2023

THE STATE OF TURKISH GAMING ECOSYSTEM

An In-Depth Analysis and Evaluation
WELCOME TO THE TURKISH GAMING ECOSYSTEM

Rising Star of the Gaming World

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Credits & Contact

Startups Watch
Istanbul, Türkiye
startups.watch
support@startups.watch

Serkan Unsal | Founder, CEO

Presidency of the Republic of Türkiye Investment Office
Istanbul, Türkiye
www.invest.gov.tr
info@invest.gov.tr

Armağan Yavuz | İsa Turgut İnci
Barış Özüstek | Mehmet Keteloğlu
Batuhan Avucan | Murat Baysal
Bora Köçüçük | Rina Onur
Ecem Baran Taş | Serdar Alenmdar
Emre Vildiz | Volkan Biçer
Assoc. Dr. Güven Çatak

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Starting with local success stories in online gaming in the early 2000s, Türkiye’s gaming ecosystem gained momentum with social gaming in the early 2010s and accelerated with mobile gaming in 2012. Since 2017, it has whetted the appetites of both game developers and investors with a series of exit stories.

The gaming industry peaked during the pandemic years and produced two unicorns. In the first quarter of 2022, the end of the pandemic, the Russia-Ukraine war, the start of the money shortage with the FED, and the ECB raising interest rates all affected the gaming industry badly, but the acquisition of Good Job Games’ portfolio at the end of 2022 and in 2023 was the biggest indicator that the gaming industry is very much alive and well.

Today, the ecosystem consists of 740 active game studios, 12 game incubation centers, 21 acceleration programs, two game clusters, and eight game-only investment funds.

Although the rate of game startups decreased after the pandemic, Türkiye is the ecosystem with the highest number of game studios in Europe after the UK.
THE BEST PLACE TO START

Quick History

Learning Period
A fully functional startup ecosystem in Türkiye, supported by acceleration programs, incubation centers, angel networks, and VCs, dates back to the early 2010s. It was then that startups began to receive investments, local champions emerged, and newly established local VCs started to invest for the first time.

Restructuring
The investment period for many funds ended after the learning era with no global success story, so 2018 and 2019 were a period when investors tried to recover their funds and set up new funds. This meant there was movement in the ecosystem but some VCs managed to exit as local champions, and this accelerated the launch of their second funds.

Pandemic
Although it was still very early in the pandemic, the acquisition of Peak by Zynga for $1.8 billion and the acquisition of 80% of Rollic for $180 million just 21 months after it was founded gave a much needed boost to the ecosystem.

With the pandemic becoming increasingly serious, digital transformation took many sectors 5-6 years ahead in Türkiye, just as it did throughout the world. E-commerce, logistics, and gaming verticals reached the point they would have reached 5-6 years sooner during the lockdown.

Economic Downturn
Although this period was characterized by money scarcity and falling valuations around the world, Türkiye’s situation was somewhat different. Valuations did not fall much because the valuations of startups had not risen very high during the pandemic. The abundance of investors at the seed stage in Türkiye also ensured that there was no shortage of money, especially at the seed stage. The only similarity Türkiye has with the rest of the world here is that the money shortage after Series A was also felt seriously in Türkiye.

Abundance of Financing Options

Hundreds of Micro Funds
The Venture Capital Investment Fund (GSYF in Turkish, VCIF in English) provides tax advantages and is based in Türkiye. Although its foundations were laid in 2014, the structure of the VCIF took its current form with the radical changes made in 2020. A record number of funds have been established in the past three years due to the mandatory allocation of shares to many institutions related to becoming a Limited Partner in these funds.

As of the end of Q3 2023, there were 270 VCIFs in Türkiye (284 including liquidated ones), more than half of which were established in 2022 or later. These funds mean there will be no shortage of investment for startups in the coming years, especially in the pre-seed and seed stages. Although the recent economic contraction has reduced investors’ risk appetite, these funds will fill the gap.

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Equity-Based Crowdfunding

A new financing resource that entrepreneurs can turn to when they need financing was also launched in 2021. A regulation was issued in 2021 allowing entrepreneurs in Türkiye access to equity-based crowdfunding. To date, 21 platforms have been allowed to be established and funding for 108 technology companies has been completed so far on nine active platforms. Considering that 44 startups that raised money on these platforms in the first nine months of 2023 received an average investment of $363,000, we can say that equity-based crowdfunding became a good alternative for entrepreneurs in the pre-seed and seed stages in Türkiye.

Record Amount of Dry Powder
Funds established in Türkiye, excluding micro local funds such as VCIF/VCIT, have reached record sizes. Forty-six funds were established in 2020 and later totaling $861 million.

While most of these funds focus on the Post-Seed Series A stage, some have added Central, Eastern, and Northern Europe to their mandate in addition to Türkiye.

Increased Appetite for CVC
The VCIF (GSYF) regulation and the success stories in the ecosystem have maximized the appetite of corporations to become corporate investors in recent years. There are 80 active VCs in Türkiye and 53 of them were established in 2020 and later. CVCs took part in 37 percent of deals in the first nine months of 2023.
A GAMING ECOSYSTEM SUPPORTED BY SUCCESS STORIES

Brief History (2000-2017)
The gaming industry in Türkiye dates back to the 2000s. Although there was no gaming ecosystem in those years, there were games such as Backgammon and Okey played over Java on portals such as Superonline and Mynet. Later, these games evolved into Flash-based games.

Again in these years, some startups made Symbian and Java games for mobile phones, but most of them were dealing with the localization of foreign games. Sobe, which came out in these years and developed PC-based games and was founded by Mevlut Dinç, was acquired in later years and became one of the most well-known game companies that debuted between 2000-2010. In the 2010s, the emergence of a game such as Sanalika, a multiplayer online game with a million users, was actually one of the first glimmers of the gaming industry. It's founder later founded Gram Games and became the owner of one of Türkiye’s biggest gaming exits at the time.

Peak, founded in 2010, also benefited from the popularization of games played on Facebook between 2009 and 2012, and it gained great momentum at that time.

In the period that followed, Facebook games lost their popularity and mobile app stores became more widespread, so Peak shifted its focus to mobile and sowed the first seeds of its hundreds of millions of installed games in those years.

The Period Beginning with Exit Stories (2017 - )
The acquisition of some of Peak’s games in 2017 coupled with the acquisition of Gram Games in 2018 and Masomo in 2019 boosted the momentum of the gaming industry. As of 2020, with the effect of the pandemic, the gaming industry became even more vibrant, and gameplay statistics skyrocketed. The acquisition of Peak by Zynga for a record price of $1.8 billion, and the acquisition of 80% of Rollic for $180 million just 21 months after it was founded, turned all eyes on the gaming industry.

This momentum continued with the acquisition of Ruby Games in 2021 and Alictus in 2022. In the first quarter of 2022, the end of the pandemic, the Russia-Ukraine war, the start of the money shortage with the FED, and the ECB raising interest rates all affected the gaming industry badly, but the acquisition of Good Job Games portfolio at the end of 2022 and in 2023 was the biggest indicator that the gaming industry is still alive and well.

Gaming Startup Factories Triggered by Success
The 93 former employees from Peak, which had the biggest gaming exit in Türkiye, founded 76 startups in the following years, 33 of which were games, allowing the experience in the ecosystem to spread faster. These former employees went on to become unicorn game startups in just 23 months. Another example is the 26 employees from Gram Games, one of Türkiye’s biggest gaming exits, who founded 26 startups, 21 of which were gaming startups. The founders and employees of some gaming startups have become VCs and established game-focused funds. For example, the angel investors of Rollic, which was acquired about 21 months after it was founded, established a game-focused fund called Ludus Ventures and started to apply the formula for achieving similar rapid exits to the startups they invested in. Another example is that after the exit of Joygame, one of Türkiye’s most successful gaming startups, to Netmarble, the founders and chairman established a fund called Boğaziçi Ventures, which has since become one of the largest game investment funds in Türkiye. This is the biggest example of how the gaming industry in Türkiye grows faster as it fragments.

Although the fragmentation of the game industry as it gains experience coupled with the increasing number of success stories has been the main catalyst for the exponential growth of the ecosystem, one of the biggest problems of the industry is keeping talented developers and visual designers in a game studio and motivating them as employees. To overcome this, universities have started offering both undergraduate and graduate programs on games, and game startups have started to run programs of their own to train talent. Twelve universities in Türkiye have undergraduate programs in digital game design, and eight universities have graduate programs in game technologies, animation, and game design. Last year, 619 people enrolled in these undergraduate programs. (8) We can say that this figure is good for training talent for the gaming industry.
The gaming industry has different dynamics than many other industries. In the hyper-casual game category, for instance, releasing a game every 10-15 days on average, testing it in a few markets, and repeating this cycle until it reaches a consistent level in terms of unit economics is very time-consuming but also a method that can get results quickly. When you support this cycle with publishers who focus only on marketing and customer feedback for game developers without marketing experience, this gives rise to hundreds of game studios focused only on releasing games. In other words, many game studios deal with game developers and focus only on creating games fast. Even proven game studios make pre-paid financing agreements with game studios.

More and more Turkish game studios have bootstrapped their game startups and reached annual profitability of $50 million and more in 3-4 years.

### Increased Investor Appetite

Although the need for investors may seem low, the dynamism and exit potential of the Turkish gaming sector has whetted the appetite of investors, leading to the establishment of eight funds focused solely on gaming in Türkiye in the last two years.
The gaming ecosystem developed slowly since the 2000s and gained momentum with success stories after 2017. In its current form, the number of active game studios in Türkiye has reached 740, with 472 in Istanbul, 120 in Ankara, 60 in Izmir, and 88 in other cities.

Fifty-eight percent of the game studios in Türkiye were established in 2020 and after. This is the biggest indicator that both the success stories after 2017 and the acceleration prompted by the pandemic in early 2020 have pushed the Turkish gaming industry to the top.

In the first quarter of 2022, the end of the pandemic, the Russia-Ukraine war, and the accompanying interest rate hikes at the FED and ECB led to a global money shortage, which in turn made it hard for gaming startups to access funding. But even though the number of gaming startups established in Türkiye declined in 2022, Türkiye is the country with the highest number of game studios in Europe after the UK, while Istanbul is the second largest European city in this industry after London.

In the first 10 months of 2023, gaming startups received investments in 36 investment rounds. Türkiye ranked 5th in Europe in terms of deal size behind the UK, Iceland, France, and Sweden, and 2nd after the UK in terms of deal count.

In conclusion, Türkiye’s gaming ecosystem is currently the star of domestic and international investors with the momentum it has achieved and its FOMO effect is increasing day by day.
The gaming industry in Türkiye has been witnessing revolutionary progress in recent years thanks to the emergence of talented developers, creative studios, and a growing pool of skilled professionals. As TaleWorlds Entertainment, we take pride in being one of the primary drivers of this progress with our young and passionate team of developers and our internationally acclaimed games that have reached millions of players worldwide.

At TaleWorlds Entertainment, we aim to provide a unique experience to gamers and we are constantly exploring new ideas and technologies. We push ourselves to make advancements whether in graphics, gameplay mechanics or other technological innovations. We strive to develop a unique world and an unforgettable experience to entertain and immerse players in our games.

Apart from focusing on game designs and content, our company also strives to be an innovator in gaming technology. We develop and maintain our own in-house game engine, with which we aim to offer dynamic in-game experiences, overcome certain limitations to readily-made commercial third-party engines and provide user-friendly modding tools to our players.

Our studio and our work culture have been alluring young talents from all over the world and together we are contributing to the industry's future. I am certain that this newfound interest will propel the game's industry in Türkiye a very long way in the years to come.

Two Turkish companies made it to the top 25 within the most downloaded games in the world. There also exists another Turkish game company among the top 25 highest grossing games. There are numerous developments in the game ecosystem beyond just news on investments or company acquisitions; disruptive and innovative game-tech solutions from Turkish companies, such as various artificial intelligence solutions in digital marketing, monetization, retention improvement, and creative works.

We’re also witnessing big productions developing mid-core games with Hollywood IPs and game acquisitions by global giants. Successful game entrepreneurs are progressing without additional investment or selling their companies in the early stages. It will not be surprising to see some Turkish game companies are going public on different stock exchanges. Many global game publishers are working with studios in Türkiye or have opened offices here to access local talent.

The Turkish ecosystem, which has developed with a focus on mobile games, is also seizing opportunities in the PC platform with its flexible and entrepreneurial spirit. Many game studios have started major productions already. Since gaming has been classified as a priority area by the Turkish government, the industry is enjoying numerous advantages. Employees of game companies located in Technology free zones are exempt from income tax, the companies do not pay corporate tax, and on top of this, they receive significant incentives from the state including reimbursement for a substantial portion of their global marketing expenditures and employment.

In light of all these, it would be appropriate to name Türkiye as a perfect game ecosystem. I’m sure exponential growth will continue and give investors like us good opportunities to become partners with the future giant Turkish gaming and game-tech companies.
Looking ahead, the Turkish sustainable growth and new gamedevelopment and publishing emerged as a significant power in the beyond just a regional actor; it has that Türkiye's significance extends of both local and international worksthat have garnered the respect havesucceeded in creating amazing business. Turkish gamedevelopers power centers in the global gaming establishing their status as important structures over this period, their innovative and competitive in the industry havestrengthened technological innovation. Companies one of the leading industries in growth for Türkiye's gaming industry, Despite several hurdles, the year 2023 has marked a period of spectacular growth for Türkiye's gaming industry, one of the leading industries in technological innovation. Companies in the industry have strengthened their innovative and competitive structures over this period, establishing their status as important power centers in the global gaming business. Turkish game developers have succeeded in creating amazing works that have garnered the respect of both local and international players and investors. These accomplishments illustrate that Türkiye's significance extends beyond just a regional actor; it has emerged as a significant power in the global arena. Türkiye is a leader in game development and publishing due to the industry's quest for sustainable growth and new solutions. Looking ahead, the Turkish games industry is rapidly evolving. At Mobidictum, we are closely observing the changes happening in the local industry. Türkiye successfully combined the easy money era with the rise of hyper-casual and grew its ecosystem. Hundreds of new game companies of different sizes emerged. Even though the market is having hard times with the global economic slowdown, local game companies are shifting their focus to more long-term projects. Many of them moved to PC, which makes the industry more balanced instead of a mobile-dependent ecosystem. We are seeing amazing indie game studios coming up with successful titles.

In the coming years, Türkiye will keep its importance of amazing talent. Teams full of ambitions will keep growing the industry. We see a rising interest each year by welcoming more and more internationals to visit our conference in autumn. The global scene is eager to meet with Turkish studios to invest and do business.

The investment scene is still active, and there are many opportunities. Anyone who wants to enter the market should understand the business culture and have local partners to navigate through the ecosystem.

Türkiye's gaming industry is on the rise in 2023, fueled by five years of remarkable growth. We are witnessing a surge in success stories that underscore its increasing importance on the global stage.

The international gaming community has taken notice of Türkiye's unique value, evident through the emergence of multi-billion-dollar startups like Peak and Dream Games, substantial seed investments including Spidy Games' $55 million seed round, and strategic acquisitions like Scoply's acquisition of Alictus for $300 million deal within the last five years among many others. Despite navigating headwinds tied to global market shifts, including evolving advertising regulations and shifting consumer preferences, Turkish mobile gaming companies show resilience through strategic adaptation and smart adjustments. Notably, Türkiye stands out as a country where mobile gaming companies excel across the spectrum, spanning from hypercasual to casual games. This versatility equips the ecosystem with a distinct advantage in comprehending the ever-changing market dynamics, making valuable connections, and demonstrating exceptional adaptability and strategic insight. Consequently, companies in Türkiye can swiftly adjust their strategies when market conditions become challenging.

Moreover, Türkiye boasts a substantial young talent pool within its gaming industry. Companies, like Alictus with its 'Alictus Hub' program, are dedicated to nurturing and developing this talent pool. This commitment not only benefits individual companies but also strengthens the overall health and vibrancy of the ecosystem, creating a solid foundation for future growth.

In summary, Türkiye's gaming industry continues to thrive in 2023, gaining global recognition and overcoming challenges through adaptability and talent development initiatives. The nation's gaming ecosystem is primed for continued success in the years to come.

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Türkiye was also affected by the global recession even though it has a good track record of exits, investments and unicorns during recent years in terms of mobile gaming. Shifting from hyper-casual to casual and PC/console wasn’t easy. That was very new for the investors who got used to short-term contracts and income expectations. Even in the past two years, we've seen many different PC games and new teams full of development motivation and new game ideas. The very first Steam live event from Türkiye “Land of the Crescent” hosted by BUG Lab TEKMER showcased over 70 titles developed by Turkish studios which was an important step in the global arena. Even, this year we had an extra Turkish pavilion at Gamescom Expo which was just for the PC titles. Now, we have a quite good number of promising games and improving teams, but what we lack is experienced local publishers who could pave the way for global titles. Hopefully, 2024 will be the rise of indie publishers!

incubation centers like BUG Lab TEKMER, GamesUP, DigAge and Ogem also backed this movement by providing workspaces and mentorship programs. As a result, the Turkish gaming scene started to witness many different PC games and new teams full of development motivation and new game ideas. The very first Steam live event from Türkiye “Land of the Crescent” hosted by BUG Lab TEKMER showcased over 70 titles developed by Turkish studios which was an important step in the global arena. Even, this year we had an extra Turkish pavilion at Gamescom Expo which was just for the PC titles. Now, we have a quite good number of promising games and improving teams, but what we lack is experienced local publishers who could pave the way for global titles. Hopefully, 2024 will be the rise of indie publishers!

Amidst these challenges, YTU GamesUP emerges as a significant contributor. Established as the gaming cluster within YTU Yildiz Teknopark, YTU GamesUP is a testament to our commitment to addressing these challenges and facilitating the development of more specialized verticals within the gaming ecosystem. As part of the YTU GamesUP ecosystem, there are 230 companies and 15 partners, creating a robust network of 11,000 members which equates to half of the entire industry. This extensive community not only promotes growth and innovation within the Turkish gaming ecosystem but also holds the promise of a prosperous future for the gaming industry in Türkiye. With a total company valuation of $1.2B, GamesUP, represents the grand enabler, ensuring that gaming industry continues to thrive and evolve.

Turkiye’s gaming industry is growing and attracting global investors. In the first half of 2022, Turkish startups raised $1.4 billion in funding, with $333 million allocated to gaming, establishing Türkiye as Europe’s leading gaming investment hub. The industry’s revenue is expected to grow to $1.5 billion by 2025.

Google Türkiye is committed to propelling our gaming ecosystem to its full potential, utilizing initiatives including the Google Game and App Academy for closing the talent gap in tech industry and startup incubation programs for accelerating gaming startups to become gaming giants. To establish Istanbul as a key hub for global gaming startups and investors, we host the Istanbul Mobile Game Event, bringing together 600+ attendees from 50 diverse nations for the past two years.

In the global gaming industry, Türkiye has emerged as a dynamic player, gaining international recognition thanks to our thriving gaming ecosystem. Turkish studios and publishers have excelled in various aspects of game development, underscoring the industry’s potential. While government initiatives and private investments have significantly fueled the industry’s growth, we recognized the crucial role of ecosystem enablers in addressing the need for further ecosystem development.

As YTU Yildiz Teknopark, we acknowledge the pivotal role of ecosystem enablers in nurturing the industry. We offer essential resources, education, mentorship, and opportunities for every player. To solidify Türkiye’s position in the global gaming arena, addressing the need for more specialized verticals within the gaming ecosystem is vital. It’s essential to foster the creation of these focused verticals, allowing for even more in-depth development in specific areas of the gaming industry.

Google Game and App Academy was launched in 2021 in partnership with the Ministry of Tech, Presidency Digital Transformation Office, Entrepreneurship Foundation, and T3 Entrepreneurship Center, with the goal of equipping young job seekers with skills for the gaming and app industry. In 2 years, 4,500 students have been trained, with 85% career progression rate after graduation. This year, we are transforming the Academy with AI. In addition to our current curriculum, students will gain access to workshops and training that enhance their coding skills using Generative AI and AI APIs on Flutter and Unity. This will enable them to adapt quickly to the rising API-based and AI-supported game trends.

Google Türkiye is committed to aligning with these trends and supporting game developers in this dynamic field.
The State of Turkish Gaming Ecosystem 2023

The State of Turkish Gaming Ecosystem 2023

Serdar Alemdar
ODTÜ TEKNOKENT, CEO

In 2008, ODTÜ TEKNOKENT’s Animation Technologies and Game Development Center - ATOM, which was launched thanks to its foresight in the gaming industry, was one of the most important signs of a strategic entry into important investments in Turkish gaming sector. Currently, there are more than 50 game companies and studios of different sizes operating in the ODTÜ TEKNOKENT ecosystem, while ATOM supports more than 120 developers every year. As we have all witnessed, the industry witnessed a transformative surge during the pandemic, reaching an impressive size of $136 billion in 2022, with the mobile space spearheading significant market growth. Notably, the industry has experienced a shift in focus from mobile hyper-casual game development to PC standalone game development.

Therefore if Peak Games was built during the early stages of the ecosystem, we are now in the maturity stage. The new age mobile gaming companies of Türkiye have the same discipline, focus and work ethic, but are equipped with even a larger vision and ambition of where they would like to go. The macroeconomic struggles experienced around the world in the past year and the so called VC winter has been felt in Türkiye as well. This pushed a lot of the gaming companies to focus back on stellar execution and a chase for path to profitability, maybe at a point earlier than they would consider otherwise. This will make the surviving game companies in Türkiye stronger than ever, ready to continue to dominate their respective fields. Türkiye will continue to be a hot bed for gaming talent and gaming investors, both from the strategic and financial side.

Volkán Biçer
Ludus Venture Capital, Partner

In 2023, despite the ever shifting tides of the global video game industry, the Turkish gaming scene stands as a shining example of resilience and growth. This vibrant community owes its success to the passion and skill of its members, who are unwavering in their commitment to pushing the boundaries of game development.

A quick glance at today’s hottest mobile games reveals the Turkish gaming studios’ strong presence, boasting a staggering 1.3 billion downloads. Notably, casual puzzle games from studios like Dream, Fugo, Spyke, Paxie and Gleam Games are notably showing progress, underlining the overall continuous game production. While global mobile game downloads and profit margins worldwide have dipped by approximately 10%, this downturn has given birth to new gaming genres. Hybrid casual games, for instance, have raked in a jaw-dropping $1.4 billion with a whopping 5 billion downloads. In addition, emerging startups like Spektra are driving the ascent of organic-driven genres, witnessing a remarkable 34% spike in downloads and a staggering 104% revenue boost.

The Turkish gaming market is celebrated for its adaptability and capacity to innovate, constantly branching out into different game genres. More than 100 studios within this dynamic ecosystem are now challenging industry giants in categories PC, console, and VR gaming.

The future holds more than just business for this unique gaming landscape. It promises a narrative of innovation and boundless potential. The journey ahead is brimming with excitement as we embark on new adventures and redefine the gaming universe. Stay tuned for this extraordinary odyssey into the future of gaming.

Rina Onur
Spyke Games, Co-Founder & CEO

I think 2022 and 2023 were the years where Türkiye solidified its presence as a global gaming leader in the mobile space. What started out as potentially one-off extraordinary success stories such as Peak Games, Gram Games and Rollic turned into a repeatable pattern of formation of world-class game companies, studios and category leaders in various gaming genres. I believe the Turkish gaming ecosystem has proved that it can give rise to talented game teams and that these game teams have the necessary skillset to scale the well-executed games they develop.

Within the scope of this change, ATOM regularly updates the training and mentorship programs carried out within the center in order to remain agile and responsive to the dynamics of the industry, thus creating an environment that will always provide maximum contribution to developers within the framework of the evolving demands of the industry, ensuring that teams and developers are one step ahead in this rapidly changing environment.

Estimates show that the gaming market will expand further with an estimated value of $546.99 billion by 2030. As ODTÜ TEKNOKENT, efforts will continue to support the gaming industry with continuous investments and uninterrupted support to emerging game developers, especially ATOM.

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APPENDIX

Key Terms & Definitions

Start-up: A product-focused private tech company with lots of blurry elements like revenue model, customer, and product. Tailor-made solution providers are not considered as startups.

Corporate Venture: A subsidiary of an established company created to launch a new product or service.

Venture Capital Funds (VC): VC funds are structures that invest in startups and receive minority shares in return. Investment periods are limited and generally five to six years. The goal is to sell the shares at much higher prices when the fund expires.

Corporate Venture Capital (CVC): CVC funds are the same as VC structures, except this fund is financed by a single company. (e.g. Intel Capital)

Pre-Seed Investment: The initial round of funding used to build and demonstrate the viability of a product idea. Pre-seed round size in Turkey is usually less than $50K.

Seed Investment: The funding round used to reach product/market fit. The startups at this stage have a working product and some paying customers with some early metrics. Seed round size in Turkey is generally $200K.

Series A: The funding round used to scale up a startup. Startups at this stage have achieved product/market fit and have repeat customers. Series A round size in Turkey is generally $1M in Turkey. It’s usually the first round of financing that a startup receives from a venture capital firm.

Series B, C, D, E+ : Funding rounds made by VCs with higher valuations compared to the preceding round.

Convertible Debt: This is an “in-between” round of funding to help companies hold over until they want to raise their next round of funding. When they raise the next round, this note “converts” with a discount at the price of the new round.

Growth Equity: This is the type of investment for growing well-established, less-risky businesses. The company does not have to be profitable. The firm’s minority or majority shares may be acquired by the fund.

Private Equity: A private equity round is led by a private equity firm and it is a late-stage round. The company has gone beyond generating revenue and developed profitable margins and a stable cash flow.

Equity Crowdfunding: Equity crowdfunding platforms allow individual users to invest in companies in exchange for equity. Typically on these platforms, the investors invest small amounts of money though syndicates are formed to allow an individual to take the lead when evaluating an investment and pooling funding from a group of individual investors.

Corporate Round: A corporate round occurs when a company, rather than a venture capital firm, invests in another company.

SAFE: Alternative to convertible notes. An investor makes a cash investment in a company but gets company stock at a later date in connection with a specific event.

Exit: The method by which an investor and/or entrepreneur intends to “exit” their investment in a startup. Common options are IPO and buyout from another company.

Primary Transaction: Transaction or funding type where investors buy equities directly from the company issuing them.

Secondary Transaction: Transaction or funding type where investors buy equities from the existing shareholders.

Cash Out: Shareholders who sell their shares personally earn money as a result of this second transaction.

Buyout: The purchase of a controlling share in a company.

Unicorn: Startup valued at over $1 billion.

Decacorn: Company valued at over $10 billion.

EquityCrowdfunding: Equity crowdfunding platforms allow individual users to invest in companies in exchange for equity. Typically on these platforms, the investors invest small amounts of money though syndicates are formed to allow an individual to take the lead when evaluating an investment and pooling funding from a group of individual investors.

Duediligence: Deep analysis of an investor makes of all the facts and figures of a potential investment.

VCIF/GSYF (Venture Capital Investment Fund): A fund structure established under the supervision of the Capital Markets Board of Türkiye and based in Türkiye.

VCIT/GSYO (Venture Capital Investment Trust): A company structure established under the supervision of the Capital Markets Board of Türkiye to invest in startups.

Centaur: Company with $100 million annual recurring revenue.

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Istanbul, Türkiye
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