

WHITE PAPER

# GOOD GAMES DON'T DIE

Unlocking the full potential  
of legacy games

# Unlocking the full potential of video games

Keeping good mobile games alive forever has long been an open trade secret in the industry, even through the golden age of hypercasual. Out of the top grossing mobile games in 2022, just two were released this decade, with none released during 2022 itself. Half of them were part of the very same ranking in 2019.

In a maturing mobile gaming industry where low-cost and effective marketing is no longer a commercial reality, the business of creating, launching and growing successful new mobile games has never been more difficult.

An inflection point has been reached. A solution has been sitting under the noses of the entire industry: good games that have already been created. Developers and publishers have the opportunity to revisit amazing gaming content, and there is real potential to make these good games live longer, and prosper for significantly greater periods of time.

SuperScale spoke to more than 500 mobile game developers across the US and UK, delivering insights about key challenges present in contemporary game development. That's a lot of blood, sweat, tears, and revenue, which goes to the wayside as business losses.

In this study, we delve into the business and human cost of this untapped potential. The games industry has a clear opportunity to tap into the vast unlocked potential in existing video games.



**Ivan Trancik**  
*CEO and founder of SuperScale*

# What is Legacy Game Management?

The most successful mobile games are supported for years. The old adage in the industry is that once a game launches, that's when the real work starts. But while some blockbuster games can last the test of time, not all titles can match that level of success. Most are managed over time, either through steep or steady decline, until it's either time to launch something new or an even more successful title takes priority.

Legacy Game Management is the process of rejuvenating games that seemingly have their best days behind them and perhaps no longer receive significant UA and updates. They still have an audience and paying users, but are either experiencing a long-term downward revenue trend, or the developer has chosen to focus resources on other, potentially more profitable projects.

Developers, on average, have 18 legacy games in their portfolio. But good games don't have to die. They can come back to life through new learnings, better data analytics, combined with effective marketing and expert LiveOps support. And through these foundations, the future of your business can be built.



Facing challenges from ATT, inflation, significant competition and other headwinds, more than two-thirds of developers have reported having to make significant changes to their business during the last 12 months, including layoffs and budget cuts.

Developers outsource parts of development and/or publishing to support their businesses, with just less than a quarter of developers keeping all operations internal.

Our survey shows 83% of launched games die within three years, and 43% of games are killed in development before they launch. This results in a third of respondents making safer choices for their next games, while a quarter took riskier decisions on their next project. Of those surveyed, 25% said ending development of a game left them feeling creatively unfulfilled or demotivated.

The majority of games released on the app stores die within three years, with just 5% receiving support beyond seven years. Most developers surveyed admitted they preferred working on new games, rather than titles they had already launched.

While 62% of developers use LiveOps in their most profitable mobile games, 38% do not release regular new content or updates, and less than half push out monthly updates, suggesting they are not maximizing their opportunities for engagement and monetization.

**Just over a third of developers believe a focus on new releases will improve the overall success rate of mobile games, while 30% believe focusing on legacy titles instead will provide more successful outcomes.**



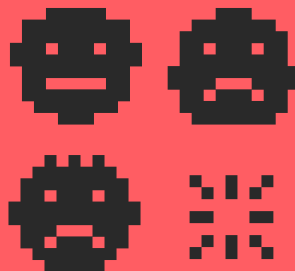
## KEY FINDINGS

18

Average number of legacy games in portfolio

32%

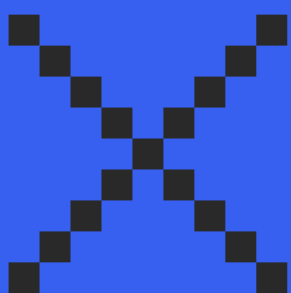
of studios have made layoffs in the past 12 months



40%



of studios have outsourced development tasks in the last 12 months



43%

of games in development are killed before they launch

76%



of launched games hit peak revenue in year 1



83%

of mobile games die within 3 years

37%

of studios update their most profitable titles weekly

62%



of developers are using LiveOps in their most profitable titles



78%

of developers prefer to work on new titles

30%

of developers believe a focus on legacy games is the path forward in the current industry climate



## THE AUDIENCE



504

mobile game developers



251  
US



253  
UK



x18

legacy games

Developing mobile games for

≤3yrs 53% +4yrs 47%

Most common game categories in development



44%  
Puzzle/Match



42%  
Shooter



41%  
Action

# Market Dynamics

While mobile games publishers have been embattled with headwinds like ATT, heavy competition in a mature mobile market and macroeconomic conditions like high inflation, it's been a tough time for the entire games industry. Data shows that in 2023 alone, there have been more than 6,000 layoffs in the industry, with mass redundancies also impacting the wider technology sector. As such, many developers are searching for efficiencies and growth in their existing portfolio, not just the next potential hit.



# Tough times

Our survey shows that 32% of developers conducted layoffs during the past 12 months, while 27% said they had permanently downsized. What's more, nearly a quarter of developers surveyed said they had come close to shutting down their business. Developers also cut budgets in other areas. Interestingly, with new privacy-focused rules and increasingly higher user acquisition costs due to this and heavy market competition, 29% of developers cut their UA budget - perhaps seeing lower return on investment than they have historically.

Only a third (32%) said they did not make layoffs, downsize, shut down their business or cut their UA budget.



**32%**

of studios made layoffs

**24%**

almost shut down



**29%**



cut UA budget

# Hypercasual hit

Collectible card game (CCG) developers were hit by the highest rate of layoffs, with 62% of respondents making games in the genre reporting job losses during the past 12 months. Hypercasual, meanwhile, had the second-highest rate, with 53% of developers in the space reporting redundancies.

After the gold rush of previous years, privacy changes have bitten particularly hard on the hypercasual genre - reliant on advertising revenue and UA at scale - with many companies in the space pivoting to hybridcasual/casual titles. Of those surveyed, puzzle and match-3 developers saw the lowest rate of redundancies across genres at 34%.



**CCG 62%**

report job losses



**Hypercasual**

studios have come closest to shutting down

**Puzzle & Match 3**

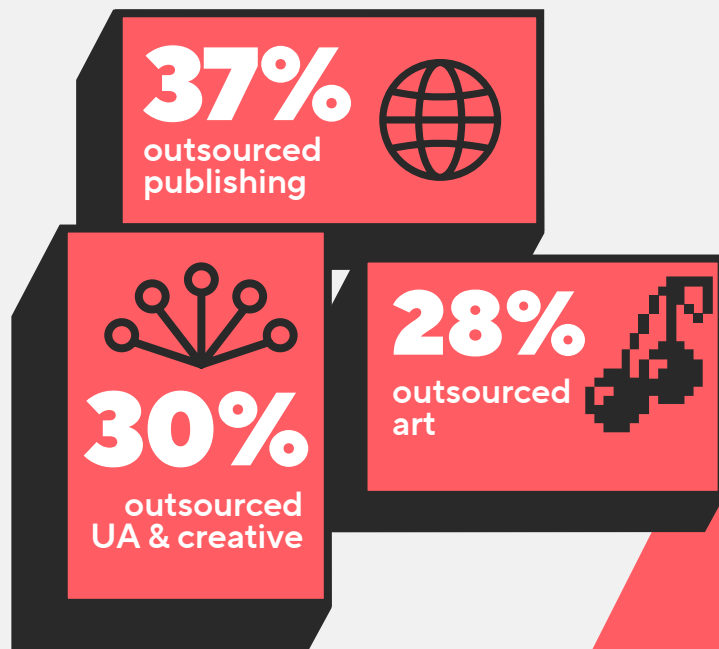
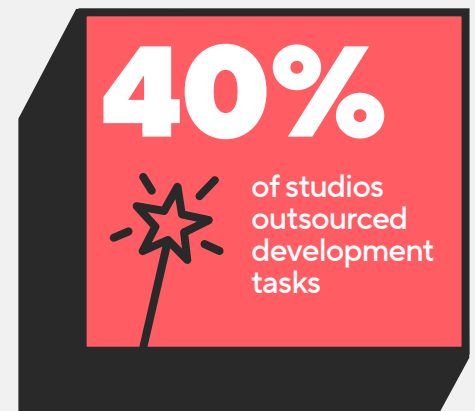
developers saw lowest rate of redundancies



# Open to outsourcing

As the mobile games industry evolves - through tackling the aforementioned challenges and, in some cases, facing longer production cycles, developers are looking at new ways to support their business and growing consumer demands. Some 40% of studios have outsourced development during the past year. Meanwhile, 37% have outsourced publishing, 30% UA and creatives, and 28% art. Less than a quarter (23%) said they didn't outsource anything.

In the hypercasual space, 59% of developers said they had outsourced development, while 58% outsourced UA and creatives, and 70% publishing - in keeping with how most developers and publishers operate within the genre.





# Success & Failure

Mobile games are at their most lucrative when they can sustain revenue for years through successful LiveOps. Games-as-a-Service has become a gold rush across the games industry, perhaps nowhere better executed than at the elite echelons of the mobile market. But it's no easy feat. Of those surveyed, 86% of developers felt that simply launching on the app stores was a success. But there's a lot more to it than that, of course. Keeping games alive is where the top publishers truly thrive.



# Kill your darlings

The term 'kill your darlings' is well-known in the mobile games industry. Many titles never see the light of day due to failure to meet expectations and KPIs during production and soft launch. In fact, our survey shows that 43% of mobile games are killed during development.

Once a game is cancelled, 33% of respondents said it made them more commercially driven for the next title. Interestingly, 32% said they made 'safer' choices for their next game and 26% felt pressure to experiment less. Meanwhile, 25% took riskier decisions on their next project.

There is a human element to cancellations, too. 25% of those surveyed said ending development of a game left them feeling creatively unfulfilled or demotivated. Of these respondents, 30% of junior devs with less than 1 year of experience reported creative unfulfillment. Meanwhile, 20% of developers with 1 to 3 years' experience reported the same feeling, as did 27% with 4 to 5 years in the industry, and 28% with 6 to 10 years of experience. Of the most senior developers, with over 10 years in the industry, just 14% said a game cancelled in development led to creative unfulfillment or demotivation. 24% of these most experienced developers said cancellations are part of the job.

**43%**

of games in development are killed before they launch



## Impact:



**33%**

made them more driven



**32%**

made safer choices on next game



**26%**

felt pressured to experiment less



**25%**

took riskier decisions on next game

**24%**

most experienced devs feel cancellations are "part of the job"

# Peaks and troughs

**83%** of games die within 3 years

**47%** of games die within 12 months

**17%** of games die within 6 months

Of the games that make it to launch, 83% of games die within three years. Nearly a fifth (17%) last under six months, and almost half (47%) survive for less than 12. 12% of games last between four to seven years, and just 5% receive longer-term support.

The vast majority of launched games (76%) hit their peak revenue in their first year, and only 4% reach their peak after 2 years.

While 'forever games' are the holy grail for many mobile games businesses: 78% of developers surveyed said they preferred to work on new games, while 22% preferred to work on titles that had already been launched.

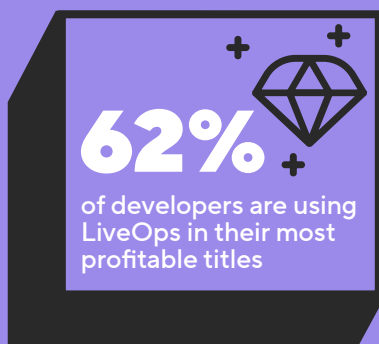
**Year 1**  
**76%**  
of launched games hit peak revenue

**Year 2+**  
**4%**  
of launched games hit peak revenue

**78%**  
of developers preferred to work on new games

# Monetization & UA

Now we have a greater insight into how developers approach cancelling games in production and how many survive post-launch: how exactly are they monetizing and marketing them? Best practices abound in the industry, but they aren't always implemented.



# LiveOps support

Our survey shows that 62% of developers are using LiveOps in their most profitable titles. Though the majority of devs support their titles post-launch with LiveOps, 38% said they do not.

When it comes to regular updates, 37% said they update their top games weekly, while 48% push out monthly updates and 14% of developers only release new updates for special events and holidays, suggesting many developers are not maximizing their opportunities for engagement and monetization.



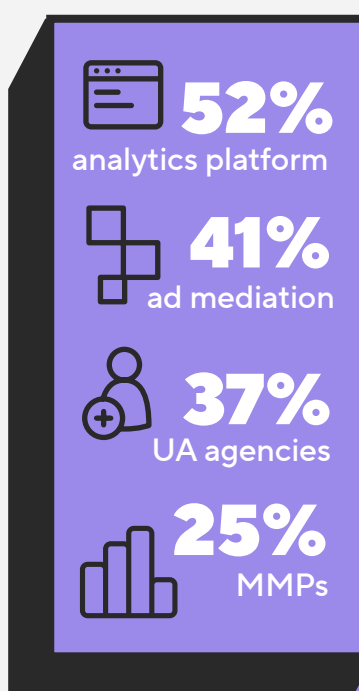
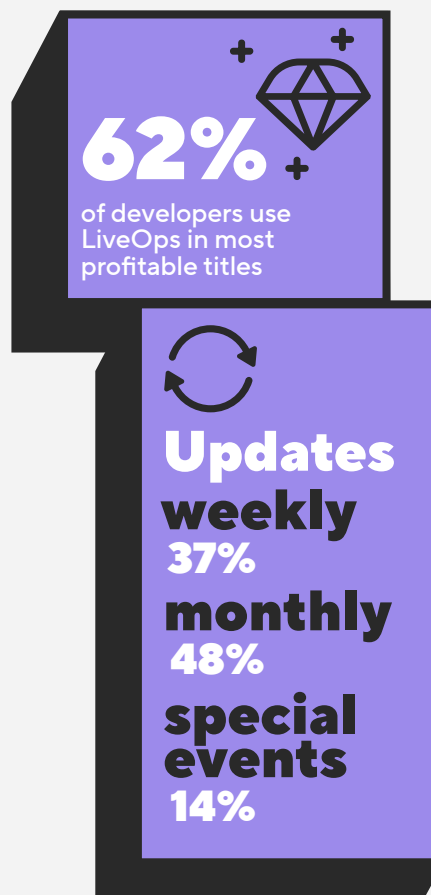
*"As a passionate game developer, seeing so many games fail shortly after launch is a pity. It's probably no secret it could get even worse for the industry which is why LiveOps is so important, especially in our case with Tiny Tower, which is over a decade old - it's been instrumental to our success."*



**Ian Marsh**  
Co-Owner of NimbleBit

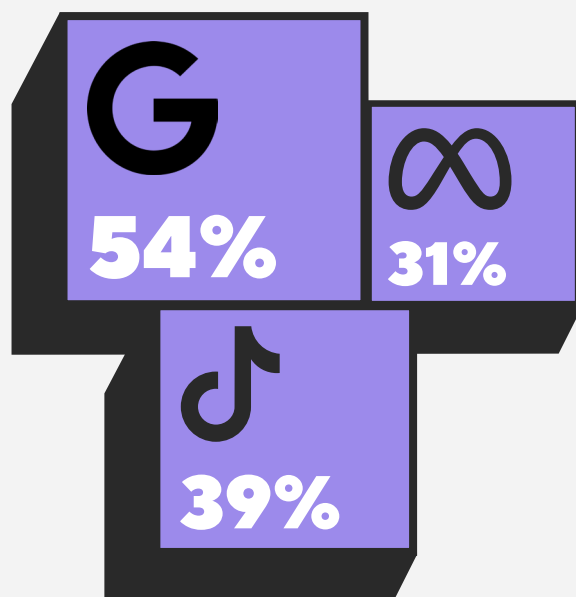
# Tools of the trade

Making mobile games successful is no small endeavour and it requires a mix of tools, platforms and partners. 52% of those surveyed said they use an analytics platform or dashboard. 41% of developers use ad mediation platforms, 37% utilize UA agencies, and 25% use MMPs. It should be noted, however, that 44% of those surveyed said they work with publishers, which may take responsibility for some of these services.



# Best performing ad networks

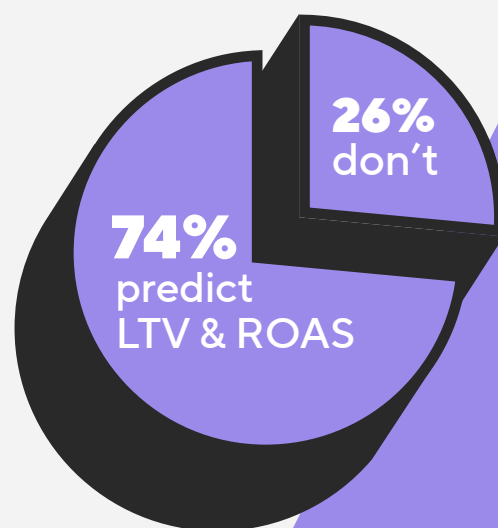
Traditionally there has been a duopoly in the ads space: Google and Meta (Facebook). But times are changing. Our survey shows that Google Ads remains on top, with 54% of developers labelling it one of the best performing networks, while TikTok stands at No. 2 with 39%.



# Measuring performance

Using analytics to measure the campaign and monetization performance are key to mobile success. Without this data, it will be all but impossible to reliably and efficiently get a return on investment at scale.

As such, 74% of developers said they predict the lifetime value (LTV) and return on ad spend (ROAS), with over a quarter (26%) stating they didn't measure these at all. 32% said they measure these KPIs for up to 180 days, while just 5% predict LTV and spend up to 360 days into the future.



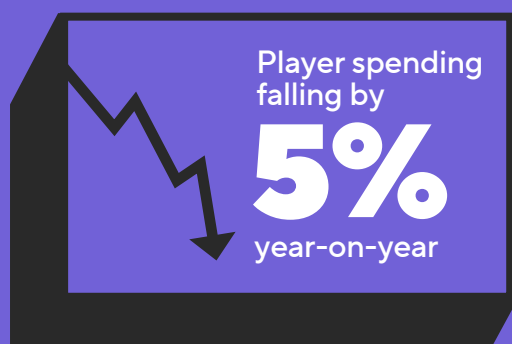
*"AdNetworks are a vital part of the mobile gaming ecosystem, now you need to have targeted marketing campaigns, with killer creatives and the ability to optimise towards improved ROAS. In the past you needed AppStore featuring to successfully launch a game, now you need Tik Tok!"*



**John Wright**  
Vice President of Mobile Publishing, Kwalee

# Looking to the Future

Global mobile games industry revenue declined for the first time in 2022, with player spending falling by 5% year-over-year — the sector's first ever decline. 2023 has also proven a challenging year, and as we move into 2024, developers are having to adapt to a new landscape.



# The Road Ahead

Our survey shows that developers would, of course, like larger development budgets (37%) and greater UA investment (30%) to improve the commercial success rate of mobile games. Meanwhile, 34% of respondents believe new releases are an answer - despite the tough market conditions - and 30% say a greater focus on legacy titles is what's needed.

37% of respondents said that industry uncertainty is stopping them from developing new games, while 30% said the market is too difficult to succeed in right now, and 30% also believe their niche is too competitive.

With opinions split, a focus on both new game development and legacy game management, the path forward for many developers will be foundations built on the latter, and further future growth built on the former. With the integration of best practices for data analytics and LiveOps, as well as new learnings, legacy games can potentially relive their former glories and provide a longtail that extends far further than previously expected.



*"In a dynamic mobile gaming landscape, balancing new game development while nurturing legacy games with data analytics, LiveOps, monetization and marketing is the roadmap to lasting success and future growth. Despite current industry uncertainties, there is significant untapped potential to be unlocked over the next decade, fueled by audience and geography expansion, as well as tech innovation that will further enhance gaming experiences."*



**Pasqual Batalla**  
COO of Sandsoft

**34%**

of developers believe new releases are a way to succeed



**30%**

of developers believe legacy games are a way to succeed



**37%**

uncertainty is stopping new games development



We began this research already well aware that the business of making hit mobile games is more challenging than ever before. This report quantifies the huge amount of investment and passion in mobile game-making that is ultimately not driving long-term commercial success and creative fulfilment.

It also demonstrates that, while few studios have been left unscathed, there's a lack of consensus on the actions individual companies can take to consistently maximise revenue. Part of this comes down to the tool sets available to each, which of course are not equal in size and scope.

At SuperScale, we're crystal clear in our conviction that applying a best-in-class approach to design, LiveOps, data analytics, monetization and marketing to existing titles can be game changing for studios' bottom lines. In the current mobile games industry, developers can't afford to leave untapped revenue in their portfolios while chasing the next big thing, particularly when we know good legacy games can be brought back to and even beyond their former highs.

Let's change it from a trade secret to an open secret: good games don't die.



**Ivan Trancik**  
*CEO and founder of SuperScale*

## METHODOLOGY

The research fieldwork took place between October 6th and 12th, 2023. It included 504 mobile game developers, with 253 based in the United Kingdom (UK), and 251 located in the United States (US). The survey included open questions, multi-select questions, rating and ranking questions as well as single selection questions.

The online survey was conducted by Atomik Research, an independent creative market research agency that employs MRS-certified researchers and abides to the MRS code. Respondents completed the questionnaire via link.

## THE AUDIENCE



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**YOUR GAME MANAGEMENT PARTNER**