The Esports Report

The ‘Area of Effect’ For Marketers
In esports...

**Area Of Effect (AoE)**

“A video game spell or attack that affects everything within a specified area”

For marketers...

Esports’ *area of effect* delivers a passionate, desirable, elusive but receptive audience that complements a marketer’s communications plan.
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7. Esports Advertising & Opportunities
Esports Highlights

Esports is one of the fastest-growing, content-driven video platforms in the U.S. today and is experiencing double-digital annual growth in audience and revenues globally.

- 23% of esports fans in the U.S. have started following the sport between 2017 & 2018.
- In 2019, esports global revenues are projected to increase 27% over the prior year.

This dynamic sport, which features all the organizational structure and competitive hallmarks of more traditional sports leagues, has quickly gained mainstream interest and cultural relevancy among audiences and advertisers.

With a millennial male skew, esports delivers a passionate, desirable, elusive audience that is brand loyal and receptive to integrated advertising.

Viewers are highly engaged with content across screens including Television where the hours of programming have grown significantly over the past year alone.

- **Over 18 Billion minutes** are spent online monthly with gaming platforms, an increase of 74% vs. a year ago.
- **Over 300 hours** of esports TV programming aired during the ‘17-‘18 broadcast season, up almost 50% vs. the prior season.

Source: NewZoo 2019 Global Esports Market Report; Source: Nielsen NPower Reach & Frequency Report, Live+7, based on broadcast year ’16-’17 vs. ’17-‘18; Nielsen NPower PowerPlay Report, based on broadcast year ’16-’17 vs. ’17-‘18. comScore MediaMetrix Key Measures, Multiplatform, Total Audience (desktop P2+; mobile P18+), September 2017 & 2018, Category: Gaming Information (excludes platforms like Twitch, IGN, Curse, Take Two Interactive, Microsoft Games, Blizzard Entertainment, etc.).
Esports Is A Fresh, Exciting Platform And Is The Newest Organized Sport With Competitive Leagues Around The World

Based on founding dates
What Are Esports?

Esports are not that different from traditional sports and have all the conventional defining elements of competitive sports.

Esports is an abbreviation of ‘electronic sports’, where players & teams battle against each other in competitive video games.

All Esports are video games

Player vs Player or Team vs Team

Clear Win Condition

Active Professional Scene & Tournaments
### What Games Are Esports?

There are several popular genres of video games with competitive scenes.

It is important to understand that while all esports are video games, not all video games are esports.

Games are not esports if they don’t have organized competitions (player vs. player; team vs. team), a clear win condition or an active professional scene.

#### Popular Esports Genres & Titles

<table>
<thead>
<tr>
<th>MOBA (Multiplayer Online Battle Arena)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEAGUE OF LEGENDS</td>
</tr>
<tr>
<td>DOTA 2™</td>
</tr>
<tr>
<td>HEROES OF THE STORM</td>
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<table>
<thead>
<tr>
<th>RTS (Real Time Strategy)</th>
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<tbody>
<tr>
<td>STAR CRAFT</td>
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<tr>
<td>WARCRAFT REDEMPTION</td>
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<td>STAR CRAFT REMASTERED</td>
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<table>
<thead>
<tr>
<th>Card Games</th>
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<tbody>
<tr>
<td>HEARTHSTONE</td>
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<tr>
<td>GWENT THE WITCHER CARD GAME</td>
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<tr>
<td>MAGIC: THE GATHERING ONLINE</td>
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<table>
<thead>
<tr>
<th>Shooters &amp; Battle Royale</th>
</tr>
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<tbody>
<tr>
<td>COUNTER STRIKE GLOBAL OFFENSIVE</td>
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<tr>
<td>APEX LEGENDS</td>
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<tr>
<td>FORTNITE</td>
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<table>
<thead>
<tr>
<th>Sports</th>
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<tbody>
<tr>
<td>ROCKET LEAGUE</td>
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<tr>
<td>FIFA 19</td>
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<tr>
<td>MADDEN NFL 19</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Fighting</th>
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<tbody>
<tr>
<td>SUPER SMASH BROS ULTIMATE</td>
</tr>
<tr>
<td>INJUSTICE 2</td>
</tr>
<tr>
<td>TEKKEN 7</td>
</tr>
</tbody>
</table>

#### Games That Are Not Esports

- Candy Crush Saga
- Pokémon GO
- Marvel Spider-Man
The Global Esports Audience Is Soon Expected To Grow To Over Half A Billion People

In the US, **23%** of esports fans started following the sport between 2017 and 2018.

As a scale comparison, there are **139MM** global **Netflix** subscribers and **447MM** global subscriptions to any online video service.

Increasing Esports Audiences Has Led To Double-Digit Annual Growth In Global Revenues

As a recent comparison, 2017 esports revenues were a close equivalent to the UFC globally in 2017.

Esports Global Revenue Is Driven by Sponsorship & Advertising

Sponsorship, Advertising and Media Rights Revenues Are Projected To Reach $1.5 Billion By 2022, a 67% increase vs. 2019

North America alone will generate $409MM of total global revenues in 2019

Source: NewZoo 2019 Global Esports Market Report, excludes revenues from betting, fantasy leagues and similar cash payouts, as well as revenues generated within games.
Why Should Marketers Invest in Esports?
America’s ‘Most Elusive Demographic’ Is Found In Esports

Millennial Males

Esports deliver a millennial male-skewing fan base with a deep ‘scale of attention.’ This hard-to-reach audience is passionate and highly-engaged with their favorite teams, players, games and leagues across digital & TV platforms.

Most fans are multi-dimensional with a variety of interests well beyond esports and video games. Most importantly, they have a positive attitude towards advertising and are very willing to sample products from sponsors.
Esports Delivers Passionate, Highly Engaged, Hard-To-Reach Audiences Who Have A Variety Of Interests

“The esports community is varied and evolving, ranging across audiences of working professionals, parents and more”
- Mark Potts, Head of Insights at Mindshare NA

- 65% of esports fans are millennials with an average age of 26
- 62% Male
- 58% of fans 25+ live with kids in their households
- 43% have an annual HHI of $75K+
- 30% more likely to be multicultural
- 87+ colleges in the US now have collegiate esports programs

Esports platforms - such as Twitch, Bandai Namco & Activision Blizzard - offer some of the highest engagement among millennial males from a “time spent” perspective

- Twitch M18-34 visitors spend an average of 426 minutes per month on the platform; higher than Snapchat, Instagram or Twitter

Beyond esports and video games, fans are also highly interested in TV shows, music, movies and traditional sports
Esports Is Mainstream With Cross-Platform Video Programming & Distribution, Including TV...

...And It Has Recently Begun Attracting A Wave of New Advertisers Well Beyond Endemic Categories

Esports has evolved from a digital-only platform and now offers cross-screen programming and advertising opportunities especially on TV where it has experienced major growth recently

- **11+ TV networks** now air esports Leagues and Tournaments
- **230+ telecasts** of esports programming on linear TV aired in ’17-‘18
- **300+ hours** of esports programming aired on linear TV in ’17-‘18, up 46% vs prior season
- Median age of the esports TV viewer is **32** with a **63% male** skew

The explosion of growth in viewership and additional access points for content has led to many non-endemic categories and brands “getting in the esports game” and engaging with the elusive, millennial male audience

- Over 90 major categories are now esports advertisers within industries as varied as [Financial, Insurance, Automotive, Restaurants, Telecommunications]

- This includes hundreds of non-endemic advertisers such as: Casper, Chase, Geico, Kraken Rum, Match.com, P&G, Red Robin, Samsung, Toyota, Verizon & Universal Pictures

Esports Fans Not Only Have A Positive Attitude Towards Advertising But, Most Importantly, They Take Action

41%
Believe that sponsors are critical to the success of esports

63%
Definitely try products shown during esports games

Advertising in esports drives consumer action across every level of the purchase funnel

- **Awareness**: 43% (172 Index)* Notice brands used in games & events
- **Consideration**: 30% (253 Index)* Believe a product is better if their favorite player/team supports it
- **Intent**: 35% (236 Index)* Are more willing to try a new brand if it sponsors their favorite team
- **Purchase**: 29% (288 Index)* Will buy the same brand if used by their favorite team
- **Loyalty / Advocacy**: 31% (263 Index)* Support their favorite team’s sponsors, no matter what

Source: Simmons, Justifying Brand Investments in Esports, December 2018. Index is against traditional sports fans; Research Now, Esports Gaming. Question: How strongly do you AGREE (strongly agree / agree somewhat) with each of these statements about Esports? Nielsen, The Esports Playbook 2017

*Index vs. Traditional Sports Fan
Who Is The Esports Fan?
“The esports community is varied and evolving, ranging across audiences of working professionals, parents, and more”

Mark Potts
Head of Insights, Mindshare NA
Three Levels of Esports Fandom

<table>
<thead>
<tr>
<th>Engaged Viewer</th>
<th>Gaming Enthusiast</th>
<th>Esports Fanatic</th>
</tr>
</thead>
<tbody>
<tr>
<td>The engaged viewer is the largest segment comprising <strong>56%</strong> of esports fans. These multi-dimensional viewers are passionate about esports, but have a variety of outside interests as well. They were exposed to esports through TV or online streams and they follow their favorite teams/players.</td>
<td>Gaming and watching esports are a hobby of the enthusiast and they directly engage with professional content more than once a month. They are up to date with the latest happenings in the industry and support their favorite teams/players.</td>
<td>Esports and gaming are their biggest hobbies and passion pillars. They watch and support their favorite teams when they play in leagues or tournaments, online or in person.</td>
</tr>
</tbody>
</table>

Source: "engaged viewer" reflects % of casual /occasional viewer based on NewZoo 2019 Global Esports Market Report.
Esports Delivers Hard-To-Reach Demographics: Millennials, Males, HHs with Kids, Affluent & Multicultural

- 65% are millennials, with an average age of 26
- 62% are male, however 25% of female fans stream at least weekly
- 58% of esports fans aged 25+ live with kids in their household
- 43% have an annual household income of $75K+.
  (31% have HHI of $90K+)
- 30% More likely to be non-white among esports streamers

Esports Fans Are...

Community Oriented

67% of esports fans have made new friends or acquaintances through games and esports

Competitive

71% of esports fans say that “watching professionals play makes me a better player”

Invested in Fandom

60% of esports fans are willing to travel to see their favorite games, tournaments and players

Gamers At Heart

8.2 Hours spent playing video games weekly

Source: Mindshare, Game On: What Marketers Should Know About Esports Fans; Nielsen Esports Playbook
Fans Engage With Esports To Improve Their Own Gaming Skillsets Among Other Reasons

Reasons Fans Engage With Esports

- To become a better gamer: 53%
- Learn tips and tricks from the pros: 51%
- Experience the entertainment aspects: 51%
- Experience gamers/gaming in a new way: 48%
- To see the best gamers: 45%
- Experience the competition aspects: 30%

Source: Nielsen, The Esports Playbook 2017
Esports Fans Engage With A Lot More Video Content Beyond Esports

Hours Spent Per Week Among Esports Fans

- Playing Video Games: 8.2 Hrs
- Watching Internet Videos (can include TV content): 4.5 Hrs
- Watching Streaming Content (can include TV content): 3.5 Hrs
- Watch TV on a TV Screen: 4.3 Hrs

Source: Nielsen, The Esports Playbook 2017. Esports activity - related to pro competitive gaming, such as watching, attending, following, competing etc.
Fans Also Have A Variety Of Interests Beyond Esports

Interest In Leisure Activities & Content Types
(0-100 Rating Scale)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Video Games</td>
<td>83</td>
</tr>
<tr>
<td>Music</td>
<td>74</td>
</tr>
<tr>
<td>Movies</td>
<td>71</td>
</tr>
<tr>
<td>Esports</td>
<td>64</td>
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<tr>
<td>Sports</td>
<td>57</td>
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<tr>
<td>Live Music</td>
<td>49</td>
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<tr>
<td>Reading Books</td>
<td>46</td>
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<tr>
<td>Podcasts</td>
<td>37</td>
</tr>
<tr>
<td>Award Shows</td>
<td>29</td>
</tr>
</tbody>
</table>

Source: Nielsen, The Esports Playbook 2017 (Television not included as a selection).
Esports Fans Are Also Fans of Traditional Sports

Interest In Traditional Sports Among Esports Fans

- Football: 66%
- Basketball: 57%
- Baseball: 47%
- Soccer: 39%
- Boxing: 39%

Source: Nielsen, The Esports Playbook 2017
Simplified Esports Ecosystem

Teams & Players

Games

Leagues

Events

Distributors

Through

Viewed On

Play

In

Examples

Devices

Overwatch

Counter-Strike

Overwatch

League

Twitch

VIDEO ADVERTISING BUREAU
Teams compete in Esports leagues and tournaments.

Some global organizations, like Team Liquid & Evil Geniuses, field teams across multiple game titles.

Some teams are organized by geography (North America, Europe, Asia, etc.), while the emergence of the Overwatch League has popularized city-based teams which align with traditional sports locations (New York Excelsior, Boston Uprising, London Spitfire).

Note: Above reflects only a sampling of teams.
# Esports Teams Are Big Business

Twelve of the top Esports teams are collectively valued at over $1.7 Billion

<table>
<thead>
<tr>
<th>Team</th>
<th>Value ($ in Millions)</th>
<th># of Teams</th>
<th># of Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud9</td>
<td>$310</td>
<td>11</td>
<td>92</td>
</tr>
<tr>
<td>Team Solo Mid</td>
<td>$250</td>
<td>7</td>
<td>39</td>
</tr>
<tr>
<td>Team Liquid</td>
<td>$200</td>
<td>14</td>
<td>65</td>
</tr>
<tr>
<td>Echo Fox</td>
<td>$150</td>
<td>8</td>
<td>23</td>
</tr>
<tr>
<td>OpTic Gaming</td>
<td>$130</td>
<td>6</td>
<td>52</td>
</tr>
<tr>
<td>Fnatic</td>
<td>$120</td>
<td>11</td>
<td>45</td>
</tr>
<tr>
<td>Gen G Esports</td>
<td>$110</td>
<td>11</td>
<td>50</td>
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<tr>
<td>G2 Esports</td>
<td>$105</td>
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<tr>
<td>Immortals</td>
<td>$100</td>
<td>7</td>
<td>22</td>
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<td>Envy Gaming</td>
<td>$95</td>
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<tr>
<td>100 Thieves</td>
<td>$90</td>
<td>7</td>
<td>33</td>
</tr>
<tr>
<td>Counter Logic Gaming</td>
<td>$50</td>
<td>7</td>
<td>45</td>
</tr>
</tbody>
</table>

Source: Forbes, “The World’s Most Valuable Esports Companies”
Players

Just like traditional sports, some esports players stand out more than others and achieve a level of notoriety due to their talents.

Viewers can watch players in leagues and tournaments as well as through the players’ live-streams.

Popular players can be from single-player games (Scarlett, Ninja) or standouts from multiplayer teams (UNiVeRse, Faker, Vilga).

The top esports players earn millions of dollars annually.

$18.4 Million Earned Among Top 5 Esports Players

Source: EsportsEarnings.com, cume of top 5 earning players; Note: Above reflects only a sampling of players
Publishers have been developing games since the onset of computers and arcades several decades ago.

Many publishers have created multiple esports games and are tailoring the development of new games to the potential of creating a popular esports title.

Publishers are investing heavily into the community to grow esports, for instance, in 2018 Epic Games announced a $100 Million prize pool for the first competitive year of Fortnite.

Note: Above reflects only a sampling of publishers.
There is a huge variety of titles that have competitive esports scenes.

Most major genres of games have multiple esports titles for players to compete in. Many of these titles appeal to casual fans but involve a deep skillset for professional players to hone their craft in competitions.

Some of the most popular game genres are **MOBA** (Multiplayer Online Battle Arena), **Shooters & Battle Royale** and **Sports**.

Note: Above reflects only a sampling of games.
Leagues

Leagues feature players and teams competing in different season-long formats (similar to traditional sports like MLB, NFL, etc.) to determine a winner.

These leagues hold match-ups throughout the season with many featuring a marquee tournament to crown a champion at seasons’ end.

Some leagues are single-game focused, others align with professional sports leagues while others are collegiate-based.
As a major fan engagement opportunity, events feature the best players or teams competing against each other in tournaments to crown a champion.

Events are made for both in-venue spectators and viewers, with most offering video and streaming distribution through various media platforms.

Engagement is high with 60% of esports fans saying they are willing to travel to see their favorite games, tournaments and players.

Source: Mindshare, Game On: What Marketers Should Know About Esports Fans; Nielsen Esports Playbook; Esports Marketing Blog, Intel Extreme Masters, 2017; Valve
Major Events Garner Millions Of Viewers

Esports event viewership has seen double-digit growth and the 2017 IEM Masters drew an unprecedented 46 million viewers across the event.

Increased viewership has also strengthened the Prize Pools available for tournaments. The International 2018 pool was over $25 Million with the top team (OG) sharing $11 Million between the five players. The majority of TI8’s prize pool was crowd-funded through in-game purchases.

Global Event Viewership

- IEM Masters 2017: 46 million
- LoL Worlds 2016: 43 million
- LoL World 2015: 36 million
- IEM Masters 2016: 34 million
- LoL Worlds 2013: 32 million
- ESL One Cologne: 27 million
- LoL Worlds 2014: 27 million
- Dreamhack Cluj 2015: 25 million
- ESL One NY 2016: 20 million
- The International 2014: 20 million

Esports Winnings

- 2010: $3
- 2011: $8
- 2012: $11
- 2013: $17
- 2014: $35
- 2015: $75
- 2016: $96
- 2017: $121

Source: Mindshare, Game On: What Marketers Should Know About Esports Fans; Nielsen Esports Playbook; Esports Marketing Blog, Intel Extreme Masters, 2017; Valve; Statista 2018. Annual Esports Prize Money
Adapted venues range from traditional sports venues like Madison Square Garden to convention centers around the world. These venues allow events to be held in any major city without long term infrastructure investment into esports.

Esports specific venues provide fans with a more intimate and engaging experience. The development of these venues have accelerated with numerous announcements in 2018 of multi-million dollar venues being built specifically for esports competitions.
Media Distributors produce and distribute the video streams of esports leagues and events to the public. There are a few ways to watch esports content: **Online Platforms**, Multiscreen TV and direct in-game spectating.

Traditionally, online platforms have been the main distributors of esports content but, over the last five years, television programmers have been distributing esports over multiscreen TV channels as well.

Some games also have direct in-game spectating options for leagues and tournaments.
There are three main categories of devices for playing & watching esports: **TV & Connected Devices**, **Computers**, and **Mobile Devices**.

Esports fans can watch from virtually anywhere and in any setting, from the TV in their living room to streaming through their smartphone.

### TVs & Connected Devices
- **Streaming Devices** (Fire TV Stick, Chromecast, Apple TV)
- **Game Consoles**
- **Smart TVs**
- **Set Top Boxes**

### Computers
- **Laptops**
- **Desktops**
- **Virtual Reality Headsets**

### Mobile Devices
- **Smartphones**
- **Tablets**
Online Communities

Online communities help to read the pulse of the esports community and allow discussion around individual games and the professional scene - including players, teams and influencers.

Reddit is the largest aggregator of gaming and esports communities, organized into game specific subreddits (/r/Overwatch, /r/Dota2, etc.).

Twitter hosts discussions based around players and personalities in each community.

Source: Reddit.com & Twitter.com as of 11/2/18
Influencers are making a big splash in esports. Whether they are a professional gamer, esports caster or Twitch streamer, influencers are found in many aspects of esports communities and marketing.

**Forbes**

*Esports Is The Next Biggest Frontier In Influencer Marketing*

The biggest esports influencer today is **Ninja**, a professional gamer who emerged as a household name after streaming with celebrities, making viral highlight videos and hosting game-specific events.

Ninja was the first esports athlete/influencer to be on the cover of ESPN the Magazine. Not only is he a household name, but he also outpaced Cristiano Ronaldo in social interactions.

One infamous stream featured rappers **Drake** and **Travis Scott**, along with Steelers WR **JuJu Smith-Schuster**, which broke Twitch viewership records for a non-tournament stream with 630,000 average concurrent viewers for the duration.
The ‘Mainstreaming’ Of Esports
Esports News Is Covered On Established Platforms And Within Emerging Publications That Specifically Target Esports Fans

**Established Platforms**

Esports are being covered by mainstream publications and established sports media, bringing esports to general audiences.

ESPN has a dedicated section just for esports

**Emerging Publications**

Esports has also led to the creation of a whole new segment with esports-specialized media platforms.
Not only is esports permeating media and culture, colleges are also leaning into the draw & allure of the sport.

Many colleges are creating varsity esports teams and providing scholarships.

Collegiate esports leagues & tournaments provide student athletes with prize pools and professional exposure.

Over 87 colleges in the U.S. have a varsity esports program

Source: ESPN, sample list of varsity esports programs, spans North America
Traditional Sports Organizations And Owners Along With Celebrities And Corporate Entities Are Investing Heavily In Esports
Growth In Multiscreen Engagement
## Reach & Engagement Within The Online Gaming Category

Increased By Double-Digits YoY, Driven By Millennial Males

<table>
<thead>
<tr>
<th>Monthly Reach</th>
<th>Average Minutes Per Visitor</th>
<th>Total Time Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Audience (000) - September</strong></td>
<td><strong>Total Audience September</strong></td>
<td><strong>Total Audience Aggregated Minutes (MM) - September</strong></td>
</tr>
<tr>
<td>2018: 116,164</td>
<td>2018: 155</td>
<td>2018: 18,003</td>
</tr>
</tbody>
</table>

**Sept 2018 Stats:**
- Male Comp %: 59%
- **M18-34 Index:** 204
- Average Minutes / Male Visitor: 187
- Average Minutes / M18-34 Visitor: 235

- Male % of Total Time Spent: 71%
- **M18-34 Index:** 248

**M18-34 Index examples:**
- Monthly Reach - M18-34 reach composition for the online gaming category is 104% higher than the online population.
- Total Time Spent - the % of total time spent with the online gaming category by M18-34 is 148% higher than the % of time spent vs. total internet.

Source: comScore MediaMetrix Key Measures, Multiplatform, Total Audience (desktop P2+; mobile P18+), September 2017 & 2018, U.S. only. Category: Gaming Information (includes platforms like Twitch, IGN, Curse, Take Two Interactive, Microsoft Games, Blizzard Entertainment, etc.)
Among Millennial Males, Gaming Has Some Of The Highest Engagement Across Targeted Digital Platforms

M18-34 Average Minutes Per Visitor
September 2018

Gaming Website  Non-Gaming Website

Twitch.TV  426
Snapchat  414
Instagram  413
Square Enix  265
Bandai Namco  221
Take 2 Interactive  116
Reddit  93
Blizzard  84
Twitter  69
Ubisoft  49
Craigslist  36
Bleacher Report  33
LinkedIn  23
Barstool Sports  19
Yelp  13
Vice  9
Deadspin  4
Uproxx  2

Source: VAB analysis of comScore MediaMetrix Key Measures multiplatform (desktop + mobile) data, September 2018, U.S. only. Males 18-34, Average Minutes Per Visitor. comScore MediaMetrix data includes all visitor activity except for mobile video. Excludes streaming music websites.
Esports Fans Consume More Linear TV Overall Than Multi-Screen Esports Content

4.3 Hours
spent watching TV weekly among the average esports fan

2.4 Hours
spent with esports weekly among the average esports fan

Source: Nielsen, The Esports Playbook 2017. esports activity = related to pro competitive gaming, such as watching, attending, following, competing etc.
Because of fans’ video consumption habits, esports leagues and tournaments now air on a diverse set of TV networks.

The # of Esports TV Programming Hours Grew By Almost 50% YoY In 2018

308 Hours of esports programming aired on linear TV in ‘17-‘18 season

+46% vs. prior season

231 Telecasts of esports programming on linear TV in ‘17-‘18 season

23.8 Million cume hours viewed of esports TV programming in ‘17-‘18 season

Median Age of the Esports TV Viewer Is 32...

...With A 63% Male Skew

Esports TV Programming Has Seen A Double-Digit Increase In Reach Against Young Millennials Over The Last Year

+33% YoY Lift in Reach With P18-24 (+30% for M18-24)

1.7 Million Hours Cume viewership of esports TV programming by P18-24

+20% Increase YoY (+26% for M18-24)

In Fact, Nearly All Key Demos Have Seen A Double-Digit Increase In Reach Through Esports TV Programming

Demographic Reach On Esports TV Programming

Source: Nielsen NPower Reach & Frequency Report, Live+7, Broadcast Year '16-'17 vs. '17-'18; Nielsen NPower PowerPlay Report, Broadcast Year '16-'17 vs. '17-'18. Reflects U.S. data.
Esports Advertising & Opportunities
A Majority Of Esports Fans Have A Positive Attitude Towards Advertising And Product Sampling

58% of esports fans have positive attitudes towards brand involvement in esports

63% of esports fans definitely try products shown during esports games

Source: Research Now, Esports Gaming, Question: How strongly do you AGREE (strongly agree / agree somewhat) with each of these statements about Esports? Nielsen, The Esports Playbook 2017
Furthermore, Team & Player Sponsorships Touch Esports Fans Throughout The Marketing Funnel, From Awareness To Advocacy

41% Think that sponsors are critical to the success of esports
(134 index vs. traditional sports fan)

- Awareness: Notice brands that teams and athletes use/wear during games/events (172 index)
- Consideration: Believe that a product is better if their favorite team/athlete supports it (253 index)
- Intent: Are more willing to try a new brand if it sponsors the team they follow (236 index)
- Purchase: Will try to buy the same brand if used by their favorite team/athlete (288 index)
- Advocacy: Say loyalty to their favorite teams means they support their sponsors, no matter what (263 index)

Source: Simmons, Justifying Brand Investments in Esports, December 2018. Index is against traditional sports fans
What Do Esports Fans Want From Advertisers & Sponsors?

- 42% said they’d like them to give away free stuff (ex: tournament tickets, computer hardware, t-shirts and hats)
- 41% said that they’d like them to demo new games and maps
- 34% said that they’d like them to provide customized in-game experiences/items
- 32% said that they’d like them to provide access to exclusive tips and tricks on gameplay from esports athletes
- 30% said that they’d like them to help meet their favorite teams and athletes
From an advertising and sponsorship perspective, esports was originally built on endemic gamer brands, mainly in the computer hardware & software categories.

Most of the brands continue to have heavy exposure throughout the ecosystem.
With Its Multiscreen TV Presence, Esports Advertising Has Now Grown Well Beyond Endemic Brands And Into Numerous Non-Endemic Categories

The # of TV advertisers within esports programming increased by 13% from 2017 vs. 2018

Source: Nielsen AdIntel, 2017-18, esports programming selection. # of TV advertiser % based on 1Q-3Q '17 vs. 1Q-3A '18
There Are Several Main Types Of Sponsorships, Many Of Which Are Structured Like Traditional Sports Sponsorships With Media As A Part Of An Overall Package.
America’s ‘Most Elusive Demographic’ Is Found In Esports

Reach an passionate, desirable, elusive but receptive audience

Interact with engaged fans to lift your brand

Align with a fast-growing, dynamic new sport across platforms and programming