

Mobile gaming apps revenue from advertising to pass \$100bn in 2021

The games segment is the largest and most lucrative category of the mobile apps industry and generates around 60% of total app revenue. Within the segment advertising revenue breached the \$100m mark for the first time after experiencing significant YoY growth from 2020.



Source: www.pexels.com

According to data presented by <u>Wette.de</u>, advertising revenue is projected to reach \$115bn in 2021 after a 30.8% YoY increase.

Advertising revenue from mobile gaming apps grew by over 30%, passing the \$100bn mark for the first time.

The gaming industry is one of the fastest-growing industries around and benefited greatly from the lockdowns of 2020, seeing a significant spike in engagement. The gaming segment of the mobile apps industry has built on this momentum and is projected for significant growth in 2021 in three of its major revenue streams; Advertising, In-App Purchases and Paid App revenue.

The advertising revenue stream is projected for the highest growth in 2021 out of the three with an impressive 30.8% YoY growth, reaching \$115bn by the end of 2021 from just over \$88bn in 2020. This growth sees advertising revenue from mobile gaming apps cross an important milestone as it breaches the \$100bn mark for the first time. Advertising revenue is also projected to grow at a compound annual growth rate of 12.62% in the four year period from 2021-2025, reaching an

estimated \$185bn by the end of the forecast period.

In-app purchases is the most lucrative revenue stream for mobile gaming apps and is also projected to experience significant growth in 2021 albeit not at the same level as advertising revenue. The In-app purchases revenue stream is expected to record a 22.1% YoY growth in 2021, growing to an estimated \$133bn from just \$109bn in 2020.

Robert Pascual, eSport editor at Wette.de, commented "All of gaming experienced an uptick from 2020 and mobile gaming apps inevitably flourished from lockdown conditions. The industry looks primed to build on this momentum and 2021's numbers are early indications that the industry experienced more than just a fluke in 2020 and should be a force to be reckoned with in the coming years."

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