

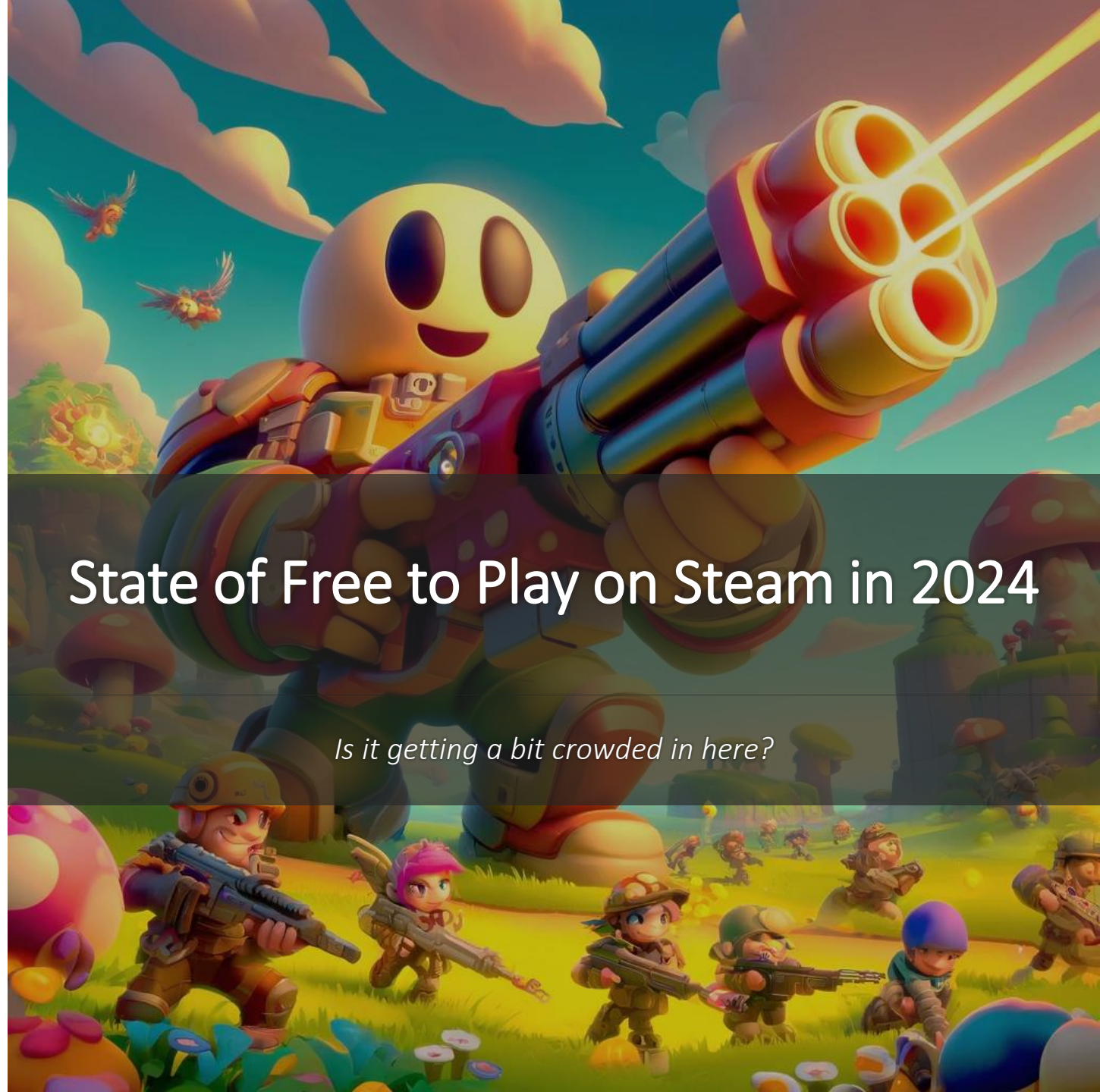


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## State of Free to Play on Steam in 2024

*Is it getting a bit crowded in here?*

# Free to play on Steam is a huge market with engaged players, but the top games have deeply rooted themselves, making new entry more challenging

Summarizing the Free to Play Games Market on Steam in 2024

## Free to Play Games Market Trends Summarized in 6 Points

- 1 FtP games capture over half of all player engagement on Steam
- 2 Counter-Strike and DOTA 2 have been leading the engagement charts for over 10 years
- 3 FtP games are very concentrated - top 25 FtP titles capture 88% of all FtP player engagement
- 4 Only a few new FtP hits launched in the last 4 years – it is getting crowded as older titles remain popular
- 5 Premium games at \$20-\$40 price point with live services elements might be an attractive middle-ground
- 6 United States, China and Russia make up nearly 40% of all FtP players on Steam

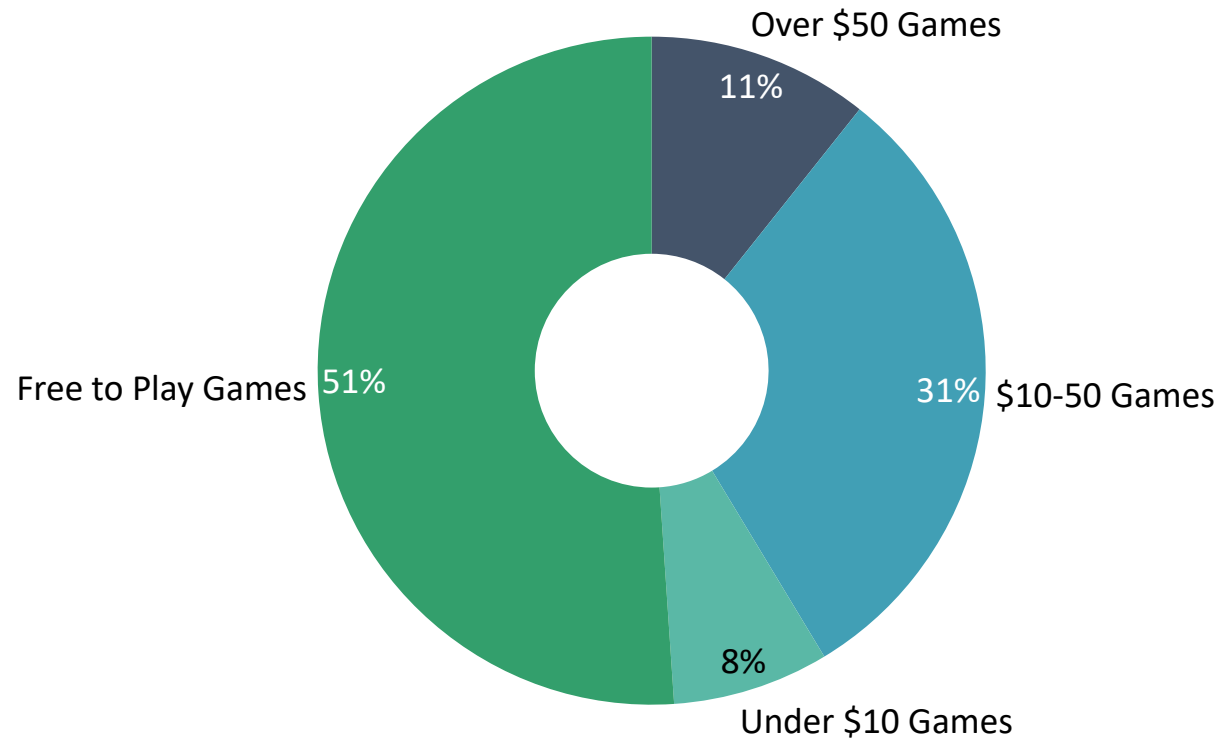
### OVERVIEW OF THE REPORT

- This report focuses solely on the Free to Play games available on Steam
- All of the data presented is gathered using the Video Game Insights [data intelligence platform](#)
- Most of the report relies on a metric called CCU – concurrent users – players playing the game at any given time. The report often looks at the average CCU throughout the year

# Over half of the Steam players' time was spent on free to play (FtP) games in 2023

Free to Play Games Dominate the Hours Played

TOTAL HOURS SPENT PLAYING FREE TO PLAY VS PREMIUM GAMES ON STEAM IN 2023,  
BY PRICE OF THE GAME

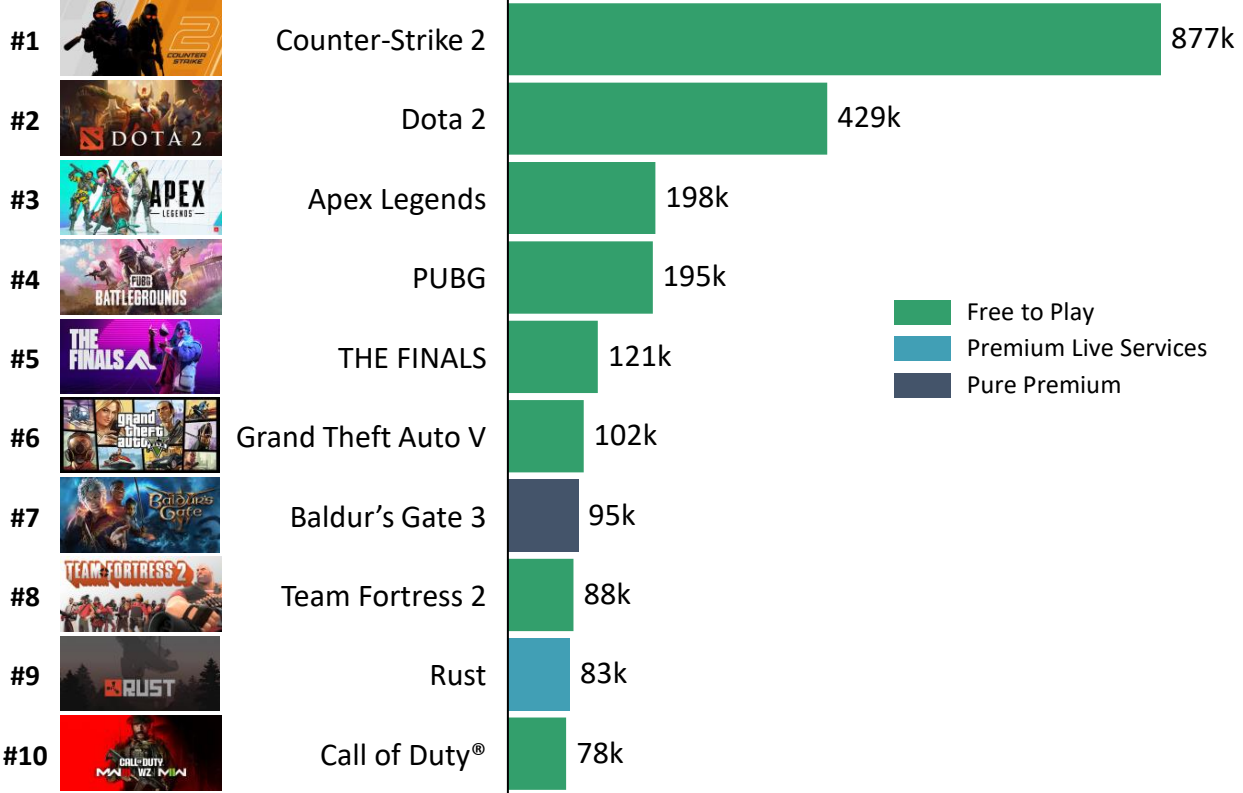


- Majority of the games on Steam are premium games. This applies to both indie and AAA games
- Yet, majority of players' playtime is spent on free to play titles
- 51% of all time spent playing games on Steam in 2023 was spent on FtP titles
- Only 11% of the time was spent on premium titles priced at over 50 USD – a typical premium AAA title range
- Interestingly, the 10-50 USD price range also carried significant timeshare

# Majority of the top 10 played Steam games in 2023 were free to play, with only 1 of the games being a more traditional premium game

Top Played Games are Mostly Free to Play

TOP 10 GAMES ON STEAM BY AVG CCU<sup>1</sup>, 2023



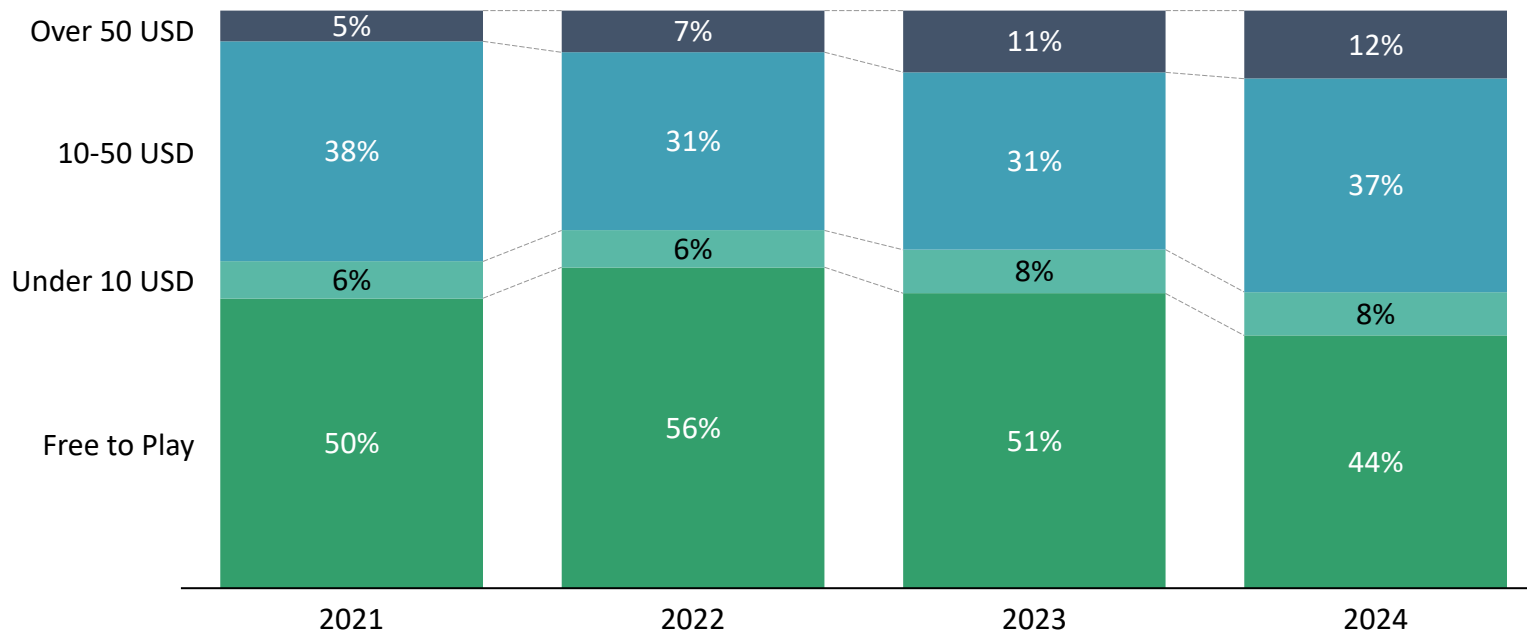
- 8/10 top CCU games in 2023 were FtP live services games
- Only [Rust](#) was a premium game with live services elements – microtransactions, regular updates, multiplayer focus
- Only [Baldur's Gate 3](#) was a more traditional premium game

1. Average concurrent players across the year

# FtP games have lost share recently as high quality premium titles and paid live service titles steal player attention

Recent Premium Launches Have Stolen Share from FtP

TOTAL HOURS SPENT PLAYING FREE TO PLAY VS PREMIUM GAMES ON STEAM, BY PRICE OF THE GAME, 2021-24

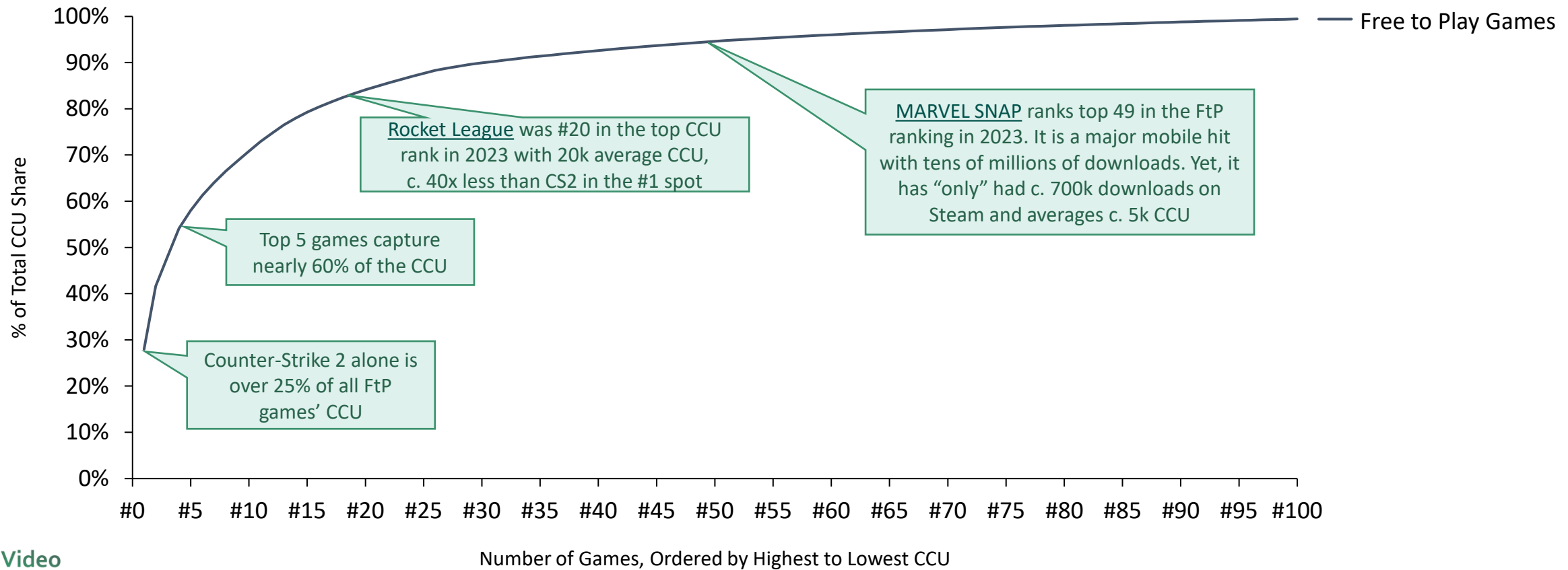


- FtP games have recently lost share to new successful premium and paid, but live service dependent games
- 10-50 USD price range games have seen a boom in live service dependent games double-dipping by also charging upfront – Palworld, Helldivers 2, New World
- Over 50 USD games have gained share since 2021, driven by:
  - Overperforming hits – Elden Ring, Hogwarts Legacy, Baldur’s Gate 3
  - Xbox & Sony titles coming to Steam – Forza series, Starfield, God of War, Spider-Man, Days Gone, The Last of Us Part 2

# Player engagement in the free to play space is very concentrated - top 10 FtP games capture c. 70% of the players' attention in this winner takes all game

Top FtP Games Steal Majority of the Player Attention

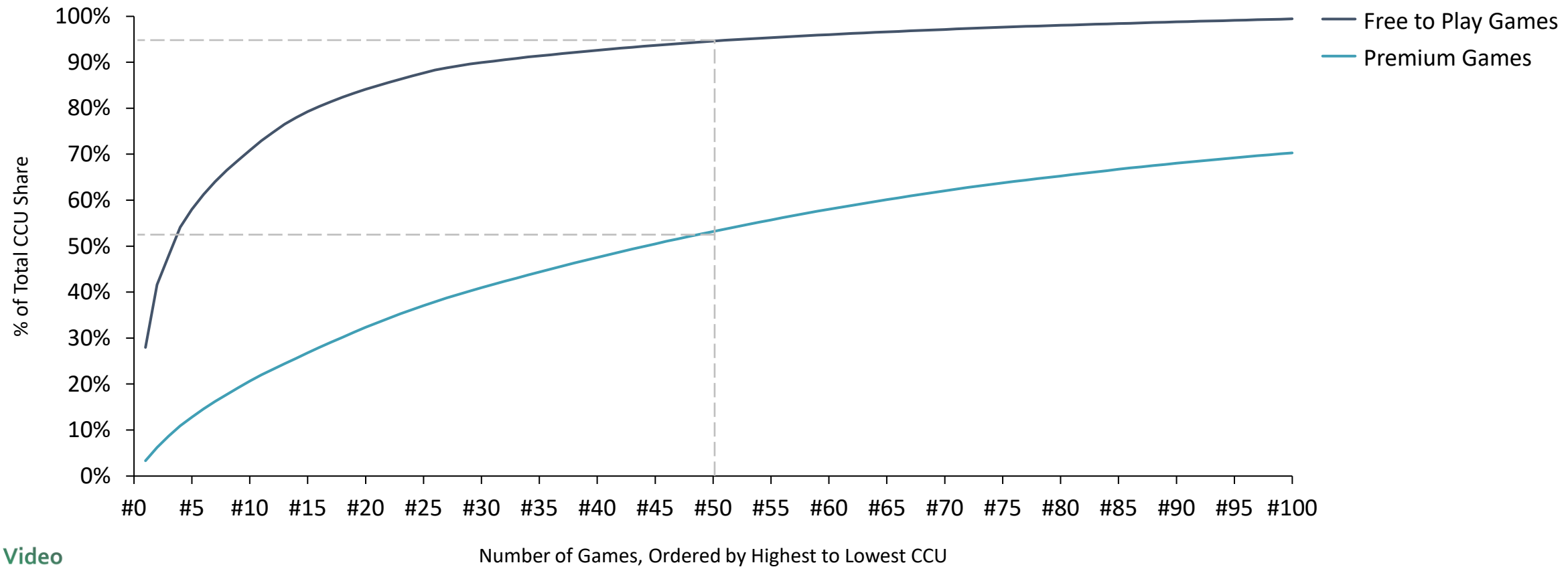
Active User (CCU) Concentration Curve for Free to Play Games on Steam in 2023



Premium games tend to have a much longer tail. Top 50 FtP games capture 95% of all player engagement while top 50 premium games only capture c. 50%

Free to Play Games Are Much More Winner Takes it All than Premium Games

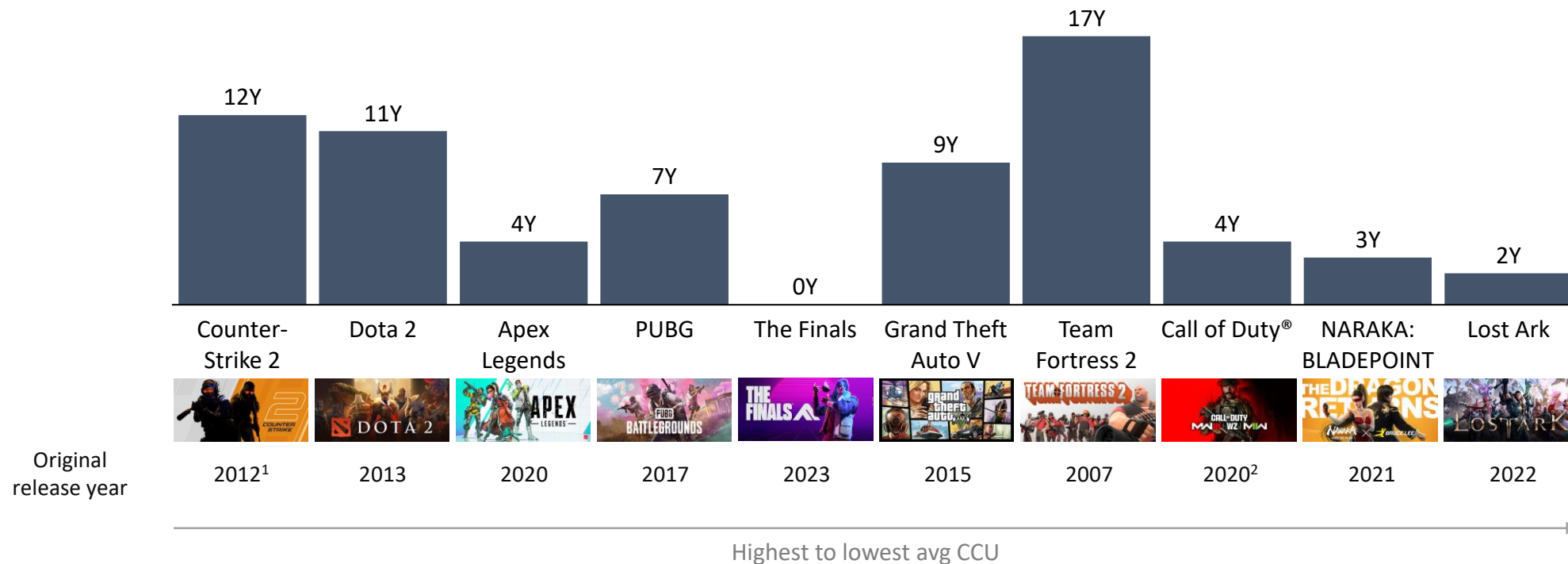
Active User (CCU) Concentration Curve for Free to Play and Premium Games on Steam in 2023



# Top free to play titles are getting old - in fact, the average age of a top 10 FtP title on Steam in 2023 was 7 years

Average Age of a Free to Play Title is Getting Older

TOP 10 FREE TO PLAY TITLES ON STEAM IN 2023 AND HOW MANY YEARS THEY'VE BEEN AROUND

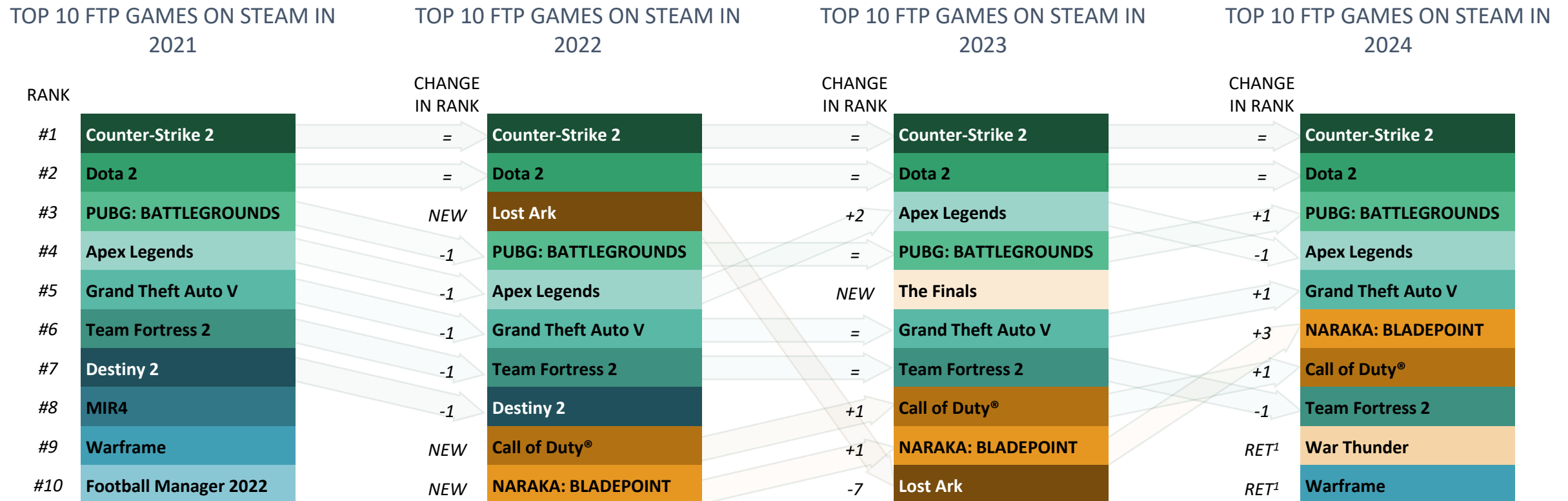


1. CS:GO release date. CS2 was released in 2023, but followed from the same Steam link and is a close enough successor to be counted as the same game
2. Original CoD series launched in 2003. The FtP version called Warzone was released in 2020



# FtP space is getting crowded – newer titles have a hard time breaking in as older titles remain popular for longer

Top Played Free to Play Games on Steam Over Time, by Avg CCU<sup>2</sup>



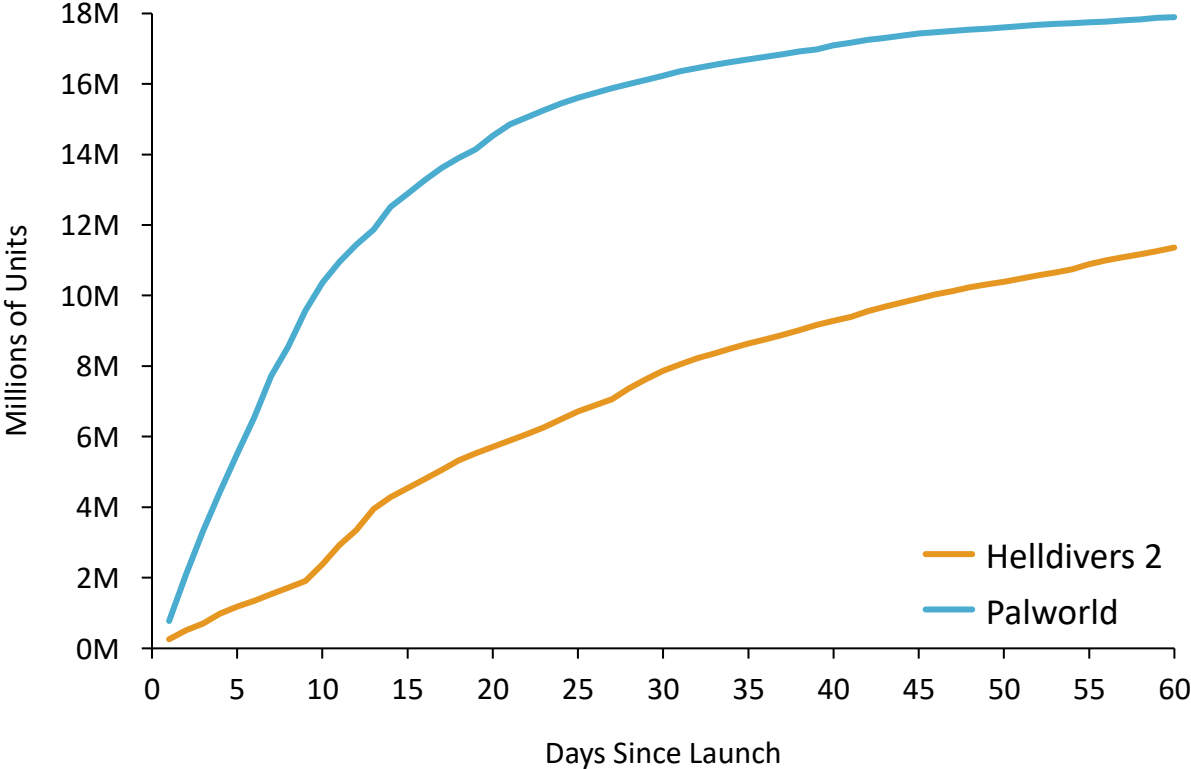
Only 2 new Free to Play titles have entered the top 10 in the last 3 years and remained there for 2024 – [CoD Warzone](#) and [Naraka: Bladepoint](#)

# Recent examples of Palworld and Helldivers 2 prove that you don't have to be a FtP game to gather a massive audience and monetize through live services

Paid, but Live Service Orientated Games Launched on Steam in 2024

	HELLDIVERS 2	PALWORLD
Price	\$39.99	\$29.99
Units Sold	11M	18M
Peak CCU	0.5M	2.1M
Live Services	Yes	Yes, but no MTX <sup>1</sup>

Cumulative Sales on Steam Since Launch Date, Palworld & Helldivers 2

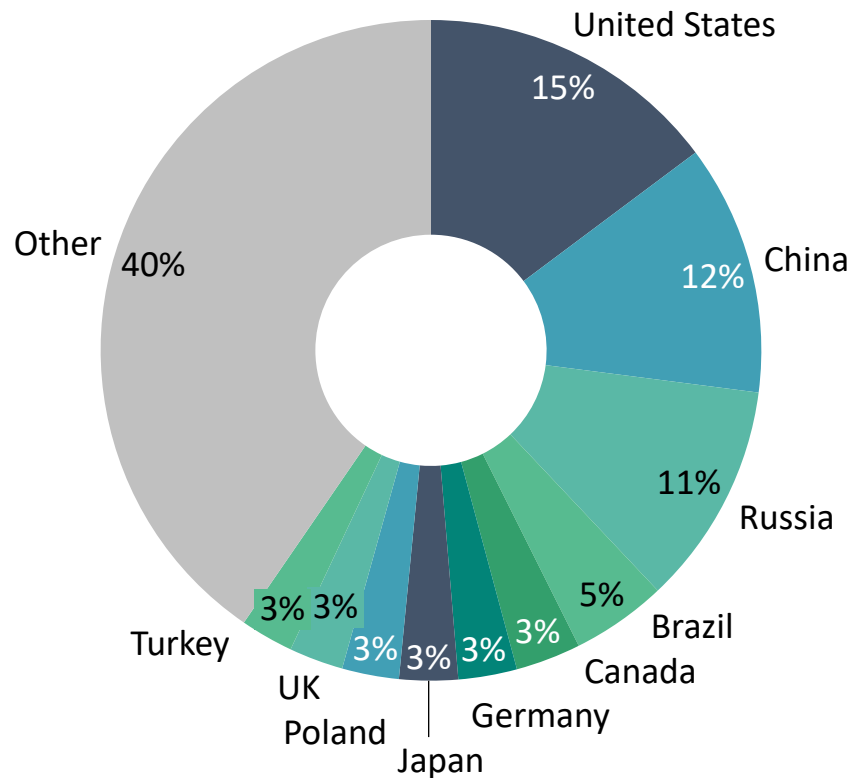


1. Has regular updates and support, but doesn't have microtransactions or in-game spend in general (yet)

# United States, China and Russia are the three critical tier 1 territories for a FtP game to succeed on Steam

3 Countries Make up Almost 40% of All FtP Players on Steam

Geographic Split of the Owners of the Top 10 Free to Play Games on Steam



- Looking at the top free to play nations, it becomes clear quickly that a successful FtP game has to cater for at least one of the three “Tier 1” territories – US, China or Russia.
- As Russia is currently off the table, the leading FtP games tend to be made by either Chinese studios that can also appeal outside of China or Western studios that manage to attract Chinese players
- **Tier 1 FtP Countries** – critical for a FtP success
  - United States, China, Russia
  - Large populations and in the case of China & Russia – lower disposable incomes and a gaming culture that’s grown up with FtP being the norm
- **Tier 2 FtP Countries** – other important territories to focus on
  - Brazil, Canada, Germany, Japan, Poland, UK, Turkey
  - Split between high income vs low income tier 2 territories with respectively different characteristics
  - Collectively make up c. 23% of the FtP players

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# Video game industry market data, competitive intelligence and player insights at your fingertips

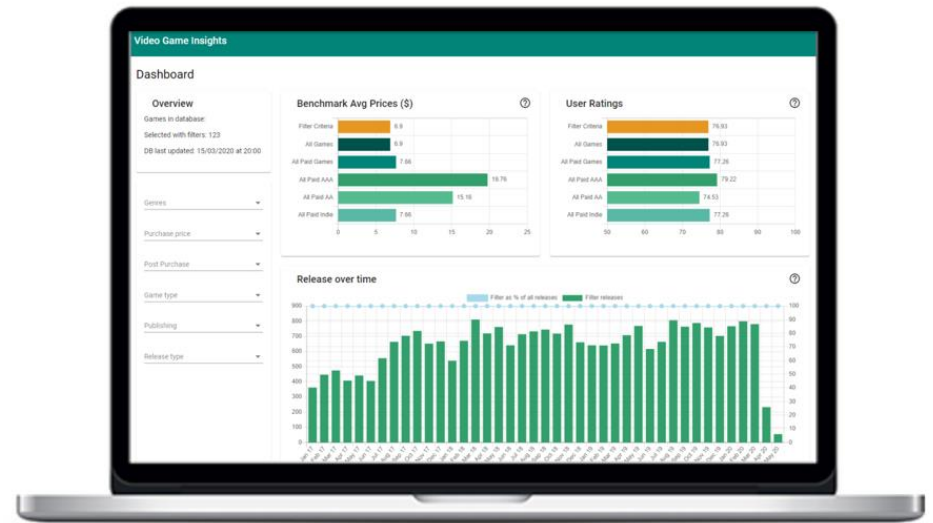
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# Appendix

# Definitions and methodology

## Glossary

Terms	Definitions
<b>AA/AAA games</b>	Large budget games developed by massive teams and companies. AAA game budgets are typically over \$100M to develop
<b>CAGR</b>	Compound annual growth rate
<b>CCU</b>	Concurrent users – active players in-game
<b>FtP</b>	Free to play games
<b>Full Game Revenue</b>	Revenue from the direct sale of a game, excluding any DLC and MTX revenues
<b>IAP</b>	In-app purchases
<b>Indie games</b>	Games developed by independent studios. This covers a large range of studios from 1 person hobby projects to larger studios of a few hundred employees, but budgets still fall far short of the AAA game levels
<b>MTX</b>	Microtransactions
<b>Unit Sales Estimate</b>	Using different estimation methods, including an algorithm based on our internal database of actual sales and the Boxleiter method to get from Steam review numbers to estimated sales. Detailed overview of the method is highlighted in the section below
<b>Revenue Estimate</b>	Estimated units sold multiplied by the price at the time. This is gross revenue, including the Steam cut, but adjusted for local currencies, returned products and discounts

**More information:**

Definitions: <https://vginsights.com/about>

Methodology: <https://vginsights.com/insights/article/steam-sales-estimation-methodology-and-accuracy>

Email: [Support@vginsights.com](mailto:Support@vginsights.com)

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