EQUINIX CUSTOMER SUCCESS STORY: NHN ENTERTAINMENT SINGAPORE

NHN ENTERTAINMENT

Leading mobile games provider taps into growing customer base in Southeast Asia, leveraging Platform Equinix to deliver consistent user experience

Business Results

Achieved superior, consistent gaming performance while managing costs by offloading 68% of gaming traffic

Reduced network latency and optimized transit routes through the Equinix Internet Exchange (EIE)

Rapid time to market – launched service in only three months

Executive Overview

With NHN Entertainment Corporation's focus on being the industry leader in the global mobile gaming space, it knew it needed to expand its footprint into Southeast Asia in order to capture market share, specifically choosing Singapore as its first market to expand into outside of South Korea. However, NHN Entertainment Singapore wanted to go-to-market within an aggressively short timeframe of just three months to meet a game launch deadline. To do this, NHN Entertainment Singapore found the best decision was to deploy in Equinix's International Business Exchange (IBX®) data center in Singapore for the highest network density, global reach and access to a robust ecosystem of network providers to enable greater control over performance. By deploying and establishing a node in Equinix's SG2 facility, NHN Entertainment Singapore was able to expand the availability of its gaming services in Southeast Asia while optimizing performance by minimizing lag time.

The Customer

NHN Entertainment Singapore is a wholly-owned subsidiary of NHN Entertainment Corporation which provides a feature-rich platform for Asian mobile game developers to build and distribute games to Singapore and other Southeast Asia countries. Games published by NHN Entertainment Singapore are DragonSaga, Undead Slayer, Fish Island and Fantasy Defense 2.

Business Opportunity

The Asia-Pacific digital games market is slated to double over the next four years to be worth US$30.3 billion in 2016, according to the Ovum Digital Games Outlook. The research also estimates that Asia-Pacific will have more than 1 billion gamers by 2016 of which nearly 900 million will play games on a mobile device. With such expansion projected, tapping into this opportunity was high on NHN Entertainment Singapore's radar.

However, to have a stake in this growing market, it's critical that gaming companies consistently deliver an optimal experience to their users. A glitch or any lag time is detrimental to the real time gaming experience, which is particularly essential for Massively Multiplayer Online Role Playing Games (MMORPG). In the gaming industry, if companies don't deliver a fast, reliable and high-performing experience, it's nearly inevitable that customers will become frustrated and switch gaming providers, affecting a company's customer retention and revenue, as many customers will disengage before making in-app purchases.

Therefore, low latency was a critical success factor for NHN Entertainment Singapore. Likewise, the ability to deliver gaming content rapidly throughout Southeast Asia while remaining cost-effective was also imperative.

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Solution and Value Realized

To expand into Southeast Asia in short lead-time, while providing an optimal gaming experience, NHN Entertainment Singapore realized it had to create a flexible network architecture that could provide users faster, more reliable connections. To do this, it was crucial to choose a hub model, which provided the ability to connect to multiple network providers while also controlling costs, as opposed to deploying nodes in each market at high expense.

By deploying in Equinix's Singapore International Business Exchange™ (IBX®) data center, NHN Entertainment Singapore was able to take advantage of access to the broadest choice of networks in the region, and over 950 globally, that serve their users all within the same IBX facility – a benefit that could not be offered by other providers.

In addition, by peering with members of the Equinix Internet Exchange (EIE), NHN Entertainment Singapore was also able to optimize transit routes, improve the delivery of its services and save significant costs by offloading 68% of gaming traffic; a large cost saving compared to direct one-to-one connections. Likewise, through the EIE, NHN is able to peer on a single port with multiple parties, enabling the company to rapidly scale the bandwidth up or down based on fluctuations in demand.

By being in close proximity to hundreds of networks and through these networks, closer to customers, NHN Entertainment Singapore is able to ensure the best path between content and end-user, thereby delivering its games to mobile devices with minimal lag time and creating the best possible experience for its gamers.

Why Equinix

In the time leading up to NHN Entertainment Singapore's expansion, the company conducted a feasibility study to evaluate potential data center providers in the region. One of the top criteria was finding a provider that allowed NHN Entertainment Singapore to set-up a global point of presence (PoP), an element that was critical to the expansion of NHN Entertainment Singapore's business. Equinix met this criteria by offering access to hundreds of potential partners and networks, allowing NHN Entertainment Singapore to set up a PoP in Equinix's Singapore IBX and connect to its existing global PoP sites in Korea and Japan at the most competitive pricing.

Equinix has 95+ data centers located in 31 markets enabling customers to rapidly deploy data center operations and network PoPs worldwide. Only Platform Equinix provides the flexibility and agility for NHN Entertainment Singapore to enter new markets rapidly and seamlessly, while NHN Entertainment Singapore is safe in the knowledge that it's getting operational consistency across the globe.

"Through our deployment in Equinix's data center in Singapore, we've gained access to hundreds of potential partners and networks, enabling us to improve latency, connectivity and user experience, while at the same time reduce our network costs," said Eric Lee, chief executive officer, NHN Entertainment Singapore. "In the gaming industry where timing is everything, Equinix enabled us to obtain go-to-market status and kick start our Southeast Asia operations in the three month time period we had stipulated, an extremely impressive turnaround."

"With our success in Singapore, we are already working with Equinix to potentially expand other business services from Korea to the global market, as well as evaluate Equinix's additional data center sites in continents like Australia, America and Europe. While the projects are still undergoing evaluation, we hope to continue working with Equinix to support and accelerate our expansion around the world," said Lee.

About NHN Entertainment Singapore

NHN Entertainment Singapore is a wholly-owned subsidiary of NHN Entertainment Corporation and serves as focal point for providing a valuable platform for game developers in leading overseas expansion of online game services to Singapore and other Southeast Asian countries. NHN Entertainment Singapore is preparing to launch a new online game community portal, offering wide range of game genres from fun and interesting casual mobile games, multiplayer web-based games to arcade-style, console-quality online role-playing games. The service will offer gamers the best in interactive online game entertainment, combining innovative social platform functionality with popular hit game titles.

About Equinix

Equinix, Inc. (Nasdaq: EQIX), connects more than 4,000 companies directly to their customers and partners inside the world's most networked data centers. Today, enterprise, cloud, networking, digital media and financial services companies leverage the Equinix interconnection platform in 31 strategic markets across the Americas, EMEA and Asia-Pacific. By connecting directly to their strategic partners and end users, customers are forming dynamic ecosystems inside Equinix. These interconnected ecosystems enable companies to optimize the performance of their content and applications and protect their vital digital assets.

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