

## Trends that innovate and inspire

## FREE APPS BOOST CONSUMER SPENDING ON VIDEO GAMES





By Calum Ross

**Washington DC** — Global spending on video games grew to \$25bn in 2011, according to the Entertainment Software Association.

'The most important factor influencing this rise is the number of free apps available to the public,' explains Andrei Buta, CEO and founder of iPhone app and games developer Fan Studio. 'The App Store is now dominated by free apps that let users pay for extra features'

Consumers buying free-to-download games on social networking sites and digital devices spent nearly \$4bn on in-game upgrades in 2011. The figure, published by Pricewaterhouse Coopers, is expected to rise a further 8% this year.

Buta stresses that traditional game developers will have to rethink the way they release their products as more consumers turn towards free games with extra payable content, and if they don't keep up with the changing market, they risk becoming irrelevant. The rise of gaming culture is providing brands with exciting new avenues to engage and motivate consumers. To learn how your company can use the principles of game design and gaming systems to develop stronger consumer relationships, read LS:N Global's <u>Ubiquitous Gaming Culture</u> macrotrend.

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