

# Ambient Insight



Serious Play 2011 Plenary Panel  
The US Serious Games Market: Segment Size and Opportunity  
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# Introductions

*Ambient Insight is an integrity-based market research firm that uses predictive analytics to identify revenue opportunities for suppliers.*

- Ambient Insight founded in 2004 by Microsoft Training and Certification veterans that built the Microsoft Online Institute (MOLI)
- International “boutique” analysis firm specializing in quantitative analysis, learning technology forecasts, M&A analysis, and competitive intelligence
- Ambient Insight...
  - Does not evaluate, compare, or rank the effectiveness of learning technology products
  - ***Does not endorse or promote companies or products***



# Ambient Insight's Learning Technology Research Taxonomy

## Eight Buyer Segments

Consumer	PreK-12	Higher Education	Corporations and Businesses	Federal Government	State and Local Government	Associations, NGOs, and Non-Profits	Healthcare

## Buy Eight Types of Pedagogically-defined Learning Products

Self-paced eLearning Courseware	Digital Video, Text, & Audio Reference	Collaboration-based Learning	Social Learning	Simulation-based Learning	Game-based Learning	Cognitive Learning	Mobile Learning

## From Four Types of Suppliers

Packaged Content	Custom Content Services	Software as a Service (SaaS)	Tools and Installed Technology



# Ambient Insight's Learning Technology Research Taxonomy

## Eight Buyer Segments

Consumer	PreK-12	Higher Education	Corporations and	Federal Government	State and Local Government	Associations, NGOs, and	Healthcare
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**Simulation-based Learning**

**Game-based Learning**

Buy Eight Types

defined

Self-paced eLearning Courseware	Digital Video, Text, & Audio Reference	Content-based Learning					Mobile Learning
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## From Four Types of Suppliers

Packaged Content	Custom Content Services	Software as a Service (SaaS)	Tools and Installed Technology
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# Ambient Insight Market Data Sources:

*"The US Market for Game-based Learning Products and Services: 2010-2015 Forecast and Analysis"*

*The US Market for Mobile Learning Products and Services: 2010-2015 Forecast and Analysis"*



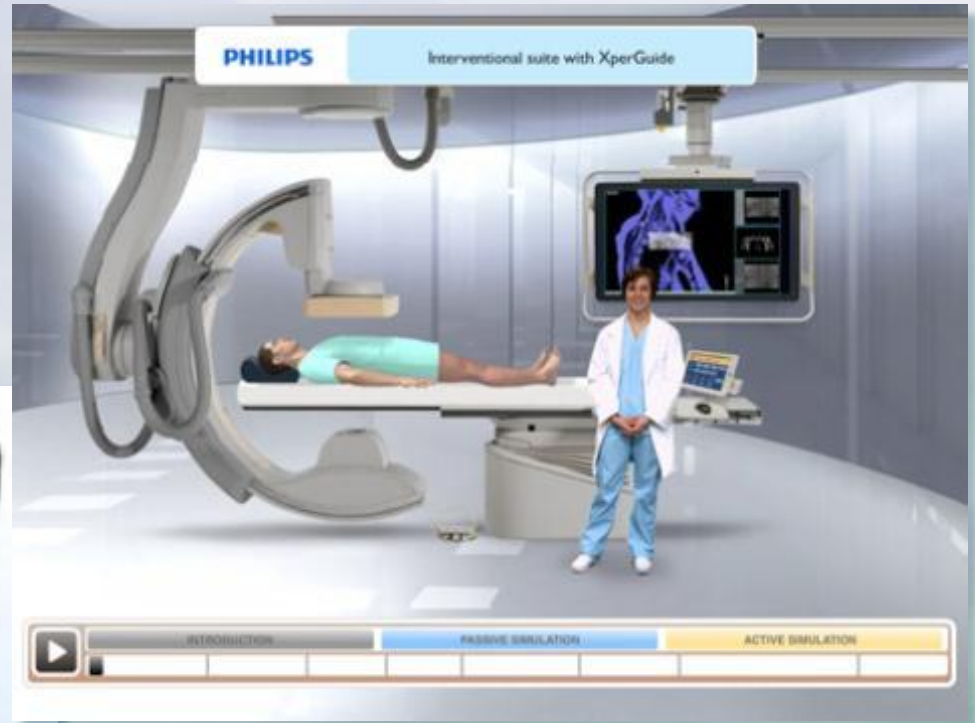
## Key Findings: Simulation-based Learning Market

- The US Simulation-based Learning market reached \$990.2 million in 2010. The five-year compound annual growth rate (**CAGR**) is **20.2%** and revenues will reach **\$2.48 billion by 2015**
- The revenues for Simulation-based Learning will be **seven times higher** than Game-based Learning by 2015
- We do not include high-end simulators in our analysis because the revenues are only addressable by a handful of companies
- Healthcare buyers now pay custom content development firms to create simulation-based patient education



# The Tablet is the Game Changer for Simulation-based Learning in the Healthcare Segment

*Philips Healthcare XperGuide*



*Simbionix* surgical simulation training app



## Key Findings: Game-based Learning Market

- The US Game-based Learning market reached \$231.6 million in 2010. The **growth rate is 12.3%** and revenues will reach **\$413.2 million by 2015**.

Product Type	5-year CAGR	2015
Custom content development services	21.4%	\$92.9 million
Packaged content	10.2%	\$320.3 million

- Mobile packaged edugames** are already outselling non-mobile (PC/web/console) edugames

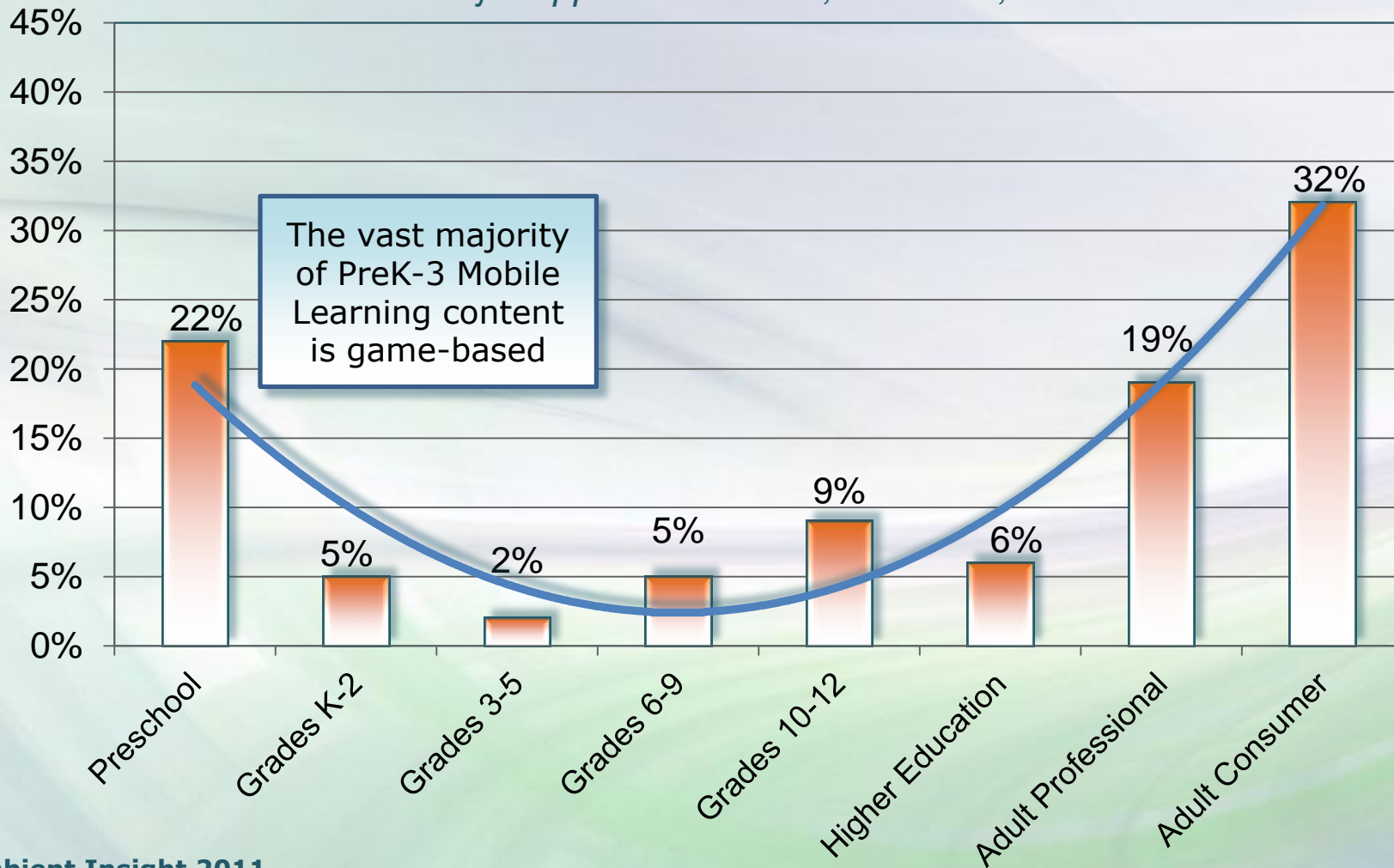
Packaged Content	5-year CAGR	2015
Non-mobile Edugames	0.07%	\$82.0 million
Mobile Edugames	15.2%	\$238.2 million



# "The 2010 Content Trench" – Percent of Total Paid Mobile Learning Applications in Content Catalogs by Target Demographic

## What's on the Store Shelves?

Consumer-facing Paid Mobile Learning Content  
Across All Major Application Stores, Platforms, and Devices



## Key Findings: Game-based Learning Market

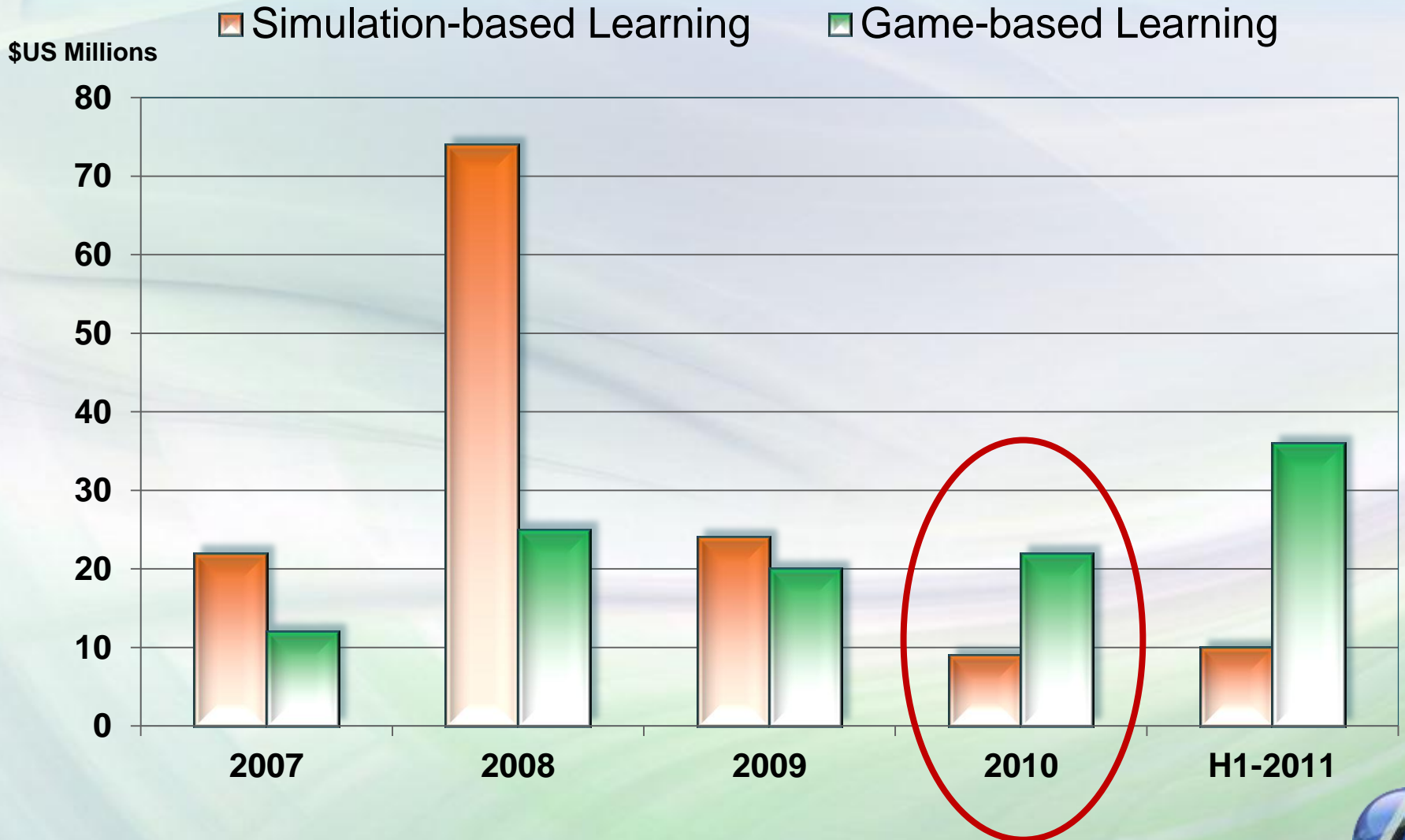
- Healthcare organizations, corporations, and the federal government are the top buyers of custom development services
- Revenues for **non-mobile** custom development services will reach \$67.8 million by 2015, compared to \$25.0 million for **mobile** services

*From a revenue perspective, if you are:*

- A **custom development company**, non-mobile edugame services for organizational buyers is the way to go.
- A **game publisher** selling packaged games, mobile edugames for children and older adults is the way to go.



# Leading Indicators: 2007-H1/2011 US Private Investments in Simulation-based Gaming and Game-based Products (in \$US Millions)



# Ambient Insight Research Sources

[www.ambientinsight.com](http://www.ambientinsight.com)

- Ambient Insight's Free Resource Library at:
  - <http://www.ambientinsight.com/News/PublishedContent.aspx>
- The US Market for Mobile Learning Products and Services: 2010-2015 Forecast and Analysis
- The US Market for Game-based Learning Products and Services: 2010-2015 Forecast and Analysis
- The US Market for Location-based Learning Products and Services: 2010-2015 Forecast and Analysis
- The Worldwide Market for Mobile Learning Products and Services: 2010-2015 Forecast and Analysis
- The US Healthcare Market for Mobile Learning Products and Services: 2009-2014 Forecast and Analysis
- The US Consumer Market for Brain Fitness Applications: 2009-2014 Forecast and Analysis
- Market for [Ambient Insight's 2011 Learning Technology Research Taxonomy](#)

