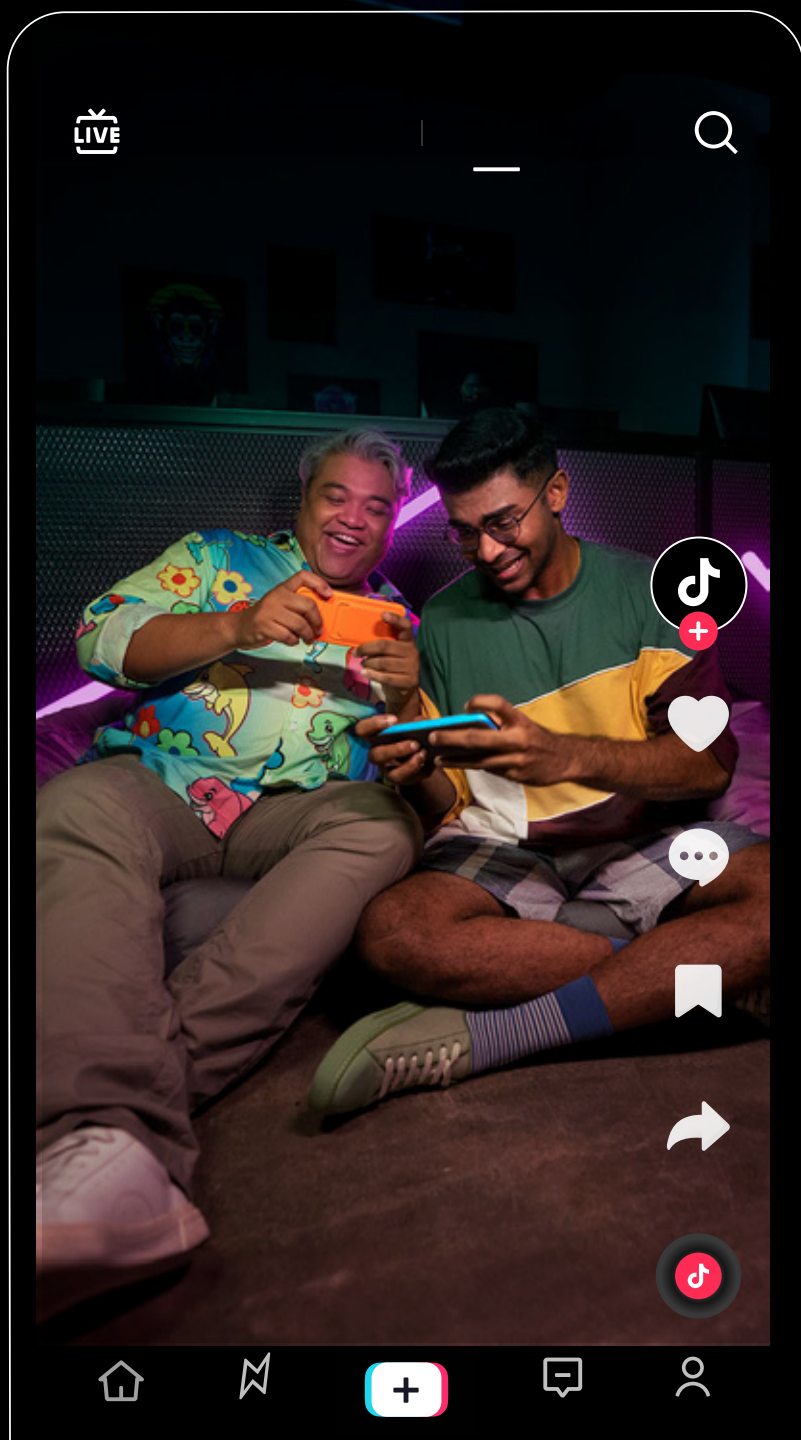


A New Era for Mobile Gaming

Understanding the evolution of the mobile gaming landscape and the emergence of the modern mobile gamer



We're in the middle of the emergence of a new mobile gaming landscape—and, with it, a new type of gamer.

In an era marked by rapid shifts in the mobile gaming landscape, marketers face unprecedented challenges in reaching and retaining their target audiences. Policy changes, such as the introduction of the App Tracking Transparency (ATT) initiative, combined with broader transformations in the mobile ecosystem, have upended the industry. As a result, the competition for downloads is now fiercer than it's ever been.

At the same time, we've witnessed the emergence of a new type of player: the modern gamer. These gamers are characterized by a quest for immersive, social, and innovative experiences. To meet the expectations of this new demographic, publishers have had to adapt their growth strategies—focusing on deepening the emotional connection they have with their player base and cultivating long-term loyalty.

In response to the need for strategic innovation in this fast-changing landscape, TikTok and National Research Group are proud to present this co-authored white paper. This report delves into the profound implications of this transformation—and how publishers can set themselves up for success in this new environment.

At a glance

Three key takeaways

1

A major shift in the mobile gaming landscape means marketers must adapt their strategies to prioritize long-term player loyalty.



2

Success in this new landscape revolves around three core pillars: establishing cultural relevance, building connections with players, and fostering a sense of community.



3

The evolution of the mobile gaming landscape has brought with it a new type of mobile gamer. Understanding the modern gamer will be vital for any publisher looking to establish player trust in this new environment.



Despite revenue slowdown, mobile continues to dominate the gaming landscape.



While total mobile gaming revenue may have declined from the peaks it reached during the pandemic¹—due, potentially, to consumers cutting back on in-app purchases as a result of inflation and the cost-of-living crisis—it remains, by some margin, the most lucrative segment of the wider gaming industry. On its own, **mobile represents over half of global gaming spend**—more than the PC, console, and handheld markets combined.

To date, veteran gamers have been the ones driving that spend—with established mobile gamers in the US dropping, on average, over \$300 per year on in-app purchases. But even new players who have entered the market during or post-pandemic have proven willing to spend money if it means getting more out of their mobile experiences.

What’s more, growth in the total population of mobile gamers shows no signs of slowing down. In 2024, the sector is expected to surpass the 2 billion players mark—meaning that, soon,

1 in 4 humans on the planet will be mobile gamers.²

Much of that growth looks set to come from Asia and Latin America. South Korea, Brazil, Turkey, and Mexico are the markets that have seen the biggest increase in mobile gaming spend over the past two years—and publishers are now turning to other countries in those regions as the next frontier for continued growth of the sector.

Average monthly spend of US mobile gamers

\$17

All gamers

\$26

Established gamers
Playing since pre-pandemic

\$86B

PC, Console, and Handheld



¹Ashley Riordan, "Mobile Game Market Set to Decline - 1st Time In A Decade," Channel News, September 20, 2023

²Data.ai, "The State of Mobile 2023", January 2023

³Data.ai, "The State of Mobile 2023", January 2023

As the mobile gaming landscape has evolved, a new type of gamer has emerged.

Who is the modern gamer?

Modern gamers are defined as the players who are shaping demand in mobile games today by spending at least **7 hours or more per week** playing games.

Given the amount of time that they spend gaming, and their deep level of investment into online communities, this audience skews younger and plays an outsized role in shaping gaming culture. Understanding this audience, therefore, is crucial for forecasting long-term and cross-generational gaming trends.

Mobile gaming, today, is more than just a subculture. More so than console gamers, mobile gamers exist across all demographics, and encompass an enormously broad range of interests, passions, and hobbies. Whether players are interacting with Barbie in *Stumble Guys*, listening to ASMR in *Happy Match Cafe*, or learning about the latest style trends in *Covet Fashion*, mobile gaming has considerable overlap with the wider universe of pop culture trends.





Because of the sheer diversity of modern mobile gamers, it can be hard to pin down unifying need states. One thing that unites many of them, however, is **a strong desire for social interaction**—both through games themselves and through the communities that spring up around those games.

Thanks to the pandemic, many of these younger modern gamers were forced to isolate at home during some of the most important years of their lives. As a result, they turned to gaming as a channel for social interaction—meaning that they’ve now become accustomed to expect a high-level of peer-to-peer interaction within their games. Similarly, they value brand trust and enjoy sharing gaming content with their peers.

This all means that modern gamers are pushing the boundaries of the medium, forcing publishers to elevate their games to new heights, and develop experiences that are more immersive, social, and innovative than ever before.

“

It continues to be harder and harder each year to create breakout hits because the bar for great quality games is rising.”

Michael Dawson
CBO of Pocket Gems

In addition to shareability and interactivity, modern gamers also care deeply about self-expression. Younger modern gamers, in particular, are more likely to fall in love with a game if they have the option to inject their own personality into it—whether that’s through unique or customizable cosmetics, developing innovative new strategies, or creating their own content and sharing it with others.

That’s another reason why social video platforms have become such a critical part of the modern mobile gaming ecosystem. Through these platforms, players are able to show off their own creations and, by doing so, connect with like-minded people and build robust communities.

Modern gamers are⁴...



Brand loyal

Compared to other gamers, modern gamers are **1.6 times more likely** to demonstrate loyalty to specific brands or franchises.



Early adopters

1 in 3 modern gamers are early adopters of new games and new platforms, compared to 1 in 5 among more casual players.



Influencers

Modern gamers help shape gaming culture, and are **twice as likely** as others to share their opinions about new products with friends.



Engaged with other forms of media

They’re **84% more likely** to be watching 20+ hours of streaming content per week.



In tune with popular culture

Modern gamers are almost **5 times more likely** to follow pop culture.

User acquisition has become more competitive—and more challenging—than ever before.

Historically, the profitability of many popular mobile games was driven by high-value players who were willing to spend much more on in-app purchases than most other players. But a more crowded market has made it harder than ever to attract and retain those players.

Moreover, changes in the broader mobile ecosystem have made it harder for marketers to target and retarget individual players. In 2021, Apple rolled out their App Tracking Transparency (ATT) policy—a new approach to privacy within the Apple ecosystem that requires app developers to ask users for opt-in permission before tracking their activity across apps and websites.⁵ Since then, Apple has continued to enhance and expand this policy, implementing new requirements for developers to disclose why they need access to user data and how they intend to use it.⁶

These policy changes have certainly been appreciated by many consumers, giving them greater confidence in the security of their personal data. But they've also had dramatic repercussions for digital marketers.⁷ For the mobile gaming industry in particular, the rollout of ATT has forced many publishers to completely overhaul their approach to user acquisition.

Mobile games that appeal to niche audiences have been particularly impacted by these changes. All of this means that the **competition for downloads is more intense than it has ever been**, and publishers are under more pressure than ever before to hit on the “next big thing.”

“

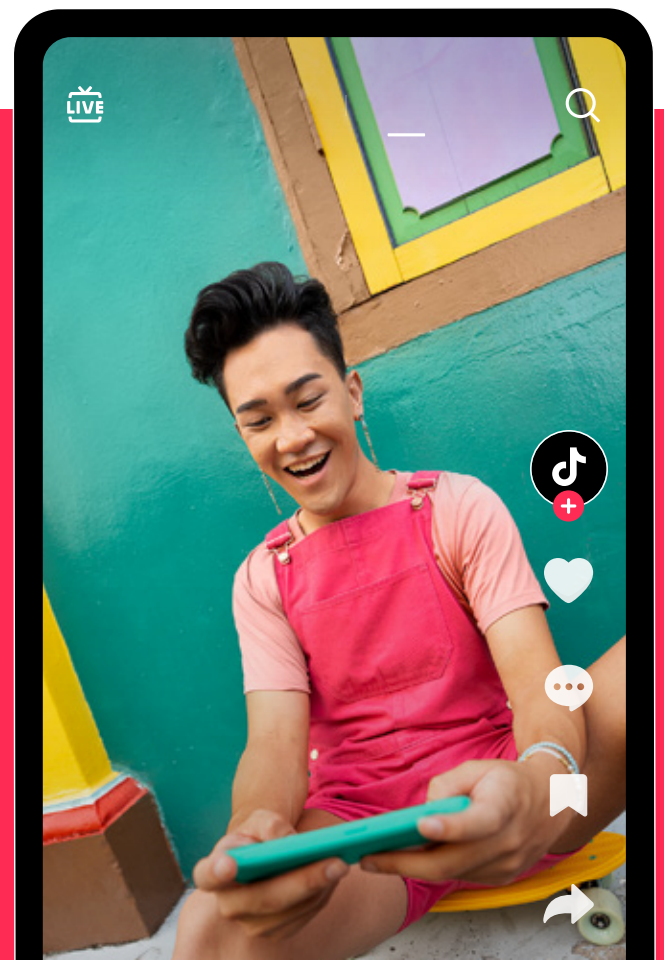
It's harder because there are fewer dimensions of targeting to understand and find the audience. You have to blast a larger set, so a lot of your marketing becomes ineffective because the tools to target more directly don't exist.”

Michael Dawson
CBO of Pocket Gems

⁵Sara Morrison, “[The winners and losers of Apple's anti-tracking feature](#),” Vox, April 29, 2022

⁶Sarah Perez, “[Apple's App Store tightens up on user privacy with new rules for app developers](#),” TechCrunch, July 28, 2023

⁷Drake Bennett, “[The Internet Economy is in a 'Recession'](#),” Bloomberg, February 20, 2023



In the post-ATT era, mobile games need to cast a wider net.

Now that it's become harder—or, in some cases, impossible—to accurately target individual consumers, marketers in the mobile gaming space have been forced to adopt new strategies for user acquisition. In place of the ultra-targeted approach that once dominated the industry, they've now begun to pivot to messaging that has a broader appeal—casting a wider net and bringing more people in at the top of the funnel in order to ensure a steady supply of high-value players.

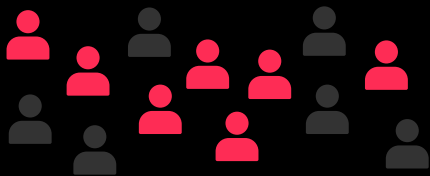
This means that, moving forward, mobile game publishers will need to adjust marketing strategies to reach a wider audience. However, pulling in players through the upper funnel is only one piece of the puzzle. As evidenced by the misleading mobile ad phenomenon, viral ads aren't enough to guarantee a loyal audience. Publishers need to be acquiring new users in a way that promotes a relationship built for the long-haul. That, however, is easier said than done.

To truly succeed in this new environment and generate broad appeal, publishers will need to embrace three core pillars: Cultural Relevance, Connection, and Community.



Cultural relevance: Creating games that tap into the zeitgeist

As they seek to appeal to a broader, mass-market audience, publishers will need to ensure that their games are marketed in a way that feels timely and "of the moment." By tapping into online trends, publishers can build the kind of self-sustaining buzz necessary to bring in a younger-skewing audience; the kind of audience who loves to talk about the games they're playing on social platforms and, by doing so, can keep a game at the forefront of the cultural conversation.



Over half

of modern gamers believe that it is important for a game to be popular on social media when deciding which game to play⁸



Modern gamers are **28% more likely** to recommend games they find culturally relevant⁹



⁸NRG's Franchise IQ tracker, US data

⁹NRG's Franchise IQ tracker, global data



This means that engagement on social platforms should be a critical component of mobile games' marketing strategies.

“

Once you have players that are engaged with your game, TikTok can be a meaningful place to build buzz by showcasing new teasers or exciting promotions.”

James Laird

Product Manager at Pocket Gems

And players of all ages are increasingly using these types of platforms to share their favorite moments, learn new tips and tricks, or build a sense of community with other gamers.

The way that publishers choose to engage with the communities on those platforms, however, will vary from game to game. In some cases, publishers have had success by taking advantage of meme culture or partnering with celebrities or high-profile influencers with strong youth appeal. Other times, publishers have chosen to take a more targeted approach, leveraging the appeal of content creators whose specific passions—be it cosplay, comedy, cooking, or any other interest under the sun—align with the content or tone of their games.

Market Observations

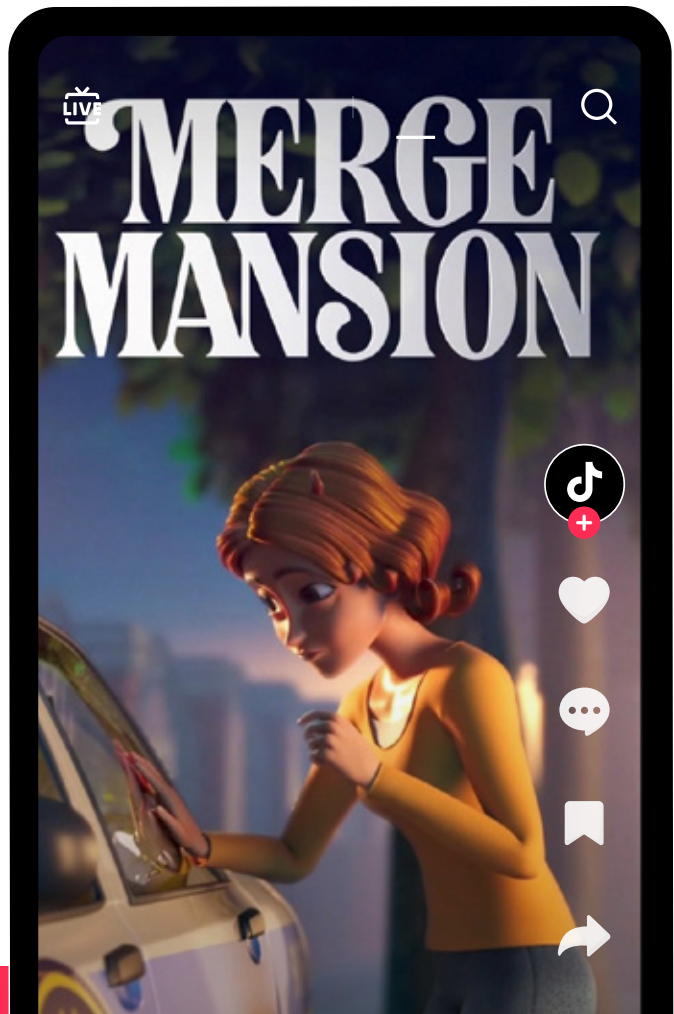
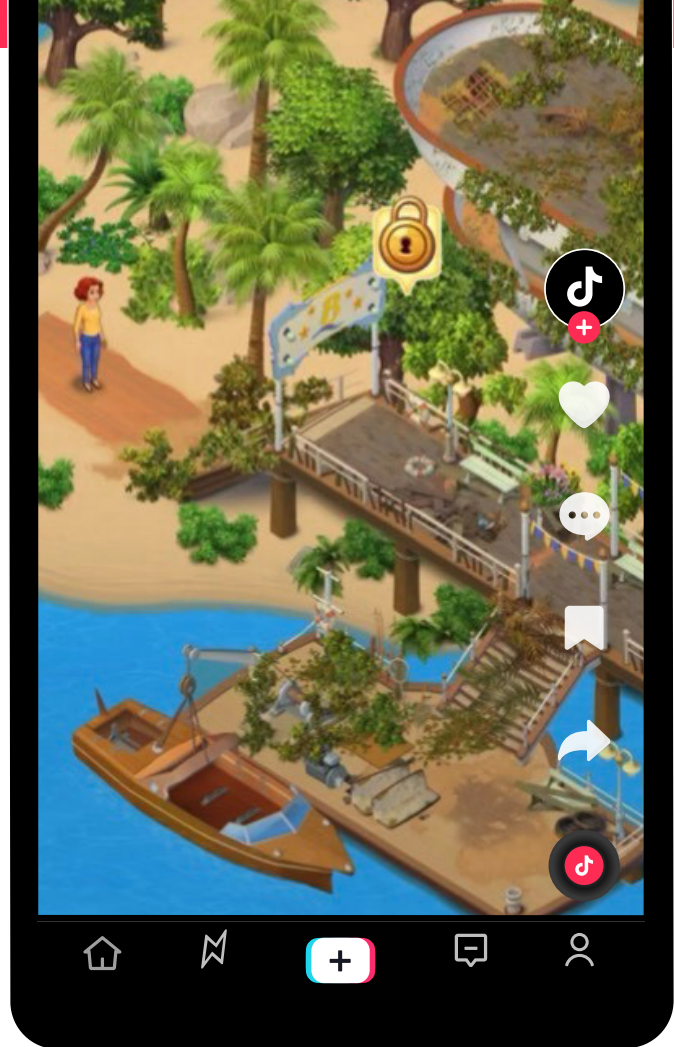
Merge Mansion

In the past, the matching puzzle genre has been associated primarily with an older demographic. *Merge Mansion*, however, successfully defied the norm and proved that, with the right narrative behind your brand, it's possible to reach modern gamers in a new way and bring in players who may otherwise have little interest in the genre.

The game's live-action ads, featuring a strong sense of atmosphere and story, have played a key role in this success.¹⁰ And by partnering with Pedro Pascal—a celebrity with a sizable online fanbase, as demonstrated by the recent popularity of the “Pedro eating a sandwich” meme on TikTok—they were able to maximize the virality and shareability of those ads.

Ultimately, the success of *Merge Mansion* demonstrates that a great ad campaign—especially one that bucks the trends of its genre—can help to embed a game in the cultural conversation, encouraging downloads from all types of players.

¹⁰Ian Walker, “[What Is Even Happening In These Video Game Ads, Help](#),” Kotaku, August 12, 2021



Connection: Building a lasting relationship with players

Compared to their predecessors, the new generation of mobile players craves a deeper sense of connection to the publishers behind the games they engage with. They want to know who the publisher is, and that they can trust them to have their best interests at heart—not exploit them through misleading marketing campaigns or aggressive monetization strategies.

This need for connection is particularly pertinent given the prevalence of fake gameplay ads across many social platforms. While these ads may generate a low cost per install (CPI), they also lead to frustrated players who will churn out of a game quickly and be unlikely to trust the publisher's products in the future.

¹¹NRG's Franchise IQ tracker, global data

¹²NRG's Franchise IQ tracker, global data

¹³NRG's Franchise IQ tracker, US data

“

The industry is going through a transition. Ten years ago, players were more disconnected, typically installing a game from an ad without knowing anything about the brand. Today, player perception is much more valuable and brand is important to attract a broad set of players.”

James Laird

Product Manager at Pocket Gems

71% of modern gamers want to play a game that comes from a “brand I trust”¹¹



Modern gamers are nearly **1.3x more likely** to recommend a mobile game they believe cares about their fans¹²

73% of modern gamers want to play a game that understands them as a player¹³



To create sustainable and lasting success, publishers instead need to focus on building meaningful relationships with their users. Through social platforms like TikTok, they can open up two-way, mutually-beneficial conversations with actual and potential players, learning more about their needs and using that feedback to help grow and optimize their games.

This sort of player engagement strategy can create a new level of trust between users and publishers. And a trusted brand in the mobile gaming space can lead to several **positive assumptions**:

- + The publisher listens to player opinions
- + The game has regular updates and is constantly improving
- + The game has good customer support in the event that something goes wrong
- + The monetization will be fair and not promote pay-to-win
- + The game is innovative in adapting to new trends or game mechanics

“

TikTok is a useful resource to understand our players better. We've been able to learn which music they like and which characters or skins they prefer, which has helped us design better games.”

Elena Inozharskaya

Operational and Performance Marketing
Director of MY.GAMES



Market Observations

RAID: Shadow Legends

RAID: Shadow Legends may be one of the best examples of a game that has deployed a multi-pronged marketing strategy to establish meaningful connections with a wide variety of audiences.

While the game initially established a foothold with consumers through its frequent partnerships with streamers and content creators, it has since found new ways of connecting with players. Most notably, publisher Plarium Games recently announced a high profile collaboration with UFC and WWE legend Ronda Rousey.¹⁴

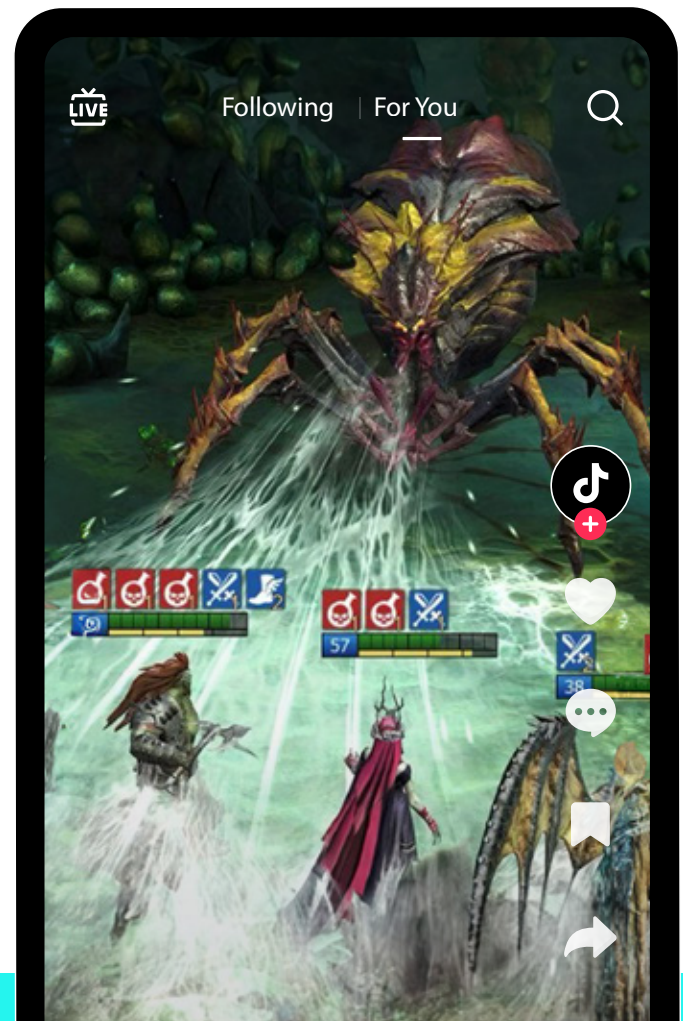
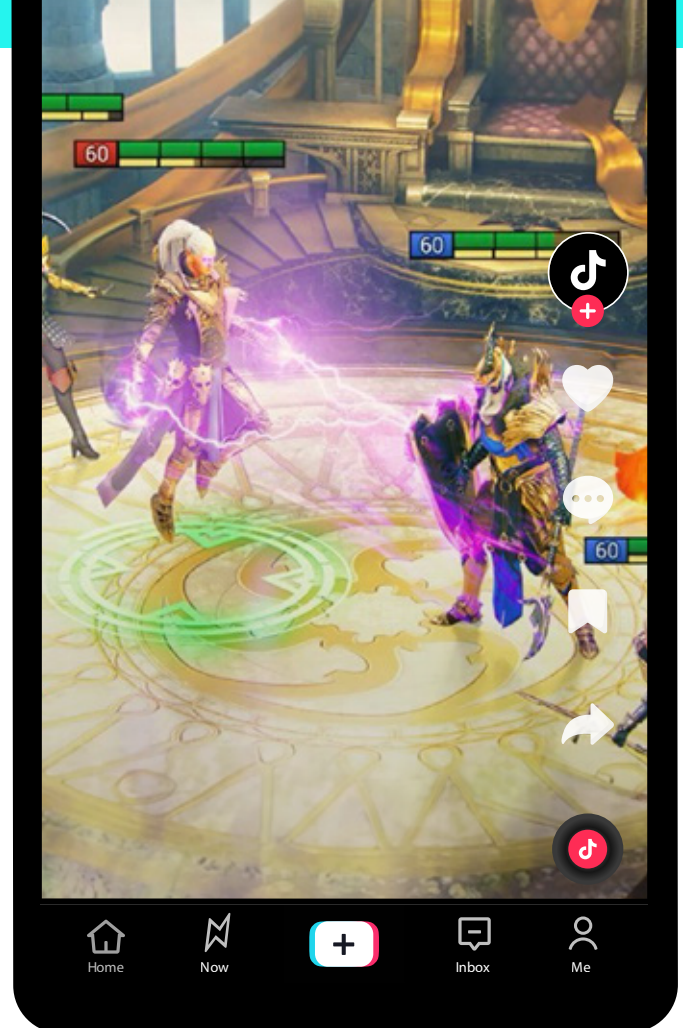
Not only have they featured Rousey in ads—in which she builds trust with viewers by directly addressing concerns around fake gameplay ads—but they've also turned her into a playable character within the game. Given the tone of the fantasy fighting game, Rousey has proved a perfect thematic fit; and, moreover, has been given the opportunity to showcase a new side of herself to fans who may previously have been unaware of her long-standing passion for gaming.¹⁵

Thanks to these high profile partnerships, combined with their active presence on TikTok and willingness to tap into emerging cultural trends, *RAID: Shadow Legends* has cemented its position as one of the top-grossing gacha games of all time.¹⁶

¹⁴Stephanie Chase, "[WWE's Ronda Rousey is now a playable character in RAID: Shadow Legends](#)," Digital Spy, November 30, 2022

¹⁵Steven Rondina, "[Nerding out with Rousey: UFC Star Talks Video Games, Wrestling, EA Sports UFC 2](#)," Bleacher Report, March 11, 2016







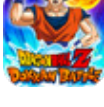

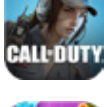

¹⁶Hannah Grime, "[15 Highest Grossing Gacha Games of All Time](#)," CBR, September 12, 2023



Established IP can be a powerful accelerator for creating connections with players.

Top grossing mobile games
in the US, September 2023¹⁷

● = existing IP

- 1  **Monopoly Go!**
- 2  **Royal Match**
- 3  **Candy Crush Saga**
- 4  **Roblox**
- 5  **Pokemon GO**
- 6  **Gardenscapes**
- 7  **Dragon Ball Z
Dokkan Battle**
- 8  **Whiteout Survival**
- 9  **Call of Duty: Mobile**
- 10  **Homescapes**

Thanks to the success of recent blockbuster games like *Monopoly Go!*—which recently surpassed 100 million downloads—it's no secret that familiar and well-loved IP can help to shortcut the process of gaining upper-funnel consideration from players at launch.

In fact, one quarter of mobile game revenue in the US is now generated by games based on existing IP.¹⁸

Compared to original properties, games based on IP can pique the interest of players regardless of their level of gameplay experience. And by staying authentic to the brand, such games have the opportunity to tap into an existing loyal fanbase and build on existing positive brand sentiment.

That may be why, of the top ten mobile games in the US right now, four of them are based on existing IP. Outside the top 10, *Marvel Snap*, one of the most popular card battlers currently on the market, has shown the way in which strong IP can help introduce players to genres they may otherwise have overlooked.

¹⁷Data.ai, Top 10 mobile games in the US

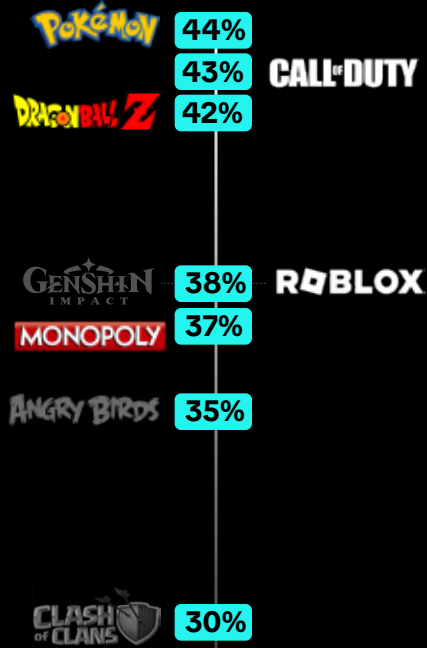
¹⁸Francisco Rabbolini, Sensor Tower, [Mobile Games IP Report 2021](#), Rabbolini, May 2021

Mobile Gaming Franchise performance among Modern Gamers¹⁹

Tracked among 700 franchises NRG Franchise IQ

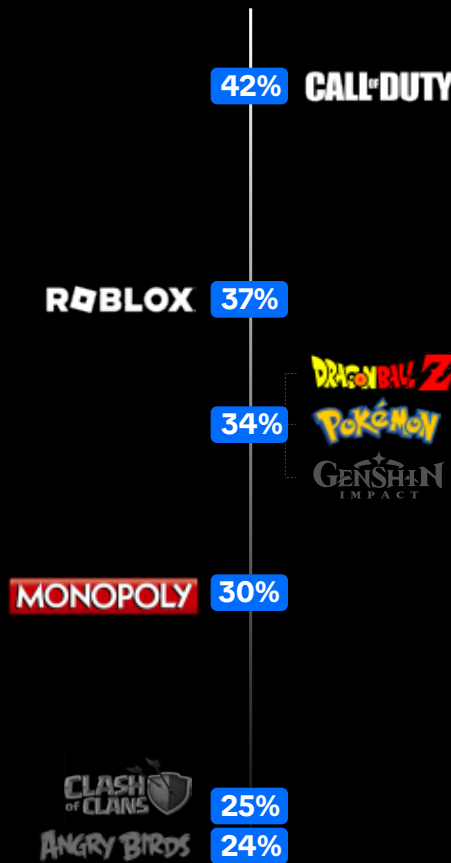
Connection

Cares About its Fans (Top Box)



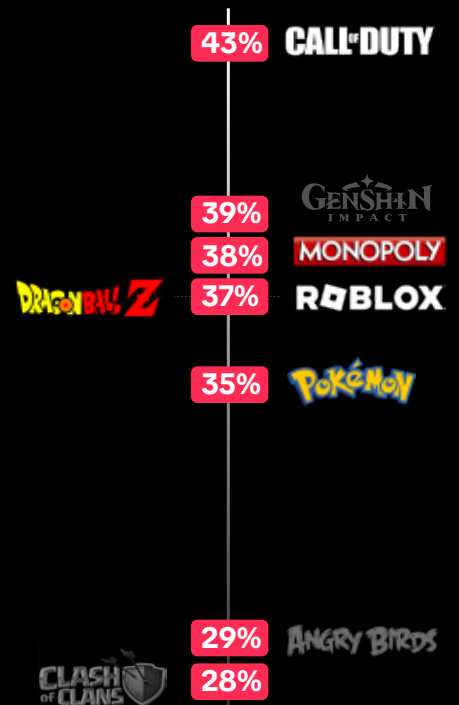
Community

My Friends Talk About it (Top Box)



Cultural Relevance

Relevance (Top Box)



*highlighted brands are the top grossing IPs among mobile games today

¹⁹NRG's Franchise IQ Tracker, US data

NRG's proprietary franchise tracker called "Franchise IQ" tracks attitudes and preferences towards 700+ franchises on an ongoing basis. Data from this tracker suggests that the franchises that have been successfully adapted into top-grossing mobile games tend to score significantly above average on "Brand Love." This indicates that there's a strong correlation between the emotional investment that players feel towards a franchise and the likelihood that it can successfully make the leap into the mobile gaming arena.

Developing IP-based games also gives publishers additional options for targeting players based on existing brand preferences. On platforms like TikTok, there are sizable fanbase communities for popular franchises like Pokémon and Marvel, meaning that publishers can market directly to users who show engagement with those communities while building trust through partnerships with relevant creators. In the long run, this can lead to a loyal and invested community of engaged players, coming together to bond over their shared passion for the IP.

However, while pre-existing IP can be a shortcut to success, it certainly isn't a prerequisite. In fact, some of the most innovative and successful brands in this space have been those that create original brand identities rooted in the mobile gaming experience.

Examples include:



Candy Crush

The first matching puzzle hit that made mobile gaming widely popular



Among Us

A pioneer in synchronous gameplay on mobile



Roblox

One of the first popular mobile games to empower users to create their own content

For games without an attached IP, establishing cultural relevance and building committed relationships with players from launch is even more important for generating buzz and building a brand that can go the distance and create a self-sustaining audience.

Community: Bringing players together around shared passions and experiences

In this new era of mobile gaming, creating a game that can stand the test of time isn't just about the relationship between players and the publisher; it's also about the relationships between players. By building a sense of group identity and shared ownership over the game, publishers can create the kinds of communities that lead to deeper emotional investment from their players.

Games that can foster this type of community among their player bases have a strong advantage when it comes to player acquisition and retention. Not only are players more likely to stick with a game that they've become socially invested in, they're also strongly incentivized to recommend it to family, friends, and their networks on social media. And many players display a strong preference for games that are already perceived as popular within their immediate social circle.

61%



of modern gamers believe that "connecting to like-minded players" through mobile games is important²⁰

Modern gamers are **27% more likely** to recommend games that their friends are talking about²¹



The games that have been most successful at building these sorts of communities tend to have a number of features in common.



In-game chats



Personal customization options



Funny in-game moments



User Generated Content (UGC)



Nuanced strategies with room for exploration

²⁰NRG's Franchise IQ tracker, US data

²¹NRG's Franchise IQ tracker, global data

Episode

More than perhaps any other mobile property, *Episode*—an interactive story game developed by Pocket Gems—demonstrates how empowering fans can lead to a passionate community deeply invested in the long-term health and success of a game.

Episode hosts a content creation platform that allows users to write their own stories and then share them with other players. The platform's unique scripting language has helped to lower the barrier to entry, making it accessible for users regardless of their level of programming or animation experience.²²

Top creators are invited to join the platform's Writer Payments program, allowing them to monetize their stories. This creates a strong incentive for players to invest real effort into their creations, and to share it across their networks—in the process, raising the visibility of the game and bringing in new users. TikTok, in particular, has proven to be an effective tool for creators to market their work, as it captures the spirit of the game while also showcasing its level of interactivity.

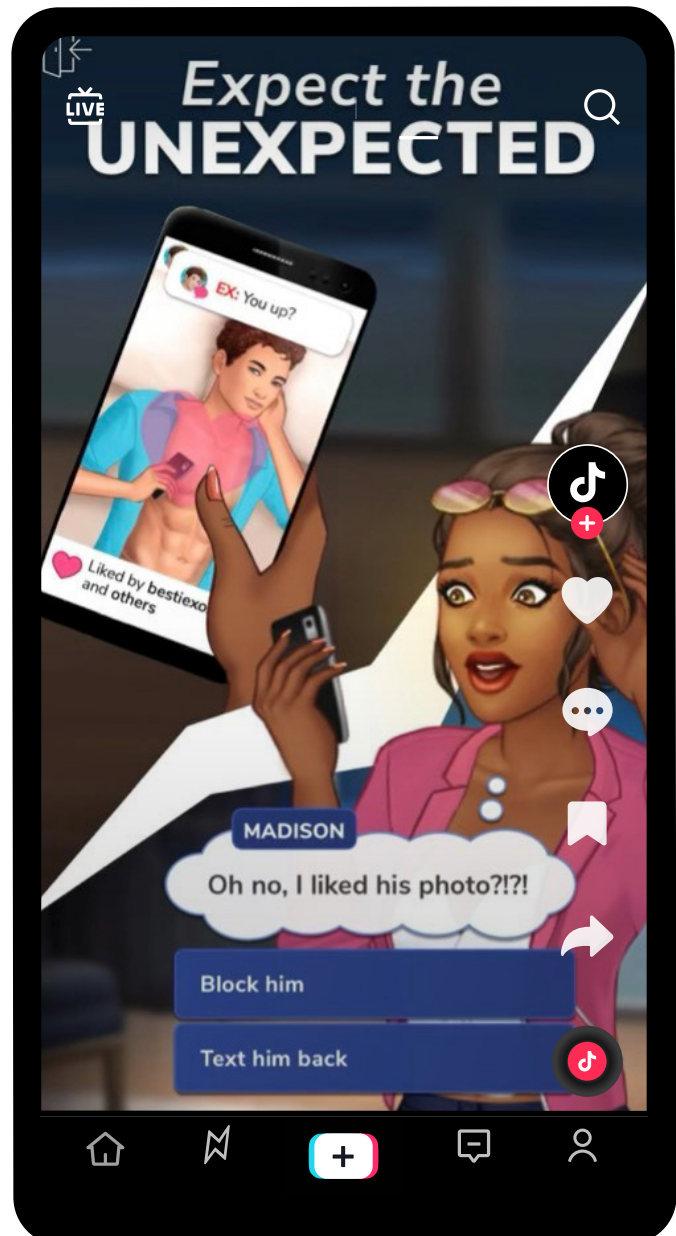
The wide variety of content hosted on the platform—from child-friendly material to more mature stories—has made it a haven for consumers of all ages who love interactive narrative fiction. And the thriving and vibrant creator community has helped Pocket Gems to ensure the game has a constant stream of new content that keeps those audiences coming back time after time.

²²Ric Crowley, "[Demi Lovato, Mean Girls and moderation: The making of Episode](#)," PocketGamer.biz, April 26, 2016

“

TikTok enables creators to talk about the stories they are creating and players to find a place to meet each other and find community.”

Michael Dawson
CBO of Pocket Gems



Targeting modern gamers requires publishers to think outside the box and embrace community platforms.

As the demographics of gamers have changed, and mobile gaming has taken its place center-stage in pop culture, publishers have had to develop new approaches for finding and targeting audiences.

Today, players are much more likely to discover new games through community-oriented platforms like TikTok and YouTube than they are through word-of-mouth or by browsing on mobile app stores. And that means that marketers need to embrace the power of these platforms as a tool for developing and deepening relationships with this new generation of gamers.

TikTok is also the platform on which modern gamers are most likely to post their own content or turn to for specific information or advice about mobile games. Compared to long-form platforms like YouTube, short-form video platforms like TikTok are more accessible and approachable. Players can post content—or duet with other creators—without a background in video editing, making these the perfect platforms for mobile gamers of all skill levels and ages to come together, share experiences, look for information, and build communities.

²³NRG's Franchise IQ tracker, US data

²⁴NRG's Franchise IQ tracker, US data

“

TikTok is the best place for players to create 'meme-able' moments that can easily be shared.”

James Laird
Product Manager at Pocket Gems

For ages 18-24, TikTok represents the **#1 platform** to discover new mobile games²³



50%



of modern gamers in the US post content to TikTok²⁴

A new era of mobile gaming requires a new approach from publishers.

As we enter a new chapter in the history of mobile gaming—defined by the needs of a new generation of mobile gamers—the opportunities for publishers are certainly substantial. But so too are the challenges. Changing market conditions coupled with player’s evolving tastes and heightened expectations for quality mean that the competition for eyeballs and downloads is more intense than it’s ever been.

Succeeding in this new environment will necessitate a full funnel strategy that embraces the “3 Cs” of mobile gaming and reflects the realities of how players now discover and fall in love with games.

The formula for success in the new era of mobile gaming

Cultural Relevance

1

Embrace the power of memes and of-the-moment trends within your advertising and content marketing

2

Meet gamers where they are on community-oriented platforms like TikTok, and harness the power these platforms have as tools for discovery

3

Partner with culturally relevant celebrities and influencers to connect your games to the cultural zeitgeist

Connection

1

Leverage the power of established IP and the strong emotional connection players have to their favorite franchises

2

Build long-term brand trust by prioritizing honesty and transparency in your advertising strategy

3

Demonstrate the two-way nature of your relationship with your audience by actively seeking out and responding to player feedback on community platforms

Community

1

Create visually and narratively engaging story moments in your games that are designed for online shareability

2

Partner with popular content creators to cultivate and nurture an online community of invested fans

3

Give players opportunities to customize their in-game experience and create—and even monetize—their own original content

Methodology

Data in this report comes from a wide variety of different primary and secondary sources.

To understand the needs and priorities of modern mobile gamers, we relied on data from NRG's proprietary "Franchise IQ" tracker. This tracker measures franchise health among consumers aged 18-64 through multiple lenses, including mobile games, and includes 4+ years of data, 700+ franchises, and 50+ metrics tracked across 9 different countries.

Additional data and case studies have been sourced from third parties, including syndicated market reports from Data.ai. Any use of third-party data in this report does not equate to an endorsement.

Additionally, we conducted interviews with 3 senior leaders across Pocket Gems and MY.GAMES to help provide context for the state of the industry. Interviewees included Elena Inozharskaya, CMO of MY.GAMES, Michael Dawson, CBO of Pocket Gems, and James Laird, Product Manager at Pocket Gems.

About NRG

National Research Group is a leading global insights and strategy firm at the intersection of entertainment and technology. The world's biggest marketers turn to us for insights into growth and strategy for any content, anywhere, on any device.



About TikTok

TikTok is the leading destination for short-form mobile video. Our mission is to inspire creativity and bring joy. TikTok's global headquarters are in Los Angeles and Singapore, and its offices include New York, London, Dublin, Paris, Berlin, Dubai, Jakarta, Seoul, and Tokyo.



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