Research on the Current Global Operation Status, Overseas Promotion Models and Future Development Directions of Chinese Games

Yixuan Gao

School of Performance and Cultural Industries, University of Leeds, Leeds, the United Kingdom
Fy23yg2@leeds.ac.uk

Abstract:

Nowadays, the global gaming industry is thriving, and China's gaming industry is also continuously developing. Domestic games such as Genshin Impact and Black Myth: Wukong have gained good reputations around the world. However, the Chinese game industry shows a trend of unbalanced development. This article aims to analyze the current development status and facing problems of China's game industry through case studies of some popular games and comparisons with foreign games. The article will also provide some suggestions for the development directions of Chinese game industry. The conclusion is that although Chinese games industry already has some success examples, the main industry is still facing issues like plagiarism, low quality of games and ignoring players' needs. Except for problems of games themselves, over imitation of popular foreign games and different market environments between China and foreign countries may also become obstacles for Chinese games going global. China's gaming industry should prioritize the needs of players over the purpose of making profits and maintain their innovation in order to enable more Chinese games become popular overseas and promote the further development of China's game industry.

Keywords: Chinese games; game industry; game operation.

1. Introduction

1.1 Research Background

For an extended period, Japan, the United States, and some European countries have been widely considered as dominant forces in the global gaming industry due to their famous games and game companies. For example, the Legend of Zelda series from Japanese game company Nintendo is widely known and loved

in the international game player community. The Legend of Zelda: Breath of the Wild and its sequel, The Legend of Zelda: Tears of the Kingdom, both received a full score of 10 from IGN. And Tears of Kingdom was named IGN's 2023 Open World Game of the Year (data from IGN). In recent years, with the launch of some Chinese games that have gained heated discussions across the world, the Chinese game industry has gradually received increasing attention. Games like Genshin Impact and Black Myth: Wukong have acquired popularity worldwide through their exquisite visual arts, superior game mechanics and ingenious integration of Chinese culture. Black Myth: Wukong has gathered over 800000 reviews on Steam with an overall rating of " Overwhelmingly Positive" (data from: Steam), reflecting its high popularity. However, when examining the broader Chinese game industry, only a minority of games can achieve such remarkable success.

1.2 Aims and Significance

Video games can be considered a cultural vehicle that can integrate cultural elements into entertainment, facilitate and effectively export the culture [1]. Video games are referred to as the ninth art in China because of their unique combination of artistic expressiveness and interactivity [2]. Against the background of the Belt and Road Initiative and the strategy of building a cultural power nation, Chinese games have been entrusted with a more significant mission. They are not only an important factor that drives the development of China's entertainment industry, but also a strategic choice for exporting Chinese culture and strengthening the country's cultural soft power [3]. This study aims to analyse the current operation status of Chinese games in domestic and overseas markets, discuss their future directions for overseas promotion and provide suggestions for future development.

1.3 Research Methods and Structure

This study will use case study, comparative study and secondary data analysis. The first part will analyse the current situation of Chinese games from both domestic and international perspectives. The second part will be based on online information and data to summarise some common issues of recent Chinese games. Finally, based on the commonalities and players' comments on popular games from international game platforms, this study will propose suggestions for the development direction of Chinese games' overseas promotion.

2. The current situation of Chinese games

2.1 The General Status of the Chinese Game Industry

During 2023 and 2024, the Chinese game industry showed a trend of diversified development and overall growth [4,5]. In recent years, mobile games have occupied the dominant position in China's game industry revenue, while web game revenue continued to decline for multiple years [5]. The overall revenue of the domestic market has kept increasing these years. In overseas markets, Chinese mobile games maintain a large amount of income, with significant revenue growth from top products [4]. Besides developing existing game forms, some companies have tried innovative measures, such as combining games with advertisements and mini-programs, expanding game genre and platform diversity and so on [4--6]. Mini-program games' convenience and fragmentation make them closer to people's daily lives than mobile games with independent apps that usually have some daily requests that require a lot of attentions. People can relax through these games in their spare time without spending too much energy, thus led to a rapid growth in the popularity and acceptance of mini-program games. In 2024, more than ten mini-program games successfully went global and generating nearly one billion U.S. dollars incomes [6]. As for anime-style games like Genshin Impact and Wuthering Waves, game companies are committed to eliminating language barriers. They released voice packs in four languages (Chinese, English, Japanese, Korean) and support in-game texts with multiple languages when launching these games, effectively promoting their overseas spread [7]. Some games are trying to combine diverse cultures in one game to show the cultural inclusiveness. For example, areas and countries in Genshin Impact and Honkai: Star Rail are inspired by real history and culture like China, Russia, ancient Greece and so on. In addition, enhancing the playability of games through technological innovation is also one of the main development directions for the Chinese game industry. Many game companies and personal studios started to produce independent games that support operation on multiple devices thus expanding the range of players. From 2017 to 2023, miHoYo applied for a total of 471 patents for their games, of which 99.15% were technological patents [8]. This enabled miHoYo's games to surpass may competitors technically. Also, the new games Wuthering Waves and Black Myth: Wukong in 2024 use Unreal Engine 5, one of the most advanced game engines currently, to create a more realistic game world and bring better experiences to players through attempts

at high-technology production. However, despite the issuance of many game publication licenses in 2024, older games still dominate in terms of download volume and revenue. With income primarily concentrated among major game companies, small and medium-sized enterprises are facing challenges [4]. This phenomenon also reflects issues that are insufficient innovation in new games and their inability to meet market demands. Additionally, factors such as turmoil in international situations and changes in different countries' privacy policies may impact the promotion of Chinese games and the development of the industry. But generally, China's game industry has been constantly making improvements and has achieved new accomplishments.

2.2 An Analysis of a Positive Example: Genshin Impact

With the development of China's game industry, many games have gained international recognition. One of the most successful Chinese games that has received a lot of praise both domestically and internationally is Genshin Impact, produced by Chinese game company miHoYo (also known as HoYoverse). According to the 2024 X Game Overseas White Paper released by X (formerly Twitter), Genshin Impact has been widely discussed in various regions around the world. It ranked first in the list of most-discussed games among Japan, the United States, Indonesia and other countries [9]. From 2021 to November 2024, Genshin Impact generated over 3.7 billion US dollars in overseas revenue [10]. In addition to exquisite game graphics, excellent plot and other essential elements for a popular game, the most highly praised aspect of Genshin Impact is the way it treats cultures. Liyue is a virtual country in the game, whose design is based on traditional Chinese culture. In terms of game performance, Genshin Impact recreates numerous Chinese landscapes on Liyue's map and showcases the charm of traditional Chinese culture to global players through its game narratives and events. In particular, the plot PV The Divine Damsel of Devastation in 2022 combines traditional Chinese opera with modern musical elements, achieving over 30 million views on Bilibili and more than 10 million views on Youtube until today. This innovative form of cultural expression not only promotes cultural output to the international community but also inspires the passion of young domestic players for traditional opera. Besides exporting Chinese culture, Genshin Impact has also integrated cultures from all over the world into the scenes and music in the game. From Mondstadt, based on Medieval Western Europe to Natlan inspired by Africa and South America, players can experience diverse cultures and customs of different countries worldwide in one game. Fan suggested

that the game starts in Mondstadt but not Liyue can make it quicker and better for Western players to immerse themselves into the game world and accept following countries with different cultural styles more easily [11]. Genshin Impact not only exports Chinese culture but also respects the cultures of other countries, which is the reason for its international success and a representative example of Chinese games moving towards internationalization.

3. The Current Develpment Predicament of Chinese Games

3.1 Overuse of Gacha Systems

However, there are still many problems that cause only a small number of Chinese games to achieve success in the international player community, while the majority of games even struggle to thrive domestically. The Chinese game industry was dominated by pirated knockoffs and licensed import games in the early history [12]. It was not until recent day that the industry shifted to an independent development model. For a long time, commercial profit has been the companies' primary goal rather than discovering the potential social and cultural values of games themselves [12]. This has led to the rampant spread of gacha systems in many Chinese games. In gacha games, games themselves are free, and players can purchase extra in-game goods to exchange for the special items they want [13]. The increase in gacha games is gradually forming a phenomenon where a complete gaming experience is unachievable without spending money, even includes "re-skin" games that only change the appearance but make no improvement on the contents. This situation forms a sharp contrast with the sales model of complete independent games in Europe and America.

3.2 Lack of Refinement of Games' Plot

The most popular and successful game type in China is anime-style games that usually have their own IPs. For these games, the fancy graphics are not the only important elements. The plot is also a significant factor influencing the quality and reputation of anime-style games. In the storylines of Wuthering Waves in 2024, a character uttered a controversial line that raised dissatisfaction in player community. The original meaning of this line was to express that the rear camp and frontline solders are equally important, but it sounded like belittling the frontline and elevating the rear (data from: Bilibili). This line's sentence structure quickly went viral online, being used to satirize unequal phenomena in various contexts. Though Wuthering Waves's reputation is gradually improving since then, this line remains a widely circulated internet meme and

frequently mocked by people. This example demonstrates player's emphasis on game narratives. Carelessly polished or controversial storylines can heavily affect a game's public reputation.

3.3 Plagiarism

Early Chinese games started with selling knockoffs and pirated games, which is one of the reasons that Chinese games have negative reviews around the world [12]. Although China's game industry is exploring its own innovative directions, plagiarism still happens occasionally. In November 2023, the version PV of Honkai Impact 3rd was accused of plagiarizing the opening animation of the famous Japanese anime Frienren: Beyond Journey's End. While in March 2025, the PV music of NetEase's game DomiNations was found to have plagiarized the theme song of Genshin Impact's Natlan region. Both games subsequently issued announcements to apologize and modified the corresponding content in the videos (data from: Bilibili). Beyond these recent cases, China's gaming community are often flooded with accusations of plagiarism but without evidence. For instance, Genshin Impact has faced continuous allegations of copying the popular Japanese game The Legend of Zelda since its release in 2020. Plagiarism is a severe problem not only in game industry but also all kind of creative industries, which seriously infringes on the rights of creators. Chinese games need to comprehensively prohibit plagiarism, distinguish the difference between plagiarism and homage, thus truly promote the development of China's game industry. At the same time, the frequent plagiarism accusations between player communities also reflect the profound influence of Japanese otaku culture introduced since the 1990s and a lack of confidence in domestic games among Chinese gamers [1].

3.4 Cultural Differences Between China and other Countries

Despite the problems of the games themselves, the different acceptance levels caused by cultural differences are also one of the main challenges faced by the export process of Chinese games. In 2024, after the release of the trailer of Natlan region in Genshin Impact, the overseas player community erupted in huge argument because of the characters in Natlan, which is inspired by African and South American cultures, are not "black enough". Some people believed that this was disrespectful to the prototypical cultures, while others (including local residents of these cultures) thought that those who accused of disrespect held stereotypes and racial discrimination against the prototypical cultures (data from: X and Bilibili). Even some English voice actors who acted characters

in Genshin Impact joined the debate, causing dissatisfaction between Chinese and overseas players. For Chinese players, their aesthetic appreciation of game characters tends to favor the otaku style of Asian countries such as Japan, while European and American players are more likely to pay attention on the race and skin color of virtual characters. This debate has demonstrated the different focuses of players from different cultural environments. It is necessary for Chinese game developers to consider the acceptance of the international community.

4. Suggestions for the Future Development Direction of Chinese Games Going Global

4.1 The Commonalities of Popular Games on Mainstream Game Platforms

According to Mendes et al.'s research of popular games on Steam in 2022, social dissemination capacity is one of the key factors that increase the popularity of indie games, casual games and other game genres [14]. The research pointed out that indie games developed by small independent studios (e.g. Hollow Knight) can create memory points by innovating gameplay, lowering the threshold for play and other methods in order to get promotion by players and establish a reputation. Meanwhile, multiplayer games like Apex Legends promote themselves by consolidating the sense of participation and social satisfaction of the player [14]. Daniel and Garry also emphasized that video games can help strengthen people's connection with society and cultivate social empathy [15]. Another example is Minecraft, a sandbox game with high freedom. Since its official release in 2011, Minecraft has gained the love of players all over the world, and its popularity has continued to this day. Minecraft's success depends on its high degree of freedom, ease of play and many other factors. These features allow players to experience an unrestrained gaming experience in Minecraft that is similar to but also different from reality [16]. Also, Minecraft supports multiplayer online servers and player-developed mods, further enhancing the gameplay freedom and meeting players' social needs [16]. Combined with the current Steam Top Seller list, high-freedom games and multiplayer games are generally more popular among global players, such as Counter-Strike 2, Don't Starve Together and Baldur's Gate 3 (data from: Steam). Based on this status, survival games, competitive games, actions games and other categories each have their own audiences.

4.2 Expectations from Player Perspective

Players are the core of the game. The success of the game depends on whether players like it or not. Nowadays, game players tend to obtain emotional value from games [6]. In April 2023, during the second beta test of Wuthering Waves, the character Commander Awu, whose appearance is like a snow leopard, sparked public anger among players after taking credit from the protagonist in the storyline and showing a kind of ridicule to the protagonist. The game developers were forced to completely redesign this character in the retail version. But "snow leopard" still became a widely circulated negative meme. It is important for games to let players display their abilities rather than becoming a mere embellishment to other characters, not to mention being ridiculed by the characters. Another reason for the negative initial comments of Wuthering Waves was that the game's benefits were too less. For gacha mobile games with long-term operations, in-game benefits are a crucial factor in retaining players. People do not want to spend all their money on the game solely for virtual items. Therefore, balancing the needs of players and game operators is of vital importance. Recently, an increasing number of domestic games have begun to develop games with "open world" and "cultural output", which can be considered as following the success examples like Genshin Impact and Black Myth: Wukong. However, repeated elements will make players lose interest and more eager to see some innovative and entertaining games.

4.3 Reflections on the Defects of Chinese Games

Combining the characteristics of domestic and international popular games, Chinese games need to make efforts in multiple aspects to strive for overseas markets. The first is to innovate game content and gameplay. While drawing on successful foreign game cases, it is also necessary to remain autonomous and not plagiarism. Secondly, Chinese game publishers should change the strategies that are dominated by economic interests. Games can carry social value and have profound effects on players. Putting players' needs ahead of profit goals and continuously making targeted improvements based on players' requirements can keep attracting and retaining players. Thirdly, Mao and Cho mentioned in their research that players of serious games about cultural heritage rank the demand for entertainment experience first [17]. They suggested that serious games should focus on integrating knowledge into the game in a sufficiently immersive and accessible way [17]. This conclusion is also applicable to general entertainment games. If games blindly engage in cultural and value output without conducting in-depth research and adaptive

adjustments to the culture, they will not only reduce the basic entertainment value but also fail to sublimate the value of games.

5. Conclusion

In conclusion, the Chinese game industry is constantly developing, with many successful cases of overseas promotion have emerged. Games like Genshin Impact and Black Myth: Wukong have successfully attracted numerous global players. They have not only expanded overseas markets but also promoted the cultural output of traditional Chinese culture. However, a large number of domestic games are still unable to go global and perform poorly in Chinese markets. Chinese games are still facing problems such as overemphasis on economic targets, lack of optimization and plagiarism. In addition, cultural differences between China and foreign countries may also become one of the obstacles for Chinese games to go global. To further advance the overall improvement of the industry and expand global markets, China's gaming industry should address issues like plagiarism and homogenization, meet players' requirements, and continuously improve game products. The sample size is too small in this article, and game revenue data is sourced from non-official websites, which may lead to deviations. Analyzing more cases, including less popular games, incorporating evaluations from a wider range of player communities, and obtaining data from more official reports will make the conclusions more accurate.

References

[1] Chen, ChiYing. „Is the Video Game a Cultural Vehicle?" Games and Culture 8.6 (2013): 408–427. Web. 31 July 2013. <https://doi.org/10.1177/1555412013493349>.
[2] Zhang, Bo, et al. „The Ninth Art, Tells the Story of Cultural China and the World: Cultural Interaction in Cross-Cultural Video Game Communication-Based on ‚Genshin Impact' YouTube Comments." PLOS ONE 19.10 (2024): e0311317. Web. 25 Oct. 2024. <https://doi.org/10.1371/journal.pone.0311317>.
[3] Yin, Hang. „Exploration of New Paths for Chinese Games' Going Global ‚Strategies and Cultural Export." Heilongjiang Daily, 29 Apr. 2025, p. 008. Special Edition.
[4] „ToBid: in 2024, the Chinese game market cash report (page 23). Pdf." Sgpjbg.com, 2024. Web. 9 June 2025. <www.sgpjbg.com/baogao/616896.html>.
[5] Su, Shan. „The 2023 China Game Industry Report has been officially Released - Xinhuanet." Xinhuanet, 15 Dec. 2023. Web. <www.xinhuanet.com/ent/20231215/f670a4330eac41d6859e9f11d9226d5b/c.html>.

[6] Wu, Haoxuan. „2025 Trend Report: Mini-Program Games reach 39.8 billion yuan, nearly doubling in Growth. The gaming industry is expected to experience new growth." China Daily, 2025. Web. <qiye.chinadaily.com.cn/a/202412/16/WS675fbab0a310b59111da8f6d.html>.

[7] Xu, Xinyi, and Wu, Kezhong. „Chinese Games: From Local Blockbusters to Global Brands." China Business Journal, 26 May 2025, p. D04. Business Case.

[8] Yao, Keer. „Unlocking MiHoYo's Triumph: Game Crafting and Marketing Mastery." Advances in Economics, Business and Management Research (2024): 630–639. Web. 1 Jan. 2024. <https://doi.org/10.2991/978-94-6463-368-9_75>.

[9] „Four years later, it remains the number one. Twitter released a white paper on Chinese games going global, and Genshin Impact Legend continues." 163.com, 2024. Web. 10 June 2025. <c.m.163.com/news/a/J8C7N6H9052682V2.html>.

[10] „Mihoyo's Genshin Impact has generated over 3.7 billion US dollars in overseas revenue since 2021." Thepaper.cn, 2024. Web. 10 June 2025. <m.thepaper.cn/newsDetail_forward_29321358>.

[11] Fan, Yanchen. „The International Communication of Chinese Culture in the Context of Games - a Case Study of Genshin Impact." SHS Web of Conferences 187 (2024): 04031–04031. Web. 1 Jan. 2024. <https://doi.org/10.1051/shsconf/202418704031>.

[12] Zhao, Qingchuan, and Wen, Xiaojing. „Comparative Research of Chinese and American Game Mechanism Design." SHS Web of Conferences 165 (2023): 01008–01008. Web. 1 Jan. 2023. <https://doi.org/10.1051/shsconf/202316501008>. Accessed 12 June 2025.

[13] Cao, Ran, et al. „Price Discrimination in Mobile Gacha Games: A Comprehensive Study of the Scarcity–Pricing, Gachaing–User Profiling, and Recharging–Profiting Models." Managerial and Decision Economics, 23 Apr. 2024. Web. <https://doi.org/10.1002/mde.4192>.

[14] Mendes, Leonardo O., et al. „Popularity of Video Games and Collective Memory." Entropy 24.7 (2022): 860. Web. 23 June 2022. <https://doi.org/10.3390/e24070860>.

[15] Daniel, Muriel, and Crawford Garry. Video Games as Culture. Abingdon, Oxon; New York, NY: Routledge, 2018. Print. (Series: Routledge advances in sociology; 241)

[16] Garcia-Fernandez, Jorge, and Leonor Medeiros. „Cultural Heritage and Communication through Simulation Videogames—a Validation of Minecraft." Heritage 2.3 (2019): 2262–2274. Web. 1 Aug. 2019. <https://doi.org/10.3390/heritage2030138>.

[17] Mao Ping Ting, and Cho Dong Min. „What Drives User Churn in Serious Games? An Empirical Examination of the TAM, SOR Theory, and Game Quality in Chinese Cultural Heritage Games." Entertainment Computing, 52 (2025): 100758–100758. Web. 1 Jan. 2025. <https://doi.org/10.1016/j.entcom.2024.100758>. Accessed 15 June. 2025.