That's esportainment!

Esports has gone from a blip on the entertainment radar to a multi-billion dollar mainstream industry, complete with dedicated events, tournaments and professional leagues. No wonder the world's media power players are eyeing up the esports market, writes Juliana Koranteng.

MEDIAPRO Group, the international award-winning Spanish film, TV and video-games independent producer, has extended its media-and-entertainment portfolio to include esports, the next generation content category based on competitive video-gaming.

"We are working on a new concept called 'esportainment', which we think will become a new content trend," says Maria Carmen Fernandez, Mediapro's innovation manager. "To the DNA of a company like Mediapro, esports content is mainly about entertainment."

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As TV producers, distributors and buyers seek new genres capable of attracting young consumers, it is perhaps unsurprising that esports, with its massive millennial and gen-Z fanbase, is developing into a new content category. "Esports and gaming content is becoming a strong trend in the market of entertainment consumption," Fernandez adds. "TV networks and new OTT platforms have a real chance to compete in the market with this new category of content and, in so doing, also offer the audience different formats to be consumed whenever and wherever the consumer desires."

To show its commitment to esports, Mediapro became the full owner of the Liga de Videojuegos Profesionales (LVP), a leading Spanish organiser of esports competitions and live events, in May. This gives Mediapro access to original content for U-Beat, its interactive live-streaming platform covering esports contests. U-Beat is also available as a linear TV network, targeting European and Latin America's expanding gaming audience. And with centennials (also known as gen Z) and millennials as the main audience, both platforms are designed to be viewed via mobile devices as well.

Esports is also generating its own clan of famous personalities, such as US-based multi-millionaire Tyler 'Ninja' Blevins. There are popular teams,
leagues, on-screen casters (as sports commentators are called) and broadcasters — the name for players who host their own esports shows on streaming platforms, sometimes from their bedrooms. Several have become full-time professionals and celebrities, earning millions from endorsing brands. Their achievements and lifestyles are the subject of documentaries and other TV-content genres. U-Beat’s programmes, for example, include talent show Master Caster and a late-night chat show called Hey No Se Sale aimed at esports enthusiasts, casual fans and anyone keen on quality on-screen entertainment. Fernandez emphasises that content creators entering this sector must be prepared to collaborate with fans, YouTube and other online influencers, brand-owners and sponsors to act as ambassadors for their platform. “At U-Beat, we are collaborating with casters, garners and influencers, creating 360-content experiences in our main shows and content,” she says. “We foresee a big opportunity in creating a more mainstream kind of content.”

Japanese powerhouse Nippon Television Network Corporation has formed its own in-house esports team, AXIZ, which will be the focus of content as it competes in tournaments worldwide. Nippon’s dedicated gaming subsidiary, AX Entertainment, has already produced eGG (Esports Good Game), a 50-minute documentary following the team’s ambitions, plus other esports news. Explaining the need to have its own team, AX Entertainment CEO Daisuke Kobayashi says: “It’s becoming increasingly costly to acquire the broadcasting rights to popular sports games everywhere in the world, thereby putting pressure on the bottom line of companies like ours. The most important components of esports, as well as any other sport, are the team itself and the players. As such, we deemed it necessary to own a team in order to create a viable esports business.”

As a strategy, it is nothing new for Nippon, Kobayashi adds: “We have a proven history of leveraging our platforms to pave the way for an in-house sports team to succeed. Nippon TV is a part of the Yomiuri Shimbun group, which established the Yomiuri Giants professional baseball team.” Yomiuri Shimbun is a Japanese national newspaper with a 140-year history.

In Europe, several broadcast-TV players have entered the international esports space. Notable among them is Ginx Esports TV, headquartered in the UK and backed by leading British commercial broadcasters Sky and ITV. The service, acknowledged as the world’s first global esports-dedicated broadcast TV network, is available in 55 million pay TV homes in 50 territories. In addition to the coverage of esports competitions, Ginx’s in-house produced shows include The First Hour, Daily Download and Forntite. Ginx CEO Michiel Bakker says premium esports content as standard TV entertainment is inevitable. “Seeing Kyle Giersdorf, the 16-year-old winner of the $3m Fortnite World Cup first prize, being interviewed by Jimmy Fallon on the Tonight Show a few months ago, tells you something about stories within esports becoming more interesting to mainstream TV networks,” he says. “Increasingly, the stories of sudden-found wealth of individual players such as Kyle, the extraordinary team performances like the back-to-back win by the team OG of the biggest tournament in esports (known as The International) and the ever-growing audience reach of esports as a whole, make it impossible to ignore.”

In the UK, Sky Sport, BT Sport, Eleven Sports and BBC Three are also among the networks that transmit and cover esports events. In continental Europe, Esports.TV is another international esports-focused network operated by Germany-based Turtle Entertainment. Both are part of MTG (Modern Times Group), the Scan-
linear world and apparently, it is enriching the overall audience instead of drawing viewers away from non-linear platforms," he adds.

To that end, ZDFE will soon bolster its archive with the Global Masters live esports event, which takes place in July 2020, along with a host of factual esports shows made by ZDF Digital.

However, broadcasters need to understand the competitive gaming community and how it interacts in real time with media, Rueckauer cautions: "Esports fans respond really, really fast to any action on the digital screen, and content creators and distributors must learn that." This is crucial, as sponsors and advertisers see esports as the gateway to reach today's fickle young digital natives, who are losing interest in traditional appointment-to-view TV.

That said, the future of esports on TV looks bright, according to Andy Fahey, director and esports lead at PoC. The professional services and research group forecasts global revenues will reach £1.38bn by 2023 from £755m in 2019. However, the potential revenue streams, including the value of media rights, need to be established.

Fahey says: "There are questions about where the correct home for esports coverage lies — on sports channels, entertainment channels or others? But the bigger question will be under what model will esports be shown? Will it be free to air [the esports community currently enjoys free coverage]? Will it be on a traditional subscription basis? Or will it be through one of the numerous streaming platforms now available?"

Esports is certainly the most dynamic new form of entertainment to emerge for gen Z and millennials — and Fahey believes the TV sector could become a significant part of it. "But trying to shoehorn esports into a particular box can be a tricky business," he says. "Therefore, the answer may be to let esports be many things to many different people, and keep it out of a box altogether."