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Let's Play, Germany! Video gaming & esports 2022

November 2022



**MAKING AN
IMPACT THAT
MATTERS**
since 1645

01 | The German Target Group (1/5)

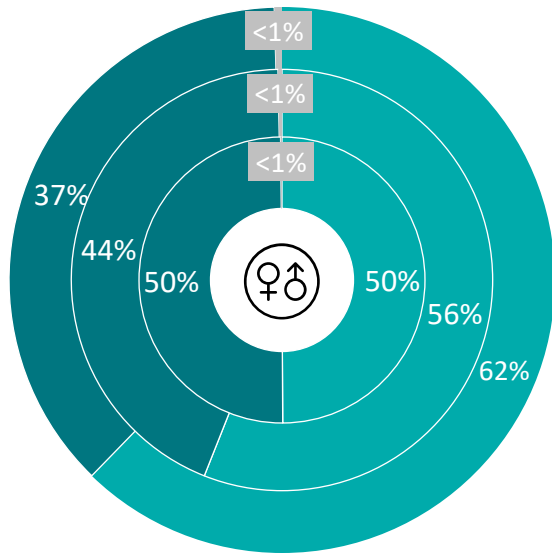
Esports viewers are predominantly male and comparatively young in comparison to video gamers. They belong to rather high income groups in relation to video gamers and the overall population



Gender distribution

Esports viewers (outer circle)
vs. video gamers (centre circle)
vs. overall sample (inner circle)

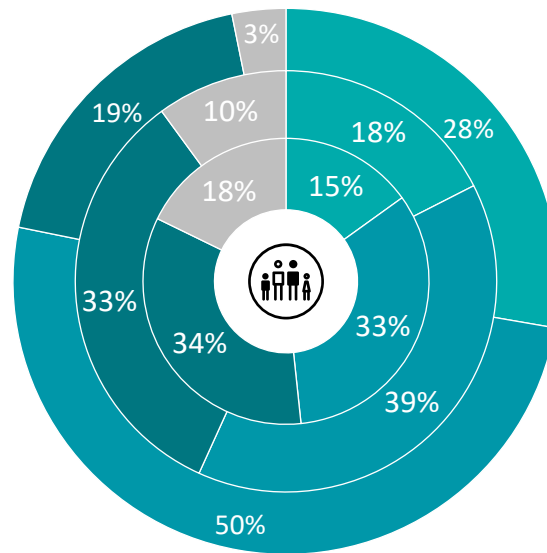
Male Female Other



Age distribution

Esports viewers (outer circle)
vs. video gamers (centre circle)
vs. overall sample (inner circle)

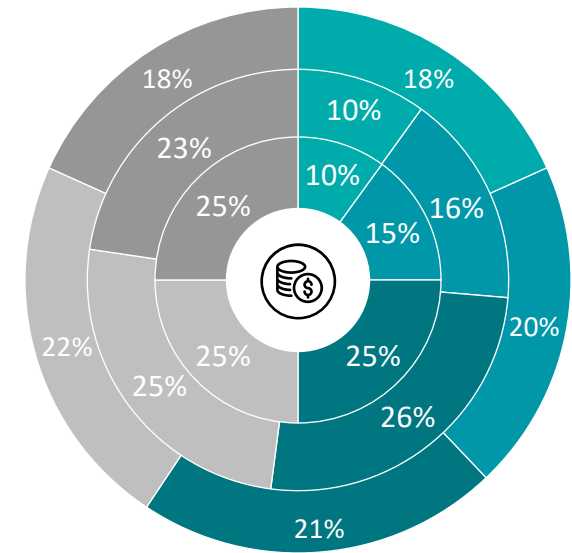
16-24 (Generation Z) 42-56 (Generation X)
25-41 (Millennials) 57+ (Baby Boomers)



Income distribution

Esports viewers (outer circle)
vs. video gamers (centre circle)
vs. overall sample (inner circle)

Top-10% 26-50% Lowest 25%
Top-11-25% 51-75%



01 | The German Target Group (2/5)

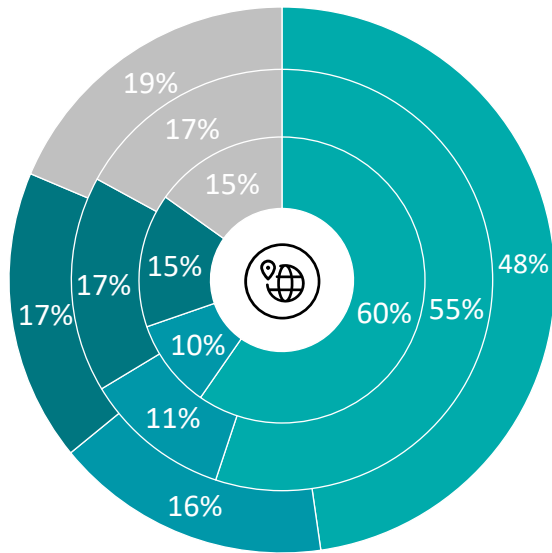
Esports viewers tend to be from larger cities and more frequently full-time employed than video gamers. Esports viewers have more often a background in business/economics and STEM than both video gamers and the population



Hometown size

Esports viewers (outer circle)
vs. video gamers (centre circle)
vs. overall sample (inner circle)

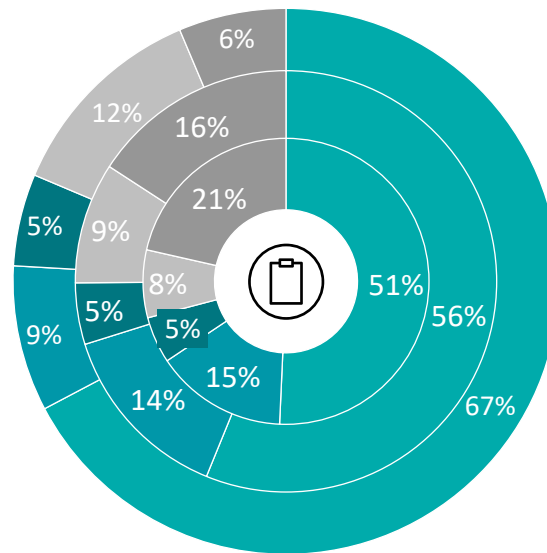
- Small town or rural area
- Medium-sized town
- Large city
- Very large city



Employment status

Esports viewers (outer circle)
vs. video gamers (centre circle)
vs. overall sample (inner circle)

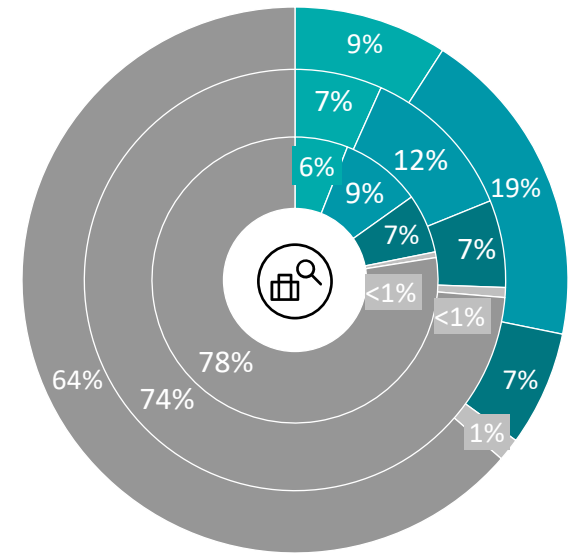
- Full-time
- Part-time
- Self-employed
- School/university student
- Other



Professional background

Esports viewers (outer circle)
vs. video gamers (centre circle)
vs. overall sample (inner circle)

- Business/economics
- STEM
- Healthcare sector
- Sports/fitness coaches
- Other



01 | The German Target Group (3/5)

Esports viewers tend to use free and paid subscription services relatively frequently. They watch professional sports and attend live events relatively often in comparison to both video gamers and the wider population

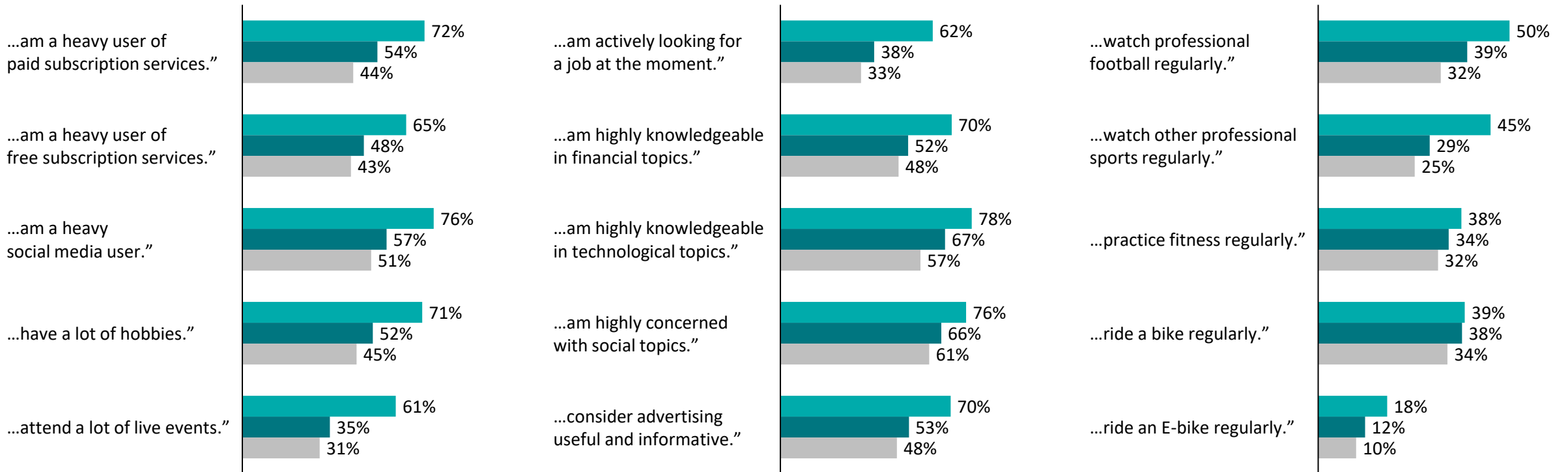


Distribution of selected characteristics among the target group

Esports viewers vs. Video gamers vs. Overall sample

Esports viewers Video gamers Overall sample

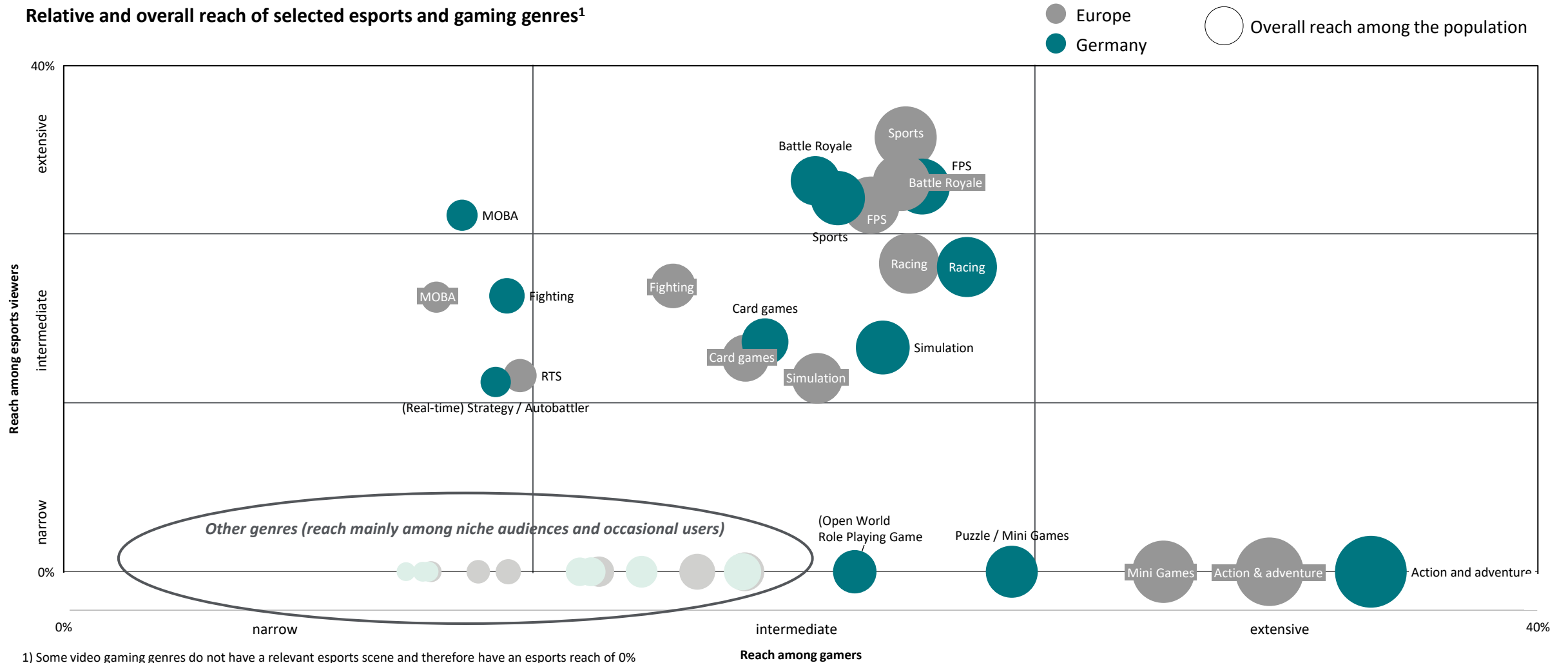
“I...



01 | The German Target Group: Business Opportunities in Video Gaming and esports (4/5)

Battle Royale, FPS, Racing and Sports belong to the esports genres that have the highest reach among esports viewers and video gamers in Germany and Europe. The genre Action & Adventure shows the highest reach among video gamers

Relative and overall reach of selected esports and gaming genres¹




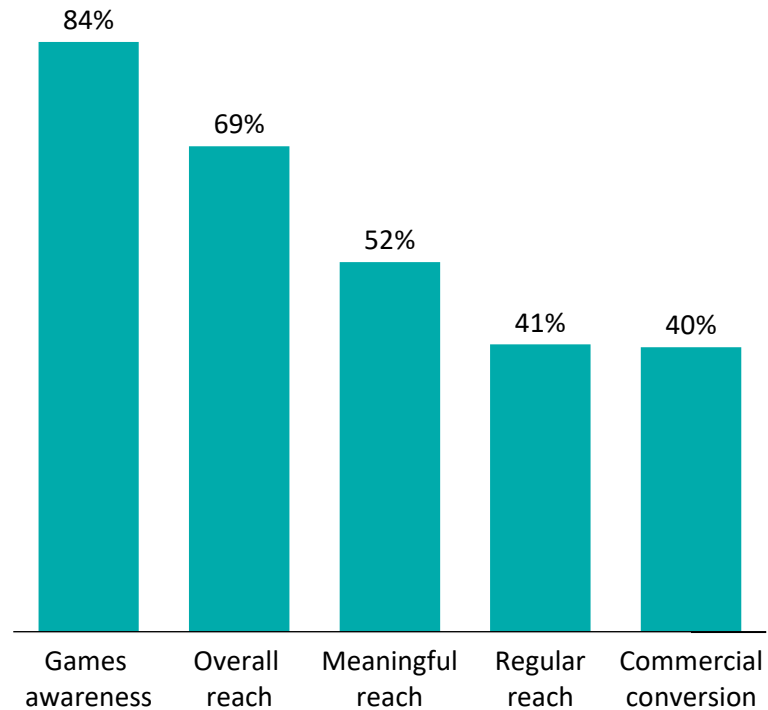
1) Some video gaming genres do not have a relevant esports scene and therefore have an esports reach of 0%

Source: Deloitte analysis

02 | Video Gaming in Germany (1/2)

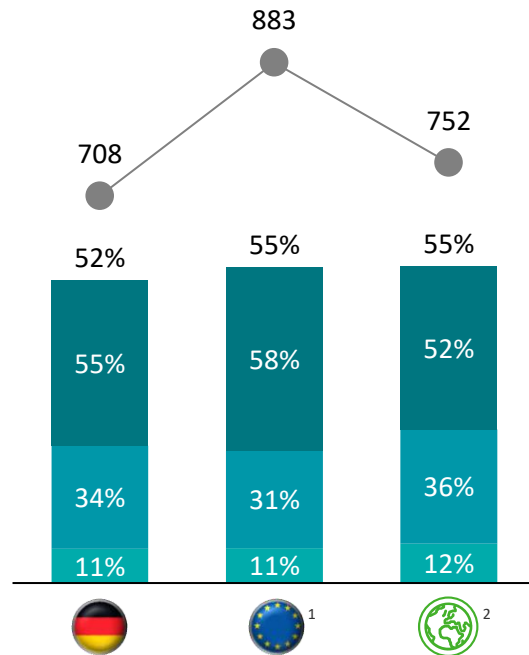
While 84% of Germans are aware of video games, 40% are commercially engaged. The monthly video gaming-related spending numbers to 25€ per person on average

 **Video gaming engagement maturity in 2022**
% of Germans to whom below categories apply








Weekly video gaming consumption times
among Germans in the last 6 months

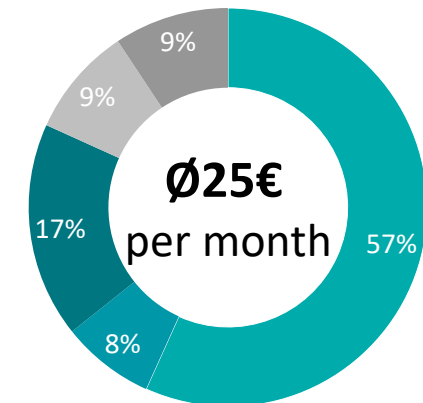
 Ø min./week
 played ≥1 hour/day
 played ≥1 hour/week
 played <1 hour/week



1) "Europe" refers to the European countries included in the consumer survey;
2) "Global" refers to all countries included in the consumer survey


Monthly video gaming-related spending (distribution)
among German video gamers over the last 6 months

 Full game copies (for console, PC or mobile)
 In-game content
 Essential video gaming hardware
 Peripheral video gaming hardware
 Video gaming subscription services

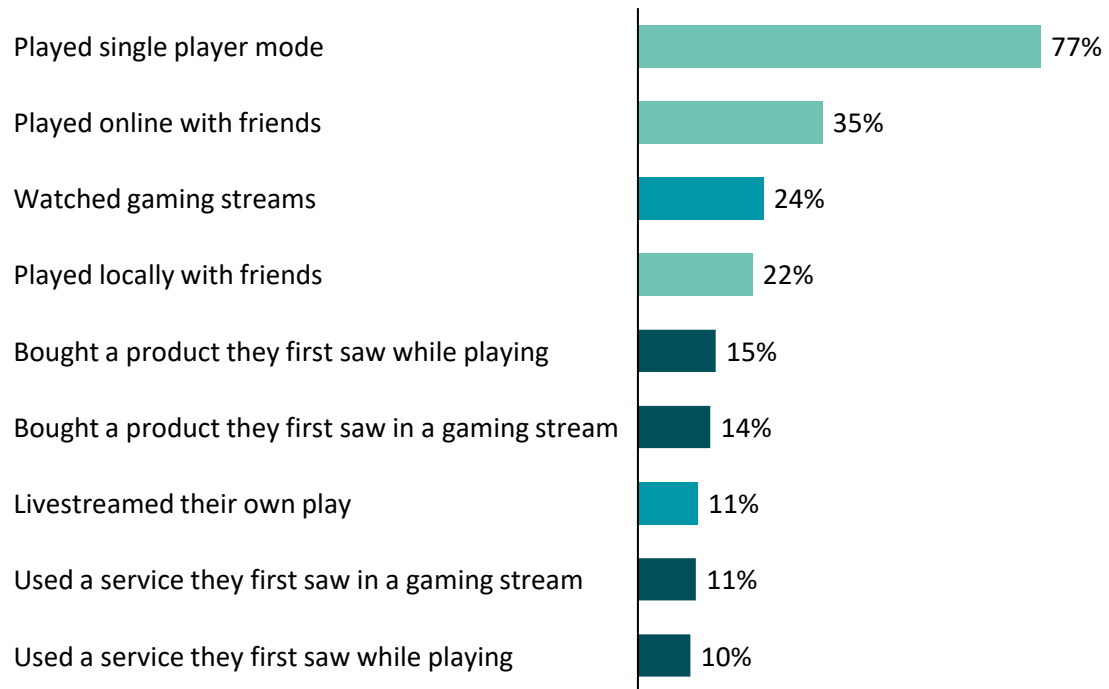



02 | Video Gaming in Germany (2/2)

Among German video gamers, about 15% bought a product they first saw while playing or watching a stream. The mobile phone and the console are the most used game mediums

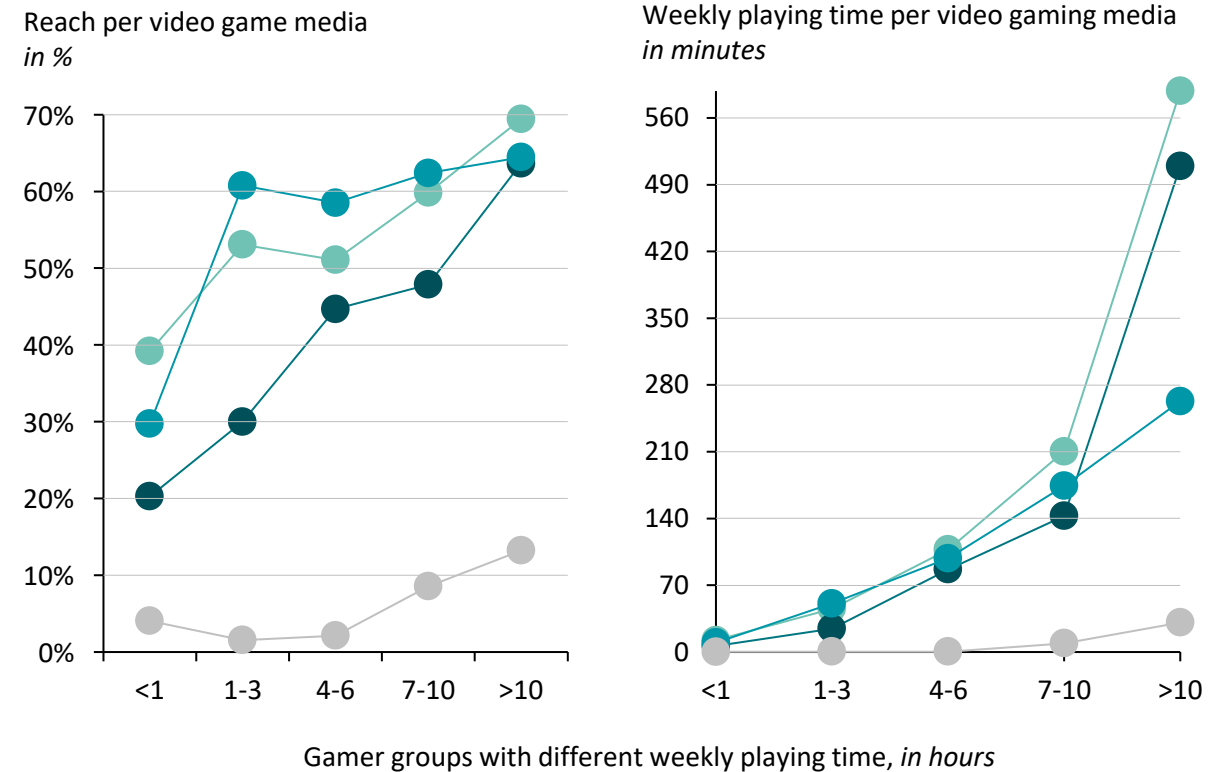
 **Engagement habits with video gaming content**
among German video gamers over the last 6 months

■ Playing behaviour ■ Video game streaming ■ Purchases driven by video gaming



 **Usage of selected video gaming media by consumer type**
among German video gamers over the last 6 months

● Console ● Mobile ● PC ● VR

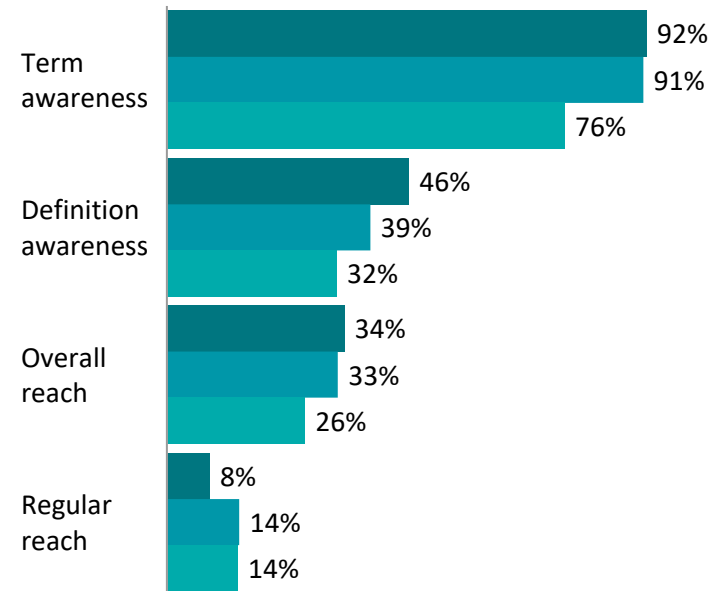


03 | Esports in Germany (1/2)

92% of Germans are familiar with the term “esports”, 46% are aware of the definition. An esports viewer spends monthly about 17€ on esports-related items on average, mainly on attending events and for merchandise

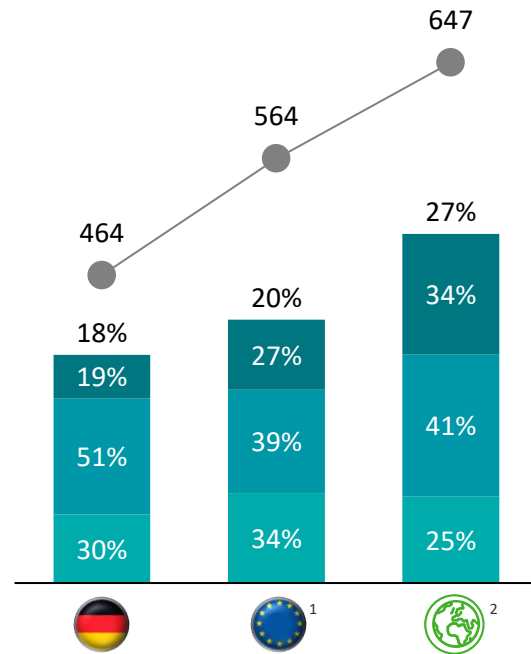
Development of esports engagement maturity

% of Germans to whom below categories apply



Esports reach and weekly consumption times

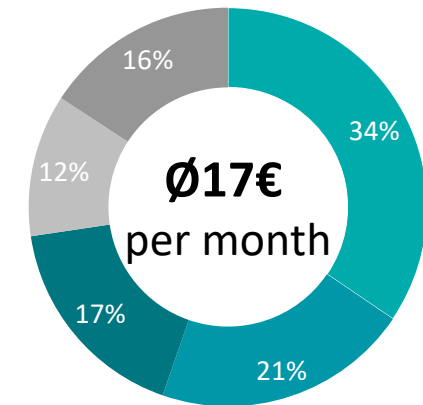
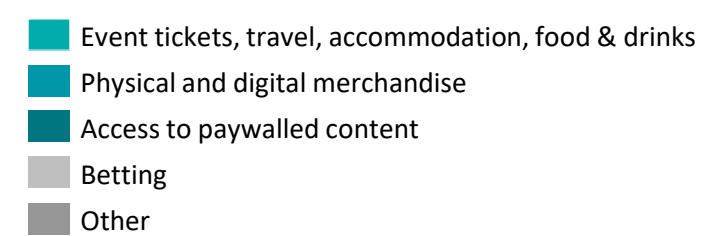
among Germans in the last 6 months



1) “Europe” refers to the European countries included in the consumer survey;
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Monthly esports-related spending (distribution)

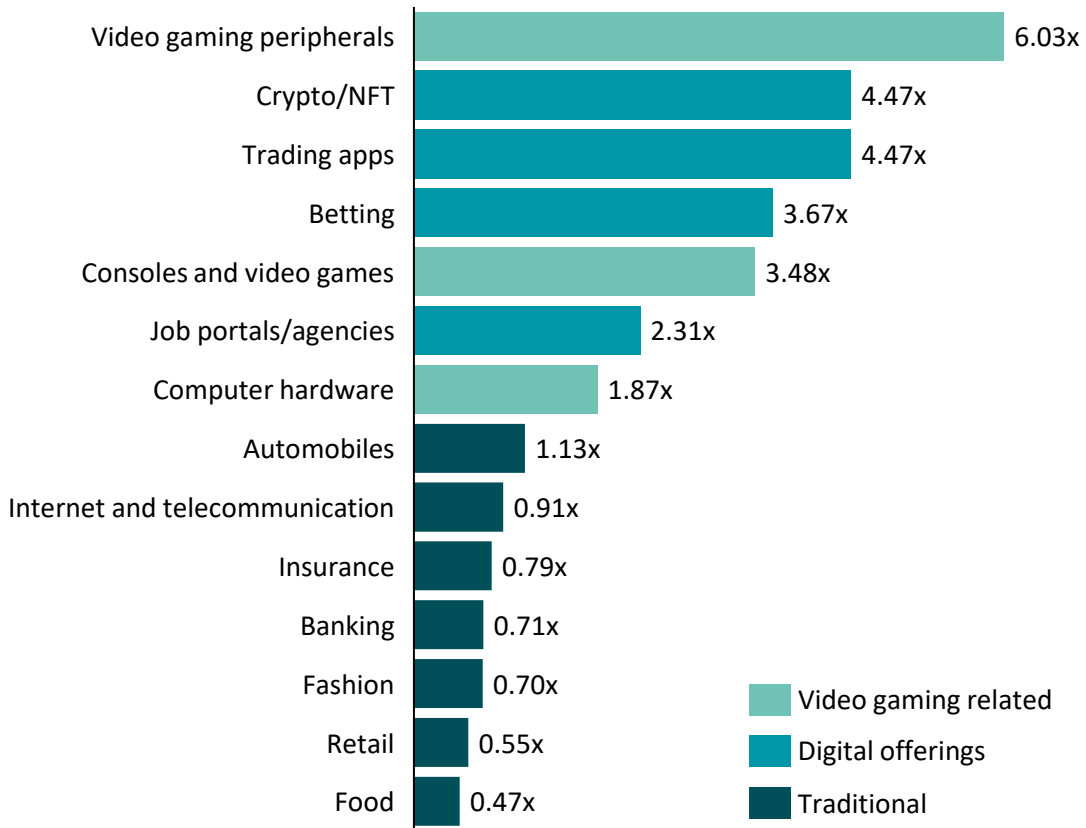
among German esports viewers over the last 6 months




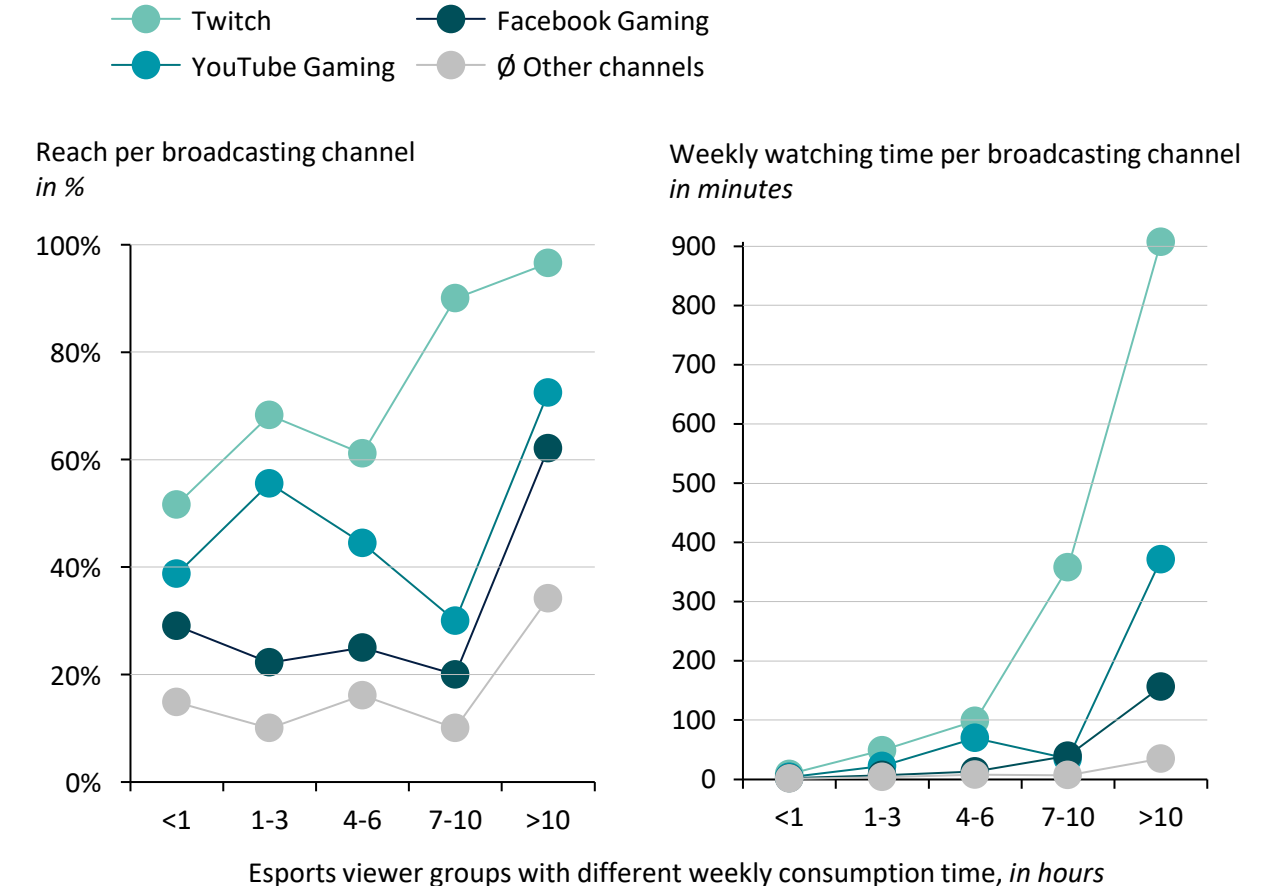
03 | Esports in Germany (2/2)

Crypto/NFT, trading apps and betting are more relevant for German esports viewers in comparison to non-viewers. In terms of esports broadcasting channels, Twitch dominates the market in terms of both reach and watch time

 **Relevance of selected product categories** among German esports viewers vs. Non-viewers¹



 **Usage of selected esports broadcasting channels by consumer type** among German esports viewers over the last 6 months



1) Figures indicate the factor by which the relevance of the respective product categories is higher among esports viewers than non-viewers (values <1 indicate a higher importance among non-viewers)

Source: Deloitte analysis

04 | Glossary (1/3)

Action & Adventure

Action & Adventure games feature a mix of elements that challenge the player to solve problems and react to real-time events and occurrences. The games may comprise storylines and combat situations which, however, is not prevalent in all titles of the genre

Baby Boomers

Respondents age 57+

Battle Royale

In a Battle Royale match, multiple players compete on the same map, starting with minimal equipment. The object is to be the last remaining player on the map after all other players have been eliminated either by combat or by being 'trapped' outside a shrinking 'safe zone' on the map

Card Games

Collectible Card Games bring classic trading card games into the digital world, often based on the same rules as the analogue games

Commercial Conversion

Share of respondents who have paid money for esports-related content, products or services in the last six months, either for themselves or for someone else (for example, as a gift or paying a fee for friends and family)

Esports Engagement Maturity

Developmental stage of individual esports markets regarding term and definition awareness, overall reach, meaningful reach, regular reach and commercial conversion

Endemic companies

Companies whose core products and services are related to video gaming and/or esports

Esports

This study defines esports as playing computer, mobile and console video games on a professional competitive level, with teams or individuals playing each other within leagues or tournaments. Aside from the competitions, esports is primarily a spectator product and is watched by audiences on the internet, on TV and on-site at live events. Esports are a subcategory of the overall gaming industry, which includes the active and leisure playing of video games

Esports Ecosystem/Sector (Stakeholders)

The esports ecosystem revolves around key value drivers and orchestrators of esports competitions, products, services and content. Besides the core value-creating stakeholders (league organisers, event hosts and esports teams and players), it includes stakeholders from the publisher segment, traditional media and online platforms, and strategic partners. Also, the esports audience is a key stakeholder in the esports ecosystem

Esports Genres

Category of games classified by structure, design and goals of the specific games

Esports Term Awareness

Share of respondents who know the term 'esports,' independent of the ability to define the term correctly

Esports Titles

Individual game titles in which the competitions are held. Therefore, in the esports context, they are comparable to 'disciplines' in traditional sports.

04 | Glossary (2/3)

Esports viewers

Respondents who have watched professional esports in the last six months on the internet, on TV or at a live event

Essential video gaming hardware

Video gaming consoles and Gaming PCs

Fighting

In fighting games, two or more players engage in battle, mainly featuring hand-to-hand combat elements

FPS/First-Person Shooter

FPS games focus on weapon-based combat between teams or individuals from a first-person perspective. There are different matches with distinct goals, for example, occupying the home base of the opponent

Game awareness

Share of respondents who know at least one video game

Game streaming viewer

Respondents who have watched game-related streaming content in the last six months

Generation X

Respondents aged 42-56

Gen Z

Respondents aged 16-24

Hardcore User

Esports viewers who watched esports content at least one hour per day in the last six months

Heavy User

Esports viewers who watched esports content between 4-6 hours per week in the last six months

Large city

100,000 to 499,999 inhabitants

Meaningful Esports Reach

Share of respondents who have watched professional esports content at least once in the last six months

Medium-sized town

50,000 to 99,999 inhabitants

Millennials

Respondents aged 25-41

Mini Games

Mini Games are small, often simplistic games for casual usage, featuring different gameplay elements

MOBA/Multiplayer Online Battle Arena

In MOBA, two teams compete against each other from a home base on different maps with distinct features. The players, who each control a character with specific strengths and weaknesses, collaborate as a team to execute their overall strategy. The objective is to destroy the opposing team's home base

NFT/Non-Fungible Token

A non-copyable, non-changeable, and non-subdividable digital identification stored on a blockchain, used to verify ownership

Non-endemic companies

Companies whose core products and services are unrelated to video gaming and/or esports

Non-viewers

Respondents who have never watched professional esports

Occasional User

Esports viewers who watched esports content less than once per week in the last six months

04 | Glossary (3/3)

Overall Esports Reach

Share of respondents who have watched professional esports content at least once in the past

Penetration rate

Reach of a content, product or service within a predefined market

Racing

Racing games simulate racing competitions based on a wide variety of vehicles

Regular Esports Engagement

Share of respondents who have watched professional esports content at least once per week in the last six months

Regular User

Esports viewers who watched esports content between 1-3 hours per week in the last six months

RTS/Real-Time Strategy

In RTS games, players develop assets such as infrastructure, resources or troops in an attempt to outmanoeuvre their opponents

Simulation

The Simulation genre aims to closely simulate/copy real-world activities

Small town or rural area

less than 50,000 inhabitants

Sports

Sports simulations bring sports into the video gaming world by either adapting real-world sports in their original game environment or adapting specific elements of sports in a more abstract setting

STEM

Science, Technology, Engineering and Mathematics

Very large city

more than 499,999 inhabitants

Video gamers

Respondents who have played video games in the last six months on console, PC, mobile devices or virtual reality devices

Video gaming

Active playing of video games as a leisure activity

Video gaming peripherals

Add-on video gaming products such as controllers, gaming chairs and headsets

Video gaming streamer

Respondents who create an online stream of their own video game play

Video gaming subscription services

Subscription-based offering of video game titles

Video game-related streaming/Game-related streaming

Transmission of video game content within an online network. Streamed content relates to free time/leisure video gaming and often contains entertainment elements. Therefore, it is distinct from esports. People can participate actively (streaming their own play) or passively (watching content generated by other people) and participation is open to every interested person

VR

Virtual Reality Device

05 | Methodology

25,000 people from 22 global markets were surveyed in August and September 2022 regarding their video gaming and esports consumption. In addition, 53 European market experts were interviewed

Consumer survey:



Representative survey among **~25,000 participants globally**



22 global markets



Asia-Pacific



Europe



Middle East



North America



1| Video **gaming, esports** and game **streaming** consumption

Expert survey:



Online interviews w/ **53 market experts**

- Teams
- League & Event Hosts
- Further stakeholders

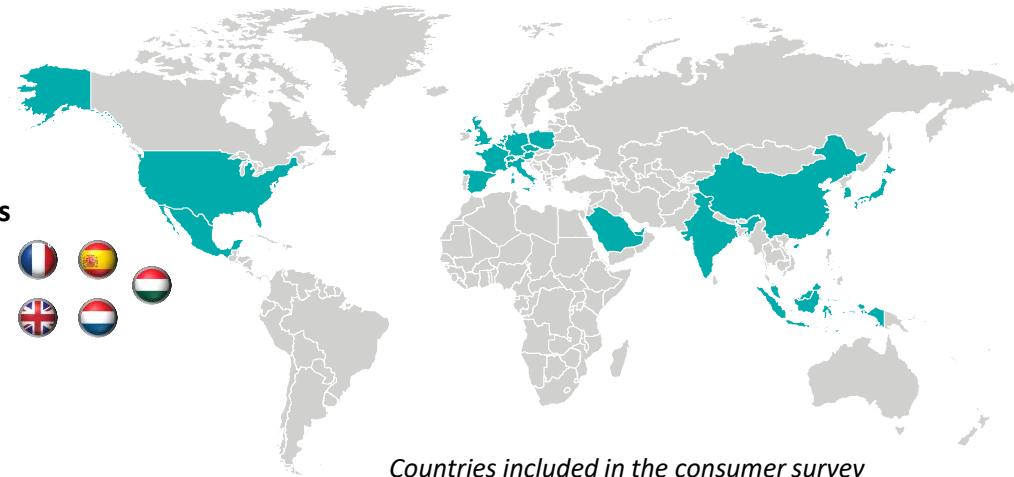


15 European countries



1| **Economic situation** of teams and event hosts

2| Assessment of current **market trends**



06 | Authors of the study



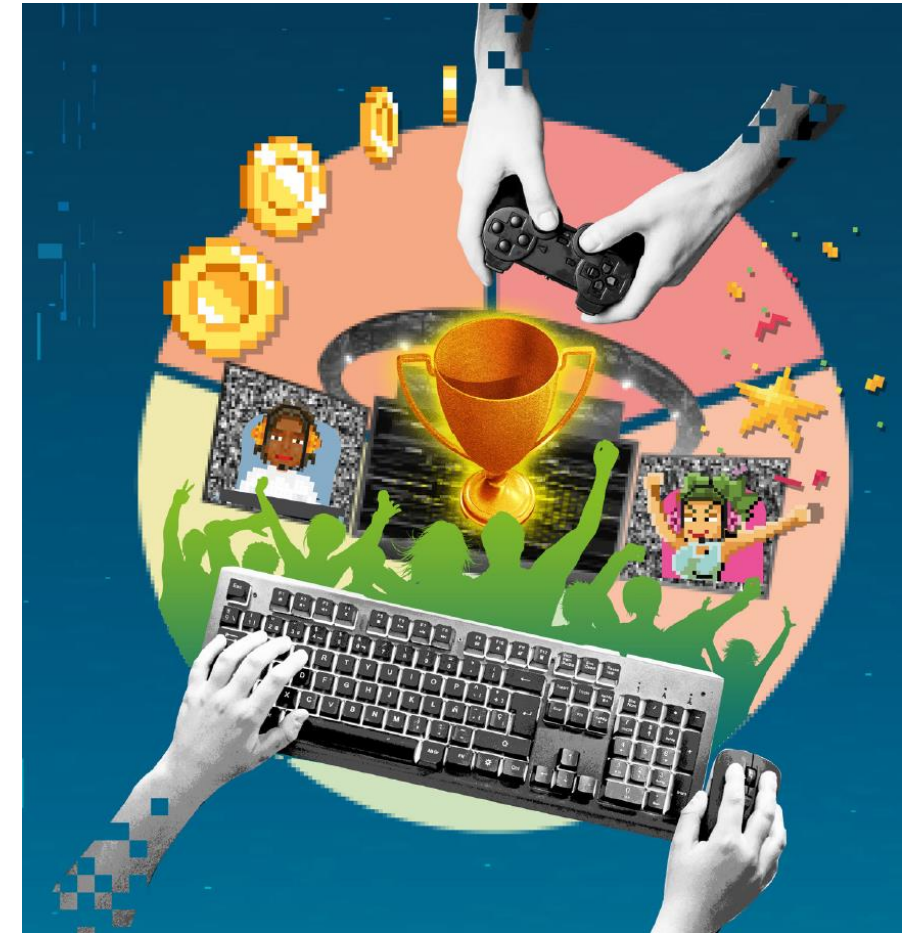
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