



# **Mobile Gaming: Supercell's Rise to Fame and the Keys to Success**

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## Abstract

The video game industry has grown dramatically in the past two decades, partly due to the introduction of mobile gaming. Supercell, a small Finnish company, took the mobile game industry by storm in 2012 with its two hit releases, Hay Day and Clash of Clans. Supercell followed the success with the games Boom Beach (2015), Clash Royale (2016), and Brawl Stars (2018). Each of the five games has made Supercell over one billion dollars. Supercell has managed to keep its top games relevant since the times of their releases, and they are still generating substantial revenue and popularity today as 2024 approaches. Nevertheless, the company's revenue has slowly declined from its peak in 2017 due to its struggles to keep up with the ever-evolving industry and retain its users. This paper will do two things. First, we will break down the methods behind Supercell's success as a company, including company culture, timing and placement, game development, updates and maintenance, artwork, advertising, and monetization. Second, we will look into the causes of Supercell's decline, where the company is headed, and speculate its best course of action to return to its former dominance. Ultimately, we will attempt to build the optimal model for a financially successful and sustainable mobile game company by focusing on the current aspects of a good game.

## Rise of the Video Game Industry

From the release of the first video game *Tennis For Two* in 1958, the gaming industry has steadily grown into a \$200 billion dollar market (Statista Market Research, 2023). Video games began at the arcade, with the 1972 Atari game *Pong* being the first successful game that sparked the industry. In *Pong*, two players play against each other by moving virtual paddles up and down the screen in order to return the ball to the other player, similar to tennis in 2D. The player who fails to block the opponent's ball loses the point. Five years later, Atari released its first console, the Atari 2600. Consoles are devices that run games and connect to displays to allow players to play. Popular games like *Space Invaders* and *Pacman* were released on both arcade and console and generated billions of dollars into the 1980s. In the years up to 2000, new consoles, such as Nintendo's NES and upgraded SNES, Sega's Genesis, and Sony's PlayStation, and video games, including Nintendo's *Tetris* and *Super Mario Bros*, Sega's *Sonic the Hedgehog*, and Sony's *Final Fantasy*, joined the competition as the market grew. In 1996, Nokia released the 6110 smartphone with *Snake*, the first popular mobile game. With the later releases of the iPhone in 2007, the Samsung Galaxy in 2009, and the iPad and Galaxy Tab in 2010, mobile gaming on smartphones and tablets took off. From 2010 to 2014, the number of smartphones sold per year quadrupled from 300 million to 1.2 billion (Federica Laricchi, 2023). The mobile games *Angry Birds* (2009), *Minecraft* (2011), *Candy Crush* (2012), *Subway Surfers* (2012), *Pokemon Go* (2016), and *Fortnite* (2017) continue to be played today and will likely remain popular for decades to come. Mobile gaming holds over 50% of the video game market and continues to grow rapidly while PC and console sales are nearly stagnant, as shown below (Figure 1).



(Figure 1. Global Games Market Revenue by Platform (2012-2021))

Today, video games range from the most basic single-player games, like *Tetris*, to fast-paced player vs player (PVP) games, like *Super Smash Bros*, to massive open-world games, like *Minecraft*. The most common platforms are mobile devices, consoles, and personal computers (PCs). Video games are among the best ways to enjoy free time, build social connections, and work toward mastering particular skills. In a 2022 US survey exploring reasons people play video games, 70% of respondents reported they play as a hobby and 69% reported they play for the challenge (J. Clement, 2022). In a 2023 US survey, 88% of respondents agreed that playing video games built their social circles (J. Clement, 2023). Beyond the benefits of playing video games, the growth of the industry can be accredited to additional factors. First, advancements in technology have greatly increased the quality and accessibility of video games. Improvements in processors, graphics, physics engines, and building tools allowed for the creation of games with complex gameplay and phenomenal animations in a relatively short time frame. The mass production of phones, tablets, PCs, and consoles has enabled people to easily buy and play games. Today, over 90% of the US population owns a smartphone, compared to under 30% in 2010 (Federica Laricchi, 2022). Plus, the ability to download games for free on devices with general functions beyond gaming, like computers and smartphones, has greatly increased accessibility, and therefore has also increased the number of users. There is a common misconception that only children play video games, but in reality, over 75% of gamers in the US are over 18 years old (J. Clement, 2023). Second, the rise of the internet and social media brought video games into the mainstream. Games have become a method of connection with other people when interacting face-to-face is not an option. Streamers have popularized video games by playing them for an audience and posting clips on social media platforms. In addition, the internet has provided an easy way to monetize games. Online microtransactions for in-game products, like skins, exclusive levels and maps, and progression boosts, have allowed video game companies to grow, while also demonstrating the opportunities for profit the industry held. Much can be learned from the companies that contributed to the domination of mobile gaming and generated billions of dollars. In particular, one small company took the mobile gaming market by storm in 2012 with its hit games, and is now worth over \$10 billion dollars: Supercell, the subject of this paper.

## History of Supercell

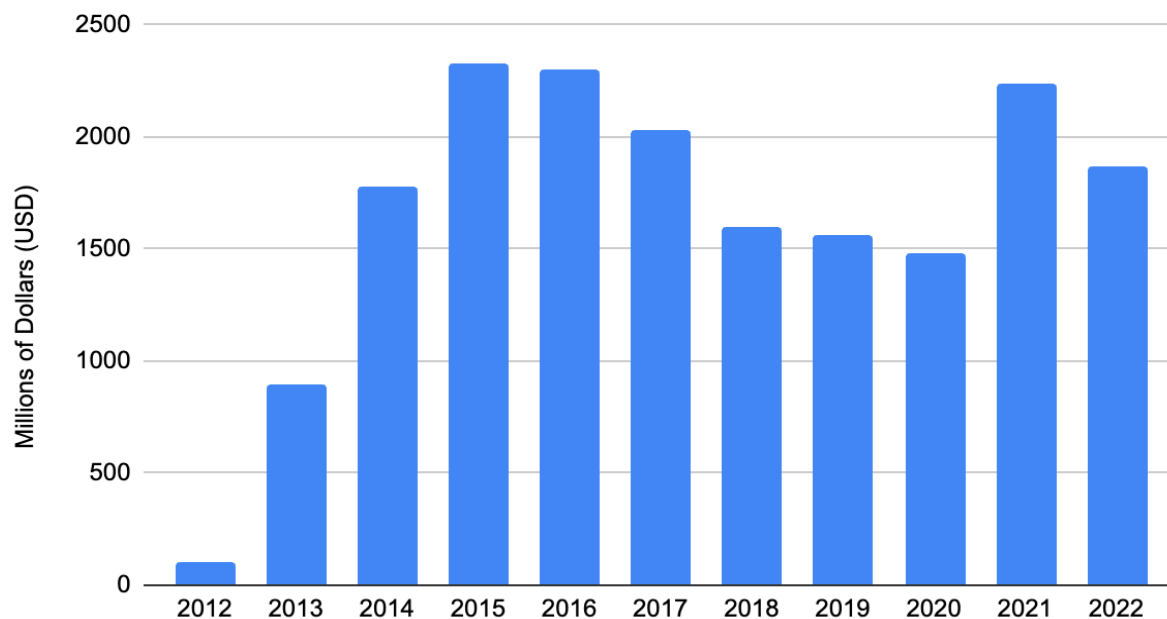
Supercell was one of the most successful mobile game companies in 2012 and has remained so to this day. Supercell was founded in 2010 in Helsinki, Finland, by CEO Ilkka Paananen and Mikko Kodisoja, along with Niko Derome, Lassi Leppinen, Visa Forsten, and Petri Styrman. At the time of Supercell's creation, Finland's economy around technology and gaming was growing due to the success of Nokia, a Finnish phone company (Aakash Gupta, 2023). The popular gaming companies Rovio, Fingersoft, and RedLynx also originated in Finland, making it a center for technology and gaming. In 2010, there were over 150 video game companies in Finland (J. Clausnitzer, 2021), but Supercell managed to come out financially on top and gain worldwide recognition. Supercell started its journey with a few hundred thousand

dollars and 6 people in a 30-square-meter office (Supercell, 2023). It received a considerable portion of its initial funding from Finland's technological arm Neke and the rest was from the founders' savings (Supercell, 2023). Each of its members had experience developing games, but there was no master plan for the company in terms of creating the best games. Ilkka shared Supercell's goal was to "create games that people played for a long time... [the] dream was that people would play not just for years but decades" (Dan Pearson, 2016). And so the team got to work. Supercell's first game was *gunshine.net*, a large multiplayer role-playing game (RPG) inspired by the popular RPG *World of Warcraft* developed by Blizzard in 2004, which still attracted players 6 years later. Supercell released the game for Facebook in 2011, but it was a flop. It was too complex for the majority of the casual players on Facebook and never gained the traction needed to succeed (Juhani Mykkänen, 2014). Supercell immediately killed the game and the effort put into it and moved on, focusing on tablet mobile games. In order to continue game production, Supercell employed more developers but kept the company relatively small, with under ten developers working on each game. Supercell also received another \$12 million dollars in Series A funding (Factset, 2017). In 2012, Supercell finally caught its first break with the hit farming simulator *Hay Day*. *Hay Day* went on to make Supercell over \$2 billion dollars and remain the model farming simulator ten years later, pulling in over \$100 million dollars in 2022 (J. Clement, 2023). Also in 2012, Supercell released its most popular game to date, the PVP base-building game *Clash of Clans*. *Clash of Clans* went on to make Supercell over \$10 billion dollars and is still relevant ten years later, making nearly \$500 million dollars in 2022 (J. Clement, 2023). Ilkka described the success of the two games as "incredible," and the "birth" of Supercell today (Accel, 2021).

Supercell dominated the mobile gaming industry after just two years with less than 100 employees. In 2013, the Japanese companies Softbank and Gungho Entertainment purchased a 51% stake in Supercell for \$1.5 billion dollars (Factset, 2017). This was a big turning point for Supercell, demonstrating a global recognition of the success and potential of the company. Although Softbank now controlled Supercell, it allowed the company to continue independently under its own management and system. Ilkka noted, "[The Softbank deal] wouldn't even have happened if we didn't feel strongly that this would be the case" (Dan Pearson, 2016). Over the next three years, Supercell's yearly revenue went from \$100 million dollars to over \$2 billion dollars, a 2000% increase (J. Clement, 2023). From 2015 to 2016, Supercell released another two hits, *Boom Beach* and *Clash Royale*. On top of making games, Supercell created animations for TV commercials and YouTube, featuring *Clash of Clans* and *Clash Royale* gameplay, in order to attract new players. As of 2023, the videos "Clash of Clans: Ride of the Hog Riders" (Clash of Clans, 2015) and "Clash Royale: The Last Second" (Clash Royale, 2016) posted on YouTube in 2015 and 2016 now have 134 million and 247 million views, respectively, demonstrating the success of Supercell's advertisement strategy. At this point, Supercell appeared to be unstoppable, and the hundred-billion-dollar Chinese technology company Tencent wanted in on it. Tencent purchased a majority stake in Supercell from Softbank for \$7.3 billion dollars, valuing the company at around \$10 billion dollars (Factset, 2017). Although other

mobile game companies in the 2010s grew quickly, like American competitor Zynga, Supercell grew faster and peaked far higher (J. Clement, 2023). Five years after their launches, Zynga and Supercell were generating \$1.2 billion dollars and \$2.2 billion dollars in revenue, respectively (J. Clement, 2023). The stunning rise of Supercell from a financial perspective is shown below (J. Clement, 2023) (Figure 2).

### Supercell Annual Revenue (2012 - 2022)



(Figure

### 2. Supercell Annual Revenue (2012 - 2022))

From 2017 to 2022, however, Supercell's revenue and popularity slowly declined, excluding the uptick received from the player increase during COVID-19 lockdowns. Although the release of *Brawl Stars* in 2018 was a success, it was unable to re-spark Supercell's dying flame. Every game Supercell made after *Clash of Clans* generated less revenue than its predecessor (Aaron Bush and Justin Stolzenberg), but within the same time period mobile gaming grew more popular. Supercell's revenue should be increasing, not decreasing. But with the increase in users came the increase of video game companies. From 2012 to 2016, the number of games on the App Store went from 100 thousand to over 600 thousand (Laura Ceci, 2023). It is clear Supercell was unable to keep up with the competition. Regardless of this challenge, Supercell fell with the natural gravity of its games, as all games tend to slowly lose popularity the older they become. As of 2023, Google Trends puts the search frequencies of *Clash of Clans* and *Clash Royale* at 20% of their peaks in 2016 (Google Trends, 2023). Players lose interest in the repetitive scene and gameplay and often move on. Supercell was unable to continuously evolve its games in order to hold player enjoyment and focus. In addition, Supercell struggled to attract new players to its games due to a lack of innovation and social

elements within the games. Nevertheless, as of 2022, Tencent values Supercell above \$10 billion dollars (Aakash Gupta, 2023), and with just 340 employees and a \$1.8 billion dollar annual revenue, that is over \$5 million dollars per employee. Supercell also expanded its offices to Shanghai and North America to host more developers with the goals of creating better games and improving current games with more minds (Ilkka Paananen, 2023). There is no end in sight for the company's potential as it continues to grow and keep its best games alive while sustaining its reputation as one of the greatest video game creators of all time.

### Supercell's Company Culture

When a company starts with almost nothing and rapidly grows into one of the most successful companies within an industry, it is important to learn the strategies it employed to reach such a position. Supercell's approach can be divided into two primary categories: company culture and game development. Supercell employs only the best talent available and does not hesitate to fire workers who do not fit in with the company system. As Ilkka puts it simply, "The best people make the best games" (Gordon Kelly, 2013). The best people are also committed to the company, and are therefore trustworthy to work the hardest they can to produce the best product at the end of the day. There is constant pressure to deliver results and the developers of every team hold each other accountable to put in the effort. They also provide each other with honest and "ruthless" feedback to continuously raise the bar and do the best work possible (Michial Katkoff and Giovanni Ducati, 2020). *Clash Royale* developer Seth Allison explains, "You need to be very proactive... you need to be able to fill your own downtime with stuff that you think is very impactful and gets you moving" (Rebekah Valentine, 2019). Every developer holds an incredible passion for making games, which attracts other talented developers to join the company and become a part of the hivemind.

This concept is the essence of Supercell's model, which gives individuals unlimited freedom to work on whatever they see fit and experiment with different ideas. The company name "Supercell" originates from the idea of the developers working in individual "cells" with complete freedom to make "super" games and ideas (Juhani Mykkänen, 2014). The naming of the company after its primary philosophy illustrates its importance to Supercell's success. With the freedom to try things comes the element of risk, another crucial factor in Supercell's culture. Unlike most video game companies, which stay within the lines of known and functional game development concepts and take small steps for predictable results, Supercell pushes its developers to think outside the box and take risks to make potentially groundbreaking games. Although this strategy comes with inevitable failures because the bets do not always pay off, Ilkka asserted, "My biggest nightmare is waking up and realizing we've not failed in a year - that means we're not taking enough risks" (Dan Pearson, 2016). Ilkka celebrates failure for the "lessons we've learned from it" and makes Supercell a place where it is "safe to fail" (Dan Pearson, 2016).

Supercell also accepts failure and moves on, rather than hanging on to doomed ideas purely because it puts a lot of effort into them. Supercell has discontinued over 30 games to

make the five hits it has today (Ilkka Paananen, 2023). In order to sustain the losses and setbacks before a hit, Supercell needed to attract investors for funding. It accomplished this by advertising its team rather than its product to investors (Juhani Mykkänen, 2014). The team was determined to fulfill its dream and demonstrated its ability to do so to investors through its passionate and talented members. Furthermore, Supercell's long-term visions indicated to investors it would only progress forward and not run into dead ends in the future. Moving on to the structure of the company, the workforce is small and closely connected. Currently, Supercell has just 480 employees whereas Zynga has over 2500, but the net worths of the companies are within 20% of each other. Within Supercell, small teams develop games with one team per game. Small teams yield the advantage of each member possessing complete knowledge of the project at hand. They also allow for quick communication and feedback within the team. Beyond working independently, the teams have the power to release or discontinue their game, along with control over its development (Michial Katkoff and Giovanni Ducati, 2020). Team autonomy is logical because each team knows its own game best and can make the most informed decisions regarding its direction. Decisions are also made quickly to keep the company moving forward instead of wasting time attempting to calculate the outcome. The reduction of bureaucracy makes the system efficient and productive. Ilkka considers himself to be "the least powerful CEO in the industry" because he wants "the creative people, the game developers, to have all the power" (Rebekah Valentine, 2019). Ultimately, Supercell's unique culture and principles make the foundation of its successful game development.

### **Supercell's Game Development Strategy**

In addition to its system, Supercell uses several strategies to develop incredible games and make them known to the world. One of the biggest challenges in popularizing a game is making it stand out from the thousands of other games already on the market. Besides being part of a massive crowd, new games start at the back of the consumer line because the top spots are filled with known titles and many of the potential players are taken by other games. Supercell surpassed this hurdle by minimizing competition in two ways. First, Supercell made games for mobile instead of the common console and PC platforms because there were far fewer competitors, as mobile was a newer gaming platform. Mobile gaming held untapped potential, whereas console and PC were effectively dominated by the majority of gaming companies. The Supercell team noticed this and Ilkka recorded it, writing, "One day, when playing around with some iPads we had ordered for the office, we noticed how all of us had fallen in love with this device. We started to call it "the ultimate games platform"" (Supercell, 2023). The team made the quick move to drop PC games and put its focus on mobile games just as tablets (Statista Research Department, 2023) and smartphones (Federica Laricchi, 2023) were gaining traction across the world. Taking this path was likely one of the best decisions Supercell made, as it gave the company the chance to be at the top of an entire gaming platform.



Second, Supercell made genre-defining games like few other companies. The majority of games each join a specific category, for example, racing games, puzzle games, RPGs, casual games, or first-person shooter (FPS) games, which gives them a disadvantage because there is little to make them favorable over the thousands of alternatives unless they represent considerable evolutions or advancements in the genre. Conversely, building a game in a new category allowed it to avoid direct competition. Genre-defining games effectively secure a “first-move advantage” because players interested in the new genre will all move to the first game of the genre, allowing the game to capture all potential players (Deconstructor of Fun, 2023). Supercell made great games primarily by taking risks on entirely new concepts rather than releasing variations of previously successful games. Many games failed, but sometimes, a hit was born. For example, a team of five developed *Clash of Clans* in just six months (Juhani Mykkänen, 2014). Ilkka confessed, “This approach isn’t flawless,” but when it works, “it leads to success beyond our wildest expectations” (Ilkka Paananen, 2023). Supercell made this approach work five times in eight years with *Hay Day*, *Clash of Clans*, *Boom Beach*, *Clash Royale*, and *Brawl Stars*.

### Seven Elements of Successful Games

Although releasing a hit involves a considerable amount of luck, incorporating specific components to the game can maximize that probability. All successful mobile games share most of the following elements: strategy, real-time skill, progression, consistent updates, a social scene, strong artwork, and monetization. As of 2023, the top five highest-grossing mobile games in the world are *Honor of Kings*, *PUBG MOBILE*, *Candy Crush Saga*, *Genshin Impact*, and *Roblox* (J. Clement, 2023). Every one of these games besides *Candy Crush* contains all seven elements, and Supercell’s best game, *Clash of Clans*, contains six.

Strategy and real-time skill are the primary components of entertainment in a video game because they are things players can improve. They represent the mental and physical aspects of the game, respectively. In *Clash of Clans*, players build bases and train troops to attack other bases. *Clash of Clans* excels in this aspect, with its endless complex strategy in both attacking and defending. Michial Katkoff, CEO of PlayStation sub-company Savage Games Studios, wrote, “This game packs some of the best balanced, nerve-wracking, strategic gameplay on a mobile device. It manages to be relevant to players who seek an extremely high skill cap experience as well as to players who just want to have fun and blow up the opponent’s base” (Michial Katkoff and Giovanni Ducati, 2020). Although *Clash of Clans* lacks the excitement of fast-paced action, it makes up for it with the depth of its gameplay.

Regardless of the quality or complexity of a game, if the mechanics remain static, players will lose interest in the repetitive scene. Good progression solves this problem because it constantly varies the game and its tactics to re-spark player interest again and again for years. The progression system of *Clash of Clans* is laid out extremely well. As players play they unlock new buildings and troops, adding new content and complexity to the game. The progression track extends for 4 to 8 years for most casual players (Clash Ninja, 2022). Katkoff revealed,

“The true masterpiece here is *Clash of Clans* continuously moves the goalpost in a way that players look forward to progressing more” (Michial Katkoff and Giovanni Ducati, 2020). In addition, progression allows players to play a game with the long-term goals of unlocking new content and reaching higher levels of mastery, making it the primary factor in holding player commitment. Players develop deeper connections to a game the more they progress. *Clash of Clans* remains relevant with a total of over 500 million downloads in 2023 (Sehaj Dhillon, 2023) because players will not let go of a game they put hundreds of hours into over the course of years. Consistent updates are also crucial in keeping a game filled with new content for players to enjoy. Good updates either evolve a game and add to its depth or balance elements to renew its strategy. On average, Supercell updates *Clash of Clans* every two months with new material (Clash of Clans Wiki, 2023). Devoted *Clash of Clans* player “Free Fire Gamer” wrote, “With new soldiers, structures, and spells added on a regular basis, it constantly reinvents itself, giving seasoned players something to look forward to each season” (Free Fire Gamer, 2023).

Another factor in increasing player commitment is the social aspect of a game. There is no motive to master a game if players cannot share their accomplishments or compare progression and skill level. Fanbases and streamers keep games relevant and drive players to continue playing. The *Clash of Clans* community is massive on all fronts, including Reddit, Discord, Fandom, YouTube, and Twitch. Also, multiplayer modes allow players to play with friends and socialize. *Clash of Clans* uses Clan Wars and a ranking system as a way to make the game a social experience. Katkoff wrote, “Clan Wars provided new reasons to play the game and to continue chasing progression” (Michial Katkoff and Giovanni Ducati, 2020). In Clan Wars, players work together with the common goal of defeating other clans, while the ranking system allows players to showcase their skills.

The final component of a great game is the artwork and animations. After all, visuals make up the majority of a game and are among the primary reasons video games are fun to play. The artwork can be simple, but it needs to give the game a specific atmosphere that players can connect to. The artwork and animations of *Clash of Clans* are done beautifully and bring players into the *Clash of Clans* world. “Free Fire Gamer” revealed, “You will feel as though you are a part of a huge journey because of its vivid colors, realistic characters, and uplifting soundtrack” (Free Fire Gamer, 2023).

Every element points toward the creation of a great game with millions of users, but games are only profitable with monetization. The vast majority of mobile games are free to download in order to attract players, who are more willing to play at no cost, but offer players purchases to boost progress. In-game offers are very effective because players frequently seek to expedite their progress. After spending money on a game, players feel more compelled to continue spending because they made a commitment to the game and are reluctant to let go of their progress (Pengxu Huang and Guanrong Zhang, 2023). Exclusive items unobtainable through free-to-play (F2P) also encourage players to spend in order to feel a sense of exclusivity. As a game becomes popular, paywalls can be added to motivate players to make purchases to unlock more gameplay (Pengxu Huang and Guanrong Zhang, 2023).

Nevertheless, balancing the F2P and paid components of a game is crucial to retaining users. Although offers and paywalls can increase short-term profits, they ultimately reduce the quality of gameplay for F2P players, who make up the majority of the player base. When a game crosses the line of pay-to-win, defined by the ability of players to pay for a significant advantage over F2P players, F2P players often quit in response to the bias. This hurts both long-term profits and the game's reputation.

Above all, maintaining users and a lively player community is crucial to keeping a game relevant and alive. Although this model for the optimal mobile game is far from perfect and fails to capture the entirety of what makes a successful game, it can stand as a guideline for companies and developers.

### Limitations to Supercell's Approach

Although Supercell has crushed the majority of points in developing amazing games, it still has its shortcomings and areas for improvement, which clearly show through its decreasing financial returns (Figure 2) and popularity (Google Trends, 2023) over the past five years. Supercell has also failed to release a single hit in the past five years. Compared to the back-to-back releases from 2012 to 2016 which each made over a billion dollars, Supercell's current state of development falls below its previous standards. Ilkka reflected on this in his 2022 article titled "Are Our Best Days Behind Us or Ahead of Us?". He wrote, "We realized that we had not evolved quickly enough to keep up with the demands of players around the world," observing that, "our games had not really grown that much in the past few years" (Ilkka Paananen, 2022). In contrast, the revenues of competitors Zynga, Rovio, and Electronic Arts steadily increased from 2016 to 2022 (J. Clement, 2023), highlighting Supercell's singular challenges within the industry. The primary causes of Supercell's recent downward trend are the scarcity of the following: innovative updates, player communication and social scene, collaborations, and company headcount. Supercell's games have changed very little since their releases. Although characters, items, and features were constantly updated, the base games remained the same, and the updates failed to make any fundamental changes (Pengxu Huang and Guanrong Zhang, 2023). Part of the reason for this is that although Supercell takes risks to make amazing games, it does not take the same risks to improve them, causing them to die out over time. Supercell also puts less focus on updating games than it does on making games. Ilkka realized this, writing, "Our live teams have grown a lot and continue to grow, but we are still not where we ought to be and we'll continue to push on this front" (Ilkka Paananen, 2023).

*Clash Royale* is an excellent example of this. When it came out in 2016, *Clash Royale* quickly rose to fame with its unique model and compelling strategy. Supercell held the base concept of what could have been one of the best mobile games of all time, but proceeded to do nothing with it for seven years instead of continuously working to expand and improve the game with new updates. Unsurprisingly, *Clash Royale* fell from its peak and slowly declined. The few changes Supercell made to *Clash Royale* included steadily increasing the level cap from 12 to 15. Although this appeared to add progression, no new unlockable gameplay was added, and

therefore there was no incentive for players to play more. In contrast, Mojang's iconic 2011 game, *Minecraft*, demonstrates the promising outcome of continuously expanding a game beyond its base concept. *Minecraft* remains one of the most popular games across the industry over ten years after its release, due to its consistent additions of content and player-made variations (mods) of the base game. In contrast, Supercell makes amazing games, but fails to evolve them into something bigger.

Another issue facing Supercell's games is their insufficient social infrastructure. Although every game contains multiplayer features, like clans, they do not all contain live multiplayer modes. Players play clan battles in *Clash of Clans* and *Clash Royale* individually, which defeats the purpose of clans adding social and collaborative elements to games. Furthermore, it is impossible to communicate with teammates during a live battle because Supercell does not enable microphones. In comparison, *Fortnite*, released for mobile in 2017, revolves around players playing and coordinating with teammates during live matches. This component contributes greatly to the popularity of *Fortnite* and games like *Among Us*, *Fall Guys*, and *Call of Duty*. The growth of social media over the past decade has demonstrated the value of online social interaction and emphasized the need for social elements across other entertainment platforms, such as mobile gaming. In general, social connections are an integral part of modern gaming and add another dimension to the activity (Pengxu Huang and Guanrong Zhang, 2023), but Supercell has thus far failed to properly implement this component into its games.

The company has also missed the opportunities to collaborate with other games or invented worlds to increase player count and retention. Collaborations expand the audiences of both parties involved and can make games more entertaining due to new characters, items, environments, or features. Moreover, offers featuring the above can increase monetization from players who enjoy the collaboration and want a piece of it. In the US, Japan, and China combined, the majority of the top 20% of iOS games participate in collaborations, demonstrating their effectiveness (Game Refinery, 2022). When *PUBG MOBILE* partnered with the popular anime series *Evangelion* in 2022, its revenue and downloads spiked to double their average (Game Refinery, 2022). *Fortnite* also generates billions in revenue through its brilliant collaboration strategy. The game implements advertisements for companies unrelated to gaming by "literally integrat[ing] brands into its story" (Goodman, 2023). With over 250 million monthly users, *Fortnite* is the ultimate platform for advertising to younger generations, and Epic Games takes full advantage of this fact, making an average of \$5 billion dollars a year from 2018 to 2021 (Goodman, 2023). Supercell needs to take part in this strategy to further publicize its games and attract a wider audience, which will increase its popularity and ability to monetize.

Finally, Supercell must increase its employee count to improve management on all of the above. Although the company made a name for itself by staying small and efficient, its massive growth over the past decade calls for a larger crew to run its operations effectively. Currently, Supercell struggles to maintain and update its games because of this (Deconstructor of Fun, 2023). Responsively, Supercell began the process of expanding its facilities and developer count. At the start of 2023, Ilkka spelled out this goal to improve: "We want to expand the



number of really ambitious developers at Supercell, who can help us level up, dream big, and make things happen,” adding, “We established our Shanghai Studio in 2018 and North American teams just a few months ago” (Ilkka Paananen, 2023). As of 2023, Supercell has 480 employees, and it should aim to double that count to be comparable to Zynga, which has over 2500 employees. Overall, Supercell needs to continue adapting to the modern market of mobile gaming, which differs greatly from the market Supercell thrived in over ten years ago.

## Conclusion

Supercell sets the example for a financially successful mobile game office. The small company produced 5 games that each generated over one billion dollars, with *Clash of Clans* making over \$10 billion dollars alone. The essence of Supercell’s strategy was to hire the best developers and give them complete freedom to build games (Supercell, 2023). In addition, each of Supercell’s games contained at least 5 of the following 7 components, which made up the foundation for their successes: strategy, real-time skill, progression, consistent updates, a social scene, strong artwork, and monetization. Although Supercell has struggled to evolve its games over the past 5 years to keep up with the modern gaming industry and the demands of younger generations, it continues to grow with new offices and more developers to overcome this hurdle. The company will likely release a 6th hit in the upcoming years, leveraging its resources and dedication, which will resurface Supercell both financially and in popularity. The primary development in gaming over the past few years has been the rise of social gaming. Social gaming revenue is expected to grow from \$27 billion dollars in 2023 to \$76 billion dollars in 2029 (Maximizing Market Research, 2023). Today, gaming can connect individuals through shared experiences, and younger generations immerse themselves in this social ecosystem (Kyle Zapitell, 2023). Video games are expanding into interactive environments far beyond simple entertainment, and the number of players continues to grow rapidly, with a predicted 3 billion gamers by 2027 (J. Clement, 2023). A new genre of games that incorporates social media could become the next major evolution in the industry, and Supercell has the power to be one of the first mobile gaming companies to take that next step.

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