

VIDEO GAMES IN FRANCE ANNUAL SURVEY

2023 Edition

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METHODOLOGICAL REMINDER

The SNJV provides a representative picture of the video games sector. The survey of 577 verified and qualified video game development companies took place between February, 28th 2023 and June, 26th 2023.

The questionnaire was distributed by the SNJV with the support of regional video game associations.

The questionnaire was self-administred online.The rate of participation reached 23%

In this report, whenever “companies” are mentioned, reference is made to video game development companies.

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KEY TAKEAWAYS FOR THE YEAR 2022



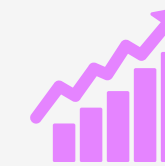
VIDEO GAMES PRODUCTION

1257 video games in production
Over 850 new IPs created



EMPLOYMENT

76% of jobs in permanent contracts
24% of women staff in development studios
Between 400 and 600 job creation expected
within game development studios in 2023



FINANCIAL SITUATION

27% of studios generate revenue exceeding
1 million euros
Over 80% of companies have a majority
French ownership
10% of development studios raised funds in
2022



INTERNATIONAL

85% of development studios consider France
to be an attractive territory
Almost a third of the development studios cite
fiscal incentives as a major factor of
attractiveness



CSR

10% of surveyed companies have already
conducted their company's carbon footprint
assessment.
Almost one company out of two plans to
conduct its carbon footprint assessment in
2023

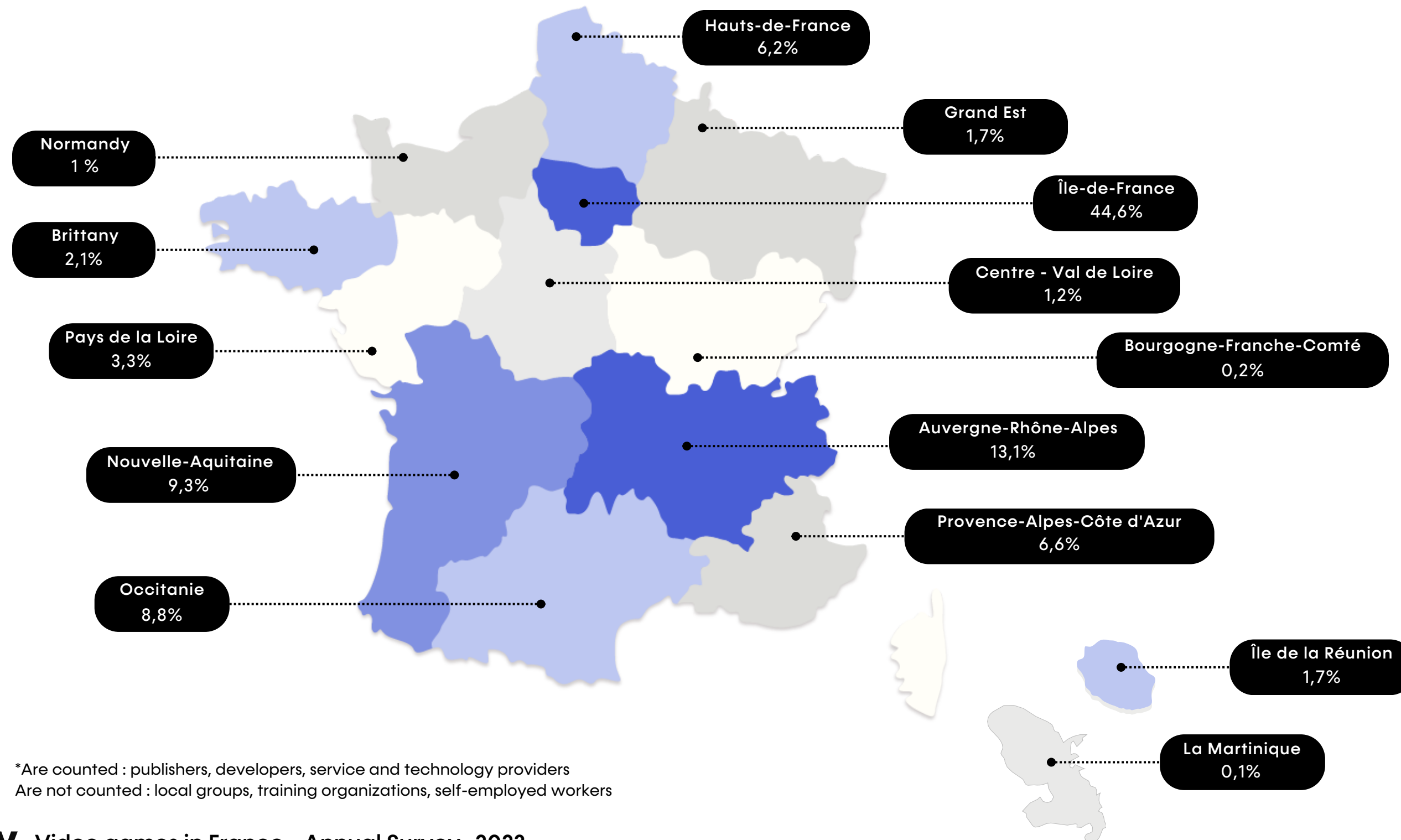


TELECOMMUTING AND FLEXIBILITY

One-third of companies have adopted a
full-time remote work schedule.

CHAPTER 1 ECONOMIC FABRIC

Percentage of video game companies by region*



*Are counted : publishers, developers, service and technology providers
Are not counted : local groups, training organizations, self-employed workers

1,000

In 2022, the French video game industry counted 1,000 companies, including 577 game development studios.

CHAPTER 2 VIDEO GAME PRODUCTION

1257 GAMES
IN

PRODUCTION

-7% compared to 2020

854 new IPs

this represents 68% of the production (1253 titles in 2020)

776 GAMES
released

-7% compared to 2020

 **64** VR/MR/AR
GAMES

 **51** competitive
GAMES

9% of the companies
(compared to 12% in 2020).

42 GAMES
including

blockchain technology

7% of the companies
(compared to 4% in 2020)

42 GAMES
including

NFTs

INSIGHT

In 2022, French productions once again made an impact on the international stage. Six productions were nominated at the end of the year during the Game Awards ceremony, including two in the 'Game of the Year' category: A Plague Tale: Requiem by Asobo Studio (Bordeaux) and Stray by Blue Twelve Studio (Montpellier)

In France, half of the companies are based in a region: regional associations play a crucial role in animating these ecosystems.

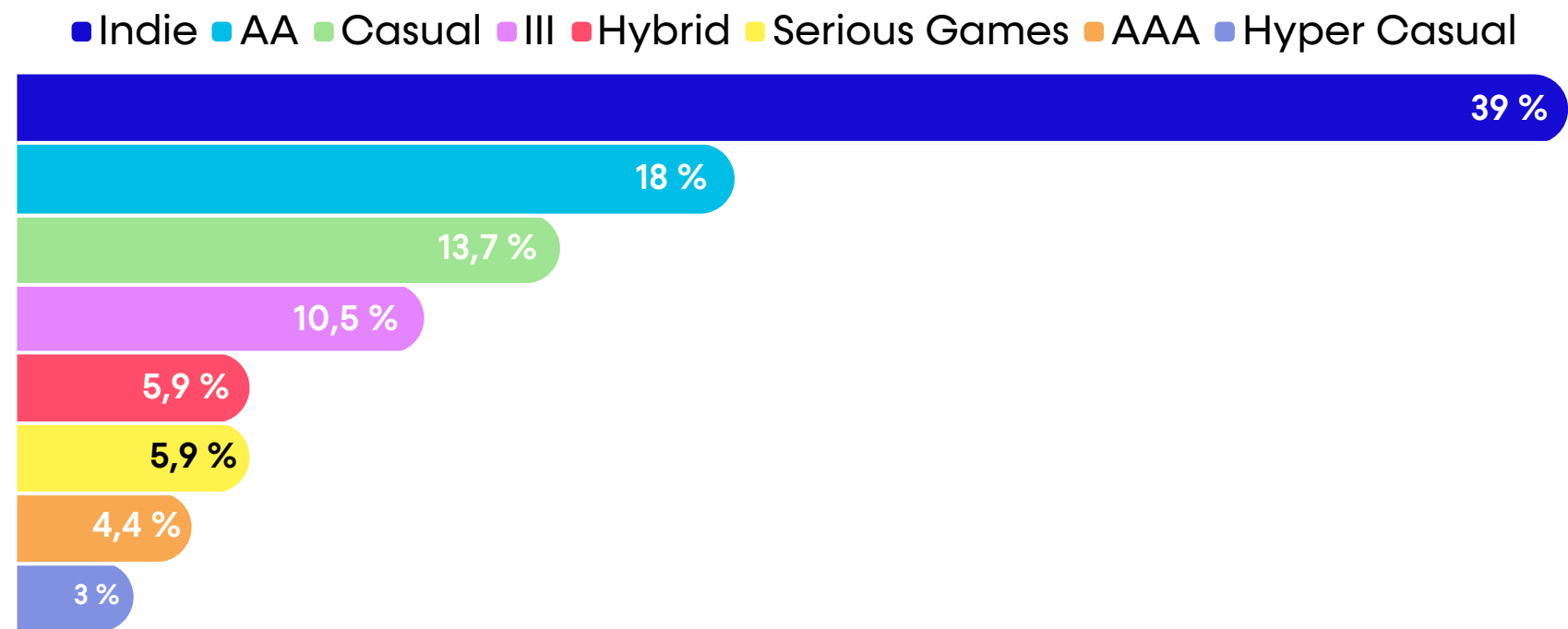
Although the number of games in production decreased by 7% between 2022 and 2021, the number of games released remained stable. In 2022, game development studios seemed more confident in their ability to deliver their productions.

In 2022, 7% of companies were developing video games integrating blockchain technology (compared to 4% in 2021). Although the use of this technology remains on the fringes of developments, there is a noticeable trend in exploring new technological opportunities.

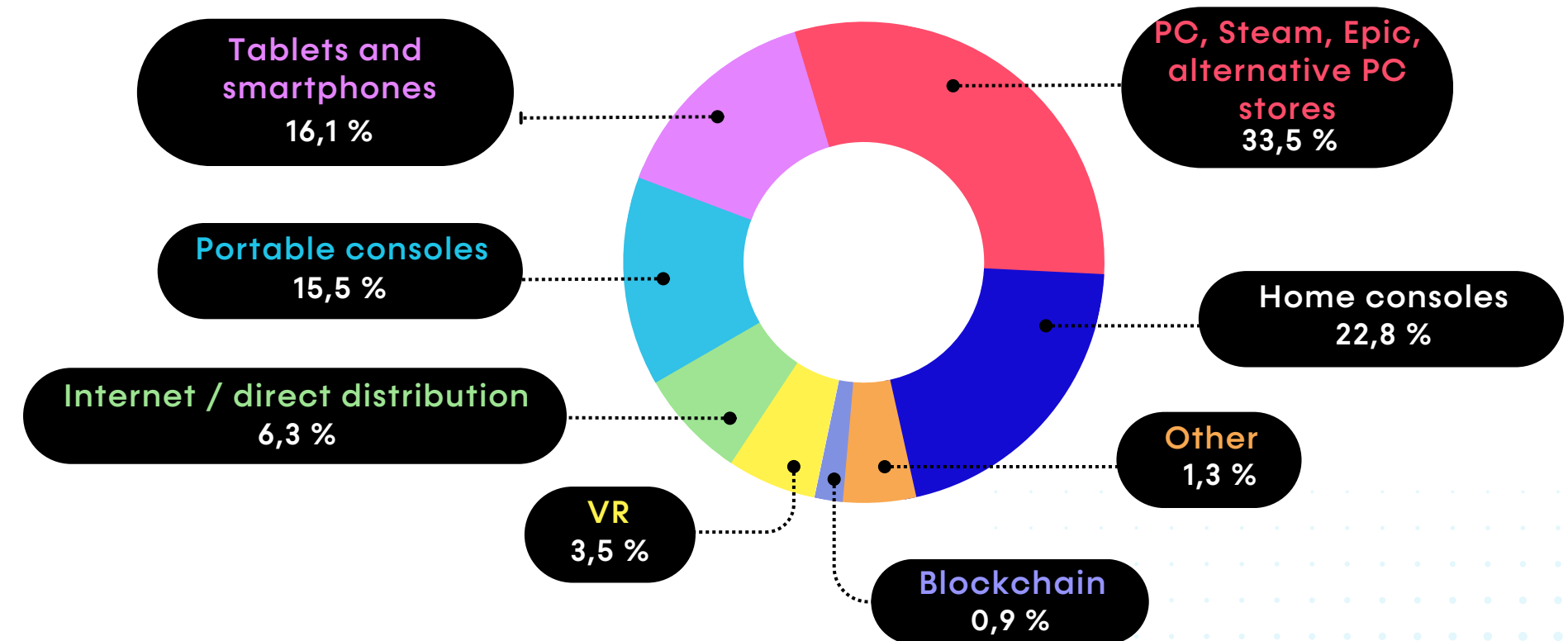
The French production is still characterized by a primarily independent editorial positioning (39% of the production).

Publishers have been gaining more influence year after year: while in 2019, 39% of studios worked with a publisher, the number increased to 53% in 2021, and reached 62% in 2022.

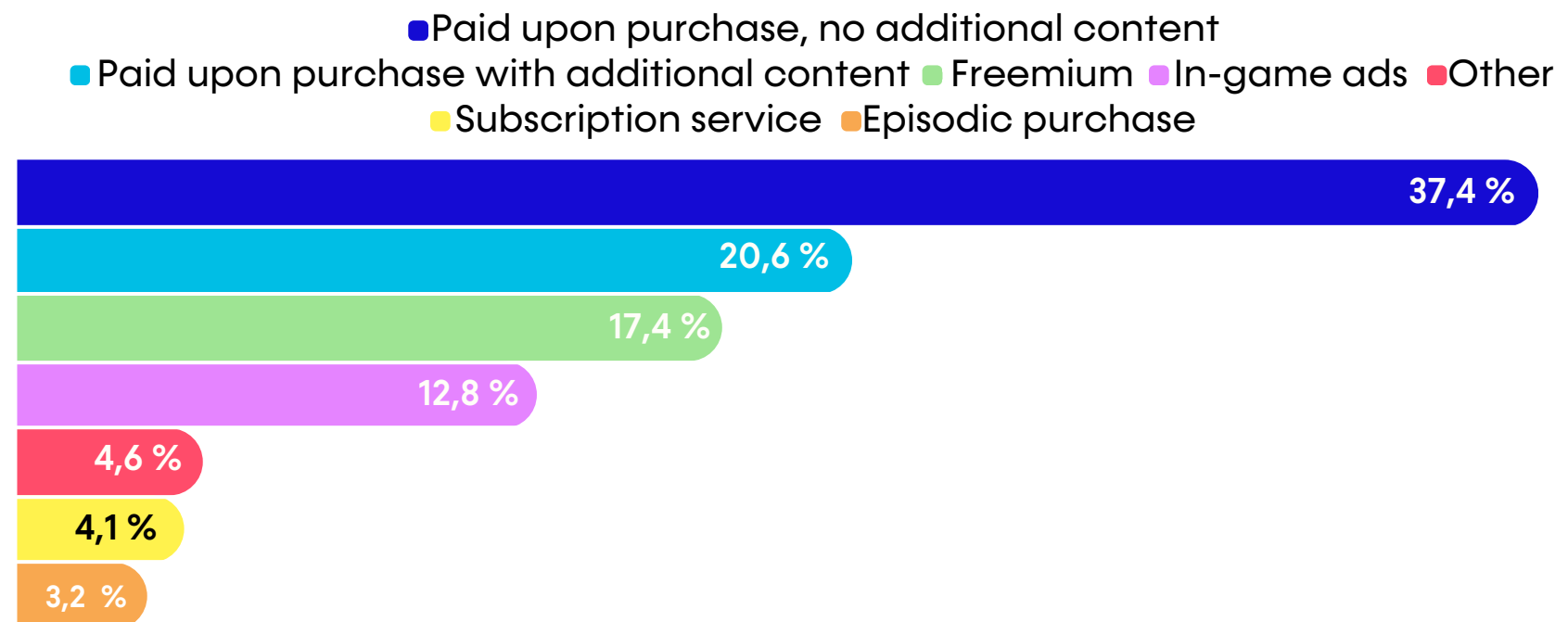
Types of games developed by studios



Game distribution platforms



Business models

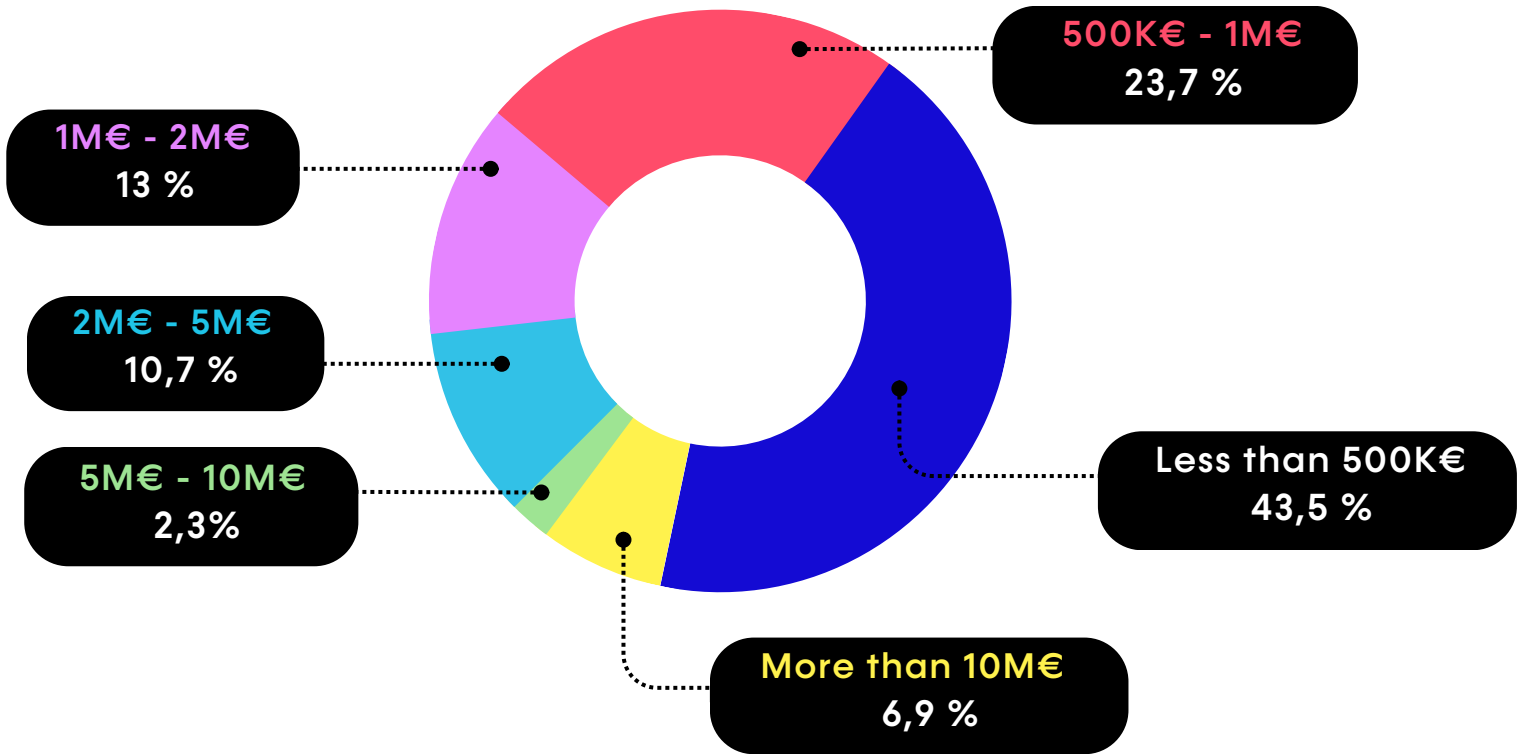


Number of games self-published by development studios

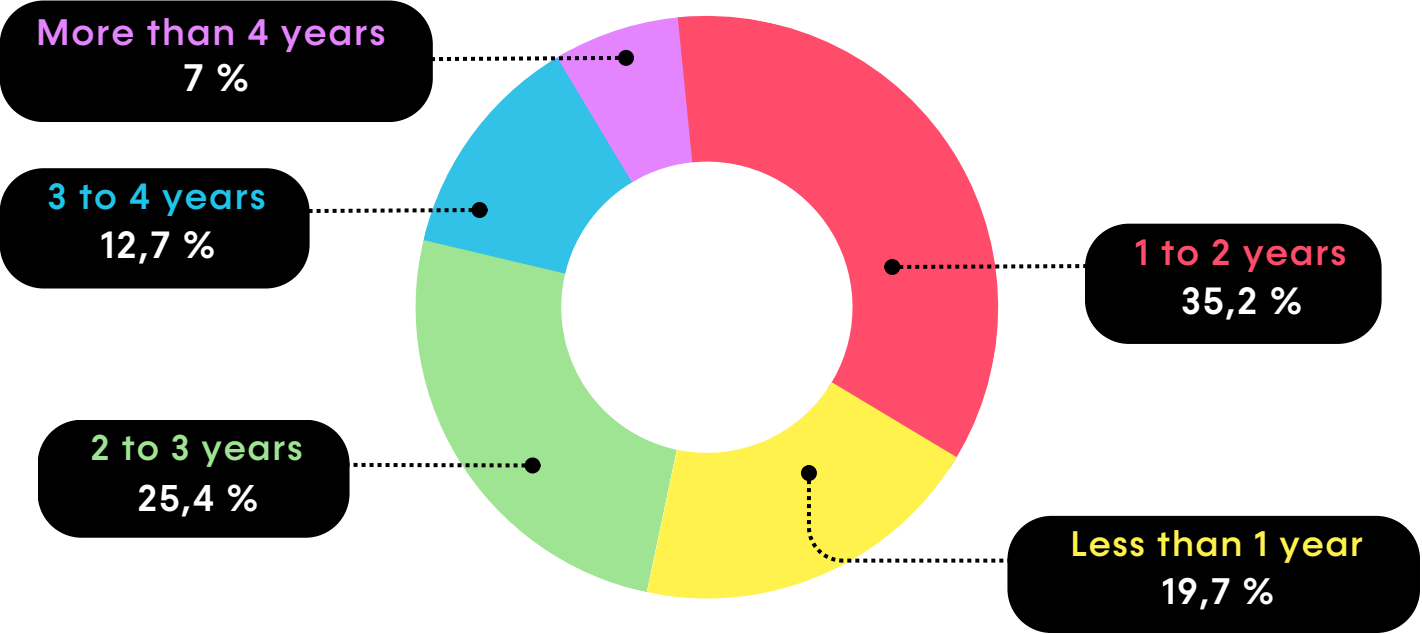
38% of development studios

self-publish their games
(compared to 47% in 2020)

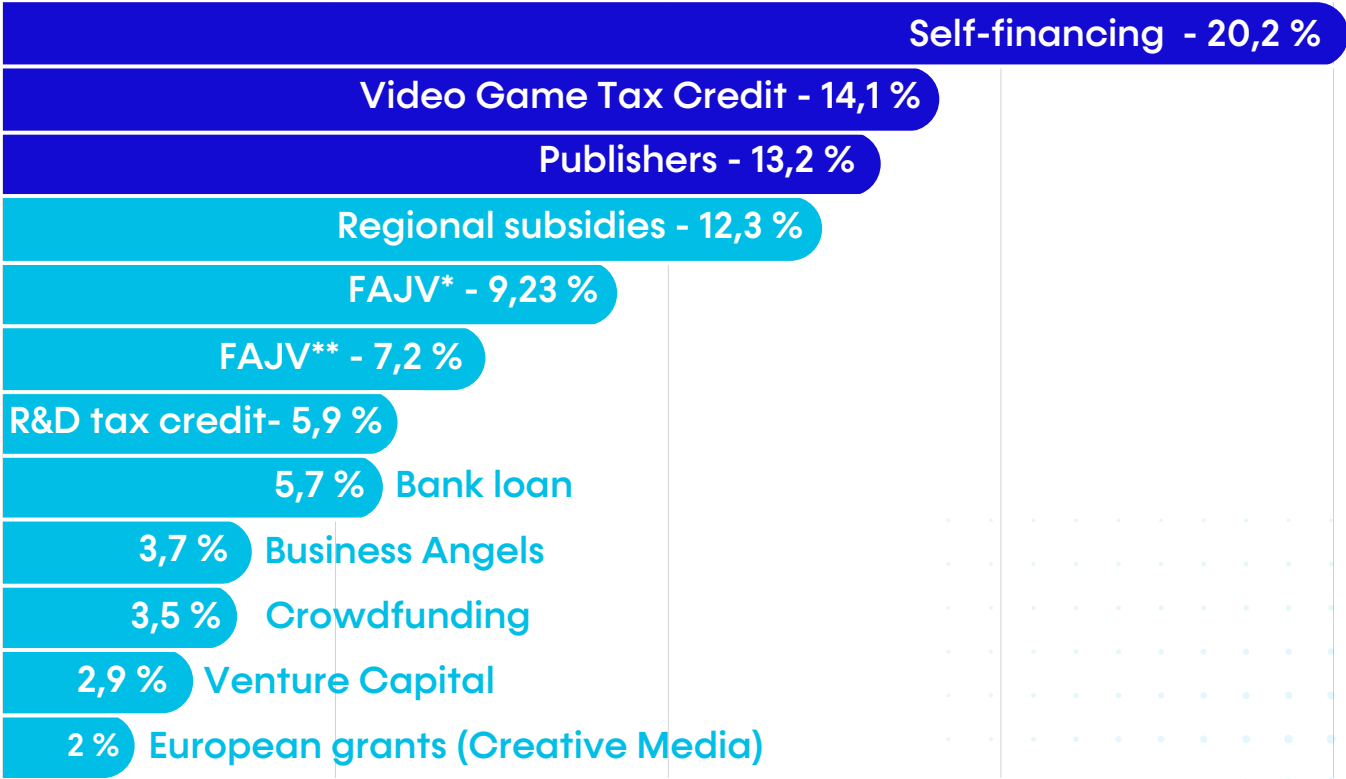
Average budget per game



Average development time per video game



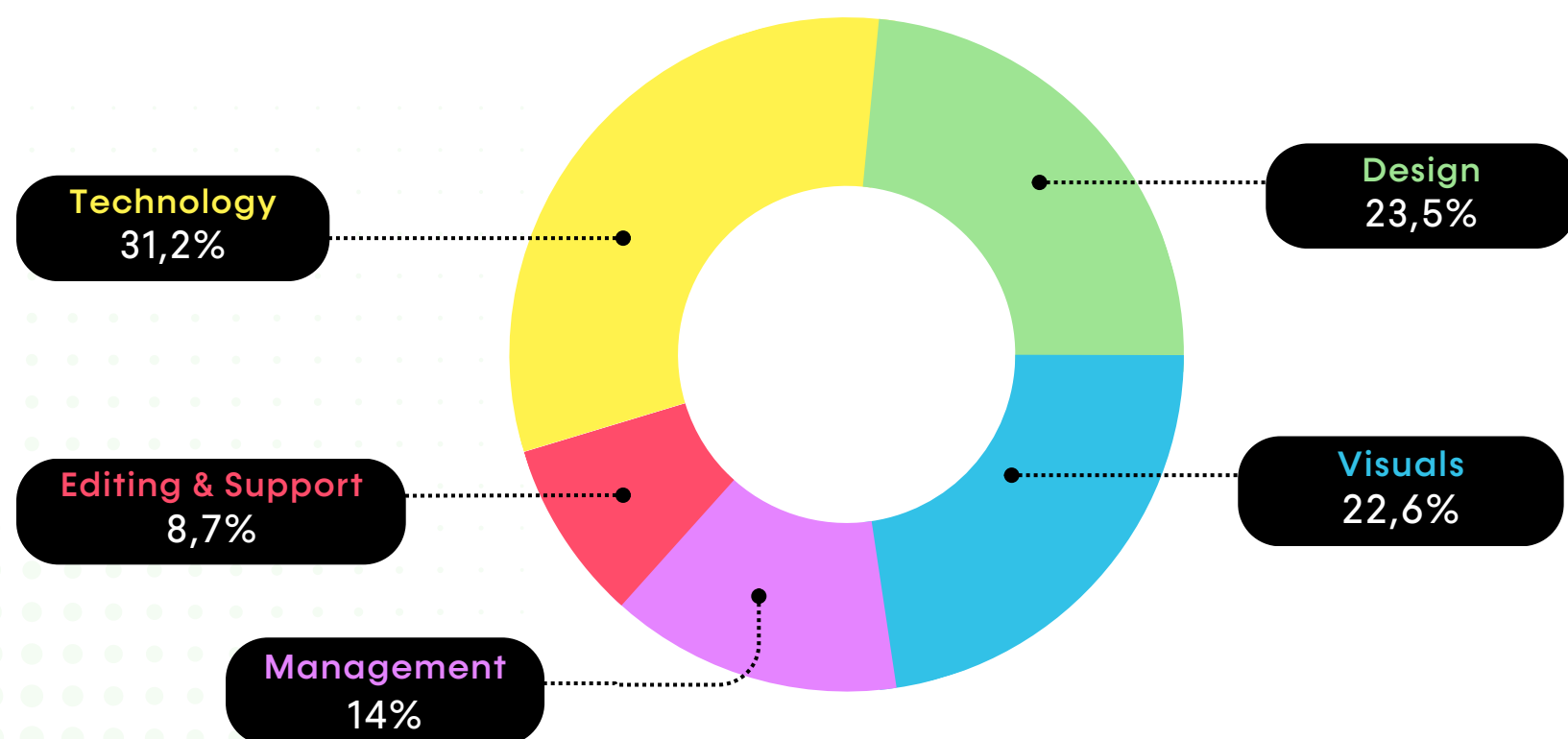
Production financing mechanisms



*National subsidies
** National subsidies

CHAPTER 3 EMPLOYMENT

Breakdown of workforce according to job category



Gender diversity in the industry

24% **women** in development studios
+2 points compared to 2020
+10 points compared to 2018

Proportion of women in leadership/supervisory positions

20% **women** in game company management (+9 points compared to 2020)

INSIGHT

In 2022, permanent employment (CDI) remains stable and overwhelmingly dominant, serving as a strong factor in attracting talent to our companies.

The significant increase in apprenticeships marks the first step in enabling a larger number of individuals to access education and training in the field of video game industry.

Workforce distribution by job type



76% of salaried jobs are permanent contracts (80% in 2020)

Increase in apprenticeships within the studios:
6% of the workforce in 2022
(+ 5 points compared to 2020)

Evolution of workforce in 2023

52% of development studios are hiring in 2023

40% are maintaining their workforce

7,5% are reducing their workforce

Hiring in 2023

34% of development studios will be opening between 1 and 5 positions

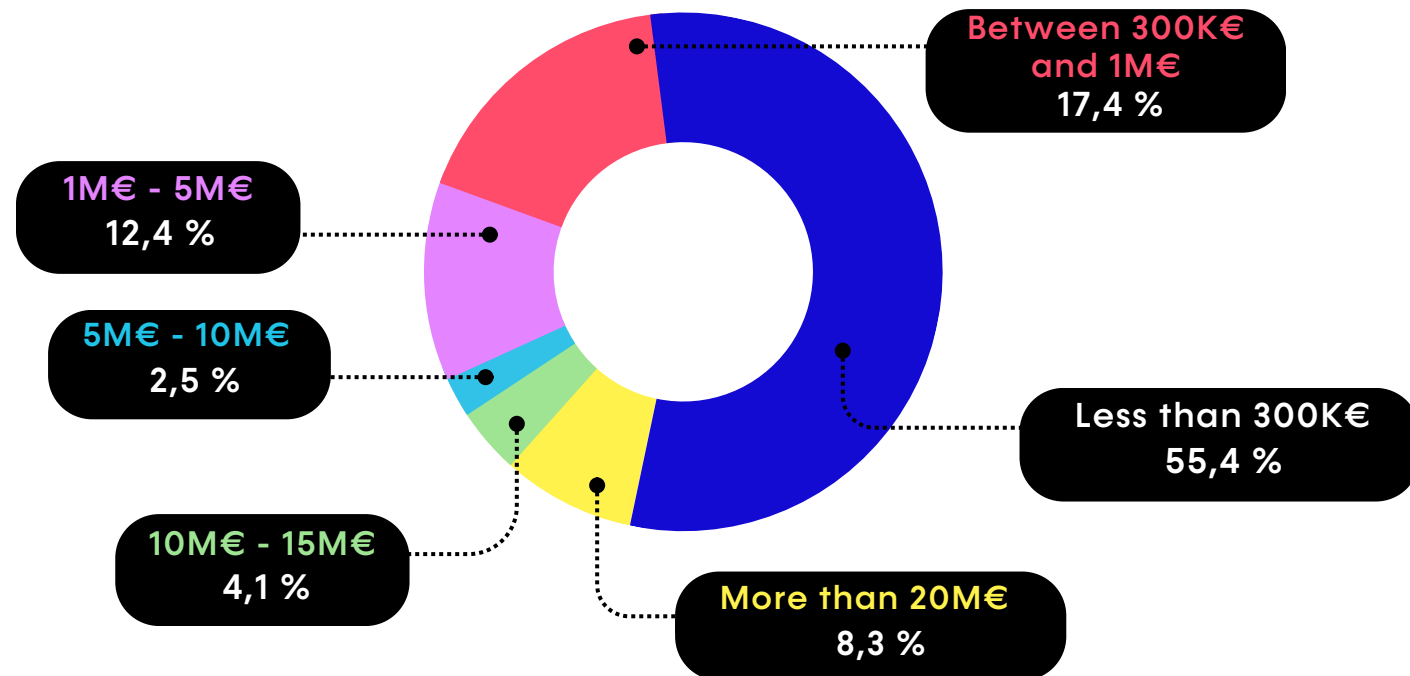
12% of development studios will be opening between 6 and 10 positions

9% of development studios will be opening more than 10 positions

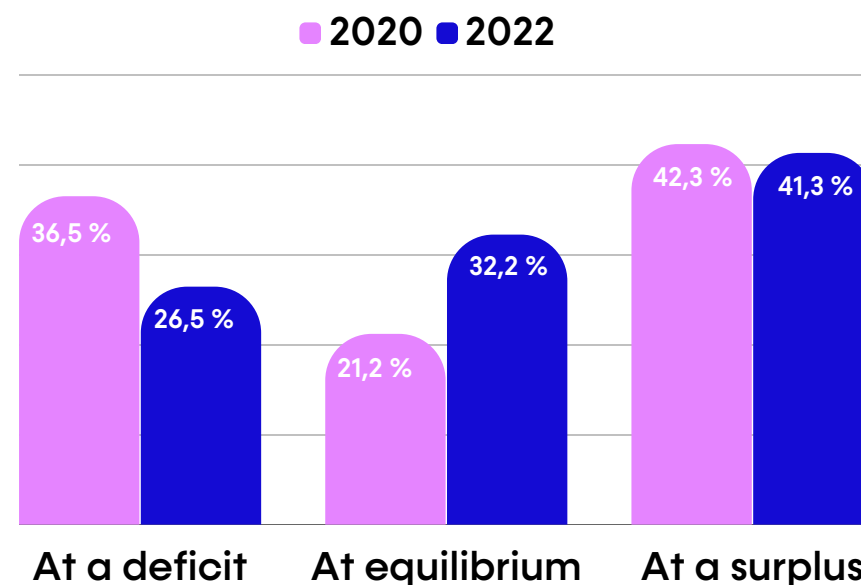
Between 400 and 600 job creations within game development studios in 2023.
This figure is lower compared to 2020, given the tension in signing new contracts between publishers and game development studios.

CHAPTER 4 THE FINANCIAL SITUATIONS OF COMPANIES

Companies revenue



Financial position at the end of the fiscal year



27% of companies

have a revenue exceeding 1 million euros (+9 points compared to 2020)

INSIGHT

Revenue for video game studios grew in 2022: 14.4% of studios reported a turnover exceeding 10 million euros, up from 6.4% in 2020.

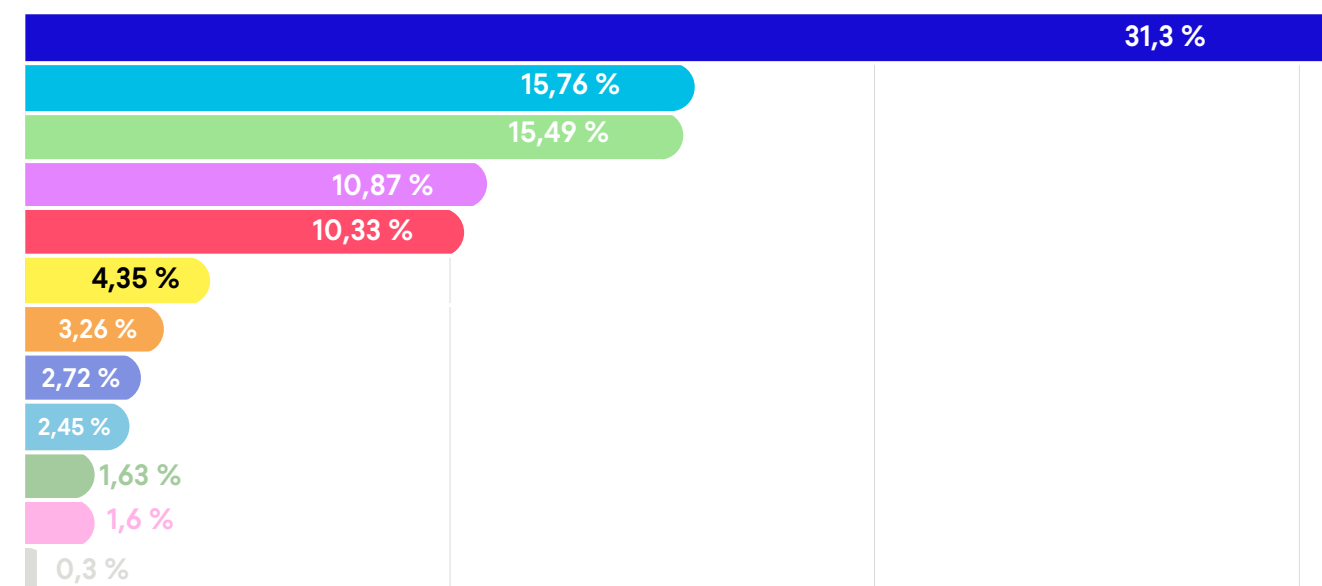
However, the majority of the industry is still made up of studios with revenues below 300,000 euros, representing 55%.

The capital of the companies in 2022

The capital of the surveyed companies is primarily **French** (83.7% of the companies) and **European** for 6.5%.

The financing methods of companies

■ Equity capital ■ National subsidies ■ Regional subsidies ■ Operation ■ Bank loans ■ VC ■ Other
■ Crowdfunding ■ JEI* ■ European subsidies ■ Advance participatory fund (IFCIC)
■ Development subsidies



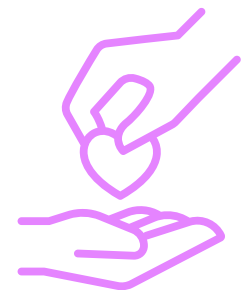
Access to bank credit

30% of companies have an easy access to bank credit (51% en 2020)

6,50% of companies were refused a bank credit

9,8% of companies have difficulties accessing a bank credit (12% in 2020)

53,7% of companies have never used a bank credit



Fundraising rounds in 2022

9,9% of companies raised funds in 2022

Fundraising rounds in 2023

33% of companies plan to raise funds in 2023

Source of fundraising

Company acquisitions in 2022

10,5% of surveyed companies underwent a partial or total sale of their activities

62% of the acquirers were video game publishers and distributors, and 37% were investment funds

75% of acquisitions were made with a French economic entity

Ongoing acquisitions

7,1% of companies were in acquisition discussions in 2022

73,3% of the discussions are with a French entity

CHAPTER 5 INTERNATIONAL

The outlook for the future of the French video game industry

85% of companies are rather or very optimistic about the future of the French video game industry

Very pessimistic Rather pessimistic Rather optimistic Very optimistic



The outlook on the companies' situation in the next 12 months

29% of companies believe that the situation of businesses will deteriorate

38% of companies believe the situation will remain the same; this figure was 27.8% in 2020

Significantly deteriorate Slightly deteriorate Maintain Slightly improve Significantly improve



INSIGHT

The euphoria of 2020 has given way to a more mixed sentiment, and video game companies are less optimistic about the business situation (29% of companies believe the situation will deteriorate, compared to only 10.5% in 2020).

Only 28.6% of respondents believe that the companies' revenue will grow over the next 12 months (compared to 66% in 2020).

Financial visibility



The companies' visibility remains low in the medium term.

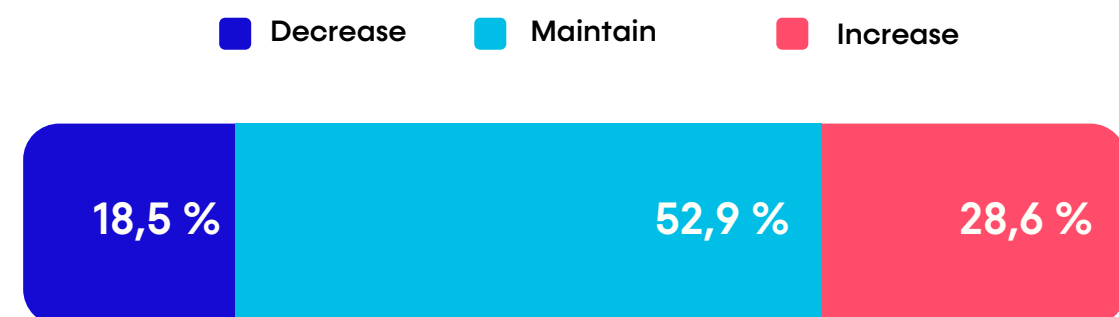
66,4% of companies have a financial visibility of one year or less

33,6% of companies have a financial visibility of more than 2 years

< 1 year 1 year > 2 years



The outlook on companies' revenue for the next 12 months



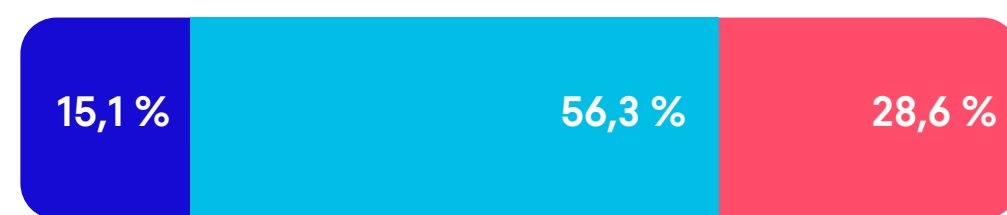
The evolution of France's attractiveness in 2022

85% of companies consider France to be an attractive territory in 2022

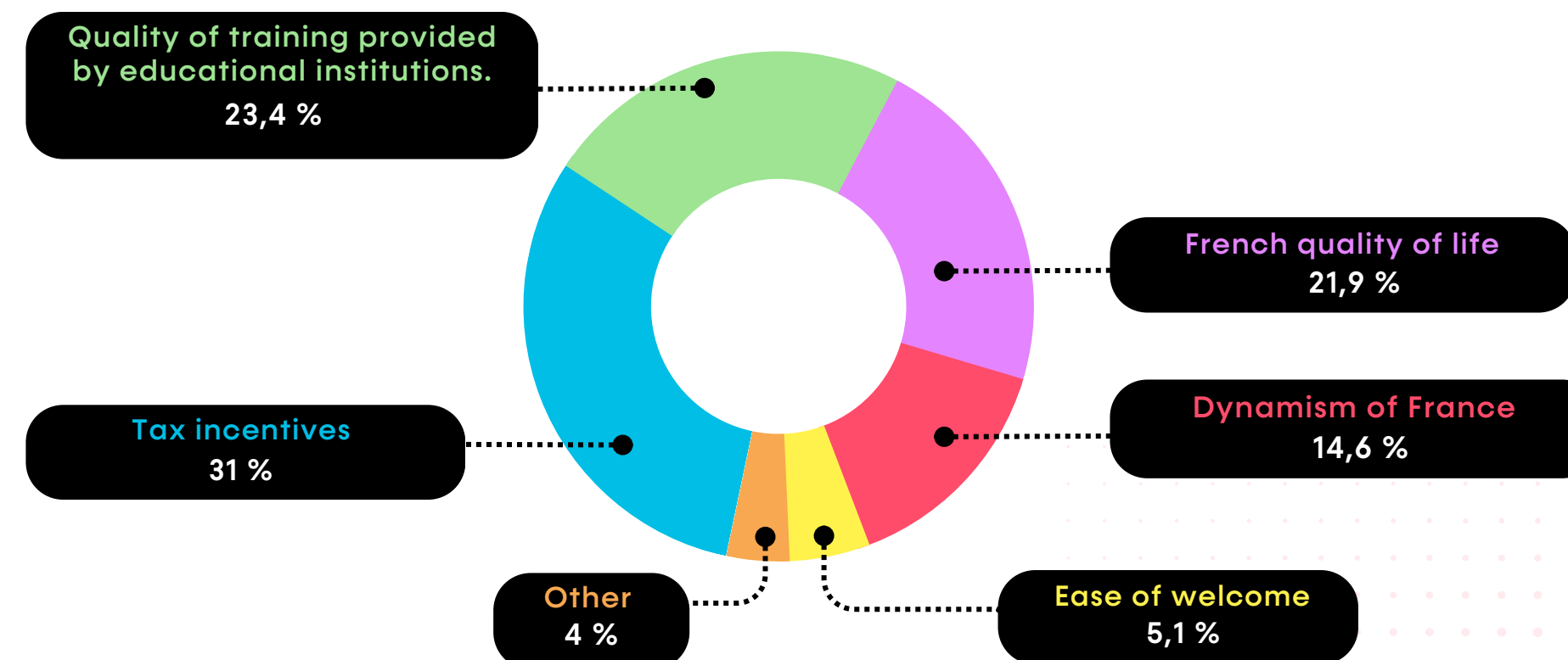


What do you think about the attractiveness of France in 2022 ?

Legend: Less and less attractive (Dark Blue), Still equally attractive (Light Blue), More and more attractive (Pink)



Factors of attractiveness



CHAPTER 6 CORPORATE SOCIAL RESPONSIBILITY

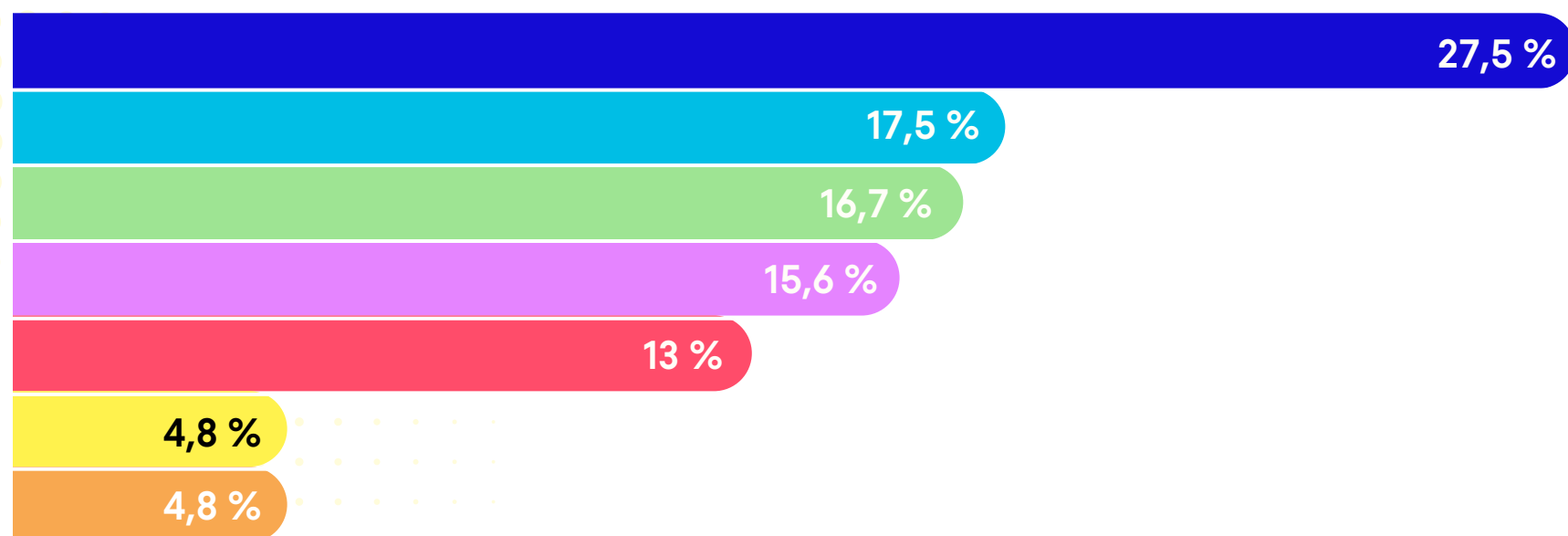
? **Is there a person dedicated to CSR within your organization?**

23,7% of companies

have a person dedicated to CSR within their organization.

The motivating factors for implementing CSR initiatives within the organization

- The response to the environmental emergency
- The response to legal obligations
- Employee and customer retention
- The management's strategy
- Brand image
- The need to save money and streamline costs (e.g., on energy)
- Other



INSIGHT

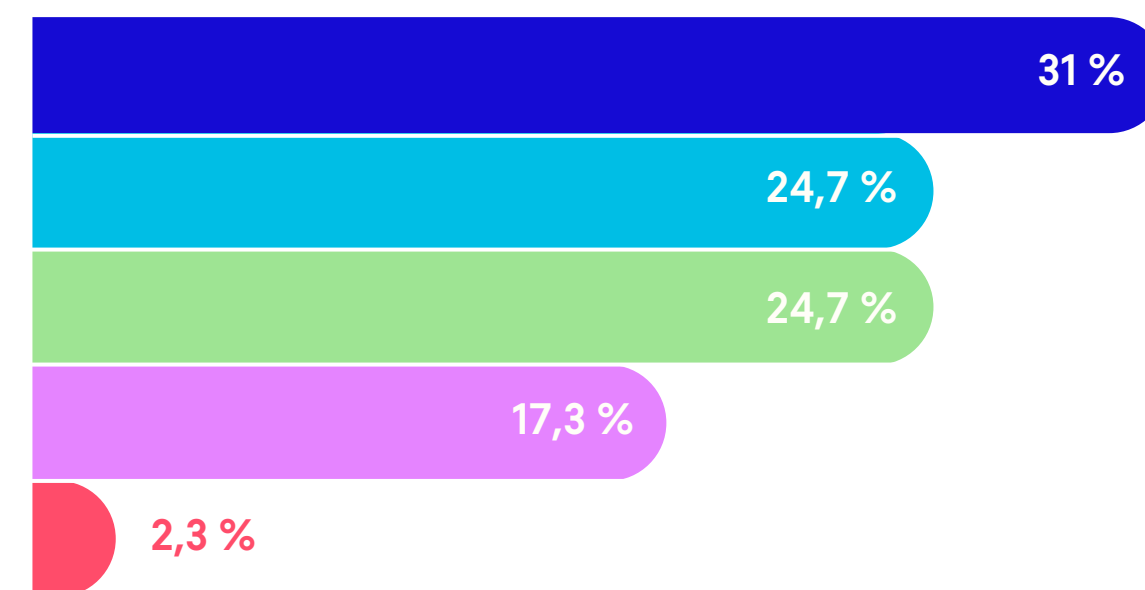
Established in 2021, the National Video Game Consortium brings together the 8 regional associations as well as SNJV and SELL.

In a commitment to initiate the environmental transition of our sector, the consortium launched the Jyros project in 2022, the first environmental footprint calculator designed for French video game companies.

This initiative received support from the French Government under the program 'Supporting Green Alternatives in Culture' of the ICC sector in France 2030.

The obstacles to implementing CSR initiatives within the organization

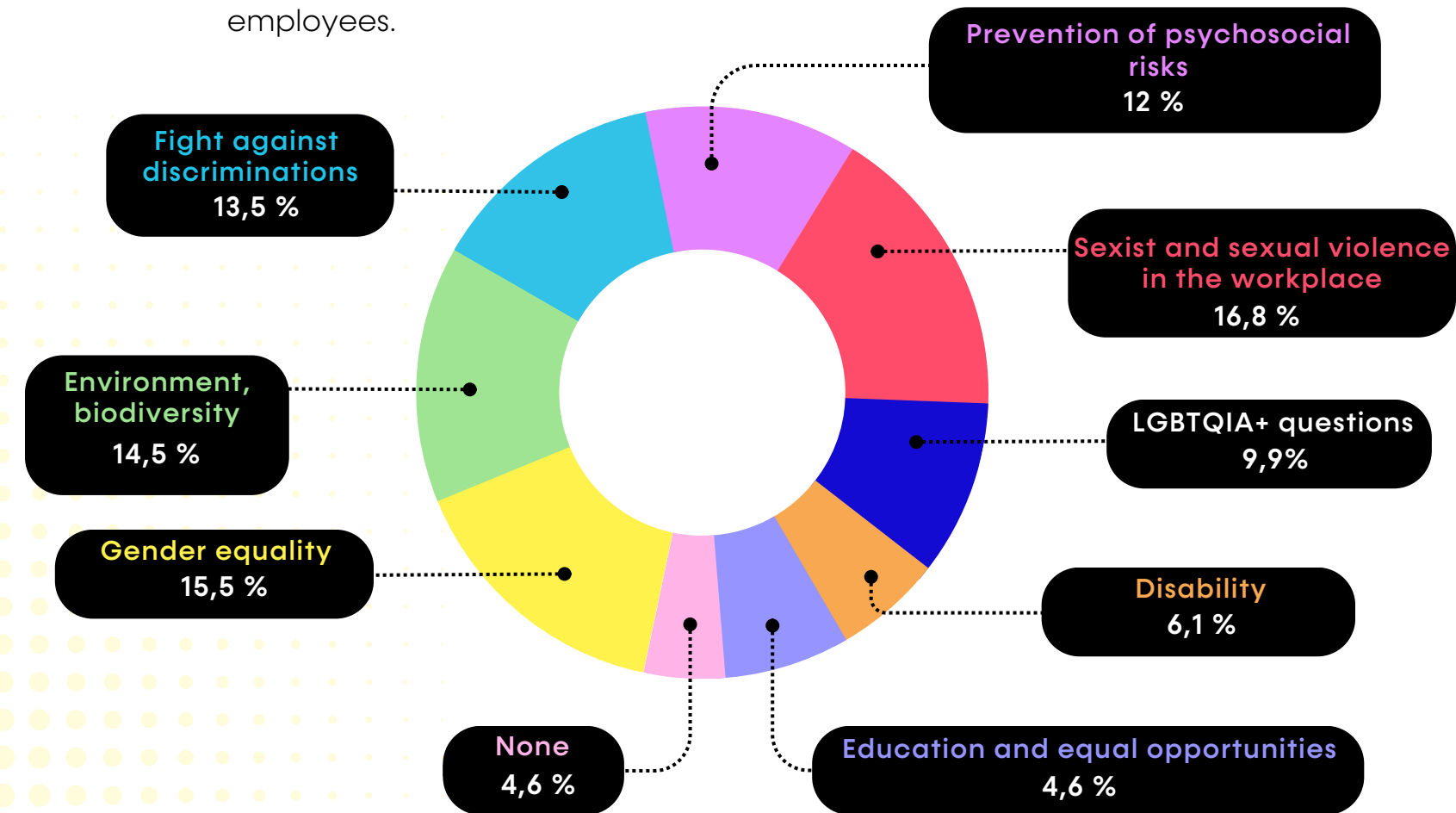
- Lack of time
- Lack of budget
- Lack of staff
- Lack of expertise in the area
- Le manque de volonté de la direction



The issues on which employees have already been sensitized

95% of companies

have already raised awareness among their employees.



Do you plan to do it in 2023 ?

47,50% of companies

plan to conduct their carbon footprint assessment in 2023



Have you implemented actions for gender equality within your organization? If yes, what kind?

65,5% of companies

have already implemented actions for gender equality within their organization

34% of companies

have implemented actions related to pay equality, 25% have taken actions against sexist and sexual violence in the workplace, and 7.3% have implemented actions related to menstrual leave



Have you conducted the carbon footprint assessment for your company?

10% of companies

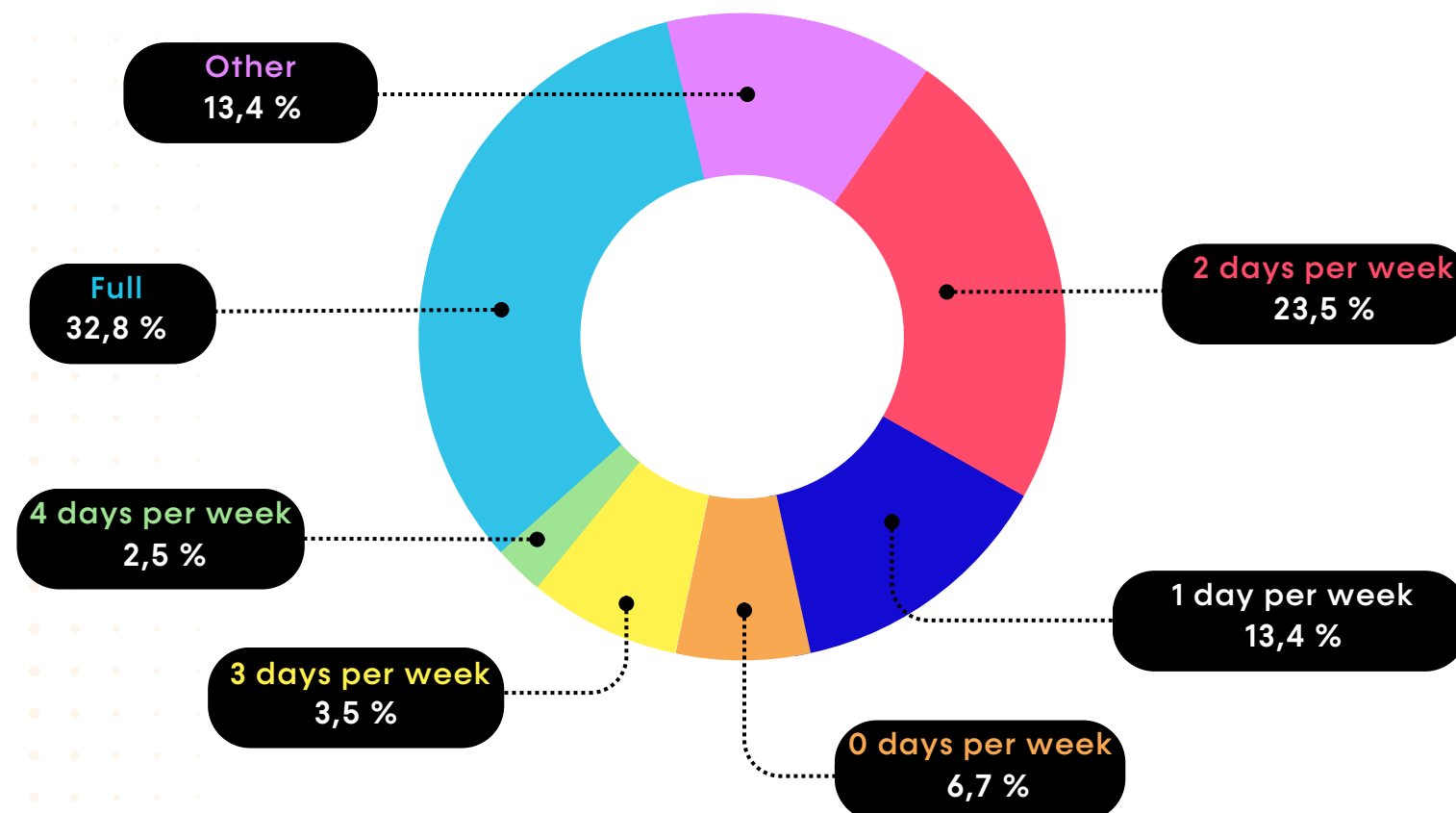
have already conducted their company's carbon footprint assessment.

CHAPTER 7 REMOTE WORK AND FLEXIBILITY

The average frequency of remote work within the organizations

33% of companies have adopted a full-time remote work schedule

6% of companies do not offer remote work options to their employees



The chosen arrangements

46,6% of companies offer a fixed workspace per employee

47,5% offer a flexible model

INSIGHT

The Covid period has reshaped the organization of work within the production teams of development studios in France and around the world.

Remote work has emerged as a significant component of companies' compensation policies.

Only 6% of companies do not offer remote work to their employees, and among those implementing remote work, in 72% of them, the days of presence are at the discretion of the employees.

However, companies emphasize that this new arrangement accentuates the loss of social connection and team cohesion, and amplifies communication challenges.



Is remote work specified in the contract?

23,7% of companies

have not formalized remote work in contracts

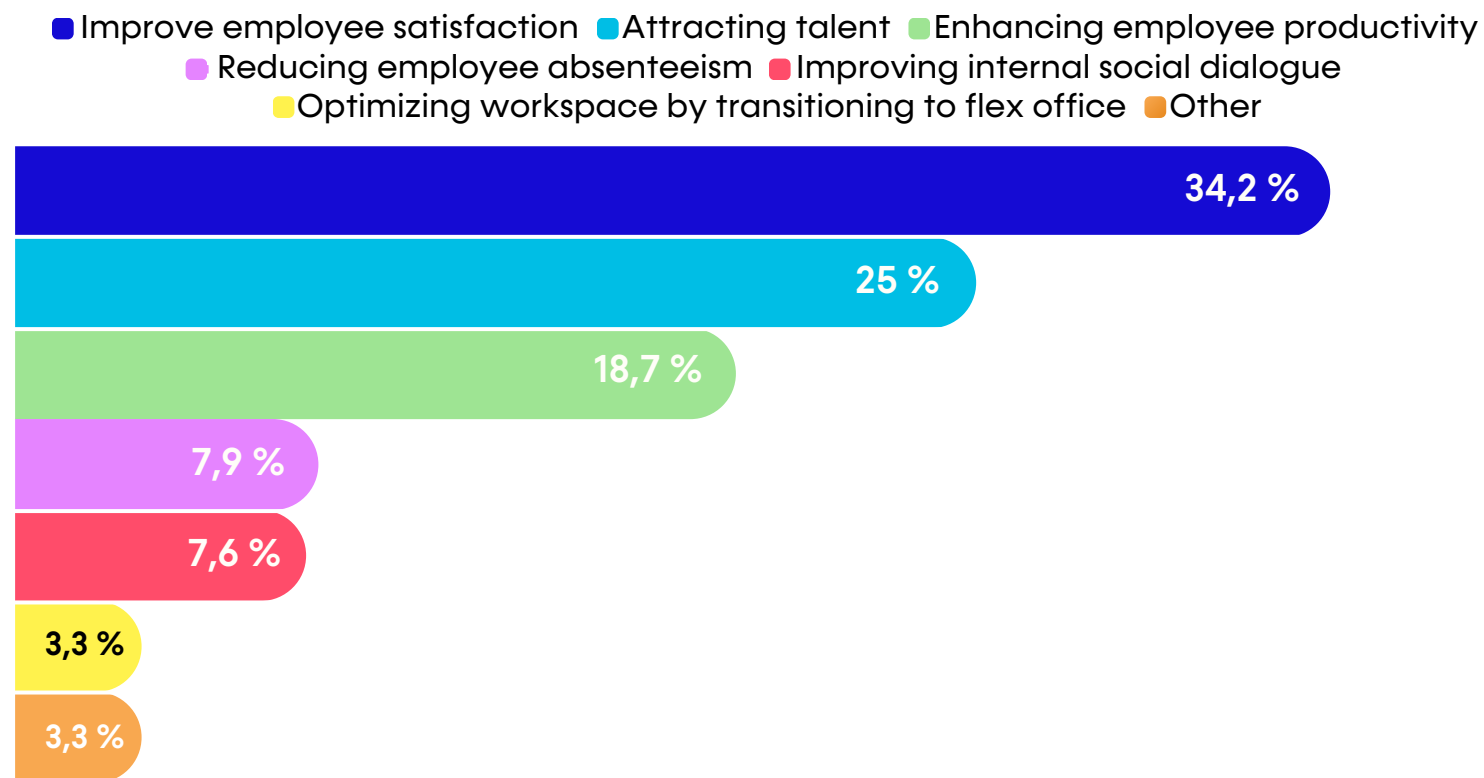


Are employees required to be present in the office on certain days?

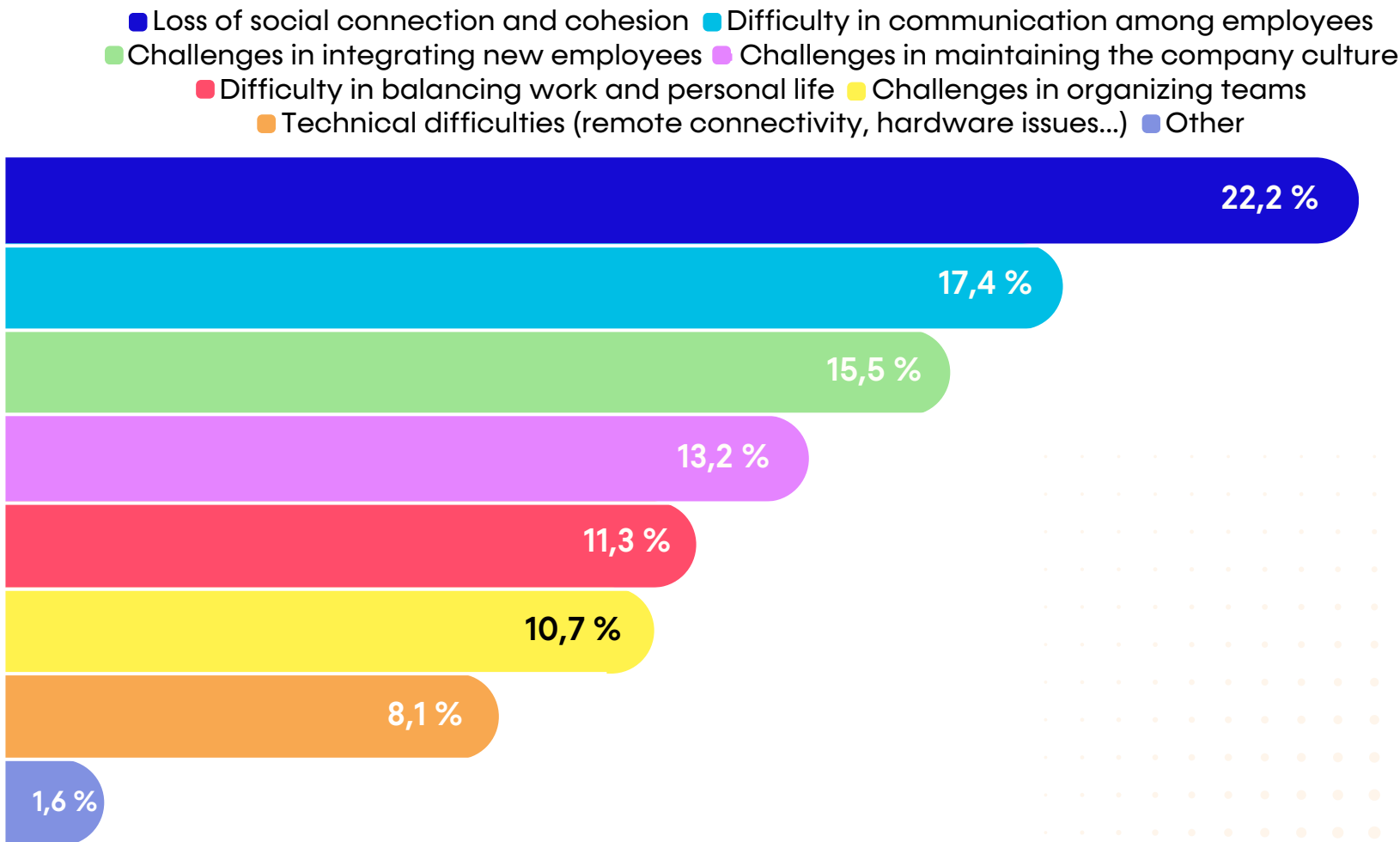
72% of companies

have not enforced specific days of presence for employees

The main benefits of remote work



The main challenges of remote work



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ABOUT

Founded in 2008, the French Video Game Trade Association (Syndicat National du Jeu Vidéo) represents video game companies in France. It works towards the promotion, growth, and competitiveness of the industry and the attractiveness of the region.

The SNJV is the voice of the video game industry in France and serves as the point of contact for public authorities and the media on production-related topics.

The goal of the SNJV is to enable video game production companies established in France to accelerate their development and enhance their competitiveness in a context of strong international competition.

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