

# Toys and Games in the US

June 2025

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# EXECUTIVE SUMMARY

Growth driven by kidults, tech innovations and rising cloud gaming

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After decline for toys and games in 2023, video games drives growth in 2024 Success of Final Fantasy VII Rebirth and Lego exemplifies growth of the kidult trend Chart 2 - Final Fantasy VII Rebirth: Critically Acclaimed 2024 Sequel Expands Iconic RPG Trilogy PlayStation pushes cloud gaming via PS Portal and subscription services Chart 3 - Analyst Insight

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Video games to lead growth in toys and games Core brands and media-related releases set to impact the trajectory of toys and games Community, legacy and innovation set to contribute to growth

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Mattel leads rivals through Hot Wheels, and Fisher-Price revamp Spin Master expands its offering of pre-school toys with Melissa & Doug acquisition and Ms. Rachel partnership Hasbro and Mattel collaborate to reinvigorate Barbie with Play-Doh range Mattel partners with Formula 1 to boost the Hot Wheels brand Chart 11 - Hot Wheels Launches Exclusive F1 Car for Cross-Generational Fans in 2024 Fisher-Price and Hasbro leverage nostalgia to reinvigorate core brands Radio Flyer and Bandai focus on toys related to media releases Chart 12 - Radio Flyer Expands into Animation with New Storytelling Division

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#### WHAT'S NEXT?

Video games software set to drive growth in video games Focus on core brands expected to shape video games moving forward E-sports set to be a growth area along with investment and professionalisation Indie developers gain ground amid triple-A issues and publisher layoffs

#### COMPETITIVE LANDSCAPE

Microsoft shifts focus to try and boost its share of sales Niantic sells its game studio to Scopely amid market shifts Big Mode thrives amidst financial pressures and triple-A failures

# CHANNELS

Digital channels dominate video games retail, particularly software, propelled by subscriptions

Hypermarkets remains an important channel for sales of video games hardware Digital key resale platforms grow alongside digital distribution

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