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A large, abstract, low-poly illustration of a cat's head, rendered in a vibrant, multi-colored palette of blues, greens, oranges, and purples. The cat's face is composed of numerous sharp, triangular facets, giving it a crystalline, geometric appearance. The background is a dark blue gradient with a large, glowing orange sun or moon partially obscured by the cat's head.

MOBILE GAMING IN RUSSIA

**Market overview. Case study. Opportunities
for international publishers and marketers.**

July 2017



Foreword

By Dmitry Hudoy
CEO, Zorka.Mobi

The mobile app market, including the mobile gaming market, is growing extremely fast around the world. The number of apps and games is constantly increasing, making it an appealing field for advertisers.

Russia, with its 80 million smartphone users – the largest market in Europe – is no exception!

As the audience of mobile games grows constantly, top domestic and foreign publishers now generate revenues of several millions of US dollars per quarter.

And this is just the beginning of a promising trend. The future is bright indeed for games publishers in Russia!

An award-winning mobile marketing agency serving a variety of clients in Russian-speaking countries, Zorka.Mobi has teamed up with mobile analytics company Adjust to provide international players with the freshest data and trend analysis.

It is our hope that this research will help you assess and take maximum advantage of the opportunities the Russian games market has to offer.

Key facts and numbers

- With 80 million smartphone users in 2017, Russia is Europe's largest mobile Internet market.
- Russia is #1 in Europe by number of mobile game downloads, and #6 by total game revenues (2016).
- More than 100 new mobile games are released each year in Russia. 40% of them are offered by foreign publishers.
- The most popular mobile games, including foreign entries, generate from \$3 to \$5 million in revenues per quarter.
- In contrast to the past years, Android games have begun generating more revenue than iOS games.
- Marketing costs are generally lower in Russia, with cost-per-install twice as attractive as in the USA.
- Retention rates are higher in Russia for Android games, but usually lower for iOS.

The Russian mobile gaming market

Russia is Europe's largest mobile market by number of users



103 million mobile subscribers

Source: Statista 2017

80 million smartphone users

Source: Statista 2017



69%

Android marketshare



27%

iOS marketshare

The Russian mobile gaming market

Russia is #1 in Europe by number of mobile game downloads, and #6 by total game revenues (2016)

Country	Total game market revenue* (\$M)
#1 Germany	4,018
#2 UK	3,830
#3 France	2,737
#4 Spain	1,812
#5 Italy	1,742
#6 Russia	1,414
#7 Netherlands	521

* Incl. mobile and other types of games

Country	Mobile game downloads** (M)
#1 Russia	1,647
#2 UK	836
#3 France	711
#4 Germany	671
#5 Italy	520
#6 Spain	459
#7 Netherlands	195.5

** Incl. iOS and Android games

Desktop, console, VR and mobile games generated \$1,414 million in revenues in Russia in 2016. More than one third (37% or \$523 million) came from mobile games, according to Newzoo.

The Russian mobile gaming market

Russia is #1 in Central and Eastern Europe by number of mobile game downloads and by game revenues (2016)

Country	Population (M)	Total game market revenue* (\$M)	Mobile game downloads** (M)
#1 Russia	143.4	1,414	1,647
#2 Poland	38	439	326
#3 Ukraine	45.2	142	N/A
#4 Czechia	10.55	128	125
#5 Romania	19.83	126	232

* Incl. mobile and other types of games

** Incl. iOS and Android games

Sources: Newzoo Global Games Market Report 2016; Prioridata.com

The Russian mobile gaming market

Russia's mobile gaming audience: Socio-demographic profile (2016)

75%

of Russian mobile users are gamers

18%

of Russian mobile users make purchases

\$4.9

ARPU of Russian mobile gamers

3% on a regular basis
11% from time to time
4% rarely

Gender split of Russian mobile gamers



80%

Men



20%

Women

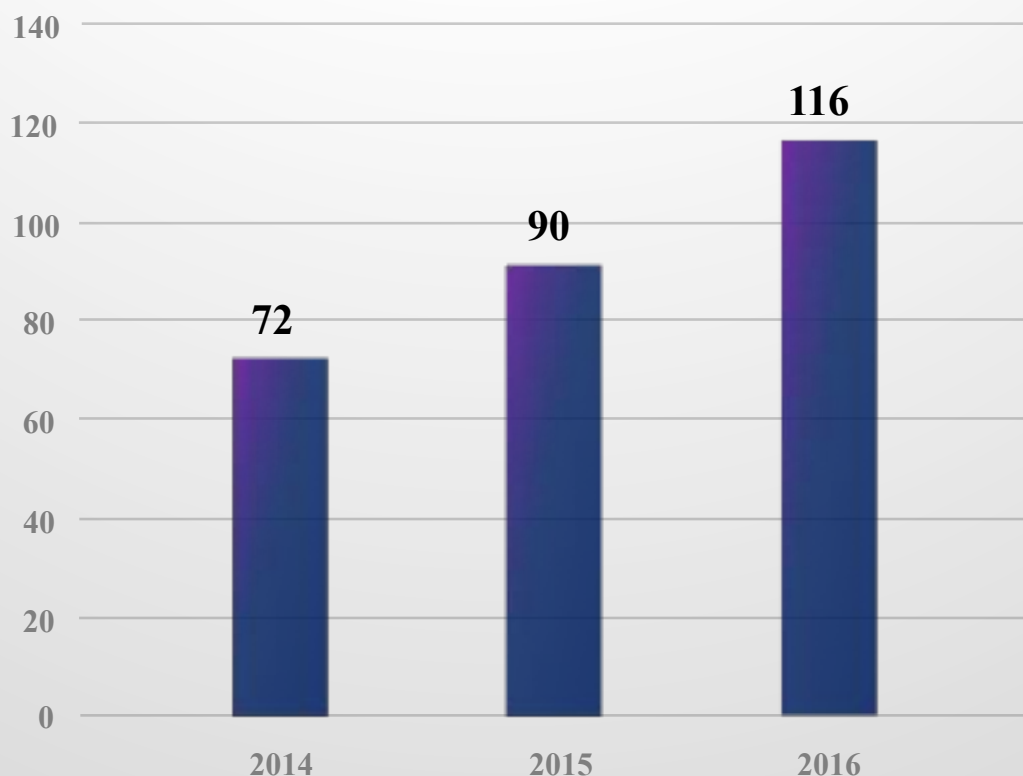
25-45 y.o.

Most paying users



The Russian mobile gaming market

Number of newly released mobile games in Russia



Source: RACE conference

Around **40%** of these games are offered by foreign publishers!

Zorka expert estimate

Top mobile games in Russia

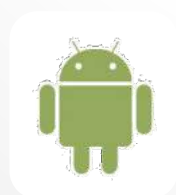


Top 10 free iOS games in Russia (Q2 2017)

Game	Revenue (\$)	Downloads
#1 Gardenscapes – New Acres	1,700,300	205,800
#2 Clash Royal	1,500,000	324,200
#3 Clash of Kings - CoK	1,400,000	81,700
#4 World of Tanks Blitz	1,000,000	160,400
#5 Game of War – Fire Age	672,300	124,000
#6 Last Empire – War Z	609,200	64,800
#7 Fishdom	594,100	147,200
#8 Vikings: War of Clans	542,800	55,400
#9 Clash of Clans	471,300	217,600
#10 Township	464,400	192,000

Source: prioridata.com

Top mobile games in Russia



Top 10 free Android games in Russia (Q2 2017)

Game	Revenue (\$)	Downloads
#1 Clash Royal	3,200,000	1,600,000
#2 Vikings: War of Clans	2,800,000	400,100
#3 Game of War – Fire Age	2,500,000	230,900
#4 Clash of Kings	1,400,000	386,000
#5 Castle Clash: Put' Hrabryh	1,200,000	350,000
#6 Legacy of Discord: FuriousWings	1,100,100	437,100
#7 World of Tanks Blitz	795,200	722,500
#8 Last Empire – War Z: Strategy	763,600	342,400
#9 Gardenscapes – New Acres	613,300	531,200
#10 Clash of Clans	598,100	1,100,100

Source: prioridata.com

Retention and engagement

Mobile gamers' behavior differs slightly in Russia

- Russian mobile gamers generally retain longer on Android than other key regions – be it for paid or organic traffic.
- On iOS, Russia retention rates are lower for paid traffic on Day 1, but show no substantial difference with other regions in other configurations.
- Russian users generally show slightly lower engagement rates, but with significant variations depending on the platform and on the period considered.

Retention and engagement

Mobile gaming retention rates in Russia (in percentage, Q1 2017)



		IOS		Android	
		Organic	Paid	Organic	Paid
Day 1	Russia	41.37	34.08	42.97	34.08
	EMEA	40.99	40.28	39.24	34.69
	APAC	40.17	38.85	39.33	32.20
	US & CA	39.19	40.97	33.25	19.43
		Organic	Paid	Organic	Paid
Day 7	Russia	20.87	20.17	22.57	18.43
	EMEA	21.97	21.13	21.28	18.24
	APAC	21.13	20.16	19.37	14.85
	US & CA	21.31	22.40	17.64	19.43
		Organic	Paid	Organic	Paid
Day 30	Russia	9.78	10.30	12.92	11.85
	EMEA	10.40	10.18	11.27	9.47
	APAC	10.05	9.57	8.49	7.29
	US & CA	10.47	10.98	8.90	9.39

Source: Adjust

Retention and engagement



iOS mobile gaming engagement rates in Russia (Q1 2017)

		Tutorial		Level		Purchase	
		Organic	Paid	Organic	Paid	Organic	Paid
Day 1	Russia	1.21	1.37	1.08	1.00	5.93	1.48
	EMEA	1.27	1.12	1.07	1.04	4.69	1.65
	APAC	1.28	1.22	1.24	1.02	4.92	1.79
	US & CA	1.19	1.13	1.11	1.02	4.62	1.50
		Organic	Paid	Organic	Paid	Organic	Paid
Day 7	Russia	1.17	1	1.25	1	5,40	1.5
	EMEA	1.15	1.06	1.17	1.04	4,46	1.6
	APAC	1.21	1.2	1.36	1.06	4,92	1.96
	US & CA	1.14	1.09	1.32	1.02	4,29	1.49
		Organic	Paid	Organic	Paid	Organic	Paid
Day 30	Russia	1.18	1	1.24	1.12	3.63	1.04
	EMEA	1.20	1	1.25	1.07	3.10	1.50
	APAC	1.18	1.2	1.46	1.2	3.75	1.81
	US & CA	1.09	1	1.35	1.04	3.26	1.48

Source: Adjust

Day 1, 7, 30 engagement data represent an average, weighed by the number of converted users. The engagement rates correspond to the number of events performed by a converted user.

Retention and engagement





Android mobile gaming engagement rates in Russia (Q1 2017)

		Tutorial		Level		Purchase	
		Organic	Paid	Organic	Paid	Organic	Paid
Day 1	Russia	1.27	1.08	1.72	1	1.503	1.88
	EMEA	1.27	1.13	1.14	1.03	1.30	1.28
	APAC	1.31	1.29	1.28	1.10	1.66	1.32
	US & CA	1.2	1.24	1.20	1.05	1.86	1.65
		Organic	Paid	Organic	Paid	Organic	Paid
Day 7	Russia	1.18	1	1.51	1	1.54	1.75
	EMEA	1.2	1.11	1.14	1	1.39	1.34
	APAC	1.26	1.14	1.15	1.02	2.58	1.64
	US & CA	1.21	1.12	1.16	1.01	1.96	1.8
		Organic	Paid	Organic	Paid	Organic	Paid
Day 30	Russia	1.23	2	1.19	1	1.51	0
	EMEA	1.18	1.6	1.06	1	1.39	1.30
	APAC	1.2	1	1.04	1.02	1.81	1.25
	US & CA	1.20	1.07	1.04	1.01	1.70	1.62

Day 1, 7, 30 engagement data represent an average, weighed by the number of converted users. The engagement rates correspond to the number of events performed by a converted user.

Cost per install

Average CPI in Russia and other regions (in USD, H1 2017)

		
Region	iOS	Android
USA	2.2	1.9
Western Europe	1.75	1.45
China	1.5	1.3
Russia	1.2	1.05

Source: Zorka expert estimate

Average CPI on the Russian market by operating system and game category (in USD, H1 2017)

		
Game category	iOS	Android
Adventure	1.24	1.19
Racing	1.04	1
Simulation	1.28	1.04
Strategy	1.48	1.08
Trivia	1.32	0.87
RPG	1.38	1.05

Source: chartboost.com

Case study: Guild of Heroes



Before the
campaign*

57th

in the RPG category

After the
campaign*

 **5th**

in the RPG category

\$66.8k Budget

42 affiliates involved

61.9k installs

18 days Campaign duration

7.99% Average conversion rate

\$1.05 Cost per install

Traffic source	Planned	Result
myTarget	50%	81%
VK communities/publics	15%	7%
Facebook	15%	5%
Google	10%	3%
Fyber, Tapcore and other DSP	10%	4%

* Android-only campaign

A few recommendations for marketers

Game promotion methods in Russia do not differ essentially from the standard ones you know.

However, the following recommendations are even more important here than elsewhere:

- Do not start your user acquisition campaigns without an antifraud system.
- Do not choose your agency with only CPI in mind.
- Do not automatically follow your brand book when making creatives for conversion purposes. Locally-designed, performance-oriented creatives may bring better results.

Want to succeed in Russian-speaking countries?



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Contact us now!



Who are we?



www.zorka.mobi

Zorka.Mobi is a creative mobile performance agency that provides mobile user acquisition services in Russian-speaking countries on a CPI and CPA basis and promotes mobile apps globally.

Zorka's media buying team reaches both Russian-speaking and global audiences by providing high quality traffic from Facebook, Google, myTarget, VK.com and large DSPs. Zorka's affiliate network consists of hundreds of in-app and mobile web traffic sources.

Since the end of 2014 Zorka.Mobi has grown from a small affiliate network to one of the top mobile marketing agencies in Russia and neighboring, serving globally-known developers and agencies such as Plarium, Pixonix, Youzu Interactive, Gameloft, Yandex, Vivaki, OMD and others, providing thousands of installs for iOS and Android games and apps on a daily basis.

Companies aiming to conquer the Russian market will benefit from Zorka's full service approach: from building a strategy to implementing it via ASO, targeted ads, video production, influencer marketing and remarketing campaigns.



www.adjust.com

Adjust is a mobile measurement company that provides the highest quality analytics and measurement solutions for mobile app marketers worldwide. With Adjust's open source SDK, app marketers can measure and analyze user behavior, user acquisition, marketing ROI, user lifetime cohorts and more. Adjust's platform provides streamlined reporting for understandable, actionable and comparable metrics.

Adjust is a Facebook Marketing Partner and a Twitter Marketing Platform Partner, and integrated with over 900 networks and analytics providers worldwide. Founded in Berlin in 2012, Adjust today has global offices in San Francisco, New York, Sao Paulo, London, Paris, Istanbul, Tokyo, Shanghai, Singapore, Jakarta, and Moscow.



www.ewdn.com

East-West Digital News is an international news and research agency covering the vibrant tech markets of Central & Eastern Europe.



ZORKA.MOBI #1 MOBILE CPI AGENCY IN RUSSIA

ADINDEX TECHNOLOGY INDEX
2017

In July 2017, Zorka.Mobi was ranked the **#1 mobile CPI agency in Russia by Technology Index.***

Technology Index is one of the most respected digital marketing rankings in the country over the past three years. It is based on a survey of 379 industry professionals from 250 companies.

In addition to being #1 for CPI, Zorka.Mobi is the runner-up in CPA / Mobile Lead Generation, trailing the winner by only a small margin.

Zorka.Mobi has received several other rewards and recognitions, including:

- **Best agency in the Advertising / Monetization category** at White Nights Prague (Czechia);
- **Best lead-generating agency** at the RACE Awards (Russia);
- **Best mobile CPA network** at the CPA Life conference (Russia).
- **Best mobile advertising agency** at the international Mobile Beach Conference (Ukraine).

* <https://adindex.ru/rating3/tech/160848/index.phtml>

Disclaimer

The statistics used in this report were drawn from open sources, our own in-house market expertise and that of other industry leading companies. All sources are indicated at the bottom of the page.

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