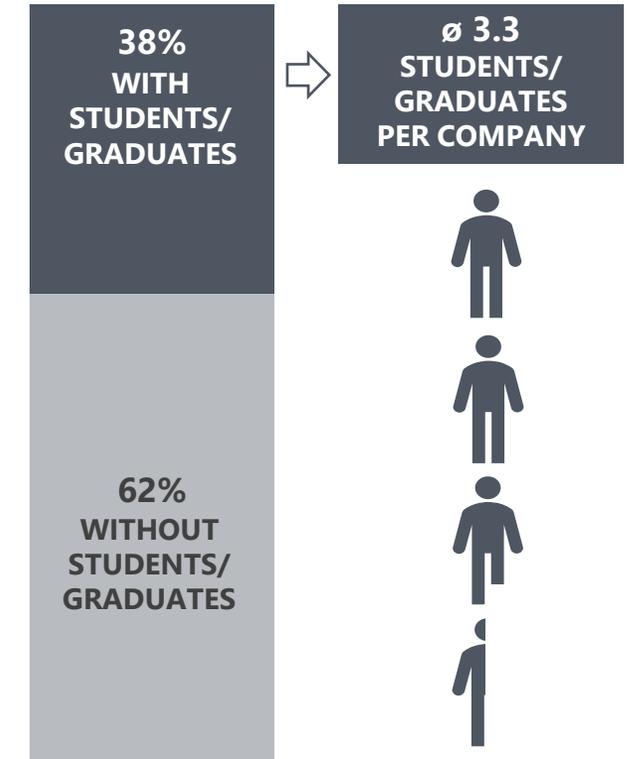
ONLY 17% OF COMPANIES EMPLOY APPRENTICES, WHICH IS PARTLY DUE TO THE INSUFFICIENT NUMBER OF TRAINING PROGRAMMES.



COMPANIES OFFERING APPRENTICESHIPS (2021)



COMPANIES WITH STUDENTS/GRADUATES OF GAMES-RELATED STUDIES (2021)



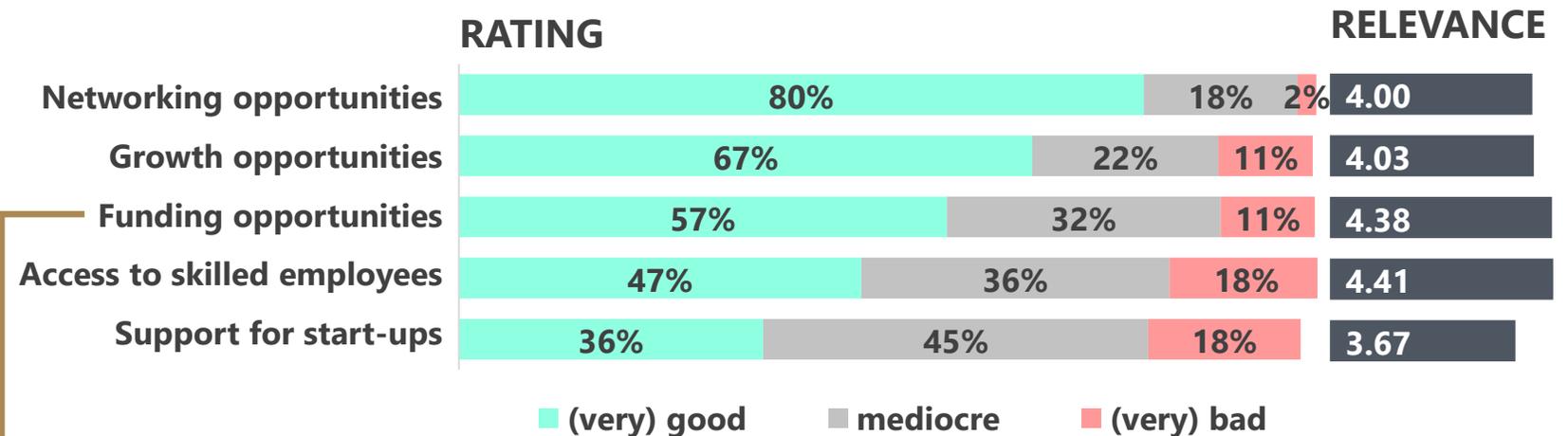
Source: Goldmedia research commissioned by medianet 2022.



EVALUATION OF BERLIN- BRANDENBURG AS A GAMES LOCATION

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BERLIN-BRANDENBURG IS VALUED MOSTLY FOR ITS (VERY) GOOD NETWORKING OPPORTUNITIES.



SUGGESTIONS AND WISHES REGARDING FUNDING SITUATION:

- More support
- Simpler procedures and faster processing
- Implementation of tax incentives (as in Canada, for example)
- Funding programmes with focus on games (only)



THE INDUSTRY SEES FURTHER POTENTIAL FOR IMPROVEMENT REGARDING STRUCTURAL AND EMPLOYMENT ASPECTS.

COSTS/STRUCTURES

- High energy and rental costs
- Housing and office shortage
- Slow internet

FUNDING/MARKETING

- Too few programmes specifically for games

EMPLOYMENT

- Lengthy visa and residence/work (“Blue Card”) processes
- Difficulty finding qualified staff
- Apprentice and study situation needs improvement
- Earning opportunities are low compared to increasing costs of living

WHAT ARE THE KEY TAKEAWAYS FROM THE GAMES STUDY BERLIN-BRANDENBURG?



- 1. The games industry in the capital region is growing.**
- 2. Games companies have a low average age. The industry is very collaborative.**
- 3. 41% of games companies have a negative rate of return – however, 27% have a rate of return of over 15%.**
- 4. Federal and regional funding is an essential source of financing.**
- 5. Only 28% of employees in the games industry are female.**
- 6. 17% of companies offer apprenticeships.**
- 7. Games companies are among other things challenged by rising costs, slow internet and a shortage of qualified staff.**

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