1. Industry Trends

1) Market Scale

The total value of the Korean game market reached 6.58 trillion won in 2009. This accounts for a 17.4% increase from the previous year, and proves that the Korean game market has returned to its normal level since its heavy fall in 2007. The Korean game market was in its prime in 2005, when its scale was 8.68 trillion won, but it regressed two years in a row in 2006 and 2007 to 5.14 trillion won. In 2008, however, it grew by 9.0% from the year before; and having reached again the 6 trillion won mark in 2009, continuous developments are expected.

An examination of each of the different fields of the market showed that the online game market recorded a 56.4% market share as it reached 3.71 trillion won. This is the first time an individual platform has taken up more than 50% of the total game market, which includes game distribution and retail companies. The market share of online games in the platform unit game market, excluding PC rooms and arcade centers, is 81.1%. The online game market is expected to continue to lead the Korean game market based on the domestic market, which has a stable infrastructure and is making inroads into the global market.

PC rooms, which are a consumer market for online games, came in at second place with a value of 1.93 trillion won and a 29.4% market share. The growth rate of PC rooms from the year before is only 0.3%, however, and its momentum for growth is stagnant. Video games have the third largest market share. Their figures do not come close to those of online games or PC rooms, but their total sales amount to 525.7 billion won for a market share of 8.0%, and sales of mobile games amount to 260.8 billion won for a market share of 4.0%.

This study calculated only the pure revenue of mobile developers to determine mobile game profits, without the data communication charge of mobile communication companies. Therefore, the sales of mobile games has decreased by 14.5% from the year before in 2009, but it would be rational to say that their market is continuing to grow.

Sales of arcade games are 61.8 billion won for a market share of 0.9%, and sales of arcade game rooms and video game rooms are 74.4

billion won each, for a market share of 1.1% each. The arcade game room market had the highest market share in its prime in 2005 and 2006, but has been in a crisis situation since Bada Iyagi ('Sea Story', a chain of video gambling rooms) emerged as a problem in 2007. The sales of PC games are 15 billion won, which gives them a market share of 0.2%. They have little chance of future growth and a high chance of being absorbed by the online game market due to the expansion of online sales and distribution.

In 2010, the Korean game market is predicted to record a market scale of 7.78 trillion won for a growth rate of 18.3% from 2009. The online game market is expected to grow by 28% from the year before, and in fact, all markets, excluding the PC game market, are expected to show some growth. This growth trend is expected to continue through 2011 and 2012. The predictions for 2011 are a market scale of 9.82 trillion won and a 16.7% growth, and the predictions for 2012 are a market scale of 10.82 trillion won and a 19.2% growth. In 2012, the Korean game market will finally enter the era of 10 trillion won in sales.

2) Import and Export Situation

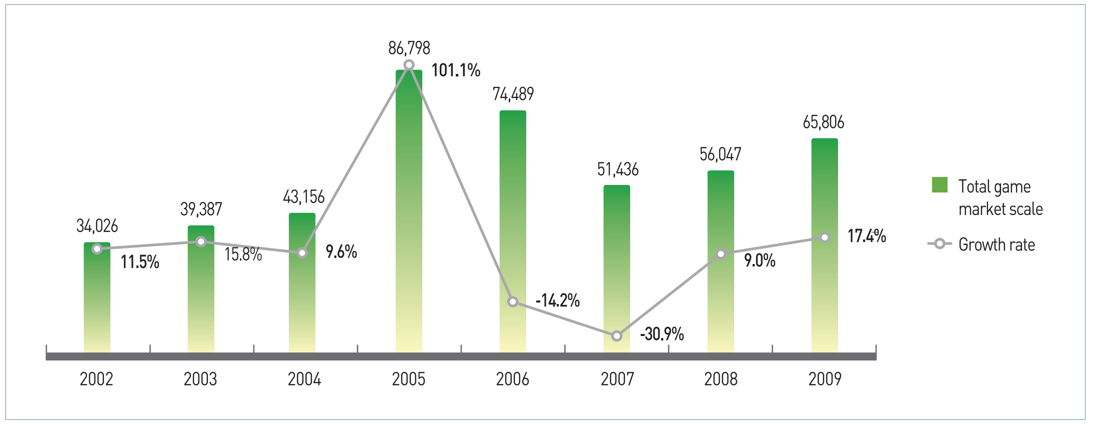
In 2009, Korean game companies exported a total of around 1.24 billion US dollars (1.58 trillion won, Foreign Exchange Bank 2009 annual average sales standard of 1,276.40 index). This accounted for a 13.6% growth from the year before. Imports dropped from the year before by 14.1%, for a total of 332.25 million dollars (424.1 billion won).

By platform, online games accounted for 97.6% of the total games export amount, with a total of 1.21 billion dollars. Imports increased by 2.2% from the year before to reach 12.9% and 42.96 million dollars. The opposite was the case for video games, with 269.8 million dollars worth imported for an 81.2% share of the total games import amount. The export amount of video games was only 0.3% of the total export amount, at 4.01 million dollars.

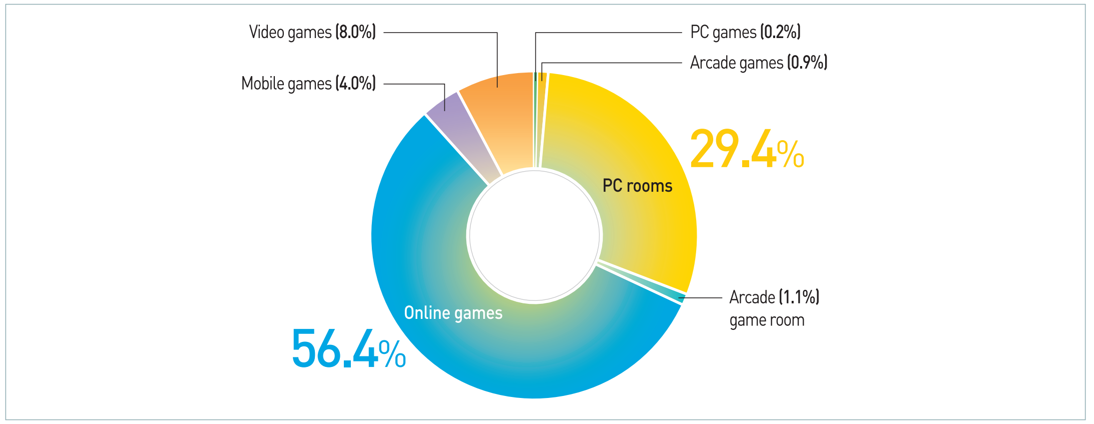
The export scale of the Korean game industry is expected to continue to grow in 2010. Continuous efforts are being made to advance the industry into the global online game market, and export strategies are also being adopted for arcade games and mobile games that consider the regional characteristics of Asia, the Americas, and Europe. Imports are expected to increase by around 15% in 2010, unlike their regression of 14.1% in 2009. Imports of Starcraft 2 started in the second half of 2010, and the import amount of video games is expected to increase because of the release of new devices and controllers.

Sales of Korean games in 2009 recorded a 3.1% share (3.6 billion dollars) of the international game market (117.4 billion dollars). This is 0.2% lower than the 3.3% figure recorded in 2008, and confirms

<Figure-1> Total scale and growth rate trends of the Korean game market (2002~2009) (unit: 100 million won)



<Figure-2> Weights of different fields of the Korean game market in 2009



<Table-1> Scale and future prospects of the Korean game market (unit: 100 million won)

Category	2008	2009		2010 (E)		2011 (E)		2012 (E)	
	Sales	Sales	Growth rate	Sales	Growth rate	Sales	Growth rate	Sales	Growth rate
Online games	26,922	37,087	37.8%	47,471	28.0%	56,965	20.0%	71,206	25.0%
Video games	5,021	5,257	4.7%	5,657	7.6%	6,760	19.5%	7,510	11.1%
Mobile games*	3,050	2,608	-14.5%	2,759	5.8%	3,090	12.0%	3,554	15.0%
PC games	263	150	-43.0%	135	-10.0%	128	-5.0%	119	-7.0%
Arcade games	628	618	-1.6%	649	5.0%	711	9.5%	793	11.5%
PC rooms	19,280	19,342	0.3%	20,406	5.5%	22,345	9.5%	24,133	8.0%
Arcade game rooms**	696	744	-15.7%	760	2.2%	817	7.5%	895	9.5%
Video game rooms	187								
Total	56,047	65,806	17.4%	77,837	18.3%	90,816	16.7%	108,210	19.2%

* The mobile game sales amount until 2008 was calculated with the inclusion of the data communication charge, and focused only on pure data charges for the purchase and playing of games from 2009.

** The sales amount of arcade game rooms since 2009 includes both arcade game rooms and video game rooms. Therefore, the growth rate in 2009 was calculated by comparing the sales amount of arcade game rooms and video game rooms combined in 2008 (88.3 billion won) with the 2009 sales amount.

that the international game market developed faster than the Korean game market in 2009. Considering, however, the future growth trends of the international and Korean markets, the share of the Korean market is expected to gradually increase to 3.6% in 2010 and to 4.0% in 2011.

Online games especially take up 23.0% of the international market, proving that Korea is the number two online game power country in the world, after China (31.3%). The Korean online game market once boasted of a number one ranking, but it has been at second place since 2008, when the Chinese online game market showed explosive growth.

Korea exported the most games (export amount standard) to China in 2009, at 34.9%, and then to Japan at 26.5%, the United States at 12.3%, Taiwan at 8.3%, Europe at 9.2%, and Southeast Asia at 6.7%. In 2008, China beat Japan as the largest export country of the Korean game industry; and in 2009, it maintained its number one position with a mid-30% market share.

The export market of Japan fell behind China, but it increased by 5.7% from the year before to record a market share of 26.5%, which made China and Japan the two major markets of Korean game exports. In 2009, exports of Korean games to the two countries did well and took up more than 60% of Korea's total export market, but the weight of the United States and Taiwan markets fell by around 4% each.

3) Situation of Game Companies and Game-Related Workers

At the end of December 2009, there were 5,111 Korean game production/distribution companies that were registered with cities and dos (Korean provinces) throughout Korea. Of these, 71.7% or 3,666 were production companies, and 28.3% or 1,445 were listed as distribution companies. Both production and distribution companies appeared to be increasing. These figures, however, include repetition of companies that do both production and distribution, and those that are taking time off or have folded up. The number of game companies with normal operations was estimated to have been 1,546 at the end of June 2010.

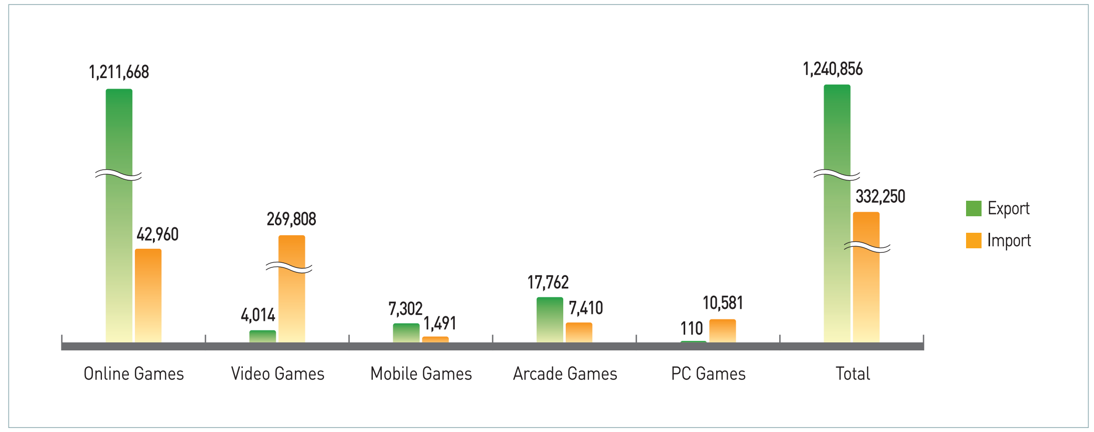
Research found that there were 21,547 PC rooms in Korea in 2009. This is 51 more than the 21,496 in 2008. The number of arcade game rooms notably dropped by around 60% from 10,182 in 2007 to 3,224 in 2008, but 653 more appeared in 2009 for a total of 3,877 registered arcade game rooms.

The number of people working in the game industry in 2009 was 43,365. This accounted for an increase of 635 from the 42,730 counted the year before, and is deemed to be because the market grew in 2009. In addition, the average number of workers per company in 2008, which was 25.4, rose by 2.6 to 28.0 in 2009. The active mergers and acquisitions (M&As) of large and medium-

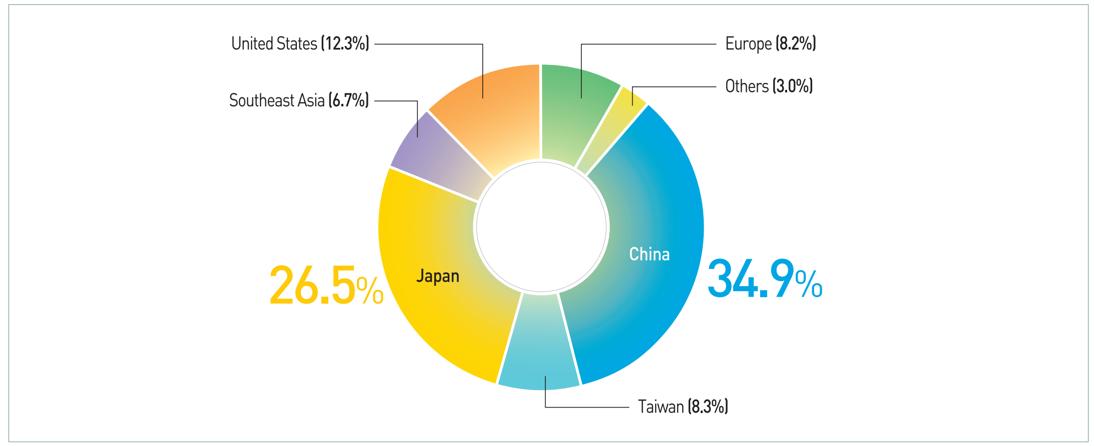
<Table-2> **Import and export situation and future prospects of the Korean game industry** (unit: 1,000 dollars)

Category		2002	2003	2004	2005	2006	2007	2008	2009	2010 (E)
Export	Export amount	140,796	172,743	387,692	564,660	671,994	781,004	1,093,865	1,240,856	1,551,070
	Growth rate	7.9%	22.7%	124.4%	45.6%	19.0%	16.2%	40.1%	13.4%	25.0%
Import	Import amount	160,962	166,454	205,108	232,923	207,556	389,549	386,920	332,250	382,087
	Growth rate	146.3%	3.4%	23.2%	13.6%	-10.9%	87.7%	-0.67%	-14.1%	15.0%

<Figure-3> **Export/import scale of Korean game platforms in 2009** (unit: 1,000 dollars)



<Figure-4> **Weight of Korean game exports per country/region in 2009 (export amount standard)** (unit: %)



<Table-3> **Weight of the Korean game market in the international game market in 2009 (sales amount standard)** (unit: 1 million dollars)

Category	Online Games	Video Games	Mobile Games	PC Games	Arcade Games	Total
International game market	12,642	66,360	7,279	3,233	27,858	117,372
Korean game market	2,906	411	204	12	107	3,640
Market share	23.0%	0.6%	2.8%	0.4%	0.4%	3.1%

sized companies in 2009 appear to have led to an increase in the average number of workers per company. The proportion of workers according to type of duty increased for graphic designers, H/W developers, general managers, and quality administration (QA) and customer service (CS) personnel; but the proportion of game producers, planners, and computer programmers decreased. This shows that a higher need for management surfaced as game companies grew in 2009 after active M&As by large publishers, and that game companies' appreciation of customer service improved.

The general growth trend in the number of game industry workers and the average number of workers per company continuously increased until 2005; and after the Bada Iyagi incident in 2006, the arcade game industry declined and the number of workers in the industry decreased. The total number of game industry workers, however, has been increasing again since 2007.

2. Policy Trends

1) Establishment and Operation of a Global Game Hub Center

In December 2008, the Ministry of Culture, Sports & Tourism (hereafter MCST) announced its "Mid- to Long-term Game Industry Plan: The Second Revolution." In 2009, an important policy project was pursued based on this plan. The mid- to long-term plan sets the basic direction of the policy project for around five years, and consists of the first comprehensive plan in 2003 and the second comprehensive plan in 2008. The "establishment of a global game hub center" can be seen as a policy project that reveals the future market-oriented characteristics of the second mid- to long-term plan. The project basically started in 2009.

This project aims to define a rather abstract and comprehensive idea and range called "future-type game contents" and to construct a road map that must be consistently followed. In addition, since there is a higher need for the game industry not to simply develop game contents but also to combine with various other industrial fields, it plays the role of creating an environment where global players in Korea and around the world can cooperate at many levels. The Korean game industry can become very influential according to the global game hub center policy effects, so creating a thorough road map is an important starting point.

2) Pursuing Korea-China Game Industry Cooperation

Cooperation between the Korean and Chinese game industries basically started in 2009. After the MOU was signed, the first exchange at a policy level, for the Joint Operations Committee, was held in Changzhou, China in June 2009. Changzhou is the region that China selected as the base of game industry professionals, and the Committee meeting was held in the city because the Committee's first project was to train professional human resources. A separate MOU regarding training of human resources was signed.

The game market structures of Korea and China are similar, and therefore, their policy issues are also very similar. One of these issues is the problem of overuse of games. Therefore, the policy exchange of the two countries started with their sharing of how they approached the problem of overuse of games and introduced related policies. During the Joint Operations Committee, the two countries discussed what they had each pursued through a joint seminar.

Another joint project that was pursued in 2009 was the Korea-China Game Culture Festival. The festival was launched because both countries needed to improve negative awareness of games and stress that playing of games is an important industrial and cultural activity. This event was held during the "Digi China" period in Beijing in December 2009.

Efforts by Korea and China to develop the game industry and culture are expressed tangibly in the form of joint projects, but joint projects are not the sole goal of the two countries' cooperation. Another purpose of their cooperation is to fundamentally contribute to their market activation through continuous policy exchange and discussions. The importance of policy exchange is gradually increasing, and in 2009, various opinions related to online game contents evaluation and to the online game contents business were presented. Such topics can directly influence the advance of Korean game companies into the Chinese market, so clear understanding of the facts is important.

The importance of the games-related Korea-China MOU was therefore emphasized, and each time related topics came up, the Korean MCST was able to gain understanding of such topics through the Chinese Ministry of Culture. The Chinese Ministry of Culture explained the future policy directions of the Chinese game industry to the MCST. It must be kept in mind that cooperation for the cultural development of the Korean and Chinese game industries is a core issue of policy exchange, and that joint projects are results of the exchanges.

3) Resurfacing of the Problem of Speculative Actions through Web-based Board Games

Speculative actions using games have been presented as a social issue from the early stages of the game industry, and have been a subject of policy restrictions. Korea prohibits industries with speculative behavior, and authorizes only special cases. Casinos, race tracks, speed boats, bicycle races, lottery tickets, and Sports Toto are industries that are authorized by the government.

Web-based board games comprise a field that started in the early stages of development of Korean online games. Cash is not actually traded in such games, so they are not considered the same as casinos or Internet gambling. Speculative behavior through web-based board games, such as exchanging game money for cash, is presenting problems.

Speculative behavior through web-based board games became a social issue in 2009, when the sales of such games notably increased and it appeared as if related policy measures were needed. The MCST counteracted the problem at the policy level by improving the method of operation of web-based board games. Operation methods that were considered to stimulate speculative behavior in the process of playing web-based board games were improved through the administration map. At the industry level, monitoring was strengthened and measures were taken to counter actions that distorted the way web-based board games are normally played.

The problem, however, is that speculative behavior through web-based board games cannot be prevented or solved merely through the efforts of companies that provide such games. The problem is ultimately related to cash exchange, and unless the crackdown on cash exchanges and legal punishments are strengthened, regulatory actions against the companies that offer the games can only be temporary.

4) Various Discussions on the Promotion of Arcade Games

Arcade games took up almost half of the Korean game market until the early 2000s, but since the Bada Iyagi incident in 2006, the market quickly fell into a recession, and in 2009, its share of the entire market fell to around 1-2%. The situation even led to concerns that the foundation of the Korean arcade game industry might be destroyed. The fact that the market has fallen into a deep recession due to the Bada Iyagi incident is also related to the arcade game market structure.

Arcade games are largely divided into prize games and general games, and prize games take up around 80-90% of the entire market. The market was especially focused on prize games, considering profit relative to development cost. This led to a decrease in general arcade game developments aimed at youth; and when the Bada Iyagi incident occurred, the arcade game industry did not have any contents that it could reorganize in a new way and thus fell into a deep recession.

Arcade games are no longer as influential or no longer take up as much market share as before because of the development of next-generation video games and online games, but arcade games still comprise an important game market because of the platform characteristics. The Chinese arcade game market, which was prohibited in the past and authorized only as a test, was authorized nationwide at the policy level in 2009. This is expected to greatly affect the international arcade game market. This could be a big opportunity for the Korean arcade game industry, and if the industry loses the opportunity to advance to the Chinese game market at this time, the current situation of the Korean game industry could continue.

In 2009, one of the important policy subjects was how to promote arcade games. Easing regulations on prize games cannot be easily accepted in this social situation, however, so market restructuring was needed instead of following the steps of the existing arcade game market. Many discussions were held to promote arcade games, but no clear policy project was pursued.

5) Announcement of Agendas for the Promotion of Functional Games

Functional games are games that can be used in various ways by employing their functional effects, and are the result of a policy to try to improve negative awareness of games. Policy discussions on functional games started in 2002, but the policy project actually started in 2006, when functional game development started to be supported. Discussions on the market possibility of and social discussions on, functional games have continued, but are not high on the policy projects list. Forums to excavate policy agendas related to functional games started in 2008.

In 2008, scholars, field experts, industry people, and the press got together to hold the Functional Game Forum, which started the task of excavating policy problems to activate functional games. As a result, "Policy Agendas to Activate Functional Games" was announced in May 2009. Five strategies--① conduct of activities related to the creation of functional games, ② research on and development of functional games, ③ activation of the distribution of functional games, ④ improvement social awareness of functional games and expansion of its promotion and ⑤ activation of overseas advancement and strengthening of domestic and international cooperation-and 32 policy project agendas were generated.

Sometimes, higher interest in functional games leads to a distorted and prejudiced view that functional games are good games and non-functional games are bad, but this is an extreme case of negative awareness of games. Functional games are still in their early stages of development. Before anything else, discussions on functional games need to be established at the policy level, and a basic distribution channel environment that can handle functional games needs to be provided.

6) The Need to Improve Game Rate Censorship Standards: Towards an Autonomous Regulation Direction

The game censorship problem was behind the independent enactment of the Law on Game Industry Promotion. The rapid development of the online game industry did not fit the standards of the existing game censorship rules, and there was therefore a need to establish new game censorship methods and standards. Advanced game countries have autonomous game rating censorship systems, so an autonomous regulation policy direction was set for Korea. This is also why the game law was revised in 2006 and the budget support period of the Game Ratings Board, which rates games, was set as three years.

Since it was inappropriate, however, to mention policy change towards autonomous regulation due to the 2006 Bada Iyagi incident, the discussion on autonomous censorship of games did not become an issue. When the second mid- to long-term plan in 2008 pursued a new rise in the cultural values of the game industry, however, the policy issue of autonomous regulation resurfaced. The increasingly heavy weight and scale of games in smart phone applications especially helped increase support for autonomous regulation rather than for the existing game censorship system.

The revised version of the Game Industry Promotion Law did temporarily aim to continuously support the Korea Game Rating Board, but the National Assembly posed a problem and it was decided that the support would be provided only for three years. Support for the Korea Game Rating Board was extended twice before, so there is a high probability that this third extension will be the last. This raised the possibility of autonomous regulation, and made it known that there are pressures to improve the game censorship system to an autonomous one. Therefore, at the end of 2009, an autonomous regulation task force team was established, and discussions with the government and experts regarding the direction and method of operation of an autonomous game censorship system are continuing.

7) Efforts to Legislate Revision of the Game Industry Promotion Law

The Game Industry Promotion Law was established in 2006 and partially revised in 2007, but there are still parts of it that do not fit the new market environment. Therefore, a total revision of the Game Industry Promotion Law was prepared in 2008 to include all new policy issues, and was proposed at the National Assembly in December 2008. The revision, which included prevention of overuse of games, prohibition of speculative behavior, user protection, installation of a Game Dispute Mediation Committee, and improvement of the game rating and censorship system, is a very important policy issue.

The revision was not passed in 2009, however, and is moored at the National Assembly, so the policy contents of the revision are not yet being executed. One reason for the postponement is that the contents and range of the revision are vast and there has not been enough time to fully review the proposal, but it is also being pushed aside due to other priorities.

In the end, it was agreed that urgent and important issues in the revision would be passed, which is why the extension of the budget support for the Korea Game Rating Board was passed. Other points that are of high social interest and that reflect market changes, such as those related to overuse of games, prohibition of speculative behavior, user protection, and improvement of the game rating and censorship system, are still being delayed. Active counteraction of the government is needed on game industry development and side effects, but the revision that can provide a basis for policy activities is still at the National Assembly.

8) Increased Social Interest in Overuse of Games

The problem of overuse of games was recognized as a side effect of the development of the game industry and basically started to become a social issue in 2002. Overuse of games is not just a problem of the online game industry, but considering the development and popularity of online games in Korea, discussions on overuse of games are basically limited to online games. A policy project to prevent overuse of games started in 2002, and in 2005, a method to activate a game culture focused on overuse of games prevention was announced. When the Game Industry Promotion Law was established in 2006, a chapter focused on game culture and overuse of games prevention. An overuse of games prevention policy has been recognized as a very important policy subject with the industry promotion policy.

The overuse of games prevention policy focuses on prevention counseling; education for parents, teachers, and youth to improve game culture and awareness; and development and distribution of counseling programs. There used to be no index with which to properly measure overuse of games, but an index of game usage behavior, including overuse of games, was developed in 2008 and 2009.

The difficult part of an overuse of games prevention policy is that it takes continuous efforts and a long time to solve the problem. Related policy projects continued because of policy importance, but their low budget made it difficult to pursue them continuously and effectively.

Overuse of games, which surfaced as a social issue in 2002, has persisted for several years, but it was not highlighted for some time. Then in 2009, clamor for social restraint of overuse of games was heard again. As a result, a task force team was created at the end of 2009 to come up with a solution to overuse of games, and discussions were held on autonomous activities and overuse of games solutions. Meanwhile, accidents and incidents related to overuse of games occurred and became big social issues. Social restrictions related to overuse of games such as a game shutdown system and a fatigue level system have been proposed, and the MCST announced an overuse of games solution that reflected these proposals in April 2010.

9) Increased Interest in the Cultural Value of Games

When the game industry fundamentally developed and its market expanded in the 2000s, a sort of cultural code was established that focuses on youth. This phenomenon did not emerge only in Korea, but internationally. Unlike other cultural industries, social awareness of games has a wide gap with respect to industrial and cultural values. In other words, everybody recognizes the economic value of games as a high-value-added industry and a future growth driver, but at the cultural level, it is still treated as a low-class form of entertainment for children and youth. Acceptance of cultural values beyond economic values is thus very important for games to establish a social status.

The term "game culture" actually started with the prevention of overuse of games, but it has a policy goal of expansion of socio-cultural awareness of games, including of the game playing environment, awareness, and attitudes. "Game Literacy" embraces the core themes related to these policy goals. This idea, organized during the second mid- to long-term plan establishment in 2008, is not only important for overuse of games prevention, but is also significant in that it can expand the cultural values of games. It does not yet significantly break away from the existing policy project standard, but the future cultural values of games are expected to establish the key points of game policies in the future.

10) Strengthening Autonomous Regulatory Activities of the Game Industry: The Green Campaign and Overuse of Games Solutions

The game industry has developed together with the development of game companies. Social interest in game companies has increased together with the general expansion of the game market. Interest in game companies is focused on the social activities of game companies. Not only general acts of social contribution but also autonomous game activities that relieve negative awareness of games are points of interest. An appropriate harmony of systematic regulations and autonomous regulations is necessary, and lack of autonomous awareness decreases the effects of systematic regulations. Youth protection problems such as speculative behavior through games, and overuse of games prevention are continuous and repetitive policy issues related to games.

The game industry has performed individual corporate activities over the years. Such activities included youth-protection-related services and speculative behavior prevention, but they do not fully reflect demands for social regulations. Therefore, in April 2009, an autonomous regulation activity called the "Green Campaign" was started by the game industry that focuses on ① a healthy game culture, ② a proper game culture, and ③ a learning game culture.

11) Problems with the Development of e-Sports

Korean e-sports have been evaluated as playing a leading role in the international e-sports world. They have a culture that dates back to around 10 years. Korean e-sports established the idea of e-sport spectators from its early stages, and developed together with broadcast media. E-sports fundamentally became a policy subject with the announcement of the "e-Sports Mid- to Long-term Vision," which presented a policy direction for e-sports in December 2004.

As domestic e-sports developed with enthusiastic domestic and international support, greater demand emerged for more fitting infrastructure and activities. One major example of this is an e-sports hall. After a permanent professional league was established, an e-sports hall was hoped for in the e-sports world for a long time. One such hall was established in Yongsan in 2005, but it was not created after collecting the opinions of the e-sports world, or considering the growth prospects of e-sports. Considering the international status of Korean e-sports, the established hall cannot be called a professional e-sports hall.

Therefore, creating a proper e-sport hall is still a keen wish of the e-sports world. There has been talk of establishing an e-sports hall at some local municipal offices, but none has been properly executed. When Seoul City created an IT complex in Sangam-dong, it hatched a plan to construct an e-sports hall. The Sangam-dong e-sports hall that will be constructed through the joint investments of the MCST and Seoul City will have great policy significance in terms of the establishment of an e-sports infrastructure.

The policy direction of Korean e-sports was set to activate global activities for the promotion of the international status of Korean e-sports. As part of this effort, Korea led the formation of the International e-Sports Federation in 2008. The establishment of an international facility for e-sports was discussed in the mid- to long-term plan in 2003, and since then, Korea has been preparing to win international support in establishing a Korea-led international e-sports facility. The activities of the International e-Sports Federation (IeSF) fundamentally started in 2009, and its tasks include the expansion of its member countries, provision of a long-term human resources structure, standardization of international e-sports games, and strengthening of the status of e-sports games.

While these discussions were related to the positive development of Korean e-sports, key issues related to the nature of e-sports also surfaced. There is no copyright holder for general fields of sports, but e-sports comprises digital leisure activities that use game contents as their game field. This means that e-sports fields must have copyright holders. The major professional e-sports in Korea developed with Starcraft by Blizzard as their game field. The e-sports copyright fundamentally became an issue when Blizzard announced plans to develop Starcraft 2. In truth, the domestic e-sports world has seen the Starcraft copyright as a problem that must be solved, but related negotiations have been bleak. This problem is not just related to e-sports and Blizzard but also to the overall development of e-sports, and has therefore surfaced as a very important problem of the e-sports promotion policy.

3. User Trends

1) Research Summary

The Korea Creative Contents Agency(KOCCA) conducted a survey on how subjects spend their spare time with game playing and their preferred game platform, genre, and cost from January 31 to February 26, 2010 in the five main cities of Korea--Seoul, Busan, Daegu, Gwangju, and Daejon. 1,700 subjects were selected from the general public between the ages of 9 and 49, and considering their region, gender, and population size, through proportionate sampling. The survey used a two-stage multi-mode method that involved telephone surveys and online surveys. Telephone surveys were first conducted, after which questionnaires were distributed through e-mail and collected for research. .

50.7% of the subjects were male and 49.3% were female, for a balanced spread of genders. The ages of the subjects were selected to reflect the population spread of different ages in Korea in 2010. People aged 35-39 had the highest proportion at 13.9%. The subjects' regions also reflected the population spread in different regions, with 53.5% from Seoul, 17.7% from Busan, 13.1% from Daegu, 7.5% from Gwangju, and 8.2% from Daejon.

2) Major Analysis Results

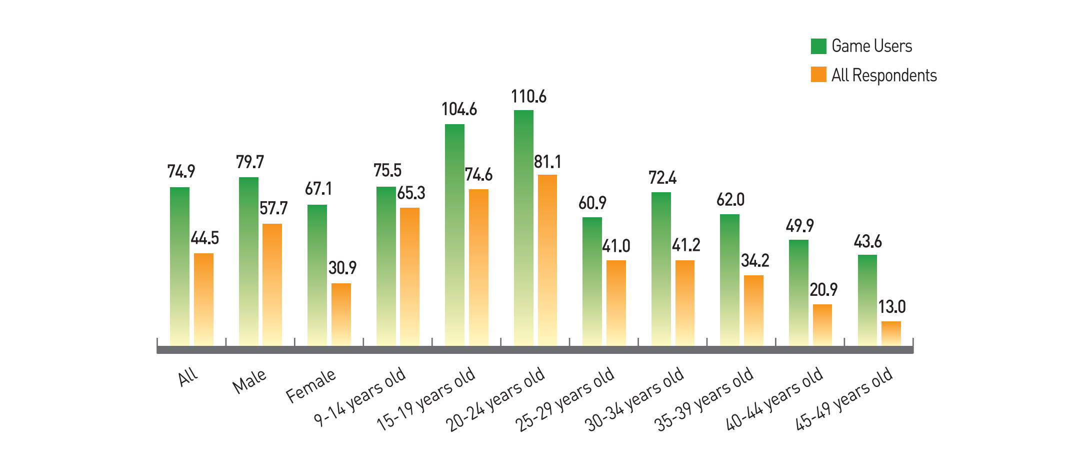
First, as to the activities enjoyed during the subjects' leisure time, the number one activity was "games" (28.3%), followed by "watching TV" (22.1%). In 2008, "games" (26.0%) already placed first, but in 2009, "watching TV" (24.5%) topped it. This time, the survey showed a clear lead by the new-generation leisure activity of "playing games" over the traditional leisure activity of "watching TV." There were differences between genders. For males, the number one leisure activity was "games" (39.9%), followed by "watching TV" (19.4%) and "watching movies" (15.9%); but for women, "watching TV" (24.9%) was first and was followed by "watching movies" (23.6%) and "games" (16.3%). One thing that is noteworthy regarding the women's leisure activities is the change in the rank of games. The number one activity for women in 2009 was "watching movies" (28.2%) and the second was "watching TV" (26.6%), while "games" came in at fifth place with 10.7%. "Watching films" (23.6%), which came in at second place in 2010, was followed by "games" (16.3%), which shows that more women are playing games.

When asked what activities people mainly did when using computers, "information search" came first with 33.5%, and next was "games" (18.2%), "e-mail" (10.4%), and "music/movies/cartoons" (9.2%). Women were found to be using the computer for "information search" (34.4%) first of all, and then for "games" (11.6%), "music/movies/cartoons" (9.8%), "internet clubs" (8.2%), and "product purchases" (7.3%). Just like in 2009, women mainly used the computer for "information search." Men used the computer for "information search" (32.7), "games" (24.6%), "e-mail" (11.3%), and "music/films/cartoons" (9.2%). The proportion of men playing games was higher than that of women, but the main purpose of the men for using the computer was still "information search."

When the respondents were asked whether or not they played games, 53.9% answered that they "currently play games." Considering that 19.4% answered that they "played in the past but do not play recently," it can be said that 73.3% of the respondents had experience playing games. 68.1% of the men said they "currently play games," whereas only 39.4% of the women answered the same. According to age, those in the age range of 9-14 years had the highest percentage of answers that they "currently play games" at 82.6%, whereas those in the age range of 45-49 years had the lowest percentage of 27.1%.

<Figure-5> **Time spent playing games per day**

(unit: minutes, user = 1,010/total = 1,700)



As a result of dividing the subjects into those who play games and those who do not, and asking how much time they spend playing games per day, the game users spent an average of 74.9 minutes per day, and the average for all the respondents was 44.5 minutes. Last year, the average time spent playing games per day was 64.2 minutes for game users, and 32.7 minutes for all the respondents. Therefore, the time increased by 10.7 minutes for game users and by 11.8 minutes for all the respondents in 2010 from 2009.

When asked what type of game they mainly played, 72.9% said “online games.” Next were “PC games” (8.8%) and “mobile games” (8.4%). All the respondents, regardless of age, were found to have a great preference for “online games” over other types of games. The most preferred game genre was “role playing” at 32.3%. Next were “web-based board games” (14.4%), “strategy simulation games” (9.6%), “FPS games” (8.6%), “action games” (6.7%), “casual games” (6.3%), and “sports games” (5.5%).