



Esports Gaming: Competing, Leveling Up & Winning Minds & Wallets

A Consumer Insights Perspective
to Esports Gaming



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What is Esports? Why should I care?

Wikipedia defines Esports as organized, multiplayer video game competitions. Common Esports genres include real-time strategy (RTS), fighting, first-person shooter (FPS), and multi-player online battle arena (MOBA.)

Per Newzoo, Esports generated global revenue of roughly \$500M in 2016, 70%+ of which coming by way of advertising and sponsorship (by traditional video game companies seeking to grow their audiences and revenues, and by marketers of Consumer Packaged Goods, Food & Beverage, Apparel and Consumer Technology). Global revenue is expected to exceed \$1.5B by 2020, according to the BizReport.

Who should read this study?

This visual study seeks to bring clarity and understanding to the Esports phenomenon by highlighting the quantitative metrics that objectively quantify the *What*, as in what success looks like, for commercially successful Esports titles. It also sheds light on the qualitative, the deep-seeded emotions, and aspirations of *Why* Esports gamers and fans do what they do.

Please note, we used Research Now's Simplify self-service survey and sampling solution to evaluate the critical Consumer Attitudes and Satisfaction among players of these top revenue-generating Esports games.

Four groups of professionals will gain the most strategic and actionable value from this study, including:

- **Production:** Anyone who is involved in the production (with job titles such as Producer, Product Manager, etc) of gaming content.
- **Publishing** (with job titles such as Marketing, PR, Promoter, etc.) of Esports gaming content/events
- **Brands & Marketers** interested in marketing **to** Esports gamers products such as Consumer Packaged Goods, computing, electronics, clothing/apparel, food/beverage, etc.
- **Investors** (either external private equity, hedge fund managers or venture capitalists; or Publisher-internal corporate/business development professionals) currently considering investing in, or in the midst of an active merger/acquisition of a 3rd-party game developer or publisher.

How to get the most out of this study

This study focuses on the most critical key performance indicators (KPIs) along the Esports gamer/fan consumer journey - Awareness/Discovery, Engagement/Retention, Spend/Monetization and Advocacy - and highlights how Esports game developers, publishers and marketers can use primary consumer research to strategically understand consumer behavior and create compelling consumer experiences that maximize business success.



Esports Gaming KPIs

Five sets of business-critical KPIs map to stages of an Esports gamer's/fan's journey: Awareness, Consideration, Engagement, Monetization, and Advocacy.

	Brand or Segment	Funnel KPI	Critical KPIs & Factors
Awareness	Call of Duty	Unaided Awareness: 23%	<ul style="list-style-type: none"> • Unaided Awareness • Paid vs. Earned Media • Brand Associations/Partnership • Ad Exposure & Recall
Consideration	League of Legends	Aspire to go Pro @ Gamer or Streamer 4 out of 5	<ul style="list-style-type: none"> • Messaging & Positioning • Emotional Needs & Aspirations • Product Features
Engagement	Counterstrike	Playtime per Month: 5.4 hours	<ul style="list-style-type: none"> • Play Frequency • Retention Rates • Session Length • (Daily/Monthly) Active Users • (Daily/Monthly) Play Time
Monetization	All Esports Gamers & Fans	Monthly LTV: \$31	<ul style="list-style-type: none"> • Revenue per Impression (Advertising) • Revenue per Daily Active User • (Monthly/Annual) Lifetime Value/LTV • (In-App vs. Subscription) Revenue Model
Advocacy	Call of Duty	Recommend Intent: 95%	<ul style="list-style-type: none"> • Customer Satisfaction • Recommend Intent • Net Promoter Score



Awareness & Consideration

Awareness & Consideration

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Call of Duty tops the
Esports field in
Unaided Awareness,
followed by League of
Legends,
Counterstrike and
Minecraft

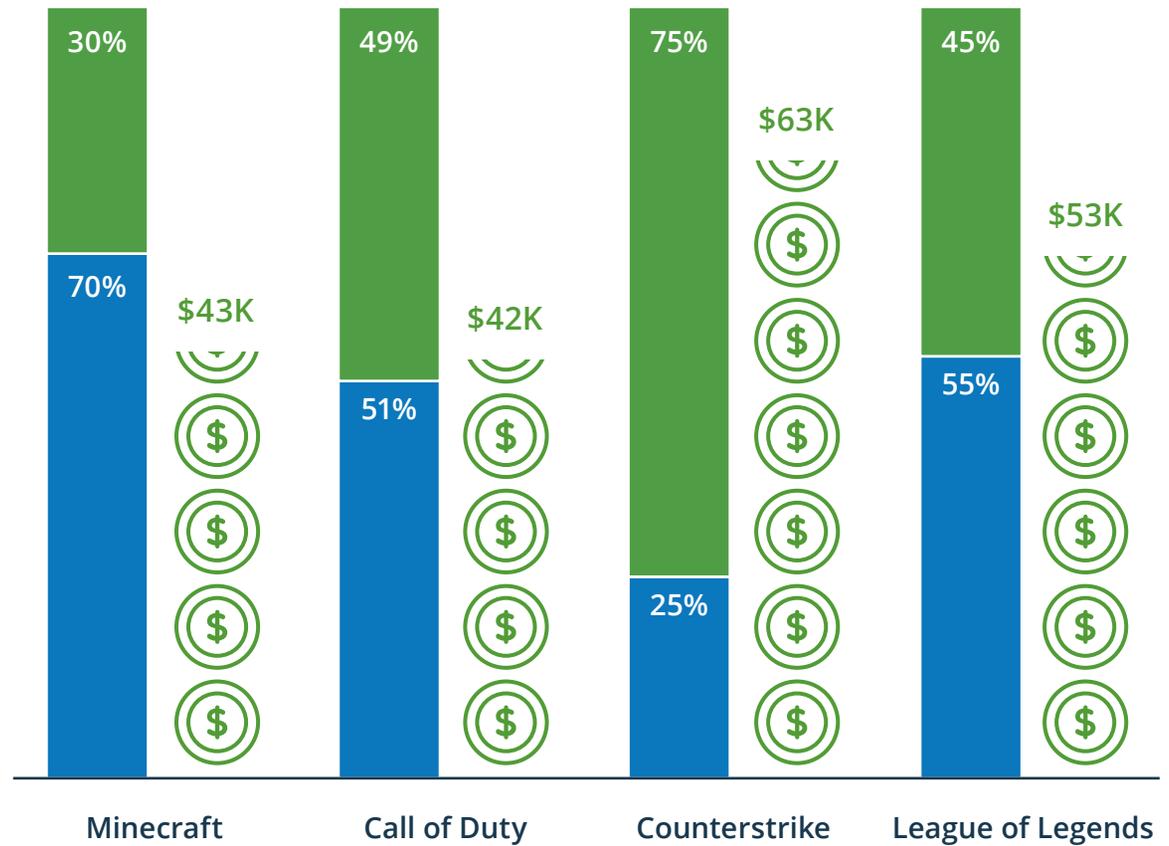


Question: When you think of Esports, what is the first game that comes to mind?

Awareness & Consideration

Esports gamer/fan demographics vary from Casual (Minecraft: 70% female) to Core (Counterstrike: 25% female)

With household income ranging from Call of Duty (\$42K) to Counterstrike (\$63K)

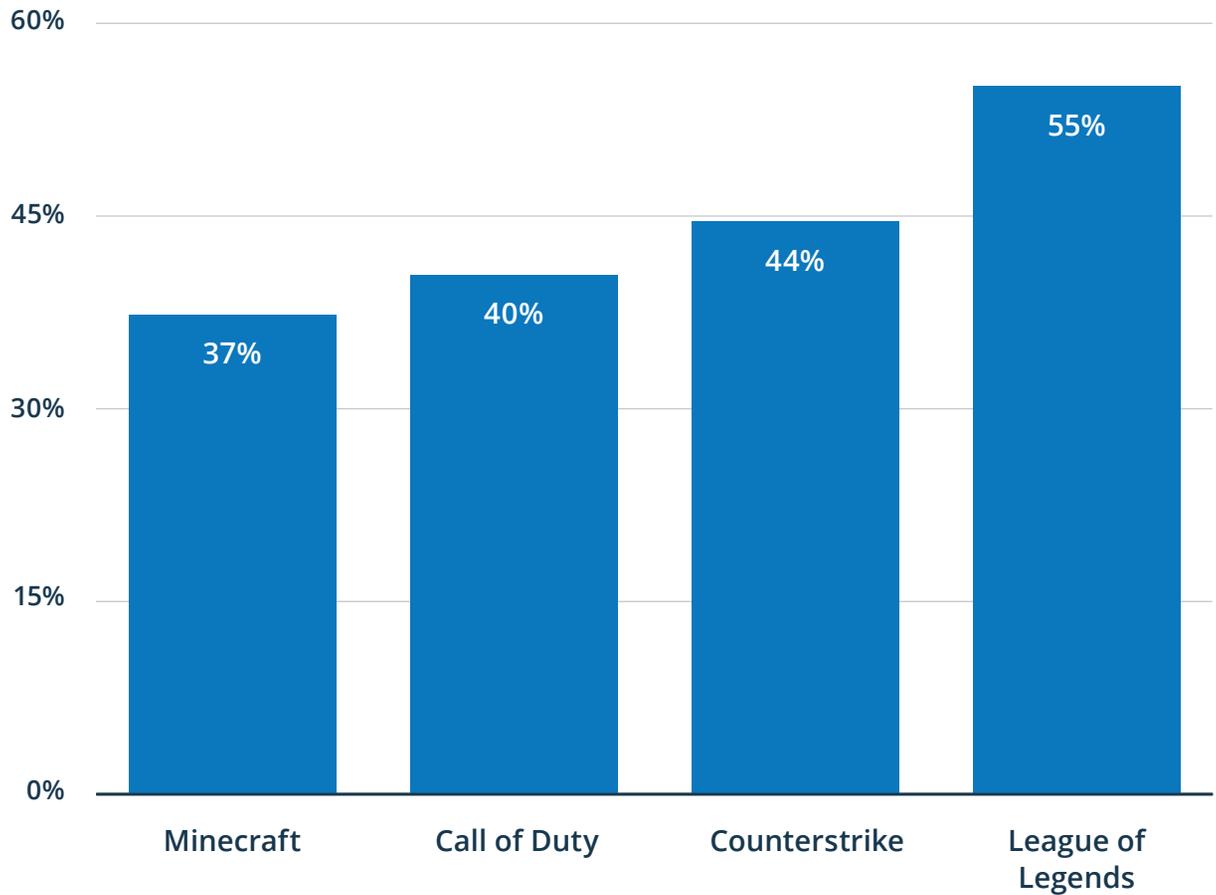


● Female ● Male \$ Household Income

Awareness & Consideration

Competing & Winning are a common thread in Esports...

But 55% of LoL Players love Winning Individually, while just over 1 in 3 of Minecraft players do.



Answered "Individually beating another player or Boss" when asked "Which of these makes you feel most AWESOME when you're playing Esports?"

The Best & Boldest:

4 out of 5 League of Legends players and fans aspire to become professional Gamers and Streamers...

Versus just over half of Minecraft players and fans.



Question: Are you interested in a career as a professional Esports gamer?

Question: Are you interested in a career as a professional Esports streamer?

Awareness & Consideration

League of Legends & Minecraft players love Multiplayer Social Gameplay, but for different reasons...

1 in 3 LoL players love “Collectively Winning in Competition”; 29% of Minecraft players love playing to “Connect & Bond with family members or friends”



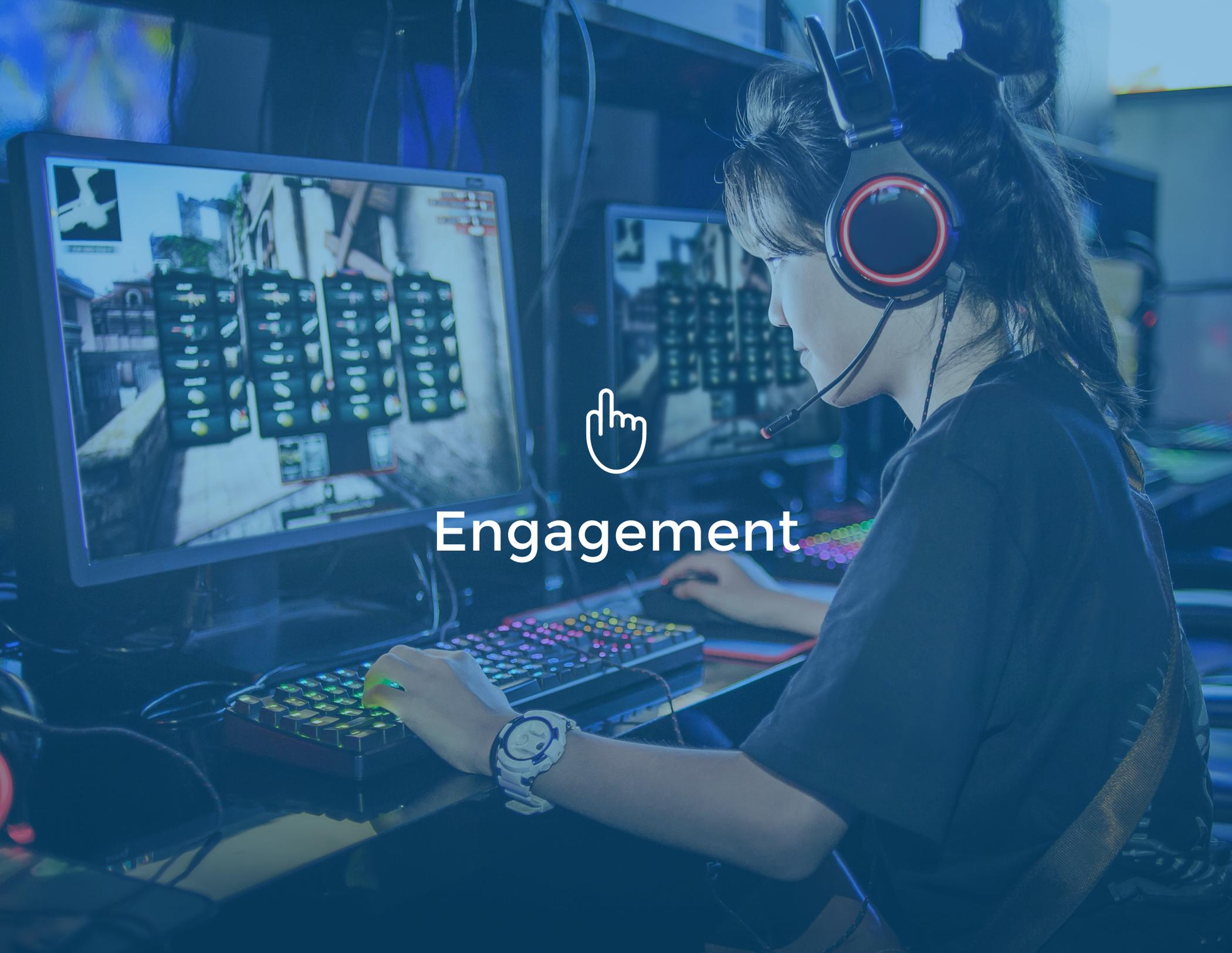
MINECRAFT

29%



LEAGUE OF LEGENDS

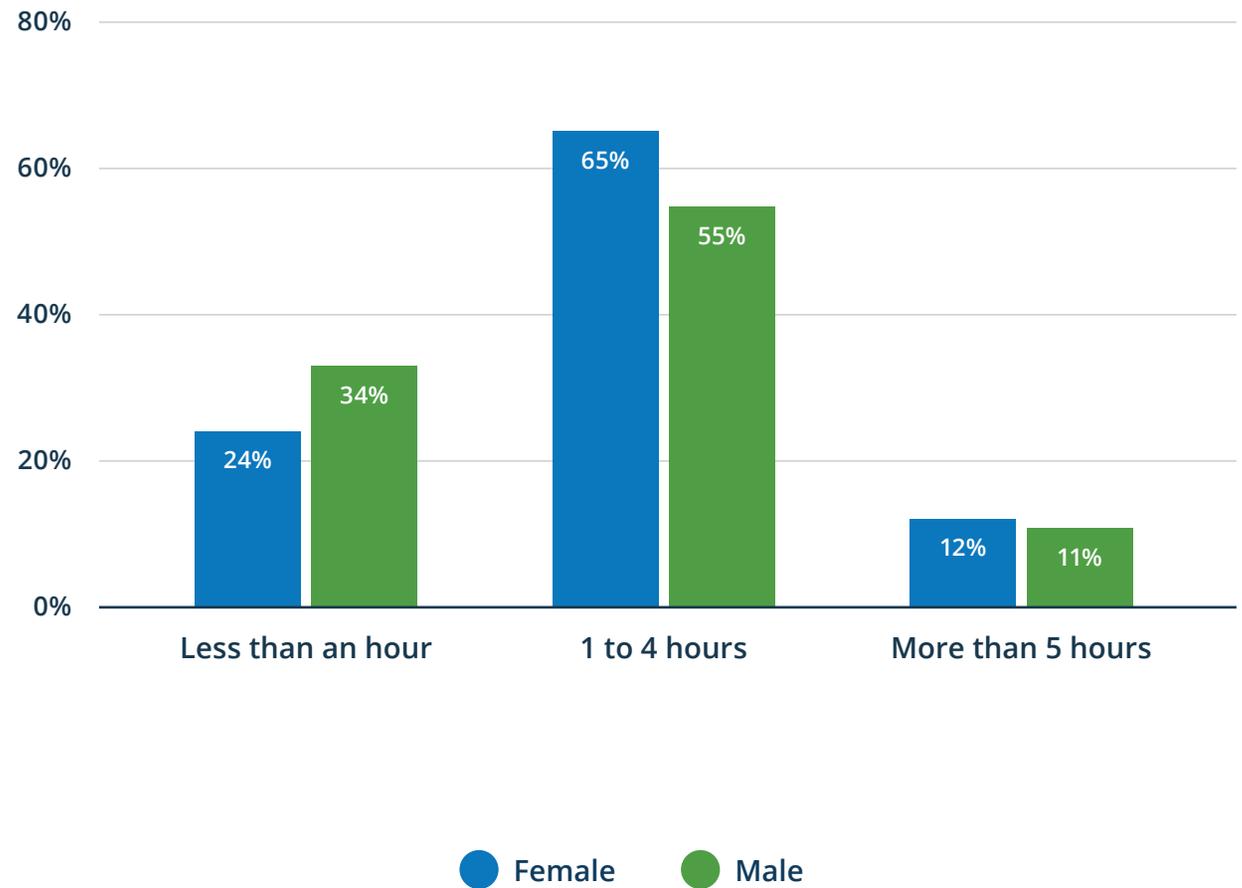
1 in 3



Engagement

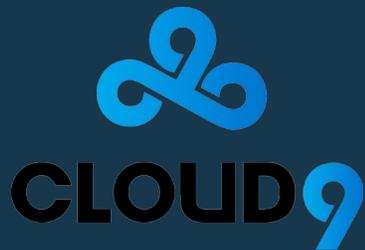
Female gamers watch more Esports content than male gamers, in any one average day.

Time Spent for Esports vs. Gender

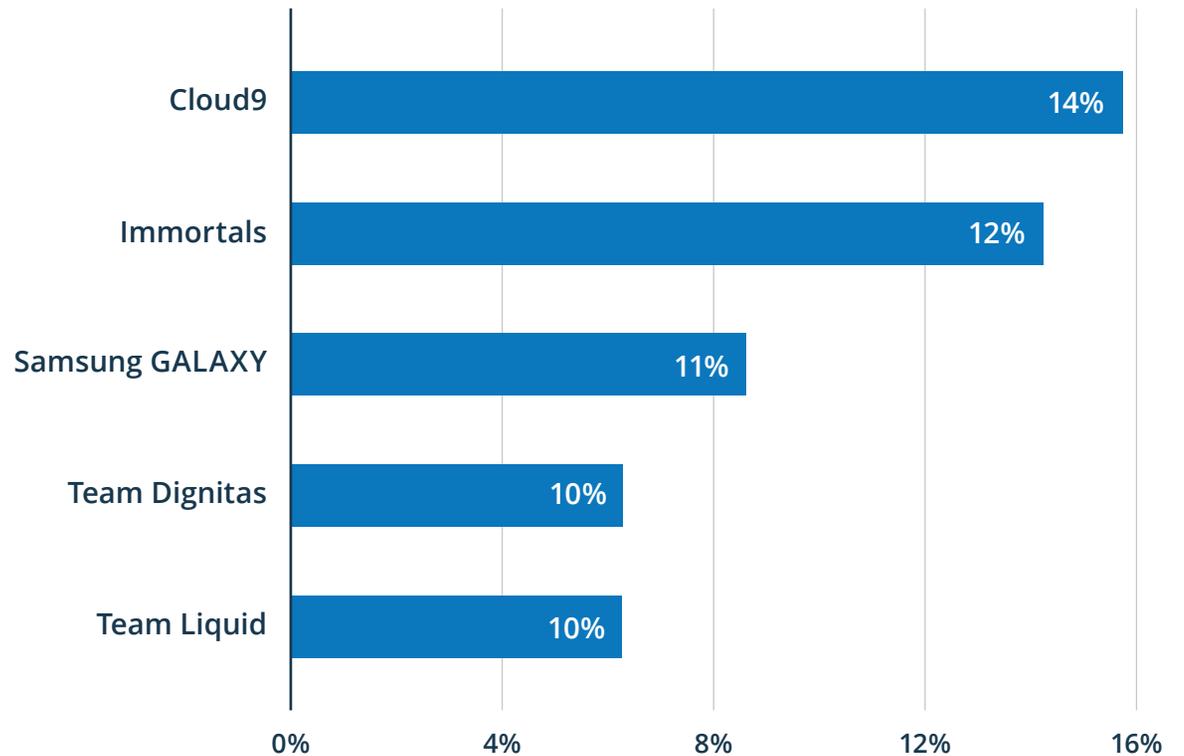


Question: In an average DAY, how many hours do you WATCH Esports?

Cloud9 is the most supported team among Esports gamers and fans.



Favorite Esports Team

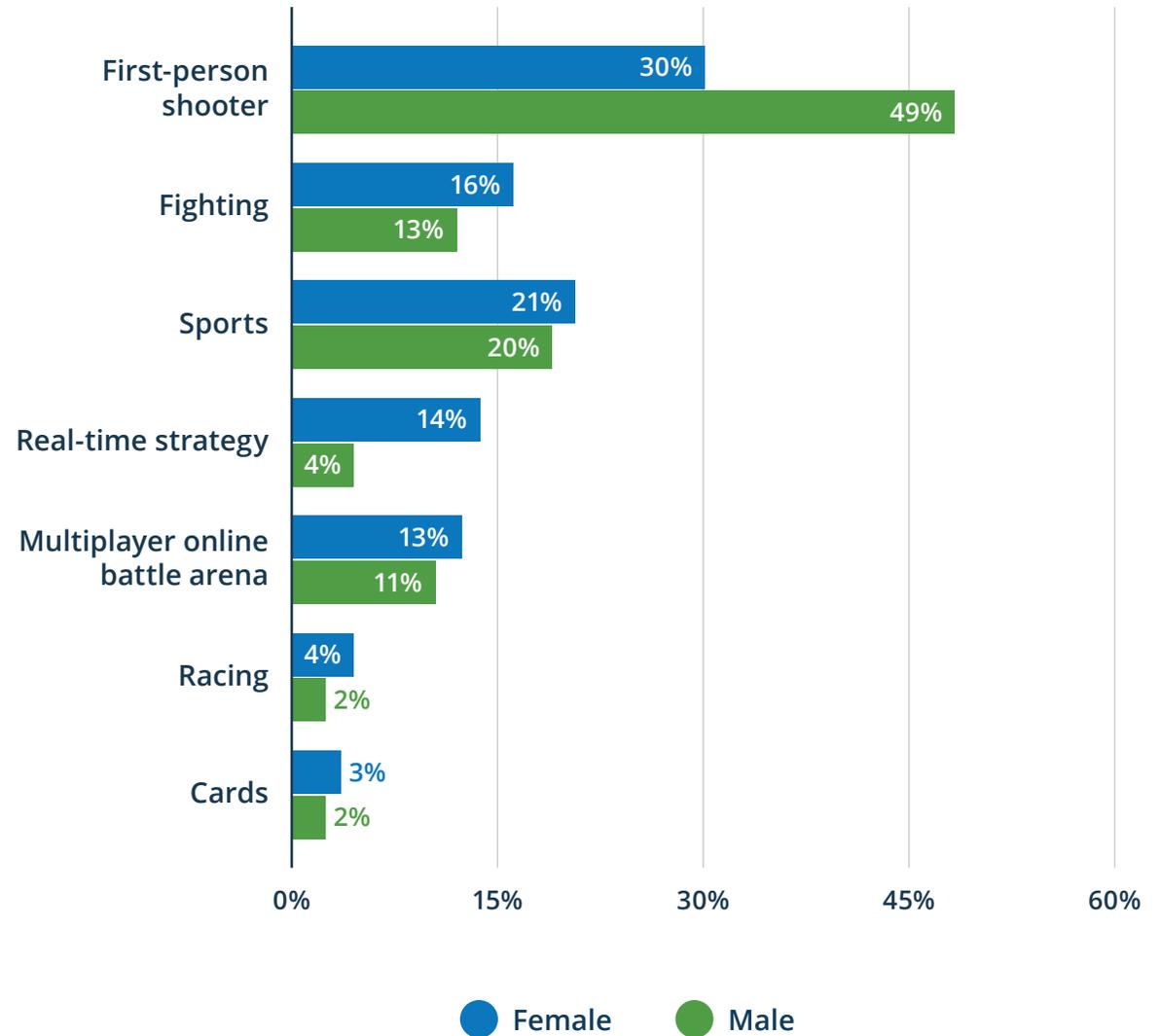


Question: Which Esports team do you support? (Choose 1)

Male gamers watch/play FPS, fighting, sports and MOBA games...

Female gamers are more evenly spread across FPS, fighting, sports, strategy and MOBA.

Favorite Esports Games vs. Gender



Question: What is your favorite type of Esports games?

Winning a top level against my friends when it is hard.

My most awesome moment for playing a esports game is when my game is **level up**.

Winning and playing with my family just to have fun is also great!

Beating the game and scoring the most points, enjoying playing with my cousin.

When i scored a touchdown with 10 seconds left in the game.

Getting three million coins. It was so amazing that I almost cried. I also love to level up on games so my energy go higher.

Winning. I'm very competitive and when I get to beat another team or even a computer I feel extremely satisfied.

Winning the game and saving the team from losing. I revived everyone and they all won the game as a team.

When i got the highest score and I was **in the top place** the a esports game. The esports games are fun and interesting.

Winning the whole game that it took forever to win and very challenging to complete.

The **moment you win** is great because you have that feeling in your heart that makes you understand you are doing the right thing for yourself and for other people.

Anytime **when I level up** or make a move no one else thought of and it pays off it's an awesome epic moment.

Completing a trick I didn't think I could, and mastering the trick. Then using that skill to develop more skills.

Beating my own highest score and then beating the ultimate player.

When I finally **beat my best friend** after months of playing.

When I play tennis with my husband. It's great. **I love it when I win.**

Feeling accomplished after **winning the game**, and feeling like you helped out your team.

Scoring my first points in a game against a tough opponent.

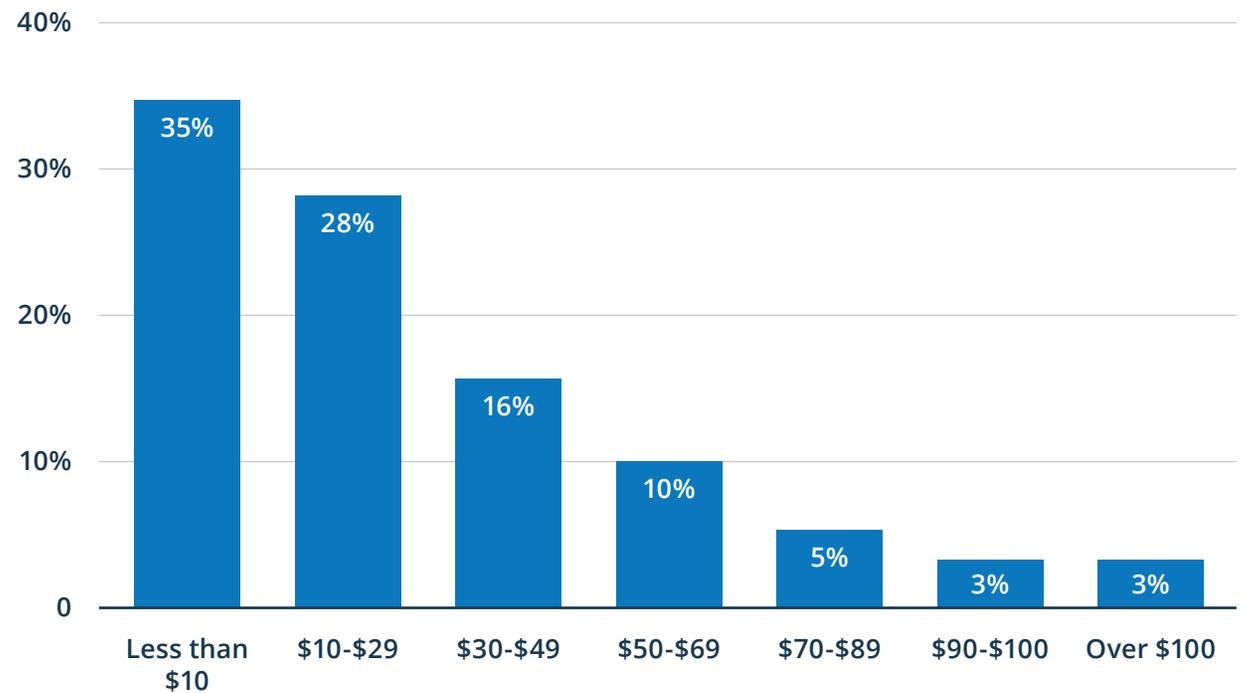


Monetization



Gamers and fans spend - on a weighted average basis - \$31 per month on Esports gaming subscriptions, items and content.

Money Spent on Esports



Question: In an average month, how much do you spend on Esports? (purchasing games, donating money to streamers, Esports subscription, etc.)

Fans of LoL, Counter Strike, Call of Duty, & Minecraft clock between 4-6 hours a month playing Esports.

Counter Strike is the most engaging (5.4 hours/month) but League of Legends is best monetizing (\$7.53 Spend per hour of play).



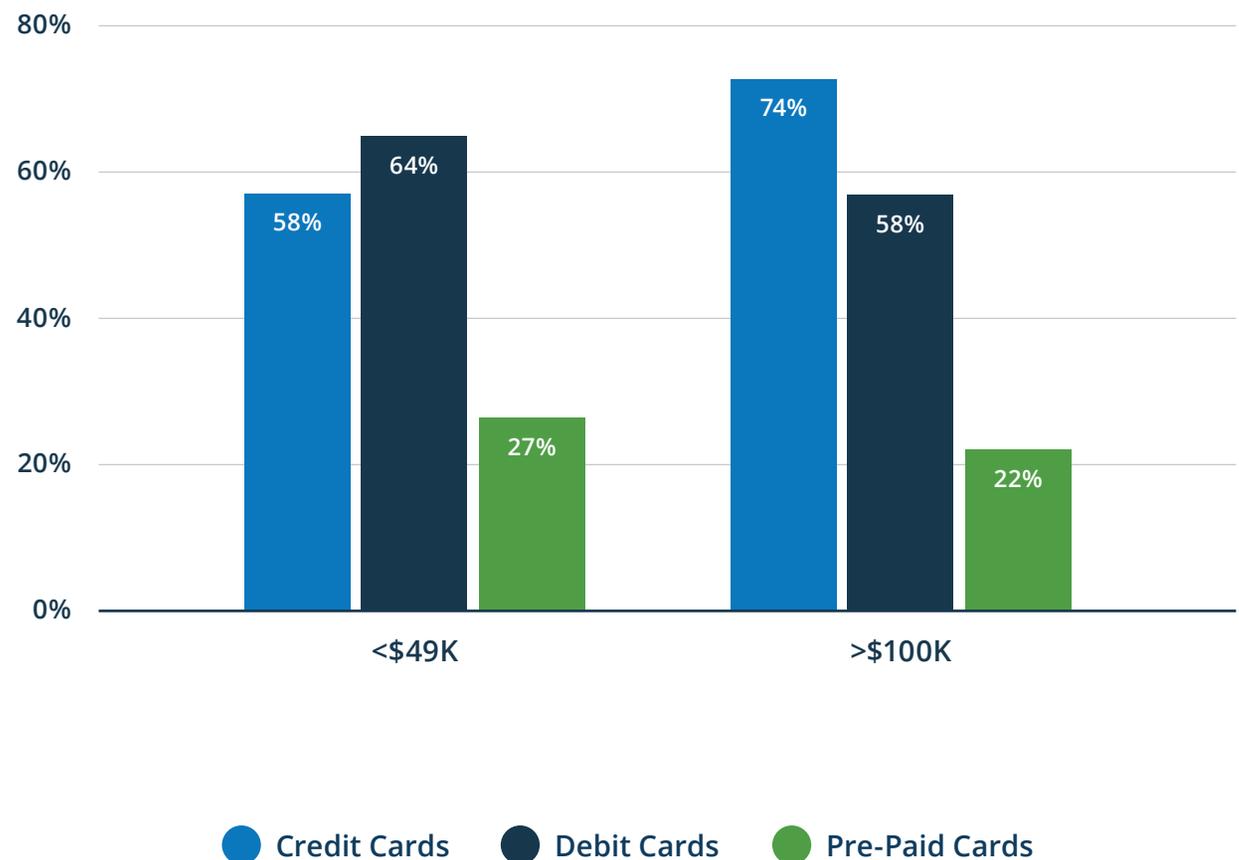
Question: In an average month, how much do you spend on Esports? (purchasing games, donating money to streamers, esports subscription, etc.)

Question: In an average month, how many hours do you play Esports?

When buying gaming merchandise, more gamers/fans with HHI < \$49K prefer paying via Debit & Prepaid Cards

3 out of 4 gamers with HHI > \$100K prefer paying via Credit Cards.

On-Demand vs. Cash-backed/Prepaid

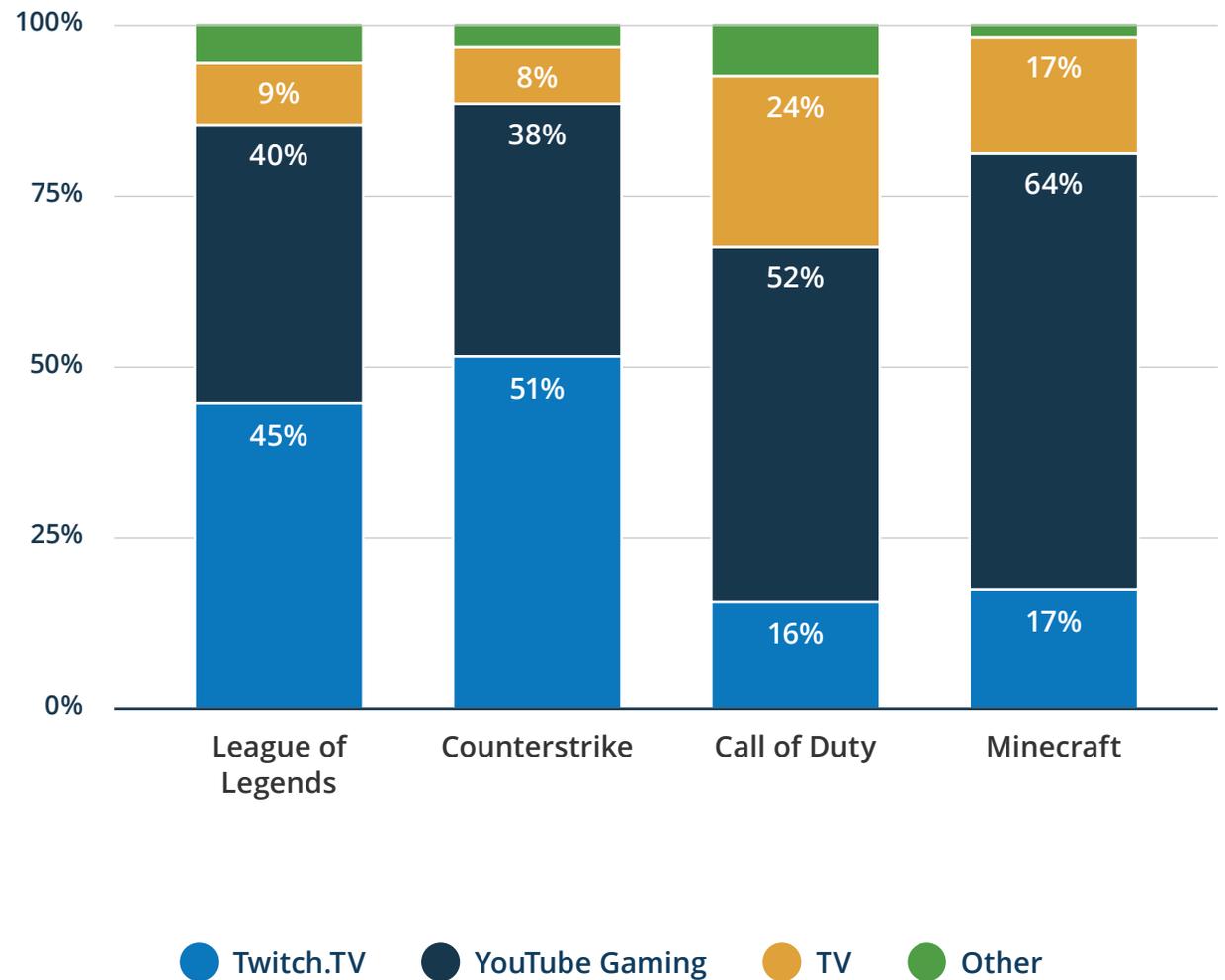


Question: What payment type do you use the most for purchasing games or gaming merchandise? (Choose 2)

When watching Esports, Twitch edges out YouTube Gaming among Players & Fans of League of Legends and Counterstrike.

Call of Duty and Minecraft Players & Fans prefer watching on YouTube Gaming.

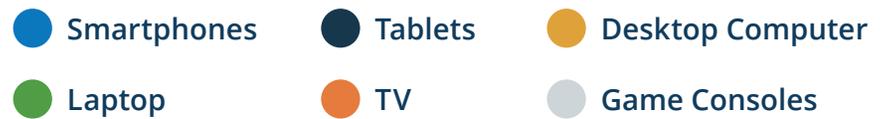
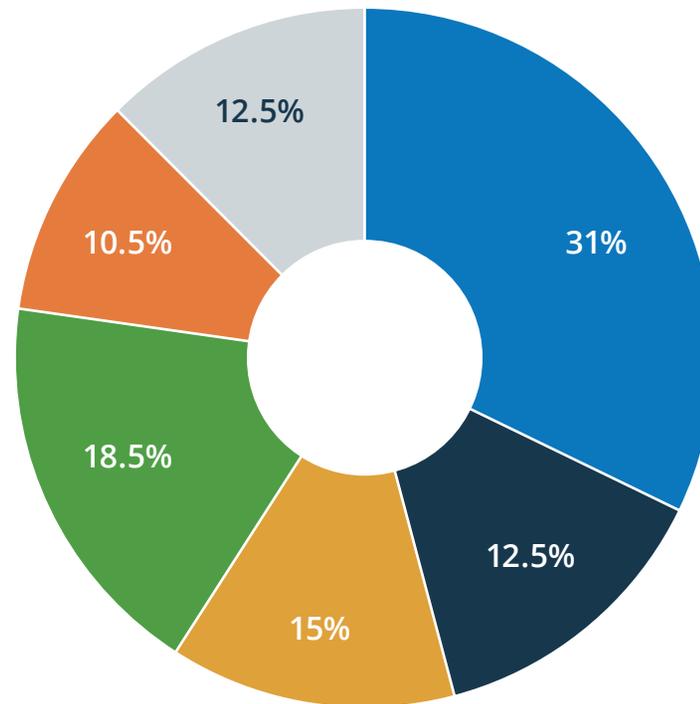
Esports Viewership by Channel



Question: Where do you watch Esports the most?

Gamers and fans use Smartphones the most for watching Esports games.

Devices Used For Watching Esports Games

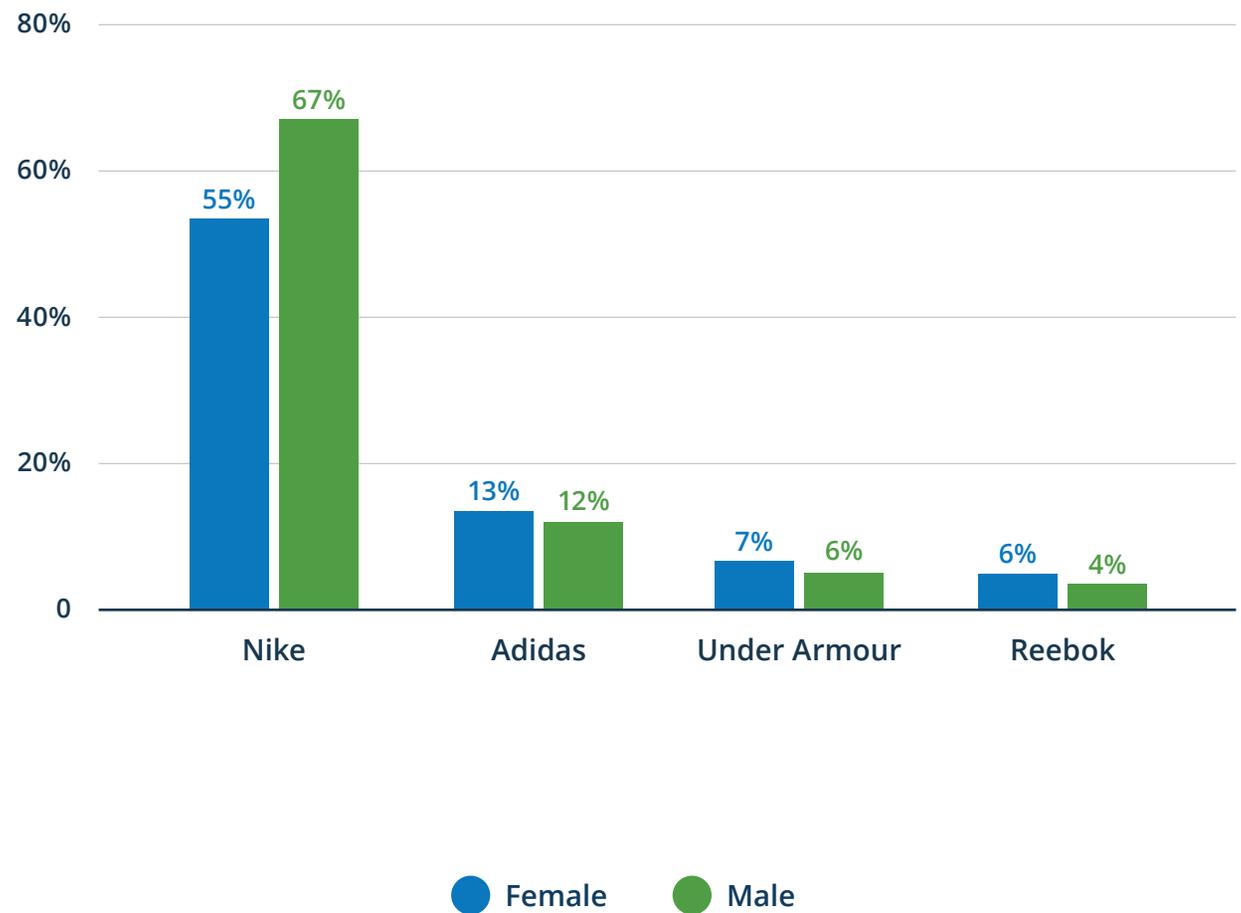


Question: Which devices do you use the most for watching Esports games? (Choose 2)

As a brand, Nike enjoys the highest Favorability among both female and male Esports gamers and fans.



Gender vs. Brand



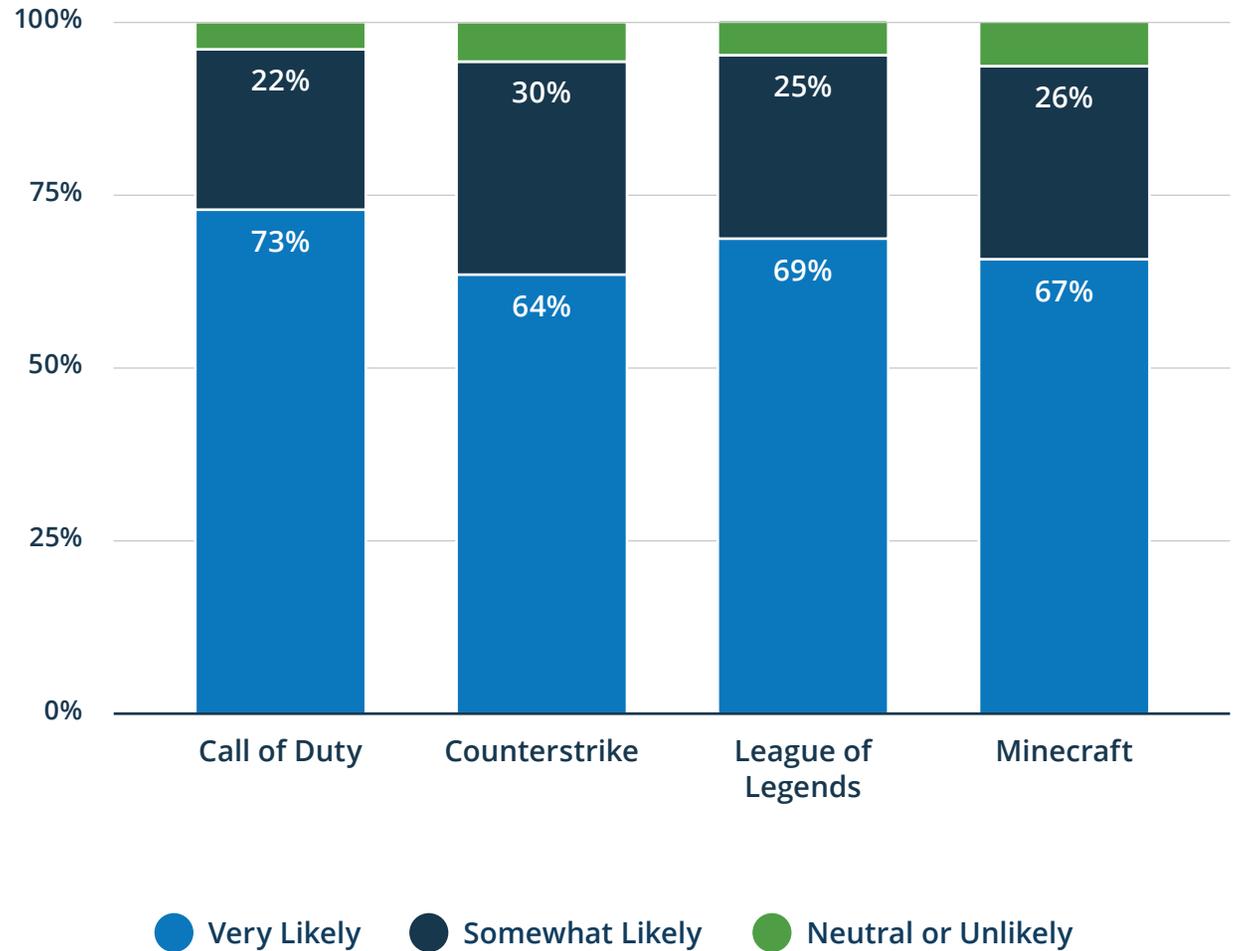
Question: What is your favorite sports retail brand? (Choose 1)



Advocacy

Among the top 4 most popular Esports titles, Call of Duty leads in Advocacy with 95% recommend intent.

Recommend Intent



Question: For the ONE game that you play or watch the most, how likely are you to recommend to the friends and family?

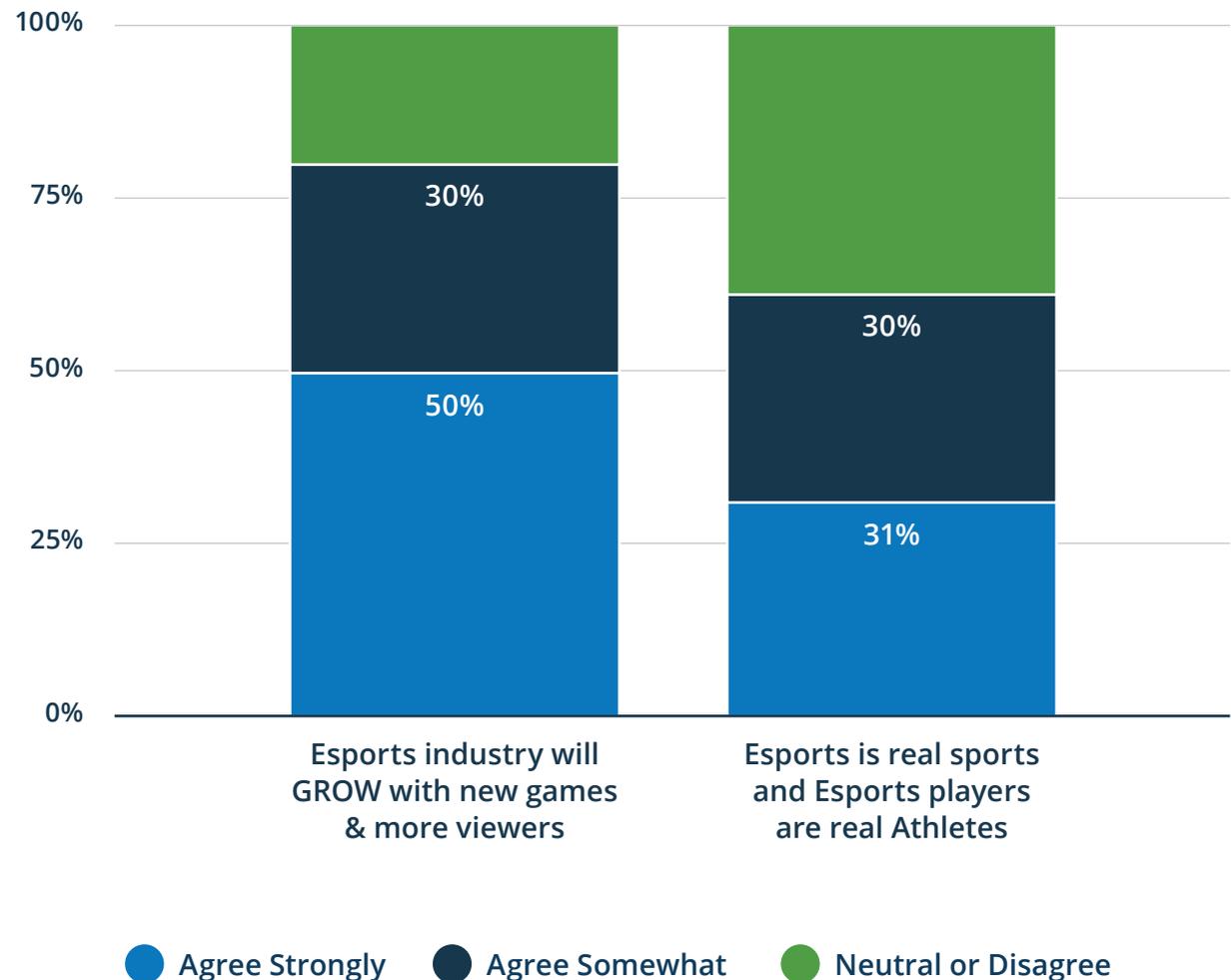


Future Outlook

80% of Esports gamers & fans believe the Esports industry will grow - in terms of gaming content & viewers.

However, 2 out of 5 do NOT yet recognize Esports as real sports and Esports players as legitimate athletes.

Esports Industry Growth & Legitimacy as a Sport

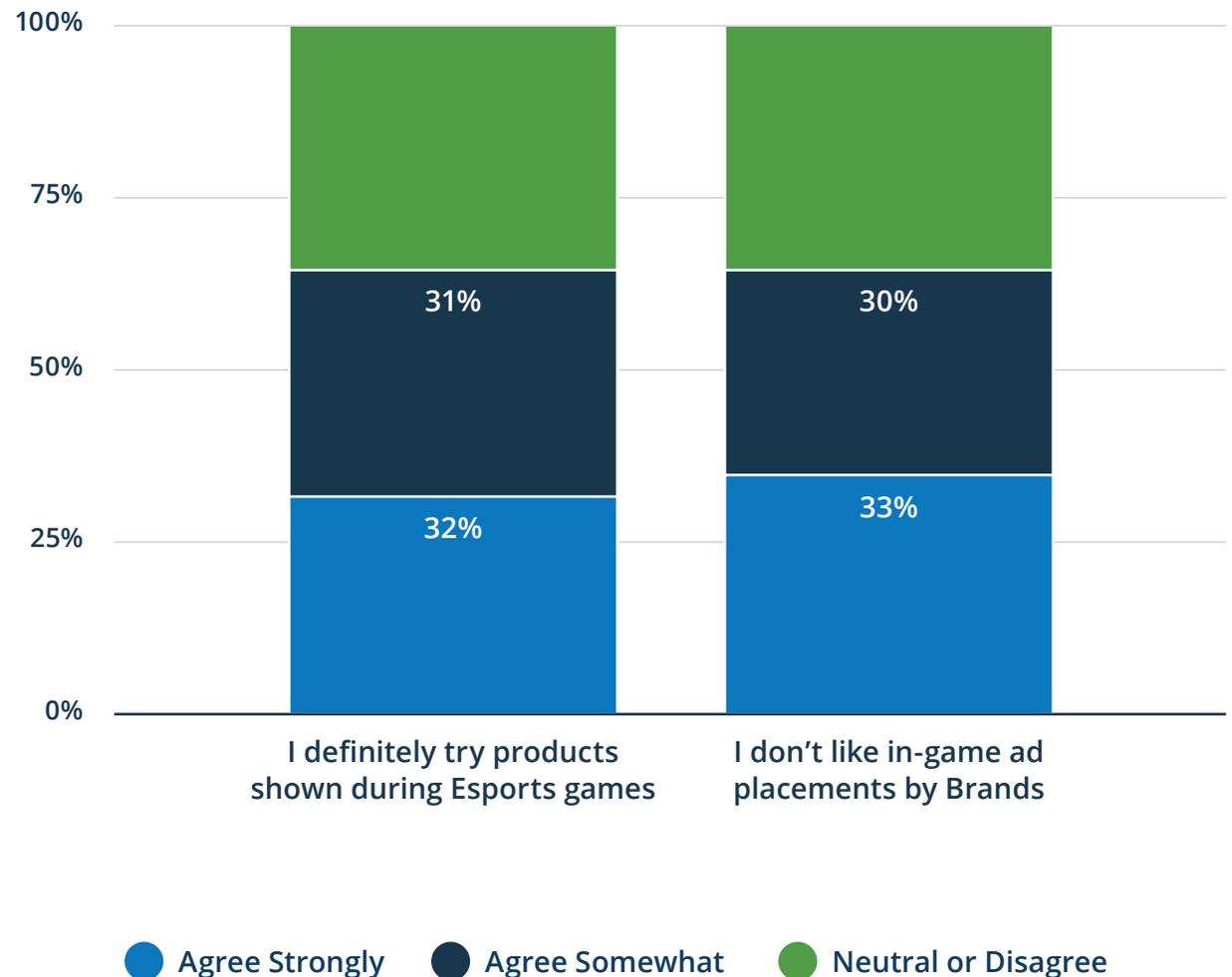


Question: How strongly do you AGREE or Disagree with each of these statements about Esports?

While 63% of Esports gamers & fans expressed a Dislike of in-game Brand Placement ads...

Roughly 3 out of 5 stated these in-game Brand Placements WORK for driving them to Try featured products.

Trial of In-Game Placement vs. Acceptance of In-Game Brand Placements



Question: How strongly do you AGREE or Disagree with each of these statements about Esports?

For Developers & Publishers

“Accelerate Esports Legitimacy” by increasing distribution through mainstream sports & entertainment media AND content creation.

“GO PRO” Aspirations: Core Esports publishers (of Shooters, Battle Arena etc) should continue feeding players'/fans' Aspirations of Going Pro.

“Bond & Connect”: Casual publishers (of titles like Minecraft) should emphasize Social Gameplay & appeal to players'/fans' needs and desire to Connect & Bond with Friends and Family.

Own the Buzz AND Advocacy. Own both ends of the consumer journey: Maximize Awareness and quality gameplay/Advocacy (like Call of Duty.)

Augment Monetization with In-Game Brand Placement. Increase revenue through branded in-game placement, but strive for seamless native placements which do not detract from the gaming experience.

Encourage “Love of Esports.” Encourage Male gamers to watch more shooter content, and Female gamers to watch more real-time strategy content.

Let Gamers Decide HOW to Buy. Ease and perfect payment via debit & prepaid cards for lower-income gamers and credit cards for affluent ones.

For Investors & Advertisers

Vote with the Winners & Leaders. Acknowledge and understand how and why titles like Call of Duty, League of Legends, Counterstrike and Minecraft are successful at building multi-year brands with a young, fickle, attention-deficient audience. Consider partnering, investing, building or buying to replicate or capitalize on the commercial success.

Acknowledge & Invest Early by partnering and locking in placement/sponsorship opportunities with leading teams like Cloud9 but also emerging Esports genres like Strategy and leaders like Minecraft.

Recognize the Long-Term Potential. Despite stereotypes, Esports are not limited to young males playing first-person shooters. Recognize the advertising and buying potential among a widening mass audience (e.g. Minecraft players are 75% female.)

Continue Product Placement because They Work. Capitalize on the positive awareness and overwhelming 60%+ trial intent of featured products with Esports' highly-engaged gamers and fans.

Why?

Wikipedia defines Esports as organized, multiplayer video game competitions. Common Esports genres include real-time strategy (RTS), fighting, first-person shooter (FPS), and multi-player online battle arena (MOBA.)

Per Newzoo, Esports generated global revenue of roughly \$500M in 2016, 70%+ of which coming by way of advertising and sponsorship (by traditional video game companies seeking to grow their audiences and revenues, and by marketers of Consumer Packaged Goods, Food & Beverage, Apparel and Consumer Technology.) This unexpected global revenue is expected to exceed \$1.5B, according to the BizReport.

With its increasing popularity, gamers and Esports fans participate in a strong community. How can brands use this market as a big opportunity to connect with Esports' young and tech-savvy audience? Our research results explores the rapidly evolving audience of Esports and considerations for how brands can get some gameplay.

When?

A survey of the Research Now/Peanut Labs panel was fielded between April 25th, 2017 and May 1st, 2017.

What?

Our report offers a fan-centric view of Esports by combining gaming, entertainment and brands with industry-leading research on buyer behavior and media consumption. This survey tested Esports gamers' and fans' behavior around Awareness/Consideration, Engagement, Spend and Advocacy.

How?

A total of 1,020 consumers across 4 consumer segments, were surveyed for this study.

- Male consumers 15 to 24 (N=261)
- Male consumers 25 to 35 (N=254)
- Female consumers 15 to 24 (N=253)
- Female consumers 25 to 35 (N=252)



Interested in tracking your own brand?

Contact Us

Listen to the voice of your consumers and win.
gaming@samplify.it