

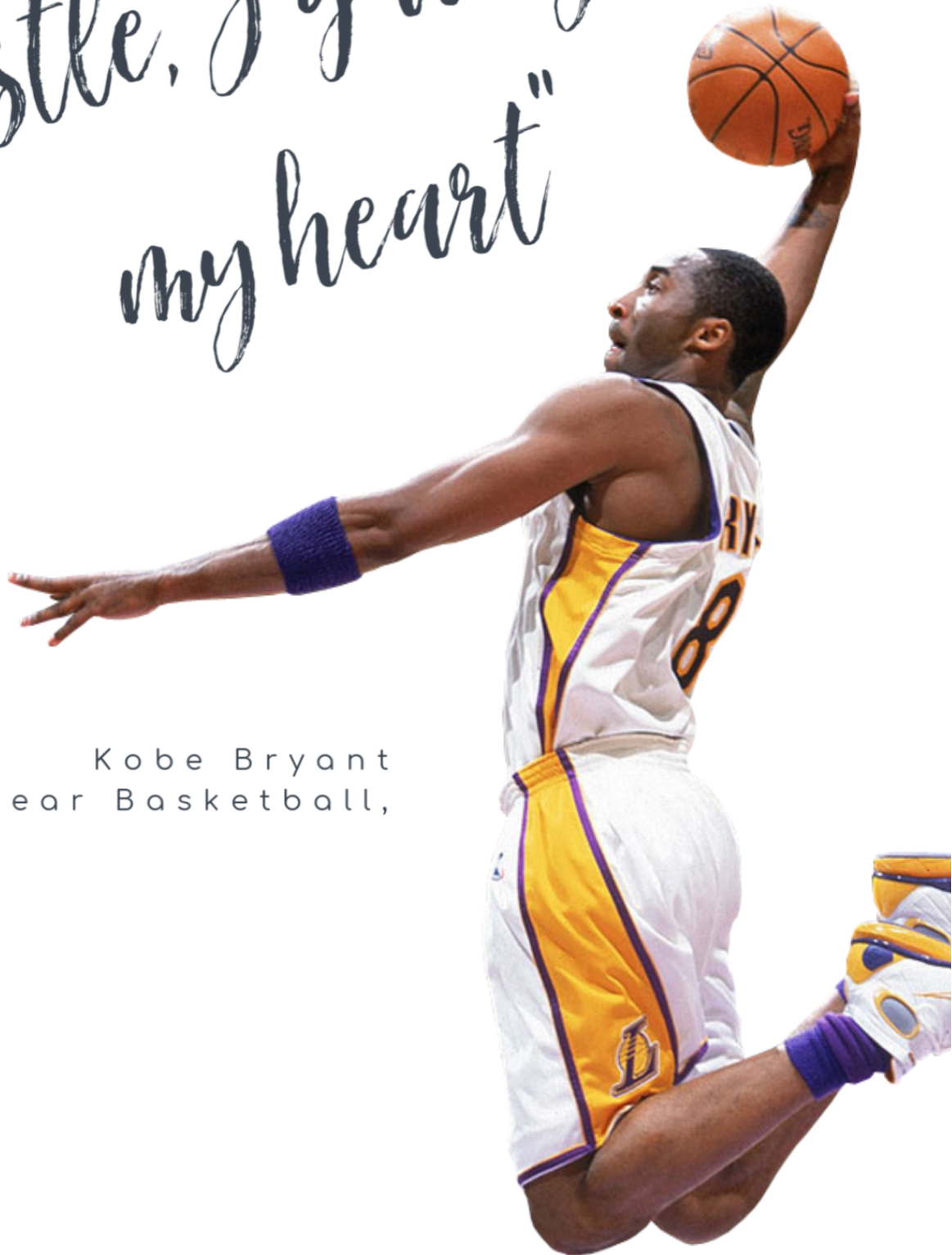


# In Control Research Series: The Future of Gaming & eSports

The Next Great Entertainment Revolution

"You asked for my  
hustle, I gave you  
my heart"

Kobe Bryant  
Dear Basketball,



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## 1. EXECUTIVE SUMMARY

Digital gaming has grown from a ‘nerdy’ activity into one of the fastest growing sectors in the digital entertainment market. Rockstar’s action adventure game *Red Dead Redemption 2* had the largest opening weekend in the history of entertainment. Grossing over US\$725 million in revenue, it topped Hollywood’s weekend box office record of \$640 million by *Avengers: Infinity War*.

With this emerging trend in mind, in this paper we aim to answer three key questions on the digital gaming industry:

- How big is the market and why do so many people pay to play and watch video games?
- What is competitive gaming (eSports) all about?
- What are the future trends in the development and consumption of video games and eSports?

### About In Control Research Series

People love games and technology has turned a niche hobby into a global industry. However, the commercial infrastructure is still at its infancy and data is scattered in an ever-growing sector for investors and gaming projects to capitalise on the growth.

As such, we created “In Control” as a series of research papers to share our passion and knowledge with regards to the future of digital gaming and to continuously explore “what’s next” and stay ahead of the game.

Our research combines forward looking, thesis-driven content with data, psychology, economics and first-hand gamer experience. We put forward personal views and theories that are backed by proprietary research and external sources.

Most importantly, we want to provide our findings to a wide audience base to empower each interested individual or group to make investment, business or any other decisions related to gaming and eSports. As such, throughout our papers, readers will find a set of “paperclips” to help you navigate through your reading:



Factfinder



Definition



Personal



Data

**Author**

**Wing Lee, CA MA MBA**

## 2. MARKET OPPORTUNITY

### 2.1 WHO GAMES

#### How big is the market size?

The market size for digital gaming is significant due to the global popularity of video games and increasing number of fans and viewers who follow eSports.



Source: W NJ Ventures, Newzoo, Superdata

There are 2.5 billion gamers globally, which means 1 in 3 individuals regularly play video games. That represents a billion more gamers compared to just 5 years ago.

The audience size has also grown remarkably with the number of competitive gaming viewers reaching similar levels to large professional sports leagues (e.g. NBA and NFL), which have been well-established long before the rise of eSports.

Combined, players and viewers create a US\$120 billion digital gaming market: an aggregate of revenues from console, PC and mobile gaming along with those generated from gaming video content (GVC) and an emerging cross reality (XR), a type of gaming experience based on virtual (VR) and augmented reality (AR).

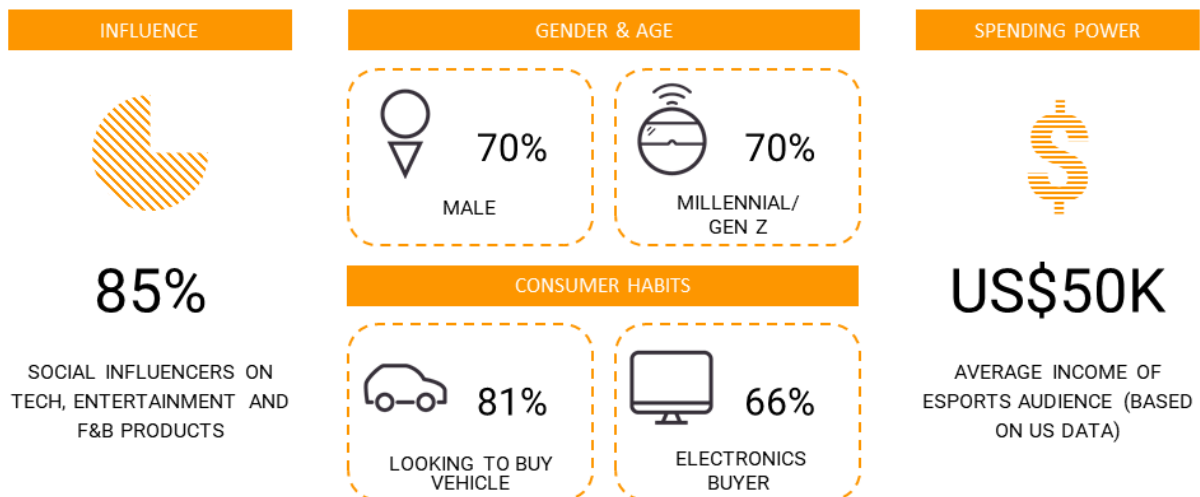
#### DIGITAL GAMING & ESORTS



*Digital gaming or video gaming refers to playing electronic games through consoles, computers, mobile phones or other digital mediums. eSports is the world of competitive, organised video gaming. Competitors from different teams undergo intense training to compete in the same video games that are played by regular at-home gamers.*

#### Why are the grown-ups interested?

The magnitude of people watching video gameplay is equally, if not more, immense. Regardless of varying motivations behind such viewership, the fanbase profile is strikingly specific. The most common demographic of your common eSports audience are **young, affluent, digital-native males** – the exact demographic that most corporate brands and investors are looking for to invest in the next big consumer trend.



Source: WNJ Ventures

Millennials and Gen Zs have become arguably the most important audience segments in the new decade. In 2018, they accounted for 2.43 billion and 2.46 billion respectively, which is well over half of the world's population.

As many of them are entering the workforce or advancing their careers, their spending power is on the rise and they are becoming the global economy's key decision makers, in particular for consumer products such as automobile, electronics and different forms of entertainment, technology and food and beverage (F&B) products.

So the next question is, why do so many people **pay** to play and watch video games?

## 2.2 WHY GAME

It often goes under the radar but gaming is really an introspective experience about **self-discovery**: the process of determining what motivates us and finding an outlet for creative self-expression. This is why game developers create different types of games to attract different types of gamers. As such, **genre** represents a key product differentiator in the digital gaming market.

### Game genres

Genres are defined by similar gameplay characteristics, especially in the way the player interacts with the game. For example, a first-person shooter (FPS) features a camera angle that assumes the perspective of the protagonist and gameplay generally centres around the use of ranged weaponry.

Genres encompass a wide variety of games, leading to even more specific classifications called **subgenres**. Based on our interpretations, there are over 50+ subgenres for video games. As a representation at the depth and complexity of the market, we summarised key games among four key genres and three key subgenres within each game type:

- **Action Adventure** – action adventure, fighting and platformer
- **Shooter** – FPS, battle royale and other shooters
- **Strategy, Simulation & Role Playing Games (RPG)** – multiplayer online battle arena (MOBA), massively multiplayer online role playing game (MMORPG) and strategy and simulation
- **Sports, Puzzle & Others** – sports & racing, sandbox, collectibles and puzzle

The games are taken from the top 100 grossing, the top 100 selling games and franchises, as well as the top 20 most popular eSport games among each category.

A snapshot of key game genres and subgenres



Source: WNJ Venture (2020)

## Law of attraction

Subconsciously or not, gamers are attracted to experiences geared towards their individual personalities. The way you play and what you see as goals in a game defines you as a player. People find it appealing to identify with their individual play style and there is a lot of merit to becoming more self-aware for our personal development. Ultimately, it is not surprising that extensive research reveals that different personalities like to play different games.

Why play video games - 3 clusters & 6 key pairs of motivators



Source: WNJ Ventures & Gamer Motivation Model



**Extroverted individuals** may look for **action-social** games, which provide immediacy and adrenaline rushes. They want to be excited by interacting with other players through competition or team interactions. FPS, fighting and sports games may be appealing to them.



**Conscientious coolheaded thinkers** may be more interested in **mastery-achievement** games as they seek out gradual, strategic progressions to challenges and watching their achievements grow over time. RPG and strategy may entertain them the most.



**Creative and curious people** enjoy playing in the broadest sense of the world as they experience an **expansive and expressive** style of play. Action adventure and open world sandbox games may be most enjoyable for them.

## GAMER MOTIVATION MODEL

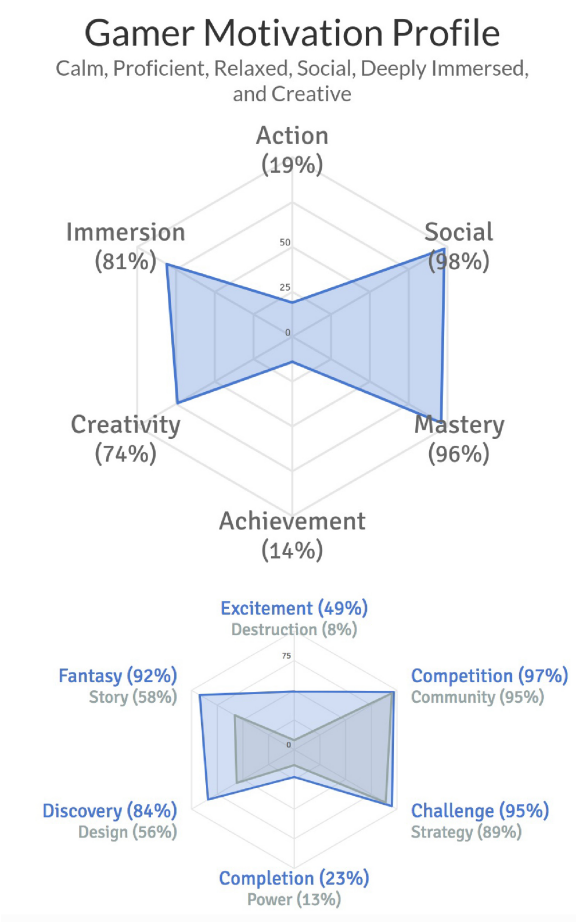
Developed by Quantic Foundry, the Gamer Motivation Model combines psychometric methods and a web application to provide insights based on data from 400,000+ gamers.

The model reveals 6 key pairs of gamer motivation across 3 clusters: Action-Social, Mastery-Achievement and Immersion-Creativity. You can find out more about the model and determine your own gamer motivation profile ([www.quantificfoundry.com](http://www.quantificfoundry.com)).

People love games because they have been carefully and professionally designed to tailor to our basic human needs and motivations. Rapid advancements in game design knowledge and core technology (graphics, platforms, cloud and hardware) have enabled an unprecedented extent of highly entertaining, educational and immersive gaming experience for gamers worldwide.



The author's Gamer Motivation Profile



Source: Quantifounder's Gamer Model Survey

The bottom line is simple yet extremely important: **People play video games because there is really something for everyone.**

### MY GAMER MOTIVATION PROFILE

I moved to the UK when I was a kid without a good grasp of English, which limited the social aspects of my childhood. So I essentially grew up playing video games when my parents were both working. And I realise now that this has really impacted the key elements that I seek in gaming (see left).

Social (both competition and team building), immersion in fantasy and narratives, mastery of skills, strategy and overcoming tough challenges remain the most important elements for me. Some of my favourite games over the years include *Romance of the Three Kingdoms III* (1992), *Starcraft* (1998), *NBA2K11* (2011), *Call of Duty Black Ops 3* (2012) and *Clash Royale* (2016).

Essentially, my gamer motivation has driven me through my choices along 25+ years, which will likely last a lifetime as I continue to find new outlets for self-expression and entertainment.

To put it in another way, **gamers are lifelong consumers** of games and content that resonates with them. – WL

## 2.3 WHY WATCH GAMERS

What makes the digital gaming experience extremely interesting is that it does not end with the players. Viewership and fanbase have turned gaming into a global form of digital entertainment (more fans watch eSports than HBO, Netflix and ESPN combined). The 2018 League of Legends Finals attracted 200 million viewers, which is more than the audience count for the Super Bowl and the NCAA Final Four. For eSports, what only began as a marketing initiative for game developers and publishers to engage players has exponentially evolved into **a lifestyle**.

Changes of this magnitude are rare. TV and traditional sports have been dominant home entertainment media forces for the last 30 years. The new era of GVC such as eSports and live streaming, which began in the mid-2010s, is likely to be a huge and enduring trend given the flexibility and ubiquity of the global internet. The rarity of this growth trend represents a valuable opportunity to invest in the untapped opportunities in this space.

### Gaming as a spectator sport

Video game as a spectator sport holds mass appeal, whether for a young kid trying to chase their eSports athlete dream, a gamer who loves to socialise and interact with other gamers or simply a casual fan watching a YouTube recommended livestream in his or her spare time.

### The eSports athlete dream

Reaction time, focus and strategic thinking replace physical abilities as the most important qualities to become a successful eSports athlete. Whether or not this is true remains debatable. Still, these aspects make competitive gaming a more relatable activity (and a more realistic dream) for a lot of people. Competitive gaming is about spending time and effort to get better and earn rewards throughout that process. This makes watching and learning from professionals and streamers in order to improve their own skills a great universal appeal to people across different cultures.

### Distribution of eSports content is 100% digital

Fans can stream content for free anywhere in the world without the constraints of traditional TV rights for most conventional sports leagues segmented by geography.

### Gamers love to interact with and watch others play

The fact that there is already a community of millions of players online who are ready to play at any hour of the day adds to the mass market appeal.

For these reasons, watching other people play video games today has become a billion-dollar industry.

### WHY I WATCH PEOPLE PLAY VIDEO GAMES



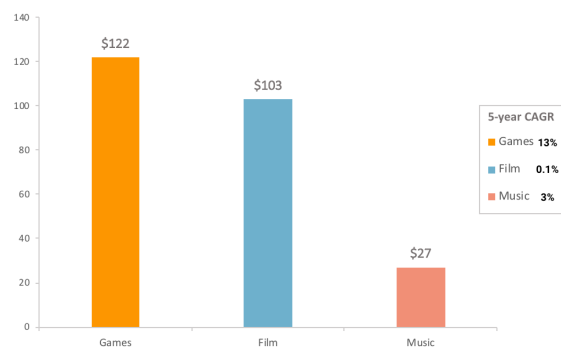
When I was a kid, I would go to a family friend's house and watch the older kids play *Biohazard* (also known internationally as *Resident Evil*, a survival horror shooter game). I was fascinated by the storyline and the game itself but did not really want to play myself. A bit too scary and difficult for a 9-year old. So, I would sit in a room together with a few younger kids, lights off, and just watch hours of gameplay. Many years later, we reminisce those times being some of the greatest moments of our childhood friendship.

— WL

## 2.4 FORTUNE CITY: GROWTH & REVENUE TRENDS

Not so long ago, playing games was considered a fringe activity for ‘geeks’. Now games represent the biggest form of entertainment in the world (around the same market size as film and music combined), which has had the highest growth rate in the past 5 years. Furthermore, gaming is expected to grow at an increased annual rate of 17% during the next 4-5 years.

Gaming market revenue vs other entertainment industry (US\$ billion)



Source: Newzoo, IBIS World

The combined market of digital gaming, GVC and XR earned a record US\$122 billion in 2019 without the need of significant ‘hits’ like Red Dead Redemption 2 in 2018.

### DIGITAL GAMING AND MEDIA



In our analysis, the gaming market is divided into two key revenue streams: digital games and media. *Digital games* can be analysed by the platforms on which the games are played (primarily mobile, PC and console). *Media revenue* includes GVC (gaming video content encompasses money earned from streaming content, eSports and other media on gaming content), as well as a new segment in XR (cross reality that combines augmented reality and virtual reality).

Digital games are the predominant driving force for the money behind the gaming market, with a revenue reaching US\$109.4 billion in 2019 (3% yoy increase).

#### Digital gaming market at a glance

### Digital games



\$64.4B  
Mobile



\$29.6B  
PC



\$15.4B  
Console

WNJ Ventures, Superdata

### Media



\$6.5B  
GVC



\$6.3B  
XR

We see a few key trends in 2019 that are likely to prevail in the next few years:

#### Mobile is a critical platform

Mobile titles earned almost 3 out of every 5 dollars spent on digital games. As such, we see a continuing trend for major developers and publishers to launch mobile versions of popular franchises such as *Mario Kart*, *Fortnite* and *Call of Duty*. The increase in mobile capabilities has enhanced mobile gaming experiences to enable an increasingly seamless transition from PC or console platforms.

#### The free-to-play model is here to stay

Free-to-play games accounted for 4 out of every 5 dollars spent on digital games. The model is especially prevalent in mobile games, which accounted for 6 out of the top 10 free-to-play titles including mainstream franchises such as *Honour of Kings*, *Candy Crush Saga* and *Pokémon GO*.

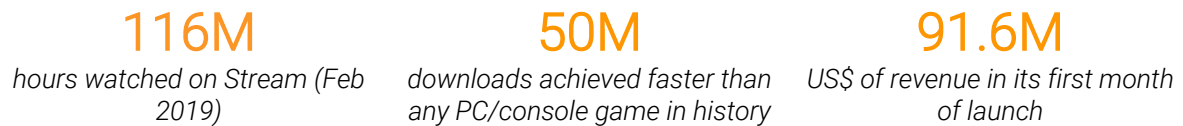
Prominent free-to-play games have been extremely successful in converting players to spenders and other franchises will likely attempt to follow their monetisation strategy going forward.

New marketing models are also being introduced into the free-to-play market. *Apex Legends* launched a promotion campaign using a core sponsorship strategy focused on massively popular GVC creators such as Ninja and DrDisrespect, who streamed the game upon its launch. Through this marketing strategy, *Apex Legends* achieved great success in gaining increased viewership, players conversion and revenue success.

Popular streamer Ninja streams for Apex Legends



Marketing KPIs for Apex Legends upon launching in 4 February 2019



Source: Newzoo

### Premium PC and console games are declining (marginally)

Top premium games saw a marginal decline in game revenue by around 5% yoy as 2019 saw fewer blockbuster titles than 2018. Titles such as Ubisoft's *Tom Clancy's The Division 2* and Take Two Interactive's *Borderlands 3* earned less than hits in the prior year such as *Red Dead Redemption 2*.

Nonetheless, major titles anticipated in 2020 (e.g. *The Last of Us: Part 2* and *Marvel's Avengers*) are set to drive a rebound in this segment.

Remakes of classic games (e.g. *World of Warcraft Classic*, *The Legend of Zelda: Link's Awakening*) are interestingly popular as an appeal to nostalgic gamers. This especially applies to Gen Y gamers who grew up in the 1990s and early 2000s and have fond memories of playing the originals.

Ultimately, this part of the market remains primarily driven by major anticipated franchise and titles, or the coming party of new major genres, from year to year.

### Cross Reality (XR) games will come into play

Gaming provides tremendous opportunities to engage the audience through cutting-edge technology such as immersive experiences that use VR and AR to enhance in-game experience or visual aspects of eSports coverage. XR revenue reached US\$6.3 billion via a 26% yoy increase, primarily driven by the development and launch of new headsets such as the Oculus Quest.

## The audience for GVC will see massive growth ahead

The audience for GVC grew by 5% to reach 944 million in 2019. Content platforms foresee major growth and have developed new business strategies, including more sophisticated subscription models, to capitalise on the trend.

For instance, Amazon's Twitch platform have started to move away from pure advertising and towards the subscription monetisation model, with 8% of total GVC revenue coming from subscribers. This is one of the reasons why they generated \$1.54 billion of revenue in 2019, which was slightly more than YouTube's \$1.46 billion, despite having a smaller audience.

Content and top streamers are vital for major platforms. Consequently, recognised streamers, such as Ninja, Disguised Toast and CouRageJD, are now being offered exclusivity deals for their content on Mixer, YouTube and Facebook respectively. The war on securing gaming influencers has begun and will likely become even more critical for platforms to solidify their market position.

Over half of the GVC audience base (450 million+) are active eSports viewers and fans as this segment has received the most spotlight in the gaming space. As such, we will focus on eSports in the next section of this paper.

### GAMING VIDEO CONTENT

*Gaming video content (GVC)* refers to digital multimedia content involved in eSports, live game streaming and other gaming-related video-on-demand (VOD) content. The major platforms that monetise from gaming content include YouTube, Twitch, Huya and Mixer.

### 3. ESPORTS ECOSYSTEM

#### 3.1 INTRODUCING THE CHARACTERS

Behind the impressive numbers are strong entrepreneurs and talented game technologists participating in the eSports ecosystem.

In simple terms, developers and publishers launch games where eSports teams will compete in leagues and tournaments coordinated by event organisers. The gameplay and competition content will then be distributed on various platforms to the fanbase and viewers. Here, corporate brands and financial investors represent two major sources of external investment into this eSports ecosystem.

#### THE ESPORTS ECOSYSTEM

Between the institutions who sponsor and invest into the eSports ecosystem and the fans and viewers, the key players in the ecosystem include team organisations and eSports players, game developers and publishers, competition and event organisers, and media and streaming platforms.

A Simplified Overview of the eSports Ecosystem



Source: WNJ Ventures

### Team Organisations and Players

Similar to traditional team sports, players represent a specific organisation when they are competing in eSports. One key difference is that in eSports, most prominent team brands spread themselves across multiple games and major team organisations can compete in anywhere between 5 to 12 different games. The diversification is designed for a single organisation to reach a much broader audience as different games attract different audience segments. However, casting a wide net can also create a substantial cost base, which includes salaries for extra players, coaches and supporting staff.

### Game Developers and Publishers

Whilst developers are responsible for creating the video game, publishers are responsible for marketing, sales and public relations. When developers have an idea, prototype or concept art, they pitch the game to publishers, who may fund it and create milestones for its production. The publishers would then market and distribute the final product. Alternatively, developers can choose to self-publish the video games they create. Larger publishers tend to have developers working for them in-house.

Game developers and publishers represent the core differentiator between eSports and traditional sports, as eSports cannot exist without them. For instance, in order to play *League of Legends* at any level, the developer Riot must continually spend resources and capital maintaining the game. Every prominent eSport played today relies on the active support of the game's developer. In fact, it is the primary source of the eSport's infrastructure and prize money.

Publishers have transitioned from cyclical game releases to the 'games as a service' model, where revenue is generated continuously from microtransactions within the game, rather than one-time physical and digital sales. This greatly incentivised publishers to support a competitive scene as marketing extensions of their products.

Developers represent a more mature industry but we also anticipate plenty of opportunities in start-ups and niche developers that are focused on capitalising on the next big trend and remaining agile enough to execute quickly. Moreover, developers have started to move away from a publisher-led model to a venture capital model that enables them to maintain ownership over their intellectual property.

### Competition and Event Coordinators

Third party organisers are often contracted by developers to operate regional leagues and select events within a tournament circuit. Event coordinators vary greatly in scale, from major names such as ESL and DreamHack to local tournaments.

We see the most appealing aspects of event organisers being their scalability and diversification. Similar to team brands, these institutes can diversify into a wide range of tournaments, events and leagues across different games and genres to reduce their reliance on a single game.

### Media Platforms & Advertising

This subsector focuses on fan engagement with advertising agencies that support non-endemic brands seeking exposure to an increasingly active demographic user base, and companies exploring new ways (e.g. leveraging streaming) to get viewers more engaged with the influencers and teams.

#### ENDEMIC VS NON-ENDEMIC BRANDS

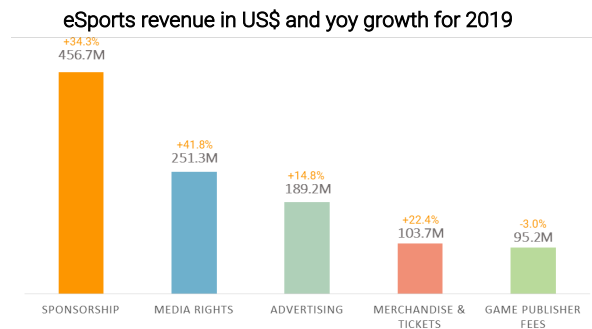


*Endemic brands* create products gamers use and hence invest in the sector to raise brand awareness and drive sales (e.g. Logitech produces gaming and audio equipment). *Non-endemic brands* use eSports to reach out to its unique demographics of engaged youths (e.g. AirAsia, Audi and Coca Cola and AT&T).

These brands rely on advertisers with a good understanding of the underlying demographics of the industry and how to engage with a growing audience effectively.

### 3.2 ESPORTS THE MONEY-MAKER

eSports represent a billion dollar market with high growth prospects. In 2019, eSports generated US\$1.1 billion in revenue, showing a 26.7% yoy growth.



Source: Newzoo

#### ESPORTS MONETISATION

The monetisation structure in the eSports ecosystem is still in its infancy. Yet from the past few years, we can identify some key revenue sources (e.g. media rights, sponsorships, advertising, ticket and merchandise sales).

#### Sponsorship is currently the primary revenue driver...

Corporate sponsorship deals are the main monetary fuel for teams, leagues and tournament organisers. Common ways for brands to reach out to the gaming audience include:

- **Product placement** (e.g. Coca-Cola designed League of Legends-themed bottles);
- **League or team sponsorships** (e.g. Nike's sponsorship of Tencent's League of Legends Pro League in China);
- **Use of team, event or game-specific IP rights for marketing communications.**

#### ...but media rights may take a larger share of the pie in the next 2-3 years.

Revenues generated through media property form a huge part of eSports' future monetisation. This includes payments from online streaming platforms to organisers to

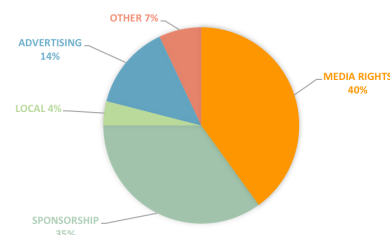
broadcast their content, foreign broadcasters securing broadcasting rights in their country, or copyright costs to show video content or photos of eSports.

Momentum is building up fast. Only last year, the Overwatch League boasted one of the biggest content deals with Twitch paying a reported US\$45 million a year. In Feb 2020, the total content shift from Activision Blizzard to YouTube, including the Overwatch League, was reportedly valued at around US\$160 million. Future opportunities for monetising media rights include personalised viewing, exclusive content and the removal of advertising.

#### Advertising, event ticketing and merchandise sales are also revenue drivers

Advertising will continue to cater towards eSports viewers via live streams or VOD, in between competitions or traditional media outlets. Ticket sales and merchandise revenue will grow along with popularity and fanbase. Game publishers will also look to put resources into encouraging independent event organisers to host events for marketing purposes, or to subsidise team organisations to participate in new, high potential leagues such as Supercell's Clash Royale World Finals and regional qualifiers.

Estimated eSports revenue breakdown in 2022



Source: Goldman Sachs

#### eSports has a profitability hurdle

Despite its fast-growing fanbase, eSports still sees much lower revenue per audience than that of traditional sports. Yet, we see significant room for improvement as the audience demographic becomes more widespread, engaged and more corporate brands become ready to invest heavily into the space.



## 4. FUTURE TRENDS

The key question for us is always ‘what’s next?’. In the rapidly evolving digital entertainment ecosystem, business models are being reinvented just as fast as technology innovations. We summarise four key trends we see for the new decade:

### Games are the next social network

Traditional shooter game Fortnite can already be compared to Facebook. Millions of people play the game in teams. Custom games that often have no goals for ‘winning’ are popular as well. Even when gamers are not actively playing, they chat, interact and watch others play. The battle royale often comes second to the community and connecting with like-minded gamers. And the socialising extends beyond digital, as 11 million people attended Fortnite’s live in-game Marshmello concert in Feb 2019.

Most likely, we are looking at the next social networks, valued at over US\$600 billion+.

### eSports will create long term engagement opportunities for the media industry

The nature of content will shift from being developer-driven to user-driven as consumers will become co-creators in producing a significant volume of user-generated content (UGC). This will have a huge impact on allowing games to scale quickly in a cost efficient manner, particular via viral UGC.

The media industry will look to capitalise on this, as they continue to fight for opportunities in acquiring streaming and content rights from key influencers.

### Games will inspire the next Marvel universe

Players spend up to thousands of hours interacting with game characters and stories that have created highly engaged fanbases. IP ownership is becoming more critical as the eSports ecosystem sees opportunities to build the next big movie franchise or consumer lifestyle brand from gaming content.

### The next big hit will allow cross-platform play

Platform segmentation (PC, console, mobile) makes it harder for friends to play with and against each other if they are on different platforms. Still, advancements in game development technology (e.g. engines similar to Unreal enable developers to build cross-platform games) will ensure enhanced multiplayer experiences. This will ultimately lead to larger and faster revenue generation for the whole gaming market.

### Conclusion

Both gaming and eSports have attracted a highly engaged, next-generation consumer segment who possess an extremely sought-after demographic by major institutions and brands. Therefore, digital gaming and gaming content is a tremendously exciting sphere and we remain very positive on the outlook of the industry in the near future.

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## GLOSSARY OF TERMS

**Advertising:** Revenues generated by advertisements served to viewers of eSports content. Includes ads shown during live streams on online platforms before or in between games, ads shown on VOD content of eSports matches, or ads on TV with eSports content.

**Augmented Reality (AR):** A technology that supplements users' real-life vision with computer-generated sensory input as images or sounds.

**Compound Annual Growth Rate (CAGR):** The constant growth rate over a span of multiple years.

**Console Games:** Games played on a TV screen directly or through a console (e.g. Xbox, PlayStation, Nintendo), or on handheld devices (e.g. Nintendo Switch).

**Endemic Brands:** Brands who are native to their market (in this paper, the digital gaming and eSports market). For example, Intel and Logitech who make hardware necessary for gamers.

**eSports:** The world of competitive, organised video gaming. Competitors from different teams undergo intense training to compete in the same video games played by regular at-home gamers.

**Free-to-play (F2P) Games:** Games that are free to download and play and are often monetised through offering in-game spending opportunities.

**Gaming:** Playing electronic games through consoles, computers, mobile phones or other digital mediums.

**Gaming Video Content (GVC):** Digital multimedia content related to gaming including eSports, live game streaming and other gaming-related VOD content.

**Media Rights:** Revenues generated through media property, including all revenues paid to industry stakeholders to secure the rights to show eSports content on a channel. This also includes payments from online streaming platforms to organisers to broadcast their content, foreign broadcasters securing broadcasting rights in their country, or copyright costs to show video content or photos of eSports.

**Mixed Reality (MR):** The merging of real, augmented and virtual worlds to produce new environments and visualisations.

**Non-endemic Brands:** Brands who are not integral to the market (in this paper, the digital gaming and eSports market). For example, Red Bull and Audi who target eSports fanbase as they belong within the targeted customer segment for their respective products.

**Sponsorship:** Revenue generated by teams and organisers through sponsorship deals. Includes all deals relating to sponsoring an event (e.g. product placement, sponsoring teams, and payments by brands for the use of team, event or game-specific IP rights in their marketing communications).

**Streaming:** When an individual or group of individuals stream live video of themselves or their gameplay via streaming platforms.

**Video-on-demand (VOD):** A media distribution system enabling viewers to watch video entertainment without the constraints of broadcasting schedules.

**Virtual Reality (VR):** The computer-generated simulation of a 3D visual environment that can be interacted with in a seemingly real or physical way by a person using special electronic equipment.

**X Reality (XR):** Also known as Cross Reality which represents a form that combines VR, AR and MR.



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