**NPAW**
NICEPEOPLEATWORK

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# eSPORTS
## GETTING FAMILIARIZED WITH A NEW GENRE OF VIDEO CONSUMPTION

Video games have been growing up strong lately and with them, a new way of consuming online video content has appeared. This paper will review the state of the art of the eSports field and present video providers with some highlights in order to provide engaging experiences to their users.

# INTRODUCTION

Today's topic are eSports, and it is not only about this paper but the current situation of live video streaming.

eSports is the term created to refer the competitive field of video games. It does not enclose those games which have competitive features, but those that have developed professional leagues and the whole ecosystem surrounding them. As it happens with traditional sports, they have evolved into more than just a game, consisting of pre-game strategies and training, meticulous and devoted analysis of the matches and post-game, commentaries and expectations from an eager audience.

The coverage and broadcasting of eSports indeed borrows a lot from those traditional sports, though this time the service is delivered online mostly as live streaming or VOD content (being Twitch and Youtube the main platforms for each of these). The ease of usage and access is key for consumers. The apparition of Twitch in 2011 removed every possible barrier and open the path for an unthinkable wave of growth that is yet far from stopping.

Around the eSports there is a solid and large value chain consisting of championships, professionals of the field, mass events, advertising, sponsorships... The rise of the eSports has made of streaming not only a video-only world but a true media experience mediated by computers and technology. It borrows from traditional TV but maintains the freedom and availability that users appreciate from the internet.

eSports are not only a new way of using the information technology, but a whole new genre of entertainment on its own that video providers cannot ignore anymore. Thus, this white paper will create a big picture of the current state of this media and its two main actors: technology and audiences, focusing on the later to pinpoint which things do providers of this service need to be accountable for in order to create proper engagement experiences.

# eSPORTS INDUSTRY:
# GROWTH AND MATURITY

First of all, it is mandatory to understand how have eSports come so far. It is not a sudden thing and. Even though it may seem quite novel, it goes back to 2002 FIFA World Cup, based in South Korea, when many brands such as Hugo Boss used Star Craft's team as their representatives for advertisement, instead of the football team itself.

This is nevertheless, a specific case, as South Kore is mother of the eSports culture. It takes until 2014 here in the West, when audiences for LoL and Dota 2 championships overtook major traditional sport events. In fact, Twitch delivered that year more concurrent streams than the then recent Sochi Winter Olympics, and so, Amazon bought it for 1.1 billion dollars.

From that moment on, eSports has ben growing to a massive business, attracting huge prizes and vast audiences. LoL World Championship 2017 registered in Twitch 49.5million hours watching and 5.5 million dollars in ticket revenues. That same year, the franchising system was adapted for the eSports world and so, the team culture and sense of fellowship through became even stronger as the field was stablishing and defining its terms.

This skyrocketed growth continued until today. Let's take look at Spain's current situation. It has the most developed European league and has become a worldwide reference. Now even large content delivery networks such as Akamai or the biggest mobile phone operators (Movistar, Vodafone and Orange) are trying to get a piece of the 14,5 million euros cake, made of 5,5 enthusiast spectators.

It is not just a Spanish thing though, nothing to do with their "duende". Newzoo's report in 2017 registered 143 million spectators worldwide and a 655 million revenue (moderate though comparing with the 100.000 million the whole video game industry made). The report expected a year-on-year growth of +15.2% and around 250 million spectators in 2021.

By now, leagues and teams have already made it into many universities as any other sport. Non video game related media are starting to offer information and programming surrounding eSports. Many records have been broken by this new way of entertainment, such as concurrent viewers and
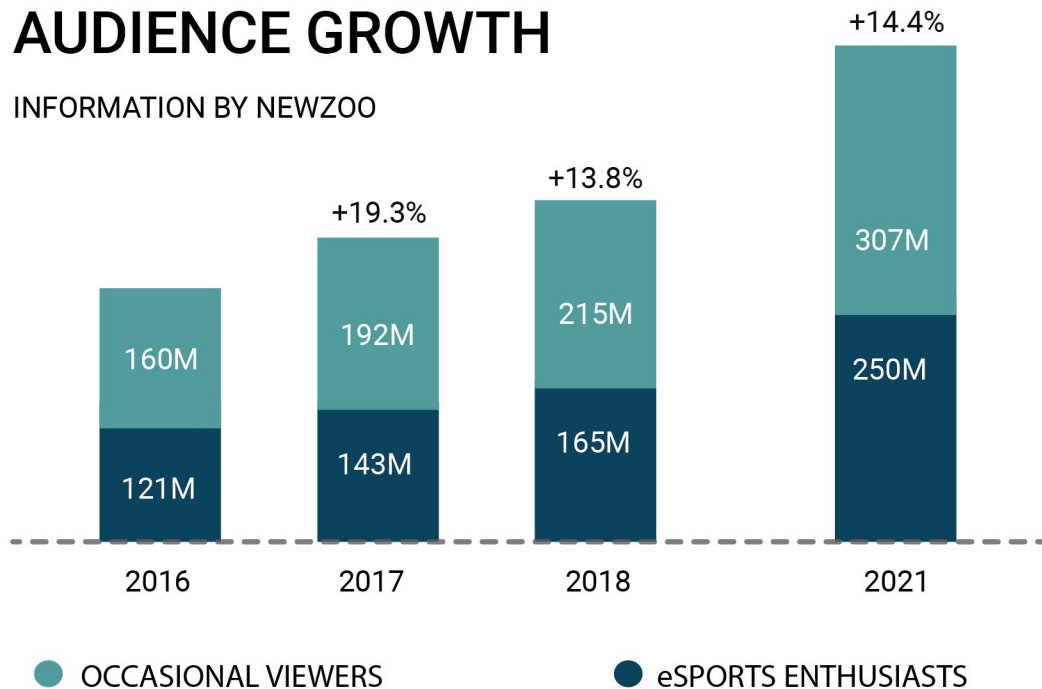
player records. eSports streaming is getting close to television viewing levels.

Fair warning though, it is far from being a fully developed industry. Teams expect 5 to 10 years to fully mature as a business, while brands and agencies say that it will take around 3 to 5 years for it to be fully professionalized. There are lots of things to say, but we are still surfing muddy waters. Things are evolving really fast and it is difficult for video providers to suddenly understand a completely new form of media and video consuming. Fear not, as the purpose of this paper is to come clear with the main actors of this service and so, provide a clear understanding and the ability to make smart business decisions.

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## GLOBAL eSPORTS AUDIENCE GROWTH

INFORMATION BY NEWZOO



| | 2016 | 2017 | 2018 | 2021 |
|---|---|---|---|---|
| | | +19.3% | +13.8% | +14.4% |
| OCCASIONAL VIEWERS | 160M | 192M | 215M | 307M |
| eSPORTS ENTHUSIASTS | 121M | 143M | 165M | 250M |

● OCCASIONAL VIEWERS          ● eSPORTS ENTHUSIASTS

# THE MAIN ACTORS

## TECHNOLOGY

Things started to become serious when the IPTV protocol was born. It spurred the growth of the media and its viewership. From that moment on, some movements were intended to be done in the streamer's direction: being video games an easily linked activity with gaming consoles and computers, some OTT and STB (such as Roku, Apple TV, Chromecast and so on and so forth) tried to add streaming features to regain a bit of their lost presence. Nonetheless, the point most providers mark as necessary for the proper growth of the service is a necessary improvement on the infrastructures themselves, especially to ensure a better bandwidth. It is a must for the audience to be able to access the content in such conditions that make it enjoyable, and it is comprehensible though the challenges imposed by it are tremendous. The truth though is that countries with better bandwidth are highly correlated with those more developed in the eSports field (South Korea, Scandinavia and the South-East of Asia). That is the reason why providers are fighting for the development of a technology yet to support fully the needs of this field using bandwidth and net neutrality as their flag in the support of consumers.

## AUDIENCE

It is them who sustain this huge ecosystem, but yet those who are the furthest from being understood. For example, many times the audience of eSports are simplified as a "bunch of gamers fan of a certain game". According to "El libro blanco del videojuego en España 2018", 40% of eSports spectators are not players of such game. As any other traditional sport, the demographics and motivations that move audiences are more varied than that. In fact, eSports fans have been investigated for a while now and presented as more racially diverse and inclusive in regards with disabilities than usual, creating an environment for experimentation, social enquiry a cultural analysis. Also, AEVI did a study in which analyzed more than 400.000 social media messages from around 140.000 different users in regards to eSports and they found out that 98% had been categorized as demonstrating positive attitudes, which suppose a striking contrast when compared to usual internet dynamics.

However, who are they? Why do they choose this media and what does it bring up to the table for them? Four main personas have been defined to roughly describe them:

### INSPIRED

Eager to play and attempt new strategies learned while watching. Watching eSports acts as a catalyst for playing the game.

### PUPIL

Likes the opportunity to learn and gain understanding of the game itself. The interest is born of the information and knowledge contained.

### ENTERTAINED

Only interested in the eSport as a spectacle or a competition for the sake of excitement.

### CROWD

They locw strong the communal bounds that come with the eSports community. The pleasure comes from the group.

These categorizations can help video providers group their audiences, but it is not enough, just a mere approximation that grants no visibility or understanding of their motivations and experience flow. All of these personas have in common the entertainment coming from information asymmetry and this for example can be partially designed by the broadcaster using game analytics that adapt to the corresponding audience. The only way to grant results though would be using tools that bring to the table detailed and real-time analytics and metrics that create meaning for their specific audience and equals transparency for the decision-making process. That is where this paper can bring a bit of visibility. The following sections will dig deep into audiences, their motivations and experience, in order to help video providers, smooth their way into this field and eventually be able to use such tools efficiently.

# REASONS FOR WATCHING

According to the anthropologist John Huizinga, spectators of a game can be understood as active participants. In the voyeurism of spectating lays a vicarious experience deeply rooted that can be dug up and bring us back to gladiatorial games. It is the same with eSports, where many prefer watching professional players play rather than doing so themselves, as there is joy in the act of watching itself, the entertainment mentioned before.

There are nonetheless differences between spectators, underlying motivations: why eSports? Why that specific game? What does it mean to the spectator? According to Cheung and Huang (2011), the eSport consumption motivations fairly correspond to those found in traditional sports. Weiss and Schiele in 2013 gave a more delineated answer, mentioning the excitement of competition, the challenge and escapism from the real world. The paper "What is eSports and why do people watch it?" performed a more detailed investigation using procedures defined for the same sake but in traditional sports. The reasons found there were quite similar: escaping everyday life, acquiring knowledge, novelty and enjoyment of aggression (being this the action of the game). Admiring the skills of the player also had a small positive association but not as remarkable.

## HOW IS THIS RELEVANT FOR VIDEO PROVIDERS?

The reasons for watching can be translated as what brings audiences to the content and makes them stick to it. For that reason, the escapism and enjoyment of aggression can be equivalent in traditional live broadcasting of sports, in which there is a general pattern of consumption for a match that can be suddenly interrupted by high variations in traffic for unpredictable reasons of the specific match, such as a team dominating the event or on the contrary, a tight challenge that prolongs overtime. Drama creates turbulences in traffic but does not dictate watching habits. Rivalries are relevant, take into account who are the players and estimate their influences.

This also creates a big picture of the current state of eSports. The acquirement of knowledge has been found to be relevant while the appreciation of aesthetics of the game not. Nowadays, the greatest eSports are highly based on skills but those rely on strategies and complex game designs that require

concentration for watching and a deep understanding of the game. On the one hand that creates a blank, a possibility of growth for games that based their competitions mainly in the aesthetics such as ice skating or gymnastics would and the conundrum of how would these be consumed. On the other hand, due to the big role that learning plays in eSports and the inherent interactivity that eSports broadcasting has, information management will play a bigrol into building and developing a specific and fulfilling experience for the audience.

Having all of these in mind, it has to be warned though that there is a lot to be understood yet. For example, all of these investigations did not contemplate once any possible utilitarian motivations such as deciding to purchase a game or gaming-gambling. eSports are not pure hedonic experiences. Also, motivations and consumption may change depending on the platform, as Twitch and Youtube have distinct cultures and features that make every service unique and have not been field of investigation yet.

# INFORMATION MANAGEMENT

The delivery chain in eSports works a bit differently as many times, content is not only compressed and downloaded but reassembled in the viewer's device to create an interactive view to enable camera movement, rewind, interaction with surroundings. Still, layers of information remain hidden to the viewer, as every movement and decision is captured by the game itself.

Tracking data contains lots of information that can be useful for mainstream audiences trying to understand why such a play was relevant or specialized users who would rather know exactly the numbers and statistics behind the strategies. These game analytics can improve the live broadcast compilations of the events and eventually help audiences grow rapidly. With a proper UX/UI design, the video player can display game states effectively and be used as a narrative tool. It is about translating live game data into a format that mainstream users can understand. Build a story on infographics and augmented views, as for example the hawk-eye vision is a resource for a better understanding and dramatic tool in tennis broadcasting.

Game analytics in broadcasting are a working on field. The university of York developed a tool that, embedded into video broadcasting allowed the video player to manipulate the flow of this information. User's qualified it as very important for their experience (81%) or moderately important (16%) mostly. None of them considered it as "not important at all".

The great response was reasoned many ways. Some spectators said that they couldn't keep track of everything that was happening on their own and said information was helpful to understand what was exactly going on. Others considered that it brought up to the table an interesting overview of the game and that it could even help them on guessing what was going to happen then. As a video provider, it becomes necessary to know your audience and their needs. Imagine a sudden team fight changes the flow of the game and it becomes an instant deathmatch. Lots of concurrent plays start to happen as new spectators appear: what do they need to know? How can you help retain those views? Gaining visibility and a full understanding of your users is necessary to use these tools effectively and, in the end, try to create an ultimately customized experience end-to-end that ties to each of your specific spectators.

# THE WEB COMMUNITY

The social side of gaming is important
to them and one of the strongest motivators
to engage in gaming.

JUECHEMS ET AL. (2012)

In regards to eSports, we are talking about a web-specific genre of entertainment not available from traditional broadcasting. It means that the following of fans grows and evolves as a web community. Investigations classify the relationships inside eSports communities as bonding (social ties delivering understanding and emotional support) and bridging (weaker social ties were people inspire each other and feel informed). Juechems et al. (2012) found out these ties fosters online and offline social capital and support. It reshapes the relationships of the users and so, become intrinsic and relevant to them. And these are not passive users. They are active participants of the experience. Bondad-Brown et al. (2012) found out they purposively selected their media content based on personal motivations and previous gratifications.

Different providers compete for their attention, as the eSports communities select and consume critically. They seek information constantly and try to follow events closely and all-together. These web communities are constantly creating and consuming content by and for the community, to feel part of that something. eSports broadcastings have indeed always a feature chat were lots of things happen and social media becomes extremely relevant, as these are online based users. For example, the game analytics tools mentioned before were found out to engage audience commentaries and reactions on chat. Video providers can and must take actions to specifically get the big picture and understand how do eSports communities dictate viewing habits and how to influence specific viewers and audiences to catalyze engagement.

# CONCLUSION

eSports are certainly growing. However, there is sense of inflated optimism that video providers should be careful with. There is a lot to learn about this new form of video consumption. What about mobile eSports? In 2017 mobile games were stated as the biggest gaming segment, and though here in the West the forecasts point to PC-based eSports dominating the field, in Asia mobile-based games are growing strong, with their easy screen mobility and attracting a more casual audience. It is still a growing industry being stablished step by step, giant steps though. This wave of consolidation will continue and spread to Latin America, Middle East, Africa, Southeast Asia and almost everywhere as IT infrastructures and urbanizations improve and escalate.

Staying up to date with the technological evolution is a must in order to deliver satisfactory experiences to their users. The highlight here are the users. That is the focus providers need to work on to build not only a satisfactory experience but on point for the audience, conscious of their needs and offering commodities and usability that keeps them coming.

There are different reasons to actively choose eSports, being the two frontrunners the sense of community and the possibility of learning. Video providers need to understand how do these affect their plays, find out what changes in the information flow magnify user engagement, analyze how does the community dictate viewing habits and so on and so forth. Wide sets of analytics and metrics such as the ones provided by USERS in YOUBORA Suite are designed to provide transparency and an in-depth comprehension of the users' journey. Find out correlations, gain knowledge and predict the likelihood your decisions will work well or not. eSports are all about users, and the capability of a provider to better understand them while being able to manage easily millions of data points. By using an analytics tool that allows providers to fully customize the way this information displayed and to pinpoint their own set of metrics to fulfill different goals, the sky is the limit.

It is time to take actions. eSports are not going anywhere, nor are their audiences. Tides are coming strong these days, but there is no reason to be unprepared. Understand the users, make intelligent and information-based decisions and surf the waves.

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# NPAW:

NPAW is a Big Data and Business Intelligence (BI) company helping online media services in making data-driven decisions. NPAW has been in the online video business since 2008, and today we are one of the foremost players on the world stage in this domain.

The company's award-winning solution, YOUBORA, is the most advanced and holistic video analytics BI platform helping top-tier broadcasters, OTTs, telcos, and media companies gain a better understanding of how their audience behaves and how their platform performs across their entire video service (before, during and after the video playback) in real time.

YOUBORA provides descriptive and predictive insights to help customers reduce churn and proactively manage users, increase ad and content efficiency, and overcome operational and technical challenges.

# YOUBORA SUITE:

YOUBORA is the leading business intelligence solution for broadcasters, telcos, OTTs and media companies, which provides an end-to-end view of their online video delivery ecosystem. It facilitates effective business decision making based on real-time data to ensure a superior quality of experience (QoE) for end users.

YOUBORA Analytics provides a holistic and complete package of data collection, metric formation, insight generation and reporting. These capabilities empower our customers in making informed, strategic, business decisions, among many other innovative uses.

Together with our line of Smart Modules (SmartSwitch, SmartTracking, SmartAlerts, SmartReports & SmartAds), YOUBORA offers the most advanced, holistic, and informative platform to assist video distributors in accomplishing their business, operational, and technical goals. The raw metrics provided by YOUBORA turn into insights via the Smart Modules, and then into action items which assist management in expediting problem resolution with actionable data-driving an effective and efficient decision making process.