

The European video game market was worth almost \$32 billion in 2020

Article

The news: The European video game market increased 22% year over year (YoY) in 2020, per Gamesindustry.biz. The total revenue for Europe's games industry was £23.3 billion (\$26.57 billion), according to a report by the Interactive Software Federation of Europe and the European Games Developer Federation.

- The report showed growth across several emerging areas, chiefly streaming and social games.

More on this: The gap between mobile and console games is closing. Mobile games made up **40% of total revenues** in 2020, while **console games made up 44%**.

- Games streaming, an emerging space in the market, only **made up about 2% of total revenues** but still saw significant growth. **Streaming revenue grew 16.5%, rising from £341 million (\$388.8 million) to £397 million (\$452.7 million)**. But streaming may make up a larger share of the market going forward, as more major firms like **Netflix** announce plans to launch games streaming services.
- 50% of Europe's population ages 6–64 plays video games. The 11–14, 15–24, and 25–34 age groups—demographics highly sought after by advertisers—have the highest shares of players. 47% of all European players are women, up two percentage points from 2019.
- Overall average time spent with video games increased almost a full hour from **8.6 hours per week in 2019 to 9.5 hours in 2020**, with 76% of respondents saying they play at least 1 hour of games per week regardless of their preferred platform.

The opportunity for marketers: The growth of esports, social games, and games streaming all present opportunities for marketers to reach gaming's younger audiences.

- Player sentiment around games is particularly high, and advertisers that find natural ways to market their products through games can piggyback off of that positive association. **49% of online multiplayer players** said games have “helped me to feel happier” and “helped me to stay connected with friends” in 2020.
- As multiplayer games have grown, so too has the concept of a “metaverse,” in which games are viewed as social playgrounds that can host live events and provide space for brand partnerships. Games like **Fortnite** and **Roblox** have led this push, both recently featuring in-game concerts from stars like **Ariana Grande** and **Lil Nas X**, respectively.
- But opportunities for partnerships go beyond the music industry. On Thursday, **TIME** announced a partnership with Fortnite to create an interactive museum exhibit about the accomplishments of **Dr. Martin Luther King Jr.**, and **Puma** teased a collaboration with **Nintendo's Animal Crossing: New Horizons**.
- Esports present an opportunity for marketers to partner with games in a similar fashion to how they've partnered with legacy sports: by sponsoring teams, equipment, and broadcasts.

The cancellation of in-person events caused esports revenues to decline somewhat, though global revenues are expected to **hit \$1 billion in 2021**. Viewership grew significantly during the pandemic despite the revenue dip, with **38 million new viewers** in 2020.