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# Global Sales of Video Games - Statistical Analysis 

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#### Abstract

In this paper we studied the Global Sales of Videos Games and found the trend it followed along with any correlation with time, as well as a 5 yearly moving average using daily data set converted to a yearly average. We also studied the trends the sales followed since January 1, 1980 till December 31, 2016. Furthermore, a regression analysis of the was undertaken.


## I. INTRODUCTION

Video gaming was introduced as an alternative form of entertainment and recreation for people. We see that there was a sharp rise in the video games sales since its invention in 1958. Being a new technology in the market, it was highly demanded by people throughout the world in the late $20^{\text {th }}$ Century. As the years passed, people started focusing more on work than on video gaming leading to a fall in the sales level.

| YEAR | TOTAL SALES(Millions) | 5 Yearly Moving Average | X | Y Trend line |
| :---: | :---: | :---: | :---: | :---: |
| 1980 | 9 |  | -18 | -144.2133713 |
| 1981 | 46 |  | -17 | -111.6925083 |
| 1982 | 36 | 24.4 | -16 | -79.17164533 |
| 1983 | 17 | 25.4 | -15 | -46.65078236 |
| 1984 | 14 | 20.4 | -14 | -14.12991939 |
| 1985 | 14 | 16.4 | -13 | 18.39094358 |
| 1986 | 21 | 16 | -12 | 50.91180654 |
| 1987 | 16 | 16.6 | -11 | 83.43266951 |
| 1988 | 15 | 17 | -10 | 115.9535325 |
| 1989 | 17 | 21 | -9 | 148.4743954 |
| 1990 | 16 | 26.4 | -8 | 180.9952584 |
| 1991 | 41 | 35.4 | -7 | 213.5161214 |
| 1992 | 43 | 56.2 | -6 | 246.0369844 |
| 1993 | 60 | 96.8 | -5 | 278.5578473 |
| 1994 | 121 | 141.2 | -4 | 311.0787103 |
| 1995 | 219 | 190.4 | -3 | 343.5995733 |
| 1996 | 263 | 254.2 | -2 | 376.1204362 |
| 1997 | 289 | 297.6 | -1 | 408.6412992 |
| 1998 | 379 | 323.6 | 0 | 441.1621622 |
| 1999 | 338 | 367.4 | 1 | 473.6830251 |
| 2000 | 349 | 475.4 | 2 | 506.2038881 |
| 2001 | 482 | 554.6 | 3 | 538.7247511 |
| 2002 | 829 | 639.6 | 4 | 571.245614 |
| 2003 | 775 | 758 | 5 | 603.766477 |
| 2004 | 763 | 863.2 | 6 | 636.28734 |
| 2005 | 941 | 937.8 | 7 | 668.8082029 |
| 2006 | 1008 | 1068.4 | 8 | 701.3290659 |
| 2007 | 1202 | 1202 | 9 | 733.8499289 |
| 2008 | 1428 | 1265.6 | 10 | 766.3707918 |
| 2009 | 1431 | 1291.8 | 11 | 798.8916548 |
| 2010 | 1259 | 1182.8 | 12 | 831.4125178 |
| 2011 | 1139 | 1006.4 | 13 | 863.9333807 |
| 2012 | 657 | 836.6 | 14 | 896.4542437 |
| 2013 | 546 | 707.6 | 15 | 928.9751067 |
| 2014 | 582 | 548.6 | 16 | 961.4959697 |
| 2015 | 614 |  | 17 | 994.0168326 |
| 2016 | 344 |  | 18 | 1026.537696 |
| 2017 | FORECASTED |  | 19 | 1059.058559 |
| 2018 |  |  | 20 | 1091.579422 |
| 2019 |  |  | 21 | 1124.100284 |
| 2020 |  |  | 22 | 1156.621147 |
| 2021 |  |  | 23 | 1189.14201 |

A. Moving Averages


This graph shows data from January 1,1980 till December 31,2016. 1 indicates the $1^{\text {st }}$ year of comparison i.e. 1980 and 37 shows the final year of comparison i.e.2016.
We clearly see a gradual increase in the sales of video games in the beginning followed by a steep growth and then we see a sharp fall in the sales in the recent years so we can expect it to fall in the following years.
We saw a growth in sales because video gaming was just introduced to the world and there a hype about it throughout the globe. We see that people then reduced the time spent in video gaming and hence the sales declined in the following years.
B. Trend Line


A trend line is drawn to predict the future values. We can see that the trend line is secular and rising.
C. Summary Output

| SUM M ARY OUTPUT |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Regression Statistics |  |  |  |  |  |  |  |  |  |
| M ultiple R 0.777027 |  |  |  |  |  |  |  |  |  |
| R Square | 0.603771 |  |  |  |  |  |  |  |  |
| Adjusted R 0.59245 | 0.59245 |  |  |  |  |  |  |  |  |
| Standard E 289.2133 |  |  |  |  |  |  |  |  |  |
| Observatic 37 |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| ANOVA |  |  |  |  |  |  |  |  |  |
|  | df | SS | M S | F | gnificance |  |  |  |  |
| Regressior | 1 | 4460984 | 4460984 | 53.33279 | $1.56 \mathrm{E}-08$ |  |  |  |  |
| Residual | 35 | 2927551 | 83644.31 |  |  |  |  |  |  |
| Total | 36 | 7388535 |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Coefficientsandard Erri |  |  | t Stat | P-value | Lower 95\% | Upper 95\% | wer 95.0\% | pper 95.0\% |  |
| Intercept | 441.1622 | 47.54637 | 9.278567 | 5.79E-11 | 344.6379 | 537.6864 | 344.6379 | 537.6864 |  |
| XVariable | 32.52086 | 4.453125 | 7.30293 | $1.56 \mathrm{E}-08$ | 23.48054 | 41.56119 | 23.48054 | 41.56119 |  |
|  |  |  |  |  |  |  |  |  |  |

## II. CONCLUSION

To conclude, the paper analyzed how the Video Games Sales have fluctuated over the years.
The simple mathematical tool of moving averages and trend line have been used to predict the future value.

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