

PHOENIX

sixteen tons entertainment

About Sixteen Tons Entertainment

Founded in 1993, Sixteen Tons Entertainment / Promotion Software was Germany's most veteran independent game development studio, and one of the most experienced in Europe.

Creating hit games for home and handheld consoles, smartphone and PC, the studio is best known for its EMERGENCY franchise, created by founder Ralph Stock in 1998. The EMERGENCY franchise released its first mobile free-to-play iteration in 2008 with EMERGENCY HQ on iOS and Android. In its first year alone, EMERGENCY HQ racked up approximately six million installs.



Making Emergency HQ even better

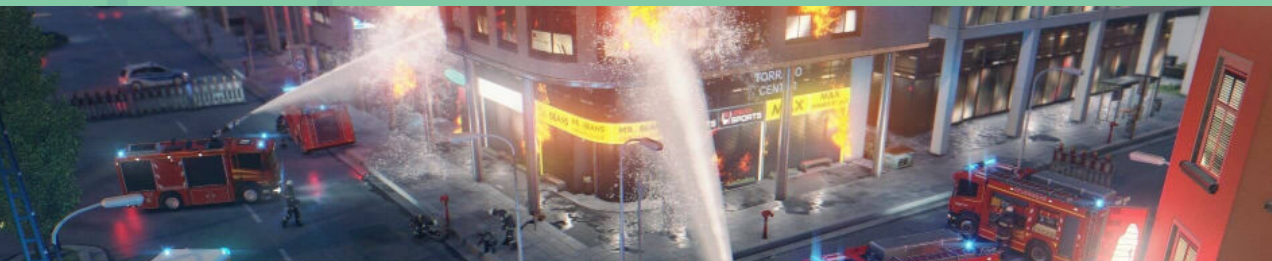
Phoenix Games identified EMERGENCY HQ as an evergreen title with huge potential for growth, acquiring the studio in January 2020.

Building the EMERGENCY franchise for more than 20 years before the acquisition, Sixteen Tons Entertainment was well equipped to position and present the games based on this IP to players.

But while EMERGENCY HQ clearly hit a market nerve, it was the studio's first free-to-play game and Sixteen Tons Entertainment did not have the experience or skills needed to maximise its potential, including the likes of user acquisition, ad monetization and data-driven live ops.



PHOENIX +



Step 1: Applying the Phoenix Games user acquisition algorithm

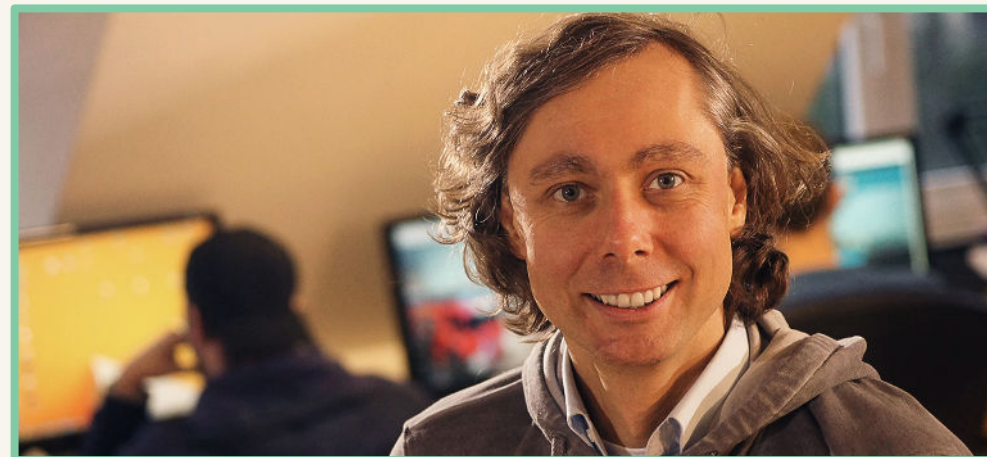
Phoenix Games supported Sixteen Tons Entertainment with the implementation of its machine learning user acquisition algorithm. Based on dynamic forecasts, it optimises bids and budgets across all UA channels, maximising profits for any given game.

After implementation, the automated system allowed UA to scale profitability (ROAS) by +63% at a +39% higher UA spend, leading to two million dollars of additional profit within the first year.

Step 2: Making improvements with ad monetization

Phoenix Games helped Sixteen Tons Entertainment rethink and redesign the game's video-based advertising implementations with its second uplift product, a machine-learning algorithm for optimising ad inventory, ad mediation and waterfall.

Combined, these measures led to a substantial increase of both ad participation rate and eCPM, totalling a sustained +87% increase on ad Average Revenue Per Daily Active User (ARPDau).



Maximising profits and studio growth

Phoenix Games realized short-term revenue synergies and fostered organic growth opportunities for the studio. As a result of the acquisition by Phoenix Games, Sixteen Tons Entertainment is now the most profitable it has been in its near-30-year history, with 2021 forecasted as another, even better year.

Following the implementation of a tailored plan of operational uplifts, Sixteen Tons Entertainment saw a 42% increase YoY in revenue for EMERGENCY HQ in 2020, alongside a more than 125% YoY increase in game contribution.

Sixteen Tons Entertainment is using some of the additional profits from its work with Phoenix Games to develop even more free to play games in the EMERGENCY universe and to ramp up their live ops capabilities for existing and future games.

Ralph Stock, CEO of Sixteen Tons Entertainment, said: *"Having spent almost 30 years growing Sixteen Tons entertainment, it was challenging to put my trust in someone else to help it grow, but it was absolutely the right thing to do. By joining Phoenix Games, we've been able to make the EMERGENCY experience even better for our players, and we can't wait to bring them the next iteration."*