

Sony estimates its PC games sales will quadruple by 2023

Article

PC games are serious business: Sony is bullish on PC game sales, revealing in its [latest financial forecast](#) that it expects to earn \$300 million from them in the next fiscal year, a **375% YoY jump**, which could explain the aggressive acquisition and [consolidation](#) trend in the gaming segment.

- Sony is bringing various **PlayStation** exclusives to the PC in the next nine months. This would open a new market of gamers who already have the hardware needed to purchase and play the games.
- This means Sony no longer has to rely on PlayStation 5 console sales to move the needle on games. Supply chain issues and the chip shortage have stifled PS5 sales for more than a year and a half.
- Sony expects PS5 shortages to ease by 2024, per PC Gamer. Instead of wrestling with supply chain shortages it can't control, porting dozens of game titles to PC could be a surefire way to generate new and recurring revenues.

How we got here: Game developers and console and PC platform owners have been acquiring assets in anticipation of heightened gaming competition.

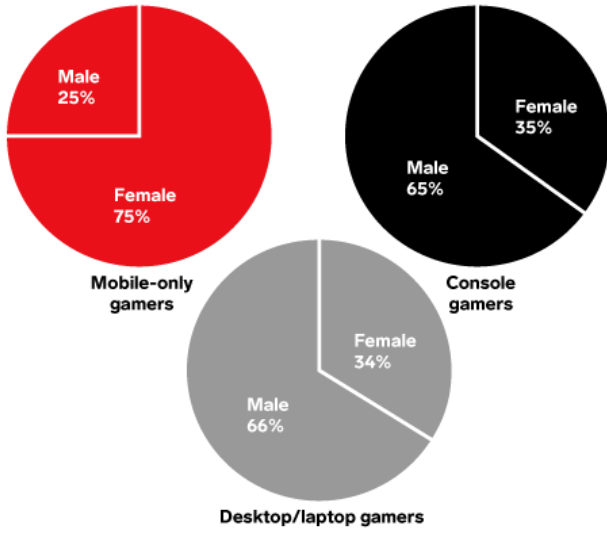
- This year kicked off with aggressive gaming acquisitions. **Take-Two Interactive** bought Zynga for \$13 billion, merging two monoliths in PC and mobile gaming segments.
- Days later, **Microsoft** reported it would acquire Activision Blizzard for \$70 billion, the biggest M&A in gaming history and Microsoft's second-largest acquisition behind the \$26 billion **LinkedIn** purchase in 2016.
- Sony followed suit by buying Halo and **Destiny** developer **Bungie** for \$3.6 billion. Bungie has well-established PC-gaming roots.
- **Electronic Arts (EA)** is reportedly in talks with **NBCUniversal**, **Disney**, and **Apple** for a potential acqui-hire.

Replay value: Worldwide consumer spending on games is expected to set new records this year, with the market hitting \$222 billion per, Data.ai and IDC.

- Sony earned \$115 million in revenues in 2021 from three PS4 exclusives ported into Windows, namely **Horizon Zero Dawn**, **Days Gone**, and **God of War (2014)**.
- By porting various games in its library for Windows and PC gamers, Sony can access a market of users who were unlikely to buy a PlayStation console.
- Sony's strategy points the way for other gaming monoliths to unlock their content libraries and newly acquired intellectual property for other gaming markets.

Demographic Profile of US Gamers, by Device and Gender, June 2021

% of total in each group



Note: ages 18-65

Source: Comscore, "State of Gaming 2021," Oct 13, 2021

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