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What does the monetization
landscape look like
for video games in MENA?

— A white paper co-published by Niko Partners and Xsolla —



Introduction by Niko Partners

As one of the fastest growing markets in the world, it is no wonder the MENA video games industry is drawing increasing interest from global games companies.

Rising incomes, a young tech-savvy population, and significant government investments propel MENA's dramatic development. As a bonus, it's geographically located between the major markets of Asia and the West ("West Asia"), making it a key region for global game publishers to be part of. For game developers and publishers looking to capture new audiences, MENA can't be ignored - but to find success there, they must first understand the region.

This white paper, co-published by Niko Partners and Xsolla, explores games monetization as a strategy for accessing players and growing revenue in MENA, providing insight into market demand, revenue drivers, consumer preferences, and challenges faced by local and international developers.

Niko Partners has more than 20 years of experience in Asia and MENA games industry market intelligence shedding light on opaque growth markets, with local analysts, proprietary data and deep market insights in MENA for more than 5 years.

As a global leader in video game commerce, Xsolla also brings 20 years of experience. Xsolla supports over 1,000+ payment methods globally, recently having introduced 11 new local payment methods in the region, reflecting Xsolla's commitment to providing game developers and publishers with the tools to navigate and thrive in this rapidly growing and uniquely challenging market, and around the world.

Xsolla supports
1,000+
payment methods globally



Here, we focus on Saudi Arabia (KSA), the United Arab Emirates (UAE), and (EGY), which Niko calls MENA-3. We have chosen these markets as they are representative of the broader region. For this white paper, Niko surveyed 1,200 gamers, interviewed leading game companies and experts in the region, and leveraged Niko's extensive proprietary data and insights.

MENA is a diverse and culturally rich market where strategies must be carefully tailored to fit regional nuances. It's a region that has been underserved by traditional platforms and operators, presenting opportunities for a direct-to-consumer (D2C) approach across distribution, localization, marketing, and payments for developers and publishers. Success in MENA can also pave the way

for game companies to expand their reach to nearly 400 million Arabic speakers worldwide.

This white paper will equip game companies with insights on effectively monetizing their games in MENA, exploring direct-to-consumer opportunities, and tailoring strategies to engage local players and maximize their game's potential in the region.

Success in MENA can also pave the way for game companies to expand their reach to nearly

400M

Arabic speakers worldwide



An overview of MENA-3

MENA-3 is among the most dynamic regions globally in terms of gaming and economic growth. Niko Partners anticipates increased growth in 2025, driven by a highly engaged player base, more favorable macroeconomic conditions, and significant opportunities for companies that can navigate the region's unique cultural and infrastructural landscape.

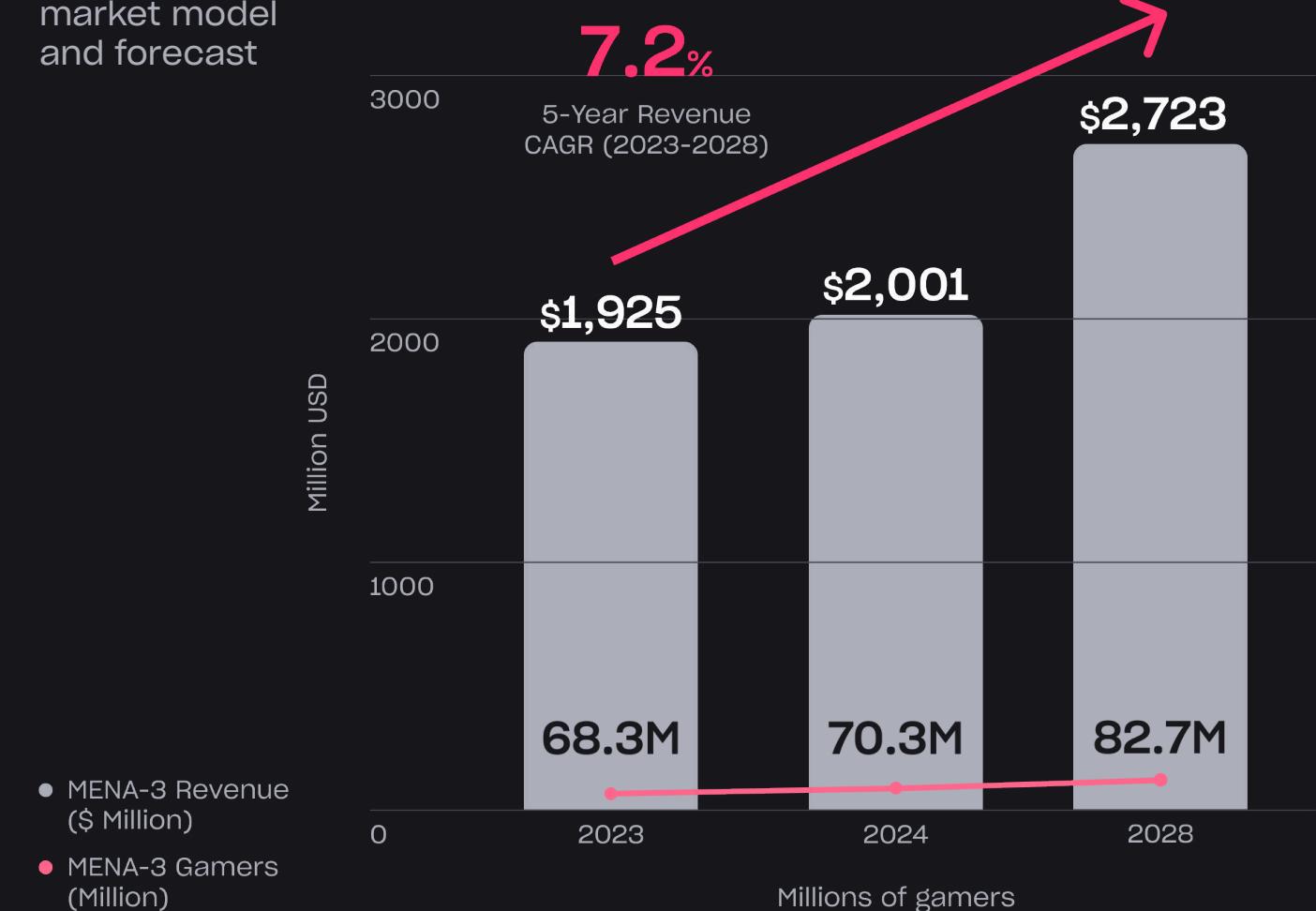
In 2024, the MENA-3 region generated \$2 billion in player spending, a 4% YoY increase. By 2028, the region is projected to surpass \$2.7 billion in spending, growing at a 5-year CAGR of 7.2%.

Saudi Arabia has emerged as the leading market in MENA by revenue, surpassing \$1 billion in 2022, and set to surpass \$1.5 billion in 2027.

The number of gamers in MENA-3 is projected to reach 82.7 million in 2028, up from 70.3 million in 2024. Gamers represent approximately 51% of the population of the three countries, leaving room for growth.

MENA-3 is an economically diverse region, and average revenue per user (ARPU) data by country reflects this. For example, the UAE has the highest ARPU of the three countries, at \$84.60, while Egypt has a much lower annual ARPU, at \$3.50, but over 5x as many gamers as the UAE.

MENA-3 market model and forecast



On the topic of diversity, it's also important to note that while this white paper zooms in on MENA-3, there are 27 countries across the whole of MENA, with a population of nearly 500 million people. Each sub-region within MENA has its own distinct culture, linguistics, and economy. While the six Gulf Cooperation Council (GCC) countries, including KSA and the UAE, may share common traditions and dialects, North Africa and the Levant region differ significantly, even while speaking the same language. A localized approach to market entry must also include selecting appropriate

monetization models, payment methods, distribution, and local support.

By examining MENA-3, readers can gain insights into three varied markets that ultimately influence how games are monetized in any MENA market. KSA is the powerhouse of the region with a medium-sized population and high spending power, Egypt represents a high population but low ARPU market, and the UAE is a smaller Gulf state with a low population but high spending power—together, they represent wider trends across the region.





Key drivers of growth for MENA-3

Several growth drivers make MENA a region that deserves your attention.



Large youth gamer population

Youth gamers are one of the most influential factors driving the growth of the video games market in MENA-3. According to Niko's survey for this study, over 60% of local gamers are ages 18 to 35. Notably, this figure doesn't account for players under 18, meaning the actual share of gamers under 35 is much higher. Youth gamers explore a variety of genres, platforms, and payment methods and have the potential to remain gamers for many years.

Growing disposable income

Markets like Saudi Arabia and the UAE have high salaries and an expanding middle class. While the average monthly wage for an employed gamer in the MENA-3 region is \$2,166, this increases to \$3,137 if we exclude Egypt. As disposable income continues to rise, gamers have more freedom to spend on premium titles, in-game items, subscriptions, and other digital services. This growing willingness to invest in gaming is part of what makes the region so appealing for local and international studios alike.

94%

play on mobile

49%

play on PC

34%

play on console

Robust network infrastructure and platforms

Saudi Arabia and the UAE are among the most connected regions in the world, with nearly 100% internet penetration rates and widespread 5G coverage. Even Egypt, which trails in development, has surpassed a 70% internet penetration rate and has recently announced a rollout of 5G countrywide. Meanwhile, gamers in MENA-3 play on all major platforms. Mobile is the largest segment, reaching almost all gamers in the region at 94%; nearly half (49%) play on PC, and just over a third (34%) play on console. This is vastly different from most emerging gaming markets like India where mobile is king and only 6% of gamers play on PC and 1% play on console.

Evolving regulations in support of gaming

Policy developments also favor growth in the MENA-3 region. These include streamlined processes for licensing and content approval and lowered barriers to market entry. Initiatives such as Dubai's Gaming Visa, a program that issues long-term residencies to talented video game professionals, have also opened the door for more studios in the region. Although some regulations remain strict, governments in the region are increasingly recognizing the economic potential for video games.

Heavy government investment

It's no secret to anyone in the industry that governments in MENA-3 have shown significant support for the gaming sector. Saudi Arabia published its National Gaming and Esports Strategy (NGES) at the end of 2022, setting pathways to reach a SAR50 billion (\$13.3 billion) economic contribution from the gaming sector by 2030. The country also created the Esports World Cup, which brings together esports titles, teams, and fans in the world's largest esports event. And with this success, governments across the region are following suit.



An overview of gamers in MENA-3

Percentage of players in MENA-3 that are **women**



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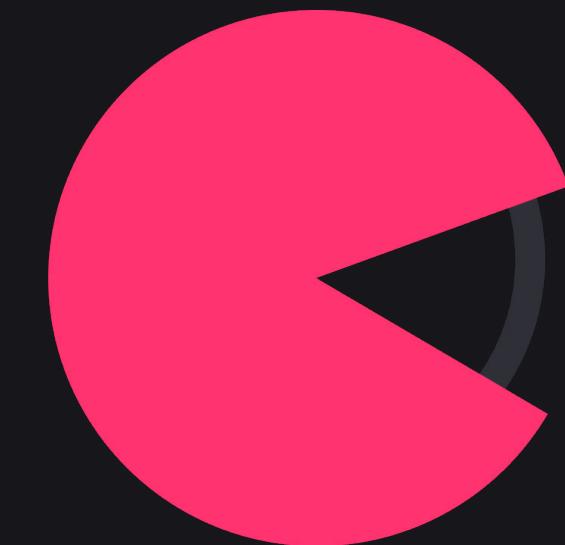
Gaming in MENA-3 is becoming more diverse and inclusive

- In 2022, women made up just 32% of gamers in MENA-3, but in just three years, that number has risen to 38%, reflecting a growing presence in the gaming community.
- Once a male-dominated hobby, the broadening demographic underscores a growing need for developers to tailor both game design and monetization strategies to serve an increasingly diverse audience.

Gamers that earn more than **\$900/month**



4%
of gamers surveyed
in Egypt



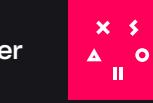
86%
of gamers surveyed
in KSA



96%
of gamers surveyed
in UAE

Economic realities matter when choosing a monetization model

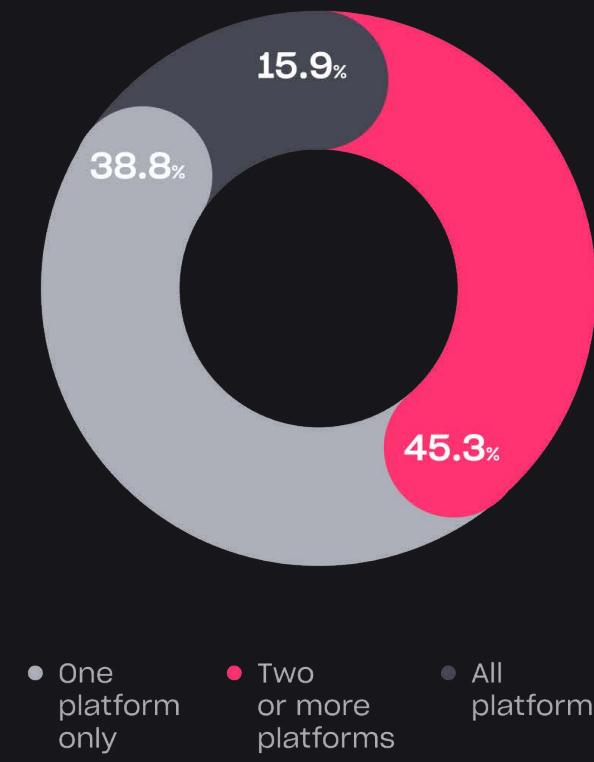
- In Egypt, only 4% of gamers surveyed earn more than \$900 each month, compared to 86% in KSA, and 96% in the UAE.
- As a result, F2P and online gaming have become the most popular video game models in Egypt, while premium and subscription models do better in the UAE and KSA.



Gamers in MENA-3 are already embracing multi-platform gaming

- 61% of gamers have played on more than one platform, with 16% of respondents playing on all three platforms (mobile, PC, console).
- This high rate of multi-platform engagement aligns with more mature gaming markets, requiring developers to adopt distribution and monetization strategies that may differ significantly from those used in emerging markets.

Do gamers play on more than one platform?



There is a large preference for cross-save and cross-progression features

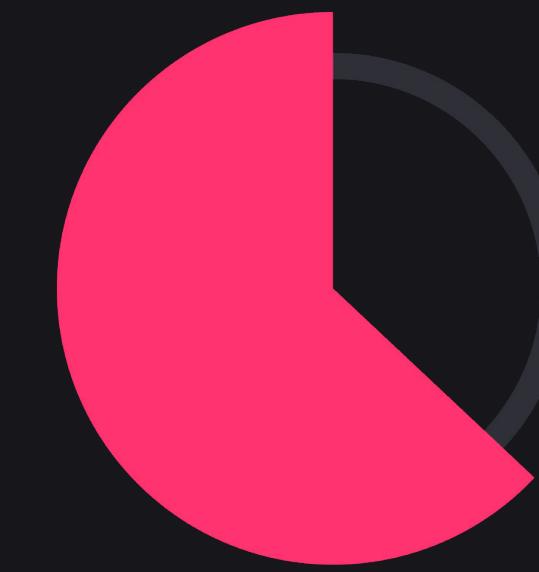
- 56.5% of gamers we surveyed either switch devices occasionally or always play on multiple devices when playing an individual multi-platform game.
- This emphasizes how crucial it is for developers to unify monetization and access across all supported platforms, enabling players to enjoy a seamless experience regardless of the device they use.

56.5%
of gamers play on multiple devices from time to time / always

There is an opportunity to reach an already existing highly engaged audience

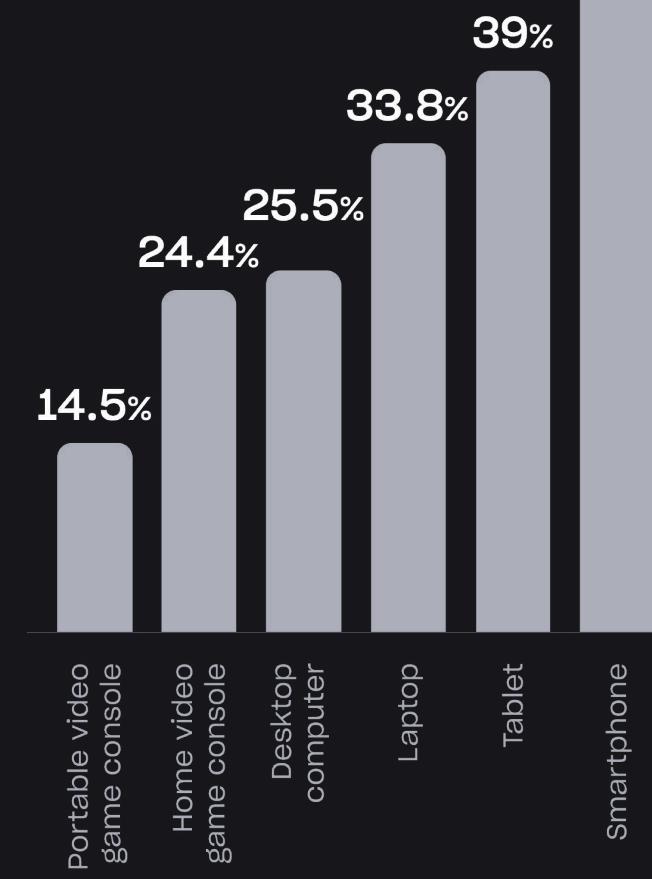
- Gamers in MENA-3 play on average for 10.2 hours a week. Egypt has the largest cohort of die-hard gamers who play more than 13.25 hours per week, at 31% of all gamers.
- 63.4% of respondents spend money on video games. Gamers who play on all platforms spend, on average, 1.5x more on gaming each month than the average gamer.

10.2 hours per week
MENA-3 players play on average



63.4%
of respondents spend money on video games

Device used to play video games (past 30 days)





Monetization of gamers in MENA-3

Considering the diversity of the MENA-3 region, choosing the right monetization model can make or break a title's success. Moreover, cultural aspects such as randomized mechanics, the tastefulness of in-game content or ads, or poor localization may further shape how players engage with or perceive monetization in certain games.

Recent user privacy policies, including Apple's IDFA changes, restrict developers' access to user data, making precise targeting and effective monetization more challenging and ultimately impeding their ability to convert players into paying customers. This means that now, more than ever, game developers and publishers need to understand gamers on the ground to monetize effectively.

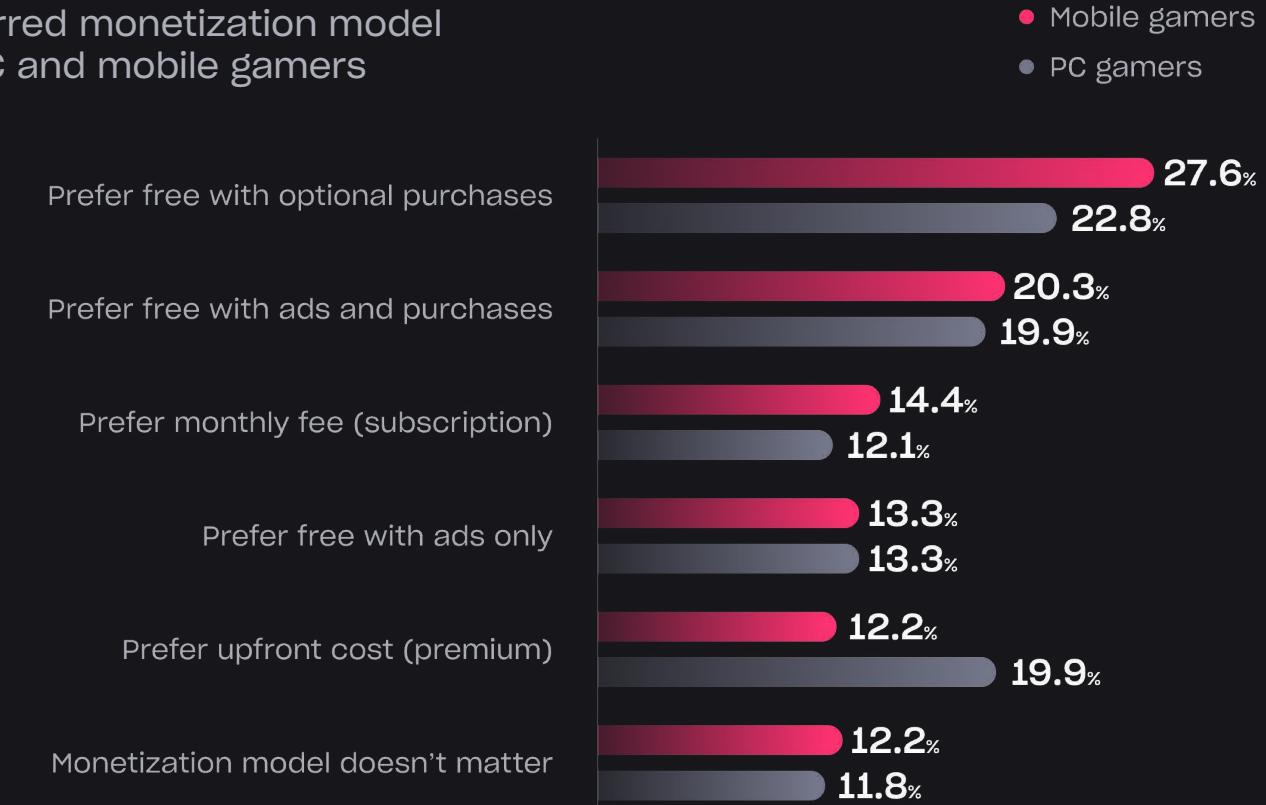
Our survey shows 61% of mobile gamers and 56% of PC gamers prefer a F2P model with either in-game purchases, in-game ads, or both. For premium titles, Saudi Arabia is likely to net the most success, where 26% of players prefer games with an upfront cost. Meanwhile, the UAE leads for subscription model games, with 23%

of players preferring this model. Across the region, the appetite for hybrid F2P monetization models is also growing, with 27% of PC and mobile gamers preferring F2P games with both in-game payments and advertisements.

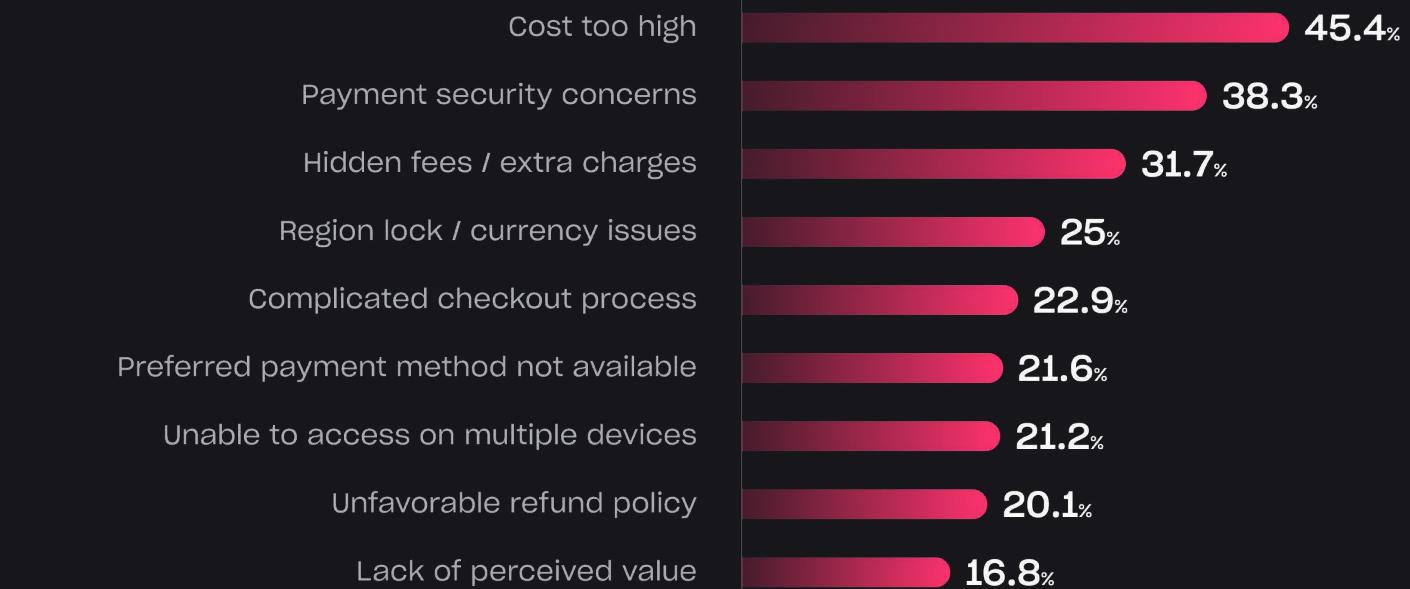
Even among paying gamers, there are barriers to monetization that must be considered. High prices are the leading reason players may not purchase a video game or in-game content, but regional pricing can combat this. In Egypt other roadblocks exist, including additional or hidden fees, such as high VAT, and issues when paying in their own currency such as not being able to use EGP on the PlayStation store. Payment security concerns also rank high in KSA and UAE as reasons for abandoned payments.

Notably, 1 in 4 female gamers, and 1 in 4 younger gamers (18 to 25 year-olds) say that their preferred payment method not being available stops them from paying for video games and in-game content, indicating that these groups are the quickest to be discouraged from paying if their preferred method is not clearly displayed.

Preferred monetization model for PC and mobile gamers



Barriers faced when purchasing video games & in-game content





The payments landscape in MENA-3

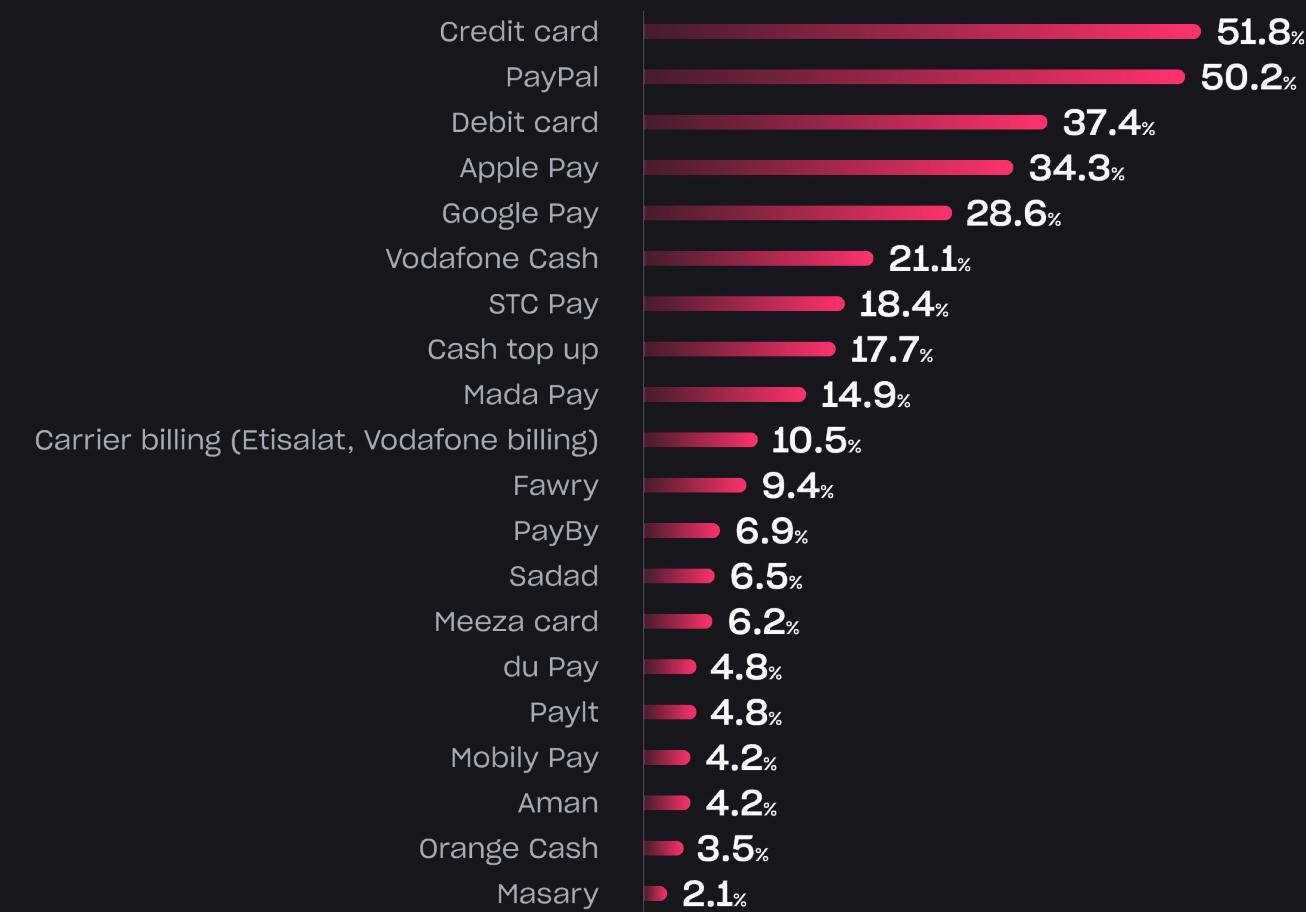
The payments landscape in MENA-3 varies considerably between Saudi Arabia, the United Arab Emirates, and Egypt, reflecting current economic development and policy. To find success there, publishers should have clear goals for their monetization strategy, understand how gamers across the region pay, and ensure they offer common payment methods to serve players well.

Part of the difficulty is that monetizing through traditional payment platforms only reaches part of the market. While credit and debit cards dominate in the West, 67% of the MENA population is unbanked or underbanked and may not have access to these tools. In Egypt, Credit Card penetration (Visa, Mastercard, American Express) is only 2.8%, for example. Even in Saudi Arabia and the UAE, where credit cards are used significantly more among gamers, the penetration rate is still just 25.4% and 26.8%, respectively.

Each market's widely accepted payment methods also have their own nuances. Saudi Arabia is dominated by the local payment network Mada (93%), which is different from Visa and MasterCard. In Egypt, Apple Pay and Google Pay have only just started operating there, with low uptake so far, instead, other digital wallets like Vodafone Cash have become dominant in the market.

According to the Saudi Central Bank (SAMA), digital payments are also on the rise, and non-cash transactions reached

Top 20 payment methods for video game related purchases in MENA-3



57% in 2024, compared to 36% in 2019. In the UAE, cash usage declined to 17% in 2023 compared to 67% in 2019. The pandemic and the adoption of digital wallets have been leading this shift.

While credit cards are still the top payment method used by paying gamers, this may be partially a result of limited options provided by publishers. For success in Egypt, publishers need to consider the local landscape, where Vodafone Cash (76%) reigns supreme.

In Saudi Arabia, PayPal (52%) edges out Credit (51%) and local payments such as STC Pay (49%) are also widely used. The UAE is the only country in the region where it's safe to take a similar approach to payments as in Western Markets, but it also has local payment methods that gamers use. The results show the unique payment landscape across each individual market and the need to accommodate a broader range of payment methods when launching games in MENA.



Direct-to-consumer payment platforms



In MENA-3, most transactions for video games and in-game content funnel through traditional third-party app stores and distribution platforms, such as the Google Play Store, Apple App Store, Steam, etc.

According to our survey, 95% of PC and mobile gamers have purchased through an app store, a distribution platform like Steam, or directly from the game, where credit cards are typically the default method. However, an increasing number of gamers seek simpler, more secure, or more rewarding ways to pay using their preferred payment method. This has led

to the emergence of D2C payment platforms that fulfill this need through a single, frictionless experience.

D2C platforms are a growing segment of the games industry and are gaining traction, especially in markets where traditional payment methods don't fully cover player needs. D2C platforms solve common issues both for existing spenders and those who have yet to pay for video game content. Current paying users enjoy more tailored promotions, VIP programs, and bundles, leading to a higher perceived value for their money. Meanwhile, non-paying users, who often face barriers such as limited local payment options or uncertainty about the value of in-game content, can gain purchasing power in their preferred format.

Comparison of traditional distribution platforms vs D2C platforms

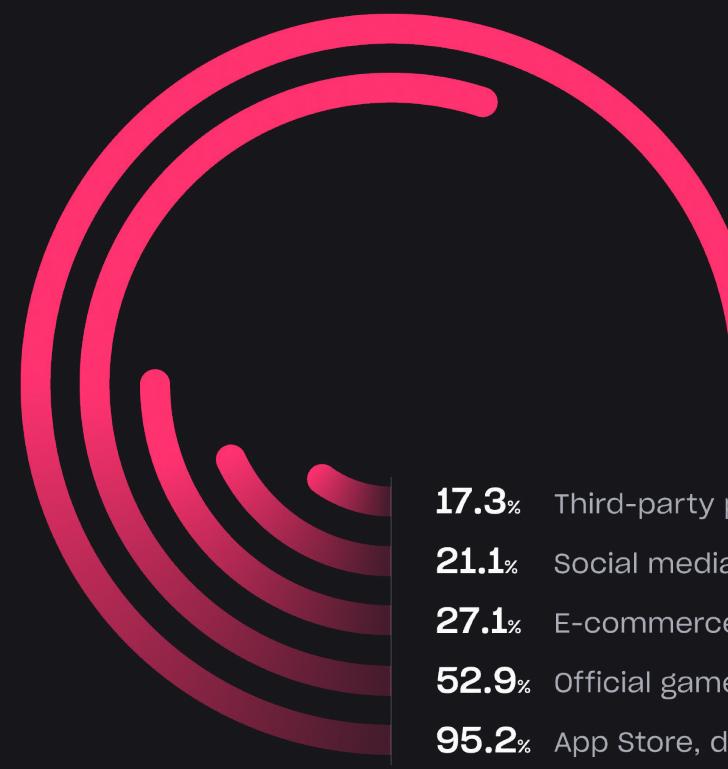
Issues	Traditional distribution platforms	Global direct-to-consumer platforms
Support for preferred payment methods	Credit cards, carrier billing, and limited selection of other payment methods.	Support for local, regional or global preferred payment methods of the user.
Commission fee	Up to 30% on in-game purchases.	Typically, a single digit % commission fee.
Pricing flexibility	Typically set price points from \$0.99 to \$1,000.	Ability to offer full games and in-game content at any price.
Platforms and devices	Purchases are typically locked to a single device or platform.	Ability to offer full game purchases and in-game purchases on multiple platforms, including cross-platform interoperability.
User engagement & retention	Typically unable to offer tailored rewards programs, multi-buy and other user engagement features.	Ability to offer tailored discounts, exclusive bundles, multi-buy, loyalty rewards, VIP programs, etc.
Marketing & promotion	Limited within the platform itself.	In-game, via social media, community platforms, email campaigns, influencers.
Data & analytics	Customer data / relationship owned by app store, with limited analytical tools.	Customer data owned by developer / publisher with analytics and Live Ops tools.
Regulations	Tax compliance and anti-fraud for a limited number of payment methods offered by the platform.	Full tax compliance and anti-fraud solutions.
Other	Limited additional functionality and services.	A number of D2C platforms offer additional services such as backend services, cloud gaming support, and more.



Motivations for using direct-to-consumer platforms

According to our survey, 53% of paying gamers on mobile and PC have already purchased a video game or in-game content from the official game website or web shop. In the MENA-3 region, gamers in Egypt are most receptive to monetization through official websites or web shops, with 60% having done so. Xsolla's publishing suite enables

developers and publishers to create web shops with flexible payment solutions for all gamers, and recently added 11 new localized payment methods for the MENA region including Fawry Cash, Aman, Masary, Momken, Vodafone Wallet, Orange Cash Wallet in Egypt, Sadad in Saudi Arabia and others in Jordan, Bahrain, and Iraq.



Nearly 1 in 5 paying PC and mobile gamers have also made a purchase via a third-party platform, which refers to D2C platforms owned by an external party that offers in-game purchases for multiple titles. It's clear that gamers want more convenient ways to pay, with support for their preferred payment method, additional rewards, and extra content for the same or a lower price than what they can obtain in-game.

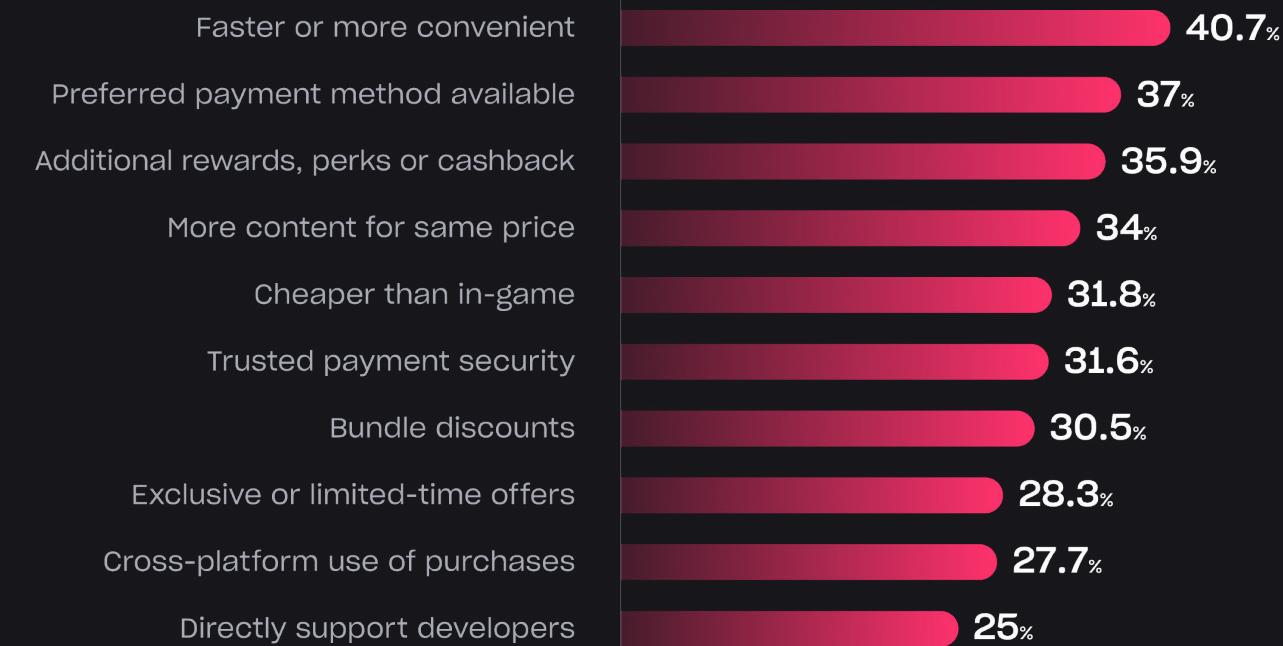
Today, 40% of gamers between the ages of 18-25 transacting on D2C platforms value the additional rewards and perks they receive, higher than any other age group. Notably, gamers in Saudi Arabia are most likely to value having their preferred payment method available, while gamers

in Egypt rank the convenience of D2C platforms the highest. Among the least engaged gamers, those who play video games for less than 3.5 hours a week, payment security and anti-fraud rank as the top motivators for using D2C platforms.

D2C payment platforms can serve as a useful bridge, offering innovative solutions that unify diverse payment methods without imposing rigid constraints on how or where players transact. Our research shows developers must not only consider different motivations between players in each country, but also understand how younger and less engaged players across the region can be incentivized by the unique benefits of D2C platforms.

Where do gamers purchase games & in-game content?

Motivation for purchasing outside of app store/game





How direct-to-consumer platforms benefit developers

D2C platforms are great for developers because they can be integrated alongside established app stores or distribution platforms to create an additional revenue stream with lower transaction fees (bypassing app store commissions) and allowing them to offer a broader set of options to gamers.

Perhaps most exciting is the prospect of reducing or eliminating the standard 30% cut taken by traditional distribution platforms, which developers can reinvest into their users through additional rewards, perks, and bundles that enhance player satisfaction and drive long-term engagement.

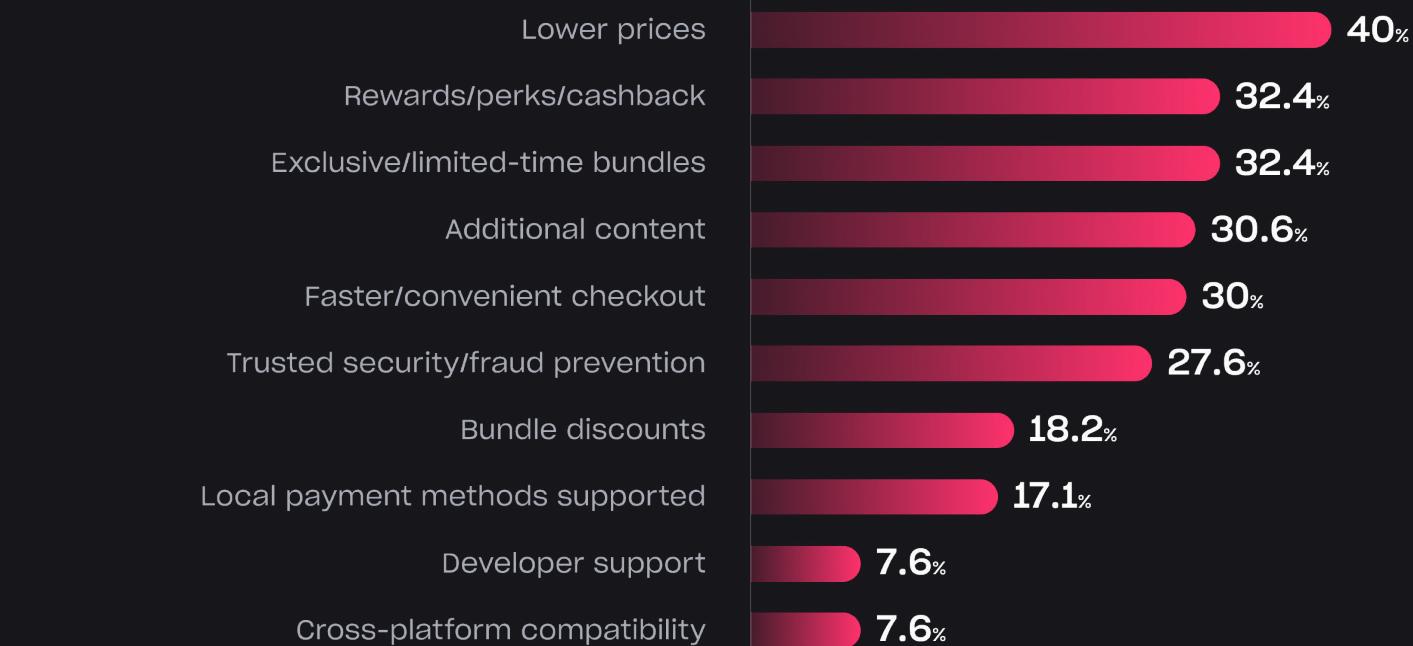
The changing regulatory environment is also contributing to the rise of D2C. Governments around the world are compelling Apple and Google to tear down their walled gardens, advocating for alternative app stores and links to out-of-app monetization platforms. Although both tech giants are contesting these regulations in court, there is no immediate barrier preventing developers from adopting D2C platforms today.

Additionally, D2C platforms often act as the merchant of record, assuming responsibility for compliance, tax obligations, and intricate anti-fraud measures. This comprehensive approach alleviates additional operational and administrative overhead for developers and publishers. Partnering with this kind

of platform allows developers to quickly, safely, and compliantly accept payments in new markets, react to demand, and grow their business.

Our survey shows that a diversified approach is essential to motivate paying gamers, who do not currently use D2C platforms, to start monetizing outside of the game or app store.

Younger players (18-25 years old) value additional content, rewards and perks, and secure transactions more than any other age group, while those over 45 prioritize exclusive bundles. For gamers aged 36-45, lower prices rank highest. By combining transparent security features with tangible rewards and regional pricing, developers can showcase the benefits of D2C platforms to every age demographic.



Higher spenders cite rewards, exclusive bundles, and fast/convenient checkout options as reasons for why they would switch to a D2C platform. So, developers who reinvest their improved share of D2C earnings into deals and promotions will see the most loyalty.

By incorporating D2C monetization alongside traditional app store distribution, developers can generate higher gross margins, reach new audiences, boost lifetime value (LTV), and unlock additional revenue streams. D2C helps solve various barriers to monetizing users in MENA, where players expect support for multiple payment methods, VIP programs, regional pricing, and additional perks.

Challenges and solutions to monetizing gamers in MENA-3

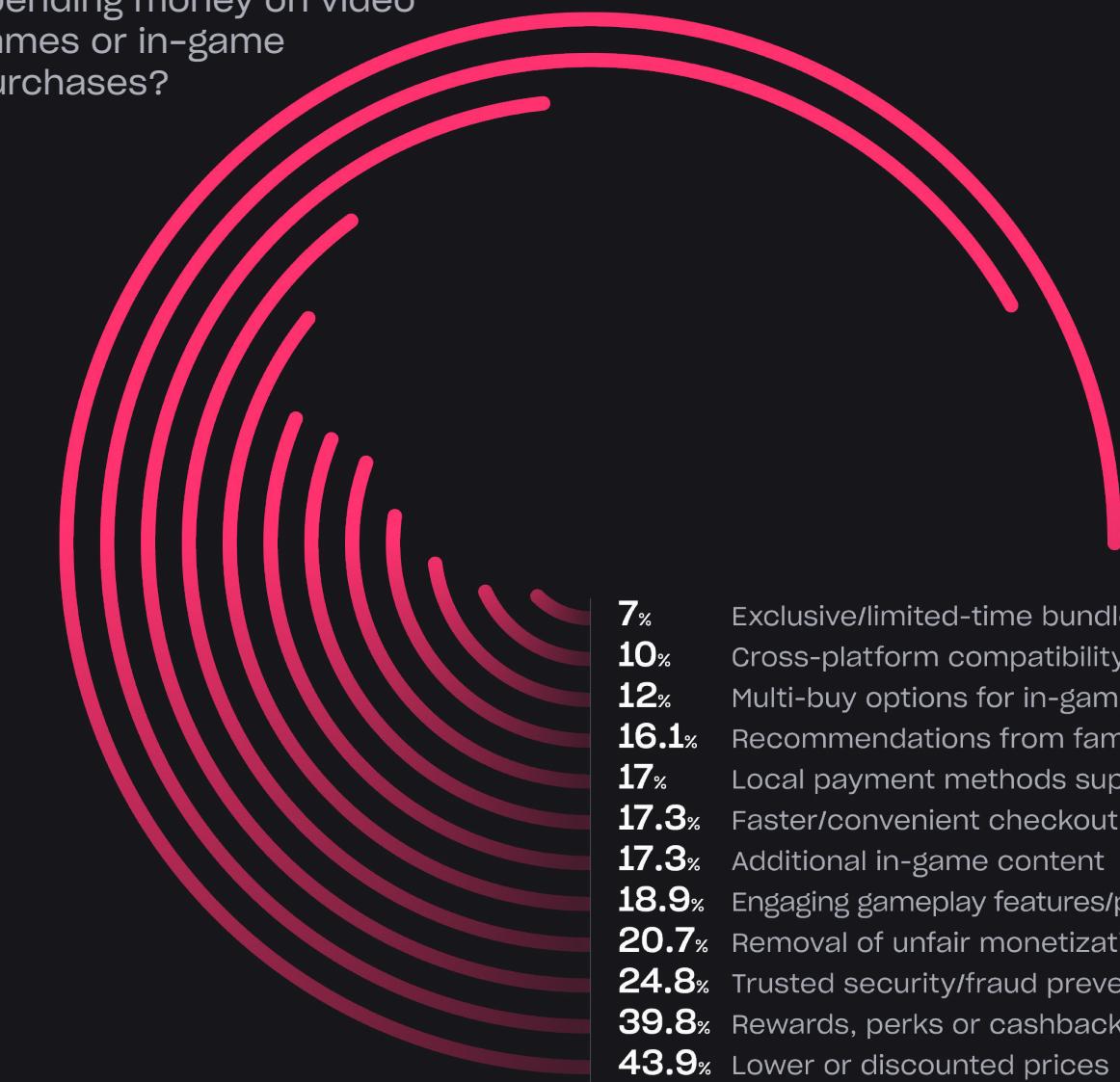
In an increasingly competitive landscape where every dollar matters, creating localized monetization and payment strategies is critical for game developers looking for sustainable success in MENA-3.

While gamers in the region are often eager to pay for high-quality games, many remain unable to make their first purchase or are hesitant to spend more. According to our survey, half of respondents either spend nothing or less than \$8 per month on video games. D2C platforms excel by aligning local payment methods with on-the-ground realities and gamer preferences, allowing for flexible and regional pricing that removes friction and opens the door to previously untapped revenue streams.



By using D2C platforms, developers can gain more control over monetizing their content. Tamatem Plus, powered by Xsolla, supports flexible purchase sizes including the ability to offer in-game content at a lower than \$1 price point, catering to gamers with lower purchasing power. The platform also allows users to buy higher value premium exclusive bundles traditional app stores often cannot accommodate.

What would motivate you to start spending money on video games or in-game purchases?



Among those who do not spend money on video games, the primary concern is overspending across all three markets. A lack of disposable income is also a high concern in Egypt. This means that developers who can find ways to express better value and better deals are best positioned to convert these users to playing players.

Regional pricing at lower price points, rewards and perks, and secure checkout



Interview Faisal Al Bitar



**Faisal
Al Bitar**
Managing Director
of Tamatem Plus

The MENA region has unique differences that developers need to cater to, from game storylines and language localization to addressing core challenges like payments and monetization. With over 400 million Arabic speakers globally, it's surprising that less than 1% of online content is available in Arabic. This is a huge untapped opportunity and tailoring games to fit the preferences of MENA gamers is essential for success.

The MENA region boasts some of the highest spending users globally, with a significant number of whale users who seek customized in-game offers and VIP programs that go beyond typical items you can sell on Google Play or the Apple App Store. At the same time, 70% of the MENA population is underbanked or unbanked, lacking access to basic credit or debit cards.

This creates a barrier to transactions on traditional platforms.

To address these contrasting challenges, Tamatem Plus partnered with Xsolla to allow game developers in the MENA region to monetize users outside of Apple and Google's ecosystems by introducing localized payment methods and unique offers. By bypassing the 30% commission fee, we can pass savings back to our users through incentives, gifts, and more competitive pricing.

From a regulatory perspective, integrating local payment methods into a game requires multiple steps, such as registering a local entity and opening a bank account in the target market. This is where Xsolla and Tamatem Plus add significant value. They've already made the upfront investments by establishing legal entities, setting up bank accounts, and securing commercial agreements with payment providers. This eliminates the need for new developers to navigate these complexities, significantly accelerating their time to market.

**15% of total games sales
via Web Shop
(Tamatem Plus)**

**Utilized Xsolla
Site Builder and
Pay Station**

**ARPPU is 30% higher
on Tamatem Plus
than traditional
channels**

**Offers priced above
Google Play limit of
\$1,000 to cater to VIP
gamers**





Interview Mohamed El Sheakh



Mohamed El Sheakh
Founder and CEO
of Games Ventures

The MENA region is not a monolith, it requires a tailored approach. The GCC, North Africa and the Levant each have unique characteristics. For example, the GCC has high spending markets with higher ARPU and a shared dialect, while Egypt has a larger user base but lower ARPU and a distinct Egyptian dialect. Even device preferences differ, Egypt has fewer iOS users compared to Saudi Arabia, and network infrastructure like 5G, which is widely available in the UAE, is only now rolling out in Egypt.

Payment methods also vary significantly, with no single dominant solution. For instance, Saudi Arabia's government-backed payment network, Mada, ensures faster processing and better integration with wallets, while Egypt lacks a similar government owned digital payment platform. This diversity means you need a solutions provider that understands the regional landscape and enables effective monetization across markets.

Territory-specific pricing is another critical factor. A product priced at 10 SAR in Saudi Arabia shouldn't cost 135 EGP in Egypt. Similarly, partnerships with influencers or brands must be market or sub region specific, a Saudi influencer may not resonate in Egypt, and vice versa.

Regulations also play a role, especially in markets like Egypt, where currency fluctuations have led to restrictions on dollar imports and exports, complicating transactions for businesses. A solutions provider like Xsolla simplifies this process, making it easier for consumers to pay and developers to receive their revenue.

However, there are of course similarities between the West and MENA, for example, big players like TikTok, Facebook, Instagram, Twitter/X, Snapchat, Discord

and YouTube have a large presence in the region and are platforms where gamers hang out. This makes it easier to reach users and build direct communities.

To succeed in MENA, you must commit to understanding the region's nuances, whether its localization, monetization, payments, Live Ops, or content, to create immersive experiences that resonate with regional players.



Interview

Mustafa Yaya



Mustafa
Yaya
CTO & Co-founder
of Blackburne
Games

Our ambition is to become the largest publisher in the MENA region and we aim to publish games from around the world while also developing and publishing our own original IPs from this region.

Our primary monetization model is premium purchases, where players pay a one-time fee for full access to the game. To date, our most successful title in terms of sales is *Ex Natura: Nature Corrupted*, our first release. It's a souls-like action RPG that has resonated well with players.

We primarily sold our games through Steam, the Epic Games Store, and console stores such as on Xbox. About six months ago we partnered with Xsolla to utilize their Site Builder and Pay Station tools to create a web store so we can increase our D2C sales.

It has allowed us to create our own website to sell games and items across multiple platforms and integrate everything into one seamless solution. This has enabled us to reach a global audience with diverse payment methods, something that is critical in regions like MENA, where mobile payments and digital wallets are often preferred over credit cards.

Xsolla helps us maximize revenue, even when selling games at a lower cost. We are able to achieve higher gross margins on a per unit basis due to their lower commission fees compared to traditional platforms. The ability to take pre-orders is also a key advantage, as this allows us to engage our community with additional bonuses and in-game items if they purchase the game in advance.

Our upcoming game, *Brave Hood*—a PvP dungeon crawler—is currently taking pre-orders and will feature in-game purchases. Xsolla's tools, combined with their marketing capabilities, make them the best solution for our needs.

Pre-orders
via the website

1,000+ payment
options

In-game sales
with Xsolla
Web Shop

2,500 community
members supported
with news



Finding the right solutions for MENA-3

Choosing the right D2C payments platform and partner is a critical step for any developer looking to capitalize on the MENA-3 region's dynamic market conditions. With

numerous solutions providers available, an ideal partner will bridge payment gaps, reduce friction, streamline compliance, and offer full integration and customization.



D2C payment platforms allow developers to build a community through loyalty initiatives and by providing direct channels for updates, promotions, and events. Web-based VIP programs, free onboarding items, featured deals, and time-limited offers create a sense of urgency and reward that enhances engagement beyond initial purchase points.

Xsolla is an industry leading commerce company creating web shop solutions supporting local payment methods with automated regional pricing to ensure fair and consistent revenue for developers factoring in local taxes and exchange rates. Its portfolio of supported payment methods in MENA has grown 23.6% over the past two years to reach more than 190 options, including Vodafone Cash, Fawry Cash, STC Pay, and Etisalat. Xsolla has also expanded beyond web shops to offer marketing support via its Xsolla Partner Network - an advanced affiliate marketing engine designed to connect game developers with content creators - and platform expansion tools, such as its Xsolla Cloud Gaming solution, delivering high-quality PC and mobile gaming via the cloud in a browser, with unique pay-as-you-go monetization for players looking to play in the cloud or preview games for free before making the full purchase.

In keeping pace with the growth of the segment, the company has reported seeing a 12.6% increase in MENA regional sales, a 39% rise in the number of studios seeking monetization solutions, and a 45% growth in games distributed through its ecosystem in just the last two years. In short, game publishers and developers are quickly beginning to see the value of the D2C market segment, and those that have not are being left behind.

Regardless of who developers select as their partner, this segment is not one that companies serious about the MENA-3 region can afford to ignore. The right partner will depend on a developer's market ambitions, titles, and other regional relationships. However, selecting a partner who offers flexible, region-specific solutions and has experience helping studios navigate complex payment regulations through a merchant of record model can be a key to entering the D2C market. Publishers and developers who do so successfully will reduce risk and increase revenue while forging meaningful, long-term relationships with gamers in MENA, bringing equal access to everyone.



Recommendations for game developers and publishers

Based on Niko's research and understanding of the MENA-3 market, here are our recommendations on how best to reach and monetize gamers in this exciting region:

Offer local payment methods

With an estimated 67% of the population unbanked or underbanked, incorporating region-specific payment channels is critical. Vodafone Cash leads in Egypt, while multiple other alternative payment methods are used across North Africa, the Gulf, and the Levant. By adding local payment methods, developers can remove barriers for gamers.

Price for local markets

Salary and spending power disparities across MENA mean developers need to adopt regional pricing tailored to each individual market. High costs and a lack of perceived value remain deterrents to purchases, so a flexible pricing approach can help in low-ARPU and high-ARPU markets.

Choose the right monetization model

Diverse consumer preferences across MENA-3 call for varied strategies. Saudi Arabia and the UAE are more open to premium or hybrid approaches, while Egypt favors F2P, with ads or microtransactions. Developers should consider each market's preferences and explore hybrid strategies.

Meet players where they play and pay

While mobile devices are the most popular in the region, 61% of MENA-3 gamers play video games on multiple platforms. Take advantage of multi-device ownership by supporting multiple platforms and out-of-app monetization that caters to those eager for frictionless purchases on whichever device they use.

Explore direct-to-consumer payment solutions

D2C allows users to benefit from greater choice when making payments. For developers, D2C platforms reduce reliance on traditional app store channels and commissions and allow more flexibility in their offering regarding local payments, pricing, and perks. This approach supports developers by deepening user engagement, increasing margins, and driving recurring revenue.



Localize, culturalize, resonate

61%
of MENA-3 gamers play video games on multiple platforms

Our most important recommendation is to go beyond localization in the MENA region. Gamers in the region want culturally rich offerings that adapt user interfaces, storylines, and in-game events to reflect local preferences, traditions, and holidays. Ensuring high-quality Arabic voiceovers or text can also resonate with players and enhance immersion. By catering to players across localization, distribution, monetization, payments, and more, developers can foster large player communities, increase retention, and drive spending.





About Niko Partners and Xsolla

About Niko Partners



Niko Partners is the leading provider of market intelligence on the games industry in Asia and MENA, covering these key regions for over two decades. We help our clients understand that global business requires local understanding and solutions. Since 2002, we have been exclusively researching and analyzing the video games markets and consumers in Asia and MENA. We cover China, Egypt, India, Indonesia, Japan, Malaysia, Philippines, Saudi Arabia, Singapore, South Korea, Thailand, United Arab Emirates, and Vietnam.

Our year-round, ongoing data-driven market research informs and benefits all custom client work. We collect and aggregate data and news in the Asian and MENA countries we cover on a daily basis and conduct our own primary data collection. We have a global team of analysts. Native speakers in the countries we cover conduct all of our primary research: fielding surveys, running focus groups, talking to gamers, visiting events and venues, and regularly meeting with game company executives and government officials.

To learn more,
please visit
nikopartners.com



About Xsolla

Xsolla is a leading global video game commerce company with a robust and powerful set of tools and services designed specifically for the industry. Since its founding in 2005, Xsolla has helped thousands of game developers and publishers of all sizes fund, market, launch, and monetize their games globally and across multiple platforms. As an innovative leader in game commerce,

Xsolla's mission is to solve the inherent complexities of global distribution, marketing, and monetization to help our partners reach more geographies, generate more revenue, and create relationships with gamers worldwide. Headquartered and incorporated in Los Angeles, California, with offices in London, Berlin, Seoul, Beijing, Kuala Lumpur, Raleigh, Tokyo, Montreal, and cities around the world.



For the latest solution offerings from Xsolla visit xsolla.com/release-notes



Enjoy
the game

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