BİLİŞİM VADİSİ | DIGIAGE Digital Animation and Gaming Centre

Re-Think

Digital Game e-Workshop Final Report

2021

BiLiŞiM
VADiSi
Technology
Development
Zone.

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Participants: This workshop was held online, with no participants meeting in person

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Nihal Coşkun - Yeditepe University
Arif Akça - Double Negative
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Semih Çağatay - Turkish Radio and Television Association
Abdullah Taha Müslümanoğlu - Freelance Digital Marketer
Zehra Büşra Tozkoparan - Dijital Medya
Sabrina Günay - Ministry of Family and Social Policies
Devrim Hatırnaz - Hatırnaz Yazılım
Yusuf Bilal Uğur - Kollektif Kariyer Merkezi
Güven Çatak - Academic at Bahçeşehir University
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Çetin Solhan - Happy Crab
Seyfettin Deveci - Happy Crab
Cankat Tigin Öztemiz - Gamegine
Zeynep Açıkbaş Kılıç -Vacuum Games
Burak Yılmaz - WePlay Ventures
Volkan Sevinç - Panteon
Anıl Güleroğlu - Bilge Adam
Türker Karahan - Udo Games
Şule Türkmen - Boğaziçi Ventures
Furkan Emre Çengel - Customer Sales Representative

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ABOUT E-WORKSHOP...

With the rapid advancement of digital technologies, the Turkish Game Industry is gaining great pace. Every day, investors and entrepreneurs working in the field attempt to enhance our share of worldwide markets by becoming stronger.

In order to provide the required support to this effort with all stakeholders, we hosted a complete e-Workshop with members of the Digital Game business in three different sessions, focusing on three major points: Human Resources, Investment Processes, and Commercialization and Marketing.

We hope that the Workshop's results will guide and support the industry, with the goal of creating the necessary catalyst effect in the industry by increasing our talented and competent human resources, providing the necessary support for the commercialization of investments and games, and establishing a strong marketing network.

Ahmet Serdar İBRAHİMCİOĞLU
General Manager

Introduction

Aim and Scope

The Digital Game sector has had an exceptional rise in 2020 with the pandemic encompassing the whole world, and this tendency continues to increase in 2021. As people spend more time at home due to the pandemic, they have more time to play games, and the number of instant users has broken all-time highs on numerous gaming platforms.

After the American Zynga purchased Peak Games and Rollic Games for 1.8 billion and 168 million dollars, respectively, and Peak Games became Türkiye's first "unicorn," investments in the business expanded fast in the first three quarters of 2020. According to the Turkish Game Industry Report, start-ups received a total investment of 19 million dollars in the first quarter of 2020, which increased to 45.8 million dollars in the third quarter; the volume of share sales transactions in the gaming sector has reached 2 billion dollars, and the gaming sector has become the one that receives the most investment.

> ***According to the Turkish Game Industry Report, start-ups received a total investment of 19 million dollars in the first quarter of 2020, which increased to 45.8 million dollars in the third quarter***

Given that Türkiye has a population of over 83.4 million people, more than 36 million mobile players, and approximately $880 million in player income, it is expected that the Turkish market and per capita gaming expenditures will continue to rise quickly over the next five years. Provided that the number of mobile gamers in the globe was 2.7 billion in 2020 and is predicted to reach 3 billion in 2023, the Turkish gaming sector should be given the required support.

Within this framework, Bilişim Vadisi has carried out the first well-attended Digital Game E-Workshop in order to solve the problems encountered in the sector and to clearly set forth the actions that need to be taken at the state level, the private sector level, and university level.

Method

Because of the pandemic, the session was held as an online e-workshop. The workshop was created by Yıldız Technical University FEAS Dean Prof. Dr. Halit Keskin, who was the session's moderator, after the opening statement of Bilişim Vadisi General Manager Ahmet Serdar İbrahimcioğlu. Dr. In three separate sessions done in three separate sessions,

80 people evaluated the issues at eight tables.
Globally, the video game business is expected to be worth $200 billion by 2023.

SESSIONS

FIRST SESSION (Human Resources)
•Oyun sektöründe yetiştirilen insan kaynağı ile sektörün ihtiyacı örtüşüyor mu? Süreci iyileştirmek için neler yapılmasını önerirsiniz? (Eğitim-Sektör İlişkisi)
• Devletin oyun sektörü ile ilgili politikaları incelendiğinde insan kaynağı yetiştirme, projelerde çalışan personelin vergiler açısından desteklenmesi gibi konulardaki desteklerini yeterli görüyor musunuz? Önerileriniz nelerdir?

SECOND SESSION
(Investment Procedures and Commercialization)
•What challenges do gaming companies confront during the installation phase, and what are their requirements in this context?
•What challenges do gaming companies (casual/mid-core) confront in the production process, and what needs do they have? How can a stable economic cycle be established? (For example, various methods of "securing" hyper-casual studios by Broadcasters)
•Is the government's tax support for gaming companies sufficient? What are the expectations for the taxing process?

THIRD SESSION (Marketing)
•What is the process of segmentation in the digital gaming market? According to these sectors, how should product development and diversification be carried out?
•Who are the actors (stakeholders) in the digital gaming industry's value chain? How should stakeholders strike a balance amongst themselves? (Producer – Publisher – Investor)
• How could stakeholders in the industry (state, private and public businesses, universities, and so on) developing digital games contribute to long-term economic development and productivity? • What should DIGIAGE's responsibilities be in this context?

THE FIRST SESSION (Human Resource)

•Do the human resources trained in the gaming business meet the needs of the industry? What steps would you suggest to improve the process? (Education-Industry Relationship)
•When examining the government's policies surrounding the game sector, do you believe that the tax support of the individuals working on the projects is adequate? What are your recommendations? Identified Issues and Suggestions for Solutions...

Identified Issues... (1) Human resource competencies:

One of the most essential parameters in the sector is human resource. It is vital to assemble a multidisciplinary team. The sector's needs are not fully met by trained human resources. Because it is a developing industry, important steps must be done today to avoid issues in the future. The widespread consensus is that there are issues with the graphic designer, who creates all types of audio-visual media for the gaming industry. An experienced game-specific trained workforce is required in the field of software.

Employment Structure in the Gaming Industry

•Game Producer
•Game Developer
•Game Designer
•Quality Control/Playtester
•2D & 3D Game Artists
•Animator and Rigger
•Concept Designer
•Product Manager
•Visual Effects Specialist
•Music & Sound Effects Specialist
•Marketing/Data Specialist
•PR Specialist
•Back-End Developer
•Web Developer
•Game Engine Developer

The widespread consensus is that there are issues with the graphic designer, who creates all types of audio-visual media for the gaming industry.

Solution Offers

The Sectoral Need for Human Resources: The gaming industry should clearly define its needs and show which industries require educated human resources such as software engineers and designers. Starting in primary school, the state (MoNE) should encourage a curriculum that reveals children's imagination and creativity through coding, design, and animation courses.

WHICH ACTION SHOULD THE GAMING SECTOR TAKE?

•Companies generating games in the private sector, as well as industry stakeholders, should participate in human resource training programs.
•The needs of the private sector should be clearly identified, and it should be indicated in which disciplines such as educated human resources, such as developers and designers, are required. Following this needs analysis, the human resources strategy should be developed.

WHICH ACTION SHOULD THE GOVERNMENT TAKE?

•Boost the number of social responsibility initiatives to increase interest, particularly those supported by the Turkish Employment Agency, and increase the number of programs recognized by the Turkish Employment Agency to contribute to the training of qualified employees in the gaming sector.
•A rise in the number of institutions and organizations that will function as mentors and operate in the gaming sector is required. It is vital to improve the quality of both education and educational institutions, as well as to sustain these institutions. Success tales usually end with the efforts of the companies themselves. To boost success, the state should provide various tools to the gaming business.

WHICH ACTION SHOULD THE GOVERNMENT TAKE?

•In order to train human resources for the game industry, the Ministry of Natio

nal Education or institutions supported by the MoNE should feed children's creative aspects during the pre-university education process.

•Specific training programs should be devised in order to identify children with promise, take them from amateur to professional status in the future, and bring them into the industry.

•Starting in primary school, consciousness should be established with the help of teachers, and the state (MoNE) should support the curriculum that will show children's imagination and creativity, through coding, design, and animation training.

•Vocational High Schools and Vocational Colleges should be included in the process. Furthermore, game workshops should be established to enhance formal education.

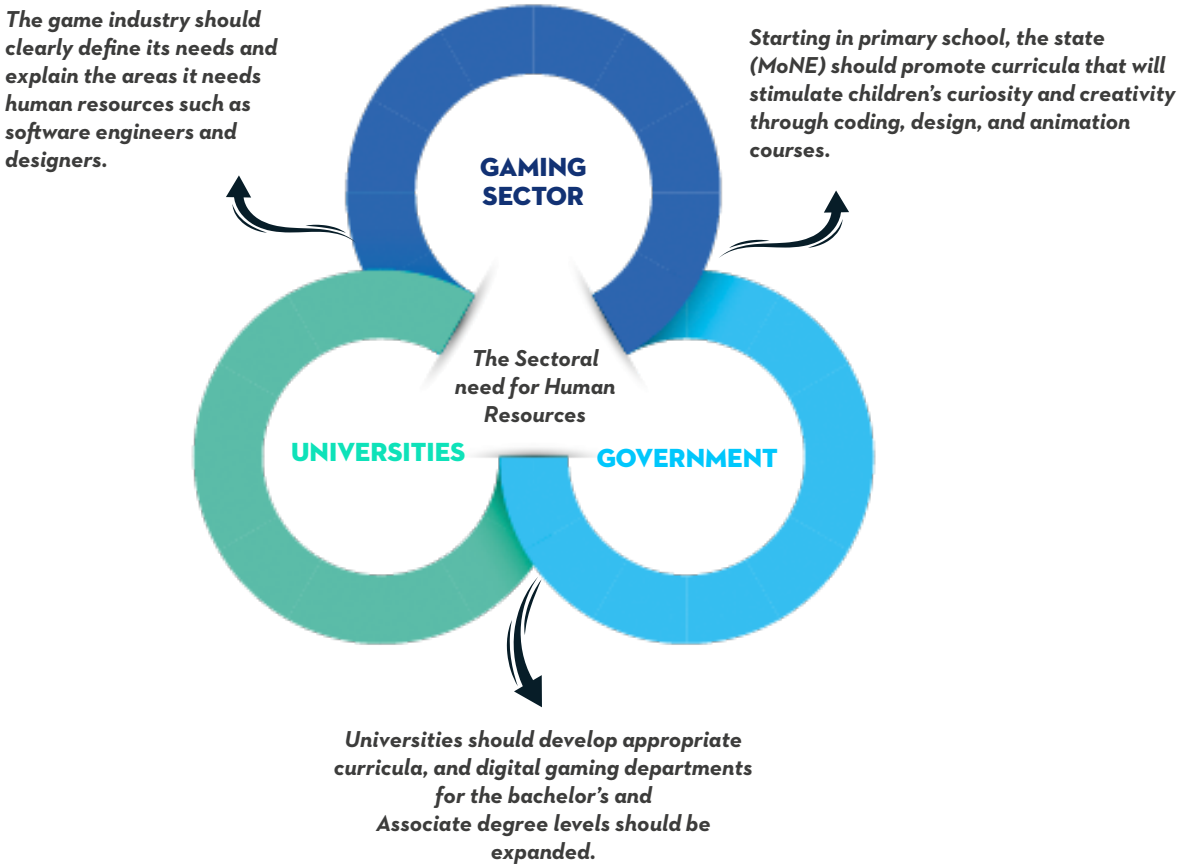
WHICH ACTION SHOULD THE UNIVERSITIES TAKE?

•The government, private sector, and universities should collaborate to develop the most realistic education curriculum for the game.

Because the gaming industry encompasses a wide range of subjects, Since the gaming sector contains many disciplines within itself, it is mandatory that all relevant majors participate.

•In Türkiye, the number of Design Departments of Architecture Faculties, Fine Arts Graphic Design, and a small number of "Digital Game Design" majors, as well as all game-related majors at various universities at the undergraduate and graduate levels, must be increased.

> ***Because the Gaming Industry encompasses so many various fields, it is critical that all relevant majors participate.***



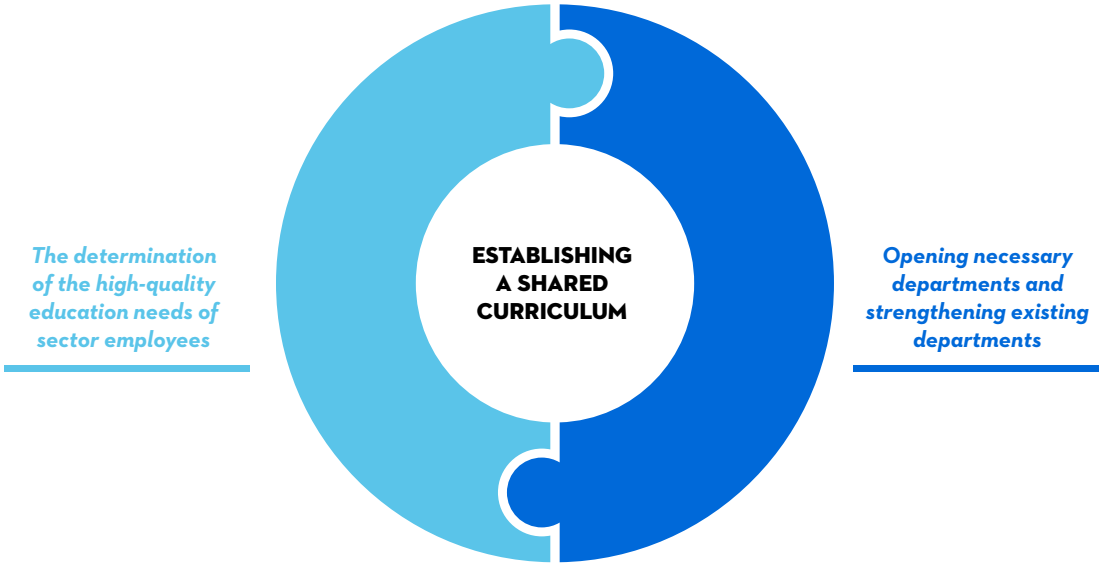
Game Industry-Private Universities-State Universities

Theoretical education in schools (with cooperative and similar collaborations) should be linked with practice (long-term internships) in private sector enterprises to develop abilities into competence.

•It is required to generate Turkish resources at a rapid and professional level in order to prevent problems encountered during training owing to a lack of Turkish resources and students'/ sector staff's poor English competence.

•It should be ensured in schools that the staff's low English levels are addressed. One of the most basic requirements for the sector is to increase the number of personnel who speak English. It is critical to establish English medium departments in order to keep up with quickly evolving technologies, sector dynamics, and foreign platforms.

•Furthermore, project implementation, collaboration with universities, colleges, and vocational institutions, and the establishment of Game Centers are high priorities.



In order to develop games in Türkiye, there is a need to strengthen the whole picture of imagination and creativity. As a result, methodological investigations targeted at improving awareness, imagination, and creativity are required. The importance of convergence between gamification and the game, simulations, and educational playgrounds should be incorporated, and understanding of desktop game development at the university level should be promoted.

Identified Issues...

(2)Supports:

Another significant component in the sector is the support. The game industry requires both private and public incentives and support mechanisms to move from the formation of game teams to incorporation and then institutionalization-growth strategies and worldwide operations.

Support Provided to the Game Sector

For a long time, the Ministry of Industry and Technology has provided support to the game development industry.

The Scientific and Technological Research Council of Türkiye (TUBITAK) Technology and Innovation Support Programs Presidency and Small and Medium Enterprises Development Organization (KOSGEB) aid are utilized in the sector's development. The Ministry has contributed 426.7 million TRY in support of start-ups in the game sector alongside connected and related organizations during the last ten years. In this regard, 292 million TRY in tax and SSI support was provided to 92 start-ups as R&D support, 76 million TRY to 77 start-ups, and 3.5 million TRY to 8 institutions via TUBITAK.
Development agencies contributed 17 million TRY to five initiatives, while KOSGEB contributed 1.2 million TRY to 67 SMEs. A project was funded with 37 million TRY through the Competitive Sectors Program.

Solution Proposals...

•The Workshop Participants stated that the government's support for the gaming industry is superior to that of many other countries. Furthermore, handling the strong bureaucracy used in the process might complicate and complicate the work.

Competitive Industries A project has received 37 million TRY within the scope of the program.

It has been suggested that the game is a very dynamic industry, that time is critical, and that the product may be exposed and delivered to the point of sale in six months. As a result, it was stressed that the support process should be hastened. The incentives must be different, but the processes must be short and understandable, result-oriented, and transparent. It has been suggested that this circumstance may cause start-ups to seek private and foreign funding. It is suggested that models used in Germany, Canada, and Estonia be studied as examples.

Supports Provided to the Game Sector

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It has been stated that government assistance is confined to Technoparks but providing the ability to work independently of the place in both the pandemic and game development business will have a very positive influence on the employment of young and creative brains throughout Türkiye. It has been argued that the fact that corporate employees must cover a specific shift in order to enjoy tax benefits only requires human resources in the same city, and that the scope and form of the incentive must be changed in this regard. Furthermore, it was highlighted that international payment networks for freelancers should be enabled.
It was stated that units such as private directorates established by the government to support the Cinema and Film Industries, as well as the Digital Game Industry, would be advantageous.
Given the tax advantages of dealing with international publishers, it was suggested that the rights afforded to overseas publishers and staff should also be granted to domestic publishers. It has been reported that support for machinery and equipment is insufficient, and that problems and incompatibilities may develop during the procurement of digital assets, as well as taxation and invoicing of digital items.

Some participants thought it was crucial that the government-supported Centers like Bilişim Vadisi Digiage rather than direct funding to game developers, and that establishing a game incubator in each province would boost the effectiveness of incentives. However, the need of developing models that help young entrepreneurs and small investors, as well as supporting and involving young energy in the process, was underlined in order not to overlook the contribution that young energy would

make to the industry. If small game companies wish to expand and build a financial cycle, they should be able to distribute subsidies from the start of the firm and it was stated that these studios should be deemed pre-incubation center entrepreneurs (without R&D and design centers) and should be eligible for tax incentives. Game creators do not require a physical facility due to the nature of their business. It has been underlined that providing tax benefits (income tax, machinery/equipment, and personnel supports) in addition to Technopark and R&D centers will significantly enhance motivation and performance for the sector in general.

To summarize, it was noted that there are centralized systems for tax exemptions and supports that should be delivered. It has been stated that the fact that universities and technoparks are central may be necessary in terms of management, but it is difficult when logistics problems are considered. Companies working in the game vertical, it has been stated, can stay out in most places except Technoparks, and the process can be assisted and controlled by Development Agencies using the R&D Center Model. Furthermore, several participants noted that it is critical to create a separate scope for the game and to separate the support category rather than include the game industry in the scope of R&D.

It was stated that young game producers should be informed about topics such as government incentives in terms of games. It was noted that game entrepreneurs do not have to rely solely on the public for support; angel investors and investment funds can minimize the public burden of supporting entrepreneurs, and the Angel Investor Law can be expanded in the gaming vertical.
It is recommended that infrastructure, such as the Game Developer Support Center, be established. It was said that by assisting the public and game companies in their attempts to gamify, research to tackle societal problems may be conducted.
It was noted that institutions that will support the game industry (such as KOSGEB and TUBITAK) should likewise be fully aware of the game industry. It has been argued that the establishment of a center where all game industry assistance is offered together is a viable option.

Furthermore, it is stated that;
-The state should subsidize the purchase of mandatory software for licenses, and institutions should license Unity and Unreal programs,
-Tax breaks should be made available for the taxes on products utilized in the game industry (such as the purchase of test instruments),
-In product trial processes, infrastructure support (such as the provision of test centers, test kits, and so on) should be given,
-The number of people who are familiar with the game industry and are experts in national support should grow, and the industry should be aware of this,
-Evets such as large-scale (in terms of participation and cost) fairs with participation from sector specialists (networking) should be organized.

THE SECOND SESSION (Investment Processes and Commercialization),
What challenges do gaming companies confront during the installation phase, and what are their requirements in this context?
•What challenges do gaming companies (casual/midcore) confront in the production process, and what needs do they have? How can a stable economic cycle be established? (For example, various methods of "securing" Hyper-casual studios by Broadcasters)
•When the government's tax breaks for gaming companies are investigated, are these breaks sufficient? What are the expectations for the taxing process?

TIdentified Issues... During the installation phase, game companies confront numerous challenges. How do you start a game company? How do you receive an investment? There is an idea, but no control over the rest...

Solution Proposals...
•It has been said that additional Technoparks, like Bilişim Vadisi, should provide expertise, awareness, and mentorship in order to reduce management and strategy inexperience, and most crucially, a lack of understanding.
•Entrepreneurs must set clear goals through "Game Directors" in order to determine emphasis areas, the applicability of business ideas, and sustainability. Technopark initiatives that accelerate entrepreneurs should be supplied to solve game companies' settlement/spatial challenges...

Bilişim Vadisi and Technoparks should build platforms to assist the digital game roadmap.

According to workshop participants, more support was provided to hypercasual games in Türkiye, and investments in PC gaming grew. It was mentioned that support should be offered with quite diverse mechanisms for young bright people who wish to enter the sector with equity difficulties and who may achieve success on a worldwide basis, emphasizing the relevance of grants and support during the establishment phase.

> ***Bilişim Vadisi and Technoparks should build platforms to assist the digital game roadmap.***

•The need of having an intermediary organization, particularly in contract processes, in order to bring game entrepreneurs and investors together was emphasized.
•The need for an intermediary institution that can lead the entrepreneur in the appropriate route... It has been suggested that the state's designation of the digital gaming business as a "strategic" sector will result in a large number of successful entrepreneurs in our country, which has attained a significant global position.

It is anticipated that this condition will enable small businesses to meet their demands during the establishment and commercialization sta-

ges by establishing more game start-ups, and a strong structure can be developed with state backing to the hardware required during the first setup phase.

Challenges to overcome...

Finding competent human resources, wage/salary scale volatility, and significant personnel expenses (tax and insurance),

• Difficulty in gaining access to investment networks

• High customs duty rates on imported software development kits, as well as the resolution of customs processes concerns.

• Game engine recording as an expense

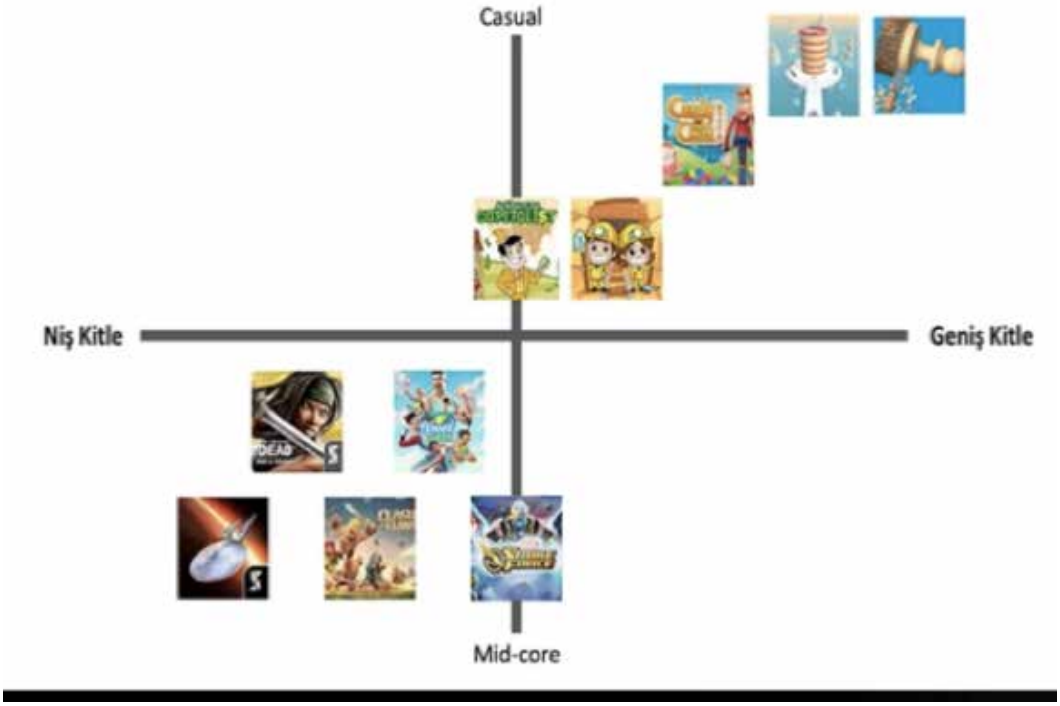
• Legal consulting services, particularly for contracts with venture capital and investment funds;

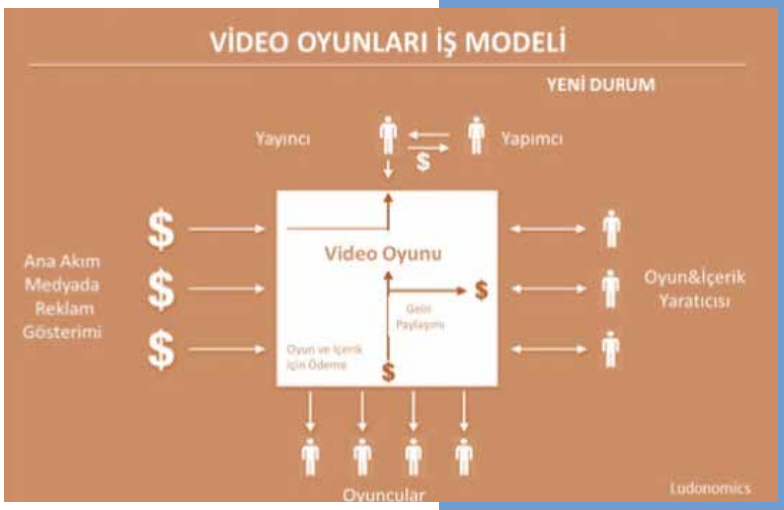
• Training on topics that entrepreneurs feel that they are inadequate;

• Furthermore, by grouping all of these procedures for the game sector under a different category, they can be streamlined and easier.

Given that the average age of the sector is quite young, many consultant services are required, beginning with the company establishment stage; there is a need for management, legal, and financial consultancy.

Hyper casual? mid-core? How can a stable economic cycle be established?





The question "How to create an economic cycle in digital game studios?" is a critical question. The answers to the questions "At which point the product should be commoditized? When should the investments be taken?" are critical. Besides, it is also critical for investors to know how to invest in the game. Participants stated that at this point, Technoparks should undertake activities in order to raise the awareness of the stakeholders of the gaming sector.

•In general, the digital game industry advances through hyper-casual. It has been stated that hyper-casual games can be a low-risk training process for businesses, and it is then a good roadmap to provide a life cycle for businesses with the transition to production in casual and comparable domains.

•When the similarity of games on the platform increases, the only solutions used are animation and content development. It is stated that although engineering and software fields are developed in Türkiye, there are deficiencies in designs, and story and character creation processes should be concentrated on.

•It has been argued that the current level of government assistance is better suited for hyper casual studios, and that support should be altered to better suit casual/mid-core game developers.

It is stated that the agreements made with publishers are important because intellectual property agreements vary, and support should be provided to entrepreneurs on this subject. It is also stated that publishers do not invest in casual/mid-core prototypes.

The question "How to create an economic cycle in digital game studios?" is a critical question.

It has been stated that foreign investors swiftly reach hyper-casual studios in Türkiye and limit the studios with contracts, and those institutions such as Digiage can secure the studios. It was underlined that payments range between $2,000 and $6,000 per prototype in hyper-casual games, and early support can be acquired per prototype in casual/mid-core regions. The importance of guiding investors on this subject has been emphasized. It can be seen that since there is a fast cash flow in the gaming sector, hyper-casual is a trending business model. And when the companies taking investment are evaluated, it can be seen that companies that created a culture in hyper-casual fields are prioritized.

•It has been mentioned that due to a lack of human resources, equity, and investment,

it is required to deal with various projects in order to raise money, and this issue does not establish a safe space in the pc/mid-core industry. It has been suggested that the development of a company culture peculiar to mid-core games, as well as the fact that it carries significant risks based on its price, has caused game developers to steer clear of the mid-core playground. It was underlined that a qualified workforce, particularly for mid-core games, should be included in the team and that there is a need for competency in many different areas such as game setup, management, and scenario.

Mid-core game development can take a year, and not being able to earn revenue during that period can cause major financial challenges for businesses and entrepreneurs. Associations or similar organizations should guide investors to mid-core ventures. In the current situation, the foreign publishing system is taken as an example. It is stated that investor meetings should be supported, and Ministry of Culture and Tourism should get involved in the gaming ecosystem.

•Stating that when companies want to produce mid-core, they cannot find a broadcaster on mobile and it is impossible for a mobile game to stand out unless there is an advertisement, it is underlined that advertising expenses rise as demand rises. To break this cycle, it is stated that studies in the publishing field should be conducted.

•Since costs are low in hyper-casual games, incurred costs in the event of failure are also low. Therefore, it is hard for the gaming studios to enter the fields except hyper-casual. The increase in advertising costs due to demand and the inability to find publishers for games except hyper-casual makes creating games like this difficult, and the survival chances of the games created are low. Developers who want to create mid-core games are creating funds for themselves by primarily developing casual games. Therefore, it is stated that for mid-core games, a patient investor and a highly motivated team are needed.

Are Incentives Enough?Taxes:
Comments from participants:

•In the digital economic world, digital gaming sector should be positioned differently and accordingly, the legislations should be constituted. It should be a tendency specific to National Technology Move, focused on this field. When implementation examples from other countries are examined; for example, in England, the investments and sponsorships for the gaming sector are deducted from the taxes.

•Netherlands is imposing a special taxation system on the gaming sector. Tax exemptions in Netherlands and Canada should be examined and they should enter into force in Türkiye. Support should be given regardless of the physical environment.

•Taxes on the procurement of foreign-sourced tools (professional design tools) that will develop the gaming sector for business development objectives must be reduced.

•Tax regulations can be made for gaming companies in the purchase of game consoles such as Nintendo, PS, and XBOX. Developer kits for these games are extremely costly.

•In the case of possible double taxation, the gaming sector should be exempt. A special stoppage discount should be imposed for the gaming sector.

•Domestic game companies should be eligible for the same tax breaks as exporting game companies.

A specific incentive structure can be created regarding the advertising revenue from the game.

•Establishing the structure and holding intellectual property rights in Türkiye causes the company to depreciate during the selling process. Intellectual property rights are held abroad.
•There are issues with the procedure of distributing shares to employees. These processes should be updated. Technoparks should provide support to entrepreneurs in taxation processes. It is vital to be more problem-solving when it comes to remote work.
•In terms of digital games, the presence of a designer team, a developer team, and a business team are essential for globalization. The deficiencies in game writing and project management in Türkiye pose an obstacle. Senior developers or designers from other countries who have achieved success in their industries should be welcomed to our country and given the opportunity to share their experience and knowledge with young people who have recently entered the gaming industry.
•New technoparks specifically for the gaming sector and incentives may be constituted. Tax exemptions may be granted specifically for games. To ensure that gaming companies are forming interaction with each other, onsite game designing centers and game-specific technoparks may be of great value. The integrated structure can be manageable. It may be necessary for KOSGEB to provide more support for game development.

Comments from participants:
•The reduction of bureaucracy in taxation should be reduced. The greatest support that can be provided by the government is as follows: Legal counselling, public accountants' consultancy; support in marketing-advertisement costs and mentorship. Advertising services are also purchased from a foreign service;

because there is no domestic social media or advertising network, advertisements are made abroad. Smaller companies have challenges owing to taxation, whereas huge corporations opt to operate abroad and continue their operations while paying taxes there. We should take initiative to support teams in this area because we are the best in the world in the hyper-casual vertical. A patient investor, an expert, well-off publisher, and a highly motivated crew are necessary.
•Free zones can be created for the gaming sector. The game falls behind other sectors in terms of government incentives and tax breaks. It is critical to raise the gaming industry to the same level as other industries. It is vital to remove bureaucratic barriers in order to promote exports. Gaming companies benefit from software export incentives. There are no tax breaks specifically for the gaming industry. The incentives are implemented in accordance with the legislation governing technoparks and R&D funding. The most essential thing here is to increase the number of technoparks and to build specific game zones that protect international intellectual property and industrial rights.
•In Türkiye, the government and institutions should assist businesses in creating know-how. Furthermore, assistance and incentives, such as agreements with international publishers in deals with Turkish publishers, are required.
• It will be beneficial if the government includes associations working in the game field when making decisions that will affect the gaming sector.

THIRD SESSION (Marketing)
•What is the process of segmentation in the digital gaming market? According to these segments, how should product development and diversification be done?
•Who are the actors (stakeholders) in the digital gaming industry's value chain? How should stakeholders make the balance between each other? (Developer-Publisher-Investor)
•How should stakeholders in the industry developing digital games (government, public and private corporations, universities, etc.) contribute to sustainable economic development and productivity?
•What are the activities that should be carried out by DIGIAGE within this scope?

How Is Segmentation Made?

Parents around the globe are looking for safe game platforms. When launching a game, publishers must ensure that the platform is safe, does not harm children, and does not allow for fraud.

•In Türkiye, https://www.guvenlioyna.org.tr/ platform is constituted, and Türkiye is a member of Pan-European Game Information (PEGI). Games should keep up with the segmentation and awareness should be raised aimed at this subject. Different target audiences in different categories might thus be reached in this manner.

•In Türkiye, the gaming sector is mobile-centered. The segmentation of the games is constituted by taking the audience and the user data of the game into account. During the development phase, it is critical for the gaming team to function within their own resources and generate products in the appropriate market niche.

It is important that the game team act according to their sources and develop products in the right segment.

Segmentasyon;
can be classified as hyper-casual/casual/mid-core for mobile. Other segments can be mentioned for PC and console games.

•In order to eliminate production deficiencies in segments except for hyper-casual, employees other than software developers need to be trained. While some games are directly consumer-focused, some games can be B2B. Data is the most important problem regarding marketing and segmentation; to develop a strategy, data is needed.

•However, due to a lack of data and local analytical tools, solutions are established by trial and error, making segmentation impossible. The Turkish gaming sector has especially succeeded in western countries and entered the market. However, China, Korea, India, and Asia in general do not have commercial domination in the east. It is considered that if events can be held at the point of entry into the market, it will affect the segmentation.

•Furthermore, when it comes to marketing the product, game developers can choose the gamification model over established brands. Gaming companies in Türkiye collaborating with other animation companies will be a beneficial interaction. The significant yields of the existing examples prove this. Collaborative works in the animation sector and the gaming sector can provide human resources and intersectoral circulation.

Stakeholders?
The Developer, Publisher, and Investor Relationship

Stakeholders: NGOs, Communities, Accelerators, Incubator Programs, Academy, Developers, Publishers, Service Providers Data, payment, backend, etc.), Players, Families, Platforms, Public (Ministry of Finance, Ministry of Trade, Ministry of Culture), Investors, Funds, Curators, Subservice Servers, Testers, Influencers, e-Sports, Telephone Operators, Media (TV)

When the stakeholders are determined as project and product management, marketing management, the publishing phase, and the producer team's investor, it frequently creates a significant workload in the producer team because it is necessary to assume more than one role, which significantly reduces efficiency. It is still advancing through general skills and is not regarded to have reached the stage of specialization. Since they do not have a grasp of the processes, investors are making surrealistic demands and presenting surrealistic conditions to the producing team. In addition to these, e-sports is a new player in the field and bestows serious opportunities.

•The developer should be aware of the fact that the studio is the main owner of the game. Developers who focus not only on development but also on other parts of the game project are more likely to become valuable brands.
Although the chain of publisher-investor-developer is a very complex process, in the end, stable and beneficial contacts are made. Firms that use the chains correctly in their relationships with publishers, investor support plays a very essential part in their relationships with publishers and investors, especially when expanding internationally. Due to the manufacturing costs of big companies, Türkiye has become a central point for the gaming sector. It is debatable whether the value added by publishers continues in Türkiye, but the contributions of developer studios do. To keep these values in Türkiye, the state regulations for the gaming sector can be supported.
•TUBITAK and KOSGEB are supporting the simulation projects. Because initiatives generate patents and significant outputs, the chance for investment comes when these issues are appropriately communicated to investors. Prototypes are provided to oculus and console companies before to development, and games can be produced and published based on the reaction. When it comes to distributing the VR game, Oculus offers a lot of help to the developers, and the company itself might invest in a lot of initiatives. Because the investment process for game creation differs from that of other sectors, investors must enter the sector with this knowledge.
The contributions of stakeholders in the industry?
It is necessary to communicate accurately with stakeholders. Institutions such as KOSGEB, TUBITAK, and Bilişim Vadisi should accelerate their activities related to their fields. Examining the game and gamification is beneficial for all public affiliates. This is necessary to get involved in the opportunities in the global gaming market and increase profit shares.
•Despite the existing bad impression, a promotional policy can be developed to reflect the various instruments of the game industry.
•Making digital and game industry literacy a qualification for persons who will take on responsibilities in the public or private sectors. Identifying competencies and process management by competent people. The supporting institutions should include people who know the game economy, can provide guidance, and add value.
•Other than game production techniques and design, universities should teach courses on topics such as how to create sustainability and the game economy.
•An open platform that university students can attend could be established. Animation laboratories should be in every city. NGO's and foundations should also participate in these studies.

Since advertising revenues are the primary income of the games, appropriate contracts should be made with advertiser companies.
•Given the rapid change regarding game trends, when the trend of hyper-casual games fades, game firms should be exposed to other areas of the game industry so that they may contribute to the career development of their developers and ensure the studios' viability.
•With the developer businesses' low risk and low-income models, a model can be formed in which the rights to the work done by reliable institutions such as TRT belong to these institutions.
•For cumulative development, open-source and information sharing are important. Through that, sustainability can be ensured. It is vital to perform collaborative projects with stakeholders.
•A more common network should be used in order to inform the developers about the support provided by the government such as Yetenek Kapısı (Talent Gate).
•Game developers should be considered foreign traders at the state level.
•The government should facilitate the legal processes.
The government and private sector should provide financial support. Universities should train human resources.

In brief, if every stakeholder can do their part, many obstacles before developers will be removed and the developers will focus only on production.

What should the activities of DIGIAGE be?

Bilişim Vadisi, the first and biggest thematic technopark in Türkiye, is constituting the first and biggest Digital Animation and Game Center in Türkiye. Bilişim Vadisi aims to direct the gaming sector with all entrepreneurs who have opinions on the animation industry at the Center that will be established on a field of approximately 9.000m2. It provides the right and effective environment to the entrepreneurs for realizing their projects with classes equipped with high technology, Virtual Reality Center, and Gaming Academy.

DIGIAGE and its activities should become widely known in the sector. Experts or competent people in the gaming sector should definitely conduct this activity. It should bridge the gap between jobseekers and employers. In order to help people, achieve competency, trainings prepared with experts in the sector should be provided. Workshops should be organized. Foreign models such as Taiwan and Korean models should be examined, and their workshops should be adapted to Türkiye. A platform should be created to give exact information. A digital information platform should be constituted. A small working group should be constituted and lobby activities should be conducted in order to reach the source.

•It is necessary to make the awards granted as a result of acceleration programs attractive for gaming studios. Events that will maintain the Network should be planned. The connection between non-governmental organizations and universities should be maintained.

•Workflow training can be provided for new companies. Support should be provided for training. Entrepreneurs who are not within the scope of Bilişim Vadisi should benefit from training. The facilities of Bilişim Vadisi should be available remotely.
Pilot implementation of remote work options of Bilişim Vadisi with DIDIAGE may be possible. It can be realised with remote work method (clocking on, fingerprints, etc.). Bilişim Vadisi should conduct activities regarding game developing. Within the scope of these activities, talented entrepreneurs can be identified and brought into the sector. The changes in the sector are negatively affecting employment. Therefore, the gaming sector may play a role as a hoist in increasing employment. DIGIAGE should act as a bridge between the government and the companies. The results of the different studies conducted can be reported to top government institutions such as the Presidency and the Ministry of Industry and Technology. Clusters and team-oriented studies should be carried out. Support should be provided to the young people by mentorship, and numerous events should be organized. Legal support and project management support should be provided as well. It should do more to encourage the sharing of know-how, which is the responsibility of sector stakeholders.
DIGIAGE may initiate an accelerator program under a more organizational structure and bring young people and companies together. By enterprises about subjects on education that will find common ground, contributions can be made to the gaming sector. These studies can be done with well-attended organizations.
•Investments should be made on the points where people can come together. Know-how, mentorship, experience share, and transfer are important. Bilişim Vadisi should contribute to a culture formation with the vision of Silicon Valley. DIGIAGE may be a pioneer in creating such an ecosystem culture in Bilişim Vadisi.
•Participating in DIGIAGE international game fairs and developing networks might generate a good cycle for them to gain experience and participate in the existing ecosystem.
•In European countries such as Croatia, events like Gamescom are being held. Events and big organizations with brand value aimed at the global gaming market can be held in Türkiye; DIGIAGE can lead such events with the stakeholders in the industry.

Bilişim Vadisi Digital Game e-Workshop Results

The digital gaming sector is at the forefront of the sectors expanding rapidly with the contributions of young people. To have a significant share in the international markets, the need for a qualified labor force should be satisfied.

In order to do this, children and youngsters need to receive a good education and all kinds of technical and technological support have to be provided.

When Türkiye's young population potential is considered, we should know that we are in a privileged position and take rapid steps.

In order to create a different "Game Ecosystem" that can make a difference, all stakeholders should work together and be agile.

Talented and competent human resources (who can speak English) are needed. Especially in the field of design, human resources that have a unique imagination and creativity are needed.

> ***Especially in the design field, human resources that have a unique imagination and creativity is needed.***

•The number of art, design and digital game departments at universities should grow, and education needs to have a syllabus that can meet the needs of the sector.

•It is important for university students to combine the theoretical training they have received with practical training obtained through long-term internships.

•Sector employees should receive qualified trainings that will allow them to follow all trends and technological advancements.

•Regardless of place and level (before, during, and after installation), game sector-specific incentives and support should be centralized, clear, and accessible. Good practice examples from different countries should be evaluated as incentive mechanisms.

It is critical to guarantee that prospective young entrepreneurs have access to the right investors. Investors (who are unfamiliar with the industry) should also make certain that they invest in the suitable entrepreneurs. Both parties need an intermediary company that will "guide to the right direction".

•A sectoral strategy infrastructure that will cause basic and risk-free games like hyper-casual games that are dominating the game market to transform into complex games should be constituted.

•Platforms that will provide support for the digital game roadmap should be constituted by Bilişim Vadisi and Digiage.

•In the sector, management consultation needs for all processes should be met.

•Legal consultancy needs for investments and investors, Intellectual property and territorial rights and other transactions should be met.

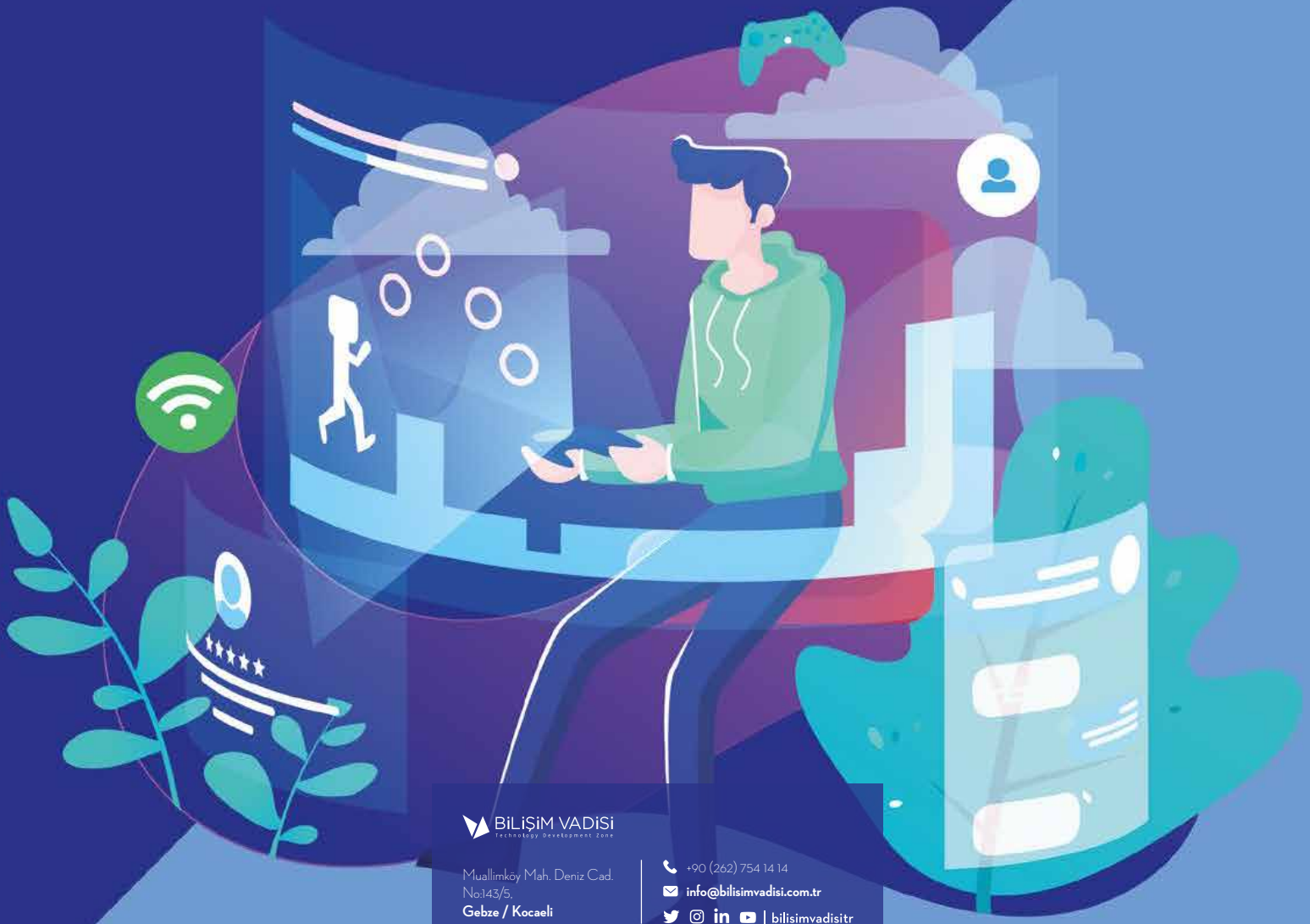
•Certified Public Accountant and Customs Consultancy needs should be satisfied.

BİLİŞİM VADİSİ | DIGIAGE Digital Animation and Gaming Centre

Re-Think

Digital Game e-Workshop Final Report

2021



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