

The Pandemic Presents an Opportunity for Esports Viewership

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Several popular esports leagues had planned to expand live events in 2020, in hopes of creating a league system similar to that of traditional sports. Blizzard Entertainment's Overwatch League (OWL) prepared to play full-time home and away games before live audiences, and the NBA 2K League built a new venue to house select teams' local markets for the first time.

Their efforts would grow the overall esports fanbase and create more advertising opportunities—or so they thought. As the coronavirus canceled live games and temporarily closed venues, leagues and marketers were forced to rethink their strategies.

Thanks to their structure, leagues were able to pivot easily to online-only gameplay with remote production and speedily resumed their seasons. ESPN partnered with Riot Games to become the official linear platform for the League of Legends Championship Series (LCS) Spring Split Playoffs and held an "Esports Day," for which it ran 12 hours of amateur and professional gaming tournaments on ESPN2.

In the absence of live sports, the media was quick to champion esports as the obvious alternative. However, according to a May survey from

GlobalWebIndex, only 4% of US internet users said they were spending more time on esports.

Which In-Home Activities Have US Internet Users Been Doing Because of the Coronavirus Pandemic?
% of respondents, May 2020

Watching more shows/films on streaming services	44%
Spending more time cooking	41%
Watching more news coverage	39%
Watching more TV on broadcast channels	39%
Watching more videos (e.g., on YouTube)	33%
Spending longer on social media	32%
Spending more time socializing as a family/household	28%
Spending more time on computer/video games	26%
Spending more time on hobbies/pastimes	24%
Listening to more streaming services (e.g., Spotify, Apple Music)	24%
Reading more books/listening to more audiobooks	24%
Spending longer talking on the telephone to others	22%
Spending more time on apps	20%
Spending longer on messaging services	20%
Listening to more podcasts	18%
Listening to more radio	16%
Reading more newspapers	13%
Digital learning platforms for yourself	13%
Reading more magazines	12%
Creating/uploading videos (e.g., on YouTube, TikTok, etc)	10%
Digital learning platforms for child(ren)	7%
Spending more time on esports	4%
None	8%

Note: ages 16-64
Source: GlobalWebIndex, "Coronavirus Research: Multi-Market Research Wave 4," June 2, 2020

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Will heightened publicity during the pandemic be enough to draw larger and more diverse audiences into competitive gaming for years to come?

In the **US Esports 2020 Report**, eMarketer explores US esports ad revenues and viewership in 2020, how the pandemic affected our initial esports estimates and how marketers can leverage potential opportunities.

Here are some key takeaways from the report:

- Publishers and streaming platforms have created more opportunities for advertisers during the pandemic, helping advertisers reach the larger gaming vertical. However, most marketers feel that digital video

advertising and influencer collaborations offer the most promise in the industry.

- While the esports audience is somewhat diverse in race, young male gamers still make up the largest segment. But as popular streamers and teams like Tyler “Ninja” Blevins and FaZe Clan enter mainstream pop culture, more nongamers of different demographics may start to gain interest.
- Esports has not accounted for much of the heightened media usage during lockdown, and survey respondents have expressed a stronger preference for other sports-related activities. However, video game tournaments starring professional athletes and the increased presence of esports on linear TV may help to expand viewership.
- Our US esports ad revenue forecast for 2020 is only \$3 million lower than our pre-pandemic estimate, despite short-term struggles from large advertising slumps. The future of esports remains bright as its US ad revenues are poised to grow 15% to \$225 million in 2021 — \$6 million more than we expected prior to COVID-19.

For more insights on esports ad revenues, eMarketer PRO subscribers can read our recent report:

Report by Blake Droesch Jul 27, 2020

US Esports 2020

**US ESPORTS
2020**

The Pandemic Puts the Spotlight
on a Rising Industry

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