

KABAM

The Evolution of Social Gaming and Lessons Learned



Table of Contents



- About Kabam
- The Global Social Gaming Opportunity
- Western Facebook: Lessons Learned

About Kabam





- Kabam is a leading developer of real game for social networks
- Founded in 2006 as a developer of social applications within entertainment and sport
- The company created browser-based, free to play games on Facebook, MySpace and Yahoo with deep relationships with major media brands
- Reach of over 60 million registered users with current 11 million monthly active users
- Our investors include:
 - Canaan Partners
 - Betfair (UK)
- +200 employees in Silicon Valley, San Francisco, China and Germany
- Target Market
 - Worldwide social gaming players – ages 18 to 55
 - Large audiences in US and Western Europe
 - Games in over 10 languages

Studio Overview



- 10 studios with games in pipeline focused on strategy and RPG games
- Key Differentiators:
 - Leader in strategy and RPG social games
 - Robust MMO games platform
 - Highly engaged users and high ARPUs
- Virtual goods and microtransaction monetization: 2-4x industry averages
- Key Differentiators:
 - Full service – from development to publishing / service operations
 - Significant worldwide reach
 - Localizing into ten languages
 - Analytical focus to maximize revenue



Looking into the Future



- Releasing a new game every month in 2011
- Aggressive growth via
 - Acquisition
 - Recruitment
- Multiple studios in more cities in Asia, North America
- New markets and platforms

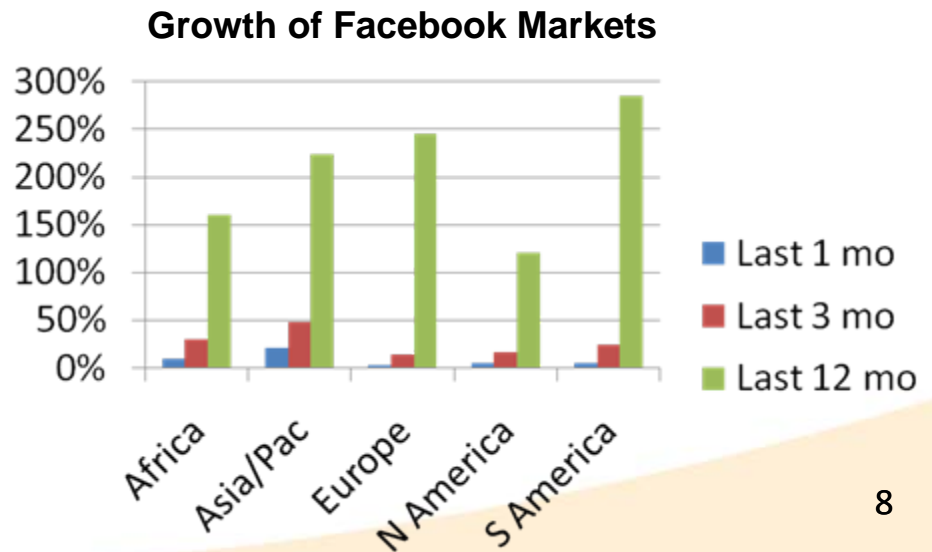
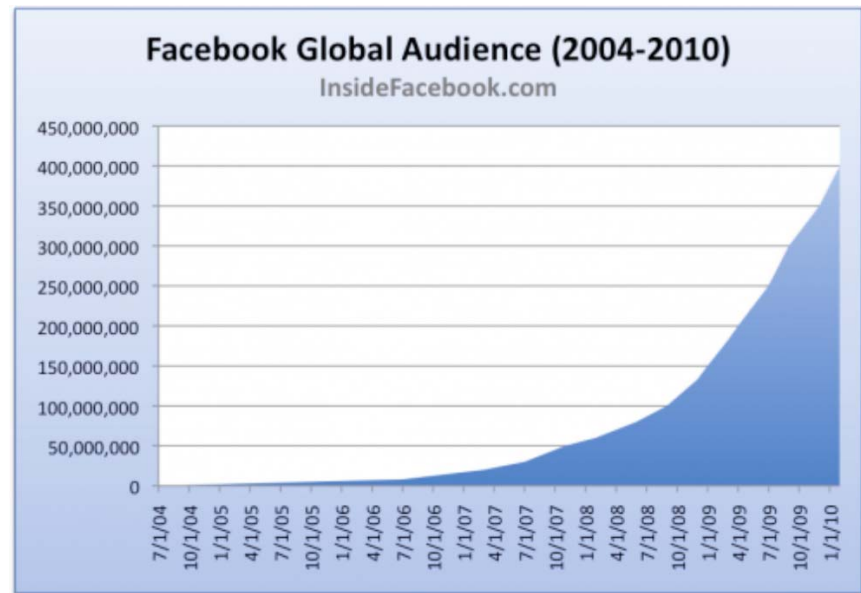
Social Gaming Opportunity



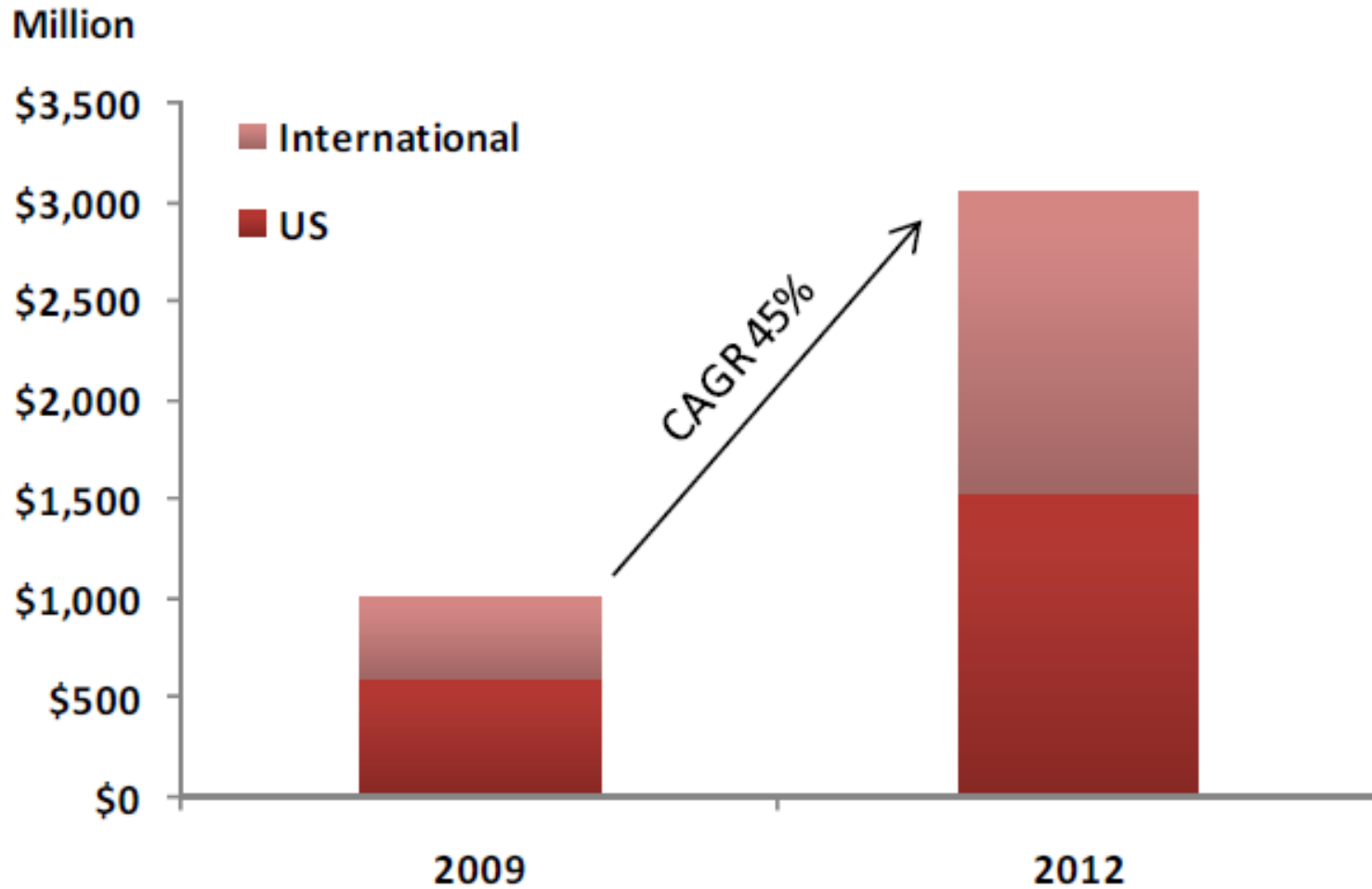
Facebook Platform



- Users
 - +400 million users
 - 200 million active users
 - 60 users in the US
- 70% of growth outside of U.S.
- Social Graph: 56% of new users over 35
- +14,000 games & apps in 2 years

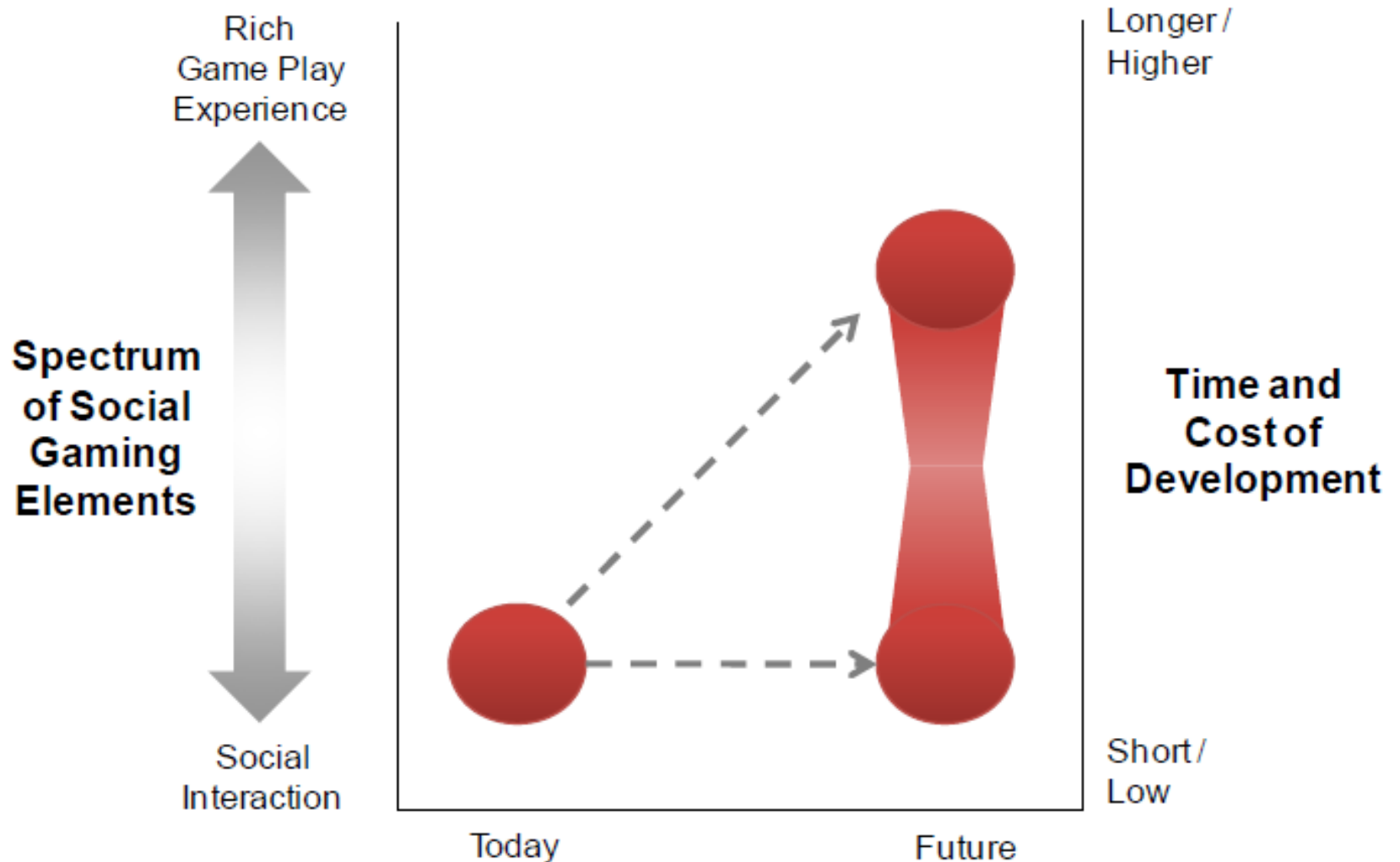


Global Social Gaming Market Growth



Source: GP Bullhound

Future Social Games



Future of Social Gaming



- Games going deeper
- Multi platforms
- Facebook Connect
- Existing players
- New competitors
- Monetization

Western Facebook: Lessons Learned



Western Opportunity



Social Gamers | International

Number of social network users and social gamers aged 10 yrs and up.



USA

143,000,000
social network users



UK

28,300,000
social network users



Germany

28,900,000
social network users



France

26,400,000
social network users



Belgium

4,600,000
social network users



Netherlands

8,000,000
social network users



© 2010 Newzoo



- Design and standards
- Cultural relevance
- Regional Pricing and Payments
- Marketing strategy
- Key Facebook related factors:
 - Policies change frequently and will affect games
 - Understanding the Facebook Social Graph
 - Evolve games via metrics, testing and user feedback



- **Alignment:** make sure priorities are aligned and both are equally motivated
- **Trust:** the western partners / product people to know the local market
- **Game design philosophies are very different**
 - West: Immediate satisfaction
 - Asia: Longer, drawn out battles (ie, slash & hack)
 - West: Level up curves are steeper
 - Western gamers are more casual in nature
- **Simplify user experience**
 - “K-I-S-S” your users
 - Less complexity, less choices; easier UI
- **Art is different**
 - Obvious differences between themes of the East and West
 - Appreciation of Asian art is niche
 - Avoid creating art that looks very “Asian”
- **Do not undervalue copywriting:** voice of the game, use experienced native English writers
- **Iterate fast** and focus priority on improving core game play mechanics first



We are hiring.

kabam.com/jobs.php

