



FREE DATA REPORT

WHY SPORTS & BRANDS WANT TO BE IN ESPORTS

FEATURING A COMPARATIVE ANALYSIS OF
AMERICAN SPORTS & ESPORTS

newzoo
ESPORTS

OCTOBER 2016



“Gaming is what every traditional sports league is desperate to become: young, global, digital, and increasingly diverse.”

– ESPN Magazine

INTRO: ESPORTS INSIGHTS FOR BRANDS

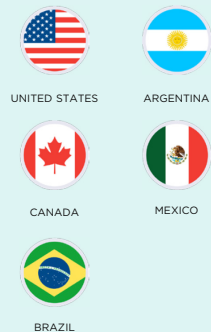
WORLD'S LARGEST ESPORTS CONSUMER RESEARCH PROJECT FOR BRANDS

Three years ago, when we started researching, modelling, and reporting on the esports landscape, our clients were primarily game publishers or companies with a direct interest in gaming. This has changed enormously over the past years. Not only do we find ourselves working for almost all global digital media and hardware companies, but our subscribers now include some of world's biggest sports clubs and venues, telecom service providers, broadcast media, and consumer brands.

This illustrates how games are leading the media and entertainment business toward a new future that it has more in common with than not. Games bring innovation to tech and consumer business models, as well as the ability to engage with and actively involve the younger generations. Traditional and digital media bring experience in providing advertisers with an effective communication platform. Ultimately, it's about matching consumers and brands. This is exactly what our global esports consumer research does.

Our global esports consumer research involved more than
60,000
invite-only respondents
from 27 countries

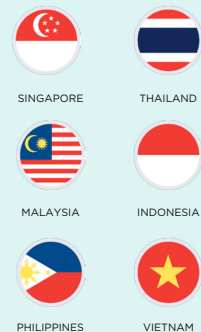
AMERICAS



EUROPE



SOUTHEAST ASIA



REST OF APAC



SEGMENTATION FOR BRANDS

Each brand uses its own segmentation of its target consumers. Using 200+ variables in our consumer insights, we can match our data to any segmentation, enabling brands to size and profile the opportunity for their involvement in esports.

MAIN RESEARCH TOPICS

- Demographics
- Lifestyle
- Media behavior
- Mobile preferences
- Local media brands
- Esports engagement
- Game behavior



Pieter van den Heuvel
Head of Esports



KEY FACTS & TRENDS

WHY SPORTS AND BRANDS
WANT TO BE IN ESPORTS

WHY SPORTS & BRANDS WANT TO BE IN ESPORTS

THREE KEY REASONS WHY MEDIA, BRANDS, AND SPORTS ARE EMBRACING ESPORTS AND DRIVING GROWTH

1. REACHING THE UNREACHABLES: THE MILLENNIALS

Among US men aged 21 to 35, esports is as popular as baseball & ice hockey:

22%

watch esports frequently

2. GAMES HAVE BECOME A GLOBAL SPECTATOR SPORT

Of all the 200+ million Occasional Viewers and Esports Enthusiasts worldwide,

40%

do not play the games they watch

3. A MULTIBILLION DOLLAR BUSINESS IN THE MAKING

If esports would generate as much revenues per fan as the NBA, it would be a

\$2.5Bn

business today, or 5 times what it is now

SPORTS TEAMS INVESTING INTO ESPORTS



BROADCAST MEDIA REPORTING ON ESPORTS



MAINSTREAM BRANDS SPONSORING ESPORTS



ESPORTS TEAMS LEADING ESPORTS GROWTH



THE CURRENT STATE OF ESPORTS: MATURING

THREE KEY DEVELOPMENTS DRIVING ESPORTS GROWTH AND PROFESSIONALIZATION

1. EVENTS GROW BIGGER AND BIGGER



Prize money
\$20M



Unique viewers
36M



Attendees
100K

2. LOCAL LEAGUES EXPLODE



3. INDUSTRY PROFESSIONALIZES



Employees
>350



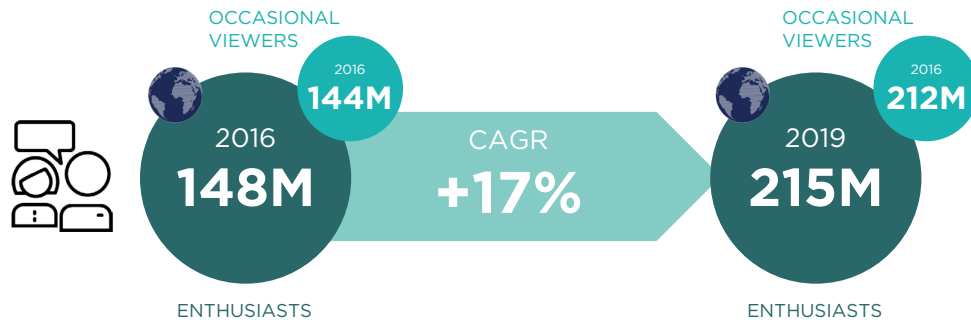
Anti-cheating
body



Accepted as
official athletes

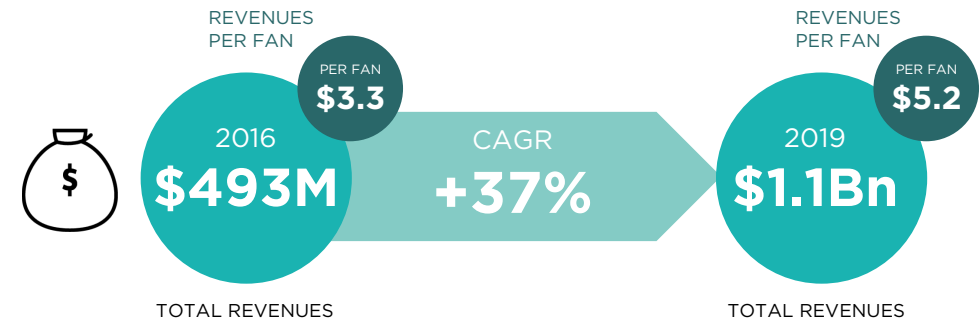
ESPORTS AUDIENCE

NOW AND IN 2019



ESPORTS REVENUES

NOW AND IN 2019





2

AMERICAN SPORTS & ESPORTS

A NATURAL MATCH

AMERICAN SPORTS & ESPORTS EMBRACE

NEW INVESTMENTS AND PARTNERSHIPS HIT THE NEWS ON A DAILY BASIS

26 SEPTEMBER 2016 | SOURCE: MASHABLE

Philadelphia 76ers acquire easports teams Dignitas and Apex

2.1k
SHARES

[Share on Facebook](#) [Share on Twitter](#) [+](#)



BY KELLEN BECK
SEP 26, 2016

Traditional sports are mingling with esports more and more as NBA players, managers and now teams are investing in and acquiring esports teams around the world.

27 SEPTEMBER 2016 | SOURCE: MASHABLE

Major sports team owners and Magic Johnson acquire Team Liquid esports franchise

734
SHARES

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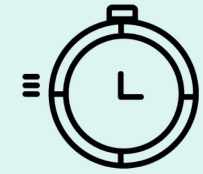
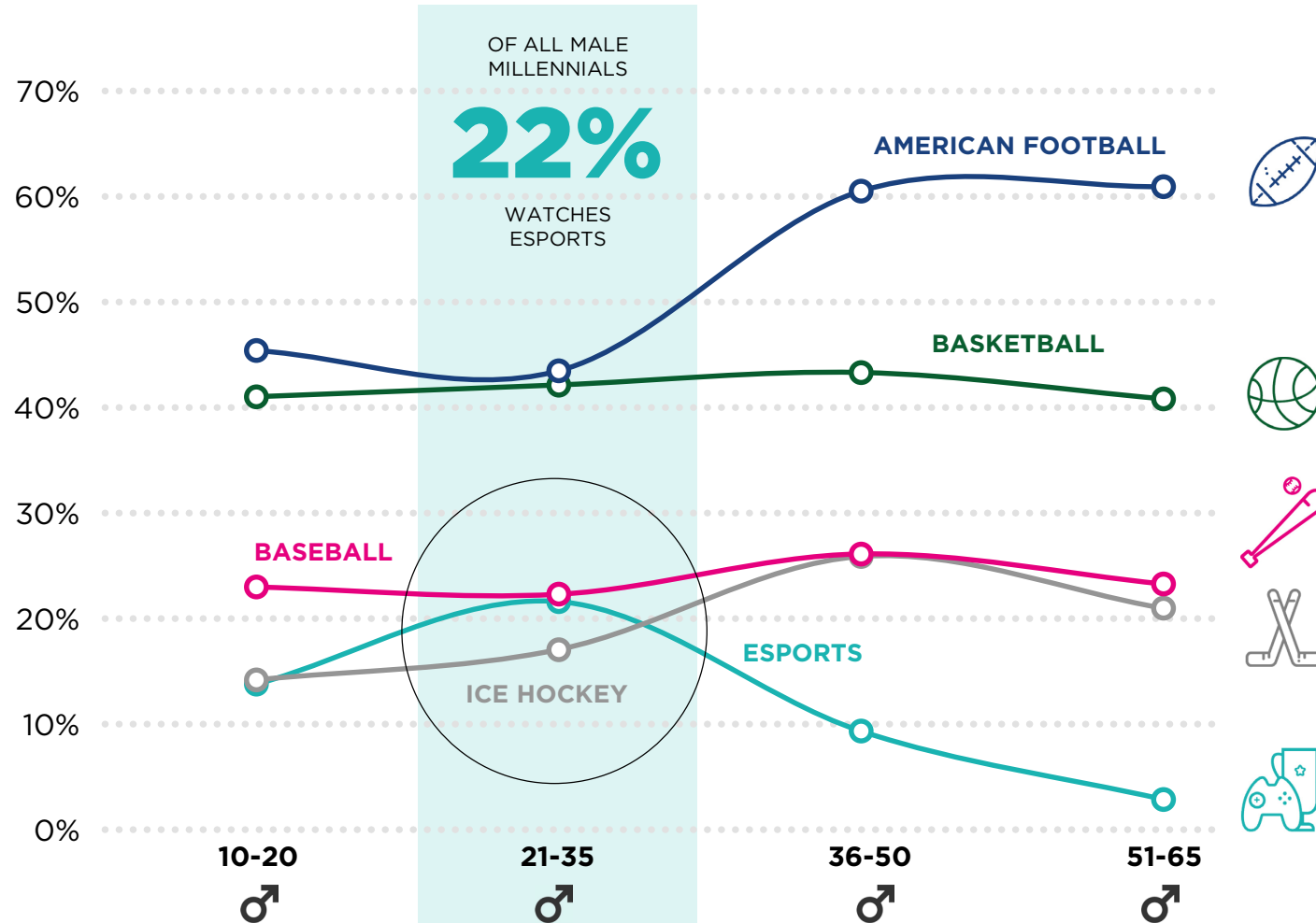


BY KELLEN BECK
SEP 27, 2016

Team Liquid is the latest esports franchise to be acquired by people in traditional sports, and at this rate players and owners of traditional sports teams need to hurry if they want to get their hands on a slice of the esports pie.

POPULARITY OF (E)SPORTS BY AGE

AMONG MALE MILLENNIALS | AMERICAN SPORTS* AND ESPORTS**



76%

of Esports Enthusiasts state that their esports viewing is taking away from hours they used to spend on viewing sports



65%

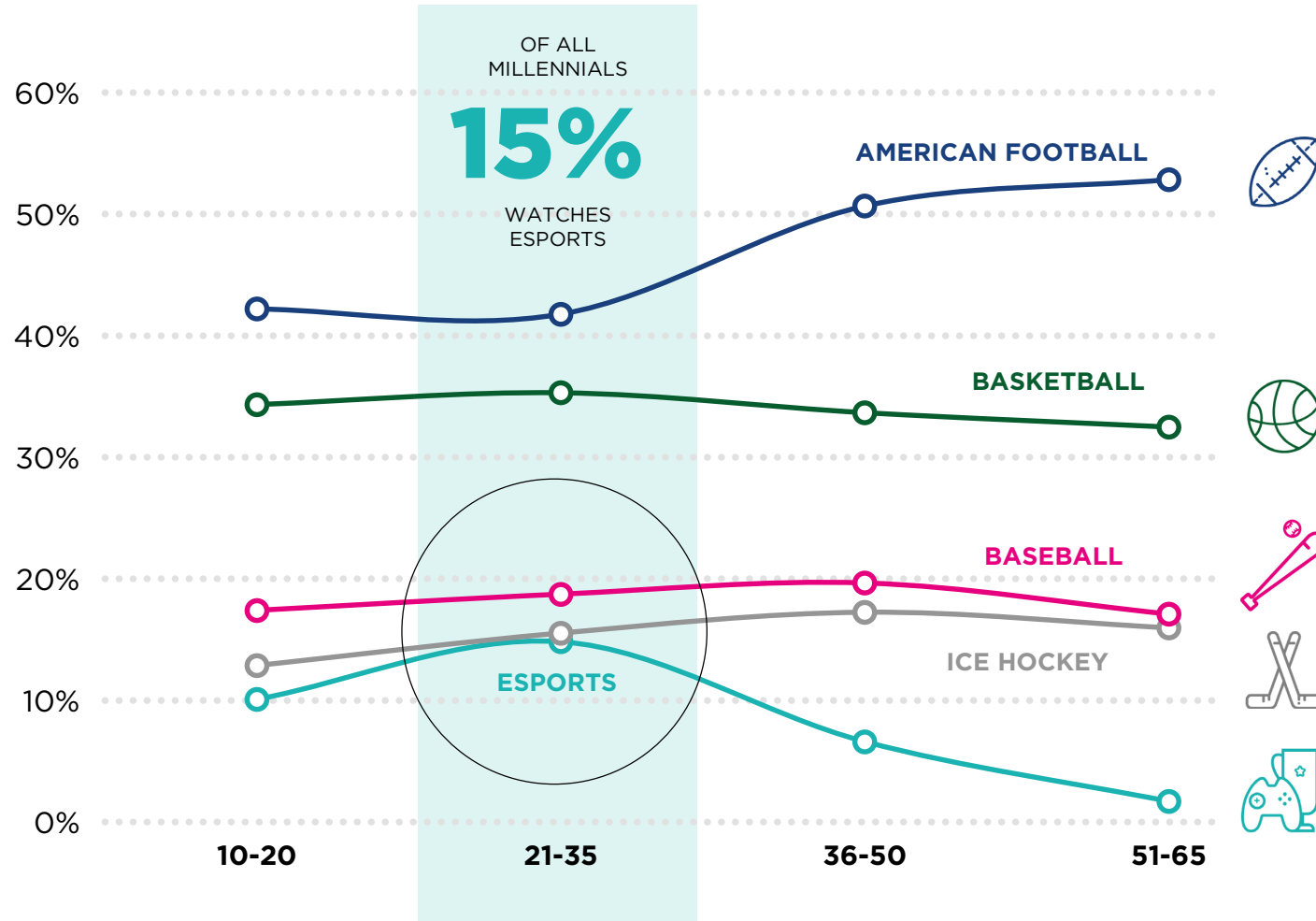
of Esports Enthusiasts in the US actively uses Instagram vs. 44% of online population

*Includes Americans who have indicated that they have viewed the sport in the past three months.

**Includes Americans who have indicated that they watch esports content at least once per month (Esports Enthusiasts).
Derived from Newzoo's Esports Consumer Insights performed in 27 countries.

POPULARITY OF (E)SPORTS BY AGE

AMONG ALL MILLENNIALS | AMERICAN SPORTS* AND ESPORTS**



56%

of American football viewers are over the age of 35 vs. 27% for esports



58%

of Esports Enthusiasts in the US have a very positive brand attitude toward Nike vs. 42% of gamers



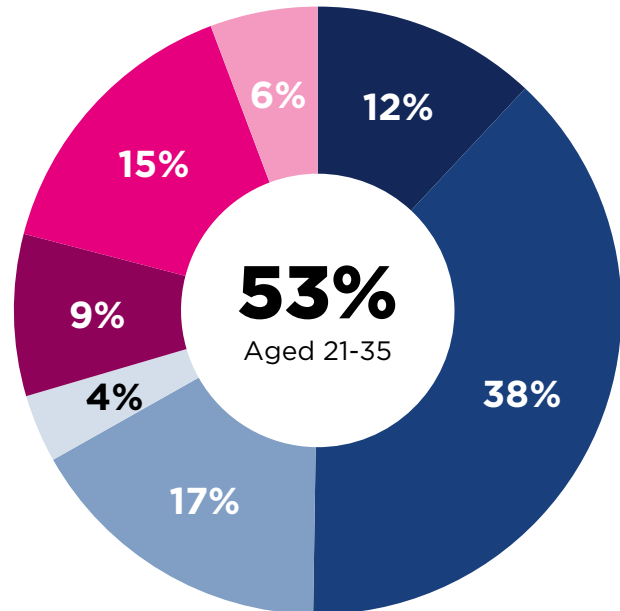
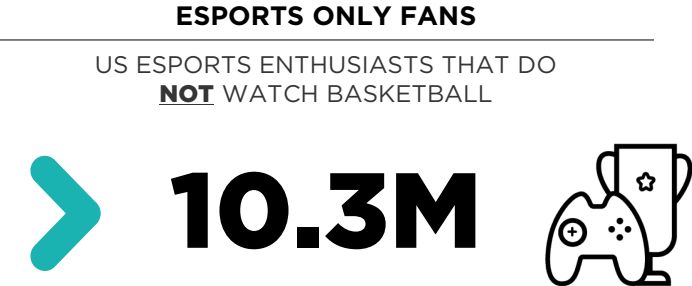
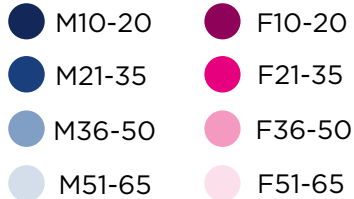
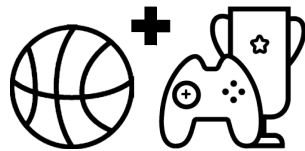
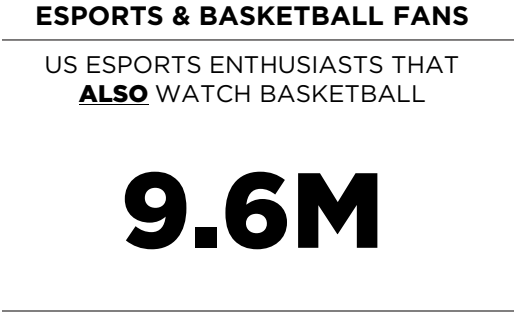
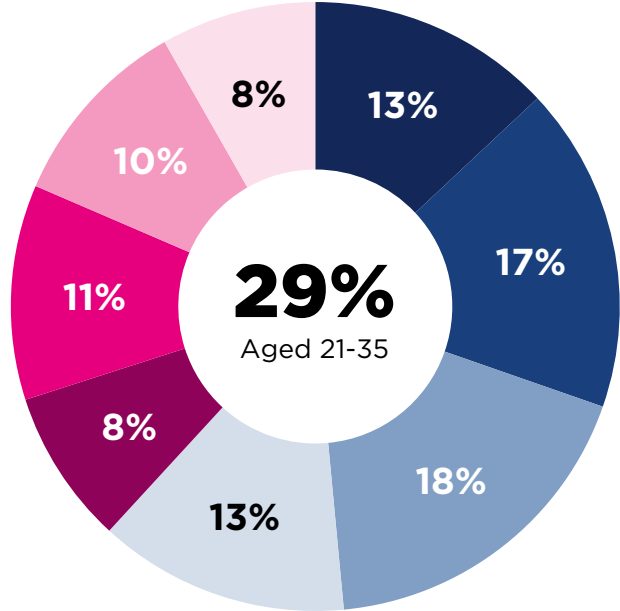
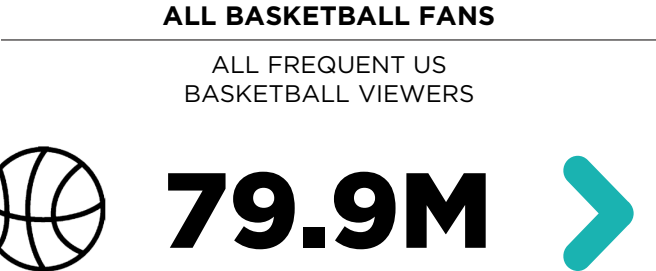
*Includes Americans who have indicated that they have viewed the sport in the past three months.

**Includes Americans who have indicated that they watch esports content at least once per month (Esports Enthusiasts).
Derived from Newzoo's Esports Consumer Insights performed in 27 countries.



BASKETBALL VS. ESPORTS FANS: AGE & OVERLAP

AGE/GENDER SPLIT FOR BASKETBALL FANS AND ESPORTS ENTHUSIASTS* | US | AGE 10 - 65 | 2016



*Esports Enthusiasts defined by viewing professional esports at least once a month.
Source: Newzoo 2016 Esports Consumer Insights



FOOTBALL VS. ESPORTS FANS: AGE & OVERLAP

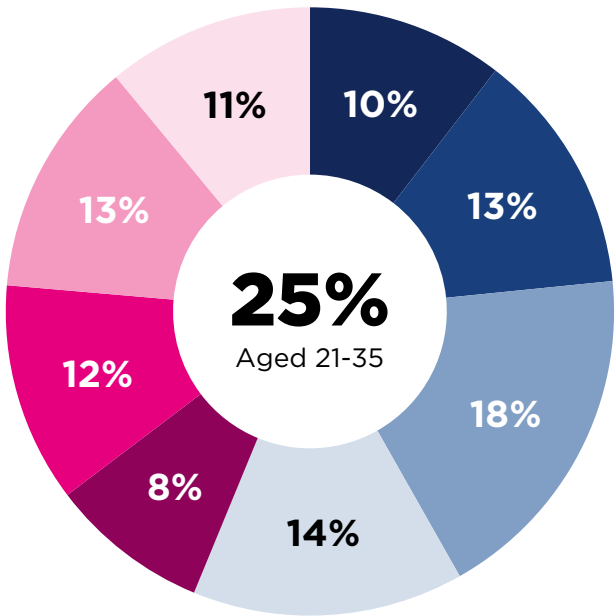
AGE/GENDER SPLIT FOR FOOTBALL FANS AND ESPORTS ENTHUSIASTS* | US | AGE 10 - 65 | 2016

ALL FOOTBALL FANS

ALL FREQUENT US
FOOTBALL VIEWERS



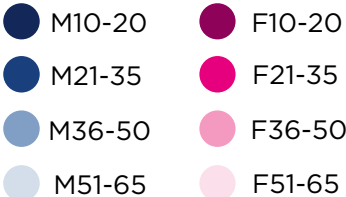
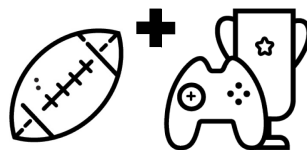
110.2M



ESPORTS & FOOTBALL FANS

US ESPORTS ENTHUSIASTS THAT
ALSO WATCH FOOTBALL

8.7M

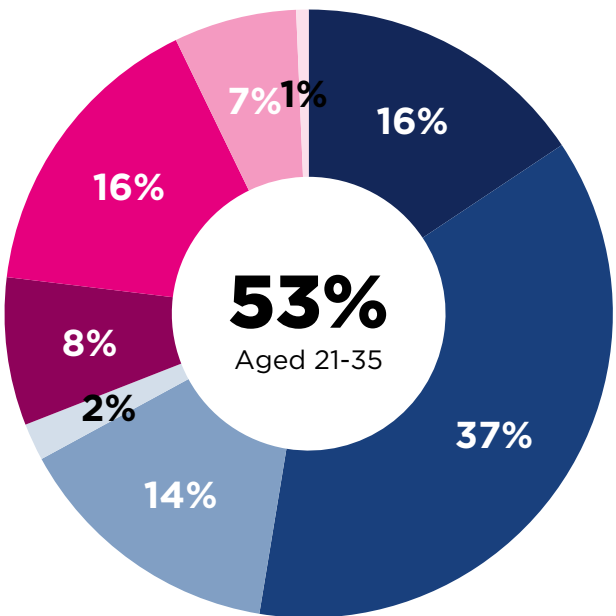


ESPORTS ONLY FANS

US ESPORTS ENTHUSIASTS THAT DO
NOT WATCH FOOTBALL



11.3M



*Esports Enthusiasts defined by viewing professional esports at least once a month.
Source: Newzoo 2016 Esports Consumer Insights



BASEBALL VS. ESPORTS FANS: AGE & OVERLAP

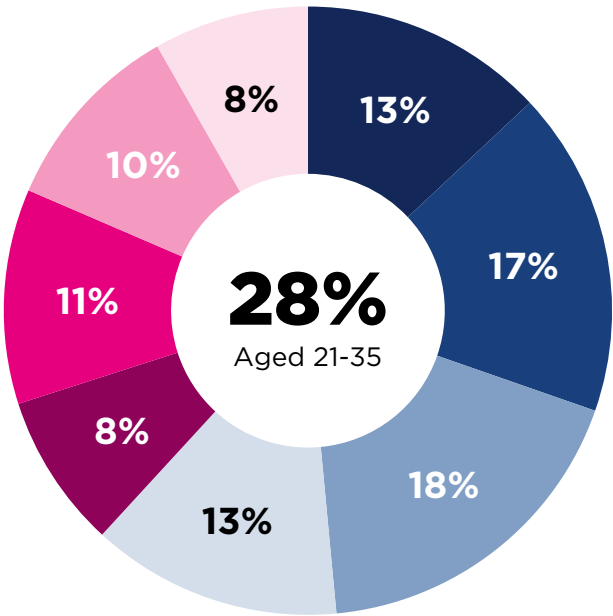
AGE/GENDER SPLIT FOR BASEBALL FANS AND ESPORTS ENTHUSIASTS* | US | AGE 10 - 65 | 2016

ALL BASEBALL FANS

ALL FREQUENT US
BASEBALL VIEWERS

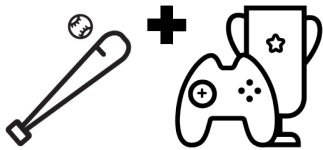


43.1M

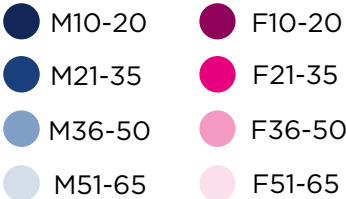


ESPORTS & BASEBALL FANS

US ESPORTS ENTHUSIASTS THAT
ALSO WATCH BASEBALL



6.6M

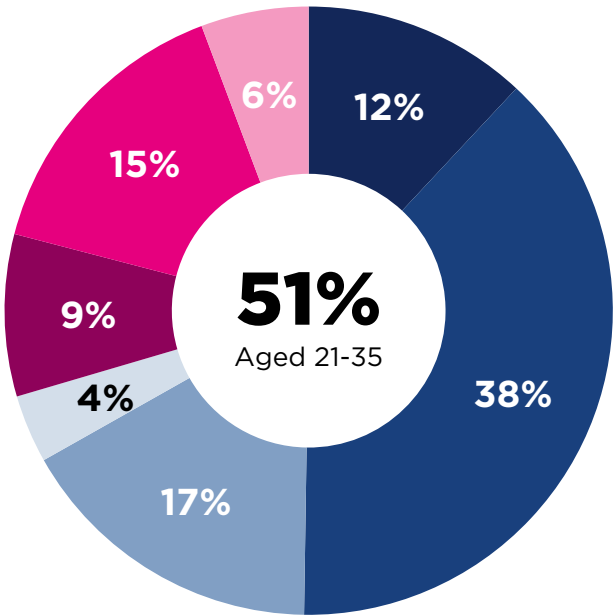


ESPORTS ONLY FANS

US ESPORTS ENTHUSIASTS THAT DO
NOT WATCH BASEBALL



13.4M



*Esports Enthusiasts defined by viewing professional esports at least once a month.
Source: Newzoo 2016 Esports Consumer Insights



ICE HOCKEY VS. ESPORTS FANS: AGE & OVERLAP

AGE/GENDER SPLIT FOR ICE HOCKEY FANS AND ESPORTS ENTHUSIASTS* | US | AGE 10 - 65 | 2016

ALL ICE HOCKEY FANS

ALL FREQUENT US
ICE HOCKEY VIEWERS



36.6M



ESPORTS & ICE HOCKEY FANS

US ESPORTS ENTHUSIASTS THAT
ALSO WATCH ICE HOCKEY

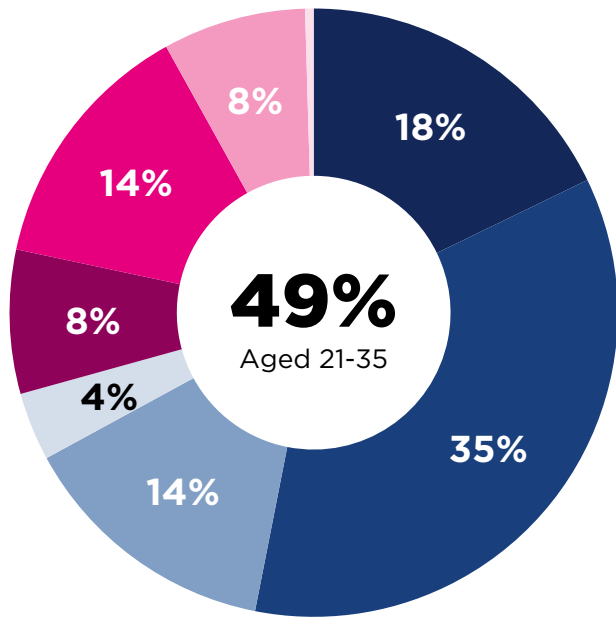
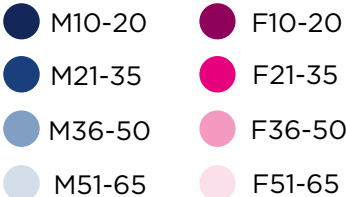
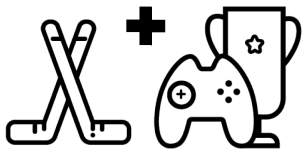
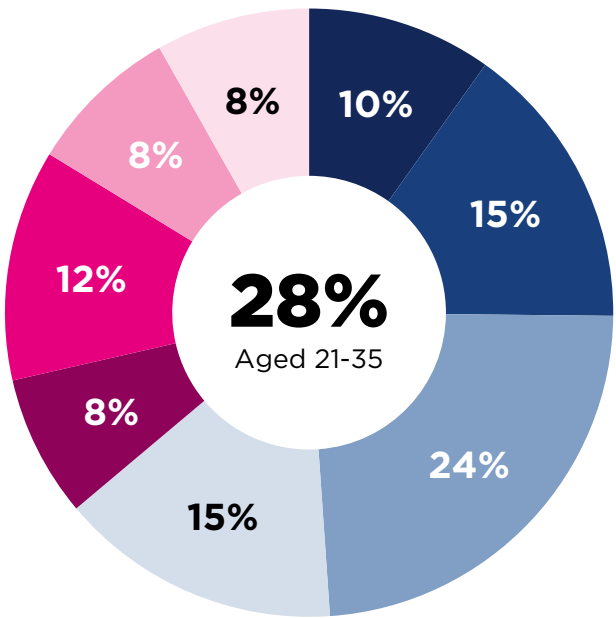
3.5M

ESPORTS ONLY FANS

US ESPORTS ENTHUSIASTS THAT DO
NOT WATCH ICE HOCKEY



16.5M



*Esports Enthusiasts defined by viewing professional esports at least once a month.
Source: Newzoo 2016 Esports Consumer Insights



3

FACTS ON & FOR BRANDS

POPULARITY AMONG
ESPORTS ENTHUSIASTS

THE DIGITAL NATIVE ESPORTS ENTHUSIAST

IDENTIFYING, PROFILING, AND SIZING THE MATCH WITH BRANDS | US



PROFILES WITH LOCAL BRANDS ALSO AVAILABLE FOR 26 OTHER COUNTRIES



42% owns an iPhone
vs. 38% of online population



39%
played in the
past 6 months
vs. 17% of gamers



20% streams
through Twitch
vs. 3% of gamers



35% has subscription
vs. 13% of online population



22% watches
vs. 13% of online
population



17% played in the
past 3 months
vs 5% of gamers



30% has
very positive
brand attitude
vs. 19% of gamers



58% has very
positive brand attitude
vs. 42% of gamers



Instagram

65%

actively uses
vs. 44% of online
population



46% uses Google Play
vs. 44% of online population



at&t

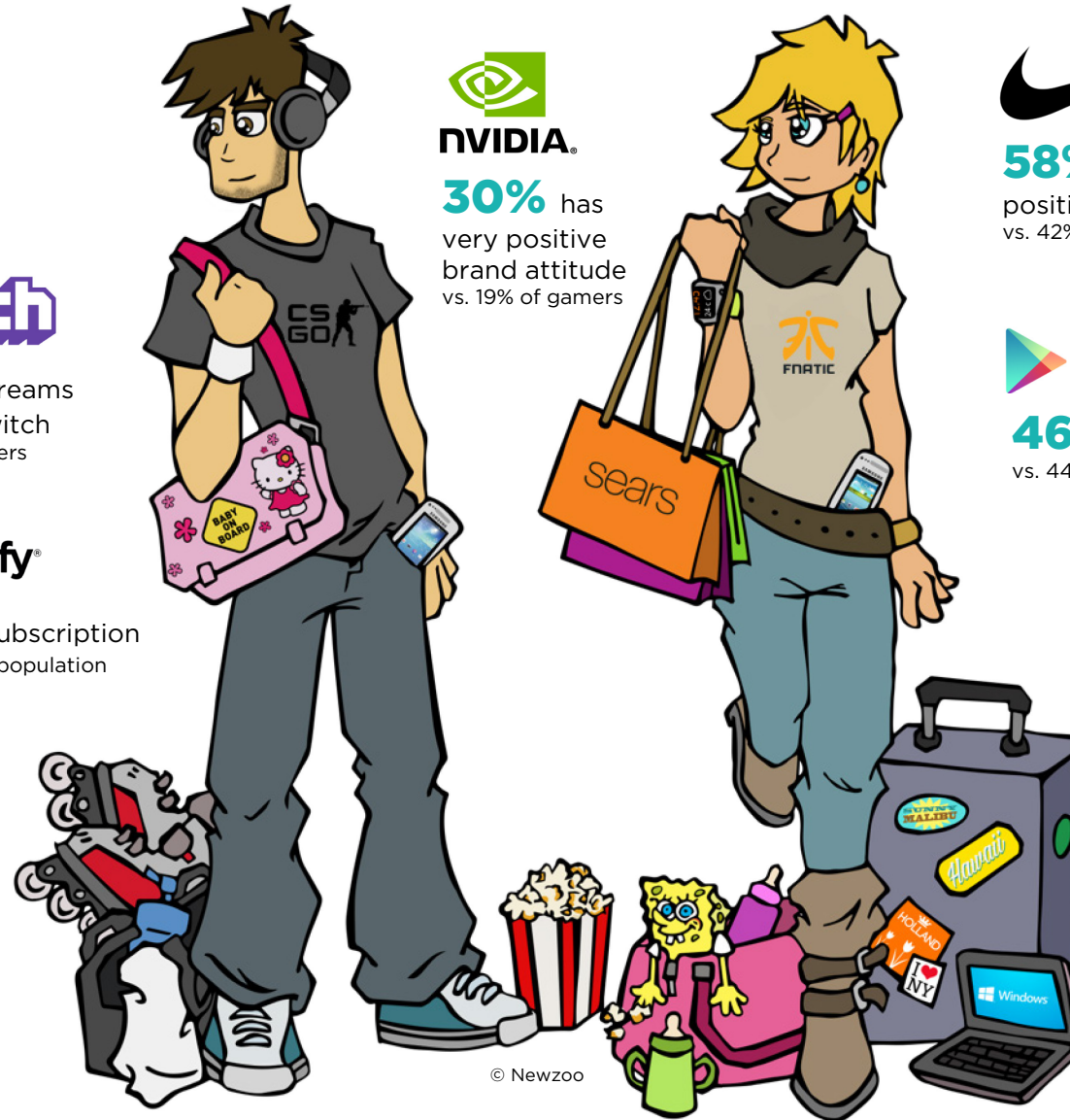
39% has a
subscription
vs. 28% of online
population



35% owns a
Samsung phone
vs. 31% of online
population



52% has a subscription
vs. 29% of online population



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ESPORTS CONSUMER INSIGHTS TOPICS (I)

AVAILABLE FOR 27 INDIVIDUAL COUNTRIES | 2016

ESPORTS

- › The variables below can be used to analyze the Esports Enthusiast, Occasional Esports viewer and gamers involved in Esports. All the Esports variables are shown below:
- › Esports awareness & involvement
- › Watch live streamed content of video games
- › Watch pre-recorded content of video games
- › Stream live content of playing video games
- › Publish pre-recorded content of playing video games
- › Frequency - watching game video streams on Twitch, YouTube and YouTube Gaming
- › Frequency - watching game video streams on Douyu and Huya (China only)

- › Frequency - streaming games to Twitch, YouTube and YouTube Gaming
- › Frequency - streaming games to Douyu and Huya (China only)
- › Frequency - publishing video game content on YouTube, YouTube Gaming, Facebook and Mobcrush
- › Frequency - publishing video game content on Douyu and Huya (China only)
- › Frequency - watching pre-recorded video games on YouTube, YouTube Gaming, Facebook and Mobcrush
- › Frequency - watching pre-recorded video games on Douyu and Huya (China only)
- › Type of game content watched
- › Frequency - watching esports

DEMOGRAPHICS

- › Gender
- › Age
- › Education*
- › Income
- › Work situation
- › Home situation
- › Hobbies and general interests
- › Sports watched
- › Sports practiced

MEDIA, RETAIL & TECHNOLOGY

- › Time spent on various activities (using internet, reading, listening to music, watching TV/video, social networks, online shopping)
- › Purchase of prepaid cards for online credit or (virtual) products
- › Mobile phone brand

- › Mobile network operator*
- › Social networks used*
- › TV channels watched*
- › Online shopping websites used*
- › Stores visited*
- › Digital media subscriptions (Spotify, Netflix, HBO, Google Play Music, Individual Twitch channel/Twitch Turbo, Amazon Prime streaming services, Apple Music)
- › Bet or wager online for real money in relation to sports
- › Bet or wager online for real money in relation to esports
- › Brand attitude (Nvidia, AMD, Intel, HP, HTC, Samsung, Amazon, Google, Pepsi, Coca Cola, Red Bull, Heineken, Monster)

*Country-specific topics.

ESPORTS CONSUMER INSIGHTS TOPICS (II)

AVAILABLE FOR 27 INDIVIDUAL COUNTRIES | 2016

GAME BEHAVIOR

- › Total number of (non-)gamers
- › Players per market segment:
- › Play frequency per market segment
- › Time spent playing on PC/Laptop and Console
- › Money spent on gaming hardware
- › Ownership of all peripheral types & brand ownership
- › Source to discover new games
- › Ownership of video capture hardware (e.g. Elegato, Hauppauge)
- › Gamers segmentation - Casual, Midcore, Core

PAYMENT BEHAVIOR

- › Money spent on PC/Laptop and Console
- › Payment methods on PC/Laptop

MOBILE

- › Mobile franchises (e.g. Candy Crush Saga, Game of War, Vainglory, Angry Birds, MARVEL Contest of Champions)
- › Interest in playing co-operative and competitive mobile games

PC / LAPTOP

- › Favorite genres on PC/Laptop
- › PC/Laptop Franchises (e.g. World of Tanks, World of Warcraft, Smite, Starcraft, CrossFire, Dota 2, League of Legends)

CONSOLE

- › Favorite genres on console
- › Console Franchises (e.g. Call of Duty, FIFA, NFS, Assassin's Creed, Battlefield, Dragon Age, Grand Theft Auto, Just Dance)

*Country-specific topics.



at&t

39%

of Esports Enthusiasts
in the US uses AT&T
as mobile service
provider
vs. 28% of online
population

YOUR PARTNER IN ESPORTS INTELLIGENCE

THREE SERVICES THAT CAN HELP YOU BE SUCCESSFUL IN THE ESPORTS MARKET

1. ESPORTS TRENDS & MARKET PROJECTIONS

The authoritative report on global esports. The annual and quarterly update reports, in combination with an online dashboard with audience and revenue projections, ensure that you keep up in this fast-moving space.

Subscribe for \$6,900/yr.

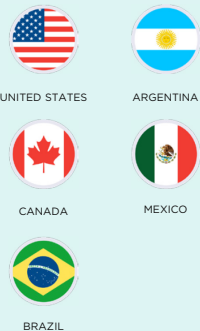
2. ESPORTS FRANCHISE POPULARITY TRACKER

The popularity of game franchises differs greatly per territory. Newzoo tracks and reports monthly on the game behavior of 12 million PC game enthusiasts in the Western world. This is combined with day-to-day tracking of Twitch activity. Starting at \$4,900/yr.

3. ESPORTS CONSUMER INSIGHTS FOR BRANDS

The ultimate way to understand consumer behavior related to esports on a global and local level. More than 200 variables can be used to perform segmentation and analysis that suit your product and brand. Client brands are integrated in the research effort. Starting at \$3,900/yr.

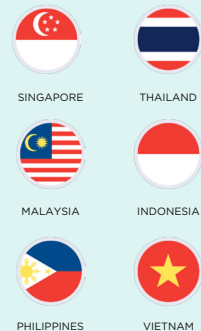
AMERICAS



EUROPE



SOUTHEAST ASIA



REST OF APAC



ARE YOU AN ESPORTS TEAM?

We have a special relationship with several of the world's top esports teams. To know more about how we support esports teams, contact Newzoo's head of esports, Pieter van den Heuvel.

CONTACT



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