IA9

INTERACTIVE AUSTRALIA 2009

National Research
prepared by Bond University for the
Interactive Entertainment Association of Australia

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Suite 145 National Innovation Centre
Australian Technology Park, Garden Street
Evenleigh, NSW 1430
www.ieaa.com.au

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Authors

Jeffrey E. Brand, PhD
Jill Borchard, MCom
Kym Holmes, BCom, LLB (Hons)

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www.bond.edu.au

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WHAT AUSTRALIANS THINK

"I think [games] are awesome! You can do things you wouldn't otherwise be able to do, and engage your mind. You can create a city, fight a war, explore outer space. The stories can be very immersive, and are a great relaxation tool and great escape from reality."

Male, 23, Parent, Gamer, NSW

"I think [games] can be a lot of fun. They can relieve stress and keep minds active. I think the amount of time spent on them can be damaging but if it's monitored in children and self monitored in adults then they can bring lots of enjoyment."

Female, 35, Parent, Gamer, VIC

"They make my kids happy and so long as they're not too violent or too provocative, then I'm happy for my kids to play them."

Female, 42, Parent, Non-gamer, QLD

"I feel that they are fine in moderation - like everything they need to be used in balance, and need to be used with thoughtful consideration. They capture the imagination of my boys, and give them a common thing to share with their friends. In that way they are positive, socially. But I think they also require boundaries."

Female, 35, Parent, Non-gamer, TAS

"My family love them – it's like playing a board game or watching a movie together in our house."

Female, 40, Parent, Gamer, QLD

"Computer and video games are a great way to develop cognitive, motor, and social skills in children if used correctly. They are also a great way for adults to stimulate their mind, relax and interact with others."

Female, 32, Parent, Gamer, VIC

"I love them and have since the late 1970's. Game On!"

Male, 42, Parent, Gamer, VIC

Executive summary

Purpose

Interactive Australia provides data on who is playing games in Australia, what their game play behaviours are, the importance of games in the family experience, the role of online access in game purchasing and play, and how gamers compare with non-gamers on key demographics and attitudes toward games. Issues of importance to the business and regulation of games is also documented, particularly classification and piracy. Additional data from GfK provides games market information and data from the Australian Classification Board has been included to provide information about past classification decisions. Note that the terms "computer games", "video games", and games are used interchangeably in this report for expressive variety unless specific reference is made to PC games as computer games or console games as video games.

This is the third study of its kind since 2005 including two previously published studies: *GamePlay Australia 2005* and *Interactive Australia 2007*, each including over 1600 households.

Methods

IA9 is based on a national random sample of 1614 adults who represented their households responded to more than 75 questions providing over 300 data points in a 20-minute online survey. The survey was fielded by Nielsen Research in July 2008. Multiple units of analysis are explored in the study: the household (n=1614), all individuals within game households (n=4671) plus adults from households without game devices (n=181). Of the 4852 individuals studied, 3162 (68%) were identified as gamers (simply, yes or no, did they play computer or video games).

In total, this research collected information about 1614 households and 4852 individuals, 3162 (68%) of them gamers.

Major Findings

GAME HOUSEHOLDS

In 2008, 88% of Australian households have a device for playing computer games.

Of these households, 39% have one device, 27% have two devices and 16% have three devices. 18% of game households have four or more devices for gaming. In other words, of *all* Australian households, 34% have one game device, 24% have two devices, 14% have three, 16% have four or more and 12% have no game devices.

The majority of installed game devices are consoles (43%), followed by PCs (39%) and handhelds (18%); however, point of sale data shows that handhelds dominated sales of new devices in 2007-2008. 90% of game households have PCs and these are used by most gamers.

60% of game households are home to two or more gamers.

Among all media used in Australian households, the Internet is now the preferred medium for entertainment and leisure. Computer and video games are the 5th preferred medium among individual gamers and 3rd preferred medium in game households with multiple gamers.

Australian gamers and non-gamers similarly enjoy dining, shopping, family time, socialising and gardening among many leisure activities.

PLAYERS

The average age of computer and video game players in Australia is 30 years old (up 2 years on the average in 2007). Non-players are 40 years old on average. According to the ABS, the average age of all Australians is 36 years. Increasingly, older Australians are choosing to play computer games.

By 2014, the average age of gamers will be the same as the average age of non-gamers.

84% of Australians aged16-25 compared with those over 50 play computer and video games.

The oldest gamer in this study is 88 years of age.

Younger gamers and young adults make up the bulk of handheld and console game device users and prefer Action, Racing, and Adventure games.

Family games are popular among players between ages 26 and 50 and among women.

Older players mainly use PCs and play Board/Card, Puzzle and Strategy games. Those who use consoles tend toward Family games.

Females make up 46% of the player population in 2008, up from 41% in 2007.

By 2012, the proportion of female gamers in Australia will be equal to the proportion of male gamers.

Female gamers across different ages nominate Puzzle, Family, Board/Card games among their favourite genres.

Male gamers across different ages nominate First-Person Shooters, Sports, Role-Playing and Fighting Games among the genres they prefer to play.

Gamers are more likely to be enrolled in full-time tertiary study and non-gamers are more likely to be seniors no longer in the work force. Otherwise, education and employment levels trend similarly across gamers and non-gamers with 5 in 10 being in full-time work and 2 in 10 being in part-time work. Increasing game popularity is partly a function of generational shift.

Gamers live in households with modestly higher incomes than those of non-gamers.

Half of all gamers play either daily or every other day. Another 25% play at least once a week.

Including all players in Australian households, 63% play for up to an hour at one time; 5% play for four or more hours in one sitting, demonstrating moderate play habits.

Only 3% of all gamers NEVER play with others (either in the same room or on the Internet).

The pattern of media leisure among gamers and non-gamers makes clear that computer games do **not** compete with non-media and outdoor activities. Instead, they compete with older media. Like television was the latest popular medium two generations ago, games today are the latest popular medium.

Gamers and non-gamers are similar in their use of the Internet, however, gamers take more advantage of the Web 2.0 functions.

FAMILY

70% of parents in game households play computer and video games and 80% of these parents play them with their children.

67% of mothers and 69% of fathers agree that they play computer and video games as a way to spend time with their children. A third of parents play games with their children as a way to monitor what their children play.

Parents who play computer games themselves more actively use computer games as a tool for parenting.

Only 25% of gamer parents and as many as 45% of non-gamer parents say they rarely or never use computer games for educational opportunities with their children.

CLASSIFICATION

According to the Classification Board, 75% of all computer and video games classified in Australia in 2006-2007 were either G or PG. 1% of games were either refused classification or withdrawn from the process.

63% of participants do **not** realise Australia has **no** R18+ classification for games.

91% of Australian adults (including gamers AND non-gamers) think that Australia should have an R18+ classification for games.

78% of parents say an adult is present when games are purchased for their children.

92% of parents say they are aware of the games that are played in their homes.

Gamer adults use their knowledge of games to make informed decisions about games they buy for younger players, non-gamer adults rely more on the classification shown on game packaging.

Classification is mainly used by adults choosing games for children and less often for adults buying games for themselves or other adults.

PIRACY

In an Australian gaming household library, 2 in 26 of the games is pirated. Piracy is widespread, although many choose not to admit to it in survey research with only 17% of participants in game households saying they have pirated copies.

The majority (51%) of pirated games in Australia come from copies made by family or friends.

More than 40% of participants said they “rarely” or “never” purchase a game that they had earlier received as an illegal copy.

ATTITUDES

Most attitudes toward computer and video games are positive. They relieve boredom, offer excitement, are mentally stimulating, reduce stress, are educational and create culture according to adults who use them.

75% of gamers say interactivity in games makes them more educational than other media.

Non-gamers are less optimistic than gamers about the effects of interactivity on media experiences. Enhancing violence is the number one effect of interactivity for non-gamers whereas it ranks fifth for gamers among a list of effects.

INDUSTRY AND FUTURE

The Australian computer games industry is growing at an annualised rate of more than 15% and conducted over AUD1.3 billion in 2007 according to GfK point of sale data.

70% of Australians mainly purchase games new from a local retailer, 19% download games from online vendors.

Gamers recognise the value of their entertainment investment. When they complete a game, 72% add the game to their library.

Strategy, FPS, Simulation, RPG and MMORPG and other pay-as-you-go online games made up the top five PC game genres in 2007-2008 according to unit sales data from GfK and account for 70% of PC games.

Console games accounted for 82% of all game software sales in the financial year 2007-2008.

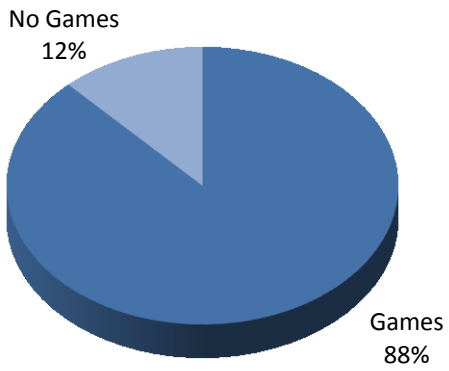
Family games topped the console software charts for the first time in 2007-2008. Family, Action, Racing, Adventure and FPS games made up the top five genres by unit sales and accounted for 76% of all console games sold in Australia in the period.

Level 1. Game Households

Stage 1. Introduction

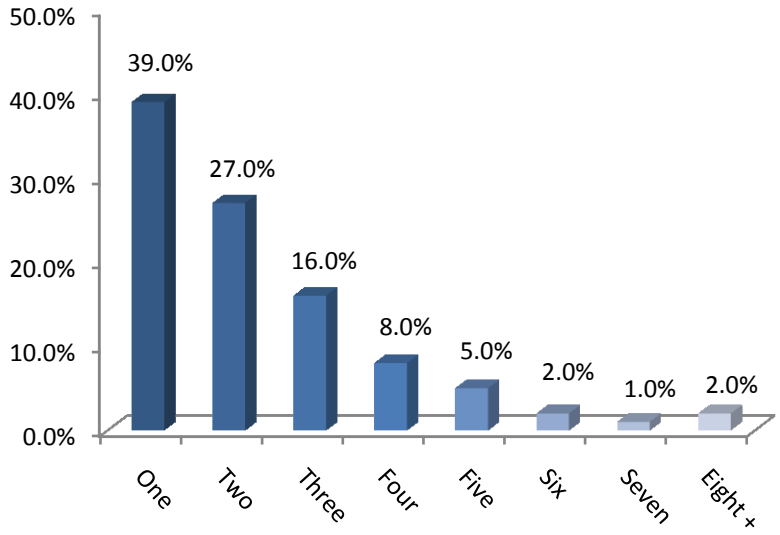
Game Nation: Australia is a nation that enjoys computer and video games and the vast majority of Australians live in a household with at least one device used for playing games. By mid-2008, 88% of households had a game device (Figure 1), either computer or console. This is a large increase from 76% in 2005 and 79% in 2006-2007.

FIGURE 1 – 88% OF ALL HOUSEHOLDS HAVE A PC OR CONSOLE FOR PLAYING GAMES



Most consumers have a mobile phone, smart phone, or personal digital assistant with modest game functionality on them. However, mobile phones and PDAs were not included in the definition of a game household in Figure 1, although mobile phones were identified for playing games in 33% of game households and PDAs or handheld computers in 6% of game households. When phones and PDAs are added to the devices that define a game household, the proportion of Australian homes with at least one game device increases to 91%. Considering the 88% of homes with a PC or console, 39% have one device, 27% have two and 34% have three or more (Figure 2).

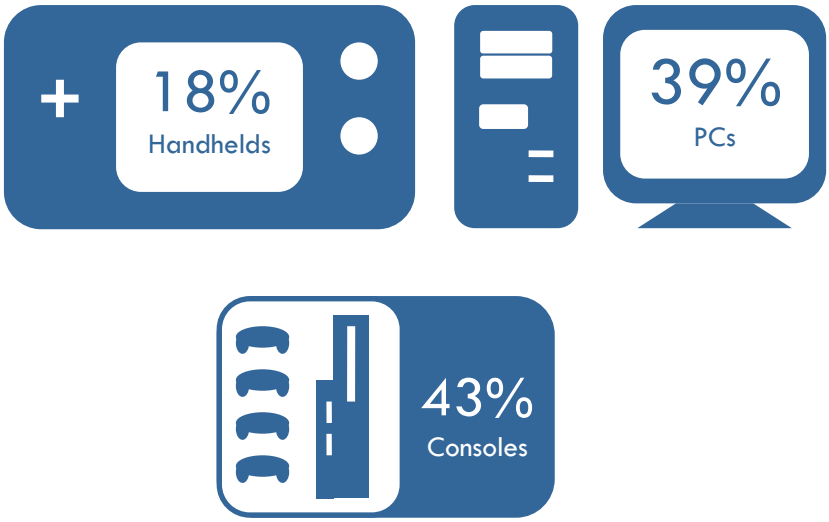
FIGURE 2 – MOST HOUSEHOLDS HAVE ONE INSTALLED GAME DEVICE



Stage 2. Installed Game Devices

Personal computers are no longer the most common platform on which computer and video games are played in Australia. Consoles now have 43% of the share of the install base when combined as a group with PCs and handheld devices in second and third place respectively (Figure 3).

FIGURE 3 – MOST INSTALLED GAME DEVICES ARE CONSOLES

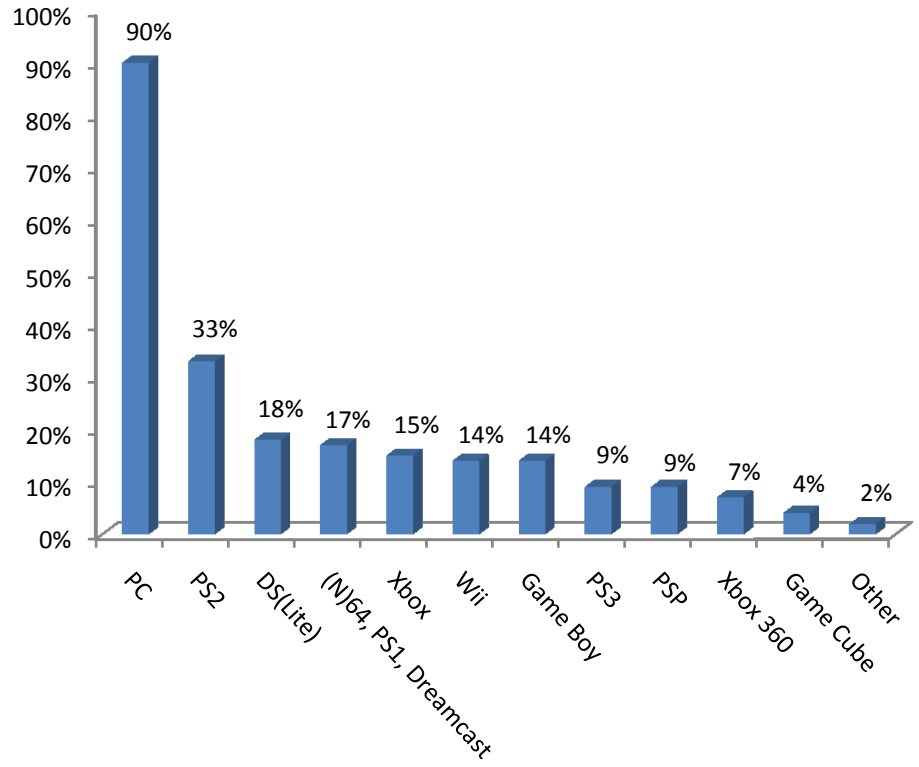


However, PCs as a group are installed in 90% of game households in Australia with individual consoles starting with the PlayStation2 installed in 33% of homes (Figure 4). In 34% of game households, the PC is the only device, and in 2% of homes, the PS2 is the only device. In homes with only one device, the PC is in 88%, the PS2 in 6%, Xbox in 2%, older systems in 2% and the Wii in 1% with the remaining single-device homes using the remaining devices.

> **"I think they are a great way to spend your free time, a great group activity, and also an excellent opportunity to experience things which may not be possible in real life."**
>
> **Female, 18, non-parent, gamer, WA**

It is in two and three-game device homes that other devices demonstrate their recent popularity, introducing consoles to previously PC-only homes. For example, although the PC dominates two-device homes (in 92% of these), the PS2 (in 40%), and the Xbox (in 12%), new consoles have become the second edition after a computer with the Wii (in 12%), the DS and DS Lite (in 10%), PS3 (9%) and Xbox 360 (in 2%). Interestingly, the Xbox 360 is most predominantly found in three and four game device homes. Indeed, here is the core market for this platform, among the longer-term and heavier gamers. Moreover, 41% of Xbox 360s in Australian homes are in those homes with three or four devices. A further 47% of Xbox 360s are in homes with between five and 11 devices.

FIGURE 4 – PCS APPEAR TO DOMINATE, HOWEVER MORE CONSOLES ARE INSTALLED



> **"They are a release for teenagers as is sport and other activities. There needs to be a balance which is a parental responsibility."**
>
> **Male, 56, Parent, Non-gamer, VIC**

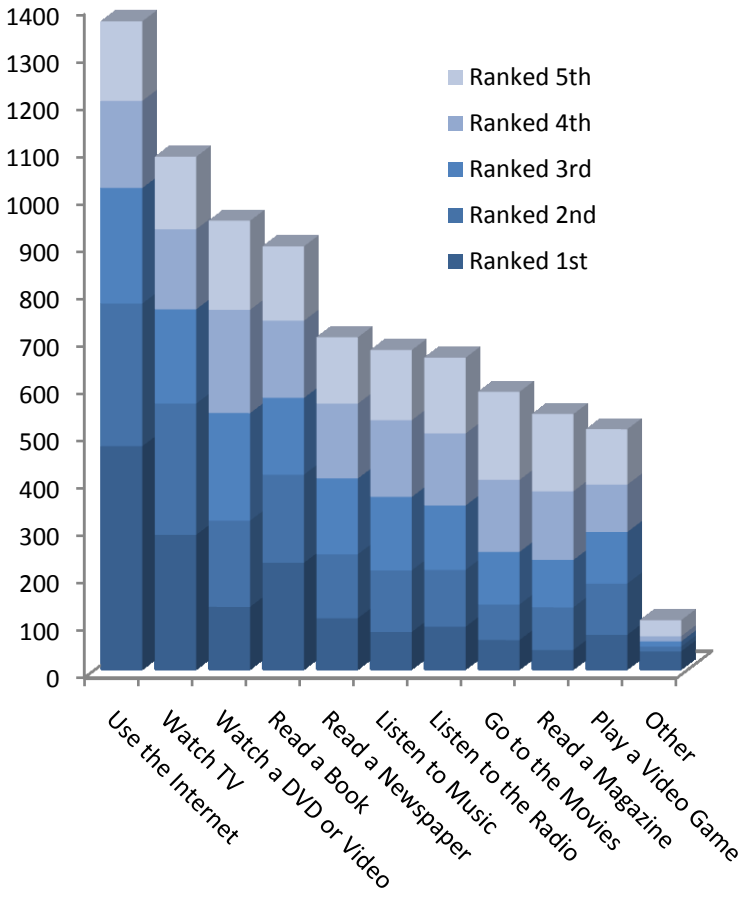
Stage 3. Media Habits

That computer and video games are part of normal media choices in households around the world is now well established. Indeed, among a range of media used in leisure, computer and video games are often selected. Figure 5 combines all the answers given by all participants in the study for their top five media preferences. Thus, this figure shows the place of games in relation to other media for all participants, whether or not they play games themselves. Whilst the Internet has usurped television at the top position as a medium of choice for Australians, free-to-air and pay television continues to serve the media habits of almost all, ranking second among media choices. Watching DVDs is the next most preferred media activity followed by reading books, then newspapers, then listening to music and the radio. Movie-going and reading magazines, playing computer and video games and engaging in other media habits round out the list.

The patterns of media habits demonstrate that whilst computer and video games feature in nearly all homes across Australia, they are not yet installed in the same proportions as traditional media like television, radio and recorded music. In homes where games are installed, the level of engagement they require means they are not the "default" choice for people who want to switch

on and get a quick media fix. Thus, as a first or second preferred activity, computer and video games are behind using the Internet, watching television and reading a book. They move up the scale, however, ahead of going to watch a movie as a first choice. As a third, fourth or fifth choice, computer games are on a par with older, more established media. Among gamers, games are the fifth choice regardless of ranking and in game households with multiple gamers, computer and video games are the third media leisure preference.

FIGURE 5 – THE INTERNET REIGNS SUPREME, BUT COMPUTER GAMES ARE ON THE RISE

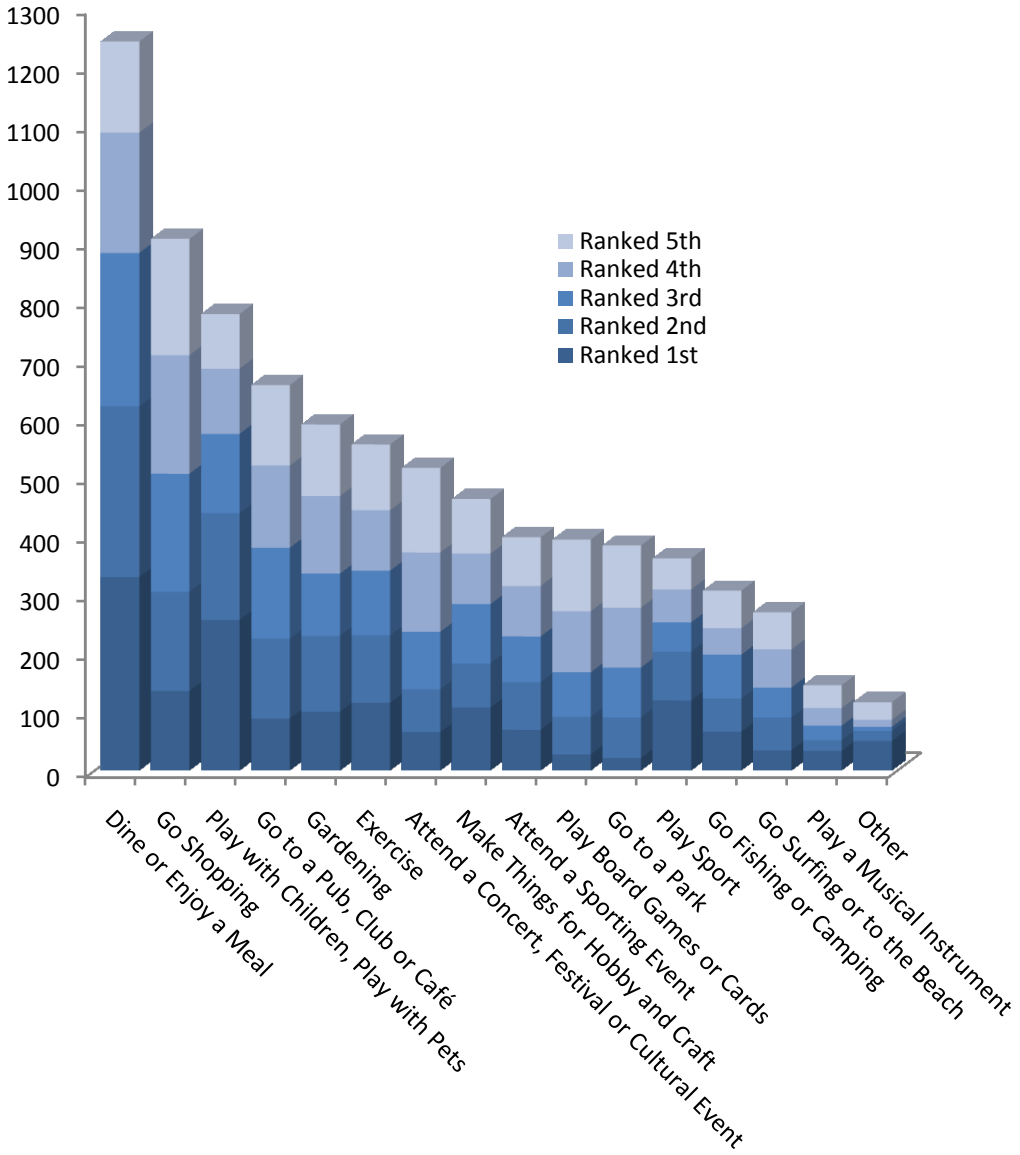


Reports in other regions such as Europe and North America, computer games have moved ahead of most other traditional media when excluding non-gaming respondents. Separating non-gamers from gamers, changes the picture considerably as discussed later in this report.

Stage 4. Non-media Leisure Habits

All participants in the study, regardless of whether they played computer or video games, were also asked what other activities they engage in for leisure (Figure 6). This question reveals that getting out and socialising are top non-media choices of Australians. Among the options given them, participants nominated as their top preference enjoying a meal with family or friends. Allowed to rank up to five activities, participants ranked playing with children or pets second after dining among first preferences. Going shopping, to cafes and pubs, and gardening round out the top five. Playing sports and enjoying outdoors activities like fishing, camping and surfing round out the options.

FIGURE 6 – GETTING OUT AND BEING SOCIAL ARE TOP NON-MEDIA ACTIVITIES OF AUSTRALIANS



Stage 6. Conclusions

In 2008, almost all Australian households have a device for playing computer or video games. Of 88% of households that do, 39% have one device, 27% have two devices and 16% have three devices. The majority of gaming devices are consoles (43%), followed by PCs (39%) and handhelds (18%). In other words, of *all* Australian households, 34% have one game device, 24% have two devices, 14% have three, 16% have four or more and 12% have no game devices. However, there has been a rapid shift to handheld game devices in the past year (discussed later in this report) and these numbers will further erode PC share of the gaming market in coming years. Traditional media are giving way to newer digital information and entertainment media with the Internet now the first choice for media leisure. Playing computer or video games is on par with the more established media activities among gamers and is third choice in multiple-gamer households.

Level 2. Players

Stage 1. Introduction

Like the national census, this research attempted to drill down into the complete household and identify all individuals in the home. Unlike many studies, however, this research often compares gamers with non-gamers. With this study, we are able to demonstrate that playing computer and video games does not make a person different from someone who does not play them, except for the interest in interactive entertainment. The first comparison we can make between gamers and non-gamers is age.

> **"They are a good form of entertainment that can help to keep the mind active in the older generation and also help to improve motor skills in the younger generation."**
>
> **Male, 55, Non-parent, Gamer, SA**

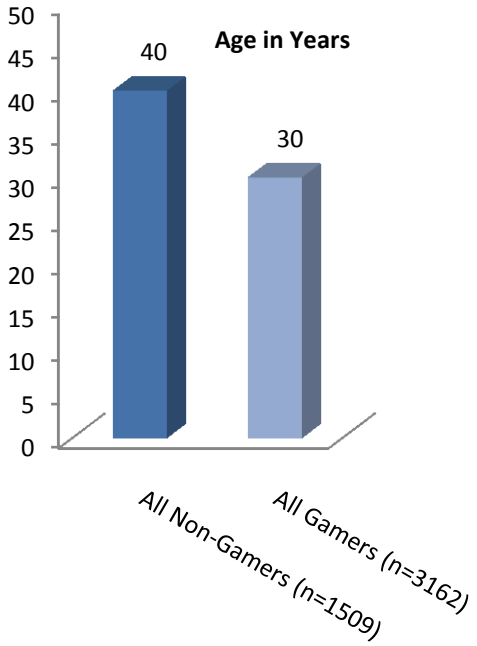
Stage 2. Player Statistics

AGE

30

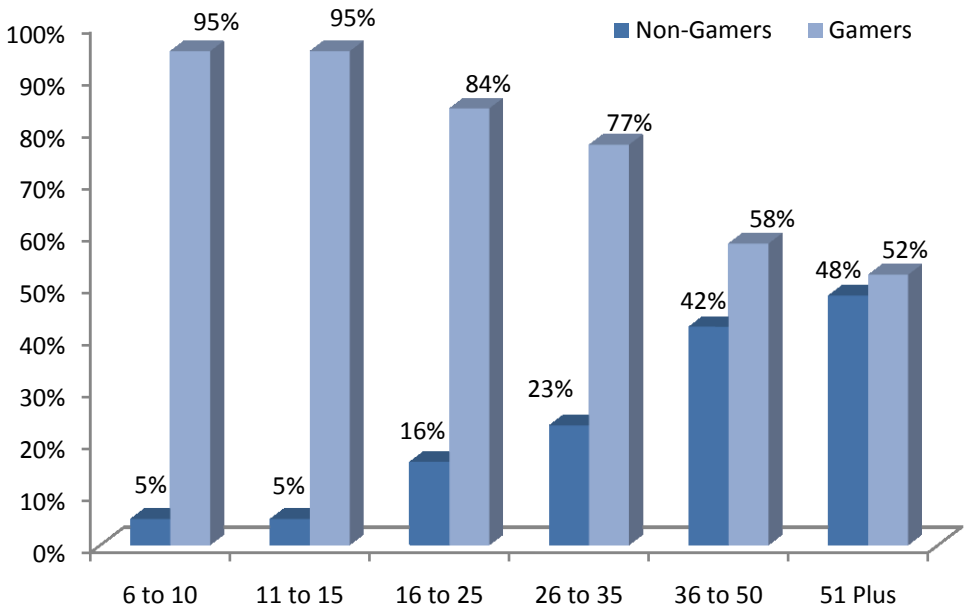
The mean age of Australians is 36.6 years according to the Australian Bureau of Statistics (2006). The average age of all participants in this study mirrors ABS census figures. The average age of computer game players in Australia is now over 30 years (Figure 7). This is up from 28 years in 2007 and 24 years in 2005.

FIGURE 7 – THE AGE GAP BETWEEN GAMERS AND NON-GAMERS IS CLOSING



The degree of change will slow as the average age of gamers approaches the average age of non-gamers who are 40 year of age. Just three years ago, the gap between gamers and non-gamers was over 20 years, an entire generation. Today, the difference between the two has narrowed to within a generation. As we reported in 2007, we expect the average age of gamers to be the same as the average age of non-gamers by 2014. The youngest gamers in this study were just 3 years of age. The oldest were in their eighties with the oldest player catalogued in this study being 88 years of age. As age increases, gamer status decreases (Figure 8). Of those adults who say they don't play computer games, 68% say that computer and video games "don't interest" them and 26% say they don't have time. Only 3% say they "are for children".

FIGURE 8 – NEARLY ALL YOUNGER AND MOST OLDER AUSTRALIANS PLAY COMPUTER GAMES

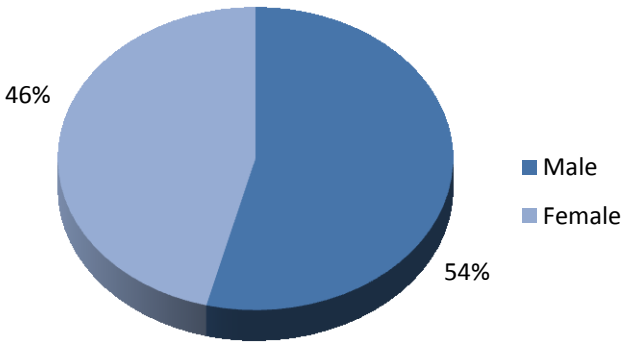


GENDER

46% Female

Gender in the Australian population is split with slightly more females than males according to the ABS. However, in this study, slightly more males (51% of the total) participated, a common result in survey research. If anything, this may create a conservative finding with respect to the gender balance among those who play computer and video games. Nevertheless, although Australian computer and video game players more often male, female players are increasingly represented (Figure 9). Considering all gamers from the survey, (n=3162) 46% are female and 54% are male. Female gamer representation has increased from 41% in 2007 and 38% in 2005. This finding is consistent with research conducted in Europe and North America.

FIGURE 9 – INCREASINGLY, FEMALES ARE REPRESENTED AMONG THOSE WHO PLAY COMPUTER GAMES

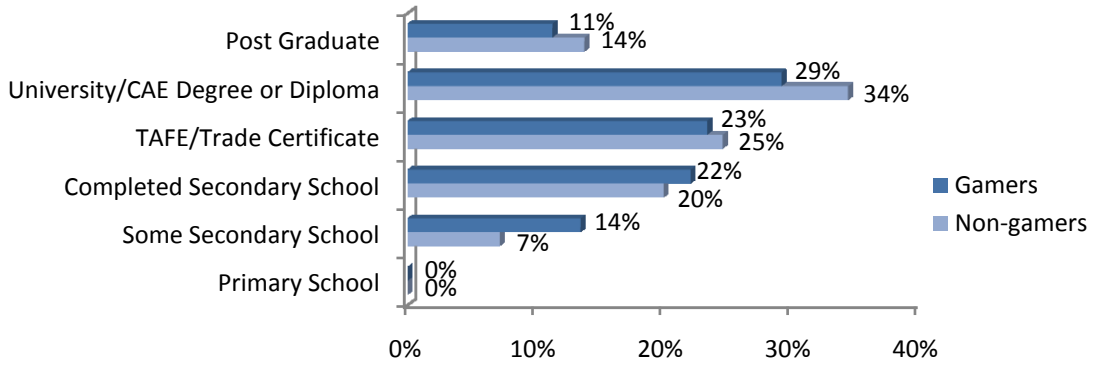


In 2007 we predicted that gamers would be equally female and male by 2012 on the basis of a 1.5% increase each year. Rather than slowing, the rate of equalisation has increased. At the present rate of change, it is likely that Australian gamers will be equally male and female by 2010 and reflect population gender proportions by 2012.

EDUCATION

The average Australian who plays computer games is an adult. Nearly a half of all gamers are female. Increasingly, gamers are socially and demographically the same as non-gamers except for their media choices. For example, both gamers and non-gamers have similar education profiles (Figure 10). The data reported here were collected only from adult respondents and not for others in the household (n=1614).

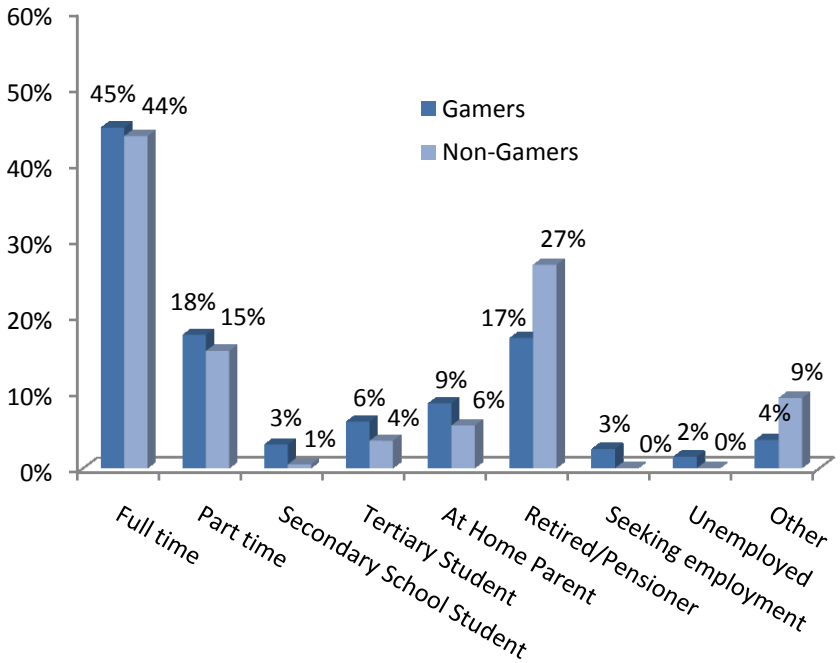
FIGURE 10 – EDUCATION LEVELS FOR GAMERS AND NON-GAMERS ARE SIMILAR



EMPLOYMENT

Gamers and non-gamers also share similar employment profiles with roughly half in full-time work and roughly 2 in 10 in part-time work (Figure 11). One notable difference between the groups of players and non-players is found in the proportion of non-gamers who have retired.

FIGURE 11 – GAMER AND NON-GAMER ADULTS ARE SIMILARLY EMPLOYED

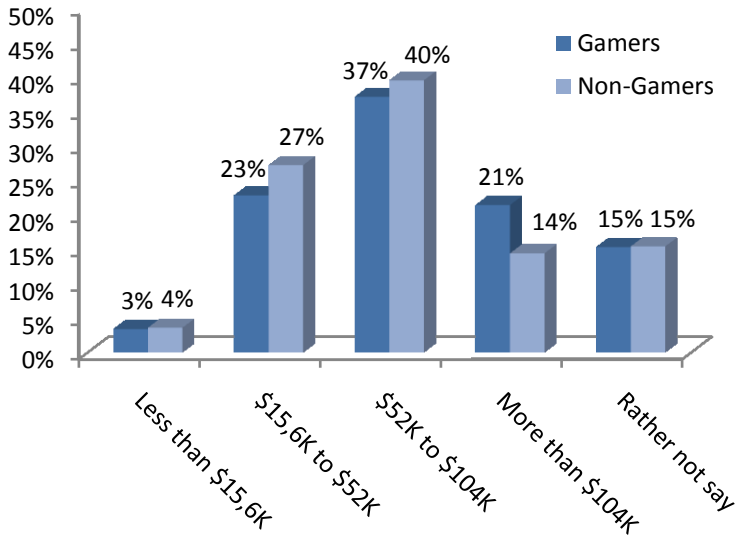


Gamers are modestly more likely to be enrolled as tertiary students and to be employed part-time. Across the board, we find that gamers are more employed and more engaged in study. The data reported here were collected only from adult respondents and not for others in the household (n=1614).

INCOME

Overall higher levels of employment and educational involvement translate into modestly higher annual ***household*** incomes among those who play computer and video games compared with those who do not. Figure 12 allows comparison of gamers and non-gamers, eliminating those who were unsure or chose not to answer the question about their income. The data reported here were collected only from respondents and not for others in the household (n=1614).

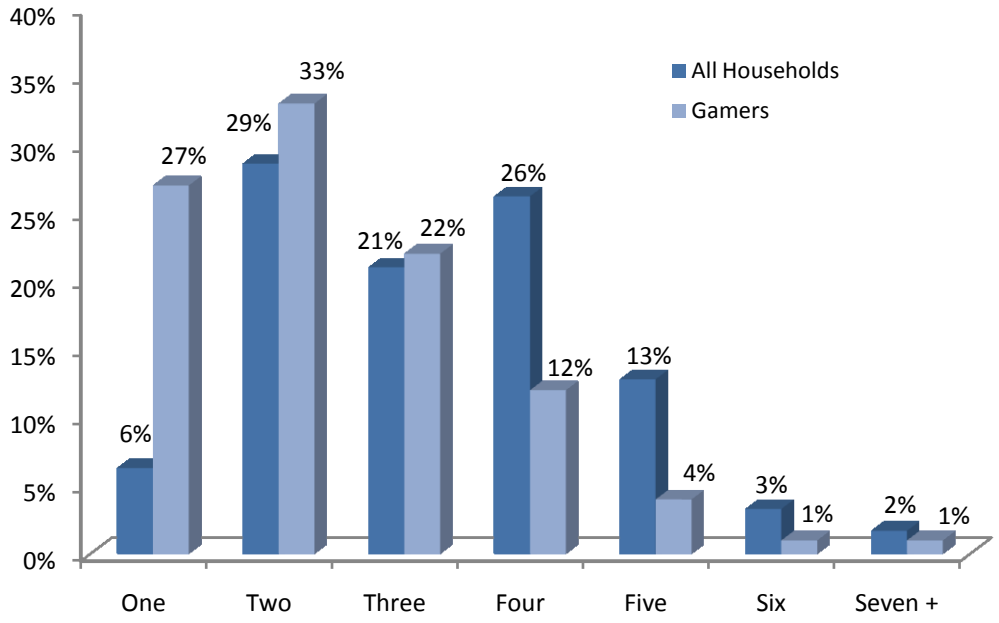
FIGURE 12 – ANNUAL INCOME FOR GAMERS AND NON-GAMERS IS SIMILAR



MULTI-PLAYER HOUSEHOLDS

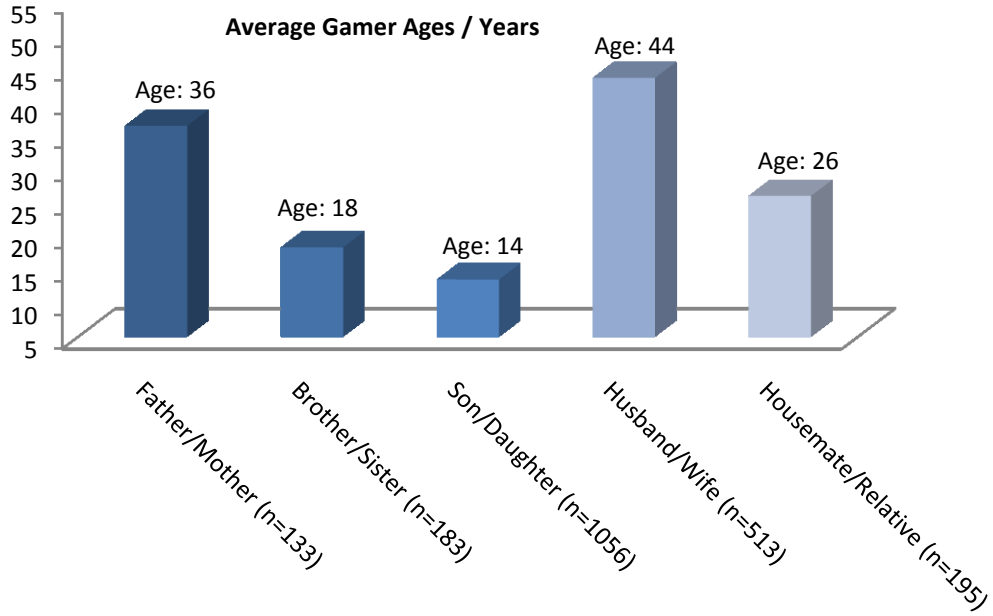
Game households are multiple-gamer households (Figure 13). Most game households are home to two players. Less than 20% of game households have four or more players. The most important conclusion to draw is made by comparing household numbers (of gamers and non-gamers) with numbers of gamers in each. Two-person households are two-player households whilst half of four-person households are players. Two-person homes are mostly adults without children who grew up playing games. As this group ages and produces children, four-person households presumably will become four-player households.

FIGURE 13 – TWO-PERSON HOUSEHOLDS ARE TWO-PLAYER HOUSEHOLDS



Gamers in these multi-gamer households play telling roles. When participants were asked to identify all the other people in their homes, they were asked to indicate the gender, age, family role and gamer status for each (Figure 14).

FIGURE 14 – ALL HOUSEHOLD ROLES ARE FILLED BY GAMERS



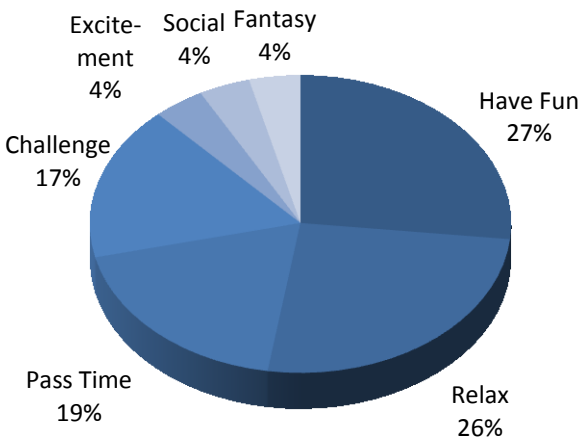
The majority (n=1056) were children who average 14 years of age. Half as many (n=513) were spouses whose average age is 44 years. Adults living with housemates 26 years of age was the next most populous group (n=195). Young adults and older teens living with their young adult siblings accounted for the next largest group (n=183) whose average age was 18. Older teens with younger parents whose average age is just 36 were least common (n=133), but demonstrate the unique character of the dynamic youthful gaming household in which all members are likely to play.

Stage 3. Player Behaviour

11 years is the length of time the average Australian adult gamer has been playing computer and video games. Those between the ages of 26 and 35 are the longest-term players, having played from childhood. On average, this age group has been playing for 14 years.

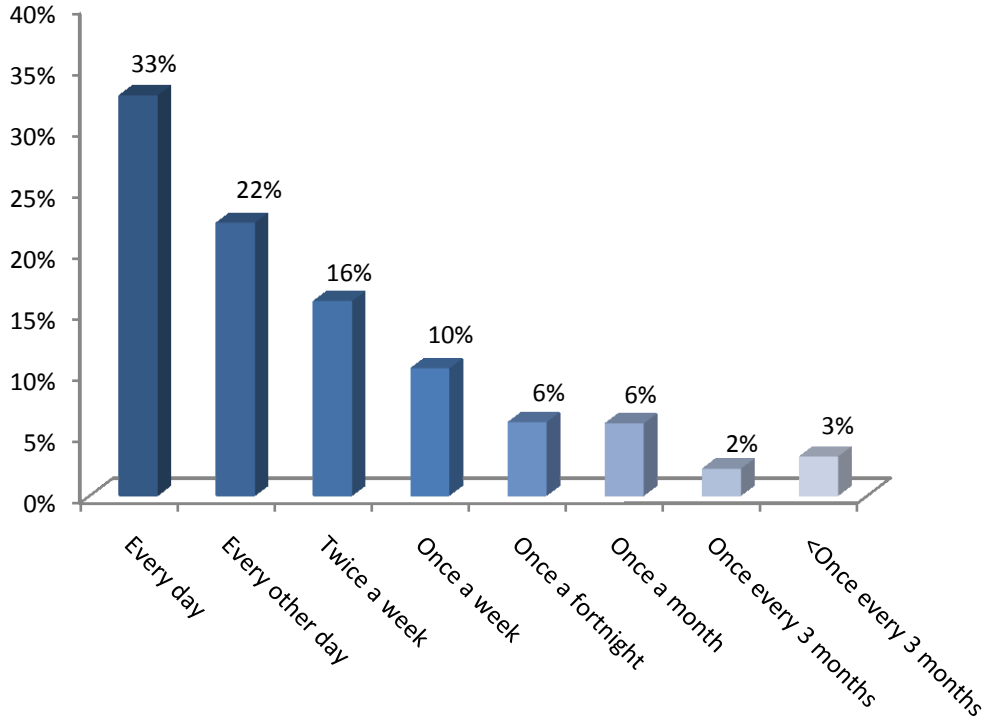
Given options that explain why gamers play, simply having fun and relaxing are the most frequently selected with one-quarter of adult gamers choosing these explanations (Figure 15). Passing time and being challenged are also popular explanations for playing. These findings suggest that games mainly serve as part of a healthy lifestyle that balances work and play and engages family and friends. Like social tennis and card games two generations ago, computer games today are one way that Australians play together.

FIGURE 15 – GAMERS MAINLY PLAY FOR ENJOYMENT AND RELAXATION



In past years, gaming has been an irregular or sporadic activity often punctuated by prolonged periods of inactivity. As we reach the end of the first decade of this century, gamers are incorporating play into their daily routines (Figure 16). Half of all gamers play either daily or every other day. Another 25% play at least once a week and less than 20% play less frequently.

FIGURE 16 – HALF OF ALL GAMERS PLAY AT LEAST EVERY OTHER DAY



This does not mean, however, that gamers are excessive in their consumption of the medium. In much the same way that television became a daily activity for many viewers in the 1960s, games are increasingly becoming a daily activity for gamers in the early part of the 21st Century. Most gamers play for one hour in a go (Figure 17). A quarter of gamers play for just half an hour and another quarter play for two hours. So-called casual gamers who play for a few minutes when they get a chance make up less than 5% of the gaming population whereas heavier gamers who say they play for four or more hours in a go make up just 5%.

The most convincing evidence of the moderate gaming habits of Australians is revealed when examining the relationship between how frequently Australians play computer and video games with how long they play in one go. With this comparison, the largest single group of gamers (10%) plays for half an hour every day. The next largest proportion (8%) plays for an hour every day with another 8% playing an hour every two days and another 7% playing half an hour every two days. Less than 1% of Australians play for five or more hours every day.

This finding flies in the face of considerable popular news attention given to "addicted" gamers. Indeed, it is clear from this evidence, now available in three studies since 2005, that Australian gamers are selective, moderate gamers looking for games to contribute to a healthy media lifestyle.

Further, this lifestyle is a social one.

Bearing in mind that gamers are likely to be adult, likely to live in an adult-only household, likely to live with another player and likely to play casually it stands to reason that some will frequently play alone, but that most have opportunities to play games socially—often in a family/partner setting.

FIGURE 17 – MOST GAMERS PLAY FOR AN HOUR AT A TIME

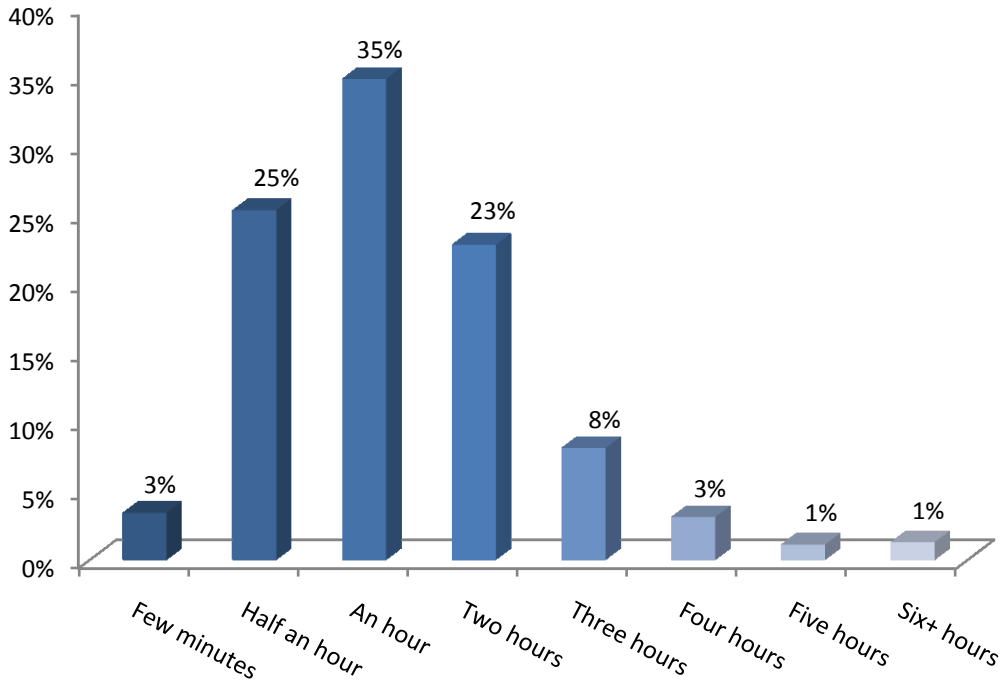
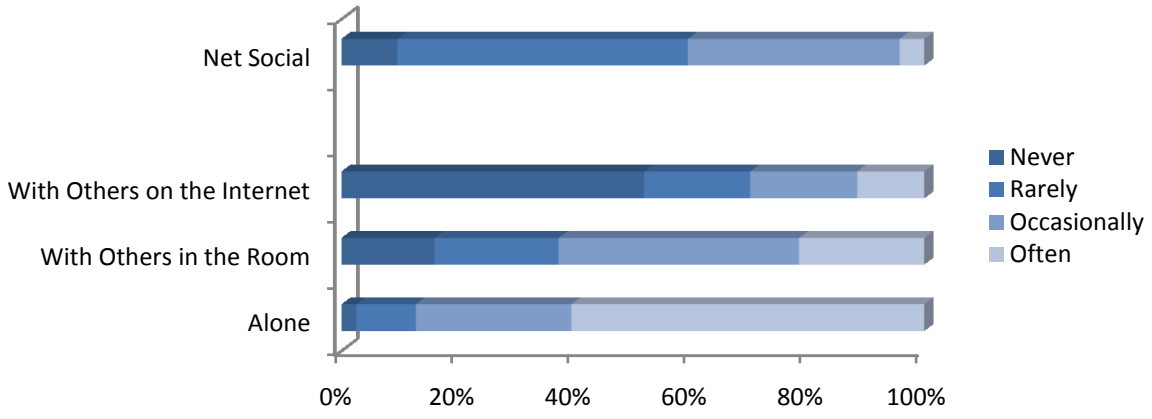


Figure 18 illustrates the social value of computer games. As many as 48% of gamers play online, although 12% play online "often." This finding mirrors data collected in 2007. Although the question was not asked, it would be useful to know the impact of broadband services on this figure. For example, if they were better would this number increase?

Among these gamers 16% "never" play with others in the same room. Another 22% "often" play socially in the same room. Another 41% say they do so "occasionally." These are small increases on 2007 figures suggesting that social play is increasing in game homes. Although it is true that 61% of gamers "often" play alone (also a small increase on 2007 data), 13% report doing so either "rarely" or "never" and this too is down on 2007 numbers. The suggestion is that game play patterns are shifting slowly and when we calculate net social play, we better understand the evolution of gaming to include the development of game forums, game "clans" and so on.

FIGURE 18 – SOCIAL PLAY IS SHIFTING SLOWLY

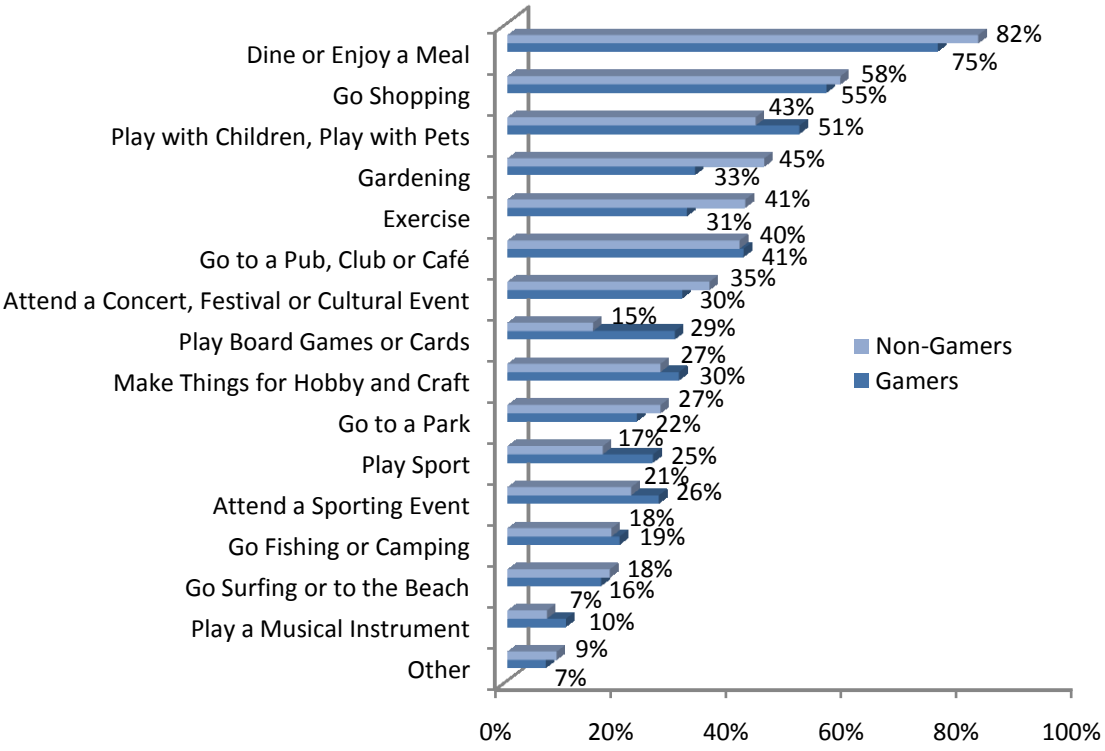


The net social play activity of Australian gamers can be calculated by taking the responses by players to the question about how frequently they play alone and reversing this code (if 3% never play alone, then that same 3% always play socially). Responses to this question are then averaged with those in response to the questions about playing with others to obtain an index score. This produces the finding that only 10% of gamers NEVER play with others (either in the same room or on the Internet) but also demonstrates that only 40% occasionally or often play with others leaving 50% rarely doing so. The implication is that Australian social gaming is entering a robust experimental phase in which consumers look for opportunities to play socially together. There are no differences by gender in this finding.

OTHER BEHAVIOUR

Earlier we presented evidence for how all participants in the study ranked different non-media and media leisure activities by giving their first, second, third, fourth and fifth preferences across 16 non-media and 11 media options. Figure 19 illustrates the comparison of non-media leisure activities for gamers and non-gamers. The overwhelming conclusion is that they differ little in overall patterns of activity preferences. Non-gamers are more interested in gardening and exercise, but gamers are more likely to enjoy play with children, play sport and attend sporting events.

FIGURE 19 – GAMERS AND NON-GAMERS ENJOY THE SAME NON-MEDIA LEISURE ACTIVITIES

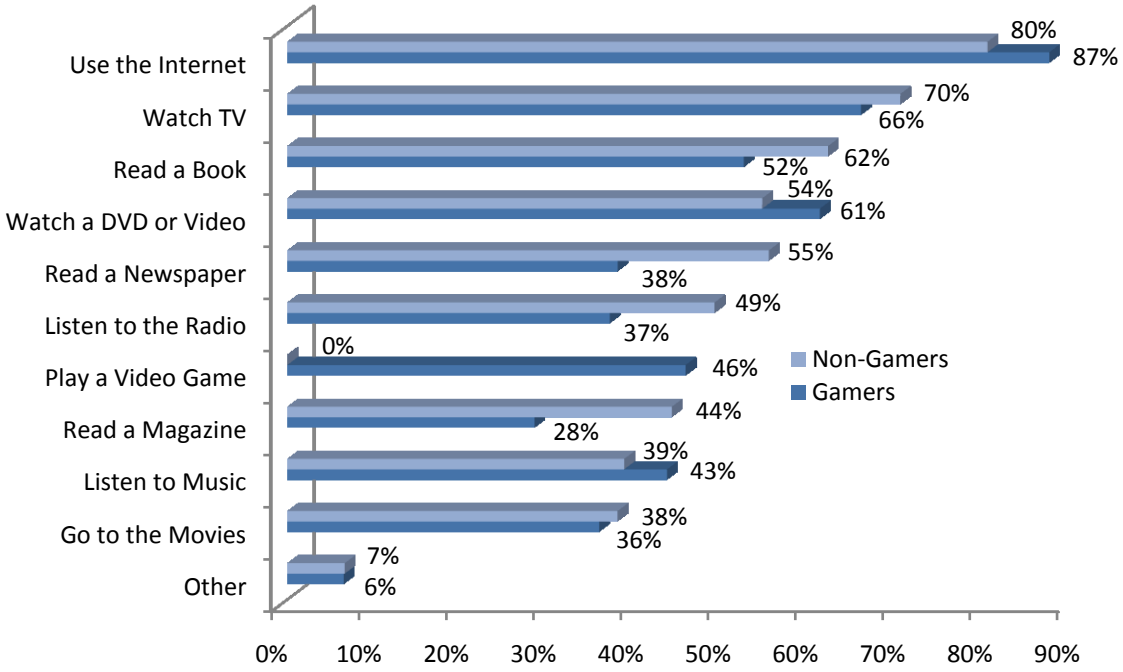


Similarly, Figure 20 provides an illustration of the comparison between gamers and non-gamers for media activities. Again, the interests of both groups trend similarly. For example, using the Internet is the top activity for both. So is going to the movies. However, there are notable

differences. The first and most pronounced, of course, is playing computer and video games which ranks fifth among 11 key media activities. Non-gamers clearly spend their media leisure "budget" differently with more time spent reading books, newspapers and magazines, and listening to the radio. Less pronounced is the logical higher use of the Internet by gamers and the slightly higher use of television by non-gamers.

Overall, the adult participants in this study, whether form game or no game households said they spent between one and three hours every day using the Internet. One quarter use it for an hour or less each day, one quarter for two hours, another quarter for three to four hours and the rest for

FIGURE 20 – GAMERS AND NON-GAMERS DIFFER MORE IN MEDIA PREFERENCES



Details about the way gamers and non-gamers use the Internet are particularly revealing (Figure 21). Both gamers and non-gamers use the Internet for personal communication, home banking and to pull down information related to products, the news and so on. Gamers more than non-gamers appear to be engaged in many of the so-called "Web 2.0" functions. These include social networking, pulling down rich media, downloading content and self-publishing. Naturally gamers also play games online and download them as well (note non-gamers may download games for children).

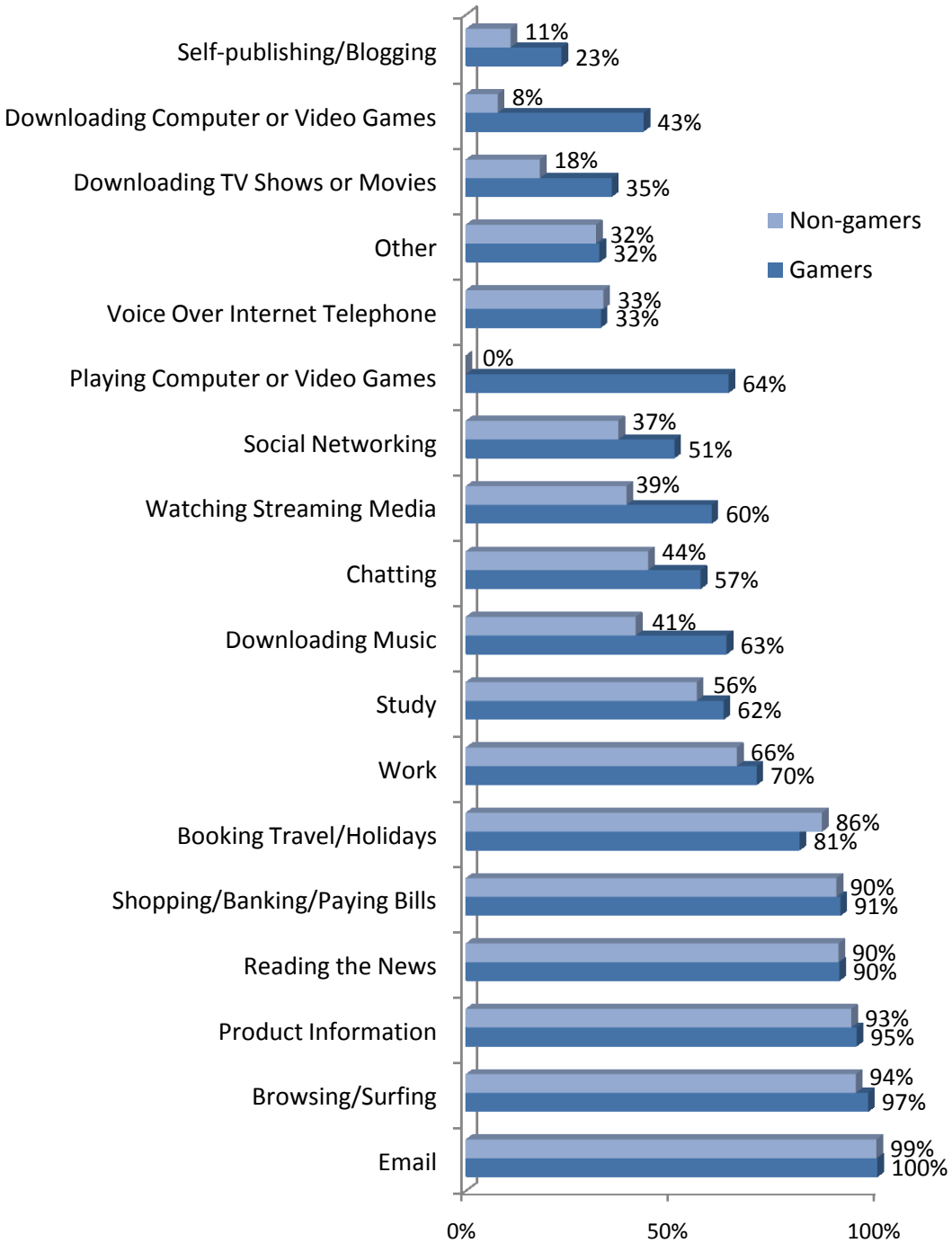
> **"Games have the potential to be socialising, challenging, lots of fun and provide an opportunity to learn more about ourselves and the world in which we live."**
>
> **Female, 57, Non-parent, Gamer, NSW**

These additional functions of the Internet are not as dominant as the core functions such as email and web-browsing, but they do differentiate gamers from non-gamers as active contributors of

content (in the form of social networking and blogging) and active consumers of streaming media and downloadable content.

Overall, the findings related to leisure activities among gamers demonstrate that computer games do not compete with non-media and outdoor activities (although specific activities differ for gamers and non-gamers). Instead, computer games compete with older media, just as television competed with older media two generations ago.

FIGURE 21 – GAMERS ARE MORE LIKELY THAN NON-GAMERS TO USE NEWER ONLINE SERVICES



Stage 4. Player Preferences

Of course it is not entirely appropriate to paint all gamers with the same brush. We know, for example that gender is a substantial marker for different player preferences and attitudes toward games. Historically, female gamers have enjoyed what MIT scholar Henry Jenkins calls "walled garden games" in which play occurs within the confines of a limited game world whereas male gamers tend to like conquests and exploration. Age is another factor that differentiates gamers. Traditionally, children have played action/adventure games while the eldest gamers opted for computer game ports of traditional card and board games, as well as gambling simulators. Today, both gender and age differences generate more nuanced distinctions among gamers. We are able to bring to this discussion data collected on all gamers in households (n=3162).

GENDER

Gamer participants were asked to select up to three game genres they preferred to play. They were also asked to indicate up to three game genres preferred by another player who played most among all others in the household. For both groups, respondent gamer and other dominant player, we collected information for more than 2300 individuals. Figure 22 illustrates gender differences for game genres regardless of preference rank (first preference to third preference). Note that these preferences may not reflect unit sales data as gamers "settle into" the games in their collections over time.

The dominant finding from these data is that female gamers are having a marked impact on the games industry by the choices they are making when they play. Genres such as Family games that only a year ago represented less than 5% of total game sales, are now dominating many sales charts (discussed more in the section on the games industry later in this report).

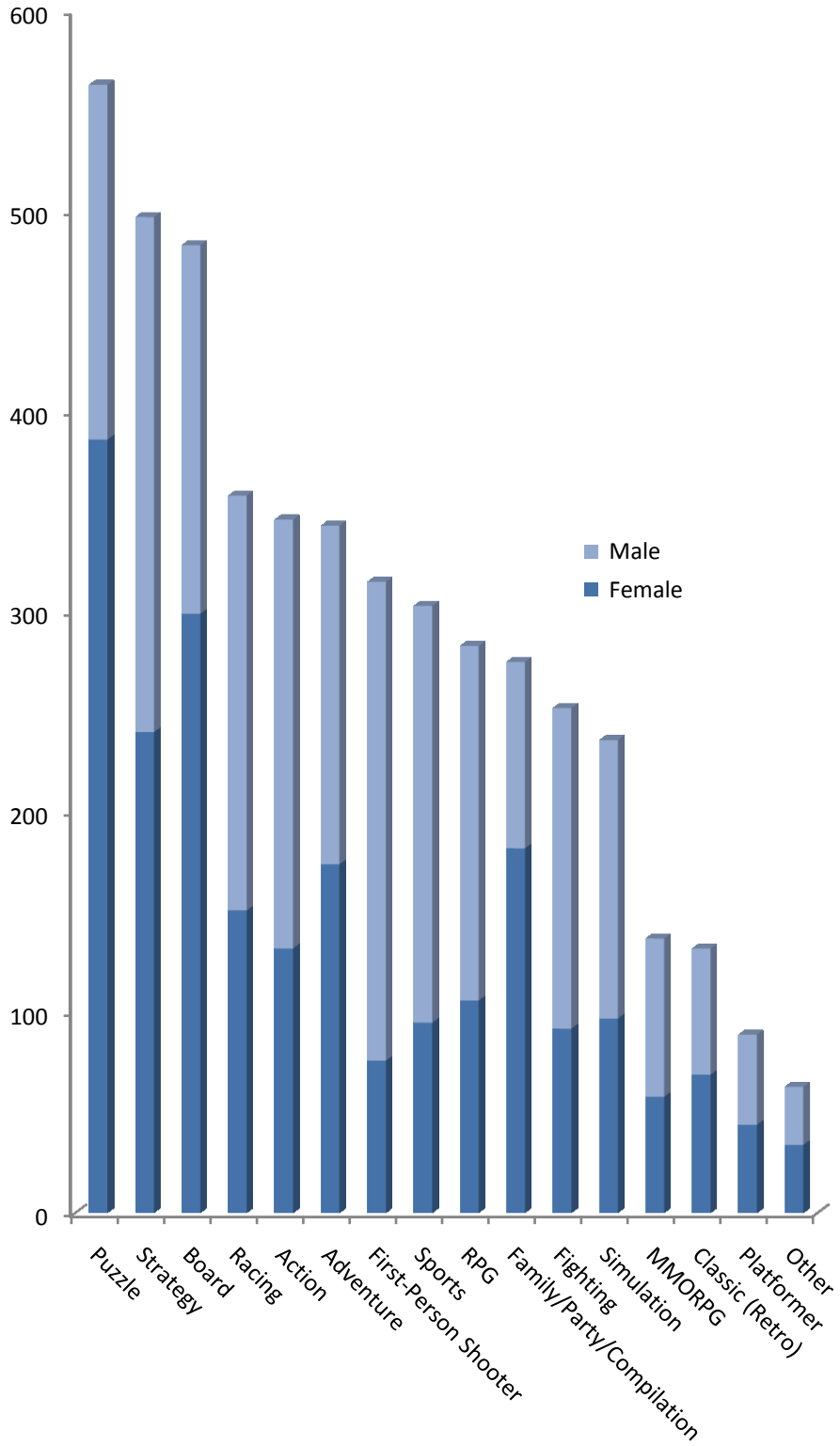
"Puzzlers" received the largest proportion of mentions by over the whole sample, but this was dominated by female gamers (69% of the total mentions were for women and girls). Family games and Board and Card games were also dominated by women who made up two-thirds of players for these genres.

By comparison, male gamers dominated selection of First-Person Shooter (FPS) games representing 76% of the audience for the genre. They also dominate Sports games, making up 70% of the total mentions for the genre and Role-Playing games (RPG) and Fighting games both with an audience of 63% males.

Game genres with nearly equal mentions by both female and male players included Adventure, Strategy, and Classic/Retro games.

There is a clear three-tier structure of game genre popularity when looking at all players, regardless of gender. The first tier is populated by Puzzle, Board, and Strategy games. This is the tier of game genres affected by the growth in the female game population. The second tier genres appear at the point when there is a significant drop in the overall number of male and female gamers choosing the genre. This tier starts with Racing, Action and Adventure games and ends with Simulation games. The overall number of players for nominated genres drops markedly again at MMORPGs and is rounded out by Classic/Retro games, Platformers, and "other" games in the third tier.

FIGURE 22 –FEMALE AND MALE GAME GENRE PREFERENCES CONTINUE TO DIFFER



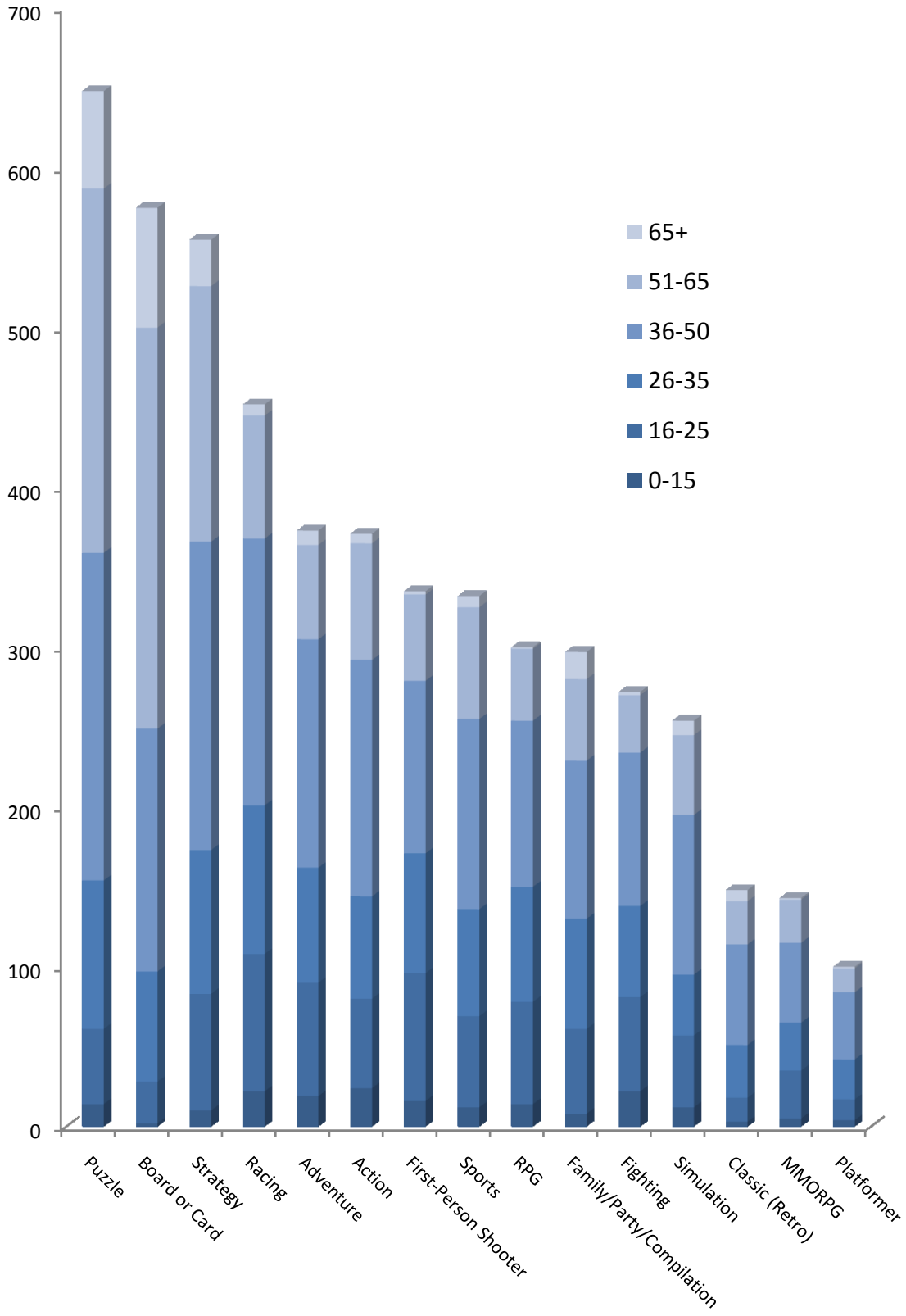
AGE

A second significant marker of differences within the population of people who play computer and video games is age. In the past, older players primarily played Puzzle, Board and Card games or games of chance primarily on PCs. By comparison younger players were identified with Platformers, Action and Racing games on consoles and handheld platforms. The adult groups between children and adolescents on the one side and seniors on the other were seen as target audiences for RPGs, Strategy games and Simulators. Figure 23 shows that these age differences continue to define differences among gamers and explain the differences between genre sales figures (later in this report) and the larger gaming population, some of whom will opt for games bundled with their personal computers when they start playing computer games for the first time.

Note the order of categories is slightly different in this figure compared with the previous figure for gender and genre preferences. This difference is caused by those instances when responses for a particular individual are missing (for example when age is not given by a participant and thus not included in the analysis). Nevertheless, the same pronounced tiers of popular genres appear in the age analysis, clearly influenced by the ageing population now playing computer and video games.

Following the Figure 23 is a series of profiles that examines the proportion of female and male gamers at different ages and the genres they prefer to play.

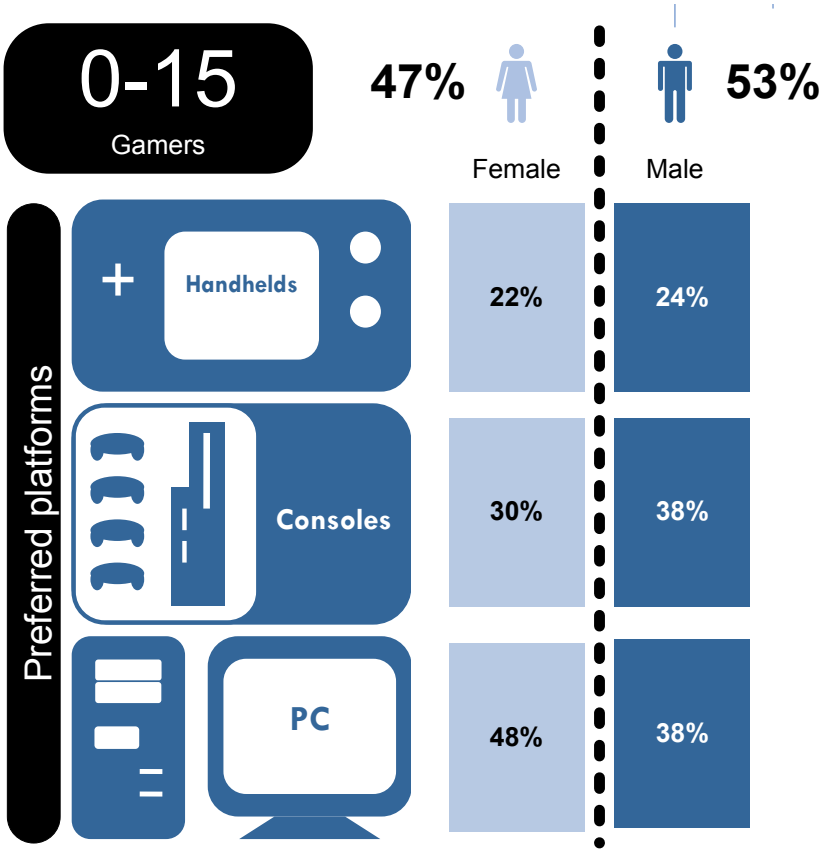
FIGURE 23 – AGE BAND DIFFERENCES IN GENRE PREFERENCES ILLUSTRATE AN AGEING GAME AUDIENCE



Stage 5. Profiles of Australian Gamers

68% of all Australians play computer and video games. Among these, and based on the foregoing data summarising Australians who play games by gender and age, the following set of graphic profiles illustrates the gender composition of each age group. For these, preferred platforms are highlighted to show the differences between female and male gamers. Details about genre preferences by age group are presented in the accompanying text with reference again to gender differences and similarities.

77% of all children up to age 15 are gamers. In this study, 27% of all gamers were in this age group including n=842 children who play games compared with n=256 (mainly between ages 0 and 7) who do not. Almost all children over the age of 7 play computer games. However, many children younger than 8 and particularly those younger than 5 do not play them. Indeed, uptake of computer game playing increases steadily with age.



Among boys and girls up to age 15 who play, handheld use is similar with more than 22% using portable game devices. However boys are heavier console users and girls heavier users of PCs. Handheld use in this demographic is proportionately higher in this age group than in others.

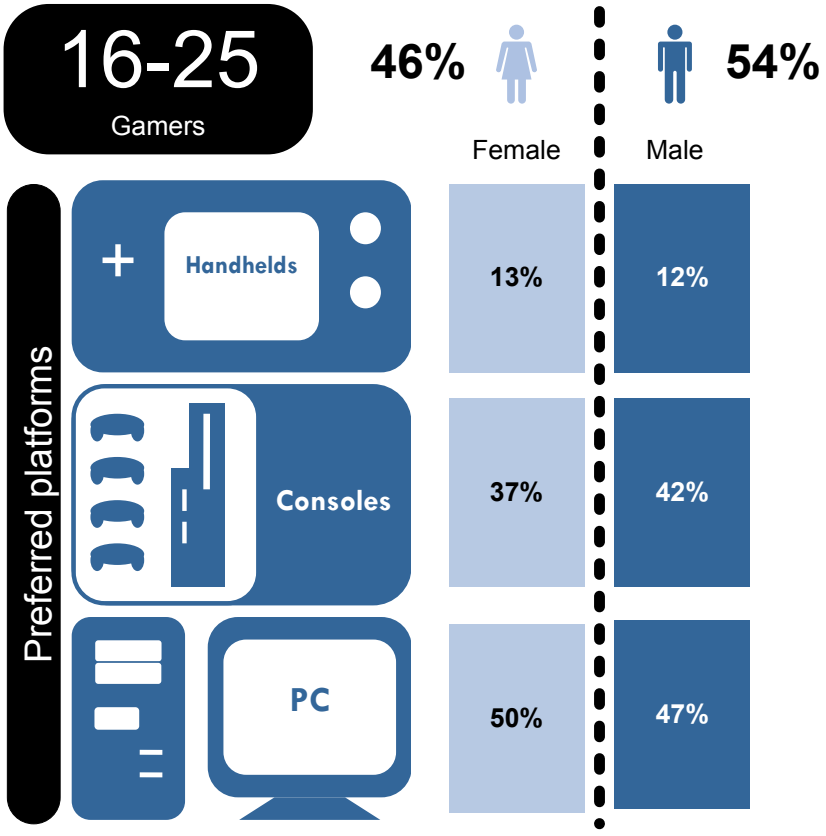
The most popular computer and video game genres across multiple platforms are Action (13%), Racing (12%), Fighting (12%), and Adventure (10%). Younger female gamers report enjoying life Simulators and are strongly represented among those who prefer Family games. By comparison, the youngest male gamers prefer Sports games. Both girls and boys report commonly using Adventure games.

84% of older adolescents and young adults between ages 16 and 25 play computer games. This age group represents the heaviest gamers in terms of the proportion of those who play: 22% (n=691) of all gamers were in this age group with another n=135 who were identified as non-gamers.

Gamers between ages 16 and 25 match the gender mix of all Australian gamers with 46% in this age bracket being female. There is little gender difference in preferred platform although console use among this and the next age demographic is highest compared with console use in other age demographics.

This group has wide representation across genres, indicating a willingness to experiment with different categories. Racing games (11%) and FPS games (10%) are the only genres in double digits for this age group. Strategy and Adventure titles follow (9% each).

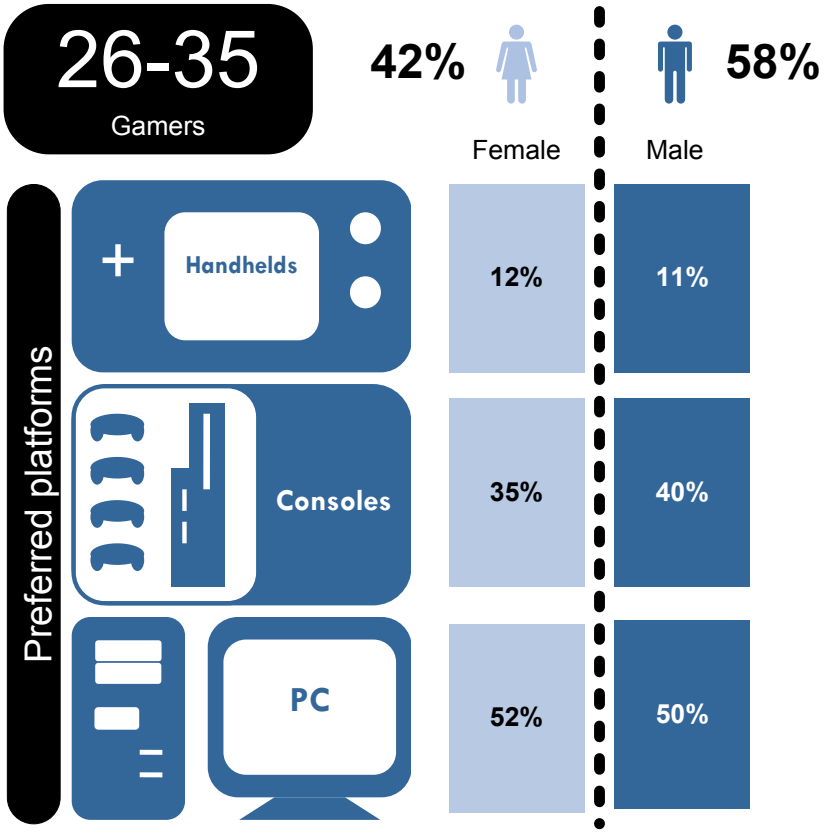
Female gamers tended toward Strategy with more males preferring First-person Shooter games. Both females and males commonly reported preferring Racing and Adventure titles.



77% of adults (n=446) between ages 26 and 35 play games compared with those who do not (n=134). This age group represents 14% of all gamers in this study. Gamers between ages 26 and 35 are more heavily male than female (58% compared with 42%). However their platform preferences are similar with males perhaps slightly more focussed than females on using consoles. For both women and men, however, console preference has peaked and PCs become increasingly preferred by older gamers.

These adults prefer Strategy (10%), Racing (10%) and Puzzle (10%) games with Strategy and Adventure games following (9% each). Newly popular Family games (7%) peak in this age group.

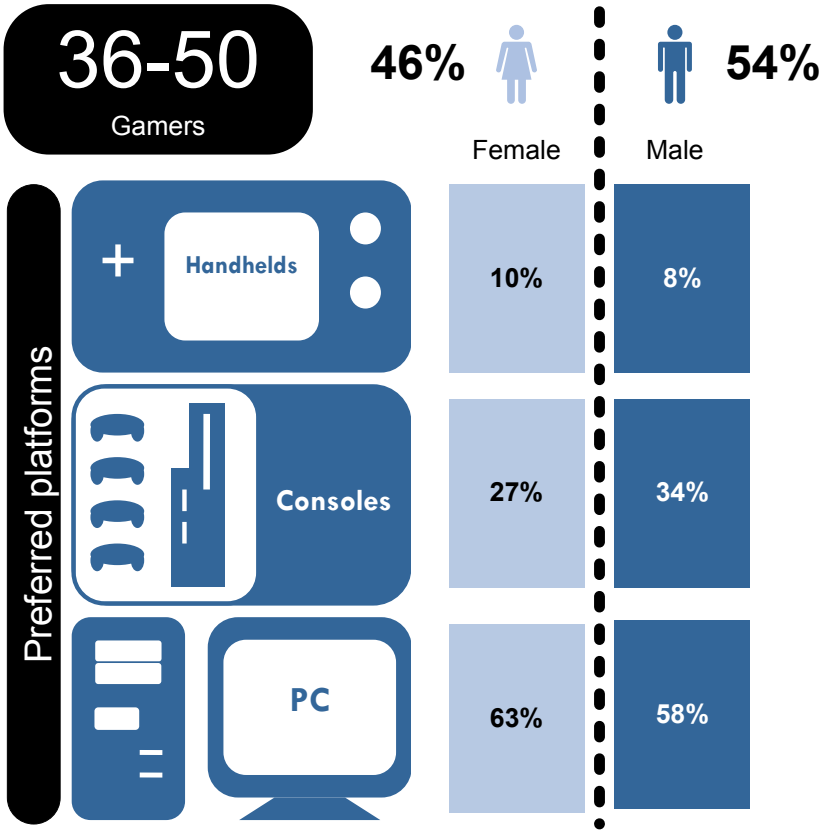
Puzzle and Family games begin getting more mentions among female gamers at this age bracket to illustrate the growing impact of women on game preferences. Males in this age group maintain the ongoing preferences for Strategy, Racing and FPS interests. Both enjoy adventure titles.



58% of all Australians between ages 36 and 50 years play computer games. In this study, a total of n=1034 adults were included from this age group with n=598 identified as gamers and n=436 as non-gamers. Among all gamers in the study, 19% are in this age band.

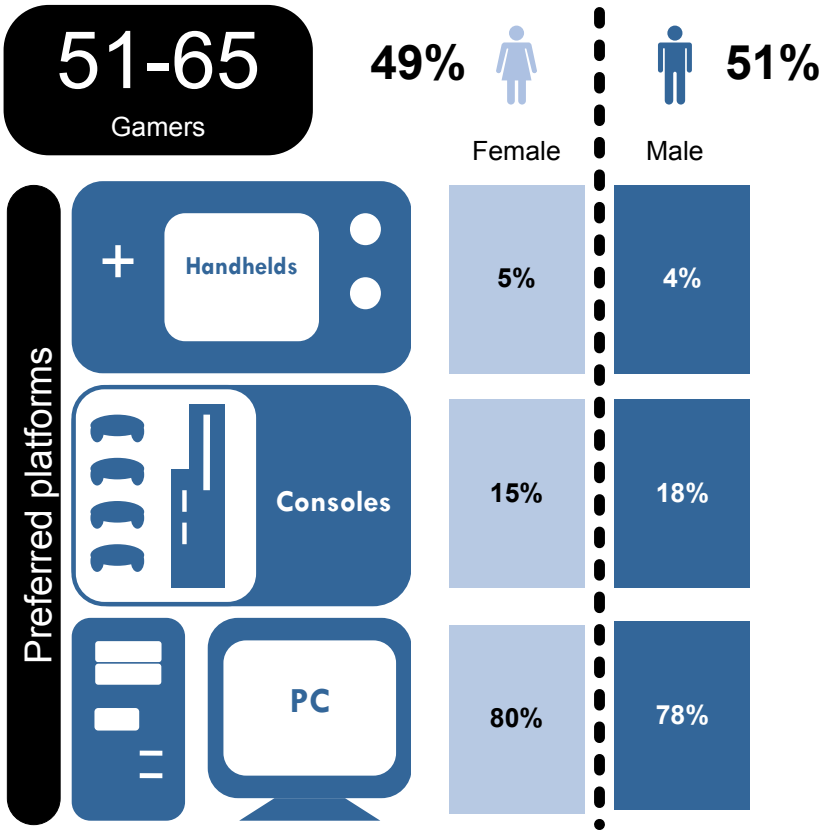
Gender representation among adults gamers aged 36 to 50 is consistent with the overall population of gamers with a distribution of 46% female and 54% male. As with other age groups, women in this demographic are slightly more focussed on PC games and men are slightly more focussed on consoles, but PC games become the clear norm.

Among these women and men, Puzzle and Strategy games are most preferred (11% each) with Racing (9%) ranked third. This group is the largest to nominate Classic/Retro games (4%). This group is well represented in the study sample and demonstrates the impact of family gamers on growing popularity of family among females and vehicle simulation games among males. Neither of these genres is the highest in number within this age group but both genres receive a boost by the size of this demographic.



52% of adults between ages 51 and 65 play computer games. This equates to n=472 gamers and n=440 non-gamers in this study. As a proportion of all gamers in the study, 19% are over the age of 50 with 15% of the entire sample in this age group alone. Moreover, many stereotypes of gamers are shattered by this age group. For example, females most heavily represented in this demographic at 49% of the total. Moreover, the PC clearly dominates game platforms among this age group.

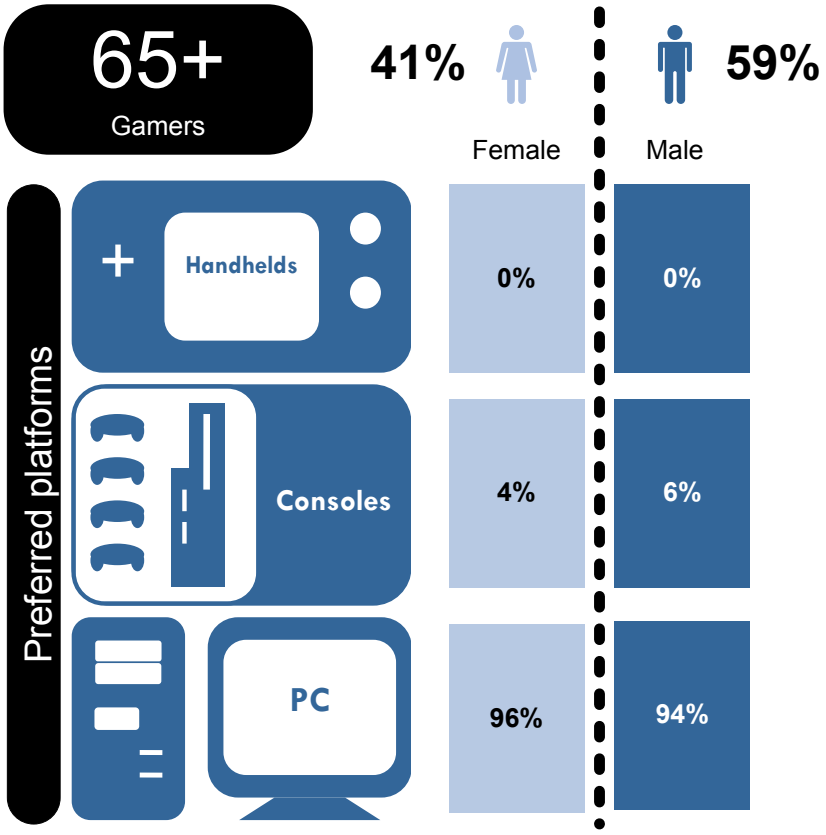
For these adults, the dominance of Board/Card (21%) and Puzzle (19%) games has an effect on the overall distribution of preferred genres in this study. Strategy games (13%) round out their top three genre preferences, while Action, Racing and Sports games complete the list preferred genres (6% each). Both male and female gamers are more similar in their game preference with age.



51% of seniors aged 65 and older play computer games. This age group represented the age group in the study (n=221) of which n=113 were identified as gamers and 108 as non-gamers. Seniors aged 65 and over were 4% of all gamers in the study.

In this group, playing games is defined by what is available as bundled software on a PC, or by games available through flash-based rich-media web sites online. Men in this age group are more likely to embrace PCs and are therefore also more likely to play computer games.

Thus, seniors further enhance the place of popular PC genres with Board/Card games dominating the games they prefer to play (32%). Puzzle (26%) and Strategy (12%) games also appear in the top three. Family games peak again here (7%), demonstrating the expansion of gaming as a family pastime with new consoles.



Stage 6. Conclusions

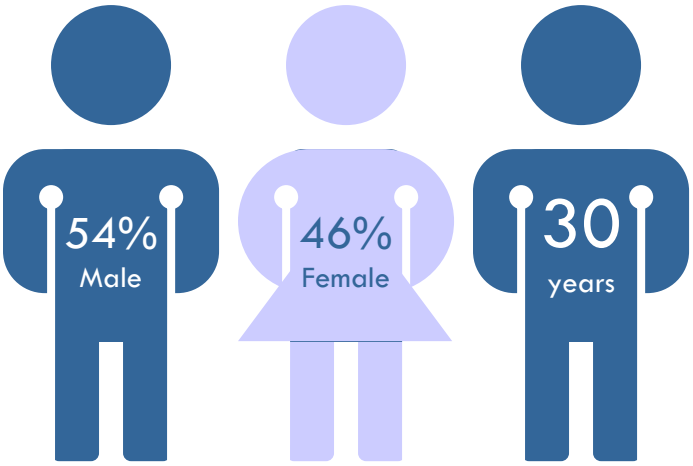
The average age of computer and video game players in Australia is 30 years old (an increase of 2 years over 2007 data). Non-players are 40 years old, on average. According to the ABS, the average age of all Australians is 36 years. We estimate that by 2014, the average age of gamers will be the same as the average age of non-gamers. Females make up 46% of the game population in 2008, up from 41% in 2007. By 2012, the proportion of female gamers in Australia will be equal to the proportion of male gamers.

The education, employment and income characteristics of gamers and non-gamers are similar. However, non-gamers are more likely to be seniors who no longer work and gamers are more likely to be enrolled as full-time tertiary students and to be employed part-time. Gamers live in households with modestly higher incomes than non-gamers.

The demographics of game households are such that 60% are home to two or more gamers. Half of all gamers play either daily or every other day. Including all players in Australian households, 63% play for up to an hour at one time; 5% play for four or more hours in one sitting, demonstrating moderate play habits. Gaming is increasingly a social activity with only 3% of all gamers NEVER playing with others (either in the same room or on the Internet).

The pattern of media leisure among gamers and non-gamers makes clear that computer games do not compete with non-media and outdoor activities. Instead, they compete with older media. Moreover, gamers and non-gamers are similar in their use of the Internet; however, gamers take more advantage of the Web 2.0 functions. There is little meaningful variation between light and heavy gamers across a range of media and leisure behaviours, other than the obvious difference in play behaviour.

Gender and age differences among gamer use of hardware and software show that women and older gamers are having a clear impact on platform and genre preferences. This is a matter further demonstrated later in this report when unit sales in the 2007-2008 financial year are reported.



Level 3. Family

> **"The right games, played in moderation and balanced with other activities can be a fun and rewarding part of play for children."**
>
> **Female, 43, Mother, Gamer, NSW**

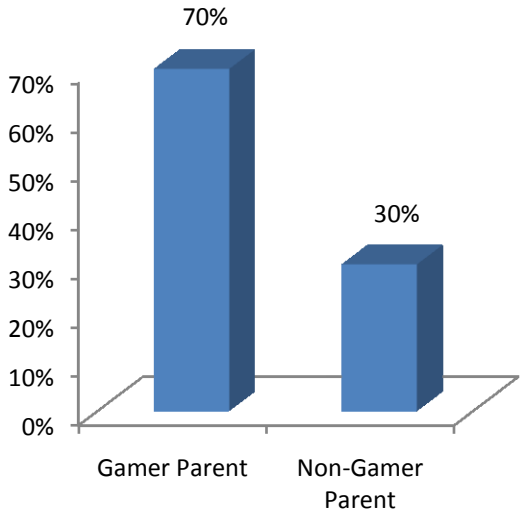
Stage 1. Introduction

Playing computer games was once thought to be the secluded domain of adolescent males. Those gamers of the 1970s have families now and they play computer and video games together. Compared with 2005 and 2007 studies, the family focus of gaming has increased substantially with many more parents identifying themselves as gamers and both mothers and fathers using games as part of their parenting role.

Stage 2. Parents

More than half (57%) of all participants in game households said they were parents of children under the age of 18 who were living with them. Of these parents, 70% said they themselves played computer games (Figure 24); 80% say they play games their children with 57% of all game parents saying they play "occasionally" or "often".

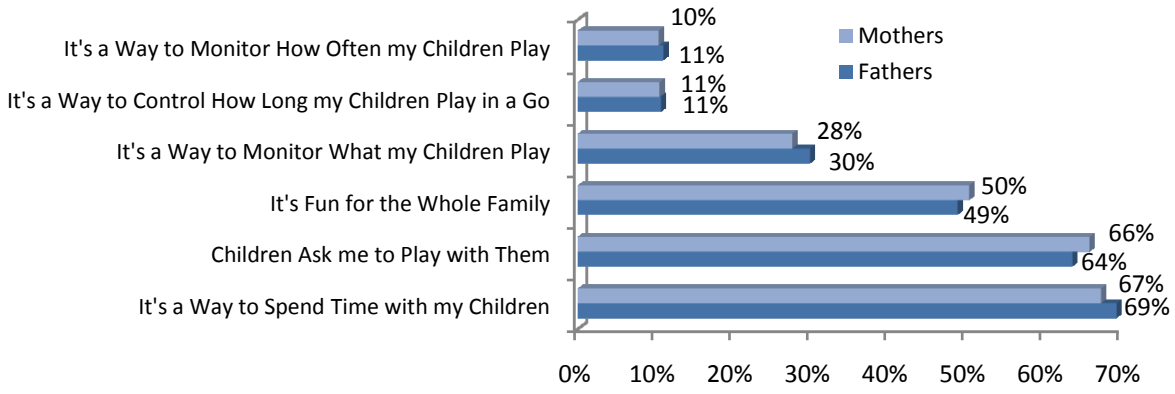
FIGURE 24 – TWO-THIRDS OF PARENTS IN GAME HOUSEHOLDS PLAY COMPUTER GAMES



Stage 3. Issues

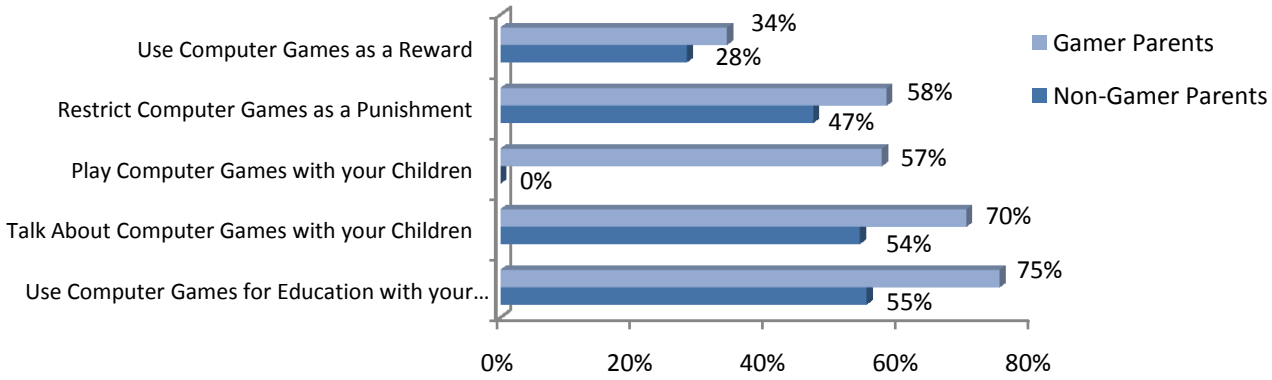
Primarily, gaming parents say they play computer and video games with their children because their children ask them to and because playing games with their children is a way to spend time together, learn about the games children play and monitor children's gaming habits (Figure 25). It may be a surprising result, but reasons why parents play with their children do not vary much between mothers and fathers. The increasing gender equalisation of the gaming population means that dads and mums are increasingly equal players with children.

FIGURE 25 – GAMING PARENTS PLAY WITH CHILDREN TO SPEND TIME TOGETHER



By being gamers themselves, parents seem more engaged with their children's gaming behaviours across the board (Figure 26). They are more likely to use computer games as reward and punishment and to talk about games with their children and to find educational value in their use.

FIGURE 26 – GAMER PARENTS USE GAMES WHEN PARENTING



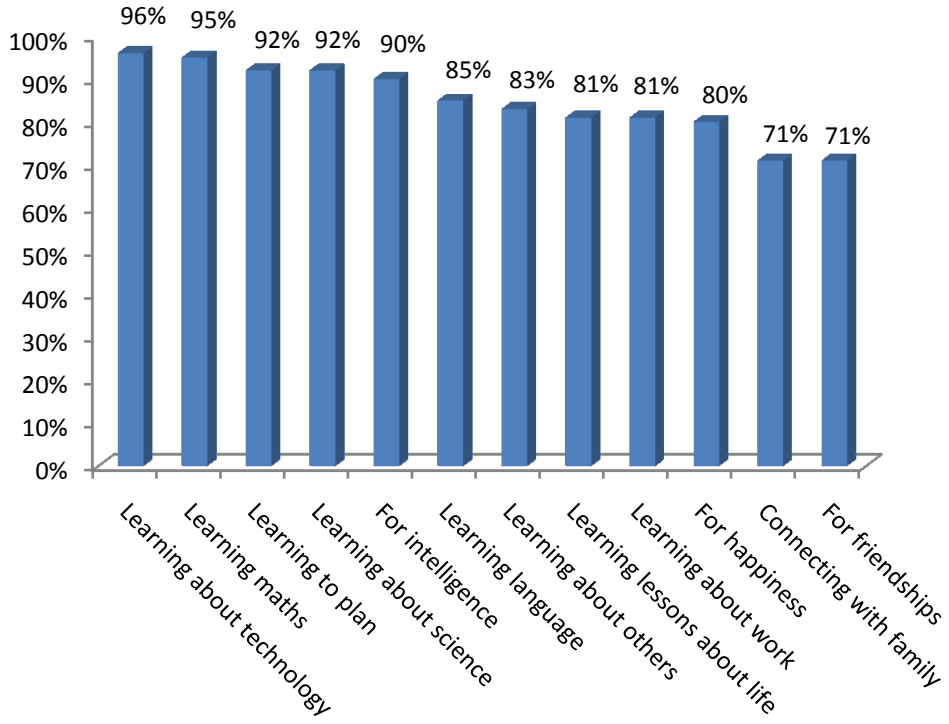
Regardless of whether they themselves play, parents are mostly positive about outcomes realised from their children's use of computer and video games (Figure 27). Of parents who expressed a positive or negative position about games between 90% and 96% said games were useful for learning about technology, maths, planning science and for developing general intelligence. Between 80% and 85% said games were useful for learning language, about others, lessons in life, about work and for contributing to general happiness. For connecting with family and friends, 71% said games were useful.

Many did not have an opinion, however and decided to remain neutral on these questions. Those without a view were more likely to be non-gaming parents than gaming parents.

A clear conclusion from these findings is that family play and parental involvement in that play, is a source for positive engagement not only with a medium, but with members of the family. Many participants indicated that games were like many other elements of our lives, there for the harvesting of positive outcomes, requiring little more than thoughtful engagement.

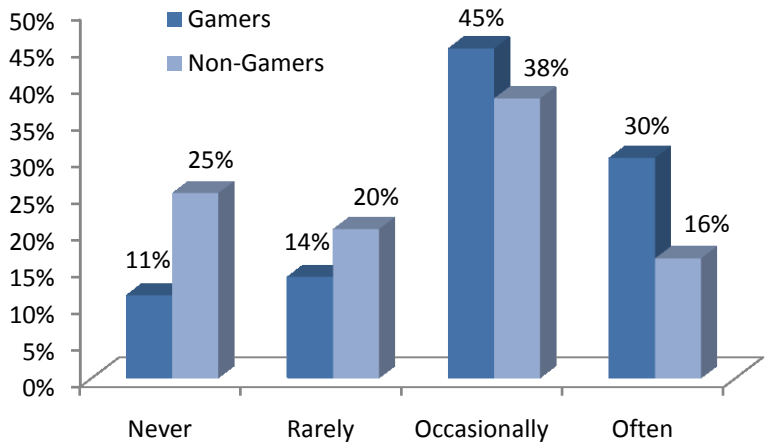
> **"They are entertaining, can be educational and from personal experience with my own children, promote logical thinking and improve hand/eye co-ordination."**
>
> **Female, 57, Parent, Gamer, SA**

FIGURE 27 – PARENTS ARE MORE POSITIVE THAN NEGATIVE ABOUT OUTCOMES OF CHILDREN'S GAME PLAY



There are many computer and video games on the market that serve a specialist role as educational games. Yet, many media offer incidental learning. Although many express scepticism about the educational value of games, parents, particularly gamer parents, use games as educational tools for their children. Only 25% of gamer parents and as many as 45% of non-gamer parents say they "rarely" or "never" use computer games for educational opportunities (Figure 28).

FIGURE 28 – MOST PARENTS USE COMPUTER GAMES AS AN EDUCATIONAL TOOL



Stage 4. Conclusions

In 2008, 70% of parents in game households play computer or video games and about equal proportions are mothers and fathers. Indeed, 67% of mothers and 69% of fathers agree that they play computer and video games to spend time with their children. What's more, parents who play computer games themselves more actively use computer games as a tool for parenting, taking advantage of the lessons games can impart on their own and leveraging the connection games create between parent and child. Only 25% of gamer parents and as many as 45% of non-gamer parents say they "rarely" or "never" use computer games for educational opportunities with their children. From these findings, it is clear that being a gaming parent is part of being an active parent.

Level 4. Classification

Stage 1. Introduction

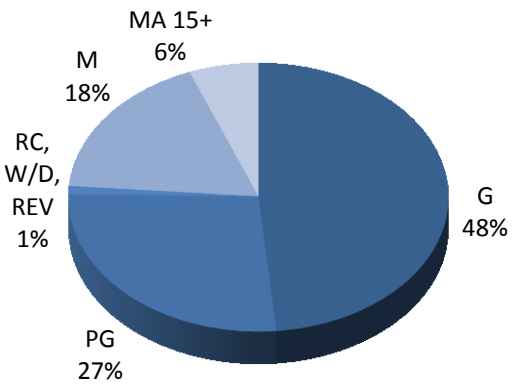
On matters of what the government says adults can and cannot do with their media, opinions are expressed readily. This is especially true of adults, who play games and have been playing them for years. In 2005, the vast majority of Australian adults (gamers and non-gamers alike) said they supported a classification system that recognised the full range of interactive entertainment products available in the global marketplace. Since that time, the classification regime in Australia has not changed. The question is, have Australian adults changed their views on the matter?

> **"Nothing should be banned by a censor board, but a rating system means that parents can make informed decisions similar to movies."**
>
> **Male, 56, Father, Gamer, NSW**

Stage 2. Classification in Australia

Australia is the only developed nation without a classification for games suitable for adults. Great Britain has an 18+ certificate under the BBFC (British Board of Film Classification). The United States has the AO classification for adults only under the ESRB (Entertainment Software Ratings Board). Twenty-nine countries across Europe have an 18+ certificate under PEGI (Pan-European Game Information). Australia has MA15+ under the Classification Board, formerly the OFLC (Office of Film and Literature Classification), which was folded into the Federal Attorney General's office in 2006. In Australia, games that do not fit within the restricted range of G to MA15+ are "Refused Classification," designated RC. In effect, they are banned from distribution and sale in Australia. Nearly half of all games are classified G and another quarter PG. M and MA15+ games make up nearly another quarter of games (Figure 29). A lot of media attention has been given to this anomaly and to the alternatives adult Australians seek to obtain games that have been banned. Although it is a small proportion of games (less than 1%, of the hundreds of games classified every year), games receiving an RC decision are increasingly the object of debate as the audience for games grows older on average and the proportion of gamers who are adult makes up an increasing number of the gaming population.

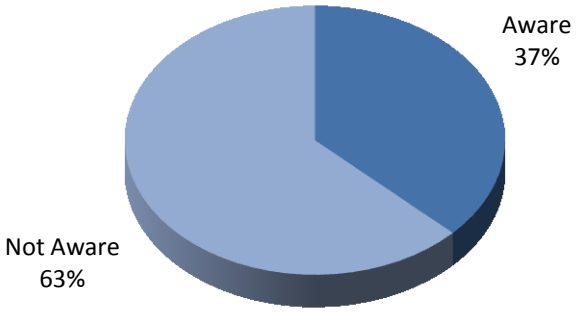
FIGURE 29 – HALF OF GAMES CLASSIFIED IN 2006-2007 WERE G



Stage 3. Awareness of Classification

Australians can be forgiven for not being aware of, or for being confused by, the absence of an R18+ for computer and video games when the classification applies to other media.

FIGURE 30 – ONLY A THIRD REALISE AUSTRALIA HAS NO R18+ CLASSIFICATION FOR GAMES



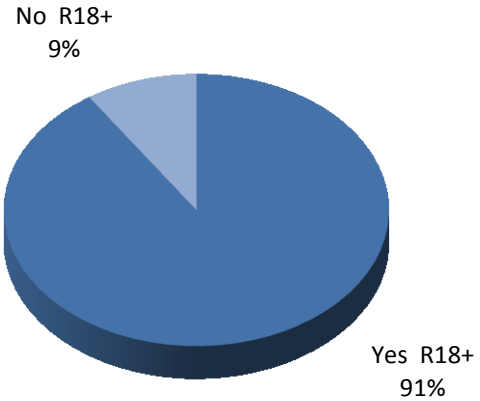
In 2005, the *GamePlay Australia* study found that one quarter of Australian adults were unaware that Australia had no R18+ for games. In 2008, the proportion has exceeded just one third.

Nearly two-thirds of all Australian adults are unaware that the Australian classification system has no R18+ for games even though it does have an R18+ for other media (Figure 30). As a result, parents say things like, "If I know that I wouldn't think MA15+ was for my 15-year-old."

Others are afraid they cannot get games they want to play. Still others are worried that games that should be R18+ are "slipping under the radar" and "skipping Aussie businesses" by coming in from online suppliers who operate overseas.

91% of Australian adults in this study, whether from game or no-game households, whether gamers themselves or non-gamers, think that Australia should have an R18+ for games just as it does for other media (Figure 31). Opinions about R18+ are strong as the quotations from the survey shown below demonstrate.

FIGURE 31 – ALMOST ALL SAY AUSTRALIA SHOULD HAVE AN R18+ CLASSIFICATION FOR GAMES



WHAT AUSTRALIANS THINK ABOUT AN R18+ CLASSIFICATION

"The purpose of a classification board is categorise content into who it is suitable for, not to censor certain types of content from the audience. Mature, consenting adults should be allowed to choose for themselves whether they play games with content suitable only for those over 18 - the OFLC [sic] should be providing good information as to what users can expect from titles, not blocking games from release entirely."

Male, 25, Non-Parent, Gamer, QLD

"I'm 32, I've been playing videogames for 24 years. I know what boundaries I have, and for me not to be allowed to play certain games because they are termed violent by a government official is an insult. Kids are also able to get games from overseas if they get banned, so it's useless to force them to do so. Australia should have an R18+ rating for games, or stop banning games and letting the educated society to choose media content for themselves."

Male, 32, Non-Parent, Gamer, VIC

"... while my children are informed about what the game does/doesn't do, I am not. It will help me make informed choices."

Female, 42, Parent, Gamer, QLD

"I often look for the classification on games to see what sort of content they have and if I am not happy with the content then my son/s do not get to hire or buy them."

Female, 46, Parent, Non-Gamer, VIC

"To make the classifications ... line up with what's available in other media. I probably would never want to play such a game myself, but I strongly feel that the government should not be denying access to these games by adults who are capable of making their own choices about what to play. The fact that illegal downloading is endemic in today's Australia makes the lack of availability of an R18+ classification for games particularly ludicrous. It means that not only is the Australian Government treating its citizens like children, but the situation hurts game developers as well by effectively forcing Australians who want to play these games into downloading them illegally. Besides ... the laws are out-of-step with the Australian community."

Male, 38, Non-Parent, Gamer, QLD

"The medium of video games has matured, along with the general age of video games' user base. I don't like the government banning content because it thinks I'm not mature enough to handle it. We also seem to be one of the last developed countries to introduce an equivalent rating for video games."

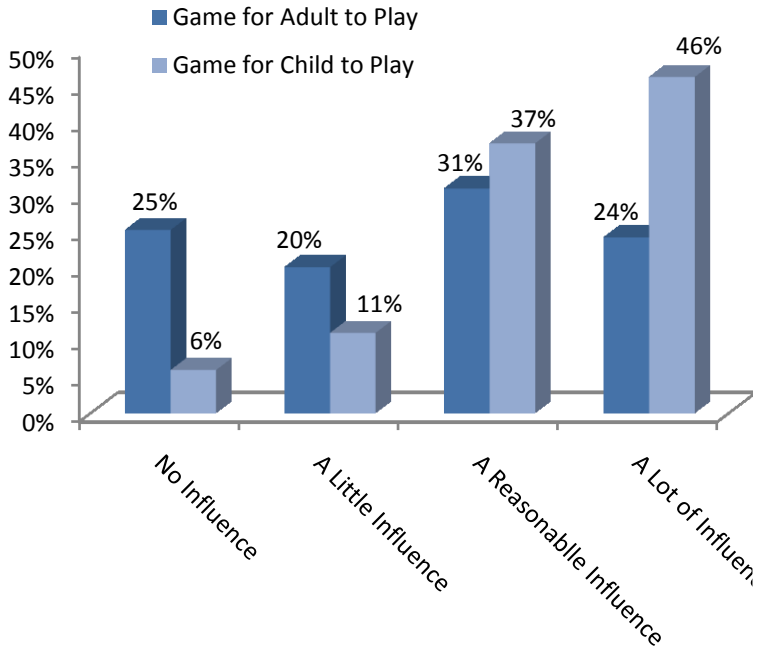
Male, 28, Non-Parent, Gamer, VIC

Stage 4. Classification and Purchasing

These findings demonstrate that Australian parents use classification more to guide their purchases of games for their children than for themselves or other adults in their homes. Figure 32 illustrates the different degrees of influence classification markings on a game package have when applied to games for children compared with games for adults. Only 6% of adults say the classification marking has "no influence" on their purchase of a game for a child, but 25% say classification has "no influence" when a game is purchased for an adult. By comparison, 46% say classification has "a lot of influence" on their decision to buy a game for a child but only 24% say it has "a lot of influence" when a game is purchased for an adult.

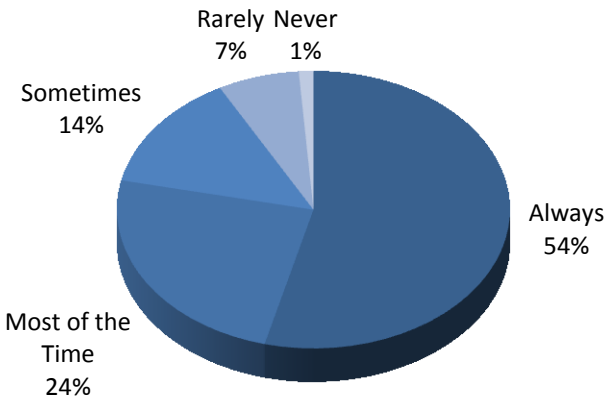
The absence of an R18+ arguably under-informs parents and over-simplifies the message about the range of game products available in the marketplace.

FIGURE 32 –CLASSIFCATION IS MOST IMPORTANT TO PARENTS' PURCHASING GAMES FOR A CHILD



Parents say they are almost always present when a game is purchased for their child or children (Figure 33). Indeed only 1% say they or another adult is "never" present for the purchase or hire of a computer or video game to be played by their children. More than half are "always present." Another 24% are present "most of the time." Thus when combining the degrees of presence, 78% of parents say an adult is generally present when games are purchased for their children.

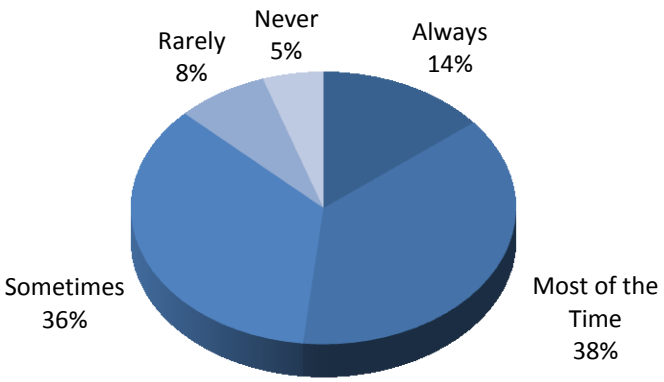
FIGURE 33 – ADULTS ARE PRESENT WHEN GAMES ARE HIRED OR PURCHASED FOR THEIR CHILDREN



Australian parents are more likely than not to engage with their children when their children want them to purchase a new game (Figure 34). More than 51% have their children with them when a game is purchased for their child either "most of the time" or "always" and another 36% have their children with them "sometimes." Only 13% say their children are "rarely" or "never" with them at the time of purchase. For those parents, it seems discussion, education, negotiation and engagement is a standard part of their desire to serve their role as a parent.

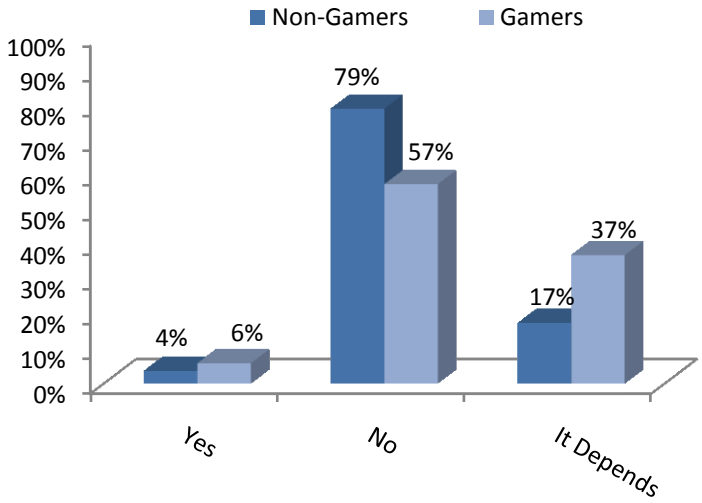
92% of parents say they are either "completely aware" or "mostly aware" of the games that are played in their homes. Less than one percent claim not to know. Further, more than half of all parents in homes with new consoles featuring parental control systems say they are using these to regulate the games their children can access.

FIGURE 34 – CHILDREN ARE THERE WHEN ADULTS HIRE OR BUY GAMES FOR THEM



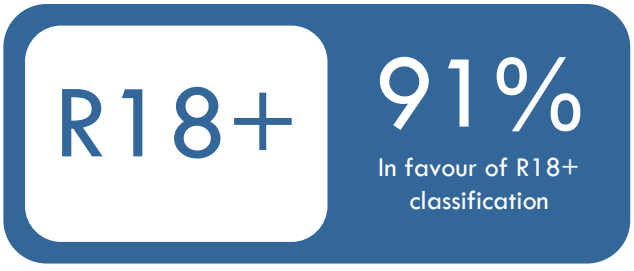
Moreover, compared with non-gamer adults (including but not limited to parents), gamer adults use their knowledge of games to make more nuanced decisions about the games they buy for younger players (Figure 35). When asked whether they would buy games for someone who does not meet the classification age marked on a game package, nearly 80% of non-gamer adults said "no" compared with 57% of gamer adults. Furthermore, only 17% of non-gamer adults said "it depends" while 37% of gamer adults said "it depends."

FIGURE 35 –ADULTS DON'T STICK TO CLASSIFICATION RECOMMENDATIONS



In the absence of awareness about game content, non-gamer parents rely heavily, but not exclusively on the classification a game receives by the government. On this basis, it seems particularly important for government to advise consumers fully on the nature of games in the market place. A father said, "R would be a clear "no" in my house, but an MA15+, I don't know."

Stage 5. Conclusions



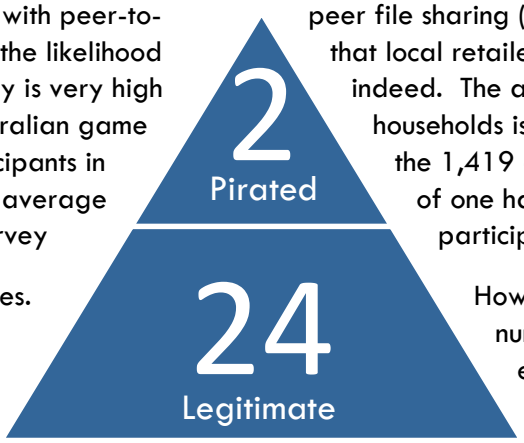
There is a very large awareness deficit about the classification system in Australia despite years of attempts at educating Australians by the Classification Board. Indeed, 63% of adults **do not** realise Australia has no R18+ classification for games. This is a clear policy and communication failure. When made aware, 91% of Australian adults (including both gaming and non-gaming) think that Australia should have an R18+ for games.

Fortunately, the absence of a complete classification regime does not affect the way most Australians go about buying games. 78% of parents say an adult is present when games are purchased for their children and 92% of parents saying they are aware of the games that are played in their homes. Even more heartening is that the increasing number of parents who also play computer games means they are more knowledgeable about the games on the market. Gamer adults use their knowledge of games to make informed decisions about games they buy for younger players, non-gamer adults rely more on the classification on game packaging.

Level 5. Piracy

Stage 1. Introduction

It is difficult to ask survey participants to confess to acting illegally. Given the degree to which Internet traffic is associated with peer-to-peer file sharing (many reports put P2P traffic at 60% of the total), the likelihood that local retailers and game developers are being undercut by piracy is very high indeed. The average number of computer game titles in Australian game households is 26 titles based on the numbers estimated by participants in the 1,419 game households in this study. Of these 26 titles, an average of one had been pirated or was an illegal copy according to survey participants.



That's nearly 4% of all games. However, overseas data and Internet traffic data put this number at closer to 10%. On this basis, a conservative estimate of game piracy in Australia is that 2 in 26 of the games in Australian homes are pirated. This number is not spread across all households, however with 83% of participants in game households saying they had no pirated copies in their library. Again, this number is likely an underestimate. Of the 17% who admitted they did have pirated games in their collection, more than 10% said they had one, 15% said they had two, 10% had three and 15% had five with another 10% saying they had 20 or more illegal copies of computer or video games in their homes.

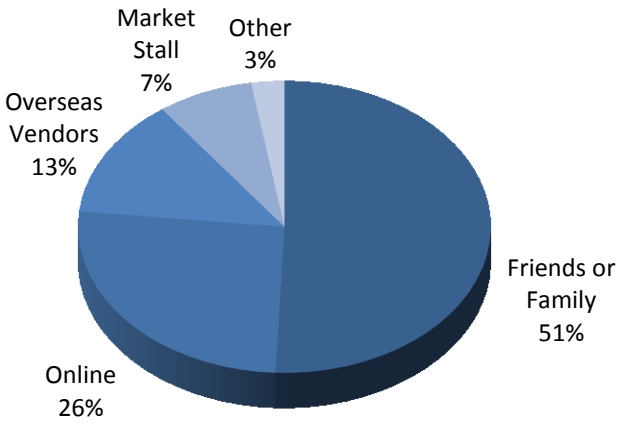
Although the overall number seems small, it represents a substantial proportion of the games industry's viability in Australia. According to the ABS there are 8 million households in Australia. With 88% of these being game households and each holding 26 games, simple figures put the total number of games now in private home collections at 183 million, of which more than 14 million are illegal copies.

Based on the conclusion that more than 14 million illegal copies of computer and video games are in Australian homes, 7 million come from friends or family and 7 million titles purchased from online and overseas vendors. Conservative estimates put the cumulative economic impact on the Australian games industry at AU$840 million.

Stage 2. Purchasing

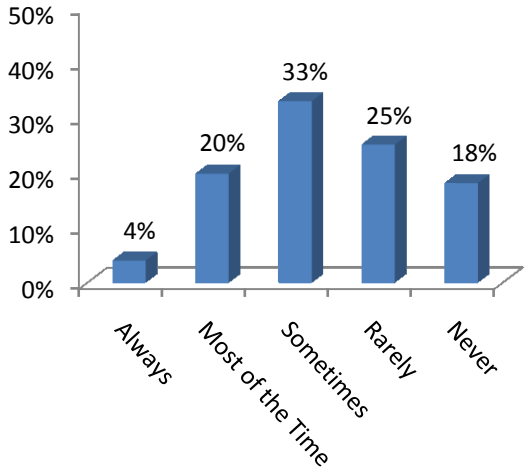
51% of pirated games in Australia come from copies made by family or friends (Figure 36). 26% are downloaded from online file-sharing sites and another 20% come from overseas vendors or market stalls.

FIGURE 36 – MOST GAMERS ACCESS PIRATED GAMES FROM PEOPLE THEY KNOW



A small proportion of the losses faced by Australian game retailers, developers and publishers may be recovered by gamers who, having tried a game from an illegal source, decide later to buy it (Figure 37). While 24% of participants said they "always" or "most of the time" purchase a game that they had earlier received as an illegal copy, more than 40% say they "rarely" or "never" do so. On this basis, we estimate that a small proportion of illegal copies do result in legitimate purchases, but that the majority do not.

FIGURE 37 – SOME GAMERS WHO PLAY PIRATED GAMES GO ON TO PURCHASE THEM



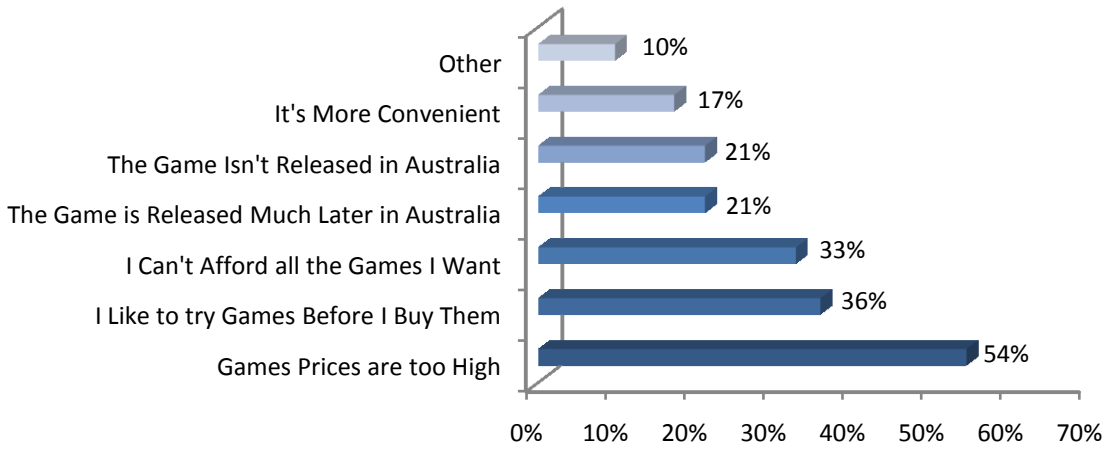
"I buy the games I want to play. I would never play a burnt copy of a game I would have bought."

Male, 42, Parent, Gamer, WA

Stage 3. Behaviour

Of the Australians in the 17% of households with illegal games, most (54%) rationalise their illegal copies by citing high prices charged for new games, regardless of declining price-points over the life-cycle of popular game titles (Figure 38). Another 36% say they obtain illegal copies to try games before they buy them. Another third say they want a large collection of titles they cannot afford. One-fifth cited delayed release dates for retail copies of games in Australia compared with other (mainly North American) national markets and one-fifth said the pirated games in their collection were games that were not released in Australia either because the game was refused classification or because it was distributed in a different, culturally specific market such as Japan. Nearly one-fifth said illegal copies are more convenient to obtain than retail copies.

FIGURE 38 – MANY FACTORS EXPLAIN WHY SOME AUSTRALIANS PLAY PIRATED GAMES



Stage 4. Conclusions

On average, Australian gaming household have 26 game titles of which two are pirated. However game piracy is concentrated in 17% of all homes (in which admission of piracy was forthcoming in response to the question) with the other 83% claiming they have no pirated games. The majority (51%) of pirated games in Australia come from copies made by family or friends. The result is a cumulative economic loss to the domestic industry of over AU$840 million.

Level 6. Attitudes

Stage 1. Introduction

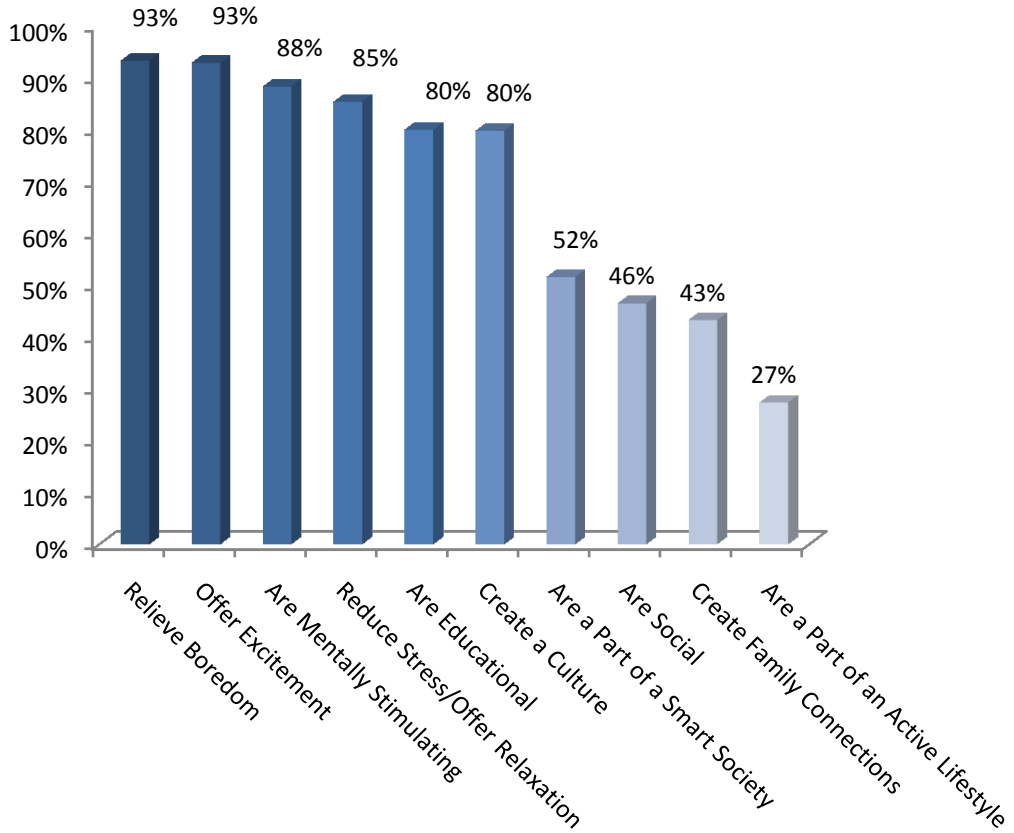
For many years, Australian researchers have found that Australians are optimistic about the role computer games play in society. Australians are also practical about the limitations and potentials that games offer. Just as the Australian game audience uses games in moderation and for enjoyment, they judge games with a mixture of enthusiasm and moderate caution.

> **"I think they can be a lot of fun. They can relieve stress and keep minds active. I think the amount of time spent on them can be damaging but if it's monitored in children and self monitored in adults then they can bring lots of enjoyment."**
>
> **Female, 35, mother, gamer, VIC**

Stage 2.

Nearly all adult gamers ***and*** non-gamers say that computer and video games relieve boredom and offer excitement (Figure 39). Between 80% and 88% say games are mentally stimulating, reduce stress are educational and contribute to culture.

FIGURE 39 – MOST ATTITUDES TOWARD GAMES ARE POSITIVE



That games are part of a smart society was endorsed by just over half. But the view that games are social, create family connections and are part of an active lifestyle was rejected by over half of all adults. However, if non-gamer adults are removed from the analysis, these numbers jump. It seems experience creates a different view.

> **"I find simulations and strategy games challenging. They help me de-stress and forget out work / problems etc."**
>
> **Male, 34, Parent, Gamer, QLD**

Moreover, the progression of computer and video games into new forms of entertainment will likely change perceptions about what games contribute to lifestyles such as activity. Certainly games are increasingly part of an active lifestyle as they feature more peripherals like musical instruments, cameras, boards and mats. Family connections and social interaction become better facilitated as hardware and software allow players to connect online and interact through not only games, but online meeting places designed specifically for social interaction.

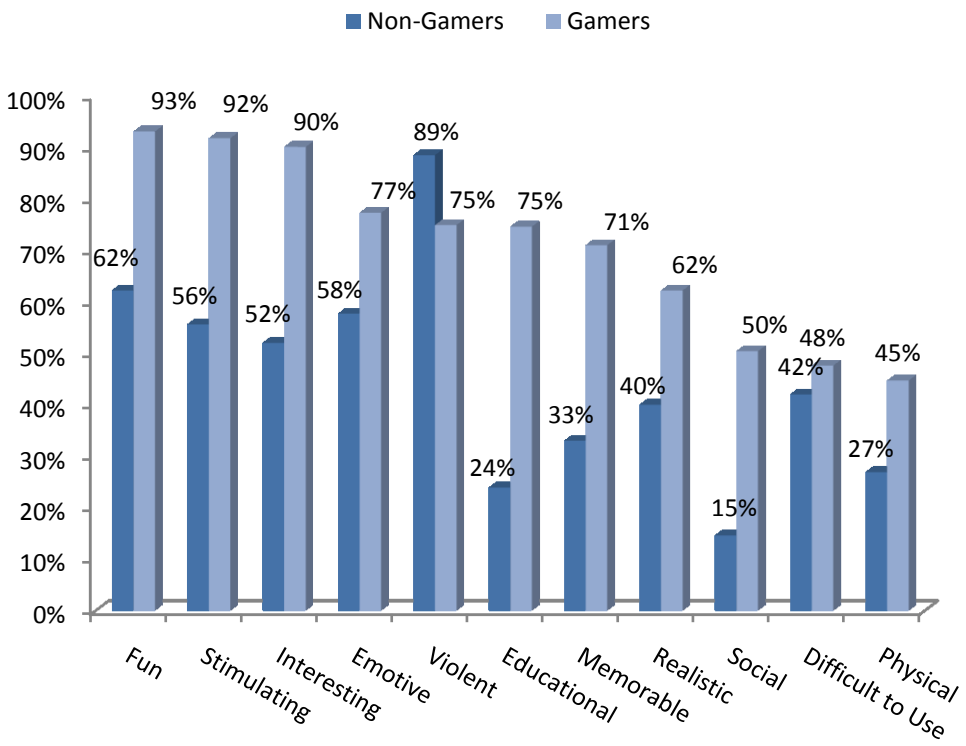
> **"[Games are] great for relaxation and mind stimulation as well as the enhancement of social interaction with online players worldwide."**
>
> **Male, 59, Non-parent, Gamer, QLD**

Stage 3.

Yet interactivity with the screen is often cited as a reason for computer and video games to be classified narrowly compared with film and other media. Popular media attention and an absence of research in this area leave the matter open for debate. Non-gamers have been identified as the most critical voices about interactivity in games whereas those who play them voice greater optimism. Even so, gamers may borrow from the popular claims that interactivity makes games more violent. The juxtaposition between attitudes of all gamer and non-gamer adults (including those in no game households) is most evident in Figure 40.

> **"When people act out violently, it seems trivial to blame a computer game. There must already be other problems there for them to become violent. Computer games seem like a scapegoat for other, deeper issues."**
>
> **Female, 34, Non-parent, Gamer, QLD**
>
> **"The games with violence in them definitely encourage violence in young impressionable children. Anything which children are exposed to at a young age should be controlled by their parents. The parent is responsible for what children around exposed to and so should restrict use of these games in young children."**
>
> **Female, 43, Parent, Non-gamer, NSW**

FIGURE 40 – INTERACTIVITY IS A POSITIVE ELEMENT OF GAMES



Gamers are more positive and less negative about the role of interactivity in games compared with non-gamers. They are much more likely to say interactivity makes game more fun, stimulating, interesting and emotionally arousing than media without interactivity. Gamers are more likely than non-gamers to say that interactivity makes games more memorable, realistic, social and physical. Gamers are much more likely than their non-gamer counterparts to say interactivity makes games more educational. The only area in which gamers say interactivity does not increase media characteristics is in violence.

Stage 4. Conclusions

Most attitudes toward computer and video games are positive. They relieve boredom, offer excitement, are mentally stimulating, reduce stress, are educational and create culture. Non-gamers are less optimistic than gamers about the effects of interactivity on media experiences. Enhancing violence is the number one effect of interactivity for non-gamers whereas it ranks fifth for gamers among a list of effects. Among the most positive potentials for interactivity in games is education.

75% of gamers say games are more educational than other media. This mirrors the finding that 75% of parents use games for education. Non-gamers are less positive in this respect and non-gaming parents do not use games for education to the same degree as gaming parents.

Level 7. Industry and Future

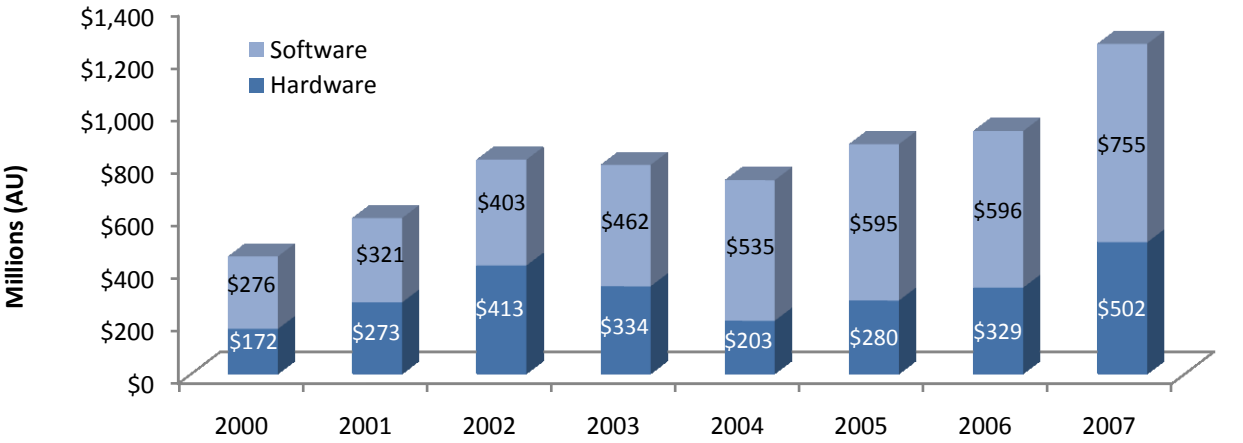
> **"There are some games out there that are true works of art. People don't realize that you are essentially solving puzzles when you play video games, not all of them are mindless 'slaughterfests.' I think of video games as being an interactive story."**
>
> **Female, 21, non-parent, gamer, NSW**

Stage 1. Introduction

The Australian market for computer and video games has experienced substantial growth over the past eight years (Figure 41). From under $500 million in 2000 to over $1.3 billion in 2007, computer and video games hardware and software have provided consumers with new forms of entertainment and leisure.

Games are not only enjoyed in Australia, they are made here too. According to the Game Developers Association of Australia, the local industry exported more than $120 million worth of product in 2007. Australia is home to more than 25 major game software studios.

FIGURE 41 – THE AUSTRALIAN GAME HARDWARE AND SOFTWARE MARKET DOUBLES EVERY 7 YEARS

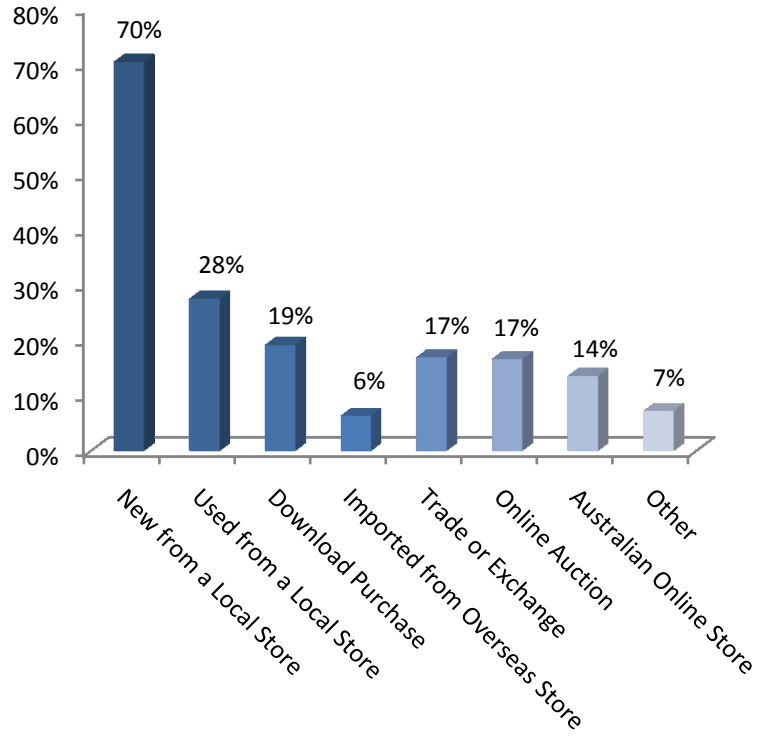


Data: GfK.

Despite continued growth in online sales for many consumer goods, computer games are mainly purchased from local retail sellers (Figure 42).

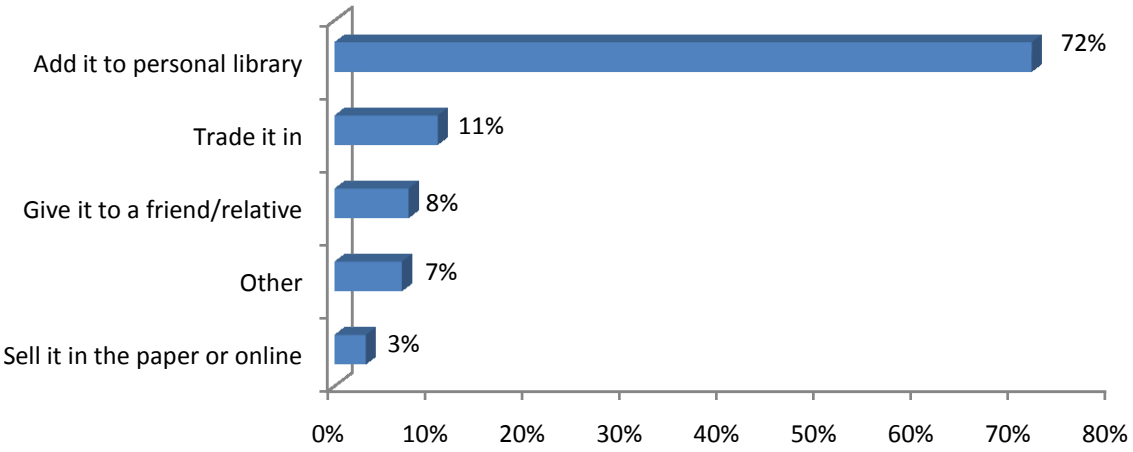
70% of participants in this study said they purchase games new from a local store, 19% download games through online vendors. However, many gamers report buying games from multiple sources with the least common source being overseas retail vendors.

FIGURE 42 – MOST GAMERS PURCHASE GAMES NEW FROM A LOCAL RETAILER



Games provide a very high value for money with many games being enjoyed for more than 100 hours before players report feeling they have "finished" the game. It's not surprising then that nearly three in four gamers say they keep a game and add it to their library of games after they finish playing it (Figure 43).

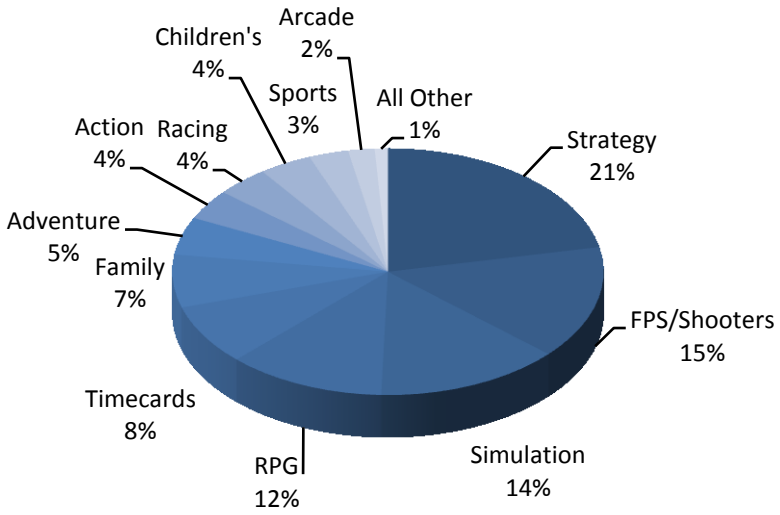
FIGURE 43 – MOST GAMERS ADD FINISHED GAMES TO THEIR GAME LIBRARY



Stage 2. Genre

Games played on personal computers now account for 18% of game software unit sales with more than three million units sold in Australia in the 2007-2008 financial year. Of these, Strategy games and particularly real-time strategy games dominate the category (Figure 44). The much maligned first-person shooter (FPS) ranks second among PC titles, however simulation games including life, flight and vehicle simulators grew in popularity over the past year. Online subscription games (*Timecards*) such as MMORPGs have grown in popularity and round out the top five PC genres.

FIGURE 44 – ACCORDING TO GFK, STRATEGY GAMES DOMINATE POPULAR PC GENRES

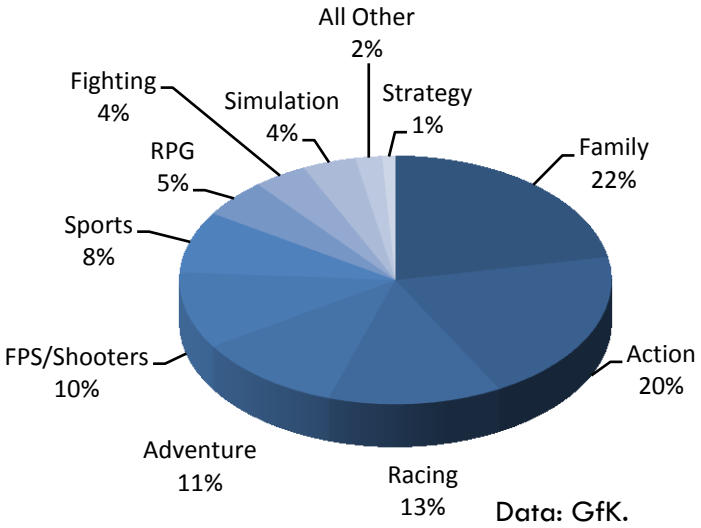


Data: GfK.

> **"They can be a fantastic hobby, even a social and/or learning tool. I hope the gaming industry, especially PC games, continues to grow and stay strong."**
> **Male, 23, non-parent, gamer, VIC**

82% of all game software unit sales in Australia are for consoles with family games rocketing from fifth position in 2006-2007 to first position in 2007-2008. Family games accounted for 22% of all unit sales in 2007-2008 compared with only 5% a year earlier (Figure 45). Action, Racing and Adventure games are a staple of the console video game industry, and they remained among the top five genres purchased by Australian gamers over past year. Sports games have moved out of the top five dropping to 8% of all console unit sales in the period compared with 15% in the previous year.

FIGURE 45 – FAMILY GAMES HAVE RISEN TO NUMBER ONE AMONG CONSOLE GENRES ACCORDING TO GFK



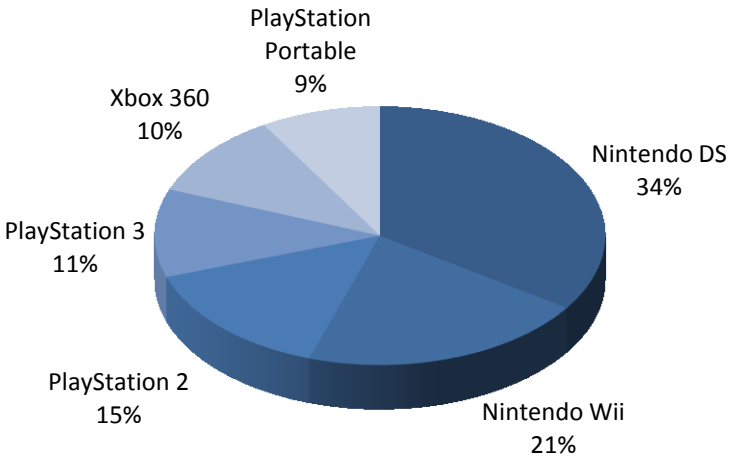
Data: GfK.

Stage 3. Top-Selling Console Hardware

Rapid shifts in consumer tastes have driven change and innovation in the international computer and video games industries for over three decades. Today, the popularity of family games and mobile hand-held devices have jointly fuelled expansion of the video game market introducing games to a wider audience demographic.

The sales of 1.7 million consoles in 2007 and 2008, including the Nintendo DS, Nintendo Wii, PlayStation 2, PlayStation 3, Xbox 360 and PlayStation Portable, has meant that PCs are no longer the default choice for games among the most active consumers in the market. Indeed, nearly two-thirds of all computer and video game sales in the 2007-2008 period was for software designed for one of the six major consoles on the market today.

FIGURE 46 – NEW CONSOLES CONTINUE TO GAIN MARKET SHARE GFK



Data: GfK.

Stage 5. Conclusions

Sales of computer and video game hardware and software have grown consistently year to year at an annual rate exceeding 15%. The impact of games on the local retail industry is great with 70% of Australians mainly purchasing games new from a local retailer. Moreover, most gamers recognise the value of their entertainment investment. When they complete a game, 72% add the game to their library instead of selling to second-hand stores or giving it away to a family member or friend.

Level 8. Methods

Stage 1. Introduction

Interactive Australia provides data on who is playing games in Australia, what gamers' attitudes and behaviours are like compared with those of non-gamers, the nature of the games market, the importance of games in the family experience and the role of online access in game purchasing and play. The study is based on a national random sample of 1614 Australians who responded to more than 75 questions and over 300 data points in a 20-minute online survey run by ACNielsen Surveys Australia. Two units of analysis are explored in the study: the household and the player individual within the household.

Stage 2. Sample

The target sample was set at 1600 households in order to provide sufficient sample size to attract game and non-game households in sufficient numbers for statistical comparison. IA9 is based on a national random sample of 1614 households in July 2008. Multiple units of analysis are explored in the study: the household (n=1614), and all individuals within game households (n=4671) plus the participant adult from households without a game device (n=181). Of the 4852 individuals studied, 3162 (68%) were identified as gamers.

A game household was one which had in it any device for playing a computer or video game, excluding mobile phone, smart phones/PDAs. A gamer was a person who indicated they play computer or video games, simply "yes" or "no." The response rate was 88%, demonstrating a very high effectiveness of the Your Voice Panel. The margin of error is ±2.4% for the national sample comparing all households and ±1.8% for all gamers.

Stage 3. Methodology

SURVEY CONTENTS

The national survey included 10 sections. The first section explored media and non-media leisure and was completed by all participants. The second section explored Internet and online access (all participants). The third section asked about the presence of game devices within the household (all participants) and was used to identify game from non-game households.

The fourth section asked questions about the participants' own game play behaviours and attitudes (game households only). The fifth section asked about all other household members and determined game-play status of each and the game play habits of one who plays most. The sixth section asked about classification knowledge and attitudes (all households). Section seven asked questions about parents' monitoring and other uses of games with their children (game households only, parents only). Section eight asked questions about game collections in the home and about game piracy (game households only). Section nine assessed attitudes toward games, their role in society and the impact of interactivity on media experiences (all households). The last section asked demographic questions including age, education, work status, religiosity, and income.

CONDUCT OF SURVEY

The national random sample telephone survey was designed by a team at the Centre for New Media Research at Bond University. It was designed to take the pulse of gaming in Australia and allow comparisons between game and non-game households, game-players and non-game players. The survey was conducted in July 2008 by ACNielsen Australia in Sydney. The online

survey used ACNielsen's "Your Voice Panel" which draws from 80,000 Australian households with representation in every state and territory. The Your Voice Panel is structured to be representative of the Australian population with the exception of online access by which surveys take place. Panellists volunteer for and are recruited to be part of the panel and are included in a benefit structure in exchange for their time and quality responses to social and market surveys.

ACNielsen is the world's leading provider of information and research to the consumer products and services industries. It has offices in more than 100 countries worldwide. In Australia, ACNielsen has been collecting and analysing information on consumer attitudes and purchase behaviour for more than 50 years.

DATA ANALYSES

ACNielsen provided the CNMRE with raw data from the survey for statistical analysis at the CNMRE. The data were analysed by study authors Jeff Brand and Jill Borchard. The data were analysed using SPSS V15 in the Windows operating environment.

Statistical procedures included simple descriptive statistics such as frequencies, cross-tabulations, means and tests of significance such as Chi-square and One-way ANOVA. For the purposes of including results for all members of a given household, the Vars-to-Cases procedure was used to create individual records for all persons identified by the participants in the study.

Data reduction procedures included reducing range for some questions to simplify presentation of responses. Some measures were combined into indices where obtaining a frequency or mean across a combination of measures simplified the presentation of findings.

Missing values were eliminated for analysis on a per-question basis unless multiple measures were examined conjointly. For these, the case-wise deletion method was applied.

Bonus Level. About

Stage 1. IEAA

The Interactive Entertainment Association of Australia (IEAA) is a national not-for-profit industry association dedicated to serving the business and public affairs needs of companies responsible for sales, marketing, distribution and development of computer and video games software, hardware and accessories.

IEAA represents the needs of the interactive entertainment industry in matters such as Classification, Research, Broadband, the Digital Economy, Copyright and Intellectual Property protection.

info@ieaa.com.au

www.ieaa.com.au

Stage 2. CNMRE

The CNMRE is a research centre within the Faculty of Humanities and Social Sciences at Bond University. Established in 1993, the Centre conducts quantitative and qualitative research on media and offers community and corporate education on media conduct, performance and effects.

The Centre consults for media and government organizations in Australia and the Pacific Rim including the former Australian Broadcasting Authority, the Special Broadcasting Service, the Office of Film and Literature Classification and the Australian Communications and Media Authority. The centre is staffed by two directors, an associate member and postgraduate research students.

www.bond.edu.au

ieaa
interactive entertainment
association of australia