NINE66

THE STATE OF

Game Developers in Saudi Arabia

[A Deep Dive]

TABLE OF CONTENTS

Section 1: Background & Key Findings **3**

Background to this report 4
Summary of key findings 5
Methodology 9

Section 2: Developer Demographics **10**

Developer locations 11
Developer profiles 13
Education and skills 16
Education attainment 17
Additional skills 18
Ongoing learning and skill acquisition 19
Experience with online earning platforms 20
Developing future skills 21
Experience with development tools 23

Section 3: Game Development in KSA **26**

Generating revenues 27
The local development scene in Saudi Arabia 27
Games companies in KSA 29
The recruitment challenge 30
Projects overview 33
Platforms 34
Target game genres 36

Projects timelines and budgets 38
Business models 39
Examples of successful games 40
Publishing experience 41

Section 4: Funding Games in KSA **42**

Funding games in KSA 43
Funding needs 44
Funding challenges 45

Section 5: KSA Developers **46**

A spirit of cooperation in KSA 47
Outsourcing work 49
Work for hire 50

Section 6: The KSA Ecosystem **51**

Awareness of ecosystem players 52
Current ecosystem challenges 53
Current immediate needs 54
Expectations from the ecosystem 55
Plans for the future 56
Why do they develop games? 57
The biggest opportunities for the games industry in the future 58

Section 7: Final Observations **59**

Final observations 60

1

BACKGROUND & KEY FINDINGS

We set out to understand the landscape of existing game developers in the Kingdom of Saudi Arabia, their common characteristics, main opportunities, and ideas around creating a better ecosystem for local game development to flourish.

BACKGROUND TO THIS REPORT

Vision 2030 is Saudi Arabia's Vision for the future. Launched in 2016, it's built upon three pillars: a vibrant society, a thriving economy, and an ambitious nation.

This national program of transformation aims to develop the necessary infrastructure and create an environment that enables the public, private and non-profit sectors to achieve the Kingdom's Vision 2030.

One aspect of this is a strategy to nurture the start-up ecosystem for mobile indie games and local IP and foster the production of games promoting Saudi and Arabic culture. A good first step towards achieving this goal is to understand better the motivations and aspirations of people working on the next successful Saudi game.

Nine66, a Savvy Games Group company, started operations in 2022. Our first order of business was to understand the landscape of existing game developers in the Kingdom of Saudi Arabia, their common characteristics, main challenges, and ideas around creating a better ecosystem for local game development to flourish.

The games industry in the Kingdom of Saudi Arabia is still relatively new, giving the team at Nine66 the unique opportunity to interview most of the game developers in the Kingdom. The three main objectives of the survey were to:

1. Gain a deeper understanding of the local game development industry
2. Understand the needs of local developers to validate our strategy for growing the local game development ecosystem
3. Use the survey findings to better direct future initiatives

SUMMARY OF KEY FINDINGS

The developers we spoke to were mostly **young** and with **limited experience** of working as professional game developers - meaning there is a need to upskill and develop local talent if the sector is to grow.

Around 18% of developers studied courses related to game development in college. Still, **few of these courses were provided by educational institutes in Saudi Arabia**, suggesting there is unmet demand for more development-related courses. The average Saudi game developer holds a bachelor's degree – often from universities like KSU, KAU and KFUPM – in Computer Science or Engineering.

Most developers currently live in Riyadh (31), followed by the western region (12), then the eastern region (6). Two live outside of the kingdom in the USA. While Riyadh is at the top of the list, it is worth noting that quite a handful of developers are not originally from the capital but moved there recently in pursuit of business opportunities.

Roughly **twice as many men are working as developers as women** - 68% versus 32%.
60% of developers have been in the development scene for **over five years.** Despite their extensive experience, the outcome of locally developed games has not been broadly commensurate with the number of years put into development.

Most of the developers we interviewed create games alongside their day job. 44% of developers are not pursuing full-time opportunities due to **poor job offers**, and 35% cited a **lack of offers to begin with**.

Around one-quarter of local developers have **never tried to make money through the sale of any content, product or service of their offering;** as they are in the process of learning, have no time to commit or are currently working on their first project.

SUMMARY OF KEY FINDINGS

The number of game startups in Saudi Arabia almost doubled in 2022 as a result of the GameChangers program. This shows that incubators are very effective in seeding new game companies into the market. However, more efforts are needed to sustain these startups, since some of them are either barely active or had their co-founders seeking full-time jobs in other companies (sometimes outside of the game industry).

The majority of companies employ 1-5 or 6-10 staff, making them fall into the independent studios category. Only 6 companies employ more than 10 people. Companies are split **50-50** on how easy it was for them to hire overseas developers, whilst 60% of companies found hiring local developers difficult due to high salary requirements, a small pool of developers and a lack of experienced candidates.

67% of respondents stated **financial risks** and the **lack of safety net** as obstacles preventing them from establishing start-ups. Additionally, 35% believe that the lack of knowledge in how companies work is a major factor for why developers are unable to start new studios.

Out of those who established a game studio, **around 80% said that their experience in founding the company was relatively easy.** This shows that the process of establishing companies, while easy, is not well-promoted among local developers.

Almost two-thirds of local developers are adopting or targeting the **premium business model** for their games. However, free-to-play remains popular among developers, with the vast majority of released games being free-to-play, often coming with Ads and IAPs.

Most developers (except for the few companies with enough capital) **don't usually pay monthly salaries** to their staff (or themselves), as they are mostly self-employed, part-time founders. For those developers, expenses are only spent on buying hardware, hiring freelancers, or purchasing assets from digital marketplaces.

SUMMARY OF KEY FINDINGS

All game developers we interviewed (except one) are **self-funded**, indicating a complete absence of investor support. While local investors are backing up tech start-ups, they do not seem to have found the right entry point for gaming, mainly because there are few companies with proven track records or effective business plans.
The majority of developers (65%) have **never tried to seek investment**. The most common reason was simply not being ready to pitch their games.

More than half of the developers have outsourced (outside of the Kingdom) before, mainly to save time or get better quality work. **Art** and **Music** are usually the top two parts to get outsourced, as the required skills are sometimes hard to find locally.

More than half of the developers were aware of MCIT's efforts in supporting the ecosystem. Non-profit organisations such as MiSK and Digital Games Association (DGA) are also known among some developers, mainly for their training programs in the case of MiSK and the promotional efforts in the case of DGA. Around 10% of interviewees were not aware of any available support.

Challenges facing local game companies include access to funding, access to local talent, high cost of living and attracting international talent.
Challenges facing solo game developers include access to funding, marketing and visibility and inability to commit full-time to game development. Developers were vocal about wanting to see more activities supporting the ecosystem in the Kingdom.

SUMMARY OF KEY FINDINGS

Showcase Events (public and investor-oriented) were one of the most requested activities, with 51% of developers stating the need **to present themselves and demonstrate their work**. However, despite developers wanting to showcase their work, **they don't see themselves as ready to pitch yet**. This might be because no showcase events are being announced for the near future, putting no time pressure on developers to finish their work.

Advanced training programs are also one of the most highly requested activities, with developers feeling the urgency for more complex topics to be taught, as a way for them to reach the next level. **Game jams with prizes and post-event support** are highly requested to encourage team building and rapid prototyping.

Video game conferences hosting famous speakers (in the style of GDC) are also just as highly desired as game jams. More than 72% of developers were influenced by famous mentors or game creators, as they are also very well informed about -and look up to- a number of key figures working in the game industry, especially within the indie scene, considering that the majority of local developers function in that space.

The **creative spark** and the will to express oneself artistically is what drives most developers to make games, mirroring their indie spirit. This is often tied with an urge **to promote Saudi culture** through interactive media, as well as **inspiring the future generation of game developers**, or simply to grow financially.

METHODOLOGY

We set out to conduct a qualitative survey of game developers based in Saudi Arabia to understand better their motivations, education and business background and their aspirations to continue working in the games industry.

The ultimate objective of this study was to identify ways in which the nascent games industry in the Kingdom can be supported and nurtured, specifically through the contributions of Nine66.

This survey seeks to understand:

- Motivation
- Business Background
- Education

Using our network of connections, we interviewed 51 seasoned game developers drawn from a mix of solo indie developers, mid-sized teams and relatively large companies.

We started conducting interviews on April 17, 2022, and concluded the process on June 20, 2022.

We asked our respondents a total of 110 questions structured in 11 blocks. Each interview lasted approximately 90 minutes.

The data we collected included both numeric (quantitative) and categorical (qualitative) variables.

2

DEVELOPER DEMOGRAPHICS

The following section looks into exactly who makes up the game development ecosystem in KSA; data on their gender, age and location, plus insights into their level of education and motivations.

DEVELOPER LOCATIONS

The first inquiry of our survey was to understand where developers are currently based.

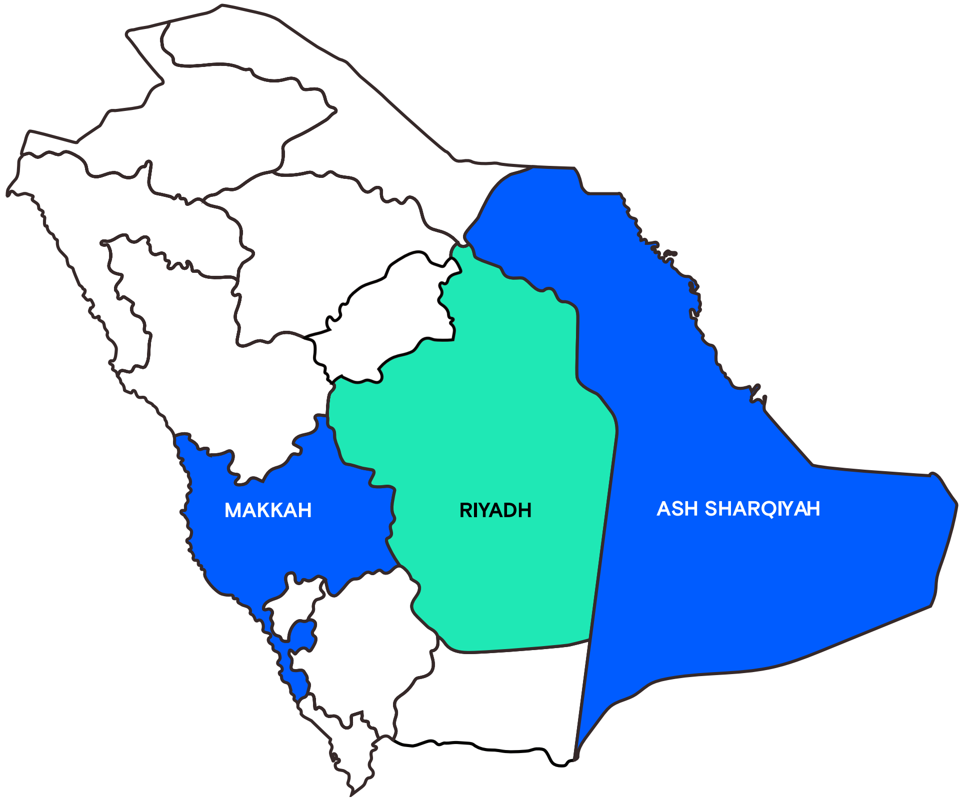
The vast majority of developers told us they were based in the capital city, Riyadh. It's home both to the largest population of skilled workers, and also the largest audience for games and apps. Out of our survey group of 51, 31 developers are based there.

After Riyadh, the next most popular location was the Western province of Makkah with 12 developers, followed by the Eastern Province with 6. A further 2 developers were based outside of Saudi Arabia, in California in the USA.

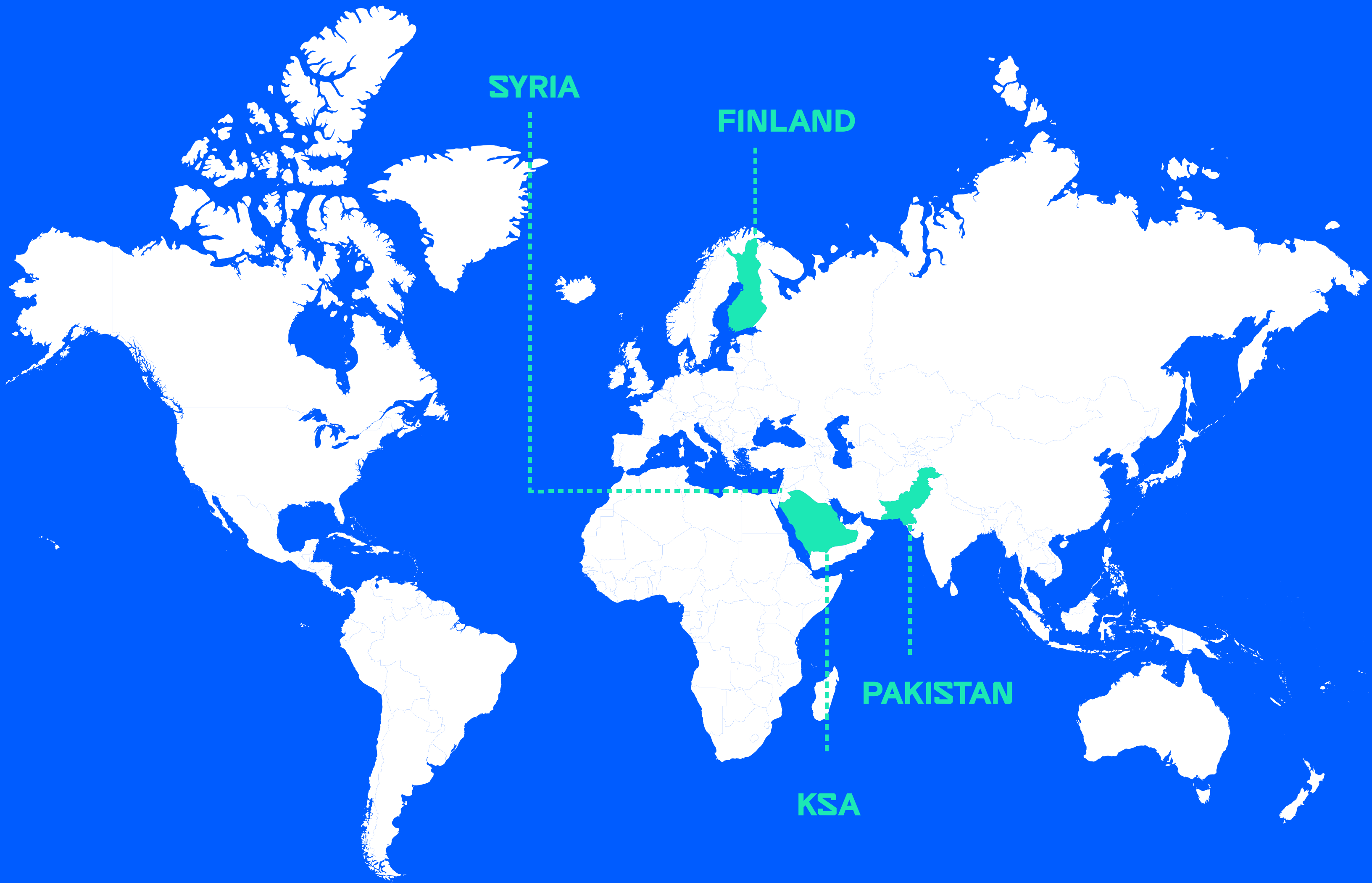
12
Western Province

31
Riyadh

6
Eastern Province

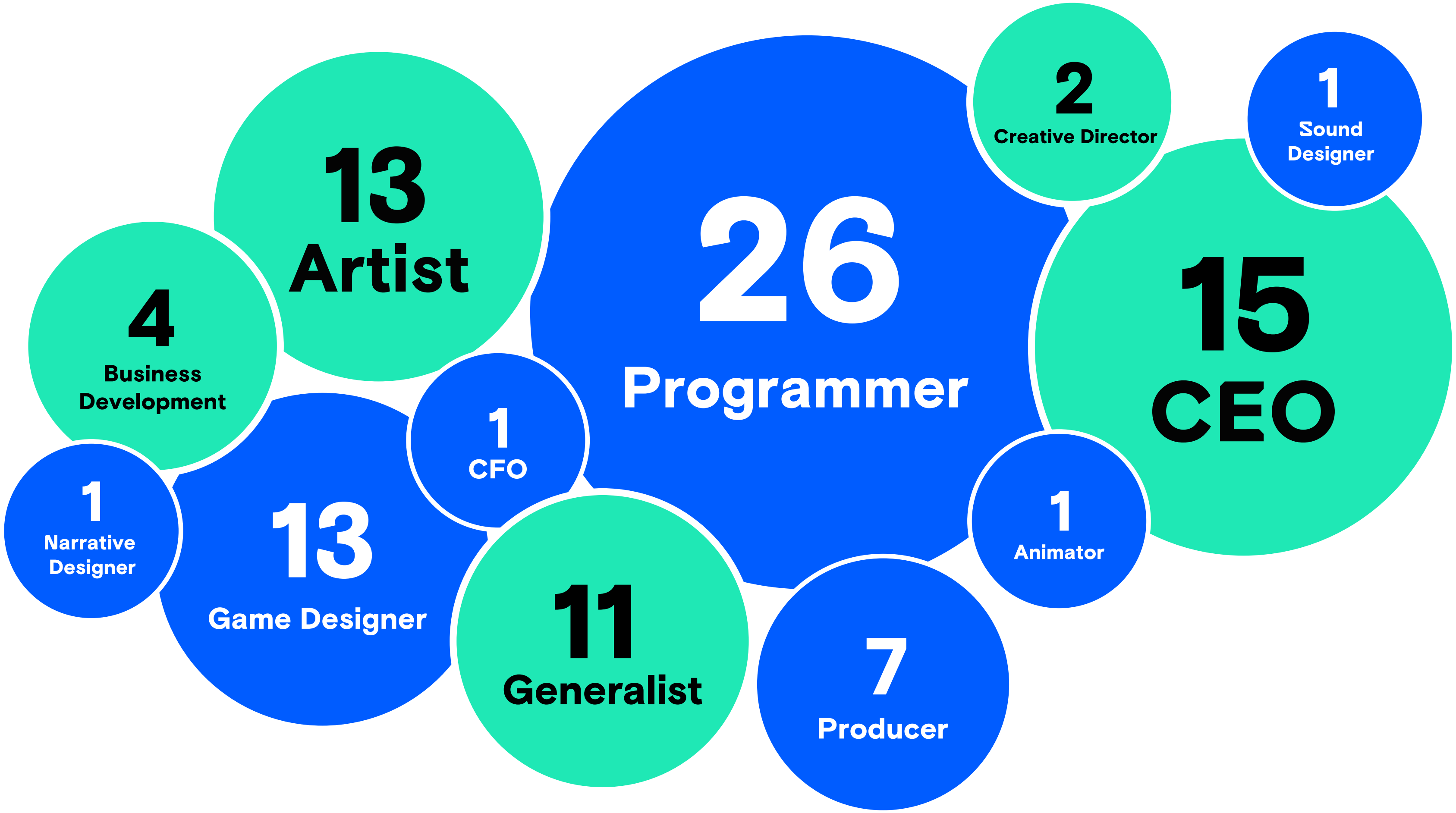


Almost all of the developers we interviewed (46 out of the 51 individuals we spoke to) were of **Saudi nationality.** Other nationalities amongst our respondent group included Syrian, Finnish and Pakistani (among others)



DEVELOPER PROFILES

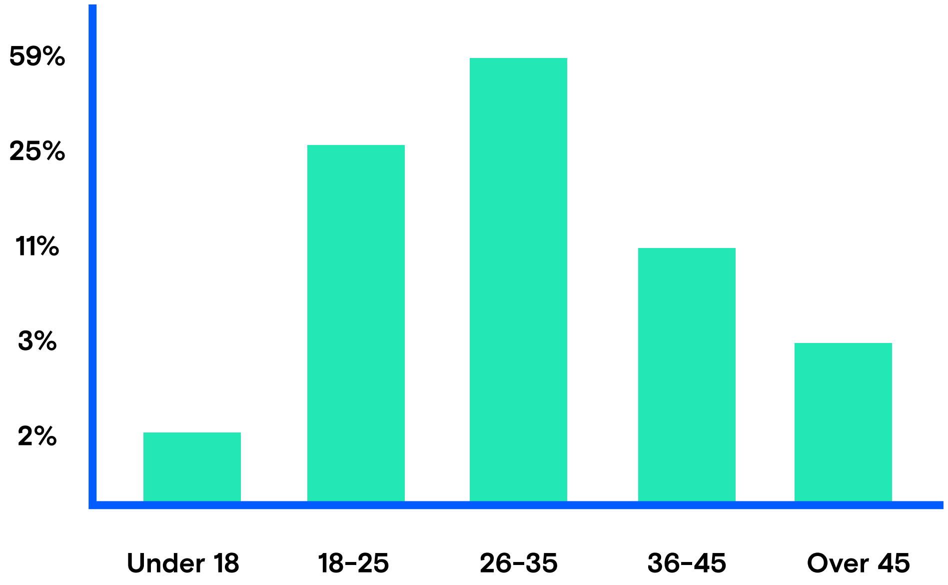
Most of the interviewed local developers identified themselves as programmers (26), CEOs (15), game designers (13), artists (13) or generic developers (11). Given the start-up nature of game companies in Saudi Arabia, 76% of the respondents who said they were CEOs also said they were performing technical roles such as programming or game art alongside their leadership roles.



Game developers in Saudi Arabia are younger than the global average. The majority (59%) are between 26 and 35 years old, with a further 25% between 18 and 25. More seasoned developers were in the minority, with only 14% older than 35.

That compares with data on the global average age of game developers, with 37% between 25 and 34 years old, and 53% aged 35 and older.

Age groups of local developers:



The majority of Saudi developers are aged 34 or younger – that compares with the global games industry, where the majority of developers are 35 and older.

THERE ARE ROUGHLY TWICE AS MANY MEN THAN WOMEN WORKING AS GAME DEVELOPERS.

68%

32%

EDUCATION AND SKILLS

When it comes to the level of education, 77% of the developers we interviewed hold a bachelor's degree.
Developers attended different universities in various parts of Saudi Arabia and the world, however the top three universities with the highest number of graduates are King Saud University (KSU), King Abdulaziz University (KAU) and King Fahd University of Petroleum and Minerals (KFUPM).

8

6

4

2

2

OTHER

26

EDUCATIONAL ATTAINMENT

Amongst our respondents, Computer Science is the most popular major (39%), followed by Engineering (26%). Although the majority of developers we spoke to held either a Bachelor's degree or Masters, some had not been through the university system at all, or were yet to graduate.

Most popular academic majors:

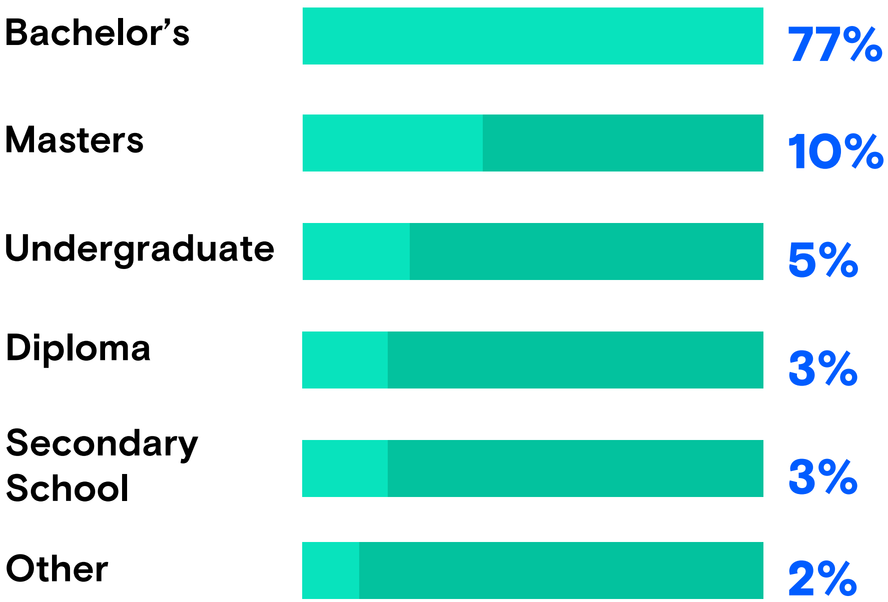
Computer Science

Engineering (other)

Information Technology

Computer Engineering

Educational attainment:



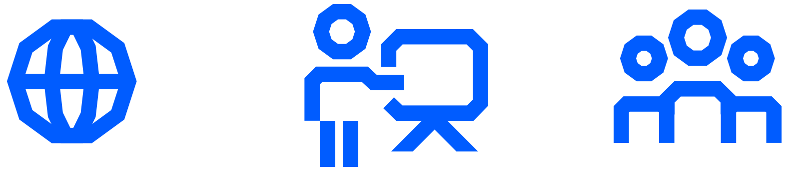
ADDITIONAL SKILLS

Some developers told us they have taken on additional courses to boost their knowledge in areas such as game design, 3D art and the basic principles of game development. Most of these courses are based online, whilst some are taught at university.

One respondent had studied a relevant course at an educational institute in Saudi Arabia, King Abdulaziz University in Jeddah.

This suggests there is an opportunity to offer further academic support to developers based in Saudi Arabia as a way to help boost their skills and accelerate the growth of the local ecosystem.

Preferred setting for additional learning:

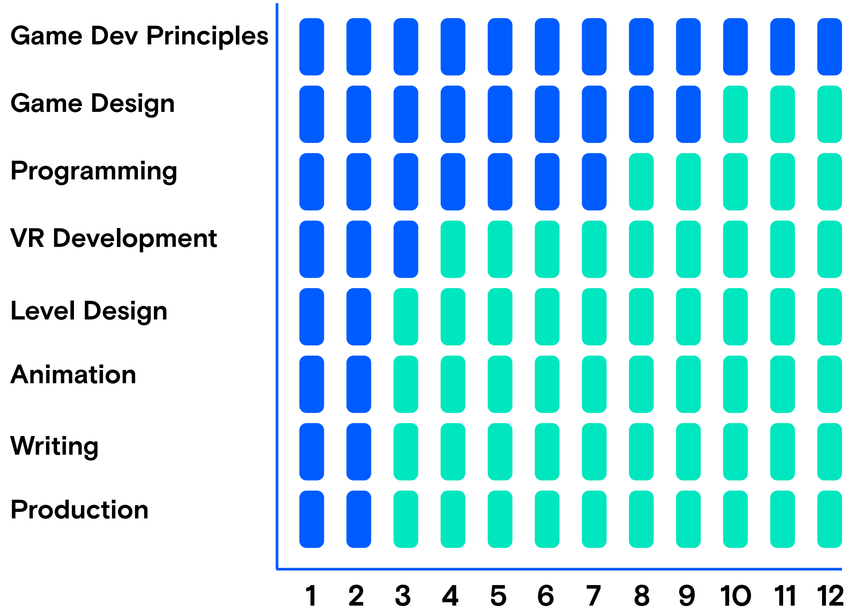


43% Online

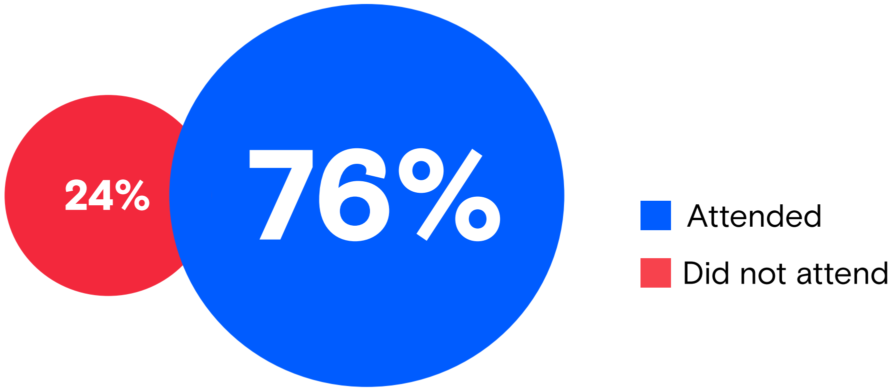
36% Physical classroom

21% University setting

Most sought-after courses:



Developers attending at least one training course related to game development:



ONGOING LEARNING AND SKILL ACQUISITION

To acquire knowledge or interact with their peers quickly, developers use Google (36%), YouTube (26%) and online forums such as the Unity Forum and Stack Overflow (18%) as their main sources of information.

Other sources include real-life mentors (10%), Discord servers (5%) and digital platforms like Udemy (4%).

As the most widely used search engine, it's natural that developers will use Google as their primary research tool.

However, they told us that when it came to more complex problems, it was often more practical to ask their peers or mentors, either directly or through social platforms.

Main sources of ongoing learning:

36%	**26%**	**18%**
Google Search	YouTube	Forums
10%	**5%**	**4%**
Mentor/Peers	Discord	Digital Platforms

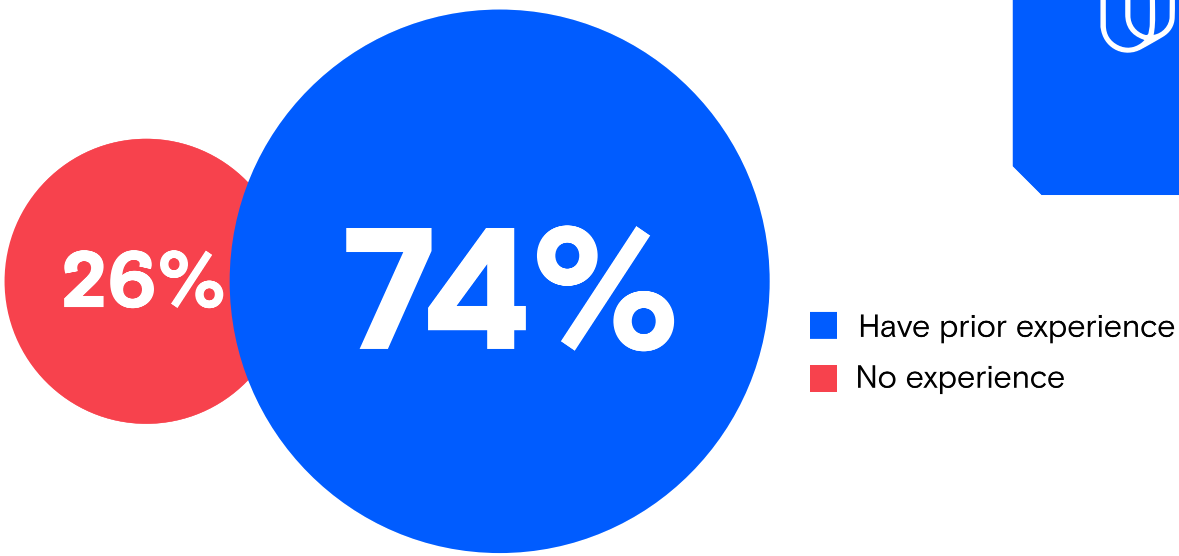
DEVELOPERS ARE MOTIVATED TO LEARN WHEN FACING AN OBSTACLE INSTEAD OF CASUALLY EXPLORING NEW TOPICS.

EXPERIENCE WITH ONLINE LEARNING PLATFORMS

Despite not being their primary ongoing source of information, most developers (74%) told us they had prior experience with digital learning platforms, with Udemy being the most popular (46%).

These platforms are not seen as a place to develop advanced skills; the developers told us they only use these platforms for introductory courses (i.e. fundamentals of Unreal, beginner's guide to Unity, etc.)

Developers' experience with digital learning platforms:



DEVELOPING FUTURE SKILLS

Almost all of the developers we interviewed expressed an interest in improving their skill-set through further training courses. The most sought-after skill to develop is Production at 36%, and Game Design and 3D Art as a close second at 34%.

Once again, this demonstrates the opportunities to up-skill and support local developer talent.

Most sought-after skills to develop:

36% Game Production	**34%** Game Design	**34%** 3D Art	**32%** Marketing	**26%** Programming
20% VFX	**16%** Animation	**16%** 2D Art	**8%** UI/UX	**8%** Sound Design
6% Financing/ Raising Funds	**6%** Soft Skills	**6%** Studio Management	**2%** Community Building	**4%** No Need for Training

Level of experience for local game developers:

60% of the developers we interviewed have been active in the development scene for more than 5 years. A quarter told us they have been working to develop games for between 1 and 5 years, and 14% said they had been doing so for less than a year.

This suggests that there is already a healthy level of experience in developing games. So why have the commercial outcomes of locally developed games not fully reflected the experience behind them and the amount of time spent creating them?

According to our respondents, a big factor is the fact that few development projects are seen as full-time jobs.

A small majority (38%) of the developers interviewed were involved in building commercial games part-time in parallel to a full-time job elsewhere.

Just under a third (32%) told us they were founders or co-founders of their own games studio, and just over 1 in 10 (12% said they are self-employed game developers. A minority told us they just create games for fun.

DEVELOPING FUTURE SKILLS

So why do so many of our respondents feel they working as a full-time game developer is beyond them?

A few different reasons were given, the most popular being the perceived lack of current job opportunities to work in game development.

More than a third of our respondents said there is a lack of job offers of any kind for developers (perhaps this is because of poor connectivity).

12% said they were prevented from working full time as they are currently studying or still in education, and 9% told us that it was a lack of experience which was holding them back.

The big positive is that none of our survey group ruled out working full-time in game development in the future.

As for finding an opportunity abroad, only 14 developers had a chance to work with/at international game companies, as either freeleancers (5), interns (5) or full-time employees (4).

GIVEN THE OPPORTUNITY, ALL THE DEVELOPERS WE SPOKE TO WANTED TO WORK FULL TIME IN THE GAME INDUSTRY.

EXPERIENCE WITH DEVELOPMENT TOOLS

Developers need to be familiar with a huge variety of game development tools. When it comes to game engines, Unity is the clear favourite with 84% of our developers saying they used it as a development tool, followed by 29% favouring Unreal Engine and 6% using GameMaker.

Some respondents were comfortable using more than one platform, but it's clear that Unity is the platform of choice.

That makes sense as the first few game developers in Saudi Arabia used Unity as they felt it was the best option for those with little or no prior experience, and it offers a global community of development know-how.
As the game development scene in Saudi Arabia has grown, that initial choice has influenced those that have followed.

Blender is an open-source and free to use 3D art tool which has become incredibly popular with developers and content creators around the world.

More than half the developers we interviewed chose it either as their go-to modelling software or one of the art platforms they used. On the 2D side of things, the reliable standard that is **Photoshop** dominates the scene, again with more than half the developers we spoke to using it.

MOST POPULAR TOOLS.

Developers mainly use the following tools:

84%
Unity
Game Development

55%
Blender
3D art

51%
Photoshop
2D art

29%
Unreal Engine
Game Development

27%
Substance Painter
2D Textures & Materials

24%
Maya
3D art

20%
3DS Max
3D art

16%
Audacity
Sound Editor

14%
Illustrator
2D art

14%
Procreate
2D art

8%
ZBrush
3D art

8%
GIMP
2D art

6%
Affinity
2D art

6%
Clip Studio Paint
2D art

6%
GameMaker
Game Development

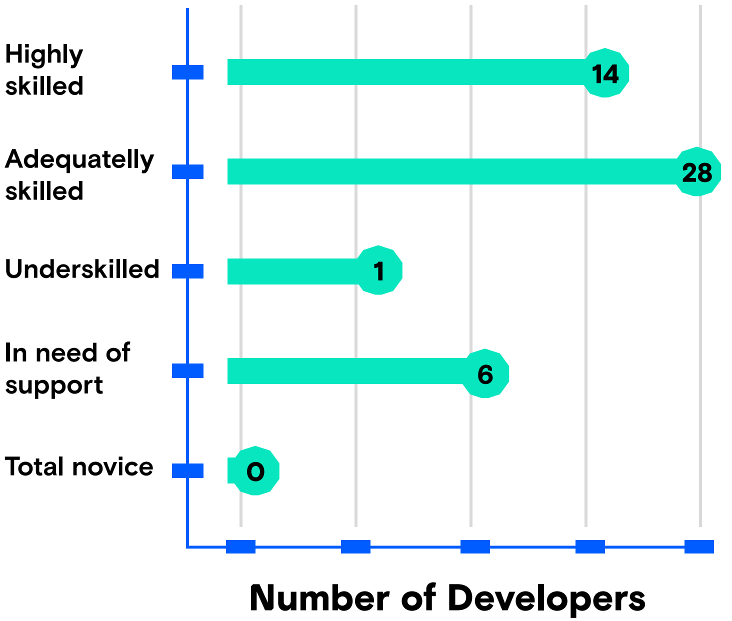
PROFICIENCY WITH TOOLS

Access to development tools is one thing; but the ability to fully harness the power of these tools is also really important if developers are going to create successful games.

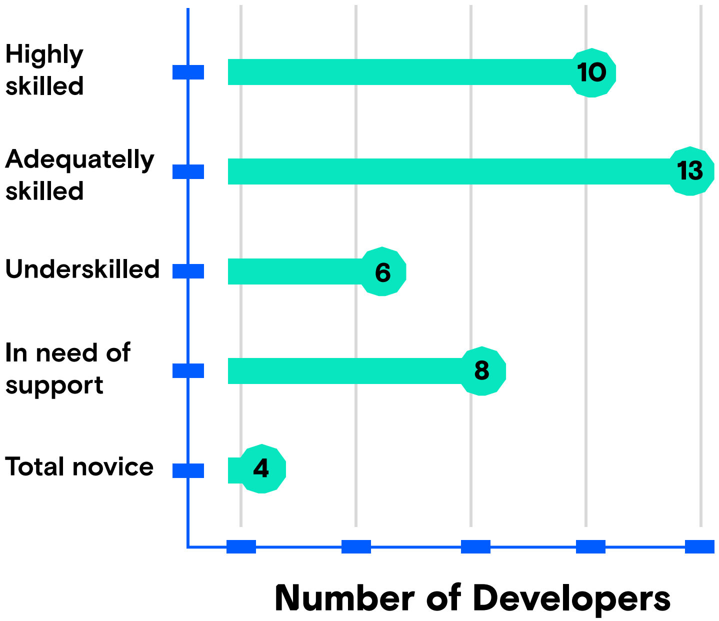
Our group of developers were given the chance to rate their own proficiency with their game development tools of choice.

The positive news is that the majority of respondents feel “Adequately Skilled” or better in the engine and software they use for development. However, that still leaves about a third of developers in a position where they feel under-skilled or in need of greater support.
As the number of developers based in the Kingdom grows, and with it the support network and expertise, then we would hope to be able to offer this group the additional support they need.

Skill level with the main game engine:



Skill level with the main art software:



3

GAME DEVELOPMENT IN SAUDI ARABIA

A total of 21 officially registered business entities were interviewed for this report out of 24 known active companies in the Kingdom.

GENERATING REVENUES WITH GAMES

When asked about the income generated by their projects, a quarter of local developers told us they have never tried to make money through the sale of any content, product or service. When asked why, developers mentioned three reasons for not trying to monetize their work:

1. They are focused on building their skills before trying a commercial project
2. They don't have the time to commit to the level of work required
3. They are working towards a commercial launch but are still in development

THE LOCAL GAME DEVELOPMENT SCENE

A total of 21 officially registered business entities were interviewed for this report out of 24 known active companies in the Kingdom. There is the possibility that the actual number of registered companies is higher than we found, but based on our knowledge of the local scene it is unlikely to exceed 30 at the most.

It's worth noting that while some teams of developers present themselves as game studios, they don't actually have any official registration as limited liability companies (LLC). This is why it's not possible to have a 100% accurate figure, and why some lists suggest the numbers of Saudi-registered companies is as high as 60 or even 70.

Most of the studios we researched work remotely and only have an online presence, while the rest have a physical office in Riyadh (6) or the eastern region (3).

Only four companies (UMX, Semaphore, Sandsoft, Manga Productions) have offices in other locations outside of the Kingdom in countries like Egypt, India, Jordan, Lebanon, UAE, Finland, Spain, Canada and Japan.

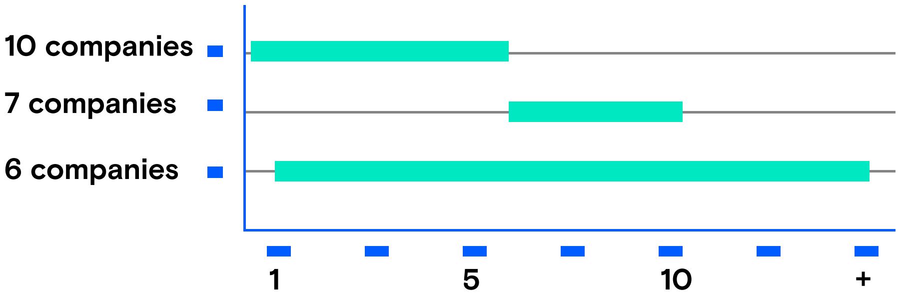
THE LOCAL GAME DEVELOPMENT SCENE

The number of game start-ups in Saudi Arabia has almost doubled in 2022 thanks to the GameChangers program.

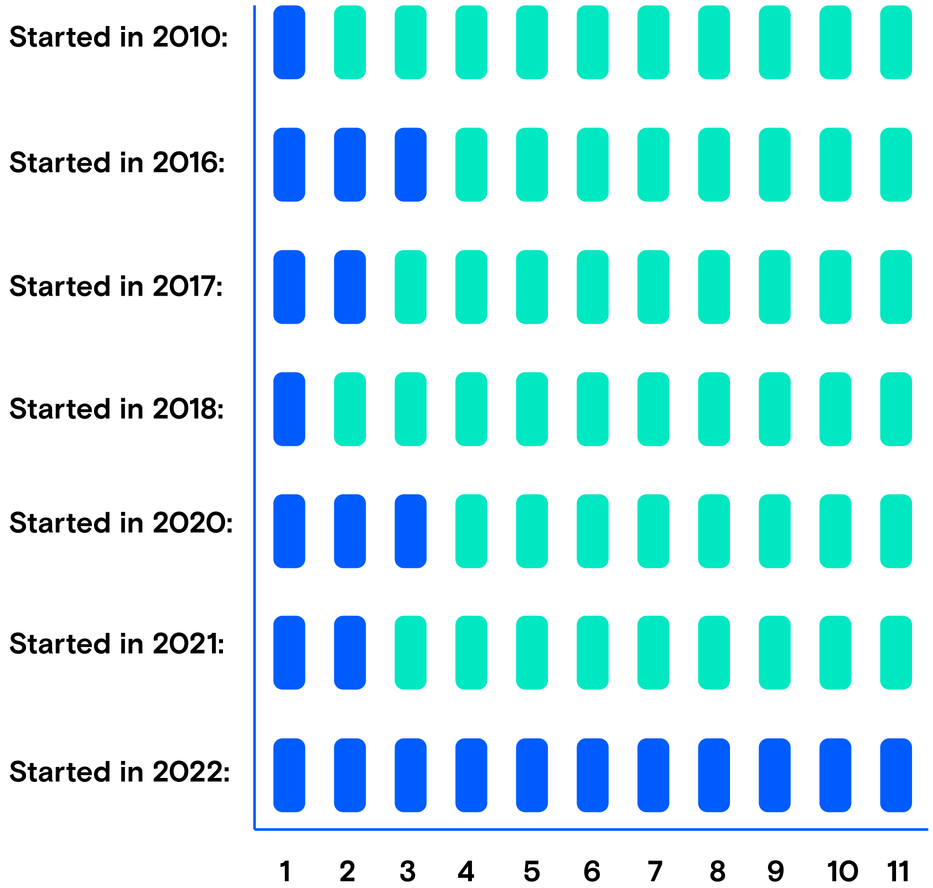
This is a clear example of how incubators are an effective way to quickly seed new game companies and foster a developer ecosystem.

The majority of the development studios we interviewed employ fewer than five staff, and two thirds of studios employ no more than 10 staff, putting them in the ‘indie studios’ category.
Only six companies employ more than 10 people. Both UMX and Semaphore have the highest number of employees with 70 and 100 developers respectively.

Number of companies by employee count range:



Number of game companies started in Saudi Arabia:



GAMES COMPANIES IN KSA

Company name	Year founded	Business focus	Target platform	Primary location	No. of employees	Has other offices?
7 Lives Studio	2022	Interactive stories	Mobile	Virtual	3	No
Aja Studio	2022	Premium indie games - cultural	PC	Virtual	6	No
Ark Entertainment	2022	Premium indie games	PC	Virtual	3	No
Ash Games	2022	Premium indie games	PC	Virtual	7	No
Bisham Studio	2022	Premium indie games	PC	Virtual	2	No
High Ground	2022	Fun cultural games	Mobile	Virtual	5	No
Light Studio	2016	Cultural games	PC, Consoles	Qatif	4	No
Manga Productions	2017	Video games with positive content	Mobile, VR	Riyadh	50	Yes
Moving Dimensions	2016	Fun cultural games	Mobile	Virtual	6	No
Murror Studio	2022	Premium indie games - cultural	PC	Virtual	6	No
Nomadroid	2022	Cultural games	PC	Virtual	8	No
Outbound Interactive	2020	XR Dev	VR	Virtual	5	No
PlayerOne	2017	Work for hire	PC, VR, Consoles	Virtual	5	No
Qindeel	2022	Work for hire	VR	Virtual	7	No
Remal	2005	Social multiplayer games	Mobile, Web	Dammam	30	No
Sandsoft	2020	Midcore free-to-play games	Mobile	Riyadh	30	Yes
Savvy Games Studios	2022	Free-to-play and premium games	Mobile, Consoles	Riyadh	35	No
Semaphore	2010	Edutainment	PC, Consoles, Mobile	Riyadh	100	Yes
Shafra Studio	2021	AAA games	Consoles	Virtual	5	No
Spoilz	2020	Casual games	Mobile	Riyadh	16	No
Starvania	2022	MM studio - action adventure	PC	Virtual	4	No
Table Knight Games	2018	Social party games	Mobile	Virtual	5	No
Thunder Ducks	2021	Undefined	PC	Khobar	1	No
UMX Studio	2016	Cultural games	Mobile	Riyadh	70	Yes

THE RECRUITMENT CHALLENGE

Companies told us they were evenly split in their view of whether it is easy or difficult for them to hire overseas developers to work in Saudi Arabia. Half reported difficulties in the recruitment process such as:

- Non-Saudi employees (especially from Western countries) asking for high salaries
- Difficulty in finding the right person in terms of personality and cultural fit
- Relative high living costs in Riyadh
- A complex relocation process

The other half of our respondents found the process of hiring expats to be easy, telling us that:

- The open market for overseas talent meant there is a large number of candidates to select from
- Developers from Middle East or South Asian countries typically sought lower salaries compared to Saudi developers

When looking deeper into the data we collected, only four companies have foreign employees based in a physical office in Saudi Arabia (Semaphore, UMX, Sandsoft and Manga Productions).

“WE ARE OPEN TO HIRING SAUDI DEVELOPERS, IF THEIR SALARIES WERE SUBSIDISED.” - Developer Quote

THE RECRUITMENT CHALLENGE

When it comes to hiring Saudi developers, 60% of companies found the process to be difficult because:

- High wage environment
- The difficulty in finding the right personality fit for the business
- Many candidates have no prior experience in professional game development
- Developers often refuse to work for equity

COMPANIES REPORTED A SMALL POOL OF DEVELOPERS TO HIRE FROM.

“IT IS HARD TO FIND LOCAL TALENTS BECAUSE THERE IS NO LOCAL EQUIVALENT OF ARTSTATION.”

- Developer Quote

THE RECRUITMENT CHALLENGE

The remaining 40% of companies found the process to be rather easy, telling us that:

- The developers they had hired were friends and family of the company founders
- Saudi Arabia has an abundance of 2D artists to hire

It's worth noting that the majority of the Saudi developers working in local game companies are not being paid monthly salaries. Instead, payment is per project, unless the company in question has significant capital to work with or is already financially successful (with both of these being rare in the current ecosystem).

Legislation does not appear to be one of the concerns of the developers we spoke to.

Around 80% of those who have already established a game studio (whether it is still active or now defunct) said that their experience in founding their company was relatively easy - possibly because the majority of them received support and guidance from an incubator scheme.

On a different note, only two companies hold a 'game studio licence' from GCAM (General Commission for Audiovisual Media). The other respondents either did not know about the license or didnt believe it was required for their business.

CLOSING DOWN BUSINESS ENTITIES WAS REPORTEDLY DIFFICULT -AT LEAST FOR THOSE WHO HAD CREATED CORPORATIONS.

PROJECTS OVERVIEW

The developers we interviewed have developed a combined total of 419 games to date, most of which are small-scale projects or game jam entries. Only 205 of these games were ever published. A variety of reasons were given on why developers left some of their games unreleased:

- Insufficient budget
- Scope creep
- A lack of time
- The lack of skills necessary to execute on the original vision
- The project was deemed not worthy to pursue early on
- The game was never meant to be released
- The project still in development
- The game was made for a client that decided not to release it

At the time of our survey there were 53 games being developed by the 51 developers we interviewed. If the views above are any guide, not all of them will see a release unless the obstacles surrounding game production are addressed.

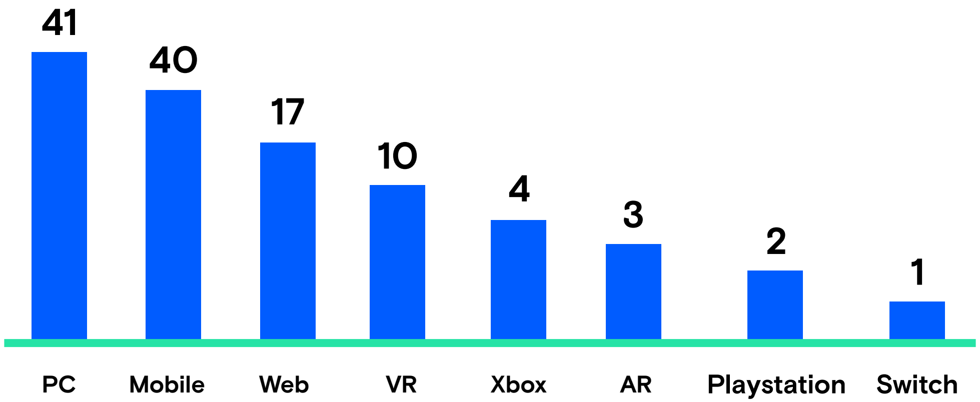
"MOST OF THE GAMES DEVELOPED LOCALLY ARE COLLEGE-LEVEL QUALITY."

- Developer Quote

PLATFORMS

Around 80% of developers have created games for PC and Mobile in the past, making them the most popular platforms by a big margin. Web-based games came in third place with 34% followed by VR with 20%. Only five developers had experience publishing for consoles, with Xbox being the fan favourite due its accessibility to small and large developers alike.

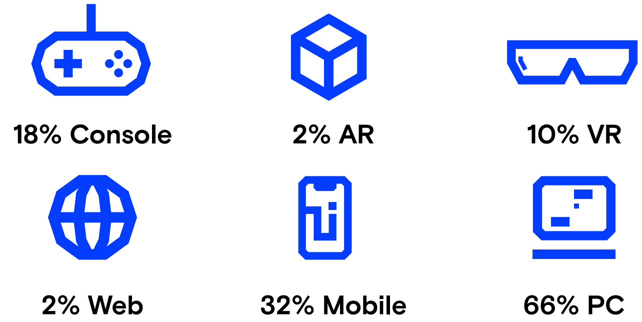
Number of developers with released games per platform:



When asked about the platforms they are focusing on at the moment, two-thirds of developers said they were targeting PC (66%), twice as much as mobile at 32%.

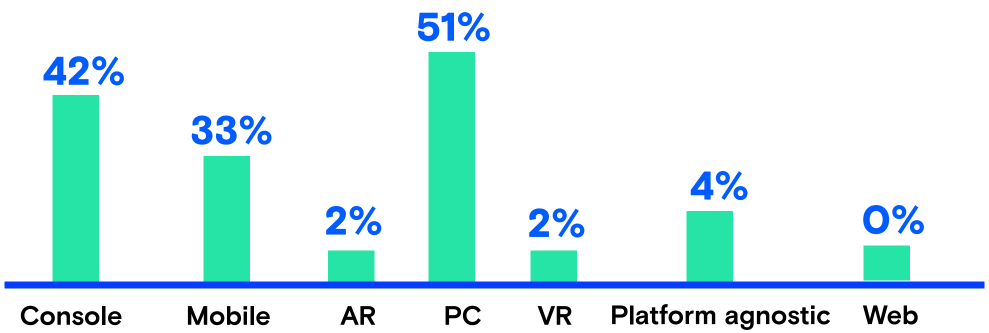
Consoles came in third place as the platform of focus for 18% of developers, followed by VR at 10%, while Web and AR shared the bottom of the list with just 2%.

Platforms of current focus for developers:



Half the developers believe that PC is the platform they are most likely to succeed with (51%), followed by consoles (42%) and mobile (33%). Out of all of the developers we asked, no one is expecting to succeed with web-based games, especially as it's a platform that gamers have been moving away from for some time.

Platforms to most likely succeed on as a local developer:



PLATFORMS

One noticeable trend is the increase in popularity of console gaming in the region - which makes sense, as consoles are the platforms that developers are most likely to have grown up playing, so they will have a mixture of knowledge and nostalgia for the platform. The installed base of consoles in KSA is also reaching the point where developers believe they have a good chance of success developing games for them.

Whilst this is positive news, we should also consider that the majority of the surveyed developers have no experience of developing for consoles and how competitive it is to get onto these platforms, and tough it can be to have a successful game once launched.

Additionally, although we see an increase in the popularity of consoles, PC remains the top platform for many developers both in terms of the number of games made for it or the amount of developers choosing it as their platform of choice for future projects.

DEVELOPERS LIKELY PREFER PC DUE TO ITS ACCESSIBILITY AND THE WAY IT FITS THEIR PRIMARY BUSINESS FOCUS OF MAKING PREMIUM INDIE GAMES.

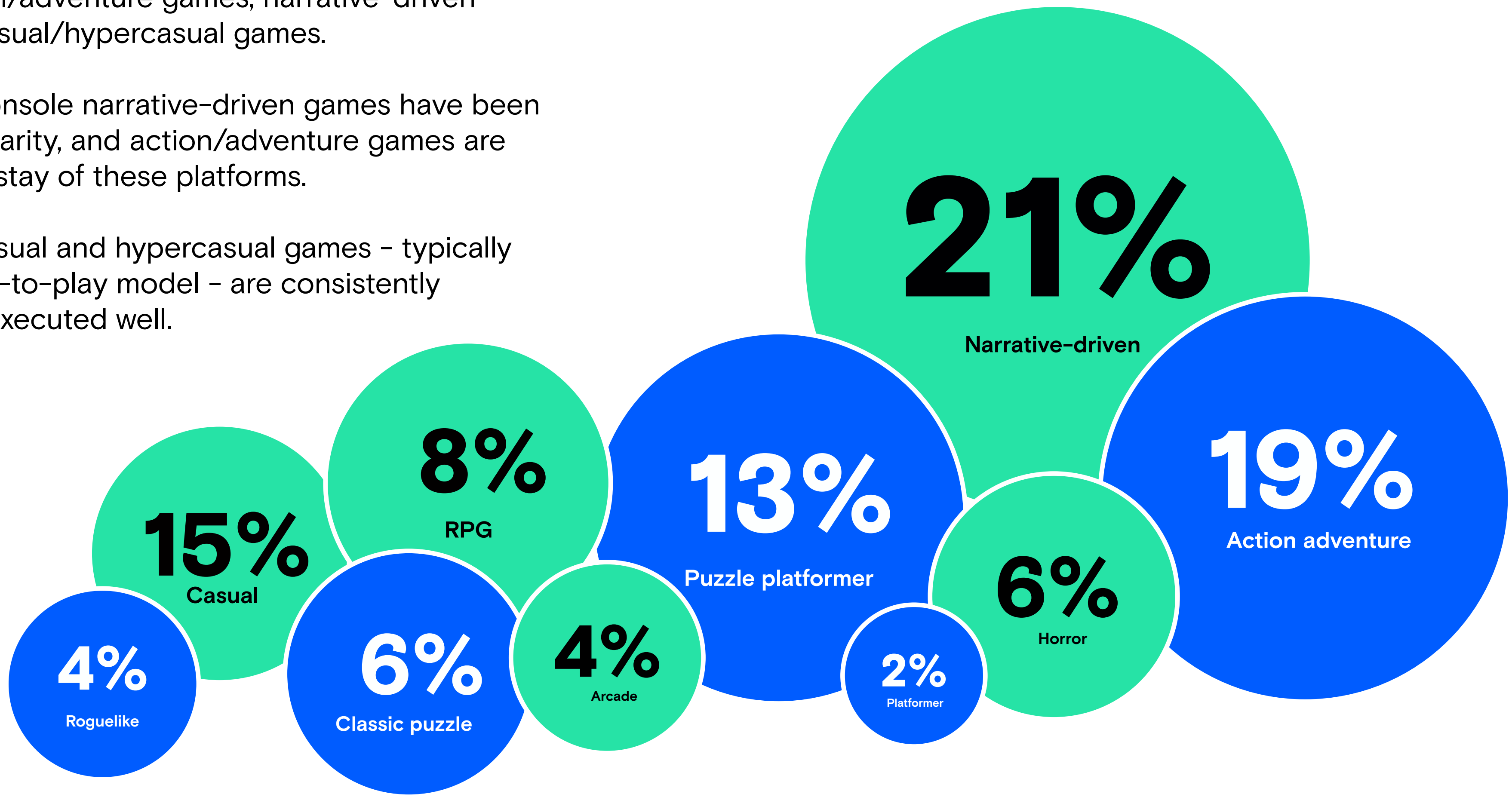
THE GAME GENRES DEVELOPERS ARE TARGETING

Local developers are creating games spanning many different genres, but there is a noticeable preference towards action/adventure games, narrative-driven games and casual/hypercasual games.

On PC and console narrative-driven games have been rising in popularity, and action/adventure games are always a mainstay of these platforms.

On mobile, casual and hypercasual games - typically built on a free-to-play model - are consistently successful if executed well.

Target game genres:



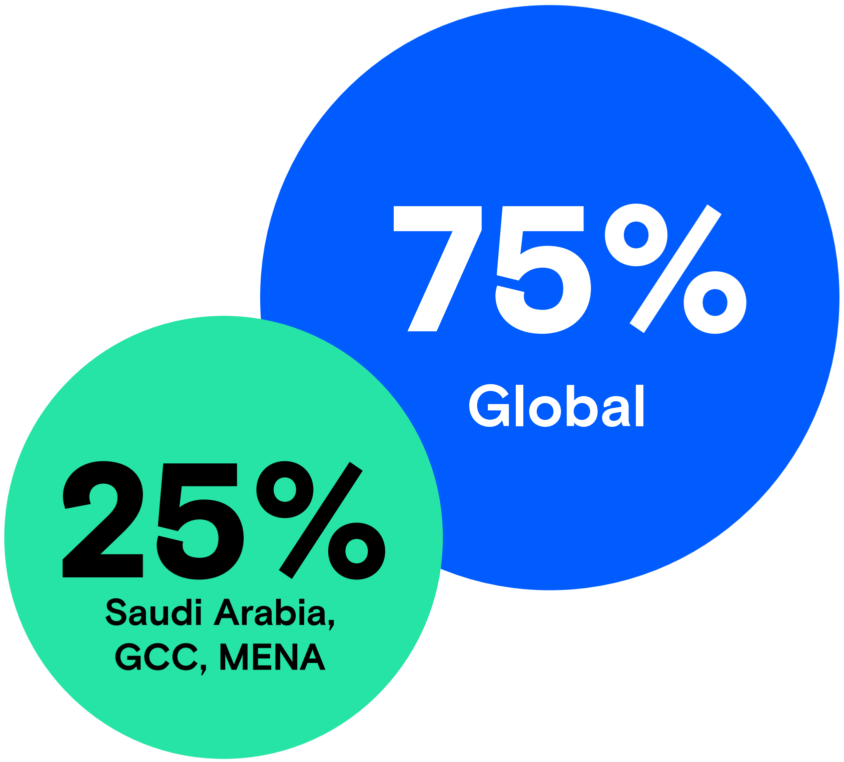
TARGET CONSUMER AUDIENCES FOR DEVELOPERS

When asked about what kinds of gamers they are targeting with their games, developers answered with little to no details- as though they had not really considered who they were targeting before starting the process of game development.

However, when it comes to geographical targeting there was more consistency.

Three-quarters of developers told us they are determined to make their games appeal to the global audience, and the remaining quarter appear happy to focus just on the local KSA/MENA market - or at least see this as a priority before considering a more global audience.

Target geographical regions:



GAME DEVELOPMENT TIMELINES AND BUDGETS

Similar to when they were asked about their target audiences, developers gave us varying answers when asked about their game development timelines. This is understandable as how long it takes to build a game depends on the scope of the game, the number of people working on it and the overall complexity of the project.

Looking at the responses, we were able to create rough groupings based on the estimated timeline and correlate this to the scope of the games being developed.

Scope of game	Team size	Example game design	Time needed
Small	1	One-mechanic hyper casual game with stock or reused assets	0-4 months
Medium	1	3D puzzle game with stock or reused assets and a handful of meta-game features	4-8 Months
Relatively large	3-5	Multiplayer word game with artist-created content and standard free-to-play monetization features	8-12 Months
Large	3+	2D action adventure game with 3-5 hours of gameplay across multiple levels	1-3 years

As we've previously mentioned, most of the developers (except for the few companies with enough capital) don't usually pay monthly salaries to their employees (or themselves), as they are mostly self-employed part-time founders.

For those developers, expenses are only spent on buying hardware, hiring freelancers, or purchasing digital assets from marketplaces like the Unity Store, ranging from a few hundred dollars to tens of thousands (depending on the need).

Companies with at least One Paid Full-Time Employee:

Studio name	Founded	No. of employees	Origin
Semaphore	2010	100	Family business
UMX Studio	2016	70	InspireU alumni (start-up accelerator)
Manga Productions	2017	50	Subsidiary of MiSK
Sandsoft	2020	30	Family business
Remal	2005	30	-
Spoilz	2020	16	Lean Node alumni (start-up incubator)
Moving Dimensions	2016	6	Had a local smash hit in 2018
Savvy Games Studios	2022	35	Savvy Games Group company

BUSINESS MODELS

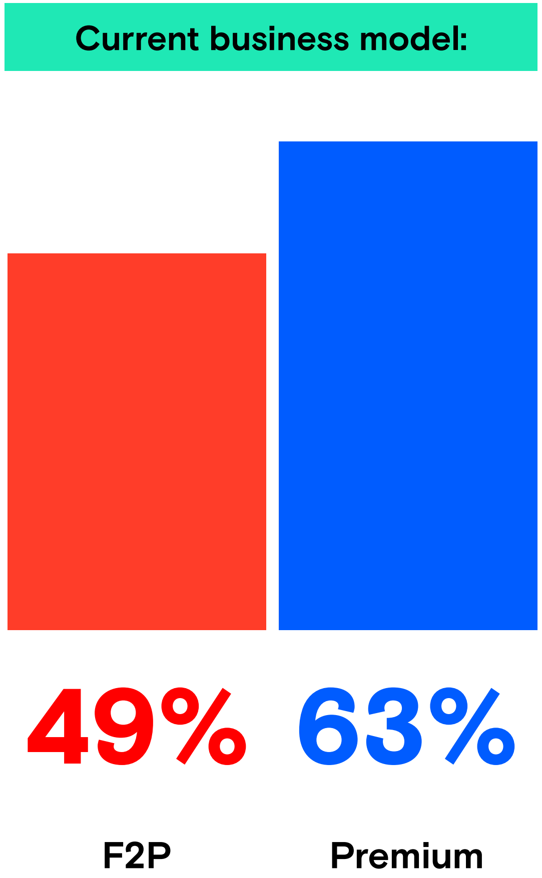
Almost two-thirds of local developers are building games based on a premium business model.

However, free-to-play remains popular among developers, with the vast majority of games on mobile free-to-play, often coming with advertising and IAPs as a means of monetization. This approach is being used more and more on other platforms.

37% of developers told us they employ ads in their games while 27% are implementing in-app purchases.

Some other less-used business models are:

- Battle pass
- Subscriptions
- Donations



EXAMPLES OF SUCCESSFUL GAMES

Despite developers preferring to target PC for their projects, nearly all of the success stories from games launched by local developers have been on mobile. Common elements include social multiplayer components and cultural themes.

Title	Developer	Genre	Platform	Social features?	Level of success
Kammelna	Remal	Cards	Mobile, Web	Yes	Profitable
King of Steering	UMX	Racing	Mobile	Yes	Profitable
Abo Khashem	Moving Dimensions	3D Adventure	Console	No	Profitable
بـرا السالفة	Table Knight	Party	Mobile	Yes	Exceeded 1M Downloads on the Google Play Store
إنسـان حيـوان نـبـات	Abualamrin Studio	Word	Mobile	Yes	Exceeded 500K Down-loads on the Google Play Store

PUBLISHING EXPERIENCE

The majority of developers are focused only on the creation of games. When it comes to launching the game and supporting it through marketing, advertising and negotiating with platform gatekeepers such as Sony Playstation and Apple, many developers seek the experience and financial support of dedicated publishers. Perhaps most importantly, publishers are a key route for taking a game to a global audience.

Our research found that 92% of local developers have never worked with a publisher before - limiting the global reach of their games.

But if virtually all the interviewed developers are self-publishing, how then are they driving awareness amongst gamers?

According to our survey, 22% have done no marketing at all for their game. More than 70% market their games through social media (mainly Twitter), 30% use ads (user acquisition, search ads, media buying, promoted ads), while 26% rely on influencers to capitalise on the mass following that content creators enjoy in Saudi Arabia. Other marketing methods include attending showcase events (15%) and relying on word of mouth (7%).

The four developers who worked (or are working) with publishers spoke positively about their experience, with three of them wanting to work with a publisher again (the 4th one not being decided yet). Two of the publishers are based in Saudi Arabia, one is now defunct, while the other is Nine66.

All four developers were initially looking for marketing help from their publishers. Two of them, however, asked for additional services such as production help and funding for the final product.

With most of the games launched to date on mobile, the primary distribution channels are the mobile app stores that target Android and iOS users. PC gamers are simpler to reach, with Steam the key store front for anyone wanting to publish a PC game.

Number of developers with released games per store:

Google Play	App Store	STEAM
33	22	21
EXPLORE IT ON HUAWEI AppGallery	**itch.io**	**OTHERS**
3	13	8

4

FUNDING GAMES IN KSA

While local investors are happy to invest in and support tech start-ups, they don't seem to have found the right entry point into gaming. Based on our research, it's likely this is because few companies have demonstrated a proven track record or a solid business plan.

FUNDING GAMES IN KSA

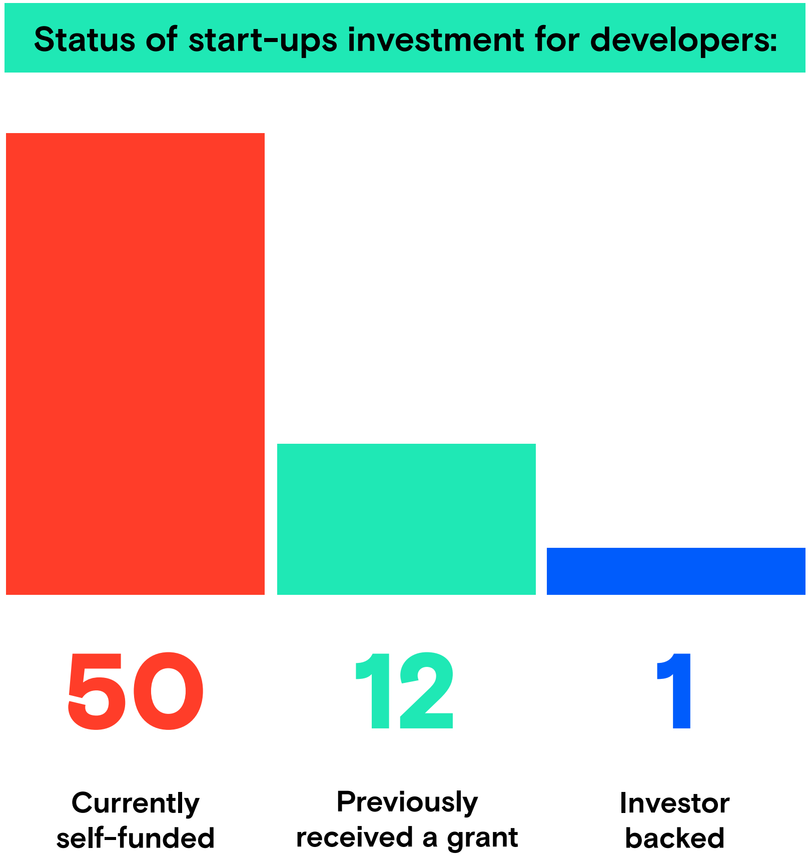
All of the game developers we interviewed are self-funding their projects (with one exception) - despite the active investment community in Saudi Arabia.

While local investors are happy to invest in and support tech start-ups, they don't seem to have found the right entry point into gaming.

Based on our research, it's likely this is because few companies have demonstrated a proven track record or a solid business plan.

A total of twelve companies told us they have received a grant at some point in the past - ten of which are graduates of the GameChangers program.

The other two are UMX Studio, which received a grant from STC's InspireU, and Outbound Interactive, which received a grant from MCIT's Tech Champions.



FUNDING NEEDS

The majority of developers we surveyed (65%) have never sought investment - mainly because for half of them, their game is not yet ready to be pitched. Other reasons given include:

- Don't know who to approach or how to pitch them
- Don't currently have time to look for investors
- Investors have requirements that developers can't currently meet
- Not interested in or don't need external funding

DEVELOPERS WANT TO AVOID THE LOSS OF STUDIO CONTROL THAT THEY ASSOCIATE WITH EXTERNAL INVESTMENT.

"INVESTORS DON'T UNDERSTAND HOW GAME STUDIOS WORK, WHICH COULD LEAD TO THEM NEGATIVELY AFFECTING THE DIRECTION OF THE COMPANY."

- Developer Quote

FUNDING CHALLENGES

For the eighteen developers who have tried to secure investment, only two have succeeded (one developer receiving funds from local angel investors, the other one securing funds from MCIT).

Some developers who didn't secure investment said that their experience of the process had been unsatisfactory, either due to investors "not understanding games and treating them as tech apps", or "the offer was too low to be worthwhile". Others are still waiting to hear a response.

Nearly 60% of developers are aware of financial services in the Kingdom. However, only 37% are actively looking for funding at the moment. Half of the group not looking for funding feel that they are not ready yet, while the other half variously stated that they didn't have a need for additional funding, don't know who to approach, or that they just don't have time right now to pitch investors.

Developers were asked how much funding they need to finish their current project. Answers spanned from $40,000 to $1.3 million - with a little over $400,000 as the average. The total amount of additional funds our group believed they needed came to $8,846,663.

It should be noted that while some more established developers had a clear financial plan, other developers did not have this prior to being asked this question. This has made their reported required funding less relieble.

As for how developers plan to utilise the funds, it's a blend of everything, including salaries (72%), marketing and advertising (64%), investing in tech and tools (58%), outsourcing work (42%) and renting more or better office space (26%).

THE AVERAGE AMOUNT OF INVESTMENT SOUGHT BY DEVELOPERS IS $400K, WITH AMOUNTS RANGING FROM $40K TO OVER $1.3M TO COMPLETE THEIR GAMES.

5 KSA DEVELOPERS

84% of our interviewees have collaborated with other local developers at some point, mainly after meeting them in events (game jams, meet-ups, conferences, etc.,) or after connecting via social media.

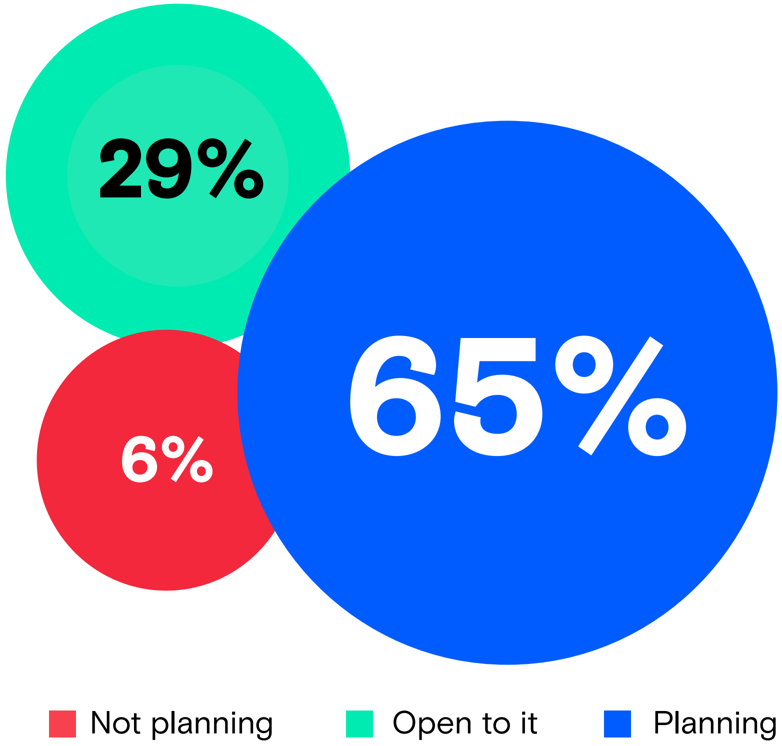
A SPIRIT OF COOPERATION IN KSA

84% of our interviewees have collaborated with other local developers at some point, mainly after meeting them in events (game jams, meet-ups, conferences, etc.,) or after connecting via social media.

When asked about how they would rate their experience developers spoke positively. However, some developers recalled a few bad experiences relating to problems related to their commitment, teamwork, communication, lack of experience and breach of initial agreements.

Despite that, 65% of our interviewees said that they are actively planning to work with other local developers in the future, whilst almost all of the remainder said that they were open to the opportunity of doing so. Only a small percentage of (6%) are set against repeating the experience.

Future collaboration plans between local developers:



The developers themselves talked about what they perceived to be the biggest weaknesses among their colleagues:

- Over-scoping: developers are too ambitious with their projects, sometimes coming across as naive
- Poor teamwork: developers know how to work as individuals but not as part of teams
- A general lack of business skills and experience
- Poor technical game development skills (game design, technical art, production)
- A lack of confidence and commitment, with developers afraid to take risks

As well as identifying the problems, developers also suggested a few recommendations on how these issues could or should be addressed:

- Foster better communication and collaboration between developers
- Developers need to gain actual experience by getting their games to market, or by having them work in bigger studios
- Develop skills through practical education, workshops, internships and training
- Encourage collaboration by promoting interesting projects and success stories
- Build more start-ups and create entry level jobs for developers to gain real-world experience

"LOCAL DEVELOPERS HAVE NO BUSINESS KNOWLEDGE, THEY DON'T UNDERSTAND WHAT MAKES GAMES SUCCESSFUL."

- Developer Quote

OUTSORCING WORK

More than half of the developers have outsourced work to individuals or companies outside of the Kingdom, mainly as a way to save time or receive specific quality work.

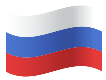
Art and music creation are usually the top two tasks to be outsourced, as the required skills are sometimes hard to find locally. Sometimes developers are also outsourcing other aspects of game development - namely programming, SFX and animation, and to a lesser extent localization, full development, prototyping and writing.

Since the majority of local developers are independent studios or individual creatives, the level of outsourcing rarely moves beyond using a freelancer rather than engaging a whole external development studio, which is only possible for those with the necessary finances, such as Manga Productions and Sandsoft.

Developers use ArtStation, music websites (i.e. Soundcloud), Fiverr, Upwork and social platforms as their primary means to connect with international freelancers. The main places where these freelancers are based include Russia, India, Ukraine, the UK and the US.

Top countries local developers outsource work to:

1



RUSSIA

2

USA

3

INDIA

4

UK

5

UKRAINE

Overall, local developers have a positive view of outsourcing, with nearly 60% of them considering outsourcing in the future. For those who didn't plan to use outsourcing, there were multiple reasons:

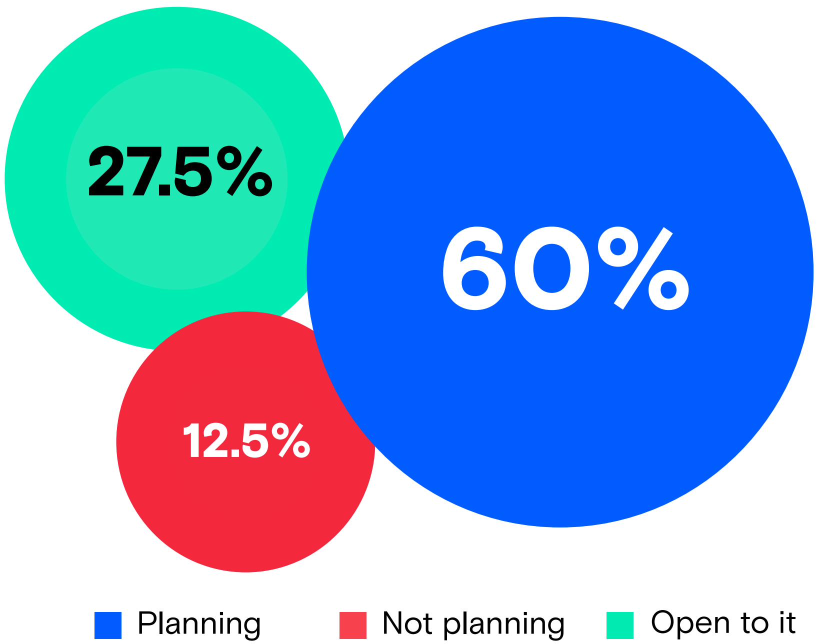
- The language barrier – some find it easier to understand and communicate with local developers
- Higher costs – overseas freelancers can be more expensive than local talent
- Investment in success - freelancers generally lack passion towards the project as they don't have a stake in its success

WORK FOR HIRE

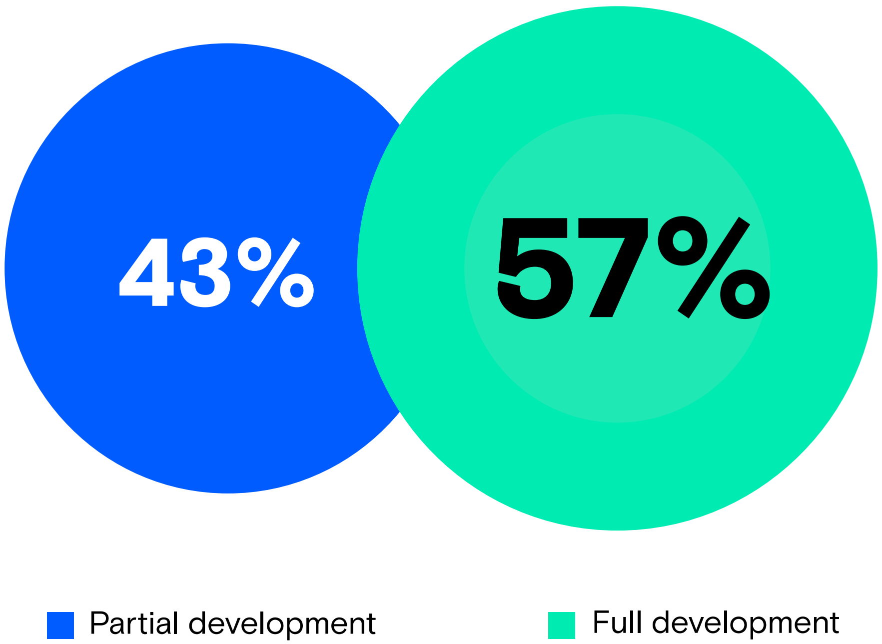
Developers were split pretty much 50-50 between those who have done work for hire and those who haven't. Of those that don't, 10% reported that they had been approached to work for hire, but had declined due to not having the time, or because they felt the financial offer was not sufficient.

As for the type of work, 57% of developers said they have done full-development work, usually for local clients. The other 43%, have done partial development work, creating art assets, developing prototypes and polishing products.

Distribution of developers' plans to outsource work:



Type of previous work for hire:



6

THE KSA ECOSYSTEM

There is a growing ecosystem of support and mentoring available to developers in KSA. But while our respondents were aware of some of the ecosystem players, only the most popular were known by more than a handful of developers at best

AWARENESS OF ECOSYSTEM PLAYERS

While developers are aware of the different ecosystem enablers in the Kingdom, their awareness is generally superficial rather than in-depth.

More than half the developers are aware of MCIT efforts in supporting the ecosystem.

Non-profit organisations such as MiSK and the Digital Games Association (DGA) are also known among some of the developers, mainly for their training programs in case of MiSK, and the promotional efforts in case of DGA.

Around 10% of interviewees are not aware of any support provided to developers, suggesting that there is a need to increase awareness.

Our respondents were aware of some of the ecosystem players, but only the most popular were known by more than a handful of developers at best.

Number of developers aware of efforts made by ecosystem enablers:

Ministry of Communications and Information Technology	Savvy Games Group	Digital Game Association	Misk – Mohammed Bin Salman Foundation
30	15	12	10

6 GCAM	5 NEOM	5 Manga Prd	4 KAUST	4 National Cybersecurity Authority
4 Social Development Bank	3 CITC	3 SDA	2 MoC	2 IGNITE
	2 IGNITE	1 InspireU	5 Don't know of any	

CURRENT ECOSYSTEM CHALLENGES

The biggest challenges facing local developers right now can be separated into challenges facing companies/start-ups, and challenges facing individual developers.

For companies, the majority of the challenges are related to hiring and retaining talented staff. Other challenges include:

- Not enough local talent for hire due to mixed technical capabilities or relative high salary expectations
- Access to funding can be challenging as investors are unwilling to invest in unproven gaming companies, or they don't fully understand the industry
- It's hard to afford office space costs
- The cost of living is high (particularly in Riyadh)
- It has traditionally been difficult to attract experienced developers to the region to build a talent hub
- There can be legal and copyright issues, with games getting hacked and pirated

The challenges facing individuals are slightly different, with more of them linked to economic and investment bottlenecks:

- It's hard to find the right people to work with
- There is not enough time to work on games
- Product marketing and visibility is poor
- Access to funding is difficult
- Game development education is limited (especially in Arabic)
- Most ecosystem initiatives are only available to those based in Riyadh

"WE KNOW HOW TO WORK AS INDIVIDUALS BUT NOT AS TEAMS."

- Developer Quote

CURRENT IMMEDIATE NEEDS

Developers were asked to name the ONE thing they need the most help with at the moment. The answers they provide fell into different categories, but the most common needs were as follows (in order of importance):

- Team building and recruitment – searching mostly for local producers, artists and gameplay programmers among other specific roles
- Financial help – as they are looking to fund their current/ future projects
- Business help – supporting start-ups in building and managing a sustainable business, navigating government regulations and offering office space. This also includes resolving any legal issues
- Marketing and publishing – as some developers are looking to bring more visibility to their creations
- High-performance hardware to help developers improve their workflow
- More time – as most of the developers are working part-time; hesitant to leave their well-paying jobs and join the game industry

ACCORDING TO LOCAL DEVELOPERS, RECRUITMENT AND FINANCIAL HELP ARE THE TOP TWO PRESSING NEEDS AT THE MOMENT.

EXPECTATIONS FROM THE ECOSYSTEM

Developers would like to see more activities supporting the ecosystem in the Kingdom.

Showcase Events (public and investor oriented) are the most requested activity, with 51% of developers addressing the need to present themselves and demonstrate their work. However, despite developers wanting to showcase their work, they don't see themselves ready to be in the public eye just yet.

Advanced training programs are also one of the most highly requested activities, with developers feeling the urgency for more complex topics to be taught, as a way for them to reach the next level.

Game jams with prizes and post-event support are highly requested to encourage team building and rapid prototyping.

Video game conferences hosting famous speakers (in the style of GDC) are seen as just as important as events like game jams. More than 72% of developers said they were influenced by famous mentors or game creators, and there is almost universal interest in opportunities to meet with and learn from other successful developers.

Industry meet-ups, where developers connect and network with each other, were also requested. Developers use such events as a key means to hunt for talent and gain more exposure amongst their peers.

Lastly, a few developers expressed interest in incubation/acceleration programs as a way for them to kick-start their start-ups.

DEVELOPERS ARE NOT READY TO PITCH BECAUSE FEW SHOWCASE EVENTS ARE BEING ANNOUNCED, PUTTING NO TIME PRESSURE ON THEM TO FINISH THEIR WORK.

PLANS FOR THE FUTURE

While companies look to grow bigger in size and generate more revenue, 63% of independent developers are aiming to establish their own game studio at some point in the future.

Some plan to create artistic small-scale games, whilst others are committed to producing AAA titles. A minority are considering becoming a service provider as an outsourcing studio.

The underlying intent from the developers we spoke to was for them to be able to fully commit to game development and creating their own creative IPs in the near future.

The main reason preventing 67% of developers from launching such companies is funding challenges and/or the financial risks involved. Additionally, 35% of developers said their lack of knowledge in how companies work is a major factor for why more studios are not being established.

Some cited a lack of skills in game development as their reason, while a minority of developers said that they do not wish to commit to gaming as they believe it is poorly perceived socially.

63% OF INDEPENDENT DEVELOPERS ARE AIMING TO ESTABLISH THEIR OWN GAME STUDIO AT SOME POINT IN THE FUTURE.

WHY DO THEY DEVELOP GAMES?

The creative spark and the will to express oneself artistically is what drives most developers to make games, mirroring their indie spirit. This is often tied with an urge to promote Saudi culture through interactive media, as well as wanting to inspire future generations of game developers - or simply to achieve financial success.

Main obstacles in launching a game studio:

67%
Financial Risk

35%
Lack of knowledge

18%
Lack of skills

6%
Negative perception

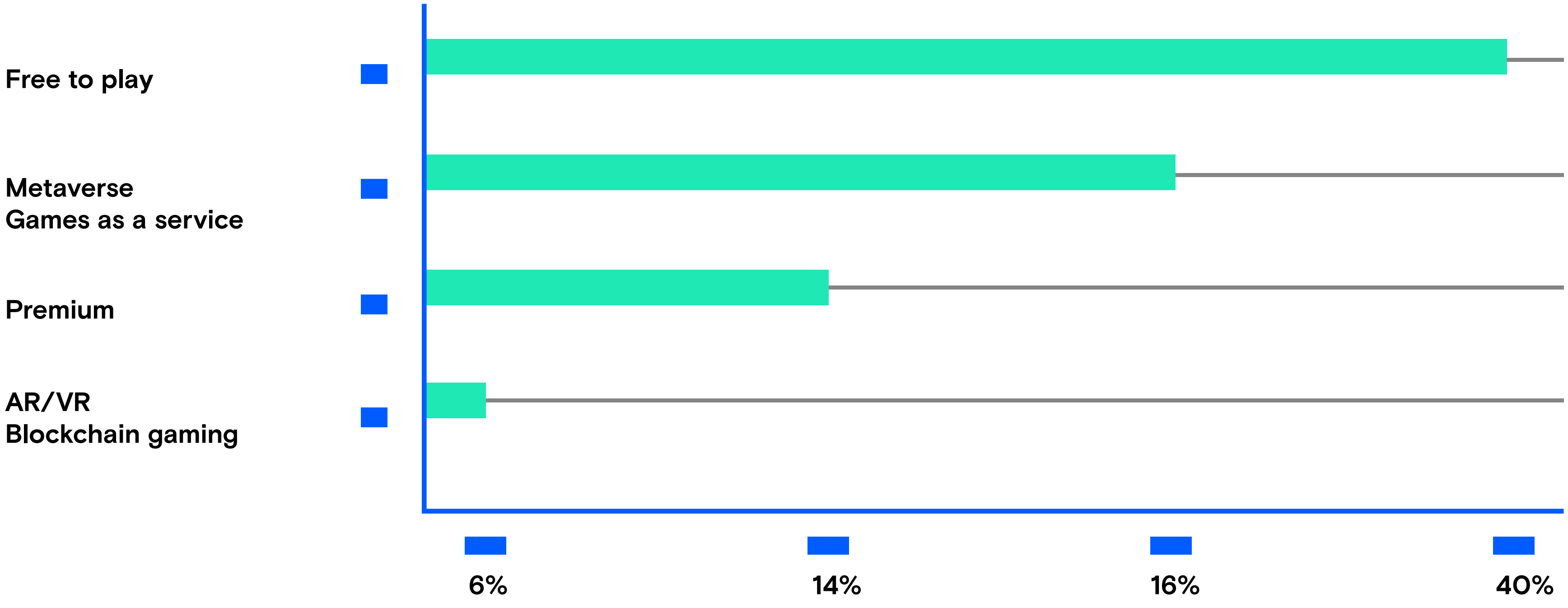
"I CAN'T RISK MY SECURED CAREER FOR A NEW INDUSTRY."

- Developer Quote

THE BIGGEST OPPORTUNITIES FOR THE GAMES INDUSTRY IN THE FUTURE

Despite the majority of developers right now building premium games for PC, our respondents believe that free-to-play to be the business model of the future - even if that's not the model they themselves would choose to develop for.

Business model of the future:



7

FINAL OBSERVATIONS

Our extended 1:1 interviews with almost every key developer in Saudi Arabia has given us a unique understanding of the challenges facing local talent. It's also shown what support is needed to encourage the growth of the game development ecosystem in Saudi Arabia.

FINAL OBSERVATIONS

Our extended 1:1 interviews with almost every key developer in Saudi Arabia has given us a unique understanding of the challenges facing local talent. It's also shown what support is needed to encourage the growth of the game development ecosystem in Saudi Arabia.

- Saudi game developers are relatively **young**, and despite most of them working in games for **more than five years**, the quality of their work is variable. This could be because of the part-time nature of their involvement in the game industry.
- The developers we interviewed are **indie-oriented**, with narrative-driven premium PC games as their current primary focus.
- Despite having a few success stories, games developed locally are yet to make a significant impact outside of Saudi Arabia. **All success stories are limited to the MENA region**, and nearly all of these are multiplayer mobile games designed to appeal to local culture. Almost no premium game became a success, in part because of how few are released to market.
- Half of the projects that developers start never get finished, often due to production problems such as **over scoping** and **time management**.
- Some developers **expressed disappointment** with how many initiatives are only exclusive to Riyadh.
- The findings highlight needs to **up-skill** and **develop local talents**. The lack of game education in Saudi Arabia presents a great opportunity for offering more **academic support**.
- The majority of developers want **training programs** that teach complex topics, as well as **showcase events** to promote their work.
- Developers are **hesitant to leave their well-paying jobs** and join the game industry. More efforts are needed to make job opportunities in the games sector more incentivizing.

Incubators effectively quickly seed new game companies into the market. However, more focus needs to be put into sustaining these, as most are struggling to remain active.

Most of the developers (except for the few companies with enough capital) **don't usually pay monthly salaries to their staff** (or themselves), as they are primarily self-employed, part-time founders. For those developers, expenses are only spent on buying hardware, hiring freelancers, or purchasing assets from digital marketplaces.

Nearly all of the game developers we interviewed are **self-funded**, with the majority never trying to seek investment as they don't feel ready to pitch their games yet. While local investors are clearly backing up tech start-ups, they do not seem to have found **the right entry point** for gaming, mainly because there are not too many companies with proven track records or effective business plans.

The vast majority of developers **have never worked with a publisher before**, limiting the global reach of their products. Developers self-publishing their games use a basic - and unsuccessful - combination of marketing methods to reach their intended audience.

Any outsourcing is usually done with freelancers rather than external development studios due to the cost involved. **Art and Music** are usually the top two parts to get outsourced, as the required skills are sometimes hard to find locally.

While developers are aware of the different ecosystem enablers in the kingdom,
the level of awareness is generally superficial rather than in-depth, suggesting that there's a need to increase awareness.

The challenges facing local game companies include **access to funding**, **undeveloped local talent, the relative high cost of living** and **a historic challenge to attract the right international talent**. Challenges facing solo game developers include **access to funding, a lack of marketing and visibility** and **the inability to commit full-time** on game development.

More than 60% of the independent developers we interviewed plan to **establish their own game studio in the future,** with some of them aiming to create artistic small-scale games, whilst others are ambitiously targeting to develop AAA titles.

The will to express oneself artistically is what drives most developers to create games. Other reasons include **cultural promotion, inspiring future generations** and simply achieving **financial success.**

Despite the majority of developers currently building premium games for PC, they perceive free-to-play as
the future business model most likely to succeed (although not necessarily a model they would use for their projects).

NINE66

nine66.gg